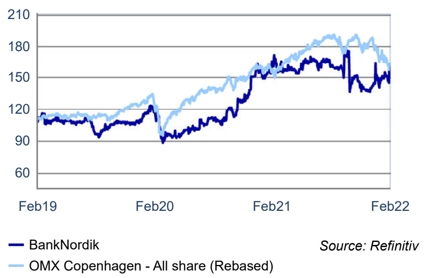
BankNordik

Financials
Denmark

KEY DATA

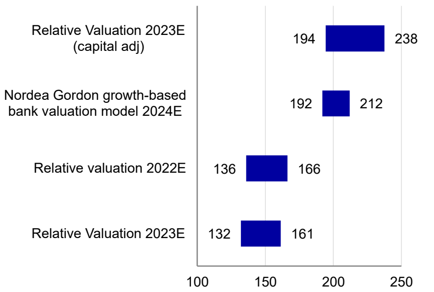
Stock country	Faroe Islands
Bloomberg	BNORDIK DC
Reuters	BNORDIK.CO
Share price (close)	DKK 162.5
Free Float	65%
Market cap. (bn)	EUR 0.21/DKK 1.55
Website	www.banknordik.com
Next report date	28 Apr 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Total revenue	0%	0%	n.a.
Total costs	-2%	-2%	n.a.
Profit before loan losses	1%	3%	n.a.
PTP	1%	3%	n.a.
DPS (ord)	0%	1%	n.a.
EPS (adj)	2%	3%	n.a.

Source: Nordea estimates

Nordea Markets - Analysts
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Quality is rewarded

BankNordik reported solid Q4 figures across most quality lines, manifesting its renewed focus on operational profitability which continues to materialise somewhat ahead of our estimates. BankNordik now plans to distribute the remaining DKK 250m from the divestment of its Danish business by March 2022 (previously 2022). Together with the ordinary dividend of DKK 136m, this makes up a payout yield of ~25%, based on Friday's (25 February) closing price. Overall the report supports our view of a solid capital repatriation story, which sees further substance from the positive operational trends. We raise 2022E-23E adjusted EPS by 2-3%, following Friday's report. Our new Gordon growth-based fair value is DKK 192-212 (DKK 180-200).

Excess capital ready to pad shareholder pockets

In conjunction with the Q3 2021 report, BankNordik expedited the remaining DKK 250m extraordinary dividend, such that it was to be fully distributed in 2022, instead of in 2022 and 2023 as originally announced. Now the excess capital is set to pad shareholder pockets by the end of Q1 2022 (we estimated H2 2022). This reflects its focus on shareholder value, which appears to be guiding management's decision making. BankNordik targets a CET1 ratio of 20% by 2024, thus calling for further capital distribution in future years. We view the new capital ambitions as a firm target and a key lever in reaching the ambitious profitability target of an ROE of above 10%, which is also set to be achieved by 2024.

We lift 2022E-23E adjusted EPS by 2-3%

We lower 2022E-23E NII by 1-2% as we see further margin pressure and funding costs, which is set to weigh on profitability. On the positive side, we raise NCI in 2022E-23E by 6%, following strong repricing effects and a rapid step-up in mortgage volumes. We pare our 2022E-23E cost estimates by 2%. Consequently we raise 2022E-23E adjusted EPS by 2-3%, while we see a 2024E ROE of 9.3% – within reach of the new profitability target.

New fair value range of DKK 192-212 (DKK 180-200)

The Q4 2021 report was well received by investors and the share price increased by ~11%, amid greater visibility on the upcoming payouts. Still, BankNordik is trading at a 2023E P/E of 6.6x, ~25% below peers.

