

Sparekassen Sjælland-Fyn

Financials
Denmark

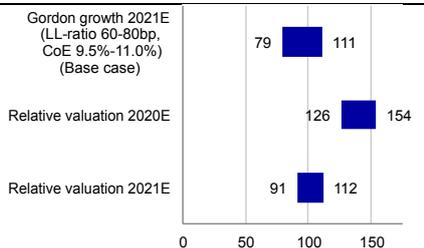
KEY DATA

Stock country	Denmark
Bloomberg	SPKSJF DC
Reuters	SPKSJF.CO
Share price (close)	DKK 77.40
Free Float	84%
Market cap. (bn)	EUR 0.18/DKK 1.34
Website	www.spks.dk/
Next report date	11 Aug 2020

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

Year	2020E	2021E	2022E
Total revenue	0%	0%	0%
Total costs	0%	0%	0%
Profit before loan losses	2%	0%	0%
PTP	3%	2%	3%
DPS (ord)	n.a.	0%	0%
EPS (adj)	3%	2%	3%

Source: Nordea estimates

Nordea Markets - Analysts

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Analyst

Internal targets setting the direction

Sparekassen Sjælland-Fyn's Q1 2020 results included a few large surprises that were not part of the preliminary results released on 22 April. For instance, the tailwind on net interest income from negative retail deposits rates was larger than our estimate. Q1 lending growth y/y came in at -0.4%, however, below our estimate of 0.5%. While Sparekassen Sjælland-Fyn continues to move closer to its internal targets, we still find these targets ambitious, as market conditions have worsened since their introduction in 2017. We still estimate, however, that the bank will narrow the cost/income ratio gap versus peers by ~8 pp (50%) from 2017 to 2021E. In connection with this report, we lift 2020E-22E adjusted EPS by 2-3%, led by 1% higher 2020E-22E net interest income. Our new Gordon growth-based fair value range is DKK 79-111 (76-107).

Slow lending growth hurts while improved margins help

Lending declined 0.4% q/q in Q1, the second consecutive quarter with negative lending growth q/q. This has not been seen since Q1 2016. While staying on the sidelines will put short-term pressure on net interest income, this mentality could lead to improved lending margins in the sector, if more banks turn cautious as well. During the Q1 2020 reporting season, we have noticed that Danish peers have highlighted that they expect to see lending margins stabilise or even improve in the coming quarters. On top of this, we see banks introducing negative deposit rates for retail customers, which adds further support to net interest income.

We lift 2020E-22E adjusted EPS by 2-3%

The countercyclical buffer requirement has been lowered to 0% (2%), and the introduction of MREL requirements has been postponed by six months. We thus postpone our estimated senior non-preferred issues by six months as well and lift 2020E-22E net income by 1%. Furthermore, we fine-tune our profit estimates from associates to include gains from the bank's holding of Lollands Bank shares and lift 2020E-22E adjusted EPS by 2-3%.

Fair value range of DKK 79-111 (76-107)

Led by our estimate revisions, we lift our Gordon growth-based fair value range to DKK 79-111 (76-107). Sparekassen Sjælland-Fyn has outperformed peers by ~6% during the past three months but underperformed peers by ~9% in the past month. It currently trades at a 2021E adjusted P/E of 5.7x, ~24% below Danish peers.

SUMMARY TABLE - KEY FIGURES

DKKm	2016	2017	2018	2019	2020E	2021E	2022E
Total revenue	1,043	1,073	1,042	1,097	1,120	1,147	1,171
Total costs	710	769	815	830	789	786	793
LL-ratio	-1.10%	-0.32%	-0.04%	-0.14%	-0.85%	-0.36%	-0.39%
PTP	228	273	230	251	257	327	340
RoE	10.8%	12.0%	8.5%	8.2%	8.0%	9.6%	9.3%
RoTBV (adj)	5.9%	8.5%	4.4%	6.6%	6.4%	7.8%	7.6%
P/E (adj)	12.8	8.7	13.6	8.8	7.4	5.7	5.5
P/BV	0.67	0.67	0.52	0.55	0.45	0.42	0.39
P/TBV	0.73	0.71	0.54	0.56	0.46	0.43	0.41
BIS III CT1-ratio	9.9%	10.7%	13.0%	14.0%	14.9%	15.3%	15.6%
DPS (ord)	3.05	0.00	2.50	3.00	0.00	4.00	4.50
Dividend Yield (ord)	2.87%	0.00%	3.11%	3.35%	0.00%	5.17%	5.81%
Total payout ratio	0.09	0.00	0.18	0.23	0.00	0.23	0.25

