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Permanent TSB Group Holdings PLC

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Table Of Contents

Table Of Contents (cont.)

Permanent TSB Group Holdings PLC

SACP: bb+ → **Support: +1** → **Additional factors: 0**

SACP: bb+		
Anchor	bbb	
Business position	Constrained	-2
Capital and earnings	Strong	+1
Risk position	Moderate	-1
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

Support: +1	
ALAC support	+1
GRE support	0
Group support	0
Sovereign support	0

Additional factors: 0
Issuer credit rating
BBB-/Positive/A-3
Resolution counterparty rating
BBB/A-2
Holding company ICR
BB-/Positive/B

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. Group SACP--Group Stand-alone credit profile.

Credit Highlights

Issuer Credit Rating
BB-/Positive/B

Key strengths	Key risks
Strong capitalization.	Narrow reliance on retail banking in a relatively small market.
Meaningful position in the Irish mortgage market, with useful current account and savings franchises.	Continued strain on earnings due to low interest rates, ongoing transformation costs, and a challenging operating environment in Ireland.
Continuous buildup of additional loss-absorbing capacity (ALAC) through the issuance of bail-inable debt.	Stock of nonperforming loans (NPLs) relative to international peers remains high, but reducing.

The portfolio acquisition from Ulster Bank could be transformational for the PTSB group in the medium to long term. If executed as anticipated, the deal will materially increase the group's scale, with its loan portfolio likely increasing by half versus the end of 2020. In addition, PTSB's share of the Irish mortgage market will rise to over 20%, from 15% at the end of 2020. It would also support the group's revenue diversification and dilute the weight of the bank's high cost base.

We expect material progress over the next year in PTSB's efforts to address its overhang of poor asset quality. PTSB group has proactively managed its problematic legacy portfolio over the past few years and remains committed to further improving its asset quality metrics. We expect that the group's NPL ratio will be well below 5% of gross loans after PTSB completes the sale of its NPL portfolio in the first quarter of 2022 and the Ulster Bank deal.

PTSB group will continue to benefit from a cushion of bail-inable instruments large enough to protect senior bondholders in a resolution scenario. We incorporate one notch of support in the rating on the operating company and expect the group's ALAC buffer to remain above 4% in the next two years.

Outlook

The positive outlook on Permanent TSB Group Holdings and Permanent TSB PLC (PTSB), the main operating entity, primarily indicates that the group continues to make progress in reducing its NPLs. Combined with the manageable capital impact associated with acquiring Ulster Bank's portfolios, this could result in the group's risk-adjusted capital becoming a positive rating factor over the next 12-18 months.

The acquisition of Ulster Bank's portfolio will significantly strengthen the group's business and could improve its profitability. That said, returns will remain modest over the next couple of years--ROE will only reach 2.5%-3.0% by 2023.

Upside scenario

We could consider raising the ratings on both the operating and holding companies over the next 12-18 months if the group's risk profile improves as expected and the group preserves its solid capital position.

Downside scenario

We could revise the outlook to stable if we foresee some deterioration in underwriting standards or the integration poses managerial challenges.

Key Metrics

Permanent TSB Group Holdings PLC Key Ratios And Forecasts

	--Fiscal year ended Dec. 31 --				
(%)	**2019a**	**2020a**	**2021f**	**2022f**	**2023f**
Growth in operating revenue	-6.6	-9.2	(7.5)-(9.0)	18.5-21.0	19.5-22.5
Growth in customer loans	-3.1	-9.4	0.8-0.9	45.0-50.0	2.7-3.2
Growth in total assets	-7.0	3.5	3.7-4.5	22.5-25.5	1.7-2.0
Cost to income ratio	79.7	87.5	96.0-101.0	89.0-93.5	82.7-86.9
Return on average common equity	1.6	-9.0	(0.5)-(0.7)	7.5-10.0	2.0-2.5
New loan loss provisions/average customer loans	0.1	1.0	0.05-0.1	0.09-0.15	0.08-0.11
Gross nonperforming assets/customer loans	9.8	10.3	8.8-9.7	4.2-4.6	3.9-4.3
Risk-adjusted capital ratio	13.3	13.8	11.2-11.7	10.8-11.3	10.7-11.2

All figures are S&P Global Ratings-adjusted. a--Actual. e--Estimate. f--Forecast.

