

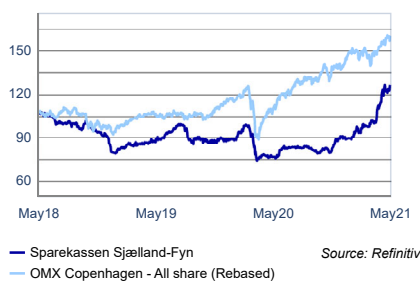
Sparekassen Sjælland-Fyn

Financials
Denmark

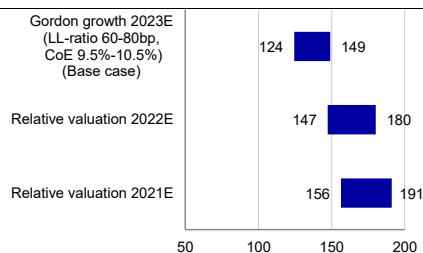
KEY DATA

Stock country	Denmark
Bloomberg	SPKSJF DC
Reuters	SPKSJF.CO
Share price (close)	DKK 127.0
Free Float	84%
Market cap. (bn)	EUR 0.30/DKK 2.21
Website	www.spks.dk/
Next report date	11 Aug 2021

PERFORMANCE



VALUATION APPROACH (DKK)



ESTIMATE CHANGES

Year	2021E	2022E	2023E
Total revenue	-1%	0%	0%
Total costs	-1%	-1%	-1%
Profit before loan losses	0%	3%	2%
PTP	4%	3%	3%
DPS (ord)	0%	0%	0%
EPS (adj)	4%	3%	3%

Source: Nordea estimates

Nordea Markets - Analysts

Jakob Brink
Director, Sector CoordinatorMathias Nielsen
Analyst

Strong start to the year

Sparekassen Sjælland-Fyn reported Q1 2021 pre-tax profit of DKK 162m, DKK 23m (17%) ahead of our estimate. This was led by loan loss reversals of DKK 15m, DKK 23m better than our estimate. The profit before loan losses was hence in line with our estimate. For the first quarter Sparekassen Sjælland-Fyn met all four of the financial targets in its 'New Ways' strategy. We raise 2021E-23E adjusted EPS by 3-4%. We now estimate 2021 PTP of DKK 427m, just above the top of 2021 guidance of DKK 350-425m. Our new Gordon growth-based fair value range is DKK 124-149 (108-146).

Improved market conditions for net interest income

Net interest income came in at DKK 146m in Q1 2021, 2% ahead of our estimate and up 6% y/y. This is supported by the introduction of negative deposit rates for more customers. We find it likely that Sparekassen Sjælland-Fyn will follow the other Danish banks and introduce a deposit margin for its business customers later this year. We estimate this will add DKK ~10m to net interest income annually. Furthermore, lending grew 3.3% q/q in Q1 2021, which is the highest lending growth since Q2 2017. The underlying lending margins are also improving. It hence looks like the challenging market conditions for net interest income in recent years are over, with brighter times ahead.

2022E-23E profit before loan losses up 2-3%

Based on the improved market conditions, we raise net interest income for 2022E-23E, while we leave fee income unchanged. On the negative side, we cut 2022E-23E dividends by DKK ~10m to reflect the new run-rate. 2022E-23E total income is hence only marginally up. We lower 2022E-23E costs by 1%, which triggers 2-3% higher profit before loan losses for those years. For 2021E we keep profit loan losses unchanged, but lower 2021E loan losses by DKK 15m. We thus lift 2021E-23E adjusted EPS by 3-4%.

Uncertainties related to the COVID-19 pandemic have abated

With this report, we narrow our cost of equity range to 9.5-10.5% (previously 9.5-11%). We are thus removing the 50 bp, which we added to the upper end of the cost of equity range last year to reflect the elevated uncertainties related to the COVID-19 outbreak. As Sparekassen Sjælland-Fyn is now reversing loan loss provisions, we argue this is fair. Our new Gordon growth-based fair value range is DKK 124-149 (108-146). Sparekassen Sjælland-Fyn currently trades at a 2022E adjusted P/E of 7.1x, which is ~25% below peers.

