

A woman with dark hair, wearing a red knit beanie and a bright yellow jacket over a grey hoodie, is smiling and looking to the right. She is outdoors in a mountainous, slightly hazy landscape. The background shows rolling hills and a cloudy sky.

RESULTS Q1 2025

RIIKKA LAINE-TOLONEN, CEO & MIKA HEIKKILÄ, CFO

8 MAY 2025



HIGHLIGHTS

Q1 2025



Q1 2025: GROWTH CONTINUES DURING WELCOME PHASE

Result in line with expectations

- Operating profit decreased as expected
- Continuing good growth as the 4th largest bank for household customers in Finland while welcoming our new customers and employees from Handelsbanken

More and more people choose S-Bank as their preferred bank

- In Q1, number of active customers increased by 115 000 from previous year to 790 000 (675 000)

Transferred customers are settling in well

- In December 2024, approx. 100 000 Handelsbanken customers transferred to S-Bank
- Transferred customers have started using our services actively

Development projects progressing as planned

- In addition to strategic development projects, we continuously invest in the security of our services and strengthening our foundation

KEY FIGURES JAN-MAR 2025 VS. JAN-MAR 2024

Operating profit
EUR million

23.9

(42.8)
-44%

Capital adequacy ratio
%

25.0

(19.7%)
+5.3bp

S&P Credit rating
June 2024

BBB+
/A2

Lending base
EUR billion

9.4

(7.0)
+34.3%

Assets under management
EUR billion

8.3

(6.4)
+29.7%

Deposit base
EUR billion

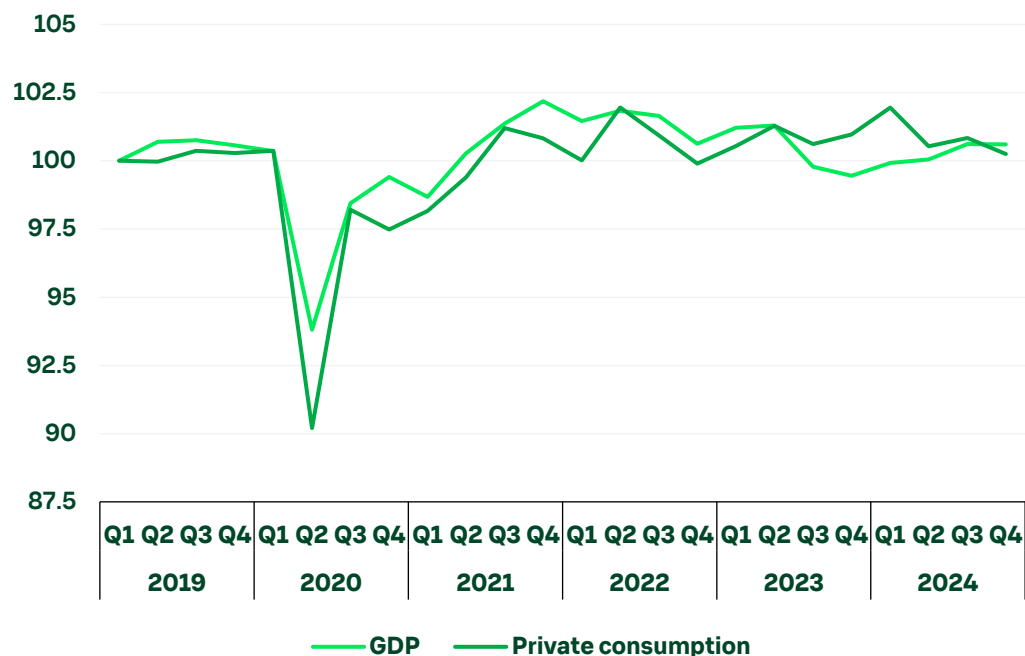
9.6

(8.2)
+17.1%

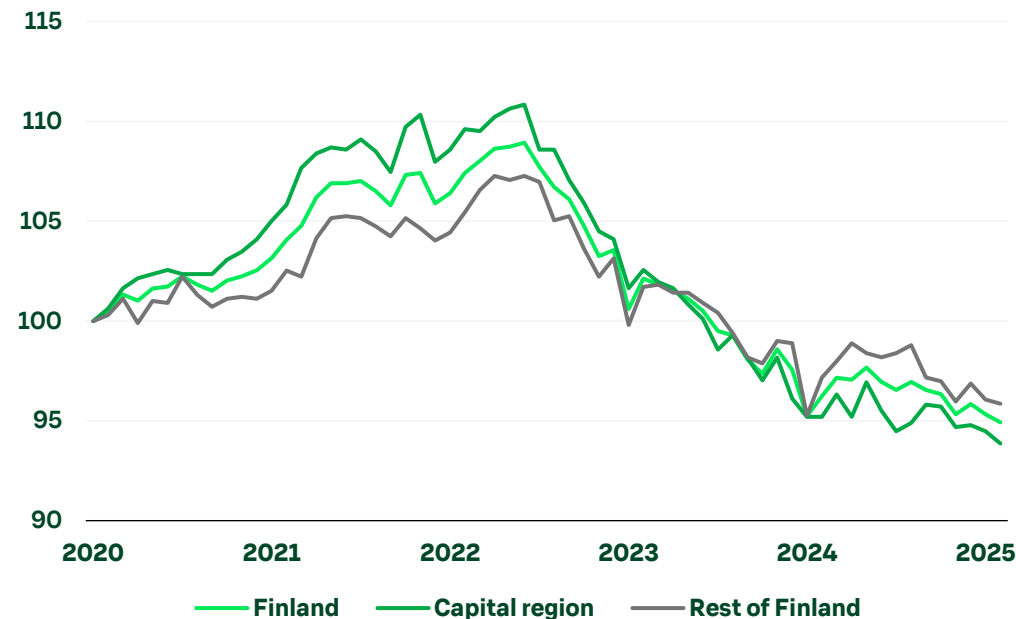


ECONOMIC OUTLOOK: UNCERTAINTY IN GLOBAL ECONOMY SLOWS DOWN RECOVERY OF FINNISH ECONOMY

GDP AND PRIVATE CONSUMPTION IN FINLAND*



HOUSING PRICES IN FINLAND



*Sources: Macrobond, Statistics Finland, S-Bank.
GDP and private consumption index 1 Jan 2019=100.

OUTLOOK FOR 2025 UNCHANGED

S-Bank's **profit guidance for 2025 has been lowered** due to declining interest rates, despite the fact that the Handelsbanken transaction will increase the bank's earnings. In addition, the investments related to implementing our strategy will remain at a high level.

The outlook for 2025 is still **subject to uncertainties** regarding the operating environment, geopolitical tensions, the economy, employment and the real estate market.

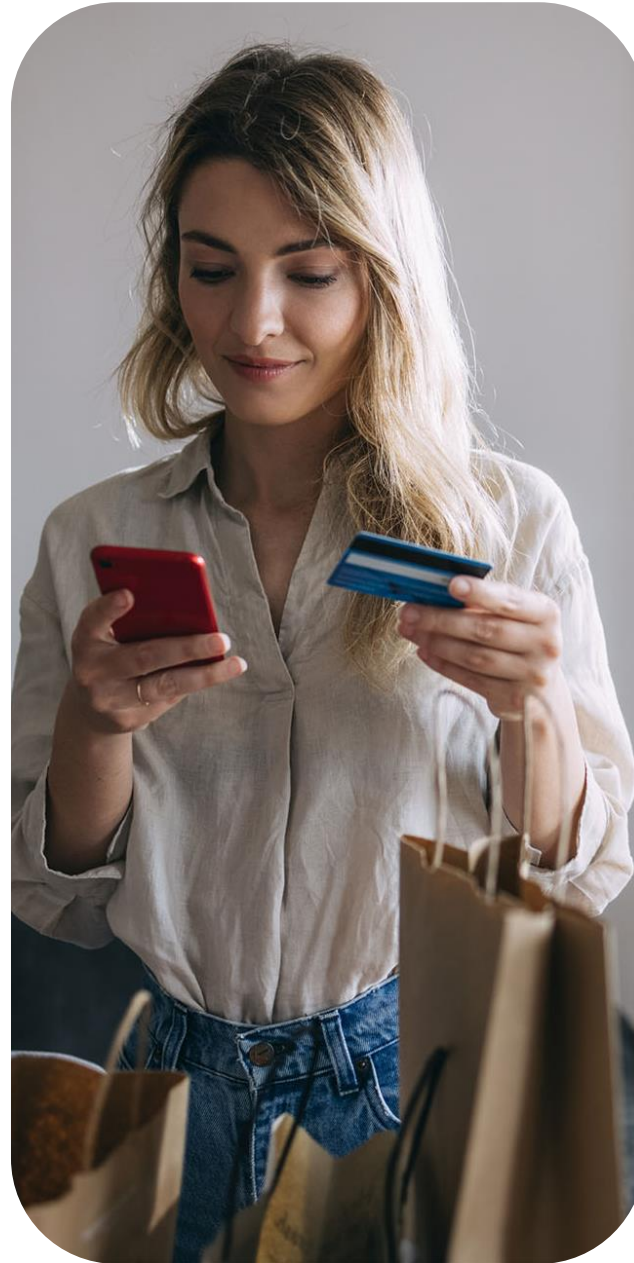
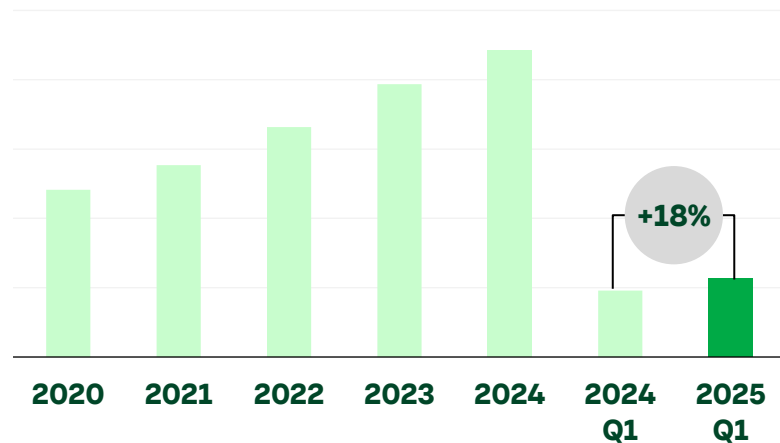
We expect operating profit for the whole year to **decline to approximately EUR 100 million** (165.2). The scale of the change is impacted by the one-off negative goodwill related to the Handelsbanken transaction, which was recognised as income in 2024.



