

Ålandsbanken Interim report Interim Report for the period January - June 2010

02.08.2010

Bank of Åland Plc STOCK EXCHANGE RELEASE 2.8.2010 09.00 hrs

Interim Report for the period January - June 2010

The report period in brief

Ålandsbanken Sverige AB was consolidated for the first time on March 31, 2009, which means that the company's balance sheet was included in the Bank of Åland Group, while its earnings for Q1 2009 were not. During Q2 2009, the Bank of Åland Group recognised EUR 23.1 M in negative goodwill as income. Consolidated earnings and financial ratios for the first half of 2010 are thus not comparable to the corresponding data for the first half of 2009.

- Consolidated net operating profit excluding negative goodwill decreased by 17 per cent to 4.2 million euros (January-June 2009: EUR 5.1 M).
- Net interest income increased by 4 per cent to EUR 19.9 M (19.2)
- Commission income increased by 58 per cent to EUR 20.6 M (13.0)
- Total income increased by 15 per cent to EUR 48.9 M (42.4)
- Expenses rose by 27 per cent to EUR 44.7 M (35.3)
- Impairment losses on loans amounted to EUR 0.1 M (2.2)
- Lending volume increased by 5 per cent to EUR 2,549 M (June 2009: 2,428)
- Deposits increased by 4 per cent to EUR 2,492 M (June 2009: 2,401)
- Managed assets increased by 51 per cent to EUR 3,585 M (2,377)
- Earnings per share amounted to EUR 0.17 (2.23)
- The total capital ratio in compliance with Basel 2 amounted to 12.4 per cent (12.7)
- Compared to the second quarter of 2009, consolidated net operating profit (excluding negative goodwill) amounted to EUR 2.1 M (April-June 2009: -1.2)
- Taking into consideration that the Group's earnings in 2009 included a sizeable non-recurring income item, earnings in 2010 are expected to be substantially lower than in 2009
- The Group's operational earnings, excluding non-recurring income, are expected to be at least at the same level as in 2009

Earnings and profitability

This Interim Report has been prepared in compliance with the International Financial Reporting Standards (IFRSs) that have been adopted by the European Union, as well as with International Accounting Standard (IAS) 34, "Interim Financial Reporting".

Earnings summary for the report period

The consolidated earnings of the Bank of Åland Group during the first half of 2010 were characterised by a clear improvement in income from asset management

and private banking operations, while low market interest rates and depressed deposit margins continued to pull down net interest income in traditional banking operations. The Bank of Åland Group's managed assets showed very good growth, while lending and deposit volume increased moderately. Crosskey Banking Solutions Ab Ltd's operations expanded during the period, contributing to higher "Other operating income". During the period, the operations of Ålandsbanken Sverige AB were loss-making, even though managed assets showed positive growth.

During January-June 2010, the consolidated net operating profit of the Bank of Åland Group decreased by 17 per cent to EUR 4.2 M (Jan-Jun 2009: 5.1). During the second quarter of 2009, the Group recognised negative goodwill of EUR 23.1 M as income, due to its purchase of Kaupthing Bank Sverige AB.

Income excluding negative goodwill increased by 15 per cent to EUR 48.9 M (42.4), while expenses rose by 27 per cent to EUR 44.7 M (35.3). Return on equity after taxes (ROE) decreased to 3.0 (35.0) per cent, and earnings per share to EUR 0.17 (2.23).

The loss at Ålandsbanken Sverige AB during the report period totalled EUR 5.9 M. The subsidiary group Ålandsbanken Sverige AB was consolidated in the Bank of Åland Group for the first time on March 31, 2009. This meant that the company was included in the statement of financial position, while earnings for the first half of 2009 did not include effects generated in Ålandsbanken Sverige AB during the first quarter of 2009. This affects comparability between the periods. The allocation between the Group's Finnish and Swedish business areas can be found in the table entitled "Earnings, newly acquired operations" on page 9.

