

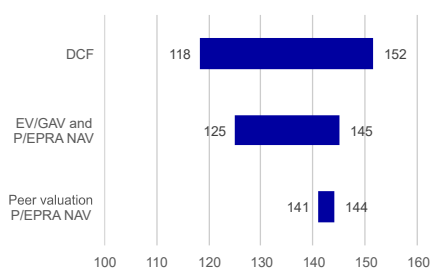
KEY DATA

Stock country	Sweden
Bloomberg	CIBUS.SS
Reuters	CIBUS.ST
Share price (close)	SEK 140.5
Free Float	90%
Market cap. (bn)	EUR 0.40/SEK 4.37
Website	www.cibusnordic.com
Next report date	27 Feb 2020

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2019E	2020E	2021E
Sales	-1%	0%	0%
EBIT (adj)	1%	-1%	0%

Source: Nordea estimates

Nordea Markets - Analysts

Svante Krokfors
AnalystNiclas Höglund
Senior Analyst, Sector Coordinator

No surprises in steady Q3

Q3 included no major surprises apart from the occupancy rate remaining somewhat low at 94.5% (96.0% at the end of 2018) owing to one larger vacancy that Cibus expects to fill during Q4. Cibus continues to build its own organisation both in Finland and Sweden as most of the operations have been outsourced previously. We believe the next big step for Cibus is to establish itself in the Swedish market, possibly through larger acquisitions. We believe Cibus will continue growing in Finland through smaller bolt-on, off-market acquisitions. Our fair value for Cibus remains at SEK 125-145 per share, which implies a 2020E dividend yield of 6.8-7.4%.

Q3 results largely in line, occupancy rate on the low side

Cibus posted Q3 net rental income of EUR 12.5m, largely in line with our EUR 12.2m estimate. Profit from property management of EUR 7.3m was also in line and marginally better than our EUR 7.2m estimate. The occupancy rate was on the low side at 94.5% owing to one larger, temporary vacancy. EPRA NAV of EUR 11.4 (SEK 122) was the same as our estimate. Earnings capacity was unchanged compared with 30 June, indicating profit from property management of EUR 1.05 per share (pre tax). Net LTV was 59%. We keep our 2019-21 estimates virtually unchanged after the Q3 report.

Bolt-on acquisitions in Finland, larger Swedish expansion likely

Cibus has made acquisitions of EUR 45m in Finland during 2019 (no acquisitions in Q3) and is already close to its EUR 50m annual investment target. We believe Cibus will continue growing in Finland by acquiring single assets and smaller portfolios off-market, which enables more attractive pricing than in larger portfolios where competition likely is tougher. The Swedish expansion is likely to be made through a larger acquisition which might require new equity. For Cibus, issuing new equity would be attractive as the shares are currently priced at a 15% premium to EPRA NAV.

Our fair value range is unchanged at SEK 125-145 per share

Our weighted fair value range suggests SEK 125-145 per share, which excludes our expectation of a SEK 9-10 dividend annually. Our valuation is mainly based on EV/GAV and P/EPRA NAV approaches, with support from peer valuation and DCF. Our fair value corresponds to a 2020E adjusted P/E of 11.5-13.3x, a dividend yield of 6.8-7.4% and P/EPRA NAV of 0.86-0.99x with 2019 and 2020 dividends added back. For Cibus, nominal EPRA NAV growth is limited owing to a payout ratio of about 90%.

SUMMARY TABLE - KEY FIGURES

EURm	2015	2016	2017	2018	2019E	2020E	2021E
Total revenue	n.a.	n.a.	n.a.	29	60	62	63
NOI margin	n.a.	n.a.	n.a.	81.0%	81.5%	81.3%	81.8%
EPS (adj)	n.a.	n.a.	n.a.	0.40	0.89	0.99	1.09
EPS (adj) growth	n.a.	n.a.	n.a.	n.a.	123.0%	12.0%	9.8%
P/E (adj)	n.a.	n.a.	n.a.	25.4	14.6	13.0	11.9
DPS	0.00	0.00	0.00	0.84	0.88	0.92	0.96
NAV per share	0	0	0	11	12	14	15
NAV growth	n.a.	n.a.	n.a.	n.a.	14.0%	9.9%	10.8%
NOI/EV (adj)	n.a.	n.a.	n.a.	3.0%	5.3%	5.5%	5.7%
P/NAV	n.a.	n.a.	n.a.	92.8%	104.5%	95.1%	85.8%
P/EPRA NAV	n.a.	n.a.	n.a.	91.1%	102.8%	93.5%	84.3%
Dividend yield	n.a.	n.a.	n.a.	8.3%	6.8%	7.1%	7.4%
Loan-to-value (adj)	n.m.	n.m.	n.m.	56.4%	58.7%	57.8%	56.3%
Net debt / EBITDA (adj)	n.m.	n.m.	n.m.	21.9	11.6	11.0	10.5

