

 asiakastieto.fi

# AT Year 2016

Transparency and trust





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# A year of strong growth

- The new services we launched to the market and Finland's general economic growth improved growth in our net sales. The share of new products and services was 7,4 percent of net sales. In addition, many of our customers have automated their decision-making and started using our highly developed services.

## Highlights of 2016

# 11.2.

Investment in the startup company Hupparihörhö

# 1.4.

Annual General Meeting

# 30.8.

Acquisition of Intellia Oy

# 22.9.

The first Capital Markets Day in Helsinki

# 4.10.

Compliance service offering

# 20.10.

New Real Estate and Collateral Information product area

Group's net sales  
**49,2**  
MEUR

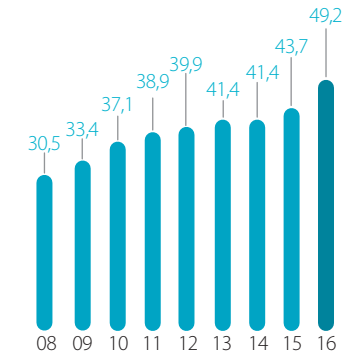
Increase in net sales  
**12,5**  
%

Average number of personnel  
**159**

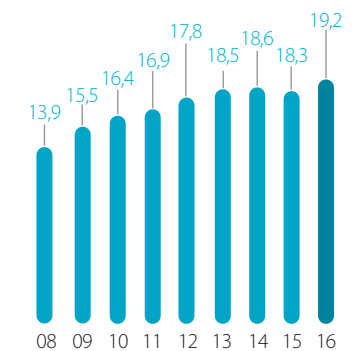
Adjusted EBITDA  
**21,7**  
MEUR

Free cash flow  
**17,2**  
MEUR

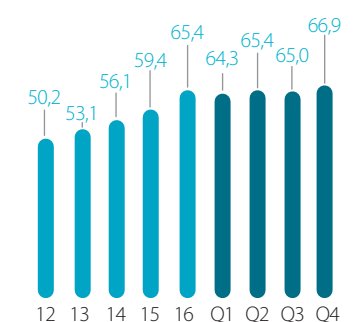
Net sales 2008–2016, MEUR<sup>1</sup>



Adjusted operating profit, MEUR<sup>1</sup>



Processed services, share of net sales (%)<sup>1</sup>



<sup>1</sup> 2008–2013 FAS, 2014–2016 IFRS



# Asiakastieto Group in brief

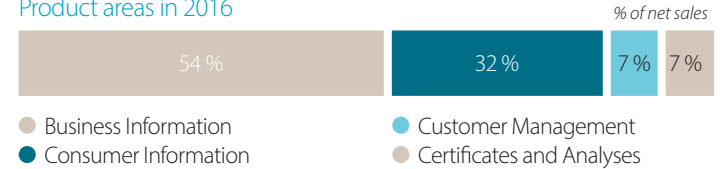
- Asiakastieto Group is one of Finland's leading information service companies. We produce information to support decision-making related to financial management, risk management, sales and marketing in our customer companies. With our company and credit information solutions, which are often automated, we help companies to improve the efficiency of their decision-making processes and customer management.

Asiakastieto Group's service range is based on a comprehensive database, which combines data gathered from public sources, companies themselves and the Group's own information acquisition channels. In accordance with our revised strategy, we focus on the utilisation of so-called unstructured data, such as data gathered from company websites and social media.

We help our customers to digitalise their data-intensive processes, which improves the efficiency of operations and, simultaneously, the customer experience. Our strength is information which is critical for the automation of operations and for decision-making. For example, our customer companies can outsource their decision-making processes to our decision-making service. The need of companies to access reliable information is increasing, and the current comprehensive data acquisition channels and processes provide a solid foundation for expanding our service range.

At the end of 2016, Asiakastieto Group had approximately 19 000 customers, of which 11 000 were contract customers. We provide services for a number of industries, the largest being financing and banking, wholesale and retail trade, and expert service companies. Asiakastieto Group is listed on Nasdaq Helsinki (trading code ATG1V).

## Product areas in 2016



## Product areas from 1 January 2017

### Business Information *(includes Certificates and Analyses)*

Companies engaging in corporate business use business information services for risk management, financial management and decision-making.

### Consumer Information

Companies in consumer business use consumer information services for making credit decisions, choosing customers and gaining knowledge of and identifying their customers. Services for consumers provide information for consumers' personal financial management and for securing their identity.

### Customer Management

Customer management services help sales and marketing professionals to improve the efficiency of their work and customer management by providing target group tools, services for surveying potential customers, register updates and maintenance, as well as various target group extractions.

### Real Estate and Collateral Information

Real estate information services include, among others, real estate information reports, map services, information about buildings and their residents, as well as Web service solutions for real estate business. Collateral Information services develop solutions for the automation of customers' collateral management processes.



## Long-term financial targets

### Growth

Achieve 5–10 per cent average annual growth in net sales.

### Profitability

Maintain the profitability of current services at current level.

### Balance sheet structure

Maintain net debt to EBITDA of less than three while continuing to maintain an efficient capital structure.

## Asiakastieto Group as an investment



### Resistance to economic cycles

Asiakastieto Group's services are needed in good and bad times alike.



### Growth

New services and the digitalisation of processes create growth.



### Dividend yield

Strong cash flow enables good dividend yield.

#### The company's position as one of the leading players in the Finnish business and consumer information service market

- The strong market position enables efficient product and service development and investment in service sales and marketing.

#### Long-term customer relationships and integration into customers' business processes

- Long-term customer relationships with many leading financial institutions, insurance companies, wholesale and retail trade companies and expert service companies.

#### Extensive product and service range

- An extensive range of products and services which its clients use for risk management, financial management, decision-making and the prospecting and monitoring of potential customers.
- A number of services that are unique in Finland.

#### Strong brand

- Customers require reliability and flawlessness of the Group's products and solutions, as they often form an integral part of customers' business processes.
- Long-term customer relationships and integration into customers' business processes.

#### Strong track record in service development

- Asiakastieto Group has developed many of its services for the needs of its long-term customers and in co-operation with them.
- Net sales from new products and services amounted to EUR 3,6 million (7,4 % of net sales) in 2016.

#### Skilled and qualified personnel

- Skilled personnel is Asiakastieto Group's key asset.
- The Group continuously strives to develop the personnel's competence and promote its professional development.

#### Scalable business model and high level of automation in business processes

- Volume-based growth of net sales is possible with low additional costs.
- The Group can use and refine the same data multiple times and include it in a number of services provided for different customers.

#### Comprehensive database

- The number of data units in the database, the level of detail of the data and the Group's ability to combine database data with customers' data provide Asiakastieto Group with a competitive edge.

#### Net sales and profitability are not sensitive to economic cycles

- Net sales have grown every year from 2008 to 2016, while Finland's real GDP growth rate has fluctuated between -8,3 and 3,0 per cent.



# Starting off 2017

## with a new strategy

- *In 2016, we laid the foundation and specified the business policies that will open great growth opportunities for us in 2017 and in the future. We are particularly happy with the strategy process that joined Asiakastieto employees and customers together to clarify the purpose of the Group's existence and goals up to 2020. Together we laid the foundation for our present and future utilisation of the digital revolution, which we see as the most significant driver of change and the greatest opportunity for us all.*

Our ability to process information is one of the key success factors on which we can build our future growth. We have database expertise and we know how to clean, verify and link data and build data models. In addition, we have expertise in data modelling, so that we can build automated services for data refining.

### Change trends affecting business environment

As is the case for all companies, the operating environment of Asiakastieto Group is changing at an exceptional speed. During our strategy work, we identified four CHANGE TRENDS that have the most significant effect on our operating environment.

THE EXPLOSION OF THE DATA MASS into a data universe that is expanding at an incredible speed. This is forcing us to change our way of thinking about the concept of data. Data can no longer be seen as a definable quantity. Instead, it constitutes a changing universe in which we must find relevant samples to meet our customers' decision-making needs.

For us, DIGITALISATION means digitalising as many processes as possible. This applies to our customers, whom we help to survive in this change, and to our own operating model. We need to create processes that are designed for the digital world, instead of copying analog processes into the digital world. The new wave of GLOBALISATION is based on the new infinity enabled by digital business models and distribution.

It is Asiakastieto Group's responsibility, with the services it provides, to convert continuously increasing REGULATION into a competitive edge for our customers.

### Strategic themes and objectives

Our AT Future 2020 strategy specifies four themes: People, Customer Experience, Power Core and Agile\*Data.

The PEOPLE theme is based on the fact that action and development are always instigated by people. Only skilled, committed and motivated people can implement our strategy and develop it further. We have set a measurable goal: to improve the willingness of Asiakastieto employees to recommend Asiakastieto Group as an employer by four units.

As consumers, we have learned to require good availability of digital services. Nobody accepts a poor customer experience anymore. Through the CUSTOMER EXPERIENCE theme, we want to set our goals high. The customer experience covers all the elements contributing to it, from the user interface to the quality of customer service. Our goal is to achieve an equally high grade for customer experience as we achieve for reliability in customer satisfaction surveys.

The POWER CORE theme refers to systematic work to make our current core business grow. We will achieve growth through the development of new services. Our goal is to keep the proportion of net sales coming from new services at the current high level.

We seek new growth through the AGILE\*DATA theme.



# AT Future 2020

AGILE refers to agile development, that is, the testing of various new digital services at a quick pace, either by ourselves or together with our ecosystem that consists of startup companies and other players. The DATA part refers to the use of new different data that cover new sources of data or new methods of data acquisition. Our goal is to use the new opportunities provided by AGILE\*DATA for the generation of significant additional sales in the coming years.

## Strategic crystallisation

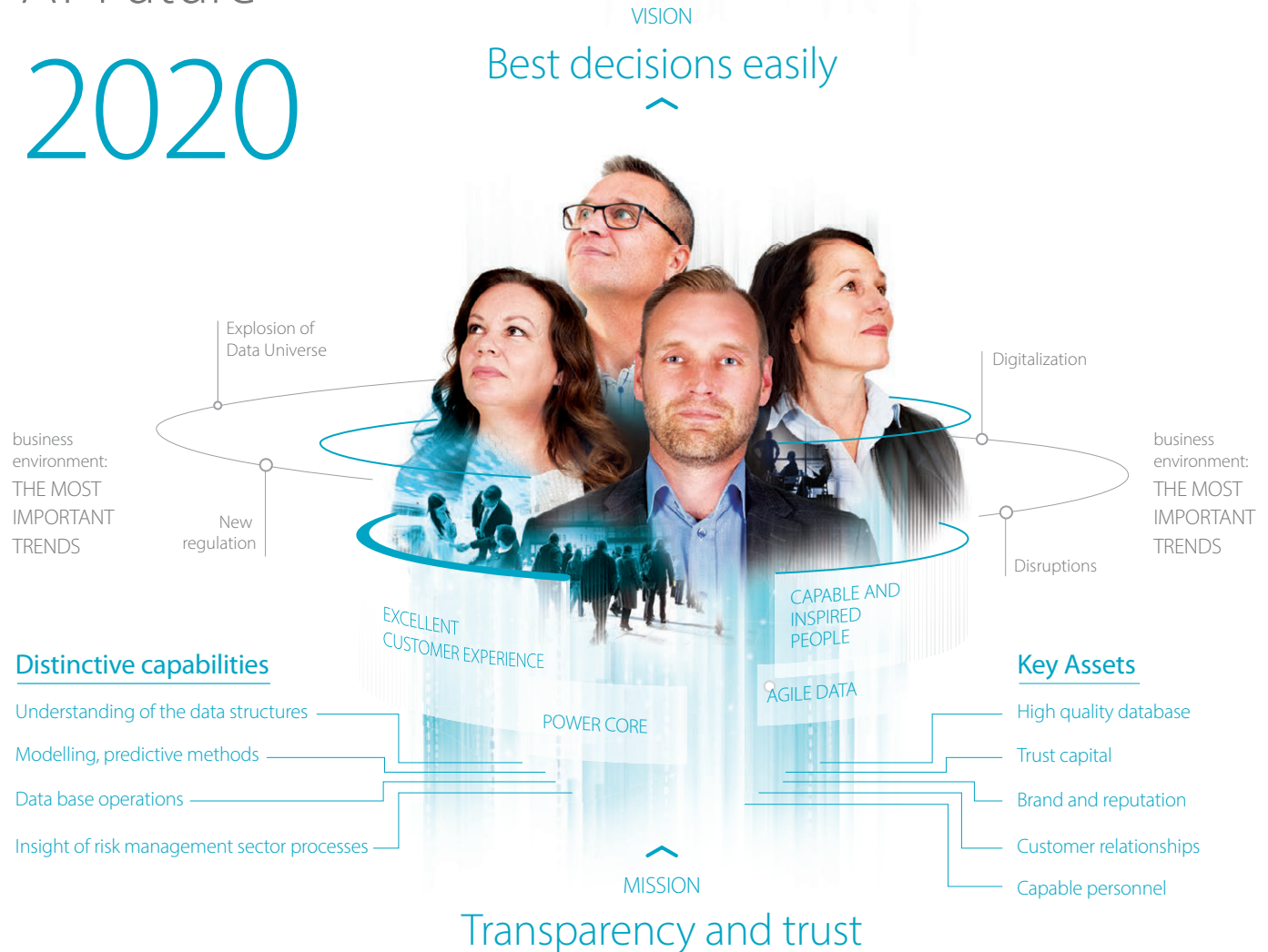
Asiakastieto Group is a continuously developing and agile trendsetter in the information industry and the preferred partner of customers. Skilled and inspired personnel are at the core of the company.

## Vision: Making the best decisions easily

Our vision is to provide our customers with the best basic information and services so that they can make the best possible decision in every situation. Our services must be easy to use and integrate – decision-making is challenging enough without user-unfriendly services.

## Mission: Transparency and trust

Trust between people and companies makes business easier and promotes growth and well-being. The development of trust requires transparency, which is created by Asiakastieto Group's services.





## CEO's Review

# Our vision

## transparency and trust

- *The year 2016 was a year of intensive growth for Asiakastieto Group. The Group's net sales totalled EUR 49,2 million (EUR 43,7 million), an increase of 12,5 per cent. Adjusted operating profit was EUR 19,2 million (EUR 18,3 million), an increase of 5,1 per cent. The increase in information gathering expenses is the most important of the reasons for the growth rate difference between net sales and operating profit.*

The new services launched during the year in areas such as sales, marketing and internationalisation of commerce constituted the key driver of growth. In addition, the general revival of business activity contributed to the increased demand for our risk management and sales services. Furthermore, the need for more efficient finance-related processes overall encouraged customers to use our advanced automated and processed services.

Our customers find that our new integrated and automated services add value to their own processes and help them to improve customer experience for their own customers. The digitalisation of business in all industries will speed up this development which is very favourable for Asiakastieto Group.

### We promote internationalisation

An increasing number of our customer companies are in a phase in which internationalisation and cross-border trade should be seen as an opportunity. Foreign competitors are more and more often engaged in global business. In order to succeed in this competition, Finnish companies must also seize the opportunity to expand their customer base and market. To promote this goal, we launched a number

of new services in 2016 that are based on international data but provided in a manner that is familiar for Finnish customers.

Customers of Finnish companies may be based anywhere in the world. Because of the increasingly strict compliance requirements, they must nevertheless be identified and known in a similar manner as Finnish customers. For example, in order to prevent money laundering, companies in increasingly many fields of business must be able to check whether a potential customer is a politically exposed person (PEP) or included on any international sanction list. One of the service packages we launched in 2016 is used for the automatization of these checks.

In addition, we expanded our sales and marketing service range by acquiring Intellia Oy, a company that provides services to help our customers to target their offering to consumers or decision-makers in housing companies. Now we can also offer a more easy-to-use B2B targeting tool.

### We seize the opportunities of tomorrow

In 2016, we laid the foundation and specified the policies that will open great growth opportunities for us also in the





future. I am particularly happy with the strategy process that joined Asiakastieto employees and customers together to clarify the purpose of the company's existence and its goals until 2020. Together we laid the foundation for our present and future utilisation of the digital revolution, which we see as the most significant driver of change and the greatest opportunity for us all. At Asiakastieto we love information!

We want to make it possible for our customers to have more efficient processes and, simultaneously, an excellent customer experience. Digitalisation is expanding the information space and the amount of information available multiplies fast. An agile and open-minded approach to areas such as experimentation, testing of new ideas and giving demos is the only way in which we can quickly respond to the changing needs of our customers and choose the most suitable services for further development. To support this goal, we are building the AT Data Lab testing environment. We expect to launch its first development version in 2017. At AT Data Lab, our customers and partners also have the opportunity to test the relevance of their data flows in relation to the comprehensive basic data provided by Asiakastieto Group.

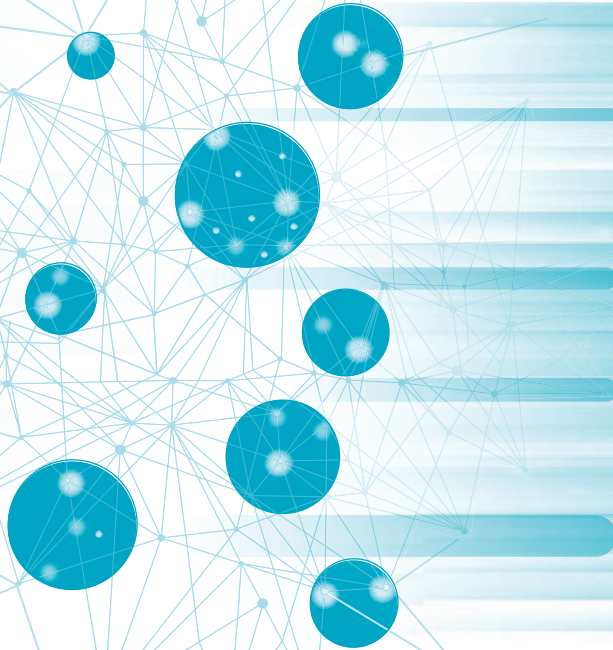
I would like to thank all Asiakastieto employees for their active contribution, our great work together and the development of our business. I would also like to thank our customers, partners and shareholders for their trust. We want to meet your expectations also in the future. In accordance with the new strategy that we developed together, we seize the opportunities of tomorrow today.

**Jukka Ruuska**  
CEO





# Database as the core of business operations



Public registers



Customers



Companies



Internet / Social media

## Reviewing

Organised reviewing and cleansing of data before inserting into the database.

## Combining

Gathering and combining of data based on the need of services, service development or customers.

## Analysing

Need-based analysing of data before inserting into the database.

## Making unstructured data utilisable

We offer a broad selection of services that are based on our comprehensive database. Data is acquired from several public data sources, from companies themselves as well as through our own data gathering processes. In accordance with our reformed strategy, we will focus in the utilisation of so-called unstructured data during the remainder of the year, such as data collected from companies' websites and social media.

## Data gathering

- Highly automated data acquisition
- Reliable public and private data sources
- Data is gathered into the database or combined through data links
- Unique, self-gathered data
- Unstructured data

## Database expertise

- Our ability to process information is one of the key success factor on which we build our future growth.



Asiakastieto's database

Outsourcing services

Other processed services

International services

Basic data

Integrated delivery

Customer interface

Open online service

Mobile service

Offline services



B2B customers



B2C customers



Consumer customers

## Database

- Once saved, data can be refined several times without additional costs.
- The number of information units of the database, the details of the information as well as the ability to combine the information of the database with the information from the customers bring competitive edge.

## Service development

- Extensive selection of highly processed services
- Efficient product and service development organisation
- Service development in accordance with customer needs
- New service packages tailored for SMEs

## Main distribution channels

- Services can be integrated directly into clients' business and decision-making processes
- Most of the services are automated or are delivered via user interface or online service
- Services via Open Business Information service
- Different offline products as one-off deliveries

## Customers

- Business to business companies
- Business to consumers companies
- Consumer customers



Business Information product area

# Year of service development

- *Business Information services provide various services for the assessment of corporate customers and partners, such as business information reports and various business ratings, as well as decision-making and monitoring services. Various tools are also used to provide customers with the information they need, such as the Atlas software for financial statements analysis and forecasting. In addition to the open online store and the browser interface (for corporate contract customers), business information services are provided for companies and consumers as tailored solutions. The customer base consists of companies of different sizes representing various fields of business. We have established particularly long-term customer relationships with representatives of the banking and insurance sectors.*

The growth of the Finnish economy contributed to the increased use of business information services and the shift towards using more processed services. Of course, the need for business information services exists even in times of depression, as increasing customer risks require continuous monitoring. Demand for B2B decision-making services increased significantly along with the revival of the corporate financing sector at the beginning of 2016.

## More diverse services

The active development of digital and automated decision-making services continued in co-operation with customers. The amendment of the Finnish Accounting Act was taken into account in all services that involve the use of financial statement figures. In addition, we responded to customers' needs by launching a corporate decision-making tool, which produces AI-based, automated plain-text economic analyses of companies.

Our international online service range expanded to cover the USA and South Korea in addition to Europe. Altogether 30 countries are now covered by the services. The range of our services became more diverse: Business information is now also available as individual pieces of da-

ta, and the information can be tailored into specific report packages at an affordable price. Furthermore, the international information service was made available to small enterprises and consumers through the online store.

Services for the SME sector were overhauled by improving searches in the open online store, expanding the range of Nordic business information and improving the report view of contract customers' user interface. The generation of reports (such as the Value Report) was completely revised. This ensures more efficient further development and cost structure. The design of the Strongest in Finland certificate was given a facelift and technical functionalities were added to the online certificate.

## Solvency information

The best sources of information on the behaviour of an individual company are other companies that are doing business with it. The accounts receivable of a company's business partners is the fastest and most comprehensive source of the company's solvency information. Asiakastieto Group has been collecting this information for many years from its partner companies. An analysis tool has been developed for these partners for daily monitor-



ing of the risk level, development and potential of their customer base.

The strengths of Business Information include services and solutions that are available from various interfaces and can be easily tailored for customers in multiple ways. For many years, the versatility, coverage and quality of the company information database have been the cornerstones of our service development. The browser interface is still very important for the use of services, but the progress of digitalisation has increased demand for integration solutions in areas such as digital application, signature and decision services.

### Recovering economy means growth

The recovery of the economy is expected to result in increasing demand for services in 2017. The objectives of Business Information are to promote digitalisation in customers' business and to develop comprehensive application and decision-making service solutions further.

The priority in 2017 is to respond to customers' needs related to compliance with new legislation. The reform of the money laundering legislation is expected to come into effect early in 2017. Business Information has taken this into account by introducing new services and investing in information acquisition. The development of International Business Information will continue, aiming to include all services in Finland and Europe. Observing the needs of the SME sector in service development will continue to be one of the main themes.

## Case

# Teboil automated its credit decisions

Teboil, a company selling oil and energy products, receives approximately 20 000 credit applications each year. Without an efficient system, decision-making would take a lot of time and money. Therefore, Teboil uses Asiakastieto's automated Decisioning service, which is why most of the decisions only require pushing a button. The customer service employee or salesperson enters the company's business ID or a consumer customer's personal identification number and the applied credit limit in the service. The service finds the information needed for the credit decision in the database, automatically performs the assessment and generates the decision in accordance with the criteria specified by Teboil or, alternatively, forwards the collected information to the credit application processor for consideration. The answer is immediately available. How was this achieved?

"About three years ago, we started to develop our process in co-operation with Asiakastieto. The objective was to modernise credit decision-making and our credit control and, simultaneously, improve our customer service", explains Petri Auvinen, Head of Business Services Division at Teboil. He continues: "The service was tailored for us in smooth co-operation with Asiakastieto. We started from our credit policy, but Asiakastieto gave us great tips for improving our decision criteria". Mr Auvinen says that the result is a success: "The automated process has im-

proved the efficiency of credit decision-making and improved the quality of the decisions. At the same time, the number of discretionary decisions has decreased. The service is very easy to use

Teboil has extended the service to cover the monitoring of the payment method. "As soon as the credit has been granted, we can start monitoring the payments to minimise credit losses", Mr Auvinen explains. Asiakastieto collects information about invoice payment methods from a large number of companies and shares this information with its customers. The information is also used by Teboil for forecasting future development.

Petri Auvinen,  
Head of  
Business  
Services  
Division, Teboil





## Consumer Information product area

# Strong growth in demand

- *Asiakastieto Group provides services that are based on information relating to consumers.*
- *Companies in consumer business use B2C decision-making services for making credit decisions, choosing customers and knowing and identifying their customers. Customer services for consumers provide information for consumers' personal financial management and for securing their identity. Because of the growth potential in real estate information services, Real Estate and Collateral Information services were organised into a new product area at the beginning of 2017.*

The volumes of housing and consumer loans continued to grow in 2016. The increase in sales driven by consumer financing, electronic commerce, invoicing options and various financing services increased demand for consumer information services. In addition, new players in the market, such as companies engaging in peer-to-peer lending business, promoted the demand.

The positive development of the market also had a positive effect on Consumer Information: its net sales increased by over 24 per cent year-on-year. Nearly all service groups grew. The development was particularly positive in processed consumer information services, such as Decision-making solutions, Consumer ratings and Real Estate Information services.

### Higher value-added services

Asiakastieto Group launched new services that help customers to comply with the requirements of law and official regulations. The international PEP service covers all politically exposed persons and persons included on international sanctions lists. The FACTA service checks a person's connections with the United States.

The Omatieto service for consumers was redesigned at the beginning of 2016. In addition to improved user experience, the service enables commercial partnership solutions and provides consumers with various service packages. The data content of the consumer credit inquiry system was expanded by adding positive credit data to provide a more comprehensive picture of the credit applicant's other credits and their repayment.

The shifting of the focus of consumer information services towards higher value-added services continued in year 2016. Instead of basic data, customers were offered more extensive value-added services, such as decision-making services and other processed solutions. Services that utilise the customer's own data provide more tailored customer-specific models and decision-making services.

### Many ways of co-operation

Asiakastieto Group participated in nationwide service architecture projects, such as the National Data Exchange Layer and the Taltio programme. Furthermore, during the year we continued focusing on international partnership



collaboration. The value-added services launched with Experian are a good example of this. These services improve the efficiency of customers' decision-making and modelling processes.

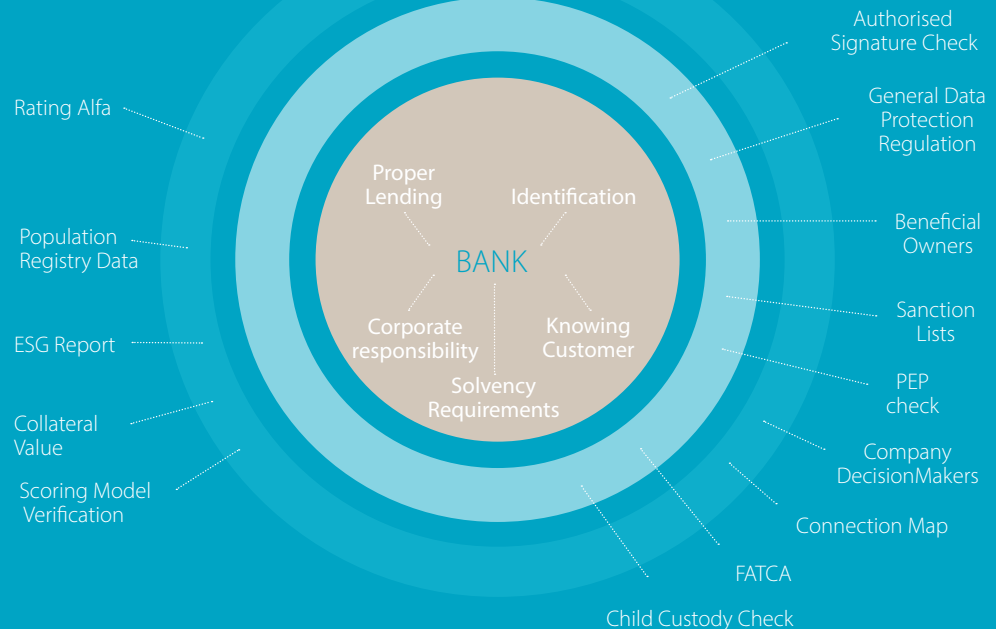
### Continuous service development

Consumer financing will increase in Finland, and new Finnish and foreign financing companies are conquering markets. The growth of electronic commerce and the entrance of new types of players in the market provide a good foundation for the development of Consumer Information.

