

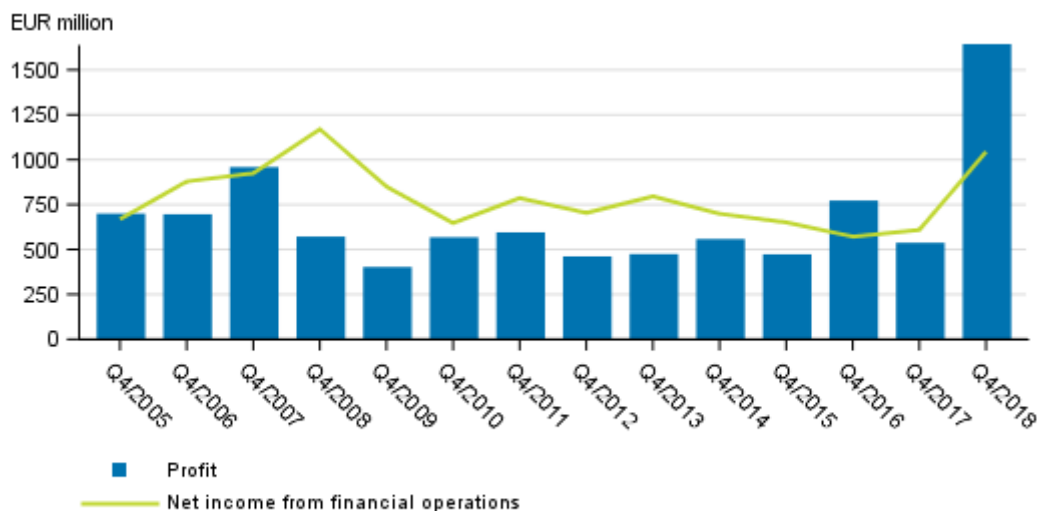
Financial statement statistics on credit institutions

2018, 4th quarter

Operating profit of banks operating in Finland was EUR 1.9 billion in the last quarter of 2018

In the fourth quarter of 2018, the net income from financial operations of credit institutions engaged in banking in Finland amounted to EUR 1,044 million and their operating profit was EUR 1,861 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, 4 th quarter 2005 to 2018, EUR million



Interest income and expenses

In the fourth quarter of 2018, credit institutions engaged in banking in Finland accumulated EUR 3.4 billion in interest income. Their interest expenses amounted to EUR 2.4 billion. The net income from financial operations calculated as the difference between these was about EUR one billion. Relative to the quarter one year ago, the net income from financial operations grew among bank groups most for Finnish commercial banks. This was, however, significantly influenced by the large company restructuring made in the Finnish banking sector in the fourth quarter of 2018.

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 1.9 billion in the fourth quarter of 2018. The operating profit grew particularly due to increased interest and commission income. Because of a significant company restructuring, the operating profit of the fourth quarter of 2018 is poorly comparable with the operating profit of earlier periods.

Balance sheet

The aggregate value of the balance sheets of banks was EUR 661 billion. Of this, the share of equity was, on average, 6.7 per cent or EUR 44 billion. Cooperative banks belonging to OP Financial Group had the biggest share of equity in the balance sheet, around 12.4 per cent and foreign banks the smallest, around 0.6 per cent. On average, the share of equity in the total of the balance sheets for all banks operating in Finland rose by 1.7 percentage points from one year back. The large company restructuring made in the banking sector had a significant effect on the banks' combined balance sheet and amount of equity

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Appendix table 1. Profit and loss accounts of banks operating in Finland 1.1.- 31.12.2018, EUR thousands

