Nordea
Commissioned Equity Research
Flash comment

25 January 2024

Commissioned research: BankNordik – 2024E guidance slightly cautious as expected

Marketing material commissioned by BankNordik

This afternoon after market close, BankNordik issued its 2024 net profit guidance of DKK 225-255m, suggesting 2024 ROE of 12-14%. In comparison, we estimate DKK 264m, thus slightly above the upper end of the guidance range. As expected, the guidance range was slightly cautious, as also seen with the initial 2023 guidance when announced same time last year. In the announcement, BankNordik also stated that the 2024 targets remains unchanged, and the bank hence still targets ROE > 12%, cost/income < 53% and a CET1 ratio of 20%. As of Q3 2023E, BankNordik had ROE of 14.1% and a cost/income ratio of 48%. Meanwhile, in order to reach a CET1 ratio of 20%, we estimate that BankNordik will announce a dividend of DKK ~316m in connection with the Q4 2023E report and additional DKK ~300m with the Q4 2024E report. BankNordik wil publish its 2023 annual report on February 27.

SUMMARY TABLE - KEY FIGURES

DKKm	2020	2021	2022	2023E	2024E	2025E
Total revenue	387	407	447	535	538	525
Total costs	237	236	244	259	257	256
LL-ratio	-0.06%	-1.01%	-0.59%	-0.20%	0.33%	0.27%
PTP	207	340	207	372	326	314
RoE	7.3%	12.7%	7.9%	16.4%	14.4%	14.2%
RoTBV (adj)	7.1%	9.2%	7.6%	16.1%	14.1%	13.9%
P/E (adj)	9.0	6.8	8.9	5.9	6.7	7.0
P/BV	0.64	0.66	0.72	0.94	0.97	0.99
P/TBV	0.64	0.66	0.72	0.94	0.97	0.99
BIS III CT1-ratio	22.6%	23.8%	21.6%	22.6%	21.5%	20.3%
DPS (ord, DKK)	52.14	40.33	26.12	33.02	31.45	28.22
Dividend Yield	0.00%	34.30%	28.70%	19.20%	18.09%	17.24%
Total payout ratio	3.03	1.42	1.64	1.05	1.14	1.06

Source: Company data and Nordea estimates

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Nordea analyst: Jakob Brink

Nordea Financials Team
Nordea | Investment Banking & Equities | Equity Research

Jakob Brink
jakob.brink@nordea.com, +45 55 47 84 98

Rickard Strand
rickard.strand@nordea.com, +46 73 504 36 63

Ulrik Årdal Zürcher
ulrik.ardal.zurcher@nordea.com, +47 24 01 02 76

Anna Jul Bjørn
anna.jul.bjorn@nordea.com, +45 55 47 72 18

Nordea Bank Abp, filial i Sverige, reg.no. 516411-1683, Swedish Companies Registration Office
Nordea Bank Abp, public limited company, Business ID 2858394-9, Helsinki, Finnish Patent and Registration Office

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