1K #TPchange

Equity Research from Kepler Cheuvreux

Release date: 28 May 2025

Company research

ESG profile

# EQUITA Group Hold

Italy | Banks & Asset Managers

Beta Profile: GROWTH MOMENTUM QUALITY

MCap: EUR233.2m

| | | | |
|---|---|---|---|
| **Target Price:** | EUR5.00 (4.50) | **Change in TP:** | 11.1% |
| **Current Price:** | EUR4.43 | **Change in Revenues:** | 3.0% 25E/1.0% 26E |
| **Up/downside:** | 12.9% | **Change in Rep PBT:** | 1.8% 25E/0.8% 26E |
| **Market data:** | 28 May 2025 | **Change in Adj. EPS:** | 1.8% 25E/0.8% 26E |

| | |
|---|---|
| Bloomberg: EQUI IM | Reuters: EQUI.MI |
| Free float | 49.5% |
| Avg. daily volume (EURm) | 0.4 |
| YTD abs performance | 8.6% |
| 52-week high/low (EUR) | 4.56/3.72 |

## Softening our conservatism

### Why this report?

**Equita delivered a record Q1, with revenues reaching EUR23.4m (+36% YOY, +17% vs. KECH) and net profit at EUR4.7m (+63% YOY), supported by underlying growth across all business lines. The beat versus our estimates was primarily driven by Directional Trading, while higher-than-expected personnel costs related to the phantom share plan partially offset the upside. Global Markets posted a strong outperformance, Investment Banking remained solid, and Alternative Asset Management (AAM) came in slightly below expectations. The outlook is broadly constructive, with positive momentum in Global Markets and Investment Banking continuing into Q2, whereas AAM seems to face softer fundraising dynamics. We increase our FY 2025E revenue forecast to EUR97.7m (prev. EUR94.9m), mainly on the back of higher Directional Trading assumptions, and raise our DPS estimate to EUR0.38 (from EUR0.37). Our valuation, based on an equally weighted DDM and SOP approach, incorporates estimate upgrades, a lower beta, and higher multiples, reflecting the ongoing sector re-rating. As a result, we up our TP from EUR4.5 to EUR5.0 and reiterate our Hold rating, as visibility, though improved, remains limited, and upside potential modest.**

### Key findings

- Q1 revenues reached EUR23.4m (+36% YOY, +17% vs. KECH), with broad-based growth and a strong contribution from Directional Trading, offset in part by higher personnel costs due to the phantom share plan.
- Net profit came in at EUR4.7m (+63% YOY, +13% vs. KECH), with a 370bp YOY improvement in cost/income ratio despite comps/revenue rising to 49% (vs. 47% KECH).
- Segment performance was robust in Global Markets (EUR15.7m, +45% YOY and +26% vs. KECH) and Investment Banking (EUR5.4m, +26% YOY and +6% vs. KECH), while AAM missed slightly at EUR2.3m (vs. EUR2.4m KECH) due to tough comps.

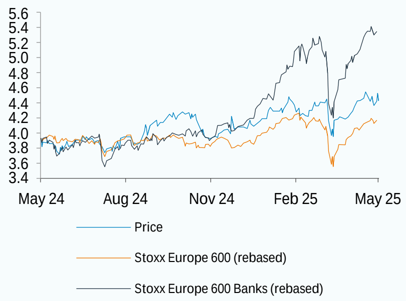
### Deconstructing the forecasts

- We up FY 2025E revenues to EUR97.7m (prev. EUR94.9m), mainly to reflect higher assumptions for Directional Trading (EUR7m vs. EUR4m), while we slightly cut AAM estimates to EUR12.8m (prev. EUR13m) amid softer fundraising expectations.
- We raise our net profit forecast to EUR19.8m (prev. EUR19.5m), and we up our DPS forecast to EUR0.38 (prev. EUR0.37).

### Valuation and investment conclusion

- We reiterate our Hold rating while we raise our target price from EUR4.5 to EUR5.0, supported by higher estimates, a reduced beta, reflecting improved visibility, and higher multiples driven by the re-rating of Equita's peer group.
- We continue to like Equita's independent positioning, though the limited upside constrains our stance, leading us to maintain a cautious view.