Source: Company data and Nordea estimates

Estimates

CHANGES TO OUR ESTIMATES

	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
DKKm	New estimates			Change in estimates			Old estimates		
Interest income	620	630	643	1%	0%	0%	613	628	640
Interest expense	54	55	60	4%	-1%	-1%	52	55	60
Net interest income	566	576	583	1%	1%	1%	561	573	580
Dividends on shares etc	30	25	25	9%	0%	0%	27	25	25
Fees and commission income	545	545	561	-1%	-1%	-1%	548	548	565
Fees and commission expenses	18	18	19	-6%	-6%	-6%	19	20	20
Net interest and fee income	1,123	1,127	1,151	0%	0%	0%	1,117	1,127	1,150
Market value adjustments	-23	0	0	0%	-	-	-23	0	0
Other operating income	20	20	20	0%	0%	0%	20	20	20
Total income	1,120	1,147	1,171	0%	0%	0%	1,115	1,147	1,170
Staff costs and administrative expenses	718	717	724	0%	0%	0%	718	717	724
Amortisation, depreciation and impairment losses	51	51	51	0%	0%	0%	51	51	51
Other operating expenses	20	18	18	0%	0%	0%	20	18	18
Total costs	789	786	793	0%	0%	0%	789	786	793
Profit before loan losses	332	362	378	2%	0%	0%	326	361	377
Loan losses	104	45	50	0%	0%	0%	104	45	50
Profit/loss on investments in associates and group enterprises	29	10	12	7%	150%	200%	27	4	4
Profit before tax	257	327	340	3%	2%	3%	249	320	331
Tax	22	28	29	3%	2%	3%	21	28	29
Net profit	235	299	311	3%	2%	3%	228	293	303
EPS adj., DKK	10.43	13.56	14.16	3%	2%	3%	10.10	13.27	13.78
DPS, DKK	0.00	4.00	4.50	-	0%	0%	0.00	4.00	4.50

Source: Company data and Nordea estimates

2021 targets remain challenging

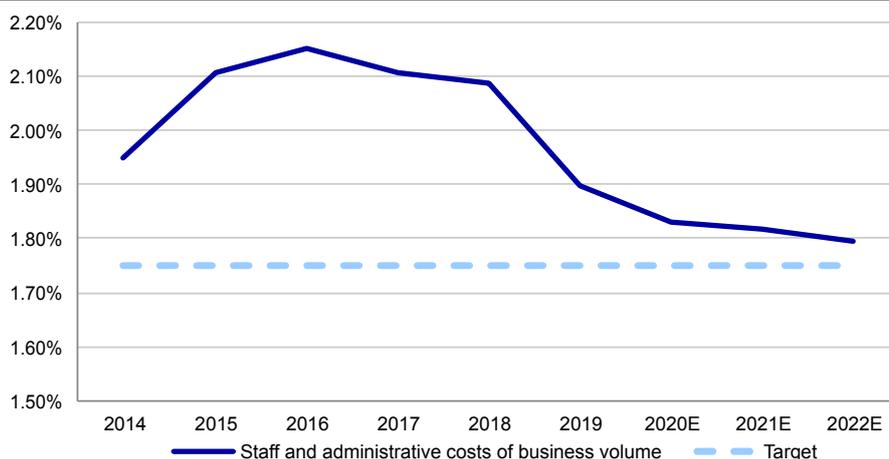
In November 2017, Sparekassen Sjælland-Fyn launched its 2021 strategy plan, New Ways. The plan includes four financial targets concerning the company's cost efficiency, profitability, and capital position. While we are confident that Sparekassen Sjælland-Fyn will meet its 2021 capital targets, we remain sceptical on whether the bank can reach its profitability targets, as market conditions have worsened since 2017. Even if Sparekassen Sjælland-Fyn does not reach its 2021 targets, we estimate the bank has still narrowed its gap versus Danish peers on the cost/income ratio by ~8 pp (~50%) from 2017-21, which is still a major achievement.