SUMMARY TABLE - KEY FIGURES

DKKm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	1,073	1,042	1,097	1,186	1,219	1,246	1,269
Total costs	769	815	830	818	797	803	810
LL-ratio	-0.32%	-0.04%	-0.14%	-1.32%	-0.08%	-0.32%	-0.39%
PTP	273	230	251	242	427	415	421
RoE	12.0%	8.5%	8.2%	7.8%	12.1%	11.0%	10.5%
RoTBV (adj)	8.5%	4.4%	6.6%	6.0%	10.2%	9.0%	8.7%
P/E (adj)	8.7	13.6	8.8	9.2	7.0	7.2	7.1
P/BV	0.67	0.52	0.55	0.52	0.66	0.62	0.59
P/TBV	0.71	0.54	0.56	0.54	0.68	0.64	0.60
BIS III CT1-ratio	10.7%	13.0%	14.0%	16.1%	16.3%	16.8%	17.3%
DPS (ord, DKK)	0.00	2.50	3.00	0.00	5.50	5.75	6.00
Dividend Yield (ord)	0.00%	3.11%	3.35%	0.00%	4.33%	4.53%	4.72%
Total payout ratio	0.00	0.18	0.23	0.00	0.25	0.26	0.27

Source: Company data and Nordea estimates

Estimates

CHANGES TO OUR ESTIMATES

	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
	New estimates			Change in estimates			Old estimates		
DKKm									
Net interest income	593	611	621	1%	2%	2%	588	597	607
Dividends on shares etc	19	19	19	-33%	-33%	-33%	29	29	29
Fees and commission income	602	623	637	-1%	0%	0%	611	623	637
Fees and commission expenses	17	18	18	1%	1%	1%	17	18	18
Net interest and fee income	1,197	1,236	1,259	-1%	0%	0%	1,210	1,232	1,255
Market value adjustments	5	-10	-10	-366%	0%	0%	-2	-10	-10
Other operating income	17	20	20	-15%	0%	0%	20	20	20
Total income	1,219	1,246	1,269	-1%	0%	0%	1,228	1,242	1,265
Staff costs and administrative expenses	719	726	733	-1%	-1%	-1%	723	730	737
Amortisation, depreciation and impairment losses	59	59	59	-5%	-5%	-5%	62	62	62
Other operating expenses	19	18	18	-11%	0%	0%	21	18	18
Total costs	797	803	810	-1%	-1%	-1%	806	810	817
Profit before loan losses	422	443	459	0%	3%	2%	422	432	448
Loan losses	10	40	50	-61%	0%	0%	25	40	50
Profit/loss on investments in associates and group enterprises	14	12	12	13%	0%	0%	13	12	12
Profit before tax	427	415	421	4%	3%	3%	410	404	410
Tax	42	36	36	15%	3%	3%	36	35	35
Net profit	385	379	385	3%	3%	3%	374	369	375
EPS adj., DKK	18.07	17.53	17.81	4%	3%	3%	17.31	17.03	17.31
DPS, DKK	5.50	5.75	6.00	0%	0%	0%	5.50	5.75	6.00

