



HYPO

The Mortgage Society of Finland: Hypo Group's January-September 2023

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The Mortgage Society of Finland: Hypo Group's January-September 2023

The Mortgage Society of Finland

Interim Report Q3

Helsinki 1 November 2023 11:00 a.m.

Hypo Group's January-September 2023

The home finance specialist Hypo Group's net operating profit grew and capital adequacy remained strong

CEO Ari Pauna:

"Focusing on low-risk housing collateralized lending in urbanising Finland still provides stability despite the continuous uncertainty in operating environment. Despite the slowing market growth, the deposits and loan portfolio continued to grow. Net interest income, capital adequacy and liquidity remained strong. Non-performing loans and impairment losses remained at low level. The year 2023 has continued more strongly than expected. During uncertain times, the services of a specialist organization are in demand. There is a strong demand for home financing from us and we respond to the demand comprehensively supported by completely renewed banking technology."

- Operating profit was EUR 7.3 million (EUR 6.7 million 1-9/2022)
- Net interest income was EUR 13.2 million (EUR 13.7 million 1-9/2022)
- Non-performing loans remained low at 0.15% of loan book (0.14% 31 December 2022)
- Expected credit losses were 0.01% of the loan book (0.01 % 31 December 2022)
- Net fee and commission income grew to EUR 3.5 million (EUR 2.7 million 1-9/2022)
- Other income was EUR 2.7 million (EUR 4.7 million 1-9/2022)
- Total costs decreased to EUR 12.0 million (EUR 14.4 million 1-9/2022)
- Common Equity Tier 1 (CET1) ratio, calculated with standard and basic methods, was 14.0% (13.8% on 31 December 2022)
- Liquidity Coverage Ratio (LCR) was 209.2% (201.6 % on 31 December 2022)

| GROUP'S KEY FIGURES | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|
| (1,000 €) | 1-9/2023 | 1-9/2022 | 7-9/2023 | 7-9/2022 | 1-12/2022 |
| Net interest income | 13,197 | 13,712 | 5,235 | 4,957 | 15,264 |
| Net fee and commission income | 3,525 | 2,712 | 1,015 | 846 | 3,592 |
| Total other income | 2,665 | 4,699 | -516 | 887 | 5,766 |
| Total expenses | -12,039 | -14,445 | -3,836 | -4,059 | -17,543 |
| Operating profit | 7,347 | 6,677 | 1,899 | 2,631 | 7,079 |
| Receivables from the public and public sector entities | 2,832,974 | 2,721,402 | 2,832,974 | 2,721,402 | 2,749,916 |
| Deposits | 1,514,540 | 1,447,077 | 1,514,540 | 1,447,077 | 1,463,261 |
| Balance sheet total | 3,534,171 | 3,319,607 | 3,534,171 | 3,319,607 | 3,461,004 |
| Return on equity (ROE) % | 5.2 | 5.0 | 4.0 | 5.8 | 4.0 |
| Common Equity Tier 1 (CET1) ratio % | 14.0 | 14.0 | 14.0 | 14.0 | 13.8 |

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Cost-to-income ratio % | 61.4 | 68.3 | 66.1 | 59.8 | 71.2 |
| Non-performing assets % of the loan portfolio | 0.15 | 0.18 | 0.15 | 0.18 | 0.14 |
| LTV-ratio (Loan to Value, average) % | 30.2 | 31.1 | 30.2 | 31.1 | 30.8 |
| Loans / deposits % | 187.1 | 188.1 | 187.1 | 188.1 | 187.0 |
| Liquidity Coverage Ratio (LCR) % | 209.2 | 150.4 | 209.2 | 150.4 | 201.6 |
| Net Stable Funding Ratio (NSFR) % | 113.3 | 105.5 | 113.3 | 105.5 | 106.5 |
| Leverage Ratio (LR), % | 3.9 | 4.0 | 3.9 | 4.0 | 3.9 |

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

Distribution: Nasdaq Helsinki Ltd, Main Media, www.hypo.fi

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About Suomen Hypoteekkiyhdistys

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

Attachments

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