BANKING SEGMENT IN Q1 2025

- Customers used our banking services even more actively than before
- Both deposits and usage of payment cards grew
- Market share of mortgages stable despite the welcome phase

S-ETUKORTTI VISA CARD PURCHASES (EUR)



BANKING

Operating income
EUR million

91.3
(96.3)
-5.2% yoy

Operating profit
EUR million

26.0
(44.0)
-40.9% yoy

HOUSEHOLD CUSTOMERS'

Loans
EUR billion

8.2
(5.8)
+41.0% yoy

Deposits
EUR billion

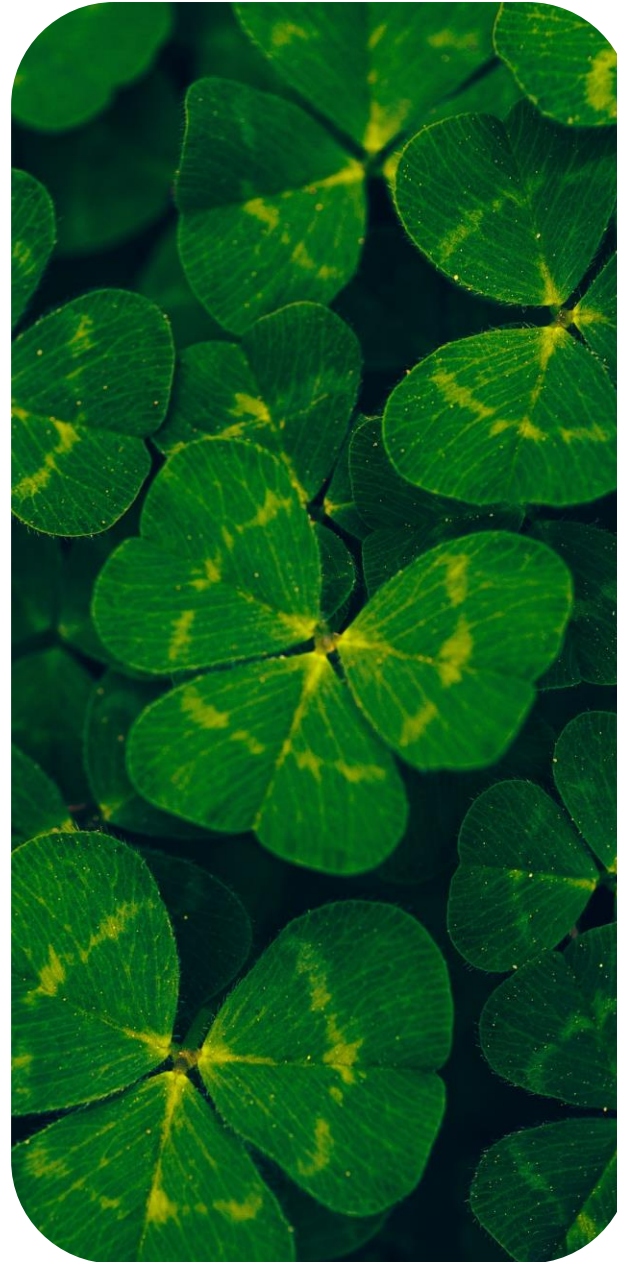
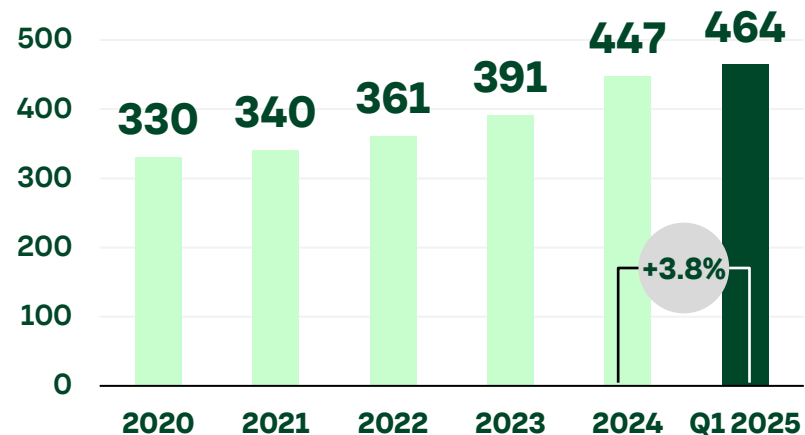
9.0
(7.5)
+18.7% yoy



WEALTH MANAGEMENT IN Q1 2025

- Good development in number of unit holders in the S-Bank funds
- Household customers' willingness to invest decreased from an optimistic to an uncertain level due to the global political situation

NUMBER OF UNIT HOLDERS IN S-BANK FUNDS
(THOUSANDS)



WEALTH MANAGEMENT

Operating
income
EUR million

11.8

(10.2)
+16.4% yoy

Operating
profit
EUR million

-0.7

(0.4)

Assets
under
management
EUR billion

8.3

(6.4)
+29.6% yoy

Net subscriptions
to S-Bank
mutual funds
EUR million

207.6

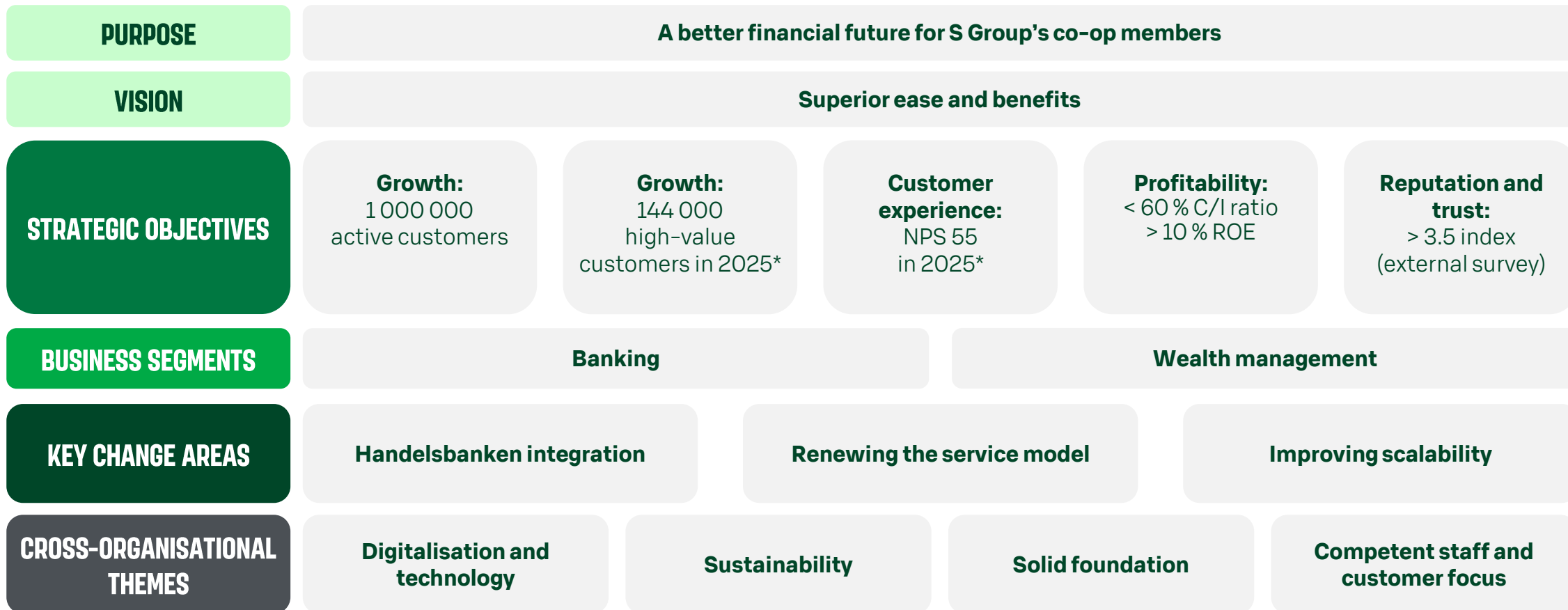
(75.6)
+175% yoy

STRATEGY 2024-2027



S-BANK'S STRATEGY 2024-2027

PARTNER FOR A BETTER EVERYDAY LIFE – AN ENABLER OF MILLIONS



*More information on targets for 2026-2027 to be announced later.



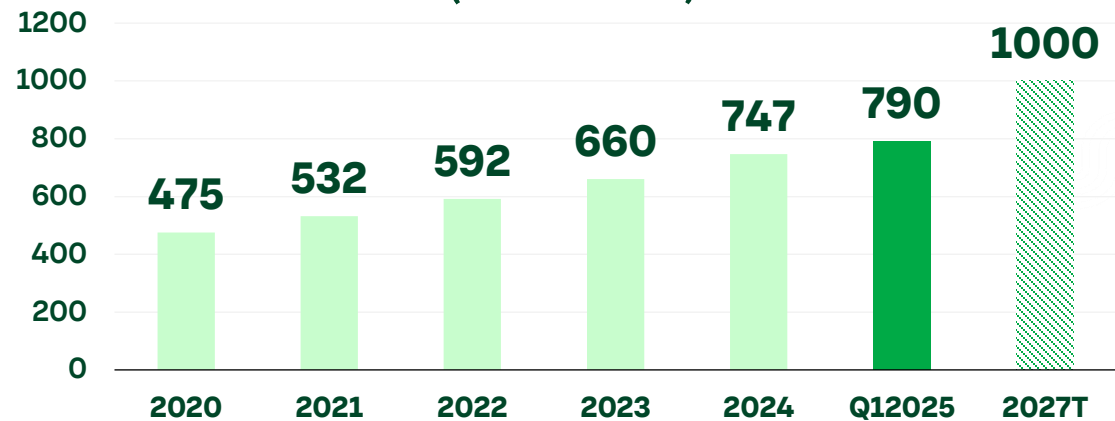
1 MILLION ACTIVE CUSTOMERS



ACTIVATING OUR CUSTOMER BASE TO BOOST GROWTH

- Expanding existing customer relationships is a key part of our strategy
- During this strategy period, we will renew our service model to be able to serve our customers in a more personal and needs-based manner
- Target for number of high-value customers set for 2025

**NUMBER OF ACTIVE CUSTOMERS
(THOUSANDS)**



POSITIVE FEEDBACK FROM TRANSFERRED CUSTOMERS



INTEGRATION PROCEEDING WELL

- Integration of Handelsbanken's Finnish private customer, asset management and investment services operations has been excellent
- Combining strengths of 200 professionals at Handelsbanken with those of S-Bank
 - Excellent starting point for smoother and faster services
- Transferred customers have started to actively use our services
- Survey among transferred customers in March:
 - 2/3 said that transfer of services to S-Bank was smooth
 - > 2/3 feel that S-Bank is their main bank
 - Particularly happy with digital services and management of daily banking
 - Also increasingly happy to recommend S-Bank