2021 FINANCIAL TARGETS: OVERVIEW

		2021 targets	Current (Q1 20)	2021 Nordea estimate
Increased efficiency	Staff and administrative costs of 1.75% our business volume		1.82%	1.82%
Solid profitability	ROE after tax of 9-11%		5.41%	8.49%
High income/cost ratio DKK	Income/cost ratio of at least 1.7		1.62	1.46
A robust foundation (part 1)	CET1 ratio of at least 13%		13.6%	15.3%
A robust foundation (part 2)	Total capital ratio of at least 17%		19.6%	20.6%

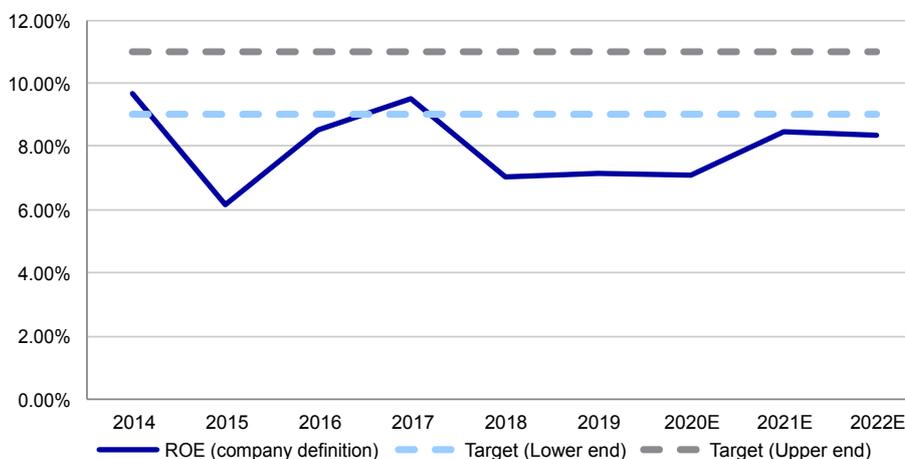
Source: Company data and Nordea estimates

STAFF AND ADMINISTRATIVE COSTS OF BUSINESS VOLUME



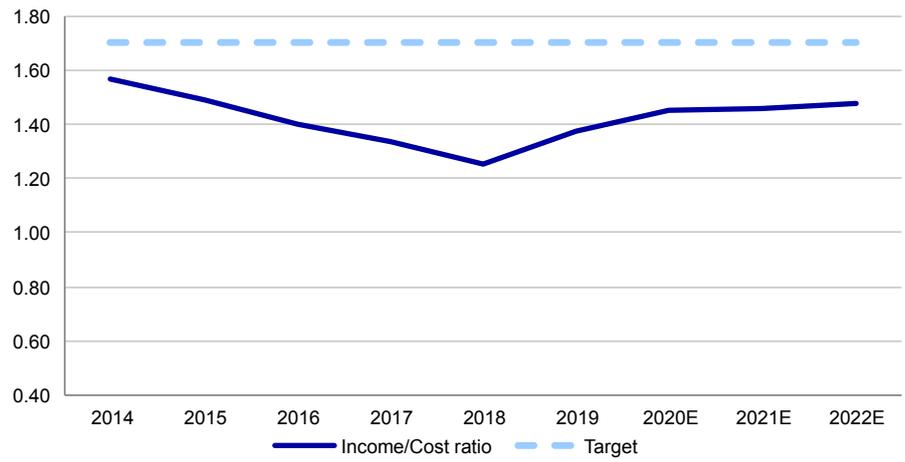
Source: Company data and Nordea estimates

