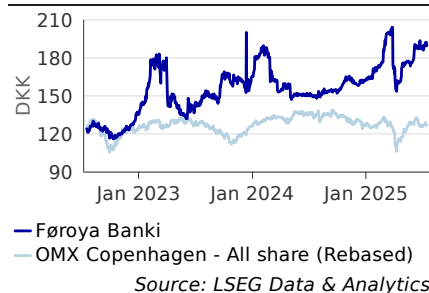


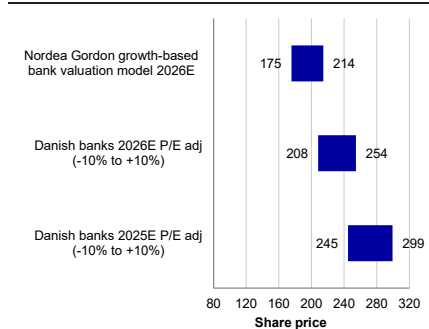
**KEY DATA**

Stock country	Denmark
Bloomberg	FOBANK DC
Reuters	FORBANK.CO
Share price, close	DKK 190
Free float	0.65
Market cap. (m)	EUR 242/DKK 1,809
Company website	www.banknordik.com
Next report date	5 August 2025

**PERFORMANCE**



**VALUATION APPROACH (DKK/SHARE)**



**ESTIMATE CHANGES**

DKK/m	2025E	2026E	2027E
Total revenue	1%	0%	0%
Total costs	0%	0%	0%
Loan losses	-30%	0%	0%
PTP	11%	1%	1%
DPS (ord. SEK)	11%	1%	1%
EPS (adj.)	11%	1%	1%

Source: Company data and Nordea estimates

**Nordea IB & Equity - Analysts**

Mathias Nielsen  
+45 55 47 13 10  
nielsen.mathias@nordea.com

**Another guidance upgrade from the North Atlantic**

On 15 July 2025, Føroya Banki raised its 2025 net profit guidance range to DKK 235-265m (previously DKK 210-240m). The bank highlights that the insurance result and growth in business activity have been strong, while impairment charges have been low. On top of this comes a few non-recurring items such as extraordinary income from its sector shares and the sale of one of its branch offices. Mainly led by the non-recurring items, we raise our 2025E net profit by DKK 25m (11%) to DKK 245m. We also raise 2026E-27E net profit by ~1% amid slightly raised lending volumes and insurance income estimates. Our new Gordon growth-based fair value range is DKK 175-214 (173-211).

**Focus will remain on the underlying parts of the Q2 2025 results**

As highlighted in our Q2 2025 preview published on 11 July, we expect investors to focus on income momentum and cost discipline when the company releases its Q2 2025 results on 5 August. While investors usually do not pay much for non-recurring items, we also note that Føroya Banki has had a long track record of delivering income from such extraordinary items. This time, the guidance upgrade was led by extraordinary income from its sector shares, as well as the sale of one of its branch offices. We will keep an eye on the cost development for Q2. We estimate Q2 2025 total costs of DKK 72m, up 5.3% y/y. This is slightly below the Q1 2025 cost inflation of 6.4% y/y. As part of its Q2 2024 results, Føroya Banki highlighted slightly elevated marketing costs during Q2 2024, due to the bank's name change. While we expect slightly lower marketing costs, we also note that IT cost inflation has been somewhat elevated in recent quarters.

**2026E-27E net profit up by ~1%**

While we lift our 2025E net profit by 11% due to the guidance upgrade, we find it likely that the upgrade will be mainly led by non-recurring items. Besides the non-recurring items, we also get the impression lending growth has been solid during Q2, and that net insurance income has been solid. We hence raise our 2026E-27E net profit by 1%.

**New Gordon growth-based fair value range of DKK 175-214 (173-211)**

Mainly led by us raising 2026E-27E profit before loan losses by ~1%, we lift our Gordon growth-based fairly range to DKK 175-214 (173-211). Føroya Banki currently trades at a 2025E-27E dividend yield of 8-9%.

