

**Q1**



**Interim Report  
1 January–31 March 2014**

## The Finnvera Group's Interim Report for January–March 2014

### Recovery in the demand for financing hampered by political crises

During the first quarter of 2014, the Finnish financial markets performed better than statements presented in public would suggest. There are occasional blind spots but private providers of funding are well able to meet the demand for financing for credible growth investments, partly with help from Finnvera. However, companies that have several loss-making years behind them and not enough equity are facing major problems.

The crisis between Ukraine and Russia has a negative impact on the economies of both countries. At the end of the period under review, Russia accounted for Finnvera's third biggest country exposure (EUR 879 million). With the weakening of the Russian economy and a decline in Finnish exports, there has also been a slight decrease in Finnvera's exposure involving Russia recently. Finnvera continues to provide Finnish exporters with financing for trade with Russia. However, developments are being monitored closely and Finnvera is also prepared for higher risks. Finnvera's exposure involving Ukraine totalled four million euros and at the moment no new guarantees can be provided for export transactions to that country.

#### Business operations and financial trend

The euro value of the loan and guarantee offers given to SMEs in January–March increased by 15 per cent from the same period in 2013. As in 2013, most of them were associated with the need for working capital. Some of the credit agreement negotiations connected with export transactions that were still uncompleted last year were concluded and as a result, the number of export financing offers increased by 81 per cent from the first quarter of 2013.

The Finnvera Group's profit for January–March was EUR 8 million. This was EUR 22 million less than the profit for the corresponding period in the previous year (30 million). The most important factors pushing the profits downwards were the increase in the impairment losses on receivables and guarantee losses incurred by the parent company Finnvera plc as well as a decline in net interest income. At the same time, the weakening in profits was partially offset by higher fee and commission income and lower administrative expenses.

The profit from the parent company Finnvera plc's export financing and SME financing amounted to EUR 10 million, or EUR 21 million less than a year earlier (31 million). Export financing, or the separate result of export credit guarantee and special guarantee operations laid down in section 4 of the Act on the State Guarantee Fund, showed a profit of EUR 5 million (21 million), while the profit for SME credit and guarantee operations amounted to EUR 5 million (11 million).

<b>Finnvera Group Financial performance</b>	<b>Q1/2014 MEUR</b>	<b>Q1/2013 MEUR</b>	<b>Change MEUR</b>	<b>Change %</b>	<b>2013 MEUR</b>	<b>2012 MEUR</b>	<b>Change %</b>
Net interest income	13	14	-1	-8	56	63	-11
Fee and commission income and expenses (net)	37	32	6	17	134	112	20
Gains/losses from items carried at fair value	-3	-1	-2	-151	-2	2	-178
Administrative expenses	-10	-11	1	-6	-43	-43	0
Impairment losses, guarantee losses	-28	-2	-26	-	-64	-75	-16
Loans and domestic guarantees	-19	-21	1	-7	-101	-115	-12
Credit loss compensation from the State	12	18	-7	-37	48	50	-3
Export credit guarantees and special guarantees	-21	0	-21	-	-11	-10	7
Operating profit	7	30	-23	-77	75	54	39
Profit for the period	8	30	-22	-74	75	53	40

**The Group's key figures on 31 March 2014 (31 March 2013)**

- Equity ratio 18.8% (20.1%)
- Capital adequacy 17.9% (16.0%)
- Expense-income ratio 25.1% (28.3%)

**CEO Pauli Heikkilä:**

“There are many reports showing that financing for credible growth investments is available in Finland. The situation becomes more difficult when financing is sought for continuing unprofitable operations. In such cases, the providers of financing require that the company has adequate plans for restructuring its operations. For start-up enterprises, difficulties arise if they lack capital of their own for the project. Because the economic outlook remains unclear, banks require a higher proportion of self-financing. Companies that can meet this requirement can also acquire debt financing. The most important consideration is to encourage equity investments in Finnish companies.

Significant increases in Finnvera's financial powers regarding SMEs and export companies were put forward in the Government's 2013 supplementary budget and in this spring's discussion on spending limits. If implemented, these measures will further improve Finnvera's possibilities to complement the availability of financing from the private market. It is also important that Finnish export companies have access to competitive export financing so that they can submit tenders on the same terms as the exporters in competitor countries.”

## The Finnvera Group

### Interim Report 1 January–31 March 2014

#### Contents

The Group's financial trend	5
Personnel	9
Changes in the operating environment and in industrial and ownership policies	9
Events after the period under review	9
Outlook for financing	9
<i>Tables</i>	
Comprehensive Income Statement	10
Balance Sheet	11
Statement of Changes in Equity	12
Statement of Cash Flow	13
Notes to the Financial Statements	14

*In addition to the parent company Finnvera plc, the Finnvera Group consists of the following subsidiaries: Seed Fund Vera Ltd and Veraventure Ltd, which are engaged in venture capital investments; and Finnish Export Credit Ltd, which provides export credits and export financing based on withholding tax agreements and administers interest equalisation..*

## The Group's financial trend

### The Finnvera Group in January–March 2014

The Finnvera Group's profit for the first quarter of 2014 was EUR 8 million. This was EUR 22 million less than the profit for the corresponding period in the previous year (30 million). The most important factors pushing the profits downwards were the increase in the impairment losses on receivables and guarantee losses incurred by the parent company Finnvera plc as well as a decline in net interest income. At the same time, the weakening in profits was partially offset by higher fee and commission income and lower administrative expenses.

The profit from the parent company Finnvera plc's export financing and SME financing amounted to EUR 10 million, or EUR 21 million less than a year earlier (31 million). The impairment losses on receivables and guarantee losses incurred by the parent company in the first quarter of 2014 totalled EUR 28 million, which was considerably higher than a year earlier (2 million). This had an appreciable impact on the weakening of the result. A decline of almost 10 per cent in net interest income also pushed profits downwards. The net interest income in January–March was EUR 12 million.

The parent company Finnvera plc's export financing and SME financing both showed a profit: Export financing, or the separate result of export credit guarantee and special guarantee operations laid down in section 4 of the Act on the State Guarantee Fund, showed a profit of EUR 5 million (21 million), while the profit of SME credit and guarantee operations amounted to EUR 5 million (11 million).

Subsidiaries and associated companies had an effect of EUR -3 million on the Group's profit (-2 million). Venture capital investments accounted for EUR -3 million (-2 million) and the interest equalisation, lending and export credit financing by Finnish Export Credit Ltd for EUR 0.7 million (0.4 million) of the result.

### Analysis of the financial performance for January–March 2014

#### Interest income and expenses and interest subsidies

The Group's net interest income in January–March came to EUR 13 million (14 million). The decline in net interest income stemmed from a reduction in the outstanding credits for SME financing.

