

BankNordik

Financials
Denmark

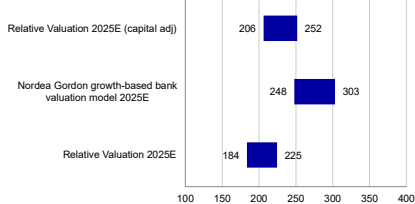
KEY DATA

Stock country	Faroe Islands
Bloomberg	BNORDIK DC
Reuters	BNORDIK.CO
Share price (close)	DKK 170.0
Free float	65%
Market cap. (bn)	EUR 0.22/DKK 1.63
Website	www.banknordik.com
Next report date	02 May 2024

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

Year	2024E	2025E	2026E
Total revenue	1%	1%	n.a.
Total costs	2%	2%	n.a.
Profit before loan losses	-1%	0%	n.a.
PTP	1%	0%	n.a.
DPS (ord)	-27%	-24%	n.a.
EPS (adj)	1%	0%	n.a.

Source: Nordea estimates

Nordea IB & Equity - Analysts

Jakob Brink
Director, Sector Coordinator

Anna Bjørn
Analyst

~40% of market cap still available for payout

Following the publication of BankNordik's 2023 annual report, we make only minor changes to our P&L estimates. Meanwhile, we focus on BankNordik's decision to scrap most of the expected 2023 dividend as a consequence of an investigation by the Danish FSA into the Faroese and Greenlandic property market. In a worst-case scenario, our most qualified guess suggests that the FSA assessment will result in a ~10% increase to Q4 2023 REA by summer 2024. In order to reach and maintain the targeted CET1 ratio of 20%, however, we estimate that BankNordik will still have to distribute ~40% of its current market cap from 2024E-26E. Moreover, the bank is trading at a 2025E excess-capital adjusted P/E of ~5.3x, which corresponds to a ~25% discount versus its Danish peers.

8% beat on net profit in Q4 2023

In Q4, BankNordik reported an 8% beat on net profit compared to our estimates. One of the main reasons behind the beat was solid earnings for the investment portfolio, which is also expected to continue for 2024E. Net profit for 2023 thus came in at DKK 308m, which was at the upper end of the four-times-hiked 2023 guidance range, supported significantly by interest rate hikes as well as continued solid asset quality.

We estimate DKK ~630m in dividends for 2024-26

In the Q4 report, BankNordik proposed a total dividend of DKK 80m for 2023, corresponding to a 26% payout ratio. This was significantly below the bank's target payout ratio (70%) and our estimate, as a consequence of an ongoing investigation by the Danish FSA regarding the Faroese and Greenlandic property markets. For now, the outcome remains uncertain for financial institutions, but the FSA is expected to reach a conclusion in H1 2024. Meanwhile, given BankNordik's exposure to the residential and commercial property market, our most qualified guess suggests a potential increase for Q4 2023 REA of ~10% from the FSA findings in a worst-case scenario. Visibility remains low, however, and the outcome might be less negative. Nevertheless, scrapping most of its 2023 dividend suggests some downside risk to the payout potential of BankNordik, in our view. After incorporating the suggested 10% REA increase into our estimates, we now model that BankNordik will have to distribute DKK ~630m in 2024-26 in order to reach, and subsequently maintain, a CET1 ratio of 20%.

New fair value range of DKK 248-303 (271-331)

Following the Q4 report, BankNordik is trading at a capital-adjusted 2025E P/E of ~5.3x, which puts the share at a ~25% discount to its Danish peers. Our Gordon growth-based fair value range is now DKK 248-303 (271-331).

SUMMARY TABLE - KEY FIGURES

DKKm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	387	407	447	528	541	530	517
Total costs	237	236	244	259	263	261	258
LL-ratio	-0.06%	-1.01%	-0.59%	-0.12%	0.43%	0.38%	0.37%
PTP	207	340	207	379	330	314	294
RoE	7.3%	12.7%	7.9%	16.8%	14.7%	14.1%	13.0%
RoTBV (adj)	7.1%	9.2%	7.6%	16.5%	14.4%	13.8%	12.7%
P/E (adj)	9.0	6.8	8.9	5.2	6.2	6.5	7.0
P/BV	0.64	0.66	0.72	0.85	0.91	0.89	0.88
P/TBV	0.64	0.66	0.72	0.85	0.91	0.89	0.88
BIS III CT1-ratio	22.6%	23.8%	21.6%	25.8%	20.0%	20.0%	19.9%
DPS (ord, DKK)	52.14	40.33	26.12	8.36	22.98	21.43	20.88
Dividend Yield (ord)	34.30%	28.70%	19.20%	5.08%	13.52%	12.61%	12.28%
Total payout ratio	3.03	1.42	1.64	0.26	0.82	0.81	0.84

