



Aktia

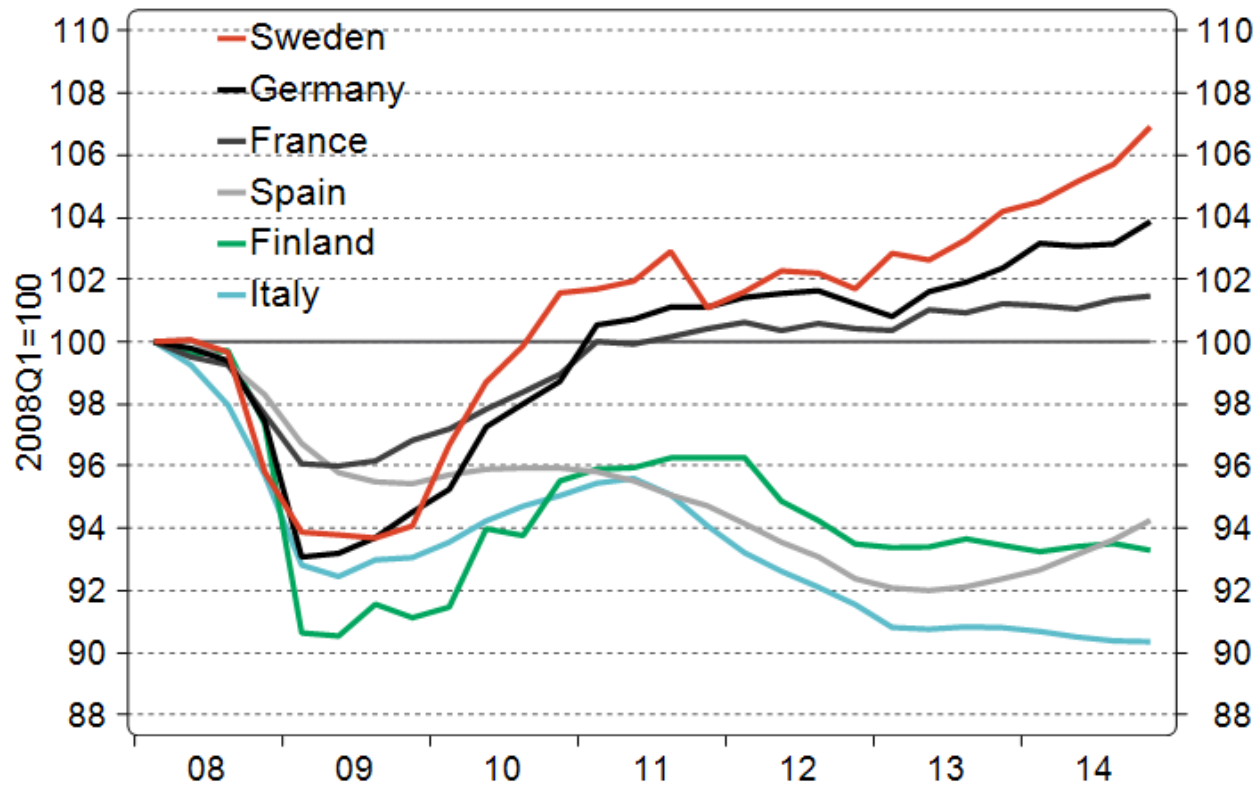
CEO's overview, Jussi Laitinen

- **The year 2014**
- **Aktia focuses on growth**
- **Outlook for 2015**

Finland in bad company

Aktia

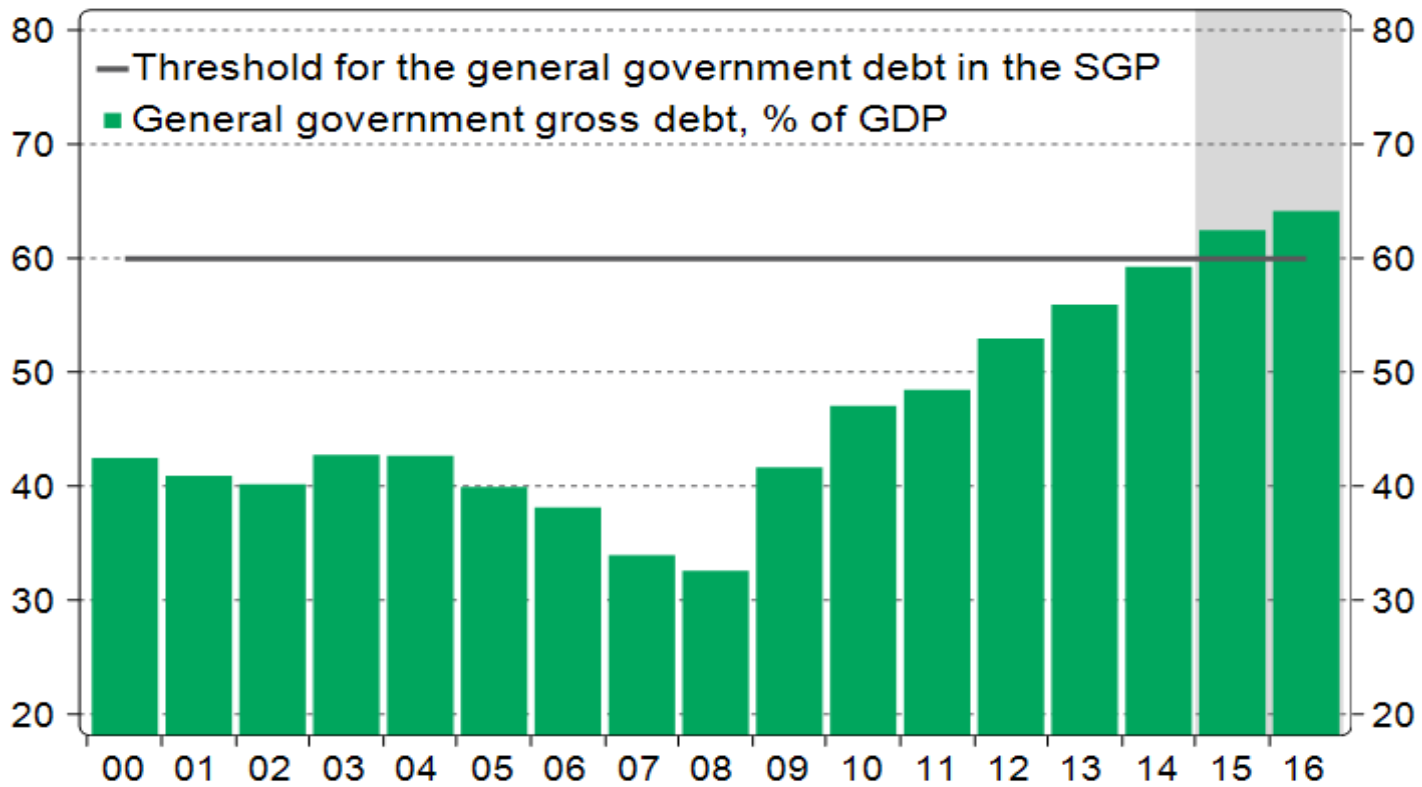
GDP in various European countries



Sources: Aktia Bank and Macrobond

Will the level of debt continue to increase?

