


EVLI

COMMISSION INCOME AND ASSETS UNDER MANAGEMENT CONTINUED TO GROW

JANUARY-JUNE 2018

Maunu Lehtimäki, CEO
Juho Mikola, CFO
July 13, 2018



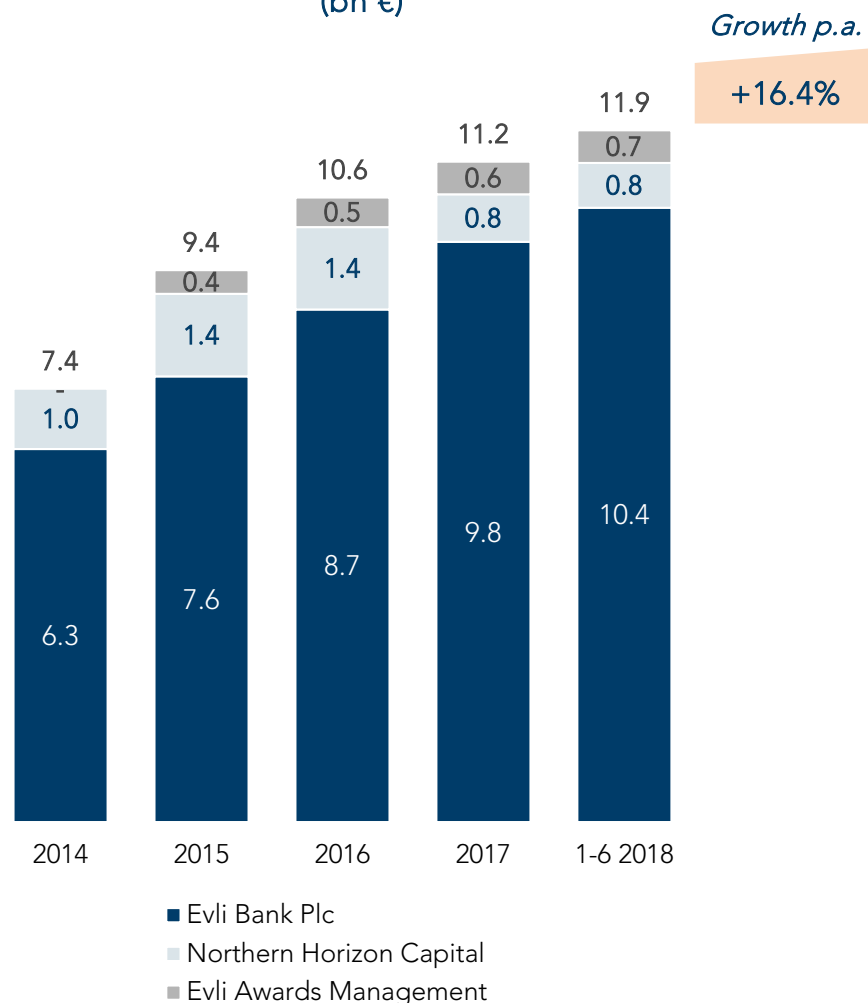
Evli in Brief

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 June 2018, EUR 11.9 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 €)



