



Buy

EUR 5.80 (from 6.5)

Price	EUR 3.63
Upside	59.8 %

CHANGES IN ESTIMATES

FY 31.12. / EUR m	2026E	2027E	2028E
Total revenues	-1.3 %	-6.1 %	-5.0 %
PBT	-8.6 %	-20.4 %	-14.5 %

KEY DATA

Ticker	UBK GR
Market Cap (EUR m)	150
Daily turnover (EUR k)	17
Free float (%)	85
Perf. 1/3/12M (%)	-3.7 / -1.9 / -4.7
52W range (EUR)	3.3 – 4.1

KEY FINANCIALS (IN EUR M)

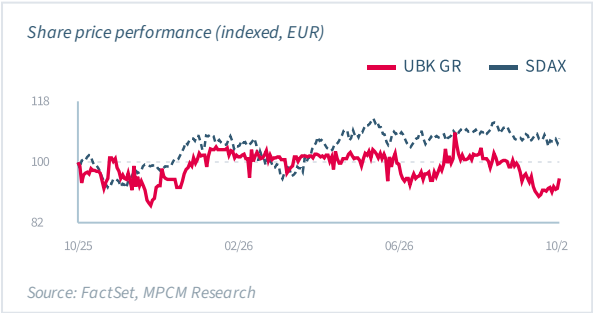
	2024A	2025A	2026E	2027E	2028E
Total revenues	62.6	84.4	78.2	95.5	108.6
chg yoy	31.7%	34.7%	-7.3%	22.1%	13.7%
Total expenses	67.5	71.9	66.6	71.0	75.0
LLPs	-3.6	-6.0	-1.0	-2.4	-4.6
EBT	-8.5	6.4	10.6	22.1	29.0
Net profit	0.7	14.3	13.8	23.8	27.5
EPS	0.02	0.38	0.33	0.57	0.66
DPS	0.00	0.05	0.10	0.15	0.20
Div. Yield	n.a.	1.0%	2.8%	4.1%	5.5%
P/E	315.3x	12.7x	10.9x	6.3x	5.5x
P/B (UBK)	0.3x	0.4x	0.4x	0.3x	0.3x
CIR	107.8%	85.2%	85.2%	74.3%	69.1%
ROE pre-tax (Ø TE)	-2.2%	1.6%	2.6%	5.2%	6.6%

GUIDANCE VS. MPCMe & CONSENSUS 2026E

Metric	Guidance	MPCMe	Cons	Δ %
Total revenues	76-86m	78.2m	79.7m*	-1.9%
Net interest income (NII)	62.5-67.5m	61.2m		
EBT	12.5-17.5m	10.6m	12.1m*	-12.4%
New loan volume (gross)	450m	460.0m		

* Cons. entered by MPCM Research.

Source: Company data, FactSet, MPCM Research est.



Preview Q3 - Strong new lending momentum; estimates and PT cut

SUMMARY

- Q3 figures due on 28 October: we expect EBT of EUR 3.0m (Q3/25: EUR 2.4m) and NII of EUR 16.2m (+12% yoy), which should for the first time benefit noticeably from the pick-up in new lending.
- Strong new lending momentum: 9M gross new business should come in just short of EUR 330m (9M/25: EUR 73m), implying Q3 at least at the strong Q2 level of ~EUR 145m. With more than 70% of the EUR 450m full-year target reached after nine months, UmweltBank is well on track in our view.
- Ambitious FY EBT target: even the lower end of the EUR 12.5-17.5m guidance would require Q4 EBT of more than EUR 7m. In our view, this calls for stronger revenue momentum or a positive contribution from the risk result in Q4. For 2026e, we expect EBT of 10.6 EURm.
- 2027/28e estimates cut: we lower EBT by 20%/15% to 22.1 EURm/29.0 EURm, partly reflecting weaker expected momentum in current accounts amid a competitive environment as well as slower deposit and customer growth.
- Buy, PT cut to 5.80 EUR (previously: EUR 6.50).

UmweltBank: Q3/26 preview

EUR m	Q3/26e	Q3/25	yoy	9M/26e	yoy
Net interest income	16.2	14.5	11.6%	43.5	0.3%
Financial result	1.5	1.0	55.3%	3.4	-76.9%
Net commission & trading income	2.4	1.6	46.0%	5.3	0.2%
Total revenues	20.6	18.3	12.5%	52.8	-18.4%
Risk result	-1.5	0.0	n.m.	-0.3	n.m.
Administrative expenses	-16.1	-15.9	1.0%	-47.3	-8.3%
Cost-income ratio	78.1	86.9	-8.9pp	89.6	+9.9pp
EBT	3.0	2.4	24.1%	5.2	-43.0%
Net profit	3.0	2.3	33.3%	3.8	-57.2%
New loan volume (gross)	145.0	33.0	n.m.	328.0	n.m.

