

# Aktia

## AKTIA PLC

### INTERIM REPORT

### JAN-MARCH 2013

## OPERATING PROFIT IMPROVED BY 36%, CHALLENGES REMAIN

### CEO JUSSI LAITINEN

"Aktia had a good start of the year. Net interest income increased, commission income improved, and costs were kept under control. Customer relations are our highest priority, and we work hard to further improve our customer service. Aktia's Plan of Action 2015 proceeds on several fronts, the simplifying of Group structure and the merger of Aktia plc and Aktia Bank plc will be carried out during the summer.

However, there are clouds gathering over the Finnish economy, making the business environment difficult to predict. Consumers already experience the stricter rules for lending. The new banking tax will cost Aktia approx. EUR 2.4 million per annum, and stricter regulation will tighten requirements for effectiveness."

### JANUARY-MARCH 2013: OPERATING PROFIT EUR 19.5 (14.3) MILLION

- Group operating profit from continuing operations improved to EUR 19.5 (14.3) million.
- Profit for the period from continuing operations amounted to EUR 14.8 (10.2) million.
- Earnings per share stood at EUR 0.22 (0.29), of which earnings per share from continuing operations was EUR 0.22 (0.15).
- The capital adequacy ratio strengthened to 20.0 (31.12.2012: 20.2)% and the Tier 1 capital ratio to 11.7 (11.8)%.
- NAV was EUR 9.02 (31.12.2012: EUR 8.91).
- Total net interest income rose to EUR 30.1 (29.6) million.
- Write-downs on credits and other commitments decreased by 41% to EUR 1.1 (1.9) million.
- OUTLOOK: Despite the probably persistent low interest rate level and one-off costs from the Plan of Action 2015, the Group's operating profit from continuing operations for 2013 is expected to reach approximately the 2012 level.

KEY FIGURES (EUR million)	1-3/2013	1-3/2012	Δ %	10-12/2012	Δ %	2012	7-9/2012	4-6/2012
Net interest income	30.1	29.6	2%	29.3	3%	117.3	28.7	29.7
Total operating income	57.5	53.2	8%	58.4	-2%	217.9	50.5	55.8
Total operating expenses	-37.5	-36.7	2%	-46.0	18%	-154.2	-34.0	-37.5
Operating profit before write downs on credits, continuing operations	20.6	16.2	27%	12.1	70%	62.4	15.2	18.8
Write-downs on credits and other commitments	-1.1	-1.9	-41%	-1.7	36%	-6.4	-1.8	-1.0
Operating profit from continuing operations	19.5	14.3	36%	10.4	88%	56.0	13.4	17.9
Cost-to-income ratio	0.67	0.68	-1%	0.89	-25%	0.74	0.69	0.69
Earnings per share (EPS), EUR	0.22	0.29	-23%	0.09	142%	0.74	0.15	0.21
Equity per share (NAV) <sup>1</sup> , EUR	9.02	7.89	14%	8.91	1%	8.91	8.70	7.88
Return on equity (ROE), %	8.9	14.1	-37%	3.9	130%	8.5	6.4	9.7
Capital adequacy ratio <sup>1</sup> , %	20.0	18.1	11%	20.2	-1%	20.2	19.9	18.9
Tier 1 capital ratio <sup>1</sup> , %	11.7	11.3	3%	11.8	-1%	11.8	11.8	11.7
Write-downs on credits / total credit stock, %	0.02	0.03	-33%	0.02	0%	0.09	0.02	0.01

1) At the end of the period

The Interim Report January-March 2013 is a translation of the original Swedish version "Delårsrapport 1.1-31.3.2013". In case of discrepancies, the Swedish version shall prevail.

# ACTIVITY IN January-March 2013

## Business environment

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

According to Statistics Finland, inflation stood at 1.7% in March. In February, inflation was 1.7% and in January 1.6%. In March 2012, inflation stood at 2.9%.

The index of consumer confidence in the economy strengthened slightly in March to reach 10.2 (8.0). In February it stood at 9.6 (8.3) and in January at 4.5 (3.4). The long-term average was 12.5. (*Statistics Finland*)

Real estate prices in Finland rose during the first quarter by 2.2% for the whole country, and by 4.4% in the Helsinki region, compared with the same period in 2012. Outside the Helsinki region, prices rose by 0.4%. 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 9.0% in March 2013, 0.5% percentage points less than a year ago. (*Statistics Finland*).

The Nasdaq OMX Helsinki 25 index rose by 1% in the period January to March 2013.

Key figures Y-o-y, %	2014E*	2013E*	2012
<b>GDP growth</b>			
World	3.9	3.4	3.2
Euro area	1.1	-0.3	-0.6
Finland	1.6	0.1	-0.2
<b>Consumer price index</b>			
Euro area	1.7	1.8	2.5
Finland	2.2	2.1	2.9
<b>Other key ratios</b>			
Development of real value of housing in Finland <sup>1</sup>	0.0	0.0	3.7
Unemployment in Finland <sup>2</sup>	8.0	8.2	7.8
OMX Helsinki 25	-	-	11.0
<b>Interest rates<sup>1</sup></b>			
ECB	1.50	0.75	0.75
10-y Interest Ger (=benchmark)	2.50	2.00	1.32
Euribor 12 months	1.90	1.10	0.54
Euribor 3 months	1.60	0.50	0.19

\* Aktia's chief economist's prognosis

<sup>1</sup> at the end of the year

<sup>2</sup> annual average

## Rating

On 28 March 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 23 April 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), both with an up-graded stable (negative) outlook.

	Long-term borrowing	Short-term borrowing	Outlook	Updated
Moody's Investors Service	A3	P-2	neg	23.4.2013
Standard & Poor's	A-	A-2	neg	28.3.2013

## Plan of Action 2015

On 8 November 2012, Aktia's Board of Directors decided to introduce a plan of action and updated the financial objectives up until 2015. The update is motivated by the new business climate, which is characterised by extremely low interest rates and new regulations. The plan of action includes several individual measures and will be realised in steps up until 2015.

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

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, concluding them at the beginning of 2015.

Aktia plc and Aktia Bank plc will merge, with effect from 1 July 2013. Following the merger, Aktia Bank plc will be the listed company.

On 7 March 2013, Aktia Bank was granted a mortgage bank concession, and intends to issue its first covered bonds during 2013.

As part of the Plan of Action 2015, the Group has made organisational changes, and since 1 January 2013 a new segment structure applies. Continuing operations cover the following three segments: Banking Business, Asset Management & Life Insurance and Miscellaneous.

## Profit January - March 2013

Group operating profit from continuing operations improved by 36% from the year before, to EUR 19.5 (14.3) million. Group profit from continuing operations amounted to EUR 14.8 (10.2) million.

### Income

The Group's total income increased by 8% to EUR 57.5 (53.2) million.

Despite low market interest rates, total net interest income was stable and stood at EUR 30.1 (29.6) million.

Both derivatives and fixed-rate instruments are utilised to manage interest rate risks. These hedging measures, which are used by Aktia Bank to limit its interest rate risk, earned net interest income of EUR 11.1 (7.2) million.

Net commission income increased by 8% to EUR 16.9 (15.7) million. Commission income from mutual funds, asset management and securities brokerage increased by 14% to EUR 11.3 (9.9) million. Card and other payment service commissions fell to EUR 4.1 (4.4) million.

Net income from life insurance rose to EUR 7.6 (6.2) million, thanks to better technical profitability and improved net income from investments.

Net income from financial transactions was EUR 2.2 (0.3) million.

Other operating income was EUR 0.8 (1.4) million.

### Expenses

Group operating expenses increased by 2% to EUR 37.5 (36.7) million. Of this, staff costs amounted to EUR 19.2 (18.6) million. This increase is mainly attributable to greater results-related remunerations.

IT costs decreased by 8% to EUR 5.9 (6.4) million.

Other operating expenses increased by 8% to EUR 10.7 (9.9) million. Expenses for preparation of the merger between Aktia plc and Aktia Bank plc amounted to EUR 0.4 million. A new cost incurred from 2013 is the bank tax levied on Finnish deposit banks, to be paid 2013–2015. For the first quarter, this cost amounted to EUR 0.6 million.

Depreciation of tangible and intangible assets decreased by 5% to EUR 1.7 (1.8) million.

### Write-downs on credits and other commitments

Write-downs on credits and other commitments decreased by 41% during the first quarter of 2013, totalling EUR 1.1 (1.9) million.

## Balance sheet and off-balance sheet commitments

The Group's balance sheet total at the end of March amounted to EUR 11,138 (11,240) million.

### Liquidity

The Bank Group's liquidity portfolio, which consists of interest-bearing securities, amounted to EUR 2,033 (1,852) million. The liquidity portfolio was financed with repurchase agreements to a value of EUR 107 (107) million. In addition to this, the bank holds other interest-bearing securities for a value of EUR 10 (10) million.

At the end of March, the Bank Group's liquidity buffer was approximately equivalent to the estimated outgoing cash flow for 15 months.

### Borrowing

Deposits from the public and public sector entities was stable and amounted to EUR 3,632 (3,631) million. Aktia's market share of deposits was 3.5 (3.4)%.

The Aktia Group's outstanding bonds amounted to a total value of EUR 3,552 (3,540) million. Of these bonds EUR 3,089 (3,104) million were covered bonds issued by the Aktia Real Estate Mortgage Bank plc.

Outstanding Aktia Bank plc certificates of deposit amounted to EUR 430 million at the end of March. During the period, Aktia Bank plc issued new subordinated loans with a total value of EUR 25 million. After the period, in April, Aktia Bank issued long-term collateralised bonds ('Schuldscheindarlehen') at a value of EUR 50 million.

## Lending

Group total lending to the public amounted to EUR 7,133 (7,202) million at the end of March, a decrease of EUR 69 million.

Loans to private households, including mortgages brokered by local savings banks and POP Banks, accounted for EUR 6,177 (6,222) million or 86.6 (86.4)% of the total loan stock.

