

ATTACHMENT TO PRIVANET GROUP OYJ'S FINANCIAL STATEMENT RELEASE 2019

Privanet Group (consolidated)	1-12/2019 12 months	1-12/2018 12 months	Change	7-12/2019 6 months	7-12/2018 6 months	Change
Income from investment services, 1000 EUR	-1 008	8 292	-112,2 %	-3 696	4 042	-191,4 %
Operating profit/loss, 1000 EUR	-10 984	-3 368	226,1 %	-9 851	-1 645	498,8 %
- % of the income from investment services	1090,2 %	-40,6 %	-2783,8 %	266,5 %	-40,7 %	-754,9 %
Profit/loss for the period, 1000 EUR	-10 807	-3 382	219,5 %	-9 681	-1 652	486,0 %
- % of the income from investment services	1072,6 %	-40,8 %	-2729,5 %	261,9 %	-40,9 %	-740,6 %
Earnings per share, EUR	-0,63	-0,24	163,3 %	-0,48	-0,12	302,3 %
Equity per share, EUR	0,26	0,77	-66,3 %	0,26	0,77	-66,2 %
Return on equity (ROE) %	-134,8 %	-23,8 %	465,4 %	-90,5 %	-14,1 %	540,9 %
Return on assets (ROA) %	-70,3 %	-16,3 %	332,9 %	-52,4 %	-8,8 %	495,5 %
Equity ratio %	38,4 %	63,1 %	-39,1 %	38,4 %	63,1 %	-39,1 %
Cost/income ratio	-9,41	1,25	-854,2 %	-1,51	1,08	-239,8 %
Average personnel during the period	32	59	-45,8 %	32	59	-45,8 %
Number of shares at the end of the period	20 054 317	14 054 317	42,7 %	20 054 317	14 054 317	42,7 %

THE PRINCIPLES FOR CALCULATING THE KEY FIGURES

Operating profit, % of the income from investment services

Operating profit x 100
Income from investment services

Earnings per share, euros

Profit/loss for the period
Period's number of shares

Return on equity (ROE), %

Operating profit/loss – Direct taxes x 100
Average shareholders' equity

Equity ratio, %

Shareholders' equity x 100
Balance sheet total

Profit/loss for the period, % of the income from investment services

Profit/loss for the period x 100
Income from investment services

Equity per share, euros

Shareholders' equity at the end of the period
Number of shares at the end of the period

Return on assets (ROA), %

Operating profit/loss – Direct taxes x 100
Average balance sheet total

Cost/income ratio (before depreciation, amortization and impairment of consolidated goodwill)

Fees and commission expenses + Interest expenses + Administrative expenses + Depreciation, amortization and impairment + Other operating expenses
Income from investment services - Minority interests in profit/loss of the period

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INCOME STATEMENT	7-12/2019	7-12/2018	1-12/2019	1-12/2018
Fee and commission income	1 171 778	1 502 484	2 259 477	3 428 288
Net gains from securities and foreign currency transactions	-5 091 588	2 278 871	-3 636 207	4 464 048
Income from equity investments	25 268	3 785	36 486	9 997
Interest income	21 837	119 460	38 645	218 454
Net income from investment property	70 200	70 200	131 280	84 630
Other operating income	106 320	66 872	162 794	86 522
INCOME FROM INVESTMENT SERVICES	-3 696 185	4 041 672	-1 007 525	8 291 938
Fees and commission expenses	-486 890	-394 854	-850 471	-1 078 099
Interest expenses	-190 831	-141 021	-326 595	-280 696
Administrative expenses				
Personnel expenses				
Wages and salaries	-1 188 160	-1 898 073	-2 294 483	-3 892 747
Social security expenses				
Pension expenses	-121 482	-353 082	-310 908	-706 486
Other social security expenses	-8 351	-41 901	-78 546	-93 523
Other administrative expenses	-3 070 424	-1 477 448	-4 515 019	-3 198 941
Administrative expenses total	-4 388 417	-3 770 504	-7 198 956	-7 891 696
Depreciation, amortization and impairment of consolidated goodwill	-169 421	-164 703	-338 167	-329 407
Depreciation, amortization and impairment of tangible and intangible assets	-21 762	-22 539	-43 535	-41 594
Other operating expenses	-334 583	-371 020	-656 439	-723 862
Impairment losses and expected credit losses from other financial assets	-559 304	-822 016	-559 304	-1 314 933
Share of profit in associated companies	-3 120	0	-3 120	0
OPERATING PROFIT (-LOSS)	-9 850 513	-1 644 985	-10 984 112	-3 368 351
Direct taxes	167 828	-7 508	170 061	-13 899
Minority interests in profit/loss of the period	2 086	0	7 541	0
PROFIT (LOSS) FOR THE PERIOD	-9 680 599	-1 652 493	-10 806 510	-3 382 250

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BALANCE SHEET

30.12.2019

30.12.2018

ASSETS

Receivables from credit institutions		
Repayable on demand	1 096 625	461 106
Debt securities	1 351 483	465 014
Shares and participations	6 133 271	12 020 181
Shares and participations in associated companies	1 359 316	34 119
Intangible assets		
Consolidated goodwill	1 781 895	2 000 132
Other long-term expenses	73 270	112 384
Tangible assets		
Investment property and shares and participations in investment property	451 844	451 844
Other property and shares and participations in investment property corporations	296 259	296 259
Other tangible assets	21 762	26 393
Other assets	767 284	1 164 343
Accrued income and prepayments	219 797	164 931
Deferred tax assets	0	349
TOTAL ASSETS	13 552 806	17 197 054

