

A man in a light-colored suit and scarf is walking towards the camera on a modern, brightly lit walkway. The walkway has a glass railing on the right side. In the background, there is a large, modern building with a glass facade and a wooden section. The overall atmosphere is bright and professional.

EVLI

Evli - A Wealth Management Bank

Maunu Lehtimäki
29.5.2018

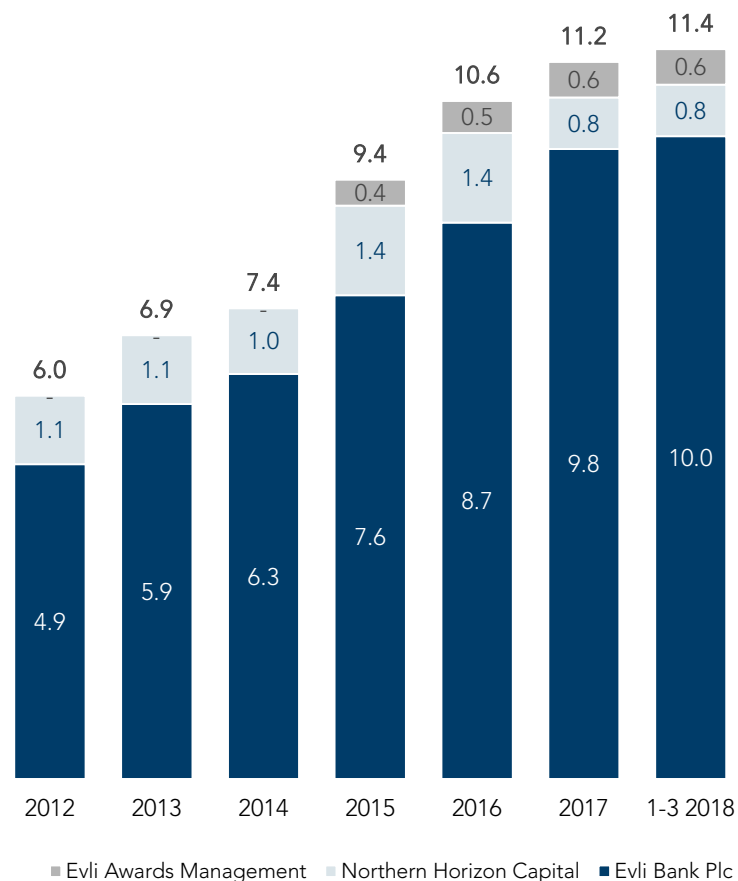
Evli in Brief

Evli is a Wealth Management Bank that helps institutions, corporations and private persons increase their wealth

- Two client segments supported by Group Operations:
 - Wealth Management and Investor clients
 - Advisory and Corporate clients
- Employs over 250 investment specialist at the offices in Helsinki, Turku and Stockholm
- At the end of March 2018, EUR 11.4 billion in Assets Under Management (net)

Evli Bank Plc has two share series, A and B. The B shares are listed on Nasdaq Helsinki's main market since 2015.

Net Assets Under Management (bn €)



Growth p.a.

+17.6%

-5.5%

+14.9%

Two client segments

Wealth Management & Investor Clients

- Product and service offering:
 - Private Banking to high net worth individuals
 - Evli Digital to private clients and institutions
 - Institutional asset management
 - Public and private market funds to private clients and institutions
- Finland's 4th largest Fund Management Company. Market share 6.8%.
- Employees 178 investment specialists in Finland and Sweden
- Best and most used institutional asset manager in Finland*