Interest subsidies paid by the State and the European Regional Development Fund (ERDF) and passed on to clients totalled EUR 2 million (3 million). Payments of interest subsidies declined by almost 30 per cent from the previous year. The reasons for this were the discontinuation of the granting of new interest-subsidised financing at the start of 2014 and a reduction in the outstanding interest-subsidised credits.

#### Fee and commission income and expenses

The net value of the Group's fee and commission income and expenses amounted to EUR 37 million (32 million). This was 17 per cent more than in the previous year. The growth was the result of individual major export credit guarantees that entered into effect as well as a general increase in risk premiums on the market, which also partially affected Finnvera.

The gross value of the Group's fee and commission income amounted to EUR 39 million (33 million). The parent company's fee and commission income from export credit guarantees and special guarantees accounted for EUR 29 million (24 million) and SME financing for EUR 9 million (8 million) of this total. Finnish Export Credit Ltd's fee and commission income from interest equalisation, lending and export credit financing amounted to EUR 0.3 million (0.5 million).

The Group's fee and commission expenses came to EUR 2 million (1 million). The fee and commission expenses mainly consisted of the parent company Finnvera plc's reinsurance costs.

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

The Group's gains/losses from items carried at fair value through profit or loss amounted to EUR -3 million (-1 million), EUR -4 million (-2 million) of which came from a change in the fair value of venture capital investments and EUR 1 million (1 million) came from changes in the fair value of debts and interest rate and currency swaps as well as exchange rate differences.

#### Other income

Net income from investments and other operating income totalled EUR 0.4 million (0.2 million) in the Group. Other income included the management fee paid by the State Guarantee Fund for managing the liability for export credit guarantees and special guarantees arisen prior to 1999,

a remuneration associated with management of ERDF financing, and rental income.

#### Impairment losses on receivables, guarantee losses

The Group's impairment losses and guarantee losses on loans, domestic guarantees, export credit guarantees and special guarantees totalled EUR 40 million (20 million). After the compensation for credit losses by the State, the Group's liability for the impairment and losses in the period under review was EUR 28 million (2 million).

Impairment and losses on loans and guarantees and the provisions made for losses totalled EUR 19 million (21 million). The compensation for credit losses paid by the State and the ERDF amounted to EUR 12 million (18 million), or 57 per cent of the losses incurred (64 per cent).

Losses and provisions for losses on export credit guarantees and special guarantees totalled EUR 21 million (0 million). The provisions for losses are based on an estimate and they may need to be adjusted later. In relation to the outstanding commitments, they now correspond to a level known as 'anticipated loss'.

Non-performing and 0-interest receivables accounted for 6.6 per cent of the outstanding commitments at the end of March. The increase in non-performing and 0-interest receivables was a result of some individual commitments. Because of changes in the manner in which the ratio is calculated, the figure for the end of March is not fully comparable with the ratio of 5.0 per cent at the end of 2013. During 2014, Finnvera will introduce a definition of non-performing receivables that has been harmonised at EU level.

Finnvera Group Impairment losses on receivables, guarantee losses	Q1/2014 MEUR	Q1/2013 MEUR	Change %	2013 MEUR	2012 MEUR	Change %
Impairment losses, guarantee losses	-28	-2	-	-64	-75	-16
Loans and domestic guarantees	-19	-21	-7	-101	-115	-12
Credit loss compensation from the State	12	18	-37	48	50	-3
Export credit guarantees and special guarantees	-21	0	-	-11	-10	7

#### Other expenses

The Group's administrative expenses came to EUR 10 million (11 million). Administrative expenses were almost one million euros, or six per cent lower than a year earlier. Personnel expenses accounted for 68 per cent (69 per cent) of the administrative expenses.

The Group's other operating expenses amounted to EUR 1 million (2 million). Other operating expenses comprised depreciation and costs associated with real property.

#### Long-term economic self-sustainability

Under the economic self-sustainability target set out for Finnvera, the company must be able to cover its long-term operating expenses using income from its operations. In SME financing, the period of review for economic self-sustainability has been set at 10 years and in export financing 20 years. The economic self-sustainability of Finnvera's SME financing has been realised in a ten-year period, when the cumulative result is calculated until the end of March 2014. Correspondingly, export financing has been economically self-sustainable during Finnvera's 15 years of operation. If the payment-based result of

Finnvera's predecessor, the Finnish Guarantee Board, for its last years of operation is taken into account when examining the economic self-sustainability of export financing, economic self-sustainability is realised over a 20-year period as well.

The extent and risk level of Finnvera's outstanding commitments will have a significant impact on its financial performance and long-term economic self-sustainability in the coming years. When Finnvera's financial performance is examined, it is important to note that, at the end of March 2014, the company's total outstanding commitments for export credit guarantee and special guarantee operations amounted to EUR 11.6 billion and credit and guarantee commitments and guarantee receivables for SME financing amounted to EUR 2.6 billion. Seen against these commitments, the net profit building a loss buffer on the balance sheet is now an estimated 0.3–0.5 per cent at the annual level.

#### Balance sheet 31 March 2014

At the end of March, the consolidated balance sheet total was EUR 4,554 million (4,603 million). The parent company Finnvera plc's balance sheet total came to EUR 2,444 million

(2,423 million). The subsidiary with the most substantial impact on the consolidated balance sheet was Finnish Export Credit Ltd, with EUR 2,411 million (2,305 million).

At the end of March, the Group's outstanding credits amounted to EUR 3,734 million (3,650 million), or EUR 84 million more than at the start of the year. The parent company Finnvera plc's outstanding credits amounted to EUR 1,696 million (1,540 million), of which receivables from subsidiaries amounted to EUR 304 million (130 million).

The parent company's outstanding guarantees declined slightly during the first three months of the year, amounting to EUR 1,035 million (1,047 million) at the end of March.

The book value of outstanding commitments, as laid down in the Act on the State's Export Credit Guarantees, amounted to EUR 10,229 million (9,761 million). Finnvera's total outstanding commitments for export credit guarantee and special guarantee operations (current commitments and offers tendered, including export guarantees) totalled EUR 11,601 million (11,004 million).

At the end of March, the parent company's non-current liabilities amounted to EUR 1,150 million (1,148 million), of which EUR 1,062 million (1,060 million) were bonds. The liabilities include subordinated loans of EUR 38 million (38 million) received from the State for investment in the

share capital of Seed Fund Vera Ltd and Veraventure Ltd as well as a subordinated loan of EUR 50 million (50 million), which was granted to strengthen the capital adequacy of Finnvera plc.

At the end of the period under review, the Group's unrestricted reserves had a total of EUR 602 million (595 million), of which the reserve for domestic operations accounted for EUR 135 million (137 million), the reserve for export credit guarantees and special guarantees EUR 436 million (358 million), and the reserve for venture capital investments EUR 17 million (17 million). Retained earnings totalled EUR 15 million (83 million).

Once the annual financial statements have been completed, the annual profits from SME financing and export financing are transferred to two separate reserves (domestic and export) on the parent company's balance sheet. Correspondingly, the losses from domestic operations are covered by the reserve for domestic operations, while the losses from export credit guarantees and special guarantees are covered by the reserve for export credit guarantees and special guarantees.

