

GUIDELINE FOR COMPILING THE INCOME STATEMENT OF A SAVINGS AND LOAN ASSOCIATION

1. Interest income

This item records all interest income and interest-type income. Interest-type income is income that is related to the contractual or maturity term or as a ratio to the size of the asset, such as a loan granted, when these are periodised over the duration of the claim.

1.1. From loans

This item records for the reporting period:

- a) interest income from loans, including securities loans, from which is subtracted interest claims calculated for the reporting period was assessed as unlikely to be received;
- b) periodised interest income from reverse repo transactions and similar transactions such as such as buy/sell back agreements and securities lending agreements;
- c) interest-type income related to loans.

1.2. From deposits

this item records interest income calculated for the reporting period and interest-type income from deposits, from which is subtracted interest claims calculated for the reporting period was assessed as unlikely to be received.

1.3. From bonds and other fixed-income securities

This item records for the reporting period:

- a) interest income from bonds and other fixed-income securities other than preferred shares;
- b) periodised income for bonds and other fixed-income securities other than preferred shares acquired at below their nominal value;
- c) interest-type income related to bonds and other fixed-interest securities.

1.4. From derivatives

This item records:

- a) interest income from covered forward contracts;
- b) a positive difference between interest received and interest paid for interest and currency swap transactions signed to hedge claim risk;
- c) the difference between the price of foreign currency forward transactions sign to hedge claim risk and the exchange rate on the day the contract was signed that falls within the reporting period.

1.5. Other interest income

This item records for the reporting period:

- a) interest income from other claims;
- b) interest income from capital leases;
- c) interest-type service fee income;
- d) interest-type operating income.

2. Interest expenses

This item records all interest expenses and interest-type expenses. Interest-type expenses are expenses that are related to the contractual or maturity term or as a ratio to the the amount of the liability, such as a loan received, when these are periodised over the duration of the liability.

2.1. From loans

This item records for the reporting period:

- a) interest expenses on loans, including securities loans;
- b) periodised interest expenses from repo transactions and similar transactions such as such as sale/repurchase agreements and securities lending agreements;
- c) interest-type expenses related to loans.

2.2. From demand deposits

This item records interest expenses and interest-type expenses for the reporting period on demand deposits.

2.3. From term and savings deposits

This item records interest expenses and interest-type expenses for the reporting period on savings deposits.

2.4. From bonds and other fixed-income securities

This item records for the reporting period:

- a) interest expenses on bonds and other fixed-income securities;
- b) periodised expenses for bonds and other fixed-income securities acquired at above their nominal value;
- c) interest-type expenses related to bonds and other fixed-interest securities.

2.5. From items of capital nature

This item records interest expenses and interest-type expenses on funds included under own funds, such as subordinated liabilities. Expenses for subordinated liabilities with up to one year to maturity are recorded under the income statement items for the instruments for which the particular subordinated liabilities were set up, such as interest expenses on deposits, loans or bonds.

2.6. From derivatives

This item records:

- a) interest expenses on covered forward contracts;
- b) a negative difference between interest received and interest paid for interest and currency swap transactions signed to hedge liability risk;
- c) the difference between the price of foreign currency forward transactions sign to hedge liability risk and the exchange rate on the day the contract was signed that falls within the reporting period.

2.7. Other interest expenses

This item records for the reporting period:

- a) interest expenses on other claims;
- b) interest-type service fee expenses;
- c) interest-type operating expenses.

3. Net profit or loss from interest (+/-)

This item records the difference between income statement item 1 "Interest income" and item 2 "Interest expenses".

4. Net profit or loss from financial investment (+/-)

This item records the profit or loss that comes from shares and units acquired by the savings and loan association to hold for the long term in order to receive owner's income. Income and expense items, or profit and loss items, are netted and summed and recorded as a net result.

4.1. From shares and units of subsidiaries (+/-)

4.1.1. Dividend income

This item records dividend income from shares and units of subsidiaries.

4.1.2. Calculated income from capital participation

This item records unrealised income from subsidiaries calculated using the capital participation method.

4.1.3. Calculated expenses from capital participation

This item records unrealised expenses from subsidiaries calculated using the capital participation method.

4.1.4. Other (+/-)

This item records profit or loss realised from the sale of shares and units have subsidiaries other than shares and units that are recorded under balance sheet asset item 7.2.3 "Other shares and units".

4.2. From shares and units of associated enterprises (+/-)

4.2.1. Dividend income

This item records dividend income from shares and units of associated enterprises.

4.2.2. Calculated income from capital participation

This item records unrealised income from associated enterprises calculated using the capital participation method.

4.2.3. Calculated expenses from capital participation

This item records unrealised expenses from associated enterprises calculated using the capital participation method.

4.2.4. Other

This item records profit or loss realised from the sale of shares and units have associated enterprises other than shares and units that are recorded under balance sheet asset item 7.2.3 "Other shares and units".

4.3. From other shares and units (+/-)

4.3.1. Dividend income

This item records dividend income from other shares and units.

4.3.2. Other

This item records the realised profit or loss from the sale of shares and units acquired to hold for the long term as other owner's income.

5. Service fee income

This item records the service fee income earned during the reporting period, including account opening fees, transfer fees, management fees, and security transaction fees. Fee and commission income of interest type is recorded under income statement item 1 "Interest income".

