STANDARD & POOR'S RATINGS SERVICES
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Aktia Bank PLC

Primary Credit Analyst:
Salla von Steinaecker, Frankfurt (49) 69-33-999-164; salla.vonsteinaecker@standardandpoors.com

Secondary Contact:
Olivia Fleischmann, Stockholm (46) 8-440-5904; olivia.fleischmann@standardandpoors.com

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Aktia Bank PLC

SACP	a-	+	Support	0	+	Additional Factors	0

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

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

Issuer Credit Rating
A-/Negative/A-2

Major Rating Factors

Strengths:	Weaknesses:
• Well-established local retail franchise in Finland. • Very strong projected capitalization underpinned by sound earnings capacity. • Focus on low-risk collateralized lending to retail clients and small and midsize enterprises.	• Concentration risk in loan book, due to focus mainly on residential mortgage lending in Finland. • Limited geographic, business, and earnings diversification. • Reliance on wholesale funding market as covered bond issuer.

Outlook: Negative

Standard & Poor's Ratings Services' negative outlook on Aktia Bank reflects our view of Finland's weak economic recovery, which could hamper the banking sector's performance over the next two years. Gradually increasing unemployment could further impede loan growth in Finland and lead to asset price corrections, namely in the housing market. If this meaningfully increased the risk costs for the banking sector, we could revise downward our 'a-' anchor for Finnish banks, including Aktia Bank. This could, in turn, lead us to revise down our assessment of the bank's stand-alone credit profile (SACP) and lower our ratings on Aktia Bank.

If we were to revise our view of the currently low economic risk in Finland, this would lead us to lower our projected risk-adjusted capital (RAC) ratio for Aktia Bank because we would use higher risk weights on exposures in our calculation. However, we do not believe that this would lead to a two-notch downgrade of Aktia Bank given the presence of a meaningful additional loss-absorbing capacity (ALAC) buffer.

We consider an outlook revision to stable as unlikely at this stage and this would only be triggered if our overall assessment of the Finnish banking system improves.

Rationale

Our ratings on Aktia Bank reflect our 'a-' anchor for Finnish banks and the bank's moderate business position as a regional bank with a concentrated business model focused primarily on retail mortgage lending. Our ratings also encompass Aktia Bank's very strong capital and earnings, mainly due to our expectation of the RAC ratio being above 15% in the next 12-18 months. They equally reflect the bank's moderate risk position, due to concentration risks on its loan book, partly mitigated by a high level of collateralization and a track record of low credit losses, its average funding, and adequate liquidity, owing to a sound level of customer deposits and demonstrated access to capital markets as a covered bond issuer. The SACP is 'a-'.

Given Aktia Bank's status as a top five retail bank in terms of assets in Finland--where pan-Nordic groups have sizable operations--and its market share of 4.1% in mortgage loans and 3.8% in customer deposits, we consider the bank to have moderate systemic importance to Finland's banking sector. We believe, however, that the prospect of extraordinary government support for the country's banking sector is uncertain and no longer incorporate any uplift above Aktia Bank's SACP for government support.

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

Our bank criteria use our Banking Industry Country Risk Assessment's economic risk and industry risk scores to determine a bank's anchor, the starting point in assigning an issuer credit rating. Our anchor for a commercial bank operating only in Finland is 'a-', based on an economic risk score of '2' and an industry risk score of '3'.

We view Finland as a competitive and resilient economy, with high education levels. But it also depends on exports in cyclical industries, which subjects its economy to increasing pressure from Europe's worsening recession. Moreover, a lack of reforms to improve competiveness could hamper the economy. Comparably low corporate and moderate household debt levels and a very strong payment culture contribute to debt in the economy.

Diverse Nordic banking groups largely control Finland's concentrated banking industry, which, in our view, is underpinned by robust profitability metrics, sound capitalization, and stability. Deposits dominate funding, but the sector is a net external debtor, reflecting strong loan growth in 2000-2006, the intragroup operations of a pan-Nordic group, and the country's lack of a deep domestic debt market.