Net interest income

During the report period, consolidated net interest income increased by 4 per cent to EUR 19.9 M (19.2). Ålandsbanken Sverige AB had net interest income of EUR 4.1 M. Rising margins and higher lending volume had a positive impact, while shrinking deposit margins and higher refinancing costs depressed the Group's net interest income. Lending volume rose by 5 per cent to EUR 2,549 M (2,428). Deposit volume increased by 4 per cent to EUR 2,492 M (2,401).

Other income

Commission income rose by 58 per cent to EUR 20.6 M (13.0). The Group's focus on private banking and the good stock market trend increased income from securities and mutual funds as well as asset management. Commission income at Ålandsbanken Sverige AB amounted to EUR 8.0 M (3.3).

Net income from securities trading for the Bank's own account was EUR 0.2 M (2.9). Net income from dealing in the foreign exchange market decreased to EUR 0.9 M (1.1). Net income from financial assets available for sale was EUR 0.9 M (0.1), and net income from investment properties increased to 0.6 M (0.2). Other operating income increased to EUR 9.0 M (7.3) as a consequence of higher income from the sale and development of information technology (IT) systems.

The Group's total income, excluding negative goodwill, increased by 15 percent

to EUR 48.9 M (42.4).

Expenses

Staff costs rose by 32 per cent to EUR 26.4 M (20.0) as a consequence of the acquisition of Ålandsbanken Sverige AB, employee recruitments at Crosskey Banking Solutions Ab Ltd plus salary hikes as provided by collective agreements. Staff costs at Ålandsbanken Sverige AB amounted to EUR 9.2 M (4.4). Changes in the Bank's pension fund, Ålandsbanken Abp:s Pensionsstiftelse, according to the corridor approach reduced staff costs by EUR 0.2 M (0.0).

Other administrative expenses (office, marketing, communications and IT) increased to EUR 8.8 M (7.5). Production for own use totalled EUR 2.2 M (0.3) and was related to expenses for computer software, which in accordance with IFRSs must be capitalised. Depreciation/amortisation increased to EUR 3.6 M (3.2). Other operating expenses amounted to EUR 8.1 M (5.1), of which EUR 3.8 M arose at Ålandsbanken Sverige AB.

The Group's total expenses rose by 27 per cent to EUR 44.7 M (35.3).

Impairment losses on loans and other commitments

Impairment losses on loans amounted to EUR 0.1 M (0.2). All of these were individually targeted impairment losses.

Second Quarter of 2010

Compared to the second quarter of 2009, the Group's net operating profit (excluding negative goodwill) rose to EUR 2.1 M (Q2 2009: -1.2). Including negative goodwill, net operating profit in the second quarter of 2009 was EUR 22.0 M.

Income

Total income (excluding negative goodwill) increased by 15 per cent to EUR 25.4 M (22.1). Net interest income rose by 1 per cent to EUR 10.2 M (10.1), due to higher deposit and lending volume.

Commission income improved, amounting to EUR 11.5 M (8.1). Commission income on mutual funds, securities and asset management improved during the period. Net income from securities trading and foreign exchange operations decreased to EUR -0.9 M (0.8). Other operating income increased to EUR 4.8 M (3.9) as a consequence of higher income from IT operations.

Expenses

Total expenses increased by 9 per cent to EUR 23.4 M (21.5). During the quarter, staff costs amounted to EUR 13.6 M (12.3). Other administrative expenses increased to EUR 4.9 M (4.6) during the second quarter, primarily because of higher external computer expenses. Due to increased property rents, other operating expenses rose to EUR 4.4 M (3.0).

Deposits

Deposits from the public, including bonds and certificates of deposit issued, increased by 4 per cent to EUR 2,492 M (2,401),

of which EUR 382 M (261)

consisted of deposits at Ålandsbanken Sverige AB. Deposit accounts rose by 3 per cent to EUR 2,080 M (2,027). Bonds and certificates of deposit issued to the public increased by 10 per cent to EUR 412 M (374).

