

Aktia

AKTIA PLC'S INTERIM REPORT

January - September 2010

JANUARY - SEPTEMBER: OPERATING PROFIT EUR 64.4 (37.2) MILLION

- Group operating profit for January-September 2010 improved 73% to EUR 64.4 (37.2) million and the profit for the period to EUR 47.9 (27.2) million. Earnings per share was up 66% to EUR 0.69 (0.42).
- Net interest income was strong at EUR 114.4 (112.4) million.
- Net commission income advanced 32% to EUR 42.1 (31.8) million.
- Net income from life insurance was EUR 9.6 (10.8) million.
- Net income from non-life insurance improved 27% to EUR 17.4 (13.7) million.
- Write-downs on credit were clearly lower than last year and stood at EUR 9.8 (26.3) million.
- Aktia Bank plc's credit rating remained unchanged A1/C/P-1 (Moody's Investors Service).
- Aktia expects operating profit for 2010 to exceed the level in 2009 and write-downs on credit to remain clearly lower than last year (*unchanged*).

JULY-SEPTEMBER: OPERATING PROFIT EUR 23.4 (19.8) MILLION

- Group operating profit for July-September 2010 improved 18% to EUR 23.4 (19.8) million and the profit for the period to EUR 17.9 (14.2) million. Earnings per share was up 24% to EUR 0.26 (0.21).
- Net interest income remained at a good level of EUR 37.0 (40.5) million.
- Net commission income improved 17% to EUR 13.2 (11.3) million.
- Net income from life insurance decreased to EUR 2.5 (3.8) million.
- Net income from non-life insurance rose to EUR 7.1 (6.3) million.
- Write-downs on credit were clearly lower than last year and stood at EUR 1.4 (8.5) million.

CEO JUSSI LAITINEN:

"Aktia's third quarter was a strong one. We received top marks in customer satisfactions surveys, independent experts gave our asset management high scores and the operating profit exceeded our expectations. We aim to get even better through improving Internet services, by training our personnel and by raising our media profile. "

(EUR million)	1-9/2010	1-9/2009	Δ	7-9/2010	7-9/2009	Δ	4-6/2010	1-3/2010	2009
Net interest income	114.4	112.4	2%	37.0	40.5	-9%	38.6	38.9	152.2
Total operating income	187.4	174.5	7%	60.2	64.3	-6%	66.2	61.0	233.1
Operating profit before write-downs on credit	74.2	63.4	17%	24.7	28.3	-13%	27.4	22.1	78.7
Write-downs on credit and other commitments	-9.8	-26.3	-63%	-1.4	-8.5	-84%	-3.8	-4.6	-31.7
Operating profit	64.4	37.2	73%	23.4	19.8	18%	23.5	17.5	47.0
Cost-to-income ratio	0.56	0.57	-2%	0.58	0.51	14%	0.54	0.57	0.57
Earnings per share (EPS), EUR	0.69	0.42	66%	0.26	0.21	24%	0.25	0.18	0.52
Equity per share (NAV) ¹ , EUR	7.30	6.51	12%	7.30	6.51	12%	6.89	6.86	6.52
Return on equity (ROE),%	12.8	9.3	38%	13.9	13.2	5%	14.2	10.5	8.7
Capital adequacy ratio ¹ ,%	17.0	15.4	10%	17.0	15.4	10%	16.5	16.2	15.9
Tier 1 capital ratio ¹ ,%	10.4	9.1	14%	10.4	9.1	14%	10.1	9.6	9.5
Write-downs on credit/total credit stock, %	0.14	0.44	-68%	0.02	0.14	-86%	0.05	0.08	0.51

1) At the end of the period

"Interim report January - September 2010" is a translation of the original report in Swedish ("Delårsrapport 1.1-30.9.2010"). In case of discrepancies, the Swedish version prevails.

PROFIT

July - September 2010

The Group's operating profit in the third quarter was sound and amounted to EUR 23.4 (19.8) million supported by a sustained high net interest income, a clearly stronger net commission income and notably lower write-downs on credit.

INCOME

During July - September the Group's total income decreased 6% to EUR 60.2 (64.3) million. Net interest income remained strong but decreased to EUR 37.0 (40.5) million. Net income from life insurance weakened to EUR 2.5 (3.8) million. Net income from non-life insurance improved to EUR 7.1 (6.3) million. Net commission income increased 17% to EUR 13.2 (11.3) million, the improvement mainly stemming from wealth management products.

COSTS

Following Aktia's strategy, investments into IT and media visibility were increased which lifted other administrative expenses to EUR 12.5 (9.5) million. Other operating expenses amounted to EUR 4.4 (6.5) million. Last year other operating expenses included various consultancy and advisory fees in conjunction with the listing of Aktia plc. The costs in total amounted to EUR 36.2 (36.1) million.

SEGMENT OVERVIEW

The segments' contribution to the Group's operating profit

(mn euro)	7 -9/2010	7-9/2009	Δ
Banking Business	18.9	17.2	10%
Asset Management	1.2	0.5	147%
Life Insurance	0.9	2.8	-67%
Non-Life Insurance	1.8	0.3	578%
Miscellaneous	0.0	-0.1	75%
Eliminations	0.6	-0.7	-
Total	23.4	19.8	18%

The operating profit for the banking business grew by 10% to EUR 18.9 (17.2) million. Net interest income remained at a high level of EUR 35.4 (39.2) million. Loans totalling EUR 1.1 (8.4) million were written down. Write-downs on loans were significantly lower than during the corresponding period last year.

Asset management improved profitability and its operating profit strengthened to EUR 1.2 (0.5) million. The market share of mutual funds was 6.8 (7.0)%.

Write-downs of investments reduced the life insurance business contribution to the Group's operating profit to EUR 0.9 (2.8) million. The non-life insurance contribution to the Group's operating profit rose to EUR 1.8 (0.3) million.

PRESS AND ANALYSTS' CONFERENCE 4 NOVEMBER 2010 AT 1 – 2 P.M.

Aktia's CEO Jussi Laitinen and Deputy Managing Director, CFO Stefan Björkman will present the report and answer questions.

The presentation will be available at www.aktia.fi.

The conference will be held at Aktia's Head Offices, Mannerheimintie 14 A, 7th floor.

ACTIVITY

January - September 2010

BUSINESS ENVIRONMENT

The short interest rates rose somewhat at the beginning of the third quarter but are still at a low level. In this environment, Aktia's active management of interest rate risk contributed greatly to the group net interest income and result development.

The general revival of the Finnish economy as well as the low level of interest rates resulted in clearly lower write-downs on credit compared to 2009. The OMX Helsinki 25 index continued to improve strongly in the third quarter.

According to Statistics Finland Finnish consumers' confidence in the economy was stronger in September than ever before. The consumer confidence indicator stood at 23.0 in September, having been 11.7 one year ago.

Compared to last year, Finnish real estate prices were generally up by 7.8 (30.6.2010; 10.0) % and in the Helsinki region by 9.2 (30.6.2010; 13.6) %. Inflation accelerated to 1.4 (30.6.2010; 0.9) % and unemployment decreased to 7.0 (30.6.2010; 8.8) % (*Statistics Finland*).

The long interest rates continued to decrease during the third quarter which generated higher values on the fixed rate instruments in Aktia's investment portfolios.

The worries for Southern European economies declined after the bank stress tests, but the demands on yields remained at a high level. This had a negative impact on the value of financial assets and caused somewhat higher costs of refinancing.

The schedules of the new initiatives for regulating banking businesses are now ready, but the contents of regulations are still under work. The results are likely to be higher capital requirements, sharpened competition for deposits, higher demands on long-term financing and eventually higher margins on credits.

Key figures	2010E	2009	2008
GDP growth			
World	3.8*	-1.3	3.0
EU	1.6*	-4.0	0.9
Finland	3.0*	-7.8	0.9
Consumer price index			
EU	1.5*	0.3	3.3
Finland	1.1*	0.1	4.0
Other key ratios			
Development of real value of housing in Finland	9.0*	-0.3	-2.5
OMX Helsinki 25	-	28.3	-49.5
Interest rates			
ECB	1.00*	1.00	4.25
10-y interest Ger (=benchmark)	2.25*	3.40	3.80
Euribor 12 months	1.70*	1.30	3.10
Euribor 3 months	1.00*	0.70	4.50
Unemployment in Finland	8.5*	8.2	6.4

* At the end of the year (Aktia's chief economist's prognosis)

RATING

The international rating agency Moody's Investor Service kept its credit opinion of Aktia Bank plc's credit rating unchanged in an update on 6 January 2010. Aktia Bank plc's credit quality remained at the best classification, P-1, for short-term borrowing. The credit rating for long-term borrowing is A1 and that for financial strength is C. All ratings have a stable outlook. See http://www.aktia.fi/aktia_bank/rating.

The covered bonds issued by the subsidiary Aktia Real Estate Mortgage Bank plc have a Moody's credit rating of Aa1.

PROFIT FOR THE PERIOD

The Group's operating profit improved by 73% to EUR 64.4 (37.2) million. The Group profit amounted to EUR 47.9 (27.2) million.

INCOME

The Group's total income increased by 7% between January and September to EUR 187.4 (174.5) million.

Net interest income rose to EUR 114.4 (112.4) million. In the low interest rate environment the managing of interest rate risk made a significant positive contribution to the net interest income's persistence.

Both derivatives and fixed rate instruments are utilised by Aktia Bank to manage interest rate risks. The derivatives and fixed rate instruments used by Aktia Bank to limit its interest rate risk improved net interest income by EUR 45.7 (30.1) million.

Net commission income increased by 32% to EUR 42.1 (31.8) million. Commission income from mutual funds, asset management and brokering increased by 42% to EUR 27.4 (19.3) million. Card and payment services commissions rose to EUR 10.4 (8.4) million.

Net income from life insurance amounted to EUR 9.6 (10.8) million. A lower number of claims and last year's cost reductions measures improved Aktia Non-Life Insurance's net income to EUR 17.4 (13.7) million. Net income from the insurance businesses includes insurance premiums written, net income from investment activities, insurance claims paid and the change in technical provisions.

Other operating income was EUR 6.2 (3.0) million. This includes a sales gain of divestment of Aktia Bank plc's minority holding in Esperri Care Oy. The bank group's

associated company Unicus Oy handled the transaction and divested also its holding in Esperri Care. The transaction added a total of EUR 1.7 million to the period's operating profit.

Net income from financial transactions was EUR -4.0 (1.8) million which mainly consisted of sales losses from securities in PIGS countries.

EXPENSES

The Group's operating expenses in January - September rose by 3% to EUR 115.0 (111.5) million.

Higher reservations for the personnel fund and other result related payments increased staff costs by 4% to EUR 59.9 (57.5) million. Other administration expenses increased by 13% to EUR 35.9 (31.8) million of which the most part consisted of costs for IT development and marketing.

Total depreciation and write-downs on tangible and intangible assets were unchanged at EUR 5.4 (5.3) million.

Other operating expenses fell 19% to EUR 13.8 (17.1) million. Last year other operating expenses included advisory fees and other expenses in relation to the listing of Aktia plc.

