



# Q3

**Interim Report  
1 January-30 September  
2015**

# The Finnvera Group's Interim Report for January–September 2015

## An upswing in financing for ownership arrangements

By the end of September, Finnvera had financed considerably more company acquisitions than during the same period the year before. During the period under review, Finnvera was involved in over 700 changes of ownership. Finnvera's total contribution was EUR 106 million, or 80 per cent more than in the corresponding period in 2014. It is estimated that Finnvera is involved in every third company acquisition. The period under review was the first time after 2010 when the number of ownership arrangements showed an upswing.

According to the SME Barometer survey conducted this autumn, investment expectations have improved since last spring. As yet, however, no change is apparent in Finnvera's financing; as before, SME financing was needed for working capital considerably more than for investments. It is over three years since investments accounted for a larger share of financing offered to SMEs than working capital.

### Business operations and the financial trend

During the period under review, the volume of export credit guarantee offers given by Finnvera was 52 per cent greater than in the corresponding period in 2014. As concerns financing offers for export credits, the figure was over two times greater. The volume of loans and guarantees granted to SMEs and enterprises larger than the SME definition applied by the EU was 31 per cent greater than the year before.

Finnvera Group		
	1 Jan–30 Sep 2015	1 Jan–30 Sep 2014
Offered financing		
Loans and guarantees	694 MEUR	530 MEUR
Export credit guarantees and special guarantees	5,733 MEUR	3,767 MEUR
Export credits	3,601 MEUR	1,516 MEUR
	<b>30 Sep 2015</b>	<b>31 Dec 2014</b>
Outstanding commitments		
Loans and guarantees	2,338 MEUR	2,378 MEUR
Export credit guarantees and special guarantees	16,628 MEUR	12,600 MEUR
Export credits	4,263 MEUR	3,319 MEUR
	<b>1 Jan–30 Sep 2015</b>	<b>1 Jan–30 Sep 2014</b>
Operating profit	108 MEUR	75 MEUR
Profit for the period	106 MEUR	76 MEUR
	<b>30 Sep 2015</b>	<b>31 Dec 2014</b>
Equity ratio	13.2%	14.4%
Capital adequacy, Tier 2	17.9%	18.6%
Cost-income ratio	25.5%	25.7%

The Finnvera Group's profit for the third quarter of 2015 was EUR 51 million, or EUR 23 million better than for the second quarter (28 million). The main factors improving the result were the reduction of EUR 19 million in impairment losses on receivables and guarantee losses, the reduction of EUR 5 million in losses from items carried at fair value, and the decrease of EUR 1 million in administrative expenses.

The Finnvera Group's profit for January-September totalled EUR 106 million (76 million), or EUR 30 million more than during the corresponding period in 2014. The main factors improving the financial performance for the past nine months were the decrease of EUR 27 million in impairment losses on receivables and guarantee losses, the increase of 5 per cent, or EUR 5 million, in the parent company Finnvera plc's fee and commission income, as well as the decrease of EUR 6 million in losses from items carried at fair value.

The parent company Finnvera plc's profit for January-September stood at EUR 108 million (84 million). The Group companies and associated companies had an effect of EUR -2 million on the profit (-9 million). Venture capital investments accounted for EUR -8 million (-9 million) of this effect. Interest equalisation and the financing of export credits by Finnish Export Credit Ltd accounted for EUR 6 million (0.5 million).

When the result is broken down by business sector, both the parent company's export financing and SME financing showed a profit for January-September: the separate result for export credit guarantees and special guarantees came to EUR 68 million (79 million), while the profit for credits and guarantees in SME financing was EUR 40 million (4 million).

<b>Finnvera Group Financial performance</b>	<b>Q3/2015 MEUR</b>	<b>Q2/2015 MEUR</b>	<b>Change %</b>	<b>Q3/2014 MEUR</b>	<b>Change %</b>	<b>1-9/2015 MEUR</b>	<b>1-9/2014 MEUR</b>	<b>Change %</b>
Net Interest income	15	15	0	14	3	43	42	2
Fee and commission income and expenses (net)	34	36	-5	33	5	107	103	5
Gains/losses from items carried at fair value	-2	-7	-77	-6	-74	-8	-14	-44
Administrative expenses	-9	-11	-14	-8	12	-32	-29	8
Impairment losses, guarantee losses	16	-3	-719	10	63	2	-25	-58
Loans and domestic guarantees	6	-7	-186	-38	-116	-66	-79	76
Credit loss compensation from the State	9	5	101	23	-59	69	45	162
Export credit guarantees and special guarantees	1	0	-410	25	-96	-1	9	-86
Operating profit	53	28	86	41	27	108	75	45
Profit for the period	51	28	81	42	22	106	76	40

### Outlook for financing

In euros, the demand for SME financing was about one third greater than during the first nine months the year before. The growth was attributable above all to Finnvera's wider mandates, such as the possibility to finance enterprises larger than SMEs and to subscribe bonds. The volume of SME financing is expected to remain at a high level during the last quarter of the year as well.

Demand for export credit guarantees also continued strong during the third quarter and is expected to remain equally brisk until the end of the year. Country risks are always assessed when guarantee decisions are made; at present, a close eye is kept on economic trends in countries such as Russia and Brazil. These two countries together account for just under one quarter of all outstanding export credit guarantees.

According to the current estimate, the Finnvera Group's financial performance for 2015 is likely to be better than in 2014 because there have been fewer new impairment losses and provisions for losses than had been expected. In a similar estimate

made early in 2015, the financial performance was expected to fall below that in 2014. The uncertainty factors associated with economic trends make it difficult to predict financial performance. If more risks materialise than has been anticipated, the situation may weaken considerably from what is projected.

**CEO Pauli Heikkilä:**

“The number of enterprises will inevitably decline if there is no one to continue ageing entrepreneurs’ work. Both competitive companies on the domestic market and companies engaged in exports should be able to continue their operations by means of ownership changes. Acquiring an operating company is a viable alternative to establishing a new one. For our part, we are actively involved in the financing of various ownership arrangements. Together with the Ministry of Employment and the Economy, we are planning a new programme for financing ownership changes. We are also preparing the adoption of an instrument for mezzanine financing. The aim is to put the new financing tools to use in early 2016.

During the period under review, we completed our biggest acquisition of funds to date: one billion euros. We manage a large liquidity reserve in order to be able to finance, among other things, the coming purchases of ships. Our authorisation to grant export credits is already largely in use and we are currently negotiating about raising it.”

## Finnvera Group

### Interim Report for 1 January–30 September 2015

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Aside from the parent company, Finnvera plc, the Finnvera Group comprises the following subsidiaries: Seed Fund Vera Ltd and Veraventure Ltd, engaged in venture capital investments, and Finnish Export Credit Ltd, which provides export credits and administers interest equalisation.

## The Group's financial trend

### The Finnvera Group's July-September 2015

The Finnvera Group's profit for the third quarter of 2015 was EUR 51 million, or EUR 23 million better than for the second quarter (28 million). The main factors improving the result were the reduction of EUR 19 million in impairment losses on receivables and guarantee losses, the reduction of EUR 5 million in losses from items carried at fair value, and the decrease of EUR 1 million in administrative expenses.

During July-September, the net value of the Group's fee and commission income and expenses came to EUR 34 million, or 5 per cent and EUR 2 million less than in the previous quarter. This diminished the result for the third quarter when compared against the previous quarter. The Finnvera Group's net interest income came to EUR 15 million in the third quarter. The net interest income remained at the same level as in the second quarter.

### The Finnvera Group's January-September 2015

The Finnvera Group's profit for January-September totalled EUR 106 million (76 million). The profit was EUR 30 million more than during the corresponding period in 2014. The main factors improving the financial performance for the past nine months were the decrease of EUR 27 million in impairment losses on receivables and guarantee losses, the increase of 5 per cent, or EUR 5 million, in the parent company Finnvera plc's fee and commission income, as well as the decrease of EUR 6 million in losses from items carried at fair value.