Lending

The volume of lending to the public increased by 5 per cent and amounted to EUR 2,549 M (2,428). The volume of lending at Ålandsbanken Sverige AB was EUR 193 M (158). Lending to households increased by 6 per cent to EUR 1,742 M (1,648). Households accounted for 68 (68) per cent of the Group's total lending volume. Lending to companies rose by 3 per cent to EUR 780 M (756).

Balance sheet total and off-balance sheet obligations

At the end of the report period, the Group's balance sheet total was EUR 3,617 M (3,152). During the period, the Group issued debenture loans 1/2010 and 2/2010 in the amount of EUR 29 M. Off-balance sheet obligations rose to EUR 325 M (298).

Assets under management

The Group's managed assets rose to EUR 3,585 M (2,377) during the report period. Management of mutual fund units rose by 43 per cent to EUR 903 M (630), while assets under discretionary management increased by 57 per cent to EUR 1,474 M (939).

Personnel

Hours worked in the Group, recalculated to full-time equivalent positions, totalled 690 (666) positions, which represented an increase by 24 positions compared to the preceding year.

Bank of Åland Group	Apr-Jun 2010		Apr-Jun 2009	
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Bank of Åland Plc	302		311	
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Ab Compass Card Oy Ltd	5		5	
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Crosskey Banking Solutions Ab Ltd	190		146	
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Ålandsbanken Asset	22		18	
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Management Ab				
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Ålandsbanken Fondbolag Ab	6		6	
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Ålandsbanken Equities Ab	10		6	
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Ålandsbanken Sverige Ab	156		174	
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Total number of full-time equivalent	690		666	
positions, recalculated from hours worked				

Expense/income ratio

Efficiency measured as expenses divided by income, including and excluding loan losses, respectively:

| Bank of Åland Group | Jun 30, 2010 | Jun 30, 2009 |

| Excluding negative goodwill | | |

| Including loan losses | 0.91 | 0.88 |

| Excluding loan losses | 0.91 | 0.83 |

Capital adequacy

The Group is reporting capital adequacy in accordance with Pillar 1 in the Basel 2 regulations. The Group's total capital ratio at the end of June 2010 was 12.4 per cent. The capital requirement for credit risks has been calculated according to the standardised approach, and the capital requirement for operational risks according to the basic indicator approach in the Basel 2 regulations. Risk management under Pillar 2 will be reported in the Annual Report for 2009.

The Bank of Åland will endeavour to begin applying an Internal Ratings Based (IRB) approach in compliance with Basel 2 to calculate its capital adequacy requirement for credit risk, starting on January 1, 2011. An application requesting approval for the use of Basel 2's Internal Ratings Based (IRB) approach for calculating the capital adequacy requirement for credit risk was submitted to the Finnish Financial Supervision Authority during the report period.

Our assessment, according to the current regulations, is that this will substantially improve the Bank of Åland's capital adequacy.

Capital adequacy

Bank of Åland Group

| | Jun 30, | Jun 30, | Dec 31, 2009 |
| | 2010 | 2009 | |

| Capital base, EUR M | | | |

| Core capital | 126.9 | 125.9 | 129.3 |

| Supplementary capital | 80.5 * | 70.0 ** | 72.4 |

| Total capital base | 207.4 | 195.9 | 201.7 |

| Capital requirement for credit | 114.7 | 108.3 | 113.9 |
| risks | | | |

| Capital requirement for | 2.9 | 0.5 | 2.2 |
| operational risks | | | |

| Capital requirement for market | 16.5 | 14.6 | 14.9 |
| risks | | | |

| Total capital requirement | 134.1 | 123.4 | 130.9 |

| Total capital ratio, % | 12.4 | 12.7 | 12.3 |

| Core capital ratio, % | 7.6 | 8.2 | 7.9 |

* Profit for the period is not included.

** Includes profit for the period minus estimated dividend paid to shareholders.

Bank of Åland Pls (Ålandsbanken Abp)

The Bank of Åland is a bank with strong customer relationships and personal service. The Bank has strong financial investment expertise and at the same time can offer good financing services.