BALANCE SHEET AND OFF-BALANCE SHEET COMMITMENTS

The Group's balance sheet total increased by 1% from year-end and amounted to EUR 10,671 (31.12.2009; 10,556) million. The increase in the balance sheet total is largely due to growth in both deposit and mortgage stocks.

BORROWING

Aktia's liquidity was partly supported by a larger deposit stock from the public and partly by Aktia Bank's and Aktia Real Estate Mortgage Bank's issues.

Total deposits from the public and public sector entities rose by 11% from year-end to EUR 3,370 (3,029) million. A more active marketing boosted Aktia's market share in deposits to 3.61 (3.35)%. Deposits from public sector entities and credit institutions decreased, and lending from the central bank was reduced.

In March 2010, Aktia Real Estate Mortgage Bank plc issued a covered bond of EUR 500 million with a fixed interest rate and five-year maturity. Outstanding Aktia Bank certificates of deposit amounted to EUR 407 million at the end of the period and bonds issued by the Group totalled EUR 2,469 million, which represents an increase of EUR 16 million during 2010. During the January-September, Aktia Bank issued new subordinated debts and index-linked loans with a total value of EUR 55 million.

Aktia Bank issued other long-term funding, (Schuld-scheindarlehen) worth EUR 80 million as a part of preparations for new regulations concerning banks and insurance companies (Basel III) during the period.

LENDING

The Group's total lending to the public amounted to EUR 6,485 (6,061) million at the end of the period, representing an increase of EUR 424 million. Excluding the mortgages brokered by savings and local cooperative banks that the local banks are committed to capitalise, the Group's lending increased by EUR 198 million (4%) from the beginning of the year.

Loans to private households (including mortgages brokered by local savings and cooperative banks) accounted for EUR 5,337 (4,924) million or 82.3% of the total loan stock. The housing loan stock increased from the beginning of the year by 9% and totalled EUR 4,987 (4,598) million. Aktia's market share in housing loans was unchanged at 4.27% year-on-year at the end of September.

Corporate lending accounted for 12.3% of Aktia's loan stock. Total corporate lending amounted to EUR 797 (782) million at the end of the period.

During the period, loans granted to housing associations decreased by 1% to EUR 287 (289) million and stood for 4.4% of Aktia's total loan stock.

Interest-bearing financial assets available for sale were EUR 3,072 (3,277) million. Of interest-bearing financial assets, EUR 669 million relates to the insurance companies' investment portfolios and EUR 2,403 million mainly to the banking business' liquidity portfolio. These securities can be used as collateral in central bank or in transactions with binding repurchase terms, so called repurchase agreements.

TECHNICAL PROVISIONS

Life insurance technical provisions amounted to EUR 843 (805) million, of which EUR 254 (210) million were unit-linked.

At the end of September, total technical provisions of non-life insurance stood at EUR 126 (119) million.

EQUITY AND COMMITMENTS

Aktia Group's equity amounted to EUR 529 (466) million at the end of the period. The Group's fund at fair value amounted to EUR 64 (43) million and showed an improvement of EUR 21 million since the beginning of the year.

Off-balance sheet commitments increased by EUR 94 million from the year-end and amounted to EUR 670 (575) million. This increase was largely due to unused credit facilities (loan promises and limits).

SEGMENT OVERVIEW

Aktia plc has five business segments; Banking Business, Asset Management, Life Insurance, Non-Life Insurance and Miscellaneous.

The segments' contribution to the Group's operating profit

(EUR million)	1-9/2010	1-9/2009	Change
Banking Business	56.9	36.3	57%
Asset Management	3.2	0.5	508%
Life Insurance	5.3	3.0	75%
Non-Life Insurance	1.9	-2.6	-
Miscellaneous	-3.2	2.6	-
Eliminations	0.4	-2.8	-
Total	64.4	37.2	73%

BANKING BUSINESS

The banking business' contribution to the Group's operating profit amounted to EUR 56.9 (36.3) million.

Operating income totalled EUR 139.5 (135.6) million. Net interest income was EUR 110.8 (108.1) million and net commission income increased by 32% totalling EUR 31.2 (23.7) million. The improvement derives mainly from a higher level of net commission income from mutual funds and insurance.

Operating expenses amounted to EUR 73.6 (73.4) million, of which staff costs accounted for EUR 28.1 (26.5) million.

The banking business' customer base increased by 9,336 private customers (+4%) during January - September 2010. Sales activities are supported by the Aktia Dialogue concept whereby customers' needs are mapped out and Aktia's whole service portfolio is presented. During January - September, nearly 30,000 Dialogues were carried out, which is expected to increase sales in 2010.

The number of Internet agreements was up 7% from the beginning of the year and amounted to 123,881.

Total savings by households increased by 11% from the beginning of the year to EUR 3,464 (3,113) million. Of these, household deposits were EUR 2,638 (2,372) million and household savings in mutual funds stood at EUR 826 (741) million.

Aktia's lending to private households, including the mortgages brokered by Aktia, increased by 6% from the year-end to EUR 3,864 (3,658) million. Mortgage

loans brokered by Aktia amounted to EUR 1,558 (1,346) million. In addition, the savings and local cooperative banks brokered mortgages amounting to EUR 1,516 (1,290) million.

Corporate banking's net interest income was EUR 7.0 (6.4) million which is 9% higher year-on-year. Net commission income from corporate banking was up 11% to EUR 2.0 (1.8) million year-on-year.

The income of the real estate agency business was somewhat higher than last year's level, standing at EUR 5.8 (5.7) million.

ASSET MANAGEMENT

The Asset management's contribution to the Group's operating profit amounted to EUR 3.2 (0.5) million.

Managed assets continued to develop favourably during January - September 2010. Aktia provides a wide and competitive range of services in the capital market for both private individuals and institutions. The Asset Management segment carries on to focus on private banking operations and institutional investors this year.

Operating income, i.e. income after reversals to the Group's other units and business partners, was EUR 15.1 (10.6) million. Operating expenses increased by 18% to EUR 11.9 (10.1) million, of which staff costs made up EUR 6.4 (5.6) million. This is due to greater investment of resources in the private banking business.

The volume of funds managed and brokered by Aktia was EUR 4,028 (3,786) million. Aktia's market share of mutual funds was 6.8 (31.12.2009: 7.0)% at the end of the period - this includes the share of brokered funds. The total market is based on information from the Finnish Association of Mutual Funds.

The assets managed by Aktia Asset Management and Aktia Invest increased, partly thanks to an upswing in the markets, and totalled EUR 6,658 (5,996) million. Assets managed by Aktia Invest amounted to EUR 2,274 (2,140) million. The customer assets of Private Banking totalled EUR 1,141 (926) million, increasing 23%.

LIFE INSURANCE

The life insurance's contribution to the Group's operating profit amounted to EUR 5.3 (3.0) million.

Premiums written during January - September increased 32% and were EUR 70.7 (53.5) million. The growth derives mainly from unit-linked savings and investment-linked insurance. The allocation service for mutual funds, Aktia Profil, continued to show increasing volumes. Of the premium volume for savings and investment-linked insurance and pension insurance, unit-linked insurance accounted for 77.1 (65.7)%.

Claims paid amounted to EUR 58.6 (61.4) million. Surrenders have decreased to a lower level than last year. The trend of increased pensions paid has continued as the share of pension insurances reaching payment stage has increased.

Operating costs totalled EUR 9.6 (9.9) million. Cost-efficiency continued to be good. The expense ratio stood at 95.0% compared to 101.5% for the year before. The improved key figures derive from lower costs but also from an increase of total expense loadings due to higher premium volumes and higher market value of the insurance stock.

The return on the company's investments based on market value was 6.6 (4.6)%. The derivatives used by the life insurance company to limit its interest rate and currency risk improved operating profit by EUR 4.2 (0.4) million.

Technical provisions totalled EUR 843 (805) million, of which provisions for unit-linked insurance policies represented EUR 254 (210) million and interest-linked provisions EUR 588 (595) million.

The company's solvency ratio improved to 18.6% compared to 14.4% at year-end.

NON-LIFE INSURANCE

The contribution of the non-life insurance business to the Group's operating profit was EUR 1.9 (-2.6) million.

Premiums written for Aktia Non-Life Insurance rose by approximately 4% on the corresponding period last year. This increase is attributable to private customers. Premiums written before the reinsurers' share were EUR 56.3 (54.3) million. Premiums earned for the period after the reinsurers' share and change in provisions for unearned premiums amounted to EUR 46.2 (45.5) million. Claims incurred fell to EUR 33.4 (35.5) million.

Operating costs decreased on last year and amounted to EUR 14.7 (15.6) million.

The combined ratio in January - September 2010 was 104.8% compared to 112.3% the previous year. The lower combined ratio is largely explained by lower frequency of loss and lower staff costs.

The return on the company's investments based on market value was 7.9 (1.5)%.

Of the non-life insurance business' total technical provisions of EUR 118 (110) million, provisions for outstanding claims stood at EUR 91 (89) million. The market value of the company's investment portfolio was EUR 150 (135) million and the company's risk carrying capacity was 84.6% compared to 72.4% at the end of 2009.

The integration of Aktia Non-Life Insurance's distribution channels into Aktia's branch office network has continued to increase customer activity particularly in the private customer sector.

MISCELLANEOUS

In January - September 2010 the operating profit of the Miscellaneous segment was EUR -3.2 (2.6) million.

COMMON COSTS

In accordance with the "One Aktia" strategy the Group support functions have been unified and integrated. The largest expenses consist of marketing and IT costs. The integration process is continuing throughout 2010 and

Common costs were in total EUR 25.6 (25.7) million and were distributed as follows: banking business EUR 19.9 (21.8) million, asset management EUR 2.8 (1.7) million, life insurance EUR 1.3 (1.0) million and non-life insurance EUR 1.6 (1.2) million.

CAPITAL ADEQUACY AND SOLVENCY

The Bank Group's capital adequacy amounted to 17.0% compared to 15.9% at the end of 2009. The Tier 1 capital ratio was 10.4 (9.5)%. The operating result and the liquidity portfolio's lower use of capital strengthened the capital adequacy. The Bank Group includes Aktia Bank and Aktia Real Estate Mortgage Bank.

Aktia Bank plc's capital adequacy stood at 21.7% compared to 19.9% at the end of 2009. The Tier 1 ratio was 13.1 (11.7)%.

The life insurance company's solvency margin amounted to EUR 114.2 (86.3) million, where the minimum requirement is EUR 34.3 (34.0) million. The solvency ratio amounted to 18.6 (14.4)%.

The non-life insurance company's solvency margin amounted to EUR 24.4 (18.4) million, where the minimum requirement is EUR 13.1 (13.1) million. The solvency capital was EUR 51.3 (43.6) million and a risk carrying capacity of 84.6 (72.4)% was reported.

Capital adequacy for the conglomerate amounted to 171.0 (157.4)%. The statutory minimum stipulated in the Act on the Supervision of Financial and Insurance Conglomerates is 100%.

WRITE-DOWNS OF LOAN, GUARANTEE AND PREMIUM CLAIMS

Write-downs on credit were clearly lower than last year and stood at EUR 9.8 (26.3) million.

Write-downs on credit based on individual examination amounted to EUR -9.7 (30.9.2009; -26.3) million during January - September 2010. Recoveries and reversals of previous write-downs came to EUR 0.7 (0.3) million so that the cost effect on the profit for the period was EUR -9.1 (-25.9) million.

