

EVLI

Evli Bank Plc Review of Q1 2016

Maunu Lehtimäki, CEO
Juho Mikola, CFO

21.4.2016

Evli in brief

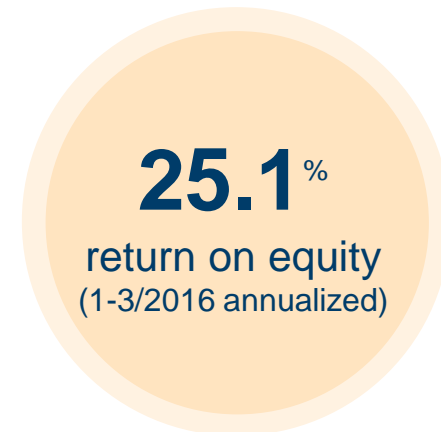
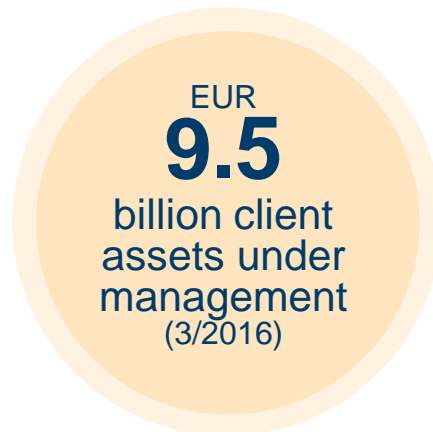
3 business areas

WEALTH MANAGEMENT

MARKETS

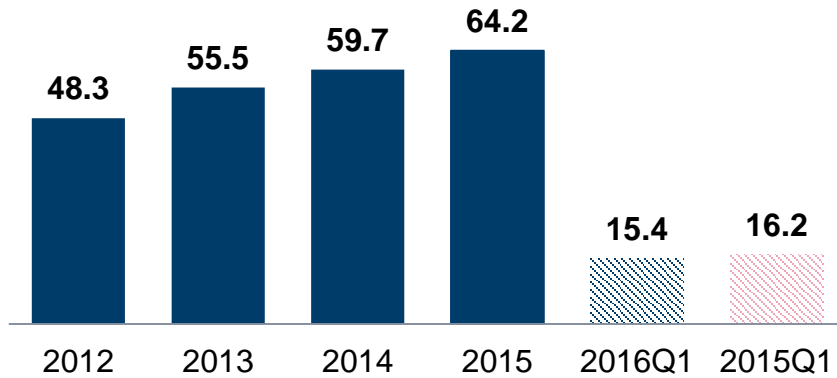
CORPORATE FINANCE

over 200 investment specialists

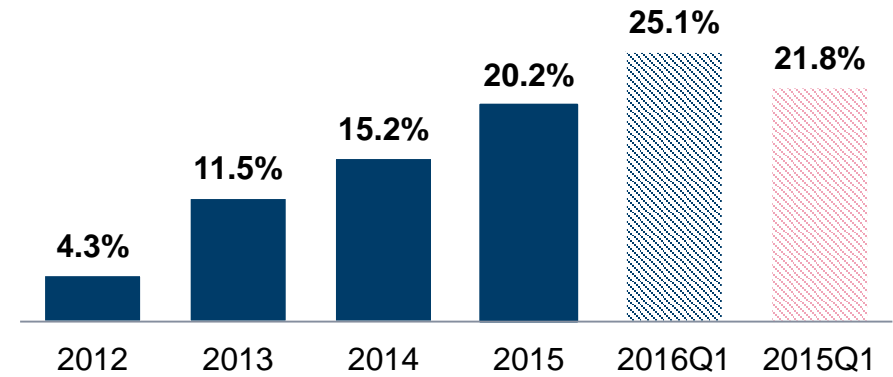


Evli's key figures

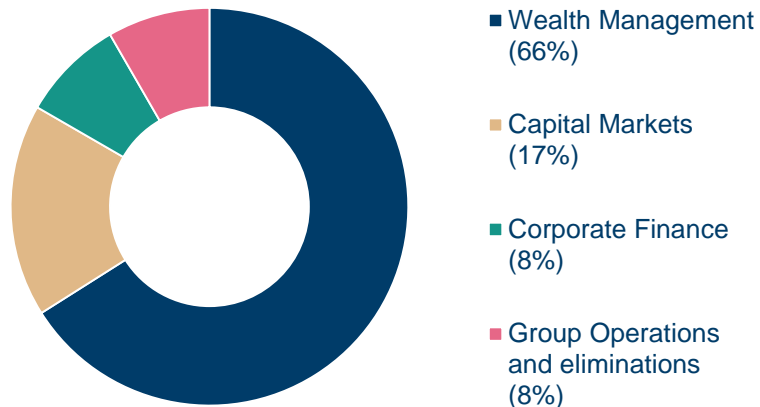
Revenue (EURm)



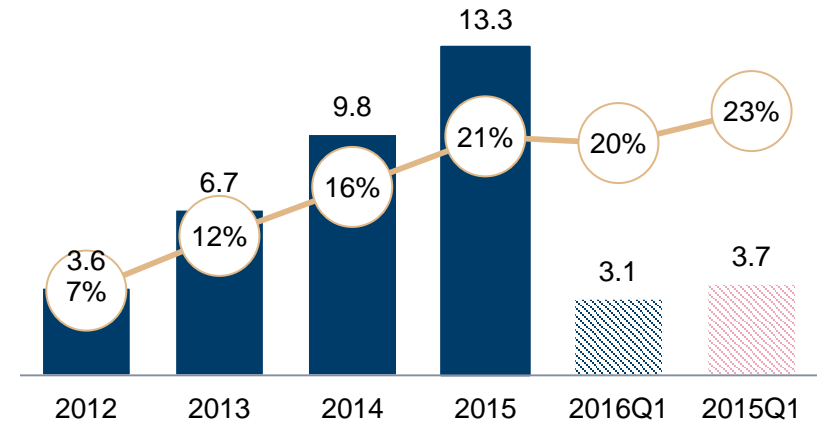
Return on Equity % (ROE)



