S&P Global
Ratings

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S-Bank Ltd.

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S-Bank Ltd.

SACP	bbb+
Anchor	a-	
Business Position	Weak	-2
Capital and Earnings	Very Strong	+2
Risk Position	Moderate	-1
Funding	Average	0
Liquidity	Adequate	

\+

Support	0
ALAC Support	0
GRE Support	0
Group Support	0
Sovereign Support	0

\+

Additional Factors	-1

Issuer Credit Rating
BBB/Negative/A-2

Major Rating Factors

Strengths:	Weaknesses:
• Strong brand name facilitated by S Group, suggesting growth potential. • Very strong capitalization. • Sound deposit franchise in Finland.	• Weaker earnings and cost efficiency than domestic peers. • Material investment needs in a medium-term perspective. • Lower cross-selling capacity from secondary bank status.

Outlook: Negative

The negative outlook reflects the deteriorating economic environment related to the COVID-19 pandemic and its potential effect on S-Bank's asset quality and profitability over the next two years.

Downside scenario

A deeper than anticipated recession and delayed economic recovery in Finland's export-oriented economy could weaken the Finnish banking sector's performance. This could lead us to revise downward our anchor for Finnish banks, including S-Bank, to 'bbb+' from 'a-', which would likely prompt us to lower our long-term rating on S-Bank.

We could also lower the ratings if the bank incurred higher losses beyond our base case that hamper its capitalization, and the projected risk-adjusted capital (RAC) ratio trends below 15%. Furthermore, we could take this action if we considered S-Bank's financial position to be impaired by weakening creditworthiness at its majority owner, S Group, or if we believed its insulation from the overall group had decreased. In addition, we could incorporate a negative adjustment notch into the stand-alone credit profile (SACP) if lagging cost efficiency or deteriorating asset quality, combined with increased provisions, do not lead to an expected profitability improvement in the medium term.

Upside scenario

We could revise the outlook to stable if the Finnish economy proved more resilient than we expect over the next 12-24 months.

We consider a positive rating action as unlikely. We view S-Bank as an insulated member of S Group, which allows us to rate the bank above the group's creditworthiness. However, we consider S-Bank's overall franchise to be strongly connected to the group's fortunes and therefore cap the ratings at 'BBB'.

Rationale

The long-term rating on S-Bank benefits from the comparably low banking sector risks in Finland, which translate into our 'a-' anchor, the starting point for rating banks operating in the country. In our view, the key weakness is S-Bank's concentrated business model--which still has unused potential, despite the close link to cooperative retailer S Group's customer base and brand--and its still-modest market share in the domestic lending market.

We expect capitalization to remain S-Bank's main rating strength, which we primarily base on our RAC ratio remaining above 15% for the next two years. Furthermore, the concentration risks in its loan book are partly offset by solid collateralization and strong margins from other non-mortgage retail products. We consider the bank's funding and liquidity profile to be in line with that of other Finnish retail banks. This rests on its granular customer-deposit base, and comfortable liquidity buffers.

The bank is subject to minimum requirement for own funds and eligible liabilities (MREL), but we do not believe that S-Bank would be subject to a well-defined bail-in process. As a result, we do not factor any rating uplift to the SACP for additional loss-absorbing capacity.

We apply a one-notch downward adjustment to derive the long-term issuer credit rating to reflect S-Bank's lower efficiency and profitability than that of domestic peers.

Anchor:'a-' for banks operating solely in Finland

To determine a bank's anchor, we use our Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores. The anchor is the starting point in assigning an issuer credit rating under our criteria for banks. For a commercial bank such as S-Bank that operates only in Finland, we determine an anchor of 'a-'. The anchor is based on an economic risk score of '2' and an industry risk score of '3'.

We now see economic risk for Finland's BICRA to be on a negative trend. If we observed more pronounced economic distress or weaker and delayed recovery, with cost of risk for the banking system exceeding our current expectations, we could negatively reassess economic risk on the Finnish banking sector.