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

<b>Finnvera Group Equity and balance sheet total</b>	<b>31 March 2014 MEUR</b>	<b>31 Dec 2013 MEUR</b>	<b>Change MEUR</b>	<b>Change %</b>
Share capital	197	197	0	0
Share premium and fair value reserve	51	51	0	0
Unrestricted funds, in total	602	595	8	1
Reserve for domestic operations	135	137	-2	-2
Reserve for export credit guarantees and special guarantees	436	358	78	22
Other	17	17	0	0
Retained earnings	15	83	-68	-82
Equity attributable to the parent company's owners	850	843	7	1
Share of equity held by non-controlling interests	6	6	0	0
Balance sheet total	4,554	4,603	-50	-1

## Acquisition of funds

In January–March, the Group's long-term acquisition of funds totalled EUR 5 million (232 million). EUR

69 million in non-current loans was paid back (114 million).

## Capital adequacy

According to the State of Finland, the owner of Finnvera, the Group's capital adequacy ratio should be at least 12.0 per cent. At the end of March, the Group had a capital adequacy ratio of 17.9 per cent (17.6 per cent), while the figure for the

parent company Finnvera plc was 18.2 per cent (17.6 per cent). As in the 2013 financial statements, capital adequacy for March was still calculated in accordance with the Basel II accounting standards. During 2014, Finnvera will introduce a calculation method that is in accordance with the CRD IV/ CRR provisions, whenever applicable.

Capital adequacy	31 March 2014 %	31 Dec 2013 %	Change % points	31 March 2013 %
Finnvera Group	17.9	17.6	0.3	16.0
Finnvera plc	18.2	17.6	0.6	16.6

Under the Act on Finnvera (443/1998), domestic operations must be kept separate from export credit guarantee and special guarantee operations. The losses from domestic operations are covered by the reserve for domestic operations, while the losses from export credit guarantees and special guarantees are covered by the reserve for export credit guarantees and special guarantees. Under the Act on the State Guarantee Fund (444/1998), the State is responsible for export credit guarantees and special guarantees. Should the reserve for export credit guarantees and special guarantees not have sufficient assets to cover the losses incurred in the respective operations, the losses are covered by assets in the State Guarantee Fund and, whenever necessary, supplemented by an appropriation in the State budget. The above-mentioned legal separation and the State's responsibility for export credit guarantees

are the reason why Finnvera calculates its capital adequacy (i.e. the ratio between its commitments and assets) only for domestic operations.

At the end of March, the Finnvera Group's risk-weighted receivables totalled EUR 2,583 million (2,616 million). Of these, loans and guarantees involving actual business operations amounted to EUR 2,191 million (2,211 million), or 85 per cent of risk-weighted receivables. Most of the remaining receivables were associated with the acquisition of funds and the investment of cash assets. Approximately 50 per cent of the loans and guarantees consisted of a large number of individual commitments of under EUR 1 million, whose risk weight was 75 per cent when calculated using the standard method. The risk weight of other loans and guarantees was 100 per cent.

Finnvera Group Capital for calculating capital adequacy	31 March 2014 MEUR	31 Dec 2013 MEUR	31 March 2013 MEUR
Shareholders' equity	856	849	790
Subordinated loan	50	50	50
Intangible assets	-3	-2	-2
Reserve for export credit guarantees and special guarantees	-436	-358	-358
Profit for the period attributable to export credit guarantees	-5	-78	-20
Total	463	461	460

Finnvera Group Risk-weighted items	31 March 2014 MEUR	31 Dec 2013 MEUR	31 March 2013 MEUR
Receivables from credit institutions	18	55	28
Receivables from clients	2,104	2,117	2,272
Investments and derivatives	258	233	383
Receivables, prepayments, interest and other receivables, other assets	21	21	17
Binding promises for loans	87	94	79
Operational risk	96	96	96
Total	2,583	2,616	2,875



## Personnel

At the end of March, the Group had 395 employees (415 on 31 March 2013), 373 (394) of whom held permanent positions and 22 (21) fixed-term positions.

## Changes in the operating environment and in industrial and ownership policies

### Finnvera authorised to grant more financing

As part of its growth package, the Government proposed that Finnvera should be granted more authority to grant financing, especially for growth-stage companies. The aim is to increase Finnvera's risk-taking capacity and to provide SMEs with more financing opportunities.

The Government's proposal for the third supplementary budget for 2013 contained major increases in the authorisation to grant financing for export credits and ship credits and in the authorisation to grant export credit guarantees. The proposal will be submitted to Parliament in May.

The implementation of the proposal under which Finnvera may subscribe to SME bonds is making progress. It is estimated that Finnvera could start subscribing to such bonds in autumn 2014.

## Events after the period under review

### New members appointed to Finnvera's Supervisory Board – No changes in the composition of the Board of Directors

On 16 April 2014, Finnvera's Annual General Meeting elected new members to the company's Supervisory Board. No changes were made to the composition of the Board of Directors.

#### *Composition of the Supervisory Board*

The new members of the Supervisory Board are Olli Koski, Head of Industrial Affairs and Chief Economist; and Timo Saranpää, Chairman of the Board.

Johannes Koskinen, Member of Parliament, will continue as Chairman of the Supervisory Board, and Lauri Heikkilä, Member of Parliament, will continue as Vice Chairman. The following persons will continue as members of the Supervisory Board: Paula Aikio-Tallgren, Entrepreneur; Kaija Erjanti, Head of Division; Helena Hakkarainen, Finance Manager; Lasse Hautala, Member of Parliament; Miapetra Kumpula-Natri, Member of Parliament; Leila Kurki,

Senior Adviser; Esko Kurvinen, Member of Parliament; Anna Lavikkala, Director, Labour Market; Jari Myllykoski, Member of Parliament; Lea Mäkipää, Member of Parliament; Antti Rantakangas, Member of Parliament; Osmo Soininvaara, Member of Parliament; Sofia Vikman, Member of Parliament; and Antti Zitting, Chairman of the Board.

#### *Composition of the Board of Directors*

Markku Pohjola, B.Sc (Econ.), will continue as Chairman, Pekka Timonen, Director General, as First Vice Chair and Marianna Uotinen, Specialist Counsel, as Second Vice Chair of Finnvera's Board of Directors. The following persons will continue as Board members: Kirsi Komi, LL.M.; Vesa Luhtanen, CEO; Risto Paaermaa, LL.Lic.; and Pirkko Rantanen-Kervinen, B.Sc (Econ.).

### Finnvera issued a bond of EUR 500 million

On 22 April 2014, Finnvera plc issued a fixed-interest bond of EUR 500 million. The bond has a maturity of five years. The bond was issued under the company's EMTN (Euro Medium Term Note) programme.

