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Finnish banking in 2007

Federation of Finnish Financial Services





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ENCLOSURE Banks' financial statements for 2007 and 2006

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The survey is available on the Federation website at www.fkl.fi



1. Key developments on the banking scene in 2007

In the financial sector, the year 2007 can be divided into two main parts. The strong growth of the early year sustained high demand for banking and insurance products during the first half-year. In the beginning of the second half, the U.S. subprime mortgage crisis caused turmoil in international financial markets, which continued during 2008.

In 2007 the market disruption affected the credit risk margins on debt securities and thus the funding of bank groups. In Finland the main effects of the disruption were higher short-term market interest rates and instability in stock markets.

The market disruption had only a slight effect on Finnish banking operations, and banking continued to be profitable through the year. The good financial state of businesses and households sustained high demand for financial products and various investment and insurance services.

Demand for loans in Finland was above average compared to other countries in the euro area. The number of housing loans issued by financial institutions increased by 12%. The increased number of loans and higher interest rates increased the net interest margins of bank groups.

There was a large increase in deposits, especially in deposits with agreed maturity. Total deposits increased by 13% and assets accrued under insurance policies by 4%. Assets held in investment funds increased by 8%, despite the unfavourable developments during the later half of the year.

Considerable numbers of new staff were hired in almost all banking groups. In addition to the increased staff, expenses for banks were generated by raised wage levels and one-time costs caused by corporate restructurings.

Credit granting has been increasing for several years, but loan portfolio has nevertheless stayed healthy. The number of problem loans and impairment losses remained low in 2007.

There are several factors of uncertainty in the operating environment in the near future, but Finnish banks have retained their strong capital adequacy. The high level of efficiency and profitability achieved during recent years make a steady foundation for future operations.



2. Changes in bank structures

The operations of banks have expanded and diversified. Bank structures have undergone changes, and new forms of business have been developed, but the number of banks has not significantly changed.

2.1 Size of banking network

In international comparison, the number of banks in Finland is high. The reason for this is the high number of savings banks, Local Cooperative Banks and banks in OP-Pohjola Group.

During 2007 the number of banks in Finland did not change significantly. A few cooperative and savings banks merged, and a few new subsidiaries of foreign banks were founded.

At the end of 2007, there were 338 banks operating in Finland, 323 of them domestic:

- 13 commercial banks
- 229 member cooperative banks of the OP-Pohjola Group
- 42 local cooperative banks
- 39 savings banks, and
- 15 deposit-taking branches of foreign credit institutions.

The banks had a total of 1,687 branches in Finland at the end of the year. The number of branches diminished in OP-Pohjola Group, Nordea and Sampo, and grew in savings banks and Aktia.

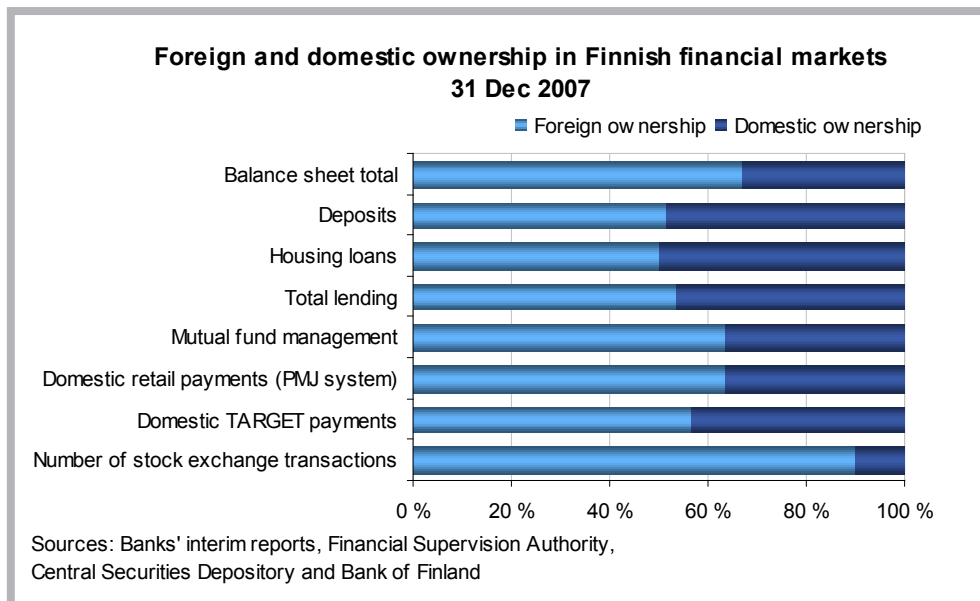


Banking groups operating in Finland on 31 December 2007				
	Banks	Balance sheet € m	Employees (group)	Branches (deposit banks)
Domestic banks				
Nordea Bank Finland	1	147 254	10 207	347
OP-Pohjola Group	232	65 716	12 471	630
Sampo Bank *)	1	26 265	3 128	128
Savings banks	38	6 109	1 178	211
Aktia	1	7 951	1 156	82
Local cooperative banks	42	3 703	724	145
Bank of Aland	1	2 592	524	26
Evli Bank	1	964	288	3
Tapiola Bank	1	924	137	38
eQ Bank	1	664	189	2
SEB Gyllenberg Private Bank	1		1	1
AsuntoHypoPankki	1	587	30	1
S-Bank Ltd	1		121	1
Glitnir Bank	1	476	336	11
Total	323		30 490	1 626
Branches of foreign banks				
Danske Bank **)	1	449 101	150	1
Skandinaviska Enskilda Banken	1	248 315	279	1
Handelsbanken	1	196 937	689	45
DnB NOR Bank, Helsinki Branch	1	185 212	4	1
Swedbank	1	170 310	9	1
Carnegie AB	1		73	2
Citibank	1		66	2
Deutsche Bank	1		15	1
Kaupthing Bank hf., Finnish Branch	1		111	1
Calyon	1		14	1
Bank DnB NOR, Branch in Finland	1		10	1
ABN AMRO Bank N.V., Helsinki Branch	1			1
EFG Investment Bank AB, Branch in Finland	1			1
The Royal Bank of Scotland public limited company, Branch in Finland	1			1
Forex Bank	1			1
Total	15		1 420	61
TOTAL	338		31 910	1 687
*) Sampo Bank's figures cover banking in Finland				
**) Sampo Bank is part of the Danske Bank Group				



2.2 New players in the banking sector

No major restructuring took place in 2007, but practical implementations of previous years' restructurings continued. The proportion of foreign ownership grew and now covers clearly over half of all Finnish financing.



In 2006 all companies in the Sampo Bank Group were sold to the Denmark-based Danske Bank, and as a result Sampo Bank became a subsidiary of Danske Bank in February 2007. Also as a result, Mandatum became a part of Danske Capital and Danske Markets. The migration continues, and Sampo Bank's legal status is expected to change from a subsidiary to a branch of Danske Bank in 2008.

Nordea continued reducing complexity in its legal structure, with aim to become a European company. Nordea has also begun reforming the deposit guarantee systems in cooperation with Nordic legislative and supervisory authorities.

Structural changes in OP-Pohjola Group continued. Pohjola Life Insurance Company Ltd merged into OP Life Assurance Company Ltd. In September, OP Group was renamed to OP-Pohjola Group, and OKO Bank plc was renamed to Pohjola Bank plc. Some local cooperative banks in the group also merged: Pyhämä into Oulu, Miettilä into Simpele, Ruhtinaansalmi into Suomussalmi and Kylväkoski into Akaa.

Mergers took place also in savings banks. The savings banks of Hauho and Renko decided to found a new savings bank operating as a limited company. The merger will be completed in 2009. Houtskärs Sparbank and Saaristosäästöpankki also merged at the end of the year, and Padasjoen Säästöpankki Oy was renamed to Helmi Säästöpankki Oy.