Finland: General government gross debt, % of GDP



Sources: Aktia Bank and Macrobond

Profit 2014

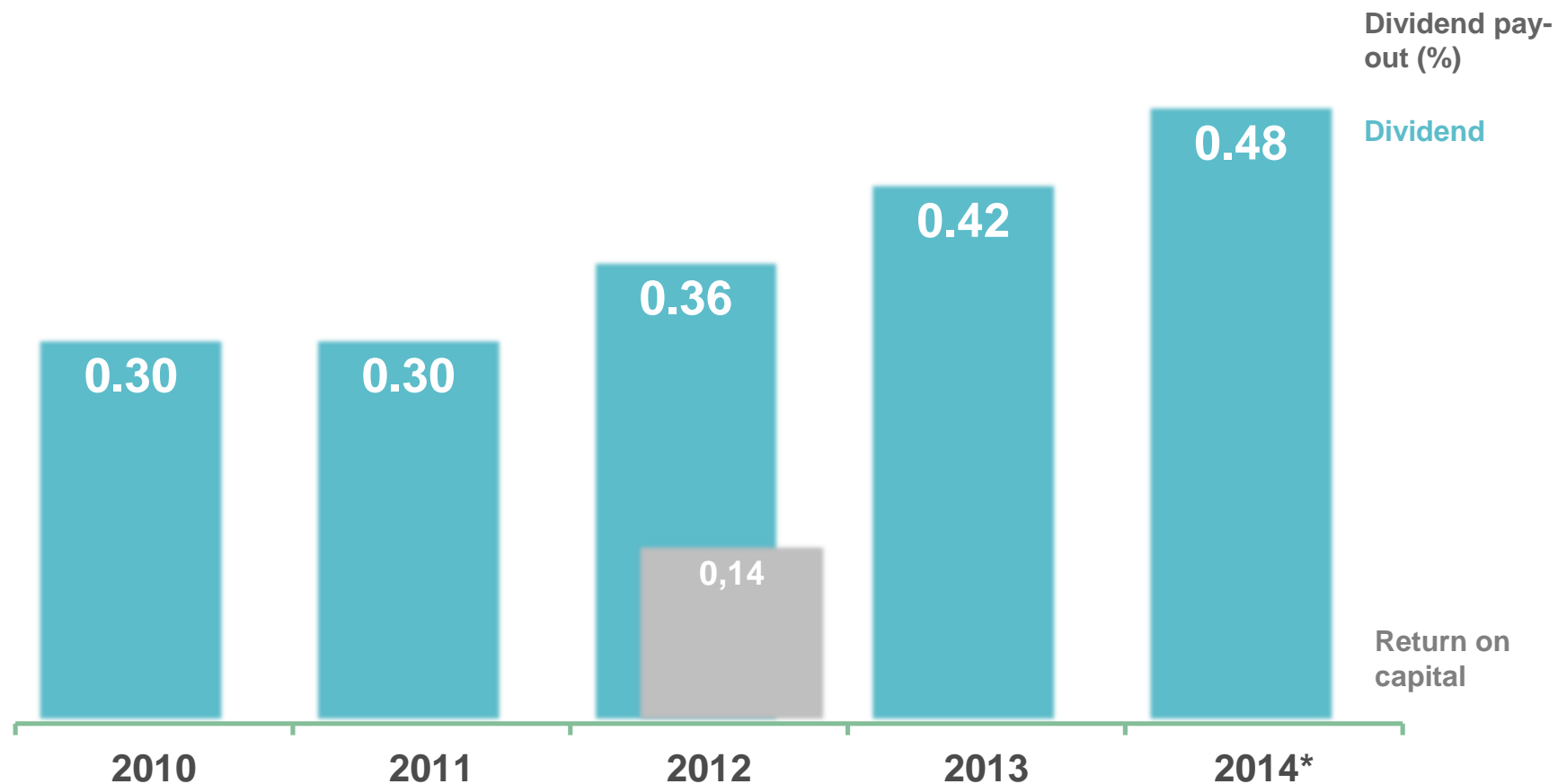
Aktia

	2014	2013	Δ%
Net interest income	102.8	112.6	-9
Net commission income	74.9	70.7	6
Total operating income	212.3	224.2	-5
Total operating expenses	-144.5	-157.2	-8
Write-downs on credits and other commitments	-1.7	-2.7	-37
Operating profit	68.3	65.4	4
Return on equity (ROE), %	8.3%	8.1%	2
Tier 1 capital (CET 1%)	14.6%	12.3%*	18

