



FINANCIAL STATEMENTS
BULLETIN
January-December 2019

RECORD PROFIT FOR THE FINAL QUARTER OF THE YEAR

- The Wealth Management and Investor Clients segment's operating profit increased and was EUR 20.8 million (1-12/2018: EUR 17.4 million)
- The Advisory and Corporate Clients segment's operating profit increased and was EUR 2.8 million (EUR 2.2 million)
- The return from own balance sheet items developed favorably and totaled EUR 3.2 million (EUR 0.7 million) improving operating profit in the Group Operations segment
- According to strategy, Evli's assets under management in alternative investment products increased during the review period and were nearly EUR 870 million (about EUR 350 million).

January-December 2019

- Net revenue was EUR 75.8 million (EUR 68.5 million)
- Operating profit was EUR 24.1 million (EUR 18.9 million)
- Profit for the financial year was EUR 18.7 million (EUR 17.3 million). Profit for the financial year includes EUR -0.6 million (EUR 2.1 million) of the share of the associated company
- Evli's diluted earnings per share were EUR 0.71 (EUR 0.68) and return on equity was 23.4 percent (23.0%)
- Net assets under management grew and totaled record-high EUR 14.3 billion (EUR 11.4 billion) at the end of December
- Proportion of recurring revenue to operating costs was 124 percent (113%)
- A dividend of EUR 0.66 per share is proposed (EUR 0.61 per share).

October-December 2019

- Net revenue was EUR 22.7 million (EUR 17.5 million)
- Operating profit was EUR 8.7 million (EUR 3.6 million)
- Evli's diluted earnings per share amounted to EUR 0.24 (EUR 0.07).

Outlook for 2020

The risks associated with the general trend in the equity and fixed income markets are high due to the prevailing uncertainty on the markets. A possible decline in equity prices or a reduction in investors' risk appetite would have a negative impact on the company's profit performance. Evli Group's assets under management have grown substantially in recent years, which softens the result-impact of any reversal of the market. Sales of alternative investment products, in particular, have brought new, stable revenue. Evli has initiated a series of internal, strategy-based actions and cost savings, which are expected to improve the company's cost efficiency.

There has been positive development in the demand for advisory services, and its outlook for 2020 is stable. Own balance sheet investments share of Evli's business has decreased during recent years. Nevertheless, it may have a significant impact on the company's result performance. In the advisory business and in own investment activities, fluctuations in quarterly and annual returns are possible.

As a result of this positive development, we estimate the operating profit for 2020 to be clearly positive.

KEY FIGURES

| | 1-12/2019 | 1-12/2018 |
|--|-----------|-----------|
| Income statement key figures | | |
| Operating income, M€ | 75.8 | 68.5 |
| Operating profit/loss, M€ | 24.1 | 18.9 |
| Operating profit margin, % | 31.8 | 27.6 |
| Profit/loss for the financial year, M€ | 18.7 | 17.3 |
| Profitability key figures | | |
| Return on equity (ROE), % | 23.4 | 23.0 |
| Return on assets (ROA), % | 2.1 | 1.9 |
| Balance sheet key figures | | |
| Equity-to-assets ratio, % | 8.9 | 9.5 |
| Group capital adequacy ratio, % | 15.1 | 16.2 |
| Key figures per share | | |
| Earnings per Share (EPS), fully diluted, € | 0.71 | 0.68 |
| Comprehensive Earnings per Share (EPS), fully diluted, € | 0.71 | 0.67 |
| Dividend per share, €* | 0.66 | 0.61 |
| Equity per share, € | 3.40 | 3.27 |
| Share price at the end of the period, € | 10.40 | 7.28 |
| Other key figures | | |
| Expense ratio (operating costs to net revenue) | 0.68 | 0.72 |
| Recurring revenue ratio, % | 124 | 113 |
| Personnel at the end of the period | 249 | 254 |
| Market value, M€ | 248.6 | 172.5 |

*Dividend for 2019, proposal by the Board of Directors

Maunu Lehtimäki, CEO

There was stable development in Evli's business already in the first three quarters of the year, but the final quarter was especially strong as the turnover of both of Evli's business segments grew and overall development in the equity and bond markets was favorable. Our financial performance exceeded our expectations and we adjusted our earnings outlook upward for the second time in the later part of the year. Fourth-quarter figures showed a clear improvement on the previous year: operating income increased nearly 30 percent to EUR 22.7 million and operating profit over doubled to EUR 8.7 million. The ratio of recurring revenue to operating costs, an important measure of operating stability and predictability for us, reached 124 percent at the end of the year, well above our 100 percent target.

In 2019, client assets under management exceeded the EUR 14 billion mark for the first time, and at the end of the year they were at a record EUR 14.3 billion, or 25 percent higher than at the end of last year. Our fund fees also increased eleven percent to EUR 45 million.

Evli's strategic focus areas, international fund sales and sales of alternative investment products developed as planned during 2019. Our fund capital from international clients totaled EUR 2.8 billion at the end of the year. About half of the total net subscriptions of EUR 960 million of our mutual funds came from outside Finland, mainly from Europe. Net subscriptions from Finland, on the other hand, were approximately equally divided between direct sales and subscriptions through asset management mandates.

The total investment assets of the alternative investment products, a key growth area for us in Finland, almost three folded during the year and amounted to almost EUR 870 million at the end of the year. Exceeding ten percent of our total fund fees in 2019, commissions from alternative investment products have in a short time become an important source of commission income for Evli.

The performance of the Advisory and Corporate Clients segment also developed favorably. Invoicing by the Corporate Finance business exceeded the level of the previous year and the company's mandate base remained good in the final quarter, which means that the outlook for 2020 is favorable. The incentive system management business continued its strong growth due to new clients and existing clients extending their service packages.

Our strategy-driven work to streamline our investment processes and improve our customer experience continued in 2019. We successfully completed a major overhaul of the system framework, related to our asset management in particular, which has allowed us to simplify our internal processes. Another measure that significantly improved our operating efficiency was the transfer of custody of our funds to Skandinaviska Enskilda Banken. This solution, in line with international practice, also improves our ability to sell our funds outside Finland. As a consequence of these and a number of smaller measures, we again significantly improved our operational efficiency.

Followed by our successful strategic choices, we have maintained our good position in the rapidly changing market. We believe that by continuing to invest in our strategic focus areas, operating profit for 2020 will be clearly positive.

I want to thank our clients and shareholders for their trust and our employees for their hard and successful work.

MARKET PERFORMANCE

Despite market uncertainty, 2019 was an excellent year for investors, with valuations rising almost across the board. At the beginning of the year, equity prices recovered from the downward trend of late 2018, but the recovery waned during the spring as trade disputes escalated and political risks increased. During the second and third quarters, the equity markets fluctuated without clear direction, but they began to pick up towards the end of the year as China and the United States signaled that a trade deal was emerging. Bond yields continued their protracted decline, reaching record lows in September, after which they began to rise.

While valuation levels continued to rise, global economic growth slowed in 2019 and corporate earnings growth was very moderate. As a result of the slowdown in economic growth and low inflation expectations, central banks attempted to strengthen the markets with their monetary policies. Central banks around the world lowered their key interest rates and sought to boost the market with purchase programs. However, the impact of the measures was limited.

In spite of the slowdown in economic growth and moderate corporate earnings growth, positive outlooks helped equity prices to reach all-time highs at the end of 2019. US equities (S&P 500) rose 28.9 percent and European equities (Stoxx 600) 23.2 percent during the year. Finnish equities (OMX Helsinki Cap) rose 14.8 percent.

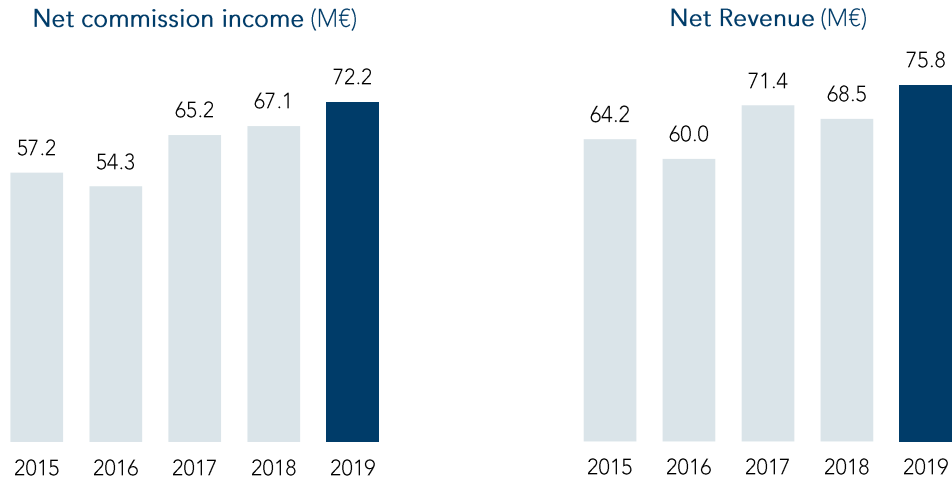
The bond market performed well during 2019 as long-term rates decline. The values of euro area government bonds rose 6.7 percent. The values of corporate bonds with higher ratings rose 6.4 percent and the values of high yield bonds with lower ratings rose 11.6 percent. The euro weakened by 2.0 percent against the dollar.

