

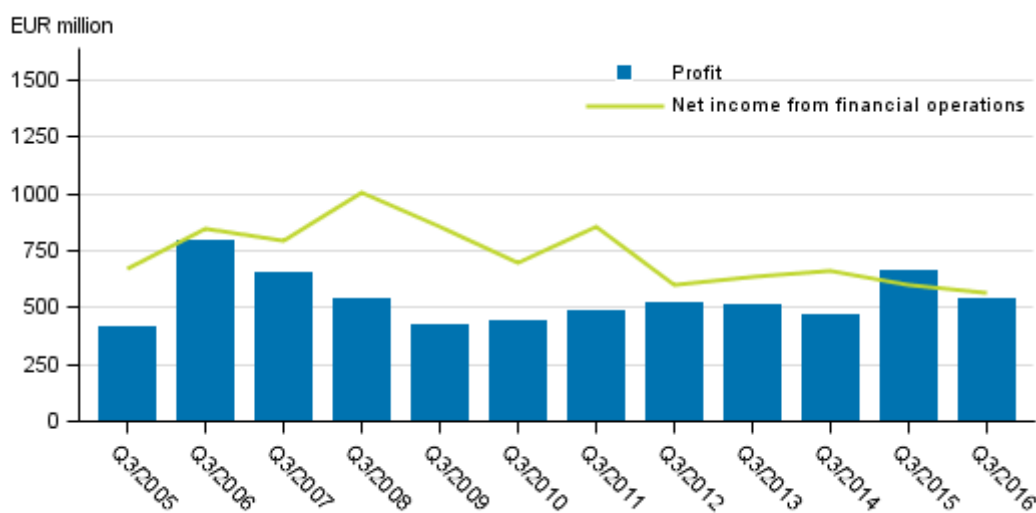
Financial statement statistics on credit institutions

2016, 3rd quarter

Domestic banks' net income from financial operations contracted by 6.4 per cent and operating profit by 17.7 per cent in the third quarter of 2016

In the third quarter of 2016, domestic banks' net income from financial operations amounted to EUR 562 million. Their net income from financial operations contracted by 6.4 per cent and operating profit by 17.7 per cent from the respective quarter of the year before. These data derive from Statistics Finland's financial statement statistics on credit institutions.

Domestic banks' net income from financial operations and operating profit, 3rd quarter 2005-2016, EUR million



Interest income and expenses

Over the third quarter, the interest income of domestic banks amounted to EUR 1.1 billion, which is EUR 150 million and 12.2 per cent less than one year previously. From the previous quarter, interest income

went down by EUR 42 million. Over the quarter, interest expenses amounted to EUR 514 million, which is EUR 112 million and 17.8 per cent less than one year previously. From the previous quarter, interest expenses went down by EUR 33 million.

Interest income generated in the first three quarters amounted to EUR 3.4 billion, which is EUR 0.3 billion and 9.2 per cent less than in the corresponding period of last year. Correspondingly, interest expenses over three quarters amounted to EUR 1.7 billion, which is EUR 0.2 billion and 11.1 per cent less than one year previously.

Commission income

Commission income amounted to EUR 454 million in the third quarter, which is EUR two million more than one year earlier. Compared to the previous quarter, commission income decreased by EUR 20 million. Commission income from the first three quarters totalled EUR 1.4 billion, which is on level with the corresponding period of last year.

Administrative expenses

In the third quarter of 2016, domestic banks' administrative expenses amounted to EUR 580 million. Compared to the previous quarter, expenses went down by EUR 64 million, but grew by EUR 14 million from one year ago. Administrative expenses from the first three quarters amounted to EUR 1.8 billion, which is 2.6 per cent more than in the corresponding period of last year.

Operating profit

The operating profit or profit from continuing operations before taxes was EUR 542 million in the third quarter, having been EUR 538 million in the second quarter. The operating profit of domestic banks generated in the first three quarters totalled EUR 1.9 billion, which is EUR 0.6 billion and 25.2 per cent less than in the corresponding period of one year ago.

Balance sheet

The aggregate value of the balance sheets was EUR 492 billion. The balance sheet was 7.2 per cent down from one year ago. The share of own equity in the total of the balance sheets was 5.5 per cent. One year ago, the share of own equity in the total of the balance sheets was 4.9 per cent.