In particular, as a result of the increasing requirements imposed by the authorities on financial sector, Asiakastieto Group focuses on compliance services that facilitate compliance with the law and official regulations. The new payment services directive PSD2, the Data Protection Regulation of European Union and the national infrastructure programmes, such as the National Income Register, offer new business opportunities for Asiakastieto Group. The expansion of positive data content, that is, the data content of the Consumer credit inquiry system, as well as the faith in comprehensive use of positive data in the future provide good growth opportunities.

Services related to the prevention of consumer identity theft constitute another interesting field of growth potential. The number of identity thefts reported to the police is increasing. The prevention of these is very important. Through further development of the Omatieto service, Asiakastieto Group contributes to the reduction of problems related to this type of crime, which is increasing in the world.

## Asiakastieto's Compliance services



An even more thorough knowledge of the supply chains of customers and one's own, as well as compliance with the increasingly complicated legislation, will require companies to make considerable investments. For instance, before signing agreements, it is increasingly often necessary to identify politically exposed persons or persons included on international sanction lists, as well as the so-called

beneficial owners. Asiakastieto Group's current Compliance service range, which will be expanded in 2017, supports companies' increasing need to automate checks related to knowing their own customers and ensuring the compliance of their own operations with law. Our customer companies' own customers are saved time and trouble, thus promoting a stronger customer experience.



Customer Management product area

# More expertise through acquisition

- *Asiakastieto Group helps sales and marketing professionals to improve the efficiency of their sales work and customer management. Target group tools, Company Filter Pro and Sales Optimizer, reach the desired target groups and find new customers. Customer management services make e.g. the updating and maintenance of customer and campaign registers easier for companies. Furthermore, the customer management service range includes various target group extractions that can be made more specific by using criteria such as company, decision-maker or background data, as well as risk rating and analysis-based forecasts. The customer base consists of companies of different sizes representing various fields of business, such as ICT and energy companies that carry out consumer marketing.*

The year 2016 was successful for the product area in terms of sales and increased number of customers. The offering of the product area was strengthened through the acquisition of Intellia, completed in October. With its fresh expertise, Intellia reinforces the development of our sales and marketing services. In addition to company marketing services, Asiakastieto Group now also provides services that are suitable for consumer marketing.

## Company Filter Pro

Asiakastieto Group's Company Filter target group tool was incorporated into Intellia's target group tool. The result, Company Filter Pro, was launched in February 2017. On the same occasion, Asiakastieto's Company Filter was removed from the service range. In addition, in 2016 we focused on developing more efficient ways of automatically extracting contact information of companies from the internet.

In the first part of 2016, we focused on the development of the Sales Optimizer target group service and built an integration interface between Asiakastieto's database and Microsoft's Dynamics CRM tool. Asiakastieto's CRM installation package provides companies with a cost-efficient alternative for maintaining their customer register

and improving the efficiency of their sales processes without high integration costs.

## More targeted services

The customer management market has become even more concentrated and there are fewer players in the field. Customers want to purchase targeted information that is tailored to their needs. In addition, demand for more extensive service packages is increasing. Asiakastieto Group will respond to these changes.

Asiakastieto Group has a good opportunity to grow by providing reliable high-quality services and by bringing the services closer to the end-customer. Currently, only a fraction of Finnish companies are utilising the opportunities of direct marketing, and very few communicate to their customers regularly. Direct marketing messages are still often sent using outdated address information. This reduces the efficiency of the campaign and has a negative effect on the sender's reputation.

## Active sales work in all markets

Finnish products and services need active marketing in domestic and international markets alike. Asiakastieto





Group helps its customers to find company and background information in both markets.

In 2017, Customer Management aims to launch new services in the corporate and consumer markets and provide customers with consumer and company information that matches their needs. During the year, we will start preparing for the EU's Data Protection Regulation and ensure that Asiakastieto Group and its customers are ready when the Data Protection Regulation comes into effect in 2018.

## Case

# Sonera is part of the everyday life of its customers

Moving house is a significant change in life. While packing boxes, there are many practical issues to take care of. Telecommunications company Sonera wants to be present in the everyday life of its customers, and that's why it started using Asiakastieto's Muuttajaliidit ('Mover leads') service a few years back. The service provides Sonera with information on Finnish households that have allowed marketing and have notified Posti that they will move to a new address within the next two months.

Sonera contacts those about to move with a letter or a phone call usually a few days before the notified moving day. "We want to make sure that our customers will be able to use our services also at their new address without any breaks. This means our customers have an effortless and easy way of handling the matter during the busy time of moving," tells Outi Mäkäräinen, Senior Manager at Sonera's Customer Journey Communications team.

Sonera's experiences of the implementation and results of the service are positive. "We use both tele and direct marketing channels, and we also modify the timing of the messages according to situations. The service is also continuously developing. Our objective is to reach everyone in the target group so that we can serve them in that extremely busy mo-

ment in life," says Riku Mäkeläinen, Group Manager, Analytics at Sonera.

The process of marketing activities has been extensively automated. For instance, the contact details of households receiving direct marketing are delivered directly from Asiakastieto to Sonera's print and mailing partner.

Outi  
Mäkäräinen,  
Senior Manager,  
Sonera





Real Estate and Collateral Information product area

# Even stronger market position

- *Asiakastieto Group provides its customers with comprehensive real estate information services, including National Land Survey of Finland's official documents, own real estate information reports, map services, information included in the Official Purchase Price Register, information about buildings and their residents, as well as Web service solutions for real estate business. The services are provided through an easy-to-use browser solution. Key information can also be directly integrated into the customer's systems. The key customer groups of Real Estate Information include the banking sector, real estate agents, construction industry and electricity companies, as well as building management companies and housing companies. In Collateral Information services the focus is on the solutions for the automation of customers' collateral management processes.*

Due to the strong growth and great growth potential, Real Estate Information was established as a product area of its own at the beginning of 2017. It also provides services related to apartments in limited liability housing companies and the development of collateral management.

Year 2016 was a time of growth for Real Estate Information. The market leadership in the banking sector strengthened and new important customers included also real estate agents and other users of real estate information. Driven by the increased market share and new services, net sales of Real Estate Information increased by 56 per cent year-on-year. The development of housing market volumes has a significant effect on demand for real estate information. In this respect, the favourable development of the housing market in 2016 promoted the performance.

The range of real estate information services was developed by introducing customer group-specific services in accordance with our customers' wishes. For instance, tailored services for real estate agents received a very positive response and promoted the increase of net sales and solicitation of new customers.

## Forerunner in electronic services

In recent years, Asiakastieto Group has developed new services that are based on information retrieved from the interfaces made available by the National Land Survey of Finland, such as the Web service solutions for real estate business (KVP solutions). A new version of the service was launched in October 2016. It includes new features and documents. During the year, many banks started using KVP solutions, and many real estate agents launched pilot projects to deploy the services.

Over a few years, Asiakastieto Group has conquered a significant share of the real estate information market through strong investment in service development and the new services implemented in close co-operation with the National Land Survey of Finland and our customers. In this way, the company has undertaken to contribute to the deployment of processes related to electronic real estate business and electronic mortgage bonds in Finland.

## New services

Asiakastieto Group sees Real Estate Information as an opportunity for further development of new services that respond to customers' needs and can be used to expand



the existing market. Further development will be focused on the development of solutions that promote collateral management and its digitalisation in the financial sector. In addition, Asiakastieto Group will develop new services that customers can use when they are selling apartments in limited liability housing companies or when apartments are used as a collateral. This development involves co-operation with the authorities and other partners.

## Case

# Danske Bank digitalises real estate business

In 2013, the National Land Survey of Finland launched its Web Service Solutions for Real Estate Business. Since then, Asiakastieto Group has been developing solutions for its customers to support this service. Asiakastieto Group's services enable electronic documentation of real estate transactions and mortgage affairs. They include identification service, real estate document drafting service and a demo environment.

Danske Bank was the first customer to start modifying these services for its own needs. "Providing electronic services is an important goal for us and we want to be forerunners. In addition, we realised that both our customers and the bank benefit significantly from the result", explains Anne Sinkko, Head of Credit at Danske Bank.

The identification service was implemented in the first phase and the real estate document drafting service in the second phase. "Co-operation with the National Land Survey of Finland and Asiakastieto in the piloting phase was very smooth, and all our suggestions were received positively. We have a decentralised office network and hundreds of users of the service. Therefore, it was extremely important to have a service that is easy to use", Ms Sinkko says.

After three years of use, Danske Bank gives only positive feedback. "The service is most frequently used for applying for mortgage and electronic mortgage

bonds. For the customer, the service makes the handling of matters easier and faster. We prepare the applications and the customer can sign them in their own online bank anytime and anywhere. They can also follow the processing of their applications in real time. The necessary information is also always available to all parties involved," states Ms Sinkko, adding that customers also benefit from the efficiency when it comes to the price of the service.

At the beginning of 2017, Danske Bank also started using electronic applications for the registration of title to a property. "We hope that other parties to real estate transactions will also start using the service. Then it could be an electronic process from end to end."

Anne Sinkko,  
Head of Credit,  
Danske Bank







# Corporate responsibility

is the guiding principle of our daily business

- *For Asiakastieto Group, corporate responsibility is an integral part of the Group's daily business which relies on sustainability principles. The Group has undertaken to act responsibly in all of its financial, social and environmental activities. Asiakastieto Group pays particular attention to the Group's internal values, corporate image and reputation, as well as open and transparent communication with stakeholders. The preconditions for operations in relation to different stakeholders are specified in the Group's ethical guidelines. They set a common minimum level for policies in the Group and lay the foundation for risk management that is based on responsible conduct.*

## Wealth for stakeholders

Asiakastieto Group develops its business over a long term, seeing to growth and profitability. In this way, the Group fulfils its responsibility towards its shareholders, personnel, customers and partners. In 2016, the Group's net sales

increased by 12,5 per cent, operating profit was EUR 19,2 million and free cash flow amounted to EUR 17,2 million. For Asiakastieto Group, financial responsibility means competitiveness, a high performance level and a market-driven process for providing electronic services. These elements create long-term value for our stakeholders and enable profitable growth.

## Transparency and trust

Asiakastieto Group helps companies to improve the efficiency of their decision-making processes and customer management through automated company and credit information solutions. These solutions improve the transparency of business between those involved, increase trust and promote trading. These service solutions make it possible for all the involved parties to trust each other, engage in credit trade and ensure that the counterparty meets its obligations.

## Responsible business processes

In addition to Asiakastieto Group's products and services, responsible business processes create added value for customers. The responsibility of business processes particularly refers to including customers more closely in product and service development and taking their views

increasingly into account in all Asiakastieto Group's business operations. This development involves co-operation with customers, the authorities and other partners. The objective is to promote digitalisation in customers' business operations and develop comprehensive service solutions further by ensuring that we respond to customers' needs in the best possible manner.

## Services reduce the carbon footprint

Asiakastieto Group develops its services and their usability and availability with a customer-driven approach, with the aim of helping customers to use the opportunities offered by the operating environment that is quickly becoming more and more digital. With the help of our services, companies and consumers gain access to Asiakastieto's online services in real time, without paper copies. Asiakastieto Group is engaged in the information service sector with the task of developing electronic services and improving their availability, while making the entire society financially and ecologically more sustainable and improving its competitive edge. At the general level, Asiakastieto's business can be described with low emission. The entire production process of the Group's electronic services is nearly emission-free, starting from the procurement of the electronic data materials.



### E-invoices as part of electronic processes

Inter-company business generates enormous amounts of paper, with companies receiving and sending invoices and related documents. Asiakastieto Group uses e-invoices for both purchase and sales invoicing. An e-invoice does not have to be printed out, posted or handled, which reduces the amount of inefficient manual work and additional costs. For smaller companies, Asiakastieto Group offers the option of PDF invoices. The carbon footprint of the operations is considerably reduced by minimising the amount of paper and reducing transport and the amount of waste.

### Information and support with payment defaults

Information about a payment default entry is provided in a letter of the first entry sent by the register company, Suomen Asiakastieto Oy. A person who has received a letter of the first entry may contact Asiakastieto Group's Omatieto service. The Omatieto service provides advice on the phone, by e-mail and at the customer service counter. Including e-mail messages, the number of annual contacts exceeds 45 000. The purpose of the consultation service is to encourage the consumer or entrepreneur to regain control over their finances and seek exit from the payment default register as soon as possible.

### Revised TarkkaFyrkka

Alarming payment default statistics generated an idea of an event in which young people are provided with information about the management of their own finances and the complicating effects of payment default entries on their life. The event was called TarkkaFyrkka and it was arranged for the first time in 2011. In 2016, we decided to revise the concept. The goal was to increase awareness of the event and reach a larger audience. In 2017,

TarkkaFyrkka will consist of 50 workshops held for 9th graders at schools in the Helsinki metropolitan area. The purpose of the TarkkaFyrkka workshops is to encourage and inspire young people to a way of thinking that promotes the management of their own finances and to increase awareness of the importance of one's credit information. The workshops are part of a joint project of Youth Academy and Asiakastieto Group. In addition to classroom lessons, TarkkaFyrkka material is available online, enabling independent study and teaching. TarkkaFyrkka will be advertised and highlighted through various channels of social media, as well as the websites of Asiakastieto Group and Youth Academy.

### Quality system as part of daily routines

Asiakastieto Group's quality policy defines the Group's commitment to quality. The goal of the quality project launched in 2012 was set at developing the operations through the reduction of dependence on individual employees, the elimination of any overlapping activities and the clarification of roles. The target was reached by identifying and describing the Group's internal processes included in the requirements of the quality system.

The quality system has become an established part of Asiakastieto Group's daily routines. The most significant benefits have been achieved by defining internal processes, clarifying roles and responsibilities and turning the quality system into a tool for developing the Group's operations. In 2016, a total of 13 process amendments and 57 updates were made in the quality system. Altogether 19 people made proposals for the improvement of processes and practices. At the end of the year, there were 16 process amendments underway, one of them the new ISO 9001:2015 standard. The new version of the stand-

ard particularly emphasises risk assessment and preparedness, the assessment of opportunities and increased observation of the customer view in the operations. The current certificate will be in effect until 16 January 2018. Asiakastieto Group will apply for a certificate in accordance with the new standard in the latter part of 2017. The quality system has been audited by Bureau Veritas.

### Aiming for a safe and open workplace

At the end of 2016, Asiakastieto Group had 170 employees. The HR policy is based on the Group's values, strategy and ethical principles. The goal is to create a safe and open work community in which the Group and employees treat each other fairly, equally and even-handedly.

### Environmentally friendly travel

Asiakastieto Group encourages its employees to use public transport, which is an environmentally friendly alternative to the use of company cars. Therefore, we offer travel cards for public transport when employees travel at work. Asiakastieto's office is located in Kalasatama, Helsinki, an area that can be efficiently accessed with public transport. The limit for the carbon dioxide emissions of Asiakastieto's company cars has been set at 150 mg/km.

### Mobile work solutions

Modern technology enables working from home, as well as video and skype meetings, which has a positive effect on one's own carbon footprint and working conditions. In a modern office environment, working methods have changed and information has moved to the cloud. At Asiakastieto, travel including air travel has mainly been replaced by new, more efficient conference arrangements.



## Customers

- Goals**
- Reliability, coverage and up-to-datedness of information
  - Improving customer experience and satisfactory increase in the NPS value (42)
  - Increasing variety in customer needs, increasing decision-making automation and solution-focused approach
  - Measuring customer satisfaction in all encounters with customers, daily and weekly; annual interview study of customers
- Interaction & communication**
- Digital presence in customer environments
  - Efficient and targeted marketing automation
  - Over 100 000 encounters with customers
- Measures**
- New service packages tailored for SMEs
  - Increased offering of sales and marketing services
  - Finland's Best Sales Organisation 2016
- Added value produced**
- Over 4,6 million high-quality credit decisions for customers and their customers
  - Monthly visitors to Open Business Information Service: 450 000
  - Transparency and trust in business relations
  - Over 60 million service inquiries into Asiakastieto's database

## Society

- Goals**
- Responsible and reliable business
  - Openness and transparency
  - Taking stakeholders, the authorities and partners into account
  - Company's good code of conduct
- Interaction & communication**
- Public media and Social media
  - Events, seminars and lectures
  - Consultation related to payment defaults; training events
- Measures**
- Revision of TarkkaFyrkka, a lesson in the management of finances for the young
  - Active participation in the TALTIO programme to promote the digitalisation of financial management information
  - Continuous campaigning for the utilisation of positive credit information
  - The fourth year of collaboration with Save the Children Finland
  - Participation in the 'Bring Your Own Kid' day on 18 November 2016
- Added value produced**
- The opportunity to influence nationwide projects
  - Information for the young on the management of their own finances
  - Information and support for consumers and entrepreneurs with payment defaults

## Shareholders

- Goals**
- To create a well-defined picture of Asiakastieto Group as an investment
  - Open, honest and correctly timed communication
  - Satisfaction of analysts and investors with the IR service
  - Good return on investment
- Interaction & communication**
- Investor meetings and events
  - Information releases and official financial communication
  - Investor communication materials
  - Investor pages
- Measures**
- Approximately 150 investor meetings
  - The first Capital Markets Day in Helsinki on 22 September 2016
  - Active roadshow programme
- Added value produced**
- Distribution of funds EUR 0,77 per share on 12 April 2016 and EUR 0,23 per share on 10 June 2016.
  - Earnings per share EUR 1,01, an increase of 33 %
  - Effective dividend yield 4,7 %
  - Net sales increased by 12,5 %
  - Adjusted operating profit increased by 5,2 %

## Personnel

- Goals**
- Skilled, competent and customer-oriented expert organisation
  - Development-oriented, encouraging and confidence-inspiring leadership culture
  - Inspiring and healthy work community
  - Employer image associated with the best experts
- Interaction & communication**
- Daily work and open communication
  - Oma Polku (My Path) and sparring discussions
  - Annual personnel satisfaction survey
  - Internal training programmes and induction training events
  - Channels for personnel communication
- Measures**
- Participation of personnel in the strategy work
  - Deployment of the Oma Polku (My Path) development model
  - Deployment of the agile working model
  - Investments in the improvement of leadership skills
- Added value produced**
- Number of personnel on 31 December 2016: 170
  - Salaries and remuneration during the financial year: EUR 9,8 million
  - Training days of personnel and managers



# People

## in the centre of strategy

- *Asiakastieto Group's new strategy puts people in the centre. Further development of expertise is essential in order to meet the requirements of the new strategy. As part of the strategy work, we have identified the most important areas of expertise. They are customer experience, Asiakastieto spirit (including agile action and sharing of expertise) and innovative service development. From the personnel perspective, the implementation of the strategy started from the improvement of expertise. Each Asiakastieto employee has prepared a personal development plan, My Path (Oma Polku). These plans were updated in My Path discussions in accordance with Asiakastieto Group's new strategy and each employee's own areas of interest.*

### Mentoring programme and My Path

Learning at work and interactive development, such as mentoring, are emphasised as development methods. At the beginning of 2017, Asiakastieto Group launched AT Mentor, an internal mentoring programme to be established as a permanent procedure for sharing and expanding in-house expertise. After the completion of the My Path discussions, nearly 20 Asiakastieto employees enrolled in the programme as a mentor or actor. The My Path concept will be developed further in 2017. The objective is to replace the traditional one annual development discussion with multiple brief discussions that focus on specific themes.

### Developing the employee experience

Asiakastieto Group's one strategic objective is to be the best workplace, and because of this, developing the employee experience is at the centre. By developing processes together, we also simultaneously invest in the development of the community. Our objective is to attract the best experts in recruitment situations, so that it is also important to invest in the external employer image.

### Workplace Coaches as builders of community

Asiakastieto Group's personnel and the Workplace Coaches team, established for workplace development, had an important role in the strategy work. Each strategy work group had one Workplace Coach as a member. In addition, they led idea teams that challenged and reviewed the results of the other teams. The processing of matters in teams with varying compositions deepened the strategy work and introduced new perspectives.

Active for some years already, the Workplace Coaches have become an established part of Asiakastieto Group's organisation. They develop ideas and arrange various events to promote workplace spirit. The membership in the team is based on rotation, and interest in the activities has increased significantly. Thanks to the Workplace Coaches, interest in organising various events has now spread throughout the organisation.

### Agility in daily work

Asiakastieto Group decided to gradually deploy a model of agile working, starting in autumn 2016. In the autumn, the focus was on the improvement of policies and coaching of supervisors. Many teams rehearsed applying the





agility model in daily work and feedback was collected. Agile working reforms the entire Group's management model and the model is being developed further during year 2017.

### Development in all levels

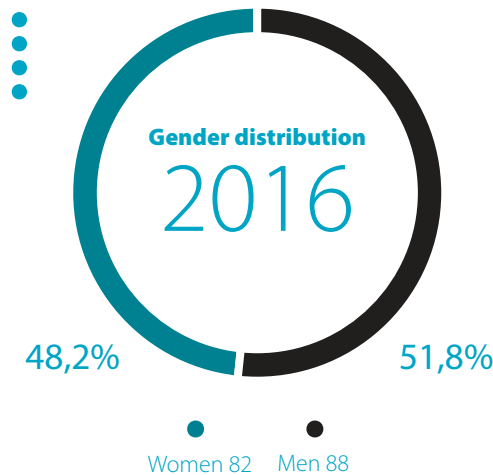
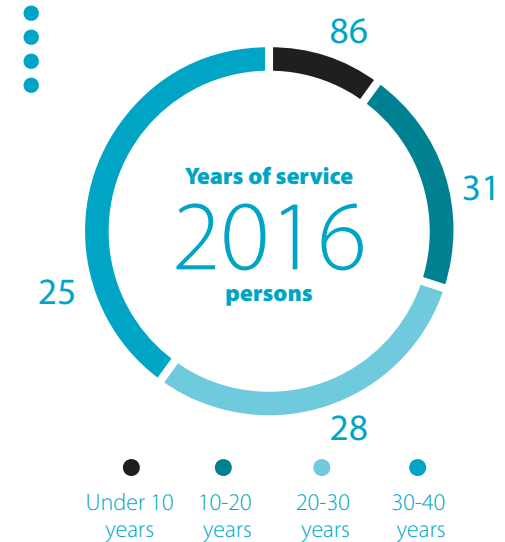
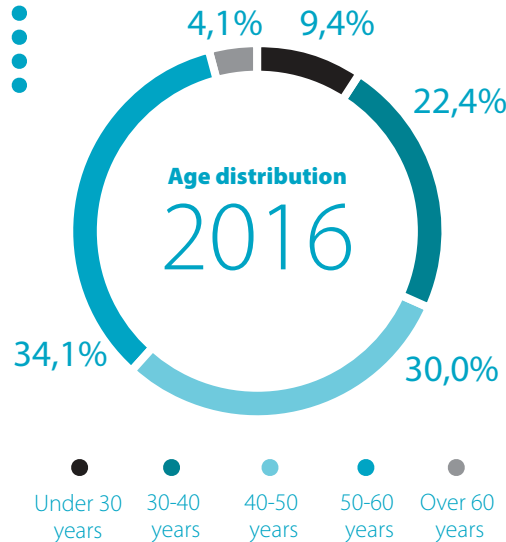
Leadership has an effect on well-being at work and thus, Asiakastieto Group focuses on the development of coaching-oriented leadership. Some of the main development projects related to the People in 2017 strategic theme include the development of leadership and the My Path model, planning of new office premises, improvement of working methods and bringing each employee's work closer to customers.

### Personnel in 2016

At the end of 2016, the Group employed 170 persons, an increase of 18 year-on-year. The main reason for the increase was the acquisition of Intellia Oy in August 2016. The rest of the growth is due to the recruitments.

### Fresh expertise and strength from Intellia

The acquisition of Intellia Oy strengthened Asiakastieto Group's market position in customer management services. Asiakastieto Group's database combined with Intellia's expertise provides the opportunity to build even better service packages for the needs of sales and marketing. The fresh service development expertise brought in by Intellia has been a welcome boost for Asiakastieto's services and personnel alike.







# Financial statements

# 2016

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\*) Translation from the Finnish Original



# Board of directors' report 2016

## Business overview

Asiakastieto Group Plc (the "Company") is a Finnish public limited liability company and the parent company to Asiakastieto Group ("Asiakastieto Group" or the "Group"). The Company listed its shares on the main list of Nasdaq Helsinki Ltd on 31 March 2015. Suomen Asiakastieto Oy and Intellia Oy are the operating companies in the Group.

Asiakastieto Group is one of the leading Finnish providers of business and consumer information services. The Group's products and services are primarily used for risk management, finance and administration, decision-making and sales and marketing purposes. The Group serves several industries, the largest ones including finance and banking as well as wholesale and retail sectors, expert services and insurance sectors.

The services provided by the Group are based on a comprehensive database which combines data gathered from several public data sources as well as through the Group's own data acquisition channels. The database provides a base for the Group's services ranging from individual reports to advanced risk management solutions.

Asiakastieto Group's products and services are divided into four product areas:

- 1. Business Information:**  
Risk management and general business information services which are mainly used by businesses serving corporate customers.
- 2. Consumer Information:**  
Risk management information and services on private individuals and real estates. The products and services of Consumer Information are mainly used by businesses serving consumer customers.
- 3. Customer Management:**  
Services for the prospecting of potential customers as well as for sales and marketing purposes. The products and services of Customer Management are mainly used by businesses serving corporate customers.
- 4. Certificates and Analyses:**  
Credit rating certificates, company and industry analyses, and printed products concerning risk management information.

## Financial Results

### Net Sales

Asiakastieto Group's net sales in the financial year 2016 amounted to EUR 49,2 million (EUR 43,7 million) and increased by 12,5 % compared to the previous financial year. Net sales from new products and services were EUR 3,6 million (EUR 3,8 million), which was 7,4 % (8,6 %) of the total net sales for the financial year. The growth of net sales was affected especially by the share of new products and services and development of economic volume. Also the acquisition of Intellia Oy affected the sales growth. Net sales for the financial year 2016 included, to a lesser extent than for the previous financial year, revenue from long-term service development projects which was recognised on the stage of completion.

### Financial Results

Asiakastieto Group's operating profit (EBIT) for the financial year 2016 amounted to EUR 20,0 million (EUR 15,8 million). Operating profit included non-recurring and adjusted items of EUR 0,3 million (EUR 2,5 million) as well as a non-recurring profit on the sale of shares of office premises EUR 1,1 million (EUR 0,0 million). In addition, the expertise fees of EUR 0,2 million (EUR 0,0 million) linked to the acquisition of Intellia Oy were recognised to non-recurring costs.

Adjusted operating profit margin for the financial year 2016 was increased by the good development in net sales and scalable cost structure. On the other hand, adjusted operating profit margin was still negatively affected by an increase in information gathering expenses as a result of the growth in net sales in real estate information services and link services, relatively lower margin services of Intellia Oy transferred to product portfolio as well as rental costs recognized from the beginning of March and strategy process which has increased administrative costs.

Net financial expenses for the financial year 2016 were EUR 1,1 million (EUR 1,4 million).

The change in deferred taxes for the financial year 2016 amounted to EUR -3,1 million (EUR -2,9 million). The change in deferred taxes for the financial year 2016 was mainly caused by deferred income tax assets recognised from tax loss carryforwards and non-deductible net interest expenses.

The Group's result for the financial year 2016 was EUR 15,3 million (EUR 11,5 million).



The significant improvement of the financial result was caused by increased net sales and a non-recurring profit on the sale of shares of office premises as well as IPO related non-recurring costs in comparative period 2015.

### Cash Flow

The cash flow from operating activities amounted to EUR 20,8 million in 2016 (EUR 15,3 million). The change in Group's working capital was EUR 0,1 million (EUR -1,7 million).

The cash flow from investing activities amounted to EUR -4,0 million in 2016 (EUR -2,6 million). The cash flow from investing activities is affected by the sale of 24 % ownership in Helsingin Yrittäjätalo Oy and purchase of the entire share capital of Intellia Oy in October 2016.

The cash flow from financing activities in 2016 amounted to EUR -15,1 million (EUR 1,3 million). The Group paid a dividend and return of capital during the financial year for a total of EUR 15,1 million, of which the actual distribution of profit was EUR 11,6 million.