**SUMMARY TABLE - KEY FIGURES**

DKK/m	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	407	447	528	502	490	496	511
Total costs	236	244	259	273	286	289	291
Loan loss ratio	-1.01%	-0.59%	-0.12%	-0.01%	0.19%	0.32%	0.40%
PTP	340	207	379	366	302	264	267
RoE	12.7%	7.91%	16.8%	15.0%	12.1%	10.8%	10.7%
RoTBV	9.18%	7.63%	16.5%	14.8%	11.8%	10.5%	10.4%
P/E (adj.)	6.80	8.87	5.22	5.35	7.64	8.77	8.66
P/BV	66.1%	71.7%	85.1%	74.7%	92.4%	90.9%	88.3%
P/TBV	0.66	0.72	0.85	0.75	0.93	0.91	0.89
BIS III CT1 ratio	23.8%	21.6%	25.8%	23.8%	23.6%	23.5%	23.4%
DPS (ord. SEK)	40.3	26.1	8.36	36.6	17.9	15.6	15.8
Dividend yield (ord.)	28.7%	19.2%	5.08%	22.6%	9.44%	8.26%	8.36%
Total payout ratio	1.42	1.64	0.26	1.19	0.70	0.70	0.70

Source: Company data and Nordea estimates

# Estimate revisions

## CHANGES TO OUR ESTIMATES

DKKm	New estimates			Old estimates			Change (%)			Change (DKK)		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Net interest income	303	309	317	303	308	316	0%	0%	0%	1	1	1
Net fee and commission income	77	80	83	77	80	83	0%	0%	0%	0	0	0
Net insurance income	65	62	65	63	61	64	2%	1%	1%	2	1	1
Other income	45	45	46	45	45	46	1%	0%	0%	1	0	0
<b>Total Income</b>	<b>490</b>	<b>496</b>	<b>511</b>	<b>487</b>	<b>494</b>	<b>509</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>	<b>3</b>	<b>1</b>	<b>1</b>
<b>Total Expenses</b>	<b>-286</b>	<b>-289</b>	<b>-291</b>	<b>-286</b>	<b>-289</b>	<b>-291</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Profit before loan losses</b>	<b>204</b>	<b>207</b>	<b>219</b>	<b>202</b>	<b>206</b>	<b>218</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>	<b>3</b>	<b>1</b>	<b>1</b>
Loan losses	-18	-31	-40	-25	-31	-40	-30%	0%	0%	8	0	0
<b>Operating profits</b>	<b>187</b>	<b>176</b>	<b>179</b>	<b>176</b>	<b>175</b>	<b>178</b>	<b>6%</b>	<b>1%</b>	<b>1%</b>	<b>10</b>	<b>1</b>	<b>1</b>
Earnings from investment portfolio	111	88	88	96	88	88	16%	0%	0%	15	0	0
Non-recurring and industry solutions	5	0	0	0	0	0	-	-	-	5	0	0
<b>Profit before tax</b>	<b>302</b>	<b>264</b>	<b>267</b>	<b>272</b>	<b>263</b>	<b>266</b>	<b>11%</b>	<b>1%</b>	<b>1%</b>	<b>30</b>	<b>1</b>	<b>1</b>
Discontinued operations before tax	0	0	0	0	0	0	-	-	-	0	0	0
Taxes	-58	-50	-51	-52	-50	-51	11%	1%	1%	-6	0	0
<b>Net profit</b>	<b>245</b>	<b>214</b>	<b>217</b>	<b>220</b>	<b>213</b>	<b>215</b>	<b>11%</b>	<b>1%</b>	<b>1%</b>	<b>24</b>	<b>1</b>	<b>1</b>
<b>EPS adj, DKK</b>	<b>24.8</b>	<b>21.6</b>	<b>21.9</b>	<b>22.3</b>	<b>21.5</b>	<b>21.8</b>	<b>11%</b>	<b>1%</b>	<b>1%</b>	<b>3</b>	<b>0</b>	<b>0</b>
<b>DPS, DKK</b>	<b>17.9</b>	<b>15.6</b>	<b>15.8</b>	<b>16.1</b>	<b>15.6</b>	<b>15.8</b>	<b>11%</b>	<b>1%</b>	<b>1%</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>CET1 ratio</b>	<b>23.6%</b>	<b>23.5%</b>	<b>23.4%</b>	<b>23.6%</b>	<b>23.5%</b>	<b>23.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>

