S&P Global
Ratings

RatingsDirect®

Oma Savings Bank PLC

Primary Credit Analyst:
Niklas Dahlstrom, Stockholm +46 84405358; niklas.dahlstrom@spglobal.com

Secondary Contact:
Salla von Steinaecker, Frankfurt + 49 693 399 9164; salla.vonsteinaecker@spglobal.com

Table Of Contents

Table Of Contents (cont.)

Oma Savings Bank PLC

Ratings Score Snapshot

Issuer Credit Rating
BBB+/Stable/A-2

SACP: bbb+ → **Support: 0** → **Additional factors: 0**

Anchor	a-	
Business position	Constrained	-2
Capital and earnings	Very strong	+2
Risk position	Moderate	-1
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

ALAC support	0
GRE support	0
Group support	0
Sovereign support	0

Issuer credit rating
BBB+/Stable/A-1

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Robust risk-adjusted capitalization.	Business and regional risk concentration.
High operating efficiency and earnings generation capacity.	Rapid balance sheet growth might indicate higher risk appetite.
Well-established regional retail franchise.	Dependence on external partners for product and service offering.

We expect Oma Savings Bank's (OmaSp's) pace of expansion will slow amid a more challenging economic backdrop. OmaSp has been growing both organically and through acquisitions, and its balance sheet more than doubled over the past five years (€5.9 billion as of Dec. 31, 2022). The ongoing acquisition of Liedon Savings Bank (LiedonSp)--expected to finalize on Feb. 28, 2023--will be the largest in OmaSp's history. It will add approximately 25% to OmaSp's current asset base, expand the lender's footprint in southwestern Finland, and strengthen its presence in the growth area of Turku. Over the longer term, we expect this will provide scale benefits and synergies which will enhance the bank's already stronger-than-peers' efficiency and earnings generation.

We expect OmaSp's robust capitalization will remain a rating strength. We forecast the bank's risk-adjusted capital (RAC) ratio will temporarily drop below 15% when the LiedonSp acquisition closes, but we expect it will gradually recover toward 15%-16% by the end of 2023. This is supported by our anticipation of significant net interest income growth in 2023 as the loan book--predominantly tied to the 12-month Euribor --is repriced. We forecast pre-tax earnings of €100 million-€130 million in 2023-2024 compared with €69 million in 2022.

OmaSp's low-risk retail lending focus and adequate collateralization should support sound asset quality metrics over the next two years. In tandem with muted economic growth prospects and tighter financial conditions, we expect nonperforming loans (NPLs) to rise moderately toward 1.6%-1.8% of loans (from 1.5% as of Sept. 30, 2022). Consequently, we project loan loss provisioning of 15 basis points (bps)-25 bps (compared with the 11 bp average in 2021-2022). Potential downside risks to our base case stem from OmaSp's exposure to small and midsize enterprises (SMEs), which grew by 24% in 2022 and account for 23% of the loan book as of Dec. 31, 2022.

OmaSp's granular retail deposit base will continue to ensure funding stability. Underpinned by its sound regional retail franchise and proximity to customers, we expect core deposits will remain OmaSp's main source of funding--accounting for 57% of the funding base as of year-end 2022--and funding metrics to remain broadly stable over the next two years. That said, with loan growth having outpaced deposit growth over recent years, OmaSp's reliance on wholesale funding is on the rise and higher than most small and midsize domestic peers, which makes the bank more sensitive to market funding conditions and shifts in investor sentiment.

Outlook

The stable outlook on OmaSp reflects our view that the bank will maintain its sound financial profile, and that its high efficiency and resilient earnings will continue to support its loss-absorbing capacity and RAC ratio over the next two years. As a result of the planned large-scale LiedonSp acquisition, we project the RAC ratio could temporarily decline to 14.7% at the deal's closing before recovering in 2023-2024. We expect loan loss provisioning will remain contained and OmaSp's sound asset quality will remain broadly in line with domestic peers'.

Downside scenario

We could lower the rating if the bank's RAC ratio sustainably declined below 15%, or if unexpected undue execution risk emerged. We could also lower the rating if asset quality and earnings came under greater pressure than we currently expect. This could materialize if underwriting standards and credit losses deteriorated, which would weigh on earnings generation and retention.

Upside scenario

A positive rating action is remote at this stage, given OmaSp's concentrated business model and already high rating level compared with peers.