The commercial bank was founded in 1919 and has been listed on the Nasdaq OMX Helsinki Oy (Helsinki Stock Exchange) since 1942. The Bank of Åland's Head Office is in Mariehamn. The Bank has 17 offices in the Åland Islands and eight offices elsewhere in Finland. Its subsidiary Ålandsbanken Sverige AB has three offices in Sweden. A total of 10 subsidiaries, whose operations are connected in various ways to banking, belong to the Bank of Åland Group. Read more at www.alandsbanken.fi.

Ab Compass Card Oy Ltd

Ab Compass Card Oy Ltd is a subsidiary of the Bank of Åland Plc. The company will issue credit and debit cards to private and institutional customers. Compass Card was founded in 2007 and has offices in Helsinki and Mariehamn.

Crosskey Banking Solutions Ab Ltd

Crosskey Banking Solutions Ab Ltd is a wholly-owned subsidiary of the Bank of Åland Plc. The company develops, delivers and manages banking computer systems to financial market players, offering comprehensive solutions and efficient banking processes. Crosskey includes the subsidiary S-Crosskey Ab. Crosskey was founded in 2004 and has offices in Mariehamn, Helsinki, Turku and Stockholm. Read more at www.crosskey.fi.

Ålandsbanken Asset Management Ab

Ålandsbanken Asset Management Ab is a subsidiary of the Bank of Åland Plc. The company offers asset management services to institutions and private

individuals. It manages the assets of the Bank of Åland's mutual funds registered in Finland. Asset Management was founded in 2000 and has an office in Helsinki.

Ålandsbanken Equities Ab

Ålandsbanken Equities Ab is a wholly-owned subsidiary of the Bank of Åland Plc. The company offers equity analysis and stock brokerage services to institutional investors. It includes the wholly owned subsidiary Ålandsbanken Equities Research Ab. Equities was founded in 2008 and has an office in Helsinki.

Ålandsbanken Fondbolag Ab

Ålandsbanken Fondbolag Ab is a wholly owned subsidiary of the Bank of Åland Plc. The company carries out mutual fund (unit trust) operations and manages eleven mutual funds registered in Finland. Ålandsbanken Fondbolag was founded in 1998 and has an office in Mariehamn.

Ålandsbanken Sverige AB

Ålandsbanken Sverige AB is a wholly owned subsidiary of the Bank of Åland Plc. The company has operations in private banking, asset management, stock brokerage and institutional equities trading. Ålandsbanken Fonder AB and Alpha Management Company S.A. are wholly-owned subsidiaries of the company. Ålandsbanken Sverige was founded in 2009 and has offices in Stockholm, Gothenburg and Malmö, Sweden. Read more at www.alandsbanken.se.

Changes in group structure

On May 31, 2010, the Bank of Åland Plc acquired the minority interest in Ålandsbanken Equities Ab. After this transaction, the Bank owns 100 per cent of Ålandsbanken Equities Ab. A process has been initiated to merge Ålandsbanken Equities Ab with the Bank of Åland Plc, and this merger is expected to be completed during 2010.

Important events after the close of the report period

The Bank of Åland Plc's issue of debenture loan 2/2010 was completed on July 19, 2010. This debenture loan issue totalled EUR 20 M.

Outlook for 2010

Most observers expect a continued gradual recovery in the general economy and in the financial system during 2010, but the economic situation will remain uncertain and there is thus great sensitivity.

The Bank of Åland carried out an organisational change after completing the co-determination negotiations that were initiated on March 12, 2010.

The aim of the reorganisation is to streamline the Bank's administrative functions by introducing Group-wide corporate and support units. Meanwhile the Bank is continuing to shift the focus of its operations increasingly to investment services, as part of its strategy of being a bank for investors that has financing know-how in expansive markets.

The co-determination negotiations, which were completed on May 25, 2010, dealt

with a need to reduce the number of positions by about 24 people. The negotiations achieved their aims without dismissals, by means of reassignments, early retirements and voluntary redundancy packages. A review was made of the cost structure at Ålandsbanken Sverige AB for the purpose of increasing efficiency while continuing to offer customers the same capacity and service.