Life Insurance Company Duo Ltd was founded in co-operation by savings banks and Local Insurance Group in April 2007. Savings banks also have a securities dealing co-operation agreement with Glitnir Bank Ltd.

Icelandic banks entered Finnish markets. Glitnir Bank Ltd purchased FIM Group's share capital and began its operations in Finland in October 2007. In addition to its main Finnish office in Helsinki, Glitnir Bank has branches in Espoo, Jyväskylä, Kuopio, Lahti, Oulu, Riihimäki, Tampere, Turku and Vaasa.

Icelandic Straumur-Burdaras Investment Bank purchased a majority of Finnish eQ Ltd's share capital in May 2007. Icelandic Kaupthing Bank, which began its operations in Finland in 2006, carried on banking operations as a branch in Finland.

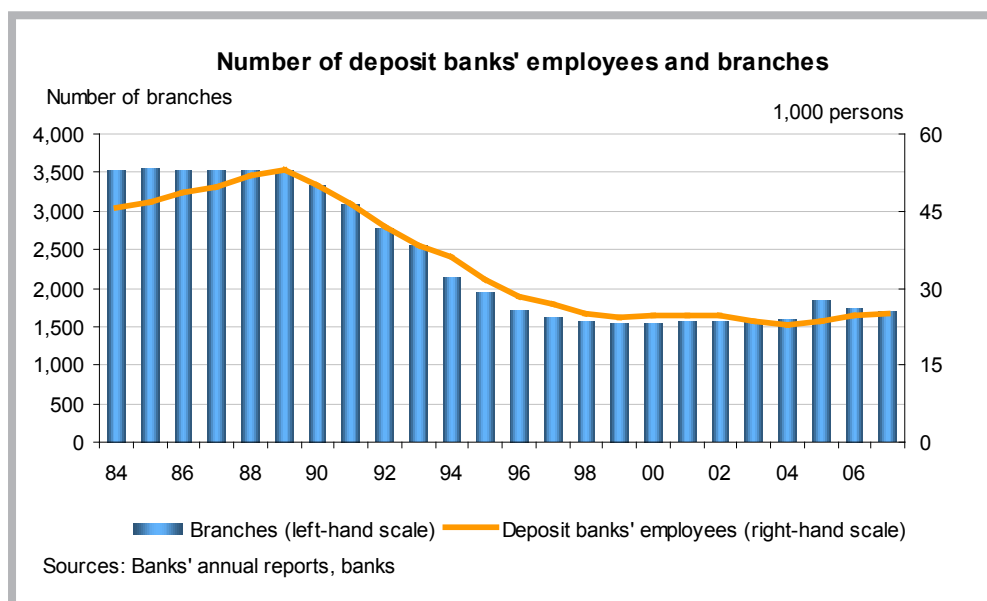
Life insurance has become a solid part of bank groups' business, and savings policies and life insurance products have become an alternative for savings and investment products. The change shows in the structures of bank groups; Aktia Group acquired Veritas Life Insurance Company in January 2007, and Life Insurance Company Duo Ltd was founded in co-operation by savings banks and Local Insurance Group in April 2007.

The integration of business lines shows in the financial sector. S-Bank Ltd was granted a license in February 2006 and began its operations in October 2007 by converting the savings of its customer-owners into bank deposits. S-Bank is a subsidiary bank of the S-Group, which operates in many different areas, including for example supermarket trade, service station store and fuel trade, department store trade, hotel and restaurant business and agricultural trade. Stores, restaurants and hotels belonging to the S-Group now also serve as S-Bank service points.



2.3 Increased need for personnel

The banking sector, like other service sectors in Finland, needs more personnel. During the last ten years, employee numbers in Finnish banks have remained largely unchanged, and in the last few years the number has even gone up slightly.



The average age of Finnish bank employees is high because of the banking crisis in Finland in the late 1980s. After the crisis, hiring was almost non-existent. Finnish banks will have increased need for new personnel in the near future, as a considerable number of employees will soon retire.

At the end of 2007, Finnish bank groups employed 31,910 people, 356 more than a year earlier. Sampo Bank's restructurings hide some growth in this number. Employee numbers went up also in deposit-taking banks within the banking groups.

Much of this increase was prompted by not only growth and diversification of business, but also by increased challenge and diversification in work assignments. In the near future, banks will have highest need for experts and sales personnel.

During 2007, employee numbers went up in almost all banks. Sampo Bank's numbers decreased mainly because the previous numbers included employees in Baltic subsidiaries. As Danske Bank purchased Sampo Bank, these Baltic subsidiaries now belong to Danske Bank. Employee numbers were further affected by some Sampo Bank employees moving to Danske Bank branch located in Helsinki.

The number of people employed by branches of foreign banks rose by 25% to 1,309 people. The largest of these branches is Handelsbanken with a network of 34 branches employing 689 people.

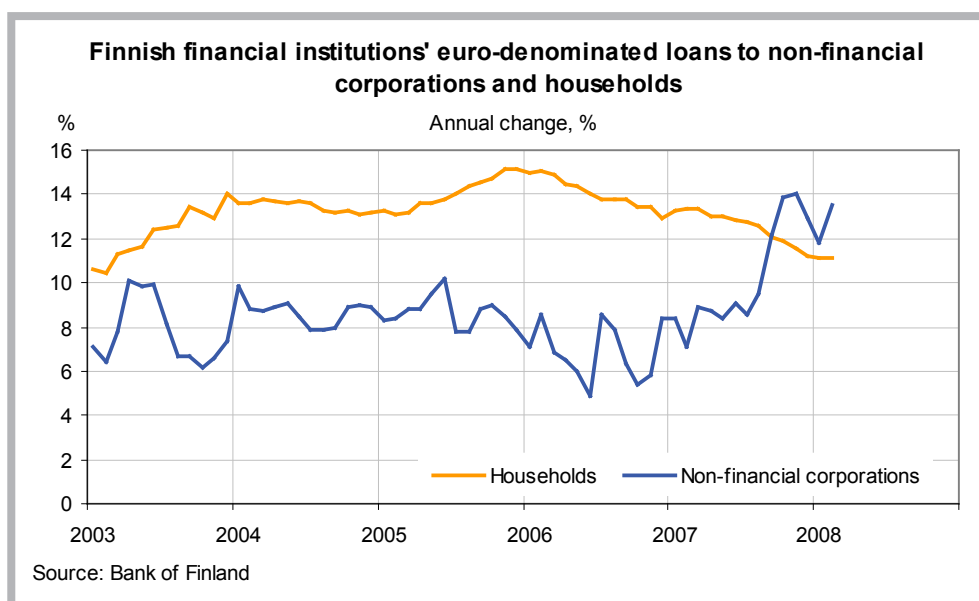


3. Services of banks

Banks grant loans, take in deposits and handle customers' payments. These basic services and customers' basic requirements have remained the same, but distribution channels have improved. Banks' services have developed and diversified to meet different needs of different customers. Below is a quick overview on services and events in Finnish banking markets in 2007.

3.1 Continued high demand for loans

Demand for loans continued high in 2007. Credits granted by financial institutions increased by 12.7%, and at the end for 2007 their total loan portfolio was €148 billion. Credit granting in Finland has grown faster than European average for several years.



Total credit granting in 2007 grew faster than the year before, especially due to the strong growth of corporate lending in the last few months. Increased demand for corporate lending arose from increased investments, company acquisitions, generation change and possibly from companies preparing for the increasing difficulty to obtain debt finance directly from the market.

Finnish households took 11% more loans in 2007 than in the previous year. Growth was fast, although clearly slower than during the few previous years. As before, most growth was in housing loans. The demand for consumer credit grew somewhat slower, and the number of study loans has remained the same for several years.