Two client segments

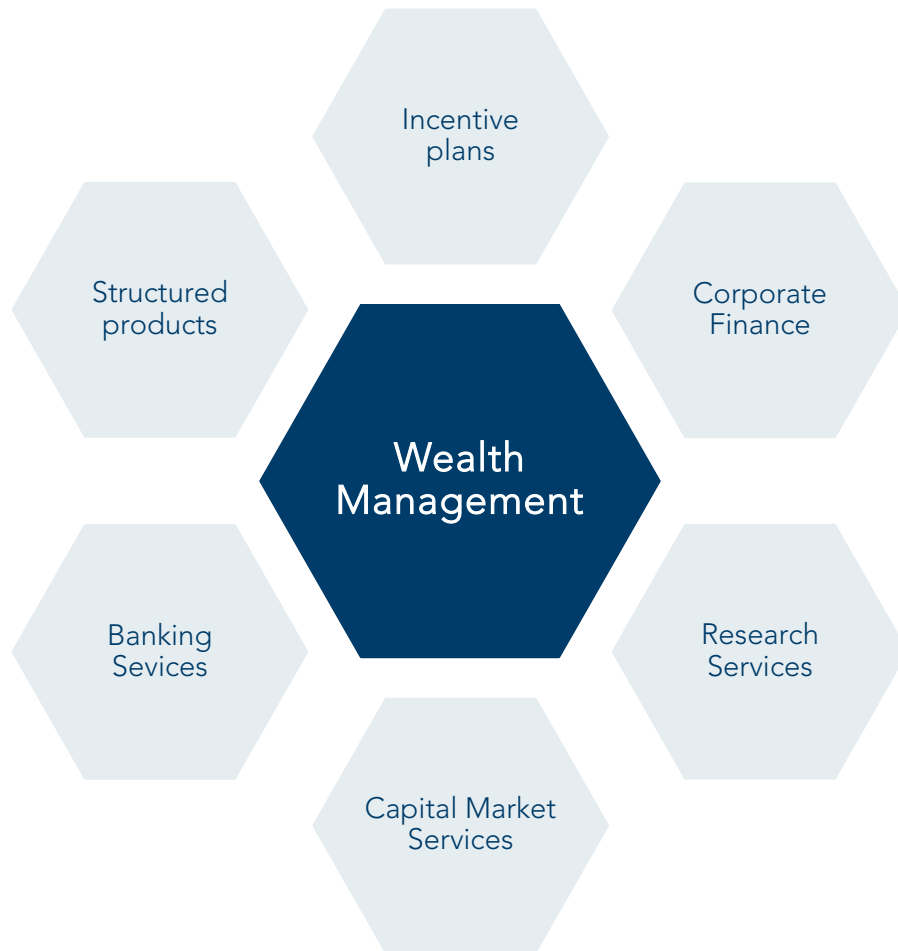
Wealth Management & Investor Clients

- 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 7.0%
- Employs 176 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 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 services
 - Research 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



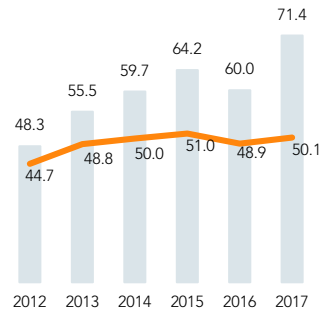
Evli's business model is built around:

- **Scalability:**
Growth in AUM translating into superior Operating profit, ROE and High scalability
- **Strategic positioning:**
Proprietary know how enables higher margins
- **Branding:**
Reflects competitive advantage in different markets.

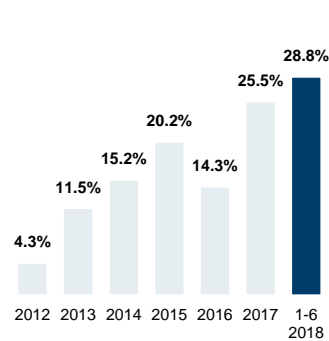
Growth in AUM, High scalability and Strong branding

AUM growth translating to superior Operating profit and ROE

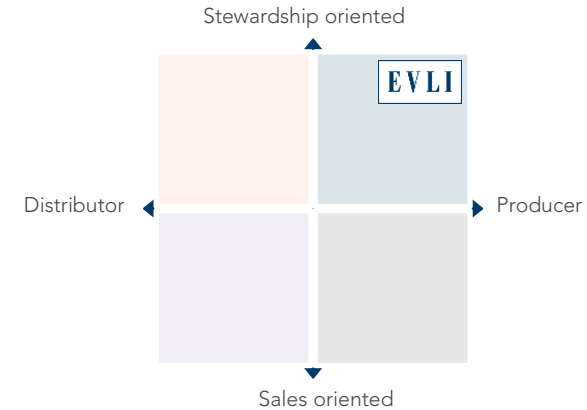
Net Revenue & Total costs (M€)



Return on Equity (%)



Proprietary know how enables higher margins

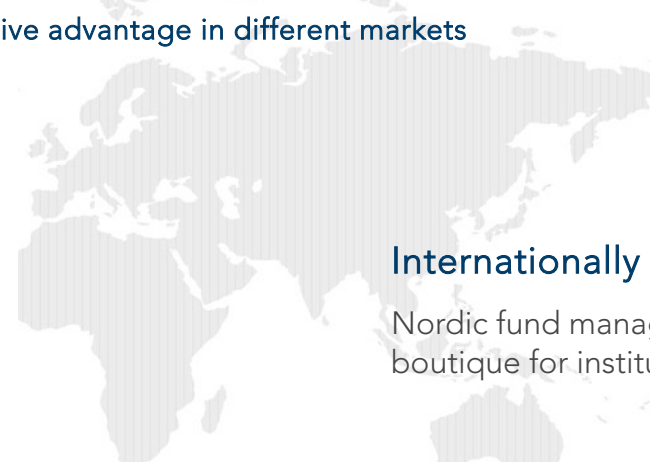


Branding reflects competitive advantage in different markets



Finland & Sweden

Comprehensive Wealth Management and Investment banking services.



Internationally

Nordic fund management boutique for institutional investors.

Agenda

1 Highlights 1-6/2018

2 Financial Figures

3 Strategy & Key Focus Areas 2018

4 Outlook 2018

A blurred background image of a business meeting. In the foreground, a person's hands are holding a tablet displaying a bar chart and a table. Other people in business attire are visible in the background, looking at documents or laptops.

ASSETS UNDER MANAGEMENT AT AN ALL TIME HIGH

HIGHLIGHTS 1-6/2018

Assets under Management at an all time high

Continued strong fee income development

- Net commission income grew 12.2%
- Operating profit grew 6.2%
- Once again strong fund sales (EUR 0.5 bn)
- Assets under Management to all time high of EUR 11.9 billion.

Strategy development

- International sales: Fund distribution started in the Gulf Region and continued sales efforts in other core market areas
- Alternative investment products: Launch of alternative investment fund Evli Rental Yield and new equity round in the Healthcare fund
- Continued efforts in the enhancement of client experiences and the streamlining of processes.

