

# Cibus

Construction and Real Estate  
Sweden

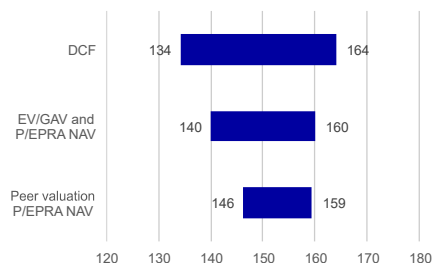
## KEY DATA

Stock country	Sweden
Bloomberg	CIBUS.SS
Reuters	CIBUS.ST
Share price (close)	SEK 143.2
Free Float	90%
Market cap. (bn)	EUR 0.52/SEK 5.34
Website	www.cibusnordic.com
Next report date	20 Aug 2020

## PERFORMANCE



## VALUATION APPROACH



Source: Nordea estimates

## ESTIMATE CHANGES

Year	2020E	2021E	2022E
Sales	4%	7%	6%
EBIT (adj)	5%	9%	7%

Source: Nordea estimates

### Nordea Markets - Analysts

Svante Krokfors  
Analyst

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Senior Analyst, Sector Coordinator

## Solid dividend case remains intact

Cibus reports its Q2 results on 20 August. We expect net operating income to increase to EUR 15.7m from EUR 13.0m in Q1, as the Coop acquisition is included for the full quarter. We expect profit from property management to improve to EUR 10.4m from EUR 6.8m in Q1, but there could be several one-offs in Q2 relating both to M&A and to refinancing costs. Cibus currently trades at a 15% premium to EPRA NAV, ie at a clear premium to the Nordic sector. We argue that Cibus deserves a premium valuation, as its assets, daily goods and grocery retail assets, are more infrastructure-like than commercial real estate such as offices and shopping centres. Following a recovery of Nordic real estate valuation, we adjust our peer- and DCF-based fair value range to SEK 140-160 (125-145), which corresponds to a 2021E dividend yield of 6.4-7.4% and an adjusted P/E of 11.9-13.6x.

## Infrastructure-like daily goods property enables stable dividend

Cibus owns grocery- and daily goods-anchored real estate in Finland and Sweden. The threat from e-commerce is limited, as the Nordic population density is low and the grocery market has oligopolistic features. Rental income is stable and earnings growth is supported by successful refinancing of bank loans and the EUR 135m bond. We think the balance sheet is optimally structured for high dividend payouts. Add-on investments in Finland and Sweden will be financed by existing funds, while larger growth investments will require an equity component, we believe.

## Q2 expectations – earnings capacity should have improved

We expect Cibus to post Q2 rental income of EUR 16.4m and net operating income of EUR 15.7m. We estimate Q2 profit from property management of EUR 10.4m, up from EUR 6.8m in Q1. However, Q2 is likely to be negatively affected by one-offs relating to M&A costs and refinancing costs. We expect Q2 EPRA NAV of EUR 12.1 (SEK 125). Earnings capacity should have increased following two acquisitions carried out in Finland, announced in Q2.

## We adjust our fair value range to reflect a rebound in the sector

Amid the recovery in valuation in the Nordic real estate sector, we increase our peer group-, P/EPRA NAV- and DCF-based fair value range to SEK 140-160 (125-145). Our fair value corresponds to 2021E adjusted P/E of 11.9-13.6x and P/EPRA NAV of 0.95-1.08x. The fair value corresponds to a 2021E dividend yield of 6.4-7.4%.

## SUMMARY TABLE - KEY FIGURES

EURm	2016	2017	2018	2019	2020E	2021E	2022E
Total revenue	n.a.	n.a.	29	60	75	79	79
NOI margin	n.a.	n.a.	81.0%	80.8%	83.4%	84.2%	84.3%
EPS (adj, EUR)	n.a.	n.a.	0.40	0.88	1.03	1.14	1.14
EPS (adj) growth	n.a.	n.a.	n.a.	120.2%	17.9%	10.3%	0.3%
P/E (adj)	n.a.	n.a.	25.4	15.9	13.4	12.2	12.1
DPS, EUR	0.00	0.00	0.84	0.89	0.95	1.00	1.05
NAV per share	0	0	11	11	13	14	10
NAV growth	n.a.	n.a.	n.a.	4.3%	14.9%	10.4%	-25.6%
NOI/EV (adj)	n.a.	n.a.	3.0%	5.1%	5.3%	5.6%	5.7%
P/NAV	n.a.	n.a.	94.8%	125.0%	108.7%	98.4%	132.4%
P/EPRA NAV	n.a.	n.a.	92.9%	121.9%	106.9%	96.8%	88.0%
Dividend yield	n.a.	n.a.	8.3%	6.4%	6.8%	7.2%	7.6%
Loan-to-value (adj)	n.m.	n.m.	56.4%	58.7%	58.9%	57.8%	56.8%
Net debt/EBITDA(adj)	n.m.	n.m.	21.9	11.9	11.6	10.7	10.5