Finnvera's EMTN programme and the bonds issued under it are guaranteed by the State. Finnvera will use the funds acquired through the programme to finance both the SME sector and export credits.

## Outlook for financing

During the early part of the year, demand for SME financing will remain at a moderate level, a result of uncertain economic prospects and the low level of investments. Most of the financing needs are associated with working capital and the rescheduling of existing credits.

Finnish exports have continued to decline during the early months of the year and there are no clear signs of any upturn. As a result of the crisis in Ukraine, there is also an exceptional degree of uncertainty in the economic situation. Economic growth in Russia had already slowed down before the crisis and as a result of the crisis, the prospects seem to be getting even weaker. The state of Russia's banking and financing system and the economic sanctions will also make it more difficult for companies to get financing in Russia, which will have a direct impact on Finnish exports to Russia. Changes in banking regulation, risks in target countries, slow economic growth and stiffer export competition, accentuating the financing solutions offered to the buyer, help to maintain demand for export credit guarantees and export credits.

## Comprehensive income statement

(EUR 1,000)	Note	Finnvera Group		Finnvera plc	
		1–3 2014	1–3 2013	1–3 2014	1–3 2013
Interest income					
Loans		24 805	23 194	10 285	11 074
Subsidies passed on to customers		1 925	2 585	1 925	2 585
Other		646	798	898	791
<b>Total interest income</b>		<b>27 377</b>	<b>26 576</b>	<b>13 109</b>	<b>14 449</b>
Interest expenses		-14 431	-12 497	-880	-955
<b>Net interest income</b>		<b>12 946</b>	<b>14 079</b>	<b>12 229</b>	<b>13 494</b>
Net fee and commission income		37 095	31 576	36 776	31 035
Gains and losses from financial instruments carried at fair value	2	-3 394	-1 350	424	713
Net income from investments		278	11	-30	0
Other operating income		135	244	338	415
Administrative expenses					
Wages and salaries		-6 990	-7 671	-6 728	-7 376
Other administrative expenses		-3 355	-3 373	-3 200	-3 078
<b>Total administrative expenses</b>		<b>-10 345</b>	<b>-11 044</b>	<b>-9 927</b>	<b>-10 454</b>
Other operating expenses		-1 477	-1 562	-1 477	-1 562
Impairment loss on financial assets	3				
Impairment losses on credits and losses on guarantees		-19 184	-20 634	-18 984	-20 634
Credit loss compensation from the State		11 529	18 316	11 529	18 316
Losses on export credit guarantees and special guarantees		-20 664	-8	-20 664	-8
<b>Net impairment loss on financial assets</b>		<b>-28 319</b>	<b>-2 326</b>	<b>-28 119</b>	<b>-2 326</b>
<b>Operating profit</b>		<b>6 919</b>	<b>29 629</b>	<b>10 215</b>	<b>31 315</b>
Income tax expense		716	155	0	0
<b>Profit for the period</b>		<b>7 635</b>	<b>29 784</b>	<b>10 215</b>	<b>31 315</b>
Other comprehensive income					
Items that may not be reclassified subsequently to the statement of income					
- Revaluation of defined benefit pension plans		0	0	0	0
Items that may be reclassified subsequently to the statement of income					
- Change in the fair value of shares		-315	14	-332	-4
<b>Total other comprehensive income</b>		<b>-315</b>	<b>14</b>	<b>-332</b>	<b>-4</b>
<b>Total comprehensive income for the period</b>		<b>7 320</b>	<b>29 799</b>	<b>9 884</b>	<b>31 311</b>
<b>Distribution of the profit for the period attributable to</b>					
Equity holders of the parent company		7 660	29 985		
Non-controlling interest		-26	-201		
		<b>7 635</b>	<b>29 784</b>		
<b>Distribution of the total comprehensive income for the period attributable to</b>					
Equity holders of the parent company		7 345	29 999		
Non-controlling interest		-26	-201		
		<b>7 320</b>	<b>29 799</b>		

## Balance sheet

(EUR 1,000)	Finnvera Group		Finnvera plc		
	Note	31 March 2014	31 Dec 2013	31 March 2014	31 Dec 2013
<b>ASSETS</b>					
<b>Loans and receivables from credit institutions</b>					
Payable on demand		59 355	250 271	24 692	215 646
Other than payable on demand		31 843	26 172	26 172	26 172
		<b>91 198</b>	<b>276 443</b>	<b>50 864</b>	<b>241 818</b>
<b>Loans and receivables from customers</b>					
Loans		3 733 723	3 649 525	1 695 938	1 540 016
Guarantee receivables		45 903	46 023	45 903	46 023
Receivables from export credit and special guarantee operations		14 092	15 305	14 092	15 305
		<b>3 793 718</b>	<b>3 710 853</b>	<b>1 755 933</b>	<b>1 601 344</b>
<b>Investments</b>					
Debt securities		377 081	326 191	377 081	326 191
Associates		72 991	78 195	158 815	158 815
Other shares and participations		117 563	118 019	349	349
Investment property		0	0	14 849	15 246
		<b>567 635</b>	<b>522 405</b>	<b>551 095</b>	<b>500 602</b>
<b>Derivatives</b>	<b>8</b>	9 414	8 159	7 578	8 159
<b>Intangible assets</b>		2 545	2 572	2 463	2 490
<b>Property and equipment</b>					
Properties		830	834	830	834
Equipment		1 396	1 437	1 396	1 437
		<b>2 226</b>	<b>2 270</b>	<b>2 226</b>	<b>2 270</b>
<b>Other assets</b>					
Credit loss receivables from the state		18 262	6 516	18 262	6 516
Other		4 589	5 030	5 290	5 894
		<b>22 851</b>	<b>11 546</b>	<b>23 551</b>	<b>12 410</b>
<b>Prepayments and accrued income</b>		64 151	69 213	50 328	53 952
<b>Tax assets</b>		0	0		
<b>TOTAL ASSETS</b>		<b>4 553 739</b>	<b>4 603 461</b>	<b>2 444 038</b>	<b>2 423 044</b>
<b>LIABILITIES</b>					
<b>Liabilities to credit institutions</b>		0	0	0	0
<b>Liabilities to other institutions</b>					
At fair value through profit or loss	<b>9</b>	2 080 551	2 143 436	0	0
<b>Debt securities in issue</b>					
At fair value through profit or loss	<b>9</b>	1 061 506	1 059 870	1 061 506	1 059 870
<b>Derivatives</b>	<b>8</b>	29 855	31 272	29 855	29 915
<b>Provisions</b>		83 400	65 601	83 400	65 601
<b>Other liabilities</b>		52 310	54 738	48 192	49 790
<b>Accruals and deferred income</b>		299 330	307 616	287 158	293 824
<b>Tax liabilities</b>		2 874	4 333		
<b>Capital loans</b>	<b>9</b>	88 029	88 029	88 029	88 029
		<b>3 697 854</b>	<b>3 754 895</b>	<b>1 598 140</b>	<b>1 587 029</b>
<b>EQUITY</b>					
<b>Equity attributable to the parent company's shareholders</b>					
<b>Share capital</b>		196 605	196 605	196 605	196 605
<b>Share premium</b>		51 036	51 036	51 036	51 036
<b>Fair value reserve</b>		203	518	-403	-71
<b>Non-restricted reserves</b>					
Reserve for domestic operations		135 089	137 172	135 089	137 172
Reserve for export credit guarantees and special guarantees		435 628	357 825	435 628	357 825
Other		17 225	17 225	17 225	17 225
Retained earnings		14 532	82 590	10 718	76 223
		<b>602 473</b>	<b>594 813</b>	<b>598 660</b>	<b>588 445</b>
<b>Total equity</b>		<b>850 317</b>	<b>842 972</b>	<b>845 898</b>	<b>836 015</b>
<b>Share of equity held by non-controlling interest</b>		5 568	5 594		
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>4 553 739</b>	<b>4 603 461</b>	<b>2 444 038</b>	<b>2 423 044</b>