DEVELOPMENT OF REVENUE AND RESULT

January-December

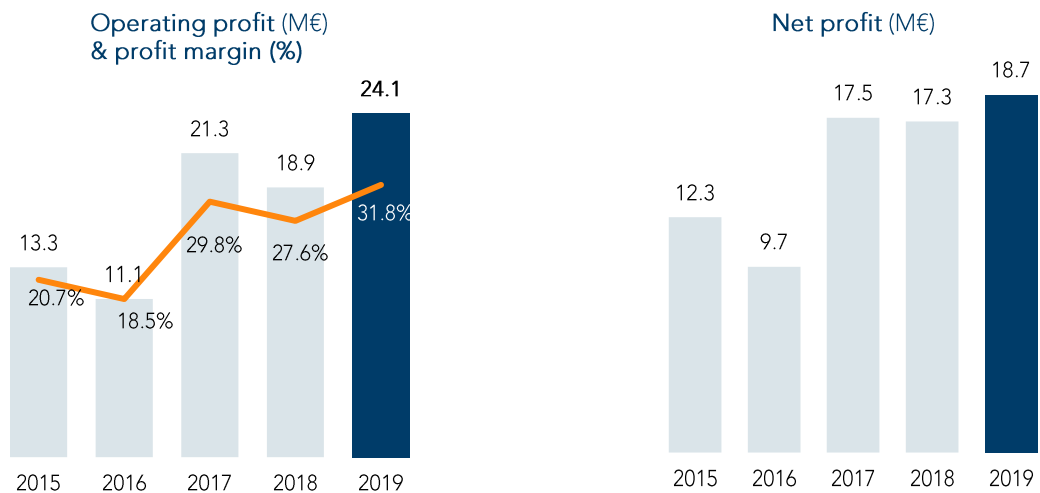
In 2019 Evli Group's net commission income grew almost eight percent year on year and totaled EUR 72.2 million (EUR 67.1 million). There was a positive trend in fund fees, in particular, which rose eleven percent year on year. Advisory fees also increased by ten percent to EUR 11.2 million (EUR 10.2 million). By contrast, brokerage fees declined as a result of weaker client demand.

Overall, the return from Evli Group's operations grew almost eleven percent year on year and was EUR 75.8 million (EUR 68.5 million). Revenue performance was positively affected by the net income from securities transactions and foreign exchange dealing, which increased significantly on the previous year to EUR 3.2 million (EUR 0.7 million) thanks to successful investment activities.



Overall costs for January-December, including depreciation, amounted to EUR 51.7 million (EUR 49.6 million). During the past year, Evli has invested significantly in the development of alternative investment products, which has increased costs. The Group's personnel expenses totaled EUR 30.4 million (EUR 27.9 million) including estimated performance bonuses for the personnel. The personnel expenses are not directly comparable due to the reversal of the performance bonus provision for the comparison period. The Group's administrative expenses were EUR 14.0 million (EUR 15.9 million). The Group's depreciation, amortization and write-downs were EUR 3.5 million (EUR 2.1 million). The increase in depreciation is mainly due to the completion of information system projects. The Group's other operating expenses totaled EUR 3.7 million (EUR 3.6 million). Evli's expense/income ratio was 0.68 (0.72).

The Group's operating profit for the year grew year on year and was EUR 24.1 million (EUR 18.9 million). The operating margin was 31.8 percent (27.6%). The profit for the review period was EUR 18.7 million (EUR 17.3 million). The Group's annualized return on equity was 23.4 percent (23.0%), which clearly exceeded the long-term return on equity target of 15.0 percent.



October-December

Evli Group's net revenue increased by 30 percent compared to the previous year, totaling EUR 22.7 million (EUR 17.5 million). The Group's net commission income increased by 27 percent and was EUR 22.5 million (EUR 17.7 million).

Overall costs for the last quarter of the year, including depreciation, remained at the previous year's level and amounted to EUR 14.0 million (EUR 13.9 million).

The Group's fourth quarter operating profit more than doubled compared to the same period last year and was EUR 8.7 million (EUR 3.6 million). The operating margin was 38.5 percent (20.5%). The profit for the period was EUR 6.6 million (EUR 2.5 million).

Balance sheet and funding

At the end of December, the Evli Group's balance sheet total was EUR 923.2 million (EUR 815.5 million). Due to daily changes in client activity, significant fluctuations in the size of the balance sheet total are possible from one quarter and from one year to the next. At the end of the year, the Evli Group's equity was EUR 81.7 million (EUR 77.4 million).

Evli applies the standardized approach (capital requirement for credit risk) and the basic indicator approach (capital requirement for operational risk) in its capital adequacy calculation. The Group's capital adequacy ratio of 15.1 percent clearly exceeds the regulator's requirement of 11.5 percent including the extra capital requirement. The Group's own minimum target for capital adequacy is 13.0 percent.

The Group's funding from the public and credit institutions increased by ten percent compared to the comparison period. The company's loan portfolio decreased by 0.5 percent compared to the comparison period and was EUR 114.0 million (EUR 114.6 million). The ratio of loans granted by the Group to Evli Bank Plc's deposits from the public was 20.7 percent. The Group's liquidity is good.

| COMMON EQUITY TIER 1 CAPITAL, M€ | 31.12.2019 | 31.12.2018 |
|---|-------------|-------------|
| Share capital | 30.2 | 30.2 |
| Funds total and retained earnings | 32.7 | 30.1 |
| Minority interest | 0.0 | 0.0 |
| <i>Decreases:</i> | | |
| Intangible assets | 14.3 | 11.4 |
| Other decreases | 0.0 | 0.0 |
| Total common equity tier 1 capital | 48.6 | 48.8 |

Evli Bank has no tier 2 capital.

| Minimum requirement of own funds, M€ | 31.12.2019 | 31.12.2019 |
|---|------------------|---------------------|
| Minimum capital adequacy requirement by asset group, standard credit risk method: | Min. requirement | Risk-weighted value |
| Claims from the state and central banks | 0.0 | 0.0 |
| Claims from regional governments and local authorities | 0.0 | 0.0 |
| Claims from credit institutions and investment firms | 3.2 | 39.6 |
| Investments in mutual funds | 2.0 | 25.6 |
| Claims secured with property | 0.1 | 0.9 |
| Claims from corporate customers | 2.7 | 34.2 |
| Items with high risk, as defined by the authorities | 0.1 | 0.8 |
| Other items | 6.6 | 82.8 |
| Minimum amount of own funds, market risk | 0.3 | 4.1 |
| Minimum amount of own funds, operational risk | 10.7 | 133.5 |
| Total | 25.7 | 321.5 |

BUSINESS AREAS

Wealth Management and Investor Clients

The Wealth Management and Investor Clients segment offers services to present and future high net worth private individuals and institutions. The comprehensive product and service selection includes asset management services, fund products offered by Evli and its partners, various capital market services and alternative investment products. The segment also includes execution and operations activities that directly support these core activities.

Wealth Management

The sales of Evli's Wealth Management services developed favourably during the review period. The number of clients continued to grow in both traditional and digital asset management. At the end of the year, Evli had EUR 5.3 billion (EUR 4.9 billion) in discretionary assets under management, which includes both the traditional and the digital services.

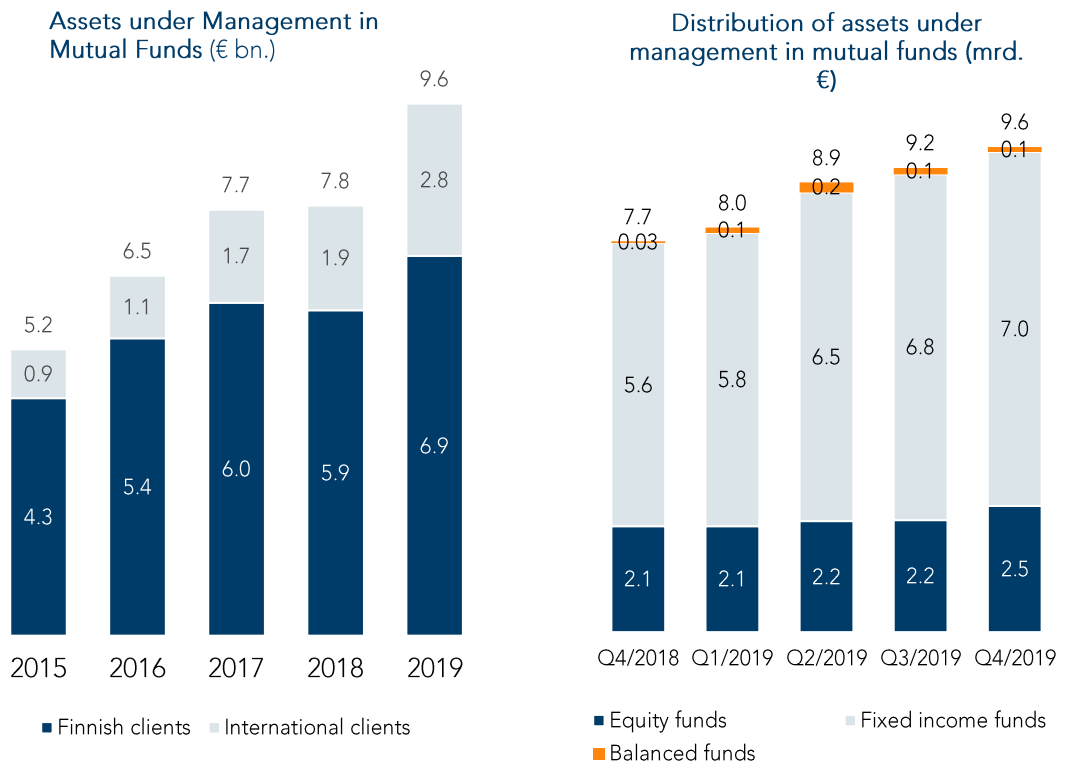
During the year Evli received excellent recognition from the independent KANTAR SIFO Prospera "External Asset Management Finland 2019" -survey, where Evli was ranked as the best institutional asset manager for the fifth consecutive year. Evli was once again placed first in among others portfolio management competence, track record and responsible investments (ESG). Evli's brand strength was also assessed as clearly the strongest in asset management services in Finland.

Evli's institutional asset management also received recognition in SFR Scandinavian Financial Research's "Institutional Investment Services, Finland 2019" -survey. According to the survey, Evli is still Finland's most widely used asset manager. In addition, Evli received the "Gold Award".

Evli's Private Banking operations were recognized when over 500 investors ranked Evli best in Finland in KANTAR SIFO Prospera "Private Banking 2019 Finland" -survey.