**Price performance**




| FY to 30/12 (EUR) | 12/25E | 12/26E | 12/27E |
|---|---|---|---|
| Total revenues (m) | 97.7 | 99.9 | 105.4 |
| Pre-prov. profit (m) | 28.6 | 29.9 | 31.9 |
| Pre-tax profit (m) | 28.6 | 29.9 | 31.9 |
| Net profit adj. (m) | 19.8 | 20.8 | 22.1 |
| Tangible BVPS | 1.72 | 1.77 | 1.85 |
| EPS Adj | 0.40 | 0.41 | 0.44 |
| Consensus EPS | 0.39 | 0.39 | 0.42 |
| **FY to 30/12** | **12/25E** | **12/26E** | **12/27E** |
| P/E adj. and fully diluted(x) | 11.2 | 10.7 | 10.1 |
| P/BV (x) | 1.96 | 1.92 | 1.86 |
| P/TBV (x) | 2.57 | 2.50 | 2.39 |
| Dividend yield | 8.6% | 8.6% | 8.9% |
| RoTBV | 24.1% | 23.7% | 24.3% |
| RoE after tax | 18.2% | 18.1% | 18.8% |
| CET 1 ratio | na | na | na |
| Cost income ratio | 70.7% | 70.0% | 69.7% |
| Net NPL ratio (on loans) | na | na | na |

| Sector Most Pref. | Sector Least Pref. |
|---|---|
| Barclays | ABN AMRO |
| DWS | CaixaBank |
| Santander | Svenska Handelsbanken |

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## Q1 results above expectations due to Directional Trading performance

**Table 1: Q1 results**

| | Q1 2025 | Q1 2025E | Act./Est. | Q1 2024 | YOY |
|---|---|---|---|---|---|
| **Revenues** | **23.4** | **19.9** | **17.4%** | **17.2** | **36.0%** |
| o/w Global Markets | 15.7 | 12.4 | 26.2% | 10.2 | 53.9% |
| o/w Investment Banking | 5.4 | 5.1 | 5.9% | 4.3 | 25.6% |
| o/w AAM | 2.3 | 2.4 | -4.2% | 2.7 | -14.8% |
| Costs | -16.7 | -14.0 | 19.4% | -12.9 | 29.4% |
| Cost/income ratio | 71.4% | 70.2% | | 75.1% | |
| **EBIT** | **6.7** | **5.9** | **12.7%** | **4.3** | **56.2%** |
| Pretax profit | 6.7 | 5.9 | 12.7% | 4.2 | 61.4% |
| **Net profit** | **4.7** | **4.2** | **12.9%** | **2.9** | **63.4%** |

Source: Kepler Cheuvreux

Equita reported its best-ever Q1, with Q1 revenues of EUR23.4m, up by 36% YOY and c. 17% ahead of our estimates, with the upside driven mainly by Directional Trading, a volatile and non-forecastable component.

Net profit came in at EUR4.7m, up by 63% YOY and c. 13% above our estimates though partially offset by a higher-than-expected cost/income ratio, which was c. 120bps above our estimates but which improved by 370bps YOY. Personnel costs exceeded our forecasts due to the initial recognition of the 573,000 phantom share plan, leading to a comps/revenue ratio of 49% versus the 47% we forecasted; however, management reiterated that this plan is embedded in the existing compensation framework, not in addition to it, and we expect the company to keep the ratio near the upper end of the 45-50% target range.

Global Markets revenues came in at EUR15.7m, rising by 45% YOY and beating our estimates (EUR12.4m), primarily due to Directional Trading (EUR5.4m vs. EUR2.0m KECH, +500% YOY), while Client-Driven and Sales & Trading revenues were broadly in line with our forecasts.

Investment Banking delivered EUR5.4m (+26% YOY) versus EUR5.1m KECH, supported by solid M&A and DCM activity against a soft comp base, while ECM remained negligible.

AAM revenues missed slightly at EUR2.3m (vs. EUR2.4m KECH.), in a tough base comparison due to a EUR0.4m one-off in the prior year related to the EPD (private debt fund) share acquisition, which was below NAV.

## Estimates revision: incorporating the positive outlook

The outlook provided by management was broadly constructive, especially in Global Markets and despite some softness in AAM's fundraising. In Global Markets, it expects growth momentum to continue, with Q2 shaping up strongly for both Sales & Trading and Client-Driven activities. Directional Trading seems to be delivering strong performance again in Q2; while the company forecasts c. EUR4-5m annually for this line, this was already achieved in Q1, and the CEO indicated that a FY 2025 contribution of c. EUR10m is conceivable based on current trends, though not viewed as structurally sustainable.

In Investment Banking, Q2 management expects it to be solid, with M&A supported by the closing of the two deferred transactions – one completed in April – and continued strength in Debt Capital Markets (DCM), including successful mandates for Carraro and Generalfinance during a volatile market backdrop, where it would seems they have been some of the only advisors to be able to close DCM deals during the US tariffs turmoil. Equity Capital Markets (ECM) should still be marginal, with no improvement expected anytime soon.

Conversely, in Asset Management, fundraising for EPD III and Equita Green Impact Fund (EGIF) is lagging, with expectations revised to EUR150-200m from the initial EUR250m target, although management sees potential upside from liquid strategies.