## Statement of changes in equity

(EUR 1,000)

### Finnvera Group

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

	A	B	C	D	E	F	G	H	I	J
<b>Balance at 1 Jan 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>518</b>	<b>137 172</b>	<b>357 825</b>	<b>17 225</b>	<b>82 590</b>	<b>842 972</b>	<b>5 594</b>	<b>848 566</b>
Cancelled amount of subordinated loan received from the owner							0	0		0
Total comprehensive income for the period/change in the fair value of shares			-315				7 660	7 345	-26	7 319
Transfer to reserves				-2 084	77 803	0	-75 719	0		0
Adjustments										0
<b>Balance at 31 March 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>203</b>	<b>135 088</b>	<b>435 628</b>	<b>17 225</b>	<b>14 531</b>	<b>850 316</b>	<b>10 303</b>	<b>855 885</b>
<b>Reported balance at 31 Dec 2012</b>	<b>196 605</b>	<b>51 036</b>	<b>318</b>	<b>139 770</b>	<b>295 726</b>	<b>17 461</b>	<b>60 401</b>	<b>761 319</b>	<b>10 468</b>	<b>771 787</b>
Amendment in calculation principle, IAS 19							-337	-337		-337
<b>Restated balance at 1 Jan 2013</b>	<b>196 605</b>	<b>51 036</b>	<b>318</b>	<b>139 770</b>	<b>295 726</b>	<b>17 461</b>	<b>60 064</b>	<b>760 982</b>	<b>10 468</b>	<b>771 450</b>
Cancelled amount of subordinated loan received from the owner							0	0		0
Total comprehensive income for the period/change in the fair value of shares			14				29 985	29 999	-201	29 799
Transfer to reserves				-2 598	62 099	0	-59 537	-36		0
<b>Balance at 31 March 2013</b>	<b>196 605</b>	<b>51 036</b>	<b>332</b>	<b>137 172</b>	<b>357 825</b>	<b>17 461</b>	<b>30 512</b>	<b>790 945</b>	<b>10 267</b>	<b>801 248</b>

### Finnvera plc

<b>Balance at 1 Jan 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>-71</b>	<b>137 172</b>	<b>357 825</b>	<b>17 225</b>	<b>76 223</b>	<b>836 015</b>		
Cancelled amount of subordinated loan received from the owner							0	0		
Total comprehensive income for the period/change in the fair value of shares			-332				10 215	9 883		
Transfer to reserves				-2 084	77 803	0	-75 719	0		
Adjustments										0
<b>Balance at 31 March 2014</b>	<b>196 605</b>	<b>51 036</b>	<b>-403</b>	<b>135 088</b>	<b>435 628</b>	<b>17 225</b>	<b>10 719</b>	<b>845 898</b>		
<b>Reported balance at 31 Dec 2012</b>	<b>196 605</b>	<b>51 036</b>	<b>-186</b>	<b>139 770</b>	<b>295 726</b>	<b>17 461</b>	<b>60 342</b>	<b>760 754</b>		
Amendment in calculation principle, IAS 19							-337	-337		
<b>Restated balance at 1 Jan 2013</b>	<b>196 605</b>	<b>51 036</b>	<b>-186</b>	<b>139 770</b>	<b>295 726</b>	<b>17 461</b>	<b>60 005</b>	<b>760 417</b>		
Cancelled amount of subordinated loan received from the owner							0	0		
Total comprehensive income for the period/change in the fair value of shares			-4				31 315	31 311		
Transfer to reserves				-2 598	62 099	0	-59 501	0		
<b>Balance at 31 March 2013</b>	<b>196 605</b>	<b>51 036</b>	<b>-190</b>	<b>137 172</b>	<b>357 825</b>	<b>17 461</b>	<b>31 819</b>	<b>791 728</b>		

#### Legend:

- A = Share capital
- B = Share premium
- C = Fair value reserve
- D = Reserve for domestic operations
- E = Reserve for export credit guarantees and special guarantees
- F = Other reserves
- G = Retained earnings
- H = Total
- I = Share of equity held by non-controlling interest
- J = Total equity

## Statement of cash flow

(EUR 1,000)	Finnvera Group		Finnvera plc	
	1-3 2014	1-3 2013	1-3 2014	1-3 2013
<b>Cash flows from operating activities</b>				
Withdrawal of loans granted	-264 596	-300 586	-258 614	-67 643
Repayments of loans granted	165 489	109 947	93 244	69 509
Purchase of investments	-3 895	-2 878	0	0
Proceeds from investments	2 115	132	0	0
Interest received	24 435	19 750	8 885	9 643
Interest paid	-17 727	-15 195	-332	-496
Interest subsidy received	2 858	3 281	2 858	3 281
Payments received from commission income	27 919	17 504	26 385	16 592
Payments received from other operating income	3 991	30 333	3 938	29 302
Payments for operating expenses	-16 307	7 872	-13 614	9 697
Claims paid	-12 547	-12 488	-12 547	-12 488
Taxes paid	-752	-65	0	0
<b>Net cash used in (-) / from (+) operating activities (A)</b>	<b>-89 017</b>	<b>-142 393</b>	<b>-149 797</b>	<b>57 397</b>
<b>Cash flow from investing activities</b>				
Purchase of property and equipment and intangible assets	-167	-490	-167	-490
Proceeds from other investments	0	0	0	0
Dividends received from investments	98	0	0	0
<b>Net cash used in (-) / from (+) investing activities (B)</b>	<b>-69</b>	<b>-490</b>	<b>-167</b>	<b>-490</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans	5 312	231 899	0	0
Repayment of loans	-69 022	-114 411	0	-74 972
Payments received from derivatives collateral	9 900	0	9 900	0
<b>Net cash used in (-) / from (+) financing activities (C)</b>	<b>-53 810</b>	<b>117 488</b>	<b>9 900</b>	<b>-74 972</b>
<b>Net change in cash and cash equivalents (A+B+C) increase (+) / decrease (-)</b>	<b>-142 896</b>	<b>-25 395</b>	<b>-140 064</b>	<b>-18 065</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>661 835</b>	<b>506 548</b>	<b>568 009</b>	<b>395 094</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>518 939</b>	<b>481 155</b>	<b>427 945</b>	<b>377 028</b>
<b>Cash and cash equivalents at the end of the period</b>				
Receivables from credit institutions	85 527	140 479	50 864	102 728
Debt securities	377 081	278 300	377 081	274 300
Investments in short-term interest reserves	56 330	62 376	0	0
	<b>518 938</b>	<b>481 155</b>	<b>427 945</b>	<b>377 028</b>

## Notes to the accounts

### Accounting principles

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

Finnvera's Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. The principles for drawing up the financial statements are described in Finnvera's Financial Statements for 2013.