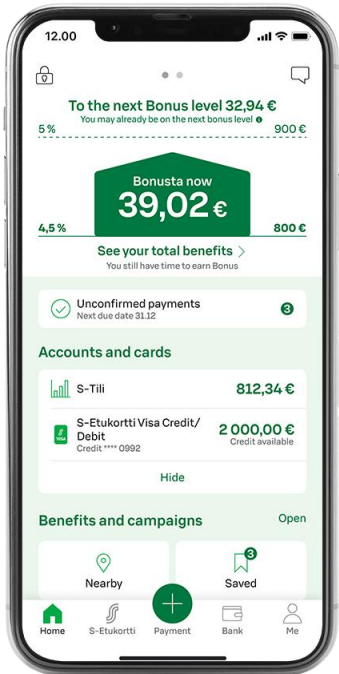
WORLD-CLASS DIGITAL SERVICES



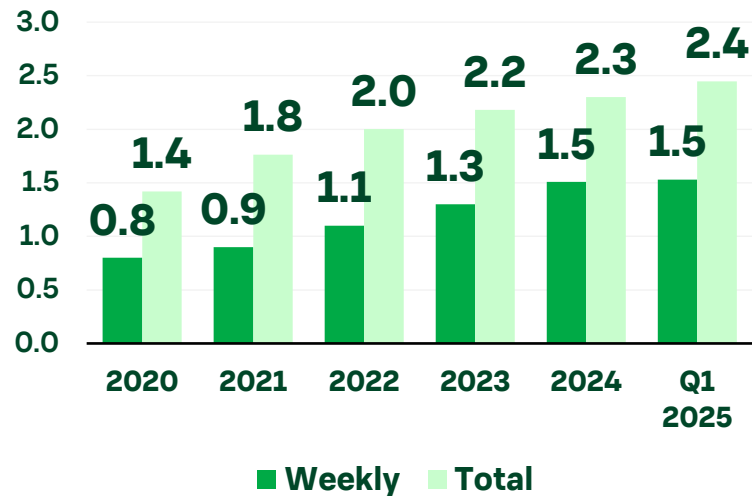
DEVELOPING OUR DIGITAL SERVICES

S-MOBIILI FIRST

- Digital services are essential to S-Bank's service and operating model, and we systematically develop them
- S-mobiili app is at heart of all transactions
- S-mobiili keeps growing in popularity



S-MOBIILI USERS (M)



INVESTING IN SECURITY AND A STRONG FOUNDATION

**ALONGSIDE STRATEGIC PROJECTS
THAT IMPLEMENT OUR STRATEGY,
WE CONSTANTLY WORK ON AND
INVEST IN THE SECURITY OF OUR
BANKING APPLICATIONS AND
STRENGTHENING OUR FOUNDATION.**



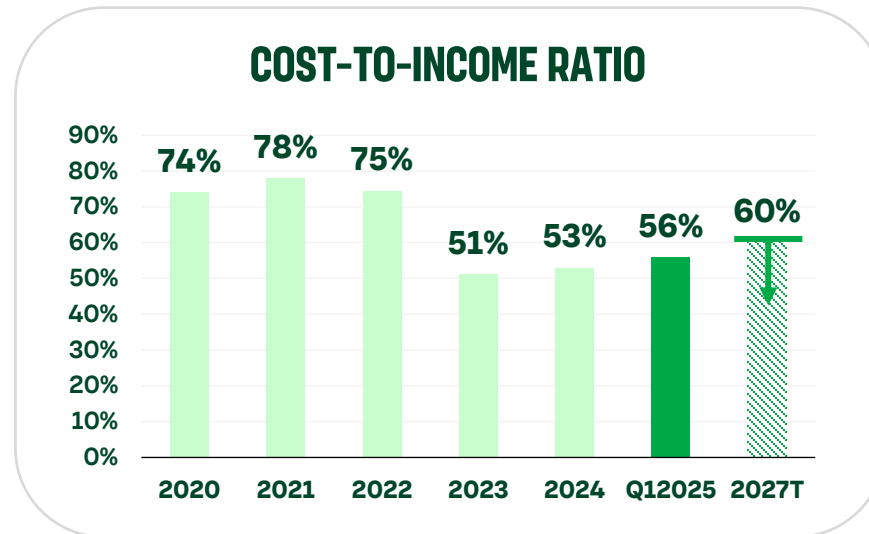
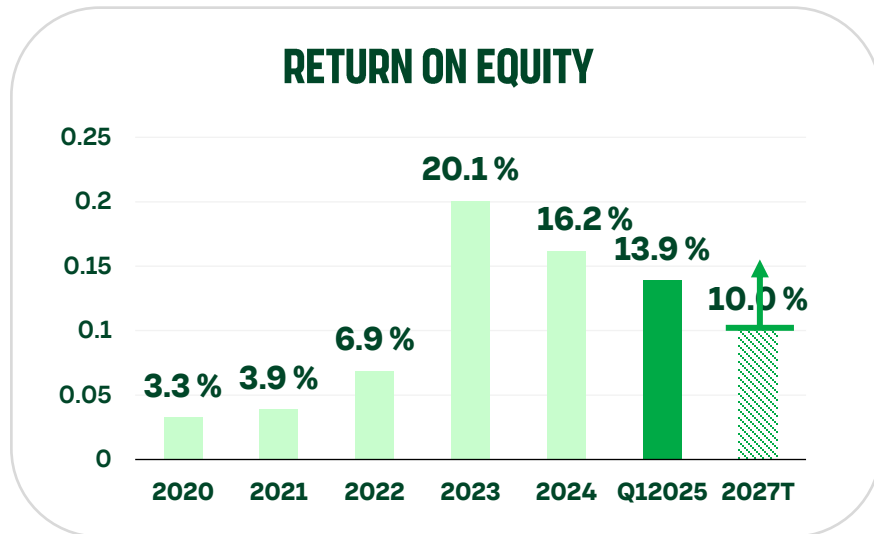
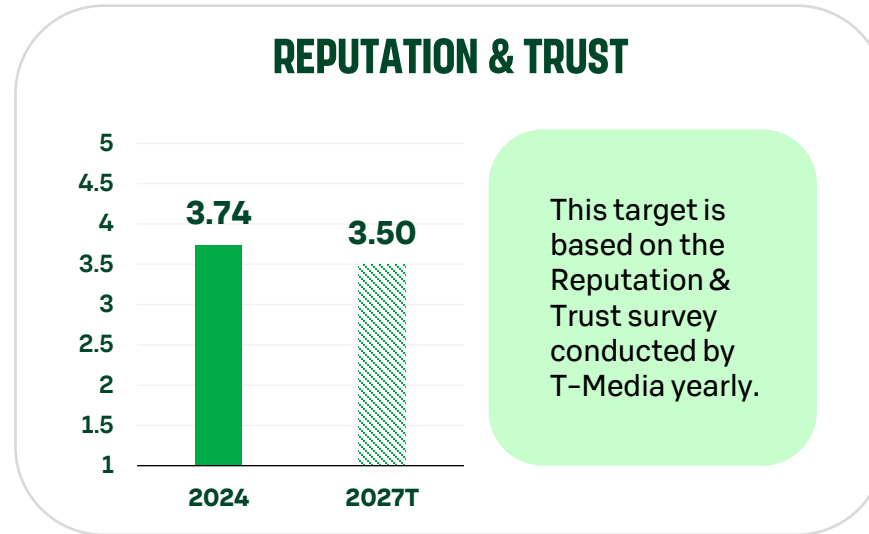
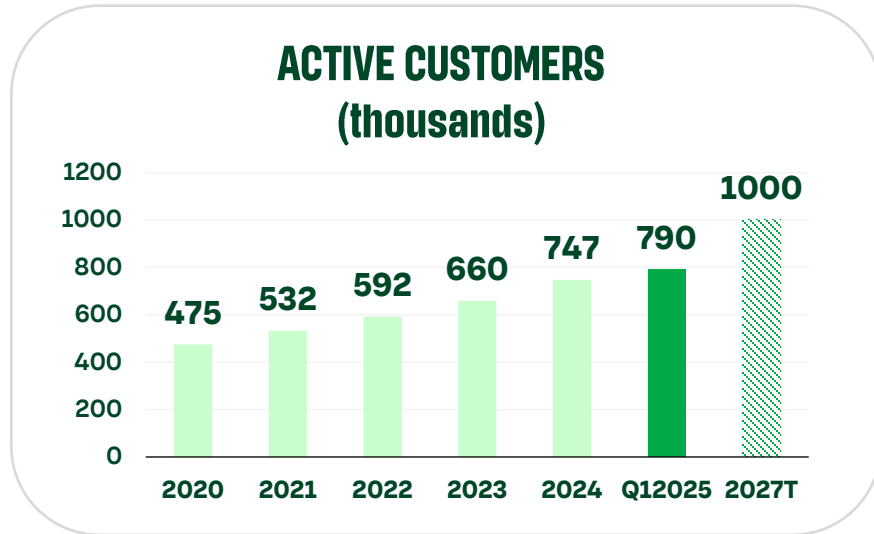
SUMMARY

Q1 2025



DEVELOPMENT OF STRATEGIC TARGETS 2027

PROGRESS IN Q1 2025



SUMMARY

Q1 2025

**GROWTH
CONTINUES
DURING
WELCOME PHASE**

**POSITIVE
FEEDBACK FROM
TRANSFERRED
CUSTOMERS**

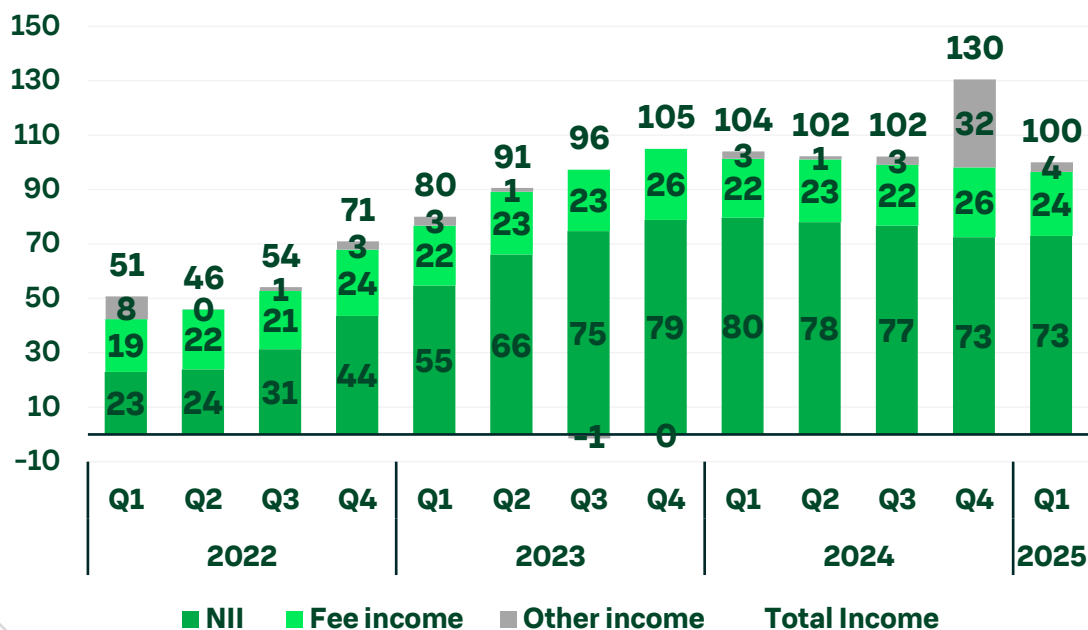
**SEVERAL
DEVELOPMENT
PROJECTS
UNDERWAY**