Outlook for 2018 unchanged

- Due to a successful and stable development in H1, we estimate that the result for the 2018 financial year will be clearly positive.

Strategic KPI

Return on Equity
(Target 15.0%)

28.8%

(1-6/2017: 22.3%)

Recurring
Revenue to
Operational
Costs
(Target 100%)

113%

(1-6/2017: 110%)

Assets under
Management

EUR **11.9** bn

(30.6.2017: EUR 11.8 bn)

Net Commission
Income

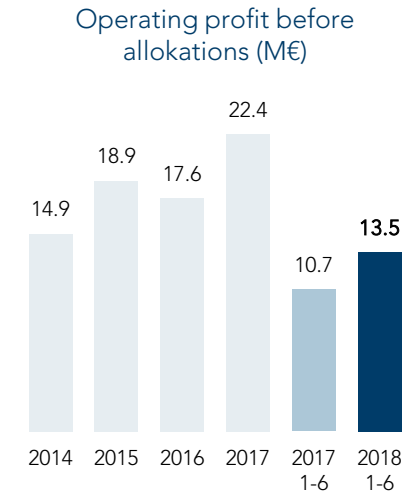
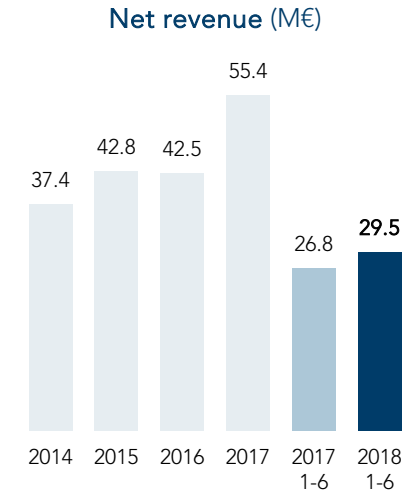
M€ **34.6**

(30.6.2017: M€ 30.6)

Wealth Management & Investor Clients

Continued growth in number of clients

- Net revenue increased 10.3%
- Operating profit (before allocations) increased 26.3%
- AUM grew to a new record of EUR 11.9 billion
- Growth in traditional and digital asset management
- Finland's 4th largest Fund Management Company. Market share 7.0%. AUM EUR 8.1 billion
- International clients 23% of fund AUM, EUR 1.9 billion
- New private market fund, Evli Rental Yield
- New public market fund, Evli Global X, with an exclusion strategy
- Evli awarded Best Institutional Asset Manager in Finland for 4th year in a row by KANTAR SIFO Prospera.

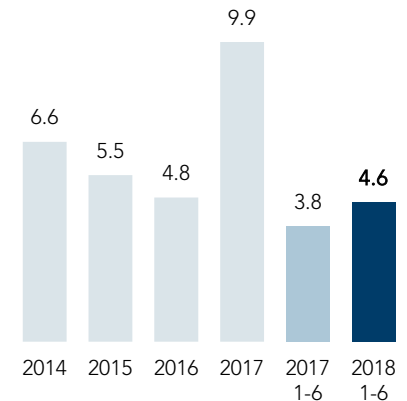


Advisory & Corporate Clients

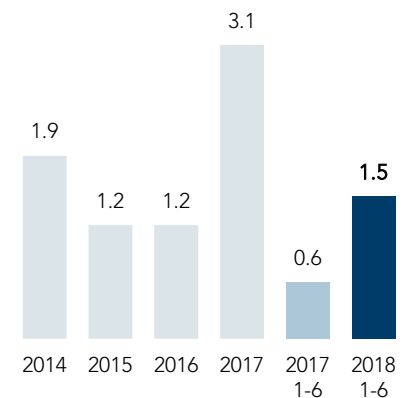
Stable development

- Net revenue increased by 22.5%
- Operating profit (before allocations) increased 160.4%
- Corporate Finance
 - Advisor in 6 transactions during Q2
 - Activity on the M&A market has remained strong
- Incentive systems
 - Performed well, achieving a record level of revenue
 - Good performance driven by new clients and existing clients broader incentive schemes
 - Responsible for the administration of incentive systems for some 60 listed companies
- Investment research
 - Sales of company research developed according to plans
 - 24 signed agreements.

Net revenue (M€)



Operating profit before allocations (M€)



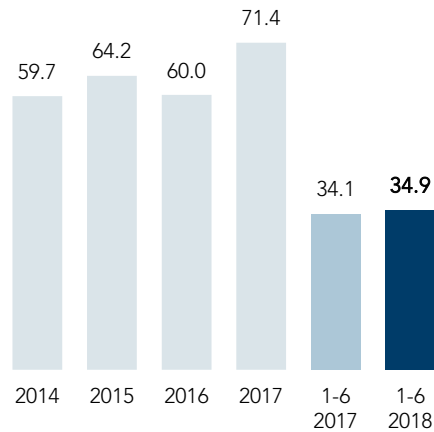
A blurred background image of a business meeting. In the foreground, a person's hands are holding a tablet displaying a bar chart and a table of financial data. The text is overlaid on this image.