Investment products – traditional mutual funds

Traditional mutual fund sales developed favorably during 2019. Net subscriptions for the year totaled EUR 958.1 million (EUR 518.3 million). According to the Mutual Fund Report carried out by Investment Research Finland, Evli Fund Management Company's market share increased by 0.5 percentage points on the previous year and was 7.7 percent at the end of December. At the end of December, Evli had 26 investment funds registered in Finland and two non-UCITS funds (excluding Evli Rental Yield non-UCITS fund). The combined assets of the traditional mutual funds and the non-UCITS funds managed by the company were EUR 9.6 billion (EUR 7.8 billion). Of this, EUR 2.5 billion were invested in equity funds (EUR 2.1 billion), EUR 7.0 billion in fixed income funds (EUR 5.6 billion) and EUR 0.1 billion in balanced funds (EUR 0.1 billion). Evli's clients invested the most new assets in the Evli Nordic Corporate Bond (EUR 439 million), the Evli Euro Liquidity (EUR 303 million) and the Evli European Investment Grade (EUR 162 million), funds.



One of Evli's strategic targets is to boost the international sales of its investment products. At the end of the year the company's funds were available to institutional investors in among others Italy, Spain, France, German, Portugal and Latin America in addition to the domestic markets of Finland and Sweden. The intention is to extend the availability of products to new markets and to increase the efforts in international sales. The international interest in Evli's products has been good. By the end of December EUR 2.8 billion (EUR 1.9 billion) of Evli's fund capital came from clients outside of Finland.

At the beginning of 2019, Evli's fund knowledge was recognized. Evli was awarded with the "Best Group Bond - Overall Small Company" Lipper Fund Award 2019 in Germany and Evli Short Corporate Bond B was rewarded with both "Best Fund over 3 years" and "Best Fund over 5 years" in the "Bond EUR Corporates Short Term" category. Further, Evli was awarded with the "Best Group Bond - Overall Small Company" Lipper Fund Award 2019 in France and European Lipper Fund Awards 2019. Evli was awarded for its superior firm-wide results, excellent fixed income knowledge and outstanding performance of its product range. In addition, Evli Fund Management Company was awarded Best Fixed Income Management Company in Spain at the Morningstar Awards gala.

On May 6, 2019, Evli launched a new Evli Target Maturity Nordic Bond 2023 mutual fund that invests in Nordic corporate bonds. It is a long-term corporate bond fund that mainly invests in bonds issued by Nordic companies, financial institutions and other organizations. The fund has a fixed-period investment strategy that will end on December 31, 2023, at the latest. The fund has an active approach to responsible investment and its investments are primarily passive holdings. The fund's portfolio is managed by Juhamatti Pukka and Jani Kurppa, who were ranked among Europe's best portfolio managers in Citywire's Euro Stars comparison.

Investment products – alternative investment products

The sale of strategically important alternative investment products developed according to plans in 2019. Evli has three real estate funds and three private equity funds in its product

selection. Evli's assets under management in alternative investment products were EUR 869 million (EUR 349 million) at the end of the year.

Regarding the real estate funds, Evli collected the final investment commitments for the EAI Residential fund at and closed it to new investments to focus on maximizing the clients' returns. The Evli Healthcare I fund was also closed to new investments in February as planned. By this point around EUR 200 million had been collected in the fund. For investors interested in real estate the Evli Rental Yield non-UCITS fund launched in the second quarter of 2018 is open for investments. The fund raised EUR 60 million in new net subscriptions during the year. At the end of December Evli managed EUR 398 million (EUR 294 million) of assets in its real estate funds.

Evli's private equity fund business was launched at the end of 2018 with the new Evli Growth Partners fund, which had grown to EUR 57 million by the end of December 2019. The company reinforced its private equity business operations by purchasing Ab Kelonia Placering Oy's business operations during the second half of 2018. The business was launched during the second quarter of 2019 when the transaction closed. In relation to this, the company launched the new Evli Private Equity II Ky fund which invests in private equity funds. EUR 129 million of investment commitments were raised for the fund during the year. In conjunction with the Kelonia transaction, the fund that is now known as Evli Private Equity I Ky was transferred under Evli's management. The size of the fund at the end of the year was EUR 270 million, including investment commitments. The company's target is to continue to grow its existing products and to launch one or more products on the market during 2020.

Investment products - others

The past year was challenging for the brokerage of investment products. However, towards the end of the year, brokerage income also developed favorably. As a result, commissions from conventional equity brokerage and ETFs exceeded the level of the previous year. Thus, commission income from derivatives and structured products declined year on year. Fees were impacted, among others, by the company's decision last year to stop equity brokerage in Sweden and discontinue bond brokerage operations in Finland.

Corporate Responsibility

Evli has made responsibility one of its strategic factors. Responsibility factors have been integrated into investment operations in Evli's most substantial business area, Wealth Management, which means that responsible investment is a systematic part of portfolio management. The investments made by Evli's mutual funds are monitored continuously for any norm violations (for example human rights, corruption and environmental issues), and in Wealth Management, engagement with companies takes place both independently and jointly with other investors.

During the fourth quarter, Evli carried out engagement independently with two companies. The engagement related to corporate governance. In addition, the Principles of Responsible Investment were extended to include real estate and private equity investments, for which own operating methods were created. Evli also started the work in relation to the Task Force on Climate-Related Financial Disclosures (TCFD) framework, with the aim of publishing the analysis as part of the Annual Report.

KEY FIGURES - WEALTH MANAGEMENT AND INVESTOR CLIENTS SEGMENT

| M€ | 1-12/ 2019 | 1-12/ 2018 | Change % | 10-12/ 2019 | 10-12/ 2018 | Change % |
|---|---------------|---------------|-------------|----------------|----------------|-------------|
| Net revenue | 61.6 | 57.4 | 7.4% | 19.4 | 14.4 | 34.7% |
| Operating profit/loss before Group allocations | 28.3 | 26.5 | 6.8% | 10.4 | 6.7 | 55.6% |
| Operating profit/loss | 20.8 | 17.4 | 19.7% | 8.5 | 4.0 | 112.1% |
| Number of personnel | 154 | 164 | -3.0% | | | |
| Market share, %* | 7.7 | 7.1 | 8.5% | | | |
| Net subscriptions** | 958.1 | 518.3 | 84.9% | | | |

*Evli Fund Management Company. Source: fund report by Finanssialan Keskusliitto ry

**Net subscription to Evli's traditional funds. Source: fund report by Finanssialan Keskusliitto ry

January-December

The Wealth Management and Investor Clients segment developed favorably during 2019. The segment's net revenue increased over seven percent year on year totaling EUR 61.6 million (EUR 57.4 million). The increase in recurring fund fees impacted the revenue development positively.

October-December

The net revenue of the Wealth Management and Investor Clients segment increased by 35 percent during the fourth quarter compared with the same period in 2018 and was EUR 19.4 million (EUR 14.4 million). The development of the revenue performance was positively influenced particularly by the performance-based fees received during the last quarter.

Advisory and Corporate Clients

The Advisory and Corporate Clients segment provides advisory services related to M&A transactions, including corporate acquisitions and divestments, IPOs and share issues. The segment also offers incentive program administration services and investment research for listed companies.

M&A transactions

During 2019, Evli acted as an advisor in 17 completed transactions. The activity on the M&A market has remained good and the demand for the company's services has remained stable. The company's mandate base has remained at a good level.

In the fourth quarter of the year, Evli's advisory transactions were among others:

- Financial advisor to the owners of Mabtech AB in the sales process to IK Investment Partners, with Merieux Equity partners acquiring a minority stake.
- Financial advisor in relation to the EUR 30 million IPO of Relais Group on Nasdaq First North Helsinki
- Exclusive financial advisor to the shareholders of Ferrologic AB in the sale to Solita Oy, the Finnish digital transformation company backed by Apax Digital
- Financial advisor to three listed Swedish companies in relation to their refinancing.

Incentive systems

The Incentive systems business developed well during 2019 as revenue continued to increase from the comparison period. The revenue development was positively affected both by new clients, the more extensive incentive programs of existing clients and additional services related to management of incentive systems. At the end of December, Evli was responsible for the administration of the incentive systems for about 70 mainly listed companies.

Investment research

The performance of Evli's investment research segment did not reach expectations during 2019. At the end of December, 25 companies were clients of Evli's research service.

KEY FIGURES - ADVISORY AND CORPORATE CLIENTS SEGMENT

| M€ | 1-12/ 2019 | 1-12/ 2018 | Change % | 10-12/ 2019 | 10-12/ 2018 | Change % |
|---|---------------|---------------|-------------|----------------|----------------|-------------|
| Net revenue | 10.9 | 10.0 | 9.5% | 3.5 | 3.6 | -2.6% |
| Operating profit/loss before Group allocations | 4.0 | 3.6 | 12.0% | 1.5 | 1.8 | -16.1% |
| Operating profit/loss | 2.8 | 2.2 | 27.8% | 1.2 | 1.4 | -14.7% |
| Number of personnel | 44 | 42 | 9.5% | | | |

January-December

The net revenue of the Advisory and Corporate Clients segment developed favorably and was EUR 10.9 million (EUR 10.0 million). Significant fluctuations in revenue from one quarter to the next are typical of the segment's M&A activities.

October-December

The net revenue of the Advisory and Corporate Clients segment decreased by about three percent during the fourth quarter compared to the comparison period and was EUR 3.5 million (EUR 3.6 million). During the review period the company participated in six executed transactions. The mandate base is good, which provides a good basis for performance in 2020.

Group Operations

The Group Operations segment includes support functions serving the business areas, such as Information Management, Financial Administration, Marketing & Communication, Legal Department, Human Resources, and Internal Services. Banking services and the company's own investment operations that support the company's operations, and the Group's supervisory functions; Compliance, Risk Management and Internal Audit, are also part of Group Operations.