KEY FINANCIALS

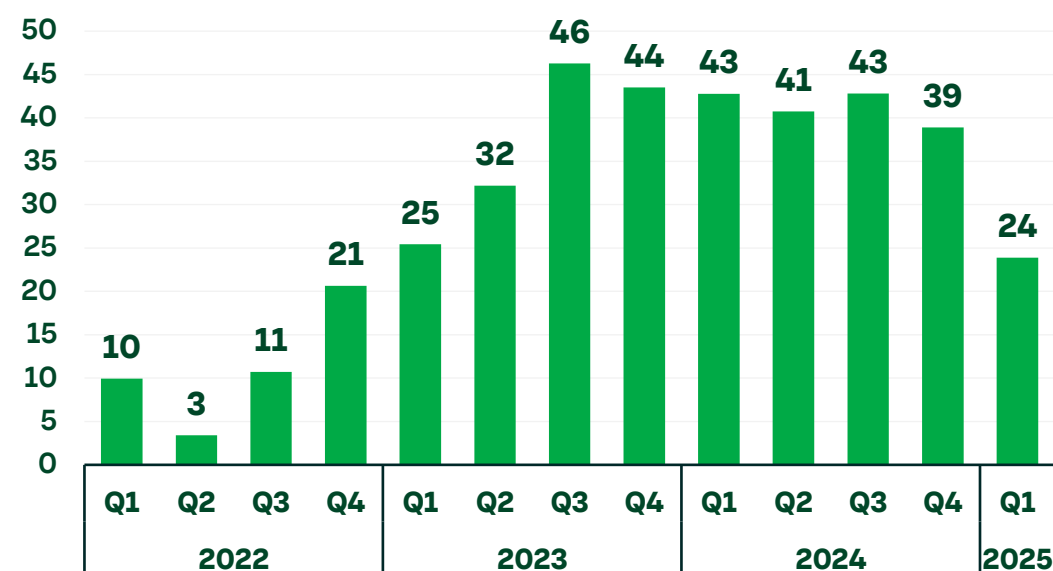


DEVELOPMENT OF KEY INCOME MEASURES

TOTAL INCOME (EUR m)



OPERATING PROFIT (EUR m)

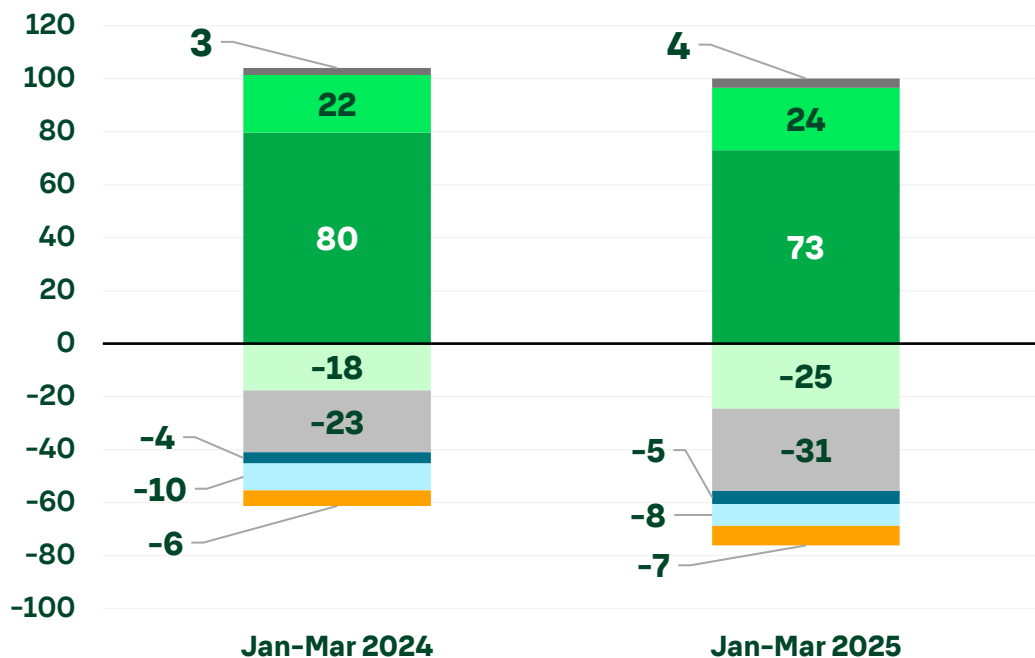


- In Q1/2025 total income was EUR 100 million which roughly equals the level of previous quarters when excluding one off items in Q4/2024. Falling market rates affected negatively total income, but total income was supported by SHB-deal volumes.
- Net interest income totalled EUR 73 million in Q1/2025. SHB-deal volumes increased the absolute level of net interest income and supported it against lower interest rates compared to previous quarters. However, compared to Q1/2024 net interest income decreased moderately due to diminishing deposit margins.
- In Q1/2025 fee income was at the average level of latest quarters totalling EUR 24 million. SHB-deal volumes increased fee income especially in wealth management but termination of cash services collaboration and specific card type fees affected fee income growth negatively.



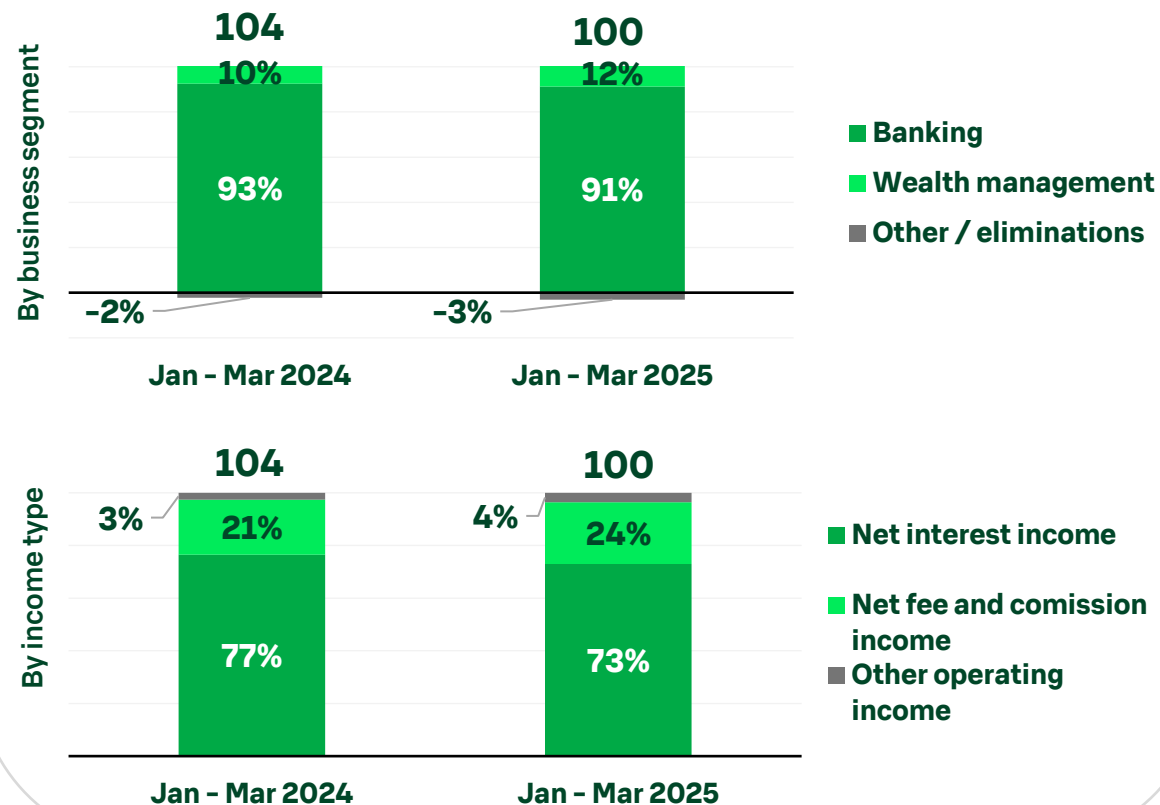
INCOME & COST ANALYSIS

DEVELOPMENT OF KEY INCOME & COST ITEMS (EUR m)



- Net interest income
- Fee income
- Other income
- Personnel costs
- Other administrative costs
- Depreciation
- Other costs
- Impairment losses

INCOME SPLITS BY SEGMENT AND TYPE (EUR m)

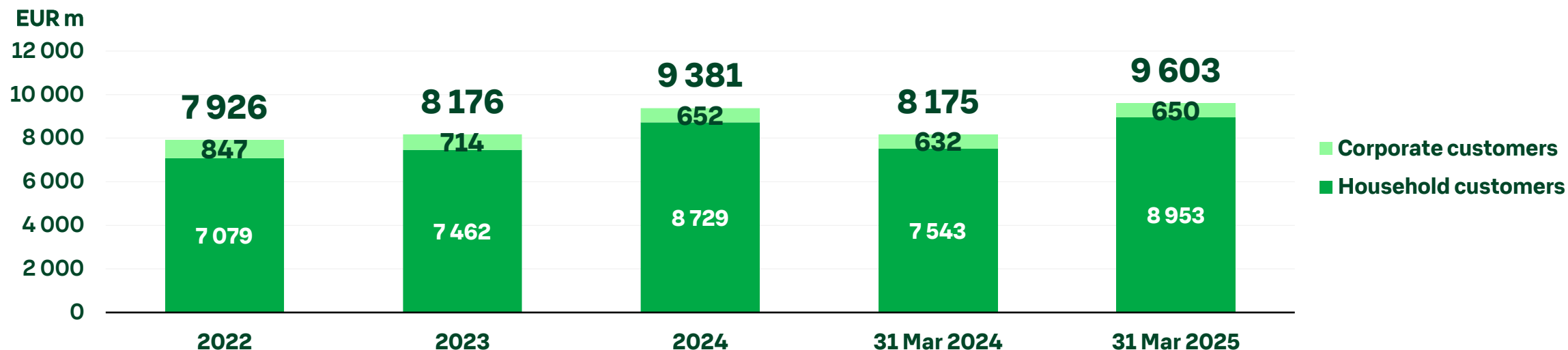


	Jan-Mar 2024	Jan-Mar 2025
Cost - Income ratio, %*	50%	56%
Total income / Total assets, %*	4.1%	3.7%