Of write-downs, EUR -9.0 (-23.5) million was accounted for by corporate loans, which corresponds to 1.1 (3.0)% of the total corporate lending. Write-downs of corporate loans amounted to EUR -1.0 (-8.2) million during the third quarter.

Write-downs of household loans amounted to EUR -0.7 (-2.1) million of which EUR -0.3 (-0.5) million was accounted for by unsecured consumer loans. The review period's write-downs of household loans were marginal of total lending to households. Total write-downs amounted to 0.1 (0.4)% of total lending.

In addition to individual write-downs, group write-downs were made for households and small companies, where there were objective reasons to believe there was uncertainty in relation to the repayment of claims in underlying credit portfolios. Group write-downs for households and small companies remained unchanged and amounted to EUR -7.4 (-7.4) million at the end of the period.

During the period, the non-life insurance company made write-downs for outstanding premiums (credit losses) totalling EUR -0.7 (-0.4) million.

VALUATION OF FINANCIAL ASSETS

VALUE CHANGES REPORTED VIA INCOME STATEMENT

For shares and participations, a value impairment is reported in the income statement where the value change has been announced as significant or long-term and, in the case of interest-bearing securities, where the issuer has announced an inability to pay. For interest-bearing securities, previous write-downs are reversed in the income statement and for shares and participations in the fund at fair value.

Write-downs on financial assets during January - September 2010 was EUR -2.8 million, whereas these totalled EUR -22.3 million during the same period in 2009.

Write-downs on financial assets

EUR million	1-9/2010	1-9/2009
Interest-bearing securities		
Banking Business	-	-0.4
Life Insurance Business	0.1	-13.1
Non-Life Insurance Business	-	-
Shares and participations		
Banking Business	-	-
Life Insurance Business	-2.9	-8.9
Non-Life Insurance Business	-	-
Total	-2.8	-22.3

VALUE CHANGES REPORTED VIA THE FUND AT FAIR VALUE

A value impairment that is not reported in the income statement or an increase in the value of financial assets that has not been realised is reported via the fund at fair value. Taking cash flow hedging for the Group into consideration, the fund at fair value amounted to EUR 64.4 million after deferred tax compared to EUR 43.3 million as at 31 December 2009.

Cash flow hedging which comprises the market value for interest rate derivative contracts which have been acquired for the purposes of hedging the banking business' net interest income amounted to EUR 32.2 (21.4) million.

Specification of the fund at fair value

EUR million	30.9.2010	31.12.2009	Change EUR million
Shares and participations			
Banking Business	-0.2	3.7	-3.9
Life Insurance Business	2.6	0.2	2.4
Non-Life Insurance business	0.4	-0.2	0.6
Direct interest-bearing securities			
Banking Business	5.1	13.3	-8.2
Life Insurance Business	20.7	5.6	15.1
Non-Life Insurance business	3.5	-0.8	4.4
Cash flow hedging	32.2	21.4	10.8
Fund at fair value, total	64.4	43.3	21.1

THE GROUP'S RISK MANAGEMENT

RISK EXPOSURE

The banking business includes Retail Banking and the financing companies, Corporate Banking, Treasury and Asset Management. Life insurance business is carried out by Aktia Life Insurance, and non-life insurance business by Aktia Non-Life Insurance.

LENDING-RELATED RISKS WITHIN BANKING

Credit stock maintained its good quality.

Credit stock increased in January - September 2010 by 7% or EUR 424 million, totalling EUR 6,485 (6,061) million. As planned, this increase mainly occurred within household financing through Aktia Real Estate Mortgage Bank plc and households' share of the total credit stock amounted to EUR 5,337 (4,924) million or 82.3% at the end of September, or 86.7% when combined with housing associations. Of the loans to households, 86.3 (86.2)% are secured against adequate real estate collateral in accordance with Basel 2.

Credit stock by sector

EUR million	30.9.2010	31.12.2009	Change	Share, %
Corporate	797	782	15	12.3
Housing associations	288	289	-1	4.4
Public sector entities	7	10	-3	0.1
Non-profit organisations	57	55	1	0.9
Households	5,337	4,924	413	82.3
Total	6,485	6,061	424	100.0

Housing credit stock totalled EUR 4,987 (4,598) million, of which mortgages granted by Aktia Real Estate Mortgage Bank plc made up EUR 2,895 (2,498) million. In all, housing loans increased by 9% against year-end 2009, and the growth derived mainly through Aktia Real Estate Mortgage Bank's lending where the average balance in relation to collateral market value decreased to 56.7 (56.8)% compared to the corresponding period 2009.

The proportion of the total credit stock accounted for by corporate loans fell as planned to 12.3 (12.9)% and totalled EUR 797 (782) million.

Lending to the public secured by collateral objects or unsecured within the framework of the financing

companies Aktia Corporate Finance and Aktia Card & Finance totalled EUR 103.7 (84.8) million, representing 1.6% of total lending. The increase derived mainly through Aktia Corporate Finance.

Loans with payments 1-30 days overdue decreased from year-end to 2.82 (2.97)% of credit stock, including off-balance sheet guarantee commitments. Loans with payments 31-89 days overdue increased somewhat to 0.77 (0.76)%, totalling EUR 51 million. Non-performing loans more than 90 days overdue, including claims on bankrupt companies and loans for collection, totalled EUR 44 million, corresponding to 0.67 (0.56)% of the entire credit stock plus bank guarantees.

Undischarged debts by time overdue (EUR million)

Days	30.9.2010	% of the credit stock	31.12.2009	% of the credit stock
1-30	184	2.82	181	2.97
of which households	126	1.93	114	1.86
31-89	51	0.77	46	0.76
of which households	41	0.62	38	0.61
90-	44	0.67	34	0.56
of which households	20	0.31	18	0.30

THE GROUP'S FINANCING AND LIQUIDITY RISKS

The financing and liquidity risks are dealt with at corporate legal level, and there are no financing commitments from the Bank Group (Aktia Bank plc and its subsidiaries) to the insurance companies.

In the banking business, financing and liquidity risks are defined as the availability of refinancing plus the differences in maturity between assets and liabilities. The objective is to be able to cover one year's refinancing requirements using existing liquidity. At the end of the period, the Bank Group's liquidity buffer was good and targets were clearly exceeded.

Within the life insurance business, liquidity risks are defined as the availability of financing for paying out claims, savings sums and surrenders, and pensions. The need for liquidity is satisfied mainly through the inward flow of cash and a portfolio of investment certificates which has been adapted in line with varying needs. Any unforeseen significant need for liquidity is taken care of through the investment portfolio (primarily bonds).

Within the non-life insurance business, liquidity risks are defined as the availability of financing for paying out claims and depend on the number of claims and their scale. Liquidity risks are managed through the inward flow of cash plus an portfolio of bank deposits, investment certificates and government bonds.

COUNTERPARTY RISKS

COUNTERPARTY RISKS WITHIN GROUP TREASURY

The banking business' liquidity portfolio, which comprises interest-bearing securities stood at EUR 2,347 (2,615) million as at 30 September 2010. Individual investment decisions are made in accordance with an investment plan in place and are based on careful assessment of the counterparty. Counter-party risks are limited by the requirement for a high external rating (a minimum rating of A3 by Moody's Investor Service or equivalent), and limits are set for maximum exposure per counterparty and asset category.

Of the financial assets available for sale, 63 (51)% were investments in covered bonds, 22 (36)% were investments in banks, 10 (9)% were investments in state-guaranteed financial senior bonds and approximately 5 (4)% were investments in public sector entities and companies.

Counterparty risks in derivatives trading are managed through demands on collateral (CSA = Credit Support Annex) limiting the open positions.

Rating distribution for banking business

	30.9.2010	31.12.2009
EUR million	2,347	2,615
Aaa	60.4 %	55.1%
Aa1-Aa3	26.8 %	29.6%
A1-A3	9.2 %	11.6%
Baa1-Baa3	0.5 %	0.6%
Ba1-Ba3	0.6 %	0.2%
B1-B3	0.0 %	0.0%
Caa1 or lower	0.0 %	0.0%
No rating	2.5 %	2.9%*
Total	100.0 %	100.0%

*) Of which 1.9% Finnish municipalities as at 30.9.2010 and 1.9% at 31.12.2009.

Of these financial assets, 1.1 (0.8)% did not meet the internal rating requirements. As a result of a reduced credit rating, two security assets with a total market value of EUR 7 million were no longer eligible for refinancing with the central bank. Other securities that are not eligible for refinancing and are unrated totalled EUR 58 million.

During the period, no write-downs were realised as a result of the issuer announcing its inability to pay whereas the write-downs during the same period last year amounted to EUR -0.4 million.

COUNTERPARTY RISKS IN THE LIFE INSURANCE BUSINESS

Fixed income assets amounted to EUR 586 (570) million at the end of the period which corresponds to 82 (82)% of investments. Counterparty risks arising in connection with the life insurance company's investments are managed by the requirement for a high-class external rating of at least rating class A3 from Moody's Investors Service for banks and states, and "investment grade" external rating (at least Ba3) for companies, and by rules concerning the maximal exposure for each counterparty and asset category.

At the end of September 2010, 38 (47)% of direct interest rate investments were receivables from public sector entities, 24 (23)% were corporate bonds and 38 (30)% were receivables from banks and covered bonds.

The net change in value amongst interest-rate instruments earlier written down and booked was EUR 0.1 million. During the period, no write-downs were realised as a result of the issuer's credit rating being lowered. The write-down of EUR 2.9 million derived from indirect real estate holdings.

Rating distribution for the direct interest rate investments in life insurance business

	30.9.2010	31.12.2009
EUR million	586	570
Aaa	57.4 %	52.5%
Aa1-Aa3	12.9 %	12.2%
A1-A3	14.6 %	18.3%
Baa1-Baa3	7.2 %	11.4%
Ba1-Ba3	2.3 %	1.4%
B1-B3	0.0 %	0.0%
Caa1 or lower	0.1 %	0.3%
No rating	5.5 %	3.9%
Total	100.0 %	100.0%

3.8 (3.4)% of direct interest rate investments did not meet Aktia's internal rating requirements at the end of the period.

COUNTERPARTY RISKS IN THE NON-LIFE INSURANCE BUSINESS

The direct interest rate investments totalled EUR 120 (104) million at the end of September 2010 corresponding to 75 (73)% of investments. Counterparty risks arising in connection with the non-life insurance company's investments are managed by the requirement for a high-class external rating of at least rating class A3 from Moody's Investors Service for banks and states, and "investment grade" external rating (at least Ba3) for companies, and by rules concerning the maximal exposure for each counterparty and asset category.

At the end of September, 60 (64)% of the direct interest rate investments were receivables from public sector entities, 12 (10)% were corporate bonds and 28 (36)% were receivables from banks and covered bonds. During the period no write-downs were realised.

