

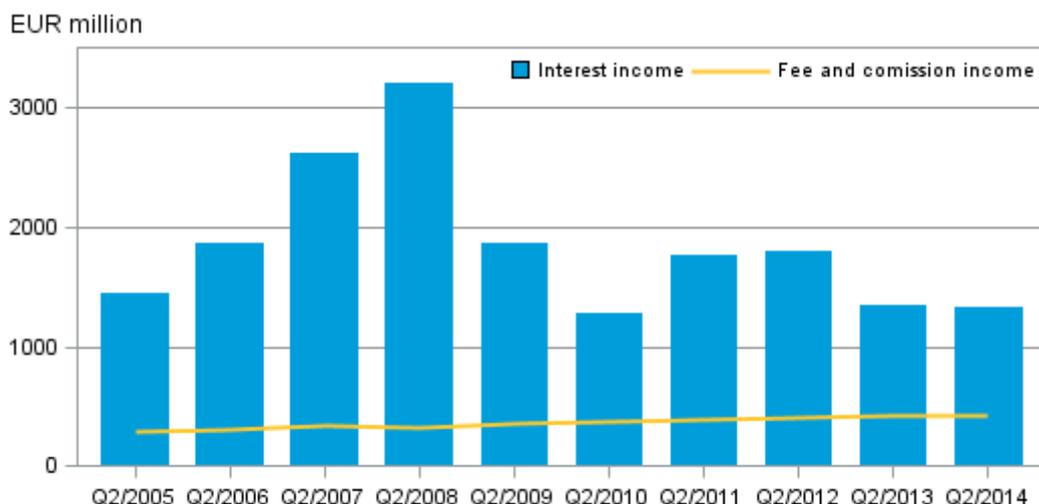
Financial statement statistics on credit institutions

2014, 2nd quarter

Domestic banks' net income from financial operations contracted by 5 per cent in the second quarter of 2014

In the second quarter of 2014, domestic banks' net income from financial operations amounted to EUR 603 million. Their net income from financial operations fell by five per cent from the respective quarter of the year before. Compared with the previous quarter, the net income from financial operations went down by eight per cent. These data derive from Statistics Finland's financial statement statistics on credit institutions.

Domestic banks' interest income and commission income by quarter, 2nd quarter



Over the quarter, interest income amounted to EUR 1.4 billion, which is EUR 20 million more than one year previously. From the previous quarter, interest income went down by EUR 10 million. The interest expenses of domestic banks also increased. Over the quarter, interest expenses amounted to EUR 757

million, which is 13 per cent more than one year previously. From the previous quarter, interest expenses grew by six per cent.

In the second quarter, commission income amounted to EUR 431 million and increased by one per cent from the year before. Compared to the previous quarter, commission income went down by 10 per cent.

The administrative expenses of domestic banks amounted to EUR 605 million in the second quarter, which is the same amount as one year earlier. From the previous quarter, administrative expenses went down by EUR 19 million.

Operating profit amounted to EUR 1,037 million in the second quarter, which was EUR 391 million more than one year earlier and EUR 283 million more than in the first quarter. The growth in operating profit was affected by non-recurring sales gains from securities received by co-operative banks. The aggregate value of the balance sheets was EUR 475 billion. The balance sheets grew by 3.3 per cent year-on-year. The share of own equity in the total of the balance sheets was 4.4 per cent.

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Appendix table

Appendix table 1. Profit and loss accounts of domestic banks 1.1.- 30.6.2014, EUR thousands