NET COMMISSION INCOME CONTINUED TO GROW

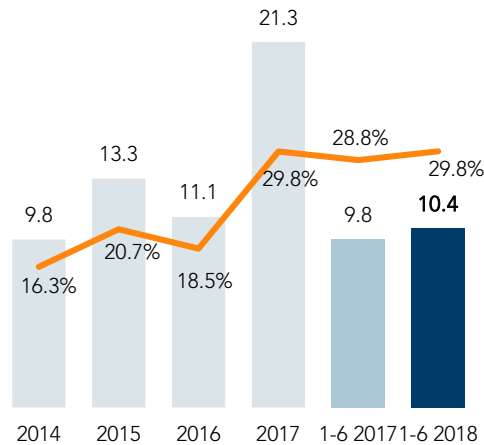
FINANCIAL FIGURES

Financial Development 2014-Q2/2018

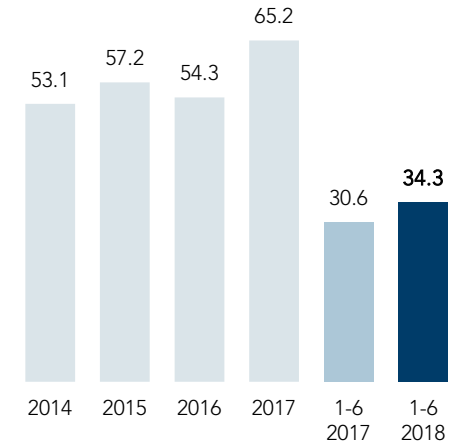
Net revenue (M€)



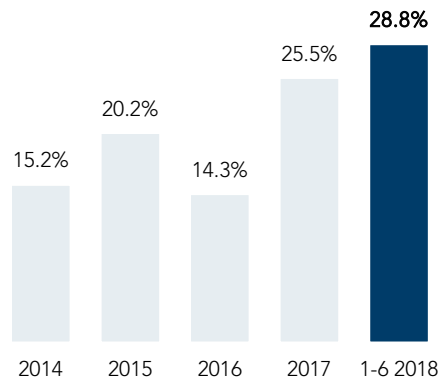
Operating profit (M€)
ja profit margin (%)



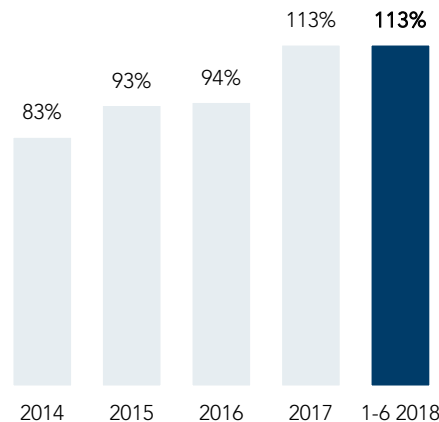
Net commission income (M€)



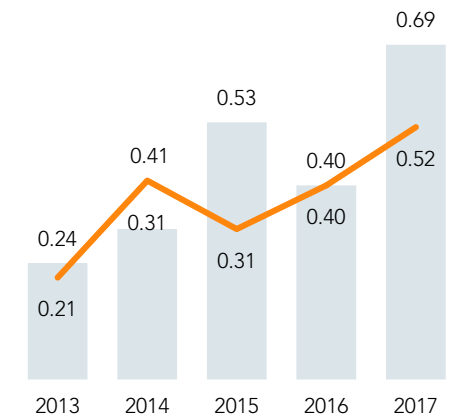
Return on Equity (%)



Proportion of recurring revenue to operating expenses (%)



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



Profit and Loss Statement

M€	1-6/2018	1-6/2017	Change, %	2017	2016	2015	2014
Net interest	0.3	0.5	-50%	0.9	1.6	1.4	1.0
Net commissions	34.3	30.6	12%	65.2	54.3	57.2	53.1
Net income from securities trading and FX	0.4	3.0	-86%	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	34.9	34.1	3%	71.4	60.0	64.2	59.7
Personnel expenses	-13.7	-14.2	-3%	-28.9	-27.7	-27.5	-26.7
General expenses	-8.0	-7.4	8%	-15.1	-14.8	-15.8	-14.0
Depreciations and amortizations	-0.9	-1.1	-22%	-2.3	-3.1	-3.9	-5.3
Other operative expenses	-1.9	-1.5	23%	-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	10.4	9.8	6%	21.3	11.1	13.3	9.8
Share of profit/loss of associates	2.1	-0.8	-374%	0.6	1.1	2.1	0.3
Taxes	-2.2	-2.0	14%	-4.3	-2.4	-3.0	-2.4
PROFIT/LOSS FOR THE PERIOD	10.3	7.1	45%	17.5	9.7	12.3	7.7
Attributable to							
Non-controlling interest	-0.5	0.1	-452%	-0.8	-0.2	-0.9	-0.9
Equity holders of parent company	9.7	7.2	34%	16.7	9.6	11.5	6.8

