UmweltBank AG

Bank, UBK GR

EQUITY RESEARCH · COMMENT · ISSUER-SPONSORED RESEARCH

10 November 2026

MÜNCHMEYER PETERSEN CAPITAL MARKETS

Buy

EUR 5.50 ↘ (from 5.8)

Price	**EUR 3.69**
Upside	**49.1 %**

CHANGES IN ESTIMATES

FY 31.12. / EUR m	2026E	2027E	2028E
Total revenues	−3.0 %	−4.7 %	−3.8 %
Loan-loss provisions	250.0 %	−4.2 %	1.3 %
PBT	11.9 %	−4.4 %	−0.4 %
EPS	7.1 %	−2.9 %	−0.3 %

KEY DATA

Ticker	**UBK GR**
Market Cap (EUR m)	**153**
Enterprise Value (EUR m)	**n.a.**
Ø Daily turnover (30d) (EUR k)	**19**
Free float (%)	**85.2**
Perf. 1/3/12M (%)	**5.4 / −3.9 / 2.8**
52W range (EUR)	**3.3 – 4.1**

KEY FINANCIALS (IN EUR M)

	2024A	2025A	2026E	2027E	2028E
Total revenues	**62.6**	**84.4**	**75.8**	**91.0**	**104.5**
chg yoy	*31.7%*	*34.7%*	*−10.1%*	*20.0%*	*14.8%*
Total expenses	**67.5**	**71.9**	**65.5**	**67.4**	**71.1**
LLPs	−3.6	−6.0	1.5	−2.5	−4.5
EBT	**−8.5**	**6.4**	**11.9**	**21.2**	**28.9**
Net profit	**0.7**	**14.3**	**14.8**	**23.1**	**27.4**
EPS	0.02	0.38	0.36	0.56	0.66
DPS	0.00	0.05	0.10	0.15	0.20
Div. Yield	n.a.	1.0%	2.7%	4.1%	5.4%
P/E	315.3x	12.7x	10.3x	6.6x	5.6x
P/B (UBK)	0.3x	0.4x	0.4x	0.3x	0.3x
CIR	107.8%	85.2%	86.3%	74.0%	68.1%
ROE pre-tax (Ø TE)	−2.2%	1.6%	2.9%	5.0%	6.5%

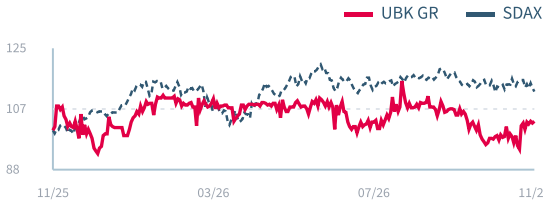
GUIDANCE VS. MPCMe & CONSENSUS 2026E

Metric	Guidance	MPCMe	Cons	Δ %
Total revenues	72-77m	75.8m	78.2m*	−3.0%
EBT	Low end of 12.5-17.5m	11.9m	12.0m*	−1.2%

** Cons. entered by MPCM Research.*

Source: Company data, FactSet, MPCM Research est.

Share price performance (indexed, EUR)



Source: FactSet, MPCM Research

UmweltBank: Q3 in line; guidance mix moves towards our view, PT cut

SUMMARY

- **Q3 in line:** Q3 EBT of EUR 3.1m (MPCMe: EUR 3.0m) and 9M EBT of EUR 5.3m (MPCMe: EUR 5.2m), with only marginal deviations at operating level.
- **Guidance mix adjusted:** Lower revenue and commission targets, offset by lower costs and a risk release. FY26 EBT still at the lower end of EUR 12.5-17.5m.
- **Estimates:** 2026e EBT raised to 11.9 EURm (previously: EUR 10.6m), as we now explicitly assume a release of risk provisions and lower costs. Revenues trimmed slightly on lower commission income.
- **Buy, PT cut to 5.50 EUR (previously: EUR 5.80),** almost entirely due to a higher risk-free rate of 3.75% (previously: 2.75%), applied across our coverage.

