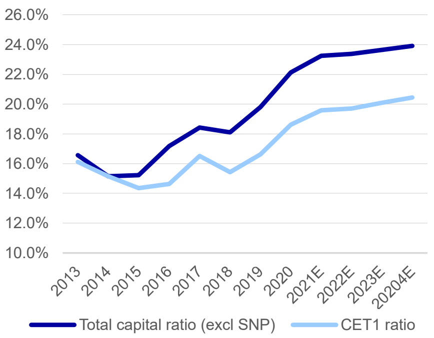
Sparekassen Kronjylland

Financials
Denmark

KEY DATA

Country	Denmark
Bloomberg	KRONJ
Moody's	NR/--
S&P	NR/--
Website	sparkron.dk

CAPITAL RATIOS



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Total revenue	3%	4%	-
Total costs	2%	2%	-
Profit before loan losses	3%	6%	-
PTP	3%	6%	-
Net profit	3%	3%	-

Source: Nordea estimates

Nordea Markets - Analysts
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Analyst

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Another solid year ahead

H2 2021 profit before loan losses (PBLL) was 17% above our estimate, while Sparekassen reported solid ~8% y/y lending growth, which was also above our expectations. Lending growth accelerated towards the end of H2 2021, which bodes well for 2022. On the negative side, lending margin pressure continued to weigh on NII in H2 2021, only partly offset by the repricing of corporate deposits from November 2021. We pencil in a spillover effect for 2022 along with the full effect of the recent repricing of private deposits, which is set to boost 2022 profitability. Consequently, we lift 2022E-23E PBLL by 3-6%. We estimate 2022 pre-tax profit of DKK 410m, which is materially above the initial 2022 guidance of DKK 250-300m.

We see margin support in 2022

Sparekassen Kronjylland reported a solid ~8% lending growth in 2021, following strong sector tailwinds and the recent capital deployment towards new branch openings. Meanwhile, lending growth in H2 2021 was back-end-loaded and therefore not yet fully materialised in the P&L. Sparekassen only saw a limited effect from its 35 bp repricing (rate change from -0.60 to -0.95) on corporate deposits starting in November 2021. This will take full effect in H1 2022 along with the most recent 10 bp repricing (from -0.6 to -0.70) of private deposit rates, which took effect in January 2022. We estimate a DKK ~30m (~9%) h/h increase in NII for H1 2022 and a ~13 bp annualised margin expansion for 2022. We also expect continued strong lending momentum and we estimate ~7% total lending growth for 2022, which is front-end-loaded.

We raise our 2022-23 pre-tax profit estimates by 3-6%

We lower 2022E-23E interest income by 6-7%, led by continued lending margin pressure and a negative impact from credit mix effects. We also raise our cost estimates for 2022-23 by ~2%. On the positive side, we pencil in a full-year effect of DKK ~35m from the recent deposit repricing, while we increase 2022E-23E fee income by ~7%. Asset quality improved in H2 2021, while the management buffer remained unchanged. We still do not expect loan losses in 2022, despite the new geopolitical uncertainties. Consequently, we increase 2022E-23E pre-tax profit by 3-6%.

New limit to guaranteed capital is set to boost solvency

Owing to strong interest, retail customers can now hold DKK 100,000 in guaranteed capital instruments (previously DKK 50,000), the same as corporate clients. The total amount of guaranteed capital increased by DKK ~100m in H2 2021, thus boosting solvency by 40 bp. We estimate another DKK ~100m inflow of investor capital for 2022 and a CET1 ratio of 20.1%.