*Basel III

Dividend proposal 2014: EUR 0.48 per share

Aktia

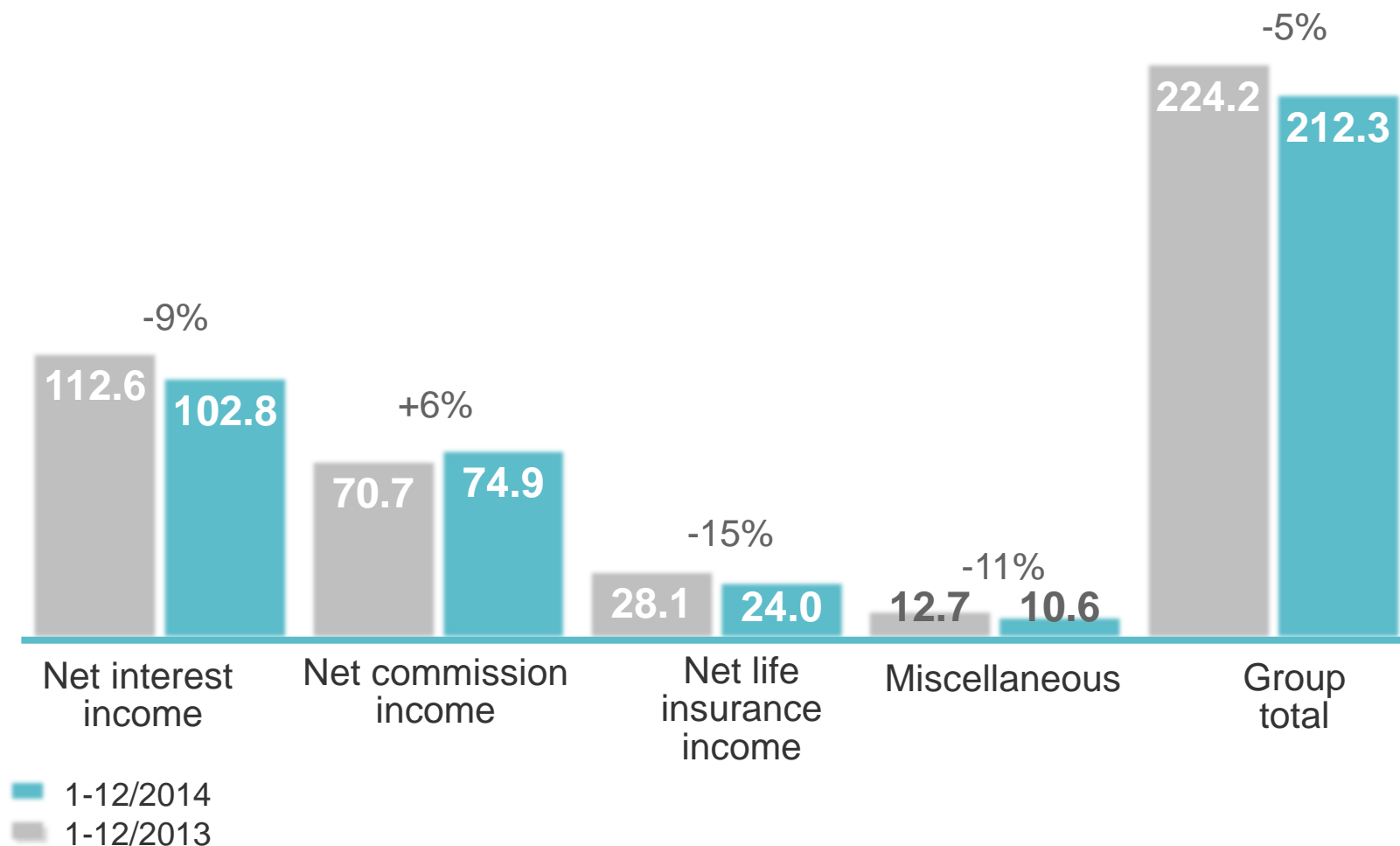


*Proposal by the Board of Directors

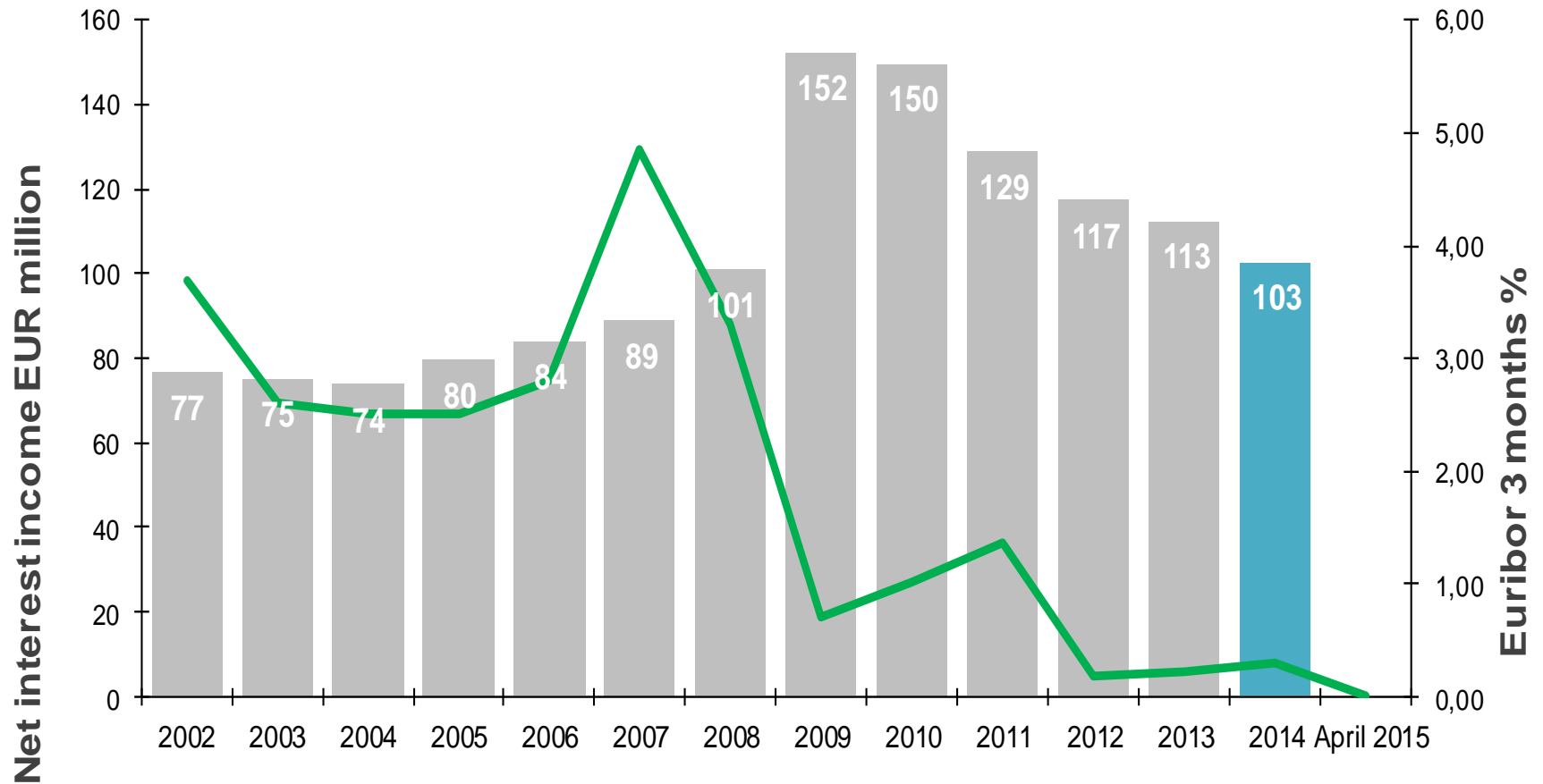
Income (EUR million)

Aktia

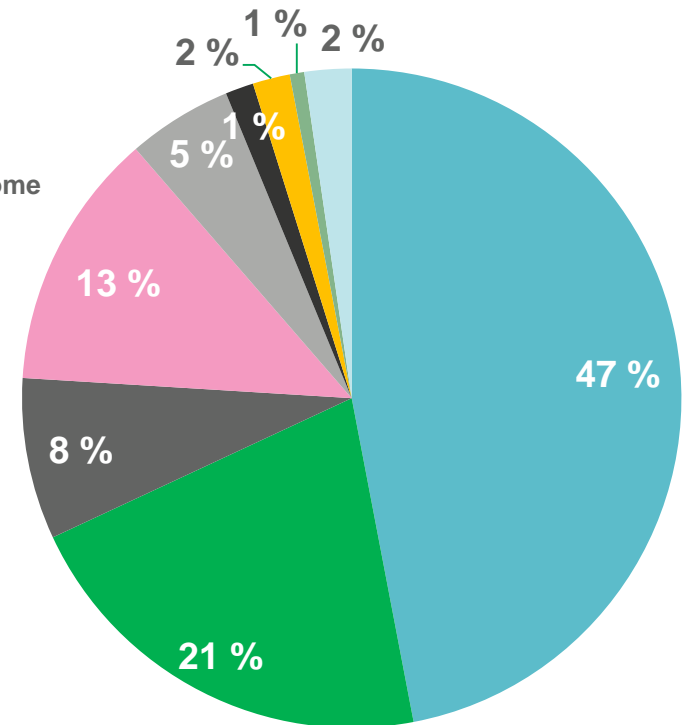
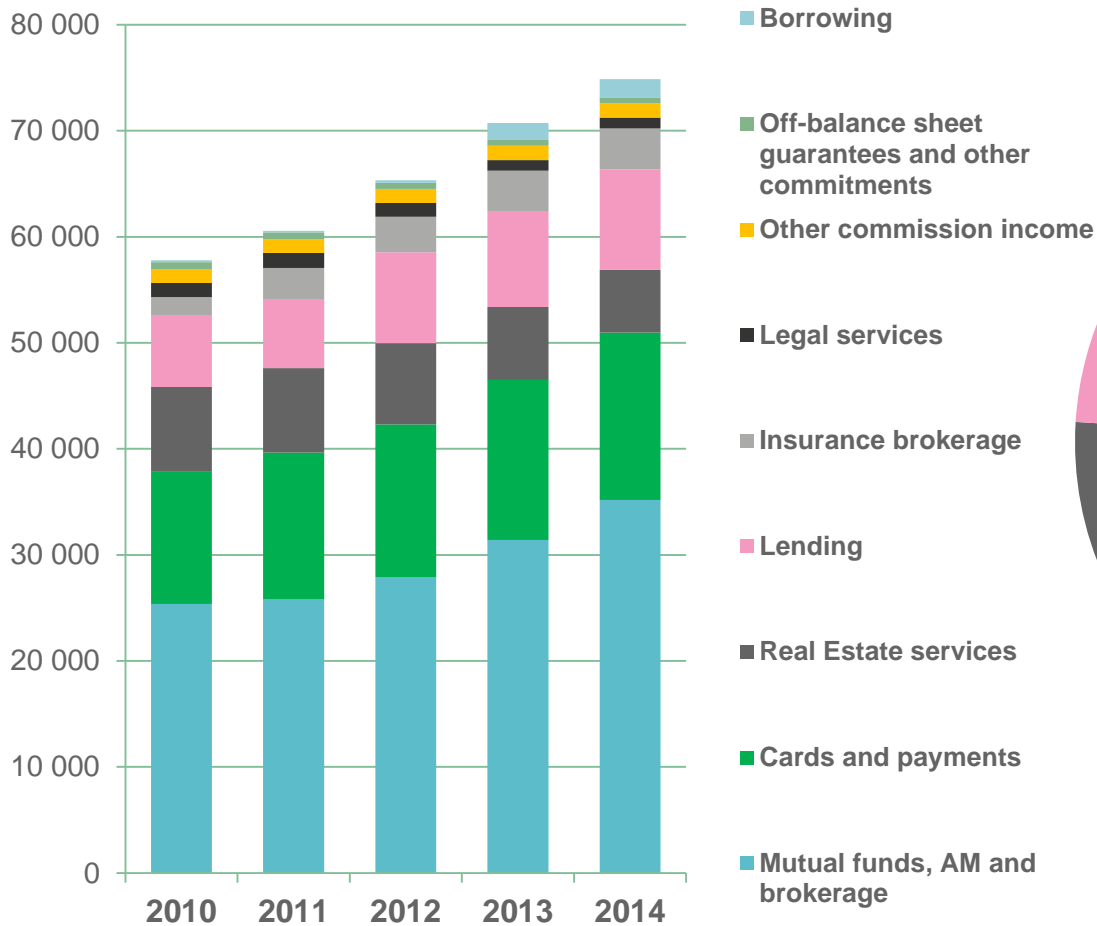
Net Commission income continued to increase