Anchor: 'bbb' For A Commercial Bank Operating In Ireland

We view the economic risk trend in Ireland as positive. This reflects sound growth prospects for the underlying domestic Irish economy, supported by the end of COVID-19 restrictions, as well as Ireland's productive human and physical capital, and flexible labor and product market regulations. We project modified gross national income (a better measure of Ireland's national wealth and debt sustainability than GDP as it excludes activities with limited domestic links) growth at 4%-5% over the next two years, following an anticipated 5% growth in 2021.

Irish banks' balance sheets remain robust and the level of their nonperforming assets (NPAs) should be manageable. Actual losses over the last year were muted and banks have cautiously started to release some provisions on the back of improving macroeconomic forecasts. That said, banks are still holding on to a management overlay, given that pandemic-related risks persist and are not fully captured in existing models. We still expect to see some increase in NPAs as borrowers' cash flows remain under pressure and support measures are largely withdrawn. Nevertheless, the current level of provisions provides a sufficient buffer for potential losses, and we estimate impairment charges will normalize around 15-25 basis points (bps) over the next year.

Despite this forecast growth, profitability challenges remain profound for the Irish banking sector. Therefore, the industry risk trend remains negative. The pending departure of both Ulster Bank and KBC provide growth opportunities, primarily in the form of loan book acquisitions, but organic earnings growth remains challenging and substantive revenue diversification remains low. Banks have started taking steps to widen their product offerings and diversify their revenue streams, but this has not yet had a noticeable impact on profitability. In the past, Irish banks did not have a good track record of delivering on their plans. In addition, the banks continue to face persistent headwinds in the form of high capital requirements for mortgage loans and elevated cost bases, although the negative impact of both should be somewhat diluted if announced loan book acquisitions are completed.

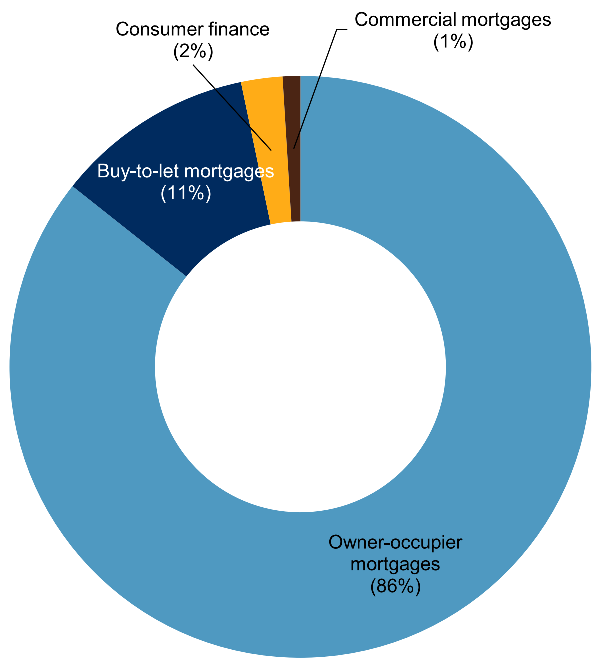
Over the medium term, we are also mindful of system stability, the evolution of competition, and potential for new entrants. The latter relates specifically to FinTechs, whose influence has so far been limited.

Business Position: Less Diversified Than Larger Irish Peers

We base our assessment of PTSB's business position on its lack of business diversity and weak profitability vis-à-vis industry-leading peers, AIB and BOI. PTSB's peers outside Ireland include Portugal-based Banco Comercial Portugues S.A. (group SACP is 'bb'), Spain-based Ibercaja Banco S.A. ('bb+'), Kutxabank S.A. ('bbb'), and Abanca Corporation Bancaria S.A. ('bb+'). Indicative of our view of the differential versus peers, PTSB's heavy reliance on interest income (derived primarily from residential mortgages) that forms 90% of operating revenues compared with better metrics for domestic peers (around 75%) and international peers (<60%).