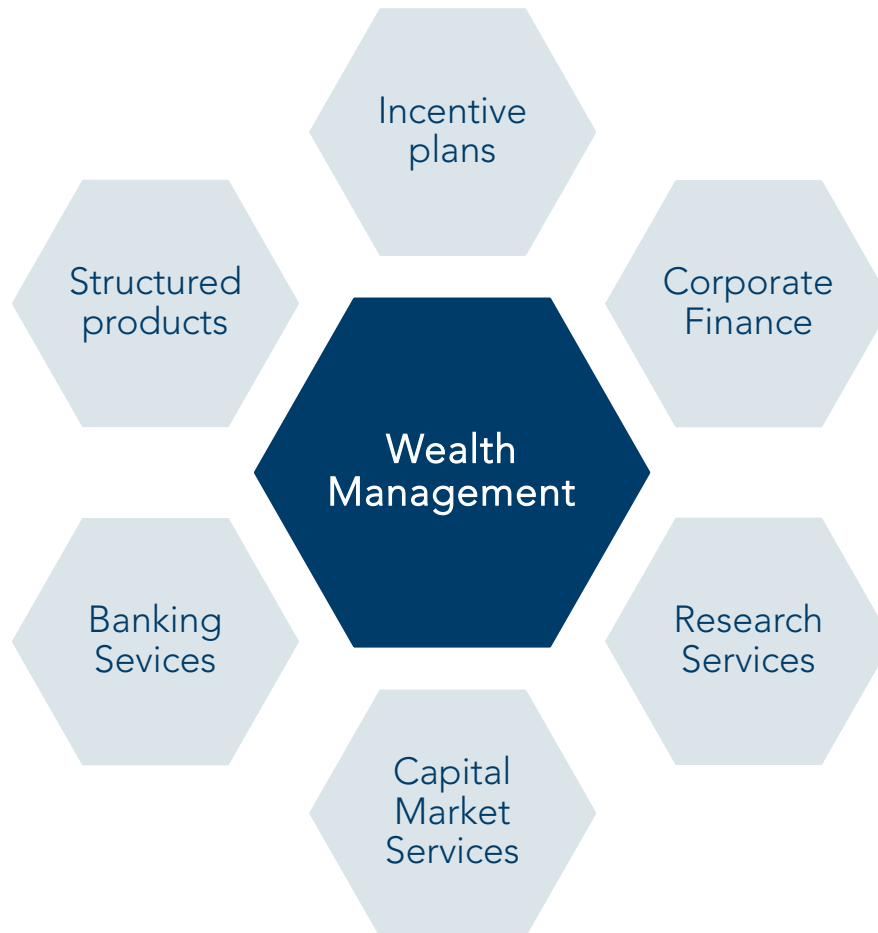


Advisory & Corporate Clients

- Corporate Finance
 - Independent financial advisor in financial arrangements from IPOs to Financial arrangements for listed and unlisted companies
 - Experience in advising over 100 M&A transactions
- Incentive plan administration
 - Incentive programs for companies from unlisted to listed companies
 - Around 60 clients in Finland
- Research
 - Research services to small and mid-sized listed companies
 - Over 20 research clients in Finland
- Employs 41 persons in Finland and Sweden

Wealth Management at the core of Evli's services

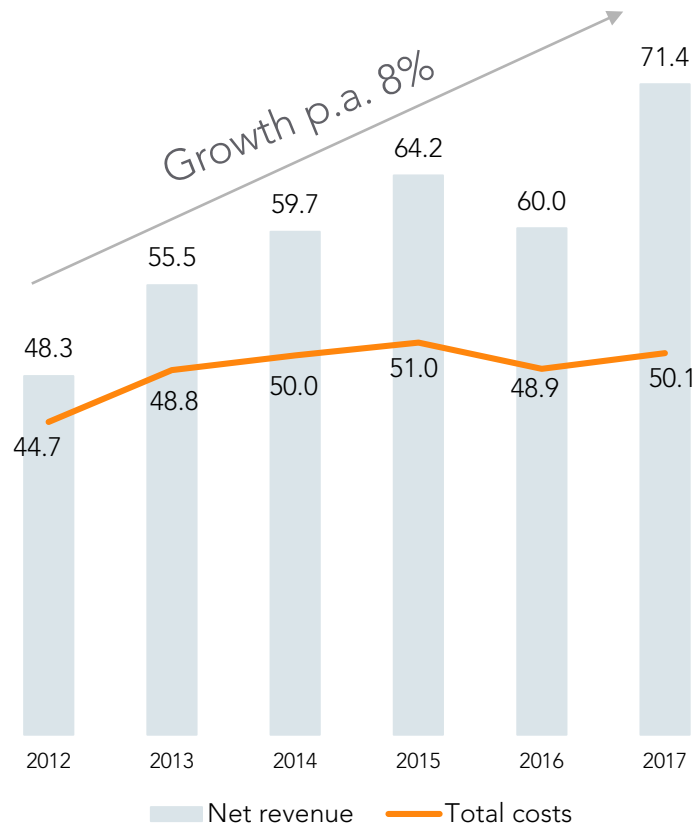
Evli's business model is built around:
Growth in AUM, High scalability and Strong branding