Rating distribution for direct interest rate investments in non-life insurance business

	30.9.2010	31.12.2009
EUR million	120	104
Aaa	57.8 %	58.4%
Aa1-Aa3	24.2 %	16.7%
A1-A3	6.4 %	12.5%
Baa1-Baa3	1.7 %	11.4%
Ba1-Ba3	7.3 %	0.5%
B1-B3	0.0 %	0.0%
Caa1 or lower	0.0 %	0.0%
No rating	2.6 %	0.4%
Total	100.0%	100.0%

4.4 (3.6)% of direct interest rate investments did not meet Aktia's internal rating requirements at the end of the period.

MARKET VALUATION OF FINANCIAL ASSETS

Aktia pursues no trading activities. Both the financial assets within the banking business and the investment assets within the life and non-life insurance businesses are invested in securities with access to market prices in an active market, and are valued in accordance with official quoted prices. Any significant or long-term impairment of market value compared to the acquisition price is shown in the income statement, while interest-rate fluctuations are reported under the fund at fair value after the deduction of deferred tax.

STRUCTURAL INTEREST RATE RISK IN THE BANKING BUSINESS

Structural interest rate risk arises as a result of an imbalance between interest rate ties and the re-pricing of assets and liabilities, and affects net interest income. Hedging derivative instruments and investments within the liquidity portfolio are utilised to reduce the volatility in net interest income.

According to the strategy for interest rate risk management, a parallel upward or downward shift in the interest rate curve of one percentage point shall not influence estimated net interest income of the banking business for the next 12 months by more than 7%, and 8% for the following year. At the end of the period, the set targets were met. The growth in the deposit stock and the longer maturities of deposits diminishes net interest income's sensitivity to an upward shift in the short interest rate curve.

MARKET VALUE INTEREST RATE RISK IN THE BANKING BUSINESS

Market value interest rate risk refers to changes in value of financial assets available for sale as a result of interest rate fluctuations or changes in credit, interest rate or spread risks. The size, maturity and risk level of the liquidity portfolio is restricted as a result of capital allocation limits.

The net change in the fund at fair value, relating to market value interest rate risk and credit and spread risk, posted during the period was negative and totalled EUR -8.2 after the deduction of deferred tax. At the end of September 2010, the valuation difference in interest-bearing securities was positive at EUR 5.1 (13.3) million.

OTHER MARKET RISKS IN THE BANKING BUSINESS AND PARENT COMPANY

No equity trading or investments in real estate are carried out by the banking business or in the parent company.

At the end of the period, real estate assets totalled EUR 3.4 (3.4) million. Investments in shares which are necessary or strategic to the business totalled EUR 26.4 (30.6) million. At the end of the period, the fund at fair value related to the above strategic share investments amounted to EUR -0.2 (3.7) million after the deduction of deferred tax.

INVESTMENT RISKS IN THE LIFE INSURANCE BUSINESS

The policyholder bears the investment risk of investments that provide cover for unit-linked insurance policies. These investments are valued on an ongoing basis at fair value and any changes in value are posted to technical provisions for unit-linked insurance policies.

The investment portfolio covering technical provisions is measured on an ongoing basis at market value. During the reporting period, write-downs affecting profit were posted which were attributable to shares and participations totalling EUR -2.9 (30.9.2009; -6.9) million. The fund at fair value attributable to shares posted during the period totalled EUR 2.6 (0.2) million after the deduction of deferred tax.

The net change in value of the fund at fair value with regard to interest-bearing securities was EUR 15.1 million after the deduction of deferred tax. At the end of September, the valuation difference of interest-bearing securities stood at EUR 20.7 (5.6) million.

Allocation of holdings in the life insurance company's investment portfolio

EUR million	30.9.2010		31.12.2009	
Shares	0.0	0.0 %	0.3	0.0%
Bonds	652.7	91.4 %	609.7	88.0%
Money market	7.3	1.0 %	24.0	3.5%
Real estate	37.5	5.3 %	38.0	5.5%
Other	16.6	2.3 %	20.7	3.0%
Total	714.1	100.0 %	692.6	100.0%

UNDERWRITING RISKS IN THE LIFE INSURANCE BUSINESS

Underwriting risks occur where future claim payments become higher than expected. Taking into account the provision of reinsurance cover, the insurance business has been relatively stable. The provision of reinsurance cover for different insurance portfolios reduces the volatility of financial results and eliminates risks that could affect the company's future business opportunities.

INVESTMENT RISKS IN THE NON-LIFE INSURANCE BUSINESS

The investment portfolio covering total technical provisions is measured on an ongoing basis at market value. The investment plan is to synchronise investments and cash flow of technical provisions. The investment plan

does not include equity investments.

The net change posted in value of the fund at fair value with regard to interest-bearing securities was EUR 4.4 million after the deduction of deferred tax. At the end of September, the valuation difference of interest-bearing securities stood at EUR 3.5 (-0.8) million.

Allocation of holdings in the non-life insurance company's investment portfolio

EUR million	30.9.2010		31.12.2009	
Shares	0.0	0.0 %	0.0	0.0 %
Bonds	123.1	77.7 %	105.9	74.4 %
Money market	7.9	5.0 %	6.3	4.4 %
Real estate	25.8	16.3 %	28.2	19.8 %
Other	1.7	1.1 %	2.0	1.4 %
Total	158.5	100.0 %	142.4	100.0 %

UNDERWRITING RISKS IN THE NON-LIFE INSURANCE BUSINESS

Underwriting risks occur where future claim payments become higher than expected. Taking into account the provision of reinsurance cover, the insurance business has been relatively stable. The provision of reinsurance cover for different insurance portfolios reduces the volatility of financial results and eliminates risks that could affect the company's future business opportunities.

OPERATIONAL RISKS

Operational risks refer to loss risks arising as a result of unclear or incomplete instructions, activities carried out contrary to instructions, unreliable information, deficient systems or actions taken by staff members. If an operational risk is realised, this can result in direct or indirect financial losses or tarnish the corporate image to the extent that the bank's credibility in the marketplace suffers.

No events regarded as operational risks causing significant financial losses occurred in January - September 2010.

EVENTS CONCERNING CLOSE RELATIONS

Close relations refers to Aktia plc's key persons in management positions, close family members and companies that are under dominating influence of a key person in management position. The group's key persons refer to Aktia plc's Members of the Board of Supervisors and the Board of Directors, Managing Director and Deputy Managing Director.

Aktia plc received an extraordinary dividend of EUR 30.0 million from Aktia Bank plc. The funds were reinvested to Aktia Bank plc through a capital loan.

No significant changes concerning close relations occurred during the period.

EVENTS DURING THE REPORTING PERIOD

According to the decision taken at the Annual General Meeting, Aktia donated during the third quarter a total of EUR 300,000 to various universities in its business areas.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Aktia plc has on 27 October 2010 sold its holding in Magnus Nyman AFM Ab. The transaction has no impact on Aktia Group's result.

PERSONNEL

The average number of full-time employees during the period was 1,186 (31.12.2009; 1,213).

PERSONNEL FUND AND MANAGEMENT'S INCENTIVE PROGRAMME FOR 2010

Aktia Abp's Board of Directors has confirmed the following calculation method for the profit sharing provision to the personnel fund as of 2010. The profit sharing provision is based on 10% of the Group operating profit exceeding EUR 30 million. The profit sharing provision cannot exceed EUR 3 million. The CEO and other members of the Group's Executive Committee are also members of the Group's personnel fund.

A bonus system has been set up for the CEO and the other members of the Group's Executive Committee which is based on the Group's financial results and annually defined targets at company and individual level. The individual bonus to the Executive Committee members cannot exceed the equivalent of three months' salary each year.

For 2010, the Executive Committee is also included in a share-based incentive scheme that offers the members of the Executive Committee the opportunity to acquire a maximum of 55,833 shares. The outcome is dependent on separate targets, the performance conditions of which have been decided on by the Board of Directors.

Aktia Group's remuneration statement has been published on Aktia plc's website. (http://www.aktia.fi/management_and_governance/remuneration)

DECISIONS TAKEN AT THE ANNUAL GENERAL MEETING

The Annual General Meeting of Aktia plc held on 25 March 2010 adopted the financial statements of the parent company and the consolidated financial statements and discharged the members of the Board of Supervisors, the members of the Board of Directors, the Managing Director and his deputy from liability.

In accordance with the proposal of the Board of Directors, the Annual General Meeting decided to distribute a dividend of EUR 0.24 per share totalling EUR 15.9 million for the financial period 1 January - 31 December 2009. The record date for the dividends was 30 March 2010 and the dividends were paid out on 8 April 2010.

Meeting established the number of members on the Board of Supervisors as thirty-four.

The members of the Board of Supervisors Sten Eklundh, Agneta Eriksson, Peter Heinström, Erik Karls, Clas Nyberg, Gunvor Sarelin-Sjöblom, Jan-Erik Stenman, Maj-Britt Vääriskoski, Lars Wallin, Bo Gustav Wilson and Ann-Marie Åberg, who were all due to step down, were elected members of the Board of Supervisors for a term of three years.

The Annual General Meeting established the number of auditors as one. PricewaterhouseCoopers Ab was re-appointed as auditor for the financial year starting on 1 January 2010, with Jan Holmberg, APA, as the auditor in charge.

The Annual General Meeting approved the proposals of the Board of Director concerning authorisation to issue shares, as well as authorisation to divest shares. The Annual General Meeting also approved the proposal of the Board of Directors concerning donations for philanthropic purposes and the proposal regarding the appointment of a nomination committee with the task of preparing election matters for the Annual General Meeting.

The proposal of the Finnish Shareholders Association to discontinue the Board of Supervisors was dropped as the author of the proposal did not demand a vote.

All proposals mentioned above are included in the Summons to the AGM published on Aktia plc's website www.aktia.fi.

AKTIA'S EXECUTIVE COMMITTEE

Aktia's Executive Committee comprises CEO Jussi Laitinen, Deputy Managing Director Jarl Sved, Deputy Managing Director Stefan Björkman, Deputy Managing Director Robert Sergelius, Director Barbro Karhulahti, Director Taru Narvanmaa, Director Anders Nordman, Director Gösta Råholm and Director Olav Uppgård and Marit Leinonen, the staff representative.

CHANGES IN GROUP STRUCTURE

Aktia's real estate agency business now operates as Aktia Fastighetsförmedling Ab.

Aktia Invest was incorporated and personnel now holds 30% and the remaining 70% by Aktia Bank plc.

Aktia Yritysrahoitus Oy (Corporate Finance) has become a fully owned subsidiary.

SHARE CAPITAL AND OWNERSHIP

At the end of September 2010, the paid-up share capital of Aktia plc as entered in the Finnish Trade Register was EUR 93,873,816, divided into 46,936,908 series A shares and 20,050,850 series R shares. The number of shareholders at the end of the period was 49,050.

Of the merger compensation related to the merger with Veritas Non-Life Insurance of 6,800,000 shares, a further 17,787 new series A shares were registered on book-entry accounts during the July –September period. The inspection and registration of outstanding

shares continues. The number of unregistered shares at the end of the period under review was 929,896 or 1.4% of all shares.

Aktia's holding of treasury shares amounted to 495,354 shares, corresponding to 0.7% of all shares.

At the Extraordinary General Meeting of 21 December 2006, the Board of Directors was authorised to issue a maximum of 1,000,000 shares in order to create a share-based incentive scheme for key personnel in the Group.