### Statement of financial position

As at 31 December 2016, the Company's total assets amounted to EUR 156,6 million (EUR 155,5 million), total equity amounted to EUR 78,5 million (EUR 78,2 million) and total liabilities amounted to EUR 78,1 million (EUR 77,4 million). Of the total liabilities EUR 69,7 million (EUR 69,5 million) were long-term interest-bearing liabilities, EUR 0,3 million (EUR 0,1 million) long-term non-interest-bearing liabilities and EUR 8,1 million (EUR 7,8 million) short-term non-interest-bearing liabilities. Goodwill was EUR 113,9 million (EUR 111,4 million) at the end of the financial year. The goodwill increased due to goodwill which resulted from the acquisition of Intellia Oy in the fourth quarter.

Asiakastieto Group's cash and cash equivalents at the end of the financial year 2016 were EUR 22,6 million (EUR 21,0 million) and net debt EUR 47,0 million (EUR 48,5 million). Both the revolving credit facility and the bank account overdraft were unused.

Leasing liabilities related to the office premises arrangement have been described in the note 24 Contingent liabilities. Within the office premises arrangement, the Group has sold the shares entitling to the holding of its current premises to an outside investor and executed at the same time a leasehold agreement on the use of the premises. The Group also executed leasehold agreement on new office premises currently under construction.

### Capital Expenditure

The majority of Asiakastieto Group's capital expenditure is related to product and service

development and investments in IT infrastructure. Other capital expenditure comprises mainly investments in company cars and office equipment. The Group's total capital expenditure in 2016 amounted to EUR 3,8 million (EUR 3,6 million). Capital expenditure on intangible assets in 2016 amounted to EUR 3,6 million (EUR 2,4 million) and capital expenditure on tangible assets amounted to EUR 0,3 million (EUR 1,2 million).

The Group surrendered the possession of its office premises in Helsingin Yrittäjätalo Oy in May 2016. A non-recurring sales profit EUR 1,1 million was recognised of the transaction.

### Research and Development

The development activities of Asiakastieto Group consist of development related to product and service offering. The capitalised development and software costs of the Group amounted to EUR 3,6 million (EUR 2,4 million) in 2016. The capitalised development and software costs comprise development costs related to the Group's product and service offering and costs related to intangible IT infrastructure. The Group had no material research activities in 2016.

### Personnel

Asiakastieto Group employed a total of 170 employees as at 31 December 2016. Of the total number of employees at the end of 2016 1 was employed in Management, 22 were employed in Product areas, 63 in Service Production, 32 in Sales, 35 in IT and Quality and 17 in Finance, HR and Legal. Asiakastieto had no employees outside Finland. The table below presents Asiakastieto Group's number of employees and wages and salaries for 2014-2016.

During the financial year 2016, the personnel expenses of the Group amounted to EUR 12,1 million (EUR 10,8 million) including an accrued cost of EUR 0,3 million (EUR 0,1 million) from management's long-term incentive plan. Financial year 2015 included a cost of EUR 0,2 million arising from the 10 % price discount at which the Group's personnel subscribed shares in the personnel offering. See more information in note 25 Related parties in the notes to the condensed financial statements.

Key figures describing the Group's personnel:

Asiakastieto Group's personnel	2016	2015	2014
Number of personnel on average	159	149	147
Full-time	146	138	137
Part time and temporary	13	11	10
Wages and salaries for the financial year (EUR million)	9,8	8,8	8,0



## Shares and Shareholders

The Company has one share class. Each share carries one vote at the General Meeting of shareholders and each share confers equal right to dividends and net assets of the Company. The shares have no nominal value. The shares of the Company are incorporated in the book-entry securities system.

At the end of financial year, the share capital of the Company amounted to EUR 80 thousand (EUR 80 thousand) and the total number of shares was 15 102 178 (15 102 178).

The company did not hold own shares at the end of financial year. Asiakastieto Group Plc's Annual General Meeting of Shareholders on 1 April 2016 authorized the Board of Directors to decide on the repurchase of a maximum of 1 000 000 own shares of the Company. The authorization revoked the share authorization given on 10 March 2015 to the Board of Directors by unanimous decision of the shareholder of that time. The maximum amount corresponds to approximately 6,6 % of the Company's shares and voting rights. The authorization is effective for 18 months from the date of the resolution. See further information on the authorization in note Authorisations of the Board of Directors.

### Share price and volume

During the financial year, a total of 2 249 787 (24 194 331<sup>1)</sup> shares were traded, and the total exchange value was EUR 37,5 million (EUR 356,4 million). The highest share price in the financial year was EUR 22,00 (EUR 15,90), the lowest price was EUR 13,15 (EUR 13,80), the average price was EUR 16,59 (EUR 14,88) and the closing share price was EUR 19,25 (EUR 14,98). Market capitalization measured at the closing price of the financial year was EUR 290,7 million (EUR 226,2 million).

### Shareholders

According to the book-entry securities system, the Company had 2 286 (1 852) shareholders including 7 (8) nominee-registers at 31 December 2016. A list of the largest shareholders is available on the Company's investor pages at investors.asiakastieto.fi.

Until the listing 31 March 2015 AKT Holdings S.à r.l. owned all the shares of Asiakastieto Group Plc and was the sole shareholder of the Company.

### Significant shareholders 31 December 2016:

Shareholder	Number of shares	% of shares
1 Skandinaviska Enskilda Banken AB (Publ) Helsinki Branch	2 529 617	16,75
2 Nordea Bank AB (Publ), Branch Operation in Finland	1 929 361	12,78
3 Sampo Plc	1 520 000	10,07
4 Mandatum Life Insurance Company Limited	1 400 000	9,27
5 Svenska Handelsbanken AB (Publ), Branch Operation in Finland	630 222	4,17
6 OP-Delta -Mutual Fund	609 232	4,03
7 Keva	569 222	3,77
8 Elo Mutual Pension Insurance Company	410 528	2,72
9 OP-Focus Special Fund	390 941	2,59
10 Kaleva Mutual Pension Insurance Company	370 907	2,46
11 Clearstream Banking S.A.	351 767	2,33
12 Mutual Fund Nordea Nordic Small Cap	295 630	1,96
13 Mutual Fund EVLI Finnish Small Cap	259 654	1,72
14 SR Danske Invest Finland Institutional Equity	211 431	1,40
15 OP-Finland Small Companies	191 485	1,27
16 Säästöpankki Interest Plus Mutual Fund	190 500	1,26
17 Church Pension Fund	187 497	1,24
18 Mutual Fund Nordea Pro Finland	175 063	1,16
19 Ilmarinen Mutual Pension Insurance Company	175 000	1,16
20 Mutual Fund Nordea Finland	171 981	1,14
<b>20 largest shareholders total</b>	<b>12 570 038</b>	<b>83,23</b>
<b>All shares</b>	<b>15 102 178</b>	<b>100,00</b>

<sup>1)</sup> Includes the sale of 13 225 000 shares in the connection with the listing carried out by AKT Holdings S.à r.l.

**Shareholder structure by sectors 31 December 2016:**

Sector	Number of shareholders	% of shareholders	Number of shares	% shares
Companies and housing companies	180	7,88	729 330	4,83
Finance and insurance institutions	30	1,31	6 304 410	41,74
General government	11	0,48	1 574 612	10,43
Households	1 998	87,40	863 199	5,71
Non-profit organisations	56	2,45	176 142	1,17
Foreign shareholders	11	0,48	5 454 485	36,12
<b>Total</b>	<b>2 286</b>	<b>100,00</b>	<b>15 102 178</b>	<b>100,00</b>

The information is based on the list of the Company's shareholders maintained by Euroclear Finland Ltd. Each nominee-registered shareholder is registered as one shareholder. It is possible to handle several shareholders' portfolio through one nominee-registered shareholder.

**Management's share ownership 31 December 2016:**

Board of Directors	Number of shares
<b>Patrick Lapveteläinen, chairman of the board</b>	10 000
Related party's ownership	8 000
<b>Carpén Petri</b>	0
Related party's ownership	0
<b>Harald Bo</b>	0
Related party's ownership	0
<b>Månsson Carl Magnus</b>	0
Related party's ownership	0
<b>Ronkainen Anni</b>	0
Related party's ownership	0
<b>Total</b>	<b>18 000</b>





Management	Number of shares
<a href="#">Ruuska Jukka, CEO</a>	60 000
Related party's ownership	0
<a href="#">Kallio Risto</a>	2 712
Related party's ownership	0
<a href="#">Karemo Mikko</a>	4 219
Related party's ownership	0
<a href="#">Kauppi Terhi</a>	2 371
Related party's ownership	0
<a href="#">Koivula Heikki</a>	9 040
Related party's ownership	0
<a href="#">Kumpu Esa</a>	0
Related party's ownership	0
<a href="#">Muhonen Jouni</a>	3 014
Related party's ownership	0
<a href="#">Vahermaa Pertti</a>	2 712
Related party's ownership	0
<a href="#">Ylpekkala Heikki</a>	0
Related party's ownership	0
<b>Total</b>	<b>84 068</b>

Auditor	Number of share
<a href="#">Tuomala Juha, the auditor in charge</a>	0
Related party's ownership	0
<b>Total</b>	<b>0</b>

## Management

### Board of Directors

The Company's Board of Directors consists of a minimum of four and maximum of eight members. The Annual General Meeting elects the Board members and decides on their remuneration. The Board of Directors elects the Chairman of the Board and also, if necessary, the Vice Chairman of the Board from among its members. The term of office of the Board members ends at the conclusion of the first Annual General Meeting following their election. There are no limitations to the number of terms a person can be a Board member.

Asiakastieto Group Plc's Annual General Meeting held on 1 April 2016 confirmed the financial statements and discharged the Board members and CEO from liability for the financial year ended 31 December 2015. The General Meeting confirmed that the annual remuneration for the Board chairman is EUR 40 000 and the annual remuneration for members is EUR 25 000. A separate remuneration will not be paid for the attendance to Board meetings. The chairman of Board of Directors committee shall receive an attendance fee of 500 euros and the committee members shall be paid an attendance fee of 400 euros per committee meeting.

Daniel Lopez-Cruz served as chairman of the Board of Directors, as well as Gilbert Kamieniecky, Bo Harald, Petri Carpén and Anni Ronkainen members of the Board of Directors until 1 April 2016. The Annual General Meeting held on 1 April 2016 re-elected in accordance with the Nomination Committee proposal Bo Harald, Petri Carpén and Anni Ronkainen. Patrik Lapveteläinen and Carl-Magnus Månsson were elected to the Board of Directors as new members. After these elections, the Board of Directors consists of 5 members. In the organization meeting held on 1 April 2016 the Board of Directors elected Patrick Lapveteläinen as the chairman of the Board. The Board of Directors met 12 times during the year 2016. In addition, the Board of Directors made four times a decision in accordance with the Companies Act Chapter 6, section 3 without a meeting.

### Board Committees

The Audit Committee and the Nomination and Remuneration Committee commenced their operations as of 1 January 2015. The Board of Directors appoints two committees from among its members: i) the Audit Committee and ii) the Nomination and Remuneration Committee. The Board of Directors may also appoint other committees, if deemed appropriate. The committees assist the Board of Directors by preparing and drawing up proposals and recommendations for the Board of Director's consideration.



The Audit Committee consists of a Chairman and at least two members appointed by the Board of Directors. Petri Carpén was appointed as the Chairman of the Audit Committee and Gilbert Kamieniecky and Anni Ronkainen as a member of the Audit Committee until 1 April 2016. On 1 April 2016 Board of Directors nominated Petri Carpén, Anni Ronkainen and Carl-Magnus Månsson as members of the Audit Committee. Petri Carpén was nominated as the Chairman of the Audit Committee.

The Nomination and Remuneration Committee consists of at least three members. Daniel Lopez-Cruz was appointed as the Chairman of the Nomination and Remuneration Committee and Bo Harald and Gilbert Kamieniecky as members of the Nomination and Remuneration Committee until 1 April 2016. On 1 April 2016 Board of Directors decided not to appoint the Nomination and Remuneration Committee.

## Authorisations of the Board of Directors

### Share issue

The Annual General Meeting of shareholders held on 1 April 2016 authorized the Company's Board of Directors to decide on one or more share issues, including the right to issue new shares or transfer shares held by the Company. The maximum number of shares covered by the authorization is 1 000 000. The Board of Directors was authorized to decide on a directed share issue. The authorization can be used for material arrangements from the Company's point of view, such as financing or implementing business arrangements or investments or for other purposes determined by the Board of Directors, in which case there would be a significant financial reason for issuing shares or possibly for directing a share issue.

The company's Board of Directors was authorized to decide on all other share issue conditions, including payment term, specification grounds for subscription of shares and subscription price or issue shares without payment or that subscription price can be paid by cash, but also fully or partially other property. The authorization is effective for 18 months from the date of the resolution of Annual General Meeting.

The authorization revoked the share authorization given on 10 March 2015 to the Board of Directors by unanimous decision of the shareholder. The authorization is unused on 16 February 2017.

### Acquisition of own shares

In addition, the Annual General Meeting authorized the Board of Directors to decide on the re-purchase of maximum of 1 000 000 own shares of the Company in one or several

transactions. The shares will be acquired using the Company's unrestricted shareholders' equity, which means that the repurchases will decrease funds available for distribution. Shares could be repurchased, for example, in order to develop the Company's capital structure, to finance or carry out potential acquisitions or other business rearrangements, to be used as part of the Company's incentive arrangement, or otherwise to be transferred further, to be retained by the Company as treasury shares, or to be cancelled.

In accordance with a decision by the Board of Directors, shares may also be acquired, using funds belonging to the Company's unrestricted equity, in a proportion other than that of the shares held by shareholders and at the market price of the shares quoted on regulated market arranged by Nasdaq Helsinki Ltd, or at a price otherwise determined on the market at the acquisition date. The Board of Directors will decide how the shares will be repurchased. Among other means, derivatives may be used in acquiring the shares. According to authorization, the Board of Directors decides on all other matters relating to the repurchase of the shares.

The authorization is effective for 18 months from the date of the resolution of the Annual General Meeting. The authorization revokes the share authorization given on 10 March 2015 to the Board of Directors by unanimous decision of the shareholder. The authorization is unused on 16 February 2017.

Company publishes a separate Corporate Governance Statement.

## CEO and Executive Team

Jukka Ruuska served as the Chief Executive Officer (CEO) of the Company in 2016. As of 31 December 2016, the other members of the Executive Team were Heikki Koivula (Business Information), Mikko Karemo (Sales and Certificates and Analyses), Jouni Muhonen (Consumer Information), Esa Kumpu (Customer Management), Risto Kallio (Service Production), Pertti Vahermaa (IT and Quality), Terhi Kauppi CFO (Finance, Legal HR and IR) and Heikki Ylpekkala from 15 December 2016 onwards.

From 5 January 2016 onwards Heikki Koivula was also in charge of the product area of Customer Management in addition to Business Information as Teija Rantanen-Leppo left her position in the Company's Executive Team. The responsibilities of Customer Management were transferred to Esa Kumpu from 1 October 2016 onwards.

## Auditor

Authorised Public Accountants PricewaterhouseCoopers Oy acted as auditor of the Company in 2016. The auditor in charge was Juha Tuomala, Authorised Public Accountant.



## Loans, Liabilities and Commitments to Third Parties

There were no remarkable changes in the Company's financial position during 2016. The Group has a term loan and revolving credit facility agreement with Danske Bank Plc and Pohjola Bank Plc totaling to EUR 75,0 million consisting of a EUR 70,0 million term loan drawn down under the agreement and a EUR 5,0 million revolving credit facility including EUR 0,5 million bank overdraft.

Asiakastieto Group's cash and cash equivalents at 31 December 2016 were EUR 22,6 million (EUR 21,0 million). Both the revolving credit facility and the bank overdraft were unused as at 31 December 2016.

See further information of loans, liabilities and commitments to related parties in note 21 Interest-bearing liabilities, note 24 Contingent liabilities and note 25 Related parties in the consolidated financial statements.

## Group Structure and Organisation

Asiakastieto Group consists of Asiakastieto Group Plc, its wholly-owned subsidiaries Suomen Asiakastieto Oy and Intellia Oy, and two wholly-owned subsidiaries to Suomen Asiakastieto Oy. Suomen Asiakastieto Oy and Intellia Oy are the operating companies of Asiakastieto Group, while Suomen Maksutieto Oy and Omatieto Oy are dormant companies that have no business operations. Asiakastieto Group held 24 % of the shares in Helsingin Yrittäjätalo Oy until May 2016, which owns the office building in which the Group's operations are principally based.

## Legal proceedings

Disputes arise from time-to-time in the course of day-to-day operations of Asiakastieto Group. However, Asiakastieto Group was not party to any material litigation, arbitration proceeding or administrative proceeding in 2016 that may have a material effect on its financial position or profitability. The Company is not aware of any material such proceedings being pending or threatened.

Asiakastieto Group's competitor filed in October 2015 filed an action against Asiakastieto Group Plc with the Finnish Market Court for an alleged breach of the Unfair Business Practices Act. Asiakastieto Group Plc did not consider the claims to be justifiable. In September 2016 the parties made an agreement about this issue. The issue has no substantial financial impact on the Company.

## Events after the reporting date

### Changes in Asiakastieto Group's Product Areas and Executive Team

The Board of Directors decided in their meeting 19 October 2016 on changes in the product areas. At the beginning of 2017, the product area of Certificates and Analyses was incorporated in Business Information. In addition, a new product area was established, which focuses on real estate information, collateral management services and housing company data services. Heikki Ylipekkala, started as member of the Executive Team on 15 December 2016, is in charge of the new product area from 1 January onwards.

Jari Julin has been nominated as a new CIO and member of the Executive Team of Asiakastieto Group from 20 February 2017. The Company's current CIO Pertti Vahermaa leaves the Company on 31 March 2017.

### Asset Deal

Asiakastieto Group has decided to outsource by asset deal functions related to financial statements information and financial statements analysis to BSH Partners Oy as of 1 January 2017. The change concerns 12 employees and has no major financial impact.

## Risks and Uncertainties

Asiakastieto Group is exposed to a number of risks and uncertainties related to, among other factors, the market conditions, the Group's industry, strategy, business operations and financial risks. The materialisation of any such risks could have a material adverse effect on Asiakastieto Group's business, financial condition, results of operations and future prospects.

### Market and strategic risks

Demand for the Group's products and services depends on the transaction volumes of its customers which, in turn, are sensitive to changes in general economic conditions. Demand tends to follow the general levels of economic activity and commercial transaction volumes and the slow economic growth prevailing in Finland in recent years, generally results in lower levels of demand for the Group's products and services. However, during year 2016 the economic activity increased and effected more positively on the demand of Group's products.

Asiakastieto Group operates in a number of product and service markets that is com-



petitive and subject to evolving customer needs. Information services are becoming more readily available, principally due to the greater availability of public data, the expansion of the Internet and the emergence of new service providers, which may increase competition on the market. The greater availability of data could also facilitate developing certain services, such as analytical services, in-house by the Group's customers.

Competitive tenders by the customers and overall customer cost-consciousness may cause some downward pricing pressure in the Group's markets. In addition, price pressure by Asiakastieto Group's competitors could negatively affect the Group's margins and results of operations and could also harm its ability to obtain new customers on favourable terms.

The Group's largest customer accounted for approximately 8,9 % of Asiakastieto Group's invoicing in 2016, while the 10 largest customers accounted for approximately 33,0 % and 40 largest customers accounted for approximately 47,9 % of the invoicing respectively. The loss of one or several of its largest customers could have an adverse effect on Asiakastieto Group.

Collection, storage and use of data are subject to detailed regulation. Changes in the regulatory framework could require Asiakastieto Group to adapt its service offering or its strategy, resulting in increased costs, force the Group to discontinue provision of certain products and services or prevent or delay the development of its activities.

### Operational risks

Asiakastieto Group's business relies on data from external data providers, including government agencies and other public sources, customers and other sources. If one or more data provider were to cease making their data available for any reason or substantially increase the price of their data, Asiakastieto Group's ability to provide its products and services to its customers could be adversely affected.

Asiakastieto Group believes that its continued success will be influenced by its ability to meet customers' needs through the development of products and services that are easy to use and that seek to increase customers' business process efficiency, offer cost savings, and facilitate better business decisions. The Group may experience delays in developing new products and services and enhancements to existing products, due to technical challenges, difficulties with external IT development resources, data acquisition or regulatory requirements, in which case the Group's results could suffer.

Asiakastieto Group has and will continue to undertake continuous investments in its

technology infrastructure, including its hardware and software. If Asiakastieto Group experiences any failures related to its technology investments, it may not achieve its expected revenue development, or may experience increased costs, and it could experience a competitive disadvantage in the marketplace, such as the inability to offer certain types of new products and services or to collect certain types of new data.

The secure and uninterrupted operation of Asiakastieto Group's networks and systems is critical to its business operations. Any unauthorised access, disclosure, loss or misuse of information may result in Asiakastieto Group being in breach of data protection and related legislation, reputational harm, loss of revenue, claims or regulatory actions.

In addition, despite testing and data quality control, the products and services developed by Asiakastieto Group as well as the operating systems or software used by the Group may contain errors or defects. Asiakastieto Group's information technology networks and infrastructure could be vulnerable to damage or disruptions due to various reasons. In the event of such an incident, Asiakastieto Group's information technology infrastructure may not be operative, which could hamper its operations and result in contractual breaches, among other.

Asiakastieto Group is exposed to a number of financial risks, including interest rate risks, credit risk and liquidity risk. The Group's financial risks and financial risk management is described in the section 4 in the notes to the consolidated financial statements.

### Financial targets, Dividends and Outlook

#### Financial targets

The Board of Directors of Asiakastieto Group has adopted long-term financial targets and dividend policy for the Group. The long-term financial targets are:

- *Growth:* Achieve 5-10 per cent average annual growth in net sales
- *Profitability:* Maintain the profitability level of current services
- *Balance sheet structure:* Maintain net debt to EBITDA of less than 3x while continuing to maintain an efficient capital structure



## Dividend Policy

The Board of Directors confirmed the dividend policy as at 9 February 2015. The Company's dividend policy is to distribute as dividends at least 70 per cent of the Company's net profit, whilst, taking into consideration the business development and investment needs of the Group. Any dividends to be paid in future years, their amount and the time of payment will depend on Asiakastieto Group's future earnings, financial condition, cash flows, investment needs, solvency and other factors. The dividend policy was applied first time for the dividend distributable for financial year 2015.

The Annual General Meeting of shareholders held on 1 April 2016 decided according to the Board of Director's proposal distribution of dividend EUR 0,77 per share. The dividend record date was 5 April 2016 and the dividend was paid 12 April 2016. In addition, the Board of Directors decided based on the authorization of general shareholder's meeting 1 April 2016 to return EUR 0,23 per share from the invested unrestricted equity reserve. The payment record date was 3 June 2016 and the funds were paid on 10 June 2016.

## Proposal for the Distribution of Profits

At the end of financial year 2016 the Parent Company's distributable funds were EUR 127 200 834,88, of which the profit for the financial year was EUR 14 724 140,11. The Board of Directors proposes to the Annual General Meeting convening on 30 March 2017 that funds EUR 0,90 per share, totalling EUR 13 591 960,20 shall be distributed as follows:

	EUR / share	EUR
From the profit of the financial year as dividend	0,90	13 591 960,20
To be retained in unrestricted equity		113 608 874,68
<b>Total</b>		<b>127 200 834,88</b>

## Outlook

Asiakastieto Group expects its net sales growth rate to be within the range of long term target. Adjusted euro-nominated net operating profit is expected to grow from last year but at a slower pace than net sales.

The outlook is subject to risks related to, among other factors, the development of Finnish economy and business operations of the Group. The most significant risks related to business operations include risks related to the success of product and service development activities, launches of new products and services and risks related to competitive tenders and to losing significant customer accounts.



## Key financial information for the Group

### Key income statement and cash flow figures and ratios

EUR million (unless otherwise mentioned)	2016	2015	2014
Net sales	49,2	43,7	41,4
EBITDA	22,5	18,0	19,7
EBITDA margin, %	45,7	41,2	47,5
Adjusted EBITDA <sup>1</sup>	21,7	20,5	20,6
Adjusted EBITDA margin, % <sup>1</sup>	44,1	47,0	49,8
Operating profit (EBIT)	20,0	15,8	17,6
Operating profit (EBIT) margin, %	40,7	36,1	42,6
Adjusted EBIT <sup>1</sup>	19,2	18,3	18,6
Adjusted EBIT margin, % <sup>1</sup>	39,1	41,8	45,0
Free cash flow <sup>2</sup>	17,2	13,8	16,8
Cash conversion, % <sup>2</sup>	76,6	76,5	85,3
Net sales from new products and services <sup>3</sup>	3,6	3,8	2,8
New products and services share of net sales, % <sup>3</sup>	7,4	8,6	6,7
Net sales from value-added services	32,2	26,0	23,2
Value-added services share of net sales, %	65,4	59,4	56,1

### Key balance sheet ratios

EUR million (unless otherwise mentioned)	2016	2015	2014
Balance sheet total	156,6	155,5	141,1
Net debt	47,0	48,5	62,4
Net debt to adjusted EBITDA, x	2,2	2,4	3,0
Return on equity, %	19,6	16,0	neg.
Return on capital employed, %	13,5	11,2	13,4
Equity ratio, %	50,5	50,9	46,7
Gearing, %	59,9	62,1	95,8
Gross investments	3,8	3,6	3,3

<sup>1</sup> Adjusted key figures are adjusted by following items: management fees which the Company has paid to Investcorp, the former owner of the Company, until the listing of the Company for certain ongoing advisory services, costs relating to the listing, an expense relating to the discount given to the personnel in the personnel offering, M&A related fees for legal and other advisory services, redundancy payments and compensations paid. The above listed adjusted items in the financial year 2016 were EUR -0,3 million, in the financial year 2015 EUR -2,5 million and in the financial year 2014 EUR -1,0 million. In addition, the calculation of adjusted items has been taken into account EUR 1,1 million non-recurring, adjusted profit on sale of office premises.

<sup>2</sup> The impact of adjusted items on free cash flow in financial year 2016 were EUR -0,4 million, in the financial year 2015 EUR -2,9 million and in the financial year 2014 EUR -0,3 million.

<sup>3</sup> The method used for calculating the share of new products and services, the comparative figures for the financial year 2015 have been changed into rolling starting from 1 January 2016, so that the share include sales of products, which have been launched during the past 24 months. Earlier the share was calculated from the sales of products launched during the previous and current financial year. Figures based on the old calculation method were 6,1 % for the financial year 2016, 7,6 % in the financial year 2015. The comparative figures for the financial year 2014 has been presented using the old calculation method.

**Share-related key figures**

EUR (unless otherwise mentioned)	2016	2015	2014
Earnings per share, basic and diluted <sup>4</sup>	1,01	0,76	-0,14
Equity per share <sup>4</sup>	5,20	5,18	4,34
Dividend per share	0,90	1,00	-
Dividend per earnings, %	88,7	131,5	-
Effective dividend yield, %	4,7	6,7	-
Price per earnings	19,0	19,7	-
Share price development			
Average price	16,59	14,88	-
Highest price	22,00	15,90	-
Lowest price	13,15	13,80	-
Closing price	19,25	14,98	-
Market capitalisation, EUR million	290,7	226,2	-
Trading volume, pcs <sup>5</sup>	2 249 787	24 194 331	-
Trading volume, %	14,9	160,7	-
Adjusted number of shares			
Weighted average during financial year	15 102 178	15 072 504	-
At the end of the financial year	15 102 178	15 102 178	-
Adjusted number of shares, diluted			
Weighted average during financial year	15 127 345	15 075 997	-
At the end of the financial year	15 127 345	15 106 747	-

<sup>4</sup> Earnings per share for the financial year 2014 is calculated by using the number of ordinary shares outstanding after the balance sheet date of 31 December 2014 that includes the shares issued without payment to the sole shareholder of the Company in February 2015.

<sup>5</sup> Includes the sale of 13 225 000 shares in connection with the listing carried out by AKT Holdings S.à r.l.