The housing loan stock stood at EUR 5,807 (5,850) million of which the share for households was EUR 5,423 (5,458) million. Aktia's market share of housing loans to households stood at 4.3 (4.3)% at the end of March.

Corporate lending accounted for 9.1 (9.3)% of Aktia's credit stock. Total corporate lending amounted to EUR 649 (666) million.

Loans granted to housing associations amounted to EUR 264 (270) million and made up 3.7 (3.8)% of Aktia's total credit stock.

### Credit stock by sector

(EUR million)	31.3.2013	31.12.2012	Δ	Share
Households	6,177	6,222	-45	86.6%
Corporate	649	666	-17	9.1%
Housing associations	264	270	-7	3.7%
Non-profit organisations	39	39	0	0.5%
Public sector entities	4	4	0	0.1%
<b>Total</b>	<b>7,133</b>	<b>7,202</b>	<b>-69</b>	<b>100%</b>

## Financial assets

Aktia's financial assets consist of the Bank Group's liquidity portfolio and other interest-bearing investments amounting to EUR 2,043 (1,862) million, the life insurance company's investment portfolio amounting to EUR 690 (693) million and the real estate and share holdings of the parent company amounting to EUR 7 (7) million.

## Technical provisions

The life insurance company's technical provisions amounted to EUR 917 (878) million, of which EUR 400 (359) million were unit-linked. Interest-related technical provisions decreased to EUR 517 (520) million.

## Equity

The Aktia Group's equity increased by EUR 8 million from the year-end to EUR 665 (657) million as at 31 March 2013.

## Commitments

Off-balance sheet commitments, which primarily consist of liquidity commitments to local banks, other loan commitments and bank guarantees, decreased by EUR 14 million during the first quarter of 2013 and amounted to EUR 329 (343) million.

## Managed assets

The Group's total managed assets amounted to EUR 8,987 (8,876) 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)	31.3.2013	31.12.2012	Δ %
Assets under management	6,214	5,877	6%
Group financial assets	2,815	2,955	-5%
<b>Total</b>	<b>9,029</b>	<b>8,832</b>	<b>2%</b>

## Capital adequacy and solvency

The Banking Group's capital adequacy ratio stood at 20.0 (31.12.2012; 20.2)% and the Tier 1 capital ratio was 11.7 (11.8)%. The Bank Group includes Aktia Bank plc and Aktia Real Estate Mortgage Bank plc.

Aktia Bank plc's capital adequacy ratio stood at 26.9% compared to 28.1% at the end of 2012. The Tier 1 capital ratio was 15.5 (16.1)%.

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 about 4 percentage points.

The life insurance company's solvency margin amounted to EUR 157.3 (158.6) million, where the minimum requirement is EUR 33.7 (33.3) million. The solvency ratio was 27.2 (27.4)%.

The capital adequacy ratio for the conglomerate amounted to 203.5(205.1) %. The statutory minimum stipulated in the Act on the Supervision of Financial and Insurance Conglomerates is 100%.

Capital adequacy	31.3.2013	31.12.2012
<b>Banking Group</b>		
Capital adequacy	20.0%	20.2%
Tier 1 ratio	11.7%	11.8%
<b>Aktia Bank</b>		
Capital adequacy	26.9%	28.1%
Tier 1 ratio	15.5%	16.1%
<b>Aktia Real Estate Mortgage Bank</b>		
Capital adequacy	11.7%	11.3%
Tier 1 ratio	10.1%	9.7%

## Segment overview

Aktia 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)	1-3/2013	1-3/2012	Δ %
Banking Business	15.2	11.8	29%
Asset management & Life Insurance	6.2	4.8	31%
Miscellaneous	-2.4	-1.3	-88%
Eliminations	0.4	-1.0	-
<b>Total</b>	<b>19.5</b>	<b>14.3</b>	<b>36%</b>

## Banking Business

The Banking Business' contribution to Group operating profit amounted to EUR 15.2 (11.8) million.

Operating income was EUR 45.9 (43.0) million, of which EUR 30.2 (29.9) million was net interest income. Net commission income increased compared to the same period last year, and amounted to EUR 12.8 (12.0) million. Net income from financial assets available for sale amounted to EUR 2.3 (1.1) million. Commission income from lending developed favourably and income from fund management and life and pension insurance is at a good level. Commission income from the real estate agency business was up 5% compared to the previous year, standing at EUR 1.6 (1.6) million.

Operating expenses remained at almost the same level as the year before, and stood at EUR 29.5 (29.3) million. Of this total, staff costs amounted to EUR 9.7 (10.0) million and IT-related costs EUR 3.6 (3.7) million. Other operating expenses totalled EUR 15.8 (15.0) million, of which common expenses attributable to the banking business amounted to EUR 10.3 (8.9) million.

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 10% during the period, to just under 16,300 (14,800). During the first quarter of 2013, the number of new customers in the banking business was around 3,200 (2,440). The number of online banking contracts rose by 2% during the period to just over 147,000.

Total savings by households were approximately 5% higher than the year before, amounting to EUR 3,859 (3,667) million, of which household deposits were EUR 2,823 (2,801) million and savings by households in mutual funds were EUR 1 036 (866) million.

Aktia's lending to private households, including the mortgages brokered by Aktia, increased to EUR 4,374 (4,356) million. During the first quarter of 2013, Aktia Real Estate Mortgage Bank's total lending volume decreased by EUR 137 million and amounted to EUR 3,780 (3,917) million. Aktia Real Estate Mortgage Bank's board decided on 1 October 2012 to cease granting of new mortgages.

## Asset Management & Life Insurance

The segment Asset Management & Life Insurance contributed EUR 6.2 (4.8) million to Group operating profit.

Operating income totalled EUR 11.9 (10.1) million. Net commission income from asset management amounted to EUR 4.7 (4.2) million and net

income from life insurance amounted to EUR 7.2 (5.9) million.

Premiums written increased by 54% year-on-year to EUR 46.0 (29.9) million. This increase is attributable to unit-linked insurance savings policies. The Aktia Profile investment service has been very well received by customers.

Net income from life insurance investment activities amounted to EUR 7.7 (7.4) million. The return on the company's investments based on market value was 0.5 (3.0)%. The comparison year contains a positive effect from derivatives used by the life insurance business to limit its interest risk, for EUR 0.7 million. Interest-rate derivatives were disposed of at the end of 2012.

Operating expenses increased by 8% to EUR 5.7 (5.3) million, of which staff costs made up EUR 2.7 (2.6) million. The life insurance expense ratio was 95.6 (93.4)%.

The value of assets managed by Aktia Asset Management & Life Insurance totalled EUR 5 237 (4 978) million.

(EUR million)	31.3.2013	31.12.2012	Δ %
Aktia Fund Management	2,907	2,843	2%
Aktia Invest	2,627	2,467	6%
Aktia Asset Management	4,675	4,561	3%
Aktia Life Insurance	418	379	10%
Eliminations	-5,390	-5,271	2%
<b>Total</b>	<b>5,237</b>	<b>4,978</b>	<b>5%</b>

Aktia has established its position as one of the leading asset managers in Finland. Morningstar named Aktia as 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 March 2013, the average number of stars received by the bank's 25 evaluated mutual funds was 3.9, when the maximum is 5 Morningstar stars. 18 of Aktia's 24 funds have at least 4 stars.

Life insurance technical provisions totalled EUR 917 (878) million, of which provisions for unit-linked provisions stood at EUR 400 (359) million and interest-related provisions EUR 517 (520) million. Unit-linked provisions increased to 44 (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

Operating profit for the Miscellaneous segment was EUR -2.4 (-1.3) million.

Operating income fell to EUR 2.1 (2.8) million. Operating expenses amounted to EUR -4.4 (-4.0) million, and include the temporary bank tax to be levied on Finnish deposit banks 2013–2015. The bank tax is 0.125 % of the total amount for risk-weighted assets, and the total tax was EUR 0.6 million.

As part of Vasp-Invest Ltd'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](http://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 45 (50) million, corresponding to 0.63 (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 0.43 (0.46)% of the entire credit stock and 0.49 (0.53)% of the household credit stock.

Loans with payments 3–30 days overdue increased EUR 137 (133) million, equivalent to 1.91 (1.84)% of the credit stock. Loans with payments 31–89 days overdue decreased to EUR 49 (51) million, or 0.68 (0.71)% of the credit stock.

#### Non-performing loans by time overdue

(EUR million)					
Days	31.3.2013	% of credit stock	31.12.2012	% of credit stock	
3 - 30	137	1.91	133	1.84	
of which households	119	1.66	117	1.62	
31 - 89	49	0.68	51	0.71	
of which households	36	0.50	42	0.58	
90- <sup>1</sup>	45	0.63	50	0.69	
of which households	30	0.43	33	0.46	

<sup>1</sup> in Aktia Bank fair value of the asset covers in average 96% of debts

## Write-downs on credits and other commitments

In the first quarter, total write-downs on credits and other commitments decreased by EUR 0.8 million compared to the same period last year, to stand at EUR 1.1 (1.9) million. Of these write-downs, EUR 0.0 (0.3) million were attributable to households, and EUR 1.1 (1.6) million to companies.

Total write-downs on credits amounted to 0.02 (0.03)% of total lending for the period. The corresponding impact on corporate loans amounted to 0.2 (0.2)% of the total corporate lending.

## Distribution of risk across financial assets

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

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

Interest-rate investments expose the Group to counterparty 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 home 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 other interest-bearing investments increased from the year-end by EUR 106 million, and amounted to EUR 2,043 (1,862) million.