Source: Company data and Nordea estimates

Estimate changes

ESTIMATE CHANGES (DKKm; DPS AND EPS IN DKK)

DKKm	New estimates			Change in estimates			Old estimates		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
Net interest income	371	355	335	2%	3%	-	363	344	-
Net fee and commission income	82	87	92	-6%	-5%	-	88	92	-
Net insurance income	54	54	55	5%	5%	-	51	51	-
Other income	34	35	36	-8%	-8%	-	37	38	-
Total Income	541	530	517	1%	1%	-	538	525	-
Total Expenses	-263	-261	-258	2%	2%	-	-257	-256	-
Profit before loan losses	278	269	259	-1%	0%	-	281	269	-
Loan losses	-39	-35	-35	30%	40%	-	-30	-25	-
Operating profits	239	234	224	-5%	-4%	-	251	244	-
Earnings from investment portfolio	91	80	70	21%	13%	-	75	71	-
Non-recurring and industry solutions	0	0	0	-	-	-	0	0	-
Profit before tax	330	314	294	1%	0%	-	326	314	-
Discontinued operations before tax	0	0	0	-	-	-	0	0	-
Taxes	-63	-60	-56	1%	0%	-	-62	-60	-
Net profit	267	255	238	1%	0%	-	264	254	-
EPS adj, DKK	27.3	26.0	24.3	1%	0%	-	27.0	26.0	-
DPS, DKK	23.0	21.4	20.9	-27%	-24%	-	31.5	28.2	-

Source: Nordea estimates

Reported numbers and forecasts

QUARTERLY KEY DATA

SHARE DATA

DKKm	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
EPS, DKK	6.11	6.31	7.30	6.79	5.01	4.68	4.40	3.27
EPS adj, DKK	6.37	6.71	7.30	6.79	5.01	4.68	4.40	3.27
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)	180.00	143.00	165.00	164.50	170.00	170.00	170.00	170.00
Market cap. (m)	1,718	1,365	1,575	1,570	3,246	4,868	6,491	8,114
Dil. number of shares period end (m)	10	10	10	10	19	29	38	48

VALUATION

(x)	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
P/E	7.4	5.7	5.6	6.1	8.5	9.1	9.7	13.0
P/E (adj.)	7.1	5.3	5.6	6.1	8.5	9.1	9.7	13.0
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 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
BIS II Trans. CET1-ratio	n.m.	n.m.	n.m.	n.m.	100.0%	100.0%	100.0%	100.0%
BIS II Trans. T1-ratio	n.m.	n.m.	n.m.	n.m.	100.0%	100.0%	100.0%	100.0%
BIS II Trans. T2-ratio	n.m.	n.m.	n.m.	n.m.	100.0%	100.0%	100.0%	100.0%
BIS III CET1-ratio	21.0%	22.1%	21.8%	25.8%	22.1%	21.8%	19.6%	20.0%
BIS III T1-ratio	23.1%	24.2%	23.9%	28.0%	24.3%	24.0%	21.5%	21.9%
BIS III T2-ratio	24.4%	25.6%	25.3%	29.4%	25.7%	25.4%	22.8%	23.2%
Tang. Equity/Assets	13.0%	13.6%	14.2%	14.3%	12.3%	12.8%	13.2%	13.6%
Tang. Equity/Lending	19.4%	19.5%	20.2%	20.8%	17.9%	18.5%	19.1%	19.6%
Leverage ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