Source: Company data and Nordea estimates

Q3 results and estimate revisions

Cibus's Q3 operating results were largely in line with our expectations as one vacancy in a property, which will be replaced with a new tenant in H2, affected rental income negatively and double administration costs burdened Q3 as Cibus is ramping up its own administration and property management organisations. Our estimates remain virtually unchanged.

Q3 very much in line with our expectations

Cibus posted Q3 rental income of EUR 13.2m, up 5% y/y and q/q owing to acquisitions completed at the end of Q2 2019. Net operating income of EUR 12.5m was 2% above our estimate of EUR 12.2m. Profit from property management was EUR 7.3m, up 1% y/y and up 8% q/q. Unrealised value changes and deferred taxes were negative and mostly affected by accounting policy changes.

Q3 RESULT DEVIATION FROM EXPECTATIONS

EURm	Actual	NDA est.	Deviation		Actual	Actual		
	Q3 2019	Q3 2019	vs. actual		Q3 2018	y/y	Q2 2019	q/q
Sales	15.1	15.2	0	-1 %	14.6	3 %	14.2	7 %
Net operating income	12.5	12.2	0	2 %	12.1	4 %	11.5	9 %
NOI margin	82.7%	80.5%		2.2pp	82.5%	0.3pp	81.0%	1.8pp
Income from property mgmt	7.3	7.2	0	1 %	7.2	1 %	6.8	8 %
CEPS	0.23	0.22	0.01	4 %	0.21	8 %	0.19	21 %

Source: Company data, Thomson Reuters and Nordea estimates

2020-21 estimates virtually unchanged

Our estimate changes for 2019-21 are very limited, -1% to 1%.

ESTIMATE REVISIONS AFTER Q3 RESULTS

EURm	New estimates			Old estimates			Difference (%)		
	2019E	2020E	2021E	2019E	2020E	2021E	2019E	2020E	2021E
Sales	60	62	63	61	62	63	-1 %	0 %	0 %
Adj. EBIT	44	46	48	44	47	48	1 %	-1 %	0 %
Adj. EBIT margin	74.0%	75.3%	75.9%	72.1%	75.4%	75.9%	1.8pp	-0.1pp	0.0pp
Adj. EPS	0.89	1.01	1.09	0.89	1.02	1.09	0 %	-1 %	0 %

Source: Nordea estimates

Earnings capacity-based profit from property management has increased by 19% since the IPO

Profit from property management (before taxes) based on the disclosed earnings capacity as of 30 September 2019 has increased by 19% from the time of the IPO in March 2018. Profit from property management per share has grown from EUR 0.90 to EUR 1.05 in 19 months, owing to a successful combination of acquisitions and the refinancing of old bank loans at more favourable terms. We expect the profit from property management per share to grow to EUR 1.12 in 2020 and EUR 1.17 in 2021, which is mainly based on the assumed refinancing of the EUR 135m bond at a 1 pp lower cost than the current 4.5%. After that, we estimate profit from property management to have grown 30% since the IPO, excluding any assumptions of future acquisitions.

EARNINGS CAPACITY

EURm	7 Mar 2018	30 Jun 2018	30 Sep 2018	9 Nov 2018	31 Dec 2018	31 Mar 2019	30 Jun 2019	30 Sep 2019	31 Dec 2019E	31 Dec 2020E	31 Dec 2021E
Rental income	47.9	49.1	49.2	51.1	51.1	51.1	53.4	53.4	53.4	53.6	55.4
Property expenses	-3.2	-3.3	-3.3	-3.3	-3.3	-3.3	-3.5	-3.5	-3.5	-3.5	-3.5
Net rental income	44.7	45.8	45.9	47.8	47.8	47.8	49.9	49.9	49.9	50.2	51.8
Central admin.	-3.5	-3.5	-3.5	-3.6	-3.6	-3.6	-3.7	-3.7	-3.7	-3.7	-3.7
Net financial costs	-13.1	-13.5	-13.5	-13.6	-13.6	-13.2	-13.6	-13.6	-13.6	-11.6	-11.6
Operating income	28.1	28.8	28.9	30.6	30.6	31.0	32.7	32.7	32.7	34.9	36.5
- per share	0.90	0.92	0.93	0.98	0.98	1.00	1.05	1.05	1.05	1.12	1.17

