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# **Finnish banking in 2010**

Federation of Finnish Financial Services







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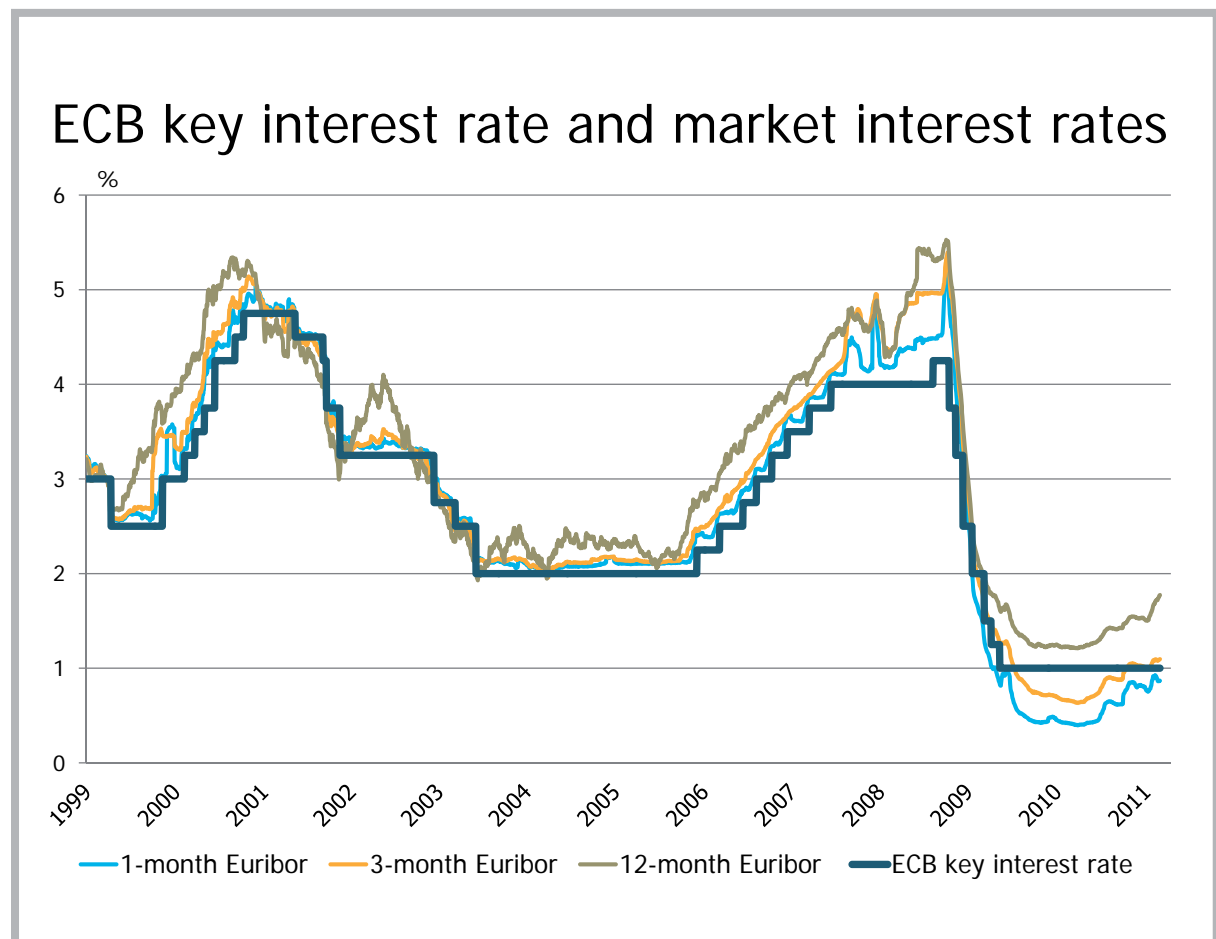


## Banks operating on solid foundation

Finnish banks have strong capital adequacy, and their results for 2010 were quite good despite the low interest rate levels that affected net interest income. Significant decrease in credit losses was a very positive sign, and the number of problem loans remained stable, which is further evidence of the financial crisis subsiding and the situation returning to normal.

Bank customers seem confident, which was evidenced by growing demand for housing loans. Companies were also slightly more willing to borrow money. Low interest rate levels and competition between banks kept the margins between loan interest and deposit interest rates extremely narrow throughout 2010.

The year 2011 has begun in a relatively confident atmosphere, but there is nevertheless some uncertainty ahead, especially in international investment and financial markets. Banks' operating conditions are also determined by interest rate developments, loan demand, banks' own funding, the effects of regulation and the overall economic situation.





## **Bank structures and distribution networks**

The structure of Finnish banks in 2010 remained almost identical to 2009. In international comparison the number of banks in Finland is relatively high, which can be explained by the high number of independent cooperative and savings banks that belong to one of the large banking groups, namely OP-Pohjola, Savings Banks or POP.

### **Banks operating in Finland**

At the end of 2010, there were 313 banks operating in Finland, 299 of them domestic. Of the foreign banks, 14 were branches of foreign credit institutions. The decrease of 14 banks is mainly due to mergers within the OP-Pohjola Group.

#### **Banks operating in Finland, by type, 31 December 2010**

- 14 commercial banks
- 213 member cooperative banks of the OP-Pohjola Group
- 38 local cooperative banks
- 34 savings banks (28 banks + 6 limited companies)
- 14 deposit-taking branches of foreign credit institutions

At the end of the year, there were 1,605 bank offices in Finland. OP-Pohjola closed down some offices while Nordea and Tapiola opened some, and so the total number of offices remained nearly unchanged.

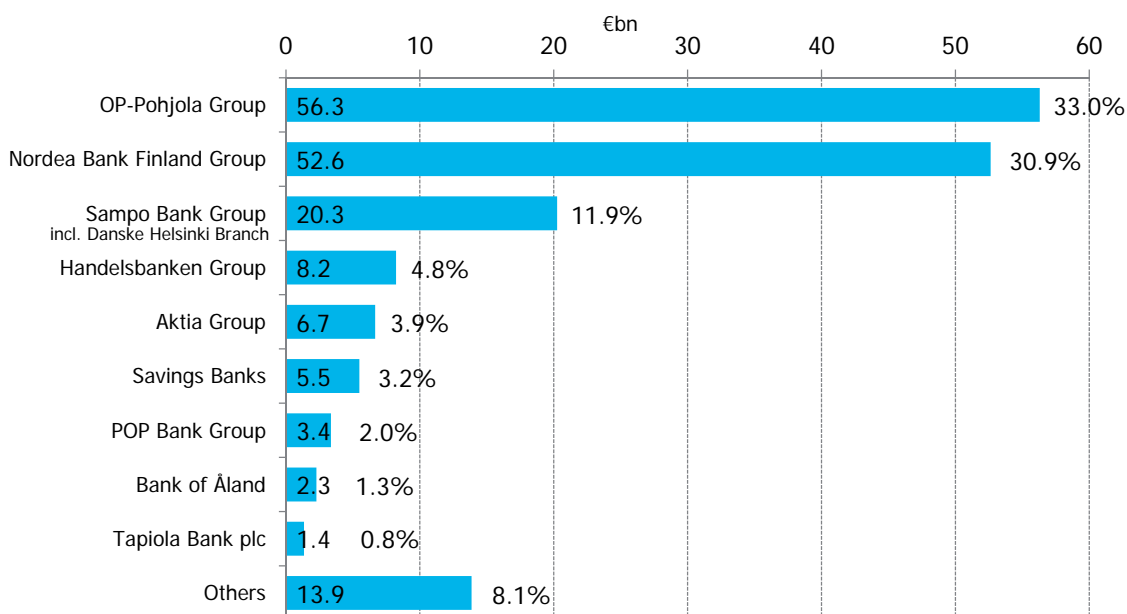
The three largest banking groups in Finland are OP-Pohjola Group, Nordea Bank Finland and Sampo Bank. Most of the Finnish banking market is in foreign ownership. Nordea Bank Finland operates as a subsidiary and a commercial bank of the Nordea Group, and Sampo Bank is a subsidiary of the Denmark-based Danske Bank.

In addition to the authorised deposit-taking bank, banking groups often include other companies operating in the same sector, such as a finance house or a fund management company. Typical to the finance industry are also financial conglomerates that can also include a life insurance, non-life insurance or a pension insurance company. Moreover, cooperation agreements between banks and insurance companies enable cross sales and the more efficient use of distribution networks.