Source: Nordea estimates

# Quarterly estimates

## QUARTERLY INCOME STATEMENT AND BALANCE SHEET

### INCOME STATEMENT

DKKm	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25E	Q3 25E	Q4 25E
Net interest income	92	90	87	78	76	75	75	76
Net fee and commission income	19	17	18	19	20	18	19	20
Net insurance income	12	15	20	10	16	19	20	10
Other income	11	10	10	9	13	11	11	11
<b>Total revenues</b>	<b>135</b>	<b>132</b>	<b>135</b>	<b>117</b>	<b>125</b>	<b>123</b>	<b>124</b>	<b>118</b>
<b>Total expenses</b>	<b>65</b>	<b>68</b>	<b>69</b>	<b>72</b>	<b>69</b>	<b>72</b>	<b>71</b>	<b>74</b>
<b>Pre-provision profit</b>	<b>70</b>	<b>63</b>	<b>66</b>	<b>46</b>	<b>56</b>	<b>51</b>	<b>53</b>	<b>44</b>
Loan loss provisions	-23	7	6	11	-5	0	-5	-8
Non-recurring items	0	0	0	0	0	5	0	0
Market value adjustments	23	35	48	31	25	40	23	23
<b>Operating Profit</b>	<b>70</b>	<b>105</b>	<b>120</b>	<b>88</b>	<b>76</b>	<b>96</b>	<b>71</b>	<b>60</b>
Taxes	-15	-18	-23	-15	-15	-18	-13	-11
Discontinued operations	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0
<b>Net profit to equity</b>	<b>55</b>	<b>87</b>	<b>96</b>	<b>72</b>	<b>61</b>	<b>78</b>	<b>57</b>	<b>48</b>

### BALANCE SHEET

DKKm	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25E	Q3 25E	Q4 25E
Cash / Interbank	1,786	2,083	2,619	2,696	2,789	2,789	2,789	2,789
Loans to credit institutions	618	437	354	311	328	328	328	328
Loans to the public	8,915	9,023	9,072	9,086	9,270	9,380	9,463	9,539
Goodwill and other intangibles	5	5	6	5	5	5	5	5
<b>Total assets</b>	<b>13,377</b>	<b>13,492</b>	<b>14,055</b>	<b>14,512</b>	<b>14,800</b>	<b>14,911</b>	<b>14,994</b>	<b>15,069</b>
Interbank/owed to credit institutions	688	684	963	823	801	801	801	801
Deposits	9,043	9,227	9,410	10,065	10,365	10,365	10,365	10,365
Subordinated loans	100	100	100	100	100	100	100	100
Minority interest	0	0	0	0	0	0	0	0
Shareholders equity	1,824	1,909	2,004	2,076	1,788	1,864	1,918	1,963
<b>Total equity and liabilities</b>	<b>13,377</b>	<b>13,492</b>	<b>14,055</b>	<b>14,512</b>	<b>14,800</b>	<b>14,911</b>	<b>14,994</b>	<b>15,069</b>
Loans to deposits	99%	98%	96%	90%	89%	90%	91%	92%

