



S-Bank Plc's Interim Report 1 January-30 September 2025

6.11.2025 09:00:00 EET | S-Bank Plc | Interim report (Q1 and Q3)

S-Bank Plc

Interim Report

6 November 2025 at 9:00 am EET

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S-Bank has the most satisfied customers in the industry - result at a good level

- Operating profit decreased to EUR 83.0 million (126.3)
- Deposits increased to EUR 10.1 billion (8.5 **)
- Lending increased to EUR 9.4 billion (7.0 **)
- Assets under management increased to EUR 8.9 billion (6.4 **)
- Number of active customers increased to 839 000 (725 000 **)
- Capital adequacy ratio increased to 25.6 per cent (21.7 **)

As expected, the S-Bank Group's operating profit decreased to a lower level than in the comparison period and amounted to EUR 83.0 million (126.3), a decrease of 34.3 per cent. The result development was affected by the decrease in net interest income due to changes in interest rates and the increase in personnel and other administrative expenses due to the business transaction and other development activities. Cost-to-income ratio was 0.67 (0.52) * and return on equity was 8.6 per cent (19.3 **) ***.

* As of 30 September 2025, cost-to-income ratio has been calculated based on the actual figure for the review period. Previous calculation method was a 12-month rolling calculation. Amounts for the comparison period have been adjusted accordingly.

** Figures for the corresponding period of 2024 are used in comparisons.

*** As of 30 September 2025, return on equity has been calculated on the basis of annualised operating profit. Previous calculation method was a 12-month rolling calculation. Amounts for the comparison period have been adjusted accordingly.

Outlook for 2025 (unchanged)

We expect S-Bank's operating profit for the whole year to decline to under EUR 100 million (165.2). Declining interest rates and the penalty payment imposed on the bank have a negative impact on the bank's financial performance, even though the Handelsbanken transaction will increase the bank's earnings. In addition, the investments related to implementing our strategy will remain at a high level. The outlook for 2025 is still subject to uncertainties regarding the operating environment, geopolitical tensions, the economy, employment and the real estate market. The scale of the change is impacted by the one-off negative goodwill related to the Handelsbanken transaction, which was recognised as income in 2024.

Comments by Riikka Laine-Tolonen, CEO

Finland's economic recovery has taken a step backwards as unemployment has risen and the prevailing uncertainty has kept Finnish consumers cautious. The recovery in the housing market has also been more modest than expected this year. This caution is reflected in the growing popularity of saving. However, global economic growth forecasts have been revised upwards since the summer, and positive signs of a turnaround are also visible in the operations of Finnish companies.

Stronger demand for S-Bank's services

Our performance in January-September was in line with our expectations. The operating profit was EUR 83.0 million (126.3). The decline in interest rates affected profit development, and net interest income fell 9 per cent from the comparison period, to EUR 213.6 (234.4) million. In contrast, net fee and commission income grew 8 per cent, to EUR 72.5 million (67.1). The growth in net fee and commission income was driven by an increase both in S-Bank's customer numbers and the use of our services. Our capital adequacy also strengthened: the capital adequacy ratio in January- September was 25.6 (21.7) per cent.

In Banking, the financial caution of Finns was reflected in total deposits, which continued to grow and were EUR 10 145 (8 493) million at the end of September. Use of S-Bank's Visa cards has continued to increase, with euro-denominated

purchases up by 18 per cent year on year in January–September. Our loan portfolio totalled EUR 9 416 million (7 024) at the end of September. According to the Bank of Finland's statistics, S-Bank's market share in household customer deposits was approximately 8 per cent and in housing loans almost 6 per cent at the end of June.

In Wealth Management, the number of unit holders in the S-Bank funds increased by 16 per cent year on year and already reached approximately 500 000, compared with around 432 000 at the end of September 2024. The growth has occurred both organically and through fund mergers. In September, the four funds acquired by S-Bank from Handelsbanken were merged into four S-Bank funds. The net subscriptions in S-Bank funds also grew significantly, amounting to EUR 450.2 million (102.5). Our assets under management totalled EUR 8 858 (6 430) million at the end of September.

The increasingly active use of our services is also reflected in our customer base, and we are well on track towards our target of one million active customers. At the end of September, we already had 839 000 active customers, compared with 725 000 a year earlier. We aim to be the main bank for an ever-growing number of our co-op members, and the number of customers consolidating their banking with S-Bank continued to rise, already reaching 144 000 at the end of the review period.

Continuing our journey towards even greater customer focus and digitalisation

Our goal is to offer our co-op members the most convenient banking services with superior benefits.