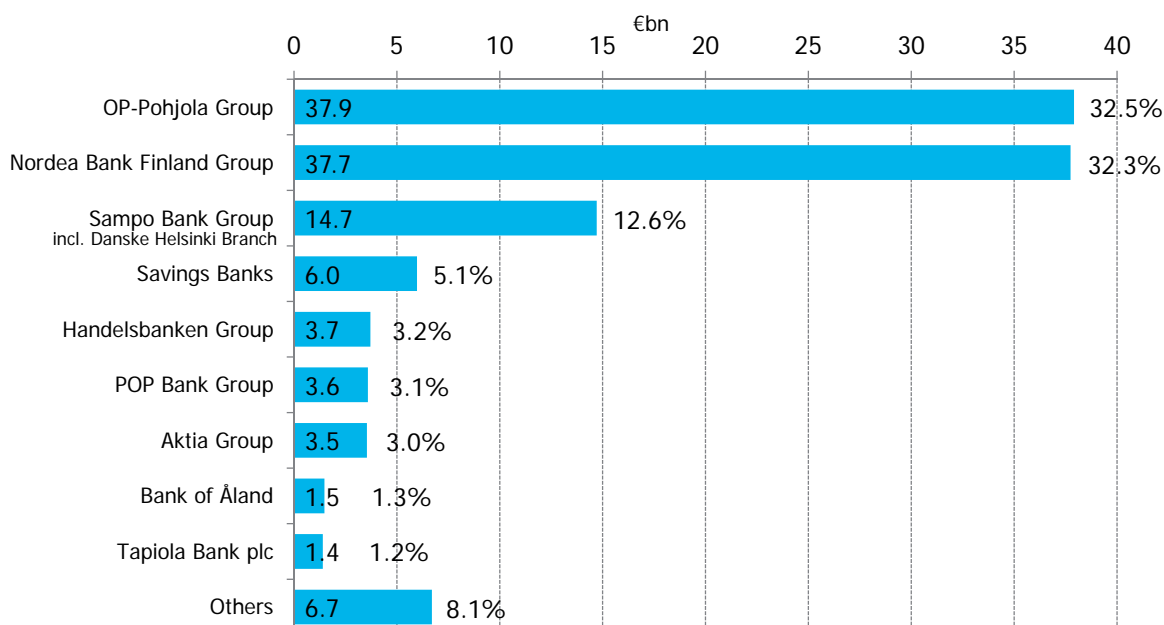
The market shares of monetary institutions are presented on the next page. Municipality Finance Plc is also considered a monetary institution. Loans granted by Municipality Finance Plc are included in the section "Other monetary institutions".



### Euro-denominated loans to public; market shares 31 Dec 10



### Euro-denominated deposits from the public; market shares 31 Dec 10



**OP-Pohjola Group:** Pohjola Bank plc, Helsinki OP Bank Plc, Op-Kotipankki Oyj, OP Mortgage Bank and independent member cooperative banks

**Nordea Bank Finland Group:** Nordea Bank Finland Plc and Nordea Finance Finland Ltd

**Sampo Bank Group incl. Danske Helsinki Branch:** Sampo Bank plc, Sampo Housing Loan Bank plc, Danske Bank A/S, Helsinki Branch

**Handelsbanken Group:** Svenska Handelsbanken AB (publ), Branch Operation in Finland, Handelsbanken Finance Plc and Handelsbanken Finans Aktiebolag (publ), Branch Operation in Finland

**Aktia Group:** Aktia Bank plc and Aktia Real Estate Mortgage Bank plc

**Others:** Other than abovementioned monetary institutions operating in Finland

\*Households include non-profit organisations that serve households.

Source: The banks/banking groups have agreed that the Bank of Finland provides these figures for the Federation of Finnish Financial Services annually for publishing.



**Number of bank employees and branches at year-end  
31 Dec 2010 and 31 Dec 2009**

	EMPLOYEES (groups)		BRANCHES	
	2010	2009	2010	2009
<b>FINNISH BANKS</b>				
OP-Pohjola Group	12,504	12,504	554	583
Nordea Pankki Finland Plc	10,005	10,048	327	308
Sampo Bank <sup>1)</sup>	2,661	2,702	121	121
Aktia Group <sup>2)</sup>	1,423	1,409	74	72
Savings banks excl. Aktia	1,293	1,223	214	215
Bank of Åland Plc <sup>3)</sup>	742	772	28	28
The Finnish Local Cooperative Bank Group	735	734	143	142
Evli Bank Plc	280	287	3	3
S-Bank Ltd	214	168	1	1
FIM Pankki Oy	206	190	7	7
Tapiola Bank Ltd	168	159	63	53
Suomen Asuntopankki Oy <sup>4)</sup>	26	24	1	1
eQ Bank Ltd <sup>5)</sup>	4	77	0	1
SEB Gyllenberg Private Bank Ltd <sup>6)</sup>	0	1	1	1
Sofia Bank Plc <sup>7)</sup>	-	76	-	2
<b>Total Finnish banks</b>	<b>30,261</b>	<b>30,374</b>	<b>1,537</b>	<b>1,538</b>
<b>BRANCHES OF FOREIGN BANKS</b>				
Svenska Handelsbanken AB (publ), Branch in Finland	662	649	45	45
Skandinaviska Enskilda Banken AB (publ) Helsinki Branch	284	268	1	1
Danske Bank A/S, Helsinki Branch <sup>1)</sup>	222	196	1	1
Forex Bank Aktiebolag filial i Finland	66	61	11	11
Nordnet Bank AB Finnish Branch <sup>5)</sup>	55	-	1	-
Carnegie Investment Bank AB, Finland Branch <sup>8)</sup>	49	45	1	1
Swedbank AB (publ), Branch in Finland	33	9	1	1
Royal Bank of Scotland public limited company, Finnish Branch	17	20	1	1
DnB NOR Bank ASA, Branch in Finland <sup>9)</sup>	17	18	1	1
Deutsche Bank Aktiengesellschaft, Helsinki branch	15	15	1	1
Citibank International plc, Branch in Finland	14	57	1	2
Crédit Agricole Corporate and Investment Bank Helsinki Branch <sup>10)</sup>	12	13	1	1
BIGBANK AS Finland Branch	10	2	1	1
EFG Bank AB, Finnish Branch	3	4	1	1
<b>Total foreign banks' branches</b>	<b>1,459</b>	<b>1,357</b>	<b>68</b>	<b>68</b>
<b>TOTAL</b>	<b>31,720</b>	<b>31,731</b>	<b>1,605</b>	<b>1,606</b>

1) Sampo Bank is a subsidiary and Danske Bank A/S a branch of Danske Bank A/S. These two operate as two separate legal entities.

2) Aktia Group's figures cover Aktia Bank plc and ten other subsidiaries, including Aktia Kiinteistönvälitys Oy, which had 59 agents on 31 December 2010.

3) As from 27 March 2009, Bank of Åland group includes the subsidiary Ålandsbanken Sverige. It has offices in Stockholm, Gothenburg and Malmö.

4) Employees of Suomen Asuntopankki Oy are included in the Mortgage Society of Finland.

5) eQ Bank merged with the Swedish Nordnet Bank AB 1 June 2010.

6) Employees of SEB Gyllenberg Private Bank Ltd are included in the numbers of SEB Helsinki Branch.

7) Sofia Bank's deposit bank authorization was withdrawn 28 March 2010.

8) Previously the numbers of Carnegie Investment Bank have included Carnegie Asset Management Finland, which is now sold to Evli Bank.

9) Bank DnB NOR A/S Helsinki Branch and DnB NOR Bank ASA filial Finland merged on 1 October 2009. The entire staff of NORdIn was transferred into

10) Crédit Agricole Corporate and Investment Bank Helsinki Branch operated until 17 February 2010 as Calyon Bank Helsinki Branch.





Sampo Group is a financial conglomerate operating in the Nordic countries. It increased its ownership in Nordea Bank up to 21.3% in February 2011. In addition to Sampo plc that operates as a holding company, the conglomerate includes non-life insurance group If and Mandatum Life.