The parent company Finnvera plc's profit for January-September stood at EUR 108 million (84 million). The Group companies and associated companies had an effect of EUR -2 million on the profit (-9 million). Venture capital investments accounted for EUR -8 million (-9 million) of this effect. Interest equalisation and the financing of export credits by Finnish Export Credit Ltd accounted for EUR 6 million (0.5 million).

When the result is broken down by business sector, both the parent company's export financing and SME financing showed a profit for January-September: the separate result for export credit guarantees and special guarantees came to EUR 68 million (79 million), while the profit for credits and guarantees in SME financing was EUR 40 million (4 million).

## Analysis of the financial performance for January-September 2015

### Interest income and expenses and interest subsidies

The Finnvera Group's net interest income for January-September came to EUR 43 million. The net interest income was two per cent greater than during the corresponding period in 2014 (42 million).

The interest subsidies paid by the State and the European Regional Development Fund (ERDF), and passed on to clients directly, totalled EUR 3 million, or nearly 50 per cent less than the year before. The granting of interest-subsidised financing ceased at the beginning of 2014. In consequence, the amount of interest subsidies during the period under review was smaller than before. The accumulation of interest subsidies will cease completely in the coming years when all interest-subsidised financing has been repaid.

### Fee and commission income and expenses

The net value of the Group's fee and commission income and expenses came to EUR 107 million (103 million). Underlying the increase of 5 per cent in fee and commission income were some individual major export credit guarantees that came into effect and the general rise in risk premiums on the market.

The gross sum of the fee and commission income totalled EUR 118 million (109 million). Of this, the parent company's fee and commission income from export credit guarantees and special guarantees accounted for EUR 87 million, or 74 per cent (80), while SME financing accounted for EUR 30 million, or 26 per cent (28). Finnish Export Credit Ltd's fee and commission income from interest equalisation and export credit financing amounted to EUR 0.5 million (1 million).

The fee and commission expenses totalled EUR 11 million (5 million). The fee and commission expenses consisted mainly of reinsurance costs for policies taken out by the parent company, Finnvera plc. Reinsurance protection has been increased, which has contributed to the rise in reinsurance costs.

### Gains/losses from items carried at fair value

The Group's losses from items carried at fair value totalled EUR 8 million (14 million). Of these losses, the change in the fair value of venture capital investments accounted for EUR



7 million (11 million). The change in the fair value of debts and interest rate and currency swaps, as well as exchange rate differences, accounted for EUR 0.5 million (3 million).

#### Other income

In January-September, the Group's net income from investments totalled EUR -0.5 million (1 million). This was caused by losses in the assignment of debt securities. Other operating income totalled EUR 0.6 million (1 million), which comprised, among other things, rental income and the management fee paid by the State Guarantee Fund for managing the liability for export credit guarantees and special guarantees arisen prior to 1999.

#### Impairment losses on receivables, guarantee losses

The Group's impairment losses and guarantee losses on loans, domestic guarantees, export guarantees and special

guarantees totalled EUR 67 million (70 million). The credit and guarantee losses materialised totalled EUR 102 million (87 million), while the change in impairment losses on credits and in provisions for losses accounted for EUR -35 million (-17 million). The reason for the exceptional negative change in impairment losses on credits and in provisions for losses was that the impairment losses and provisions for losses recognised in previous years were either reversed or decreased.

The compensation paid by the State and the European Regional Development Fund for credit and guarantee losses in SME financing totalled EUR 69 million (45 million), or 66 per cent of the losses materialised. Some large individual losses that materialised in January–September had an impact on the total compensation for credit losses. After the compensation for credit losses by the State, the Finnvera Group's liability for the impairment and losses in the period under review was EUR -2 million (25 million).

<b>Finnvera Group</b> <b>Impairment losses on receivables, guarantee losses</b>	<b>Q3/2015</b> <b>MEUR</b>	<b>Q2/2015</b> <b>MEUR</b>	<b>Change</b> <b>%</b>	<b>Q3/2014</b> <b>MEUR</b>	<b>Change</b> <b>%</b>	<b>1–9/2015</b> <b>MEUR</b>	<b>1–9/2014</b> <b>MEUR</b>	<b>Change</b> <b>%</b>
Impairment losses on receivables, guarantee losses	5	-3	-271	10	-55	2	-25	-58
Loans and domestic guarantees	-59	-7	760	-38	57	-66	-79	76
Credit loss compensation from the State	65	5	1 299	23	187	69	45	162
Export credit guarantees and special guarantees	-1	0	117	25	-103	-1	9	-86

Calculated according to the method harmonised at EU level, the net amount of doubtful receivables in SME financing stood at EUR 200 million at the end of September. When the impairment losses recognised are considered, doubtful receivables accounted for 8.1 per cent of the total outstanding commitments. When the State's compensation for credit losses – a reducing factor in SME financing – is also taken into account, the ratio of doubtful receivables to total outstanding commitments was 3.8 per cent.

#### Operating expenses

The Group's administrative expenses, including personnel expenses and other expenses, were EUR 32 million (29 million). Administrative expenses totalled EUR 2 million more than during the corresponding period in 2014. Personnel expenses accounted for 69 per cent of administrative expenses (68).

Other operating expenses in the Group came to EUR 5 million (5 million). Other operating expenses include depreciation and costs associated with real property.

#### Long-term economic self-sustainability

According to the goal of economic self-sustainability set for Finnvera's operations, the income received from the company's operations must, in the long run, cover the company's operating expenses. The period for reviewing self-sustainability is 10 years for SME financing and 20 years for export financing.

Self-sustainability in Finnvera's SME financing has been attained over a period of 10 years when the cumulative result is calculated up to the end of September 2015. Correspondingly, export financing has been economically

self-sustainable during Finnvera's history of more than 15 years of operation. If the payment-based result of Finnvera's predecessor, the Finnish Guarantee Board, for its last years of operation is taken into account when reviewing the self-sustainability of export financing, economic self-sustainability is also realised over a 20-year period.

The extent and risk level of Finnvera's outstanding commitments will have a significant impact on its financial performance and long-term economic self-sustainability in the coming years. In examining the financial performance, it is important to note that, at the end of September 2015, Finnvera's total commitments for export credit guarantees and special guarantees amounted to EUR 16.6 billion and the commitments for credits and guarantees in SME financing, as well as guarantee receivables, stood at EUR 2.3 billion. Seen against these commitments, the net profit building a loss buffer on the balance sheet is now about 0.6 per cent at the annual level, and the equity is 6 per cent.

### Balance sheet 30 September 2015

At the end of September, the consolidated balance sheet total was EUR 8,055 million (6,619 million), while the balance sheet total of the parent company, Finnvera plc, came to EUR 5,720 million (4,122 million). The consolidated balance sheet total has increased by 22 per cent, or EUR 1,436 million, during 2015. Most of the increase stemmed from the financing of export credits carried out by the subsidiary Finnish Export Credit Ltd. At the end of September, the balance sheet total of Finnish Export Credit Ltd was EUR 4,390 million (3,425 million).

At the end of September, the Group's outstanding credits came to EUR 5,436 million (4,593 million), or EUR 843 million more than at the start of the year. The outstanding credits of the parent company, Finnvera plc, came to EUR 3,143 million (2,193 million), of which the receivables from the subsidiaries totalled EUR 1,977 million (928 million).

The parent company's outstanding domestic guarantees have increased slightly during 2015 and totalled EUR 1,015 million on 30 September (988 million).

The outstanding commitments, as defined in the Act on the State's Export Credit Guarantees, totalled EUR 12,993 million at the end of September (10,755 million). Outstanding commitments arising from export credit guarantees and special guarantees (current commitments and offers given, including export guarantees) totalled EUR 16,628 million (12,600 million).