SUMMARY TABLE - KEY FIGURES

DKKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	1,160	1,402	1,293	1,396	1,429	1,471	1,493
Total costs	-881	-939	-952	-1,002	-1,044	-1,064	-1,084
LL-ratio	0.04%	-0.01%	0.55%	-0.33%	0.00%	0.31%	0.31%
PTP	289	494	278	509	410	372	374
RoE	6.4%	11.0%	5.5%	9.1%	6.4%	5.3%	5.1%
RoTBV (adj)	6.4%	8.3%	3.8%	7.6%	5.0%	4.2%	4.0%
P/E (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
P/BV	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.
BIS III CT1-ratio	15.4%	16.6%	18.6%	19.6%	20.1%	20.7%	21.2%
DPS (ord, DKK)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield (ord)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total payout ratio	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Company data and Nordea estimates

H2 2021 results versus our estimates

Full-year results were pre-announced and hence all focus was on underlying profitability and the growth outlook. The H2 2021 result was positively impacted by strong fee income and higher-than-expected market value adjustments. This led to a 17% beat on profit before loan losses, despite continued margin pressure and a small miss on costs. Loan losses represented a reversal of DKK 12m, which compares to our estimate of DKK 45m. Meanwhile, the COVID-related management buffer remains unchanged at a solid DKK 249m. The CET1 ratio was 19.6%, up 1.8 pp h/h and 1.1 pp above our estimate. This was partly due to strong interest from retail customers, who now can hold DKK 100,000 in guaranteed capital instruments (previously DKK 50,000), the same as corporate clients.

H2 2021 DEVIATION TABLE

	Actual	NDA	Deviation		Actual	h/h	Actual	y/y
DKKm	**H2 21**	**H2 21E**	**vs. Actual**		**H1 21**	**growth**	**H2 20**	**growth**
Interest income	288	322	-34	-11%	310	-7%	309	-7%
Interest expense	29	19	10	53%	10	-	18	65%
Net interest income	**317**	**342**	**-24**	**-7%**	**320**	**-1%**	**327**	**-3%**
Dividends on shares etc	0	0	0	-	19	-99%	-1	-
Fees and commission income	324	291	33	11%	288	12%	280	16%
Fees and commission expenses	-21	-17	-3	18%	-19	9%	-19	10%
Net interest and fee income	**621**	**615**	**6**	**1%**	**608**	**2%**	**587**	**6%**
Market value adjustments	78	42	36	87%	48	64%	64	22%
Other operating income	24	20	4	20%	18	35%	20	19%
Total income	**723**	**677**	**46**	**7%**	**673**	**7%**	**671**	**8%**
Staff costs and administrative expenses	-490	-478	-13	3%	-451	9%	-457	7%
Amortisation, depreciation and impairment losses	-31	-27	-4	14%	-26	17%	-29	7%
Other operating expenses	-2	-2	0	18%	-2	19%	-2	24%
Total costs	**-523**	**-507**	**-17**	**3%**	**-479**	**9%**	**-488**	**7%**
Profit before loan losses	**200**	**170**	**29**	**17%**	**194**	**3%**	**183**	**9%**
Loan losses	12	45	-33	-73%	43	-72%	-6	-
Profit/loss on investments in associates and group enterprises	32	28	4	14%	28	12%	23	40%
Profit before tax	**244**	**243**	**0**	**0%**	**266**	**-8%**	**200**	**22%**
Tax	-34	-34	0	-1%	-51	-33%	-25	34%
Net profit	**210**	**209**	**0**	**0%**	**215**	**-3%**	**175**	**20%**
CET1 ratio	**19.6%**	**18.5%**	**1.1 pp**		**17.8%**	**1.8 pp**	**18.6%**	**1.0 pp**

