

# Bank of Åland Plc: January - March 2017 Compared to January - March 2016

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Bank of Åland Interim report (Q1 and Q3) Bank of Åland Plc: January - March 2017 Compared to January - March 2016 Mariehamn, 2017-04-25 08:00 CEST (GLOBE NEWSWIRE) -- Bank of Åland Plc Interim Report April 25, 2017 9.00 am Interim Report for the period January - March 2017 "It was a good first quarter, in which we lived up to the expectations we had at the beginning of the year. "On the plus side, one highlight was our net commission income, with higher activity by our customers boosting brokerage commission income. Information technology income also rose, thanks to a new agreement that our IT subsidiary Crosskey concluded with a customer in Sweden for delivery of our bank card system." Peter Wiklöf, Managing Director January - March 2017 compared to January - March 2016

- Net operating profit decreased by 8 per cent to EUR 7.4 M (8.0).
- Profit for the period attributable to shareholders decreased by 7 per cent to EUR 5.9 M (6.3).
- Net interest income was unchanged at EUR 13.9 M (13.9).
- Net commission income rose by 7 per cent to EUR 12.1 M (11.3).
- Total expenses increased by 13 per cent to EUR 25.1 M (22.2).
- Net impairment losses on loans (including recoveries) amounted to EUR 0.5 M (0.4), equivalent to a loan loss level of 0.05 (0.05) per cent.
- Return on equity after taxes (ROE) amounted to 10.6 (11.7) per cent.
- Earnings per share amounted to EUR 0.38 (0.41).
- The common equity Tier 1 capital ratio, not taking into account transitional rules, amounted to 11.9 per cent (11.8 on December 31, 2016).

Financial summary Group

	Q1 2017	Q4 2016	% Q1 2017	% Q1 2016	2016	2016	EUR M	Income	Net interest income	13.9	14.0	0	13.9	0	Net commission income	12.1	12.2	-1	11.3	7	Net income from financial items at fair value	0.9	0.3	1.5	-43	Other income	6.1	4.7	29	3.8	61	Total income	32.9	31.2	6	30.6	8	Staff costs	-15.9	-14.8	7	-14.2	12	Other expences	-7.7	-7.5	2	-6.4	19	Depreciation/amortisation	-1.6	-1.5	7	-1.5	2	Total expenses	-25.1	-23.8	5	-22.2	13	Profit before impairment losses	7.8	7.4	6	8.4	-7	Impairment losses on loans and other	-0.5	-1.0	-57	-0.4	9	commitments	Net operating profit	7.4	6.3	16	8.0	-8	Income taxes	-1.5	-1.4	5	-1.7	-10	Profit for the report period	5.9	4.9	19	6.3	-7	Attributable to:	Shareholders in Bank of Åland Plc	5.9	4.9	19	6.3	-7	Volume Lending to the public	3,827	3,808	0	3,594	6	Deposits from the public	1	3,095	3,100	0	2,896	7	Actively managed assets	2	4,005	3,900	3	3,959	1	Equity capital	228	222	3	219	4	Balance sheet total	5,244	5,137	2	4,715	11	Risk exposure amount	1,596	1,576	1	1,542	4	Financial ratios	Return on equity after taxes, % (ROE)	3	10.6	8.9	11.7	Expences/income ratio	4	0.76	0.76	0.73	Loan loss level, %	5	0.05	0.11	0.05	Gross non-performing receivables, %	6	0.72	0.57	0.79	Level of provisions for doubtful receivables, %	41	50	37	7	Core funding ratio, %	8	89	89	93	Equity/assets ratio, %	9	4.4	4.3	4.6	Tier 1 capital ratio, %	10	11.9	11.8	12.5	Earnings per share, EUR	11	0.38	0.32	19	0.41	-8	Earnings per share after dilution, EUR	0.38	0.32	19	0.41	-8	Equity capital per share, EUR	12	14.90	14.50	3	14.36	4	Equity capital per share after dilution, EUR	14.74	14.37	3	14.26	3	Market price per Series A share, EUR	14.54	14.84	-2	16.19	-10	Market price per Series B share, EUR	14.20	14.38	-1	15.30	-7	Number of shares outstanding (not own shares), 000s	15,333	15,299	0	15,267	0	000s	Number of shares outstanding (not own shares), 000s	15,589	15,572	0	15,478	1	after dilution, 000s	Working hours re-calculated to full-time	689	685	-1	667	3	equivalent positions	1	Deposits from the public and public sector enteties, including certificates of deposit, index bonds and debentures issued to the public.	2	Actively managed assets encompassed managed assets in the Group's own mutual funds, as well as discretionary and advisory securities volume.	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	Gross doubtful receivables / Lending to the public before provisions for impairment losses.	7	Provisions for individual impairment losses / Gross doubtful receivables.	8	Lending to the public / Deposits including certificates of deposit,
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index bonds and debentures issued to the public plus covered bonds issued. 9 Equity capital / Balance sheet total. 10 (Core Tier 1 capital / Capital requirement) x 8%. 11 Shareholders' portion of earnings for the period / Average number of shares. 12 Shareholders' portion of equity capital / Number of shares less own 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 - March 2017, which is enclosed with this stock exchange release. The Bank's Interim Report for the period January - March 2017 is attached to this release in PDF format and is also available on the company's web site at [https://www.alandsbanken.com/uploads/pdf/result/en\\_resultat\\_jan-mar\\_17.pdf](https://www.alandsbanken.com/uploads/pdf/result/en_resultat_jan-mar_17.pdf) Mariehamn, April 25, 2017 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 <https://cns.omxgroup.com/cdsPublic/viewDisclosure.action?disclosureId=770097&messageId=967197>