

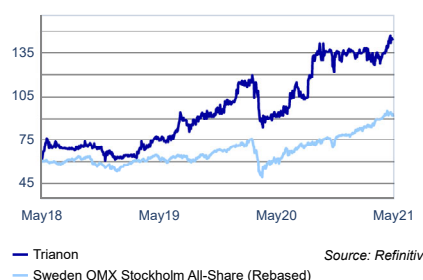
Trianon

Construction and Real Estate
Sweden

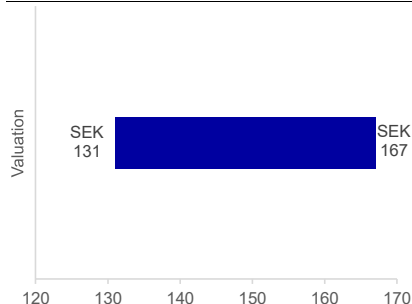
KEY DATA

Stock country	Sweden
Bloomberg	TRIANB.SS
Reuters	TRIANB.ST
Share price (close)	SEK 144.0
Free Float	26%
Market cap. (bn)	EUR 0.53/SEK 5.40
Website	www.trianon.se
Next report date	16 Jul 2021

PERFORMANCE



NAV-BASED ALUATION APPROACH



ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	0%	0%	0%
EBIT (adj)	-1%	-1%	-1%

Source: Nordea estimates

Nordea Markets - Analysts

Staffan Bülow
AnalystKatja Melnikova
Analyst

Attractive growth outlook

We believe the Q1 report confirms our case that Trianon is a growth story. Trianon reported solid growth for Q1 with IFPM per share growth of 12% y/y and EPRA NAV up 31% y/y. The strong NAV growth was supported by revaluations of 3.0%, driven by 10 bp yield compression, investments and improved cash flows. Despite the strong revaluations, the yield on residential was unchanged q/q at 4.2%. We still argue that residential are too conservatively valued as we see transactions documenting 2.75-3.5%. We raise our NAV-based fair value range to SEK 131-167 (128-156), reflecting 3-5% positive NAV revisions due to the asset revaluation beat.

Q1 report and 2021-23 outlook

Trianon reported Q1 IFPM of SEK 44.4m, up 15% y/y and a bit below our expectations due to higher weather-related costs. Asset values were up 3.0% q/q versus our 0.7% estimate, supporting EPRA NAV, up 10% q/q and 31% y/y (adjusted for dividends). Trianon reported strong operational performance with earnings capacity (IFPM) up 6% q/q and 19% y/y, a 1 pp lower vacancy rate q/q (from 6% to 5%) and positive net letting of SEK 3.8m. We lower our earnings estimates by ~1% due to the cost miss but increase our NAV by 3-5% following the asset revaluation beat. We expect NAV (adjusted for dividends) to grow by 12-20% in 2021-23 and adjusted EPS by 10-49%, mainly owing to consolidated acquisitions and projects.

Acquisitions could increase IFPM by 12% in 2021E

We estimate that Trianon has an investment capacity of SEK ~1.5bn in 2021 if it goes up to its 60% LTV target. Assuming acquisitions in line with the current 4.2% residential yield, SEK 1.5bn of acquisitions could add 15% to 2021 net operating income and 12% to IFPM with a financing cost of 2.1%. We do not rule out that Trianon will issue shares to finance investments, which would be positive as the share trades at a NAV premium.

Valuation

We raise our NAV-based fair value range to SEK 131-167 (128-156) per share, implying a 10-40% premium on NAV. Even though Trianon trades at relatively high multiples at a 2021E P/E (adjusted) of 25x and a spot NAV premium of 32%, we argue that its solid growth outlook and low-risk assets with 76% residential and community service justify a premium valuation. In addition, we argue that its residential are too conservatively valued at a yield of 4.2% as we see transactions documenting 2.75-3.5%.

