

# Sampo

## Company report

5/8/2024



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# Weather conditions hit profitability as predicted

Investment returns boosted Sampo's results above expectations, offsetting the impact of the challenging weather conditions in the quarter on the insurance result. However, forecast changes for the coming years have remained quite moderate following the quarterly report and we continue to expect stable earnings growth from Sampo. We consider the share correctly priced from several angles and thus find the risk/reward ratio neutral. We reiterate our Reduce recommendation and revise our target price to EUR 39.0 per share (was EUR 40.0).

## Difficult weather conditions in the quarter compensated by investment returns

Sampo's Q1 results were above our expectations. However, the forecast overshoot was mainly due to the parent company's investment returns, which was recorded on the increase in the value of the Nexi investment. Insurance profitability suffered slightly more than expected from the bad weather conditions in the quarter, but this was offset by good investment returns. Overall, Sampo's group profit before taxes was 465 MEUR, which exceeded both our and the consensus forecast.

In connection with the Q1 report, Sampo revised its profitability guidance for the current year. Sampo now expects its combined ratio to be 83-85% in 2024, whereas previously the outlook was for a combined ratio below 85%. So the guidance was not really lowered or raised. Our own forecast is for a combined ratio of 84.2% for the current year.

## Our view of the group's normal earnings profile remains unchanged

Our forecast for the current year's profit before taxes has been raised by around 6%. Most of this is explained by better-than-expected investment returns at the beginning of the year, as the forecast changes on the operational side remained modest for the overall picture. On the other hand, our forecasts for the coming years remained fairly unchanged. However, we have slightly lowered our forecast for If's long-term investment returns in line with the expected fall in interest rates.

Our view on Sampo's performance has remained unchanged and we estimate that the company's normal earnings under the current structure is about EUR 2.5 per share. The level should be growing steadily, driven by operating profit growth and share buybacks, but larger level adjustments should not be expected given the current excellent performance of the businesses.

## Current share price not yet attractive

In our valuation our focus is particularly on the dividend model, as the investment needs of the business are low and Sampo is able to distribute most of its earnings to its shareholders. Our view of the company's value remains almost unchanged, but in line with our slightly lower long-term return forecasts, we revise our target price to EUR 39 (previously EUR 40). Sampo's value is supported by its low investment rate and moderate risk level. In a mature industry, growth opportunities are limited, which lowers the acceptable valuation level. It is difficult for us to see any room for valuation to move materially upwards, especially as higher interest rates have depressed valuation levels for the sector as a whole and for the stock market. The peer group analysis and absolute multiples support our current valuation, so in our view the expected return is largely based on dividends. We do not consider this to be sufficient compensation, so the risk/reward ratio is not attractive at the current level.

## Recommendation

**Reduce**  
(previous Reduce)

**EUR 39.00**  
(previous EUR 40.00)

**Share price:**  
37.66



## Key figures

	2023	2024e	2025e	2026e
<b>PTP</b>	1481	1696	1731	1728
<b>growth-%</b>	-23%	15%	2%	0%
<b>Net Income</b>	1323	1227	1245	1240
<b>EPS (adj.)</b>	2.60	2.48	2.58	2.57
<b>Dividend / share</b>	1.80	2.00	2.10	1.90

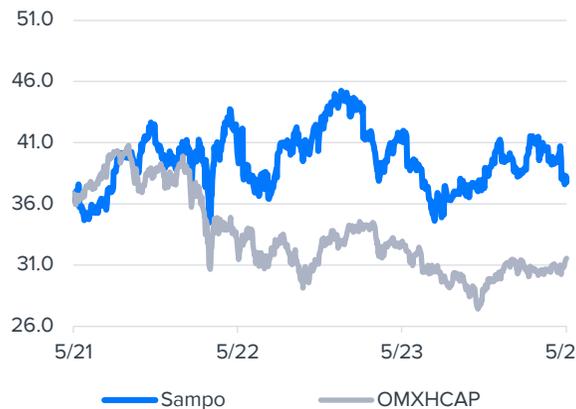
<b>P/E (adj.)</b>	15.2	15.2	14.6	14.6
<b>P/B</b>	2.7	2.4	2.4	2.3
<b>Dividend yield-%</b>	4.5 %	5.3 %	5.5 %	4.9 %
<b>Payout ratio (%)</b>	69%	81%	81%	74%