The parent company's long-term liabilities as per 30 September totalled EUR 4,016 million (2,650 million). Of this sum, EUR 3,928 million (2,564 million) consisted of bonds. The liabilities include subordinated loans of EUR 38 million received by Finnvera from the State for investment in the share capitals of Seed Fund Vera Ltd and Veraventure Ltd (36 million), and a subordinated loan of EUR 50 million granted by the State for strengthening capital adequacy (50 million).

At the end of the period under review, the Group's non-restricted reserves contained a total of EUR 866 million (756 million), of which the reserve for domestic operations accounted for EUR 136 million (135 million), the reserve for export credit guarantees and special guarantees EUR 536 million (436 million), the reserve for venture capital investments EUR 17 million (17 million) and retained profits for EUR 177 million (169 million).

To comply with the requirements of IAS 8 standard, the non-restricted reserves were adjusted during the previous period, Q2/2015. The reason for the adjustment was a system error affecting export credit guarantee income and reinsurance expenses, which meant that the figures for guarantee premiums and reinsurance premiums paid in advance for the previous financial periods and shown on the balance sheet were too high, EUR 53 million. The impact of the adjustment on the net value of the fee and commission income and expenses for the reference period of 1 January–30 September 2014 was EUR -0.7 million (Note 1).

The reserve for venture capital investments, under unrestricted equity on the balance sheet, is used to monitor the assets allocated by the ERDF to venture capital investments.



Finnvera Group Balance sheet	30 June 2015 MEUR	31 Dec 2014 MEUR	Change MEUR	Change %
Share capital	197	197	0	0
Share premium and fair value reserve	50	51	-1	-2
Non-restricted reserves, in total	866	756	109	14
Reserve for domestic operations	136	135	1	1
Reserve for export credit guarantees and special guarantees	536	436	100	23
Other	17	17	0	0
Retained earnings	177	169	8	5
Equity attributable to the parent company's shareholders	1,112	1,004	108	11
Share of equity held by non-controlling interest	5	5	0	-8
Balance sheet total	8,055	6,619	1,436	22

### Acquisition of funds

In January-September, the Group's long-term acquisition of funds totalled EUR 1,447 million (1,299 million). EUR 457 million in long-term loans was repaid (356 million).

### Capital adequacy

According to the goal set by the State of Finland, the owner of Finnvera, the Group's capital adequacy ratio should be at

least 12.0 per cent. Capital adequacy is calculated in accordance with the principles of the Basel III standard method. At the end of September, the Group's Tier 2 capital adequacy ratio stood at 17.9 per cent (18.6) while the Tier 2 capital adequacy of the parent company, Finnvera plc, was 17.0 per cent (17.8).

Capital adequacy Finnvera Group	30 Sep 2015 %	31 Dec 2014 %	Change % points	30 Sep 2014 %
Tier 1	17.4	17.7	-0.3	17.2
Tier 2	17.9	18.6	-0.7	18.2

Capital adequacy Finnvera plc	30 Sep 2015 %	31 Dec 2014 %	Change % points	30 Sep 2014 %
Tier 1	16.5	16.9	-0.4	17.0
Tier 2	17.0	17.8	-0.8	18.0

The Act on Finnvera (443/1998) stipulates that domestic operations must be kept separate from export credit guarantee and special guarantee operations. In consequence, losses from domestic operations are covered from the reserve for domestic operations, while losses from export credit guarantees and special guarantees are covered from the reserve for export credit guarantee and special guarantee operations. According to the Act on the State Guarantee Fund (444/1998), the State is responsible for export credit guarantees and special guarantees. Should the reserve for export

credit guarantee and special guarantee operations lack sufficient assets to cover the losses incurred in the respective operations, the losses are covered from assets in the State Guarantee Fund, which are supplemented, whenever necessary, by an appropriation from the State Budget. The above separation prescribed by law, and the State's responsibility for export credit guarantees, explain why Finnvera calculates its capital adequacy, i.e. the ratio between its commitments and assets, only for domestic operations.

The Finnvera Group's risk-weighted receivables totalled EUR 2,369 million at the end of September (2,349 million). Of these, loans and guarantees pertaining to business proper amounted to EUR 1,843 million (1,926 million), or 78 per cent of risk-weighted receivables. Most of the remaining receivables were associated with the acquisition of funds and the

investment of cash assets. About 50 per cent of loans and guarantees consisted of a large number of individual commitments of under one million euros. Calculated according to the standard method, their risk weight was 75 per cent. The risk weight of other loans and guarantees was 100 per cent.

<b>Finnvera Group Capital for calculating capital adequacy</b>	<b>30 Sep 2015 MEUR</b>	<b>31 Dec 2014 MEUR</b>
Equity excl. profit for the year	952	855
Intangible assets	-4	-3
Reserve for export credit guarantees and special guarantees	-536	-436
Profit for the period	0	101
Profit for the period attributable to export credit guarantees	0	-100
Subordinated loan	12	20
<b>Total</b>	<b>425</b>	<b>436</b>

<b>Finnvera Group Risk-weighted items</b>	<b>30 Sep 2015 MEUR</b>	<b>31 Dec 2014 MEUR</b>
Receivables from credit institutions	184	138
Receivables from clients	1,843	1,926
Investments and derivatives	130	73
Receivables, prepayments, interest and other receivables, other assets	22	27
Binding promises for loans	103	98
Operational risk	87	87
<b>Total</b>	<b>2,369</b>	<b>2,349</b>

Tier 2	17.9%	18.6%
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## Personnel

At the end of September, the Group had 398 employees (395 on 30 September 2014), of whom 365 (370) held a permanent post and 33 (25) a fixed-term post.

## Other events during the period under review

### Finnvera's guarantees for ship purchases

Finnvera participates in the financing of two cruise vessels, Mein Schiff 7 and 8, ordered by TUI Cruises GmbH and built at the Turku shipyard of Meyer Turku Ltd. Finnvera provides guarantees for the pre-delivery financing granted to the shipyard and for the post-delivery financing granted to the buyer.

When the ships ordered both earlier and now are considered together, Finnvera's commitments on behalf of the shipowner will rise at most to about EUR 2 billion. After these orders for ships placed by TUI Cruises GmbH, Finnvera's commitments for the financing of Meyer Turku Ltd can rise at most to about EUR 850 million.

### Finnvera issued a loan of one billion euros

On 15 September 2015, Finnvera plc issued a seven-year fixed-rate bond of one billion euros. The bond is the largest issued by Finnvera to date under the EMTN (Euro Medium Term Note) Programme.

Finnvera's EMTN Programme and the loans issued under it are guaranteed by the State of Finland. The funds are used both for SME financing and for financing export credits.

### Events after the period under review

Changes associated with the new organisation, launched last year in September, continued. As of 1 October, Deputy CEO Topi Vesteri has led the new Credit Decision Unit. The Service Centre is merged with the Service Production Unit, which will begin operations at the start of next year. The aim of these changes is to accelerate the efficient implementation of Finnvera's strategy.

### Outlook for financing

In euros, the demand for SME financing was about one third greater than in the corresponding period the year before. The growth was attributable above all to Finnvera's wider mandates, such as the possibility to finance enterprises larger than SMEs and to subscribe bonds. The volume of SME financing is expected to remain at a high level during the last quarter of the year as well.

Demand for export credit guarantees also continued strong during the third quarter and is expected to remain equally brisk until the end of the year. Country risks are always assessed when guarantee decisions are made; at present, a close eye is kept on economic trends in countries such as Russia and Brazil. These two countries together account for just under one quarter of all outstanding export credit guarantees.

According to the current estimate, the Finnvera Group's financial performance for 2015 is likely to be better than in 2014 because there have been fewer new impairment losses and provisions for losses than had been expected. In a similar estimate made early in 2015, the financial performance was expected to fall below that in 2014. The uncertainty factors associated with economic trends make it difficult to predict financial performance. If more risks materialise than has been anticipated, the situation may weaken considerably from what is projected.