Source: Nordea estimates

Q1 2021 RESULTS VERSUS OUR ESTIMATES

	Actual	NDA	Deviation	Actual	q/q	Actual	y/y	
DKKm	Q1 21	Q1 21E	vs. actual	Q4 20	growth	Q1 20	growth	
Net interest income	146	143	3	2%	145	1%	138	6%
Dividends on shares etc	2	12	-10	-80%	0	-	12	-80%
Fees and commission income	166	175	-9	-5%	142	17%	165	1%
Fees and commission expenses	4	4	0	5%	5	-1%	4	12%
Net interest and fee income	310	326	-16	-5%	283	10%	312	0%
Market value adjustments	13	6	7	-	14	-5%	-25	-
Other operating income	3	5	-2	-30%	7	-52%	5	-33%
Total income	327	337	-10	-3%	304	7%	292	12%
Staff costs and administrative expenses	173	177	-4	-2%	196	-12%	178	-3%
Amortisation, depreciation and impairment losses	9	12	-3	-23%	26	-64%	12	-22%
Other operating expenses	3	5	-2	-47%	9	-70%	6	-52%
Total costs	185	194	-9	-5%	230	-20%	196	-5%
Profit before loan losses	142	143	-1	-1%	73	93%	97	46%
Loan losses	-15	8	-23	-	17	-	74	-
Profit/loss on investments in associates and group enterprises	5	4	2	47%	4	23%	24	-79%
Profit before tax	162	139	23	17%	61	-	47	-
Tax	18	12	6	50%	1	-	3	-
Net profit	144	126	17	14%	60	-	44	-
CET1 ratio	14.7%	16.0%	-1.3 pp	16.1%	-1.4 pp	13.6%	1.1 pp	

Source: Company data and Nordea estimates

Reported numbers and forecasts

QUARTERLY KEY DATA

SHARE DATA

DKKm	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
EPS, DKK	2.17	2.01	4.47	3.11	7.92	5.26	4.22	3.36
EPS adj, DKK	2.10	2.05	3.98	2.73	7.27	4.80	3.91	3.18
BVPS	163.2	165.2	169.7	172.4	180.5	185.7	190.0	193.3
TVBS	158.0	160.0	164.4	167.2	175.2	180.5	184.7	188.1
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)	78.20	83.60	80.20	90.00	111.00	127.00	127.00	127.00
Market cap. (m)	1,359	1,453	1,393	1,564	2,207	2,207	2,207	2,207
Dil. number of shares period end (m)	17	17	17	17	17	17	17	17

VALUATION

(x)	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
P/E	9.0	10.4	4.5	7.2	4.0	6.0	7.5	9.4
P/E (adj.)	9.3	10.2	5.0	8.3	4.4	6.6	8.1	10.0
P/BV	0.48	0.51	0.47	0.52	0.70	0.68	0.67	0.66
P/TBV	0.50	0.52	0.49	0.54	0.72	0.70	0.69	0.68
Dividend yield								
Total yield								

CAPITAL RATIOS

%	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
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	13.6%	14.6%	13.7%	16.1%	14.7%	14.7%	14.8%	16.3%
BIS III T1-ratio	15.8%	16.9%	15.9%	18.4%	16.8%	16.8%	16.9%	18.5%
BIS III T2-ratio	19.6%	20.4%	19.2%	21.8%	20.0%	20.0%	20.1%	21.7%
Tang. Equity/Assets	10.9%	10.6%	10.8%	10.7%	11.2%	11.5%	11.8%	11.9%
Tang. Equity/Lending	22.5%	23.5%	23.8%	24.3%	24.7%	25.2%	25.7%	26.0%
Leverage ratio	9.4%	9.0%	8.9%	9.9%	9.7%	9.7%	9.6%	10.6%

CREDIT QUALITY

DKKm	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
Impaired loans	0	0	0	0	0	0	0	0
Loan loss reserves	719	714	754	747	633	630	627	624
Coverage ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss reserves / Total loans	5.89%	5.95%	6.34%	6.25%	5.21%	5.09%	5.03%	4.98%
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.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss ratio	-2.42%	-1.28%	-1.07%	-0.56%	0.51%	-0.16%	-0.32%	-0.32%
Growth loan loss reserves (y/y)	-23%	-18%	-9%	14%	-12%	-12%	-17%	-17%
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 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
RoE	5.1%	5.0%	9.5%	6.4%	16.5%	10.5%	8.3%	6.6%
RoTBV	5.3%	5.2%	9.8%	6.6%	17.0%	10.8%	8.6%	6.8%
C/I	-66.9%	-70.2%	-63.1%	-75.9%	-56.6%	-64.3%	-67.6%	-73.8%
NII-margin	4.53%	4.42%	4.75%	4.85%	4.81%	4.71%	4.82%	4.81%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
Net Interest Income	47%	47%	45%	48%	45%	48%	52%	51%
Net Commission Income	59%	53%	43%	45%	50%	52%	48%	48%
Net result from financial transactions	0%	0%	0%	0%	0%	0%	0%	0%
Net insurance income	0%	0%	0%	0%	0%	0%	0%	0%
Other Income	2%	1%	1%	2%	1%	1%	2%	2%

