

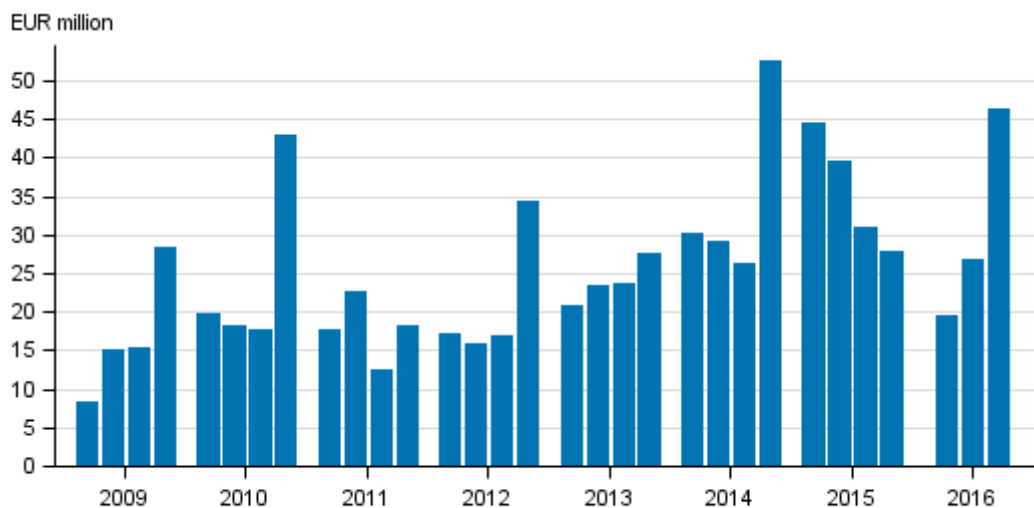
# Investment service companies

2016, 3rd quarter

## Net operating profit of investment service companies grew from the previous year's July to September

The net operating profit of investment service companies was EUR 46 million in the third quarter of 2016. The net operating profit increased by EUR 15 million compared to the corresponding quarter last year. Compared to the previous quarter, EUR 19 million more net operating profit was accumulated. These data derive from Statistics Finland's statistics on investment service companies.

### Investment firms' net operating profit by quarter 2009–2016, EUR million



## Commission income and expenses

In the third quarter, investment service companies accrued a total of EUR 94 million in commission income, which is EUR 13 million less than in the corresponding period of 2015. Commission income remained on level with the previous quarter. Commission expenses were EUR 24 million, which is on level with the corresponding period of last year and the second quarter of present year.

## Interest income and expenses

In the third quarter, interest income amounted to EUR 0.2 million, which is 53.1 per cent less than one year earlier and 18.8 per cent less than in the previous quarter. Interest expenses were EUR 0.1 million in the third quarter and they fell by 50 per cent from the previous year's corresponding quarter. Compared with the previous quarter, interest expenses went down by 1.2 per cent.

## Administrative expenses

The largest expenditure item of investment firms was administrative expenses, which in the third quarter of 2016 amounted to EUR 42 million, which is EUR 18 million less than in the previous year. Compared with the previous quarter, administrative expenses fell by EUR four million. Of the administrative expenses, personnel expenses amounted to EUR 25 million, or 59 per cent of total administrative expenses. Other operating expenses amounted to EUR 17 million, which is EUR 10 million less than one year previously.

## Balance sheets

The aggregate value of the balance sheets was EUR 383 million. The balance sheets grew by 10.7 per cent year-on-year. The share of own equity in the total of the balance sheets was 64.6 per cent.

At the end of the third quarter of 2016, there were 64 investment service companies operating in Finland, of which 41 generated a positive operating result.

