

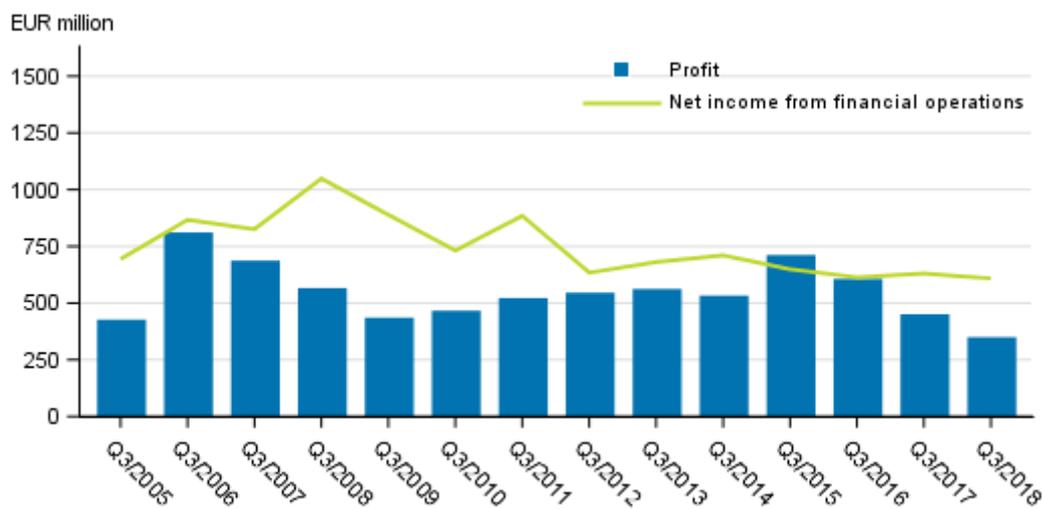
Financial statement statistics on credit institutions

2018, 3rd quarter

Net income from financial operations and operating profit of banks operating in Finland decreased in the third quarter of 2018

In the third quarter of 2018, the net income from financial operations of credit institutions engaged in banking in Finland amounted to EUR 609 million and their operating profit was EUR 350 million. Compared to the corresponding quarter of the previous year, net income from financial operations decreased by EUR 21 million and operating profit by EUR 101 million. These data derive from Statistics Finland’s financial statement statistics on credit institutions.

Net income from financial operations and operating profit of banks operating in Finland, 3rd quarter 2005 to 2018, EUR million



Interest income and expenses

In the third quarter of 2018, credit institutions engaged in banking in Finland accumulated EUR 1.2 billion in interest income and EUR 616 million in interest expenses. The net income from financial operations calculated as the difference between these was EUR 609 million. Compared to the corresponding quarter of the year before, net income from financial operations decreased by EUR 21 million, that is, around 3.4 per cent. Due to the renewed FINREP reporting practices of credit institutions, the net income from financial operations is not, however, in all respects fully comparable between 2018 and previous years.

Administrative expenses

Administrative expenses are the single largest expenditure item of banks operating in Finland. In the third quarter, banks had EUR 669 million in administrative expenses, which was EUR 99 million less than in the year before. Wages and salaries represented 44.3 per cent of administrative expenses. Compared to the third quarter of 2017, total wages and salaries decreased by EUR 11 million to EUR 296 million.

Operating profit

The operating profit, or profit from continuing operations before taxes, was EUR 350 million. Compared to the third quarter of the previous year the operating profit diminished by EUR 101 million. Due to the renewed FINREP reporting practices of credit institutions, the operating profit is not, however, in all respects fully comparable between 2018 and previous years.

Balance sheet

The aggregate value of the balance sheets was EUR 383 billion. The balance sheet was 2.9 per cent up from one year ago. The share of own equity in the total of the balance sheets was 4.0 per cent or EUR 15 billion. Compared to the corresponding period of the previous quarter, banks' own equity declined by EUR two billion. Due to the renewed FINREP reporting practices of credit institutions, the balance sheet items are not, however, in all respects fully comparable between 2018 and previous years.

A company restructuring made in the Finnish banking sector in the first quarter of 2018 explains part of the unexceptional changes in the profit and loss account and balance sheets and, in particular, in equity.

Contents

Tables

Appendix tables

Appendix table 1. Profit and loss accounts of banks operating in Finland 1.1.- 30.9.2018, EUR thousands.....	4
Appendix table 2. Balance sheets of banks operating in Finland 1.1.- 30.9.2018, EUR thousands.....	6

Figures

Figures

Appendix figure 1. Interest income and commission income of banks operating in Finland, 3rd quarter 2005 to 2018, EUR million.....	8
Appendix figure 2. Operating profit of banks operating in Finland, by quarter in 2009 to 2018, EUR million.....	8

Appendix tables

Appendix table 1. Profit and loss accounts of banks operating in Finland 1.1.- 30.9.2018, EUR thousands

