

Sparekassen Sjælland-Fyn

Financials
Denmark

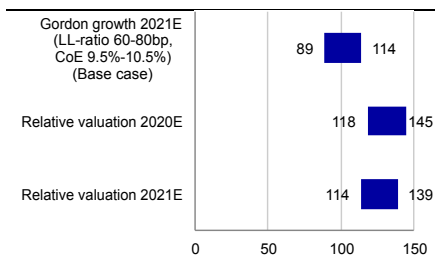
KEY DATA

Stock country	Denmark
Bloomberg	SPKSJF DC
Reuters	SPKSJF.CO
Share price (close)	DKK 99.00
Free Float	84%
Market cap. (bn)	EUR 0.23/DKK 1.72
Website	www.spks.dk/
Next report date	11 May 2020

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

Year	2020E	2021E	2022E
Total revenue	-1%	-1%	n.a.
Total costs	0%	-1%	n.a.
Profit before loan losses	-4%	-2%	n.a.
PTP	-3%	-2%	n.a.
DPS (ord)	-2%	-2%	n.a.
EPS (adj)	-3%	-2%	n.a.

Source: Nordea estimates

Nordea Markets - Analysts

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The 2020 PTP guidance looks conservative

The main focus in the Q4 2019 results was the bank's 2020 pre-tax profit guidance of DKK 230-270m. Based on the guidance for the core earnings, market value adjustments and loan losses, as well as further profitability enhancing actions during 2020, which we expect, we find the PTP guidance conservative and we estimate 2020 PTP of DKK 310m. Furthermore, we also notice that the initial 2019 PTP guidance of DKK 180-210m was well below the realised 2019 PTP of DKK 251m. The extraordinary income related to high remortgaging activity in 2019 roughly equals the one-off cost items seen in 2019. The Q4 2019 CET1-ratio came in at 14.0%, 50 bp above our estimate owing to a larger-than-expected reduction in the market-risk exposure amount (REA). The 2019 DPS of DKK 3 was also above our estimate of DKK 2.83. Our new Gordon growth model-based fair value range is DKK 89-114 (89-116).

Q4 2019 was impacted by multiple extraordinary items

Profit before loan losses came in at DKK 58m in Q4 2019, which was DKK 5m (8%) below our estimate. Total costs were DKK 30m (15%) above our estimate owing to a one-off impairment of intangible assets of DKK 21.6m, as well as a few other one-off items related to IT and severance costs. On the other hand, fee income came in at DKK 147m, 22m (18%) above our estimate, led by higher-than-expected fees from remortgaging activity. Net interest income disappointed by 2%, while lending also declined 1.6% q/q, which was 210 bp weaker than our estimate.

We are 15% above the upper end of the 2020 PTP guidance

In connection with this report, we lower our 2020-21 adjusted EPS estimates by 2-3%, owing to ~2% lower NII estimates, ~1% lower fee income estimates and slightly higher costs. Based on our new estimates, we predict a 2020 PTP of DKK 310m, which is 15% above the upper end of the 2020 PTP guidance. We find it likely that the bank will lower its threshold for negative deposit rates for its retail customers during 2020, as well as cut staff and administrative costs further. This does not seem to be reflected in the bank's 2020 PTP guidance. In order to reach its 2021 target of 9-11% in post-tax ROE, we estimate that the bank needs to reach 2021 PTP of DKK ~350m. To keep this target alive, we believe it must beat its own 2020 guidance, thus we dare to lean out in the upper end.

New fair value range of DKK 89-114 (89-116)

Based on our new estimates, our Gordon growth model-based fair range is now DKK 89-114 (89-116). Sparekassen Sjælland-Fyn trades at a 2020E adjusted P/E of 7.7x, ~25% 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	1,116	1,143	1,166
Total costs	710	769	815	830	780	779	786
LL-ratio	-1.10%	-0.32%	-0.04%	-0.14%	-0.25%	-0.32%	-0.39%
PTP	228	273	230	251	310	328	334
RoE	10.8%	12.0%	8.5%	8.2%	9.6%	9.5%	9.0%
RoTBV (adj)	5.9%	8.5%	4.4%	6.6%	7.8%	7.7%	7.3%
P/E (adj)	12.8	8.7	13.6	8.8	7.7	7.3	7.1
P/BV	0.67	0.67	0.52	0.55	0.56	0.52	0.49
P/TBV	0.73	0.71	0.54	0.56	0.58	0.54	0.50
BIS III CT1-ratio	9.9%	10.7%	13.0%	14.0%	14.7%	15.4%	16.1%
DPS (ord)	3.05	0.00	2.50	3.00	3.75	4.00	4.50
Dividend Yield (ord)	2.87%	0.00%	3.11%	3.35%	3.79%	4.04%	4.55%
Total payout ratio	0.09	0.00	0.18	0.23	0.23	0.23	0.26