### GROWTH (Y/Y)

	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25E	Q3 25E	Q4 25E
Net Interest Income	19%	4%	-10%	-22%	-17%	-16%	-13%	-2%
Net Commission Income	-9%	-9%	-7%	10%	3%	5%	5%	4%
<b>Total revenues</b>	<b>20%</b>	<b>-2%</b>	<b>-9%</b>	<b>-12%</b>	<b>-7%</b>	<b>-6%</b>	<b>-8%</b>	<b>0%</b>
<b>Total Expenses</b>	<b>2%</b>	<b>6%</b>	<b>5%</b>	<b>9%</b>	<b>6%</b>	<b>5%</b>	<b>4%</b>	<b>3%</b>
Pre-provision profit	44%	-10%	-20%	-33%	-20%	-19%	-20%	-3%
Operating profit	-7%	21%	11%	-20%	8%	-9%	-41%	-32%
<b>Net profit to equity</b>	<b>-10%</b>	<b>25%</b>	<b>9%</b>	<b>-18%</b>	<b>11%</b>	<b>-10%</b>	<b>-40%</b>	<b>-33%</b>
Loans to the public								
Deposits	6%	9%	9%	15%	15%	12%	10%	3%
Assets	7%	8%	12%	12%	11%	11%	7%	4%
<b>RWA growth (BIS II)</b>	<b>-5%</b>	<b>-2%</b>	<b>-2%</b>	<b>5%</b>	<b>4%</b>	<b>8%</b>	<b>7%</b>	<b>5%</b>

Source: Company data and Nordea estimates

# Reported numbers and forecasts

## ANNUAL KEY DATA

DKKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
<b>SHARE DATA</b>											
EPS	19.4	26.6	21.7	17.5	28.5	15.9	32.1	30.7	25.6	22.4	22.6
EPS (adj.)	19.4	19.9	22.9	16.9	20.7	15.3	31.5	30.3	24.8	21.6	21.9
BVPS	186	208	239	238	213	190	193	217	205	209	215
TVBS	186	207	237	238	212	190	193	216	205	208	214
DPS (tot., DKK)	4.00	7.32	0.00	52.1	40.3	26.1	8.36	36.6	17.9	15.6	15.8
Dividend pay-out ratio	20.6%	36.7%	0.00%	308%	195%	170%	26.5%	121%	72.1%	72.4%	72.4%
Share repurchases (per share)	0.00	0.00	1.61	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total payout ratio	0.21	0.27	0.07	3.03	1.42	1.64	0.26	1.19	0.70	0.70	0.70
Share price (period end)	106	109	109	152	141	136	165	162	190	190	190
Market cap. (m)	1,040	1,038	1,034	1,451	1,345	1,302	1,575	1,551	1,814	1,814	1,814
Dil. number of shares	9.81	9.57	9.49	9.55	9.57	9.57	9.57	9.57	9.57	9.57	9.57
<b>VALUATION (x)</b>											
P/E	5.45	4.09	5.02	8.69	4.93	8.55	5.12	5.27	7.42	8.48	8.38
P/E (adj.)	5.45	5.44	4.75	8.99	6.80	8.87	5.22	5.35	7.64	8.77	8.66
P/BV	57.1%	52.3%	45.7%	63.9%	66.1%	71.7%	85.1%	74.7%	92.4%	90.9%	88.3%
P/TBV	0.57	0.52	0.46	0.64	0.66	0.72	0.85	0.75	0.93	0.91	0.89
Dividend yield (tot.)	3.77%	6.74%	0.00%	34.3%	28.7%	19.2%	5.08%	22.6%	9.44%	8.26%	8.36%
Total yield	3.77%	6.74%	1.47%	34.8%	28.7%	19.2%	5.08%	22.6%	9.44%	8.26%	8.36%
<b>CAPITAL RATIOS (%)</b>											
BIS II Trans. CET1-ratio	0.17	0.18	0.19	0.23	0.24	0.22	0.26	0.24	0.24	0.23	0.23