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Appendix table

Appendix table 1. Profit and loss accounts of domestic banks 1.1.- 30.9.2016, EUR thousands

	1.1.- 30.9.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
Interest income	2 537 878	676 685	159 382	3 373 945
Interest expenses	1 552 782	105 232	37 487	1 695 501
NET INCOME FROM FINANCIAL OPERATIONS	985 096	571 453	121 895	1 678 444
(Expenses on share capital repayable on demand)	- ¹⁾	-	-	-
Dividend income	233 329	225 002	4 954	463 284
Fee and comission income	956 061	366 684	72 393	1 395 138
(Fee and comission expenses)	520 943	48 058	12 923	581 925
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	70 831	6 204	12 095	89 130
Gains or (-) losses on financial assets and liabilities held for trading, net	774 484	3 708	182	778 374
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	-11 195	-94	122	-11 167
Gains or (-) losses from hedge accounting, net	6 449	-4	-182	6 263
Exchange differences [gain or (-) loss], net	15 214	-13	-242	14 960
Gains or (-) losses on derecognition of non financial assets, net	1 429	57	312	1 798
Other operating income	100 838	65 777	21 408	188 023
(Other operating expenses)	39 412	123 916	29 489	192 817
TOTAL OPERATING INCOME, NET	2 572 181	1 066 800	190 524	3 829 505
(Administrative expenses)	1 216 720	529 814	99 844	1 846 378
of which: Wages, salaries and fees (including staff-related cost)	614 259	277 908	52 846	945 013
of which: Other administrative expenses	602 461	251 905	46 998	901 365
(Depreciation)	49 415	26 991	4 650	81 056
(Provisions or (-) reversal of provisions)	-27	-	-	-27
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	47 187	25 439	5 011	77 637
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	-	-	-	-
(Impairment or (-) reversal of impairment on non-financial assets)	-86	6 376	1 452	7 742
Negative goodwill recognised in profit or loss	-	-	-	-
Share of profit or (-) loss in investments in subsidiaries, joint ventures and associates.	71 500	-	-	71 500
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	1 330 472	478 180	79 567	1 888 219
(Appropriations)	-	-	-	-
(Tax expense or (-) income related to profit or loss from continuing operations)	246 421	31 679	16 647	294 747
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	1 084 052	446 501	62 920	1 593 472

	1.1.- 30.9.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
Extraordinary profit or (-) loss after tax	-	-	-	-
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	-	-	-	-
PROFIT OR (-) LOSS FOR THE YEAR	1 084 052	446 501	62 920	1 593 472

1) no observations

Appendix table 2. Balance sheets of domestic banks 1.1.- 30.9.2016, EUR thousands

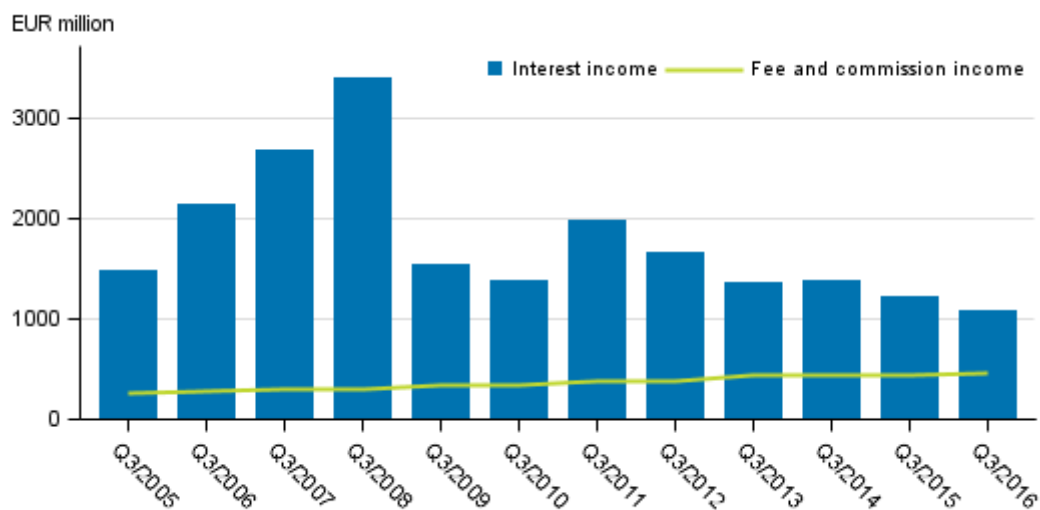
	1.1.- 30.9.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
ASSETS				
Cash, cash balances at central banks and other demand deposits	69 412 550	1 497 959	620 221	71 530 729
Financial assets held for trading	151 668 177	150 679	216	151 819 072
Financial assets designated at fair value through profit or loss	268 202	7 777	17 805	293 784
Available-for-sale financial assets	26 292 934	6 749 568	1 563 650	34 606 152
Loans and receivables	141 434 001	57 936 029	8 038 705	207 408 735
Held-to-maturity investments	942 493	55 645	22 581	1 020 718
Derivatives - Hedge accounting (assets)	1 861 782	144 187	91 675	2 097 644
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	43 932	- ¹⁾	-	43 932
Investments in subsidiaries, joint ventures and associates	1 762 692	17 297	1 409	1 781 398
Investments of investment service companies in subsidiaries, joint ventures and associates	-	-	-	-
Tangible assets	122 006	793 110	132 049	1 047 165
Intangible assets	206 135	8 722	16 061	230 919
Other assets	19 757 496	90 177	42 401	19 890 074
Non-current assets held for sale and transferable item groups	-	-	-	-
Tax assets	67 337	15 237	2 393	84 966
TOTAL ASSETS	413 839 736	67 466 388	10 549 165	491 855 289
LIABILITIES				
Financial liabilities held for trading	129 743 590	59 448	112	129 803 150
Financial assets designated at fair value through profit or loss	1 787 343	-	-	1 787 343
Financial liabilities measured at amortised cost	240 381 710	56 578 927	9 144 404	306 105 041
Derivatives - Hedge accounting (liabilities)	672 484	4 448	1 439	678 371
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	922 842	3 396	69 831	996 069
Provisions	103 632	13 729	317	117 679
Tax liabilities	73 481	32 752	19 845	126 078
Share capital repayable on demand	-	-	-	-
Other Liabilities	22 847 628	1 914 856	377 631	25 140 115
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Depreciation difference	-	-	-	-
Voluntary provisions	-	-	-	-
TOTAL LIABILITIES	396 532 711	58 607 556	9 613 580	464 753 847
Equity	3 227 166	3 299 450	113 643	6 640 258
Share premium	1 157 282	-	10 320	1 167 602
Equity instruments issued other than capital	-	-	-	-
Other equity	42 204	-	-	42 204
Accumulated other comprehensive income	101 644	116 081	54 675	272 400
Retained earnings	10 508 309	2 951 451	374 694	13 834 454