Source: Company data, MPCM Research est.; total revenues incl. other operating income

KEY POINTS

Preview Q3 - Comment on figures

UmweltBank will release Q3 figures on 28 October. We expect **EBT** of EUR 3.0m (Q3/25: EUR 2.4m; Q2: EUR 1.9m), driven this time mainly by the revenue side: **total revenues** should rise 12% yoy to EUR 20.6m, with **NII** up 12% to EUR 16.2m as the marked pick-up in **new lending** starts to feed through. For 9M, we expect gross new lending business of just under EUR 330m (9M/25: EUR 73m), i.e. Q3 at least at the strong Q2 level of ~EUR 145m. Given solid asset quality, the **risk result** should remain moderate (EUR -1.5m), while higher personnel expenses should be largely offset by lower other administrative expenses (**admin expenses**: EUR 16.1m, +1% yoy).

FY EBT target looks ambitious

After 9M, EBT should total EUR 5.2m (9M/25: EUR 9.1m), weighed down by the high prior-year financial result. Even the lower end of the EUR 12.5-17.5m guidance would require Q4 EBT of over EUR 7m, which in our view calls for stronger revenue momentum or a positive risk result. We expect 10.6 EURm for 2026e (previously: EUR 12.1m).

Estimates and PT cut, Buy confirmed

We cut 2027e/28e EBT by 20%/15% on lower net commission income and NII (details on the following page). The release of 5.0 EURm p.a. from the fund for general banking risks supports net income but has no effect on our valuation. PT cut to 5.80 EUR (previously: EUR 6.50); Buy.

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Q3 preview details and estimate changes

UmweltBank AG · Equity Research

PREVIEW

Preview Q3 - NII and new lending

NII should grow 12% yoy to EUR 16.2m (Q2: EUR 14.7m) as the marked pick-up in new business starts to feed noticeably into net interest income after a subdued Q1.

New lending: For 9M, we expect gross new business of just under EUR 330m (9M/25: EUR 73m), implying that Q3 at least matched the strong Q2 level (~EUR 145m) as the well-stocked pipeline converts into disbursements. More than 70% of the EUR 450m FY target would thus be reached after nine months; UmweltBank is well on track in our view (our 2026e: 460.0 EURm).

Net commission and trading income should come in at EUR 2.4m (Q3/25: EUR 1.6m); we do not assume any income from bond placements for clients.

Risk result: Given solid asset quality, risk provisions should remain moderate (our estimate: EUR -1.5m; 9M: EUR -0.3m), within the FY guidance of EUR -2.5m to +2.5m.

Administrative expenses should reach EUR 16.1m (+1% yoy). Higher personnel expenses (EUR 8.7m; Q3/25: EUR 7.6m) should be largely offset by lower other administrative expenses (EUR 6.5m; Q3/25: EUR 8.2m), incl. lower consulting and audit fees. The CIR should thus fall to 78% (Q3/25: 87%).

NEW SECTION

UmweltBank: Estimate changes

EURm	2026e new	2026e old	Δ	2027e new	2027e old	Δ	2028e new	2028e old	Δ
Total revenues	78.2	79.7	-1.9%	95.5	101.7	-6.1%	108.6	114.3	-5.0%
EBT	10.6	12.1	-12.4%	22.1	27.8	-20.4%	29.0	33.9	-14.5%
Net income	13.8	12.0	15.2%	23.8	19.5	22.0%	27.5	23.7	16.0%
EPS (EUR)	0.3	0.3	15.1%	0.6	0.5	22.3%	0.7	0.6	16.5%

Source: MPCM Research est.

ESTIMATES CHANGE

Estimate changes: Lower growth momentum of fee income & NII expected

Net commission and trading income: We now expect 16.9 EURm/23.1 EURm for 2027e/28e (previously: EUR 18.9m/EUR 26.2m), well below management's target ranges of EUR 19-25m and EUR 30-38m. This reflects, among other things, the weaker expected momentum in current accounts given the competitive environment. In addition, we do not assume any commission income from bond placements for clients, which in our view is an add-on and cannot be planned precisely. Already for 2026e, our estimate of 9.0 EURm (previously: EUR 10.5m) is below the EUR 10-15m guidance.

NII: Reflecting slower deposit and customer growth, we lower 2027e/28e NII by ~EUR 4m and ~EUR 2.5m to 72.1 EURm/81.5 EURm. For 2028e, we now assume retail deposits of EUR 4.9bn and 360k customers.

New lending: Here, we see UmweltBank on track, assuming 520.0 EURm/676.0 EURm for 2027e/28e (target: EUR 550m/EUR 650m).

