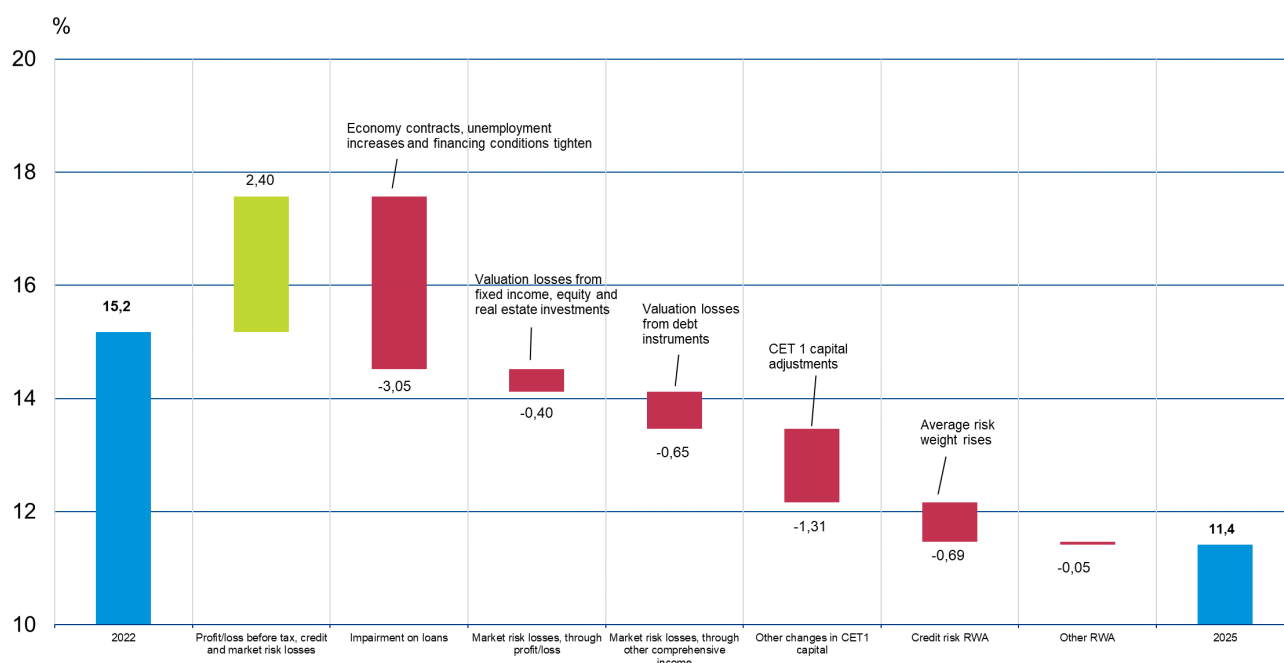


Stress test adverse scenario 2023–2025, for 8 smaller banks (LSI banks)

Chart 1. Changes in LSI¹ banking sector CET 1² ratio in the adverse scenario

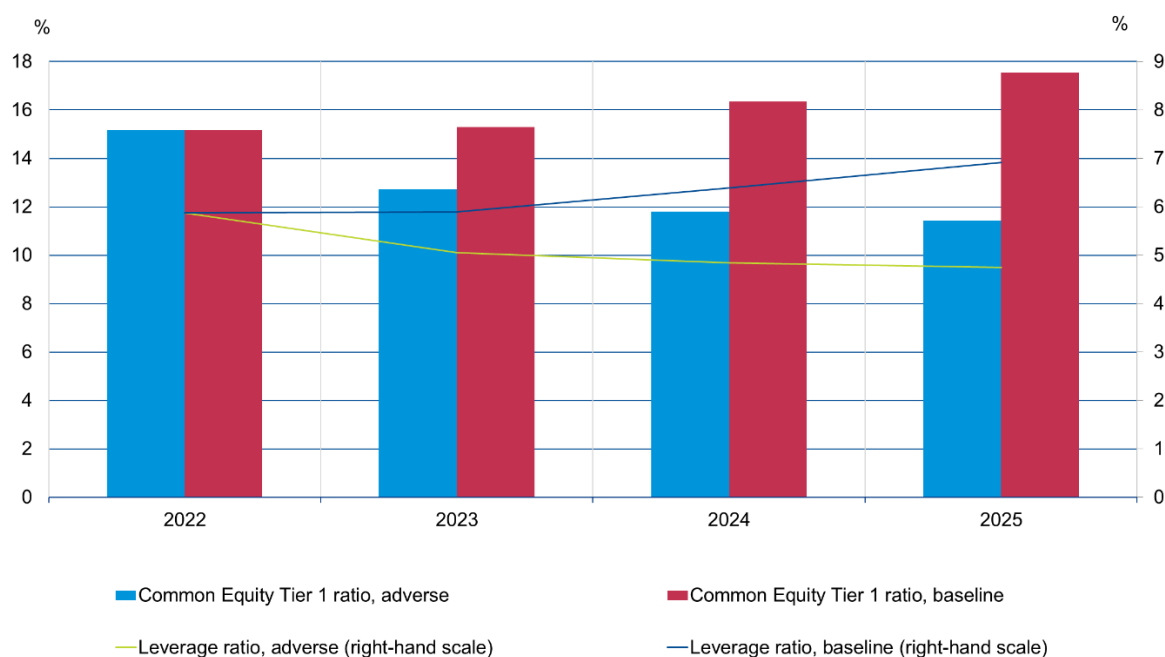


Source: FIN-FSA

¹ LSI = Less significant institution.

² Average, weighted by risk-weighted assets.

Chart 2. LSI banking sector solvency in the adverse and the baseline scenario



Source: FIN-FSA

Table 1. LSI banking sector developments

LSI banking sector	Outcome	Adverse scenario			
Figures, EUR million	2022	2023	2024	2025	
Common Equity Tier 1 ratio	15,2 %	12,7 %	11,8 %	11,4 %	
Total capital ratio	16,8 %	14,3 %	13,3 %	12,8 %	
Leverage ratio	5,9 %	5,1 %	4,8 %	4,7 %	
Net interest income	681,4	664,6	667,1	669,7	
Net fee and commission income	489,3	414,6	386,0	397,8	
Other income total	91,1	44,0	43,4	41,2	
Total income	1 261,9	1 123,2	1 096,5	1 108,7	
Changes in the fair value of financial assets recognised in profit and loss	44,2	-82,6	-7,4	5,7	
Total expenses	894,1	930,0	940,0	958,1	
Impairments on loans	59,3	193,5	248,5	193,2	
Earnings before taxes	352,4	-82,8	-99,5	-37,0	
Changes in fair value reserve	-217,5	-207,1	43,8	27,4	
Non-performing exposures	709,1	1 182,9	2 034,6	2 541,0	
Non-performing exposures / total exposures	1,54 %	2,57 %	4,43 %	5,53 %	
Impairments on loans / loan stock	0,13 %	0,42 %	0,54 %	0,42 %	

Source: FIN-FSA