Source: Company data and Nordea estimates

# Detailed estimates

ANNUAL ESTIMATES					
EURm	2018	2019	2020E	2021E	2022E
<b>Rental income</b>	<b>25</b>	<b>52</b>	<b>67</b>	<b>71</b>	<b>71</b>
Rental income growth	n.a.	106.3%	29.7%	5.8%	1.0%
Property expenses	-1	-3	-4	-4	-4
<b>Net rental income</b>	<b>23</b>	<b>49</b>	<b>63</b>	<b>66</b>	<b>67</b>
NRI margin %	93.7%	94.3%	93.8%	93.7%	93.7%
Administrative expenses	-2	-5	-5	-4	-4
Other operating income	4	9	8	8	8
Other operating expenses	-4	-9	-8	-8	-8
Profit/loss on sales of investment properties	2	1	0	0	0
Profit/loss on sales of trading properties	0	0	0	0	0
Fair value changes of investment properties	2	7	8	8	11
Depreciation, amortisation and impairment losses	0	-1	0	0	0
<b>Operating profit/loss</b>	<b>24</b>	<b>50</b>	<b>66</b>	<b>70</b>	<b>74</b>
Financial income	0	0	0	0	0
Financial expenses	-9	-15	-18	-17	-17
<b>Net financials</b>	<b>-8</b>	<b>-15</b>	<b>-18</b>	<b>-17</b>	<b>-17</b>
Share of result from associated companies	0	0	0	0	0
<b>Profit before taxes</b>	<b>16</b>	<b>35</b>	<b>48</b>	<b>53</b>	<b>57</b>
Current tax expense	-1	-1	-2	-3	-3
Change in deferred tax	-2	-5	-3	-2	-2
<b>Profit/loss for the period</b>	<b>13</b>	<b>30</b>	<b>44</b>	<b>49</b>	<b>52</b>
<b>Funds from operations</b>	<b>11</b>	<b>28</b>	<b>39</b>	<b>42</b>	<b>43</b>

Source: Company data and Nordea estimates

INTERIM ESTIMATES								
EURm	Q1/2019	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020E	Q3/2020E	Q4/20120E
<b>Rental income</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>14</b>	<b>16</b>	<b>18</b>	<b>18</b>
Rental income growth	n.a.	n.a.	4.7%	6.1%	11.9%	24.7%	38.2%	38.1%
Property expenses	-1	0	-1	-1	-1	-1	-1	-2
<b>Net rental income</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>16</b>	<b>18</b>	<b>16</b>
NRI margin %	95.9%	96.0%	94.8%	93.0%	92.6%	95.7%	96.2%	90.7%
Administrative expenses	-1	-1	-1	-2	-1	-1	-1	-1
Other operating income	3	2	2	2	2	2	2	2
Other operating expenses	-3	-2	-2	-2	-2	-2	-2	-2
Profit/loss on sales of investment properties	0	0	0	0	0	0	0	0
Profit/loss on sales of trading properties	0	0	0	0	0	0	0	0
Fair value changes of investment properties	3	5	-1	0	2	1	0	5
Depreciation, amortisation and impairment losses	0	0	0	0	0	0	0	0
<b>Operating profit/loss</b>	<b>14</b>	<b>16</b>	<b>10</b>	<b>11</b>	<b>13</b>	<b>16</b>	<b>17</b>	<b>20</b>
Financial income	0	0	0	0	0	0	0	0
Financial expenses	-4	-4	-4	-4	-5	-4	-4	-4
<b>Net financials</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-5</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>
Share of result from associated companies	0	0	0	0	0	0	0	0
<b>Profit before taxes</b>	<b>11</b>	<b>12</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>12</b>	<b>12</b>	<b>16</b>
Current tax expense	-1	-1	1	0	0	-1	-1	-1
Change in deferred tax	-1	-1	-2	-1	-1	0	0	-1
<b>Profit/loss for the period</b>	<b>10</b>	<b>10</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>11</b>	<b>12</b>	<b>14</b>
<b>Funds from operations</b>	<b>7</b>	<b>6</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>10</b>	<b>12</b>	<b>10</b>

