

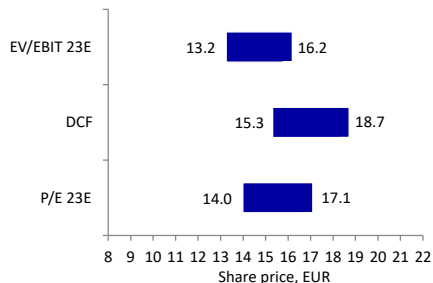
KEY DATA

Stock country	Finland
Bloomberg	ETTE.FH
Reuters	ETTE.HE
Share price (close)	EUR 12.60
Free Float	34%
Market cap. (bn)	EUR 0.31/EUR 0.31
Website	www.etteplan.com
Next report date	31 Oct 2022

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	0%	-32%	-32%
EBIT (adj)	0%	-38%	-36%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Pasi Väisänen
Senior Analyst

Joni Sandvall
Analyst

Semcon acquisition failed

We remove Semcon's numbers from our estimates. Ratos offered 5.4% more for Semcon's shares and Etteplan did not upgrade its original offer. Etteplan will surely stay on an acquisition path but will most likely be looking for smaller targets in the future. A possible downturn in 2023 could even make it easier to buy engineering consultants. But weakening economic activity is also a threat for Etteplan's own operations. Earnings growth could stay at bay in 2023, we forecast. Our valuation model, based on a combination of peer group and DCF analyses, suggests a fair value range of EUR 14.2-17.3 (15.2-18.6).

We forecast EUR 7m one-off costs for Q3

The valuation multiples of the Semcon deal looked fair for Etteplan, in our view, which is why there was even some room for a higher bid. Etteplan is surely disappointed by the failed Semcon acquisition. Semcon and Etteplan were perfect matches, and the transaction would have taken Etteplan to the next level in net sales. We now forecast EUR 7m one-off costs for Q3 and a EUR 1m one-off cost for Q4 that are related to the failed acquisition of Semcon and the settlement of FX hedging.

Earnings growth momentum could be missing in 2023

We slightly lower our organic growth forecast and operating profit margin assumption for 2023 due to increased macroeconomic worries. The probability for a downturn has clearly increased. Etteplan is successful when its customers are successful, and it is hard to see how ABB, Valmet, Kone, Kalmar, Metso, SSAB and Outotec can improve if economic and investment activity declines next year. Etteplan will face lower utilisation ratios if its customers witness order weakness.

Valuation lower than for the peer group

The share price has come down more (17%) than Helsinki index since July 2022. However, the company's cost control is at a good level and we do not expect to see a remarkable operational disappointment next year. We believe Etteplan continues to prefer M&A growth over debt reduction and dividend payments. Without further acquisitions the company could even become debt-free by 2026. But our current sales growth forecasts do not include possible future acquisitions. Based on our new estimates, Etteplan trades 20% below the peer 2023E median on EV/S and EV/EBITDA. P/E for 2023E-24E is 7% lower than the peer group median.

SUMMARY TABLE - KEY FIGURES

EURm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	236	263	260	300	354	375	393
EBITDA (adj)	26	36	41	44	49	49	52
EBIT (adj)	21	22	23	26	29	29	32
EBIT (adj) margin	8.7%	8.3%	9.0%	8.6%	8.3%	7.8%	8.1%
EPS (adj, EUR)	0.63	0.66	0.73	0.81	0.92	0.91	0.99
EPS (adj) growth	29.9%	4.3%	10.4%	11.7%	13.1%	-0.4%	8.1%
DPS (ord, EUR)	0.30	0.35	0.34	0.40	0.42	0.44	0.46
EV/Sales	0.9	1.1	1.4	1.6	1.1	1.0	0.9
EV/EBIT (adj)	10.6	13.4	15.5	18.1	12.9	12.2	10.8
P/E (adj)	12.6	15.4	17.8	20.8	13.7	13.8	12.8
P/BV	2.9	3.3	3.7	4.2	3.0	2.7	2.4
Dividend yield (ord)	3.8%	3.4%	2.6%	2.4%	3.3%	3.5%	3.7%
FCF Yield bef A&D, lease	10.8%	9.2%	8.1%	3.7%	5.8%	8.6%	9.1%
Net debt	20	40	41	48	64	48	30
Net debt/EBITDA	0.8	1.1	1.0	1.1	1.6	1.0	0.6
ROIC after tax	18.1%	16.8%	15.7%	15.3%	18.9%	18.0%	19.9%

