

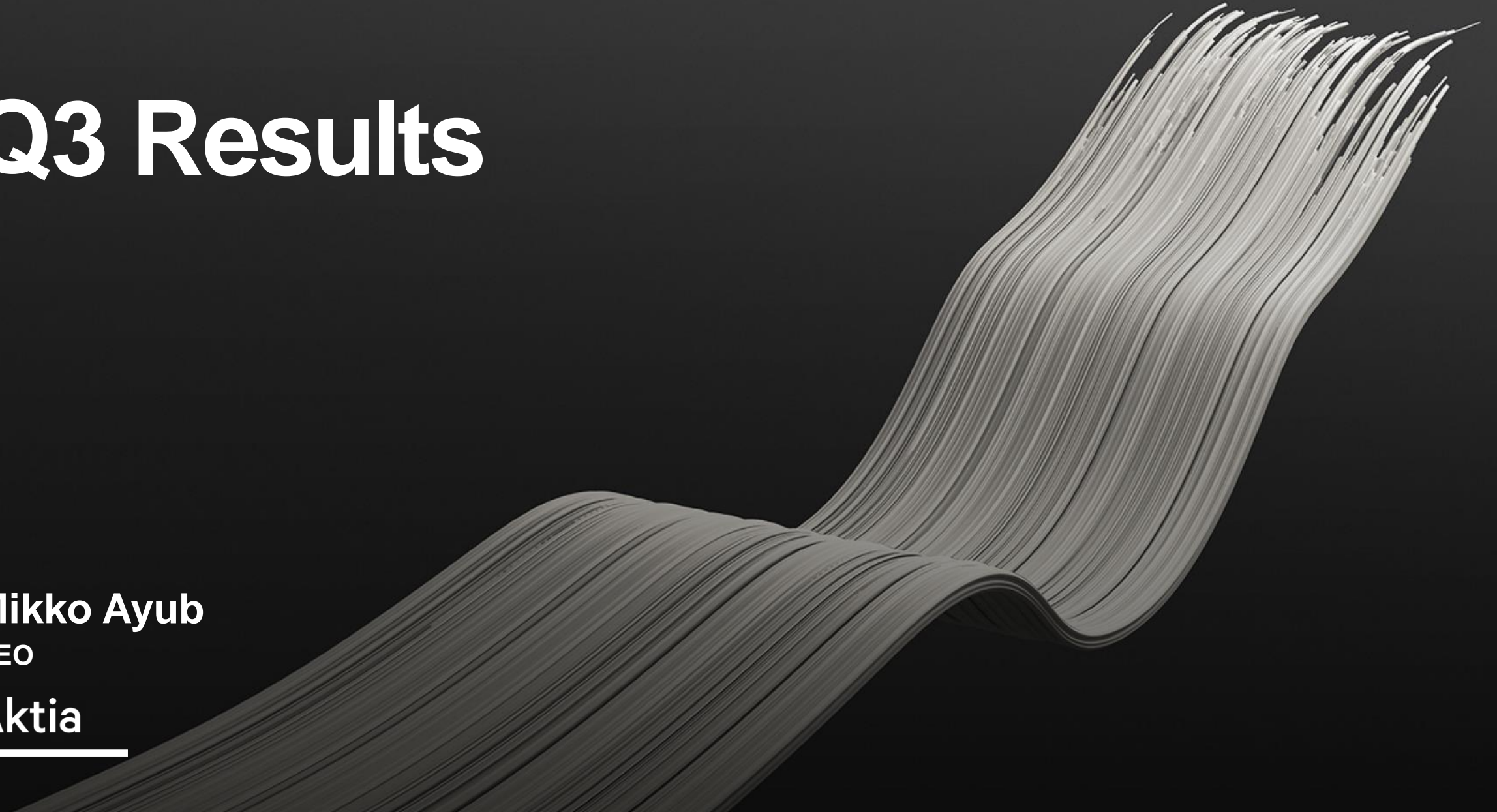
4 NOVEMBER 2021

Q3 Results

Mikko Ayub

CEO

Aktia



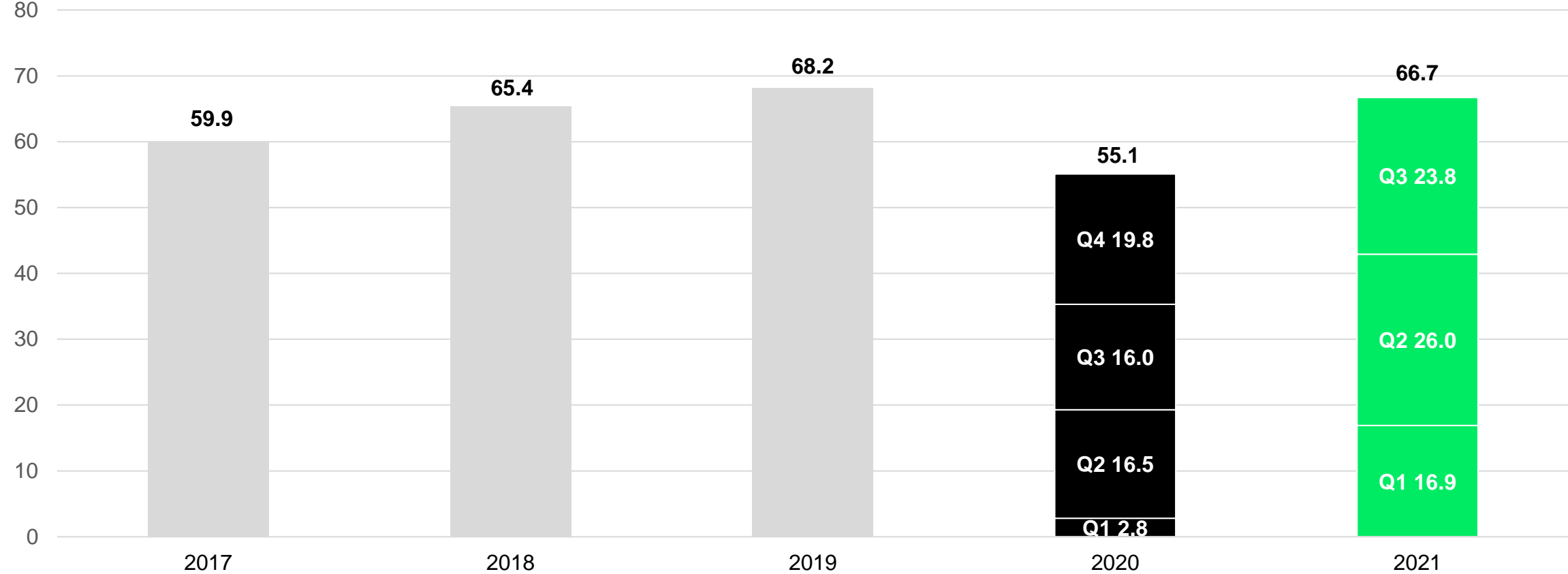
Continued good performance in all business areas

EUR million	3Q2021	3Q2020	Δ %
Total operating income	67.1	49.4	36%
Net interest income	23.1	20.0	16%
Net commission income	33.5	24.2	39%
Net income from life insurance	9.7	4.7	105%
Other income	0.7	0.5	44%
Total operating expenses	-41.6	-33.8	23%
Impairments of credits and other commitments	-1.0	-0.1	-
Operating profit	24.4	16.0	53%
Comparable operating profit	23.8	16.0	49%
EPS, EUR	0.28	0.18	54%
ROE, %	11.4	7.8	46%
Cost-to-income ratio (comparable)	0.63	0.68	-8%
CET1, %	10.4	15.6	-33%

- Good net interest income
- Net commission income also at a very good level
- Strong net income from life insurance was attributable to good sales and an improved investment income
- Comparable cost-to-income ratio decreased to 0.63
- On 14 October 2021, Aktia paid EUR 0.43 dividend per share for the financial year 2020. The paid dividend amounted to EUR 30.9 million

