

# NORDEA

10/2/2025 11:25 am EEST

This is a translated version of "Laskevasta tuloksesta  
huolimatta näkymä on hyvä" report, published on 10/2/2025



Kasper Mella  
+358 45 6717 150  
kasper.mella@inderes.fi

INDERES CORPORATE CUSTOMER

# COMPANY REPORT



# Good outlook despite decreasing earnings

We expect Nordea's Q3 profitability to have remained strong despite a contraction in net interest income. Prior to the earnings report, we raised our target price to EUR 15.0 per share (was EUR 12.5), due to our greater confidence in the long-term viability of high profitability, as well as the reduced required return. Given this, the expected return remains sufficient, even though the bar for earnings growth has been raised due to the sharp increase in the share price. Thus, we reiterate our Accumulate recommendation.

## Market data caused a slight reduction in projections for the rest of the year

Our return forecasts for the current year and Q3 decreased slightly due to capital market developments and additional reductions in central bank interest rates. The estimate changes for the other rows were very limited, so our EBIT estimate for the current year decreased by only about one percent. Conversely, our longer-term forecasts rose slightly, supported by lower credit loss forecasts.

## Earnings are down, but profitability remains strong

Nordea will publish its Q3 results on Thursday, October 16. We expect credit demand to have continued its slight recovery, as indicated by loan data from key markets. We also expect moderate growth in asset management's AUM, which will support the development of net commission income. Typically, sales are quieter in Q3, so this is more strongly driven by positive changes in value. Overall, however, Nordea's income will decline both from the comparison period and the previous quarter owing to the decline in net interest income in line with interest rates. According to the bank's estimates, cost increases should remain moderate.

We expect credit losses to clearly support the Q3 result as we estimate they will remain at zero due solely to the release of discretionary buffers. Even after this adjustment, credit losses

should remain moderate, similar to the beginning of the year (0.07% of the loan book vs. Nordea's estimated normal level of 0.10%).

We forecast earnings per share of EUR 0.33, which would still represent a return on equity of 15%, as targeted. Accordingly, the company is likely to reiterate its guidance of a return on equity of over 15%. We also expect Nordea to announce a new share buyback program.

## Profitability outlook justifies high valuation

With a slightly brighter economic outlook and stabilizing interest rate forecasts, we believe it is now more reasonable to rely on profitability assumptions that clearly exceed historical levels. Additionally, we do not see any signs of significant competition intensification. Consequently, our estimate of Nordea's fair value has increased as well. Previously, we applied a cautious long-term expected return on equity of 12–14% in our valuation, but we have raised it by one notch to 14–15%, in line with our estimates. In addition, we have lowered the discount rate we apply (10.0% -> 9.5%), as increased valuation multiples in the Nordic banking sector indicate falling required returns across the industry.

These assumptions justify a share price range of EUR 14.0–16.3 for Nordea (accepted P/B 1.5–1.8x). In this context, the current valuation is still not too demanding, although it is worth noting that the rise in the share price has raised the bar for earnings growth, increasing valuation risk. Consequently, the valuation can no longer be justified purely on the basis of profit distribution (~9%), but earnings growth must also gradually support the expected return. However, the outlook for economic development in key operating countries is decent, despite the continued uncertainty surrounding the economic recovery. In addition to volume development, a key forecast risk relates to interest rate developments, which are difficult to predict, as a decline in interest rates would weaken the bank's net interest income.

## Recommendation

**Accumulate**

(was Accumulate)

## Target price:

**EUR 15.00**

(was EUR 12.50)

