

Interim report 1 January - 30 June 2001

Aktia Group

Continued growth in volume

- Saving by households increased by 6.4% to FIM 10,830.8 million*
- Loans to households increased by 13.4% to FIM 8,894.8 million
- Net operating profit decreased by 4.2% to FIM 110.2 million (excluding extraordinary items of FIM 28.7 million 2/00)
- Total income decreased by 10.3% to FIM 348.6 million
- Net income from financial operations increased by 18.4% to FIM 239.1 million
- Total expenditure decreased by 0.9 % to FIM 244.1 million
- Return on equity (ROE) was 16.9%
- Aktia expands in Turku and Tampere
- Aktia@net - Aktia's branch office on the web will start in September
- As many as 35 Aktia employees have already passed an examination in investment services

* borrowing from the public plus investments in mutual funds managed by the Aktia Group

Result

The Group's net operating profit for the first six months of 2001 reached FIM 110.2 million, and the return on equity was 16.9 per cent. Growth in volume continued according to plan, and net income from financial operations increased. However, income from money market operations fell due to the considerably weaker market. As a result, the comparable net operating profit, adjusted for extraordinary one-off items, decreased by FIM 4.8 million compared with the corresponding period in 2000.

Income and expenditure

Total income decreased by FIM 40.1 million to FIM 348.6 million. Net income from financial operations grew by FIM 37.3 million to FIM 239.1 million. This was mainly due to continued growth in interest rate margins as a result of higher market rates. By contrast, other income dropped by FIM 77.4 million to FIM 109.5 million. However, the result is not directly comparable with the year 2000 as other income at the corresponding time in 2000 included one-off items to a total value of FIM 53.3 million. Commission income decreased by FIM 24.4 million mainly due to the decline in the sale of mutual fund units and related management activities, insurance products and brokerage of shares. The financial result for securities transactions and foreign exchange dealing fell only slightly compared with the second half of 2000 when the one-off capital gains of FIM 19.9 million from the sale of shares are excluded. Other operating income decreased by FIM 36.2 million to FIM 22.3 million because real estate holdings were considerably reduced during the period in accordance with Aktia's strategy. Operating income for the corresponding period in 2000 included profits from the sale of real estate property to a value of FIM 33.4 million.

Total expenditure fell by FIM 2.1 million to FIM 244.1 million in spite of the decisions to invest heavily in recruitment and business development. This was partly due to reversals of one-off nature and partly to the fact that some of the costs of investment in business development will not be realised until after the first six months. Personnel costs were FIM 102.9 million and remained virtually unchanged despite the continued growth in the number of staff. Depreciation and write-downs decreased by FIM 18.4 million to FIM 25.0 million even though depreciation increased as the depreciation periods for renovations and inventories were shortened. However, no write-downs on property holdings were made during the period whereas during the corresponding period in 2000 they totalled FIM 24.6 million. Other operating expenditure fell slightly as a result of the reduced real estate portfolio. At the end of the period, the income-to-cost ratio was 1.41 (1.55/00).

Appropriations

At the end of the period, the Group periodized taxes to a total value of FIM 22.1 million. The parent company increased the general loan loss provision to FIM 36.0 million, the tax implications of which for the Group profit were FIM 10.4 million. Total taxes increased from FIM 7.7 million to 22.1 million compared with the corresponding period in 2000 because the deductible losses incurred by the Group in the past have now been fully used up for taxation purposes.

Since the corresponding period in 2000, Aktia's group structure has been changed in response to the instructions for consolidation issued by the Financial Supervision Authority. A number of minor real estate corporations whose effect on the financial result is negligible were left out. This increased the Group's shareholders' equity by FIM 3.9 million but did not affect the profit for the period under review.

Balance sheet total

On 30 June 2001, the Group's balance sheet total stood at FIM 19,078.3 million while the corresponding figure for 2000 was FIM 17,716.8 million.

Saving and lending

Saving and lending continued to grow in accordance with Aktia's strategy and the bank's relative market share increased despite the reversed money market trends and falling share prices.

