

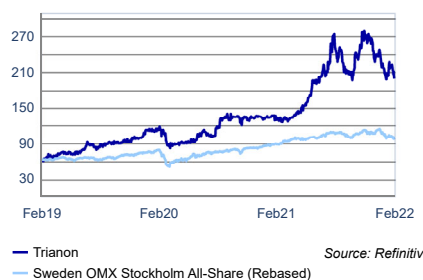
Trianon

Construction and Real Estate
Sweden

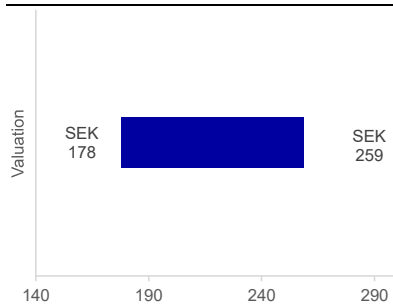
KEY DATA

Stock country	Sweden
Bloomberg	TRIANB.SS
Reuters	TRIANB.ST
Share price (close)	SEK 201.0
Free Float	26%
Market cap. (bn)	EUR 0.71/SEK 7.53
Website	www.trianon.se
Next report date	05 May 2022

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	3%	1%	1%
EBIT (adj)	0%	-2%	-3%

Source: Nordea estimates

Nordea Markets - Analysts

Staffan Bülow
AnalystKatja Melnikova
Analyst

Good prospects for continuing growth

Trianon ended 2021 with several transactions and new projects and we expect the high level of activity to continue in 2022. In Q4, income from property management fell 7% short of our estimate, mainly due to higher property costs related to acquisitions and energy prices. We therefore lower our adjusted EPS forecast by 6% for 2022. Despite that, we still expect Trianon to outperform the sector in 2022, with 27% adjusted EPS growth. Due to its strong cash flow and acquisition capacity of SEK ~2bn, we see good prospects for another eventful year in terms of transactions.

Q4 outcome and 2022 outlook

Trianon reported IFPM of SEK 64m, up 39% y/y but 7% below our estimate. The deviation is mainly due to higher property costs related to acquisitions and higher energy prices. We thus lower 2022E adjusted EPS by 6%, but still expect high adjusted EPS growth of 27%. Trianon reported value revisions of SEK 608m, up 5.5%, supporting EPRA NAV per share, which was SEK 145 (up 20% q/q and 17% above our forecast). Revaluations were mainly driven by yield compression of 40 bp in the rental housing segment, taking the yield to 3.6% (3.8% for total portfolio). In view of the beat, we lift our 2022 EPRA NAV estimate by 16% and forecast 12% growth y/y.

We expect yet another eventful year

Trianon had an eventful 2021 in terms of transactions and new projects, and we expect 2022 to be at least as eventful. The recent transactions in Q4 have yet to be included, as is evident from earnings capacity, which was up only 4% q/q. In 2022, project starts will ramp up given the company's ambition to start 700 units in 2021-22, which will begin to generate project profits. We forecast annual project profits of SEK 100m, in line with Trianon's target. Beside the projects, growth is likely to be supported by new acquisitions, although we do not include unannounced acquisitions in our estimates. If the company reaches its maximum target LTV of 60%, that would imply an acquisition capacity of SEK ~2bn. Acquisitions in line with the current yield of 3.8% could add 19% to net operating income.

We target P/NAV of 1.1-1.6x

Trianon's valuation has declined from a spot NAV of 1.8x at the beginning of the year down to 1.4x today. Sector valuation has also dropped, down to a spot NAV of 0.99x, while residential peers (Klarabo, Heba and John Matsson) are trading at 1.2x. To reflect the current market valuation, we lower our valuation interval to SEK 178-259 (183-282), which corresponds to a 2022E EPRA NAV of 1.1-1.6x.

SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	348	453	556	624	715	754	823
NOI margin	61.1%	63.0%	66.3%	63.5%	64.8%	65.8%	66.6%
EPS (adj, SEK)	2.66	3.70	3.94	5.07	6.43	7.17	8.29
EPS (adj) growth	-5.4%	39.2%	6.4%	28.7%	26.8%	11.6%	15.5%
P/E (adj)	24.0	28.0	34.8	47.0	31.3	28.0	24.2
DPS, SEK	1.15	0.00	1.80	2.00	2.20	2.40	2.40
NAV per share	70	82	100	145	162	180	200
NAV growth	12.8%	17.2%	21.6%	45.3%	11.7%	11.3%	10.9%
NOI/EV (adj)	3.8%	3.4%	3.5%	2.5%	3.2%	3.3%	3.5%
P/NAV	91.4%	126.5%	137.6%	164.5%	124.4%	111.7%	100.7%
P/EPRA NAV	91.4%	126.5%	137.6%	164.5%	124.4%	111.7%	100.7%
Dividend yield	1.8%	0.0%	1.3%	0.8%	1.1%	1.2%	1.2%
Loan-to-value (adj)	56.4%	56.0%	55.9%	52.4%	48.2%	47.7%	47.0%
Net debt/EBITDA(adj)	18.1	18.3	17.1	19.4	15.7	15.6	14.9

Source: Company data and Nordea estimates

Q4 outcome and estimate changes

Trianon reported EPRA NAV of SEK 145 per share, up 20% q/q, 47% y/y and 17% above our estimate. NAV growth was supported by revaluations that exceeded our expectations, contributing 5.5% q/q to asset values. The revaluations were driven by 30 bp yield compression and project investments. Income from property management (IFPM) was SEK 64m, up ~39% y/y, but 7% below our estimate due to higher property costs. Despite its miss on IFPM, Trianon's earnings capacity improved 4% q/q due to the acquisitions in Q4 2021; profits should be fully consolidated in Q1 2022. Following the miss on IFPM, we lower our adjusted EPS estimate by 6% for 2022. Meanwhile, we increase our NAV estimate by 16% for 2022 due to the revaluation beat in Q4.

TRIANON: DEVIATION TABLE (SEKm AND SEK PER SHARE)

SEKm	Actual	NDA est.	Deviation		Actual	Actual		
	Q4 21A	Q4 21E	vs. actual		Q3 21	q/q	Q4 20	y/y
Rental revenue	159.9	162	-2	-1%	156	3%	149	7%
Operational costs and maintenance	-58.4	-52	-6	12%	-50	18%	-50	17%
NOI	101.5	109	-8	-7%	106	-4%	99	3%
Surplus ratio, %	63%	67%	-4%		68%	-5%	66%	-3%
Central and admin	-15.6	-13	-2.4	18%	-15	4%	-20	-23%
Joint ventures	19.1	5	14	275%	2	961%	0	-
Interest costs adj for realised derivative	-24.7	-30	5.3	-18%	-22	10%	-31	-21%
Leasing costs	-1.4	-1	0		-2	-13%	-2	-13%
Income from Property Management (IFPM)	78.9	69	9.9	14%	70	13%	46	72%
IFPM adjusted for non-recurring	64.0	69	-5.0	-7.2%	70	-9%	46	39%
Changes to property value	608.5	90	518.5	576%	215	183%	169	260%
of which unrealised	608.5	90	519	576%	215	183%	169	260%
Changes to derivative value	13.8	14	0.0		13	4%	18	-24%
Pretax profits	701.2	160	541	338%	319	120%	233	201%
Reported tax	-168.9	-169	0.0	0%	-61	179%	-41	316%
of which paid tax	0.0	-3	3	0%	0	0%	0	-
Net income	532.3	-9	541.2	-6081%	259	106%	193	176%
EPRA NAV	144.6	124	20.6	16.6%	122	19.8%	100	47.1%

Source: Company data and Nordea estimates

ESTIMATE CHANGES (SEKm AND SEK PER SHARE)