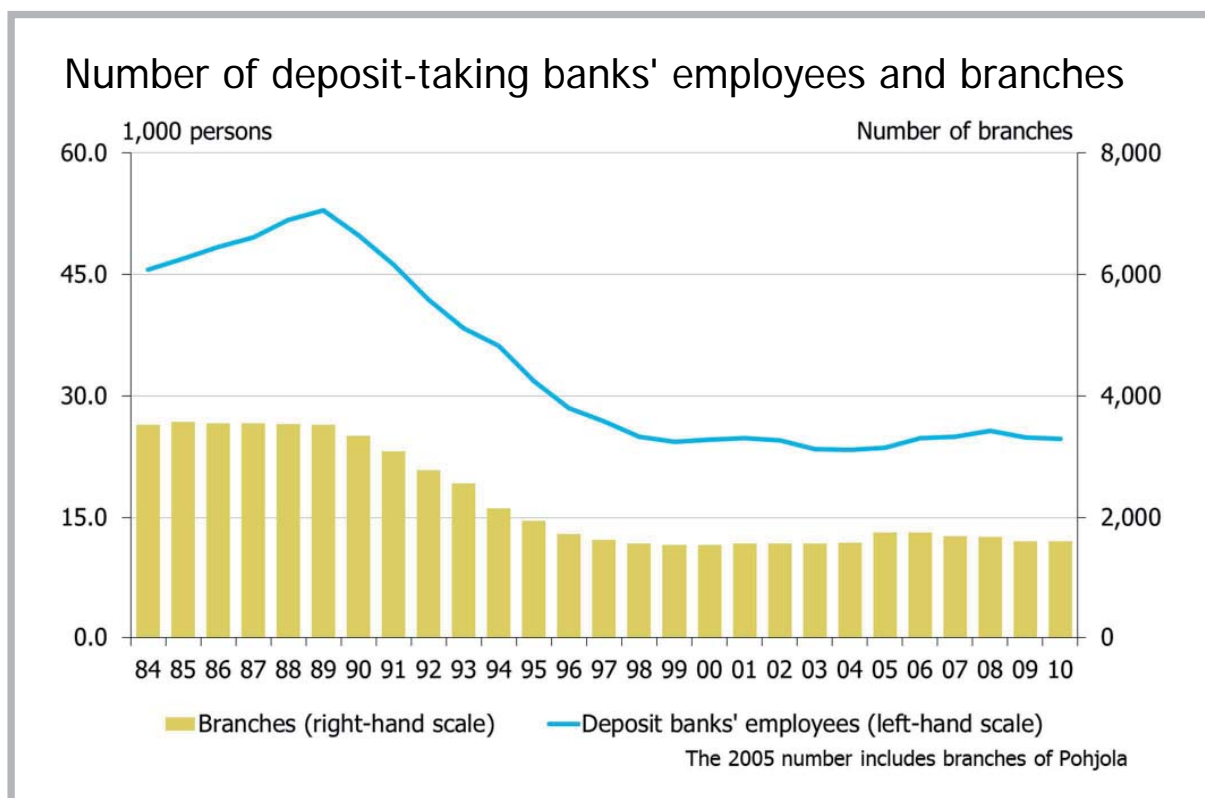
One objective of the Financial Supervisory Authority is to oversee the stability of markets, and for this reason it revoked the business license of Sofia Bank at the end of May 2010. Sofia Bank started its operations in the beginning of 2009, but didn't turn out as profitable as expected, and its own funds fell below the minimum requirement of €m.

### Personnel numbers unchanged

At the end of 2010, Finnish banking groups employed 31,720 people, which is almost as much as in the year before. This number has not significantly changed in the past ten years.

However, work requirements have changed, and nowadays a wide range of skills and specific expertise are both needed. Routine work is greatly eased by the rising popularity of Internet banking.

Currently the average age of Finnish bank employees is 45 years. Due to the age structure, a notable number of Finnish bank employees with long work histories will retire in the next few years, and there will thus be continuing need for recruitment.





Almost 80% of Finnish bank employees are female, which is a high number in international comparison. The most common educational background is Vocational Qualification in Business and Administration, but nowadays an increasing number of employees have a Bachelor's degree in Business Administration.

## **Banking operations**

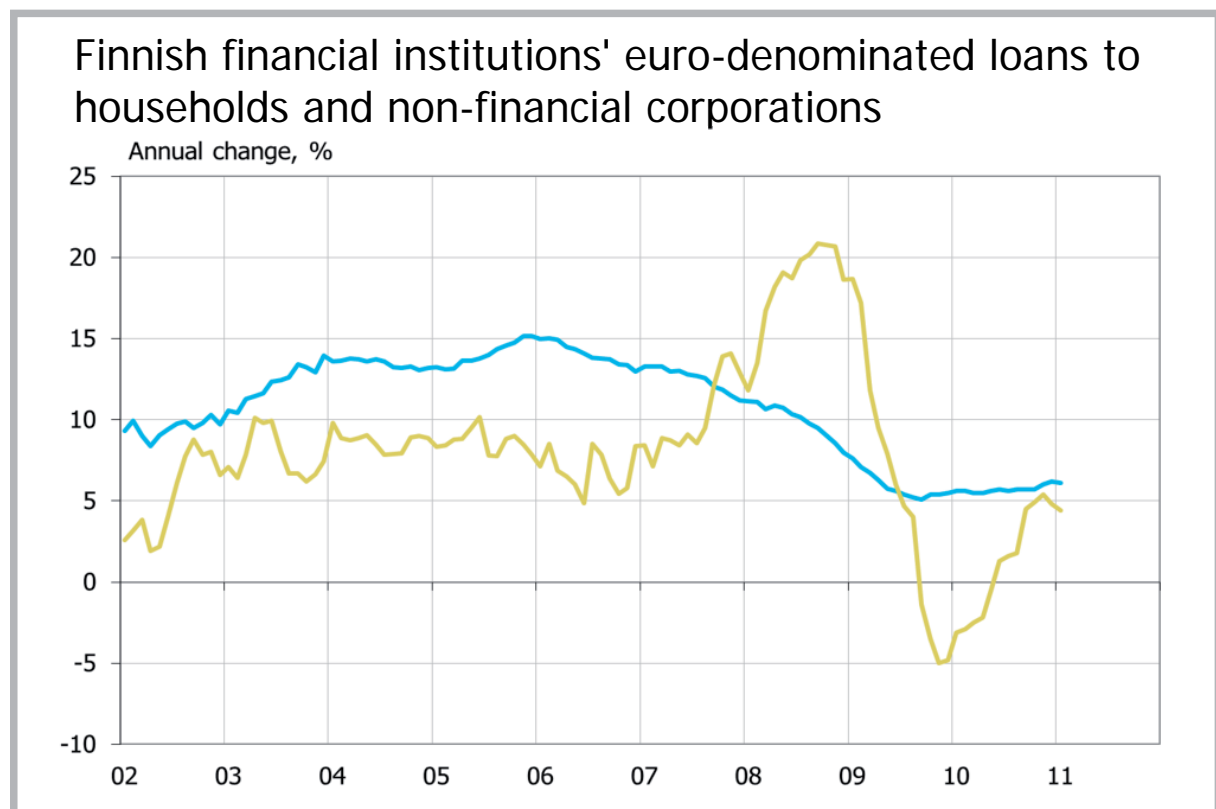
Banking services include saving, investing, financing, lending and payment related services. A stable financing system can efficiently handle financing, payments transmission and risk management.

Banking services have improved and diversified over the years in order to better meet the needs of increasingly diverse customers. Below are short summaries for 2010 on these different types of services.

### **Demand for loans recovered**

Demand for loans increased considerably in 2010, and the loan portfolio of monetary institutions grew by 6.7%. In comparison, this growth was below 2% in 2009. This rise can be explained by increased housing loans and corporate loans. Lending in Finland grew much faster than in the euro area, where average growth in lending was below 1%.

Corporate loan portfolio also received a boost, and at the end of 2010 it was nearly 5% larger than a year earlier. Most of corporate loans were granted to companies in real estate business.





Banks' lending is largely dependent on housing market and housing production. The loan portfolio of Finnish monetary institutions totals €170bn, of which €77bn comes from housing loans and €13bn from loans to housing associations. Lending to housing associations grew unusually fast in 2010, mainly due to government-supported housing production.

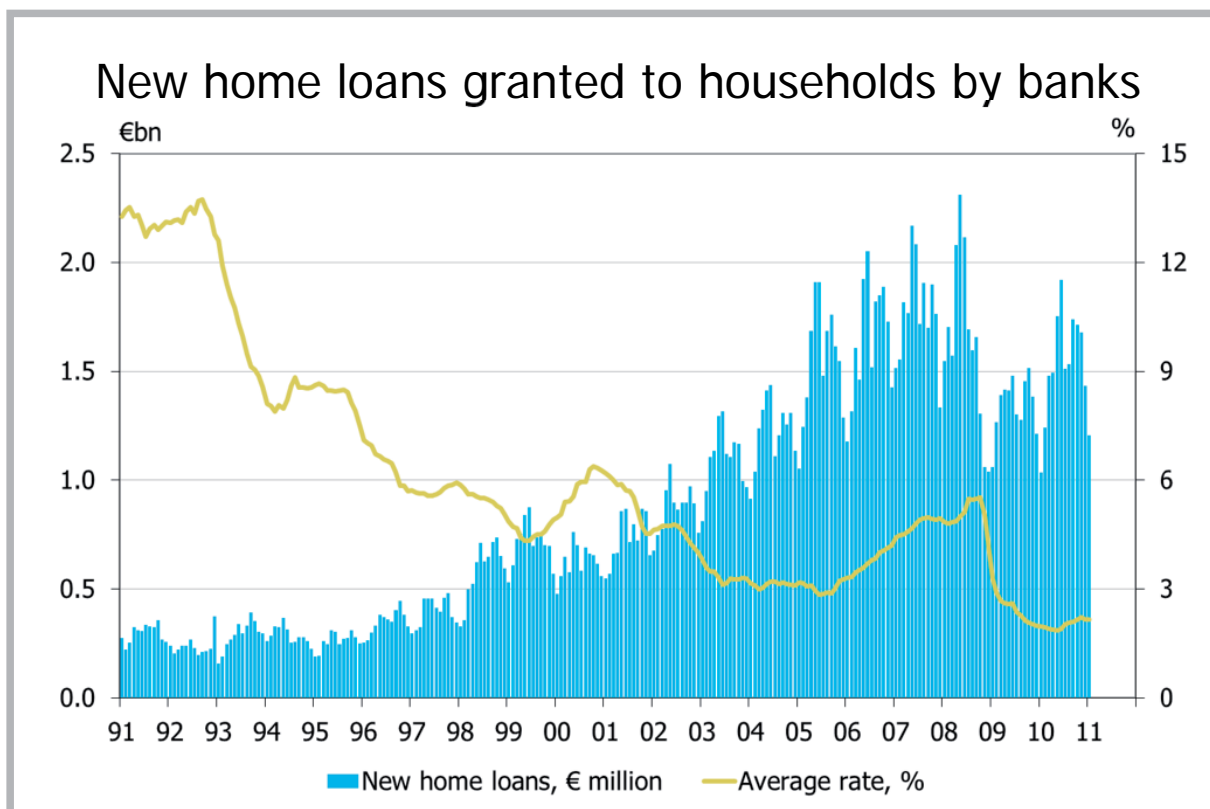
Market interest rates stayed low throughout 2010, but turned into slight growth towards the end of the year. Low interest rate levels maintained demand for housing loans and loans to households.

