Aktia

AKTIA BANK PLC
INTERIM REPORT
JANUARY-SEPTEMBER 2013

CREDIT LOSSES REMAINED LOW

CEO JUSSI LAITINEN

"Aktia achieved a good nine month result in a demanding market situation. Commission income increased, compensating for the negative effects of low interest rates. In the annual survey on customer satisfactions carried out by SFR, Aktia Asset Management did, again, receive excellent marks. Aktia's Action Plan 2015 proceeds, and Aktia adjusts its cost-structure to the changed market situation in order to ensure continued good competitiveness in the future. Aktia aims to merge with the savings banks Saaristosäästöpankki and Vöyrin Säästöpankki, enabling profitable growth and strengthened positions in the regions. Aktia's re-financing, liquidity and capital management are in good shape, and they will comply with a further tightening of the regulations."

JULY-SEPTEMBER 2013: OPERATING PROFIT EUR 19.6 (13.4) MILLION

- The Group's operating profit from continuing operations amounted to EUR 19.6 (13.4) million.
- Profit for the period from continuing operations amounted to EUR 14.7 (9.9) million.
- Earnings per share stood at EUR 0.22 (0.15).
- Net interest income totalled EUR 26.9 (28.7) million and net commission income increased to EUR 17.4 (16.4) million.
- Write-downs on credits and other commitments decreased by 91% to EUR 0.2 (1.8) million.

JANUARY-SEPTEMBER 2013: OPERATING PROFIT EUR 54.3 (45.6) MILLION

- The Group's operating profit from continuing operations amounted to EUR 54.3 (45.6) million.
- Profit for the period from continuing operations amounted to EUR 40.5 (33.9) million.
- Earnings per share stood at EUR 0.61 (0.65), of which earnings per share from continuing operations were EUR 0.61 (0.50).
- The capital adequacy ratio stood at 19.1 (31 December 2012: 20.2)% and the Tier 1 capital ratio at 12.2 (11.8)%.
- Equity per share stood at EUR 8.52 (31 December 2012: 8.91).
- Net interest income totalled EUR 85.4 (88.0) million and net commission income increaced to EUR 52.9 (49.4) million.
- Write-downs on credits and other commitments decreased by 64% to EUR 1.7 (4.6) million.
- **OUTLOOK (changed):** Despite the persistent low interest rate level, and one-off costs from implementing the Action Plan 2015, the Group's operating profit from continuing operations for 2013 is expected to reach the 2012, or a slightly higher level

KEY FIGURES (EUR million)	**7-9/2013**	**7-9/2012**	**Δ %**	**1-9/2013**	**1-9/2012**	**Δ %**	**4-6/2013**	**1-3/2013**	**2012**
Net interest income	26.9	28.7	-6%	85.4	88.0	-3%	28.3	30.1	117.3
Net commission income	17.4	16.4	6%	52.9	49.4	7%	18.6	16.9	65.3
Total operating income	53.6	50.5	6%	166.9	159.5	5%	55.7	57.5	217.9
Total operating expenses	-34.6	-34.0	2%	-111.3	-108.2	3%	-39.2	-37.5	-154.2
Operating profit before write downs on credits, continuing operations	19.8	15.2	30%	55.9	50.3	11%	15.5	20.6	62.4
Write-downs on credits and other commitments	-0.2	-1.8	-91%	-1.7	-4.6	-64%	-0.4	-1.1	-6.4
Operating profit from continuing operations	19.6	13.4	46%	54.3	45.6	19%	15.1	19.5	56.0
Cost-to-income ratio	0.66	0.69	-	0.68	0.69	-	0.70	0.67	0.74
Earnings per share (EPS), EUR	0.22	0.15	53%	0.61	0.65	-6%	0.16	0.22	0.74
Equity per share (NAV)[1], EUR	8.52	8.70	-2%	8.52	8.70	-2%	8.34	9.02	8.91
Return on equity (ROE), %	9.4	6.4	46%	8.4	10.0	-16%	6.9	8.9	8.5
Capital adequacy ratio[1], %	19.1	19.9	-4%	19.1	19.9	-4%	20.3	20.0	20.2
Tier 1 capital ratio[1], %	12.2	11.8	3%	12.2	11.8	3%	12.1	11.7	11.8
Write-downs on credits / total credit stock, %	0.00	0.02	-100%	0.02	0.06	-67%	0.01	0.02	0.09

1) At the end of the period

The Interim Report January-September 2013 is a translation of the original Swedish version "Delårsrapport 1.1-30.9.2013". In case of discrepancies, the Swedish version shall prevail.

PROFIT
July-September 2013

Profit July-September 2013

The Group's operating profit from continuing operations amounted to EUR 19.6 (13.4) million.

Income

The Group's total income amounted to EUR 53.6 (50.5) million. Net interest income from the Bank's borrowing and lending amounted to EUR 9.6 (13.3) million and total net interest income amounted to EUR 26.9 (28.7) million. Both derivatives and fixed-rate instruments are utilised to manage interest rate risks. These hedging measures used by Aktia Bank to limit its interest rate risk brought net interest income of EUR 11.1 million, EUR 3.7 million more than the year before. Net interest from other treasury activities was EUR 6.2 (7.9) million.

Net commission income increased by 6% to EUR 17.4 (16.4) million. Commission income totalled EUR 22.0 (20.1) million. Card and other payment service commissions increased by 9% to EUR 4.8 (4.4) million. Net income from life insurance improved by 19% to EUR 6.5 (5.5) million. Net income from life insurance includes premiums written, net income from investment activities, claims paid and changes in technical provisions.

Net income from financial transactions was EUR 1.8 (-0.7) million of which net income from financial assets available for sale totalled EUR 1.2 (-0.3) million. Net income from hedge accounting was EUR 0.3 (0.3) million.

Other operating income was EUR 0.9 (0.6) million.

Expenses

The Group operating expenses increased by 2% to EUR 34.6 (34.0) million. Of this, staff costs amounted to EUR 16.6 (17.7) million. IT costs rose to EUR 6.9 (6.0) million. Other operating expenses totalled EUR 9.5 (8.7) million of which the bank tax amounted to EUR 0.9 million.

Segment overview

Group operating profit from continuing operations by segment

(EUR million)	7-9/2013	7-9/2012	Δ %
Banking Business	14.4	10.8	34%
Asset Management & Life Insurance	6.4	4.2	52%
Miscellaneous	-1.8	-2.3	22%
Eliminations	0.6	0.7	-20%
Total	**19.6**	**13.4**	**46%**

Profit for the Banking Business segment increased to EUR 14.4 (10.8.) million due to higher income and lower write-downs on credits. Operating profit for the Asset Management & Life Insurance segment increased to EUR 6.4 (4.2) million.

Aktia Bank plc the new parent company for the Group

The former parent company of the Aktia Group, Aktia plc, merged with its wholly-owned subsidiary Aktia Bank plc on 1 July 2013. Following the merger, Aktia Bank plc has become the parent company of the Group. The merger is part of the Aktia Group's Action Plan 2015, which aims to simplify the structure of the Group and increase cost-effectiveness within administration, processes and common functions.

At the time of the merger, shareholders in Aktia plc received Aktia Bank plc's newly issued A and R shares in consideration. An A share in Aktia plc entitled the holder to a new A share in Aktia Bank plc and an R share in Aktia plc entitled the holder to a new R share in Aktia Bank plc. The consideration was paid by registering the newly-issued shares in Aktia Bank plc in the Finnish Trade Register and allocating them as book-entry securities in the book-entry system maintained by Euroclear Finland Oy. The shareholders' rights for the consideration shares took effect from 1 July 2013.

Effect of the merger on the Group's financial position

Because the merger took place within the Group and Aktia plc owned 100% of the shares in Aktia Bank plc, the merger had no direct effect on the results for the Aktia Group. Nor did the merger have any effect on the Aktia Group's balance-sheet total or total equity. The minor changes that took place within the Group's equity position as a result of the merger are presented on page 18 of the interim report, under "Consolidated statement of changes in equity".

The new Group structure, with Aktia Bank plc as the parent company for the Group's insurance operations also, affected the Bank Group's capital adequacy as of 1 July 2013 by -0.9 percentage points and the Tier 1 ratio by -0.4 percentage points.

Comparative figures for the interim report

The merger of the Group's former parent company brought no significant changes to the Aktia Group's financial position or operating activities. The comparative figures in this interim report have been compiled so that the financial information for the present Group with Aktia Bank plc as its parent is compared with the same, completely equivalent financial information that was published in earlier periods when Aktia plc was the parent company for the Group.

ACTIVITY IN January-September 2013

Business environment

General interest rate level remained low during the period, which has had a negative impact on Aktia's net interest income. The low interest rates have resulted in higher values for Aktia's fixed-rate investments.

According to Statistics Finland, inflation in Finland was unchanged in September and stood at the same level as in August, 1.2%. In July, inflation stood at 1.6%. In September last year, inflation stood at 2.7%.

The index of consumer confidence in the economy strengthened slightly in September compared to the previous year to reach 6.3 (3.4), but was well below the long-term average of 12.3. In August consumer confidence stood at 5.0 (0.5) and in July at 5.0 (10.4)*(Statistics Finland)*.

Real estate prices in Finland rose until September by 0.6% for the whole country, compared with the same period in 2012. In the Helsinki region, prices rose by 2.9%, but they fell by 1.2% in the rest of Finland. Household debt has risen much faster than incomes in recent years. The debt-equity ratio of Finnish households, i.e. debt in relation to disposable income, stood at 118.8% at the end of 2012, compared to 65.1% at the beginning of the 2000s *(Statistics Finland)*. However, the low interest rates over the last few years allow a considerably higher level of debt than before without overloading the ability of households to pay.

Unemployment stood at 7.6% in September 2013, 0.5 percentage points less than a year ago *(Statistics Finland)*.

The Nasdaq OMX Helsinki 25 index rose by approx. 14% in the period January to September 2013. Aktia's 'A' shares rose by approx. 24% in the same period.

Key figures Y-o-y, %	**2015E***	**2014E***	**2013E***	**2012**
GDP growth				
World	3.8	3.7	3.1	3.1
Euro area	1.2	1.0	-0.4	-0.6
Finland	1.6	1.2	-0.8	-0.2
Consumer price index				
Euro area	1.8	1.7	1.5	2.5
Finland	2.0	1.5	1.5	2.8
Other key ratios				
Development of real value of housing in Finland[1]	0.0	0.0	0.0	3.7
Unemployment in Finland[2]	8.0	8.2	8.3	7.7
OMX Helsinki 25	-	-	-	11.0
Interest rates[1]				
ECB	1.5	0.50	0.50	0.75
10-y Interest Ger (=benchmark)	3.00	2.60	2.15	1.32
Euribor 12 months	2.50	1.25	0.55	0.54
Euribor 3 months	1.75	0.75	0.30	0.19

* Aktia's chief economist's prognosis (18 October 2013)
[1] at the end of the year
[2] annual average

Rating

On 2 July 2013, Standard and Poor's confirmed its rating of Aktia Bank plc's creditworthiness. The rating for long-term borrowing is A- and for short-term borrowing A2, both with a negative outlook.

On 20 August 2013, Moody's Investors Service confirmed its rating of Aktia Bank plc's creditworthiness for long-term borrowing as A3, short-term borrowing as P-2 and financial strength as C-. The outlook for these ratings remained negative.

On 25 April 2013, Aktia Bank ended its rating agreement with Fitch, and on the same day Fitch affirmed Aktia Bank plc's rating for creditworthiness (long-term borrowing BBB+, short-term borrowing F2) and upgraded the outlook to stable (negative).

	Long-term borrowing	**Short-term borrowing**	**Outlook**	**Updated**
Moody's Investors Service	A3	P-2	neg	20.8.2013
Standard & Poor's	A-	A-2	neg	2.7.2013

Action Plan 2015

In November 2012, Aktia's Board of Directors introduced the Action Plan 2015 and updated the financial objectives for the period up until 2015. The update was motivated by the business climate, characterised by extremely low interest rates and new regulations. The Action Plan 2015 includes several individual measures and will be realised in phases until 2015.

Aktia is investing in a new, modern core banking system. The investment, including the migration from the legacy system, corresponds to one year of IT costs for Aktia, or approximately EUR 25 million. A new core banking system will result in significantly more efficient processes and savings in variable costs for IT. The new system is expected to be ready for use in 2015. During the year, Aktia Bank modernised the IT system for credit card services.

Aktia has concluded codetermination negotiations that started on 8 October 2013. The codetermination negotiations resulted in a staff reduction of approx. 50 persons. Initially the codetermination negotiations were estimated to a reduction of 65 persons at a maximum.

Aktia plc merged with Aktia Bank plc on 1 July 2013.

The role as a central credit institution following the new Basel III regulation would be a significant burden for Aktia, in terms of both profit and liquidity. Aktia will phase out these services, ending them at the beginning of 2015. As a result of this, Aktia Bank plc disposed its holding (25.8%) in ACH Finland Oy.

In March 2013, Aktia Bank was granted a mortgage bank concession, and issued its first covered bonds for EUR 500 million in June 2013.

As part of the Action Plan 2015, the Group has made an organisational change and simplified its corporate structure. Since 1 January 2013 a new segment structure applies: Banking Business, Asset Management & Life Insurance and Miscellaneous.