**Table 2: Estimates revision**

| | 2025 old | 2025 new | chg. | 2026 old | 2026 new | chg. | 2027 old | 2027 new | chg. |
|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | **94.9** | **97.7** | **2.9%** | **99.0** | **99.9** | **0.9%** | **103.7** | **105.4** | **1.7%** |
| o/w Global Markets | 40.7 | 43.7 | 7.4% | 40.8 | 41.2 | 1.1% | 41.4 | 42.1 | 1.6% |
| o/w Investment Banking | 41.2 | 41.2 | 0.0% | 45.0 | 45.0 | 0.0% | 48.0 | 48.0 | 0.0% |
| o/w AAM | 13.0 | 12.8 | -1.6% | 13.2 | 13.7 | 3.6% | 14.3 | 15.3 | 7.3% |
| Costs | -66.7 | -69.0 | 3.5% | -69.3 | -70.0 | 1.1% | -72.1 | -73.5 | 1.9% |
| Compensation/revenues | 48.0% | 48.8% | | 47.5% | 48.0% | | 47.0% | 48.0% | |
| Cost/income ratio | 70.3% | 70.7% | | 70.0% | 70.0% | | 69.6% | 69.7% | |
| **EBIT** | **28.1** | **28.6** | **1.7%** | **29.8** | **29.9** | **0.6%** | **31.6** | **31.9** | **1.1%** |
| EBIT Margin | 29.7% | 29.3% | | 30.0% | 30.0% | | 30.4% | 30.3% | |
| Pretax profit | 28.1 | 28.6 | 1.7% | 29.8 | 29.9 | 0.6% | 31.6 | 31.9 | 1.1% |
| **Net profit** | **19.5** | **19.8** | **1.8%** | **20.6** | **20.8** | **0.6%** | **21.9** | **22.1** | **1.1%** |
| **Net profit adj.** | **19.5** | **19.8** | **1.8%** | **20.6** | **20.8** | **0.6%** | **21.9** | **22.1** | **1.1%** |
| **DPS** | **0.37** | **0.38** | **3.3%** | **0.38** | **0.38** | **0.6%** | **0.39** | **0.39** | **1.1%** |

Source: Kepler Cheuvreux

We up our FY 2025E revenue forecast to c. EUR98m (prev. EUR95m), primarily reflecting higher estimates for Directional Trading within the Global Markets division. Our assumption for this segment increases from EUR4m to EUR7m, acknowledging limited visibility despite management's indication that a EUR10m contribution is plausible, thus leaving room for further upside. Concurrently, we have slightly lowered our projections for the AAM division, incorporating more cautious guidance on fundraising, which leads to lower equalisation fees and a reduced asset base, with our revenues forecast now at EUR12.8m (prev. EUR13m).

We also factor in the impact of the 573,000 phantom share plan, the cost of which is embedded within group compensation. This is set to push the comps/revenue ratio towards the upper end of the 45-50% range, with 60% of the cost recognised in FY 2025 and the remaining 40% deferred over the subsequent three years. Additionally, we raise our DPS estimate to EUR0.38 (from EUR0.37), reflecting the increase in projected net profit to EUR19.8m (prev. EUR19.5m), while still assuming partial earnings retention.

For the outer years we make only minor revisions, with higher expectations for liquid strategies within AAM and some fine-tuning of the cost allocation.

## We raise our TP to EUR5.0, retain Hold rating

Our valuation is based on an equally weighted blend of DDM and SOP methodologies. Following the raising of our estimates, we raise our target price from EUR4.5 to EUR5.0. This increase is supported by a higher DDM valuation (EUR4.9), driven by the improved earnings outlook and a reduction in the beta from 1.1 to 0.9, which lowers our COE from 12.9% to 11.1%.

Simultaneously, our SOP valuation rises to EUR5.0, reflecting both the revised estimates and the positive re-rating of Equita's peer group across all three core segments, Global Markets, Investment Banking, and Alternative Asset Management. As a result, we round our TP to EUR5.0 and reiterate our Hold rating, acknowledging that while visibility has improved, it remains limited, and the upside potential is still modest.

**Table 3: DDM's sensitivity**

| | | Cost of equity | | | | |
|---|---|---|---|---|---|---|
| | | **10.1%** | **10.6%** | **11.1%** | **11.6%** | **12.1%** |
| **Terminal growth rate** | **1.0%** | 5.0 | 4.8 | 4.6 | 4.4 | 4.2 |
| | **1.5%** | 5.2 | 5.0 | 4.7 | 4.5 | 4.4 |
| | **2.0%** | 5.5 | 5.2 | **4.9** | 4.7 | 4.5 |
| | **2.5%** | 5.8 | 5.5 | 5.2 | 4.9 | 4.7 |
| | **3.0%** | 6.1 | 5.7 | 5.4 | 5.2 | 4.9 |

Source: Kepler Cheuvreux

## Company description

EQUITA is an Italian investment banking company established in 1973. It offers Investment Banking services (42% of 2023 revenues), Global Markets (institutional brokerage, 47%), and Alternative Asset Management (public and private markets, 11%). It was listed on the Italian Alternative Market in 2017 and listed on the Star segment in 2018.