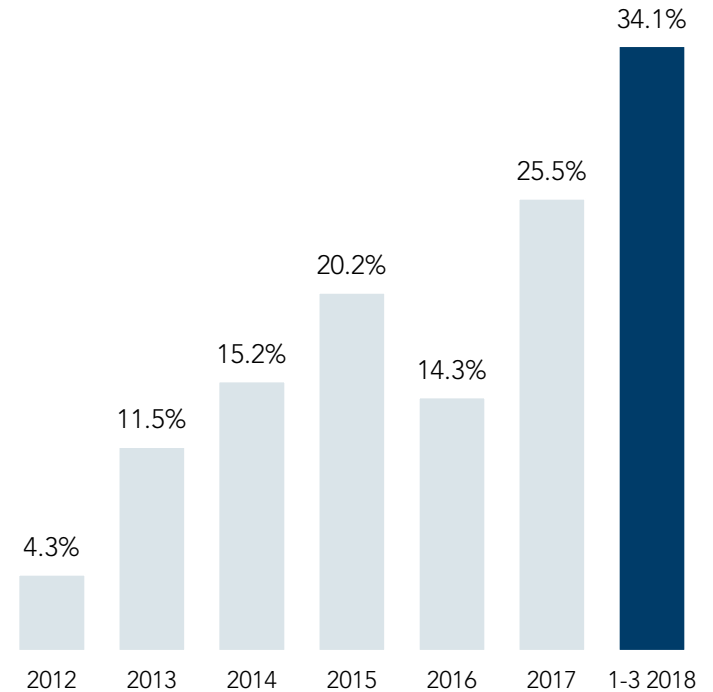
Scalability

Growth in AUM translating into superior Operating profit and ROE

Net Revenue & Total costs (M€)