Profit January - September 2013

Group operating profit from continuing operations improved by 19% on the same period the year before, to EUR 54.3 (45.6) million. Group profit from continuing operations amounted to EUR 40.5 (33.9) million.

Income

Group total income increased by 5% to EUR 166.9 (159.5) million.

Despite low market interest rates, net interest income was stable and stood at EUR 85.4 (88.0) million. Both derivatives and fixed-rate instruments are utilised to manage interest rate risks. The hedging measures used by Aktia Bank to limit its interest rate risk brought net interest income of EUR 33.1 (21.8) million.

Net commission income increased by 7% to EUR 52.9 (49.4) million. Commission income from mutual funds, asset management and securities brokerage increased by 15% to EUR 33.5 (29.0) million. Card and other payment service commissions was EUR 13.6 (13.3) million.

Net income from life insurance totalled EUR 19.7 (19.0) million. Insurance activities show an improvement. The improvement is related to increased premium volumes and improved profitability from insurance.

Net income from financial transactions was EUR 5.8 (-0.2) million, including a EUR 2.0 million dividend from Suomen Luotto-osuuskunta arising from the sale of its subsidiary. Net income from hedge accounting totalled EUR -0.5 (0.9) million.

Other operating income decreased by 22% to EUR 2.5 (3.2) million.

Expenses

Group operating expenses increased by 3% to EUR 111.3 (108.2) million. Of this, staff costs amounted to EUR 54.6 (55.3) million.

IT costs increased by 11% to EUR 20.9 (18.8) million. The increase comes from the modernisation of the core banking system.

Other operating expenses increased by 7% to EUR 30.8 (28.8) million. Expenses for preparation of the merger between Aktia plc and Aktia Bank plc amounted to EUR 0.5 million. A new cost incurred from 2013 onwards is the bank tax levied on Finnish deposit banks, to be paid from 2013-2015. For the first nine months of the year, the cost of bank tax amounted to EUR 2.1 million.

Depreciation of tangible and intangible assets decreased by 3% to EUR 5.1 (5.2) million.

Write-downs on credits and other commitments

During January - September, write-downs on credits and other commitments decreased by 64% to EUR 1.7 (4.6) million.

Balance sheet and off-balance sheet commitments

The Group balance sheet total at the end of September stood at EUR 11,149 (11,240) million.

Liquidity

The Bank Group's (including Aktia Bank plc and all its subsidiaries except for Aktia Life Insurance and the affiliated company Folksam Non-Life Insurance), liquidity portfolio, which consists of interest-bearing securities, amounted to EUR 2,652 (1,852) million. The liquidity portfolio was financed with repurchase agreements to a value of EUR 0 (107) million. In addition to this, the Bank holds other interest-bearing securities to a value of EUR 10 (10) million.

At the end of September, the Bank Group's liquidity buffer covered approximately 20 months of maturing wholesale funding.

Borrowing

Deposits from the public and public sector entities increased and stood at EUR 3,742 (3,631) million, corresponding to a market share of deposits of 3.7 (3.4)%.

The Aktia Group's outstanding bonds amounted to a total value of EUR 3,911 (3,879) million. Of these bonds EUR 2,813 (3,104) million were covered bonds issued by the Aktia Real Estate Mortgage Bank plc. The equivalent amount for Aktia Bank was EUR 494 (0) million.

During the period, Aktia Bank plc issued its first long-term covered bonds at a value of EUR 500 million. As security for the issue, loans in the value of EUR 826 million were reserved at the end of September, all with a loan-to-value ratio below 70% of the market value of the securities in accordance with the Mortgage Bank Act.

Outstanding Aktia Bank plc certificates of deposit amounted to EUR 328 million at the end of the period. During the period, Aktia Bank plc issued new subordinated loans with a total value of EUR 71 million. During the period, Aktia Bank also issued long-term collateralised bonds ('Schuldscheindarlehen') at a value of EUR 83 million. At the beginning of October, Aktia Bank issued long-term covered bonds worth EUR 300 million as part of its EMTN programme.

Lending

Group total lending to the public amounted to EUR 6,846 (7,202) million at the end of September, a decrease of EUR 356 million.

Loans to private households (including mortgages brokered by savings banks and POP Banks) accounted for EUR 5,969 (6,222) million or 87.2% (86.4%) of the total loan stock.

The housing loan stock totalled EUR 5,599 (5,850) million, of which the share for households was EUR 5,245 (5,458) million. At the end of September, Aktia's market share in housing loans to households stood at 4.2 (4.3)%.

Corporate lending accounted for 8.6% (9.3%) of Aktia's credit stock. Total corporate lending amounted to EUR 589 (666) million.

Loans to housing associations totalled EUR 247 (270) million and made up 3.6% (3.8%) of Aktia's total credit stock.

Credit stock by sector

(EUR million)	30.9.2013	31.12.2012	Δ	Share,%
Households	5,969	6,222	-253	87.2%
Corporate	589	666	-77	8.6%
Housing associations	247	270	-23	3.6%
Non-profit organisations	38	39	0	0.6%
Public sector entities	2	4	-2	0.0%
Total	**6,846**	**7,202**	**-356**	**100%**

Financial assets

Aktia's financial assets consist of the Bank Group's liquidity portfolio and other interest-bearing investments amounting to EUR 2,662 (1,862) million, the life insurance company's investment portfolio amounting to EUR 665 (693) million and the real estate and share holdings of the parent company amounting to EUR 4 (7) million.

Technical provisions

The life insurance company's technical provisions amounted to EUR 945 (878) million, of which EUR 437 (359) million were unit-linked. Interest-related technical provisions decreased to EUR 508 (520) million.

Equity

During the period, the Aktia Group's equity decreased by EUR 25 million to EUR 632 (657) million.

Commitments

Off-balance sheet commitments, consisting of liquidity commitments to local banks, other loan promises and bank guarantees, decreased by EUR 13 million and amounted to EUR 330 (343) million.

Managed assets

The Group's total managed assets amounted to EUR 9,387 (8,832) million.

Customer assets comprise managed and brokered mutual funds and managed capital in the subsidiary companies in the Asset Management & Life Insurance segment, as well as Aktia Bank's Private Banking unit. In the table below, the assets presented reflect net volumes, so that customer assets managed in multiple companies have been eliminated.

Group assets comprise the liquidity portfolio in the Bank Group managed by the treasury function and the life insurance company's investment portfolio.

Managed assets

(EUR million)	30.9.2013	31.12.2012	Δ %
Assets under management	6,071	5,877	3%
Group financial assets	3,315	2,955	12%
Total	**9,387**	**8,832**	**6%**

Capital adequacy and solvency

The Bank Group's capital adequacy ratio stood at 19.1% (31 December 2012: 20.2%) and the Tier 1 capital ratio at 12.2 (11.8)%.

Aktia Bank plc's capital adequacy ratio stood at 23.9% compared to 28.1% at the end of 2012. The Tier 1 capital ratio was 15.2 (16.1)%. The former parent company of the Aktia Group, Aktia plc, merged with Aktia Bank plc on 1 July 2013. The merger affected the Group's capital adequacy ratio by approx. –1 percentage point. Capital adequacy was also affected by the repayment of a perpetual loan of EUR 45 million which was previously included in supplementary capital.

Capital adequacy	30.9.2013	31.12.2012
Banking Group		
Capital adequacy	19.1%	20.2%
Tier 1 ratio	12.2%	11.8%
Aktia Bank		
Capital adequacy	23.9%	28.1%
Tier 1 ratio	15.2%	16.1%
Aktia Real Estate Mortgage Bank		
Capital adequacy	12.2%	11.3%
Tier 1 ratio	11.5%	9.7%

Capital adequacy for the banking business is currently calculated using the standard model for credit risk. An IRBA (Internal Risk Based Approach) application for the Group's retail exposure was submitted in August 2011 and is currently being processed by the Financial Supervisory Authority. Application of the IRBA method would raise the Tier 1 capital ratio by at least 4 percentage points.

The life insurance company's solvency margin amounted to EUR 149.1 (158.6) million, where the minimum requirement is EUR 33.7 (33.3) million. The solvency ratio was 25.5 (27.4)%.

The capital adequacy ratio for the conglomerate amounted to 197.9 (205.1)%. The statutory minimum stipulated in the Act on the Supervision of Financial and Insurance Conglomerates is 100%.

Segment overview

Aktia Bank plc's operations are divided into three segments: Banking Business, Asset Management & Life Insurance and Miscellaneous.

Group operating profit from continuing operations by segment

(EUR million)	1-9/2013	1-9/2012	Δ %
Banking Business	40.7	35.2	15%
Asset Management & Life Insurance	16.8	14.9	13%
Miscellaneous	-3.0	-5.1	42%
Eliminations	-0.2	0.6	-
Total	**54.3**	**45.6**	**19%**

Banking Business

The Banking Business' contribution to Group operating profit amounted to EUR 40.7 (35.2) million.

Operating income was EUR 132.9 (129.0) million, of which EUR 85.5 (88.6) million was net interest income. Net commission income increased compared to the same period last year, and amounted to EUR 41.4 (38.4) million. The increase in commission income comes mainly from fund management and life assurance, which have developed favourably. Commission on lending and borrowing and commission from card- and payment services are also higher than last year. Commission income from the real estate agency business was down 5% compared to the corresponding period last year, standing at EUR 5.4 (5.6) million. Net income from financial assets available for sale amounted to EUR 3.6 (1.0) million.

Operating expenses were slightly higher in the first three quarters compared to the year before, and stood at EUR 90.6 (89.2) million. Staff costs decreased by 5% from EUR 30.0 million to EUR 28.4 million. IT-related expenses totalled EUR 11.1 (11.2) million. Other operating expenses totalled EUR 49.9 (46.5) million. The increase is mainly due to the temporary bank tax which reduces profits from the banking business by EUR 2.1 million, and investment in the continued development of credit card services.

Sales activities are supported by the Aktia Dialogue concept whereby customers' needs for banking and insurance services are mapped out. The number of dialogues conducted rose by 6% during the period, to almost 41,900 (39,600). Aktia Private Banking, which offers extensive personal investment services and legal advice, increased its customer base by approx. 10%. Private Banking's customer assets increased by around 13% in the first nine months to EUR 1,425 (1,257) million.

Total savings by households were approximately 5% higher than the year before, amounting to EUR 3,958 (3,787) million, of which household deposits were EUR 2,896 (2,801) million and savings by households in mutual funds were EUR 1,062 (986) million.

Aktia's lending to private households, including the mortgages brokered by Aktia, amounted to EUR 4,297 (4,356) million. . During the period, Aktia Real Estate Mortgage Bank's total lending volume decreased by EUR 591 million and amounted to EUR 3,326 (3,917) million.

Asset Management & Life Insurance

The Asset Management & Life Insurance segment contributed EUR 16.8 (14.9) million to Group operating profit.

Operating income totalled EUR 32.9 (30.7) million. Net commission income from asset management improved to EUR 14.7 (12.6) million and net income from life insurance also improved to EUR 18.3 (18.0) million. Insurance activities show an improvement but net income from investments is lower because the comparison period includes value changes on derivative contracts that affect the income statement.

Premiums written increased by 51% year-on-year to EUR 107.4 (71.3) million. This increase is attributable to unit-linked insurance savings policies. The Aktia Profile investment service has been very well received by customers and accounts for 60 (38)% of premiums written.

Net income from life insurance investment activities amounted to EUR 18.6 (21.5) million. The return on the company's investments based on market value was 0.4 (9.0)%. The comparison period contains a positive effect from derivatives used by the life insurance business to limit its interest risk, of EUR 3.5 million. Interest-rate derivatives were disposed of at the end of 2012.

Operating expenses increased by 2% to EUR 16.2 (15.8) million, mainly because of increased business volumes. Staff costs fell to EUR 7.5 (7.7) million. The life insurance expense ratio was 89.0 (93.1)%.

The value of assets managed by Aktia Asset Management & Life Insurance totalled EUR 5,054 (4,978) million.

(EUR million)	**30.9.2013**	**31.12.2012**	**Δ %**
Aktia Fund Management	3,015	2,843	6%
Aktia Invest	2,422	2,467	-2%
Aktia Asset Management	4,801	4,561	5%
Aktia Life Insurance	438	379	16%
Eliminations	-5,621	-5,271	7%
Total	**5,054**	**4,978**	**2%**

Aktia has established its position as one of the leading asset managers in Finland. Morningstar named Aktia the best interest fund manager in Finland. Morningstar Awards are based on quantitative comparisons which primarily take into account risk-adjusted returns. In relation to their level of risk, Aktia's interest funds have had the best performance in the market.

In a comparative analysis of larger mutual fund companies in Finland Aktia received the second highest mark. The evaluation was carried out by the independent analyst company Morningstar. In September 2013, the average number of stars received by the bank's 25 evaluated mutual funds was 4.0, when the maximum is 5 Morningstar stars.

Life insurance technical provisions totalled EUR 945 (878) million, of which provisions for unit-linked provisions was EUR 437 (359) million and interest-related provisions EUR 508 (520) million. Unit-linked provisions increased to 46% (41%) of total provisions. The average discount rate for the interest-linked technical provisions was 3.6%.