Key Metrics

Oma Savings Bank PLC--Key Ratios And Forecasts

	--Fiscal year ended Dec. 31 --				
(%)	**2021a**	**2022a**	**2023f**	**2024f**	**2025f**
Growth in operating revenue	40.5	(7.6)	40.6-49.6	14.1-17.2	3.6-4.4

Oma Savings Bank PLC--Key Ratios And Forecasts (cont.)					
	--Fiscal year ended Dec. 31 --				
(%)	**2021a**	**2022a**	**2023f**	**2024f**	**2025f**
Growth in customer loans	25.8	9.7	33.3-40.7	7.2-8.8	7.2-8.8
Growth in total assets	22.6	10.6	27.9-34.1	6.9-8.5	7.0-8.6
Net interest income/average earning assets (NIM)	1.8	2.0	2.2-2.4	2.1-2.4	2.0-2.3
Cost to income ratio	41.9	50.7	42.6-44.8	39.8-41.8	41.3-43.4
Return on average common equity	17.6	14.5	17.5-19.5	16.5-18.5	15.5-17.5
Return on assets	1.4	1.0	1.2-1.5	1.1-1.4	1.1-1.4
New loan loss provisions/average customer loans	0.2	0.0	0.2-0.2	0.2-0.2	0.1-0.1
Gross nonperforming assets/customer loans	1.7	1.5	1.6-1.8	1.7-1.8	1.5-1.6
Risk-adjusted capital ratio	15.0	15.5	15.1-15.9	16.0-16.8	16.8-17.6

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'a-' For Banks Operating Solely In Finland

Under our bank criteria, we use our Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores to determine the anchor, the starting point for our bank rating. The anchor for OmaSp is 'a-', in line with that for commercial banks based in Finland. Our assessment of the economic and industry risk trends for Finland's BICRA are both stable.

We view Finland as an innovative, wealthy, and small open economy with mature political and institutional frameworks. The Finnish economy showed strong resilience during the pandemic. After a contained GDP contraction of 2.3% during the first COVID-19 wave in 2020, the economy experienced a strong rebound, and saw 2% growth in 2022. However, for 2023 we see flat growth flat due to slower economic activity expected from Finland's main trading partners. We expect domestic demand will be affected through lower private consumption due to declining real disposable incomes on rising prices. More muted consumer and business confidence could weaken the banking sector's growth prospects.

We do not see material economic imbalances in the Finnish economy as inflation-adjusted house prices show a slight decrease in 2023-2024, although regional differences persist. However, increasing household debt remains a concern and a swift increase in interest rates could weaken households' disposable income and consumption, given more than 90% of mortgage loans are at variable rates. Fixed-rate mortgages remain an exception, although borrowers are increasingly taking interest-rate hedges.

In our view, regulatory standards and bank supervision in Finland are in line with those of European peers. The banking sector is dominated by two major banking groups, OP Financial Group and Nordea Bank, and underpinned by intense competition and low lending margins. That said, we believe overall sector profitability and capitalization will remain resilient. We also expect banks' risk appetites to stay restrained. In our view, the risk of technology disruption remains moderate given banks' digital customer offerings and ongoing investment in innovation.

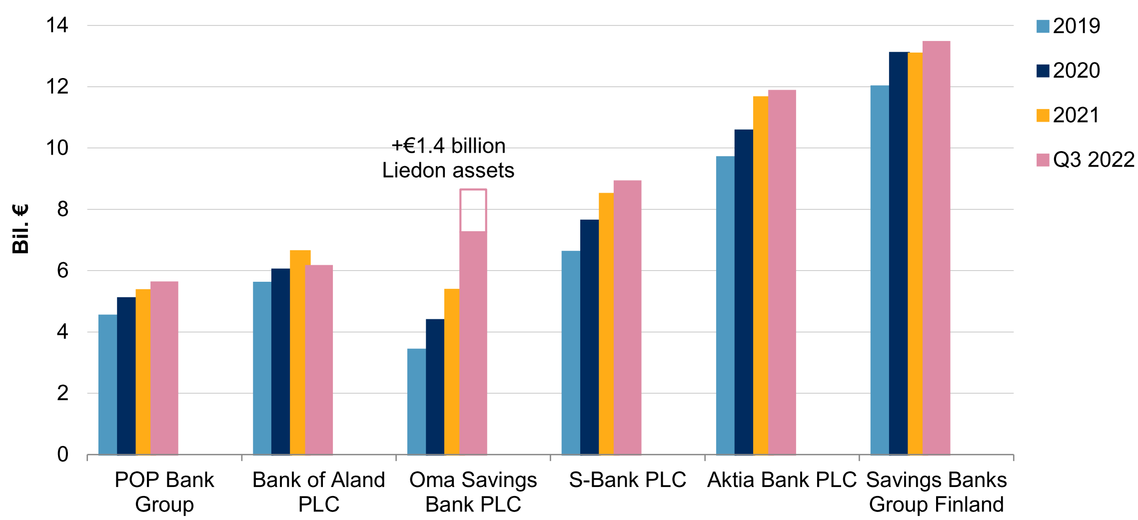
Finnish banks will remain dependent on external funding, which makes them vulnerable to changes in confidence sensitivity. That said, they continue to demonstrate good access to the capital markets. The Nordic banking system also remains highly interconnected, which results in potential spillover risks from external events.

