S&P Global
Ratings

RatingsDirect®

The Mortgage Society of Finland

Primary Credit Analyst:
Salla von Steinaecker, Frankfurt + 49 693 399 9164; salla.vonsteinaecker@spglobal.com

Secondary Contact:
Niklas Dahlstrom, Stockholm +46 84405358; niklas.dahlstrom@spglobal.com

Table Of Contents

Table Of Contents (cont.)

The Mortgage Society of Finland

Rating Score Snapshot

Issuer Credit Rating
BBB/Stable/A-2

SACP: bbb

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

Support: 0

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

Additional factors: 0

Issuer credit rating
BBB/Stable/A-2

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
Very strong risk-adjusted capitalization (RAC).	Monoline business model as pure residential mortgage financer.
Strong asset quality and exceptional decades-long loan-loss track record.	Concentration and cyclical risk in the lending book.
Very conservative lending and underwriting standards with a focus on urban areas.	Less stable deposit base than domestic peers'.

We expect The Mortgage Society of Finland (Hypo) will continue to demonstrate superior asset quality and an exceptional loan-loss track record following the COVID-19-induced downturn. The company's conservative underwriting and pure focus on residential mortgage lending in growth centers in Finland, with low loan-to-value ratios of 32.0%, continues to translate into superior asset quality compared with domestic peers'. This is underpinned by a nonperforming loan (NPL) ratio of 0.1% as of Dec. 31, 2021. Despite the current uncertainty in the operating environment due to secondary effects of the Russia-Ukraine conflict, we do not expect any meaningful weakening of Hypo's asset quality and project marginal loan loss provisions through 2024.

We continue to see Hypo's robust capitalization as a key rating strength. Hypo's very strong capitalization, with a RAC ratio of 17.9% as of year-end 2021, and its highly collateralized loan book, will in our view provide a robust buffer against unexpected asset quality risks. Hypo's loan production slowed in 2020-2021 due to selective underwriting and the ongoing overhaul of its core banking platform, but we expect the company will resume loan growth and complementary product offerings over the next two years. We believe that after the high IT spend, Hypo's operating efficiency will improve, which, combined with loan growth, will allow it to reach a return on equity (ROE) target of above 5% over the next few years (2021: 4.7%).

Although Hypo has gradually diversified its funding profile, the deposit base remains less stable than that of domestic universal bank peers. This reflects Hypo's predominantly wholesale funding profile, with covered bonds representing 42% of total funds on Dec. 31, 2021. Core customer deposits constitute about half of the funding base and are mainly from housing companies and institutional clients, which we consider in general to be less stable than retail deposits in times of stress. That said, we expect Hypo will maintain sound liquidity management.

Outlook

The stable outlook reflects our view that Hypo's creditworthiness will remain resilient over the next two years, supported by the bank's conservative underwriting standards, high and stable asset quality, and very strong capitalization. It also reflects our view that noteworthy changes to the bank's capital management are unlikely over the next two years.

Downside scenario

We could lower the rating on Hypo in the next 12-24 months if it unexpectedly changes its current conservative lending policies or it fails to maintain its very strong capital, for example, via more ambitious business growth without corresponding earnings improvements.

Upside scenario

We could raise the rating if the bank's funding profile improves, demonstrated by a more diversified funding mix and funding metrics in line with domestic peers. Furthermore, a reassessment of the combined capital and earnings and risk position could be warranted if the bank continues to demonstrate better resilience than similarly rated peers.

Key Metrics

The Mortgage Society of Finland--Key Ratios And Forecasts

	--Fiscal year ended Dec. 31 --				
(%)	**2020a**	**2021a**	**2022f**	**2023f**	**2024f**
Growth in operating revenue	8.6	16.1	(2.6)-2.4	6.1-7.5	5.4-6.6
Growth in customer loans	(2.9)	5.0	6.3-7.7	5.9-7.2	5.4-6.6
Growth in total assets	(0.5)	3.5	2.7-3.3	5.0-6.1	4.5-5.5
Net interest income/average earning assets (NIM)	0.5	0.6	0.6-0.6	0.6-0.6	0.6-0.6
Cost to income ratio	63.9	69.0	69.3-71.3	68.5-70.5	66.4-69.8
Return on average common equity	4.9	4.7	3.8-4.3	4.1-4.6	4.4-5.1
Return on assets	0.2	0.2	0.1-0.2	0.1-0.2	0.2-0.2
New loan loss provisions/average customer loans	0.0	0.0	0.0-0.0	0.0-0.0	0.0-0.0
Gross nonperforming assets/customer loans	0.1	0.1	0.2-0.2	0.1-0.2	0.1-0.1

