

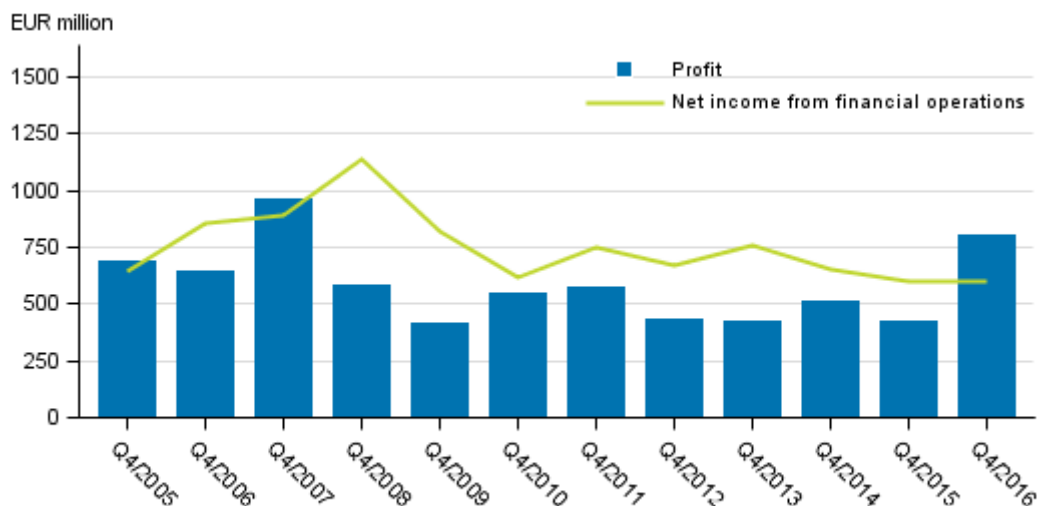
Financial statement statistics on credit institutions

2016, 4th quarter

Domestic banks' net income from financial operations remained almost unchanged, operating profit grew clearly in the fourth quarter of 2016

In the fourth quarter of 2016, domestic banks' net income from financial operations amounted to EUR 604 million and remained almost unchanged compared with the corresponding quarter of the previous year. The operating profit grew from EUR 421 million in the last quarter of the previous year to EUR 800 million. The whole year's operating profit in turn fell from the previous year's EUR 2.9 billion to EUR 2.7 billion. These data derive from Statistics Finland's financial statement statistics on credit institutions.

Domestic banks' net income from financial operations and operating profit, 4th quarter 2005–2016, EUR million



Interest income and expenses

Over the fourth quarter, the interest income of domestic banks amounted to EUR 971 million, which is EUR 310 million and 24.1 per cent less than one year previously. From the previous quarter, interest income went down by EUR 105 million. Over the quarter, interest expenses amounted to EUR 367 million, which is EUR 311 million and 45.8 per cent less than one year before. From the previous quarter, interest expenses went down by EUR 146 million.

Interest income for the whole year amounted to EUR 4.3 billion. In 2015, interest income generated was 15 per cent, or EUR 652 million higher. Correspondingly, interest expenses generated for the whole year amounted to EUR 2.1 billion, while in 2015, interest expenses were 25.3 per cent and EUR 522 million higher.

Commission income

Commission income amounted to EUR 490 million in the fourth quarter, which is EUR 31 million more than one year earlier. Compared to the previous quarter, commission income went up by EUR 36 million. Commission income from the whole year amounted to EUR 1.9 billion. From the previous year, commission income rose in total by EUR 31 million.

Administrative expenses

In the fourth quarter of 2016, domestic banks' administrative expenses amounted to EUR 709 million. Compared with the previous quarter, expenses went up by EUR 128 million, from one year ago, in turn, by EUR 45 million. Over the year, administrative expenses amounted to EUR 2.6 billion, or 3.8 per cent more than in 2015.

Operating profit

The operating profit or profit from continuing operations before taxes was EUR 800 million in the fourth quarter, having been EUR 542 million in the third quarter. The operating profit of domestic banks generated in 2016 totalled EUR 2.7 billion, which is EUR 0.3 billion and 8.7 per cent less than one year ago.

Balance sheet

The aggregate value of the balance sheets was EUR 426 billion. The balance sheet was 11.6 per cent down from one year ago. In the last quarter, the share of own equity in the total of the balance sheets rose to 6.2 per cent from the previous year's 5.5 per cent.

