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The Mortgage Society of Finland: Hypo Group's January-June 2020

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Half Year Financial Report

Helsinki 31 August 2020 4:00 p.m.

Hypo Group's January-June 2020

The home finance specialist Hypo Group's net interest income and capital adequacy strengthened.

CEO Ari Pauna:

"Focusing on low risk housing collateralized lending in urbanising Finland is yielding profits even as the corona crisis continues. Hypo Group's net interest income and net fee and commission income grew. CET 1 Capital adequacy continued to strengthen. Conservative provisions for future charges have been made and impairment losses remained at low level. Liquidity is very strong."

- Operating profit was EUR 2.2 million (EUR 3.9 million 1-6/2019)
- Net interest income increased to EUR 7.3 million (EUR 6.9 million 1-6/2019)
- Non-performing loans remained low at 0.24% of loan book (0.10% 31 December 2019)
- Expected credit losses were 0.01% of the loan book
- Net fee and commission income was EUR 1.9 million (EUR 1.8 million 1-6/2019)
- Other income totaled EUR 1.1 million (EUR 1.6 million 1-6/2019)
- Total costs were EUR 8.1 million (EUR 6.4 million 1-6/2019) including EUR 1.7 million contribution to the Resolution Fund for the year 2020
- Common Equity Tier 1 (CET1) ratio, calculated with standard and basic methods, was 13.7% (13.4% on 31 December 2019)
- Liquidity Coverage Ratio (LCR) was 242.1 % (163.8 %).

GROUP'S KEY FIGURES					
(1000 €)	1-6/2020	1-6/2019	4-6/2020	4-6/2019	2019
Net interest income	7 286	6 870	3 575	3 477	14 452
Net fee and commission income	1 875	1 762	1 034	978	3 562
Total other income	1 131	1 647	764	731	2 689
Total expenses	-8 102	-6 427	-4 188	-2 783	-12 296
Operating profit	2 189	3 851	1 185	2 404	8 407
Receivables from the public and public sector entities	2 505 422	2 662 813	2 505 422	2 662 813	2 586 147
Deposits	1 523 096	1 606 093	1 523 096	1 606 093	1 628 793
Balance sheet total	3 230 719	3 214 302	3 230 719	3 214 302	3 230 657
Return on equity % (ROE)	2.7	5.1	3.0	6.4	5.5

Common Equity Tier 1 (CET1) ratio	13.7	12.4	13.7	12.4	13.4
Cost-to-income ratio,%	78.4	62.7	77.1	53.9	59.6
Non-performing assets, % of the loan portfolio	0.24	0.07	0.24	0.07	0.10
LTV-ratio, % / Loan to Value, average, %	34.5	35.7	34.5	35.7	35.3
Loans / deposits, %	164.5	165.8	164.5	165.8	158.8
Liquidity Coverage Ratio (LCR), %	242.1	149.7	242.1	149.7	163.8

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

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<http://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

- [Download announcement as PDF.pdf](#)
- [Hypo_Q2_2020_Interim_Report.pdf](#)