## Comprehensive income statement

(EUR 1,000)	Note	Finnvera Group		Finnvera plc	
		1–9 2015	1–9 2014	1–9 2015	1–9 2014
Interest income					
Loans		85 025	79 325	36 057	33 518
Subsidies passed on to customers		2 842	5 193	2 842	5 193
Other		4 168	3 161	3 793	3 413
<b>Total interest income</b>		<b>92 035</b>	<b>87 678</b>	<b>42 692</b>	<b>42 124</b>
Interest expenses		-48 973	-45 547	-5 257	-3 513
<b>Net interest income</b>		<b>43 061</b>	<b>42 132</b>	<b>37 435</b>	<b>38 611</b>
Net fee and commission income		107 463	102 667	106 941	101 862
Gains and losses from financial instruments carried at fair value	3	-7 628	-13 542	37	-1 008
Net income from investments		-523	666	-627	63
Other operating income		626	1 359	837	1 364
Administrative expenses					
Wages and salaries		-21 954	-20 083	-21 204	-19 254
Other administrative expenses		-9 635	-9 259	-9 243	-8 827
<b>Total administrative expenses</b>		<b>-31 589</b>	<b>-29 342</b>	<b>-30 447</b>	<b>-28 081</b>
Other operating expenses		-4 828	-4 507	-8 763	-4 504
Impairment loss on financial assets	4				
Impairment losses on credits and losses on guarantees		-66 317	-78 931	-65 802	-78 082
Credit loss compensation from the State		69 346	45 438	69 346	45 438
Losses on export credit guarantees and special guarantees		-1 147	8 676	-1 147	8 676
<b>Net impairment loss on financial assets</b>		<b>1 882</b>	<b>-24 817</b>	<b>2 397</b>	<b>-23 969</b>
<b>Operating profit</b>		<b>108 464</b>	<b>74 615</b>	<b>107 810</b>	<b>84 337</b>
Income tax expense		-2 406	1 159	0	0
<b>Profit for the period</b>		<b>106 057</b>	<b>75 774</b>	<b>107 810</b>	<b>84 337</b>
Other comprehensive income					
Items that may be reclassified subsequently to the statement of income					
-Comprehensive income for the period/Change in the fair value of shares for sale		-1 070	-222	-1 049	-281
<b>Total other comprehensive income</b>		<b>-1 070</b>	<b>-222</b>	<b>-1 049</b>	<b>-281</b>
<b>Total comprehensive income for the period</b>		<b>104 987</b>	<b>75 554</b>	<b>106 761</b>	<b>84 056</b>
<b>Distribution of the profit for the period attributable to</b>					
Equity holders of the parent company		106 478	76 057		
Non-controlling interest		-421	-283		
		<b>106 057</b>	<b>75 774</b>		
<b>Distribution of the total comprehensive income for the period attributable to</b>					
Equity holders of the parent company		105 408	75 835		
Non-controlling interest		-421	-283		
		<b>104 987</b>	<b>75 554</b>		

## Balance sheet

(EUR 1,000)	Finnvera Group		Finnvera plc		
	Note	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
<b>ASSETS</b>					
<b>Loans and receivables from credit institutions</b>					
Payable on demand		885 674	634 614	850 244	549 942
Other than payable on demand		32 220	56 304	8 117	20 252
		<b>917 894</b>	<b>690 918</b>	<b>858 361</b>	<b>570 194</b>
<b>Loans and receivables from customers</b>					
Loans		5 435 949	4 592 991	3 143 449	2 192 725
Guarantee receivables		35 312	38 740	35 312	38 740
Receivables from export credit and special guarantee operations		12 354	11 238	12 354	11 238
		<b>5 483 615</b>	<b>4 642 969</b>	<b>3 191 115</b>	<b>2 242 703</b>
<b>Investments</b>					
Debt securities		1 237 483	934 721	1 222 483	934 721
Investments in group companies		0	0	174 815	159 815
Associates		63 487	63 570	0	349
Other shares and participations		76 664	67 134	14 490	14 520
		<b>1 377 635</b>	<b>1 065 425</b>	<b>1 411 789</b>	<b>1 109 404</b>
<b>Derivatives</b>	<b>9</b>	111 405	51 434	109 672	51 434
<b>Intangible assets</b>		3 733	3 427	3 684	3 378
<b>Property and equipment</b>					
Properties		167	171	167	171
Equipment		1 507	1 171	1 507	1 171
		<b>1 674</b>	<b>1 342</b>	<b>1 674</b>	<b>1 342</b>
<b>Other assets</b>					
Credit loss receivables from the state		9 168	19 713	9 168	19 713
Other		7 596	4 345	7 596	7 783
		<b>16 764</b>	<b>24 059</b>	<b>16 764</b>	<b>27 496</b>
<b>Prepayments and accrued income</b>		142 472	139 136	126 550	116 168
<b>Tax assets</b>		190	190		
<b>TOTAL ASSETS</b>		<b>8 055 380</b>	<b>6 618 900</b>	<b>5 719 607</b>	<b>4 122 120</b>
<b>LIABILITIES</b>					
<b>Liabilities to credit institutions</b>		0	0	0	0
<b>Liabilities to other institutions</b>					
At fair value through profit or loss	<b>10</b>	38 487	35 769	0	0
Other financial liabilities		2 326 487	2 419 517	63 027	0
<b>Debt securities in issue</b>					
At fair value through profit or loss	<b>10</b>	3 927 751	2 564 141	3 927 751	2 564 141
<b>Derivatives</b>	<b>9</b>	127 986	106 232	127 986	103 794
<b>Provisions</b>		41 115	55 276	41 115	55 276
<b>Other liabilities</b>		57 378	50 769	49 769	50 705
<b>Accruals and deferred income</b>		327 404	289 211	322 665	272 621
<b>Tax liabilities</b>		3 709	2 862		
<b>Capital loans</b>	<b>10</b>	88 089	86 139	88 089	86 139
		<b>6 938 407</b>	<b>5 609 914</b>	<b>4 620 402</b>	<b>3 132 676</b>
<b>EQUITY</b>					
<b>Equity attributable to the parent company's shareholders</b>					
<b>Share capital</b>		196 605	196 605	196 605	196 605
<b>Share premium</b>		51 036	51 036	51 036	51 036
<b>Fair value reserve</b>		-1 169	-99	-1 285	-236
<b>Non-restricted reserves</b>					
Reserve for domestic operations		135 879	135 089	135 879	135 089
Reserve for export credit guarantees and special guarantees		536 064	435 628	536 064	435 628
Other		16 570	16 619	16 570	16 619
Retained earnings		177 009	168 708	164 337	154 704
		<b>865 522</b>	<b>756 044</b>	<b>852 850</b>	<b>742 039</b>
<b>Total equity</b>		<b>1 111 995</b>	<b>1 003 586</b>	<b>1 099 206</b>	<b>989 443</b>
<b>Share of equity held by non-controlling interest</b>		4 979	5 399		
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>8 055 380</b>	<b>6 618 900</b>	<b>5 719 607</b>	<b>4 122 120</b>

## Statement of changes in equity

(EUR 1,000)

