

12 FEBRUARY 2025

# Q4 Results

Aleksi Lehtonen, CEO

Sakari Järvelä, CFO



**Aktia**

# Q4 highlights

- Aktia's customer satisfaction increased most in the comprehensive, independent EPSI survey among investors. Aktia was assessed to have the most active dialogue with its customers.
- AuM: Decreased during the quarter due to fragmented market developments and allocation changes mainly among certain large institutions.
- Net interest income approx. at the same level as last year.
- Net income from life insurance: Continued solid development mainly driven by strong demand for investment-linked insurances.
- Comparable operating expenses: Good cost control despite continued investments in IT.
- Credit losses: Increased by EUR 1.8 million compared to last year, mainly due to a provision in the corporate loan book based on the management's assessment.
- Non-recurring items, including a EUR 25 million impairment of IT-related intangible assets, impacted the result in Q4 2024, but did not affect comparable results.

## Comparable operating profit

Q4/2024	1-12/2024	▲% Q4
<b>28.3</b>	<b>124.5</b>	<b>11%</b>
(25.6)	(104.8)	19% FY

## Net commission income

Q4/2024	1-12/2024	▲% Q4
<b>32.5</b>	<b>124.3</b>	<b>9%</b>
(29.8)	(120.4)	3% FY

## Comparable return on equity (ROE), %

Q4/2024	1-12/2024	▲ Q4
<b>13.1</b>	<b>15.0</b>	<b>0.1 pp</b>
(13.0)	(13.6)	1.5 pp FY

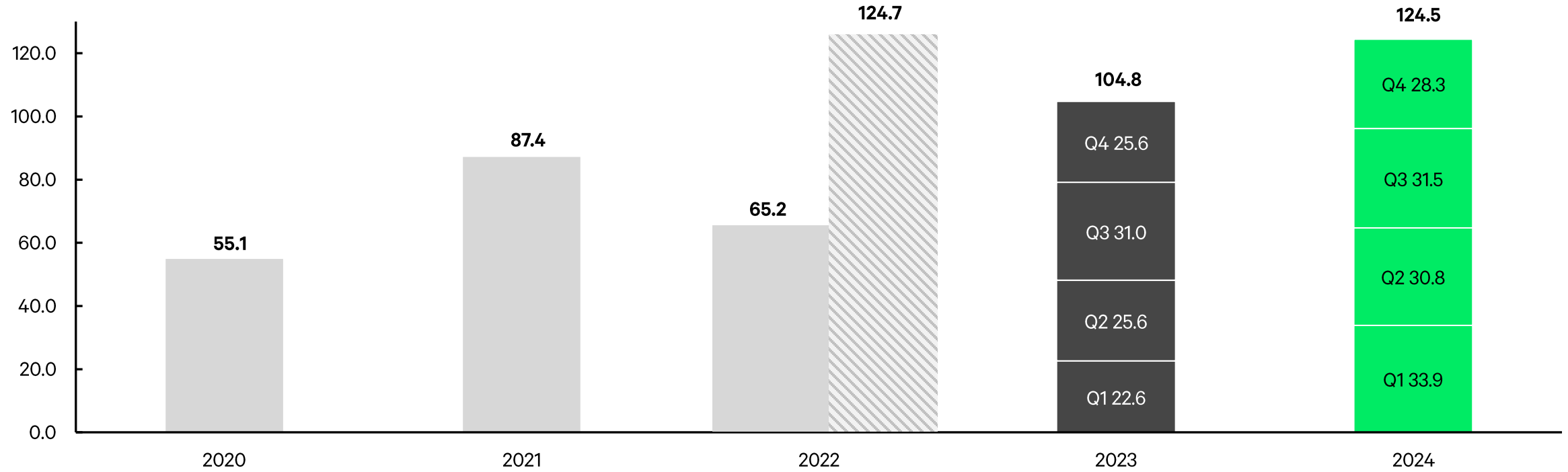
## Comparable cost-to-income ratio


Q4/2024	1-12/2024	▲ Q4
<b>0.59</b>	<b>0.56</b>	<b>-4 pp</b>
(0.61)	(0.61)	-7 pp FY

# Stable fourth quarter ends a strong year

## Comparable operating profit 2020–2024

EUR million



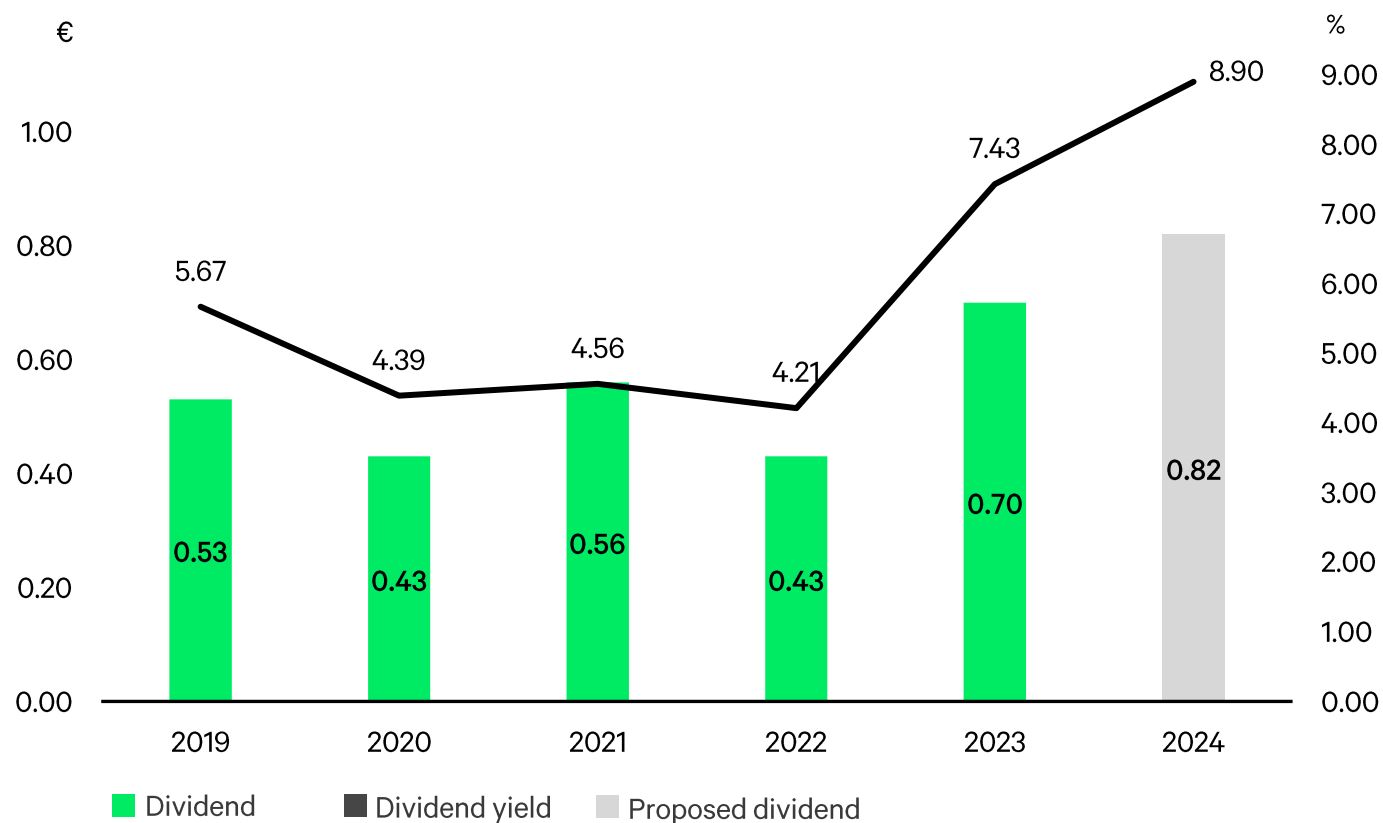
 Restated according to the accounting standard IFRS 17

# Performance 2024 vs financial targets 2025

<p>✓</p> <p>Comparable operating profit <b>above EUR <u>120 million</u></b></p> <p>1-12/2024: EUR 124.5 million</p> <p>1-12/2023: EUR 104.8 million</p>	<p>✓</p> <p>Comparable return on equity (ROE) <b><u>above 12%</u></b></p> <p>31 December 2024: 15.0%</p> <p>31 December 2023: 13.6%</p>	<p>✓</p> <p>Comparable cost-to-income ratio <b><u>under 0.60</u></b></p> <p>1-12/2024: 0.56</p> <p>1-12/2023: 0.61</p>	<p>✓</p> <p>Common Equity Tier 1 capital ratio (CET1) <b><u>above 1.5 percentage points over the regulatory requirement</u></b></p> <p>31 December 2024: 3.3 percentage points over the regulatory requirement of 8.64%</p>
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# Proposed dividend

## Aktia's dividend and dividend yield



### Dividend policy

Aktia intends to pay out a dividend of approximately 60 per cent of the profit for the reporting period to its shareholders.