Table 1

Aktia Bank PLC Key Figures

	--Year-ended Dec. 31--				
(Mil. €)	**2015**	**2014**	**2013**	**2012**	**2011**
Adjusted assets	9,163.0	10,125.1	10,447.6	10,865.2	10,752.0
Customer loans (gross)	5,911.3	6,475.5	6,867.2	7,266.6	7,122.4
Adjusted common equity	446.8	518.6	512.3	493.9	467.4
Operating revenues	209.0	214.5	225.4	218.4	224.8
Noninterest expenses	144.4	144.5	157.2	154.2	166.5
Core earnings	51.6	55.0	52.4	42.6	36.5

Business position: Solid local retail franchise as top a five bank in Finland

We consider Aktia Bank's business position to be moderate, reflecting its concentrated business model focused primarily on residential mortgage lending.

Aktia Bank is a midsize commercial bank with total assets of €9.9 billion as of Dec. 31, 2015. The bank has a well-established, local retail franchise in growth regions in Finland's coastal areas and larger cities, with about 300,000 customers. Aktia Bank enjoys a stable market share of 4.1% in residential mortgage lending and 3.8% in customer deposits.

However, we view Aktia Bank's regional concentration and narrow product focus on residential mortgage lending as the main weaknesses to its business model in the currently subdued Finnish economic environment. These factors may expose the bank to potential volatility in Finland's real estate market. The diversity benefits from the bank's small corporate banking activities are limited. We understand that Aktia Bank is again targeting moderate growth in the small and midsized enterprises (SME) segment by taking advantage of cross-selling potential. Furthermore it seeks to enter the highly competitive lending market for housing corporations, which experienced a healthy demand in 2015.

We view it as positive that the bank's asset-management and life-insurance activities complement its product offering, and their contribution to revenues will, in our view, increase over time. Together, they made up 22% of Aktia Bank's operating revenues and 36% of its operating profit as of Dec. 31, 2015. Its asset management activities, with assets under management of €7.1 billion as of Dec. 31, 2015, are steadily growing and hold an estimated 7% market share in mutual funds in Finland.

Furthermore, Aktia Life Insurance provides banking clients with insurance and investment products. However, due to Aktia Life's limited size and market share of about 3% in the Finnish life insurance market, its operations bring only moderate diversification benefits to the group, in our opinion.

We do not expect that the bank will expand its network to further regions in Finland. However, we believe that it could gain market share by an increased focus on cross-selling, namely of insurance and savings products, to its existing customer base, and by proving these products through mobile or online solutions to new clients outside its core regions. The newly established cooperation with R-Kioski Oy, a chain of convenience stores, for sales of Mastercard Prepaid Cards is an example of Aktia Bank making use of new distribution channels.

Aktia Bank terminated its cooperation with independent local savings banks and co-operative banks at the start of 2013, but the phasing-out of Aktia Real Estate Mortgage Bank (AREMB) is ongoing. In October 2015, Aktia Bank agreed to acquire minority stakes in AREMB from the partner banks. The AREMB run-down will continue and the aim is to minimize its balance sheet by end-2016 and consequently to merge AREMB with Aktia Bank in 2017.

We expect the strategic changes that started two years ago will allow Aktia Bank to focus its resources on its own loan growth as shown by its revised strategy regarding SME lending. However given the sluggish economic situation and competitive situation, we believe organic growth will become more difficult for smaller players, including Aktia Bank, which could lead to increased pricing competition in the market. We consider Aktia Bank's management to be prudent and do not expect the bank to sacrifice its sound underwriting standards in the challenging operating environment. This will, in our view, allow the bank to maintain the stability of its financial position.