Source: Company data and Nordea estimates

Factors to consider when investing in Cibus

Cibus is a Nordic real estate company focusing on grocery and daily goods retail assets. Currently, Cibus owns assets in Finland only but aims to expand to the other Nordic countries, particularly Sweden. Cibus differs from its retail real estate peers in that it is less dependent on macroeconomic fluctuations and competition from e-commerce. Its portfolio is diversified with 139 properties and its geographical diversification within Finland is also wide. Stable cash flow from solid daily goods tenants combined with financial leverage and a high payout ratio makes Cibus an attractive proposition for investors who want a high and predictable dividend.

Second-largest Nordic player in segment dominated by pension funds

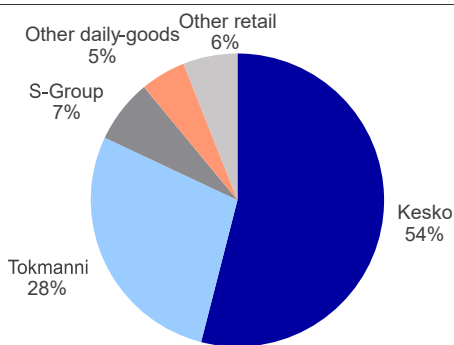
Largest Finnish owner of daily goods assets, second-largest in Nordics

Cibus has established a strong presence in the Nordic real estate sector with its focus on grocery and daily goods anchored properties. Currently, the portfolio consists of only Finnish assets, but the plan is to expand to the other Nordic countries in the medium to long term, with Sweden being the natural first priority. In a segment dominated by Swedish and Finnish pension funds, Cibus has rapidly become the second-largest Nordic investor in the field.

Highly diversified property portfolio with a market value of EUR 862m

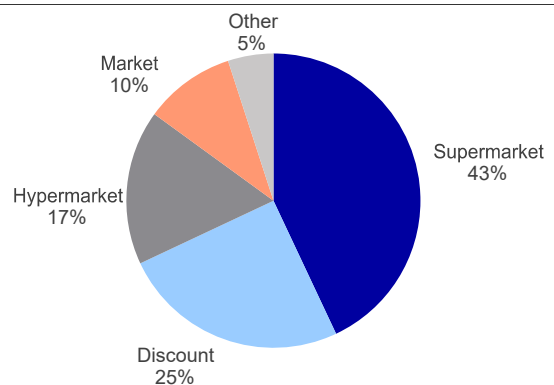
Cibus targets stable cash flow from established grocery and daily goods tenants. Combined with its balanced use of leverage, this results in a company with high dividend capacity. Cibus has 139 properties in its portfolio and a leasable area of 500,000 m². The portfolio has a market value of EUR 862m. The portfolio is diversified, as no single property accounts for more than 3.3% of the value. On an individual basis, over 70% of Cibus's properties do not account for more than 1% of total rental income.

RENTAL INCOME PER TENANT, SEPTEMBER 2019



Source: Company data

RENTAL INCOME PER STORE TYPE, DECEMBER 2018



Source: Company data

Largest grocery and daily goods players in Finland are Cibus's anchor tenants

Slightly below 90% of rental income comes from properties where either Kesko, Tokmanni or S-Group is the anchor tenant. The portfolio is diversified in terms of property type, with supermarkets accounting for 43% of rental income, discount stores (Tokmanni) for 25%, hypermarkets for 17%, smaller markets for 10% and 5% belonging to Other.

A segment with little dependence on macroeconomic factors

Grocery and daily goods resilient to macroeconomics and e-commerce

Grocery and daily goods sales have, for obvious reasons, been highly resilient to macroeconomic swings and this is true also for Finland, which we illustrate in the left-hand chart below.