**Matching of alternative performance measures to the closest IFRS performance measure****Adjusted EBIT**

EUR thousand	2016	2015
<b>EBIT</b>	20 013	15 767
Profit from the sale of office premise shares	-1 106	-
Administration fees	-	25
Listing expenses	-	2 079
Share issue discount to personnel	-	151
Fees for legal and other advisory services, redundancy payments and compensations paid	307	269
<b>Adjusted EBIT</b>	19 214	18 290

**EBITDA and adjusted EBITDA**

EUR thousand	2016	2015
<b>EBIT</b>	20 013	15 767
Depreciations and amortizations	2 450	2 259
<b>EBITDA</b>	22 463	18 026
Profit from the sale of office premise shares	-1 106	-
Administration fees	-	25
Listing expenses	-	2 079
Share issue discount to personnel	-	151
Fees for legal and other advisory services, redundancy payments and compensations paid	307	269
<b>Adjusted EBITDA</b>	21 664	20 549

**Free cash flow**

EUR thousand	2016	2015
<b>Cash flow from operating activities</b>	20 779	15 314
Paid interest and other finance expenses	988	1 266
Interest received and other finance income	-7	-4
Paid taxes	10	-
The purchase of intangible and tangible assets	-4 565	-2 789
<b>Free cash flow</b>	17 204	13 787





## Formulas for Key figures

EBITDA	EBIT + Depreciations and amortizations
Adjusted EBITDA	EBITDA + (i) Management fees paid by the Company to Investcorp, the former owner of the Company, until the listing of the Company for advisory services, (ii) costs relating to the listing, (iii) M&A related fees for legal and other advisory services, (iv) redundancy payments, (v) compensations and (vi) expenses relating to the discount given to the personnel in the personnel offering – (vii) profit on sale of shares of office premises
Adjusted EBIT	EBIT + (i) Management fees paid by the Company to Investcorp, the former owner of the Company, until the listing of the Company for advisory services, (ii) costs relating to the listing, (iii) M&A related fees for legal and other advisory services, (iv) redundancy payments, (v) compensations and (vi) expenses relating to the discount given to the personnel in the personnel offering – (vii) profit on sale of shares of office premises.
Free cash flow	Cash flow from operating activities added by paid interests and other financing expenses, deducted by received interests and other financing income, added by paid taxes and deducted by acquisition of tangible and intangible assets
Cash conversion, %	$\frac{\text{Free cash flow}}{\text{EBITDA}} \times 100$
Net sales from new products and services	Net sales of new products and services is calculated as net sales of those products and services introduced within the past twelve months together with the increase or decrease in the past twelve months' net sales of those products and services introduced within the preceding twelve months as compared to the net sales of those products and services in the preceding twelve months.
Net sales from value-added services	Net sales generated from value-added services during the financial year
Net debt	Interest-bearing liabilities - Cash and cash equivalents
Net debt to adjusted EBITDA, x	$\frac{\text{Net debt}}{\text{Adjusted EBITDA}}$
Return on equity, %	$\frac{\text{Profit (loss) for the financial year}}{\text{Total equity (average for the financial year)}} \times 100$
Return on capital employed, %	$\frac{\text{Profit (loss) before taxes + Financial expenses}}{\text{Total assets - Non-interest-bearing liabilities (average for the financial year)}} \times 100$
Gearing, %	$\frac{\text{Interest-bearing liabilities - Cash and cash equivalents}}{\text{Total equity}} \times 100$
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$
Dividend / earnings, %	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$
Effective dividend yield, %	$\frac{\text{Dividend per share}}{\text{Market value per share on the last day of the financial year}} \times 100$
Price / Earnings	$\frac{\text{Market value per share on the last day of the financial year}}{\text{Earnings per share}}$



# Consolidated statement of comprehensive income

EUR thousand	Note	1.1. - 31.12.2016	1.1. - 31.12.2015
<b>Net sales</b>	6	49 178	43 729
Other operating income	7	1 150	79
Materials and services	8	-9 200	-7 522
Personnel expenses	9	-12 091	-10 759
Other operating expenses	10	-7 870	-8 736
Work performed by the entity and capitalised		1 296	1 235
Depreciation and amortisation	11	-2 450	-2 259
<b>Operating profit</b>		<b>20 013</b>	<b>15 767</b>
Finance income	12	7	4
Finance expenses	12	-1 093	-1 365
Finance income and expenses		-1 086	-1 361
<b>Profit before income tax</b>		<b>18 927</b>	<b>14 406</b>
Income tax expenses	13	-3 612	-2 946
<b>Profit for the financial year</b>		<b>15 316</b>	<b>11 459</b>
<b>Total comprehensive income for the financial year</b>		<b>15 316</b>	<b>11 459</b>
<b>Profit attributable to:</b>			
Owners of the Parent Company		15 316	11 459
<b>Total comprehensive income attributable to:</b>			
Owners of the Parent Company		15 316	11 459
<b>Earnings per share attributable to the owners of the parent during the financial year:</b>			
Basic and diluted	14	1,01	0,76

The notes are an integral part of these consolidated financial statements.



# Consolidated statement of financial position

EUR thousand	Note	31.12.2016	31.12.2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	15	113 872	111 358
Other intangible assets	15	8 217	5 461
Property, plant and equipment	16	1 388	4 331
Deferred tax assets	22	2 973	6 255
Loan and other receivables	17	167	0
<b>Total non-current assets</b>		<b>126 617</b>	<b>127 405</b>
<b>Current assets</b>			
Account and other receivables	18	7 338	7 094
Cash and cash equivalents	19	22 632	21 042
<b>Total current assets</b>		<b>29 970</b>	<b>28 136</b>
<b>Total assets</b>		<b>156 587</b>	<b>155 541</b>

EUR thousand	Note	31.12.2016	31.12.2015
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	20	80	80
Invested unrestricted equity reserve	20	112 355	116 584
Accumulated losses	20	-49 250	-49 962
Profit for the financial year		15 316	11 459
<b>Total equity</b>		<b>78 501</b>	<b>78 161</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Interest-bearing liabilities	21	69 661	69 549
Account and other payables	25	278	76
<b>Total non-current liabilities</b>		<b>69 940</b>	<b>69 625</b>
<b>Current liabilities</b>			
Advances received	23	1 261	1 937
Account and other payables	23	6 886	5 818
<b>Total current liabilities</b>		<b>8 147</b>	<b>7 755</b>
<b>Total liabilities</b>		<b>78 087</b>	<b>77 380</b>
<b>Total equity and liabilities</b>		<b>156 587</b>	<b>155 541</b>

The notes are an integral part of these consolidated financial statements.



# Consolidated statement of changes in equity

## Attributable to owners of the parent

EUR thousand	Note	Share capital	Invested unrestricted equity reserve	Accumulated losses	Total
<b>Equity at 1.1.2015</b>		80	115 266	-50 177	65 169
Total comprehensive income for the financial year		-	-	11 459	11 459
Share issue to the personnel	20, 25	-	1 318	-	1 318
Share issue discount given to the personnel	20, 25	-	-	151	151
Management's incentive plan	20, 25	-	-	64	64
<b>Equity at 31.12.2015</b>		80	116 584	-38 502	78 161
<b>Equity at 1.1.2016</b>		80	116 584	-38 502	78 161
Total comprehensive income for the financial year		-	-	15 316	15 316
Distribution of dividend	20	-	-	-10 874	-10 874
Return of capital	20	-	-4 229	-	-4 229
Management's incentive plan	20, 25	-	-	126	126
<b>Equity at 31.12.2016</b>		80	112 355	-33 935	78 501

The notes are an integral part of these consolidated financial statements.



# Consolidated statement of cash flows

EUR thousand	Note	1.1.-31.12.2016	1.1.-31.12.2015
<b>Cash flows from operating activities</b>			
Profit before income tax		18 927	14 406
Adjustments for:			
Depreciation and amortisation	11	2 450	2 259
Finance income and expenses	12	1 086	1 361
Profit (-) / loss (+) on disposal of property, plant and equipment		-20	-50
Other adjustments		-778	291
Cash flows before change in working capital		21 666	18 267
Change in working capital:			
Increase (-) / decrease (+) in account and other receivables		6	-2 107
Increase (+) / decrease (-) in account and other payables		98	415
Change in working capital		104	-1 691
Interest and other finance expenses paid		-988	-1 266
Interest and other finance income received		7	4
Income taxes paid		-10	-
<b>Net cash from operating activities</b>		<b>20 779</b>	<b>15 314</b>

EUR thousand	Note	1.1.-31.12.2016	1.1.-31.12.2015
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	16	-1 074	-535
Purchases of intangible assets	15	-3 492	-2 254
Proceeds from sale of property, plant and equipment		3 622	152
Purchases of other investments	5	-100	-
Loan repayments	25	-	48
Purchases of subsidiaries, net of cash acquired	5	-2 929	-
Long-term receivables		-67	-
<b>Net cash used in investing activities</b>		<b>-4 040</b>	<b>-2 589</b>
<b>Cash flows from financing activities</b>			
Share issue	20	-	1 356
Costs of share issue	20	-	-48
Short-term financing, net increase (+) / decrease (-)		-47	-
Dividends paid and other profit distribution	20	-15 102	-
<b>Net cash used in financing activities</b>		<b>-15 149</b>	<b>1 308</b>
<b>Net increase / decrease in cash and cash equivalents</b>		<b>1 589</b>	<b>14 033</b>
Cash and cash equivalents at beginning of the financial year		21 042	7 009
<b>Cash and cash equivalents at end of the financial year</b>		<b>22 632</b>	<b>21 042</b>

The notes are an integral part of these consolidated financial statements.



# Notes to the consolidated financial statements

## 1 General information

Asiakastieto Group Plc (the "Company") is a Finnish public limited liability company and the parent company to Asiakastieto Group ("Asiakastieto Group" or the "Group"). The registered address of Asiakastieto Group Plc is Työpajankatu 10 A, PO BOX 16, 00581 Helsinki, Finland.

Asiakastieto Group through its subsidiary Suomen Asiakastieto Oy is one of the leading Finnish providers of business and consumer information services. The Group's products and services are primarily used for risk management, finance and administration, decision-making and sales and marketing purposes. The Group serves several industries, the largest of which include finance and banking, wholesale and retail sectors, expert services and insurance sectors. Asiakastieto Group owns a broad database, including both publicly available and privately acquired data. The database is the basis for the Group's product and service offering and the development of new products and services.

Copies of the consolidated financial statements are available at the head office at Työpajankatu 10 A, 00581 Helsinki and at the Group's website [www.asiakastieto.fi](http://www.asiakastieto.fi).

The Board of Directors of Asiakastieto Group Plc has approved these consolidated financial statements for issue on 16 February 2017. Under the Finnish Limited Liability Companies Act, shareholders can approve or disapprove the consolidated financial statements in the Annual General Meeting held after the release. The Annual General Meeting is also entitled to amend the consolidated financial statements.

## 2 Summary of significant accounting policies

### 2.1 Basis of preparation

The consolidated financial statements of Asiakastieto Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, conforming with the IAS standards and IFRS standards as well as SIC and IFRIC interpretations applicable as per 31 December 2016. IFRS refer to the standards and interpretations applicable by corporations set out by the Finnish accounting ordinance and other guidance set out on the basis of this ordinance enforced for application in accordance with the procedure stipulated in the regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the consolidated financial statements also comply with the Finnish accounting and corporate legislation complementing the IFRS standards.

The consolidated financial statements have been prepared primarily under the historical cost convention unless otherwise indicated. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

During the financial year amendments to standards or interpretations come to force have not had a material impact on the consolidated financial statements.

The amounts are presented in thousands of euros unless otherwise stated. Amounts presented in the consolidated financial statements are rounded, so the sum of individual figures may differ from the sum reported.

#### 2.1.1 Alternative performance measures used in financial reporting

New ESMA (European Securities and Markets Authority) on Alternative Performance Measures<sup>1</sup> became effective for the financial year 2016. In accordance with this, Asiakastieto Group Plc discloses a summary on the use of alternative performance measures used by the Group, definitions of the performance measures used and their matching with the IFRS financial statements figures.

Asiakastieto Group Plc presents alternative performance measures to reflect the underlying business performance and to enhance comparability from period to period. Alternative performance measures should not be considered as a substitute for measures in accordance with IFRS.

Alternative performance measures i.e. performance measures not based on financial statements standards provide meaningful supplemental information to the management and investors, securities analysts and other parties by excluding items that may not be indicative of the Group's operating result or cash flows. EBITDA, adjusted EBITDA, adjusted EBIT, return on equity, return on capital employed and gross investments are presented as alternative performance measures, as they, according to the Company's view, enhance the understanding of the Group's operating result and are frequently used by analysts, investors and other parties.

Free cash flow and cash conversion are presented as alternative performance measures, as they provide, according to the company's view, a good insight into the needs relating to the Group's business cash flow and are frequently used by analysts, investors and

<sup>1</sup> Alternative Performance Measure refers to a financial measure other than financial measure defined or specified in IFRS norms.



other parties.

Net debt, net debt to adjusted EBITDA, return on equity and gearing are presented as alternative performance measures, as they are, according to the Company's view, useful measures of the Group's ability to obtain financing and pay their debts, and they are frequently used by analysts, investors and other parties.

Certain non-operational or non-cash valuation transactions with significant income statement impact are adjusted as items affecting comparability, if they arise from:

- profit on the sale of shares of office premises as a one-off transaction
- negotiated redundancy payments omitted from the operative cost structure
- compensation for damages as one-off transactions
- legal actions as one-off transactions
- management fees omitted permanently from the Group's cost structure
- Company's listing as a one-off transaction
- discount given to the personnel in the personnel offering as a one-off transaction
- M&A related legal and other advisory service fees

*Alternative performance measures are defined as follows:*

- **EBITDA**

EBITDA is the profit (loss) for the financial year before (i) income taxes, (ii) financial income and expenditure and (iii) depreciation and amortization.

- **Adjusted EBITDA**

Adjusted EBITDA consists of EBITDA, excluding (i) management fees which were paid by the Company to Investcorp, the former owner of the Company, until the listing of the Company for advisory services from the moment the company bought Suomen Asiakastieto Oy's former parent company in 2008 and which are no longer generated since the listing of the Company, (ii) costs relating to the listing, (iii) M&A related fees for legal and other advisory services, (iv) redundancy payments, (v) compensations and (vi) expenses relating to the discount given to the personnel in the personnel offering – (vii) profit on sale of shares of office premises.

- **Adjusted EBIT**

Adjusted EBIT consists of EBIT, excluding (i) management fees which were paid by the Company to Investcorp, the former owner of the Company, until the listing of

the Company for advisory services from the moment the Company bought Suomen Asiakastieto Oy's former parent company in 2008 and which are no longer generated since the listing of the Company, (ii) costs relating to the listing, (iii) M&A related fees for legal and other advisory services, (iv) redundancy payments, (v) compensations and (vi) expenses relating to the discount given to the personnel in the personnel offering – (vii) profit on sale of shares of office premises.

- **Net sales from new products and services**

New products and services are a significant driver of growth in the company and consumer data market. The impact of new products and services is especially important in times of poor economy, because they dilute the impact of the poor economic situation on the demand for current products and services. New products and services replace or update old products and services. They are often more advanced than old products and services, or they respond to potential market demand. In addition to customer needs, the development of new products and services is also guided by opportunities recognised by service providers. According to the Company's view, company and consumer data markets in Finland are somewhat immature compared to many European countries, and there is potential for new products and services in the market.

- **Net sales from value-added services**

Net sales from value-added services is calculated as net sales from such services, which have been tailored for special purposes or which contain intelligent characteristics, such as credit ratings and decisioning systems. Examples of value-added services comprise aot. data packages, standardized rating and decisioning services, and outsourced solutions and solutions running in the technical environment of Asiakastieto Group. It is not possible to categorize part of the Group's net sales into value-added services or basic data products, for example, due to subscription fees and fixed-priced customer agreements, which cover the Group's entire product and service range. These are not included in the net sales from value-added services.

- **Free cash flow**

Free cash flow consists of the cash flow from operating activities before (i) paid interests and other financing expenses, (ii) received interests and other financing income,



and (iii) paid income taxes deducted (iv) by acquisition of tangible and intangible assets.

- **Cash conversion**

Cash conversion is calculated by dividing free cash flow by EBITDA.

- **Net debt**

Net debt is calculated as difference of interest-bearing liabilities and cash and cash equivalents. Interest-bearing liabilities include loans from financial institutions (short- and long-term loans), and cash and cash equivalents include short-term deposits, cash assets and bank accounts.

- **Net debt to adjusted EBITDA**

Net debt to adjusted EBITDA is calculated by dividing net debt by adjusted EBITDA.

- **Return on equity**

Return on equity is calculated by dividing (i) profit (loss) for the financial year by (ii) total equity (average for the financial year).

- **Return on capital employed**

Return on capital employed is calculated (i) by adding financial expenses to the profit (loss) before taxes and (ii) by dividing the sum by the average of the difference of the balance sheet total and non-interest bearing debts of the opening and closing balance sheet.

- **Gearing**

Gearing is calculated by dividing net debt by total equity.

- **Equity ratio**

Equity ratio is calculated by dividing (i) total equity by (ii) balance sheet total, deducted by advances received.

- **Gross investments**

Gross investments are fixed asset acquisitions with long-term effect, from which no sales of property or renunciation of business have been deducted. As a general rule, fixed assets comprise property, plant and equipment and intangible assets.

Alternative performance measures are not included as such in the consolidated financial statements prepared according to IFRS, but they have been derived from IFRS consolidated financial statements or interim reports by adjusting items of the main statements or notes and/or by proportioning these to one another. Alternative performance measures should not be considered an alternative (i) for the operating profit or profit (loss) for the financial year in the assessment of the business results, (ii) for the business, investment or financing cash flow when assessing the ability to comply with cash needs, or (iii) other performance measures according to IFRS, or as measures of profitability and liquidity. All companies do not calculate alternative performance measures in a uniform way, and thus the alternative performance measures used by the Company are not necessarily comparable with similarly named performance measures of other companies. Thus the alternative performance measures used by the Company must be reviewed taking into account factors possibly impacting the comparability of performance measures presented by other companies.

### 2.1.2 New standards and interpretations not yet adopted

Asiakastieto Group has not yet applied the following new and amended standards and interpretations already issued but not endorsed by the European Union. The Group will adopt them as of the effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

IFRS 9 *Financial instruments*, addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into three measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The executive team assesses the impact of the standard on consolidated financial statements and plans to apply on the inception date from 1 January 2018.





IFRS 15 *Revenue from Contracts with Customers* specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. It replaces IAS 11 long term projects and IAS 18 revenue and its interpretations. The standard also requires companies to provide for the users of financial statements more informative and essential information. According to the standard revenue is recognized when the client gets authorization to goods or service. Client gets the authorization when it can control the use of goods or service or to obtain the related benefit. The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

IFRS 15 also requires consistent notes as a result of which the users of financial statements are provided the comprehensive information on the nature, amount, timing and uncertainty of cash flows caused by customer contracts. IFRS 15 was issued in May 2014 and applies to an annual reporting period beginning on or after 1 January 2018 or later. The group management has assessed the impact of the standard on consolidated financial statements and according to current information the application of the standard has no material impact.

IFRS 16 *Leases* establishes principles for the recognition, measurement, presentation and disclosure of leases and note requirements. Based on the standard all leases are processed the same way so that the lessee books the assets and debts of all leases, unless the lease agreement is 12 months or less, or the lease agreement has low value. A lessor shall allocate lease agreements to financial leasings and other lease agreements. The financial statement process for the lessor's lease agreement according to IFRS 16 is essentially un-

changed compared to current standards. The adoption of the new standard will impact how lease agreements are presented in group financial statement and transfers off-balance sheet items to balance sheet, which increases the fixed assets and liabilities. Group management is in progress of assessing the impact of the standard to consolidated financial statements and plans to apply the standard from the inception date 1 January 2019.

Asiakastieto Group is currently analysing the effects, if any, of applying the new standards. There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on Asiakastieto Group.

## 2.2 Consolidation

### *Subsidiaries*

Subsidiaries are all such entities over which Asiakastieto Group has control. Asiakastieto Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to Asiakastieto Group. They are deconsolidated from the date that the control ceases.

Inter-company transactions, receivables and liabilities as well as unrealised gains and losses on transactions between group companies are eliminated. When needed, the financial statements by subsidiaries have been adjusted to conform to the Group's accounting policies.

Further information for business combinations of Asiakastieto Group is disclosed under 2.4 Goodwill and intangible assets.

### *Joint operations*

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Asiakastieto Group accounts for its interest of the assets, liabilities, revenues and expenses related to a joint operation in accordance with IFRS applicable for the particular item. Transactions with joint operations are recognised in the consolidated financial statements only to the extent of other parties' interest in the joint operation.



### 2.3 Segment reporting

The Group constitutes a single operating segment, which is consistent with the way internal reporting is provided to the chief operating decision-maker and the way chief operating decision-maker determines allocation of resources and assessment of performance.

The Board of Directors has been determined as the chief operating decision-maker. The Board, given its composition, active involvement and participation in making key strategic and operative decision is responsible for allocating resources and assessing performance.

### 2.4 Goodwill and intangible assets

Intangible assets comprise goodwill and other intangible assets. Other intangible assets consist primarily of capitalised development costs related to new products and services, off the shelf software and intangible assets recognized separately from goodwill in connection with the company acquisitions..

#### Goodwill

Goodwill recorded at the consolidated financial statements of the Group arose from the acquisition of Asiakastieto Group business by the Group in 2008 and purchase of share capital of Intellia Oy in 2016. For internal monitoring and impairment testing purposes, goodwill is followed at the group level. This also reflects the way the acquirer expected to realise the benefits of the acquisition.

Goodwill impairment review is undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the cash generating unit is compared to the recoverable amount, which is the higher of the value in use and the fair value less costs of disposal of the related cash generating unit.

#### Other intangible assets

Other intangible assets are initially recognised in the balance sheet at historical cost if the cost can be measured reliably and it is probable that future economic benefits associated with the asset will flow to Asiakastieto Group.

Other intangible assets acquired in connection with company acquisitions are recognised separate from goodwill if they meet a definition of intangible asset and are separable or are based on agreements or legal rights. Intangible assets recognised in connection with company acquisitions consist, among others, of the value of customer

agreements and related customer relations as well as the value of acquired IT systems and databases. The value of customer agreements and customer relations is defined by the assumed length of customer relationship and on the basis of cash flows assessed.

Amortisations are calculated along straight-line method over their useful economic lives. The applied useful economic lives are:

Capitalised development costs	5 years
Off the shelf software	3 - 5 years
Customer and contract portfolios	5 years
IT systems and databases	5 - 7 years
Trademarks	10 years

The assets' residual values and useful lives and amortisation method are reviewed at minimum at the end of each reporting period and adjusted, if appropriate, to reflect changes in the expected economic benefits. The amortisation of intangible assets is commenced when the asset is ready for its intended use.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of impairment testing, assets are allocated to the Group's single cash-generating unit. Prior impairments of tangible and intangible assets (other than goodwill) are reviewed for possible reversal at each reporting date.

#### Capitalised development and software costs

Costs associated with maintaining current products and services are recognised as an expense as incurred. Development costs of new products and services that are directly attributable to building and testing of new products and services controlled by Asiakastieto Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the new product and service so that it will be available for use;



- the management intends to complete the new product and service and use or sell it;
- there is an ability to use or sell the new product and service;
- it can be demonstrated how the new product and service will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the new product and service are available; and
- the expenditure attributable to the new product and service during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. New service development costs recognised as assets are amortised over their estimated useful lives, which does not exceed five years.

## 2.5 Property, plant and equipment

Property, plant and equipment comprise buildings, machinery and equipment, other tangible assets and advances paid.

Buildings comprise the office building. Buildings are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Other tangible assets comprise mainly capitalised modernisation and renovation expenses of office premises. Other tangible assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The Group sold its shares in office premises in May 2016. In connection with the sales transaction also capitalized modernisation and renovation of office premises sold, included in other tangible assets were recognised off from the balance sheet.

Machinery and equipment comprise mainly IT, office machines and equipment as well as company cars. Machinery and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on tangible assets is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives, as follows:

Buildings	20 years
Machinery and equipment	3 - 8 years
Capitalised modernisation and renovation expenses of office premises	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating income' or 'Other operating expenses' in the income statement.

## 2.6 Financial assets

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. The management determines the classification of financial assets at initial recognition.

### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period in which case they are classified as non-current assets. Group's loans and receivables comprise account and other receivables, loans to related parties and cash and cash equivalents in the balance sheet.

### *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives and they are non-current assets unless the investment matures or the management intends to dispose of it within 12 months from the end of the reporting period. The group's available-for-sale financial assets include investments in unquoted equity securities.

### *Recognition and measurement*

Regular purchases and sales of financial assets are recognised on settlement date. Invest-



ments are initially recognised at fair value plus transaction costs for all financial assets.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at cost because its fair value cannot be reliably measured. Loans and other receivables are subsequently carried at amortised cost.

## 2.7 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. Account receivables are the largest group of financial assets. Impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of account receivables that can be reliably estimated.

Evidence of impairment may include indications that the debtor is experiencing default or delinquency in invoice payments, the probability that they will enter bankruptcy or increased likelihood that the Group is not able to collect the outstanding amount.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

## 2.8 Account receivables

Account receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Account receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

## 2.9 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand and bank accounts with banks.

## 2.10 Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value, net of transaction costs incurred. Interest-bearing liabilities are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the interest-bearing liabilities using the effective interest method. The Group also has unused credit facilities and recognises the related fees in the income statement on a straight-line basis. A financial liability is derecognised when the Group either discharges the liability (or part of it) by paying the creditor or is legally released from primary responsibility for the liability (or part of it) either by process of law or by the creditor.

## 2.11 Account payables

Account payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Account payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Account payables are recognised initially at fair value and subsequently measured at amortised cost.

## 2.12 Interest income

The Group earns interest from loans to related parties as well as overdue interest from account receivables. Interest income is recognised when they occur.

## 2.13 Share capital

Ordinary shares are classified as equity.

## 2.14 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement.

The current income tax charge is calculated on the basis of the Finnish tax laws enacted or substantively enacted at the balance sheet date. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities and assets when expected to receive tax returns.



Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax liabilities are recognised in full for all taxable temporary differences, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by Asiakastieto Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized and up to the amount of the deferred tax liabilities.

Deferred tax assets arising from past losses above the amount of deferred tax liabilities are recognised if convincing evidence exists that the Group will be able to utilise the tax losses carried forward.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2.15 Employee benefits

The Group's pension schemes have been classified as defined contribution plans. For defined contribution plans, Asiakastieto Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Asiakastieto Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 2.16 Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources

will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

### 2.17 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods sold and for services rendered, stated net of discounts and value added taxes. The Group's revenue is generated from the sale of a number of online inquiry-based services related to company and personal information, sales and marketing services, sale of publications, certificates and analysis as well as services related to long-term service development projects. Asiakastieto Group recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when risks and rewards have passed to the customer as described below.

Inquiry-based services, license and implementation fees as well as the sale of certificates, analyses and CD-ROMs are recognised upon delivery.

Revenues in respect of services to be provided by an indeterminate number of acts over a specified period of time, such as access right fees and sale of publications, are recognised on a straight-line basis over those periods. The access right fees exist in all product areas of the Group. The sale of publications is part of the Certificates and Analyses product area.

For the sales of long-term service development projects, revenue is recognised in the period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided. Under the Business information and Customer information product areas of the Group, there are long-term service development projects from which revenue is recognised with percentage-of-completion method.

### 2.18 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of



any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. Asiakastieto Group leases certain office equipment, and these leases are classified as operating leases. The group has rented its office premises from March 2016 onwards. These leases are presented in non-cancellable leases.

### 2.19 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

### 2.20 Operating profit (EBIT)

IAS Standard 1 Presentation of Financial Statements does not define operating profit. The Group has defined the concept as follows: operating profit is the net total which is formed when other operating income is added to net sales and the following items are deducted: the cost of materials and services, personnel expenses, other operating expenses, the cost adjustment of work performed by the entity and capitalised, depreciation, amortisation and potential impairment loss. All other items of the income statement are presented below the operating profit line.

## 3 Critical accounting estimates and judgements

The management of Asiakastieto Group makes estimates and assumptions concerning the future as well as exercises judgement in applying the accounting principles when preparing financial statements. Estimates and judgements are continually evaluated and they are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### 3.1 Segment reporting and goodwill allocation

The management of Asiakastieto Group has used judgement when determining operating segments and allocating goodwill for impairment testing purposes. Areas requiring judgement in applying the requirements of IFRS 8 Operating segments, and IAS 36, Impairment of assets, have been the decisions made and reports used when managing the Group and the expected synergy benefits. Applying the judgement, the management of Asiakastieto Group has determined that the Group has a single operating segment and goodwill is allocated to the same level for goodwill impairment testing purposes.