Business Position: Rapidly Growing Retail Franchise In Western And Eastern Finland

OmaSp holds a sound regional franchise focused on retail banking, mainly residential real estate, SME, and agricultural lending, primarily in and around cities in Western and Eastern Finland. Although OmaSp has expanded rapidly over the past years, its market share remains modest--estimated at 2% of household lending and deposits, including assets to be transferred from LiedonSp--and business diversification is limited in comparison to larger peers. While we expect the bank to continue expanding its footprint over the next two years, we anticipate its overall market share in Finland will remain comparatively low.

Chart 1

Total Assets Compared To Selected Peers



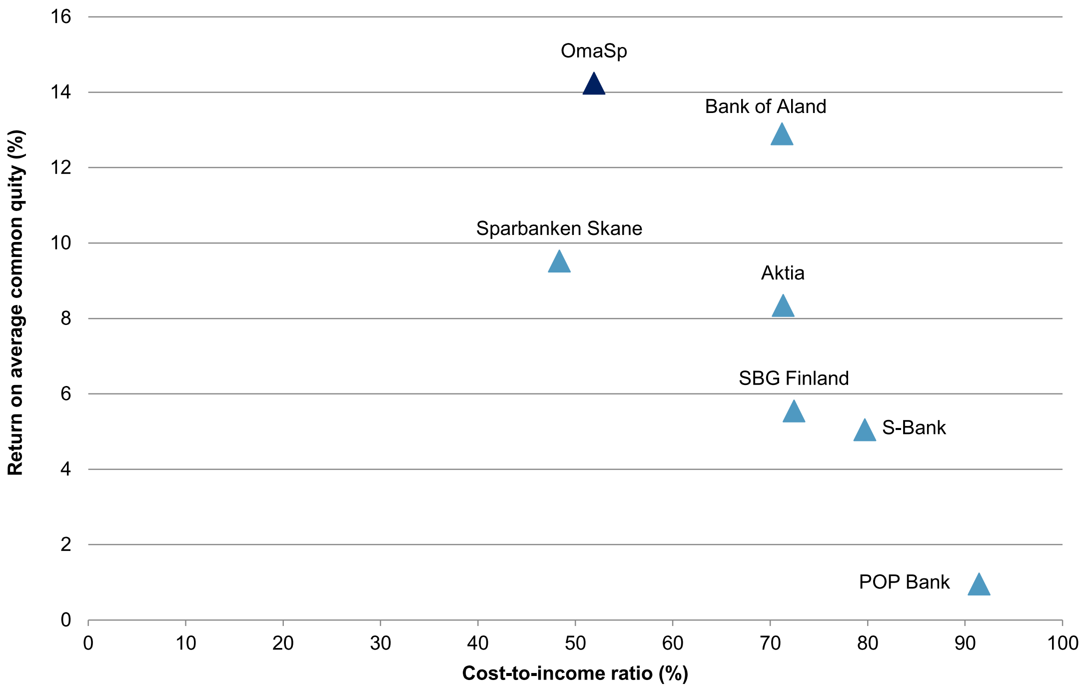
Source: S&P Global Ratings.

While growing its customer base, OmaSp has been successful in pricing its product offerings. We also think the bank's partnerships with Savings Banks Group in the area of wealth management and insurance allows it to operate cost-efficiently while enabling private customers a full-service offering. However, this also makes the bank dependent on cooperation partners for some of its core service offerings. The LiedonSp acquisition will strengthen OmaSp's market position in Southwestern Finland, and over time we expect scale benefits and synergies to further strengthen operating efficiency.

Chart 2

OmaSp Has Stronger Profitability Than Peers

Cost-to-income ratio and return on average common equity compared to Nordic peers



OmaSp generates the majority of its revenues from net interest income, accounting for 73% in 2022, and the remaining 27% from fees and commissions, most of which stem from lending and card business--a split we expect to prevail through 2024. We forecast the return to higher interest rates and ongoing repricing of the loan book will provide significant tailwinds to revenue generation. We therefore project cost to income will strengthen materially toward 40%-45% over 2023-2024, from 52% as of third-quarter 2022. While we expect general cost inflation and integration costs to increase expenses over the upcoming years, we project IT spending to remain broadly stable. Following the termination of its contract with Cognizant to renew the core banking platform in 2021, OmaSp decided to remain with the current core engine and agreed to a long-term contract with Kyndryl-Samlink.