All the companies in the segment have a capital adequacy which exceeds minimum government requirements by a good margin.

Miscellaneous

The Miscellaneous segment encompasses shared administrative functions for Aktia Bank plc and its subsidiary Vasp-Invest Ab. The costs of the administrative units are billed to the subsidiaries within the Group on an ongoing basis.

Operating profit for the Miscellaneous segment was EUR -3.0 (-5.1) million.

Operating income totalled EUR 8.0 (6.2) million. The improvement is mainly due to the dividend of EUR 2.0 million from Suomen Luotto-osuuskunta arising from the sale of its subsidiary.

Operating expenses after cost allocation to the remaining segments were EUR 11.0 (9.7) million. The increase comes mainly from IT-related development costs.

As part of Vasp-Invest Oy's activities, there were continued active efforts to sell off real estate assets.

The Group's risk exposure

Definitions and general principles for asset and risk management can be found in Aktia plc's Annual Report for 2012 (www.aktia.fi) in note G2 on pages 38–65.

Lending related risks within banking business

Non-performing loans more than 90 days overdue, including claims on bankrupt companies and loans for collection decreased to EUR 47 (50) million, corresponding to 0.68% (0.69%) of the credit stock. The credit stock also includes off-balance sheet guarantee commitments.

Non-performing loans to households more than 90 days overdue corresponded to 0.46 (0.46)% of the entire credit stock and 0.53 (0.53)% of the household credit stock.

Loans with payments 3–30 days overdue decreased to EUR 112 (133) million, equivalent to 1.63 (1.84)% of the credit stock. Loans with payments 31–89 days overdue decreased to EUR 37 (51) million, or 0.54% (0.71%) of the credit stock.

Non-performing loans by time overdue

(EUR million)

Days	**30.9.2013**	**% of credit stock**	**31.12.2012**	**% of credit stock**
3 - 30	112	1.63	133	1.84
of which households	104	1.51	117	1.62
31 - 89	37	0.54	51	0.71
of which households	34	0.49	42	0.58
90-[1]	47	0.68	50	0.69
of which households	32	0.46	33	0.46

[1] in Aktia Bank fair value of the asset covers in average 96% of debts

Write-downs on credits and other commitments

During the period total write-downs on credits and other commitments decreased by EUR 3.0 million compared to the same period last year, to stand at EUR 1.7 (4.6) million. Of these write-downs, EUR 1.1 (1.4) million were attributable to households, and EUR 0.5 (3.2) million to companies.

Total write-downs on credits amounted to 0.02% (0.06%) of total lending for the period. The share of write-downs on corporate loans in relation to corporate lending overall amounted to 0.1% (0.5%).

Distribution of risk across financial assets

The Bank Group maintains a liquidity portfolio as a buffer for situations where, for some reason, borrowing from the capital markets is not possible under normal conditions. Fixed-rate investments within the liquidity portfolio are also used to reduce the structural interest rate risk.

Within the life insurance business, the investment portfolio covering total technical provisions is measured on an ongoing basis at market value.

Interest rate investments expose the Group to counterpart risks. Direct interest-rate investments are rated by international credit rating agencies such as Standard & Poor's, Fitch or Moody's. This rating is primarily affected by the counterparty's country and financial position, but also by the type of instrument and its right of priority.

The Bank Group's liquidity portfolio and other interest-bearing Investments

Investments within the liquidity portfolio and the other interest-bearing investments increased from year-end by EUR 800 million, and amounted to EUR 2,662 (1,862) million.

Rating distribution for Bank Group's liquidity portfolio and other direct interest rate investments

	30.9.2013	31.3.2012
(EUR million)	**2,662**	**1,862**
Aaa	50.6%	64.5%
Aa1-Aa3	26.1%	19.1%
A1-A3	15.2%	8.9%
Baa1-Baa3	1.2%	3.7%
Ba1-Ba3	0.8%	1.5%
B1-B3	0.0%	0.0%
Caa1 or lower	0.0%	0.0%
Finnish municipalities (no rating)	3.3%	2.2%
No rating	2.8%	0.0%
Total	**100.0%**	**100.0%**

At the end of the period, all long-term covered bonds in the Bank Group's liquidity portfolio met eligibility requirements for refinancing at the central bank. Interest-bearing investments without a rating consist entirely of short-term domestic commercial papers, and as the issuer lacks a rating, they do not meet the eligibility requirements for refinancing at the central bank.

Aktia Bank Group	Government and Govt. guaranteed		Covered Bonds		Financial institutions exkl. CB		Corporate bonds		Real estate		Alternative investments		Equity instruments		Total	
	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012
EU AAA	102	75	1,216	798	334	226	96	-	-	-	-	-	-	-	**1,748**	**1,098**
Finland	90	59	282	117	112	43	96	-	-	-	-	-	-	-	580	218
Other AAA-countries	12	16	933	681	222	182	-	-	-	-	-	-	-	-	1,167	880
EU < AAA	88	-	276	443	133	5	-	-	-	-	-	-	-	-	**497**	**448**
France *	48	-	229	270	133	5	-	-	-	-	-	-	-	-	410	275
Belgium	40	-	-	-	-	-	-	-	-	-	-	-	-	-	40	-
Greece	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ireland	-	-	-	16	-	-	-	-	-	-	-	-	-	-	-	16
Italy	-	-	47	47	-	-	-	-	-	-	-	-	-	-	47	47
Portugal	-	-	-	56	-	-	-	-	-	-	-	-	-	-	-	56
Spain	-	-	-	54	-	-	-	-	-	-	-	-	-	-	-	54
Other countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe excluding EU	-	-	234	238	12	20	-	-	-	-	-	-	-	-	**246**	**258**
North America	-	-	12	12	-	-	-	-	-	-	-	-	-	-	**12**	**12**
Other OECD-countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Supranationals	-	-	-	-	160	45	-	-	-	-	-	-	-	-	**160**	**45**
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Total	**190**	**75**	**1,738**	**1,490**	**639**	**297**	**96**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,662**	**1,862**

* France fell below AAA during 2012

Group investments in GIIPS countries

The Group's investments in the so-called GIIPS countries remained unchanged during the third quarter according to plan, and as of 30 September 2013 totalled EUR 59 (189) million. The total unrealised result amounted to EUR 1.9 (-0.1) million. These items are reported under Equity and fund at fair value. No write-downs have been posted for these holdings via the income statement. However, early disposals have been carried out during the period, which brought about a loss from the sale of EUR 1.4 million before tax. All exposures relating to GIIPS countries are measured on an ongoing basis at current market value.

Other market risks within the banking business

The banking business conducts no equity trading or investments in real estate property for yield purposes.

At the end of the period, real estate holdings amounted to EUR 0.05 (0.5) million and investments in shares necessary for the business amounted to EUR 4.4 (6.7) million.

Investment portfolio of the life insurance company

The market value of the life insurance company's total investment portfolio amounted to EUR 665 (693) million. During the period, the life insurance company's real estate allocation increased by approx. EUR 23 million. The properties acquired are located in the Helsinki region and have strong tenants with long rental agreements. The life insurance company's direct real estate investments amounted to EUR 51 (28) million.

The life insurance company's investments in GIIPS countries amounted to EUR 12 (17) million.

Distribution of ratings for the life insurance business' direct interest rate investments (excl. investments in interest funds, real estate, equity instruments and alternative investments)

	30.9.2013	31.12.2012
(EUR million)	**508**	**563**
Aaa	55.7%	54.5%
Aa1-Aa3	19.3%	21.6%
A1-A3	13.2%	12.0%
Baa1-Baa3	4.8%	3.7%
Ba1-Ba3	1.0%	2.0%
B1-B3	0.0%	0.0%
Caa1 or lower	0.0%	0.0%
Finnish municipalities (no rating)	0.0%	0.0%
No rating	5.5%	6.2%
Total	**100.0%**	**100.0%**

Aktia Life Insurance	Government and Govt. guaranteed		Covered Bonds		Financial institutions exkl. CB		Corporate bonds		Real estate		Alternative investments		Equity instruments		Total	
	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012	9/2013	2012
EU AAA	110	126	116	117	56	56	69	89	92	69	8	8	-	-	**452**	**464**
Finland	43	51	15	16	28	23	48	61	92	69	7	7	-	-	233	226
Other AAA-countries	67	75	101	101	29	33	22	28	-	-	1	1	-	-	219	239
EU < AAA	**66**	**78**	**92**	**102**	**6**	**1**	**5**	**7**	**-**	**-**	**-**	**-**	**-**	**-**	**169**	**188**
France *	63	68	82	90	6	1	3	5	-	-	-	-	-	-	155	163
Belgium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Greece	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ireland	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1
Italy	-	-	2	2	-	-	2	2	-	-	-	-	-	-	4	4
Portugal	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	2
Spain	-	-	7	10	-	-	-	-	-	-	-	-	-	-	7	10
Other countries	2	8	-	-	-	-	-	-	-	-	-	-	-	-	2	8
Europe excluding EU	3	0	-	-	6	4	5	2	-	-	0	0	-	-	**13**	**7**
North America	-	-	-	-	-	-	4	6	-	-	0	0	-	-	**4**	**6**
Other OECD-countries	6	6	-	-	-	-	-	-	-	-	-	-	-	-	**6**	**6**
Supranationals	-	-	-	-	5	6	-	-	-	-	-	-	-	-	**5**	**6**
Others	16	15	-	-	-	-	-	-	-	-	-	-	-	-	**16**	**15**
Total	**201**	**225**	**208**	**220**	**73**	**67**	**83**	**104**	**92**	**69**	**8**	**9**	**-**	**-**	**665**	**693**

Valuation of financial assets

Value changes reported via income statement

Write-downs on financial assets amounted to EUR -1.3 (-1.2) million at the end of the period, mainly related to permanent reductions in the value of real estate funds and smaller private equity holdings. These investments are related to the investment portfolio of the life insurance company.

Write-downs on financial assets

(EUR million)	1-9/2013	1-9/2012
Interest-bearing securities		
Banking Business	-	-
Life Insurance Business	-	-
Shares and participations		
Banking Business	-	-
Life Insurance Business	-1.3	-1.2
Total	**-1.3**	**-1.2**

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 83.2 (116.1) million after deferred tax.

Cash flow hedging, which comprises of unwound derivative contracts that have been aquired for the purposes of hedging the banking business' net interest income, amounted to EUR 6.9 (16.2) million.

The fund at fair value

(EUR million)	30.9.2013	31.12.2012	Δ
Shares and participations			
Banking Business	2.1	3.6	-1.5
Life Insurance Business	1.9	4.0	-2.1
Direct interest-bearing securities			
Banking Business	34.5	42.0	-7.5
Life Insurance Business	37.5	48.4	-10.9
Share of associated company's fund at fair value	0.2	1,8	-1.6
Cash flow hedging	6.9	16.2	-9.3
Fund at fair value, total	**83.2**	**116.1**	**-32.9**

Financial assets held until maturity

In December 2012, interest-bearing securities to the value of EUR 340 million were reclassified from financial assets available for sale to financial assets held until maturity. The reclassified securities all have an AAA rating. During the period, the portfolio of assets held until maturity increased further, and as at 30 September 2013 it amounted to EUR 396 (350) million.

The purpose of the portfolio of assets held until maturity is to reduce volatility in the fund at fair value, and to manage the regulatory risks associated with the entering into force of Basel III. Securities held until maturity are reported at their accrued acquisition value.

Unwinding of hedging interest-rate derivatives

In November 2012, the company unwound all of its interest rate derivatives for hedging purposes, i.e. to hedge the on-demand accounts and savings deposits (applying the EU 'carve-out' to hedge accounting). For these interest-rate derivatives, the effective part of the market value has been compensated by a corresponding amount in the balance sheet item deposits.

The unwinding of the interest rate derivatives produced a positive cash flow effect of EUR 92.1 million. Hedge accounting ceased following the unwinding of derivatives, and assessment of deposits will be dissolved in 2013-2017 according to the original duration of the interest rate derivatives, which will have a positive effect within net interest income of approx. EUR 15.5 million per year. The remaining cash flow will provide a positive total result effect of approx. EUR 14 million during the years 2018-2019.

The bank is maintaining its policy of actively hedging net interest income where this is considered justified by the present interest rates.

Operational risks

No events regarded as operational risks causing significant financial losses occurred during the third quarter of 2013.

Events concerning close relations

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

No significant changes concerning close relations occurred.

Other events during the period

After Aktia plc merged with Aktia Bank plc, a shareholders' meeting was held on 12 September 2013, at which Aktia plc's final accounts were approved.

On 7 May 2013, Arja Talma was elected a member of the Board of Directors of Aktia Bank plc.

On 7 March 2013, Aktia Bank was granted a mortgage bank concession by the Financial Supervisory Authority, and made its first issue in June 2013. For more than 10 years, Aktia Bank successfully used covered bonds as a source of finance, through its subsidiary Aktia Real Estate Mortgage Bank. Aktia Real Estate Mortgage Bank is jointly owned with the savings banks and the POP Banks. The owners of Aktia Real Estate Mortgage Bank continue to manage new loans from their own balance sheets, and the activities of Aktia Real Estate Mortgage Bank will focus on the management and refinancing of the current credit stock.