Other effects: Lower cost estimates (EUR -1.5m/-1.8m) provide relief in 2027e/28e. 2026e benefits from a lower risk result (-1.0 EURm; previously: EUR -2.0m) and a slightly higher financial result (6.5 EURm; previously: EUR 6.0m), while administrative expenses are EUR 1.0m higher.

Cost development

2026e: Administrative expenses should decline 7.4% to 66.6 EURm. Personnel expenses rise 14% to 34.5 EURm (guidance: EUR 34.5m), but this should be offset by positive effects in other administrative expenses: at 31.6 EURm (Guidance: EUR 32m), they remain well below the prior year (41.0 EURm), mainly thanks to sharply lower consulting fees (EUR 2.0m after EUR 8.3m) and other operating costs (EUR 7.5m after EUR 11.2m).

2027e/28e: Administrative expenses rise 6.5%/5.7% to 71.0 EURm/75.0 EURm, driven by IT (EUR 13.3m/EUR 14.7m after EUR 11.1m in 2026e) and marketing (EUR 11.0m/EUR 12.3m after EUR 10.0m). Again, other administrative expenses (36.8 EURm/40.5 EURm; plan: EUR 41m each) should offset personnel expenses above plan (33.7 EURm/34.0 EURm; plan: EUR 33m each). The reduction versus our previous estimates mainly relates to marketing (EUR -1.5m/-1.7m) and IT (EUR -0.6m each), in line with the more moderate customer growth.



Q3 preview details and estimate changes

UmweltBank AG · Equity Research

CIR, release of taxed reserves & valuation

CIR: The CIR (UBK definition) should fall from 91.8% to 86.3%/76.2%/72.1% in 2026e-28e, still well above the target of max. 60% for 2028.

Release of taxed reserves: As in 2025, we assume a release from the fund for general banking risks (§340g HGB) of 5.0 EURm p.a. in 2026-28e, reducing the fund from 124.6 EURm to 109.6 EURm. Together with a lower tax burden (deferred taxes), net income rises despite the lower EBT to 13.8/23.8/27.5 (previously: EUR 12.0m/EUR 19.5m/EUR 23.7m). The release has no effect on our valuation.

Valuation: On the back of our lower earnings estimates, we cut our PT from EUR 6.50 to 5.80 EUR. With the shares trading at 0.3x P/NAV 2026e, we confirm our Buy rating.

Key data

UmweltBank AG · Equity Research

PROFIT & LOSS (IN EUR M)

EUR m	2023A	2024A	2025A	2026E	2027E	2028E
Total revenues	47.6	62.6	84.4	78.2	95.5	108.6
Growth yoy (%)	-47.7	31.7	34.7	-7.3	22.1	13.7
Net interest income	41.1	44.9	58.4	61.2	72.1	81.5
Net commission & fee income	8.5	5.5	5.8	9.0	16.9	23.1
Loan loss provisions	4.7	-3.6	-6.0	-1.0	-2.4	-4.6
Total expenses	57.8	67.5	71.9	66.6	71.0	75.0
Growth yoy (%)	37.2	16.7	6.5	-7.4	6.5	5.7
EBT	-5.6	-8.5	6.4	10.6	22.1	29.0
Taxes	1.8	-2.8	2.8	-1.8	-3.3	-6.5
Allocation to reserves in accordance with section §340g HGB (EUR m)	4.5	12.0	5.0	5.0	5.0	5.0
Net profit	0.7	0.7	14.3	13.8	23.8	27.5
EPS (EUR)	0.02	0.02	0.38	0.33	0.57	0.66
DPS (EUR)	0.00	0.00	0.05	0.10	0.15	0.20

BALANCE SHEET (IN EUR M)

