

# LHV Group

February results  
17 March 2026



## Business volumes and profitability in line

<b>Financial results, EURt</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
<b>Total net income, incl.</b>	<b>23,439</b>	<b>47,446</b>	<b>53,831</b>	<b>47,669</b>	<b>-222</b>
Net interest income	19,368	39,112	41,032	37,955	+1,157
Net fee and commission income	4,185	8,663	9,263	9,270	-607
Other net income	-115	-328	3,537	444	-772
<b>Total operating expenses</b>	<b>14,730</b>	<b>29,233</b>	<b>25,540</b>	<b>28,925</b>	<b>+308</b>
<b>Earnings before impairment</b>	<b>8,709</b>	<b>18,213</b>	<b>28,291</b>	<b>18,744</b>	<b>-531</b>
Impairment losses	54	375	4,022	2,406	-2,032
Income tax expense	2,215	4,168	4,528	3,515	+653
<b>Net profit, incl.</b>	<b>6,440</b>	<b>13,670</b>	<b>19,742</b>	<b>12,822</b>	<b>+848</b>
attr. to shareholders	6,500	13,747	19,494	12,499	+1,248
<b>Business volumes, EURm</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Loans (net)	5,518	5,518	4,610	5,520	-2
Deposits from customers	7,860	7,860	6,610	7,642	+218
Assets under management	1,772	1,772	1,562	1,695	+77
Fin. intermediaries' payments, thous. pcs	8,235	16,894	13,013	13,990	+2,903
<b>Key figures</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)	62.8%	61.6%	47.4%	60.7%	+ 0.9 pp
Net interest margin (NIM)	2.5%	2.3%	2.9%	2.3%	+ 0.0 pp
pre-tax ROE*	14.7%	14.0%	21.1%	12.9%	+ 1.1 pp
ROE*	11.0%	10.8%	17.2%	9.8%	+ 1.0 pp

- February delivered strong performance from Varahaldus, solid contributions from Pank and Bank while Kindlustus was below expectations
- Loans are near plan. Deposits, AUM and payments are all tracking above financial plan targets YTD
- Operating expenses remained largely in line with plan
- Credit quality remained exceptionally strong with impairment losses of just EUR 0.05m
- February net profit of EUR 6.4m brings YTD net profit to EUR 13.7m, EUR 0.8m ahead of financial plan
- LHV Pank and LHV Bank have interest rate swap agreements with each other. As LHV Bank applies hedge accounting, while the related effect is eliminated at the Group level, the sum of the subsidiaries' net profits therefore differs from LHV Group's consolidated net profit

## Solid execution being in line with plan

<b>Financial results, EURt</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
<b>Total net income, incl.</b>	<b>19,534</b>	<b>37,840</b>	<b>40,257</b>	<b>36,628</b>	<b>+1,212</b>
Net interest income	16,465	33,199	37,259	32,988	+211
Net fee and commission income	3,206	6,608	6,875	7,250	-642
Net fee sharing	-1,739	-3,821	-5,450	-3,627	-194
Other net income	1,601	1,853	1,572	17	+1,837
<b>Total operating expenses</b>	<b>8,897</b>	<b>17,605</b>	<b>16,311</b>	<b>17,620</b>	<b>-14</b>
<b>Earnings before impairment</b>	<b>10,637</b>	<b>20,235</b>	<b>23,945</b>	<b>19,009</b>	<b>+1,226</b>
Impairment losses	-98	188	3,531	2,191	-2,004
Income tax expense	1,966	3,642	3,741	3,053	+589
<b>Net profit</b>	<b>8,770</b>	<b>16,406</b>	<b>16,673</b>	<b>13,764</b>	<b>+2,641</b>
<b>Business volumes, EURm</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Loans (net)	4,663	4,663	4,200	4,689	-26
Deposits from customers	6,625	6,625	5,977	6,480	+145
incl. banking services' deposits	1,399	1,399	1,189	1,217	+182
<b>Key figures</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)	45.5%	46.5%	40.5%	48.1%	- 1.6 pp
Net interest margin (NIM)	2.5%	2.3%	2.9%	2.3%	- 0.0 pp

- Customer base grew by 1,900 in retail and 700 in corporate segment during February
- Loan portfolio decreased by EUR 44m driven by single large corporate repayment, while retail loans continued to grow, adding EUR 15m in month
- Deposits declined by EUR 79m as Pank continued its deliberate reduction of higher-priced platform and corporate deposits, improving overall funding mix
- Credit quality remained strong with no impairment losses recorded in February
- Income and expenses both in line with plan
- Other net income reflects revaluation of interest rate swaps
- February net profit of EUR 8.8m brings YTD net profit to EUR 16.4m, exceeding financial plan by EUR 2.6m

