



# Bank of Åland

Debt Investor Presentation  
November 2019

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# 1. Bank of Åland in Brief



# Bank of Åland in brief

## Bank of Åland Plc

- A Finnish bank targeting high net worth and affluent individuals
- Top ranked in customer loyalty
- Tradition of stability and very low credit losses
- Net Operating Profit increased by 13 % to EUR 24.1 M in Q1-Q3 2019 from EUR 21.3 M in Q1-Q3 2018
- BBB rating with a positive outlook from S&P

## Covered Bond Program

- EUR 2 bn combined Covered Bond/ Senior Medium Term Note Program 2018 (Finnish law)
- Two cover pools: Cover Pool FIN and Cover Pool SWE
- Legal LTV cap at 70 % and minimum 2 % over-collateralization
- Published commitment to a strong over-collateralization and six months liquidity
- AAA (stable) rating from S&P on both Cover Pool FIN and Cover Pool SWE

## Economy and Markets

- The demand-led Finnish economy has been growing strongly during the last years
- Unemployment has dropped from 9.2 % in 2015 to 5.9 % as of September 30, 2019
- Finnish house prices have risen moderately compared to the Nordic neighbors, as the demand has been strong in the low rate environment
- Lending to private individuals comprise 73 per cent of the Bank of Åland loan portfolio. Home mortgage loans account for 78 per cent of lending to private individuals

# Scorecard



## Capital

- S&P rating uplift for strong capital position
- Common Equity Tier 1 capital ratio 13.3 % as of September 30, 2019
- IRB method for credit risk capital requirement not yet approved for the Swedish credit portfolio



## Liquidity and Funding

- Core funding ratio of 88 % as of September 30, 2019
- Liquidity reserve at 22 % of total assets as of September 30, 2019
- LCR at 163 % as of September 30, 2019
- NSFR at 117 % as of September 30, 2019
- AAA rating on Covered Bonds



## Risk Management

- Long history of having the lowest loan loss level of all Finnish banks. Loan loss level was 0.05 % in Q1-Q3 2019
- No trading positions or complex financial instruments
- Strict limits on exposures to financial institutions. Bulk of the exposure is to highly rated Nordic entities



## Profitability

- Challenging interest rate environment
- Positive earnings trend
- Net operating profit of EUR 24.1 M Q1-Q3 2019
- Return on equity 10.5 % Q1-Q3 2019

# Standard & Poor's rating on Bank of Åland

<b>Finnish banks</b>	<b>A-</b>	
Business position	-2	
- Niche bank with geographical concentration to Finland and Sweden		
Capital and earnings	+1	
- Strong capital position		<i>positive</i>
- Strong equity to assets ratio		
Risk position	-1	
- Geographical concentration to Finland and Sweden		
- Small customer base with concentration risks		
Liquidity and funding	0	
- Above average with very strong deposit base		
<b>Bank of Åland stand alone rating</b>	<b>BBB</b>	<i>positive</i>
Cover Pool FIN, Cover Pool SWE	+9	
- Very low credit losses and stable loan base		
- Commitment to strong over-collateralization		
- Commitment to six months liquidity buffer		
<b>Bank of Åland Covered Bonds rating</b>	<b>AAA</b>	



## 2. Bank of Åland Strategy and Market Position



# Three Markets – Two Strategies

## The Åland Islands

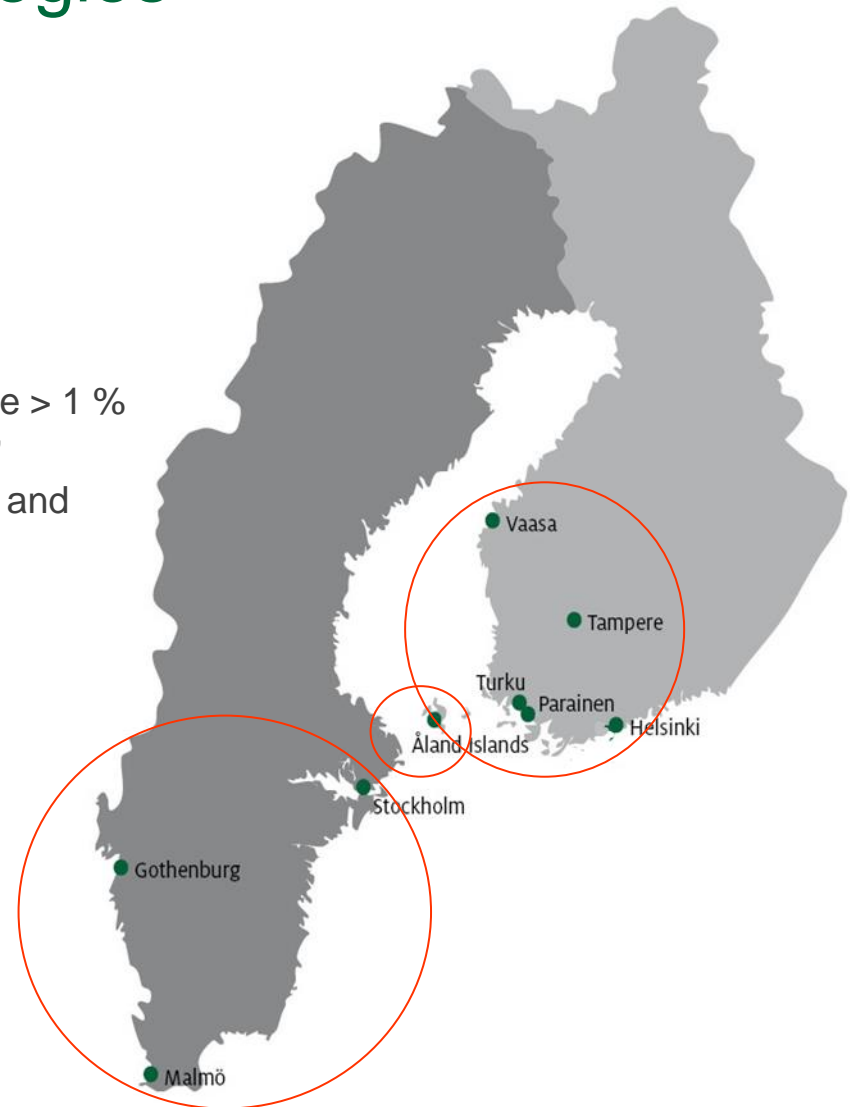
- 3 offices + 2 rep offices, market share > 50 %
- Full product range offered
- **A bank for everyone**

## Finland

- 5 offices in affluent parts of Finland, market share > 1 %
- Full product range offered but “bread and butter” services only as complement to Private Banking and Premium Banking services offering
- **Targeted segment: High Net Worth / Affluent Individuals and their companies**

## Sweden

- 3 offices in Sweden's largest cities, market share < 1 %
- Full product range offered but “bread and butter” services only as complement to Private Banking and Premium Banking services offering
- **Targeted segment: High Net Worth / Affluent Individuals and their companies**





# Bank of Åland – a relationship bank with focus on Private Banking and Premium Banking customers

## An Overview

- Established in 1919 on Åland Islands
- Listed since 1942 on NASDAQ OMX Helsinki
- Total assets of EUR 5,555 M, as of September 30, 2019
- Actively managed assets of EUR 5,788 M, as of September 30, 2019
- Approximately 700 employees
- Operations in the Åland Islands, Finnish mainland and Sweden
- More than 200,000 customers and top-ranked in customer loyalty
- A long-standing tradition of stability and very low credit losses
- At the forefront for introducing new products in Finland

## The Vision

Create value for ambitious individuals and companies that appreciate relations:

- Private Banking since 1982
- Premium Banking since 2004

## Core values

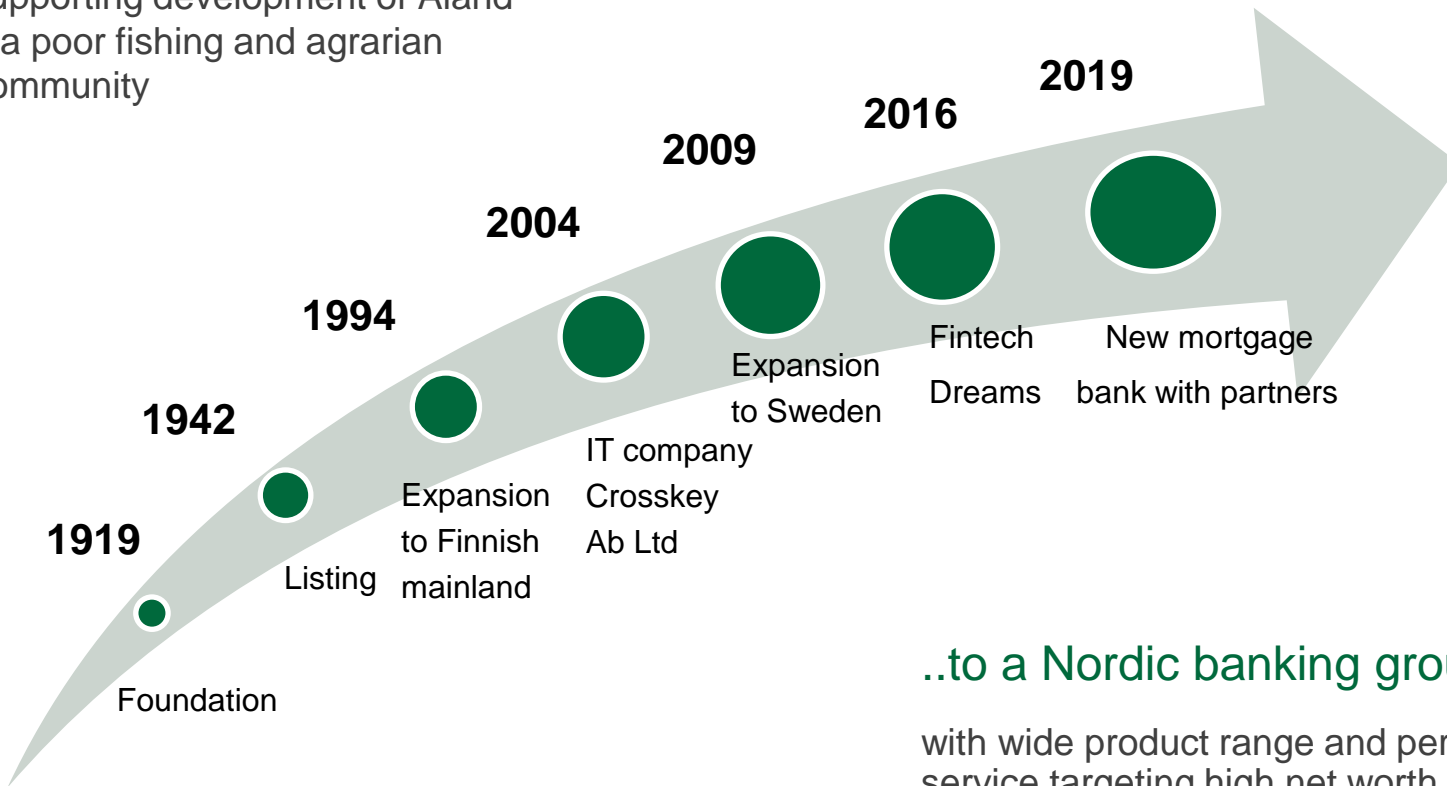
- Service
- Finance
- Lifestyle
- Safety

# Bank of Åland History of Strategic Decisions during the first 100 years



From a local bank..