Almost the entire loan portfolio is tied to short-term market interest rates. Even though the proportion of loans with fixed interest rates grew a little towards the end of the year, Euribor has kept up its dominance. Most interest rates in new corporate loan agreements were tied to 1-month Euribor.

### **Households confident in housing loan market**

In 2010, Finnish households' borrowing continued its swift growth, going up by over 6% from previous year's numbers, and surpassing the European average by far. Consumers' confidence in the economy showed particularly well in the growth of housing loans.

The housing loan portfolio on Finnish monetary institutions was €77bn at the end of the year. This sum amounts for 45% of all their loans. Growth in housing loan portfolio was propelled by low interest rates, increased housing prices and rising popularity of owner-occupied homes. Loan periods, on the other hand, became slightly shorter than what they were in 2009.





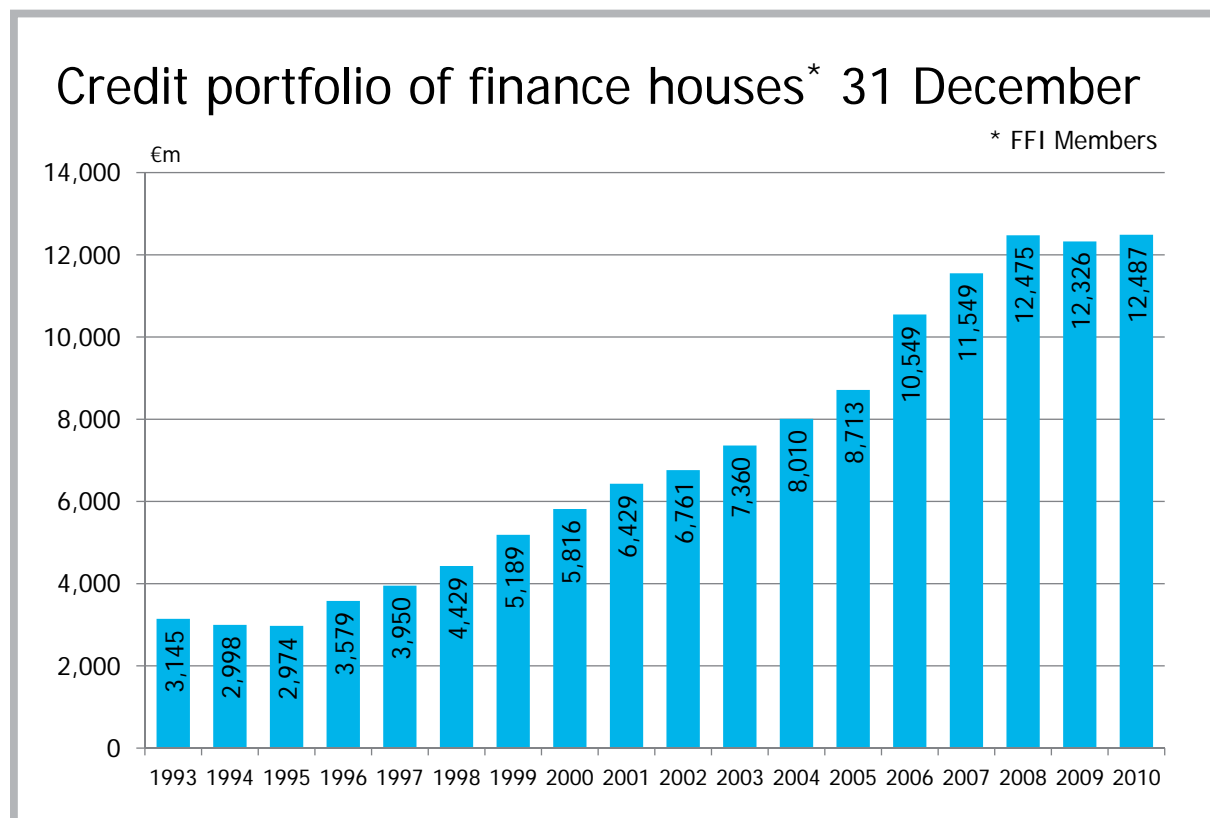
Interest rates of housing loans remained unusually low throughout 2010. These rates in Finland were lower than in the euro area in general. Cheapest available housing loan interest rate margins were in 6–12 months' Euribor, being only 0.76 percentage points in loans granted in December 2010.

In Finland, as many as 97% of new housing loans are tied to short-term reference interest rates that are Euribor rates (of 1 year or less) or banks' own reference rates. In comparison, in the euro area only 44% of new housing loans are tied to these types of reference rates. Fixed interest rates became slightly more popular towards the end of the year as there was some uncertainty about interest rates in general.

In Finland the housing loan portfolio is healthy, and non-performing loans are scarce. Finnish households' lending amount is around the European average.

### Car trade vitalised finance houses

The Federation of Finnish Financial Services comprises the following member companies, which operate as finance houses in Finland: Handelsbanken Finance, Nordea Finance Finland, Pohjola Bank, Sampo Bank and SEB-Leasing. These Federation members are not the only finance and card companies operating in Finland, but no aggregated statistics are available of the others, and the others are not as significant in size.





The economic recovery in 2010 brought increasing demand for finance house products. Corporate car leasing and hire purchase finance of transport equipment saw most growth. The total loan portfolio of Federation member finance houses grew by approximately €200m.

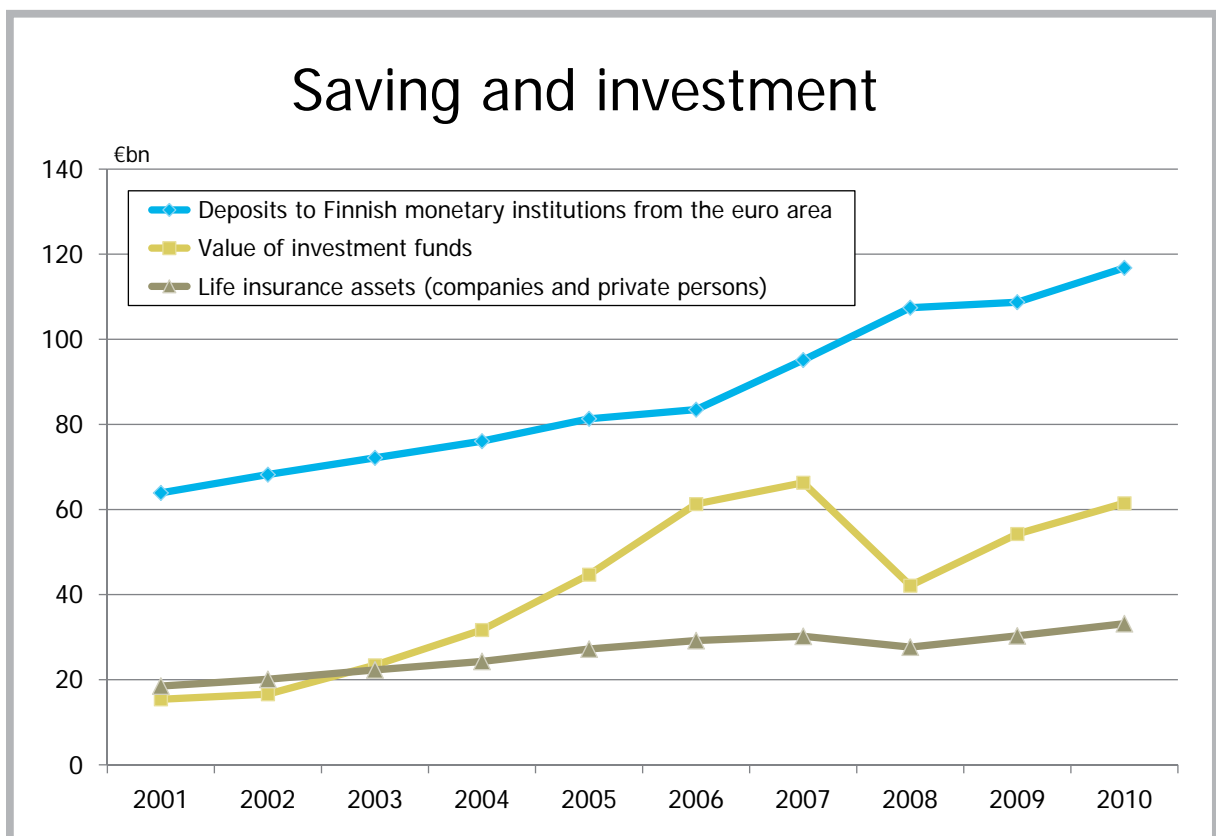
New unsecured loans by finance houses grew by approximately 7%. Increased sales of new cars also gave a significant boost to hire purchase finance aimed at consumers.