The Mortgage Society of Finland--Key Ratios And Forecasts (cont.)					
	--Fiscal year ended Dec. 31 --				
(%)	**2020a**	**2021a**	**2022f**	**2023f**	**2024f**
Risk-adjusted capital ratio	18.3	17.9	17.1-18.0	17.2-18.1	17.4-18.3

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

Anchor: 'a'- For Banks Operating Purely 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 Hypo is 'a-', in line with that for commercial banks based in Finland. We classify Finland's banking sector in group '2' under our BICRA, alongside Sweden, Norway, Belgium, and Switzerland. The economic and industry risk trends for Finland's BICRA are stable.

We view Finland as an innovative, wealthy, and small open economy that has mature political and institutional structures. In our view, the Finnish economy has fared better than expected during the pandemic. After a contained GDP contraction of 2.3% during the first wave of the pandemic in 2020 followed by a strong rebound of 3.5% in 2021, we now project more muted growth of 1.3% in 2022 and 1.0% in 2023. This is because the knock-on effects of the Russia-Ukraine conflict could impair overall demand from Finnish 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 nationwide house prices show modest growth or a slight decrease, although regional differences persist. However, increasing private sector debt--in particular at the household level--could lead to weaker consumption and eventually higher credit losses for banks.

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, and characterized by intense competition and low lending margins. That said, we believe that overall profitability and capitalization will remain resilient. We also expect banks to maintain their restrained risk appetite. In our view, the risk of technology disruption remains moderate, given the 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 capital markets. In addition, the Nordic banking system remains highly interconnected, which results in potential spillover risks from external events.

Business Position: Monoline Profile As Residential Mortgage Financer In Finland

Our assessment of Hypo's business position reflects our view of the bank as a small monoline player with a concentrated niche market position focused purely on low-risk residential mortgage lending to households and housing companies. Our expectation of continued business stability from Hypo's operations partly offsets its concentrated business profile, and we expect the bank will produce resilient core earnings through 2024.

Hypo, with total assets of €3.2 billion and a loan portfolio of €2.6 billion as of March 31, 2022, is a licensed bank and a mutual company operating under Finland's Act on Mortgage Societies and is governed by its members. The bank has a marginal market share of roughly 0.8% in Finnish home mortgages and 1% in the total lending market in 2021. Hypo grants long-term loans to Finnish households (32% of portfolio as of 2021) and housing companies (66% of portfolio) solely against a mortgage or other safeguarding collateral. The remainder of the portfolio is loans to housing investors. The bank is active only in Helsinki, southern Finland, and specified growth centers in the rest of the country and thereby it is well positioned to benefit from the ongoing urbanization trend. Hypo operates solely from its headquarters in Helsinki, and had 57 employees in March 2022.