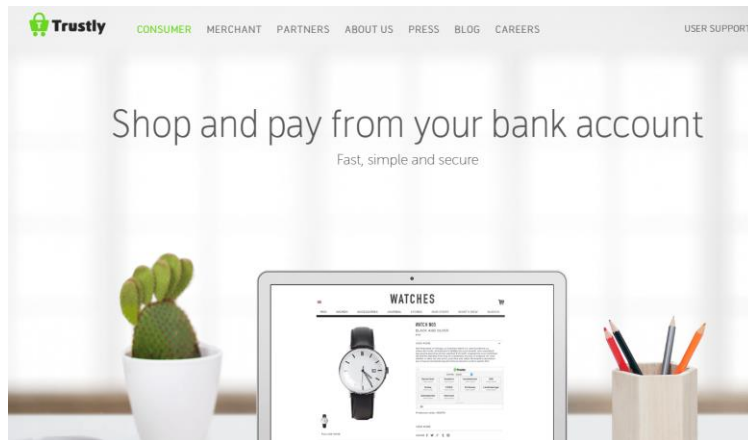
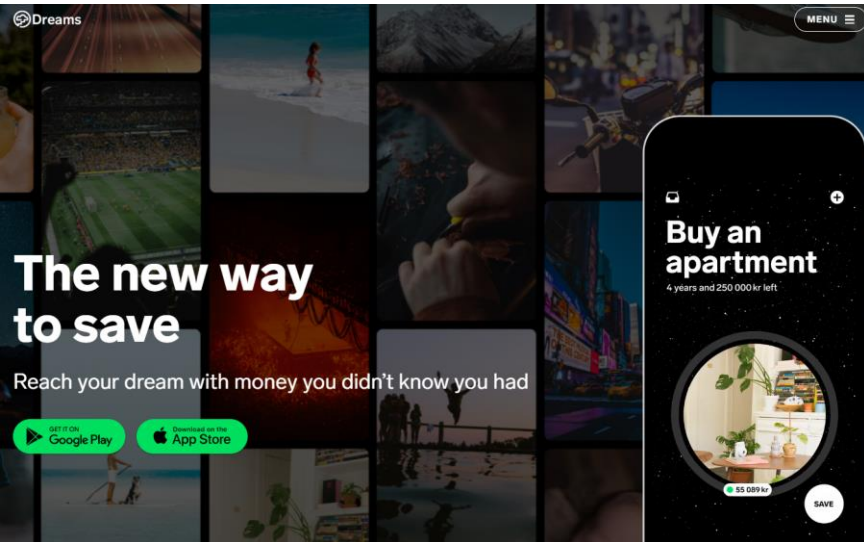
supporting development of Åland  
– a poor fishing and agrarian  
community



..to a Nordic banking group

with wide product range and personal  
service targeting high net worth individuals

# Digitalization in focus: strategic fintech partners

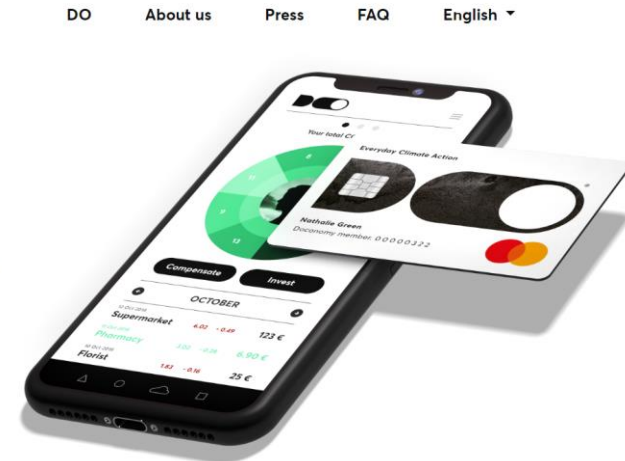


## A banking service for everyday climate action

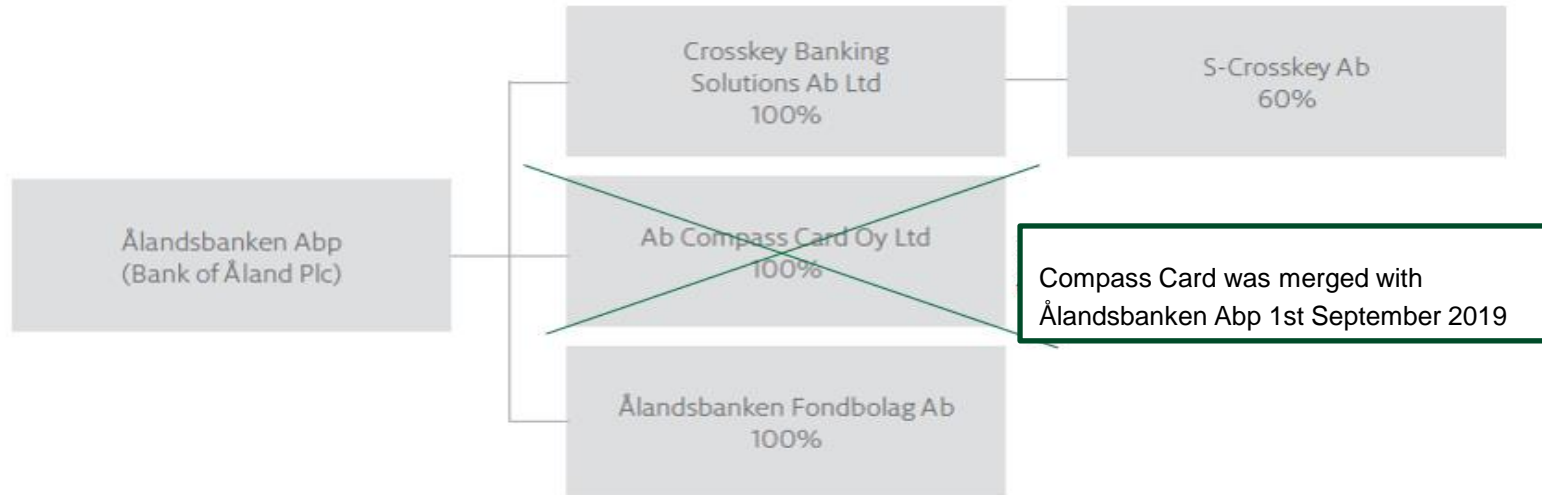
Use a free revolutionary mobile banking service to reduce your carbon emissions day by day.

Positive returns for both you and the planet.

Early sign-up!



# Bank of Åland group legal structure and Ownership structure



## Major owners

	Share of capital	Share of votes
Anders Wiklöf with companies	21,4%	29,7%
Alandia Bolagen	6,8%	11,1%
The Family Kamprad Foundation	5,9%	0,7%
Fennogen Investments A.S. (Family Ehrnrooth)	4,6%	8,3%
Pensionsförsäkringsaktiebolaget Veritas	2,5%	2,0%
	<b>41,3%</b>	<b>51,8%</b>

Approximately 10,000 shareholders in total, mostly from the Åland Islands.



### 3. Earnings & Capital

# Long-term financial targets

## **Return on equity after taxes (ROE) shall exceed 10 %**

- As a bank for investors, with financing know-how, the Bank of Åland has a business model that shall generate most earnings from operations with limited capital requirements. The Bank of Åland's earnings will benefit from higher interest rates

## **The Bank's capital adequacy, primarily defined as the core tier 1 capital ratio under the Basel regulations, shall clearly exceed all regulatory requirements**

## **The payout ratio shall eventually amount to 50 %**

- This payout ratio target is subject to the condition that the capital adequacy target continues to be achieved. At present, the Bank of Åland is prioritising balanced growth

# Q1-Q3 2019 in summary – the best result during the 100 years history

- Net operating profit EUR 24.1 M (21.3 M Q1-Q3 2018), +13 %
- Return on Equity after tax (ROE) 10.5 % (9.6 %), +9 %
- Earnings per share EUR 1.23 (1.08), +14 %
  
- The Bank of Åland has signed a cooperation agreement with ICA Bank, Söderberg & Partners and Ikano Bank to create a new joint mortgage company in Sweden
- Compass Card merged with Ålandsbanken Abp (1st September 2019)
- A new ESG fund: Ålandsbanken Green Bond, granted the Nordic Swan Ecolabel
- Euro Bond fund best in its' class by Lipper, six years in row
- Revised future outlook: The Bank of Åland expects its net operating profit in 2019 to be better than or at about the same level as in 2018

# Bank of Åland “world champion” in sustainability



**GULDÄGGET**

SVERIGES KOMMUNIKATIONSBYRÅER 2017  
FEMTIO SJÄTTE UPPLAGAN





# 20<sup>th</sup> September 2019: “Bank of Åland, ICA Bank, Ikano Bank, Söderberg & Partners and Borgo starting mortgage company together in Sweden” Part 1/ 2 of the press release:

The Bank of Åland (Ålandsbanken), ICA Bank (ICA Banken), Ikano Bank, Söderberg & Partners and Borgo have signed an agreement on establishing a joint mortgage platform on the Swedish market.

“Launching a new mortgage company together with such strong and well-established business partners as ICA Bank, Söderberg & Partners and Ikano Bank ensures a long-term approach and stability, providing good potential to offer home mortgage loans on favourable terms. This will ultimately benefit us and our partners, but naturally also Swedish mortgage customers,” says Peter Wiklöf, Managing Director of the Bank of Åland.

The Bank of Åland and its information technology subsidiary Crosskey will supply platform solutions for the new mortgage company, as well as contributing their existing knowledge about mortgage management.

“By establishing a new mortgage company, we can compete in the mortgage market in a completely different way and further enlarge our market presence. Doing this together with such stable and strong partners involves a number of advantages that will ultimately benefit our customers. ICA Bank’s aim is to offer a smart, simple package solution for everyday finances, and obviously this includes a competitive home loan offering,” says Marie Halling, CEO of ICA Bank.

The new mortgage company will apply for permits according to the same regulations as other mortgage companies in the Swedish market. Part of its funding will come from covered bonds - which provide access to a proven and liquid funding source that will make the home loans in the platform competitive in the Swedish market.

“At Ikano Bank, we see supplying mortgages on customer-friendly terms as a natural part of our offering. With this in place, we will have an opportunity to influence the shape of our mortgage offering, which will benefit our customers and further strengthen our product range. So we are pleased to join the Bank of Åland, ICA Bank, Söderberg & Partners and Borgo now in establishing a strong new mortgage institution in the Swedish market,” says Patrik Hankers, Country Manager for Sweden at Ikano Bank.

## 20<sup>th</sup> September 2019: “Bank of Åland, ICA Bank, Ikano Bank, Söderberg & Partners and Borgo starting mortgage company together in Sweden” Part 2/ 2 of the press release:

Looking ahead, the new mortgage company will offer a complete platform of mortgage products for Swedish consumers, with a focus on a long-term approach, security and quality, as well as a vision of being able to help change the market.

“Altogether we are a group of five companies in this collaboration, with partly different backgrounds and business operations, but we all share the entrepreneurial ambition of wanting to make good things even better. Given all of our individual experience, combined with our shared vision, I am convinced that we will be able to establish an attractive alternative in the Swedish mortgage market,” says Gustaf Rentzhog, CEO of Söderberg & Partners.