Saving - i.e. borrowing from the public and sales of units in mutual funds managed by Aktia - increased on a year-on-year basis by FIM 554.4 million to FIM 14,036.6 million (4.1%). Over the same period, Group borrowing increased by FIM 528.8 million to FIM 10,900.8 million (5.1%). Transfer of funds from the 2% savings accounts to time-deposit and Prime accounts continued at a significant level. Saving by households rose during the period by FIM 648.7 million to FIM 10,830.8 million (6.4%), which includes borrowing from the public and investments mutual fund units. As a result, the market share in borrowing from the public grew from 3.5 per cent to 3.6 per cent, and the market share in saving in mutual funds by households increased from 5.4 per cent to 6.1 per cent.

Credits extended to the public continued to grow. In particular, the volume of housing loans grew faster than the market, and Aktia's market share went up from 4.4 per cent to 4.6 per cent.

The Group's lending increased by FIM 1,255.9 million to FIM 11,845.6 million (11.9%) compared with the corresponding period in the previous year. New loans over the period under review amounted to FIM 2,305.2 million, of which FIM 1,801.0 million consisted of credits extended to households.

In February Aktia decided to found a mortgage bank to secure the growth in lending by reliable borrowing at favourable terms, which, in turn, will make it possible to offer competitive and versatile mortgages. Start-up of the new business is progressing according to plan.

On 9 April 2001, Aktia lowered its prime rate by 0.25 per cent to 4.75 per cent, to be followed by another reduction from 4.75 to 4.50 per cent on 23 August 2001. The rate was lowered in response to falling short-term interest rates, the bleaker outlook for economic growth and abating inflationary pressures.

The bank, business units and subsidiaries

Bank's financial result

Most of the Group's financial result was earned by the bank. Net operating profit dropped by 18.2 per cent to FIM 110.2 million compared with the corresponding period in 2000. However, if one-off items are excluded, the net operating profit was only FIM 0.8 million lower than at the corresponding time in 2000.

The bank's total income dropped by 8.5 per cent to FIM 342.2 million. Net income from financial operations increased by 17.9 per cent to FIM 244.4 million, while other income dropped by 41.4 per cent to FIM 97.8 million, partly due to the considerably weaker market and partly due to the fact that other income at the corresponding time in 2000 included extraordinary income.

Total expenditure decreased by 0.9 per cent to FIM 237.8 million, mainly due to reversals of one-off nature. Additionally, the figure does not include any write-downs on property holdings as at the corresponding time in 2000.

Sales & Customer Service

Sales & Customer Service, which includes all of Aktia's 63 branch offices and 3 service outlets as well as its online banking services, is charged with the task of providing services in all banking affairs as outlined in Aktia's policy of being the best bank in Finland in offering caring and personalised customer service.

The financial result for this business area was only slightly lower in 2001 than at the end of the corresponding period in 2000. This was mostly due to greater net income from financial operations, which was a result of higher interest rate margins thanks to high market rates, and continued growth in borrowing and lending volumes. However, other income did not develop as expected because income from the sale of mutual fund units and insurance products and brokerage of shares declined at the same time as commissions on assets managed by Aktia fell. This was due to the dwindling share market and weakening economy whereas the situation one year earlier was the opposite. Expenditure increased according to plan, mainly as a result of investments in staff recruitment and reconstruction of existing branch offices in order to respond to today's need for customer service in an environment that ensures confidentiality. Another reason for growing expenditure was the increase in the number of computer transactions due to a greater volume of business.

Growth in volume continued. New loans increased according to plan and profitability was good, while repayments exceeded expectations. Saving in mutual funds and insurance products stagnated but deposits in savings accounts increased. As Aktia seeks to apply competitive pricing, the cost of borrowing increased faster than the market.

The inflow of customers continued at a satisfactory level with the bank gaining 6,363 new customers during the first six months of 2001.

Work to increase the level of automation in banking transactions proceeded according to plan. For example, the number of Internet bank transactions increased by 50 per cent compared with the corresponding period in 2000, and the number of visits to web services grew by 68 per cent to reach 653,000 – equivalent to an average of about 3,600 visit per day.

