

03 March 2022

## Commissioned research: Investors House – Solid Q4 and guidance for 2022 lower due to divestments in Q4 2021

Marketing material commissioned by Investors House

Investors House reported Q4 revenues of EUR 3.0m, same as our estimate. Net operating income was EUR 1.3m, 17% below our EUR 1.5m estimate. The Q4 operative result (EPRA) was EUR 1.0m, up 102% y/y. Reported EBIT of EUR -1.1m included EUR -3.1m of mainly negative fair value changes while we calculate that the adjusted EBIT was EUR 2.0m, 20% above our estimate. The 2022 guidance is for the operating result to decline significantly owing to divestments conducted in Q4 2021. On divisional level, Real Estate top line was below our estimates while Services sales were clearly above. EPRA NRV was EUR 8.27 per share, down from EUR 8.55 at the end of Q3 2021. EPRA NRV increased 10% from EUR 7.53 a year ago. The Services business accounted for 82% of sales and Real Estate for 18% compared to 63% and 37% a year ago, respectively. The increase in Service share of sales comes from e.g. the acquisition of Juhola Asset Management and divestments of real estate assets. Solidity improved to 58% from 49% in Q3 2021 based on the significant divestments. Investors House trades at a 40% discount to EPRA NRV. We expect a neutral share price reaction on Investors House's Q4 report, while the share could react negatively on the 2022 guidance, which however should not be a surprise given the divestments in Q4 2021.

### Investors House: Deviation table

EURt	Actual	NDA est.	Deviation		Actual	Actual		
	Q4 2021	Q4 2021E	vs. actual		Q3 2021	q/q	Q4 2020	y/y
Sales	3,015	3,011	4	0%	2,348	28%	1,676	80%
EBIT adj.	1,992	1,656	336	20%	1,190	67%	(2,557)	-178%
Net operating income	1,275	1,545	-270	-17%	1,089	17%	840	52%
EPS, EUR	0.00	0.17	-0.17	-99%	(0.00)	-124%	(0.38)	-100%

Source: Investors House and Nordea

## SUMMARY TABLE - KEY FIGURES

EURt	2018	2019	2020	2021E	2022E	2023E
Total revenue	8,276	11,461	9,465	9,558	10,136	10,589
EBITDA (adj)	3,611	5,273	333	3,949	4,273	4,487
EBIT (adj)	3,611	5,273	333	3,949	4,273	4,487
EBIT (adj) margin	43.6%	46.0%	3.5%	41.3%	42.2%	42.4%
EPS (adj, EUR)	0.17	0.48	-0.18	0.36	0.40	0.42
EPS (adj) growth	-68.4%	176.0%	-137.3%	304.4%	9.5%	4.7%
DPS (ord, EUR)	0.23	0.25	0.27	0.29	0.31	0.33
EV/Sales	9.0	5.0	5.9	5.5	5.5	5.6
EV/EBIT (adj)	25.3	9.8	17.9	19.2	16.3	16.2
P/E (adj)	34.6	13.5	n.m.	13.7	12.5	12.0
P/BV	0.8	0.9	0.9	0.9	0.9	0.9
Dividend yield (ord)	3.8%	3.9%	4.7%	5.8%	6.2%	6.6%
FCF Yield bef A&D, lease adj	0.7%	3.9%	2.3%	-0.3%	7.8%	7.3%
Net debt	35,017	16,081	19,505	7,269	9,659	11,320
Net debt/EBITDA	7.5	4.1	n.m.	5.3	2.3	2.5
ROIC after tax	3.6%	5.7%	0.4%	n.a.	7.4%	7.2%

Source: Company data and Nordea estimates

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