The growth in credit granting can be explained by good overall financial situation and employment prospects, and consumers' strong faith in their own financial development. The growth in total loan portfolio also comes from larger loan amounts and longer loan periods. Narrow customer margins also kept customers interested in loan taking, and higher interest rates did not have a significant adverse effect on it.

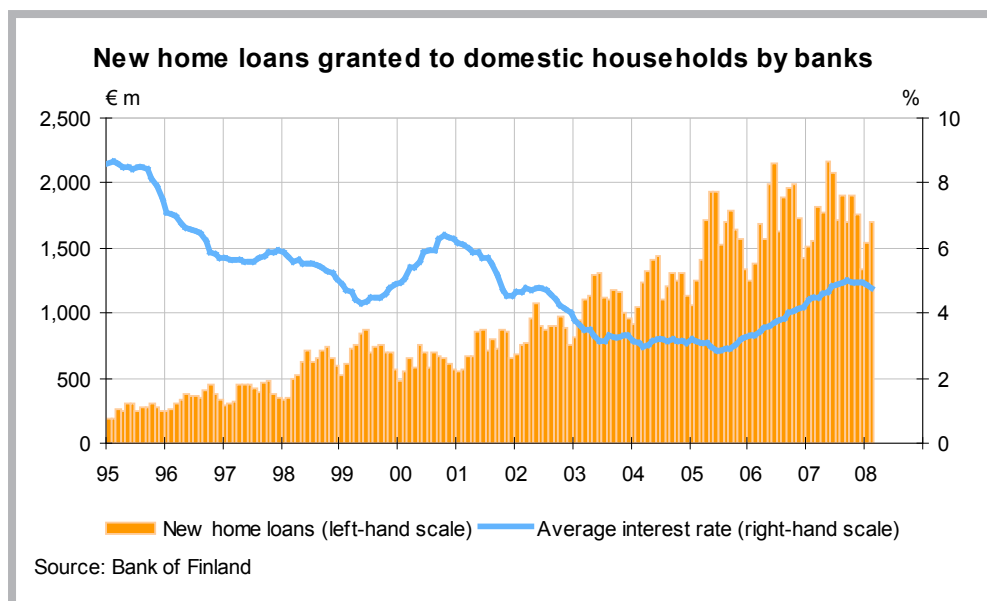


Interest rates were on a steady rise for over two years before slowing down in late 2007. The financial market crisis mainly affected short-term interest rates during the last months of the year. Average interest rate of euro-denominated loan portfolio rose by 0.8% and was 5.29% at the end of the year.

Banks' reference interest rates follow Euribor with some delay. As Euribor rose rapidly in 2007, these prime rates gained popularity. Prime rate linked lending expanded by 30% during the year. The number of loans with fixed interest rates also increased somewhat, but remains small in comparison to Euribor or prime rate loans.

3.2 Focus on borrower's financial capacity in housing loans

The turmoil in financial markets originating from the U.S. had an effect on Finnish housing market in late 2007, and likely continues to have an effect for a few future years. The turmoil however did not affect the future prospects of Finnish households. Good employment prospects, rise in nominal wages and the willingness to invest in housing sustained high demand for housing loans. The amount of these loans rose by 12.4% during 2007.



Growth in housing loans was faster than in other loans in 2007, but slightly slower than the year before. In 2007 the housing loan portfolio of Finnish financial institutions was €62.2 billion, accounting for 42% of their total loan portfolio and thus making housing loans a very important aspect of their business.

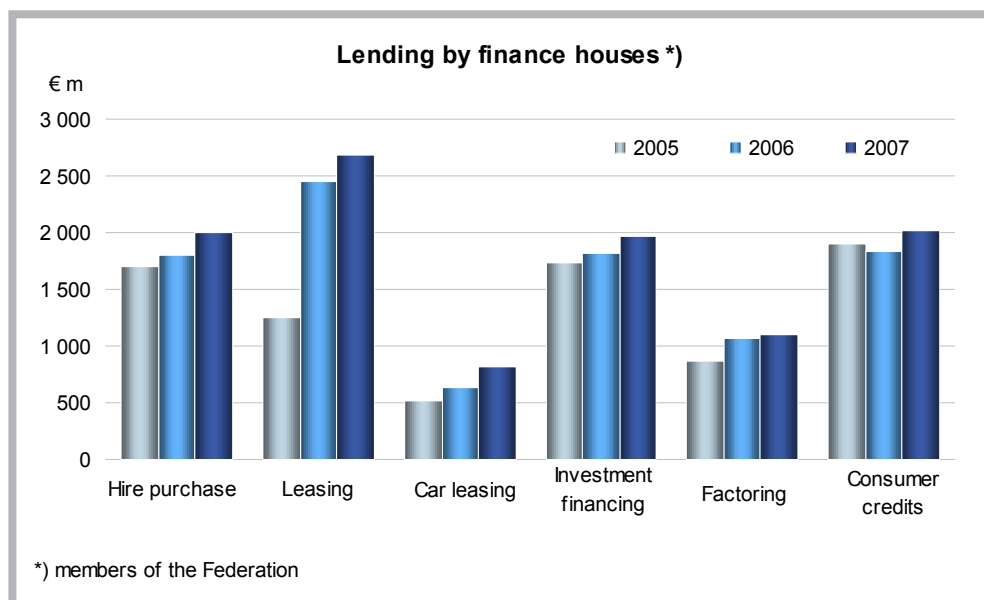
The growth in housing loan portfolio can be explained by not only the number of loans, but also the larger amounts and increased loan periods. A decade ago the average loan period was 11 years; now it has gone up to 18 years. The average outstanding loan amount has gone up to €65,200. This can be explained by increased housing prices and the possibility to take larger loans by lengthening the repayment period.



Banks have increasingly focused on housing loan risks, although housing loan related credit losses are scarce. When granting loans, banks primarily focus on the customers' ability to manage their loans, so that in the event of rising interest rates or other unexpected expenses the customer will still have paying capacity. When moving to a new apartment, the customers are advised to first sell their previous apartment before purchasing a new one.

3.3 Increased demand for finance house products

The Federation of Finnish Financial Services comprises the following member companies which operate as finance houses in Finland: Handelsbanken Finance Ltd, Nordea Finance Finland Ltd, Pohjola Bank plc, Sampo Bank plc and SEB-Leasing Ltd. These Federation members are not the only finance and card companies operating in Finland, but no aggregated statistics are available of the others.



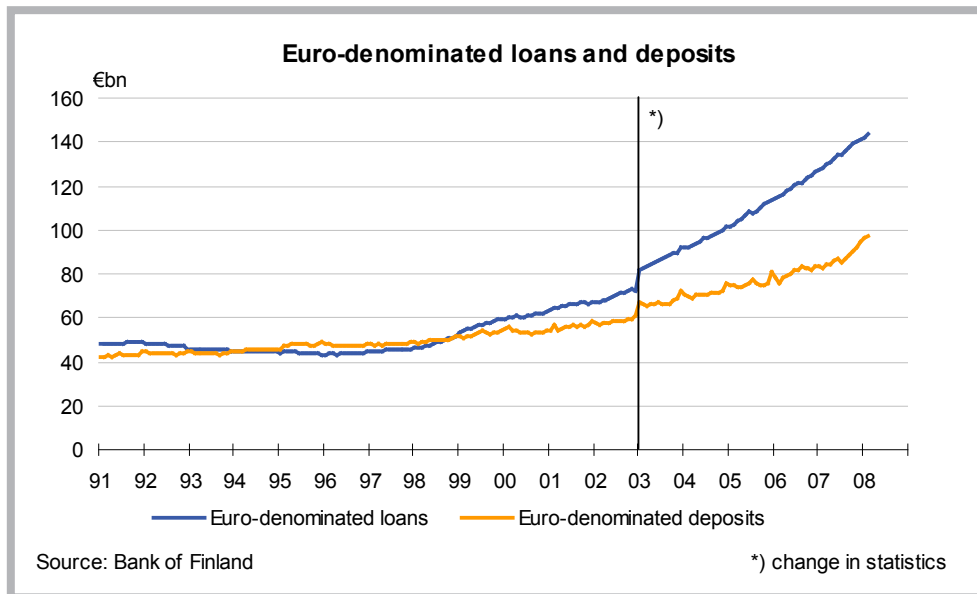
In 2007, the total loan portfolio of Finnish finance houses grew by almost 9.5% and was €11.5 billion at the end of the year. Leasing of cars and transport equipment was a significant source of new lending. Companies also invested in IT equipment and other office machinery, increasing lease financing.

