



# UmweltBank

Regional Banks / Germany

## H1 '25 profit in line with company guidance

Earnings/sales releases - 31/07/2025

- Operating income rose by 10% to €42.4m for H1 25, compared to H1 24.
- Total administrative expenses increased by 20% to €35m for H1 25.
- Pre-tax profit decreased by 23% to €6.7m for H1 25, compared to H1 24.
- Net profit rose by 16% to €6.7m for H1 25, compared to H1 24.
- The pre-tax profit target range of €5 to 10m for FY2025 is confirmed.

### Fact

Net interest income was up by 61% to €28.8m for H1 25 compared to H1 24. Commission and fee income rose by 60% to €3.7m for H1 25 compared to H1 24. The finance result was down by 23% to €13.9m in H1 25 compared to H1 24. Loan loss provisions were €4m for H1 25 compared to a credit of €0.1m for H1 24. Total income was up by 10% to €42.4m for H1 25 compared to H1 24. Personnel expenses increased by 4% to €14.3m in the same period. Other administrative expenses rose by 35% to €21.1m for H1 25 compared to H1 24. Total administrative expenses increased by 20% to €35m for H1 25 compared to H1 24. Pre-tax profit decreased by 23% to €6.7m for H1 25 compared to H1 24. The tax expenses were €0m for H1 25 compared to €2.9m for H1 24. Net profit, therefore, rose by 16% to €6.7m for H1 25 compared to H1 24.

UmweltBank confirmed its earnings before taxes guidance of €5 to 10m for FY2025, including an expected loan loss provision in a range of €10 to 15m, which has already been taken into account in the overall forecast. Depending on the course of business, UmweltBank aims to resume dividend payments at a low level for FY2025.

### Analysis

UmweltBank has FY reporting and does not release quarterly or half-year reports. However, UmweltBank started to announce quarterly statements in 2024. The quality of information for H1 25 released by UmweltBank was adequate.

UmweltBank announced some H1 25 figures which were in line with our expectations and the company guidance for FY2025. UmweltBank had previously announced that the majority of the targeted pre-tax result of €5 to 10m for FY2025 would be realised in Q1 25. The comparatively high profit level for Q1 25 was boosted by the profit distribution (dividend payment) of a subsidiary and the use of tax loss carry-forwards. The pre-tax profit was €10.3m for Q1 25. The pre-tax result was therefore a slight loss of around €3.6m in Q2 25 which was mainly driven by loan loss provisions of around €4m in Q2 25.

The total capital ratio improved to 15.9% at the end of June 2025 compared to 15.6% at the end of March 2025 as a result of CRR 3. The capital ratio is therefore only slightly above the regulatory requirements and allows only limited new lending business.

The number of customers grew by 6,000 in H1 25 to a total of around 161,000 customers. Customer deposits increased by 4% or €140m to a total of €3.6bn in the same period. UmweltBank used the first half of the year in particular to launch new products and services on the market. The UmweltBank current account has been available for clients since the end of June 2025. The market launch of the



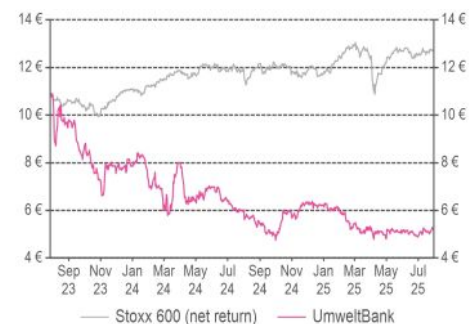
Dieter HEIN

banks@alphavalue.eu  
+33 (0) 1 70 61 10 50  
www.alphavalue.com

### Buy

Upside: 81.7%

Target Price (6 months)	€ 9.45
Share Price	€ 5.20
Market Cap. €M	188
Price Momentum	GOOD
Extremes 12 Months	4.76 ► 6.38
Sustainability score	7.8 /10
Credit Risk	→
Fundamental Strength	0 /10
Bloomberg	UBK GY Equity
Reuters	UBKG.DE


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PERF	1w	1m	3m	12m
UmweltBank	2.77%	6.34%	7.88%	-12.8
Banks	3.55%	7.40%	17.8%	48.0
STOXX 600	0.00%	1.64%	4.31%	7.03

Sector Opinion	Underweight
Strongest upside	UmweltBank
Worst potential	Valiant

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Last updated: 20/06/2025	12/24A	12/25E	12/26E	12/27E
Adjusted P/E (x)	21.0	6.83	5.67	4.98
Dividend yield (%)	0.00	1.92	4.81	6.73
P/Book (x)	0.58	0.45	0.43	0.40
Adjusted EPS (€)	0.30	0.76	0.92	1.04
Growth in EPS (%)	264	150	20.4	13.8
Dividend (€)	0.00	0.10	0.25	0.35
Core Tier 1 (%)	12.4	12.6	12.8	13.4
Revenues (€M)	56.0	84.0	91.0	106
Attributable net profit (€M)	1.00	9.00	19.0	31.0
ROE reported (%)	0.25	2.20	4.44	6.83
Equity (gp. share) (€M)	399	418	438	470
Total assets (€b)	6.19	6.54	7.36	7.96

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current account should support the achievement of the 2025 customer target of 210,000.

UmweltBank was first rated by a rating agency in July 2025. Fitch agency rates the creditworthiness of the issuer UmweltBank AG at BBB-, thus giving it the important investment-grade status. Fitch sees catch-up potential in particular in the area of capitalisation and so do we.

