

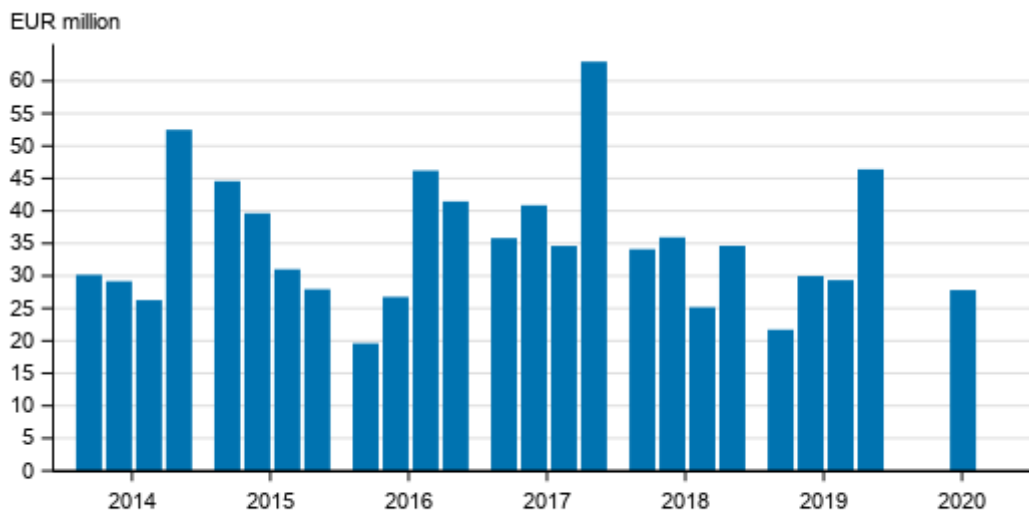
Investment service companies

2020, 1st quarter

Investment service companies' commission income and operating profit grew in the first quarter of 2020

The net operating profit of investment service companies was EUR 28 million in the first quarter of 2020. EUR six million more operating profit was accumulated than in the corresponding quarter last year. Commission income increased by EUR 22 million to EUR 111 million. These data derive from Statistics Finland's statistics on investment service companies.

Investment service companies' operating profit by quarter in 2014 to 2020, EUR million



Investment service companies offer their customers services related to investment services such as investment advisory services, asset management, and reception, intermediation and implementation of trading assignments in monetary instruments. Commission income and expenses are the main items related to investment service companies' income and expenses in the profit and loss account. In addition to commission income and expenses, operating profit is considerably affected by administrative expenses.

In some cases, other items, such as profit or loss from non-current assets classified as held for sale, can have a major impact on profit for the financial period.

Commission income and expenses

Commission income totalled EUR 111 million in the first quarter of 2020. Growth compared to the corresponding period of last year amounted to EUR 22 million, or 25.1 per cent. Commission expenses, in turn, amounted to EUR 39 million, which was EUR 15 million more than one year previously.

Administrative expenses

In the first quarter of 2020, investment service companies had EUR 47 million in administrative expenses, which was EUR two million more than in the previous year. Personnel expenses amounted to EUR 27 million, or some 58 per cent of administrative expenses. Personnel expenses were around EUR two million higher than in the corresponding quarter in the previous year.

Balance sheets

At the end of the first quarter of 2020, the aggregate value of the balance sheets was EUR 336 million. The growth was around nine per cent from EUR 307 million in the first quarter of 2019. The share of own equity of the balance sheet total rose, in turn, to 67 per cent from 63 per cent in the previous year's first quarter.

At the end of the first quarter of 2020, there were 50 investment service companies operating in Finland, of which 30 generated a positive operating result.