**Management**

Andrea Vismara (CEO)
Stefania Milanesi (Executive director/CFO/COO)
Stefano Lustig (Executive Director)

**Key shareholders**

| | |
|---|---|
| Free float | 49.50% |
| Management and employees | 37.60% |
| Fenera Holding | 4.90% |

### Investment case

- Equita offers a well-balanced business model across Global Markets, Investment Banking, and Alternative Asset Management, with solid profitability and disciplined capital allocation. We particularly value its independent profile, a key strength in winning mandates.
- The previous industrial plan targets, EUR110m in revenues and EUR25m in net profit, have been deferred due to market volatility impacting Investment Banking performance, though the commitment to a progressive dividend policy remains intact.

### Catalysts

- Continuous fundraising for the third private debt fund and for new EGIF fund (renewable energy infrastructure).
- Growth in IPOs.
- New investment banking deals originated by newly hired senior personnel.

### Valuation methodology

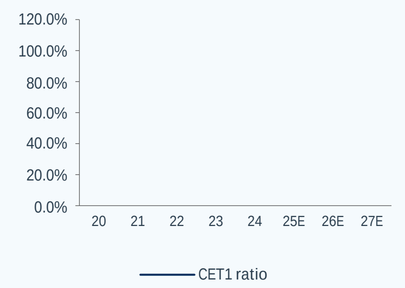
- We have a TP of EUR5.0 based on a dividend discount model (COE of 11% and g of 2%) and a SOP model (P/E 2025E of peers applied to our net profit estimates for the three divisions). Both valuation methods include part of the excess capital.

### Risks to our rating

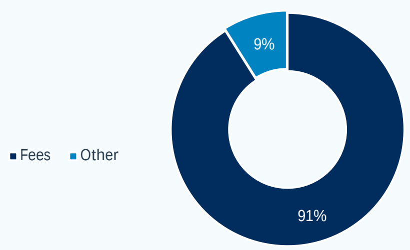
- The departure of key individuals, who are instrumental for the business growth and are shareholders too.
- The management of potential conflicts of interest between Global Markets and Investment Banking.
- Negative macro and financial markets affecting the group's revenues.

## Key data charts

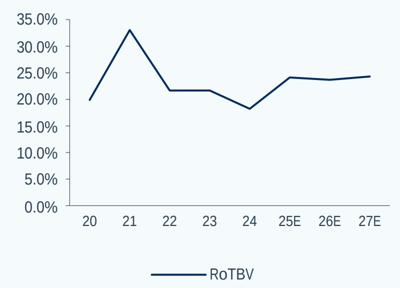
**CET 1 ratio**




**Segment revenue**




**Return on tangible book value**




## SWOT analysis

**Strengths**

- Long-standing investment firm with solid reputation.
- Independence, as EQUITA is a partnership of managers and employees.
- Alignment of interest of key managers and other shareholders.
- Ranking in Global Markets (stable) and Investment Banking (growth).

**Weaknesses**

- Limited geographical diversification.
- LImited size in Investment Banking and Alternative Asset Management.

**Opportunities**

- Fundraising for third private debt and EGIF fund.
- Recovery of IPOs in Italy (leaner regulations and rates effect).
- Investment banking deals originated by new senior managers.

**Threats**

- Departure of key individuals.
- Potential conflicts of interest (Global Markets, Investment Banking).
- Revenue volatility due to negative macro and market effects.
- Possible stock overhang.