	1.1.- 31.12.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
Interest income	4 103 114	1 812 130	876 207	206 967	6 998 418
(Interest expenses)	3 057 853	1 008 258	73 005	31 968	4 171 084
NET INCOME FROM FINANCIAL OPERATIONS	1 045 261	803 872	803 202	175 000	2 827 334
(Expenses on share capital repayable on demand)	..	..	..	..	..
Dividend income	230 190	..	267 700	8 247	506 649
Fee and comission income	948 983	1 000 857	474 182	122 308	2 546 330
(Fee and comission expenses)	309 336	160 721	53 450	20 652	544 158
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	47 309	12 162	854	4 197	64 522
Gains or (-) losses on financial assets and liabilities held for trading, net	639 794	31 348	5 896	..	677 038
Gains or losses on financial assets outside the trading fund that are mandatorily measured at fair value through profit or loss, net	-113 665	..	-3 265	-27 984	-144 345
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	226 341	..	-2 495	..	223 791
Gains or (-) losses from hedge accounting, net	108 707	..	..	-109	98 105
Exchange differences [gain or (-) loss], net	-488 430	11 646	13	107	-476 664
Gains or (-) losses on derecognition of non-financial assets, net	..	550	397	992	..
Other operating income	196 690	201 107	62 814	17 676	478 287
(Other operating expenses)	85 672	17 906	181 254	44 732	329 564
TOTAL OPERATING INCOME, NET	2 445 543	1 873 432	1 374 609	235 050	5 928 634
(Administrative expenses)	1 421 442	1 281 055	745 725	162 086	3 610 309
of which: (Personnel expenses)	813 398	579 237	283 305	75 933	1 751 872
of which:(Other administrative expenses)	608 044	701 819	462 421	86 153	1 858 437
(Depreciation)	139 189	54 078	28 300	10 044	231 612
Gains or (-) losses caused by changes made, net	..	..	..	..	..
(Provisions or (-) reversal of provisions)	13 663	65	-597	-1 177	11 955
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	63 206	16 368	48 936	7 061	135 571
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	..	..	..	..	..
(Impairment or (-) reversal of impairment on non-financial assets)	28 204	..	46 772	..	81 182
Negative goodwill recognised in profit or loss	..	..	..	..	..
Share of profit or (-) loss in investments in subsidiaries, joint ventures and associates.	..	..	..	..	1 181 242

	1.1.- 31.12.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
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	2 130 378	543 615	505 472	56 793	3 236 259
(Tax expense or (-) income related to profit or loss from continuing operations)	433 781	91 924	125 111	24 440	675 256
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	1 696 597	451 692	380 360	32 353	2 561 003
Profit or (-) loss after tax from discontinuing operations	..	..	..	..	..
PROFIT OR (-) LOSS FOR THE YEAR	1 696 597	451 692	380 360	32 353	2 561 003

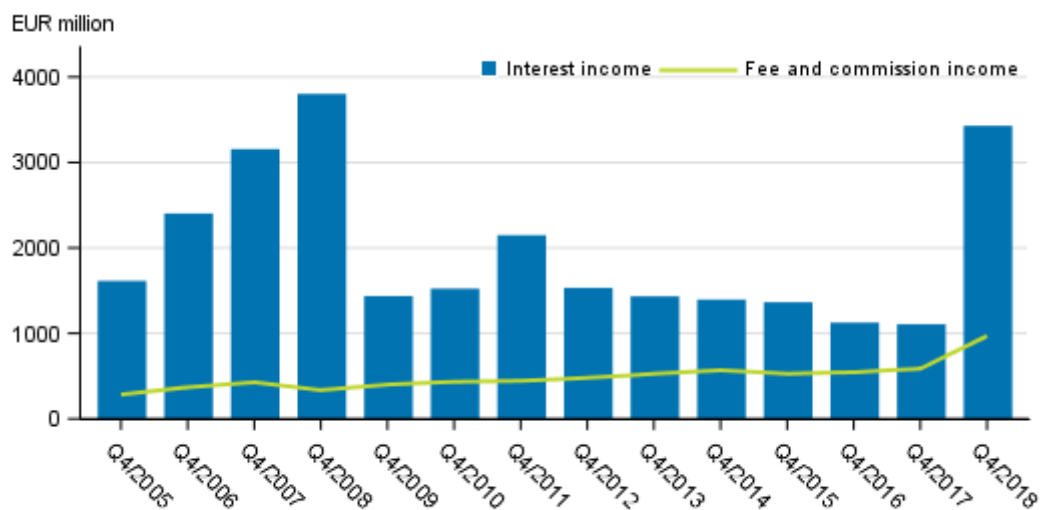
Appendix table 2. Balance sheets of banks operating in Finland 1.1.- 31.12.2018, EUR thousands