Source: Company data and Nordea estimates

Segment estimates

QUARTERLY ESTIMATES BY SEGMENT (EURm)

	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22E	Q4 22E
Engineering												
Sales	41.3	35.9	31.0	40.6	41.4	42.0	36.9	47.1	46.7	46.2	40.2	50.7
- sales growth	16%	2%	-12%	-1%	0%	17%	19%	16%	13%	10%	9%	8%
- organic growth	-1%	-11%	-14%	-8%	-6%	10%	10%	12%	13%	10%	8%	7%
Adj. EBITA	3.9	3.7	2.8	4.2	4.4	4.2	3.0	5.0	4.9	4.9	3.9	5.3
Adj. EBITA margin	9.5%	10.3%	9.0%	10.5%	10.6%	9.9%	8.2%	10.6%	10.6%	10.6%	9.6%	10.4%
Software and Embedded												
Sales	17.0	15.2	13.8	17.7	18.8	19.9	18.1	23.4	24.6	25.1	22.0	27.0
- sales growth	-2%	-11%	-10%	0%	11%	30%	31%	32%	31%	27%	22%	16%
- organic growth	-4%	-12%	-10%	0%	-1%	12%	8%	15%	19%	16%	12%	8%
Adj. EBITA	1.5	1.7	1.4	2.4	2.1	2.2	1.6	2.4	2.3	1.9	1.9	2.6
Adj. EBITA margin	9.0%	11.1%	10.4%	13.8%	11.1%	10.9%	9.1%	10.3%	9.5%	7.4%	8.5%	9.8%
Technical Documentation												
Sales	12.8	11.6	10.2	11.9	12.5	13.0	11.8	14.3	18.1	17.7	16.4	19.1
- sales growth	3%	-2%	-5%	-9%	-2%	12%	15%	21%	44%	36%	39%	33%
- organic growth	-3%	-8%	-10%	-10%	-2%	7%	12%	18%	11%	3%	3%	3%
Adj. EBITA	1.3	1.0	1.0	1.3	1.4	1.6	1.2	1.7	1.8	1.5	1.6	2.0
Adj. EBITA margin	10.1%	8.9%	9.3%	11.0%	11.0%	12.5%	10.2%	12.0%	10.1%	8.7%	9.5%	10.5%
Group												
Sales	71.3	62.9	55.2	70.3	73.0	75.0	66.9	85.3	89.6	89.3	78.6	96.8
- sales growth	9%	-2%	-10%	-2%	2%	19%	21%	21%	23%	19%	18%	13%
- organic growth	-3%	-11%	-13%	-6%	-4%	12%	14%	15%	15%	10%	8%	7%
Adj. EBITA	6.8	6.6	5.3	8.4	7.7	7.8	5.7	9.0	9.3	8.4	7.1	9.8
Adj. EBITA margin	9.5%	10.5%	9.6%	12.0%	10.5%	10.4%	8.5%	10.6%	10.3%	9.5%	9.1%	10.1%
PTP clean	5.7	5.3	4.1	6.9	6.4	6.3	4.4	7.7	7.0	6.5	-8.5	6.2
Net Profit clean	4.4	4.3	3.3	6.0	5.3	4.9	3.4	6.5	5.5	5.3	-8.2	4.7
Adj. EPS, EUR	0.18	0.17	0.13	0.24	0.21	0.20	0.14	0.26	0.22	0.21	-0.33	0.19
EPS reported, EUR	0.17	0.16	0.13	0.23	0.21	0.20	0.14	0.26	0.23	0.23	-0.05	0.23

Source: Company data and Nordea estimates

ANNUAL ESTIMATES BY SEGMENT (EURm)