Source: Company data and Nordea estimates

Estimates

Q4 2019 RESULTS VS OUR ESTIMATES

DKKm	Actual	NDA	Deviation		Actual	q/q	Actual	y/y
	Q4 19	Q4 19E	vs. Actual		Q3 19	growth	Q4 18	growth
Interest income	155	155	0	0%	158	-2%	156	-1%
Interest expense	14	11	3	31%	12	17%	14	2%
Net interest income	140	144	-3	-2%	146	-4%	142	-2%
Dividends on shares etc	0	1	-1	-	1	-	1	-
Fees and commission income	147	125	22	18%	130	14%	115	28%
Fees and commission expenses	5	5	0	-5%	4	25%	5	-9%
Net interest and fee income	283	265	18	7%	273	4%	253	12%
Market value adjustments	2	-6	8	-	-20	-	-13	-
Other operating income	5	6	-1	-23%	5	-13%	3	35%
Total income	289	265	25	9%	258	12%	243	19%
Staff costs and administrative expenses	194	178	16	9%	177	10%	200	-3%
Amortisation, depreciation and impairment losses	28	16	12	76%	24	15%	11	-
Other operating expenses	9	7	2	25%	4	-	7	20%
Total costs	231	201	30	15%	206	12%	218	6%
Profit before loan losses	58	63	-5	-8%	52	11%	25	-
Loan losses	1	8	-7	-92%	5	-88%	-7	-
Profit/loss on investments in associates and group enterprises	1	3	-2	-76%	1	-1%	7	-89%
Profit before tax	58	59	-1	-1%	48	22%	38	53%
Tax	2	5	-4	-68%	4	-56%	4	-53%
Net profit	57	54	3	5%	44	28%	35	64%
CET1 ratio	14.0%	13.5%	0.5 pp		12.1%	1.9 pp	13.0%	1.0 pp

Source: Company data and Nordea estimates

CHANGES TO OUR ESTIMATES

DKKm	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
	New estimates			Change in estimates			Old estimates		
Interest income	613	628	640	0%	0%	-	616	628	-
Interest expense	52	55	60	21%	20%	-	43	46	-
Net interest income	561	573	580	-2%	-2%	-	573	583	-
Dividends on shares etc	24	24	24	1%	1%	-	24	24	-
Fees and commission income	526	542	558	-1%	-1%	-	533	549	-
Fees and commission expenses	19	20	20	-4%	-4%	-	20	21	-
Net interest and fee income	1,092	1,119	1,142	-2%	-1%	-	1,111	1,136	-
Market value adjustments	0	0	0	-100%	-	-	-5	0	-
Other operating income	24	24	24	0%	0%	-	24	24	-
Total income	1,116	1,143	1,166	-1%	-1%	-	1,130	1,160	-
Staff costs and administrative expenses	710	709	716	1%	0%	-	701	707	-
Amortisation, depreciation and impairment losses	54	54	54	-16%	-16%	-	64	64	-
Other operating expenses	16	16	16	1%	0%	-	16	16	-
Total costs	780	779	786	0%	-1%	-	781	788	-
Profit before loan losses	336	364	380	-4%	-2%	-	349	372	-
Loan losses	30	40	50	-14%	0%	-	35	40	-
Profit/loss on investments in associates and group enterprises	5	5	5	13%	13%	-	4	4	-
Profit before tax	310	328	334	-3%	-2%	-	318	336	-
Tax	27	28	29	-3%	-2%	-	27	29	-
Net profit	283	300	306	-3%	-2%	-	291	307	-
EPS adj., DKK	12.82	13.63	13.91	-3%	-2%	-	13.18	13.98	-
DPS, DKK	3.75	4.00	4.50	-2%	-2%	-	3.83	4.06	-

