

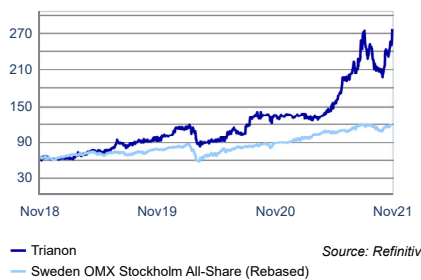
Trianon

Construction and Real Estate
Sweden

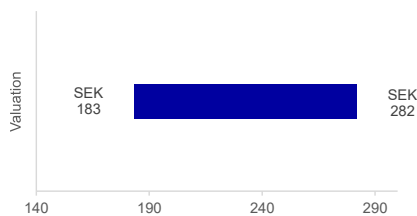
KEY DATA

Stock country	Sweden
Bloomberg	TRIANB.SS
Reuters	TRIANB.ST
Share price (close)	SEK 278.0
Free Float	26%
Market cap. (bn)	EUR 1.05/SEK 10.42
Website	www.trianon.se
Next report date	18 Feb 2022

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	2%	8%	11%
EBIT (adj)	-1%	8%	11%

Source: Nordea estimates

Nordea Markets - Analysts

Staffan Bülöw
AnalystKatja Melnikova
Analyst

Another eventful quarter

Trianon had yet another eventful quarter in terms of transactions, with the 50% divestment of Rosengård Centrum and acquisition of Signatur Fastigheter as highlights. Income from property management (IFPM) fell 8% short of our estimate, partly due to higher electricity costs and unfavourable timing in divestments versus acquisitions, bringing 2021E down 2%. Earnings capacity increased by 5% q/q from these transactions but will be fully visible in 2022, when we expect ~30% cash earnings growth and 14% NAV growth. We consider transactions in Q3 to be a great strategic fit, as 82% of Trianon's portfolio is now rental housing and community service properties, so the target of 80% has been reached.

Q3 results and 2021-23 outlook

Trianon reported IFPM of SEK 70m, up 17% y/y but 8% below our estimate. The deviation is partly due to higher electricity costs in Q3, but also unfavourable timing of the divestment of Rosengård Centrum. Earnings capacity was up 5% q/q, however, due to the acquisition of Signatur Fastigheter, which will be fully visible in 2022E IFPM. We lower 2021E adjusted EPS by 2% but raise 2022E-23E by 6-11% due to the improved earnings capacity and an expected contribution from project completions. Trianon reported a value uplift of SEK 215m (i.e. 2.2% of total assets), supporting NAV, which was SEK 122 per share (up 7.5% q/q). The uplift was mainly driven by yield compression of 30 bp and project investments. After the beat on NAV and the updated financial target of at least SEK 100m project profit annually, we raise 2021E NAV by 2% and 2022E-23E by 3-4%.

Targeting at least SEK 100m in annual project profits

On 10 November, Trianon announced a new target of reaching at least SEK 100m in annual project profits from new construction. Previously we expected SEK 100m in uplift from new construction and refurbishments, and so we lift our estimates by 40% as the company targets renovation of 200 units per year, generating profit of SEK 200,000 per unit.

Potential ~55% upside to spot NAV

In Q3, the residential yield fell 10 bp to 4.0%, while the yield for the whole portfolio fell 30 bp to 4.1%. We still argue that residential properties are valued too conservatively. Applying a 3% yield (in line with yields of 2.75-3.5% in the transaction market) gives a potential value uplift of SEK 2.6bn, i.e. SEK 69 per share, bringing the spot NAV to SEK 192

SUMMARY TABLE - KEY FIGURES

SEKm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	264	348	453	556	622	696	747
NOI margin	62.0%	61.1%	63.0%	66.3%	64.9%	66.4%	67.4%
EPS (adj, SEK)	2.81	2.66	3.70	3.94	5.29	6.86	7.76
EPS (adj) growth	-37.1%	-5.4%	39.2%	6.4%	34.3%	29.6%	13.2%
P/E (adj)	18.1	24.0	28.0	34.8	52.5	40.5	35.8
DPS, SEK	1.00	1.15	0.00	1.80	1.90	2.20	2.40
NAV per share	62	70	82	100	123	140	158
NAV growth	18.5%	12.8%	17.2%	21.6%	23.4%	13.8%	13.2%
NOI/EV (adj)	3.9%	3.8%	3.4%	3.5%	2.4%	2.7%	2.8%
P/NAV	82.0%	91.4%	126.5%	137.6%	226.4%	198.8%	175.6%
P/EPRA NAV	82.0%	91.4%	126.5%	137.6%	226.4%	198.8%	175.6%
Dividend yield	2.0%	1.8%	0.0%	1.3%	0.7%	0.8%	0.9%
Loan-to-value (adj)	52.0%	56.4%	56.0%	55.9%	53.2%	52.4%	51.6%
Net debt/EBITDA(adj)	16.7	18.1	18.3	17.1	17.4	15.7	15.2