We view Finland as an innovative, wealthy, and open economy, with mature political and institutional structures. The near-term economic picture has brightened following a prolonged recession over 2012-2015. The COVID-19 pandemic, however, is an unprecedented challenge and will send Finland into deep recession in 2020, in our opinion. After an anemic final quarter of 2019, Finland was already facing a muted growth outlook, with lower exports, weakening consumer confidence, and only moderate credit demand from households. Although we expect recovery in 2021, it is likely to be less pronounced than in other Nordic countries. That said, the wide-ranging fiscal, monetary, and regulatory support measures will, in our view, partially mitigate this sharp shock to the Finnish economy, and support banking system stability.

We currently do not see major domestic economic imbalances in the Finnish economy as house prices have stabilized nationwide over the past years. Despite the decreased activity amid COVID-19, we do not project a correction in the real estate market. However, we see a risk of weaker private-sector debt-servicing capacity, especially from small and midsize enterprises (SMEs), which could lead to materially higher credit losses for banks. The historically high indebtedness of Finnish households could also be a mounting credit risk for the banking sector (if not curbed by macroprudential measures). Still, in our base case, we forecast moderate credit losses from households despite rising unemployment, increasing use of amortization, and more muted credit demand, before returning to pre-crisis levels in 2021-2022.

In our view, regulatory standards and bank supervision in Finland are in line with those of European peers. Despite the concentrated banking sector--dominated by the two major banking groups, OP Financial Group and Nordea, and underpinned by intense competition and low lending margins--we believe the sector's overall profitability and capitalization will remain resilient and we expect banks to maintain their restrained risk appetite. We therefore expect the Finnish banking sector to be well prepared to weather the current shock, although business prospects will weaken through 2021. We believe the risk of tech disruption remains moderate given Finnish banks' digital customer offerings and ongoing investments in innovation.

In our view, the dependence on external funding makes Finnish banks vulnerable to changes in confidence sensitivity, but they continue to demonstrate good access to capital markets. Additionally, the Nordic banking system remains highly interconnected, which results in potential spillover risks on the Finnish economy from external events.

Table 1

S-Bank Ltd. Key Figures

		--Year-ended Dec. 31--			
(Mil. €)	**2020***	**2019**	**2018**	**2017**	**2016**
Adjusted assets	7102.0	6564.0	6416.0	5632.0	5161.0
Customer loans (gross)	5143.0	4796.0	4199.0	3729.0	3496.0
Adjusted common equity	429.0	424.0	407.0	364.0	348.0
Operating revenues	81.0	168.0	154.0	154.0	160.0
Noninterest expenses	61.0	125.0	133.0	131.0	135.0
Core earnings	5.0	24.0	7.0	13.0	18.0

*Data as of June 30, 2020.

Business position: Digital retail bank belonging to retailer S Group but with unused potential

Our view of S-Bank's business position in the Finnish banking sector is constrained by its concentrated retail banking franchise with low market share and modest profitability. This is somewhat offset by the benefits of being a part of S Group, the strong brand name, and significant potential for activating the large customer base.

S-Bank, with total assets of €7.2 billion as of June 30, 2020, has some 450,000 active customers and market share on mortgages of around 2%, and is the eighth largest credit institution in Finland. The bank was founded in 2007 and has expanded through acquisitions: it bought Citibank's consumer business in 2009 and FIM wealth management services in 2013, and merged with LocalTapiola Bank in 2014. Since the divestment of its SME and agricultural business in 2017, S-Bank focuses primarily on loans to retail customers, mainly mortgage loans, but also other secured and unsecured consumer loans. The bank holds a wealth management franchise under dual brand names--S-Bank and FIM Brands--which in our view provide growth opportunities owing to the increasing demand for savings and investment services from retail customers.