Table 2

Aktia Bank PLC Business Position					
	--Year-ended Dec. 31--				
(%)	**2015**	**2014**	**2013**	**2012**	**2011**
Loan market share in country of domicile	4.1	4.1	4.1	4.3	4.2
Deposit market share in country of domicile	3.8	3.9	3.7	3.4	3.5
Total revenues from business line (mil. €)	209.0	214.5	225.4	228.2	224.8
Commercial & retail banking/total revenues from business line	79.1	78.9	79.0	70.5	73.9
Insurance activities/total revenues from business line	22.2	20.3	20.3	12.2	20.4
Asset management/total revenues from business line	N.A	N.A	N.A	11.6	9.6
Other revenues/total revenues from business line	(1.3)	0.8	0.6	5.7	(3.9)
Return on equity	8.4	8.7	8.9	9.3	7.7

N.A.--Not available.

Capital and earnings: Very strong capitalization underpinned by sound earnings capacity and asset reduction

We assess Aktia Bank's capital and earnings as very strong. This is mainly due to our expectation that our RAC ratio for the bank will be above 15% over the next 12-18 months, compared with 14.5% on Dec. 31, 2015.

The main driver for the evolving RAC ratio continues to be the ongoing run-off of AREMB. Based on the arrangement between Aktia Bank and the partner banks in 2015, Aktia has agreed to acquire the minority stakes in AREMB and AREMB will be merged with Aktia Bank in 2017. The transaction decreased Aktia Bank's equity by €65 million and consequently our total-adjusted capital (TAC), our measure of loss-absorbing capital at end-2015, leading to an anticipated decline in the RAC ratio compared with the June 2015 RAC figure of 16.0%.

At the same time, the resulting reduction in risk-weighted assets over the next 12-18 months will counter the recent decline in TAC. AREMB's loan book decreased from €1,941 million in 2014 to €857 million (as of Dec. 31, 2015) and consisted mainly of mortgage loans through partner local savings and cooperative banks. The loan book is currently fully consolidated on Aktia Bank's balance sheet, but we expect the partner banks to buy back their own share of loans from AREMB by end-2016. As such, the AREMB loan book will be scaled down to minimum and then finally merged with Aktia Bank. Combined with moderate growth of 2%-3% in Aktia Bank's own loan origination due to low demand for mortgage loans in Finland, we expect Aktia Bank's overall loan book to reach the bottom at about €5.2 billion by end-2016 followed by steady increase in 2017. Consequently, we forecast a lower level of Standard & Poor's risk-weighted assets in the next two years.

We expect the decreasing margins on new loans due to strong competition and the lower contribution from maturing hedging transactions will put pressure on the overall net interest margin, which we forecast will decrease to about 1.0% over the next two years from 1.08% as of end-2015.

We anticipate that the growth in net fee and commission income driven mainly by the positive development in mutual funds and asset management business, in addition to cost efficiency programs, will counter the negative trend in net interest income and support the bank's ability to build capital. We expect Aktia Bank's organizational streamlining to support its cost-efficiency target to reduce the cost-to-income ratio by 10 percentage points by 2018. Given its comfortable capital position, Aktia Bank has revised its dividend policy and we expect a dividend payout of 50%-60% over the next two years.

We consider Aktia Bank's quality of capital, consisting mainly of paid-in capital, and its earnings, to be adequate. We expect the bank's earnings capacity to improve over time, owing to stable operating revenues, planned cost cuts, and our expectation of low loan losses. This is reflected in our three-year average earnings buffer of close to 150 basis points (bps) for the group.

This is furthermore demonstrated by Aktia Bank comfortably fulfilling regulatory capital requirements with a common equity tier 1 capital ratio of 20.7% as of Dec. 31, 2015.

Table 3

Aktia Bank PLC Capital And Earnings

	--Year-ended Dec. 31--				
(%)	**2015**	**2014**	**2013**	**2012**	**2011**
Tier 1 capital ratio	20.7	14.6	12.3	11.8	10.6
S&P RAC ratio before diversification	14.5	13.5	12.7	11.5	11.1
S&P RAC ratio after diversification	12.5	12.2	11.6	10.6	10.7
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	46.6	47.9	50.0	53.7	57.3
Fee income/operating revenues	38.3	34.9	31.4	29.9	26.5
Market-sensitive income/operating revenues	1.6	3.4	3.7	1.3	(6.6)
Noninterest expenses/operating revenues	69.1	67.3	69.8	70.6	74.1
Preprovision operating income/average assets	0.6	0.6	0.6	0.6	0.5
Core earnings/average managed assets	0.5	0.5	0.5	0.4	0.3

RAC--Risk-adjusted capital.