### 3.2 Assumptions used for impairment testing of goodwill

The Group's goodwill amounted to EUR 113 872 thousand (EUR 111 358 thousand) as at 31 December 2016. Asiakastieto Group tests the carrying value of goodwill annually or more frequently if events or changes in circumstances indicate that such carrying value may not be recoverable. For the purpose of impairment testing, goodwill is allocated to the Group's single cash-generating unit. The recoverable amount of the Group's single cash-generating unit has been determined based on value-in-use calculations which require the use of estimates including projected future cash flows, estimates of discount rate and development of Finnish economy. See also note 15.

### 3.3 Share-based payments

Asiakastieto Group makes judgments on whether an arrangement or a transaction contains share-based payments in the scope of IFRS 2. Further judgment is required, on classification (cash or equity settled or arrangement with settlement alternatives) and measurement of the arrangement. The measurement also requires estimation of the grant date fair values of benefit given. Key assumptions used in the fair value model relate to the level of EBITDA multiplier and the future development of EBITDA and cash flows.

In connection with the Company's listing the Group's personnel subscribed 102 178 shares in the personnel offering. The subscription price of EUR 13,275 per share was 10 % lower than the subscription price for other shares subscribed in connection with the listing. The discount given to the personnel EUR 151 thousand has been accounted for under IFRS 2 as share-based payment and it has been fully recorded in personnel expenses.

In March 2015, the Board of Directors of the Company established a long-term incentive plan for the management of the Group. The plan is based on the Group's management making individual investments in Asiakastieto Group Plc's shares and the opportunity for the



Group's management to be awarded further shares on the basis of meeting long-term performance criteria and a commitment to the company. In order to participate in the plans and receive an award from the plans, the members of the Group's management acquired, in the personnel offering, the number of shares determined by the Board of Directors. The long-term incentive plan contains two elements: a performance based share plan and a matching share plan. Any awards shall be paid partly in shares and partly in cash. The awards to be paid out through the performance based share plan and the matching share plan, correspond to the value of 108 000 shares at a maximum including also the cash proportion and with the assumption that the criteria for the performance based share plan are achieved to its maximum.

In June 2016 the Board of Directors of the Company resolved to continue the key employee performance share plan as resolved by the Board in March 2015. Should the targets of the plan resolved in June be attained in full, the payable rewards will correspond to a maximum total of 72 000 shares, including also the cash proportion.

Long-term incentive plan to the management is in the scope of IFRS 2. For the financial year an accrued expense EUR 328 thousand (EUR 140 thousand) has been recognised in personnel expenses. See also note 25.

### 3.4 Capitalised development expenses

Costs incurred in the development phase of an internal project are capitalised as intangible assets if a number of criteria are met. The management has made judgements and assumptions when assessing whether a project meets these criteria, and on measuring the costs and the economic life as well as the future cash inflows generated by the development projects. Expected returns from capitalised development projects involve estimates and judgement from the management about the future net sales and related costs. These estimates involve risks and uncertainties and it is possible that, following changes in circumstances, expected returns from capitalised development projects change.

Asiakastieto Group assesses indications of impairment for capitalised development projects. The value for capitalised development projects may decrease, if the expected returns from new services change. See also note 15.

### 3.5 Recoverability of deferred tax assets

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the balance sheet. Deferred tax assets are recognised only

where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Assumptions about the generation of future taxable profits depend on the management's estimates of future cash flows. Estimates of these future cash flows are dependent on the management's estimates that relate among others to the amount of future net sales, operating costs and finance costs. The Group's ability to generate taxable income depends also on factors related to general economy, finance, competitiveness and regulations beyond the Group's control. These estimates and assumptions are subject to risk and uncertainty, hence it is possible that changes in circumstances will alter expectations. This may impact the amount of deferred tax assets and deferred tax liabilities recognised on the balance sheet and the amount of temporary differences. Deferred tax assets that comprise mainly unutilised tax loss carryforwards and non-deductible net interest expenses that can be deducted from the following years' taxable income, amounted to EUR 2 973 thousand (EUR 6 255 thousand) at 31 December 2016. Tax loss carryforwards as of end of the financial year 2015, have been fully deducted from the taxable income of the financial year 2016. See also note 22.

## 4 Financial risk management

### 4.1 Financial risk factors

Asiakastieto Group's activities expose it to a variety of financial risks: market risk (including cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Group's finance function under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as, interest rate risk, use of derivative financial instruments, and investment of excess liquidity.

#### 4.1.1 Market risk

##### *Cash flow and fair value interest rate risk*

Asiakastieto Group's interest rate risk arises from long-term interest-bearing liabilities. Interest-bearing liabilities issued at variable interest rates expose the Group's cash flow to interest rate risk. Interest-bearing liabilities issued at fixed interest rates expose the Group



to fair value interest rate risk. During years 2016 and 2015, all of the Group's interest-bearing liabilities were issued with variable interest rates and denominated in the euro. See also note 21 Interest-bearing liabilities.

At 31 December 2016, if interest rates on interest-bearing liabilities had been 50 basis points higher with all other variables held constant, profit before tax for the year would have been EUR 356 thousand (EUR 350 thousand) lower as a result of higher interest expense on variable interest rate interest-bearing liabilities. Interest rate sensitivity has been calculated by increasing the interest curve by 50 basis points (due to low market interest environment the lower scenario has not been presented). The interest position includes all external variable interest rate interest-bearing liabilities.

#### 4.1.2 Credit risk

Credit risk is managed in the Group's finance function which is responsible for preparing the credit policy complied in Asiakastieto Group. The Group assesses the creditworthiness of a new customer, taking into account mainly its financial position and past experience. When the credit risk is assessed high, a guarantee payment is requested. The amount of guarantee payments received was immaterial for the periods presented. The Group's client base is widespread hence there are no large concentrations of credit risk. Majority of the clients are companies and the amount of consumers is in minority.

Credit risk arises from cash in hand and at banks and short-term deposits with banks and financial institutions (together cash and cash equivalents), as well as credit exposures to customers from outstanding receivables. The Group holds excess cash (bank accounts and short-term deposits) with financial institutions whose credit rating is minimum 'A'. The Group's outstanding receivables are not exposed to significant credit risk. See also note 18 Account and other receivables.

#### 4.1.3 Liquidity risk

Cash flow forecasting is performed on group basis. The Group finance function monitors Asiakastieto Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed loan facilities at all times so that the Group does not breach loan limits or covenants on any of its loan facilities. At 31 December 2016 the Group has undrawn interest-bearing facilities of EUR 5 000 thousand (EUR 5 000 thousand). The net debt position of the Group is considered in the forecasts.

Asiakastieto Group has arranged term loan and credit facility agreement with Danske Bank Plc and Pohjola Pankki Plc for the total value of EUR 75,0 million. The arrangement consists of EUR 70 million term loan and EUR 5,0 million revolving credit facility which includes EUR 0,5 million bank account overdraft. See more information on note 21 Interest-bearing liabilities.

The loan from a financial institution includes a financial covenant that is net debt to EBITDA, calculated as defined under the financing agreement. The covenants are monitored on a quarterly basis. The net debt to EBITDA, which is adjusted as defined under the financing agreement, was 2,2 (2,4) as at 31 December 2016. According to the financing agreement, the covenant limit was 4,0 (4,0) during the financial year 2016 and 3,5 from 1 January 2017 onwards.

Surplus cash is invested in bank accounts or short term deposits with appropriate maturities providing sufficient liquidity. The Group has not made investments in short term deposits in 2016.

The table below shows future repayments, interest expenses and capitalised interest expenses of the Group's financial liabilities divided into maturity groupings based on the remaining contractual maturity at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows.

#### 31.12.2016

EUR thousand	Under 1 year	1-2 years	2-5 years	Total
Loans from financial institutions	958	958	70 869	72 785
Account payables	1 601	-	-	1 601
<b>Total</b>	<b>2 559</b>	<b>958</b>	<b>70 869</b>	<b>74 386</b>

#### 31.12.2015

EUR thousand	Under 1 year	1-2 years	2-5 years	Total
Loans from financial institutions	1 068	1 065	72 030	74 162
Account payables	2 424	-	-	2 424
<b>Total</b>	<b>3 492</b>	<b>1 065</b>	<b>72 030</b>	<b>76 586</b>





## 4.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns and increase in value of invested capital for shareholders.

The most important ratio that the Group monitors is net debt position. Net debt is calculated as loans from financial institutions (included in 'current and non-current interest-bearing liabilities') less short-term deposits and cash in hand and at banks. The management does not have a target level for net debt but follows it regularly.

The table below shows the net debt position at reporting date.

EUR thousand	31.12.2016	31.12.2015
Loans from financial institutions	70 000	70 000
Short-term deposits	-	-
Cash in hand and banks	22 632	21 042
<b>Net debt</b>	<b>47 368</b>	<b>48 958</b>

## 5 Acquisitions and disposals

### Purchase of shares of Intellia Oy

Asiakastieto Group Plc acquired all shares of Intellia Oy, a company offering sales and marketing services. The agreement was signed on 30 August 2016 and on 1 October the transaction entered into force. The transaction price was 3,3 million euros. A post transaction price of 0,2 million euros will be paid 1 October 2017. The acquisition has no essential impact on the Group's business activities or key ratios.

Asiakastieto Group strengthened the market share of the customer management services by the acquisition of Intellia and in the future its comprehensive databases combined with Intellia's expertise enable companies to build better service entities for the needs of sales and marketing. Intellia also provides consumer marketing services which have not been part of Asiakastieto Group's current service portfolio.

Based on the purchase price allocation calculation EUR 0,4 million were allocated to customer base, which will be amortised in 5 years, and EUR 1,0 million to IT systems and database, which will be amortised in 7 years. The acquisition generated goodwill of EUR 2,5 million. Goodwill is not deductible in taxation.

Intellia Oy was consolidated to the Group accounts as of 1 October 2016. The Group and the acquired company had no substantial business transactions, which should have been taken into account when merging the businesses. During 2017 Intellia Oy will be merged to Suomen Asiakastieto Oy.

### Consideration transferred

#### EUR thousand

Cash paid	3 103
Post transaction price	225
<b>Total cost of acquisition</b>	<b>3 328</b>

### Net assets acquired

#### EUR thousand

Customer relations and contract portfolios	374
IT system and database	979
Other intangible assets	154
Tangible assets	5
Account and other receivables	253
Cash and cash equivalents	174
Deferred tax liabilities	-162
Interest-bearing liabilities	-47
Advances received	-58
Account payables and other liabilities	-858
	<b>814</b>

### Effects of acquisition on cash flow

#### EUR thousand

Purchase price paid in cash	-3 328
Cash and cash equivalents of the acquired entity	174
	<b>- 3 154</b>

### Goodwill arising from business combination

#### EUR thousand

Consideration transferred	3 328
Net assets acquired	814
<b>Goodwill</b>	<b>2 514</b>



The transaction fees EUR 0,2 million relating to the purchase of Intellia shares have been recognised to the consolidated income statement line "other operating expenses". The fees are mainly linked with expert fees of the purchase of shares and transaction execution. In addition, the transfer tax expense EUR 53 thousand relating to share acquisition has been recognised to other operating expenses.

### Sale of Yrittäjätalo Oy shares

Suomen Asiakastieto Oy signed in December 2015 a sales agreement of the shares in its current office premises. The conditional agreement became effective in the spring 2016 and starting from March, the Group hired its current premises for approximately two years, after which it will move as a leaseholder to premises to be built. The conditions in the sales agreement, which would have entitled the buyer to annul the transaction, expired in May 2016, and thus the sale of 24 % ownership in Helsingin Yrittäjätalo Oy was conclusively completed. A non-recurring profit on the sale of shares of office premises was EUR 1,1 million.

### Investment to startup survey company

Asiakastieto Group signed a contract on 11 February 2016 and made an investment in the start-up company Hupparihörhö Oy. Hupparihörhö Oy develops collection and utilizing methods of unstructured information. After the investment the companies entered into business cooperation.

## 6 Net sales

### Net sales by market area

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Finland	46 901	42 061
Other EU countries	1 336	1 401
Other countries	942	267
<b>Total</b>	<b>49 178</b>	<b>43 729</b>

### Net sales by products and services

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Business Information	26 416	25 001
Consumer Information	15 713	12 645
Customer Management	3 730	2 998
Certificates and Analyses	3 319	3 085
<b>Total</b>	<b>49 178</b>	<b>43 729</b>

Revenues of approximately EUR 4 358 thousand (EUR 4 893 thousand) are derived from a single external customer.

Net sales for the financial year 2016 included EUR 454 thousand (EUR 411 thousand) revenue from long-term service development projects which is recognised under percentage-of-completion method.

## 7 Other operating income

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Capital gains from the sale of property, plant and equipment	22	56
Profit on the sale of shares of office premises	1 106	-
Grants	3	4
Other operating income	19	19
<b>Total</b>	<b>1 150</b>	<b>79</b>



## 8 Materials and services

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Purchases during the financial year	-8 244	-6 919
External services	-956	-603
<b>Total</b>	<b>-9 200</b>	<b>-7 522</b>

## 9 Personnel expenses

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Salaries and benefits <sup>1</sup>	-9 845	-8 820
Pension costs - defined contribution plans	-1 768	-1 533
Social security costs	-479	-406
<b>Total</b>	<b>-12 091</b>	<b>-10 759</b>

### Salaries and benefits of the management

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Salaries and benefits	-1 176	-1 239
Pension costs - defined contribution plans	-9	-9
<b>Total</b>	<b>-1 184</b>	<b>-1 247</b>

Specification of salaries and benefits to the management is included in note 25.

### Number of personnel on average

Employees	1.1.-31.12.2016	1.1.-31.12.2015
Full-time	146	138
Part-time and temporary	13	11
<b>Total</b>	<b>159</b>	<b>149</b>

<sup>1</sup> For the financial year 2016 the personnel expenses include an accrued cost of EUR 328 thousand from the management's long-term incentive plan and for the financial year 2015 EUR 140 thousand. Financial year 2015 personnel expenses include also a cost of EUR 151 thousand from the discount at which the Group's personnel subscribed shares in the personnel offering.



## 10 Other operating expenses

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Other employment expenses	-608	-588
Expenses related to premises	-776	-273
Marketing expenses	-600	-469
Paid commissions on sales	-1 087	-1 161
Office expenses	-465	-512
IT expenses	-1 768	-1 715
Purchased services	-903	-732
Other expenses	-1 663	-3 286 <sup>1</sup>
<b>Total</b>	<b>-7 870</b>	<b>-8 736</b>

### Auditor's fee

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Statutory fees	-77	-98
Tax advisory	-1	-1
Other services	-48	-565 <sup>1</sup>
<b>Total</b>	<b>-125</b>	<b>-664</b>

## 11 Depreciation and amortisation

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Amortisation on intangible assets	-1 678	-1 445
Depreciation on property, plant and equipment	-772	-814
<b>Total</b>	<b>-2 450</b>	<b>-2 259</b>

## 12 Finance income and expenses

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Finance income		
Interest income from loan and other receivables	7	4
Other finance income	0	-
<b>Total finance income</b>	<b>7</b>	<b>4</b>
Finance expenses		
Interest expenses from liabilities	-1 064	-1 329
Other finance expenses	-29	-37
<b>Total finance expenses</b>	<b>-1 093</b>	<b>-1 365</b>
<b>Total</b>	<b>-1 086</b>	<b>-1 361</b>

## 13 Income tax expenses

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Current tax on profits for the financial year	-492	-
Taxes for previous financial years	-	-
Change in deferred taxes	-3 120	-2 946
<b>Total</b>	<b>-3 612</b>	<b>-2 946</b>

<sup>1</sup> Other operating expenses include expenses related to the listing EUR 2 079 thousand in the financial year 2015 and auditor's fees include fees related to the listing in the financial year 2015 EUR 516 thousand.



Income taxes recognised in consolidated income statement differ from the income taxes calculated using the Finnish tax rate as follows:

EUR thousand	1.1.-31.12.2016	1.1.-31.12.2015
Result before income tax	18 927	14 406
Tax calculated at Finnish tax rate	-3 785	-2 881
Other:		
Non-deductible expenses	-93	-73
Income not subject to tax	263	2
Tax losses for which deferred income tax asset was recognised	0	-
Other items	4	6
<b>Total</b>	<b>3 612</b>	<b>-2 946</b>

Finland introduced interest deduction limitation rules starting from 1 January 2014 limiting the deductibility of intra-group net interests. Interests from the Parent Company's loans were subject to these interest deductibility limitation rules. EUR 22 268 thousand of the Parent Company's net interest expenses for the financial year 2014 was non-deductible for tax purposes. As a result, the Parent Company generated taxable income against which previously unrecognised tax losses were utilised. This non-deductible net interest from the financial year 2014 is carried forward and can be deducted from the following years' taxable income. Net interest expense carryforwards do not expire.

## 14 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent company by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share reflect the possible impact of the Group's management's long-term incentive plan.

	1.1.-31.12.2016	1.1.-31.12.2015
Profit attributable to the owners of the Parent Company (EUR)	15 315 558	11 459 366
Weighted average number of shares (number of shares)	15 102 178	15 072 504
<b>Basic earnings per share</b>	<b>1,01</b>	<b>0,76</b>
Management's incentive plan (number of shares)	25 167	3 493
Number of shares, weighted average diluted	15 127 345	15 075 997
<b>Diluted earnings per share</b>	<b>1,01</b>	<b>0,76</b>



## 15 Intangible assets

EUR thousand	Goodwill	Capitalised development and software costs	Trademarks	Allocations from business combinations	Work in progress and advances paid	Total
Cost at 1.1.2016	111 358	7 733	8	-	1 144	120 243
Additions	2 514	92	1	1 353	3 017	6 977
Disposals	-	-1 579	-1	-	-29	-1 609
Reclassifications	-	2 830	0	-	-2 830	-
<b>Cost at 31.12.2016</b>	<b>113 872</b>	<b>9 075</b>	<b>8</b>	<b>1 353</b>	<b>1 302</b>	<b>125 611</b>
Accumulated amortisation at 1.1.2016	-	-3 418	-5	-	-	-3 424
Disposals	-	1 579	1	-	-	1 580
Amortisation for the financial year	-	-1 624	-1	-54	-	-1 678
<b>Accumulated amortisation at 31.12.2016</b>	<b>-</b>	<b>-3 463</b>	<b>-5</b>	<b>-54</b>	<b>-</b>	<b>-3 522</b>
Net book value at 1.1.2016	111 358	4 314	3	-	1 144	116 819
<b>Net book value at 31.12.2016</b>	<b>113 872</b>	<b>5 612</b>	<b>3</b>	<b>1 300</b>	<b>1 302</b>	<b>122 089</b>

EUR thousand	Goodwill	Capitalised development and software costs	Trademarks	Allocations from business combinations	Work in progress and advances paid	Total
Cost at 1.1.2015	111 358	6 813	8	-	705	118 884
Additions	-	27	1	-	2 370	2 398
Disposals	-	-1 013	-1	-	-26	-1 039
Reclassifications	-	1 906	0	-	-1 906	-
<b>Cost at 31.12.2015</b>	<b>111 358</b>	<b>7 733</b>	<b>8</b>	<b>-</b>	<b>1 144</b>	<b>120 243</b>
Accumulated amortisation at 1.1.2015	-	-2 987	-5	-	-	-2 993
Disposals	-	1 013	1	-	-	1 014
Amortisation for the financial year	-	-1 444	-1	-	-	-1 445
<b>Accumulated amortisation at 31.12.2015</b>	<b>-</b>	<b>-3 418</b>	<b>-5</b>	<b>-</b>	<b>-</b>	<b>-3 424</b>
Net book value at 1.1.2015	111 358	3 825	3	-	705	115 891
<b>Net book value at 31.12.2015</b>	<b>111 358</b>	<b>4 314</b>	<b>3</b>	<b>-</b>	<b>1 144</b>	<b>116 819</b>



Allocations from business combinations:

EUR thousand	31.12.2016	31.12.2015
Customer and contract database	355	-
IT systems and database	944	-
<b>Total</b>	<b>1 300</b>	<b>-</b>

### Impairment test for goodwill

The management reviews the business performance and monitors goodwill at group level. The Group has one cash-generating unit ("CGU"). The recoverable amount of its single CGU has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial estimates approved by the management covering a five-year period.

Key parameters in the projections are the development of net sales and key cost items. The projections have been prepared taking into account the Group's market position, product development opportunities and the general economic environment as well as the Group's actual performance on key parameters affecting the forecasts. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate beyond the five-year period does not exceed the long-term average growth rate for the Finnish economy.

The key assumptions used for value-in-use calculations are as follows:

	31.12.2016	31.12.2015
Long-term growth rate	1,0 %	1,0 %
Discount rate	4,8 %	5,8 %

The discount rates used are pre-tax and reflect specific risks relating to the CGU. As part of the performance review the management has performed a sensitivity analysis around the key parameters. The results suggest that a situation in which the carrying value of goodwill and other assets under impairment testing would exceed the recoverable value is unlikely.

Changed parameters used in the sensitivity analysis were:

- 10 %-point (5 %-point) decrease in annual net sales growth rate
- 5 %-point (10 %-point) decrease in annual EBITDA margin
- long term growth rate of 0 %
- pre-tax discount rate of 11,9 % (11,5 %)

The sensitivity analysis did not indicate impairment, when the parameters above were changed one at a time, while others remained constant. If all the parameters above would be changed at the same time, the recoverable amount would equal the carrying value for the tested assets.



## 16 Property, plant and equipment

EUR thousand	Buildings	Machinery and equipment	Other tangible assets	Advances paid	Total
Cost at 1.1.2016	3 700	6 114	499	745	11 058
Additions	-	330	-	-	330
Disposals	-3 700	-87	-497	-	-4 284
Reclassifications	-	745	-	-745	-
<b>Cost at 31.12.2016</b>	<b>-</b>	<b>7 102</b>	<b>2</b>	<b>-</b>	<b>7 104</b>
Accumulated depreciation at 1.1.2016	-1 409	-5 047	-271	-	-6 727
Disposals	1 440	56	288	-	1 783
Depreciation for the financial year	-31	-725	-17	-	-772
<b>Accumulated depreciation at 31.12.2016</b>	<b>-</b>	<b>-5 716</b>	<b>-</b>	<b>-</b>	<b>-5 716</b>
Net book value at 1.1.2016	2 291	1 067	228	745	4 331
<b>Net book value at 31.12.2016</b>	<b>-</b>	<b>1 386</b>	<b>2</b>	<b>-</b>	<b>1 388</b>

EUR thousand	Buildings	Machinery and equipment	Other tangible assets	Advances paid	Total
Cost at 1.1.2015	3 700	5 937	518	22	10 177
Additions	-	331	-	905	1 235
Disposals	-	-335	-19	-	-354
Reclassifications	-	181	-	-181	-
<b>Cost at 31.12.2015</b>	<b>3 700</b>	<b>6 114</b>	<b>499</b>	<b>745</b>	<b>11 058</b>
Accumulated depreciation at 1.1.2015	-1 224	-4 695	-240	-	-6 159
Disposals	-	227	19	-	246
Depreciation for the financial year	-185	-579	-50	-	-814
<b>Accumulated depreciation at 31.12.2015</b>	<b>-1 409</b>	<b>-5 047</b>	<b>-271</b>	<b>-</b>	<b>-6 727</b>
Net book value at 1.1.2015	2 476	1 242	278	22	4 018
<b>Net book value at 31.12.2015</b>	<b>2 291</b>	<b>1 067</b>	<b>228</b>	<b>745</b>	<b>4 331</b>





## 17 Financial instruments

### Financial instruments by category

31.12.2016 EUR thousand	Loans and other receivables	Available-for-sale financial assets	Total
<b>Assets as per balance sheet</b>			
Loan and other receivables	67	100	167
Account and other receivables	5 765	-	5 765
Cash and cash equivalents	22 632	-	22 632
<b>Total</b>	<b>28 464</b>	<b>100</b>	<b>28 564</b>

31.12.2016 EUR thousand	Financial liabilities at amortised cost		Total
<b>Liabilities as per balance sheet</b>			
Interest-bearing liabilities		69 661	69 661
Account and other payables		1 893	1 893
<b>Total</b>		<b>71 555</b>	<b>71 555</b>

31.12.2015 EUR thousand	Loans and other receivables	Available-for-sale financial assets	Total
<b>Assets as per balance sheet</b>			
Loan and other receivables	-	0	0
Account and other receivables	5 317	-	5 317
Cash and cash equivalents	21 042	-	21 042
<b>Total</b>	<b>26 360</b>	<b>0</b>	<b>26 360</b>

31.12.2015 EUR thousand	Financial liabilities at amortised cost		Total
<b>Liabilities as per balance sheet</b>			
Interest-bearing liabilities		69 549	69 549
Account and other payables		2 499	2 499
<b>Total</b>		<b>72 048</b>	<b>72 048</b>

## 18 Accounts and other receivables

EUR thousand	31.12.2016	31.12.2015
Account receivables	5 801	5 357
Prepaid expenses and accrued income	1 503	1 396
Accrued income from long-term service development projects	71	380
<b>Total</b>	<b>7 375</b>	<b>7 133</b>
Impairment of account receivables	-36	-39
<b>Net carrying value</b>	<b>7 338</b>	<b>7 094</b>

The fair values of account and other receivables equal their carrying amount. The maximum exposure to credit risk is the carrying value of each receivable.

As at 31 December 2016, account receivables of EUR 631 thousand (EUR 420 thousand) were past due but not impaired. These relate to a number of individual customers.

The ageing analysis of account receivables is as follows:

EUR thousand	31.12.2016	31.12.2015
Not due	5 134	4 897
Overdue by		
Less than 1 month	566	320
1 - 3 months	48	91
3 months or over	17	8
<b>Total</b>	<b>5 765</b>	<b>5 317</b>
Impairment of account receivables	36	39

As at 31 December 2016, account receivables of EUR 36 thousand (EUR 39 thousand) were impaired. The individually impaired receivables relate to sales receivables of a number of independent customers.

The carrying amounts of the Group's account and other receivables are denominated in euro.



## 19 Cash and cash equivalents

EUR thousand	31.12.2016	31.12.2015
Cash at bank and in hand	22 632	21 042
<b>Cash and cash equivalents</b>	<b>22 632</b>	<b>21 042</b>

## 20 Shareholders' equity

The total shareholders' equity consists of the share capital, the invested unrestricted equity reserve and accumulated losses.

### Shares and share capital

The Parent Company has one share class, and each share has equal right to dividend. Each share carries one vote at the general meeting. All shares issued by the Parent Company are fully paid. The shares have no nominal value.

The number of shares outstanding was 100 as at 1 January 2015. On 11 February 2015 the number of shares increased to 15 000 000 as a result of share issue without payment to the sole shareholder of the Parent Company. In March 2015 the total number of the Company's shares rose to 15 102 178 as the Group's personnel subscribed 102 178 shares in the personnel offering in connection with the listing. The total amount of shares was 15 102 178 at 31 December 2016.

In the financial year 2016 and 2015, the share capital of the Company amounted to EUR 80 000.

### Invested unrestricted equity reserve

EUR thousand	
1.1.2015	115 266
Share issue for the personnel	1 318
<b>31.12.2015</b>	<b>116 584</b>
Return of capital	-4 229
<b>31.12.2016</b>	<b>112 355</b>

Under the Finnish Limited Liability Companies Act, the subscription price of new shares is credited to the share capital, unless it is provided in the share issue resolution that it is

to be credited in full or in part to the invested unrestricted equity reserve. Contributions to the reserve for invested unrestricted equity can also be made without share issues.

The subscription prices from the share issue for the personnel conducted in March 2015 EUR 1 356 thousand less transaction costs EUR 38 thousand, were recognized in Invested unrestricted equity reserve according to the share issue resolution made on 13 March 2015.

The company paid 12 April 2016 EUR 755 thousand from the invested unrestricted equity reserve as capital return based on the resolution of Annual General Meeting 1 April 2016. The Board of Directors decided on 1 June 2016 based on the authorization of general shareholder's meeting 1 April 2016 to return EUR 0,23 per share from the invested unrestricted equity reserve. The return of capital EUR 3 474 thousand was paid 10 June 2016.

