Moody's Investors Service

Global Credit Research
Credit Opinion
16 APR 2009

Credit Opinion: Aktia Bank p.l.c.

Aktia Bank p.l.c.

Helsinki, Finland

Ratings

Category	**Moody's Rating**
Outlook	Stable
Bank Deposits	A1/P-1
Bank Financial Strength	C

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Key Indicators

Aktia Bank p.l.c.

	[1]**2008**	[2]**2007**	**2006**	**2005**	**2004**	[3]**Avg.**
Total assets (EUR billion)	**9.54**	**7.95**	**5.49**	**4.55**	**4.08**	[4]**22.12**
Total capital (EUR billion)	**0.56**	**0.53**	**0.44**	**0.41**	**0.35**	[4]**15.07**
Return on average assets	**0.07**	**0.78**	**0.83**	**0.86**	**0.59**	**0.62**
Recurring earnings power [5]	**0.07**	**0.80**	**1.05**	**1.30**	**1.00**	**0.84**
Net interest margin	**1.25**	**1.51**	**1.84**	**2.03**	**2.16**	**1.76**
Cost/income ratio (%)	**95.02**	**66.48**	**61.51**	**57.20**	**66.48**	**69.34**
Problem loans % gross loans	**0.50**	**0.42**	**0.39**	**0.31**	**0.39**	**0.40**
Tier 1 ratio (%)	**9.30**	**10.88**	**9.24**	**9.80**	**9.40**	**9.72**

[1] As of December 31. [2] Statement period in which the bank switched to Basel II accounting framework. [3] The average calculations are based on Basel I and Basel II data where applicable. [4] Compound annual growth rate. [5] Preprovision income % average assets.

Opinion

SUMMARY RATING RATIONALE

Moody's assigns a C bank financial strength rating (BFSR) to Aktia Bank plc, which translates into a baseline credit assessment (BCA) of A3. The rating derives from Aktia Bank's established - albeit small - franchise, prudent risk and liquidity management and good financial fundamentals, particularly asset quality and capital adequacy.

Aktia Bank is the fifth-largest bank in Finland, with a focus on the retail market. In addition, it acts as the central financial institution for independent savings banks and local co-operative banks. Over the past couple of years, the bank has expanded to the insurance sector by acquiring Veritas Life and Non-Life companies. In connection with these acquisitions, the legal structure of the bank has changed (see Recent Results and Company Events for more details) and the restructuring of the group was finalised early 2009.

Aktia Bank's long-term global local currency (GLC) deposit rating of A1/P-1 is supported not only by the bank's A3 BCA, but also by the Aaa local currency deposit ceiling of Finland, which is considered the underlying support provider. As a result of Aktia Bank's importance to the Finnish economy and its role as the central financial institution, Moody's assesses a high probability of systemic support for the bank in the event of a stress situation. Consequently, Aktia Bank's GLC deposit rating benefits from a two-notch uplift from the BCA.

Credit Strengths

- Stable regional franchise and good customer penetration of the bilangual coastal areas of Finland

- Key role as the central financial institution of independent savings banks and local co-operative banks, which has translated into new business opportunities

- Satisfactory capitalisation

- Good asset quality

Credit Challenges

- Maintaining good asset quality across the economic cycle

- Unseasoned loan book given strong loan growth in the past few years

- A small player with a modest national market share

- Pressure on margins and income generation in a competitive operating environment

- Risks related to insurance business and the integration of newly acquired insurance operations

- Improving cost efficiency

- Increased reliance on market funding

Rating Outlook

The outlook on all of Aktia Bank's ratings is stable.

What Could Change the Rating - Up

An upgrade of the BFSR is unlikely given the weakening economic outlook in Finland.

What Could Change the Rating - Down

Downward pressure on the BFSR could result from a deterioration in the bank's asset quality, liquidity position and/or higher risk appetite in conjunction with increased risks related to the insurance business and/or an erosion of the bank's profitability and market share.

The bank's GLC deposit rating could be downgraded in the event of one of the following: (i) Aktia Bank's BFSR being downgraded or (ii) Moody's assessing the probability of systemic support as lower by. The current support assessment is supported by the agreement that Aktia Bank acts as the central financial institution for the independent savings banks and local co-operative banks.