SUMMARY TABLE - KEY FIGURES

DKKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	635	658	387	407	426	431	436
Total costs	457	473	237	236	229	229	229
LL-ratio	-1.14%	-1.06%	-0.06%	-1.01%	0.13%	0.32%	0.31%
PTP	324	261	207	340	187	177	183
RoE	13.5%	9.7%	7.3%	12.7%	7.9%	8.6%	9.8%
RoTBV (adj)	10.2%	10.3%	7.1%	9.2%	7.6%	8.3%	9.4%
P/E (adj)	5.4	4.8	9.0	6.8	10.6	10.7	9.5
P/BV	0.52	0.46	0.64	0.66	0.87	0.90	0.88
P/TBV	0.52	0.46	0.64	0.66	0.87	0.90	0.88
BIS III CT1-ratio	17.6%	18.8%	22.6%	27.5%	23.4%	21.2%	19.9%
DPS (ord, DKK)	7.32	7.00	5.00	61.39	49.85	13.55	14.87
Dividend Yield (ord)	6.74%	6.42%	3.29%	43.69%	30.68%	8.34%	9.15%
Total payout ratio	0.27	0.40	0.33	2.15	3.14	0.81	1.82

Source: Company data and Nordea estimates

Estimates

CHANGES TO OUR ESTIMATES

	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
DKKm	**New estimates**			**Change in estimates**			**Old estimates**		
Net interest income	259	261	263	-2%	-1%	-	266	265	-
Net fee and commission income	84	86	88	6%	6%	-	79	81	-
Net insurance income	50	51	52	0%	0%	-	50	51	-
Other income	33	33	33	0%	0%	-	33	33	-
Total Income	**426**	**431**	**436**	**0%**	**0%**	**-**	**428**	**430**	**-**
Total Expenses	**-229**	**-229**	**-229**	**-2%**	**-2%**	**-**	**-233**	**-233**	**-**
Profit before loan losses	**197**	**202**	**208**	**1%**	**3%**	**-**	**195**	**197**	**-**
Loan losses	-10	-25	-25	0%	0%	-	-10	-25	-
Operating profits	**187**	**177**	**183**	**1%**	**3%**	**-**	**185**	**172**	**-**
Earning from investment portfolio	0	0	0	-	-	-	0	0	-
Non-recurring and industry solutions	0	0	0	-	-	-	0	0	-
Profit before tax	**187**	**177**	**183**	**1%**	**3%**	**-**	**185**	**172**	**-**
Discontinued operations before tax	0	0	0	-	-	-	0	0	-
Taxes	-36	-34	-35	1%	3%	-	-35	-33	-
Net profit	**152**	**144**	**148**	**1%**	**3%**	**-**	**150**	**139**	**-**
EPS adj, DKK	**15.3**	**15.2**	**17.1**	**2%**	**3%**	**-**	**15.1**	**14.8**	**-**
DPS, DKK	**49.9**	**13.5**	**14.9**	**0%**	**1%**	**-**	**49.7**	**13.4**	**-**

Source: Company data and Nordea estimates

Q4 2021 DEVIATION TABLE

DKKm	**Actual Q4 2021**	**NDA Q4 21E**	**Deviation vs. Actual**		**Actual Q3 21**	**q/q growth**	**Actual Q4 20**	**y/y growth**
Net interest income	66	67	-1	-1%	65	2%	65	1%
Net fee and commission income	23	20	3	15%	19	22%	16	44%
Net insurance income	6	9	-3	-33%	7	-12%	12	-48%
Other income	8	7	2	23%	8	-3%	8	4%
Total Income	**103**	**102**	**1**	1%	**99**	4%	**101**	2%
Total Expenses	**57**	**60**	**-3**	-5%	**59**	-3%	**62**	-8%
Profit before loan losses	**46**	**42**	**4**	**8%**	**40**	**16%**	**38**	**20%**
Loan losses	40	49	-9	-18%	13	-	10	-
Operating profit	**86**	**91**	**-5**	**-6%**	**53**	**63%**	**48**	**79%**
Market value adjustments	2	0	2	-	-1	-	1	67%
Non-recurring and industry solutions	6	0	6	-	2	-	0	-
Pre tax profit	**95**	**91**	**4**	**4%**	**53**	**78%**	**51**	**88%**
Discontinued operations before tax	0	0	0	-	0	-	1	-
Taxes	-17	-18	1	-7%	-11	55%	-7	-
Net profit	**78**	**73**	**5**	**7%**	**42**	**84%**	**43**	**80%**
CET1 ratio	**23.8%**	**26.9%**	**-3.1 pp**		**26.1%**	**-2.3 pp**	**22.6%**	**1.2 pp**