Capital And Earnings: Ample Capital Buffers Underpinned By Strong Earnings Generation

We expect OmaSp's capitalization to remain a rating strength despite the temporary drag on the bank's RAC ratio from the ongoing acquisition of LiedonSp adding 25% of S&P Global Ratings' risk-weighted assets to OmaSp in 2023. We project the RAC ratio to rebound sustainably above 15% toward the end of 2023, from 15.0% as of June 30, 2022.

We anticipate the higher interest rate environment will give a significant boost to the net interest margin, which we expect will widen materially in 2023 as the loan book is repriced. At the same time, rising borrowing costs and high inflation will increase pressures on the repayment capacity of households and corporates, which we expect will drive an increase in loan loss provisioning toward 15 bps-25 bps, compared with an average of 11 bps in 2021-2022.

Our forecast assumptions include organic loan growth above the market at about 6%-7% over the next two years which, coupled with acquired assets from LiedonSp, will increase risk-weighted assets by roughly 25% in 2023. We project this will result in annual pre-tax earnings of €100 million-€130 million over the next two years. Moreover, we expect dividend payouts to remain at 20%-25% and we understand the bank will finance the LiedonSp acquisition with a target share issuance of about €60 million at the current market price.

OmaSp's regulatory common equity Tier 1 ratio lowered to 13.3% as of Dec. 31, 2022 (compared with 15.5% by year-end 2021), mainly as a result of unrealized losses on the fair value reserve. To counter the effect on regulatory capital ratios, the bank issued two debenture loans in 2022 at a total value of €40 million, which demonstrates a certain capital flexibility. We also believe OmaSp could issue hybrid debt instruments to support its growth ambitions, if needed. We consider the quality of capital, which consists solely of common equity, to be high.

Risk Position: Fast-Expanding Loan Book And Concentration Risks Partly Mitigated By Collateralized Low-Risk Lending Focus

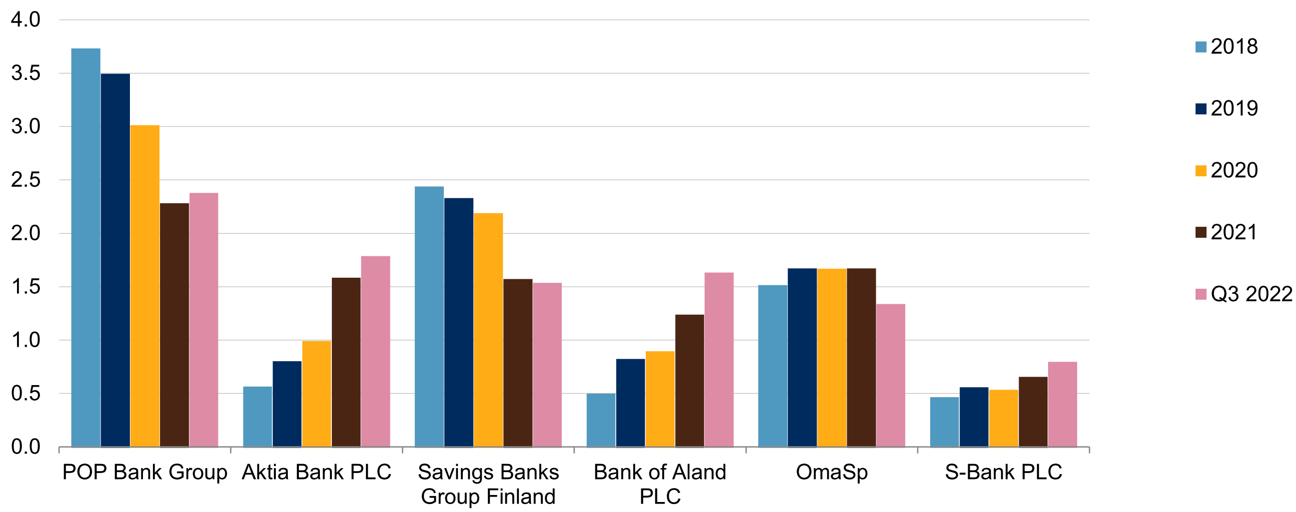
In our view, OmaSp's risk profile is less diversified than a typical universal bank in Finland due to concentration in households and SMEs in selected regions. Mitigating this is OmaSp's focus on low-risk lending to private customers (60% of loans) and housing companies (10%) and high share of collateralization--97% of the portfolio excluding credit cards, which, in our opinion, limits asset quality risks. That said, OmaSp's weighted average loan-to-value (LTV) of 69% in its mortgage portfolio and share of high LTVs (>80%) of 30% is higher than most Nordic peers, making the lender more vulnerable to falling real estate prices.