SUMMARY TABLE - KEY FIGURES

SEKm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	264	348	453	553	625	665	691
NOI margin	62.0%	61.1%	63.0%	66.6%	67.2%	67.7%	68.8%
EPS (adj, SEK)	2.97	2.71	3.80	3.94	5.87	6.88	7.56
EPS (adj) growth	-33.5%	-8.6%	39.8%	3.8%	49.1%	17.2%	9.9%
P/E (adj)	17.1	23.5	27.3	34.8	24.5	20.9	19.0
DPS, SEK	1.00	1.15	0.00	1.80	1.90	2.20	2.40
NAV per share	62	70	82	100	119	134	150
NAV growth	18.5%	12.8%	17.2%	21.6%	19.5%	12.8%	12.1%
NOI/EV (adj)	3.9%	3.8%	3.4%	3.5%	3.8%	4.1%	4.3%
P/NAV	82.0%	91.4%	126.5%	137.6%	121.0%	107.3%	95.7%
P/EPRA NAV	82.0%	91.4%	126.5%	137.6%	121.0%	107.3%	95.7%
Dividend yield	2.0%	1.8%	0.0%	1.3%	1.3%	1.5%	1.7%
Loan-to-value (adj)	52.0%	56.4%	56.0%	55.9%	52.6%	50.0%	47.5%
Net debt/EBITDA(adj)	16.7	18.1	18.3	17.1	14.8	13.6	12.8

Source: Company data and Nordea estimates

Q1 2021 outcome and estimate changes

Trianon reported EPRA NAV of SEK 109.4 per share, up 9.9% q/q and 31% y/y and 6.9% above our estimate. The NAV growth was supported by revaluations which were above our expectation and which contributed 3% q/q to asset values, whereas we had expected 0.7%. The revaluations were driven by 10 bp yield compression, improved cash flows from investments and leases signed at higher rental levels. Income from property management was SEK 44.4m, up 14.7% y/y and 13.1% below our estimate due to weather-related costs and higher central admin costs. Other highlights included positive net letting of SEK 3.8m (SEK 1.4m in Q4 2020) and an occupancy rate of 95% (94% in Q4 2020). Following the report we lower our earnings (IFPM) estimates by ~1% due to the cost miss but increase our NAV by 3-5% on the back of the asset revaluation beat.

TRIANON: Q1 2021 DEVIATION TABLE (SEKm)

SEKm	Actual	NDA est.	Deviation		Actual	Actual		
	Q1 21A	Q1 21E	vs. actual		Q4 20	q/q	Q1 20	y/y
Rental revenue	151.0	153.8	-3	-2%	148.9	1%	130.1	16%
Operational costs and maintenance	-63.4	-62.8	-1	1%	-50.0	27%	-54.7	16%
NOI	87.6	90.9	-3	-4%	98.9	-11%	75.4	16%
Surplus ratio, %	58.0%	59.1%			66%		58%	
Central and admin	-11.6	-9.4	-2.2	24%	-20.3	-43%	-9.2	26%
Joint ventures	-0.2	1.1			0.2		0.1	
Interest costs adj for realised derivative	-29.7	-29.8	0.1	0%	-31.3	-5%	-26.0	14%
Leasing costs	-1.7	-1.7	0		-1.6	6%	-1.6	
Income from Property Management (IFPM)	44.4	51.1	-6.7	-13%	45.9	-3%	38.7	15%
IFPM adjusted for non-recurring	52.3	51.1	1.2	2.3%	45.9		38.7	35%
Changes to property value	279.4	63.7	216	338%	169.2	65%	53.6	421%
of which unrealised	279.4	63.7	216	338%	169.2	65%	53.6	421%
Changes to derivative value	41.6	0.0	42		18.1	130%	-42.4	-198%
Pretax profits	373.3	114.8	258	225%	233.2	60%	49.9	648%
Reported tax	-75.3	-23.7	-52	218%	-40.6	85%	-7.8	865%
of which paid tax	0.0	0.0	0	0%	0.0	0%	0.0	
Net income	298.0	91.2	207	227%	192.6	55%	42.1	608%
EPRA NAV	109.4	102.3	7.1	6.9%	99.5	9.9%	84.9	31%

Source: Company data and Nordea estimates

TRIANON: ESTIMATE CHANGES (SEKm)

