

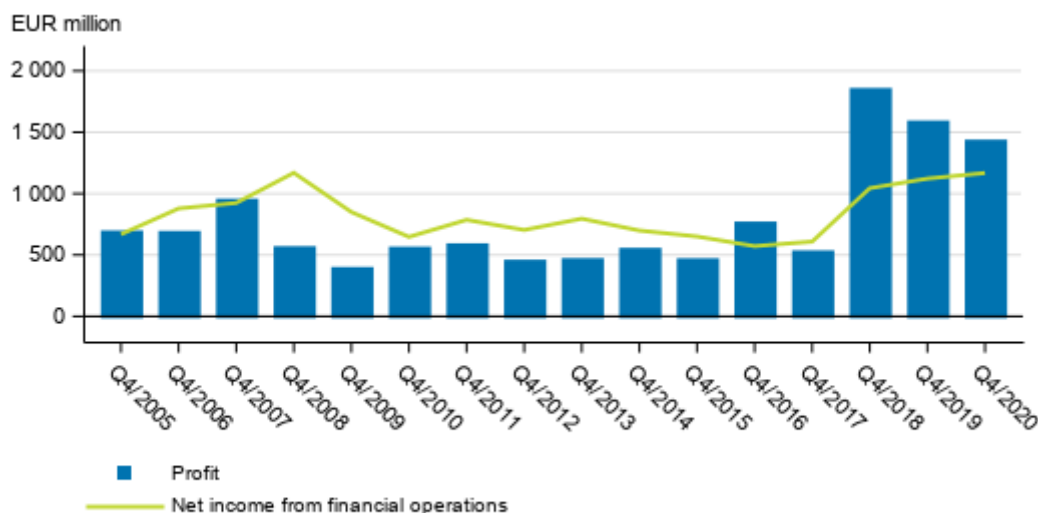
Financial statement statistics on credit institutions

2020, 4th quarter

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

The net income from financial operations of credit institutions engaged in banking in Finland amounted to EUR 1.2 billion in the last quarter of 2020 and operating profit was EUR 1.4 billion. The net income from financial operations grew by 4.1 per cent and operating profit contracted by 9.7 per cent from the respective quarter of the year before. 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, 4th quarter 2005 to 2020, EUR million



Interest income and expenses

In the last quarter of 2020, credit institutions engaged in banking in Finland accumulated EUR 1,539 million in interest income. Their interest expenses, in turn, amounted to EUR 371 million. The net income from financial operations calculated as the difference between these was EUR 1,168 million. The net income from financial operations grew by 4.1 per cent from the respective quarter of the year before, or by around EUR 45 million.

Interest income for the whole year totalled EUR 6.6 billion, which was 18.6 per cent less than in the previous year. Interest expenses amounted to EUR two billion, while one year before, interest expenses amounted to EUR 3.8 billion. The whole year's combined net income grew from the previous year by 7.8 per cent to EUR 4.6 billion.

Administrative expenses

Administrative expenses are a significant expense item for banks operating in Finland. In the last quarter, banks had EUR 1,420 million in administrative expenses, which was EUR 11 million less than in the corresponding quarter of the year before. Wages and salaries made up EUR 802 million or 56.5 per cent of administrative expenses.

Administrative expenses for the whole year amounted to EUR 5.4 billion, which was 5.4 per cent less than in the year before. Total wages and salaries fell by 2.4 per cent from the year before.

Operating profit/loss

The operating profit, or profit from continuing operations before taxes, was EUR 1,440 million in the last quarter of 2020. The operating profit fell by 9.7 per cent from the corresponding quarter of the year before, or by around EUR 155 million.

During 2020, the combined operating profit amounted to EUR 3.4 billion. The growth from the previous year's EUR 2.8 billion was around 20.8 per cent.

Balance sheet

The aggregate value of the balance sheets of banks was EUR 712 billion at the end of 2020. From one year ago, the value of the balance sheets grew by EUR 37 billion, or by around 5.5 per cent. The combined equity amounted to EUR 46 billion, which was 6.5 per cent, or around EUR 2.8 billion more than at the end of the previous year. On average, equity made up 6.5 per cent of the aggregate of the balance sheets for all banks operating in Finland.