The Executive Team has identified potential efficiency improvements equivalent to an annual cost reduction of about EUR 3 M, of which half the potential is found at Ålandsbanken Sverige AB. This cost reduction is expected to achieve its full effect from the turn of the year. Nonrecurring costs associated with these measures are expected to total about EUR 0.5 M during 2010.

The Group's assessment of the outlook for 2010 is based on its assumptions about future developments in the fixed income and financial markets. However, general interest rates, the demand for lending, the trend of the capital and financial markets and the competitive situation, as well as the general economic situation are factors that the Group cannot influence.

Based on this assessment and taking into account that the Group's earnings in 2009 included sizeable non-recurring income attributable to negative goodwill from the acquisition of Kaupthing Bank Sverige AB, earnings in 2010 are expected to be substantially lower than in 2009. The Group's operational earnings, excluding nonrecurring income, are expected to be at least at the same level as in 2009.

Interim reports will be published as follows during 2010.

January-September 2010 Monday, November 1, 2010

Mariehamn, July 30, 2010

THE BOARD OF DIRECTORS

| Financial ratios etc. |

| Bank of Åland Group | Jan-Jun | Jan-Jun 2009 | Full year |
| | 2010 | | 2009 |

| Earnings per share before | 0.17 | 2.23 | 2.27 |
| dilution, EUR 1 | | |

| Earnings per share after | 0.17 | 2.23 | 2.27 |
| dilution, EUR 2 | | |

| Market price per share at end | | |
| of period, EUR | | |

| Series A shares | 27.95 | 28.50 | 33.90 |

| Series B shares | 20.85 | 22.00 | 24.50 |

| Equity capital per share, EUR 3 | 13.72 | 13.69 | 13.97 |

| Return on equity after taxes, % | 3.0 | 35.0 | 17.8 |
| (ROE) 4 | | | |

| Return on total assets, % (ROA) | 0.1 | 1.8 | 0.9 |
| 5 | | | |

| Equity/assets ratio, % 6 | 4.4 | 5.0 | 4.8 |

| Total lending volume, EUR M | 2,549 | 2,428 | 2,546 |

| Total deposits from the public, | 2,492 | 2,401 | 2,411 |
| EUR M | | | |

| Equity capital, EUR M | 160 | 159 | 162 |

| Balance sheet total, EUR M | 3,617 | 3,152 | 3,379 |

| Expense/income ratio | | | |

| Including loan losses | 0.91 | 0.88 | 0.92 |

| Excluding loan losses | 0.91 | 0.83 | 0.88 |

| 1 Profit for the period before dilution / Average number of shares |
| 2 Profit for the period after dilution / (Average number of shares + sh ares |
| outstanding) |
| 3 Equity capital ' minority interest in capital / Number of shares on |
| balance sheet date |
| 4 (Net operating profit ' taxes) / Average equity capital |
| 5 (Net operating profit ' taxes) / Average balance sheet total |
6 Equity capital / Balance sheet total

Summary statement of financial position

| Bank of Åland Group | Jun 30, | Jun 30, 2009 | Dec 31, 2009 |
| | 2010 | | |

| EUR M | | | |

| Assets | | | |

| Cash | 47 | 87 | 33 |

| Debt securities eligible for | 146 | 144 | 186 |

| refinancing with central banks | | |

| Claims on credit institutions | 319 | 198 | 264 |

| Claims on the public and public | 2,549 | 2,428 | 2,546 |
| sector entities | | |

| Debt securities | 303 | 126 | 188 |

| Shares and participations | 18 | 23 | 23 |

| Shares and participations in | 1 | 1 | 1 |
| associated companies | | |

| Derivative instruments | 32 | 17 | 20 |

| Intangible assets | 9 | 5 | 6 |

| Tangible assets | 36 | 36 | 38 |

| Other assets | 133 | 57 | 50 |

| Accrued income and prepayments | 22 | 27 | 22 |

| Deferred tax assets | 2 | 2 | 2 |

| Total assets | 3,617 | 3,152 | 3,379 |

| | | |

| LIABILITIES AND EQUITY CAPITAL | | |

| Liabilities to credit | 416 | 119 | 263 |
| institutions | | |

| Liabilities to the public and | 2081 | 2028 | 2,040 |
| public sector entities | | |

