

# NORDEA

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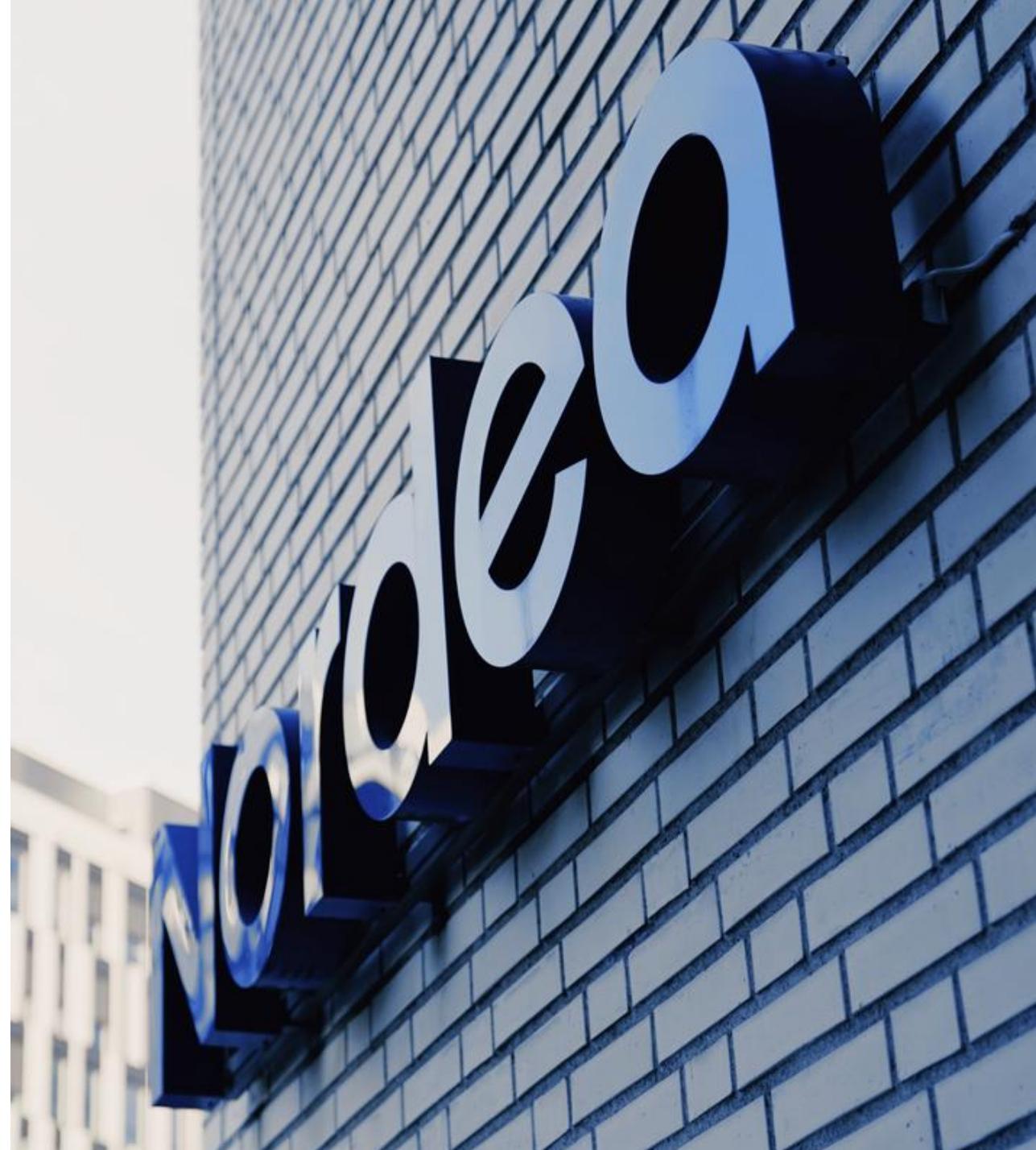
This is a translated version of "Kurssilasku on parantanut tuotto-odotusta" report, published on 3/29/2026



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INDERES CORPORATE CUSTOMER

# COMPANY REPORT



# Share price drop has improved expected return

Although increased uncertainty has once again clouded the economic outlook, we do not currently expect this to significantly harm Nordea, as the anticipated rise in interest rates supports net interest income. Against our forecasts, the stock's expected return is attractive, so we reiterate our Accumulate recommendation. At the same time, we lower our target price to EUR 16.0 per share (was EUR 17.5), mainly due to the dividend payout.