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**Appendix table 1. Profit and loss accounts of domestic banks 1.1.- 31.12.2016, EUR thousands
(Corrected on 13 June 2017)**

Corrected on 13 June 2017. The corrected numbers are indicated in red.				
	1.1.- 31.12.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
Interest income	3 295 756	903 791	211 237	4 410 785
Interest expenses	2 017 480	140 003	48 600	2 206 083
NET INCOME FROM FINANCIAL OPERATIONS	1 278 276	763 788	162 638	2 204 702
(Expenses on share capital repayable on demand)	.. ¹⁾
Dividend income	437 309	275 839	5 126	718 274
Fee and comission income	1 284 610	503 024	97 887	1 885 521
(Fee and comission expenses)	731 952	66 035	17 222	815 209
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	92 526	11 319	16 388	120 233
Gains or (-) losses on financial assets and liabilities held for trading, net	1 242 945	4 523	156	1 247 625
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	-15 252	30	130	-15 092
Gains or (-) losses from hedge accounting, net	375	-14	-338	24
Exchange differences [gain or (-) loss], net	-3 633	-1	-177	-3 811
Gains or (-) losses on derecognition of non financial assets, net	..	..	..	..
Other operating income	166 909	88 067	26 009	280 985
(Other operating expenses)	63 127	161 156	38 445	262 727
TOTAL OPERATING INCOME, NET	3 690 212	1 419 428	251 753	5 361 392
(Administrative expenses)	1 680 321	735 583	139 020	2 554 923
of which: Wages, salaries and fees (including staff-related cost)	820 937	376 260	74 648	1 271 846
of which: Other administrative expenses	859 384	359 322	64 372	1 283 078
(Depreciation)	66 619	35 572	6 266	108 457
(Provisions or (-) reversal of provisions)	-5 037	..	..	-5 037
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	85 033	48 507	11 931	145 471
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	..	..	..	..
(Impairment or (-) reversal of impairment on non-financial assets)	..	13 933	2 878	17 033
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	1 933 757	585 831	91 659	2 611 247
(Appropriations)	..	..	..	..

Corrected on 13 June 2017. The corrected numbers are indicated in red.

	1.1.- 31.12.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
(Tax expense or (-) income related to profit or loss from continuing operations)	..	..	..	..
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	1 522 803	444 732	66 983	2 034 518
Extraordinary profit or (-) loss after tax	..	..	..	..
PROFIT OR (-) LOSS AFTER TAX FROM DISCONTINUING OPERATIONS	..	..	..	..
PROFIT OR (-) LOSS FOR THE YEAR	1 522 803	444 732	66 983	2 034 518

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

Appendix table 2. Balance sheets of domestic banks 1.1.- 31.12.2016, EUR thousands

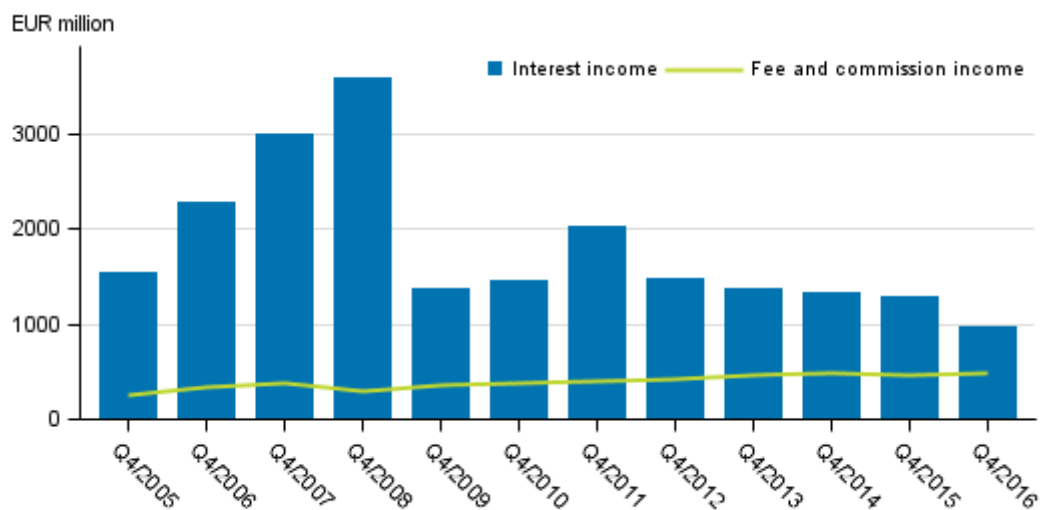
	1.1.- 31.12.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
ASSETS	.	.	.	.
Cash, cash balances at central banks and other demand deposits	48 624 403	1 781 587	561 435	50 967 424
Financial assets held for trading	127 820 120	108 891	.. ¹⁾	127 929 190
Financial assets designated at fair value through profit or loss	290 308	6 036	10 498	306 842
Available-for-sale financial assets	23 875 551	6 770 583	1 593 690	32 239 824
Loans and receivables	124 331 478	58 469 971	8 201 365	191 002 814
Held-to-maturity investments	914 099	52 029	22 780	988 909
Derivatives - Hedge accounting (assets)	889 959	115 414	78 725	1 084 098
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	..	..	..	..
Investments in subsidiaries, joint ventures and associates	1 748 142	17 261	2 918	1 768 321
Investments of investment service companies in subsidiaries, joint ventures and associates	..	..	..	..
Tangible assets	121 423	780 681	128 121	1 030 225
Intangible assets	219 967	8 673	18 137	246 776
Other assets	18 322 546	65 897	33 473	18 421 915
Non-current assets held for sale and transferable item groups	..	..	..	..
Tax assets	62 294	38 106	1 926	102 326
TOTAL ASSETS	347 240 798	68 215 128	10 653 245	426 109 171
LIABILITIES	.	.	.	.
Financial liabilities held for trading	95 085 676	47 865	..	95 133 615
Financial liabilities designated at fair value through profit or loss	..	..	..	..
Financial liabilities measured at amortised cost	210 644 352	57 139 306	9 218 954	277 002 612
Derivatives - Hedge accounting (liabilities)	615 993	6 926	..	625 166
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	116 029	..	59 032	177 733
Provisions	92 142	12 678	520	105 340
Tax liabilities	74 991	18 784	17 080	110 855
Share capital repayable on demand	..	..	..	..
Other Liabilities	22 204 204	2 139 585	419 047	24 762 836
Liabilities included in disposal groups classified as held for sale	..	..	..	..
Depreciation difference	..	..	..	..
Voluntary provisions	..	..	..	..
TOTAL LIABILITIES	330 533 120	59 367 816	9 716 956	399 617 891
Equity	3 227 166	3 317 482	113 643	6 658 290
Share premium	1 157 282	..	..	1 167 602
Equity instruments issued other than capital	..	..	..	..
Other equity	42 346	..	..	42 346
Accumulated other comprehensive income	114 782	88 236	52 974	255 992
Retained earnings	9 458 751	2 945 954	373 035	12 777 741