### Finnvera Group

#### Equity attributable to the parent company's shareholders

	A	B	C	D	E	F	G	H	I	J
<b>Reported balance at 31 Dec 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>-99</b>	<b>135 089</b>	<b>435 628</b>	<b>16 619</b>	<b>115 736</b>	<b>950 613</b>	<b>5 399</b>	<b>956 012</b>
Error in the accrual of fee and commission income and expenses							52 973	52 973		52 973
<b>Restated balance at 1 Jan 2015</b>	<b>196 605</b>	<b>51 036</b>	<b>-99</b>	<b>135 089</b>	<b>435 628</b>	<b>16 619</b>	<b>168 709</b>	<b>1 003 586</b>	<b>5 399</b>	<b>1 008 985</b>
Cancelled amount of subordinated loan received from the owner							3 050	3 050		3 050
Comprehensive income for the period/Change in the fair value of shares for sale			-1 070				106 478	105 408	-421	104 987
Transfer to reserves				791	100 436	-49	-101 227	-49		-49
Adjustments										0
<b>Balance at 30 Sep 2015</b>	<b>196 605</b>	<b>51 036</b>	<b>-1 169</b>	<b>135 879</b>	<b>536 064</b>	<b>16 570</b>	<b>177 009</b>	<b>1 111 995</b>	<b>4 979</b>	<b>1 116 974</b>
<b>Reported balance at 31 Dec 2013</b>	<b>196 605</b>	<b>51 036</b>	<b>518</b>	<b>137 172</b>	<b>357 825</b>	<b>17 225</b>	<b>82 590</b>	<b>842 972</b>	<b>5 594</b>	<b>848 566</b>
Error in the accrual of fee and commission income and expenses							54 411	54 411		54 411
<b>Restated balance at 1 Jan 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>518</b>	<b>137 172</b>	<b>357 825</b>	<b>17 225</b>	<b>137 001</b>	<b>897 383</b>	<b>5 594</b>	<b>902 977</b>
Cancelled amount of subordinated loan received from the owner							6 607	6 607		6 607
Comprehensive income for the period/Change in the fair value of shares for sale			-222				76 768	76 546	-283	76 261
Transfer to reserves				-2 084	77 803	-606	-75 719	-606		-606
<b>Reported balance at 30 Sep 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>296</b>	<b>135 088</b>	<b>435 628</b>	<b>16 619</b>	<b>144 656</b>	<b>979 929</b>	<b>5 311</b>	<b>985 238</b>
Error in the accrual of fee and commission income and expenses							-711	-711		-711
<b>Restated balance at 30 Sep 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>296</b>	<b>135 088</b>	<b>435 628</b>	<b>16 619</b>	<b>143 945</b>	<b>979 218</b>	<b>5 311</b>	<b>984 527</b>

### Finnvera plc

<b>Reported balance at 31 Dec 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>-236</b>	<b>135 089</b>	<b>435 628</b>	<b>16 619</b>	<b>101 731</b>	<b>936 472</b>		
Error in the accrual of fee and commission income and expenses							52 973			
<b>Balance at 1 Jan 2015</b>	<b>196 605</b>	<b>51 036</b>	<b>-236</b>	<b>135 089</b>	<b>435 628</b>	<b>16 619</b>	<b>154 704</b>	<b>936 472</b>		
Cancelled amount of subordinated loan received from the owner							3 050	3 050		
Comprehensive income for the period/Change in the fair value of shares for sale			-1 049				107 810	106 761		
Transfer to reserves				791	100 436	-49	-101 227	-49		
Adjustments										0
<b>Balance at 30 Sep 2015</b>	<b>196 605</b>	<b>51 036</b>	<b>-1 285</b>	<b>135 879</b>	<b>536 064</b>	<b>16 570</b>	<b>164 337</b>	<b>1 099 206</b>		
<b>Reported balance at 31 Dec 2013</b>	<b>196 605</b>	<b>51 036</b>	<b>-71</b>	<b>137 172</b>	<b>357 825</b>	<b>17 225</b>	<b>76 223</b>	<b>836 015</b>		
Error in the accrual of fee and commission income and expenses							54 411	54 411		
<b>Restated balance at 1 Jan 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>-71</b>	<b>137 172</b>	<b>357 825</b>	<b>17 225</b>	<b>130 634</b>	<b>890 426</b>		
Cancelled amount of subordinated loan received from the owner							6 607	6 607		
Comprehensive income for the period/Change in the fair value of shares for sale			-282				85 048	84 766		
Transfer to reserves				-2 084	77 803	-606	-75 719	-606		
<b>Reported balance at 30 Sep 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>-353</b>	<b>135 089</b>	<b>435 628</b>	<b>16 619</b>	<b>146 570</b>	<b>981 193</b>		
Error in the accrual of fee and commission income and expenses							-711	-711		
<b>Restated balance at 30 Sep 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>-353</b>	<b>135 089</b>	<b>435 628</b>	<b>16 619</b>	<b>145 858</b>	<b>980 482</b>		

#### Legend:

A = Share capital

B = Share premium

C = Fair value reserve

D = Reserve for domestic operations

E = Reserve for export credit guarantees and special guarantees

F = Other reserves

G = Retained earnings

H = Total

I = Share of equity held by non-controlling interest

J = Total equity



## Statement of cash flow

	Finnvera Group		Finnvera plc	
	1-9 2015	1-9 2014	1-9 2015	1-9 2014
(EUR 1,000)				
<b>Cash flows from operating activities</b>				
Withdrawal of loans granted	-1 740 039	-1 650 218	-1 738 679	-1 246 674
Repayments of loans granted	1 041 382	956 052	785 678	689 170
Purchase of investments	-8 287	-10 412	-15 000	-10 000
Proceeds from investments	3 392	11 149	0	0
Interest received	86 488	77 599	33 556	30 822
Interest paid	-59 269	-47 413	-4 797	-2 137
Interest subsidy received	1 174	2 875	1 174	2 875
Payments received from commission income	135 224	107 536	133 123	103 929
Payments received from other operating income	121 179	46 495	119 734	43 785
Payments for operating expenses	-49 012	-49 639	-52 680	-45 698
Claims paid	-26 449	-27 642	-26 449	-27 642
Taxes paid	-1 550	-1 398	0	0
<b>Net cash used in (-) / from (+) operating activities (A)</b>	<b>-495 768</b>	<b>-585 016</b>	<b>-764 340</b>	<b>-461 570</b>
<b>Cash flow from investing activities</b>				
Purchase of property and equipment and intangible assets	-1 394	-631	-1 394	-572
Proceeds from other investments	255	178	255	178
Dividends received from investments	106	307	18	12
<b>Net cash used in (-) / from (+) investing activities (B)</b>	<b>-1 033</b>	<b>-146</b>	<b>-1 121</b>	<b>-382</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans	1 446 814	1 298 658	1 509 761	896 902
Repayment of loans	-456 969	-355 961	-201 177	-95 516
Payments from derivatives collateral	32 807	0	32 807	0
<b>Net cash used in (-) / from (+) financing activities (C)</b>	<b>1 022 651</b>	<b>942 697</b>	<b>1 341 391</b>	<b>801 386</b>
<b>Net change in cash and cash equivalents (A+B+C) increase (+) / decrease (-)</b>	<b>525 851</b>	<b>357 536</b>	<b>575 930</b>	<b>339 435</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1 615 330</b>	<b>661 834</b>	<b>1 504 914</b>	<b>568 009</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2 141 180</b>	<b>1 019 370</b>	<b>2 080 844</b>	<b>907 444</b>
<b>Cash and cash equivalents at the end of the period</b>				
Receivables from credit institutions	893 791	533 243	858 361	486 325
Debt securities	1 237 483	427 120	1 222 483	421 120
Investments in short-term interest reserves	9 907	59 008	0	0
	<b>2 141 180</b>	<b>1 019 370</b>	<b>2 080 844</b>	<b>907 444</b>

## Notes to the accounts

### Accounting principles

The financial statements of the Finnvera Group and the parent company, Finnvera plc, are drawn up according to the International Financial Reporting Standards (IFRS). The income statement is presented in accordance with the IAS 1 Presentation of Financial Statements.

Finnvera's Interim Financial Statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU. The principles for drawing up the financial statements are described in Finnvera's Financial Statements for 2014.

The new and amended standards introduced by the Finnvera Group and their interpretations are presented in the accounting principles for the 2014 financial statements. They do not have any major impact on the consolidated financial statements.