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 20E	Q2 20E	Q3 20E	Q4 20E
EPS	3.76	2.80	2.18	2.90	4.40	4.09	3.28	2.84
EPS adj	3.52	3.00	2.15	2.61	4.06	3.79	3.11	2.73
BVPS	156.5	159.3	161.2	164.1	165.5	169.6	172.9	175.7
TVBS	149.5	152.5	154.5	158.9	160.3	164.3	167.6	170.5
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	99.00	99.00	99.00	99.00
Market cap. (m)	1,508	1,647	1,557	1,557	1,720	1,720	1,720	1,720
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 20E	Q2 20E	Q3 20E	Q4 20E
P/E	5.8	8.5	10.3	7.7	5.6	6.1	7.5	8.7
P/E (adj.)	6.2	7.9	10.4	8.6	6.1	6.5	8.0	9.1
P/BV	0.55	0.59	0.56	0.55	0.60	0.58	0.57	0.56
P/TBV	0.58	0.62	0.58	0.56	0.62	0.60	0.59	0.58
Dividend yield								
Total yield								

CAPITAL RATIOS

%	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20E	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%	13.5%	13.7%	13.6%	14.7%
BIS III T1-ratio	14.5%	13.9%	14.2%	16.2%	15.7%	15.9%	15.8%	16.9%
BIS III T2-ratio	17.0%	16.7%	17.0%	20.1%	19.6%	19.8%	19.2%	20.2%
Tang. Equity/Assets	10.7%	10.7%	10.8%	10.9%	11.0%	11.2%	11.4%	11.6%
Tang. Equity/Lending	21.2%	21.4%	21.6%	22.6%	22.7%	23.1%	23.5%	23.8%
Leverage ratio	9.3%	9.1%	9.0%	9.6%	9.1%	9.1%	9.1%	9.8%

CREDIT QUALITY

DKKm	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20E	Q2 20E	Q3 20E	Q4 20E
Impaired loans	0	0	0	0	0	0	0	0
Loan loss reserves	937	869	831	657	654	651	647	644
Coverage ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Loan loss reserves / Total loans	7.68%	7.06%	6.71%	5.34%	5.34%	5.29%	5.23%	5.18%
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	-0.29%	-0.08%	-0.17%	-0.02%	-0.25%	-0.26%	-0.31%	-0.32%
Growth loan loss reserves (y/y)	-30%	-24%	-23%	-35%	-30%	-25%	-22%	-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 19	Q2 19	Q3 19	Q4 19	Q1 20E	Q2 20E	Q3 20E	Q4 20E
RoE	9.0%	7.6%	5.4%	6.4%	9.9%	9.1%	7.3%	6.3%
RoTBV	9.5%	7.9%	5.6%	6.7%	10.2%	9.4%	7.5%	6.5%
C/I	-69.2%	-74.1%	-79.7%	-79.9%	-66.1%	-67.9%	-71.1%	-75.0%
NI-margin	4.49%	4.59%	4.71%	4.55%	4.49%	4.50%	4.60%	4.59%

REVENUE DISTRIBUTION

Adjusted for non-rec. Items	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20E	Q2 20E	Q3 20E	Q4 20E
Net Interest Income	49%	53%	57%	48%	48%	48%	53%	52%
Net Commission Income	48%	53%	49%	49%	50%	50%	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 20E	Q2 20E	Q3 20E	Q4 20E
Net Interest Income	137	141	146	140	138	139	142	142
Net Commission Income	136	143	127	143	143	142	122	123
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	9	9	5	5	6	6	6	6
Total revenues	281	269	258	289	287	287	271	272
Staff costs	175	180	177	194	172	177	175	186
Other operating costs	3	3	4	9	4	4	4	4
Depreciation	16	16	24	28	14	14	14	14
Total Expenses	194	199	206	231	190	195	192	204
Profit before loan losses	87	70	52	58	97	92	78	68
Loan losses	9	2	5	1	8	8	10	10
Write-downs on assets	1	0	1	1	1	1	1	3
Operating profit	78	67	47	58	90	84	69	58
Taxes	7	12	4	2	8	7	6	5
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	71	55	44	57	82	77	63	55