	2017	2018	2019	2020	2021	2022E	2023E	2024E
Engineering								
Sales	121	132	147	149	167	184	195	204
- sales growth	7%	9%	11%	1%	12%	10%	6%	4%
- organic growth				-8%	6%	9%	4%	5%
Adj. EBITA	9.8	13.0	14.5	14.7	16.6	18.9	19.1	20.4
Adj. EBITA margin	8.1%	9.8%	9.8%	9.9%	9.9%	10.3%	9.8%	10.0%
Software and Embedded								
Sales	52	60	67	64	80	99	106	112
- sales growth	n.m.	15%	12%	-6%	26%	23%	8%	5%
- organic growth				-6%	8%	14%	6%	6%
Adj. EBITA	4.4	5.8	6.3	7.1	8.3	8.7	9.2	10.0
Adj. EBITA margin	8.4%	9.7%	9.3%	11.1%	10.4%	8.8%	8.7%	8.9%
Technical Documentation								
Sales	42	44	48	47	52	71	74	78
- sales growth	17%	6%	9%	-3%	11%	38%	4%	4%
- organic growth				-8%	8%	5%	3%	5%
Adj. EBITA	3.8	3.7	4.0	4.6	5.9	6.9	7.1	7.5
Adj. EBITA margin	9.1%	8.3%	8.3%	9.8%	11.5%	9.7%	9.5%	9.6%
Group								
Sales	215	236	263	260	300	354	375	393
- sales growth	17%	10%	11%	-1%	16%	18%	6%	5%
- organic growth	10%	6%	3%	-8%	7%	10%	4%	5%
Adj. EBITA	17.8	22.9	24.9	27.1	30.2	34.6	34.8	37.1
Adj. EBITA margin	8.3%	9.7%	9.4%	10.4%	10.1%	9.8%	9.3%	9.4%
PTP clean	15.2	19.7	20.8	22.0	24.9	28.4	28.6	30.9
Net Profit clean	12.0	15.6	16.3	18.0	20.1	22.7	22.6	24.5
Adj. EPS, EUR	0.49	0.63	0.66	0.73	0.81	0.92	0.91	0.99
EPS reported, EUR	0.47	0.62	0.70	0.69	0.81	0.64	0.91	0.99

Source: Company data and Nordea estimates

Peer group

PEER GROUP: P/E RATIOS (x)

	P/E									
	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Semcon	17.9	12.1	11.9	9.1	11.8	14.3	17.3	19.4	16.4	15.5
ÅF Poyry	18.8	18.3	19.5	15.1	27.7	30.3	25.6	12.1	10.9	9.9
Sweco	29.0	23.6	18.1	19.0	31.4	42.2	40.9	20.3	19.0	17.3
WSP Global	20.8	22.7	28.8	24.7	32.7	48.2	45.3	27.1	22.7	19.8
Rejlers	27.8	79.4	79.6	82.8	40.0	103.0	26.6	12.9	11.7	10.2
Stantec	20.7	27.9	34.8	21.1	21.1	29.0	39.5	20.2	17.8	15.6
Multiconsult	18.8	12.8	24.6	25.7	55.3	13.9	18.0	12.7	12.8	12.0
Arcadis	16.2	17.6	28.5	29.5	150.5	129.2	22.6	15.3	13.2	12.2
Accenture	19.8	17.8	24.0	25.6	26.9	30.4	36.8	26.9	22.7	20.5
Tieto	20.1	17.8	17.8	14.2	27.2	33.7	11.2	10.6	9.7	9.1
Peer group Median	19.9	18.0	24.3	22.9	29.5	32.1	26.1	17.3	14.8	13.9
Ette (Nordea)	12.8	15.1	16.0	12.6	15.4	17.8	20.8	13.7	13.8	12.8
Difference	-36%	-16%	-34%	-45%	-48%	-44%	-20%	-21%	-7%	-8%

Source: Refinitiv and Nordea estimates

PEER GROUP: EV/EBITDA RATIOS (x)

	EV/EBITDA									
	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Semcon	10.8	8.5	7.0	6.0	6.7	6.9	9.4	11.2	10.0	9.5
ÅF Poyry	13.3	11.7	13.0	11.5	12.4	15.6	14.3	5.8	5.1	4.8
Sweco	14.0	12.6	12.8	10.9	16.7	20.9	21.1	11.2	10.7	9.9
WSP Global	11.5	10.8	13.2	11.2	11.4	14.3	18.1	12.9	10.6	10.1
Rejlers	12.7	18.1	13.2	10.0	14.4	13.4	10.7	7.4	7.0	6.5
Stantec	10.8	13.5	12.7	10.9	9.5	9.8	18.2	12.1	11.1	11.0
Multiconsult	12.7	8.2	12.9	11.5	9.9	7.0	9.5	7.1	6.9	6.6
Arcadis	7.3	8.1	9.6	6.0	7.6	8.1	11.6	8.7	7.7	7.3
Accenture	11.2	12.6	14.0	15.9	17.4	19.9	24.3	16.1	13.3	12.3
Tieto	10.6	10.6	9.9	8.9	15.8	7.2	9.1	7.6	7.0	6.6
Peer group Median	11.4	11.3	12.8	10.9	11.9	11.6	13.0	9.9	8.8	8.4
Ette (Nordea)	9.1	10.1	10.2	8.2	8.0	8.7	10.7	7.5	6.9	6.0
Difference	-20%	-11%	-20%	-24%	-33%	-25%	-18%	-25%	-22%	-29%