Source: Inderes

## Guidance (Adjusted)

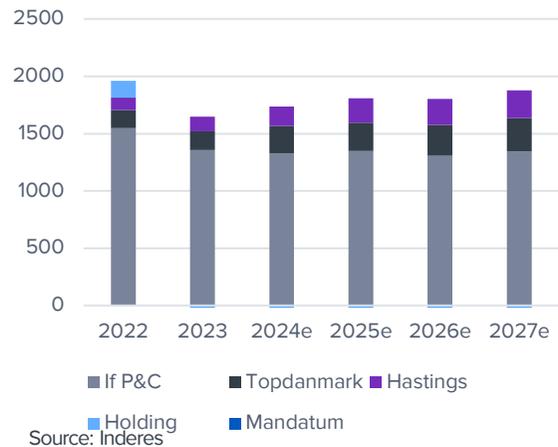
With the first quarter results, Sampo has revised its outlook for the group combined ratio for 2024 and expects the full-year combined ratio to be 83-85%.

## Share price



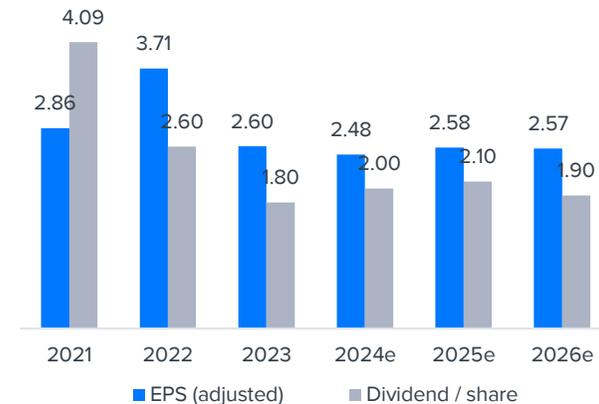
Source: Millstream Market Data AB

## Sampo's PTP breakdown (MEUR)



Source: Inderes

## EPS and dividend



Source: Inderes



## Value drivers

- Profitable growth in insurance activities
- Capital released from non-core business activities
- Higher interest rates would improve investment income
- Topdanmark acquisition
- Other M&A transactions



## Risk factors

- Rising interest rates could weaken underwriting results and depress insurance companies' acceptable multiples
- Tightening competition in the Nordic insurance market

Valuation	2024e	2025e	2026e
Share price	37.7	37.7	37.7
Number of shares, millions	494.3	482.0	482.0
Market cap	18521	18521	18521
P/E (adj.)	15.2	14.6	14.6
P/E	15.2	14.6	14.6
P/B	2.4	2.4	2.3
Payout ratio (%)	80.1 %	81.3 %	73.8 %
Dividend yield-%	5.3 %	5.5 %	4.9 %

Source: Inderes

# Difficult weather conditions in the quarter compensated by investment returns

Sampo's Q1 results were above our expectations. However, the forecast overshoot was mainly due to the parent company's investment returns, which was recorded on the increase in the value of the Nexi investment.

Insurance profitability suffered slightly more than expected from the bad weather conditions in the quarter, but this was offset by investment returns. Overall, Sampo's group profit before taxes was 465 MEUR, which exceeded both our and the consensus forecast.

## Nordic countries hit hard by weather effects

In the Nordic region, If P&C's gross written premiums grew by 7.6% on a currency adjusted basis, which was broadly in line with our expectations. In the early part of the year, rate increases continued to outpace the inflation rate for claims costs. Growth was fastest in the industrial accounts, where contracts are typically renewed early in the year. Thus, the success of steep rate increases suggests a more modest level of price competition and/or strong customer retention.