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# Appendix table

**Appendix table 1. Profit and loss accounts of investment firms 1.1.- 30.9.2016, EUR thousands**

	1.1.- 31.3.2016	1.1.- 30.6.2016	1.1.- 30.9.2016
Interest income	208	469	681
Interest expenses	81	166	250
NET INCOME FROM FINANCIAL OPERATIONS	127	303	431
(Expenses on share capital repayable on demand)	- <sup>1)</sup>	1	2
Dividend income	1 940	2 092	2 107
Fee and comission income	89 663	183 073	276 597
(Fee and comission expenses)	23 694	47 472	71 763
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	113	100	158
Gains or (-) losses on financial assets and liabilities held for trading, net	7	179	763
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	77	172	417
Gains or (-) losses from hedge accounting, net	23	372	438
Exchange differences [gain or (-) loss], net	17	65	200
Gains or (-) losses on derecognition of non financial assets, net	-246	-246	-230
Other operating income	6 310	12 170	21 146
(Other operating expenses)	6 506	8 689	12 759
TOTAL OPERATING INCOME, NET	67 831	142 117	217 501
(Administrative expenses)	47 205	93 785	136 172
of which: Wages, salaries and fees (including staff-related cost)	27 648	54 591	79 757
of which: Other administrative expenses	19 558	39 194	56 415
(Depreciation)	1 034	2 052	2 934
(Provisions or (-) reversal of provisions)	-25	-42	-42
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	-	-60	-50
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	-	-	-
(Impairment or (-) reversal of impairment on non-financial assets)	-	-	-
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	-	-	.. <sup>2)</sup>
PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	19 617	46 382	92 586
(Appropriations)	-661	2 839	4 839
(Tax expense or (-) income related to profit or loss from continuing operations)	4 075	8 965	17 717
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	16 202	34 578	70 030
Extraordinary profit or (-) loss after tax	-	-	-
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	-	-2	-
PROFIT OR (-) LOSS FOR THE YEAR	16 202	34 576	70 030

1) no observations

2) data not available or too uncertain for presentation, or subject to secrecy

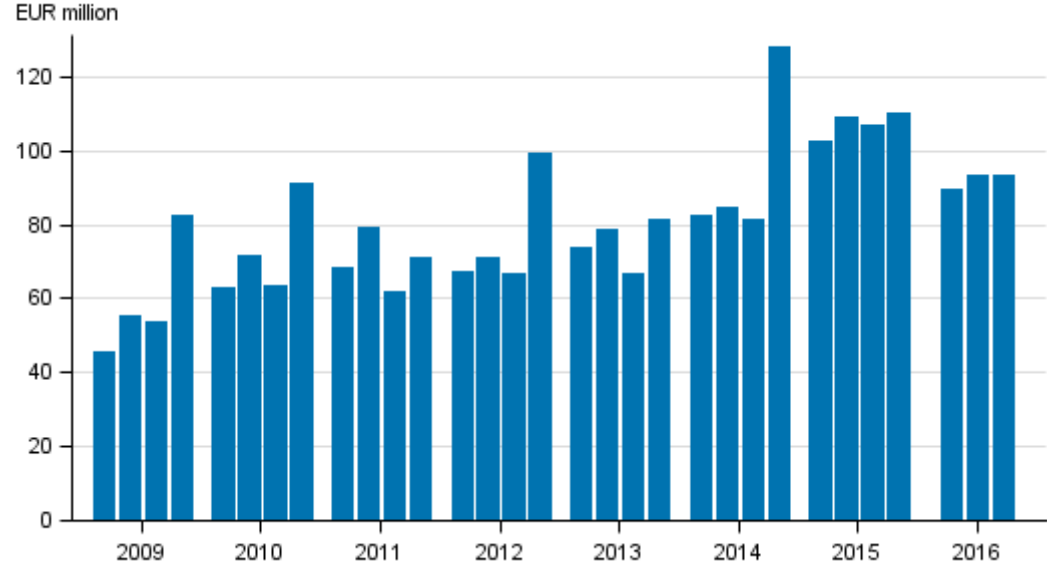
**Appendix table 2. Balance sheet of investment firms 1.1.- 30.9.2016, EUR thousands**