Grocery and daily goods segment less affected by e-commerce

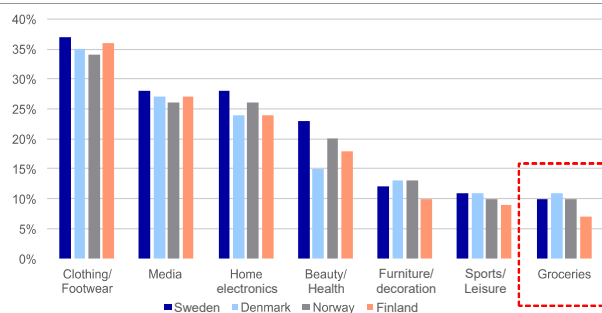
In recent years, retail real estate has fallen out of investors' favour, mainly due to fears over the impact of e-commerce on demand for physical stores for fashion, consumer electronics, etc. Grocery and daily goods have seen increased online sales in recent years, albeit from a very low level. Particularly in countries and areas with low population density, we believe the proposition of grocery and daily goods online ordering and home delivery is difficult to make profitable.

GROCERY SALES IN FINLAND VS GDP GROWTH, 2005-17



Note: In 2017, FGTA included petrol station stores and discount stores with a reduced selection of groceries. For comparability, we exclude these items.
Source: Finnish Grocery Trade Association, Nordea Economic Outlook and Nordea

GROCERY CONSTITUTED A SMALL SHARE OF NORDIC E-COMMERCE IN 2017



Source: PostNord 2018 and Nordea

Barriers to entry are high for players focusing purely on online grocery operations

This is true for the Nordics where the population density is low outside of the largest cities. In Sweden and Finland, the grocery market is relatively concentrated to a few players, which also might enhance the barriers to entry for pure online players, as the traditional players are not keen to invest in large-scale grocery online offerings and services. However, the traditional grocery and daily goods players have the infrastructure in place to respond quickly should e-commerce competition in the field intensify.

Nordic consumers do not buy groceries online on a large scale

Illustrated in the right-hand chart above, the share of consumers who have bought groceries online is low in the Nordics and particularly low in Finland.

In the near term, we expect a continued earnings boost from a lower cost of debt

Near-term events likely to lower cost of debt

Cibus operates with an appropriate level of debt considering the stable cash flow profile. Net LTV was 59% at the end of September 2019, and the reported group cost of debt (including bank loans and bond) was 2.6%. Cibus refinanced one of its three loan facilities at the end of 2018 and the two others during H1 2019. All refinancing rounds resulted in longer debt maturity and lower margins, partly explained by the fact that all initial loan facilities were negotiated before Cibus's IPO. The bank financing has an average margin of 1.6% plus 3m EURIBOR (with floor). If the EUR 135m bond that matures in 2021 were also refinanced, we believe the group's cost of debt could be reduced to as low as 2.2%. This would have a positive impact of around EUR 1.3m (EUR 0.04 per share) on pre-tax profit. Our estimates for the cost of debt are illustrated in the table below. Recent trading in Cibus's bond indicates that the coupon could be even below 3%, increasing earnings capacity further.

COST OF DEBT FORECASTS

	30 Sep 2018		5 Nov 2018		31 Dec 2018		27 Feb 2019		Third refinancing		Bond refinancing	
	EURm	Cost (%)	EURm	Cost (%)	EURm	Cost (%)	EURm	Cost (%)	EURm	Cost (%)	EURm	Cost (%)
Bank loans	324	2.3 %	354	2.1 %	354	2.1 %	354	2.2 %	392	1.9 %	392	1.8 %
Bond	135	4.5 %	135	4.5 %	135	4.5 %	135	4.5 %	135	4.5 %	135	3.5 %
Group total	459	3.0 %	489	2.8 %	489	2.8 %	489	2.8 %	527	2.6 %	527	2.2 %
Debt cost/year	-13.6		-13.6		-13.6		-13.9		-13.5		-11.6	

Source: Company data and Nordea estimates

The current balance sheet enables smaller bolt-on acquisitions, but larger ones would likely require an equity component

Medium- to long-term events likely to be small or large acquisitions

Cibus's current portfolio and earnings will not grow at a pace significantly higher than inflation, as the upside potential in lease agreements comes from CPI indexation. With the current balance sheet, Cibus will be able to make smaller acquisitions, but larger portfolio acquisitions would likely need an equity component to avoid raising group LTV too much. For example, if Cibus were to buy a portfolio for EUR 100m, it would need new equity of roughly EUR 40m to keep the balance sheet metrics unchanged. We believe Cibus could pay for part of a possible acquisition through a directed share issue to the selling party. Obviously, this means that it is important for Cibus that the shares should trade relatively close to NAV, or preferably at a premium as they do now, so that new shares would not be issued at a significant discount to NAV.