### Accumulated losses

EUR thousand	
1.1.2015	-50 177
Discount relating to the personnel offering	151
Management's incentive plan	64
Profit for the financial year	11 459
<b>31.12.2015</b>	<b>-38 502</b>
Dividend distribution	-10 874
Management's incentive plan	126
Profit for the financial year	15 316
<b>31.12.2016</b>	<b>-33 935</b>

The subscription price EUR 13,275 per share in the personnel offering carried out in March 2015 was 10 % lower than the subscription price for other shares subscribed in connection with the listing. The discount given to the personnel EUR 151 thousand has been recognised as increase in equity.

The acquisition of the personnel shares within the matching share plan entitles the participant to be awarded one additional share for each personnel share within the plan in four years' time, based on certain prerequisites. More information on the management's long term incentive plan on note 25. The accrued expense for the financial year 2016 is EUR 126 thousand (EUR 64 thousand) and has been recognised as increase in equity.

The Company paid dividend EUR 10 874 thousand from the profit of the financial year 2015 on 12 April 2016 based on the resolution of Annual General Meeting 1 April 2016.



## 21 Interest-bearing liabilities

EUR thousand	31.12.2016	31.12.2015
Non-current		
Loans from financial institutions	69 661	69 549
<b>Total non-current interest-bearing liabilities</b>	<b>69 661</b>	<b>69 549</b>
<b>Total interest-bearing liabilities</b>	<b>69 661</b>	<b>69 549</b>

All interest-bearing liabilities are denominated in euros.

### Loans from financial institutions

The Group has entered into a term loan and revolving credit facility agreement with Danske Bank Plc and Pohjola Bank Plc of EUR 75,0 million consisting of a EUR 70,0 million term loan drawn down under the agreement and a EUR 5,0 million revolving credit facility including EUR 0,5 million bank overdraft. The loan from a financial institution matures on 28 November 2019. Both the revolving credit facility and the bank overdraft were unused as at 31 December 2016.

The carrying amounts and the fair value of the non-current interest-bearing liabilities are as follows:

EUR thousand	31.12.2016	31.12.2015
Loans from financial institutions	69 661	69 549
<b>Total non-current interest-bearing liabilities</b>	<b>69 661</b>	<b>69 549</b>

Fair values are determined by discounting the estimated cash flows to be paid at the market rate of the reporting date, and a risk premium. Different conditions of the loans (maturity, subordination, collateral, and interest capitalization) are taken into account. The determined fair values are classified to level 3 in the fair value hierarchy because the rates used in discounting are not based on observable data as the Group management uses its own estimates when determining risk premium, among other things.

The Group's management has determined that there is no essential difference between carrying value and fair value because there have not been significant changes in interest rates since the issue date of the loans and margins of loans are considered to reflect different conditions and the subordination of the loans with reasonable accuracy.

## 22 Deferred tax assets and liabilities

The gross movement on the deferred income tax account is as follows:

EUR thousand	2016	2015
At 1 January	6 255	9 192
Charged to balance sheet	-162	-
Charged to income statement	-3 120	-2 946
Charged to invested unrestricted equity reserve	-	10
<b>At 31 December</b>	<b>2 973</b>	<b>6 255</b>



The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of tax balances, is as follows:

#### Deferred tax assets

EUR thousand	Financial instruments	Tax loss carryforwards and other temporary differences	Other	Total
At 1 January 2015	112	9 275	64	9 451
Charged to income statement	-23	-2 946	-10	-2 979
<b>At 31 December 2015</b>	<b>89</b>	<b>6 329</b>	<b>54</b>	<b>6 472</b>
Charged to income statement	-23	-3 207	62	-3 169
<b>At 31 December 2016</b>	<b>66</b>	<b>3 121</b>	<b>116</b>	<b>3 303</b>

#### Deferred tax liabilities

EUR thousand	Financial instruments	Change in depreciation and amortisation method	Allocations of the acquisition	Other	Total
At 1 January 2015	112	147	-	-	259
Charged to income statement	-22	-20	-	-	-42
<b>At 31 December 2015</b>	<b>90</b>	<b>127</b>	<b>-</b>	<b>-</b>	<b>217</b>
Charged to balance sheet	-	-	162	-	162
Charged to income statement	-22	-37	-7	17	-48
<b>At 31 December 2016</b>	<b>68</b>	<b>90</b>	<b>155</b>	<b>17</b>	<b>330</b>

Deferred income tax assets are recognised for tax loss carryforwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. Deferred tax assets arising from past losses are recognised if convincing evidence exists that the Group will be able to utilise the tax losses carried forward.

The Group had recorded EUR 2 429 thousand deferred tax assets as at 31 December 2015 from losses amounting to EUR 12 144 thousand. Tax losses recorded at the end of the financial year 2015 have been utilized fully in the financial year 2016 so the deferred tax assets from losses is no longer recognised in balance sheet at 31 December 2016.

In addition, the Group has recognised deferred tax asset amounting to EUR 3 121 thousand (EUR 3 900 thousand) from non-deductible net interest expense, that amounted to EUR 15 607 thousand (EUR 19 499 thousand) as at 31 December 2016. Non-deductible net interest expense can be deducted from the taxable income in the future periods within the limits of interest deduction limitation rules. Net interest expense carryforwards do not expire.



## 23 Other current liabilities

EUR thousand	31.12.2016	31.12.2015
Advances received from unrecognised net sales	1 057	1 470
Advances received from long-term service development projects	204	467
<b>Total</b>	<b>1 261</b>	<b>1 937</b>

EUR thousand	31.12.2016	31.12.2015
Account payables	1 601	2 424
Other liabilities	1 885	1 396
Accrued expenses	3 400	1 997
<b>Total</b>	<b>6 886</b>	<b>5 818</b>

Accrued expenses mainly consist of personnel cost related accruals.

## 24 Contingent liabilities

### Guarantees given

The Parent Company of the Group and its subsidiary, Suomen Asiakastieto Oy, have guaranteed EUR 70 000 thousand of loans from financial institutions and EUR 5 000 thousand of undrawn facilities on behalf of each other.

### Minimum rents based on non-cancellable lease

EUR thousand	31.12.2016	31.12.2015
No later than 1 year	470	-
Later than 1 year and no later than 5 years	2 958	-
Later than 5 years	4 611	-
<b>Total</b>	<b>8 040</b>	<b>-</b>

### Operating lease commitments

EUR thousand	31.12.2016	31.12.2015
Due within the next financial year	7	8
Due later	8	10
<b>Total</b>	<b>14</b>	<b>19</b>

Asiakastieto Group has rented the current premises from March 2016 onwards for about two years. After this it will move as a tenant to premises under construction, the rental agreement of which starts on 1 January 2018 and lasts maximum for 10 years. The rental agreement can be terminated for the first time 31 December 2027, compliant with a 12-month notice period. The income statement includes these rental expenses of EUR 467 thousand (EUR 0) settled on the basis of the non-cancellable leases.

The Group's leases of office equipment are processed as other rental agreements.



## 25 Related parties

Until the Company's listing the Group was controlled by AKT Holdings S.à r.l. (incorporated in Luxembourg), which owned 100 % of the Parent Company's shares. AKT Holdings S.à r.l. transferred its whole shareholding during year 2015.

Related parties of the Group consist of group entities, shareholders using control or substantial control that are mentioned on note 26. In addition, the key management persons, including the Board of Directors, CEO and executive team are related parties of the Group, as well as their close family members and companies, where above mentioned persons exercise controlling power. In addition, AKT Holdings S.à r.l. and other entities of the Investcorp –group above it are related parties of the Group.

Management services were bought from the Investcorp Group on a fixed price based on a service agreement until the Company's listing.

Asiakastieto Group Plc's 100 % owned subsidiary Suomen Asiakastieto Oy had granted a loan to CEO Jukka Ruuska that amounted to EUR 225 thousand. The maturity of the loan was ten years. Repayments were made yearly and interest of 5 % was capitalised once a year to the principal of the loan. There was no security posted on the loan. The loan was repaid by the end of 2015.

Transactions with related parties were made on an arm's length basis.

The following transactions were carried out with related parties:

1.1.-31.12.2016 EUR thousand	Sales of goods and services	Purchases of goods and services	Finance income and expenses
Companies influenced by the Management	395	-61	-
<b>Yhteensä</b>	<b>395</b>	<b>-61</b>	<b>-</b>

31.12.2016 EUR thousand	Receivables	Loans
Companies controlled by the Management	-	56
Companies influenced by the Management	38	1
<b>Total</b>	<b>38</b>	<b>57</b>

1.1.-31.12.2015 EUR thousand	Sales of goods and services	Purchases of goods and services	Finance income and expenses
Investcorp Financial and Investment Services S.A. <sup>1</sup>	-	-25	-
Management of the Company	-	-	1
Companies influenced by the Management	368	-3	-
<b>Total</b>	<b>368</b>	<b>-28</b>	<b>1</b>

31.12.2015 EUR thousand	Receivables	Loans
Companies influenced by the Management	62	2
<b>Total</b>	<b>62</b>	<b>2</b>

<sup>1</sup> Until the listing, companies in Investcorp Group controlled the Group through the parent company, AKT Holdings S.à r.l. AKT Holdings S.à r.l. owned all the shares of Asiakastieto Group Plc until the listing. AKT Holdings S.à r.l. transferred its whole shareholding in Asiakastieto Group Plc during the year 2015.



## Management holdings

AKT Holdings S.à r.l., Asiakastieto Group Plc's parent company until the listing, established a co-investment arrangement for certain key employees of the Group. The co-investment arrangement was first established in 2008 and subsequently supplemented in 2011 – 2012 to cover certain key employees that had joined the Group. The Group's key employees who participated in the co-investment arrangement disposed of their interests in connection with the listing so that the investments in shares of AKT Holdings S.à r.l. made by key employees were sold to AKT Investment S.à r.l. and after the listing, AKT Investment S.à r.l. repaid the investments of key employees that were made to the loan of AKT Holdings S.à r.l.

The co-investment arrangement contained a share-based payment, but the fair value at the grant date indicated that the co-investments made did not include the cost based on IFRS 2. As Asiakastieto Group Plc or any of its subsidiaries do not have contractual obligation to redeem the leavers in cash and does not have past practice of doing so, the arrangement is classified as equity settled share-based payment under IFRS. Accordingly, with the grant date fair value of the share-based payment being zero, no expense has been recognised in 2015 financial statements.

## Performance-based bonus for management

In the spring of 2015, the Company paid to certain key employees of the Group's personnel a performance-based remuneration, which was agreed to be paid in connection with the successful listing. In accordance with the agreement, AKT Holdings S.à r.l. fully compensated this management remuneration paid by the Company.

## Personnel offering

In connection with the listing the Group's personnel subscribed 102 178 shares in the personnel offering. The subscription price of EUR 13,275 per share was 10 % lower than the subscription price for other shares subscribed in connection with the listing. The discount given to the personnel EUR 151 thousand has been accounted for under IFRS 2 as share-based payment and it has been fully recorded as personnel expense.

## Long-term incentive plan to the management

In March 2015, the Board of Directors of the Company established an incentive plan for the management of the Group. The plan is based on the Group's management making

individual investments in Asiakastieto Group Plc's shares and the opportunity for the Group's management to be awarded further shares on the basis of meeting long-term performance criteria and a commitment to the company. In order to participate in the plans and receive an award from the plans, the members of the Group's management acquired, in the personnel offering, the number of shares determined by the Board of Directors. Any shares acquired above the amount of shares determined by the Board of Directors are not entitled to an award. The long-term incentive plan contains two elements: a performance based share plan and a matching share plan.

In general, no award shall be paid if the employment or service contract terminates before the award payment. Any awards shall be paid partly in shares and partly in cash. The cash proportion is intended to cover taxes and tax-related costs arising from the award to the participants.

The participants must retain at least 50 per cent of all net shares received on the basis of the plan until the participant's share ownership equals his/her annual gross base salary. Such number of shares must be held as long as the participant's employment or service at Asiakastieto Group continues.

The plan is directed to approximately ten key members of the Group's personnel, including all members of the Executive Team. The awards to be paid out through the performance based share plan and the matching share plan for the year 2015, correspond to the value of 108 000 shares at a maximum including also the cash proportion and with the assumption that the criteria for the performance based share plan are achieved to its maximum.

In June 2016 the Board of Directors of the Company resolved to continue the key employee performance share plan as resolved by the Board of Directors in March 2015. Should the targets of the plan resolved in June be attained in full, the payable rewards will correspond to a maximum total of 72 000 shares, including also the cash proportion.

The long-term incentive plan to the management is in the scope of IFRS 2. For the financial year an accrued expense EUR 328 thousand (EUR 140 thousand) has been recognised in personnel expenses.

### *Matching Share Plan 2015*

In the personnel offering, the members of the Group's management subscribed Personnel Shares, the ownership of which is a prerequisite for participating in the long-term incentive plan. The acquisition of the Personnel Shares within the matching share plan entitles the par-



participant to be awarded one additional share for each Personnel Share within the plan in four years' time, provided that the participant's employment or service at the company continues and the Personnel Shares acquired within the plan are still held by the participant at such time.

#### Performance Based Share Plan 2015

Performance based share plan includes the possibility to be awarded further shares based on set performance criteria. The performance-based award for the period March 2015 – March 2018 shall be based on the total shareholder return calculated on the Asiakastieto Group Plc's share, adjusted for dividends paid. Any earned award shall be paid out to participants at the end of the vesting period.

#### Performance Based Share Plan 2016

Performance based share plan includes the possibility to be awarded further shares based on set performance criteria. The performance-based award for the period July 2016 – December 2018 shall be based on the total shareholder return calculated on the Asiakastieto Group Plc's share, adjusted for dividends paid. Any earned award shall be paid out to participants in 2019.

#### The remuneration of Board of Directors

EUR thousand	1.1.–31.12.2016	1.1.–31.12.2015
Daniel Lopez-Cruz (member of Board of Directors until 1 April 2016)	-	-
Gilbert Kamieniecky (member of Board of Directors until 1 April 2016)	-	-
Mikko Parjanne (member of Board of Directors until 31 March 2015)	-	4
Jukka Ruuska (member of Board of Directors until 31 March 2015)	-	-
Anni Ronkainen (member of Board of Directors from 31 March 2015)	26	-
Bo Harald	28	4
Petri Carpén	28	4
Patrick Lapveteläinen (member of Board of Directors from 1 April 2016)	-	-
Carl-Magnus Månsson (member of Board of Directors from 1 April 2016)	-	-
<b>Total</b>	<b>82</b>	<b>13</b>

#### Remuneration of the Executive Team members (excluding the CEO)

EUR thousand	1.1.–31.12.2016	1.1.–31.12.2015
Salaries and benefits	800	932
Performance - based incentives paid in cash <sup>1</sup>	35	-
<b>Total</b>	<b>835</b>	<b>932</b>

#### Remuneration of the CEO

EUR thousand	1.1.–31.12.2016	1.1.–31.12.2015
Salaries and benefits	224	223
Performance - based incentives paid in cash <sup>1</sup>	117	84
Pension costs – defined contribution plans	9	9
<b>Total</b>	<b>349</b>	<b>316</b>

The Group has a supplementary voluntary pension plan for the CEO that is classified as defined contribution plan and has a cost of EUR 8 500 per year. The CEO will receive additional voluntary old age pension between ages 63 and 73.

The termination period for the CEO's employment contract is 6 months. In addition, in case of termination of the employment contract, the CEO is entitled to one-time payment under certain conditions that corresponds to six months' salary.

The CEO's contract of service and the assignment as the CEO of the Company will expire at the end of the month during which the CEO reaches 63 years of age.

<sup>1</sup> The incentives have been reported on payment basis and paid on the basis of the result for the previous financial year.





## 26 Group companies

The following summarises the subsidiaries and joint operations belonging to the Group as at 31 December 2016. All group companies are related parties of the Group.

Parent company	Nature of activities	Country of incorporation		
Asiakastieto Group Plc	Headquarter activities	Finland		
Subsidiaries			Group ownership (%)	Group voting rights (%)
Suomen Asiakastieto Oy	Operative company	Finland	100	100
Omatieto Oy	Dormant	Finland	100	100
Suomen Maksutieto Oy	Dormant	Finland	100	100
Intellia Oy	Operative company	Finland	100	100

Asiakastieto Group owned 24 % interest in its joint operation, Helsingin Yrittäjätalo Oy until May 2016. Helsingin Yrittäjätalo Oy owns and manages an industrial and office building located in Helsinki. Shareholding in Helsingin Yrittäjätalo Oy provided the shareholder the right of possession to a certain apartment within the building.

## 27 Events after the reporting date

### Changes in Asiakastieto's Product Areas and Executive Team

The Company's Board of Directors decided in their meeting on 19 October 2016 on changes in the product areas. From the beginning of 2017, the product area of Certificates and Analyses will be incorporated in Business Information. In addition, a new product area was established, which focuses on real estate information, collateral management services and housing company data services. Heikki Ylipekkala, started as member of the Executive Team on 15 December 2016, is in charge of the new product area from 1 January 2017 onwards.

Jari Julin has been appointed as new CIO for Asiakastieto Group and as member of the Executive Team as of 20 February 2017. Current CIO for the Company Pertti Vahermaa will leave his position 31 March 2017.

### Asset Deal

Asiakastieto Group has decided to outsource by asset deal functions related to financial statements information and financial statements analysis to BSH Partners Oy as of 1 January 2017. The change concerns 12 employees and has no major financial impact.



# Parent company income statement (FAS)

EUR	Note	1.1. - 31.12.2016	1.1. - 31.12.2015
<b>Net sales</b>	2	1 450 236,00	1 229 280,00
Personnel expenses	3	-1 449 956,97	-1 140 957,26
Other operating expenses	4	-626 788,72	-2 602 946,06
<b>Operating loss</b>		<b>-626 509,69</b>	<b>-2 514 623,32</b>
Finance income and expenses			
Other interest and finance income	5	4 160,01	91,10
Interest and other finance expenses	5	-1 093 270,72	-1 367 825,69
Total finance income and expenses		-1 089 110,71	-1 367 734,59
<b>Loss before appropriations and taxes</b>		<b>-1 715 620,40</b>	<b>-3 882 357,91</b>
Appropriations			
Group contributions	6	20 120 824,00	18 617 227,00
Income taxes	7	-3 681 063,49	-2 946 386,30
<b>Profit for the financial year</b>		<b>14 724 140,11</b>	<b>11 788 482,79</b>



# Parent company balance sheet (FAS)

EUR	Note	31.12.2016	31.12.2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	8	169 200 574,49	165 522 007,32
<b>Total non-current assets</b>		<b>169 200 574,49</b>	<b>165 522 007,32</b>
<b>Current assets</b>			
Long-term receivables	9	3 338 869,07	6 660 259,87
Short-term receivables	10	21 210 508,46	18 836 257,24
Cash in hand and at banks		5 385 122,49	7 395 975,35
<b>Total current assets</b>		<b>29 934 500,02</b>	<b>32 892 492,46</b>
<b>Total assets</b>		<b>199 135 074,51</b>	<b>198 414 499,78</b>



EUR	Note	31.12.2016	31.12.2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital	11	80 000,00	80 000,00
Invested unrestricted equity reserve	11	112 393 642,80	116 622 252,64
Retained profit (loss)	11	83 051,97	-831 862,66
Profit for the financial year		14 724 140,11	11 788 482,79
<b>Total shareholders' equity</b>		<b>127 280 834,88</b>	<b>127 658 872,77</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans from financial institutions		70 000 000,00	70 000 000,00
<b>Total non-current liabilities</b>		<b>70 000 000,00</b>	<b>70 000 000,00</b>
<b>Current liabilities</b>			
Accounts payable		18 514,99	27 891,25
Payables to Group companies	12	419 307,39	251 677,29
Other liabilities		326 926,63	69 979,25
Deferred income and accrued expenses	12	1 089 490,62	406 079,22
<b>Total current liabilities</b>		<b>1 854 239,63</b>	<b>755 627,01</b>
<b>Total liabilities</b>		<b>71 854 239,63</b>	<b>70 755 627,01</b>
<b>Total equity and liabilities</b>		<b>199 135 074,51</b>	<b>198 414 499,78</b>



# Parent company statement of cash flows (FAS)

EUR	Note	1.1. - 31.12.2016	1.1. - 31.12.2015
<b>Cash flows used in operating activities</b>			
Loss before appropriations and taxes		-1 715 620,40	-3 882 357,91
Adjustments:			
Finance income and expenses	5	1 089 110,71	1 367 734,59
Other adjustments		-	48 094,78
Cash flows before change in working capital		-626 509,69	-2 466 528,54
Change in working capital:			
Increase (-) / decrease (+) in account and other receivables		-192 814,57	-6 193,22
Increase (+) / decrease (-) in account and other payables		223 765,67	-564 347,42
Change in working capital		30 951,10	-570 540,64
Interest and other finance expenses paid		-986 361,38	-1 265 695,36
Interest and other finance income received		5,22	109,89
<b>Net cash used in operating activities</b>		<b>-1 581 914,75</b>	<b>-4 302 654,65</b>
<b>Cash flows used in investing activities</b>			
Loan granted	10	-674 000,00	-
Purchases of other investments	8	-101 330,00	-
Acquisition of subsidiary	8	-3 352 237,17	-
<b>Net cash used in investing activities</b>		<b>-4 127 567,17</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Share issue	11	-	1 308 318,22
Proceeds from non-current loans		183 580,06	-
Repayment of non-current loans		-	-23 016,18
Group contributions received		18 617 227,00	8 118 292,00
Dividend paid and other profit distribution		-15 102 178,00	-
<b>Net cash from financing activities</b>		<b>3 698 629,06</b>	<b>9 403 594,04</b>
<b>Net increase (+) / decrease (-) in cash and cash equivalents</b>		<b>-2 010 852,86</b>	<b>5 100 939,39</b>
Cash and cash equivalents at beginning of the financial year		7 395 975,35	2 295 035,96
<b>Cash and cash equivalents at end of the financial year</b>		<b>5 385 122,49</b>	<b>7 395 975,35</b>



# Notes to the parent company financial statements

## 1 Accounting principles

Asiakastieto Group Plc is a Finnish limited liability company and the Parent Company of the group named Asiakastieto Group. Until the listing the company was owned by AKT Holdings S.à r.l., which is domiciled in Luxembourg.

Asiakastieto Group Plc's financial statements have been prepared in accordance with the accounting principles based on the Finnish accounting legislation (FAS).

### 1.1 Valuation principles

#### Financial instruments

The fees paid on draw-down loans and financial instruments hedging the loans have been entered in accrued income. These will be discharged as financial expenses on the basis of time in equal proportions. At the time of loan amortisation the respective share of the remaining fees in the balance sheet will be entered as expenses.

#### Deferred tax assets

Deferred tax assets are calculated on the temporary differences between taxation and the financial statement using the tax rates effective for future years confirmed on the balance sheet date. The balance sheet includes the deferred tax assets at their estimate realisable amount.

### 1.2 Items denominated in foreign currencies

Transactions in foreign currencies are entered at the exchange rates prevailing at the transaction dates. The unsettled balances on foreign currency receivables and liabilities are converted into euros at the rates of exchange prevailing at the end of the financial year.

### 1.3 Cash pooling arrangement

Suomen Asiakastieto Oy's bank account of Danske Bank belongs as a member account to the consolidated bank account of Asiakastieto Group Plc. The positive balance of this member account is shown in the balance sheet item "Payables to Group companies" and the negative balance in the balance sheet item "Receivables from Group companies".

## 2 Net sales

### Net sales by market area

EUR	1.1.-31.12.2016	1.1.-31.12.2015
Finland	1 450 236,00	1 229 280,00
<b>Total</b>	<b>1 450 236,00</b>	<b>1 229 280,00</b>

Net sales consist of management fees from Group companies.

## 3 Personnel expenses

EUR	1.1.-31.12.2016	1.1.-31.12.2015
Salaries and benefits	-1 212 746,25	-958 840,15
Pension expenses	-204 790,68	-155 901,60
Other social security expenses	-32 420,04	-26 215,51
<b>Total</b>	<b>-1 449 956,97</b>	<b>-1 140 957,26</b>

The pension provision for the personnel is arranged at Elo Mutual Pension Insurance Company.

### Salaries and benefits of the management

EUR	1.1.-31.12.2016	1.1.-31.12.2015
Board members and CEO	-422 664,31	-313 821,10
<b>Total</b>	<b>-422 664,31</b>	<b>-313 821,10</b>

Specification of salaries and benefits paid to the management is included in note 25 to the consolidated financial statement.

### Number of personnel on average

Employees	1.1.-31.12.2016	1.1.-31.12.2015
Full-time	9	7
<b>Total</b>	<b>9</b>	<b>7</b>



#### 4 Other operating expenses

EUR	1.1.-31.12.2016	1.1.-31.12.2015
Other employment expenses	-38 469,46	-54 653,27
Premises expenses	-2 473,20	-
Marketing expenses	-57 583,13	-18 968,97
Office expenses	-9 329,36	-7 038,03
IT expenses	-14 087,55	-18 790,77
Purchased services	-4 545,57	-3 804,17
Group charges	-92 749,40	-76 475,82
Other expenses	-407 551,05	-2 423 215,03 <sup>1</sup>
<b>Total</b>	<b>-626 788,72</b>	<b>-2 602 946,06</b>

#### Auditor's fee

EUR	1.1.-31.12.2016	1.1.-31.12.2015
Statutory fees	-34 500,01	-64 646,85
Tax advisory	-810,00	-
Other services	-37 517,16	-554 210,60 <sup>1</sup>
<b>Total</b>	<b>-72 827,17</b>	<b>-618 857,45</b>

<sup>1</sup> Other operating expenses include expenses related to the listing EUR 2 127 184,15 in the financial year 2015 and auditors fees include fees related to the listing in the financial year 2015 EUR 516 161,64.

#### 5 Finance income and expenses

EUR	1.1.-31.12.2016	1.1.-31.12.2015
Other interest and finance income		
Interest income		
From Group companies	4 154,79	-
From parties outside the Group	5,22	91,10
<b>Total finance income</b>	<b>4 160,01</b>	<b>91,10</b>
Interest expenses and other finance expenses		
Interest expenses		
to Group companies	-	-63,22
to parties outside the Group	-950 140,64	-1 219 078,70
Other finance expenses		
to parties outside the Group	-143 130,08	-148 683,77
<b>Total finance expenses</b>	<b>-1 093 270,72</b>	<b>-1 367 825,69</b>
<b>Total</b>	<b>-1 089 110,71</b>	<b>-1 367 734,59</b>

#### 6 Appropriations

EUR	1.1.-31.12.2016	1.1.-31.12.2015
Group contribution	20 120 824,00	18 617 227,00
<b>Total</b>	<b>20 120 824,00</b>	<b>18 617 227,00</b>

#### 7 Income taxes

EUR	1.1.-31.12.2016	1.1.-31.12.2015
On business operations	-473 768,56	-
Change in deferred tax asset	-3 207 294,93	-2 946 386,30
<b>Total</b>	<b>-3 681 063,49</b>	<b>-2 946 386,30</b>



## 8 Investments

EUR	31.12.2016	31.12.2015
Shares in Group companies		
Cost at 1.1.	165 522 007,32	165 522 007,32
Additions	3 577 237,17	-
<b>Cost at 31.12.</b>	<b>169 099 244,49</b>	<b>165 522 007,32</b>
Other shares		
Cost at 1.1.	-	-
Additions	101 330,00	-
<b>Cost at 31.12.</b>	<b>101 330,00</b>	<b>-</b>
Net book value at 1.1.	165 522 007,32	165 522 007,32
<b>Net book value at 31.12.</b>	<b>169 200 574,49</b>	<b>165 522 007,32</b>
	<b>Ownership</b>	<b>Ownership</b>
<b>Group companies</b>	<b>(%)</b>	<b>(%)</b>
Suomen Asiakastieto Oy, Helsinki	100,00	100,00
Intellia Oy, Helsinki	100,00	-

All the group companies have been consolidated to the Parent Company's consolidated financial statements. Specification of Group companies is included in note 26 to the consolidated financial statement.