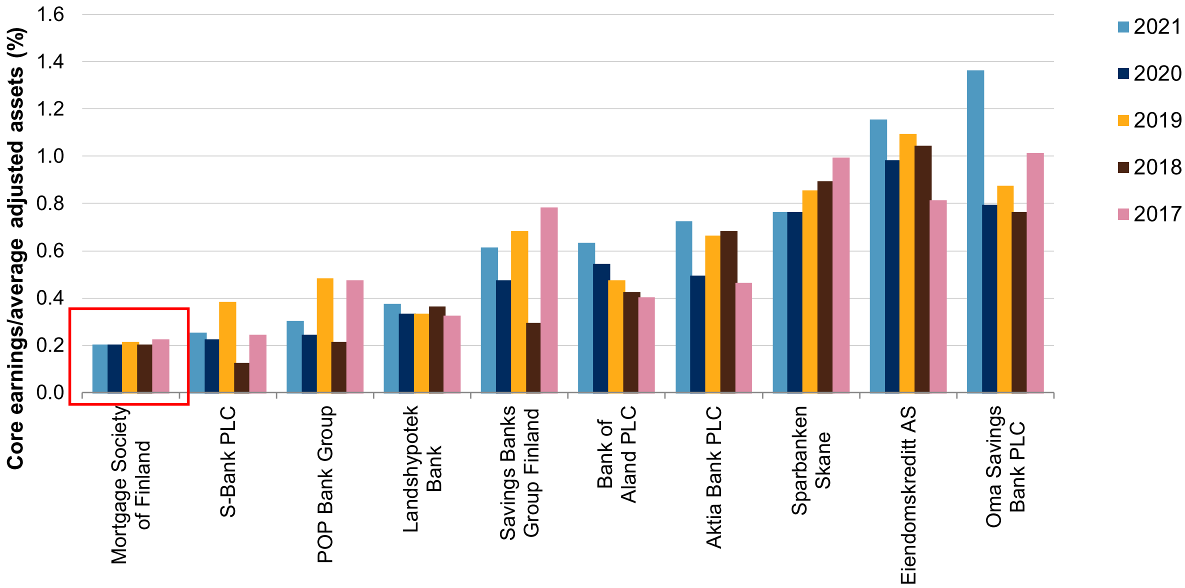
We view Hypo's narrow product focus on residential mortgage lending as the main constraint of its business model, which may expose the bank to potential volatility in the real estate market in Finland. Notwithstanding the concentrations in Hypo's business profile, we consider management to have a conservative approach to managing risks and overall a very low risk appetite. The bank's conservative culture is also underpinned by its mutual legal structure, which subordinates short-term financial profitability targets. We do not anticipate any changes to Hypo's strategy, which is clearly defined by the Act on Mortgage Societies. We believe that following the completion of its core banking platform project, Hypo's cost structure will normalize and it will be well positioned to resume loan growth, which all together could allow it to sustainably meet its profitability targets in the leadup to 2024.

We expect Hypo's revenue split will remain fairly unchanged in the foreseeable future. In 2021, lending operations on Finnish residential mortgages and to housing companies accounted for 74% of total operating revenue and fee and commission income from residential property trustee services amounted to 7%. In addition, income from treasury operations contributed 7% and income from investments in housing and land property owned by Hypo continued to form 12% of the income.

Despite the simple operating structure, the bank's cost-to-income ratio at 69% in 2021 (85.4% on March 31, 2022, including resolution fund contribution) continues to underperform the domestic average. We expect the ongoing information technology investments in core banking systems renewal, which went live earlier this year, will inflate the operating costs this year, weighing on Hypo's cost-to-income ratio through 2023.

Chart 1

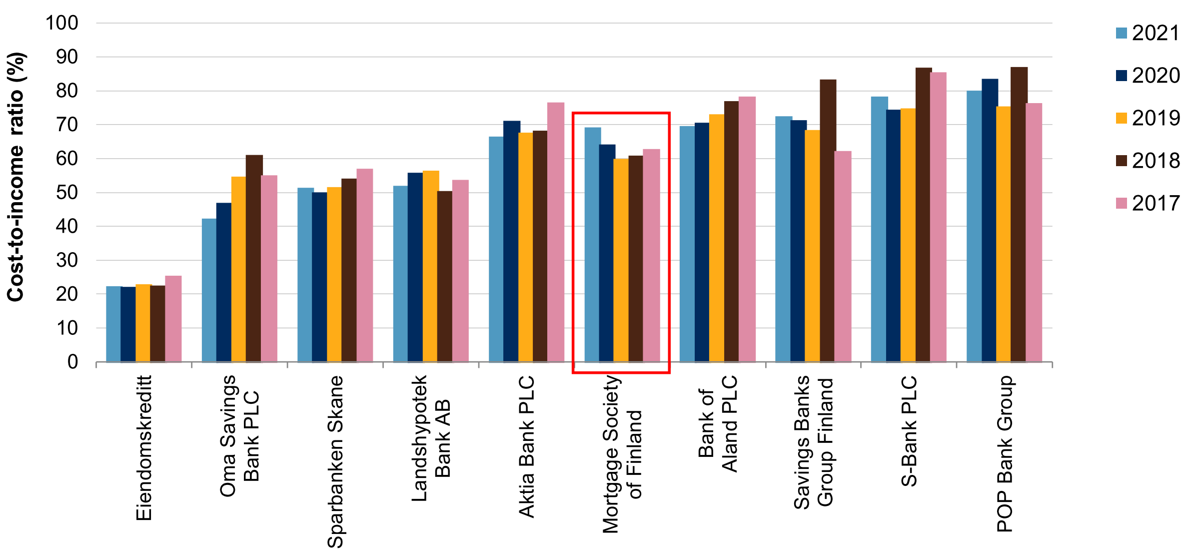
Hypo's Low-Risk Lending Translates Into Low Core Profitability Compared With Peers'



Source: S&P Global Ratings.