Source: Refinitiv and Nordea estimates

PEER GROUP: EV/S RATIOS (x)

	EV/S									
	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Semcon	0.5	0.5	0.4	0.4	0.7	0.8	1.2	1.3	1.3	1.2
ÅF Poyry	1.3	1.1	1.3	1.1	1.6	1.8	1.7	0.6	0.6	0.6
Sweco	1.5	1.4	1.4	1.5	2.3	2.8	3.0	1.6	1.5	1.4
WSP Global	0.8	0.8	1.0	0.9	1.3	1.7	2.3	2.2	1.8	1.8
Rejlers	0.7	0.6	0.5	0.6	1.3	1.5	1.1	0.8	0.8	0.8
Stantec	1.4	1.5	1.4	1.2	1.5	1.5	2.7	1.9	1.8	1.7
Multiconsult	1.2	1.0	0.7	0.5	0.9	1.1	1.3	1.0	1.0	0.9
Arcadis	0.8	0.7	0.9	0.5	1.0	1.1	1.5	0.9	0.8	0.8
Accenture	1.7	2.0	2.2	2.5	2.8	3.3	4.1	3.0	2.5	2.3
Tieto	1.3	1.4	1.3	1.2	2.5	1.5	1.4	1.2	1.2	1.1
Peer group Median	1.2	1.1	1.2	1.0	1.4	1.5	1.6	1.3	1.2	1.2
Ette (Nordea)	0.8	0.9	1.0	0.9	1.1	1.4	1.6	1.0	0.9	0.8
Difference	-33%	-17%	-13%	-11%	-19%	-8%	-5%	-18%	-26%	-33%

Source: Refinitiv and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	132	141	184	215	236	263	260	300	354	375	393
Revenue growth	2.5%	7.0%	30.4%	16.8%	10.1%	11.3%	-1.4%	15.6%	18.0%	6.0%	4.8%
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	10	12	15	21	26	38	40	44	41	49	52
Depreciation and impairments PPE	-3	-3	-3	-3	-3	-12	-14	-13	-15	-15	-15
of which leased assets	0	0	0	0	0	-8	-10	-10	-11	-11	-11
EBITA	8	9	12	17	23	26	26	30	26	35	37
Amortisation and impairments	0	0	-2	-2	-2	-3	-4	-4	-5	-5	-5
EBIT	8	9	10	15	20	23	22	26	21	29	32
of which associates	0	0	0	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	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	7	8	9	15	19	22	21	25	20	29	31
Reported taxes	-1	-2	-2	-3	-4	-5	-4	-5	-4	-6	-6
Net profit from continued operations	6	6	8	12	15	17	17	20	16	23	25
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	6	6	7	12	15	17	17	20	16	23	24
EPS, EUR	0.29	0.29	0.30	0.47	0.62	0.70	0.69	0.81	0.64	0.91	0.99
DPS, EUR	0.15	0.15	0.16	0.23	0.30	0.35	0.34	0.40	0.42	0.44	0.46
of which ordinary	0.15	0.15	0.16	0.23	0.30	0.35	0.34	0.40	0.42	0.44	0.46
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	7.9%	8.3%	8.1%	9.7%	11.0%	14.3%	15.6%	14.5%	11.4%	13.1%	13.1%
EBITA	6.0%	6.1%	6.6%	8.1%	9.5%	9.9%	10.1%	10.0%	7.3%	9.3%	9.4%
EBIT	6.0%	6.1%	5.5%	7.2%	8.5%	8.7%	8.6%	8.6%	5.8%	7.8%	8.1%

Adjusted earnings

EBITDA (adj)	10	13	17	21	26	36	41	44	49	49	52
EBITA (adj)	7	11	14	18	23	25	27	30	35	35	37
EBIT (adj)	7	11	12	16	21	22	23	26	29	29	32
EPS (adj, EUR)	0.26	0.38	0.37	0.49	0.63	0.66	0.73	0.81	0.92	0.91	0.99