NII vs. Euribor 3 months

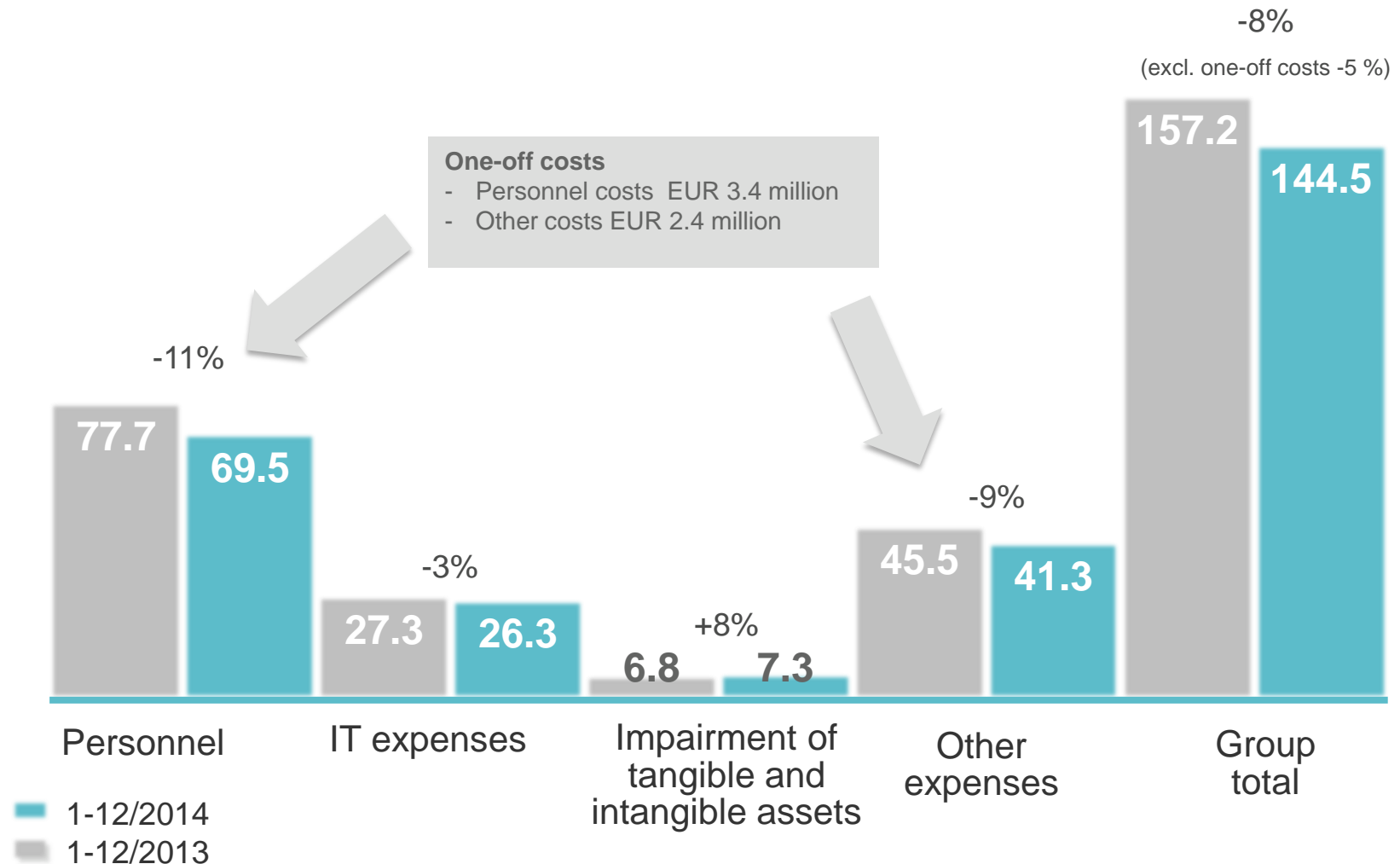


Commission income 2014



Operating expenses decreased by 8% (EUR million)