EUR m	2023A	2024A	2025A	2026E	2027E	2028E
Cash Reserve	116.3	38.8	39.1	15.9	24.0	23.4
Loans and advances to banks	10.5	2,025.2	2,303.1	2,602.5	2,927.8	3,293.8
Loans and advances to customers	3,356.6	3,148.9	2,989.8	3,199.1	3,503.0	3,678.1
Goodwill & intangibles	0.8	0.7	0.5	0.4	0.4	0.4
Property, plant & equip.	85.8	108.0	128.5	109.3	111.5	113.7
Financial investments	2,085.0	827.6	1,293.6	1,306.5	1,319.6	1,332.8
Tax assets	12.1	20.8	29.4	29.7	30.0	30.3
Other assets	21.0	15.7	21.8	22.2	23.3	24.5
Total assets	5,688.0	6,185.9	6,805.8	7,285.7	7,939.5	8,497.5
Subscribed capital	36.0	36.1	41.4	41.4	41.4	41.4
Capital reserve	108.7	108.7	124.2	124.2	124.2	124.2
Retained earnings	103.7	104.6	110.2	118.1	127.6	146.2
Other equity components	0.7	0.6	9.1	13.8	23.8	27.5
Shareholders' equity	249.1	249.9	284.9	297.5	317.0	339.2
Fund for general banking risks (§340g HGB) (EUR m)	141.6	129.6	124.6	119.6	114.6	109.6
Total equity	390.8	379.6	409.5	417.1	431.6	448.9
Subordinated debt	88.8	89.2	89.2	91.0	92.8	94.7
Hybrid Capital	44.8	45.1	45.3	46.2	47.1	48.1
Liabilities to banks	2,279.0	1,808.0	1,691.3	1,708.2	1,794.2	1,887.3
Liabilities to customers	2,854.3	3,824.4	4,544.2	4,998.6	5,548.4	5,992.3
Total provisions	17.8	17.4	17.1	15.0	15.5	15.9
Other liabilities	12.6	22.2	9.2	9.5	10.0	10.4
Total liabilities	5,297.2	5,806.3	6,396.3	6,868.6	7,507.9	8,048.6
Total liabilities and shareholders' equity	5,688.0	6,185.9	6,805.8	7,285.7	7,939.5	8,497.5

CORE FINANCIAL KPIS

	2023A	2024A	2025A	2026E	2027E	2028E
Total loans (EUR m)	3,722.0	3,457.0	3,118.0	3,211.5	3,436.3	3,608.2
NII/ Average Loan volume (%)	1.1	1.3	1.8	1.9	2.2	2.3
Non-performing loans (EUR m)	13.0	127.9	102.9	72.0	57.6	54.7
NPLs/ Average loan volume (%)	0.4	3.7	3.3	2.2	1.7	1.5
Net addition ratio (%)	-0.13	0.10	0.18	0.03	0.07	0.13
Common Equity Tier 1 capital (CET1) (EUR m)	388.9	377.6	397.0	410.8	434.6	462.1
Tier 1 capital (EUR m)	414.8	403.6	423.0	436.8	460.6	488.1
Total capital (EUR m)	524.5	504.7	521.0	534.8	558.6	586.1
Total risk-weighted assets (EUR m)	3,356.0	3,080.3	3,086.0	3,209.4	3,337.8	3,538.1

COMPANY-SPECIFIC KPIS

Metric	2023A	2024A	2025A	2026E	2027E	2028E
Net commission and trading income (EUR m)	9.1	5.5	7.1	9.0	16.9	23.1
Allocation to reserves in accordance with section §340g HGB (EUR m)	4.5	12.0	5.0	5.0	5.0	5.0
Fund for general banking risks (§340g HGB) (EUR m)	141.6	129.6	124.6	119.6	114.6	109.6
New loan volume (gross) (EUR m)	459.0	250.0	120.0	460.0	520.0	676.0
CIR (UBK)	110.7%	114.4%	91.8%	86.3%	76.2%	72.1%
P/B (UBK)	0.3x	0.3x	0.4x	0.4x	0.3x	0.3x

KEY RATIOS

	2023A	2024A	2025A	2026E	2027E	2028E
CIR (%)	121.6	107.8	85.2	85.2	74.3	69.1
Compensation expense ratio (%)	53.9	41.7	35.9	44.1	35.3	31.3
P/E (x)	514.6	315.3	12.7	10.9	6.3	5.5
P/B (x)	1.5	0.9	0.6	0.5	0.5	0.4
Dividend yield (%)	n.a.	n.a.	1.0	2.8	4.1	5.5
CET 1 Ratio (%)	11.6	12.3	12.9	12.8	13.0	13.1
ROE pre-tax (Ø TE) (%)	-1.4	-2.2	1.6	2.6	5.2	6.6
ROE (Ø TE) (%)	0.2	0.2	3.6	3.3	5.6	6.2
RoRWA (%)	0.0	0.0	0.5	0.4	0.7	0.8

Price Target Methodology

Our price target is derived from three weighted valuation approaches: a residual income model (70%), a P/E-based peer group comparison and an ROE hurdle model (15% each, both based on 2028e). All fair values are rolled forward by twelve months at a cost of equity of 9.7%.

Risks

Earnings visibility for 2026 is limited: after H1 EBT of EUR 2.2m, even the lower end of the EUR 12.5-17.5m guidance requires a strong H2, notably in net commission and trading income (guidance EUR 10-15m, H1 EUR 2.9m). Competition and expiring special terms weigh on deposits (H1: EUR 3.9bn vs. EUR 4.3bn at YE 2025). Maturity transformation leaves NII exposed to rising rates (IRRBB: EUR -20.7m at +200bp). Credit risk is concentrated in German solar, wind and real estate financing due to its focused business model; after project revaluations lifted the NPL ratio to 3.3% in 2025, the plan assumes a decline to below 1.5% from 2027 and a risk result within EUR +/-2.5m in 2026. Capital headroom over the 14.97% requirement (H1: 17.1%) narrows as lending accelerates. Upside risks: faster pipeline conversion and further cuts in supervisory capital add-ons.

