

Company AS Inbank  
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- Inbank-10000803931-en.pdf (<http://oam.fi.ee/en/download?id=3328>)

Currency

Title Audited financial results of Inbank AS for 2017

The profit earned by Inbank in 2017 amounted to 7.5 million euros, which is almost three times more than in the previous year. The consolidated assets of Inbank grew by 48,3% over the year.

Last year, Inbank increased its deposit portfolio by 47.2% to 95.1 million euros. The financing portfolio increased by 43.3% at the same time and amounted to 92.9 million euros. On the consumer financing market, Inbank has risen to second place after Swedbank.

In total, Inbank sold credit products for 72.8 million euros in three countries in 2017 – 80.8% in Estonia, 11.4% in Latvia and 7.8% in Poland.

According to Inbank CEO Jan Andresoo, the growth of Inbank is based on a clear strategy and focused activities. "An approach aimed at our partners and developing technology has helped us grow into the most preferred partner in the area of hire-purchase and car loans," he said. "Spreading our operations geographically and exporting our business model makes more sense to us than competing with large banks that offer a variety of different services in Estonia. We're testing the business model that works on the Estonian market on the Latvian and Polish markets as well."

According to Andresoo, the bank's strong growth can continue on the account of international business. "Inbank's business in Estonia currently comprises approximately 80% of our loan portfolio," he said. "We can see the growth continuing in Estonia, but believe that in a couple of years, at least half of our portfolio will already come from international markets."

Several one-off transactions had an impact on Inbank's profit in 2017. The bank sold its former affiliates Coop Finants and Krediidipank Finants. The bank also considerably reduced its holding in the online identity verification company Veriff in 2017. In addition, Inbank's profit was affected by a changed tax



legislation in Latvia, which resulted in the need to write off income tax asset in amount of 389 thousand euros. The total impact of these events on the consolidated profit was 4.8 million euros.

Significant financial indicators as of 31 December 2017:

- \* Balance sheet total 126.0 million euros
- \* Loan portfolio 92.9 million euros
- \* Deposits 95.1 million euros
- \* Net profit for the year 7.5 million euros
- \* Equity 22.0 million euros

Consolidated statement of profit or loss and other comprehensive income

EURt	2017	2016
Interest income	13 023	9 788
Interest expense	-2 009	-1 404
Net interest income	11 014	8 384
Fee income	551	394
Fee expense	-607	-334
Net fee and commission income	-56	60
Other operating income	705	776
Total net interest, fee and other income	11 663	9 220
Personnel expenses	-3 997	-2 461
Marketing expenses	-929	-566



Administrative expenses	-1 602	-1 014
Depreciation, amortisation	-215	-174
Total operating expenses	-6 743	-4 215
Profit before impairment losses on loans and advances	4 920	5 005
Share of profit of associates	6 203	773
Impairment losses on loans and advances	-3 532	-3 219
Profit before income tax	7 591	2 559
Income tax	-92	57
Profit for the period	7 499	2 616
Other comprehensive income/loss		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	-38	2
Total comprehensive income for the period	7 461	2 618
Net profit attributable to:		
Shareholders of parent company	7 496	2 646
Non-controlling interest	3	-30
Profit for the reporting period	7 499	2 616
Total comprehensive income attributable to:		



Shareholders of parent company	7 458	2 649
Non-controlling interest	3	-31
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Total comprehensive income for the reporting period	7 461	2 618
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# Consolidated statement of financial position

EURt

31.12.2017 31.12.2016

## Assets

Cash in hand	4	4
Due from central banks, including mandatory reserve	14 767	14 680
Due from credit institutions	8 530	1 956
Loans and advances to customers	92 895	64 839
Investments in associates	7 806	1
Tangible assets	279	183
Intangible assets	816	902
Other financial assets	61	43
Other assets	459	214
Deferred tax asset	364	449
Assets held for sale	0	1 672
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Total assets	125 981	84 943
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Customer deposits	95 056	64 587
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Other financial liabilities	1 263	1 034
Other liabilities	1 136	722
Income tax liability	0	321
Subordinated debt securities	6 480	6 475
Total liabilities	103 935	73 139
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Equity		
Share capital	782	689
Share premium	9 068	6 361
Statutory reserve capital	79	57
Other reserves	1 352	1 361
Retained earnings	10 739	3 330
Total equity attributable to the shareholders of parent company	22 020	11 798
Non-controlling interest	26	6
Total equity	22 046	11 804
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Total liabilities and equity	125 981	84 943
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Inbank, which started operating as a bank in 2015, offers services via its internet bank and a large partner network. Inbank operates on the consumer financing markets of Estonia, Latvia and Poland. Inbank also receives international deposits from the German and Austrian markets. Inbank and its subsidiaries have ca 170 thousand clients in three countries.

Further information:

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