Chart 2

Hypo's Overhaul Of Its Banking Platform Is Weighing On Operating Efficiency



Source: S&P Global Ratings.

Capital And Earnings: Robust Capitalization Supported By Profit Retention As A Mutual Company

We project Hypo's capital and earnings will remain very strong over the next two years. This is mainly based on our expectation that our projected RAC ratio for the bank will be 17.0%-17.5% throughout 2023. As of Dec. 31, 2021, the bank's RAC ratio decreased slightly to 17.9% on the back of the 5%-6% growth in the loan book and a similar increase in S&P Global Ratings' risk-weighted assets.

We expect Hypo's lending growth will pick up to 6.0%-6.5% through 2023, coupled with Hypo's focus on maintaining relatively stable but low margins. The loan growth will be fairly balanced between retail and housing company loans, confirming Hypo's low risk appetite. We anticipate that Hypo's margins will continue to benefit from declining funding costs and could get an additional boost from rising interest rates through 2024; the net interest margin equaled 0.60% as of first-quarter 2022.

Net interest income and net fee and commission income constitute a major part of the bank's revenue, while stable income from property holdings constitutes a minor part. Although Hypo's income stream from property holdings, mainly buy-to-let residences and parking spaces, is unusual compared with domestic banks, we think Hypo holds high-quality assets, and does not display an opportunistic approach to achieving quick market value gains.

As a mutual company, Hypo does not pay dividends. Consequently, the retained profits are solely used for capital building which we project will be be relatively stable over 2023. Furthermore, we expect Hypo will meet its profitability target once operating costs stabilize from 2023 (4.7% in 2021 and 2.3% in first-quarter 2022 due to regulatory fees). Because of this, Hypo's return on average equity remains lower than those of domestic peer banks.

Although Hypo's capital base consists solely of core capital, we consider its quality of capital to be somewhat weaker than rated peers' because of the small absolute size of its capital base and its somewhat limited financial flexibility to raise additional core capital in the market. We consider this weakness to be captured in our combined view of Hypo's capital and risk position.

We consider that Hypo's regulatory capital position reflects our views. Hypo comfortably met its current regulatory capital requirements of 8.25% with a common equity tier 1 ratio of 13.9% as of March 31, 2022, calculated under Finland's standardized method.

Risk Positions: Exceptional Asset Quality And Loan-Loss Track Record, But Some Concentration Risk

We view positively Hypo's focus on very-low-risk lending--consisting of mortgage loans to domestic retail customers and housing companies--and the high granularity in its loan portfolio book. However, we still believe that the regionally focused mortgage loan book will expose the bank to concentration risk and makes it vulnerable to real estate price developments in some areas of Finland.