Investment Case

UmweltBank is a direct bank dedicated to sustainable finance, with around 30 years of expertise in renewable energy and sustainable real estate lending and a highly credible brand among sustainability-minded retail clients. Having completed its transformation (core banking system, regulatory remediation, retail repositioning), the bank returned to pre-tax profit in 2025 and is shifting back to growth. New lending should rise from 120.0 EURm (2025) to 460.0 EURm (2026e), also driven by battery storage, while the current account, own ETFs and Triodos client referrals broaden the retail franchise. Together with the cost programme, this should lift EBT from 6.4 EURm to 29.0 EURm (2028e). Our 2028e CIR of 72.1% and pre-tax ROE of 6.6% remain well short of management's targets (no more than 60% and at least 12%), so any progress towards them offers upside to our estimates. At a 2026e P/B (UBK) of 0.4x, the share leaves room for a re-rating.

Company Description

UmweltBank AG, founded in 1997 and headquartered in Nuremberg, is a nationwide direct bank dedicated exclusively to sustainable finance and, according to the company, Germany's only listed sustainable bank. It lends solely to renewable energy and sustainable real estate projects in Germany, funded mainly by deposits from private and business customers plus promotional loans from KfW and Rentenbank. Its activities span four business areas. Renewable Energy Finance, the historical core with more than 10,000 solar projects financed, provides project finance for solar parks, rooftop and PPA projects and onshore wind farms, increasingly also for battery storage. Sustainable Real Estate Finance serves developers, housing cooperatives and investors in energy-efficient rental housing, commercial property and social infrastructure such as care homes, schools and day-care centres. Retail Banking offers overnight, term and savings deposits, the UmweltGiro current account and a securities account with the bank's own sustainable funds and ETFs. Treasury manages liquidity and interest-rate risk via the own-account securities portfolio (Depot A), which is likewise invested by sustainability criteria. The shares have been traded on the stock exchange since 2001 and are included in the Scale segment of the Frankfurt Stock Exchange.

Management

Chairman-Supervisory Board	Georg Schürmann
CEO/Chairman	Dietmar von Blücher
Member-Management Board	Goran Bašić
Member-Management Board	Dr. Nicole Handschuer

Shareholder Structure

GLS Bank	14.8 %
Free float	85.0 %

Key Events

Q3	28 Oct 2026
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Company Overview

UmweltBank AG · Equity Research

Business areas	Renewable Energy Finance	Sustainable Real Estate Finance	Retail Banking	Treasury & Participations
Description	Project finance for solar parks, rooftop and PPA projects and onshore wind farms in Germany since 1997, extended to battery energy storage systems (first financings in 2026). Loans almost fully secured by transfer of title, c. 90% of volume backed by statutory feed-in tariffs.	Financing of ecological and social properties for corporate clients: rental housing, investor projects, commercial property, care homes, schools, day-care centres and student housing, secured by land charges. Building-group finance (Baugemeinschaften) to be relaunched.	Nationwide direct bank for private and business customers: overnight and term deposits, savings, UmweltGiro current account (since July 2025), securities account with own sustainable funds and ETFs, project bonds and the UmweltBank share. Digital investment advice since end-2025.	Own-account business for liquidity, interest-rate and earnings management (Depot A), invested by sustainability criteria. Direct and indirect (UmweltProjekt GmbH) stakes in real estate and energy projects, to be largely divested by end-2026.
Volumes (FY2025)	- Solar 34.5% and wind 22.8% of loan book - Other renewables, heat and agriculture 3.7% - New lending EUR 62m (FY2024: EUR 147m), thereof solar EUR 23m, wind EUR 39m	- Real estate 39.0% of loan book (largest sector) - New lending EUR 56m (FY2024: EUR 103m), mainly residential c. 90% of financed buildings in energy classes A+ to B	- Customer deposits EUR 4.5bn, 184k customers - Custody volume EUR 556m, own funds EUR 290m (3 active funds, 2 ETFs) - Commission & trading result EUR 7.1m (+28% y-o-y)	- Depot A c. EUR 1.2bn: sovereigns 46%, banks/corporates 31%, supranationals 16%, covered bonds 7% - Participations EUR 78m - Financial result EUR 17.6m, mainly from property disposals
Key drivers	- Expansion of solar and onshore wind capacity in Germany - Growth in PPA and battery storage financing - Capital headroom after the 2025 capital increase - Promotional refinancing via KfW and Rentenbank	- German housing shortage and new-build activity - Property prices and interest rates - Capital headroom for new lending - Relaunch of building-group finance	- Customer acquisition and deposit pricing - Current-account cross-selling - Brokerage opening, ETF launches and pension savings account 2028 targets: 500k customers, EUR 6.2bn retail deposits	- Reinvestment of deposit inflows (Depot A EUR 4.1bn in 2028 scenario) - Shape of the yield curve - Run-down of participations, lower financial result expected
Market position	- Pioneer of German renewables lending with more than 10,000 solar projects financed - Loan book validated by SBTi as 1.5°C-aligned (maintenance targets, a first worldwide, both according to the company)	- Sustainable real estate lender for almost 30 years - Focus on social and energy-efficient housing, portfolio well above the German average of classes D-E (according to the company)	- Germany's only listed sustainable bank (according to the company) - Stiftung Warentest 04/2025: one of three of 15 banks rated 'strictly sustainable'	- LCR 978%, NSFR 235% - Depot A: 50% HQLA, 87% ECB-eligible, more than 75% rated AA or better - Fitch rating BBB- (stable outlook)
Key markets & clients	- Germany only, corporate and project-company borrowers - Total loan book: Bavaria 25%, Berlin 13%, Baden-Württemberg 10%, NRW 9%	- Germany only - Developers, housing cooperatives, investors and social-infrastructure operators	- Germany nationwide via online banking and app - Private and business customers	Depot A by country: Germany 60%, Finland 10%, France 10%, Luxembourg 7%, Austria 6%, other 7%
Main competitors	- DKB, NORD/LB, BayernLB, LBBW - Regional savings and cooperative banks, GLS Bank	- Regional savings and cooperative banks - DKB, Bank für Sozialwirtschaft, GLS Bank	- Sustainable banks: GLS Bank, EthikBank, Tomorrow - Direct banks and brokers: ING Germany, DKB, comdirect, Trade Republic	n/a (own-account business)