Source: Company data and Nordea estimates

Reported numbers and forecasts

QUARTERLY KEY DATA

SHARE DATA

DKKm	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
EPS, DKK	9.82	6.18	4.44	8.05	3.55	4.17	4.18	3.80
EPS adj, DKK	3.40	5.84	4.29	7.51	3.55	4.17	4.18	3.80
BVPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TVBS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
DPS, DKK								
Dividend pay-out ratio								
Share repurchases (per share)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total pay-out ratio	0%	0%	0%	0%	0%	0%	0%	0%
Share price (period end)	156.00	168.50	160.50	140.50	162.50	162.50	162.50	162.50
Market cap. (m)	1,489	1,609	1,532	1,341	1,551	1,551	1,551	1,551
Dil. number of shares period end (m)	10	10	10	10	10	10	10	10

VALUATION

(x)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
P/E	4.0	6.8	9.0	4.4	11.4	9.7	9.7	10.7
P/E (adj.)	11.5	7.2	9.3	4.7	11.4	9.7	9.7	10.7
P/BV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
P/TBV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dividend yield								
Total yield								

CAPITAL RATIOS

%	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
BIS II Trans. CET1-ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
BIS II Trans. T1-ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
BIS II Trans. T2-ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
BIS III CET1-ratio	31.0%	25.7%	26.1%	23.8%	24.0%	23.9%	24.7%	23.4%
BIS III T1-ratio	33.1%	27.8%	28.2%	26.0%	26.2%	26.1%	27.0%	25.6%
BIS III T2-ratio	36.2%	29.2%	29.6%	27.5%	27.7%	27.5%	28.5%	27.1%
Tang. Equity/Assets	19.3%	19.7%	21.1%	17.2%	14.2%	14.5%	14.8%	15.0%
Tang. Equity/Lending	31.0%	31.1%	31.7%	26.7%	21.9%	22.3%	22.7%	23.1%
Leverage ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

CREDIT QUALITY

DKKm	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
Impaired loans	0	0	0	0	0	0	0	0
Loan loss reserves	326	325	323	321	320	318	317	315
Coverage ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss reserves / Total loans	4.33%	4.32%	4.25%	4.23%	4.19%	4.15%	4.11%	4.07%
Impaired loans / Total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Collective/total provisions	0%	0%	0%	0%	0%	0%	0%	0%
Perf. Impared loans/Impaired loans	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Loan loss ratio	0.18%	-1.42%	-0.68%	-2.11%	0.13%	0.13%	0.13%	0.13%
Growth loan loss reserves (y/y)	-36%	-33%	-31%	-2%	-2%	-2%	-2%	-2%
Growth impaired loans (y/y)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

PROFITABILITY

Adjusted for non-rec. Items	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
RoE	5.7%	9.5%	6.9%	12.9%	7.3%	9.4%	9.2%	8.2%
RoTBV	5.7%	9.5%	6.9%	12.9%	7.3%	9.4%	9.2%	8.2%
C/I	-60.7%	-56.9%	-59.8%	-55.3%	-56.0%	-52.2%	-52.2%	-54.4%
NII-margin	3.39%	3.48%	3.41%	3.46%	3.35%	3.38%	3.41%	3.36%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
Net Interest Income	66%	60%	66%	64%	63%	59%	60%	62%
Net Commission Income	18%	19%	19%	22%	20%	20%	18%	20%
Net result from financial transactions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net insurance income	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other Income	9%	8%	8%	8%	8%	8%	8%	8%

Source: Company data and Nordea estimates

QUARTERLY INCOME STATEMENT AND BALANCE SHEET

INCOME STATEMENT

DKKm	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
Net Interest Income	64	66	65	66	64	65	66	65
Net Commission Income	17	20	19	23	21	22	20	21
Net result from financial transactions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net insurance income	7	14	7	6	9	14	16	10
Other income	9	9	8	8	8	8	8	8
Total revenues	**97**	**109**	**99**	**102**	**102**	**109**	**110**	**105**
Staff costs	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.
Depreciation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total Expenses	**59**	**62**	**59**	**56**	**57**	**57**	**57**	**57**
Profit before loan losses	**38**	**47**	**40**	**46**	**45**	**52**	**52**	**48**
Loan losses	-3	27	13	40	-3	-3	-3	-3
Write-downs on assets	77	4	2	6	0	0	0	0
Operating profit	**118**	**74**	**53**	**94**	**42**	**50**	**50**	**45**
Taxes	-24	-15	-11	-17	-8	-10	-10	-9
Discontinued operations	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.
Net profit to equity	**94**	**59**	**42**	**77**	**34**	**40**	**40**	**36**