As of June 30, 2020, S-Bank earned about 56% of its revenues from net interest income, 37% from fees and commissions from wealth management and loan and payment transactions, and 7% from other sources such as income from S Group, a split we expect the bank to maintain over the next two years.

While the bank's operations are based within stronger regions in Finland, we view S-Bank as concentrated and lacking scale. Therefore it is more sensitive to regional developments and changes in income than larger banks with a more established national franchise.

We note that the bank enjoys material benefits from belonging to S Group, the market leading retail group in Finland. By providing S Group member customers with cashback bonuses on S-Bank's accounts (combined with an S-Bank card) the bank has access to some 3 million customers of the cooperative group. That said, S-Bank takes the role as a secondary bank of many of its customers and thus today enjoys limited cross-selling opportunities, in our view. The bank's ability to activate customers to primary banking relationships appears currently modest, although we foresee significant potential in the medium term. Meanwhile, the bank's focus is to expand its mortgage book as this serves as an important anchor product to S-Bank becoming a primary bank. We note that card transactions and consumer loans represent a large share of the bank's income. Hence, we view S-Bank's income as sensitive to changes in consumer sentiment in Finland, something that has been surprisingly robust during the COVID-19 crisis.

S-Bank has no traditional branch network but makes use of the existing retail stores of S Group to service both mortgage and consumer loan customers. Still, as for most banks in the Nordics, the larger share of client interactions takes place through digital channels in which S-Bank aspires to materially increase its digital sales. In our view, the bank is transitioning to become more efficient in the future, although it currently lacks efficient processes to cater for a much larger set of clients. We do not expect swift transition as the bank's low profitability limits it to embark on major capacity-enabling investment projects. Additionally, given our belief that the pandemic will hit income, and taking into account S-Bank's continued high investment need, we expect it will only gradually progress to its cost-to-income target of 60% in the medium term, compared with 76% at half-year 2020.

Table 2

S-Bank Ltd. Business Position

		--Year-ended Dec. 31--		
(%)	**2020***	**2019**	**2018**	**2017**
Total revenues from business line (Mil. €)	81.0	168.0	154.0	N/A
Commercial & retail banking/total revenues from business line	88.0	82.0	81.7	N/A
Asset management/total revenues from business line	14.2	14.4	13.0	N/A
Other revenues/total revenues from business line	(2.1)	3.7	5.4	N/A
Return on average common equity	2.2	5.3	1.6	3.0

*Data as of June 30, 2020. N/A--Not applicable.

Capital and earnings: Very strong projected capitalization despite above-market lending growth

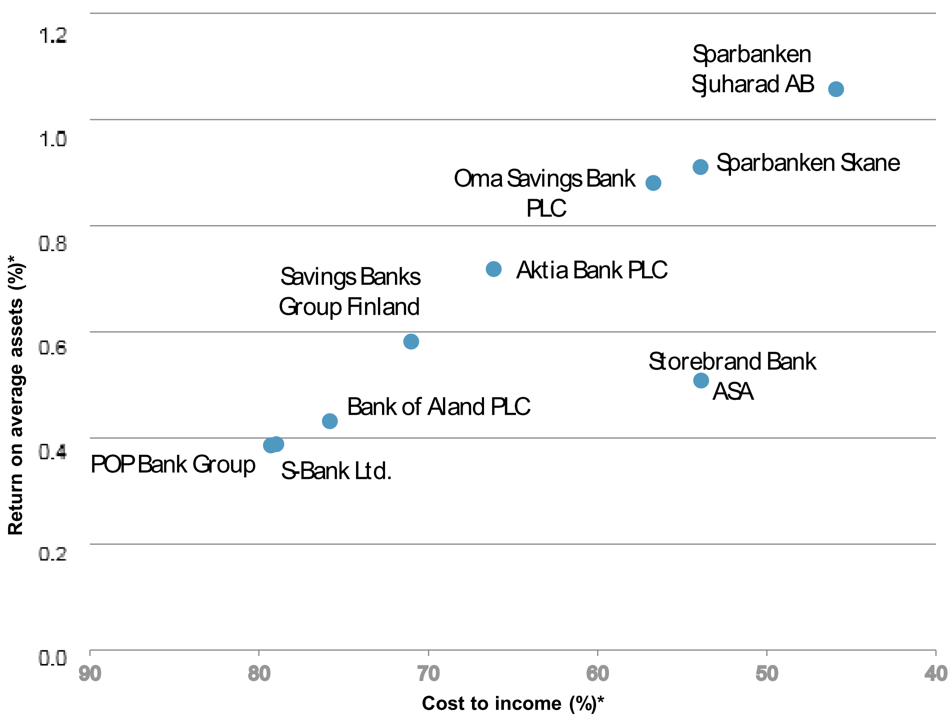
S-Bank's capitalization is its main rating strength. We expect the bank's RAC ratio to remain above 15% within the next two years, after 17.1% as of June 30, 2020. We expect S-Bank's loan growth and therefore S&P Global Rating's risk-weighted assets to exceed the capital buildup through earnings. We note that S-Bank currently has a comfortable margin to regulatory capital requirements with a Common Equity Tier 1 ratio of 14.2% against a requirement of 12.8% at mid-year 2020. The distance from the capital requirements increased by some 70 basis points (bps) from year-end 2019 due to the Finnish FSA's removal of the systemic risk buffer in April 2020 as a response to the effects of COVID-19.