Chart 1

Reported Net Loans As Of June 31, 2021 (€14.24 billion)



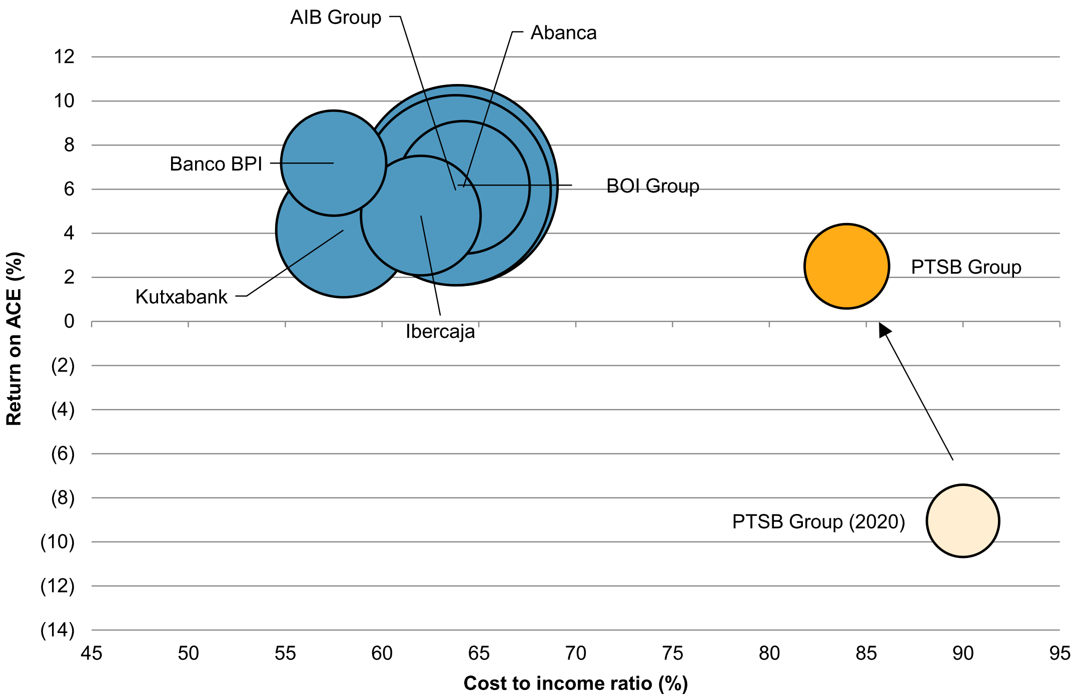
Source: S&P Global Ratings.

At end-2021 the group entered into a binding agreement with NatWest Group PLC (NatWest) and Ulster Bank Ireland DAC (Ulster Bank) to acquire about €7.6 billion of Ulster Bank's loan portfolio in Ireland. The deal is expected to complete in the second half of 2022, subject to regulatory and shareholder approval. This is in line with PTSB's strategic focus on mortgages and expansion into SME business that it started several years ago. If executed as anticipated, the deal could be transformational for the PTSB group in the medium-to-long term: it will materially increase the group's scale; its loan portfolio would be about 50% larger than it was at the end of 2020; and PTSB's share of the Irish mortgage market will rise to over 20%, from 15% at the end of 2020. In addition, the deal would allow the group to grow its SME/business banking and asset finance businesses (respective loan books would provide €230 million and €433 million par balance, with a weighted-average interest rate of above 4%). It should also help the group to venture more into SME lending, with a 10% targeted market share by end-2023.

