

# LHV Group

April results  
13 May 2025

# LHV Group

## Good results from all companies

Financial results, EURt	13 months	Apr 25	YTD25	YTD24	FP YTD	Δ YTD FP
<b>Total net income, incl.</b>		<b>26,571</b>	<b>105,993</b>	<b>113,685</b>	<b>102,125</b>	<b>+3,869</b>
Net interest income		20,071	82,081	93,212	81,517	+564
Net fee and commission income		5,601	19,672	18,580	19,811	-140
<b>Total operating expenses</b>		<b>13,457</b>	<b>51,000</b>	<b>45,983</b>	<b>50,351</b>	<b>+649</b>
<b>Earnings before impairment</b>		<b>13,114</b>	<b>54,993</b>	<b>67,702</b>	<b>51,774</b>	<b>+3,219</b>
Impairment losses		11	5,677	3,509	2,460	+3,218
Income tax expense		2,347	9,399	7,696	9,316	+83
<b>Net profit, incl.</b>		<b>10,756</b>	<b>39,916</b>	<b>56,497</b>	<b>39,998</b>	<b>-81</b>
attr. to shareholders		10,586	39,154	56,365	39,223	-69
<b>Business volumes, EURm</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Loans (net)		4,806	4,806	3,739	4,735	+71
Deposits from customers		7,331	7,331	6,170	6,975	+356
Assets under management		1,555	1,555	1,563	1,573	-18
Fin. intermediaries' payments, thous. pcs		6,464	26,518	23,836	24,882	+1,637
<b>Key figures</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)		50.6%	48.1%	40.4%	49.3%	- 1.2 pp
Net interest margin (NIM)		2.8%	2.8%	3.9%	2.8%	- 0.0 pp
pre-tax ROE*		23.3%	21.4%	34.4%	22.1%	- 0.7 pp
ROE*		19.1%	17.4%	30.3%	18.0%	- 0.6 pp

- Revenues slightly above plan, expenses in line with plan
- Strong month in terms of business volumes, particularly deposits
- Quality of loan portfolio remains strong. Impairments likely to decline in coming months
- 50 EURm Tier 1 capital issuance was completed to support future growth and to redeem a previous issuance
- Financial plan holds

## Positive month in loan and deposit volumes

Financial results, EURt	13 months	Apr 25	YTD25	YTD24	FP YTD	Δ YTD FP
<b>Total net income, incl.</b>		<b>20,419</b>	<b>80,396</b>	<b>92,454</b>	<b>79,654</b>	<b>+742</b>
Net interest income		16,240	66,887	80,798	67,873	-986
Net fee and commission income		3,632	11,922	10,296	11,541	+381
<b>Total operating expenses</b>		<b>8,204</b>	<b>31,858</b>	<b>30,639</b>	<b>31,546</b>	<b>+312</b>
<b>Earnings before impairment</b>		<b>12,215</b>	<b>48,538</b>	<b>61,816</b>	<b>48,108</b>	<b>+430</b>
Impairment losses		-115	4,807	3,423	1,607	+3,200
Income tax expense		2,261	8,428	8,606	8,861	-434
<b>Net profit</b>		<b>10,069</b>	<b>35,304</b>	<b>49,786</b>	<b>37,640</b>	<b>-2,337</b>
<b>Business volumes, EURm</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Loans (net)		4,292	4,292	3,631	4,303	-11
Deposits from customers		6,558	6,558	5,806	6,297	+261
incl. banking services' deposits		1,328	1,328	1,140	1,201	+127
<b>Key figures</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)		40.2%	39.6%	33.1%	39.6%	+ 0.0 pp
Net interest margin (NIM)		2.5%	2.5%	3.5%	2.6%	- 0.1 pp
pre-tax ROE*		30.0%	23.6%	34.2%	25.0%	- 1.4 pp
ROE*		24.5%	19.1%	29.2%	20.3%	- 1.2 pp

- Decline in interest income due to Euribor is being offset by loan volume growth. Expenses in line with financial plan
- Loan portfolio increased by a solid 53 EURm
- Very strong month for deposits, offsetting the slow start to the year. Deposits grew by 574 EURm, driven by increases across retail customers, corporate customers, and deposits raised via platforms
- Monthly net profit 10.1 EURm. By end of April, net profit 2.3 EURm below plan. Financial plan holds