#### Rating distribution for banking business' liquidity portfolio and other fixed income assets

	31.3.2013	31.3.2012
(EUR million)	2,043	1,862
Aaa	59.9%	64.5%
Aa1-Aa3	19.5%	19.1%
A1-A3	15.9%	8.9%
Baa1-Baa3	0.8%	3.7%
Ba1-Ba3	0.5%	1.5%
B1-B3	0.0%	0.0%
Caa1 or lower	0.0%	0.0%
Finnish municipalities (no rating)	1.4%	2.2%
No rating	2.1%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

At the end of the period, with the exception of one bond for EUR 3 million, 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 paper, and as the issuer lacks a rating, they do not meet the eligibility requirements for refinancing at the central bank.

### Group investments in GIIPS countries

The Group's investments in the so-called GIIPS countries continued to decrease during the first quarter according to plan, and as of 31 March 2013 totalled EUR 70 (188) million. The total unconverted result amounted to EUR 1.3 (-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 1.2 million before tax. All exposures relating to GIIPS countries are measured on an on-going basis at current market value.

Aktia Bank Group	Government and Govt. guaranteed		Covered Bonds (CB)		Financial institutions excl. CB		Corporate bonds		Real estate		Alternative investments		Equity		Total	
	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012
<b>EU AAA</b>	62	75	826	798	287	226	56	0	0	0	0	0	0	0	<b>1,280</b>	<b>1,098</b>
Finland	46	59	116	117	92	43	56	0	0	0	0	0	0	0	310	218
Other AAA-countries	16	16	710	681	244	182	0	0	0	0	0	0	0	0	971	880
<b>EU &lt; AAA</b>	0	0	349	443	60	5	0	0	0	0	0	0	0	0	<b>409</b>	<b>448</b>
France *	0	0	291	270	60	5	0	0	0	0	0	0	0	0	351	275
Belgium	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Greece	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ireland	0	0	10	16	0	0	0	0	0	0	0	0	0	0	10	16
Italy	0	0	48	47	0	0	0	0	0	0	0	0	0	0	48	47
Portugal	0	0	0	56	0	0	0	0	0	0	0	0	0	0	0	56
Spain	0	0	0	54	0	0	0	0	0	0	0	0	0	0	0	54
Other countries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Europe excluding EU	0	0	214	238	17	20	0	0	0	0	0	0	0	0	<b>231</b>	<b>258</b>
North America	0	0	12	12		0	0	0	0	0	0	0	0	0	<b>12</b>	<b>12</b>
Other OECD-countries	0	0	0	0		0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
Supranationals	0	0	0	0	111	45	0	0	0	0	0	0	0	0	<b>111</b>	<b>45</b>
Others	0	0	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
<b>Total</b>	<b>62</b>	<b>75</b>	<b>1,401</b>	<b>1,490</b>	<b>524</b>	<b>297</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,043</b>	<b>1,862</b>

\* France fell below AAA during 2012

## Investment portfolio of the life insurance company

The market value of the life insurance company's total investment portfolio amounted to EUR 690 (690) million.

Investments in GIIPS countries amounted to EUR 13 (17) million.

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

	31.3.2013	31.12.2012
(EUR million)	<b>530</b>	<b>563</b>
Aaa	54.8%	54.5%
Aa1-Aa3	19.8%	21.6%
A1-A3	14.6%	12.0%
Baa1-Baa3	3.5%	3.7%
Ba1-Ba3	1.7%	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%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Aktia Life Insurance	Government and Govt. guaranteed		Covered Bonds (CB)		Financial institutions excl. CB		Corporate bonds		Real estate		Alternative investments		Equity		Total	
	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012	3/2013	2012
<b>EU AAA</b>	114	126	119	117	83	56	76	89	68	69	8	8	0	0	<b>468</b>	<b>464</b>
Finland	45	51	16	16	55	23	51	61	68	69	7	7	0	0	241	226
Other AAA-countries	69	75	103	101	29	33	25	28	0	0	1	1	0	0	227	239
<b>EU &lt; AAA</b>	<b>70</b>	<b>78</b>	<b>93</b>	<b>102</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>174</b>	<b>188</b>
France *	65	68	83	90	6	1	3	5	0	0		0	0	0	158	163
Belgium	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
Greece	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0
Ireland	0	0	0	1	0	0	0	0	0	0		0	0	0	0	1
Italy	0	0	2	2	0	0	2	2	0	0		0	0	0	4	4
Portugal	2	2	0	0	0	0	0	0	0	0		0	0	0	2	2
Spain	0	0	7	10	0	0	0	0	0	0		0	0	0	7	10
Other countries	3	8	0	0	0	0	0	0	0	0		0	0	0	3	8
Europe excluding EU	1	0	0	0	10	4	3	2	0	0	1	0	0	0	<b>15</b>	<b>7</b>
North America	0	0	0	0	0	0	4	6	0	0	0	0	0	0	<b>4</b>	<b>6</b>
Other OECD-countries	7	6	0	0	0	0	0	0	0	0		0	0	0	<b>7</b>	<b>6</b>
Supranationals	0	0	0	0	6	6	0	0	0	0		0	0	0	<b>6</b>	<b>6</b>
Others	16	15	0	0	0	0	0	0	0	0		0	0	0	<b>16</b>	<b>15</b>
<b>Total</b>	<b>208</b>	<b>225</b>	<b>212</b>	<b>220</b>	<b>106</b>	<b>67</b>	<b>88</b>	<b>104</b>	<b>68</b>	<b>69</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>690</b>	<b>693</b>

\* France fell below AAA during 2012



## Other market risks within the banking business and the parent company

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

At the end of the period, real estate holdings amounted to EUR 0.5 (0.5) million and investments in shares necessary for the business amounted to EUR 6.4 (6.7) million.

## Valuation of financial assets

### Value changes reported via income statement

Write-downs on financial assets amounted to EUR -0.7 (-1.0) 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)	1-3/2013	1-3/2012
<b>Interest-bearing securities</b>		
Banking Business	-	-
Life Insurance Business	-	-
<b>Shares and participations</b>		
Banking Business	-	-
Life Insurance Business	-0.7	-1.0
<b>Total</b>	<b>0.7</b>	<b>-1.0</b>

### 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 108.7 (116.1) million after deferred tax.

Cash flow hedging, which comprises of unwound interest rate derivative contracts that have been acquired for the purposes of hedging the banking business' net interest income, amounted to EUR 13.0 (16.2) million.

#### The fund at fair value

(EUR million)	31.3.2013	31.12.2012	Δ
<b>Shares and participations</b>			
Banking Business	3.6	3.6	0.0
Life Insurance Business	3.7	4.0	-0.3
<b>Direct interest-bearing securities</b>			
Banking Business	41.6	42.0	-0.4
Life Insurance Business	45.3	48.4	-3.1
Share of associated company's fund at fair value	1.5	1.8	-0.3
Cash flow hedging	13.0	16.2	-3.3
<b>Fund at fair value, total</b>	<b>108.7</b>	<b>116.1</b>	<b>-7.4</b>

## 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 of 31 March 2013 amounted to EUR 362 (350) million.

The aim of the reclassification is to reduce volatility in the fund at fair value and to address the regulatory risks arising from Basel III. Securities held until maturity are reported at their accrued acquisition value.

### Disposal of hedging interest-rate derivatives

In November 2012, the company disposed of all its interest rate derivatives for hedging reasons, 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 disposal of the interest rate derivatives produced a positive cash flow effect of EUR 92.1 million. This cash flow will be allocated to net interest income according to the original term of the interest rate derivatives at a value of approx. EUR 15.5 million per year in 2013-2017. The remaining positive cash flow of approx. EUR 14 million is allocated in 2018-2019.

The bank is maintaining its policy of actively hedging net interest income where this is considered justified in the long term.

## Operational risks

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



## Events concerning close relations

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

No significant changes concerning close relations occurred.

## Aktia Bank is granted mortgage bank concession

On 7 March 2013, Aktia Bank was granted mortgage bank concession by the Financial Supervisory Authority. The revised law governing mortgage banks allows deposit banks such as Aktia Bank to issue covered bonds directly from their own balance sheet and the new law allows for a more cost-efficient credit process.

Due to the changed rules, it is more advantageous for Aktia Bank to issue covered bonds directly, rather than to continue using the present structure with a separate mortgage bank, the subsidiary company Aktia Real Estate Mortgage Bank plc. For more than 10 years, Aktia Bank has 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.

For now, the owners of Aktia Real Estate Mortgage Bank grant new loans from their respective 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 capitalization and senior financing of the bank in accordance with the current shareholders' agreement. Aktia Bank offers 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 of Aktia Real Estate Mortgage Bank.

## Other events during the period

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

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

## Events after the end of the period

Aktia Bank has 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.

## Personnel

The average number of full-time employees decreased by 39 in the first quarter of 2013 and was 1,004 (31 December 2012: 1,044).

## Personnel fund

Aktia 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 earnings before tax exceeding EUR 35 million. However, if the Group's operating income is EUR 35.0 – 37.5 million, a sum of EUR 250 thousand will be added to the personnel fund. The profit sharing provision cannot, however, exceed EUR 3 million.

With effect from 2012, Aktia's Executive Committee is no longer part of the personnel fund as a result of the new incentive scheme.

## Incentive scheme for 2013

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

The bonus will be paid partly as A-shares in Aktia 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 are based on the development of the Aktia Group's cumulated adjusted equity during the period 1 January 2012 to 31 December 2013 (NAV) (50% weighting), and of the Group's total net commission and insurance income in the period 1 January 2012 to 31 December 2013 (50% weighting). The earnings criteria for the earning period 2013-2014 will be determined in May 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 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 plc website ([www.aktia.fi](http://www.aktia.fi)).

## Board of Directors and Executive Committee

Aktia 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, M.Sc. (Econ.)

Catharina von Stackelberg-Hammarén, M.Sc. (Econ.)

Arja Talma M.Sc. (Econ.) has been nominated as a new member of the board of Aktia plc by the Board of Supervisors' presidium. The election is proposed to be carried out by Aktia plc's Board of Supervisors on 7 May 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 the 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 will be 12 April 2013 and the dividend and return of capital will be 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 Super-

visors 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 treasury shares.