UmweltBank: Q3/26 vs. MPCMe

EUR m	Q3/26	Q3/26e	9M/26	9M/26e	9M/25	yoy
Net interest income	16.5	16.2	43.8	43.5	43.3	1%
Financial result	1.7	1.5	3.6	3.4	14.8	-76%
Net commission & trading income	2.1	2.4	5.0	5.3	5.3	-6%
Total revenues	**20.6**	**20.6**	**52.8**	**52.8**	**64.7**	**-18%**
Risk result	−2.1	−1.5	−0.9	−0.3	−4.0	-77%
Valuation result	−0.1	0.0	−0.1	0.0	0.0	n.a.
Administrative expenses	−15.2	−16.1	−46.4	−47.3	−51.6	-10%
EBT	**3.1**	**3.0**	**5.3**	**5.2**	**9.1**	**-42%**
Net profit	1.7	3.0	2.6	3.8	9.0	-72%
New lending volume	141.0	~145	324.0	~328	73.0	>100%

Source: Company data, MPCM Research; Q3 derived from reported 9M and H1 figures

KEY POINTS

Q3: in line across the board

NII was slightly above and commission income slightly below our estimates, while Q3 costs fell to a two-year low of EUR 15.2m. With 9M new lending of EUR 324m, the FY target of EUR 450m looks well achievable.

Guidance: lower revenues, offset by costs and risk result

Our 2026e estimates are within the new ranges for revenues, commission income and risk result; slightly higher Q4 costs leave our EBT just below guidance.

Estimates adjusted, Buy confirmed

Estimates: Our higher 2026e EBT of 11.9 EURm reflects an improved risk result, where we now explicitly assume a release of risk provisions, and lower cost estimates (65.5 EURm; previously: EUR 66.6m). At the same time, we trim our revenue estimate slightly to 75.8 EURm (previously: EUR 78.2m) on lower commission income (7.7 EURm; previously: EUR 9.0m). For 2027/28e, lower commission income is largely offset by lower costs, leaving EBT at 21.2 EURm/28.9 EURm.

Valuation: The PT cut results almost entirely from raising the risk-free rate to 3.75% (previously: 2.75%), which we are applying across our entire coverage. CEO Dietmar von Blücher continues to buy shares: since the Q3 release, he has acquired 12,345 shares for around EUR 44k (average price EUR 3.60). In our view, this underlines management's strong conviction that it can raise profitability step by step. At a 2026e P/B (UBK) of 0.4x, we confirm our Buy rating.

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Q3 results and guidance in detail

Q3 IN DETAIL: IN LINE ACROSS THE BOARD

Revenues: 9M operating revenues of EUR 52.8m were exactly in line with our estimate. NII of EUR 43.8m was slightly above our EUR 43.5m, supported by the expiry of special deposit rates, a better treasury position (around EUR 320m reinvested in Q3; Depot A at EUR 2.5bn) and growing new lending. Commission income of EUR 5.0m was slightly below our EUR 5.3m because securities and payments income was weaker.

Costs: Administrative expenses of EUR 15.2m in Q3 were the lowest quarterly figure in two years. Personnel expenses (EUR 8.7m) and other administrative expenses (EUR 6.5m) were exactly in line with our estimates. In 9M, administrative expenses fell 10% to EUR 46.4m, and other administrative expenses were down 30% yoy at EUR 20.4m, mainly due to lower consulting costs.

Risk result: The 9M risk result of EUR -0.9m (MPCMe: EUR -0.3m) remained moderate. The NPL ratio is expected to fall below 3% in 2026 and below 1.5% in 2027.

New lending: EUR 141m in Q3 (Q1: EUR 36m; Q2: EUR 147m) took 9M to EUR 324m (9M/25: EUR 73m), with renewables accounting for 66% and real estate for 34%. The FY target of EUR 450m was confirmed. With 72% already reached after nine months and a well-filled pipeline, we consider the full-year target well achievable (MPCMe: 460.0 EURm).

Retail: Customer numbers were stable at around 194k. Retail deposits fell to EUR 3.7bn (YE25: EUR 4.3bn) after special overnight rates expired, while current accounts grew to around 10,000 (Q3/25: around 1,700). Because competition for retail customers has intensified, UmweltBank did not make the growth investments it had planned. Custody volume rose to EUR 605m and in-house funds and ETFs to EUR 361m (+24%), helped by three new European ETFs.

Capital: The total capital ratio was unchanged at 16.9% (CET1: 13.1%), against a requirement of around 15% after supervisory add-ons were cut by 60bp in April 2026.

Net profit: The only bigger gap to our estimates (9M: EUR 2.6m vs. EUR 3.8m) reflects a higher tax charge rather than operations.

