

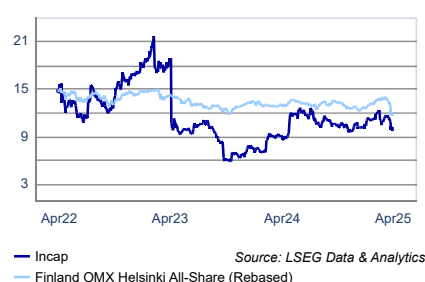
Incap

Capital Goods
Finland

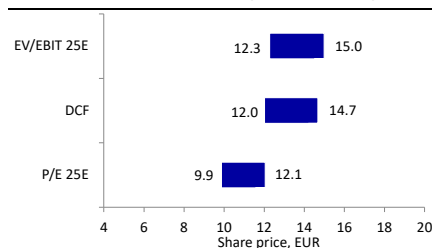
KEY DATA

Stock country	Finland
Bloomberg	ICP1V FH
Reuters	ICP1V.HE
Share price (close)	EUR 10.28
Free float	
Market cap. (bn)	EUR 0.30/EUR 0.30
Website	www.incapcorp.com
Next report date	25 Apr 2025

PERFORMANCE



VALUATION APPROACH (EUR/SHARE)



ESTIMATE CHANGES

Year	2025E	2026E	2027E
Sales	-6%	-4%	-1%
EBIT (adj)	-6%	-3%	-1%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Pasi Väisänen
Director

The EMS sector is holding its breath

Incap had already anticipated a slow start for 2025, and now the entire EMS sector is holding its breath, waiting to see how the trade war unfolds and its effects on industrial activity and order intake. We cut our estimates owing to the increased geopolitical uncertainty. Our new fair value range is EUR 11.4-13.9 (12.1-14.8) per share, based on a DCF analysis and backed by a peer group comparison. Incap's 2025E EV/EBIT is currently 24% below the peer group median, but consensus estimates for the whole sector could be revised down. There is no clear outlook: it all depends on high-level trade discussions, when the trade war calms down, and what the new normal ends up looking like.

Relative profitability could remain good in Q1

We forecast Q1 net sales of EUR 58m (LSEG Data & Analytics consensus: EUR 59m) and EBIT of EUR 7.9m (consensus: EUR 7.5m). Incap has guided for 0-20% revenue growth for this year and we believe it could repeat this guidance until there is more concrete evidence of order intake. The entire EMS market may now be in waiting mode, due to the possible implications of tariffs and geopolitical concerns in the short term. Regardless of the 90-day pause for some US import tariffs, we believe that a trade war could already be impacting supply chain logistics, inventory levels and end demand in Q2. Given that EMS companies are not usually at the top of the value chain, they could feel the pain relatively easily.

Uncertainty could prompt companies to reduce inventory levels

Our new net sales forecast for 2025 is EUR 244m, while our EBIT projection is EUR 32.6m (3% below consensus). The EMS market was not very strong even before the most recent escalation of the trade war. A recession could still be a likely outcome of the mess around tariffs going up and down. Global investments could well suffer in the near term, though the availability of passive semiconductors could even improve. A majority of all passive components used by EMS companies come from China. Cheaper raw materials, however, might not help EMS companies if brand owners lower their inventories and prepare operations for weakening end demand.

SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	170	264	222	230	244	271	297
EBITDA (adj)	29	43	36	36	39	42	45
EBIT (adj)	26	39	31	30	33	36	39
EBIT (adj) margin	15.3%	14.7%	13.8%	13.1%	13.4%	13.1%	13.0%
EPS (adj, EUR)	0.72	0.94	0.75	0.80	0.85	0.93	1.00
EPS (adj) growth	78.2%	30.8%	-20.1%	6.8%	5.8%	9.1%	8.4%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	2.7	2.0	1.0	1.1	1.0	0.8	0.6
EV/EBIT (adj)	17.8	13.2	7.2	8.7	7.3	6.0	4.9
P/E (adj)	21.8	18.2	10.3	12.8	12.1	11.1	10.2
P/BV	7.3	5.7	2.1	2.3	1.9	1.7	1.4
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	1.1%	-1.3%	15.2%	10.4%	7.9%	7.6%	8.4%
Net debt	2	14	-8	-41	-65	-88	-114
Net debt/EBITDA	0.1	0.3	-0.3	-1.2	-1.7	-2.2	-2.6
ROIC after tax	34.5%	34.4%	22.5%	23.0%	25.8%	27.9%	29.3%