| Debt securities issued to the | 732 | 661 | 743 |
| public | | |

| Derivative instruments | 11 | 9 | 8 |

| Other liabilities | 98 | 62 | 57 |

| Accrued expenses and prepaid | 27 | 37 | 27 |
| income | | |

| Subordinated liabilities | 71 | 59 | 59 |

| Deferred tax liabilities | 22 | 20 | 21 |

| Total liabilities | 3,458 | 2,994 | 3,217 |

| | | |

| Equity capital and minority | | | |

| interest | | | |

| Share capital | 23 | 23 | 23 |

| Share premium account | 33 | 33 | 33 |

| Reserve fund | 25 | 25 | 25 |

| Fair value reserve | 9 | 3 | 6 |

| Retained earnings | 68 | 74 | 74 |

| Shareholders' interest in | 158 | 158 | 161 |

| equity capital | | | |

| Minority interest in capital | 1 | 1 | 1 |

| Total equity capital | 160 | 159 | 162 |

| Total liabilities and equity | 3,617 | 3,152 | 3,379 |

| capital | | | |

| Summary statement of comprehensive income |

| Bank of Åland Group | Jan-Jun 2010 | Jan-Jun 2010 | Full year |

| | | | 2009 |

| EUR M | | | |

| Net interest income | 19.9 | 19.2 | 39.1 |

| Income from equity instruments | 0.0 | 0.0 | 0.0 |

| Commission income | 20.6 | 13.0 | 32.5 |

| Commission expenses | -3.3 | -1.4 | -4.4 |

| Net income from securities | 1.1 | 3.9 | 4.0 |

| transactions and foreign | | | |

| exchange dealing | | | |

| Net income from financial | 0.9 | 0.1 | 0.5 |
| assets available for sale | | | |

| Net income from investment | 0.6 | 0.2 | 0.2 |
| properties | | | |

| Other operating income | 9.0 | 7.3 | 15.4 |

| Total income | 48.9 | 42.4 | 87.2 |

| | | | |

| Staff costs | -26.4 | -20.0 | -44.6 |

| Other administrative expenses | -8.8 | -7.5 | -16.7 |

| Production for own use | 2.2 | 0.3 | 1.9 |

| Depreciation/amortisation | -3.6 | -3.2 | -6.4 |

| Other operating expenses | -8.1 | -5.1 | -11.4 |

| Total expenses | -44.7 | -35.3 | -77.2 |

| Impairment losses on loans and | -0.1 | -2.2 | -2.9 |
| other commitments | | | |

| Share of profit/loss in | 0.1 | 0.2 | 0.2 |
| associated companies | | | |

| Negative goodwill | 0.0 | 23.1 | 23.1 |

| Net operating profit | 4.2 | 28.2 | 30.5 |

| | | | |

| Income taxes | -1.8 | -2.2 | -3.7 |

| Profit for the period | 2.4 | 26.1 | 26.8 |

| Other comprehensive income | | | |

| Assets available for sale | 0.2 | 0.4 | 0.2 |

| Valuation differences | 3.4 | 0.7 | 3.7 |

| Income tax on other | -0.3 | -0.1 | -0.1 |

| comprehensive income | | |

| Total comprehensive income for | 5.7 | 27.0 | 30.7 |
| the period | | |

Profit for the period	2.0	25.7	26.2
attributable to owners of the			
parent			

Profit for the period	0.5	0.3	0.7
attributable to minority			
interests			

| Total | 2.4 | 26.1 | 26.8 |

Total comprehensive income for	5.2	26.7	30.0
the period attributable to			
owners of the parent			