All owners of Aktia Real Estate Mortgage Bank are also in future responsible for capitalisation and senior financing of the bank in accordance with the current shareholders' agreement. Aktia Bank provides its subsidiary Aktia Real Estate Mortgage Bank's liquidity limits, and aims to manage the mortgage bank activities in a way that secures the interests of financiers and investors in Aktia Real Estate Mortgage Bank.

Aktia Bank selected the EVRY AS card platform as the primary system for credit card services and operations. Aktia Bank has also entered into an agreement with Nets Oy, to acquire Aktia's Visa credit stock of approx. EUR 55 million. The agreement is planned to enter into effect in December 2013. Enhancement of credit card operations is estimated to provide a positive income effect of more than EUR 2 million per year from 2014.

The R share shareholder agreement was concluded at the beginning of April, with immediate effect.

On 12 March 2013, Nils Lampi resigned from his position as member of the Board of Directors of Aktia Bank plc.

On 26 February 2013, Jannica Fagerholm resigned from her position as member of the Board of Directors of Aktia Bank plc.

Events after the end of the period

Aktia has concluded codetermination negotiations that started on 8 October 2013. The codetermination negotiations resulted in a staff reduction of approx. 50 persons. Initially the codetermination negotiations were estimated to a reduction of 65 persons at a maximum. The planned measures are based on the Action Plan 2015 adopted by Aktia's Board of Directors and communicated earlier. The planned measures are expected to lead to annual savings of EUR 5–6 million once they have been implemented in 2014. The reorganisation will cause a one-off cost of approx. EUR 5 million which will be recognised in the last quarter of 2013.

Aktia Bank plc and the owners of Saaristosäästöpankki Oy have completed the merger between Saaristosäästöpankki and Aktia Bank which was published in Aktia Bank's stock exchange release on 6 August 2013.

On 23 October 2013, Aktia Bank plc and Vöyrin Säästöpankki signed a pre-agreement on merger which is intended to be implemented as conveyance of the business operations of Vöyrin Säästöpankki to Aktia Bank. In the transaction, the net value of Vöyrin Säätöpankki's business operations is estimated at approx. EUR 11 million. The transaction is projected to have a neutral effect on Aktia Bank's result and other key figures.

Aktia Bank issued covered bonds aimed at foreign and domestic institutional investors, at a value of EUR 300 million. There was great interest in the covered bonds among investors and the issue was more than 1.5 times over-subscribed.

In accordance with the terms of the loan and with the consent of the Financial Supervisory Authority, Aktia Bank decided to repay the Aktia perpetual loan 1/2008. The capital of EUR 45 million plus accrued interest to be repaid on 7 November 2013.

Personnel

At the end of the period, the number of full-time employees was 976 (30 September 2012; 978). The average number of full-time employees decreased by 37 and was 1,007 (31 December 2012: 1,044).

Personnel fund

Aktia Bank plc's Board of Directors has confirmed that the profit sharing provision to the personnel fund for 2013 will be based on 10% of the part of the group operating profit exceeding EUR 35 million. However, if the Group's operating profit is EUR 35.0-37.5 million, a sum of EUR 250,000 will be added to the personnel fund. The profit sharing provision cannot, however, exceed EUR 3 million.

Incentive scheme for 2013

The Board of Directors of Aktia Bank plc decided in 2011 on a share-based incentive scheme for key personnel in Aktia Group.

The bonus will be paid partly as A shares in Aktia Bank plc and partly in cash. The proportion to be paid in cash is intended for the taxes and tax-related costs related to the payment of the bonus. The incentive scheme is divided into two parts.

The first part of the scheme is based on earnings criteria and covers three earnings periods: the calendar years 2011-2012, 2012-2013 and 2013-2014. The earnings criteria for the earning period 2012-2013 and 2013-2014 are based on the development of the Aktia Group's cumulated adjusted equity (NAV) (50% weighting), and of the Group's total net commission and insurance income (50% weighting). The earnings criteria for the earning period 2013-2014 were determined in June 2013.

The potential bonus for each earnings period will be paid out in four instalments after the earnings period, over a span of approximately three years. Shares paid out as a reward on the basis of earnings periods will be subject to a waiting period of (1) year, during which they may not be transferred, placed as security or used in any other way. The Board of Directors has stipulated a maximum level of bonus per key person. In general, a bonus is not paid out to a key person who, at the time of payment, no longer has a work or employment relationship with the Aktia Group.

The second part of the scheme enables key personnel to also receive a conditional bonus based on the acquisition of A-shares in Aktia plc when the incentive scheme is implemented. The conditional bonus will be paid to key persons by the end of April 2016, and will take the form of both cash and shares, provided that the key person is still employed by the Aktia Group and that the shares earmarked for payment of the conditional bonus have not been transferred at the time of payment of rewards.

Key persons are obliged to hold half of all shares received through the incentive scheme until the total value of the shares amounts to the value of their gross annual salary. These persons must retain their shares as long as they are employed by the Group.

The total bonus paid out through the scheme can amount to a maximum of 401,200 A shares in Aktia Bank plc, as well as a sum in cash corresponding to the value of the shares. The incentive scheme has been prepared in accordance with new regulations concerning bonus schemes in the financial sector.

The Aktia Group's report on the remuneration paid to the Executive Committee and other administrative bodies is published on the Aktia Bank plc website (www.aktia.fi).

Board of Directors and Executive Committee

Aktia Bank plc's Board of Directors for 1 January - 31 December 2013:
Chair Dag Wallgren, M.Sc. (Econ.)
Vice Chair Nina Wilkman, LL.M.
Sten Eklundh, M.Sc.
Hans Frantz, Lic.Soc.Sc.
Kjell Hedman, Business Economist
Catharina von Stackelberg-Hammarén, M.Sc. (Econ.)
Arja Talma M.Sc. (Econ.), eMBA (as of 7 May 2013)
Jannica Fagerholm M.Sc. (Econ.) 1 January - 26 February 2013
Nils Lampi B.Sc (Econ.) 1 January- 12 March 2013

On 11 December 2012, the Board of Supervisors decided on the annual remuneration for the Board of Directors for 2013:
annual remuneration, chair, EUR 48,200
annual remuneration, vice chair, EUR 26,900
annual remuneration, member, EUR 21,300

The remuneration of the Board of Directors is unchanged. The proportion paid in shares has been increased to 15 (10)%. The shares were acquired directly from the market at market prices 15 February 2013.

Aktia's Executive Committee comprises Managing Director Jussi Laitinen, Deputy Managing Director and proxy Jarl Sved, Deputy Managing Director Stefan Björkman, Deputy Managing Director Taru Narvanmaa, Director Fredrik Westerholm and Director Magnus Weurlander.

Decisions at Annual General Meeting 2013

The Annual General Meeting of Aktia plc adopted the consolidated financial statements of the parent company and the group, 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 0.36 per share and a return of capital of EUR 0.14 per share, totalling EUR 33,3 million for the financial period 1 January–31 December 2012. The record date for the dividend was 12 April 2013 and the dividend and return of capital was paid out on 19 April 2013.

The Annual General Meeting established the number of members of the Board of Supervisors as thirty-three. The members of the Board of Supervisors Agneta Eriksson, 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 re-elected, and Mikael Aspelin, LL.M., and Stefan Mutanen, M.Soc.Sc., were elected as new members of the Board of Supervisors, all for a term of three years.

Annual remunerations for members of the Board of Supervisors were unchanged.

The Annual General Meeting determined that the number of auditors shall be one, and elected APA firm KPMG Oy Ab as auditor, with Jari Härmälä, APA, as auditor-in-charge.

The Annual General Meeting approved the proposal by the Board of Directors concerning authorisation to issue shares, as well as authorisation to divest shares.

The Annual General Meeting approved the merger with Aktia Bank plc. The corresponding shareholders' decision was taken within in Aktia Bank plc on 9 April 2013.

Share capital and ownership

At the time of the merger, shareholders in Aktia plc received Aktia Bank plc's newly issued 'A' and 'R' shares in consideration. An 'A' share in Aktia plc entitled the holder to a new 'A' share in Aktia Bank plc and an 'R' share in Aktia plc entitled the holder to a new 'R' share in Aktia Bank plc. The total consideration amounted to 46,706,720 series 'A' shares and 19,872,088 series 'R' shares, or 66,578,811 shares in total. The consideration was paid by registering the newly-issued shares in Aktia Bank plc in the Finnish Trade Register and allocating them as book-entry securities in the book-entry system maintained by Euroclear Finland Oy. The shareholders' rights for the consideration shares took effect from 1 July 2013.

Before the merger, Aktia Bank plc had three own retained shares, all held by Aktia plc. On completion of the merger, these three series 'A' shares became Aktia Bank plc's own retained 'A' shares. This brings Aktia Bank plc's total number of 'A' shares to 46,706,723.

After the completion of the merger of Aktia plc on 1 July 2013, the share capital of Aktia Bank plc amounts to EUR 163 million, comprising a total of 46,706,723 'A' shares and 19,872,088 'R' shares, or 66,578,811 shares in all. The number of shareholders at the end of September 2013 was 46,471. Foreign ownership of shares was 0.9%.

The number of unregistered shares was 789,375 or 1.2% of all shares. Inspection and registration of outstanding shares continue.

As a result of the sale on 21 August 2013, Stiftelsen Tre Smeder's share of the votes in Aktia Bank plc fell below the 20.00% threshold.

Shares

As a result of the merger of Aktia plc on 1 July 2013, all shares in Aktia plc were de-listed and all shares in Aktia Bank plc were listed on the NASDAQ OMX Helsinki exchange. The trading codes remained the same.

Aktia Bank's trading codes are AKTAV for A-shares and AKTRV for R-shares. Each A-share confers one vote, and each R-share confers 20 votes. Otherwise, the shares confer the same rights.

On 30 September 2013, the closing price for an A series share was EUR 7.28 and for an R series share EUR 7.70, indicating a market value of approx. EUR 490 million for Aktia Bank plc. The highest quotation for the 'A' share during the period January–September was EUR 7.77 and the lowest EUR 5.82. The highest for the 'R' share was EUR 8.18 and the lowest EUR 6.76.

The average daily turnover of 'A' shares was EUR 177,607 or 26,251 shares. Average daily turnover for 'R' shares was EUR 8,748 or 1,151 shares.

Outlook and risks for 2013

Outlook (changed)

Aktia is striving to grow slightly more than the market in the sectors focusing on private customers and small companies.

Aktia's Action Plan 2015 includes several individual measures and will be realised in steps with the aim of reaching the financial objectives for 2015.

Aktia's aim is to improve competitiveness and to become the Finnish champion of customer services in selected customer segments. Aktia will continue to strive for efficient and customer-friendly service, and to provide financial solutions for households, business owners, small companies and institutions.

Write-downs on credits are expected to be lower than in 2012.

Despite the persistant low interest rate level, and one-off costs from implementing the Action Plan 2015, the Group's operating profit from continuing operations for 2013 is expected to reach the 2012 level, or a slightly higher level.

Risks

Aktia's financial result is 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. The demand for banking, insurance, asset management and real estate agency services can be changed by these factors.

Changes in interest rates, yield curves and credit margins are hard to predict and can affect Aktia's interest margins and thus profitability. Aktia is pursuing proactive 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, interest rates, the level of unemployment and development of house prices.

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

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

The financial crisis has resulted in many new initiatives for regulating banking and insurance businesses, which have brought uncertainty concerning future equity and liquidity requirements. The results of the new regulations are likely to be higher capital requirements, sharpened competition for deposits, higher demands on long-term financing, higher fixed costs and, eventually, higher credit margins.