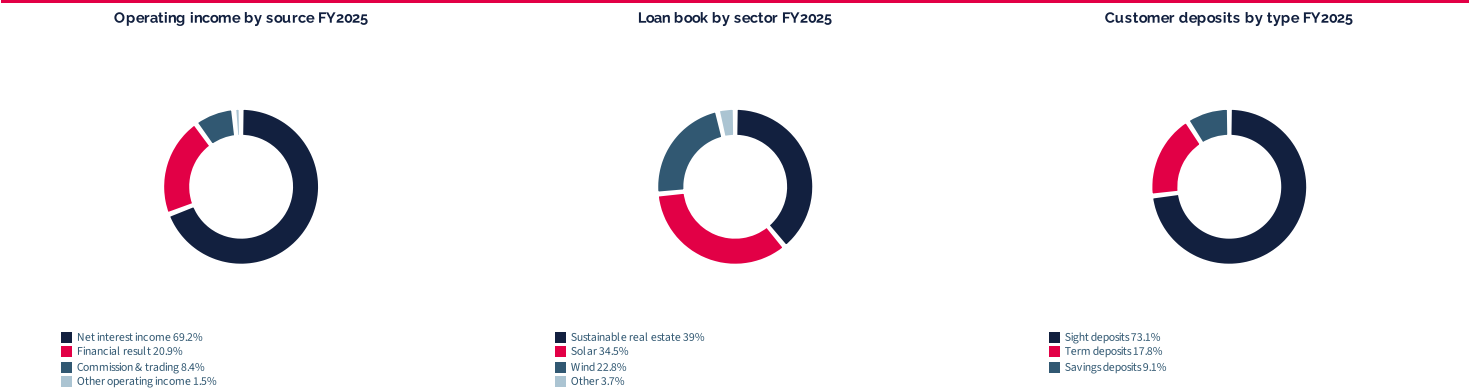
KEY FIGURES FY2021-FY2025

	FY2021	FY2022	FY2023	FY2024	FY2025
Net interest income (EURm)	63.2	58.8	41.1	45.0	58.4
Financial result (EURm)	3.0	24.8	-2.6	13.0	17.6
Admin. expenses incl. D&A (EURm)	34.6	42.2	57.8	67.5	71.9
Risk provisioning result (EURm)	-3.3	-9.3	4.5	-3.8	-6.0
EBT (EURm)	38.1	39.2	-5.6	-8.5	6.4
Cost/income ratio	47.7%	68.6%	111.2%	109.3%	91.8%
Gross new lending (EURm)	845	623	459	250	120
Customer deposits (EURm)	2,954	3,176	2,854	3,824	4,544
Total capital ratio	14.0%	15.7%	15.6%	16.4%	16.9%