## Share price:

EUR 13.96

## Business risk



## Valuation risk



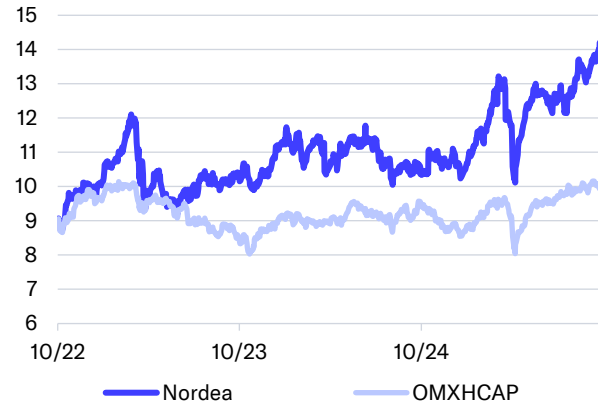
	2024	2025e	2026e	2027e
Total operating income	12,084	11,644	11,829	12,137
growth-%	3%	-4%	2%	3%
Total operating expenses	5,330	5,454	5,577	5,708
Cost/income ratio	44%	47%	47%	47%
Adjusted operating profit	6,580	6,198	6,064	6,083
Net profit	5,059	4,753	4,657	4,684
EPS (adj.)	1.45	1.37	1.37	1.42
Dividend per share	0.94	0.95	0.97	0.99
Payout ratio	65%	69%	71%	70%
ROE-%	17%	-	-	-
P/E (adj.)	7.3	10.2	10.2	9.9
P/B	1.3	1.6	1.5	1.4
Dividend yield	9.0 %	6.8 %	6.9 %	7.1 %

## Guidance

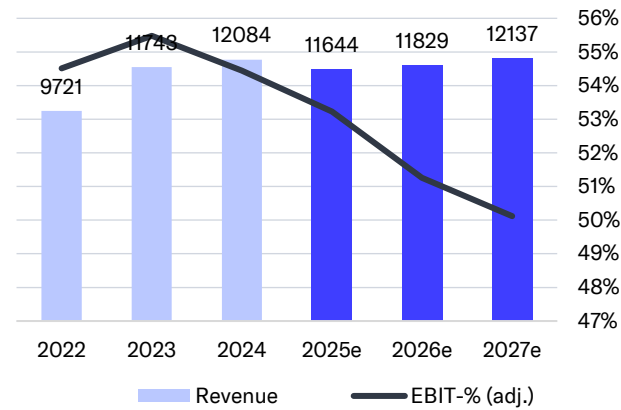
(Unchanged)

Nordea expects its return on equity to exceed 15 % in 2025.

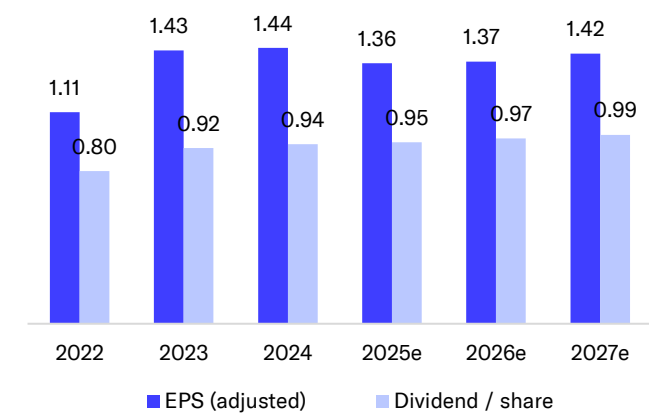
### Share price



### Revenue and EBIT-% (adj.)



### EPS and dividend



### 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	2025e	2026e	2027e
Share price	14.0	14.0	14.0
Number of shares, millions	3,465	3,392	3,309
Market cap	47,978	46,734	45,647
P/E (adj.)	10.2	10.2	9.9
P/B	1.6	1.5	1.4
Dividend yield-%	6.8 %	6.9 %	7.1 %

Source: Inderes

# Q3 earnings expectations

Estimates	Q3'24	Q3'25	Q3'25e	Q3'25e	Consensus	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Net interest income	1,882		1,760	1,765	1,740	– 1,784	7,125
Net commission income	774		800	796	762	– 842	3,232
Insurance income	60		60	62	55	– 67	1,018
Net result from items at fair value	284		220	252	220	– 267	1,018
Total operating income	3,014		2,848	2,894	2,847	– 2,931	11,644
Total operating expenses	-1,329		-1,343	-1,348	-1,329	– -1,366	-5,454
Net loan losses	-51		0	35	0	– 63	8
Operating profit	1,634		1,506	1,508	1,454	– 1,571	6,198
EPS	0.36		0.33	0.33	0.28	– 0.35	1.37

Source: Inderes & Bloomberg (consensus)