Adjusted profit margins in percent

EBITDA (adj)	7.3%	9.0%	9.0%	9.9%	11.1%	13.8%	15.9%	14.5%	13.9%	13.1%	13.1%
EBITA (adj)	5.4%	7.5%	7.5%	8.3%	9.7%	9.4%	10.4%	10.1%	9.8%	9.3%	9.4%
EBIT (adj)	5.4%	7.5%	6.4%	7.4%	8.7%	8.3%	9.0%	8.6%	8.3%	7.8%	8.1%

Performance metrics

CAGR last 5 years											
Net revenue	6.0%	6.1%	9.0%	9.8%	12.9%	14.8%	13.0%	10.3%	10.5%	9.7%	8.4%
EBITDA	27.4%	9.2%	12.0%	13.3%	23.4%	29.2%	28.1%	23.9%	14.3%	13.7%	6.6%
EBIT	n.m.	7.2%	8.0%	12.2%	26.0%	23.8%	21.1%	20.5%	6.0%	7.9%	6.8%
EPS	n.m.	6.2%	5.7%	11.8%	22.6%	19.0%	19.0%	21.9%	6.5%	8.2%	7.1%
DPS	30.3%	8.4%	9.9%	8.9%	22.2%	18.5%	17.8%	20.1%	12.8%	8.0%	5.6%
Average last 5 years											
Average EBIT margin	5.8%	5.9%	5.8%	6.1%	6.9%	7.4%	7.9%	8.4%	7.9%	7.8%	7.7%
Average EBITDA margin	7.5%	7.8%	8.0%	8.4%	9.2%	10.7%	12.1%	13.2%	13.3%	13.6%	13.4%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	11.2	12.2	15.2	16.0	12.6	15.4	17.8	20.8	13.7	13.8	12.8
EV/EBITDA (adj)	7.9	9.0	10.1	10.2	8.2	8.0	8.7	10.7	7.7	7.3	6.6
EV/EBITA (adj)	10.8	10.8	12.2	12.2	9.5	11.7	13.3	15.5	10.9	10.4	9.2
EV/EBIT (adj)	10.8	10.8	14.2	13.7	10.6	13.4	15.5	18.1	12.9	12.2	10.8