Source: Company data and Nordea estimates

Q3 outcome and estimate changes

Trianon reported EPRA NAV of SEK 122 per share, up 8% q/q and 31% y/y, 4% above our estimate. NAV growth was supported by revaluations that exceeded our expectations, contributing 2.2% q/q to asset values. The revaluations were driven by 30 bp yield compression and project investments. Income from property management (IFPM) was SEK 70m, up ~17% y/y but 8% below our estimate due to higher electricity costs and the 50% divestment of Rosengård Centrum. As of 1 September, the company owns and conducts projects planned for Rosengård Centrum in a joint venture with Fastighets AB Hemmaplan. Despite its miss on IFPM, Trianon's earnings capacity improved 5% q/q due to the acquisition of Signatur Fastigheter, profits from which are expected to be fully consolidated in 2022. Following its Q3 report, we lower our cash earnings estimate by 2% for 2021, but raise our estimates by 6-11% for 2022-23. Meanwhile, we increase our NAV estimates by 2-4% for 2021-23 due to the revaluation beat in Q3 and the company's updated financial targets.

TRIANON: DEVIATION TABLE (SEKm AND SEK PER SHARE)

	Actual	NDA est.	Deviation		Actual		Actual	
SEKm	Q3 21A	Q3 21E	vs. actual		Q2 21	q/q	Q3 20	y/y
Rental revenue	155.6	153.3	2	1%	153.6	1%	142.4	9%
Operational costs and maintenance	-49.7	-42.9	-7	16%	-52.6	-6%	-40.1	24%
NOI	105.9	110.4	-4	-4%	101.0	5%	102.3	4%
Surplus ratio, %	68%	72%	-4%		66%	2%	72%	-4%
Central and admin	-15.0	-9.2	-5.8	63%	-13.3	13%	-11.0	36%
Joint ventures	22.6	2.7	19.95	nm.	0.2	nm.	-0.4	nm.
Interest costs adj for realised derivative	-15.7	-25.9	10.2	-39%	-27.5	-43%	-29.4	-47%
Leasing costs	-1.6	-1.7	0		-1.7	-6%	-1.6	0%
Income from Property Management (IFPM)	96.2	76.3	19.9	26%	58.7	64%	59.9	61%
IFPM adjusted for non-recurring	70.0	76.3	-6.3	-8.2%	58.7	19%	59.9	17%
Changes to property value	215.3	73.6	141.7	193%	208.0	4%	217.2	-1%
of which unrealised	215.3	73.6	142	193%	208.0	4%	217.2	-1%
Changes to derivative value	13.3	0.0	13.3		5.3	151%	4.7	183%
Pretax profits	298.6	149.9	149	99%	272.1	10%	281.9	6%
Reported tax	-60.6	-30.9	-29.7	96%	-50.7	20%	-51.9	17%
of which paid tax	0.0	0.0	0	0%	0.0	0%	0.0	
Net income	238.0	119.0	119.0	100%	221.4	7%	230.0	3%
EPRA NAV	122.2	117.2	5.0	4.3%	115.3	7.5%	94.5	31.3%
Earnings Capacity	282.8				268.5	5%	241.0	17%

Source: Company data and Nordea estimates

ESTIMATE REVISIONS (SEKm AND SEK PER SHARE)