BIS II Trans. Capital ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
BIS III CET	1,731	1,874	2,023	2,206	1,629	1,556	1,758	1,712	1,777	1,833	1,889
BIS III REA	9,895	10,621	10,764	9,774	6,841	7,195	6,819	7,180	7,539	7,808	8,087
BIS III CT1 ratio	17.5%	17.6%	18.8%	22.6%	23.8%	21.6%	25.8%	23.8%	23.6%	23.5%	23.4%
BIS III T1-ratio	0.17	0.18	0.20	0.24	0.26	0.24	0.28	0.24	0.24	0.23	0.23
BIS III Capital ratio	0.20	0.20	0.22	0.26	0.27	0.25	0.29	0.25	0.25	0.25	0.25
Tang. Equity/Assets	0.12	0.12	0.12	0.13	0.17	0.15	0.14	0.14	0.13	0.13	0.13
Tang. Equity/Lending	0.19	0.20	0.23	0.30	0.27	0.22	0.21	0.23	0.21	0.20	0.20
Leverage ratio	0.11	0.11	0.11	0.13	0.14	0.13	0.14	0.12	0.12	0.12	0.12
<b>CREDIT QUALITY</b>											
Impaired loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loan loss reserves	511	607	496	328	321	315	309	303	297	291	285
Coverage ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss reserves / Total loans	5.48%	6.23%	5.00%	3.74%	4.22%	4.01%	3.64%	3.37%	3.19%	2.99%	2.83%
Impaired loans / Total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Collective/total provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Perf. Impaired loans/Impaired loans	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss ratio	-0.64%	-1.14%	-1.06%	-0.06%	-1.01%	-0.59%	-0.12%	-0.01%	0.19%	0.32%	0.40%
Growth loan loss reserves (y/y)	-24.6%	18.7%	-18.3%	-33.9%	-1.99%	-1.99%	-1.99%	-2.00%	-2.00%	-2.00%	-2.00%
Growth impaired loans (y/y)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>PROFITABILITY</b>											
Adjusted for non-rec. Items											
RoE	10.1%	10.2%	10.3%	7.10%	9.17%	7.62%	16.5%	14.8%	11.8%	10.4%	10.3%
RoTBV	10.1%	10.2%	10.3%	7.12%	9.18%	7.63%	16.5%	14.8%	11.8%	10.5%	10.4%
C/I	-71.3%	-71.9%	-71.9%	-61.4%	-58.0%	-54.6%	-49.0%	-54.4%	-58.3%	-58.2%	-57.0%
NII-margin	4.15%	3.83%	3.67%	2.87%	3.32%	3.34%	4.16%	3.62%	3.16%	3.09%	3.06%
<b>REVENUE DISTRIBUTION</b>											
Adjusted for non-rec. Items											
Net Interest Income	59.7%	58.8%	55.5%	64.9%	62.1%	58.7%	66.7%	64.8%	60.1%	60.6%	60.2%
Net Commission Income	28.7%	27.1%	28.8%	15.5%	19.5%	19.7%	14.6%	14.7%	15.7%	16.1%	16.3%
Net result from financial transactions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net insurance income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Income	4.85%	7.24%	7.43%	6.08%	8.38%	8.60%	6.06%	8.21%	9.19%	9.08%	9.07%