Source: Company data and Nordea estimates

QUARTERLY INCOME STATEMENT AND BALANCE SHEET
INCOME STATEMENT

DKKm	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
Net Interest Income	138	132	141	145	146	146	150	151
Net Commission Income	173	148	133	138	164	157	139	144
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	5	4	4	7	3	5	5	5
Total revenues	292	279	311	304	327	305	291	297
Staff costs	178	178	177	196	173	178	177	191
Other operating costs	6	5	4	9	3	5	5	6
Depreciation	12	13	16	26	9	13	15	22
Total Expenses	196	196	196	230	185	196	197	219
Profit before loan losses	97	83	115	73	142	109	94	78
Loan losses	74	39	31	17	-15	5	10	10
Write-downs on assets	24	2	5	4	5	3	3	3
Operating profit	23	44	83	57	157	104	84	68
Taxes	3	5	5	1	18	9	8	6
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	44	41	84	60	144	98	80	65

BALANCE SHEET

DKKm	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
Cash / Interbank	440	439	435	481	2,014	2,014	2,014	2,014
Loans to credit institutions	2,553	2,391	2,536	4,813	175	175	175	175
Loans to the public	12,172	11,807	11,980	11,951	12,344	12,420	12,497	12,575
Goodwill and other intangibles	91	91	91	91	91	91	91	91
Total assets	25,221	26,337	26,537	27,266	27,153	27,230	27,307	27,384
Interbank/owed to credit institutions	612	694	858	558	504	504	504	504
Deposits	18,549	19,423	19,419	20,001	19,737	19,786	19,835	19,885
Subordinated loans	674	674	569	570	570	570	570	570
Minority interest	0	0	0	0	0	0	0	0
Shareholders equity	2,836	2,871	2,948	2,996	3,136	3,227	3,301	3,359
Total equity and liabilities	25,221	26,337	26,537	27,266	27,153	27,230	27,307	27,384
Loans to deposits	66%	61%	62%	60%	63%	63%	63%	63%
Non-mortg. loans to deposits	66%	61%	62%	60%	63%	63%	63%	63%
LCR	0%	0%	0%	0%	0%	0%	0%	0%
NSFR	0%	0%	0%	0%	0%	0%	0%	0%

GROWTH (Y/Y)

Adjusted for non rec.items	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
Net interest income	1%	-6%	-3%	4%	6%	10%	6%	4%
Net commission income	27%	4%	5%	-3%	-5%	6%	4%	4%
Total Revenues	4%	4%	21%	5%	12%	9%	-6%	-2%
Staff costs	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total expenses	1%	-2%	-5%	0%	-5%	0%	0%	-5%
Profit before loan losses	12%	20%	119%	26%	46%	31%	-18%	6%
Operating profit	-40%	-31%	85%	4%	246%	134%	-2%	17%
Net profit to equity	-40%	-31%	85%	4%	246%	134%	-2%	17%
Loans to the public (rep)	-1%	-5%	-4%	-2%	1%	5%	4%	5%
Deposits	2%	6%	7%	7%	6%	2%	2%	-1%
Assets	4%	6%	7%	8%	8%	3%	3%	0%
REA growth (BIS Trans)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
REA growth (BIS III)	-4%	-14%	-7%	-3%	3%	10%	4%	5%