	1.1.- 30.9.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
Revaluation reserves	-	-	-	-
Other reserves	1 186 468	2 045 350	319 335	3 551 153
(-) Treasury shares	-383	-	-	-383
Profit or loss allocated to shareholders of the parent company	1 084 335	446 501	62 920	1 593 755
(-) Interim dividends	-	-	-	-
Minority interests (non-controlling owners' interests)	-	-	-	-
TOTAL EQUITY	17 307 025	8 858 832	935 586	27 101 443
TOTAL EQUITY AND TOTAL LIABILITIES	413 839 736	67 466 388	10 549 165	491 855 289

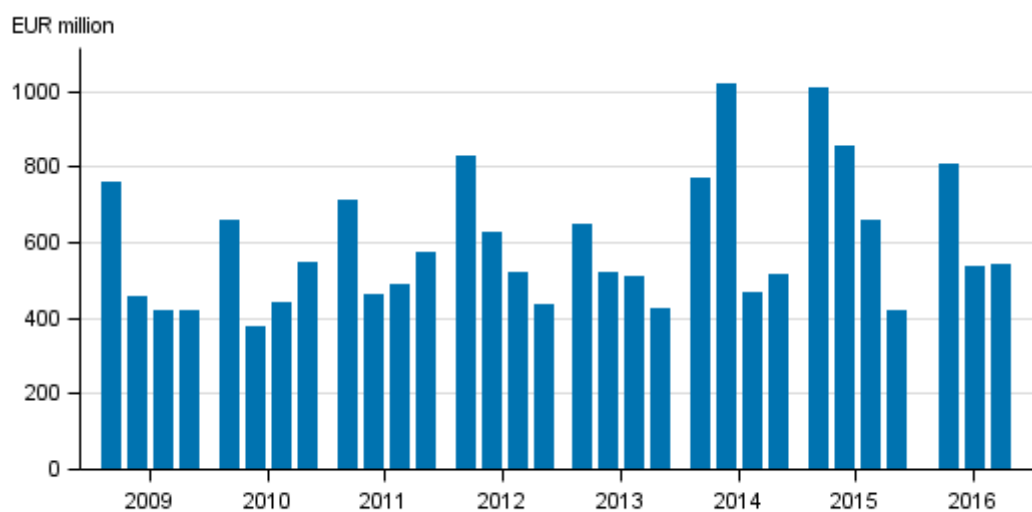
1) no observations

Figures

Appendix figure 1. Domestic banks' interest income and commission income by quarter, 3rd quarter 2005–2016, EUR million



Appendix figure 2. Domestic banks' net operating profit by quarter 2009-2016, EUR million



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Source: Credit institutions' annual accounts, Statistics Finland