### 1 Error in the accrual of fee and commission income and expenses for guarantees, which affects previous periods

Owing to a system error, income from premiums on export guarantees (fee and commission income) and reinsurance expenses (fee and commission expenses) have been recognised overly small on the income statements for previous periods. Correspondingly, the sums for guarantee premiums paid in advance (deferred income) and reinsurance premiums paid in advance (accrued income) have been too large on the balance sheet. The error has been corrected in accordance with the requirements of Standard IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors by adjusting the financial statements as follows:

(1 000 e)	Finnvera Group			Finnvera plc		
	Reported	Adjustment	Adjusted	Reported	Adjustment	Adjusted
<b>1 Jan 2014</b>						
Prepayments and accrued income	69 115	-7 704	61 411	53 952	-7 704	46 248
Accruals and deferred income	307 616	-62 114	245 502	293 824	-62 114	231 710
Retained earnings	82 590	54 411	137 001	76 223	54 411	130 634
Total equity						
- Equity holders of the parent company	842 972	54 411	897 383	836 015	54 411	890 426
- Share of equity held by non-controlling interest	5 594	0	5 594			
<b>The Year 2014</b>						
Impact on the balance sheet, 31 Dec 2014						
Prepayments and accrued income	148 875	-9 739	139 136	125 907	-9 739	116 168
Accruals and deferred income	351 923	-62 712	289 211	335 333	-62 712	272 621
Retained earnings *)	115 736	52 973	168 708	101 731	52 973	154 704
Total equity						
- Equity holders of the parent company	950 613	52 973	1 003 586	936 471	52 973	989 443
- Share of equity held by non-controlling interest	5 399	0	5 399			
<b>Impact on the income statement, 1 Jan - 30 June 2014</b>						
Net fee and commission income	103 378	-711	102 667	102 573	-711	101 862
Profit for the period	76 486	-711	75 775	85 048	-711	84 337
<b>Impact on the income statement, 1 Jan - 31 Dec 2014</b>						
Net fee and commission income	138 487	-1 438	137 049	137 457	-1 438	136 019
Profit for the period	101 321	-1 438	99 883	93 878	-1 438	92 440

\*) By virtue of Section 4 of the Act on the State-owned Specialised Financing Company, the profit is transferred to the non-restricted reserves, as decided by the General Meeting. The adjustment applies to the profit from export credit guarantees and special guarantees. The decision on the transfer of this adjustment to the reserve for export credit guarantees and special guarantees will be made by the General Meeting at the same time as the decision on the use of the profit for the financial period 2015.

## 2 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. The segments and the principles governing the segment accounting are described in more detail in the Finnvera's Financial Statements for 2014.

### Income statement and balance sheet by segments

(EUR 1,000)	Micro financing	Regional financing	Financing for growth and internationalisation	Export financing	Venture capital investments	Eliminations	Total
<b>Finnvera Group</b>							
<b>1-9/2015</b>							
Net interest income	6 854	21 964	5 012	8 966	264	0	43 061
Net fee and commission income	3 337	16 269	10 298	77 560	-2	0	107 463
Net impairment loss on financial assets	-1 898	-12 568	14 562	2 300	-515	0	1 882
Operating expenses*	-7 890	-11 377	-7 392	-15 390	-3 413	9 796	-35 667
Depreciation and amortization	-61	-322	-157	-210	0	0	-750
Other income, net**	-21	91	263	6 434	-4 507	-9 785	-7 525
<b>Operating profit</b>	<b>322</b>	<b>14 058</b>	<b>22 587</b>	<b>79 660</b>	<b>-8 173</b>	<b>10</b>	<b>108 464</b>
<b>1-9/2014</b>							
Net interest income	6 693	19 982	9 400	4 453	1 605	0	42 132
Net fee and commission income	2 982	13 824	12 785	69 069	4 007	0	102 667
Net impairment loss on financial assets	2 762	-23 569	-13 268	10 106	-848	0	-24 817
Operating expenses*	-7 112	-9 668	-7 593	-6 260	-5 019	2 507	-33 146
Depreciation and amortization	-58	-301	-147	-197	0	0	-703
Other income, net**	-69	-550	-33	-292	-8 073	-2 500	-11 517
<b>Operating profit</b>	<b>5 198</b>	<b>-282</b>	<b>1 144</b>	<b>76 878</b>	<b>-8 329</b>	<b>7</b>	<b>74 616</b>
<b>Finnvera plc</b>							
<b>1-9/2015</b>							
Net interest income	6 854	21 964	5 012	3 605			37 435
Net fee and commission income	3 337	16 269	10 298	77 036			106 941
Net impairment loss on financial assets	-1 898	-12 568	14 562	2 300			2 397
Operating expenses*	-7 890	-11 377	-7 392	-11 801			-38 460
Depreciation and amortization	-61	-322	-157	-210			-750
Other income, net**	-21	91	263	-86			247
<b>Operating profit</b>	<b>322</b>	<b>14 058</b>	<b>22 587</b>	<b>70 843</b>			<b>107 810</b>
<b>1-9/2014</b>							
Net interest income	6 693	19 982	9 400	2 537			38 611
Net fee and commission income	2 982	13 824	12 785	72 271			101 862
Net impairment loss on financial assets	-263	-20 195	-13 616	10 106			-23 969
Operating expenses*	-7 112	-9 668	-7 593	-7 509			-31 882
Depreciation and amortization	-58	-301	-147	-197			-703
Other income, net**	-69	-550	-33	1 071			419
<b>Operating profit</b>	<b>2 173</b>	<b>3 092</b>	<b>796</b>	<b>78 278</b>			<b>84 337</b>

\*) Operating expenses = Administration expenses + Other operating expenses - Depreciation and amortisation

\*\*\*) Other income, net = Gains and losses from financial instruments carried at fair value + Net income from investments + other operating income

### 3 Gains and losses from financial instruments carried at fair value

(EUR 1,000)	Finnvera Group		Finnvera plc	
	1 Jan–30 Sep 2015	1 Jan–30 Sep 2014	1 Jan–30 Sep 2015	1 Jan–30 Sep 2014
Derivatives	25 144	7 664	489	10 097
Liabilities designated fair value through profit and loss	-25 987	-8 601	-983	-9 243
Exchange rate differences	386	-1 928	531	-1 862
Venture capital investments; fair value changes	-7 170	-10 677	0	0
<b>Total</b>	<b>-7 628</b>	<b>-13 542</b>	<b>37</b>	<b>-1 008</b>

### 4 Impairment losses on receivables, guarantee losses

Loans and receivables are considered impaired when there is objective evidence of impairment.

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

(1 000 e)	Finnvera Group		Finnvera plc	
	1 Jan–30 Sep 2015	1 Jan–30 Sep 2014	1 Jan–30 Sep 2015	1 Jan–30 Sep 2014
<b>Impairment losses on receivables and guarantee losses</b>				
Impairment losses on receivables	-67 150	-50 868	-66 634	-50 020
- Credit losses materialised	-87 855	-59 476	-87 340	-58 628
- Change in impairment of individually assessed loans	17 407	8 211	17 407	8 211
- Change in impairment of collectively assessed loans	3 299	397	3 299	397
	0	0	0	0
Guarantee losses	832	-28 063	832	-28 063
- Guarantee losses materialised	-15 615	-25 623	-15 615	-25 623
- Change in individually assessed provisions for losses	17 508	217	17 508	217
- Change in collectively assessed provisions for losses	-1 062	-2 656	-1 062	-2 656
<b>Total, gross</b>	<b>-66 317</b>	<b>-78 931</b>	<b>-65 802</b>	<b>-78 082</b>
The State's and the ERDF's share of the credit and guarantee losses materialised	69 346	45 438	69 346	45 438
<b>Total, net</b>	<b>3 029</b>	<b>-33 493</b>	<b>3 544</b>	<b>-32 645</b>
<b>Losses on export credit guarantees and special guarantees</b>				
Guarantee losses	-1 147	8 676	-1 147	8 676
- Claims paid	-1 942	-1 114	-1 942	-1 114
- Accumulated recoveries	5 992	1 977	5 992	1 977
- Change in recovery receivables	-2 915	-2 950	-2 915	-2 950
- Provisions for losses on export credit guarantees and special guarantees	-2 282	10 763	-2 282	10 763
<b>Total</b>	<b>-1 147</b>	<b>8 676</b>	<b>-1 147</b>	<b>8 676</b>
<b>Impairment losses on credits and guarantee losses in total</b>	<b>1 882</b>	<b>-24 817</b>	<b>2 397</b>	<b>-23 969</b>