BALANCE SHEET

DKKm	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20E	Q2 20E	Q3 20E	Q4 20E
Cash / Interbank	400	410	456	441	441	441	441	441
Loans to credit institutions	1,375	974	1,429	2,541	2,541	2,541	2,541	2,541
Loans to the public	12,247	12,369	12,416	12,217	12,278	12,339	12,400	12,462
Goodwill and other intangibles	122	119	116	91	91	91	91	91
Total assets	24,209	24,809	24,897	25,359	25,419	25,480	25,541	25,603
Interbank/owed to credit institutions	545	602	705	525	525	525	525	525
Deposits	18,151	18,343	18,224	18,700	18,884	19,070	19,258	19,448
Subordinated loans	455	604	522	673	673	673	568	568
Minority interest	0	0	0	0	0	0	0	0
Shareholders equity	2,719	2,769	2,801	2,851	2,876	2,947	3,004	3,053
Total equity and liabilities	24,209	24,809	24,897	25,359	25,419	25,480	25,541	25,603
Loans to deposits	67%	67%	68%	65%	65%	65%	64%	64%
Non-mortg. loans to deposits	67%	67%	68%	65%	65%	65%	64%	64%
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 20E	Q2 20E	Q3 20E	Q4 20E
Net interest income	20%	21%	29%	6%	0%	-2%	-3%	2%
Net commission income	11%	13%	21%	29%	5%	-1%	-4%	-14%
Total Revenues	19%	19%	4%	24%	2%	7%	5%	-6%
Staff costs	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total expenses	2%	-3%	3%	6%	-2%	-2%	-7%	-12%
Profit before loan losses	95%	252%	6%	299%	12%	32%	50%	17%
Operating profit	138%	135%	14%	110%	15%	27%	45%	4%
Net profit to equity	138%	135%	14%	110%	15%	27%	45%	4%
Loans to the public (rep)	5%	3%	3%	0%	0%	0%	0%	2%
Deposits	8%	5%	5%	3%	4%	4%	6%	4%
Assets	12%	6%	6%	6%	5%	3%	3%	1%
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%	-5%	-10%	-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	14.90	15.85	16.18
EPS adj	n.a.	n.a.	n.a.	8.29	13.00	5.89	10.18	12.82	13.63	13.91
BVPS	n.m.	n.m.	n.m.	157.9	170.9	155.2	164.1	175.7	189.0	202.6
TVBS	n.m.	n.m.	n.m.	146.4	160.4	148.0	158.9	170.5	183.8	197.4
DPS (tot.)	0.00	0.00	3.00	3.05	0.00	2.50	3.00	3.75	4.00	4.50
Dividend pay-out ratio	n.m.	n.m.	n.m.	25%	0%	29%	26%	25%	25%	28%
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%	23%	23%	26%
Share price (period end)	n.a.	n.a.	97	106	114	80	90	99	99	99
Market cap. (m)	n.a.	n.a.	0	1,385	1,482	1,397	1,557	1,720	1,720	1,720
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	6.6	6.2	6.1
P/E (adj.)	n.a.	n.a.	n.a.	12.8	8.7	13.6	8.8	7.7	7.3	7.1
P/BV	n.a.	n.a.	0.00	0.67	0.67	0.52	0.55	0.56	0.52	0.49
P/TBV	n.a.	n.a.	0.00	0.73	0.71	0.54	0.56	0.58	0.54	0.50
Dividend yield (tot.)	n.a.	n.a.	3.1%	2.9%	0.0%	3.1%	3.3%	3.8%	4.0%	4.5%
Total yield	n.a.	n.a.	n.m.	n.m.	0.0%	3.1%	3.3%	3.8%	4.0%	4.5%