5A. of which service fee income from payment services

This item records the intermediation service fee income of a savings and loan association acting as a payment institution in connection with the provision of payment services as listed in §3(1) of the Payment Institutions and E-Money Institutions Act. If the savings and loan association does not have an operating authorisation as a payment institution, the value is zero (zero).

6. Service fee expenses

this item record service fee expenses other than interest-type service fees, which are recorded under item 2 of the income statement "Interest expenses".

7. Net profit or loss from financial transactions (+/-)

This item records the profit or loss that comes from securities in form of shares, units or bonds acquired for trading or resale for the purpose of intermediation, trading liquidity management or similar; securities liabilities recorded under balance sheet liability item 6.2 "Derivatives and item 6.3 "Other security liabilities"; and various currency transactions.

Income and expense items, or profit and loss items, are netted and summed and recorded as a net result.

7.1. Profit/income

This item records:

- a) unrealised profit and realised profit from the revaluation of securities acquired for trading or resale;
- b) unrealised profit and realised profit from the revaluation of securities liabilities;
- c) dividend income from securities acquired for trading or resale;
- d) profit from bonds issued by the savings and loan association but bought back before the maturity date;
- e) unrealised profit and profit from changes in exchange rates other than covered forward contracts, which are recorded under income statement item 1 "Interest income".

7.2. Loss/expenses

This item records:

- a) unrealised loss and realised loss from the revaluation of securities acquired for trading or resale;
- b) unrealised loss and realised loss from the revaluation of securities liabilities;
- c) loss from bonds issued by the savings and loan association but bought back before the maturity date;
- d) unrealised loss and loss from changes in exchange rates other than covered forward contracts, which are recorded under income statement item 1 "Interest income".

8. Administrations costs

8.1. Wage costs

This item records the wages, bonuses, benefits, additional pay, awards, holiday pay earned but not paid out during the reporting period, and other expenses related to employees that are treated similarly to wage expenses, including incentive fees and other non-monetary employee benefits, calculated during the reporting period.

8.2. Social tax, unemployment insurance

This item records for the social tax and unemployment insurance calculated for the reporting period.

8.3. Pension costs (non-state)

This item records expenses on non-state pension liabilities that arise from legislation or from an agreement signed by the reporting savings and loan association.

8.4. Other administrative expenses

this item records other expenses related to the operations of the savings and loan association, including rental expenses, advertising expenses, office management expenses, audit expenses, insurance expenses for the reporting period, and other administrative expenses. Administrative expenses also cover expenses for acquiring low-value items.

9. Change in the value of real estate investments and tangible and intangible fixed assets (+/-)

This item records change in the value of real estate investments if the acquisition cost method is used for accounting and tangible and intangible fixed assets. Income and expense items, or profit and loss items, are netted and summed and recorded as a net result.

9.1. Profit/income

This item records adjustments of write-downs of real estate investments and tangible and intangible fixed assets made in earlier reporting periods.

9.2. Loss/expenses

This item records:

- a) expenses on real estate investments and tangible and intangible fixed assets;
- b) write-downs of real estate investments and tangible and intangible fixed assets made during the reporting period;

10. Change in the value of off-balance-sheet claims and liabilities (+/-)

This item records the profit or loss from valuation of balance sheet claims and off-balance sheet liabilities. Income and expense items, or profit and loss items, are netted and summed and recorded as a net result.

10.1. Profit/income

This item records the receipt of loans that were written off the balance sheet in earlier reporting periods.

10.2. Loss/expenses

of which loss or expense from the change in value of off-balance-sheet liabilities

This item records write-downs of claims classed as doubtful receivables during the reporting period as a consequence of conservative principles used in valuing asset items, and losses that come from valuations of off-balance sheet liabilities.

11. Change in the value of long-term financial investment (+/-)

This item records the revaluation of financial investments held to maturity and acquired to be held for the long term. Income and expense items, or profit and loss items, are netted and summed and recorded as a net result.

11.1. Income

This item records the income from the revaluation of financial investments held to maturity and acquired to be held for the long term.

11.2. Expenses

This item records the expenses from the revaluation of financial investments held to maturity and acquired to be held for the long term.

12. Other operating income

This item reflects operating lease income, unrealised profit from revaluation of real estate investment if the fair value method is used in accounting, realised profit from real estate investment and sales of tangible and intangible fixed assets, rental income, fines received, penalties, benefits and other operating income that is not recorded elsewhere. Operating income of interest type is recorded under income statement item 1 "Interest income".

13. Other operating expenses

This item reflects unrealised loss from revaluation of real estate investment if the fair value method is used in accounting, realised loss from real estate investment and sales of tangible and intangible fixed assets, fines paid, penalties, benefits and following the matching principle, all expenses related to income reported in income statement item 12 "Other operating income". Operating expenses of interest type are recorded under income statement item 2 "Interest expenses". The item also records payments to the deposit guarantee fund or foundation.

14. Extraordinary income

This item records income received as a consequence of force majeure.

15. Extraordinary expenses

This item records expenses accrued as a consequence of force majeure.

16. Profit/loss before taxation (+/-)

17. Income tax expenses

18. Profit or loss (+/-) of the accounting period