RETURN ON EQUITY



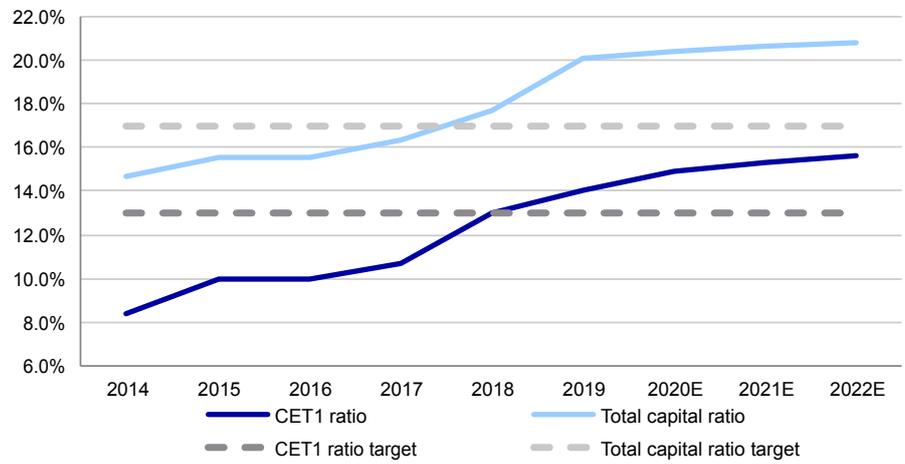
Source: Company data and Nordea estimates

INCOME/COST RATIO



Source: Company data and Nordea estimates

CAPITAL RATIOS



Source: Company data and Nordea estimates

Reported numbers and forecasts

QUARTERLY KEY DATA

SHARE DATA

DKKm	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
EPS	3.76	2.80	2.18	2.90	2.17	3.85	3.34	2.76
EPS adj	3.52	3.00	2.15	2.61	2.10	3.59	3.16	2.67
BVPS	156.5	159.3	161.2	164.1	163.2	167.1	170.4	173.2
TVBS	149.5	152.5	154.5	158.9	158.0	161.8	165.1	167.9
DPS								
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)	86.80	94.80	89.60	89.60	78.20	77.40	77.40	77.40
Market cap. (m)	1,508	1,647	1,557	1,557	1,359	1,345	1,345	1,345
Dil. number of shares period end (m)	17	17	17	17	17	17	17	17

VALUATION

(x)	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
P/E	5.8	8.5	10.3	7.7	9.0	5.0	5.8	7.0
P/E (adj.)	6.2	7.9	10.4	8.6	9.3	5.4	6.1	7.3
P/BV	0.55	0.59	0.56	0.55	0.48	0.46	0.45	0.45
P/TBV	0.58	0.62	0.58	0.56	0.50	0.48	0.47	0.46
Dividend yield								
Total yield								

CAPITAL RATIOS

%	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
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	12.4%	11.9%	12.1%	14.0%	13.6%	13.8%	13.7%	14.9%
BIS III T1-ratio	14.5%	13.9%	14.2%	16.2%	15.8%	16.0%	15.9%	17.1%
BIS III T2-ratio	17.0%	16.7%	17.0%	20.1%	19.6%	19.9%	19.2%	20.4%
Tang. Equity/Assets	10.7%	10.7%	10.8%	10.9%	10.9%	11.1%	11.3%	11.5%
Tang. Equity/Lending	21.2%	21.4%	21.6%	22.6%	22.5%	23.0%	23.3%	23.6%
Leverage ratio	9.3%	9.1%	9.0%	9.6%	9.4%	9.3%	9.3%	10.1%

CREDIT QUALITY

DKKm	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
Impaired loans	0	0	0	0	0	0	0	0
Loan loss reserves	937	869	831	657	719	715	711	708
Coverage ratio	n.m.							
Loan loss reserves / Total loans	7.68%	7.06%	6.71%	5.34%	5.89%	5.86%	5.80%	5.74%
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.							
Loan loss ratio	-0.29%	-0.08%	-0.17%	-0.02%	-2.42%	-0.33%	-0.33%	-0.33%
Growth loan loss reserves (y/y)	-30%	-24%	-23%	-35%	-23%	-18%	-14%	8%
Growth impaired loans (y/y)	n.a.							