DEPOSITS UP 17.5%

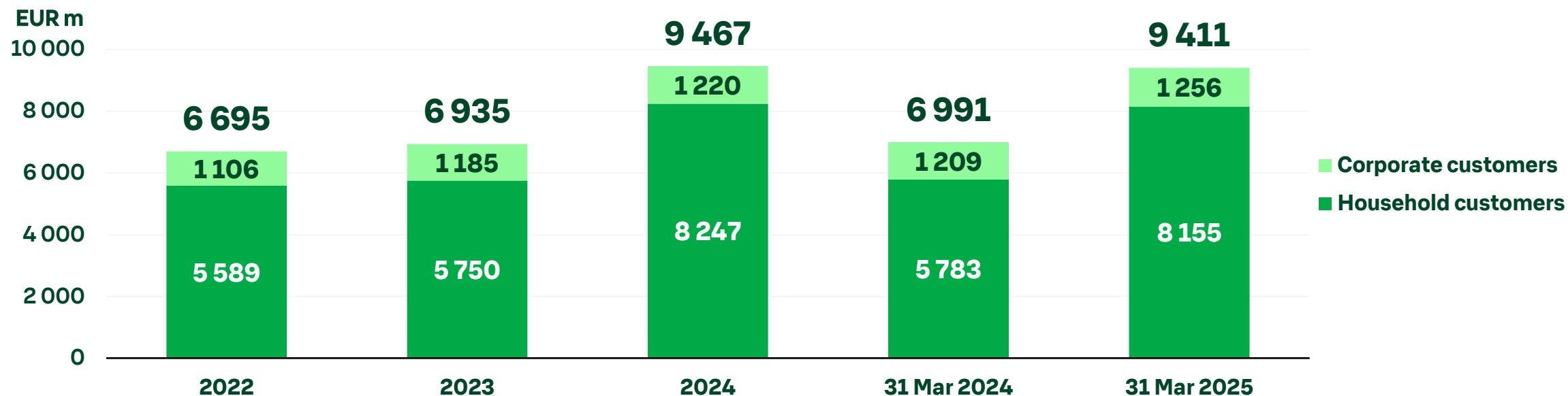
TIME DEPOSITS EUR 954 MILLION (638) AT THE END OF MARCH



Deposits (EUR m)	31 Mar 2024	31 Mar 2025	12-month change
Household customers	7 543.2	8 952.8	18.7%
Corporate customers	631.9	649.7	2.8%
Total	8 175.1	9 602.5	17.5%



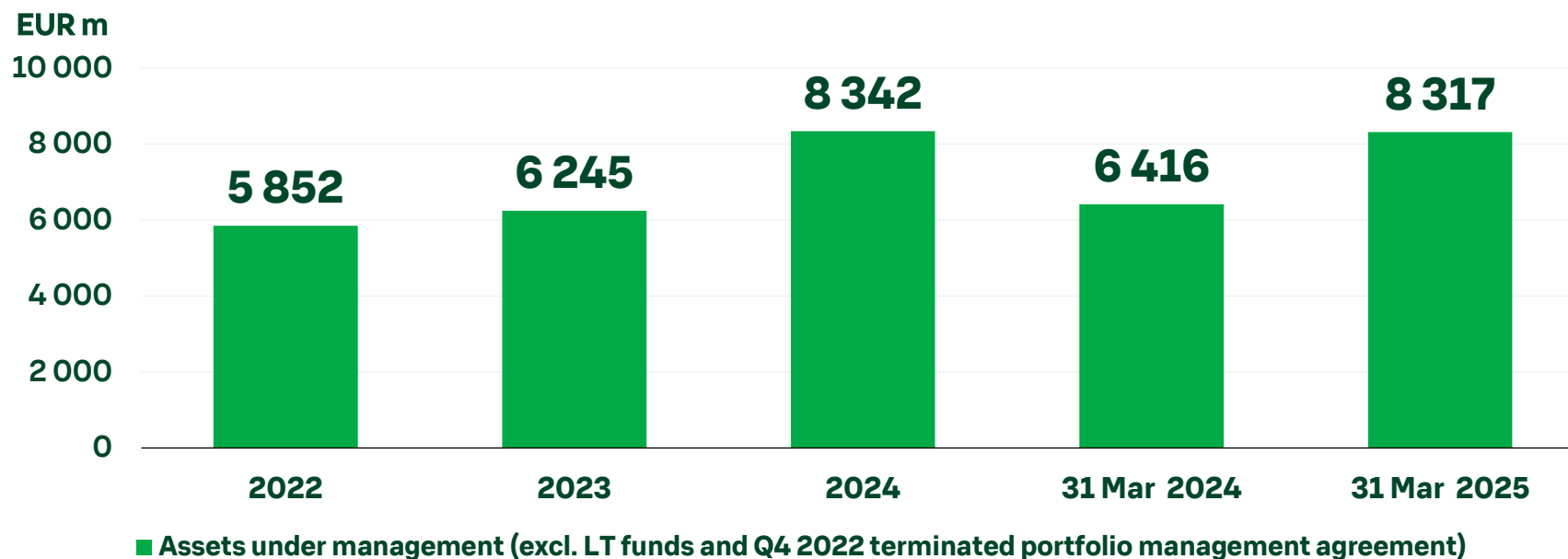
LENDING UP 34.6%



Lending (EUR m)	31 Mar 2024	31 Mar 2025	12-month change
Household customers	5 782.5	8 154.7	41.0%
Corporate customers	1 208.8	1 256.2	3.9%
Total	6 991.3	9 410.9	34.6%



AUM UP 29.6 %



In addition, S-Bank Properties Ltd managed EUR 365.2 million in customer assets, consisting of real estate and joint ventures (368.9).

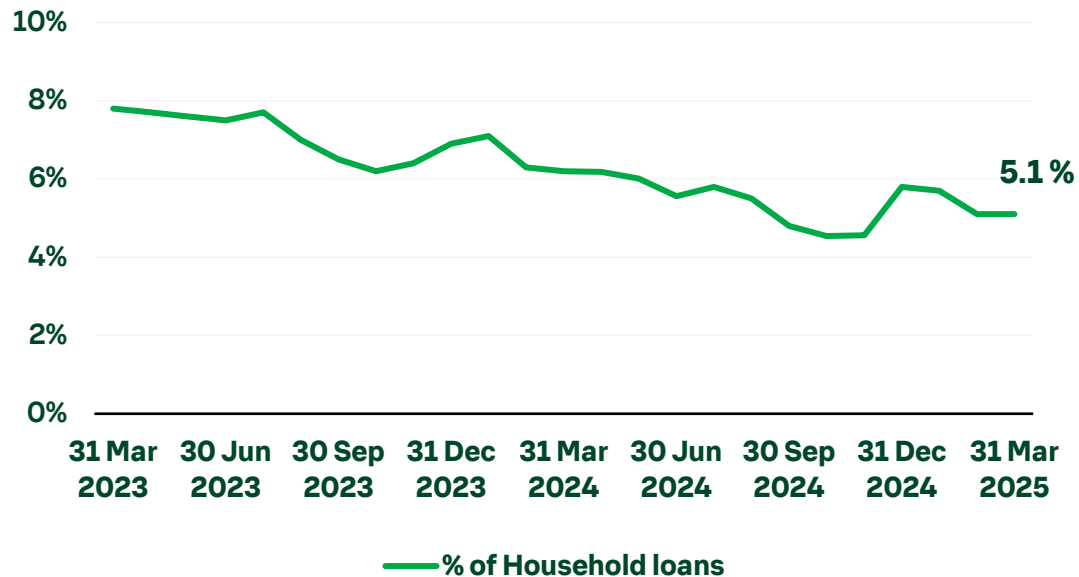
Net subscriptions to the S-Bank mutual funds amounted to EUR 207.6 million in the review period compared with EUR 75.6 million a year earlier.

Comparable assets under management (EUR m)	31 Mar 2024	31 Mar 2025	12-month change
Fund capital	4 476.8	4 854.8	8.4%
Wealth management	1 939.2	2 606.7	34.4%
Funds issued by other than Group companies		855.0	100.0%
Total	6 416.0	8 316.5	29.6%

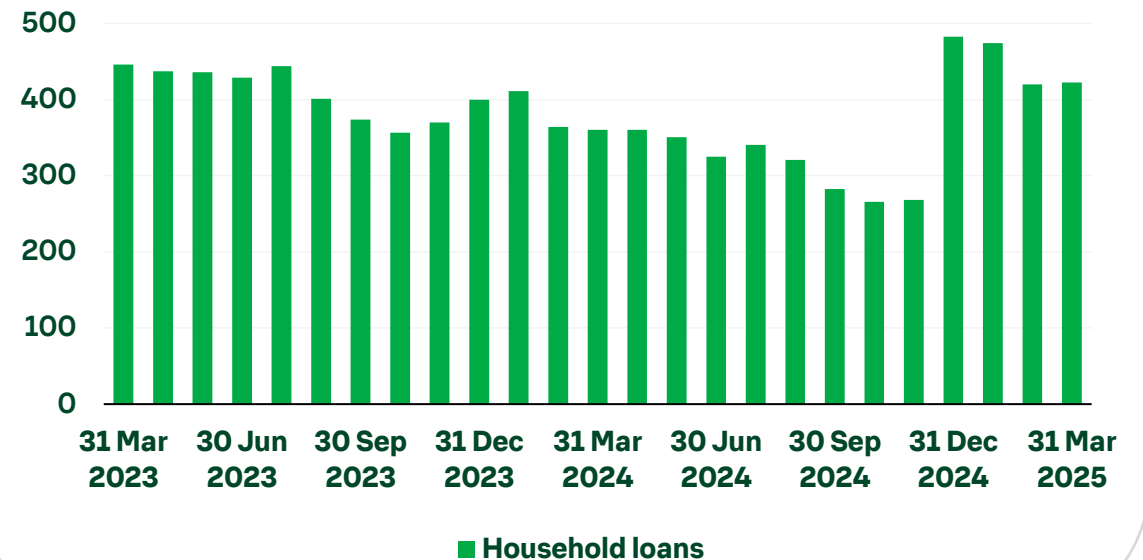


REPAYMENT HOLIDAYS

SHARE OF LOANS SUBJECT TO REPAYMENT HOLIDAYS



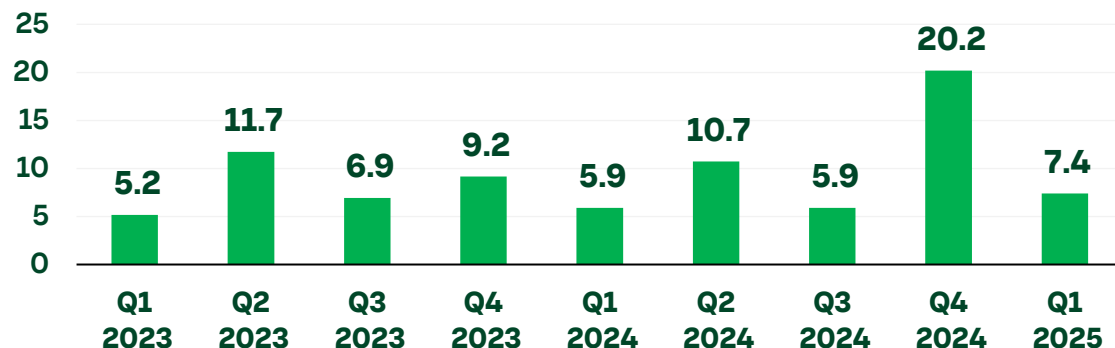
AMOUNT OF LOANS SUBJECT TO REPAYMENT HOLIDAYS (EUR m)



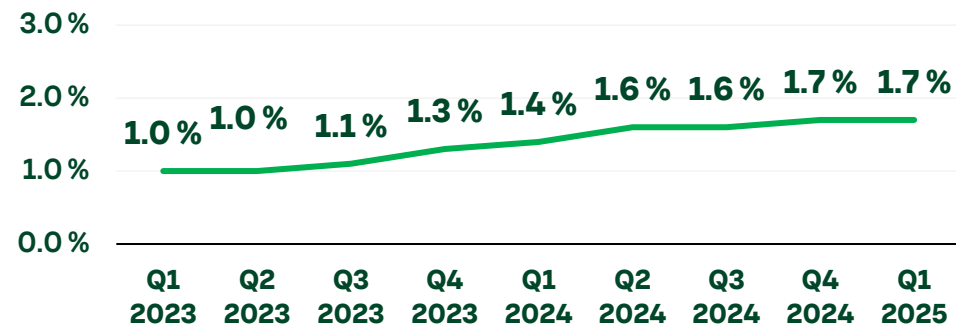
- Household loans subject to repayment holidays decreased in Q1 2025.
- Repayment holidays deviating from the original payment plan have primarily been granted to household customers.
- The share of loans subject to repayment holidays was 5.1% of total household loans (5.8% on 31 Dec 2024).