CREDIT QUALITY

DKKm	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Impaired loans	0	0	0	0	0	0	0	0
Loan loss reserves	314	312	310	309	307	306	304	303
Coverage ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss reserves / Total loans	3.81%	3.67%	3.56%	3.50%	3.45%	3.40%	3.36%	3.32%
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. Impaired loans/Impaired loans	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Loan loss ratio	-0.41%	-0.34%	0.02%	0.23%	0.31%	0.40%	0.49%	0.53%
Growth loan loss reserves (y/y)	-2%	-2%	-2%	-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 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
RoE	14.9%	17.9%	20.3%	19.5%	16.3%	17.2%	16.6%	12.6%
RoTBV	14.9%	17.9%	20.3%	19.5%	16.3%	17.2%	16.6%	12.7%
C/I	-56.8%	-47.7%	-44.2%	-49.2%	-49.8%	-47.4%	-45.8%	-52.1%
NII-margin	3.78%	4.06%	4.40%	4.51%	4.33%	4.21%	4.07%	3.86%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Net Interest Income	69%	64%	65%	75%	74%	68%	64%	69%
Net Commission Income	19%	14%	13%	13%	15%	15%	15%	17%
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	7%	8%	6%	3%	5%	6%	8%	6%

Source: Company data and Nordea estimates

QUARTERLY INCOME STATEMENT AND BALANCE SHEET
INCOME STATEMENT

DKKm	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Net Interest Income	78	86	96	100	97	94	92	88
Net Commission Income	21	19	19	17	20	20	22	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	5	19	24	12	9	15	20	10
Other income	8	11	9	4	6	9	11	8
Total revenues	112	135	148	133	131	139	144	127
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	64	64	65	65	65	66	66	66
Profit before loan losses	49	71	83	68	66	73	78	61
Loan losses	8	7	0	-5	-7	-9	-11	-12
Write-downs on assets	-3	-6	0	0	0	0	0	0
Operating profit	75	87	108	109	87	87	87	69
Taxes	-14	-17	-20	-20	-16	-17	-17	-13
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	61	70	88	89	70	70	71	56

BALANCE SHEET

DKKm	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Cash / Interbank	1,472	1,345	1,244	1,796	1,796	1,796	1,796	1,796
Loans to credit institutions	354	361	373	260	260	260	260	260
Loans to the public	8,354	8,655	8,790	8,883	8,950	9,017	9,084	9,152
Goodwill and other intangibles	2	2	2	2	2	2	2	2
Total assets	12,485	12,450	12,516	12,945	13,011	13,079	13,146	13,214
Interbank/owed to credit institutions	836	1,074	851	719	719	719	719	719
Deposits	8,542	8,442	8,617	8,735	8,735	8,735	8,735	8,735
Subordinated loans	100	100	100	100	100	100	100	100
Minority interest	1	2	3	4	5	6	7	8
Shareholders equity	1,626	1,694	1,780	1,851	1,601	1,670	1,738	1,792
Total equity and liabilities	12,485	12,450	12,516	12,945	13,011	13,079	13,146	13,214
Loans to deposits	98%	103%	102%	102%	102%	103%	104%	105%
Non-mortg. loans to deposits	98%	103%	102%	102%	102%	103%	104%	105%
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 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Net interest income	18%	33%	44%	38%	24%	10%	-4%	-12%
Net commission income	-1%	-13%	-12%	-24%	-8%	7%	11%	21%
Total Revenues	2%	22%	34%	14%	17%	3%	-3%	-4%
Staff costs	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total expenses	4%	2%	5%	13%	3%	2%	1%	1%
Profit before loan losses	-1%	47%	71%	15%	36%	3%	-5%	-10%
Operating profit	31%	73%	343%	55%	10%	-6%	-19%	-37%
Net profit to equity	33%	72%	332%	64%	10%	-5%	-20%	-37%
Loans to the public (rep)	9%	12%	10%	10%	7%	4%	3%	3%
Deposits	6%	-5%	5%	4%	2%	3%	1%	0%
Assets	5%	-3%	3%	6%	4%	5%	5%	2%
REA growth (BIS Trans)	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.
REA growth (BIS III)	9%	0%	0%	-5%	-7%	-1%	9%	15%