The difficult weather conditions in the quarter were known in advance, but their impact on profitability was somewhat greater than we expected. However, large claims were lower than usual, slightly offsetting the impact of the weather conditions. Nevertheless, after adjusting for volatilities (weather and large claims) and technical items (discount rate effect and adjustment for claims costs in previous periods), If's underlying loss ratio improved marginally. This is a key business metric and is the best indicator of, among other things, developments in pricing power and the competitive situation, as these items can have a significant impact on profitability in the short term.

Another positive development was in cost efficiency, which remained excellent and supported If's otherwise modest insurance service result. The insurance service result for Q1 was 171 MEUR (Q1'23: 217 MEUR).

Investment income, on the other hand, was better than expected, thanks to the strong performance of the share portfolio, which resulted in a profit before taxes for the segment that was ultimately very much in line with our forecast.

## Hastings continued its strong run

In the UK, the business continued to grow strongly, with Hastings' gross written premiums increasing by 25% in local currencies. Premium growth was driven by both the increase in insurance volumes and the implemented rate increases. The development was particularly pronounced in home insurance, which grew by a staggering 27%. The operating ratio improved from the previous year, resulting in an increase in the insurance service result of nearly 70%. In terms of return on equity, Hastings has already closed the gap with Sampo's crown jewel If P&C, which can be considered an excellent performance in a much more challenging UK market.

Topdanmark has already reported a slightly better than expected Q1 result.

Estimates MEUR / EUR	Q1'23	Q1'24	Q1'24e	Q1'24e	Consensus		Difference (%)	2024
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
PTP	359	465	419	407	369	- 538	11%	1481
If	337	356	347	328	300	- 475	3%	1358
Topdanmark	63	63	62	51	32	- 69	2%	162
Hastings	10	26	29	39	24	- 62	-11%	129
Holdings	-45	20	-19	-19	-48	- 7	-206%	-169
EPS (rap.)	0.53	0.68	0.61	0.57	0.55	- 0.77	11%	2.48

Source: Inderes & Vara (consensus)

23/4/24

Source: Inderes & Vara (consensus)

See the interview with the CFO:



# There is still excess capital in the balance sheet

## Guidance was refined

In connection with the Q1 report, Sampo revised its profitability guidance for the current year. Sampo now expects its combined ratio to be 83-85% in 2024, whereas previously the outlook was for a combined ratio below 85%. So the guidance was not really lowered or raised. Our own forecast is for a combined ratio of 84.2% for the current year.

## Solvency remains above target

As expected, solvency declined slightly from the previous quarter, as good stock market development increased implied market risk. The Solvency 2 ratio was 180% at the end of Q1.

Despite this, Sampo's balance sheet is still overcapitalized and the amount of overcapitalization is only increasing, as Sampo previously announced

that the Swedish Financial Supervisory Authority had approved its application for a group partial internal model. This will lower the solvency requirement by approximately 0.3 BNEUR compared to the end of 2023, and the change will be reflected in Sampo's solvency calculation from Q2 onwards. The introduction of the model is part of Sampo's measures to optimize the use of capital. At the Capital Markets Day, the company announced that it aims to release around 1.2 BNEUR in deployable capital by the end of 2026. Other measures included the reduction of the Solvency 2 target, as communicated at the CMD, and the future sale of PE investments.

At the end of the year, more information will be available on the profit distribution for the coming years, as Sampo has stated that it will announce its plans for the use of capital in more detail in

connection with the Q2 results. Of the targeted 1.2 BNEUR of excess capital, around 700-800 MEUR should be in use by now. We therefore expect Sampo to announce a share buyback program of this size for 2024-2025 at the end of the year. In addition, we expect small additional dividends in the coming years, but these will be well below our forecast buyback program.

