

Sampo Housing Loan Bank PLC
11.8.2009

INTERIM REPORT 1.1.-30.6.2009

SAMPO HOUSING LOAN BANK PLC IN JANUARY- JUNE 2009

Sampo Housing Loan Bank's profit for the period increased to EUR 10.1 million (4.7).

Result

The profit before taxes for the review period was EUR 13.6 million. The comparison period of 2008 recorded a EUR 6.4 million profit.

Balance sheet

The balance sheet increased to EUR 2,423.8 million (2,284.4). The loan portfolio at the end of the review period was EUR 2,165.2 million (1,988.4). The company purchases mortgages from Sampo Bank to secure the covered bonds. During the review period purchases substituting repaid loans totalled EUR 321,7 million.

Non-performing loans increased to EUR 4,1 million, while at 31 December 2008 the figure was EUR 3,7 million. During the review period no impairment losses were recognised.

The carrying amount of the covered bonds was EUR 2,095.4 million and nominal values EUR 2,000 million. Moody's Investors Service Ltd has confirmed the bonds Aaa credit ratings. The covered bonds were secured by mortgage totalling EUR 2,135.0 million and a supplementary collateral, mentioned in section 13 in Act on Mortgage Credit Banks, with nominal value of EUR 150 million. The mortgages covered the nominal value of the bonds by 114.25 per cent.

Capital adequacy

Sampo Housing Loan Bank's capital adequacy ratio was 16,8 per cent (18.5) and the Tier 1 ratio was 12,6 per cent (13.3). The total capital included in capital adequacy calculations amounted to EUR 158,7 million at the end of June (141.9). The Bank's risk-weighted assets totalled EUR 943,2 million (767.9).

Profit after taxes for January – June is included in Tier 1 distributable capital.

CAPITAL ADEQUACY
1000 EUR

	30.6.2009	31.12.2008	30.6.2008
Tier 1	118 692,81	108 613,16	101 948,82
Share capital	41 050,00	41 050,00	41 050,00
Share premium capital	35 000,00	35 000,00	35 000,00
Distributable capital	42 642,81	32 563,16	25 898,82
Tier 2	40 000,00	40 000,00	40 000,00
Subordinated liabilities	40 000,00	40 000,00	40 000,00
Other			
TOTAL CAPITAL	158 692,81	148 613,16	141 948,82
RISK-WEIGHTED ASSETS (ON-BALANCE SHEET AND OFF-BALANCE SHEET)	943 219,07	967 140,10	767 905,95
CAPITAL REQUIREMENT (8% of risk-weighted assets)	75 457,53	77 371,21	61 432,48
Credit- and counterparty risk	73 258,09	75 171,77	59 824,70
Marekt risk	0,00	0,00	0,00
Operational risk	2 199,44	2 199,44	1 607,78
CAPITAL ADEQUACY RATIO, %			
- Total capital/ Risk-weighted assets	16,82 %	15,37 %	18,49 %
- Tier 1 capital/ Risk-weighted assets	12,58 %	11,23 %	13,28 %

Capital adequacy ratio has been calculated in accordance with Credit Institutions Act Sect 5:44-48§ and 54-66§. For calculation of credit and operational risk's risk-weighted assets, Sampo Bank Group applies standard method.

Administration

The Annual General Meeting on 31 March 2009 elected the following as members of the Board of Directors: Aki Palo, Kirsi Autiosalo and Jukka Huotari. Aki Palo serves as Chairman of the Board. Jari Raassina serves as the company's Managing Director.

Ernst & Young Oy, Authorised Public Accountants, with principal responsibility Kunto Pekkala, APA and Tomi Englund, APA were elected as auditors.

During the review period Sampo Housing Loan Bank had no employees. The company purchases administrative services from Sampo Bank.

Outlook

The recession of economy has increased the household's caution in the housing market. The mortgage markets are expected to grow steadily during the latter half of the year because interest rate of mortgages will stay in the all-time low level. The result is expected to remain good in 2009.

Sampo Housing Loan Bank is going to continue to buy mortgages from Sampo Bank to replace repaid loans. Sampo Housing Loan Bank is not planning to issue new mortgage bonds.

Sampo Housing Loan Bank plc publishes one interim report during the financial year.

Helsinki, 11 August 2009

Sampo Housing Loan Bank plc
Board of Directors

SAMPO HOUSING LOAN BANK PLC - FINANCIAL HIGHLIGHTS

		1-6/2009	1-6/2008
Total income	1000 EUR	15 817	8 877
Total operating expenses	1000 EUR	-2 196	-2 499
Profit before taxes	1000 EUR	13 621	6 378
Cost to income ratio	%	13,9	28,2
Total assets	1000 EUR	2 423 776	2 284 361
Equity	1000 EUR	118 693	101 949
Return on equity before taxes	%	17,7	9,5
Capital adequacy	%	16,8	18,5

Cost to income ratio, %:
$$\frac{\text{staff costs} + \text{other operating expenses}}{\text{net interest income} + \text{net income from financial transactions} + \text{net fee and commission income} + \text{net income from investments} + \text{other income}} \times 100$$

Return on equity (at fair values), %:
$$\frac{\text{profit before taxes} \pm \text{change in fair value reserve} - \text{taxes}}{\text{equity (average)}} \times 100$$