Aktia

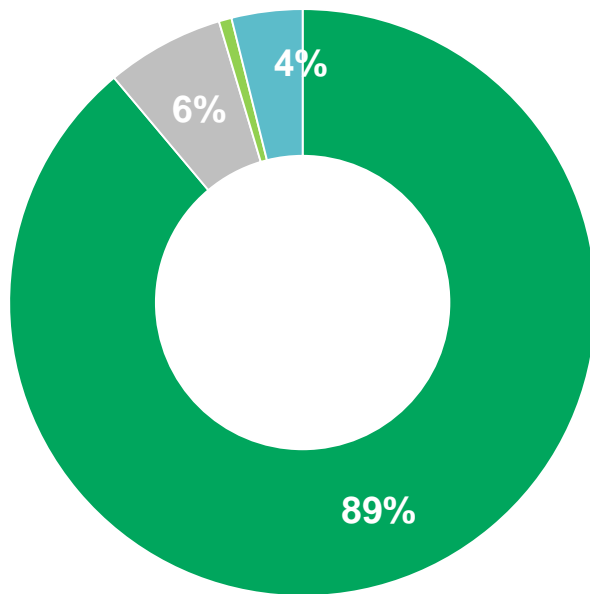


Credit and deposit stocks 31 December 2014

Aktia

Credits

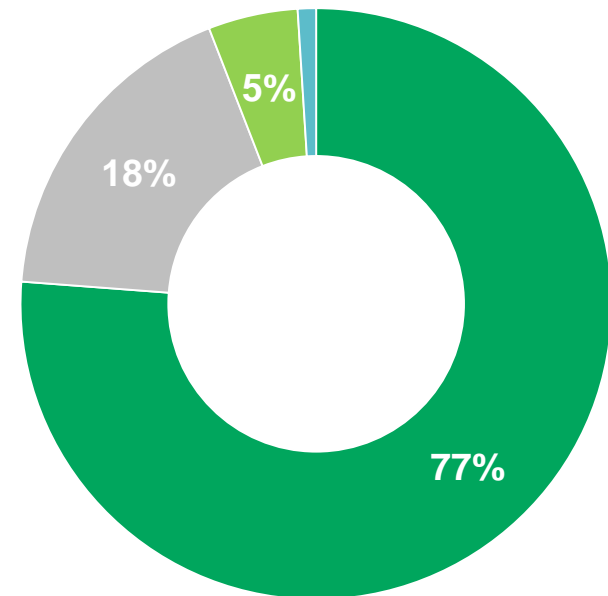
EUR 6,416 (6,802) million



- Households
- SME
- Non-profit and public organisations
- Housing associations

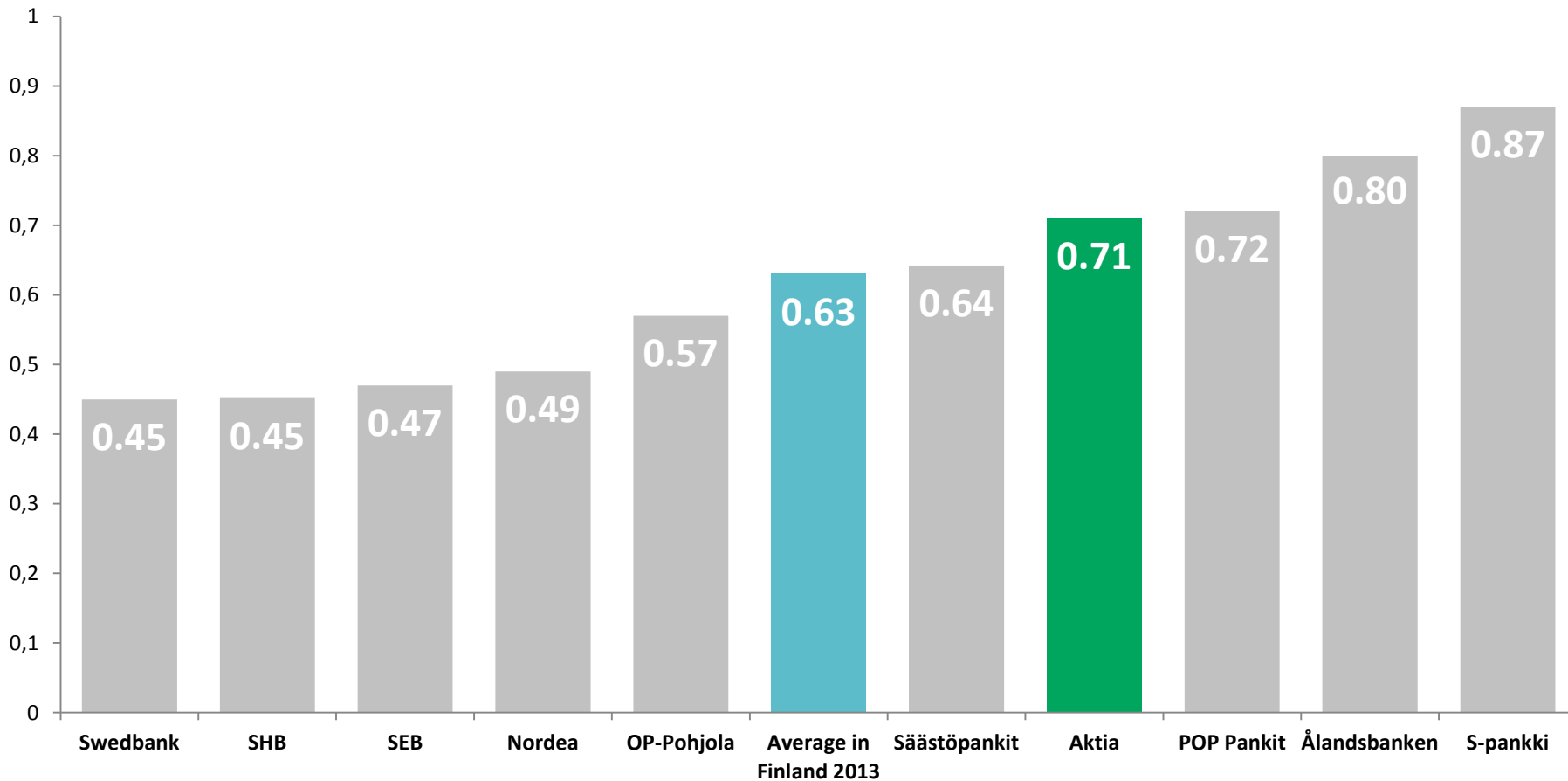
Deposits

EUR 3,979 (3,797) million



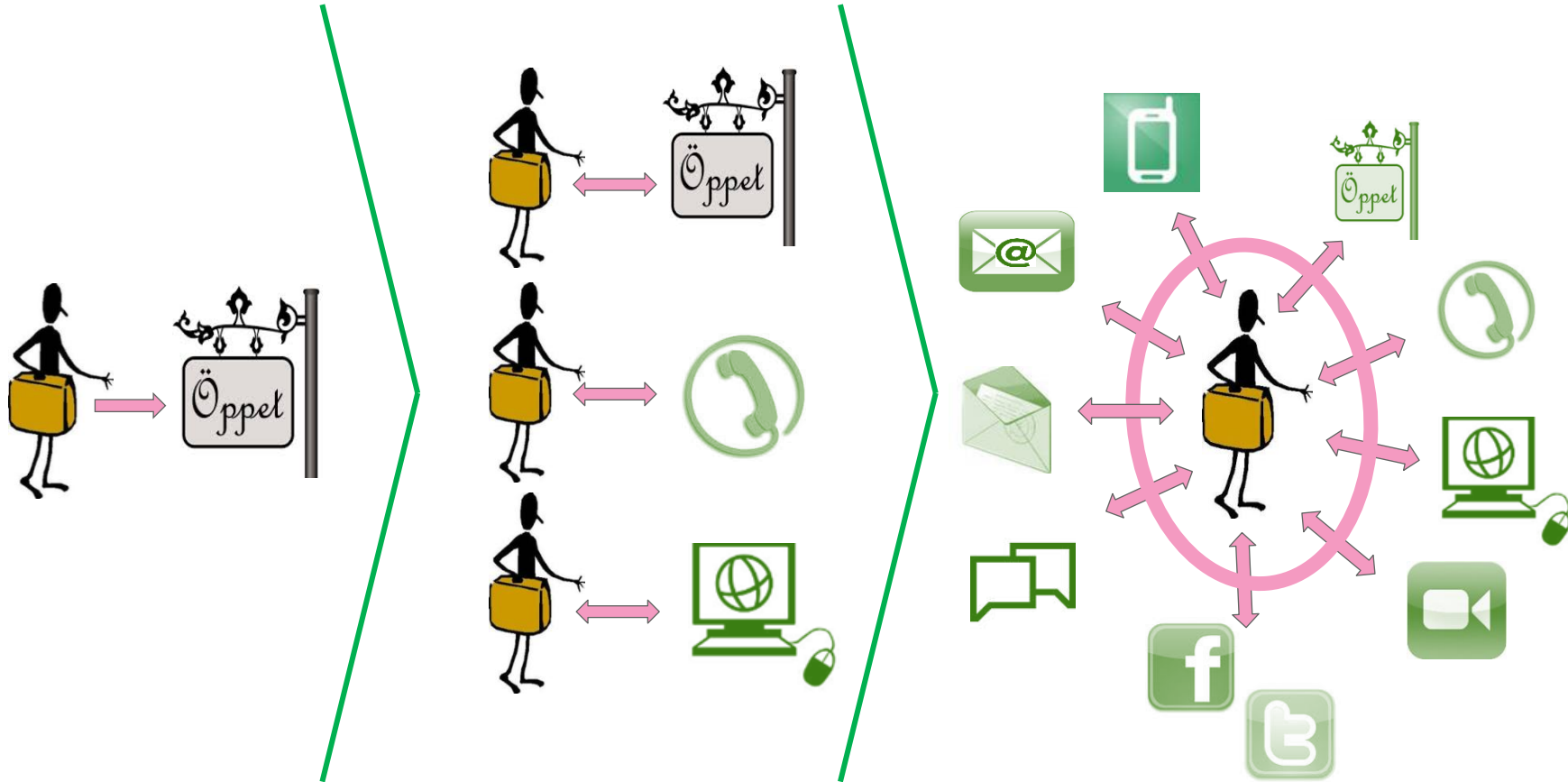
Cost-to-income ratio 2014

Aktia