### Proposed dividend

Aktia's Board of Directors proposes, in accordance with the company's dividend policy, that a dividend of EUR 0.82 per share to be paid for 2024, which constitutes 79% of the profit (and 60 % of the comparable profit) for the reporting period and corresponds to a dividend of approx. EUR 60 million (EUR 51 million in 2023).

# Aktia's Investor Event

Helsinki | 27 February 2025

Aktia is pleased to invite investors, analysts, and media representatives to an Investor Event in Helsinki on **27 February 2025**.

Aktia's CEO Aleksi Lehtonen, together with other members of Aktia's Executive Committee, will provide updates on the company's strategic priorities, business operations, and long-term financial targets.

For further information, please see [www.aktia.com](http://www.aktia.com).



# Business areas

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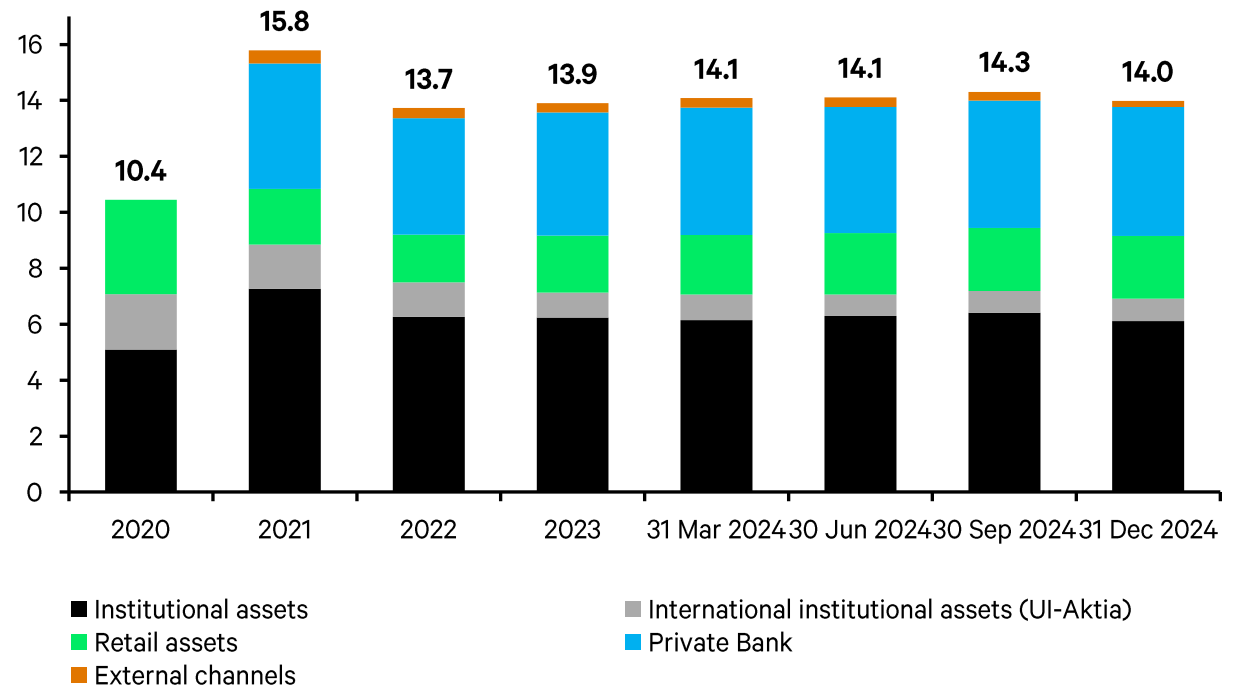


# Focus on development in asset management

- Net commission income grew 9% compared to the fourth quarter last year, driven by good development in income from mutual funds, asset management and securities brokerage.
- Assets under management decreased slightly, mainly due to allocation changes among certain large domestic institutions and fragmented market developments.
- Aktia launched a new product family of discretionary management solutions, combining ETF equity funds with Aktia's spearhead knowledge in fixed income investments and first-class allocation skills.

The Group's Assets under Management, excluding custody

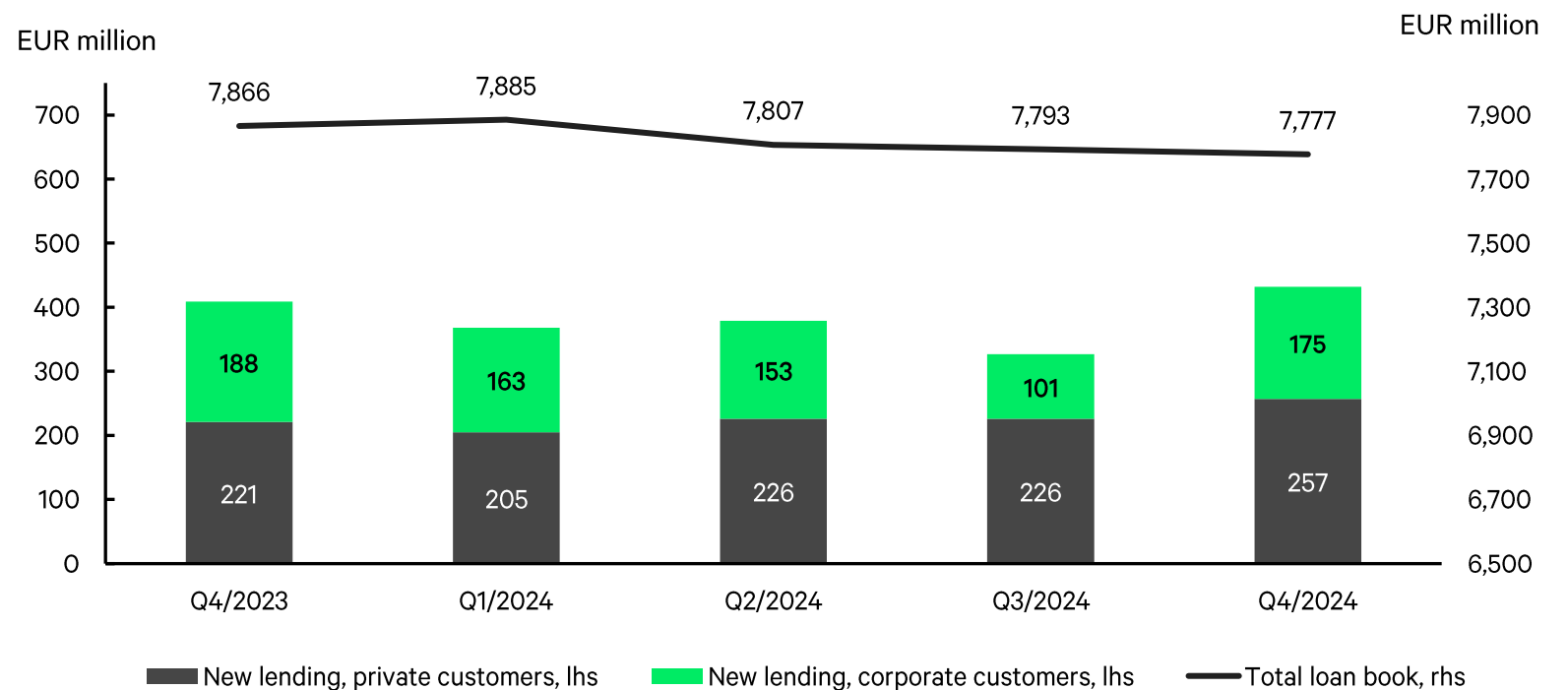
EUR billion



# Strong demand for loans and investment products in our core segments

- Aktia's customer satisfaction increased the most compared to last year out of all the actors in the financial sector (EPSI survey, private investors).
- A pick-up in new lending during Q4: the best quarter in 2024.
- Loan book increased within the key customer segments, although the entire loan book decreased slightly.
- In corporate banking, the strong growth in leasing and hire purchase financing continued.
- The demand for investment solutions remained strong among banking customers.