Comparable operating profit 2017–3Q2021

EUR million



Asset Management

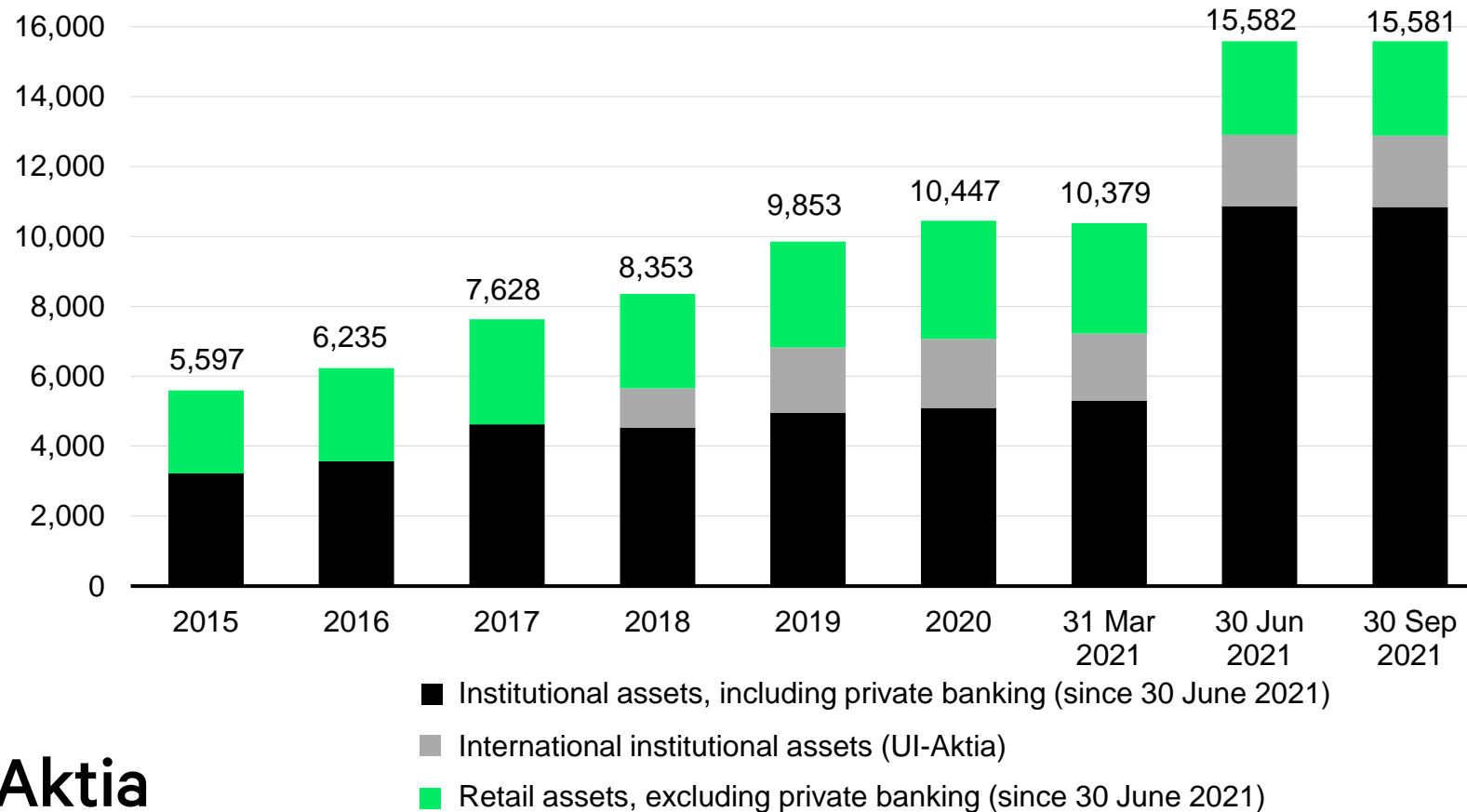
- Integration work continued in Q3 and proceeded according to plans and timetable
- The organisational structure of Aktia's asset management was completed during Q3
- Customer service models merged, and piloting projects initiated during Q3
 - Financing of investments well received by customers
- Preparation for year end legal entity mergers advances
- Returning to office work supports building new culture



Assets under Management

AuM excluding custody

EUR million



- Net subscriptions positive during Q3
- Volatility of the equity market and the nervousness of investors weighed the changes in market values

Banking Business

- Growth in loan book continues
 - Loan margins from corporate customers continued to increase during Q3
- Goal not to increase volume or gain market share as such, we hold strong focus on profitability and good quality of the credit portfolio
- Aktia and Finnair have agreed on co-operation and will introduce a new Finnair Visa credit card into the market in spring 2022, which opens access to customers at the core of our strategy
- Customer satisfaction was at a good level according to surveys in the autumn and the satisfaction of Premium customers in particular was downright excellent
- Particular effort was made to develop the customer service for corporate customers as well as to organise the work, which our customers noticed as shorter waiting and service times
- Aktia's investments in the sales and development of leasing products were also reflected in the profitable growth of the credit book and market share in Aktia's SME sector



Aktia

Life Insurance

- The demand for risk life insurances continued to increase, particularly the sales of critical illness insurances developed well
- Co-operation with Finland's Företagarskydd continued well, strengthening Aktia Life's position particularly amongst SME companies
- Focus within business development has been on improving the risk life insurance underwriting processes and on broadening the investment offering

Aktia



Our three strategic priorities

1

Win in wealth management

- A) The most preferred wealth manager among private and institutional customers
- B) Success in integrating Taaleri's wealth management operations

2

Growth among customers who are willing to increase their wealth

- C) Acquire new customers to our strategic sweet-spot
- D) Focus on cross-sales and development of our current customer base

3

Excellent customer experience

- E) Seamless collaboration and holistic service models across all business areas

2025

OUR VISION

The leading wealth manager bank

OUR MISSION

Building wealth for our customers and society

Aktia

Courageously

Skillfully

Together

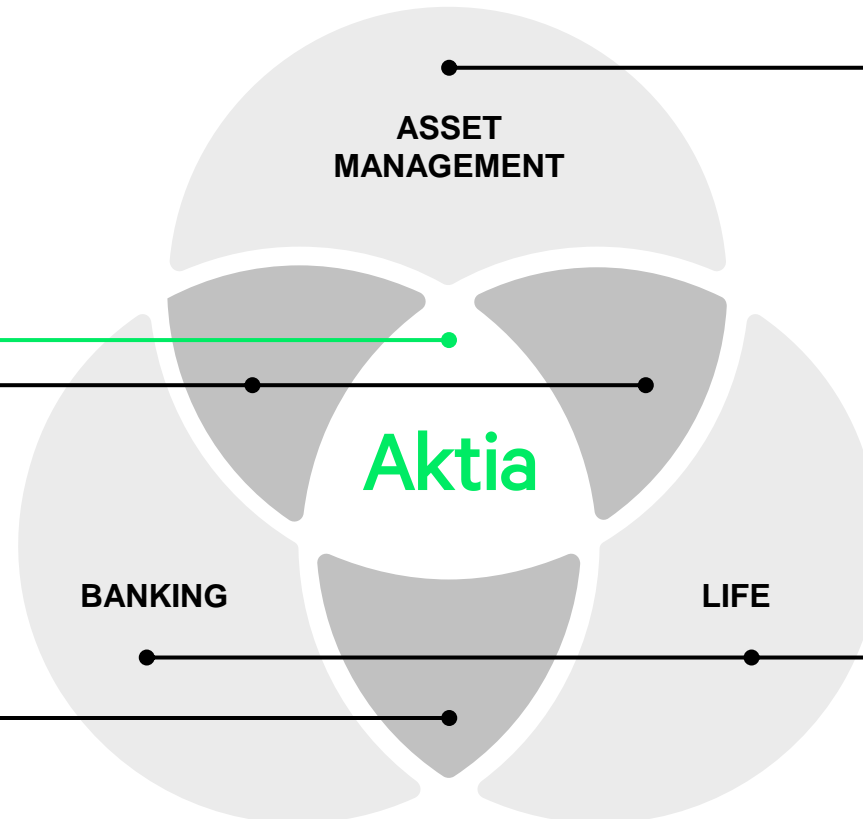
Focus on guiding customers to our focal point

Growth in our strategic sweet-spot

Offering comprehensive wealth management to our target segments, including wealth plans, financing, asset management services, personal life insurance and convenient banking services