Aktia's financial objectives for 2015

- Increase cross-selling index by 20%
- Increase commission income by 5% p.a.
- Cut expenses by 5% p.a.
- Tier 1 capital ratio at least 13% over an economic cycle (upon approval of internal rating)
- Dividend pay-out 40–60% of profit after taxes

Key figures

(EUR million)	1-9/2013	1-9/2012	Δ %	7-9/2013	4-6/2013	1-3/2013	2012
Earnings per share (EPS), continuing operations, EUR	0.61	0.50	21%	0.22	0.16	0.22	0.59
Earnings per share (EPS), discontinued operations, EUR	-	0.15	-	-	-	-	0.15
Earnings per share (EPS), EUR	0.61	0.65	-6%	0.22	0.16	0.22	0.74
Equity per share (NAV)[1], EUR	8.52	8.70	-2%	8.52	8.34	9.02	8.91
Return on equity (ROE), %	8.4	10.0	-16%	9.4	6.9	8.9	8.5
Total earnings per share, EUR	0.11	1.99	-94%	0.18	-0.18	0.11	2.19
Capital adequacy ratio (finance and insurance conglomerate)[1], %	197.9	203.4	-3%	197.9	202.9	203.5	205.1
Average number of shares[2], million	66.6	66.5	0%	66.6	66.6	66.5	66.5
Number of shares at the end of the period [1], million	66.6	66.5	0%	66.6	66.6	66.6	66.5
Personnel (FTEs), average number of employees from the beginning of the year[1]	1,007	1,056	-5%	1,007	1,010	1,013	1,044
Group financial assets[1] *)	3 ,315.4	2,817.0	18%	3 ,315.4	3,379.7	2,814.9	2,955.0
Banking business							
Cost-to-income ratio	0.68	0.69	-	0.66	0.70	0.67	0.74
Borrowing from the public[1]	3,742.1	3,651.4	2%	3,742.1	3,807.2	3,631.8	3,631.5
Lending to the public[1]	6,845.8	7,251.6	-6%	6,845.8	6,984.9	7,132.6	7,201.6
Capital adequacy ratio[1], %	19.1	19.9	-4%	19.1	20.3	20.0	20.2
Tier 1 capital ratio[1], %	12.2	11.8	3%	12.2	12.1	11.7	11.8
Risk-weighted commitments[1]	3,579.4	3,727.9	-4%	3,579.4	3,625.3	3,683.7	3,611.2
Asset Management and Life Insurance							
Assets under management[1] **)	6,071.4	5,569.0	9%	6,071.4	5,901.7	6,214.0	5,877.4
Premiums written before reinsurers' share	107.7	71.6	50%	24.2	37.4	46.1	111.2
Expense ratio[2], %	89.0	93.1	-4%	89,0	95.0	95.6	90.8
Solvency margin[1]	149.1	160.5	-7%	149,1	147.5	157.3	158.6
Solvency ratio[2], %	25.5	27.9	-9%	25,5	25.3	27.2	27.4
Investments at fair value[1]	1,074.6	987.9	9%	1,074,6	1,050.1	1,034.2	1,020.7
Technical provisions for interest-related insurances[1]	507.9	517.5	-2%	507.9	512.2	517.0	519.9
Technical provisions for unit-linked insurances[1]	436.9	337.7	29%	436.9	410.3	400.5	358.5

[1] At the end of the period
[2] Cumulative from the beginning of the year
*) Group financial assets = the Bank Group's liquidity portfolio and the life insurance company's investment portfolio
**) Assets under management = Aktia Fund Management Company's assets under management and brokered mutual funds and assets managed by Aktia Invest, Aktia Asset Management, Aktia Bank's Private Banking and Aktia Life Insurance

Basis of calculation for key figures can be found in Aktia plc's Annual Report 2012 on page 18.

Consolidated income statement

(EUR million)	1-9/2013	1-9/2012	Δ%	2012
Continuing operations				
Net interest income	85.4	88.0	-3%	117.3
Dividends	0.1	0.1	70%	0.1
Commission income	66.1	60.7	9%	80.8
Commission expenses	-13.2	-11.3	-16%	-15.5
Net commission income	52.9	49.4	7%	65.3
Net income from life insurance	19.7	19.0	4%	27.3
Net income from financial transactions	5.8	-0.2	-	2.9
Net income from investment properties	0.5	0.2	197%	0.3
Other operating income	2.5	3.2	-22%	4.7
Total operating income	**166.9**	**159.5**	**5%**	**217.9**
Staff costs	-54.6	-55.3	-1%	-75.4
IT-expenses	-20.9	-18.8	11%	-31.4
Depreciation of tangible and intangible assets	-5.1	-5.2	-3%	-7.2
Other operating expenses	-30.8	-28.8	7%	-40.3
Total operating expenses	**-111.3**	**-108.2**	**3%**	**-154.2**
Write-downs on other financial assets	-	-1.8	-	-1.8
Write-downs on credits and other commitments	-1.7	-4.6	-64%	-6.4
Share of profit from associated companies	0.4	0.8	-49%	0.5
Operating profit from continuing operations	**54.3**	**45.6**	**19%**	**56.0**
Taxes from continuing operations	-13.8	-11.7	18%	-15.8
Profit for the period from continuing operations	**40.5**	**33.9**	**19%**	**40.3**
Discontinued operations				
Profit for the period from discontinued operations	-	9.8	-	9.8
Profit for the period	**40.5**	**43.7**	**-7%**	**50.0**
Attributable to:				
Shareholders in Aktia Bank plc	40.5	43.1	-6%	49.2
Non-controlling interest	0.0	0.6	-97%	0.8
Total	**40.5**	**43.7**	**-7%**	**50.0**
Earnings per share attributable to shareholders in Aktia Bank plc, EUR				
Earnings per share (EPS), continuing operations, EUR	0.61	0.50	21%	0.59
Earnings per share (EPS), discontinued operations, EUR	-	0.15	-	0.15
Earnings per share (EPS), EUR	**0.61**	**0.65**	**-6%**	**0.74**
Earnings per share, EUR, after dilution				
Earnings per share (EPS), continuing operations, EUR	0.61	0.50	21%	0,59
Earnings per share (EPS), discontinued operations, EUR	-	0.15	-	0,15
Earnings per share (EPS), EUR	**0.61**	**0.65**	**-6%**	**0,74**

Consolidated comprehensive income statement

(EUR million)	1-9/2013	1-9/2012	Δ%	2012
Continuing operations				
Profit for the period from continuing operations	40.5	33.9	19%	40.3
Other comprehensive income after taxes:				
Change in valuation of fair value for financial assets available for sale	-22.1	95.0	-	94.6
Change in valuation of fair value for financial assets held until maturity	2.3	-	-	0.2
Change in valuation of fair value for cash flow hedging	-8.9	-6.1	-47%	-3.3
Transferred to the income statement for financial assets available for sale	-3.7	5.2	-	16.1
Transferred to the income statement for cash flow hedging	-	-	-	-5.8
Comprehensive income from items which can be transferred to the income statement	-32.5	94.1	-	101.8
Defined benefit plan pensions	-	-	-	-0.6
Comprehensive income from items which can not be transferred to the income statement	-	-	-	-0.6
Total comprehensive income for the period from continuing operations	**8.0**	**128.0**	**-94%**	**141.5**
Discontinued operations				
Profit for the period from discontinued operations	-	9.8	-	9.8
Other comprehensive income after taxes:				
Change in valuation of fair value for financial assets available for sale	-	1.8	-	1.8
Transferred to the income statement for financial assets available for sale	-	-6.3	-	-6.3
Comprehensive income from items which can be transferred to the income statement	-	-4.5	-	-4.5
Total comprehensive income for the period from discontinued operations	**-**	**5.3**	**-**	**5.3**
Total comprehensive income for the period	**8.0**	**133.3**	**-94%**	**146.8**
Total comprehensive income attributable to:				
Shareholders in Aktia Bank plc	7.6	132.1	-94%	145.6
Non-controlling interest	0.4	1.2	-65%	1.2
Total	**8.0**	**133.3**	**-94%**	**146.8**
Total earnings per share attributable to shareholders in Aktia Bank plc, EUR				
Total earnings per share, continuing operations, EUR	0.11	1.91	-94%	2.11
Total earnings per share, discontinued operations, EUR	-	0.08	-	0.08
Total earnings per share, EUR	**0.11**	**1.99**	**-94%**	**2.19**
Total earnings per share, EUR, after dilution				
Total earnings per share, continuing operations, EUR	0.11	1.91	-94%	2.11
Total earnings per share, discontinued operations, EUR	-	0.08	-	0.08
Total earnings per share, EUR	**0.11**	**1.99**	**-94%**	**2.19**

Consolidated balance sheet

(EUR million)	30.9.2013	31.12.2012	Δ%	30.9.2012
Assets				
Cash and balances with central banks	188.0	587.6	-68%	236.6
Financial assets reported at fair value via the income statement	0.0	0.1	-64%	0.5
Interest-bearing securities	2,538.4	2,011.7	26%	2,558.3
Shares and participations	97.9	95.0	3%	97.1
Financial assets available for sale	2,636.2	2,106.7	25%	2,655.4
Financial assets held until maturity	396.3	350.0	13%	10.1
Derivative instruments	208.6	302.2	-31%	395.7
Lending to Bank of Finland and credit institutions	243.5	158.7	53%	167.8
Lending to the public and public sector entities	6,845.8	7,201.6	-5%	7,251.6
Loans and other receivables	7,089.3	7,360.2	-4%	7,419.4
Investments for unit-linked provisions	438.1	360.9	21%	338.0
Investments in associated companies	18.8	21.1	-11%	21.1
Intangible assets	14.6	14.2	3%	14.3
Investment properties	50.9	28.3	80%	27.8
Other tangible assets	5.7	5.7	2%	6.0
Accrued income and advance payments	72.6	75.0	-3%	81.2
Other assets	6.0	3.3	82%	7.5
Total other assets	78.6	78.3	0%	88.7
Income tax receivables	1.7	0.1	-	3.8
Deferred tax receivables	20.9	23.5	-11%	0.9
Tax receivables	22.6	23.6	-4%	4.6
Assets classified as held for sale	1.2	1.5	-18%	2.0
Total assets	**11,149.1**	**11,240.2**	**-1%**	**11,220.3**
Liabilities				
Liabilities to credit institutions	1,063.4	1,057.6	1%	1,097.3
Liabilities to the public and public sector entities	3,742.1	3,631.5	3%	3,651.4
Deposits	4,805.5	4,689.0	2%	4,748.7
Derivative instruments	138.1	186.4	-26%	188.0
Debt securities issued	3,910.9	3,878.9	1%	3,871.3
Subordinated liabilities	275.6	268.2	3%	265.4
Other liabilities to credit institutions	100.5	290.9	-65%	260.1
Other liabilities to the public and public sector entities	112.5	146.7	-23%	162.8
Other financial liabilities	4,399.6	4,584.7	-4%	4,559.5
Technical provisions for interest-related insurances	507.9	519.9	-2%	517.5
Technical provisions for unit-linked insurances	436.9	358.5	22%	337.7
Technical provisions	944.8	878.5	8%	855.1
Accrued expenses and income received in advance	92.7	93.1	0%	100.6
Other liabilities	64.0	55.2	16%	59.2
Total other liabilities	156.7	148.3	6%	159.9
Provisions	6.9	6.9	0%	-
Income tax liabilities	4.1	23.3	-83%	2.7
Deferred tax liabilities	61.2	65.5	-7%	62.4
Tax liabilities	65.3	88.8	-27%	65.1
Liabilities for assets classified as held for sale	0.2	0.2	-22%	0.2
Total liabilities	**10,517.0**	**10,582.8**	**-1%**	**10,576.5**
Equity				
Restricted equity	246.5	220.2	12%	212.3
Unrestricted equity	321.0	372.4	-14%	366.6
Shareholders' share of equity	567.5	592.6	-4%	578.9
Non-controlling interest's share of equity	64.6	64.8	0%	64.8
Equity	**632.1**	**657.4**	**-4%**	**643.7**
Total liabilities and equity	**11,149.1**	**11,240.2**	**-1%**	**11,220.3**

Consolidated statement of changes in equity

(EUR million)	Share capital	Other restricted equity	Fund at fair value	Fund for share-based payments	Unrestricted equity reserve	Retained earnings	Shareholders share of equity	Non-controlling interests' share of equity	Total equity
Equity as at 1 January 2012	**93.9**	**10.3**	**19.1**	**0.2**	**72.7**	**269.9**	**466.0**	**57.7**	**523.8**
Divestment of own shares						0.0	0.0		0.0
Dividens to shareholders						-20.0	-20.0		-20.0
Profit for the period						*43.1*	*43.1*	*0.6*	*43.7*
Financial assets available for sale			*95.5*				*95.5*	*0.2*	*95.7*
Cash flow hedging			*-6.5*				*-6.5*	*0.4*	*-6.1*
Total comprehensive income for the period			89.0			43.1	132.1	1.2	133.3
Other change in equity				0.7			0.7	5.9	6.6
Equity as at 30 September 2012	**93.9**	**10.3**	**108.1**	**0.9**	**72.7**	**293.1**	**578.9**	**64.8**	**643.7**
Equity as at 1 January 2013	**93.9**	**10.3**	**116.1**	**1.1**	**72.7**	**298.6**	**592.6**	**64.8**	**657.4**
Changes in the Group equity as a result of the merger of Aktia plc with Aktia Bank plc 1.7.2013	69.1	-10.0			65.1	-124.3	0.0		0.0
Divestment of own shares						0.4	0.4		0.4
Dividens to shareholders						-24.0	-24.0		-24.0
Capital return to shareholders					-9.3		-9.3		-9.3
Profit for the period						*40.5*	*40.5*	*0.0*	*40.5*
Financial assets available for sale			*-25.9*				*-25.9*	*0.0*	*-25.8*
Financial assets held until maturity			*2.3*				*2.3*		*2.3*
Cash flow hedging			*-9.3*				*-9.3*	*0.4*	*-8.9*
Total comprehensive income for the period			-32.9			40.5	7.6	0.4	8.0
Other change in equity				0.2			0.2	-0.7	-0.4
Equity as at 30 September 2013	**163.0**	**0.3**	**83.2**	**1.3**	**128.4**	**191.2**	**567.5**	**64.6**	**632.1**
Specifikation of the Group's equity before and after merger 1 July 2013									
Equity as at 1 January 2013	**93.9**	**10.3**	**116.1**	**1.1**	**72.7**	**298.6**	**592.6**	**64.8**	**657.4**
Divestment of own shares						0.4	0.4		0.4
Dividens to shareholders						-24.0	-24.0		-24.0
Capital return to shareholders					-9.3		-9.3		-9.3
Total comprehensive income for the period 1-6			-30.2			25.6	-4.7	0.8	-3.9
Other change in equity				0.1			0.1	-0.7	-0.6
Equity as at 30 June 2013	**93.9**	**10.3**	**85.8**	**1.2**	**63.3**	**300.6**	**555.1**	**64.9**	**620.0**
Changes in the Group equity as a result of the merger of Aktia plc with Aktia Bank plc 1.7.2013	69.1	-10.0			65.1	-124.3	0.0		0.0
Equity as at 1 July 2013	**163.0**	**0.3**	**85.8**	**1.2**	**128.4**	**176.3**	**555.1**	**64.9**	**620.0**
Total comprehensive income for the period 7-9			-2.7			14.9	12.2	-0.3	11.9
Other change in equity				0.2			0.2	0.3	0.2
Equity as at 30 September 2013	**163.0**	**0.3**	**83.2**	**1.3**	**128.4**	**191.2**	**567.5**	**64.6**	**632.1**