Development of the Group's credit portfolio Q-o-Q

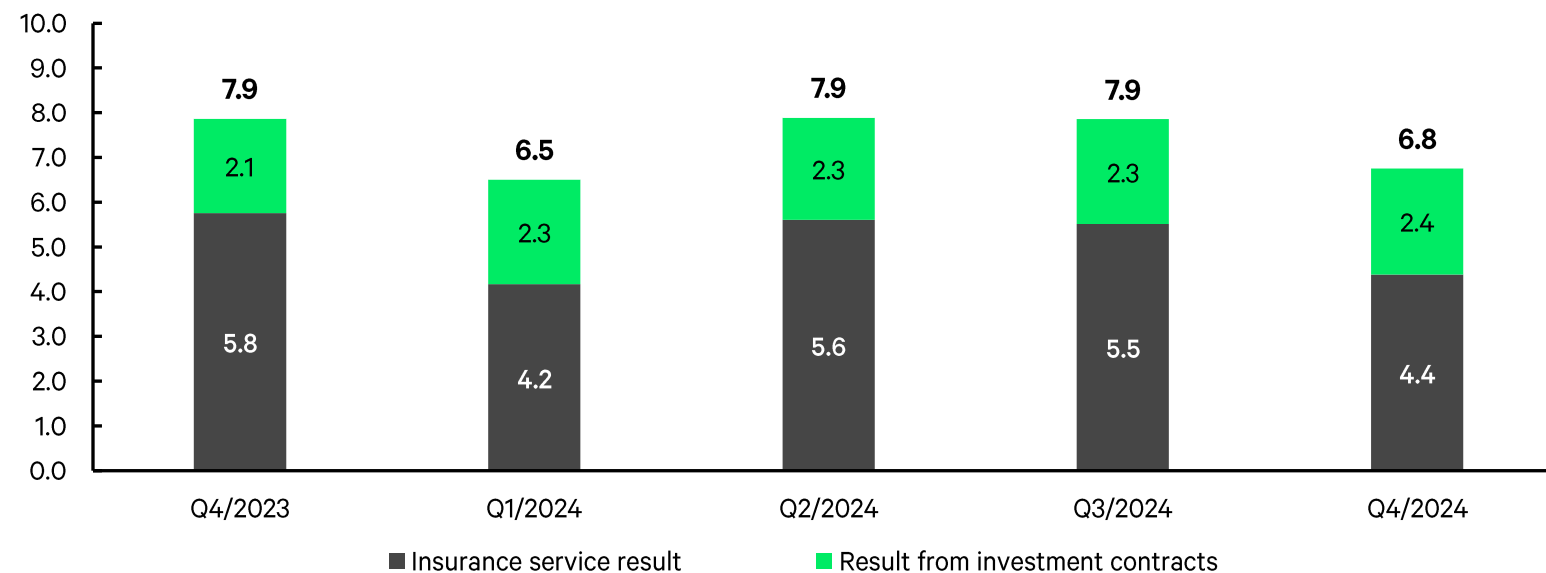


# Aktia Life Insurance's result remained stable

- Premiums from investment-linked insurances and the total insurance book, EUR 209.9 million, were at their highest level in the history of Aktia Life Insurance.
- Investment-linked insurance cooperation was launched with POP Banks.
- Solvency ratio increased by 2.1 percentage points to 184.6% in Q4.

Development of the actuarially calculated result Q-o-Q

EUR million



# Sustainability-driven success for the leading wealth manager bank

☑ = 2025 target achieved

## Prosperity & Planet

## People

## Principles of Governance

**Share of SFDR Article 8 and 9 classified funds**  
Target: increase the share



**Q4/2024 98.1%**  
(outer circle)

**Q4/2023 95.3%**  
(inner circle)

SFDR Article



**Change in the relative carbon footprint of equity and credit portfolios** **-60%** ☑

(tonnes of CO2e/ million euros invested)

Target: 2025 -30% vs. 2019



**Signi Flame Index\***

Target: 80

Q4/2024

**75**

Q2/2024

**75**



**eNPS\*\***

Target 20

Q4/2024

**19**

Q2/2024

**18**



**SHE Index\*\*\***

Target: 85

H2/2024

**82**

H2/2023

**74**

\*The Flame Index is the average of how the five most significant factors according to the employee are realised at the workplace. Scale 0-100

\*\* Measures the recommendability of the employer from the employees' point of view

\*\*\* The target was set during the year 2023, after receiving the initial score for Aktia 2023 H2.

Signi and eNPS are measured biannually Q2 & Q4 and SHE index annually H2

**Aktia's ESG ratings**

Target: reach at least industry average

MSCI	☑	AA
Sustainalytics	☑	Medium Risk
ISS-ESG	☑	D+

**Positive Net impact ratio** ☑

Target: positive net impact based on the Upright Project's model

# Outlook 2025

Aktia's comparable operating profit for 2025 is expected to be lower than the comparable operating profit for 2024, which amounted to EUR 124.5 million.

The outlook has been prepared based on the following assumptions:

- Due to the lower interest rate level, the net interest income is expected to be lower than in 2024.
- The net commission income is expected to be slightly higher than in 2024.
- The life insurance business is expected to develop steadily. However, the result may be affected by changes in market values.
- Operating expenses are expected to increase slightly, given the continued investments in IT and the development of the general cost level.
- Credit losses are expected to remain at a moderate level. However, the uncertainty in the Finnish real estate sector may affect the development of impairments and expected credit losses.





# Financial overview

Sakari Järvelä, CFO

**Aktia**

# Financial summary

EUR million	Q4/2024	Q4/2023	Δ %	Q3/2024	Δ %	1-12/2024	1-12/2023	Δ %
<b>Total operating income</b>	78.7	74.5	6%	76.1	4%	308.8	287.4	<u>7%</u>
Net interest income	38.1	38.2	0%	36.1	6%	152.0	140.4	8%
Net commission income	32.5	29.8	9%	30.9	5%	124.3	120.4	3%
Net income from life insurance	6.3	6.0	4%	8.9	-29%	30.2	24.1	26%
Other income	1.9	0.5	276%	0.2	655%	2.2	2.6	-14%
<b>Total operating expenses</b>	-49.3	-46.5	6%	-43.1	14%	<u>-178.6</u>	-176.6	1%
Impairments of credits and other commitments	-4.3	-2.4	78%	-1.8	148%	-10.6	-7.0	53%
<b>Operating profit</b>	0.1	24.5	-100%	31.2	-100%	94.6	102.6	-8%
<b>Comparable operating profit**</b>	28.3	25.6	11%	31.5	-10%	<u>124.5</u>	104.8	<u>19%</u>
Comparable earnings per share (EPS), EUR	0.31	0.28	8%	0.34	-10%	1.0	1.1	-7%
Comparable return on equity (ROE), %	13.1	13.0	0.1*	15.0	-1.9*	<u>15.0</u>	13.6	-1.5*
Comparable cost-to-income ratio	0.59	0.61	-4%	0.56	4%	0.56	0.6	-7%
Common Equity Tier 1 capital ratio, %	<u>12.0</u>	11.3	0.7*	11.9	0.1*	12.0	11.3	0.7*

\*) The change is calculated in percentage points

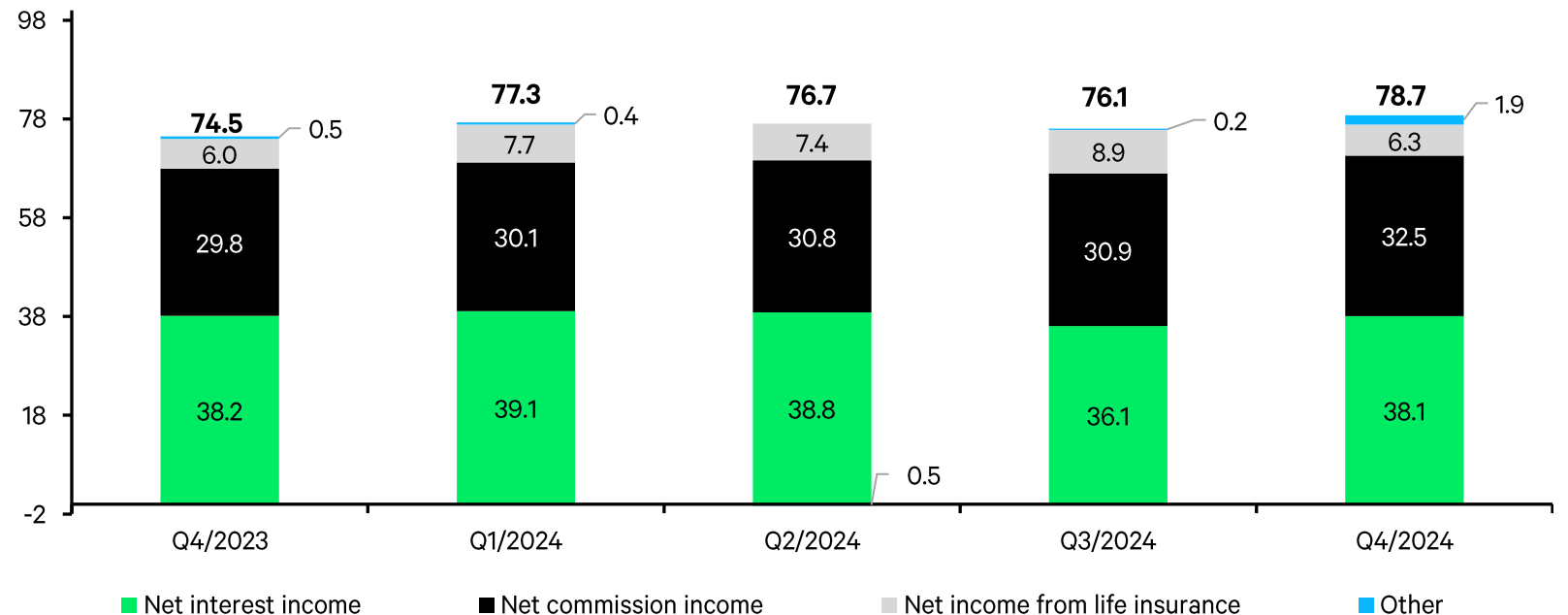
\*\*) Excl. items affecting comparability

# Operating income increased by 6% from last year

- Net commission income increased by EUR 2.7 million from last year thanks to higher income from mutual funds and securities brokerage.
- Net income from life insurance remained stable, primarily due to strong demand for investment-linked insurance products and a growing investment-linked insurance book and profitable risk insurance.
- NII remained at the same level as last year.