# Estimate revisions

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Net interest income	7,174	7,125	-1%	7,136	7,104	0%	7,286	7,275	0%
Net commission income	3,231	3,232	0%	3,395	3,418	1%	3,531	3,541	0%
Net result from items at fair value	1,053	1,018	-3%	1,063	1,028	-3%	1,074	1,038	-3%
Total operating income	11,732	11,644	-1%	11,870	11,829	0%	12,169	12,137	0%
Total operating expenses	-5,454	-5,454	0%	-5,598	-5,577	0%	-5,749	-5,708	-1%
Net loan losses	8	8	0%	-187	-188	0%	-382	-346	-9%
Operating profit	6,286	6,198	-1%	6,085	6,064	0%	6,038	6,083	1%
Operating profit excl. non-rec. items	6,286	6,198	-1%	6,085	6,064	0%	6,038	6,083	1%
EPS (reported)	1.39	1.37	-2%	1.38	1.37	-1%	1.40	1.42	1%
EPS (adj.)	1.39	1.37	-2%	1.38	1.37	-1%	1.40	1.42	1%
Dividend per share	0.95	0.95	0%	0.97	0.97	0%	0.99	0.99	0%

Source: Inderes

# Profitability outlook justifies high valuation

In our view, Nordea is well positioned to maintain reasonably stable earnings growth in the coming years. In light of this, we do not consider the valuation to be overly demanding, and the expected return—consisting of a combination of high profit distribution (9%) and moderate earnings growth—is high enough to justify a positive recommendation.

At the same time, the rise in the share price has raised the bar for earnings development and increased valuation risk, meaning that profit distribution yield alone is no longer sufficient to meet the required return. Nevertheless, we consider the long-term earnings growth outlook to be quite reasonable despite the continued uncertainty surrounding the economic recovery.

## Clear support from peer valuation is no longer evident

Nordea is valued above its peer group of Nordic banks on a price-to-book (P/B) basis. We believe this can be considered justified, given the company's stronger profitability outlook compared to its peers.

However, from the perspective of a regression model that accounts for company-specific profitability differences (the relationship between return on equity and P/B ratio), the valuation gap has, however, closed, as a P/B ratio of 1.6x could be justified for Nordea in light of this market-based model (chart on the right). This roughly corresponds to the current valuation. It is noteworthy that the valuation multiples for the entire peer group have risen since our previous update, which we believe indicates lower required returns in the banking sector. For this reason, we have also revised our required ROE for Nordea slightly downward (10.0% -> 9.5%).

## Good profitability outlook justifies high multiples

Nordea's acceptable fundamentals-based P/B valuation can be examined by making assumptions about a sustainable long-term return on equity (ROE), the cost of equity requirement (CoE) and a sustainable growth factor (g).

If we assume that Nordea will sustainably reach a long-term ROE level of about 14–15% (increased) and apply a CoE requirement of 9.25–9.75% and a growth factor of 2.0% (relative to the normalized earnings level), the acceptable P/B ratio would be around 1.5–1.8x. With the current balance sheet equity, the value would be EUR 14.0-16.3 with these multiples (midpoint EUR 15.1). Therefore, the share cannot yet be considered fully priced, as our confidence in the sustainability of the company's profitability level is stronger than before.

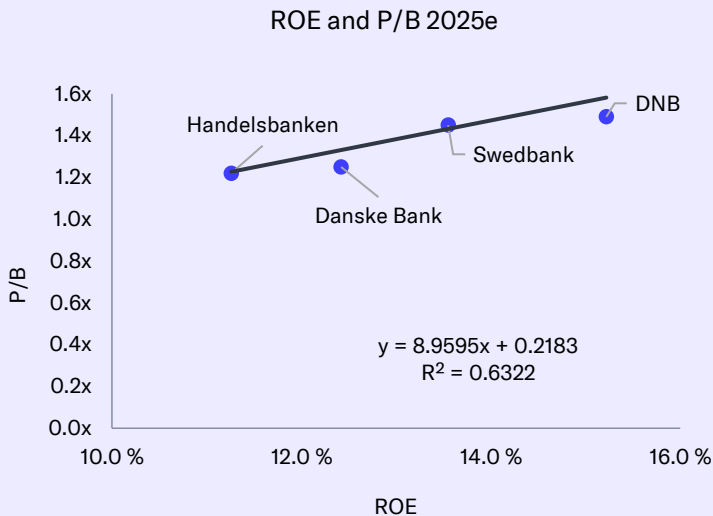
In addition, with our estimates, Nordea's dividend yield will be approximately 7% in the next few years and the total distributed profits that consider share buybacks will be around 9%. Distributed profits in itself have no impact on the company's value, but we believe that the strong profit distribution in the coming years is a supportive element for the expected return and the share price, which lowers the valuation risk.