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Source: Inderes & Vara (consensus)

28/4/24

Source: Inderes & Vara (consensus)

Watch Sampo's Q1 webcast:



# Estimate revisions

## Estimate changes:

- We slightly raised our earnings forecast for If P&C this year due to solid cost efficiency and good investment returns in the first half of the year.
- We have also raised our earnings forecasts for Hastings in the coming years due to continued good performance. At group level, however, the impact of the forecast changes was small, with If accounting for more than 75% of our forecast result.
- We have not made any changes to our forecasts for balance sheet investments or Topdanmark.
- Our forecast for the current year's profit before taxes has been raised by around 6%. Most of this is explained by better-than-expected investment returns at the beginning of the year, as the forecast changes on the operational side remained modest for the overall picture.
- On the other hand, our forecasts for the coming years remained fairly unchanged. However, we have slightly lowered our forecast for If's long-term investment returns in line with the expected fall in interest rates.

## Operational earnings drivers:

- Our view on Sampo's performance has remained unchanged and we estimate that the company's normal earnings under the current structure is about EUR 2.5 per share. The level should be growing steadily, driven by operating profit growth and share buybacks, but larger level adjustments should not be expected given the current excellent performance of the businesses.
- A key risk to earnings development is the changing competitive situation, as price competition would inevitably hit the sector's profitability. However, we are more optimistic than before about the market's pricing discipline, as there has been no material deterioration in profitability, even with rising interest rates. But in the big picture we believe the sector has entered a period of permanently lower combined ratios and a return to the levels of a decade ago is not to be expected.
- The result of investment activities will continue to have an impact on the short-term result, but in the longer term this effect will level off. The return outlook for Sampo's investment portfolio focusing on fixed income investments has clearly improved as interest rates have risen, which will provide support for the coming years.

Estimate revisions	2024	2024	Change	2025e	2025e	Change	2026e	2026e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	8331	8250	-1%	8774	8791	0%	9092	9094	0%
PTP	1606	1696	6%	1693	1731	2%	1746	1728	-1%
EPS (excl. NRIs)	2.34	2.48	6%	2.53	2.58	2%	2.61	2.57	-1%
DPS	2.00	2.00	0%	2.10	2.10	0%	1.90	1.90	0%

Source: Inderes

# Current share price not yet attractive

We have estimated Sampo's fair value through relative and absolute valuation and a dividend model. In our analysis our focus is particularly on the dividend model, as the investment needs of the business are low and the company is able to distribute most of its earnings to its shareholders.

Our view of Sampo's value remains almost unchanged, but in line with our slightly lower long-term return forecasts, we revise our target price to EUR 39.0 (previously EUR 40).

## Dividend model (DDM)

The DDM model indicates a value of just under EUR 40 per share for Sampo. In the calculation, we have taken into account the current excess capital on the balance sheet, which amounts to approximately EUR 1.5 per share. We note that the level of the discount rate is still low in absolute terms (ROE requirement of 7.3%), so any increase in the discount rate would significantly reduce the value implied by the DDM.

The group value still relies heavily on If P&C, which accounts for more than 85% of the value. Drivers for higher than the current sum of the parts would be:

- Synergies arising from the possible Topdanmark acquisition
- Successful PE exits
- Other M&A transactions
- Stronger than expected organic profit growth in insurance operations.

Potential growth areas for If are SME insurance and personal insurance. In addition, Hastings' efficient operating model offers the potential to gain market share in the UK.

In terms of earnings growth, however, we do not see a realistic path to significant earnings growth (the company's current targets also indicate this). Thus, we find it difficult to see Sampo's value increasing significantly from the current level without significant new M&A arrangements that aren't already on the company's agenda (excluding any subsequent Topdanmark purchase offer).

## Earnings-based valuation of the share is neutral

P/E multiples for the next few years are approximately 15x and the corresponding dividend yields are 5% (including additional dividends in 2024-2025). The levels are in line with the main Nordic insurer peers. The valuation is still not particularly cheap, but that is justified given the high quality of Sampo's businesses.

Sampo's multiple-based value is supported by its low investment rate and moderate risk level. In a mature industry, growth opportunities are limited, which lowers the acceptable multiples. It is difficult for us to see any room for valuation to move materially upwards, especially as higher interest rates have depressed valuation levels for the sector as a whole and for the stock market.