Growth through cross-selling

Focus on cross sales and development of our current customer base



Focus on excellent customer experience and offering for single product customers

Focus on production and service cost for single product customers

The financial targets 2025

Comparable
operating profit
**above EUR 120
million**

1–9/2021;
EUR 66.7 million

Comparable
return on
Equity (ROE)
above 12%

30 September 2021;
10.4%

Comparable
cost-to-income
ratio **under 0.60**

1–9/2021;
0.64

Common Equity
Tier 1 capital ratio
(CET1) **above 1.5
percentage points
over the regulatory
requirement**

30 September 2021;
**2.7 percentage points over
the minimum capital
requirement 7.7%**

Outlook 2021

Aktia maintains its previous outlook in which the comparable operating profit for 2021 is expected to be considerably higher than during 2020 (maintained)

- The increase in net interest income is expected to continue owing to strong volume increase and reasonable financing expenses
- The increase in commission income from fund and asset management is expected to be higher than during the first half year due to the acquisition of Taaleri's wealth management operations
- Expenses are expected to be higher than during 2020 considering the increased staff expenses due to the acquisition of Taaleri's wealth management operations as well as one-off transaction and integration related expenses
- Provisions for possible expected credit losses are expected to increase moderately. Aktia's liquidity is expected to be at a high level and the capital adequacy ratio is expected to be stable