Source: Company data and Nordea estimates

Estimate revisions and quarterly estimates

ESTIMATE REVISIONS (EURm; EPS IN EUR)

	New estimates				Old estimates				Difference %			
	Q1 2025E	2025E	2026E	2027E	Q1 2025E	2025E	2026E	2027E	Q1 2025E	2025E	2026E	2027E
Sales	58	244	271	297	62	261	281	301	-6%	-6%	-4%	-1%
Adj. EBIT	7.9	32.6	35.6	38.6	8.6	34.8	36.9	39.1	-7%	-6%	-4%	-1%
Adj. EBIT margin	13.6%	13.4%	13.1%	13.0%	13.8%	13.4%	13.1%	13.0%	-0.2pp	0.0pp	0.0pp	0.0pp
Adj. EPS	0.21	0.85	0.93	1.00	0.22	0.90	0.95	1.01	-6%	-5%	-2%	0%

Source: Nordea estimates

OUR ESTIMATES VS. CONSENSUS

	Nordea estimates				Consensus estimates				Difference %			
	Q1 2025E	2025E	2026E	2027E	Q1 2025E	2025E	2026E	2027E	Q1 2025E	2025E	2026E	2027E
Sales (EURm)	58	244	271	297	59	258	284	308	-1%	-5%	-4%	-4%
Adj. EBIT (EURm)	7.9	32.6	35.6	38.6	7.5	33.5	37	39	6%	-3%	-3%	-1%
Adj. EBIT margin	13.6%	13.4%	13.1%	13.0%	12.8%	13.0%	12.9%	12.7%	0.8pp	0.4pp	0.2pp	0.3pp
Adj. EPS (EUR)	0.21	0.85	0.93	1.00	0.19	0.89	0.93	1.04	9%	-5%	0%	-3%

Source: LSEG Data & Analytics and Nordea estimates

ESTIMATES BY QUARTER (EURm)

	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25E	Q2 25E	Q3 25E	Q4 25E
Incap Group												
Sales	72.7	56.4	50.1	42.4	51.4	57.6	61.8	59.3	58.1	60.4	62.3	63.5
Sales growth (%)	36%	-8%	-29%	-46%	-29%	2%	23%	40%	13%	5%	1%	7%
Adj. EBITDA	12.4	9.3	7.6	5.8	7.5	8.4	9.5	10.3	9.4	9.5	9.7	9.8
Adj. EBITDA margin (%)	17%	17%	15%	14%	15%	15%	15%	17%	16%	16%	16%	15%
Adj. EBIT	11.4	8.3	6.4	4.4	6.2	7.0	8.0	8.9	7.9	8.0	8.3	8.4
Adj. EBIT margin (%)	16%	15%	13%	10%	12%	12%	13%	15%	14%	13%	13%	13%
Net financials	-0.4	-0.2	0.1	-1.3	0.3	-0.3	-2.4	3.3	0.0	0.0	0.0	0.0
PTP	10.9	7.3	5.8	2.4	6.3	6.5	5.4	11.9	7.6	7.7	8.0	8.1
Net result adj.	8.5	6.5	5.1	2.1	5.1	5.3	3.8	9.4	6.1	6.1	6.3	6.4
Net result	8.4	5.7	4.4	1.4	4.9	5.1	3.6	9.1	5.8	5.9	6.1	6.2
EPS adj. (EUR)	0.29	0.22	0.17	0.07	0.17	0.18	0.13	0.32	0.21	0.21	0.22	0.22
EPS (EUR)	0.28	0.19	0.15	0.05	0.17	0.17	0.12	0.31	0.20	0.20	0.21	0.21