SEKm	New estimates			Old estimates			Diff (%)		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Rental revenue	628	668	694	629	666	692	0%	0%	0%
Operational costs and maintenance	-208	-218	-218	-207	-215	-216	0%	1%	1%
NOI	420	450	476	422	451	476	0%	0%	0%
Surplus ratio, %	67%	67%	69%	67%	68%	69%			
Central and admin	-45	-46	-46	-42	-43	-44	5%	5%	5%
Other income	4.6	4.3	4.3	0	0	0			
Interest costs	-110	-102	-101	-108	-99	-98	2%	3%	3%
Income from Property Management (IFPM)	263	300	326	265	302	327	-1%	0%	0%
Changes to property value	508	314	323	315	329	230	61%	-5%	40%
of which unrealised	508	314	323	315	329	230	61%	-5%	40%
Changes to derivative value	50	0	0	0	0	0	na	0%	0%
Pretax profits	820	614	649	580	630	558	41%	-3%	16%
Reported tax	-167	-127	-134	-120	-131	-116	39%	-3%	16%
of which paid tax	0	0	0	0	0	0			
Net income	653	488	516	459	500	442	42%	-2%	17%
Hybrid dividend	-35	-35	-35	-35	-35	-35	0%	0%	0%
Minority	-17.7	-7.9	-8	-17.7	-6.3	-6.3			
NI Ord shareholders	610	445	473	418	458	400	46%	-3%	18%
NI Ord shareholders ex value changes	53	131	150	104	130	170	-49%	1%	-12%
Cash earnings to ordinary shareholders	220	258	283	224	260	286	-2%	-1%	-1%
-per share	5.9	6.9	7.6	6.0	7.0	7.6	-2%	-1%	-1%
EPRA NAV	4,457	5,029	5,636	4,272	4,865	5,386	4%	3%	5%
Per share	119.0	134.2	150.4	114.0	129.9	143.8	4%	3%	5%
EPRA NNNAV	4,170	4,711	5,285	3,947	4,509	5,001	6%	4%	6%
Per share	111.3	125.7	141.1	105.3	120.3	133.5	6%	4%	6%

Source: Nordea estimates

Detailed estimates and NAV calculations

QUARTERLY ESTIMATES (SEKm)

	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2E	Q3E	Q4E
Rental revenue	130	134	142	149	151	156	159	162
Operational costs and maintenance	-55	-43	-40	-50	-63	-47	-44	-53
NOI	75	92	102	99	88	109	114	109
Surplus ratio, %	58%	68%	72%	66%	58%	70%	72%	68%
Central and admin	-9.2	-12.4	-11.0	-20.3	-11.6	-10.6	-9.2	-13.2
Other costs	0	0	0	0	0	0	0	0
Other income	0.1	0	0.1	0	0.5	0	0	0
Operating income ex value changes	66	80	91	79	77	98	105	96
Interest costs	-26	-27	-29	-31	-30	-27	-26	-26
Leasing costs	-2	-2	-2	-2	-2	-2	-2	-2
Income from property management (IFPM)	39	51	60	46	45	69	77	68
Changes to property value	54	50	217	169	279	75	76	77
of which unrealised	0	0	0	0	0	0	0	0
Changes to derivative value	-42	-14	5	18	50	0	0	0
Pretax profits	50	86	282	233	374	144	153	145
Reported tax	-8	-14	-52	-41	-75	-30	-32	-30
of which paid tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	42	73	230	192	298	114	121	115
Hybrid dividend	-7.1	-7	-9	-9	-9	-9	-9	-9
Minority	-2	-2	-2	-12	-5	-1	-1	-1
NI Ord shareholders	33	63	220	172	285	105	111	105
NI Ord shareholders ex value changes	22	28	-2	-16	-44	30	35	28
Cash earnings to ordinary shareholders	30	41	50	25	31	60	67	58
-per share	0.8	1.1	1.3	0.7	0.8	1.6	1.8	1.6
EPRA NAV per share	85	87	94	100	109	110	114	117

Source: Company data and Nordea estimates

ANNUAL ESTIMATES (SEKm)