CREDIT LOSSES

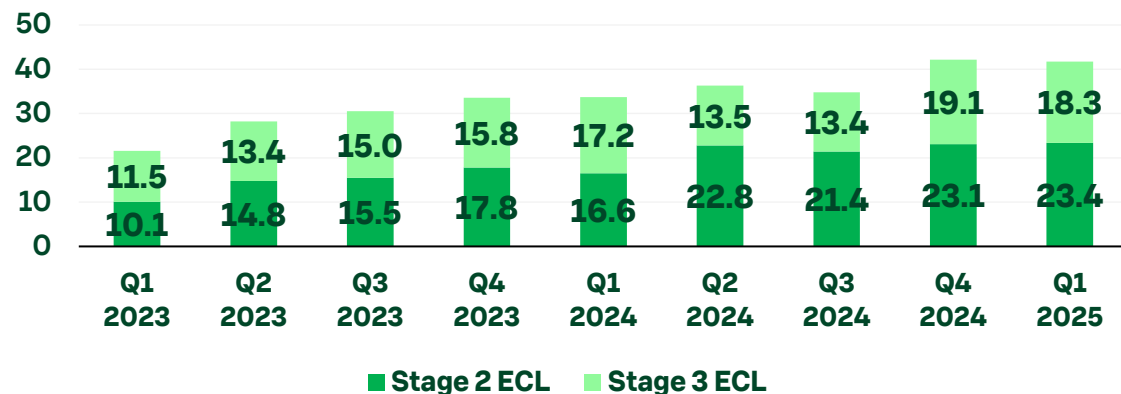
EXPECTED AND FINAL CREDIT LOSSES (EUR m)



NPL RATIO (%)



STAGE 2 AND 3, ECL PROVISION (EUR m)

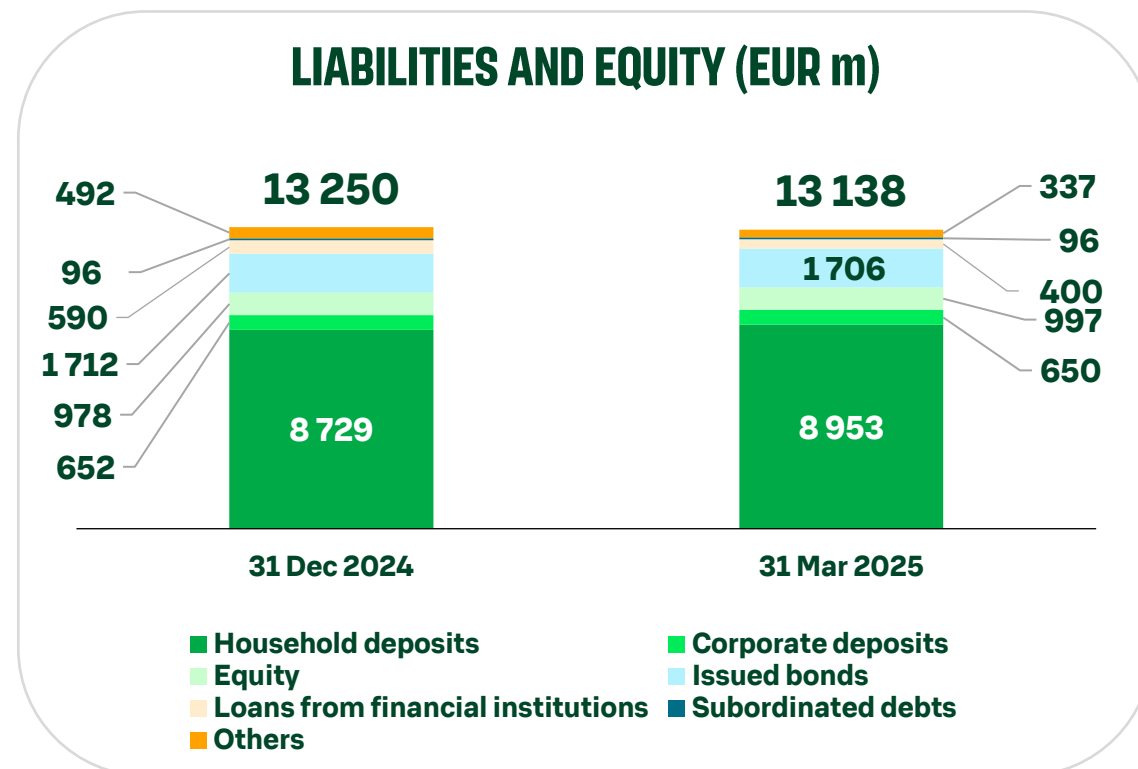
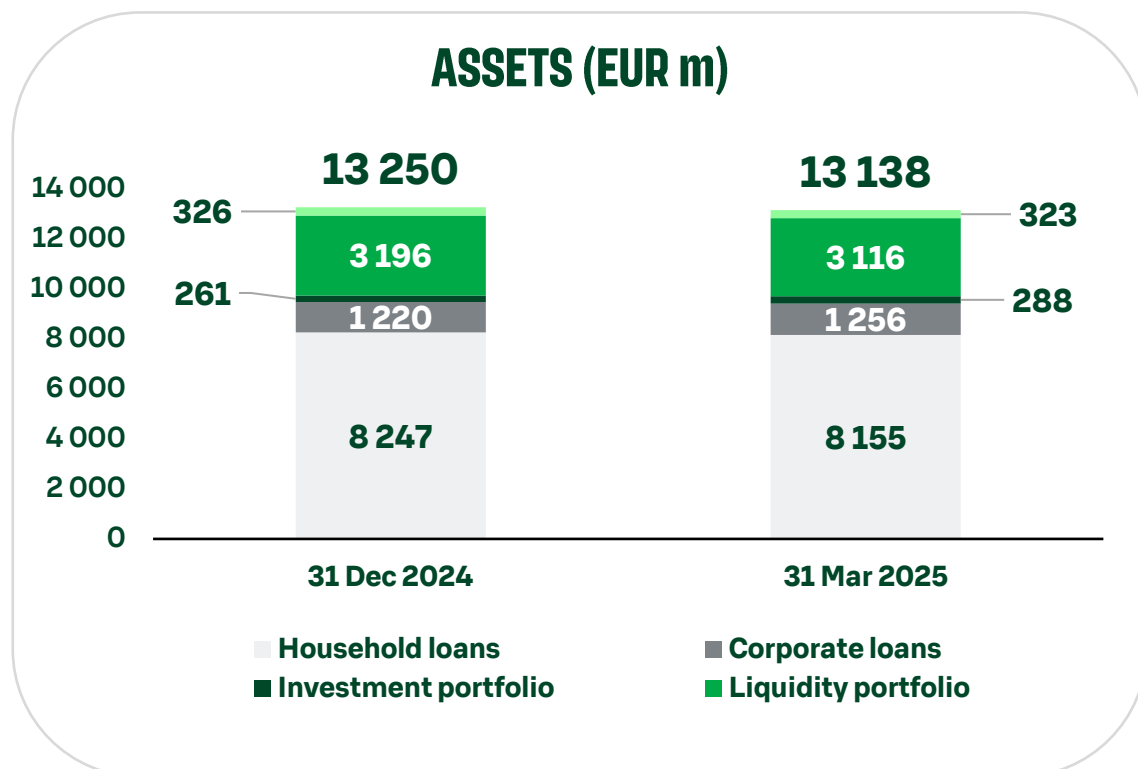


COMMENTARY

- Net credit losses were EUR 7.4 million (5.9) during January–March 2025.
- ECL provision increased by EUR 0.3 million to EUR 52.6 million during the first quarter.
- NPL ratio remained stable at 1.7%.

BALANCE SHEET & FUNDING

STRONG FUNDING BASE MADE OF DEPOSITS – HOUSEHOLD LOANS MAKE UP MOST OF THE ASSETS

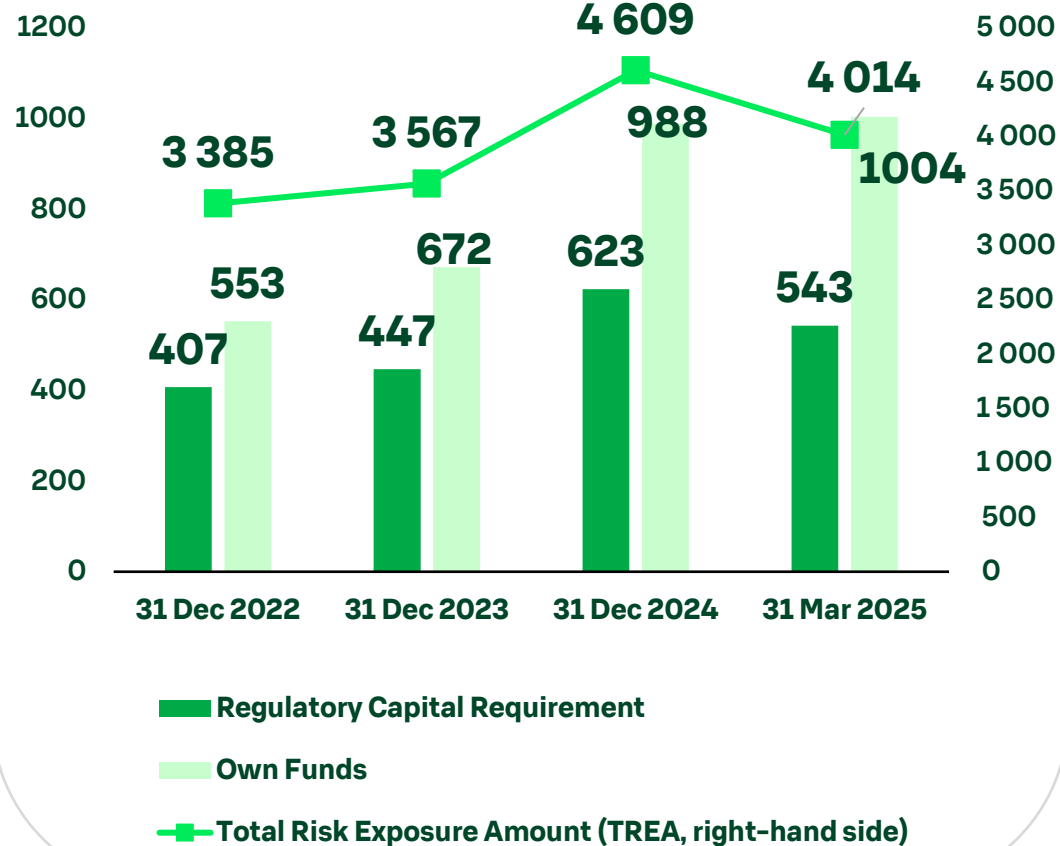


- Lending decreased to EUR 9 410.9 million (9 466.8), especially due to the decrease in the household loan portfolio. Lending to households accounted for 62% (62) of the total assets.
- Deposits rose to EUR 9 602.5 million (9 381.4), especially due to the increase in the household deposit portfolio. Household and corporate deposits comprised 73% (71) of total liabilities and equity.
- During the review period, S-Bank repaid EUR 190.0 million of bilateral funding, which was originally raised in November 2024 for total amount of EUR 590.0 million to fund the Handelsbanken transaction. Furthermore, S-Bank settled the remaining purchase price of EUR 148.4 million to Handelsbanken in relation to the business transaction.