Largest 20 owners Ownership per 30 September 2010	A shares	R shares	Shares	Of shares %	Votes	Of votes %	Change 7-9/2010
Helsinki Savings Bank Foundation*	7,604,111	3,846,812	11,450,923	17.09	84,450,351	18.87	44,764
Life Annuity Institution Hereditas*	4,648,114	2,066,106	6,714,220	10.02	45,970,234	10.26	
Pension Insurance Company Veritas	4,027,469	2,134,397	6,161,866	9.20	46,715,409	10.43	
Espoo-Kauniainen Savings Bank Foundation*	2,146,585	1,191,458	3,338,043	4.98	25,975,745	5.80	
Oy Hammarén & Co Ab	1,890,000	945,000	2,835,000	4.23	20,790,000	4.64	
Svenska Litteratursällskapet i Finland rf*	1,681,786	789,229	2,471,015	3.69	17,466,366	3.90	
Åbo Academy Foundation*	1,495,640	751,000	2,246,640	3.35	16,515,640	3.69	
Aktia foundation in Vantaa	1,194,900	915,612	2,110,512	3.15	19,507,140	4.35	600
Aktia Foundation in Porvoo*	1,303,050	651,525	1,954,575	2.92	14,333,550	3.20	
Aktia Foundation in Vaasa*	978,525	547,262	1,525,787	2.28	11,923,765	2.66	
Kirkkonummi Savings Bank Foundation*	876,529	438,264	1,314,793	1.96	9,641,809	2.15	
Karjaa-Pohja Savings Bank Foundation*	787,350	393,675	1,181,025	1.76	8,660,850	1.93	
Föreningen Konstsamfundet rf*	670,040	377,951	1,047,991	1.56	8,229,060	1.84	
Inkoo Savings Bank Foundation*	646,236	323,118	969,354	1.45	7,108,596	1.59	
Ab Kelonia Oy*	549,417	308,662	858,079	1.28	6,722,657	1.50	
Sipoo Savings Bank Foundation*	462,002	232,001	694,003	1.04	5,102,022	1.14	
Siuntio Savings Bank Foundation*	404,377	227,188	631,565	0.94	4,948,137	1.10	-50,000
Aktia Foundation in Malax*	340,138	177,600	517,738	0.77	3,892,138	0.87	
Tenhola Savings Bank Foundation*	340,021	171,510	511,531	0.76	3,770,221	0.84	
Aktia Foundation in Korsholm*	323,376	175,888	499,264	0.75	3,841,136	0.86	
20 largest owners in total	32,369,666	16,664,258	49,033,924	73.20	365,654,826	81.63	
Others	14,567,242	3,386,592	17,953,834	26.80	82,299,082	18.37	
Total	46,936,908	20,050,850	66,987,758	100.0	447,953,908	100.0	

*) Part in shareholders' agreement concerning the parties' mutual pre-emptive right to R shares. This agreement covers 72% of R shares and 22% of the total number of shares.

SHARES

Aktia's trading codes are AKTAV for A series shares and AKTRV for R series shares.

As at 30 September 2010, the last day of trading, the closing price for an A series share was EUR 7.47 and for a R series share EUR 8.78, indicating a market value of approx. EUR 527 million for Aktia. Since the beginning of 2010, the yield on Aktia A series shares has been -3.9% and -5.6% on R shares. The OMX Nordic Banks and OMX Nordic Financials indices have performed 12.6% respectively 14.8% during the same period.

Share price development 1 Jan - 30 September 2010		Yield
Aktia A		-3.9%
Aktia R		-5.6%
OMX Nordic Banks		12.6%
OMX Nordic Financials		14.8%

Share information	A share	R share
Votes /share	1	20
Market	NASDAQ OMX Helsinki	NASDAQ OMX Helsinki
Listed	29.9.2009	29.9.2009
ISIN	FI0009004733	FI0009015911
Code	AKTAV (OMX)	AKTRV (OMX)
List	OMXH Mid Caps	OMXH Mid Caps
Sector	Regional Banks	Regional Banks
Sector ID	40101015	40101015
Number of shares	46,936,908	20,050,850

In January - September 2010, the average daily turnover of A shares was EUR 118,075 or 16,557 shares. The average daily turnover of R shares was EUR 10,334 or 2,172 shares.

Aktia has entered into a market-making or LP (Liquidity Providing) agreement with Handelsbanken in order to improve liquidity in A shares, which should encourage transactions by small shareholders. The agreement entered into force on 4 January 2010.

OUTLOOK AND RISKS FOR 2010 (UNCHANGED)

OUTLOOK

Aktia expects operating profit for 2010 to exceed the level in 2009 and write-downs on credit to remain clearly lower than last year.

RISKS

In 2010, Aktia's focus will be on strengthening customer relations, increasing sales, developing Internet services, and managing costs, risks and capital in order to strengthen profitability. Aktia is endeavouring to grow above the market, particularly in the sectors of retail customers and small companies.

Aktia's financial results are affected by many factors, of which the most important are the general economic situation, fluctuations in share prices, interest rates and exchange rates and the competitive situation. Changes in these factors can have an impact on demand for banking, insurance, asset management and real estate agency services.

Change in interest rate level, yield curves and credit margins are hard to predict and can affect Aktia's interest rate margins and therefore profitability. Aktia pursuing effective management of interest rate risks.

Any future write-downs of loans in Aktia's loan portfolio could be due to many factors, the most important of which are the general economic situation, the interest rate level, the level of unemployment and changes in house prices. Aktia expects write-downs on credit to be clearly lower in 2010 than in 2009.

The availability of liquidity on the money markets is important for Aktia's refinancing activities. Like other banks, Aktia relies on deposits from households in order to service some of its liquidity needs.

The market value of Aktia's financial and other assets can change as a result of, among other things, a requirement for higher returns among investors.

The financial crisis has resulted in many new initiatives for regulating banking and insurance businesses, which has brought uncertainty concerning future capital requirements. A change in capital requirements could actualise both capitalisation needs and need for changes in Aktia Group's structure.

KEY FIGURES

EUR million	1-9/ 2010	1-9/ 2009	Δ	7-9/ 2010	4-6/ 2010	1-3/ 2010	10-12/ 2009	7-9/ 2009
Earnings per share (EPS), EUR	0.69	0.42	66%	0.26	0.25	0.18	0.10	0.21
Equity per share (NAV), EUR ¹	7.30	6.51	12%	7.30	6.89	6.86	6.52	6.51
Return on equity (ROE), %	12.8	9.3	38%	13.9	14.2	10.5	5.9	13.2
Total earnings per share, EUR	1.01	1.70	-41%	0.40	0.02	0.58	0.01	1.00
Capital adequacy ratio, % (finance and insurance conglomerate) ¹	171.0	155.2	10%	171.0	164.5	162.4	157.4	155.2
Average number of shares, million ²	66.5	66.4	0%	66.5	66.5	66.5	66.4	66.4
Number of shares at the end of the period ¹ , million	66.5	66.5	0%	66.5	66.5	66.5	66.5	66.5
Personnel (FTEs), average number of employees from the beginning of the financial year ¹	1,186	1,212	-2%	1,186	1,195	1,202	1,213	1,212
Banking Business (incl. Private Banking)								
Cost-to-income ratio	0.56	0.57	-2%	0.58	0.54	0.57	0.57	0.51
Borrowing from the public ¹	3 370.0	3 082.0	9%	3 370.0	3,351.4	3,180.2	3,029.2	3,082.0
Lending to the public ¹	6 485.2	5 946.4	9%	6 485.2	6,346.4	6,176.5	6,060.8	5,946.4
Capital adequacy ratio, % ¹	17.0	15.4	10%	17.0	16.5	16.2	15.9	15.4
Tier 1 capital ratio, % ¹	10.4	9.1	14%	10.4	10.1	9.6	9.5	9.1
Risk-weighted commitments ¹	3,583.0	3,493.4	3%	3,583.0	3,555.3	3,527.2	3,460.2	3,493.4
Asset Management								
Mutual fund volume ¹	4 027.5	3 488.0	15%	4 027.5	3,770.9	4,096.1	3,786.2	3,488.0
Managed and brokered assets ¹	6 658.4	5 680.5	17%	6 658.4	6,300.8	6,382.3	5,995.6	5,680.5
Life Insurance								
Premiums written before reinsurers' share	71.0	53.7	32%	20.5	24.4	26.1	27.2	17.7
Expense ratio, % ²	95.0	101.5	-6%	95.0	96.7	104.4	100.7	101.5
Solvency margin ¹	114.2	85.0	34%	114.2	100.7	97.0	86.3	85.0
Solvency ratio, % ²	18.6	14.2	31%	18.6	16.6	16.0	14.4	14.2
Investments at fair value ¹	937.1	849.7	10%	937.1	909.2	908.4	867.7	849.7
Technical provisions for interest-linked insurances ¹	588.4	596.6	-1%	588.4	589.6	593.4	595.0	596.6
Technical provisions for unit-linked insurances ¹	254.3	190.5	33%	254.3	236.1	233.4	210.1	190.5
Non-Life Insurance								
Premiums written before reinsurers' share	56.3	54.3	4%	12.0	14.7	29.6	12.0	10.3
Premiums earned	46.2	45.5	1%	15.5	15.9	14.8	15.0	16.2
Expense ratio, % ²	25.2	26.6	-5%	25.2	25.0	24.5	27.9	26.6
Loss ratio, % ²	79.6	85.8	-7%	79.6	82.2	87.1	91.1	85.8
Combined ratio, % ²	104.8	112.3	-7%	104.8	107.2	111.5	119.0	112.3
Technical provisions before reinsurers' share ¹	126.2	121.1	4%	126.2	131.6	134.0	119.3	121.1
Solvency capital ¹	51.3	50.2	2%	51.3	47.1	45.2	43.6	50.2
Solvency ratio of technical provisions, % ¹	45.2	47.7	-5%	45.2	39.6	38.1	41.8	47.7
Risk carrying capacity, % ¹	84.6	83.6	1%	84.6	76.6	74.0	72.4	83.6

1) At the end of the period, 2) Cumulative from the beginning of the financial year

BASIS OF CALCULATION FOR KEY FIGURES CAN BE FOUND IN AKTIA PLC'S ANNUAL REPORT, PAGE 28

CONSOLIDATED INCOME STATEMENT

(EUR million)	1-9/2010	1-9/2009	Δ	2009
Net interest income	114.4	112.4	2 %	152.2
Dividends	1.1	0.6	83%	0.6
Commission income	54.3	42.3	28%	60.7
Commission expenses	-12.2	-10.5	-16%	-14.3
Net commission income	42.1	31.8	32%	46.3
Net income from life-insurance	9.6	10.8	-11%	14.0
Net income from non-life insurance	17.4	13.7	27%	15.2
Net income from financial transactions	-4.0	1.8	-	0.8
Net income from investment properties	0.4	0.3	38%	0.4
Other operating income	6.2	3.0	105%	3.6
Total operating income	187.4	174.5	7%	233.1
Staff costs	-59.9	-57.5	4%	-79.2
Other administrative expenses	-35.9	-31.8	13%	-44.8
Negative goodwill recorded as income	-	0.1	-	0.1
Depreciation of tangible and intangible assets	-5.4	-5.3	3%	-6.9
Other operating expenses	-13.8	-17.1	-19%	-23.4
Total operating expenses	-115.0	-111.5	3%	-154.2
Impairment and reversal of impairment on tangible and intangible assets	-	-0.2	-	-0.6
Write-downs on credits and other commitments	-9.8	-26.3	-63%	-31.7
Share of profit from associated companies	1.7	0.7	156%	0.3
Operating profit	64.4	37.2	73%	47.0
Taxes	-16.5	-10.0	66%	-13.0
Profit for the period	47.9	27.2	76%	34.0
Attributable to:				
Shareholders in Aktia plc	46.0	27.8	66%	34.3
Minority interest	1.9	-0.6	-	-0.3
Total	47.9	27.2	76%	34.0
Earnings per share (EPS), EUR	0.69	0.42	66%	0.52
Earnings per share (EPS), EUR, after dilution	0.69	0.42	66%	0.52