Total comprehensive income for	0.5	0.3	0.7
the period attributable to			
minority interests			

| Total | 5.7 | 27.0 | 30.7 |

| Earnings per share | | |

| Earnings per share before | 0.17 | 2.23 | 2.27 |
| dilution, EUR 1 | | |

| Earnings per share after | 0.17 | 2.23 | 2.27 |
| dilution, EUR 2 | | |

1 Profit for the period before dilution / Average number of	
shares	
2 Profit for the period after dilution / (Average number of	
shares + shares outstanding)	

| Income statement by quarter |

| Bank of Åland Group | Q2 2010 | Q1 2010 | Q4 2009 | Q3 2009 | Q2 2009 |

| EUR M | | | | |

| Net interest income | 10.2 | 9.7 | 9.7 | 10.2 | 10.1 |

| Income from equity | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| instruments | | | | |

| Commission income | 11.5 | 9.1 | 10.0 | 9.4 | 8.1 |

| Commission expenses | -1.6 | -1.7 | -1.3 | -1.7 | -0.9 |

Net income from securities	-0.9	2.0	-0.4	0.4	0.8
transactions and foreign					
exchange dealing					

| Net income from financial | 0.8 | 0.1 | 0.1 | 0.2 | 0.1 |
| assets available for sale | | | | |

| Net income from investment | 0.5 | 0.1 | 0.0 | 0.0 | 0.0 |
| properties | | | | |

| Other operating income | 4.8 | 4.2 | 5.0 | 3.1 | 3.9 |

| Total income | 25.4 | 23.5 | 23.2 | 21.6 | 22.1 |

| | | | | |

| Staff costs | -13.6 | -12.9 | -13.4 | -11.3 | -12.3 |

| Other administrative | -4.9 | -3.8 | -5.0 | -4.2 | -4.6 |
| expenses | | | | |

| Production for own use | 1.1 | 1.0 | 0.8 | 0.8 | 0.2 |

| Depreciation/amortisation | -1.6 | -2.0 | -1.6 | -1.6 | -1.7 |

| Other operating expenses | -4.4 | -3.6 | -3.8 | -2.5 | -3.0 |

| Total expenses | -23.4 | -21.3 | -23.0 | -18.9 | -21.5 |

| | | | | |

| Impairment losses on loans | 0.0 | -0.1 | -0.6 | -0.2 | -1.8 | | and other commitments | | | | |

| Share of profit/loss in | 0.1 | 0.0 | 0.0 | 0.1 | 0.1 |
| associated companies | | | | |

| Negative goodwill | 0.0 | 0.0 | 0.0 | 0.0 | 23.1 |

| Net operating profit | 2.1 | 2.2 | -0.4 | 2.7 | 22.0 |

Earnings, newly acquired operations						

Bank of Åland Group	Jan-Jun	Jan-Jun	Jan-Jun	Apr-jun	Jan-Ju	Jan-Jun
	2010	2010	2010	2009	2009	2009

EUR M	Sweden	Finland	Total	Sweden	Finland	Total

Net interest income	4.1	15.8	19.9	1.1	18.1	19.2

Income from equity instruments	0.0	0.0	0.0	0.0	0.0	0.0

Commission income	8.0	12.6	20.6	3.3	9.7	13.0

Commission expenses	-2.1	-1.2	-3.3	-0.4	-1.1	-1.4

Net income from securities transactions and foreign currency dealing	-1.1	2.2	1.1	0.3	3.6	3.9

Net income from financial assets available for sale	0.0	0.9	0.9	0.0	0.1	0.1

Net income from investment properties	0.0	0.6	0.6	0.0	0.2	0.2

Other operating income	1.3	7.7	9.0	0.8	6.5	7.3

Total income	10.2	38.7	48.9	5.1	37.3	42.4

Staff costs	-9.2	-17.3	-26.4	-4.4	-15.5	-20.0

Other administrative expenses	-4.4	-4.3	-8.8	-2.0	-5.5	-7.5

Production for own use	0.0	2.2	2.2	0.0	0.3	0.3

Depreciation/amortisation	-0.1	-3.5	-3.6	-0.2	-2.9	-3.2

Other operating expenses	- 3.8	-4.3	-8.1	-1.0	-4.1	-5.1

Total expenses	-17.5	-27.2	-44.7	-7.6	-27.7	-35.3

| | | | | | | |

Impairment losses on	0.1	-0.2	-0.1	-0.3	-1.9	-2.2
loans and other						
commitments						