## 5 Classification of financial instruments

(EUR 1,000)		Finnvera Group				Finnvera plc					
Assets	Loans and receivables	Financial instruments carried at fair value		Available-for-sale	Total	Fair value	Financial instruments carried at fair value		Available-for-sale	Total	Fair value
		carried at fair value	Available-for-sale				carried at fair value	Available-for-sale			
<b>30 Sep 2015</b>											
Loans and receivables from credit institutions	917 894				917 894	917 832	858 361			858 361	858 361
Loans and receivables from customers	5 483 615				5 483 615	5 582 875	3 191 115			3 191 115	3 189 979
Debt securities				1 237 483	1 237 483	1 237 483			1 222 483	1 222 483	1 222 483
Derivatives		111 405			111 405	111 405		109 672		109 672	109 672
Investments in associates		37 796	25 691		63 487	63 487			0	0	0
Shares and participations		52 267	24 397		76 664	76 664			14 490	14 490	14 490
Other financial assets	126 807				126 807	126 807	110 885			110 885	110 885
<b>Total 30 Sep 2015</b>	<b>6 528 316</b>	<b>201 468</b>	<b>1 287 572</b>	<b>8 017 355</b>	<b>8 116 553</b>	<b>4 160 361</b>	<b>109 672</b>	<b>1 236 974</b>	<b>5 507 006</b>	<b>5 505 870</b>	
<b>31 Dec 2014</b>											
Loans and receivables from credit institutions	690 918				690 918	690 902	570 194			570 194	570 194
Loans and receivables from customers	4 642 969				4 642 969	4 737 704	2 242 703			2 242 703	2 241 732
Debt securities				934 721	934 721	934 721			934 721	934 721	934 721
Derivatives		51 434			51 434	51 434		51 434		51 434	51 434
Investments in associates		35 369	28 201		63 570	63 570			349	349	349
Shares and participations		51 581	15 553		67 134	67 134			14 520	14 520	14 520
Other financial assets	131 894				131 894	131 894	104 769			104 769	104 769
<b>Total 31 Dec 2014</b>	<b>5 465 781</b>	<b>138 384</b>	<b>978 474</b>	<b>6 582 640</b>	<b>6 677 359</b>	<b>2 917 666</b>	<b>51 434</b>	<b>949 589</b>	<b>3 918 690</b>	<b>3 917 718</b>	

(EUR 1,000)		Finnvera Group				Finnvera plc				
Liabilities	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value		
									<b>30 Sep 2015</b>	
Liabilities to credit institutions			0	0			0	0		
Liabilities to other institutions	38 487	2 326 487	2 364 975	2 459 948		0	0	0		
Debt securities in issue	3 927 751		3 927 751	3 928 425	3 927 751		3 927 751	3 927 751		
Derivatives	127 986		127 986	127 986	127 986		127 986	127 986		
Other financial liabilities		329 022	329 022	329 022		316 372	316 372	316 372		
Subordinated liabilities		88 089	88 089	88 089		88 089	88 089	88 089		
<b>Total 30 Sep 2015</b>	<b>4 094 224</b>	<b>2 743 598</b>	<b>6 837 822</b>	<b>6 933 469</b>	<b>4 055 736</b>	<b>404 461</b>	<b>4 460 197</b>	<b>4 460 197</b>		
<b>31 Dec 2014</b>										
Liabilities to credit institutions			0	0			0	0		
Liabilities to other institutions	35 769	2 419 517	2 455 285	2 510 812			0	0		
Debt securities in issue	2 564 141		2 564 141	2 564 141	2 564 141		2 564 141	2 564 141		
Derivatives	106 232		106 232	106 232	103 794		103 794	103 794		
Other financial liabilities		343 004	343 004	343 004		328 302	328 302	328 302		
Subordinated liabilities		86 139	86 139	86 139		86 139	86 139	86 139		
<b>Total 31 Dec 2014</b>	<b>2 706 141</b>	<b>2 848 659</b>	<b>5 554 800</b>	<b>5 610 327</b>	<b>2 667 935</b>	<b>414 441</b>	<b>3 082 376</b>	<b>3 082 376</b>		

## 6 Hierarchy for recognition at fair value

(EUR 1,000)		Finnvera Group			Finnvera plc		
<b>Financial assets</b>	<b>30 Sep 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Loans and other assets							
- Loans and receivables from credit institutions			917 894			858 361	
- Loans and receivables from customers			5 468 940	14 675		3 176 440	14 675
Financial instruments carried at fair value							
- Derivatives			111 405			109 672	
- Investments in associates				37 796			
- Shares and holdings				52 267			
Available-for-sale							
- Debt securities			1 237 483			1 222 483	
- Other shares and participations				25 691			0
- Shares and holdings		10 329		14 068	422		14 068
<b>Total</b>		<b>10 329</b>	<b>7 735 722</b>	<b>144 498</b>	<b>422</b>	<b>5 366 955</b>	<b>28 743</b>
<b>Financial liabilities</b>	<b>30 Sep 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Financial instruments carried at fair value							
- Liabilities to other institutions			38 487				
- Debt securities in issue			3 927 751			3 927 751	
- Derivatives			127 986			127 986	
Other financial liabilities							
- Liabilities to other institutions			2 326 487				
- Subordinated liabilities			88 089			88 089	
<b>Total</b>			<b>6 508 800</b>			<b>4 143 825</b>	
		Finnvera Group			Finnvera plc		
<b>Financial assets</b>	<b>31 Dec 2014</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Loans and other assets							
- Loans and receivables from credit institutions			690 918			570 194	
- Loans and receivables from customers			4 628 137	14 833		2 227 871	14 833
Financial instruments carried at fair value							
- Derivatives			51 434			51 434	
- Investments in associates				35 369			
- Shares and holdings				51 581			
Available-for-sale							
- Debt securities			934 721			934 721	
- Other shares and participations				28 201			349
- Shares and holdings		1 485		14 068	451		14 068
<b>Total</b>		<b>1 485</b>	<b>6 305 210</b>	<b>144 052</b>	<b>451</b>	<b>3 784 219</b>	<b>29 250</b>
<b>Financial liabilities</b>	<b>31 Dec 2014</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Financial instruments carried at fair value							
- Liabilities to other institutions			35 769				
- Debt securities in issue			2 564 141			2 564 141	
- Derivatives			106 232			103 794	
Other financial liabilities							
- Liabilities to other institutions			2 419 517				
- Subordinated liabilities			86 139			86 139	
<b>Total</b>			<b>5 211 796</b>			<b>2 754 074</b>	

**Level 1:** Investments in shares and reserves 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:** The determination of the fair value of the venture capital investments of the subsidiaries engaged in venture capital investment activities is based on the valuation and investments made by outside investors as well as on the portfolio company valuation approved by the fund. The method used is in accordance with the valuation principles and recommendations for early-stage enterprises laid out in IPEV (International Equity and Venture Capital Valuation Guidelines).



