16 February 2022

Commissioned research: Aspo - Good Q4 result, clean EBIT for 2022 is guided same y/y

Marketing material commissioned by Aspo

Net sales was 8% above consensus (Infront) in Q4. Clean operating profit was very good in Q4 due to ESL Shipping segment. The profitability of all vessel categories was historically strong in Q4. Clean EBIT in Leipurin and Telko segments were close to our expectations. Aspo has booked EUR 8.5m write downs and other one-offs for 2021 result which could be related to a new strategy and changes in the management team. Russia, Ukraine and other CIS countries were 27% from net sales 2021 which could weigh on the valuation multiples that the market accepts for the company. Full year guidance for clean EBIT 2022 was 5.5% over market consensus. The company's dividend proposal is EUR 0.23+0.22 (consensus EUR 0.44).

Q4 key figures

- Net sales was EUR 160m (Infront consensus EUR 148m).
- Group clean EBIT was even EUR 13.8m without combined EUR 5.1m one-offs in Q4 (consensus EUR 10.7m).
- ELS Shipping EBIT of EUR 9.8m was clearly above our expectation of EUR 6.9m.
- Leipurin clean EBIT was EUR 0.7m (Nordea EUR 0.3m).
- Leipurin reported 19% revenue growth (Nordea growth forecast 7%) in Q4.
- Revenue in Telko segment was EUR 73.6m (Nordea EUR 74.2m) and clean EBIT EUR 5.2m (Nordea EUR 5.2m).
- In a group level reported EPS was only EUR 0.17 (consensus EUR 0.26).
- Group net gearing was 129% end-December.
- Cash flow from the operations was EUR 11m (EUR 25m) in Q4.

Full year 2022 guidance

- Aspo guides full year clean operating profit to be EUR 42.2m.
- Consensus for 2022 EBIT has been EUR 40m (Nordea EUR 41m).
- Market consensus (Refinitiv) has expected a 6.5% y/y revenue growth.

SUMMARY TABLE - KEY FIGURES

EURm	2018	2019	2020	2021E	2022E	2023E
Total revenue	541	588	501	575	617	637
EBITDA (adj)	38	50	52	74	72	74
EBIT (adj)	27	21	19	41	41	43
EBIT (adj) margin	4.9%	3.6%	3.9%	7.1%	6.7%	6.7%
EPS (adj, EUR)	0.58	0.42	0.38	1.01	1.04	1.14
EPS (adj) growth	-2.1%	-28.3%	-8.9%	165.0%	3.2%	9.8%
DPS (ord, EUR)	0.44	0.22	0.35	0.46	0.48	0.50
EV/Sales	0.8	0.7	0.9	0.8	0.8	0.8
EV/EBIT (adj)	16.2	20.9	22.5	11.5	11.8	11.3
P/E (adj)	13.7	18.3	22.1	9.9	9.6	8.8
P/BV	2.1	2.0	2.3	2.4	2.5	2.1
Dividend yield (ord)	5.5%	2.9%	4.2%	4.6%	4.8%	5.0%
FCF Yield bef A&D, lease adj	-9.1%	13.9%	16.9%	7.4%	6.7%	5.7%
Net debt	180	198	170	160	175	172
Net debt/EBITDA	4.9	4.0	3.3	2.3	2.4	2.3
ROIC after tax	8.4%	5.8%	5.6%	12.6%	14.5%	14.3%

Source: Company data and Nordea estimates

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