## Valuation table

Market data as of: 28 May 2025

| FY to 30/12 (EUR) | 12/18 | 12/19 | 12/20 | 12/21 | 12/22 | 12/23 | 12/24 | 12/25E | 12/26E | 12/27E |
|---|---|---|---|---|---|---|---|---|---|---|
| **Per share data (EUR)** | | | | | | | | | | |
| EPS adjusted | 0.24 | 0.21 | 0.27 | 0.47 | 0.35 | 0.36 | 0.29 | 0.40 | 0.41 | 0.44 |
| YOY Change | -0.1% | -14.0% | 27.9% | 74.2% | -25.4% | 2.3% | -18.2% | 35.9% | 4.6% | 6.5% |
| EPS reported | 0.29 | 0.21 | 0.27 | 0.47 | 0.33 | 0.34 | 0.29 | 0.40 | 0.41 | 0.44 |
| YOY Change | 16.9% | -25.7% | 26.8% | 73.9% | -29.1% | 0.7% | -14.9% | 38.2% | 4.6% | 6.5% |
| EPS Consensus | | | | | | | | 0.39 | 0.39 | 0.42 |
| | | | | | | | | | | |
| Book value per share | 1.76 | 1.76 | 1.85 | 2.15 | 2.22 | 2.19 | 2.09 | 2.26 | 2.31 | 2.38 |
| Net asset value per share | 1.43 | 1.43 | 1.26 | 1.56 | 1.65 | 1.64 | 1.56 | 1.72 | 1.77 | 1.85 |
| Dividend per share (ord.) | 0.22 | 0.19 | 0.20 | 0.35 | 0.35 | 0.35 | 0.35 | 0.38 | 0.38 | 0.39 |
| Number of shares, year end (m) | 50.0 | 50.0 | 50.2 | 50.2 | 50.9 | 51.3 | 52.6 | 52.6 | 52.6 | 52.8 |
| Nbr of shares fully dil. year end (m) | 45.5 | 45.5 | 46.2 | 46.2 | 47.0 | 48.0 | 50.2 | 50.2 | 50.2 | 50.4 |
| Weighted avg. nbr of shares, fd (m) | 45.4 | 45.5 | 45.8 | 46.2 | 46.6 | 47.5 | 49.1 | 50.2 | 50.2 | 50.3 |
| **Share Price (EUR)** | | | | | | | | | | |
| Latest price / year end | 3.24 | 2.85 | 2.43 | 3.82 | 3.64 | 3.68 | 4.08 | 4.43 | 4.43 | 4.43 |
| 52 week high (Year high) | 3.57 | 3.24 | 2.99 | 3.93 | 4.09 | 4.06 | 4.28 | 4.56 | | |
| 52 week low (Year low) | 3.03 | 2.48 | 1.98 | 2.43 | 3.06 | 3.37 | 3.61 | 3.96 | | |
| Average price (Year) | 3.23 | 2.82 | 2.42 | 3.23 | 3.62 | 3.72 | 3.91 | 4.43 | 4.43 | 4.43 |
| | | | | | | | | | | |
| Market capitalisation (EURm) | 161.3 | 141.2 | 121.5 | 162.4 | 184.4 | 190.7 | 206.1 | 233.2 | 233.2 | 234.1 |
| Shareholders'equity (EURm) | 80.1 | 80.1 | 85.6 | 99.4 | 104.4 | 105.2 | 104.9 | 113.2 | 115.8 | 120.1 |
| Intangibles (EURm) | 15.0 | 15.1 | 27.5 | 27.2 | 26.9 | 26.6 | 26.8 | 26.8 | 26.8 | 26.8 |
| **Net asset value (EURm)** | **65.0** | **65.0** | **58.1** | **72.2** | **77.5** | **78.6** | **78.1** | **86.4** | **89.0** | **93.3** |
| **Valuation** | | | | | | | | | | |
| P/E | 13.3 | 13.5 | 9.0 | 6.9 | 10.4 | 10.4 | 13.5 | 11.2 | 10.7 | 10.1 |
| P/E reported | 11.2 | 13.2 | 8.9 | 6.9 | 10.9 | 11.1 | 13.7 | 11.2 | 10.7 | 10.1 |
| P/BV | 1.8 | 1.6 | 1.3 | 1.5 | 1.6 | 1.7 | 1.9 | 2.0 | 1.9 | 1.9 |
| P/TBV | 2.3 | 2.0 | 1.9 | 2.1 | 2.2 | 2.3 | 2.5 | 2.6 | 2.5 | 2.4 |
| P/NAV | 2.3 | 2.0 | 1.9 | 2.1 | 2.2 | 2.3 | 2.5 | 2.6 | 2.5 | 2.4 |
| | | | | | | | | | | |
| Dividend payout | 76.6% | 89.1% | 73.9% | 74.4% | 104.9% | 104.2% | 122.4% | 96.4% | 92.3% | 89.3% |
| Dividend yield (ord.) | 6.8% | 6.7% | 8.3% | 10.8% | 9.7% | 9.4% | 8.9% | 8.6% | 8.6% | 8.9% |
| Total yield (ord.) (div + share buy backs) | | | | | | | | | | |
| | | | | | | | | | | |
| ROE | 13.9% | 11.9% | 14.8% | 23.3% | 15.9% | 16.1% | 13.6% | 18.2% | 18.1% | 18.8% |
| RoTBV | 16.9% | 14.6% | 19.9% | 33.0% | 21.7% | 21.7% | 18.2% | 24.1% | 23.7% | 24.3% |
| RoRWAs | | | | | | | | | | |
| | | | | | | | | | | |
| P/Pre-provision income (x) | 8.3 | 9.2 | 6.2 | 5.1 | 6.6 | 7.4 | 9.4 | 7.8 | 7.4 | 7.0 |

