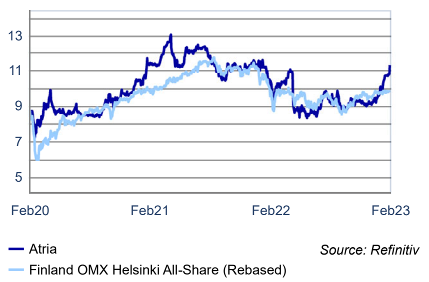
Atria

Consumer Goods
Finland

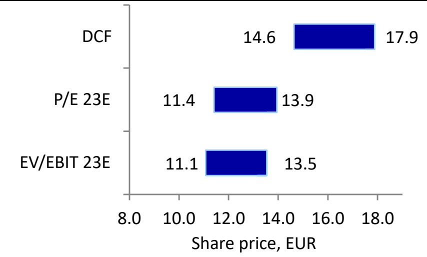
KEY DATA

Stock country	Finland
Bloomberg	ATRAV FH
Reuters	ATRAV.HE
Share price (close)	EUR 11.40
Free Float	42%
Market cap. (bn)	EUR 0.32/EUR 0.32
Website	www.atria.fi
Next report date	25 Apr 2023

PERFORMANCE



VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	0%	0%	0%
EBIT (adj)	0%	2%	4%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Joni Sandvall
Analyst

Entering 2023 in a strong market position

Atria ended a volatile 2022 with a strong Q4 that came in well above our expectations on adjusted EBIT. The strong performance in Finland continued, as the company successfully hiked sales prices and improved efficiency. Atria expects cost inflation to continue in 2023 and says that the ramp-ups of new investments in Finland and Sweden will pressure profitability. It expects 2023 adjusted EBIT to decline from the 2022 level, but we believe guidance incorporates high uncertainty related to factory ramp-up costs. Hence, we see 2023 adjusted EBIT on a par with 2022. We derive a DCF- and multiples-based fair value range of EUR 12.4-15.1 (12.2-14.9) per share.

Strong Q4 adjusted EBIT driven by Finland

Atria reported Q4 adjusted EBIT of EUR 16.7m, well above our estimate of EUR 12m. The beat was fully driven by Finland, where adjusted EBIT was up 92% y/y to EUR 20.3m, 76% above our estimate. Other segments fell short of our expectations and were burdened by higher costs, where sales price increases were not able to mitigate. Operating cash flow was EUR 74m in Q4 (EUR 46.3m a year ago). The DPS proposal stands at EUR 0.70, above our expectation of EUR 0.63. In 2022, Atria's sales were up 10% y/y, while adjusted EBIT landed EUR 0.2m below the 2021 level of EUR 49.2m. According to the company, Atria's market position has improved during 2022 in terms of volumes. For 2023, we expect cost inflation to continue in H1, while likely easing grain and fertiliser prices could alleviate cost pressure in H2. However, the ramp-up of the Nurmo poultry unit will put pressure on profitability, and there could be downward pressure on sale prices if cost levels abate.

2023 estimates intact – slightly positive revisions for 2024E-25E

We maintain our 2023 top-line and adjusted EBIT estimates while raising 2024E-25E adjusted EBIT by 2-4%. Atria guides for declining adjusted EBIT in 2023 (EUR 49m in 2022) - we model a 1% decline. We note that Atria's guidance for 2022 was for declining adjusted EBIT, while it dipped only EUR 0.2m. We expect improving underlying performance, but the commissioning of the expansion in Sköllersta and ramp-up of the Nurmo poultry facility will cause additional costs in 2023. Atria aims for a EUR 5m profitability improvement thanks to the new Nurmo facility.

Fair value range of EUR 12.4-15.1

We derive a fair value of EUR 12.4-15.1 (12.2-14.9) per Atria share using an equal weighting of our DCF- and multiples-based valuations.