Revenue split, 2016 Q1

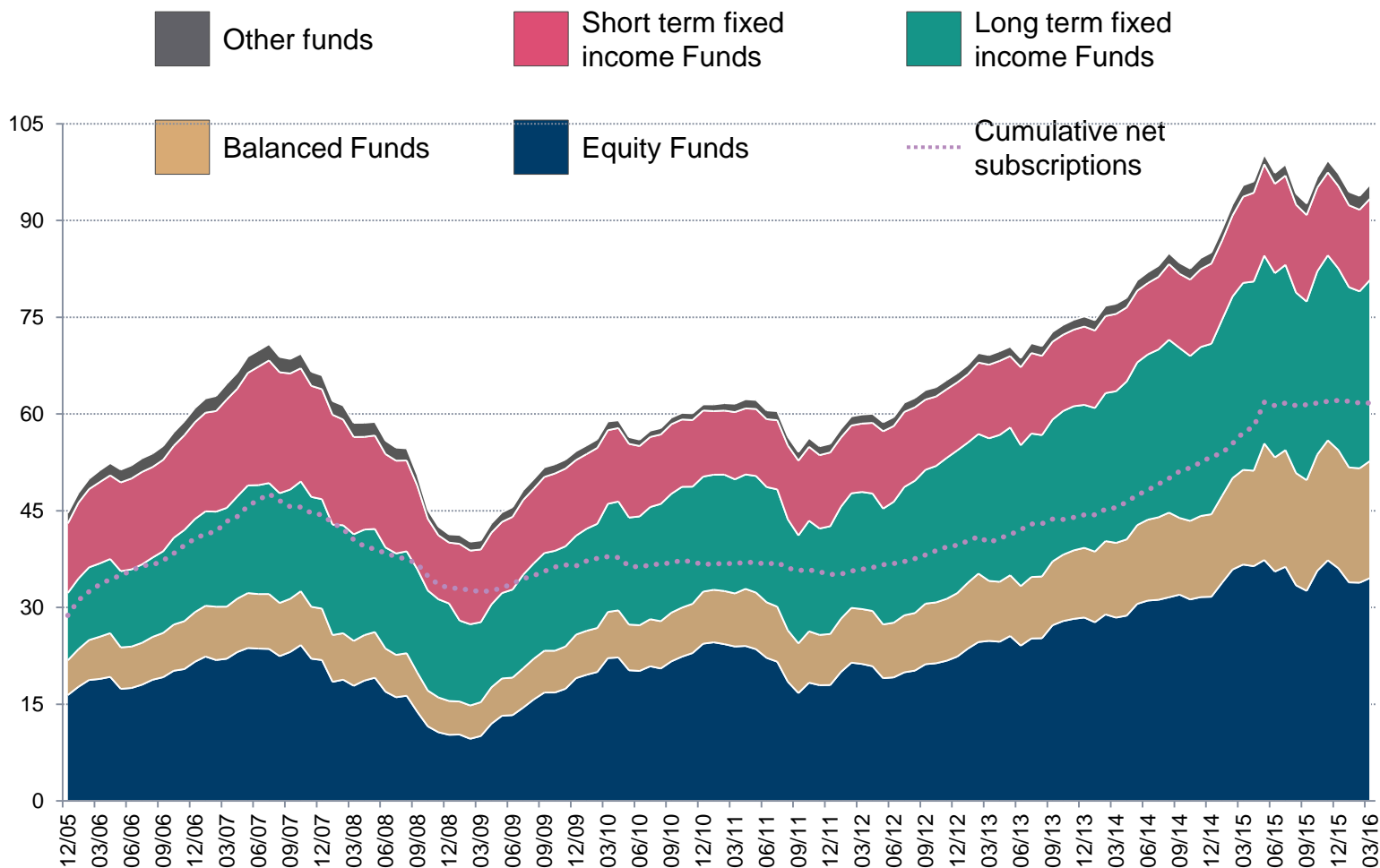


Operating profit (EURm) & profit margin



Market development 2005-2016 Q1

Growth in fund assets in Finland 12/2005–3/2016 (EUR billion)



Growth p.a.

12/05-3/16

+7,7%

+3,1%

+1,5%

+10,1%

+12,6%

+7,5%

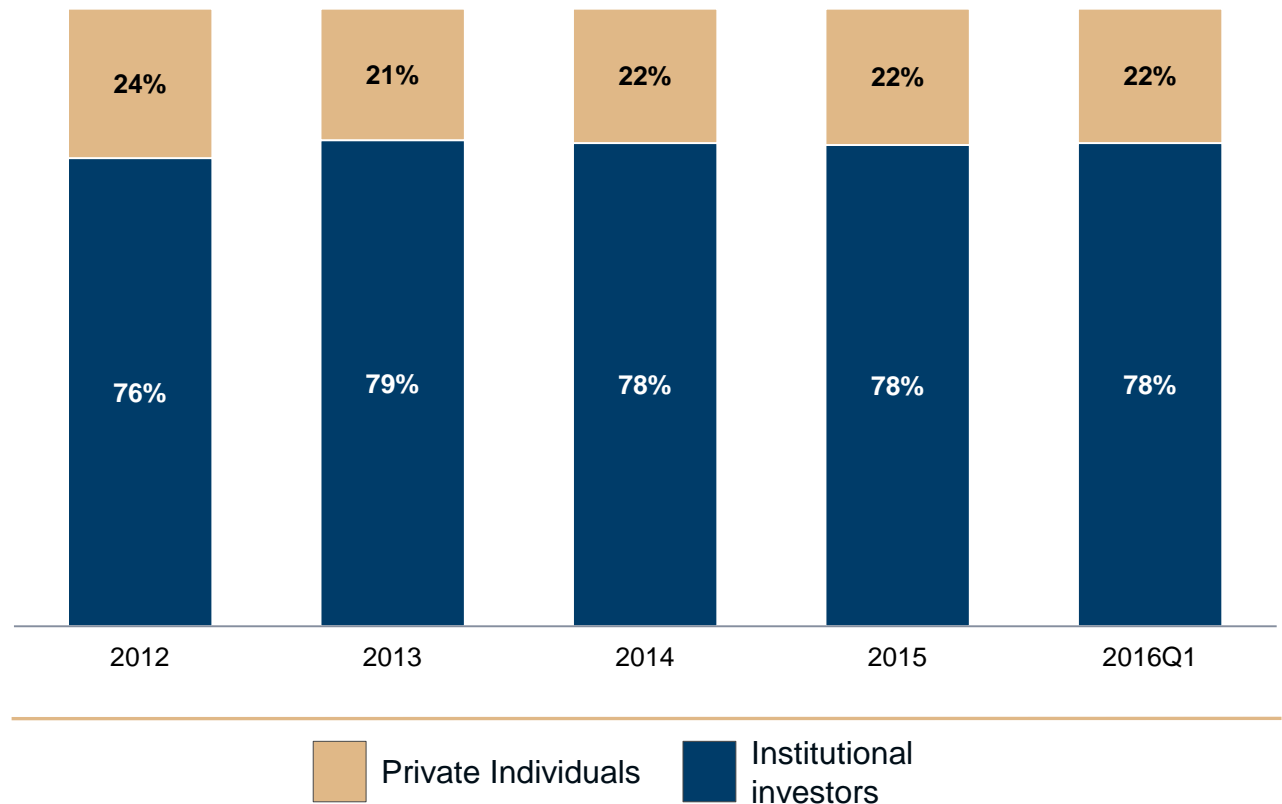
+7,7%

Cumulative net subscriptions

Clientele development

Split of Evli's clients based on the assets under management** 2012 – 2016 Q1

- Evli has a strong presence among institutional investors
- A majority of Evli's assets under management are from institutional investors
- Evli's clientele is focused on institutional investors, other professional investors and present and future high net worth individuals which makes this clientele unique compared to Evli's competitors