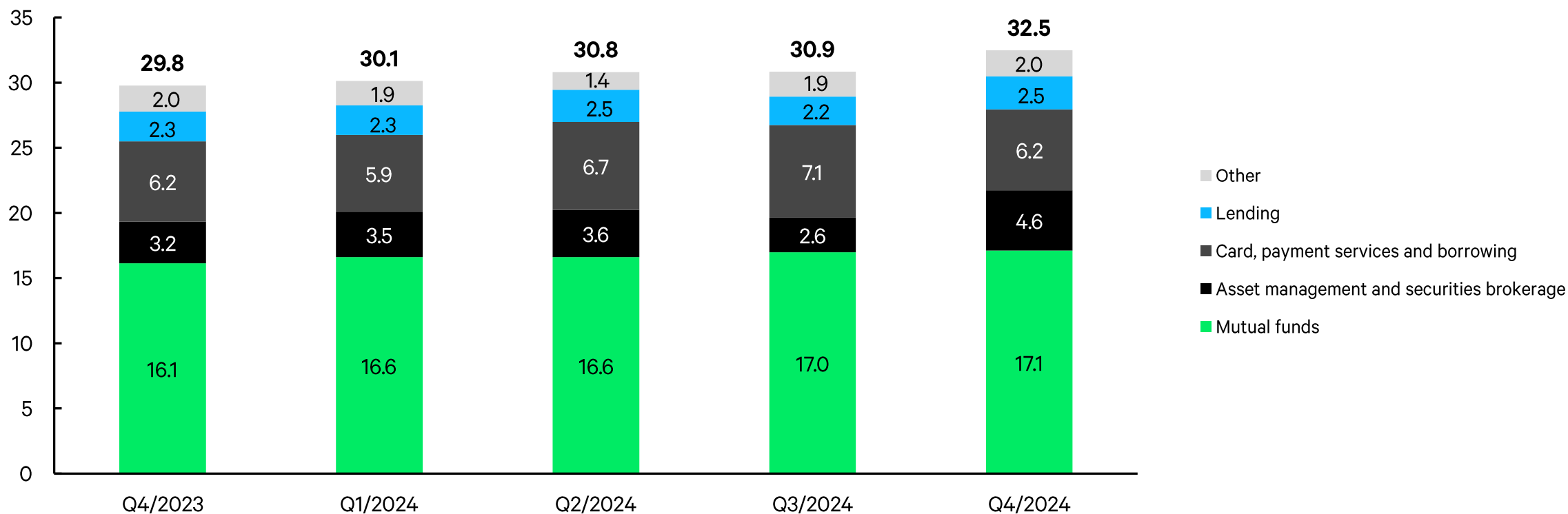
Comparable operating income, Q-o-Q

EUR million



# Growth in net commission income continued for the fourth consecutive quarter

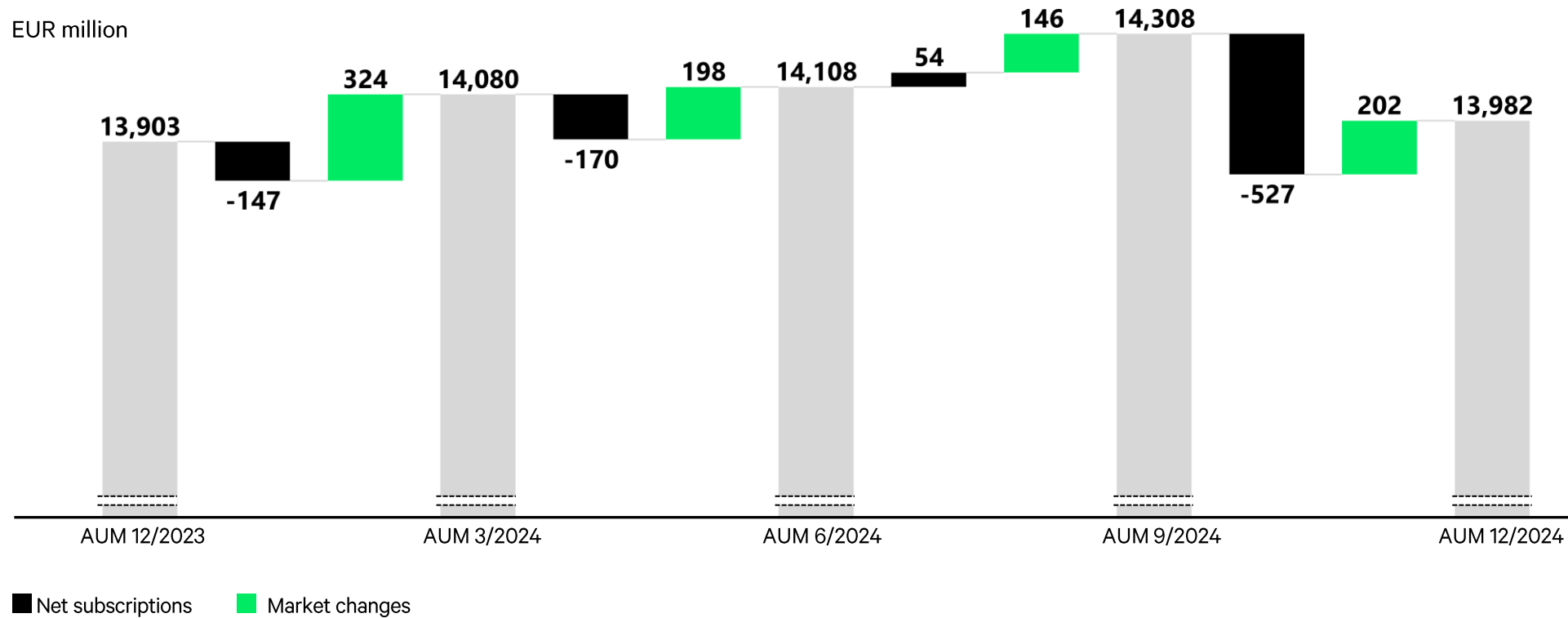
EUR million



# AuM: net subscriptions and market changes

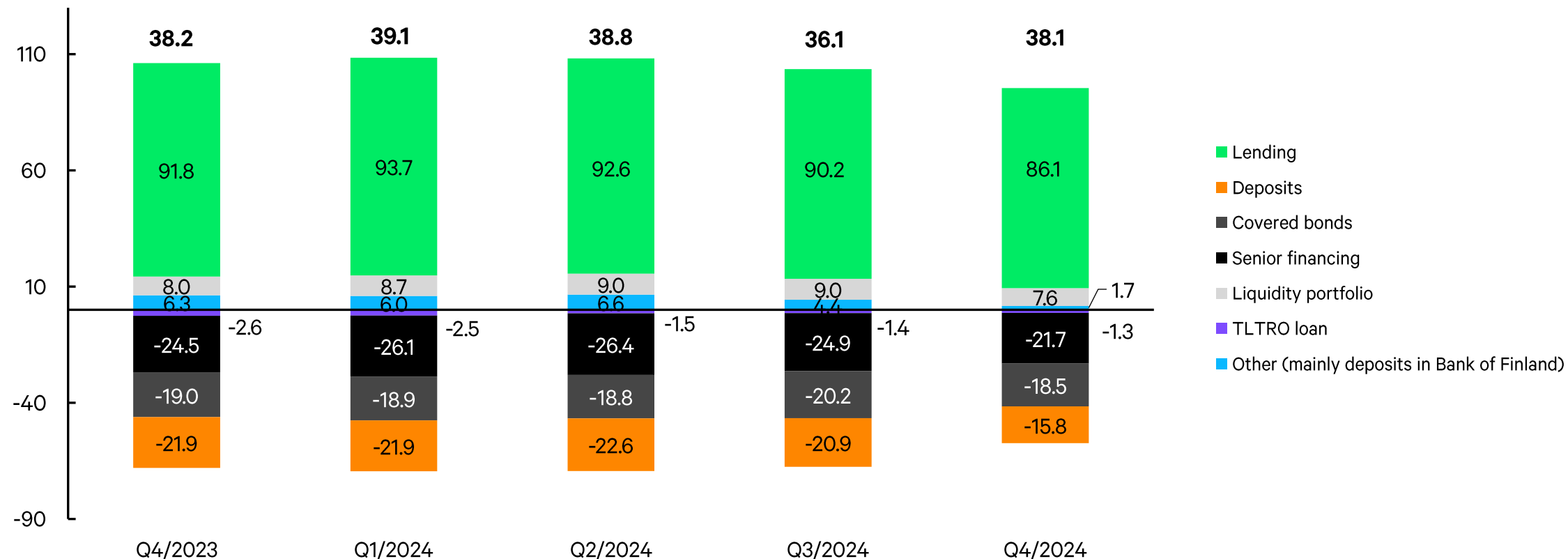
Total AuM, Q-o-Q

EUR million



# Composition of the Group net interest income

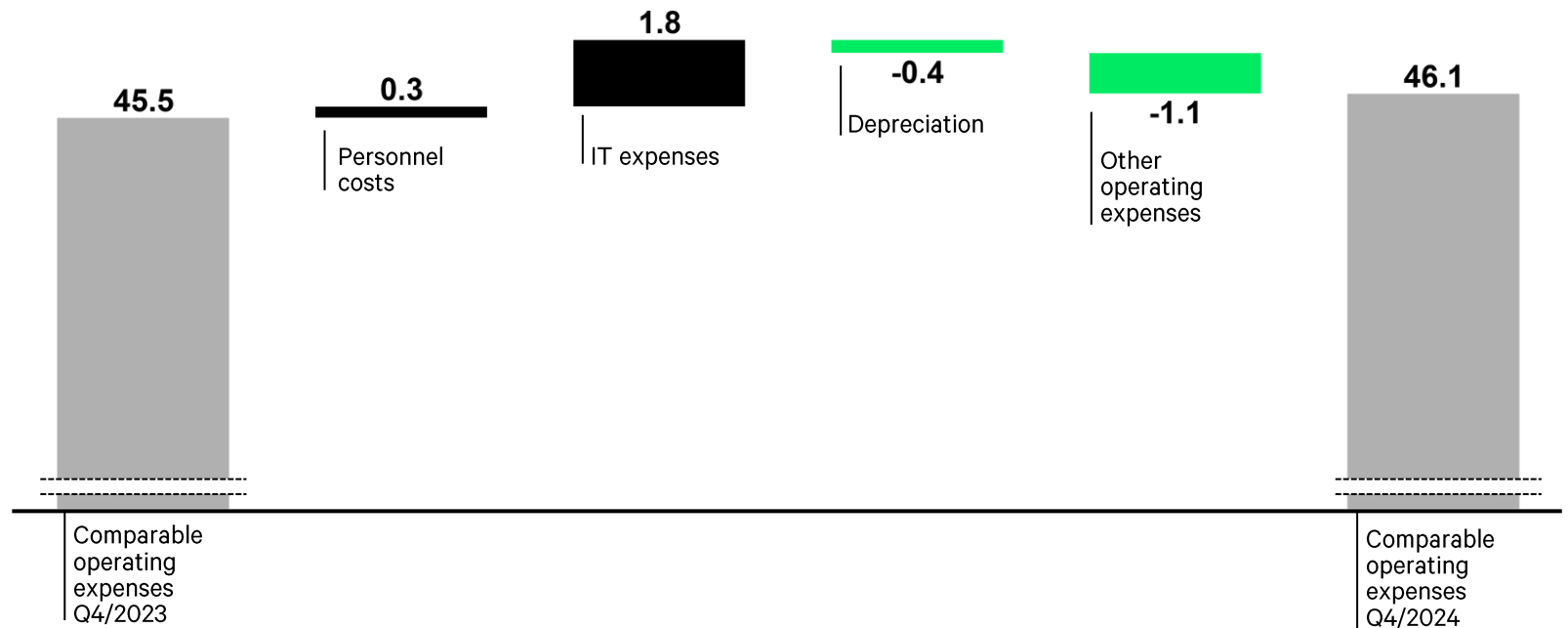
EUR million