Consumer credits granted by Finnish finance houses increased by 14% in 2007. Typical examples of consumer credits were revolving credit facilities operated under credit cards and one-time unsecured loans. Consumer-targeted hire purchase finance also increased, and the change in automobile tax will likely result in increased hire purchases of new cars in 2008.



3.4 Deposits in considerable rise

Unsteady stock markets and growing interest rates made deposits an attractive option in late 2007. New players in the sector increased competition in saving and deposit markets.



At the end of 2007, Finnish banks had a total of €99.8 billion in deposits, and 12-months growth was as high as 13.2%. Growth was healthy throughout the year, but accelerated towards the end of the year. In the first four months of 2008, the growth has risen to almost 20%.

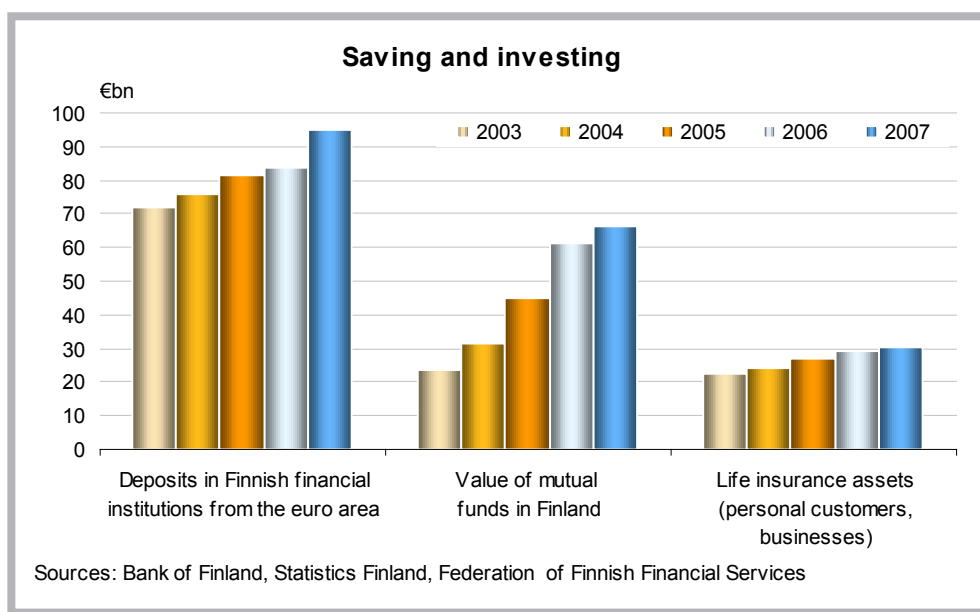
Deposits made by companies increased remarkably, by 25.8% compared to the previous year. Savings accounts provided a profitable, riskless option, which many companies chose instead of short-term bond funds. Furthermore, companies took loans and transferred them to savings accounts, apparently preparing for future investments.

Savings accounts were an attractive option for private households as well, and the deposits of private households increased by as much as €1.6 billion during December 2007.

Of all deposits, 69% belong to private households. The proportion of companies' deposits increased to 22%, and the remaining 9% come from public corporations, financial institutions and insurance institutions.



During the year, the average interest rate of deposits rose to 2.6%. Deposits in fixed-term accounts were in fastest growth, and had 4.2% average interest. Fixed-rate deposits still comprise over half of all deposits. Fixed rates are used most frequently in deposits with agreed maturity.



In the beginning of 2008, deposits grew faster than lending. In addition to deposits, banks have acquired funding mostly from international capital markets. The financial market crisis has made funding more expensive and more difficult to acquire, increasing the importance of stable domestic deposits for banks' operations.

3.5 Fund assets reduced

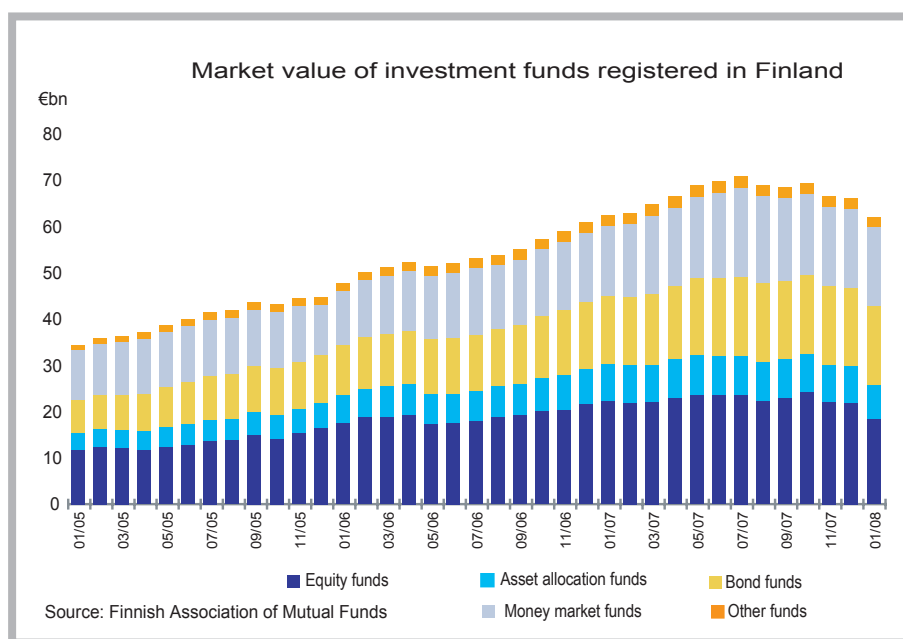
The division of the year 2007 to prosperous first half and less prosperous second half shows especially well in securities market and investment funds. Due to favourable developments in stock markets, investment funds grew rapidly during the first half of the year and reached a new record in June 2007; fund assets totalled over €70 billion with 12 months growth being 34.2%.

Funds were withdrawn in the second half of the year, but due to the growth during the first half, the overall growth of 2007 was still 8.1%. The withdrawal of funds continued in early 2008, and during two first months the value of funds was diminished by €4.6 billion.

Corporate customers accounted for 73% of all fund investments while the remaining 27% was covered by personal customers. This division has remained fairly stable for several years, although corporate customers now cover a slightly larger proportion of the investments.