GUIDANCE 2026: LOWER REVENUES, OFFSET BY COSTS AND RISK RESULT

UmweltBank: Guidance 2026 vs. MPCMe

EUR m	Guidance old	Guidance new	MPCMe 2026 new	MPCMe 2026 old
Net interest income	60-65	60-65	61.2	61.2
Financial result	4-8	4-8	6.5	6.5
Net commission & trading income	10-15	6-9	7.7	9.0
Operating revenues	**76-86**	**72-77**	**75.8**	**78.2**
Risk result	-2.5 to +2.5	0 to +4	1.5	−1.0
Personnel expenses	34.5	34.5	34.5	34.5
Other administrative expenses	~32	28-32	30.5	31.6
Administrative expenses	**n.a.**	**63-65**	**65.5**	**66.6**
CIR (UBK definition)	n.a.	80-85%	84.7	86.3
EBT	**12.5-17.5**	**lower end**	**11.9**	**10.6**
Customers (k)	210-260	~200	205.0	220.0
Retail deposits (EUR bn)	4.0-5.4	~4.0	4.1	4.1
Loan volume (EUR bn)	3.4	3.2	3.2	3.2

Source: Company data, MPCM Research

Revenues: The cut mainly reflects commission income, as securities and payments income was weaker than planned. The NII and financial result targets are unchanged. We lower our commission estimate to 7.7 EURm (previously: EUR 9.0m), close to the midpoint of the new range, and other operating income to 0.4 EURm (previously: EUR 1.5m). Our total revenues of 75.8 EURm are now within the new range.

Costs: We lower our administrative expenses to 65.5 EURm (previously: EUR 66.6m), mainly through lower other administrative expenses of 30.5 EURm, within the new range of EUR 28-32m. For Q4, we still expect a seasonal increase to EUR 19.1m, driven by marketing and IT, so we remain slightly above the guidance range of EUR 63-65m.

Risk result: In line with the new guidance, we now assume a release of risk provisions of EUR 1.5m (previously: a net charge of EUR 1.0m).

Retail KPIs: We lower our customer estimate to 205k (previously: 220k). Our retail deposit estimate of EUR 4.1bn is already in line with the new target of around EUR 4.0bn.

EBT bridge: The midpoints of the new ranges add up to EBT of EUR 12.5m, exactly the lower end of guidance. Our 11.9 EURm is EUR 0.6m below that: revenues contribute EUR +1.3m vs. the midpoint, the risk result EUR -0.5m and administrative expenses EUR -1.5m. Our Q4e EBT of EUR 6.1m is twice the Q3 level, supported by the expected risk release. Reaching the lower end of guidance would require more than EUR 7m.

ESTIMATE CHANGES AND VALUATION

Commission income: Following the guidance cut, we lower our 2027/28e estimates to 12.4 EURm/19.0 EURm (previously: EUR 16.9m/23.1m), well below management's targets of EUR 19-25m and EUR 30-38m. Slower customer growth (2027/28e: 250k/320k; previously: 280k/360k) weighs on fees from current accounts and the securities business.

Costs: Lower other administrative expenses of 33.2 EURm/36.6 EURm in 2027/28e (previously: EUR 36.8m/40.5m) largely offset the lower revenues. The reduction mainly reflects marketing and IT, in line with the more moderate customer growth. The CIR (UBK definition) should fall from 91.8% in 2025 to 84.7%/76.1%/71.1% in 2026-28e.

NII and risk result: Our NII estimates are unchanged at 61.2 EURm/72.1 EURm/81.5 EURm. For 2027/28e we continue to expect risk provisions of −2.5 EURm/−4.5 EURm as the loan book grows.

Key data

PROFIT & LOSS (IN EUR M)

EUR m	2023A	2024A	2025A	2026E	2027E	2028E
Total revenues	**47.6**	**62.6**	**84.4**	**75.8**	**91.0**	**104.5**
Growth yoy (%)	*−47.7*	*31.7*	*34.7*	*−10.1*	*20.0*	*14.8*
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	7.7	12.4	19.0
Financial result	−2.6	13.0	17.6	6.5	5.0	2.0
Other operating income	0.1	−0.8	1.3	0.4	1.5	2.0
Loan loss provisions	4.7	−3.6	−6.0	1.5	−2.5	−4.5
Total expenses	57.8	67.5	71.9	65.5	67.4	71.1
Growth yoy (%)	*37.2*	*16.7*	*6.5*	*−8.9*	*2.9*	*5.6*
Operating profit	**−5.6**	**−8.5**	**6.4**	**11.9**	**21.2**	**28.9**
EBT	**−5.6**	**−8.5**	**6.4**	**11.9**	**21.2**	**28.9**
Taxes	1.8	−2.8	2.8	−2.1	−3.0	−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**	**14.8**	**23.1**	**27.4**
EPS (EUR)	0.02	0.02	0.38	0.36	0.56	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	17.6	25.3	24.6
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
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**	**7,287.2**	**7,941.0**	**8,499.1**
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	118.6	129.7	147.8
Other equity components	0.7	0.6	9.1	14.8	23.1	27.4
Shareholders' equity	**249.1**	**249.9**	**284.9**	**299.0**	**318.4**	**340.8**
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**	**418.6**	**433.0**	**450.4**
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	1,691.4	1,708.3	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**	**7,508.0**	**8,048.7**
Total liabilities and shareholders' equity	**5,688.0**	**6,185.9**	**6,805.8**	**7,287.2**	**7,941.0**	**8,499.1**