Activities in this business sector focus on active and systematic sales efforts and customer care. Among other things, the customer care discussions, which were favourably received by the clientele, will be continued and developed further. Investments in enhancing staff expertise mainly in savings products, recruitment of new employees and the refurbishment of existing bank premises will continue.

In order to improve expertise in saving products, as many as 35 Aktia employees have already taken the national certificate in investment services awarded by the Finnish Association of Stockbrokers and the Helsinki School of Economics and Business Administration. The certificate was launched in the spring of 2000. The figure includes those 17 Aktia employees who participate in Aktia's 18-month training programme for investment specialists. In addition to various in-house training courses, the investment specialists will this year take a national examination for investment advisors. Upon completion of the training programme, the specialists will start working at Aktia's branch offices.

In keeping with Aktia's strategy for growth, the bank decided to set up three new branch offices and one service outlet during the current year. A new branch office opened for business in Turku in June, and a new service outlet will start in August. At the same time, a new branch office will open for business in Tampere. The bank already operates branch offices in both locations.

In order to expand its services on the web, the bank will open a web office. Aktia@net will start at the beginning of September, and it will offer both existing and potential new customers an optional and flexible way of handling their banking business. The new office is tailored for customers who wish to be free from the constraints of place and time in their dealings with the bank. What is unique about this concept is that Aktia@net will provide a comprehensive range of services combined

with personal advice and personalised web service. Personal advice is given by the web office's own personnel by telephone and by secured e-mail.

Asset management

Aktia Asset Management includes the activities of Aktia Fund Management Ltd, Aktia Asset Management Oy Ab, Aktia Private Banking, AktiaSecurities Ltd and custodian and back office services.

The gloomy situation on the money market continued during the first six months, which resulted in a considerable decline in prices and turnover during the period. This was also reflected in Aktia Asset Management, and so the financial performance of the business units did not develop as expected. Because of the changed market situation, the results are not directly comparable with those for the corresponding period in 2000, as the situation on the money market was at that time completely different.

Asset Management was reorganised. In the spring, an Aktia Asset Allocation Group was set up to define and develop strategies for investing funds on behalf of customers. In order to improve and rationalise the sales and marketing of asset management products and services, the sales organisations of Aktia Fund Management and Insurance Unit were merged in June. Additionally, a project was launched to secure GIPS (Global Investment Performance Standards) certification for Aktia's mutual funds – GIPS is a set of standards specifying procedures for reporting fund management activities. This facilitates comparison of individual funds, ensures a high standard of management and improves the internal process.

Aktia Fund Management Ltd

Aktia Fund Management Ltd administers and markets mutual funds that invest both in the Finnish and international money market.

During the first six months of 2001, Aktia Fund Management Ltd focused on responding to the customers' needs with due regard to the prevailing market conditions by launching a new investment fund, Aktia Solida, which is designed to yield a positive return over a 12-month period irrespective of the market situation. The fund aims at a steady return at low risk, which is achieved by a policy of investing around 90 per cent of the capital in bonds and other interest-bearing instruments and only around 10 per cent in shares. Solida, whose first valuation date was on 1 May, was favourably received by the market. Special emphasis was placed on highlighting, in customer communications, the benefits of regular saving in funds irrespective of the market situation.

Aktia Fund Management Ltd's gross income increased by 14.6 per cent on the previous year to FIM 25.5 million. Direct expenditure rose by 39.9 per cent to FIM 24.1 million. The financial result before taxes was FIM 1.4 million.

The total assets managed by Aktia Fund Management Ltd increased by FIM 52.9 million to FIM 3,135.8 million on a year-on-year basis. Aktia Fund Management Ltd's market share with regard to funds registered in Finland remained unchanged. During the first six months of 2001, Aktia Fund Management Ltd gained about 3,100 new customers.

Aktia Asset Management Oy Ab

Aktia Asset Management offers discretionary portfolio management services for major institutional investors, an arrangement under which Asset Management is authorised to make investment decisions on behalf of the customer subject to certain mutually agreed limits.

Particularly at a time when market is volatile and weakening, customers need professional and active management services, and so the focus during the first six months was placed on satisfying the needs of the existing customers and acquiring new ones.