Changes in customer behaviour

Aktia



Single Channel

Multi Channel

Omni Channel



The best bank for you
and for your family



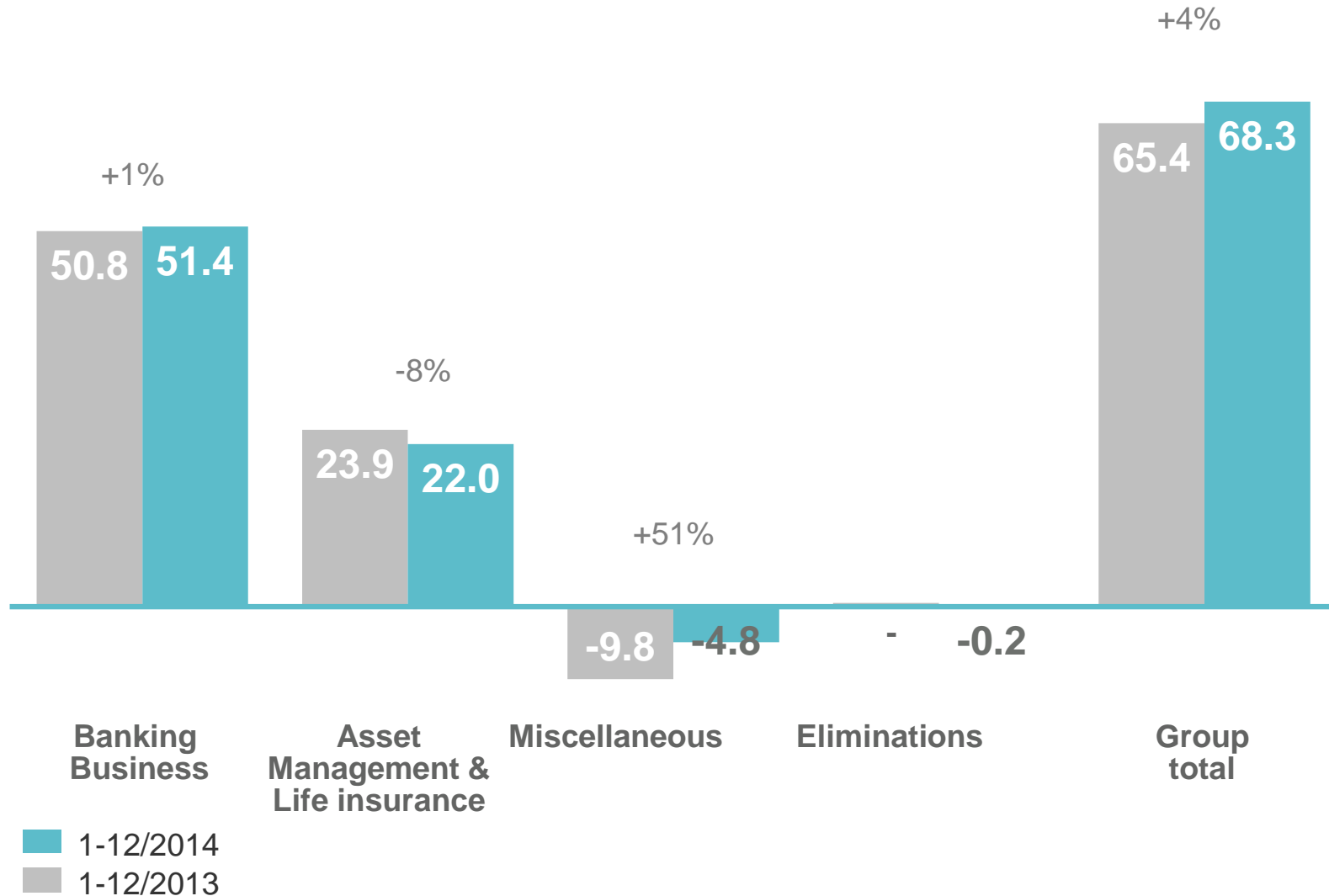
Competent financial
advice, accessibility



Satisfied customers,
profitability, good yield

The segments' contribution to the operating profit

Aktia

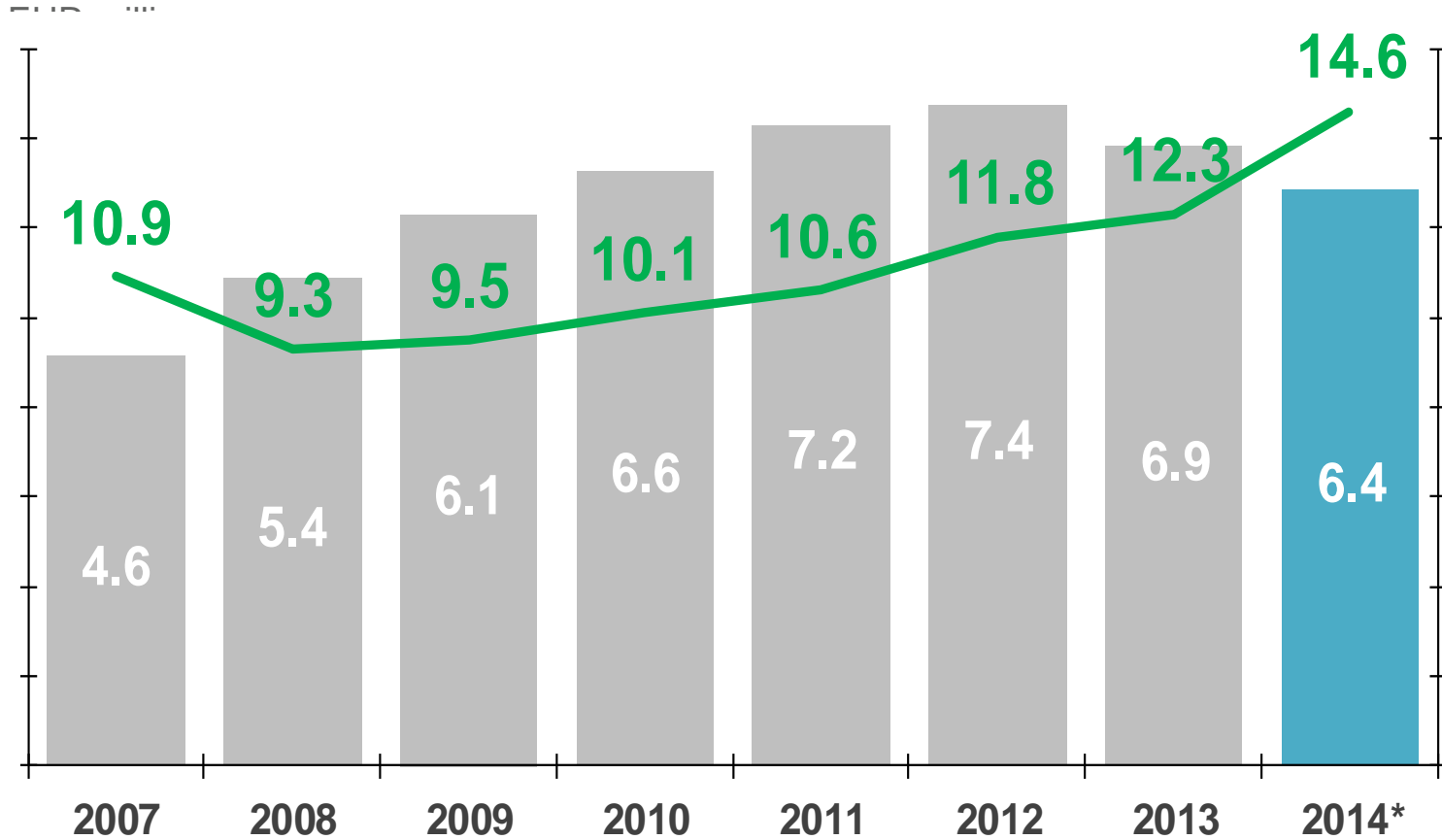


Lending (billion) vs. Core Tier Capital Ratio (%)