SUMMARY TABLE - KEY FIGURES

EURm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	1,451	1,504	1,540	1,697	1,702	1,734	1,775
EBITDA (adj)	87	96	106	153	100	110	127
EBIT (adj)	33	40	49	49	48	55	60
EBIT (adj) margin	2.3%	2.6%	3.2%	2.9%	2.8%	3.2%	3.4%
EPS (adj, EUR)	0.60	0.91	0.97	1.54	1.15	1.32	1.45
EPS (adj) growth	2.6%	51.8%	6.4%	58.7%	-25.2%	14.6%	10.1%
DPS (ord, EUR)	0.42	0.50	0.63	0.70	0.70	0.75	0.80
EV/Sales	0.4	0.3	0.3	0.3	0.4	0.3	0.3
EV/EBIT (adj)	15.7	12.3	10.0	10.4	12.3	10.8	9.5
P/E (adj)	16.7	10.8	11.9	6.0	9.9	8.6	7.8
P/BV	0.7	0.7	0.7	0.6	0.7	0.7	0.6
Dividend yield (ord)	4.2%	5.1%	5.5%	7.6%	6.1%	6.6%	7.0%
FCF Yield bef A&D, lease	14.0%	18.9%	7.2%	-33.8%	-0.8%	6.8%	16.6%
Net debt	223	190	152	234	256	254	222
Net debt/EBITDA	2.6	2.0	2.4	2.2	2.6	2.3	1.7
ROIC after tax	3.8%	4.8%	6.5%	6.3%	5.4%	5.9%	6.3%

Source: Company data and Nordea estimates

Q4 deviation and estimate revisions

A solid Q4 in tough cost environment

Q4 profitability was strong...

Atria reported Q4 adjusted EBIT of EUR 16.7m, 39% above our estimate (no quality consensus available). Q4 net sales of EUR 451m were up 12% y/y and came in in line with our estimate. The adjusted EBIT beat was fully driven by Finland, while other segments came in below our estimates. Q4 reported EBIT included EUR 51.1m of items affecting comparability, related to impairments in Sweden.

Atria's market position has improved in Finland, Sweden and Estonia, while it lost some market share in Denmark during 2022. Producer prices have remained significantly above last year's level.

Q4 operating cash flow was EUR 74m (EUR 46.3m a year ago).

The DPS proposal was for EUR 0.70 versus consensus of EUR 0.63.

Atria's outlook for 2023 expects adjusted EBIT to decline from 2023 (after EUR 49m in 2022), while prior to the Q4 report Refinitiv consensus had expected EUR 47m, or 4% decline. We note that Atria issued similar guidance for 2022 and ended up at EUR 0.2m below 2021's level in 2022. During 2023, the company will commission a major expansion at its Sköllersta plant in Sweden, and the phased start-up and testing of the new poultry plant in Nurmo will begin. These measures will result in additional costs in 2023.

...driven by Finland

- Atria Finland net sales were EUR 344m, up 17% y/y and in line with our expectations. Adjusted EBIT was EUR 20.3m, 76% above our estimate of EUR 11.6m. Net sales increased in all channels except exports. Meat producer prices paid by Atria were significantly higher y/y. Among commodities, energy costs in particular increased. Atria's supplier share in retail was 27.6% in Q4 (24.9% in Q3). The EUR 155m poultry investment is progressing according to plan and the company will start phased start-up testing in 2023.
- Atria Sweden net sales were EUR 86m, up 13% in local currencies and excluding the Russian divestment (-7% on reported basis) and 3% below our estimate. Adjusted EBIT of EUR -0.9m came below our estimate of EUR 1.0m and was burdened by persistent high raw material prices, transport and energy costs, whereas selling price increases were not high enough to mitigate the impact. The Sköllersta plant expansion will be commissioned in 2023.
- Atria Denmark & Estonia's net sales were EUR 29m, up 11% y/y and 4% above our expectations. Sales increased roughly 24% y/y in Estonia, driven by price and volume increases, while Denmark's sales were up slightly thanks to sales price increases. Adjusted EBIT was EUR -0.9m, below our estimate of EUR 0.4m. Q4 EBIT was burdened by a sharp increase in energy and raw material costs, while the transfer of cold cuts production from Malmö to the Horsens plant resulted in additional costs.