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	−0.05	0.08	0.13
Book value per share (EUR)	6.99	6.92	6.88	7.22	7.69	8.23
Common Equity Tier 1 capital (CET1) (EUR m)	388.9	378.1	397.1	411.9	435.0	462.4
Tier 1 capital (EUR m)	414.8	404.1	423.0	437.8	461.0	488.3
Total capital (EUR m)	524.5	505.2	521.2	536.0	559.1	586.5
Total risk-weighted assets (EUR m)	3,356.0	3,072.3	3,078.1	3,201.2	3,329.3	3,529.0

COMPANY-SPECIFIC KPIS

Metric	2023A	2024A	2025A	2026E	2027E	2028E
Allocation to reserves in accordance with section §340g HGB (EUR m)	4.5	12.0	5.0	5.0	5.0	5.0
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%	84.7%	76.1%	71.1%
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	86.3	74.0	68.1
Compensation expense ratio (%)	53.9	41.7	35.9	45.5	37.0	32.5
P/E (x)	514.6	315.3	12.7	10.3	6.6	5.6
P/B (x)	1.5	0.9	0.6	0.5	0.5	0.4
Dividend yield (%)	n.a.	n.a.	1.0	2.7	4.1	5.4
CET I Ratio (%)	11.6	12.3	12.9	12.9	13.1	13.1
ROE pre-tax (Ø TE) (%)	−1.4	−2.2	1.6	2.9	5.0	6.5
ROE (Ø TE) (%)	0.2	0.2	3.6	3.6	5.4	6.2
RoRWA (%)	0.0	0.0	0.5	0.5	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 10.4%.

Risks

Broadening the retail franchise is the key execution risk: amid intensified competition for clients and rate-sensitive deposits, management shelved planned growth investments to protect earnings and lowered its 2026 fee income guidance, which slows client growth and puts the 2027/28 fee targets at risk. 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 of EUR 0m to +4m in 2026. Battery storage loans, partly based solely on market revenues, add merchant price risk. Capital headroom over the c.15% requirement (Q3: 16.9%) 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 28.9 EURm (2028e). Our 2028e CIR of 71.1% and pre-tax ROE of 6.5% 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 Bašic**
Member-Management Board	**Dr. Nicole Handschuher**

Shareholder Structure

GLS Bank	**14.8 %**
Free float	**85.2 %**

Key Events

Strategic Update	**10 Dec 2026**

Company Overview

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

COMPANY-SPECIFIC DISTRIBUTIONS

Operating income by source FY2025



- Net interest income 69.2%
- Financial result 20.9%
- Commission & trading 8.4%
- Other operating income 1.5%

Loan book by sector FY2025



- Sustainable real estate 39%
- Solar 34.5%
- Wind 22.8%
- Other 3.7%

Customer deposits by type FY2025



- Sight deposits 73.1%
- Term deposits 17.8%
- Savings deposits 9.1%

FY2025 · Source: UmweltBank Annual and Sustainability Report 2025 (UmweltBank AG single-entity figures, HGB); Investor Presentation FY2025 (loan book by state, Depot A structure, 2028 targets); MPCM Research. No segment reporting: business areas defined by MPCM Research. Loan book shares incl. open commitments; cost/income ratio as defined by the company (risk provisioning included in income).

Valuation

KEY RATIOS

	2023A	2024A	2025A	2026E	2027E	2028E
CIR (%)	121.6	107.8	85.2	86.3	74.0	68.1
Compensation expense ratio (%)	53.9	41.7	35.9	45.5	37.0	32.5
P/E (x)	514.6	315.3	12.7	10.3	6.6	5.6
P/B (x)	1.5	0.9	0.6	0.5	0.5	0.4
Dividend yield (%)	n.a.	n.a.	1.0	2.7	4.1	5.4
CET I Ratio (%)	11.6	12.3	12.9	12.9	13.1	13.1
ROE before tax (%)	−2.2	−3.4	2.4	4.1	6.9	8.8
ROE (%)	0.3	0.3	5.3	5.1	7.5	8.3
RoRWA (%)	0.0	0.0	0.5	0.5	0.7	0.8
ROE pre-tax (Ø TE) (%)	−1.4	−2.2	1.6	2.9	5.0	6.5
ROE (Ø TE) (%)	0.2	0.2	3.6	3.6	5.4	6.2