## EVA model (Economic Value Added)

We have also looked at Nordea's valuation using an Economic Value Added (EVA) model, which gives Nordea a value of slightly over EUR 15 per share (was EUR 14.0). We have applied 2.0% as the growth assumption for the terminal period. The EVA model with its assumptions can be found in the report's appendices.

Valuation	2025e	2026e	2027e
Share price	14.0	14.0	14.0
Number of shares, millions	3,465	3,392	3,309
Market cap	47,978	46,734	45,647
P/E (adj.)	10.2	10.2	9.9
P/B	1.6	1.5	1.4
Dividend yield-%	6.8 %	6.9 %	7.1 %

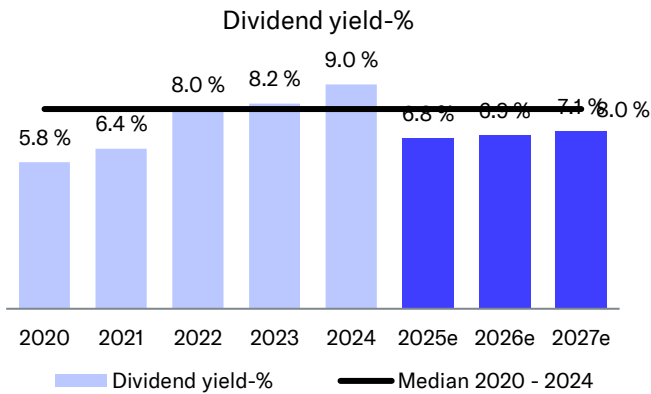
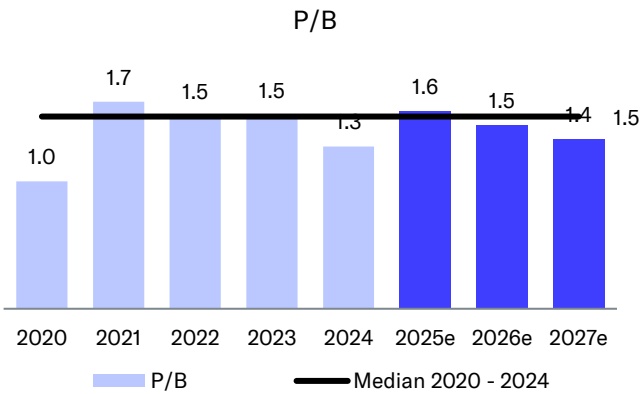
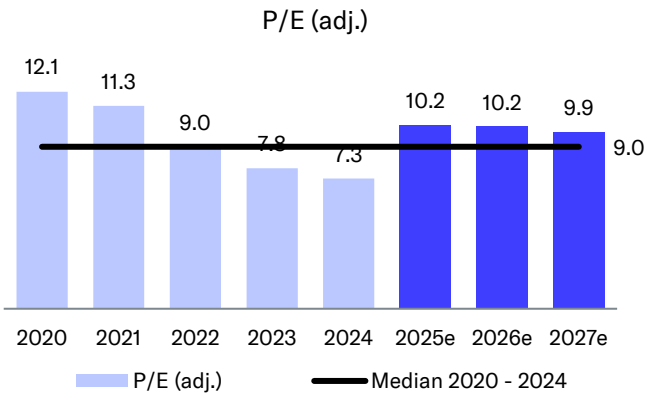
Source: Inderes



# Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	6.67	10.8	10.0	11.2	10.5	14.0	14.0	14.0	14.0
Number of shares, millions	4,118	4,025	3,721	3,579	3,505	3,465	3,392	3,309	3,192
Market cap	27,014	42,793	36,650	39,619	36,782	47,978	46,734	45,647	44,559
P/E (adj.)	12.1	11.3	9.0	7.8	7.3	10.2	10.2	9.9	9.2
P/B	1.0	1.7	1.5	1.5	1.3	1.6	1.5	1.4	1.2
Dividend yield-%	5.8 %	6.4 %	8.0 %	8.2 %	9.0 %	6.8 %	6.9 %	7.1 %	7.2 %

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

# Peer group valuation

Peer group valuation	Market cap	P/E		Dividend yield-%		P/B
Company	MEUR	2025e	2026e	2025e	2026e	2025e
Danske Bank	30303	10.0	9.8	7.3	7.7	1.3
DNB	34218	9.8	10.3	6.4	6.5	1.5
Handelsbanken	22210	10.6	11.0	9.3	8.2	1.2
SEB	33992	11.6	11.0	5.0	5.2	1.6
Swedbank	29009	10.7	11.0	6.8	7.6	1.5
Nordea (Inderes)	47978	10.2	10.2	6.8	6.9	1.6
Average		10.5	10.6	6.9	7.0	1.4
Median		10.6	11.0	6.8	7.6	1.5
Diff-% to median		-3%	-7%	1%	-9%	9%

Source: Refinitiv / Inderes

# Income statement

Income statement (MEUR)	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Net interest income	7,451	1,954	1,904	1,882	1,854	7,594	1,829	1,798	1,760	1,739	7,125	7,104	7,275	7,456
Net fee and commission income	3,021	763	795	774	825	3,157	793	792	800	847	3,232	3,418	3,541	3,673
Net insurance result	217	61	63	60	69	253	54	58	60	60	232	237	241	246
Net result from items at fair value	1,014	291	247	284	201	1,023	289	254	220	255	1,018	1,028	1,038	1,048
Other income	40	16	21	14	6	57	9	9	9	10	37	42	42	42
Total operating income	11,743	3,085	3,030	3,014	2,955	12,084	2,974	2,911	2,848	2,911	11,644	11,829	12,137	12,466
Non-recurring items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total operating income excl. non-rec. items	11,743	3,085	3,030	3,014	2,955	12,084	2,974	2,911	2,848	2,911	11,644	11,829	12,137	12,466
Staff costs	-2,908	-749	-761	-779	-817	-3,106	-792	-809	-814	-848	-3,263	-3,344	-3,428	-3,514
Other expenses	-1,522	-401	-379	-398	-469	-1,647	-413	-373	-376	-421	-1,583	-1,615	-1,647	-1,680
Depreciation tangible and intangible assets	-808	-139	-138	-152	-148	-577	-149	-151	-153	-155	-608	-619	-633	-647
Total operating expenses	-5,238	-1,289	-1,278	-1,329	-1,434	-5,330	-1,354	-1,333	-1,343	-1,425	-5,454	-5,577	-5,708	-5,841
Non-recurring expenses	-177	0	0	-32	0	-32	0	0	0	0	0	0	0	0
Total operating expenses excl. non-rec. expenses	-5,061	-1,289	-1,278	-1,298	-1,434	-5,299	-1,354	-1,333	-1,343	-1,425	-5,454	-5,577	-5,708	-5,841
Profit before loan losses	6,505	1,796	1,752	1,685	1,521	6,754	1,620	1,578	1,506	1,486	6,190	6,251	6,429	6,625
Net loan losses	-167	-33	-68	-51	-54	-206	-13	21	0	0	8	-188	-346	-354
Operating profit	6,338	1,763	1,684	1,634	1,467	6,548	1,607	1,599	1,506	1,486	6,198	6,064	6,083	6,270
Total non-recurring items	-177	0	0	-32	0	-32	0	0	0	0	0	0	0	0
Operating profit excl. non-rec. items	6,515	1,763	1,684	1,666	1,467	6,580	1,607	1,599	1,506	1,486	6,198	6,064	6,083	6,270
Taxes	-1,404	-402	-381	-368	-338	-1,489	-373	-378	-350	-345	-1,445	-1,407	-1,399	-1,442
Net profit for the period	4,934	1,361	1,303	1,266	1,129	5,059	1,234	1,221	1,156	1,141	4,753	4,657	4,684	4,828
Net profit excl. non-rec. Items	5,072	1,361	1,303	1,290	1,129	5,083	1,234	1,221	1,156	1,141	4,753	4,657	4,684	4,828
EPS (reported)	1.38	0.39	0.37	0.36	0.32	1.44	0.35	0.35	0.33	0.33	1.37	1.37	1.42	1.49
EPS (adj.)	1.42	0.39	0.37	0.37	0.32	1.45	0.35	0.35	0.33	0.33	1.37	1.37	1.42	1.49
Dividend per share	0.92					0.94					0.95	0.97	0.99	1.01