SEKm	New estimates			Old estimates			Diff (%)		
	2021	2022E	2023E	2021	2022E	2023E	2021	2022E	2023E
Rental revenue	624	715	754	622	696	747	0%	3%	1%
Operational costs and maintenance	-228	-252	-258	-218	-234	-243	4%	8%	6%
NOI	396	463	496	404	462	504	-2%	0%	-2%
Surplus ratio, %	64%	65%	66%	65%	66%	67%			
Central and admin	-56	-57	-58	-53	-54	-55	5%	5%	5%
Other income	8.7	20.2	20.2	8.8	20.4	20.4	-1%	-1%	-1%
Interest costs	-106	-126	-128	-110	-120	-127	-4%	5%	1%
Income from Property Management (IFPM)	237	295	324	243	301	336	-2%	-2%	-3%
Changes to property value	1311	415	438	793	383	405	65%	8%	8%
of which unrealised	1311	415	438	793	383	405	65%	8%	8%
Changes to derivative value	82	0	0	68.1	0	0	na	0%	0%
Changes to property value JV	36	0	0	-	-	-			
Pretax profits	1666	710	762	1124	685	741	48%	4%	3%
Reported tax	-356	-146	-157	-219	-141	-153	62%	4%	3%
of which paid tax	-3	0	0	0	0	0			
Net income	1311	563	605	905	544	588	45%	4%	3%
Hybrid dividend	-35	-35	-35	-35	-35	-35	0%	0%	0%
Minority	-7.9	-7.6	-7.6	-8	-8	-8			
NI Ord shareholders	1268	521	562	862	501	546	47%	4%	3%
NI Ord shareholders ex value changes	-161.2	106	125	1.0	118	140	-	-10%	-11%
Cash earnings to ordinary shareholders	191	252	282	200	259	293	-4%	-3%	-4%
-per share	5.1	6.4	7.2	5.3	6.9	7.8	-4%	-6%	-8%
EPRA NAV	5,678	6,345	7,064	4,636	5,278	5,977	22%	20%	18%
Per share	145	162	180	123	140	158	18%	16%	14%

Source: Company data and Nordea estimates

Detailed estimates

QUARTERLY ESTIMATES (SEKm AND SEK PER SHARE)

	2021				2022			
	Q1	Q2	Q3	Q4	Q1E	Q2E	Q3E	Q4E
Rental revenue	151	154	156	163	177	178	179	180
Operational costs and maintenance	-63	-53	-50	-62	-73	-57	-56	-67
NOI	88	101	106	102	105	121	124	113
Surplus ratio, %	58%	66%	68%	62%	59%	68%	69%	63%
Central and admin	-11.6	-13.3	-15.0	-15.6	-12	-14	-15	-16
Other costs	0	0	0	0	0	0	0	0
Other income	0.3	0.3	3.1	5	5	5	5	5
Operating income ex value changes	76	88	94	91	98	113	113	102
Interest costs	-30	-28	-22	-26	-32	-32	-31	-31
Leasing costs	-2	-2	-2	-1	-1	-1	-1	-1
Income from property management (IFP)	44	59	70	64	65	80	81	70
Changes to property value	279	208	215	609	98	100	101	116
of which unrealised	0	0	0	0	0	0	0	0
Changes to derivative value	50	5	13	14	0	0	0	0
Changes to property value JV	0	0	21	15	0	0	0	0
Pretax profits	373	272	299	686	163	179	182	186
Reported tax	-75	-51	-61	-169	-34	-37	-37	-38
of which paid tax	0.0	0.0	0.0	-3.0	0	0	0	0
Net income	298	221	238	514	129	142	144	148
Hybrid dividend	-9	-9	-9	-9	-9	-9	-9	-9
Minority	-5	-2	-1	-1	-2	-2	-2	-2
NI Ord shareholders	284	211	229	505	119	132	133	137
NI Ord shareholders ex value changes	-45	-2	0	-118	20	32	32	21
Cash earnings to ordinary shareholders	31	49	61	51	54	69	70	60
-per share	0.8	1.3	1.6	1.3	1.4	1.8	1.8	1.5
EPRA NAV per share	109	115	122	145	149	151	155	160
Dividend per share		2.0				2.20		

Source: Company data and Nordea estimates

ANNUAL ESTIMATES (SEKm AND SEK PER SHARE)

