Q3/2022

Oma Savings Bank Group
Interim Report 30 September 2022

Interim Report 30 September 2022 is a translation of the original Finnish version "Osavuosikatsaus 30.09.2022". If discrepancies occur, the Finnish version is dominant.

Oma Savings Bank Group´s Interim Report January-September 2022

- Net interest income grew strongly by 27.5% in January-September compared to the same period last year. In addition to volume growth, net interest income was increased by increased market interest rates. In the third quarter, net interest income increased by 31.0%.
- Home mortgage portfolio increased by a total of 22.3% over the previous 12 months. Corporate loan portfolio increased by 42.7% over the previous 12 months.
- Deposit stocks grew by 11.4% over the previous 12 months.
- Fee and commission income and expenses (net) item increased due to volume growth by 26.7% in January-September. In the third quarter, fee and commission income and expenses (net) item increased by 25.5%.
- Impairment losses on financial assets decreased compared to the previous year and the impairment losses totalled EUR 0.4 (5.7) million. During the third quarter, impairment losses on financial assets were EUR 1.6 (2.1) million.
- In January-September, profit before taxes decreased due to a significant positive single item recorded in the comparative period 2021 (EUR 22.3 million). Profit before taxes totalled EUR 49.9 (65.3) million.
- For January-September, comparable profit before taxes increased significantly compared with the comparative period and was EUR 55.1 (38.7) million.
- For the third quarter, profit before taxes increased compared with the comparative period and was EUR 17.8 (15.3) million. For the third quarter, comparable profit before taxes increased and was EUR 18.9 (14.0) million.
- For January-September, cost/income ratio weakened due to one-off items in the comparative period and was 51.9% (39.2%). Comparable cost/income ratio was 49.5% (47.8%).
- For the third quarter, cost/income ratio was 46.7% (42.6%). Comparable cost/income ratio was 45.3% (44.3%).
- Comparable return on equity (ROE) improved and was 15.7% (11.1%) for January-September. For the third quarter, comparable return on equity (ROE) was 17.1% (11.6)%.

Outlook for the financial year 2022 (updated 6 September 2022)

The Company estimates that profitable growth will continue to be strong. The Group's 2022 comparable profit before taxes will increase significantly compared to the previous financial year. More about the outlook in the Interim Report on page 23.

The Group's key figures (1,000 euros)	1-9/2022	1-9/2021	Δ %	2022 Q3	2021 Q3	Δ %
Net interest income	74,296	58,257	28%	26,981	20,588	31%
Fee and commission income and expenses, net	31,154	24,592	27%	10,173	8,107	25%
Total operating expenses	-54,353	-45,776	19%	-16,930	-12,942	31%
Impairment losses on financial assets, net	-431	-5,661	-92%	-1,557	-2,058	-24%
Profit before taxes	49,941	65,304	-24%	17,772	15,348	16%
Cost/income ratio, %	51.9%	39.2%	32%	46.7%	42.6%	9%
Balance sheet total	5,849,001	4,902,204	19%	5,849,001	4,902,204	19%
Equity	350,730	384,963	-9%	350,730	384,963	-9%
Return on assets (ROA) %	1.0%	1.5%	-36%	1.0%	1.0%	-3%
Return on equity (ROE) %	14.2%	18.8%	-24%	16.1%	12.7%	26%
Earnings per share (EPS), EUR	1.34	1.76	-24%	0.47	0.41	15%
Common Equity Tier 1 (CET1) capital ratio %	13.0%	16.5%	-21%	13.0%	16.5%	-21%
Comparable profit before taxes	55,092	38,695	42%	18,921	14,015	35%
Comparable cost/income ratio, %	49.5%	47.8%	3%	45.3%	44.3%	2%
Comparable return on equity (ROE) %	15.7%	11.1%	41%	17.1%	11.6%	47%

1-9/2022
Comparable profit before taxes EUR 55.1 million

CEO's review

Comparable profit before taxes EUR 18.9 million for the third quarter - an increase of 35% compared to the comparison period

OmaSp's development of the business has continued to be excellent during the third quarter as well. The ever-strengthening profitability has remained strong despite the uncertain operating environment. About a thousand new customer relationships have been still created every month. At the beginning of September, the company issued a positive profit warning.

1-9/2022
Net interest income grew by 28% and Fee and commission income by 27%

Operational efficiency is again shown as an excellent cost/income ratio. Comparable cost/income ratio was 45.3% for the third quarter.

Development of both main sources of income has continued to be strong. In addition to volume growth, as expected, development of net interest income has been accelerated by the expected general rise in interest rates. During the third quarter, net interest income increased by 31% and fee and commission income by 25% compared to the previous year.

During the third quarter, return on equity (ROE%) was 16.1% and comparable return on equity (ROE%) rose to 17.1%.

For January-September, profit before taxes amounted to EUR 49.9 million. The figures for the comparative period included a significant one-off item of around EUR 22 million. Comparable profit before tax was EUR 55.1 million, an increase of a whopping 42%.

OmaSp well prepared for the uncertainty in the operating environment

OmaSp has continued to be prepared for uncertainty in the operating environment and initiated measures to strengthen capital and liquidity buffers during the third quarter. The bank's strong financial position and earned confidence enabled a successful emission of EUR 150 million in exceptionally challenging market conditions. A debenture loan of EUR 20 million was also implemented. Interest rate hedging measures have also been implemented during the third quarter.

1-9/2022 Comparable ROE 15.7%

The quality of OmaSp's loan portfolio is at a good level, and additional allowances have been made for individual customers' payment difficulties. In the third quarter, impairment losses on financial assets of EUR 1.6 million were recorded, which included an additional allowance based on management's judgement of EUR 1.0 million.

OmaSp from excellent starting points toward the end of the year

We will continue investments to ensure future competitiveness and our investments in customer experience. Preparations for the new branch to open in Iso Omena in Espoo are in the final and the branch will be opened to customers in November. Also in Tampere the second full-service branch will be opening in December 2022.

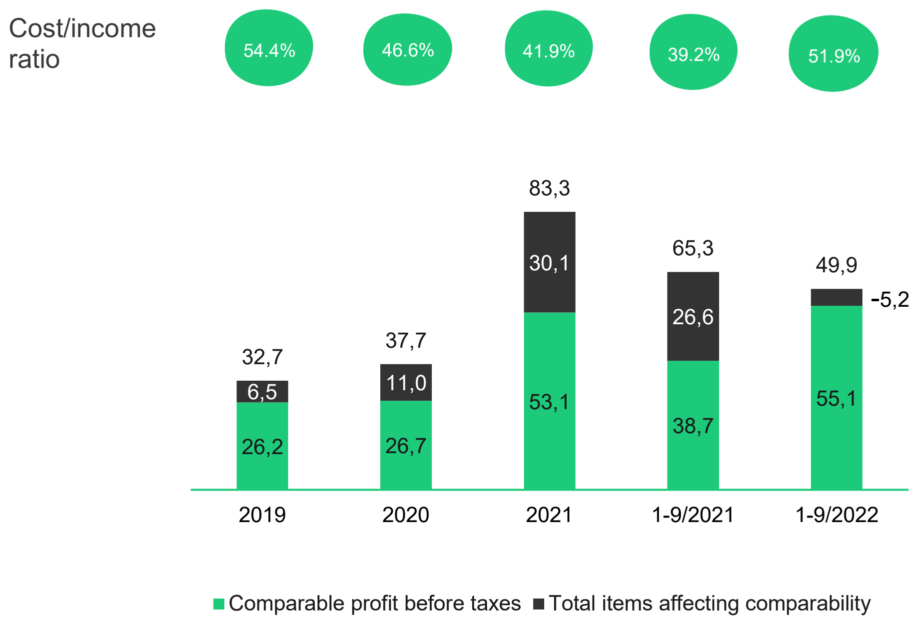
The date of merger of Liedon Savings Bank has been confirmed on 28 February 2023. With the merger, the growing volumes will further improve OmaSp's cost efficiency and business profitability. The arrangement will increase OmaSp's profit by 15-20 million euros in the next few years.

Especially during uncertain times, the importance of the bank's strong financial position is highlighted. Thanks to flexible operating models, OmaSp has been able to deliver strong results even in a changing operating environment, and the bank continues from good starting points towards the end of the financial year.

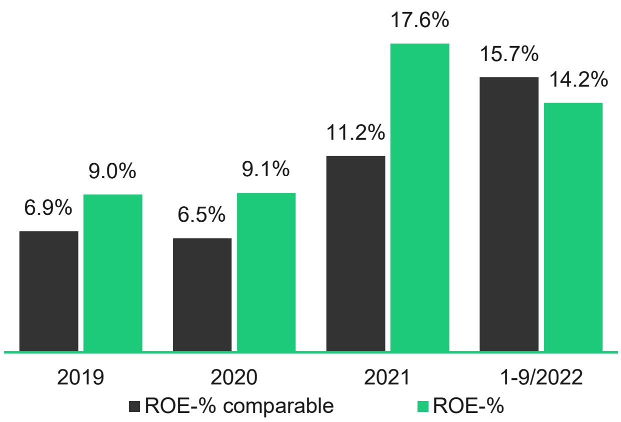
Pasi Sydänlammi
CEO

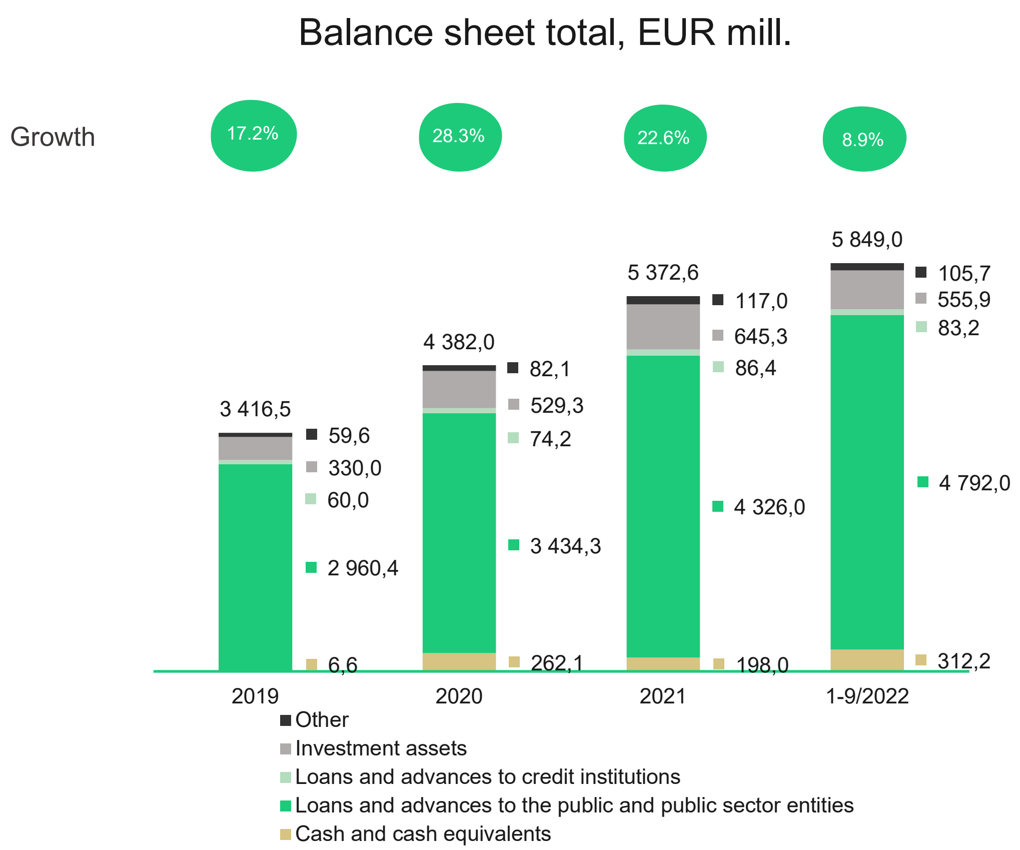
A profitably growing Finnish bank

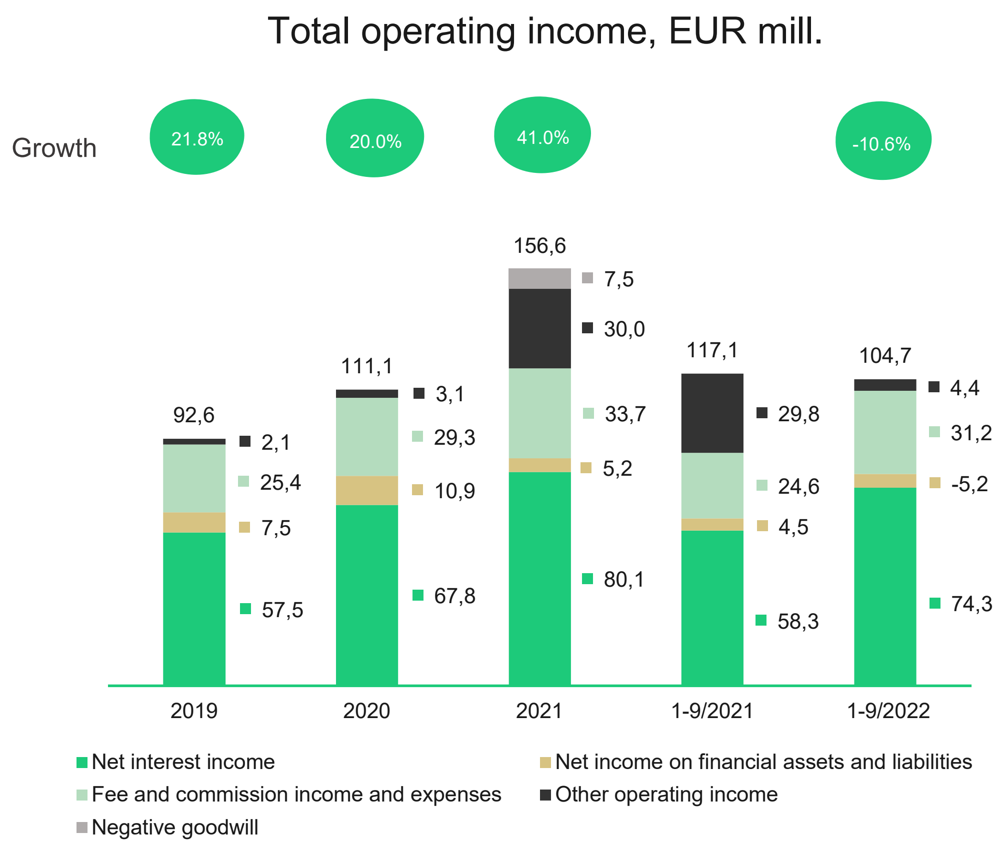
Profit before taxes, EUR mill.



Return on equity (ROE) %




Balance sheet total, EUR mill.
Growth
17.2%
28.3%
22.6%
8.9%
3 416,5
59,6
330,0
60,0
2 960,4
6,6
4 382,0
82,1
529,3
74,2
3 434,3
262,1
5 372,6
117,0
645,3
86,4
4 326,0
198,0
5 849,0
105,7
555,9
83,2
4 792,0
312,2
2019
2020
2021
1-9/2022
Other
Investment assets
Loans and advances to credit institutions
Loans and advances to the public and public sector entities
Cash and cash equivalents


Total operating income, EUR mill.
Growth
21.8%
20.0%
41.0%
-10.6%
92,6
2,1
25,4
7,5
57,5
111,1
3,1
29,3
10,9
67,8
156,6
7,5
30,0
33,7
5,2
80,1
117,1
29,8
24,6
4,5
58,3
104,7
4,4
31,2
-5,2
74,3
2019
2020
2021
1-9/2021
1-9/2022
Net interest income
Net income on financial assets and liabilities
Fee and commission income and expenses
Other operating income
Negative goodwill

Significant events during the period

- In May 2022, the Company launched negotiations to merge Liedon Savings Bank's banking business into its business. The acquisition plan has been registered in the Trade Register in June. In September 2022, the Company's board and the governing body of Liedon Savings Bank decided on the implementation of the transfer of the business in accordance with the acquisition plan. The goal is to implement the merger on 28 February 2023. The acquisition of the business is estimated to have a significant positive impact on the Company's annual profitability. In the next few years, it is estimated to increase the Company's profit before taxes by approximately EUR 15-20 million annually in the coming years. In the longer term, business in the Turku economic area is expected to significantly increase the Company's earnings. The merger will increase the Company’s balance sheet by approximately EUR 1.4 billion. The arrangement will significantly strengthen the Company's market position and service network in the Turku economic area and throughout Southwest Finland. The number of the Company's private and corporate customers will increase to more than 200,000 after the merger. The growing volumes will further improve the Company's cost efficiency and business profitability. More about the effects of the merger is described on page 22 of the Interim Report.