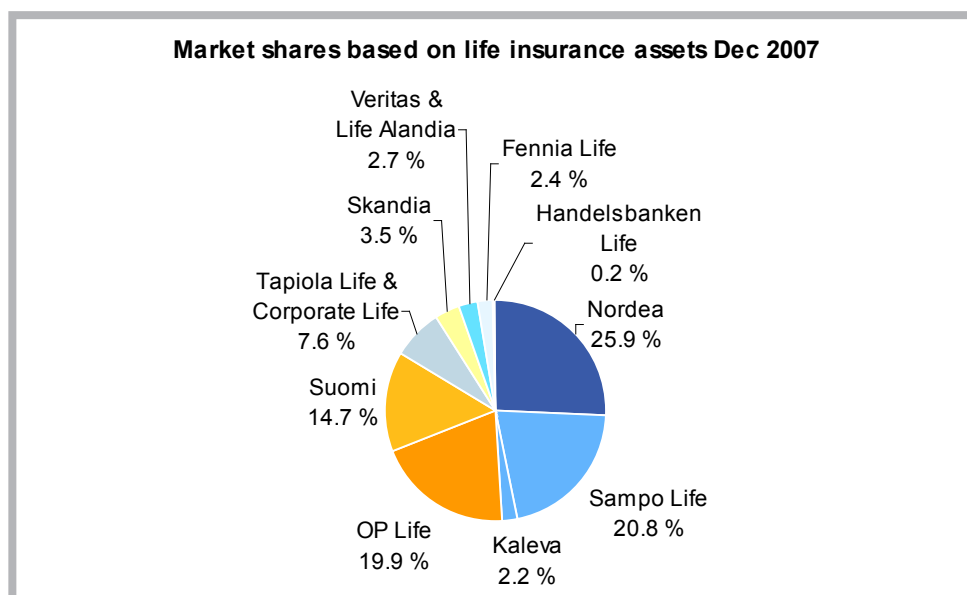


In 2007, the operating profit of investment firms was €121 million. In Finland, investment services can be offered by domestic credit institutions, investment firms or finance houses engaged in asset management. Investment services were offered by 37 domestic companies and 3 branch offices of foreign credit institutions.



3.6 Unit-linked insurance most popular

Finnish population structure is aging rapidly, and the objective has been to find a commonly accepted scheme for citizens to provide additional pension for themselves. For many customers, life insurance products have become an alternative saving option to funds and shares.





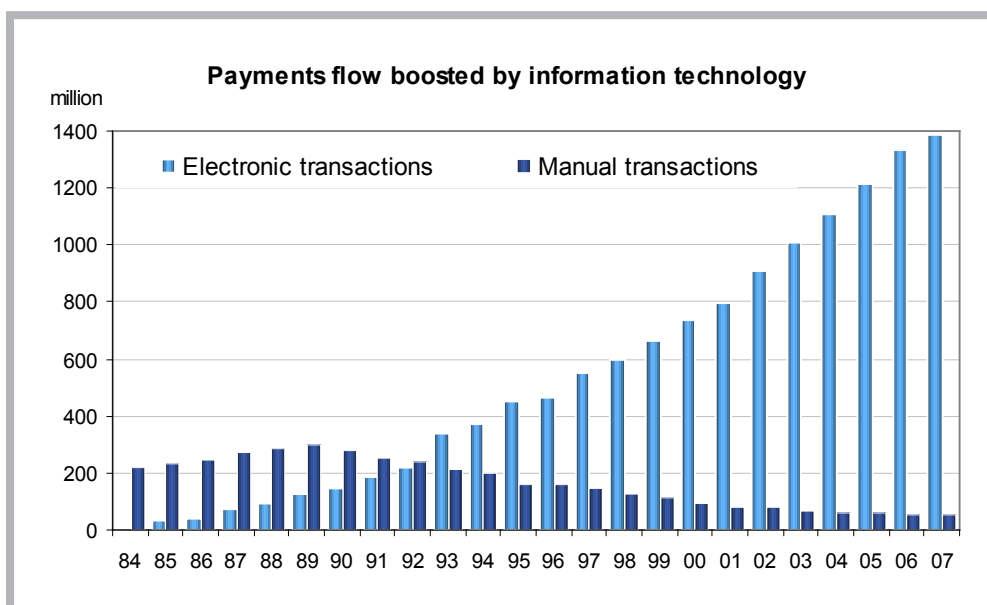
Almost every bank group now includes a life insurance company. The largest life insurance companies in Finland, based on assets, are Nordea Life Assurance Finland Ltd, Op Life Assurance Ltd and Sampo Life Insurance Company Ltd. The market share of these three companies was 67% at the end of 2007.

Total life insurance assets in Finland amounted to €30.2 billion at the end of 2007. The premium income of unit-linked life insurance savings policies has been on a considerable rise in the last few years. In 2007, total life insurance assets grew by 4%. Growth was fastest in unit-linked life insurance savings policies and personal pension schemes.

In 2007, total premium income of life insurance companies fell by 8.4% in comparison to 2006. This fall can be explained by the current state of savings policy markets; emphasis of new business has shifted from single premium insurance savings policies to continuous premium pension insurances. Life insurance companies received a total of 2.8 billion euros in premium income.

3.7 Payments go European

Finland changed over to the Single Euro Payments Area in January 2008. The system began with credit transfers and cards, and SEPA direct debit will be taken into use in 2009. The new system means that 31 national payment systems in Europe will be replaced with one single European system working with uniform standards and regulations.



The degree of automation in Finnish payments transmission is as high as 96%. The volume of bills paid over the bank counter has been dramatically reduced by the availability of data connections in both companies and homes, by retailers' payment terminals and by various payment cards.



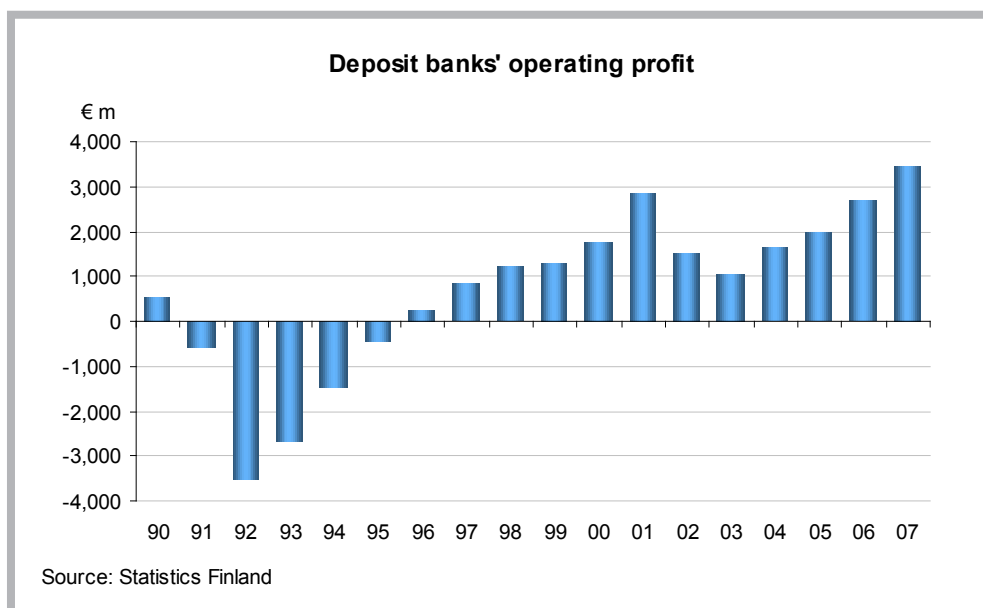
Today's banking is increasingly focusing on the Internet. The number of online banking agreements signed by households and companies reached 4.2 million at the end of 2007. Moreover, electronic invoicing is expected to gain ground among both businesses and consumers.

Automatia Pankkiautomaatit Oy, an ATM company owned jointly by OP-Pohjola Group, Nordea Bank Finland and Sampo Bank plc, had a total of 1,647 cash dispensing "Otto" ATMs in Finland at the end of the year. All full service banks in Finland are Automatia's clients.

New "Cash" and "Anna" ATMs enter markets, increasing competition between cash dispensing machines. "Cash" ATMs belong to Rautakirja plc and "Anna" to Suomen Käteisnostot Ltd. The new ATMs accept credit cards and Visa Electron.