The Annual General Meeting approved the merger with Aktia Bank plc. The merger is planned to enter into effect on 1 July 2013.

## Share capital and ownership

At the end of March 2013, the paid-up share capital of Aktia PLC as entered in the Finnish Trade Register was EUR 93,873,816, divided into 46,936,908 series A shares and 20,050,850 series R shares. The total number of shares is 66,987,758. The number of registered shareholders at the end of March was 47,812. 0.8% of the shares were in foreign ownership.

The number of unregistered shares was 794,781 or 1.2 % of all shares. Inspection and registration of outstanding shares continues. Aktia's holding of treasury shares amounted to 230,188 A-shares and 178,762 R-shares, corresponding to 0.6% of all shares and 0.85% of votes. In the first quarter of 2013 Aktia plc sold 56,528 series A treasury shares to finance the company's 2011 incentive scheme.

## Shares

Aktia'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.

As at 31 March 2013, the closing price for an 'A' share was EUR 7.15 and for an 'R' share EUR 7.90, indicating a market value of approx. EUR 494 million for Aktia plc. The highest quotation for the 'A' share in the year was EUR 7.45 and the lowest EUR 5.82. The highest listing price for the 'R' share was EUR 8.18 and the lowest EUR 6.95.

The average daily turnover increased, particularly for 'A' shares. The average daily turnover of 'A' shares was EUR 290,230, or 44,113 shares. However, average daily turnover for R shares was lower than before, and amounted to EUR 3,524 or 463 shares.

## Outlook and risks for 2013

### Outlook

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

Aktia's Plan of Action 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 at the same level as in 2012.

Despite the probably persistent low interest rate level and one-off costs from implementing the 2015 plan of action, the Group's operating profit from continuing operations for 2013 is expected to reach approximately the 2012 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 changes in 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)	1-3/2013	1-3/2012	Δ %	10-12/2012	7-9/2012	4-6/2012
Earnings per share (EPS), continuing operations, EUR	0.22	0.15	48%	0.09	0.15	0.20
Earnings per share (EPS), discontinued operations, EUR	-	0.14	-	0.00	0.00	0.01
Earnings per share (EPS), EUR	0.22	0.29	-23%	0.09	0.15	0.21
Equity per share (NAV) <sup>1</sup> , EUR	9.02	7.89	14%	8.91	8.70	7.88
Return on equity (ROE), %	8.9	14.1	-37%	3.9	6.4	9.7
Total earnings per share, EUR	0.11	0.88	-87%	0.20	0.82	0.28
Capital adequacy ratio (finance and insurance conglomerate) <sup>1</sup> , %	203.5	184.9	10%	205.1	203.4	190.5
Average number of shares <sup>2</sup> , million	66.5	66.5	0%	66.5	66.5	66.5
Number of shares at the end of the period <sup>1</sup> , million	66.6	66.5	0%	66.5	66.5	66.5
Personnel (FTEs), average number of employees from the beginning of the year <sup>1</sup>	1,004	1,148	-13%	1,044	1,056	1,089
<b>Banking business</b>						
Cost-to-income ratio	0.67	0.68	-1%	0.89	0.69	0.69
Borrowing from the public <sup>1</sup>	3,631.8	3,689.4	-2%	3,631.5	3,651.4	3,714.4
Lending to the public <sup>1</sup>	7,132.6	7,183.8	-1%	7,201.6	7,251.6	7,217.8
Capital adequacy ratio <sup>1</sup> , %	20.0	18.1	11 %	20.2	19.9	18.9
Tier 1 capital ratio <sup>1</sup> , %	11.7	11.3	3%	11.8	11.8	11.7
Risk-weighted commitments <sup>1</sup>	3,683.7	3,767.3	-2%	3,611.2	3,727.9	3,742.0
Group financial assets <sup>1 *</sup>	2,814.9	2,813.8	0%	2,955.0	2,817.0	2,443.3
<b>Asset Management and Life Insurance</b>						
Assets under management <sup>1 **</sup>	6,214.0	5,409.8	15%	5,877.4	5,569.0	5,256.9
Premiums written before reinsurers' share	46.1	30.0	54%	39.7	21.9	19.7
Expense ratio <sup>2</sup> , %	95.6	93.4	2%	90.8	93.1	94.4
Solvency margin <sup>1</sup>	157.3	131.6	20%	158.6	160.5	141.1
Solvency ratio <sup>2</sup> , %	27.2	22.8	19%	27.4	27.9	24.7
Investments at fair value <sup>1</sup>	1,034.2	960.6	8%	1,020.7	987.9	950.3
Technical provisions for interest-related insurances <sup>1</sup>	517.0	532.3	-3%	519.9	517.5	523.2
Technical provisions for unit-linked insurances <sup>1</sup>	400.5	317.8	26%	358.5	337.7	315.1

<sup>1</sup> At the end of the period

<sup>2</sup> Cumulative from the beginning of the year

<sup>\*</sup> Group financial assets = the Bank Group's liquidity portfolio and the life insurance company's investment portfolio

<sup>\*\*</sup> 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 on page 18.

## Consolidated income statement

(EUR million)	1-3/2013	1-3/2012	Δ%	2012
<b>Continuing operations</b>				
Net interest income	30.1	29.6	2%	117.3
Dividends	0.0	0.0	-99%	0.1
Commission income	21.0	19.6	7%	80.8
Commission expenses	-4.1	-3.9	-5%	-15.5
Net commission income	16.9	15.7	8%	65.3
Net income from life insurance	7.6	6.2	22%	27.3
Net income from financial transactions	2.2	0.3	669%	2.9
Net income from investment properties	0.0	0.0	191%	0.3
Other operating income	0.8	1.4	-46%	4.7
<b>Total operating income</b>	<b>57.5</b>	<b>53.2</b>	<b>8%</b>	<b>217.9</b>
Staff costs	-19.2	-18.6	3%	-75.4
IT-expenses	-5.9	-6.4	-8%	-31.4
Depreciation of tangible and intangible assets	-1.7	-1.8	-5%	-7.2
Other operating expenses	-10.7	-9.9	8%	-40.3
<b>Total operating expenses</b>	<b>-37.5</b>	<b>-36.7</b>	<b>2%</b>	<b>-154.2</b>
Write-downs on other financial assets	-	-	-	-1.8
Write-downs on credits and other commitments	-1.1	-1.9	-41%	-6.4
Share of profit from associated companies	0.6	-0.3	-	0.5
<b>Operating profit from continuing operations</b>	<b>19.5</b>	<b>14.3</b>	<b>36%</b>	<b>56.0</b>
Taxes from continuing operations	-4.7	-4.1	16%	-15.8
<b>Profit for the period from continuing operations</b>	<b>14.8</b>	<b>10.2</b>	<b>44%</b>	<b>40.3</b>
<b>Discontinued operations</b>				
Profit for the period from discontinued operations	-	9.3	-	9.8
<b>Profit for the period</b>	<b>14.8</b>	<b>19.6</b>	<b>-25%</b>	<b>50.0</b>
<b>Attributable to:</b>				
Shareholders in Aktia plc	14.8	19.3	-23%	49.2
Non-controlling interest	0.0	0.3	-	0.8
<b>Total</b>	<b>14.8</b>	<b>19.6</b>	<b>-25%</b>	<b>50.0</b>
<b>Earnings per share attributable to shareholders in Aktia plc, EUR</b>				
Earnings per share (EPS), continuing operations, EUR	0.22	0.15	48%	0.59
Earnings per share (EPS), discontinued operations, EUR	-	0.14	-	0.15
<b>Earnings per share (EPS), EUR</b>	<b>0.22</b>	<b>0.29</b>	<b>-23%</b>	<b>0.74</b>
<b>Earnings per share, EUR, after dilution</b>				
Earnings per share (EPS), continuing operations, EUR	0.22	0.15	48%	0,59
Earnings per share (EPS), discontinued operations, EUR	-	0.14	-	0,15
<b>Earnings per share (EPS), EUR</b>	<b>0.22</b>	<b>0.29</b>	<b>-23%</b>	<b>0,74</b>

## Consolidated statement of comprehensive income

(EUR million)	1-3/2013	1-3/2012	Δ%	2012
<b>Continuing operations</b>				
Profit for the period from continuing operations	14.8	10.2	44%	40.3
<b>Other comprehensive income after taxes:</b>				
Change in valuation of fair value for financial assets available for sale	-2.5	41.9	-	94.8
Change in valuation of fair value for cash flow hedging	-2.9	-3.0	1%	-3.3
Transferred to the income statement for financial assets available for sale	-1.5	5.3	-	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	-7.0	44.3	-	101.8
Defined benefit plan pensions	-	-	-	-0.6
Comprehensive income from items which can not be transferred to the income statement	-	-	-	-0.6
<b>Total comprehensive income for the period from continuing operations</b>	<b>7.7</b>	<b>54.5</b>	<b>-86%</b>	<b>141.5</b>
<b>Discontinued operations</b>				
Profit for the period from discontinued operations	-	9.3	-	9.8
<b>Other comprehensive income after taxes:</b>				
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
<b>Total comprehensive income for the period from discontinued operations</b>	<b>-</b>	<b>4.9</b>	<b>-</b>	<b>5.3</b>
<b>Total comprehensive income for the period</b>	<b>7.7</b>	<b>59.4</b>	<b>-87%</b>	<b>146.8</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders in Aktia plc	7.4	58.8	-87%	145.6
Non-controlling interest	0.3	0.5	-41%	1.2
<b>Total</b>	<b>7.7</b>	<b>59.4</b>	<b>-87%</b>	<b>146.8</b>
<b>Total earnings per share attributable to shareholders in Aktia plc, EUR</b>				
Total earnings per share, continuing operations, EUR	0.11	0.81	-86%	2.11
Total earnings per share, discontinued operations, EUR	-	0.07	-	0.08
<b>Total earnings per share, EUR</b>	<b>0.11</b>	<b>0.88</b>	<b>-87%</b>	<b>2.19</b>
<b>Total earnings per share, EUR, after dilution</b>				
Total earnings per share, continuing operations, EUR	0.11	0.81	-86%	2.11
Total earnings per share, discontinued operations, EUR	-	0.07	-	0.08
<b>Total earnings per share, EUR</b>	<b>0.11</b>	<b>0.88</b>	<b>-87%</b>	<b>2.19</b>