- Based on the authorisation of the 2022 Annual General Meeting, the Board of Directors of the Company decided on the share issue against payment directed to Liedon Savings Bank. In the directed share issue against payment, 3,125,049 shares of Oma Savings Bank will be given for subscription. The subscription price per share is the closing price of the share on Helsinki Stock Exchange on the transfer day of the business.

- In September, the Company upgraded its previous profit guidance for year 2022. The Company's year 2022 comparable profit before taxes will increase significantly compared to the previous financial year. The result for the financial year is boosted by continued strong business development and excellent cost efficiency. At the same time, the company announced the increase buffers of capital adequacy with the issuance of debentures.

- In September, the Company issued an unsecured senior-term bond of EUR 150 million. The loan was issued under the Company's EUR 3 billion bond program.

- In February, the Company has submitted an application to the Finnish Financial Supervisory Authority (FIN-FSA) for the application of the IRB approach in capital adequacy, and the application process is progressing based on the dialogue with the supervisor.

- In August, the Company announced the opening of another full-service branch in Tampere. The Hämeenkatu branch office in Tampere has grown well in recent years. In February, the Company announced that it would open a new branch in Espoo, which, as Finland's second largest city, is a significant growth center. The Company's investment decisions have arisen from rising demand.

- In June, the Finnish Financial Supervisory Authority (FIN-FSA) granted the Company a new business license in accordance with the Mortgage Credit Bank and Covered Bonds Act (151/2022).

- In May, the Company issued a EUR 350 million covered bond. The bond matures on 18 December 2026 and it was issued under the Company's EUR 3 billion bond program.

- The cooperation between the Company and the Nordic Investment Bank (NIB) continues and the banks signed a new loan agreement of EUR 50 million in May. The loan funds small and medium-sized companies and small midcap companies operating in Finland.

- The Company agreed with Mandatum on cooperation related to securities trading. In the future, the Company will recommend Mandatum Trader trading service to its customers, which offers extensive securities trading services. As part of the cooperation, the Company will give up offering its own value share accounts. The cooperation model has no financial impact and does not affect the fund and insurance investment services offered by the Company, which remain unchanged.

- In February, the Company agreed on a long-term partnership with Kyndryl-Samlink. Samlink went into ownership of Kyndryl in early 2022. The Company will develop its IT systems as reasonable entities and from the business needs. Through long-term cooperation, the Company aims for an even more modern and cost-effective IT environment.

- In February, the Company's Board of Directors confirmed the fulfilment of the 2020-2021 share-based incentive scheme's earning criteria and the payment of 336,150 shares, including the amount to be paid in cash. The share rewards will be paid in four installments within three years.

- In February 2022, the Company's Board of Directors decided to establish a new share-based incentive scheme for key persons of the Group. The aim of the scheme is to combine the interests of owners and key persons in order to increase the value of the Company in the long term, and to commit the key persons to implement the Company's strategy, objectives and long-term interest and to provide them with competitive earnings of the Company's shares and a remuneration scheme based on accrual. The incentive scheme 2022-2023 has one two-year earning period and a commitment period of 1-5 years. The fees payable under the scheme corresponds to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash.

- The Company completed the repurchase programme of its own shares, which started on 17 September 2021 and ended on 24 February 2022. During this period, a total of 198,300 own shares were repurchased for an average price of EUR 16.2543 per share. The amount corresponds to approximately 0.7% of the Company's total share amount. The shares were repurchased on the basis of the authorisation given by the Annual General Meeting on 30 March 2021. The shares were acquired to implement a share-based incentive scheme for key persons.

Oma Savings Bank Group's key figures

(1,000 euros)	1-9/2022	1-9/2021	Δ %	1-12/2021	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3
Net interest income	74,296	58,257	28%	80,130	26,981	24,229	23,086	21,873	20,588
Total operating income	104,673	117,113	-11%	156,565	36,287	33,843	34,543	39,452	30,343
Total operating expenses	-54,353	-45,776	19%	-65,294	-16,930	-18,521	-18,903	-19,518	-12,942
[1] Cost/income ratio, %	51.9%	39.2 %	32%	41.9%	46.7%	54.7%	54.6%	49.9 %	42.6%
Impairment losses on financial assets, net	-431	-5,661	92%	-7,294	-1,557	-1,372	2,498	-1,632	-2,058
Profit before taxes	49,941	65,304	-24%	83,271	17,772	13,942	18,227	17,967	15,348
Profit/loss for the accounting period	40,118	52,009	-23%	66,252	14,186	11,114	14,818	14,244	12,239
Balance sheet total	5,849,001	4,902,204	19%	5,372,633	5,849,001	5,890,317	5,518,011	5,372,633	4,902,204
Equity	350,730	384,963	-9%	401,294	350,730	355,874	371,118	401,294	384,963
[1] Return on assets (ROA) %	1.0%	1.5%	-36%	1.4%	1.0%	0.8%	1.1%	1.1 %	1.0%
[1] Return on equity (ROE) %	14.2%	18.8%	-24%	17.6%	16.1%	12.2%	15.3%	14.5 %	12.7%
[1] Earnings per share (EPS), EUR	1.34	1.76	-24%	2.22	0.47	0.37	0.49	0.48	0.41
[1] Equity ratio %	6.0%	7.9%	-24%	7.5%	6.0%	6.0%	6.7%	7.5 %	7.9%
[1] Total capital (TC) ratio %	13.8%	16.7%	-17%	15.6%	13.8%	13.2%	14.7%	15.6 %	16.7%
[1] Common Equity Tier 1 (CET1) capital ratio %	13.0%	16.5%	-21%	15.5%	13.0%	13.2%	14.6%	15.5 %	16.5%
[1] Tier 1 (T1) capital ratio %	13.0%	16.5%	-21%	15.5%	13.0%	13.2%	14.6%	15.5 %	16.5%
[1] Liquidity coverage ratio (LCR) %	153.3%	139.3%	10%	133.0%	153.3%	151.4%	123.1%	133.0 %	139.3%
[1] Net Stable Funding Ratio (NSFR) %	110.6%	118.7%	-7%	115.2%	110.6%	109.9%	115.8%	115.2 %	118.7%
Average number of employees	351	312	13%	315	359	362	331	323	321
Employees at the end of the period	351	315	11%	344	351	366	335	344	315
Alternative performance measures excluding items affecting comparability:									
[1] Comparable profit before taxes	55,092	38,695	42%	53,142	18,921	16,158	20,013	14,448	14,015
[1] Comparable cost/income ratio, %	49.5%	47.8%	3%	48.0%	45.3%	51.4%	51.9%	47.9%	44.3%
[1] Comparable earnings per share (EPS), EUR	1.48	1.04	41%	1.41	0.50	0.43	0.54	0.38	0.37
[1] Comparable return on equity (ROE) %	15.7%	11.1%	41%	11.2%	17.1%	14.2%	16.8%	11.6%	11.6%

1) The calculation principles of the key figures are presented in Note 16 of the Interim Report. Comparable profit calculation is presented in the Income Statement.

Operating environment

In the fall of 2021, the economy of the eurozone was recovering from the corona crisis, while in the spring of 2022, the energy crisis arising from Russia's invasion war to Ukraine darkened the economic prospects in all of Europe. The worsened energy crisis and the weakened exports of the euro area have accelerated inflation, which the central banks have begun to combat by raising key interest rates. [(1] The annual change in consumer prices calculated by Statistics Finland was 7.6%. The increase in inflation was influenced by, for example, the rise in the price of fuel and electricity. [(2]

The European Central Bank aims to keep inflation at the level of 2% over the medium term, so the development of inflation guides the rate of change in monetary policy. The ECB continued to raise key interest rates in September. Throughout the year, key interest rates have been raised by 1.25 percentage points, the most recent increase in key interest rates in September being 0.75 percentage points. The ECB has also indicated that interest rates will have to be raised further in future meetings. [(9] Financial conditions in Finland have tightened during 2022 and interest rates have turned to rapid growth. During January-September, the quotation of the 12-month Euribor rate has risen approximately by 3.0 percentage points. [(11]

Finland's GDP growth was strong in 2021 and strong growth was expected to continue in 2022 as well. According to Statistics Finland's updated data, total output grew by 3.5% in 2021. [(12] Russia's invasion war to Ukraine has weakened the growth of the world economy. The price of natural gas and electricity has risen significantly as natural gas supplies have been reduced from Russia to Europe. Rapid inflation dampens the growth of private consumption. [(1] According to the preliminary calculations of the Bank of Finland, the predicted GDP growth in 2022 would be 2.2% and the GDP growth is predicted to shrink to 0.3% in 2023. In 2024, economic growth is expected to return to 1.1%. [(2]

In April-June, the seasonally adjusted savings rate of households decreased compared to the previous quarter. Inflation can be seen as a significant increase in consumer spending. Households' disposable income grew by 3.1% year-on-year, when refined from price changes, income decreased by 1.2%. The majority of investments of households are in housing investments. The corporate investment rate remained at the level of the previous. [(4]

According to Statistics Finland, there were 30,000 more employed and 8,000 more unemployed in August than a year ago. In August 2022, the employment rate was 74.2% (aged 15-64) and the average unemployment rate was 6.7%. [(5]

According to Statistics Finland's preliminary data, prices of old dwellings in housing companies rose by 0.4% in August compared to last year. In the six largest cities, the prices of old dwellings in housing companies decreased by 0.2% in August compared to last year, while the growth in the rest of Finland was 1.5%. At the same time, the number of transactions through real estate agents decreased by 9% from the comparison period. [(6]

In August, 1.5 billion euros worth of mortgage loans were raised, which is EUR 288 million less than the previous year. The average interest rate for new mortgage loans was 1.95% in August. In August 2022, the annual growth of all loans to households was 2.4%. The annual growth rate of mortgage lending was 2.3%. The volume of business loans rose 10.8% over the same period. Over the 12-month period, the number of household deposits increased by a total of 4.5%. [(7]

In January-August 2022, the number of bankruptcies filed increased by 4.0% compared to the previous year. The number of personnel in the companies filing for bankruptcy came to 6,681, i.e. 16.7% less than in the corresponding period in 2021. [(8] In May-July, the number of new building permits granted decreased by 33.0% compared to the previous year and was 8.5 million cubic meters. [(10]

1) Bank of Finland, Monetary policy tightens to stabilize inflation to its target - managing the energy crisis key. Published on 29 September 2022.

2) Bank of Finland Midterm Forecast: Economic growth will crunch to the energy crisis. Published on 15 September 2022.

3) Statistics Finland, Inflation 7.6% in August 2022. Published on 14 September 2022.

4) Statistics Finland, Households' saving rate decreased in 2022 in the second quarter. Published on 16 September 2022.

5) Statistics Finland, More employed and unemployed persons in August 2022 than a year ago. Published on 20 September 2022.

6) Statistics Finland, Prices of old dwellings in housing companies fell slightly in large cities in August 2022. Published on 29 September 2022.

7) Bank of Finland, MFI balance sheet (loans and deposits) and interest rates, Business loans have been raised exceptionally high. Published on 30 September 2022.

8) Statistics Finland, 219 bankruptcies were initiated in August 2022. Published on 21 September 2022.

9) Bank of Finland, ECB monetary policy decisions. Published on 8 September 2022.

10) Statistics Finland, The number of cubes issued for building permits decreased further in May-July 2022 from one year ago. Published on 27 September 2022.

11) Bank of Finland, Euribor interest rates tables. Published on 30 September 2022.

12) Bank of Finland, War will fold the economic recovery and Forecast tables for 2022-2024 (June 2022). Published on 21 June 2022.

Impacts of the Russian invasion war

Russian invasion war to Ukraine has led to global sanctions on Russia and Belarus. Most significantly, Russia's invasion of Ukraine and the economic uncertainty it has caused have affected the financial markets in terms of the activities of Oma Savings Bank, and thereby the functioning of the refinancing market in terms of funding availability and pricing. The invasion war and the sanctions against Russia have strongly accelerated the inflation that started in 2021. High inflation and the energy crisis have increased the pressure on central banks to raise interest rates, which has been reflected in the continued rise in interest rates during the third quarter. As a result of the rise in market interest rates, the value of the Company's liquidity portfolio has decreased during the review period, as the portfolio mainly consists of fixed-rate bonds. Correspondingly, the rise in interest rates has been reflected in growing interest income in net interest income. The Company has initiated many measures with which it aims to add buffers to the clearly weakening economic cycle. The Company has issued bonds and debentures to increase liquidity and capital buffers. The Company will carry out two debenture loan issuances, one at the end of 2022 and the other at the beginning of 2023. In addition, the Company is running hedging measures regarding interest rate risk management.

The war has also highlighted the existence of cyber threats in particular: a denial-of-service attack can disrupt or paralyze information systems. Cyber threats and other risks have been identified in cooperation with service providers to ensure that the Company is well prepared in the event of a possible disruption. The Company has updated its own preparedness measures and operating guidelines especially with respect to the control of sanctions. In addition, the authorities have developed their own precautionary measures.

The Russian invasion war has not affected the growth of grace periods during the beginning of 2022, and there have been no peaks in demand for them.

The quality of the Company's loan portfolio has remained at a good level. However, the Russian invasion war, inflation and the rise in interest rates have further increased uncertainty in the financial market and the operating environment, and it has increased the credit risk as customers' potential payment difficulties increase. In addition to the allowances generated by ECL models, additional allowances based on management's judgement has been made for payment difficulties by individual customers already during the corona pandemic. In the third quarter, the Company increased additional allowances based on the management's judgement by EUR 1 million in order to prepare for a weakening economic cycle to the extent that the calculation models do not recognise the risk. On 30 September 2022, the Company has a total of EUR 2.9 million (1.9 million) additional allowances left. The Company continues to monitor the situation and assess the situation on a monthly basis.

The impacts of the crises are described in more detail in Note 2.

Credit rating and liquidity

Standard & Poor's confirmed a credit rating of BBB+ for Oma Savings Bank's long-term borrowing in June 2022, as well as a rating of A-2 for short-term borrowing. The outlook for a long-term credit rating has been confirmed as stable.

	30 Sep 2022	31 Dec 2021
LCR	153.3%	133.0%
NSFR	110.6%	115.2%

The Group's Liquidity Coverage Ratio (LCR) remained at a good level, standing at 153.3% in the third quarter of 2022. The Net Stable Funding Ratio (NSFR) was 110.6%.

The Russian invasion war that began in February 2022 as well as rising interest rates, appear as an increase in uncertainty in refinancing markets. The situation has been particularly evident in the deposit certificate market, where the price of financing has risen. In terms of long-term funding, the market continues to perform well, especially for covered bonds, but uncertainty has moved investors' maturity preference shorter. The increased interest rate is reflected in increased refinancing costs. The decrease in the deposit portfolio during the third quarter will be reflected in the growth of loan-deposit ratio in 2022.

The Company has initiated measures, such as the issuance of a senior-term bond in September and the issuance of debentures loans during the second half of the year, with which it increases liquidity and capital buffers for the clearly weakening economic cycle.

Related party disclosures

Related party is defined as key persons in a leading position at Oma Savings Bank Plc and their family members, subsidiaries, associated companies and joint ventures, joint operations and companies in which a key person in a leading position has control or significant influence, and organizations that have significant influence in Oma Savings Bank Plc. Key persons are members of the Board of Directors, the CEO and deputy to the CEO and the rest of the management team. Loans and guarantees have been granted with conditions that are applied to similar loans and guarantees granted to customers.

More detailed information on related parties is given in Note G31 of the 2021 Financial Statements.

More detailed information on the share-based remuneration scheme for the management is given in Note G32 of the Financial Statements and in Note 14 of the Interim Report.

Financial statements

The corresponding period last year has been used as the year under comparison in income statement items, and the date 31 December 2021 as the comparative period for the balance sheet and capital adequacy.

Result 7–9 / 2022

For the third quarter, the Group's profit before taxes was EUR 17.8 (15.3) million and the profit for the period was EUR 14.2 (12.2) million. The cost/income ratio was 46.7 (42.6)%.

Comparable profit before taxes amounted to EUR 18.9 (14.0) million in the third quarter and the comparable cost/income ratio was 45.3 (44.3)%. The comparable profit has been adjusted for the net income on financial assets and liabilities.