# Good cost control despite continued investments in IT

- Comparable IT expenses increased by 14% from last year due to continued investments in the functionality of banking systems, the IT infrastructure for asset management, and processes required by regulation.
- Comparable other operating expenses decreased by 17% mainly due to lower costs for purchased services.

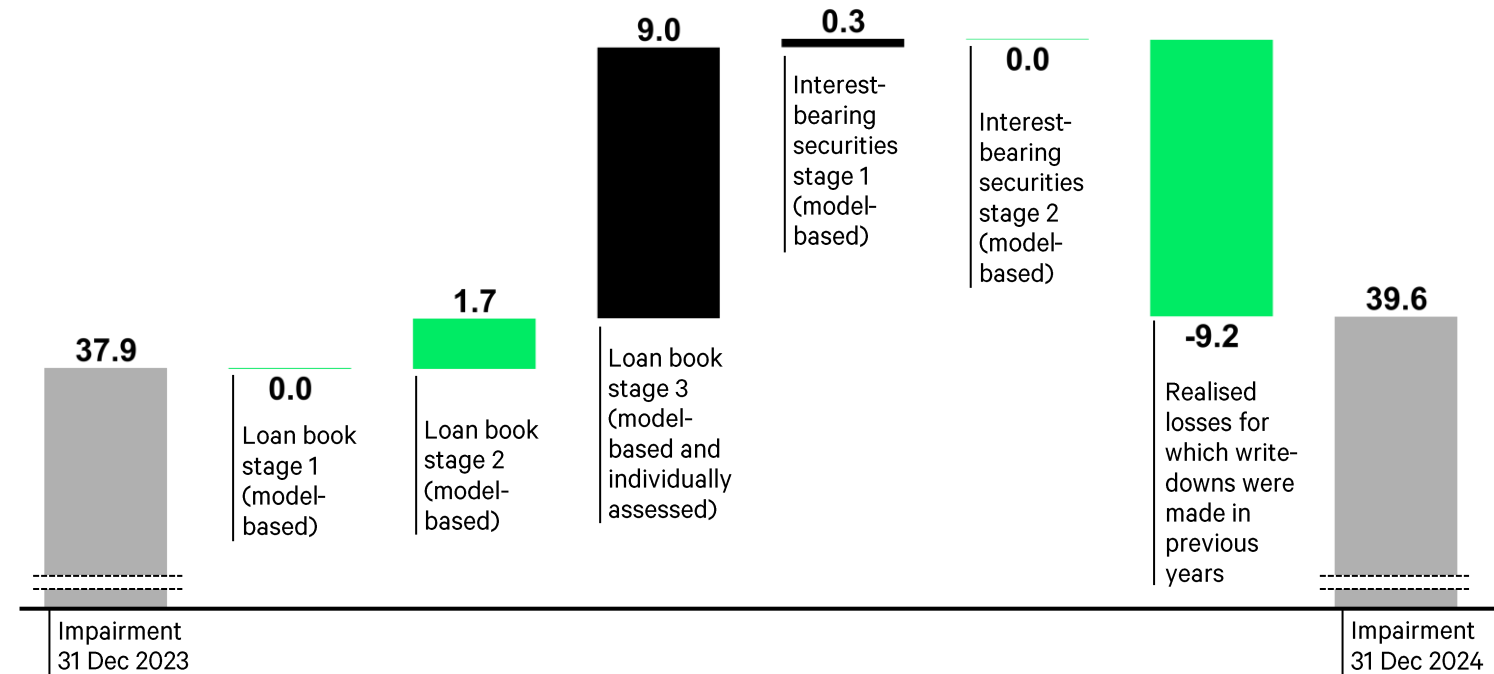
Comparable operating expenses Q4/2024 vs Q4/2023  
EUR million