KEY FIGURES - GROUP OPERATIONS SEGMENT

| M€ | 1-12/ 2019 | 1-12/ 2018 | Change % | 10-12/ 2019 | 10-12/ 2018 | Change % |
|---|---------------|---------------|-------------|----------------|----------------|-------------|
| Net revenue | 3.6 | 1.3 | 174.7 % | 0.2 | -0.4 | - |
| Operating profit/loss before Group allocations | -8.4 | -10.8 | -22.5 % | -3.0 | -4.7 | -36.8 % |
| Operating profit/loss | 0.3 | -0.3 | - | -0.7 | -1.6 | -93.0 % |
| Number of personnel | 51 | 48 | 6.3 % | | | |

January-December

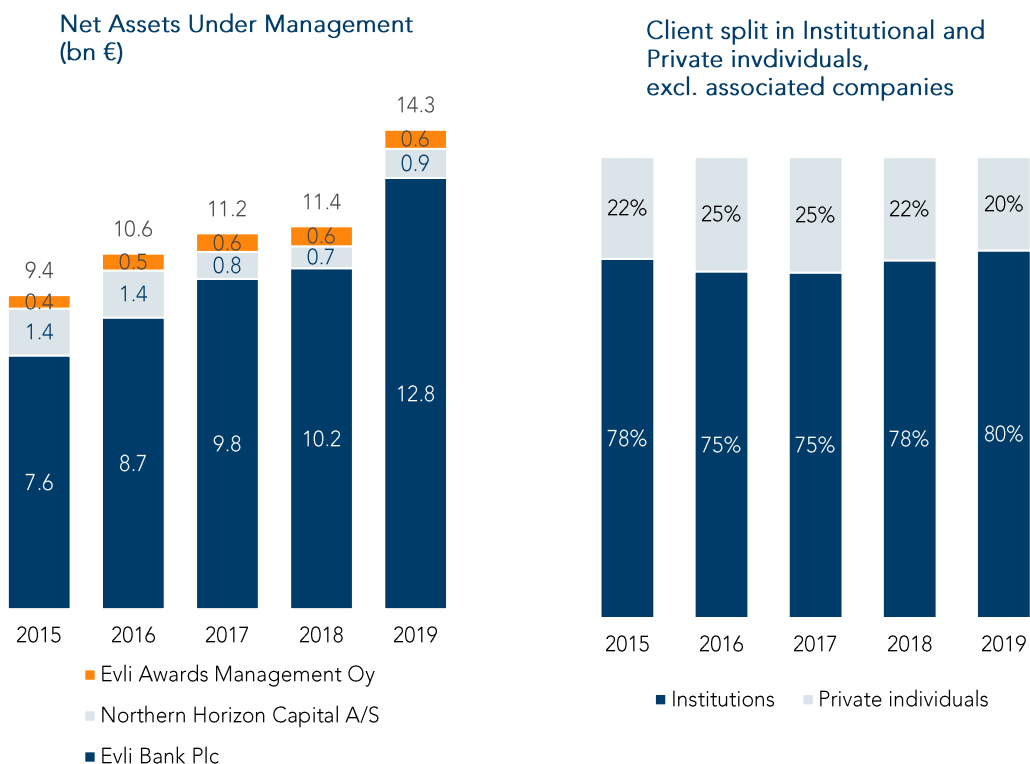
The net revenue of the Group operations segment increased by over 170 percent compared to the previous year and was EUR 3.6 million (EUR 1.3 million). This growth was a result of Evli's Treasury function's return that was higher than the previous year and the positive performance of long-term investments through Evli's own balance sheet.

October-December

The net revenue of the Group Operations segment increased year on year and was EUR 0.2 million (EUR -0.4 million).

DEVELOPMENT OF CLIENT ASSETS UNDER MANAGEMENT

There was a positive trend in client assets under management during the year as a result of successful sales and market growth. The Group's combined net assets under management at the end of December were EUR 14.3 billion (EUR 11.4 billion). About 80 percent of client assets under management in mutual funds and asset management came from institutional investors and the remaining 20 percent from private individuals.

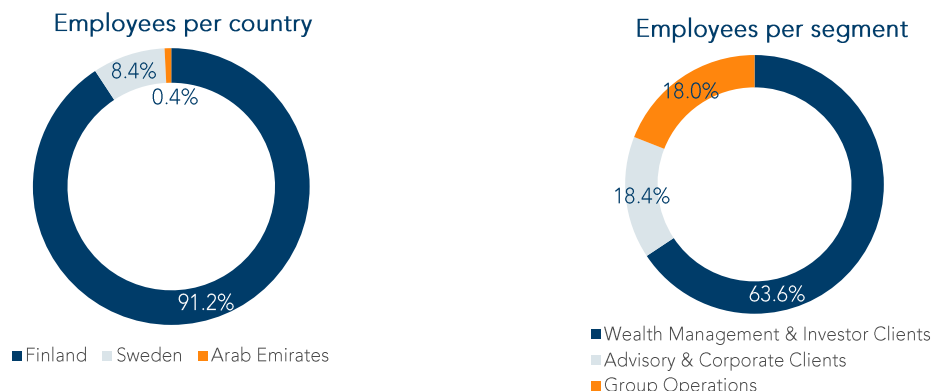


PERSONNEL

The group had 249 employees (254) at the end of December. The number of employees declined by two percent, from the comparison period. 91 percent of the personnel were employed in Finland and nine percent abroad.

In August, Evli initiated co-determination negotiations to reorganize its business support functions and administration. The negotiations ended on September 30, 2019 and resulted in the reorganization of teams and new job descriptions. As a result of the negotiations, the number of employees in these functions was reduced by nine persons and Evli offered 14 persons new job descriptions. The actions taken are aimed at further improving the quality of customer service, boosting the efficiency of processes and the dissemination of information and knowledge within the company, with centralized data analysis for example.

EMPLOYEE FACTS



CHANGES IN GROUP STRUCTURE

During 2019 the share capital of Evli Private Equity Partners Ltd was strengthened with a private placement. In conjunction with this Evli's stake in the company decreased from the previous 100 percent to 80 percent.

During December, Evli sold four percent of its shares in Evli Corporate Finance Ab to its employees. Following the transaction, Evli's ownership in the company is 59.5 percent.

At the end of the year, a new company, Evli Infrastructure Partners Oy, was established in Evli Group. Evli's ownership in the company is 82 percent.

EVLI'S SHARES AND SHARE CAPITAL

At the end of December, Evli Bank Plc's total number of shares was 23,901,420, of which 15,160,875 were series A shares and 8,740,545 were series B shares. The company held 375,387 series A shares. The company's share capital was EUR 30,194,097.31 at the end of December. No changes took place in the share capital.

Based on the stock options 2014 granted by the company's Board of Directors a total of 170,000 new A shares and 42,500 new B shares were subscribed to on February 11, 2019. The shares subscribed to were registered in the Trade Register on February 11, 2019. Public trading with the new B-shares began at Nasdaq Helsinki Ltd on February 12, 2019.

Under Article 4 of its Articles of Association, the company converted 91,404 A shares into B shares on February 13, 2019. Public trading with the converted shares began at Nasdaq Helsinki Ltd on February 14, 2019.

Under Article 4 of its Articles of Association, the company converted 149,248 A shares into B shares on June 10, 2019. Public trading with the converted shares began at Nasdaq Helsinki Ltd on June 11, 2019.

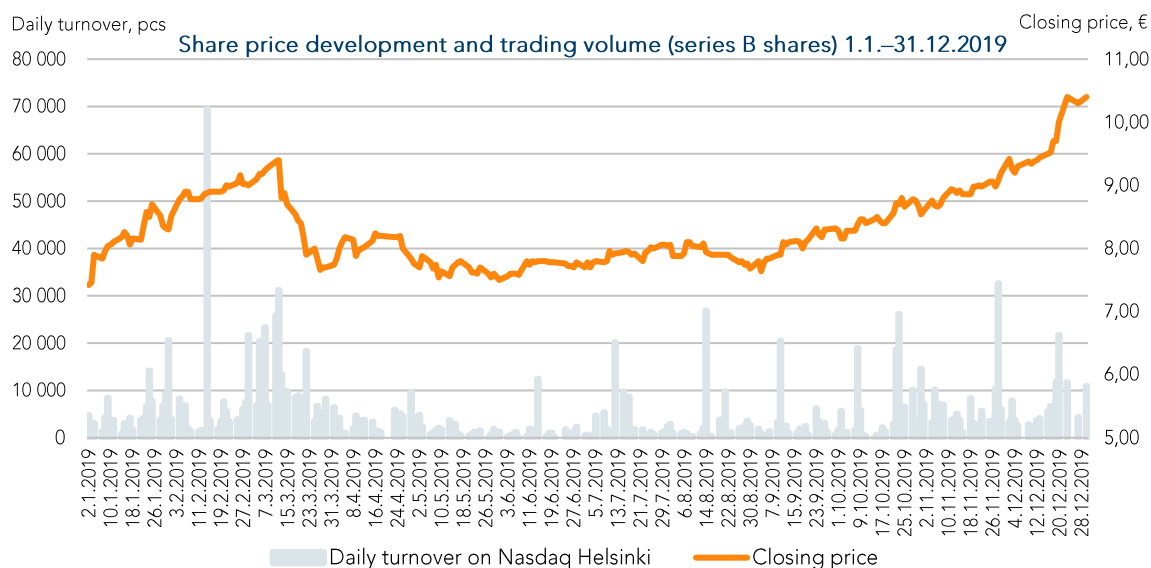
Under Article 4 of its Articles of Association, the company converted 21,728 A shares into B shares on July 12, 2019. Public trading with the converted shares began at Nasdaq Helsinki Ltd on July 15, 2019.

Under Article 4 of its Articles of Association, the company converted 69,000 A shares into B shares on October 23, 2019. Public trading with the converted shares began at Nasdaq Helsinki Ltd on October 24, 2019.

Under Article 4 of its Articles of Association, the company converted 6,668 A shares into B shares on December 13, 2019. Public trading with the converted shares began at Nasdaq Helsinki Ltd on December 16, 2019.