## Market situation has contradictory effects

Uncertainty regarding inflation is again high after a relatively stable period, which has been reflected in a sharp rise in market interest rates. We have therefore raised our net interest income forecasts to reflect this. On the other hand, we estimate that the growth of the credit portfolio will be slightly more moderate this year than our previous estimate, which somewhat dampened this effect. We also slightly revised upwards our loan loss estimates, as rising oil prices and interest rates are expected to negatively impact the operating environment of the bank's customers.

At the same time, we slightly lowered our AUM growth forecast for early 2026, as asset values have mostly been under pressure in recent weeks, and we expect uncertainty to slow new sales in the short term. Overall, our earnings forecasts for the coming years remained fairly unchanged, which reflects our assessment of the stability of the bank's earnings development.

## Earnings growth outlook is still stable

We expect Nordea's results to continue declining at a moderate rate in 2026 before returning to steady growth, driven by rising returns and effective cost control. We anticipate that the interest margin will continue to decline for a few quarters. However, this effect should be offset by credit portfolio growth by the end of the first half of 2026. The rise in market interest rates should

also provide additional support for net interest income. Growth in fee and commission income is primarily driven by asset management, which we expect will continue to grow faster than other banking activities. Additionally, the reversal of existing loan loss provisions will clearly support the results in our forecasts in 2026 as well. Even when adjusted for this, we expect loan losses to remain moderate.

Our earnings and profitability estimates are below the company's new targets (EUR ~2 EPS and significantly over 15% return on equity by 2030), which we consider very ambitious. However, we expect Nordea's profitability to remain above 15% and gradually improve, which we consider an excellent level in the competitive banking sector. We estimate that shareholder distributions will remain generous, as the bank supplements its dividend distributions with regular share buyback programs (total shareholder distribution ~85% of the result).

## Valuation is attractive

Our forecasts of a 15–16% return on equity and a 9.5% required return lead to a P/B ratio of 1.8–1.9x for Nordea. Applied to the bank's current equity capital (adjusted for dividend distribution), this implies a justified share price of EUR 15.1–16.9. In light of the decreased share price, we consider the return potential attractive. In our calculations, the annual return expectation for the coming years is 12–15%, consisting of profit distribution (8–9%) and share price appreciation (4–5%). Furthermore, it is noteworthy that Nordea is already priced at multiples comparable to its peer group, which we do not consider justified given the company's better profitability outlook. Thus, in our opinion, the recent share price decline has punished Nordea unduly.

## Recommendation

**Accumulate**

(was Accumulate)

## Target price:

**EUR 16.00**

(was EUR 17.50)

## Share price:

EUR 14.29

## Business risk



## Valuation risk



	2025	2026e	2027e	2028e
<b>Revenue</b>	11743.0	11923.9	12445.3	12885.8
<b>growth-%</b>	-3%	2%	4%	4%
<b>EBIT adj.</b>	6316.0	6213.1	6465.6	6800.1
<b>EBIT-% adj.</b>	53.8 %	52.1 %	52.0 %	52.8 %
<b>Net income</b>	4814.0	4625.7	4997.9	5236.1
<b>EPS (adj.)</b>	1.39	1.40	1.49	1.59

<b>P/E (adj.)</b>	11.6	10.2	9.6	9.0
<b>P/B</b>	1.7	1.5	1.4	1.3
<b>Dividend yield-%</b>	6.0 %	6.7 %	7.0 %	7.2 %
<b>EV/EBIT (adj.)</b>	8.7	7.8	7.4	6.9
<b>EV/EBITDA</b>	8.7	8.0	7.4	6.9
<b>EV/S</b>	4.7	4.1	3.8	3.6

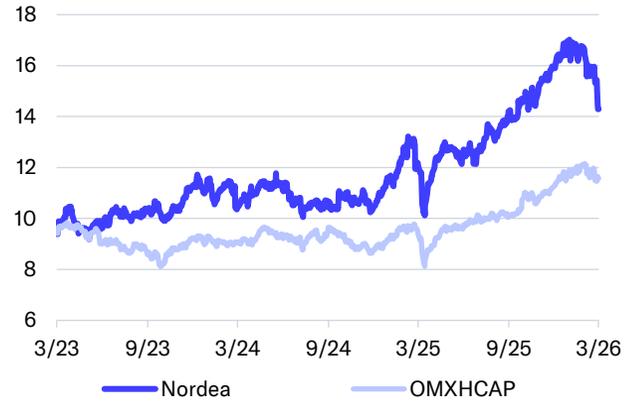
Source: Inderes

## Guidance

(Unchanged)