## Rapid growth in business volumes continues

Financial results, EURt	13 months	Apr 25	YTD25	YTD24	FP YTD	Δ YTD FP
<b>Total net income, incl.</b>		<b>4,489</b>	<b>19,077</b>	<b>15,751</b>	<b>16,714</b>	<b>+2,363</b>
Net interest income		3,637	14,366	12,187	13,046	+1,320
Net fee and commission income		868	3,268	3,479	3,669	-401
Other net income		-15	1,443	85	0	+1,443
<b>Total operating expenses</b>		<b>4,253</b>	<b>15,262</b>	<b>11,459</b>	<b>14,982</b>	<b>+281</b>
<b>Earnings before impairment</b>		<b>236</b>	<b>3,815</b>	<b>4,292</b>	<b>1,733</b>	<b>+2,082</b>
Impairment losses		125	870	86	853	+17
Income tax expense		28	736	-1,930	220	+516
<b>Net profit</b>		<b>83</b>	<b>2,208</b>	<b>6,135</b>	<b>660</b>	<b>+1,548</b>
<b>Business volumes, EURm</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Deposits from customers		953	953	437	791	+162
Loans (net)		514	514	108	432	+82
<b>Key figures</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)		94.7%	80.0%	72.8%	89.6%	- 9.6 pp
Net interest margin (NIM)		4.4%	4.6%	8.4%	4.7%	- 0.0 pp

- Loan portfolio grew by 24 EURm. Strong growth trend is expected to continue
- Platform deposits increased by 130 EURm. In retail banking, communication and listing of term deposits on comparison platforms were successfully completed by the end of the month
- The business volumes of financial intermediaries segment were in line with business plan, with euro-denominated deposits increasing significantly
- Profit was lower due to higher marketing expenses for the retail banking campaign launching in May
- Share capital increased by 12 EURm by the Group and 12 EURm in subordinated bonds issued

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## Month with strong key indicators

Financial results, EURt	13 months	Apr 25	YTD25	YTD24	FP YTD	Δ YTD FP
Insurance service revenue		3,349	13,057	10,905	13,312	-255
Commissions expense		339	1,286	1,396	1,789	-503
Gross incurred losses		2,112	8,611	7,144	8,682	-71
Operating expenses		463	1,779	1,738	1,870	-91
<b>Insurance result without reinsurance</b>		<b>434</b>	<b>1,380</b>	<b>627</b>	<b>970</b>	<b>+410</b>
<b>Reinsurance result</b>		<b>107</b>	<b>456</b>	<b>383</b>	<b>313</b>	<b>+143</b>
<b>Total result from insurance activities</b>		<b>327</b>	<b>924</b>	<b>244</b>	<b>657</b>	<b>+267</b>
Net other income		-7	60	76	0	+60
<b>Net profit</b>		<b>319</b>	<b>984</b>	<b>320</b>	<b>657</b>	<b>+327</b>
<b>Business volumes, EURt</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Contract premiums written		3,712	16,572	14,157	17,141	-569
No of customers (thous.)		176	176	167	na	na
<b>Key figures</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Net loss ratio		64.3%	67.8%	64.5%	66.0%	+ 1.8 pp
Net expense ratio		25.9%	24.9%	31.3%	29.2%	- 4.3 pp

- Insurance contracts signed in April amounted to 3.7 EURm
- Claims paid totalled 2.1 EURm, with 12,800 new claims registered
- As at the end of April, number of active insurance contracts amounts to 271 EURt
- Loss ratio of the main insurance products remained at very good level, ensuring strong profitability

## Despite turbulent month, larger LHV pension funds preserved their value

Financial results, EURt	13 months	Apr 25	YTD25	YTD24	FP YTD	Δ YTD FP
Total net income		726	2,930	2,938	2,911	+19
Total operating expenses		613	2,347	2,394	2,350	-3
<b>EBIT</b>		114	583	544	561	+22
Net financial income		-46	152	295	183	-30
Income tax expense		0	564	801	564	-0
<b>Net profit</b>		68	171	39	180	-9
<b>Business volumes</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Assets under management, EURm		1,555	1,555	1,563	1,573	-18
Active customers of PII funds, thous.		113	113	120	113	-1
<b>Key figures</b>	<b>13 months</b>	<b>Apr 25</b>	<b>YTD25</b>	<b>YTD24</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)		90.1%	76.1%	74.0%	76.0%	+ 0.2 pp
Funds average return		-0.9%	1.6%	4.2%	2.5%	- 0.9 pp

- Fund volumes and customer numbers are slightly below plan
- Larger L and XL funds declined by 0.4% and 0.3% over the month, but have returned 3.4% and 4.1% respectively since the beginning of the year
- Index funds have performed more weakly; LHV Pension Fund Index fell by 4.1% over the month and is down 8.0% year to date
- Operating profit ahead of financial plan, net profit largely in line with the plan

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