Aktia

Lending, EUR billion

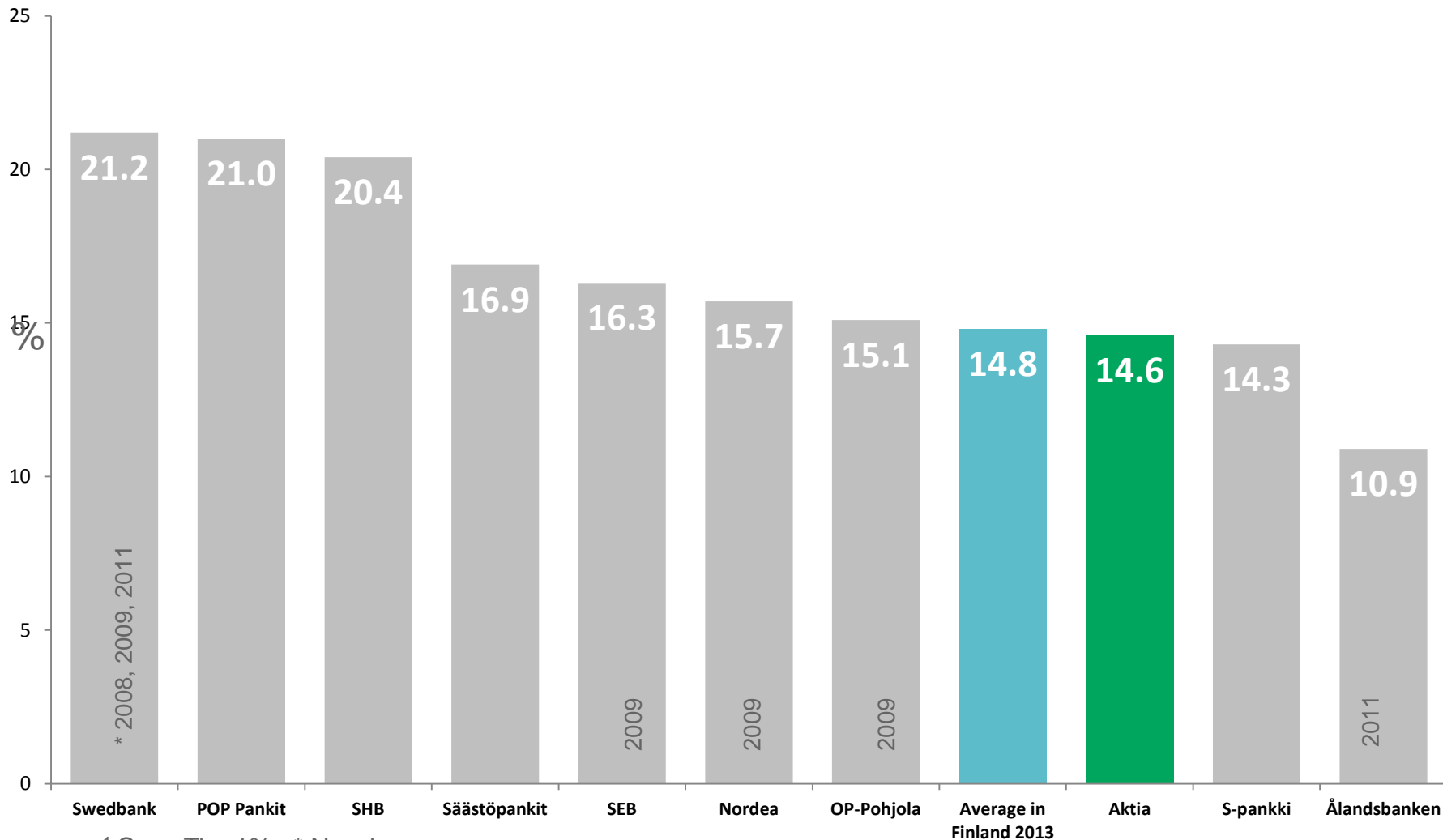
Tier 1 capital ratio, %



*Basel II 2006-2012, Basel III 2013, Core Tier 1 - 2014

Tier 1 capital ratio¹ 2014

Aktia

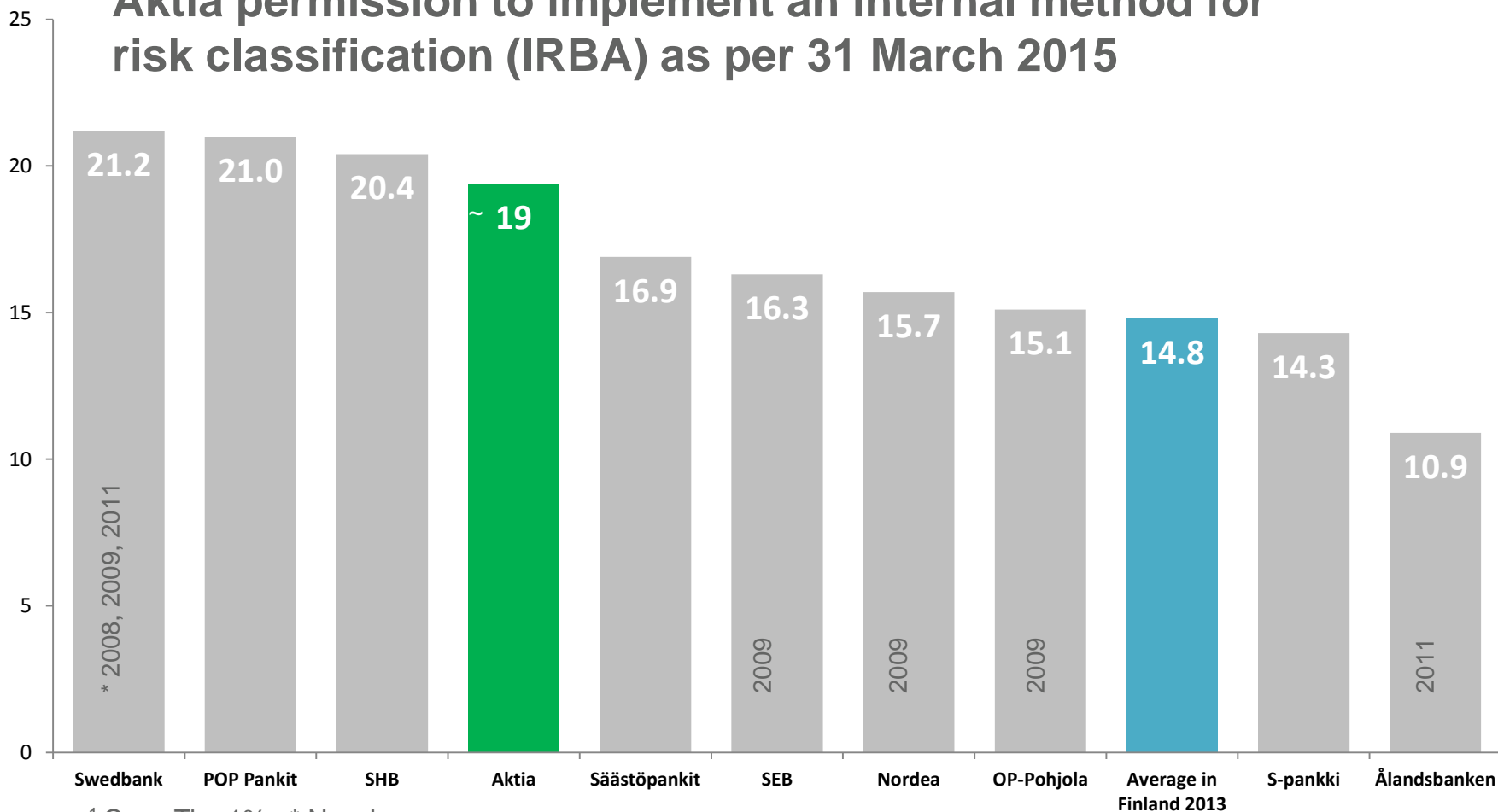


¹ Core Tier 1% , * New issue

Tier 1 capital ratio¹ after IRBA

Aktia

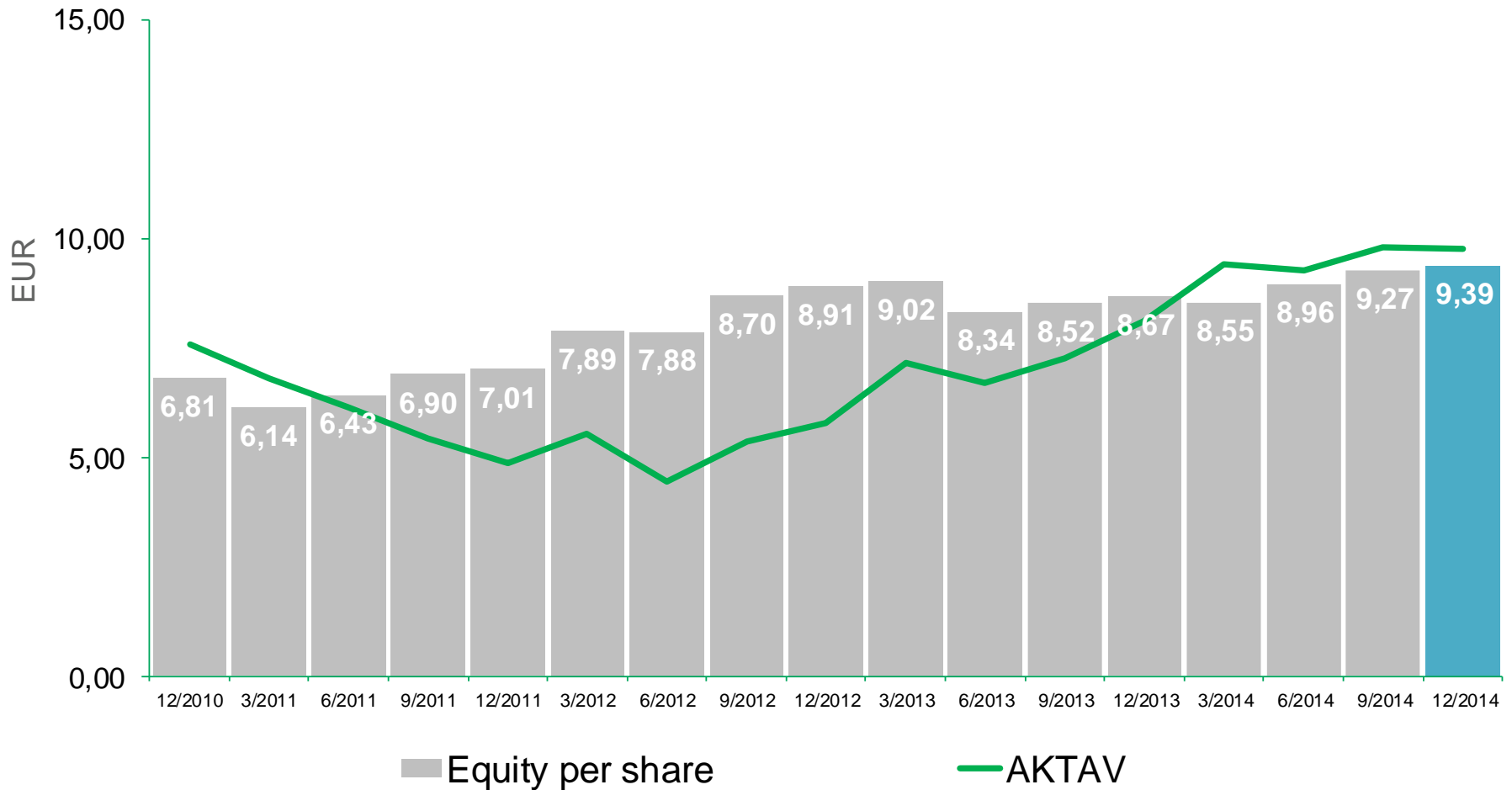
The Finnish Financial Supervisory Authority granted Aktia permission to implement an internal method for risk classification (IRBA) as per 31 March 2015