In the medium-to-long term, the increased scale should support the group's revenue generation and dilute the weight of the bank's high cost base. That said, increased scale alone is not sufficient. Like other Irish banks, PTSB will need to successfully implement cost-cutting initiatives (including optimizing its branch network and staff) to achieve lasting efficiency improvements. Given the rising regulatory costs and digital transformation that PTSB is undergoing, which still require significant investment, we consider that substantial cost reduction will be difficult to achieve in the next two to three years. Furthermore, once the Ulster Bank deal is completed, operational costs will rise by about €50 million a year. Thus, although the group has ambitious return on equity (ROE) targets, we anticipate that its ROE will only improve to a still-modest 2.0%-2.5% by 2023.

Chart 2

PTSB Efficiency Is Expected To Remain Poor Compared To Peers
2023 projected metrics



Bubble size represents revenue. Data is 2023 estimates. ACE - Average Common Equity. Source: S&P Global Ratings.

As a result, we consider the ability of PTSB management to deliver on cost discipline and its returns strategy while demonstrating good business volume and a growing top-line (beyond the one-off improvement that the Ulster Bank deal brings) to be critical to our future assessment of the group's business position. One measure to consider will be pre-provision income to revenues, which we estimate will grow from about 2% in 2021 to about 13%-18% by end 2023, heading toward our estimate of 35%-42% at larger Irish banks and PTSB's international peers.

Transformational acquisitions carry inherent execution risks and the PTSB–Ulster Bank deal is no exception. However, of the assets to be acquired, most are Irish mortgages, which is PTSB's core market. We think PTSB can manage the associated execution risks. The successful transfer of the SME and asset finance portfolio, while demonstrating good client relationship management, will be key to PTSB's developing franchise in these business lines. However, this portfolio is relatively modest in size and the staff involved in these businesses could also move to PTSB, which would mitigate the integration risk for the SME portfolio.

Capital and Earnings: NPL Portfolio Sale And Ulster Bank Deal Structure Will Support PTSB's Solid Capital Position

We view PTSB's capital and earnings as a positive rating factor. Taking into account the current deal structure with Ulster Bank and the NPL portfolio sale scheduled to complete in first-quarter 2022, we forecast only a moderate decline in our RAC ratio to 10.7%-11.2% over the next two years from an estimated 11.4% for end-2021.

We base our forecast on the following key assumptions:

- An improvement of about 50 basis points (bps) in the RAC after the NPL sale closes;
- An estimated accounting gain when the Ulster Bank transaction closes, as the portfolio will be purchased at a discount to fair value on the assets to be acquired;
- Issuance of hybrid instruments to fulfil regulatory buckets over 2022;
- Moderate amount of credit losses of about 9-13 basis points (bps), reflecting ongoing economic recovery in Ireland and purchase of performing loan book from Ulster Bank; and
- No dividend distribution through the projection period as the Ulster bank transaction progresses and earnings are expected to be retained for the group's transformation.

We also note that part of the deal will be financed with equity--NatWest will end up with a 16.66% stake in PTSB Group.