Trading on Nasdaq Helsinki

At the end of December, Evli had 8,740,545 B shares subject to public trading on Nasdaq Helsinki Ltd. Trading in the shares in January-December came to EUR 10.1 million, with 1,230,900 Evli shares traded. The closing price at the end of December was EUR 10.40. The highest share price during the review period was EUR 10.75 and the lowest was EUR 7.24. Evli's market capitalization was EUR 248.6 million at the end of December. The market capitalization is calculated based on both unlisted A shares and listed B shares. A shares are valued at the closing value of the B share at the end of the reporting period.



Shareholders

Evli's ten largest shareholders on December 31, 2019 are listed in the table below. The total number of shareholders at the end of December was 4,204 (3,982). The stake of Finnish companies was 54.1 percent (54.0%) and that of private Finnish individuals was 25.7 percent (25.3%). The remaining 20.2 percent of the shares (20.7%) were owned by financial and insurance institutions, public sector organizations, non-profit institutions serving households and foreign investors.

LARGEST SHAREHOLDERS DECEMBER 31, 2019

| | A-shares | B-shares | Shares total | % of all shares | Votes total | % of votes |
|--|-----------|----------|--------------|-----------------|-------------|------------|
| 1. Oy Scripo Ab | 3 803 280 | 950 820 | 4 754 100 | 19.9% | 77 016 420 | 24.6% |
| 2. Prandium Oy Ab | 3 803 280 | 950 820 | 4 754 100 | 19.9% | 77 016 420 | 24.6% |
| 3. Oy Fincorp Ab | 2 319 780 | 415 991 | 2 735 771 | 11.5% | 46 811 591 | 15.0% |
| 4. Ingman Group Oy Ab | 1 860 000 | 600 000 | 2 460 000 | 10.3% | 37 800 000 | 12.1% |
| 5. Lehtimäki Maunu | 533 728 | 155 932 | 689 660 | 2.9% | 10 830 492 | 3.5% |
| 6. Hollfast John Erik | 328 320 | 82 080 | 410 400 | 1.7% | 6 648 480 | 2.1% |
| 7. Tallberg Claes | 369 756 | 32 588 | 402 344 | 1.7% | 7 427 708 | 2.4% |
| 8. Evli Bank Plc | 375 387 | 0 | 375 387 | 1.6% | 7 507 740 | 2.4% |
| 9. Moomin Characters Oy Ltd | 0 | 316 293 | 316 293 | 1.3% | 316 293 | 0.1% |
| 10. Svenska Litteratursällskapet i Finland | 0 | 220 336 | 220 336 | 0.9% | 220 336 | 0.1% |

DECISIONS TAKEN BY THE ANNUAL GENERAL MEETING

Evli Bank Plc's Annual General Meeting, held in Helsinki on March 12, 2019, decided on the following matters:

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

Evli Bank Plc's Annual General Meeting adopted the financial statements and resolved in accordance with the proposal of the Board of Directors to pay EUR 0.61 per share in dividends. The dividend was paid to a shareholder who on the record date March 14, 2019 was registered in the shareholders' register of the company held by Euroclear Finland Ltd. The date of the payment of dividends was resolved to be March 21, 2019.

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

The Annual General Meeting granted release from liability to the Members of the Board of Directors and the CEO for the 2018 financial year.

Number of Board members, members and fees

The Annual General Meeting confirmed six as the total number of members of the Board of Directors. Henrik Andersin, Robert Ingman, Mikael Lilius and Teuvo Salminen were re-elected to Evli Bank Plc's Board of Directors. In addition, Sari Helander and Fredrik Hacklin were elected as new members to the Board of Directors.

The meeting attendance fee payable to Board members is EUR 5,000.00 per month, and the attendance fee payable to the Chairmen of the Committees is EUR 6,000.00 per month. The meeting attendance fee payable to the Chairman of the Board is EUR 7,500.00 per month.

Auditors and auditors' fees

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

Board authorizations

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

The total number of own series A shares to be repurchased may be a maximum of 1,540,752 shares, and the total number of own series B shares to be repurchased may be a maximum of 849,390 shares. The proposed number of shares represents approximately ten percent of all the shares of the company on the date of the Notice of the Annual General Meeting.

Based on the authorization, the company's own shares may only be repurchased with unrestricted equity. The company's own shares may be repurchased at the price formed for series B shares in public trading or at the price otherwise formed on the market on the purchase day.

The Board of Directors will decide how the company's own shares will be repurchased. Financial instruments such as derivatives may be used in the purchasing. The company's own shares may be repurchased in other proportion than the shareholders' proportional shareholdings (private purchase). Shares may be repurchased through public trading at the prevailing market price formed for the B-shares in public trading on the Nasdaq Helsinki Ltd on the date of repurchase.

The authorization will replace earlier unused authorizations to repurchase the company's own shares. The authorization will be in force until the next Annual General Meeting but no later than until June 30, 2020.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares pursuant to chapter 10, section 1, of the Limited Liability Companies Act in one or more lots, for a fee or free of charge.

Based on the authorization, the number of shares issued or transferred, including shares received based on special rights, may total a maximum of 2,390,142 series B shares. The proposed number of shares represents approximately ten percent of all the shares of the company on the date of the Notice of the Annual General Meeting. Of the above-mentioned total number, however, a maximum of 478,028 shares may be used as part of the company's share-based incentive schemes, representing approximately two percent of all the shares of the company on the date of the Notice of the Annual General Meeting.

The authorization will entitle the Board of Directors to decide on all the terms and conditions related to the issuing of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription rights. The Board of Directors may decide to issue either new shares or any own shares in the possession of the company.

The authorization will replace earlier unused authorizations concerning the issuance of shares as well as the issuance of options and other special rights entitling to shares.

The authorization will be in force until the end of the next Annual General Meeting but no longer than until June 30, 2020.

BUSINESS ENVIRONMENT

The prevailing business environment is favorable for Wealth Management operations. Evli has a strong position on the Finnish market, as exemplified by the nomination of the company as Finland's best institutional asset manager for the fifth consecutive year in KANTAR SIFO Prospera's survey. In addition, in the survey conducted by SFR Scandinavian Financial Research Evli has been ranked the most widely used institutional asset manager in Finland for several years. Demand for wealth management services has remained stable, and Evli has succeeded in competitive biddings in which it has participated. This provides a solid foundation for future growth.

In mutual fund operations, investors have been interested in fixed income funds in particular as a result of the uncertain market environment. This has been evident as redemptions in Evli's equity funds and correspondingly in the substantial growth of fixed income funds, for example. The company's position in the Finnish fund market is substantial, as Evli is the fourth-largest operator on the market with almost EUR 10 billion in fund capital. Nevertheless, the Finnish market continues to hold potential for substantial growth.

Client demand for alternative investment products has grown. Evli has responded by making funds that invest in properties and private equity funds available to its clients. Although the selection of alternative products is still quite new, Evli has been able to build a good market position for itself. A good product selection and new innovations provide a solid foundation for developing operations. Evli's goal is to turn alternative investment products into a major source of revenue.

The company focuses its international growth on the Nordic and European markets. Evli has also concluded fund distribution agreements in Latin America, for example. In addition to product availability, the streamlining and adaptation of administrative processes to correspond to the standards that investors are accustomed to on other markets are critical for the success of international growth. In this area, Evli has made a number of developments during the past year to better meet customer needs. Evli is excellently placed

where international sales are concerned, and the image of a high-quality Nordic fund management boutique is of interest to foreign investors.

RISK MANAGEMENT AND BUSINESS RISKS

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

Evli's most significant risks associated with its bank and investment activities are liquidity, market and interest rate risks. These risks are controlled with limits set by Evli Bank's Board of Directors. The limits are constantly monitored. The basis for investments made by the company is that they must not endanger Evli's result or solvency. Evli's investments are very highly diversified, and dependency on a single company is restricted by limiting the size of company-specific investments, for example. Regardless of good monitoring, there is always a certain degree of risk involved in investment activities, which means the return from investment activities can fluctuate significantly from one quarter to the next.

More information on business risks and their control can be found in the company's annual report.

SUGGESTION FOR DISTRIBUTION OF PROCEEDS

The parent company's distributable assets on December 31, 2019 totaled EUR 44,935,475.25 of which EUR 20,128,353.71 were retained earnings and EUR 24,807,121.54 were in the reserve for invested unrestricted equity. The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 0.66 per share be paid. The total proposed dividend calculated according to the number of shares (excluding own shares held by the company) on the balance sheet date is EUR 15,527,181.78.

There have been no major changes in the company's financial position after the end of the financial year. The proposed distribution of profit does not endanger the financial solidity or liquidity of the company.

OUTLOOK FOR 2020

There are risks associated with the general development of the equity and fixed income market. A possible decline in equity prices or a reduction in investors' risk appetite would have a negative impact on the company's profit performance. Evli Group's assets under management have grown substantially in recent years, which softens the result-impact of any reversal of the market. Sales of alternative investment products, in particular, have brought new, stable revenue. Evli has initiated a series of internal, strategy-based actions and cost savings, leading to improvements in the company's cost effectiveness.

There has been positive development in the demand for advisory services, and its outlook for 2020 is stable. Own balance sheet investments share of Evli's business has decreased during recent years. Nevertheless, it may have a significant impact on the company's result performance. In the advisory business and in own investment activities, fluctuations in quarterly and annual returns are possible.

As a result of this positive development, we estimate the operating profit for 2020 to be clearly positive.

Helsinki, January 24, 2020

EVLI BANK PLC
Board of Directors

Additional information:

Maunu Lehtimäki, CEO, tel. +358 50 553 3000
Juho Mikola, CFO, tel. +358 40 717 8888

www.evli.com

INVESTOR CALENDER 2020

- Interim Report, January-March: April 16, 2020
- Half-year Financial Report, January-June: July 14, 2020
- Interim Report, January-September: October 23, 2020

The Annual Report and Financial Statements for 2019 will be published on the company's website www.evli.com on week 7, 2020.