Recent Results and Company Events

In September 2008, the bank's legal structure was changed. The banking business of Aktia Savings Bank plc was transferred to Aktia Bank, which was simultaneously converted into a public limited liability company. As a result, Aktia Savings Bank plc, which owns 100% of the shares in Aktia Bank plc, ceased to conduct banking operations and has continued as a holding company of the Aktia Group under the name Aktia plc (Aktia).

Also, in January 2009, the merger of Aktia and Veritas Non-Life Insurance was implemented. At the same time, Veritas Non-Life Insurance changed its name to Aktia Non-Life Insurance. It operates as a separate daughter company within Aktia Group.

In December 2008, Aktia Bank acquired Iceland's Kaupthing Bank's asset management operations in Finland. The bank's total fund market share stood at 3.7% in 2008.

Aktia reported pre-tax profit of EUR 7 million in 2008, compared with EUR 66 million in 2007. The results were primarily down due to disappointing investment activities particularly within its life insurance operations.

Annual lending growth was 18% (including loans in Aktia Real Estate Mortgage Bank). The bank's market shares in retail lending and deposits have improved slightly. Lending margins and operating costs remained under pressure and the asset management and life-insurance businesses were significantly affected by the downturn in the financial markets. The bank's asset quality remained strong and problem loans (more than 90 days due and with zero interest) represented 0.5% of loans at end-2008 (end-2007: 0.42%). Capital adequacy is satisfactory, but was affected by negative fair value reserve as well as strong loan growth. At end-2008, Tier 1 and total capital ratios were 9.3% and 13.7%, respectively (2007: 10.9% and 15.4%).

The Finnish economy is expected to contract strongly. The main risks are related to the performance of the Finnish export sector in light of the global recession, the strong euro and higher labour-related costs. In addition, housing market growth has moderated and consumer sentiment has deteriorated due to uncertainty in the global economy. The low unemployment rate has supported the housing market, is likely to increase due to the recession. Moody's, however, notes that the interest burden of households has decreased due to the recent decrease in interest rates (the majority of loans have a floating rate). Finally, we note that competition in the Finnish banking sector is currently not as intense as in recent years, especially in the corporate sector.

DETAILED RATING CONSIDERATIONS

Detailed considerations for Aktia Bank's currently assigned ratings are as follows:

Bank Financial Strength Rating

Moody's assigns a C BFSR to Aktia Bank. The main elements underpinning the BFSR are the bank's good liquidity and risk management, good asset quality and satisfactory capitalisation. Key elements constraining the BFSR include its limited market position in the competitive banking market, which is likely to sustain the pressure on its profitability, high borrower risk concentration and potential risks related to the insurance businesses. Aktia Bank also has lower cost efficiency than that of its Moody's-rated peers in Finland.

As a point of reference, the assigned BFSR is at the same level as the C outcome of by Moody's bank financial strength scorecard. In Moody's opinion, the C BFSR is an appropriate measure of Aktia Bank's financial strength given the current challenges facing the bank in the highly competitive environment, both in banking and in insurance, as well as slowing economic growth.

Qualitative Factors (50%)

Factor 1: Franchise Value

Trend: Neutral

Aktia Bank's franchise value is underpinned by a good product range, tailored services and a focus on proximity banking. Historically, the bank has had a good position among the Swedish-speaking population, but it has recently concentrated on growing among the Finnish-speaking population. In recent years, the organisational structure of Aktia Bank has been streamlined to enhance decision-making, transparency and efficiency, the latter of which has been historically weak and remains modest compared with that of peers.

At the Aktia Group level, business operations are divided into five segments: Banking Business, Asset Management, Life Insurance, Non-Life Insurance and Miscellaneous. Banking Business includes Aktia Bank plc, Aktia Real Estate Mortgage Bank plc, Aktia Card & Finance, Aktia Corporate Finance and Aktia real estate agencies. Asset management includes Private Banking operations as well as the subsidiaries Aktia Fund Management Company Ltd, Aktia Asset Management Oy Ab and Aktia Institutional Investment Services. The life insurance segment entails Aktia Life Insurance. The non-life insurance segment entails Aktia Non-Life Insurance. In terms of total assets, traditional banking business accounts around 90% of Aktia's total assets at end-2008.

We note positively the widening product range, which should support Aktia Bank's franchise going forward. With regards the insurance operations at the group level, the challenges are related to the integration as well as intense competition in the Finnish insurance market, which is dominated by a few large players.