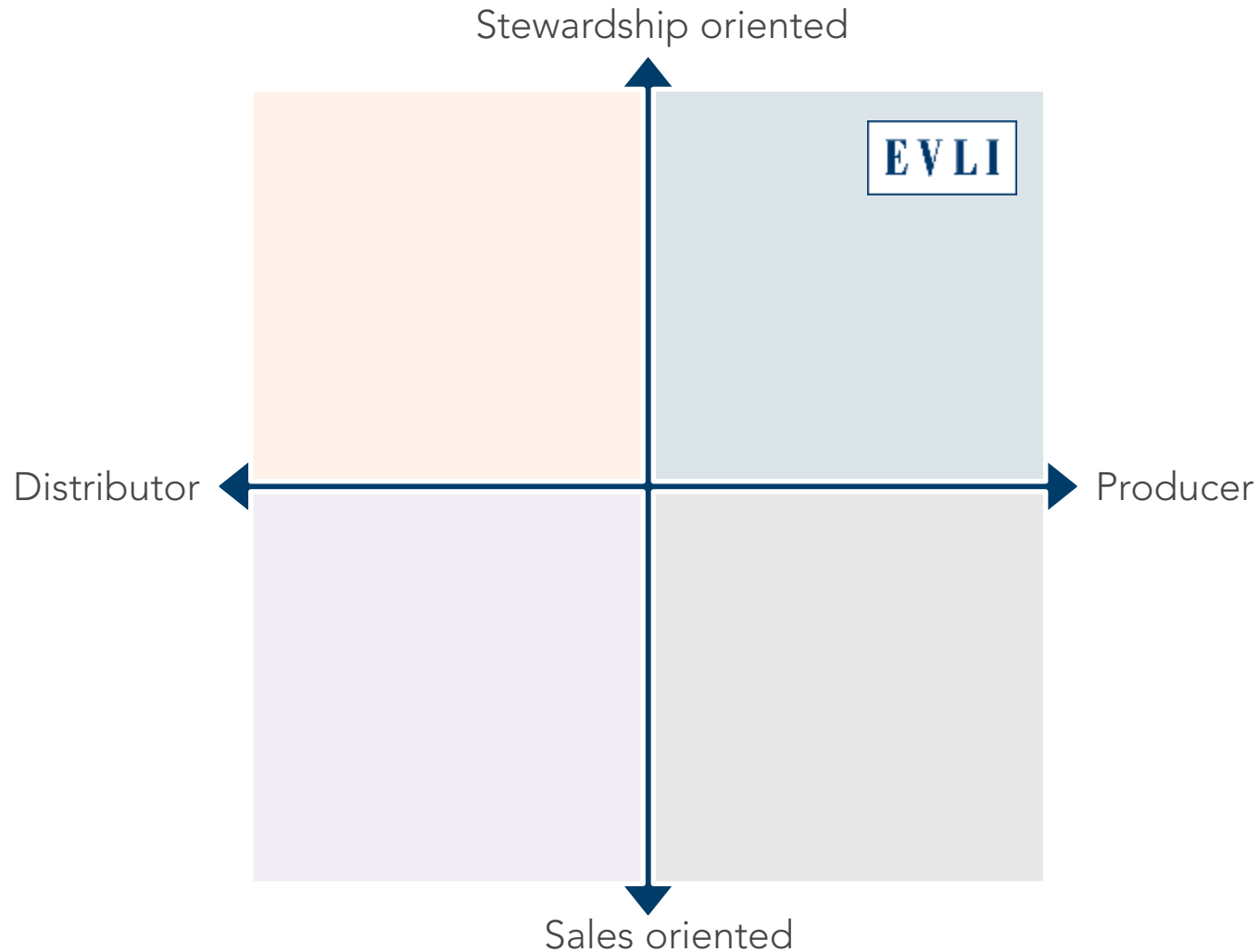


Return on Equity (%)



Evli's strategic positioning

Proprietary know how enables higher margins



Evli Branding

Reflects competitive advantage in different markets



Finland & Sweden

Comprehensive Wealth Management and Investment banking services.