The Annual General Meeting of Evli Bank Plc is planned to be held in Helsinki on March 9, 2020 starting at 10.00 am.

EVLI BANK PLC

FINANCIAL STATEMENTS BULLETIN TABLES

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CONSOLIDATED INCOME STATEMENT, M€

| | 10-12/2019 | 10-12/2018 | 1-12/2019 | 1-12/2018 |
|--|-------------|-------------|-------------|-------------|
| Net interest income | 0.2 | 0.2 | 0.3 | 0.7 |
| Commission income and expense, net | 22.5 | 17.7 | 72.2 | 67.1 |
| Net income from securities transactions and foreign exchange dealing | 0.0 | -0.4 | 3.2 | 0.7 |
| Other operating income | 0.1 | 0.1 | 0.1 | 0.1 |
| NET REVENUE | 22.7 | 17.5 | 75.8 | 68.5 |
| Administrative expenses | | | | |
| Personnel expenses | -8.5 | -8.1 | -30.4 | -27.9 |
| Other administrative expenses | -3.5 | -4.2 | -14.0 | -15.9 |
| Depreciation, amortisation and write-down | -0.9 | -0.8 | -3.5 | -2.1 |
| Other operating expenses | -1.0 | -0.9 | -3.7 | -3.6 |
| Impairment losses on loans and other receivables | 0.0 | 0.0 | -0.1 | 0.0 |
| NET OPERATING PROFIT / LOSS | 8.7 | 3.6 | 24.1 | 18.9 |
| Share of profits (losses) of associates | -0.4 | 0.2 | -0.6 | 2.6 |
| Income taxes* | -1.8 | -1.3 | -4.9 | -4.2 |
| PROFIT / LOSS FOR FINANCIAL YEAR | 6.6 | 2.5 | 18.7 | 17.3 |
| Attributable to | | | | |
| Non-controlling interest | 0.9 | 0.9 | 1.4 | 1.3 |
| Equity holders of parent company | 5.7 | 1.6 | 17.3 | 16.0 |
| PROFIT / LOSS FOR FINANCIAL YEAR | 6.6 | 2.5 | 18.7 | 17.3 |
| OTHER COMPREHENSIVE INCOME / LOSS | | | | |
| Items, that will not be reclassified to profit or loss | | | | |
| Income and expenses recognised directly in equity | 0.0 | 0.0 | 0.0 | 0.0 |
| Items that are or may be reclassified subsequently to profit or loss | | | | |
| Foreign currency translation differences - foreign operations | 0.2 | 0.0 | 0.0 | -0.2 |
| Other comprehensive income/loss | 0.2 | 0.0 | 0.0 | -0.2 |
| Other comprehensive income after taxes / loss total | 0.2 | 0.0 | 0.0 | -0.2 |
| OTHER COMPREHENSIVE INCOME / LOSS TOTAL | 6.8 | 2.5 | 18.6 | 17.1 |
| Attributable to | | | | |
| Non-controlling interest | 0.9 | 0.9 | 1.4 | 1.3 |
| Equity holders of parent company | 5.9 | 1.7 | 17.2 | 15.8 |
| Earnings per Share (EPS), fully diluted | 0.24 | 0.07 | 0.71 | 0.68 |
| Comprehensive Earnings per Share (EPS), fully diluted | 0.24 | 0.07 | 0.71 | 0.67 |

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

**CONSOLIDATED INCOME STATEMENT
QUARTERLY, M€**

| | 10-12/ 2019 | 7-9/ 2019 | 4-6/ 2019 | 1-3/ 2019 | 10-12/ 2018 |
|--|----------------|--------------|--------------|--------------|----------------|
| Net interest income | 0.2 | 0.1 | 0.1 | 0.0 | 0.2 |
| Commission income and expense, net | 22.5 | 17.2 | 16.9 | 15.6 | 17.7 |
| Net income from securities transactions and foreign exchange dealing | 0.0 | 0.7 | 1.3 | 1.1 | -0.4 |
| Other operating income | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 |
| NET REVENUE | 22.7 | 18.0 | 18.3 | 16.7 | 17.5 |
| Administrative expenses | | | | | |
| Personnel expenses | -8.5 | -6.9 | -7.7 | -7.3 | -8.1 |
| Other administrative expenses | -3.5 | -3.5 | -3.4 | -3.6 | -4.2 |
| Depreciation, amortisation and write-down | -0.9 | -0.9 | -0.9 | -0.8 | -0.8 |
| Other operating expenses | -1.0 | -0.8 | -1.0 | -0.8 | -0.9 |
| Impairment losses on loans and other receivables | 0.0 | 0.0 | -0.1 | 0.0 | 0.0 |
| NET OPERATING PROFIT/LOSS | 8.7 | 5.9 | 5.2 | 4.2 | 3.6 |
| Share of profits (losses) of associates | -0.4 | -0.1 | -0.1 | 0.0 | 0.2 |
| Income taxes* | -1.8 | -1.0 | -1.3 | -0.8 | -1.3 |
| PROFIT/LOSS FOR FINANCIAL YEAR | 6.6 | 4.8 | 3.8 | 3.4 | 2.5 |
| Attributable to | | | | | |
| Non-controlling interest | 0.9 | 0.4 | -0.1 | 0.2 | 0.9 |
| Equity holders of parent company | 5.7 | 4.4 | 3.9 | 3.2 | 1.6 |
| PROFIT/LOSS FOR FINANCIAL YEAR | 6.6 | 4.8 | 3.8 | 3.4 | 2.5 |
| OTHER COMPREHENSIVE INCOME/LOSS | | | | | |
| Items, that will not be reclassified to profit or loss | | | | | |
| Income and expenses recognised directly in equity | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Items that are or may be reclassified subsequently to profit or loss | | | | | |
| Foreign currency translation differences - foreign operations | 0.2 | 0.0 | -0.1 | -0.1 | 0.0 |
| Other comprehensive income/loss | 0.2 | 0.0 | -0.1 | -0.1 | 0.0 |
| Other comprehensive income after taxes/loss total | 0.2 | 0.0 | -0.1 | -0.1 | 0.0 |
| OTHER COMPREHENSIVE INCOME/LOSS TOTAL | 6.8 | 4.8 | 3.7 | 3.3 | 2.5 |
| Attributable to | | | | | |
| Non-controlling interest | 0.9 | 0.4 | -0.1 | 0.2 | 0.9 |
| Equity holders of parent company | 5.9 | 4.5 | 3.7 | 3.1 | 1.7 |

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

| CONSOLIDATED BALANCE SHEET, M€ | | 31.12.2019 | 31.12.2018 |
|---|--|--------------|--------------|
| ASSETS | | | |
| Liquid assets | | 305.7 | 239.7 |
| Debt securities eligible for refinancing with central banks | | 36.1 | 31.1 |
| Claims on credit institutions | | 69.8 | 76.8 |
| Claims on the public and public-sector entities | | 114.0 | 114.6 |
| Debt securities | | 227.6 | 223.2 |
| Shares and participations | | 31.5 | 30.1 |
| Participating interests | | 3.8 | 5.1 |
| Derivative contracts | | 59.6 | 24.2 |
| Intangible assets | | 14.3 | 11.5 |
| Property, plant and equipment | | 1.6 | 1.9 |
| Other assets | | 55.3 | 51.9 |
| Accrued income and prepayments | | 3.6 | 5.3 |
| Deferred tax assets | | 0.2 | 0.1 |
| TOTAL ASSETS | | 923.2 | 815.5 |
| LIABILITIES | | | |
| Liabilities to credit institutions and central banks | | 1.9 | 6.7 |
| Liabilities to the public and public-sector entities | | 551.6 | 469.9 |
| Debt securities issued to the public | | 148.6 | 160.9 |
| Derivative contracts and other trading liabilities | | 59.7 | 24.3 |
| Other liabilities | | 58.0 | 58.0 |
| Accrued expenses and deferred income | | 21.7 | 18.1 |
| Deferred tax liabilities | | 0.0 | 0.0 |
| LIABILITIES TOTAL | | 841.5 | 738.0 |
| Equity to holders of parent company | | 80.1 | 76.3 |
| Non-controlling interest in capital | | 1.7 | 1.1 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 923.2 | 815.5 |

| EQUITY CAPITAL, M€ | Share capital | Share premium fund | Reserve for invested unrestricted equity | Other reserves | Retained earnings | Total | Non-controlling interest | Total Equity |
|---|---------------|--------------------|--|----------------|-------------------|-------------|--------------------------|--------------|
| Equity capital 31.12.2017 | 30.2 | 1.8 | 17.5 | 0.1 | 22.0 | 71.6 | 0.9 | 72.5 |
| Translation difference | | | | | 0.0 | 0.0 | | 0.0 |
| Profit/loss for the period | | | | | 16.0 | 16.0 | 1.3 | 17.3 |
| Dividends | | | | | -12.2 | -12.2 | -1.0 | -13.1 |
| Share options exercised | | | 0.5 | | | 0.5 | | 0.5 |
| Acquisition of own shares | | | -0.1 | | | -0.1 | | -0.1 |
| Acquisition of non-controlling interest | | | 0.5 | | | 0.5 | | 0.5 |
| Other changes | | | -0.2 | 0.2 | -0.2 | -0.2 | | -0.2 |
| Equity capital 31.12.2018 | 30.2 | 1.8 | 18.3 | 0.4 | 25.6 | 76.3 | 1.1 | 77.4 |
| Translation difference | | | | | 0.0 | 0.0 | | 0.0 |
| Profit/loss for the period | | | | | 17.2 | 17.2 | 1.4 | 18.6 |
| Dividends | | | | | -14.4 | -14.4 | -1.1 | -15.5 |
| Share options exercised | | | 0.4 | | | 0.4 | | 0.4 |
| Acquisition of own shares | | | | | | 0.0 | | 0.0 |
| Acquisition of non-controlling interest | | | | | | 0.0 | | 0.0 |
| Other changes | | | | 0.6 | | 0.6 | 0.2 | 0.8 |
| Equity capital 31.12.2019 | 30.2 | 1.8 | 18.7 | 1.0 | 28.3 | 80.1 | 1.7 | 81.7 |