Source: Company data and Nordea estimates

Estimates

CHANGES TO ESTIMATES

DKKm	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
	New estimates			Change in estimates			Old estimates		
Interest income	619	641	650	-7%	-6%	-	668	685	
Interest expense	88	88	88	125%	125%	-	39	39	
Net interest income	**707**	**729**	**738**	**0%**	**1%**	**-**	**707**	**724**	
Dividends on shares etc	10	10	10	0%	0%	-	10	10	
Fees and commission income	633	646	659	7%	7%	-	590	602	
Fees and commission expenses	-39	-39	-40	8%	7%	-	-36	-36	
Net interest and fee income	**1,312**	**1,346**	**1,367**	**3%**	**4%**	**-**	**1,272**	**1,300**	
Market value adjustments	80	87	87	-7%	0%	-	86	87	
Other operating income	37	38	38	-4%	-4%	-	38	39	
Total income	**1,429**	**1,471**	**1,493**	**2%**	**3%**	**-**	**1,396**	**1,426**	
Staff costs and administrative expenses	-983	-1,003	-1,023	2%	2%	-	-964	-984	
Amortisation, depreciation and impairment losses	-57	-57	-57	7%	7%	-	-53	-53	
Other operating expenses	-4	-4	-4	1%	1%	-	-4	-4	
Total costs	**-1,044**	**-1,064**	**-1,084**	**2%**	**2%**	**-**	**-1,022**	**-1,041**	
Profit before loan losses	**385**	**407**	**409**	**3%**	**6%**	**-**	**375**	**385**	
Loan losses	0	-60	-60	**-**	**0%**	-	0	-60	
Profit/loss on investments in associates and group enterprises	25	25	25	0%	0%	-	25	25	
Profit before tax	**410**	**372**	**374**	**3%**	**6%**	**-**	**400**	**350**	
Tax	-82	-84	-84	3%	20%	-	-80	-70	
Net profit	**328**	**288**	**290**	**3%**	**3%**	**-**	**320**	**280**	

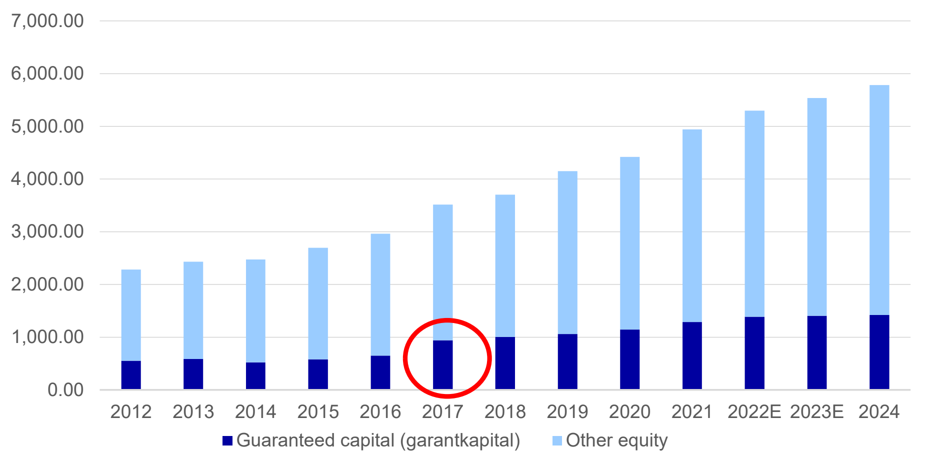
Source: Nordea estimates

Strong interest in the savings bank model

Owing to requests from customers, guaranteed capital limits were lifted on 1 October 2016 from the previous limit of DKK 20,000 for all customers to DKK 50,000 for retail customers and DKK 100,000 for corporate clients. This explains the large DKK ~300m increase in guaranteed capital during 2017. As of H2 2021, retail customers can hold DKK 100,000 in guaranteed capital instruments, which is the same as for corporate clients – hence the total amount of guaranteed capital increased by DKK ~100m in H2 2021, boosting solvency by 40 bp. We estimate a short-term step-up of investor capital inflow following the new limit and expect total inflow of DKK ~100m in 2022.

Sparekassen Kronjylland's equity consists of guaranteed capital and other equity

EQUITY COMPOSITION (DKKm)



Source: Company data and Nordea estimates

Reported numbers and forecasts

INTERIM KEY DATA

CAPITAL RATIOS

%	H1 19	H2 19	H1 20	H2 20	H1 21	H2 21	H1 22E	H2 22E
BIS II Trans. CET1-ratio	-	-	-	-	-	-	-	-
BIS II Trans. Capital ratio	-	-	-	-	-	-	-	-
BIS III CET	3,395	3,722	3,768	4,020	4,117	4,511	4,656	4,824
BIS III REA	22,212	22,391	20,862	21,648	23,140	23,046	23,641	23,986
BIS III CET1-ratio	15.3%	16.6%	18.1%	18.6%	17.8%	19.6%	19.7%	20.1%
BIS III T1-ratio	16.2%	18.2%	19.7%	20.1%	19.3%	21.1%	21.2%	21.6%
BIS III Capital ratio	17.8%	19.8%	21.5%	22.1%	21.5%	23.3%	23.3%	23.7%
Tang. Equity/Assets	13.4%	13.6%	13.3%	13.0%	12.9%	13.8%	13.9%	14.3%
Tang. Equity/Lending	21.9%	24.1%	25.8%	26.8%	27.2%	27.9%	27.6%	28.0%
Leverage ratio	11.9%	12.4%	12.1%	12.0%	11.6%	12.7%	12.8%	13.1%