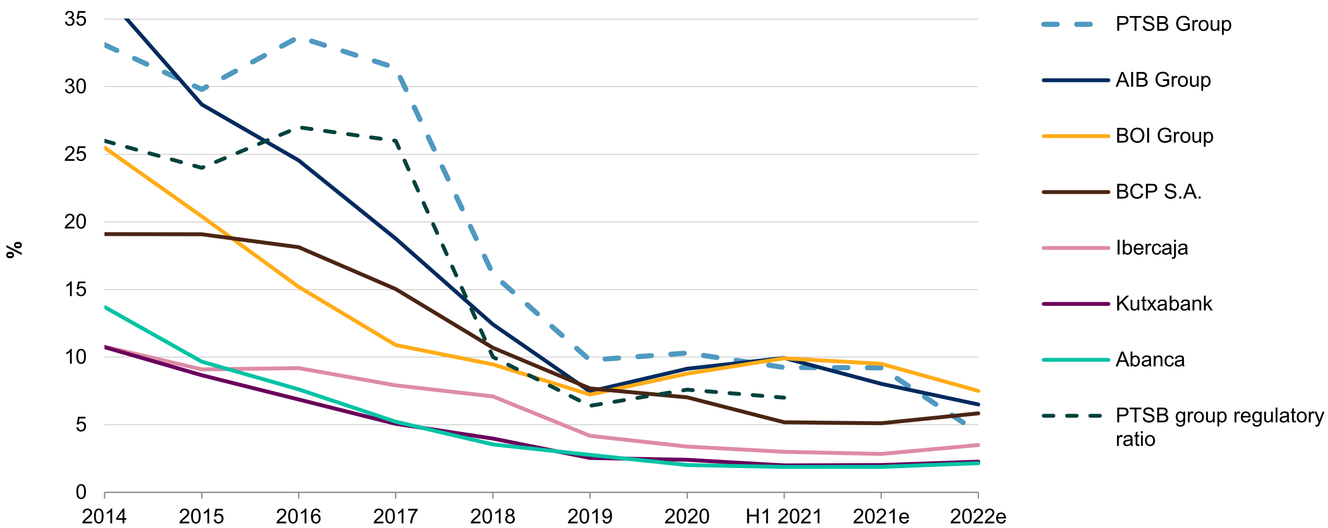
We consider that PTSB's earnings profile should become more predictable than before, with revenues expected to grow quite strongly by 15%-20% over the next two years on the back of the anticipated loan portfolio acquisition from Ulster bank and general increase in customer activity. However, we note that its earnings buffer remains negative. This indicates the inability of underlying pre-provision earnings to cover our estimate of through-the-cycle normalized losses (€93 million in 2020, as per our RAC framework). Moreover, despite being an ongoing focus, the group's cost efficiency will remain poor, largely owing to new costs relating to the Ulster Bank deal and ongoing investment in the bank's transformation. As a result, the group's return on average common equity should improve, though likely remain modest at 2.0%-2.5% by end-2023.

Risk Position: Proactive Management Has Led To A Significant Reduction In NPLs

PTSB has made significant progress in reducing its NPLs over recent years, but its asset quality is still weaker than that of higher-rated peers with a residential mortgage book bias. The NPL ratio under our calculation as of mid-2021 decreased to 9.24% from 10.29% as of end-2020 (this includes stage 3 loans, impaired loans at the time of purchase, and restructured/forborne loans) compared with around 5% for peers.

Chart 3

Asset Quality Metrics Move Toward Peers' Average
Nonperforming assets



e--Estimate. H1--First half. Source: S&P Global Ratings. *The NPA ratio includes stage 3 loans, impaired loans at the time of purchase, and restructured/forborne loans not captured in stage 3 loans.

We anticipate that PTSB's asset quality metrics will improve further over the course of 2022 and that the group will remain committed to reducing this ratio further over the medium term. The NPL portfolio sale that is set to close by the end of first-quarter of 2022 has a gross balance sheet value of €390 million. The sale will improve PTSB's regulatory NPL ratio to about 5% of the gross loan portfolio from the current 6.9%. Furthermore, the performing assets acquired in the Ulster Bank deal will dilute the weight of the remaining legacy assets, reducing the NPL ratio to well below 5% of gross loans.

PTSB's newly generated portfolio largely comprises residential mortgages of robust asset quality. We have not observed any deterioration in underwriting standards over the past two years, despite concerns over COVID-19-related risks. The economic risk trend for the Irish banking sector is positive, which supports overall economic recovery and asset quality improvement in the system.

Funding And Liquidity: Balanced Profile

PTSB's funding and liquidity profiles have improved substantially over the past few years. This has been supported by lower funding needs due to deleveraging--as redemptions exceeded new lending--and the sale of noncore assets. Moreover, volumes of customer accounts also grew over the pandemic on the back of low household consumption. The share of deposits now represents a high 95% of the funding base, and current accounts represent a useful 35% of customer deposits.