During the period under review, Aktia Asset Management's financial performance developed hand in hand with the market. Total income reached FIM 3.8 million. Costs increased by 14.7 per cent to FIM 2.2 million while the profit before taxes was FIM 1.6 million.

Aktia Private Banking

The Aktia Private Banking's core business is to provide asset management services for private individuals, foundations and other institutions. The services include everything from advice to agreements by which customers authorise the Aktia Private Banking, subject to mutually agreed limits, to make investment decisions on their behalf.

During the first six months of the year, Aktia Private Banking concentrated on developing its service concept, for example by overhauling its customer reporting procedures, introducing a new customer magazine and implementing a new portfolio management programme that greatly improves the capabilities for estimating risks and return. Additionally, Aktia Private Banking focused on the acquisition of new customers in accordance with its growth strategy.

Financial performance by Aktia Private Banking was also impacted by the market situation, which is why the financial result did not reach the 2000 level.

Other business units

Aktia Markets

Aktia Markets' activities include trading with money market and currency instruments mainly directly with customers as well as handling payment transactions for local banks.

Despite lower-than-expected volumes, Markets' financial performance was satisfactory during the first six months.

Vasp-Invest Ab

Vasp-Invest Oy's concept is partly to help Aktia to break away from financial involvement in real estate property that is not used by the Group and partly to develop the property in order to optimise the value of the real estate portfolio. During the first six months, Vasp-Invest sold off real estate holdings for FIM 8.6 million. At the end of the period, Vasp-Invest's capital tied up in real estate amounted to FIM 70.8 million. The financial result before taxes was FIM 0.8 million.

Loan losses and risks

The guidelines for risk management within Aktia are based on conservative and controlled exposure in the bank's core business. In accordance with the strategic policy adopted by the Board of Directors, the bank deals only in low-risk financing.

During the first six months of the year, the Group booked loan losses of FIM 0.3 million and reversals of FIM 6.1 million, which included a profit of FIM 5.0 million from the sale of credits in the process of collection. The total positive net effect was FIM 5.8 million. At the corresponding time in 2000, the total net effect was negative, being FIM 0.7 million.

Compared with 2000, non-performing loans fell by FIM 10.1 million to FIM 72.4 million. Together with non-interest-bearing loans, they accounted for 0.7 per cent of the total credit stock, including commitments. At the corresponding time in 2000, the figure was 0.8 per cent.

The savings banks' security fund

Aktia and all the other savings banks belong to the voluntary security fund for savings banks. The purpose of the fund is to ensure stability in saving banks' operations. Under the rules of this fund, the savings banks are not mutually responsible for each others' debts or liabilities. The fund is free of debt and its assets at the end of the quarter stood at FIM 160.0 million. No support was paid out during the first six months of 2001.

Capital adequacy

On June 2001, the Group net capital was FIM 1,126.9 million. Of this, FIM 889.1 million was Tier 1 capital and FIM 237.8 million Tier 2 capital. The capital adequacy ratio was 12.7 per cent, the proportion of Tier 1 capital being 10.0 per cent.

Personnel

In accordance with the Group's strategy for growth, new employees were recruited mainly by Sales & Customer Service and Business Development. As a result, the number of employees increased on 2000 by 38 to reach 872. Of these, 825 (786/00) were actual bank staff. The average number of staff during the period under review was 839 (793/00).

Other events

Aktia is proceeding with its preparations for the third phase of EMU. Work in anticipation of the adoption of the euro as a cash currency at the beginning of 2002 is progressing according to plan.

Following the notification by the EU Commission concerning Aktia's alleged involvement in a cartel to fix bank charges for currency exchange, Aktia conducted negotiations to clarify the fees it will charge up to the turn of the year and the Commission closed down the investigation on 7 June 2001 for Aktia's part.

Prospects

Work to develop Aktia's service concept and product range will continue. Operations are based on customer needs and expectations with special emphasis being placed on personalised service.