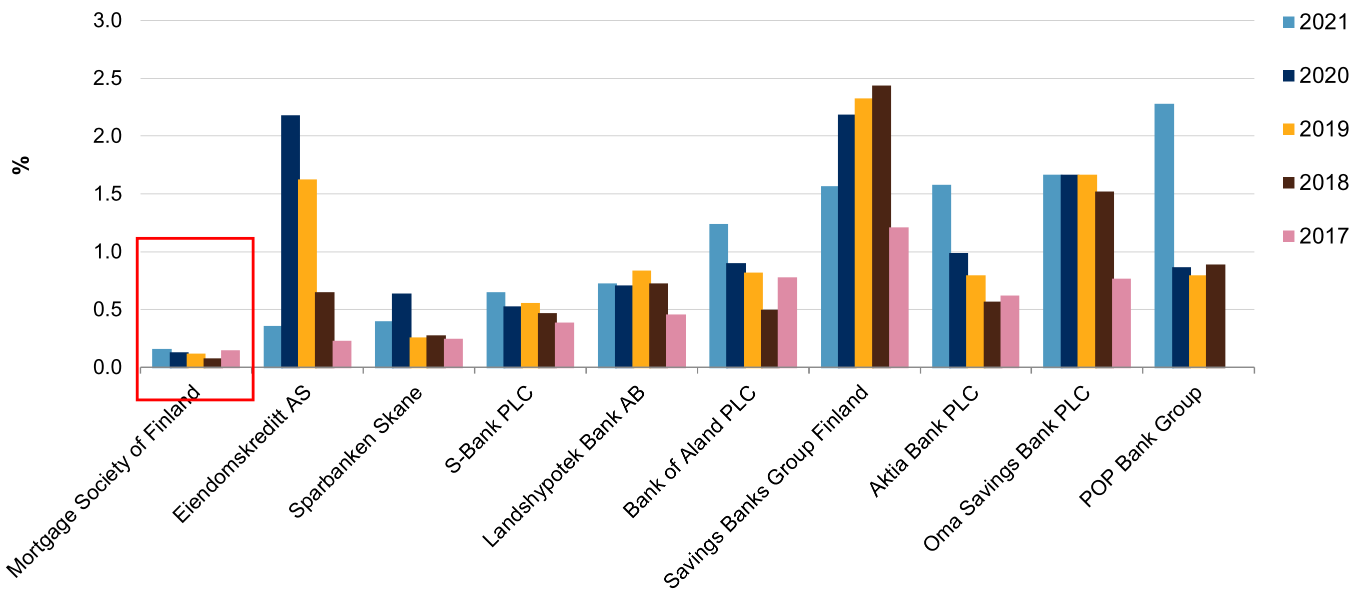
This concentration risk is partly mitigated by Hypo's conservative underwriting standards, which we do not expect the bank to compromise. The bank's loan book of €2.6 billion on March 31, 2022, demonstrates strong asset quality underpinned by high collateralization. The average loan-to-value ratio stood at 32.0% on March 31, 2022, which we assess to be very low and more conservative than that of many specialized mortgage lenders in the Nordics. Furthermore, Hypo's loans are almost entirely amortizing.

We understand that since the Finnish banking crisis in the 1990s, Hypo has not experienced credit losses from housing companies, housing companies with properties under construction, or housing investors, which demonstrates the bank's risk approach. Hypo's loan-loss track record in recent decades and amid the COVID-19-induced downturn is outstanding compared with peers', in our view.

Chart 3

Hypo Demonstrates Superior Asset Quality

Gross nonperforming assets to customer loans + other real estate owned



Source: S&P Global Ratings.

We do not expect the bank will abandon its conservative lending policies and high collateralization for targeted loan growth. Furthermore, the bank offered only selectively installment-free periods and the impact on its forborne loans is small so far. We therefore anticipate that Hypo will continue demonstrating an exceptional loan-loss track record through 2023 with no meaningful repercussions from COVID-19. We anticipate that total nonperforming loans will remain close to the current levels of 0.15% of the loan portfolio (0.2% as of March 31, 2022, due to technical default)--well below the average of peer banks.