	1.1.- 30.6.2014			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
Interest income	2 170 772	469 727	90 373	2 730 872
Interest expenses	1 312 664	134 019	23 666	1 470 349
NET INCOME FROM FINANCIAL OPERATIONS	858 108	335 708	66 707	1 260 523
(Expenses on share capital repayable on demand)	-	-	-	-
Dividend income	242 841	111 827	2 856	357 524
Fee and comission income	682 037	191 030	38 617	911 684
(Fee and comission expenses)	407 134	24 745	4 589	436 468
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	29 387	532 845	13 347	575 579
Gains or (-) losses on financial assets and liabilities held for trading, net	986 075	6 436	851	993 362
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	10 334	-441	-42	9 851
Gains or (-) losses from hedge accounting, net	-8 892	81	20	-8 791
Exchange differences [gain or (-) loss], net	-371 629	14	2	-371 613
Gains or (-) losses on derecognition of non financial assets, net	230	95	619	944
Other operating income	52 318	33 951	5 401	91 670
(Other operating expenses)	54 690	97 230	17 309	169 229
TOTAL OPERATING INCOME, NET	2 018 985	1 089 571	106 480	3 215 036
(Administrative expenses)	856 969	312 572	59 607	1 229 148
of which: Wages, salaries and fees (including staff-related cost)	452 936	182 974	31 874	667 784
of which: Other administrative expenses	404 033	129 598	27 733	561 364
(Depreciation)	38 272	15 603	2 709	56 584
(Provisions or (-) reversal of provisions)	31 057	-	-	31 057
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit of loss)	62 591	23 295	1 098	86 984
(Impairment or (-) reversal of impairment of investmets in subsidiaries, joint ventures and associates)	16 427	-	-	16 427
(Impairment or (-) reversal of impairment on non-financial assets)	785	2 499	16	3 300
Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	-	-	-	-
PROFIT OR (-) LOSS	1 012 883	735 602	43 050	1 791 535
(Appropriations)	16 561	-3 510	9 842	22 893
(Tax expense or (-) income related to profit or loss from continuing operations)	160 310	128 923	7 141	296 374
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	836 012	610 189	26 067	1 472 268
Profit or (-) loss after tax from discontinued operations	-	-	-	-

	1.1.- 30.6.2014			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
PROFIT OR (-) LOSS FOR THE YEAR	836 012	610 189	26 067	1 472 268
“-” No observations				

Appendix table 2. Balance sheets of domestic banks 1.1.- 30.6.2014, EUR thousands

	1.1.- 30.6.2014			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
ASSETS
Cash and cash balances at central banks	33 631 641	923 796	298 900	34 854 337
Financial assets held for trading	172 788 994	142 631	2 374	172 933 999
Financial assets designated at fair value through profit or loss	195 212	13 897	23 365	232 474
Available-for-sale financial assets	22 947 241	5 590 769	1 404 585	29 942 595
Loans and receivables	164 454 842	45 742 222	6 746 504	216 943 568
Held-to-maturity investments	1 210 333	100 526	37 698	1 348 557
Derivatives - Hedge accounting	2 033 106	89 442	93 898	2 216 446
Fair value changes of the hedge items in portfolio hedge of interest rate risk	76 915	-	-	76 915
Investments in subsidiaries, joint ventures and associates	1 980 723	24 033	589	2 005 345
Tangible assets	185 680	811 659	109 535	1 106 874
Intangible assets	221 767	5 492	7 160	234 419
Tax assets	60 754	9 019	1 145	70 918
Other assets	12 887 944	93 106	56 521	13 037 571
Non-current assets and disposal groups classified as held for sale	-	-	-	-
TOTAL ASSETS	412 675 151	53 546 592	8 782 274	475 004 017
LIABILITIES
Financial liabilities held for trading	140 773 744	35 056	-	140 808 800
Financial liabilities designated at fair value through profit and loss	1 208 404	-	-	1 208 404
Financial liabilities measured at amortised cost	225 929 460	45 759 207	7 643 498	279 332 165
Derivatives - Hedge accounting	1 003 330	5 883	4 388	1 013 601
Fair value changes of the hedge items in portfolio hedge of interest rate risk	790 060	14 970	72 915	877 945
Provisions	195 418	10 358	-	205 776
Tax liabilities	41 929	127 733	14 993	184 655
Share capital repayable on demand	-	-	-	-
Other liabilities	27 141 244	409 878	79 225	27 630 347
Liabilities included in disposal groups classified as held for sale	-	-	-	-
TOTAL LIABILITIES	398 436 497	47 818 630	8 068 316	454 323 443
Capital	3 240 330	1 265 750	99 652	4 605 732
Share premium	1 226 562	-	10 320	1 236 882
Other equity	-	-	-	-
Other	585 690	622 017	78 275	1 285 982
Accumulated other comprehensive income	110 736	71 583	43 126	225 445
Retained earnings	5 481 524	2 409 425	315 188	8 206 137
Revaluation reserves	-	-	-	-
Other reserves	3 594 026	1 359 187	167 397	5 120 610
(-) Treasury shares	-215	-	-	-215
(-) Interim dividends	-	-	-	-
TOTAL EQUITY	14 238 653	5 727 962	713 958	20 680 573