## The stock is correctly priced

Overall, we see Sampo's share as correctly priced. The expected return on the stock relies mainly on dividends, which we do not consider sufficient compensation in the current interest rate environment. In our view, a better expected return would require earnings growth that is faster than our expectations or value-creating arrangements.

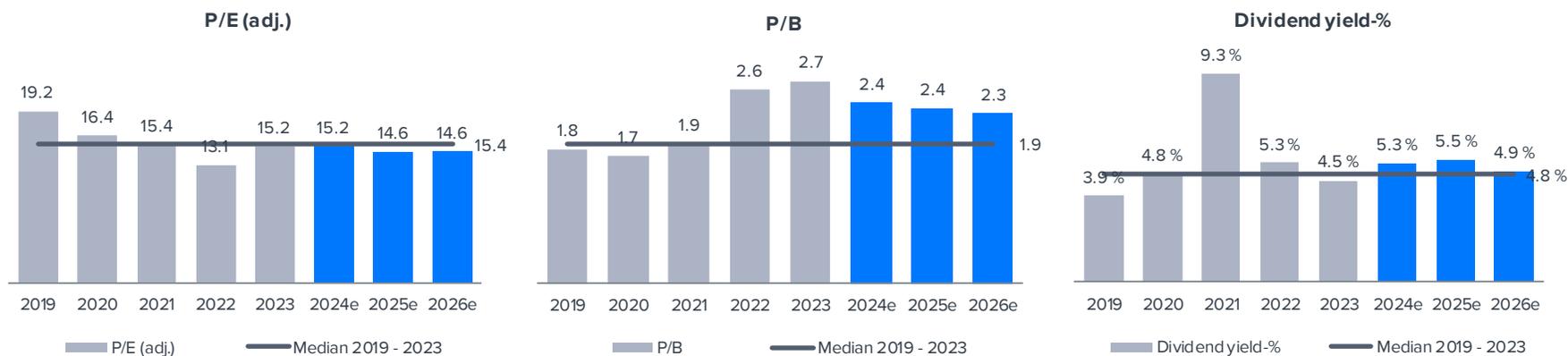
Valuation	2024e	2025e	2026e
Share price	37.7	37.7	37.7
Number of shares, millions	494.3	482.0	482.0
Market cap	18521	18521	18521
P/E (adj.)	15.2	14.6	14.6
P/E	15.2	14.6	14.6
P/B	2.4	2.4	2.3
Payout ratio (%)	80.1 %	81.3 %	73.8 %
Dividend yield-%	5.3 %	5.5 %	4.9 %

Source: Inderes

# Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	38.9	35.3	44.1	48.8	39.6	37.7	37.7	37.7	37.7
Number of shares, millions	556.6	556.6	554.3	530.3	508.0	494.3	482.0	482.0	482.0
Market cap	21609	19593	24109	25108	19876	18521	18521	18521	18521
P/E (adj.)	19.2	16.4	15.4	13.1	15.2	15.2	14.6	14.6	14.0
P/E	19.2	>100	9.5	12.3	15.2	15.2	14.6	14.6	14.0
P/B	1.8	1.7	1.9	2.6	2.7	2.4	2.4	2.3	2.2
Payout ratio (%)	73.7 %	2484.5 %	87.3 %	63.5 %	68.3 %	80.1 %	81.3 %	73.8 %	90.0 %
Dividend yield-%	3.9 %	4.8 %	9.3 %	5.3 %	4.5 %	5.3 %	5.5 %	4.9 %	6.3 %