Balance Sheet

ASSETS, M€	30.6. 2018	30.6. 2017	31.12. 2017	LIABILITIES, M€	30.6. 2018	30.6. 2017	31.12. 2017
Liquid assets	237.1	438.9	383.2	Liabilities to credit institutions and central banks	10.0	50.5	31.7
Debt securities eligible for refinancing with central banks	36.2	31.2	36.3	Liabilities to the public and public sector entities	504.4	622.1	621.5
Claims on credit institutions	68.8	54.7	64.1	Debt securities issued to the public	142.0	88.2	97.5
Claims on the public and public sector entities	109.1	83.1	92.0	Derivative contracts and other trading liabilities	39.3	42.2	34.6
Debt securities	251.6	213.9	229.4	Other liabilities	197.9	219.5	83.6
Shares and participations	35.2	61.2	31.5	Accrued expenses and deferred income	16.9	17.8	19.1
Participating interests	4.7	2.3	3.6	Deferred tax liabilities	0.2	0.4	0.2
Derivative contracts	33.9	29.9	30.2	LIABILITIES TOTAL	910.7	1,040.8	888.1
Intangible assets	10.7	9.8	10.0	Equity to holders of parent company	69.4	61.8	71.6
Property, plant and equipment	1.8	1.9	1.8	Non-controlling interest in capital	0.7	0.1	0.9
Other assets	186.9	168.6	73.9	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	980.9	1,102.7	960.7
Accrued income and prepayments	3.9	6.2	4.0				
Deferred tax assets	1.0	1.1	0.7				
TOTAL ASSETS	980.9	1,102.7	960.7				

Key figures

	1-6/2018	1-6/2017	2017	2016	2015
Profitability key figures					
Return on equity (ROE), %	28.8	22.3	25.5	14.3	20.2
Return on assets (ROA), %	2.1	1.5	2.0	1.4	2.2
Balance sheet key figures					
Equity-to-assets ratio, %	7.2	5.6	7.6	8.6	11.1
Capital adequacy ratio, %	16.4	14.0	15.0	15.3	19.2
Key figures per share					
Earnings per Share (EPS), fully diluted, €	0.41	0.32	0.72	0.42	0.54
Comprehensive Earnings per Share (EPS), fully diluted, €	0.40	0.31	0.69	0.40	0.53
Dividend/share, €*			0.52	0.40	0.31
Equity per share, €	2.97	2.69	3.10	2.81	2.96
Share price at the end of the period, €	9.84	6.90	9.60	6.75	8.19
Other key figures					
Expense ratio (operating costs to net revenue)	0.70	0.71	0.70	0.8	0.8
Recurring revenue ratio, %	113	110	113	94.0	93.0
Personnel at the end of the period	268	254	240	244	248
Market value, M€	233.1	160.9	224.9	157.4	190.9

Strategic KPI

Return on Equity
(Target 15.0%)

28.8%
(1-6/2017: 22.3%)

Recurring Revenue to Operational Costs
(Target 100%)

113%
(1-6/2017: 110%)

Assets under Management

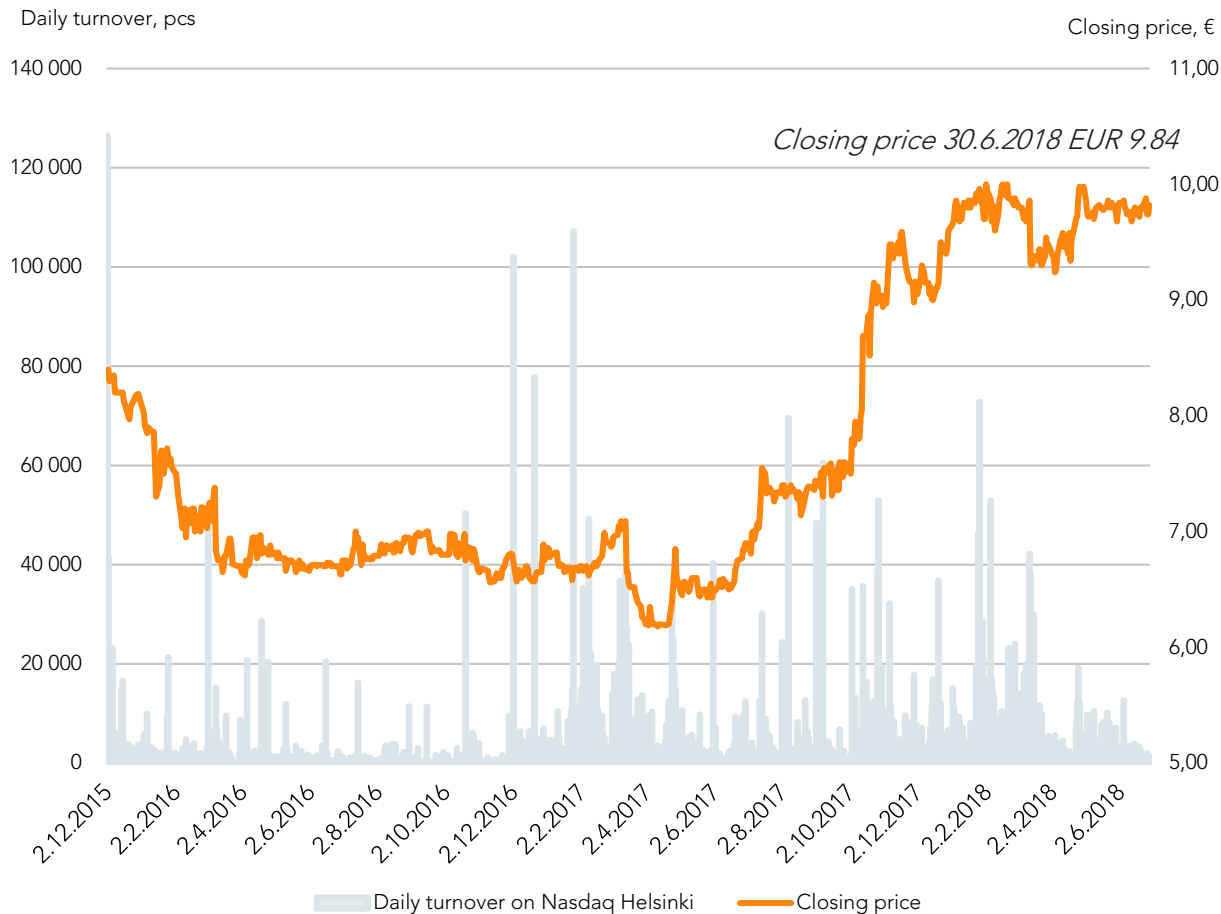
EUR 11.9 bn
(30.6.2017: EUR 11.8 bn)