Earnings capacity									
	Q1 2021	2016	2017	2018	2019	2020	2021E	2022E	2023E
Rental revenue	640.1	174	262	345	446	556	628	668	694
Operational costs and maintenance	-210.1	-62	-98	-132	-161	-187	-208	-218	-218
NOI	430	112	164	213	286	369	420	450	476
Surplus ratio, %	67%	64%	63%	62%	64%	66%	67%	67%	69%
Central and admin	-44	-19	-26	-34	-36	-53	-45	-46	-46
Other costs		-0.1	0	0	0	0	0	0	0
Other income	4.3	46	8.7	5.9	-0.4	0.1	4.6	4.3	4.3
Operating income ex value changes	390	138	146	184	249	316	380	409	434
Interest costs	-118	-12.6	-22.8	-79.9	-93.7	-114.1	-110.3	-101.9	-100.9
Leasing costs	-7				-5.8	-6.4	-6.8	-6.8	-6.8
% of net debt		0.9%	1.1%	2.8%	2.4%	2.3%	2.0%	1.8%	1.8%
Income from property management (IFPM)	265	125.7	123.5	104.5	149.8	195.2	262.9	300.5	326.0
Changes to property value		421	321	212	292	490	508	314	323
of which unrealised		421	321	212	292	490	508	314	323
Changes to derivative value		-44	-12	-17	-62	-34	50	0	0
Pretax profits		503	432	299	381	651	820	614	649
Reported tax		-101	-92	-40	-81	-114	-167	-127	-134
of which paid tax		0	0	0	0	0	0	0	0
Net income		402	340	259	300	537	653	488	516
Hybrid dividend	-35				-21	-32	-35	-35	-35
Minority	-8	0	-21	-11	3	-18	-8	-8	-8
NI Ord shareholders		402	318	248	282	488	610	445	473
NI Ord shareholders ex value changes		24	10	54	51	32	53	131	150
Cash earnings to ordinary shareholders	222	126	102	93	131	146	220	258	283
-per share	5.94	4.47	2.97	2.71	3.80	3.94	5.87	6.88	7.56
Dividend per share		0.00	1.00	1.15	0.00	1.80	1.90	2.20	2.40

Source: Company data and Nordea estimates

NAV CALCULATIONS (SEKm)

	2016	2017	2018	2019	2020	2021E	2022E	2023E
Equity total	1,181	1,757	1,978	2,831	3,532	4,075	4,449	4,839
- of which pref/hybrid equity	0	0	0	400	500	500	500	500
Acc. Dividend added back					0	67	139	221
Goodwill	0	0	0	0	0	0	0	0
Derivatives	77	67	79	134	167	118	118	118
Deferred tax	210	302	341	420	529	697	823	957
EPRA NAV	1,468	2,126	2,399	2,984	3,729	4,457	5,029	5,636
Per share	52	62	70	82	100	119	134	150
EPRA NAV	1,468	2,126	2,399	2,984	3,729	4,457	5,029	5,636
Derivatives	- 77	- 67	- 79	- 134	- 167	- 118	- 118	- 118
Deferred tax 5%	- 105	- 148	- 170	- 212	- 128	- 169	- 200	- 232
EPRA NNNNAV	1,286	1,911	2,150	2,638	3,433	4,170	4,711	5,285
Per share	45.7	55.6	62.6	72.3	91.6	111.3	125.7	141.1

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	106	114	138	176	264	348	453	553	625	665	691
Revenue growth	n.a.	7.4%	20.9%	27.4%	50.4%	31.8%	30.2%	22.1%	13.0%	6.4%	3.9%
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	28	64	87	138	146	184	249	316	380	409	434
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	28	64	87	138	146	184	249	316	380	409	434
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	28	64	87	138	146	184	249	316	380	409	434
of which associates	2	6	14	46	9	6	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-19	-15	-15	-13	-23	-80	-100	-120	-117	-109	-108
of which lease interest	0	0	0	0	0	0	-6	-6	-7	-7	-7
Changes in value, net	62	14	129	378	308	195	231	456	557	314	323
Pre-tax profit	70	63	200	503	432	299	380	651	820	614	649
Reported taxes	-20	-6	-40	-101	-92	-40	-81	-114	-167	-127	-134
Net profit from continued operations	50	56	160	402	340	259	300	537	653	488	516
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	-21	-11	3	-18	-8	-8	-8
Net profit to equity	50	57	160	402	318	248	281	488	610	445	473
EPS, SEK	1.94	2.21	5.71	14.30	9.27	7.22	8.15	13.20	16.28	11.88	12.63
DPS, SEK	0.00	0.00	0.00	0.00	1.00	1.15	0.00	1.80	1.90	2.20	2.40
of which ordinary	0.00	0.00	0.00	0.00	1.00	1.15	0.00	1.80	1.90	2.20	2.40
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	26.0%	55.7%	62.8%	78.7%	55.4%	53.0%	55.0%	57.0%	60.7%	61.5%	62.7%
EBITA	26.0%	55.7%	62.8%	78.7%	55.4%	53.0%	55.0%	57.0%	60.7%	61.5%	62.7%
EBIT	26.0%	55.7%	62.8%	78.7%	55.4%	53.0%	55.0%	57.0%	60.7%	61.5%	62.7%