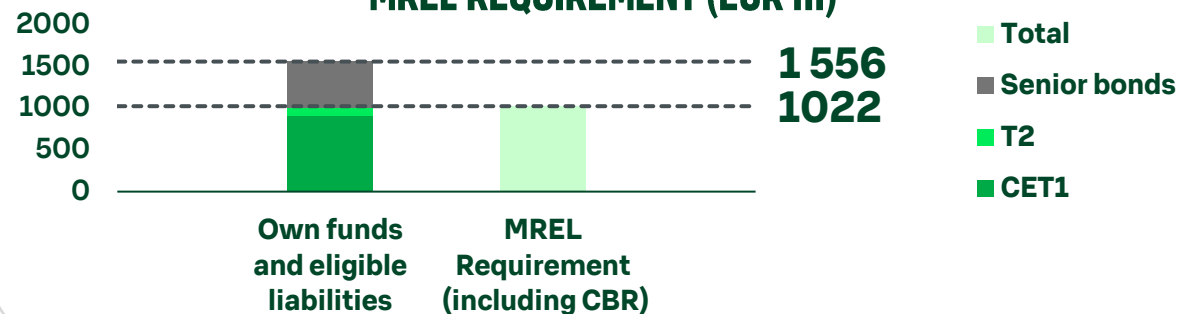


OWN FUNDS, CAPITAL REQUIREMENTS & MREL

OWN FUNDS AND CAPITAL REQUIREMENTS (EUR m)



MREL REQUIREMENT (EUR m)

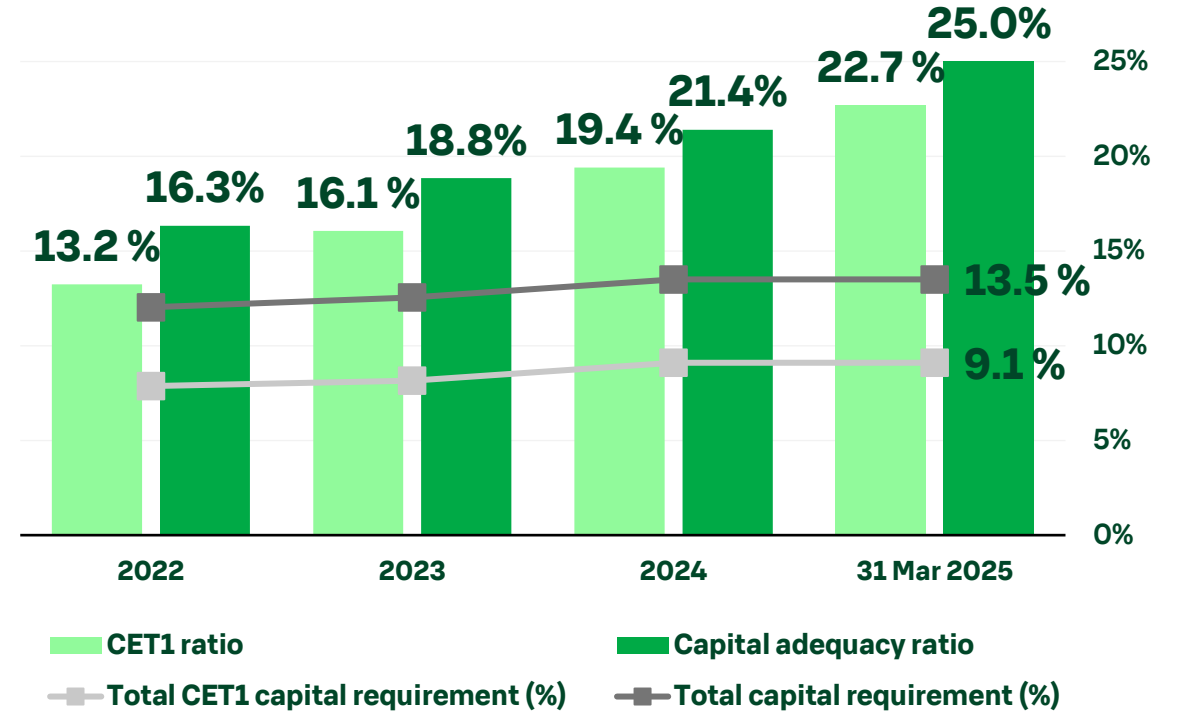
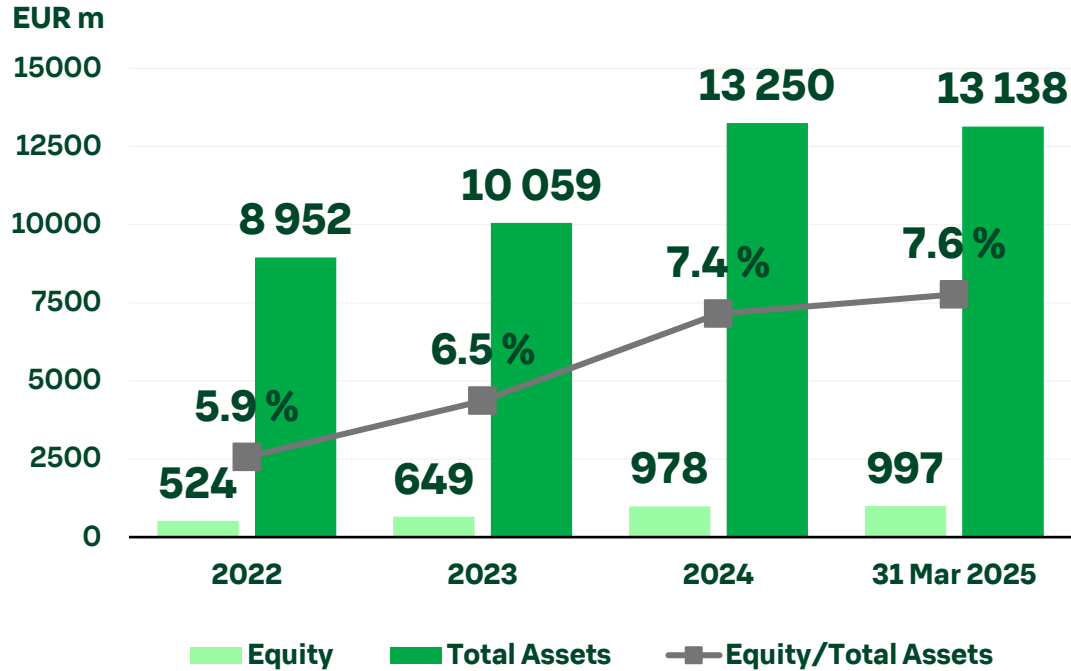


COMMENTARY

- Own funds increased due to profit performance during January–March 2025. Share issue of EUR 200 million strengthened own funds during 2024.
- S-Bank’s risk exposure amount (REA) decreased by EUR 594 million, totaling EUR 4 014 million. The decrease in risk exposure amount of EUR 569 million was due to the entry into force of the CRR3 regulation. During the first quarter of the year, the risk-weighted assets related to credit risk decreased by EUR 24.3 million, primarily due to the decrease in household customer loans.
- S-Bank’s own funds and eligible liabilities exceeded both regulatory requirements and internal limits. MREL TREA was at 38.8%, and MREL LRE at 11.7%.
- The latest MREL decision has been given on 25 March 2025. Based on the latest decision, the required MREL TREA was 21.94% (21.91), with a combined buffer requirement of 3.52%, and the MREL LRE requirement was 7.80% (7.75).