Source: Inderes



# Peer group valuation

Peer group valuation Company	Market cap MEUR	P/E		Dividend yield-%		P/B
		2024e	2025e	2024e	2025e	2024e
Tryg	11626	16.1	14.8	5.8	6.2	2.3
Gjensidige	7797	16.4	14.5	5.2	5.6	3.7
Topdanmark	3665	19.8	18.5	4.7	5.2	5.2
ALM	2729	19.7	14.5	4.9	8.7	1.5
Storebrand	4330	10.8	11.5	4.5	4.8	1.6
Admiral	9657	17.7	15.7	5.0	5.7	7.5
Direct Line	2854	12.0	7.6	7.7	9.6	1.1
Zurich Insurance Group	66903	12.7	11.7	6.2	6.6	2.8
Allianz	105882	10.8	10.0	5.5	5.9	1.8
Assicurazioni Generali	36624	9.6	8.9	5.8	6.2	1.2
<b>Sampo (Inderes)</b>	<b>18521</b>	<b>15.2</b>	<b>14.6</b>	<b>5.3</b>	<b>5.5</b>	<b>2.4</b>
<b>Average</b>		<b>14.6</b>	<b>12.7</b>	<b>5.5</b>	<b>6.4</b>	<b>2.9</b>
<b>Median</b>		<b>14.4</b>	<b>13.1</b>	<b>5.3</b>	<b>6.0</b>	<b>2.1</b>
<b>Diff-% to median</b>		<b>5%</b>	<b>12%</b>	<b>0%</b>	<b>-9%</b>	<b>19%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
<b>Premiums written</b>	<b>7267</b>	<b>1799</b>	<b>1820</b>	<b>1881</b>	<b>2035</b>	<b>7535</b>	<b>2020</b>	<b>2035</b>	<b>2083</b>	<b>2112</b>	<b>8250</b>	<b>8791</b>	<b>9094</b>	<b>9396</b>
If P&C	5024	1235	1231	1264	1266	4996	1290	1305	1326	1329	5250	5408	5570	5737
Topdanmark	1255	318	317	321	332	1288	361	344	348	358	1411	1572	1604	1636
Hastings	988	246	272	296	437	1251	369	386	409	425	1589	1811	1920	2024
Mandatum	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (excl. NRI)</b>	<b>1786</b>	<b>359</b>	<b>363</b>	<b>390</b>	<b>369</b>	<b>1481</b>	<b>465</b>	<b>416</b>	<b>415</b>	<b>399</b>	<b>1696</b>	<b>1731</b>	<b>1728</b>	<b>1802</b>
<b>EBIT</b>	<b>1924</b>	<b>359</b>	<b>363</b>	<b>390</b>	<b>369</b>	<b>1481</b>	<b>465</b>	<b>416</b>	<b>415</b>	<b>399</b>	<b>1696</b>	<b>1731</b>	<b>1728</b>	<b>1802</b>
If P&C	1550	337	320	332	369	1358	356	326	324	320	1326	1350	1307	1347
Topdanmark	157	63	42	38	19	162	63	65	63	52	242	246	270	291
Hastings	107	10	17	43	59	129	26	44	47	50	167	212	227	241
Holding	146	-45	-15	-21	-79	-160	20	-19	-19	-23	-40	-78	-76	-76
Mandatum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PTP</b>	<b>1924</b>	<b>359</b>	<b>363</b>	<b>390</b>	<b>369</b>	<b>1481</b>	<b>465</b>	<b>416</b>	<b>415</b>	<b>399</b>	<b>1696</b>	<b>1731</b>	<b>1728</b>	<b>1802</b>
Taxes	-384	-91	-81	-79	-88	-339	-96	-92	-91	-88	-367	-381	-380	-397
Minority interest	-114	-26	-18	-17	-9	-70	-26	-27	-26	-22	-102	-105	-108	-111
<b>Net earnings</b>	<b>2107</b>	<b>271</b>	<b>306</b>	<b>363</b>	<b>383</b>	<b>1323</b>	<b>343</b>	<b>298</b>	<b>298</b>	<b>289</b>	<b>1227</b>	<b>1245</b>	<b>1240</b>	<b>1295</b>
<b>EPS (adj.)</b>	<b>3.71</b>	<b>0.53</b>	<b>0.61</b>	<b>0.72</b>	<b>0.76</b>	<b>2.64</b>	<b>0.68</b>	<b>0.60</b>	<b>0.60</b>	<b>0.58</b>	<b>2.48</b>	<b>2.58</b>	<b>2.57</b>	<b>2.69</b>
<b>EPS (rep.)</b>	<b>3.97</b>	<b>0.53</b>	<b>0.61</b>	<b>0.72</b>	<b>0.76</b>	<b>2.60</b>	<b>0.68</b>	<b>0.60</b>	<b>0.60</b>	<b>0.58</b>	<b>2.48</b>	<b>2.58</b>	<b>2.57</b>	<b>2.69</b>

