

## Appendix 12: State guarantees and other multiannual liabilities

### Loan guarantees

MEUR	Valid 31.12.2018	Valid 31.12.2017	Valid Change 2018-2017	Maximum amount available 31.12.2018
<b>Companies</b>	<b>134</b>	166	<b>-32</b>	<b>190</b>
Finavia Oyj <sup>1)</sup> <i>Act on the incorporation of the aviation administration as a limited company (877/2009)</i>	83	98	-15	83
Terrafame Oy <i>Budget 2017 (1314/2016), Government resolution 17.5.2018<sup>2)</sup></i>	51	68	-17	107
<b>Finance and insurance institutions</b>	<b>10 772</b>	<b>8 746</b>	<b>2 025</b>	<b>21 550</b>
Finnvera Oyj <i>- Act on the State-Owned Specialised Financing Company (443/1998), Government resolution 20.4.2017, capital investment in bonds<sup>3-4)</sup></i>	10 772	8 709	2 062	21 550
<i>- Act on Credits and Guarantees Provided by the State-Owned Specialist Financing Company (445/1998) capital investment in credit and guarantees<sup>5)</sup></i>	8 711	6 476	2 235	15 000
<i>- Act on State Guarantees Granted to Companies Engaged in Shipbuilding or Shipowning Operations (573/1972), Act on the State Guarantee Fund (444/1998), amount of ship credit guarantees and hedging instruments<sup>5-7)</sup></i>	1 974	2 129	-155	4 200
<i>industry for investments promoting environmental protection (609/1973), Act on the State Guarantee Fund (444/1998), credit guarantees<sup>5-6)</sup> and<sup>8)</sup></i>	86	99	-13	1 350
Suomen Vientiluotto Oy <i>Supplementary budget for 2003, sub-item 28.82., Government resolution 18.6.2003</i>	-	37	-37	-
<b>General government</b>	-	-	-	<b>770</b>
Unemployment Insurance Fund <i>Act on the financing of unemployment benefits (555/1998), first supplementary budget for 2015 (224/2015), Government resolution 20.4.2017<sup>9)</sup></i>	-	-	-	770
<b>Households</b>	<b>3 368</b>	<b>2 735</b>	<b>633</b>	<b>4 359</b>
Guaranteed student loan funds <i>Act on financial aid for students (28/1972), act on financial aid for students in higher education (111/1992) and act on financial aid for students (65/1994)</i>	3 368	2 735	633	4 359
<b>Non-profit institutions serving households</b>	-	<b>2</b>	<b>-2</b>	-
Stiftelsen för Svenska Teatern i Helsingfors <i>Second supplementary budget for 2009 (737/2009), Government resolution 21.1.2010</i>	-	2	-2	-
<b>Rest of the world</b>	<b>7 203</b>	<b>7 194</b>	<b>8</b>	<b>14 346</b>
European Financial Stability Facility (EFSF) <i>Act on State guarantees for the EFSF (668/2010), Government resolution<sup>10)</sup></i>	7 042	7 006	36	13 974
Nordic Investment Bank (NIB) <i>Act on implementing the regulations in the field of legislation on the contract of Nordic Investment Bank (982/2004), petitionary motion 1432/2004</i>	161	188	-27	372
<b>State guarantees total</b>	<b>21 477</b>	<b>18 844</b>	<b>2 633</b>	<b>41 216</b>

### Export guarantees

MEUR	Valid 31.12.2018	Valid 31.12.2017	Valid Change 2018-2017	Maximum amount available 31.12.2018
<b>Companies</b>	<b>25</b>	<b>25</b>	<b>-</b>	<b>25</b>
Nammo Vihtavuori Oy	25	25	-	25
<i>Fourth supplementary budget for 2013 (836/2013), Government resolution 19.12.2013</i>				
<b>Finance and insurance institutions</b>	<b>20 428</b>	<b>19 586</b>	<b>842</b>	<b>46 107</b>
Finnvera Oyj	19 664	18 970	694	27 800
<i>Act on the State's Export Credit Guarantees (422/2001), Act on the State Guarantee Fund (444/1998), Total liability for export guarantees and hedging instruments<sup>5-6 ja 11)</sup></i>	19 573	18 970	603	27 000
<i>Act on State guarantees for ensuring the supply of basic raw materials (651/1985), Act on the State Guarantee Fund (444/1998), Total liability for raw material guarantees and protective arrangements<sup>5-6 and 12)</sup></i>	91	-	91	800
Insurance guarantee for insurance institutions under emergency conditions	-	-	-	10 000
<i>Act on insurance guarantee under emergency conditions (408/2007)</i>				
Suomen Pankki	534	406	129	8 064
<i>Decision of Parliament (1273/2011), Government resolution 18.2.2016, Decision of Parliament (139/2017), Government resolution 30.3.2017</i>				
Finnish Fund for Industrial Cooperation Ltd. (Finnfund)	229	210 <sup>13)</sup>	19	243
<i>Finnfund Act (291/79), first supplementary budget for 2018 (526/2018) and Government resolution 20.9.2018; the capital of the investments and credits included in the loss compensation commitment</i>	61	-	61	75
<i>Finnfund Act (291/79), second supplementary budget for 2012 (375/2012) and Government resolution 20.9.2012; the capital of the investments and credits included in the loss compensation commitment</i>	-	42 <sup>13)</sup>	-42	-
<i>Finnfund Act (291/79), third supplementary budget for 1993 and Government resolution 16.7.1993; the capital of the investments and credits included in the loss compensation commitment</i>	168	168	-	168
<b>General government</b>	<b>11</b>	<b>27</b>	<b>-16</b>	<b>1 000</b>
HAM Helsinki Art Museum	11	-	11	
National Gallery/Ateneum Art Museum	-	6	-6	
City of Tampere/Sara Hildén Art Museum	-	20	-20	
<i>Act concerning State Indemnity for Art Exhibitions (411/1986)</i>				1 000
<b>Export guarantees total</b>	<b>20 463</b>	<b>19 638</b>	<b>826</b>	<b>47 132</b>
<b>State guarantees total</b>	<b>41 940</b>	<b>38 482</b>	<b>3 459</b>	<b>88 348</b>