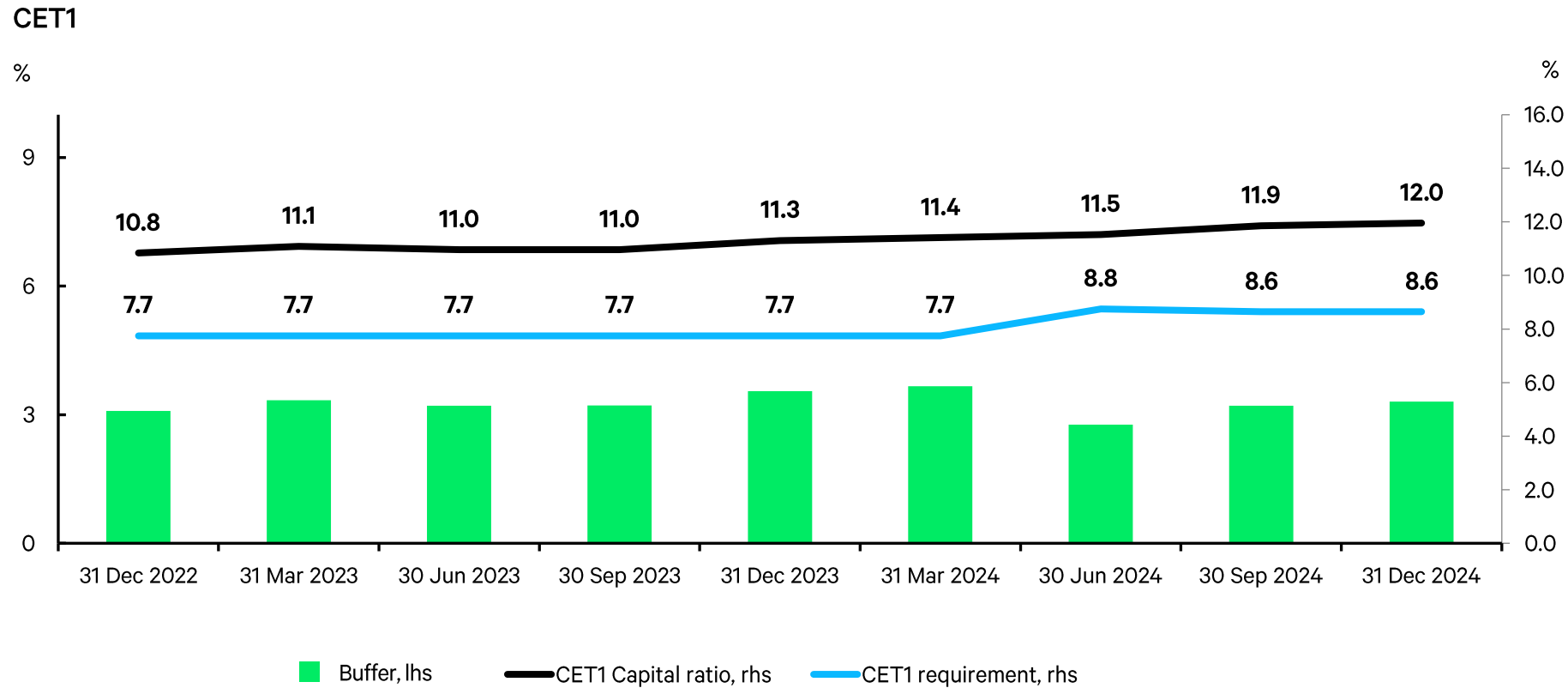
# Credit loss provisions were EUR 4.3 million

- For the major part, our loan book consists of loans to households supported by residential or real estate collaterals.
- Credit loss provisions in Q4 increased compared to last year, mainly due to a provision in the corporate loan book.
- Annualised net credit losses 21 bps.

Change in expected credit losses (ECL) 1-12/2024  
EUR million



# CET1 ratio continued to strengthen



# IT-related one-off items burden the result in Q4, with no impact on comparable result

- Aktia Bank Plc continues to invest in and upgrade its modern core banking system, which was commissioned in 2017.
- In connection with the system development work, Aktia has reassessed the asset values and depreciation periods of existing IT systems as of 31 December 2024.
- The assessment leads to an impairment of IT-related intangible assets of EUR 25.0 million as well as expensed IT licenses of EUR 1.4 million. The majority of the impairment is related to the core banking system.
- The one-off items do not affect Aktia's comparable result and have only a marginal impact on Common Equity Tier 1 capital (CET1).

# Funding activities

- The liquidity situation at Aktia remained very strong (LCR 214% at the end of Q4) and hence the funding activities were subdued during the period.
- In October, Aktia issued a new NOK 400 million private placement transaction. The issue was placed to the Norwegian market.
- Aktia is monitoring the senior preferred private placement EUR market during Q1 2025 to refinance redeeming debt but the volumes of new transactions will be limited.



# Welcome to our Investor Event on 27 February 2025

## Financial calendar

Investor Event	27 February 2025
Annual Report 2024 (incl. Pillar III Report)	13 March 2025
Annual General Meeting	3 April 2025
Interim Report Jan–Mar 2025	7 May 2025
Half-year Report Jan–Jun 2025	5 August 2025
Interim Report Jan–Sep 2025	6 November 2025





# Building wealth for our customers and society

## Investor Relations contacts

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**Aktia**

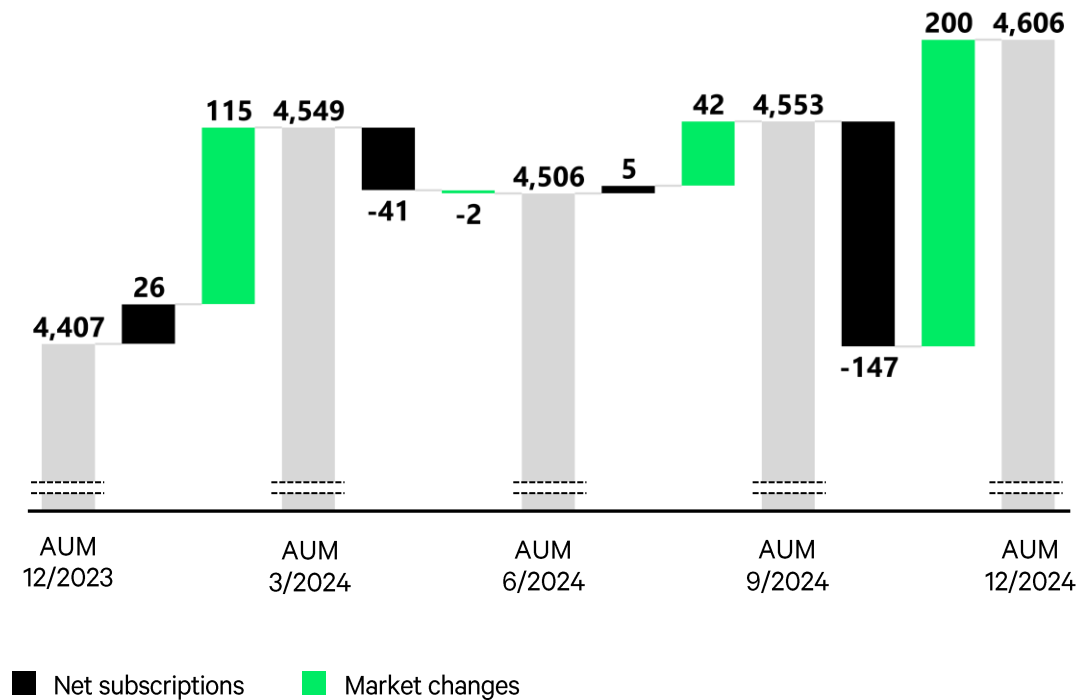
# Appendices

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# AuM: net subscriptions and market changes

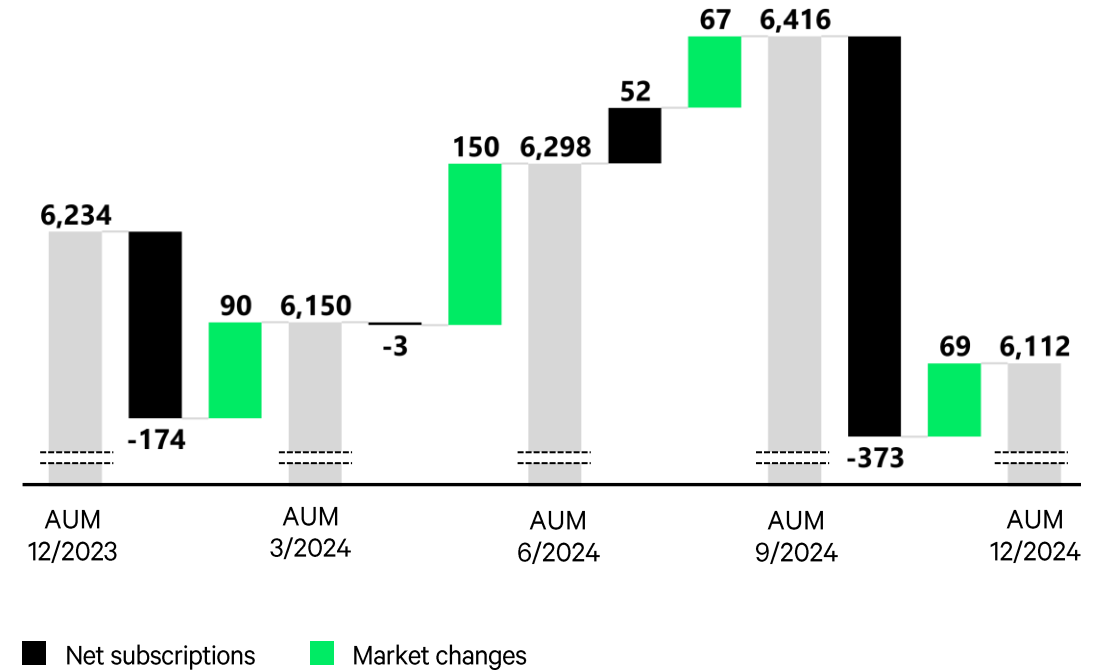
## Asset Management, Private Banking Q-o-Q