The new and amended standards introduced by the Finnvera Group and their interpretations are presented in the accounting principles for the 2013 financial statements. They do not have any major impact on the consolidated financial statements.

The Interim Report also presents data for the parent company Finnvera plc because the rules of the Oslo Stock Exchange require their presentation when bonds have been issued in Norway.

### 1 Segment information

Segment reporting in the Finnvera Group is based on internal business areas and organisational structure. Client enterprises have been divided into business areas by size, need for financing and development stage. A service concept has been devised for each business area. Finnvera's segments are micro-financing, regional financing, financing for growth and internationalisation, export financing, venture capital investments and financing of export credits. The segments and the principles governing the segment accounting are described in more detail in the Annual Report 2013.

#### Income statement and balance sheet by segments

(EUR 1,000)	Micro financing	Regional financing	Financing for growth and internationalisation	Export financing	Other segments	Eliminations	Total
<b>Finnvera Group</b>							
<b>1-3/2014</b>							
Net interest income	2 237	5 830	3 327	1 263	289	0	12 946
Net fee and commission income	1 012	4 083	4 751	25 992	1 257	0	37 095
Net impairment loss on financial assets	-1 758	-5 124	-1 324	-19 913	-200	0	-28 319
Operating expenses*	-2 376	-3 419	-2 199	-2 999	-1 408	817	-11 583
Depreciation and amortization	-20	-102	-50	-67	0	0	-238
Other income, net**	109	498	195	1 208	-4 177	-814	-2 981
<b>Operating profit</b>	<b>-796</b>	<b>1 766</b>	<b>4 700</b>	<b>5 485</b>	<b>-4 239</b>	<b>3</b>	<b>6 919</b>
<b>1-3/2013</b>							
Net interest income	2 367	7 038	3 409	1 008	258	0	14 079
Net fee and commission income	975	4 257	4 086	22 279	-21	0	31 576
Net impairment loss on financial assets	-658	3 428	-5 425	329	0	0	-2 326
Operating expenses*	-2 519	-3 727	-2 416	-2 939	-1 473	789	-12 284
Depreciation and amortization	-26	-138	-67	-90	0	0	-323
Other income, net**	151	397	223	128	-1 205	-788	-1 094
<b>Operating profit</b>	<b>290</b>	<b>11 254</b>	<b>-189</b>	<b>20 715</b>	<b>-2 441</b>	<b>1</b>	<b>29 629</b>
<b>Finnvera plc</b>							
<b>1-3/2014</b>							
Net interest income	2 237	5 830	3 327	627	207		12 229
Net fee and commission income	1 012	4 083	4 751	25 673	1 258		36 776
Net impairment loss on financial assets	-1 758	-5 124	-1 324	-19 913	0		-28 119
Operating expenses*	-2 376	-3 419	-2 199	-2 831	-341		-11 166
Depreciation and amortization	-20	-102	-50	-67	0		-238
Other income, net**	109	498	195	889	-958		733
<b>Operating profit</b>	<b>-796</b>	<b>1 766</b>	<b>4 700</b>	<b>4 378</b>	<b>166</b>		<b>10 215</b>
<b>1-3/2013</b>							
Net interest income	2 367	7 038	3 409	680	0		13 494
Net fee and commission income	975	4 257	4 086	21 738	-21		31 035
Net impairment loss on financial assets	-658	3 428	-5 425	329	0		-2 326
Operating expenses*	-2 519	-3 727	-2 416	-2 761	-272		-11 694
Depreciation and amortization	-26	-138	-67	-90	0		-323
Other income, net**	151	396	223	208	150		1 128
<b>Operating profit</b>	<b>290</b>	<b>11 254</b>	<b>-189</b>	<b>20 103</b>	<b>-142</b>		<b>31 315</b>

\* Operating expenses = administration expenses + other operating expenses - depreciation and amortisation

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

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

(EUR 1,000)	Finnvera Group		Finnvera plc	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Derivatives	2 046	-11 304	3 991	-9 339
Liabilities designated fair value through profit and loss	-1 621	11 801	-3 880	9 928
Exchange rate differences	311	126	313	124
Venture capital investments; fair value changes	-4 130	-1 973	0	0
<b>Total</b>	<b>-3 394</b>	<b>-1 350</b>	<b>424</b>	<b>713</b>

## 3 Net impairment loss on financial assets

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

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

## 4 Classification of financial instruments

(EUR 1,000)	Finnvera Group					Finnvera plc				
	Loans and receivables	Financial instruments carried at fair value	Available-for-sale	Total	Fair value	Loans and receivables	Financial instruments carried at fair value	Available-for-sale	Total	Fair value
<b>Assets</b>										
<b>31 March 2014</b>										
Loans and receivables from credit institutions	91 198			91 198	91 198	50 864			50 864	50 864
Loans and receivables from customers	3 793 718			3 793 718	3 882 364	1 755 933			1 755 933	1 755 316
Debt securities			377 081	377 081	377 081			377 081	377 081	377 081
Derivatives		9 414		9 414	9 414		7 578		7 578	7 578
Investments in associates		72 642		72 642	72 642				0	0
Shares and participations		46 384	71 179	117 563	117 563			14 849	14 849	14 849
Other financial assets	65 687			65 687	65 687	39 169			39 169	39 169
<b>Total 31 March 2014</b>	<b>3 950 603</b>	<b>128 439</b>	<b>448 261</b>	<b>4 527 303</b>	<b>4 615 949</b>	<b>1 845 966</b>	<b>7 578</b>	<b>391 930</b>	<b>2 245 474</b>	<b>2 244 858</b>
<b>31 Dec 2013</b>										
Loans and receivables from credit institutions	276 443			276 443	276 443	241 818			241 818	241 818
Loans and receivables from customers	3 710 853			3 710 853	3 929 693	1 601 344			1 601 344	1 600 284
Debt securities			326 191	326 191	326 191			326 191	326 191	326 191
Derivatives		8 159		8 159	8 159		8 159		8 159	8 159
Investments in associates		77 846		77 846	77 846					
Shares and participations		43 572	74 447	118 019	118 019			15 246	15 246	15 246
Other financial assets	47 819			47 819	47 819	32 673			32 673	32 673
<b>Total 31 Dec 2013</b>	<b>4 035 115</b>	<b>129 577</b>	<b>400 638</b>	<b>4 565 330</b>	<b>4 784 170</b>	<b>1 875 835</b>	<b>8 159</b>	<b>341 437</b>	<b>2 225 431</b>	<b>2 224 371</b>

Because the fair value of the Finnish Fund for Industrial Cooperation Ltd, included on the figure, cannot be determined reliably, the shares have been valued at original acquisition cost.