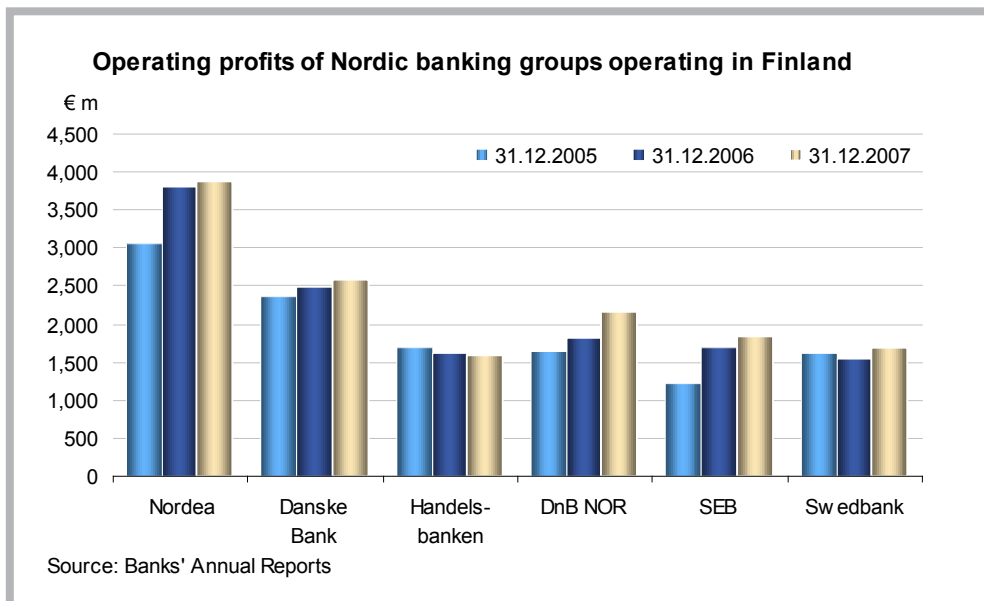
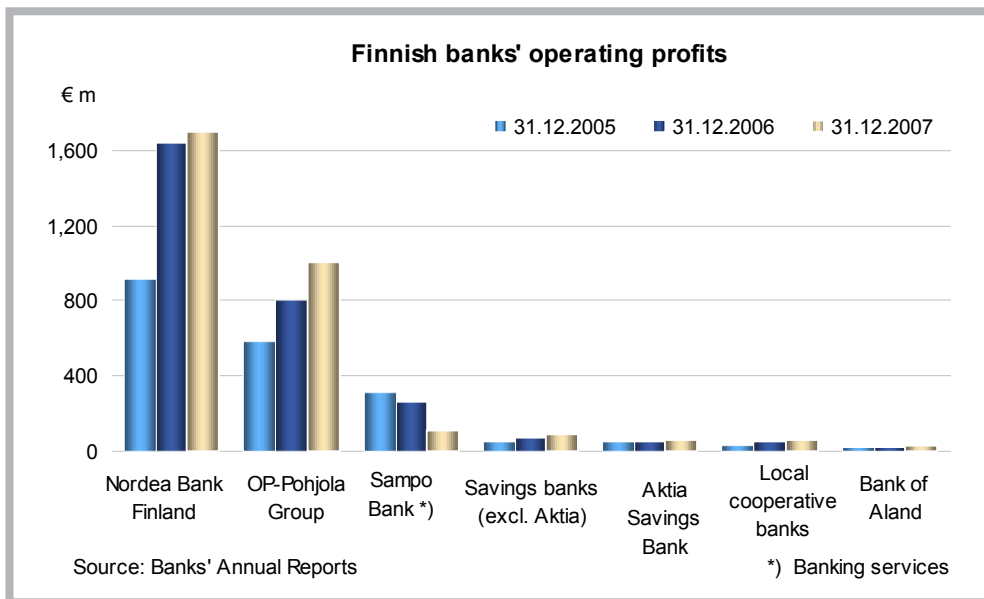
4. Performance of banks

In 2007, operating profit of Finnish banks was higher than ever before. Banks' performance, business growth and key figures developed positively during the year, propelled by good general financial situation and increased lending.



4.1 Increased operating profit

The financial market crisis that began in the second half of 2007 did not show in the financial results of banks operating in Finland. Large investment banks in the U.S. first recorded large losses, and were later followed by large international bank groups. The final effects of the crisis are still difficult to estimate; they will show in the financial statements of future years.



The subprime mortgage crisis in the U.S. had a strong effect on stock and interest rate markets. For Finnish loan product customers, the turbulence in financial market meant higher Euribor rates, and for Finnish banks it meant increased funding costs.

Net interest income increased as higher Euribor rates affected loan interest rates. Despite the rise in interest rates, demand for loans continued to be high. The rise in interest rates increased banks' interest income, and 63% of banks' income came from net interest income while fee and commission income accounted for 19%.

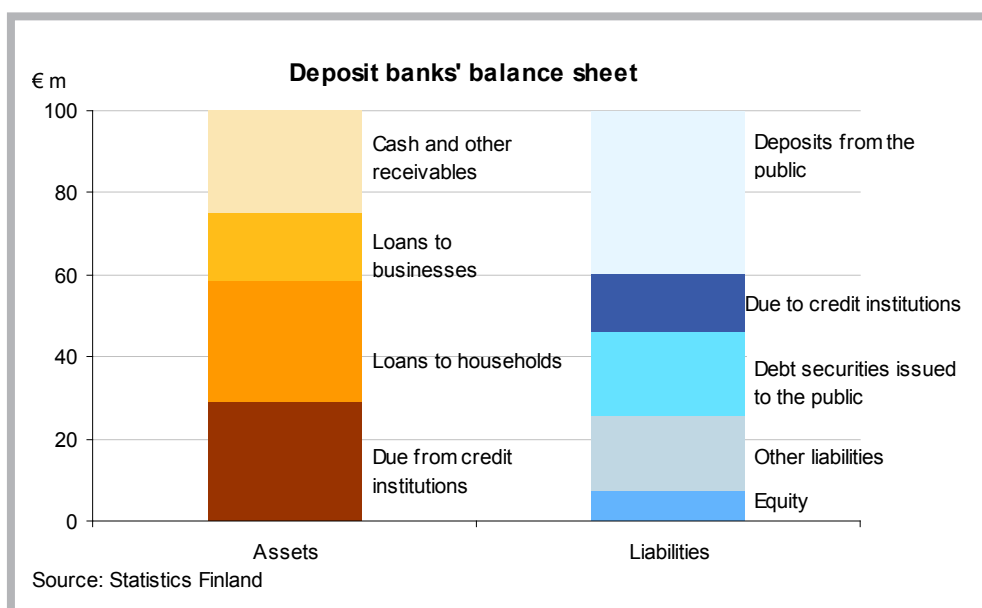


Growth and diversification of business brought income for banks. Active equity investment and grown investment funds increased banks' other profits. During the second half of the year, fee and commission income increased as markets became unstable and clients sold their holdings of securities and fund units.

Banks' fee and commission income came especially from investment funds, asset management and securities dealing. Of all banks' fee and commission income, 36% came from saving and investment related services, 26% from payments traffic and 16% from services related to credit granting.

One-time revenues and costs from structural changes make the performances of different banks less comparable. Sampo Bank and Aktia had the most notable amount of such revenues and costs.

Despite the considerable increase in the volume of banks' balance sheet items, operating expenses were not significantly increased. Administrative expenses and other costs were slightly increased due to banks' expanded operations, increased number of personnel and higher wage levels.



Interest rates have been on the rise from the mid-2005, and continue rising in 2008. During 2006, 12-months Euribor rose by almost 1%. In 2007, The European Central Bank raised its key interest rate twice. In late 2007, the rise in interest rates slowed down, and short-term interest rates fluctuated widely.



4.2 Capital adequacy and profitability of the banking sector

The key figures show that Finnish banks are currently in good financial state; they are financially strong and well prepared for risks. The market disturbance has so far had no effect on their capital strength. The capital adequacy ratio of the whole banking sector is 15.4%, while a year earlier it was 15.1%.