EUR million



## Asset Management, Domestic institutions Q-o-Q

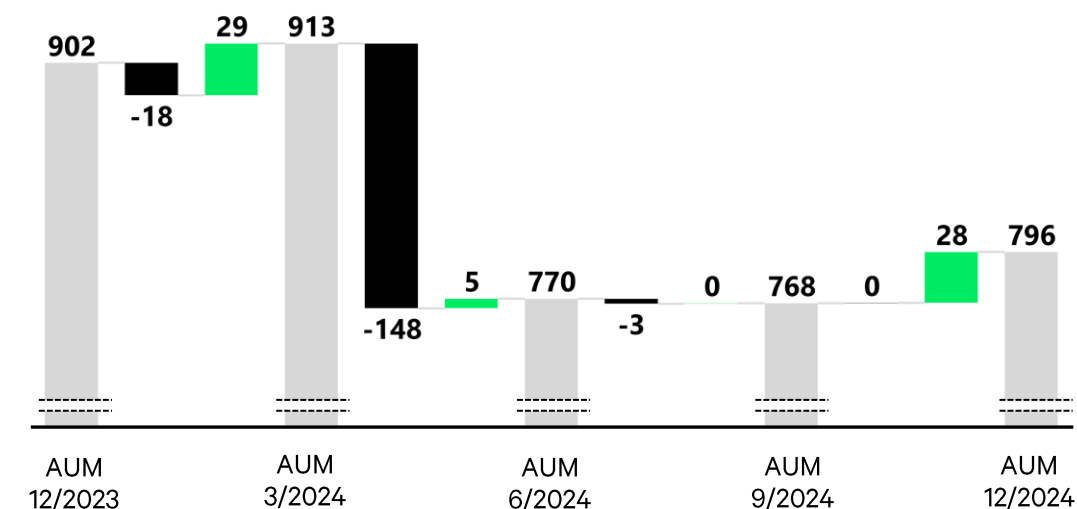
EUR million



# AuM: net subscriptions and market changes

## Asset Management, Aktia UI Q-o-Q

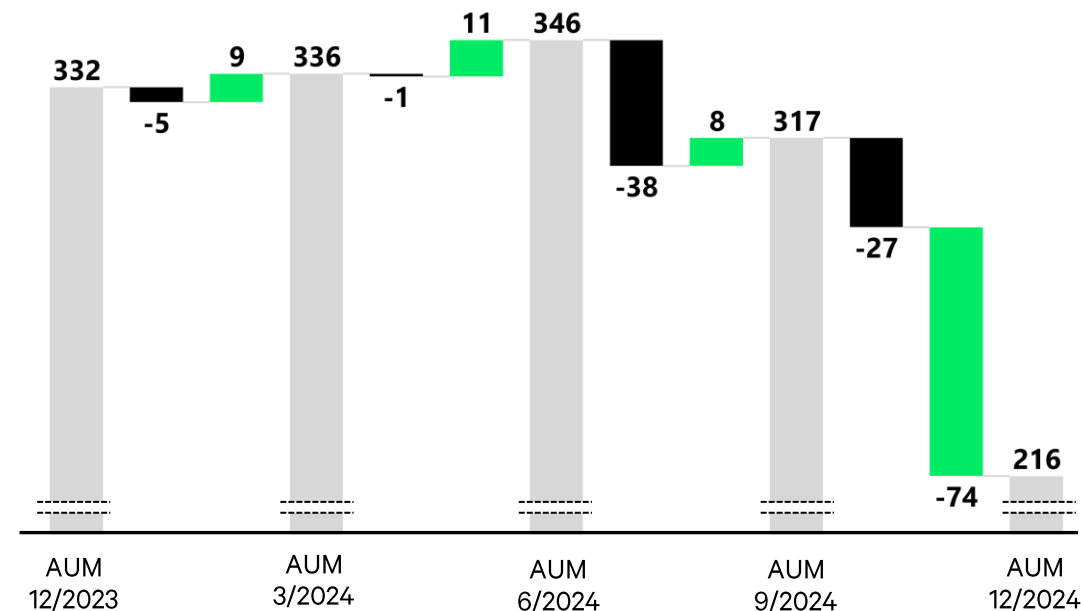
EUR million



■ Net subscriptions ■ Market changes

## Asset Management, External channels Q-o-Q

EUR million

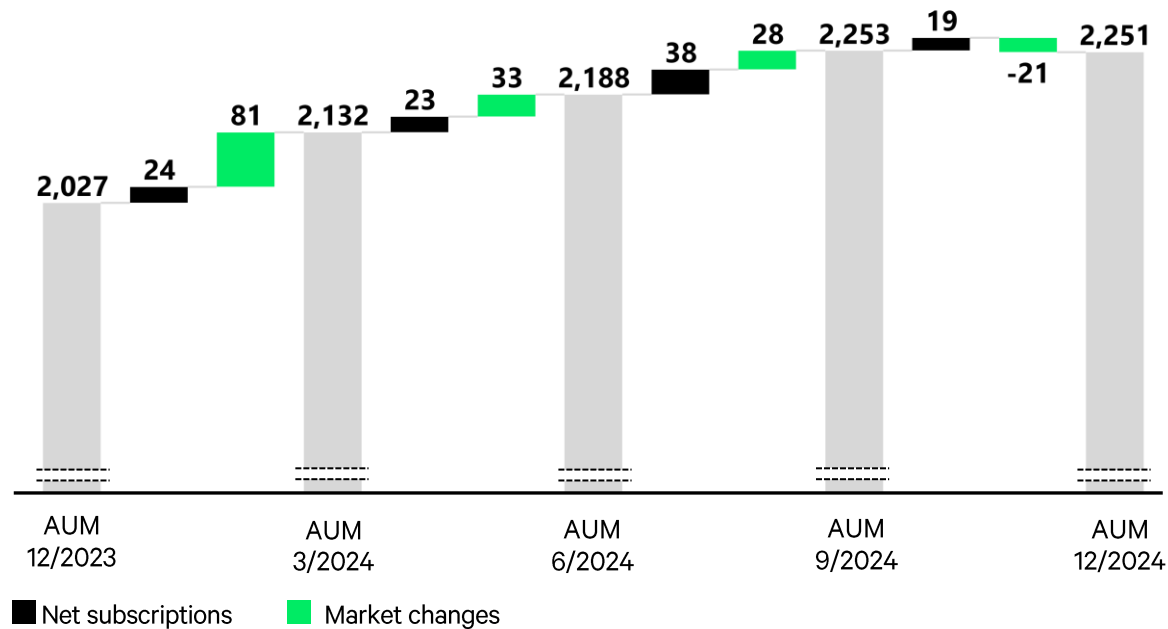


■ Net subscriptions ■ Market changes

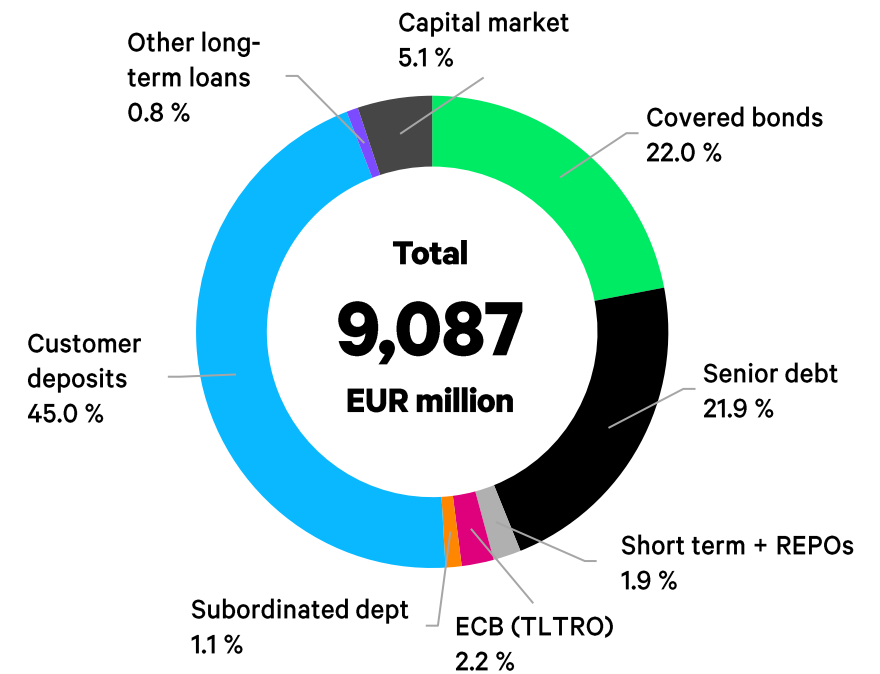
# AuM: net subscriptions and market changes