COMPANY-SPECIFIC KPIS

EUR 58.4m Net interest income FY2025 ▲ +30.0% y-o-y	EUR 6.4m EBT FY2025 vs. EUR -8.5m FY/24, pre-tax RoE target ≥12% in 2028	EUR 4.5bn Customer deposits FY2025 ▲ +18.8% y-o-y	184k Customers FY2025 ▲ +18.9% y-o-y, target 500k in 2028	91.8% Cost/income ratio FY2025 vs. 109.3% FY/24, target ≤60% in 2028	16.9% Total capital ratio FY2025 vs. 16.4% FY/24, requirement 15.6%
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COMPANY-SPECIFIC DISTRIBUTIONS





Valuation

UmweltBank AG · Equity Research

KEY RATIOS

	2023A	2024A	2025A	2026E	2027E	2028E
CIR (%)	121.6	107.8	85.2	85.2	74.3	69.1
Compensation expense ratio (%)	53.9	41.7	35.9	44.1	35.3	31.3
P/E (x)	514.6	315.3	12.7	10.9	6.3	5.5
P/B (x)	1.5	0.9	0.6	0.5	0.5	0.4
Dividend yield (%)	n.a.	n.a.	1.0	2.8	4.1	5.5
CET I Ratio (%)	11.6	12.3	12.9	12.8	13.0	13.1
ROE before tax (%)	-2.2	-3.4	2.4	3.6	7.2	8.8
ROE (%)	0.3	0.3	5.3	4.7	7.7	8.4
RoRWA (%)	0.0	0.0	0.5	0.4	0.7	0.8
ROE pre-tax (Ø TE) (%)	-1.4	-2.2	1.6	2.6	5.2	6.6
ROE (Ø TE) (%)	0.2	0.2	3.6	3.3	5.6	6.2

Valuation: Residual income model

UmweltBank AG · Equity Research

NEW SECTION

UmweltBank: Residual income model

EURm	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	TV
Equity(beginning of period)	409.5	417.1	431.6	448.9	466.7	488.3	507.1	527.7	550.1	570.1	591.4	614.0	637.8	
Net income	13.8	23.8	27.5	27.0	30.5	34.1	37.6	41.2	44.7	48.2	51.5	54.7	57.7	58.6
Dividends paid	4.1	6.2	8.3	9.2	8.9	15.2	17.0	18.8	24.7	26.8	28.9	30.9	32.8	57.7
Equity(end of period)	417.1	431.6	448.9	466.7	488.3	507.1	527.7	550.1	570.1	591.4	614.0	637.8	662.7	
Payout ratio	29.0	44.9	34.8	33.3	33.0	50.0	50.0	50.0	60.0	60.0	60.0	60.0	60.0	100.0
Return on equity	2.1	4.4	5.1	4.8	5.3	5.8	6.3	6.7	7.1	7.4	7.7	7.9	8.1	8.8
Cost of equity	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7
Excess return	-30.9	-21.9	-19.7	-21.9	-20.3	-18.8	-17.1	-15.6	-14.2	-12.8	-11.6	-10.7	-10.0	-5.6
Discount factor	1.0	0.9	0.8	0.7	0.7	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.3	
Present value	-30.2	-19.5	-16.0	-16.2	-13.7	-11.6	-9.6	-8.0	-6.6	-5.5	-4.5	-3.8	-3.2	-22.0

Source: MPCM Research est.; TV=terminal value(long-term growth 1.5%)

NEW SECTION

Residual income model: Valuation and parameters

EURm	Value
Sum of PVs until 2038e	-148.4
PV of terminal value	-22.0
Current book value (NAV)	409.5
Equity value	239.1
No. of shares (m)	41.4
Value per share (EUR)	5.8
Parameters	
Risk-free rate	2.8
Market return	8.3
Equity risk premium	5.5
Beta	1.3
Cost of equity	9.7
Long-term growth	1.5

Source: MPCM Research est.

Price target derivation

EUR per share	Fair value	Weight	Contribution
Residual income model	5.8	70.0%	4.0
P/E (2028e)	6.1	15.0%	0.9
ROE hurdle rate (2028e)	5.6	15.0%	0.8
Weighted fair value / PT		100.0%	5.8

Source: MPCM Research est.

Disclosure Appendix

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The valuation underlying the investment recommendation for the company analysed here is based on generally accepted and widely used methods of fundamental analysis, such as e.g. DCF model, Free Cash Flow Value Potential, NAV, peer group comparison or sum-of-the-parts model.

Valuation methods

The fair value / price target of a share is determined primarily using a discounted cash flow approach (DCF approach). The DCF-based valuation may be supplemented by other valuation methods such as a peer group comparison or a sum-of-the-parts model. Where appropriate (e.g. for banks, real estate companies), other methods such as a regression model are also used as the main valuation model.