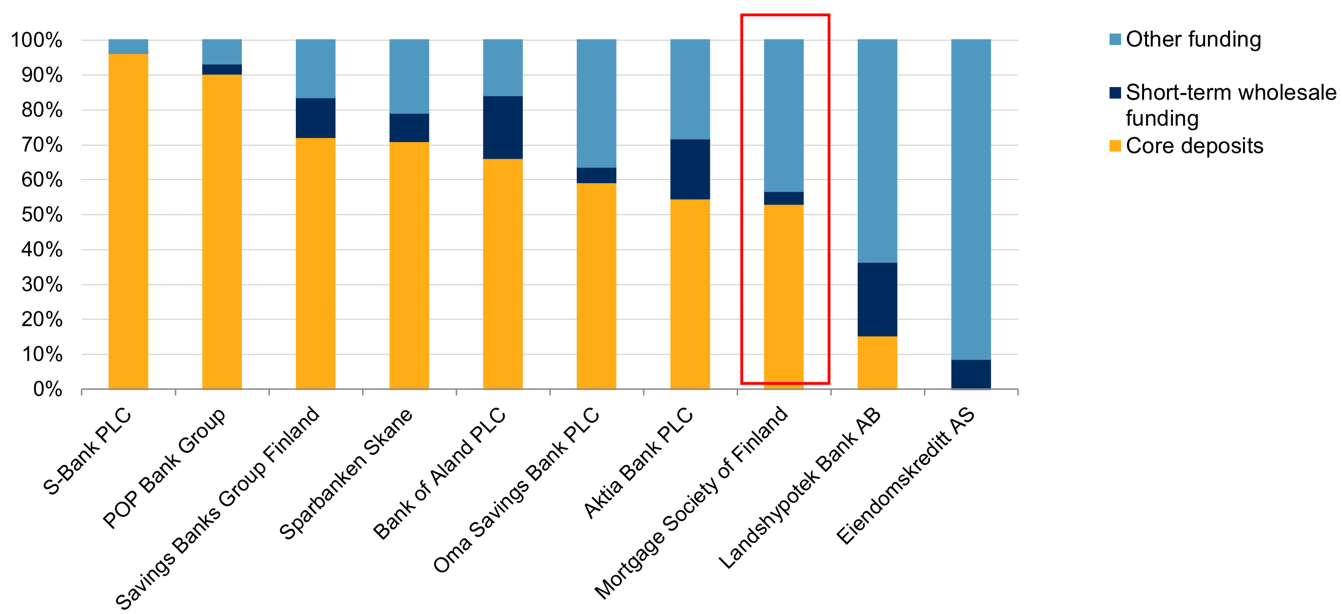
Funding And Liquidity: Matched Funding Profile But Elevated Dependence On Wholesale Funding

In our view, Hypo's funding profile remains more confidence-sensitive and prone to volatility during adverse market and economic conditions than domestic peers'. This reflects Hypo's predominantly wholesale funding profile, with covered bonds representing 42% of total funds on March 31, 2022. Hypo issued a €150 million covered bond in April replacing a maturing issuance and a €150 million tap issue to its 2019 covered bond; the total covered bond volume was €1.6 billion by the end of April 2022. Through the issuance of covered bonds, Hypo continues to improve its funding maturity, resulting in a well-matched funding profile.

Core customer deposits constituted about 51% of the funding base as of March 31, 2022, and are mainly from housing companies and institutional clients, which we consider in general to be less stable than retail deposits in times of stress. Hypo's customer loans-to-customer deposits ratio at 174% is weaker than for the Finnish banking system and its peer banks.

Chart 4

Hypo Continues To Diversify Its Funding Base While Core Deposits Remain Below Peers'



Data as of Dec. 31, 2021. Source: S&P Global Ratings.

Overall, we expect Hypo to demonstrate a sound stable funding ratio, which was 107% as of March 31, 2022. Asset encumbrance has increased somewhat during the past years because of covered bond issuances, but we believe Hypo will have the appetite and capacity for further issuances.

We consider Hypo's liquidity adequate. On March 31, 2022, Hypo had a liquidity position of about €473 million (15% of total assets), consisting mainly of cash at the Finnish Central Bank and European Central Bank-eligible debt securities with a credit rating of at least 'AA-'. We believe that under stressful conditions involving the closure of capital markets, Hypo could survive for more than six months without dependence on central bank operations. Moreover, Hypo's multiple of broad liquid assets to short-term wholesale funding equaled a comfortable 3.5x on March 31, 2022. Hypo's adequate liquidity profile is also demonstrated by its liquidity coverage ratio of 134% as of March 31, 2022, satisfying the regulatory minimum of 100% by a large margin.

That said, we note that Hypo's monoline business model, small size, and relatively high share of wholesale funding may require stronger liquidity buffers in a stress event than larger, more diversified peers. We could therefore negatively assess Hypo's liquidity profile if the bank manages its liquidity buffers more aggressively, leading to a substantial weakening of its liquidity ratios.

Support: No Uplift For External Support And No Resolution Counterparty Ratings

In our view, Finland has had a fully-fledged resolution regime in place since January 2016. Since Hypo has low systemic importance, we believe it is unlikely to be subject to a well-defined bail-in process. Therefore, we do not consider the additional loss-absorbing criteria to be applicable, nor do we think that Hypo 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. In our view, the response to a nonviability of Hypo would not be a bail-in resolution.