During the past quarter, we made significant improvements to our wealth management services for the benefit of our customers. In September, we launched the new S-Pankki Private Markets Erikoissijoitusrahasto non-UCITS fund, which provides an opportunity to invest in unlisted companies outside the stock exchange with a smaller initial investment than before. Following the integration of the strengths of S-Bank and Handelsbanken, we are now able to offer an increasing number of our active investment customers their own dedicated contact person.

In line with our strategy, we are strongly investing in the development of our digital services. In August, we were among the first to launch the Click to Pay feature, which makes online card payments faster and even more secure. Since September, it has also been possible to open an account and start fund saving for a child entirely digitally.

At the heart of our seamless customer experience and digital development is our S-mobiili application, which once again reached record user numbers: we surpassed the milestone of 2.5 million individual users. More than 1.5 million customers use the app every week.

S-Bank has the most satisfied customers in the industry

The Banking and Finance survey conducted annually by EPSI Rating measures customer satisfaction in the banking and finance industry. According to the survey published in September, S-Bank has the most satisfied household customers in the industry. We were the only bank that managed to improve our score compared to the previous year, achieving a customer satisfaction index score that is 8.3 percentage points higher than the industry average. We also ranked number one in the survey's sustainability index. In the Brand Value 2025 survey, S-Bank was again rated number one in the industry for the eighth time.

According to our own surveys, the likelihood of our active customers to recommend us is at a good level (NPS 53). Customers who have migrated from Handelsbanken have integrated well, and their willingness to recommend S-Bank has developed positively. We continue to receive excellent feedback from our customers, particularly on our free daily banking services and the ease and convenience of banking with us.

My heartfelt thanks to our customers, personnel, owners and investors. We are in a strong position to continue our work towards providing a first-class and convenient service during the rest of the year.

January–September 2025

S-Bank Group's operating profit decreased 34.3 per cent and was EUR 83.0 million (126.3). Profit for the period after taxes was EUR 64.5 million (101.1). Return on equity decreased to 8.6 per cent (19.3).

Total income amounted to EUR 293.9 million (308.5), a decrease of 4.7 per cent.

Net interest income decreased by 8.9 per cent, totalling EUR 213.6 million (234.4). The change was due to decline in the interest rate level and the decline in volumes. Net fee and commission income increased due to increased number of S-Bank's customers and increased use of services by 8.1 per cent and was EUR 72.5 million (67.1). Net income from investing activities was EUR 0.9 million (-0.9). Other operating income was EUR 6.9 million (7.9).

Operating expenses totalled EUR 197.8 million (159.7) during the review period. This is 23.8 per cent more than during the comparison period, mainly due to an increase in personnel expenses, IT costs and authority fees. Personnel expenses accounted for EUR 73.7 million (56.3) of operating expenses. The change was affected by growth in operations and by the increased number of personnel due to the completed Handelsbanken transaction.

Other administrative expenses totalled EUR 94.2 million (80.8). The change was mainly due to IT and connection costs. Depreciation and impairment of tangible and intangible assets amounted to EUR 14.8 million (12.5). Other operating expenses totalled EUR 15.1 million (10.2), which included EUR 10.8 million (6.6) authority fees. Penalty fees totalled 9.5 million of authority fees. Additionally, growth was affected by decrease of the payment related to the deposit guarantee scheme to EUR 1.1 million (6.3).

Expected and final credit losses of EUR 22.4 million (29.3) were recognised in the consolidated income statement during the review period. Reversals, or recovered credit losses, amounted to EUR 9.2 million (6.8). Consequently, the total net effect on profit of expected and final credit losses was EUR 13.2 million (22.5). The development was affected by the decrease of ECL provisions and the decrease in the net of final credit losses since the end of the year.

At the end of review period, total deposits were EUR 10 144.9 million (9 381.4). Deposits repayable on demand totalled EUR 9 306.5 million (8 390.1) and time deposits EUR 838.4 million (991.3). During the past 12 months, total deposits grew by 19.5 per cent. Household customers' deposit portfolio grew by 20.0 per cent year on year and was EUR 9 345.4 million. The growth was affected by the Handelsbanken transaction completed in the beginning of December 2024 and the growth of deposits that has continued strong during the review period. Corporate customers' deposit portfolio grew by 13.4 per cent year on year and was EUR 799.5 million.

At the end of the review period, the total amount of deposits in S-Bank covered by the deposit guarantee scheme was EUR 8 524.0 million (7 985.9). The comparison amount has been amended to match reporting to The Financial Stability Authority.