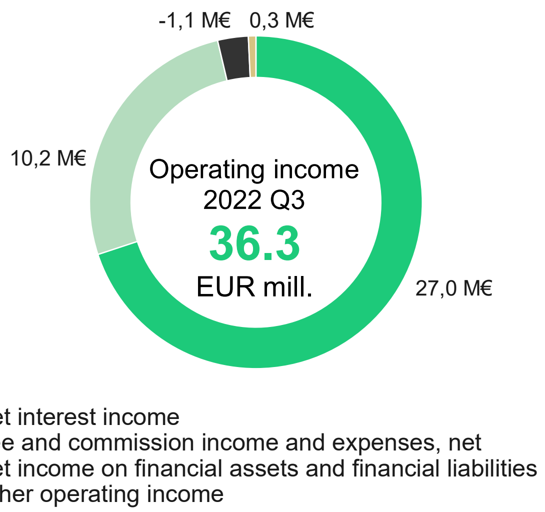
Income

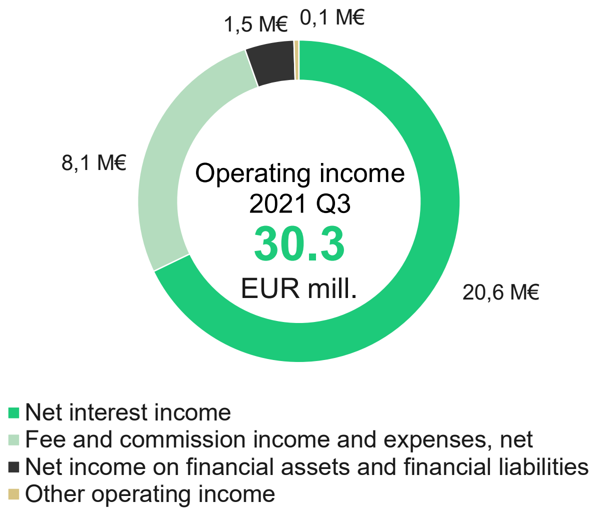
Total operating income was EUR 36.3 (30.3) million. Total operating income increased 19.6% year-on-year.

Net interest income grew by 31.0%, totalling EUR 27.0 (20.6) million. During the review period, interest income grew by 38.6%, totalling EUR 30.3 (21.9) million. The growth in interest income is largely explained by the increase in the loan portfolio of EUR 893 million as of 30 September 2021. During the reporting period, the average margin of the loan portfolio has remained almost unchanged. In the third quarter, volume growth and the rise in market interest rates have strongly increased interest income. During the third quarter, the company revised the interest treatment of the TLTRO loan, as a result of which the interest expenses on the loan increased.

Interest expenses were EUR 3.3 (1.3) million in the third quarter. A large part of the increase in interest expenses can be explained by the interest rates on the new bonds issued in May and September. The average interest on deposits paid to the Company's customers was 0.04% (0.01%) at the end of the period.

Fee and commission income and expenses (net) grew by 25.5% to EUR 10.2 (8.1) million. The total amount of fee and commission income was EUR 11.8 (9.6) million.





Net fee and commission income from cards and payment transactions was EUR 6.2 (4.7) million. The item increased by 31.1%. The increase is mainly explained by the increase in customer volume. The amount of commission income from lending was EUR 3.0 (2.7) million.

The net income on financial assets and liabilities were during the period EUR -1.1 (1.5) million. Losses recorded on financial assets are due to changes in the market prices.

Other operating income was EUR 0.3 (0.1) million.

Expenses

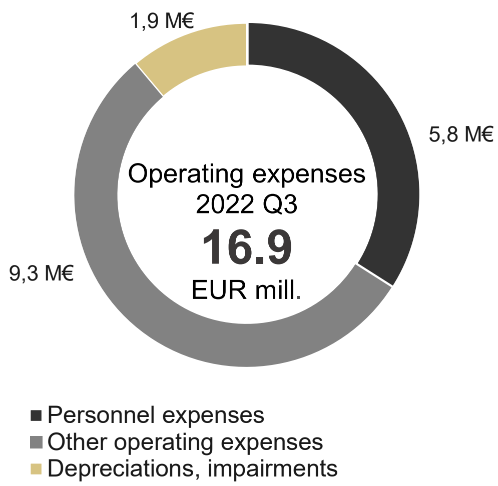
Operating expenses came to a total of EUR 16.9 (12.9) million and increased 30.8% compared to the previous year's corresponding period. The increase in comparable operating expenses was 32.5%.

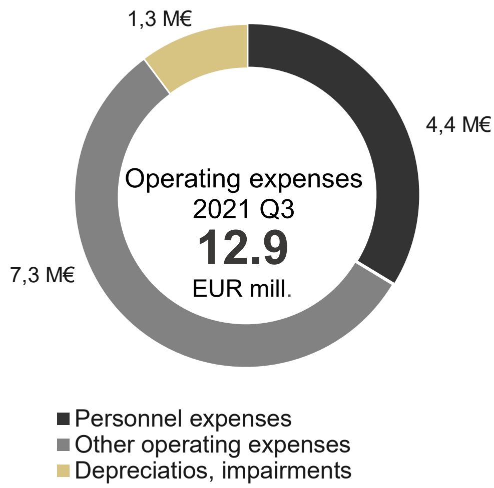
Personnel expenses increased 32.1%, totalling EUR 5.8 (4.4) million. The number of employees at the end of the period was 351 (315), of which 58 (51) were fixed-term.

As a result of the business acquisition, 33 people transferred from Eurajoen Savings Bank in December 2021, which partly explains the increased personnel costs compared to the comparison period. The increased personnel costs are also affected by the personnel costs of the units opening at the end of the year, as well as the costs recorded from the share-based incentive scheme.

Other operating expenses increased 27.9% to EUR 9.3 (7.3) million. The item includes authority fees, office, IT, PR and marketing costs and those stemming from the business premises in own use. The increase in expenses compared to the comparison period was mainly due to the increase in the number of branches and personnel due to the acquisition of the Eurajoen Savings Bank's business at the end of 2021. At the end of the year, expenses related to opening of new units have also increased expenses. In other operating expenses, there was also an increase in IT systems development expenses.

Depreciation, amortisation and impairments on tangible and intangible assets were EUR 1.9 (1.3) million.





Impairment losses on financial assets

During the third quarter, impairment losses on financial assets (net) were EUR 1.6 (2.1) million.

The net amount of realised credit losses decreased compared to the comparison period and was EUR 0.5 (1.0) million during July-September.

During the third quarter, the provision for expected credit losses increased EUR 1.1 (-1.0) million. Of the change in expected credit losses, EUR 1.2 million was allocated to receivables from customers and off-balance sheet items. The expected credit losses of the investment portfolio decreased by EUR 0.1 million due to a reduction in credit risks.

In the third quarter, the Company made an additional loss allowance based on the management judgement of EUR 1.0 million to prepare for a weakening economic cycle. Additional loss allowances of EUR 2.9 million remain for use by the Company. A total of EUR 1.5 million of these additional loss allowances has been allocated to corporate customers and EUR 1.4 million to private customers. Additional allowances made are targeted to stage 2.

Result 1–9 / 2022

The Group's profit before taxes for January-September was EUR 49.9 (65.3) million and the profit for the period was EUR 40.1 (52.0) million. The cost/income ratio was 51.9 (39.2)%.

Comparable profit before taxes amounted to EUR 55.1 (38.7) million in January-September and the comparable cost/income ratio was 49.5 (47.8)%. The comparable profit before taxes has been adjusted for the net income on financial assets and liabilities and the items recorded for the termination of the contract regarding the core banking project as well as expenses related to mergers.

Income

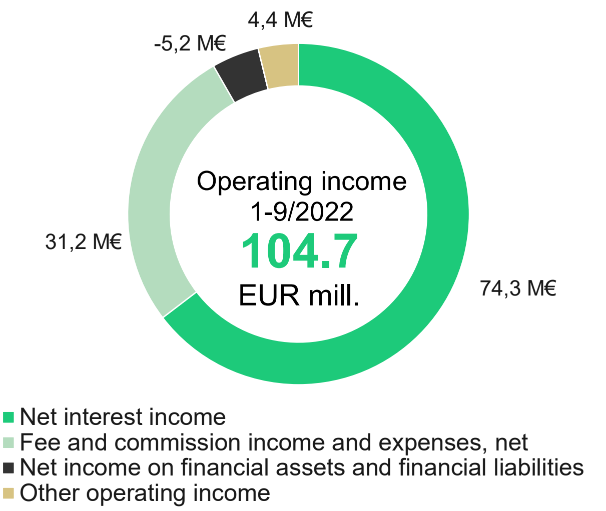
Total operating income was EUR 104.7 (117.1) million. Total operating income decreased 10.6% year-on-year. The one-time item caused by the change in the Group structure and the revaluation of the joint debt recorded in connection with the acquisition carried out last year were recorded in operating income. The combined effect of these on operating income was EUR 1.1 million. In the comparison period, other operating income increased by EUR 26.9 million from the one-off item received for the termination of the project regarding the core banking platform during the second quarter 2021.

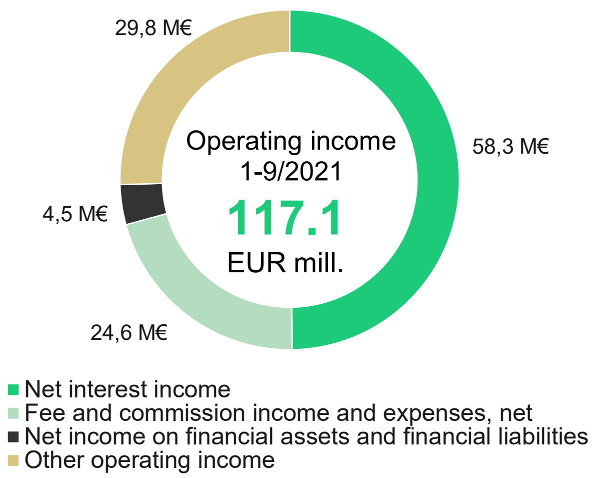
Comparable total operating income was EUR 109.8 (85.7) million and the increase of comparable total operating income was 28.1%. During the reporting period, net income on financial assets and liabilities of EUR -5.2 (4.5) million has been eliminated from operating income as an item affecting comparability.

Net interest income grew 27.5%, totalling EUR 74.3 (58.3) million. During the reporting period, interest income grew 30.7% and was EUR 80.7 (61.7) million. The growth in interest income is largely explained by the increase in the loan portfolio of EUR 893 million as of 30 September 2021. During the period, the average margin of the Company's loan portfolio has remained almost unchanged, increasing 0.02 percentage points. The overall increase in interest rates has increased the Company's interest income, particularly beginning from the third quarter.

Interest expenses increased year-on-year and was EUR 6.4 (3.5) million. A large part of the increase in interest expenses can be explained by the higher interest rate on the new bonds issued in May and September due to the rise in market interest rates. The average interest on deposits paid to the Company's customers was 0.04% (0.01%) at the end of the period.

Fee and commission income and expenses (net) grew by 26.7% and was EUR 31.2 (24.6) million. The total amount of fee and commission income was EUR 35.8 (28.7) million.





Commissions from cards and payment transactions net grew 31.9% compared on the comparative period and was EUR 18.0 (13.6) million. The increase is mainly explained by volume growth and an improvement in pricing power. The amount of commission income on lending was EUR 10.1 (8.8) million.

The net income on financial assets and liabilities was EUR -5.2 (4.5) million during the period.

Other operating income was EUR 4.4 (29.8) million. EUR 0.7 million was recorded from the valuation of the joint debt in connection with the Eurajoen Savings Bank's business transaction as well as EUR 0.4 million caused by the change in the Group structure as a positive impact. In the comparison period, the impact of the contract termination regarding the core banking platform was EUR 26.9 million.

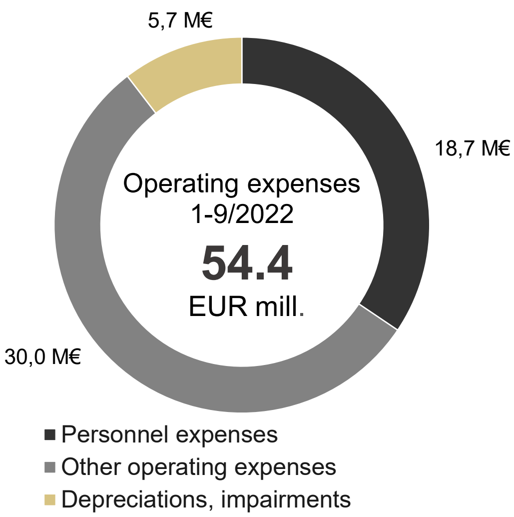
Expenses

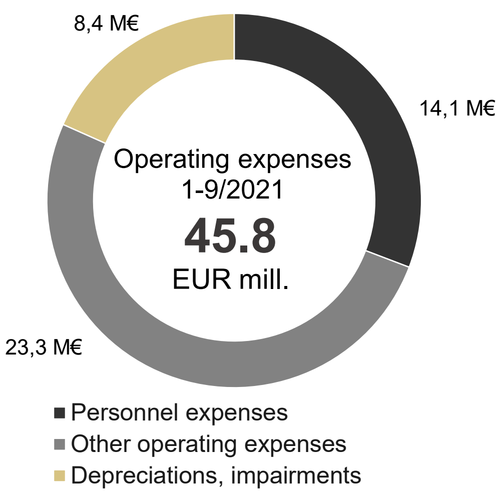
Operating expenses increased 18.7% compared to the previous year's corresponding period. Operating expenses came to a total of EUR 54.4 (45.8) million. The reporting period did not include expenses effecting comparability. In the comparison period, the operating expenses included the write-down of the core banking project, so the comparable operating expenses were EUR 54.4 (41.0) million. The increase of comparable operating expenses was 32.6%.

Personnel expenses increased 32.7%, totalling EUR 18.7 (14.1) million. The increase in personnel expensed is effected by the business transaction made at the end of 2021, in which the personnel of Eurajoen Savings Bank transferred to Oma Savings Bank as well as the opening of new units at the end of the year. The increase in personnel expenses is also affected by expenses recorded for share-based incentive scheme. The number of employees at the end of the period was 351 (315), of which 58 (51) were fixed-term.

Other operating expenses increased 28.7% to EUR 30.0 (23.3) million. Part of the increase in expenses is explained by the increase in authority fees due to the bank's growth. The item includes authority fees, office, IT, PR and marketing costs and those stemming from the business premises in own use. The increase in expenses compared to the comparison period was mainly influenced by the increase in the number of branches and personnel following the acquisition of Eurajoen Savings Bank's business at the end of 2021.

Depreciation, amortisation and impairment on tangible and intangible assets were EUR 5.7 (8.4) million. During the second quarter 2021, items recorded as impairment for the core banking project were in total EUR 4.6 million.





Impairment losses on financial assets

Impairment losses on financial assets decreased compared to the comparison year and a positive effect on the result of EUR 0.4 million was recorded for the item, when the impairment losses of financial assets recorded in the comparison period were EUR 5.7 million.

The net impact of final credit losses decreased compared to the comparison year and was in January-September EUR 3.0 (3.2) million. Credit losses recorded during the period are mostly targeted at corporate customers.

During January-September, the amount of expected credit losses decreased by EUR 2.6 million, while expected credit losses increased by EUR 2.5 million in the comparison period. Of the change in expected credit losses, EUR 1.8 million was allocated to receivables from customers and off-balance sheet items. The change in the investment portfolio was EUR 0.7 million. At the beginning of the year, the Company switched to using new, more advanced ECL models as part of the development of IRB credit risk models. This reduced expected credit losses by EUR 2.6 million.

During the first quarter, the Company released EUR 2.0 million of the additional loss allowances related to the corona pandemic. However, the Russian invasion war that began in February added economic uncertainty, which is why the Company made an additional loss allowance of EUR 2.0 million based on management's judgement. In the second quarter, based on the Company's assessment, the effects of the invasion war and the corona pandemic on the Company's credit base will remain limited, which is why the Company released EUR 2.0 million of the additional loss allowances. In the third quarter, the Company's management decided to make an additional loss allowance based on the management judgement of EUR 1.0 million to prepare for a weakening economic cycle and increasing payment difficulties that may come with it. After the third quarter, additional loss allowances of EUR 2.9 million remain for use by the Company. A total of EUR 1.5 million of these additional loss allowances has been allocated to corporate customers and EUR 1.4 million to private customers. Additional allowances made are targeted to stage 2. In addition to the allowances generated by ECL models, allowances based on management's judgement has been made for payment difficulties by individual customers.