Environmental, Social, And Governance

We consider ESG factors for Hypo as broadly in line with those of industry and domestic peers, and expect the company will formalize its ESG framework over the next two years.

We believe that Hypo's focus on providing purely residential mortgages and housing company loans, in particular for renovation purposes, will aid in extending the life of buildings and thereby be supportive of general environmental goals.

Social factors remain neutral for our credit assessment of Hypo. We see the maintenance of a sound and reliable corporate governance as critical for Hypo. As a mutual company operating under the Act on Mortgage Societies, it remains governed by its member customers and provides financing and other services for the benefit of its owners. Overall, we consider the bank to have a stable senior management team and business strategy, and exhibits effective execution and internal control.

Key Statistics

Table 1

The Mortgage Society of Finland--Key Figures

	--Year ended Dec. 31--				
(Mil. €)	**2022***	**2021**	**2020**	**2019**	**2018**
Adjusted assets	3,207.6	3,315.7	3,206.2	3,227.0	3,111.0
Customer loans (gross)	2,641.3	2,637.2	2,511.2	2,586.4	2,589.3
Adjusted common equity	134.1	134.1	129.2	125.4	118.7
Operating revenues	6.8	26.1	22.5	20.7	18.2
Noninterest expenses	5.8	18.0	14.4	12.3	11.0
Core earnings	0.8	6.6	6.6	6.8	5.9

*As of March 31, 2022.

Table 2

The Mortgage Society of Finland--Business Position

	--Year ended Dec. 31--				
(%)	**2022***	**2021**	**2020**	**2019**	**2018**
Loan market share in country of domicile	N/A	1.0	1.0	1.0	1.1
Deposit market share in country of domicile	N/A	0.8	0.8	1.0	1.1
Total revenues from business line (currency in millions)	6.8	26.1	22.5	20.7	18.2
Commercial & retail banking/total revenues from business line	100.0	100.0	100.0	100.0	99.3
Other revenues/total revenues from business line	N/A	N/A	N/A	N/A	0.7
Return on average common equity	2.3	4.7	4.9	5.5	5.0

*As of March 31, 2022. N/A--Not applicable.

Table 3

The Mortgage Society of Finland--Capital And Earnings

	--Year ended Dec. 31--				
(%)	**2022***	**2021**	**2020**	**2019**	**2018**
Tier 1 capital ratio	13.9	13.6	13.9	13.4	12.1
S&P Global Ratings' RAC ratio before diversification	N/A	17.9	18.3	16.9	15.9
S&P Global Ratings' RAC ratio after diversification	N/A	10.6	10.2	10.0	9.0
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	62.5	66.2	64.8	69.8	67.7
Fee income/operating revenues	10.5	15.6	16.4	17.2	20.8
Market-sensitive income/operating revenues	19.9	6.7	4.1	(0.5)	(4.5)
Cost to income ratio	85.4	69.0	63.9	59.6	60.6
Preprovision operating income/average assets	0.1	0.2	0.3	0.3	0.2
Core earnings/average managed assets	0.1	0.2	0.2	0.2	0.2

*As of March 31, 2022. RAC--Risk-adjusted capital. N/A--Not applicable.

Table 4

The Mortgage Society of Finland--Risk-Adjusted Capital Framework Data

	Exposure*	Basel III RWA	Average Basel III RW(%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Credit risk					
Government & central banks	560,921,376.0	0.0	0.0	5,663,571.0	1.0
Of which regional governments and local authorities	77,821,620.0	0.0	0.0	2,801,578.3	3.6
Institutions and CCPs	67,675,159.2	19,616,463.9	29.0	11,189,431.9	16.5
Corporate	54,400,861.0	22,467,980.0	41.3	14,882,856.8	27.4
Retail	2,670,427,634.0	778,765,718.0	29.2	618,224,227.7	23.2
Of which mortgage	2,620,014,570.0	770,417,520.0	29.4	607,581,378.8	23.2
Securitization§	0.0	0.0	0.0	0.0	0.0
Other assets†	61,585,660.0	60,929,580.0	98.9	60,925,813.6	98.9
Total credit risk	3,415,010,690.2	881,779,741.9	25.8	710,885,901.0	20.8
Credit valuation adjustment					
Total credit valuation adjustment	--	19,393,037.5	--	0.0	--
Market Risk					
Equity in the banking book	23,875.0	23,875.0	100.0	238,750.0	1,000.0
Trading book market risk	--	0.0	--	0.0	--
Total market risk	--	23,875.0	--	238,750.0	--
Operational risk					
Total operational risk	--	43,383,212.5	--	38,102,973.0	--
	Exposure	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global Ratings RWA**	**% of S&P Global Ratings RWA**
Diversification adjustments					
RWA before diversification	--	944,579,866.9	--	749,227,624.0	100.0
Total diversification/ concentration adjustments	--	--	--	519,435,887.0	69.3
RWA after diversification	--	944,579,866.9	--	1,268,663,511.0	169.3
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		128,253,491.0	13.6	134,106,400.0	17.9
Capital ratio after adjustments‡		128,253,491.0	13.6	134,106,400.0	10.6