Source: Company data and Nordea estimates

**ANNUAL INCOME STATEMENT AND BALANCE SHEET**

DKKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
<b>INCOME STATEMENT</b>											
Net Interest Income	387	373	367	258	260	270	360	331	303	309	317
Net Commission Income	186	172	189	60.0	79.4	88.1	77.0	73.8	76.8	79.9	83.1
Net result from financial transactions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net insurance income	43.6	43.6	52.8	45.2	33.9	52.1	59.7	56.6	64.7	61.6	64.7
Other income	31.4	46.0	48.9	23.5	34.1	38.5	32.0	41.2	45.0	45.0	46.4
<b>Total revenue</b>	<b>648</b>	<b>635</b>	<b>658</b>	<b>387</b>	<b>407</b>	<b>447</b>	<b>528</b>	<b>502</b>	<b>490</b>	<b>496</b>	<b>511</b>
Staff costs	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other operating costs	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Depreciation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Total costs</b>	<b>462</b>	<b>457</b>	<b>473</b>	<b>237</b>	<b>236</b>	<b>244</b>	<b>259</b>	<b>273</b>	<b>286</b>	<b>289</b>	<b>291</b>
<b>Profit before loan losses</b>	<b>186</b>	<b>179</b>	<b>185</b>	<b>149</b>	<b>171</b>	<b>203</b>	<b>269</b>	<b>229</b>	<b>204</b>	<b>207</b>	<b>219</b>
Loan losses	60.0	111	106	4.96	76.6	46.6	10.0	1.07	-17.6	-31.0	-40.0
Write-downs on assets	-18.0	72.0	-13.3	0.00	88.9	0.00	-8.93	0.00	5.00	0.00	0.00
Operating profit	234	324	261	207	340	207	379	366	302	264	267
Taxes	-43.7	-66.2	-54.3	-40.4	-67.0	-54.9	-71.8	-72.0	-57.8	-50.2	-50.8
Discontinued operations	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Minority interest	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Net profit to equity</b>	<b>191</b>	<b>257</b>	<b>207</b>	<b>166</b>	<b>272</b>	<b>152</b>	<b>308</b>	<b>294</b>	<b>245</b>	<b>214</b>	<b>217</b>
<b>BALANCE SHEET</b>											
Cash / Interbank	251	180	252	208	1,292	1,443	1,796	2,696	2,789	2,789	2,789
Loans to credit institutions	617	914	878	1,178	445	390	260	311	328	328	328
Loans to the public	9,537	9,956	9,909	7,608	7,624	8,083	8,883	9,086	9,539	9,880	10,234
Goodwill and other intangibles	0.00	6.68	9.96	2.43	2.68	2.40	1.70	5.08	4.68	4.68	4.68
<b>Total assets</b>	<b>15,785</b>	<b>16,700</b>	<b>18,173</b>	<b>17,290</b>	<b>11,790</b>	<b>12,190</b>	<b>12,945</b>	<b>14,512</b>	<b>15,069</b>	<b>15,410</b>	<b>15,764</b>
<b>Interbank/owed to credit institutions</b>	<b>360</b>	<b>299</b>	<b>54.9</b>	<b>28.0</b>	<b>839</b>	<b>858</b>	<b>719</b>	<b>823</b>	<b>801</b>	<b>801</b>	<b>801</b>
Deposits	13,083	13,878	15,164	7,733	7,902	8,360	8,735	10,065	10,365	10,365	10,365
Subordinated loans	223	223	224	225	99.4	99.5	99.6	99.8	99.8	99.8	99.8
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.00	2.00
Shareholders equity	1,820	1,987	2,263	2,271	2,036	1,817	1,851	2,076	1,963	1,996	2,054
<b>Total equity and liabilities</b>	<b>15,785</b>	<b>16,700</b>	<b>18,173</b>	<b>17,290</b>	<b>11,792</b>	<b>12,190</b>	<b>12,945</b>	<b>14,512</b>	<b>15,069</b>	<b>15,410</b>	<b>15,764</b>
Loans to deposits	72.9%	71.7%	65.3%	98.4%	96.5%	96.7%	102%	90.3%	92.0%	95.3%	98.7%
Non-mortg. loans to deposits	72.9%	71.7%	65.3%	98.4%	96.5%	96.7%	102%	90.3%	92.0%	95.3%	98.7%
LCR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
NSFR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>GROWTH (Y/Y)</b>											
Adjusted for non rec.items											
Net interest income	-6.47%	-3.58%	-2.25%	-31.2%	0.73%	3.87%	34.3%	-7.69%	-9.56%	1.98%	2.47%
Net commission income	-3.08%	-7.45%	10.0%	-68.3%	32.3%	11.0%	-12.6%	-4.18%	4.14%	4.00%	4.00%
<b>Total Revenues</b>	<b>1.07%</b>	<b>-2.03%</b>	<b>3.57%</b>	<b>-41.2%</b>	<b>5.33%</b>	<b>9.84%</b>	<b>18.1%</b>	<b>-4.91%</b>	<b>-2.47%</b>	<b>1.19%</b>	<b>3.04%</b>
Staff costs	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
<b>Total expenses</b>	<b>0.12%</b>	<b>-1.16%</b>	<b>3.60%</b>	<b>-49.9%</b>	<b>-0.46%</b>	<b>3.40%</b>	<b>6.12%</b>	<b>5.52%</b>	<b>4.53%</b>	<b>0.99%</b>	<b>0.99%</b>
Profit before loan losses	3.52%	-4.21%	3.50%	-19.2%	14.5%	18.7%	32.6%	-14.9%	-10.8%	1.46%	5.88%
Operating profit	13.3%	3.90%	7.16%	-20.7%	64.1%	-39.0%	83.1%	-3.43%	-17.4%	-12.6%	1.20%
<b>Net profit to equity</b>	<b>16.8%</b>	<b>1.39%</b>	<b>13.1%</b>	<b>-26.4%</b>	<b>22.7%</b>	<b>-25.7%</b>	<b>106%</b>	<b>-3.93%</b>	<b>-18.1%</b>	<b>-12.9%</b>	<b>1.25%</b>
Loans to the public	4.34%	4.39%	-0.47%	-23.2%	0.21%	6.02%	9.89%	2.29%	4.98%	3.58%	3.58%
Deposits	3.27%	6.07%	9.26%	-49.0%	2.18%	5.80%	4.49%	15.2%	2.98%	0.00%	0.00%
Assets	1.50%	5.79%	8.82%	-4.86%	-31.8%	3.40%	6.19%	12.1%	3.84%	2.26%	2.29%
REA growth (BIS Trans)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
REA growth (BIS III)	1.07%	7.34%	1.34%	-9.19%	-30.0%	5.18%	-5.23%	5.30%	4.99%	3.58%	3.58%

