

Hypo Group's January-September 2018

The home finance specialist Hypo Group's operating profit grew by 21 percent.

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 past EUR 2.5 billion representing annual growth of 20 percent. Net interest income, operating profit and competitiveness continue to improve despite the significant increase in the contribution to the Financial Stability Authority."

- Operating profit increased to EUR 6.0 million (EUR 4.9 million 1–9/2017)
- Net interest income increased to EUR 9.0 million (EUR 6.3 million 1–9/2017)
- Non-performing loans remained low at 0.08% of loan book (0.13% 30 September 2017)
- Expected credit losses were 0.0% of the loan book
- Net fee and commission income was EUR 2.9 million (EUR 2.7 million 1–9/2017)
- Other income totaled EUR 2.4 million (EUR 4.0 million 1–9/2017)
- Common Equity Tier 1 (CET1) ratio, as calculated with standard and basic methods, was 12.1% (12.7% on 31 December 2017)

GROUP'S KEY FIGURES

| (1000 €) | 1–9/2018 | 1–9/2017 | 7–9/2018 | 7–9/2017 | 2017 |
|--|-----------|-----------|-----------|-----------|-----------|
| Net interest income | 8 980 | 6 280 | 3 205 | 2 329 | 8 991 |
| Net fee and commission income | 2 909 | 2 690 | 971 | 807 | 3 525 |
| Total other income | 2 376 | 4 048 | 1 063 | 979 | 5 190 |
| Total expenses | -8 313 | -8 109 | -2 297 | -2 340 | -11 055 |
| Operating profit | 5 952 | 4 909 | 2 942 | 1 775 | 6 651 |
| Receivables from the public and public sector entities | 2 512 308 | 2 130 428 | 2 512 308 | 2 130 428 | 2 212 574 |
| Deposits | 1 658 633 | 1 311 950 | 1 658 633 | 1 311 950 | 1 540 400 |
| Balance sheet total | 2 998 709 | 2 640 119 | 2 998 709 | 2 640 119 | 2 792 489 |
| Return on equity % (ROE) | 5,5 | 4,9 | 5,5 | 4,9 | 4,9 |
| Common Equity Tier 1 (CET1) ratio | 12,1 | 13,0 | 12,1 | 13,0 | 12,7 |
| Cost-to-income ratio,% | 58,1 | 62,4 | 43,9 | 57,0 | 62,5 |
| Non-performing assets, % of the loan portfolio | 0,08 | 0,13 | 0,08 | 0,13 | 0,14 |
| LTV-ratio, % / Loan to Value, average, % | 36,0 | 39,0 | 36,0 | 39,0 | 37,4 |
| Loans / deposits, % | 151,5 | 162,4 | 151,5 | 162,4 | 143,6 |

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

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Attachments: Interim Report January-September 2018