BALANCE SHEET

DKKm	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
Cash / Interbank	934	1,065	564	1,292	1,292	1,292	1,292	1,292
Loans to credit institutions	138	455	522	445	445	445	445	445
Loans to the public	7,450	7,601	7,592	7,624	7,656	7,688	7,721	7,754
Goodwill and other intangibles	2	2	3	3	3	3	3	3
Total assets	**11,971**	**12,001**	**11,416**	**11,790**	**11,822**	**11,854**	**11,887**	**11,919**
Interbank/owed to credit institutions	**1,263**	**1,038**	**48**	**839**	**839**	**839**	**839**	**839**
Deposits	7,513	7,642	7,417	7,900	7,900	7,900	7,900	7,900
Subordinated loans	225	99	99	99	99	99	99	99
Minority interest	0	0	0	0	0	0	0	0
Shareholders equity	2,313	2,369	2,410	2,036	1,682	1,720	1,758	1,793
Total equity and liabilities	**11,971**	**12,001**	**11,416**	**11,790**	**11,822**	**11,854**	**11,887**	**11,919**
Loans to deposits	99%	99%	102%	97%	97%	97%	98%	98%
Non-mortg. loans to deposits	99%	99%	102%	97%	97%	97%	98%	98%
LCR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
NSFR	0%	0%	0%	0%	0%	0%	0%	0%

GROWTH (Y/Y)

Adjusted for non rec.items	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22E	Q2 22E	Q3 22E	Q4 22E
Net interest income	2%	1%	0%	1%	0%	-1%	1%	-1%
Net commission income	9%	57%	26%	41%	18%	8%	3%	-5%
Total Revenues	**11%**	**15%**	**-5%**	**2%**	**5%**	**0%**	**11%**	**3%**
Staff costs	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total expenses	**0%**	**5%**	**4%**	**-9%**	**-3%**	**-8%**	**-3%**	**1%**
Profit before loan losses	35%	31%	-15%	19%	17%	11%	32%	5%
Operating profit	n.m.	-32%	-37%	73%	3%	-29%	-3%	-48%
Net profit to equity	**n.m.**	**-32%**	**-37%**	**65%**	**5%**	**-29%**	**-3%**	**-49%**
Loans to the public (rep)	-25%	-23%	-23%	0%	3%	1%	2%	2%
Deposits	-44%	-45%	-46%	2%	5%	3%	7%	0%
Assets	-29%	-29%	-32%	-32%	-1%	-1%	4%	1%
REA growth (BIS Trans)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
REA growth (BIS III)	-32%	-31%	-29%	-30%	-4%	-3%	-5%	-2%

Source: Company data and Nordea estimates

ANNUAL KEY DATA

SHARE DATA

DKKm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EPS, DKK	-22.07	22.29	19.43	26.55	21.70	17.49	28.54	15.90	15.81	17.81
EPS adj, DKK	19.69	16.47	19.43	19.95	22.95	16.91	20.69	15.32	15.19	17.14
BVPS	176.6	194.9	185.5	207.6	238.5	237.9	213.3	187.8	180.2	184.6
TVBS	176.6	194.9	185.5	206.9	237.5	237.6	213.0	187.5	179.8	184.2
DPS (tot., DKK)	2.00	30.00	4.00	7.32	7.00	5.00	61.39	49.85	13.55	14.87
Dividend pay-out ratio	10%	182%	21%	37%	31%	30%	297%	325%	89%	87%
Share repurchases (per share)	0.00	0.00	0.00	0.00	1.61	0.70	0.00	0.00	0.00	17.40
Total pay-out ratio	-9%	27%	21%	27%	40%	33%	215%	314%	81%	182%
Share price (period end)	128	136	106	109	109	152	141	163	163	163
Market cap. (m)	1,275	1,355	1,040	1,038	1,034	1,451	1,341	1,551	1,401	1,301
Dil. number of shares	10	10	10	10	9	10	10	10	9	8