In keeping with its strategy for growth, Aktia will continue to seek to increase the volume of business and expand its market share in its main field of activity - private banking. However, the money market has not been developing as expected. The financial result for 2001 will fall short of the 2000 level. This is due to structural changes in saving, falling interest rates, major investments in the bank's business development, and reduced income from money market operations caused by the weak market.

Profit and loss account (million)	Group						Parent company					
	Jan-Jun 2001		Jan-Jun 2000		Jan-Dec 2000		Jan-Jun 2001		Jan-Jun 2000		Jan-Dec 2000	
	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR
Interest income	492.6	82.8	372.3	62.6	840.9	141.4	498.0	83.8	377.6	63.5	851.5	143.2
Interest expenses	253.5	42.6	170.5	28.7	398.0	66.9	253.6	42.7	170.3	28.6	397.6	66.9
Net income from financial operations	239.1	40.2	201.8	33.9	442.9	74.5	244.4	41.1	207.3	34.9	453.9	76.3
Income from equity investments	2.4	0.4	1.4	0.2	1.8	0.3	5.0	0.8	3.0	0.5	4.2	0.7
Commissions receivable	88.5	14.9	112.9	19.0	208.0	35.0	78.3	13.2	99.9	16.8	185.1	31.1
Commissions payable	-8.4	-1.4	-11.8	-2.0	-21.5	-3.6	-8.4	-1.4	-11.8	-2.0	-20.4	-3.4
Net income from securities transactions and foreign exchange dealing	4.7	0.8	25.9	4.4	35.0	5.9	5.0	0.8	25.5	4.3	35.1	5.9
Other operating income	22.3	3.8	58.5	9.9	82.6	13.9	17.9	3.0	50.2	8.4	65.5	11.0
Total other income	109.5	18.4	186.9	31.5	305.9	51.4	97.8	16.4	166.8	28.0	269.5	45.3
Total income	348.6	58.6	388.7	65.4	748.8	125.9	342.2	57.6	374.1	62.9	723.4	121.7
Staff costs	102.9	17.3	103.2	17.3	207.8	35.0	97.9	16.5	99.1	16.7	199.5	33.6
Other administrative expenses	74.1	12.5	59.4	10.0	122.0	20.5	74.3	12.5	60.1	10.1	124.6	21.0
Depreciations and write-downs on tangible and intangible assets	25.0	4.2	43.4	7.3	88.9	14.9	20.9	3.5	38.4	6.5	78.0	13.1
Other operating expenses	42.1	7.1	40.2	6.8	80.7	13.6	44.7	7.5	42.4	7.1	87.2	14.7
Total costs	244.1	41.1	246.2	41.4	499.4	84.0	237.8	40.0	240.0	40.4	489.3	82.3
Profit before loan losses	104.5	17.6	142.5	24.0	249.4	41.9	104.4	17.6	134.1	22.5	234.1	39.3
Loan and guarantee losses	5.8	1.0	0.7	0.1	1.1	0.2	5.8	1.0	0.7	0.1	0.9	0.2
Write-downs on securities held as financial fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Share in associated undertakings	-0.1	0.0	0.5	0.1	0.8	0.1	-	-	-	-	-	-
Net operating profit	110.2	18.5	143.7	24.2	251.3	42.3	110.2	18.5	134.8	22.6	235.0	39.5
Appropriations	-	-	-	-	-	-	-36.0	-6.1	-30.0	-5.0	-66.0	-11.1
Taxes for the financial year and taxes brought forward	-22.1	-3.7	-7.7	-1.3	-35.7	-6.0	-22.0	-3.7	-5.4	-0.9	-32.4	-5.4
Changes in imputed tax claims	-10.4	-1.8	-8.8	-1.5	-19.2	-3.2	-	-	-	-	-	-
Minority interest	-0.3	-0.1	-0.4	-0.1	-0.9	-0.1	-	-	-	-	-	-
Profit for the period	77.4	13.0	126.8	21.3	195.5	32.9	52.2	8.8	99.4	16.7	136.6	23.0