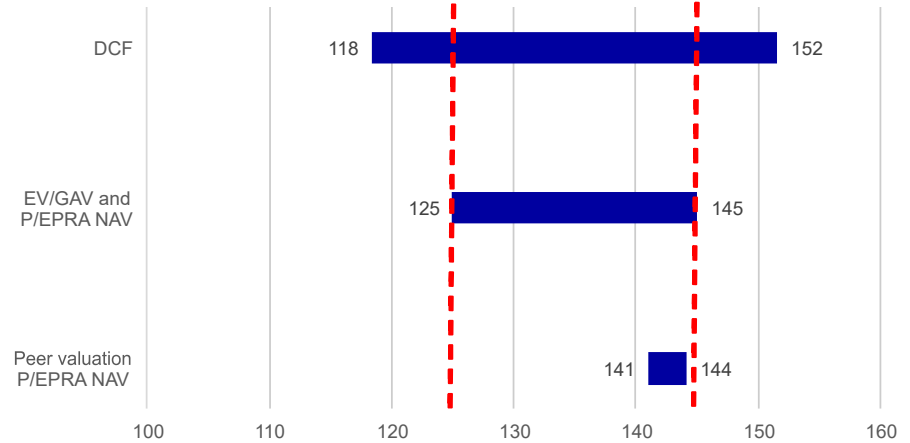
Valuation conclusion

Our fair value range is SEK 125-145 per share

Our main valuation approach, based on an assumption of 2020E EV/GAV of 0.94-0.99x with dividends added back and P/EPRA NAV of 0.86-0.99x, results in a fair value range

of SEK 125-145 per share. The peer EPRA/NAV valuation suggests a narrow range of SEK 141-144, while the DCF range is wider at SEK 118-152 per share. When weighing in the different valuation approaches with the biggest weight on EV/GAV and P/EPRA NAV, we arrive at our fair value range of SEK 125-145 per share, which corresponds to 2020E adjusted P/E of 11.5-13.3x.

VALUATION APPROACH



Source: Company data and Nordea estimates

Dividend yield does not directly impact valuation, but a high dividend yield should offer downside protection

Cibus focuses on creating a portfolio of grocery and daily goods assets that generate stable cash flow, and it enhances the returns for shareholders by using an optimal level of debt. Hence, the company's main target is to maximise the dividend capacity and distribute a significant part of earnings as dividends. Our dividend yield forecast of 8% for 2019 should offer solid downside protection for Cibus's shares. The dividend yield should therefore not have an impact on the valuation, but if Cibus is able to maintain or grow the dividend, we reason that the dividend yield should offer downside protection. Our fair value range of SEK 125-145 per share corresponds to a 2020E dividend yield of 6.8-7.4%.

Detailed estimates

ANNUAL ESTIMATES				
EURm	2018	2019E	2020E	2021E
Rental income	25	52	54	55
Rental income growth	n.a.	107.8%	3.3%	3.2%
Property expenses	-1	-2	-4	-4
Net rental income	23	49	50	52
NRI margin %	93.7%	94.4%	93.4%	93.6%
Administrative expenses	-2	-5	-4	-4
Other operating income	4	8	8	8
Other operating expenses	-4	-9	-8	-8
Profit/loss on sales of investment properties	2	1	0	0
Profit/loss on sales of trading properties	0	0	0	0
Fair value changes of investment properties	2	19	8	13
Depreciation, amortisation and impairment losses	0	0	0	0
Operating profit/loss	24	64	54	61
Financial income	0	0	0	0
Financial expenses	-9	-14	-14	-12
Net financials	-8	-15	-14	-12
Share of result from associated companies	0	0	0	0
Profit before taxes	16	49	41	50
Current tax expense	-1	-2	-2	-3
Change in deferred tax	-2	-4	-2	-3
Profit/loss for the period	13	43	37	44
Funds from operations	11	27	31	34

