

Company Coop Pank AS
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Currency

Title The rating agency Moody's assigned Coop Pank investment-grade rating of Baa2

Moody's Investors Service assigned AS Coop Pank's investment grade credit rating with a stable outlook, which is a definite quality mark for the bank's strategic positioning and results so far.

According to Margus Rink, Chairman of the Management Board of Coop Pank, applying for a rating for the bank was a next step after last year's initial public offering of shares and listing on the Nasdaq Tallinn stock exchange. "The credit rating further increases Coop Pank's transparency and creates additional opportunities for the growth of the number of investors and the customer base. The investment grade rating also gives the Estonian state and local municipalities the opportunity to become a customer of Coop Pank and keep their finances in a domestic financial institution," said Rink.

In the rating process, Moody's has thoroughly analysed Coop Pank's liabilities, credit portfolio and financial performance and found the bank to have strong capital levels and good profitability against the bank's rapid credit portfolio growth in recent years and the prevailing economic uncertainty related to the coronavirus. The rating agency also observes the good quality of the bank's credit portfolio and low level of non-performing loans. In addition, Moody's sees cooperation with the Coop retail chain as one of the strengths that provides wider cross-marketing opportunities. By assigning a rating, Moody's estimates that Coop Pank will maintain steady performance over the next 12-18 months.

Ratings confirmed by Moody's Investors Service for AS Coop Pank:

- * Long- and short-term counterparty risk assessment of Baa1(cr)/Prime-2(cr)
- * Long- and short-term counterparty risk rating of Baa1/Prime-2
- * Foreign- and local currency long-term bank deposit rating Baa2
- * Foreign- and local currency short-term bank deposit rating Prime-2
- * Adjusted baseline credit assessment bal
- * Baseline credit assessment (BCA) bal



The long-term deposit ratings carry a stable outlook.

The announcement on the report prepared by Moody's can be found here (https://www.moody's.com/research/Moodys-assigns-first-time-Baa2-deposit-ratings-to-Coop-Pank--PR_430572).

Coop Pank, based on Estonian capital, is one of the five universal banks operating in Estonia. The number of clients using Coop Pank for their daily banking reached 76,200. Coop Pank aims to put the synergy generated by the interaction of retail business and banking to good use and to bring everyday banking services closer to people's homes. The strategic shareholder of the bank is the domestic retail chain Coop Eesti, comprising of 330 stores.

Additional information:

Kerli Lõhmus

CFO

Phone: +372 669 0902

E-mail: kerli.lohmus@cooppank.ee