PROFITABILITY

Adjusted for non-rec. Items	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
RoE	9.0%	7.6%	5.4%	6.4%	5.1%	8.7%	7.5%	6.2%
RoTBV	9.5%	7.9%	5.6%	6.7%	5.3%	9.0%	7.7%	6.4%
C/I	-69.2%	-74.1%	-79.7%	-79.9%	-66.9%	-68.6%	-71.1%	-75.4%
NI-margin	4.49%	4.59%	4.71%	4.55%	4.53%	4.58%	4.70%	4.67%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
Net Interest Income	49%	53%	57%	48%	47%	49%	53%	53%
Net Commission Income	48%	53%	49%	49%	59%	49%	45%	45%
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	3%	3%	2%	2%	2%	2%	2%	2%

Source: Company data and Nordea estimates

QUARTERLY INCOME STATEMENT AND BALANCE SHEET
INCOME STATEMENT

DKKm	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
Net Interest Income	137	141	146	140	138	140	144	144
Net Commission Income	136	143	127	143	173	140	122	121
Net result from financial transactions	n.a.							
Net insurance income	n.a.							
Other income	9	9	5	5	5	5	5	5
Total revenues	281	269	258	289	292	287	271	270
Staff costs	175	180	177	194	178	179	175	186
Other operating costs	3	3	4	9	6	5	5	5
Depreciation	16	16	24	28	12	13	13	13
Total Expenses	194	199	206	231	196	197	193	204
Profit before loan losses	87	70	52	58	97	90	78	66
Loan losses	9	2	5	1	74	10	10	10
Write-downs on assets	1	0	1	1	24	0	2	3
Operating profit	78	67	47	58	23	80	68	56
Taxes	7	12	4	2	3	7	6	5
Discontinued operations	n.a.							
Minority interest	n.a.							
Net profit to equity	71	55	44	57	44	73	64	54

BALANCE SHEET

DKKm	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
Cash / Interbank	400	410	456	441	440	440	440	440
Loans to credit institutions	1,375	974	1,429	2,541	2,553	2,553	2,553	2,553
Loans to the public	12,247	12,369	12,416	12,217	12,172	12,232	12,293	12,354
Goodwill and other intangibles	122	119	116	91	91	91	91	91
Total assets	24,209	24,809	24,897	25,359	25,221	25,281	25,342	25,403
Interbank/owed to credit institutions	545	602	705	525	612	612	612	612
Deposits	18,151	18,343	18,224	18,700	18,549	18,596	18,642	18,688
Subordinated loans	455	604	522	673	674	674	569	569
Minority interest	0	0	0	0	0	0	0	0
Shareholders equity	2,719	2,769	2,801	2,851	2,836	2,903	2,961	3,009
Total equity and liabilities	24,209	24,809	24,897	25,359	25,221	25,281	25,342	25,403
Loans to deposits	67%	67%	68%	65%	66%	66%	66%	66%
Non-mortg. loans to deposits	67%	67%	68%	65%	66%	66%	66%	66%
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 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
Net interest income	20%	21%	29%	6%	1%	-1%	-1%	3%
Net commission income	11%	13%	21%	29%	27%	-2%	-4%	-15%
Total Revenues	19%	19%	4%	24%	4%	7%	5%	-7%
Staff costs	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total expenses	2%	-3%	3%	6%	1%	-1%	-6%	-12%
Profit before loan losses	95%	252%	6%	299%	12%	29%	50%	14%
Operating profit	138%	135%	14%	110%	-40%	20%	47%	2%
Net profit to equity	138%	135%	14%	110%	-40%	20%	47%	2%
Loans to the public (rep)	5%	3%	3%	0%	-1%	-1%	-1%	1%
Deposits	8%	5%	5%	3%	2%	1%	2%	0%
Assets	12%	6%	6%	6%	4%	2%	2%	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)	8%	5%	7%	-2%	-4%	-9%	-7%	-1%