Table 4

Aktia Bank PLC Risk-Adjusted Capital Framework Data

Credit risk	**Exposure***	**Basel III RWA**	**Average Basel III RW (%)**	**Standard & Poor's RWA**	**Average Standard & Poor's RW (%)**
Government and central banks	815,449,656	164,100	0	32,542,629	4
Institutions	2,047,735,656	262,483,288	13	267,794,768	13
Corporate	326,494,515	143,313,800	44	178,585,620	55
Retail	5,692,425,343	980,904,050	17	1,414,292,606	25
Of which mortgage	5,477,807,722	868,402,838	16	1,303,253,820	24
Securitization§	0	0	0	0	0
Other assets	100,449,967	133,605,825	133	99,112,849	99
Total credit risk	8,982,555,137	1,520,471,063	17	1,992,328,470	22
Market risk					
Equity in the banking book†	7,548,657	94,358,213	1,250	70,709,523	937
Trading book market risk	--	0	--	0	--
Total market risk	--	94,358,213	--	70,709,523	--

Table 4

Aktia Bank PLC Risk-Adjusted Capital Framework Data (cont.)

Insurance risk					
Total insurance risk	--	--	--	577,387,500	--
Operational risk					
Total operational risk	--	356,123,175	--	442,980,956	--
		Basel II RWA		**Standard & Poor's RWA**	**% of Standard & Poor's RWA**
Diversification adjustments					
RWA before diversification		1,998,768,288		3,083,406,449	100
Total Diversification/Concentration Adjustments		--		487,861,320	16
RWA after diversification		1,998,768,288		3,571,267,769	116
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**Standard & Poor's RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		413,380,168	20.7	446,781,561	14.5
Capital ratio after adjustments‡		413,380,168	20.7	446,781,561	12.5

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and Standard & Poor's risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of Dec. 31, 2015, Standard & Poor's.

Risk position: Sound risk management but concentration risk due to focus on retail mortgage lending

We view Aktia Bank's risk position as moderate, mainly due to the concentration risk of the bank's loan book, which exposes it to potential volatility in the domestic real estate market.

We take a positive view of Aktia Bank's focus on low-risk lending, mortgage loans, and loans to SMEs. However, we still consider that the regionally focused retail loan book (88% of the total loan book as of Dec. 31, 2015) exposes the bank to concentration risk and makes it vulnerable to real estate price developments in specific Finnish regions. The concentration is partly mitigated by the retail loan book's high granularity and sound collateralization. Mortgage loans are principally granted in Finland's larger cities, which we consider to be economically stronger and where we assume housing prices remain more stable. The weighted average loan-to-value (LTV) is estimated at around 50% and less than 5% of the total loan stock has LTV ratios above 70%. We note that Aktia Bank has maintained prudent underwriting standards and, for example, did not offer amortization holidays on mortgage loan borrowers, which were observed in the Finnish market in 2015. We note that the credit quality in run-off loan portfolio of AREMB is excellent. The portfolio has no nonperforming loans (NPLs) and there have been no credit losses reported throughout the bank's history.

In line with Aktia Bank's revised strategy, we expect the SME portfolio will gradually increase to about 10%-15% of total loan portfolio over the next few years. As of Dec. 31, 2015 Aktia Bank's SME loan book was €414 million or 7% of the total loan book and did not show any significant single-name or sector concentration. That said we believe that it will be challenging to increase the market share in the highly competitive market environment.