In our view, S-Bank's income should be relatively stable under normal operating conditions, driven by an expanding retail banking and wealth management business. The current COVID-19-induced downturn in the Finnish economy will weigh on short-term growth prospects and earnings, in our view. As such, we expect S-Bank's profitability--as reflected by return on average assets--to remain modest in the forecast period, compared with 38 bps in 2019. The greatest risk to profitability lies in new loan loss provisions due to increased credit stress in the Finnish economy, but also in fee income developments related to lower card and loan transactions, as we expect consumer confidence to remain subdued in 2020. Net interest margin on the other hand, is expected to only fall slightly, given relatively modest top-line pressures and stable funding costs from 2020. We note that the bank is establishing a covered bond program, but expect this to have a limited effect on total funding costs over the forecast horizon.

S-Bank holds a fairly large investment portfolio in order to manage its over-liquidity (approximately 7% of earnings assets), which comprises 60% investment-grade and 40% non-rated or speculative-grade bonds. We expect this portfolio to reduce as a share of earnings assets, as the bank expands its loan book. Meanwhile it will continue to pressure net interest margins.

Chart 1

S-Bank Is An Outlier In The Peer Group In Terms Of Profitability And Efficiency



*Averages between 2017 and 2019.

We consider the quality of S-Bank's capital to be high, comprising 100% of retained earnings in our measure of total adjusted capital. We do not expect the bank to pay dividends and instead retain its profits to finance continued growth of its business.

Table 3

S-Bank Ltd. Capital And Earnings

		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Tier 1 capital ratio	14.2	14.6	14.9	14.7	13.2
S&P Global Ratings' RAC ratio before diversification	17.1	17.5	17.9	N/A	N/A
S&P Global Ratings' RAC ratio after diversification	12.5	13.4	12.8	N/A	N/A
Adjusted common equity/total adjusted capital	100	100	100	100	100
Net interest income/operating revenues	55.6	51.2	48.1	47.5	43.2
Fee income/operating revenues	37.0	35.9	39.7	38.4	33.3
Market-sensitive income/operating revenues	2.8	3.5	2.5	3.9	13.7
Cost to income ratio	75.9	74.4	86.6	85.2	84.1

Table 3

S-Bank Ltd. Capital And Earnings (cont.)

		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Preprovision operating income/average assets	0.6	0.7	0.3	0.4	N/A
Core earnings/average managed assets	0.2	0.4	0.1	0.2	N/A

*Data as of June 30, 2020. N/A--Not applicable. RAC--Risk-adjusted capital.

