S-Bank Plc's Half-Year Report 1 January–30 June 2026

28.7.2026 09:00:00 EEST | S-Bank Plc | Half Year financial report

Stable earnings performance continued

- Operating profit decreased by 10.8 per cent to EUR 46.3 million (51.9)
- Deposits increased to EUR 10.7 billion (10.0*)
- Lending was EUR 9.5 billion (9.4*)
- Assets under management increased to EUR 9.3 billion (8.7* **)
- Capital adequacy ratio increased to 25.5 per cent (25.3*)
- Number of active customers increased to 896 000 (822 000*)

* Figure for the corresponding period of 2025 is used in comparison.
** The total amount of assets under management includes client assets managed by S-Bank Properties Ltd, which were previously reported separately. Amounts for the comparison period have been adjusted accordingly.

Outlook for 2026 (unchanged)

We expect S-Bank's operating profit for the whole year to stay at the same or slightly lower level than in the year 2025. The investments related to implementing our strategy will remain at a high level. The outlook for 2026 is subject to uncertainties regarding the operating environment, geopolitical tensions, economy, employment and real estate market.

Comments by Riikka Laine-Tolonen, CEO

There were more positive signs in the Finnish economy at the beginning of the year. Private consumption picked up, and investment and foreign trade strengthened. Business and consumer confidence both strengthened over the spring. The housing market had a difficult start to the year. The anticipated turnaround did not materialise; instead, the number of housing transactions fell compared with the previous year and prices continued to decline. In June, the Finnish Financial Supervisory Authority decided to raise the housing loan cap to 95 per cent for all borrowers, not just first-time homebuyers. We welcome this change and hope it will support a recovery in the housing market.

S-Bank's earnings performance remained stable during the second quarter, and operating profit for January–June was EUR 46.3 million.

In Banking, our deposit base grew to EUR 10.7 billion and the loan portfolio to EUR 9.5 billion. S-Etukortti Visa cards are being used more actively, and in January–June euro-denominated purchases were up by approximately 11 per cent year on year. Despite the challenging housing market, S-Bank made a strong start to the year in housing lending compared with the previous year. The volume of new housing loans compared favourably with S-Bank's share of the Finnish housing loan market.

In Wealth Management, the positive performance of the investment markets bolstered customers' interest in investing. Our assets under management rose to EUR 9.3 billion, and the number of unit holders in the S-Bank funds increased to 538 000.

A more customer-centric service model

S-Bank is on a journey towards greater customer focus and digitalisation. The renewal of the service model is one of the most significant changes affecting the entire bank during the current strategy period.

The S-mobiili app is at the heart of the renewal, and it will have an increasingly important role as a service channel. Over the past quarter, we launched again several new features on S-mobiili, such as a chatbot that helps our customers manage their banking matters around the clock. The popular app already has around 2.7 million individual users, with around 1.7 million weekly users.

We ensure a seamless digital banking experience by continuously developing our services and supporting customers in using them. At the same time, we aim to ensure that as many people as possible are able to use the digital services. The results have been encouraging. For example, as many as 93 per cent of customers who received digital guidance at S-Bank branches went on to use our digital services within the following month.

Alongside our digital channels, we are also improving the customer experience in other service channels. We made it easier to manage day-to-day financial matters by expanding our range of cash services during the spring. TalletusOtto ATMs complement the services available at S Group locations by expanding access to cash services and making cash deposits easier.

Award-winning wealth management expertise

Our wealth management expertise received important recognition when the S-Pankki High Yield Eurooppa Korko Sijoitusrahasto fund received the prestigious LSEG Lipper Fund Awards Nordics award for the fifth time. The fund was awarded as the best fund in the Nordic countries investing in European high-yield bonds over a five-year period.

S-Bank has also made a name for itself as a pioneer in impact investing in the Nordic countries. In April, we launched a new impact fund, S-Pankki Social Finance I Ky – Kestävä työelämä. The fund supports the realisation of sustainable working lives by financing projects aimed at training, employment and extending working lives. We already have several impact funds, and the projects they have funded have helped over 10 000 people find employment.