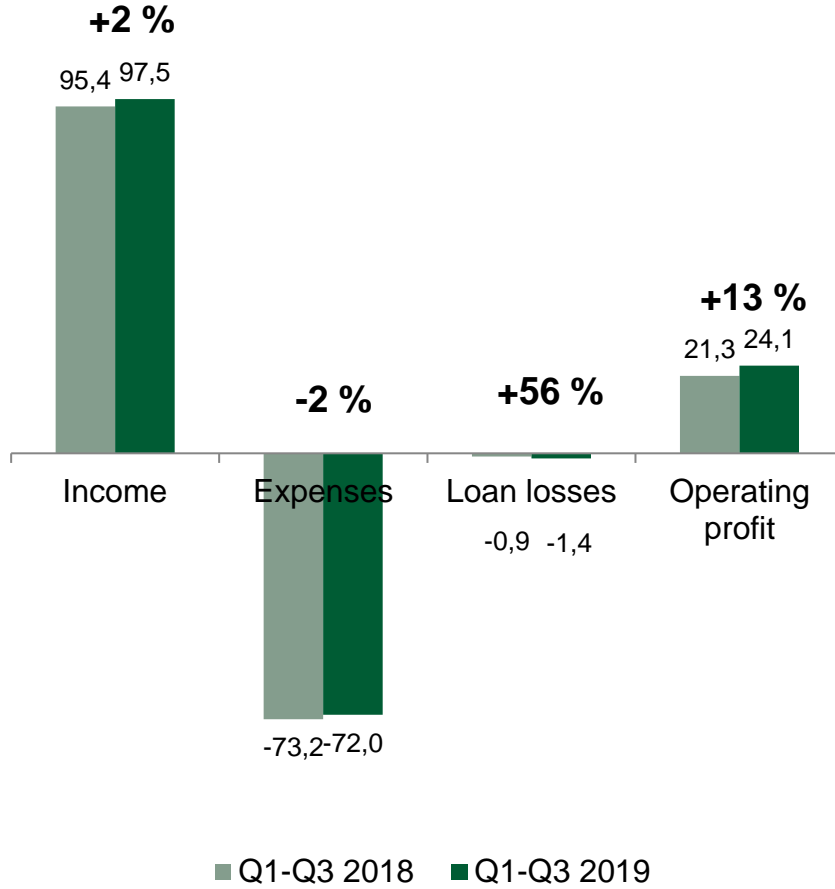
The fifth partner in the collaboration is the digital mortgage company Borgo. In conjunction with the creation of the new mortgage platform, the Bank of Åland, ICA Bank, Ikano Bank and Söderberg & Partners are acquiring a majority of the shares in Borgo AB. Borgo’s management will have operational responsibility for coordinating and establishing the new mortgage company.

“It’s a huge pleasure and an acknowledgement for us at Borgo to become part of this project through the transaction, but above all to be entrusted with helping build a new mortgage platform with this unique group of strong owners. With support and resources from them, complemented by our mortgage fund, there will be good potential to create a broad, modern and innovative mortgage platform in the market – something that has always been part of our vision and that will benefit both consumers and investors,” says Gustav Berggren, CEO of Borgo.

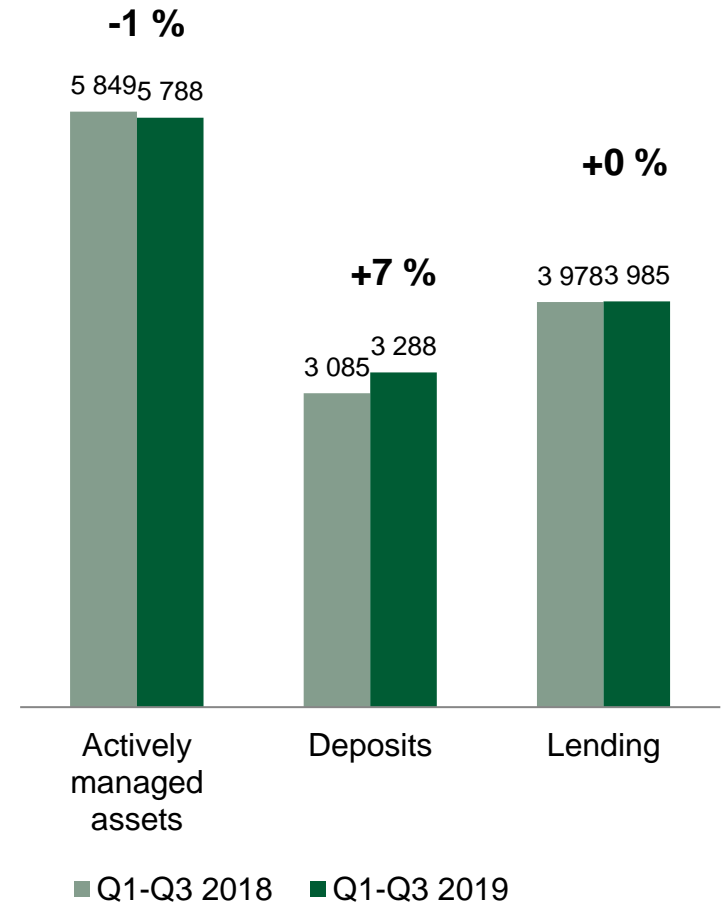
The creation of the new company and the transaction with Borgo are conditional upon completion of the permitting process with the Swedish Financial Supervisory Authority, after which further information about the new company can be communicated.