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Appendix table 1. Profit and loss accounts of banks operating in Finland 1.1.- 31.12.2020, EUR thousands

	1.1.- 31.12.2020				
	Commercial banks	Foreign banks	,Co-operative banks total	Savings banks total	Banks total
Interest income	4 699 090	788 379	906 760	214 468	6 608 697
(Interest expenses)	1 638 058	262 488	49 317	18 086	1 967 949
NET INCOME FROM FINANCIAL OPERATIONS	3 061 032	525 891	857 443	196 382	4 640 748
(Expenses on share capital repayable on demand)	.. ¹⁾²⁾
Dividend income	37 745	..	267 781	..	310 094
Fee and comission income	2 598 685	488 137	460 225	142 331	3 689 379
(Fee and comission expenses)	673 158	82 012	46 099	19 301	820 570
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	66 860	..	..	9 275	73 399
Gains or (-) losses on financial assets and liabilities held for trading, net	668 421	27 268	31 991	..	727 846
Gains or losses on financial assets outside the trading fund that are mandatorily measured at fair value through profit or loss, net	358 137	..	..	19 251	375 615
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	-44 398	..	-28 309	..	-72 808
Gains or (-) losses from hedge accounting, net	-49 835	..	..	653	-48 120
Exchange differences [gain or (-) loss], net	-46 075	12 631	78	-369	-33 736
Gains or (-) losses on derecognition of non-financial assets, net	..	-391	-10	-3 573	..
Other operating income	556 313	79 021	57 794	15 055	708 183
(Other operating expenses)	65 191	19 857	168 126	28 168	281 343
TOTAL OPERATING INCOME, NET	6 466 591	1 029 107	1 430 998	336 073	9 262 770
(Administrative expenses)	3 752 928	645 828	826 924	177 682	5 403 362
of which: (Personnel expenses)	2 499 442	269 578	323 596	71 512	3 164 127
of which:(Other administrative expenses)	1 253 486	376 250	503 329	106 170	2 239 235
(Cash contributions to resolution funds and deposit guarantee schemes)	251 851	..	25 179	..	292 320
(Depreciation)	553 841	25 016	22 679	13 739	615 275
Gains or (-) losses caused by changes made, net	..	..	..	..	..
(Provisions or (-) reversal of provisions)	136 398	..	..	512	123 033
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	687 283	111 292	142 475	38 295	979 345
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	..	..	..	..	..
(Impairment or (-) reversal of impairment on non-financial assets)	..	..	20 812	1 693	74 077
Negative goodwill recognised in profit or loss	..	..	..	..	..
Share of profit or (-) loss in investments in subsidiaries, joint ventures and associates.	..	..	..	..	..

	1.1.- 31.12.2020				
	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	2 604 711	282 508	392 929	95 958	3 376 106
(Tax expense or (-) income related to profit or loss from continuing operations)	511 643	43 922	26 656	34 809	617 030
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	2 093 068	238 587	366 272	61 149	2 759 076
Profit or (-) loss after tax from discontinuing operations	.	.	.	.	.
PROFIT OR (-) LOSS FOR THE YEAR	2 093 068	238 587	366 272	61 149	2 759 076

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.- 31.12.2020, EUR thousands

	1.1.- 31.12.2020				
	Commercial banks	Foreign banks	Co-operative banks total	Savings banks total	Banks total
ASSETS	.	.	.	.	.
Cash, cash balances at central banks and other demand deposits	60 794 770	57 265 794	3 000 514	986 384	122 047 463
Financial assets held for trading	91 093 313	.. ¹⁾²⁾	21 818	..	93 181 606
Financial assets outside the trading inventory that are mandatorily measured at fair value through profit or loss	20 955 055	..	..	406 084	21 536 725
Financial assets designated at fair value through profit or loss	..	..	..	..	365 531
Financial assets measured at fair value through other comprehensive income	48 966 513	..	6 126 046	..	56 488 778
Financial liabilities measured at amortised cost	252 757 476	40 595 548	85 839 046	10 690 537	389 882 608
Derivatives - Hedge accounting (assets)	2 200 082	..	307 443	..	2 568 869
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	85 925	..	..	..	85 925
Investments in subsidiaries, joint ventures and associates	15 941 544	..	..	26 121	16 225 650
Tangible assets	1 125 464	111 517	571 927	115 541	1 924 450
Intangible assets	1 933 104	29 089	16 045	42 276	2 020 514
Tax assets	608 615	65 045	15 493	6 402	695 555
Other assets	5 056 212	275 789	76 025	36 193	5 444 219
Non-current assets held for sale and transferable item groups	..	..	..	..	..
TOTAL ASSETS	501 732 552	100 802 722	96 165 514	13 767 102	712 467 891
LIABILITIES	.	.	.	.	.
Financial liabilities held for trading	71 897 512	..	157 969	..	74 114 895
Financial liabilities designated at fair value through profit or loss	..	..	..	..	..
Financial liabilities measured at amortised cost	376 013 870	96 892 997	82 624 375	12 029 653	567 560 895
Derivatives - Hedge accounting (liabilities)	1 494 532	..	250 939	..	1 745 726
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	1 467 610	..	..	52 092	1 519 702
Provisions	1 008 103	53 472	9 691	2 222	1 073 488
Tax liabilities	195 581	56 936	51 054	16 348	319 920
Share capital repayable on demand	..	..	..	..	..
Other Liabilities	9 492 668	1 035 364	2 689 104	461 933	13 679 069
Liabilities included in disposal groups classified as held for sale	..	..	..	..	..
TOTAL LIABILITIES	467 833 711	100 261 752	85 783 132	12 562 503	666 441 098
Equity	4 887 249	..	3 572 697	..	8 614 507
Share premium	558 792	..	..	..	569 112
Equity instruments issued other than capital	..	..	..	..	..
Other equity	144 155	..	..	..	144 686
Accumulated other comprehensive income	..	..	239 507	24 937	210 278