CAPITAL RATIOS

%	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
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	1,141	1,207	1,472	1,576	1,818	2,295	2,431	2,508	2,712	2,910
BIS III REA	14,203	14,459	14,721	15,858	16,973	17,639	17,343	17,092	17,581	18,083
BIS III CET1-ratio	8.0%	8.3%	10.0%	9.9%	10.7%	13.0%	14.0%	14.7%	15.4%	16.1%
BIS III T1-ratio	12.7%	11.6%	13.0%	12.9%	14.0%	15.1%	16.2%	16.9%	17.6%	18.2%
BIS III Capital ratio	15.1%	14.7%	15.5%	15.6%	16.3%	17.7%	20.1%	20.2%	20.8%	21.3%
Tang. Equity/Assets	6.7%	7.5%	9.5%	9.6%	9.7%	10.8%	10.9%	11.6%	12.3%	13.1%
Tang. Equity/Lending	12.3%	14.6%	18.2%	18.2%	17.9%	21.1%	22.6%	23.8%	25.0%	26.2%
Leverage ratio	5.7%	6.2%	7.9%	7.9%	8.5%	9.6%	9.6%	9.8%	10.5%	11.1%

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	644	631	619
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%	5.22%	5.00%	4.78%
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%	-0.25%	-0.32%	-0.39%
Growth loan loss reserves (y/y)	222%	-12%	-31%	-29%	-16%	-11%	-35%	-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	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%	7.5%	7.5%	7.1%
RoTBV	-44.4%	12.9%	8.9%	5.9%	8.5%	4.4%	6.6%	7.8%	7.7%	7.3%
C/I	-50.6%	-60.6%	-71.0%	-74.8%	-75.3%	-86.4%	-77.4%	-71.5%	-69.7%	-68.9%
NII-margin	5.07%	6.27%	6.10%	4.89%	4.39%	4.00%	4.43%	4.35%	4.35%	4.30%

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%	49%	49%	49%
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	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	561	573	580
Net Commission Income	288	365	418	421	457	464	549	531	546	562
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	24	24	24
Total revenues	1,141	1,090	978	1,043	1,073	1,042	1,097	1,116	1,143	1,166
Staff costs	500	577	613	644	691	746	726	710	709	716
Other operating costs	30	47	50	14	19	20	19	16	16	16
Depreciation	48	36	31	52	59	49	85	54	54	54
Total Expenses	578	660	694	710	769	815	830	780	779	786
Profit before loan losses	564	429	284	333	304	227	267	336	364	380
Loan losses	1,460	257	150	107	33	4	17	30	40	50
Write-downs on assets	1	3	3	2	3	8	2	5	5	5
Operating profit	-895	175	136	228	273	230	251	310	328	334
Taxes	-152	-4	-8	12	16	22	25	27	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	283	300	306

BALANCE SHEET

DKKm	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Cash / Interbank	328	572	623	384	357	413	441	441	441	441
Loans to credit institutions	561	905	376	1,364	1,831	1,408	2,541	2,541	2,541	2,541
Loans to the public	10,906	9,981	9,763	10,474	11,681	12,174	12,217	12,462	12,773	13,092
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	25,603	25,914	26,234
Interbank/owed to credit institutions	370	308	319	429	439	425	525	525	525	525
Deposits	15,723	15,315	14,633	15,647	16,589	18,223	18,700	19,448	20,031	20,432
Subordinated loans	1,282	596	465	466	403	454	673	568	568	568
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	3,053	3,285	3,521
Total equity and liabilities	20,099	19,322	18,730	19,859	21,487	23,857	25,359	25,603	25,914	26,234
Loans to deposits	69%	65%	67%	67%	70%	67%	65%	64%	64%	64%
Non-mortg. loans to deposits	69%	65%	67%	67%	70%	67%	65%	64%	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	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Net interest income	4%	28%	-8%	-18%	-2%	-2%	13%	-1%	2%	1%
Net commission income	15%	27%	15%	1%	8%	2%	18%	-3%	3%	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%	-6%	0%	1%
Profit before loan losses	109%	-24%	-34%	-14%	2%	-48%	89%	28%	9%	5%
Operating profit	-4,238%	119%	-22%	2%	58%	-42%	82%	25%	6%	2%
Net profit to equity	-3,852%	124%	-20%	-25%	57%	-40%	73%	26%	6%	2%
Loans to the public (rep)	18%	-8%	-2%	7%	12%	4%	0%	2%	3%	2%
Deposits	34%	-3%	-4%	7%	6%	10%	3%	4%	3%	2%
Assets	18%	-4%	-3%	6%	8%	11%	6%	1%	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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