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR million)	1-9/2010	1-9/2009	Δ	2009
Profit for the period	47.9	27.2	76%	34.0
Other comprehensive income after taxes:				
Change in valuation of fair value for financial assets available for sale	6.6	67.2	-90%	51.8
Change in valuation of fair value for cash flow hedging	10.8	13.8	-22%	9.0
Transferred to the income statement for financial assets available for sale	3.4	4.5	-25%	19.2
Total comprehensive income for the period	68.7	112.7	-39%	114.1
Total comprehensive income attributable to:				
Shareholders in Aktia plc	67.1	113.2	-41%	114.0
Minority interest	1.6	-0.5	-	0.2
Total	68.7	112.7	-39%	114.1
Total earnings per share, EUR	1.01	1.70	-41%	1.72
Total earnings per share, EUR, after dilution	1.01	1.70	-41%	1.72

CONSOLIDATED BALANCE SHEET

(EUR million)	30.9.2010	31.12.2009	Δ	30.9.2009
Assets				
Cash and balances with central banks	146.9	341.0	-57%	274.7
Financial assets reported at fair value via the income statement	21.2	22.5	-6%	26.0
Interest-bearing securities	3 072.3	3 277.3	-6%	3 291.9
Shares and participations	142.2	155.6	-9%	197.7
Financial assets available for sale	3 214.4	3 433.0	-6%	3 489.6
Financial assets held until maturity	21.5	27.9	-23%	30.9
Derivative instruments	291.7	210.0	39%	219.3
Lending to credit institutions	44.1	80.7	-45%	122.8
Lending to the public and public sector entities	6 485.2	6 060.8	7%	5 946.4
Loans and other receivables	6 529.3	6 141.6	6%	6 069.2
Investments for unit-linked provisions	253.1	208.9	21%	190.5
Investments in associated companies	6.0	4.5	33%	4.9
Intangible assets	11.7	12.4	-6%	11.9
Investment properties	24.7	26.9	-8%	28.2
Other tangible assets	6.8	8.1	-15%	8.3
Accrued income and advance payments	81.1	80.3	1%	72.7
Other assets	54.9	31.4	75%	284.9
Total other assets	136.0	111.6	22%	357.6
Income tax receivables	1.0	0.8	26%	3.4
Deferred tax receivables	6.2	6.0	2%	8.4
Tax receivables	7.2	6.8	5%	11.8
Assets classified as held for sale	0.8	0.8	0%	0.8
Total assets	10 671.3	10 555.8	1%	10 723.8
Liabilities				
Liabilities to credit institutions	1 024.7	1 724.4	-41%	1 706.6
Liabilities to the public and public sector entities	3 370.0	3 029.2	11%	3 082.0
Deposits	4 394.7	4 753.6	-8%	4 788.6
Derivative instruments	174.0	132.2	32%	141.6
Debt securities issued	2 875.9	2 747.9	5%	2 620.9
Subordinated liabilities	252.2	252.5	0%	248.1
Other liabilities to credit institutions	1 128.2	968.2	17%	1 047.0
Other liabilities to the public and public sector entities	81.9	77.3	6%	189.8
Other financial liabilities	4 338.3	4 045.9	7%	4 105.9
Technical provisions for interest-related insurances	588.4	595.0	-1%	596.6
Technical provisions for unit-linked insurances	254.3	210.1	21%	190.5
Technical provisions for non-life insurances	126.2	119.3	6%	121.1
Technical provisions	968.9	924.4	5%	908.2
Accrued expenses and income received in advance	78.8	71.9	10%	63.1
Other liabilities	118.8	91.5	30%	178.2
Total other liabilities	197.6	163.4	21%	241.3
Provisions	0.2	0.8	-76%	0.8
Income tax liability	5.0	19.2	-74%	8.3
Deferred tax liabilities	63.7	49.9	28%	66.3
Tax liabilities	68.7	69.1	-1%	74.5
Liabilities for assets classified as held for sale	0.2	0.2	0%	0.2
Total liabilities	10 142.6	10 089.7	1%	10 261.1
Equity				
Restricted equity	169.1	147.6	15%	153.3
Unrestricted equity	316.1	285.8	11%	279.3
Shareholders' share of equity	485.3	433.4	12%	432.6
Minority interest's share of equity	43.4	32.7	33%	30.0
Equity	528.7	466.2	13%	462.6
Total liabilities and equity	10 671.3	10 555.8	1%	10 723.8

CONSOLIDATED CASH FLOW STATEMENT

(EUR million)	1-9/2010	1-9/2009	Δ	2009
Cash flow from operating activities				
Operating profit	64.4	37.2	73%	47.0
Adjustment items not included in cash flow for the period	18.1	49.7	-63%	43.8
Paid income taxes	-24.5	-10.7	-129%	-12.4
Cash flow from operating activities before change in operating receivables and liabilities	58.0	76.1	-24%	78.4
Increase (-) or decrease (+) in receivables from operating activities	-219.1	-1,091.5	80%	-919.1
Increase (+) or decrease (-) in liabilities from operating activities	-34.0	807.3	-	654.0
Total cash flow from operating activities	-195.1	-208.1	6%	-186.7
Cash flow from investing activities				
Financial assets held until maturity	6.4	5.0	29%	8.0
Investments in group companies and associated companies	-0.1	16.3	-	16.3
Proceeds from sale of group companies and associated companies	-	0.0	-	0.0
Investment in tangible and intangible assets	-4.1	-5.8	29%	-6.7
Disposal of tangible and intangible assets	5.0	2.4	112%	2.0
Share issue of Aktia Real Estate Mortgage Bank Plc to the minority	9.2	6.6	39%	8.9
Total cash flow from investing activities	16.5	24.5	-33%	28.6
Cash flow from financing activities				
Subordinated liabilities	-1.7	1.9	-	6.4
Increase in share capital	-	0.0	-	0.0
Own shares divested	0.3	-	-	-
Increase in unrestricted equity reserve	-	0.0	-	0.0
Paid dividends	-15.9	-10.0	-59%	-10.0
Total cash flow from financing activities	-17.3	-8.1	-115%	-3.6
Change in cash and cash equivalents	-196.0	-191.6	-2%	-161.7
Cash and cash equivalents at the beginning of the year	350.7	512.4	-32%	512.4
Cash and cash equivalents at the end of the period/year	154.7	320.7	-52%	350.7
Cash and cash equivalents in the cash flow statement consist of the following items:				
Cash in hand	8.6	8.6	0%	10.0
Insurance operation's cash and bank	4.6	5.9	-23%	4.5
Bank of Finland current account	133.7	260.2	-49%	326.5
Repayable on demand claims on credit institutions	7.8	46.0	-83%	9.7
Total	154.7	320.7	-52%	350.7
Adjustment items not included in cash flow consist of:				
Impairment of financial assets available for sale	2.8	22.3	-87%	24.0
Write-downs on credits and other commitments	9.8	25.9	-62%	31.7
Change in fair values	4.0	-3.1	-	-19.2
Depreciation and impairment of intangible and tangible assets	5.8	5.5	7%	7.7
Share of profit from associated companies	-1.4	-0.4	-273%	0.0
Sales gains and losses from intangible and tangible assets	-2.5	-0.4	-480%	-0.5
Negative goodwill recorded as income	-	-	-	-0.1
Other adjustments	-0.3	-0.1	-139%	0.2
Total	18.1	49.7	-63%	43.8

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR million)	Share capital	Other restricted equity	Fund at fair value	Unrestricted equity reserve	Retained earnings	Shareholders' share of equity	Minority interest's share of equity	Total equity
Equity as at 1 January 2009	80.2	10.4	-36.4	45.4	192.1	291.8	25.0	316.8
Share issue	13.6			27.2		40.9		40.9
Treasury shares acquired in connection with the merger					-3.2	-3.2		-3.2
Dividends to shareholders					-10.0	-10.0		-10.0
<i>Profit for the period</i>					27.8	27.8	-0.6	27.2
<i>Financial assets available for sale</i>			71.7			71.7	0.1	71.8
<i>Cash flow hedging</i>			13.8			13.8		13.8
Total comprehensive income for the period			85.4		27.8	113.2	-0.5	112.7
Other change in equity		0.0			0.0	0.0	5.5	5.5
Equity as at 30 September 2009	93.9	10.4	49.1	72.7	206.7	432.6	30.0	462.6
Equity as at 1 January 2010	93.9	10.4	43.3	72.7	213.2	433.4	32.7	466.2
Share issue						0.0		0.0
Divestment of own shares					0.3	0.3		0.3
Dividends to shareholders					-15.9	-15.9		-15.9
<i>Profit for the period</i>					46.0	46.0	1.9	47.9
<i>Financial assets available for sale</i>			10.0			10.0	0.0	10.0
<i>Cash flow hedging</i>			11.1			11.1	-0.3	10.8
Total comprehensive income for the period			21.1		46.0	67.1	1.6	68.7
Other change in equity		0.4				0.4	9.1	9.6
Equity as at 30 September 2010	93.9	10.8	64.4	72.7	243.5	485.3	43.4	528.7

In connection with the acquisition of Veritas Mutual Non-Life Insurance on 1 January 2009, merger compensation of 6,800,000 A shares was paid at a nominal value of EUR 2.00 per share and a subscription price of EUR 6.00 per share. Of this compensation, EUR 13.6 million was attributed to share capital and EUR 27.2 million to the unrestricted equity reserve. The company has continued its operations in the Aktia Group under the name Aktia Non-Life Insurance Ltd.

As a result of the Extraordinary General Meeting of 21 December 2006, the Board of Directors is authorised to issue shares to key personnel in the Group for incentive reasons. On the basis of the authorisations given, the Board of Aktia plc resolved on 30 March 2009 to implement a directed share issue to designated persons in the company's executive management. Within the context of the issue, 12,490 new A shares were issued at a subscription price of EUR 6.00 per share and a nominal value of EUR 2.00 per share. Of the EUR 74,940 remuneration, EUR 24,980 was attributed to share capital and EUR 49,960 to the unrestricted equity reserve.

