

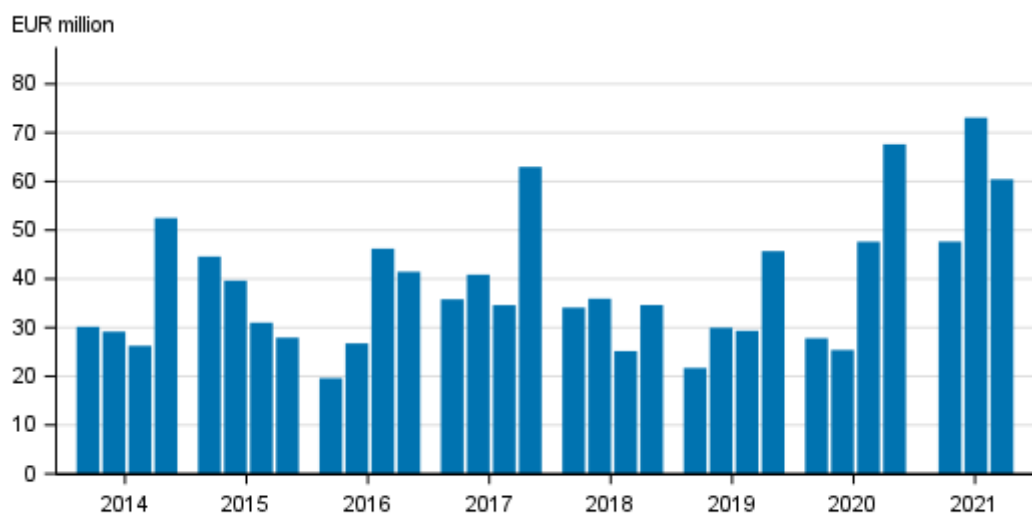
Investment service companies

2021, 3rd quarter

Investment service companies' commission income and operating profit continued to grow in the third quarter of 2021

The net operating profit of investment service companies was EUR 60 million in the third quarter of 2021. EUR 13 million more operating profit was accumulated than in the corresponding quarter of the previous year. Commission income increased by EUR 38 million to EUR 155 million from one year ago. These data derive from Statistics Finland's statistics on investment service companies.

Investment service companies' operating profit by quarter in 2014 to 2021, EUR million



Investment service companies offer their customers services related to investment services such as investment advisory services, asset management, and reception, intermediation and implementation of trading assignments in monetary instruments. Commission income and expenses are the main items related to investment service companies' income and expenses in the profit and loss account. In addition to

commission income and expenses, operating profit is considerably affected by administrative expenses. In some cases, other items, such as profit or loss from non-current assets classified as held for sale, can have a major impact on profit for the financial period.

Commission income and expenses

Commission income totalled EUR 155 million in the third quarter of 2021. Growth compared to the corresponding period of last year amounted to some EUR 38 million. Commission expenses amounted to EUR 45 million, which is around EUR 13 million more than in the corresponding quarter one year before.

Administrative expenses

In the third quarter of 2021, investment service companies had in total EUR 44 million in administrative expenses, which is EUR three million more than in the corresponding quarter last year. Personnel expenses amounted to EUR 26 million, or 60 per cent of administrative expenses. Personnel expenses went up by EUR three million from the previous year.

Balance sheets

At the end of the third quarter, the aggregate value of the balance sheets was EUR 490 million. Compared with the corresponding quarter of the previous year, the increase was 26.6 per cent, or around EUR 103 million. The share of equity of the balance sheet total grew by 5.7 percentage points from one year ago to 74.4 per cent.

At the end of the third quarter of 2021, there were 50 investment service companies operating in Finland, of which 39 generated a positive operating result.

Contents

Tables

Appendix tables

Appendix table 1. Profit and loss accounts of investment firms 1.1.- 30.9.2021, EUR thousands.....	4
Appendix table 2. Balance sheet of investment firms 1.1.- 30.9.2021, EUR thousands.....	5

Figures

Figures

Appendix figure 1. Investment firms' commission income by quarter 2014-2021, EUR million.....	6
Appendix figure 2. Investment firms' commission income by quarter, 3rd quarter 2014-2021, EUR million.....	6

Appendix tables

Appendix table 1. Profit and loss accounts of investment firms 1.1.- 30.9.2021, EUR thousands