## 9 Long-term receivables

EUR	31.12.2016	31.12.2015
Deferred tax assets		
From tax loss carryforwards	-	2 428 718,15
From non-deductible net interest expenses	3 121 305,44	3 899 882,22
<b>Total deferred tax assets</b>	<b>3 121 305,44</b>	<b>6 328 600,37</b>
Prepaid expenses and accrued income		
Financial expenses periodised	217 563,63	331 659,50
<b>Total prepaid expenses and accrued income</b>	<b>217 563,63</b>	<b>331 659,50</b>
<b>Total</b>	<b>3 338 869,07</b>	<b>6 660 259,87</b>

## 10 Short-term receivables

EUR	31.12.2016	31.12.2015
Receivables from Group companies		
Accounts receivable	226 711,68	94 201,96
Loan receivable	674 000,00	-
Prepaid expenses and accrued income		
Group contribution	20 120 824,00	18 617 227,00
Other	4 154,79	-
<b>Total receivables from Group companies</b>	<b>21 025 690,47</b>	<b>18 711 428,96</b>
Prepaid expenses and accrued income		
Financial expenses periodised	123 164,36	123 479,50
Other periodised expenses	61 653,63	1 348,78
<b>Total prepaid expenses and accrued income</b>	<b>184 817,99</b>	<b>124 828,28</b>
<b>Total</b>	<b>21 210 508,46</b>	<b>18 836 257,24</b>





## 11 Shareholders' equity

EUR	31.12.2016	31.12.2015
Share capital at 1.1.	80 000,00	80 000,00
Share capital at 31.12.	80 000,00	80 000,00
<b>Total restricted shareholders' equity</b>	<b>80 000,00</b>	<b>80 000,00</b>
Invested unrestricted equity reserve at 1.1.	116 622 252,64	115 265 839,64
Return of capital	-4 228 609,84	-
Share issue to the personnel	-	1 356 413,00
Total invested unrestricted equity at 31.12.	112 393 642,80	116 622 252,64
Retained profit (loss) at 1.1.	10 956 620,13	-831 862,66
Distribution of dividend	-10 873 568,16	-
Total retained profit (loss) at 31.12.	83 051,97	-831 862,66
Profit for the financial year	14 724 140,11	11 788 482,79
<b>Total unrestricted equity</b>	<b>127 200 834,88</b>	<b>127 578 872,77</b>
<b>Total shareholders' equity</b>	<b>127 280 834,88</b>	<b>127 658 872,77</b>
<b>Distributable funds</b>		
Invested unrestricted equity reserve	112 393 642,80	116 622 252,64
Retained profit (loss)	83 051,97	-831 862,66
Profit for the financial year	14 724 140,11	11 788 482,79
<b>Total</b>	<b>127 200 834,88</b>	<b>127 578 872,77</b>

## 12 Current liabilities

### Payables to Group companies

EUR	31.12.2016	31.12.2015
Accounts payable	1 422,20	17 372,16
Other liabilities	417 885,19	234 305,13
<b>Total</b>	<b>419 307,39</b>	<b>251 677,29</b>

### Accrued expenses

EUR	31.12.2016	31.12.2015
Holiday pay liabilities	111 745,96	81 945,41
Other personnel expenses periodisations	434 021,10	249 677,14
Taxes	476 768,56	-
Interest expenses	65 625,00	72 916,67
Other	1 330,00	1 540,00
<b>Total</b>	<b>1 089 490,62</b>	<b>406 079,22</b>

## 13 Contingent liabilities

### Guarantees given and contingent liabilities

EUR	31.12.2016	31.12.2015
Guarantees given on own and Group companies' behalf		
Guarantees	75 000 000,00	75 000 000,00
<b>Total</b>	<b>75 000 000,00</b>	<b>75 000 000,00</b>

### Loans for which the guarantees have been given

EUR	31.12.2016	31.12.2015
Loans from financial institutions	70 000 000,00	70 000 000,00
Revolving facility (drawn amount)	-	-
<b>Total</b>	<b>70 000 000,00</b>	<b>70 000 000,00</b>



# Board's proposal concerning the disposal of profits

The Parent Company's distributable funds were EUR 127 200 834,88 as at 31 December 2016, of which the profit for the financial year was EUR 14 724 140,11. The Board of Directors proposes to the Annual General Meeting convening on 30 March 2017 that funds EUR 0,90 per share, totalling EUR 13 591 960,20 shall be distributed as follows:

	EUR / share	EUR / share
From the profit of the financial year as dividend	0,90	13 591 960,20
To be retained in unrestricted equity		113 608 874,68
<b>Total</b>		<b>127 200 834,88</b>

After the financial year there are no material changes in the Company's financial position. Company's liquidity is good and based on the Board of Directors' outlook the proposed Distribution of Profits does not threaten the Company's liquidity.



# Signatures of the financial statements

Helsinki, 16 February 2017



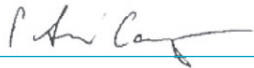
Patrik Lapveteläinen  
Chairman of the Board



Carl-Magnus Månsson  
Member of the Board



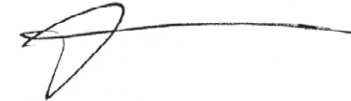
Bo Harald  
Member of the Board



Petri Carpén  
Member of the Board



Anni Ronkainen  
Member of the Board




Jukka Ruuska  
CEO

## Auditor's note

The report of the audit has been submitted today.

Helsinki, 16 February 2017

PricewaterhouseCoopers Oy  
Authorised Public Accountants



Juha Tuomala  
Authorised Public Accountant



# Auditor's report

To the Annual General Meeting of Asiakastieto Group Oyj

## Report on the audit of the financial statements

### Opinion

In our opinion,

- the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with statutory requirements.

### What we have audited

We have audited the financial statements of Asiakastieto Group Oyj (Business ID: 2194007-7) for the year ended 31 December, 2016. The financial statements comprise:

- the consolidated statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, which include a summary of significant accounting policies; and
- the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

### Basis for opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the parent company and of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Finland, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Our audit approach

#### Overview

##### Materiality:

- Overall group materiality: EUR 870 thousand, which represents approximately 5 % of profit before tax.

##### Group scoping:

- Audit scope: we performed an audit of the parent company and all affiliates to the parent company.

##### Key audit matters:

- Goodwill: Goodwill in Asiakastieto Group's consolidated statement of financial position was EUR 113 872 thousand which is approximately 73 % of the total assets of EUR 156 587 thousand. We have tested the impairment assessment and assessed the appropriateness of the estimates used by Group's management in their impairment assessment.
- Turnover: Asiakastieto Group's net sales in the financial year 2016 amounted to EUR 49 178 thousand. There is a risk in revenue recognition that revenue booked to financial statements are fictitious or that revenue recognition has been made incorrectly or in a wrong accounting period whether caused by fraud or error. We have tested revenue recognition principles as well as revenue transactions in order to respond to risks in revenue recognition.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.



## Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

*Overall group materiality* EUR 870 thousand.

*How we determined it* Approximately 5 % of profit before tax.

*Rationale for the materiality benchmark applied* We chose profit before tax as the benchmark because it is a generally accepted benchmark. The chosen percentage is within the range of acceptable quantitative materiality thresholds in auditing standards.

## How we tailored our group audit scope

We tailored the scope of our audit, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The group audit scope included group parent company and all affiliates to parent company.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.



## Key audit matter in the audit of the Group

## How our audit addressed the Key audit matter

### Goodwill

*Refer to note 15 on pages 36-37 of the financial statements*

The Group's goodwill amounted to EUR 113 872 thousand as at 31 December 2016 which is approximately 73 % of total assets EUR 156 587 thousand. Goodwill recorded at the consolidated financial statements of the Group arose from the acquisition of Asiakastieto Group business by the Group in 2008 and the shares of Intellia Oy in 2016. The Group's management uses significant judgement when assessing future estimated cash flows.

For the purpose of impairment testing, the recoverable amount of the Group's single cash-generating unit has been determined based on value-in-use calculations which require the use of estimates. These calculations use cash flow projections based on financial estimates approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates.

Key parameters in the projections are the development of net sales and key cost items. The key assumptions used for value-in-use calculations are as follows: long-term growth rate 1,0 % (1,0 %) and discount rate 5,8 % (5,8 %). Management has performed a sensitivity analysis around the key parameters of the cash generating unit in which the combined effect of changes in the parameters is tested.

We tested the cash flow estimates prepared by the Group's management for years 2017-2021 as well as the determination of the discount rate used. We compared the used cash flow estimates to financial budgets and projections prepared by the management and approved by the board to verify that cash flow estimates used in the assessment are not greater than the financial budget. We compared estimated growth rates used in the cash flow estimates to the Group's historic growth and tested mathematical accuracy of these cash flow estimates. We assessed appropriateness of the discount rate used in the calculations and tested the mathematical accuracy of the discount rate calculations. We tested the mathematical accuracy of the sensitivity analysis related to the goodwill impairment assessment.

### Turnover

*Refer to income statement on page 16 and note 6 on page 32 of the financial statements*

Asiakastieto Group's net sales in the financial year 2016 amounted to EUR 49 178 thousand.

The Group's revenue is generated from the sale of products and services related to company and personal information. Asiakastieto Group recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when risks and rewards have passed to the customer.

Our audit work focused on revenue recognition as there is a risk in revenue recognition that revenue accounted for in the financial statements are not real or revenue has been recognised in incorrect amount or in incorrect accounting period, whether caused by fraud or error. The Company aims to ensure by its internal processes and controls that revenue recognition in the financial statements is materially correct.

We assessed and tested the effectiveness of sales process key controls. We also tested revenue transactions by using computer assisted audit techniques in order to respond to risk of fraud in revenue recognition and to the risk that recognized revenue is not real or has been recognized incorrectly. We also tested that revenue transactions have been accounted in the correct financial period.

We audited journal entries related to revenue. In addition we have performed analytical procedures to respond to risk of material misstatement in the financial statements.

We have no key audit matters to report with respect to our audit of the parent company financial statements.



## Responsibilities of the Board of Directors and the Managing Director for the financial statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the



current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other reporting requirements

#### *Other information*

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises information included in the report of the Board of Directors and in the annual report, but does not include the financial statements and our auditor's report thereon. We obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors our responsibility also includes considering whether the report of Board of Directors has been prepared in accordance with the applicable legal requirements.

In our opinion,

- the information in the report of the Board of Directors is consistent with the information in the financial statements
- the report of the Board of Directors has been prepared in accordance with the applicable legal requirements.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 16.2.2017

PricewaterhouseCoopers Oy  
Authorised Public Accountants



Juhani Tuomala  
Authorised Public Accountant





# Corporate governance statement 2016

Asiakastieto Group Plc (the **"Company"** or **"Asiakastieto"**) is a Finnish public limited liability company. The shares of the Company are listed on Nasdaq Helsinki Ltd starting from 31 March 2015.

The Company's governance is subject to the Finnish Companies Act, the Finnish Securities Markets Act, the Accounting Act, the rules of Nasdaq Helsinki Ltd as well as the Company's Articles of Association. In addition, Asiakastieto complies with the Finnish Corporate Governance Code issued by the Securities Market Association in 2015 (the **"CG Code"**). The CG Code is available at [www.cgfinland.fi](http://www.cgfinland.fi). Compliance with the CG Code is based on a comply-or-explain principle, whereby deviations from the CG Code shall be explained and disclosed.

This Company's Corporate Governance Statement is published separately from the Board of Directors' report.

## Group structure

The parent company of the Group is Asiakastieto Group Plc, the domicile is Helsinki, Finland. The Group consists of the Parent Company's wholly-owned subsidiary Suomen Asiakastieto Oy and its two wholly-owned subsidiaries, Omatieto Oy and Suomen Maksutieto Oy. The Parent Company has acquired in the year 2016 shares of Intellia Oy. This company is consolidated to the group from 1 October 2016. Intellia Oy will be merged to Suomen Asiakastieto Oy during the 2017.

The Company's governance is organised through the General Meeting, the Board of Directors and the Chief Executive Officer. Further, the Company has an Executive Team led by the Chief Executive Officer.

## General Meeting

The General Meeting is Asiakastieto's highest decision-making body, which normally convenes once a year. Its tasks and procedures are defined in the Finnish Companies' Act and the Company's Articles of Association. Certain important matters, such as amending the Articles of Association, approval of the financial statements, approval of the dividend, election of the members of the Board of Directors and the auditors fall within the sole jurisdiction of the General Meeting.

The General Meeting is convened by the Board of Directors. The Annual General Meeting shall be held within six (6) months of the end of the financial year. An Extraordinary General Meeting shall be held whenever the Board of Directors deems necessary, the auditor of

the Company or shareholders with at least 10% of the shares so demand in writing in order to deal with a given matter, or if this is otherwise required by law.

The General Meeting handles the matters presented on the agenda by the Board of Directors. According to the Finnish Companies Act, a shareholder may also request that his/her proposal be handled at the next General Meeting. Such a request shall be made in writing to the Company's Board of Directors at the latest on the date specified by the Company on its website. This date shall be published no later than by the end of the financial period preceding the general meeting. The request is always deemed to be on time, if the Board of Directors has been notified of the request no later than four (4) weeks before the delivery of the notice of the General Meeting.

According to the Company's Articles of Association, notices of the General Meetings shall be published on the Company's website no more than three months before the record date pursuant to the Limited Liability Companies Act (eight working days before the General Meeting) and at the latest three weeks before the General Meeting, however, always at least nine days before the said record date. In addition, the Board of Directors may decide to publish the notice in full or in part in an alternative manner as it deems appropriate. The notice shall contain information on the Member of the Board of Directors, their remuneration, the matters to be handled at the General Meeting and other information required under the Companies Act and the CG Code.

The notice of the General Meeting, documents to be submitted to the General Meeting (e.g. financial statements, report by the Board of Directors, auditor's report) and the resolution proposals to the General Meeting are made available on the Company's website at least three (3) weeks before the General Meeting.

The minutes of the General Meeting are published on the Company's website within two (2) weeks after the General Meeting. In addition, the decisions of the General Meeting are also published by means of a stock exchange release immediately after the General Meeting. The documents related to the General Meeting are available on the Company's website at least for a period of three (3) months after the General Meeting.

Shareholders may attend a General Meeting either in person or by proxy. Notification regarding the attendance to a meeting must be made by the date mentioned in the notice to the General Meeting.

Only shareholders, who are registered in Asiakastieto's shareholders' register maintained by Euroclear Finland Ltd on the record date (i.e. eight (8) working days before the General Meeting) are entitled to attend a General Meeting. Holders of nominee registered shares



may be registered temporarily in said shareholders' register and therefore, they are advised to request from their custodian banks necessary instructions regarding such temporary registration and the issuing of proxy documents. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder.

The Board of Directors may decide that the shareholders may participate in the General Meeting by post or telecommunications or by other technical means.

Asiakastieto has one series of shares. Each share has one vote in all matters dealt with by a General Meeting. A shareholder shall have the right to vote at the General Meeting, if he/she has registered to participate in the meeting by the date specified in the notice to the General Meeting, which date shall not be earlier than ten (10) days before the meeting. A shareholder may at the General Meeting vote with different shares in a different manner and a shareholder may also vote with only part of his/her shares. The Articles of Association of Asiakastieto include no redemption clauses or voting limitations.

Most resolutions by the General Meeting require a simple majority of the votes cast at the meeting. In an election, the person receiving the highest number of votes shall be deemed elected. The General Meeting may, however, prior to an election, decide that to be elected, a person shall receive more than half of the votes cast. However, there are several matters, which according to the Companies Act require a two-third (2/3) majority of the votes cast and of the shares represented at the meeting.

All Members of the Board of Directors, the auditor and CEO shall attend the General Meeting.

The Annual General Meeting was held on 1 April 2016.

### Shareholders' Nomination Board

Based on the proposal by the Board of Directors, the sole shareholder of the Company resolved on 10 March 2015 to establish a Shareholders' Nomination Board for an indefinite period to prepare proposals to the Annual General Meeting for the election and remuneration of the members of the Board of Directors and the remuneration of the Board Committees and the Nomination Board. According to the charter of the Nomination Board, it shall comprise representatives of the three largest shareholders of the Company and, in addition, of the Chairperson of the Board and a person nominated by the Company's Board of Directors as expert members.

The right to nominate the shareholder representatives lies with those three sharehold-

ers whose share of all the voting rights in the Company is on 31 May preceding the next Annual General Meeting the largest on the basis of the shareholders' register of the Company held by Euroclear Finland Ltd. However, holdings by a shareholder who, under the Finnish Securities Market Act, has the obligation to disclose its shareholdings (flagging obligation) that are divided into several funds or registers, will be summed up when calculating the share of all the voting rights, provided that such shareholder presents a written request to that effect to the Chairperson of the Company's Board of Directors no later than on 30 May preceding the next Annual General Meeting.

The aforementioned shareholders appoint, in accordance with the Charter of the Nomination Board, from the request of the Chairperson of the Company's Board of Directors their representatives to the Nomination Board after 31 May.

Shareholders' Nomination Board submits its proposal to the Board of Directors of the Company latest by end of January preceding next Annual General Meeting. Shareholders' Nomination Board reviews its performance and procedures one a year and gives out a report of its actions annually. The report is published in the Corporate Governance Statement.

### Principles concerning the diversity of the Board of Directors

The Company has defined the principles concerning the diversity of the Board of Directors in the following way:

In Asiakastieto Group Oyj, the proposal concerning the composition of the Board of Directors is prepared and made to the Annual general Meeting by the Shareholders' Nomination Board, which consists of the representatives of the Company's three largest shareholders and of the chairperson of the Board of Directors and a representative nominated by the Board of Directors amongst them as expert members. When making their proposal for the composition of the Board of Directors, the Shareholders' Nomination Board applies these diversity principles defined by the Company or the assessment of diversity.

Diversity of the Board of Directors supports the development of the Company's business and the achievement of strategic objectives as well as the promoting of customer insight. The complementing expertise of the members and experience in the lines of business essential for the Company (financing, commerce, information technology) are considered important. From the point of view of diversity, experience in international operational environment and international representation are considered essential. The objective is that both genders be represented in the Board of Directors. Long-term needs and adequate turnover shall be taken into account when electing the members of the Board of Directors.



At the moment (2016), the Company's Board of Directors consists of five members, one of whom is a foreign national. The members are experienced in Board duties in various types of companies. Of the members of the Board of Directors, two have acted in the Board of Directors of the Company or its subsidiary already before the Company's listing in 2015; three persons became members of the Board of Directors in connection with the listing or were nominated in the general meeting in 2016. Both genders are represented in the Company's Board of Directors.

These principles and the realization of diversity are presented as part of the Company's corporate governance.

## Report of the actions of the Shareholders' Nomination Board in 2016

### General

The Company's sole shareholder (before the Company's listing on the stock exchange) decided on 10 March 2015 to found the Shareholders' Nomination Board to prepare the proposals to the Annual General Meeting for the selection and remuneration of Board members and the remuneration of the Board committees and the Nomination Board. The term of the Nomination Board is until next Annual General Meeting.

The three largest shareholders according to the share register as at 31 May 2016 were Sampo Plc, Mandatum Life Insurance Company Limited and OP-Delta Sijoitusrahasto. Mandatum Life Insurance Company Limited informed that it does not wish to appoint a member to the Board. According to the Nomination Board Charter, the right to appoint a member was transferred to the next largest shareholder (Keva).

The companies appointed Patrick Lapveteläinen (Sampo Plc), Kalle Saariaho (OP-Delta Sijoitusrahasto) and Päivi Palomäki (Keva) as members of the Nomination Board. Patrick Lapveteläinen is a member of the Nomination Board as the Chairman of the Board of Directors and Bo Harald as a member appointed by the Board of Directors. As the Chairman of the Board of Directors also was the representative appointed by the largest shareholder, the Board consisted of four members.

The Board elected Patrick Lapveteläinen as Chairman. The Board assembled once in 2016.

### Shareholders' Nomination Board's proposal

The Nomination Board proposes that the number of Board members be five (5).

The Board proposes that Anni Ronkainen, Bo Harald, Petri Carpén, Patrick Lapveteläinen and Carl-Magnus Månsson be reelected as members of the Board of Directors.

The Board proposes that the remuneration payable to the Board of Directors Chairperson be EUR 40 000 per year and to other Board members EUR 25 000 per year. A separate remuneration will not be paid for the attendance to Board meetings.

The chairpersons of Board of Directors committees shall be paid an attendance fee of EUR 500 and the committee members shall be paid an attendance fee of EUR 400 per committee meeting.

The Board proposes that no remuneration will be paid to the Nomination Board members.

The Board proposes that reasonable travelling expenses for the attendance to the meetings shall be paid to members.

The Board proposes that the aforementioned proposed remuneration will become effective immediately after the next Annual General Meeting of the Company.

### Board of Directors

The Board's role is to manage the Company's business in the best possible way and in their work protect the interests of the Company and its shareholders. In accordance with the Articles of Association of Asiakastieto, the Board of Directors shall consist of a minimum of four (4) and a maximum of eight (8) members elected by the General Meeting. The members of the Board of Directors shall be appointed for one year at a time. The Shareholders' Nomination Board prepares a proposal on the composition of the Board to the Annual General Meeting for its decision.

Asiakastieto's Board members shall be professionally competent and as a group have sufficient knowledge of and competence, inter alia, in the Company's field of business and markets. A new Member of the Board must have induction of the activities. The majority of the directors shall be independent of the Company. In addition, at least two of the directors, representing the aforementioned majority, shall be independent of significant shareholders of the Company. Independency from the Company is determined based on the fact whether a person has been employed by any of the Asiakastieto Group companies within the last 5 years. Independency from the shareholders is determined based on the fact whether a person has either directly or through controlling interest company owned Asiakastieto's shares during the last year.

The Board has general authority to decide on and act in any matters not reserved by law or under the provisions of the Articles of Association to any other governing body of the Company. The Board of Directors is responsible for the management of the Company



and its business operations. Additionally, the Board is responsible for the appropriate arrangement of the bookkeeping and financial administration.

The operating principles and main duties of the Board of Directors have been defined in the Charter for the Board of Directors and include, among other things, to:

- establish business objectives and strategy,
- appoint, continuously evaluate and, if required, remove the CEO from office,
- ensure that there are effective systems in place for monitoring and controlling the Group's operations and financial position compared to its stated objectives,
- ensure that there is satisfactory control of the Company's compliance with laws and other regulations applicable to the Company's operations, and
- ensure that the Company's external disclosure of information is marked by openness and is correct, timely, relevant and reliable, by way of, among other things, adopting a disclosure policy.

Members of Board of Directors were between 1 January 2016 and 31 March 2016 Daniel Lopez-Cruz, Gilbert Kamieniecky, Bo Harald, Petri Carpén and Anni Ronkainen.

By the resolution of Annual General Meeting on 1 April 2016, Bo Harald, Petri Carpén and Anni Ronkainen were appointed as old members to the Board of Directors and Patrick Lapveteläinen and Carl-Magnus Månsson were appointed as new members.

Based on an evaluation by the Board of Directors pursuant to the Finnish Corporate Governance Code, all members of the Company's new Board of Directors are considered to be independent of the Company. In addition, all members of the Board, except for Patrick Lapveteläinen are independent of the significant shareholders. The Company is in compliance with recommendation 10 of the Corporate Governance Code.

Name	Birth year	Position	Education	Occupation	Positions of trust
Daniel Lopez-Cruz	1965	Chairman, (since 2011 until 1 April 2016)	Master's degree in law (LL.M.), Master's degree in science (Econ.) and MBA	Director of Investcorp International Limited	Chairman of the Board of Directors: Pigments Spain S.L Deputy Chairman of the Board of Directors: Icopal Holding A/S Member of the Board of Directors: Print Holdings B.V:n, Investcorp International Limited, Investcorp Securities Limited
Gilbert Kamieniecky	1981	Member (from 4 September 2014 until 1 April 2016)	Masters in international relations and B.Sc. in business studies	Director of Investcorp International Limited	Member of the Board of Directors: Dainese Spa, Eviivo Limited, POC Sweden AB, POC USA LLC, POC Austria GmbH
Bo Harald	1948	Member (from 22 December 2014)	Master of Arts (Pol.Sc.)	CEO of Why-Advisory Oy	Chairman of the Board of Directors: Oy Transmeri Group Ab, ZEF Oy Member of the Board of Directors: Why-Advisory Oy, Enterpay Oy, European Mobile Operator Oy, Moi Mobiili Oy, Demos Helsinki ry
Petri Carpén	1958	Member (from 22 December 2014)	Master's degree in law (LL.M.)	Director of Nets Oy	–
Anni (Anna-Maria) Ronkainen	1966	Member (from IPO 31 March 2015)	Master's degree in science (Econ.)	Chief Digital Officer of Kesko Oyj	Member of the Board of Directors: Nordic Morning Oyj, Robit Oyj
Patrick Lapveteläinen	1966	Chairman (from 1 April 2016)	Master's degree in science (Econ.)	Investment Director of Sampo Plc	Member of the Board of Directors: If P&C Insurance Holding Ltd, Mandatum Life Insurance Company Limited (Sampo Life Insurance Company)
Carl-Magnus Månsson	1966	Member (from 1 April 2016)	Master's degree in science (Eng.)	CEO of Acando Ab (publ.)	–



1/5 of the Members of the Board are women at the end of year 2016. Age distribution is 50-68 years. Members present three nationalities and they have gained experience from various industries.

The performance of the Board is evaluated annually. In 2016 the Board evaluated time allocation in meetings, the frequency and length of the meetings, practicalities of the meetings, the material received by the Board and the material distribution, the culture of the Board, the role and actions of the Chairman as well as gave proposals to make performance more efficient.

Meetings of the Board of Directors are convened by its Chairperson. The Board of Directors constitutes a quorum when more than half of the members appointed by the General Meeting are present at the meeting. When votes are cast, the majority opinion will be the Board's decision and, in the case of a tie, the Chairperson will have the casting vote.

The Board of Directors is always obliged to act in the Company's interests and in such a way that its acts or measures are not likely to produce unjustified benefit to any shareholder or other third party at the cost of the Company or another shareholder.

A Board member is disqualified from participating in the handling of a matter pertaining to a contract or other transaction between the Board member and the Company or of such matter where the member is to derive an essential benefit and that benefit may be contrary to the interests of the Company. In principle, a Board member may not participate in the handling of a matter if the Board member is involved in the matter under assessment in another capacity.

The Board of Directors shall convene as frequently as necessary to discharge its responsibilities. The Chief Executive Officer ensures that the Board is provided with sufficient information to assess the operations and financial situation of the group.

The secretary of the Board of Directors is Manager, legal affairs Juuso Jokela.

### Board meetings 2016

The Board of Directors convened altogether 12 times during year 2016. Average attendance was 97 per cent. In addition, the Board made 4 separate times resolutions in accordance with Chapter 6, Section 3 of the Finnish Companies Act without convening a meeting.

### Board Committees

The Board annually appoints an Audit Committee and may also appoint other permanent Committees if considered necessary at its organization meeting following the Annual General Meeting. The Board did not appoint Nomination and Remuneration Committee in its organizational meeting 1 April 2016. The composition, duties and working procedures of the Committees shall be defined by the Board in the Charters confirmed for the Committees. The Committees regularly report on their work to the Board.

#### Audit Committee

The Audit Committee consists of at least three (3) members, the majority of which must be independent of the Company. The members shall have the qualifications necessary to perform the responsibilities of the Committee. At least one (1) member shall be independent of the significant shareholders and at least one (1) member shall have expertise specifically in accounting, bookkeeping or auditing. All members of the Committee shall be versed in financial matters.

According to its Charter, the Audit Committee assists the Board in fulfilling its supervisory responsibilities and also prepares certain accounting and auditing matters to be handled by the Board. In addition, the Audit Committee makes recommendations for the election and removal of the external auditors and for their compensation and approves the external auditors' audit plan based on the auditors' proposal. Among its other duties, the Audit Committee reviews and monitors the financial reporting process, the efficiency of the system of internal control and risk management, and the audit process.

Petri Carpén serves as the Chairperson of the Audit Committee and Carl-Magnus Månsson and Anni Ronkainen serve as members of the Audit Committee.

Audit Committee convened 4 times during 2016. Average attendance was 100 per cent.

In accordance with its financial calendar, the Audit Committee discussed matters relating to internal control and auditing, and reviewed the audit plan and remarks from auditing during the financial year. The Audit Committee also reviewed financial actual amounts and forecasts for the financial year, budget for the next financial year and impairment testing. The Audit Committee also discussed calculations relating to a corporate acquisition.