Source: Company data and Nordea estimates

# Disclaimer and legal disclosures

## Origin of the publication or report

This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their units Nordea Markets and Equity Sales & Research.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

## Content of the publication or report

This publication or report has been prepared solely by Nordea Markets or Equity Sales & Research.

Opinions or suggestions from Nordea credit and equity research may deviate from one another or from recommendations or opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

Investment opinions, ratings, recommendations and target prices are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts, ratings, recommendations, target prices and projections in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the publication or report, provided that the relevant company/issuer is treated anew in such later versions of the publication or report.

## Validity of the publication or report

All opinions and estimates in this publication or report are, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report and are subject to change without notice.

## No individual investment or tax advice

The publication or report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This publication or report has been prepared by Nordea Markets or Equity Sales & Research as general information for private use of investors to whom the publication or report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this publication or report, it is recommendable to consult one's financial advisor. The information contained in this publication or report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

## Sources

This publication or report may be based on or contain information, such as opinions, recommendations, estimates, price targets and valuations which emanate from: Nordea Markets' or Equity Sales & Research analysts or representatives, publicly available information, information from other units of Nordea, or other named sources. To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets or Equity Sales & Research ("External Information"), Nordea Markets or Equity Sales & Research has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

The perception of opinions or recommendations such as Buy or Sell or similar expressions may vary and the definition is therefore shown in the research material or on the website of each named source.

## Limitation of liability

Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this publication or report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages resulting from the information in this publication or report.

## Risk information

The risk of investing in certain financial instruments, including those mentioned in this document, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

## Conflicts of interest

Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the publication or report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets and Equity Sales & Research are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at [www.nordea.com/mifid](http://www.nordea.com/mifid).

Please find a list of all recommendations disseminated by Nordea Equities during the preceding 12-month period here: <https://research.nordea.com/compliance>

## Distribution restrictions

The securities referred to in this publication or report may not be eligible for sale in some jurisdictions. This research report is not intended for, and must not be distributed to private customers in the UK or the US or to customers in any other jurisdiction where restrictions may apply.

This research report has not been prepared for distribution outside the EU, the UK or the US. The content of this research report is not a product disclosure statement or other regulated document for the purposes of the Australian Corporations Act 2001 (CTH). The distribution of this research report in Australia has not been authorised by any regulatory authority in Australia, and Nordea Bank Abp is not licensed by the Australian Securities and Investment Commission to provide financial services in Australia.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the UK. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available upon request.