# Balance sheet

Assets	2022	2023	2024e	2025e	2026e
<b>Non-current assets</b>	<b>19463</b>	<b>19727</b>	<b>19765</b>	<b>19803</b>	<b>19841</b>
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	3322	3637	3672	3707	3742
Tangible assets	329	318	321	324	327
Associated companies	11.7	12.0	12.0	12.0	12.0
Other investments	15789	15757	15757	15757	15757
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	11.0	3.0	3.0	3.0	3.0
<b>Current assets</b>	<b>19749</b>	<b>4497</b>	<b>4925</b>	<b>5196</b>	<b>5347</b>
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	15617	800	800	800	800
Receivables	1820	2282	2063	2198	2273
Cash and equivalents	2312	1415	2063	2198	2273
<b>Balance sheet total</b>	<b>39212</b>	<b>24224</b>	<b>24690</b>	<b>24999</b>	<b>25188</b>

Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
<b>Equity</b>	<b>10178</b>	<b>7687</b>	<b>8011</b>	<b>8272</b>	<b>8500</b>
Share capital	98.0	98.0	98.0	98.0	98.0
Retained earnings	8482	6378	6702	6963	7191
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	1038	787	787	787	787
Minorities	560	424	424	424	424
<b>Non-current liabilities</b>	<b>14484</b>	<b>15197</b>	<b>15339</b>	<b>15386</b>	<b>15348</b>
Deferred tax liabilities	506	567	567	567	567
Provisions	6.0	0.0	0.0	0.0	0.0
Interest bearing debt	3087	2914	3056	3103	3065
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	10885	11716	11716	11716	11716
<b>Current liabilities</b>	<b>14550</b>	<b>1340</b>	<b>1340</b>	<b>1340</b>	<b>1340</b>
Interest bearing debt	0.0	0.0	0.0	0.0	0.0
Payables	0.0	0.0	0.0	0.0	0.0
Other current liabilities	14550	1340	1340	1340	1340
<b>Balance sheet total</b>	<b>39212</b>	<b>24224</b>	<b>24690</b>	<b>24999</b>	<b>25188</b>

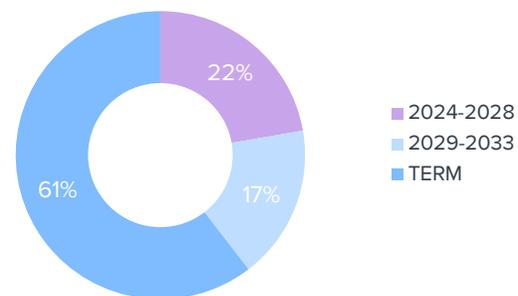
# DDM calculation

DDM valuation (MEUR)	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Sampo's result	1227	1245	1240	1295	1231	1216	1239	1263	1287	1311	1311
Dividend	984	1012	915	1165	1108	1095	1116	1137	1158	1180	22932
-Payout ratio	80%	81%	74%	90%	90%	90%	90%	90%	90%	90%	
Dividend growth-%	8.9 %	2.9 %	-9.5 %	27.3 %	-4.9 %	-1.2 %	1.9 %	1.9 %	1.9 %	1.9 %	2.0 %
Discount rate	940	902	761	903	800	737	700	666	632	601	11672
Cumulative discount rate	19313	18373	17472	16711	15809	15009	14271	13571	12905	12273	11672
Capital surplus on balance sheet (MEUR)	700										
<b>Equity value (MEUR)</b>	<b>20013</b>										
<b>Per share EUR</b>	<b>39.9</b>										