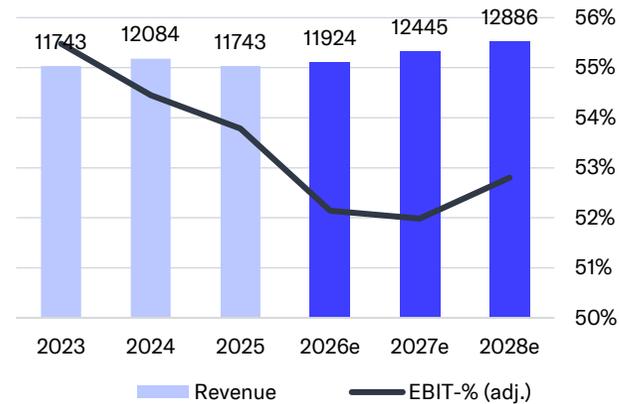
Nordea expects its return on equity to exceed 15% and its cost-to-income ratio, excluding regulatory fees, to be around 45% in 2026.

## Share price



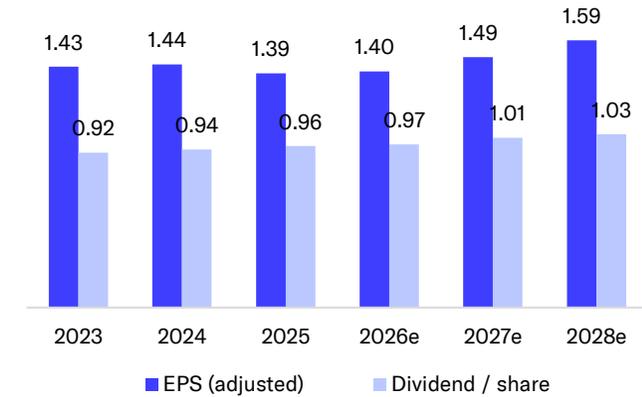
Source: Millstream Market Data AB

## Revenue and EBIT % (adj.)



Source: Inderes

## EPS and dividend



Source: Inderes

## Value drivers

- Rising interest rates and net interest income
- Winning market share
- Growth in asset management
- Maintaining improved cost efficiency
- Efficient use of capital and generous profit distribution

## Risk factors

- Risks related to general economic development in the Nordic region
- Falling interest rates
- Development of housing and real estate markets
- Regulatory risks
- General capital market development

Valuation	2026e	2027e	2028e
<b>Share price</b>	14.3	14.3	14.3
<b>Number of shares, millions</b>	3,403	3,359	3,300
<b>Market cap</b>	48,398	47,668	46,719
<b>P/E (adj.)</b>	10.2	9.6	9.0
<b>P/B</b>	1.5	1.4	1.3
<b>Dividend yield-%</b>	6.8 %	7.1 %	7.2 %