Source: Company data and Nordea estimates

ANNUAL KEY DATA**SHARE DATA**

DKKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EPS, DKK	0.00	0.00	12.23	15.41	8.53	11.64	11.75	20.77	20.41	20.74
EPS adj, DKK	n.a.	n.a.	8.29	13.00	5.89	10.18	9.76	18.07	17.53	17.81
BVPS	n.m.	n.m.	157.9	170.9	155.2	164.1	172.4	193.3	205.1	216.8
TVBS	n.m.	n.m.	146.4	160.4	148.0	158.9	167.2	188.1	199.8	211.6
DPS (tot., DKK)	0.00	3.00	3.05	0.00	2.50	3.00	0.00	5.50	5.75	6.00
Dividend pay-out ratio	n.m.	n.m.	25%	0%	29%	26%	0%	26%	28%	29%
Share repurchases (per share)	n.m.	n.m.	n.m.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total pay-out ratio	0%	0%	9%	0%	18%	23%	0%	25%	26%	27%
Share price (period end)	n.a.	97	106	114	80	90	90	127	127	127
Market cap. (m)	n.a.	0	1,385	1,482	1,397	1,557	1,564	2,207	2,207	2,207
Dil. number of shares	0	0	13	13	17	17	17	17	17	17

VALUATION

(x)	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E	n.a.	n.m.	8.7	7.4	9.4	7.7	7.7	6.1	6.2	6.1
P/E (adj.)	n.a.	n.a.	12.8	8.7	13.6	8.8	9.2	7.0	7.2	7.1
P/BV	n.a.	0.00	0.67	0.67	0.52	0.55	0.52	0.66	0.62	0.59
P/TBV	n.a.	0.00	0.73	0.71	0.54	0.56	0.54	0.68	0.64	0.60
Dividend yield (tot.)	n.a.	3.1%	2.9%	0.0%	3.1%	3.3%	0.0%	4.3%	4.5%	4.7%
Total yield	n.a.	n.m.	n.m.	0.0%	3.1%	3.3%	0.0%	4.3%	4.5%	4.7%

CAPITAL RATIOS

%	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
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	1,207	1,472	1,576	1,818	2,295	2,431	2,709	2,895	3,065	3,250
BIS III REA	14,459	14,721	15,858	16,973	17,639	17,343	16,799	17,719	18,244	18,784
BIS III CET1-ratio	8.3%	10.0%	9.9%	10.7%	13.0%	14.0%	16.1%	16.3%	16.8%	17.3%
BIS III T1-ratio	11.6%	13.0%	12.9%	14.0%	15.1%	16.2%	18.4%	18.5%	18.9%	19.3%
BIS III Capital ratio	14.7%	15.5%	15.6%	16.3%	17.7%	20.1%	21.8%	21.7%	22.0%	22.3%
Tang. Equity/Assets	7.5%	9.5%	9.6%	9.7%	10.8%	10.9%	10.7%	11.9%	12.5%	13.1%
Tang. Equity/Lending	14.6%	18.2%	18.2%	17.9%	21.1%	22.6%	24.3%	26.0%	26.9%	27.8%
Leverage ratio	6.2%	7.9%	7.9%	8.5%	9.6%	9.6%	9.9%	10.6%	11.1%	11.6%

CREDIT QUALITY

DKKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Impaired loans	0	0	0	0	0	0	0	0	0	0
Loan loss reserves	2,755	1,908	1,361	1,143	1,014	657	747	624	611	599
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	26.38%	19.33%	13.45%	10.32%	8.50%	5.39%	6.18%	5.09%	4.80%	4.59%
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	-2.36%	-1.50%	-1.10%	-0.32%	-0.04%	-0.14%	-1.32%	-0.08%	-0.32%	-0.39%
Growth loan loss reserves (y/y)	-12%	-31%	-29%	-16%	-11%	-35%	14%	-17%	-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	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
RoE	11.4%	8.1%	5.4%	7.9%	4.2%	6.4%	5.8%	9.9%	8.8%	8.4%
RoTBV	12.9%	8.9%	5.9%	8.5%	4.4%	6.6%	6.0%	10.2%	9.0%	8.7%
C/I	-60.6%	-71.0%	-74.8%	-75.3%	-86.4%	-77.4%	-70.4%	-66.7%	-65.7%	-65.1%
NII-margin	6.27%	6.10%	4.89%	4.39%	4.00%	4.43%	4.41%	4.64%	4.61%	4.57%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net Interest Income	60%	62%	51%	48%	51%	50%	46%	48%	48%	48%
Net Commission Income	33%	43%	44%	45%	49%	51%	51%	51%	51%	51%
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	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other Income	1%	2%	0%	2%	2%	3%	2%	1%	2%	2%

