



Press release

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A supermarket bank makes day-to-day banking easier

The S Group, which operates in Finland, Russia, Estonia and Latvia, is establishing a bank. The S Bank is to open for business on 15 October. The supermarket bank is part of the S Group's extensive range of services, which is transforming building societies into banking operations.

"The S Bank will produce competitive services for customers. The supermarket bank will strengthen customer loyalty whilst achieving savings in business operation costs. The S Group's bank will provide customers with the best services for day-to-day money matters and financing purchases," says **Arto Hiltunen**, SOK's chief executive.

The background to setting up the bank lies in the amendments made in 2003 to the Finnish Cooperatives Act, which would have limited the scope of the S Group's financial services. In addition, payment costs had risen and changes had to be made to internal information systems. National bank cards are being discontinued in Finland, and this also played a part in the decision to establish the S Bank.

The S Bank will come fully under the auspices of the S Group and will belong to the common Deposit Guarantee Fund in the same way as other Finnish banks.

"The S Bank's strengths will be simplicity and equality. We shall be focusing on private customers. The bank will have the most closely-knit network in Finland with 1,500 service points, which means that we will ensure that basic banking services are accessible throughout Finland as other banks cut back on their local branch networks," says **Pekka Ylihurula**, the S Bank's Managing Director.

The S Bank will make it easier for customers to handle their personal day-to-day banking matters. The full scope of the supermarket bank's services will be available during opening hours at customer service points in Prisma hypermarkets, Sokos department stores and large S markets. ABC service station stores and smaller supermarkets will provide basic banking services. The network will be supplemented by a free online bank that will serve as the S Bank's head office.

"Nearly all the new services being introduced through the S Bank into the S Group's assortment will be free of charge. The S Group's members, customer-owners, will be able to order a Visa facility for their S Bonus cards without paying an annual fee, which means that they will be able to use the S Group's card as a debit card anywhere in the world. The S Bank's product range will include current, savings and fixed term accounts, a diverse assortment of cards and reasonable consumer credit for different situations," says Mr Ylihurula.

The S Group's financial services have a history of almost a hundred years and a solid customer base. SOK's subsidiary, the S Bank Ltd, will have 1.5 million customers and the total amount on deposit at the time of opening will amount to EUR 800 million.

In Finland, the S Group comprises of 22 regional cooperative enterprises and SOK Corporation with its subsidiaries. In Estonia, the S Group operates a fleet of five Prisma hypermarkets and Sokos Hotel Viru. In Riga, Latvia, the S Group has one Prisma. The first Prisma in Lithuania is currently under construction in Vilnius. In St Petersburg, Russia, the S Group is opening three hotels, the first of which, Holiday Club St Petersburg, is due to open in October.

For further information, please visit

www.s-pankki.fi (in Finnish and Swedish)

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Information about the S Group, its international business operations and an image bank are available on the Media Service:

>> http://mediapalvelu.s-kanava.fi/en_GB/