Balance sheet

The Group's balance sheet total grew to EUR 5,849.0 (5,372.6) million during January-September 2022. The growth was 8.9%.

Loans and other receivables

In total, loans and other receivables grew 10.5% to EUR 4,875.2 (4,412.3) million in January-September.

The average size of loans issued over the past 12 months has been approximately EUR 124 thousand.

Loan portfolio by customer group (excl. credit institutions), before the expected credit losses

Credit balance (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Private customers	2,882,137	2,705,643	2,411,976
Business customers	1,096,994	882,817	768,684
Housing associations	456,705	388,306	360,090
Agricultural customers	280,457	277,743	280,760
Other	99,927	100,040	114,393
Total	**4,816,220**	**4,354,549**	**3,935,903**

Investment assets

The Group's investment assets decreased 13.9% during the period, totalling EUR 555.9 (645.3) million. The decrease was still due to changes in the value of the liquidity portfolio as market interest rates continued to rise. To reduce interest rate risk, the company has launched interest rate hedging on its liquidity portfolio. The primary purpose of managing investment assets is securing the Company's liquidity position.

Intangible assets

At the end of the period, intangible assets totalled EUR 8.6 (10.0) million.

Liabilities to credit institutions and to the public and public sector entities

Liabilities to credit institutions and to the public and public sector entities grew during the period by 2.5% to EUR 3,189.1 (3,110.5) million despite the decline in the deposit portfolio during the third quarter.

The item consists mostly of deposits received from the public, which came to EUR 2,937.8 (2,897.1) million at the end of September. Liabilities to the credit institutions were EUR 252.9 (212.7) million.

Debt securities issued to the public

Total debt securities issued to the public grew during the period by 24.3% to EUR 2,191.1 (1,762.3) million. The Company issued a EUR 350 million covered bond in May and EUR 150 million senior-term bond in September. The debt securities issued to the public are shown in more detail in Note 8.

Covered bonds are secured by loans to the value of EUR 2,145.1 (1,690.4) million.

Equity

The Group's equity EUR 350.7 (401.3) million decreased by 12.6% during the period. The change results from the decrease in the value of the fair value reserve. The fair value reserve decreased by EUR 74.5 million during the period as a result of changes in market prices caused by the increase in interest rates.

Own shares

On 30 September 2022, the number of own shares held by Oma Savings Bank was 130,847. The Company has repurchased shares of its own under the repurchase program, which ended in February 2022. There was a weighty financial reason for the directed acquisition of own shares as they were acquired in relation to the implementation of a share-based incentive scheme for key personnel.

Share capital	30 Sep 2022	31 Dec 2021
Average number of shares (excluding own shares)	29,990,687	29,773,517
Number of shares at the end of the year (excluding own shares)	30,019,341	29,962,033
Number of own shares	130,847	188,155
Share capital (1,000 euros)	24,000	24,000

Off-balance-sheet commitments

Off-balance-sheet commitments included commitments given to a third party on behalf of a customer and irrevocable commitments given to a customer. Commitments given to a third party on behalf of a customer, EUR 34.0 (31.0) million, were mostly made up of bank guarantees and other guarantees. Irrevocable commitments given to a customer, which totalled EUR 299.4 (377.8) million at the end of September, consisted mainly of undrawn credit facilities.

Progress of key development projects

In February 2022, the Company agreed on a long-term collaboration with Kyndryl-Samlink. The Company will develop its IT systems as reasonable entities and from the business needs. Through long-term cooperation, the Company aims for an even more modern and cost-effective IT environment.

The Company's project of transitioning to the application of the IRB approach is progressing. In the first stage, the Company has applied permission to apply an internal risk classification under the IRB approach to calculate capital requirements for retail credit risk liabilities. Later, the Company will apply for a similar permit for corporate liabilities as well as renewable retail liabilities. In February, the Company has applied to the Finnish Financial Supervisory Authority (FIN-FSA) for the application of the IRB approach in capital adequacy, and the application process is progressing based on the dialogue with the supervisor.

The system project to prevent money laundering and terrorist financing is progressing according to plan. The system has been introduced in stages and the system will be fully operational during 2022. In addition, the Company has an ongoing project related to the development of data warehousing and data analytics solutions on the basis of which the Company will renew amongst other things areas of the regulatory reporting. Projects to reform regulatory reporting have started as planned during the third quarter.

Merger negotiations with Liedon Savings Bank

In May 2022, the Company launched negotiations to merge Liedon Savings Bank's banking business into its business. The acquisition plan of the merger has been approved by the Boards of both banks and the acquisition plan was registered in the Trade Register in June. At its meeting on 22 September 2022, the Board of Directors of OmaSp decided on the implementation of the transfer of the business of Liedon Savings Bank in accordance with the acquisition plan. According to the acquisition plan, Liedon Savings Bank will transfer its entire business to OmaSp in accordance with Chapter 6 of the Savings Banks Act, except for the minor assets mentioned in the acquisition plan. The planned registration date for the execution of the business transfer is 28 February 2023.

The acquisition of the business will have a significant positive impact on the Company's annual profitability. In the next few years, it is estimated to increase the Company's profit before taxes by approximately EUR 15-20 million annually in the coming years. In the longer term, business in the Turku economic area is expected to significantly increase the Company's earnings. The merger will increase the Company’s balance sheet by approximately EUR 1.4 billion. The effects of the arrangement on the company's balance sheet items will be specified at the time of the transaction. The arrangement will significantly strengthen the Company's market position and service network in the Turku economic area and throughout Southwest Finland. The number of the Company's private and corporate customers will increase to more than 200,000 after the merger. The growing volumes will further improve the Company's cost efficiency and business profitability.

The acquisition of the business is planned to be carried out through a directed share issue to Liedon Savings Bank, where it will receive 3,125,049 shares in Oma Savings Bank Plc. The Board of Directors decided on the implementation of the directed issue in September 2022. The subscription price per share is the closing price of the share on the Helsinki Stock Exchange on the day of the transfer of the business, and the recorded effect of the directed issue on the Company's equity is specified on the day of the transfer. The additional purchase price will be paid in cash based on Liedon Savings Bank's customer business results for the period 1 May 2022 to 28 February 2023. Following the transfer of the banking business, Liedon Savings Bank is to become a regional Savings Bank Foundation.

Significant events after the period

In October, the Company announced that the transfer of Liedon Savings Bank to Oma Savings Bank will be carried out in accordance with the acquisition plan as no one has objected the transfer because by the date of the appearance of the creditors', no one of the creditors has objected the transfer. The transfer of the business will be implemented on 28 February 2023.

Events following the end of the reporting period that would require the presentation of additional information or that would materially affect the Company's financial position are unknown.

Dividend policy and dividend payment

The Company aims to pay a steady and growing dividend, at least 20% of net income. The Company's Board of Directors assesses the balance between the dividend or capital return to be distributed and the amount of own funds required by the Company's solvency requirements and target on an annual basis and makes a proposal on the amount of dividend or capital return to be distributed.

Financial goals

The Company has financial goals set by the Board of Directors for growth, profitability, return on equity and capital adequacy.

Oma Savings Bank´s Board of Directors has approved the following financial goals:

Growth: 10-15% annual growth in total operating income under the current market conditions.
Profitability: Cost/income ratio less than 45%.
Return on equity (ROE): Long-term return on equity (ROE) over 10%.
Capital adequacy: Common Equity Tier 1 (CET1) capital ratio at least 14%.

Financial reporting in 2023

The Company will publish financial information in 2023 as follows:
6 Feb 2023 Financial Statements Release Jan-Dec 2022
2 May 2023 Interim Report Jan-Mar 2023
31 Jul 2023 Interim Report Jan-Jun 2023
30 Oct 2023 Interim Report Jan-Sep 2023

The Company's 2022 Financial Statements, Report of the Board of Directors and Auditor's Report will be published in week 10.

Outlook for the 2022 accounting period (updated 6 September 2022)

The Company's business volumes will continue strong growth in FY2022. The Company's profitable growth is supported by efforts in recent years to improve the customer experience and the availability of customer service through new digital service channels and opening of new units. The increase in net interest income is also strengthened by the rise in market interest rates.

Oma Savings Bank Plc provides earnings guidance on comparable profit before taxes for 2022. A verbal description is used to make a comparison with the comparative period. Earnings guidance is based on the forecast for the entire year, which takes into account the current market and business situation. Forecasts are based on the management's insight into the Group's business development.

The Company estimates that profitable growth will continue to be strong. The Group's 2022 comparable profit before taxes will increase significantly compared to the previous financial year.

Capital adequacy

The total capital (TC) ratio of Oma Savings Bank Group decreased 11.9% and was 13.8 (15.6)% at the end of the period. The Common Equity Tier 1 capital (CET1) ratio was 13.0 (15.5)%, being below the minimum level of the medium-term financial goal set by the Company's Board (14%). Risk-weighted assets grew 5.9% to EUR 2,540.7 (2,398.1) million. Risk-weighted assets grew most significantly due to growth in the loan portfolio for private and corporate customers. Oma Savings Bank Group applies in the capital requirement calculation for credit risk calculation the standardised approach and for operational risk the basic indicator approach. The basic method is applied when calculating the capital requirement for market risk for the foreign exchange position. The Company's transition project to the application of the IRB approach is proceeding as planned.

At the end of the review period, the capital structure of the Group remained sufficient and consisted mostly of Common Equity Tier 1 capital (CET1). The Group's own funds (TC) of EUR 350.3 (375.2) million exceeded by EUR 45.3 million the total capital requirement for own funds EUR 305.1 (287.9) million. Own funds were most significantly increased by retained earnings for the financial year 2022, which have been included in the Common Equity Tier 1 capital with the permission granted by the Finnish Financial Supervisory Authority (FIN-FSA) as well as the EUR 20 million debenture loan issued in September. Decrease in fair value reserve EUR 74.5 million significantly reduced own funds. The Company is preparing the issuance of debenture loans in the last quarter of 2022 and in addition to the beginning of 2023. In addition, the company has started liquidity portfolio interest rate hedging, with which it aims to reduce changes in the fair value reserve when the interest rate environment changes. The Group´s leverage ratio was 5.5 (6.7)% at the end of the period, while the binding leverage ratio requirement of Solvency regulation was 3%.

The main items in the capital adequacy calculation (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Common Equity Tier 1 capital before regulatory adjustments	339,004	383,167	370,960
Regulatory adjustments on Common Equity Tier 1	-9,185	-11,244	-10,594
Common Equity Tier 1 (CET1) capital, total	**329,819**	**371,923**	**360,365**
Additional Tier 1 capital before regulatory adjustments	-	-	-
Regulatory adjustments on additional Tier 1 capital	-	-	-
Additional Tier 1 (AT1) capital, total	-	-	-
Tier 1 capital (T1 = CET1 + AT1), total	**329,819**	**371,923**	**360,365**
Tier 2 capital before regulatory adjustments	21,019	3,261	4,017
Regulatory adjustments on Tier 2 capital	-500	-	-
Tier 2 (T2) capital, total	**20,519**	**3,261**	**4,017**
Total capital (TC = T1 + T2), total	**350,338**	**375,184**	**364,382**
Risk-weighted assets			
Credit and counterparty risk, standardised approach	2,334,606	2,179,689	1,992,669
Credit valuation adjustment risk (CVA)	4,846	8,513	9,711
Market risk (foreign exchange risk)	-	8,668	8,508
Operational risk, basic indicator approach	201,272	201,272	172,536
Risk-weighted assets, total	**2,540,723**	**2,398,141**	**2,183,424**
Common Equity Tier 1 (CET1) capital ratio, %	12.98%	15.51%	16.50%
Tier 1 (T1) capital ratio, %	12.98%	15.51%	16.50%
Total capital (TC) ratio, %	13.79%	15.64%	16.69%

Leverage ratio (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Tier 1 capital	329,819	371,923	360,365
Total amount of exposures	5,996,393	5,527,533	5,040,396
Leverage ratio	**5.50%**	**6.73%**	**7.15%**

The total capital requirement for banks' own funds consists of the Pillar I minimum capital requirement (8.0%) and various buffer requirements. Buffer requirements are among others the capital conservation buffer set by the Credit Institution Act (2.5%), the discretionary SREP requirement according to Pillar II, the countercyclical buffer requirement, and the systematic risk buffer.

The SREP requirement set by the Finnish Financial Supervisory Authority (FIN-FSA) for Oma Savings Bank Plc, based on the authority's assessment, 1.5%, is valid until further notice, however not later than 30 June 2023. SREP requirement is possible to be partially covered by Tier 1 capital and Tier 2 capital in addition to Common Equity. In the third quarter of 2022, the Finnish Financial Supervisory Authority (FIN-FSA) introduced a renewed risk indicator to guide the setting of the variable additional capital requirement. The risk indicator does not point to an overheating of the financial cycle in Finland, and thus the variable additional capital requirement remained at its basic level of 0 percent. As the Russian invasion war to Ukraine continues to weaken Europe's economic outlook and the operating conditions of the financial sector, the Finnish Financial Supervisory Authority (FIN-FSA) does not apply the systemic risk buffer to Finnish credit institutions for the time being. As soon as the situation permits, the requirement is set to the level required by the risks.

The Financial Stability Authority has issued a decision to Oma Savings Bank Plc on the Minimum Requirement for Own Funds and Eligible Liabilities requirement (MREL) within the meaning of Chapter 8, Section 7 of the Resolution Act (1194/2014) on 6 April 2022. The requirement under the decision consists of an overall risk-based requirement (9.5%) and a requirement based on the total amount of liabilities used to calculate the leverage ratio (3%). MREL requirements must be fully met as of 30 June 2022. On 30 September 2022, Oma Savings Bank Plc meets the set requirement with own funds.

Group`s total capital requirement
30 Sep 2022
(1,000 euros)

			Buffer requirements					
Capital	**Pillar I minimum capital requirement***	**Pillar II (SREP) capital requirement***	**Capital conservation buffer**	**Countercyclical buffer****	**O-SII**	**Systemic risk buffer**	**Total capital requirement**	
CET1	4.50%	0.84%	2.50%	0.01%	0.00%	0.00%	7.85%	199,456
AT1	1.50%	0.28%					1.78%	45,257
T2	2.00%	0.38%					2.38%	60,342
Total	**8.00%**	**1.50%**	**2.50%**	**0.01%**	**0.00%**	**0.00%**	**12.01%**	**305,055**

* AT1 and T2 capital requirements are possible to fill with CET1 capital

**Taking into account the geographical distribution of the Group's exposures

The Group publishes information on capital adequacy and risk management compliant with Pillar III in its Capital and Risk Management Report. The document will be released as a separate report in connection with the Annual Report and it provides a more detailed description of Oma Savings Bank Group's capital adequacy and risk position. The substantial information in accordance with Pillar III will be published as a separate report alongside the Half-Year Financial Report.