Consolidated cash flow statement

(EUR million)	1-9/2013	1-9/2012	Δ%	2012
Cash flow from operating activities				
Operating profit *)	54.3	55.2	-2%	65.6
Adjustment items not included in cash flow for the period	-14.7	-9.1	-61%	0.5
Unwound cash flow hedging	-	9.1	-	17.5
Unwound fair value hedging	-	-	-	92.1
Paid income taxes	-26.3	10.5	-	9.1
Cash flow from operating activities before change in receivables and liabilities	**13.3**	**65.8**	**-80%**	**184.8**
Increase (-) or decrease (+) in receivables from operating activities	-376.4	-387.1	3%	-127.6
Increase (+) or decrease (-) in liabilities from operating activities	67.3	74.0	-9%	36.0
Total cash flow from operating activities	**-295.9**	**-247.3**	**-20%**	**93.2**
Cash flow from investing activities				
Financial assets held until maturity	-51.5	9.9	-	9.9
Investments in group companies and associated companies	0.9	0.0	-	0.0
Proceeds from sale of group companies and associated companies	-	34.8	-	34.8
Investment in investment properties	-23.0	-9.2	-149%	-9.5
Investment in tangible and intangible assets	-5.9	-4.9	-19%	-6.5
Disposal of tangible and intangible assets	1.3	0.6	107%	1.6
Total cash flow from investing activities	**-78.2**	**31.2**	**-**	**30.3**
Cash flow from financing activities				
Subordinated liabilities	6.1	5.4	14%	11.1
Share issue/dividend of Aktia Real Estate Mortgage Bank plc to the non-controlling interest	-0.7	5.9	-	5.9
Divestment of own shares	0.4	0.0	-	0.0
Paid dividends	-24.0	-20.0	-20%	-20.0
Capital return	-9.3	-	-	-
Total cash flow from financing activities	**-27.4**	**-8.7**	**-214%**	**-3.0**
Change in cash and cash equivalents	**-401.6**	**-224.8**	**-79%**	**120.6**
Cash and cash equivalents at the beginning of the year	602.3	481.7	25%	481.7
Cash and cash equivalents at the end of the period	200.7	256.8	-22%	602.3
Cash and cash equivalents in the cash flow statement consist of the following items:				
Cash in hand	6.9	8.2	-16%	8.0
Insurance operation's cash and bank	1.1	0.5	118%	1.7
Bank of Finland current account	180.0	228.0	-21%	577.9
Repayable on demand claims on credit insitutions	12.7	20.2	-37%	14.6
Total	**200.7**	**256.8**	**-22%**	**602.3**
Adjustment items not included in cash flow consist of:				
Impairment of financial assets available for sale	1.3	1.2	6%	0.7
Write-downs on other financial assets	-	1.8	-	1.8
Write-downs on credits and other commitments	1.7	3.0	-44%	6.5
Change in fair values	0.7	-1.7	-	-0.3
Depreciation and impairment of intangible and tangible assets	5.1	5.3	-5%	7.2
Share of profit from associated companies	-0.2	-0.4	62%	-0.2
Sales gains and losses from intangible and tangible assets	-0.4	-10.9	96%	-11.1
Unwound cash flow hedging	-11.8	-8.2	-44%	-11.7
Unwound fair value hedging	-11.9	-	-	-1.3
Change in provisions	-	-	-	6.9
Change in fair values of investment properties	-	-	-	-0.1
Change in share-based payments	0.8	0.7	11%	1.9
Other adjustments	-	0.0	-	-
Total	**-14.7**	**-9.1**	**-61%**	**0.5**

*) Includes operating profit from both continuing and discontinued operations

Quarterly trends in the Group

(EUR million)	7-9/2013	4-6/2013	1-3/2013	10-12/2012	7-9/2012
Continuing operations					
Net interest income	26.9	28.3	30.1	29.3	28.7
Dividends	-	0.1	0.0	-	0.0
Net commission income	17.4	18.6	16.9	16.0	16.4
Net income from life insurance	6.5	5.6	7.6	8.3	5.5
Net income from financial transactions	1.8	1.9	2.2	3.1	-0.7
Net income from investment properties	0.0	0.4	0.0	0.2	0.0
Other operating income	0.9	0.8	0.8	1.5	0.6
Total operating income	**53.6**	**55.7**	**57.5**	**58.4**	**50.5**
Staff costs	-16.6	-18.8	-19.2	-20.0	-17.7
IT-expenses	-6.9	-8.1	-5.9	-12.6	-6.0
Depreciation of tangible and intangible assets	-1.7	-1.7	-1.7	-1.9	-1.7
Other operating expenses	-9.5	-10.6	-10.7	-11.5	-8.7
Total operating expenses	**-34.6**	**-39.2**	**-37.5**	**-46.0**	**-34.0**
Write-downs on other financial assets	-	-	-	-	-1.8
Write-downs on credits and other commitments	-0.2	-0.4	-1.1	-1.7	-1.8
Share of profit from associated companies	0.8	-1.0	0.6	-0.3	0.6
Operating profit from continuing operations	**19.6**	**15.1**	**19.5**	**10.4**	**13.4**
Taxes from continuing operations	-5.0	-4.1	-4.7	-4.1	-3.5
Profit for the period from continuing operations	**14.7**	**11.0**	**14.8**	**6.3**	**9.9**
Discontinued operations					
Profit for the period from discontinued operations	-	-	-	-	0.0
Profit for the period	**14.7**	**11.0**	**14.8**	**6.3**	**9.9**
Attributable to:					
Shareholders in Aktia Bank plc	14.9	10.8	14.8	6.1	9.8
Non-controlling interest	-0.2	0.3	0.0	0.2	0.2
Total	**14.7**	**11.0**	**14.8**	**6.3**	**9.9**
Earnings per share attributable to shareholders in Aktia Bank plc, EUR					
Earnings per share (EPS), continuing operations, EUR	0.22	0.16	0.22	0.09	0.15
Earnings per share (EPS), discontinued operations, EUR	-	-	-	0.00	0.00
Earnings per share (EPS), EUR	**0.22**	**0.16**	**0.22**	**0.09**	**0.15**
Earnings per share, EUR, after dilution					
Earnings per share (EPS), continuing operations, EUR	0.22	0.16	0.22	0.09	0.15
Earnings per share (EPS), discontinued operations, EUR	-	-	-	0.00	0.00
Earnings per share (EPS), EUR	**0.22**	**0.16**	**0.22**	**0.09**	**0.15**

Quarterly trends of comprehensive income

(EUR million)	7-9/2013	4-6/2013	1-3/2013	10-12/2013	7-9/2012
Continuing operations					
Profit for the period from continuing operations	14.7	11.0	14.8	6.3	9.9
Other comprehensive income after taxes:					
Change in valuation of fair value for financial assets available for sale	-0.4	-18.4	-3.3	-0.8	47.8
Change in valuation of fair value for financial assets held until maturity	0.8	0.8	0.8	0.2	-
Change in valuation of fair value for cash flow hedging	-3.0	-3.0	-2.9	3.2	-2.2
Transferred to the income statement for financial assets available for sale	-0.2	-2.0	-1.5	10.9	-0.1
Transferred to the income statement for cash flow hedging	-	-	-	-5.8	-
Defined benefit plan pensions	-	-	-	-0.6	-
Total comprehensive income for the period from continuing operations	**11.9**	**-11.6**	**7.7**	**13.5**	**55.5**
Discontinued operations					
Profit for the period from discontinued operations	-	-	-	-	0.0
Total comprehensive income for the period from discontinued operations	**-**	**-**	**-**	**-**	**0.0**
Total comprehensive income for the period	**11.9**	**-11.6**	**7.7**	**13.5**	**55.5**
Total comprehensive income attributable to:					
Shareholders in Aktia Bank plc	12.2	-12.1	7.4	13.5	54.6
Non-controlling interest	-0.3	0.5	0.3	0.0	0.9
Total	**11.9**	**-11.6**	**7.7**	**13.5**	**55.5**
Total earnings per share attributable to shareholders in Aktia Bank plc, EUR					
Total earnings per share, continuing operations, EUR	0.18	-0.18	0.11	0.20	0.82
Total earnings per share, discontinued operations, EUR	-	-	-	0.00	0.00
Total earnings per share, EUR	**0.18**	**-0.18**	**0.11**	**0.20**	**0.82**
Total earnings per share, EUR, after dilution					
Total earnings per share, continuing operations, EUR	0.18	-0.18	0.11	0.20	0.82
Total earnings per share, discontinued operations, EUR	-	-	-	0.00	0.00
Total earnings per share, EUR	**0.18**	**-0.18**	**0.11**	**0.20**	**0.82**

Notes to the Interim Report

NOTE 1. Basis for preparing the Interim Report and key accounting principles

Basis for preparing the Interim Report

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

The accounts announcement for the period 1 January – 30 September 2013 has been prepared in accordance with IAS 34 "Interim Financial Reporting". The Interim Report does not contain all the information and notes required for an annual report and should therefore be read together with the Aktia plc Group's annual report of 31 December 2012.

The Interim Report for the period 1 January – 30 September 2013 was approved by the Board of Directors on 7 November 2013.

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

Key accounting principles

In preparing the Interim Report the Group has followed the accounting principles applicable to the annual report of 31 December 2012.

As part of the Action Plan 2015 the Group has renewed its organisation, changed its business segments and simplified the group structure.

From 1 January 2013, the reported segments are Banking Business, Asset Management & Life insurance and Miscellaneous. The previous segments Asset Management and Life Insurance were combined into one segment, Asset Management & Life Insurance. Further, Private Banking and Institutional Banking were transferred from the previous segment Asset Management to the segment Banking Business. The segment Miscellaneous remained unchanged, but the new division of business segments had a marginal impact on eliminations. Comparative figures for the new segments were published in a Stock Exchange Release on 27 March 2013.

The legal merger of the Group's previous parent company Aktia plc with Aktia Bank plc on 1 July 2013 caused no significant changes in the Group's financial position or operations. The figures in the interim report are presented so that financial information concerning the current Group, with Aktia Bank plc as parent company, is compared with the same and completely comparable figures that were published for previous periods with Aktia plc as parent company of the Group. Profit for the period and cash flow statement for the period are presented as a combination of events and business transactions for the period 1 January – 30 June 2013 with Aktia plc as parent company of the Group and with Aktia Bank plc as parent company of the Group for the period 1 July – 30 September 2013. The change of parent company for the Group on 1 July 2013 only had an impact on the Group's balance sheet items within equity. The impact is shown under 'Consolidated statement of changes in equity' on page 18 in in the Interim report. Following the merger Aktia plc and its subsidiaries are included in the Aktia Bank plc Group. The impact on the earlier Aktia Bank plc Group's balance sheet is shown in Note 9 in the Interim report.

IFRS 7 specifies supplementary information to be disclosed on net accounting for financial assets and liabilities as of 1 January 2013. In the period, the Group has not used the opportunity of to set off financial assets and liabilities included in set-off agreements. The Group will review the use of set-off continuously.

IFRS 13 includes rules for definition of fair value and specifies the requirements on disclosure. The Group has completed the Interim report with the new requirements on disclosure in Note 5.