| | Wealth Management and Investor Clients | Advisory and Corporate Clients | Group Operations | Unallocated | Group |
|---|---|--------------------------------------|---------------------|------------------|------------------|
| SEGMENT INCOME STATEMENT, M€ | 1-12/2019 | 1-12/2019 | 1-12/2019 | 1-12/2019 | 1-12/2019 |
| REVENUE | | | | | |
| Net interest | 0,0 | 0,0 | 0,3 | 0,0 | 0,3 |
| Net commissions | 61,6 | 11,0 | 0,0 | -0,3 | 72,2 |
| Trading and FX result | 0,0 | 0,0 | 3,2 | 0,0 | 3,2 |
| Other operative income | 0,0 | 0,0 | 0,1 | 0,0 | 0,1 |
| External sales | 61,6 | 10,9 | 3,6 | -0,3 | 75,8 |
| Inter-segment sales | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Total revenue | 61,6 | 10,9 | 3,6 | -0,3 | 75,8 |
| Timing of revenue recognition | | | | | |
| At a point in time | 55,5 | 5,1 | -2,8 | -0,3 | 57,5 |
| Over time | 8,3 | 5,8 | 0,6 | 0,0 | 14,7 |
| RESULT | | | | | |
| Segment operating expenses | -30,3 | -6,6 | -11,3 | 0,2 | -48,0 |
| Business units operating profit before depreciations and Group allocations | 31,3 | 4,4 | -7,8 | -0,2 | 27,8 |
| Depreciations | -3,0 | -0,3 | -0,5 | 0,3 | -3,5 |
| Impairment losses on loans and other receivables | 0,0 | 0,0 | -0,1 | 0,0 | -0,1 |
| Business units operating profit before Group allocations | 28,3 | 4,0 | -8,4 | 0,2 | 24,1 |
| Allocated corporate expenses | -7,5 | -1,2 | 8,7 | 0,0 | 0,0 |
| Operating profit/loss including Group allocations | 20,8 | 2,8 | 0,3 | 0,2 | 24,1 |
| Share of profits (losses) of associates | 0,0 | 0,0 | 0,0 | -0,6 | -0,6 |
| Income taxes | -2,7 | -0,8 | -1,4 | 0,0 | -4,9 |
| Segment profit/loss | 18,2 | 2,0 | -1,0 | -0,5 | 18,7 |

| | Wealth Management and Investor Clients | Advisory and Corporate Clients | Group Operations | Unallocated | Group |
|---|---|--------------------------------------|---------------------|------------------|------------------|
| SEGMENT INCOME STATEMENT, M€ | 1-12/2018 | 1-12/2018 | 1-12/2018 | 1-12/2018 | 1-12/2018 |
| REVENUE | | | | | |
| Net interest | 0,1 | 0,0 | 0,6 | 0,0 | 0,7 |
| Net commissions | 57,1 | 10,0 | 0,0 | 0,0 | 67,1 |
| Trading and FX result | 0,3 | 0,0 | 0,5 | -0,1 | 0,7 |
| Other operative income | 0,0 | 0,0 | 0,1 | 0,0 | 0,1 |
| External sales | 57,5 | 10,0 | 1,2 | -0,2 | 68,5 |
| Inter-segment sales | -0,1 | 0,0 | 0,1 | 0,0 | 0,0 |
| Total revenue | 57,4 | 10,0 | 1,3 | -0,2 | 68,5 |
| Timing of revenue recognition | | | | | |
| At a point in time | 47,3 | 4,4 | | - | 51,7 |
| Over time | 9,8 | 5,6 | | - | 15,4 |
| RESULT | | | | | |
| Segment operating expenses | -30,0 | -6,1 | -11,6 | 0,2 | -47,5 |
| Business units operating profit before depreciations and Group allocations | 27,4 | 3,9 | -10,3 | 0,0 | 21,0 |
| Depreciations | -1,0 | -0,3 | -0,5 | -0,3 | -2,1 |
| Business units operating profit before Group allocations | 26,4 | 3,6 | -10,8 | -0,3 | 18,9 |
| Allocated corporate expenses | -9,1 | -1,4 | 10,5 | 0,0 | 0,0 |
| Operating profit including Group allocations | 17,4 | 2,2 | -0,3 | -0,3 | 18,9 |
| Share of profits (losses) of associates | | | | 2,6 | 2,6 |
| Income taxes | | | | -4,2 | -4,2 |
| Segment profit/loss | 17,4 | 2,2 | -0,3 | -2,0 | 17,3 |

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

| CASH FLOW STATEMENT, M€ | 1-12/2019 | 1-12/2018 |
|---|--------------|---------------|
| Operating activities | | |
| Operating profit | 24.1 | 18.9 |
| Adjustment for items not included in cash flow | 9.5 | 4.0 |
| Income taxes paid | -5.2 | -4.4 |
| Cash flow from operating activities before changes in operating assets and liabilities | 28.5 | 18.6 |
| Changes in operating asset, total | -6.0 | -15.5 |
| Changes in operating liabilities, total | 64.8 | -128.9 |
| Cash flow from operating activities | 87.2 | -125.8 |
| Investing activities | | |
| Change in intangible asset | -5.7 | -2.2 |
| Change in property, plant and equipment | -0.2 | 0.0 |
| Cash flow from investing activities | -5.9 | -2.2 |
| Financing activities | | |
| Dividends paid to company's shareholders | -14.4 | -12.2 |
| Dividends paid to non-controlling interests in subsidiaries | -0.7 | -0.6 |
| Payment of finance lease liabilities | -2.7 | -0.2 |
| Acquisition of own shares | 0.0 | -0.1 |
| Used option rights | 0.4 | 0.0 |
| Cash flow from financing activities | -17.4 | -13.1 |
| Cash and cash equivalents at the beginning of period | 247.4 | 388.6 |
| Translation difference | 0.0 | -0.1 |
| Cash and cash equivalents at the end of year | 311.4 | 247.4 |
| Change | 64.0 | -141.1 |

KEY FIGURES DESCRIBING THE FINANCIAL PERFORMANCE

| | 10-12/2019 | 10-12/2018 | 1-12/2019 | 1-12/2018 |
|--|------------|------------|-----------|-----------|
| Income statement key figures | | | | |
| Operating income, M€ | 22.7 | 17.5 | 75.8 | 68.5 |
| Operating profit/-loss, M€ | 8.7 | 3.6 | 24.1 | 18.9 |
| Operating profit margin, % | 38.5 | 20.5 | 31.8 | 27.6 |
| Profit/loss for the financial year, M€ | 6.6 | 2.5 | 18.7 | 17.3 |
| Profitability key figures | | | | |
| Return on equity (ROE), % | | | 23.4 | 23.0 |
| Return on assets (ROA), % | | | 2.1 | 1.9 |
| Balance sheet key figures | | | | |
| Equity-to-assets ratio, % | | | 8.9 | 9.5 |
| Capital adequacy ratio, % | | | 15.1 | 16.2 |
| Key figures per share | | | | |
| Earnings per Share (EPS), fully diluted, € | 0.24 | 0.07 | 0.71 | 0.68 |
| Comprehensive Earnings per Share (EPS), fully diluted, € | 0.24 | 0.07 | 0.71 | 0.67 |
| Dividend / share, €* | | | 0.66 | 0.61 |
| Equity per share, € | | | 3.40 | 3.27 |
| Share price at the end of the period, € | | | 10.40 | 7.28 |
| Other key figures | | | | |
| Expense ratio (operating costs to net revenue) | | | 0.68 | 0.72 |
| Recurring revenue ratio, % | | | 124 | 113 |
| Personnel at the end of the period | | | 249 | 254 |
| Market value, M€ | | | 248.6 | 172.5 |

*Dividend for 2019, proposal by the Board of Directors

| Evli Group's capital adequacy | 1-12/2019 | 1-12/2018 |
|---|-----------|-----------|
| Own assets (common equity Tier 1 capital), M€ | 48.6 | 48.8 |
| Risk-weighted items total for market- and credit risks, M€ | 188.0 | 177.3 |
| Capital adequacy ratio, % | 15.1 | 16.2 |
| Evli Bank Plc's adequacy ratio, % | 19.1 | 18.8 |
| Own funds surplus, M€ | 22.9 | 24.8 |
| Own funds in relation to the minimum capital requirement, M€ | 1.9 | 2.0 |
| Own funds surplus M€ including additional capital requirement | 11.6 | 17.2 |

CALCULATION OF KEY RATIOS

| | |
|---|---|
| Net revenue | From Income Statement. Includes gross returns, deducted by interest and commission expenses. |
| Operating profit | From Income Statement |
| Profit for the financial year | From Income Statement |
| Return on equity (ROE), % | = $\frac{\text{Profit / Loss for financial year}}{\text{Equity capital and minority interest (average of the figures for the beginning and at the end of the year)}} \times 100$ |
| Return on assets (ROA), % | = $\frac{\text{Profit / Loss for financial year}}{\text{Average total assets (average of the figures for the beginning and at the end of the year)}} \times 100$ |
| Equity ratio, % | = $\frac{\text{Equity incl. non-controlling interest's share of equity}}{\text{Average balance total}} \times 100$ |
| Expense ratio as earnings to operating costs | = $\frac{\text{Administrative expenses + depreciation and impairment charges+ other operating expenses}}{\text{Net interest income + net commission income + net income from securities transactions and foreign exchange dealing + other operating income}}$ |
| Comprehensive Earnings per Share (EPS), fully diluted | = $\frac{\text{Comprehensive income for the year after taxes attributable to the shareholders of Evli Bank Plc}}{\text{average number of shares outstanding including issued share and option rights}}$ |
| Earnings per Share (EPS) | = $\frac{\text{Profit for the year after taxes attributable to the shareholders of Evli Bank Plc}}{\text{average number of shares outstanding including issued share and option rights}}$ |
| Group's capital adequacy (CET1), % | = $\frac{\text{Group assets (common equity Tier 1 capital)}}{\text{Risk-weighted items total}} \times 100$ |
| Equity per share | = $\frac{\text{Equity attributable to the shareholders of Evli Bank Plc}}{\text{Number of shares at the end of the year}}$ |
| Recurring revenue to operating costs ratio | = $\frac{\text{All revenues that are not transaction based but time dependent*}}{\text{All operative expenses excluding reservation for bonuses from review period}}$ |