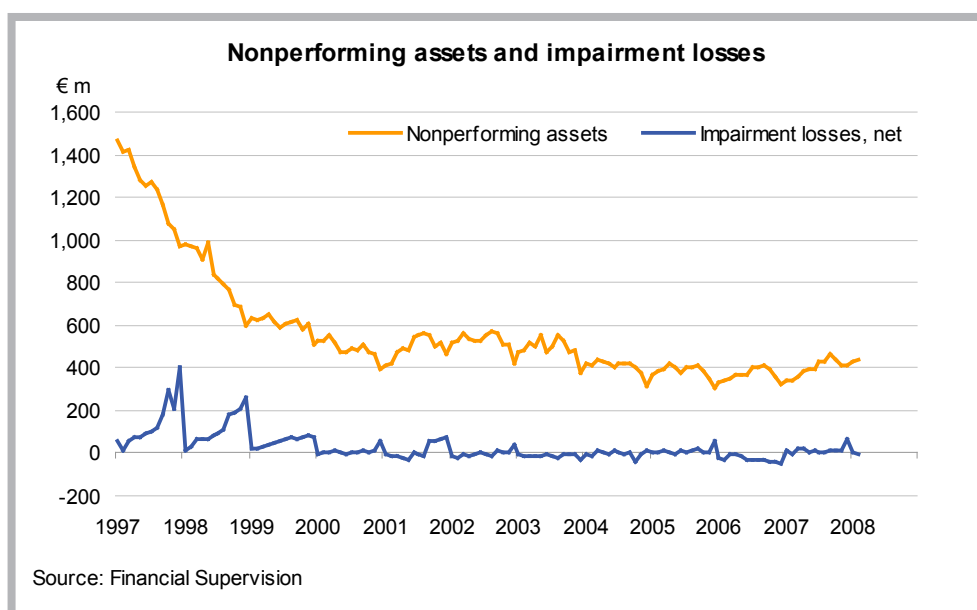
The capital adequacy calculation system has gone through comprehensive reform. Basel II revises banks' risk management and supervision. After the reform, banks will use their capital more effectively and the need for it will be smaller as risk-based approach will have more focus. Of the large banks, OP-Pohjola Group and Sampo Bank still used Basel I in calculating their capital ratio for 2007.

One way to measure profitability is return on assets. The profitability of the whole banking sector improved from 1.0% to 1.2% during 2007.

The cost/income ratio of the whole banking sector also improved, to 42.8% for three largest bank groups, and 65.1% for other domestic banks.

4.3 Loan portfolio remained healthy

The loan portfolio of Finnish banks remained healthy in 2007. Nonperforming assets increased somewhat, from €347 million to €430 million. Overdue assets however increased slightly more than nonperforming assets.



At the end of 2007, nonperforming loans comprised 0.28% of the loan portfolio. A year earlier the number was 0.26%. A loan is considered nonperforming if principal and/or interest remains unpaid for three months or longer.



Households continued to account for approximately 63% of nonperforming loans. For the present it seems that the growing housing loans and indebtedness of households are in control as well as in previous years.

Loan losses suffered by bank groups in 2007 were very small. Finnish banks' net impairment losses were approximately €64 million. Moreover, a year earlier Nordea Bank Finland recorded more reversals of credit losses than the record losses of all Finnish banks combined.

5. Outlook for 2008

The year 2008 began in a somewhat unsteady situation, and Finnish banks estimate that due to the unsteady development of capital markets, the results for 2008 will not be as high as for 2007.

The operating environment and general financial situation in 2008 has several factors of uncertainty, but Finnish banks are still financially strong. Moreover, the good profitability and efficiency achieved during recent years make a solid foundation for future operations.

Households' estimates of their own financial prospects have become more careful, although the employment situation has improved. Demand for housing and other loans has nevertheless remained high, but housing markets have slowed down somewhat.

Economic growth in Finland will slightly slow down during 2008 and especially 2009, but according to many forecasts, Finnish economic growth will be faster than European average. It is important for the whole financial sector that the financial markets stabilize as soon as possible.



Federation of Finnish Financial Services

Financial statements for 2007 and 2006

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Domestic banking groups and branches of foreign banks	Return on equity (ROE), %		Return on assets (ROA), %		Income/cost ratio, %		Capital adequacy ratio, %		Tier 1 capital ratio, %	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Nordea Bank Finland	11.2%	10.0%	1.0%	1.0%	35.0%	36.0%	15.3%	16.0%	13.7%	13.8%
OP-Pohjola Group	13.7%	12.1%	1.18%	1.06%	50.0%	55.0%	13.8%	14.3%	12.6%	12.7%
Sampo Bank plc *)	12.1%	25.9%			75.7%	56.7%				
Aktia Group	17.6%	16.8%			67.0%	62.0%	15.4%	13.8%	10.9%	9.2%
Savings banks (excl. Aktia)			1.6%	1.3%	56.0%	60.0%	22.8%	19.1%	20.4%	16.9%
Local cooperative banks					55.0%	61.0%	22.1%	20.0%		
Bank of Aland Group	16.4%	13.3%	0.9%	0.7%	62.0%	66.0%	12.8%	13.8%		
Tapiola Bank Group	-14.7%	-34.3%	-0.7%	-1.9%	120.0%	152.8%	12.0%	12.4%		
Hypo Group	10.2%	6.8%	1.2%	0.8%	31.6%	45.0%	20.4%	18.2%		
Glitnir Corporation	11.4%	20.2%			83.0%	73.0%	20.9%	32.8%		
Largest Nordic banking groups										
(ranked according to total assets)										
Danske Bank Group **)	15.1%	17.5%			55.6%	52.0%	9.3%	11.4%	6.4%	8.6%
Nordea Group	19.1%	21.4%			52.0%	53.0%	9.1%	9.8%	7.0%	7.1%
SEB Group	19.3%	20.8%			57.0%	58.0%	10.4%	11.5%		
Handelsbanken Group	23.3%	20.9%			40.5%	42.1%			10.6%	
DnB NOR Bank Group	22.0%	19.5%			50.6%	50.1%			7.2%	6.7%
Swedbank	18.9%	19.3%			51.0%	52.0%	12.7%	9.8%	8.5%	6.5%
Kaupthing Bank	23.5%	42.4%			47.5%	35.9%			9.6%	10.5%

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Domestic banking groups and branches of foreign banks	Net interest income			Net fee and commission income			Other operating income			Total operating income		
	2007	2006	Change	2007	2006	Change	2007	2006	Change	2007	2006	Change
Nordea Bank Finland	1,531.0	1,393.0	9.9%	315.0	308.0	2.3%	757.0	753.0	0.5%	2,603.0	2,454.0	6.1%
OP-Pohjola Group	1,048.0	883.0	18.7%	422.0	396.0	6.6%	776.0	676.0	14.8%	2,246.0	1,955.0	14.9%
Sampo Bank plc *)	405.0	396.0	2.3%	163.0	153.0	6.5%	32.0	37.0	-13.5%	600.0	586.0	2.4%
Aktia Group	88.9	84.1	5.7%	47.3	40.1	18.0%	145.4	12.3	1082.1%	281.6	136.5	106.3%
Savings banks (excl. Aktia)	159.2	134.4	18.5%	33.5	29.5	13.5%	23.0	20.0	14.8%	215.7	183.9	17.3%
Local cooperative banks	108.6	93.0	16.8%	16.9	14.2	19.0%	10.6	10.9	-2.8%	136.1	118.1	15.2%
Bank of Aland Group	39.3	32.7	20.2%	18.3	16.7	9.6%	17.8	12.2	45.9%	75.4	61.6	22.4%
Tapiola Bank Group	8.3	4.7	78.9%	14.3	8.2	74.5%	5.2	2.0	161.8%	27.9	14.9	87.5%
Hypo Group	2.6	2.9	-7.7%	0.9	0.9	5.8%	10.3	5.0	106.1%	13.9	8.74	58.9%
Glitnir Corporation	1.9	1.4	40.2%	80.3	67.8	18.4%	2.8	2.4	13.3%	85.0	71.6	18.7%
Largest Nordic banking groups												
(ranked according to total assets)												
Danske Bank Group **)	4,369.8	3,498.8	24.9%	1,191.6	949.8	25.4%	3,782.0	3,874.2	-2.4%	9,343.4	8,322.9	12.3%
Nordea Group	4,282.0	3,869.0	10.7%	2,140.0	2,074.0	3.2%	1,464.0	1,422.0	3.0%	7,886.0	7,365.0	7.1%
SEB Group	1,729.5	1,543.2	12.1%	1,843.3	1,744.7	5.7%	799.0	899.0	-11.1%	4,371.8	4,186.9	4.4%
Handelsbanken Group	1,687.3	1,591.4	6.0%	837.3	790.5	5.9%	407.9	465.1	-12.3%	2,932.5	2,847.0	3.0%
DnB NOR Bank Group	2,228.7	1,899.9	17.3%	883.7	833.8	6.0%	829.3	807.0	2.8%	3,941.6	3,540.7	11.3%
Swedbank	2,071.0	1,726.4	20.0%	1,068.1	958.4	11.5%	420.2	470.2	-10.6%	3,559.3	3,154.9	12.8%
Kaupthing Bank	914.2	596.6	53.2%	627.9	424.8	47.8%	350.2	883.9	-60.4%	1,892.3	1,905.4	-0.7%