## Income statement

| FY to 30/12 (EUR) | 12/18 | 12/19 | 12/20 | 12/21 | 12/22 | 12/23 | 12/24 | 12/25E | 12/26E | 12/27E |
|---|---|---|---|---|---|---|---|---|---|---|
| Net interest income | | | | | | | | | | |
| Net fee & commission income | 56.7 | 52.6 | 66.4 | 78.7 | 83.8 | 80.0 | 72.3 | 88.9 | 94.8 | 101.4 |
| Trading income | | | | | | | | | | |
| Other revenues | 6.2 | 11.4 | 3.6 | 23.4 | 6.2 | 14.8 | 14.2 | 17.6 | 10.4 | 8.0 |
| **Total revenues** | **59.8** | **58.3** | **68.2** | **90.4** | **86.9** | **87.4** | **79.4** | **97.7** | **99.9** | **105.4** |
| Staff costs | -27.4 | -27.1 | -32.3 | -42.8 | -42.2 | -42.8 | -39.0 | -46.8 | -47.4 | -50.6 |
| Other operating costs | -14.4 | -15.5 | -16.1 | -16.3 | -17.4 | -18.8 | -17.8 | -20.4 | -20.6 | -20.8 |
| **Total operating costs** | **-42.2** | **-44.5** | **-50.4** | **-61.0** | **-61.4** | **-63.5** | **-58.9** | **-69.0** | **-70.0** | **-73.5** |
| **Gross operating income** | **17.6** | **13.9** | **17.8** | **29.4** | **25.5** | **23.9** | **20.5** | **28.6** | **29.9** | **31.9** |
| Loan loss provisions | | | | | | | | | | |
| Associates & asset disposals | | | | | | | | | | |
| **Profit before tax & exceptionals** | **17.6** | **13.9** | **17.8** | **29.4** | **24.6** | **23.6** | **20.2** | **28.6** | **29.9** | **31.9** |
| Goodwill impairments | | | | | | | | | | |
| Other exceptionals | | | | | | | | | | |
| **Profit before tax** | **17.6** | **13.9** | **17.8** | **29.4** | **24.6** | **23.6** | **20.2** | **28.6** | **29.9** | **31.9** |
| Income tax | -4.5 | -4.2 | -4.7 | -7.1 | -7.1 | -6.9 | -6.1 | -8.6 | -9.0 | -9.6 |
| Result on discontinued operations | | | | | | | | | | |
| Minority interests | 0.0 | 0.0 | -0.6 | -0.6 | -2.0 | -0.7 | 0.0 | -0.2 | -0.2 | -0.2 |
| **Reported attributable profit** | **13.0** | **9.7** | **12.4** | **21.7** | **15.5** | **16.0** | **14.0** | **19.8** | **20.8** | **22.1** |
| Adjustments | -2.0 | -0.2 | -0.1 | -0.2 | 0.7 | 0.9 | 0.2 | 0.0 | 0.0 | 0.0 |
| **Net attributable profit adjusted** | **11.0** | **9.5** | **12.3** | **21.5** | **16.2** | **16.9** | **14.3** | **19.8** | **20.8** | **22.1** |
| | | | | | | | | | | |
| Total revenues YOY Change | 10.9% | -2.4% | 16.9% | 32.5% | -3.8% | 0.6% | -9.1% | 23.0% | 2.3% | 5.5% |
| Gross operating income YOY Change | 13.5% | -20.9% | 28.0% | 65.5% | -13.2% | -6.6% | -14.0% | 39.6% | 4.6% | 6.6% |
| Profit before tax & except. YOY Change | 13.5% | -20.9% | 28.0% | 65.5% | -16.2% | -4.4% | -14.4% | 41.9% | 4.6% | 6.6% |
| Profit before tax YOY Change | 13.5% | -20.9% | 28.0% | 65.5% | -16.2% | -4.4% | -14.4% | 41.9% | 4.6% | 6.6% |