Non-performing assets and impairment losses decreased considerably, halving the losses of Finnish finance houses. Their non-performing assets amounted for 1.24% of the total loan portfolio at the end of 2010.

### Growth in fixed-term deposit accounts

At the end of 2010, Finnish banks' deposits totalled €17m, and their 12-month growth was 7.5%, while a year earlier it was below 1%. Deposits grew most in fixed-term accounts, and corporate deposits were rising fast as well.

Competition between banks was reflected in the interest paid in fixed-term deposit accounts, and banks' interest offers exceeded the main reference rates. Long-term deposits will continue to gain significance as banks are already preparing for the upcoming Basel III regime, which will stress the importance of long-term financing in banks' own funding.





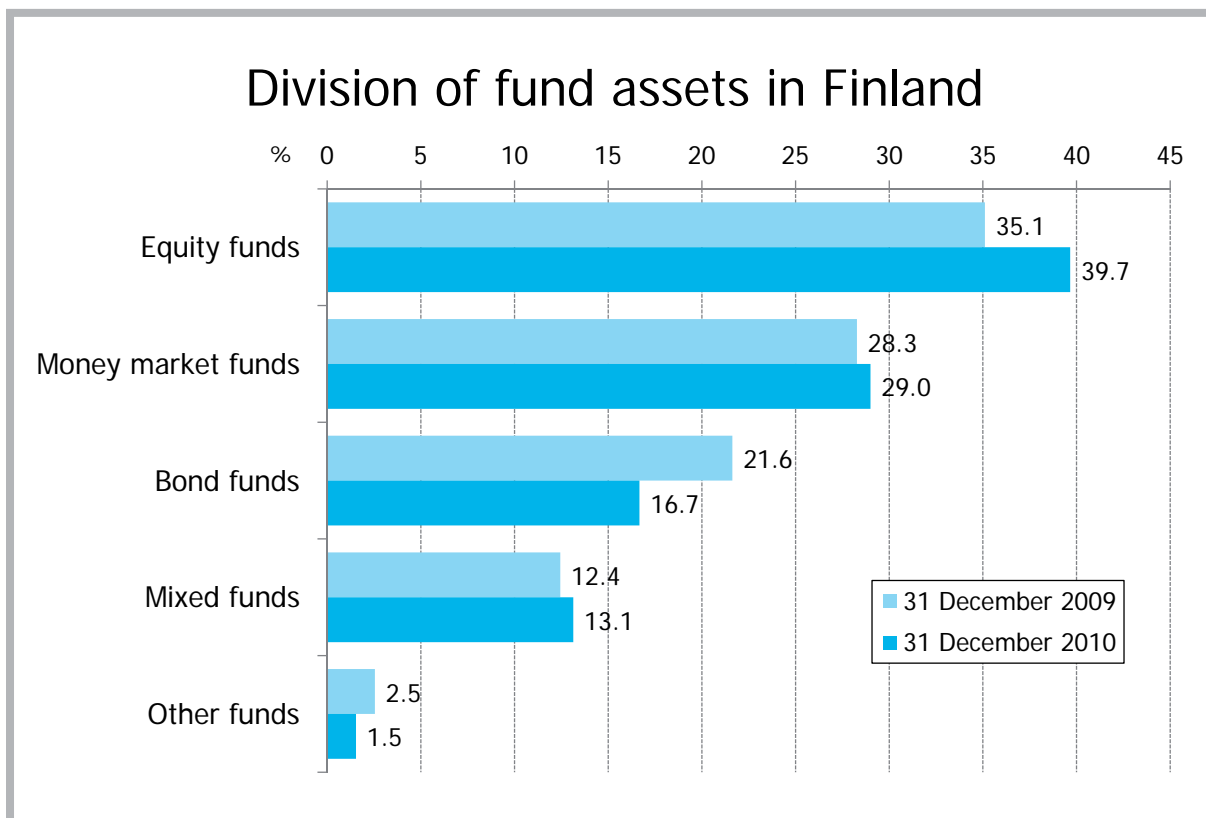
Deposits are the most important source of financing for Finnish deposit-taking banks, covering 80% of their lending. Most of the deposits still come from households; companies amount for less than a quarter of all deposits, and public bodies and financial and insurance institutions cover less than a tenth.

Finnish deposit banks' bonds grew in 2010, and due to their good credit rating, they have been able to obtain cheap financing from the market. Mortgage-secured bonds sold well. Mortgage banking legislation was renewed in 2010, and deposit-taking banks can also issue covered bonds.

Authorized deposit-taking banks in Finland are members of the Deposit Guarantee Fund. Deposits of one depositor in one bank are guaranteed up to €100,000, regardless of the number of deposits or accounts. The compensation amount was doubled from €50,000 at the end of 2010, and the compensation payment time was also shortened to 20 working days. Deposits in Finnish branches of foreign banks are guaranteed according to the guarantee system of the country where the parent bank operates in.

### Equity funds more attractive

Total asset value of domestic funds went up by 13% to €61.5bn. Investors were attracted by equity and bond funds, increasing their net subscriptions by €2.1bn, with focus in developing markets. Funds were withdrawn most from short-term, government loan and alternative funds, total withdraws being €3.4bn.





In 2010, mutual funds brought the average profit of 15.5% in Finland. Equity funds yielded most profit, the average being as much as 26%. Best investments were targeted in Russia, and differences between funds were substantial.

At the end of 2010, domestic funds had 2.7 million unit holders, which is 200,000 more than a year earlier. Nearly 800,000 of these holders were households, owning 21.7% of all fund assets.

### **Long-term saving faltering**

PS-accounts are a new type of long-term saving in Finland. PS-accounts are voluntary, earmarked, tax-supported saving accounts aimed for retirement days. Saving options include deposits, funds and securities. PS-accounts are allowed the same tax deduction as voluntary pension insurance. Legislation on this new type of saving entered into force in the beginning of April 2010, but at the end of the year less than 10,000 accounts of this type had been opened, average monthly saving amount being 120 euros.

Life insurance savings totalled €33.2bn, up by 9.5%. Reviving equity markets made the unit-linked policies offered by life insurance companies more popular, and biggest increase took place in capital redemption policies and personal, unit-linked life insurance policies.

Almost every Finnish banking group includes a life insurance company. The largest life insurance companies in Finland, based on assets held under the policies, are Nordea Life Insurance Finland, OP Life Assurance Company and Mandatum Life.

### **Single European Payments Area comes true**

The largest structural change in payments traffic took place when the process of changing to the Single Euro Payments Area started. Basically, SEPA replaces 32 different national payment systems with a new system with unified rules and standards.

Finnish credit transfer system will be replaced by SEPA standards at the end of 2011.

The degree of automation in Finnish payments transmission is as high as 98%. Online payments are part of everyday life, and almost every Finn has an online access to at least one bank. Connected companies and homes, payment terminals at stores, various payment cards and mobile services have given customers flexible payment options.

Approximately half of Finnish businesses are able to send electronic invoices to their customers. E-invoices are delivered electronically to the bank, and are thus an environmentally friendly and safe option for both sending and receiving invoices. Around 20% of consumers have already taken e-invoicing into use.