Source: Company data and Nordea estimates

Peer group financials

PEER GROUP FINANCIALS

	SALES (EURm)				SALES GROWTH				EBIT MARGIN			
	2023	2 024	2025E	2026E	2023	2024	2025E	2026E	2023	2024	2025E	2026E
Hon Hai Precision Industry Co Ltd	181 989	202 096	227 814	260 853	-7%	11%	21%	15%	3%	3%	3%	3%
Delta Electronics Inc	11 849	12 408	13 470	15 172	4%	5%	16%	13%	10%	12%	13%	13%
Jabil Inc	32 010	26 145	25 857	27 117	4%	-17%	-2%	5%	5%	5%	5%	6%
Pegatron Corp	37 117	33 155	33 449	35 246	-5%	-10%	7%	5%	1%	1%	1%	2%
Universal Scientific Industrial Shangh	7 761	8 031	8 160	8 866	-11%	0%	7%	9%	4%	3%	4%	4%
Fabrinet	2 425	2 691	3 085	3 491	17%	9%	18%	13%	11%	10%	10%	10%
Accton Technology Corp	2 486	3 253	4 257	5 000	9%	31%	42%	17%	13%	12%	13%	14%
Venture Corporation Ltd	2 078	1 936	1 902	2 002	-22%	-10%	-1%	5%	10%	10%	9%	10%
Sanmina Corp	8 453	6 780	7 868	8 413	13%	-15%	9%	7%	6%	5%	6%	6%
Inventec Corp	15 202	19 040	19 071	20 709	-5%	26%	11%	9%	1%	2%	2%	2%
Plexus Corp	3 983	3 548	3 948	4 320	10%	-6%	4%	9%	5%	5%	6%	6%
Foxconn Interconnect Technology Ltd	3 802	4 300	4 817	5 451	-7%	6%	15%	13%	6%	6%	7%	8%
Celestica Inc	7 214	9 317	10 350	12 036	10%	21%	12%	16%	5%	6%	7%	7%
Ducommun Inc	686	760	759	808	6%	4%	5%	6%	8%	10%	10%	11%
Sercomm Corp	1 848	1 673	1 832	1 982	-3%	-9%	15%	8%	5%	5%	5%	6%
Note AB (publ)	382	341	n.a.	n.a.	15%	-8%	7%	13%	10%	9%	10%	10%
Kitron ASA	775	647	681	793	21%	-17%	6%	16%	9%	8%	9%	9%
Scanfil Oyj	902	780	845	889	7%	-13%	9%	5%	7%	7%	7%	7%
SIIX Corp	1 990	1 858	1 859	1 983	12%	-2%	-1%	7%	4%	3%	0%	0%
TT electronics PLC	708	651	661	690	-1%	-14%	2%	4%	8%	5%	8%	10%
Hanza AB	373	424	554	612	17%	17%	24%	10%	8%	5%	7%	7%
Cicor Technologies Ltd	420	512	570	619	24%	23%	11%	9%	6%	7%	8%	8%
Valuetronics Holdings Ltd	237	198	217	229	-1%	-17%	-1%	8%	5%	10%	9%	9%
Lacroix Group SA	734	636	591	630	4%	-13%	0%	7%	3%	1%	2%	3%
Inission AB	198	188	198	207	14%	-2%	1%	5%	7%	6%	7%	7%
Group median					6.2%	-2.4%	7.3%	8.6%	5.7%	5.9%	6.9%	7.1%
Incap (Nordea)	264	222	230	244	-16.0%	3.8%	6.2%	11.0%	12.7%	12.7%	12.9%	12.7%
diff. from median (pp)					-22.2	6.2	-1.1	2.4	7.0	6.7	6.0	5.6

Source: Company data, LSEG Data & Analytics and Nordea estimates

Peer group valuation

PEER GROUP VALUATION (x)