As the Ulster Bank deal closes, we expect the current strong funding and liquidity metrics to move closer to the average of peers. For example, we forecast the group's loan-to-deposit ratio to increase to around 100% from 77% at mid-2021. We anticipate that customer deposits will continue to grow, but that the group will have to issue more than €1 billion in wholesale debt to fund the Ulster Bank transaction and meet its minimum required eligible liabilities (MREL) requirements. Nevertheless, we still expect the funding and liquidity ratios to remain robust over the next two years.

Support: One Notch Of Uplift For ALAC

We view the Irish resolution regime as effective under our ALAC criteria because it contains a well-defined bail-in process under which authorities would permit nonviable systemically important banks to continue critical functions as going concerns following a bail-in of eligible liabilities.

Despite the group's small size but retail franchise, the resolution authority has said it would go through a bail-in resolution regime. Therefore, we anticipate that PTSB group will continue to benefit from a cushion of bail-inable instruments large enough to protect senior bondholders in a resolution scenario. Thanks to its issuance of a €250 million Tier 2 capital instrument over 2021, our ALAC ratio will likely improve to 5.25% at the end of 2021 (2.87% at end-2020). In addition, we forecast that this ratio will remain sustainably above our 4% threshold to qualify for one notch of uplift to the ratings on the main operating bank. The buffer is likely to comprise only a limited number of instruments. Therefore, we apply a higher threshold to PTSB than our standard 3%.

We do not incorporate notches for ALAC support in our ratings on Permanent TSB Group Holdings PLC, the group's NOHC, as the build-up of bail-in buffers only benefits the creditors of the operating entity. As a result, the ratings on the NOHC remain two notches below the 'bb+' group SACP.

Additional Rating Factors

No other factors affect the ratings.

Environmental, Social, And Governance

ESG Credit Indicators

E-1	**E-2**	E-3	E-4	E-5	S-1	**S-2**	S-3	S-4	S-5	G-1	**G-2**	G-3	G-4	G-5

ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings' opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumerical 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary "ESG Credit Indicators: Definition And Applications," published Oct. 13, 2021.

ESG factors have no material influence on our credit rating analysis of Permanent TSB Group Holding. There is no publicly stated ESG targets that the group aims to achieve as of now, but we expect those to appear over the next year as the group increases its focus on climate change and sustainability agenda.

Resolution Counterparty Ratings (RCRs)

We set the BBB/--/A-2 resolution counterparty ratings (RCRs) on Permanent TSB PLC one notch above the long- and short-term issuer credit ratings, reflecting our typical approach under our framework when the issuer credit rating ranges from 'BBB-'to 'A+'. The RCRs also reflect our jurisdiction assessment for Ireland.

An RCR is a forward-looking opinion of the relative default risk of certain senior liabilities that may be protected from default through an effective bail-in resolution process for the issuing financial institutions. RCRs apply to issuers in jurisdictions where we assess the resolution regime to be effective and we consider the issuer likely to be subject to a resolution that entails a bail-in if it reaches nonviability.

Key Statistics

Table 1

Permanent TSB Group Holdings PLC--Key Figures

	--Year-ended Dec. 31--				
(Mil. €)	**2021***	**2020**	**2019**	**2018**	**2017**
Adjusted assets	21,396	20,884	20,212	21,769	22,734
Customer loans (gross)	14,848	14,855	16,389	16,916	20,616
Adjusted common equity	1,161	1,196	1,411	1,401	1,511
Operating revenues	167	375	413	442	444
Noninterest expenses	168	328	332	351	330
Core earnings	N/A	N/A	51	74	50

*Data as of June 30. N/A--Not applicable.

Table 2

Permanent TSB Group Holdings PLC--Business Position

	--Year-ended Dec. 31--				
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Loan market share in country of domicile	0.2	0.2	0.2	0.2	N/A
Total revenues from business line (currency in millions)	167	375	413	442	444
Retail banking/total revenues from business line	100.0	100.0	100.0	100.0	99.8
Commercial and retail banking/total revenues from business line	100.0	100.0	100.0	100.0	99.8
Asset management/total revenues from business line	N/A	N/A	N/A	N/A	0.0
Other revenues/total revenues from business line	N/A	N/A	N/A	N/A	0.2
Return on average common equity	(0.6)	(9.0)	1.6	0.2	2.0

*Data as of June 30. N/A--Not applicable.