Table 4

S-Bank Ltd. S&P Global Ratings Risk-Adjusted Capital Framework

(€)	EAD	Basel III RWA	Average Basel III RW(%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Government and central banks	925,146,867	2,548,707	0	14,556,840	2
Institutions and CCPs	697,493,291	124,271,258	18	96,223,776	14
Corporate	665,828,219	581,145,314	87	377,198,696	57
Retail	4,743,705,526	1,859,422,953	39	1,514,234,738	32
Of which mortgage	3,365,809,518	1,158,514,445	34	780,890,082	23
Securitization*	0	0	0	0	0
Other assets§	135,472,101	86,391,014	64	141,180,229	104
Total credit risk	7,167,646,004	2,653,779,246	37	2,143,394,278	30
Total credit valuation adjustment	--	3,414	--	0	--
Equity in the banking book	27,577,639	27,577,639	100	86,184,479	313
Total market risk	--	27,577,639	--	86,184,479	--
Total operational risk	--	290,099,113	--	282,852,483	--
RWA before diversification	--	2,971,459,411	--	2,512,431,239	100
Total diversification/concentration adjustments	--	--	--	923,553,623	37
RWA after diversification	--	2,971,459,411	--	3,435,984,862	137
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings RAC ratio (%)**
Capital ratio before adjustments		420,495,854	14.2	428,643,000	17.1
Capital ratio after adjustments†		420,495,854	14.2	428,643,000	12.5

Data as of June 30, 2020. *Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. §Other assets includes deferred tax assets (DTAs) not deducted from ACE. †For Tier 1 ratio, adjustments are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). CCP--Central counterparty. EAD--Exposure at default. RW--Risk weight. RWA--Risk-weighted assets.

Risk position: Fast expanding retail consumer and mortgage portfolio but with sound asset quality

We view S-Bank's retail loan portfolio as carrying slightly more risk than domestic peers'. The bank has a relatively young mortgage portfolio, which makes average loan-to-value (LTV) somewhat higher than the market average. Furthermore, S-Bank has a higher share of consumer loans relative to peers, which should add volatility to its loan portfolio.

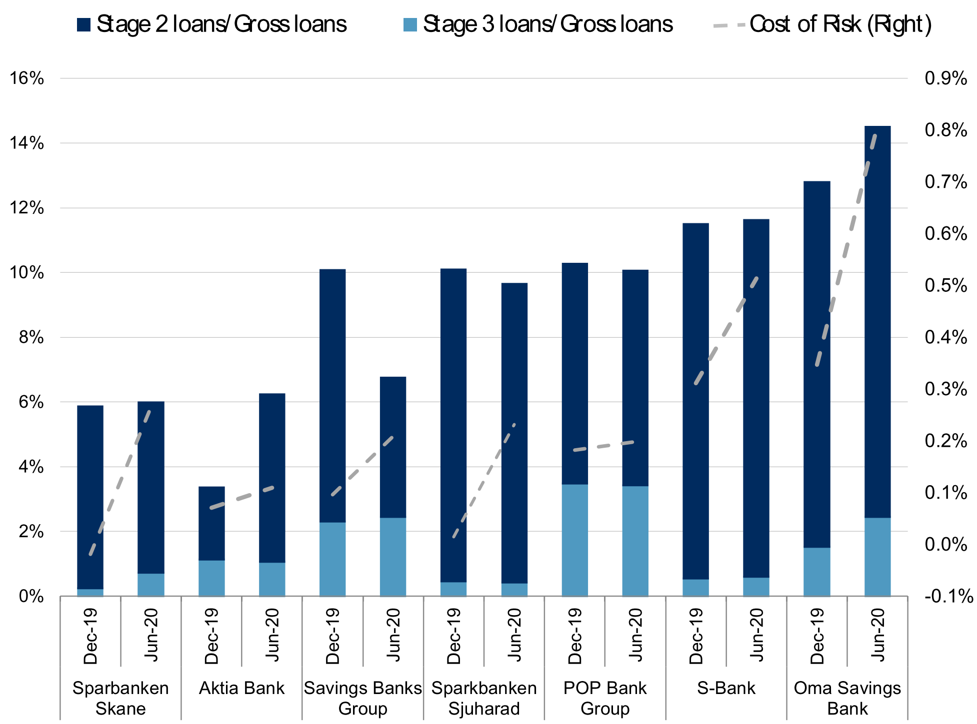
S-Bank's lending to mortgage customers represents about 54% of the portfolio as of year-end 2019, followed by its corporate exposures 17% (mainly housing companies), and unsecured and secured consumer loans of 15% and 13%, respectively. The bank's mortgage exposures are primarily located in the growth centers in Finland, where we expect market liquidity to support collateral valuations, but this also increases the risk of real estate price volatility to a few regions. In particular, the bank's collateralized portfolio has an elevated average LTV of about 70%, which is somewhat higher than the estimated market average of 60% and a reflection of its fairly young loan portfolio.