# Balance sheet

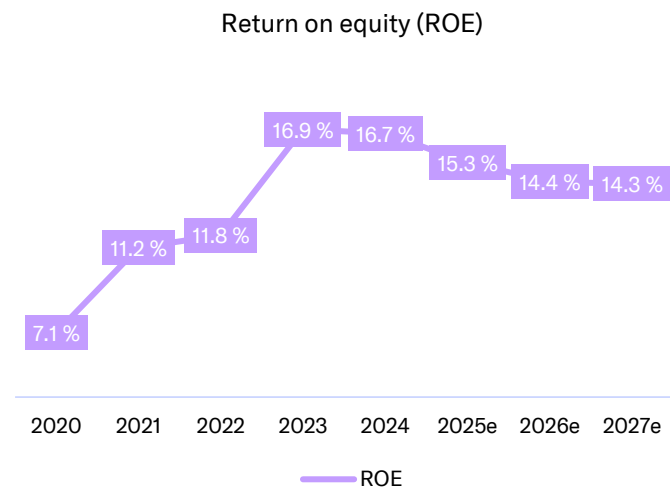
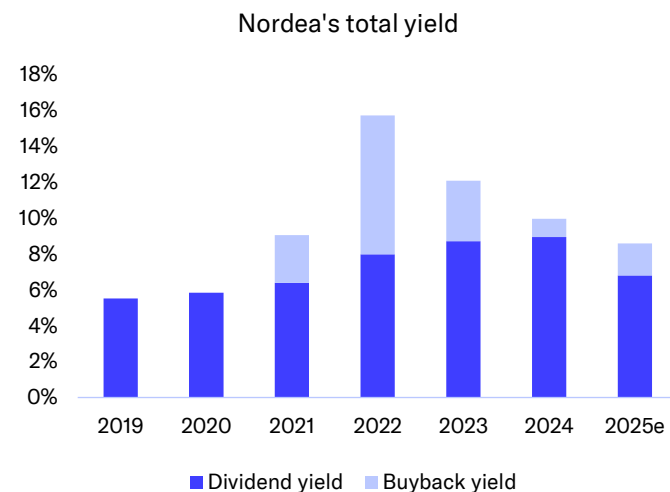
Balance sheet (EURbn)	2023	2024	2025e	2026e	2027e	2028e
Cash and loans to central banks	53	51	46	47	48	49
Loans to credit institutions	2	3	6	6	7	7
Loans to the public	345	358	371	379	389	399
Intangibles	4	4	4	4	4	4
Other assets	181	208	216	221	227	233
Total assets	585	623	644	658	674	691
Equity	31	32	32	33	33	34
Deposits by credit institutions	30	29	27	31	32	33
Deposits and borrowings from the public	210	232	242	245	251	257
Debt securities in issue	183	188	195	199	204	210
Subordinated liabilities	6	7	7	7	8	8
Other liabilities	126	134	140	143	146	150
Total equity and liabilities	585	623	644	658	674	691