## Consolidated balance sheet

(EUR million)	31.3.2013	31.12.2012	Δ%	31.3.2012
<b>Assets</b>				
Cash and balances with central banks	295.1	587.6	-50%	220.4
Financial assets reported at fair value via the income statement	0.0	0.1	-19%	0.7
Interest-bearing securities	2,158.2	2,011.7	7%	2,588.7
Shares and participations	98.8	95.0	4%	87.8
Financial assets available for sale	2,257.0	2,106.7	7%	2,676.5
Financial assets held until maturity	362.5	350.0	4%	19.3
Derivative instruments	270.8	302.2	-10%	309.3
Lending to Bank of Finland and credit institutions	129.0	158.7	-19%	131.0
Lending to the public and public sector entities	7,132.6	7,201.6	-1%	7,183.8
Loans and other receivables	7,261.6	7,360.2	-1%	7,314.8
Investments for unit-linked provisions	401.1	360.9	11%	318.3
Investments in associated companies	21.2	21.1	1%	20.4
Intangible assets	14.5	14.2	2%	14.0
Investment properties	28.3	28.3	0%	18.6
Other tangible assets	5.4	5.7	-4%	6.7
Accrued income and advance payments	70.8	75.0	-6%	85.4
Other assets	124.9	3.3	-	45.4
Total other assets	195.7	78.3	150%	130.8
Income tax receivables	0.9	0.1	683%	3.4
Deferred tax receivables	22.3	23.5	-5%	2.2
Tax receivables	23.1	23.6	-2%	5.6
Assets classified as held for sale	1.4	1.5	-6%	2.2
<b>Total assets</b>	<b>11,137.7</b>	<b>11,240.2</b>	<b>-1%</b>	<b>11,057.6</b>
<b>Liabilities</b>				
Liabilities to credit institutions	983.5	1,057.6	-7%	977.0
Liabilities to the public and public sector entities	3,631.8	3,631.5	0%	3,689.4
Deposits	4,615.2	4,689.0	-2%	4,666.4
Derivative instruments	161.6	186.4	-13%	157.6
Debt securities issued	3,552.2	3,540.3	0%	3,763.1
Subordinated liabilities	274.2	268.2	2%	251.6
Other liabilities to credit institutions	586.6	629.6	-7%	486.0
Other liabilities to the public and public sector entities	128.7	146.7	-12%	65.1
Other financial liabilities	4,541.8	4,584.7	-1%	4,565.9
Technical provisions for interest-related insurances	517.0	519.9	-1%	532.3
Technical provisions for unit-linked insurances	400.5	358.5	12%	317.8
Technical provisions	917.4	878.5	4%	850.2
Accrued expenses and income received in advance	100.5	93.1	8%	118.9
Other liabilities	39.8	55.2	-28%	66.2
Total other liabilities	140.4	148.3	-5%	185.1
Provisions	6.9	6.9	0%	-
Income tax liabilities	24.1	23.3	3%	3.4
Deferred tax liabilities	64.8	65.5	-1%	45.6
Tax liabilities	88.9	88.8	0%	49.0
Liabilities for assets classified as held for sale	0.2	0.2	-15%	0.2
<b>Total liabilities</b>	<b>10,472.4</b>	<b>10,582.8</b>	<b>-1%</b>	<b>10,474.3</b>
<b>Equity</b>				
Restricted equity	212.9	220.2	-3%	162.8
Unrestricted equity	387.4	372.4	4%	362.2
Shareholders' share of equity	600.2	592.6	1%	525.0
Non-controlling interest's share of equity	65.1	64.8	0%	58.3
<b>Equity</b>	<b>665.4</b>	<b>657.4</b>	<b>1%</b>	<b>583.3</b>
<b>Total liabilities and equity</b>	<b>11,137.7</b>	<b>11,240.2</b>	<b>-1%</b>	<b>11,057.6</b>



## 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
<b>Equity as at 1 January 2012</b>	<b>93.9</b>	<b>10.3</b>	<b>19.1</b>	<b>0.2</b>	<b>72.7</b>	<b>269.9</b>	<b>466.0</b>	<b>57.7</b>	<b>523.8</b>
<i>Profit for the period</i>						19.3	19.3	0.3	19.6
<i>Financial assets available for sale</i>			42.6			0.0	42.6	0.2	42.8
<i>Cash flow hedging</i>			-3.1			0.0	-3.1	0.1	-3.0
Total comprehensive income for the period			39.5			19.3	58.8	0.5	59.4
Other change in equity				0.2		0.0	0.2	0.0	0.2
<b>Equity as at 31 March 2012</b>	<b>93.9</b>	<b>10.3</b>	<b>58.6</b>	<b>0.4</b>	<b>72.7</b>	<b>289.2</b>	<b>525.0</b>	<b>58.3</b>	<b>583.3</b>
<b>Equity as at 1 January 2013</b>	<b>93.9</b>	<b>10.3</b>	<b>116.1</b>	<b>1.1</b>	<b>72.7</b>	<b>298.6</b>	<b>592.6</b>	<b>64.8</b>	<b>657.4</b>
<i>Divestment of own shares</i>						0.4	0.4	0.0	0.4
<i>Profit for the period</i>						14.8	14.8	0.0	14.8
<i>Financial assets available for sale</i>			-4.1				-4.1	0.0	-4.1
<i>Cash flow hedging</i>			-3.3				-3.3	0.3	-2.9
Total comprehensive income for the period			-7.4			14.8	7.4	0.3	7.7
Other change in equity				-0.2			-0.2	0.0	-0.2
<b>Equity as at 31 March 2013</b>	<b>93.9</b>	<b>10.3</b>	<b>108.7</b>	<b>0.9</b>	<b>72.7</b>	<b>313.8</b>	<b>600.2</b>	<b>65.1</b>	<b>665.4</b>

## Consolidated cash flow statement

(EUR million)	1-3/2013	1-3/2012	Δ%	2012
<b>Cash flow from operating activities</b>				
Operating profit *)	19.5	23.5	-17%	65.6
Adjustment items not included in cash flow for the period	-3.5	-5.8	40%	0.5
Unwound cash flow hedging	-	9.1	-	17.5
Unwound fair value hedging	-	-	-	92.1
Paid income taxes	-2.1	16.7	-	9.1
<b>Cash flow from operating activities before change in receivables and liabilities</b>	<b>13.9</b>	<b>43.5</b>	<b>-68%</b>	<b>184.8</b>
Increase (-) or decrease (+) in receivables from operating activities	-226.4	-406.3	44%	-127.6
Increase (+) or decrease (-) in liabilities from operating activities	-73.1	90.3	-	36.0
<b>Total cash flow from operating activities</b>	<b>-285.6</b>	<b>-272.6</b>	<b>-5%</b>	<b>93.2</b>
<b>Cash flow from investing activities</b>				
Financial assets held until maturity	-14.2	0.7	-	9.9
Investments in group companies and associated companies	-	0.0	-	0.0
Proceeds from sale of group companies and associated companies	-	30.4	-	34.8
Investment in investment properties	-	-	-	-9.5
Investment in tangible and intangible assets	-1.9	-1.7	-16%	-6.5
Disposal of tangible and intangible assets	0.2	0.2	1%	1.6
<b>Total cash flow from investing activities</b>	<b>-15.9</b>	<b>29.6</b>	<b>-</b>	<b>30.3</b>
<b>Cash flow from financing activities</b>				
Subordinated liabilities	6.0	-7.1	-	11.1
Share issue/dividend of Aktia Real Estate Mortgage Bank plc to the non-controlling interest	-	-	-	5.9
Divestment of own shares	0.4	-	-	0.0
Paid dividends	-	-	-	-20.0
<b>Total cash flow from financing activities</b>	<b>6.4</b>	<b>-7.1</b>	<b>-</b>	<b>-3.0</b>
<b>Change in cash and cash equivalents</b>	<b>-295.1</b>	<b>-250.1</b>	<b>-18%</b>	<b>120.6</b>
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	307.2	231.6	33%	602.3
<b>Cash and cash equivalents in the cash flow statement consist of the following items:</b>				
Cash in hand	6.7	8.1	-18%	8.0
Insurance operation's cash and bank	1.4	0.8	91%	1.7
Bank of Finland current account	287.0	211.5	36%	577.9
Repayable on demand claims on credit institutions	12.1	11.2	8%	14.6
<b>Total</b>	<b>307.2</b>	<b>231.6</b>	<b>33%</b>	<b>602.3</b>
<b>Adjustment items not included in cash flow consist of:</b>				
Impairment of financial assets available for sale	0.7	1.0	-36%	0.7
Write-downs on other financial assets	-	-	-	1.8
Write-downs on credits and other commitments	1.1	2.1	-46%	6.5
Change in fair values	1.4	1.3	9%	-0.3
Depreciation and impairment of intangible and tangible assets	1.7	1.9	-9%	7.2
Share of profit from associated companies	-0.4	0.7	-	-0.2
Sales gains and losses from intangible and tangible assets	0.0	-10.5	-	-11.1
Unwound cash flow hedging	-3.9	-2.4	-62%	-11.7
Unwound fair value hedging	-3.9	-	-	-1.3
Change in provisions	-	-	-	6.9
Change in fair values of investment properties	-	-	-	-0.1
Change in share-based payments	-0.2	0.2	-	1.9
<b>Total</b>	<b>-3.5</b>	<b>-5.8</b>	<b>40%</b>	<b>0.5</b>