OmaSp's rapid loan growth--averaging 17.3% per year since 2018--is, in our opinion, indicative of a somewhat higher risk appetite, although the bank has largely maintained a similar business focus and exposure structure over the years. However, although we note a contraction in SME lending in fourth-quarter 2022, the expansion in the first three quarters was significant--43% year on year as of Sept. 30, 2022--which in light of a turning economic cycle and more difficult business conditions ahead could present downside risk to asset quality, in our opinion.

OmaSp's NPL ratio--defined as Stage 3 loans--remains sound but increased slightly to 1.5% in fourth-quarter 2022, from 1.3% as of Sept. 30, 2022. In tandem with the economic slowdown and tighter financial conditions for households and corporates, we expect NPLs to rise moderately toward 1.6%-1.8% over the next two years.

Chart 3

OmaSp Shows Nonperforming Assets Compared To Selected Domestic Peers



Source: S&P Global Ratings. YTD as of Sept. 30, 2022

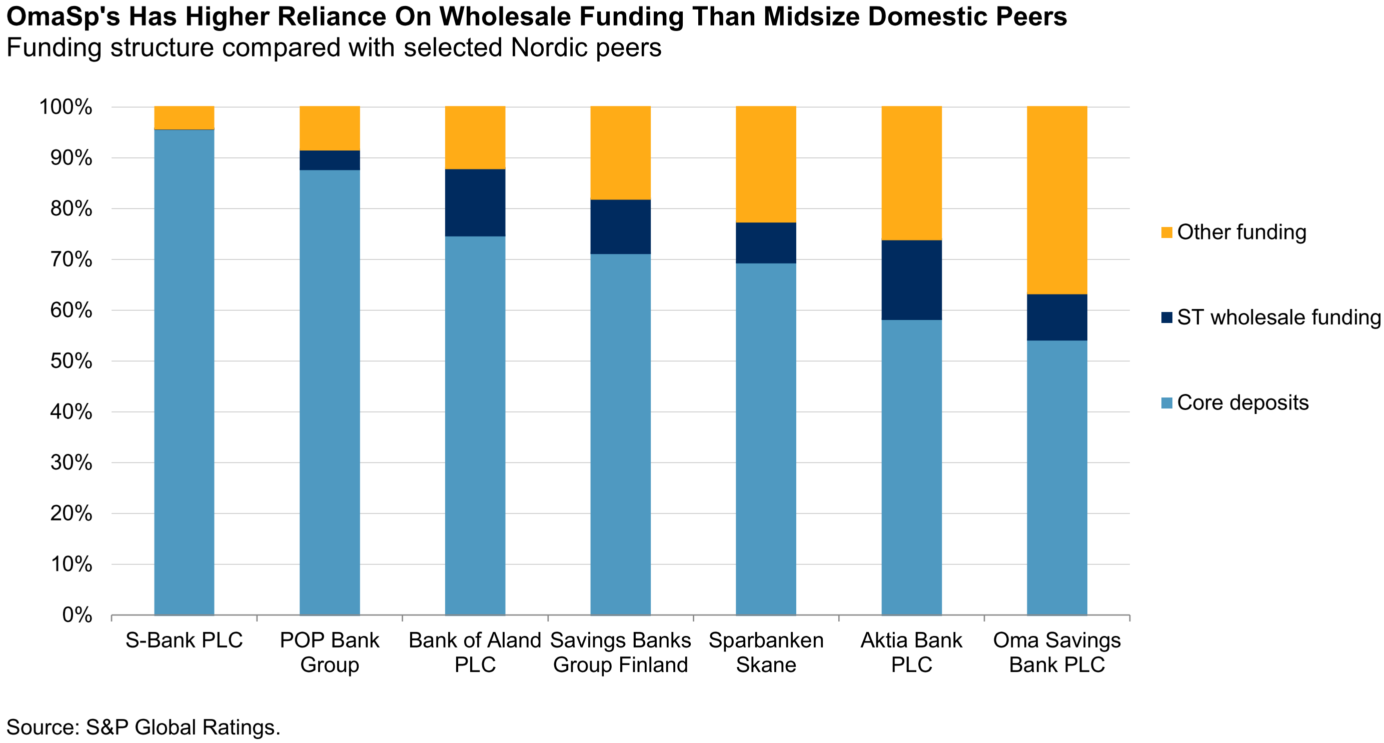
We generally see limited execution risks from the integration of LiedonSp's portfolio given the entities' similar heritage and OmaSp's track record of absorbing smaller savings banks. That said, LiedonSp's large size could present greater integration challenges than previous mergers, although the €1.4 billion of assets to be transferred comprise a similar structure and quality as OmaSp's banking book.