Largest owners in Evli 31.3.2016

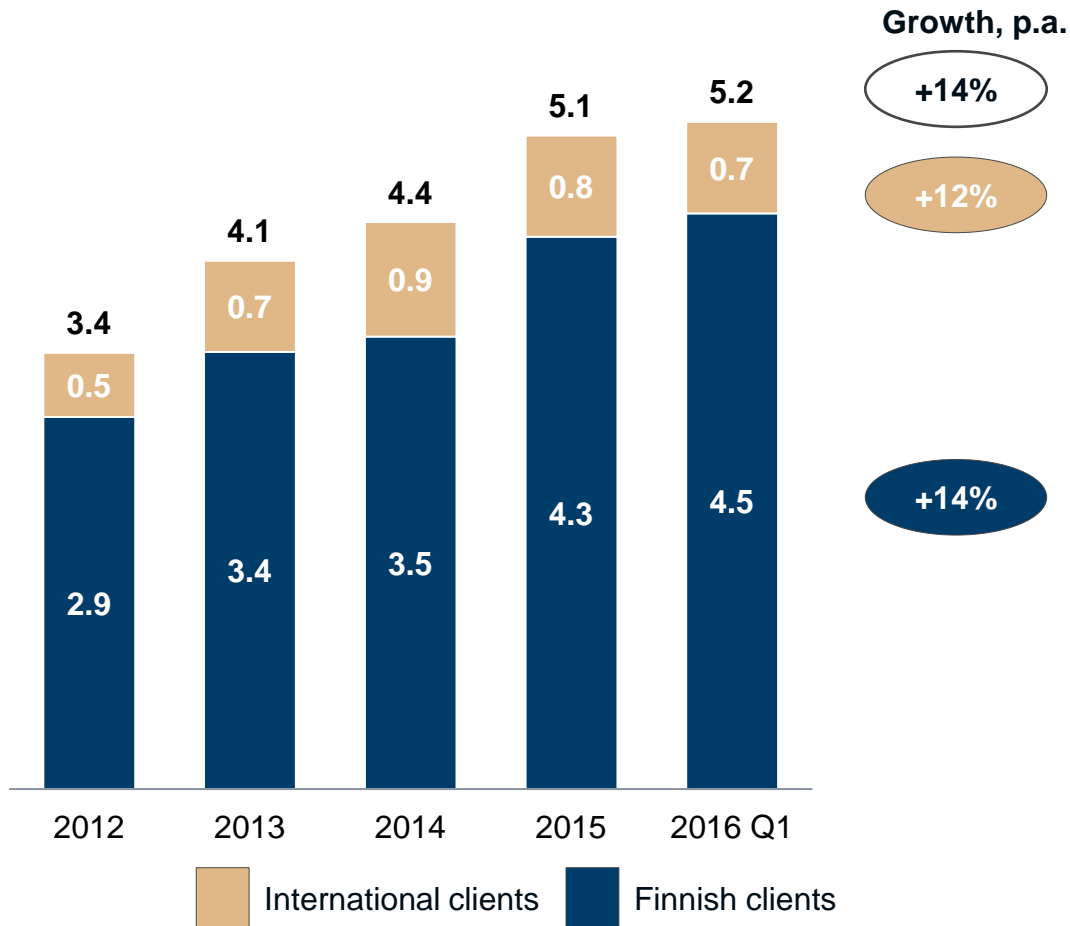
Shareholders	A Shares	B Shares	Shares total	% of all shares	% of votes
1. Oy Prandium Ab	3 803 280	950 820	4 754 100	20,39	22,29
2. Oy Scripo Ab	3 803 280	950 820	4 754 100	20,39	22,29
3. Oy Fincorp Ab	2 319 780	580 115	2 899 895	12,44	13,59
4. Ingman Group Oy Ab	1 860 000	500 000	2 360 000	10,12	10,91
5. Maunu Lehtimäki	433 728	108 432	542 160	2,33	2,54
6. Tallberg Claes	369 756	92 439	462 195	1,98	2,17
7. Hollfast John Erik	328 320	82 080	410 400	1,76	1,92
8. Thunekov AB	224 000	56 000	280 000	1,20	1,31
9. Ridgeback Advisory AB	210 000	52 500	262 500	1,13	1,23
10. Dudarev Grigory	201 540	50 385	251 925	1,08	1,18



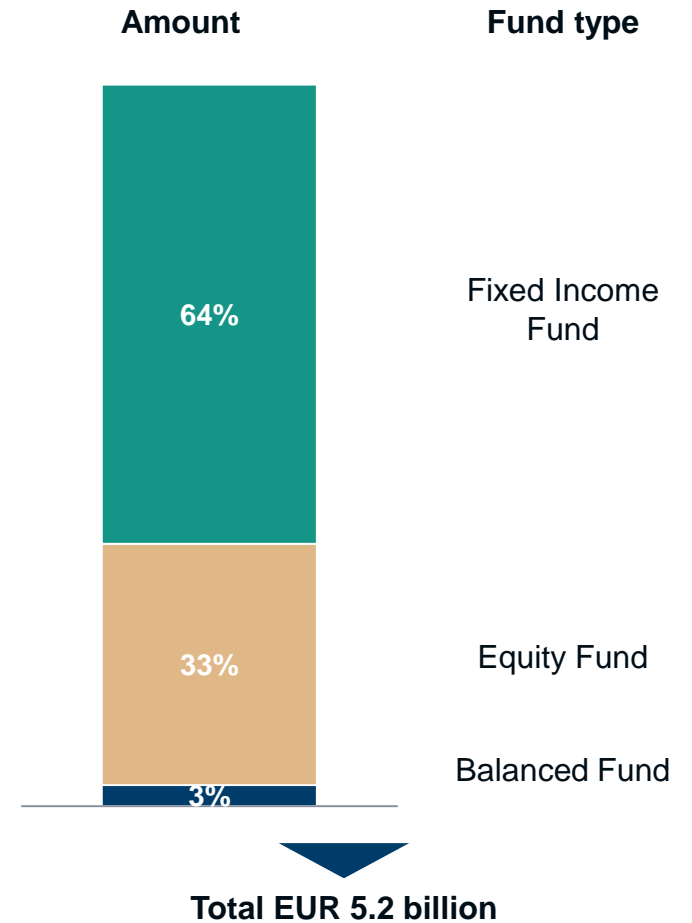
Products and services

Development of assets in Evli funds

Development of assets in Evli's mutual funds, 2012 – March 31, 2016 (EUR billion)