	1.1.- 31.12.2016			
	Commercial banks	Co-operative banks total	Savings banks total	Domestic banks total
Revaluation reserves	..	..	..	..
Other reserves	1 186 298	2 050 908	319 335	3 556 541
(-) Treasury shares	..	..	..	..
Profit or loss allocated to shareholders of the parent company	1 522 803	444 732	66 983	2 034 518
(-) Interim dividends	..	..	..	..
Minority interests (non - controlling owners interests)	..	..	..	..
TOTAL EQUITY	16 707 678	8 847 312	936 289	26 491 280
TOTAL EQUITY AND TOTAL LIABILITIES	347 240 798	68 215 128	10 653 245	426 109 171

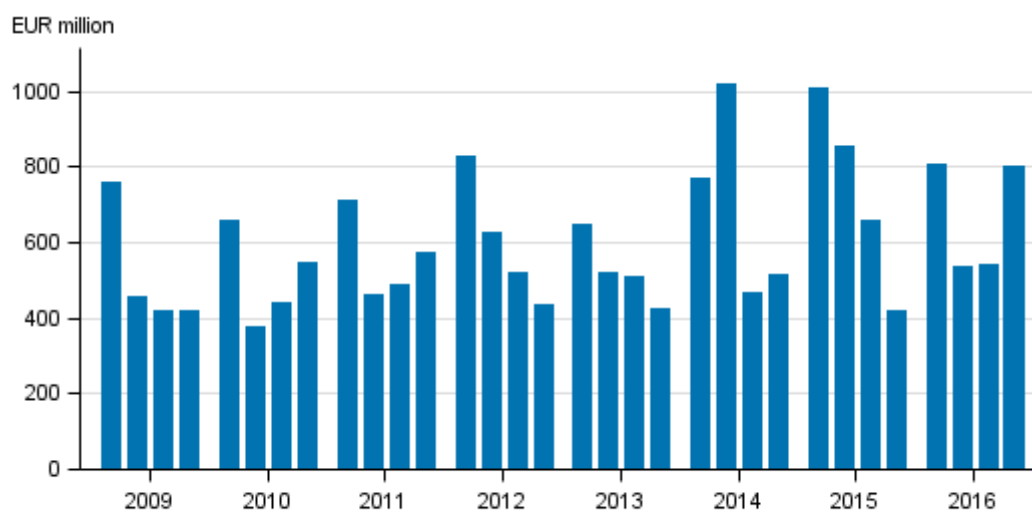
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Figures

Appendix figure 1. Domestic banks' interest income and commission income by quarter, 4th 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