We note that S-Bank's consumer loan portfolio is covered by comparably high margins and it has so far produced relatively sound asset quality metrics related to these exposures, with a nonperforming loan (NPL) ratio at about 2.1% at year-end 2019. Still, due to the higher share of consumer loans, compared with peers, we believe that S-Bank's provisioning during the pandemic will be slightly higher at about 40-50bps. We expect NPLs to exceed 1% in 2020 and 2021 mainly due to the bank's corporate and unsecured retail loans.

We note that the bank does not have a trading book and holds limited currency risk in its investment portfolio.

Chart 2

IFRS 9 Stage Transition And Cost Of Risk Relative To Peers



Source:S&P Global Ratings.

Table 5

S-Bank Ltd. Risk Position					
		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Growth in customer loans	14.5	14.2	12.6	6.7	N.M.

Table 5

S-Bank Ltd. Risk Position (cont.)

		--Year-ended Dec. 31--			
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Total diversification adjustment/S&P Global Ratings' RWA before diversification	36.8	30.6	39.3	N/A	N/A
Total managed assets/adjusted common equity (x)	16.7	15.6	15.9	15.6	15.0
New loan loss provisions/average customer loans	0.5	0.3	0.2	0.2	N/A
Gross nonperforming assets/customer loans + other real estate owned	0.6	0.6	0.5	0.4	0.4
Loan loss reserves/gross nonperforming assets	58.9	57.9	75.9	29.8	29.2

*Data as of June 30, 2020. N/A--Not applicable. N.M.--Not meaningful. RWA--Risk-weighted assets.

Funding and liquidity: Sound retail deposit franchise and comfortable liquidity position

