

Sparbanken Rekarne Tier 2 capital instrument assigned 'BBB+' issue rating

Nordic Credit Rating said today that it has assigned a 'BBB+' issue rating to a Tier 2 debt instrument to be issued by Sweden-based Sparbanken Rekarne AB (publ) (Sparbanken Rekarne).

Rationale

The rating reflects the bank's plan to issue a Tier 2 capital instrument of SEK 120m. The instrument is rated one notch below our issuer rating on the bank, according to our methodology for rating debt instruments of financial institutions. Notching from the issuer rating indicates our belief that Swedbank AB, which owns 50% of the bank, would provide material support before allowing the capital instruments of the bank to be written down.

The new instrument has no impact on our assessment of the bank's capital position, and the 'A-' long-term issuer rating on Sparbanken Rekarne remains unchanged.

Rating list	To	From
Long-term issuer credit rating:	A-	A-
Outlook:	Stable	Stable
Short-term issuer credit rating:	N-1+	N-1+
Senior unsecured issue rating:	A-	A-
Tier 2 issue rating:	BBB+	None

If you have any questions, please contact:

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The methodology documents used for this rating are NCR's Financial Institutions Rating Methodology published on 14 Aug. 2018 and NCR's Rating Principles published on 16 Sep. 2019. For the full regulatory disclaimer please see the rating report.

About Us

Nordic Credit Rating AS is a credit rating agency headquartered in Oslo with a branch in Stockholm. The company provides credit ratings to companies and financial institutions in the Nordic region, and bases its analysis on local insights. Nordic Credit Rating is registered with the European Securities and Markets Authority (ESMA).

Attachments

[Sparbanken Rekarne Tier 2 capital instrument assigned 'BBB+' issue rating](#)