

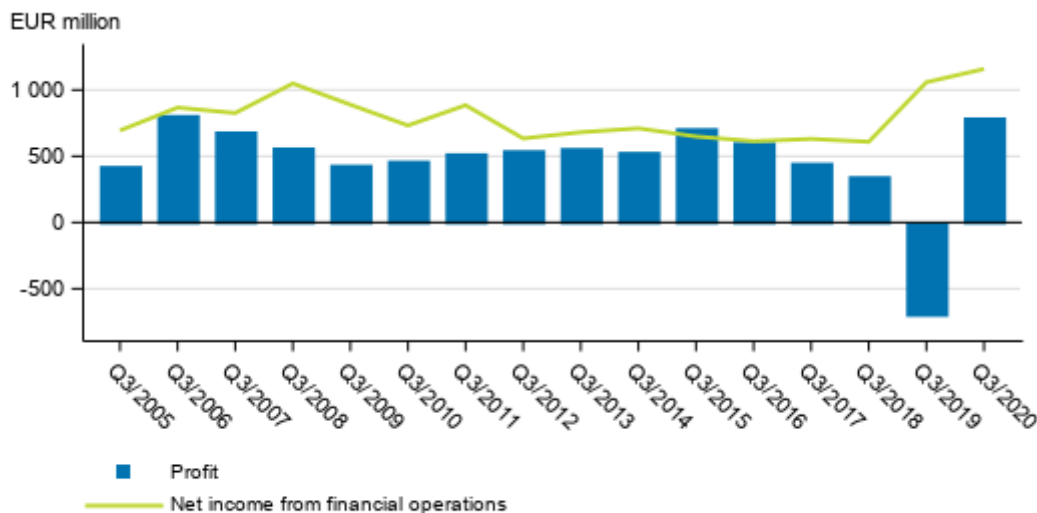
Financial statement statistics on credit institutions

2020, 3rd quarter

Net income from financial operations and operating profit of banks operating in Finland increased in the third quarter of 2020

In the third quarter of 2020, the net income from financial operations of credit institutions engaged in banking in Finland amounted to EUR 1.2 billion and their operating profit to EUR 0,8 billion. 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 2020, EUR million



Interest income and expenses

In the third quarter of 2020, credit institutions engaged in banking in Finland accumulated EUR 1,582 million in interest income. Their interest expenses, in turn, amounted to EUR 424 million. The net income from financial operations calculated as the difference between these was EUR 1,158 million, which was around EUR 100 million more than one year earlier. Net income went down by EUR 13 million from the previous quarter.

Administrative expenses

Administrative expenses are a significant expense item for banks operating in Finland. In the third quarter, banks had EUR 1,295 million in administrative expenses, which was EUR 58 million less than in the corresponding quarter of the year before. Wages and salaries made up EUR 777 million or 60 per cent of administrative expenses.

Operating profit/loss

The operating profit, or profit from continuing operations before taxes, was EUR 793 million in the third quarter of 2020. The operating profit grew by EUR 289 million from the previous quarter, which was weakened particularly by reductions in value directed to profit and loss account items and credit loss reserves.

Balance sheet

The aggregate value of the balance sheets of banks was EUR 744 billion. Of this, the share of equity was, on average, six per cent or around EUR 45 billion. Cooperative banks belonging to OP Financial Group had the biggest share of equity in the balance sheet, around 11.1 per cent, and foreign banks the smallest, around 0.4 per cent. On average, the share of equity in the aggregate of the balance sheets for all banks operating in Finland grew by 0.2 percentage points from one year back.

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Appendix table 1. Profit and loss accounts of banks operating in Finland 1.1.- 30.9.2020, EUR thousands