Source: Inderes

# Estimate revisions

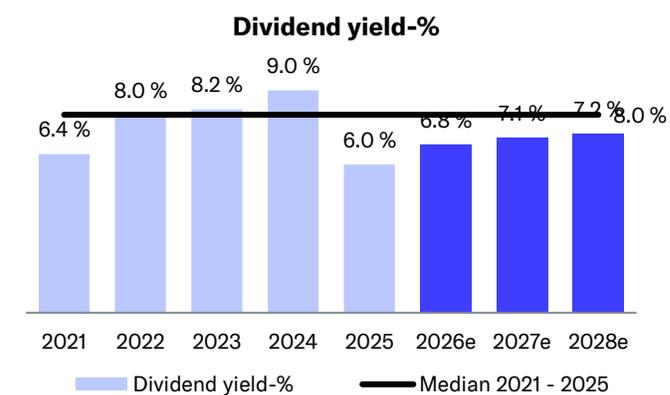
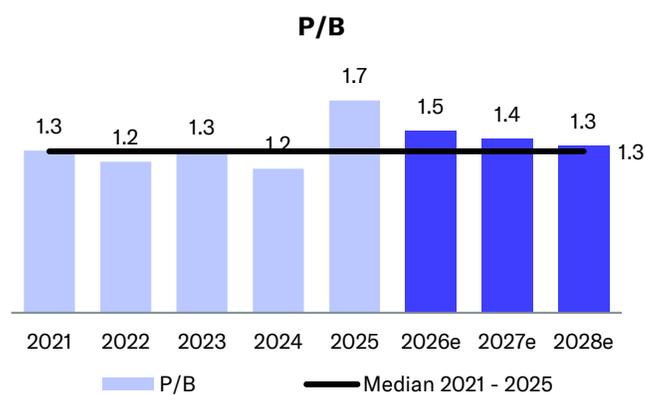
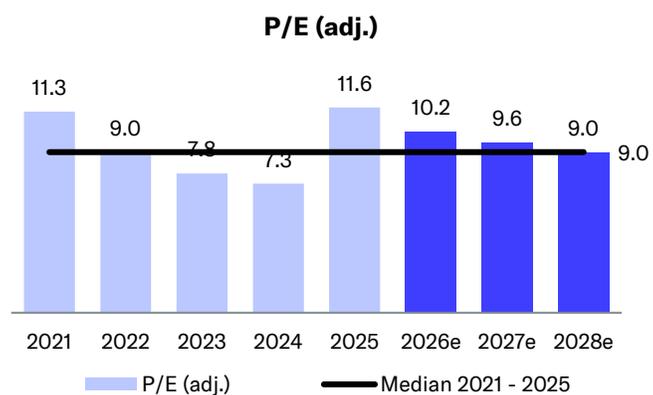
Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028	2028	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Net interest income	7,172	7,192	0%	7,486	7,585	1%	7,763	7,862	1%
Net commission income	3,467	3,416	-1%	3,618	3,528	-2%	3,777	3,675	-3%
Net result from items at fair value	1,020	1,020	0%	1,030	1,030	0%	1,041	1,041	0%
Total operating income	11,951	11,924	0%	12,432	12,445	0%	12,885	12,886	0%
Total operating expenses	-5,643	-5,704	1%	-5,594	-5,579	0%	-5,687	-5,672	0%
Net loan losses	-155	-193	25%	-321	-397	24%	-331	-409	24%
Operating profit	6,153	6,027	-2%	6,518	6,470	-1%	6,868	6,804	-1%
Operating profit excl. non-rec. items	6,293	6,217	-1%	6,518	6,470	-1%	6,868	6,804	-1%
EPS (reported)	1.39	1.36	-2%	1.50	1.49	0%	1.60	1.59	0%
EPS (adj.)	1.42	1.40	-1%	1.50	1.49	0%	1.60	1.59	0%
Dividend per share	0.98	0.97	-1%	1.02	1.01	-1%	1.04	1.03	-1%

Source: Inderes

# Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	10.8	10.0	11.2	10.5	16.1	<b>14.3</b>	<b>14.3</b>	<b>14.3</b>	<b>14.3</b>
Number of shares, millions	4,025	3,721	3,579	3,505	3,458	<b>3,403</b>	<b>3,359</b>	<b>3,300</b>	<b>3,235</b>
Market cap	42,793	36,650	39,619	36,782	55,253	<b>48,364</b>	<b>47,634</b>	<b>46,685</b>	<b>45,763</b>
P/E (adj.)	11.3	9.0	7.8	7.3	11.6	<b>10.2</b>	<b>9.6</b>	<b>9.0</b>	<b>8.4</b>
P/B	1.3	1.2	1.3	1.2	1.7	<b>1.5</b>	<b>1.4</b>	<b>1.3</b>	<b>1.3</b>
Dividend yield-%	6.4 %	8.0 %	8.2 %	9.0 %	6.0 %	<b>6.8 %</b>	<b>7.1 %</b>	<b>7.2 %</b>	<b>7.4 %</b>