<sup>1)</sup> The amount of State guarantees does not include guarantees granted by the Civil Aviation Administration (the predecessor of Finavia Oyj) on behalf of its subsidiaries; this has been presented as additional information in the footnotes (EUR 29m as of 31 December 2017). The guarantee has ended as a result of the holding and financing arrangements of Finavia's subsidiary LAK real Estate Oy in 2018, as the loans from the era of Civil Aviation Administration have been settled.

<sup>2)</sup> The maximum amount determined by Government resolution of 17 May 2018 is EUR 59m.

<sup>3)</sup> The guarantee provided to the EMTN (Euro Medium Term Note) programme of Finnvera Oyj also covers cross-currency rate swaps (nominal amount EUR 8 703m as of 31 December 2018). Derivative instruments are agreed upon under an international, standard-format ISDA agreement, which incorporates a Credit Support Annex (CSA) agreement to reduce credit risk by a collateral arrangement.

<sup>4)</sup> The maximum amount determined by Government resolution of 20 April 2017 is EUR 11 000m.

<sup>5)</sup> The Act on the State-Owned Specialised Financing Company (443/1998) contains provisions on the separation of domestic and export and special guarantees. Domestic losses are covered by the domestic fund, and losses from export and special guarantees are covered by credit, guarantee and venture capital activities under the export and special guarantees fund. The state is responsible for guarantees provided by Finnvera as referred to in the Act on Credits and Guarantees Provided by the State-Owned Specialist Financing Company (445/1998). If the export and special guarantees fund of Finnvera Oyj is not sufficient to cover losses, they will be covered by the National Export Guarantee Fund, which can be supplemented with an appropriation in the budget. Act on the State Guarantee Fund (444/1998).

<sup>6)</sup> Includes existing liabilities. Concurrent liabilities between different guarantees have been eliminated.

<sup>7)</sup> Act on State Guarantees Granted to Companies Engaged in Shipbuilding or Shipowning Operations (573/1972). The total amount of outstanding guarantee credits and hedging instruments provided under the Act at any one time may not exceed EUR 1.35bn. The liability under the Act comprises the guaranteed capital of loan guarantees which have taken effect plus half of the guaranteed loan capital of binding guarantee offers. For non-euro-denominated credit, the amounts are calculated by using the ECB reference rate for the currency in question on the date on which the guarantee is granted. On that basis, the liability was EUR 80m as of 31 December 2018.

<sup>8)</sup> Act on State guarantees and export guarantees granted to industry for investments promoting environmental protection (609/1973). The total amount of outstanding guarantee credits provided under the Act at any one time may not exceed EUR 1bn. The liability under the Act comprises the guaranteed capital of loan guarantees which have taken effect plus half of the guaranteed loan capital of binding guarantee offers. For non-euro-denominated credit, the amounts are calculated by using the ECB reference rate for the currency in question on the date on which the guarantee is granted. On that basis, the liability was EUR 0,00 as of 31 December 2018.

<sup>9)</sup> The maximum amount determined by Government resolution of 20 April 2017 is EUR 440m.

<sup>10)</sup> The maximum amount determined by Government resolution on 22 November 2018 is EUR 7,670m. The maximum amount under the resolution consists of Finland's share (1.9289%) of the EFSF programme (EUR 241bn) and an overguarantee of up to 65%. The resolution also includes interest rates and other costs caused by the fund-raising.

<sup>11)</sup> Act on the State's Export Credit Guarantees (422/2001). The total amount of export guarantees and hedging instruments may not exceed EUR 27bn. The liability under the Act comprises the net liabilities per balance sheet, the existing liabilities, half of offered guarantees, capital, and the ECB reference rate for the currency in question on the date on which the guarantee is granted. On that basis, the liability was EUR 19,108m as of 31 December 2018. For repayments of export guarantees granted by Suomen Vientiluotto Oy, which is part of Finnvera, the risk is covered by the export guarantee granted by the parent company Finnvera Oy. Borrowing by Finnvera Oyj under the EMTN programme is guaranteed by the State. Where State-guaranteed debt is used to fund export guarantees, it does not result in double liability for the state.

<sup>12)</sup> Act on State guarantees for ensuring the supply of basic raw materials (651/1985). The total amount of guarantees for raw materials and protective arrangements may not exceed EUR 0,8bn. The liability under the Act comprises the guaranteed capital of loan guarantees which have taken effect plus half of the guaranteed loan capital of binding guarantee offers. For non-euro-denominated contracts, the amounts are calculated by using the ECB reference rate for the currency in question on the date on which the raw material guarantee is granted. On this basis, the liability was EUR 74m as of 31 December 2018.

<sup>13)</sup> The guarantee was not presented in the appendix to the accounts for 2017.