Aktia Bank has around 90 branches, located mainly in the coastal areas of Finland and also in the capital area and largest inland towns. It is a relatively small player and the fifth-largest bank in the market, which is dominated by three large banks. The bank has gradually improved its market shares - 4.2% in retail mortgages, 1.7% in corporate loans and 3.7% in mutual funds at end-2008. In addition, Aktia Group has a market share of above 4.3% in life insurance products. The market share within non-life insurance is about 1%. The merger with Aktia Non-Life gave the group more than 70 000 new shareholders, which provides the group with new cross-selling opportunities.

The bank remains focused on retail banking, particularly mortgage lending and savings products, as well as SMEs. About 80% of the loan portfolio is to retail customers, 15% to corporates and 4% to housing associations.

Over the past couple of years, the group has expanded into the potentially more volatile business areas of life and non-life insurance. Indeed, these risks materialised last year, as the life insurance operations' poor investment performance burdened the bank's profits.

Going forward, the earnings volatility of the banking operations will be somewhat reduced as Aktia Bank announced to sell its entire shareholding in Aktia Life Insurance to its parent company Aktia plc in April 2009.. Following this, Moody's estimates that over 60% of the bank's earnings stems from more stable sources such as retail banking and asset management operations.

In light of these factors, the overall score for Aktia Bank's franchise value is C.

Factor 2: Risk Positioning

Trend: Neutral

The bank's risk profile is sound and its risk management practices are in line with its limited risk appetite. The group has an independent risk function reporting to the managing director. In addition, no major control issues have arisen in recent years.

Aktia Bank's largest shareholder is Helsinki Savings Bank Foundation with a 19% stake and 24 savings bank foundations collectively hold 48% of its shares. The bank has, however, announced its intention to list the company on the Helsinki Stock Exchange, although this is dependent on market conditions. We do not see any corporate governance issues in Aktia Bank and the practices it follows are in line with Finnish regulations.

The borrower concentration risk is high although somewhat lower than in many other Nordic banks of similar size. This is largely a reflection of its significant focus on retail banking, which dominates the loan portfolio (80% of total loans at end-2008).

The top 20 corporate exposures represent over 130% of the bank's Tier 1 capital. Industry concentration risk is well contained due to the bank's dominating focus on retail sector. The largest industry sector is commercial real estate, which represents about 7% of total lending and about 150% of Tier 1 capital. In addition, 4% of the loans are to housing associations, which are generally seen as relatively low risk.

The bank's liquidity is good and has improved in recent years. Due to strong loan growth, Aktia Bank's reliance on market funding has increased somewhat, but deposits still represent the most important source of funding - around 40% of total funding compared with over 60% in 2004 and earlier. As regards market funding, we note that the covered bonds (rated Aaa by Moody's) issued via the subsidiary Aktia Real Estate Mortgage Bank are included in Aktia Bank's market funding as a whole, although a part of the loans were granted and are managed by independent savings banks and local co-operative banks.

Aktia has 70% of votes and 53.7% of shares in Aktia Real Estate Mortagage Bank. Overall, Aktia Bank is targeting a mixed funding profile comprising deposits, covered bonds and short-term interbank and wholesale funds.

The bank's liquid assets account for 35% of total assets and consist mainly of highly rated covered bonds and senior bonds of financial institutions, but also include a small amount (around 2%) of European RMBS instruments. Thanks to its prudent liquidity management, the bank could refrain from raising funds in the capital markets for a 12-month period if market conditions were to prevent access to the capital markets.

The bank's market risk appetite is limited. Market risk mainly consists of interest risk that the bank actively hedges against potential changes. Conservative limits on interest rate and foreign exchange risks are calculated on the basis of budgeted net interest income (NII) and the capital base, respectively. At end-2008, a 100-basis-point increase in interest rates would have reduced the net interest income of the banking business for the next 12 months by 5.4% (target maximum -6%).

The bank's equity and currency risks are limited. However, the life insurance business increases the bank's market risks and earnings volatility. Moreover, we note that proprietary trading has not resulted in significant volatility in the past.

The overall score for Aktia Bank's risk positioning is C and is constrained by the high credit risk concentration.

Factor 3: Regulatory Environment

For a discussion of the regulatory environment, please see Moody's latest Banking System Outlook on Finland, published in June 2008.