Adjusted earnings

EBITDA (adj)	28	64	87	138	146	184	249	316	380	409	434
EBITA (adj)	28	64	87	138	146	184	249	316	380	409	434
EBIT (adj)	28	64	87	138	146	184	249	316	380	409	434
EPS (adj, SEK)	0.32	1.91	2.56	4.47	2.97	2.71	3.80	3.94	5.87	6.88	7.56

Adjusted profit margins in percent

EBITDA (adj)	26.0%	55.7%	62.8%	78.7%	55.4%	53.0%	55.0%	57.0%	60.7%	61.5%	62.7%
EBITA (adj)	26.0%	55.7%	62.8%	78.7%	55.4%	53.0%	55.0%	57.0%	60.7%	61.5%	62.7%
EBIT (adj)	26.0%	55.7%	62.8%	78.7%	55.4%	53.0%	55.0%	57.0%	60.7%	61.5%	62.7%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	26.8%	31.8%	32.0%	28.9%	20.3%	14.7%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	46.1%	31.4%	29.5%	22.4%	22.8%	18.7%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	46.1%	31.4%	29.5%	22.4%	22.8%	18.7%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	30.1%	29.8%	18.3%	2.6%	5.1%	11.8%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	17.1%	15.9%
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	n.a.	57.9%	59.5%	58.4%	57.6%	56.8%	58.1%	59.8%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	57.9%	59.5%	58.4%	57.6%	56.8%	58.1%	59.8%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	17.1	23.5	27.3	34.8	24.5	20.9	19.0
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	29.3	27.1	25.5
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	29.3	27.1	25.5
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	30.8	31.4	33.8	33.7	29.4	27.1	25.5