# Summary tables 1/2

Income statement (MEUR)	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Net interest income	4,318	4,515	4,925	5,664	7,451	7,594	7,125	7,104	7,275	7,456
Net fee and commission income	3,011	2,959	3,495	3,186	3,021	3,157	3,232	3,418	3,541	3,673
Net result from items at fair value	1,012	900	1,119	623	1,014	1,023	1,018	1,028	1,038	1,048
Other income	282	92	81	248	257	310	269	279	283	288
Total operating income	8,623	8,466	9,620	9,721	11,743	12,084	11,644	11,829	12,137	12,466
Total operating expenses	-5,986	-4,643	-4,649	-4,834	-5,061	-5,299	-5,454	-5,577	-5,708	-5,841
Profit before loan losses	2,637	3,823	4,971	4,887	6,505	6,754	6,190	6,251	6,429	6,625
Net loan losses	-524	-860	-35	-125	-167	-206	8	-188	-346	-354
Operating profit	2,113	2,963	4,936	4,762	6,338	6,548	6,198	6,064	6,083	6,270
Taxes	-571	-698	-1,105	-1,175	-1,404	-1,489	-1,445	-1,407	-1,399	-1,442
Net profit from continuing operations	1,542	2,265	3,831	3,587	4,934	5,059	4,753	4,657	4,684	4,828
Profit from discontinued operations	0	0	0	0	0	0	0	0	0	0
Net profit for the period	1,542	2,265	3,831	3,587	4,934	5,059	4,753	4,657	4,684	4,828

Balance sheet (BNEUR)	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Loans to the public	323	330	345	346	345	358	371	379	389	399
Other assets	232	222	225	249	240	266	273	278	285	292
Total assets	555	552	570	595	585	623	644	658	674	691
Deposits	169	183	206	217	210	232	242	245	251	257
Other liabilities	355	335	331	346	343	358	369	380	390	400
Total equity	32	34	34	31	31	32	32	33	33	34
Total equity and liabilities	555	552	570	595	585	623	644	658	674	691

Solvency	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Risk-weighted assets (BNEUR)	150	155	152	145	139	156	159	161	163	167
CET1 solvency	16.3 %	17.1 %	17.0 %	16.4 %	17.0 %	15.8 %	15.8 %	15.7 %	15.7 %	15.6 %
Tier 1 solvency	18.3 %	18.7 %	19.1 %	18.7 %	19.4 %	18.4 %	18.5 %	17.9 %	17.8 %	17.7 %
Total capital ratio	20.8 %	20.5 %	21.2 %	20.8 %	22.2 %	21.0 %	21.0 %	20.4 %	20.3 %	20.1 %



# Summary tables 2/2

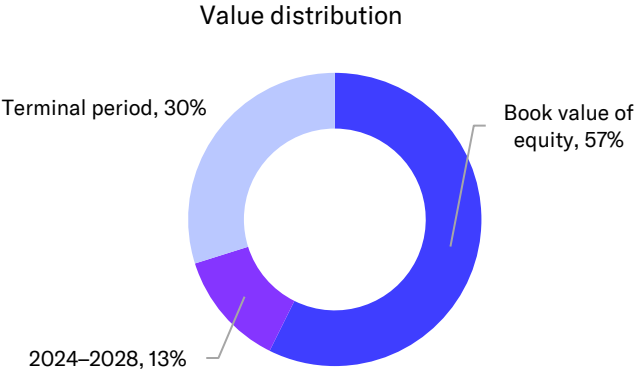
Other key ratios	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Income growth-%	-6%	-2%	14%	1%	21%	3%	-4%	2%	3%	3%
Interest income/loan portfolio	1.37%	1.38%	1.46%	1.64%	2.16%	2.16%	1.96%	1.89%	1.89%	1.89%
Loan portfolio growth-%	4.8 %	2.1 %	4.6 %	0.2 %	-0.3 %	3.7 %	3.7 %	2.3 %	2.5 %	2.5 %
Deposit growth -%	2.3 %	8.7 %	12.2 %	5.7 %	-3.4 %	10.7 %	4.3 %	1.0 %	2.5 %	2.5 %
Cost/income ratio excl. non-recurring items	57%	55%	48%	47%	43%	44%	47%	47%	47%	47%
Loan losses/loan portfolio, average	0.17%	0.26%	0.01%	0.04%	0.05%	0.06%	0.00%	0.05%	0.09%	0.09%
Return on equity (ROE)	5.0 %	7.1 %	11.2 %	11.8 %	16.9 %	16.7 %	15.3 %	14.4 %	14.3 %	14.5 %
Number of employees	29,000	28,051	26,894	28,268	29,153	30,157	30,023	30,324	30,627	30,933
Dividends paid in the review period (MEUR)	2,788	0	3,192	2,655	2,876	3,218	3,268	3,255	3,237	3,232
	0	0	1,136	2,841	1,263	372	856	1,000	1,000	1,000