We consider Aktia Bank's risk culture to be sound and we do not expect the bank to loosen its underwriting standards. The ratio of NPLs to total loans was 0.75% as of Dec. 31, 2015, and consisted mainly of household loans that originated before the revision of the underwriting standards in 2009. The small SME portfolio shows somewhat weaker credit quality, but it is well collateralized. Despite our view of growing economic imbalances in the Finnish household sector, we anticipate Aktia Bank will maintain a low level of credit losses at about 5 bps-6 bps in the near term, compared with almost non-existent credit losses in 2015. The bank's market risk is minor, since it has no trading book.

Table 5

Aktia Bank PLC Risk Position

	--Year-ended Dec. 31--				
(%)	**2015**	**2014**	**2013**	**2012**	**2011**
Growth in customer loans	(8.7)	(5.7)	(5.5)	2.0	7.2
Total diversification adjustment / S&P RWA before diversification	15.8	11.0	N.M.	N.M.	N.M.
Total managed assets/adjusted common equity (x)	22.1	20.6	21.3	22.8	23.7
New loan loss provisions/average customer loans	0.0	0.0	0.0	0.1	0.2
Net charge-offs/average customer loans	0.1	0.1	0.0	0.1	0.1
Gross nonperforming assets/customer loans + other real estate owned	0.7	0.7	0.7	0.7	0.8
Loan loss reserves/gross nonperforming assets	125.0	129.3	144.4	130.1	105.9

RWA--Risk-weighted asset. N.M.--Not meaningful.

Funding and liquidity: Sound funding profile benefiting from regional deposit franchise and covered bonds issuance

Our view of Aktia Bank's funding as average is based on its sound regional franchise and proximity to customers that should continue to provide the bank with a relatively stable and granular inflow of core deposits (50% of funding as of Dec. 31, 2015). Aktia Bank has increased customer deposits gradually over the last five years, demonstrating funding flexibility, in our view. A major part of customer deposits is from households, followed by SME clients, and three quarters of all deposits are covered by the Finnish deposits insurance scheme. Therefore, we expect Aktia Bank's stable funding ratio to remain at the adequate level of 105%-110% over 2015-2016 (114.2% as of Dec. 31, 2015).

The funding profile also benefits from the bank's access to capital markets through the issuance of covered bonds. Aktia Bank was granted a covered bond license in March 2013 and had issued covered bonds totaling €1.5 billion by end-2015. We believe that there is sound demand from the investor side for further issuances. AREMB, in turn, is managing and refinancing current stock (outstanding covered bonds of €776 million) and will refinance the redeeming covered bonds by selling the underlying assets back to the distributing banks. As the owners of AREMB will grant new loans from their own balance sheets, the run-off will reduce Aktia Bank's balance sheet and refinancing needs by 2016.

In our view, Aktia Bank's funding mix will continue to represent a relatively balanced asset-liability structure with a long-term funding ratio of about 83% as of Dec. 31, 2015. This is in line with the ratios of its domestic peers. Furthermore, if we adjust Aktia Bank's loan book for mortgage loans sold by the partner banks, its loan-to-deposits ratio stands at about 130%, slightly above that of domestic peers operating solely in retail banking. But we believe that the ongoing run-off of AREMB will gradually improve Aktia Bank's funding and liquidity metrics.

Our assessment of Aktia Bank's liquidity as adequate mirrors our estimate of the bank's one-year liquidity ratio (broad liquid assets to short-term funding) of 2.5x as of Dec. 31, 2015. Aktia Bank has an ample liquidity position of about €2.3 billion (Dec. 31, 2015), consisting of cash and securities, mainly covered bonds, which, to a large extent, are eligible for repurchase agreement (repo) transactions at the Finnish Central Bank. With a regulatory liquidity coverage ratio of 275%, Aktia Bank comfortably fulfils the future funding and liquidity requirements under the Basel III framework. However, we expect the bank to gradually reduce the liquidity buffers in tandem with the decreasing liquidity guarantees for AREMB (currently up to €550 million). Consequently, we believe that in a severe liquidity crisis involving closure of access to capital market funding and a significant deposit outflow, Aktia Bank could survive for more than 12 months, complemented with the access to the central bank through the repo activity in its liquidity book.