Financial overview

Outi Henriksson

CFO

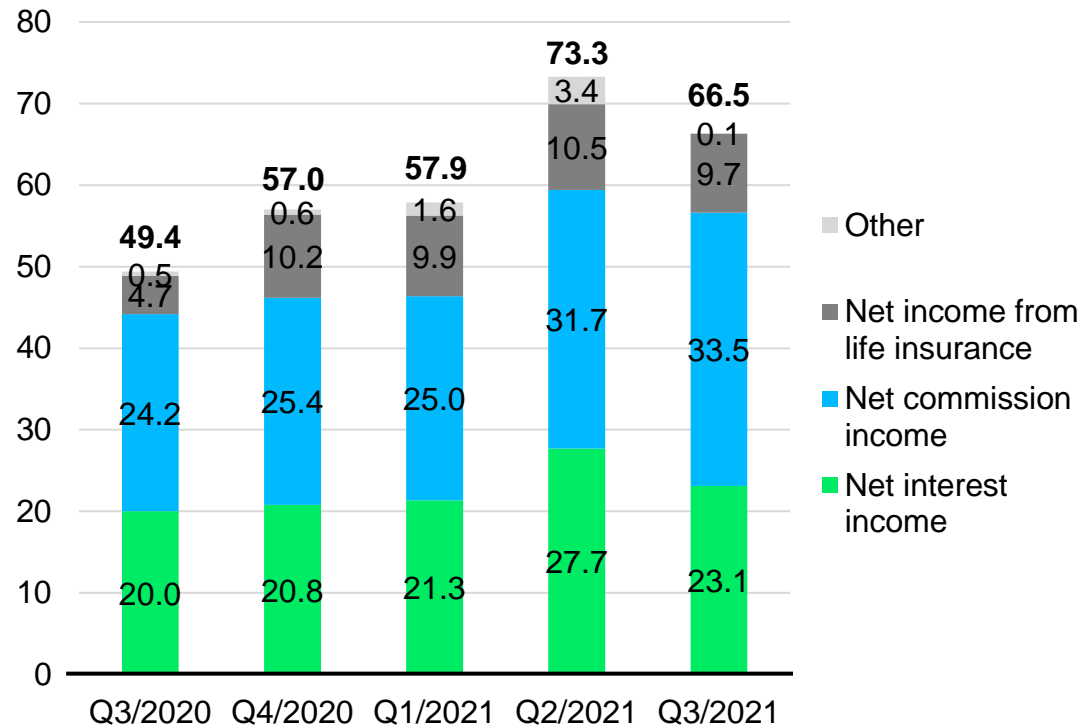
Aktia

Comparable operating profit and income

Q-o-Q

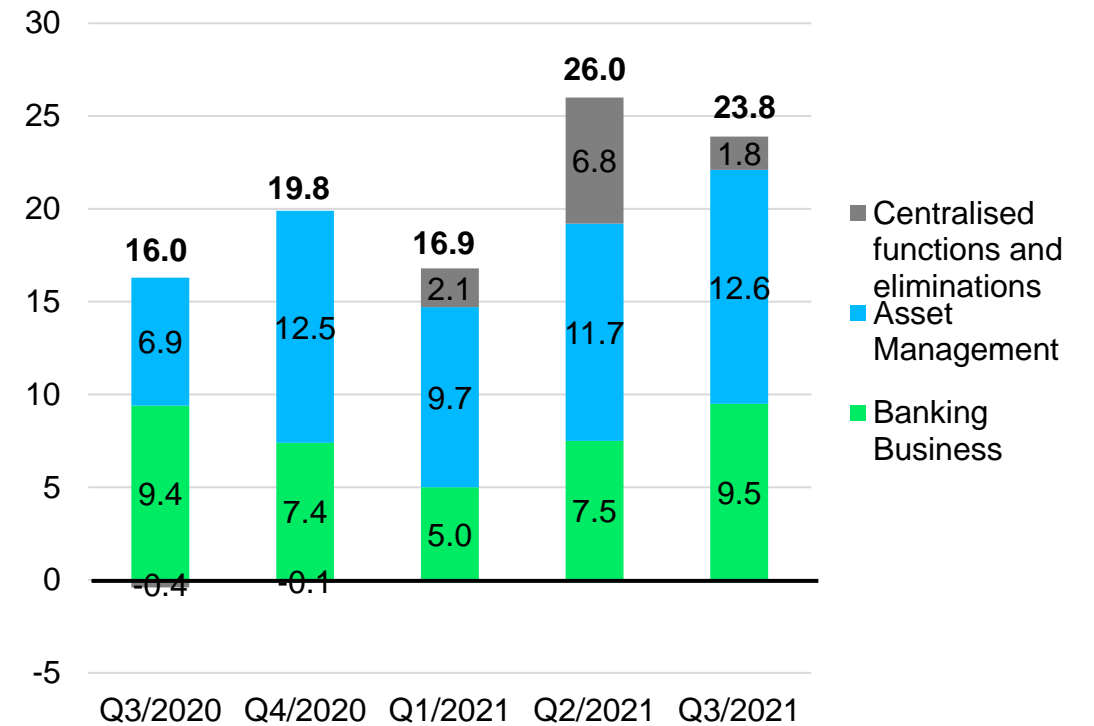
Comparable operating income

EUR million



Comparable operating profit

EUR million



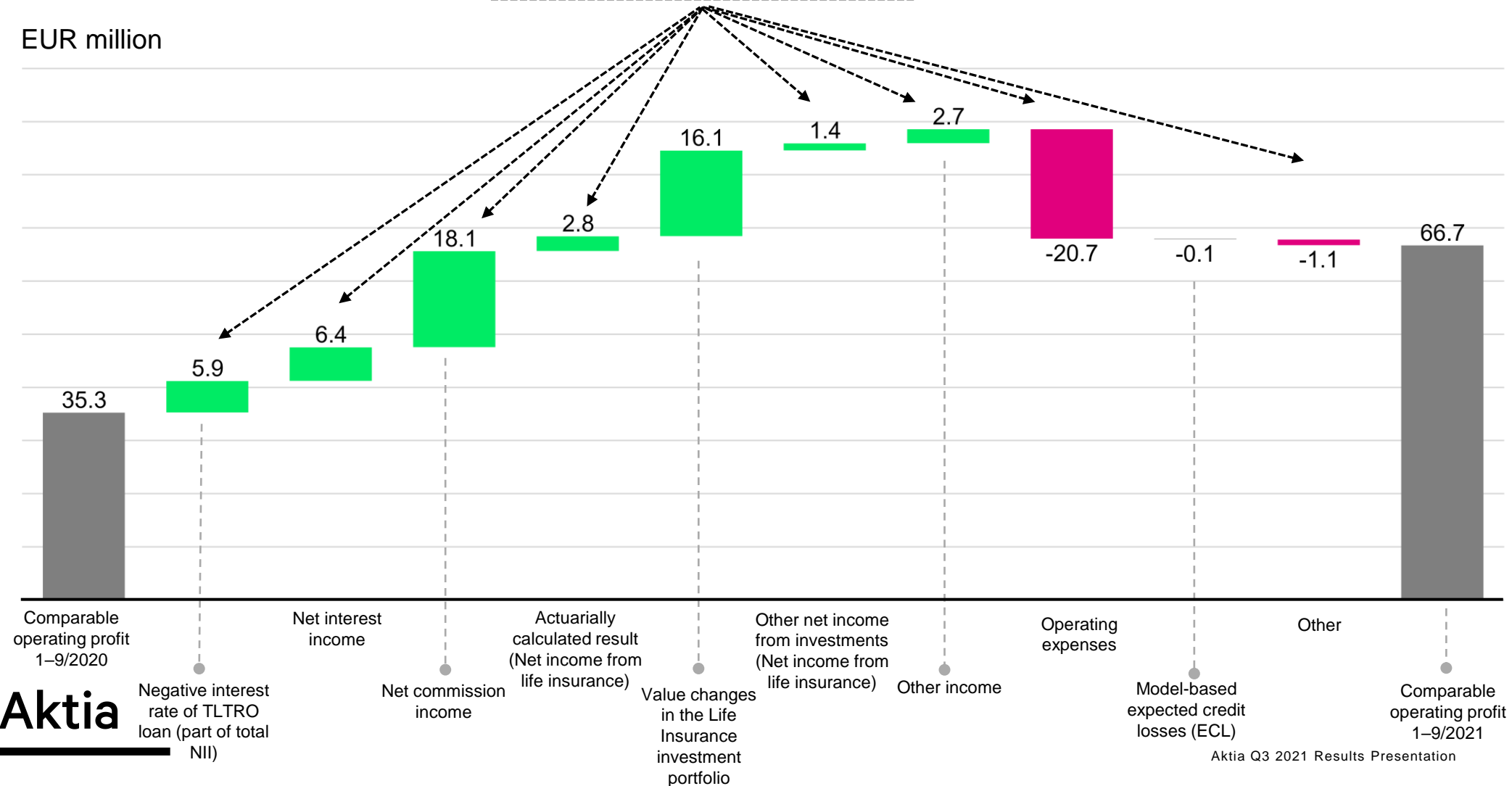
Aktia

Comparable operating profit

1–9/2021 vs 1–9/2020

+43% underlying profit growth
(without unrealised value changes)