VALUATION RATIOS - REPORTED EARNINGS

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	9.8	16.1	18.6	16.6	12.9	14.5	18.8	20.9	19.7	13.8	12.8
EV/Sales	0.58	0.81	0.91	1.01	0.92	1.11	1.39	1.56	1.06	0.96	0.87
EV/EBITDA	7.3	9.7	11.2	10.5	8.3	7.8	8.9	10.7	9.3	7.3	6.6
EV/EBITA	9.8	13.3	13.9	12.5	9.6	11.2	13.8	15.5	14.5	10.4	9.2
EV/EBIT	9.8	13.3	16.6	14.1	10.7	12.8	16.1	18.1	18.2	12.2	10.8
Dividend yield (ord.)	5.2%	3.2%	2.9%	3.0%	3.8%	3.4%	2.6%	2.4%	3.3%	3.5%	3.7%
FCF yield	9.0%	6.4%	-13.4%	6.8%	6.6%	3.9%	9.5%	2.6%	2.5%	12.0%	12.6%
FCF Yield bef A&D, lease adj	9.0%	6.4%	2.7%	8.4%	10.8%	9.2%	8.1%	3.7%	5.8%	8.6%	9.1%
Payout ratio	58.2%	39.3%	43.5%	47.4%	47.6%	53.2%	46.8%	49.3%	45.7%	48.1%	46.6%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	45	52	76	77	86	107	110	121	137	132	126
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	6	9	18	18	21	27	26	29	28	23	18
of which goodwill	39	43	58	59	65	79	84	92	108	108	108
Tangible assets	2	2	3	4	4	7	16	14	15	16	16
of which leased assets	0	0	0	0	0	2	2	1	5	5	5
Shares associates	0	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0	0	1	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	1	1	1	1	1	0	0	0	0	0	0
Total non-current assets	47	55	80	81	91	114	127	136	153	148	143
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	26	28	49	53	53	62	57	75	89	94	98
Short-term leased assets	0	0	0	0	0	10	10	11	11	11	11
Other current assets	0	0	0	0	0	0	0	0	0	0	0
Cash and bank	3	9	5	10	16	16	24	30	18	34	44
Total current assets	28	37	54	63	70	89	91	116	117	139	153
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total assets	75	93	134	144	161	203	218	253	270	287	296
Shareholders equity	29	35	53	58	68	77	87	99	105	117	130
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	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	29	35	53	58	68	77	87	99	105	117	130
Deferred tax	1	2	3	3	5	6	7	7	7	7	7
Long term interest bearing debt	9	8	24	20	24	25	13	30	25	30	27
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	0	0	1	1	2	0	0	1	0	0	0
Non-current lease debt	0	0	0	0	0	8	9	9	12	12	12
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	10	10	28	24	31	40	28	47	45	50	47
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	27	32	43	46	48	61	57	66	74	79	83
Current lease debt	0	0	0	0	0	7	16	14	14	14	14
Other current liabilities	0	1	1	2	2	2	2	2	2	2	2
Short term interest bearing debt	10	15	10	15	12	16	28	25	30	25	20
Total current liabilities	36	48	54	63	62	87	103	107	121	120	119
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	76	93	135	144	161	203	218	253	270	287	296
Balance sheet and debt metrics											
Net debt	16	14	30	25	20	40	41	48	64	48	30
of which lease debt	0	0	0	0	0	16	24	23	26	26	26
Working capital	-1	-4	6	6	3	-1	-2	8	13	14	14
Invested capital	46	51	86	87	94	113	125	145	166	161	157
Capital employed	48	58	87	93	104	133	152	177	186	199	204
ROE	22.8%	19.3%	17.0%	20.9%	24.4%	24.1%	20.8%	21.6%	15.6%	20.5%	19.8%
ROIC	12.1%	17.4%	13.8%	14.7%	18.1%	16.8%	15.7%	15.3%	18.9%	18.0%	19.9%
ROCE	16.1%	21.1%	17.0%	18.3%	21.4%	18.8%	16.7%	16.0%	16.4%	15.6%	16.0%
Net debt/EBITDA	1.6	1.2	2.0	1.2	0.8	1.1	1.0	1.1	1.6	1.0	0.6
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	38.1%	37.4%	39.2%	40.1%	42.1%	37.8%	40.0%	39.1%	38.7%	40.7%	43.9%
Net gearing	56.4%	41.6%	55.8%	43.0%	29.8%	52.6%	46.6%	48.6%	61.3%	40.9%	23.1%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (adj) for associates	10	12	15	21	26	38	40	44	41	49	52
Paid taxes	-1	-1	-3	-2	-4	-4	-5	-6	-4	-6	-6
Net financials	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	-2	0	0	0	1	-2	0	1	0	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	3	-3	-6	0	1	2	4	-10	0	0	0
Funds from operations (FFO)	9	7	7	18	23	33	38	27	35	42	44
Change in NWC	-2	3	-1	0	0	0	0	0	-5	-1	-1
Cash flow from operations (CFO)	8	10	6	18	23	33	38	27	31	42	44
Capital expenditure	-2	-4	-2	-2	-2	-2	-2	-2	-2	-4	-4
Free cash flow before A&D	5	6	4	16	21	31	36	25	29	37	39
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	-22	-3	-8	-21	-6	-14	-21	0	0
Free cash flow	5	6	-18	13	13	10	31	11	8	37	39
Free cash flow bef A&D, lease adj	5	6	4	16	21	23	26	15	18	27	29
Dividends paid	-2	-3	-3	-4	-6	-7	-9	-8	-10	-10	-11
Equity issues / buybacks	0	0	14	0	0	0	0	0	0	0	0
Net change in debt	-2	3	27	0	1	7	-1	14	0	0	-8
Other financing adjustments	1	0	0	0	-2	-10	-12	-11	-11	-11	-11
Other non-cash adjustments	0	0	-23	-4	0	0	0	1	0	0	0
Change in cash	2	6	-4	5	6	0	9	6	-13	16	10
Cash flow metrics											
Capex/D&A	88.5%	n.m.	39.0%	39.6%	30.2%	14.0%	9.1%	12.1%	n.m.	n.m.	n.m.
Capex/Sales	1.7%	2.5%	1.0%	1.0%	0.7%	0.8%	0.6%	0.7%	0.6%	1.1%	1.1%
Key information											
Share price year end (/current)	3	5	6	8	8	10	13	17	13	13	13
Market cap.	60	100	138	193	197	251	321	419	312	312	312
Enterprise value	77	114	168	218	217	292	361	467	376	360	342
Diluted no. of shares, year-end (m)	20.9	21.4	24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8	24.8

Source: Company data and Nordea estimates

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