	2017	2018	2019	2020	2021	2022E	2023E	2024E
Rental revenue	262	345	446	556	624	715	754	827
Operational costs and maintenance	-98	-132	-161	-187	-228	-252	-258	-279
NOI	164	213	286	369	396	463	496	548
Surplus ratio, %	63%	62%	64%	66%	64%	65%	66%	66%
Central and admin	-26	-34	-36	-53	-56	-57	-58	-59
Other costs	0	0	0	0	0	0	0	0
Other income	9	6	0	0	9	20	20	20
Operating income ex value changes	146	184	249	316	349	426	458	509
Interest costs	-23	-80	-94	-114	-106	-126	-128	-136
Leasing costs			-6	-6	-6	-6	-6	-6
% of net debt	1%	3%	2%	2%	2%	2%	2%	2%
Income from property management (IFPM)	124	105	150	195	237	295	324	368
Changes to property value	321	212	292	490	1,311	415	438	444
of which unrealised	321	212	292	490	1,311	415	438	444
Changes to derivative value	-12	-17	-62	-34	82	0	0	0
Changes to property value JV	0	0	0	0	36	0	0	0
Pretax profits	432	299	381	651	1,666	710	762	812
Reported tax	-92	-40	-81	-114	-356	-146	-157	-167
of which paid tax	0	0	0	0	-3	0	0	0
Net income	340	259	300	537	1,311	563	605	644
Hybrid dividend			-14	-32	-35	-35	-35	-35
Minority	-3	-4	-8	-18	-8	-8	-8	-8
NI Ord shareholders	318	248	282	488	1,268	521	562	602
NI Ord shareholders ex value changes	10	54	51	32	-161	106	125	158
Cash earnings to ordinary shareholders	121	100	128	146	191	252	282	325
-per share	3.5	2.9	3.7	3.9	5.1	6.4	7.2	8.3
Dividend per share	1.0	1.2	0.0	1.8	2.0	2.2	2.4	2.4

Source: Company data and Nordea estimates

NAV CALCULATIONS (SEKm AND SEK PER SHARE)

	2017	2018	2019	2020	2021	2022E	2023E	2024E
Equity total	1,757	1,978	2,831	3,532	5,217	5,660	6,136	6,643
- of which pref/hybrid equity	0	0	400	500	413	413	413	413
Acc. Dividend added back				0	0	79	165	259
Goodwill	0	0	0	0	0	0	0	0
Derivatives	67	79	134	167	71	71	71	71
Deferred tax	302	341	420	529	802	948	1,105	1,272
EPRA NAV	2,126	2,399	2,984	3,729	5,678	6,345	7,064	7,833
Per share	62	70	82	100	145	162	180	200

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	114	138	176	264	348	453	556	624	715	754	823
Revenue growth	7.4%	20.9%	27.4%	50.4%	31.8%	30.2%	22.7%	12.2%	14.6%	5.5%	9.2%
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	64	87	138	146	184	249	316	347	426	458	509
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	64	87	138	146	184	249	316	347	426	458	509
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	64	87	138	146	184	249	316	347	426	458	509
of which associates	6	14	46	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	-15	-15	-13	-47	-89	-100	-120	-109	-132	-134	-141
of which lease interest	0	0	0	0	0	0	-6	-6	-6	-6	-6
Changes in value, net	14	129	378	332	211	238	456	1,429	415	438	444
Pre-tax profit	63	200	503	432	306	387	651	1,666	710	762	812
Reported taxes	-6	-40	-101	-92	-40	-81	-114	-356	-146	-157	-167
Net profit from continued operations	56	160	402	340	267	307	537	1,311	563	605	644
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	-3	-4	-8	-18	-8	-8	-8	-8
Net profit to equity	57	160	402	337	262	285	488	1,268	521	562	602
EPS, SEK	2.21	5.71	14.30	9.81	7.63	8.26	13.20	33.58	13.27	14.33	15.33
DPS, SEK	0.00	0.00	0.00	1.00	1.15	0.00	1.80	2.00	2.20	2.40	2.40
of which ordinary	0.00	0.00	0.00	1.00	1.15	0.00	1.80	2.00	2.20	2.40	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	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	55.6%	59.7%	60.8%	61.9%
EBITA	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	55.6%	59.7%	60.8%	61.9%
EBIT	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	55.6%	59.7%	60.8%	61.9%

Adjusted earnings

EBITDA (adj)	64	87	138	146	184	249	316	347	426	458	509
EBITA (adj)	64	87	138	146	184	249	316	347	426	458	509
EBIT (adj)	64	87	138	146	184	249	316	347	426	458	509
EPS (adj, SEK)	1.91	2.56	4.47	2.81	2.66	3.70	3.94	5.07	6.43	7.17	8.29