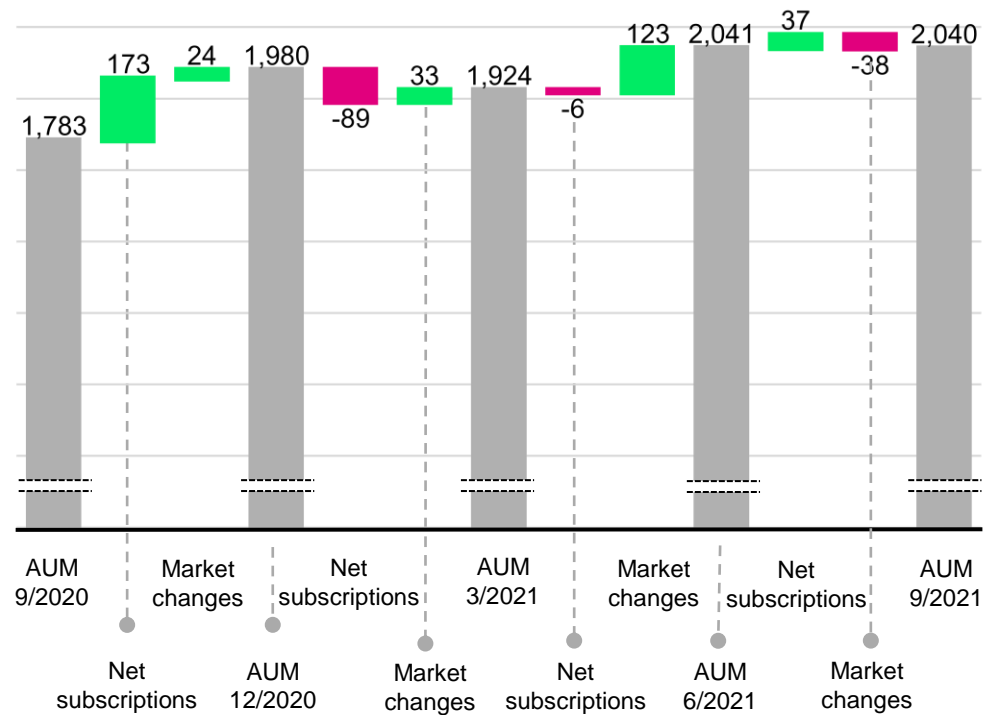
EUR million



AuM – Net subscriptions and market changes

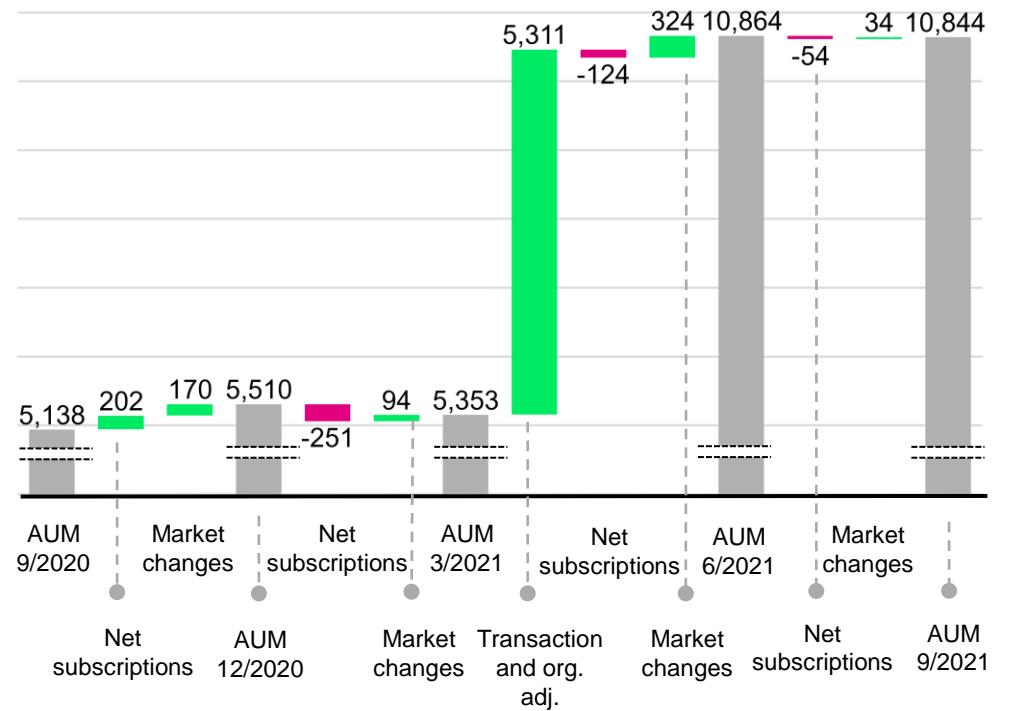
Asset Management, Aktia UI Q-o-Q

EUR million



Asset Management, domestic institutions Q-o-Q

EUR million

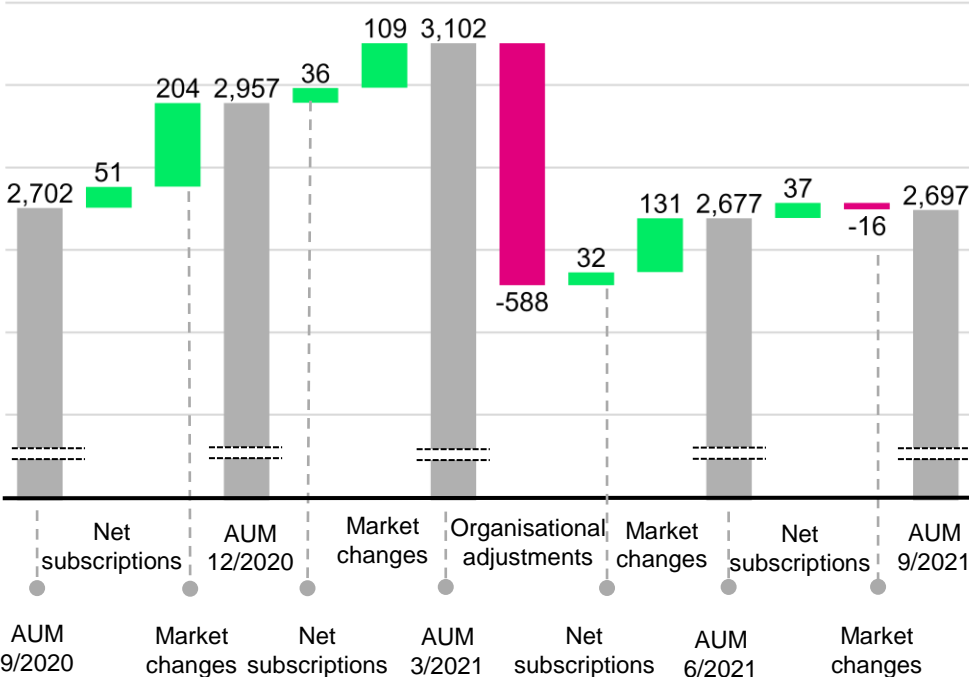


Aktia

AuM – Net subscriptions and market changes

Banking Business, Retail Q-o-Q

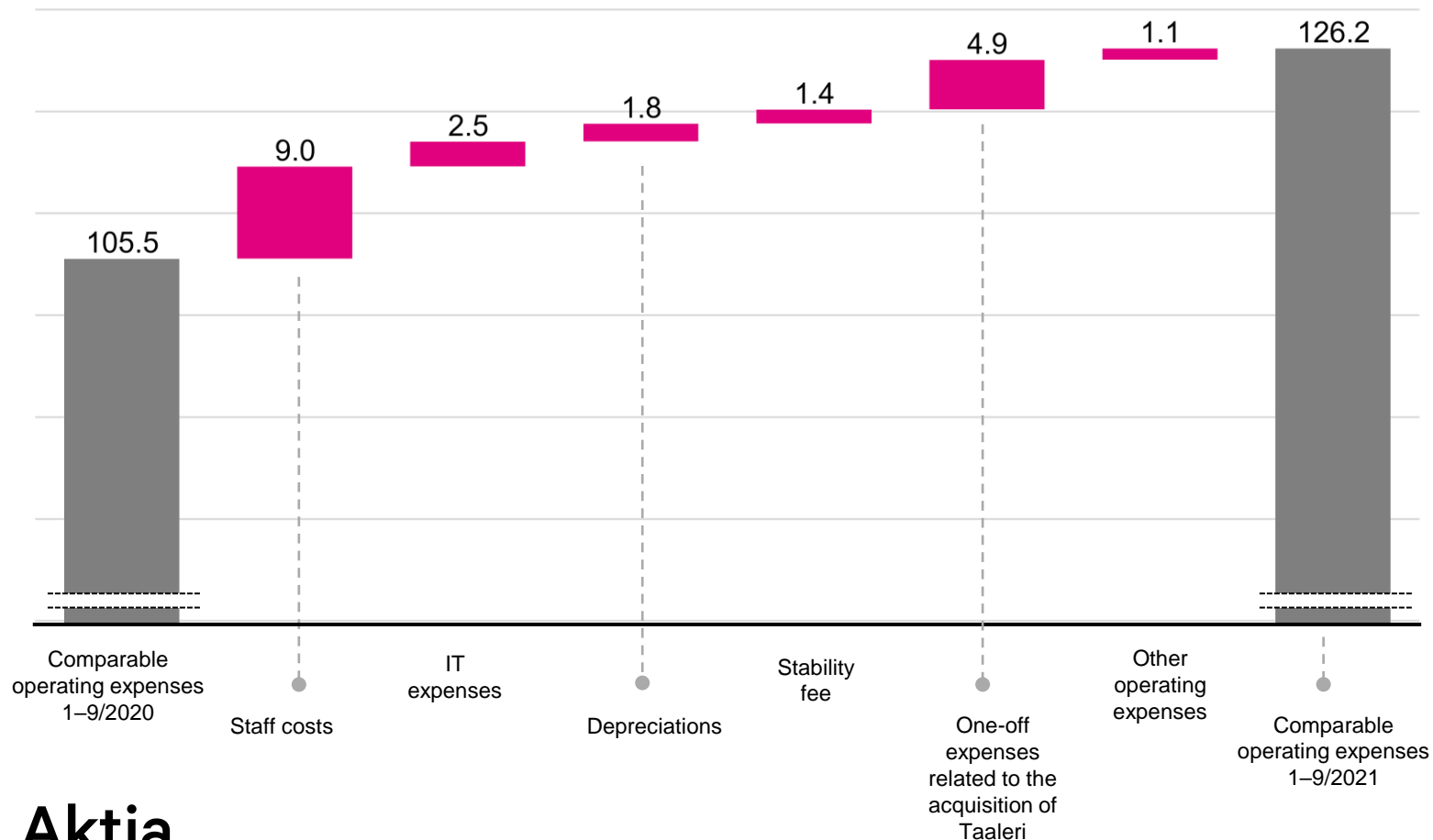
EUR million



Comparable operating expenses

1–9/2021 vs 1–9/2020

EUR million



Staff costs:

The comparable staff costs increased by 18% to EUR 60.2 (51.2) million. The increase is mainly attributable to increase in personnel as a result of acquisition of Taaleri's wealth management operations (in 2Q).

IT expenses:

IT expenses increased by 13% to EUR 21.6 (19.0) million. The difference is mainly attributable to Taaleri's wealth management operations IT expenses as well as a greater number of IT projects than for the corresponding period last year.

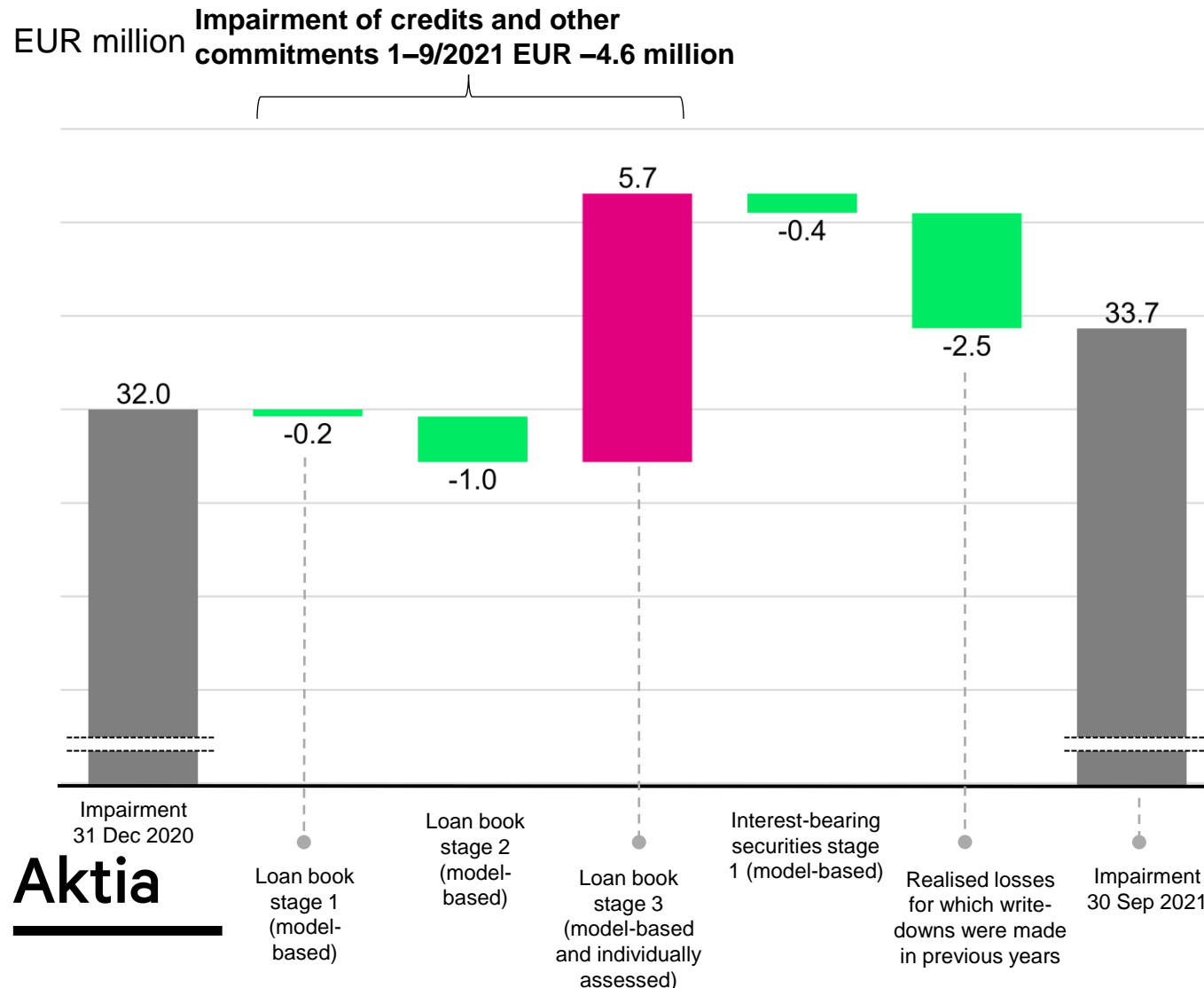
Other operating expenses:

Comparable other operating expenses increased by 34% to EUR 29.0 (21.6) million. The increase mainly pertains to one-off expenses (advisory fees, transfer taxes) relating to the acquisition of Taaleri's wealth management operations. The stability fee increased to EUR 4.1 (2.8) million.

The depreciations of intangible assets increased as a result of the acquisition of Taaleri's wealth management operations, while Aktia's other depreciations have somewhat decreased.

Impairments for future expected credit losses

Change in expected credit losses (ECL) 1–9/2021



- Impairments on credits and other commitments increased to EUR -4.6 (-3.2) million, of which the change in the allowance for model-based credit losses (ECL) amounted to EUR -2.0 (-1.6) million, whereas other impairments on credits increased to EUR -2.6 (-1.6) million.
- The new definition of default that entered into force on 1 January 2021 increased the model-based impairments with approximately EUR 0.8 million and has also affected the individual impairments.
- The macroeconomic assumptions were updated again in Q3, no material impact in 3Q.
- We still have not observed any major covid-related new risk concentrations in our credit portfolio.

Financial summary Q3 and YTD

EUR million	3Q2021	3Q2020	Δ %	1-9/2021	1-9/2020	Δ, %
Total operating income	67.1	49.4	36%	198.3	144.1	38%
Net interest income	23.1	20.0	16%	72.2	59.9	21%
Net commission income	33.5	24.2	39%	90.3	72.2	25%
Net income from life insurance	9.7	4.7	105%	30.1	9.6	212%
Other income	0.7	0.5	44%	5.7	2.3	143%
Total operating expenses	-41.6	-33.8	23%	-129.2	105.7	22%
Impairments of credits and other commitments	-1.0	-0.1	-	-4.6	-3.2	44%
Operating profit	24.4	16.0	53%	64.3	35.1	83%
Comparable operating profit*	23.8	16.0	49%	66.7	35.3	89%
Earnings Per Share (EPS), EUR	0.28	0.18	54%	0.72	0.39	85%
Return on Equity (ROE), %	11.4	7.8	46%	10.0	5.8	71%
Cost-to-income ratio (comparable)	0.63	0.68	-8%	0.64	0.73	-13%
Common Equity Tier 1 capital ratio, %	10.4	15.6	-33%	10.4	15.6	-33%

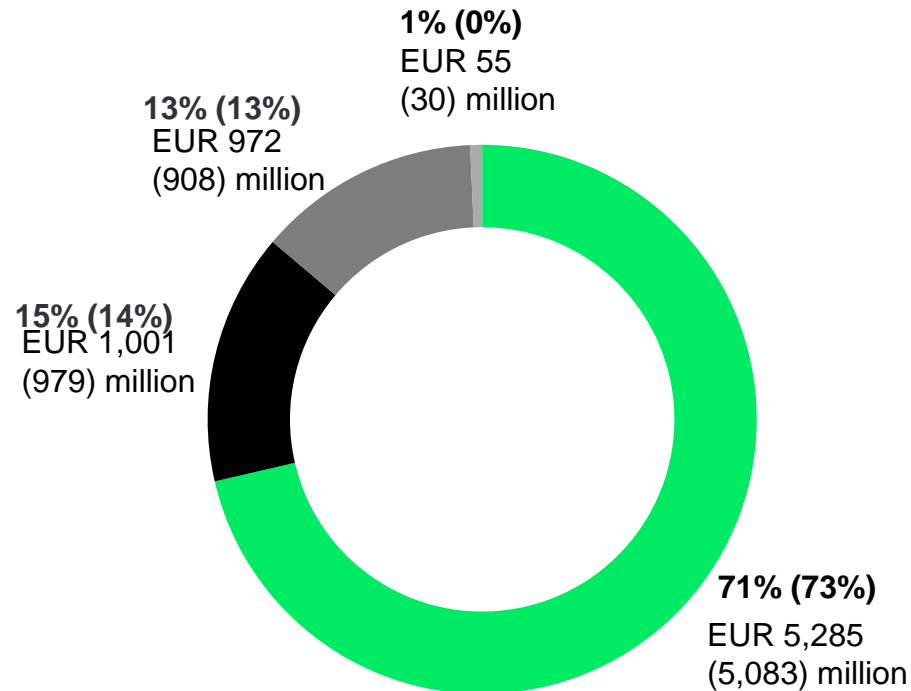
*) Excl. items affecting comparability

Structure of lending and deposits

30 September 2021 (31 December 2020)

Lending

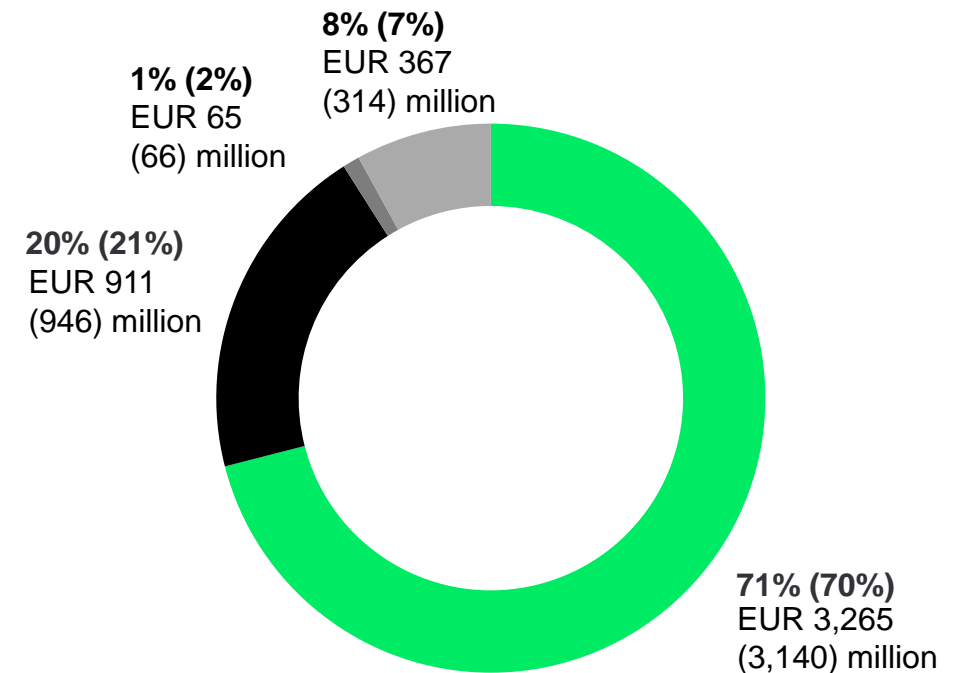
Total EUR 7,413 (7,000) million



■ Households ■ Corporates
■ Housing associations ■ Public entities and non-profit organisations

