

Bank of Åland Plc: Interim Report for the period January - March 2025

29.04.2025

Bank of Åland Plc
Interim Report
April 29, 2025 9.00 EET

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A strong start to the year in terms of earnings

“We started 2025 with a strong net operating profit of EUR 18.3 million (16.9) and a return on equity of 19.5 (18.3) per cent.

“Our income is increasing, and it is primarily net commission income that is climbing due to large transaction volume in our financial investment business. Expenses rose in a controlled manner, and impairment losses (including recoveries) totalled a recovery of EUR 0.1 million during the first quarter.

“We are currently seeing a great deal of uncertainty in the world’s capital markets, and we expect this uncertainty to persist for some time to come. The Bank of Åland is also well equipped for more turbulent times. As proof of this, in March Moody’s Ratings raised its outlook for the Bank of Åland to positive from stable and affirmed the Bank’s long-term deposit rating at A3.”

Peter Wiklöf, Managing Director and Chief Executive

January–March 2025 compared to January - March 2024

- Net operating profit increased by 9 per cent and amounted to EUR 18.3 M (16.9).
- Core income in the form of net interest income, net commission income and IT income increased by 2 per cent to EUR 53.8 M (53.0).
- Other income improved to EUR 2.2 M (0.8).
- Total expenses increased by 4 per cent to EUR 37.7 M (36.4).
- Net impairment losses on financial assets (including recoveries) amounted to a recovery of EUR 0.1 M (loss of 0.5), equivalent to a loan loss level of –0.01 per cent (0.05).
- Return on equity after taxes (ROE) increased to 19.5 per cent (18.3).
- Earnings per share increased by 7 per cent to EUR 0.95 (0.89).
- The common equity Tier 1 capital ratio decreased to 12.7 per cent (14.5 on December 31, 2024).
- Unchanged future outlook: The Bank of Åland expects its return on equity after taxes (ROE) to continue to exceed its long-term financial target of 15 per cent during 2025.

Financial Summary

Group	Q1 2025	Q4 2024	%	Q1 2024	%
EUR M					
Income					
Net interest income	23.8	25.2	-6	26.3	-10
Net commission income	21.4	19.9	8	18.3	17
IT income	8.6	9.4	-9	8.4	3
Other income	2.2	-0.4		0.8	
Total income	56.0	54.1	3	53.8	4
Staff costs	-23.4	-22.1	6	-21.6	8
Other expenses	-11.3	-12.4	-8	-11.5	-2
Depreciation/amortisation	-3.0	-2.8	6	-3.2	-8
Total expenses	-37.7	-37.3	1	-36.4	4
Profit before impairment losses	18.3	16.8	9	17.4	5
Impairment losses on financial assets, net	0.1	-1.5		-0.5	
Net operating profit	18.3	15.3	20	16.9	9
Income taxes	-3.7	-2.9	27	-3.3	14
Profit for the period	14.6	12.4	19	13.6	7
Volume					
Lending to the public	3,552	3,576	-1	3,762	-6
Deposits from the public	3,573	3,521	1	3,399	5
Actively managed assets	10,662	10,616	0	10,100	6
Managed mortgage loans	3,335	3,080	8	2,584	29
Equity capital	315	336	-6	302	4
Balance sheet total	5,011	4,925	2	5,111	-2
Risk exposure amount	1,803	1,643	10	1,761	2

The Bank of Åland (Ålandsbanken) follows the disclosure procedure stipulated in "Disclosure obligation of the issuer (6/2016)", published by the Finnish Financial Supervisory Authority and hereby publishes its Interim Report for the period January – March 2025, which is enclosed with this stock exchange release. The Bank`s Interim Report for the period January – March 2025 is attached to this release in PDF format and is also available on the company`s web site at https://www.alandsbanken.fi/uploads/pdf/result/en_resultat_jan-mar_25.pdf

Mariehamn, April 29, 2025

THE BOARD OF DIRECTORS

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Attachment

- [alandsbanken_en_resultat_jan-mar_25](https://www.alandsbanken.fi/uploads/pdf/result/en_resultat_jan-mar_25.pdf)