## Performance of banks

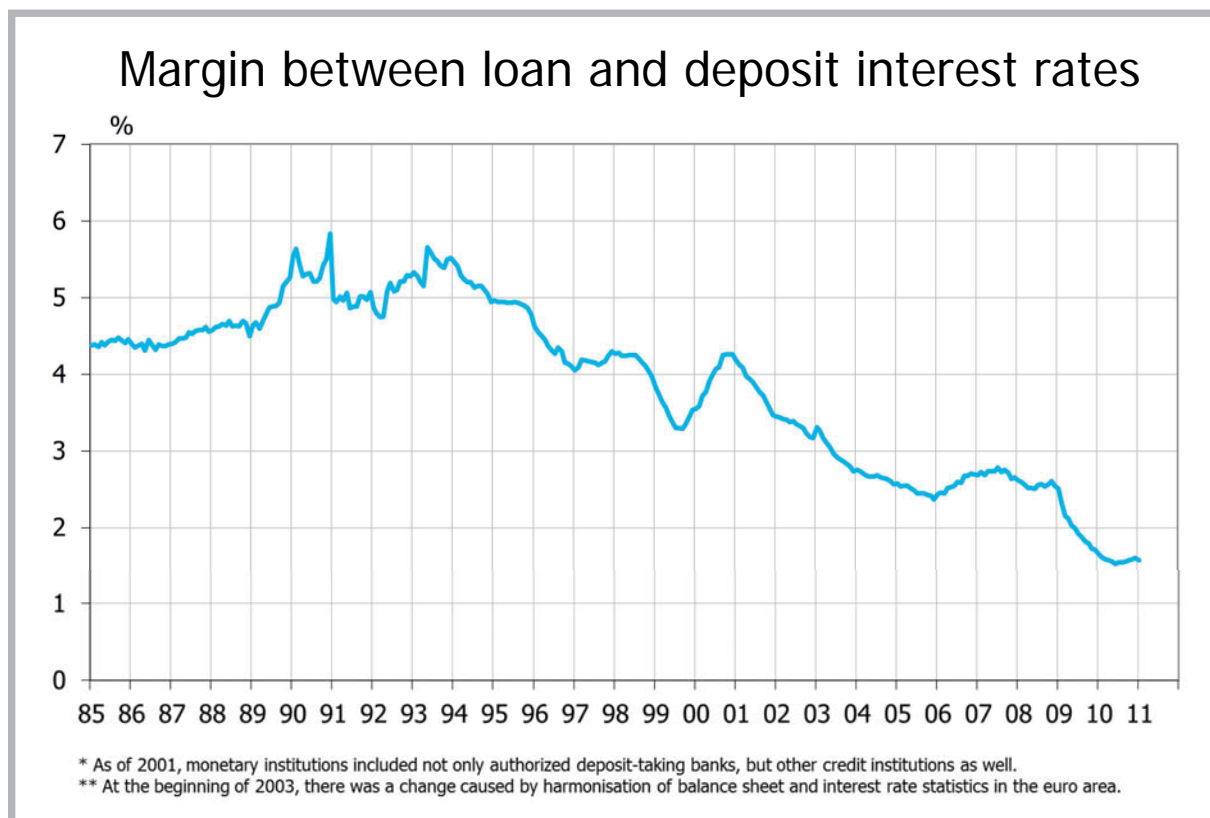
The operating profit of authorized deposit-taking banks operating in Finland was €2.1 billion in 2010, which is €6m more than in 2009. Credit and impairment losses decreased, and profits from other sources increased, but net interest income was lower than in 2009. In short, the overall performance of 2010 was almost identical to 2009, but there was some variation in the income and loss sources.

### Low interest rate levels hampered net interest income

Net interest income has remained as a very important source of banks' profit. It was reduced by low interest rate levels throughout the year, although interest rates and thus net interest income started to slowly grow towards the end of the year.

Banks' interest margin, or the margin between granted loans and received deposits, stayed unusually narrow in 2010. This was mainly due to competition between banks, particularly in the area of housing loans. Moreover, the upcoming changes to liquidity requirements made banks more interested in obtaining long-term financing, which led to notable deposit interest rate offers in the market.

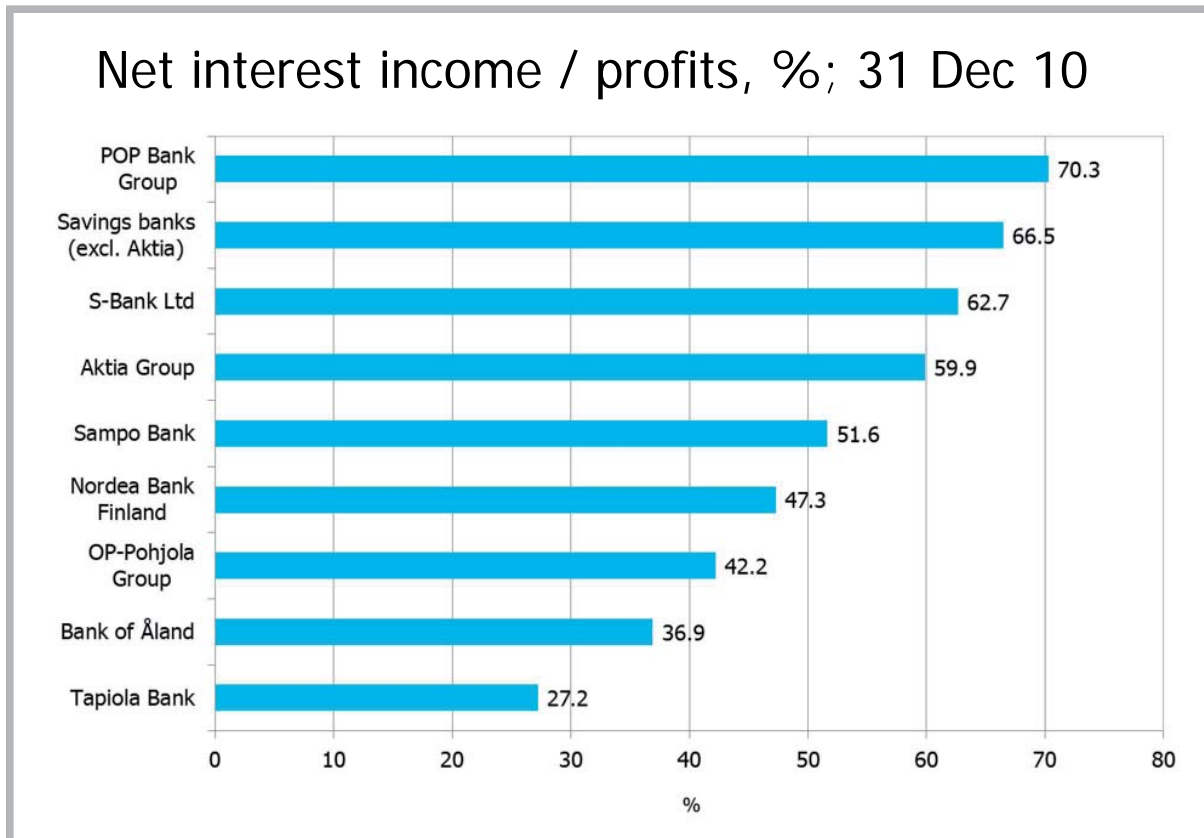
The good credit rating of Finnish banks has kept prices reasonable for the required financing obtained from the market. The amount of market financing (the difference between public loans and deposits) has remained in around €40bn.







The growth of income from other sources remained good in 2010. Fee and commission income related to payments and credit granting grew more rapidly than in 2009. Furthermore, revived securities trade increased fee and commission income from this business.



### Credit losses halved

In 2010, the bank groups suffered €490m in credit losses, which is only half of the number from 2009. Despite the economic recession in Finland, credit losses seem to remain reasonably low. The loan portfolio of Finnish banks remains healthy, and non-performing loans decreased from previous year. At the end of 2010, non-performing loans comprised 0.64% of the loan portfolio. A year earlier the number was 0.74%. A loan is considered non-performing if principal and/or interest have remained unpaid for three months or longer.