CREDIT QUALITY

DKKm	H1 19	H2 19	H1 20	H2 20	H1 21	H2 21	H1 22E	H2 22E
Impaired loans	-	2,008	-	2,152	-	1,509	-	1,501
Loan loss reserves	1,069	1,076	1,097	951	932	780	776	776
Coverage ratio	-	54%	-	44%	-	52%	-	52%
Loan loss reserves / Total loans	6.16%	6.37%	6.83%	5.84%	5.54%	4.45%	4.23%	4.13%
Impaired loans / Total loans	0.00%	11.89%	0.00%	13.22%	0.00%	8.60%	0.00%	7.99%
Loan loss ratio	**0.53%**	**-0.48%**	**-1.01%**	**-0.07%**	**0.53%**	**0.14%**	**0.00%**	**0.00%**
Growth loan loss reserves (y/y)	-7%	-5%	3%	-12%	-15%	-18%	-17%	-1%
Growth impaired loans (y/y)	-	-23%	-	7%	-	-30%	-	-1%

PROFITABILITY

Adjusted for non-rec. Items	H1 19	H2 19	H1 20	H2 20	H1 21	H2 21	H1 22E	H2 22E
RoE	10.2%	6.5%	2.0%	7.7%	8.4%	8.5%	6.2%	6.0%
RoTBV	10.5%	6.7%	2.0%	7.9%	8.5%	8.6%	6.3%	6.0%
C/I	-71.9%	-73.8%	-77.3%	-73.8%	-74.3%	-73.4%	-74.1%	-74.4%
NII-margin	3.95%	3.67%	3.61%	3.86%	3.78%	3.64%	3.82%	3.84%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	H1 19	H2 19	H1 20	H2 20	H1 21	H2 21	H1 22E	H2 22E
Net Interest Income	51%	47%	50%	48%	48%	43%	48%	49%
Net Commission Income	38%	41%	40%	39%	42%	43%	43%	43%
Net result from financial transactions	9%	9%	7%	10%	7%	11%	6%	6%
Net insurance income	0%	0%	0%	0%	0%	0%	0%	0%
Other Income	3%	3%	3%	3%	3%	3%	3%	3%

Source: Company data and Nordea estimates

INTERIM INCOME STATEMENT AND BALANCE SHEET

INCOME STATEMENT

DKKm	H1 19	H2 19	H1 20	H2 20	H1 21	H2 21	H1 22E	H2 22E
Interest income	342	330	313	309	310	288	302	317
Interest expense	-19	-8	-1	18	10	29	44	44
Net interest income	**322**	**322**	**313**	**327**	**320**	**317**	**346**	**362**
Dividends on shares etc	19	4	11	-1	19	0	10	0
Fees and commission income	233	284	255	280	288	324	310	323
Fees and commission expenses	-13	-16	-12	-19	-19	-21	-19	-19
Net interest and fee income	**562**	**594**	**566**	**587**	**608**	**621**	**646**	**665**
Market value adjustments	55	152	39	64	48	78	40	40
Other operating income	19	21	17	20	18	24	19	19
Staff costs and administrative expenses	-431	-455	-437	-457	-451	-490	-484	-499
Amortisation, depreciation and impairment losses	-24	-27	-25	-29	-26	-31	-29	-29
Other operating expenses	-1	-2	-2	-2	-2	-2	-2	-2
Impairment losses on loans and advances etc	43	-41	-85	-6	43	12	0	0
Profit/loss on investments in associates etc	13	16	6	23	28	32	13	13
Profit before tax	**236**	**257**	**78**	**200**	**266**	**244**	**203**	**207**
Other (Profit from discountinued operations)	0	0	0	0	0	0	0	0
Tax	-44	-17	-16	-25	-51	-34	-41	-41
Attributable profit for the year	**192**	**240**	**62**	**175**	**215**	**210**	**162**	**165**