Tables and notes to the Interim Report

Consolidated condensed income statement

Note	(1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
	Interest income	80,661	61,707	84,908	30,309	21,876
	Interest expenses	-6,364	-3,450	-4,778	-3,329	-1,287
9	**Net interest income**	**74,296**	**58,257**	**80,130**	**26,981**	**20,588**
	Fee and commission income	35,840	28,708	39,438	11,757	9,586
	Fee and commission expenses	-4,686	-4,116	-5,752	-1,584	-1,479
10	**Fee and commission income and expenses, net**	**31,154**	**24,592**	**33,686**	**10,173**	**8,107**
11	Net income on financial assets and financial liabilities	-5,152	4,468	5,203	-1,149	1,498
	Negative goodwill	-	-	7,535	-	-
	Other operating income	4,374	29,796	30,012	282	149
	Total operating income	**104,673**	**117,113**	**156,565**	**36,287**	**30,343**
	Personnel expenses	-18,715	-14,099	-20,631	-5,760	-4,359
	Other operating expenses	-29,968	-23,286	-34,396	-9,285	-7,263
	Depreciation, amortisation and impairment losses on tangible and intangible assets	-5,671	-8,391	-10,267	-1,884	-1,320
	Total operating expenses	**-54,353**	**-45,776**	**-65,294**	**-16,930**	**-12,942**
12	Impairment losses on financial assets, net	-431	-5,661	-7,294	-1,557	-2,058
	Share of profit of equity accounted entities	53	-371	-706	-28	5
	Profit before taxes	**49,941**	**65,304**	**83,271**	**17,772**	**15,348**
	Income taxes	-9,823	-13,296	-17,019	-3,587	-3,109
	Profit for the accounting period	**40,118**	**52,009**	**66,252**	**14,186**	**12,239**
	Of which:					
	Shareholders of Oma Savings Bank Plc	40,120	51,899	66,158	14,186	12,133
	Non-controlling interest	-2	109	95	-	106
	Total	**40,118**	**52,009**	**66,252**	**14,186**	**12,239**
	Earnings per share (EPS), EUR	**1.34**	**1.76**	**2.22**	**0.47**	**0.41**
	Earnings per share (EPS) after dilution, EUR	**1.33**	**1.74**	**2.20**	**0.47**	**0.41**

Profit before taxes excluding items affecting comparability

(1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
Profit before taxes	**49,941**	**65,304**	**83,271**	**17,772**	**15,348**
Operating income:					
Net income on financial assets and liabilities	5,152	-4,468	-5,203	1,149	-1,498
Impact of contract termination regarding core banking project	-	-26,936	-26,936	-	-
Negative goodwill	-	-	-7,535	-	-
Operating expenses					
Impact of contract termination regarding core banking project, impairment losses	-	4,629	4,629	-	-
Costs relating to business combinations	-	165	4,416	-	165
Real estate sales and impairment losses	-	-	500	-	-
Comparable profit before taxes	**55,092**	**38,695**	**53,142**	**18,921**	**14,015**
Income taxes in income statement	-9,823	-13,296	-17,019	-3,587	-3,109
Change of deferred taxes	-1,030	5,322	6,026	-230	267
Comparable profit/loss for the accounting period	**44,239**	**30,721**	**42,149**	**15,105**	**11,173**

Consolidated statement of comprehensive income

(1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
Profit for the accounting period	**40,118**	**52,009**	**66,252**	**14,186**	**12,239**
Other comprehensive income before taxes					
Items that will not be reclassified through profit or loss					
Gains and losses on remeasurements from defined benefit pension plans	-	-218	-359	-	-
Items that may later be reclassified through profit or loss					
Measured at fair value	-93,045	-9,020	-14,153	-24,383	-1,066
Transferred to Income Statement as a reclassification change	-97	12	8	-	-
Other comprehensive income before taxes	**-93,143**	**-9,227**	**-14,504**	**-24,383**	**-1,066**
Income taxes					
For items that will not be reclassified to profit or loss					
Gains and losses on remeasurements from defined benefit pension plans	-	44	72	-	-
Items that may later be reclassified to profit or loss					
Measured at fair value	18,629	1,802	2,829	4,877	213
Income taxes	**18,629**	**1,845**	**2,901**	**4,877**	**213**
Other comprehensive income for the accounting period after taxes	**-74,514**	**-7,382**	**-11,603**	**-19,506**	**-853**
Comprehensive income for the accounting period	**-34,397**	**44,627**	**54,649**	**-5,321**	**11,387**
Attributable to:					
Shareholders of Oma Savings Bank Plc	-34,394	44,518	54,554	-5,321	11,281
Non-controlling interest	-2	109	95	-	106
Total	**-34,397**	**44,627**	**54,649**	**-5,321**	**11,387**

Consolidated condensed balance sheet

Note	Assets (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
	Cash and cash equivalents	312,189	198,046	157,783
4	Loans and advances to credit institutions	83,231	86,371	73,941
4	Loans and advances to the public and public sector entities	4,791,979	4,325,950	3,908,137
5	Financial derivatives	197	2,240	2,212
6	Investment assets	555,889	645,275	631,060
	Equity accounted entities	24,262	22,884	23,219
	Intangible assets	8,622	10,025	9,428
	Tangible assets	29,531	27,887	27,179
	Other assets	20,401	46,880	64,227
	Deferred tax assets	22,371	7,077	5,017
	Current income tax assets	329	-	-
	Assets, total	**5,849,001**	**5,372,633**	**4,902,204**

Note	Liabilities (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
7	Liabilities to credit institutions	252,938	212,685	216,823
7	Liabilities to the public and public sector entities	2,936,171	2,897,865	2,637,854
5	Financial derivatives	1,595	-	-
8	Debt securities issued to the public	2,191,064	1,762,324	1,558,728
	Subordinated liabilities	35,000	15,500	15,500
	Provisions and other liabilities	46,800	42,512	50,440
	Deferred tax liabilities	34,705	31,122	29,990
	Current income tax liabilities	-	9,331	7,907
	Liabilities, total	**5,498,271**	**4,971,339**	**4,517,241**

Equity	30 Sep 2022	31 Dec 2021	30 Sep 2021
Share capital	24,000	24,000	24,000
Reserves	70,319	144,833	141,141
Retained earnings	256,411	231,939	219,284
Shareholders of Oma Savings Bank Plc	**350,730**	**400,772**	**384,426**
Shareholders of Oma Savings Bank Plc	350,730	400,772	384,426
Non-controlling interest	-	522	537
Equity, total	**350,730**	**401,294**	**384,963**
Liabilities and equity, total	**5,849,001**	**5,372,633**	**4,902,204**

Group's off-balance sheet commitments (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Off-balance sheet commitments			
Guarantees and pledges	34,021	30,818	28,266
Other commitments given to a third party	-	212	142
Commitments given to a third party on behalf of a customer	**34,021**	**31,030**	**28,408**
Undrawn credit facilities	299,362	377,826	288,730
Irrevocable commitments given in favour of a customer	**299,362**	**377,826**	**288,730**
Group's off-balance sheet commitments, total	**333,382**	**408,855**	**317,138**

Consolidated statement of changes in equity

(1,000 euros)

30 Sep 2022	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
Equity, 1 January 2022	**24,000**	**-492**	**145,324**	**144,833**	**231,939**	**400,772**	**522**	**401,294**
Comprehensive income								
Profit for the accounting period	-	-	-	-	40,120	40,120	-2	40,118
Other comprehensive income	-	-74,514	-	-74,514	-	-74,514	-	-74,514
Comprehensive income, total	**-**	**-74,514**	**-**	**-74,514**	**40,120**	**-34,394**	**-2**	**-34,397**
Transactions with owners								
Emission of new shares	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	880	880	-	880
Distribution of dividends	-	-	-	-	-15,010	-15,010	-	-15,010
Share-based incentive scheme	-	-	-	-	-1,556	-1,556	-	-1,556
Loss of control in a partially owned subsidiary	-	-	-	-	37	37	-520	-482
Transactions with owners, total	**-**	**-**	**-**	**-**	**-15,648**	**-15,648**	**-520**	**-16,167**
Equity total, 30 September 2022	**24,000**	**-75,006**	**145,324**	**70,319**	**256,411**	**350,730**	**-**	**350,730**

31 Dec 2021	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
Equity, 1 January 2021	**24,000**	**10,824**	**137,530**	**148,354**	**180,712**	**353,066**	**427**	**353,493**
Comprehensive income								
Profit for the accounting period	-	-	-	-	66,158	66,158	95	66,252
Other comprehensive income	-	-11,316	-	-11,316	-288	-11,603	-	-11,603
Comprehensive income, total	**-**	**-11,316**	**-**	**-11,316**	**65,870**	**54,554**	**95**	**54,649**
Transactions with owners								
Emission of new shares	-	-	7,800	7,800	-	7,800	-	7,800
Repurchase of own shares	-	-	-	-	-2,863	-2,863	-	-2,863
Distribution of dividends	-	-	-	-	-12,699	-12,699	-	-12,699
Share-based incentive scheme	-	-	-	-	913	913	-	913
Other changes	-	-	-6	-6	6	-	-	-
Transactions with owners, total	**-**	**-**	**7,794**	**7,794**	**-14,642**	**-6,848**	**-**	**-6,848**
Equity total, 31 December 2021	**24,000**	**-492**	**145,324**	**144,833**	**231,939**	**400,772**	**522**	**401,294**

30 Sep 2021	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
Equity, 1 January 2021	**24,000**	**10,824**	**137,530**	**148,354**	**180,712**	**353,066**	**427**	**353,493**
Comprehensive income								
Profit for the accounting period	-	-	-	-	51,899	51,899	109	52,009
Other comprehensive income	-	-7,207	-	-7,207	-175	-7,382	-	-7,382
Comprehensive income, total	**-**	**-7,207**	**-**	**-7,207**	**51,725**	**44,518**	**109**	**44,627**
Transactions with owners								
Emission of new shares	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-1,192	-1,192	-	-1,192
Distribution of dividends	-	-	-	-	-12,695	-12,695	-	-12,695
Share-based incentive scheme	-	-	-	-	730	730	-	730
Other changes	-	-	-6	-6	6	-	-	1
Transactions with owners, total	**-**	**-**	**-6**	**-6**	**-13,152**	**-13,157**	**-**	**-13,157**
Equity total, 30 September 2021	**24,000**	**3,617**	**137,524**	**141,141**	**219,284**	**384,426**	**537**	**384,963**

Consolidated condensed cash flow statement

Note	(1,000 euros)	1-9/2022	1-9/2021	1-12/2021
	Cash flow from operating activities			
	Profit/loss for the accounting period	40,118	52,009	66,252
	Changes in fair value	5,302	-	-9
	Share of profit of equity accounted entities	-53	371	706
11	Depreciation and impairment losses on investment properties	31	35	46
	Depreciation, amortisation and impairment losses on tangible and intangible assets	5,671	8,391	10,267
	Gains and losses on sales of tangible and intangible assets	-266	38	54
12	Impairment and expected credit losses	431	5,661	7,294
	Negative goodwill	-	-	-7,535
	Income taxes	9,823	13,296	17,019
	Other adjustments	2,554	840	2,031
	Adjustments to the profit/loss of the accounting period	23,493	28,632	29,872
	Cash flow from operations before changes in receivables and liabilities	**63,611**	**80,640**	**96,124**
	Increase (-) or decrease (+) in operating assets			
	Debt securities	-19,423	-102,484	-120,976
	Loans and advances to credit institutions	-3,560	-3,670	-5,288
	Loans and advances to customers	-498,048	-482,548	-631,749
	Derivatives in hedge accounting	114	27	138
	Investment assets	10,463	1,665	1,903
	Other assets	25,927	-1,530	-2,413
	Total	**-484,528**	**-588,541**	**-758,384**
	Increase (+) or decrease (-) in operating liabilities			
	Liabilities to credit institutions	68,348	-6,687	-91,094
	Deposits	42,072	259,665	298,605
	Provisions and other liabilities	2,757	-3,349	-7,721
	Total	**113,177**	**249,629**	**199,790**
	Paid income taxes	**-14,095**	**-6,447**	**-7,301**
	Total cash flow from operating activities	**-321,835**	**-264,719**	**-469,770**
	Cash flow from investments			
	Investments in tangible and intangible assets	-2,493	-4,082	-5,976
	Proceeds from sales of tangible and intangible assets	660	5,594	5,797
	Changes in other investments	205	-	-
	Total cash flow from investments	**-1,627**	**1,512**	**-180**
	Cash flows from financing activities			
	Repurchase of own shares	-367	-1,144	-2,863
	Subordinated liabilities, changes	20,000	-	-
	Debt securities issued to the public	428,159	161,490	384,937
	Acquisition or sale of business	-28	-	43,305
	Payments of lease liabilities	-1,850	-1,445	-1,943
	Dividends paid	-15,010	-3,846	-12,699
	Total cash flows from financing activities	**430,905**	**155,054**	**410,738**
	Net change in cash and cash equivalents	**107,443**	**-108,153**	**-59,212**
	Cash and cash equivalents at the beginning of the accounting period	**253,782**	**312,994**	**312,994**
	Cash and cash equivalents at the end of the accounting period	**361,225**	**204,755**	**253,782**
	Cash and cash equivalents are formed by the following items			
3	Cash and cash equivalents	312,189	157,783	198,046
4	Receivables from credit institutions repayable on demand	49,036	46,971	55,736
	Total	**361,225**	**204,755**	**253,782**
	Received interest	**77,609**	**60,740**	**84,177**
	Paid interest	**-4,042**	**-2,675**	**-4,146**
	Dividends received	**439**	**130**	**300**

Consolidated condensed income statement, quarterly trend

Note	(1 000 euros)	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3
	Interest income	30,309	26,296	24,055	23,201	21,876
	Interest expenses	-3,329	-2,066	-969	-1,328	-1,287
9	**Interest income, net**	**26,981**	**24,229**	**23,086**	**21,873**	**20,588**
	Fee and commission income	11,757	12,259	11,825	10,730	9,586
	Fee and commission expenses	-1,584	-1,528	-1,574	-1,636	-1,479
10	**Fee and commission income and expenses, net**	**10,173**	**10,730**	**10,251**	**9,094**	**8,107**
11	Net income on financial assets and financial liabilities	-1,149	-2,217	-1,786	735	1,498
	Negative goodwill	-	-	-	7,535	-
	Other operating income	282	1,100	2,992	215	149
	Operating income, total	**36,287**	**33,843**	**34,543**	**39,452**	**30,343**
	Personnel expenses	-5,760	-6,832	-6,122	-6,532	-4,359
	Other operating expenses	-9,285	-9,846	-10,836	-11,110	-7,263
	Depreciation, amortisation and impairment losses on tangible and intangible assets	-1,884	-1,842	-1,945	-1,876	-1,320
	Operating expenses, total	**-16,930**	**-18,521**	**-18,903**	**-19,518**	**-12,942**
12	Impairment losses on financial assets, net	-1,557	-1,372	2,498	-1,632	-2,058
	Share of profit from joint ventures and associated companies	-28	-9	89	-334	5
	Profit before taxes	**17,772**	**13,942**	**18,227**	**17,967**	**15,348**
	Income taxes	-3,587	-2,827	-3,409	-3,723	-3,109
	Profit for the accounting period	**14,186**	**11,114**	**14,818**	**14,244**	**12,239**
	Of which:					
	Shareholders of Oma Savings Bank Plc	14,186	11,103	14,831	14,258	12,133
	Non-controlling interest	-	11	-14	-14	106
	Total	**14,186**	**11,114**	**14,818**	**14,244**	**12,239**
	Earnings per share (EPS), EUR	**0.47**	**0.37**	**0.49**	**0.48**	**0.41**
	Earnings per share (EPS) after dilution, EUR	**0.47**	**0.37**	**0.49**	**0.47**	**0.41**

Profit before taxes excluding items affecting comparability:	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3
Profit before taxes	**17,772**	**13,942**	**18,227**	**17,967**	**15,348**
Operating income:					
Net income on financial assets and liabilities	1,149	2,217	1,786	-735	-1,498
Negative goodwill	-	-	-	-7,535	-
Operating expenses					
Costs relating to business combinations	-	-	-	4,251	165
Sales and impairment losses of commercial premises in own use	-	-	-	500	-
Comparable profit before taxes	**18,921**	**16,158**	**20,013**	**14,448**	**14,015**
Income taxes in income statement	-3,587	-2,827	-3,409	-3,723	-3,109
Change of deferred taxes	-230	-443	-357	704	267
Comparable profit/loss for the accounting period	**15,105**	**12,888**	**16,247**	**11,428**	**11,173**

Note 1 Accounting principles for the Interim Report

1. About the accounting principles

The Group's parent Company is Oma Savings Bank Plc, whose domicile is in Seinäjoki and head office is in Lappeenranta, Valtakatu 32, 53100 Lappeenranta. Copies of the Financial Statements, Financial Statements Release, Interim and Half-Year Financial Reports are available on the bank's website www.omasp.fi.

Oma Savings Bank Group is formed as follows:

Subsidiaries

- Real estate company Lappeenrannan Säästökeskus holding 100%

Associated companies

- GT Invest Oy holding 48.7%
- City Kauppapaikat Oy holding 42.1%

Joint ventures and joint operations

- Figure Taloushallinto Oy holding 25%
- Deleway Projects Oy holding 49%
- SAV-Rahoitus Oyj holding 48.2%
- Housing company Seinäjoen Oma Savings Bank house holding 25.5%

Due to changes in ownership and control of SAV-Rahoitus Oyj, the company will be consolidated into the Group as a joint venture as of 1 June 2022.

The Interim Report is drawn up in accordance with the IAS 34 *Interim Financial Reporting* standard. The accounting principles for the Interim Report are the same as for the 2021 Financial Statements.