QUARTERLY TRENDS IN THE GROUP

(EUR million)	7-9/2010	4-6/2010	1-3/2010	10-12/2009	7-9/2009
Net interest income	37.0	38.6	38.9	39.8	40.5
Dividends	0.0	1.1	0.0	0.0	0.0
Net commission income	13.2	15.5	13.4	14.5	11.3
Net income from life-insurance	2.5	2.6	4.5	3.2	3.8
Net income from non-life insurance	7.1	5.9	4.4	1.5	6.3
Net income from financial transactions	-0.9	-1.2	-1.8	-1.0	1.2
Net income from investment properties	0.1	0.0	0.3	0.1	0.1
Other operating income	1.2	3.7	1.3	0.5	1.2
Total operating income	60.2	66.2	61.0	58.7	64.3
Staff costs	-17.4	-21.8	-20.7	-21.8	-18.3
Other administrative expenses	-12.5	-12.0	-11.4	-12.9	-9.5
Depreciation of tangible and intangible assets	-1.8	-1.8	-1.8	-1.6	-1.8
Other operating expenses	-4.4	-4.4	-5.0	-6.4	-6.5
Total operating expenses	-36.2	-40.0	-38.9	-42.7	-36.1
Impairment and reversal of impairment on tangible and intangible assets	-	-	-	-0.3	-
Write-downs on credits and other commitments	-1.4	-3.8	-4.6	-5.5	-8.5
Share of profit from associated companies	0.7	1.1	-0.1	-0.4	0.1
Operating profit	23.4	23.5	17.5	9.8	19.8
Taxes	-5.5	-6.0	-5.0	-3.0	-5.6
Profit for the period	17.9	17.5	12.5	6.8	14.2

Consolidated statement of comprehensive income

(EUR million)	7-9/2010	4-6/2010	1-3/2010	10-12/2009	7-9/2009
Profit for the reporting period	17.9	17.5	12.5	6.8	14.2
Other comprehensive income after taxes:					
Change in valuation of fair value for financial assets available for sale	8.4	-19.0	17.1	-15.4	47.3
Change in valuation of fair value for cash flow hedging	-1.3	2.9	9.2	-4.7	4.5
Transferred to the income statement for financial assets available for sale	2.6	0.2	0.5	14.7	0.9
Total comprehensive income for the period	27.7	1.6	39.3	1.4	66.8

NOTES TO THE INTERIM REPORT

NOTE 1 BASIS FOR PREPARING INTERIM REPORTS AND IMPORTANT ACCOUNTING PRINCIPLES

BASIS FOR PREPARING THE INTERIM REPORT

Aktia plc's consolidated financial statement is prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU.

The interim report for the period 1 January - 30 September 2010 has been prepared in accordance with IAS 34 'Interim Financial Reporting'. The interim financial report does not contain all the information and notes required for an annual report and should therefore be read together with the Group's annual report of 31 December 2009.

The figures in this report are presented so that income statement items are compared with the corresponding period of the previous year, while the comparison of balance sheet items relates to 31 December 2009 unless specified otherwise. Balance sheet items in the Report by the Board of Directors are mainly given in EUR million without decimals.

The interim report for the period 1 January - 30 September 2010 was approved by the Board of Directors on 4 November 2010.

Aktia plc's financial statements and interim reports are available on Aktia's website www.aktia.fi.

IMPORTANT ACCOUNTING PRINCIPLES

In preparing this interim report the Group has followed the accounting principles applicable to the annual report of 31 December 2009.

NEW ACCOUNTING STANDARDS APPLY FROM 2010

IFRS 3 Business Combinations (revised)

With effect from 1 January 2010, business combinations are reported in accordance with the revised standard IFRS 3. From 1 January 2010 onwards, company acquisitions will involve greater volatility in the consolidated income statement and in the Group's equity. The Group has not had any company acquisitions during the first nine months of 2010.

IAS 27 Consolidated and Separate Financial Statements (revised)

This revised standard deals with accounting principles relating to minority interests. The application of this standard has not had any impact on the Group's result or financial position during the first nine months of 2010.

NOTE 2 SEGMENT REPORTING

SEGMENT

From 1 January 2009, the reported segments are Banking Business, Asset Management, Life Insurance, Non-Life Insurance and Miscellaneous.

The Banking Business segment includes Aktia Bank plc's branch office operation, corporate banking and treasury as well as subsidiaries Aktia Real Estate Mortgage Bank plc, Aktia Card & Finance Ab, Aktia Corporate Finance Ab and the real estate agencies. Asset Management includes Aktia Bank plc's private bank in Helsinki and the subsidiaries Aktia Fund Management Ltd and Aktia Asset Management Oy Ab as well as Aktia Invest Ltd. Life Insurance includes Aktia Life Insurance Ltd. Non-Life Insurance includes Aktia Non-Life Insurance Company Ltd. Miscellaneous includes Group management in Aktia plc and certain administrative functions in Aktia Bank plc that are not allocated to the various business areas. This business area also includes Vasp-Invest Ab.

ALLOCATION PRINCIPLES AND GROUP ELIMINATIONS

Net interest income from those units included in the banking business and asset management segments contain the margins on volumes of borrowing and lending. Reference interest rates for borrowing and lending and the interest rate risk that arises because of new pricing being out of step are transferred to Treasury in accordance with the Group's internal pricing. Treasury assumes responsibility for the Group's interest rate risk, liquidity and balance hedging measures for which management has issued authority. The costs of central support functions are allocated to the segments in accordance with resource use, defined projects and according to different allocation rules.

Until further notice, Aktia plc and Aktia Bank plc are not allocating equity to the different segments. The miscellaneous segment consists of any items in the income statement and balance sheet that are not allocated to the various segments.

Internal Group transactions between legal entities are eliminated and reported within each segments if the legal entities are in the same segment. Internal Group transactions between legal entities in different segments are included in the eliminations.

The share of profits in associated companies, acquisition eliminations, the minority interest's share and other Group adjustments are included in eliminations. Pricing between the segments is based on market prices.

Income statement (EUR million)	Banking Business		Asset Management		Life Insurance		Non-Life Insurance		Miscellaneous		Eliminations		Total Group	
	1-9/2010	1-9/2009	1-9/2010	1-9/2009	1-9/2010	1-9/2009	1-9/2010	1-9/2009	1-9/2010	1-9/2009	1-9/2010	1-9/2009	1-9/2010	1-9/2009
Net interest income	110.8	108.1	2.6	1.7	-	-	-	-	-0.3	1.9	1.4	0.7	114.4	112.4
Net commission income	31.2	23.7	12.3	9.0	-	-	-	-	5.7	4.3	-7.0	-5.1	42.1	31.8
Net income from life-insurance	-	-	-	-	15.9	18.6	-	-	-	-	-6.2	-7.8	9.6	10.8
Net income from non-life insurance	-	-	-	-	-	-	19.1	12.5	-	-	-1.7	1.2	17.4	13.7
Other income	-2.5	3.8	0.2	-0.2	-	0.4	0.4	0.3	5.2	4.4	0.5	-3.0	3.8	5.7
Total operating income	139.5	135.6	15.1	10.6	15.9	19.0	19.5	12.8	10.5	10.5	-13.1	-14.1	187.4	174.5
Staff costs	-28.1	-26.5	-6.4	-5.6	-4.0	-4.3	-8.2	-9.7	-13.0	-11.6	-0.3	0.1	-59.9	-57.5
Other administrative expenses	-36.6	-37.1	-4.4	-3.3	-5.3	-5.3	-5.5	-5.2	7.2	13.0	8.6	6.1	-35.9	-31.8
Depreciation of tangible and intangible assets	-1.7	-1.7	-0.4	-0.6	-0.3	-0.3	-0.4	-0.4	-2.0	-1.5	-0.5	-0.7	-5.4	-5.3
Other expenses	-7.2	-8.0	-0.7	-0.6	-	-	-0.7	-0.2	-5.9	-7.8	0.7	-0.2	-13.8	-16.9
Total operating expenses	-73.6	-73.4	-11.9	-10.1	-9.6	-9.9	-14.7	-15.6	-13.7	-7.9	8.5	5.3	-115.0	-111.5
Impairment and reversing items of tangible and intangible assets	-	-	-	-	-	-	-	-	-	-	-	-0.2	-	-0.2
Write-downs on credits and other commitments	-9.1	-25.9	-	-	-	-	-0.7	-0.4	-	-	-	-	-9.8	-26.3
Share of profit from associated companies	-	-	-	-	-	-	-	-	-	-	1.7	0.7	1.7	0.7
Operating profit	56.9	36.3	3.2	0.5	6.2	9.1	4.1	-3.2	-3.2	2.6	-2.8	-8.3	64.4	37.2
Contribution of insurance businesses to the Groups' operating profit	-	-	-	-	5.3	3.0	1.9	-2.6	-	-	-	-	-	-

Balance sheet (EUR million)	Banking Business		Asset Management		Life Insurance		Non-Life Insurance		Miscellaneous		Eliminations		Total Group	
	30.9.2010	31.12.2009	30.9.2010	31.12.2009	30.9.2010	31.12.2009	30.9.2010	31.12.2009	30.9.2010	31.12.2009	30.9.2010	31.12.2009	30.9.2010	31.12.2009
Cash and balances with central banks	142.2	336.4	0.1	0.1	7.0	3.1	7.9	5.6	-	-	-10.3	-4.3	146.9	341.0
Financial assets reported at fair value through profit and loss	-	3.6	-	-	14.4	10.4	6.7	8.4	-	-	-	-	21.2	22.5
Financial assets available for sale	2 405.5	2 655.8	7.6	7.3	676.7	664.9	120.1	101.1	22.0	30.0	-17.4	-26.1	3 214.4	3 433.0
Loans and other receivables	6 545.4	6 173.7	44.3	34.4	-	-	-	-	9.8	0.1	-70.2	-66.6	6 529.3	6 141.6
Investments for unit-linked provisions	-	-	-	-	253.1	208.9	-	-	-	-	-	-	253.1	208.9
Other assets	472.0	662.9	6.7	5.0	21.6	19.4	39.4	38.5	357.9	20.7	-391.2	-337.3	506.4	409.0
Total assets	9 565.2	9 832.4	58.7	46.8	972.9	906.6	174.1	153.6	389.6	50.7	-489.1	-434.2	10 671.3	10 555.8
Deposits	4 217.7	4 607.1	192.9	154.7	-	-	-	-	4.3	2.2	-20.3	-10.4	4 394.7	4 753.6
Debt securities issued	2 891.9	2 758.1	-	-	-	-	-	-	-	-	-16.0	-10.2	2 875.9	2 747.9
Technical provision for insurance business	-	-	-	-	842.7	805.1	118.4	109.7	-	-	7.8	9.6	968.9	924.4
Other liabilities	1 955.5	1 508.7	8.9	6.7	21.4	14.1	24.5	19.6	78.1	258.8	-185.3	-144.3	1 903.1	1 663.7
Total liabilities	9 065.2	8 874.0	201.8	161.4	864.1	819.2	142.9	129.4	82.4	261.0	-213.8	-155.3	10 142.6	10 089.7

NOTE 3 DERIVATIVES AND OFF-BALANCE SHEET COMMITMENTS

Hedging derivative instruments (EUR million)			
30.9.2010	Total nominal amount	Assets, fair value	Liabilities, fair value
Fair value hedging			
Interest rate-related	3 197.5	101.3	38.5
Total	3 197.5	101.3	38.5
Cash flow hedging			
Interest rate-related	960.0	53.8	0.1
Total	960.0	53.8	0.1
Derivative instruments valued through profit and loss			
Interest rate-related *)	7 085.8	128.2	126.5
Currency-related	165.8	4.4	4.8
Equity-related **)	98.3	3.4	3.4
Other derivative instruments **)	4.3	0.6	0.6
Total	7 354.2	136.7	135.3
Total derivative instruments			
Interest rate-related	11 243.3	283.3	165.1
Currency-related	165.8	4.4	4.8
Equity-related	98.3	3.4	3.4
Other derivative instruments	4.3	0.6	0.6
Total	11 511.7	291.7	174.0

Hedging derivative instruments (EUR million)			
30.9.2009	Total nominal amount	Assets, fair value	Liabilities, fair value
Fair value hedging			
Interest rate-related	2 079.5	55.7	21.7
Total	2 079.5	55.7	21.7
Cash flow hedging			
Interest rate-related	960.0	42.8	0.9
Total	960.0	42.8	0.9
Derivative instruments valued through profit and loss			
Interest rate-related *)	7 059.1	118.2	116.5
Currency-related	182.3	0.5	0.4
Equity-related **)	106.4	1.8	1.8
Other derivative instruments **)	6.4	0.3	0.3
Total	7 354.2	120.8	119.0
Total derivative instruments			
Interest rate-related	10 098.6	216.7	139.1
Currency-related	182.3	0.5	0.4
Equity-related	106.4	1.8	1.8
Other derivative instruments	6.4	0.3	0.3
Total	10 393.7	219.3	141.6

*) Interest-linked derivatives include interest rate hedging provided for local banks which after back-to-back hedging with third parties amounted to EUR 6,739.0 (6,752.6) million.