Table 3

Permanent TSB Group Holdings PLC--Capital And Earnings

	--Year-ended Dec. 31--				
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Tier 1 capital ratio	16.7	17.5	15.7	13.0	15.5
S&P Global Ratings' RAC ratio before diversification	N/A	13.8	13.3	11.2	12.2
S&P Global Ratings' RAC ratio after diversification	N/A	10.4	9.0	7.9	8.1
Adjusted common equity/total adjusted capital	90.4	83.0	92.0	92.0	92.5
Double leverage	115.2	115.2	100.3	N.M.	100.6
Net interest income/operating revenues	91.0	90.9	86.2	85.7	91.2
Fee income/operating revenues	8.4	7.5	9.0	8.8	8.8
Market-sensitive income/operating revenues	0.6	0.3	0.7	2.3	(0.7)
Cost to income ratio	100.6	87.5	79.7	74.9	74.3
Preprovision operating income/average assets	(0.0)	0.2	0.4	0.4	0.5
Core earnings/average managed assets	N/A	N/A	0.2	0.3	0.2

*Data as of June 30. N/A--Not applicable. N.M.--Not meaningful. RAC--Risk-adjusted capital.

Table 4

Permanent TSB Group Holdings PLC--Risk-Adjusted Capital Framework Data

	EAD(1)	**Basel III RWA (2)**	**Average Basel III RW (%)**	**S&P Global Ratings' RWA**	**Average S&P Global Ratings' RW (%)**
Government and central banks	5,290.0	650.0	12.3	72.2	1.4
Of which regional governments and local authorities	0.0	0.0	0.0	0.0	0.0
Institutions and CCPs	500.0	137.0	27.4	119.8	24.0
Corporate	1.0	0.0	0.0	1.0	102.4
Retail	15,903.0	6,754.0	42.5	8,147.9	51.2
Of which mortgage	14,990.0	6,428.0	42.9	7,010.2	46.8
Securitization (3)	107.0	162.5	151.9	21.4	20.0
Other assets(4)	692.0	0.0	0.0	1,067.1	154.2
Of which deferred tax assets	2.0	--	--	7.5	3.8

Table 4

Permanent TSB Group Holdings PLC--Risk-Adjusted Capital Framework Data (cont.)

Of which amount of over (-) or under (+) capitalization of insurance subsidiaries	0.0	--	--	0.0	0.0
Total credit risk	22,493.0	7,703.5	34.2	9,429.5	41.9
Total credit valuation adjustment	--	0.0	--	0.0	--
Equity in the banking book	24.0	87.5	364.6	210.0	875.0
Trading book market risk	--	0.0	--	0.0	--
Total market risk	--	87.5	--	210.0	--
Total operational risk	--	675.0	--	828.8	--
RWA before diversification	--	8,478.5	--	10,468.2	100.0
Single name(On Corporate Portfolio) (5)	--	--	--	9.1	887.8
Sector(On Corporate Portfolio)	--	--	--	0.3	3.0
Geographic	--	--	--	1,831.7	19.0
Business and Risk Type	--	--	--	1,561.6	12.7
Total diversification/ Concentration adjustments	--	--	--	3,402.7	32.5
RWA after diversification	--	8,478.5	--	13,870.9	132.5
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**Standard & Poor's RAC ratio (%)**
Capital ratio before adjustments		1,480.0	17.5	1,441.0	13.8
Capital ratio after adjustments (6)		1,480.0	17.5	1,441.0	10.4

Footnotes: (1) EAD--Exposure at default. (2) RWA--Risk-weighted assets. (3) Securitisation Exposure includes the securitisation tranches deducted from capital in the regulatory framework. (4) Other assets inlcudes Deferred Tax Assets (DTAs) not deducted from ACE. (5) For Public-Sector Funding Agencies, the single name adjustment is calculated on the regional government and local authorities portfolio. (6) For tier 1 ratio, adjustments are additional regulatory requirements (e.g. transitional floor or pillar 2 add-ons). (7) RAC--Risk-adjusted capital.