The figures of Interim Report are presented in thousands of euros unless otherwise specified. The figures in the notes are rounded off, so the combined sum of single figures may deviate from the grand total presented in a table or a calculation. The accounting and functional currency of the Group and its companies is the euro.

The Board of Directors has approved the Interim Report 1 January - 30 September 2022 in its meeting on 31 October 2022.

2. Changes to the accounting principles

No standard changes took effect at the beginning of the financial year which would have had impact on the Group's financial statements. Nor are future new standards or changes in standards published by IASB expected to have a material impact on the consolidated financial statements.

The calculation rules for expected credit losses used by the Company (according to IFRS9) are described in the accounting principles for Financial Statements 2021, section 4.5.3 "Expected credit losses - model inputs". In February 2022, the Company applied an IRB application to the Finnish Financial Supervisory Authority (FIN-FSA). As part of the IRB application, the Company has updated the credit risk models of ECL-calculations to reflect the application's internal credit risk models. In the model change the number of scenarios increased and a macroeconomic model based on GDP change, real estate prices, employment and inflation was introduced.

3. Accounting principles and uncertainties related to estimates requiring management's judgement

The preparation of this Interim Report in accordance with IFRS has required certain estimates and assumptions from the Group's management that affects the number of items presented in the Interim Report and the information provided in the notes. The management's key estimates concern the future and key uncertainties about the reporting date. They relate to, among other things, fair value assessment, impairment of financial assets, loans and other assets, investment assets and tangible and intangible assets. Although the estimates are based on the management's current best view, it is possible that the realisations differ from the estimates used in the Interim Report.

The uncertainties contained in the accounting principles that require management's judgement and those contained in the estimates are described in the 2021

Financial Statements. The Russian invasion war and the subsequent accelerating inflation and rising interest rates, as well as the uncertainty in the operating environment caused by the corona pandemic, may bring changes to the estimates presented in the Financial Statements that require management judgment. The Company's management has assessed the effects of the Russian invasion war and the ongoing corona pandemic on an industry-by-industry basis and made a group-specific additional loss allowance to the corporate loan portfolio as well as for households. Further details of the impact of the Russian invasion war and the corona pandemic on the Company's risk position are provided in Note 2.

The application of the impairment losses on financial assets model under IFRS 9 requires the management to make estimates and assumptions about whether the credit risk associated with the financial instrument has increased significantly since the initial recognition and requires forward-looking information to be taken into account in the recognition of on-demand credit losses. The Company has updated calculation models during the first quarter. The Company's management has estimated that the calculation models and scenarios corresponding to the IRB application better reflect the Company's credit risk for housing and consumer loans of private customers and off-balance sheet items. With the updates made to the ECL calculation models, the loan portfolio is divided into calculation portfolios based on the PD (Probability of default) parameter calculated for the customer. With the change, the Group's loan portfolio has been divided into the following calculation portfolios based on product-specific risk characteristics:

- Personal customers
- SME customers
- Other agricultural entrepreneurs
- Other housing associations
- Others

Private customers' and corporate customers' loans form the two most significant portfolios. The calculation of the expected credit loss for each portfolio is based on the Exposure at Default (EAD), Probability of Default (PD) and the Loss Given Default (LGD). As a basis for determining the parameters, the Company uses customers' historical payment behavior and customer data, as well as liability and collateral values. In the determination of the values of the PD and LGD variables, macroeconomic forecasts concerning the future development of the national economy, the change in GDP, the development of housing prices and the number of employed people are used.

In business consolidation, the determination of fair values requires consideration from the Company's management regarding the recognition and valuation at fair value of the consideration given and identifiable assets, liabilities and contingent liabilities. In December 2021, in connection with the acquisition of Eurajoen Savings Bank's business, the Company recognised a liability of EUR 6.5 million at fair value through profit or loss for the five-year periodic concerning the liability of Eurajoen Savings Bank as a credit institution member leaving the consortium of Savings Banks. The amount of the debt that can be valued with an impact on profit has been re-assessed during the review period and the amount of the debt has been reduced by EUR 0.7 million.

Note 2 Impacts of the Russian invasion war on the risk position

1. Liquidity risk

During the Russian invasion war and the corona pandemic, the Company has been monitoring changes in liquidity risk more effectively. In terms of liquidity, the Company's situation has been stable throughout and the effects of the Russian invasion war on the Company's liquidity have remained moderate. The Company's liquidity has remained strong with, among other things, the covered bond issued in May 2022 and with the issuance of the senior-term bond in September 2022. The deposit portfolio has decreased during the third quarter after a strong start to the year. The sharp rise in interest rates seen in 2022 can be partly seen as a shift in demand deposits, when banks are starting to offer deposit rates again after a long period of negative interest rates. In addition, the prolongation of Russia's invasion war and the inflation caused by the energy crisis weaken the funds available to households.

The management of Oma Savings Bank's liquidity risk is based on the Company's ability to procure sufficient cash that is competitive in price in both the short and long term. A key component of liquidity risk management is the planning of the liquidity position in both the short and long term. Additionally, the planning of the liquidity reserve prepares for deteriorating economic conditions in the market and possible changes in legislation. The goal of the Company's liquidity reserve is to cover one month's outflows. Liquidity risk management is supported by active risk management, monitoring of the balance sheet and cash flows and internal calculation models. The Company's liquidity is monitored daily by the Company's Treasury unit. The main objective of the Treasury unit is to ensure that the liquidity position always remains above the regulated and internally set threshold values. The unit monitors and measures the amount of incoming and outgoing cash flows and assesses the possible occurrence of liquidity shortfalls over the course of the day.

The Group's liquidity ratio (LCR), which describes short-term liquidity, was 153.3% on 30 September 2022. The Company's liquidity has remained strong despite uncertain market situation. The decrease in the deposit portfolio during the third quarter is reflected in the increase of credit-deposit ratio. New lending, on the other hand, has continued to grow strongly in the third quarter as well. As the changed interest rate environment and the uncertain market situation continue, the Company aims for a clearly more moderate growth for the rest of the year and through this aims to stabilize the credit-deposit ratio.

The Company has initiated many measures with which it aims to add buffers to the clearly weakening economic cycle. The Company has issued bonds and debentures to increase liquidity and capital buffers. The Company will carry out two debenture loan issuances, one at the end of 2022 and the other at the beginning of 2023. In addition, the Company is running hedging measures regarding interest rate risk management.

2. Credit risk

Credit risk refers to the risk that a contracting party to a financial instrument will not be able to meet its obligations, thereby causing the other party a financial loss. Oma Savings Bank's credit risk primarily consists of exposures secured by immovable property, retail exposures and corporate loans. The goal of credit risk management is to limit the profit and loss and capital adequacy effects of risks resulting from customer exposures to an acceptable level. Credit risk management and procedures have been described in Note G2 of the 2021 Financial Statements.

2.1 Loan reliefs granted by the Company

Neither the Russian invasion war nor the corona pandemic has affected the growth of grace periods during 2022, and there have been no peaks in demand for them. At the end of the reporting period, the total grace periods of the loans from the entire loan stock amounted to EUR 375.3 million. All grace periods in force at the end of the reporting period, regardless of the reason or start date, have been included in the capital.

2.2 Allowances based on the management's judgement

The Company's loan portfolio has grown strongly during the financial year. The quality of the loan portfolio has remained at a good level, but the situation requires active monitoring due to the consequences caused by the Russian invasion war, such as the rise in interest rates and costs and the decline in economic growth. Regarding the pandemic, the company is still monitoring the development of the situation.

The Company has monitored the state and development of credit risk in accordance with credit risk management methods, intensified due to the Russian invasion war and the corona pandemic. The Company has analyzed the largest liability customers, and made additional allowances based on the management's judgement, if necessary, for those customers whose credit risk the Company considers to be higher than the amount generated by the ECL model. The analysis identified only a limited number of customers for whom the credit risk has increased. The Company monitors the number of possible payment delays and repayment exemption applications as well as the growth of card credit limits in an enhanced manner and analyzes the impact of possible changes.

The Company increased the ECL allowance made due to the corona pandemic and the Russian invasion war by EUR 1.0 million, preparing in this way for a possible weakening of the general state of the economy. The total amount of allowances based on management's judgement now amounts to EUR 2.9 million. The Company continues to evaluate the situation on a monthly basis.

2.3 Distribution by risk class

The Company classifies its customers into risk classes based on information available on the counterparty. The classification uses its own internal assessment and external credit rating data. Monitoring is continuous and can lead to a transfer from one risk class to another.

In lending, risk concentration may occur, for example, when the loan portfolio includes large amounts of loans and other liabilities:

- to a single counterparty
- to groups that are made up of individual counterparties or entities tied to them
- to specific sectors
- against specific collateral
- whose maturity is the same or
- whose product/instrument is the same.

Distribution of financial assets by risk rating and credit risk concentrations

Risk rating 1: Low-risk items are considered to include the Company's internal credit rating of AAA-AA level private customers, AAA-AA + level corporate, housing association and agricultural customers.

Risk rating 2: Reasonable risk items include the Company's internal credit rating of A-B level private customers, AA-A + level corporate and housing associations and AA-A level agricultural customers.

Risk rating 3: Increased risk items include the Company's internal credit rating of C-level private customers and A-level corporate and housing associations, as well as B-C-level agricultural customers.

Risk rating 4: The highest risk items are considered to be the Company's internal credit rating of D-level private customers, B-D-level corporate and housing associations, D-level agricultural customers and insolvent customers.

Other customers are based on the Company's internal assessment of the risk rating.

The 'No rating' item includes loans and debt securities for which the Company has not defined credit ratings or for which there are no external credit ratings available.

Households

Loans and receivables and off-balance sheet commitments	30 Sep 2022	31 Dec 2021
Risk rating 1	1,561,747	1,173,015
Risk rating 2	1,257,292	1,108,238
Risk rating 3	121,286	380,596
Risk rating 4	96,935	173,926
No rating	3,875	34,153
Capital items by risk category, total	3,041,134	2,869,927
Loss allowance	10,760	12,279
Total	3,030,374	2,857,648

Corporates

Loans and receivables and off-balance sheet commitments	30 Sep 2022	31 Dec 2021
Risk rating 1	415,958	390,795
Risk rating 2	500,362	428,432
Risk rating 3	187,806	104,111
Risk rating 4	103,038	68,249
Capital items by risk category, total	1,207,164	991,588
Loss allowance	12,836	15,514
Total	1,194,327	976,073

Housing association

Loans and receivables and off-balance sheet commitments	30 Sep 2022	31 Dec 2021
Risk rating 1	332,381	286,724
Risk rating 2	116,786	151,619
Risk rating 3	30,760	18,643
Risk rating 4	6,137	2,786
Capital items by risk category, total	486,065	459,771
Loss allowance	213	106
Total	485,852	459,665

Agriculture, forestry, fishing industry

Loans and receivables and off-balance sheet commitments	30 Sep 2022	31 Dec 2021
Risk rating 1	**53,037**	**40,372**
Risk rating 2	**171,249**	**136,276**
Risk rating 3	**52,585**	**85,082**
Risk rating 4	**12,860**	**22,894**
No rating	**642**	**75**
Capital items by risk category, total	**290,373**	**284,699**
Loss allowance	**748**	**1,390**
Total	**289,625**	**283,310**

Others

Loans and receivables and off-balance sheet commitments	30 Sep 2022	31 Dec 2021
Risk rating 1	**67,156**	**40,829**
Risk rating 2	**42,854**	**63,716**
Risk rating 3	**952**	**449**
Risk rating 4	**22**	**3,697**
No rating	**-**	**44**
Capital items by risk category, total	**110,984**	**108,735**
Loss allowance	**75**	**236**
Total	**110,909**	**108,499**

Debt securities	30 Sep 2022	31 Dec 2021
Risk rating 1	**471,919**	**489,539**
Risk rating 2	**3,121**	**15,129**
Risk rating 3	**105**	**-**
No rating	**68,771**	**112,842**
Capital items by risk category, total	**543,915**	**617,511**
Loss allowance	**442**	**1,158**
Total	**543,473**	**616,353**

Loans and receivables and off-balance sheet commitments by industry	Risk rating 1	Risk rating 2	Risk rating 3	Risk rating 4	No rating	30 Sep 2022	31 Dec 2021
Enterprises	751,819	651,860	215,535	107,875	607	**1,727,696**	**1,477,514**
Real estate	408,097	321,186	113,100	41,870	-	**884,253**	**855,433**
Agriculture	2,562	43,129	1,668	702	607	**48,668**	**43,417**
Construction	51,478	50,802	11,148	12,169	-	**125,596**	**95,983**
Accommodation and food service activities	23,934	38,319	8,052	5,123	-	**75,428**	**67,263**
Wholesale and retail	69,148	55,125	54,705	16,750	-	**195,727**	**99,639**
Finance and insurance	37,100	21,721	372	1,480	-	**60,673**	**37,288**
Others	159,500	121,578	26,490	29,781	-	**337,350**	**278,492**
General government	1,018	2,768	-	-	-	**3,786**	**4,280**
Non-profit communities	887	27,843	930	-	-	**29,659**	**19,764**
Financial and insurance institutions	60,676	12,242	6	22	-	**72,947**	**84,061**
Households	1,615,881	1,393,828	176,918	111,096	3,910	**3,301,632**	**3,129,101**
Total	**2,430,280**	**2,088,542**	**393,389**	**218,993**	**4,516**	**5,135,720**	**4,714,720**

3. Measures to mitigate the risks caused by Russian invasion war and the corona endemic

The Company's customer service has operated without interruption throughout the corona pandemic; the supply of banking services to customers has been continuous. The Company has continuously monitored the development of the corona virus situation and personnel has been notified concerning health-related matters, in accordance with the guidelines of the Finnish government and the authorities. Internal operating models have been adapted to the situation. Corona endemic does not currently affect the Company's service offering or operating models in customer service.

With regard to credit risk, preventive measures have included the above-mentioned grace periods granted to customers, increased monitoring of problem customers and loans in arrears, careful assessment of collateral values and monitoring. Due to the increased risk due to the Russian invasion war and sanctions, the Company has performed a loan portfolio analysis. The review has identified only a limited number of customers who may be experiencing loan management difficulties. Additionally, when granting new loans, the applicant's repayment capacity and the value of collateral are monitored bearing in mind the above-mentioned crises and the economic uncertainty caused by them, as well as the increase in interest rates and costs.

The risk of cyber threats has increased due to the war: with the help of a denial-of-service attack or other actions, it is possible to disrupt or paralyze e.g. information systems. Cyber threats and other risks, such as interruptions in electricity distribution, have been mapped in cooperation with service providers, so that the Company is well prepared in the event of a possible disruption. The Company has updated its own preparedness measures and operating guidelines by assessing various threat scenarios and their probabilities and impacts. The authorities have also developed their own precautionary measures.