# Q1-Q3 2019 in summary

## Operating profit, EUR M

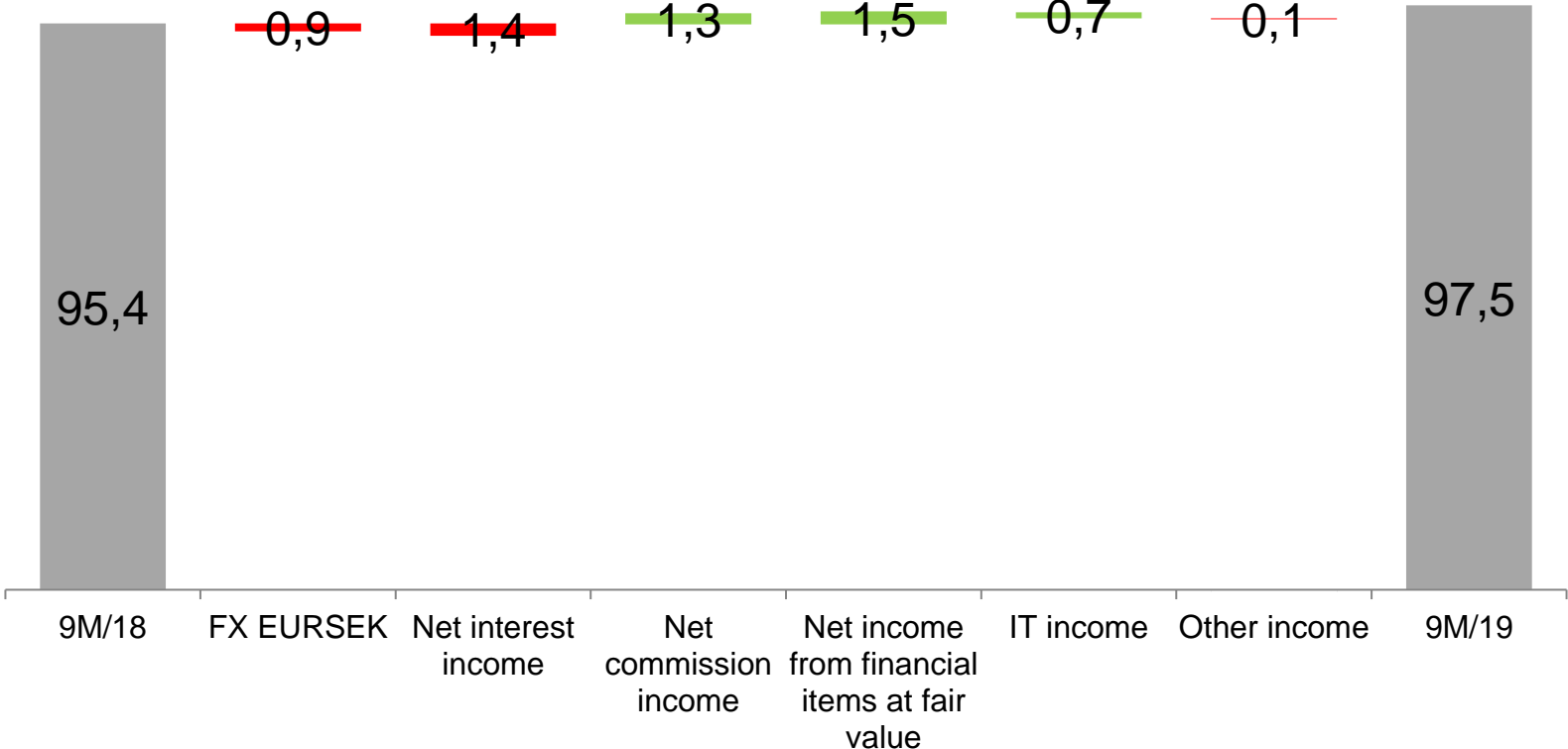


## Volumes, EUR M



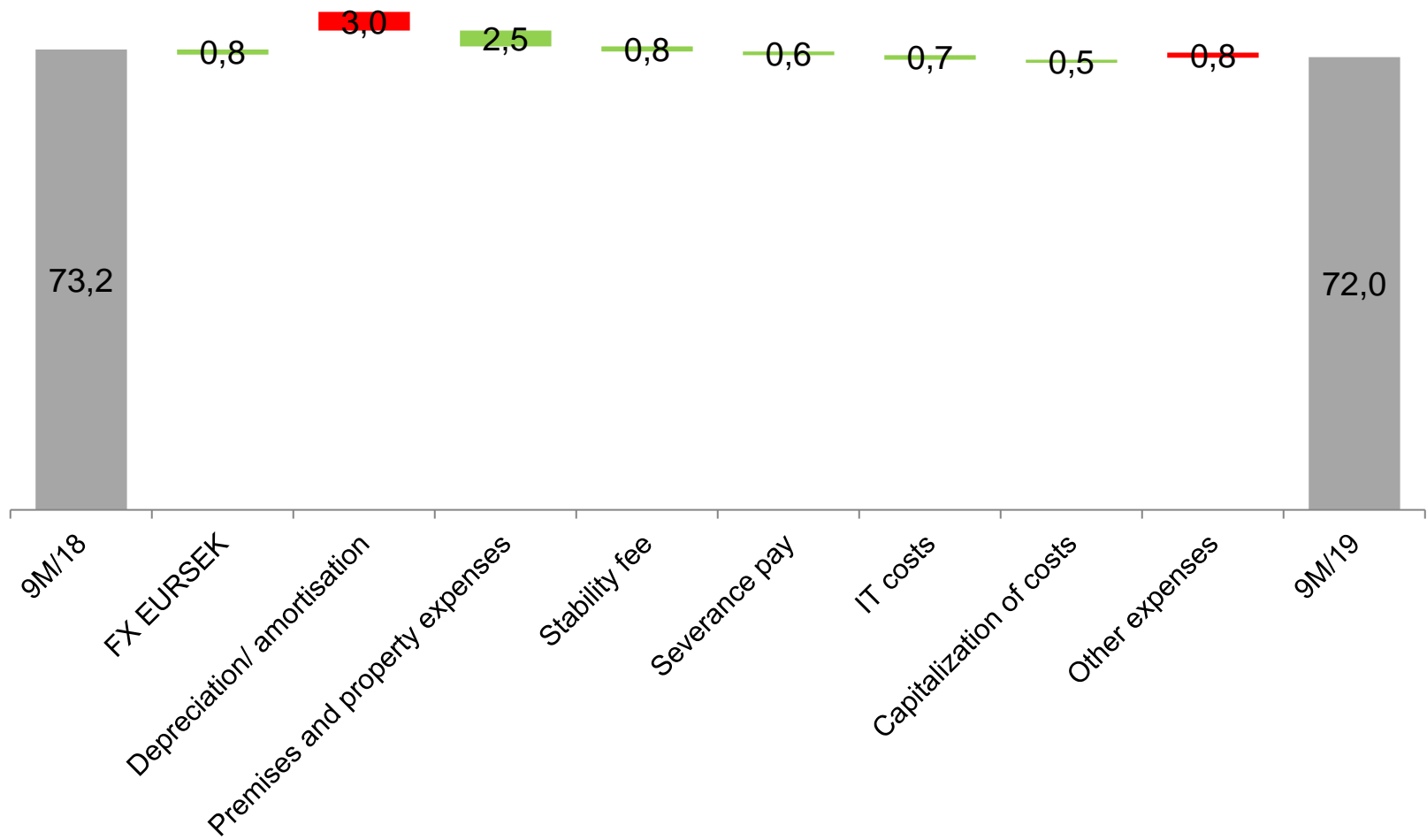
# Q1-Q3 2019: Higher earnings

EUR M

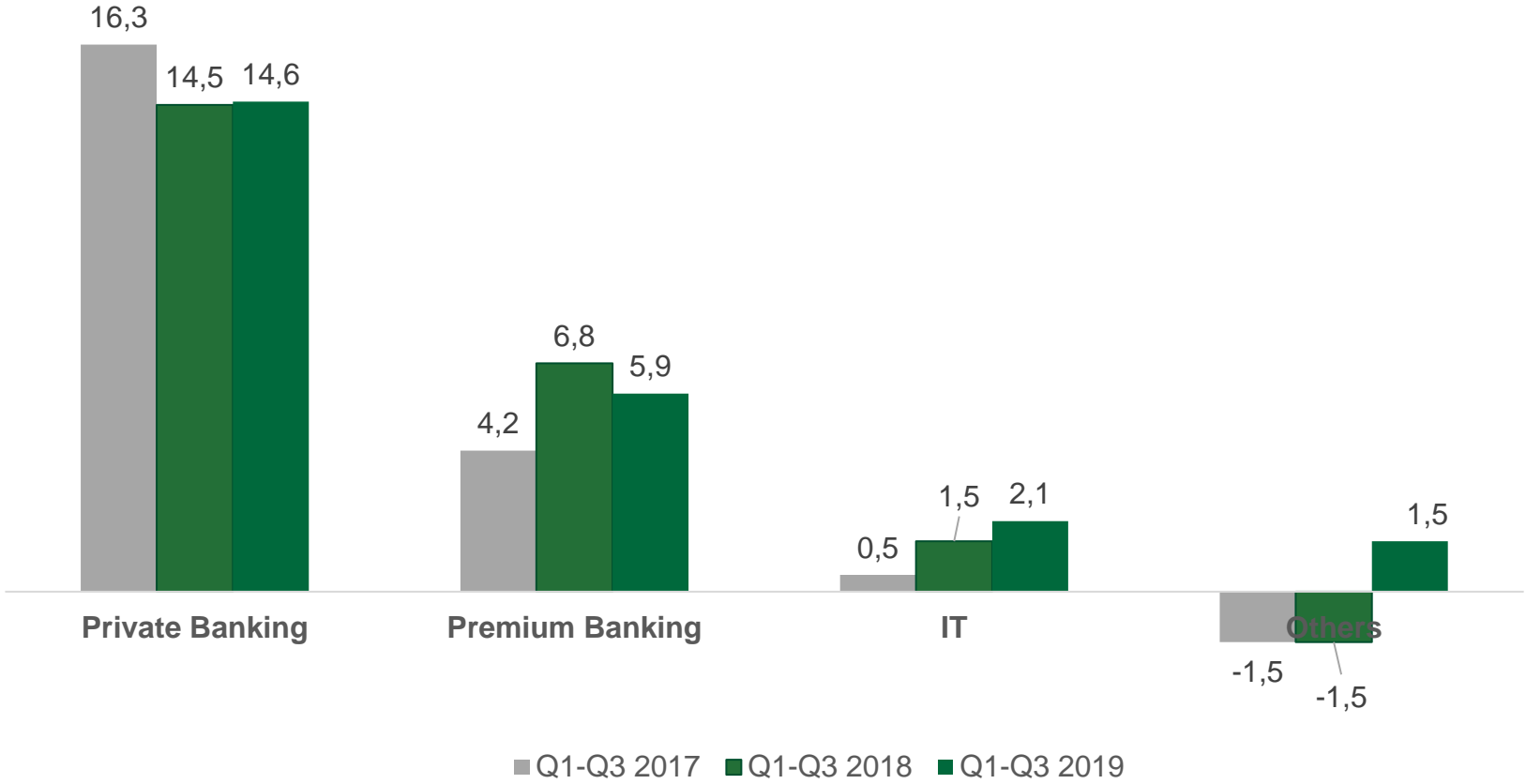


# Q1-Q3 2019: Lower expenses

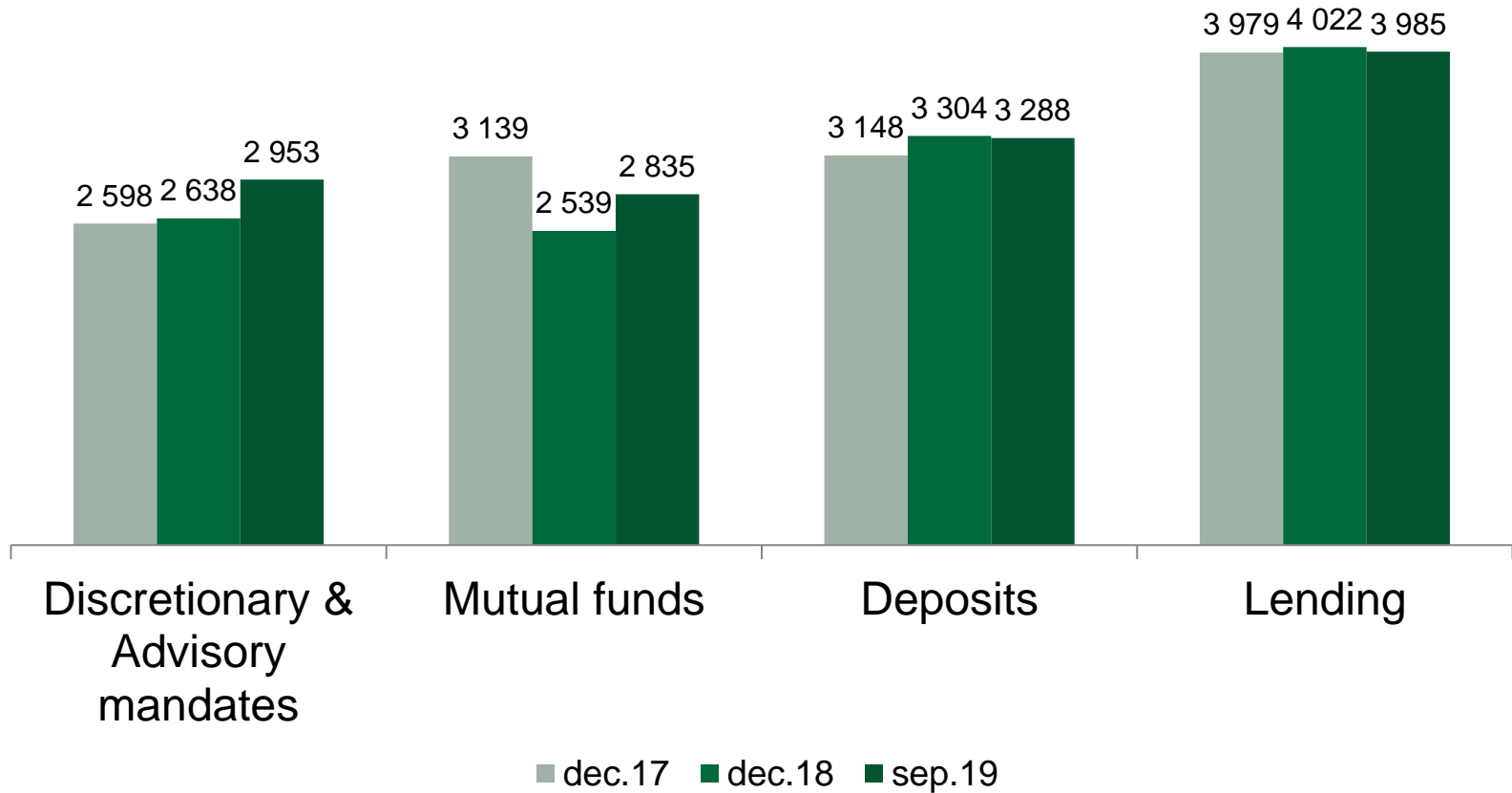
EUR M



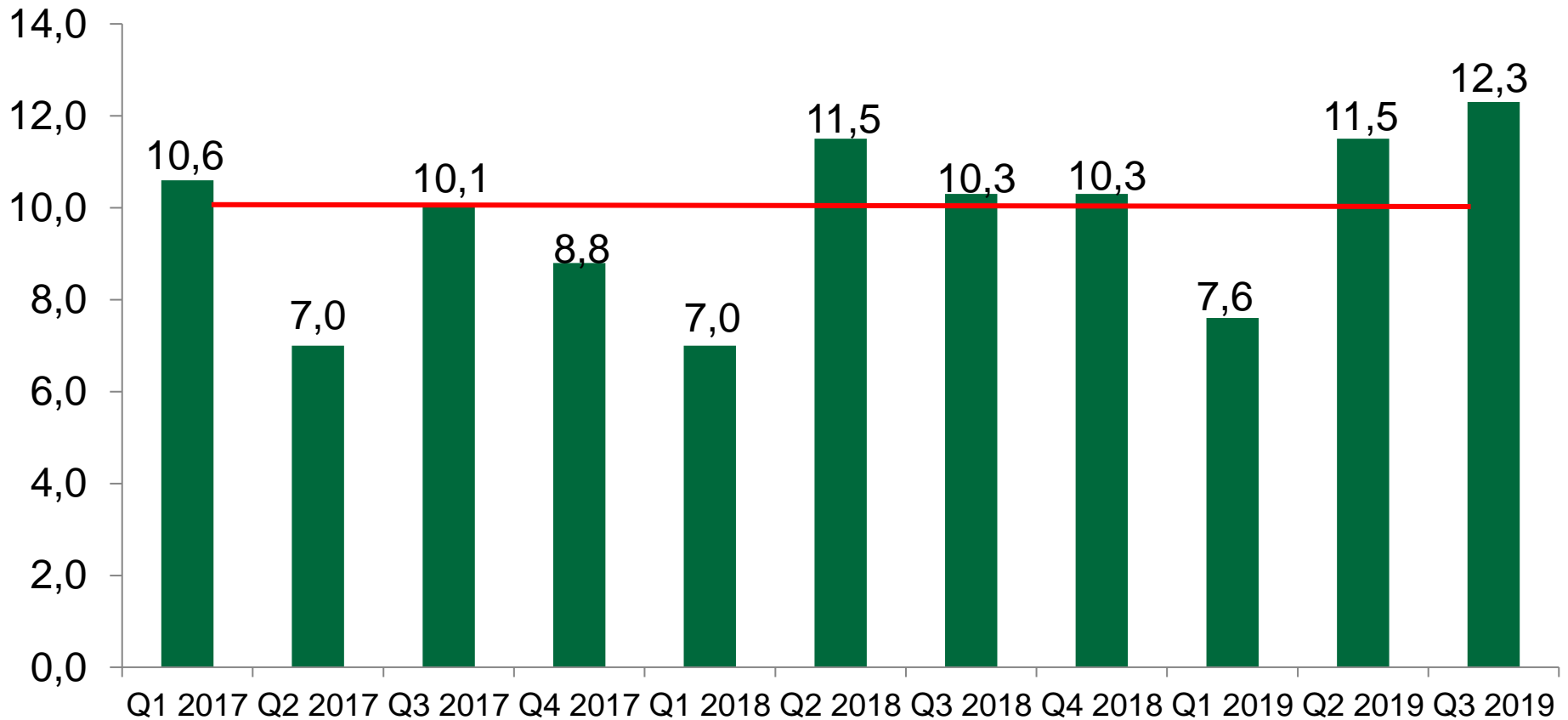
# Bank of Åland business segments 2017-2019, Operating profit, EUR M



