

# Bank of Åland Plc: Interim Report for the period January–September 2015

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Bank of Åland Interim report Bank of Åland Plc: Interim Report for the period January–September 2015 Mariehamn, 2015-10-27 08:00 CET (GLOBE NEWSWIRE) -- Bank of Åland Plc Interim Report October 27, 2015, 9.00 a.m. Interim Report for the period January–September 2015 “During the first nine months of 2015, net operating profit improved by 60 per cent to EUR 23.6 per cent. “During the third quarter, we saw continued negative market interest rates and a relatively large downward correction in the stock market. In spite of this, the Bank of Åland Group had a stable income trend, with net interest income showing especially strong performance. Net impairment provisions of EUR 1.4 million, related to a very limited number of customers, were charged to third quarter earnings. “We are seeing a continued good influx of customers in all our business areas.” Peter Wiklöf, Managing Director January–September 2015 compared to January–September 2014 • Net operating profit improved by 60 per cent to EUR 23.6 M (14.8). • Profit for the period attributable to shareholders improved by 81 per cent to EUR 19.0 M (10.5). • Net interest income increased by 7 per cent to EUR 39.2 M (36.7). • Net commission income increased by 11 per cent to EUR 35.3 M (31.7). • Total expenses decreased by 5 per cent to EUR 66.9 M (70.6). • Net impairment losses on loans (including recoveries) increased by 53 per cent to EUR 1.9 M (1.2), equivalent to a loan loss level of 0.08 (0.05) per cent. • Return on equity after taxes (ROE) increased to 12.7 per cent (7.6). • Earnings per share increased to EUR 1.25 (0.73). • The core Tier 1 capital ratio amounted to 11.9 per cent (December 31, 2014: 10.9 per cent). The third quarter of 2015 compared to the third quarter of 2014 Compared to the third quarter of 2014 • Net operating profit fell by 8 per cent to EUR 6.4 M (6.9). • Profit for the period attributable to shareholders fell by 1 per cent to EUR 5.1 M (5.1). • Net interest income increased by 7 per cent to EUR 13.6 M (12.7). • Net commission income increased by 1 per cent to EUR 10.5 M (10.5). • Total expenses decreased by 1 per cent to EUR 21.6 M (21.9). • Net impairment losses on loans (including recoveries) increased to EUR 1.4 M (0.3), equivalent to a loan loss level of 0.16 (0.03) per cent. • Return on equity after taxes (ROE) decreased to 9.9 per cent (10.9). • Earnings per share decreased to EUR 0.33 (0.35). Financial summary -----

Bank of Åland Group	Q3 2015	Q2 2015	% Q3 2015	Jan-Se 2015	Jan-Se 2014	% Jan-Se 2015	2015	2015	2014	p Sep 2015	2014	
----- EUR M -----												
Income	13.6	12.9										
Net interest income	13.6	12.9										
Net commission income	10.5	11.9	-11	10.5	1	35.3	31.7	11				
Net income from financial items at fair value	1.5	1.6	-11	1.9	-23	5.5	4.5	22				
Other income	3.8	4.1	-9	4.0	-5	12.4	13.7	-10				
Total income	29.4	30.6	-4	29.1	1	92.4	86.6	7				
Staff costs	-13.2	-14.1	-6	-12.0	10	-40.9	-38.6	6				
Other expenses	-6.7	-6.7	0	-7.8	-14	-20.6	-25.6	-19				
Depreciation/amortisation	-1.7	-1.7	-2	-2.1	-19	-5.3	-6.4	-17				
Total expenses	-21.6	-22.5	-4	-21.9	-1	-66.9	-70.6	-5				
Profit before impairment losses	7.8	8.1	-4	7.2	8	25.6	16.0	60				
Impairment losses on loans and other commitments	-1.4	-0.3										
Net operating profit	6.4	7.8	-18	6.9	-8	23.6	14.8	60				

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Report for the period January – September 2015 is attached to this release in PDF format and is also available on the company's web site at Mariehamn, October 27, 2015 THE BOARD OF DIRECTORS For more information please contact: Peter Wiklöf, Managing Director and Chief Executive, Bank of Åland, tel. + 358 (0)40 512 7505