Funding And Liquidity: Stable Retail Deposit Franchise Complemented With Covered Bond Issuance

We consider OmaSp's funding profile to be adequate, reflecting its granular deposit base rooted in a sound retail franchise and proximity to customers. Slightly more than half of the deposit base stems from households with the bulk of the remainder from SMEs. The funding profile is complemented with wholesale funding sources consisting predominantly of covered bond and senior bond issuances.

Owing to OmaSp's rapidly growing loan book, customer deposits as a share of the funding base have trended down over past years--57% as year-end 2021 compared with 66% in 2019. This makes OmaSp's structural funding gap larger than most midsize domestic peers (see chart 4). At the same time, the bank has been reducing its use of short-term wholesale funding as it continues to lengthen its maturity profile, for example by replacing certificates of deposit with covered bonds. We expect the bank will continue to diversify its funding profile via further issuances of unsecured and secured debt instruments and therefore anticipate the stable funding ratio will remain comfortably above 100% (106% as of Dec. 31, 2022).

Chart 4



Our assessment of OmaSp's liquidity considers our one-year liquidity ratio (broad liquid assets to short-term wholesale funding [BLAST]) which on Dec. 31, 2022, stood at 2.1x (from 1.2x as of year-end 2021). As of that date, OmaSp had a liquidity position of €830 million, consisting primarily of cash and highly rated bonds, which after haircuts represents 27% of core deposits and 14% of assets. Therefore, we think the bank could survive for more than six months under stressful conditions--for example involving the closure of access to capital market funding and a significant deposit outflow. However, we believe that dependence on the central bank through repo activity could become significant thereafter.

We expect the bank to prudently manage upcoming maturities including repaying the €150 million of European Central Bank's targeted longer-term refinancing operation that comes due in June 2023, and its BLAST to remain above 1.0x over the next 12-24 months. As of Dec. 31, 2022, the bank reported a regulatory liquidity coverage ratio of 166%, well above the regulatory minimum of 100%.

Support: No Uplift To The Stand-Alone Credit Profile

We do not factor in any external support into our assessment of OmaSp. We consider Finland to have an effective resolution regime in place since January 2016. However, as we assess OmaSp as having low systemic importance in Finland (market share of 1.54% in customer deposits as of June 30, 2022), we believe the response to OmaSp's nonviability would not primarily be a bail-in resolution. Therefore, we do not consider our additional loss absorbing capital criteria to be applicable to the bank, nor do we think that OmaSp is eligible for our resolution counterparty rating (RCR). RCRs recognize the default risk of certain bank liabilities that rank senior to other liabilities in a resolution.

Additional Rating Factors

No additional factors affect this rating.

Environmental, Social, And Governance

ESG Credit Indicators

E-1	**E-2**	E-3	E-4	E-5	S-1	**S-2**	S-3	S-4	S-5	G-1	**G-2**	G-3	G-4	G-5

ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings' opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumerical 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary "ESG Credit Indicators: Definition And Applications," published Oct. 13, 2021.

ESG factors are neutral in our assessment of OmaSp's creditworthiness. Social and environmental credit factors are broadly in line with those of peers in the banking industry, while the bank's governance standards are comparable with the practice in its home country.

Like other banks involved in corporate and mortgage lending, we consider ESG factors--including climate change, and evolving regulations and norms--to be relevant for our analysis on OmaSp. As a savings bank, OmaSp strives to have a positive effect on the local community including regional projects supporting increased financial literacy. OmaSp is a member of Finance Finland's Committee for ESG, and we understand the bank is in the process of ensuring preparedness and operational compatibility with the upcoming ESG regulation.

Overall, we consider that the bank has limited exposure to sectors that are vulnerable to transition risks, due to its modest commercial banking footprint. Potential vulnerabilities include exposure to agriculture, which has declined over recent years and stood at 5.8% of total loans as of Sept. 30, 2022.