# Business volumes 2017-2019, EUR M



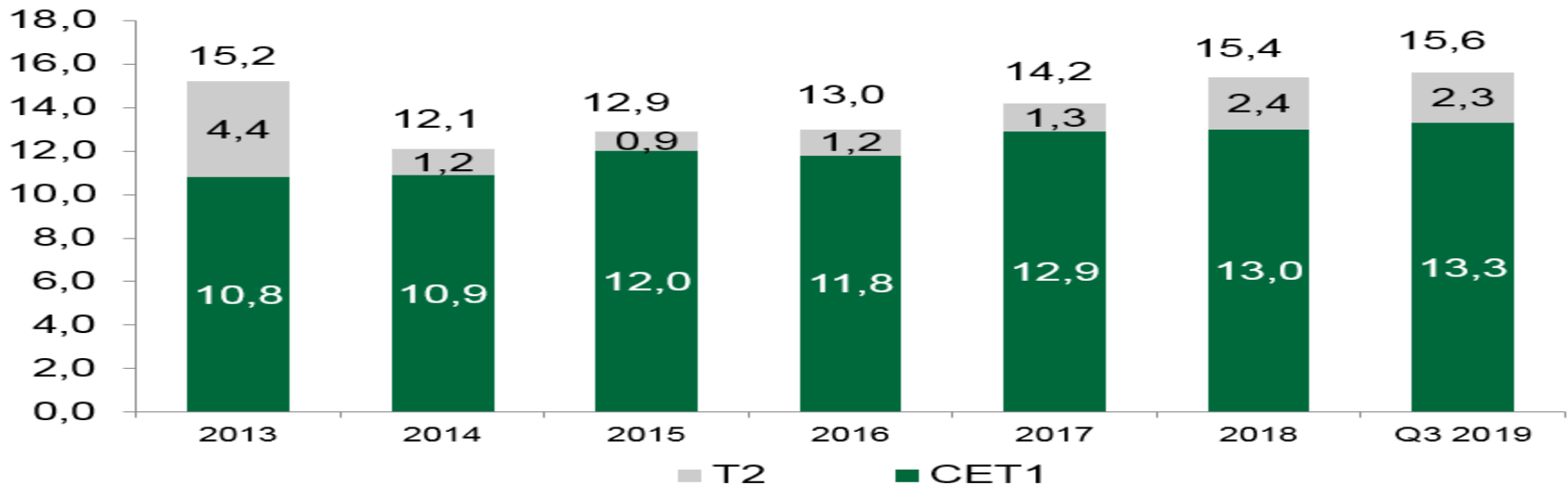
# Bank of Åland 2017 – 2019 ROE, %





# Commitment to a strong capital ratio

- Bank of Åland is committed to a strong capital ratio
- Positive outlook on the rating reflects S&P view that the bank will continue to build up its capital base, improve and diversify its earnings, and uphold a sound approach to risk over the next two years
- Conservative pay-out policy is to safeguard the capital position
- The core tier 1 capital ratio for a small bank like Bank of Åland is not comparable to larger banks with IRB methods. Standard & Poor's rating method considers Bank of Åland well capitalized, giving a rating uplift of one notch

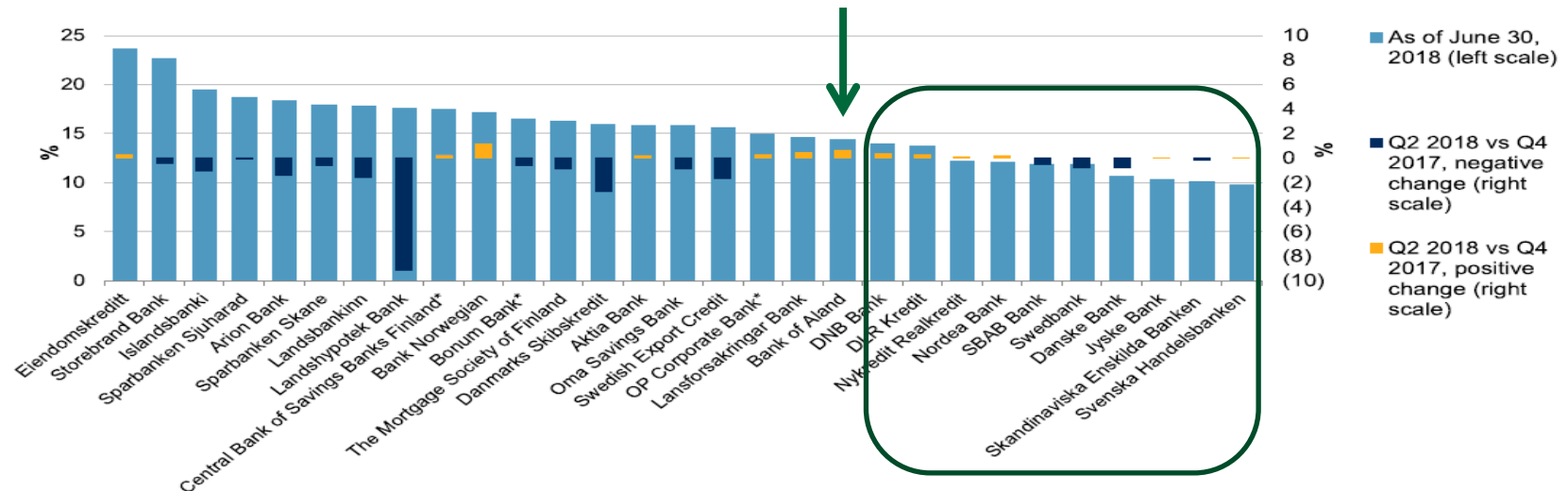


2014: revised Basel-regulation

# S&P view of the total capital base

- According to S&P the capital position of Bank of Åland is strong
  - Quality of capital is high
  - Structure of the balance sheet is of low risk
  - Pay out policy is conservative

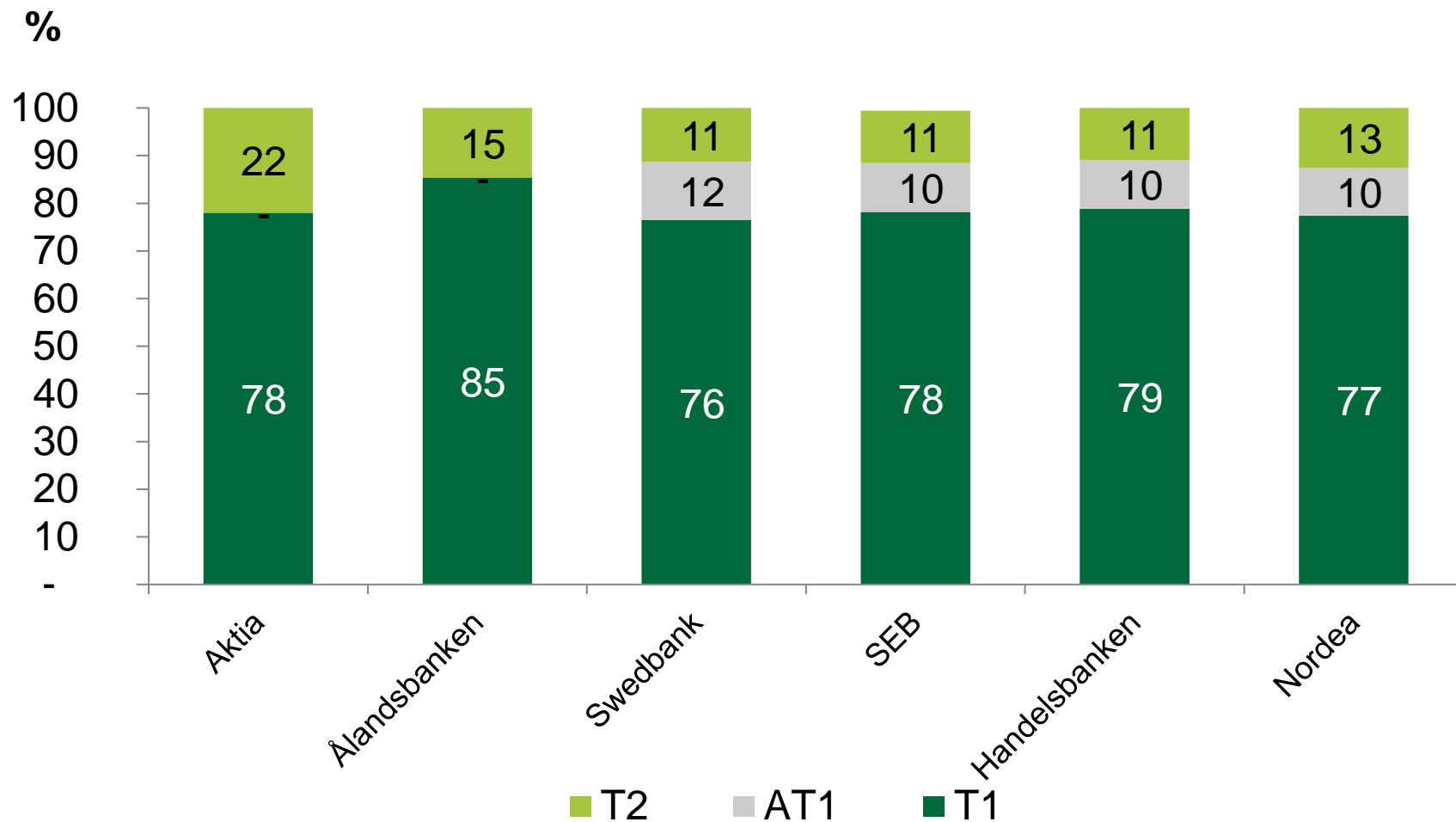
**Nordic Banks--RAC Ratios Before Diversification June 30, 2018 Versus Dec. 31, 2017**



\*RAC based on financials of a wider group. RAC--Risk-adjusted capital. Source: S&P Global Ratings. Copyright © 2019 by Standard & Poor's Financial Services LLC. All rights reserved.

Source: Nordic Banks' Strong Capital Will Cushion Them From The Challenges Ahead, March 28, 2019