VALUATION

(x)	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.m.	6.1	5.5	4.1	5.0	8.7	4.9	10.2	10.3	9.1
P/E (adj.)	6.5	8.2	5.5	5.4	4.8	9.0	6.8	10.6	10.7	9.5
P/BV	0.72	0.70	0.57	0.52	0.46	0.64	0.66	0.87	0.90	0.88
P/TBV	0.72	0.70	0.57	0.52	0.46	0.64	0.66	0.87	0.90	0.88
Dividend yield (tot.)	1.6%	22.1%	3.8%	6.7%	6.4%	3.3%	43.7%	30.7%	8.3%	9.1%
Total yield	1.6%	22.1%	3.8%	6.7%	7.9%	3.7%	43.7%	30.7%	8.3%	19.9%

CAPITAL RATIOS

%	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
BIS II Trans. CET1-ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
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.
BIS III CET	1,593	1,566	1,731	1,874	2,023	2,206	1,879	1,567	1,416	1,338
BIS III REA	11,463	9,790	9,895	10,621	10,764	9,774	6,841	6,708	6,686	6,728
BIS III CET1-ratio	13.9%	16.0%	17.5%	17.6%	18.8%	22.6%	27.5%	23.4%	21.2%	19.9%
BIS III T1-ratio	14.8%	16.0%	17.5%	17.6%	20.2%	24.1%	29.7%	25.3%	23.4%	22.1%
BIS III Capital ratio	16.8%	18.3%	19.7%	19.8%	22.3%	26.4%	31.1%	26.8%	24.9%	23.6%
Tang. Equity/Assets	10.9%	12.5%	11.5%	11.9%	12.4%	13.1%	17.2%	15.0%	12.8%	12.0%
Tang. Equity/Lending	16.5%	21.3%	19.1%	19.9%	22.7%	29.8%	26.7%	23.1%	19.6%	18.3%
Leverage ratio	9.8%	10.1%	11.0%	11.2%	11.1%	12.8%	15.9%	13.1%	11.7%	10.9%

CREDIT QUALITY

DKKm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Impaired loans	0	0	0	0	0	0	0	0	0	0
Loan loss reserves	671	679	511	607	496	328	321	315	309	303
Coverage ratio	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	6.34%	6.85%	5.48%	6.23%	5.00%	3.74%	4.22%	4.10%	3.94%	3.78%
Impaired loans / Total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Collective/total provisions	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Perf. Impared loans/Impaired loans	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss ratio	0.19%	-0.13%	-0.64%	-1.14%	-1.06%	-0.06%	-1.01%	0.13%	0.32%	0.31%
Growth loan loss reserves (y/y)	-33%	1%	-25%	19%	-18%	-34%	-2%	-2%	-2%	-2%
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.

PROFITABILITY

Adjusted for non-rec. Items	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
RoE	10.5%	8.8%	10.1%	10.2%	10.3%	7.1%	9.2%	7.6%	8.2%	9.4%
RoTBV	12.2%	8.8%	10.1%	10.2%	10.3%	7.1%	9.2%	7.6%	8.3%	9.4%
C/I	-70.9%	-71.9%	-71.3%	-71.9%	-71.9%	-61.4%	-58.0%	-53.7%	-53.1%	-52.4%
NII-margin	4.42%	4.18%	4.15%	3.83%	3.67%	2.87%	3.32%	3.28%	3.24%	3.20%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net Interest Income	64%	65%	60%	59%	55%	65%	62%	59%	59%	59%
Net Commission Income	31%	30%	29%	27%	29%	16%	19%	20%	20%	20%
Net result from financial transactions	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net insurance income	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Income	1%	1%	5%	7%	7%	6%	8%	8%	8%	8%