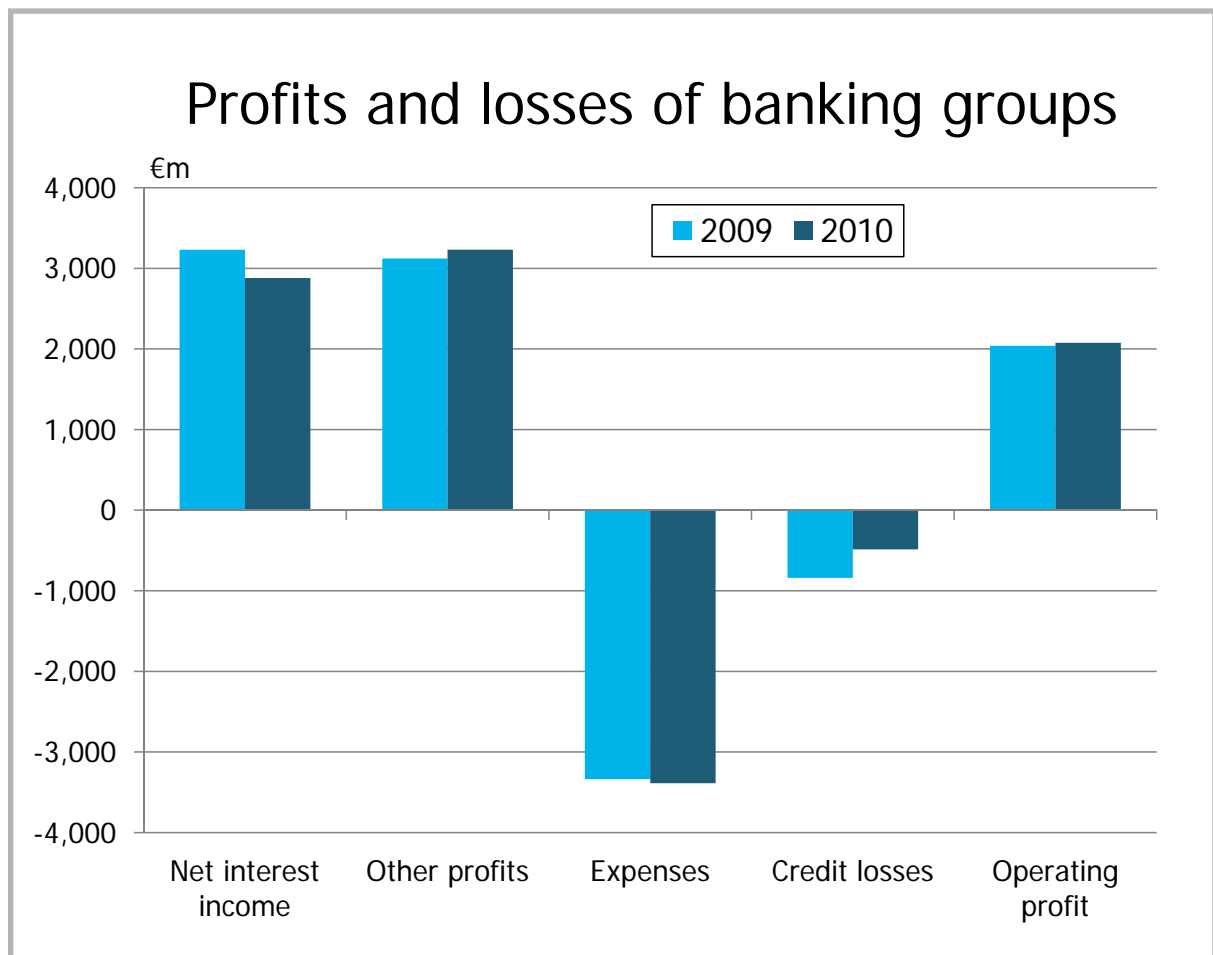
The loan portfolio of Finnish banks is healthy in international comparison as well. In contrast, non-performing loans accounted for nearly 10% of the total loan portfolio during the Finnish banking crisis in the early 90s. The amount of problem loans can be held as a good predictor when the future profitability of banks is estimated.



## Capital adequacy of the banking sector remained strong

The capital adequacy ratio of banks operating in Finland was 14.4% at the end of 2010, only slightly down from previous year's 14.5%. The combined loss buffer of the banking sector went up by €200m to €9.4bn. This loss buffer means the sum above minimum capital requirements.

Finnish banks' loan portfolio structure, solvency and availability of capital are at a good level, and future seems relatively stable. The next few years will nonetheless pose challenges. Interest rate margins, loan demand, reasonable financing costs, effects of regulation and overall economic developments will in the future have considerable impact on the operating conditions of banks.





## Financial statements for 2009-2010

€m

Domestic banking groups and branches of foreign banks	Net interest income			Net fee and commission income			Other operating income			Total operating income		
	2010	2009	Change	2010	2009	Change	2010	2009	Change	2010	2009	Change
Nordea Bank Finland	1,182.0	1,218.0	-3.0 %	289.0	225.0	28.4 %	1,028.0	1,382.0	-25.6 %	2,499.0	2,825.0	-11.5 %
OP-Pohjola Group *)	917.0	1,070.0	-14.3 %	563.0	496.0	13.5 %	692.0	484.0	43.0 %	2,172.0	2,051.0	5.9 %
Sampo Bank **)	321.9	458.9	-29.9 %	188.7	181.7	3.9 %	112.7	57.4	96.3 %	623.3	698.0	-10.7 %
Aktia	149.3	152.2	-1.9 %	57.0	46.3	23.1 %	43.0	34.6	24.3 %	249.4	233.1	7.0 %
Savings banks (excl. Aktia) ***)	137.2	151.9	-9.7 %				69.2	59.1	17.1 %	206.4	211.0	-2.2 %
The Finnish Local Cooperative Bank Group	82.2	89.8	-8.5 %	21.5	19.5	10.3 %	13.2	9.8	34.7 %	116.9	119.1	-1.8 %
Bank of Aland	36.8	39.1	-5.9 %	36.8	28.1	31.0 %	26.0	20.1	29.4 %	99.7	87.2	14.3 %
S-Bank	38.3	35.4	8.2 %	7.4	4.8	54.2 %	15.4	7.0	120.0 %	61.1	47.2	29.4 %
Tapiola Bank	13.7	12.8	6.5 %	28.8	23.3	23.4 %	7.8	6.5	21.0 %	50.3	42.7	18.0 %
Hypo	0.5	-0.4		1.8	1.6	10.3 %	5.6	7.4	-23.7 %	7.9	8.5	-7.5 %
eQ Corporation	1.6	3.5	-55.1 %	5.8	16.7	-65.5 %	15.1	6.8	122.8 %	22.4	27.0	-17.0 %
<b>Largest Nordic banking groups (ranked according to total assets)</b>												
Nordea	5,159.0	5,281.0	-2.3 %	2,156.0	1,693.0	27.3 %	2,019.0	2,099.0	-3.8 %	9,334.0	9,073.0	2.9 %
Danske Bank	4,831.7	6,384.7	-24.3 %	1,086.2	972.6	11.7 %	484.2	744.4	-35.0 %	6,402.1	8,101.7	-21.0 %
SEB	1,678.7	1,699.4	-1.2 %	1,484.7	1,251.1	18.7 %	703.5	964.7	-27.1 %	3,866.8	3,915.1	-1.2 %
DnB NOR Bank	2,927.9	2,593.2	12.9 %	879.7	762.5	15.4 %	1,138.8	955.4	19.2 %	4,946.3	4,311.1	14.7 %
Handelsbanken	2,237.2	2,071.7	8.0 %	841.1	696.2	20.8 %	203.1	277.0	-26.7 %	3,281.4	3,045.0	7.8 %
Swedbank	1,712.1	1,955.4	-12.4 %	998.7	736.9	35.5 %	544.2	583.1	-6.7 %	3,255.0	3,275.4	-0.6 %

Insurance is included in the figures where insurance is part of the group's business, reflected under Other operating income.  
The figures may not sum up to the total, because not all income statement items are included in this table.

2009 average rates: SEK 10,6191; DKK 7,4462; NOK 8,7278

2010 average rates: SEK 9,5373; DKK 7,4473; NOK 8,0043

Rates at end 2009: SEK 10,2520; DKK 7,4418; NOK 8,3000

Rates at end 2010: SEK 8,9655; DKK 7,4535; NOK 7,8000

\*) Bonuses paid to owner members and OP bonus customers for €163m (160).

\*\*) Sampo Bank Plc is a Finnish bank which is part of the Danske Bank Group. This interim report includes Sampo Bank Plc and its subsidiaries.

\*\*\*) Net fee and commission income is included in Other operating income.