Net Commission Income

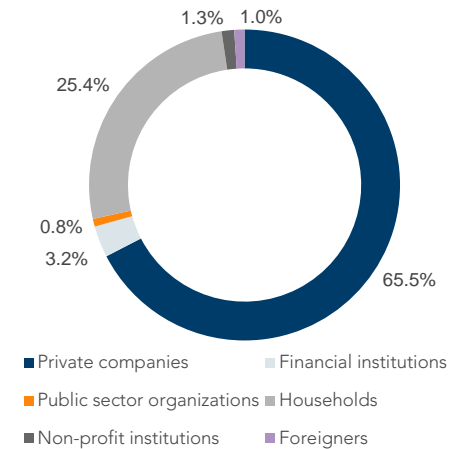
M€ 34.6
(30.6.2017: M€ 30.6)

Share Price Development and Trading Volume

Share price development and trading volume** 2.12.2015–30.6.2018



Shareholdings by owner group 30.6.2018



Listed on Nasdaq Helsinki **2015**

Market cap M€ **233.1***

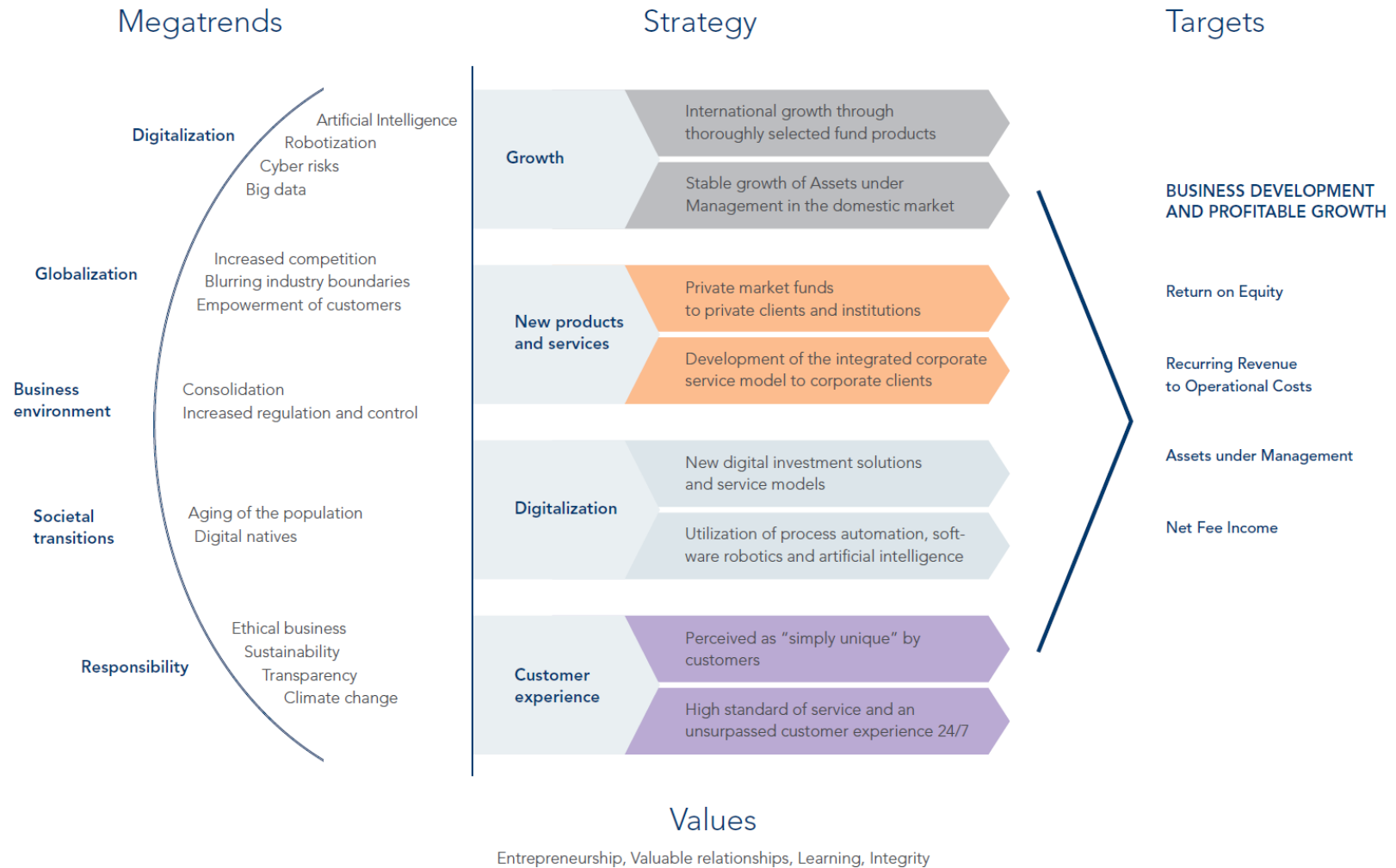
Registered shareholders **3.960***

A blurred background image of a business meeting. Several people in business attire are seated around a table. In the foreground, a person's hands are visible, holding a tablet computer. The tablet screen displays a business dashboard with a bar chart at the top and a data table below. The text 'SIMPLY UNIQUE' is overlaid in large, bold, blue letters, and 'STRATEGY & KEY FOCUS AREAS 2018' is overlaid in smaller, bold, blue letters below it.

SIMPLY UNIQUE

STRATEGY & KEY FOCUS AREAS 2018

Growth Strategy



Key Focus Areas 2018

Growth

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

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

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

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 bar chart and a table. The text is overlaid on this image.

**THE RESULT FOR 2018 IS ESTIMATED
TO BE CLEARLY POSITIVE**
OUTLOOK 2018 UNCHANGED

Result for 2018 is Estimated to be Clearly Positive

- This view is supported by:
 - Demand for Evli's products and services has been stable and AUM has grown substantially over the recent years.
 - The outlook for advisory services is stable, as the demand has developed favorably.
- However:
 - The risks associated with the general trend in the equity and fixed income markets are high due to the prevailing uncertainty on the markets