SEKm	New estimates			Old estimates			Diff (%)		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Rental revenue	622	696	747	614	647	676	1%	8%	11%
Operational costs and maintenance	-218	-234	-243	-210	-213	-214	4%	10%	14%
NOI	404	462	504	405	435	462	0%	6%	9%
Surplus ratio, %	65%	66%	67%	66%	67%	68%			
Central and admin	-53	-54	-55	-47	-48	-49	12%	12%	12%
Other income	8.8	20.4	20.4	5.9	10.6	10.6	49%	92%	92%
Interest costs	-110	-120	-127	-109	-104	-110	1%	16%	15%
Income from Property Management (IFPM)	243	301	336	247	287	306	-2%	5%	10%
Changes to property value	793	383	405	635	317	338	25%	21%	20%
of which unrealised	793	383	405	635	317	338	25%	21%	20%
Changes to derivative value	68	0	0	54.8	0	0	na	0%	0%
Changes to property value JV	21	0	0	-	-	-			
Pretax profits	1124	685	741	937	604	644	20%	13%	15%
Reported tax	-219	-141	-153	-186	-124	-133	18%	13%	15%
of which paid tax	0	0	0	0	0	0			
Net income	905	544	588	751	479	511	20%	13%	15%
Hybrid dividend	-35	-35	-35	-35	-35	-35	0%	0%	0%
Minority	-7.9	-7.6	-7.6	-8	-8	-8			
NI Ord shareholders	862	501	546	708	437	469	22%	15%	16%
NI Ord shareholders ex value changes	1	118	140	18	120	131	-94%	-2%	7%
Cash earnings to ordinary shareholders	200	259	293	204	244	263	-2%	6%	11%
-per share	5.3	6.9	7.8	5.4	6.5	7.0	-3%	5%	10%
EPRA NAV	4,636	5,278	5,977	4,559	5,120	5,721	2%	3%	4%
Per share	123	140	158	122	137	153	1%	2%	4%
EPRA NNAV	4,381	4,989	5,651	4,275	4,805	5,375	2%	4%	5%
Per share	116	132	150	114	128	143	2%	3%	4%

Source: Company data and Nordea estimates

Detailed estimates and NAV calculations

QUARTERLY ESTIMATES (SEKm AND SEK PER SHARE)

	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4E
Rental revenue	130	134	142	149	151	154	156	162
Operational costs and maintenance	-55	-43	-40	-50	-63	-53	-50	-52
NOI	75	92	102	99	88	101	106	109
Surplus ratio, %	58%	68%	72%	66%	58%	66%	68%	68%
Central and admin	-9.2	-12.4	-11.0	-20.3	-11.6	-13.3	-15.0	-13.2
Other costs	0	0	0	0	0	0	0	0
Other income	0.1	0	0.1	0	0.3	0.3	3.1	5.1
Operating income ex value changes	66	80	91	79	76	88	94	101
Interest costs	-26	-27	-29	-31	-30	-28	-22	-30
Leasing costs	-2	-2	-2	-2	-2	-2	-2	-2
Income from property management (IFPM)	39	51	60	46	44	59	70	69
Changes to property value	54	50	217	169	279	208	215	90
of which unrealised	0	0	0	0	0	0	0	0
Changes to derivative value	-42	-14	5	18	50	5	13	0
Changes to property value JV	0	0	0	0	0	0	21	0
Pretax profits	50	86	282	233	373	272	299	160
Reported tax	-8	-14	-52	-41	-75	-51	-61	-33
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	221	238	127
Hybrid dividend	-7.1	-7	-9	-9	-9	-9	-9	-9
Minority	-2	-2	-2	-12	-5	-2	-1	-1
NI Ord shareholders	33	63	220	172	284	211	229	117
NI Ord shareholders ex value changes	22	28	-2	-16	-45	-2	0	27
Cash earnings to ordinary shareholders	30	41	50	25	31	49	61	60
-per share	0.8	1.1	1.3	0.7	0.8	1.3	1.6	1.6
EPRA NAV per share	85	87	94	100	109	115	122	124
Dividend per share		1.8				1.9		

Source: Company data and Nordea estimates

ANNUAL ESTIMATES AND Q3 EARNINGS CAPACITY (SEKm AND SEK PER SHARE)

	Earnings capacity								
	Q3 2021	2016	2017	2018	2019	2020	2021E	2022E	2023E
Rental revenue	659	174	262	345	446	556	622	696	747
Operational costs and maintenance	-218	-62	-98	-132	-161	-187	-218	-234	-243
NOI	441	112	164	213	286	369	404	462	504
Surplus ratio, %	67%	64%	63%	62%	64%	66%	65%	66.4%	67%
Central and admin	-56	-19	-26	-34	-36	-53	-53	-54	-55
Other costs		-0.1	0	0	0	0	0	0	0
Other income	20	46	8.7	5.9	-0.4	0.1	8.8	20.4	20.4
Operating income ex value changes	405	138	146	184	249	316	360	428	469
Interest costs	-117	-12.6	-22.8	-79.9	-93.7	-114.1	-110.4	-120.4	-127.0
Leasing costs	-6				-5.8	-6.4	-6.6	-6.4	-6.4
% of net debt		0.9%	1.1%	2.8%	2.4%	2.3%	1.9%	1.9%	1.8%
Income from property management (IFPM)	283	126	124	105	150	195	243	301	336
Changes to property value		421	321	212	292	490	793	383	405
of which unrealised		421	321	212	292	490	793	383	405
Changes to derivative value		-44	-12	-17	-62	-34	68	0	0
Changes to property value JV		-	-	-	-	-	21	0	0
Pretax profits		503	432	299	381	651	1124	685	741
Reported tax		-101	-92	-40	-81	-114	-219	-141	-153
of which paid tax		0	0	0	0	0	0	0	0
Net income		402	340	259	300	537	905	544	588
Hybrid dividend	-35				-14	-32	-35	-35	-35
Minority	-8	0	-3	-4	-8	-18	-8	-8	-8
NI Ord shareholders		402	318	248	282	488	862	501	546
NI Ord shareholders ex value changes		24	10	54	51	32	-20	118	140
Cash earnings to ordinary shareholders	240	126	121	100	128	146	200	259	293
-per share	6.41	4.47	3.51	2.92	3.71	3.94	5.29	6.86	7.76
Dividend per share		0.0	1.0	1.2	0.0	1.8	1.9	2.2	2.4