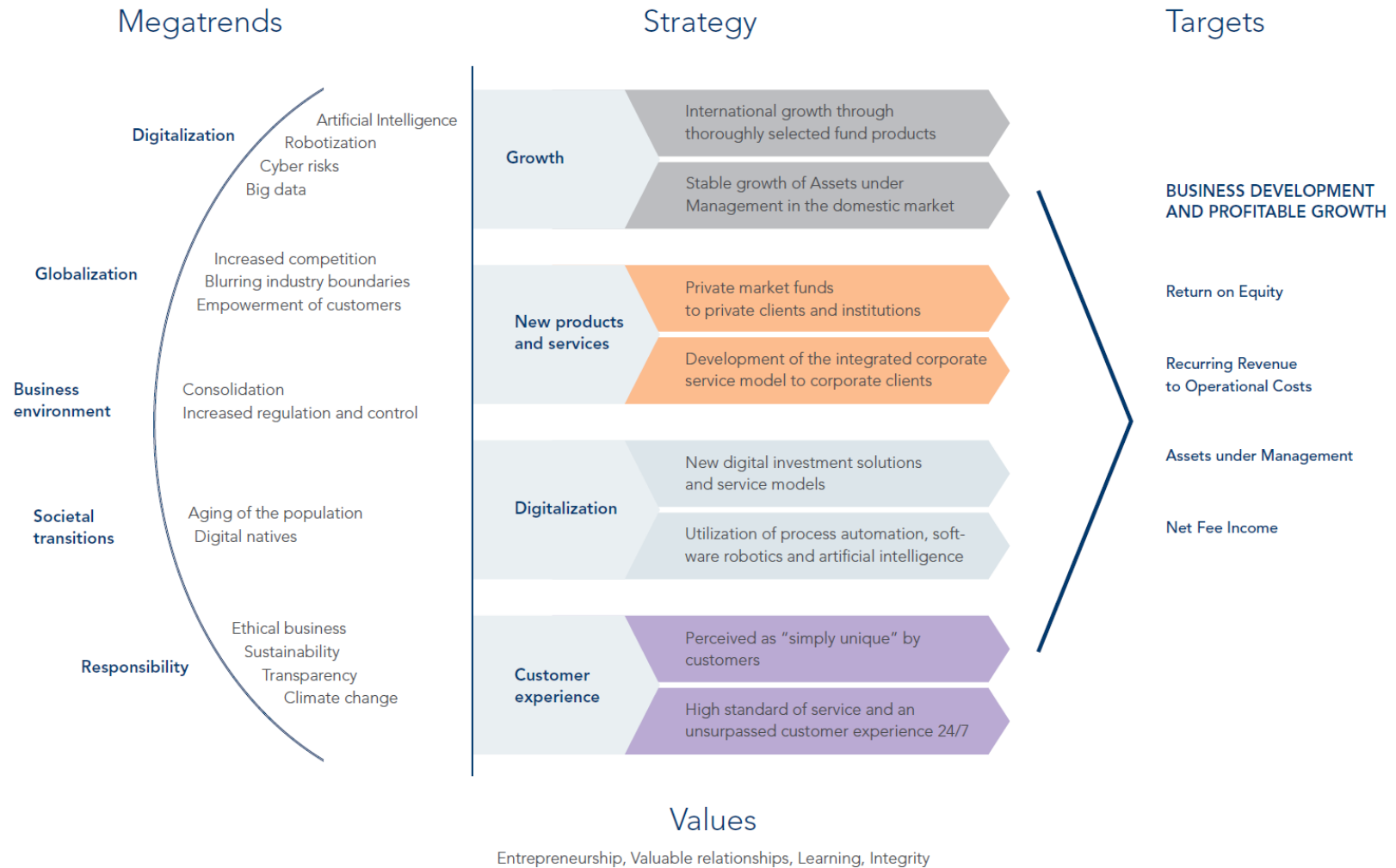
Internationally

Nordic fund management boutique for institutional investors.

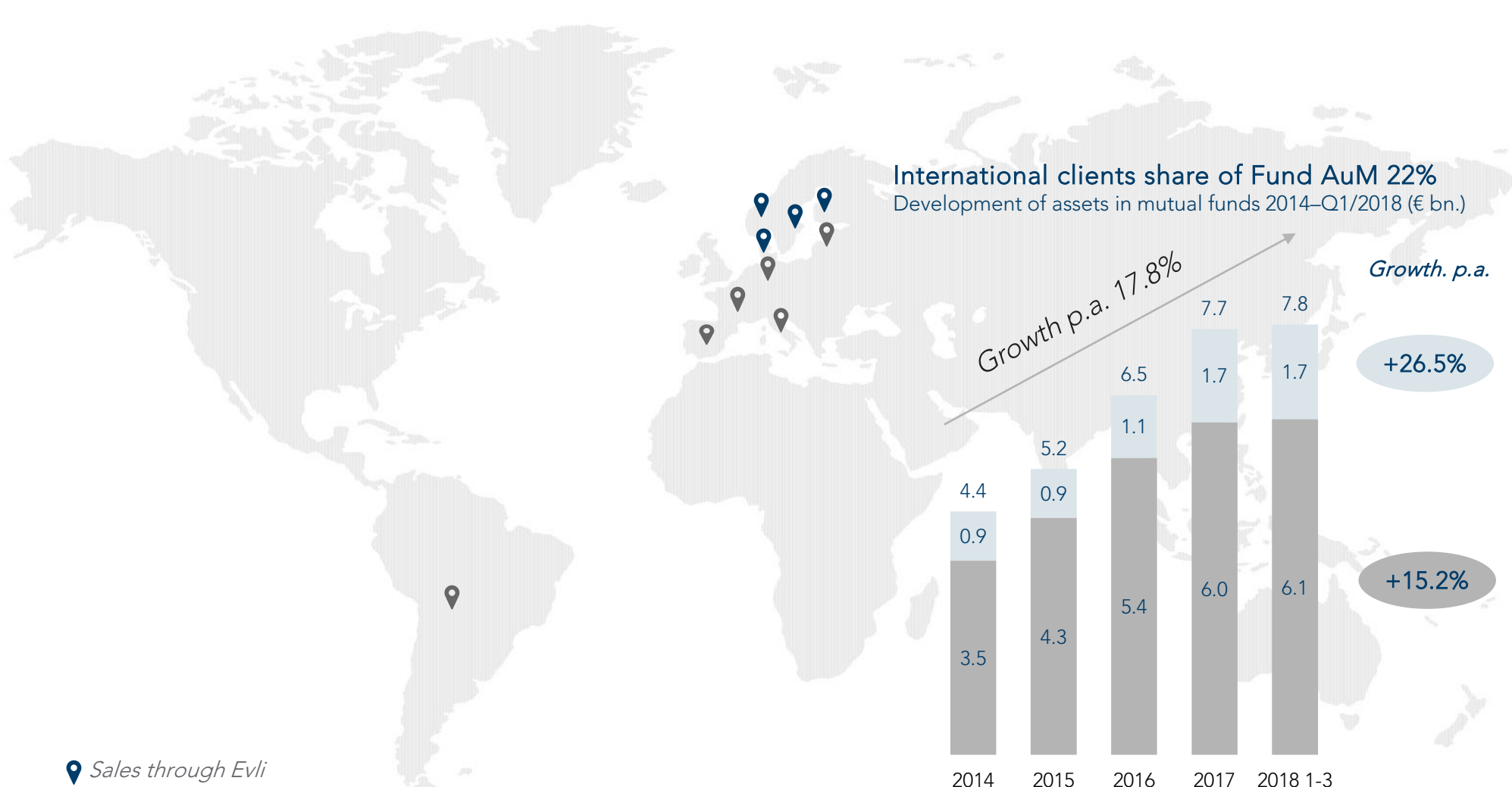
A blurred background image of a business meeting. In the foreground, a person's hands are visible, holding a tablet computer. The tablet screen displays a bar chart and a table of data. The text "Growth driven by international sales and private market funds" is overlaid in a dark blue, sans-serif font across the center of the image. The overall scene is brightly lit, suggesting an office environment.