Balance sheet (million)	Group						Parent company					
	Jan-Jun 2001		Jan-Jun 2000		Jan-Dec 2000		Jan-Jun 2001		Jan-Jun 2000		Jan-Dec 2000	
	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR
Assets												
Liquid assets	1,883.0	316.7	697.6	117.3	1,638.5	275.6	1,883.0	316.7	697.6	117.3	1,638.5	275.6
Debt securities eligible for refinancing with central banks	3,503.5	589.3	2,969.7	499.5	3,127.6	526.0	3,503.5	589.3	2,969.7	499.5	3,127.6	526.0
Claims on credit institutions	237.0	39.9	1,921.8	323.2	209.8	35.3	236.1	39.7	1,921.1	323.1	209.8	35.3
Claims on the public and public sector entities	11,845.6	1,992.3	10,589.7	1,781.0	11,288.0	1,898.5	12,029.3	2,023.2	10,825.8	1,820.8	11,479.0	1,930.6
Debt securities	275.2	46.3	267.9	45.1	207.2	34.9	287.6	48.4	258.4	43.5	218.8	36.8
Shares and participations	24.3	4.1	21.9	3.7	24.2	4.1	11.9	2.0	11.9	2.0	11.9	2.0
Shares and participations in group undertakings	15.9	2.7	11.3	1.9	11.7	2.0	39.6	6.7	33.8	5.7	33.8	5.7
Intangible assets	24.7	4.2	24.8	4.2	18.8	3.2	23.8	4.0	23.3	3.9	17.7	3.0
Tangible assets	783.1	131.7	837.2	140.8	801.0	134.7	571.2	96.1	594.9	100.0	558.7	94.0
Other assets	298.1	50.1	211.6	35.6	256.1	43.1	294.3	49.5	208.4	35.1	252.5	42.5
Accrued income	187.9	31.6	163.3	27.4	151.7	25.5	188.0	31.6	161.9	27.2	153.7	25.9
Total assets	19,078.3	3,208.7	17,716.8	2,979.7	17,734.6	2,982.8	19,068.3	3,207.1	17,706.8	2,978.1	17,702.0	2,977.3
Liabilities												
Liabilities to credit institutions and central banks	4,026.6	677.2	3,582.6	602.5	3,581.9	602.4	4,026.6	677.2	3,585.7	603.1	3,581.9	602.4
Liabilities to the public	10,900.8	1,833.4	10,372.0	1,744.4	10,519.3	1,769.2	10,910.3	1,835.0	10,399.3	1,749.0	10,538.3	1,772.4
Liabilities to public sector entities	750.0	126.1	948.6	159.5	795.4	133.8	755.2	127.0	952.8	160.3	794.6	133.6
Debt securities issued to the public	1,052.9	177.1	922.0	155.1	617.9	103.9	1,052.9	177.1	912.1	153.4	607.9	102.2
Other liabilities	695.9	117.0	439.7	73.8	651.2	109.5	693.1	116.6	434.4	73.1	646.1	108.7
Accrued expenses	200.5	33.7	152.6	25.7	150.2	25.3	194.8	32.8	146.0	24.5	143.4	24.1
Compulsory provisions	2.5	0.4	-	-	3.8	0.6	2.5	0.4	-	-	3.8	0.6
Subordinated liabilities	452.6	76.1	422.3	71.0	458.6	77.1	452.6	76.1	422.3	71.0	458.6	77.1
Appropriations	-	-	-	-	-	-	112.0	18.8	40.0	6.7	76.0	12.8
Imputed tax claims	32.6	5.5	11.7	2.0	22.1	3.7	-	-	-	-	-	-
Minority interest	2.0	0.3	18.1	3.1	18.3	3.1	-	-	-	-	-	-
Share capital	423.1	71.2	423.1	71.2	423.1	71.2	423.1	71.2	423.1	71.2	423.1	71.2
Share premium account	6.9	1.2	6.9	1.2	6.9	1.2	6.9	1.2	6.9	1.2	6.9	1.2
Reserve fund	48.0	8.1	44.3	7.5	44.3	7.5	48.0	8.1	48.0	8.1	48.0	8.1
Profit brought forward	406.5	68.4	246.1	41.4	246.1	41.4	338.1	56.9	236.8	39.8	236.8	39.8
Profit for the period	77.4	13.0	126.8	21.3	195.5	32.9	52.2	8.8	99.4	16.7	136.6	23.0
Total liabilities	19,078.3	3,208.7	17,716.8	2,979.7	17,734.6	2,982.8	19,068.4	3,207.1	17,706.8	2,978.1	17,702.0	2,977.3
Off-balance sheet commitments	1,060.3	178.3	810.8	136.4	833.8	140.2	1,060.3	178.3	810.9	136.4	843.9	141.9