# Capital structures in Nordic banks September 30, 2019





## 4. Asset Quality

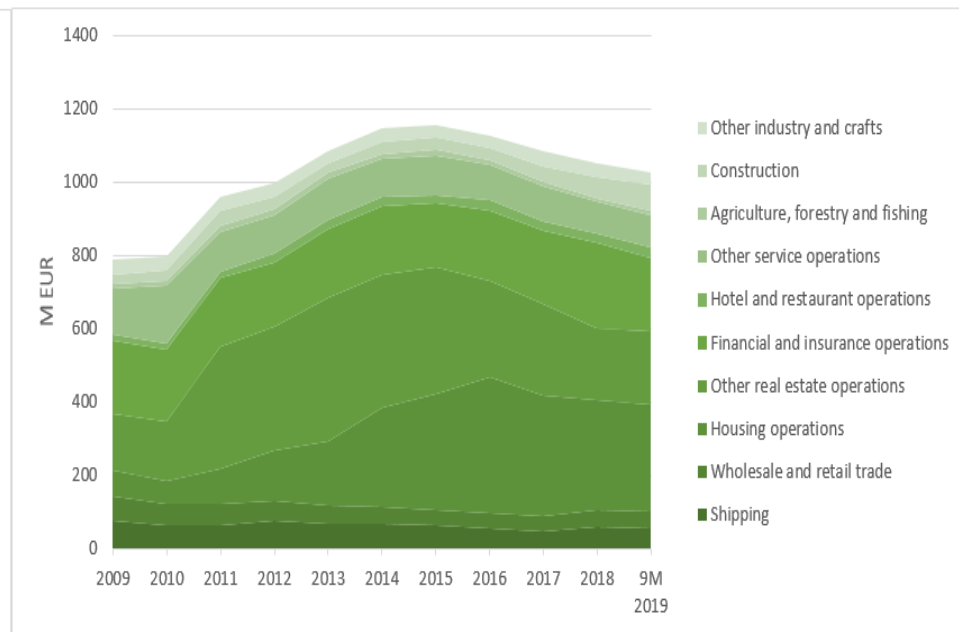
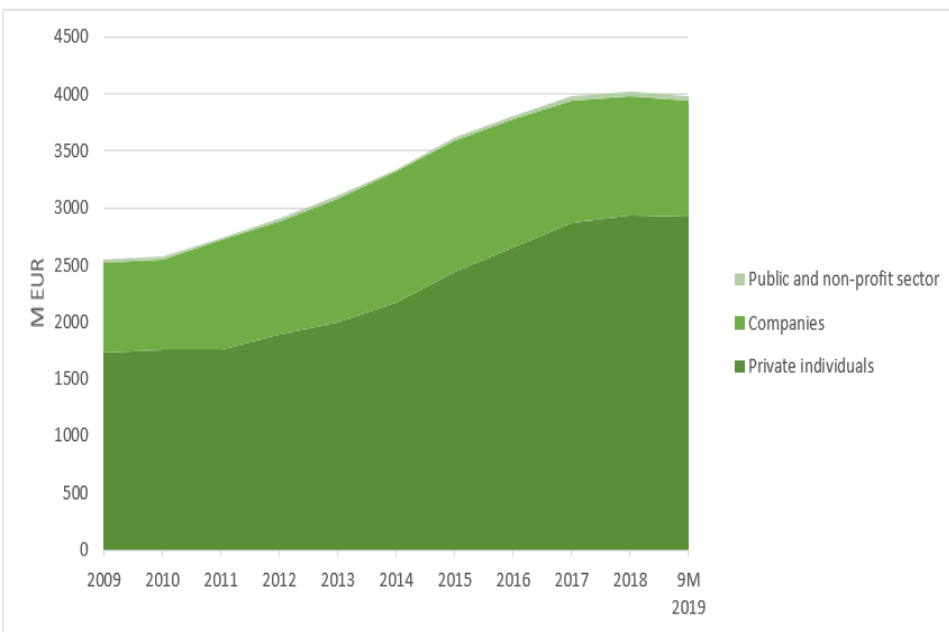


# Lending strategy

- Bank of Åland is a relationship bank with primary focus on customers with investment needs in the Private Banking and Premium Banking segments. Serving the core customers' credit needs are part of our commitment
- Bank of Åland is not granting credits as a standalone product to mass market clients or corporate clients
- Every business area (Åland Islands, Finland and Sweden) should have a balanced growth in lending versus deposits
- At least half of the lending in every business area should be residential mortgages or have residential property as collateral
- Many small loans are preferred to few large loans

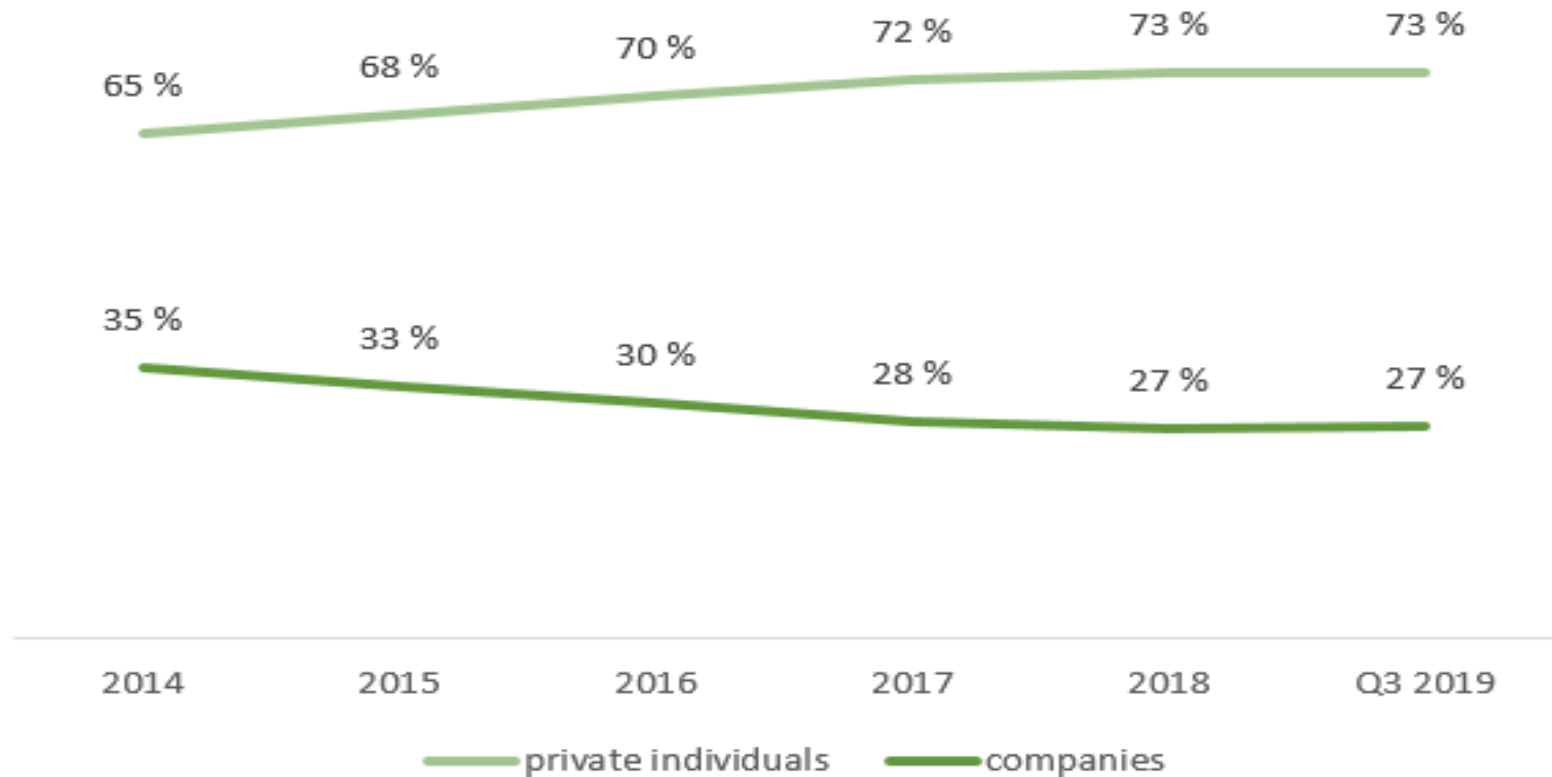
# Balanced growth in the credit portfolio

- Total lending to the public was EUR 3,985 M September 30, 2019, unchanged from a year ago
  - Selective lending to high quality borrowers
  - Asset quality prioritised over lending volume growth and higher returns
  - Lending must always be made in consideration of safeguarding Bank of Åland's strong brand and market reputation
- Loan loss level 0.05 % in Q1-Q3 2019



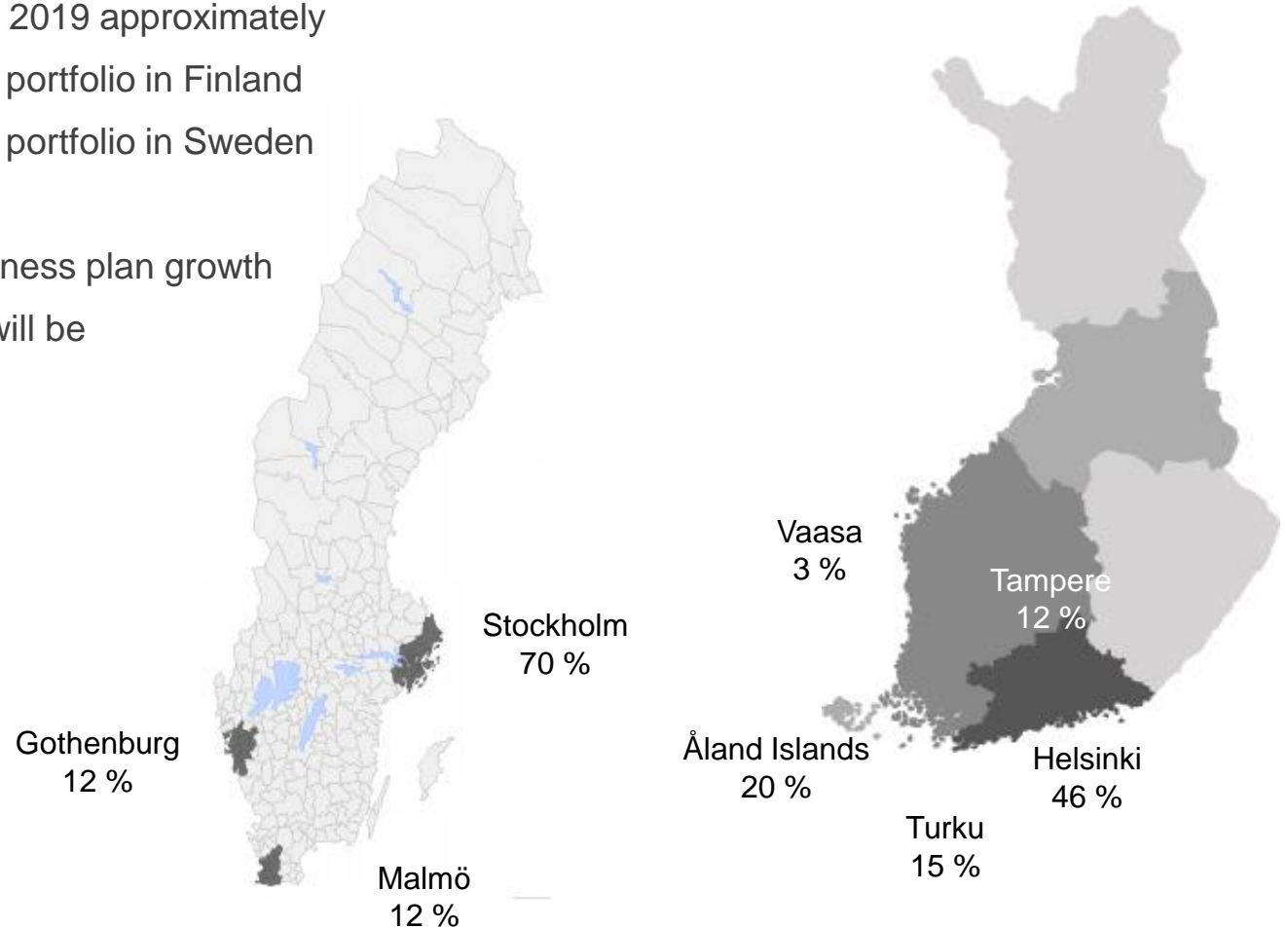
# Lending 2014 – 2019

- Lending to private individuals has increased from 65 % of the credit portfolio in 2014 to 73 % in Q3 2019