At the end of the review period, the loan portfolio totalled EUR 9 416.2 million (9 466.8). During the past 12 months, the loan portfolio grew by 34.1 per cent. The household loan portfolio grew by 41.2 per cent year on year and was EUR 8 170.2 million. The growth was affected by the Handelsbanken transaction completed in the beginning of December 2024. The corporate loan portfolio grew by 0.6 per cent year on year and was EUR 1 246.0 million.

The loan-to-deposit ratio, which describes the ratio between the loan portfolio and deposits, was 93 per cent (101).

At the end of the review period, the bank's debt securities totalled EUR 966.2 million, compared with EUR 622.8 million at the end of 2024. Deposits in central banks and cash totalled EUR 2 510.9 million (2 906.4). During the first half of the year, the bank repaid in full the bilateral funding, which had been drawn to fund the Handelsbanken transaction. The original amount of bilateral funding was EUR 590.0 million. In addition, the bank paid a remaining purchase price of EUR 148.4 million to Handelsbanken in relation to the transaction.

At the end of the review period, S-Bank's equity was EUR 1 024.3 million, compared with EUR 977.6 million at the end of 2024. The increase in equity was affected by the performance during the review period and the dividend payment of EUR 20.1 million (10.0). Equity ratio was 7.8 per cent (7.4).

At the end of the review period, assets under management were EUR 8 857.8 million (8 342.3). Of assets under management, S-Bank's mutual fund capital accounted for EUR 5 513.5 million (4 721.4), wealth management capital accounted for EUR 2 486.2 million (2 711.0) and funds issued by other than Group companies accounted for EUR 858.1 million (910.0). In addition, S-Bank Properties Ltd managed EUR 397.1 million in customer assets, consisting of real estate and joint ventures (386.4). In the review period, net subscriptions to S-Bank's mutual funds amounted to EUR 450.2 million compared with EUR 102.5 million a year earlier.

Key figures

	Jan-Sep 2025	Jan-Sep 2024	Change	Q3 2025	Q3 2024	Change
Net interest income (MEUR)	213.6	234.4	-8.9%	68.9	76.8	-10.3%
Net fee and commission income (MEUR)	72.5	67.1	8.1%	24.7	22.3	10.6%
Total income (MEUR)	293.9	308.5	-4.7%	95.8	102.2	-6.2%
Operating profit (MEUR)	83.0	126.3	-34.3%	31.0	42.8	-27.5%
Cost-to-income ratio *	0.67	0.52	0.16	0.66	0.52	0.14

	30 Sep 2025	31 Dec 2024	Change
Liabilities to customers, deposits (MEUR)	10 144.9	9 381.4	8.1%
Receivables from customers, lending (MEUR)	9 416.2	9 466.8	-0.5%

Debt securities (MEUR)	966.2	622.8	55.1%
Equity (MEUR)	1 024.3	977.6	4.8%
Expected credit losses (ECL) (MEUR)	48.0	52.3	-8.2%
Assets under management (MEUR)	8 857.8	8 342.3	6.2%
Return on equity (%) **	8.6	17.8	-9.2
Return on assets (%) **	0.7	1.2	-0.5
Equity ratio (%)	7.8	7.4	0.4
Capital adequacy ratio (%) ***	25.6	21.4	4.2

* As of 30 September 2025, cost-to-income ratio has been calculated based on the actual figure for the review period. Previous calculation method was a 12-month rolling calculation. Amounts for the comparison period have been adjusted accordingly.

** As of 30 September 2025, return on equity and return on assets have been calculated on the basis of annualised operating profit. Previous calculation method was a 12-month rolling calculation. Amounts for the comparison period have been adjusted accordingly.

*** The figure of comparison period 31 December 2024 is not comparable to 30 September 2025 interim report due to the changes to the Capital Requirement Regulation (CRR3).

Webcast on the results

S-Bank's financial results will be presented by CEO Riikka Laine-Tolonen and CFO Mika Heikkilä in a webcast today, on 6 November 2025, from 10:00 a.m. to 11:00 a.m. EET. The event will be held in English. You can follow the webcast via [this link](#). After the event, the recording and presentation will be published on [our website](#).

Contacts

- Riikka Laine-Tolonen, S-Bank's CEO, 010 767 9500, riikka.laine-tolonen@s-pankki.fi
- S-Pankin viestintä, S-Bank Communications, +358 10 767 9300, viestinta@s-pankki.fi

About S-Bank Plc

S-Bank is a Finnish bank and part of S Group. We exist to give everyone the possibility of a little more wealth. We have more than three million customers and we know their day-to-day life. We bring convenience and value to our customers through our easy-to-use digital services, for example. Being a full-service bank, we offer support to our customers every day and at the turning points in their lives. s-pankki.fi

Attachments

- [Download announcement as PDF.pdf](#)
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