

Hypo Group's January-June 2018

The home finance specialist Hypo Group's profitability of core business operations strengthened further.

CEO Ari Pauna:

"Urban citizens continue to show interest in owner-occupied housing and state of one's own housing company. Our loan portfolio increased to 2.4 billion representing annula growth of nearly 20 percent. Net interest income and competitiveness continue to improve."

- Net interest income increased to EUR 5.8 million (EUR 4.0 million 1–6/2017)
- Non-performing loans remained low at 0.12% of loan book (0.13% 30 June 2017)
- Net fee and commission income was EUR 1.9 million (EUR 1.9 million 1–6/2017)
- Other income totaled EUR 1.3 million (EUR 3.1 million)
- The contribution to the Financial Stability Authority, which was recognized in full during the first half year, increased total costs despite the cut of operating costs by over 3% compared to the previous year
- Common Equity Tier 1 (CET1) ratio, as calculated with standard and basic methods, was 12.3% (12.7% on 31 December 2017)

GROUP'S KEY FIGURES

(1000 €)	1–6/2018	1–6/2017	4–6/2018	4–6/2017	2017
Net interest income	5 775	3 951	3 070	2 182	8 991
Net fee and commission income	1 938	1 883	1 046	1 051	3 525
Total other income	1 313	3 069	281	1 710	5 190
Total expenses	-6 016	-5 769	-2 897	-2 840	-11 055
Operating profit	3 009	3 134	1 501	2 104	6 651
Receivables from the public and public sector entities	2 388 271	2 035 257	2 388 271	2 035 257	2 212 574
Deposits	1 627 075	1 293 090	1 627 075	1 293 090	1 540 400
Balance sheet total	2 956 543	2 626 808	2 956 543	2 626 808	2 792 489
Return on equity % (ROE)	4.3	4.7	4.3	6.3	4.9
Common Equity Tier 1 (CET1) ratio	12.3	13.2	12.3	13.2	12.7
Cost-to-income ratio,%	66.4	64.9	65.1	57.6	62.5
Non-performing assets, % of the loan portfolio	0.12	0.13	0.12	0.13	0.14
LTV-ratio, % / Loan to Value, average, %	36.4	38.3	36.4	38.3	37.4
Loans / deposits, %	146.8	157.4	146.8	157.4	143.6

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Hypo Group's Interim Report can be accessed at <http://www.hypo.fi/en/>

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Attachments: Interim Report January-June 2018