 - A continued decline in equity prices or a reduction in investors' risk appetite would have a negative impact on the company's profit performance.

Contact information

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Appendicies

Executive Group



Maunu Lehtimäki, born 1967
Chief Executive Officer
M.Sc. (Econ.)
Joined Evli Bank Plc in 1996



Mari Etholén, born 1973
HR and Legal Affairs
LLM
Joined Evli Bank Plc in 2001



Panu Jousimies, born 1969
Execution and Operations
M.Sc. (Econ.)
Joined Evli Bank Plc in 1997



Janne Lassila, born 1965
Institutional clients
M.Sc. (Econ.)
Joined Evli Bank Plc in 1993



Juho Mikola, born 1981
*Chief Financial Officer,
deputy to the CEO*
M.Sc. (Econ.)
Joined Evli Bank Plc in 2004

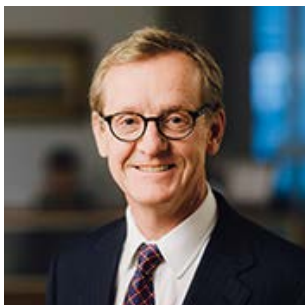


Esa Pensala, born 1974
Private Clients
M.Sc. (Tech.)
Joined Evli Bank Plc in 2001



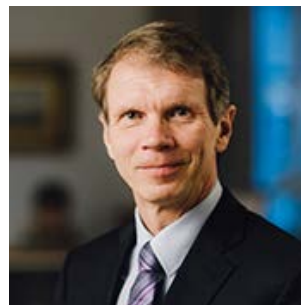
Mikael Thunved, born 1965
Corporate Finance
B.Sc. (Econ.)
Joined Evli Bank Plc in 2002

Board of Directors



Henrik Andersin, born 1960

- Chairman of the Board of Directors
- Member of the Board of Directors of Evli Bank Plc since 1985 (excluding 2002-2006)
- Chairman of the Board of Directors of Nokian Panimo Oy
- Dependent member.



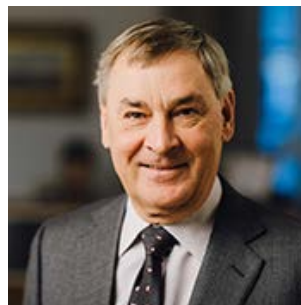
Robert Ingman, born 1961

- Member of the Board of Directors of Evli Bank Plc since 2010
- Chairman of the Boards of Directors of Ingman Group Oy Ab, Ingman Finance Oy Ab, Ingman Development Oy Ab, Etteplan Oy, Halti Oy and Qt Group Ltd
- Member of the Boards of Directors of Digia Oyj and M-Brain Oy
- Dependent member.