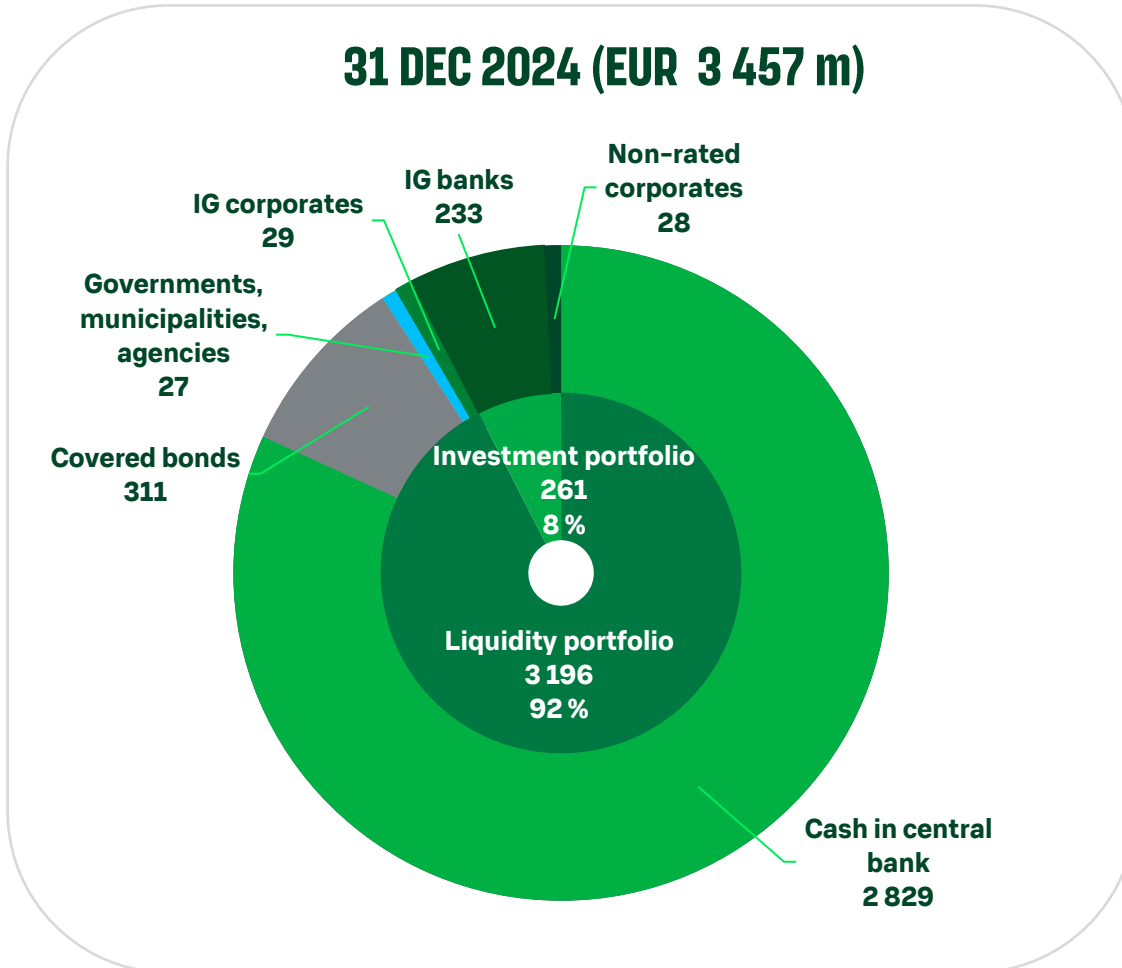
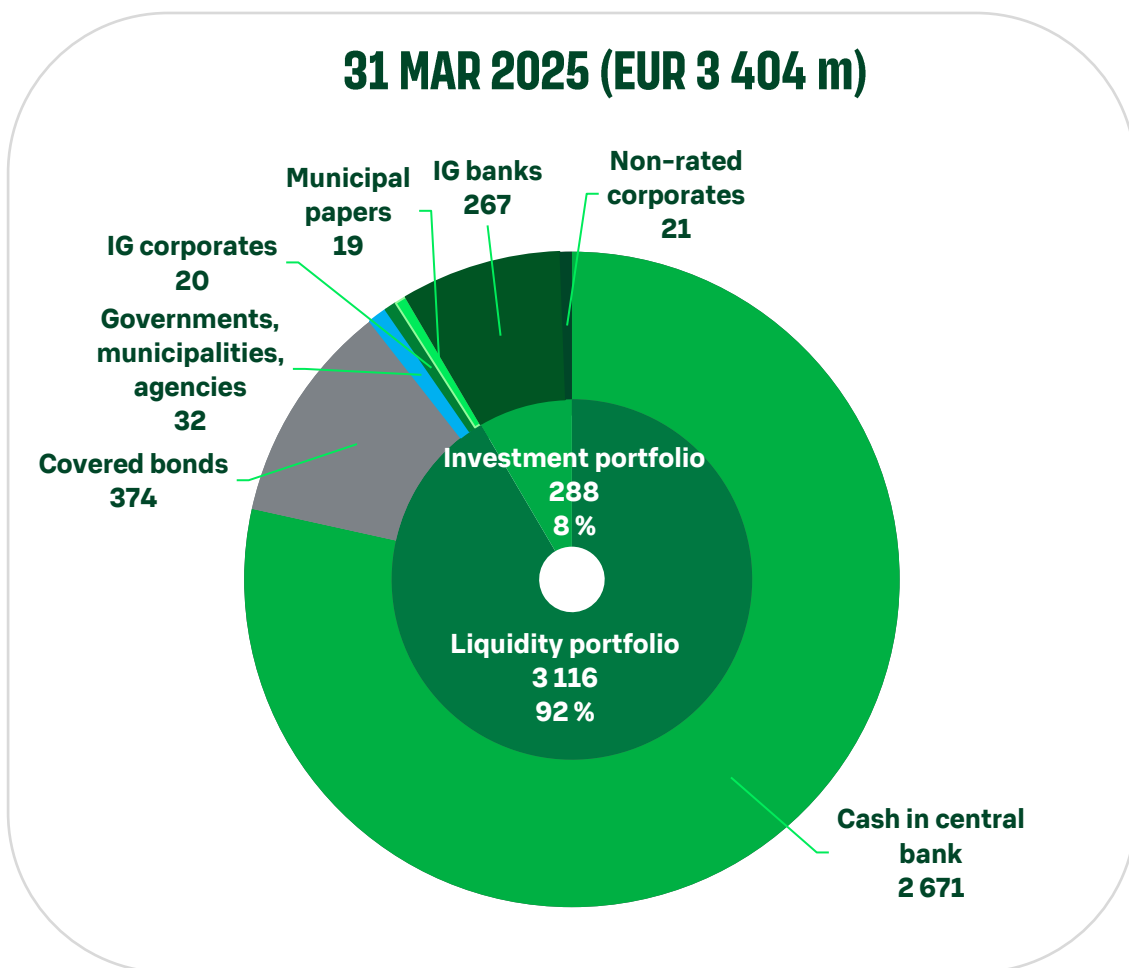
CAPITAL POSITION



- S-Bank's equity has continuously strengthened during recent years due to strong profit performance and recent EUR 200 million share issue related to the Handelsbanken transaction in 2024. The equity ratio stood at 7.6%
- The changes to the Capital Requirements Regulation (CRR3), which finalized the implementation of Basel III regulation in the EU, had a positive impact on S-Bank's capital position. CET1 ratio stood at 22.7% and capital adequacy ratio at 25.0%.



S-BANK'S LIQUIDITY AND INVESTMENT PORTFOLIOS



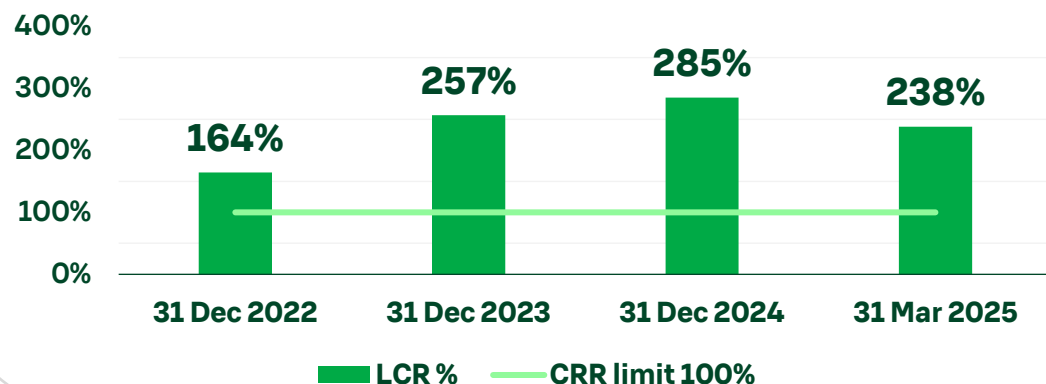
- The Treasury portfolio consists of the liquidity portfolio (LCR liquidity buffer) and the investment portfolio. The total amount of the portfolio decreased, totalling EUR 3 404.3 million (3 457.3). The decrease in the total portfolio concentrated in the amount of central bank deposit.

LIQUIDITY

ROBUST LIQUIDITY POSITION AND EASY ACCESS TO ADDITIONAL FUNDING

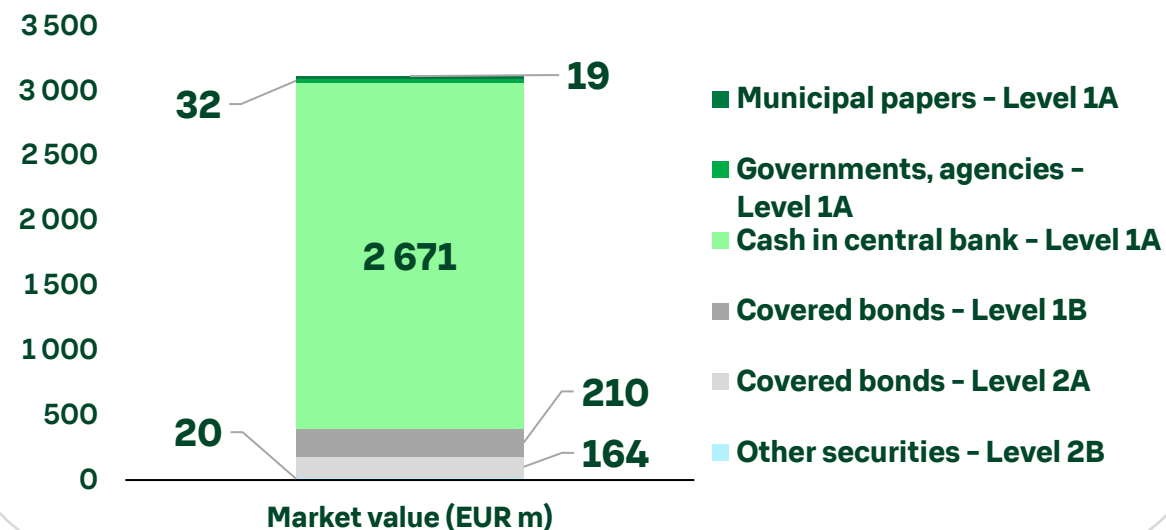
LIQUIDITY OVERVIEW

- S-Bank's liquidity portfolio totalled EUR 3 116 million (3 196)
- Level 1 assets comprise 94% of the portfolio, with the largest allocations in cash at the central bank
- Furthermore, S-Bank has pre-positioned collateral to the Bank of Finland to secure access to additional funding and has a CD-programme for short-term funding needs
- NSFR ratio was 155% (156) with wide headroom over the regulatory requirement of 100%
- LCR was 238% (285) and well above the 100% regulatory requirement



LIQUIDITY PORTFOLIO, 31 MAR 2025

EUR m	Level 1A	Level 1B	Level 2A	Level 2B	Total
Amount held (% of total market value)	2 723 (87.4%)	210 (6.7%)	164 (5.3%)	20 (0.6%)	3 116



KEY FIGURES

(EUR m)	2022	2023	2024	Jan-Mar 2025
Total income	222	371	439	100
Operating profit	45	147	165	24
Deposits	7 926	8 176	9 381	9 602
Lending	6 695	6 935	9 467	9 411
Non-performing loans	0.9%	1.3%	1.7%	1.7%
Assets under management	5 852	6 245	8 342	8 317
Debt securities	697	699	623	729
Cost-to-income, %	74.5%	51.4%	52.6%	56.2%
ROE, %	6.9%	20.1%	16.2%	13.9%
ROA, %	0.4%	1.2%	1.1%	1.0%
Equity ratio, %	5.9%	6.5%	7.4%	7.6%
Capital adequacy ratio, %	16.3%	18.8%	21.4%	25.0%
CET-1 ratio, %	13.2%	16.1%	19.4%	22.7%

**OPERATING PROFIT IN
LINE WITH GUIDANCE**

**LOAN TO DEPOSIT
RATIO 98%**

**NPL RATIO
REMAINED STABLE**

**SHARE ISSUE
OF EUR 200 M
IN NOVEMBER 2024**

**ROBUST
CAPITAL BASE**



**THANK
YOU**