Source: Company data and Nordea estimates

NAV CALCULATIONS (SEKm AND SEK PER SHARE)

	2016	2017	2018	2019	2020	2021E	2022E	2023E
Equity total	1,181	1,757	1,978	2,831	3,532	4,306	4,736	5,199
- 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	92	92	92
Deferred tax	210	302	341	420	529	671	812	964
EPRA NAV	1,468	2,126	2,399	2,984	3,729	4,636	5,278	5,977
Per share	52	62	70	82	100	123	140	158

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	556	622	696	747
Revenue growth	n.a.	7.4%	20.9%	27.4%	50.4%	31.8%	30.2%	22.7%	11.9%	11.9%	7.3%
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	358	428	469
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	358	428	469
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	28	64	87	138	146	184	249	316	358	428	469
of which associates	2	6	14	46	0	0	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	-47	-89	-100	-120	-115	-127	-133
of which lease interest	0	0	0	0	0	0	0	-6	-7	-6	-6
Changes in value, net	62	14	129	378	332	211	238	456	861	383	405
Pre-tax profit	70	63	200	503	432	306	387	651	1,104	685	741
Reported taxes	-20	-6	-40	-101	-92	-40	-81	-114	-219	-141	-153
Net profit from continued operations	50	56	160	402	340	267	307	537	884	544	588
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	-3	-4	-8	-18	-8	-8	-8
Net profit to equity	50	57	160	402	337	262	285	488	841	501	546
EPS, SEK	1.94	2.21	5.71	14.30	9.81	7.63	8.26	13.20	22.28	13.27	14.46
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%	55.3%	53.0%	55.0%	56.8%	57.5%	61.5%	62.8%
EBITA	26.0%	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	57.5%	61.5%	62.8%
EBIT	26.0%	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	57.5%	61.5%	62.8%

Adjusted earnings

EBITDA (adj)	28	64	87	138	146	184	249	316	358	428	469
EBITA (adj)	28	64	87	138	146	184	249	316	358	428	469
EBIT (adj)	28	64	87	138	146	184	249	316	358	428	469
EPS (adj, SEK)	0.32	1.91	2.56	4.47	2.81	2.66	3.70	3.94	5.29	6.86	7.76

Adjusted profit margins in percent

EBITDA (adj)	26.0%	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	57.5%	61.5%	62.8%
EBITA (adj)	26.0%	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	57.5%	61.5%	62.8%
EBIT (adj)	26.0%	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	57.5%	61.5%	62.8%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	26.8%	31.8%	32.1%	28.8%	21.4%	16.5%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	46.1%	31.4%	29.5%	20.9%	24.0%	20.5%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	46.1%	31.4%	29.5%	20.9%	24.0%	20.5%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	31.5%	30.1%	18.3%	9.3%	6.2%	13.6%
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%	57.5%	55.9%	57.4%	59.2%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	57.9%	59.5%	58.4%	57.5%	55.9%	57.4%	59.2%

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.	18.1	24.0	28.0	34.8	52.5	40.5	35.8
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	47.1	40.4	37.9
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	47.1	40.4	37.9
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	47.2	40.5	37.9