\*) Includes operating profit from both continuing and discontinued operations

## Quarterly trends in the Group

(EUR million)	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
<b>Continuing operations</b>					
Net interest income	30.1	29.3	28.7	29.7	29.6
Dividends	0.0	-	0.0	0.0	0.0
Net commission income	16.9	16.0	16.4	17.3	15.7
Net income from life insurance	7.6	8.3	5.5	7.3	6.2
Net income from financial transactions	2.2	3.1	-0.7	0.2	0.3
Net income from investment properties	0.0	0.2	0.0	0.1	0.0
Other operating income	0.8	1.5	0.6	1.2	1.4
<b>Total operating income</b>	<b>57.5</b>	<b>58.4</b>	<b>50.5</b>	<b>55.8</b>	<b>53.2</b>
Staff costs	-19.2	-20.0	-17.7	-19.1	-18.6
IT-expenses	-5.9	-12.6	-6.0	-6.5	-6.4
Depreciation of tangible and intangible assets	-1.7	-1.9	-1.7	-1.7	-1.8
Other operating expenses	-10.7	-11.5	-8.7	-10.2	-9.9
<b>Total operating expenses</b>	<b>-37.5</b>	<b>-46.0</b>	<b>-34.0</b>	<b>-37.5</b>	<b>-36.7</b>
Write-downs on other financial assets	-	-	-1.8	-	-
Write-downs on credits and other commitments	-1.1	-1.7	-1.8	-1.0	-1.9
Share of profit from associated companies	0.6	-0.3	0.6	0.5	-0.3
<b>Operating profit from continuing operations</b>	<b>19.5</b>	<b>10.4</b>	<b>13.4</b>	<b>17.9</b>	<b>14.3</b>
Taxes from continuing operations	-4.7	-4.1	-3.5	-4.1	-4.1
<b>Profit for the period from continuing operations</b>	<b>14.8</b>	<b>6.3</b>	<b>9.9</b>	<b>13.8</b>	<b>10.2</b>
<b>Discontinued operations</b>					
Profit for the period from discontinued operations	-	-	0.0	0.4	9.3
<b>Profit for the period</b>	<b>14.8</b>	<b>6.3</b>	<b>9.9</b>	<b>14.2</b>	<b>19.6</b>
<b>Attributable to:</b>					
Shareholders in Aktia plc	14.8	6.1	9.8	14.0	19.3
Non-controlling interest	0.0	0.2	0.2	0.2	0.3
<b>Total</b>	<b>14.8</b>	<b>6.3</b>	<b>9.9</b>	<b>14.2</b>	<b>19.6</b>
<b>Earnings per share attributable to shareholders in Aktia plc, EUR</b>					
Earnings per share (EPS), continuing operations, EUR	0.22	0.09	0.15	0.20	0.15
Earnings per share (EPS), discontinued operations, EUR	-	0.00	0.00	0.01	0.14
<b>Earnings per share (EPS), EUR</b>	<b>0.22</b>	<b>0.09</b>	<b>0.15</b>	<b>0.21</b>	<b>0.29</b>
<b>Earnings per share, EUR, after dilution</b>					
Earnings per share (EPS), continuing operations, EUR	0.22	0.09	0.15	0.20	0.15
Earnings per share (EPS), discontinued operations, EUR	-	0.00	0.00	0.01	0.14
<b>Earnings per share (EPS), EUR</b>	<b>0.22</b>	<b>0.09</b>	<b>0.15</b>	<b>0.21</b>	<b>0.29</b>

## Quarterly trends of comprehensive income

(EUR million)	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
<b>Continuing operations</b>					
Profit for the period from continuing operations	14.8	6.3	9.9	13.8	10.2
<b>Other comprehensive income after taxes:</b>					
Change in valuation of fair value for financial assets available for sale	-2.5	-0.5	47.8	5.6	41.9
Change in valuation of fair value for cash flow hedging	-2.9	3.2	-2.2	-1.3	-3.0
Transferred to the income statement for financial assets available for sale	-1.5	10.9	-0.1	-0.1	5.3
Transferred to the income statement for cash flow hedging	-	-5.8	-	-	-
Defined benefit plan pensions	-	-0.6	-	-	-
<b>Total comprehensive income for the period from continuing operations</b>	<b>7.7</b>	<b>13.5</b>	<b>55.5</b>	<b>18.0</b>	<b>54.5</b>
<b>Discontinued operations</b>					
Profit for the period from discontinued operations	-	-	0.0	0.4	9.3
<b>Other comprehensive income after taxes:</b>					
Change in valuation of fair value for financial assets available for sale	-	-	-	-	1.8
Transferred to the income statement for financial assets available for sale	-	-	-	-	-6.3
<b>Total comprehensive income for the period from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>0.4</b>	<b>4.9</b>
<b>Total comprehensive income for the period</b>	<b>7.7</b>	<b>13.5</b>	<b>55.5</b>	<b>18.5</b>	<b>59.4</b>
<b>Total comprehensive income attributable to:</b>					
Shareholders in Aktia plc	7.4	13.5	54.6	18.6	58.8
Non-controlling interest	0.3	0.0	0.9	-0.2	0.5
<b>Total</b>	<b>7.7</b>	<b>13.5</b>	<b>55.5</b>	<b>18.5</b>	<b>59.4</b>
<b>Total earnings per share attributable to shareholders in Aktia plc, EUR</b>					
Total earnings per share, continuing operations, EUR	0.11	0.20	0.82	0.27	0.81
Total earnings per share, discontinued operations, EUR	-	0.00	0.00	0.01	0.07
<b>Total earnings per share, EUR</b>	<b>0.11</b>	<b>0.20</b>	<b>0.82</b>	<b>0.28</b>	<b>0.88</b>
<b>Total earnings per share, EUR, after dilution</b>					
Total earnings per share, continuing operations, EUR	0.11	0.20	0.82	0.27	0.81
Total earnings per share, discontinued operations, EUR	-	0.00	0.00	0.01	0.07
<b>Total earnings per share, EUR</b>	<b>0.11</b>	<b>0.20</b>	<b>0.82</b>	<b>0.28</b>	<b>0.88</b>

## Notes to the Interim Report

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

#### Basis for preparing the Interim Report

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

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

The Interim Report for the period 1 January – 31 March 2013 was approved by the Board of Directors on 7 May 2013.

Aktia plc's financial statements and interim reports are available on Aktia's website [www.aktia.fi](http://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 organizational structure and changed its business segments. From 1 January 2013, the reported segments are Banking Business, Asset Management and Life Insurance and Miscellaneous. The previous segments Asset Management and Life Insurance were combined into one segment, Asset Management and 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.

IFRS 7 specifies supplementary information to be disclosed on net accounting for financial assets and liabilities as of 1 January 2013. In the first quarter, the Group has not used the opportunity to set off financial assets and liabilities included in set-off agreements. The Group will review the use of set-off continuously. The changes of IFRS 7 has had no impact on the information given by the Group in the Interim report 1 January – 31 March 2013.

IFRS 13 includes rules for definition of fair value and specifies the requirements on disclosure. The Group has completed the Interim report 1 January–31 March 2013 with the new requirements on disclosure in Note 5.

## Note 2. Group's segment reporting

Income statement (EUR million)	Banking Business			Asset Management & Life Insurance			Miscellaneous			Eliminations			Group total		
	1-3/2013	1-3/2012	1-3/2013	1-3/2012	1-3/2013	1-3/2012	1-3/2013	1-3/2012	1-3/2013	1-3/2012	1-3/2013	1-3/2012	1-3/2013	1-3/2012	1-3/2012
Net interest income	30.2	29.9	0.0	0.0	-0.2	-0.4	0.1	0.1	0.1	0.1	0.1	0.1	30.1	29.6	29.6
Net commission income	12.8	12.0	4.7	4.2	1.5	1.3	-2.2	-1.8	1.3	-1.8	1.3	-1.8	16.9	15.7	15.7
Net income from life insurance	-	-	7.2	5.9	-	-	0.4	0.3	-	0.3	0.4	0.3	7.6	6.2	6.2
Other income	2.8	1.1	0.0	0.0	0.7	1.8	-0.6	-1.2	0.7	-1.2	0.7	-1.2	3.0	1.7	1.7
<b>Total operating income</b>	<b>45.9</b>	<b>43.0</b>	<b>11.9</b>	<b>10.1</b>	<b>2.1</b>	<b>2.8</b>	<b>-2.3</b>	<b>-2.6</b>	<b>2.1</b>	<b>-2.3</b>	<b>2.8</b>	<b>-2.6</b>	<b>57.5</b>	<b>53.2</b>	<b>53.2</b>
Staff costs	-9.7	-10.0	-2.7	-2.6	-6.7	-5.8	-0.2	-0.1	-6.7	-5.8	-0.2	-0.1	-19.2	-18.6	-18.6
IT-expenses	-3.6	-3.7	-0.5	-0.4	-1.8	-2.2	-	-	-1.8	-2.2	-	-	-5.9	-6.4	-6.4
Depreciation of tangible and intangible assets	-0.4	-0.5	-0.2	-0.3	-1.0	-1.0	-	-	-1.0	-1.0	-	-	-1.7	-1.8	-1.8
Other expenses	-15.8	-15.0	-2.3	-2.0	5.1	5.0	2.3	2.1	5.1	5.0	2.3	2.1	-10.7	-9.9	-9.9
<b>Total operating expenses</b>	<b>-29.5</b>	<b>-29.3</b>	<b>-5.7</b>	<b>-5.3</b>	<b>-4.4</b>	<b>-4.0</b>	<b>2.1</b>	<b>2.0</b>	<b>-4.4</b>	<b>-4.0</b>	<b>2.1</b>	<b>2.0</b>	<b>-37.5</b>	<b>-36.7</b>	<b>-36.7</b>
Write-downs on credits and other commitments	-1.1	-1.9	-	-	-	-	-	-	-	-	-	-	-1.1	-1.9	-1.9
Share of profit from associated companies	-	-	-	-	-	-	0.6	-0.3	-	-0.3	0.6	-0.3	0.6	-0.3	-0.3
<b>Operating profit from continuing operations</b>	<b>15.2</b>	<b>11.8</b>	<b>6.2</b>	<b>4.8</b>	<b>-2.4</b>	<b>-1.3</b>	<b>0.4</b>	<b>-1.0</b>	<b>-2.4</b>	<b>-1.3</b>	<b>0.4</b>	<b>-1.0</b>	<b>19.5</b>	<b>14.3</b>	<b>14.3</b>