**Attendance to Board and  
Committee Meetings**

	Board meeting	Audit Committee
Daniel Lopez-Cruz	1/1	
Gilbert Kamieniecky	0/1	1/1
Bo Harald	12/12	
Petri Carpén	11/12	4/4
Anni Ronkainen	12/12	4/4
Patrick Lapveteläinen	11/11	
Carl-Magnus Månsson	11/11	3/3

**Chief Executive Officer**

The Chief Executive Officer ("CEO") of Asiakastieto is appointed by the Board. The CEO is in charge of the day-to-day management of the Company. The duties of the CEO are governed primarily by the Finnish Companies Act. The CEO leads the operational activities and prepares information and decisions to support the Board and presents his findings at Board meetings.

In accordance with the Finnish Companies Act, the CEO has a right to decide himself on certain urgent matters which otherwise would require a Board decision. Jukka Ruuska is the CEO of the Company.

Jukka Ruuska (born 1961) has been an Executive Team member since 2011 and was appointed as Asiakastieto Group Plc's CEO as of 2012. He currently serves as Chairman of the Board of Suomen Asiakastieto Oy, Omatieto Oy and as a member of the board of Affecto Oyj, Finnish Foundation for Share Promotion, Suomen Kansallisteatterin Osakeyhtiö and Nordic Morning Oyj. He has served as a member of the Board of Asiakastieto Group Oyj, B10 Asset Management Oy and Destia Oy. His previous positions also include President of Nordic Exchange Oyj, Deputy CEO of OMX Abp, Senior Partner at CapMan and Head of Corporate Planning at Elisa Corporation. He holds a LL.M from University of Helsinki and MBA degrees from Helsinki University of Technology.

**Executive Team**

The Company had an Executive Team at the end of year 2016 consisting of Jukka Ruuska, Heikki Koivula, Terhi Kauppi, Jouni Muhonen, Mikko Karemo, Esa Kumpu, Petri Vahermaa, Risto Kallio and Heikki Ylipekkala. The members of the Executive Team are appointed by the Board based on a proposal by the CEO. The members of the Executive Team report to the CEO.

The Executive Team members handle the issues that concern managing of the group in their respective areas and on the basis of the guidance provided by the Board of Directors. The Executive Team meets one to two times per month, or as required, and supports the CEO in, for example, the preparation and execution of strategic matters, operating plans, matters of principle and any other significant matters. The Executive Team also assists the CEO in ensuring the flow of information and sound internal cooperation.



The following table presents details of the management team members:

Name	Birth year	Position	Appointed
Jukka Ruuska	1961	CEO	2011
Heikki Koivula	1974	Deputy-CEO and Head of Product Area (Business Information)	2010
Terhi Kauppi	1971	CFO	2015
Jouni Muhonen	1968	Head of Product Area (Consumer Information)	2013
Mikko Karemo	1971	Sales Director, Head of Product Area (Certificates and Analyses)	2012
Pertti Vahermaa	1958	CIO	2008
Risto Kallio	1961	Head of Service Production	2004
Esa Kumpu	1964	Head of Product Area (Customer Management) (From 1 October 2016)	2016
Heikki Ylipekkala	1967	Head of Product Area (Real-estate and collateral automation) (From 15 December 2016)	2016
Teija Rantanen-Leppo	1963	Head of Product Area (Customer Management) (Until 5 January 2016)	2001

## Remuneration

The remuneration of the members of the Board of Directors, the Board Committees and the Shareholders' Nomination Board is decided by the Annual General Meeting of Asiakastieto based on a proposal by the Shareholders' Nomination Board.

The Board of Directors decides on the remuneration of the CEO. The remuneration of the senior management, i.e. members of the Executive Team, is decided by the Board based on a proposal by the CEO.

In accordance with the Finnish Corporate Governance Code, the Company publishes its Remuneration Statement on the Company's website.

## Board Remuneration

The Annual General Meeting 1 April 2016 decided that the remuneration payable to the Board of Directors Chairperson be EUR 40 000 and to other Board members EUR 25 000 per year. A separate remuneration will not be paid for the attendance to Board meetings. The

chairpersons of Board of Directors committee shall receive an attendance fee of EUR 500 and the committee members shall be paid an attendance fee of EUR 400 per committee meeting.

The Company decided on a practice where Board Members are remunerated always by end of term in connection with the Annual General Meeting. This practice took place first time in April 2016. During 2016 EUR 82 thousand were paid to Members of the Board according to the table below. In 2017 the remuneration will be paid for full one-year term.

## Board remuneration

EUR thousand	1.1.–31.12.2016	1.1.–31.12.2015
Daniel Lopez-Cruz (Member of the Board until 1 April 2016)	-	-
Gilbert Kamieniecky (Member of the Board until 1 April 2016)	-	-
Mikko Parjanne (Member of the Board until 31 March 2015)	-	4
Jukka Ruuska (Member of the Board until 31 March 2015)	-	-
Anni Ronkainen (Member of the Board since 31 March 2015)	26	-
Bo Harald (Member of the Board since 22 December 2014)	28	4
Petri Carpén (Member of the Board since 22 December 2014)	28	4
Patrick Lapveteläinen (Member of the Board since 1 April 2016)	-	-
Carl-Magnus Månsson (Member of the Board since 1 April 2016)	-	-
<b>Total</b>	<b>82</b>	<b>13</b>

## Remuneration for Executive Team (CEO not included)

EUR thousand	1.1.–31.12.2016	1.1.–31.12.2015
Salaries and benefits	800	932
Performance based incentives <sup>1</sup>	35	-
<b>Total</b>	<b>835</b>	<b>932</b>

## CEO remuneration

EUR thousand	1.1.–31.12.2016	1.1.–31.12.2015
Salaries and benefits	224	223
Performance based incentives <sup>1</sup>	117	84
Pension cost - voluntary contribution plan	9	9
<b>Total</b>	<b>349</b>	<b>316</b>

<sup>1</sup> Incentives have been reported on the basis of the payment and paid on the previous period's result.



## Board of Directors' and management's share ownership 31 December 2016

Board members	Number of Shares
<b>Lapveteläinen Patrick</b>	10 000
Chairman of the Board	
Related party's ownership	8 000
<b>Carpén Petri</b>	0
Related party's ownership	0
<b>Harald Bo</b>	0
Related party's ownership	0
<b>Månsson Carl-Magnus</b>	0
Related party's ownership	0
<b>Ronkainen Anni</b>	0
Related party's ownership	0
<b>Total</b>	<b>18 000</b>

CEO and Executive Team	Number of Shares
<b>Ruuska Jukka</b>	60 000
CEO	
Related party's ownership	0
<b>Kallio Risto</b>	2 712
Related party's ownership	0
<b>Karemo Mikko</b>	4 219
Related party's ownership	0
<b>Kauppi Terhi</b>	2 371
Related party's ownership	0
<b>Koivula Heikki</b>	9 040
Related party's ownership	0
<b>Kumpu Esa</b>	0
Related party's ownership	0
<b>Muhonen Jouni</b>	3 014
Related party's ownership	0
<b>Vahermaa Pertti</b>	2 712
Related party's ownership	0
<b>Ylpekkala Heikki</b>	0
Related party's ownership	0
<b>Total</b>	<b>84 068</b>

## Auditor

The main function of the statutory audit is to verify that the financial statements provide true, accurate and sufficient information on the Asiakastieto Group's performance and financial position for the financial year. The Asiakastieto Group's financial year is the calendar year. The auditor's responsibility is to audit the correctness of the Group's accounting in the respective financial year and to provide an auditor's report to the General Meeting. In addition, Finnish law requires that the auditor also monitors the lawfulness of the Company's administration. The auditor reports to the Board of Directors at least once a year.

The Audit Committee prepares a proposal on the appointment of Asiakastieto's auditors, which is then presented to the AGM for its decision. The compensation paid to the auditors is decided by the AGM and assessed annually by the Audit Committee.

Pursuant to Article 8 of the Company's Articles of Association, the Company must have one auditor that is a company of public accountants approved by the Central Chamber of Commerce of Finland. The term of the Auditor of the Company shall end at the close of the Annual Meeting following the election.

The Annual General Meeting 1 April 2016 has appointed PricewaterhouseCoopers Oy, Authorised Public Accountants as its auditor. PricewaterhouseCoopers Oy has appointed Juha Tuomala, Authorised Public Accountant, as the principal responsible auditor.

In 2016 auditor Company was paid EUR 77 thousand for auditing and for other services EUR 49 thousand.

## Auditor's share ownership 31 December 2016

Auditor	Number of Shares
<b>Tuomala Juha</b>	0
Auditor in charge	
Related party's ownership	0
<b>Total</b>	<b>0</b>





## Risk Management and Internal Control

### Risk Management

Asiakastieto is exposed to a number of risks and uncertainties related to, among other factors, the market conditions, the Company's industry, the Company's strategy, business operations of the Company and financial risks. The materialisation of any such risks could have a material adverse effect on Asiakastieto's business, financial condition, results of operations and future prospects

The objective of Risk Management is to secure profitable performance of the Asiakastieto Group and to ensure the continuity of the business by executing risk management in a cost-effective and systematic manner in the different functions of the Company. Risk management is part of Asiakastieto's strategic and operative planning, daily decision-making process and internal control.

### Main Principles for Organizing Risk Management

The Company complies with a policy approved by the Company's Board of Directors for the management of risks. Risk Management covers all activities that are related to the objectives being achievable and consistent with the strategy, to the identification, measuring, assessment, processing, reporting and control of risks and to the reaction to risks.

### Main Features of Risk Management Process

In conjunction with the strategy process and annual planning, the Company's CEO and members of the management group evaluate the business risks which may prevent or endanger the achieving of the group's strategic and result objectives. The units provide risk assessments of their own operations for the support of the strategy process. The directors of the units have to provide assessments of the risks of their own area of responsibility and present action plans for the management of risks. Changes taking place in the strategic and operative risks are discussed in the management group.

Asiakastieto's CEO reports the identified risks as well as planned and implemented actions for the risk mitigation to the Audit Committee and the Board of Directors. In accordance with the recommendation 26 of the Finnish Corporate Governance Code, the Company shall disclose the major risks and uncertainties that the Board is aware of and the principles along which risk management is organised. The Audit Committee shall assure that the Corporate Governance Statement published by the Company shall contain an appropriate description of the main features of the internal control and risk management systems in relation to the financial reporting process.

The report by the Board of Directors contains an evaluation of the major risks and uncertainties. In addition, the interim reports and financial statements releases shall describe major short-term risks and uncertainties related to the business operations.

During the year 2016 also a separate comprehensive risk assessment was performed. It related to strategy, operational environment, management, finance, sales, marketing, customers, IT, premises, personnel, service production, registering and agreement practices.

### Internal control

The objective of the internal control in Asiakastieto Group is to ensure that business operations are efficient and profitable, financial reporting is reliable, and that applicable laws and regulations for the Company's business, as well as Company's internal instructions are followed. The specific objective of the internal control over financial reporting is to ensure that interim reports, financial statement releases and other financial reporting made available to the public, and financial statements and annual reports are reliable and are prepared in accordance with the accounting and reporting principles adopted by the Company.

The Audit Committee of Asiakastieto is responsible for, according to its working order, the monitoring of the financial statement preparation and financial reporting processes, and it monitors the effectiveness of the Company's internal control and risk management processes.

CEO is operationally responsible for the organization of the internal control. It includes that the Company has designed and implemented adequate internal control mechanisms as stipulated in the operating principles approved by the Board. CEO, supported by the Management Team, is responsible to ensure that the Company operates in accordance with the agreed and defined principles, follows laws and regulations, and reacts towards identified exceptions and takes adequate corrective actions.

The duty of the CFO is to make sure and control that the bookkeeping and financial reporting practices of the group are in accordance with the law and that the financial and management reporting is reliable.

An integral part of the internal control is the document indicating the Company's delegation of authority, as defined by the Board (Delegation of Authority Summary). The guideline defines authorisations of the Board, the CEO and other management team members. The guideline deals with the situations where authorisations may be required for annual financial accounts, budget, remuneration, investments, acquisitions, financing



and one-off transactions. These guidelines were changed during the year 2016. Asiakastieto Code of Ethics is applicable for all the group employees. It has been published in the Company's intranet and is also introduced to all new employees.

Asiakastieto has adopted the ISO 9001-based quality system. This describes the Company's principal processes and related controls, by means of which the units can control and develop their process risk management. Financial department has created a control catalogue which is being updated and also defined control points which are being tested on regular basis.

### General Description of Internal Control and Operational Principles

Internal control is carried out by the Board of Directors, management and the Company's entire personnel so that it can reasonably be asserted that:

- the operations are functioning, efficient and in compliance with the strategy
- the financial reporting and information given to the management is reliable, sufficient, and timely
- applicable laws and regulations as well as the Company's internal instructions and ethical values are complied with at Asiakastieto

Asiakastieto's internal control contain the following structural elements:

- instructions and principles set by the Board of Directors for internal control, risk management and administration
- the implementation and application of instructions and principles under the supervision of the management
- control of the efficiency and functionality of operations as well as the reliability of the financial and management reporting by the financial department
- the Company's risk management process, the purpose of which is to identify, assess and reduce risks threatening the achievement of objectives
- compliance processes, the purpose of which is to ensure that all applicable laws, regulations, internal instructions and ethical values are complied with common ethical values and strong internal control culture amongst all employees

Asiakastieto has no specific internal audit organisation. This has been taken into consideration in the content and extent of the annual audit plan. The Audit Committee of the Board shall, according to its working order, evaluate on a yearly basis whether such function should be established. The Audit Committee may use either internal or external resources to carry out specific internal audit assignments. The Group Finance of the Company monitors adherence of the approval limits as defined in the Delegation of Authority guidelines.

### Focus areas in 2016 for internal control development

Areas of focus for the internal control in 2016 were the assessment of acceptance limits, observation of related-party transactions, and review of access rights for systems.

### Compliance with laws and regulation

It is the policy of Asiakastieto to comply throughout the organization with all applicable laws and regulations and to maintain an ethical workplace for its officers and employees as well as an ethical relationship with its customers, suppliers and other business partners.

In its insider administration Asiakastieto follows the Guidelines for Insiders issued by Nasdaq Helsinki Ltd complemented by the Company's own Insider Guidelines approved by the Board. The Company's own Insider Guidelines were changed according to the MAR regulation (Market Abuse Regulation, 596/57/EU; MAR). The Company maintains the list of persons discharging managerial responsibilities and persons closely associated to them and project specific insider registers in the SIRE system of Euroclear Finland Ltd. In accordance with MAR regulation persons discharging managerial responsibilities include the members of the Board (and their deputies, if any) and in addition, based on a decision made by Asiakastieto's Board of Directors, the Executive Team. Asiakastieto has no company-specific permanent insider register.

According to Asiakastieto's Insider Guidelines, persons discharging managerial responsibilities shall always obtain a prior approval for trading in the Company's securities from the Company's Insider Officer. Persons discharging managerial responsibilities may not in any event trade in the Company's securities during the period of 30 days before the publication of the (quarterly) interim report or annual result (Closed Window). According to the Insider Guidelines approved by the Board also the persons who participate in the financial reporting of the Company are concerned by this prohibition to trade during the Closed window.



A project-specific insider register is also maintained when required by law or regulations. Project specific insiders are prohibited from trading in the Company's securities until the termination of the project.

### Shareholders' Agreements

The Company is not aware of any shareholders' agreements regarding the shares of the Company.

### Board of Directors' report

Board of Directors published 9 March 2017 its report for financial year 2016. Board of Directors report is published at the same time with Corporate Governance Statement.



## Board of Directors



### Patrick Lapveteläinen

b. 1966

**Education:** M.Sc. (Econ.)

Chairman of the Board from 1 April 2016

**Main duty:**

Investment Director of Sampo Plc

**Positions of trust:**

Member of the Board of Directors: If P&C Insurance Holding Ltd and Mandatum Life Insurance Company Limited (Sampo Life Insurance Company)

*Independent of the company but not independent of its significant shareholders*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 10 000 shares, holdings of interest parties 8 000 shares*



### Petri Carpén

b. 1958

**Education:** Master of Laws (LL.M.)

Board member from 22 December 2014

**Main duty:**

Director of Nets Oy

**Positions of trust:**

-

*Independent of the company and independent of its significant shareholders*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 0, no holdings of interest parties*



### Bo Harald

b. 1948

**Education:** Master of Arts (Pol. Sc.)

Board member from 22 December 2014

**Main duty:**

CEO of Why-Advisory Oy

**Positions of trust:**

Chairman of the Board of Directors: Oy Transmeri Group Ab and ZEF Oy, Member of the Board of Directors: Why-Advisory Oy, Enterpay Oy, European Mobile Operator Oy, Moi Mobiili Oy and Demos Helsinki ry

*Independent of the company and independent of its significant shareholders*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 0, no holdings of interest parties*



### Carl-Magnus Månsson

b. 1966

**Education:** M.Sc. (Eng.)

Board member from 1 April 2016

**Main duty:**

CEO of Acando Ab (publ.)

**Positions of trust:**

-

*Independent of the company and independent of its significant shareholders*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 0, no holdings of interest parties*



### Anni Ronkainen

b. 1966

**Education:** M.Sc. (Econ.)

Board member from 31 March 2015

**Main duty:**

Chief Digital Officer of Kesko Oyj

**Positions of trust:**

Member of the Board of Directors: Nordic Morning Oyj and Robit Oyj

*Independent of the company and independent of its significant shareholders*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 0, no holdings of interest parties*



# Executive Team

**Esa Kumpu**  
Director,  
Customer Management

**Jari Julin**  
CIO and  
Quality Director  
from 20 February  
2017

**Heikki Koivula**  
Deputy CEO and Director,  
Business Information

**Heikki Ylipekkala**  
Director,  
Real Estate and  
Collateral Information

**Risto Kallio**  
Service Director

**Pertti Vahermaa**  
CIO and  
Quality Director  
until 31 March 2017

**Mikko Karemo**  
Sales and Marketing  
Director

**Jukka Ruuska**  
CEO

**Terhi Kauppi**  
CFO / Finance, HR,  
Legal Affairs and  
Investor Relations

**Jouni Muhonen**  
Director,  
Consumer Information





### Jukka Ruuska

b. 1961

CEO

Master of Laws (LL.M.), MBA

*Employed by Asiakastieto Group since 2011.*

*He has previously acted as President of Nordic Exchange Oyj, Deputy CEO of OMX Abp, Senior Partner at CapMan Oyj and Head of Corporate Planning at Elisa Corporation.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 60 000 shares, no holdings of interest parties.*

### Heikki Koivula

b. 1974

Deputy CEO and Director, Business Information eMBA

*Employed by Asiakastieto Group since 2010.*

*He has previously acted as Development Director at Asiakastieto Group and Vice President at OP Group.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 9 040 shares, no holdings of interest parties.*

### Terhi Kauppi

b. 1971

CFO / Finance, HR, Legal Affairs and Investor Relations  
M.Sc. (Econ.)

*Employed by Asiakastieto Group since 2015.*

*She has previously acted as CFO at Pontos Oy and First Hop Oy as well as in various accounting roles at Nokia Oyj and other international companies.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 2 371 shares, no holdings of interest parties.*

### Jari Julin

b. 1968

CIO and Quality Director since 20 February 2017  
M.Sc. (Eng.)

*Employed by Asiakastieto Group since 2017.*

*Member of the Executive Team from 20 February 2017.*

*He has previously worked in IT development and executive capacities at Danske Bank Helsinki and Sampo Bank Plc.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 0, no holdings of interest parties.*

### Risto Kallio

b. 1961

Service Director  
M.Sc. (Soc. Sc.)

*He has previously acted as Development Director at Radiolinja Oy and Head of Information Services at Asiakastieto Group.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 2 712 shares, no holdings of interest parties.*

### Mikko Karemo

b. 1971

Sales and Marketing Director  
Master of Laws (LL.M.)

*He has previously acted in expert and leading positions in finance and service sector in Finland, Sweden and China. Before coming to Asiakastieto Group, he acted as Regional Director at IF P&C Insurance.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 4 219 shares, no holdings of interest parties.*

### Esa Kumpu

b. 1964

Director, Customer Management  
Diploma in Business and Administration

*Employed by Asiakastieto Group since 2016.*

*He has previously acted as Business Director of the Customer Marketing unit at Fonecta Oy and as CEO at Intellia Oy.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 0, no holdings of interest parties.*

### Jouni Muhonen

b. 1968

Director, Consumer Information  
Master of Laws (LL.M.), MBA

*Employed by Asiakastieto Group since 1998.*

*He has previously acted as Development Manager and Business Manager at Asiakastieto Group.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 3 014 shares, no holdings of interest parties.*

### Pertti Vahermaa

b. 1958

CIO and Quality Director until 31 March 2017  
M.Sc. (Eng.)

*Member of the Executive Team until 31 March 2017.*

*He has previously acted as Head of IT at Nordic Investment Bank and Group Business CIO at Nordea Bank.*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 2 712 shares, no holdings of interest parties.*

### Heikki Ylipekkala

b. 1967

Director, Real Estate and Collateral Information  
B.Pol.Sc., eMBA

*Employed by Asiakastieto Group since 2016.*

*He has previously acted in the executive teams of the national central securities depositories of Finland and Sweden (Euroclear Finland and Euroclear Sweden).*

*Shareholding in Asiakastieto Group Plc on 31 December 2016: 0, no holdings of interest parties.*



# Shares and shareholders

- Asiakastieto Group Plc has one share class. Each share carries one vote at the General Meeting of shareholders and each share confers equal right to dividends and net assets of the company. The shares have no nominal value. The shares of the company are incorporated in the book-entry securities system. At the closing of the financial year, the share capital of the company amounted to EUR 80 thousand and the total number of shares was 15 102 178.

The company did not hold any of its own shares at the end of the financial year. The General Meeting held on 1 April 2016 authorised the Board of Directors to decide on the repurchase of 1 000 000 of the company's own shares. The authorisation cancelled the previous share issue authorisation granted to the Board of Directors on 10 March 2015 by the resolution of the company's sole shareholder. The maximum quantity corresponds to approximately 6,6 % of the company's shares and voting rights. The authorisation is effective for 18 months from the date of the resolution. Further information on the authorisation can be found under 'Authorisations of the Board of Directors'.

## Share price and volume

During the financial year, a total of 2 249 787 shares were traded, and the total exchange value was EUR 37,5 million. The highest share price in the financial year was EUR 22,00 and the lowest EUR 13,15. The average price was EUR 16,59 and the closing share price was EUR 19,25. Market capitalisation measured at the closing price of the financial year was EUR 290,7 million.

## Shareholders

According to the book-entry securities system, the company had 2 286 shareholders at 31 December 2016, including seven nominee-registers. A list of the largest shareholders is available on the company's investor pages at [investors.asiakastieto.fi](http://investors.asiakastieto.fi). The company's biggest shareholder is the Sampo Group (Sampo Plc and Mandatum Life), their joint holding being 19,33 %.

## Significant shareholders on 31 December 2016

Shareholder	Number of shares	% of share capital
1 Skandinaviska Enskilda Banken Ab (Publ) Helsinki Branch *)	2 529 617	16,75
2 Nordea Bank Ab (Publ), Finnish Branch *)	1 929 361	12,78
3 Sampo plc	1 520 000	10,07
4 Mandatum Life Insurance Company Limited	1 400 000	9,27
5 Svenska Handelsbanken Ab (Publ) Branch Operation in Finland *)	630 222	4,17
6 OP-Delta Fund	609 232	4,03
7 Keva Mutual Insurance Company	569 222	3,77
8 Elo Mutual Pension Insurance Company	410 528	2,72
9 OP-Focus Fund	390 941	2,59
10 Kaleva Mutual Insurance Company	370 907	2,46
11 Clearstream Banking S.A. *)	351 767	2,33
12 Nordea Nordic Small Cap Fund	295 630	1,96
13 Evli Finnish Small Cap Fund	259 654	1,72
14 SR Danske Invest Finland	211 431	1,40
15 OP-Finland Small Cap Fund	191 485	1,27
16 Säästöpankki Korko Plus -sijoitusrahasto	190 500	1,26
17 Church Pension Fund	187 497	1,24
18 Nordea Pro Finland Fund	175 063	1,16
19 Ilmarinen Mutual Pension Insurance Company	175 000	1,16
20 Nordea Finland Fund	171 981	1,14
<b>20 largest shareholders total</b>	<b>12 570 038</b>	<b>83,23</b>
<b>All shares</b>	<b>15 102 178</b>	<b>100,00</b>

\*) Nominee registered



**Shareholder structure by sector on 31 December 2016**

Sector	Number of shareholders	% of shareholders	Number of shares	% of share capital
Companies and housing companies	180	7,88	729 330	4,83
Finance and insurance institutions	30	1,31	6 304 410	41,74
General government	11	0,48	1 574 612	10,43
Households	1 998	87,40	863 199	5,71
Non-profit organisations	56	2,45	176 142	1,17
Foreign shareholders	11	0,48	5 454 485	36,12
<b>Total</b>	<b>2 286</b>	<b>100,00</b>	<b>15 102 178</b>	<b>100,00</b>

**Ownership distribution by number of shares on 31 December 2016**

Number of shares	Number of shareholders	% of shareholders	Number of shares	% of share capital
1 - 100	743	32,502	51 464	0,341
101 - 500	1 011	44,226	273 673	1,812
501 - 1 000	276	12,073	216 174	1,431
1 001 - 5 000	173	7,568	344 898	2,284
5 001 - 10 000	31	1,356	238 047	1,576
10 001 - 50 000	24	1,050	577 758	3,826
50 001 - 100 000	4	0,175	256 000	1,695
100 001 - 500 000	17	0,744	3 956 510	26,198
500 001 - 999 999 999 999	7	0,306	9 187 654	60,837
<b>Total</b>	<b>2 286</b>	<b>100,000</b>	<b>15 102 178</b>	<b>100,000</b>
Of which nominee registered	7		5 458 571	36,144

The information is based on the list of the company's shareholders maintained by Euroclear Finland Ltd.



# Information for shareholders

## ● Annual General Meeting

- Asiakastieto Group Plc's Annual General Meeting will be held in Helsinki on Thursday 30 March 2017, starting at 10:00 am, at the G18 Ballroom at Yrjönkatu 18, 00100 Helsinki. The notice of the Annual General Meeting, including registration instructions, can be found on the Group's Investor pages at [investors.asiakastieto.fi](http://investors.asiakastieto.fi).

## Board of Directors' proposal to the Annual General Meeting

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.90 per share be paid for the year 2016. If the Annual General Meeting approves the Board of Directors' proposal on the distribution of funds, payment shall be made to shareholders registered in the company's shareholder register maintained by Euroclear Finland Ltd on the payment record date of 3 April 2017. The Board of Directors proposes that the funds be paid on 10 April 2017.

## Changes of address

Shareholders are kindly requested to notify the account manager of the book-entry account of any changes of address.

## Financial information in 2017

Each year, Asiakastieto Group Plc publishes a financial statement release, an annual report, a half year financial report and two interim reports. After they are published, the stock exchange releases can be read on the Group's investors site. The annual report is published as a PDF file only.

Annual Report for 2016..... week 10/2017  
Interim Report 1 Jan–31 Mar (Q1)..... 5 May 2017  
Half Year Financial Report 1 Jan–30 Jun (Q2) 3 August 2017  
Interim Report 1 Jan–30 Sep (Q3).....8 November 2017

## Basic share information

Market..... Nasdaq Helsinki  
List .....Mid Cap  
Sector.....Financials  
Trading code .....ATG1V  
Votes/share..... 1  
Number of shares on 31 December 2016..... 15 102 178  
Share capital (EUR).....80 000

## Analysts

Information about analysts following the company can be found on the Investor pages. The list is not necessarily exhaustive, and Asiakastieto Group shall not be held responsible for any estimates presented in analyses.

## Investor Relations

The goal of the Group's IR function is to produce accurate up-to-date information about the company's business operations and financial development. Asiakastieto Group publishes all investor information on its Investors site in Finnish and English. Asiakastieto Group Plc observes a 30-day period of silence before the publishing of financial reports. During this period, the company does not arrange or participate in any one-on-one meetings with investors, analysts or the media.

## IR contact information



Terhi Kauppi  
CFO  
tel. +358 10 270 7017  
E-mail: [firstname.lastname@asiakastieto.fi](mailto:firstname.lastname@asiakastieto.fi)



Pia Katila  
Investor Relations Manager  
tel. +358 010 270 7506  
E-mail: [firstname.lastname@asiakastieto.fi](mailto:firstname.lastname@asiakastieto.fi)