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' 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. CCPs--Central counterparty clearing house. Sources: Company data as of Dec. 31, 2021, S&P Global Ratings.

Table 5

The Mortgage Society of Finland--Risk Position

	--Year ended Dec. 31--				
(%)	**2022***	**2021**	**2020**	**2019**	**2018**
Growth in customer loans	0.6	5.0	(2.9)	(0.1)	17.0
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	69.3	78.6	68.2	77.1
Total managed assets/adjusted common equity (x)	24.0	24.8	24.9	25.8	26.2
New loan loss provisions/average customer loans	(0.0)	0.0	0.0	0.0	0.0
Gross nonperforming assets/customer loans + other real estate owned	0.2	0.1	0.1	0.1	0.1
Loan loss reserves/gross nonperforming assets	3.6	5.4	11.3	9.1	20.1

*As of March 31, 2022. RWA--Risk-weighted assets. N/A--Not applicable.

Table 6

The Mortgage Society of Finland--Funding And Liquidity

	--Year ended Dec. 31--				
(%)	**2022***	**2021**	**2020**	**2019**	**2018**
Core deposits/funding base	50.5	53.0	51.9	53.6	58.2
Customer loans (net)/customer deposits	173.6	158.8	160.7	158.8	150.7
Long-term funding ratio	96.4	96.6	88.7	96.2	94.4
Stable funding ratio	107.4	115.8	107.3	110.2	108.0
Short-term wholesale funding/funding base	3.8	3.6	11.8	3.9	5.8
Regulatory net stable funding ratio	108.6	114.1	N/A	N/A	N/A
Broad liquid assets/short-term wholesale funding (x)	3.5	5.2	1.7	3.7	2.5
Broad liquid assets/total assets	12.3	17.7	18.3	13.8	13.9
Broad liquid assets/customer deposits	25.9	35.4	37.7	27.4	25.2
Net broad liquid assets/short-term customer deposits	18.3	28.5	14.9	20.1	15.2
Regulatory liquidity coverage ratio (LCR) (x)	134.1	179.9	N/A	N/A	N/A
Short-term wholesale funding/total wholesale funding	7.6	7.6	24.5	8.5	13.9
Narrow liquid assets/3-month wholesale funding (x)	13.4	20.3	21.1	77.7	5.3

*As of March 31, 2022. N/A--Not applicable. LCR--Liquidity coverage ratio.

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

- Banking Industry Country Risk Assessment Update: June 2022, June 28, 2022
- Banking Industry Country Risk Assessment: Finland, June 1, 2022
- The Russia-Ukraine Conflict: European Banks Can Manage The Economic Spillovers, For Now, April 21, 2022
- Nordic Banks' Solid Financials Mitigate Increased Geopolitical Uncertainties, April 12, 2022
- SLIDES: Nordic Banks Shift Their Focus To Profitable Growth, March 16, 2022
- Ratings On Nine Finnish Financial Institutions Affirmed Under Revised Criteria; Outlooks Unchanged, Feb. 4, 2022
- ESG Credit Indicator Report Card: EMEA Banks, Jan. 19, 2022

Ratings Detail (As Of July 11, 2022)*	
Mortgage Society of Finland (The)	
Issuer Credit Rating	BBB/Stable/A-2
Senior Secured	AAA/Stable
Issuer Credit Ratings History	
22-Jan-2021	BBB/Stable/A-2
19-May-2020	BBB/Negative/A-2
26-Apr-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.