	P/E				EV/EBIT				P/B			
	2023	2024	2025E	2026E	2023	2024	2025E	2026E	2023	2024	2025E	2026E
Hon Hai Precision Industry Co Ltd	10.4	17.0	8.7	7.6	7.4	12.0	6.4	5.5	1.1	1.0	0.9	0.8
TT Electronics	24.5	31.9	17.2	14.4	20.2	23.4	13.2	10.9	4.0	3.5	3.1	2.7
Jabil Inc	19.0	9.8	15.3	13.4	10.3	9.3	10.9	9.8	6.4	8.1	10.1	9.2
Pegatron Corp	14.9	14.6	11.3	10.5	16.8	16.9	9.4	8.2	1.0	1.0	1.0	0.9
Universal Scientific Industrial Shangh	17.4	22.0	13.7	11.3	13.5	16.0	9.8	7.7	1.5	1.6	1.5	1.4
Fabrinet	19.3	30.2	19.8	17.4	16.1	28.8	17.9	15.7	5.0	4.2	3.7	3.2
Accton Technology Corp	33.0	36.2	16.5	13.4	23.5	30.1	12.3	10.0	10.8	8.7	6.4	4.8
Foxconn Interconnect Technology	14.7	15.6	12.6	11.9	9.7	9.6	6.9	6.4	1.0	1.1	1.1	1.1
Sanmina Corp	10.5	17.6	12.9	11.1	6.3	10.3	8.3	7.4	1.4	1.9	n.a.	n.a.
Inventec Corp	31.0	24.8	14.1	12.3	28.1	18.7	13.4	12.4	2.2	2.1	2.0	1.8
Universal Scientific Industrial	18.8	34.1	18.1	16.3	12.5	19.2	13.9	12.2	2.9	2.9	2.4	2.2
Foxconn Interconnect Technology Ltd	8.3	21.7	8.0	6.1	5.5	11.8	6.2	5.0	0.7	0.7	0.7	0.6
Celestica Inc	14.4	25.6	17.1	14.3	10.8	19.5	12.6	10.6	6.7	5.6	n.a.	n.a.
Ducommun Inc	45.7	30.3	15.6	12.6	21.5	18.4	12.9	10.6	1.3	1.3	1.2	1.1
Sercomm Corp	15.3	16.3	10.0	9.0	11.1	11.5	7.1	6.3	2.2	1.8	1.6	0.0
Note AB (publ)	13.5	17.2	n.a.	n.a.	11.3	11.7	11.7	10.1	3.1	2.9	2.7	2.2
Kitron ASA	11.7	20.5	20.0	15.4	10.4	14.3	15.6	12.9	5.3	4.2	3.5	3.0
Scanfil Oyj	10.5	13.9	11.8	10.9	9.2	10.9	9.6	8.9	2.0	1.8	1.6	1.5
SIIX Corp	8.4	15.1	8.7	7.5	9.2	10.4	n.a.	n.a.	0.5	0.5	0.4	0.4
TT electronics PLC	4.6	7.4	5.3	3.9	8.7	10.5	6.3	4.9	0.5	0.6	0.6	0.5
Hanza AB	16.1	30.3	10.1	8.1	12.2	14.8	8.1	6.8	2.1	1.8	1.5	1.3
Cicor Technologies Ltd	18.9	9.9	13.8	11.9	6.9	7.8	9.8	8.6	2.2	2.6	2.3	1.9
Valuetronics Holdings Ltd	8.3	7.0	8.6	8.3	n.a.	1.6	1.9	1.7	0.7	0.8	0.6	0.6
Lacroix Group SA	16.2	n.a.	n.a.	n.a.	11.2	n.a.	n.a.	n.a.	0.8	n.a.	n.a.	n.a.
Inission AB	11.0	10.8	8.5	7.2	8.2	10.7	8.8	7.8	1.5	1.1	1.0	0.9
Group median	14.9	17.4	12.9	11.3	10.9	11.9	9.8	8.6	2.0	1.8	1.6	1.3
Incap (Nordea)	10.3	12.8	12.2	11.2	7.2	8.6	7.4	6.1	2.1	2.3	2.0	1.7
diff. from average	-31%	-27%	-5%	0%	-34%	-27%	-24%	-28%	7%	24%	26%	26%

Source: LSEG Data & Analytics and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	49	59	71	106	170	264	222	230	244	271	297
Revenue growth	25.7%	21.5%	20.5%	49.9%	59.4%	55.3%	-16.0%	3.8%	6.2%	11.0%	9.5%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	5	9	11	16	29	43	33	35	38	41	44
Depreciation and impairments PPE	0	-1	-1	-2	-3	-3	-5	-6	-6	-6	-6
of which leased assets	0	0	-1	-1	-1	-1	-2	-2	-2	-2	-2
EBITA	5	9	10	14	26	39	29	30	32	35	38
Amortisation and impairments	0	0	0	-1	-1	0	-1	-1	-1	-1	-1
EBIT	5	9	10	13	26	39	28	29	31	34	37
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-1	-1	0	-1	0	-2	-2	1	0	0	0
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	4	8	10	12	26	37	26	30	31	34	37
Reported taxes	-1	-2	-3	-2	-5	-9	-7	-7	-8	-8	-9
Net profit from continued operations	3	6	6	9	21	28	20	23	24	26	28
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	3	6	6	9	21	28	20	23	24	26	28
EPS, EUR	0.14	0.27	0.29	0.40	0.72	0.94	0.67	0.77	0.81	0.89	0.97
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Profit margin in percent

EBITDA	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	15.1%	15.4%	15.5%	15.1%	14.8%
EBITA	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	13.0%	12.9%	13.1%	12.9%	12.8%
EBIT	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	12.7%	12.7%	12.9%	12.7%	12.6%

Adjusted earnings

EBITDA (adj)	5	9	11	16	29	43	36	36	39	42	45
EBITA (adj)	5	9	10	14	26	39	31	31	33	36	39
EBIT (adj)	5	9	10	13	26	39	31	30	33	36	39
EPS (adj, EUR)	0.14	0.27	0.29	0.40	0.72	0.94	0.75	0.80	0.85	0.93	1.00