Division of assets in Evli's mutual funds, March 31, 2016



Performance of Evli's funds*

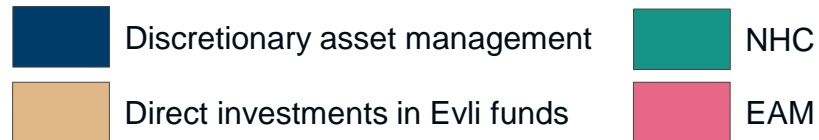
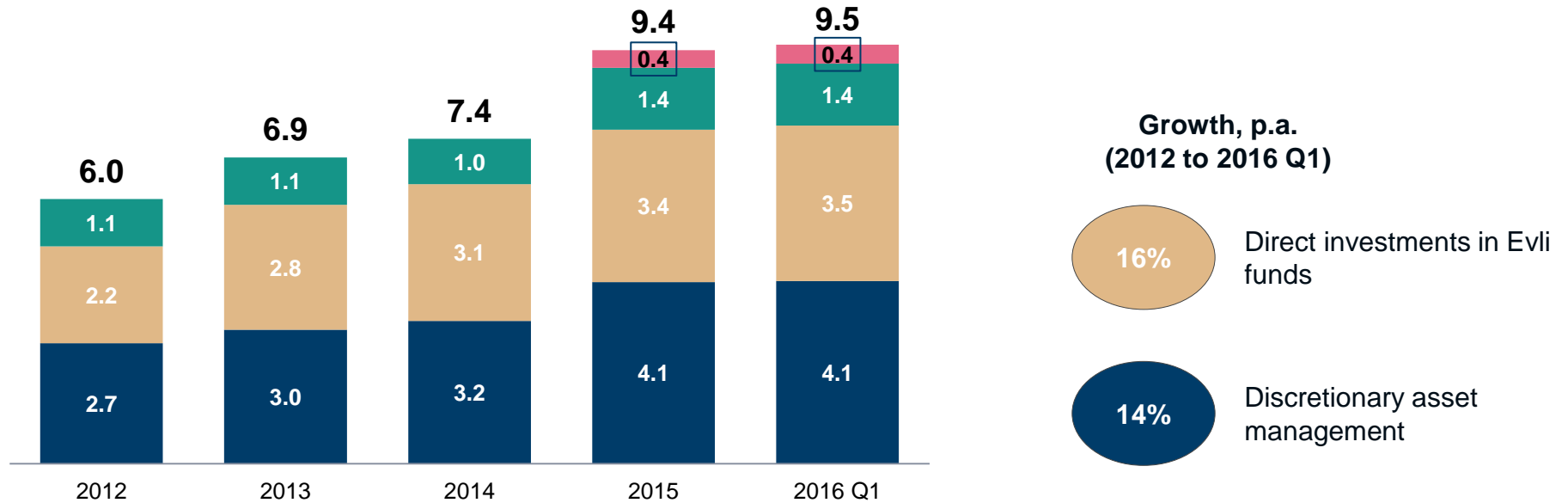
Fund	fund size, m€	net subscriptions, m€	1 year performance (p.a.)	3 year performance (p.a.)	10 year performance (p.a.)	Morningstar-rating*
Fixed-income funds	3 359,3	30,7				
Evli Taktinen Alfa-Korko	35,5	-60,9	-0,8 %	2,2 %	0,0 %	★★★
Evli Yrityslaina	250,6	-21,2	-0,6 %	3,7 %	4,5 %	★★★★
Evli Kehittyvät Markkinat Yrityslaina	143,5	0,4	-0,4 %	0,0 %	0,0 %	-
Evli Likvidi	947,8	-7,8	0,5 %	0,8 %	2,4 %	★★★★★
Evli Valtionobligaatio	130,1	-18,4	0,9 %	4,9 %	4,2 %	★★★
Evli High Yield Yrityslaina	862,2	58,4	1,0 %	5,5 %	6,4 %	★★★★
Evli Investment Grade Yrityslaina	341,0	48,7	-0,9 %	3,6 %	4,1 %	★★★★
Evli Lyhyt Yrityslaina	648,8	31,5	1,2 %	2,3 %	2,0 %	★★★★
Equity funds	1 763,8	82,7				
Evli Emerging Frontier	34,2	-7,7	-6,9 %	0,0 %	0,0 %	-
Evli Eurooppa	733,6	59,4	-2,6 %	12,7 %	4,1 %	★★★★
Evli GEM	55,9	50,4				
Evli Suomi Select	99,0	-2,9	-4,8 %	9,1 %	3,1 %	★★
Evli Suomi Pienyhtiöt	136,8	-12,7	1,7 %	16,3 %	7,1 %	★★★★★
Evli Maailma	120,1	6,7	-4,9 %	13,8 %	4,1 %	★★★★★
Evli Japani	30,1	-3,2	-	7,4 %	-0,1 %	★★★★
Evli Osakefaktori	106,4	7,9	0,0 %	0,0 %	0,0 %	-
Evli Pohjoismaat	52,0	0,6	9,1 %	17,3 %	0,0 %	★★★★
Evli Pohjois-Amerikka	89,1	7,5	-13,3 %	12,7 %	5,2 %	★★★★
Evli Venäjä	10,1	0,9	2,5 %	-13,1 %	-6,2 %	★★
Evli Ruotsi Pienyhtiöt	130,3	-21,6	10,7 %	21,3 %	0,0 %	★★★★★
Evli Ruotsi Osakeindeksi	157,7	-2,5	-15,0 %	0,0 %	0,0 %	-
Evli Ruotsi Select	8,5	-0,1	-4,4 %	0,0 %	0,0 %	-
Balanced funds	155,6	-0,8				
Evli Suomi Mix	18,0	0,1	-0,2 %	6,2 %	4,3 %	★★★★★
Evli Taktinen Allokaatio	3,2	-0,1	-7,6 %	-0,1 %	0,0 %	★
Evli Varainhoito 40	19,1	-0,3	-8,7 %	4,6 %	2,6 %	★★★★
Evli Varainhoito 75	19,4	-0,4	-11,2 %	7,0 %	2,0 %	★★★
Evli Wealth Manager	95,9					-

8 Source: Rahastoraportti by Sijoitustutkimus.fi, GEM and Wealth Manager funds are not included in sijoitustutkimus.fi research. Fund sizes have been included here manually.