Key Statistics

Table 1

Oma Savings Bank PLC--Key Figures

	--Fiscal year end Dec. 31--				
(Mil. €)	**2022**	**2021**	**2020**	**2019**	**2018**
Adjusted assets	5,933.1	5,362.6	4,370.8	3,407.3	2,909.6
Customer loans (gross)	4,778.9	4,354.5	3,460.2	2,978.6	2,538.4

Table 1

Oma Savings Bank PLC--Key Figures (cont.)

	--Fiscal year end Dec. 31--				
(Mil. €)	**2022**	**2021**	**2020**	**2019**	**2018**
Adjusted common equity	432.8	376.9	324.4	290.8	278.4
Operating revenues	144.1	155.9	111.0	92.6	76.0
Noninterest expenses	73.1	65.3	51.7	50.3	46.2
Core earnings	55.4	66.3	30.7	27.5	21.3

Table 2

Oma Savings Bank PLC--Business Position

	--Fiscal year end Dec. 31--				
(%)	**2022**	**2021**	**2020**	**2019**	**2018**
Loan market share in country of domicile	1.8	1.4	1.3	1.2	1.1
Deposit market share in country of domicile	1.5	1.3	1.3	1.2	1.1
Total revenues from business line (currency in millions)	144.1	155.9	111.0	92.6	76.0
Commercial & retail banking/total revenues from business line	100.0	100.0	100.0	100.0	100.0
Return on average common equity	14.5	17.6	9.2	9.1	7.6

Table 3

Oma Savings Bank PLC--Capital And Earnings

	--Fiscal year end Dec. 31--				
(%)	**2022**	**2021**	**2020**	**2019**	**2018**
Tier 1 capital ratio	13.3	15.5	15.9	16.8	18.4
S&P Global Ratings' RAC ratio before diversification	N/A	15.0	15.0	15.7	18.0
S&P Global Ratings' RAC ratio after diversification	N/A	10.7	11.2	11.6	13.3
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	72.8	51.4	61.1	62.1	65.0
Fee income/operating revenues	27.3	21.6	26.4	27.5	31.8
Market-sensitive income/operating revenues	(3.8)	3.3	11.9	9.0	(0.1)
Cost to income ratio	50.7	41.9	46.6	54.4	60.9
Preprovision operating income/average assets	1.3	1.9	1.5	1.3	1.1
Core earnings/average managed assets	1.0	1.4	0.8	0.9	0.8

RAC--Risk-adjusted capital. N/A--Not applicable.

Table 4

Oma Savings Bank PLC--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	596,624,015.3	28,912,108.0	4.8	29,319,999.1	4.9
Of which regional governments and local authorities	10,832,469.5	28,912,108.0	266.9	389,968.9	3.6
Institutions and CCPs	421,661,692.3	60,780,294.0	14.4	55,300,558.0	13.1
Corporate	1,084,820,792.6	755,169,091.0	69.6	691,817,561.4	63.8

Table 4

Oma Savings Bank PLC--S&P Global Ratings Risk-Adjusted Capital Framework (cont.)					
Retail	3,853,424,487.1	1,348,175,603.0	35.0	1,165,928,740.6	30.3
Of which mortgage	3,042,094,391.0	946,613,962.0	31.1	684,022,805.2	22.5
Securitization*	0	0	0	0	0
Other assets§	74,355,718.0	71,170,420.0	95.7	68,075,675.3	91.6
Of which deferred tax assets	--	--	--	--	--
Of which amount of over (-) or under (+) capitalization of insurance subsidiaries	--	--	--	--	--
Total credit risk	6,030,886,705.3	2,264,207,516.0	37.5	2,010,442,534.6	33.3
Total credit valuation adjustment	--	4,732,375.0	--	0	--
Equity in the banking book	46,033,757.5	58,216,241.0	126.5	397,010,734.2	862.4
Trading book market risk	--	7,237,762.5	--	10,856,643.8	--
Total market risk	--	65,454,003.5	--	407,867,378.0	--
Total operational risk	--	197,584,712.5	--	225,586,203.8	--
RWA before diversification	--	2,531,978,607.0	--	2,643,896,116.3	100.0
Single name (on Corporate Portfolio)†	--	--	--	110,117,253.2	15.9
Sector (on Corporate Portfolio)	--	--	--	(10,925,489.8)	(1.4)
Geographic	--	--	--	427,016,952.7	17.0
Business and risk type	--	--	--	526,503,343.4	16.6
Total diversification/ concentration adjustments	--	--	--	1,052,712,059.5	39.8
RWA after diversification	--	2,531,978,607.0	--	3,696,608,175.8	139.8
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**Standard & Poor's RAC ratio (%)**
Capital ratio before adjustments		337,667,000.0	13.3	395,952,850.0	15.0
Capital ratio after adjustments±		337,667,000.0	13.3	395,952,850.0	10.7

EAD--Exposure at default. RAC--Risk adjusted capital. RWA--Risk-weighted assets. *Securitisation exposure includes the securitisation tranches deducted from capital in the regulatory framework. §Other assets inlcudes Deferred Tax Assets not deducted from ACE. †For Public-Sector Funding Agencies, the single name adjustment is calculated on the regional government and local authorities portfolio. ±Tier 1 ratio adjustments are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons).