BALANCE SHEET

DKKm	H1 19	H2 19	H1 20	H2 20	H1 21	H2 21	H1 22E	H2 22E
Cash / Interbank	451	522	474	663	3,032	5,213	5,213	5,213
Loans to the public	17,341	16,897	16,058	16,282	16,826	17,538	18,327	18,786
Goodwill and other intangibles	91	82	73	65	56	50	50	50
Total assets	**28,461**	**29,912**	**31,226**	**33,417**	**35,461**	**35,585**	**36,374**	**36,832**
Interbank/owed to credit institutions	1,153	1,202	1,067	1,329	1,274	1,310	1,310	1,310
Deposits	20,579	21,077	22,218	23,489	24,379	24,569	24,569	24,569
Subordinated loans	359	359	360	449	698	498	498	498
Minority interest	0	0	0	0	0	0	0	0
Equity	3,894	4,148	4,211	4,422	4,640	4,944	5,116	5,319
Total equity and liabilities	**28,461**	**29,912**	**31,226**	**33,417**	**35,461**	**35,585**	**36,374**	**36,832**

GROWTH (Y/Y)

	H1 19	H2 19	H1 20	H2 20	H1 21	H2 21	H1 22E	H2 22E
Interest income	3%	-3%	-8%	-6%	-1%	-7%	-3%	10%
Interest expense	-1%	-67%	-95%	-331%	-1198%	65%	346%	52%
Net interest income	**3%**	**1%**	**-3%**	**2%**	**2%**	**-3%**	**8%**	**14%**
Dividends on shares etc	94%	3638%	-43%	-130%	71%	-110%	-47%	-100%
Fees and commission income	13%	32%	9%	-2%	13%	16%	8%	0%
Fees and commission expenses	52%	50%	-2%	19%	53%	10%	2%	-6%
Net interest and fee income	**8%**	**14%**	**1%**	**-1%**	**7%**	**6%**	**6%**	**7%**
Market value adjustments	26%	322%	-29%	-58%	22%	22%	-16%	-49%
Other operating income	4%	6%	-7%	-2%	3%	19%	4%	-23%
Staff costs and administrative expenses	8%	8%	1%	1%	3%	7%	7%	2%
Amortisation, depreciation and impairment losses	-14%	-10%	5%	7%	4%	7%	8%	-7%
Other operating expenses	-21%	27%	134%	11%	-17%	24%	1%	-15%
Impairment losses on loans and advances etc	252%	118%	-298%	-87%	-150%	-315%	-100%	-100%
Profit/loss on investments in associates etc	125%	43%	-55%	45%	386%	40%	-56%	-61%
Profit before tax	**37%**	**120%**	**-67%**	**-22%**	**240%**	**22%**	**-24%**	**-15%**
Other (Profit from discountinued operations)	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Tax	52%	-39%	-63%	46%	214%	34%	-20%	22%
Attributable profit for the year	**34%**	**173%**	**-68%**	**-27%**	**246%**	**20%**	**-24%**	**-21%**
Loans to the public	**16%**	**3%**	**-7%**	**-4%**	**5%**	**8%**	**9%**	**7%**
Deposits	11%	9%	8%	11%	10%	5%	1%	0%
Assets	13%	13%	10%	12%	14%	6%	3%	4%
REA growth (BIS III)	**12%**	**7%**	**-6%**	**-3%**	**11%**	**6%**	**2%**	**4%**