(EUR 1,000)	Finnvera Group				Finnvera plc			
	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value	Financial instruments carried at fair value	Other financial liabilities	Total	Fair value
<b>Liabilities</b>								
<b>31 March 2014</b>								
Liabilities to credit institutions			0	0			0	0
Liabilities to other institutions	36 377	2 044 174	2 080 551	2 164 438			0	0
Debt securities in issue	1 061 506		1 061 506	1 061 506	1 061 506		1 061 506	1 061 506
Derivatives	29 855		29 855	29 855	29 855		29 855	29 855
Other financial liabilities		293 931	293 931	293 931		281 481	281 481	281 481
Subordinated liabilities		88 029	88 029	88 029		88 029	88 029	88 029
<b>Total 31 March 2014</b>	<b>1 127 737</b>	<b>2 426 134</b>	<b>3 553 871</b>	<b>3 637 759</b>	<b>1 091 361</b>	<b>369 510</b>	<b>1 460 870</b>	<b>1 460 870</b>
<b>31 Dec 2013</b>								
Liabilities to credit institutions			0	0			0	0
Liabilities to other institutions	35 883	2 107 553	2 143 436	2 227 067			0	0
Debt securities in issue	1 059 870		1 059 870	1 059 870	1 059 870		1 059 870	1 059 870
Derivatives	31 272		31 272	31 272	29 915		29 915	29 915
Other financial liabilities		304 298	304 298	304 298		290 698	290 698	290 698
Subordinated liabilities		88 029	88 029	88 029		88 029	88 029	88 029
<b>Total 31 Dec 2013</b>	<b>1 127 025</b>	<b>2 499 880</b>	<b>3 626 905</b>	<b>3 710 536</b>	<b>1 089 785</b>	<b>378 727</b>	<b>1 468 512</b>	<b>1 468 512</b>

## 5 Hierarchy for recognition at fair value

(EUR 1,000)		Finnvera Group			Finnvera plc		
1 March 2014		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets at fair value</b>							
Financial instruments carried at fair value							
- Derivatives			9 414			7 578	
- Investments in associates				72 642			
- Shares and holdings				46 384			
<b>Available-for-sale</b>							
- Debt securities			377 081			377 081	
- Shares and holdings		56 840		14 340	509		14 340
<b>Total</b>		<b>56 840</b>	<b>386 495</b>	<b>133 365</b>	<b>509</b>	<b>384 659</b>	<b>14 340</b>

1 March 2014		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Liabilities at fair value</b>							
Financial instruments carried at fair value							
- Liabilities to other institutions			36 377				
- Debt securities in issue			1 061 506			1 061 506	
- Derivatives			29 855			29 855	
<b>Total</b>			<b>1 127 737</b>			<b>1 091 361</b>	

(EUR 1,000)		Finnvera Group			Finnvera plc		
31 Dec 2013		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets at fair value</b>							
Financial instruments carried at fair value							
- Derivatives			8 159			8 159	
- Investments in associates				77 846			
- Shares and holdings				43 572			
<b>Available-for-sale</b>							
- Debt securities			326 191			326 191	
- Shares and holdings		59 727		14 720	526		14 720
<b>Total</b>		<b>59 727</b>	<b>334 350</b>	<b>136 137</b>	<b>526</b>	<b>334 350</b>	<b>14 720</b>

31 Dec 2013		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Liabilities at fair value</b>							
Financial instruments carried at fair value							
- Liabilities to other institutions			35 883				
- Debt securities in issue			1 059 870			1 059 870	
- Derivatives			31 272			29 915	
<b>Total</b>			<b>1 127 025</b>			<b>1 089 785</b>	

**Level 1:** Investments in shares and reserves are valued at market price based on active trading.

**Level 2:** The values of interest rate and currency swaps are based on estimates of prices for terminating agreements and for concluding new, corresponding agreements. These estimates are given by banks operating actively on the market. The banks base their pricing on market interest rates and exchange rates. The fair values of liabilities are based on the value calculated on the basis of exchange rates and market interest rates on the reference day (current value of liabilities).

**Level 3:** The determination of the fair value of the venture capital investments of the subsidiaries engaged in venture capital investment activities is based on the valuation and investments made by outside investors as well as on the portfolio company valuation approved by the fund. The method used is in accordance with the valuation principles and recommendations for early-stage enterprises laid out in IPEV (International Equity and Venture Capital Valuation Guidelines).

## 6 Financial assets and liabilities recognised at fair value

LEVEL 3, Financial assets (EUR 1,000)	Finnvera Group		Finnvera plc	
	31 March 2014	31 Dec 2013	31 March 2014	31 Dec 2013

### Financial assets carried at fair value

<b>Balance at 1 Jan</b>	<b>136 137</b>	<b>124 679</b>	<b>14 720</b>	<b>14 230</b>
Profits and losses entered in the income statement, in total	-4 154	-2 668	-24	-61
Acquisitions	4 505	19 639	0	624
Sales	-2 491	-5 512	-356	-55
Other	-632	-1	0	-18
<b>Total at the end of the period</b>	<b>133 365</b>	<b>136 137</b>	<b>14 340</b>	<b>14 720</b>

Profits and losses entered in the income statement for the instruments held by Finnvera.	-3 758	-5 019	142	-142
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## 7 Financial instruments set off in the balance sheet or subject to netting agreements

Finnvera Group / Finnvera plc							
(EUR 1,000)	Gross recognised amounts	Gross recognised amounts netted in the balance sheet	Net carrying amount in the balance sheet	Financial instruments*	Financial instruments received as collateral *)	Cash received as collateral *)	Net amount *)
<b>Financial assets at 31 March 2014</b>							
Derivatives	7 578	0	7 578	-5 776	0	-3 200	-1 398
<b>Total</b>	<b>7 578</b>	<b>0</b>	<b>7 578</b>	<b>-5 776</b>	<b>0</b>	<b>-3 200</b>	<b>-1 398</b>
<b>Financial liabilities at 31 March 2014</b>							
Derivatives	29 855	0	29 855	-5 776	0	-12 000	12 078
<b>Total</b>	<b>29 855</b>	<b>0</b>	<b>29 855</b>	<b>-5 776</b>	<b>0</b>	<b>-12 000</b>	<b>12 078</b>
<b>Financial assets at 31 Dec 2013</b>							
Derivatives	8 159	0	8 159	-7 029	0	0	1 130
<b>Total</b>	<b>8 159</b>	<b>0</b>	<b>8 159</b>	<b>-7 029</b>	<b>0</b>	<b>0</b>	<b>1 130</b>
<b>Financial liabilities at 31 Dec 2013</b>							
Derivatives	29 915	0	29 915	-7 029	0	-18 700	4 186
<b>Total</b>	<b>29 915</b>	<b>0</b>	<b>29 915</b>	<b>-7 029</b>	<b>0</b>	<b>-18 700</b>	<b>4 186</b>