	1.1.- 31.3.2021	1.1.- 30.6.2021	1.1.- 30.9.2021
Interest income	62	176	202
(Interest expenses)	294	1 457	964
NET INCOME FROM FINANCIAL OPERATIONS	-232	-1 281	-761
(Expenses on share capital repayable on demand)	1)2) ..	..	..
Dividend income	1 769	3 428	3 452
Fee and comission income	144 919	293 241	448 586
(Fee and comission expenses)	49 849	92 225	136 965
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	..	..	..
Gains or (-) losses on financial assets and liabilities held for trading, net	..	..	680
Gains or losses on financial assets outside the trading fund that are mandatorily measured at fair value through profit or loss, net	..	..	..
Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net	439	700	895
Gains or (-) losses from hedge accounting, net	..	..	..
Exchange differences [gain or (-) loss], net	-38	-73	-91
Gains or (-) losses on derecognition of non-financial assets, net	..	..	..
Other operating income	5 463	10 362	13 914
(Other operating expenses)	5 167	13 006	21 916
TOTAL OPERATING INCOME, NET	97 649	222 761	328 794
(Administrative expenses)	48 766	99 462	143 350
of which: (Personnel expenses)	28 504	61 307	87 608
of which: (Other administrative expenses)	20 262	38 155	55 742
(Cash contributions to resolution funds and deposit guarantee schemes)	..	..	..
(Depreciation)	965	1 949	3 418
Gains or (-) losses caused by changes made, net	..	..	..
(Provisions or (-) reversal of provisions)	..	..	..
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	..	..	..
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	..	..	..
(Impairment or (-) reversal of impairment on non-financial assets)	..	..	..
Negative goodwill recognised in profit or loss	..	..	..
Share of profit or (-) loss in investments in subsidiaries, joint ventures and associates.	..	..	..
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	47 652	120 732	181 172
(Tax expense or (-) income related to profit or loss from continuing operations)	15 503	34 072	55 539
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	32 149	86 660	125 633
Profit or (-) loss after tax from discontinuing operations	.	.	.
PROFIT OR (-) LOSS FOR THE YEAR	32 149	86 660	125 633

1) .. No observations.

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

Appendix table 2. Balance sheet of investment firms 1.1.- 30.9.2021, EUR thousands

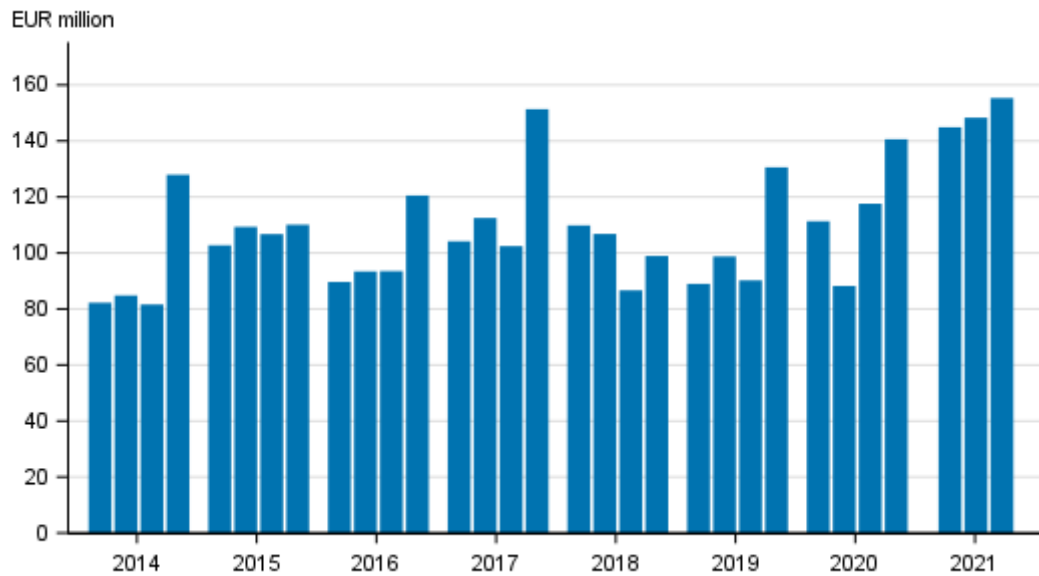
	1.1.- 31.3.2021	1.1.- 30.6.2021	1.1.- 30.9.2021
ASSETS	.	.	.
Cash, cash balances at central banks and other demand deposits	153 028	215 796	222 226
Financial assets held for trading	1)2) ..	..	..
Financial assets outside the trading inventory that are mandatorily measured at fair value through profit or loss	4 907	12 473	28 013
Financial assets designated at fair value through profit or loss	..	..	..
Financial assets measured at fair value through other comprehensive income	19 812	17 664	3 246
Financial liabilities measured at amortised cost	819	1 334	11 337
Derivatives - Hedge accounting (assets)	..	..	..
Fair value changes of the hedge items in portfolio hedge of interest rate risk (assets)	..	..	..
Investments in subsidiaries, joint ventures and associates	36 965	34 360	34 360
Tangible assets	5 674	5 905	5 894
Intangible assets	14 987	14 611	49 560
Tax assets	4 199	4 524	4 608
Other assets	115 364	116 102	128 985
Non-current assets held for sale and transferable item groups	..	..	..
TOTAL ASSETS	357 898	423 582	489 885
LIABILITIES	.	.	.
Financial liabilities held for trading	..	..	..
Financial liabilities designated at fair value through profit or loss	..	..	..
Financial liabilities measured at amortised cost	1 513	1 197	1 150
Derivatives - Hedge accounting (liabilities)	..	..	..
Fair value changes of the hedge items in portfolio hedge of interest rate risk (liabilities)	..	..	..
Provisions	1 787	1 720	1 837
Tax liabilities	5 599	10 181	8 007
Share capital repayable on demand	..	..	..
Other Liabilities	108 064	105 933	114 342
Liabilities included in disposal groups classified as held for sale	..	..	..
TOTAL LIABILITIES	118 499	119 203	125 637
Equity	21 894	22 496	22 056
Share premium	4 956	4 956	4 328
Equity instruments issued other than capital	..	1 211	1 211
Other equity	6 321	7 821	7 821
Accumulated other comprehensive income	6 687	-6 312	-6 448
Retained earnings	88 692	93 532	82 232
Revaluation reserves	..	11 162	..
Other reserves	78 025	84 650	129 253
(-) Treasury shares	..	..	..
Profit or loss allocated to shareholders of the parent company	32 036	86 428	125 062
(-) Interim dividends	..	..	..
Minority interests (non-controlling owners' interests)	113	231	..
TOTAL EQUITY	239 399	304 379	364 248
TOTAL EQUITY AND TOTAL LIABILITIES	357 897	423 582	489 885