	1.1.- 30.9.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
Interest income	1 119 696	1 645 817	650 263	153 849	3 569 624
(Interest expenses)	757 103	948 768	55 843	24 573	1 786 287
NET INCOME FROM FINANCIAL OPERATIONS	362 592	697 050	594 419	129 275	1 783 337
(Expenses on share capital repayable on demand)	..	..	..	..	..
Dividend income	36 672	..	264 943	..	309 693
Fee and comission income	269 588	867 443	350 808	90 086	1 577 926
(Fee and comission expenses)	107 677	134 552	36 070	13 453	291 752
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	20 832	12 771	717	2 706	37 025
Gains or (-) losses on financial assets and liabilities held for trading, net	149 742	21 660	3 963	..	175 366
Gains or losses on financial assets outside the trading fund that are mandatorily measured at fair value through profit or loss, net	..	..	790	-4 718	232
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	19 497	..	-1 127	..	18 337
Gains or (-) losses from hedge accounting, net	-539	..	..	-506	-11 549
Exchange differences [gain or (-) loss], net	-22 943	8 269	11	82	-14 581
Gains or (-) losses on derecognition of non-financial assets, net	..	556	..	1 356	..
Other operating income	42 310	158 504	48 299	13 424	262 537
(Other operating expenses)	60 287	13 180	134 050	33 719	241 237
TOTAL OPERATING INCOME, NET	713 438	1 609 125	1 093 048	191 991	3 607 601
(Administrative expenses)	340 873	1 081 336	571 701	115 497	2 109 408
of which: (Personnel expenses)	153 178	503 214	234 465	54 611	945 468
of which:(Other administrative expenses)	187 695	578 122	337 236	60 886	1 163 940
(Depreciation)	35 564	50 990	21 585	6 944	115 083
Gains or (-) losses caused by changes made, net	..	..	..	..	..
(Provisions or (-) reversal of provisions)	-407	-4 027	-412	-370	-5 216
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	9 687	-1 568	1 948	2 281	12 348
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	..	..	..	..	..
(Impairment or (-) reversal of impairment on non-financial assets)	..	..	8 076	..	13 737
Negative goodwill recognised in profit or loss	..	..	..	..	..
Share of profit or (-) loss in investments in subsidiaries, joint ventures and associates.	..	..	..	..	..
Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	..	..	..	..	..

	1.1.- 30.9.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	327 750	489 736	490 150	67 639	1 375 275
(Tax expense or (-) income related to profit or loss from continuing operations)	78 273	83 881	44 058	26 160	232 372
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	249 476	405 855	446 092	41 479	1 142 903
Profit or (-) loss after tax from discontinuing operations	..	..	..	..	..
PROFIT OR (-) LOSS FOR THE YEAR	249 476	405 855	446 092	41 479	1 142 903

1) Data not available or too uncertain for presentation, or subject to secrecy

Appendix table 2. Balance sheets of banks operating in Finland 1.1.- 30.9.2018, EUR thousands

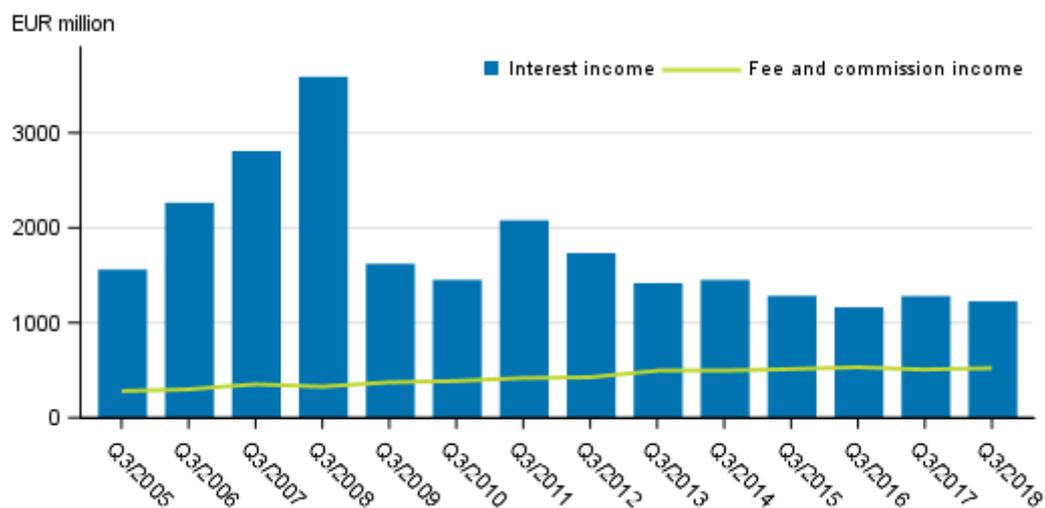
	1.1.- 30.9.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
ASSETS	.	.	.	.	.
Cash, cash balances at central banks and other demand deposits	15 239 007	83 995 109	1 148 550	671 697	101 054 364
Financial assets held for trading	4 056 262	1 237 904	75 844	..	5 370 010
Financial assets outside the trading inventory that are mandatorily measured at fair value through profit or loss	533 360	7 076 991	6 129 143	603 186	14 342 681
Financial assets designated at fair value through profit or loss	..	..	..	..	613 478
Financial assets measured at fair value through other comprehensive income	15 494 775	..	..	1 036 208	21 494 981
Financial liabilities measured at amortised cost	48 545 254	107 112 179	69 105 019	9 050 785	233 813 237
Derivatives - Hedge accounting (assets)	252 336	..	..	50 684	454 066
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	..	..	..	..	..
Investments in subsidiaries, joint ventures and associates	1 159 513	212 790	15 583	10 022	1 397 909
Tangible assets	25 569	90 784	677 110	123 049	916 512
Intangible assets	190 040	582 121	7 358	33 694	813 214
Tax assets	6 793	106 202	25 669	5 738	144 403
Other assets	849 965	1 409 219	70 293	60 036	2 389 513
Non-current assets held for sale and transferable item groups	..	..	..	..	..
TOTAL ASSETS	86 704 787	206 928 046	77 555 214	11 645 101	382 833 147
LIABILITIES	.	.	.	.	.
Financial liabilities held for trading	2 928 585	1 240 650	44 144	..	4 213 379
Financial liabilities designated at fair value through profit or loss	..	..	..	..	..
Financial liabilities measured at amortised cost	76 476 689	201 746 928	65 592 374	10 174 216	353 990 207
Derivatives - Hedge accounting (liabilities)	307 927	..	61 969	..	470 694
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	..	..	..	31 088	96 181
Provisions	7 790	102 967	10 424	2 166	123 348
Tax liabilities	29 759	68 518	18 795	6 989	124 061
Share capital repayable on demand	..	..	..	..	..
Other Liabilities	3 286 606	2 452 939	2 114 656	388 310	8 242 510
Liabilities included in disposal groups classified as held for sale	..	..	..	..	..
TOTAL LIABILITIES	83 076 019	206 038 365	67 842 483	10 609 408	367 566 274
Equity	802 165	..	3 579 324	..	4 527 113
Share premium	558 792	..	..	..	569 112
Equity instruments issued other than capital	..	..	..	..	..
Other equity	..	..	..	..	25 821
Accumulated other comprehensive income	47 352	..	28 675	..	141 488