SAMPO HOUSING LOAN BANK PLC - INCOME STATEMENT

1000 EUR	Note	1-6/2009	1-6/2008	Change
Interest income		52 481	52 365	115
Interest expense		-35 683	-43 071	7 388
Net trading income		-1 098	-657	-442
Fee income		273	239	33
Fee expenses		-155	0	-155
Net income from investments		-	-	-
Total operating income		15 817	8 877	6 940
Other operating expenses		-2 196	-2 499	303
Total operating expenses		-2 196	-2 499	303
Profit before taxes		13 621	6 378	7 243
Taxes		-3 541	-1 658	-1 883
Profit for the period		10 080	4 719	5 360

SAMPO HOUSING LOAN BANK PLC - STATEMENT OF COMPREHENSIVE INCOME

1000 EUR	1-6/2009	1-6/2008
Net gains not recognised in the income statement	0	0
Net profit for the period	10 080	4 719
Total comprehensive income for the period	10 080	4 719

Sampo Housing Loan Bank has no net gains that are not recognised in the income statement and should be stated under Statement of comprehensive income according to IAS 1.

SAMPO HOUSING LOAN BANK PLC - BALANCE SHEET

1000 EUR

	Note	6/2009	12/2008
Assets			
Loans and advances to credit institutions		8 291	16 000
Loans and advances to customers	1	2 165 240	2 112 229
Debt securities		144 911	292 291
Derivatives		101 864	43 863
Other assets		-	0
Prepayments and accrued income		3 471	8 801
Total assets		2 423 776	2 473 184
Liabilities			
Liabilities			
Liabilities to credit institutions		149 436	266 059
Debt securities in issue		2 055 395	2 024 147
Derivatives and other liabilities held for trading		10 147	16 352
Other liabilities		104	43
Accruals and deferred income		50 002	17 970
Subordinated liabilities		40 000	40 000
Total liabilities		2 305 084	2 364 571
Equity			
Share capital		41 050	41 050
Share premium account		35 000	35 000
Retained earnings		32 563	21 180
Profit for the period		10 080	11 383
Total equity		118 693	108 613
Total liabilities		2 423 776	2 473 184
OFF-BALANCE SHEET ITEMS			
Commitments		6 290	8 271

SAMPO HOUSING LOAN BANK PLC - STATEMENT OF CHANGES IN EQUITY

1 000 EUR	Share capital	Share premium account	Fair value reserve	Retained earnings	Total
Equity at 1 Jan. 2008	41 050	35 000	-	21 180	97 230
Total comprehensive income				4 719	4 719
Equity at 30 June 2008	41 050	35 000	-	25 899	101 949
Equity at 1 July 2008	41 050	35 000	-	25 899	101 949
Total comprehensive income				6 664	6 664
Equity at 31 Dec. 2008	41 050	35 000	-	32 563	108 613
Equity at 1 Jan. 2009	41 050	35 000	-	32 563	108 613
Total comprehensive income				10 080	10 080
Equity at 30 June 2009	41 050	35 000	-	42 643	118 693

SAMPO HOUSING LOAN BANK PLC - CASH FLOW STATEMENT

1000 EUR	1-6/2009	1-6/2008
Cash and cash equivalent at the beginning of the period	16 000	44 563
Cash flows from/used in operating activities	-7 709	-25 545
Cash flows from/used in financing activities	0	0
Cash and cash equivalent at the end of the period	8 291	19 018

The cash flow statement reports cash flows during the period classified by operating, investing and financing activities. Cash flows are reported by using the indirect method. Cash flows from operating activities derive primarily from the principal revenue-producing activities. Financing activities include cash flows resulting from changes in equity and borrowings in order to conduct the business. Cash and cash equivalents consist of cash at bank and in hand, balances with central banks, loans and advances to credit institutions repayable on demand and short-term deposits (under 3 months).

NOTES

ACCOUNTING POLICIES

Sampo Housing Loan Bank is part of the Danske Bank Group. The Danske Bank Group presents its consolidated accounts in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the EU and with relevant interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC).

IAS 1 'Presentation of Financial Statements'

Sampo Housing Loan Bank has implemented the amendments to IAS 1, Presentation of Financial Statements. This standard requires disclosure of a statement of comprehensive income that is displayed immediately after the income statement. Comprehensive income was previously included in the statement of changes in shareholders' equity.

The interim report has not been audited.

The interim report is available on Sampo Bank's web site
<http://sampo.com>

The notes are in thousand of euros.

SEGMENT INFORMATION

Information on business and geographical market areas

	6/2009			
	Income	Operating profit	Assets	Liabilities
Business area				
Mortgage banking	15 817	13 621	2 423 776	2 305 084
Geographical market area				
Finland	15 817	13 621	2 423 776	2 305 084
	6/2008			
	Income	Operating profit	Assets	Liabilities
Business area				
Mortgage banking	8 877	6 378	2 284 361	2 182 412
Geographical market area				
Finland	8 877	6 378	2 284 361	2 182 412

OTHER NOTES

1 LOANS AND RECEIVABLES

	6/2009	12/2008
Loans and advances to credit institutions		
By type of loan		
Deposits	8 291	16 000
Total	8 291	16 000
Loans and advances to customers		
By type of loan		
Home loans	2 004 110	1 947 163
Consumer loans	84 950	90 301
Other consumer loans	76 020	74 601
Other commercial loans	160	165
Total	2 165 240	2 112 229
Total loans and receivables	2 173 531	2 128 229