Balance sheet (EUR million)	Banking Business			Asset Management & Life Insurance			Miscellaneous			Eliminations			Group total		
	31.3.2013	31.12.2012	31.3.2013	31.12.2012	31.3.2013	31.12.2012	31.3.2013	31.12.2012	31.3.2013	31.12.2012	31.3.2013	31.12.2012	31.3.2013	31.12.2012	31.12.2012
Cash and balances with central banks	293.7	585.9	41.2	15.5	-	-	-39.8	-13.7	-	-	-39.8	-13.7	295.1	587.6	587.6
Financial assets reported at fair value via the income statement	-	-	0.0	0.1	-	-	-	-	-	-	-	-	0.0	0.1	0.1
Financial assets available for sale	1,646.1	1,468.9	613.5	640.8	5.7	5.8	-8.3	-8.8	5.7	5.8	-8.3	-8.8	2,257.0	2,106.7	2,106.7
Financial assets held until maturity	362.5	350.0	-	-	-	-	-	-	-	-	-	-	362.5	350.0	350.0
Loans and other receivables	7,307.9	7,406.6	6.7	7.5	29.0	3.3	-82.1	-57.1	29.0	3.3	-82.1	-57.1	7,261.6	7,360.2	7,360.2
Investments for unit-linked provisions	-	-	401.1	360.9	-	-	-	-	-	-	-	-	401.1	360.9	360.9
Other assets	442.2	363.4	50.5	51.7	430.5	423.0	-362.9	-363.3	430.5	423.0	-362.9	-363.3	560.3	474.7	474.7
<b>Total assets</b>	<b>10,052.4</b>	<b>10,174.7</b>	<b>1,113.1</b>	<b>1,076.4</b>	<b>465.2</b>	<b>432.0</b>	<b>-493.0</b>	<b>-443.0</b>	<b>465.2</b>	<b>432.0</b>	<b>-493.0</b>	<b>-443.0</b>	<b>11,137.7</b>	<b>11,240.2</b>	<b>11,240.2</b>
Deposits	4,691.5	4,714.1	-	-	-	0.0	-76.2	-25.1	-	0.0	-76.2	-25.1	4,615.2	4,689.0	4,689.0
Debt securities issued	3,560.5	3,549.1	-	-	-	-	-8.3	-8.8	-	-	-8.3	-8.8	3,552.2	3,540.3	3,540.3
Technical provision for insurance business	-	-	917.4	878.5	-	-	-	-	-	-	-	-	917.4	878.5	878.5
Other liabilities	1,227.1	1,324.2	34.0	34.4	275.6	261.4	-149.2	-145.0	275.6	261.4	-149.2	-145.0	1,387.4	1,475.0	1,475.0
<b>Total liabilities</b>	<b>9,479.1</b>	<b>9,587.5</b>	<b>951.4</b>	<b>912.9</b>	<b>275.6</b>	<b>261.4</b>	<b>-233.8</b>	<b>-178.9</b>	<b>275.6</b>	<b>261.4</b>	<b>-233.8</b>	<b>-178.9</b>	<b>10,472.4</b>	<b>10,582.8</b>	<b>10,582.8</b>

### Note 3. Derivatives and off-balance sheet commitments

#### Hedging derivative instruments

(EUR million)

	Total nominal amount	Assets, fair value	Liabilities, fair value
<b>31.3.2013</b>			
<b>Fair value hedging</b>			
Interest rate-related	2,760.0	133.2	25.4
<b>Total</b>	<b>2,760.0</b>	<b>133.2</b>	<b>25.4</b>
<b>Cash flow hedging</b>			
Interest rate-related	75.0	0.2	-
<b>Total</b>	<b>75.0</b>	<b>0.2</b>	<b>-</b>
<b>Derivative instruments valued via the income statement</b>			
Interest rate-related *)	4,003.8	134.3	133.4
Currency-related	42.4	0.8	0.5
Equity-related **)	77.5	2.3	2.3
Other derivative instruments **)	20.8	0.0	0.0
<b>Total</b>	<b>4,144.5</b>	<b>137.4</b>	<b>136.2</b>
<b>Total derivative instruments</b>			
Interest rate-related	6,838.8	267.6	158.8
Currency-related	42.4	0.8	0.5
Equity-related	77.5	2.3	2.3
Other derivative instruments	20.8	0.0	0.0
<b>Total</b>	<b>6,979.5</b>	<b>270.8</b>	<b>161.6</b>

#### Hedging derivative instruments

(EUR million)

	Total nominal amount	Assets, fair value	Liabilities, fair value
<b>31.12.2012</b>			
<b>Fair value hedging</b>			
Interest rate-related	2,837.0	149.8	34.3
<b>Total</b>	<b>2,837.0</b>	<b>149.8</b>	<b>34.3</b>
<b>Cash flow hedging</b>			
Interest rate-related	75.0	0.1	-
<b>Total</b>	<b>75.0</b>	<b>0.1</b>	<b>-</b>
<b>Derivative instruments valued via the income statement</b>			
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
<b>Total</b>	<b>4,456.6</b>	<b>152.4</b>	<b>152.0</b>
<b>Total derivative instruments</b>			
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
<b>Total</b>	<b>7,368.6</b>	<b>302.2</b>	<b>186.4</b>

\*) Interest-linked derivatives include interest rate hedging provided for local banks which after back-to-back hedging with third parties amounted to EUR 3,934.0 (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)	31.3.2013	31.12.2012	31.3.2012
<b>Commitments provided to a third party on behalf of the customers</b>			
Guarantees	34.0	34.6	41.2
Other commitments provided to a third party	2.5	3.4	6.2
<b>Irrevocable commitments provided on behalf of customers</b>			
Unused credit arrangements	289.9	302.5	408.2
Other commitments provided to a third party	2.5	2.7	3.8
<b>Off-balance sheet commitments</b>	<b>328.9</b>	<b>343.1</b>	<b>459.4</b>

## Note 4. Group's risk exposure

### The Bank Group's capital adequacy

	(EUR million)				
Summary	3/2013	12/2012	9/2012	6/2012	3/2012
Tier 1 capital	432.0	426.4	440.4	437.9	427.1
Tier 2 capital	306.2	303.8	302.1	268.0	254.5
<b>Capital base</b>	<b>738.2</b>	<b>730.2</b>	<b>742.5</b>	<b>705.9</b>	<b>681.6</b>
Risk-weighted amount for credit and counterpart risks	3,321.4	3,248.9	3,355.6	3,369.6	3,395.0
Risk-weighted amount for market risks <sup>1</sup>	-	-	-	-	-
Risk-weighted amount for operational risks	362.3	362.3	372.3	372.3	372.3
<b>Risk-weighted commitments</b>	<b>3,683.7</b>	<b>3,611.2</b>	<b>3,727.9</b>	<b>3,742.0</b>	<b>3,767.3</b>
<b>Capital adequacy ratio, %</b>	<b>20.0</b>	<b>20.2</b>	<b>19.9</b>	<b>18.9</b>	<b>18.1</b>
<b>Tier 1 Capital ratio, %</b>	<b>11.7</b>	<b>11.8</b>	<b>11.8</b>	<b>11.7</b>	<b>11.3</b>
<b>Minimum capital requirement</b>	<b>294.7</b>	<b>288.9</b>	<b>298.2</b>	<b>299.4</b>	<b>301.4</b>
Capital buffer (difference between capital base and minimum requirement)	443.5	441.3	444.3	406.5	380.2

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

	(EUR million)				
Capital base	3/2013	12/2012	9/2012	6/2012	3/2012
Share capital	163.0	163.0	163.0	163.0	163.0
Funds	74.6	74.6	74.6	74.6	74.5
Non-controlling interest	65.1	64.8	64.8	64.0	58.3
Retained earnings	96.0	100.9	100.9	100.9	100.0
Profit for the period	11.7	23.4	25.3	18.4	8.8
./. provision for dividends to shareholders	-6.2	-28.3	-15.9	-10.6	-5.3
Capital loan	30.0	30.0	30.0	30.0	30.0
Total	434.2	428.4	442.8	440.3	429.3
./. intangible assets	-2.2	-2.0	-2.3	-2.4	-2.2
<b>Tier 1 capital</b>	<b>432.0</b>	<b>426.4</b>	<b>440.4</b>	<b>437.9</b>	<b>427.1</b>
Fund at fair value	45.2	45.6	36.9	4.4	2.9
Upper Tier 2 loans	45.0	45.0	45.0	45.0	45.0
Lower Tier 2 loans	216.0	213.2	220.2	218.6	206.6
<b>Tier 2 capital</b>	<b>306.2</b>	<b>303.8</b>	<b>302.1</b>	<b>268.0</b>	<b>254.5</b>
<b>Total capital base</b>	<b>738.2</b>	<b>730.2</b>	<b>742.5</b>	<b>705.9</b>	<b>681.6</b>

### The Bank Group's credit and counterparty risks

#### Total exposures 3/2013

	(EUR million)		
Risk-weight	Balance sheet assets	Off-balance sheet commitments	Total
0%	1,008.1	22.8	1,030.9
10%	1,188.9	-	1,188.9
20%	808.2	129.6	937.8
35%	5,726.0	54.6	5,780.6
50%	0.1	-	0.1
75%	534.5	87.7	622.2
100%	548.1	36.2	584.4
150%	13.6	0.6	14.2
<b>Total</b>	<b>9,827.4</b>	<b>331.5</b>	<b>10,159.0</b>
Derivatives *)	310.6	-	310.6
<b>Total</b>	<b>10,138.0</b>	<b>331.5</b>	<b>10,469.5</b>

Risk-weighted exposures					(EUR million)
Risk-weight	3/2013	12/2012	9/2012	6/2012	3/2012
0%	-	-	-	-	-
10%	118.9	125.5	133.6	120.8	125.6
20%	167.2	120.3	145.6	155.5	163.9
35%	2,011.7	2,025.2	2,023.4	2,008.1	1,990.4
50%	0.0	0.1	0.3	0.3	0.3
75%	418.1	428.9	437.9	439.9	437.2
100%	565.8	502.5	567.8	590.0	614.5
150%	20.9	25.9	20.3	28.5	35.3
<b>Total</b>	<b>3,302.5</b>	<b>3,228.3</b>	<b>3,328.8</b>	<b>3,343.2</b>	<b>3,367.3</b>
Derivatives *)	19.0	20.6	26.8	26.5	27.7
<b>Total</b>	<b>3,321.4</b>	<b>3,248.9</b>	<b>3,355.6</b>	<b>3,369.6</b>	<b>3,395.0</b>

\*) derivative agreements credit conversion factor

In its capital adequacy measurement to determine the exposure's risk weight, Aktia applies credit ratings by Moody's Investors Service or Standard & Poor's to receivables from central governments and central banks, credit institutions, investment firms, 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.