## 7 Financial assets and liabilities recognised at fair value

LEVEL 3, Financial assets (EUR 1,000)	Finnvera Group		Finnvera plc	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014

### Financial assets carried at fair value

Balance at 1 Jan	128 870	136 137	14 068	14 720
Profits and losses entered in the income statement, in total	-7 229	-6 973	0	-169
Acquisitions	10 684	22 538	0	0
Sales	-2 572	-22 753	0	-482
Other	69	-79	0	0
<b>Total at the end of the period</b>	<b>129 823</b>	<b>128 870</b>	<b>14 068</b>	<b>14 068</b>

Profits and losses entered in the income statement for the instruments held by Finnvera.	-9 181	-6 087	0	0
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## 8 Financial instruments set off in the balance sheet or subject to netting agreements

(EUR 1,000)	Finnvera Group / Finnvera plc						
	Gross recognised amounts	Gross recognised amounts netted in the balance sheet	Net carrying amount in the balance sheet	Financial instruments*)	Financial instruments received as collateral *)	Cash received as collateral *)	Net amount *)
<b>Financial assets at 30 Sep 2015</b>							
Derivatives	109 672	0	109 672	-54 069	0	-61 987	-6 384
<b>Total</b>	<b>109 672</b>	<b>0</b>	<b>109 672</b>	<b>-54 069</b>	<b>0</b>	<b>-61 987</b>	<b>-6 384</b>
<b>Financial liabilities at 30 Sep 2015</b>							
Derivatives	127 986	0	127 986	-54 069	0	-76 400	-2 483
<b>Total</b>	<b>127 986</b>	<b>0</b>	<b>127 986</b>	<b>-54 069</b>	<b>0</b>	<b>-76 400</b>	<b>-2 483</b>
<b>Financial assets at 31 Dec 2014</b>							
Derivatives	51 434	0	51 434	-24 819	0	-27 000	-385
<b>Total</b>	<b>51 434</b>	<b>0</b>	<b>51 434</b>	<b>-24 819</b>	<b>0</b>	<b>-27 000</b>	<b>-385</b>
<b>Financial liabilities at 31 Dec 2014</b>							
Derivatives	103 794	0	103 794	-24 819	0	-74 220	4 755
<b>Total</b>	<b>103 794</b>	<b>0</b>	<b>103 794</b>	<b>-24 819</b>	<b>0</b>	<b>-74 220</b>	<b>4 755</b>

\*) Amounts not set off but subject to master netting agreements and similar agreements.

## 9 Derivatives

(EUR 1,000)	Finnvera Group			Finnvera plc			
		Fair value positive	Fair value negative	Total nominal value	Fair value positive	Fair value negative	Total nominal value
<b>Contracts entered in hedging purposes 30 Sep 2015</b>							
Currency derivatives							
- Interest rate swaps and foreign exchange derivatives		111 405	127 986	3 890 767	109 672	127 986	3 890 767
<b>Total derivatives</b>		<b>111 405</b>	<b>127 986</b>	<b>3 890 767</b>	<b>109 672</b>	<b>127 986</b>	<b>3 890 767</b>
<b>Contracts entered in hedging purposes 31 Dec 2014</b>							
Currency derivatives							
- Interest rate swaps and foreign exchange derivatives		51 434	106 232	2 545 897	51 434	103 794	2 545 897
<b>Total derivatives</b>		<b>51 434</b>	<b>106 232</b>	<b>2 545 897</b>	<b>51 434</b>	<b>103 794</b>	<b>2 545 897</b>

Derivatives are held for hedging borrowings. Derivatives and hedged liabilities are measured at fair value through profit or loss and their fair value changes are recognised through profit or loss (fair value option).

## 10 Changes in liabilities

(EUR 1,000)	Finnvera Group		Finnvera plc	
	2015		2015	
	Nominal value	Carrying value	Nominal value	Carrying value
<b>Liabilities to credit institutions and other institutions</b>				
Carrying amount at 1 Jan	2 453 945	2 455 286	0	0
- New loans	0	0	0	0
- Repayments	-255 792	-255 792	0	0
- Other changes	166 822	251 163	63 027	63 027
<b>Carrying amount at 30 Sep 2015</b>	<b>2 364 975</b>	<b>2 450 657</b>	<b>63 027</b>	<b>63 027</b>

(EUR 1,000)	Finnvera Group		Finnvera plc	
	2015		2015	
	Nominal value	Carrying value	Nominal value	Carrying value
<b>Debt securities in issue</b>				
Carrying amount at 1 Jan	2 545 897	2 564 141	2 545 897	2 564 141
- Debt securities in issue	1 441 813	1 453 333	1 441 813	1 453 333
- Repayments	-176 952	-201 177	-176 952	-201 177
- Other changes	80 009	111 454	80 009	111 454
<b>Carrying amount at 30 Sep 2015</b>	<b>3 890 767</b>	<b>3 927 751</b>	<b>3 890 767</b>	<b>3 927 751</b>

### Capital loans

<b>Capital loans at 30 Sep 2015</b>	<b>88 089</b>	<b>88 089</b>
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Borrowings are measured at fair value in the case they are hedged (fair value option).

## 11 Contingent liabilities and commitments

(EUR 1,000)	Finnvera Group		Finnvera plc	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
<b>Off-balance sheet items</b>				
Guarantees				
- Export guarantees and special guarantees	1 014 958	987 561	1 014 958	987 561
- Total guarantees	16 628 197	12 600 433	16 628 197	12 600 433
- Binding financing offers	3 500 674	3 090 405	199 353	182 497
<b>Total</b>	<b>21 143 829</b>	<b>16 678 398</b>	<b>17 842 508</b>	<b>13 770 490</b>

Commitments for domestic guarantees mean commitments referred to in §4 and §4a of the Act on Credits and Guarantees Provided by the State-owned Specialised Financing Company (18.6.1998/445) These commitments are current commitments.

Commitments for export credit guarantees and special guarantees mean commitments referred to in the Act on the State Guarantee Fund (18.6.1998/444).

The commitments are presented as total outstanding commitments, which includes both current commitments and offers given:

The parent company's binding financing offers consist of irrevocable financing pledges given for the client in accordance with the Act on Credits and Guarantees Provided by the State-owned Specialised Financing Company. The pledge may be either a pledge to grant a credit or a guarantee, given for a third party, concerning a non-disbursed credit. The figure for the Group also includes the unused credit arrangements for export credits granted by Finnish Export Credit Ltd.

Outstanding commitments arising from export credit guarantees and special guarantees are divided between current commitments and offers given as follows:

(1 000 e)	Finnvera Group		Finnvera plc	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
Current commitments				
- For export credit guarantees	13 614 442	11 890 141	13 614 442	11 890 141
- For special guarantees	146 872	159 437	146 872	159 437
Offers given				
- For export credit guarantees	2 866 883	550 854	2 866 883	550 854
- For special guarantees	0	0	0	0
<b>Total</b>	<b>16 628 197</b>	<b>12 600 433</b>	<b>16 628 197</b>	<b>12 600 433</b>

## 12 Related parties

Finnvera Group			
(EUR 1,000)			
Business transactions carried out with related parties; receivables from and liabilities to related parties	1 Jan–30 Sep	1 Jan–30 Sep	
	2015	2014	
Services purchased	2 781	2 507	
	<b>30 Sep 2015</b>	<b>31 Dec 2014</b>	
Loans	1 976 817	927 570	
Receivables	78 654	8 034	
Long-term liabilities	2 326 487	2 419 517	
Short-term liabilities	78 654	8 034	
Guarantees	4 286 735	3 337 531	

Besides the Group companies, the Group's related parties include the companies where the State holds the majority of shares and where the Ministry of Employment and the Economy exercises ownership steering; as well as the State Treasury. Related parties also include the members of the Supervisory Board and the Board of Directors, the Chief Executive Officer and the Executive Vice President.

## 13 Key figures and their calculation

(EUR 1,000)		Finnvera Group		Finnvera plc	
		30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
Equity ratio		13,2	14,4	19,2	22,7
Capital adequacy ratio	Tier 1	17,4	17,7	16,5	16,9
	Tier 2	17,9	18,6	17,0	17,8
Expense-income ratio		25,5	25,7	27,1	27,3

### Calculation of key figures:

Equity ratio, %	$\frac{\text{(equity attributable to equity holders of the parent + non-controlling interest)} * 100}{\text{balance sheet total}}$
Capital adequacy ratio	calculated as per Basel III Standard
Cost-income ratio	$\frac{\text{administration expenses + other operating expenses}}{\text{net interest income + gains and losses from financial instruments carried at fair value + net fee and commission income + net income from investments + other operating income}}$

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