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/2018	Q2/2018	Q3/2018	Q4/2018	Q1/2019	Q2/2019	Q3/2019	Q4/2019E
Rental income	n.a.	n.a.	13	12	13	13	13	14
Rental income growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.7%	9.0%
Property expenses	n.a.	n.a.	-1	0	-1	0	-1	-1
Net rental income	n.a.	n.a.	12	12	12	12	12	13
NRI margin %	n.a.	n.a.	95.9%	96.1%	95.9%	96.0%	94.8%	95.0%
Administrative expenses	n.a.	n.a.	-1	-1	-1	-1	-1	-1
Other operating income	n.a.	n.a.	2	2	3	2	2	2
Other operating expenses	n.a.	n.a.	-2	-2	-3	-2	-2	-2
Profit/loss on sales of investment properties	n.a.	n.a.	0	2	0	0	0	0
Profit/loss on sales of trading properties	n.a.	n.a.	0	0	0	0	0	0
Fair value changes of investment properties	n.a.	n.a.	0	2	3	5	-1	12
Depreciation, amortisation and impairment losses	n.a.	n.a.	0	0	0	0	0	0
Operating profit/loss	n.a.	n.a.	11	14	14	16	10	24
Financial income	n.a.	n.a.	0	0	0	0	0	0
Financial expenses	n.a.	n.a.	-4	-5	-4	-4	-4	-3
Net financials	n.a.	n.a.	-4	-4	-4	-4	-4	-4
Share of result from associated companies	n.a.	n.a.	0	0	0	0	0	0
Profit before taxes	n.a.	n.a.	7	9	11	12	7	20
Current tax expense	n.a.	n.a.	-1	0	-1	-1	1	-1
Change in deferred tax	n.a.	n.a.	0	-2	-1	-1	-2	0
Profit/loss for the period	n.a.	n.a.	6	7	9	10	6	18
Funds from operations	n.a.	n.a.	7	5	7	6	8	7

Source: Company data and Nordea estimates

SUMMARY TABLE - KEY FIGURES

EURm	2015	2016	2017	2018	2019E	2020E	2021E
Rental income	n.a.	n.a.	n.a.	25	52	54	55
- rental income growth	n.a.	n.a.	n.a.	n.a.	108 %	3 %	3 %
Net operating income (NOI)	n.a.	n.a.	n.a.	23	49	50	52
Pre-tax profit	n.a.	n.a.	n.a.	16	49	41	50
IFPM (pretax ex value gains)	n.a.	n.a.	n.a.	12	29	33	36
FFO	n.a.	n.a.	n.a.	11	27	31	34
-FFO growth	n.a.	n.a.	n.a.	n.a.	146 %	13 %	10 %
Dividend	n.a.	n.a.	n.a.	-6	-26	-27	-29
Shareholder equity	n.a.	n.a.	n.a.	329	346	356	372
EPRA NAV (incl. div not paid)	n.a.	n.a.	n.a.	344	391	430	477
-EPRA NAV growth	n.a.	n.a.	n.a.	n.a.	14 %	10 %	11 %
Net debt	n.a.	n.a.	n.a.	461	516	512	506
Net debt/EBITDA	n.a.	n.a.	n.a.	21.9x	11.6x	11.0x	10.5x
Loan-to-value (gross)	n.a.	n.a.	n.a.	60%	60%	60%	59%

Source: Company data and Nordea estimates

RATIOS RELATED TO BALANCE SHEET

	2015	2016	2017	2018	2019E	2020E	2021E
Investment properties, fair value EURm	n.a.	n.a.	n.a.	816	878	886	899
Net investments, EURm	n.a.	n.a.	n.a.	0	42	0	0
Net debt, EURm	n.a.	n.a.	n.a.	461	516	512	506
Average interest rate	n.a.	n.a.	n.a.	2.8%	2.8%	2.6%	2.2%
Equity ratio	n.a.	n.a.	n.a.	39%	39%	40%	40%
Payout ratio (dividend / FFO)	n.a.	n.a.	n.a.	99 %	93 %	88 %	92 %

Source: Company data and Nordea estimates

NAV CALCULATIONS

EURm	2015	2016	2017	2018	2019E	2020E	2021E
Equity (incl. future fair value changes)	n.a.	n.a.	n.a.	329	346	356	372
Acc. dividend added back				6	32	60	88
Deferred tax	n.a.	n.a.	n.a.	9	13	15	17
EPRA NAV	n.a.	n.a.	n.a.	344	391	430	477
- per share				11.1	12.6	13.8	15.3
EPRA NAV	n.a.	n.a.	n.a.	344	391	430	477
Derivatives	n.a.	n.a.	n.a.	-2	0	0	0
Deferred tax 10% -tax	n.a.	n.a.	n.a.	-5	-7	-7	-9
NNNAV (Nordea est)	n.a.	n.a.	n.a.	338	385	423	469
- per share				10.9	12.4	13.6	15.1