Source: Company data and Nordea estimates

ANNUAL KEY DATA**SHARE DATA**

DKKm	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
EPS	0.00	0.00	0.00	12.23	15.41	8.53	11.64	12.10	15.77	16.47
EPS adj	n.a.	n.a.	n.a.	8.29	13.00	5.89	10.18	10.43	13.56	14.16
BVPS	n.m.	n.m.	n.m.	157.9	170.9	155.2	164.1	173.2	186.4	196.3
TVBS	n.m.	n.m.	n.m.	146.4	160.4	148.0	158.9	167.9	181.2	191.0
DPS (tot.)	0.00	0.00	3.00	3.05	0.00	2.50	3.00	0.00	4.00	4.50
Dividend pay-out ratio	n.m.	n.m.	n.m.	25%	0%	29%	26%	0%	25%	27%
Share repurchases (per share)	n.m.	n.m.	n.m.	n.m.	0.00	0.00	0.00	0.00	0.00	0.00
Total pay-out ratio	0%	0%	0%	9%	0%	18%	23%	0%	23%	25%
Share price (period end)	n.a.	n.a.	97	106	114	80	90	77	77	77
Market cap. (m)	n.a.	n.a.	0	1,385	1,482	1,397	1,557	1,345	1,345	1,345
Dil. number of shares	0	0	0	13	13	17	17	17	17	17

VALUATION

(x)	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
P/E	n.a.	n.a.	n.m.	8.7	7.4	9.4	7.7	6.4	4.9	4.7
P/E (adj.)	n.a.	n.a.	n.a.	12.8	8.7	13.6	8.8	7.4	5.7	5.5
P/BV	n.a.	n.a.	0.00	0.67	0.67	0.52	0.55	0.45	0.42	0.39
P/TBV	n.a.	n.a.	0.00	0.73	0.71	0.54	0.56	0.46	0.43	0.41
Dividend yield (tot.)	n.a.	n.a.	3.1%	2.9%	0.0%	3.1%	3.3%	0.0%	5.2%	5.8%
Total yield	n.a.	n.a.	n.m.	n.m.	0.0%	3.1%	3.3%	0.0%	5.2%	5.8%

CAPITAL RATIOS

%	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
BIS II Trans. CET1-ratio	n.m.									
BIS II Trans. Capital ratio	n.m.									
BIS III CET	1,141	1,207	1,472	1,576	1,818	2,295	2,431	2,570	2,707	2,840
BIS III REA	14,203	14,459	14,721	15,858	16,973	17,639	17,343	17,228	17,717	18,220
BIS III CET1-ratio	8.0%	8.3%	10.0%	9.9%	10.7%	13.0%	14.0%	14.9%	15.3%	15.6%
BIS III T1-ratio	12.7%	11.6%	13.0%	12.9%	14.0%	15.1%	16.2%	17.1%	17.4%	17.7%
BIS III Capital ratio	15.1%	14.7%	15.5%	15.6%	16.3%	17.7%	20.1%	20.4%	20.6%	20.8%
Tang. Equity/Assets	6.7%	7.5%	9.5%	9.6%	9.7%	10.8%	10.9%	11.5%	12.2%	12.8%
Tang. Equity/Lending	12.3%	14.6%	18.2%	18.2%	17.9%	21.1%	22.6%	23.6%	24.9%	25.6%
Leverage ratio	5.7%	6.2%	7.9%	7.9%	8.5%	9.6%	9.6%	10.1%	10.5%	10.9%

CREDIT QUALITY

DKKm	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Impaired loans	0	0	0	0	0	0	0	0	0	0
Loan loss reserves	3,116	2,755	1,908	1,361	1,143	1,014	657	708	694	680
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	30.90%	26.38%	19.33%	13.45%	10.32%	8.50%	5.39%	5.76%	5.55%	5.30%
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	-15.77%	-2.36%	-1.50%	-1.10%	-0.32%	-0.04%	-0.14%	-0.85%	-0.36%	-0.39%
Growth loan loss reserves (y/y)	222%	-12%	-31%	-29%	-16%	-11%	-35%	8%	-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	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
RoE	-39.7%	11.4%	8.1%	5.4%	7.9%	4.2%	6.4%	6.2%	7.5%	7.4%
RoTBV	-44.4%	12.9%	8.9%	5.9%	8.5%	4.4%	6.6%	6.4%	7.8%	7.6%
C/I	-50.6%	-60.6%	-71.0%	-74.8%	-75.3%	-86.4%	-77.4%	-72.0%	-70.0%	-69.2%
NII-margin	5.07%	6.27%	6.10%	4.89%	4.39%	4.00%	4.43%	4.41%	4.41%	4.36%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Net Interest Income	45%	60%	62%	51%	48%	51%	50%	49%	49%	49%
Net Commission Income	25%	33%	43%	44%	45%	49%	51%	51%	49%	49%
Net result from financial transactions	n.a.	n.a.	n.a.							
Net insurance income	n.a.	n.a.	n.a.							
Other Income	33%	1%	2%	0%	2%	2%	3%	2%	2%	2%