	1.1.- 31.12.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
ASSETS	.	.	.	.	.
Cash, cash balances at central banks and other demand deposits	59 618 827	33 925 371	1 159 346	677 607	95 381 150
Financial assets held for trading	81 320 796	1 112 112	90 600	..	82 523 508
Financial assets outside the trading inventory that are mandatorily measured at fair value through profit or loss	26 022 201	..	241 004	554 304	26 867 690
Financial assets designated at fair value through profit or loss	..	..	..	..	543 874
Financial assets measured at fair value through other comprehensive income	47 599 502	..	6 133 364	1 023 745	54 758 980
Financial liabilities measured at amortised cost	240 576 356	36 052 080	70 844 310	9 289 531	356 762 276
Derivatives - Hedge accounting (assets)	2 375 242	..	93 305	52 483	2 521 030
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	..	..	..	..	..
Investments in subsidiaries, joint ventures and associates	14 376 636	..	16 079	10 056	14 622 624
Tangible assets	367 015	30 879	633 477	122 380	1 153 751
Intangible assets	2 522 207	8 842	7 436	32 997	2 571 482
Tax assets	411 948	55 050	40 485	9 171	516 654
Other assets	21 888 760	507 472	65 992	48 716	22 510 940
Non-current assets held for sale and transferable item groups	..	..	..	..	..
TOTAL ASSETS	497 476 790	72 183 385	79 325 397	11 820 989	660 806 560
LIABILITIES	.	.	.	.	.
Financial liabilities held for trading	71 261 069	..	61 879	0	72 406 305
Financial liabilities designated at fair value through profit or loss	..	..	..	..	3 489 915
Financial liabilities measured at amortised cost	370 388 388	69 269 017	67 199 130	10 317 622	517 174 157
Derivatives - Hedge accounting (liabilities)	884 326	..	85 421	..	971 446
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	581 695	..	..	39 039	620 738
Provisions	826 406	18 449	10 750	1 359	856 964
Tax liabilities	488 117	61 940	5 416	4 126	559 599
Share capital repayable on demand	..	..	..	..	..
Other Liabilities	16 649 991	1 029 590	2 215 832	396 294	20 291 707
Liabilities included in disposal groups classified as held for sale	..	..	..	..	..
TOTAL LIABILITIES	464 283 732	71 748 528	69 578 432	10 760 139	616 370 831
Equity	4 852 117	..	3 657 338	123 643	8 660 079
Share premium	558 792	..	..	..	569 112
Equity instruments issued other than capital	..	..	..	..	..
Other equity	119 301	..	..	..	119 825
Accumulated other comprehensive income	-6 037	..	56 866	8 273	56 594

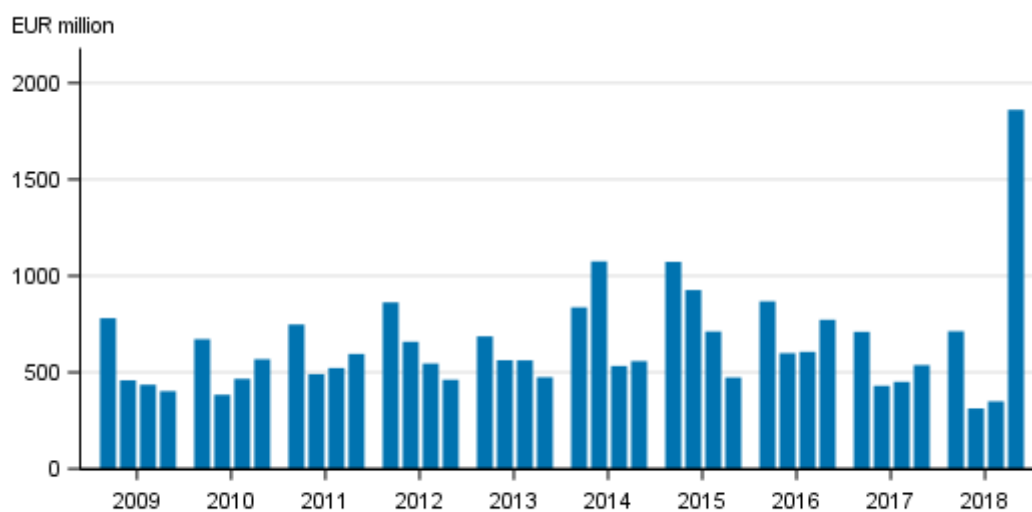
	1.1.- 31.12.2018				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
Retained earnings	24 399 759	177 467	3 567 386	518 820	28 663 431
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Other reserves	824 089	..	2 085 015	367 497	3 276 640
(-) Treasury shares
Profit or loss allocated to shareholders of the parent company	1 696 597	258 934	380 360	32 353	2 368 245
(-) Interim dividends	..	..	..	..	..
Minority interests (non-controlling owners' interests)	..	..	..	..	..
TOTAL EQUITY	33 193 058	434 857	9 746 965	1 060 850	44 435 730
TOTAL EQUITY AND TOTAL LIABILITIES	497 476 790	72 183 385	79 325 397	11 820 989	660 806 561

Figures

Appendix figure 1. Interest income and commission income of banks operating in Finland, 4 th 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