Note 2. Group's segment reporting

Income statement	Banking Business		Asset Management & Life Insurance		Miscellaneous		Eliminations		Group total	
(EUR million)	1-9/2013	1-9/2012	1-9/2013	1-9/2012	1-9/2013	1-9/2012	1-9/2013	1-9/2012	1-9/2013	1-9/2012
Net interest income	85.5	88.6	0.0	0.0	-0.3	-0.9	0.2	0.2	85.4	88.0
Net commission income	41.4	38.4	14.7	12.6	3.8	3.9	-7.0	-5.5	52.9	49.4
Net income from life insurance	-	-	18.3	18.0	-	-	1.4	1.0	19.7	19.0
Other income	6.0	2.0	0.0	0.1	4.5	3.2	-1.7	-2.1	8.9	3.2
Total operating income	**132.9**	**129.0**	**32.9**	**30.7**	**8.0**	**6.2**	**-7.0**	**-6.4**	**166.9**	**159.5**
Staff costs	-28.4	-30.0	-7.5	-7.7	-18.2	-17.2	-0.6	-0.4	-54.6	-55.3
IT-expenses	-11.1	-11.2	-1.4	-1.2	-8.4	-6.4	-	-	-20.9	-18.8
Depreciation of tangible and intangible assets	-1.3	-1.5	-0.7	-0.9	-3.1	-2.8	-	-	-5.1	-5.2
Other expenses	-49.9	-46.5	-6.6	-6.0	18.7	16.8	6.9	6.9	-30.8	-28.8
Total operating expenses	**-90.6**	**-89.2**	**-16.2**	**-15.8**	**-11.0**	**-9.7**	**6.4**	**6.4**	**-111.3**	**-108.2**
Write-downs on credits and other commitments	-1.7	-4.6	-	-	-	-	-	-	-1.7	-4.6
Share of profit from associated companies	-	-	-	-	-	-	0.4	0.8	0.4	0.8
Operating profit from continuing operations	**40.7**	**35.2**	**16.8**	**14.9**	**-3.0**	**-5.1**	**-0.2**	**0.6**	**54.3**	**45.6**

Balance sheet	Banking Business		Asset Management & Life Insurance		Miscellaneous		Eliminations		Group total	
(EUR million)	30.9.2013	31.12.2012	30.9.2013	31.12.2012	30.9.2013	31.12.2012	30.9.2013	31.12.2012	30.9.2013	31.12.2012
Cash and balances with central banks	186.9	585.9	14.4	15.5	-	-	-13.3	-13.7	188.0	587.6
Financial assets reported at fair value via the income statement	-	-	0.0	0.1	-	-	-	-	0.0	0.1
Financial assets available for sale	2,047.1	1,468.9	594.7	640.8	3.7	5.8	-9.2	-8.8	2,636.2	2,106.7
Financial assets held until maturity	396.3	350.0	-	-	-	-	-	-	396.3	350.0
Loans and other receivables	7,089.1	7,406.6	10.2	7.5	0.2	3.3	-10.2	-57.1	7,089.3	7,360.2
Investments for unit-linked provisions	-	-	438.1	360.9	-	-	-	-	438.1	360.9
Other assets	266.4	363.4	72.7	51.7	189.6	423.0	-127.6	-363.3	401.1	474.7
Total assets	**9,985.8**	**10,174.7**	**1,130.1**	**1,076.4**	**193.5**	**432.0**	**-160.4**	**-443.0**	**11,149.1**	**11,240.2**
Deposits	4,830.3	4,714.1	-	-	0.0	0.0	-24.8	-25.1	4,805.5	4,689.0
Debt securities issued	3,920.2	3,887.8	-	-	-	-	-9.2	-8.8	3,910.9	3,878.9
Technical provision for insurance business	-	-	944.8	878.5	-	-	-	-	944.8	878.5
Other liabilities	721.2	985.6	30.0	34.4	215.2	261.4	-110.7	-145.0	855.7	1,136.3
Total liabilities	**9,471.7**	**9,587.5**	**974.8**	**912.9**	**215.2**	**261.4**	**-144.7**	**-178.9**	**10,517.0**	**10,582.8**

Note 3. Derivatives and off-balance sheet commitments

Hedging derivative instruments (EUR million)

30.9.2013	Total nominal amount	Assets, fair value	Liabilities, fair value
Fair value hedging			
Interest rate-related	3,294.0	94.8	25.2
Total	**3,294.0**	**94.8**	**25.2**
Cash flow hedging			
Interest rate-related	75.0	0.4	-
Total	**75.0**	**0.4**	**-**
Derivative instruments valued via the income statement			
Interest rate-related *)	3,565.5	110.3	109.6
Currency-related	41.9	0.2	0.3
Equity-related **)	72.0	3.0	3.0
Other derivative instruments **)	20.8	0.0	0.0
Total	**3,700.1**	**113.4**	**112.8**
Total derivative instruments			
Interest rate-related	6,934.5	205.5	134.8
Currency-related	41.9	0.2	0.3
Equity-related	72.0	3.0	3.0
Other derivative instruments	20.8	0.0	0.0
Total	**7,069.1**	**208.6**	**138.1**

Hedging derivative instruments (EUR million)

31.12.2012	Total nominal amount	Assets, fair value	Liabilities, fair value
Fair value hedging			
Interest rate-related	2,837.0	149.8	34.3
Total	**2,837.0**	**149.8**	**34.3**
Cash flow hedging			
Interest rate-related	75.0	0.1	-
Total	**75.0**	**0.1**	**-**
Derivative instruments valued via the income statement			
Interest rate-related *)	4,280.1	150.0	149.1
Currency-related	53.6	0.6	1.2
Equity-related **)	102.2	1.7	1.7
Other derivative instruments **)	20.8	0.1	0.1
Total	**4,456.6**	**152.4**	**152.0**
Total derivative instruments			
Interest rate-related	7,192.1	299.8	183.4
Currency-related	53.6	0.6	1.2
Equity-related	102.2	1.7	1.7
Other derivative instruments	20.8	0.1	0.1
Total	**7,368.6**	**302.2**	**186.4**

*) Interest-linked derivatives include interest rate hedging provided for local banks which after back-to-back hedging with third parties amounted to EUR 3,496.0 (4,210.0) million.
**) All equity-related and other derivative instruments relate to the hedging of structured debt products.

Off-balance sheet commitments

(EUR million)	30.9.2013	31.12.2012	30.9.2012
Commitments provided to a third party on behalf of the customers			
Guarantees	33.0	34.6	40.0
Other commitments provided to a third party	2.2	3.4	2.7
Irrevocable commitments provided on behalf of customers			
Unused credit arrangements	292.3	302.5	381.7
Other commitments provided to a third party	2.4	2.7	2.9
Off-balance sheet commitments	**330.0**	**343.1**	**427.4**

Note 4. Group's risk exposure

Bank Group's capital adequacy

(EUR million)

Summary	9/2013	6/2013	3/2013	12/2012	9/2012
Tier 1 capital	437.5	436.9	432.0	426.4	440.4
Tier 2 capital	245.8	299.0	306.2	303.8	302.1
Capital base	**683.3**	**735.9**	**738.2**	**730.2**	**742.5**
Risk-weighted amount for credit and counterpart risks	3,202.2	3,263.0	3,321.4	3,248.9	3,355.6
Risk-weighted amount for market risks[1]	-	-	-	-	-
Risk-weighted amount for operational risks	377.2	362.3	362.3	362.3	372.3
Risk-weighted commitments	**3,579.4**	**3,625.3**	**3,683.7**	**3,611.2**	**3,727.9**
Capital adequacy ratio, %	**19.1**	**20.3**	**20.0**	**20.2**	**19.9**
Tier 1 Capital ratio, %	**12.2**	**12.1**	**11.7**	**11.8**	**11.8**
Minimum capital requirement	**286.3**	**290.0**	**294.7**	**288.9**	**298.2**
Capital buffer (difference between capital base and minimum requirement)	396.9	445.8	443.5	441.3	444.3

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)

Capital base	9/2013	6/2013	3/2013	12/2012	9/2012
Share capital	163.0	163.0	163.0	163.0	163.0
Funds	143.1	74.6	74.6	74.6	74.6
Non-controlling interest	64.6	64.9	65.1	64.8	64.8
Retained earnings	79.0	97.4	96.0	100.9	100.9
Profit for the period	37.6	21.9	11.7	23.4	25.3
./. provision for dividends to shareholders	-18.7	-12.4	-6.2	-28.3	-15.9
Capital loan	-	30.0	30.0	30.0	30.0
Total	468.6	439.3	434.2	428.4	442.8
./. intangible assets	-12.0	-2.5	-2.2	-2.0	-2.3
./. shares in insurance companies	-19.2	-	-	-	-
Tier 1 capital	**437.5**	**436.9**	**432.0**	**426.4**	**440.4**
Fund at fair value	36.6	35.6	45.2	45.6	36.9
Upper Tier 2 loans	-	45.0	45.0	45.0	45.0
Lower Tier 2 loans	228.3	218.4	216.0	213.2	220.2
./. shares in insurance companies	-19.2	-	-	-	-
Tier 2 capital	**245.8**	**299.0**	**306.2**	**303.8**	**302.1**
Total capital base	**683.3**	**735.9**	**738.2**	**730.2**	**742.5**

Bank Group's credit and counterparty risks

Total exposures 9/2013 (EUR million)

Risk-weight	Balance sheet assets	Off-balance sheet commitments	Total
0%	1,164.6	22.3	1,187.0
10%	1,407.5	-	1,407.5
20%	691.8	140.0	831.8
35%	5,542.7	50.1	5,592.8
50%	0.8	-	0.8
75%	485.8	79.1	564.9
100%	534.4	35.4	569.8
150%	14.3	0.6	14.9
Total	**9,841.9**	**327.6**	**10,169.5**
Derivatives *)	245.5	-	245.5
Total	**10,087.4**	**327.6**	**10,414.9**

Risk-weighted exposures					(EUR million)
Risk-weight	**9/2013**	**6/2013**	**3/2013**	**12/2012**	**9/2012**
0%	-	-	-	-	-
10%	140.8	137.6	118.9	125.5	133.6
20%	144.2	153.0	167.2	120.3	145.6
35%	1,946.7	1,976.7	2,011.7	2,025.2	2,023.4
50%	0.4	0.4	0.0	0.1	0.3
75%	379.7	400.8	418.1	428.9	437.9
100%	552.0	555.4	565.8	502.5	567.8
150%	21.8	22.2	20.9	25.9	20.3
Total	**3,185.7**	**3,246.2**	**3,302.5**	**3,228.3**	**3,328.8**
Derivatives *)	16.5	16.8	19.0	20.6	26.8
Total	**3,202.2**	**3,263.0**	**3,321.4**	**3,248.9**	**3,355.6**

*) 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 goverments and central banks, credit institutions, investment firms, corporates 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.

Bank Group's risk-weighted amount for operational risks

								(EUR million)
Year	**2012**	**2011**	**2010**	**9/2013***	**6/2013**	**3/2013**	**12/2012**	**9/2012**
Gross income	195.2	199.8	208.5					
- average 3 years	201.1							
Capital requirement for operational risk				**30.2**	**29.0**	**29.0**	**29.0**	**29.8**
Risk-weighted amount				**377.2**	**362.3**	**362.3**	**362.3**	**372.3**

* Recalculated after Aktia Bank plc's merger with Aktia plc.

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

					(EUR million)
Summary	**9/2013**	**6/2013**	**3/2013**	**12/2012**	**9/2012**
The Group's equity	632.1	620.0	665.4	657.4	643.7
Sector-specific assets	228.3	263.4	261.0	258.2	265.4
Intangible assets and other reduction items	-217.9	-213.6	-244.9	-241.4	-222.5
Conglomerate´s total capital base	**642.4**	**669.9**	**681.5**	**674.2**	**686.6**
Capital requirement for banking business	286.3	291.8	296.5	290.8	300.1
Capital requirement for insurance business	38.4	38.3	38.4	38.1	37.5
Minimum amount for capital base	**324.7**	**330.1**	**334.9**	**328.8**	**337.5**
Conglomerate´s capital adequacy	**317.8**	**339.8**	**346.6**	**345.4**	**349.1**
Capital adequacy ratio, %	**197.9%**	**202.9 %**	**203.5 %**	**205.1 %**	**203.4 %**

The conglomerate´s capital adequacy is based on consolidation method and is calculated according to the rules of the Finnish Act on the Supervision of Financial and Insurance Conglomerates and the standards of the Finnish Financial Supervision Authority.

Note 5. Financial assets and liabilities

Fair value of financial assets and liabilities

	30.9.2013		31.12.2012	
Financial assets (EUR million)	**Book value**	**Fair value**	**Book value**	**Fair value**
Cash and balances with central banks	188.0	188.0	587.6	587.6
Financial assets reported at fair value via the income statement	0.0	0.0	0.1	0.1
Financial assets available for sale	2,636.2	2,636.2	2,106.7	2,106.7
Financial assets held until maturity	396.3	395.4	350.0	349.7
Derivative instruments	208.6	208.6	302.2	302.2
Loans and other receivables	7,089.3	6,874.5	7,360.2	7,164.7
Total	**10,518.5**	**10,302.7**	**10,706.8**	**10,510.9**

	30.9.2013		31.12.2012	
Financial liabilities (EUR million)	**Book value**	**Fair value**	**Book value**	**Fair value**
Deposits	4,805.5	4,734.5	4,689.0	4,621.5
Derivative instruments	138.1	138.1	186.4	186.4
Debt securities issued	3,910.9	3,943.0	3,878.9	3,918.5
Subordinated liabilities	275.6	280.4	268.2	272.6
Other liabilities to credit institutions	100.5	102.8	290.9	290.8
Other liabilities to the public and public sector entities	112.5	112.5	146.7	146.8
Total	**9,343.2**	**9,311.3**	**9,460.1**	**9,436.5**

In the table, the fair value and the book value of the financial assets and liabilities, are presented by balance sheet item. The fair values are determined both for agreements with fixed and variable interest rates. The fair values are calculated without accrued interest and without the effect of possible hedging derivatives attributable to the balance sheet item.