Adjusted profit margins in percent

EBITDA (adj)	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	55.6%	59.7%	60.8%	61.9%
EBITA (adj)	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	55.6%	59.7%	60.8%	61.9%
EBIT (adj)	55.7%	62.8%	78.7%	55.3%	53.0%	55.0%	56.8%	55.6%	59.7%	60.8%	61.9%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	26.8%	31.8%	32.1%	28.8%	22.0%	16.7%	12.7%
EBITDA	n.m.	n.m.	n.m.	n.m.	46.1%	31.4%	29.5%	20.2%	23.9%	20.0%	15.4%
EBIT	n.a.	n.a.	n.a.	n.a.	46.1%	31.4%	29.5%	20.2%	23.9%	20.0%	15.4%
EPS	n.a.	n.a.	n.a.	n.a.	31.5%	30.1%	18.3%	18.6%	6.2%	13.4%	13.2%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	17.1%	15.9%	n.m.
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	57.9%	59.5%	58.4%	57.5%	55.3%	56.5%	57.9%	59.2%
Average EBITDA margin	n.a.	n.a.	n.a.	57.9%	59.5%	58.4%	57.5%	55.3%	56.5%	57.9%	59.2%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	n.a.	n.a.	n.a.	18.1	24.0	28.0	34.8	47.0	31.3	28.0	24.2
EV/EBITDA (adj)	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	46.5	34.3	32.9	30.5
EV/EBITA (adj)	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	46.5	34.3	32.9	30.5
EV/EBIT (adj)	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	46.5	34.3	33.0	30.5