Source: Company data and Nordea estimates

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

DKKm	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Net Interest Income	511	654	602	551	542	541	565	566	576	583
Net Commission Income	288	365	418	421	457	464	549	557	551	567
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	373	15	15	24	31	16	27	20	20	20
Total revenues	1,141	1,090	978	1,043	1,073	1,042	1,097	1,120	1,147	1,171
Staff costs	500	577	613	644	691	746	726	718	717	724
Other operating costs	30	47	50	14	19	20	19	20	18	18
Depreciation	48	36	31	52	59	49	85	51	51	51
Total Expenses	578	660	694	710	769	815	830	789	786	793
Profit before loan losses	564	429	284	333	304	227	267	332	362	378
Loan losses	1,460	257	150	107	33	4	17	104	45	50
Write-downs on assets	1	3	3	2	3	8	2	29	10	12
Operating profit	-895	175	136	228	273	230	251	257	327	340
Taxes	-152	-4	-8	12	16	22	25	22	28	29
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	-743	180	144	216	257	208	227	235	299	311

BALANCE SHEET

DKKm	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Cash / Interbank	328	572	623	384	357	413	441	440	440	440
Loans to credit institutions	561	905	376	1,364	1,831	1,408	2,541	2,553	2,553	2,553
Loans to the public	10,906	9,981	9,763	10,474	11,681	12,174	12,217	12,354	12,663	12,980
Goodwill and other intangibles	186	174	162	150	138	125	91	91	91	91
Total assets	20,099	19,322	18,730	19,859	21,487	23,857	25,359	25,403	25,712	26,028
Interbank/owed to credit institutions	370	308	319	429	439	425	525	612	612	612
Deposits	15,723	15,315	14,633	15,647	16,589	18,223	18,700	18,688	19,062	19,443
Subordinated loans	1,282	596	465	466	403	454	673	569	569	569
Minority interest	0	0	0	0	0	0	0	0	0	0
Shareholders equity	1,529	1,631	1,939	2,058	2,228	2,697	2,851	3,009	3,239	3,410
Total equity and liabilities	20,099	19,322	18,730	19,859	21,487	23,857	25,359	25,403	25,712	26,028
Loans to deposits	69%	65%	67%	67%	70%	67%	65%	66%	66%	67%
Non-mortg. loans to deposits	69%	65%	67%	67%	70%	67%	65%	66%	66%	67%
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	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Net interest income	4%	28%	-8%	-18%	-2%	-2%	13%	0%	2%	1%
Net commission income	15%	27%	15%	1%	8%	2%	18%	1%	-1%	3%
Total Revenues	50%	-5%	-10%	-1%	4%	-6%	14%	2%	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	17%	14%	5%	4%	5%	8%	2%	-5%	0%	1%
Profit before loan losses	109%	-24%	-34%	-14%	2%	-48%	89%	27%	10%	5%
Operating profit	-4,238%	119%	-22%	2%	58%	-42%	82%	-10%	44%	4%
Net profit to equity	-3,852%	124%	-20%	-25%	57%	-40%	73%	2%	30%	4%
Loans to the public (rep)	18%	-8%	-2%	7%	12%	4%	0%	1%	3%	2%
Deposits	34%	-3%	-4%	7%	6%	10%	3%	0%	2%	2%
Assets	18%	-4%	-3%	6%	8%	11%	6%	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)	12%	2%	2%	8%	7%	4%	-2%	-1%	3%	3%

Source: Company data and Nordea estimates

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