Note 3 Classification of financial assets and liabilities

Assets (1,000 euros) 30 Sep 2022	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	312,189	-	-	-	312,189	312,189
Loans and advances to credit institutions	83,231	-	-	-	83,231	83,231
Loans and advances to customers	4,791,979	-	-	-	4,791,979	4,791,979
Derivatives, hedge accounting	-	-	-	197	197	197
Debt instruments	-	543,473	872	-	544,344	544,344
Equity instruments	-	-	10,132	-	10,132	10,132
Financial assets, total	**5,187,398**	**543,473**	**11,004**	**197**	**5,742,073**	**5,742,073**
Investments in associated companies	-	-	-	-	24,262	24,262
Investment properties	-	-	-	-	1,413	1,509
Other assets	-	-	-	-	81,254	81,254
Assets, total	**5,187,398**	**543,473**	**11,004**	**197**	**5,849,001**	**5,849,097**

Liabilities (1,000 euros) 30 Sep 2022	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	252,938	-	252,938	252,938
Liabilities to customers	2,936,171	-	2,936,171	2,936,171
Derivatives, hedge accounting	-	1,595	1,595	1,595
Debt securities issued to the public	2,191,064	-	2,191,064	2,191,064
Subordinated liabilities	35,000	-	35,000	35,000
Financial liabilities, total	**5,415,172**	**1,595**	**5,416,767**	**5,416,767**
Non-financial liabilities	-	-	81,504	81,504
Liabilities, total	**5,415,172**	**1,595**	**5,498,271**	**5,498,271**

Assets (1,000 euros) 31 Dec 2021	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	198,046	-	-	-	198,046	198,046
Loans and advances to credit institutions	86,371	-	-	-	86,371	86,371
Loans and advances to customers	4,325,950	-	-	-	4,325,950	4,325,950
Derivatives, hedge accounting	-	-	-	2,240	2,240	2,240
Debt instruments	-	616,353	995	-	617,349	617,349
Equity instruments	-	-	26,212	-	26,212	26,212
Financial assets, total	**4,610,366**	**616,353**	**27,208**	**2,240**	**5,256,167**	**5,256,167**
Investments in associated companies					22,884	22,884
Investment properties					1,713	1,787
Other assets					91,868	91,868
Assets, total	**4,610,366**	**616,353**	**27,208**	**2,240**	**5,372,633**	**5,372,707**

Liabilities (1,000 euros) 31 Dec 2021	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	212,685	-	212,685	212,685
Liabilities to customers	2,897,865	-	2,897,865	2,897,865
Debt securities issued to the public	1,762,324	-	1,762,324	1,762,324
Subordinated liabilities	15,500	-	15,500	15,500
Financial liabilities, total	**4,888,374**	**-**	**4,888,374**	**4,888,374**
Non-financial liabilities			82,965	82,965
Liabilities, total	**4,888,374**	**-**	**4,971,339**	**4,971,339**

Assets (1,000 euros) 30 Sep 2021	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	157,783	-	-	-	157,783	157,783
Loans and advances to credit institutions	73,941	-	-	-	73,941	73,941
Loans and advances to customers	3,908,137	-	-	-	3,908,137	3,908,137
Derivatives, hedge accounting	-	-	-	2,212	2,212	2,212
Debt instruments	-	604,187	84	-	604,271	604,271
Equity instruments	-	-	24,988	-	24,988	24,988
Financial assets, total	**4,139,861**	**604,187**	**25,072**	**2,212**	**4,771,333**	**4,771,333**
Investments in associated companies	-	-	-	-	23,219	23,219
Investment properties	-	-	-	-	1,800	1,866
Other assets	-	-	-	-	105,853	105,853
Assets, total	**4,139,861**	**604,187**	**25,072**	**2,212**	**4,902,204**	**4,902,270**

Liabilities (1,000 euros) 30 Sep 2021	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	216,823	-	216,823	216,823
Liabilities to customers	2,637,854	-	2,637,854	2,637,854
Debt securities issued to the public	1,558,728	-	1,558,728	1,558,728
Subordinated liabilities	15,500	-	15,500	15,500
Financial liabilities, total	**4,428,905**	**-**	**4,428,905**	**4,428,905**
Non-financial liabilities	-	-	88,337	88,337
Liabilities, total	**4,428,905**	**-**	**4,517,241**	**4,517,241**

Note 4 Loans and other receivables

(1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Loans and advances to credit institutions			
Deposits	49,036	55,736	46,971
Other	34,195	30,634	26,970
Loans and advances to credit institutions, total	**83,231**	**86,371**	**73,941**
Loans and advances to the public and public sector entities			
Loans	4,684,660	4,218,377	3,803,486
Utilised overdraft facilities	65,606	70,504	73,473
Loans intermediated through the State's assets	31	48	54
Credit cards	41,316	36,813	30,946
Bank guarantee receivables	366	209	177
Loans and advances to the public and public sector entities, total	**4,791,979**	**4,325,950**	**3,908,137**
Loans and advances, total	**4,875,210**	**4,412,321**	**3,982,078**

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note 12 Impairment losses on financial assets.

Note 5 Financial derivatives

Assets (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Fair value hedge			
Interest rate derivatives	118	662	-
Other hedging derivatives			
Share and share index derivatives	80	1,578	2,212
Derivative assets, total	**197**	**2,240**	**2,212**

Liabilities (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Fair value hedge			
Interest rate derivatives	1,595	-	-
Share and share index derivatives	-	-	-
Derivative liabilities, total	**1,595**	**-**	**-**
Change in the value of hedged object / Fair value hedge	**1,655**	**-688**	**-**
Change in the value of hedged object / Other hedging derivatives	**257**	**-1,166**	**-1,699**

Nominal values of underlying items and fair values of derivatives (1,000 euros)	Remaining maturity				Fair values	
30 Sep 2022	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	**10,000**	**100,000**	**-**	**110,000**	**118**	**1,595**
Interest rate swaps	10,000	100,000	-	110,000	120	1,604
Cva and Dva adjustments	-	-	-	-	-3	-9
Other hedging derivatives	**31,328**	**12,553**	**-**	**43,880**	**80**	**-**
Share and share index derivatives	31,328	12,553	-	43,880	90	-
Cva and Dva adjustments	-	-	-	-	-10	-
Derivatives, total	**41,328**	**112,553**	**-**	**153,880**	**197**	**1,595**

Nominal values of underlying items and fair values of derivatives (1,000 euros)	Remaining maturity				Fair values	
31 Dec 2021	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	**5,000**	**10,000**	**-**	**15,000**	**662**	**-**
Interest rate swaps	5,000	10,000	-	15,000	686	-
Cva and Dva adjustments	-	-	-	-	-24	-
Other hedging derivatives	**16,516**	**43,880**	**-**	**60,396**	**1,578**	**-**
Share and share index derivatives	16,516	43,880	-	60,396	1,628	-
Cva and Dva adjustments	-	-	-	-	-50	-
Derivatives, total	**21,516**	**53,880**	**-**	**75,396**	**2,240**	**-**

Nominal values of underlying items and fair values of derivatives (1,000 euros)	Remaining maturity				Fair values	
30 Sep 2021	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	**-**	**-**	**-**	**-**	**-**	**-**
Interest rate swaps	-	-	-	-	-	-
Cva and Dva adjustments	-	-	-	-	-	-
Other hedging derivatives	**35,302**	**44,130**	**-**	**79,432**	**2,212**	**-**
Share and share index derivatives	35,302	44,130	-	79,432	2,271	-
Cva and Dva adjustments	-	-	-	-	-59	-
Derivatives, total	**35,302**	**44,130**	**-**	**79,432**	**2,212**	**-**

Note 6 Investment assets

Investment assets (1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Measured at fair value through profit or loss			
Debt securities	872	995	84
Shares and other equity instruments	10,132	26,212	24,988
Assets measured at fair value through profit or loss, total	**11,004**	**27,208**	**25,072**
Measured at fair value through other comprehensive income			
Debt securities	543,473	616,353	604,187
Shares and other equity instruments	-	-	-
Measured at fair value through other comprehensive income, total	**543,473**	**616,353**	**604,187**
Investment properties	**1,413**	**1,713**	**1,800**
Investment assets, total	**555,889**	**645,275**	**631,060**

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note 12 Impairment losses on financial assets.

Changes in investment properties (1,000 euros)		30 Sep 2022	31 Dec 2021	30 Sep 2021
Cost January 1		**4,544**	**10,491**	**10,491**
+	Increases	-	5,390	5,395
-	Decreases	-270	-11,342	-11,266
+/-	Transfers	-	5	-
Cost at the end of the period		**4,273**	**4,544**	**4,620**
Accumulated depreciation and impairment losses		**-2,830**	**-3,220**	**-3,220**
+/-	Accumulated depreciation of decreases and transfers	-	410	410
-	Depreciation	-31	-21	-35
+/-	Impairment loss and their return	-	25	25
+/-	Other changes	-	-25	-
Accumulated depreciation and impairment at the end of the period		**-2,861**	**-2,830**	**-2,819**
Opening balance		**1,713**	**7,270**	**7,270**
Closing balance		**1,413**	**1,713**	**1,800**

30 Sep 2022	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	160,387	-	-	160,387	160,387
From others	-	1,943	-	1,943	382,882	120	-	383,002	384,945
Non-quoted									
From others	-	8,190	-	8,190	203	752	-	955	9,145
Total	**-**	**10,132**	**-**	**10,132**	**543,473**	**872**	**-**	**544,344**	**554,477**

31 Dec 2021	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	171,122	-	-	171,122	171,122
From others	-	16,948	-	16,948	445,023	185	-	445,208	462,157
Non-quoted									
From others	-	9,264	-	9,264	208	810	-	846	10,282
Total	**-**	**26,212**	**-**	**26,212**	**616,353**	**995**	**-**	**617,349**	**643,561**

30 Sep 2021	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	173,931	-	-	173,931	173,931
From others	-	16,620	-	16,620	430,047	-	-	430,047	446,667
Non-quoted									
From others	-	8,368	-	8,368	209	84	-	293	8,661
Total	**-**	**24,988**	**-**	**24,988**	**604,187**	**84**	**-**	**604,271**	**629,259**

Note 7 Liabilities to the public and public sector entities and liabilities to credit institutions

(1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Liabilities to credit institutions			
Liabilities to Central Banks	150,000	150,000	150,000
Repayable on demand	9,056	10,784	8,815
Other than repayable on demand	93,882	51,901	58,008
Liabilities to credit institutions, total	**252,938**	**212,685**	**216,823**
Liabilities to the public and public sector entities			
Deposits	2,937,797	2,897,144	2,637,812
Repayable on demand	2,787,901	2,770,980	2,494,885
Other	149,895	126,164	142,927
Other financial liabilities	29	33	41
Other than repayable on demand	29	33	41
Changes in fair value in terms of borrowing	-1,655	688	-
Liabilities to the public and public sector entities, total	**2,936,171**	**2,897,865**	**2,637,854**
Liabilities to the public and public sector entities and liabilities to credit institutions, total	**3,189,109**	**3,110,550**	**2,854,677**

The liabilities to Central Banks item is a TLTRO secured credit withdrawn on June 2020. The loan matures 30 June 2023 but repayment of it has been possible as of 29 September 2021. The determination of the interest rate is influenced by the average of the European Central Bank's deposit rate over the course of the loan, as well as the increase in the Company's loan portfolio approved for monitoring. The interest rate on the loan will be reviewed after the loan matures. The TLTRO loan has been treated as a debt under IFRS 9 standard. In the third quarter, the Company revised the interest rate treatment of the TLTRO loan due to European Central Bank's increase in interest rate.

Note 8 Debt securities issued to the public

(1,000 euros)	30 Sep 2022	31 Dec 2021	30 Sep 2021
Bonds	2,056,640	1,557,380	1,357,792
Certificates of deposit	134,424	204,944	200,936
Debt securities issued to the public, total	**2,191,064**	**1,762,324**	**1,558,728**

					Closing balance		
Maturity of bonds	Nominal value	Interest	Year of issue	Due date	30 Sep 2022	31 Dec 2021	30 Sep 2021
OmaSp Plc 12.12.2022, covered bond	350,000	0,125%/fixed	2017-2018	12/12/2022	349,899	349,520	349,393
OmaSp Plc 3.4.2024, covered bond	300,000	0,125%/fixed	2019	4/3/2024	299,495	299,245	299,161
OmaSp Plc 6.4.2023, covered bond	250,000	0,125%/fixed	2020	4/6/2023	249,771	249,440	249,328
OmaSp Plc 17.1.2024	55,000	margin 1%/variable	2020	1/17/2024	54,998	54,997	54,997
OmaSp Plc 25.11.2027, covered bond	400,000	0,01%/fixed	2020-2021	11/25/2027	404,110	404,710	404,913
OmaSp Plc 19.5.2025	200,000	margin 0,2%/variable	2021	5/19/2025	199,585	199,468	-
OmaSp Plc 18.12.2026, covered bond	350,000	1,5%/fixed	2022	12/18/2026	349,206	-	-
OmaSp Plc 26.9.2024	150,000	5%/fixed	2,022	9/26/2024	149,576	-	-
					2,056,640	**1,557,380.000**	**1,357,792**

Maturity of deposit certificates	Less than 3 months	3-6 months	6-9 months	9-12 months	Closing balance, total
30 Sep 2022	73,657	60,766	-	-	**134,424**
31 Dec 2021	64,996	80,982	28,992	29,974	**204,944**
30 Sep 2021	60,992	64,986	59,974	14,985	**200,936**

Note 9 Net interest income

(1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
Interest income					
Loans to credit institutions	41	-	-	41	-
Loans and advances to the public and public sector entities	73,987	56,021	76,981	28,103	19,802
Debt securities	2,299	2,055	2,812	791	725
Derivatives	2,683	2,232	3,039	934	752
Other interest income	1,651	1,398	2,076	440	596
Interest income, total	**80,661**	**61,707**	**84,908**	**30,309**	**21,876**
Interest expenses					
Liabilities to credit institutions	-868	-519	-761	-376	-197
Liabilities to the public and public sector entities	-446	-495	-692	-230	-253
Debt securities issued to the public	-4,748	-1,925	-2,750	-2,587	-767
Derivative contracts	-37	-	-	-37	-
Subordinated liabilities	-165	-141	-189	-72	-47
Other interest expenses	-100	-370	-387	-27	-24
Interest expenses, total	**-6,364**	**-3,450**	**-4,778**	**-3,329**	**-1,287**
Net interest income	**74,296**	**58,257**	**80,130**	**26,981**	**20,588**

Note 10 Fee and commission income and expenses

(1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
Fee and commission income					
Lending	10,142	8,836	11,969	3,040	2,671
Deposits	61	52	67	17	17
Card and payment transactions	17,992	13,645	18,986	6,204	4,731
Intermediated securities	235	158	193	30	61
Funds	3,422	2,870	3,930	1,108	1,038
Legal services	355	385	499	136	130
Brokered products	1,499	1,254	1,725	448	423
Granting of guarantees	1,403	951	1,301	514	323
Other fee and commission income	731	558	768	260	192
Fee and commission income, total	**35,840**	**28,708**	**39,438**	**11,757**	**9,586**
Fee and commission expenses					
Card and payment transactions	-3,745	-3,335	-4,663	-1,288	-1,212
Securities	-65	-56	-84	-21	-16
Other fee and commission expenses	-876	-725	-1,004	-275	-251
Fee and commission expenses, total	**-4,686**	**-4,116**	**-5,752**	**-1,584**	**-1,479**
Fee and commission income and expenses, net	**31,154**	**24,592**	**33,686**	**10,173**	**8,107**

Note 11 Net income on financial assets and financial liabilities

(1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
Net income on financial assets measured at fair value through profit or loss					
Debt securities					
Capital gains and losses	-	-43	-43	-	2
Valuation gains and losses	-124	56	66	-21	-
Debt securities, total	**-124**	**13**	**23**	**-21**	**2**
Shares and other equity instruments					
Dividend income	439	130	300	14	16
Capital gains and losses	-203	202	226	-203	-
Valuation gains and losses	-5,469	3,872	4,331	-1,279	1,403
Shares and other equity instruments, total	**-5,233**	**4,203**	**4,856**	**-1,467**	**1,419**
Net income on financial assets measured at fair value through profit or loss, total	**-5,357**	**4,216**	**4,879**	**-1,488**	**1,421**
Net income on financial assets measured at fair value through other comprehensive income					
Debt securities					
Capital gains and losses	-500	29	29	-	-
Difference in valuation reclassified from the fair value reserve to the income statement	97	-12	-8	-	-
Debt securities, total	**-403**	**17**	**21**	**-**	**-**
Net income on financial assets measured at fair value through other comprehensive income, total	**-403**	**17**	**21**	**-**	**-**

Net income from investment properties (1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
Rent and dividend income	152	230	280	50	52
Capital gains and losses	-10	1	-15	-10	-6
Other gains from investment properties	5	6	8	1	2
Maintenance expenses	-51	-81	-96	-13	-22
Depreciation and impairment on investment properties	-31	-35	-46	-10	-11
Rent expenses on investment properties	-1	-	-9	-	-
Net income from investment properties, total	**64**	**121**	**123**	**18**	**15**

Net gains on trading in foreign currencies	**301**	**116**	**160**	**125**	**52**
Net gains from hedge accounting	**172**	**-**	**8**	**175**	**-**
Net income from trading	**70**	**-2**	**12**	**20**	**11**
Net income on financial assets and financial liabilities, total	**-5,152**	**4,468**	**5,203**	**-1,149**	**1,498**

Note 12 Impairment losses on financial assets

(1,000 euros)	1-9/2022	1-9/2021	1-12/2021	2022 Q3	2021 Q3
ECL from advances to customers and off-balance sheet items	1,841	-1,729	-2,254	-1,182	-903
ECL from debt instruments	715	-758	-602	128	-118
Expected credit losses, total	**2,556**	**-2,487**	**-2,856**	**-1,054**	**-1,020**
Final credit losses					
Final credit losses	-3,316	-4,170	-5,476	-593	-1,220
Refunds on realised credit losses	328	995	1,038	89	182
Recognised credit losses, net	**-2,988**	**-3,175**	**-4,438**	**-504**	**-1,038**
Impairment on receivables, total	**-431**	**-5,661**	**-7,294**	**-1,557**	**-2,058**

Reconciliations from the opening and closing balances of the expected credit losses have been formed from 1 January 2022 and 30 September 2022 on the basis of changes in euro denominated loan exposures and expected credit losses.