¹ Core Tier 1%, * New issue

Equity per share vs. AKTAV

Aktia



Action Plan 2015

Aktia

Renewal of core banking system

Termination of services as central credit institution 2015

Renewal of card operations

Implementation of One Net

IRBA

Measures to enhance effectiveness

Simplification of Group structure

Aktia Bank was granted mortgage bank concession

What's left?

- ***Aktia Real Estate Mortgage Bank***
- ***Core Banking Project completed***
- ***Enhancing effectiveness***

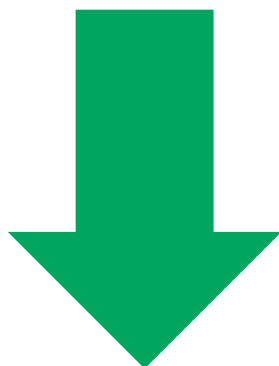
Decreased holdings in Folksam Non-Life Insurance

Aktia



**Folksam General increased to 75%
(51%)**

Veritas' share unchanged at 15%.

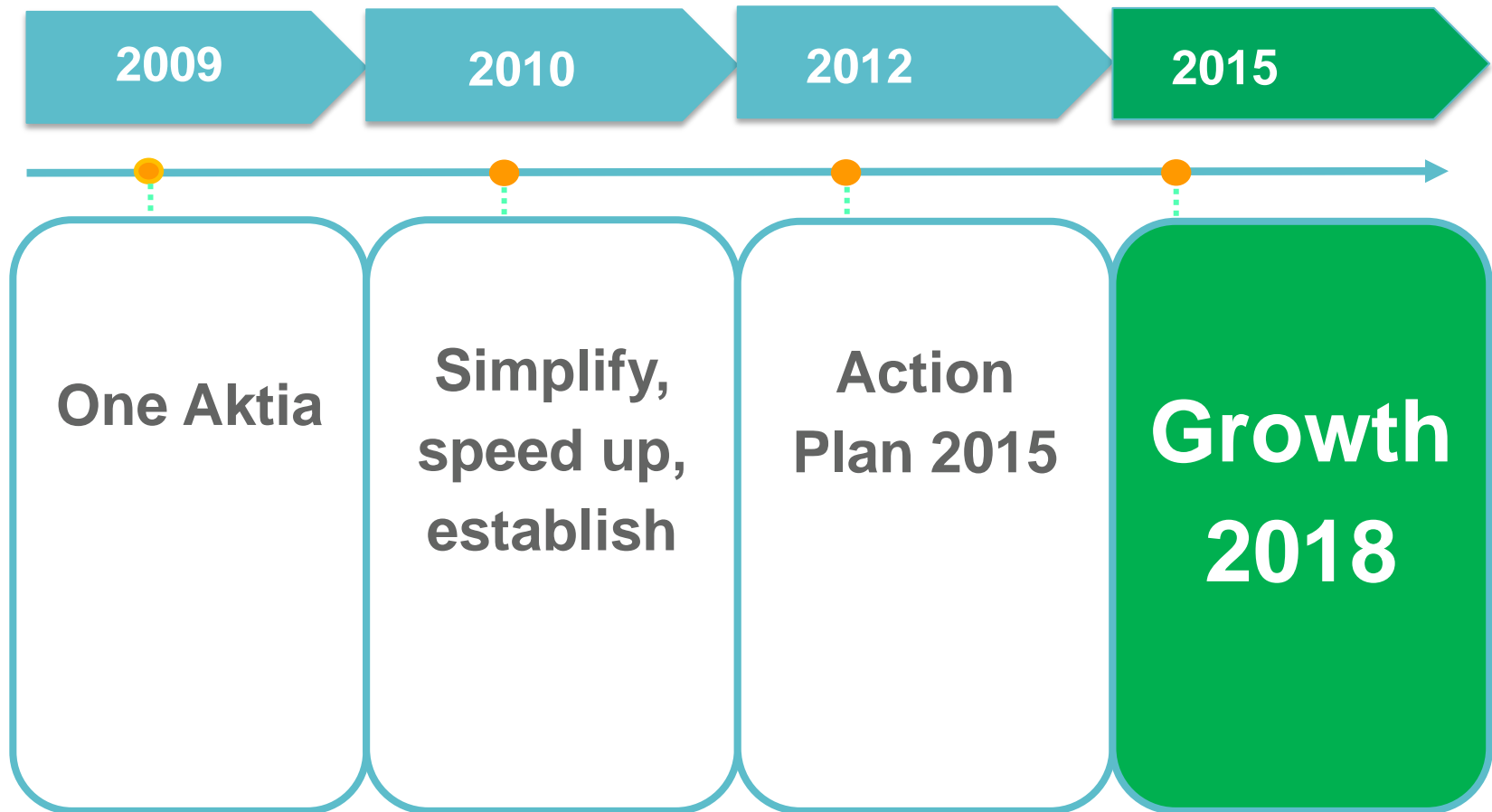





**Aktia's share decreased to
10% (24%)**

**The transaction frees capital
amounting to EUR 14.1 million**

Development of Aktia's strategy

Aktia



-  **Double the number of new customers**
-  **Develop and increase range of services for SMEs**
-  **Offer institutional customers long-term, comprehensive cooperation**

TLTRO = Targeted longer-term refinancing operations

- LTRO 2012 issued by ECB was considered "crisis financing", therefore avoided by banks in order not to be stigmatised and get a bad reputation. Now, the ECB's aim is to stimulate the economy, so the situation has changed completely.
- Aktia was granted a limit within the programme 17 March 2015, and has decided to initially use EUR 100 million of the limit. The interest rate is 0.05%.

Demand for credits low in Finland except in one segment – housing companies

- Low-risk target group
- Large, growing market

Financial objectives 2018

Aktia

Growth

Double the number of new customers

Profitability

ROE \geq 9%

Cost-to-income ratio down by -10%

Capital adequacy

Tier 1 capital ratio \geq 15%

Dividend pay-outs

Dividend pay-out \geq 50 % of profits for the year

Best customer service in Finland

Increased customer closeness and further improved customer service

- **Core banking project continues in 2015**
- **Aktia's operating profit for 2015 is expected to reach a similar level as in 2014.**
- **Growth 2016–**



Aktia

Aktia

We see a person in every customer.