Table 6

Aktia Bank PLC Funding And Liquidity					
	--Year-ended Dec. 31--				
(%)	**2015**	**2014**	**2013**	**2012**	**2011**
Core deposits/funding base	50.1	45.8	45.7	43.4	39.5
Customer loans (net)/customer deposits	149.3	161.2	165.4	178.9	193.6
Long term funding ratio	87.8	79.6	82.2	76.6	74.0
Stable funding ratio	114.2	105.2	106.5	97.4	92.0
Short-term wholesale funding/funding base	13.1	22.0	19.1	25.0	22.8
Broad liquid assets/short-term wholesale funding (x)	2.5	1.5	1.6	1.2	1.3
Net broad liquid assets/short-term customer deposits	41.1	25.5	31.6	13.8	16.4
Short-term wholesale funding/total wholesale funding	26.3	40.5	35.1	44.2	37.7
Narrow liquid assets/3-month wholesale funding (x)	47.2	2.9	2.8	6.1	3.9

External support: No uplift for government or ALAC support

We consider that Aktia Bank has moderate systemic importance to Finland based on our assessment on its position as the fourth-largest retail bank in Finland, where pan-Nordic groups have sizable operations, and its market share of 4.1% in mortgage loans and 3.8% in customer deposits.

We believe the prospect of extraordinary government support for Finnish banks is now uncertain, following the full implementation of the EU Bank Recovery and Resolution Directive, including bail-in powers. We therefore classify Finland's tendency to support private sector commercial banks as uncertain.

Our assessment of Aktia Bank's ALAC does not lead us to add any uplift to the ratings. We view the Finnish resolution regime as effective under our ALAC criteria because, among other factors, we believe it contains a well-defined bail-in process under which authorities would permit non-viable systemically important banks to continue critical functions as going concerns following a bail-in of eligible liabilities. That said, the Finnish authorities have not yet identified Aktia Bank as subject to a well-defined bail-in process, which is a pre-condition for us to include ALAC support into our ratings on a bank.

Related Criteria And Research

Related Criteria

- Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- Bank Hybrid Capital And Nondeferrable Subordinated Debt Methodology And Assumptions, Jan. 29, 2015
- Group Rating Methodology, Nov. 19, 2013
- Assessing Bank Branch Creditworthiness, Oct. 14, 2013
- Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Revised Market Risk Charges For Banks In Our Risk-Adjusted Capital Framework, June 22, 2012
- Rating Methodology And Assumptions, Nov. 9, 2011
- Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Bank Capital Methodology And Assumptions, Dec. 6, 2010
- Methodology For Mapping Short- And Long-Term Issuer Credit Ratings For Banks, May 4, 2010
- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Commercial Paper I: Banks, March 23, 2004

Related Research

- Finland Ratings Affirmed At 'AA+/A-1+'; Outlook Remains Negative, March 18, 2016
- Banking Industry Country Risk Assessment: Finland, Jan. 25, 2016
- Finland-Based Aktia Bank 'A-/A-2' Ratings Affirmed On Government Support And ALAC Review; Outlook Negative, Dec. 2, 2015
- Nordic Banks Extend Their Capital Advantage Despite Lower Revenues, Nov. 27, 2015
- Nordic Banks Face Credit Pressures From Bail-In Regulations And Economic Risks, March 9, 2015
- Banking Industry Country Risk Assessment Update: March 2015, March 6, 2015

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 March 29, 2016)	
Aktia Bank PLC	
Counterparty Credit Rating	A-/Negative/A-2
Senior Unsecured	A-
Counterparty Credit Ratings History	
12-Dec-2012	A-/Negative/A-2

Ratings Detail (As Of March 29, 2016) (cont.)	
Sovereign Rating	
Finland (Republic of)	AA+/Negative/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's 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.

Additional Contact:
Financial Institutions Ratings Europe; FIG_Europe@standardandpoors.com