	1.1.- 30.6.2014			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
TOTAL EQUITY AND TOTAL LIABILITIES	412 675 150	53 546 592	8 782 274	475 004 016
“-” No observations				
Due to rounding, the sums of final and sub-items can deviate from one another (-/+ EUR 1,000)				

Appendix table 3. Itemisation of interest income and expenses of domestic deposit banks 1.1.- 30.6.2014, EUR thousands

	1.1.- 30.6.2014			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
INTEREST INCOME, total	2 170 771	469 727	92 518	2 733 017
Derivatives held for trading	740 008	-6 347	365	734 026
Derivatives <input type="checkbox"/> hedge accounting	-45 963	8 060	2 135	-35 768
Debt securities	186 065	20 242	13 910	220 217
Claims on credit institutions	159 512	33 761	2 915	196 188
Claims on the public and public sector entities	1 114 186	413 941	73 193	1 601 321
Advances	-	-	-	-
Other financial assets	16 963	70	-	17 033
INTEREST EXPENSES, total	1 312 664	134 019	23 941	1 470 624
Derivatives held for trading	685 469	-	-	685 469
Derivatives <input type="checkbox"/> hedge accounting	-196 168	-3 501	-9 416	-209 086
Liabilities to credit institutions	180 475	22 888	2 336	205 698
Liabilities to the public and public sector entities	160 682	102 414	27 436	290 532
Debt securities issued	470 110	2 253	3 585	475 948
Other financial liabilities	12 096	9 966	-	22 062
“-” No observations				

**Appendix table 4. Itemisation of commission income and expenses of domestic deposit banks
1.1.- 30.6.2014, EUR thousands**

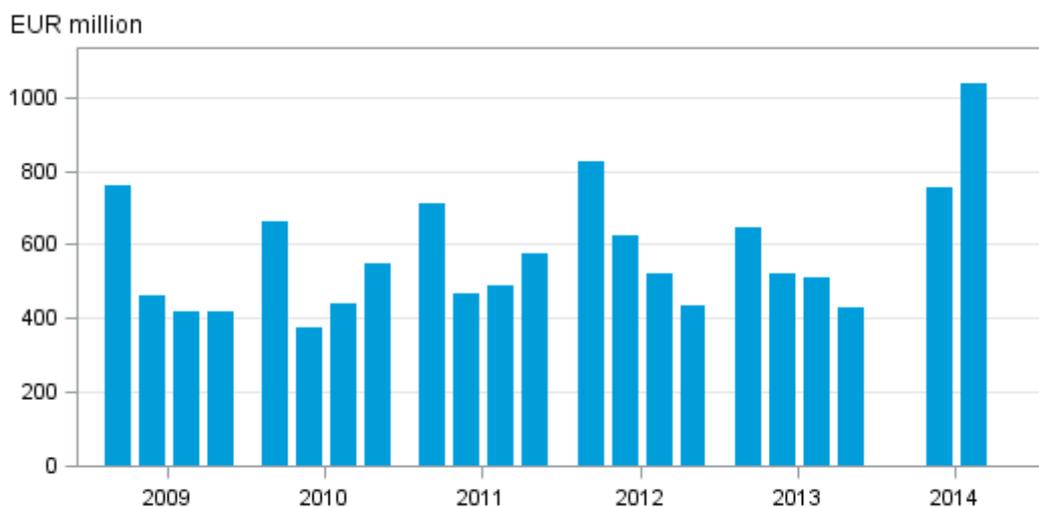
	1.1.- 30.6.2014			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
FEE AND COMMISSION INCOME, Income from current period	682 037	191 029	39 595	912 661
Securities	65 653	4 435	821	70 909
Clearing and settlement	175	-	-	175
Asset management	68 260	19 024	409	87 693
Custody	20 471	4 705	742	25 918
Central administration services for institutional customers	-	-	-	-
Payment services	225 077	79 192	16 104	320 373
Customer resources distributed but not managed	46 380	63 742	7 522	117 644
Structured Finance	10 885	-	-	10 885
Servicing fees from securitization activities	-	-	-	-
Loan commitments given	94 388	63 984	9 976	168 348
Guarantees given	62 237	3 397	761	66 395
Other	88 510	-47 450	3 260	44 320
FEE AND COMMISSION EXPENSES, Expenses of the current period	407 134	24 745	4 739	436 618
Clearing and settlement	199 144	5 699	-	204 843
Custody	9 055	-	-	9 055
Servicing fees from securitization activities	-	-	-	-
Loan commitments received	4 352	58	-	4 410
Guarantees received	122 640	-	-	122 640
Other	71 943	18 988	4 739	95 670
"-" No observations				