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.	5.2	8.4	12.5	10.4	12.5	20.9	19.2
EV/Sales	n.a.	n.a.	n.a.	n.a.	16.05	16.12	18.59	19.13	27.08	24.87	23.78
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	47.2	40.5	37.9
EV/EBITA	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	47.2	40.5	37.9
EV/EBIT	n.a.	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	47.2	40.5	37.9
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	2.0%	1.8%	0.0%	1.3%	0.7%	0.8%	0.9%
FCF yield	n.a.	n.a.	n.a.	n.a.	-48.1%	-25.8%	-25.1%	-35.1%	-7.7%	-3.4%	-3.1%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	-7.2%	-4.2%	-1.6%	-17.8%	-7.7%	-3.4%	-3.1%
Payout ratio	0.0%	0.0%	0.0%	0.0%	10.2%	15.1%	0.0%	13.6%	8.5%	16.6%	16.6%

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	11,733	12,786	13,861
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	174	174	174
Deferred tax assets	2	20	19	22	23	32	48	57	43	43	43
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	264	264	264
Total non-current assets	1,381	1,608	2,278	3,435	4,746	5,951	8,207	9,947	12,215	13,268	14,343
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	27	34	20	21	71	60	36	76	85	95	102
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	-212	-224	-168
Total current assets	46	62	22	44	115	90	213	356	-127	-129	-65
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	12,088	13,139	14,278
Shareholders equity	538	580	799	1,181	1,757	1,978	2,831	3,532	4,306	4,735	5,198
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	4,417	4,854	5,324
Deferred tax	67	89	129	232	325	373	467	587	806	947	1,100
Long term interest bearing debt	727	807	1,228	1,795	2,473	3,284	4,442	4,060	5,892	6,342	6,842
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	497	497	497
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	7,389	7,980	8,633
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	195	218	234
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	282	305	321
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	12,088	13,139	14,278
Balance sheet and debt metrics											
Net debt	702	776	1,180	1,698	2,443	3,333	4,561	5,395	6,241	6,703	7,147
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	-110	-123	-132
Invested capital	1,333	1,610	2,239	3,349	4,716	5,854	8,096	9,849	12,105	13,145	14,211
Capital employed	1,277	1,402	2,042	3,008	4,327	5,411	7,634	9,376	10,590	11,476	12,447
ROE	18.4%	10.1%	23.3%	40.6%	22.9%	14.0%	11.9%	15.3%	21.5%	11.1%	11.0%
ROIC	3.3%	3.4%	3.6%	3.9%	2.9%	2.8%	2.8%	2.8%	2.6%	2.7%	2.7%
ROCE	4.7%	4.8%	5.1%	5.5%	4.0%	3.8%	3.8%	3.7%	3.6%	3.9%	3.9%
Net debt/EBITDA	25.4	12.2	13.6	12.3	16.7	18.1	18.3	17.1	17.4	15.7	15.2
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%	35.6%	36.0%	36.4%
Net gearing	130.5%	133.8%	147.7%	143.8%	134.9%	161.5%	156.4%	148.4%	141.3%	138.1%	134.2%

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	146	184	249	316	357	428	469
Paid taxes	0	0	0	0	0	0	0	0	0	0	0
Net financials	-19	-15	-15	-13	-23	-49	-99	-120	-115	-127	-133
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	218	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	-9	-17	-54	142	n.a.	n.a.	n.a.
Funds from operations (FFO)	31	38	42	59	93	101	151	187	460	301	335
Change in NWC	19	-22	26	13	-7	51	-2	-2	12	13	9
Cash flow from operations (CFO)	50	16	68	73	86	152	149	184	472	314	344
Capital expenditure	0	0	0	-250	-211	-244	-208	-1,099	-1,283	-670	-670
Free cash flow before A&D	50	16	68	-177	-125	-93	-59	-914	-812	-355	-325
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	-812	-355	-325
Free cash flow bef A&D, lease adj	50	16	68	-177	-125	-93	-59	-914	-812	-355	-325
Dividends paid	-13	-14	-16	-19	-21	-34	-42	0	-67	-72	-83
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	432	450	500
Other financing adjustments	0	0	0	0	0	187	0	424	747	348	370
Other non-cash adjustments	18	-3	0	250	210	398	-95	639	-793	-383	-405
Change in cash	20	8	-26	22	21	-14	148	102	-492	-12	57
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.	n.m.	96.2%	89.6%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	51	64	104	137	278	278	278
Market cap.	n.a.	n.a.	n.a.	n.a.	1,744	2,193	3,774	5,133	10,495	10,495	10,495
Enterprise value	n.a.	n.a.	n.a.	n.a.	4,240	5,612	8,421	10,631	16,847	17,317	17,768
Diluted no. of shares, year-end (m)	25.6	25.6	28.1	28.1	34.4	34.4	36.5	37.5	37.8	37.8	37.8

Source: Company data and Nordea estimates

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Completion Date

11 Nov 2021, 08:04 CET

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