Deposits

Total EUR 4,607 (4,466) million



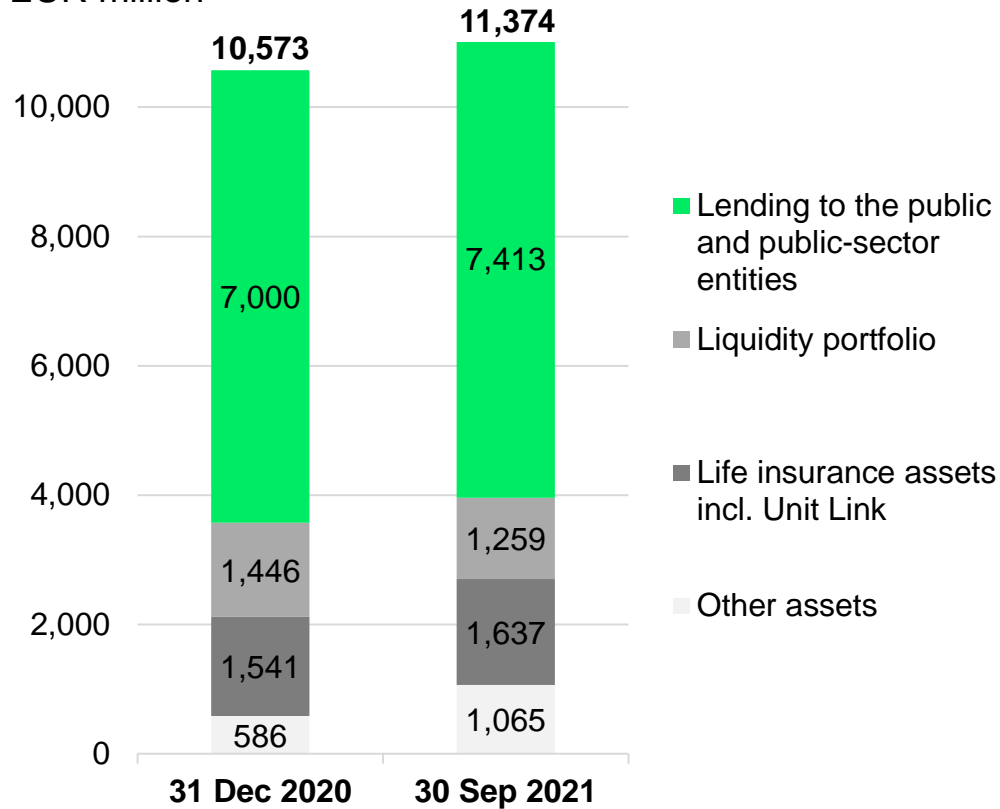
■ Households ■ Corporates
■ Housing associations ■ Public entities and non-profit organisations