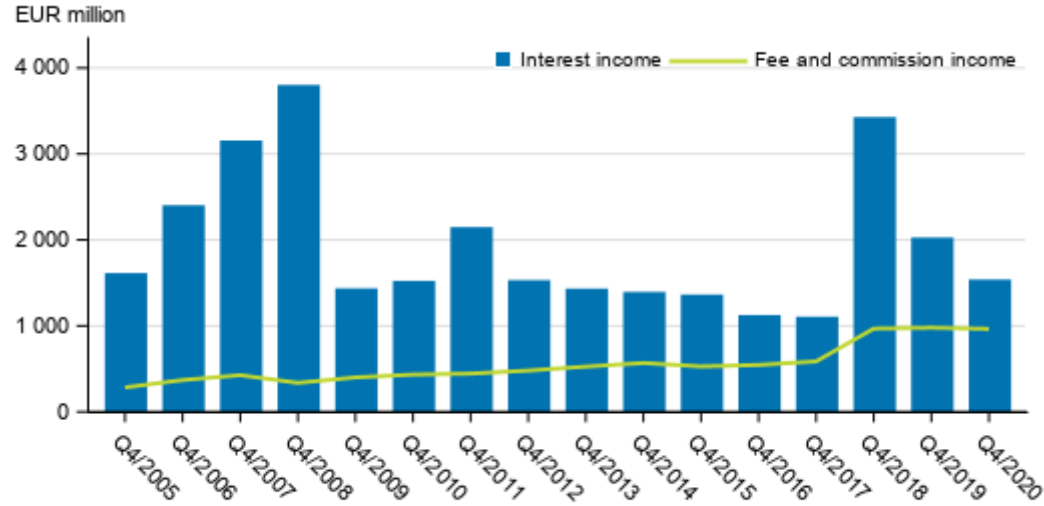
	1.1.- 31.12.2020				
	Commercial banks	Foreign banks	,Co-operative banks total	Savings banks total	Banks total
Retained earnings	23 489 168	285 431	4 109 843	578 706	28 463 148
Revaluation reserves	..	..	..	..	..
Other reserves	2 061 495	..	2 094 062	..	4 561 665
(-) Treasury shares	..	..	..	..	31 635
Profit or loss allocated to shareholders of the parent company	2 093 068	238 587	366 272	61 149	2 759 076
(-) Interim dividends	..	..	..	..	..
Minority interests (non-controlling owners' interests)	..	..	..	..	..
TOTAL EQUITY	33 898 840	540 970	10 382 382	1 204 599	46 026 792
TOTAL EQUITY AND TOTAL LIABILITIES	501 732 552	100 802 722	96 165 514	13 767 102	712 467 890

1) .. No observations.

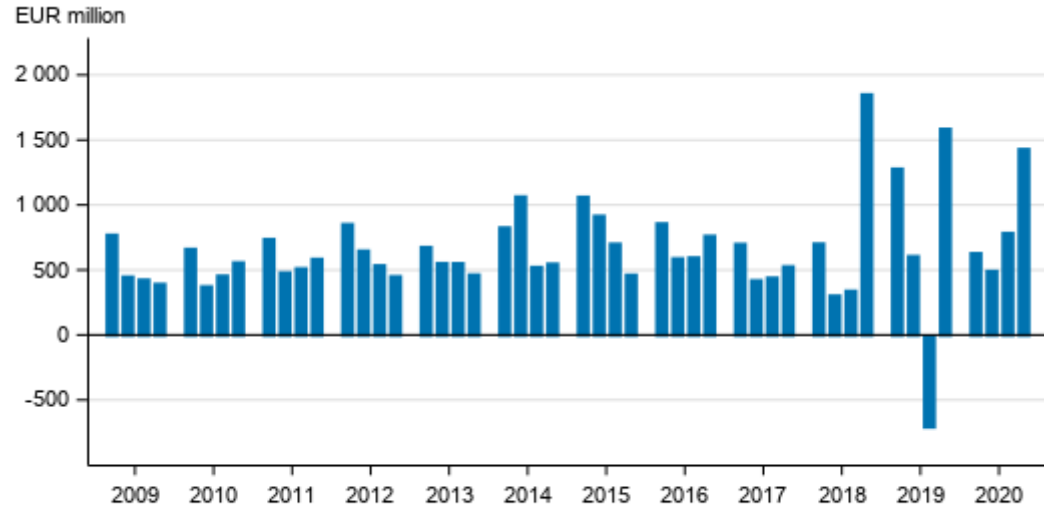
2) .. Data not available or too uncertain for presentation, or subject to secrecy.

Figures

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