Source: Company data and Nordea estimates

ANNUAL KEY DATA

CAPITAL RATIOS

%	2016	2017	2018	2019	2020	2021E	2022E	2023E	2024E
BIS II Trans. CET1-ratio	-	-	-	-	-	-	-	-	-
BIS II Trans. Capital ratio	-	-	-	-	-	-	-	-	-
BIS III CET	2,567	3,127	3,237	3,722	4,032	4,511	4,824	5,059	5,297
BIS III REA	17,549	18,931	20,982	22,391	21,648	23,046	23,986	24,482	24,992
BIS III CET1-ratio	14.6%	16.5%	15.4%	16.6%	18.6%	19.6%	20.1%	20.7%	21.2%
BIS III T1-ratio	15.5%	16.7%	16.4%	18.2%	20.1%	21.1%	21.6%	22.7%	23.2%
BIS III Capital ratio	17.2%	18.4%	18.1%	19.8%	22.1%	23.3%	23.7%	24.7%	25.2%
Tang. Equity/Assets	12.9%	14.6%	13.6%	13.6%	13.0%	13.8%	14.3%	14.5%	14.7%
Tang. Equity/Lending	21.7%	23.7%	21.9%	24.1%	26.8%	27.9%	28.0%	28.5%	28.9%
Leverage ratio	11.7%	13.4%	12.2%	12.4%	12.1%	12.7%	13.1%	13.3%	13.5%

CREDIT QUALITY

DKKm	2016	2017	2018	2019	2020	2021E	2022E	2023E	2024E
Impaired loans	-	2,515	2,600	2,008	2,152	1,509	1,501	1,493	1,486
Loan loss reserves	1,216	1,040	1,128	1,076	951	780	776	772	768
Coverage ratio	-	41%	43%	54%	44%	52%	52%	52%	52%
Loan loss reserves / Total loans	9.36%	7.26%	6.85%	6.37%	5.84%	4.45%	4.13%	3.99%	3.86%
Impaired loans / Total loans	0.00%	17.55%	15.80%	11.89%	13.22%	8.60%	7.99%	7.72%	7.46%
Loan loss ratio	**0.79%**	**-0.31%**	**0.05%**	**-0.01%**	**0.54%**	**-0.34%**	**0.00%**	**0.32%**	**0.31%**
Growth loan loss reserves (y/y)	-3%	-14%	8%	-5%	-12%	-18%	-1%	-1%	-1%
Growth impaired loans (y/y)	-	-	3%	-23%	7%	-30%	-1%	-1%	-1%

PROFITABILITY

Adjusted for non-rec. Items	2016	2017	2018	2019	2020	2021E	2022E	2023E	2024E
RoE	7.8%	9.3%	6.2%	8.1%	3.7%	7.5%	4.9%	4.1%	4.0%
RoTBV	8.3%	9.7%	6.4%	8.3%	3.8%	7.6%	5.0%	4.2%	4.0%
C/I	-70.9%	-74.0%	-76.3%	-72.9%	-78.3%	-75.8%	-77.1%	-75.5%	-75.8%
NII-margin	5.34%	4.57%	4.06%	3.78%	3.40%	3.33%	3.48%	3.49%	3.44%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	2016	2017	2018	2019	2020	2021E	2022E	2023E	2024E
Net Interest Income	58%	53%	54%	49%	46%	43%	47%	47%	47%
Net Commission Income	32%	33%	36%	39%	42%	45%	45%	44%	44%
Net result from financial transactions	6%	10%	7%	9%	8%	10%	6%	6%	6%
Net insurance income	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Income	4%	4%	3%	3%	3%	3%	3%	3%	3%

Source: Company data and Nordea estimates

ANNUAL INCOME STATEMENT AND BALANCE SHEET

INCOME STATEMENT

DKKm	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Interest income	702	673	672	671	623	598	619	641	650
Interest expense	-55	-50	-43	-27	17	39	88	88	88
Net interest income	**647**	**624**	**630**	**644**	**640**	**637**	**707**	**729**	**738**
Dividends on shares etc	13	2	10	23	10	19	10	10	10
Fees and commission income	369	398	422	517	534	612	633	646	659
Fees and commission expenses	-20	-17	-19	-29	-31	-40	-39	-39	-40
Net interest and fee income	**1,009**	**1,008**	**1,043**	**1,156**	**1,153**	**1,228**	**1,312**	**1,346**	**1,367**
Market value adjustments	68	114	80	207	103	126	80	87	87
Other operating income	47	49	37	39	37	42	37	38	38
Staff costs and administrative expenses	-739	-809	-820	-886	-894	-941	-983	-1,003	-1,023
Amortisation, depreciation and impairment losses	-56	-55	-58	-51	-54	-57	-57	-57	-57
Other operating expenses	-2	-2	-3	-3	-4	-4	-4	-4	-4
Impairment losses on loans and advances etc	-89	41	-7	2	-91	55	0	-60	-60
Profit/loss on investments in associates etc	36	16	17	29	29	60	25	25	25
Profit before tax	**275**	**362**	**289**	**494**	**278**	**509**	**410**	**372**	**374**
Other (Profit from discountinued operations)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Tax	-53	-59	-58	-62	-42	-85	-82	-84	-84
Attributable profit for the year	**222**	**302**	**231**	**432**	**237**	**424**	**328**	**288**	**290**