	1.1.- 31.3.2016	1.1.- 30.6.2016	1.1.- 30.9.2016
<b>ASSETS</b>			
Cash, cash balances at central banks and other demand deposits	116 433	136 270	160 373
Financial assets held for trading	4 579	4 506	3 969
Financial assets designated at fair value through profit or loss	608	1 106	1 366
Available-for-sale financial assets	15 525	24 024	14 073
Loans and receivables	4 820	3 697	7 617
Held-to-maturity investments	2 146	1 647	1 647
Derivatives - Hedge accounting (assets)	25 675	14 330	30 491
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	_ 1)	-	-
Investments in subsidiaries, joint ventures and associates	13 001	13 686	14 194
Tangible assets	6 247	6 437	6 413
Intangible assets	12 112	12 288	12 237
Other assets	129 091	98 857	124 524
Non-current assets held for sale and transferable item groups	100	453	170
Tax assets	5 106	5 721	5 731
<b>TOTAL ASSETS</b>	<b>335 442</b>	<b>323 021</b>	<b>382 805</b>
<b>LIABILITIES</b>			
Financial liabilities held for trading	25 997	22 839	39 770
Financial assets designated at fair value through profit or loss	-	-	-
Financial liabilities measured at amortised cost	2 088	2 758	2 362
Derivatives - Hedge accounting (liabilities)	-	-	-
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	-	-	-
Provisions	1 064	1 719	1 556
Tax liabilities	2 187	876	4 702
Share capital repayable on demand	-	227	61
Other Liabilities	99 735	75 063	86 897
Liabilities included in disposal groups classified as held for sale	-	-	-
Depreciation difference	69	36	69
Voluntary provisions	4	38	8
<b>TOTAL LIABILITIES</b>	<b>131 144</b>	<b>103 555</b>	<b>135 425</b>
<b>Equity</b>	<b>39 462</b>	<b>40 551</b>	<b>40 022</b>
Share premium	6 617	7 317	7 317
Equity instruments issued other than capital	125	231	125
Other equity	5 050	4 105	4 105
Accumulated other comprehensive income	220	173	918
Retained earnings	86 656	98 920	133 884
Revaluation reserves	-40	-176	-13
Other reserves	66 906	68 967	69 313
(-) Treasury shares	-623	-623	-8 217
Profit or loss allocated to shareholders of the parent company	-	-	-
(-) Interim dividends	-75	-	-75
Minority interests (non-controlling owner interests)	-	-	-
<b>TOTAL EQUITY</b>	<b>204 298</b>	<b>219 465</b>	<b>247 380</b>
<b>TOTAL EQUITY AND TOTAL LIABILITIES</b>	<b>335 442</b>	<b>323 020</b>	<b>382 805</b>

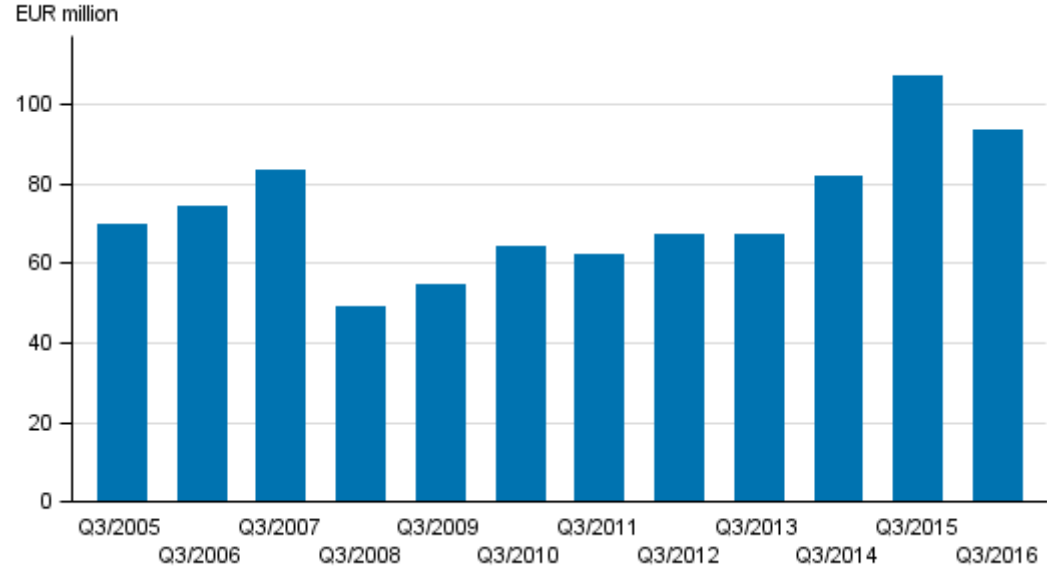
1) no observations

# Figures

**Appendix figure 1. Investment firms' commission income by quarter 2009-2016, EUR million**



**Appendix figure 2. Investment firms' commission income by quarter, 3rd quarter 2005-2016, EUR million**



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Source: Investment firms, Statistics Finland