Table 5

Permanent TSB Group Holdings PLC--Risk Position

	--Year-ended Dec. 31--				
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Growth in customer loans	(0.1)	(9.4)	(3.1)	(17.9)	(3.5)
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	32.5	47.6	42.7	50.9
Total managed assets/adjusted common equity (x)	18.5	17.9	14.8	16.3	15.9
New loan loss provisions/average customer loans	0.0	1.0	0.1	0.1	0.2
Net charge-offs/average customer loans	0.2	0.1	0.0	0.2	0.3
Gross nonperforming assets/customer loans + other real estate owned	9.2	10.3	9.8	16.1	31.4
Loan loss reserves/gross nonperforming assets	44.3	41.9	46.3	37.4	34.7

*Data as of June 30. N/A--Not applicable. RWA--Risk-weighted assets.

Table 6

Permanent TSB Group Holdings PLC--Funding And Liquidity

	--Year-ended Dec. 31--				
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Core deposits/funding base	94.7	95.5	94.7	86.5	82.9
Customer loans (net)/customer deposits	77.0	78.8	91.0	93.3	108.1

Table 6

Permanent TSB Group Holdings PLC--Funding And Liquidity (cont.)					
	--Year-ended Dec. 31--				
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Long-term funding ratio	99.9	99.9	99.9	92.8	91.5
Stable funding ratio	139.3	134.5	125.1	105.3	106.3
Short-term wholesale funding/funding base	0.1	0.1	0.1	7.9	9.4
Regulatory net stable funding ratio (%)	167.0	160.0	138.0	120.0	114.0
Broad liquid assets/short-term wholesale funding (x)	270.7	370.5	249.3	1.8	1.8
Broad liquid assets/total assets	29.0	26.5	20.9	12.9	14.9
Broad liquid assets/customer deposits	33.6	30.8	24.7	16.5	19.9
Net broad liquid assets/short-term customer deposits	35.0	32.6	27.1	8.6	9.8
Regulatory liquidity coverage ratio (LCR) (x)	318.0	276.0	170.0	160.0	165.0
Short-term wholesale funding/total wholesale funding	2.0	1.4	1.6	56.0	53.3
Narrow liquid assets/3-month wholesale funding (x)	1,037.6	1,389.3	N.M.	3.4	2.6

*Data as of June 30. N.M.--Not meaningful.

Related Criteria

- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Outlook On Permanent TSB Group Holdings PLC To Positive On Prospect Of Stronger Balance Sheet; Ratings Affirmed, Dec. 21, 2021
- Ratings On Three Ireland-Based Financial Institutions Affirmed Under Revised FI Criteria, Jan. 26, 2022
- The Top Trends Shaping European Bank Ratings In 2022, Jan. 31, 2022

Ratings Detail (As Of February 22, 2022)*	
Permanent TSB Group Holdings PLC	
Issuer Credit Rating	BB-/Positive/B

Ratings Detail (As Of February 22, 2022)*(cont.)	
Senior Unsecured	BB-
Senior Unsecured	BBB-/A-3
Short-Term Debt	A-3
Issuer Credit Ratings History	
21-Dec-2021	BB-/Positive/B
28-Apr-2020	BB-/Negative/B
17-Dec-2018	BB-/Stable/B
03-Aug-2017	B+/Positive/B
Sovereign Rating	
Ireland	AA-/Stable/A-1+
Related Entities	
Permanent TSB PLC	
Issuer Credit Rating	BBB-/Positive/A-3
Resolution Counterparty Rating	BBB/--/A-2
Senior Unsecured	BB-
Senior Unsecured	BBB-/A-3
Short-Term Debt	A-3

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.