**Growth driven by international sales
and private market funds**

Growth Strategy



Fund AUM Growth



📍 Sales through Evli

📍 Sales through co-operation partners

Key Focus Areas 2018

Growth

International growth through thoroughly selected fund products

Stable growth of Assets under Management in the domestic market

International growth with corporate bond and global equity funds

- **Product requirements:** Long return history, good ranking, large enough size
- **Company requirements:** Administrative ability, strong balance sheet and solvency
- **Go-to-market strategy:** Good local partners, rigorous customer focus and investment experts' involvement
- **Distinguishing factors:** Nordic fund boutique → Transparency, reliability and efficiency.

Domestic growth in wealth management and fund sales

- **Institutional clients:** Long experience and deep knowledge. Most used asset manager in Finland
- **Private clients:** Leading Private Banking service concept and presence where new wealth is created.

New products and services

Private market funds to private clients and institutions

Development of the integrated corporate service model to corporate clients

New private market funds

- Evli Residential, Evli Healthcare and Evli Rental Income
- Increasing the size of the current products
- Evaluating the possibility of launching other private market funds.

Extending the corporate service offering

- Includes advisory in M&A, incentive program management and investment research
- Strengthening the market position in Finland
- Evaluating launch of the service model to Sweden.

Key Focus Areas 2018

Digitalization

New digital investment solutions and service models

Utilization of process automation, software robotics and artificial intelligence

Development of digital service models

- Redesigning Evli's online services including My Evli and www.evli.com
- Digital and real-time material for customer meetings
- Projects around Artificial Intelligence (AI) and machine learning (NLP)

Customer experience

Perceived as "simply unique" by customers

High standard of service and an unsurpassed customer experience 24/7

Creating a superior customer experience

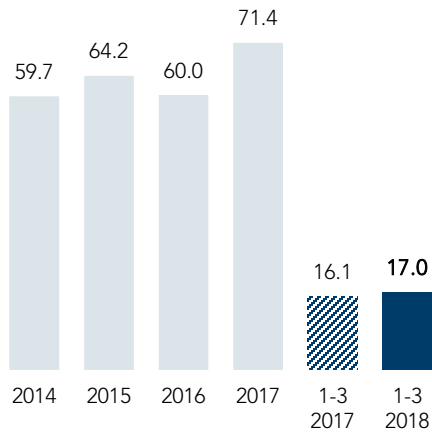
- Dynamic measurement of customer experience for Private Banking and institutional clients
- Target oriented scenario analysis

A blurred background image of a business meeting. In the foreground, a person's hands are holding a tablet displaying a business dashboard with a bar chart and a table. The text is overlaid on this image.

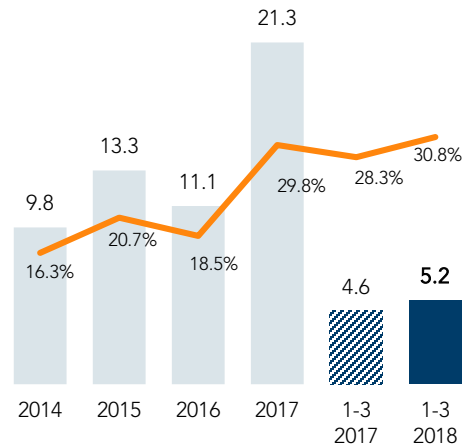
Strong Performance Driven by Increase in Recurring Revenue

