

Šiaulių Bankas

INITIAL COMMENT

Key share data	
Sector	Financials
Reuters	SAB1L.VL
Bloomberg	SAB1L:LH
Market Cap (EURm)	634
Free float (EURm)	377
Issued shares, m	652

Figures & Ratios (EUR)			
	2025E	2026E	2027E
NII	160	166	172
Loan losses	16	15	16
Core earnings	86	94	103
EBT	77	93	103
Net profit	64	77	85
EPS	0.09	0.11	0.12
EPS (adj.)	0.11	0.12	0.13
DPS (EUR)	0.05	0.06	0.06
Div. yield	4.7%	5.7%	6.3%
C/I ratio	57.4%	52.4%	50.4%
Equity ratio	12.5%	12.4%	12.2%
Tier 1 ratio	19.2%	19.5%	20.2%
P/E (adj.)	8.9	8.1	7.5
P/B (excl. gw)	0.97	0.91	0.85
ROE (adj.)	12.2 %	12.5 %	12.8 %

not updated

This report is paid for by the company covered in it.

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Initial view of earnings

vs. our estimates

forecasted revisions

Broadly in-line →

Mixed →

Spot on ROE and dividend in 4Q

Šiaulių Bankas reported its 4Q24 results after the market close. The bank's weakness in 4Q NII was partially offset by solid fee and other operating income. However, somewhat higher-than-expected by us costs and loan losses pressured earnings. Stage 3 exposures declined QoQ. As anticipated by us, the bank proposed a dividend under 50% payout, yielding 7.3% for 2024. ROE was spot on our estimate at 10.9%.

Šiaulių Bankas 4Q24 results:

- NII was EUR 39.2m, approximately 3% below our estimate and down 3% QoQ. NIM was 7bps down QoQ at 3.17%
- Quarterly volume growth was flat versus ~8% in 3Q. Corporate loans grew by around 1.3% QoQ, while retail loans marginally contracted QoQ
- Fee income came in line with our estimate, marking around 43% YoY growth
- Total costs surpassed our expectations by around 6%, contracting by about 4% YoY yet roughly 33% up QoQ
- Loan losses were recorded at EUR 4.0m, somewhat above our EUR 3.6m estimate and 3Q24 figure (3.0m). This reflects a loan loss rate of 50bps of gross lending, a 12bps increase QoQ
- Stage 3 exposure as a % of total exposure stood at 182bps, around 30bps down QoQ
- As expected, the bank proposed a dividend of EUR 0.06/sh. under 50% payout, which corresponds to 7.3% yield for 2024
- ROE was recorded spot on our estimate at 10.9% and above the 4Q23 figure (7.4%) albeit down QoQ (14.9%).

4Q/24 results	4Q/23	3Q/24	4Q/24	4Q/24e	Deviation
EURm			Reported	Norne	
Net interest income	40.8	40.4	39.2	40.2	-2.6%
Net commission income	5.7	7.3	8.1	8.1	-0.3%
Net other operating income	7.5	6.8	9.5	8.2	16.7%
Total costs	36.1	26.1	34.8	32.9	5.7%
Core earnings before loan losses	17.9	28.4	21.9	23.5	-6.7%
Write-downs on loans	6.8	3.0	4.0	3.6	11.2%
Core earnings	11.1	25.4	17.9	19.9	-9.9%
Pre-tax profit	11.1	25.4	17.9	19.9	-9.9%
EPS (EUR)	0.015	0.031	0.023	0.023	-1.1%
Dividend per share (EUR)	0.049	-	0.060	0.060	-0.2%
ROE (annualised)	7.4%	14.9%	10.9%	11.0%	-0.1p

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