Source: Inderes



# Peer group valuation

Peer group valuation Company	Market cap MEUR	P/E		Dividend yield-%		P/B
		2026e	2027e	2026e	2027e	2026e
Danske Bank	35545	10.9	10.3	7.1	7.1	1.4
DNB	38351	10.9	10.6	6.3	6.4	1.5
Handelsbanken	21729	10.6	10.1	8.1	8.1	1.2
SEB	32063	10.6	9.8	5.5	5.8	1.4
Swedbank	31704	11.4	10.7	7.8	7.7	1.5
<b>Nordea (Inderes)</b>	<b>48364</b>	<b>10.2</b>	<b>9.6</b>	<b>6.8</b>	<b>7.1</b>	<b>1.5</b>
<b>Average</b>		<b>10.9</b>	<b>10.3</b>	<b>6.9</b>	<b>7.0</b>	<b>1.4</b>
<b>Median</b>		<b>10.9</b>	<b>10.3</b>	<b>7.1</b>	<b>7.1</b>	<b>1.4</b>
<b>Diff-% to median</b>		<b>-6%</b>	<b>-7%</b>	<b>-4%</b>	<b>-1%</b>	<b>3%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement (MEUR)	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Net interest income	7,594	1,829	1,798	1,775	1,765	7,167	1,753	1,773	1,813	1,853	7,192	7,585	7,862	8,113
Net fee and commission income	3,157	793	792	811	853	3,249	837	849	851	879	3,416	3,528	3,675	3,835
Net insurance result	253	54	58	66	64	242	62	62	62	62	248	254	261	267
Net result from items at fair value	1,023	289	254	245	257	1,045	255	255	255	255	1,020	1,030	1,041	1,051
Other income	57	9	9	13	9	40	12	12	12	12	48	48	48	48
<b>Total operating income</b>	<b>12,084</b>	<b>2,974</b>	<b>2,911</b>	<b>2,910</b>	<b>2,948</b>	<b>11,743</b>	<b>2,919</b>	<b>2,951</b>	<b>2,992</b>	<b>3,061</b>	<b>11,924</b>	<b>12,445</b>	<b>12,886</b>	<b>13,314</b>
Non-recurring items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total operating income excl. non-rec. items</b>	<b>12,084</b>	<b>2,974</b>	<b>2,911</b>	<b>2,910</b>	<b>2,948</b>	<b>11,743</b>	<b>2,919</b>	<b>2,951</b>	<b>2,992</b>	<b>3,061</b>	<b>11,924</b>	<b>12,445</b>	<b>12,886</b>	<b>13,314</b>
Staff costs	-3,106	-792	-809	-806	-827	-3,234	-779	-808	-813	-842	-3,242	-3,236	-3,268	-3,317
Other expenses	-1,647	-413	-373	-372	-399	-1,557	-617	-397	-380	-414	-1,809	-1,668	-1,710	-1,753
Depreciation tangible and intangible assets	-577	-149	-151	-154	-160	-614	-162	-163	-164	-164	-653	-675	-695	-711
<b>Total operating expenses</b>	<b>-5,330</b>	<b>-1,354</b>	<b>-1,333</b>	<b>-1,332</b>	<b>-1,386</b>	<b>-5,405</b>	<b>-1,559</b>	<b>-1,368</b>	<b>-1,358</b>	<b>-1,420</b>	<b>-5,704</b>	<b>-5,579</b>	<b>-5,672</b>	<b>-5,781</b>
Non-recurring expenses	-32	0	0	0	0	0	-190	0	0	0	-190	0	0	0
<b>Total operating expenses excl. non-rec. expenses</b>	<b>-5,299</b>	<b>-1,354</b>	<b>-1,333</b>	<b>-1,332</b>	<b>-1,386</b>	<b>-5,405</b>	<b>-1,369</b>	<b>-1,368</b>	<b>-1,358</b>	<b>-1,420</b>	<b>-5,514</b>	<b>-5,579</b>	<b>-5,672</b>	<b>-5,781</b>
<b>Profit before loan losses</b>	<b>6,754</b>	<b>1,620</b>	<b>1,578</b>	<b>1,578</b>	<b>1,562</b>	<b>6,338</b>	<b>1,360</b>	<b>1,584</b>	<b>1,635</b>	<b>1,642</b>	<b>6,220</b>	<b>6,867</b>	<b>7,213</b>	<b>7,533</b>
Net loan losses	-206	-13	21	19	-49	-22	-48	-48	-48	-49	-193	-397	-409	-422
<b>Operating profit</b>	<b>6,548</b>	<b>1,607</b>	<b>1,599</b>	<b>1,597</b>	<b>1,513</b>	<b>6,316</b>	<b>1,312</b>	<b>1,535</b>	<b>1,586</b>	<b>1,593</b>	<b>6,027</b>	<b>6,470</b>	<b>6,804</b>	<b>7,111</b>
Total non-recurring items	-32	0	0	0	0	0	-190	0	0	0	-190	0	0	0
<b>Operating profit excl. non-rec. items</b>	<b>6,580</b>	<b>1,607</b>	<b>1,599</b>	<b>1,597</b>	<b>1,513</b>	<b>6,316</b>	<b>1,502</b>	<b>1,535</b>	<b>1,586</b>	<b>1,593</b>	<b>6,217</b>	<b>6,470</b>	<b>6,804</b>	<b>7,111</b>
Taxes	-1,489	-373	-378	-369	-356	-1,476	-304	-356	-368	-370	-1,398	-1,469	-1,545	-1,614
<b>Net profit for the period</b>	<b>5,059</b>	<b>1,234</b>	<b>1,221</b>	<b>1,228</b>	<b>1,157</b>	<b>4,840</b>	<b>1,008</b>	<b>1,179</b>	<b>1,218</b>	<b>1,223</b>	<b>4,629</b>	<b>5,001</b>	<b>5,260</b>	<b>5,497</b>
<b>Net profit excl. non-rec. Items</b>	<b>5,083</b>	<b>1,234</b>	<b>1,221</b>	<b>1,228</b>	<b>1,157</b>	<b>4,840</b>	<b>1,154</b>	<b>1,179</b>	<b>1,218</b>	<b>1,223</b>	<b>4,775</b>	<b>5,001</b>	<b>5,260</b>	<b>5,497</b>
<b>EPS (reported)</b>	<b>1.44</b>	<b>0.35</b>	<b>0.35</b>	<b>0.36</b>	<b>0.34</b>	<b>1.40</b>	<b>0.29</b>	<b>0.35</b>	<b>0.36</b>	<b>0.36</b>	<b>1.36</b>	<b>1.49</b>	<b>1.59</b>	<b>1.70</b>
<b>EPS (adj.)</b>	<b>1.45</b>	<b>0.35</b>	<b>0.35</b>	<b>0.36</b>	<b>0.34</b>	<b>1.40</b>	<b>0.34</b>	<b>0.35</b>	<b>0.36</b>	<b>0.36</b>	<b>1.40</b>	<b>1.49</b>	<b>1.59</b>	<b>1.70</b>
<b>Dividend per share</b>	<b>0.94</b>					<b>0.96</b>					<b>0.97</b>	<b>1.01</b>	<b>1.03</b>	<b>1.06</b>