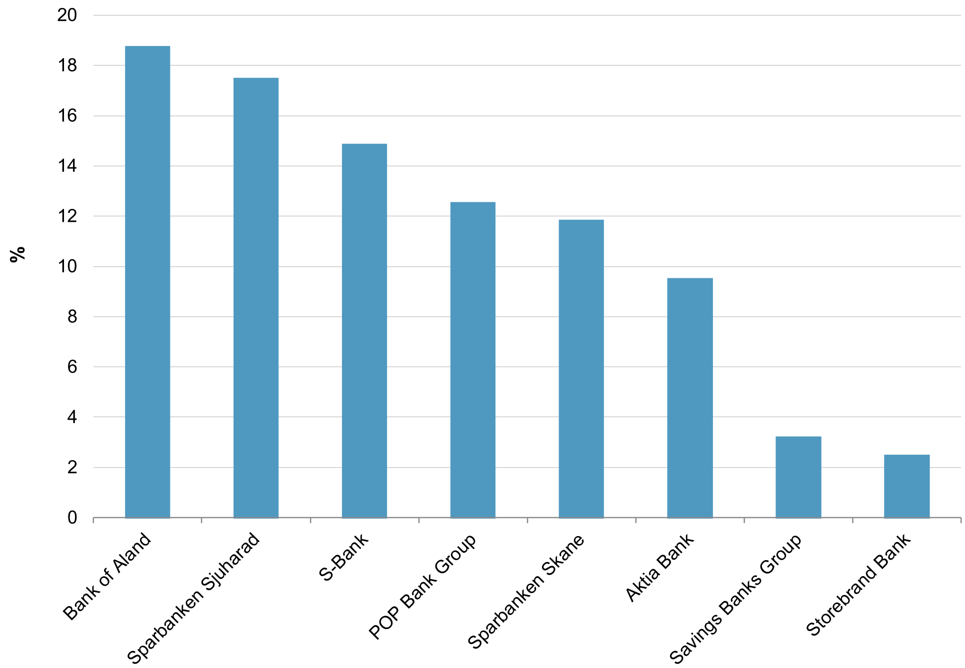
In our view, S-Bank's funding profile compares well with domestic peers', reflecting the bank's granular deposit franchise. The liquidity buffers are also similar to many rated small banks' in the country. The funding and liquidity ratios indicate a comparatively stable funding base and sufficient liquidity to cover a potential deposit outflow. The bank produced a stable funding ratio of 115% and its net broad liquid assets to short-term customer deposits equaled 15% as of year-end 2019. We consider net broad liquid assets to short-term deposits to be a meaningful indicator of liquidity given that the bank is 99% deposit funded.

We expect S-Bank to continue to hold a granular deposit franchise with some 81% of deposits being covered by the deposit guarantee scheme, as of mid-year 2020. The bank has seen a steady increase of household deposits historically, which contributed to some 87% of the deposits as of mid-year 2020, while the remainder came from corporate customers. The corporate deposits add some single-name concentration and volatility in the deposit base, but we note that these deposits mainly relate to S Group and LocalTapiola-owned entities. While important for customer engagement, the contribution of the S Group cashback bonuses on S-Bank's funding profile remains moderate.

S-Bank currently has a low share of wholesale funding, but we expect this to increase as the bank expands to covered bond issuance and starts issuing MREL-eligible debt. The bank currently has a €50 million Tier 2 bond outstanding, but due to its MREL requirement estimated at €270 million, we expect further issuance before 2024.

Chart 3

Net Broad Liquid Assets/Short-term Customer Deposits



Source: S&P Global Ratings. Note: Data as of Dec. 31, 2019.

In our view, S-Bank's liquidity is aligned with that of peers as it holds adequate buffers of €1.3 billion to cover potential deposit outflows. The portfolio mainly comprises liquid funds at the central bank, or highly rated bond securities such as covered bonds and government and municipal bonds. We believe that, under stressful conditions involving the closure of access to capital market funding and a significant deposit outflow, S-Bank could survive for more than six months.

The bank reported a regulatory liquidity coverage ratio at 137% as of mid-year 2020, which further indicates sound liquidity relative to regulatory requirements of 100%.

Table 6

S-Bank Ltd. Funding And Liquidity

	--Year-ended Dec. 31--				
(%)	**2020***	**2019**	**2018**	**2017**	**2016**
Core deposits/funding base	98.3	98.6	98.5	98.0	97.5
Customer loans (net)/customer deposits	78.5	79.7	71.1	74.4	76.8
Long-term funding ratio	99.3	99.2	99.2	99.1	98.7
Stable funding ratio	114.7	114.6	122.3	120.2	113.1
Short-term wholesale funding/funding base	0.8	0.8	0.8	1.0	1.4

Table 6

S-Bank Ltd. Funding And Liquidity (cont.)					
		--Year-ended Dec. 31--			
(%)	2020*	2019	2018	2017	2016
Broad liquid assets/short-term wholesale funding (x)	20.1	18.8	25.2	22.5	11.9
Net broad liquid assets/short-term customer deposits	14.7	14.9	20.5	21.4	15.9

*Data as of June 30, 2020.