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.a.	n.a.	n.a.	5.2	8.4	12.5	10.4	7.1	15.1	14.0	13.1
EV/Sales	n.a.	n.a.	n.a.	16.05	16.12	18.59	19.13	25.81	20.47	20.02	18.85
EV/EBITDA	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	46.5	34.3	33.0	30.5
EV/EBITA	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	46.5	34.3	33.0	30.5
EV/EBIT	n.a.	n.a.	n.a.	29.0	30.4	33.8	33.7	46.5	34.3	33.0	30.5
Dividend yield (ord.)	n.a.	n.a.	n.a.	2.0%	1.8%	0.0%	1.3%	0.8%	1.1%	1.2%	1.2%
FCF yield	n.a.	n.a.	n.a.	-48.1%	-25.8%	-25.1%	-35.1%	-20.9%	1.8%	-4.3%	-3.6%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	-7.2%	-4.2%	-1.6%	-17.8%	-11.4%	1.8%	-4.3%	-3.6%
Payout ratio	0.0%	0.0%	0.0%	35.6%	43.3%	0.0%	45.7%	39.5%	34.2%	33.5%	29.0%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
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	1,567	2,197	3,306	4,693	5,905	8,149	9,657	12,829	13,913	15,021	16,134
of which leased assets	0	0	0	0	0	191	194	164	164	164	164
Shares associates	0	0	0	0	0	0	0	0	0	1	1
Interest bearing assets	18	62	106	29	13	8	95	244	244	244	244
Deferred tax assets	20	19	22	23	32	48	57	56	56	56	56
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	2	0	1	1	1	2	138	169	169	169	169
Total non-current assets	1,608	2,278	3,435	4,746	5,951	8,207	9,947	13,298	14,382	15,490	16,604
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	34	20	21	71	60	36	76	179	205	216	236
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	17	20	21	23
Cash and bank	28	1	23	44	30	178	280	87	563	604	488
Total current assets	62	22	44	115	90	213	356	284	787	841	747
Assets held for sale	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	1,669	2,300	3,479	4,861	6,041	8,420	10,303	13,581	15,170	16,331	17,350
Shareholders equity	580	799	1,181	1,757	1,978	2,831	3,532	5,217	5,660	6,136	6,643
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	400	500	413	413	413	413
Minority interest	0	0	0	53	86	86	103	27	34	42	49
Total Equity	580	799	1,181	1,811	2,064	2,917	3,635	5,244	5,694	6,177	6,693
Deferred tax	89	129	232	325	373	467	587	857	1,003	1,160	1,328
Long term interest bearing debt	807	1,228	1,795	2,473	3,284	4,442	4,060	3,466	7,230	7,730	8,030
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	71	56	77	67	79	134	167	119	613	613	613
Non-current lease debt	0	0	0	0	0	191	194	164	164	164	164
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	1,043	1,426	2,157	2,906	3,757	5,272	5,007	4,605	9,010	9,667	10,134
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	31	60	107	101	157	147	174	331	379	400	437
Short term interest bearing debt	15	15	32	43	63	85	1,487	3,401	87	87	87
Total current liabilities	46	75	139	144	219	231	1,661	3,732	466	487	523
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	1,669	2,300	3,477	4,861	6,041	8,420	10,303	13,581	15,170	16,331	17,350
Balance sheet and debt metrics											
Net debt	776	1,180	1,698	2,443	3,333	4,561	5,395	6,729	6,703	7,162	7,578
of which lease debt	0	0	0	0	0	191	194	164	164	164	164
Working capital	3	-39	-86	-30	-97	-111	-98	-135	-154	-163	-178
Invested capital	1,610	2,239	3,349	4,716	5,854	8,096	9,849	13,163	14,228	15,327	16,426
Capital employed	1,402	2,042	3,008	4,327	5,411	7,634	9,376	12,274	13,174	14,158	14,973
ROE	10.1%	23.3%	40.6%	22.9%	14.0%	11.9%	15.3%	29.0%	9.6%	9.5%	9.4%
ROIC	3.4%	3.6%	3.9%	2.9%	2.8%	2.8%	2.8%	2.4%	2.5%	2.5%	2.5%
ROCE	4.8%	5.1%	5.5%	4.0%	3.8%	3.8%	3.7%	3.2%	3.4%	3.4%	3.5%
Net debt/EBITDA	12.2	13.6	12.3	16.7	18.1	18.3	17.1	19.4	15.7	15.6	14.9
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	34.7%	34.7%	34.0%	36.1%	32.8%	33.6%	34.3%	38.4%	37.3%	37.6%	38.3%
Net gearing	133.8%	147.7%	143.8%	134.9%	161.5%	156.4%	148.4%	128.3%	117.7%	115.9%	113.2%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (adj) for associates	58	73	93	146	184	249	316	346	426	458	509
Paid taxes	0	0	0	0	0	0	0	0	0	0	0
Net financials	-15	-15	-13	-23	-49	-99	-120	-109	-132	-134	-141
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	119	-75	57	-22	-18	55	-151	-77	494	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	-124	59	-78	-9	-17	-54	142	320	n.a.	n.a.	n.a.
Funds from operations (FFO)	38	42	59	93	101	151	187	480	789	324	368
Change in NWC	-22	26	13	-7	51	-2	-2	-2	20	8	15
Cash flow from operations (CFO)	16	68	73	86	152	149	184	477	809	332	382
Capital expenditure	0	0	-250	-211	-244	-208	-1,099	-1,543	-670	-670	-670
Free cash flow before A&D	16	68	-177	-125	-93	-59	-914	-1,066	139	-337	-287
Proceeds from sale of assets	4	-31	6	0	0	0	0	0	0	0	0
Acquisitions	-22	-384	-479	-715	-472	-889	-889	-889	0	0	0
Free cash flow	-2	-347	-651	-840	-565	-947	-1,803	-1,954	139	-337	-287
Free cash flow bef A&D, lease adj	16	68	-177	-125	-93	-59	-914	-1,066	139	-337	-287
Dividends paid	-14	-16	-19	-21	-34	-42	0	-67	-79	-86	-94
Equity issues / buybacks	0	75	0	278	0	204	115	0	0	0	0
Net change in debt	27	261	442	393	0	627	627	627	450	500	300
Other financing adjustments	0	0	0	0	187	0	424	1,202	380	403	409
Other non-cash adjustments	-3	0	250	210	398	-95	639	88	-415	-438	-444
Change in cash	8	-26	22	21	-14	148	102	-193	475	41	-116
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%	n.m.	79.8%	70.2%	45.8%	n.m.	n.m.	93.7%	88.8%	81.3%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	51	64	104	137	238	201	201	201
Market cap.	n.a.	n.a.	n.a.	1,744	2,193	3,774	5,133	9,342	7,890	7,890	7,890
Enterprise value	n.a.	n.a.	n.a.	4,240	5,612	8,421	10,631	16,097	14,627	15,093	15,517
Diluted no. of shares, year-end (m)	25.6	28.1	28.1	34.4	34.4	36.5	37.5	39.3	39.3	39.3	39.3

Source: Company data and Nordea estimates

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