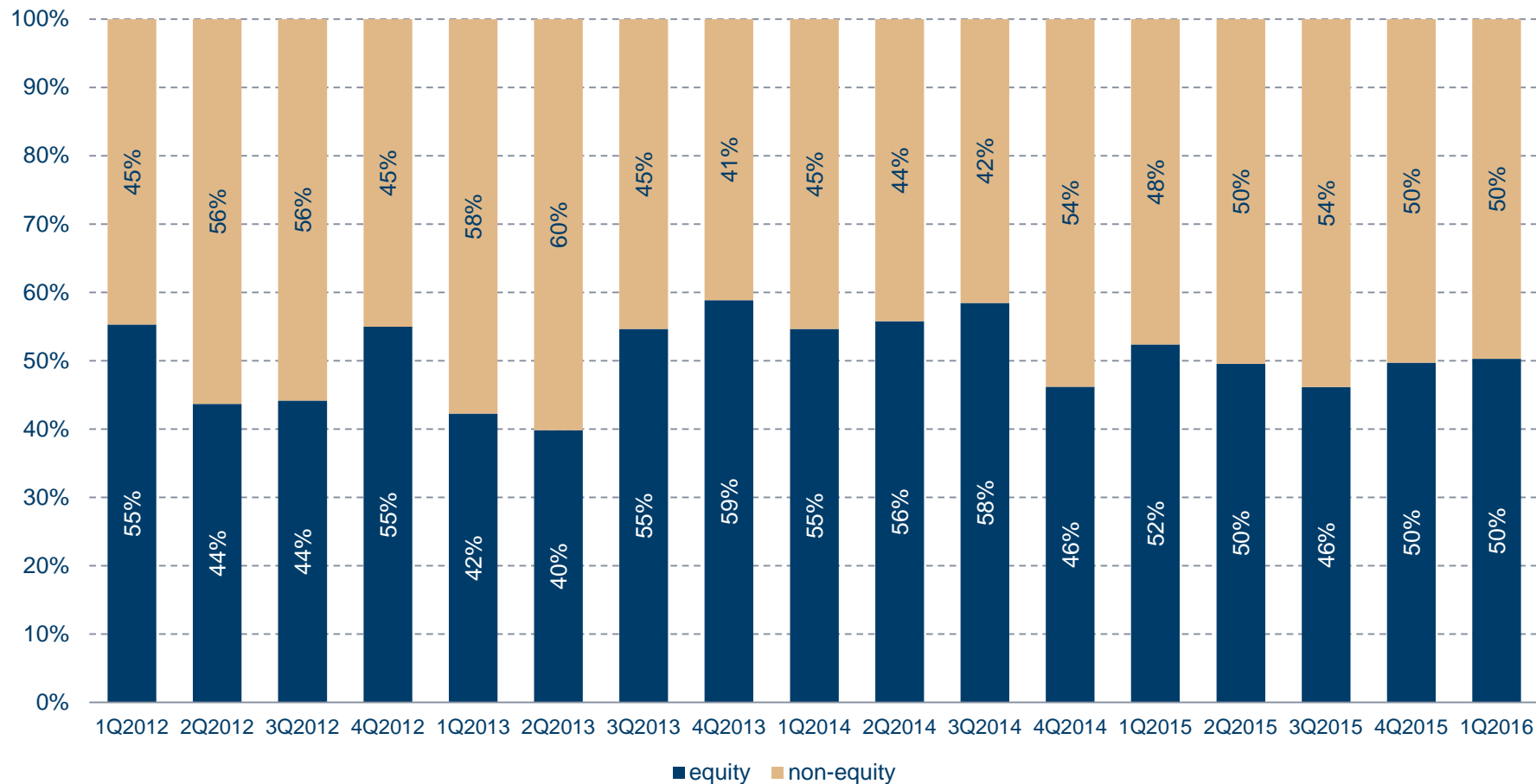
Evli's market share in mutual funds*

Company	Total Assets MEUR	Market Share	Rank	Change YTD	Unit holders	Net Subscriptions YTD MEUR
Nordea Funds Oy	36 816,17	38,4 %	1	0,6 %	1 267 646	500,10
OP-Rahastoyhtiö Oy	20 618,06	21,5 %	2	-0,8 %	638 032	-644,20
Danske Invest Rahastoyhtiö Oy	11 109,85	11,6 %	3	-0,3 %	304 014	-296,10
Evli-Rahastoyhtiö Oy	5 182,83	5,4 %	4	0,1 %	22 018	92,70
FIM Varainhoito Oy	5 052,84	5,3 %	5	-0,1 %	201 380	-114,00
SEB Rahastoyhtiö Suomi Oy	4 140,68	4,3 %	6	0,7 %	40 419	-98,40
Aktia Rahastoyhtiö Oy	3 631,74	3,8 %	7	0,1 %	166 930	-15,00
eQ Rahastoyhtiö Oy	1 597,86	1,7 %	8	0,0 %	10 186	60,50
Sp-Rahastoyhtiö Oy	1 573,20	1,6 %	9	0,0 %	146 215	29,20
Seligson & Co	1 526,60	1,6 %	10	-0,1 %	96 433	-27,90
Åland Rahastoyhtiö Oy	965,38	1,0 %	11	-0,3 %	24 020	114,90
Fondita Rahastoyhtiö Oy	665,05	0,7 %	12	0,0 %	2 251	0,90
Taaleritehtaan Rahastoyhtiö Oy	605,48	0,6 %	13	0,0 %	2 285	42,30
UB Rahastoyhtiö Oy	572,25	0,6 %	14	0,0 %	3 315	-7,80
Fourton Oy	488,87	0,5 %	15	0,0 %	780	0,40
Alfred Berg Rahastoyhtiö	265,69	0,3 %	16	0,0 %	4 296	0,60
Alexandria Rahastoyhtiö Oy	261,89	0,3 %	17	0,0 %	5 774	22,10
PYN Rahastoyhtiö Oy	259,27	0,3 %	18	0,0 %	2 664	3,60
Handelsbanken Rahastoyhtiö Oy	136,36	0,1 %	19	0,0 %	31 166	-10,80
JOM Rahastoyhtiö	56,70	0,1 %	20	0,0 %	669	-3,10

Composition of Evli's Assets under management



Brokerage revenues



Non-equity broking

Equity broking

Evli Corporate Finance – chosen references

<p>Pending</p>  <p>Demerger of Qt Group Oyj from Digia Oyj and listing Qt Group Oyj</p> <p>The undersigned acted as financial advisor to Digia Oyj</p> 	<p>February 2016</p>  <p>Has successfully completed the acquisition of</p>  <p>The undersigned acted as financial advisor to Ambea</p> 	<p>February 2016</p>  <p>has agreed to sell sale department store business in Russia to Reviva holdings (Russian franchisee of Debenhams)</p> <p>DEBENHAMS</p> <p>The undersigned acted as advisor to the Sellers</p> 	<p>December 2015</p>  <p>has successfully been sold to</p> <p>HALMA</p> <p>The undersigned acted as advisor to the Sellers</p> 	<p>December 2015</p>  <p>has successfully completed rights issue</p> <p>SEK 80 million</p> <p>The undersigned acted as Advisor to Nordic Mines</p> 
<p>December 2015</p> <p>Seamless</p> <p>has successfully completed a private placement</p> <p>SEK 32 million</p> <p>The undersigned acted as Joint Advisor</p> 	<p>November 2015</p> <p>Vitor public tender offer for all shares of</p>  <p>The undersigned acted as advisor to the Board of Cybercom and provided a fairness opinion</p> 	<p>October 2015</p>  <p>Grimaldi has acquired Ilmarinen's minority stake in Finnlines Oyj</p> <p>EUR 97 million</p> <p>The undersigned acted as financial advisor and arranger in the block trade</p> 	<p>October 2015</p>  <p>Intera Partners has successfully completed the acquisition of Hoplop.</p>  <p>The undersigned acted as advisor to Intera Partners</p> 	<p>October 2015</p>  <p>Northern Horizon Capital has agreed to sell BPT Real Estate to Baltcap</p>  <p>The undersigned acted as advisors to Sellers</p> <p>PORTA /  EVLI</p>
<p>July 2015</p> <p>Seamless</p> <p>has successfully issued convertible debentures of</p> <p>SEK 25 million</p> <p>The undersigned acted as Joint Advisor</p> 	<p>July 2015</p>  <p>has successfully been sold to</p>  <p>The undersigned acted as advisor to the Sellers</p> 	<p>June 2015</p>  <p>Has successfully completed the acquisition of</p>  <p>The undersigned acted as advisor to Medipast</p> 	<p>June 2015</p>  <p>Has successfully completed the acquisition of</p>  <p>The undersigned acted as advisor to Lantmännen</p> 	<p>April 2015</p>  <p>has successfully sold its Norwegian personal assistance business to</p>  <p>The undersigned acted as advisor to Dedicare</p> 