**) All equity-related and other derivative instruments relate to the hedging of structured debt products.

Off-balance sheet commitments

(EUR million)	30.9.2010	31.12.2009	30.9.2009
Commitments provided to a third party on behalf of the customers			
Guarantees	48.4	49.9	51.6
Other commitments provided to a third party	5.1	7.3	7.4
Irrevocable commitments provided on behalf of customers			
Unused credit arrangements	606.1	506.6	547.7
Other commitments provided to a third party	10.3	11.7	12.0
Off-balance sheet commitments	669.9	575.5	618.6

NOTE 4 THE GROUP'S RISK EXPOSURE

The Bank Group's capital adequacy

Summary	(EUR million)				
	9/2010	6/2010	3/2010	12/2009	9/2009
Tier 1 capital	371.7	359.8	337.5	329.0	319.2
Tier 2 capital	235.8	227.6	235.4	222.8	219.5
Capital base	607.5	587.3	572.9	551.8	538.7
Risk-weighted amount for credit and counterparty risks	3,270.3	3,242.6	3,214.5	3,147.5	3,220.7
Risk-weighted amount for market risks 1)	-	-	-	-	-
Risk-weighted amount for operational risks	312.7	312.7	312.7	312.7	272.7
Risk-weighted commitments	3,583.0	3,555.3	3,527.2	3,460.2	3,493.4
Capital adequacy ratio, %	17.0	16.5	16.2	15.9	15.4
Tier 1 Capital ratio, %	10.4	10.1	9.6	9.5	9.1
Minimum capital requirement	286.6	284.4	282.2	276.8	279.5
Capital buffer (difference between capital base and minimum requirement)	320.9	302.9	290.7	275.0	259.2

1) No capital requirement due to minor trading book and when total of net currency positions are less than 2% of capital base.

	(EUR million)				
	9/2010	6/2010	3/2010	12/2009	9/2009
Share capital	163.0	163.0	163.0	163.0	163.0
Funds	44.6	44.6	44.6	44.6	44.6
Minority share	43.4	42.6	32.7	32.7	30.0
Retained earnings	65.8	65.8	95.8	70.7	70.7
Profit for the period	41.5	27.2	11.6	38.0	26.0
./. Provision for dividends to shareholders	-11.1	-7.4	-3.7	-12.9	-7.5
Capital loan	30.0	30.0	-	-	-
Total	377.1	365.8	343.9	336.1	326.7
./. Intangible assets	-5.4	-6.0	-6.4	-7.0	-7.5
Tier 1 capital	371.7	359.8	337.5	329.0	319.2
Fund at fair value	5.0	2.7	21.6	13.3	14.9
Upper Tier 2 loans	45.0	45.0	45.0	45.0	45.0
Lower Tier 2 loans	185.9	179.9	168.8	164.5	159.6
Tier 2 capital	235.8	227.6	235.4	222.8	219.5
Total capital base	607.5	587.3	572.9	551.8	538.7

The Bank Group's risk-weighted exposures, credit and counterparty risks

Total exposure 9/2010			(EUR million)
Risk-weight	Balance sheet items	Off-balance sheet commitments	Total
0%	969.3	31.4	1,000.7
10%	1,187.0	-	1,187.0
20%	1,008.7	337.0	1,345.6
35%	4,911.6	96.3	5,007.9
50%	0.1	-	0.1
75%	611.5	88.7	700.2
100%	611.6	107.3	718.9
150%	15.7	0.9	16.6
Total	9,315.5	661.4	9,976.9
Derivatives *)	350.4	-	350.4
Total	9,665.9	661.4	10,327.3

Risk-weighted exposures, Basel 2					(EUR million)
Risk-weight	9/2010	6/2010	3/2010	12/2009	9/2009
0%	-	-	-	-	-
10%	118.7	119.6	129.0	115.9	111.3
20%	215.6	235.8	258.6	252.5	341.9
35%	1,731.2	1 686.8	1,633.5	1,596.8	1,567.2
50%	0.1	0.1	0.1	0.1	4.8
75%	488.1	483.6	466.9	466.1	457.8
100%	665.0	660.7	673.4	673.3	694.0
150%	24.2	24.9	22.5	19.1	22.4
Total	3,242.9	3,211.5	3,183.9	3,123.7	3,199.6
Derivatives *)	27.5	31.1	30.6	23.8	21.1
Total	3,270.3	3,242.6	3,214.5	3,147.5	3,220.7

*) derivative agreements credit conversion factor

In its capital adequacy measurement to determine the exposure's risk weight, Aktia applies credit ratings by Moody's Investors Service or Standard & Poor's to receivables from central governments and central banks, credit institutions, investment firms and covered bonds. The risk weight for bank exposures and bonds secured by real estate is determined by the credit rating of the country where the institution is located.

The Bank Group's risk-weighted amount for operational risks

Year	2009	2008	2007	2006	9/2010	6/2010	3/2010	12/2009	9/2009
Gross income	204.7	150.5	145.2	140.6					
- average 3 years	166.8	145.4							
Capital requirement for operational risk					25.0	25.0	25.0	25.0	21.8
Risk-weighted amount, Basel 2					312.7	312.7	312.7	312.7	272.7

The capital requirement for operational risk is 15 % of average gross income during the last three years.
The risk-weighted amount is calculated by dividing the capital requirement by 8 %.

The finance and insurance conglomerate's capital adequacy

Summary	9/2010	6/2010	3/2010	12/2009	9/2009
Tier 1 capital for the group	439.9	422.7	396.7	400.7	388.1
Sector-specific items	265.0	248.3	261.5	233.2	229.4
Intangible assets and other specific reductions	-129.7	-120.4	-118.9	-120.0	-105.8
Other sector-specific not transferrable items	0.0	-1.1	-	-	-
Conglomerate's total capital base	575.2	549.6	539.3	513.9	511.7
Capital requirement for banking business	288.9	286.8	284.9	279.4	282.1
Capital requirement for insurance business	47.4	47.3	47.3	47.1	47.6
Minimum amount for capital base	336.3	334.0	332.1	326.5	329.6
Conglomerate's capital adequacy	238.9	215.6	207.2	187.4	182.0
Capital adequacy ratio, %	171.0	164.5	162.4	157.4	155.2

The conglomerate's capital adequacy is based on consolidation method and is calculated according to FICO rules and the standards of Financial Supervision Authority.

NOTE 5 NET INTEREST INCOME

(EUR million)	1-9/2010	1-9/2009	Δ	2009
Deposits and lending	40.9	47.6	-14%	61.3
Hedging, interest rate risk management	45.7	30.1	52%	44.9
Other	27.8	34.7	-20%	46.1
Net Interest Income	114.4	112.4	2%	152.2

The impact of fixed rate investments is divided into two components consisting of interest rate risk and credit risk. The interest rate risk component is included in "Hedging of Interest rate risk" whereas the credit risk component is booked as a part of "Other".

NOTE 6 NET INCOME FROM INSURANCE BUSINESS

(EUR million)	1-9/2010	1-9/2009	Δ	2009
Income from insurance premiums	70.7	53.5	32%	80.5
Net income from investments	16.1	-4.4	-	0.4
Insurance claims paid	-58.6	-61.4	5%	-79.8
Net change in technical provisions	-18.6	23.1	-	12.8
Net income from life-insurance	9.6	10.8	-11%	14.0
Premium income earned	46.2	45.5	1%	60.6
Net income from investments	2.8	1.1	147%	1.6
Insurance claims paid	-32.2	-30.9	-4%	-42.2
Change in provisions for outstanding claims	0.6	-2.1	-	-4.7
Net income from non-life insurance	17.4	13.7	27%	15.2

NOTE 7 BUSINESSES ACQUIRED

Aktia Plc has not acquired any new entities during the period under review.

The merger with Veritas Non-Life Insurance was concluded on 1 January 2009, where after the non-life insurance business has been operated by Aktia Non-Life Insurance, a 100%-owned subsidiary of Aktia plc. As merger compensation, Aktia plc issued 6,800,000 new shares. The non-life insurance business' acquisition balance sheet was presented in Note 4 in the financial statements 31.12.2009.

Helsinki 4 November 2010

AKTIA PLC
Board of Directors

To the Board of Directors of Aktia p.l.c.

REVIEW REPORT ON THE INTERIM REPORT OF AKTIA P.L.C. AS OF 30.9.2010

INTRODUCTION

We have reviewed the balance sheet as of 30.9.2010, the income statement, the statement of changes in equity and the cash flow statement of Aktia p.l.c. for the nine-month period then ended, as well as a summary of significant accounting policies and other explanatory notes to the financial statements. The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of this interim financial information in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and other Finnish rules and regulations governing the preparation of interim reports. At the request of the Board of Directors we issue our opinion on the interim report.

SCOPE OF REVIEW

We conducted our review in accordance with the Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and other generally accepted auditing practices, and therefore the procedures performed in a review do not enable to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

OPINION

Based on our review, nothing has come to our attention that causes us to believe that the Interim Report does not give a true and fair view of the entity's financial position as of 30 September 2010 and the result of its operations and cash flows for the nine-month period then ended, in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU and other applicable rules and regulations governing interim financial reporting preparation in Finland.

Helsinki, 4 November 2009

PricewaterhouseCoopers Oy
Authorised Public Accountants

Jan Holmberg
Authorised Public Accountant

ACCOUNTS ANNOUNCEMENT

17.2.2011

ANNUAL GENERAL MEETING

29.3.2011

INTERIM REPORT JAN-MAR/2011

9.5.2011

INTERIM REPORT JAN-JUNE/2011

3.8.2011

INTERIM REPORT JAN-SEPT/2011

8.11.2011

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