Result by quarter (million)	2/2000		3/2000		4/2000		1/2001		2/2001	
	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR	FIM	EUR
Net income from financial operations	106.7	17.9	116.3	19.6	124.7	21.0	120.8	20.3	118.2	19.9
Other income	98.2	16.5	58.1	9.8	61.0	10.3	55.1	9.3	54.5	9.2
Total income	204.9	34.5	174.4	29.3	185.7	31.2	175.9	29.6	172.7	29.0
Staff costs	-52.1	-8.8	-47.3	-8.0	-57.4	-9.7	-43.7	-7.3	-59.2	-10.0
Other costs	-50.8	-8.5	-43.5	-7.3	-59.6	-10.0	-55.7	-9.4	-60.5	-10.2
Depreciations and write-downs	-24.2	-4.1	-10.2	-1.7	-35.3	-5.9	-12.3	-2.1	-12.7	-2.1
Total costs	-127.1	-21.4	-101.0	-17.0	-152.3	-25.6	-111.7	-18.8	-132.4	-22.3
Loan losses	0.8	0.1	1.4	0.2	-1.1	-0.2	0.6	0.1	5.2	0.9
Participating interest	0.6	0.1	0.2	0.0	0.2	0.0	0.0	0.0	-0.1	0.0
Operating profit	79.1	13.3	75.0	12.6	32.5	5.5	64.8	10.9	45.4	7.6

Key ratios for the Group (million)	30 June 2001		30 June 2000		31 December 2000	
	FIM	EUR	FIM	EUR	FIM	EUR
Credit stock						
Households	8,895	1,496	7,847	1,320	8,403	1,413
Corporate	2,625	442	1,820	306	1,922	323
Non-profit organisations	106	18	677	114	722	122
Public organisations	220	37	246	41	240	40
Total	11,846	1,992	10,590	1,781	11,287	1,898

Risk commitments

Non-performing loans	72.4	12.2	82.5	13.9	67.9	11
Non-interest-bearing loans	8.4	1.4	9.9	1.7	9.3	2
Non-performing/credit stock incl. commitments (%)		0.7		0.8		0.7

Key ratios

Turnover	611	103	571	96	1 168.4	196.5
Earnings/share	2.20	0.37	3.60	0.61	5.55	0.94
Equity/share	26.30	4.42	23.18	3.90	25.98	4.37
Return on equity, % ROE		16.86		31.40		23.06
Income-to-cost ratio		1.41		1.55		1.48
Number of shares		35,258,050		35,258,050		35,258,050
Average number of shares during the period		35,258,050		35,258,050		35,258,050
Average number of employees during the period		839		793		799

Capital base

Tier 1 equity	889	150	816	137	857	144
Tier 2 equity	238	40	253	43	256	43
Net capital base	1,127	190	1,068	180	1,113	187
Risk-weighted commitments	8,869	1,492	8,386	1,411	8,561	1,440
Capital adequacy, %		12.7		12.7		13.0
Tier 1 equity ratio		10.0		9.7		10.0

Profit for the period is included in Tier 1 capital.

Helsinki, 20 August 2001
AKTIA SAVINGS BANK plc
Board of Directors

Auditors' statement

We have reviewed the interim report of Aktia Savings Bank plc as of 30.6.2001. The interim report has in our opinion been prepared in accordance with the applicable regulations. The Group operating profit for the period 1.1.–30.6.2001 is FIM 110.2 million.

Helsinki, 13 August 2001
OY JOE SUNDHOLM & CO AB
Authorised Public Accountants

Jan Holmberg, APA Sune Back, APA Rolf Nyberg, AA