Share of profit/loss	0.0	0.1	0.1	0.0	0.2	0.2
in associated						
companies						

| Negative goodwill | 0.0 | 0.0 | 0.0 | 0.0 | 23.1 | 23.1 |

| Net operating profit | -7.2 | 11.4 | 4.2 | -2.7 | 31.0 | 28.2 |

| | | | | | | |

| Income taxes | 1.3 | -3.1 | -1.8 | 0.1 | -2.3 | -2.2 |

| Profit for the period | -5.9 | 8.3 | 2.4 | -2.7 | 28.7 | 26.1 |

Statement of changes in equity capital

| Bank of Åland | | | | | | | | |
| Group | | | | | | | | |

EUR M	Sha	Sha	Res	Fair	Trans	Reta	Tota	Minor	Tota		
	re	re	erv	valu	latio	ined			ity		
	cap	pre	e	e	n	earn	befo	inter			
	ita	miu	fun	rese	dif	ings	re	est			
		m	d	rve	feren		mino				
		acc			ce		rity				
		oun					inte				
		t					rest				

Equity	23.	33.	25.	1.7	0.0	53.6	136.	1.6	138.
capital, Dec	3	3	1			9		5	
31, 2008									

Comprehensive				0.3	0.7	25.7	26.7	0.3	27.0
income for the									
period									

| Dividend paid | | | | | -5.8 | -5.8 | -0.8 | -6.6 |

Equity	23.	33.	25.	2.0	0.7	73.5	157.	1.0	158.
capital, Jun	3	3	1			9		9	
30, 2009									

Comprehensive			-0.1	3.0	0.4	3.3	0.3	3.6
income for the								
period								

| Dividend paid | | | | | 0.0 | -0.9 | -0.9 |

Other changes					0.0	0.5	0.5	
in equity								
capital								
attributable								
to minority								
interests								

Equity	23.	33.	25.	1.8	3.7	74.0	161.	1.0	162.
capital, Dec	3	3	1			2		2	
31, 2009									

Comprehensive			0.1	3.1	2.0	5.2	0.5	5.7
income for the								
period								

| Dividend paid | | | | | -8.1 | -8.1 | 0.0 | -8.1 |

Other changes					0.0	0.1	0.1	
in equity								
capital								
attributable								
to minority								
interests								

Equity	23.	33.	25.	2.0	6.8	67.9	158.	1.5	159.
capital, Jun	3	3	1			3		8	
30, 2010									

Summary cash flow statement

| Bank of Åland Group | Jan-Jun 2010 | Jan-Jun 2009 |

| EUR M | | | | |

| Cash flow from operating | | | | |
| activities | | | | |

| Net operating profit | 4.2 | | 26.9 | |

| Adjustment for net operating | 6.9 | | -15.1 | |
| profit items not affecting cash | | | | |

| flow | | | |

| Gains/losses from investing | -0.6 | | -0.5 | |
| activities | | | |

| Income taxes paid | -1.5 | | -2.0 | |

| Changes in assets and liabilities | 50.2 | 59.3 | -65.3 | -56.1 |
| in operating activities | | | |

| Cash flow from investing | | -4.8 | | 28.9 |
| activities | | | |

| Cash flow from financing | | -22.3 | | -14.4 |
| activities | | | |

| Exchange rate differences in cash | | 10.3 | | 0.7 |
| and cash equivalents | | | |

| Change in cash and cash | | 42.5 | | -40.9 |
| equivalents | | | |

| Cash and cash equivalents, | | 331.1 | | 323.5 |
| January 1 | | | |

| Cash a