Expected credit losses, loans and advances

				1-9/2022	1-9/2021	1-12/2021
Loans and advances to credit institutions and to public and general government, at amortised cost (1,000 euros)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**	**Total**
Expected credit losses 1 January	**1,981**	**6,535**	**20,083**	**28,599**	**25,858**	**25,858**
Transfer to stage 1	141	-957	-153	-969	-220	-175
Transfer to stage 2	-206	2,842	-389	2,247	-412	-369
Transfer to stage 3	-6	-200	1,513	1,307	2,638	3,810
New debt securities	305	359	191	855	1,506	3,067
Matured debt securities	-71	-420	-1,228	-1,720	-4,673	-4,990
Realised credit losses	-	-	-3,082	-3,082	-2,518	-3,209
Recoveries on previous realised credit losses	-	-	252	252	92	95
Changes in credit risk	77	-503	1,444	1,019	2,931	1,816
Changes in the ECL model parameters	-1,336	1,097	-2,099	-2,338	-	-
Changes based on management estimates	-302	-1,371	-254	-1,928	2,563	2,696
Expected credit losses period end	**582**	**7,380**	**16,279**	**24,241**	**27,766**	**28,599**

Due to the change in the Group structure, ECL of SAV-Rahoitus loan portfolio is no longer included in the Group's balance sheet. After the amendment, Oma Savings Bank will take into account the share of the Company's ECL allowance that is consistent with the shareholding when combining with the Company's equity method.

				1-9/2022	1-9/2021	1-12/2021
Off-balance sheet commitments (1,000 euros)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**	**Total**
Expected credit losses 1 January	**561**	**180**	**184**	**926**	**974**	**974**
Transfer to stage 1	5	-61	-	-56	-	-211
Transfer to stage 2	-10	205	-	195	-	38
Transfer to stage 3	-	-3	-	-3	-	40
New debt securities	120	93	-	212	314	477
Matured debt securities	-104	-83	-	-187	-431	-464
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-11	-25	-	-36	-62	73
Changes in the ECL model parameters	-427	-47	-185	-660	-	-
Changes based on management estimates	1	-	-	1	-	-
Expected credit losses period end	**134**	**258**	**-1**	**392**	**795**	**926**

Expected credit losses, investment assets

Debt securities, at amortised cost (1,000 euros)	Stage 1	Stage 2	Stage 3	1-9/2022 Total	1-9/2021 Total	1-12/2021 Total
Expected credit losses 1 January	**1,138**	**19**	**-**	**1,158**	**493**	**493**
Transfer to stage 1	5	-17	-	-13	-115	-118
Transfer to stage 2	-	2	-	1	-1	-1
Transfer to stage 3	-	-	-	-	-	-
New debt securities	19	12	-	31	125	225
Matured debt securities	-125	-1	-	-125	-11	-112
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-609	-	-	-610	226	135
Changes in the ECL model parameters	-	-	-	-	-	-
Changes based on management estimates	-	-	-	-	534	536
Expected credit losses period end	**427**	**15**	**-**	**442**	**1,251**	**1,158**

Note 13 Fair values in accordance with the valuation method

The determination of the fair value of financial instruments is set out in Note G1 Accounting principles under "Determining the fair value" of the Financial Statements for the year 2021.

Equity securities recorded to stage 3 include shares in unlisted companies.

Financial assets and liabilities measured at fair value

	30 Sep 2022			
Financial assets (1,000 euros)	**Level 1**	**Level 2**	**Level 3**	**Total**
At fair value through profit or loss				
Equity securities	1,943	1,889	6,300	10,132
Debt securities	668	-	204	872
Derivatives	-	197	-	197
At fair value through other comprehensive income				
Debt securities	543,473	-	-	543,473
Financial assets, total	**546,083**	**2,087**	**6,504**	**554,674**

	30 Sep 2022			
Financial liabilities (1, 000 euros)	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives	-	1,595	-	1,595
Financial liabilities, total	**-**	**1,595**	**-**	**1,595**

	30 Sep 2022			
Other liabilities (1,000 euros)	**Level 1**	**Level 2**	**Level 3**	**Total**
At fair value through profit or loss				
Payment liability, consortium of Savings Banks	-	-	5,850	5,850
Total	**-**	**-**	**5,850**	**5,850**

	31 Dec 2021				30 Sep 2021			
Financial assets (1,000 euros)	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Measured at fair value through profit or loss								
Equity securities	16,948	1,987	7,277	26,212	16,620	1,998	6,370	24,988
Debt securities	726	-	269	995	-	-	84	84
Derivatives	-	2,240	-	2,240	-	2,212	-	2,212
Measured at fair value through other comprehensive income								
Debt securities	616,353	-	-	616,353	604,187	-	-	604,187
Financial assets, total	**634,028**	**4,227**	**7,546**	**645,801**	**620,807**	**4,210**	**6,454**	**631,471**

	31 Dec 2021				30 Sep 2021			
Financial liabilities (1, 000 euros)	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives	-	-	-	-	-	-	-	-
Financial liabilities, total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

	31 Dec 2021				30 Sep 2021			
Other liabilities (1,000 euros)	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
At fair value through profit or loss								
Payment liability, consortium of Savings Banks	-	-	6,500	6,500	-	-	-	-
Total	**-**	**-**	**6,500**	**6,500**	**-**	**-**	**-**	**-**

Investment transactions, categorised to Level 3

Financial assets at fair value through profit or loss (1,000 euros)	30 Sep 2022 Equity securities	Debt securities	Total	31 Dec 2021 Equity securities	Debt securities	Total	30 Sep 2021 Equity securities	Debt securities	Total
Opening balance	**7,277**	**269**	**7,546**	**6,772**	**84**	**6,856**	**6,772**	**84**	**6,856**
+ Acquisitions	-	-	-	926	185	1,111	-	-	-
- Sales	-1,252	-	-1,252	-612	-	-612	-612	-	-612
- Matured during the year	-	-	-	-	-	-	-	-	-
+/- Realised changes in value recognised on the income statement	103	-	103	188	-	188	188	-	188
+/- Unrealised changes in value recognised on the income statement	172	-65	107	2	-	2	21	-	21
+ Transfers to Level 3	-	-	-	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	**6,300**	**204**	**6,504**	**7,277**	**269**	**7,546**	**6,370**	**84**	**6,454**

At fair value through other comprehensive income (1,000 euros)	30 Sep 2022 Equity securities	Debt securities	Total	31 Dec 2021 Equity securities	Debt securities	Total	30 Sep 2021 Equity securities	Debt securities	Total
Opening balance	-	-	-	-	-	-	-	-	-
+ Acquisitions	-	-	-	-	-	-	-	-	-
- Sales	-	-	-	-	-50	-50	-	-50	-50
- Matured during the year	-	-	-	-	-226	-226	-	-226	-226
+/- Realised changes in value recognised on the income statement	-	-	-	-	16	16	-	16	16
+/- Unrealised changes in value recognised on the income statement	-	-	-	-	7	7	-	7	7
+/- Changes in value recognised in other comprehensive income	-	-	-	-	-14	-14	-	-14	-14
+ Transfers to Level 3	-	-	-	-	268	268	-	268	268
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-

Transactions in other liabilities, categorised to Level 3

Other liabilities at fair value through profit or loss (1,000 euros)	30 Sep 2022 Equity securities	Debt securities	Total	31 Dec 2021 Equity securities	Debt securities	Total	30 Sep 2021 Equity securities	Debt securities	Total
Opening balance	-	**6,500**	**6,500**	-	-	-	-	-	-
+ Acquisitions	-	-	-	-	6,500	6,500	-	-	-
- Sales	-	-	-	-	-	-	-	-	-
- Matured during the year	-	-	-	-	-	-	-	-	-
+/- Realised changes in value recognised on the income statement	-	-	-	-	-	-	-	-	-
+/- Unrealised changes in value recognised on the income statement	-	-650	**-650**	-	-	-	-	-	-
+ Transfers to Level 3	-	-	-	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	-	**5,850**	**5,850**	-	**6,500**	**6,500**	-	-	-

Sensitivity analysis for financial assets on Level 3

(1,000 euros)		30 Sep 2022 Potential impact on equity			31 Dec 2021 Potential impact on equity			30 Sep 2021 Potential impact on equity		
Equity securities	Hypo-thetical change	Market value	Positive	Negative	Market value	Positive	Negative	Market value	Positive	Negative
At fair value through profit or loss	+/- 15%	6,300	945	-945	7,277	1,092	-1,092	6,370	955	-955
At fair value through other comprehensive income	+/- 15%	-	-	-	-	-	-	-	-	-
Total		**6,300**	**945**	**-945**	**7,277**	**1,092**	**-1,092**	**6,370**	**955**	**-955**

(1,000 euros)		30 Sep 2022 Potential impact on equity			31 Dec 2021 Potential impact on equity			30 Sep 2021 Potential impact on equity		
Debt securities	Hypo-thetical change	Market value	Positive	Negative	Market value	Positive	Negative	Market value	Positive	Negative
At fair value through profit or loss	+/- 15%	204	31	-31	269	40	-40	84	13	-13
At fair value through other comprehensive income	+/- 15%	-	-	-	-	-	-	-	-	-
Total		**204**	**31**	**-31**	**269**	**40**	**-40**	**84**	**13**	**-13**

Note 14 Share-based incentive schemes

As of 30 September 2022, the Company has the following existing share-based incentive programs:

Program 2020-2021
On 17 February 2020, Oma Savings Bank's Board of Directors decided to set up a share-based incentive scheme for the Group's management. The remuneration is based on comparable cost-income ratio, an increase in operating income (in comparable figures) and customer and employee satisfaction. The program includes the earning period 2020-2021 and subsequent commitment periods, during which the shares will be disposed approximately in four installments within three years. The reward is paid partly in shares of the Company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme correspond to a total of up to 420,000 Oma Savings Bank Plc shares. The target group of the scheme includes a maximum of 10 persons.

Program 2022-2023
On 24 February 2022, Oma Savings Bank's Board of Directors decided to set up a new share-based incentive scheme for key persons of the Group. The remuneration is based on comparable cost-income ratio, an increase in operating income (in comparable figures) and customer and employee satisfaction. The possible reward is based on a comparable cost-income ratio, an increase in operating income (by comparable figures), and customer and employee satisfaction. The program includes a two-year long earning period, 2022-2023 and subsequent commitment periods, during which the shares will be disposed in approximately six instalments within five years. The reward is paid partly in shares of the Company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme corresponds to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash. The target group of the scheme includes a maximum of 30 key persons, including the Company's CEO and members of the Group’s Management Team.

Share-based incentive scheme	1-9/2022	1-9/2022	1-12/2021
	Program 2022-2023	Program 2020-2021	Program 2020-2021
Maximum estimated number of gross shares at the start of the scheme	400,000	420,000	420,000
Date of issue	1/1/2022	1/1/2020	1/1/2020
Share price at issue, weighted average fair value	16.90	8.79	8.79
Earning period begins	1/1/2022	1/1/2020	1/1/2020
Earning period ends	12/31/2023	12/31/2021	12/31/2021
Persons at the close of the financial year	27	10	11

Events for the financial year (pcs)	1-9/2022	1-9/2022	1-12/2021
1/1/2022	Program 2022-2023	Program 2020-2021	Program 2020-2021
Those who were out at the beginning of the period	-	-	-
Changes during the period			
Granted during the period	-	336,150	-
Lost during the period	-	-	-
Implemented during the period	-	159,600	-
Expired during the period	-	-	-
Out at the end of the period	**-**	**176,550**	**-**

Note 15 Changes in Group structure

The 2022 accounting period

As a result of the arrangement carried out in June, Oma Savings Bank Plc's control was removed from SAV-Rahoitus Oyj, which had previously been consolidated as a subsidiary. After the arrangement, the Company's ownership in the company is 48.2% and it will be consolidated as a joint venture based on the shareholders' agreement using the equity method. In this context, the value of the Company's remaining investment was valued at fair value. The effect of the change on the profit was EUR 0.5 million.

The 2021 accounting period

In June, Oma Savings Bank Plc sold the shares of real estate company Sofian Tupa. It was an investment property. The company will no longer be consolidated into Oma Savings Bank Group.

Note 16 Alternative Performance Measures (APM) and calculation of the key figures

Oma Savings Bank Plc's financial reporting presents Alternative Performance Measures (APM) that describe the Company's historical financial result, financial position or cash flows. The APMs are drawn up in line with the guidelines set by the European Securities and Markets Authority (ESMA). APMs are not key figures defined or specified in compliance with IFRS standards, solvency, regulations (CRD/CRR) or Solvency II (SII) regulations. The Company presents APMs as supplementary information to the key figures that are presented in the Group's IFRS-compliant income statement, Group balance sheets and cash flow statements.

In the Company's view, alternative key figures provide meaningful and useful information to investors, securities market analysts and others concerning Oma Savings Bank Plc's performance, financial position and cash flows.

Oma Savings Bank Plc uses the following Alternative Performance Measures:

- Comparable profit before taxes
- Cost/income ratio, %
- Total return on assets, ROA %
- Return on equity, ROE %
- Equity ratio, %
- Comparable cost/income ratio, %
- Comparable return on equity, ROE %
- Comparable earnings per share (EPS), EUR

Calculation of key figures

Operating income, total

Net interest income, net fee and commission income and expenses, net income on financial assets and liabilities, other operating income

Total operating expenses

Personnel expenses, other operating expenses, depreciation, amortisation and impairment losses on tangible and intangible assets

Liquidity coverage ratio (LCR), %

Minimum liquidity buffer relative to net cash and collateral outflows in a 30-day stress scenario

Net stable funding ratio (NSFR)%

$$\frac{\text{Available amount of stable funding}}{\text{Required amount of stable funding}} \times 100$$

Cost/income ratio, %

$$\frac{\text{Total operating expenses}}{\text{Total operating income + share of profit from joint ventures and associated companies (net)}} \times 100$$

Comparable cost/income ratio, %

$$\frac{\text{Total operating expenses without items affecting comparability}}{\text{Total operating income without items affecting comparability + share of profit from joint ventures and associated companies (net)}} \times 100$$

Comparable profit before taxes

Profit/loss before taxes without net income from financial assets and liabilities and other items effecting comparability

Return on equity, ROE %

$$\frac{\text{Profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

Comparable return on equity, ROE %

$$\frac{\text{Comparable profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

Total return on assets, ROA %

$$\frac{\text{Profit/loss of the accounting period}}{\text{Average balance sheet total}} \times 100$$

(average of the beginning and the end of the year)

Equity ratio, %

$$\frac{\text{Equity}}{\text{Balance sheet total}} \times 100$$

Total capital (TC), %

$$\frac{\text{Own funds total (TC)}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Common Equity Tier 1 (CET1) capital ratio, %

$$\frac{\text{Common Equity Tier 1 (CET1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Tier 1 (T1), capital ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Leverage ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Exposures total}} \times 100$$

Earnings per share (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company owners}}{\text{Average number of shares outstanding}}$$

Earnings per share after dilution (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company}}{\text{Average number of shares outstanding after dilution of share-based rewarding}}$$

Comparable earnings per share (EPS), EUR

$$\frac{\text{Comparable profit/loss – Share of non-controlling interests}}{\text{Average number of shares outstanding}}$$

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Independent Auditor's Report on Review of Consolidated Interim Report of Oma Savings Bank Plc

To the Board of Directors of Oma Savings Bank Plc

Introduction

We have reviewed the accompanying consolidated interim report of Oma Savings Bank Plc which comprise the condensed consolidated balance sheet as at 30 September 2022, condensed consolidated income statement, statement of comprehensive income, changes in equity, and cash flows for the nine months ended 30 September 2022 and notes to the condensed interim information. The Board of Directors and the CEO are responsible for the preparation and presentation of the condensed consolidated interim report in accordance with IAS 34 "Interim Financial Reporting" standard and other regulations governing the preparation of interim financial statements in Finland. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standards on Review Engagements ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim report of Oma Savings Bank Plc as at 30 September 2022 and for the nine month period ended 30 September 2022 has not been prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting standard and other regulations governing the preparation of interim financial statements in Finland.

In Helsinki, 31 October 2022

KPMG OY AB

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