Share details	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	7.24	6.67	10.79	10.03	10.57	10.50	13.96	13.96	13.96	13.96
Number of shares at the end of the period	4,050	4,050	3,966	3,654	3,528	3,503	3,437	3,348	3,270	3,192
Reported EPS	0.38	0.55	0.95	0.96	1.38	1.44	1.37	1.37	1.42	1.49
EPS excl. non-recurring items	0.61	0.55	0.95	1.11	1.42	1.45	1.37	1.37	1.42	1.49
Dividend per share	0.40	0.39	0.69	0.80	0.92	0.94	0.95	0.97	0.99	1.01
Buybacks per share	0.00	0.00	0.29	0.78	0.36	0.11	0.25	0.30	0.31	0.31
Equity per share	7.80	8.35	8.51	8.62	8.85	9.26	9.37	9.74	10.11	10.54
Dividend payout ratio	105%	71%	73%	83%	67%	65%	69%	71%	70%	68%
Total profit distribution ratio	66%	71%	103%	142%	90%	72%	87%	92%	92%	89%

Valuation	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Market value	29,322	27,014	42,793	36,650	37,291	36,782	47,978	46,734	45,647	44,559
P/E (adjusted)	11.9	12.1	11.4	9.0	7.4	7.2	10.2	10.2	9.9	9.3
P/B	0.9	0.8	1.3	1.2	1.2	1.1	1.5	1.4	1.4	1.3
Dividend yield	5.5 %	5.8 %	6.4 %	8.0 %	8.7 %	9.0 %	6.8 %	6.9 %	7.1 %	7.2 %
Buyback yield	0.0 %	0.0 %	2.7 %	7.8 %	3.4 %	1.0 %	1.8 %	2.1 %	2.2 %	2.2 %
Total profit distribution yield	5.5 %	5.8 %	9.0 %	15.7 %	12.1 %	10.0 %	8.6 %	9.1 %	9.3 %	9.5 %

# Economic Value Added model (EVA)

EVA calculation	2024	2025e	2026e	2027e	2028e	2029e	TERM
Net profit	5033	4727	4657	4684	4828	4925	
Equity	31686	32202	32603	33050	33647	34319	
Return on equity-% (ROE)		14.8 %	14.4 %	14.3 %	14.5 %	14.5 %	
Economic value added (EVA)		1707	1588	1577	1678	1718	23275
Common Equity Tier 1 capital (CET1)		25165	25248	25594	26007	26527	
RWA		159298	160850	162871	166943	170282	
CET1-%		15.8 %	15.7 %	15.7 %	15.6 %	15.6 %	
Disc. EVA		1669	1418	1285	1249	1167	15814
Disc. Cum. EVA		22602	20933	19515	18230	16981	15814
+ Equity book value		30367					
-Dividend/returned capital		0					
+/-Other items		0					
Equity value EVA		52969					
Number of outstanding shares (million)		3503					
Equity value EVA per share		15.1					
Cost of capital							
Risk-free interest rate		2.5 %					
Beta		1.5x					
Market risk premium		4.75%					
Liquidity premium		0.0 %					
Cost of equity		9.5 %					



# Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
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

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at [www.inderes.fi/research-disclaimer](http://www.inderes.fi/research-disclaimer).

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

## 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 €



# CONNECTING INVESTORS AND COMPANIES.

Inderes democratizes financial information by connecting investors and listed companies. For investors, we are an investing community and a trusted source of financial information and equity research. For listed companies, we are a partner in delivering high-quality investor relations. Over 500 listed companies in Europe use our investor relations products and equity research services to provide better investor communications to their shareholders.

Our goal is to be the most investor-minded company in finance. Inderes was founded in 2009 by investors, for investors. As a Nasdaq First North-listed company, we understand the day-to-day reality of our customers.

Inderes Ab  
Vattugatan 17, 5tr  
Stockholm  
+46 8 411 43 80

[inderes.se](http://inderes.se)

Inderes Oyj  
Porkkalankatu 5  
00180 Helsinki  
+358 10 219 4690

[inderes.fi](http://inderes.fi)

**inde  
res.**