	1.1.- 30.9.2020				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
Interest income	3 642 652	587 081	684 440	158 767	5 072 940
(Interest expenses)	1 345 755	196 058	41 291	14 111	1 597 215
NET INCOME FROM FINANCIAL OPERATIONS	2 296 897	391 023	643 148	144 656	3 475 725
(Expenses on share capital repayable on demand)	.. ¹⁾²⁾
Dividend income	32 135	..	267 285	..	303 655
Fee and comission income	1 902 502	377 303	341 718	103 679	2 725 201
(Fee and comission expenses)	500 496	62 677	33 867	14 520	611 560
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	62 987	..	..	8 473	69 128
Gains or (-) losses on financial assets and liabilities held for trading, net	559 609	17 771	..	..	603 651
Gains or losses on financial assets outside the trading fund that are mandatorily measured at fair value through profit or loss, net	144 144	..	..	-652	137 029
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	372 473	..	-24 698	..	347 741
Gains or (-) losses from hedge accounting, net	-28 748	..	..	992	-26 961
Exchange differences [gain or (-) loss], net	-384 922	8 964	58	-162	-376 062
Gains or (-) losses on derecognition of non-financial assets, net	..	..	69	-3 244	..
Other operating income	382 962	52 452	43 302	12 780	491 496
(Other operating expenses)	47 482	16 112	122 418	21 231	207 243
TOTAL OPERATING INCOME, NET	4 791 273	767 459	1 134 109	235 042	6 927 883
(Administrative expenses)	2 765 794	470 091	619 589	130 936	3 986 411
of which: (Personnel expenses)	1 875 411	193 270	241 813	52 977	2 363 471
of which:(Other administrative expenses)	890 384	276 821	377 777	77 959	1 622 940
(Cash contributions to resolution funds and deposit guarantee schemes)	..	..	25 534	8 242	274 629
(Depreciation)	410 718	18 863	16 901	10 295	456 777
Gains or (-) losses caused by changes made, net	..	..	..	..	..
(Provisions or (-) reversal of provisions)	134 132	-15 952	128	369	118 677
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	652 264	93 802	79 706	22 500	848 271
(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.	..	..	..	..	..

	1.1.- 30.9.2020				
	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	1 277 382	208 203	389 031	61 598	1 936 214
(Tax expense or (-) income related to profit or loss from continuing operations)	157 085	37 196	24 957	21 672	240 910
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	1 120 296	171 007	364 074	39 927	1 695 304
Profit or (-) loss after tax from discontinuing operations	.	.	.	.	.
PROFIT OR (-) LOSS FOR THE YEAR	1 120 296	171 007	364 074	39 927	1 695 304

1) .. No observations.

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

Appendix table 2. Balance sheets of banks operating in Finland 1.1.- 30.9.2020, EUR thousands

	1.1.- 30.9.2020				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
ASSETS	.	.	.	.	.
Cash, cash balances at central banks and other demand deposits	77 922 105	59 773 063	2 542 284	834 281	141 071 733
Financial assets held for trading	112 203 094	.. ¹⁾²⁾	23 006	..	114 296 312
Financial assets outside the trading inventory that are mandatorily measured at fair value through profit or loss	..	..	..	..	..
Financial assets designated at fair value through profit or loss	..	..	..	..	472 212
Financial assets measured at fair value through other comprehensive income	..	..	..	..	..
Financial liabilities measured at amortised cost	..	..	..	..	..
Derivatives - Hedge accounting (assets)	..	..	304 809	63 673	3 623 649
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	91 775	..	..	..	91 775
Investments in subsidiaries, joint ventures and associates	..	..	15 516	9 787	15 376 973
Tangible assets	1 113 068	108 822	598 556	112 737	1 933 184
Intangible assets	1 913 848	25 462	13 535	39 350	1 992 195
Tax assets	748 684	67 968	38 275	7 594	862 522
Other assets	4 452 595	250 540	56 722	40 712	4 800 569
Non-current assets held for sale and transferable item groups	..	..	..	..	..
TOTAL ASSETS	530 366 047	107 066 524	93 407 377	13 352 945	744 192 893
LIABILITIES	.	.	.	.	.
Financial liabilities held for trading	91 209 963	..	153 796	..	93 409 389
Financial liabilities designated at fair value through profit or loss	..	..	..	..	..
Financial liabilities measured at amortised cost	387 361 446	103 301 354	80 032 378	11 651 855	582 347 033
Derivatives - Hedge accounting (liabilities)	1 169 115	..	238 591	..	1 408 090
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	1 692 048	..	..	53 439	1 745 487
Provisions	1 243 344	50 322	10 712	2 065	1 306 443
Tax liabilities	32 040	62 842	53 719	12 838	161 438
Share capital repayable on demand	..	..	..	..	..
Other Liabilities	8 970 495	935 613	2 595 989	450 333	12 952 430
Liabilities included in disposal groups classified as held for sale	..	..	..	..	..
TOTAL LIABILITIES	497 703 614	106 618 486	83 085 185	12 170 914	699 578 200
Equity	..	..	3 522 544	128 518	8 566 354
Share premium	558 792	..	..	..	569 112
Equity instruments issued other than capital	..	..	..	..	..
Other equity	140 675	..	..	..	141 205
Accumulated other comprehensive income	..	..	233 184	17 712	-66 766