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

## 8 Derivatives

(EUR 1,000)	Finnvera Group			Finnvera plc		
	Fair value positive	Fair value negative	Total nominal value	Fair value positive	Fair value negative	Total nominal value
<b>Contracts entered in hedging purposes 31 March 2014</b>						
Currency derivatives						
- Interest rate swaps and foreign exchange derivatives		9 414	29 855	1 093 532	7 578	29 855
<b>Total derivatives</b>	<b>9 414</b>	<b>29 855</b>	<b>1 093 532</b>	<b>7 578</b>	<b>29 855</b>	<b>1 058 425</b>
<b>Contracts entered in hedging purposes 31 Dec 2013</b>						
Currency derivatives						
- Interest rate swaps and foreign exchange derivatives		8 159	31 272	1 089 967	8 159	29 915
<b>Total derivatives</b>	<b>8 159</b>	<b>31 272</b>	<b>1 089 967</b>	<b>8 159</b>	<b>29 915</b>	<b>1 055 418</b>

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

## 9 Changes in liabilities

(EUR 1,000)	Finnvera Group		Finnvera plc	
	2014		2014	
	Nominal value	Carrying value	Nominal value	Carrying value
<b>Liabilities to credit institutions and other institutions</b>				
Carrying amount at 1 Jan	2 142 102	2 143 436	0	0
- New loans	5 312	5 312	0	0
- Repayments	-69 021	-69 021	0	0
- Changes in fair value	888	824	0	0
<b>Carrying amount at 31 March</b>	<b>2 079 281</b>	<b>2 080 551</b>	<b>0</b>	<b>0</b>

(EUR 1,000)	Finnvera Group		Finnvera plc	
	2014		2014	
	Nominal value	Carrying value	Nominal value	Carrying value
<b>Debt securities in issue</b>				
Carrying amount at 1 Jan	1 055 418	1 059 870	1 055 418	1 059 870
- Debt securities in issue	0	0	0	0
- Repayments	0	0	0	0
- Changes in fair value	3 007	1 636	3 007	1 636
<b>Carrying amount at 31 March</b>	<b>1 058 425</b>	<b>1 061 506</b>	<b>1 058 425</b>	<b>1 061 506</b>
<b>Capital loans</b>				
<b>Capital loans at 31 March</b>		<b>88 029</b>		<b>88 029</b>

Borrowings are measured at fair value in the case they are hedged (fair value option).

## 10 Contingent liabilities and commitments

(EUR 1,000)	Finnvera Group		Finnvera plc	
	31 March 2014	31 Dec 2013	31 March 2014	31 Dec 2013
<b>Off-balance sheet items</b>				
Guarantees				
- Export guarantees and special guarantees	1 035 180	1 046 853	1 035 180	1 046 853
- Total guarantees	11 600 883	11 003 537	11 600 883	11 003 537
- Binding financing offers	173 179	187 576	173 179	187 576
<b>Total</b>	<b>12 809 242</b>	<b>12 237 966</b>	<b>12 809 242</b>	<b>12 237 966</b>

## 11 Related parties

Finnvera Group		
(EUR 1,000)		
Business transactions carried out with related parties; receivables from and liabilities to related parties	1–3/2014	1–3/2013
Services purchased	817	789
	<b>31 March 2014</b>	<b>31 Dec 2013</b>
Loans	303 540	130 516
Receivables	3 255	4 664
Long-term liabilities	2 044 174	2 291 089
Short-term liabilities	3 255	4 664
Guarantees	2 398 390	2 307 840

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

## 12 Key figures and their calculation

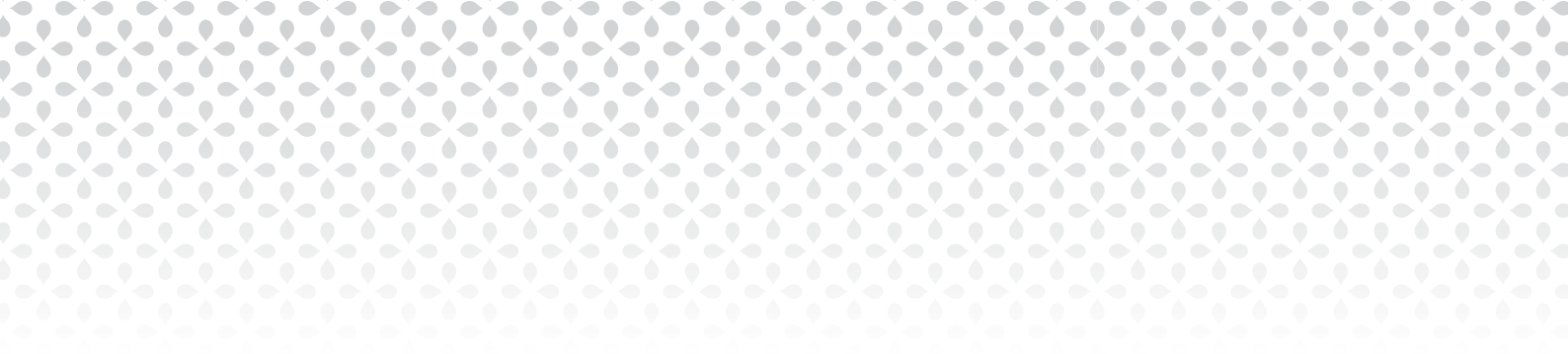
(EUR 1,000)	Finnvera Group			Finnvera plc		
	31 March 2014	31 March 2013	31 Dec 2013	31 March 2014	31 March 2013	31 Dec 2013
Equity ratio	18,8	20,1	18,4	34,6	34,5	34,5
Capital adequacy ratio	17,9	16,0	17,6	18,2	16,6	17,6
Expense-income ratio	25,1	28,3	27,0	22,9	26,3	26,1

### Calculation of key figures:

Equity ratio, %  $\frac{\text{(equity attributable to equity holders of the parent + non-controlling interest)} * 100}{\text{balance sheet total}}$

Capital adequacy ratio calculated as per Basel II Standard

Expense-income ratio  $\frac{\text{administration expenses} + \text{other operating expenses}}{\text{net interest income} + \text{gains and losses from financial instruments carried at fair value} + \text{net fee and commission income} + \text{net income from investments} + \text{other operating income}}$



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