Balance sheet total increased to EUR 11,374 million

30 September 2021

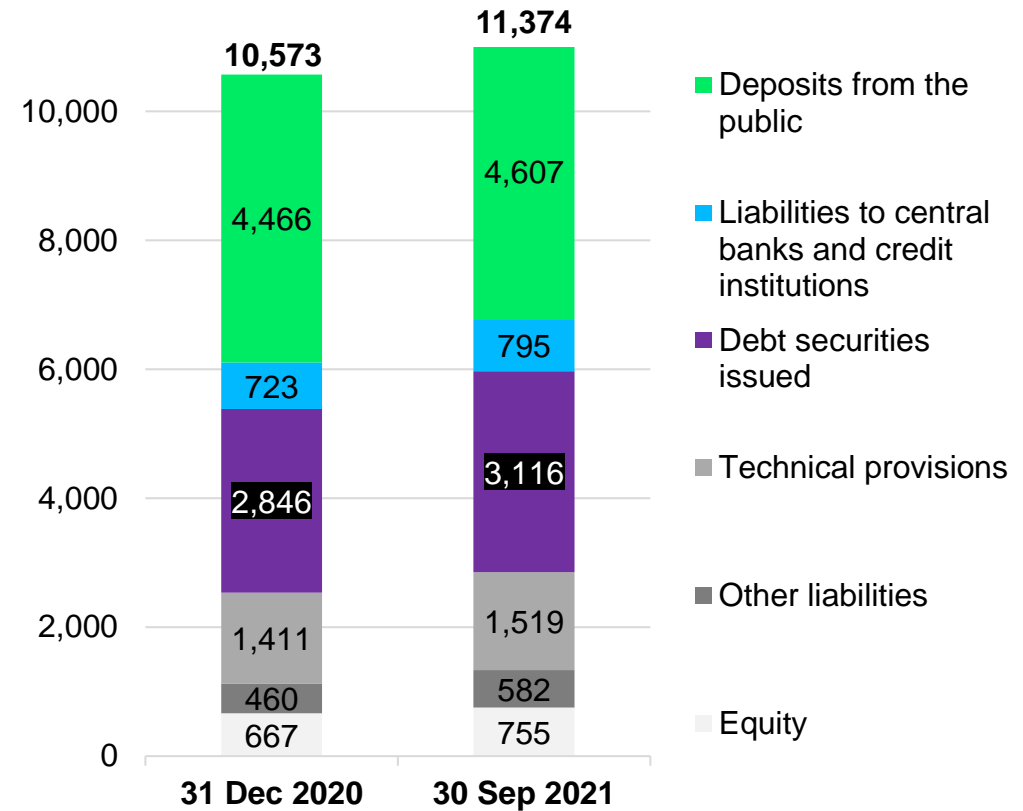
Total assets

EUR million



Total liabilities and equity

EUR million

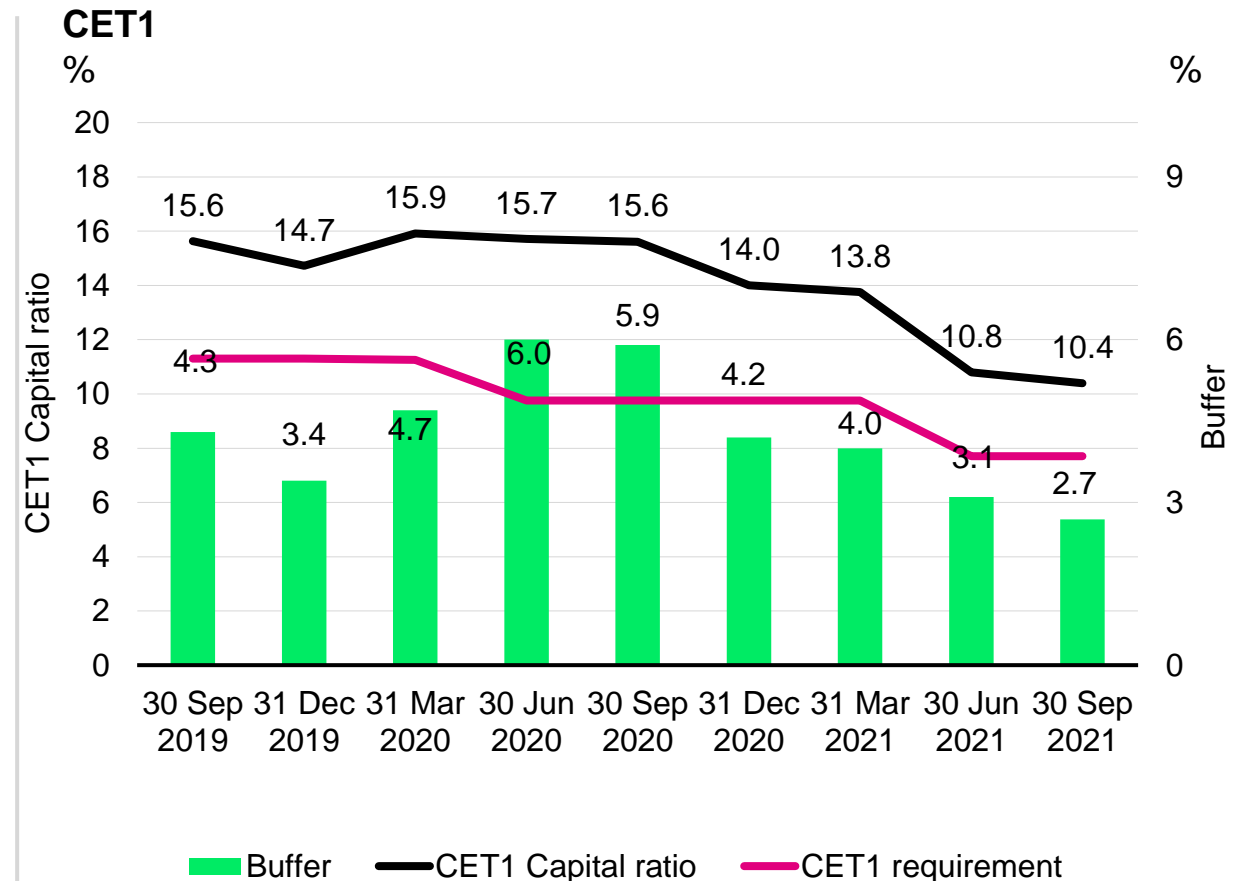


Aktia

CET1 ratio 2.7 percentage points above the requirement

Capital Adequacy

- **At the end of the period, the Bank Group's Common Equity Tier 1 (CET1) capital ratio was 10.4%**
 - Target: CET1 ratio above 1.5 percentage points over the regulatory requirements, i.e. above 9.2 %
- **CET1 capital decreased by EUR 115.7 million during the period**
 - The decrease was expected and mainly a result of increase of intangible assets and goodwill accounted for the successful acquisition of Taaleri's wealth management operations
 - The 2020 dividend, EUR 0.43 per share, has been deducted from the CET1 capital
- **Aktia has issued AT1 capital of EUR 60 million during the second quarter**
 - Tier 1 ratio 12.4%
- **Total capital ratio 14.8% (minimum requirement 11.8%)**



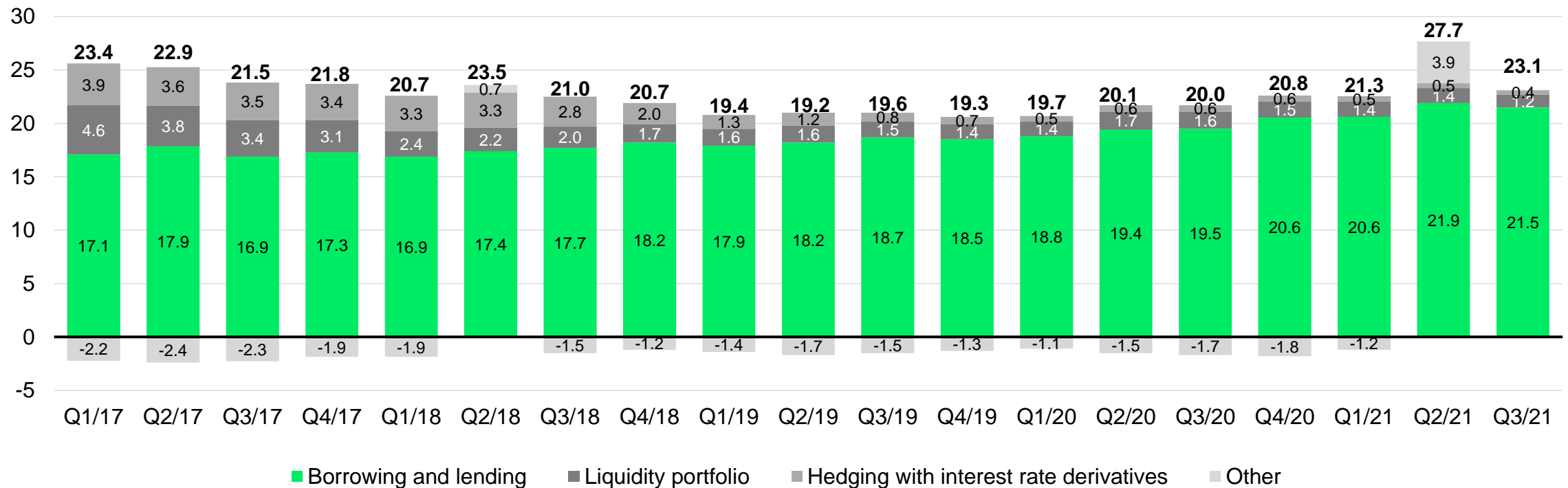
Funding activities

- During the Q3/2021 Aktia completed two private placement transactions. From the beginning of the year 2021 Aktia Bank issued 14 pieces of senior preferred debt under the EMTN program. The total volume has been approximately EUR 215 million with maturities in the range of 3–10 years. The bank will continue to issue senior debt during the Q4 to refinance redeeming notes over the year end and beginning of the following year 2022.
- Aktia Bank is working on preparing the inaugural issue out of Aktia Life company. The plan is to issue Solvency eligible Tier 2 issue in Q4/2021 and further strengthen the capital structure of Aktia Life Insurance.
- Aktia's liquidity situation is very good. The LCR ratio has been comfortably over the regulative limit being 125% at the end of Q3. The cash level has been very good. The ECB tiering structure has been in full use for the whole period.

Appendices

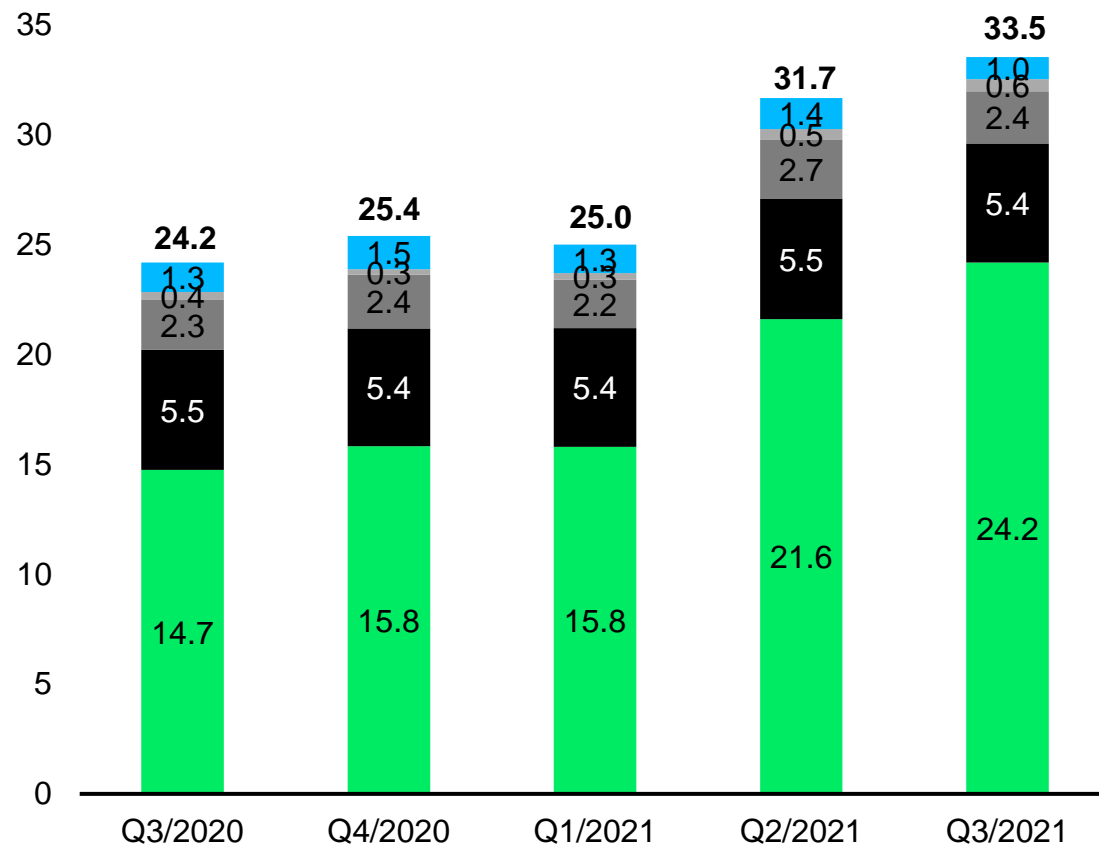
Net interest income mix

EUR million



Net commission income mix

EUR million



- Other
- Insurance
- Lending
- Card, payment services and borrowing
- Mutual funds, asset management and securities brokerage



Building wealth for our customers and society

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Aktia