Financial Development 2014-Q1/2018

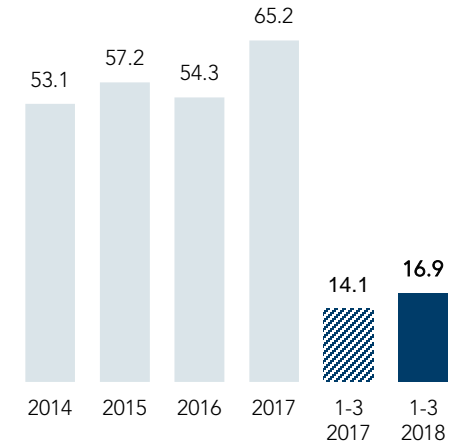
Net revenue (M€)



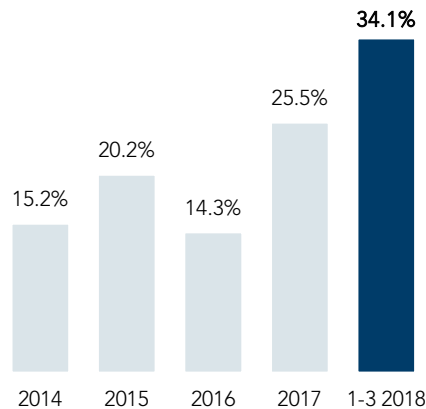
Operating profit (M€) and profit margin (%)



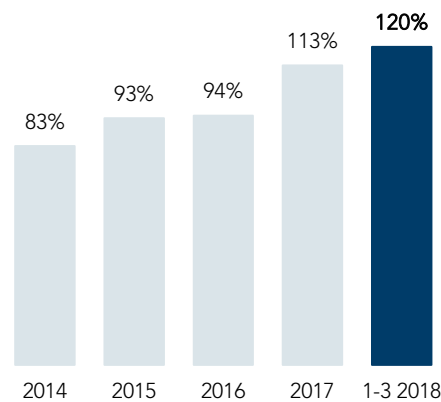
Net fee income (M€)



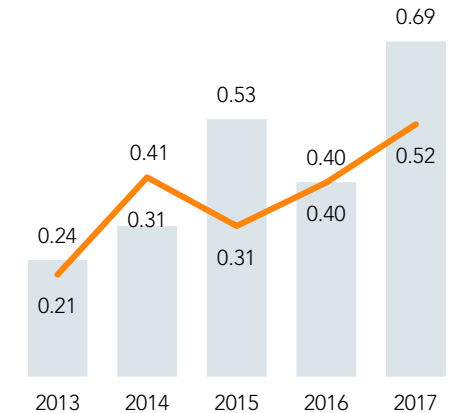
Return on Equity (%)



Proportion of recurring revenue to operating expenses (%)



Earnings/share (€) and dividend/share (€)



Profit and Loss Statement

M€	1-3/2018	1-3/2017	Change, %	2017	2016	2015	2014
Net interest	0.1	0.3	-48%	0.9	1.6	1.4	1.0
Net commissions	16.9	14.1	20%	65.2	54.3	57.2	53.1
Net income from securities trading and FX	-0.1	1.7	-105%	4.9	4.0	5.4	5.2
Other operative income	0.0	0.0	0%	0.4	0.1	0.2	0.4
NET REVENUE	17.0	16.1	5%	71.4	60.0	64.2	59.7
Personnel expenses	-6.3	-6.9	-8%	-28.9	-27.7	-27.5	-26.7
General expenses	-3.9	-3.4	12%	-15.1	-14.8	-15.8	-14.0
Depreciations and amortizations	-0.4	-0.6	-23%	-2.3	-3.1	-3.9	-5.3
Other operative expenses	-1.1	-0.7	57%	-3.9	-3.3	-3.8	-4.0
Impairment losses	0.0	0.0	-	0.0	0.0	0.0	0.0
NET OPERATING PROFIT/LOSS	5.2	4.6	14%	21.3	11.1	13.3	9.8
Share of profit/loss of associates	1.7	-0.3	-601%	0.6	1.1	2.1	0.3
Taxes	-1.0	-0.9	15%	-4.3	-2.4	-3.0	-2.4
PROFIT/LOSS FOR THE PERIOD	5.9	3.3	78%	17.5	9.7	12.3	7.7
Attributable to							
Non-controlling interest	-0.2	0.1	-335%	-0.8	-0.2	-0.9	-0.9
Equity holders of parent company	5.7	3.4	68%	16.7	9.6	11.5	6.8