Johanna Lamminen, born 1966

- Member of the Board of Directors of Evli Bank Plc since 2015
- Managing Director of Gasum Ltd
- Chairman of the Board of Directors of Skangas AS
- Member of the Board of Directors of Cargotec Oyj and Tieto Oyj
- Independent member.



Mikael Lilius, born 1949

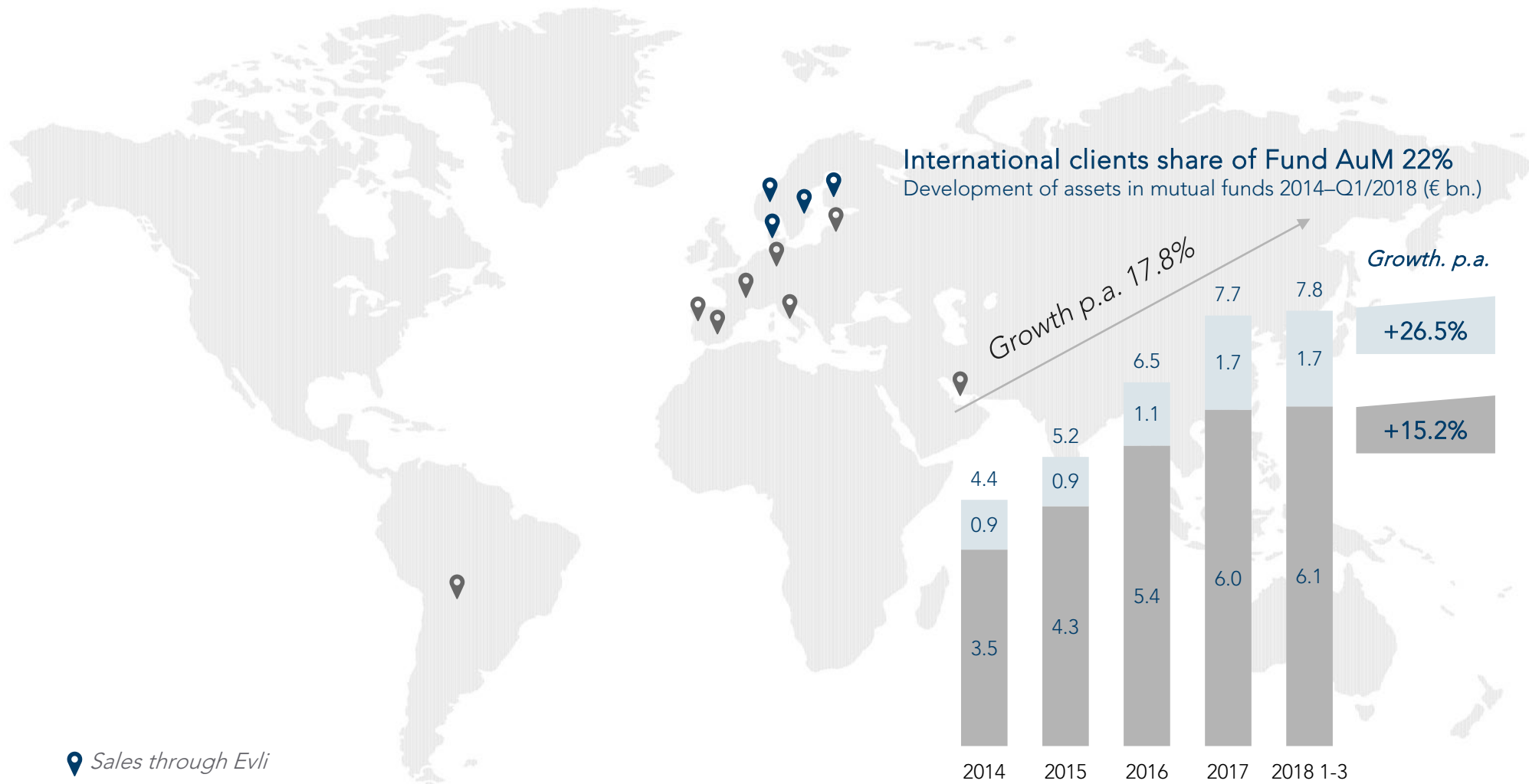
- Member of the Board of Directors of Evli Bank Plc since 2010
- Chairman of the Boards of Directors of Metso Oyj, Wärtsilä Oyj and Ahlström Capital Oy
- Member of the Board of Directors of Oy Kelonia Ab
- Independent member.



Teuvo Salminen, born 1954

- Member of the Board of Directors of Evli Bank Plc since 2010
- Chairman of the Board of Directors of Havator Oy and Glaston Oyj
- Vice Chairman of the Board of Pöyry Oyj
- Member of the Boards of Directors of Holiday Club Resorts Oy, Cargotec Oyj and 3Step It Group Oy
- Independent member.

Fund AUM Growth



📍 Sales through Evli

📍 Sales through co-operation partners