

22 August 2022

## Commissioned research: Investors House – Q2: Somewhat weak operational result as company is awaiting attractive investment opportunities

Marketing material commissioned by Investors House

Investors House reported Q2 revenues of EUR 1.9m, 5% below our estimate, mainly owing to weaker top line in Services while Real Estate top line was as we expected. Net operating income was EUR 0.6m, 29% below our EUR 0.9m estimate as Real Estate-segment NOI was weak, 26% below our estimate. Services-segment EBIT was 30% below our estimate. The Q2 operative result (EPRA) was EUR 0.4m, down 48% y/y and was a result of significant disposals in the Real Estate-segment in Q4 2021. Reported EBIT of EUR 0.5m included no fair value changes. The 2022 guidance is intact: the operating result to decline significantly owing to divestments conducted in Q4 2021. EPRA NRV was EUR 6.46 per share, down from EUR 6.74 at the end of Q1 2022. EPRA NRV declined 20% from EUR 8.11 a year ago as an extra dividend of EUR 1.0 was distributed. The Services business accounted for 57% of sales and Real Estate for 43% compared to 54% and 46% a year ago, respectively. Equity ratio remained strong at 55%. Investors House trades at a 16% discount to EPRA NRV and the discount has declined from 25% after the Q1 report. The company has a very strong cash position following recent Real Estate divestments and is patiently waiting for new investment opportunities. We expect a slightly negative share price reaction on Investors House's Q2 report.

### Investors House: Deviation table

	Actual	NDA est.	Deviation		Actual		Actual	
EURt	Q2 2022	Q2 2022E	vs. actual		Q1 2022	q/q	Q2 2021	y/y
Sales	1,862	1,962	-100	-5%	1,796	4%	2,487	-25%
EBIT adj.	510	807	-297	-37%	552	-8%	1,156	-56%
Net operating income	632	887	-255	-29%	692	-9%	1,050	-40%
EPS, EUR	0.07	0.10		-29%	0.06	27%	0.12	-40%

Source: Investors House and Nordea

## SUMMARY TABLE - KEY FIGURES

EURt	2019	2020	2021	2022E	2023E	2024E
Total revenue	11,461	9,465	9,764	7,870	8,128	8,390
EBITDA (adj)	5,273	333	4,586	3,096	3,228	3,364
EBIT (adj)	5,273	333	4,586	3,096	3,228	3,364
EBIT (adj) margin	46.0%	3.5%	47.0%	39.3%	39.7%	40.1%
EPS (adj, EUR)	0.48	-0.18	0.59	0.36	0.39	0.41
EPS (adj) growth	176.0%	-137.3%	432.9%	-38.8%	7.2%	4.2%
DPS (ord, EUR)	0.25	0.27	0.29	0.31	0.33	0.35
EV/Sales	5.0	5.9	5.3	7.4	7.5	7.1
EV/EBIT (adj)	9.8	17.9	19.0	24.9	24.6	23.2
P/E (adj)	13.5	n.m.	9.4	14.4	13.4	12.9
P/BV	0.9	0.9	1.0	1.1	1.0	1.0
Dividend yield (ord)	3.9%	4.7%	5.2%	5.9%	6.3%	6.7%
FCF Yield bef A&D, lease adj	3.9%	2.3%	-0.9%	6.6%	5.9%	9.4%
Net debt	16,081	19,505	4,383	13,227	15,237	14,240
Net debt/EBITDA	4.1	n.m.	n.m.	4.3	4.7	4.2
ROIC after tax	5.7%	0.4%	n.a.	5.6%	5.4%	5.3%

Source: Company data and Nordea estimates

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