Balance Sheet

ASSETS, M€	31.3. 2018	31.3. 2017	31.12. 2017	LIABILITIES, M€	31.3. 2018	31.3. 2017	31.12. 2017
Liquid assets	347.2	324.8	383.2	Liabilities to credit institutions and central banks	9.8	4.0	31.7
Debt securities eligible for refinancing with central banks	36.2	39.2	36.3	Liabilities to the public and public sector entities	560.6	713.4	621.5
Claims on credit institutions	73.0	47.8	64.1	Debt securities issued to the public	99.1	59.3	97.5
Claims on the public and public sector entities	102.6	77.3	92.0	Derivative contracts and other trading liabilities	53.6	40.6	34.6
Debt securities	147.6	340.9	229.4	Other liabilities	277.3	442.7	83.6
Shares and participations	48.3	37.7	31.5	Accrued expenses and deferred income	15.6	14.1	19.1
Participating interests	5.3	2.7	3.6	Deferred tax liabilities	0.2	0.4	0.2
Derivative contracts	46.7	18.0	30.2	LIABILITIES TOTAL	1 016.3	1 274.5	888.1
Intangible assets	10.2	9.7	10.0	Equity to holders of parent company	65.4	58.6	71.6
Property, plant and equipment	1.8	2.0	1.8	Non-controlling interest in capital	0.5	0.3	0.9
Other assets	255.8	425.0	73.9	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1 082.2	1 333.4	960.7
Accrued income and prepayments	6.4	7.6	4.0				
Deferred tax assets	1.0	0.9	0.7				
TOTAL ASSETS	1 082.2	1 333.4	960.7				

Strong Financial Performance – Key figures

	1-3/2018	1-3/2017	2017	2016	2015
Profitability key figures					
Return on equity (ROE), %	34.1	21.4	25.5	14.3	20.2
Return on assets (ROA), %	2.3	1.3	2.0	1.4	2.2
Balance sheet key figures					
Equity-to-assets ratio, %	6.1	4.4	7.6	8.6	11.1
Capital adequacy ratio, %	15.4	15.0	15.0	15.3	19.2
Key figures per share					
Earnings per Share (EPS), fully diluted, €	0.24	0.15	0.72	0.42	0.54
Comprehensive Earnings per Share (EPS), fully diluted, €	0.23	0.15	0.69	0.40	0.53
Dividend/share, €*	-	-	0.52	0.40	0.31
Equity per share, €	2.80	2.55	3.10	2.81	2.96
Share price at the end of the period, €	9.48	6.20	9.60	6.75	8.19
Other key figures					
Expense ratio (operating costs to net revenue)	0.69	0.72	0.70	0.8	0.8
Recurring revenue ratio, %	120	112	113	94.0	93.0
Personnel at the end of the period	259	244	240	244	248
Market value, M€	224.6	144.5	224.9	157.4	190.9

Strategic KPI

Return on Equity
(Target 15.0%)

34.1%
(1-3/2017: 21.4%)

Recurring Revenue to Operational Costs
(Target 100%)

120%
(1-3/2017: 112%)

Assets under Management

EUR 11.4 bn
(31.3.2017: EUR 11.3 bn)

Net Fee Income

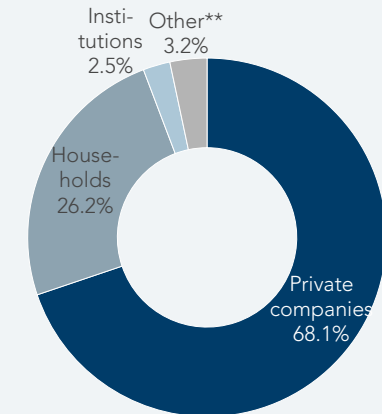
M€ 16.9
(31.3.2017: M€ 14.1)

Share Price Development and Trading Volume 2.1.–29.3.2018

Share price development and trading volume (series B shares) 2.12.2015–30.3.2018



Ownership/sector 31.3.2018



Listed on Nasdaq Helsinki
since **2015**
List price **EUR 6,75**

Total shareholder return **54.1%**

Market cap M€ **224.6***

Registered shareholders **3.696***

Contact information

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