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

EURm	2011	2012	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E
Total revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	29	60	62	63
Revenue growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	107.9%	2.6%	2.8%
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	0	0	0	0	0	0	0	21	44	46	48
Depreciation and impairments PPE	0	0	0	0	0	0	0	0	0	0	0
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	0	0	0	0	0	21	44	46	48
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	21	44	46	48
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	0	0	0	0	0	0	0	-8	-15	-14	-12
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	4	20	8	13
Pre-tax profit	0	0	0	0	0	0	0	17	49	41	50
Reported taxes	0	0	0	0	0	0	0	-3	-6	-4	-5
Net profit from continued operations	0	0	0	0	0	0	0	14	43	37	44
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	0	0	0	0	0	0	0	14	43	37	44
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.44	1.39	1.20	1.43
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.84	0.88	0.92	0.96
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.84	0.88	0.92	0.96
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	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	74.0%	75.3%	75.9%
EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	74.0%	75.3%	75.9%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	74.0%	75.3%	75.9%

Adjusted earnings

EBITDA (adj)	0	0	0	0	0	0	0	21	44	46	48
EBITA (adj)	0	0	0	0	0	0	0	21	44	46	48
EBIT (adj)	0	0	0	0	0	0	0	21	44	46	48
EPS (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.40	0.89	0.99	1.09

Adjusted profit margins in percent

EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	74.0%	75.3%	75.9%
EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	74.0%	75.3%	75.9%
EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	74.0%	75.3%	75.9%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
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	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2011	2012	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	25.4	14.6	13.0	11.9
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	20.7	19.7	18.9
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	20.7	19.7	18.9
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	20.7	19.7	18.9

VALUATION RATIOS - REPORTED EARNINGS

EURm	2011	2012	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E
P/E	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	22.8	9.3	10.8	9.1
EV/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	26.78	15.27	14.83	14.34
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	20.7	19.7	18.9
EV/EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	20.7	19.7	18.9
EV/EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	20.7	19.7	18.9
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8.3%	6.8%	7.1%	7.4%
FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-2.9%	-7.2%	7.7%	8.5%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5.2%	3.2%	7.7%	8.5%
Payout ratio	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	190.2%	62.9%	76.9%	67.2%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2011	2012	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E
Intangible assets	0	0	0	0	0	0	0	0	0	0	0
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	0	0	0	0	0	0	0	0
of which goodwill	0	0	0	0	0	0	0	0	0	0	0
Tangible assets	0	0	0	0	0	0	0	816	878	886	899
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	2	2	2	2
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	0	0	0	0	0	0	1	0	0	0
Total non-current assets	0	0	0	0	0	0	0	819	880	888	901
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	0	0	0	0	0	0	0	2	1	1	1
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	1	1	1	1
Cash and bank	0	0	0	0	0	0	0	26	16	19	25
Total current assets	0	0	0	0	0	0	0	29	18	22	27
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total assets	0	0	0	0	0	0	0	848	898	909	928
Shareholders equity	0	0	0	0	0	0	0	329	346	356	372
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	0	0	0	0	0	0	0	329	346	356	372
Deferred tax	0	0	0	0	0	0	0	9	13	15	17
Long term interest bearing debt	0	0	0	0	0	0	0	486	531	531	531
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	2	0	0	0
Non-current lease debt	0	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	498	544	546	548
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	0	0	0	0	0	0	0	0	0	0	0
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	0	0	0	0	0	0	0	21	7	7	8
Short term interest bearing debt	0	0	0	0	0	0	0	0	0	0	0
Total current liabilities	0	0	0	0	0	0	0	21	8	8	8
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	0	0	0	0	0	0	0	848	898	909	928
Balance sheet and debt metrics											
Net debt	0	0	0	0	0	0	0	461	516	512	506
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	0	0	0	0	0	0	0	-18	-5	-5	-5
Invested capital	0	0	0	0	0	0	0	801	874	882	895
Capital employed	0	0	0	0	0	0	0	815	877	887	903
ROE	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	8.4%	12.9%	10.6%	12.2%
ROIC	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	4.2%	4.2%	4.2%	4.3%
ROCE	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	5.3%	5.2%	5.3%	5.4%
Net debt/EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	21.9	11.6	11.0	10.5
Interest coverage	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.
Equity ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	38.8%	38.5%	39.1%	40.0%
Net gearing	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	140.1%	149.0%	143.8%	136.3%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2011	2012	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E
EBITDA (adj) for associates	0	0	0	0	0	0	0	21	44	46	48
Paid taxes	0	0	0	0	0	0	0	-1	-2	-2	-3
Net financials	0	0	0	0	0	0	0	-4	-15	-14	-12
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	0	0	0	0	0	0	0	0	-1	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	0	0	0	0	0	0	0	0	0	0	0
Funds from operations (FFO)	0	0	0	0	0	0	0	16	26	31	34
Change in NWC	0	0	0	0	0	0	0	0	-13	0	0
Cash flow from operations (CFO)	0	0	0	0	0	0	0	16	13	31	34
Capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Free cash flow before A&D	0	0	0	0	0	0	0	16	13	31	34
Proceeds from sale of assets	0	0	0	0	0	0	0	0	3	0	0
Acquisitions	0	0	0	0	0	0	0	-25	-45	0	0
Free cash flow	0	0	0	0	0	0	0	-9	-29	31	34
Free cash flow bef A&D, lease adj	0	0	0	0	0	0	0	16	13	31	34
Dividends paid	0	0	0	0	0	0	0	-6	-26	-27	-29
Equity issues / buybacks	0	0	0	0	0	0	0	0	0	0	0
Net change in debt	0	0	0	0	0	0	0	24	45	0	0
Other financing adjustments	0	0	0	0	0	0	0	0	20	8	13
Other non-cash adjustments	0	0	0	0	0	0	0	17	-20	-8	-13
Change in cash	0	0	0	0	0	0	0	26	-10	4	5
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Capex/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	10	13	13	13
Market cap.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	313	402	402	402
Enterprise value	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	774	918	914	909
Diluted no. of shares, year-end (m)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31.1	31.1	31.1	31.1