	1.1.- 30.9.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
Retained earnings	1 008 944	263 058	3 578 320	517 615	5 367 938
Uudelleenarvostus_rahastot	..	..	..	..	..
Other reserves	937 852	161 636	2 080 321	336 099	3 515 908
(-) Treasury shares	..	..	..	..	..
Profit or loss allocated to shareholders of the parent company	249 476	405 855	446 091	41 479	1 142 902
(-) Interim dividends	..	..	..	..	..
Minority interests (non-controlling owners' interests)	..	..	..	..	..
TOTAL EQUITY	3 628 768	889 681	9 712 732	1 035 693	15 266 875
TOTAL EQUITY AND TOTAL LIABILITIES	86 704 787	206 928 046	77 555 215	11 645 101	382 833 149

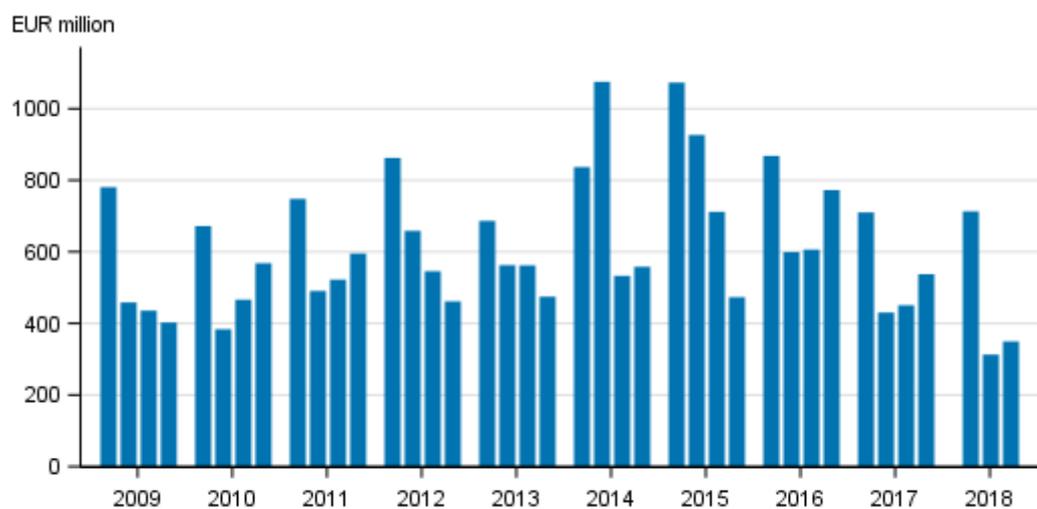
1) Data not available or too uncertain for presentation, or subject to secrecy

Figures

Appendix figure 1. Interest income and commission income of banks operating in Finland, 3rd quarter 2005 to 2018, EUR million



Appendix figure 2. Operating profit of banks operating in Finland, by quarter in 2009 to 2018, EUR million



Inquiries

Antti Suutari 029 551 3257
Jarkko Kaunisto 029 551 3551
Director in charge:
Ville Vertanen

rahoitusmarkkinat@stat.fi
www.stat.fi

Source: Credit institutions' annual accounts, Statistics Finland