Growth, development and more satisfied customers

The first half of 2026 has been a success by many measures. Our strategy has progressed according to plan, and we have launched several new services and developed solutions that make our customers' daily lives easier.

This work is reflected in higher customer satisfaction and increased customer activity. At the end of June, we already had 896 000 active customers. The number of customers who consolidate their banking with S-Bank also increased: the figure was 151 000 at the end of the review period. Our active customers' willingness to recommend us remains at a good level, with an NPS of 51.

Public tender offer for the shareholders of Oma Savings Bank

After the review period, on 9 July 2026, we launched a voluntary public cash tender offer for all the issued and outstanding shares in Oma Savings Bank Plc. The tender offer's offer period is currently underway and is expected to end on 25 September 2026. The transaction is expected to be completed during the fourth quarter of 2026. Upon the completion of the transaction, Oma Savings Bank would be a subsidiary of S-Bank.

This transaction would be a natural step in implementing our strategy, and, if completed, would make S-Bank an even stronger alternative for customers. By combining the strengths of both banks, we could offer even better services and customer experience, combining digital convenience, personal service and a strong local presence.

A larger size category would improve our ability to invest in the development of the bank and its services in an operating environment where customer expectations and the demands placed on banking are constantly increasing. The combination would also create excellent conditions for expanding our corporate banking business, making us an even more attractive partner for an increasing number of customers.

Our experience gained from previous corporate transactions gives us strong capabilities to execute the potential combination in a controlled, smooth and responsible manner, from the perspective of both customers and personnel.

I would like to offer my heartfelt thanks to our customers, personnel, owners and investors. This provides a strong foundation as we move into the second half of the year.

January–June 2026

S-Bank Group's operating profit decreased by 10.8 per cent and was EUR 46.3 million (51.9). Profit for the review period after taxes was EUR 37.0 million (40.0). Return on equity decreased to 7.1 per cent (8.1).

Total income amounted to EUR 194.8 million (198.1), a decrease of 1.7 per cent.

Net interest income decreased by 5.7 per cent, totalling EUR 136.5 million (144.7). The decline in net interest income leveled off during the review period. The interest rate level started to rise as from March. Net fee and commission income increased by 9.2 per cent and was EUR 52.2 million (47.8). When taking into consideration the changes in accrual principles related to net fees for cards totalling EUR 2.9 million, comparable increased was 3.2 per cent. Net income from investing activities was EUR 1.2 million (0.7). Other operating income was EUR 4.9 million (4.8).

Operating expenses for the review period totalled EUR 132.8 million (134.3). This is 2.9 per cent more than during the comparison period. Personnel expenses accounted for EUR 54.1 million (48.3) of operating expenses. The growth was affected by the increased number of personnel and the development in salaries.

Other administrative expenses totalled EUR 70.2 million (64.1). The growth was mainly due to the IT, marketing, card manufacturing and consulting related expenses and use of rental labor. Depreciation and impairment of tangible and intangible assets amounted to

EUR 9.7 million (9.9). Other operating expenses totalled EUR 4.1 million (12.0). The comparison period included EUR 7.7 million penalty fees.

Expected and final credit losses of EUR 17.1 million (17.3) were recognised in the consolidated income statement during the review period. The impact on profit and loss was reduced by received payments related to earlier recognised credit losses. Reversals, or recovered credit losses, amounted to EUR 6.9 million (5.4). Consequently, the total net effect on profit of expected and final credit losses was EUR 10.2 million (11.8).

At the end of the review period, total deposits were EUR 10 665.9 million (10 170.8). Deposits repayable on demand totalled EUR 9 480.8 million (9 271.8) and time deposits EUR 1 185.2 million (899.0). During the past 12 months, total deposits grew by 6.8 per cent. Household customers' deposit portfolio grew by 7.6 per cent year on year and was EUR 9 876.6 million. Corporate customers' deposit portfolio decreased by 2.2 per cent year on year and was EUR 789.3 million.