Financial data

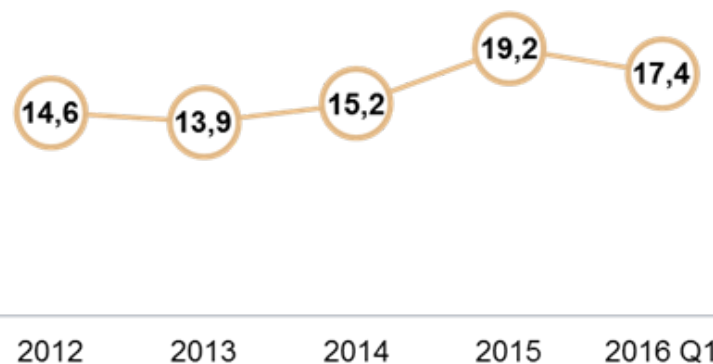
Profit and loss statement

EURm	2016 Q1	2015 Q1	2015	2014	2013	2012
Net interest	0,5	0,3	1,4	1,0	0,5	3,1
Net commissions	13,5	14,1	57,2	53,1	49,5	43,3
Net income from securities trading and FX	1,5	1,8	5,4	5,2	5,2	1,2
Other operative income	0,0	0,1	0,2	0,4	0,4	0,7
NET REVENUE	15,4	16,2	64,2	59,7	55,5	48,3
Administrative expenses						
<i>Personnel expenses</i>	(7,0)	(7,1)	(27,5)	(26,7)	(26,0)	(21,5)
<i>Other administrative expenses</i>	(3,6)	(3,6)	(15,8)	(14,0)	(13,9)	(14,3)
Depreciations and amortizations	(0,8)	(0,8)	(3,9)	(5,3)	(4,7)	(4,4)
Other operative expenses	(0,9)	(1,0)	(3,8)	(4,0)	(4,2)	(4,5)
Impairment losses	-	-	-	-	-	(0,1)
NET OPERATING PROFIT/LOSS	3,1	3,7	13,3	9,8	6,7	3,6
Share of profit/loss of associates	1,9	0,0	2,1	0,3	0,2	(0,2)
PROFIT BEFORE TAXES	5,0	3,7	15,4	10,0	6,9	3,3
Taxes	(0,7)	(0,9)	(3,0)	(2,4)	(1,2)	(1,2)
PROFIT/LOSS FOR THE PERIOD	4,3	2,8	12,3	7,7	5,6	2,1
Attributable to						
<i>Non-controlling interest</i>	0,2	0,1	0,9	0,9	0,6	0,5
<i>Equity holders of parent company</i>	4,1	2,7	11,5	6,8	5,0	1,6

Balance sheet

ASSETS, EURm	31.3.2016	31.3.2015	31.12.2015	LIABILITIES, EURm	31.3.2016	31.3.2015	31.12.2015
Liquid assets	67,1	411,2	128,0	Liabilities to credit institutions and central banks	8,8	5,0	5,5
Debt securities eligible for refinancing with central banks	54,4	74,2	38,5	Liabilities to the public and public sector entities	373,7	630,6	352,4
Claims on credit institutions	138,0	133,7	119,4	Debt securities issued to the public	34,7	30,3	35,7
Claims on the public and public sector entities	62,0	59,2	56,0	Derivative contracts and other trading liabilities	49,2	31,8	36,5
Debt securities	155,8	43,2	133,0	Other liabilities	272,6	280,2	131,9
Shares and participations	43,7	51,8	38,0	Liabilities	739,0	977,8	562,0
Participating interests	3,9	3,1	5,0	Equity to holders of parent company	65,8	49,5	69,0
Derivative contracts	23,6	7,4	21,6	Non-controlling interest in capital	0,8	0,6	1,2
Intangible and tangible assets	11,6	9,5	11,9	Equity	66,6	50,1	70,2
Other assets	245,6	234,6	80,9	Total liabilities and equity	805,5	1027,9	632,2
Total assets	805,5	1027,9	632,2				

BIS adequacy, %



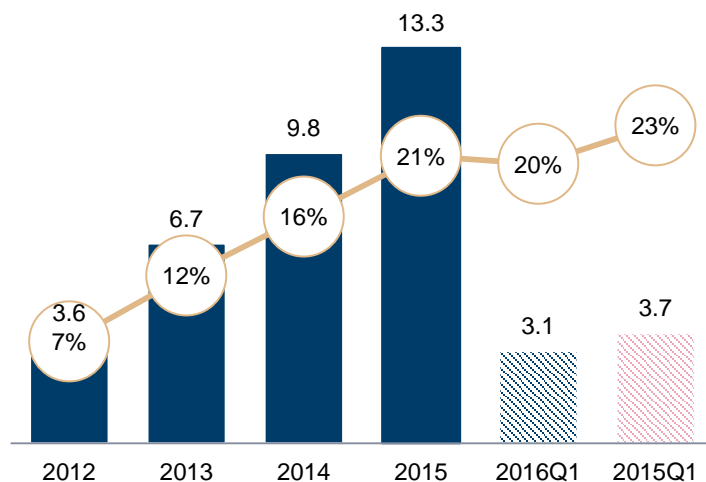
Key ratios

	un-audited		audited			
	2016 Q1	2015 Q1	2015	2014	2013	2012
Return on equity-% (ROE)	25,1 %	21,8 %	20,2 %	15,2 %	11,5 %	4,3 %
Cost-income ratio	0,80	0,77	0,79	0,84	0,88	0,93
Core BIS capital adequacy, %	17,4 %	14,0 %	19,2 %	15,2 %	13,9 %	14,6 %
Earnings/Share, diluted (IFRS)*	0,17	0,12	0,53	0,31	0,24	0,08
Paid dividend/share**	0,31**	-	0,21	0,21	0,24	0,24
Paid capital distribution/share**	-	-	0,20	-	-	-
Personnel, at the end of period	246	233	248	242	245	243
Return on assets-% (ROA)	2,4 %	1,5 %	2,2 %	1,4 %	0,9 %	0,4 %
Equity ratio	8,3 %	4,9 %	11,1 %	10,7 %	8,5 %	8,3 %