## Strong start to the year continues

<b>Financial results, EURt</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
<b>Total net income, incl.</b>	<b>4,811</b>	<b>9,747</b>	<b>10,338</b>	<b>9,269</b>	<b>+478</b>
Net interest income	2,932	5,976	3,260	5,223	+753
Net fee and commission income	129	250	121	420	-170
Net fee sharing	1,748	3,826	5,479	3,627	+200
Other net income	3	-305	1,477	0	-305
<b>Total operating expenses</b>	<b>3,962</b>	<b>7,923</b>	<b>7,352</b>	<b>7,676</b>	<b>+247</b>
<b>Earnings before impairment</b>	<b>849</b>	<b>1,824</b>	<b>2,986</b>	<b>1,594</b>	<b>+231</b>
Impairment losses	153	187	491	215	-28
Income tax expense	191	409	669	345	+65
<b>Net profit</b>	<b>506</b>	<b>1,228</b>	<b>1,826</b>	<b>1,034</b>	<b>+194</b>
<b>Business volumes, EURm</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Loans (net)	856	856	410	831	+25
Deposits from customers	1,332	1,332	723	1,247	+85
<b>Key figures</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)	82.4%	81.3%	71.1%	82.8%	- 1.5 pp
Net interest margin (NIM)	2.6%	2.5%	2.5%	2.2%	+ 0.2 pp

- Business volumes and net profit both ahead of plan, with outperformance driven by higher-than-expected net interest margin and stronger net interest income
- Deposits grew ahead of plan to EUR 1.33bn, providing good pre-funding position for active lending pipeline
- Loan portfolio EUR 25m ahead of plan at EUR 856m, supported by strong pipeline of GBP 94m (EUR 108m) in offers outstanding
- Retail customer acquisition activity and growth is being scaled up with dedicated marketing initiatives planned for Q2 and Q3
- Agentic AI proof of concept underway to enhance retail customer service

## First two months have been very strong for all LHV pension funds

<b>Financial results, EURt</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
<b>Total net income</b>	<b>751</b>	<b>1,571</b>	<b>1,440</b>	<b>1,531</b>	<b>+40</b>
<b>Total operating expenses</b>	<b>615</b>	<b>1,253</b>	<b>1,130</b>	<b>1,311</b>	<b>-59</b>
<b>EBIT</b>	<b>136</b>	<b>318</b>	<b>310</b>	<b>219</b>	<b>+99</b>
Net financial income	179	391	212	101	+290
Income tax expense	0	0	0	0	+0
<b>Net profit</b>	<b>315</b>	<b>709</b>	<b>522</b>	<b>320</b>	<b>+389</b>
<b>Business volumes</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Assets under management, EURm	1,772	1,772	1,562	1,695	+77
Active customers of PII funds, thous.	105	105	113	106	-1
<b>Key figures</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Cost / income ratio (C/I)	66.1%	63.9%	68.4%	80.4%	- 16.5 pp
Funds average return	2.7%	6.0%	3.2%	1.2%	+ 4.8 pp

- Larger pension funds Julge and Ettevõtlik delivered strong returns of 3.4% and 2.5% respectively in February
- Tasakaalukas and Rahulik funds returned 1.3% and 0.7%
- Indeks fund, with higher exposure to developing markets, gained 2.8% during month
- Assets under management reached EUR 1,772m, tracking EUR 77m ahead of plan, driven by stronger-than-expected fund returns
- Operating income and expenses in line with expectations
- February net profit of EUR 0.3m ahead of plan, reflecting higher-than-forecasted fund returns and resulting uplift in performance-linked financial income

# LHV Kindlustus

## Month with high number of claims

<b>Financial results, EURt</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Insurance service revenue	3,310	6,858	6,323	7,100	-242
Commissions expense	322	631	780	856	-225
Gross incurred losses	2,572	5,525	4,180	4,683	+842
Operating expenses	600	1,182	908	1,009	+174
<b>Insurance result without reinsurance</b>	<b>-185</b>	<b>-481</b>	<b>455</b>	<b>552</b>	<b>-1,033</b>
<b>Reinsurance result</b>	<b>145</b>	<b>273</b>	<b>254</b>	<b>199</b>	<b>+74</b>
<b>Total result from insurance activities</b>	<b>-330</b>	<b>-754</b>	<b>201</b>	<b>353</b>	<b>-1,107</b>
Net other income	1	34	84	30	+4
<b>Net profit</b>	<b>-328</b>	<b>-720</b>	<b>285</b>	<b>382</b>	<b>-1,103</b>

<b>Business volumes, EURt</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Contract premiums written	4,004	11,067	10,017	11,240	-173
No of customers (thous.)	235	235	174	230	+5

<b>Key figures</b>	<b>Feb 26</b>	<b>YTD26</b>	<b>YTD25</b>	<b>FP YTD</b>	<b>Δ YTD FP</b>
Net loss ratio	81.6%	84.1%	68.7%	67.9%	+ 16.2 pp
Net expense ratio	29.3%	27.8%	28.3%	28.0%	- 0.2 pp

- Insurance contracts signed in February amounted to EUR 4m
- Sales of higher-volume products came in below targets, contributing to revenue tracking EUR 0.2m behind plan YTD
- Claims activity remained elevated with 11,700 new claims registered and EUR 2.6m in claims paid during month
- Loss ratio and gross incurred losses remained at high level, driven by continued adverse weather conditions and above-average claim payouts, resulting in net loss of EUR 0.3m for month
- At month end, number of customers stood at 235,000
- Net expense ratio of 29.3% in February was elevated relative to plan, reflecting one-off cost item. Underlying expense ratio remains in line with expectations

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