Source: Company data and Nordea estimates

ANNUAL KEY DATA**SHARE DATA**

DKKm	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
EPS, DKK	19.43	26.55	21.70	17.49	28.50	15.91	32.12	27.91	26.59	24.91
EPS adj, DKK	19.43	19.95	22.95	16.91	20.66	15.33	31.54	27.32	26.01	24.32
BVPS	185.5	207.6	238.5	237.9	212.7	189.8	193.3	187.2	190.7	192.9
TVBS	185.5	206.9	237.5	237.6	212.4	189.5	193.1	187.1	190.6	192.7
DPS (tot., DKK)	4.00	7.32	0.00	52.14	40.33	26.12	8.36	22.98	21.43	20.88
Dividend pay-out ratio	21%	37%	0%	308%	195%	170%	26%	84%	82%	86%
Share repurchases (per share)	0.00	0.00	1.61	0.70	0.00	0.00	0.00	0.00	0.00	0.00
Total pay-out ratio	21%	27%	7%	303%	142%	164%	26%	82%	81%	84%
Share price (period end)	106	109	109	152	141	136	165	170	170	170
Market cap. (m)	1,040	1,038	1,034	1,451	1,345	1,302	1,575	1,627	1,627	1,627
Dil. number of shares	10	10	9	10	10	10	10	10	10	10

VALUATION

(x)	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E	5.5	4.1	5.0	8.7	4.9	8.5	5.1	6.1	6.4	6.8
P/E (adj.)	5.5	5.4	4.8	9.0	6.8	8.9	5.2	6.2	6.5	7.0
P/BV	0.57	0.52	0.46	0.64	0.66	0.72	0.85	0.91	0.89	0.88
P/TBV	0.57	0.52	0.46	0.64	0.66	0.72	0.85	0.91	0.89	0.88
Dividend yield (tot.)	3.8%	6.7%	0.0%	34.3%	28.7%	19.2%	5.1%	13.5%	12.6%	12.3%
Total yield	3.8%	6.7%	1.5%	34.8%	28.7%	19.2%	5.1%	13.5%	12.6%	12.3%

CAPITAL RATIOS

%	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
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	1,731	1,874	2,023	2,206	1,629	1,556	1,758	1,562	1,611	1,636
BIS III REA	9,895	10,621	10,764	9,774	6,841	7,195	6,819	7,811	8,059	8,234
BIS III CET1-ratio	17.5%	17.6%	18.8%	22.6%	23.8%	21.6%	25.8%	20.0%	20.0%	19.9%
BIS III T1-ratio	17.5%	17.6%	20.2%	24.1%	26.0%	23.7%	28.0%	21.9%	21.8%	21.7%
BIS III Capital ratio	19.7%	19.8%	22.3%	26.4%	27.5%	25.1%	29.4%	23.2%	23.1%	22.9%
Tang. Equity/Assets	11.5%	11.9%	12.4%	13.1%	17.2%	14.9%	14.3%	13.6%	13.6%	13.5%
Tang. Equity/Lending	19.1%	19.9%	22.7%	29.8%	26.7%	22.4%	20.8%	19.6%	19.5%	19.3%
Leverage ratio	11.0%	11.2%	11.1%	12.8%	13.8%	12.8%	13.6%	11.8%	12.0%	12.0%

CREDIT QUALITY

DKKm	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Impaired loans	0	0	0	0	0	0	0	0	0	0
Loan loss reserves	511	607	496	328	321	315	309	303	297	291
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	5.48%	6.23%	5.00%	3.74%	4.22%	4.01%	3.64%	3.36%	3.21%	3.08%
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. Impaired 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	-0.64%	-1.14%	-1.06%	-0.06%	-1.01%	-0.59%	-0.12%	0.43%	0.38%	0.37%
Growth loan loss reserves (y/y)	-25%	19%	-18%	-34%	-2%	-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.	n.a.	n.a.

PROFITABILITY

Adjusted for non-rec. Items	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
RoE	10.1%	10.2%	10.3%	7.1%	9.2%	7.6%	16.5%	14.4%	13.8%	12.7%
RoTBV	10.1%	10.2%	10.3%	7.1%	9.2%	7.6%	16.5%	14.4%	13.8%	12.7%
C/I	-71.3%	-71.9%	-71.9%	-61.4%	-58.0%	-54.6%	-49.0%	-48.7%	-49.2%	-49.8%
NII-margin	4.15%	3.83%	3.67%	2.87%	3.32%	3.34%	4.16%	4.04%	3.76%	3.47%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Net Interest Income	60%	59%	55%	65%	62%	59%	67%	67%	66%	64%
Net Commission Income	29%	27%	29%	16%	19%	20%	15%	15%	16%	18%
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	5%	7%	7%	6%	8%	9%	6%	6%	7%	7%