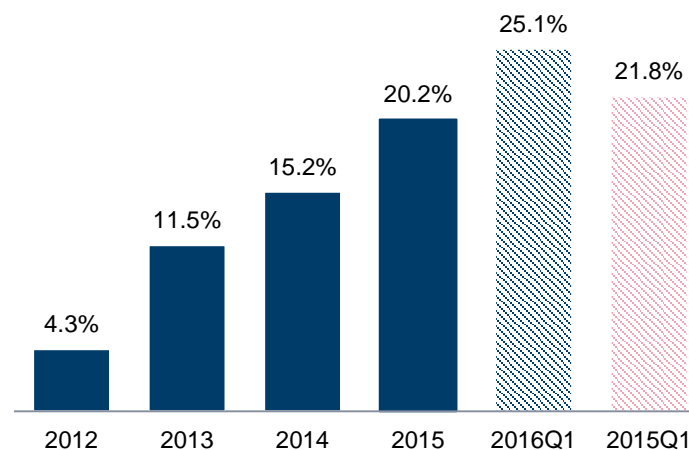
*Split corrected sharecount

** Paid on 17.3.2016 according to AGM decision

Operating profit for the period (M€)



Return on equity, %

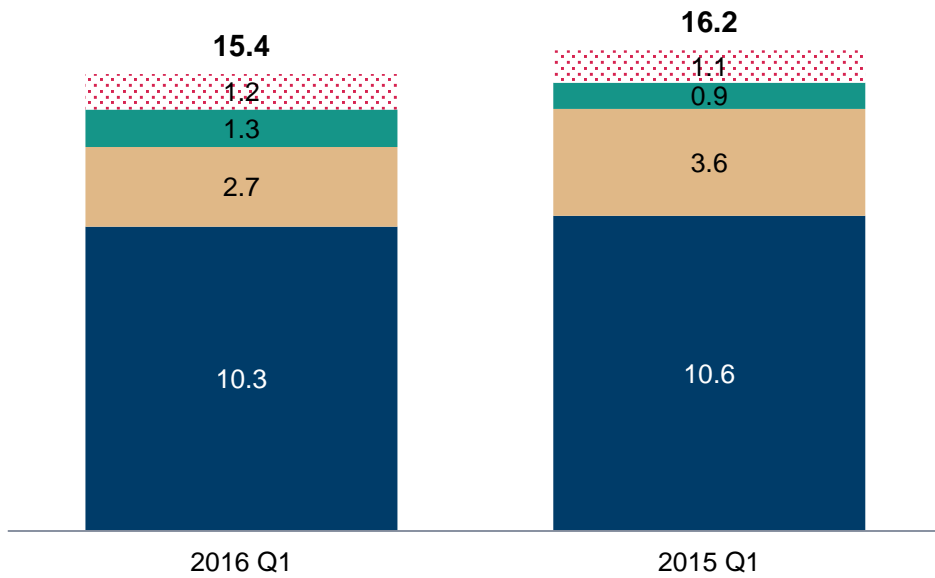


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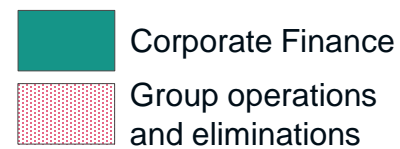
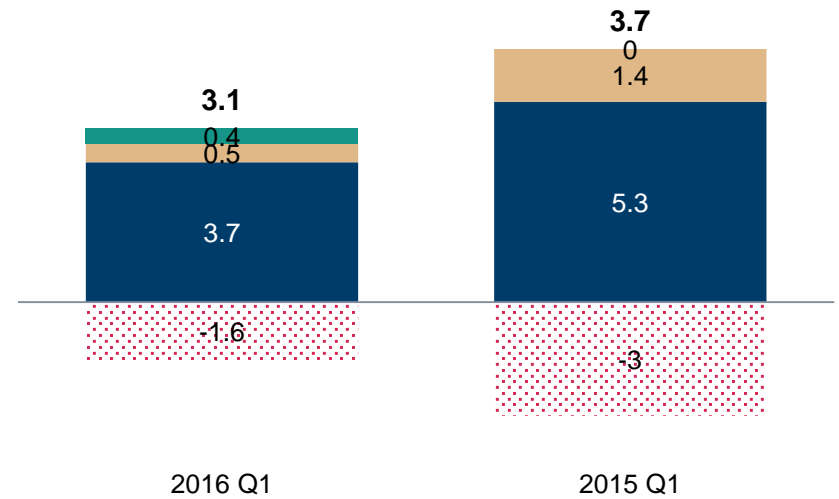
Split corrected share count
**The figures are unaudited.