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

					(EUR million)			
Year	2012	2011	2010	3/2013	12/2012	9/2012	6/2012	3/2012
Gross income	183.3	187.8	208.5					
- average 3 years	193.2							
<b>Capital requirement for operational risk</b>				<b>29.0</b>	<b>29.0</b>	<b>29.8</b>	<b>29.8</b>	<b>29.8</b>
<b>Risk-weighted amount</b>				<b>362.3</b>	<b>362.3</b>	<b>372.3</b>	<b>372.3</b>	<b>372.3</b>

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	3/2013	12/2012	9/2012	6/2012	3/2012	
The Group's equity	665.4	657.4	643.7	587.8	583.3	
Sector-specific assets	261.0	258.2	265.4	263.6	251.6	
Intangible assets and other reduction items	-244.9	-241.4	-222.5	-205.3	-202.6	
<b>Conglomerate's total capital base</b>	<b>681.5</b>	<b>674.2</b>	<b>686.6</b>	<b>646.2</b>	<b>632.3</b>	
Capital requirement for banking business	296.5	290.8	300.1	301.6	304.0	
Capital requirement for insurance business	38.4	38.1	37.5	37.5	37.9	
<b>Minimum amount for capital base</b>	<b>334.9</b>	<b>328.8</b>	<b>337.5</b>	<b>339.1</b>	<b>341.9</b>	
<b>Conglomerate's capital adequacy</b>	<b>346.6</b>	<b>345.4</b>	<b>349.1</b>	<b>307.1</b>	<b>290.4</b>	
<b>Capital adequacy ratio, %</b>	<b>203.5 %</b>	<b>205.1 %</b>	<b>203.4 %</b>	<b>190.5 %</b>	<b>184.9 %</b>	

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. 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.

Financial instruments measured at fair value (EUR million)	31.3.2013 Fair value classified into				31.12.2012 Fair value classified into			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets valued via the income statement</b>								
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	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Financial assets available for sale</b>								
Interest-bearing securities	1,958.9	177.7	21.6	2,158.2	1,946.9	43.3	21.5	2,011.7
Shares and participations	43.7	0.0	55.1	98.8	39.2	0.0	55.8	95.0
<b>Total</b>	<b>2,002.7</b>	<b>177.7</b>	<b>76.6</b>	<b>2,257.0</b>	<b>1,986.1</b>	<b>43.3</b>	<b>77.2</b>	<b>2,106.7</b>
Derivative instrument, net	0.3	108.8	0.0	109.2	-0.6	116.5	0.0	115.9
<b>Totalt</b>	<b>0.3</b>	<b>108.8</b>	<b>0.0</b>	<b>109.2</b>	<b>-0.6</b>	<b>116.5</b>	<b>0.0</b>	<b>115.9</b>
<b>Total</b>	<b>2,003.0</b>	<b>286.6</b>	<b>76.7</b>	<b>2,366.2</b>	<b>1,985.5</b>	<b>159.8</b>	<b>77.3</b>	<b>2,222.6</b>

### 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 no transfers between level 1 and level 2 has occurred. The increase in level 2 is purely due to an increase in business volumes especially for domestic commercial papers.

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  (EUR million)	Financial assets valued via the income statement			Financial assets available for sale			Total		
	Interest-bearing securities	Shares and participations	Total	Interest-bearing securities	Shares and participations	Total	Interest-bearing securities	Shares and participations	Total
Carrying amount 1.1.2013	0.0	0.1	<b>0.1</b>	21.5	55.8	<b>77.2</b>	21.5	55.8	<b>77.3</b>
New purchases	0.0	0.0	<b>0.0</b>	0.1	0.0	<b>0.1</b>	0.1	0.0	<b>0.1</b>
Sales	0.0	0.0	<b>0.0</b>	0.0	-0.2	<b>-0.2</b>	0.0	-0.2	<b>-0.2</b>
Matured during the year	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>
Realised value change in the income statement	0.0	0.0	<b>0.0</b>	0.0	-0.7	<b>-0.7</b>	0.0	-0.7	<b>-0.7</b>
Unrealised value change in the income statement	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>
Value change recognised in the total comprehensive income	0.0	0.0	<b>0.0</b>	0.0	0.2	<b>0.2</b>	0.0	0.2	<b>0.2</b>
Transfer from level 1 and 2	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>
Transfer to level 1 and 2	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>	0.0	0.0	<b>0.0</b>
<b>Carrying amount 31.3.2013</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>21.6</b>	<b>55.1</b>	<b>76.7</b>	<b>21.6</b>	<b>55.2</b>	<b>76.7</b>

### 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 percentage 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 1,6 (1.6)% of the Group's own funds.

Sensitivity analysis for financial instruments belonging to level 3	31.3.2013			31.12.2012		
	Effect at an assumed movement			Effect at an assumed movement		
	Carrying amount	Positive	Negative	Carrying amount	Positive	Negative
<b>Financial assets valued via the income statement</b>						
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
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>
<b>Financial assets available for sale</b>						
Interest-bearing securities	21.6	0.6	-0.6	21.5	0.6	-0.6
Shares and participations	55.1	10.0	-10.0	55.8	10.2	-10.2
<b>Total</b>	<b>76.7</b>	<b>10.7</b>	<b>-10.7</b>	<b>77.2</b>	<b>10.8</b>	<b>-10.8</b>
<b>Total</b>	<b>76.7</b>	<b>10.7</b>	<b>-10.7</b>	<b>77.3</b>	<b>10.8</b>	<b>-10.8</b>

## Note 6. Net interest income

(EUR million)	1-3/2013	1-3/2012	Δ %	2012
Deposits and lending	10.4	15.3	-32%	55.1
Hedging, interest rate risk management	11.1	7.2	54%	30.8
Other	8.6	7.1	20%	31.4
<b>Net interest income</b>	<b>30.1</b>	<b>29.6</b>	<b>2%</b>	<b>117.3</b>

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)	31.3.2013	31.12.2012	30.9.2012	30.6.2012	31.3.2012
Gross loans	7,198.2	7,266.4	7,315.3	7,282.2	7,247.5
Individual write-downs	-50.8	-50.3	-47.8	-50.2	-49.5
Of which made to non-performing loans past due at least 90 days	-41.4	-40.1	-39.4	-42.0	-42.7
Of which made to other loans	-9.4	-10.2	-8.4	-8.2	-6.9
Write-downs by group	-14.8	-14.5	-15.9	-14.2	-14.1
<b>Net loans, balance amount</b>	<b>7,132.6</b>	<b>7,201.6</b>	<b>7,251.6</b>	<b>7,217.8</b>	<b>7,183.8</b>

## Note 8. Net income from life insurance

(EUR million)	1-3/2013	1-3/2012	Δ %	2012
Income from insurance premiums	46.0	29.9	54%	110.7
Net income from investments	8.1	7.7	6%	37.9
Insurance claims paid	-22.1	-21.7	-2%	-96.7
Net change in technical provisions	-24.4	-9.7	-153%	-24.6
<b>Net income from life insurance</b>	<b>7.6</b>	<b>6.2</b>	<b>22%</b>	<b>27.3</b>

Helsinki 7 May 2013

AKTIA PLC

The Board of Directors

## TRANSLATION

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

### Report on review of the interim report of Aktia p.l.c. Group as of and for the three months period ending March 31, 2013

#### *Introduction*

We have reviewed the balance sheet as of 31 March 2013, the income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement of Aktia p.l.c. Group for the three-month period then ended, as well as a summary of significant accounting policies and other explanatory notes to the financial statements. The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of this interim financial information in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and other Finnish rules and regulations governing the preparation of interim reports. 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 entity's financial position as at 31 March 2013 and the result of its operations and cash flows for the three-month period then ended, in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU and other applicable rules and regulations governing interim financial reporting preparation in Finland.

Helsinki 7 May 2013

KPMG Oy Ab

Jari Härmälä  
Authorized Public Accountant



6 August 2013

Interim report Jan-June 2013

7 November 2013

Interim report Jan-Sep 2013

# Aktia

## Contacts

Aktia Plc

PO Box 207

Mannerheimintie 14, 00101 Helsinki

Tel. +358 10 247 5000

Fax +358 10 247 6356

Website: [www.aktia.fi](http://www.aktia.fi)

Contact: [aktia@aktia.fi](mailto:aktia@aktia.fi)

E-mail: [firstname.lastname@aktia.fi](mailto:firstname.lastname@aktia.fi)

Business ID: 0108664-3

BIC/S.W.I.F.T: HELSFIHH