## Cost of equity

Risk-free interest	2.5%
Market risk premium	4.8%
Company Beta	1.00
Liquidity premium	0.0%
<b>Cost of equity</b>	<b>7.3%</b>

## Cash flow breakdown



# Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Premiums written	9746	7267	7535	<b>8250</b>	<b>8791</b>	EPS (reported)	4.63	3.97	2.60	<b>2.48</b>	<b>2.58</b>
PTP	3172	1924	1481	<b>1696</b>	<b>1731</b>	EPS (adj.)	2.86	3.71	2.60	<b>2.48</b>	<b>2.58</b>
Net profit	2568	2107	1323	<b>1227</b>	<b>1245</b>	Dividend / share	4.10	2.60	1.80	<b>2.00</b>	<b>2.10</b>
Extraordinary items	982	138	0	<b>0</b>	<b>0</b>	Book value / share	23.1	18.1	14.3	<b>15.3</b>	<b>16.3</b>
Balance sheet	2021	2022	2023	2024e	2025e	If key ratios	2021	2022	2023	2024e	2025e
Balance sheet total	61061	39212	24224	<b>24690</b>	<b>24999</b>	Premiums written	4772	5024	4996	<b>5250</b>	<b>5408</b>
Equity capital	13464	10178	7687	<b>8011</b>	<b>8272</b>	Growth in premiums written-%	6.0 %	5.3 %	-0.6 %	<b>5.1 %</b>	<b>3.0 %</b>
ROE-%	21.2 %	18.8 %	15.7 %	<b>16.5 %</b>	<b>16.1 %</b>	Investment income	174	278	871	<b>650</b>	<b>600</b>
						Combined ratio-%	81.3 %	86.6 %	83.1 %	<b>84.0 %</b>	<b>82.8 %</b>
						Risk ratio-%	59.9 %	65.0 %	61.9 %	<b>63.0 %</b>	<b>62.0 %</b>
						Cost ratio-%	21.4 %	21.6 %	21.2 %	<b>21.0 %</b>	<b>20.8 %</b>

Source: Inderes

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Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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## Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
3/17/2020	Buy	30.00 €	23.83 €
4/30/2020	Buy	34.00 €	30.85 €
5/7/2020	Accumulate	33.00 €	30.40 €
6/16/2020	Buy	34.00 €	30.40 €
8/6/2020	Buy	35.00 €	30.30 €
10/9/2020	Buy	38.00 €	35.20 €
11/5/2020	Buy	38.00 €	34.14 €
1/20/2021	Buy	38.00 €	35.28 €
2/12/2021	Buy	41.00 €	36.04 €
2/25/2021	Buy	41.00 €	36.95 €
4/7/2021	Buy	43.00 €	39.23 €
5/6/2021	Buy	44.00 €	39.85 €
8/5/2021	Buy	45.00 €	42.39 €
9/24/2021	Buy	46.00 €	43.35 €
11/4/2021	Accumulate	48.00 €	46.73 €
12/9/2021	Accumulate	48.00 €	44.09 €
2/10/2022	Accumulate	49.00 €	45.35 €
5/5/2022	Accumulate	48.00 €	45.85 €
5/23/2022	Accumulate	44.00 €	41.76 €
8/4/2022	Accumulate	46.00 €	43.71 €
10/27/2022	Reduce	46.00 €	46.67 €
11/3/2022	Reduce	46.00 €	44.32 €
2/13/2023	Reduce	46.00 €	45.50 €
5/11/2023	Reduce	47.00 €	46.15 €
6/14/2023	Reduce	44.00 €	43.08 €
8/10/2023	Accumulate	44.00 €	40.35 €
10/2/2023	Accumulate	39.00 €	40.98 €
11/9/2023	Reduce	39.00 €	38.94 €
2/9/2024	Reduce	40.00 €	39.50 €
5/8/2024	Reduce	39.00 €	37.66 €



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