Contents

Tables

Appendix tables

Appendix table 1. Profit and loss accounts of investment firms 1.1.- 31.3.2020, EUR thousands.....	4
Appendix table 2. Balance sheet of investment firms 1.1.- 31.3.2020, EUR thousands.....	5

Figures

Figures

Appendix figure 1. Investment firms' commission income by quarter 2014-2020, EUR million.....	6
Appendix figure 2. Investment firms' commission income by quarter, 1st quarter 2014-2020, EUR million.....	6

Appendix tables

Appendix table 1. Profit and loss accounts of investment firms 1.1.- 31.3.2020, EUR thousands

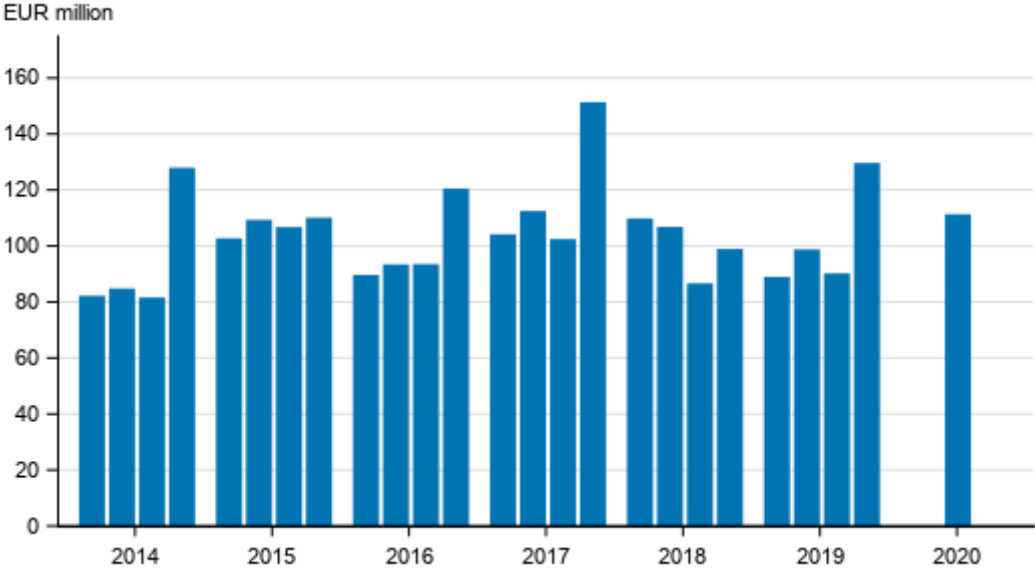
	1.1.- 31.3.2020
Interest income	112
(Interest expenses)	239
NET INCOME FROM FINANCIAL OPERATIONS	-127
(Expenses on share capital repayable on demand)	..
Dividend income	1 281
Fee and comission income	111 340
(Fee and comission expenses)	38 611
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	..
Gains or (-) losses on financial assets and liabilities held for trading, net	..
Gains or losses on financial assets outside the trading fund that are mandatorily measured at fair value through profit or loss, net	..
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	632
Gains or (-) losses from hedge accounting, net	..
Exchange differences [gain or (-) loss], net	-64
Gains or (-) losses on derecognition of non-financial assets, net	..
Other operating income	7 029
(Other operating expenses)	5 032
TOTAL OPERATING INCOME, NET	76 377
(Administrative expenses)	47 276
of which: (Personnel expenses)	27 473
of which:(Other administrative expenses)	19 803
(Depreciation)	1 038
Gains or (-) losses caused by changes made, net	..
(Provisions or (-) reversal of provisions)	..
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	..
(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	..
PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	27 816
(Tax expense or (-) income related to profit or loss from continuing operations)	10 671
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	17 146
Profit or (-) loss after tax from discontinuing operations	..
PROFIT OR (-) LOSS FOR THE YEAR	17 130

Appendix table 2. Balance sheet of investment firms 1.1.- 31.3.2020, EUR thousands