Factor 4: Operating Environment

Trend: Neutral

Our assessment of a bank's operating environment is based on a measurement of economic stability, the power and efficiency of the legal system and the level of integrity in the country's business culture.

The score for the Finnish operating environment is B+.

Refer to Moody's latest Banking System Outlook on Finland published in June 2008, for a discussion of the bank's operating environment.

Factor 5: Profitability

Trend: Weakening

In 2008, Aktias pre-tax pre-provision income was down by nearly 89% compared with 2007. This was primarily due to write-downs in the life insurance investment portfolio. The life insurance business's income totalled EUR 41.9 million, nearly 70% down from the previous year. Based on fair value, the return on the life insurance company's investment portfolio was a negative 9.5% in 2008 (2007: 6.2%). Net fee & commission also decreased by 13%, chiefly reflecting weaker commission income from funds, asset management and brokerage, which in turn Moody's attributes to a challenging environment. Positively, Aktia's net interest income grew, up by 13% year-on-year, mainly a reflection of strong loan growth (18%) while the net interest margin narrowed to 1.25% in 2008 from 1.51% in 2007. Loan loss provisions (EUR 0.7 million) continued to account for a fairly low 11% of pre-provision income (2007: 0.4%).

Overall, Aktia's profitability weakened significantly in 2008. Risk-weighted profitability (measured as pre-provision income as a percentage of risk-weighted assets) was 0.2% as compared with 2.1% in 2007. Aktia's net profit was EUR 5.8 million in 2008 (2007: EUR 52.8 million) while Aktia Bank reported a net loss of EUR 15.7 million.

The profitability ratios on the scorecard, which are expressed in relation to average risk-weighted assets, have been computed using Basel II risk-weighted assets. Therefore, the scorecard reflects only 2008 profitability. The score for Aktia's profitability is E. We have assigned weakening trend given the challenging economic outlook in Finland.

Factor 6: Liquidity

Trend: Neutral

Deposits remain the most important source of funding, but over the past few years the growth in deposits has been slower than that of lending. This has caused market funding to increase and hence the liquidity ratio appears weak. However, covered bonds represent a growing proportion of market funds and help to diversify the funding sources.

Aktia's liquidity reserve has been increasing. As of end-2008, liquid assets represented 37% of total assets and mainly comprised highly rated covered bonds and senior bonds of financial institutions. Customer deposits increased by 11% in 2008 while the loan growth stood at 18%. In addition to its retail deposits, Aktia Bank also benefits from the deposits of the independent savings banks and local co-operative banks for which it acts as a central bank.

Aktia Real Estate Mortgage Bank issued a two-year covered bond of EUR 250 million in August 2008. Due to the access to the covered bond market, Moody's views the bank's liquidity position favourably.

The bank scores C for liquidity management and D for its liquidity ratio, resulting in an overall score of C- for liquidity.

Factor 7: Capital Adequacy

Trend: Weakening

Aktia continues to display a limited risk profile and adequate earning power and therefore it achieves a satisfactory capital base. However, unrealised losses in the life insurance company's investment portfolio and the bank's liquidity portfolio affected capital adequacy in 2008 through negative fair value reserve.

At end-2008, Aktia's Tier 1 ratio was 9.3% and the total capital ratio was 13.7% (Basel II). The bank has not issued any hybrid instruments (2007: 10.9%; 15.4%).

Based on one of our stress scenarios, when considering the projected levels of capital, the subsequent excess Tier 1 above 6%, 80% of net income and loan loss reserves at end-December 2008, Aktia's capital cushion had the capacity to absorb losses of more than five times its loan portfolio when 100% severity is assumed.

The capital requirement is somewhat lower under Basel II due to its large retail mortgage portfolio. The bank is applying the standard approach when assessing the capital requirement for credit risk.

The score for capital adequacy is B+, but overall we see a weakening trend.

Factor 8: Efficiency

Trend: Weakening

Due to high levels of investment in its business, Aktia Bank is among the least efficient Moody's-rated Nordic banks. In 2008, the cost base remained under pressure due to investments in the retail banking segment including new offices and growth in the real estate agency business. The project related to the reorganisation and merger of Veritas Non-Life Insurance has also put pressure on cost efficiency. That said, Aktia has taken several actions to reduce cost structure (e.g. the real estate agencies and insurance distribution have started cost-saving programmes).