Nordea Bank Abp ("Nordea") research is not "globally branded" research. Nordea research reports are intended for distribution in the US solely to "major U.S. institutional investors," as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Any transactions with US institutional investors in securities discussed within the research reports will be chaperoned by Nordea Securities LLC ("Nordea Securities"), an affiliate of Nordea and a SEC registered broker dealer and member of FINRA. Nordea Securities does not employ research analysts and has no contractual relationship with Nordea that is reasonably likely to inform the content of Nordea research reports. Nordea makes all research content determinations without any input from Nordea Securities.

The research analyst(s) named on this report are not registered/qualified as research analysts with FINRA. Such research analyst(s) are also not registered with Nordea Securities and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

This publication or report may not be mechanically duplicated, photocopied or otherwise reproduced, in full or in part, under applicable copyright laws.

**Fair value and sensitivity**

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.

It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

**Marketing material**

This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

### Analyst Shareholding

Nordea analysts do not hold shares in the companies that they cover. No holdings or other affiliations by analysts or associates.

### Previous rating changes in the past 12 months

Date	To	From
No rating changes		

### Distribution of recommendations

Recommendation	% distribution
Buy	59%
Hold	38%
Sell	2%

As of 01 July 2025

### Recommendation structure and fair value sensitivity (absolute ratings)

Buy:	Positive share price potential versus our fair value and we see a compelling investment case to buy the share.
Sell:	Negative share price potential versus our fair value and we see a compelling investment case to sell the share.
Hold:	Share in line with our fair value and/or no compelling investment case.

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. When applicable, we set a 12-month target price by applying an appropriate premium/discount and/or other relevant adjustment to our fair value to reflect the share price potential we see within the coming 12 months. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.

It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. Dividend payouts are included in the target price. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

### Nordea ESG rating methodology

For a description of the methodology used in our proprietary ESG ratings, please refer to <https://research.nordea.com/esg-methodology.pdf>

### Completion Date

16/07/2025 03:31 CEST

### Market-making obligations and other significant financial interest

Nordea has no market-making obligations in Føroya Banki shares.

As of today, Nordea Abp holds no positions of 0.5% or more of shares issued by Føroya Banki.

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

### Investment banking transactions and/or services

Nordea has been lead or co-lead manager in a public disclosed offer of financial instruments issued by Føroya Banki over the previous 12 months.

### Distribution of recommendations (transactions)\*

Recommendation	% distribution
Buy	57%
Hold	39%
Sell	4%

As of 01 July 2025

\* Companies under coverage with which Nordea has ongoing or completed public investment banking transactions.

### Equity risk rating

#### Nordea risk rating: Føroya Banki

4

As a measure of the company's operational risk we, apply a risk rating scale of 1-5 where 1 is the lowest risk and 5 is the highest. The risk rating is calculated using a weighted average of earnings/cash flow predictability, earnings quality and backwardlooking asset beta. For the most illiquid stocks, the risk rating is also adjusted for liquidity risk. The risk rating is then converted to asset beta and used to calculate the cost of capital. It is thus implicitly included in our fair value calculations.

### Issuer Review

This report has not been reviewed by the Issuer prior to publication.

### Nordea Bank Abp

#### Nordea IB & Equity Division, Equity Research

Visiting address:  
Aleksis Kiven katu 7, Helsinki  
FI-00020 Nordea  
Finland

Tel: +358 9 1651  
Fax: +358 9 165 59710

Reg.no. 2858394-9  
Satamaradankatu 5  
Helsinki

### Nordea Bank Abp, filial i Sverige

#### Nordea IB & Equity Division, Equity Research

Visiting address:  
Smålandsgatan 17  
SE-105 71 Stockholm  
Sweden

Tel: +46 8 614 7000  
Fax: +46 8 534 911 60

### Nordea Danmark, Filial af Nordea Bank Abp, Finland

#### Nordea IB & Equity Division, Equity Research

Visiting address:  
Grønjordsvej 10  
DK-2300 Copenhagen S  
Denmark

Tel: +45 3333 3333  
Fax: +45 3333 1520

### Nordea Bank Abp, filial i Norge

#### Nordea IB & Equity Division, Equity Research

Visiting address:  
Essendropsgate 7  
N-0107 Oslo  
Norway

Tel: +47 2248 5000  
Fax: +47 2256 8650