Segment profitability

Net revenue

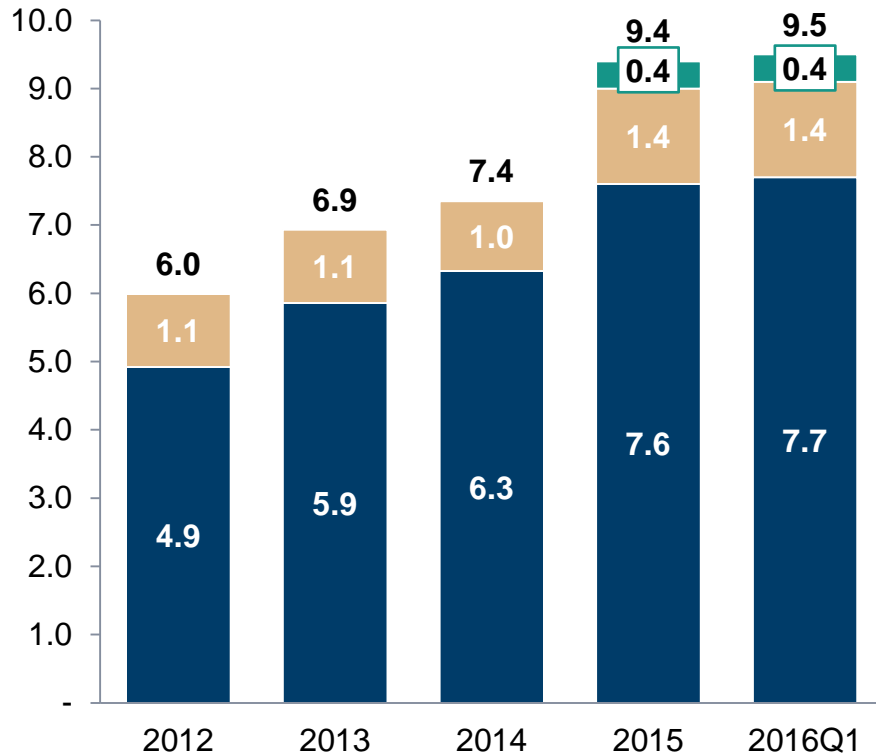


Profit before allocations

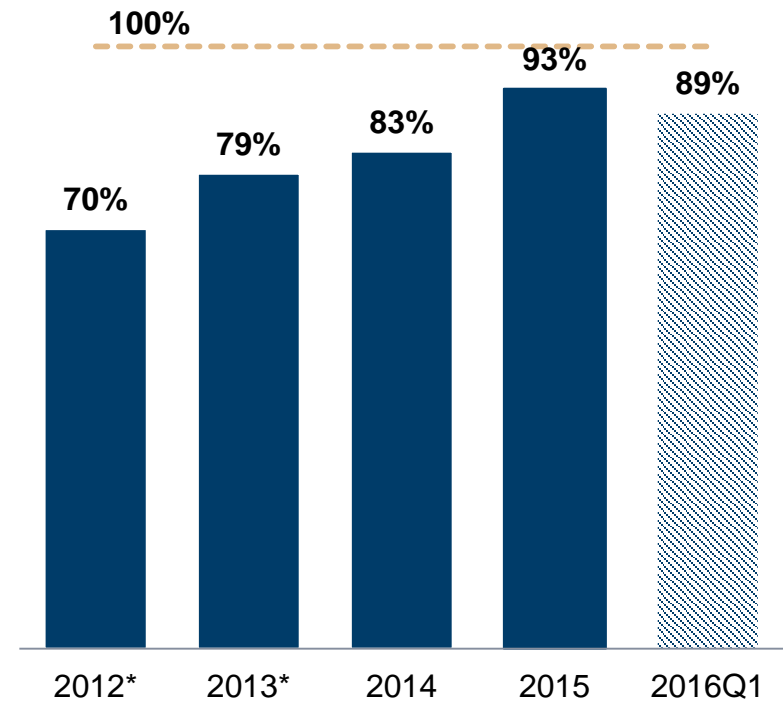


Strategic KPI figures in line with targets

Assets under Management (Billion €)



Recurring revenues to operational costs



Evli Alexander Management AUM

Northern Horizon Capital AUM

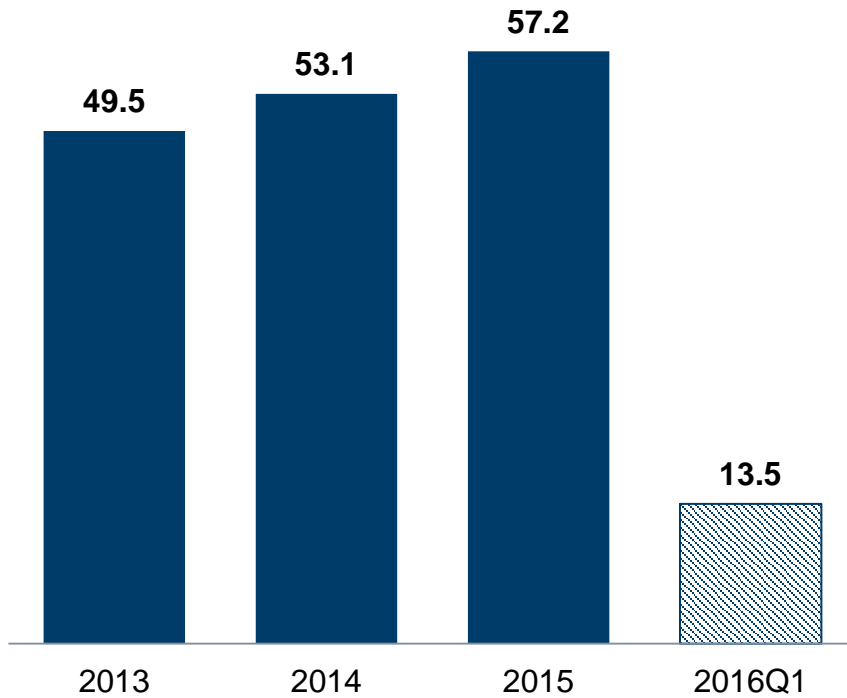
Evli Group's AUM

Recurring revenues to operational costs, target

Recurring revenue ratio

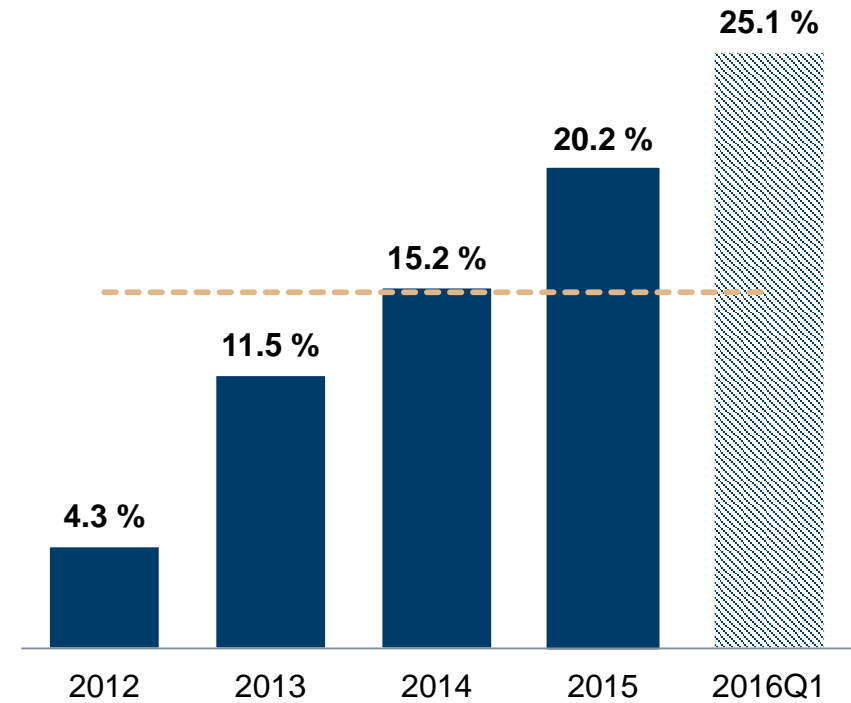
Strategic KPI figures in line with targets

Net fee income (M€)



Net fee income (M€)

Return on Equity % (ROE)



Target rate for return on Equity -%

Return on Equity - %

Cornerstones of Evli strategy – Simply Unique

*EVLI's core strengths and uniqueness are built around: 1) a very **strong customer experience** (including offering, service and culture) and 2) **product excellence**, based on innovative spearhead "institutional investor quality" products, supported by 3) strong **operational process efficiency**. These are the cornerstones of "simply unique".*

Themes for 2016

- Streamlining of core investment processes
- Digitalization and client experience
- Alternative investment products
- International sales

Outlook for 2016 unchanged

“Evli’s business performance has been strong in recent years, and interest in Evli’s services and products is expected to remain stable. In the Corporate Finance business, substantial fluctuations in annual profits are possible. The unit’s mandate base is at a healthy level. The ratio of Evli’s recurring revenue to expenses has developed as planned and the revenue covered nearly 90 percent of the Group’s fixed operating expenses. We believe that the result for 2016 will be clearly positive.”

Contact information

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