Valuation: Residual income model

RESIDUAL INCOME MODEL

UmweltBank: Residual income model

EUR m	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	TV
Equity (beginning of period)	409.5	418.6	433.0	450.4	468.1	489.6	508.4	528.9	551.2	571.1	592.4	614.9	638.6	663.4
Net income	14.8	23.1	27.4	26.9	30.4	33.9	37.5	41.0	44.6	48.0	51.3	54.5	57.5	58.4
Dividends paid	4.1	6.2	8.3	9.1	8.9	15.2	17.0	18.7	24.6	26.7	28.8	30.8	32.7	57.5
Equity (end of period)	418.6	433.0	450.4	468.1	489.6	508.4	528.9	551.2	571.1	592.4	614.9	638.6	663.4	664.3
Payout ratio (%)	29.0	41.9	35.8	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 (%)	2.4	4.3	5.1	4.8	5.3	5.8	6.3	6.7	7.0	7.4	7.7	7.9	8.1	8.8
Cost of equity (%)	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4
Excess return	**−32.7**	**−25.6**	**−22.9**	**−25.2**	**−23.7**	**−22.4**	**−20.8**	**−19.5**	**−18.3**	**−17.0**	**−16.0**	**−15.2**	**−14.7**	**−10.4**
Discount factor	1.0	0.9	0.8	0.7	0.7	0.6	0.5	0.5	0.4	0.4	0.4	0.3	0.3	
Present value	**−32.0**	**−22.6**	**−18.4**	**−18.3**	**−15.6**	**−13.3**	**−11.3**	**−9.5**	**−8.1**	**−6.8**	**−5.8**	**−5.0**	**−4.4**	**−35.1**

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

VALUATION PARAMETERS AND PRICE TARGET DERIVATION

Residual income model: Valuation and parameters

EUR m	Value
Sum of PVs until 2038e	−171.1
PV of terminal value	−35.1
Current book value (NAV)	409.5
Equity value	**203.3**
No. of shares (m)	41.4
Value per share (EUR)	**4.9**
12M forward value per share (EUR)	**5.4**
Parameters	
Risk-free rate (%)	3.8
Market return (%)	9.0
Equity risk premium (%)	5.3
Beta	1.3
Cost of equity (%)	10.4
Long-term growth (%)	1.5

Source: MPCM Research est.

Price target derivation

EUR per share	Fair value	Weight	Contribution
Residual income model	5.4	70.0%	3.8
P/E (2028e)	6.0	15.0%	0.9
ROE hurdle rate (2028e)	5.7	15.0%	0.9
Weighted fair value		**100.0%**	**5.5**
Price target (rounded)			**5.5**

Source: MPCM Research est.; fair values rolled forward 12 months at a cost of equity of 10.4%; rounding differences possible

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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Investment recommendation: expected development of the price of the financial instrument up to the given price target, in the opinion of the analyst who covers this financial instrument. For possible conflicts of interest, see the next section.

-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.
–	**Discontinued**	Coverage of the analysed financial instrument has been discontinued. No investment recommendation or price target is maintained any longer.

Disclosure Appendix

Rating universe distribution

Research universe by latest rating in the last 12 months

Recommendation category	Number of stocks	% of universe
Buy	104	85%
Hold	19	15%
Sell	0	0%
Total	**123**	**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%
Total	**5**	**4%**

28 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.

5 active coverage companies are excluded from the distribution because their current rating is suspended, under review or restricted.

Snapshot date: 2026-11-10.

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Company	Disclosure
UmweltBank AG	5

Rating history

Ratings and target prices of the last 12 months:

Date	Rating	Target price	Market price (date)	Analyst	Validity
2026-10-19	Buy	5.8 EUR	3.630000114440918 EUR (2026-10-16)	Pläsier, Andreas (Analyst)	12M
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 Pl�sier (Analyst)	12M
2026-03-31	Buy	7.2 EUR	3.87 EUR (2026-03-30)	Andreas Pl�sier (Analyst)	12M
2026-02-27	Buy	7.2 EUR	3.88 EUR (2026-02-26)	Andreas Pl�sier (Analyst)	12M
2026-01-15	Buy	7.2 EUR	3.84 EUR (2026-01-14)	Andreas Pl�sier (Analyst)	12M
2026-01-08	Buy	7.2 EUR	3.75 EUR (2026-01-07)	Andreas Pl�sier (Analyst)	12M
2025-12-18	Buy	7.2 EUR	3.55 EUR (2025-12-17)	Andreas Pl�sier (Analyst)	12M

Disclosure Appendix



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

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