

## The Mortgage Society of Finland: Group's January–December 2019

**The home finance specialist Hypo Group's operating profit grew by 17 percent and net interest income by 17 percent.**

### CEO Ari Pauna:

*"Focusing on low risk housing collateralized lending in urbanising Finland is yielding profits. Hypo Group's operating profit grew by 17 percent and net interest income by 17 percent. Common Equity Tier 1 improved significantly and return on equity remained strong. Non-performing loans remained on a very low level and impairment losses were nearly zero."*

- Operating profit increased to EUR 8.4 million (EUR 7.2 million 1–12/2018)
- Net interest income increased to EUR 14.5 million (EUR 12.3 million 1–12/2018)
- Non-performing loans remained low at 0.10% of loan book (0.07% 31 December 2018)
- Expected credit losses were 0.0% of the loan book
- Net fee and commission income was EUR 3.6 million (EUR 3.8 million 1–12/2018)
- Other income totaled EUR 2.7 million (EUR 2.1 million 1–12/2018)
- Total costs were EUR 12.3 million (EUR 11.1 million 1–12/2018)
- Common Equity Tier 1 (CET1) ratio calculated with standard and basic methods was 13.4% (12.1% on 31 December 2018)

### GROUP'S KEY FIGURES

(1000 €)	1-12/2019	1-12/2018	10-12/2019	10-12/2018
Net interest income	14 452	12 331	4 019	3 350
Net fee and commission income	3 562	3 795	854	886
Total other income	2 689	2 097	631	-278
Total expenses	-12 296	-11 058	-3 483	-2 745
Operating profit	8 407	7 165	2 021	1 214
Receivables from the public and public sector entities	2 586 147	2 588 908	2 586 147	2 588 908
Deposits	1 628 793	1 718 166	1 628 793	1 718 166
Balance sheet total	3 230 657	3 113 817	3 230 657	3 113 817
Return on equity % (ROE)	5,5	5,0	5,3	3,5
Common Equity Tier 1 (CET1) ratio	13,4	12,1	13,4	12,1
Cost-to-income ratio,%	59,6	60,6	63,5	69,4
Non-performing assets, % of the loan portfolio	0,10	0,07	0,10	0,07
LTV-ratio, % / Loan to Value, average, %	35,3	35,8	35,3	35,8
Loans / deposits, %	158,8	150,7	158,8	150,7

### Additional information:

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Hypo Group's Financial Statements Release can be accessed at <http://www.hypo.fi/en/>



# HYPO

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Stock Exchange Release  
Financial Statement Release  
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[www.hypo.fi](http://www.hypo.fi)

Attachments:

Financial Statements Release January-December 2019

*The Mortgage Society of Finland Group is the only nationwide expert organization specialized in home financing and housing in Finland. Hypo Group grants mortgages as well as renovation loans and consumer loans, both secured by residential property collateral, for first-time and other homebuyers. Hypo Group continuously develops new ways and models for housing and home financing.*

Read more: [www.hypo.fi](http://www.hypo.fi)