Table 5

Oma Savings Bank PLC--Risk Position					
	--Fiscal year end Dec. 31--				
(%)	**2022**	**2021**	**2020**	**2019**	**2018**
Growth in customer loans	9.7	25.8	16.2	17.3	18.1
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	41.0	34.3	35.3	35.2
Total managed assets/adjusted common equity (x)	13.7	14.3	13.5	11.7	10.5
New loan loss provisions/average customer loans	0.0	0.2	0.7	0.3	0.2
Gross nonperforming assets/customer loans + other real estate owned	1.5	1.7	1.7	1.7	1.5
Loan loss reserves/gross nonperforming assets	34.3	39.6	45.1	36.8	29.9

N/A--Not applicable. RWA--Risk-weighted assets.

Table 6

Oma Savings Bank PLC--Funding And Liquidity

	--Fiscal year end Dec. 31--				
(%)	2022	2021	2020	2019	2018
Core deposits/funding base	56.8	59.3	59.9	65.8	67.9
Customer loans (net)/customer deposits	152.7	149.3	144.5	147.6	143.8
Long-term funding ratio	93.1	89.1	96.2	91.0	88.5
Stable funding ratio	106.3	99.9	111.1	95.9	93.7
Short-term wholesale funding/funding base	7.3	11.8	4.1	10.0	12.8
Regulatory net stable funding ratio	115.3	115.2	125.5	147.6	135.0
Broad liquid assets/short-term wholesale funding (x)	2.1	1.2	4.0	0.7	0.6
Broad liquid assets/total assets	14.0	12.6	14.8	6.7	7.1
Broad liquid assets/customer deposits	26.7	23.3	27.4	11.3	11.8
Net broad liquid assets/short-term customer deposits	15.3	3.4	21.0	(4.0)	(8.9)
Regulatory liquidity coverage ratio (x)	166.4	133.0	184.9	140.1	134.8
Short-term wholesale funding/total wholesale funding	16.9	29.0	10.2	29.1	40.0
Narrow liquid assets/3-month wholesale funding (x)	5.8	20.9	33.4	1.4	N/A

N/A--Not applicable.

Oma Savings Bank PLC--Rating Component Scores

Issuer Credit Rating	BBB+/Stable/A-1
SACP	bbb+
Anchor	a-
Economic risk	2
Industry risk	3
Business position	Constrained
Capital and earnings	Very strong
Risk position	Moderate
Funding	Adequate
Liquidity	Adequate
Comparable ratings analysis	0
Support	0
ALAC support	0
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

ALAC--Additional loss-absorbing capacity. GRE--Government-related entity. SACP--Stand-alone credit profile.

Related Criteria

- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And

Assumptions, Dec. 9, 2021

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- 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
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Nordic Credit Outlook: An Uneven Road Ahead, Jan. 9, 2023
- Banking Industry Country Risk Assessment Update: January 2023, Jan. 25, 2023
- Global Bank Country-By-Country Outlook 2023: Greater Divergence Ahead, Nov. 16, 2022
- European Banks' Residential Mortgage Losses Should Remain Contained Even As Economies Slow, Nov. 15, 2022
- EMEA Financial Institutions Monitor 4Q2022: Fresh Turmoil Brings New Hardships, Nov. 4, 2022
- Oma Savings Bank PLC 'BBB+/A-2' Ratings Affirmed On Contemplated Acquisition Of Liedon Savings Bank; Outlook Stable, June 28, 2022
- Banking Industry Country Risk Assessment: Finland, June 1, 2022
- Ratings On Nine Finnish Financial Institutions Affirmed Under Revised Criteria; Outlooks Unchanged, Feb. 4, 2022

Ratings Detail (As Of February 24, 2023)*	
Oma Savings Bank PLC	
Issuer Credit Rating	BBB+/Stable/A-2
Senior Secured	AAA/Stable
Senior Unsecured	BBB+
Issuer Credit Ratings History	
22-Jan-2021	BBB+/Stable/A-2
19-May-2020	BBB+/Negative/A-2
27-Jul-2017	BBB+/Stable/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.