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E	n.a.	n.a.	n.a.	n.a.	5.5	8.8	12.7	10.4	8.8	12.1	11.4
EV/Sales	n.a.	n.a.	n.a.	n.a.	16.05	16.12	18.59	19.22	17.80	16.68	15.99
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	30.8	31.4	33.8	33.7	29.4	27.1	25.5
EV/EBITA	n.a.	n.a.	n.a.	n.a.	30.8	31.4	33.8	33.7	29.4	27.1	25.5
EV/EBIT	n.a.	n.a.	n.a.	n.a.	30.8	31.4	33.8	33.7	29.4	27.1	25.5
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	2.0%	1.8%	0.0%	1.3%	1.3%	1.5%	1.7%
FCF yield	n.a.	n.a.	n.a.	n.a.	-48.1%	-25.8%	-25.1%	-35.1%	-3.3%	2.7%	3.2%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	-7.2%	-4.2%	-1.6%	-17.8%	-3.3%	2.7%	3.2%
Payout ratio	0.0%	0.0%	0.0%	0.0%	10.8%	15.9%	0.0%	13.6%	11.7%	18.5%	19.0%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
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	1,361	1,567	2,197	3,306	4,693	5,905	8,149	9,657	10,691	11,165	11,649
of which leased assets	0	0	0	0	0	0	191	194	194	194	194
Shares associates	0	0	0	0	0	0	0	0	1	1	2
Interest bearing assets	17	18	62	106	29	13	8	95	9	9	9
Deferred tax assets	2	20	19	22	23	32	48	57	57	57	57
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	1	2	0	1	1	1	2	138	2	2	2
Total non-current assets	1,381	1,608	2,278	3,435	4,746	5,951	8,207	9,947	10,759	11,233	11,717
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	27	34	20	21	71	60	36	76	86	92	95
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	0	0	0	0
Cash and bank	20	28	1	23	44	30	178	280	138	179	231
Total current assets	46	62	22	44	115	90	213	356	224	270	327
Assets held for sale	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	1,427	1,669	2,300	3,479	4,861	6,041	8,420	10,303	10,983	11,504	12,044
Shareholders equity	538	580	799	1,181	1,757	1,978	2,831	3,532	4,075	4,449	4,839
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	400	500	500	500	500
Minority interest	0	0	0	0	53	86	86	103	111	118	126
Total Equity	538	580	799	1,181	1,811	2,064	2,917	3,635	4,186	4,567	4,965
Deferred tax	67	89	129	232	325	373	467	587	754	881	1,015
Long term interest bearing debt	727	807	1,228	1,795	2,473	3,284	4,442	4,060	5,459	5,459	5,459
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	9	71	56	77	67	79	134	167	106	106	106
Non-current lease debt	0	0	0	0	0	0	191	194	194	194	194
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	803	1,043	1,426	2,157	2,906	3,757	5,272	5,007	6,514	6,640	6,774
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	74	31	60	107	101	157	147	174	197	210	218
Short term interest bearing debt	12	15	15	32	43	63	85	1,487	87	87	87
Total current liabilities	86	46	75	139	144	219	231	1,661	284	296	305
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	1,427	1,669	2,300	3,477	4,861	6,041	8,420	10,303	10,983	11,504	12,044
Balance sheet and debt metrics											
Net debt	702	776	1,180	1,698	2,443	3,333	4,561	5,395	5,624	5,583	5,530
of which lease debt	0	0	0	0	0	0	191	194	194	194	194
Working capital	-48	3	-39	-86	-30	-97	-111	-98	-111	-118	-123
Invested capital	1,333	1,610	2,239	3,349	4,716	5,854	8,096	9,849	10,648	11,115	11,595
Capital employed	1,277	1,402	2,042	3,008	4,327	5,411	7,634	9,376	9,926	10,308	10,706
ROE	18.4%	10.1%	23.3%	40.6%	21.7%	13.3%	11.7%	15.3%	16.0%	10.4%	10.2%
ROIC	3.3%	3.4%	3.6%	3.9%	2.9%	2.8%	2.8%	2.8%	2.9%	3.0%	3.0%
ROCE	4.7%	4.8%	5.1%	5.5%	4.0%	3.8%	3.8%	3.7%	3.9%	4.0%	4.1%
Net debt/EBITDA	25.4	12.2	13.6	12.3	16.7	18.1	18.3	17.1	14.8	13.6	12.8
Interest coverage	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	37.7%	34.7%	34.7%	34.0%	36.1%	32.8%	33.6%	34.3%	37.1%	38.7%	40.2%
Net gearing	130.5%	133.8%	147.7%	143.8%	134.9%	161.5%	156.4%	148.4%	134.4%	122.2%	111.4%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA (adj) for associates	26	58	73	93	138	179	250	315	379	409	433
Paid taxes	0	0	0	0	0	0	0	0	0	0	0
Net financials	-19	-15	-15	-13	-23	-49	-99	-120	-117	-109	-108
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	6	119	-75	57	-22	-18	55	-151	76	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	18	-124	59	-78	0	-11	-54	143	n.a.	n.a.	n.a.
Funds from operations (FFO)	31	38	42	59	93	101	151	187	338	300	326
Change in NWC	19	-22	26	13	-7	51	-2	-2	13	7	5
Cash flow from operations (CFO)	50	16	68	73	86	152	149	184	351	307	330
Capital expenditure	0	0	0	-250	-211	-244	-208	-1,099	-527	-160	-160
Free cash flow before A&D	50	16	68	-177	-125	-93	-59	-914	-176	147	170
Proceeds from sale of assets	2	4	-31	6	0	0	0	0	0	0	0
Acquisitions	-43	-22	-384	-479	-715	-472	-889	-889	0	0	0
Free cash flow	8	-2	-347	-651	-840	-565	-947	-1,803	-176	147	170
Free cash flow bef A&D, lease adj	50	16	68	-177	-125	-93	-59	-914	-176	147	170
Dividends paid	-13	-14	-16	-19	-21	-34	-42	0	-67	-71	-82
Equity issues / buybacks	0	0	75	0	278	0	204	115	0	0	0
Net change in debt	5	27	261	442	393	0	627	627	0	0	0
Other financing adjustments	0	0	0	0	0	187	0	424	609	279	288
Other non-cash adjustments	18	-3	0	250	210	398	-95	639	-508	-314	-323
Change in cash	20	8	-26	22	21	-14	148	102	-142	41	53
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	0.0%	0.0%	0.0%	n.m.	79.8%	70.2%	45.8%	n.m.	84.3%	24.0%	23.1%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	51	64	104	137	144	144	144
Market cap.	n.a.	n.a.	n.a.	n.a.	1,744	2,193	3,774	5,133	5,395	5,395	5,395
Enterprise value	n.a.	n.a.	n.a.	n.a.	4,240	5,612	8,421	10,631	11,130	11,096	11,051
Diluted no. of shares, year-end (m)	25.6	25.6	28.1	28.1	34.4	34.4	36.5	37.5	37.5	37.5	37.5

Source: Company data and Nordea estimates

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