Overall, in 2008, operating expenses grew by 12% year on year. Given that at the same time operating income was down by 22%, chiefly due to write-downs in the life insurance investment portfolio, the cost-to-income ratio weakened to 95% in 2008 from 66% in 2007.

The score for efficiency is D. We view the trend as weakening.

Factor 9: Asset Quality

Trend: Weakening

Despite some single-name concentration, Aktia Bank enjoys good asset quality reflecting its focus on the retail sector - loans to households account for about 80% of the bank's total portfolio and about 65% of the total portfolio consists of residential mortgages.

Origination criteria have been conservative and the management's approach prudent. As a result, there has been a low level of problem loans and provisioning needs - at end-2008 loans more than 90 days due and loans with zero interest represented 0.5% of total loans and the ratio has remained below 0.5% for the past four years.

In 2008, lending growth remained brisk in both the household and corporate sectors. Aktia's loan book grew by 18% in 2008 - this figure, however, includes mortgage bonds, of which a part is related to loan portfolios of independent savings banks and local co-operative banks. In 2009, loan growth has been reduced. Growth has been visible mainly on the mortgage lending side only. Aktia Mortgage Bank reported 5% growth in lending in the first two months of 2009.

We note that the majority of the bank's lending is well-collateralised by residential mortgages. At end-February 2009, the weighted average loan-to-value of Aktia Mortgage Bank's loan book was 57%. At the same time, problem loans remain adequately covered by loan loss reserves (95%). The decrease in the loan loss reserve coverage ratio partly reflects changes in the accounting standards (IAS 39).

The score for asset quality is A and remains a positive rating factor. However, we do not expect the record low level of problem loans to be sustainable throughout the economic cycle and, given recent strong loan growth and the weakening economic outlook in Finland, we see a weakening trend.

Global Local Currency Deposit Rating (Joint Default Analysis)

Moody's assigns a long-term global local currency (GLC) deposit rating of A1 to Aktia Bank.

This rating is supported by (i) the bank's A3 BCA and (ii) the Aaa local currency deposit ceiling of Finland, the underlying support provider. In view of Aktia Bank's moderate market shares in both deposits and loans and its role as the central financial institution to independent savings banks and local co-operative banks, Moody's assesses a high probability of systemic support for the bank in the event of a stress situation, resulting in a two-notch uplift from the A3 BCA.

Foreign Currency Deposit Rating

The A1 foreign currency deposit rating of Aktia Bank is unconstrained given that Finland has a country ceiling of Aaa.

ABOUT MOODY'S BANK RATINGS

Bank Financial Strength Rating

Moody's Bank Financial Strength Ratings (BFSRs) represent Moody's opinion of a bank's intrinsic safety and soundness and, as such, exclude certain external credit risks and credit support elements that are addressed by Moody's Bank Deposit Ratings. BFSRs do not take into account the probability that the bank will receive such external support, nor do they address risks arising from sovereign actions that may interfere with a bank's ability to honor its domestic or foreign currency obligations. Factors considered in the assignment of BFSRs include bank-specific elements such as financial fundamentals, franchise value, and business and asset diversification. Although BFSRs exclude the external factors specified above, they do take into account other risk factors in the bank's operating environment, including the strength and prospective performance of the economy, as well as the structure and relative fragility of the financial system, and the quality of banking regulation and supervision.

Global Local Currency Deposit Rating

A deposit rating, as an opinion of relative credit risk, incorporates the BFSR as well as Moody's opinion of any external support. Specifically, Moody's Bank Deposit Ratings are opinions of a bank's ability to repay punctually its deposit obligations. As such, they are intended to incorporate those aspects of credit risk relevant to the prospective payment performance of rated banks with respect to deposit obligations, which includes: intrinsic financial strength, sovereign transfer risk (in the case of foreign currency deposit ratings), and both implicit and explicit external support elements. Moody's Bank Deposit Ratings do not take into account the benefit of deposit insurance schemes which make payments to depositors, but they do recognize the potential support from schemes that may provide assistance to banks directly.

According to Moody's joint default analysis (JDA) methodology, the global local currency deposit rating of a bank is determined by the incorporation of external elements of support into the bank's Baseline Credit Assessment. In calculating the Global Local Currency Deposit rating for a bank, the JDA methodology also factors in the rating of the support provider, in the form of the local currency deposit ceiling for a country, Moody's assessment of the probability of systemic support for the bank in the event of a stress situation and the degree of dependence between the issuer rating and the Local Currency Deposit Ceiling.