At the end of the review period, the total amount of deposits in S-Bank covered by the deposit guarantee scheme was EUR 8 941.3 million (8 508.0).

At the end of the review period, the loan portfolio totalled EUR 9 459.1 million (9 407.6). During the past 12 months, the loan portfolio grew by 0.7 per cent. The household loan portfolio grew by 1.1 per cent year on year and was EUR 8 245.7 million. The corporate loan portfolio decreased by 2.0 per cent year on year and was EUR 1 213.4 million.

The loan-to-deposit ratio, which describes the ratio between the loan portfolio and deposits, was 89 per cent (92).

At the end of the review period, the bank's debt securities totalled EUR 1 175.9 million, compared with EUR 1 045.6 million at the end of 2025. Deposits in central banks and cash totalled EUR 2 841.0 million (2 535.3).

At the end of the review period, S-Bank's equity was EUR 1 057.1 million, compared with EUR 1 041.6 million at the end of 2025. The change in equity was due to the net profit for the review period and paid out dividend EUR 20.1 million (20.1). Equity ratio was 7.7 per cent (7.9).

At the end of the review period, assets under management were EUR 9 302.8 million (9 325.7). The total amount of assets under management includes client assets managed by S-Bank Properties Ltd, which were previously reported separately. Amounts for the comparison period have been adjusted accordingly. Of assets under management, S-Bank's mutual fund capital accounted for EUR 5 715.2 million (5 671.6), wealth management capital accounted for EUR 2 350.5 million (2 473.4), funds issued by other than Group companies for EUR 859.6 million (795.7) and assets managed by S-Bank Properties Ltd for EUR 377.6 million (375.1). In the review period, net subscriptions to S-Bank's mutual funds amounted to EUR -154.8 million compared with EUR 365.8 million a year earlier.

Key figures

	1-6/2026	1-6/2025	Change	Q2 2026	Q2 2025	Change
Net interest income (MEUR)	136.5	144.7	-5.7%	70.2	71.7	-2.1%
Net fee and commission income (MEUR)	52.2	47.8	9.2%	26.9	24.2	11.0%
Total income (MEUR)	194.8	198.1	-1.7%	99.8	98.0	1.9%
Total expenses (MEUR)	-138.2	-134.3	2.9%	-70.6	-65.6	7.7%
Net credit losses (MEUR)	-10.2	-11.8	-13.3%	-5.3	-4.4	19.2%
Operating profit (MEUR)	46.3	51.9	-10.8%	23.9	28.0	-14.6%
Cost-to-income ratio *	0.71	0.68	0.03	0.71	0.67	0.04

	30 Jun 2026	31 Dec 2025	Change
Liabilities to customers, deposits (MEUR)	10 665.9	10 170.8	4.9%
Receivables from customers, lending (MEUR)	9 459.1	9 407.6	0.5%
Debt securities (MEUR)	1 175.9	1 045.6	12.5%
Equity (MEUR)	1 057.1	1 041.6	1.5%
Expected credit losses (ECL) (MEUR)	49.9	49.3	1.4%
Assets under management (MEUR)**	9 302.8	9 325.7	-0.2%

Return on equity (%)	7.1	8.2	-1.2
Return on assets (%)	0.5	0.6	-0.1
Equity ratio (%)	7.7	7.9	-0.2
Capital adequacy ratio (%)	25.5	25.3	0.2

* As of 30 June 2026, 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.
** The total amount of assets under management includes client assets managed by S-Bank Properties Ltd, which were previously reported separately. Amounts for the comparison period have been adjusted accordingly.

Pillar 3 report

S-Bank's Pillar 3 Half-year Report 2026 has been published on the Pillar 3 Data Hub data collection platform maintained by the European Banking Authority.

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 28 July 2026, from 10:00 a.m. to 11:00 a.m. EEST. 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.

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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
- S-Bank Plc Half-Year Report H1 2026.pdf