Banking Business, Retail Q-o-Q

EUR million



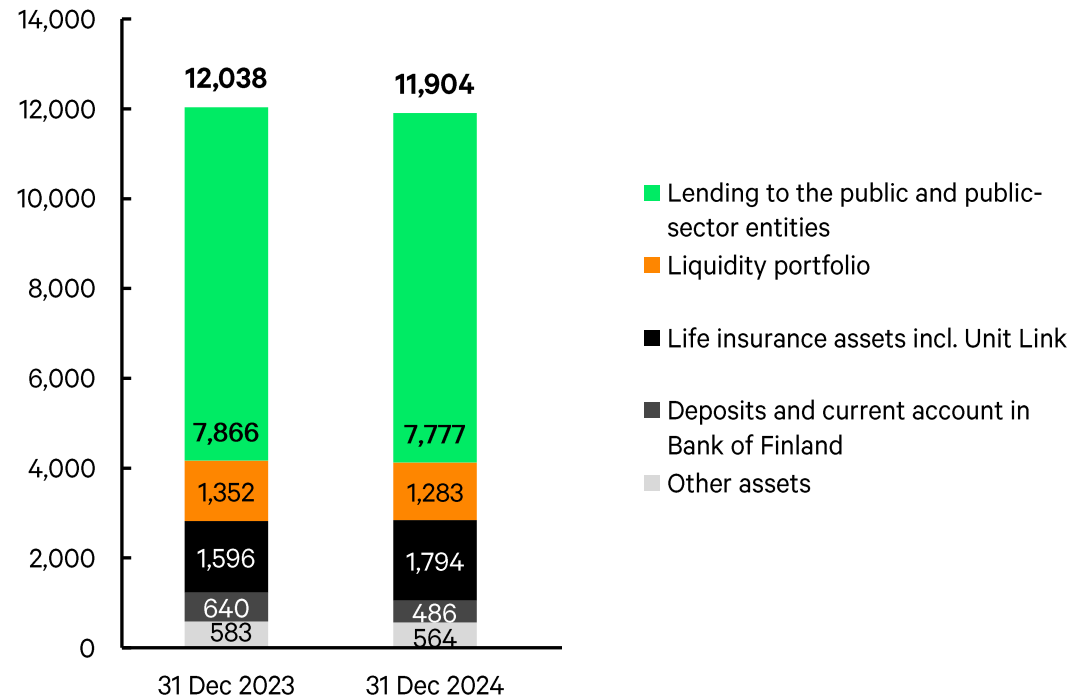
# Sound funding profile



# Balance sheet total EUR 11,904 million

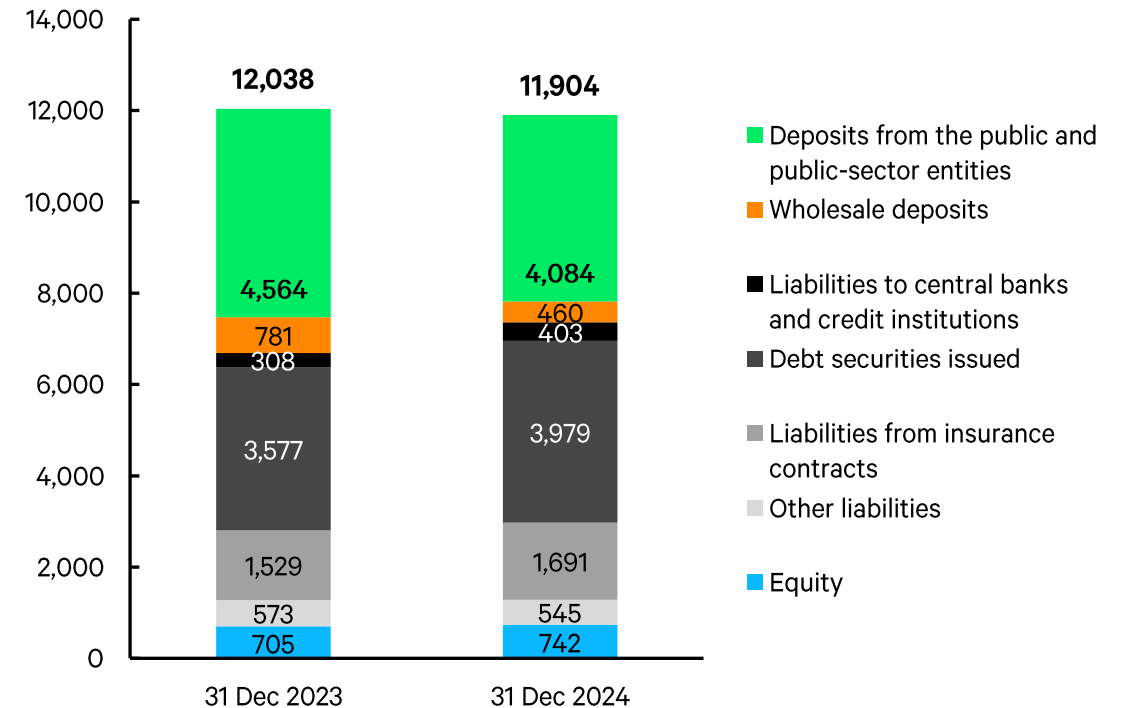
## Total assets

EUR million



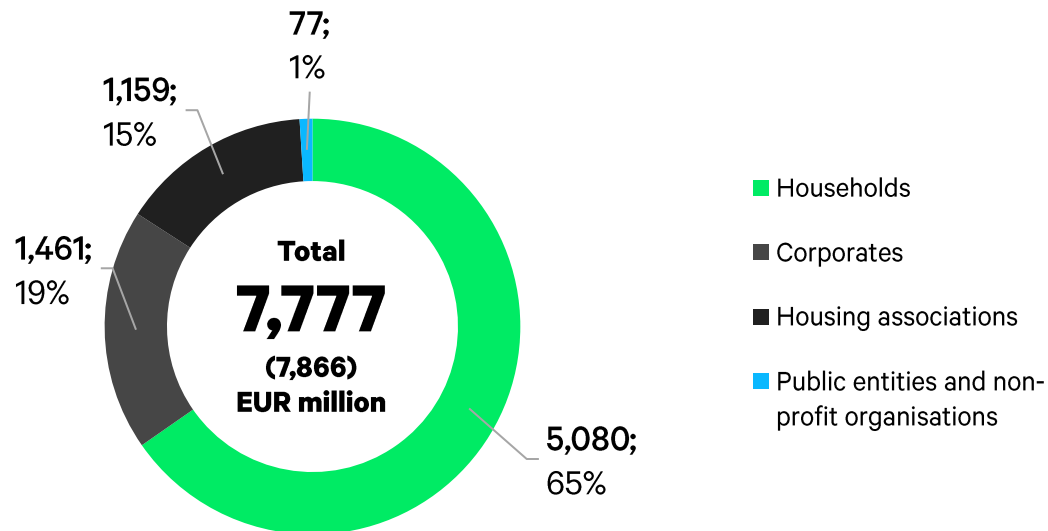
## Total liabilities and equity

EUR million

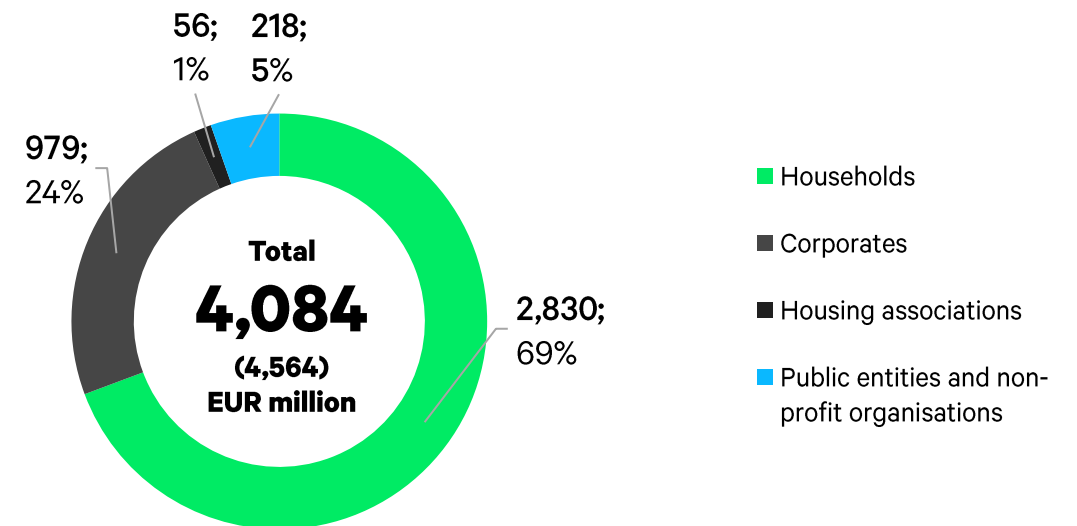


# Households account for the majority of lending and deposits

## Lending to the public and public sector entities



## Deposits from the public and public sector entities



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