Support: S-Bank's insulated status to S Group enables a higher rating than the overall group credit profile

Our assessment of S-Bank as an insulated member of S Group allows us to generally rate S-Bank above the group credit profile. We see S-Bank as an independent and severable entity within the group, with no funding dependency, with separated accounting and reporting procedures. Because S-Bank is a fully regulated financial institution, we would expect regulatory authorities in Finland to ring-fence at least part of the bank in the event of potential credit stress at the group level, to preserve customer confidence in the Finnish financial markets and banking industry. In addition, in our view, the group has a strong and compelling economic incentive to preserve the bank's credit strength. All the aforementioned factors support our view that S-Bank's creditworthiness is currently not impaired by that of the overall group.

We consider S-Bank to have moderate systemic importance in Finland owing to its 4% market share in customer deposits. As a systemically important bank, we expect it to be subject to MREL. We currently do not believe that S-Bank would be subject to a well-defined bail-in process under which the Finnish resolution authority would permit nonviable systemically important banks to continue as going concerns following a bail-in of eligible liabilities. As a result, we do not factor in any ratings uplift from the SACP for additional loss-absorbing capacity but consider that bail-in-able buffers and the FSA's intention to use the resolution tool would provide an additional layer of protection if the bank were to run into distress due to spillover effects from S Group.

Additional rating factors: One notch downward adjustment for lower efficiency and profitability

We apply a negative adjustment to the issuer credit rating on S-Bank because we consider the rating to be constrained by the bank's still weak profitability and cost efficiency compared with peers. In particular, the bank's cost efficiency at 76% at mid-year 2020 and earnings buffer, which measures its capacity to cover its normalized losses, at 0.8% at year-end 2019, continues to underperform that of the domestic peers. The bank is likely to continue to demonstrate a weaker earnings profile than most of its peers in the medium term.

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Financial Institutions | Banks: Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015

- Criteria | Financial Institutions | Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Criteria | Financial Institutions | Banks: Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011

Related Research

- Nordic Banks' Strong Capital Deflects COVID-19 Impact, Sept. 8, 2020
- Finland-Based S-Bank Ltd. Assigned 'BBB/A-2' Ratings; Outlook Negative, July 31, 2020
- COVID-19: Resilient Fundamentals And Assertive Policy Measures Will Buoy Nordic Banking Systems, June 16, 2020
- Seven Finnish Banks Outlooks Revised To Negative On Deepening COVID-19 Downside Risks, May 19, 2020
- Banking Industry Country Risk Assessment: Finland, Oct. 9, 2019

Anchor Matrix

Industry Risk	Economic Risk									
	1	**2**	3	4	5	6	7	8	9	10
1	a	a	a-	bbb+	bbb+	bbb	-	-	-	-
2	a	a-	a-	bbb+	bbb	bbb	bbb-	-	-	-
3	a-	**a-**	bbb+	bbb+	bbb	bbb-	bbb-	bb+	-	-
4	bbb+	bbb+	bbb+	bbb	bbb	bbb-	bb+	bb	bb	-
5	bbb+	bbb	bbb	bbb	bbb-	bbb-	bb+	bb	bb-	b+
6	bbb	bbb	bbb-	bbb-	bbb-	bb+	bb	bb	bb-	b+
7	-	bbb-	bbb-	bb+	bb+	bb	bb	bb-	b+	b+
8	-	-	bb+	bb	bb	bb	bb-	bb-	b+	b
9	-	-	-	bb	bb-	bb-	b+	b+	b+	b
10	-	-	-	-	b+	b+	b+	b	b	b-

Ratings Detail (As Of October 20, 2020)*	
S-Bank Ltd.	
Issuer Credit Rating	BBB/Negative/A-2
Issuer Credit Ratings History	
31-Jul-2020	BBB/Negative/A-2
Sovereign Rating	
Finland	AA+/Stable/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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