BALANCE SHEET

DKKm	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Cash / Interbank	407	477	487	522	663	5,213	5,213	5,213	5,213
Loans to the public	12,989	14,330	16,456	16,897	16,282	17,538	18,786	19,349	19,930
Goodwill and other intangibles	137	119	100	82	65	50	50	50	50
Total assets	**21,845**	**23,303**	**26,471**	**29,912**	**33,417**	**35,585**	**36,832**	**38,062**	**39,332**
Interbank/owed to credit institutions	1,219	971	1,108	1,202	1,329	1,310	1,310	1,310	1,310
Deposits	15,893	17,215	19,324	21,077	23,489	24,569	24,569	25,552	26,574
Subordinated loans	358	359	359	359	449	498	498	498	498
Minority interest	0	0	0	0	0	0	0	0	0
Shareholders equity	2,961	3,517	3,703	4,148	4,422	4,944	5,319	5,567	5,814
Total equity and liabilities	**21,845**	**23,303**	**26,471**	**29,912**	**33,417**	**35,585**	**36,832**	**38,062**	**39,332**

GROWTH (Y/Y)

	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Interest income	-3%	-4%	0%	0%	-7%	-4%	4%	3%	1%
Interest expense	-18%	-10%	-14%	-36%	-163%	131%	126%	0%	0%
Net interest income	**-1%**	**-4%**	**1%**	**2%**	**-1%**	**0%**	**11%**	**3%**	**1%**
Dividends on shares etc	470%	-83%	340%	131%	-58%	92%	-47%	0%	0%
Fees and commission income	1%	8%	6%	23%	3%	15%	3%	2%	2%
Fees and commission expenses	17%	-16%	12%	51%	9%	27%	-2%	0%	2%
Net interest and fee income	**0%**	**0%**	**3%**	**11%**	**0%**	**7%**	**7%**	**3%**	**2%**
Market value adjustments	101149%	68%	-30%	160%	-50%	22%	-37%	9%	0%
Other operating income	-41%	5%	-25%	5%	-4%	11%	-11%	2%	2%
Staff costs and administrative expenses	9%	10%	1%	8%	1%	5%	4%	2%	2%
Amortisation, depreciation and impairment losses	17%	-3%	6%	-12%	6%	6%	0%	0%	0%
Other operating expenses	-93%	20%	7%	4%	57%	1%	-8%	0%	0%
Impairment losses on loans and advances etc	-9%	-146%	-117%	-128%	-4940%	-160%	-100%	n.m.	n.m.
Profit/loss on investments in associates etc	124%	-55%	2%	72%	-1%	111%	-59%	0%	0%
Profit before tax	**9%**	**32%**	**-20%**	**71%**	**-44%**	**83%**	**-20%**	**-9%**	**1%**
Other (Profit from discountinued operations)	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Tax	1%	13%	-3%	6%	-32%	104%	-3%	2%	1%
Attributable profit for the year	**12%**	**36%**	**-24%**	**87%**	**-45%**	**79%**	**-23%**	**-12%**	**1%**
Loans to the public	**15%**	**10%**	**15%**	**3%**	**-4%**	**8%**	**7%**	**3%**	**3%**
Deposits	8%	8%	12%	9%	11%	5%	0%	4%	4%
Assets	12%	7%	14%	13%	12%	6%	4%	3%	3%
REA growth (BIS III)	**9%**	**8%**	**11%**	**7%**	**-3%**	**6%**	**4%**	**2%**	**2%**

Source: Company data and Nordea estimates

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