1) .. No observations.

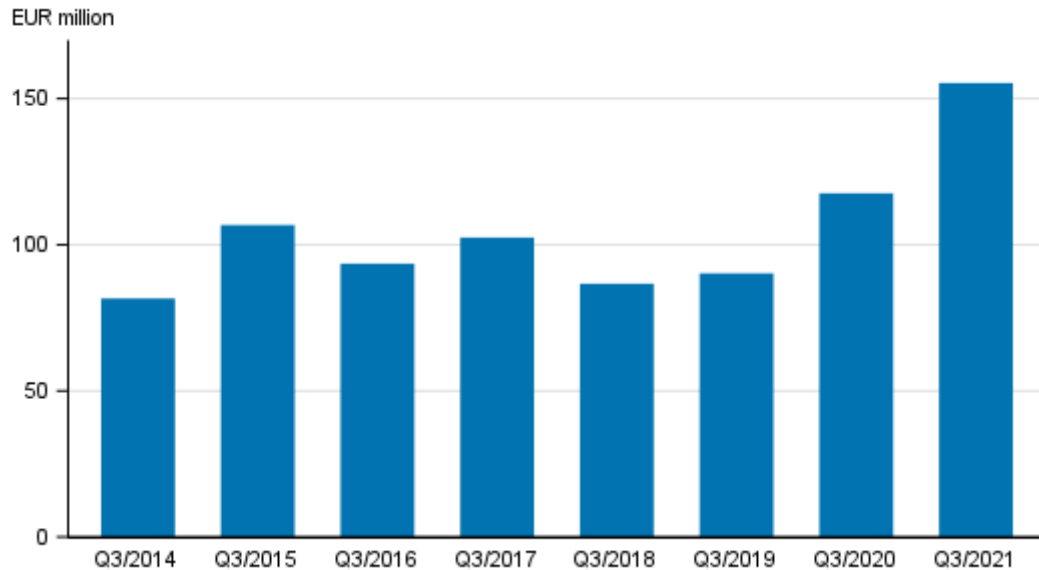
2) .. Data not available or too uncertain for presentation, or subject to secrecy.

Figures

**Appendix figure 1. Investment firms' commission income by quarter
2014-2021, EUR million**



**Appendix figure 2. Investment firms' commission income by quarter,
3rd quarter 2014-2021, EUR million**



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Source: Investment firms, Statistics Finland