Adjusted profit margins in percent

EBITDA (adj)	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	16.1%	15.8%	15.9%	15.5%	15.2%
EBITA (adj)	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	14.0%	13.3%	13.6%	13.3%	13.2%
EBIT (adj)	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	13.8%	13.1%	13.4%	13.1%	13.0%

Performance metrics

CAGR last 5 years											
Net revenue	-5.4%	18.0%	30.9%	28.4%	34.5%	40.3%	30.3%	26.5%	18.1%	9.8%	2.4%
EBITDA	n.m.	n.m.	61.0%	34.0%	47.9%	53.8%	29.6%	25.3%	18.9%	6.9%	0.6%
EBIT	n.m.	n.m.	56.9%	27.8%	47.1%	53.7%	26.7%	23.7%	20.1%	5.8%	-0.8%
EPS	n.a.	n.a.	n.a.	n.a.	49.2%	45.8%	20.2%	21.8%	15.0%	4.3%	0.5%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last 5 years											
Average EBIT margin	4.3%	11.1%	12.4%	12.2%	13.6%	14.4%	13.9%	13.6%	13.6%	13.2%	12.7%
Average EBITDA margin	4.8%	11.8%	13.5%	14.1%	15.6%	16.2%	15.9%	15.8%	15.8%	15.5%	15.2%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
P/E (adj)	7.4	4.6	10.1	9.1	21.8	18.2	10.3	12.8	12.1	11.1	10.2
EV/EBITDA (adj)	5.5	3.3	5.5	5.6	15.8	12.0	6.1	7.2	6.1	5.1	4.2
EV/EBITA (adj)	6.1	3.4	6.3	6.6	17.4	13.1	7.0	8.5	7.2	5.9	4.8
EV/EBIT (adj)	6.1	3.4	6.3	7.1	17.8	13.2	7.2	8.7	7.3	6.0	4.9