*Asset management, fund fees, administration of incentive schemes, research, custody and client net interest fees

NOTES TO BALANCE SHEET, M€

| | 31.12.2019 | 31.12.2018 | | |
|---|-----------------------------|-------------------------|------------------|-------------------|
| Equity and debt securities | | | | |
| Equity securities are presented in the Statement of Changes in Equity | | | | |
| Debt securities issued to the public | | | | |
| Certificates of Deposits and commercial papers | 25.0 | | | 43.0 |
| Bonds | 123.6 | | | 118.0 |
| Debt securities issued to the public | 148.6 | | | 160.9 |
| Breakdown by maturity | under 3 months | 3-12 months | 1-5 years | 5-10 years |
| Debt securities issued to the public | 12.2 | 22.8 | 94.7 | 18.9 |
| Changes in bonds issued to the public | | | | |
| | 31.12.2019 | 31.12.2018 | | |
| Issues | 49.5 | 67.0 | | |
| Repurchases | 44.3 | 23.7 | | |
| Off-balance sheet commitments | | | | |
| Commitments given to a third party on behalf of a customer | 6.9 | 2.6 | | |
| Irrevocable commitments given in favour of a customer | 0.3 | 0.2 | | |
| Guarantees on behalf of others | 0.5 | 0.5 | | |
| Unused credit facilities | 5.4 | 2.6 | | |
| Transactions with related parties | | | | |
| | 1-12/2019 | | | |
| | Associated companies | Group management | | |
| Sales | 0.0 | 0.0 | | |
| Purchases | 0.0 | 0.0 | | |
| Receivables | 0.0 | 0.5 | | |
| Liabilities | 0.0 | 0.4 | | |

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

VALUE OF FINANCIAL INSTRUMENTS ACROSS THE THREE LEVELS OF THE FAIR VALUE HIERARCHY, M€

| Fair value | Level 1 2019 | Level 2 2019 | Level 3 2019 | Total |
|---|-----------------|-----------------|-----------------|--------------|
| Financial assets | | | | |
| Shares and participations classified as held for trading | 0.0 | 0.0 | 0.0 | 0.0 |
| Shares and participations. other | 25.0 | 0.0 | 6.5 | 31.5 |
| Debt securities eligible for refinancing with central banks | 36.1 | 0.0 | 0.0 | 36.1 |
| Debt securities | 1.4 | 222.5 | 3.6 | 227.6 |
| Positive market values from derivatives | 0.0 | 54.4 | 5.2 | 59.6 |
| Total financial assets held at fair value | 62.5 | 276.9 | 15.4 | 354.8 |
| Financial liabilities | | | | |
| Shares and participations classified as held for trading | 0.0 | 0.0 | 0.0 | 0.0 |
| Negative market values from derivatives | 0.0 | 54.5 | 5.2 | 59.7 |
| Total financial liabilities held at fair value | 0.0 | 54.5 | 5.2 | 59.7 |

Explanation of fair value hierarchies:
Level 1

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

Level 2

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

Level 3

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

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

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

Derivatives in level 2 are forwards whose values are calculated with inputs like quoted interest rates and currency rates.

Derivative valuations for level 3 instruments contain inputs (volatility and dividend estimate) which are not directly observable in the market. The values are calculated with pricing models widely in use, like Black-Scholes. Valuations received from the counterparty of the OTC trade are classified as level 3 valuations.

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

Debt securities valuations that are obtained from markets that are not fully active, have a fair value level hierarchy of 2. Level 3 valuations for debt securities are valuations for illiquid securities that are received directly from the arranger of the issue, or the valuation is calculated by Evli Bank.

| DERIVATIVE CONTRACTS, M€ | Remaining maturity | | | Fair value (+/-) | |
|------------------------------------|------------------------------------|------------------|-------------|------------------|-------------|
| | Nominal value of underlying, gross | Less than 1 year | 1-5 years | | 5-15 years |
| Held for trading | | | | | |
| Interest rate derivatives | | | | | |
| Interest rate swaps | | 2.4 | 82.1 | 18.9 | 0.0 |
| Equity-linked derivatives | | | | | |
| Futures | | 3.4 | 4.1 | 0.0 | 0.0 |
| Options bought | | 3.7 | 0.0 | 0.0 | 0.3 |
| Options sold | | 3.7 | 0.0 | 0.0 | -0.3 |
| Currency-linked derivatives | | 5,745.5 | 11.4 | 0.0 | -0.1 |
| Held for trading, total | | 5,758.7 | 97.7 | 18.9 | -0.1 |
| Derivative contracts, total | | 5,758.7 | 97.7 | 18.9 | -0.1 |

The interest rate derivatives hedge the interest rate risk in assets and liabilities in the balance sheet.

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

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

IFRS 9 - FINANCIAL INSTRUMENTS

ITEMS TO BE MEASURED ACCORDING THE IFRS 9 STANDARD, EXPECTED CREDIT LOSSES, M€
 Financial assets measured at amortized cost and accounts receivable

| Balance sheet item | Amount | Level 1 | Level 2 | Level 3 | Expected credit loss | Opening balance 1.1., credit loss provision |
|--|--------------|--------------|------------|------------|----------------------|---|
| Receivables from credit institutions | 69.8 | 69.8 | 0.0 | 0.0 | 0.0 | 0.0 |
| Receivables from the public | 114.0 | 113.2 | 0.5 | 0.3 | 0.1 | 0.0 |
| Receivables from the public; corporate | 28.9 | 28.4 | 0.5 | 0.0 | 0.0 | 0.0 |
| Receivables from the public; private | 84.7 | 84.3 | 0.0 | 0.3 | 0.1 | 0.0 |
| Receivables from the public; other | 0.4 | 0.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sales receivables | 3.5 | 3.5 | 0.1 | 0.0 | 0.0 | 0.0 |
| Off-balance sheet loan commitments | 5.4 | 5.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 192.8 | 191.9 | 0.6 | 0.3 | 0.1 | 0.0 |

The assets are classified as Level 1 if the receivable is low risk or the credit risk of the receivable has not grown materially since the date of issuing the item. If the credit risk for a financial asset has increased materially since the issuing date, the asset will be transferred to level 2. Individual loans whose values have verifiably declined are recognized in level 3.

Two loan receivables were transferred from level 1 to level 2 during the year. One loan was transferred from level 2 to level 3.

The bank has no loan payment instalments that are over 90 days late.

The expected credit loss is a probability-weighted calculation formula in which the parameters used are probability of default and the potential total loss when the receivable's collateral is realized.

The parameters are generally measured on group levels, and financial assets are classified into groups of assets with similar risks and collateral.

The probability of default of counterparties is primarily measured with statistical data based on the relative amount of problem receivables in the credit stock on a national level.

The Group has no assets in the 'measured at fair value through comprehensive income' group, and the debt securities are not valued at amortized cost.

IMPACT OF THE IFRS 9 STANDARD

| | |
|-------------------------------|------|
| Impact on capital adequacy, % | 0.0 |
| Impact on own funds, M€ | -0.1 |

ACCOUNTING POLICIES

The Interim Report complies with IAS 34, Interim Reports, as approved by the EU.

The interim report does not include all the tables regarding the business operations from the annual financial statement. As a consequence, this interim report should be read in conjunction with the company's financial statements for the financial year ended December 31, 2018.

The accounting policies used are consistent with the accounting policies for the financial year 2018 and the comparative reporting period, excluding the new IFRS standards that are described separately below.

The company has changed its consolidation system during the review period, the change has no significant impact on the accounting policies or reported figures.

The figures are unaudited.

NEW IFR STANDARD APPLIED

Evli has started applying the following standard during the review period:

- IFRS 16 Leases

The impact of the new standard on the figures in the interim report is described below separately.

IFRS 16 – LEASES

The new standard replaces the current IAS 17 standard and associated interpretations. IFRS 16 requires the lessees to recognize the lease agreements on the balance sheet as right-of-use assets and lease liabilities. The accounting model is similar to current finance lease accounting according to IAS 17.

Evli has used, among others, the following practical expedients permitted by the standard when implementing IFRS 16:

- use of single discount rate to a portfolio of leases with reasonably similar characteristics
- exclusion of leases with lease term less than 12 months
- use of hindsight in determining the lease term where the contract contains options to extend the lease.

Evli has analyzed its contract portfolio taking into account the IFRS 16 standard that will be taken into force. Based on the analysis, the IFRS 16 standard mainly applies to leases of premises that the company has previously treated as operating leases under IAS 17. Typically lease agreement terms differ from two to five years and may contain an option to extend the lease term. Evli has negotiated individual agreements for each location with potentially differing terms.

In accordance with IFRS 16 Evli has identified lease liabilities as part of its balance sheet and includes right-of-use assets as part of Other assets and corresponding lease liabilities in Other liabilities. Right-of-use assets and corresponding liabilities are calculated at net present value for lease liability exceeding 12 months. When considering the net present value of the liability, an estimate of annual increases to leases is taken into account. Future payments have been discounted to present value using a discount factor determined by the company. The company has not calculated a separate interest fee component to the lease liabilities due to low funding costs of the company and excess liquidity. Lease liability identified in the balance sheet decreases linearly over time and is identified in other operative expenses in profit and loss statement.

The impact of the IFRS 16 Standard on the Group's Other assets and Other liabilities at the end of the review period was EUR 4.9 million. Potential options to extend current leases have not been considered due to uncertainty related to use of those options.