(applied to income items)

(applied to balance sheet items)

Source: Banks' financial statements



## Financial statements for 2009-2010

€m

Domestic banking groups and branches of foreign banks	Staff-related and other administrative costs			Other costs			Total operating expenses			Impairment losses on loans and other commitments		Other items	
	2010	2009	Change	2010	2009	Change	2010	2009	Change	2010	2009	2010	2009
Nordea Bank Finland	-1,032.0	-1,031.0	0.1 %	-41.0	-37.0	10.8 %	-1,073.0	-1,068.0	0.5 %	-272.0	-381.0	2.0	
OP-Pohjola Group *)	-962.0	-932.0	3.2 %	-324.0	-316.0	2.5 %	-1,286.0	-1,248.0	3.0 %	-149.0	-179.0	-163.0	-160.0
Sampo Bank **)	-165.3	-181.9	-9.1 %	-273.0	-256.1	6.6 %	-438.3	-438.0	0.1 %	-32.7	-227.3		
Aktia	-133.0	-124.0	7.3 %	-25.9	-30.2	-14.2 %	-159.0	-154.2	3.1 %	-14.1	-31.7	1.6	-0.3
Savings banks (excl. Aktia) ***)	-62.0	-60.0	3.3 %	-83.4	-77.6	7.5 %	-145.4	-137.5	5.7 %	-6.7	-7.0		
The Finnish Local Cooperative Bank Group	-67.6	-63.6	6.3 %	-12.8	-15.6	-17.9 %	-80.4	-79.2	1.5 %	-3.2	-3.2		
Bank of Aland	-71.7	-61.3	17.0 %	-20.5	-15.9	28.9 %	-92.2	-77.2	19.4 %	-5.9	-2.9	0.1	23.3
S-Bank	-39.7	-31.1	27.7 %	-6.1	-6.3	-3.2 %	-45.8	-37.4	22.5 %	-2.9	-6.8	-0.2	-0.2
Tapiola Bank	-41.1	-36.3	13.0 %	-2.6	-2.3	15.3 %	-43.7	-38.6	13.2 %	-0.4	-0.6	-2.2	-1.4
Hypo	-5.1	-4.5	13.8 %	-0.5	-0.6	-16.6 %	-5.6	-5.1	10.2 %	0.0	-0.4		
eQ Corporation	-10.2	-19.3	-47.0 %	-4.7	-30.0	-84.5 %	-14.9	-49.3	-69.8 %	0.0	0.0	0.0	0.0
<b>Largest Nordic banking groups (ranked according to total assets)</b>													
Nordea	-4,646.0	-4,363.0	6.5 %	-170.0	-149.0	14.1 %	-4,816.0	-4,512.0	6.7 %	-879.0	-1,486.0		
Danske Bank	-3,224.5	-3,346.0	-3.6 %	-456.1	-668.8	-31.8 %	-3,680.7	-4,014.8	-8.3 %	-1,855.3	-3,448.3	0.0	0.0
SEB	-1,468.3	-1,298.2	13.1 %	-1,043.0	-1,074.7	-3.0 %	-2,511.3	-2,372.9	5.8 %	-191.1	-1,132.5	0.0	0.0
DnB NOR Bank	-1,156.8	-1,136.2	1.8 %	-1,155.8	-1,030.5	12.2 %	-2,312.6	-2,166.7	6.7 %	-371.4	-880.4	0.0	0.0
Handelsbanken	-1,527.3	-1,387.8	10.1 %	-47.4	-45.5	4.2 %	-1,574.7	-1,433.3	9.9 %	-158.0	-319.4	-0.1	0.4
Swedbank	-984.8	-866.5	13.7 %	-865.0	-814.3	6.2 %	-1,849.8	-1,680.8	10.1 %	-294.6	-2,320.5	-66.8	-165.2

Insurance is included in the figures where insurance is part of the group's business, reflected under Other operating income.  
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\*) Bonuses paid to owner members and OP bonus customers for €163m (160).

\*\*) Sampo Bank Plc is a Finnish bank which is part of the Danske Bank Group. This interim report includes Sampo Bank Plc and its subsidiaries.

\*\*\*) Net fee and commission income is included in Other operating income.

Source: Banks' financial statements



## Financial statements for 2009-2010

€m

Domestic banking groups and branches of foreign banks	Operating profit/loss			Taxes		Net profit/loss for the year			Total assets		
	2010	2009	Change	2010	2009	2010	2009	Change	2010	2009	Change
Nordea Bank Finland	1,156.0	1,376.0	-16.0 %	-302.0	-373.0	854.0	1,003.0	-14.9 %	286,086.0	221,165.0	29.4 %
OP-Pohjola Group *)	575.0	464.0	23.9 %	-135.0	-126.0	440.0	338.0	30.2 %	83,969.0	80,430.0	4.4 %
Sampo Bank **)	152.3	32.7	365.7 %	-35.1	-14.3	117.1	18.4	536.4 %	26,158.0	24,867.9	5.2 %
Aktia	77.9	47.0	65.7 %	-19.9	-13.0	58.0	34.0	70.6 %	11,019.2	10,555.8	4.4 %
Savings banks (excl. Aktia) ***)	54.3	66.5	-18.3 %						7,316.0	7,060.0	3.6 %
The Finnish Local Cooperative Bank Group	33.4	36.6	-8.7 %						4,321.0	4,123.4	4.8 %
Bank of Aland	1.8	30.5	-94.1 %	-3.4	-3.7	-1.6	26.8		3,475.0	3,379.0	2.8 %
S-Bank	12.5	3.1	303.2 %			12.4	2.9	327.6 %	2,687.6	2,689.0	-0.1 %
Tapiola Bank	4.0	2.1	95.5 %	-0.8	-0.5	3.2	1.6	103.4 %	1,620.7	1,400.3	15.7 %
Hypo	2.2	3.0	-25.4 %	-0.6	-0.9	1.6	2.1	-23.0 %	660.8	703.4	-6.1 %
eQ Corporation	7.5	-22.3		-2.1	-1.9	5.4	-24.2		47.9	345.3	-86.1 %
<b>Largest Nordic banking groups (ranked according to total assets)</b>											
Nordea	3,639.0	3,075.0	18.3 %	-976.0	-757.0	2,663.0	2,318.0	14.9 %	580,839.0	507,544.0	14.4 %
Danske Bank	866.1	638.6	35.6 %	-374.1	-408.5	492.0	230.0	113.9 %	431,191.5	416,361.2	3.6 %
SEB	1,164.4	409.7	184.2 %	-264.3	-233.7	900.0	176.0	411.4 %	243,134.3	225,148.9	8.0 %
DnB NOR Bank	2,262.3	1,264.0	79.0 %	-514.8	-468.2	1,756.8	805.0	118.2 %	238,669.2	219,693.1	8.6 %
Handelsbanken	1,548.7	1,292.7	19.8 %	-415.4	-331.4	1,133.2	961.3	17.9 %	240,201.9	207,066.2	16.0 %
Swedbank	1,043.8	-890.9		-259.2	-92.4	784.6	-983.3		191,364.8	175,057.3	9.3 %

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## Financial statements for 2009-2010

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Domestic banking groups and branches of foreign banks	Return on equity (ROE), %		Return on assets (ROA), %		Income/cost ratio, %		Capital adequacy ratio, %		Tier 1 capital ratio, %	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Nordea Bank Finland	7.7 %	9.0 %	0.30 %	0.50 %	43.0 %	38.0 %	14.3 %	14.6 %	13.6 %	14.0 %
OP-Pohjola Group *)	6.8 %	5.9 %	0.53 %	0.43 %	59.0 %	61.0 %	12.8 %	12.6 %	12.8 %	12.6 %
Sampo Bank **)	5.6 %	0.9 %	0.50 %	0.10 %	70.3 %	62.8 %	15.2 %	15.5 %	14.1 %	14.3 %
Aktia	12.0 %	8.7 %			59.0 %	57.0 %	15.9 %	15.9 %	10.1 %	9.5 %
Savings banks (excl. Aktia) ***)			0.80 %	1.00 %	71.0 %	65.0 %	22.3 %	22.2 %	18.8 %	19.0 %
The Finnish Local Cooperative Bank Group			0.81 %	0.90 %	69.0 %	67.0 %	22.2 %	21.7 %		
Bank of Aland	-1.0 %	17.8 %	0.00 %	0.90 %	98.0 %	72.0 %	12.0 %	12.3 %	7.3 %	7.9 %
S-Bank	7.7 %	2.8 %	0.50 %	0.10 %	74.7 %	79.2 %	20.8 %	25.8 %	17.9 %	21.2 %
Tapiola Bank	4.6 %	3.8 %	0.20 %	0.20 %	90.0 %	90.0 %	12.1 %	13.4 %	8.5 %	9.4 %
Hypo	2.3 %	3.1 %	0.20 %	0.30 %	71.0 %	60.4 %	18.9 %	17.5 %	17.3 %	15.9 %
eQ Corporation	14.4 %	-52.3 %	2.80 %	-6.60 %	66.4 %	189.5 %	81.4 %	19.6 %	81.7 %	19.6 %
<b>Largest Nordic banking groups (ranked according to total assets)</b>										
Nordea	11.5 %	11.3 %			52.0 %	50.0 %	11.5 %	11.9 %	9.8 %	10.2 %
Danske Bank					56.2 %	48.7 %	17.7 %	17.8 %	14.8 %	14.1 %
SEB	6.8 %	1.2 %	0.30 %	0.05 %	65.0 %	61.0 %	13.9 %	14.7 %	14.2 %	13.9 %
DnB NOR Bank	13.6 %	10.6 %			47.6 %	48.1 %	12.4 %	12.1 %	10.1 %	9.3 %
Handelsbanken	12.6 %	12.5 %			48.0 %	47.1 %			16.5 %	14.2 %
Swedbank	8.1 %	-12.5 %			57.0 %	51.0 %	18.4 %	17.5 %	15.2 %	13.5 %

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