VALUATION RATIOS - REPORTED EARNINGS

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
P/E	7.4	4.6	10.1	9.1	21.8	18.2	11.5	13.3	12.7	11.6	10.6
EV/Sales	0.57	0.50	0.89	0.84	2.72	1.95	0.99	1.13	0.97	0.79	0.64
EV/EBITDA	5.5	3.3	5.5	5.6	15.8	12.0	6.6	7.4	6.3	5.2	4.3
EV/EBITA	6.1	3.4	6.3	6.6	17.4	13.1	7.6	8.7	7.4	6.1	5.0
EV/EBIT	6.1	3.4	6.3	7.1	17.8	13.2	7.8	8.9	7.6	6.2	5.1
Dividend yield (ord.)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	5.4%	7.1%	9.8%	-5.6%	1.0%	-1.2%	11.1%	10.0%	8.5%	8.2%	9.0%
FCF Yield bef A&D, lease adj	5.4%	7.1%	8.9%	2.3%	1.1%	-1.3%	15.2%	10.4%	7.9%	7.6%	8.4%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Intangible assets	1	1	1	12	12	11	14	14	14	13	12
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	5	5	4	6	6	5	4	4
of which goodwill	1	1	1	7	8	7	8	9	9	9	9
Tangible assets	3	5	7	11	14	21	30	31	30	31	33
of which leased assets	0	0	2	6	7	7	8	7	5	5	5
Shares associates	0	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	1	1	0	1	1	1	1	1
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	1	0	0	0	0	1	0	0	0	0	0
Total non-current assets	5	6	9	24	27	33	45	47	45	46	46
Inventory	8	12	11	24	59	92	71	61	63	67	70
Accounts receivable	9	12	11	24	34	36	24	35	37	41	45
Short-term leased assets	0	0	0	0	0	0	0	0	2	2	2
Other current assets	0	0	0	0	0	0	0	0	0	0	0
Cash and bank	3	3	6	4	9	8	43	72	92	112	136
Total current assets	20	26	28	52	102	136	137	168	193	222	253
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	25	32	36	76	129	169	182	215	239	267	299
Shareholders equity	10	16	22	39	63	87	107	133	157	183	211
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	10	16	22	39	63	87	107	133	157	183	211
Deferred tax	0	0	0	1	1	1	1	2	2	2	2
Long term interest bearing debt	2	1	2	2	1	5	24	22	18	16	14
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	1	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	2	3	2	5	7	5	5	5	5
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	2	1	6	9	6	13	33	32	28	26	24
Short-term provisions	0	1	0	1	0	0	0	1	1	1	1
Accounts payable	7	10	7	25	53	57	38	45	50	55	60
Current lease debt	0	0	1	1	1	2	2	2	2	2	2
Other current liabilities	0	0	0	0	0	0	0	0	0	0	0
Short term interest bearing debt	5	5	1	2	6	9	2	2	2	1	1
Total current liabilities	12	15	10	30	60	68	42	50	54	59	64
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	25	32	37	77	130	168	182	215	239	267	299
Balance sheet and debt metrics											
Net debt	4	3	0	5	2	14	-8	-41	-65	-88	-114
of which lease debt	0	0	2	5	4	7	8	7	7	7	7
Working capital	10	14	14	23	40	71	57	51	50	53	55
Invested capital	15	19	23	47	67	104	102	97	95	98	101
Capital employed	18	21	28	48	74	109	141	164	184	207	233
ROE	34.0%	44.7%	33.3%	30.5%	41.5%	36.7%	20.4%	19.0%	16.5%	15.4%	14.4%
ROIC	23.8%	38.0%	36.3%	27.4%	34.5%	34.4%	22.5%	23.0%	25.8%	27.9%	29.3%
ROCE	27.0%	46.8%	42.8%	34.7%	44.1%	43.1%	25.2%	22.2%	19.7%	19.0%	18.3%
Net debt/EBITDA	0.9	0.3	0.0	0.3	0.1	0.3	-0.3	-1.2	-1.7	-2.2	-2.6
Interest coverage	-13.4	7.8	12.8	8.8	28.1	54.6	20.4	13.3	25.7	28.5	31.6
Equity ratio	42.0%	49.1%	58.6%	50.3%	48.4%	51.9%	58.5%	61.9%	65.8%	68.5%	70.7%
Net gearing	41.9%	16.6%	0.0%	13.9%	2.7%	15.6%	-7.9%	-31.0%	-41.5%	-48.1%	-53.7%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
EBITDA (adj) for associates	5	9	11	16	29	43	33	35	38	41	44
Paid taxes	-9	-2	-3	-3	-5	-5	-5	-6	-8	-8	-9
Net financials	0	0	0	-1	-1	-1	-1	-2	0	0	0
Change in provisions	0	1	1	-1	0	0	0	0	0	0	0
Change in other LT non-IB	0	1	0	1	0	0	0	1	0	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	8	-1	-2	0	2	-2	-3	-3	0	0	0
Funds from operations (FFO)	4	7	8	13	25	35	24	26	30	33	35
Change in NWC	-2	-3	0	-8	-16	-36	21	13	1	-3	-2
Cash flow from operations (CFO)	2	4	7	5	10	-1	45	39	30	30	33
Capital expenditure	-1	-2	-1	-3	-5	-5	-7	-6	-5	-5	-6
Free cash flow before A&D	1	2	6	2	5	-6	38	33	26	25	27
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	-7	-1	0	-12	-3	0	0	0
Free cash flow	1	2	6	-5	4	-6	25	30	26	25	27
Free cash flow bef A&D, lease adj	1	2	6	2	5	-6	35	31	24	23	26
Dividends paid	0	0	0	0	0	0	0	0	0	0	0
Equity issues / buybacks	0	0	0	11	0	0	0	0	0	0	0
Net change in debt	0	-2	-2	-6	2	6	12	-4	-4	-3	-2
Other financing adjustments	0	0	0	0	0	0	0	0	-2	-2	-2
Other non-cash adjustments	0	0	-1	-2	-1	-2	-2	3	0	0	0
Change in cash	1	0	3	-2	5	-2	35	30	20	20	24
Cash flow metrics											
Capex/D&A	n.m.	n.m.	81.6%	83.5%	n.m.	n.m.	n.m.	90.6%	77.2%	80.6%	87.1%
Capex/Sales	1.4%	3.7%	1.6%	2.6%	2.7%	2.1%	3.1%	2.4%	2.0%	1.9%	1.9%
Key information											
Share price year end (/current)	1	1	3	4	16	17	8	10	10	10	10
Market cap.	23	27	63	84	460	501	227	302	303	303	303
Enterprise value	28	30	63	90	462	515	219	260	238	215	189
Diluted no. of shares, year-end (m)	21.8	21.8	21.8	22.9	29.3	29.3	29.4	29.4	29.4	29.4	29.4

Source: Company data and Nordea estimates

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