Source: Company data and Nordea estimates

ANNUAL INCOME STATEMENT AND BALANCE SHEET**INCOME STATEMENT**

DKKm	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Net Interest Income	387	373	367	258	260	270	360	371	355	335
Net Commission Income	186	172	189	60	79	88	77	82	87	92
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	44	44	53	45	34	52	60	54	54	55
Other income	31	46	49	24	34	38	32	34	35	36
Total revenues	648	635	658	387	407	447	528	541	530	517
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	462	457	473	237	236	244	259	263	261	258
Profit before loan losses	186	179	185	149	171	203	269	278	269	259
Loan losses	60	111	106	5	77	47	10	-39	-35	-35
Write-downs on assets	-18	72	-13	0	89	0	-9	0	0	0
Operating profit	234	324	261	207	340	207	379	330	314	294
Taxes	-44	-66	-54	-40	-67	-55	-72	-63	-60	-56
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	191	257	207	166	272	152	308	267	255	238

BALANCE SHEET

DKKm	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Cash / Interbank	251	180	252	208	1,292	1,443	1,796	1,796	1,796	1,796
Loans to credit institutions	617	914	878	1,178	445	390	260	260	260	260
Loans to the public	9,537	9,956	9,909	7,608	7,624	8,083	8,883	9,152	9,350	9,553
Goodwill and other intangibles	0	7	10	2	3	2	2	2	2	2
Total assets	15,785	16,700	18,173	17,290	11,790	12,190	12,945	13,214	13,412	13,615
Interbank/owed to credit institutions	360	299	55	28	839	858	719	719	719	719
Deposits	13,083	13,878	15,164	7,733	7,902	8,360	8,735	8,735	8,735	8,735
Subordinated loans	223	223	224	225	99	100	100	100	100	100
Minority interest	0	0	0	0	0	0	0	0	1	2
Shareholders equity	1,820	1,987	2,263	2,271	2,036	1,817	1,851	1,792	1,826	1,846
Total equity and liabilities	15,785	16,700	18,173	17,290	11,792	12,190	12,945	13,214	13,412	13,615
Loans to deposits	73%	72%	65%	98%	96%	97%	102%	105%	107%	109%
Non-mortg. loans to deposits	73%	72%	65%	98%	96%	97%	102%	105%	107%	109%
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	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Net interest income	-6%	-4%	-2%	-31%	1%	4%	34%	3%	-4%	-6%
Net commission income	-3%	-7%	10%	-68%	32%	11%	-13%	7%	6%	5%
Total Revenues	1%	-2%	4%	-41%	5%	10%	18%	2%	-2%	-3%
Staff costs	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total expenses	0%	-1%	4%	-50%	0%	3%	6%	2%	-1%	-1%
Profit before loan losses	4%	-4%	3%	-19%	15%	19%	33%	3%	-3%	-4%
Operating profit	13%	4%	7%	-21%	64%	-39%	83%	-13%	-5%	-6%
Net profit to equity	17%	1%	13%	-26%	23%	-26%	106%	-13%	-5%	-6%
Loans to the public (rep)	4%	4%	0%	-23%	0%	6%	10%	3%	2%	2%
Deposits	3%	6%	9%	-49%	2%	6%	4%	0%	0%	0%
Assets	1%	6%	9%	-5%	-32%	3%	6%	2%	1%	2%
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)	1%	7%	1%	-9%	-30%	5%	-5%	15%	3%	2%

Source: Company data and Nordea estimates

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Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea IB & Equity Division, Equity Research Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	Nordea IB & Equity Division, Equity Research Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	Nordea IB & Equity Division, Equity Research Visiting address: Grønjørdsvej 10 DK-2300 Copenhagen S Denmark	Nordea IB & Equity Division, Equity Research Visiting address: Essendropsgate 7 N-0107 Oslo Norway
Tel: +358 9 1651 Fax: +358 9 165 59710	Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Tel: +45 3333 3333 Fax: +45 3333 1520	Tel: +47 2248 5000 Fax: +47 2256 8650
Reg.no. 2858394-9 Satamaradankatu 5 Helsinki			