# Balance sheet

Balance sheet (EURbn)	2023	2024	2025	2026e	2027e	2028e	2029e
Cash and loans to central banks	53	51	45	46	48	49	51
Loans to credit institutions	2	3	4	4	4	4	5
Loans to the public	345	358	382	391	403	416	429
Intangibles	4	4	4	4	4	4	4
Other assets	181	208	219	225	231	239	246
<b>Total assets</b>	<b>585</b>	<b>623</b>	<b>654</b>	<b>670</b>	<b>690</b>	<b>712</b>	<b>735</b>
Equity	31	32	32	33	34	35	36
Deposits by credit institutions	30	29	34	40	41	42	43
Deposits and borrowings from the public	210	232	243	244	252	260	268
Debt securities in issue	183	188	196	201	207	214	221
Subordinated liabilities	6	7	9	9	9	10	10
Other liabilities	126	134	140	143	148	152	157
<b>Total equity and liabilities</b>	<b>585</b>	<b>623</b>	<b>654</b>	<b>670</b>	<b>690</b>	<b>712</b>	<b>735</b>

# Summary tables 1/2

Income statement (MEUR)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Net interest income	4,318	4,515	4,925	5,664	7,451	7,594	7,167	7,192	7,585	7,862	8,113
Net fee and commission income	3,011	2,959	3,495	3,186	3,021	3,157	3,249	3,416	3,528	3,675	3,835
Net result from items at fair value	1,012	900	1,119	623	1,014	1,023	1,045	1,020	1,030	1,041	1,051
Other income	282	92	81	248	257	310	282	296	302	309	315
<b>Total operating income</b>	<b>8,623</b>	<b>8,466</b>	<b>9,620</b>	<b>9,721</b>	<b>11,743</b>	<b>12,084</b>	<b>11,743</b>	<b>11,924</b>	<b>12,445</b>	<b>12,886</b>	<b>13,314</b>
<b>Total operating expenses</b>	<b>-5,986</b>	<b>-4,643</b>	<b>-4,649</b>	<b>-4,834</b>	<b>-5,061</b>	<b>-5,299</b>	<b>-5,405</b>	<b>-5,514</b>	<b>-5,579</b>	<b>-5,672</b>	<b>-5,781</b>
<b>Profit before loan losses</b>	<b>2,637</b>	<b>3,823</b>	<b>4,971</b>	<b>4,887</b>	<b>6,505</b>	<b>6,754</b>	<b>6,338</b>	<b>6,220</b>	<b>6,867</b>	<b>7,213</b>	<b>7,533</b>
Net loan losses	-524	-860	-35	-125	-167	-206	-22	-193	-397	-409	-422
<b>Operating profit</b>	<b>2,113</b>	<b>2,963</b>	<b>4,936</b>	<b>4,762</b>	<b>6,338</b>	<b>6,548</b>	<b>6,316</b>	<b>6,027</b>	<b>6,470</b>	<b>6,804</b>	<b>7,111</b>
Taxes	-571	-698	-1,105	-1,175	-1,404	-1,489	-1,476	-1,398	-1,469	-1,545	-1,614
<b>Net profit from continuing operations</b>	<b>1,542</b>	<b>2,265</b>	<b>3,831</b>	<b>3,587</b>	<b>4,934</b>	<b>5,059</b>	<b>4,840</b>	<b>4,629</b>	<b>5,001</b>	<b>5,260</b>	<b>5,497</b>
Profit from discontinued operations	0	0	0	0	0	0	0	0	0	0	0
<b>Net profit for the period</b>	<b>1,542</b>	<b>2,265</b>	<b>3,831</b>	<b>3,587</b>	<b>4,934</b>	<b>5,059</b>	<b>4,840</b>	<b>4,629</b>	<b>5,001</b>	<b>5,260</b>	<b>5,497</b>
<b>Balance sheet (BNEUR)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026e</b>	<b>2027e</b>	<b>2028e</b>	<b>2029e</b>
Loans to the public	323	330	345	346	345	358	382	391	403	416	429
Other assets	232	222	225	249	240	266	272	279	288	297	306
<b>Total assets</b>	<b>555</b>	<b>552</b>	<b>570</b>	<b>595</b>	<b>585</b>	<b>623</b>	<b>654</b>	<b>670</b>	<b>690</b>	<b>712</b>	<b>735</b>
Deposits	169	183	206	217	210	232	243	244	252	260	268
Other liabilities	355	335	331	346	343	358	379	393	405	418	431
Total equity	32	34	34	31	31	32	32	33	34	35	36
<b>Total equity and liabilities</b>	<b>555</b>	<b>552</b>	<b>570</b>	<b>595</b>	<b>585</b>	<b>623</b>	<b>654</b>	<b>670</b>	<b>690</b>	<b>712</b>	<b>735</b>
<b>Solvency</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026e</b>	<b>2027e</b>	<b>2028e</b>	<b>2029e</b>
Risk-weighted assets (BNEUR)	150	155	152	145	139	156	160	165	172	177	183
CET1 solvency	16.3 %	17.1 %	17.0 %	16.4 %	17.0 %	15.8 %	15.7 %	15.5 %	15.4 %	15.4 %	15.5 %
Tier 1 solvency	18.3 %	18.7 %	19.1 %	18.7 %	19.4 %	18.4 %	18.4 %	17.6 %	17.4 %	17.4 %	17.4 %
Total capital ratio	20.8 %	20.5 %	21.2 %	20.8 %	22.2 %	21.1 %	21.2 %	20.4 %	20.1 %	19.9 %	19.9 %

