Nordea

Commissioned Equity Research

Flash comment

18 October 2021

Commissioned research: Atria – Guidance upped for the second time in 2021

Marketing material commissioned by Atria

Atria raises its adjusted EBIT guidance to EUR 47-54m (from EUR 41-48m after EUR 40.5m in 2020). We took a slightly more cautious view in our preview and are currently modelling EUR 47.5m adjusted EBIT for 2021E, i.e. 6% below the upped mid-point of the guidance. Reasoning is faster-than-anticipated recovery of food service and fast-food markets after the removal of COVID-19 restrictions, and better-than-expected sales in these channels. There is no quality consensus available but we view positively easing of concerns related to lower exports to China and overall cost inflation for the reminder of the year. Atria's Q3 report is due on 21 October. We have a fair value range of EUR 13.0-15.9 per share for Atria.

SUMMARY TABLE - KEY FIGURES

EURm	2018	2019	2020	2021E	2022E	2023E
Total revenue	1,439	1,451	1,504	1,516	1,538	1,567
EBITDA (adj)	74	87	96	104	106	110
EBIT (adj)	28	33	40	48	50	54
EBIT (adj) margin	2.0%	2.3%	2.6%	3.1%	3.2%	3.4%
EPS (adj, EUR)	0.59	0.60	0.91	0.87	1.24	1.35
EPS (adj) growth	-32.5%	2.6%	51.8%	-4.4%	41.9%	8.7%
DPS (ord, EUR)	0.40	0.42	0.50	0.50	0.50	0.50
EV/Sales	0.3	0.4	0.3	0.3	0.4	0.4
EV/EBIT (adj)	14.9	15.7	12.3	10.4	10.9	10.4
P/E (adj)	11.2	16.7	10.8	12.3	8.7	8.0
P/BV	0.4	0.7	0.7	0.7	0.7	0.6
Dividend yield (ord)	6.1%	4.2%	5.1%	4.7%	4.7%	4.7%
FCF Yield bef A&D, lease adj	1.5%	14.0%	18.9%	-0.5%	-10.9%	0.2%
Net debt	222	223	190	174	221	235
Net debt/EBITDA	3.0	2.6	2.0	2.9	2.1	2.1
ROIC after tax	3.3%	3.8%	4.8%	6.2%	6.1%	6.0%

Source: Company data and Nordea estimates

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