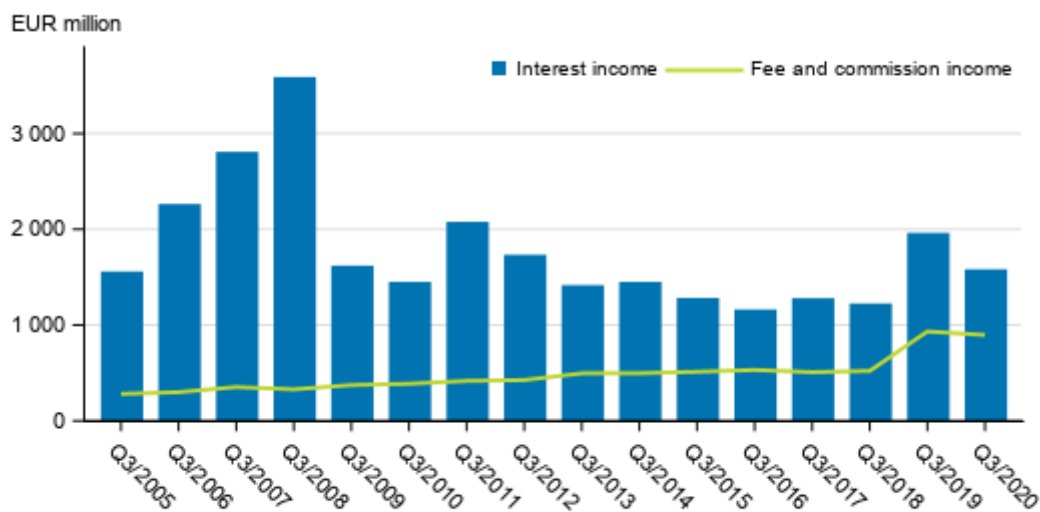
	1.1.- 30.9.2020				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
Retained earnings	23 483 915	259 941	4 108 329	579 721	28 431 907
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Other reserves	2 061 406	405 889	4 561 396
(-) Treasury shares	22 247
Profit or loss allocated to shareholders of the parent company	1 120 296	171 007	364 074	39 927	1 695 304
(-) Interim dividends	..	..	..	..	..
Minority interests (non-controlling owners' interests)	..	..	..	..	..
TOTAL EQUITY	32 662 433	448 038	10 322 193	1 182 031	44 614 694
TOTAL EQUITY AND TOTAL LIABILITIES	530 366 047	107 066 524	93 407 378	13 352 945	744 192 894

1) .. No observations.

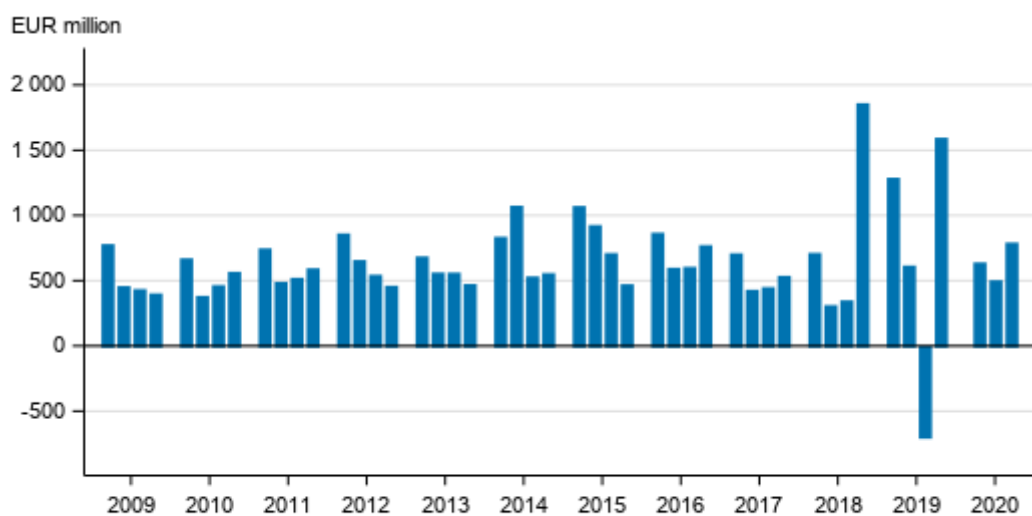
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Figures

Appendix figure 1. Interest income and commission income of banks operating in Finland, 3rd quarter 2005 to 2020, EUR million



Appendix figure 2. Operating profit of banks operating in Finland, by quarter in 2009 to 2020, EUR million



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Source: Credit institutions' annual accounts, Statistics Finland