Source: Company data and Nordea estimates

**SUMMARY TABLE – KEY FIGURES**

EURm	2016	2017	2018	2019	2020E	2021E	2022E
Rental income	n.a.	n.a.	25	52	67	71	71
- rental income growth	n.a.	n.a.	n.a.	106 %	30 %	6 %	1 %
Net operating income (NOI)	n.a.	n.a.	23	49	63	66	67
Pre-tax profit	n.a.	n.a.	16	35	48	53	57
IFPM (pretax ex value gains)	n.a.	n.a.	12	27	41	45	46
FFO	n.a.	n.a.	11	28	39	42	43
-FFO growth	n.a.	n.a.	n.a.	148 %	39 %	10 %	0 %
Dividend	n.a.	n.a.	-6	-26	-28	-35	-37
Shareholder equity	n.a.	n.a.	329	333	433	446	460
EPRA NAV (incl. div not paid)	n.a.	n.a.	338	354	484	535	589
-EPRA NAV growth	n.a.	n.a.	n.a.	5 %	37 %	10 %	10 %
Net debt	n.a.	n.a.	461	517	673	665	660
Net debt/EBITDA	n.a.	n.a.	21.9x	11.9x	11.6x	10.7x	10.5x
Loan-to-value (net)	n.a.	n.a.	56%	59%	59%	58%	57%

Source: Company data and Nordea estimates

**RATIOS RELATED TO BALANCE SHEET**

	2016	2017	2018	2019	2020E	2021E	2022E
Investment properties, fair value EURm	n.a.	n.a.	816	875	1 137	1 145	1 156
Net investments, EURm	n.a.	n.a.	0	57	254	0	0
Net debt, EURm	n.a.	n.a.	461	517	673	665	660
Average interest rate	n.a.	n.a.	2.8%	2.6%	2.6%	2.6%	2.6%
Equity ratio	n.a.	n.a.	36%	37%	37%	38%	38%
Payout ratio (dividend / FFO)	n.a.	n.a.	102 %	92 %	88 %	92 %	96 %

Source: Company data and Nordea estimates

**NAV CALCULATION**

EURm	2015	2016	2017	2018	2019	2020E	2021E	2022E
Equity (incl. future fair value changes)	n.a.	n.a.	n.a.	329	333	433	446	460
Acc. dividend added back				0	8	36	71	108
Deferred tax	n.a.	n.a.	n.a.	9	14	16	18	20
<b>EPRA NAV</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>338</b>	<b>354</b>	<b>484</b>	<b>535</b>	<b>589</b>
- per share				10.9	11.4	13.0	14.3	15.8
EPRA NAV	n.a.	n.a.	n.a.	338	354	484	535	589
Derivatives	n.a.	n.a.	n.a.	-2	-2	0	0	0
Deferred tax 10% -tax	n.a.	n.a.	n.a.	-5	-7	-8	-9	-10
<b>NNNAV (Nordea est)</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>331</b>	<b>345</b>	<b>476</b>	<b>526</b>	<b>579</b>
- per share				10.7	11.1	12.8	14.1	15.5

Source: Company data and Nordea estimates

# Reported numbers and forecasts

## INCOME STATEMENT

EURm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
<b>Total revenue</b>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	29	60	75	79	79
Revenue growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	108.3%	24.8%	4.8%	0.9%
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	21	43	58	62	63
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	21	43	58	62	63
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.	21	43	58	62	63
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	-8	-15	-18	-17	-17
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	4	7	8	8	11
<b>Pre-tax profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>35</b>	<b>48</b>	<b>53</b>	<b>57</b>
Reported taxes	0	0	0	0	0	0	-3	-5	-5	-4	-5
Net profit from continued operations	0	0	0	0	0	0	14	30	44	49	52
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	14	30	44	49	52
<b>EPS, EUR</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>0.44</b>	<b>0.97</b>	<b>1.17</b>	<b>1.31</b>	<b>1.38</b>
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.84	0.89	0.95	1.00	1.05
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.84	0.89	0.95	1.00	1.05
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.	72.8%	72.0%	77.4%	79.3%	79.3%
EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	72.0%	77.4%	79.3%	79.3%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	72.0%	77.4%	79.3%	79.3%

### Adjusted earnings

EBITDA (adj)	0	0	0	0	0	0	21	43	58	62	63
EBITA (adj)	0	0	0	0	0	0	21	43	58	62	63
EBIT (adj)	0	0	0	0	0	0	21	43	58	62	63
EPS (adj, EUR)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.40	0.88	1.03	1.14	1.14

### Adjusted profit margins in percent

EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	72.0%	77.4%	79.3%	79.3%
EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	72.0%	77.4%	79.3%	79.3%
EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72.8%	72.0%	77.4%	79.3%	79.3%

### 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.	76.9%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	76.9%

### VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	25.4	15.9	13.4	12.2	12.1
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	21.9	20.5	19.0	18.7
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	21.9	20.5	19.0	18.7
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	21.9	20.5	19.0	18.7