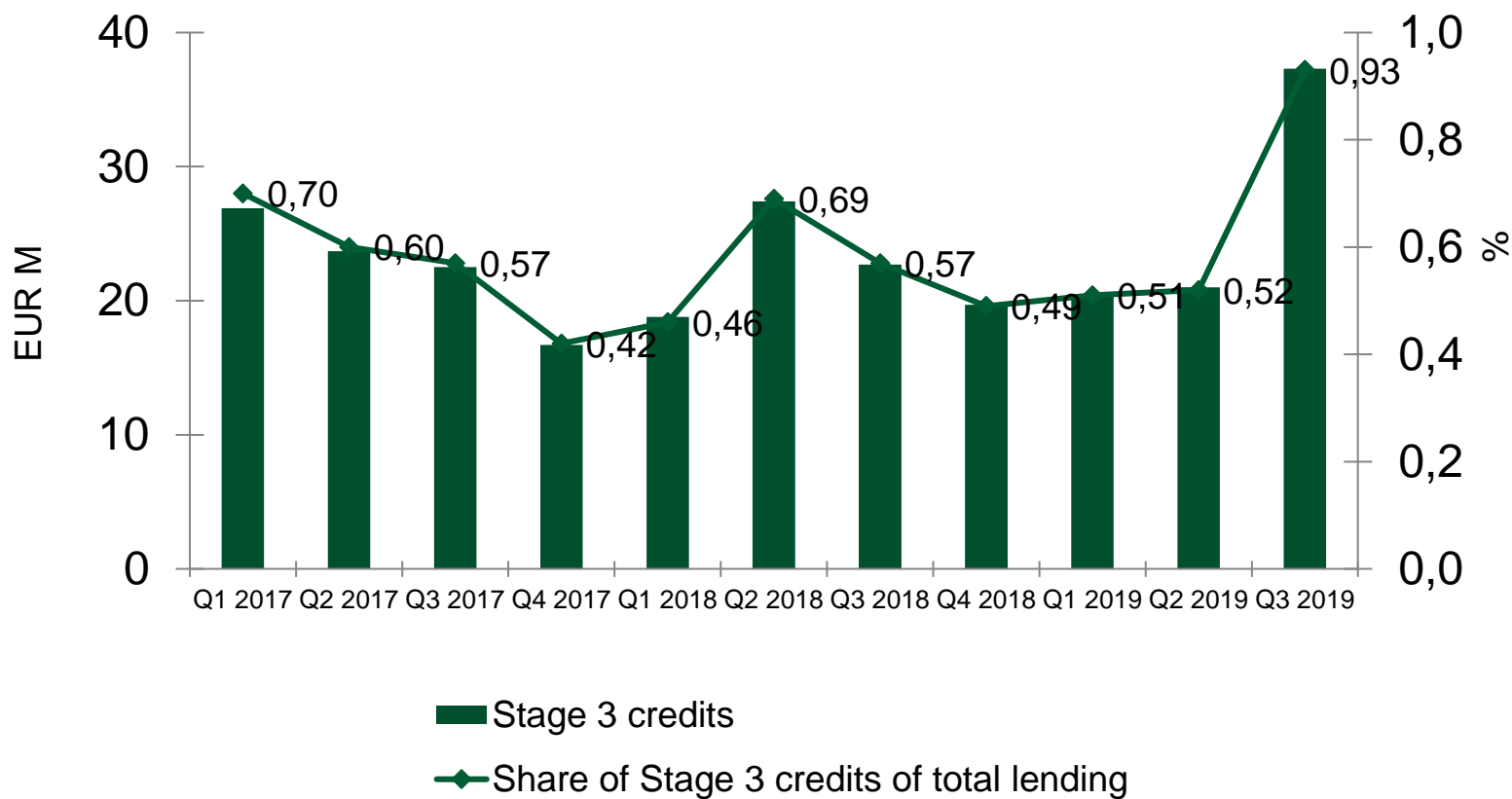
# Geographical distribution of mortgage lending

- Clear concentration to the wealthiest parts of Finland and Sweden
- As of September 30, 2019 approximately
  - 70 % of the loan portfolio in Finland
  - 30 % of the loan portfolio in Sweden
- According to the business plan growth in the coming years will be mainly in Sweden





# Stage 3 credits 2017-2019



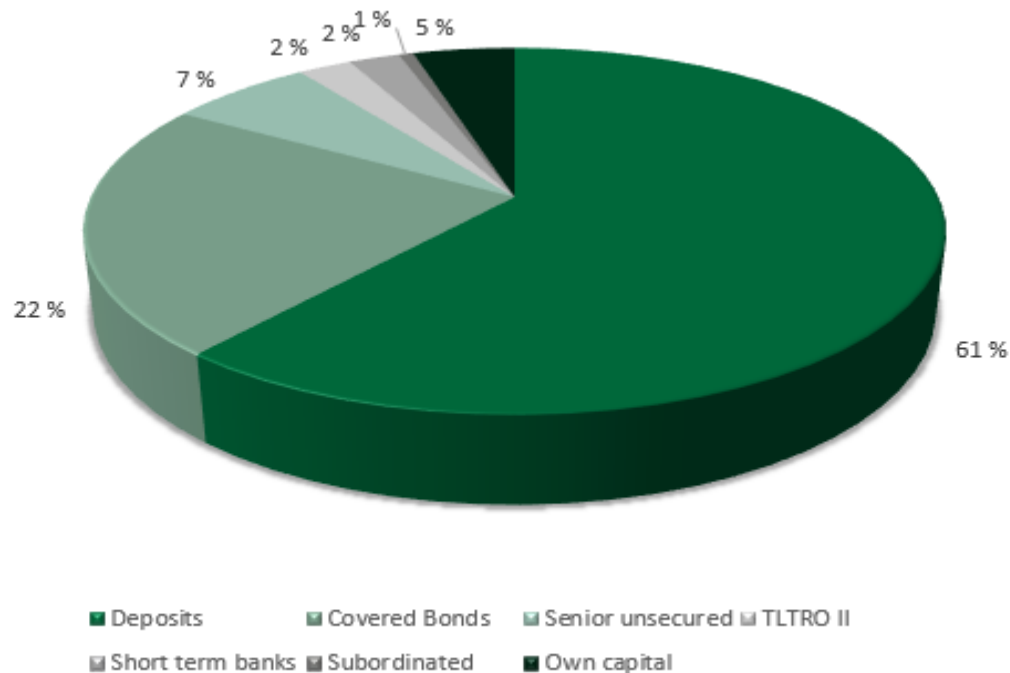
Data for Q1 2017 – Q3 2017: loans in arrears > 90 days



## 5. Liquidity and Funding

# Group funding profile September 30, 2019

- Demand deposits, time deposits and certificates of deposits from core private customers and their companies are the main funding sources
- Strong capitalization
- Covered Bonds are the main long term funding instrument



# Funding strategy

- Covered Bond programme was created in early 2012 in order to diversify funding sources and to form a reliable and cost efficient funding channel
- EUR- and SEK- denominated Covered Bonds total amount outstanding EUR 1 203 M as of September 30, 2019
- Bank of Åland issues also senior unsecured to maintain a balanced funding mix
  
- Themes 2019-2020
  - Demand conditions and the market situation favour issuance in Covered Bonds
  - The balanced funding mix is maintained
  - Bank of Åland didn't get MREL requirements. There are no foreseen authority or regulatory requirements which would have effect on the funding of the bank

# Long term funding September 30, 2019

## Cover Pool FIN

ISIN	Nominal Amt	Settlement date	Maturity date	Coupon	Currency	EUR eq amt	Time to maturity
XS1238023813	250 000 000	26.5.2015	26.5.2020	0,375	EUR	250 000 000	0,65
XS0876678391	100 000 000	30.1.2013	30.1.2023	2,75	EUR	100 000 000	3,34
XS1496878742	250 000 000	29.9.2016	29.9.2023	0	EUR	250 000 000	4,00
FI4000375241	300 000 000	19.3.2019	19.3.2024	0,125	EUR	300 000 000	4,47
						<b>900 000 000</b>	<b>3,15</b>

## Cover Pool SWE

ISIN	Nominal Amt	Settlement date	Maturity date	Coupon	Currency	EUR eq amt	Time to maturity
XS1155041004	750 000 000	16.12.2014	16.12.2019	QUARTLY STIB + 50,0	SEK	70 120 982	0,21
SE0010598474	2 500 000 000	22.11.2017	22.11.2022	QUARTLY STIB + 53,0	SEK	233 736 607	3,15
	<b>3 250 000 000</b>					<b>303 857 589</b>	<b>2,47</b>

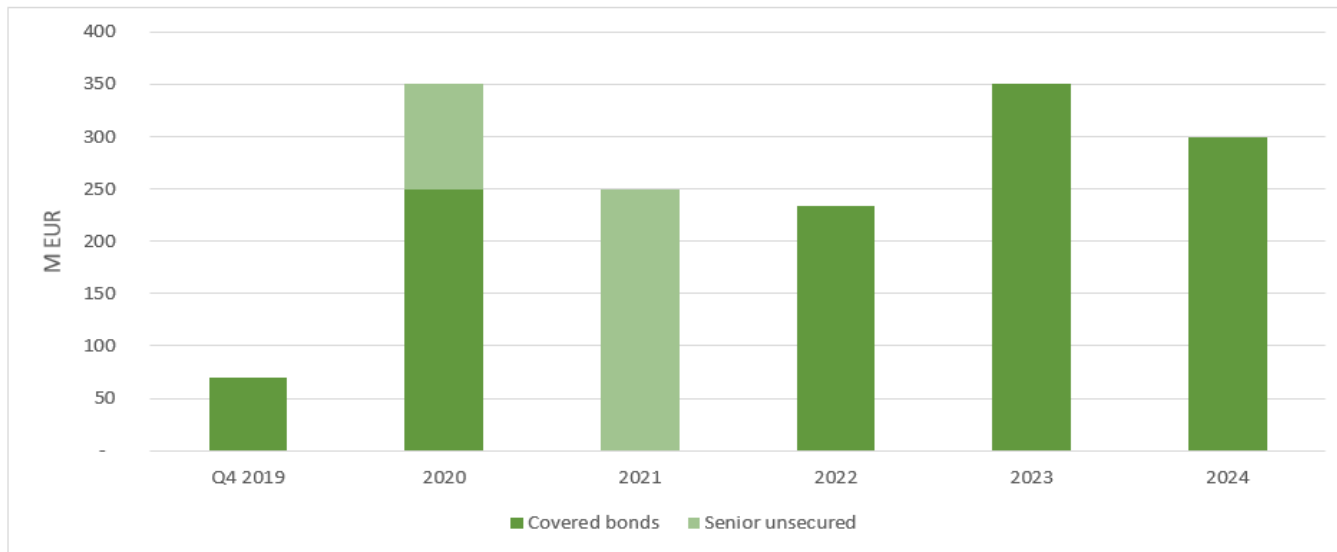
## Senior unsecured

ISIN	Nominal Amt	Settlement date	Maturity date	Coupon	Currency	EUR eq amt	Time to maturity
XS1585198879	100 000 000	24.3.2017	24.3.2020	QUARTLY EUR + 63,0	EUR	100 000 000	0,48
FI4000348966	250 000 000	13.9.2018	13.9.2021	0,5	EUR	250 000 000	1,96
						<b>350 000 000</b>	<b>1,54</b>

# Liquidity management

- Well-diversified maturity profile
- Limited exposure to short term funding
- Bank of Åland is committed to continuously cover the next 180-day liquidity need in the cover pools for the Covered Bonds program

Maturing long funding



# Liquidity position

- Very high quality in liquidity reserves
  - The most liquid and tradable assets
  - LCR target reached
- Coordinated cash pools between Finland and Sweden
- Conservative approach to market risk within liquidity reserves
  - Assets with short duration
  - Well diversified counterparty risk profile
- LCR 163 % as of 30 September, 2019
- NSFR 117 % as of 30 September, 2019

## Composition of the liquidity reserve

	30.9.2019	30.9.2019	31.12.2018	31.12.2018
	EUR M	of total	EUR M	of total
Cash and central banks	380	32 %	507	42 %
Bonds issued by governments and official institutions	135	11 %	158	13 %
Bonds issued by financial institutions	91	8 %	24	2 %
Covered bonds	587	49 %	471	39 %
Deposits	34	3 %	36	3 %
	<b>1227</b>	<b>100 %</b>	<b>1195</b>	<b>100 %</b>