Source: Company data and Nordea estimates

ANNUAL INCOME STATEMENT AND BALANCE SHEET

INCOME STATEMENT

DKKm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net Interest Income	468	414	387	373	367	258	260	259	261	263
Net Commission Income	226	192	186	172	189	60	79	84	86	88
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.
Net insurance income	28	26	44	44	53	45	34	50	51	52
Other income	11	9	31	46	49	24	34	33	33	33
Total revenues	**734**	**641**	**648**	**635**	**658**	**387**	**407**	**426**	**431**	**436**
Staff costs	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.
Depreciation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total Expenses	**520**	**461**	**462**	**457**	**473**	**237**	**236**	**229**	**229**	**229**
Profit before loan losses	**214**	**180**	**186**	**179**	**185**	**149**	**171**	**197**	**202**	**208**
Loan losses	-20	12	60	111	106	5	77	-10	-25	-25
Write-downs on assets	-523	-12	-18	72	-13	0	89	0	0	0
Operating profit	**-332**	**279**	**234**	**324**	**261**	**207**	**340**	**187**	**177**	**183**
Taxes	111	-58	-44	-66	-54	-40	-67	-36	-34	-35
Discontinued operations	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.
Net profit to equity	**-221**	**221**	**191**	**257**	**207**	**166**	**272**	**152**	**144**	**148**

BALANCE SHEET

DKKm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Cash / Interbank	361	217	251	180	252	208	1,292	1,292	1,292	1,292
Loans to credit institutions	411	817	617	914	878	1,178	445	445	445	445
Loans to the public	10,675	9,141	9,537	9,956	9,909	7,608	7,624	7,754	7,914	8,077
Goodwill and other intangibles	0	0	0	7	10	2	3	3	3	3
Total assets	**16,248**	**15,552**	**15,785**	**16,700**	**18,173**	**17,290**	**11,790**	**11,919**	**12,079**	**12,243**
Interbank/owed to credit institutions	**575**	**342**	**360**	**299**	**55**	**28**	**839**	**839**	**839**	**839**
Deposits	12,680	12,669	13,083	13,878	15,164	7,733	7,900	7,900	7,900	7,900
Subordinated loans	452	222	223	223	224	225	99	99	99	99
Minority interest	0	0	0	0	0	0	0	0	0	0
Shareholders equity	1,766	1,949	1,820	1,987	2,263	2,271	2,036	1,793	1,554	1,478
Total equity and liabilities	**16,248**	**15,579**	**15,785**	**16,700**	**18,173**	**17,290**	**11,790**	**11,919**	**12,079**	**12,243**
Loans to deposits	84%	72%	73%	72%	65%	98%	97%	98%	100%	102%
Non-mortg. loans to deposits	84%	72%	73%	72%	65%	98%	97%	98%	100%	102%
LCR	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.

GROWTH (Y/Y)

Adjusted for non rec.items	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net interest income	-7%	-12%	-6%	-4%	-2%	-31%	1%	0%	1%	1%
Net commission income	18%	-15%	-3%	-7%	10%	-68%	32%	5%	3%	3%
Total Revenues	**-3%**	**-13%**	**1%**	**-2%**	**4%**	**-41%**	**5%**	**5%**	**1%**	**1%**
Staff costs	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total expenses	**-1%**	**-11%**	**0%**	**-1%**	**4%**	**-50%**	**0%**	**-3%**	**0%**	**0%**
Profit before loan losses	-5%	-16%	4%	-4%	3%	-19%	15%	15%	2%	3%
Operating profit	254%	9%	13%	4%	7%	-21%	64%	-45%	-5%	3%
Net profit to equity	**224%**	**-17%**	**17%**	**1%**	**13%**	**-26%**	**23%**	**-26%**	**-6%**	**3%**
Loans to the public (rep)	2%	-14%	4%	4%	0%	-23%	0%	2%	2%	2%
Deposits	1%	0%	3%	6%	9%	-49%	2%	0%	0%	0%
Assets	-2%	-4%	1%	6%	9%	-5%	-32%	1%	1%	1%
REA growth (BIS Trans)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
REA growth (BIS III)	-4%	-15%	1%	7%	1%	-9%	-30%	-2%	0%	1%

Source: Company data and Nordea estimates

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