# Summary tables 2/2

Other key ratios	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Income growth-%	-6%	-2%	14%	1%	21%	3%	-3%	2%	4%	4%	3%
Interest income/loan portfolio	1.37%	1.38%	1.46%	1.64%	2.16%	2.16%	1.94%	1.86%	1.91%	1.92%	1.92%
Loan portfolio growth-%	4.8 %	2.1 %	4.6 %	0.2 %	-0.3 %	3.7 %	6.8 %	2.4 %	3.0 %	3.2 %	3.2 %
Deposit growth -%	2.3 %	8.7 %	12.2 %	5.7 %	-3.4 %	10.7 %	4.5 %	0.7 %	3.0 %	3.2 %	3.2 %
Cost/income ratio excl. non-recurring items	57%	55%	48%	47%	43%	43%	45%	45%	44%	43%	42%
Loan losses/loan portfolio, average	0.17%	0.26%	0.01%	0.04%	0.05%	0.06%	0.01%	0.05%	0.10%	0.10%	0.10%
Return on equity (ROE)	5.0 %	7.1 %	11.2 %	11.8 %	16.9 %	16.7 %	15.5 %	14.7 %	14.9 %	15.3 %	15.5 %
Number of employees	29,000	28,051	26,894	28,268	29,153	30,157	28,989	28,642	28,213	28,072	28,072
Dividends paid in the review period (MEUR)	2,788	0	3,192	2,655	2,876	3,218	3,268	3,320	3,286	3,351	3,366
	0	0	1,136	2,841	1,263	366	896	710	750	1,000	1,000

Share details	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	7.24	6.67	10.79	10.03	10.57	10.50	14.29	14.29	14.29	14.29	14.29
Number of shares at the end of the period	4,050	4,050	3,966	3,654	3,528	3,503	3,434	3,384	3,333	3,267	3,202
Reported EPS	0.38	0.55	0.95	0.96	1.38	1.44	1.40	1.36	1.49	1.59	1.70
EPS excl. non-recurring items	0.61	0.55	0.95	1.11	1.42	1.45	1.40	1.40	1.49	1.59	1.70
Dividend per share	0.40	0.39	0.69	0.80	0.92	0.94	0.96	0.97	1.01	1.03	1.06
Buybacks per share	0.00	0.00	0.29	0.78	0.36	0.10	0.26	0.21	0.22	0.31	0.31
Equity per share	7.80	8.35	8.51	8.62	8.85	9.26	9.44	9.76	10.19	10.68	11.25
Dividend payout ratio	105%	71%	73%	83%	67%	65%	69%	71%	68%	65%	62%
Total profit distribution ratio	66%	71%	103%	142%	90%	72%	87%	87%	83%	84%	81%