LIABILITIES AND SHAREHOLDERS' EQUITY

LIABILITIES

Liabilities to credit institutions	497 553	489 331
Liabilities to the public and general government	3 617 824	4 005 361
Other liabilities	3 669 585	526 440
Accrued expenses and deferred income	565 838	1 170 050
Deferred tax liabilities	0	160 082
TOTAL LIABILITIES	8 350 800	6 351 263

SHAREHOLDERS' EQUITY

Share capital	80 000	80 000
Unrestricted reserves		
Unrestricted shareholders' invested equity reserve	17 053 958	11 892 958
Retained earnings/loss	-1 127 167	5 503 980
Sales and purchases of parent company securities	4 128	-16 404
Distribution of dividend	0	-3 232 493
Translation differences	-2 404	0
Profit/loss for the period	-10 806 510	-3 382 250
TOTAL EQUITY	5 202 006	10 845 791
Non-controlling equity interests	0	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	13 552 806	17 197 054

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CASH FLOW STATEMENT	7-12/2019	7-12/2018	1-12/2019	1-12/2018
Cash flow from business operations				
Operating profit	-9 850 514	-1 644 986	-10 984 112	-3 368 351
Adjustments to operating profit	2 074 935	228 853	2 265 454	371 002
Change in working capital	12 453 973	359 953	6 017 047	248 844
Taxes paid	-33 922	-325 553	-6 042	-694 977
Cash flow from business operations	4 644 472	-1 381 733	-2 707 653	-3 443 482
Cash flow from investments				
Investments in tangible and intangible assets	1 347	-73 110	1 557	47 350
Investments in other investments	-3 020 479	-23 271	-1 710 400	-22 438
Shares acquired in subsidiaries, net of cash and cash equivalents at the time of acquisition	-105 398	0	-105 398	0
Shares sold in subsidiaries	371 600	0	371 600	0
Cash flow from investments	-2 752 930	-96 381	-1 442 641	24 913
Cash flow from financing				
Shareholders' equity increases with payment	2 119	0	5 161 000	0
Long-term loans raised	-2 847 094	494 692	2 595 185	4 494 692
Instalments of long-term loans	1 520 192	0	-2 974 500	-2 993 200
Sales and purchases of parent company securities	1 947	-10 833	4 128	-16 404
Dividends paid and other profit distribution	0	0	0	-3 232 493
Cash flow from financing	-1 322 836	483 859	4 785 813	-1 747 405
Change in cash and cash equivalents	568 706	-994 255	635 519	-5 165 975
Cash and cash equivalents on 1 July and 1 January	527 919	1 455 360	461 106	5 627 080
Cash and cash equivalents on 31 December 2019 and 31 December 2018	1 096 625	461 106	1 096 625	461 106

The change in working capital includes the changes in the balance sheet value of debt securities and shares and participations adjusted with fair value entries.

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CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Fair value reserve	Unrestricted shareholders' invested equity reserve	Retained earnings	Minority share	Total equity
Equity on 1 January 2018	80 000	638 930	11 892 958	4 921 766	0	17 533 654
Purchases of own securities				-679 902		-679 902
Sales of own securities				663 498		663 498
Increase in shareholder's equity				-56 717		-56 717
Change in fair value		-638 930		638 930		0
Distribution of dividend				-3 232 493		-3 232 493
Profit/loss for the period				-3 382 250		-3 382 250
Equity on 31 December 2018	80 000	0	11 892 958	-1 127 168	0	10 845 790

	Share capital	Fair value reserve	Unrestricted shareholders' invested equity reserve	Retained earnings	Minority share	Total equity
Equity on 1 July 2018	80 000	0	11 892 958	592 876	0	12 565 834
Purchases of own securities				-422 692		-422 692
Sales of own securities				411 859		411 859
Increase in shareholder's equity				-56 717		-56 717
Change in fair value				0		0
Distribution of dividend				0		0
Profit/loss for the period				-1 652 493		-1 652 493
Equity on 31 December 2018	80 000	0	11 892 958	-1 127 167	0	10 845 791

	Share capital	Fair value reserve	Unrestricted shareholders' invested equity reserve	Retained earnings	Minority share	Total equity
Equity on 1 January 2019	80 000	0	11 892 958	-1 127 167	0	10 845 791
Purchases of own securities				-1 413 509		-1 413 509
Sales of own securities				1 417 637		1 417 637
Increase in shareholder's equity			5 161 000			5 161 000
Translation difference				-2 404		-2 404
Distribution of dividend						0
Profit/loss for the period				-10 806 510		-10 806 510
Equity on 31 December 2019	80 000	0	17 053 958	-11 931 953	0	5 202 005

	Share capital	Fair value reserve	Unrestricted shareholders' invested equity reserve	Retained earnings	Minority share	Total equity
Equity on 1 July 2019	80 000	0	17 051 839	-2 250 896	1 307 579	16 188 522
Purchases of own securities				535 201		535 201
Sales of own securities				-533 254		-533 254
Increase in shareholder's equity			2 119		-1 307 579	2 119
Translation difference				-2 404		-2 404
Distribution of dividend						0
Profit/loss for the period				-9 680 600		-9 680 600
Equity on 31 December 2019	80 000	0	17 053 958	-11 931 953	0	5 202 005