

Bank of Åland Plc: Interim Report for the period January-June 2015

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Bank of Åland Interim report Bank of Åland Plc: Interim Report for the period January-June 2015
Mariehamn, 2015-07-24 08:00 CEST (GLOBE NEWSWIRE) -- Bank of Åland Plc Interim Report July 24, 2015, 9.00 a.m. Interim Report for the period January-June 2015 "During the first half of 2015, we saw stable and very satisfactory volume growth in our Private Banking and Premium Banking operations. This growth enables us to maintain strong net commission income and rising net interest income, despite falling market interest rates. "The market turbulence in Europe caused by the Greek debt crisis seems to have calmed down temporarily, but financial markets are very likely to be characterised by high volatility and underlying worries during the foreseeable future." Peter Wiklöf, Managing Director January–June 2015 compared to January–June 2014 -- Net operating profit improved by EUR 9.4 M to EUR 17.3 M (7.9). -- Profit for the period attributable to shareholders improved by EUR 8.6 M to EUR 14.0 M (5.4). -- Net interest income increased by 7 per cent to EUR 25.6 M (23.9). -- Net commission income increased by 17 per cent to EUR 24.7 M (21.2). -- Total expenses decreased by 7 per cent to EUR 45.3 M (48.7). -- Net impairment losses on loans (including recoveries) decreased by 49 per cent to EUR 0.5 M (1.0), equivalent to a loan loss level of 0.03 (0.06) per cent. -- Return on equity after taxes (ROE) increased to 14.2 per cent (6.0). -- Earnings per share amounted to EUR 0.92 (0.38). -- The core Tier 1 capital ratio amounted to 11.1 per cent (December 31, 2014: 10.9 per cent). The second quarter of 2015 compared to the second quarter of 2014 -- Net operating profit improved by 41 per cent to EUR 7.8 M (5.5). -- Profit for the period attributable to shareholders improved by 56 per cent to EUR 6.2 M (4.0). -- Net interest income increased by 7 per cent to EUR 12.9 M (12.1). -- Net commission income increased by 13 per cent to EUR 11.9 M (10.5). -- Total expenses decreased by 7 per cent to EUR 22.5 M (24.1). -- Net impairment losses on loans (including recoveries) increased to EUR 0.3 M (0.1), equivalent to a loan loss level of 0.04 (0.01) per cent. -- Return on equity after taxes (ROE) increased to 12.5 per cent (8.8). -- Earnings per share amounted to EUR 0.41 (0.28). Financial summary -----

- Bank of Åland Group Q2 Q1 % Q2 % Jan-Ju Jan-Ju %	2015	2015	2014	n n	2015	2014
----- EUR M -----						
----- Income -----					Net interest income	
12.9	12.7	2	12.1	7	25.6	23.9
commission income	11.9	12.9	-7	10.5	13	24.7
----- Net income from financial items at fair value -----	1.6	2.4	-33	1.5	9	4.1
----- Other income -----	2.6	54				
----- Total income -----	30.6	32.4	-6	29.8	3	63.0
----- Staff costs -----	14.1	-13.7	3	-13.3	6	-27.8
----- Other expenses -----	6.7	-7.2	-8	-8.8	-24	-13.9
----- Depreciation/amortisation -----	1.7	-1.9	-10	-2.0	-17	-3.6
----- Total expenses -----	22.5	-22.8	-2	-24.1	-7	-45.3
----- Profit before impairment losses -----	8.1	9.6	-16	5.6	44	17.8
----- Impairment losses on loans and other commitments -----	0.3	-0.2	65	-0.1	-0.5	-1.0
----- Net operating profit -----	7.8	9.4	-17	5.5	41	17.3
----- Income taxes -----	-1.6	-1.7	-5	-1.3	28	

-3.3	-1.7	93	-----	Profit for the report	6.2	7.7	-20	
4.3	45	14.0	6.1 period	Attributable to:				
				Non-controlling interests	0.0	0.0	0.3	
				Shareholders in Bank of Åland Plc	6.2	7.7	-20	
							Volume	
				Lending to the public	3,515	3,416	3 3,159	
				Deposits from the public	2,755	2,507	10 2,492	
11	1			Investment volume	2 6,696	6,973	-4	
6,047	11			Equity capital	200	203	-1 187	
				Balance sheet total	4,851	4,418	10 4,041	
10				Risk exposure amount	1,619	1,599	1 1,469	
							Return	
				Financial ratios				
				on equity after taxes, % (ROE)	12.5	15.9	8.8	
				Expense/income ratio	4	0.73	0.70	
				Loan loss level, %	5	0.04	0.02	
				Gross non-performing receivables, %	0.65	0.61	1.07	
				Level of provisions for doubtful receivables, %	43	68	47	
				Core funding ratio, %	8	93	103	
				Equity/assets ratio, %	9	4.1	4.6	
				Tier 1 capital ratio, %	11.1	11.2	11.3	
				Earnings per share, EUR	0.41	0.54	-24	
				Earnings per share after dilution, EUR	0.41	0.54	-24	
				Equity capital per share, EUR	13.18	14.04	-6	
				Equity capital per share after dilution, EUR	13.15	14.01	-6	
				Market price per Series A share, EUR	15.50	15.10	3	
				Market price per Series B share, EUR	15.75	14.15	11	
				Number of shares outstanding (not own shares), 000s	15,178	14,415	5	
				Number of shares outstanding (not own shares), after dilution, 000s	15,278	14,515	5	
				Working hours	672	645	4	
				642	5	658	639	
				3 recalculated to fulltime equivalent positions			1	
				Deposits from the public and public sector entities, including certificates of deposit, index bonds and debentures issued to the public	2	Investment volume encompasses actively managed assets (the Group's own mutual funds, discretionary and advisory managed assets) plus other securities volume in brokerage accounts	3	
				Profit for the report period attributable to shareholders / Average shareholders' portion of equity capital	4	Expenses / Income	5	
				Impairment losses on loan portfolio and other commitments / Lending to the public at the beginning of the period	6	Non-performing receivables more than 90 days / Lending to the public before provisions for impairment losses	7	
				Provisions for individual impairment losses / Doubtful receivables	8	Lending to the public / Deposits including certificates of deposit, index bonds and debentures issued to the public plus covered bonds	9	
				Equity capital / Balance sheet total	10	(Core Tier 1 capital / Capital requirement) x 8 %	11	
				Shareholders' portion of earnings for the period/ Number of shares adjusted for share issue	12	Equity capital/Number of shares on closing day	The Bank of Åland (Ålandsbanken) follows the disclosure procedure stipulated in "Disclosure obligation of the issuer (7/2013)", published by the Finnish Financial Supervisory Authority and hereby publishes its Interim Report for the period January - June 2015, which is enclosed with this stock exchange release. The Bank's Interim Report for the period January - June 2015 is attached to this release in PDF format and is also available on the company's	13

web site at Mariehamn, July 24, 2015 THE BOARD OF DIRECTORS For more information please contact:
Peter Wiklöf, Managing Director and Chief Executive, Bank of Åland, tel. + 358 (0)40 512 7505