DCF: The DCF model uses forecasts of future free cash flow, which are discounted within the WACC model at the weighted average cost of capital in order to determine their present value. As a rule, the weighted average cost of capital is used as the discount rate in order to reflect the time value of money, the risks of the cash flows and the financing structure of the company. The enterprise value is derived by means of the DCF analysis. The equity value is obtained by subtracting (adding) net debt (net cash).

FCF Value: The MPCM valuation method "FCF Value Potential" reflects the company's ability to generate sustainable free cash flows. It is based on the "FCF Value Potential" - an FCF figure excluding growth. An indication of value is determined via the perpetuity of the "FCF Potential" of the respective year, taking into account the weighted cost of capital. The various value indications of the individual years add a time element to the DCF model (our preferred valuation model).

Peer group: The peer group comparison is a relative valuation approach and is used to derive the enterprise value. The peer group generally consists of sufficiently comparable listed companies, but the transaction values of unlisted companies may also be used for a comparison. A peer group comparison may be based on sales, earnings (e.g. EBITDA, EBIT, EPS) or other (e.g. free cash flow, book value, customers) metrics.

Sum-of-the-parts: A sum-of-the-parts valuation derives the enterprise value from the sum of the values of the individual assets. Various valuation methods are used here as required. The equity value is determined by deducting net debt.

Valuation methods for banks: The fair value / price target of a share is determined primarily using our regression model (P/BV / RoE). This model may be supplemented by other valuation methods such as a peer group comparison or a sum-of-the-parts model.

Regression model: In order to determine the fair value of a bank, we estimate the bank's book value and its profitability on the basis of return on equity. The derived P/BV and the derived return on equity are compared with existing peers in a regression model in order to determine a fair value.

In individual cases, other valuation methods not listed here may also be applied; these are explained in the respective investment recommendation.

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All prices of financial instruments given in this investment recommendation are the closing prices of the stock-market trading day preceding the respective publication date stated, unless another point in time is explicitly stated.

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Sources

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-B-	Buy	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold	The price of the analysed financial instrument is expected to remain largely stable over the next 12 months.
-S-	Sell	The price of the analysed financial instrument is expected to fall over the next 12 months.
-	Rating suspended	The available information currently does not permit an evaluation of the company.

Disclosure Appendix

UmweltBank AG · Equity Research

Rating universe distribution

Research universe by latest rating in the last 12 months

Recommendation category	Number of stocks	% of universe
Buy	111	82%
Hold	19	14%
Sell	0	0%
Rating suspended	6	4%
Total	136	100%

Issuers with major investment-services relationship in the last 12 months

Recommendation category	Number of issuers with material services	% of issuers in recommendation category
Buy	5	5%
Hold	0	0%
Sell	0	0%
Rating suspended	1	17%
Total	6	4%

19 active coverage companies are excluded from the distribution because no recommendation with a governed dissemination timestamp and classifiable direction exists inside the trailing 12-month window.
Snapshot date: 2026-10-19.

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Company	Disclosure
UmweltBank AG	5

Pre-publication disclosure

This financial analysis was made available to the issuer prior to its publication and subsequently amended.

Rating history

Ratings and target prices of the last 12 months:

Date	Rating	Target price	Market price (date)	Analyst	Validity
2026-07-30	Buy	6.5 EUR	4.14 EUR (2026-07-29)	Andreas Pläsier (Analyst)	12M
2026-07-28	Buy	6.8 EUR	3.8 EUR (2026-07-27)	Andreas Pläsier (Analyst)	12M
2026-05-05	Buy	6.8 EUR	3.85 EUR (2026-05-04)	Andreas Pläsier (Analyst)	12M
2026-04-24	Buy	7.2 EUR	3.82 EUR (2026-04-23)	Andreas Pläsier (Analyst)	12M
2026-03-31	Buy	7.2 EUR	3.87 EUR (2026-03-30)	Andreas Pläsier (Analyst)	12M
2026-02-27	Buy	7.2 EUR	3.88 EUR (2026-02-26)	Andreas Pläsier (Analyst)	12M
2026-01-15	Buy	7.2 EUR	3.84 EUR (2026-01-14)	Andreas Pläsier (Analyst)	12M
2026-01-08	Buy	7.2 EUR	3.75 EUR (2026-01-07)	Andreas Pläsier (Analyst)	12M
2025-12-18	Buy	7.2 EUR	3.55 EUR (2025-12-17)	Andreas Pläsier (Analyst)	12M
2025-11-03	Buy	7.2 EUR	3.71 EUR (2025-10-31)	Andreas Pläsier (Analyst)	12M
2025-10-22	Buy	7.2 EUR	3.67 EUR (2025-10-21)	Andreas Pläsier (Analyst)	12M



Disclosure Appendix

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Historical price targets and rating changes: https://disclaimer.mp-capitalmarkets.com/disclaimer_en/DE0005570808.htm

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