National Scale Rating

National scale ratings are intended primarily for use by domestic investors and are not comparable to Moody's globally applicable ratings; rather they address relative credit risk within a given country. A Aaa rating on Moody's National Scale indicates an issuer or issue with the strongest creditworthiness and the lowest likelihood of credit loss relative to other domestic issuers. National Scale Ratings, therefore, rank domestic issuers relative to each other and not relative to absolute default risks. National ratings isolate systemic risks; they do not address loss expectation associated with systemic events that could affect all issuers, even those that receive the highest ratings on the National Scale.

Foreign Currency Deposit Rating

Moody's ratings on foreign currency bank obligations derive from the bank's local currency rating for the same class of obligation. The implementation of JDA for banks can lead to high local currency ratings for certain banks, which could also produce high foreign currency ratings. Nevertheless, it should be noted that foreign currency deposit ratings are in all cases constrained by the country ceiling for foreign currency bank deposits. This may result in the assignment of a different, and typically lower, rating for the foreign currency deposits relative to the bank's rating for local currency obligations.

Foreign Currency Debt Rating

Foreign currency debt ratings are derived from the bank's local currency debt rating. In a similar way to foreign currency deposit ratings, foreign currency debt ratings may also be constrained by the country ceiling for foreign currency bonds and notes; however, in some cases the ratings on foreign currency debt obligations may be allowed to pierce the foreign currency ceiling. A particular mix of rating factors are taken into consideration in order to assess whether a foreign currency bond rating pierces the country ceiling. They include the issuer's global local currency rating, the foreign currency government bond rating, the country ceiling for bonds and the debt's eligibility to pierce that ceiling.

About Moody's Bank Financial Strength Scorecard

Moody's bank financial strength model (see scorecard below) is a strategic input in the assessment of the financial strength of a bank, used as a key tool by Moody's analysts to ensure consistency of approach across banks and regions. The model output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating Factors

Aktia Bank p.l.c.

Rating Factors [1]	A	B	C	D	E	Total Score	Trend
Qualitative Factors (50%)						**C+**	
Factor: Franchise Value						**C**	**Neutral**
Market Share and Sustainability			**x**				
Geographical Diversification				**x**			
Earnings Stability		**x**					
Earnings Diversification [2]							
Factor: Risk Positioning						**C**	**Neutral**
Corporate Governance [2]							
- Ownership and Organizational Complexity	--	--	--	--	--		
- Key Man Risk	--	--	--	--	--		
- Insider and Related-Party Risks	--	--	--	--	--		
Controls and Risk Management		**x**					
- Risk Management			x				
- Controls	x						
Financial Reporting Transparency		x					
- Global Comparability	x						
- Frequency and Timeliness	x						
- Quality of Financial Information			x				
Credit Risk Concentration	--	--	--	--	--		
- Borrower Concentration	--	--	--	--	--		
- Industry Concentration	--	--	--	--	--		
Liquidity Management			**x**				
Market Risk Appetite		**x**					
Factor: Operating Environment						**B+**	**Neutral**
Economic Stability			**x**				
Integrity and Corruption	**x**						
Legal System	**x**						
Financial Factors (50%)						**C-**	
Factor: Profitability						**E**	**Weakening**
PPP % Avg RWA - Basel II					0.20%		
Net Income % Avg RWA - Basel II					0.17%		
Factor: Liquidity						**C-**	**Neutral**
(Mkt funds-Liquid Assets) % Total Assets				10.87%			
Liquidity Management			x				
Factor: Capital Adequacy						**B+**	**Neutral**
Tier 1 ratio (%) - Basel II		10.09%					
Tangible Common Equity / RWA - Basel II	10.09%						
Factor: Efficiency						**D**	**Weakening**
Cost/income ratio				74.34%			
Factor: Asset Quality						**A**	**Weakening**
Problem Loans % Gross Loans	0.44%						
Problem Loans % (Equity + LLR)	6.39%						
Lowest Combined Score (15%)						**E+**	
Economic Insolvency Override						**Neutral**	
Aggregate Score						**C**	
Assigned BFSR						**C**	

[1] - Where dashes are shown for a particular factor (or sub-factor), the score is based on non public information

[2] - A blank score under Earnings diversification or Corporate Governance indicates the risk is neutral