### VALUATION RATIOS - REPORTED EARNINGS

EURm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
P/E	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	22.9	14.3	11.8	10.6	10.0
EV/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	26.80	15.76	15.85	15.03	14.82
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	21.9	20.5	19.0	18.7
EV/EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	21.9	20.5	19.0	18.7
EV/EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	36.8	21.9	20.5	19.0	18.7
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8.3%	6.4%	6.8%	7.2%	7.6%
FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-2.9%	-8.9%	-41.2%	8.4%	8.3%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5.1%	3.0%	7.9%	8.4%	8.3%
Payout ratio	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	190.2%	91.4%	80.9%	76.5%	76.0%

Source: Company data and Nordea estimates

**BALANCE SHEET**

EURm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
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	816	881	1,143	1,150	1,162
of which leased assets	0	0	0	0	0	0	0	6	6	6	6
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	2	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	0	0	0	0	0	0	1	0	0	0	0
Total non-current assets	0	0	0	0	0	0	819	882	1,144	1,152	1,163
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	0	0	0	0	0	0	2	4	5	5	5
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	1	2	2	3	3
Cash and bank	0	0	0	0	0	0	26	25	31	39	45
Total current assets	0	0	0	0	0	0	29	30	38	47	52
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>848</b>	<b>913</b>	<b>1,182</b>	<b>1,198</b>	<b>1,215</b>
Shareholders equity	0	0	0	0	0	0	329	333	433	446	460
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	329	333	433	446	460
Deferred tax	0	0	0	0	0	0	9	14	16	18	20
Long term interest bearing debt	0	0	0	0	0	0	486	535	698	698	698
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	2	2	0	0	0
Non-current lease debt	0	0	0	0	0	0	0	6	6	6	6
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	498	557	721	722	724
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	1	1
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	0	0	0	0	0	0	21	23	28	30	30
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	21	23	29	30	31
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>848</b>	<b>913</b>	<b>1,182</b>	<b>1,198</b>	<b>1,215</b>
<b>Balance sheet and debt metrics</b>											
Net debt	0	0	0	0	0	0	461	517	673	665	660
of which lease debt	0	0	0	0	0	0	0	6	6	6	6
Working capital	0	0	0	0	0	0	-18	-17	-22	-23	-23
Invested capital	0	0	0	0	0	0	801	865	1,122	1,129	1,140
Capital employed	0	0	0	0	0	0	815	874	1,137	1,150	1,165
ROE	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	8.4%	9.2%	11.4%	11.1%	11.4%
ROIC	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	4.2%	4.2%	4.7%	4.4%	4.4%
ROCE	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	5.3%	5.1%	5.8%	5.5%	5.4%
Net debt/EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	21.9	11.9	11.6	10.7	10.5
Interest coverage	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	38.8%	36.5%	36.6%	37.2%	37.9%
Net gearing	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	140.1%	155.2%	155.6%	149.2%	143.4%

Source: Company data and Nordea estimates

**CASH FLOW STATEMENT**

EURm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
<b>EBITDA (adj) for associates</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>43</b>	<b>58</b>	<b>62</b>	<b>63</b>
Paid taxes	0	0	0	0	0	0	-1	-2	-2	-3	-3
Net financials	0	0	0	0	0	0	-4	-15	-18	-17	-17
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	1	-2	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	-1	0	0	0
<b>Funds from operations (FFO)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>26</b>	<b>37</b>	<b>42</b>	<b>43</b>
Change in NWC	0	0	0	0	0	0	0	-13	4	1	0
<b>Cash flow from operations (CFO)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>13</b>	<b>41</b>	<b>44</b>	<b>43</b>
Capital expenditure	0	0	0	0	0	0	0	0	0	0	0
<b>Free cash flow before A&amp;D</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>13</b>	<b>41</b>	<b>44</b>	<b>43</b>
Proceeds from sale of assets	0	0	0	0	0	0	0	2	0	0	0
Acquisitions	0	0	0	0	0	0	-25	-53	-254	0	0
Free cash flow	0	0	0	0	0	0	-9	-39	-213	44	43
Free cash flow bef A&D, lease adj	0	0	0	0	0	0	16	13	41	44	43
Dividends paid	0	0	0	0	0	0	-6	-26	-28	-35	-37
Equity issues / buybacks	0	0	0	0	0	0	0	0	84	0	0
Net change in debt	0	0	0	0	0	0	24	24	163	0	0
Other financing adjustments	0	0	0	0	0	0	0	12	8	8	11
Other non-cash adjustments	0	0	0	0	0	0	17	28	-8	-8	-11
Change in cash	0	0	0	0	0	0	26	-1	6	8	6
<b>Cash flow metrics</b>											
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.	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Key information</b>											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	10	14	14	14	14
Market cap.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	314	432	518	518	518
Enterprise value	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	775	949	1,191	1,183	1,177
Diluted no. of shares, year-end (m)	0.0	0.0	0.0	0.0	0.0	0.0	31.1	31.1	37.3	37.3	37.3

Source: Company data and Nordea estimates

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