| Reported attrib. profit YOY Change | 17.1% | -25.6% | 27.8% | 75.2% | -28.4% | 2.7% | -12.0% | 41.3% | 4.6% | 6.7% |
| Net attrib. profit adjusted YOY Change | 0.1% | -13.8% | 28.9% | 75.6% | -24.7% | 4.3% | -15.5% | 38.9% | 4.6% | 6.7% |
| | | | | | | | | | | |
| EPS reported (EUR) | 0.29 | 0.21 | 0.27 | 0.47 | 0.33 | 0.34 | 0.29 | 0.40 | 0.41 | 0.44 |
| EPS adjusted (EUR) | 0.24 | 0.21 | 0.27 | 0.47 | 0.35 | 0.36 | 0.29 | 0.40 | 0.41 | 0.44 |
| DPS ord. (EUR) | 0.22 | 0.19 | 0.20 | 0.35 | 0.35 | 0.35 | 0.35 | 0.38 | 0.38 | 0.39 |
| | | | | | | | | | | |
| EPS reported YOY Change | 16.9% | -25.7% | 26.8% | 73.9% | -29.1% | 0.7% | -14.9% | 38.2% | 4.6% | 6.5% |
| EPS adjusted YOY Change | -0.1% | -14.0% | 27.9% | 74.2% | -25.4% | 2.3% | -18.2% | 35.9% | 4.6% | 6.5% |
| DPS ord. YOY Change | 0.0% | -13.6% | 5.3% | 75.0% | 0.0% | 0.0% | 0.0% | 8.9% | 0.2% | 3.0% |
| | | | | | | | | | | |
| Tax rate (%) | 25.8% | 30.2% | 26.6% | 24.3% | 28.8% | 29.3% | 30.4% | 30.0% | 30.0% | 30.0% |
| Payout ratio | 76.6% | 89.1% | 73.9% | 74.4% | 104.9% | 104.2% | 122.4% | 96.4% | 92.3% | 89.3% |
| Cost income ratio | 70.6% | 76.2% | 73.9% | 67.4% | 70.6% | 72.7% | 74.2% | 70.7% | 70.0% | 69.7% |
| Staff costs/revenues | 45.8% | 46.5% | 47.4% | 47.4% | 48.6% | 48.9% | 49.2% | 47.9% | 47.4% | 48.0% |
| Net int. income/avg yielding assets | | | | | | | | | | |
| Net interest income/RWAs | | | | | | | | | | |
| Loan loss prov. ratio (on loans) | | | | | | | | | | |
| | | | | | | | | | | |
| Operating margin | 29.4% | 23.8% | 26.1% | 32.6% | 29.4% | 27.3% | 25.8% | 29.3% | 30.0% | 30.3% |
| Pretax margin | 29.4% | 23.8% | 26.1% | 32.6% | 28.4% | 27.0% | 25.4% | 29.3% | 30.0% | 30.3% |
| Net margin | 18.4% | 16.3% | 18.0% | 23.8% | 18.6% | 19.3% | 18.0% | 20.3% | 20.8% | 21.0% |
| | | | | | | | | | | |
| ROE before tax | 22.1% | 17.3% | 21.5% | 31.8% | 24.2% | 22.5% | 19.2% | 26.2% | 26.2% | 27.1% |
| ROE | 13.9% | 11.9% | 14.8% | 23.3% | 15.9% | 16.1% | 13.6% | 18.2% | 18.1% | 18.8% |
| RoTBV | 16.9% | 14.6% | 19.9% | 33.0% | 21.7% | 21.7% | 18.2% | 24.1% | 23.7% | 24.3% |
| | | | | | | | | | | |
| Revenues/RWAs | | | | | | | | | | |
| Costs/RWAs | | | | | | | | | | |
| Loan loss prov./RWAs | | | | | | | | | | |
| Profit before tax/RWAs | | | | | | | | | | |
| Net attrib. profit/RWAs | | | | | | | | | | |
| | | | | | | | | | | |
| Consensus revenues (EURm) | | | | | | | | 92.6 | 97.0 | 101.0 |
| Consensus Pretax profit (EURm) | | | | | | | | 28.0 | 28.0 | 30.0 |
| Consensus net profit (EURm) | | | | | | | | 20.0 | 20.0 | 21.0 |
| Consensus EPS (EUR) | | | | | | | | 0.39 | 0.39 | 0.42 |