Source: Company data and Nordea estimates

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

DKKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net Interest Income	654	602	551	542	541	565	557	593	611	621
Net Commission Income	365	418	421	457	464	549	592	604	625	638
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	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other income	15	15	24	31	16	27	21	17	20	20
Total revenues	1,090	978	1,043	1,073	1,042	1,097	1,186	1,219	1,246	1,269
Staff costs	577	613	644	691	746	726	729	719	726	733
Other operating costs	47	50	14	19	20	19	23	19	18	18
Depreciation	36	31	52	59	49	85	66	59	59	59
Total Expenses	660	694	710	769	815	830	818	797	803	810
Profit before loan losses	429	284	333	304	227	267	368	422	443	459
Loan losses	257	150	107	33	4	17	161	10	40	50
Write-downs on assets	3	3	2	3	8	2	35	14	12	12
Operating profit	175	136	228	273	230	251	242	427	415	421
Taxes	-4	-8	12	16	22	25	13	42	36	36
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit to equity	180	144	216	257	208	227	229	385	379	385

BALANCE SHEET

DKKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Cash / Interbank	572	623	384	357	413	441	481	2,014	2,014	2,014
Loans to credit institutions	905	376	1,364	1,831	1,408	2,541	4,813	175	175	175
Loans to the public	9,981	9,763	10,474	11,681	12,174	12,217	11,951	12,575	12,889	13,211
Goodwill and other intangibles	174	162	150	138	125	91	91	91	91	91
Total assets	19,322	18,730	19,859	21,487	23,857	25,359	27,266	27,384	27,698	28,020
Interbank/owed to credit institutions	308	319	429	439	425	525	558	504	504	504
Deposits	15,315	14,633	15,647	16,589	18,223	18,700	20,001	19,885	20,282	20,688
Subordinated loans	596	465	466	403	454	673	570	570	570	570
Minority interest	0	0	0	0	0	0	0	0	0	0
Shareholders equity	1,631	1,939	2,058	2,228	2,697	2,851	2,996	3,359	3,563	3,767
Total equity and liabilities	19,322	18,730	19,859	21,487	23,857	25,359	27,266	27,384	27,698	28,020
Loans to deposits	65%	67%	67%	70%	67%	65%	60%	63%	64%	64%
Non-mortg. loans to deposits	65%	67%	67%	70%	67%	65%	60%	63%	64%	64%
LCR	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
NSFR	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

GROWTH (Y/Y)

Adjusted for non rec.items	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net interest income	28%	-8%	-18%	-2%	-2%	13%	-1%	7%	3%	2%
Net commission income	27%	15%	1%	8%	2%	18%	8%	2%	3%	2%
Total Revenues	-5%	-10%	-1%	4%	-6%	14%	8%	3%	2%	2%
Staff costs	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total expenses	14%	5%	4%	5%	8%	2%	-1%	-3%	1%	1%
Profit before loan losses	-24%	-34%	-14%	2%	-48%	89%	42%	16%	5%	4%
Operating profit	119%	-22%	2%	58%	-42%	82%	-19%	113%	-3%	2%
Net profit to equity	124%	-20%	-25%	57%	-40%	73%	-4%	85%	-3%	2%
Loans to the public (rep)	-8%	-2%	7%	12%	4%	0%	-2%	5%	3%	3%
Deposits	-3%	-4%	7%	6%	10%	3%	7%	-1%	2%	2%
Assets	-4%	-3%	6%	8%	11%	6%	8%	0%	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)	2%	2%	8%	7%	4%	-2%	-3%	5%	3%	3%

Source: Company data and Nordea estimates

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