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2006 average rates: SEK 9.2544; DKK 7.4591; NOK 8.0472; ISK 87.76

2007 average rates: SEK 9.2501; DKK 7.4506; NOK 8.0165; ISK 87.63
(applied to income items)

Rates at end 2006 : SEK 9.0404; DKK 7.4560; NOK 8.2380; ISK 93.13

Rates at end 2007: SEK 9.4415; DKK 7.4583; NOK 7.9580; ISK 91.90
(applied to balance sheet items)

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Domestic banking groups and branches of foreign banks	Staff-related and other administrative costs			Other costs			Total operating expenses			Impairment losses on loans and other commitments		Other items	
	2007	2006	Change	2007	2006	Change	2007	2006	Change	2007	2006	2007	2006
Nordea Bank Finland	890.0	863.0	3.1%	29.0	18.0	61.1%	919.0	881.0	4.3%	-20.0	-63.0		3.0
OP-Pohjola Group	856.0	817.0	4.8%	273.0	267.0	2.2%	1,129.0	1,084.0	4.2%	13.0	9.0	-99.0	-64.0
Sampo Bank plc *)							454.0	332.0	36.7%	36.0	-10.0		
Aktia Group	90.0	68.6	31.2%	126.7	15.4	722.7%	216.7	84.0	158.0%	0.2	-1.6	0.2	0.7
Savings banks (excl. Aktia)	53.0	48.0	10.4%	66.9	62.4	7.2%	119.9	110.4	8.6%	1.6	0.4		
Local cooperative banks	60.1	56.1	7.1%	16.6	17.9	-7.3%	76.7	74.0	3.6%	4.0	0.9		
Bank of Aland Group	36.5	31.9	14.4%	9.5	8.9	6.7%	46.0	40.8	12.7%	1.0		0.2	0.3
Tapiola Bank Group	28.6	20.6	38.9%	3.5	2.1	62.8%	32.0	22.7	41.1%	0.3	0.1	-0.2	
Hypo Group	3.8	3.3	17.8%	0.5	0.7	-18.6%	4.4	3.9	11.6%	0.0	0.0		
Glitnir Corporation	60.8	43.7	39.0%	9.3	8.8	6.4%	70.1	52.5	33.6%				
Largest Nordic banking groups													
(ranked according to total assets)													
Danske Bank Group **)	3,028.5	2,425.9	24.8%	3,631.5	3,483.7	4.2%	6,660.0	5,909.6	12.7%	92.2	-66.5		
Nordea Group	3,963.0	3,736.0	6.1%	103.0	86.0	19.8%	4,066.0	3,822.0	6.4%	-60.0	-257.0	3.0	8.0
SEB Group	1,613.1	1,552.0	3.9%	894.4	883.3	1.3%	2,507.4	2,435.3	3.0%	109.8	77.6		
Handelsbanken Group	1,298.9	1,203.6	7.9%	38.2	39.5	-3.5%	1,337.1	1,243.2	7.6%	2.9	-5.9		
DnB NOR Bank Group	1,174.2	1,017.6	15.4%	877.8	775.2	13.2%	2,052.0	1,792.8	14.5%	27.4	-32.1		
Swedbank	1,731.2	1,564.7	10.6%	76.2	71.2	7.0%	1,807.4	1,635.9	10.5%	66.9	-22.2		
Kaupthing Bank	814.1	608.1	33.9%	84.3	75.6	11.5%	898.4	683.8	31.4%	69.6	55.3	-0.9	-14.5

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Domestic banking groups and branches of foreign banks	Operating profit/loss			Taxes			Net profit/loss for the year			Total assets		
	2007	2006	Change	2007	2006	Change	2007	2006	Change	2007	2006	Change
Nordea Bank Finland	1,704.0	1,639.0	4.0%	339.0	358.0	-5.3%	1,365.0	1,281.0	6.6%	147,254.0	131,346.0	12.1%
OP-Pohjola Group	1,005.0	800.0	25.6%	266.0	202.0	31.7%	738.0	598.0	23.4%	65,716.0	59,535.0	10.4%
Sampo Bank plc *)	110.0	264.0	-58.3%							26,264.7	23,111.1	13.6%
Aktia Group	64.9	54.8	18.4%	13.4	13.4	0.0%	51.6	41.4	24.6%	7,950.9	5,491.7	44.8%
Savings banks (excl. Aktia)	94.2	73.1	28.8%							6,109.0	5,648.0	8.2%
Local cooperative banks	58.6	46.5	26.0%							3,702.9	3,467.1	6.8%
Bank of Aland Group	28.6	21.1	35.5%	7.6	5.4	40.7%	21.0	15.7	33.8%	2,592.0	2,189.0	18.4%
Tapiola Bank Group	-4.7	-7.9	-40.8%	0.1	0.5	-70.2%	-4.8	-8.4	-42.4%	923.8	547.3	68.8%
Hypo Group	9.5	4.8	96.8%	2.3	0.9	162.2%	7.2	4.0	82.3%	586.5	582.9	0.6%
Glitnir Corporation	14.9	19.1	-22.3%	2.9	5.8	-48.9%	11.9	13.4	-10.8%	475.7	142.4	234.1%
Largest Nordic banking groups												
(ranked according to total assets)												
Danske Bank Group **)	2,591.2	2,479.8	4.5%	595.4	663.9	-10.3%	1,995.8	1,815.9	9.9%	449,101.0	367,403.6	22.2%
Nordea Group	3,883.0	3,808.0	2.0%	753.0	655.0	15.0%	3,130.0	3,153.0	-0.7%	357,344.0	346,890.0	3.0%
SEB Group	1,839.8	1,681.6	9.4%	365.0	317.6	14.9%	1,474.8	1,364.0	8.1%	248,314.6	213,977.4	16.0%
Handelsbanken Group	1,592.6	1,609.8	-1.1%	419.3	532.2	-21.2%	1,173.3	1,180.8	-0.6%	196,937.1	198,001.0	-0.5%
DnB NOR Bank Group	2,171.6	1,825.4	19.0%	297.8	358.0	-16.8%	1,873.9	1,467.3	27.7%	185,212.2	160,262.4	15.6%
Swedbank	1,685.0	1,541.2	9.3%	373.0	347.0	7.5%	1,312.0	1,194.2	9.9%	170,310.2	149,660.3	13.8%
Kaupthing Bank	923.3	1,151.8	-19.8%	110.9	166.8	-33.5%	812.4	985.0	-17.5%	58,186.6	43,545.5	33.6%

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