## Balance sheet

| FY to 30/12 (EUR) | 12/18 | 12/19 | 12/20 | 12/21 | 12/22 | 12/23 | 12/24 | 12/25E | 12/26E | 12/27E |
|---|---|---|---|---|---|---|---|---|---|---|
| Customer loans | | | | | | | | | | |
| Loans to banks | 117.1 | 117.6 | 117.3 | 136.1 | 107.9 | 130.8 | 77.8 | 77.8 | 77.8 | 77.8 |
| Derivatives | | | | | | | | | | |
| Other trading portfolio | | | | | | | | | | |
| Investments | 160.2 | 142.4 | 130.1 | 140.7 | 211.3 | 178.1 | 201.5 | 247.0 | 248.8 | 261.8 |
| Fixed assets | 0.6 | 7.3 | 6.2 | 5.2 | 4.1 | 6.0 | 4.7 | 4.7 | 4.7 | 4.7 |
| Intangible assets | 15.0 | 15.1 | 27.5 | 27.2 | 26.9 | 26.6 | 26.8 | 26.8 | 26.8 | 26.8 |
| Other assets | 5.6 | 6.4 | 4.7 | 6.3 | 49.1 | 37.3 | 28.0 | 42.6 | 55.8 | 47.1 |
| Total assets | 298.4 | 288.9 | 285.8 | 315.6 | 399.4 | 378.8 | 338.8 | 398.8 | 413.8 | 418.2 |
| YOY Change | 20.8% | -3.2% | -1.1% | 10.4% | 26.5% | -5.1% | -10.6% | 17.7% | 3.8% | 1.1% |
| | | | | | | | | | | |
| Customer deposits | | | | | | | | | | |
| Deposits from banks | | | | | | | | | | |
| Derivatives | | | | | | | | | | |
| Trading liabilities | 193.1 | 185.2 | 171.3 | 175.5 | 221.3 | 213.9 | 191.6 | 243.3 | 255.7 | 255.7 |
| Debt securities | | | | | | | | | | |
| Subordinated liabilities | | | | | | | | | | |
| Other liabilities | 22.7 | 20.5 | 26.6 | 38.3 | 71.9 | 55.4 | 40.3 | 40.3 | 40.3 | 40.3 |
| Total liabilities | 218.2 | 208.2 | 200.1 | 216.2 | 295.2 | 271.1 | 233.9 | 285.6 | 298.0 | 298.0 |
| | | | | | | | | | | |
| **Sh.s' equity before rev. reserves** | **80.1** | **80.1** | **85.6** | **99.4** | **104.4** | **105.2** | **104.9** | **113.2** | **115.8** | **120.1** |
| Revaluation reserves | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sh.s' equity after rev. reserves | 80.1 | 80.1 | 85.6 | 99.4 | 104.4 | 105.2 | 104.9 | 113.2 | 115.8 | 120.1 |
| Minority interests | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 3.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total equity** | **80.1** | **80.1** | **85.7** | **99.4** | **104.4** | **108.4** | **104.9** | **113.2** | **115.8** | **120.1** |
| | | | | | | | | | | |
| Interest-bearing assets | | | | | | | | | | |
| | | | | | | | | | | |
| Assets under management (bn) | 1.0 | 1.0 | 0.9 | 1.1 | 0.9 | 0.9 | 1.0 | 1.2 | 1.4 | 1.5 |
| Net new money (bn) | 0.1 | 0.1 | 0.1 | 0.1 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 | 0.0 |
| | | | | | | | | | | |
| Book Value per share (EUR) | 1.76 | 1.76 | 1.85 | 2.15 | 2.22 | 2.19 | 2.09 | 2.26 | 2.31 | 2.38 |
| YOY Change | 1.0% | 0.1% | 5.2% | 16.1% | 3.1% | -1.3% | -4.6% | 7.9% | 2.3% | 3.4% |
| Net asset value per share (EUR) | 1.43 | 1.43 | 1.26 | 1.56 | 1.65 | 1.64 | 1.56 | 1.72 | 1.77 | 1.85 |
| | | | | | | | | | | |
| Risk weighted assets | | | | | | | | | | |
| Weight on total assets | | | | | | | | | | |
| of which market risks | | | | | | | | | | |
| Total tier 1 capital | | | | | | | | | | |
| Total capital | | | | | | | | | | |
| | | | | | | | | | | |
| CET 1 ratio | | | | | | | | | | |
| Tier1 leverage ratio | | | | | | | | | | |
| RWAs / Exposure measure | | | | | | | | | | |
| | | | | | | | | | | |
| **Ratios** | | | | | | | | | | |
| Loan to deposit ratio | | | | | | | | | | |
| NPL ratio | | | | | | | | | | |
| NPL coverage ratio | | | | | | | | | | |

## Divisions and regions

| FY to 30/12 (EUR) | 12/18 | 12/19 | 12/20 | 12/21 | 12/22 | 12/23 | 12/24 | 12/25E | 12/26E | 12/27E |
|---|---|---|---|---|---|---|---|---|---|---|
| **Key value driver** | | | | | | | | | | |
| **Fees** | | | | | | | | | | |
| Revenues | 56.7 | 52.6 | 66.4 | 78.7 | 83.8 | 80.0 | 72.3 | 88.9 | 94.8 | 101.4 |
| **Other** | | | | | | | | | | |
| Revenues | 3.1 | 5.7 | 1.8 | 11.7 | 3.1 | 7.4 | 7.1 | 8.8 | 5.2 | 4.0 |
| **Total group** | | | | | | | | | | |
| Revenues | 59.8 | 58.3 | 68.2 | 90.4 | 86.9 | 87.4 | 79.4 | 97.7 | 99.9 | 105.4 |
| Costs | -42.2 | -44.5 | -50.4 | -61.0 | -61.4 | -63.5 | -58.9 | -69.0 | -70.0 | -73.5 |
| Pre-provision profit | 17.6 | 13.9 | 17.8 | 29.4 | 25.5 | 23.9 | 20.5 | 28.6 | 29.9 | 31.9 |
| Pre-tax profit | 17.6 | 13.9 | 17.8 | 29.4 | 24.6 | 23.6 | 20.2 | 28.6 | 29.9 | 31.9 |
| ROE before tax | 22.1% | 17.3% | 21.5% | 31.8% | 24.2% | 22.5% | 19.2% | 26.2% | 26.2% | 27.1% |

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|---|---|---|
| Rating Breakdown | A | B |
| Buy | 56% | 64% |
| Hold | 33% | 26% |
| Reduce | 9% | 3% |
| Not Rated/Under Review/Accept Offer | 2% | 7% |
| Total | 100% | 100% |

Source: Kepler Cheuvreux
A: % of all research recommendations
B: % of issuers to which material services of investment firms are supplied

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| Company Name | Date | Business Line | Rating | Target Price | Closing Price |
|---|---|---|---|---|---|
| EQUITA Group (EUR) | 11/04/2025 04:25 | Equity Research | Hold | 4.50 | 4.17 |

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# Local insight, European scale.

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