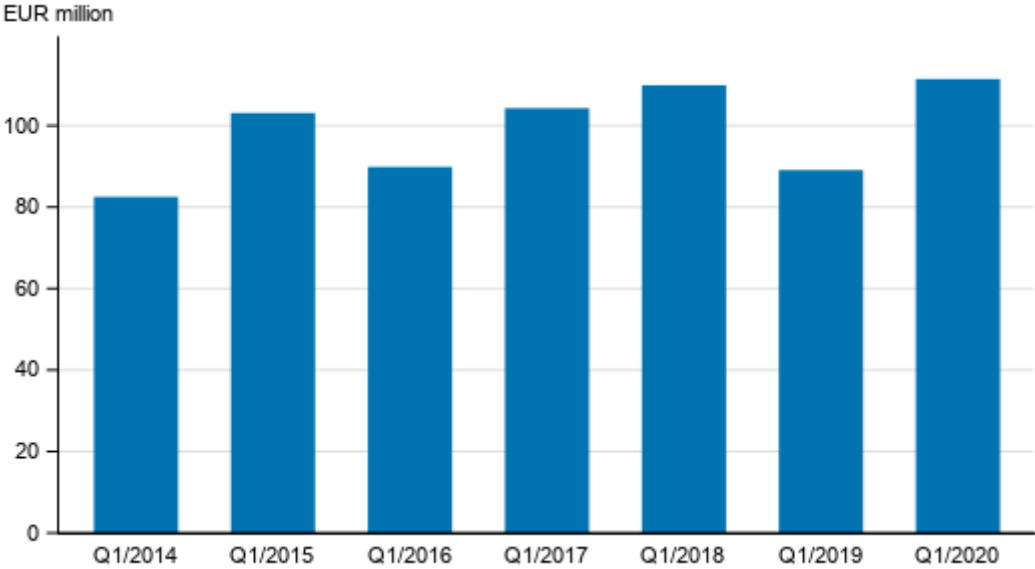
	1.1.- 31.3.2020
ASSETS	.
Cash, cash balances at central banks and other demand deposits	142 711
Financial assets held for trading	3 506
Financial assets outside the trading inventory that are mandatorily measured at fair value through profit or loss	6 279
Financial assets designated at fair value through profit or loss	..
Financial assets measured at fair value through other comprehensive income	17 206
Financial liabilities measured at amortised cost	12 064
Derivatives - Hedge accounting (assets)	..
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	..
Investments in subsidiaries, joint ventures and associates	26 000
Tangible assets	6 286
Intangible assets	16 907
Tax assets	5 608
Other assets	99 033
Non-current assets held for sale and transferable item groups	..
TOTAL ASSETS	336 372
LIABILITIES	.
Financial liabilities held for trading	..
Financial liabilities designated at fair value through profit or loss	..
Financial liabilities measured at amortised cost	1 626
Derivatives - Hedge accounting (liabilities)	..
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	..
Provisions	5 241
Tax liabilities	4 024
Share capital repayable on demand	..
Other Liabilities	98 003
Liabilities included in disposal groups classified as held for sale	..
TOTAL LIABILITIES	111 369
Equity	24 912
Share premium	5 669
Equity instruments issued other than capital	..
Other equity	4 987
Accumulated other comprehensive income	9 238
Retained earnings	83 935
Uudelleenarvostus_rahastot	..
Other reserves	78 630
(-) Treasury shares	..
Profit or loss allocated to shareholders of the parent company	17 192
(-) Interim dividends	..
Minority interests (non-controlling owners' interests)	..
TOTAL EQUITY	225 004
TOTAL EQUITY AND TOTAL LIABILITIES	336 373

Figures

Appendix figure 1. Investment firms' commission income by quarter 2014-2020, EUR million



Appendix figure 2. Investment firms' commission income by quarter, 1st quarter 2014-2020, EUR million



Inquiries

Jukka-Pekka Pyyllampi 029 551 3002

Heidi Lauttamäki 029 551 3029

Director in charge:

Jan Nokkala

rahoitusmarkkinat@stat.fi

www.tilastokeskus.fi

Source: Investment firms, Statistics Finland