Source: Company data and Nordea estimates

Disclaimer and legal disclosures

Origin of the report

This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their unit Nordea Markets.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

Content of report

This report has been prepared solely by Nordea Markets.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision.

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

Validity of the report

All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

No individual investment or tax advice

The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

Sources

This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets ("External Information"), Nordea Markets has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

Limitation of liability

Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

Risk information

The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

Conflicts of interest

Readers of this document should note that Nordea Markets has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report.

Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea Markets that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at www.nordea.com/mifid.

Distribution restrictions

The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US. This research report is intended only for, and may be distributed only to, accredited investors, expert investors or institutional investors in Singapore who may contact Nordea Bank, Singapore Branch of 138 Market Street, #09-01 CapitaGreen, Singapore 048946.

This report may be distributed by Nordea Bank Luxembourg S.A., 562 rue de Neudorf, L-2015 Luxembourg which is subject to the supervision of the Commission de Surveillance du Secteur Financier.

This publication or report may be distributed by Nordea Bank Abp Singapore Branch, which is subject to the supervision of the European Central Bank, the Finnish Financial Supervisory Authority and the Monetary Authority of Singapore.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request.

This report may not be mechanically duplicated, photocopied or otherwise reproduced, in full or in part, under applicable copyright laws.

Analyst Shareholding

Nordea Markets analysts do not hold shares in the companies that they cover. No holdings or other affiliations by analysts or associates.

Fair value sensitivity

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. When applicable, we set a 12-month target price by applying an appropriate premium/discount and/or other relevant adjustment to our fair value to reflect the share price potential we see within the coming 12 months. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.

It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. Dividend payouts are included in the target price. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

Marketing Material

This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

Where applicable, recommendation changes are available at: <https://research.nordea.com/compliance#equity-changes>.

Market-making obligations and other significant financial interest

Nordea Markets has no market-making obligations in Cibus.

Investment banking transactions

In view of Nordea's position in its markets readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking services to the company/companies

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

Completion Date

18 Nov 2019, 06:43 CET

Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea Markets Division, Research Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland Tel: +358 9 1651 Fax: +358 9 165 59710 Reg.no. 2858394-9 Satamaradankatu 5 Helsinki	Nordea Markets Division, Research Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Nordea Markets Division, Research Visiting address: Grønjørdsvej 10 DK-2300 Copenhagen S Denmark Tel: +45 3333 3333 Fax: +45 3333 1520	Nordea Markets Division, Research Visiting address: Essendropsgate 7 N-0107 Oslo Norway Tel: +47 2248 5000 Fax: +47 2256 8650