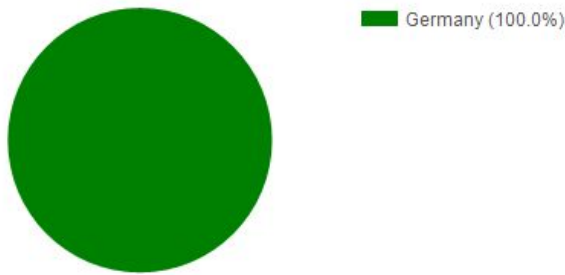
Dr Nicole Handschuher will accompany UmweltBank on this path as General Representative from August 2025 and, subject to the approval of the supervisory authorities, will succeed CFO Heike Schmitz as a member of the Management Board from February 2026 onwards. Georg Schürmann took over as Chairman of the Supervisory Board from Dr Michael Kemmer on 1 July. Dr Kemmer will remain a member of the Supervisory Board.

The new CEO is restructuring UmweltBank and seems to be taking the company in the right direction. But UmweltBank will still have to deliver what it promised for 2028 (pre-tax profit of €45m to €65m).

### ■ Impact

Our forecasts are under review. We currently expect no significant changes to our forecasts nor a higher share price impact from the released H1 25 figures.

## Sales by Geography



## Valuation Summary

Benchmarks	Value	Weight	Largest comparables
NAV/SOTP per share	€ 9.62	30%	● Julius Baer
Intrinsic value	€ 13.5	25%	● Skandinaviska Ens...
Dividend Yield	€ 5.96	15%	● EFG International
MarketCap/Gross Operating Profit	€ 7.09	10%	
P/E	€ 7.35	10%	
P/Book	€ 8.59	10%	
TARGET PRICE	€ 9.45	100%	

## NAV/SOTP Calculation

## Consolidated P&amp;L Accounts

		12/24A	12/25E	12/26E
Net banking revenues	€M	57.0	84.0	87.0
Operating revenues	€M	56.0	84.0	91.0
Staff costs	€M	-27.0	-30.0	-32.0
Gross operating profit	€M	9.00	34.0	35.0
Loan Loss Provisions	€M	-4.00	-12.0	-8.00
<b>Underlying operating profit</b>	<b>€M</b>	<b>-15.0</b>	<b>9.00</b>	<b>19.0</b>
Underlying operating margin	%	-26.8	10.7	20.9
Banking cost income ratio	%	120	75.0	70.3
<b>Operating profit (EBIT)</b>	<b>€M</b>	<b>-15.0</b>	<b>9.00</b>	<b>19.0</b>
Corporate tax	€M	2.00	0.00	-1.00
Equity associates	€M			
Minority interests	€M			
<b>Adjusted attributable net profit</b>	<b>€M</b>	<b>11.0</b>	<b>27.5</b>	<b>33.2</b>
Fully-diluted adjusted attr. net profit	€M	11.0	27.5	33.2
Net investments in shares	€M			
Dividends (parent company)	€M	0.00	0.00	-4.00
Interest expense on Tier 1 debt funding	€M	0.00	0.00	0.00
New shareholders' equity	€M	2.00	10.0	5.00
Change in Tier 1 gross debt	€M			

## Risk Measures

Total Risk Weighted Assets	€M	3,200	3,300	3,400
Equity/total assets	%	6.45	6.39	5.95
Liquidity items	%	61.8	67.2	69.3
Loan loss ratio	bp	12.0	36.0	24.0
Provisions/Doubtful	%			
Provisions/Impaired	%	133	100	100

## Per Share Data

No of shares net of treas. stock	Mio	36.1	36.1	36.3
Number of diluted shares (average)	Mio	36.1	36.1	36.2
<b>EPS before gwill amort.(diluted)</b>	<b>€</b>	<b>0.30</b>	<b>0.76</b>	<b>0.92</b>
Restated NAV per share	€			
<b>Net dividend per share</b>	<b>€</b>	<b>0.00</b>	<b>0.10</b>	<b>0.25</b>

## Balance Sheet

		12/24A	12/25E	12/26E
Loans & Credits to customers	€M	3,300	3,300	3,400
Trading portfolio	€M			
<b>Total assets</b>	<b>€M</b>	<b>6,186</b>	<b>6,543</b>	<b>7,364</b>
Ordinary shareholders' equity	€M	399	418	438
Of which reevaluation reserves	€M			
Preference shares	€M			
Minority interests	€M	0.00	0.00	0.00
Subordinated Debt	€M	45.0	50.0	50.0
Provisions for pensions	€M		0.00	0.00
Customers deposits (amortized costs)	€M	3,824	4,400	5,100
Gross debt financing	€M	45.0	50.0	50.0
<b>Total liabilities and shareholders' equity</b>	<b>€M</b>	<b>6,186</b>	<b>6,543</b>	<b>7,364</b>
Avg gross long-term financing	€M	45.0	47.5	50.0
Assets under Management (3rd party)	€M			
Off B/S business guarantees given	€M			
Off B/S funding guarantees given	€M			

## Tier 1 Analytics

Year end Tier 1 capital	€M	423	442	462
of which debt	€M	26.0	26.0	26.0
of which minorities	€M	0.00	0.00	0.00
<b>Tier 1 ratio</b>	<b>%</b>	<b>13.2</b>	<b>13.4</b>	<b>13.6</b>
Core Tier 1 (debt excl.)	%	12.4	12.6	12.8

## Valuation Ratios

Reference P/E (benchmark)	x	21.0	6.83	5.67
P/Book	x	0.58	0.45	0.43
Market Cap/Gross Operating Profit	x	25.7	5.52	5.39
Dividend yield	%	0.00	1.92	4.81

Analyst : Dieter Hein, Changes to Forecasts : 20/06/2025.