Appendix table 5. Itemisation of domestic deposit banks' administrative expenses 1.1.- 30.6.2014, EUR thousands

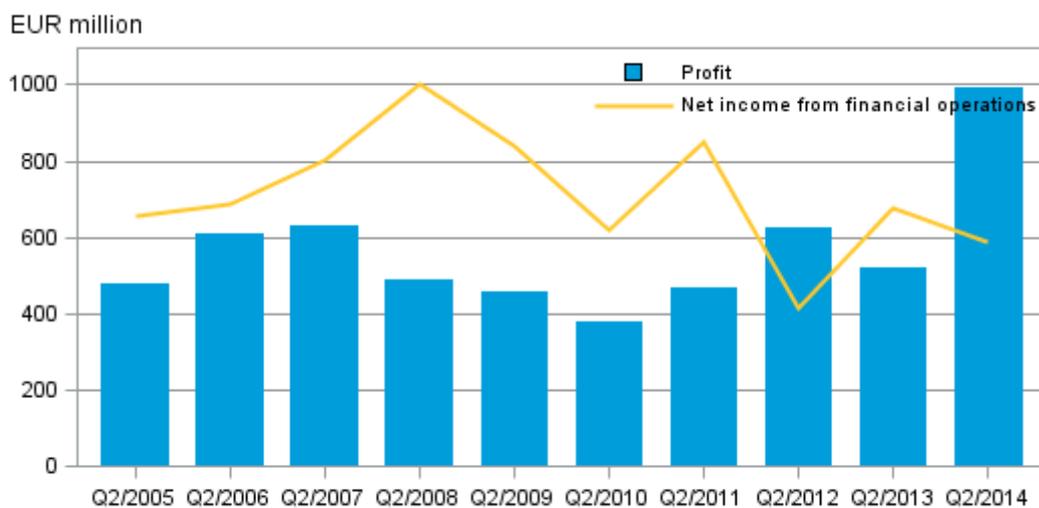
	1.1.- 30.6.2014			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
ADMINISTRATIVE EXPENSES, total	769 007	312 571	60 985	1 142 564
1. Staff costs	416 720	182 974	32 662	632 356
1.1 Wages, salaries and fees	330 529	150 429	26 073	507 030
1.2 Staff-related costs	86 191	32 545	6 589	125 325
2. Other administrative expenses	352 287	129 598	28 323	510 208
2.1 Office costs	25 469	24 490	3 446	53 405
2.2 Data processing expenses	169 796	65 434	16 703	251 933
2.3 Expenses related to communications	19 556	8 066	1 804	29 426
2.4 Entertainment and marketing expenses	21 886	12 451	4 033	38 370
2.5 Research and development expenses	1 729	5 243	-	6 972
2.6 Other staff-related expenses (not included in staff costs)	35 378	9 837	2 337	47 551
2.7 Other administrative expenses	78 474	4 078	-	82 552
"-" No observations				

Figures

Appendix figure 1. Domestic banks' net operating profit by quarter



Domestic banks' net income from financial operations and operating profit, 2nd quarter



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Financing and Insurance 2014

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Source: Credit institutions' annual accounts, Statistics Finland