Valuation	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Market value	29,322	27,014	42,793	36,650	37,291	36,782	49,072	48,364	47,634	46,685	45,763
P/E (adjusted)	11.9	12.1	11.4	9.0	7.4	7.2	10.1	10.4	9.5	8.9	8.3
P/B	0.9	0.8	1.3	1.2	1.2	1.1	1.5	1.5	1.4	1.3	1.3
Dividend yield	5.5 %	5.8 %	6.4 %	8.0 %	8.7 %	9.0 %	6.7 %	6.8 %	7.1 %	7.2 %	7.4 %
Buyback yield	0.0 %	0.0 %	2.7 %	7.8 %	3.4 %	1.0 %	1.8 %	1.5 %	1.6 %	2.1 %	2.2 %
Total profit distribution yield	5.5 %	5.8 %	9.0 %	15.7 %	12.1 %	9.9 %	8.5 %	8.3 %	8.6 %	9.3 %	9.6 %

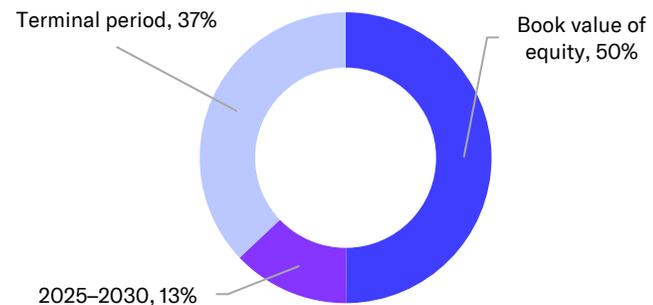
# Economic Value Added model (EVA)

EVA calculation	2025	2026e	2027e	2028e	2029e	2030e	TERM
<b>Net profit</b>	<b>4,814</b>	<b>4,629</b>	<b>5,001</b>	<b>5,260</b>	<b>5,497</b>	<b>5,724</b>	
Equity	32,419	33,018	33,982	34,891	36,022	37,588	
Return on equity % (ROE)		14.1%	14.9%	15.3%	15.5%	15.6%	
<b>Economic value added (EVA)</b>		<b>1,539</b>	<b>1,854</b>	<b>2,021</b>	<b>2,172</b>	<b>2,291</b>	<b>33,404</b>
Common Equity Tier 1 capital		25,621	26,419	27,272	28,325	29,764	
Risk-weighted items		165,065	171,517	177,006	182,670	187,236	
<b>Capital adequacy (CET1 %)</b>		<b>15.5%</b>	<b>15.4%</b>	<b>15.4%</b>	<b>15.5%</b>	<b>15.9%</b>	
Discounted EVA		<b>1,436</b>	<b>1,579</b>	<b>1,572</b>	<b>1,542</b>	<b>1,485</b>	<b>21,651</b>
Discounted cum. EVA		29,265	27,829	26,249	24,678	23,136	21,651
+ Book value of equity		32,419					
- Dividend/returned capital		-3268					
+/- Other items		0					
<b>Equity value EVA</b>		<b>58416</b>					
Number of shares outstanding (million)		<b>3434</b>					
<b>Equity value EVA per share</b>		<b>17.0</b>					

## Cost of capital

Risk-free interest	2.5%
Beta	1.5x
Market risk premium	4.75%
Liquidity premium	0.0%
<b>Cost of equity</b>	<b>9.5%</b>

## Value distribution



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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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## Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
6/9/2023	Buy	12.50 €	9.73 €
7/18/2023	Buy	12.50 €	10.33 €
10/20/2023	Buy	12.50 €	10.42 €
2/7/2024	Buy	12.50 €	10.81 €
4/19/2024	Buy	12.50 €	10.74 €
7/16/2024	Buy	12.50 €	10.57 €
10/18/2024	Buy	12.50 €	11.05 €
11/20/2024	Buy	12.50 €	10.73 €
1/31/2025	Accumulate	12.50 €	11.69 €
4/17/2025	Accumulate	12.00 €	11.36 €
7/18/2025	Accumulate	12.50 €	12.05 €
10/2/2025	Accumulate	15.00 €	13.96 €
10/17/2025	Accumulate	15.00 €	14.63 €
1/23/2026	Reduce	17.50 €	16.95 €
1/30/2026	Accumulate	17.50 €	16.21 €
3/30/2026	Accumulate	16.00 €	14.30 €



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