Fair values on investment assets are primarily determined by market prices quoted on the active market. If quoted market prices are not available, the value of the balance sheet items is mainly determined by discounting future cash flows using market interest rates on the day the accounts were closed. In addition to the credit risk profile of current stock, costs for re-financing are considered in the discount rate when determing fair values on loans. For cash and balances with central banks, the nominal value is used as fair value.

For deposits repayable on demand, the nominal value is assumed to be equivalent to the fair value. Deposits with maturity are determined by discounting future cash flows at market interest rates on the day the accounts were closed. The fair value of issued debts is mainly determined based on quotes on the market. In the discount rate for unquoted issued debts and subordinated liabilities, a marginal corresponding the seniority of the instrument is applied.

Derivatives are valued at fair value corresponding to quotes on the market.

Measurement of financial assets at fair value

Level 1 consists of financial instruments that are valued using prices listed on an active market. In an active market transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis. This category includes listed bonds and other securities, listed equity instruments and derivatives, for which tradable price quotes exist.

Level 2 consists of financial instruments that do not have directly accessible listed prices from an effective market. The fair value has been determined by using valuation techniques, which are based on assumptions supported by observable market prices. Such market information may for example be listed interest rates or prices for closely related instruments. This category includes the majority of OTC derivative instruments, as well as many other instruments that are not traded on an active market.

Level 3 consists of financial instruments for which the fair value cannot be obtained directly from quoted market prices or indirectly by using valuation techniques or models supported by observable market prices on rates. This category mainly includes unlisted equity instruments and funds, and other unlisted funds and securities where there currently are no fixed prices.

	30.9.2013 Fair value classified into				31.12.2012 Fair value classified into			
Financial instruments measured at fair value (EUR million)	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets valued via the income statement								
Interest-bearing securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shares and participations	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.1**	**0.1**
Financial assets available for sale								
Interest-bearing securities	2,143.4	320.1	75.1	2538.7	1,946.9	43.3	21.5	2,011.7
Shares and participations	44.4	0.0	53.5	97.9	39.2	0.0	55.8	95.0
Total	**2,187.9**	**320.1**	**128.6**	**2,636.6**	**1,986.1**	**43.3**	**77.2**	**2,106.7**
Derivative instrument, net	-0.1	70.7	0.0	70.6	-0.6	116.5	0.0	115.9
Totalt	**-0.1**	**70.7**	**0.0**	**70.6**	**-0.6**	**116.5**	**0.0**	**115.9**
Total	**2,187.7**	**390.8**	**128.6**	**2,707.2**	**1,985.5**	**159.8**	**77.3**	**2,222.6**

Transfers between level 1 and 2

"Transfers between levels may occur when there are indications of changes in market conditions, e.g. when instruments cease to be actively traded. During the reporting period interest-bearing securities worth EUR 52,5 million were moved from level 2 to level 1 due to increased market activity. In addition, interest-bearing securities worth EUR 101 million were moved from level 1 to level 2 due to decreased trading. The rest of the increase in level 2 is purely due to an increase in business volumes especially for domestic commercial papers and to some specific bank senior bonds."

Aktia Group`s Risk control has the responsibility for classifying financial instrument into level 1, 2 or 3. The valuation process, which is made on an ongoing basis, is the same for financial instruments in all levels. The process determines to which level a financial instrument will be classified. In cases where internal assumptions have a material impact on fair value, the financial instrument is reported in level 3. The process also includes an evaluation based on the quality of the valuation data, if a class of financial instrument is to be transferred between levels.

Changes within level 3

The following table shows a reconciliation from period to period of level 3 Financial assets reported at fair value.

Reconciliation of the changes taken place for financial instruments which belong to level 3	Financial assets valued via the income statement			Financial assets available for sale			Total		
(EUR million)	Interest-bearing securities	Shares and partici-pations	Total	Interest-bearing securities	Shares and partici-pations	Total	Interest-bearing securities	Shares and partici-pations	Total
Carrying amount 1.1.2013	**0.0**	**0.1**	**0.1**	**21.5**	**55.8**	**77.2**	**21.5**	**55.8**	**77.3**
New purchases	0.0	0.0	**0.0**	50.7	0.0	**50.7**	50.7	0.0	**50.7**
Sales	0.0	0.0	**0.0**	0.0	-2.3	**-2.3**	0.0	-2.3	**-2.3**
Matured during the year	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Realised value change in the income statement	0.0	0.0	**0.0**	0.0	-1.3	**-1.3**	0.0	-1.3	**-1.3**
Unrealised value change in the income statement	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Value change recognised in the total comprehensive income	0.0	0.0	**0.0**	0.0	1.3	**1.3**	0.0	1.3	**1.3**
Transfer from level 1 and 2	0.0	0.0	**0.0**	3.0	0.0	**3.0**	3.0	0.0	**3.0**
Transfer to level 1 and 2	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Carrying amount 30.9.2013	**0.0**	**0.0**	**0.0**	**75.1**	**53.5**	**128.6**	**75.1**	**53.5**	**128.6**

Transfers from level 1 and 2 refer to bonds issued by domestic municipals which were earlier reported under level 2. The transfer to level 3 is due to the illiquidity these bonds face on the market.

Sensitivity analysis for level 3 Financial instruments
The value of financial instruments reported at fair value in the balance sheet includes instruments, that have been valued partly or in total, using techniques based on assumptions not supported by observable market prices.

This information shows the effect that relative uncertainty can have on the fair value of financial instruments whose valuation is dependent on non-observable parameters. The information should not be seen as predictions or as an indication of future changes in fair value.

The following table shows the sensitivity of fair value in level 3 instruments in the event of market changes. Interest-bearing securities have been tested by assuming a 3 percantage points parallel shift of the interest rate in all maturities. At the same time the market prices for shares and participations are assumed to change by 20%, with exception for Suomen Luotto-osuuskunta, which is valued based on its lowest estimated value of the return of capital after the sale of its subsidiary Nets Oy (previously known as Luottokunta).These assumptions would mean a result or valuation effect via the fund at fair value corresponding to 1,8 (1.6)% of the Group's own funds.

Sensitivity analysis for financial instruments belonging to level 3	30.9.2013 Effect at an assumed movement			31.12.2012 Effect at an assumed movement		
	Carrying amount	Positive	Negative	Carrying amount	Positive	Negative
Financial assets valued via the income statement						
Interest-bearing securities	0.0	0.0	0.0	0.0	0.0	0.0
Shares and participations	0.0	0.0	0.0	0.1	0.0	0.0
Total	**0.0**	**0.0**	**0.0**	**0.1**	**0.0**	**0.0**
Financial assets available for sale						
Interest-bearing securities	75.1	2.3	-2.3	21.5	0.6	-0.6
Shares and participations	53.5	10.1	-10.1	55.8	10.2	-10.2
Total	**128.6**	**12.4**	**-12.4**	**77.2**	**10.8**	**-10.8**
Total	**128.6**	**12.4**	**-12.4**	**77.3**	**10.8**	**-10.8**

Note 6. Net interest income

(EUR million)	1-9/2013	1-9/2012	Δ %	2012
Deposits and lending	30.0	43.6	-31%	55.1
Hedging, interest rate risk management	33.1	21.8	52%	30.8
Other	22.2	22.5	-1%	31.4
Net interest income	**85.4**	**88.0**	**-3%**	**117.3**

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 net interest income.

Note 7. Gross loans and write-downs

(EUR million)	30.9.2013	30.6.2013	31.3.2013	31.12.2012	30.9.2012
Gross loans	6,911.5	7,050.3	7,198.2	7,266.4	7,315.3
Individual write-downs	-51.6	-51.0	-50.8	-50.3	-47.8
Of which made to non-performing loans past due at least 90 days	-40.7	-40.1	-41.4	-40.1	-39.4
Of which made to other loans	-10.9	-10.9	-9.4	-10.2	-8.4
Write-downs by group	-14.1	-14.5	-14.8	-14.5	-15.9
Net loans, balance amount	**6,845.8**	**6,984.9**	**7,132.6**	**7,201.6**	**7,251.6**

Note 8. Net income from life insurance

(EUR million)	1-9/2013	1-9/2012	Δ %	2012
Income from insurance premiums	107.4	71.3	51%	110.7
Net income from investments	20.0	22.5	-11%	37.9
Insurance claims paid	-58.9	-66.1	11%	-96.7
Net change in technical provisions	-48.9	-8.7	-460%	-24.6
Net income from life insurance	**19.7**	**19.0**	**4%**	**27.3**

Note 9. Balance sheet as at 1 July 2013 for Aktia Bank plc Group

The merger of Aktia plc with Aktia Bank plc was an absorption merger, in which the parent company Aktia plc merged with the subsidiary Aktia Bank plc. In connection with the implementation of the merger, assets and liabilities were transferred at their book value. Aktia Bank plc entered the assets and liabilities received in connection with the implementation of the merger at their book value. The merger involved booking of a merger difference in Aktia Bank plc. The merger difference was based on Aktia plc's equity. The book value of the own shares reduced the receiving company Aktia Bank plc's equity. The merger difference, based upon the book values of the participating companies at the time of the merger, amounted to EUR 53,876,632.16. The merger difference was booked according to accounting rules and was entered in the unrestricted equity reserve. The table below describes the effects of the merger on Aktia Bank plc Group balance sheet 1 July 2013.

(EUR million)	Aktia Bank plc Group before merger	Aktia plc and its subsidiaries	Merger adjustments	Ref.	Aktia Bank plc Group after merger
Cash and balances with central banks	447.8	14.9	-14.2	a)	448.5
Financial assests reported at fair value via the income statement	-	0.0	-		0.0
Financial assets available for sale	2,060.5	594.3	-7.3	a)	2,647.6
Financial assets held until maturity	355.7	-	-		355.7
Derivative instruments	210.5	0.0	0.0	a)	210.5
Loans and other receivables	7,141.0	4.3	-50.8	a)	7,094.5
Investments for unit-linked provisions	-	412.7	-		412.7
Investments in associated companies	0.0	17.5	0.8	b)	18.4
Investments in group companies	-	316.9	-316.9	b)	-
Intangible assets	2.5	12.5	-		15.0
Investment properties	0.2	50.8	-		51.0
Other tangible assets	4.2	1.1	-		5.3
Other assets	65.0	16.1	-6.2	a)	74.9
Tax receivables	22.2	1.6	-		23.8
Assets classified as held for sale	-	2.5	-1.2	a)	1.2
Total assets	**10,309.5**	**1,445.3**	**-395.7**		**11,359.2**
Deposits	4,878.4	-	-19.7	a)	4,858.7
Financial liabilities reported at fair value via the income statement	-	-	-		-
Derivative instruments	145.4	0.0	0.0	a)	145.4
Other financial liabilities	4,565.5	46.5	-83.8	a) b)	4,528.2
Technical provisions	-	922.5	-		922.5
Other liabilities	201.3	20.7	-6.2	a)	215.8
Provisions	6.9	-	-		6.9
Tax liabilities	45.0	16.5	-		61.5
Liabilities for assets classified as held for sale	-	0.2	-		0.2
Total liabilities	**9,842.4**	**1,006.4**	**-109.6**		**10,739.1**
Restricted equity	208.4	63.9	-23.1	b)	249.1
Unrestricted equity	193.9	375.0	-262.9	b)	306.0
Shareholders' share of equity	402.2	438.9	-286.0		555.1
Non-controlling interest's share of equity	64.9	-	-		64.9
Equity	467.2	438.9	-286.0		620.0
Total liabilities and equity	**10,309.5**	**1,445.3**	**-395.7**		**11,359.2**
a) Eliminations of intra-group items:					
Cash and balances with central banks	-14.2				
Financial assets available for sale	-7.3				
Derivative instruments	0.0				
Loans and other receivables	-50.8				
Other assets	-6.2				
Assets classified as held for sale	-1.2				
Assets	**-79.6**				
Deposits	-19.7				
Derivative instrument	0.0				
Other financial liabilities	-53.8				
Other liabilities	-6.2				
Liabilities	**-79.6**				
b) Intra-group equity eliminations					
Investments in associated companies	0.8				
Investments in group companies	-316.9				
Assets	**-316.0**				
Other financial liabilities / Capital loan	-30.0				
Merger difference	53.9				
Restricted equity	-77.0				
Unrestricted equity	-262.9				
Equity	**-286.0**				
Other financial liabilities and equity	**-316.0**				

Helsinki 7 November 2013

AKTIA BANK PLC

The Board of Directors

TRANSLATION

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

Report on review of the interim report of Aktia Bank p.l.c group as of and for the nine months period ending September 30, 2013

Introduction

We have reviewed the balance sheet as of 30 September 2013 and the combined income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement of Aktia Bank p.l.c. group for the nine-month period, 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 regulations governing the preparation of interim reports. We will express our conclusion on the interim report based on our review.

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 and 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 consequently does not enable us 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.

Conclusion

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 consolidated financial position as at 30 September 2013 and the consolidated 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 regulations governing interim financial reporting preparation in Finland.

Helsinki 7 November 2013

KPMG Oy Ab

Jari Härmälä
Authorized Public Accountant

12 February 2014	Annual accounts announcement 2013
6 May 2014	Interim report Jan - March 2014
7 April 2014	Annual General Meeting
5 August 2014	Interim report Jan - June 2014
4 November 2014	Interim report Jan - Sep 2014

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