## 6. Contact Details





# Contact Details

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## 7. Appendix



# Key figures – Bank of Åland

	Q1-Q3 2019	2018	2017	2016	2015	2014
<b>Return on equity (ROE), %</b>	10,5	9,8	9,1	9,1	12,0	8,7
<b>Cost/ income ratio, %</b>	74	77	78	76	73	80
<b>Loan loss level, %</b>	0,05	0,02	0,06	0,11	0,09	0,06
<b>Core funding ratio, %</b>	88	90	88	89	100	105
<b>Equity/assets ratio, %</b>	4,4	4,4	4,4	4,3	4,6	4,6
<b>Core Tier 1 capital ratio, %</b>	13,3	13,0	12,9	11,8	12,0	10,9
<b>Total capital ratio, %</b>	15,6	15,4	14,2	13,0	12,9	12,1
<b>Earnings per share, EUR</b>	1,23	1,48	1,35	1,29	1,60	1,12
<b>Equity per share, EUR</b>	15,83	15,58	15,02	14,37	13,99	13,46
<b>Lending to the public, EUR M</b>	3 985	4 022	3 979	3 808	3 617	3 343
<b>Deposits from public, EUR M</b>	3 288	3 304	3 148	3 100	2 675	2 391
<b>Shareholders' equity, EUR M</b>	247	242	234	222	213	196
<b>Risk-weighted assets, EUR M</b>	1 571	1 578	1 538	1 576	1 581	1 554
<b>FTE</b>	713	691	691	685	663	644

# Income statement

Group	Note	Q3 2019	Q2 2019	%	Q3 2018	%	Jan-Sep 2019	Jan-Sep 2018	%
<b>EUR M</b>									
Net interest income	6	13.3	13.4	0	13.3	0	39.9	41.2	-3
Net commission income	7	13.8	13.8	0	12.7	9	41.7	40.4	3
Net income from financial items at fair value	8	1.6	0.8		-0.1		2.8	1.3	
IT income		4.0	4.1	-2	3.8	5	12.6	12.0	6
Other operating income		0.1	0.2	-33	0.2	-41	0.5	0.6	-18
<b>Total income</b>		<b>32.9</b>	<b>32.3</b>	<b>2</b>	<b>30.0</b>	<b>10</b>	<b>97.5</b>	<b>95.4</b>	<b>2</b>
Staff costs		-13.4	-14.5	-8	-13.2	1	-42.4	-42.8	-1
Other expenses	9	-6.3	-6.0	5	-7.0	-10	-21.1	-24.9	-15
Depreciation/amortisation		-2.9	-2.8	1	-1.8	57	-8.5	-5.5	55
<b>Total expenses</b>		<b>-22.5</b>	<b>-23.4</b>	<b>-4</b>	<b>-22.1</b>	<b>2</b>	<b>-72.0</b>	<b>-73.2</b>	<b>-2</b>
<b>Profit before impairment losses</b>		<b>10.4</b>	<b>8.9</b>	<b>16</b>	<b>7.9</b>	<b>31</b>	<b>25.5</b>	<b>22.2</b>	<b>15</b>
Impairment losses on financial assets, net	10	-0.8	-0.2		-0.3		-1.4	-0.9	56
<b>Net operating profit</b>		<b>9.5</b>	<b>8.7</b>	<b>9</b>	<b>7.7</b>	<b>24</b>	<b>24.1</b>	<b>21.3</b>	<b>13</b>
Income taxes		-1.9	-1.8	9	-1.6	22	-5.0	-4.5	9
<b>Profit for the period</b>		<b>7.6</b>	<b>6.9</b>	<b>9</b>	<b>6.1</b>	<b>25</b>	<b>19.1</b>	<b>16.7</b>	<b>14</b>
Attributable to:									
Non-controlling interests		0.0	0.0		0.0	13	0.0	0.0	-78
<b>Shareholders in Bank of Åland Plc</b>		<b>7.6</b>	<b>6.9</b>	<b>9</b>	<b>6.1</b>	<b>25</b>	<b>19.1</b>	<b>16.7</b>	<b>14</b>
Earnings per share, EUR		0.49	0.45	9	0.39	24	1.23	1.08	14
Earnings per share after dilution, EUR		0.49	0.45	10	0.39	25	1.23	1.08	14
Earnings per share, EUR, moving 12-month average to end of report period		1.63	1.54	6	1.42	15			

# Cover Pool FIN 1/2

**ÅLANDSBANKEN**

## Issuer

Issuer:	Ålandsbanken Abp
Owner:	
Controlling authority:	Finnish Financial Supervisory Authority

CRR-compliant	Yes
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Long Rating	S&P	Moody's	Fitch
Covered bond	AAA		
Owner	BBB		
Issuer	BBB		

Report date	30-09-2019
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## Cover pool FIN

Included assets, MEUR	
Loans	1 200
Substitute assets	126
Other	0
<b>Total</b>	<b>1 326</b>

Cover pool items	
Number of loans	14 123
Number of clients	8 795
Average loan size, TEUR	87

Type of collateral	Loan volume,	
	MEUR	Loan volume, %
Single -family housing & flats	1 197	99,8 %
Multi - family housing	3	0,3 %
<b>Sum</b>	<b>1200</b>	<b>100 %</b>

Regional distribution	Loan volume,	
	MEUR	Loan volume, %
Helsinki region, Southern Finland	550	46 %
Tampere region, Pirkanmaa	141	12 %
Turku region, Western Finland	188	16 %
Åland Islands	233	19 %
Other	88	7 %
<b>Sum</b>	<b>1 200</b>	<b>100 %</b>

Interest rate type	Loan volume,	
	MEUR	Loan volume, %
Floating	1 161	97 %
Fixed	39	3 %
<b>Sum</b>	<b>1 200</b>	<b>100 %</b>

Repayments	Loan volume,	
	MEUR	Loan volume, %
Amortizing	973	81 %
Interest only	227	19 %
<b>Sum</b>	<b>1 200</b>	<b>100 %</b>

Weighted average life, years	17,4
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LTV Level, Mortgage assets	0-10%	10-20%	20-30%	30-40%	40-50%	50-60%	60-70%	70+ %	Sum
Loan volume, MEUR	13	35	72	122	188	256	514	0	1 200
Loan volume, %	1 %	3 %	6 %	10 %	16 %	21 %	43 %	0 %	100 %

# Cover Pool FIN 2/2

Seasoning	0-1 Y	1 - 2 Y	2 - 3 Y	3 - 5 Y	5+ Y	Sum
Loan volume, MEUR	143	147	151	300	459	1 200
Loan volume, %	12 %	12 %	13 %	25 %	38 %	100 %

Credit quality	31-60 D	61-90 D	90+ D	Sum
Past due				
Loan volume, MEUR	0,8	0,0	0	1
Share of loan volume, %	0,0	0,0	0,0	0 %

Impaired loans, %	0,000%
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Key ratios	
OC, nominal	47,3 %
WALTV	55,4 %
FX-risk**	0

**\*\*All issuance of covered bonds in foreign currency is swapped to entirely eliminate FX-risk.**

Remaining average maturity, years	
Assets	6,8
Liabilities	3,1

## Bonds

### Outstanding issues in EUR

ISIN	Amount, MEUR	Settlement date	Maturity	Coupon	Fixed/ Floating
XS1238023813	250	26-05-2015	26-05-2020	0,375	Fixed
XS0876678391	100	30-01-2013	30-01-2023	2,75	Fixed
XS1496878742	250	29-09-2016	29-09-2023	0,00	Fixed
FI4000375241	300	19-03-2019	19-03-2024	0,125	Fixed

### Outstanding issues in SEK

ISIN	Amount, MSEK	Opening date	Maturity	Coupon	Fixed/ Floating

	Amount, MEUR
Other bonds	0
<b>Total of outstanding bonds</b>	<b>900</b>
of which repos	0

Maturity, expressed in MEUR	0-1 Y	1 - 2 Y	2 - 3 Y	3 - 4 Y	4 - 5 Y	5 - 10 Y	10+ Y	Sum
Total	250	0	0	350	300	0	0	900
Total, %	28 %	0 %	0 %	39 %	33 %	0 %	0 %	100 %

Interest rate type	Amount, MEUR	Amount, %
Fixed	900	100 %
Floating	0	0 %
<b>Sum</b>	<b>900</b>	<b>100 %</b>

# Cover Pool SWE 1/2

ÅLANDSBANKEN

## Issuer

Issuer:	Ålandsbanken Abp
Owner:	
Controlling authority:	Finnish Financial Supervisory Authority

CRR-compliant	Yes
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Long Rating	S&P	Moody's	Fitch
Covered bond	AAA		
Owner	BBB		
Issuer	BBB		

Report date	30-09-2019
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## Cover pool SWE

Included assets, MSEK	
Loans	5 216
Substitute assets	0
Other	0
<b>Total</b>	<b>5 216</b>

Cover pool items	
Number of loans	2 100
Number of clients	1 355
Average loan size, TSEK	2 508

Type of collateral	Loan volume,	
	MSEK	Loan volume, %
Single -family housing & flats	5 216	100,0 %
Multi - family housing	0	0,0 %
<b>Sum</b>	<b>5 216</b>	<b>100 %</b>

Regional distribution	Loan volume,	
	MSEK	Loan volume, %
Stockholms län	3 798	72,8 %
Skåne län	533	10,2 %
Västra Götalands län	601	11,5 %
Other	284	5,4 %
<b>Sum</b>	<b>5 216</b>	<b>100 %</b>

Interest rate type	Loan volume,	
	MSEK	Loan volume, %
Floating	4 688	88,9 %
Fixed	528	11,1 %
<b>Sum</b>	<b>5 216</b>	<b>100 %</b>

Repayments	Loan volume,	
	MSEK	Loan volume, %
Amortizing	1 807	26,1 %
Interest only	3 409	73,9 %
<b>Sum</b>	<b>5 216</b>	<b>100 %</b>

Weighted average life, years	35,7
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LTV Level, Mortgage assets	0-10%	10-20%	20-30%	30-40%	40-50%	50-60%	60-70%	70+ %	Sum
Loan volume, MSEK	16	99	206	440	1 011	1 034	2 410	0	5 216
Loan volume, %	0 %	2 %	4 %	8 %	19 %	20 %	46 %	0 %	100 %

# Cover Pool SWE 2/2

Seasoning	0-1 Y	1 - 2 Y	2 - 3 Y	3 - 5 Y	5+ Y	Sum
Loan volume, MSEK	264	931	1 312	1 882	827	5 216
Loan volume, %	15 %	25 %	21 %	33 %	6 %	100 %

Credit quality	31-60 D	61-90 D	90+ D	Sum
Past due				
Loan volume, MSEK	2,5	0,0	0	3
Share of loan volume, %	0,00 %	0,00 %	0,00 %	0 %

Impaired loans, %	0,000%
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Key ratios	
OC, nominal	60,5 %
WALTV	56,7 %
FX-risk**	0

*\*\*All issuance of covered bonds in foreign currency is swapped to entirely eliminate FX-risk.*

Remaining average maturity, years	
Assets	21,3
Liabilities	2,4

## Bonds

Outstanding issues in SEK					
ISIN	Amount, MSEK	Settlement date	Maturity	Coupon	Fixed/ Floating
XS1155041004	750	16-12-2014	16-12-2019	0,472	Floating
SE0010598474	2 500	22-11-2017	22-11-2022	0,733	Floating
<b>Sum</b>	<b>3 250</b>				

Maturity, expressed in MSEK	0-1 Y	1 - 2 Y	2 - 3 Y	3 - 4 Y	4 - 5 Y	5 - 10 Y	10+ Y	Sum
Total	750	0	0	2 500	0	0	0	3 250
Total, %	23 %	0 %	0 %	77 %	0 %	0 %	0 %	100 %

Interest rate type	Amount, MSEK	Amount, %
Fixed	0	0 %
Floating	3 250	100 %
<b>Sum</b>	<b>3 250</b>	<b>100 %</b>





Thank you!

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