DEVIATION TABLE

	Actual	NDA est.	Deviation		Consensus	Deviation		Actual		Actual	
EURm	**Q4 2022**	**Q4 2022E**	**vs. actual**		**Q4 2022E**	**vs. actual**		**Q3 2022**	**q/q**	**Q4 2021**	**y/y**
Sales	**451**	**453**	**-2**	**0%**	**432**	**20**	**5%**	**439**	**3%**	**403**	**12%**
Adj. EBIT	**16.7**	**12.0**	**4.7**	**39%**	**(14.0)**	**30.7**	**-219%**	**16.2**	**3%**	**10.3**	**62%**
Adj. EBIT margin	3.7%	2.7%	1.0pp	1.0pp	-3.2%	6.9pp		3.7%	0.0pp	2.6%	1.1pp
EPS, EUR	**(1.34)**	**(1.49)**	**0.15**	**-10%**	**0.37**	**(1.71)**	**n.m.**	**0.58**	-330%	**0.34**	-495%
DPS, EUR	**0.70**	**0.63**	**0.07**	**11%**	**0.63**	**0.07**	**11%**			**0.63**	11%
Divisional sales, EURm											
Finland	344.4	346.0	-2	0%				327	5%	293	17%
Sweden	86.3	89.0	-3	-3%				93	-7%	93	-7%
Denmark & Estonia	29.4	28.2	1	4%				29	1%	26	11%
Unallocated	0.0	0.0	0	n.m.				0	n.m.	0	n.m.
Group eliminations	-8.9	-10.0	1	-11%				-10	-12%	-9	0%
Group	**451.2**	**453.2**	**-2.0**	**0%**				**439**	**3%**	**403**	**12%**
Divisional adj. EBIT, EURm											
Finland	20.3	11.6	8.7	76%				12.7	60%	10.6	92%
Sweden	-0.9	1.0	-1.9	-187%				3.4	-126%	0.6	-250%
Denmark & Estonia	-0.9	0.4	-1.3	-301%				0.7	-229%	0	n.m.
Group eliminations	-1.8	-1.0	-0.8	80%				-0.6	200%	-0.9	100%
Group	**16.7**	**12.0**	**4.7**	**39%**				**16.2**	**3%**	**10.3**	**62%**

Source: Company data, Refinitiv and Nordea estimates

Estimate revisions

Following the Q4 report, we keep our top-line estimates intact. For 2024E-25E, we raise adjusted EBIT by 2-4%, but leave our 2023 estimate unchanged. We forecast 1% adjusted EBIT decline in 2023, while we note uncertainties related to the magnitude of ramp-up and commissioning costs for Swedish and Finnish investments. We trim adjusted EBIT by 2-5% for 2023E-24E and leave 2025E intact. We lower our assumptions for associated companies due to an easing of global animal fat prices. We expect Atria to maintain its 2023 dividend flat y/y and raise 2023-25 DPS by 7-8%. FX headwinds related to SEK have eased a little since our last update.

ESTIMATE REVISIONS AFTER THE Q3 REPORT (DPS IN EUR)

	New estimates				Old estimates				Difference %			
EURm	**Q1 2023E**	**2023E**	**2024E**	**2025E**	**Q1 2023E**	**2023E**	**2024E**	**2025E**	**Q1 2023E**	**2023E**	**2024E**	**2025E**
Sales	**403**	**1,702**	**1,734**	**1,775**	**n.a.**	**1,696**	**1,727**	**1,768**	**n.a.**	**0%**	**0%**	**0%**
Adj. EBIT	**4.5**	**48.5**	**55.1**	**59.7**	**n.a.**	**48.7**	**54.2**	**57.4**	**n.a.**	**0%**	**2%**	**4%**
Adj. EBIT margin	1.1%	2.8%	3.2%	3.4%	n.a.	2.9%	3.1%	3.2%	n.a.	0.0pp	0.0pp	0.1pp
Adj. EPS, EUR	**0.08**	**1.15**	**1.32**	**1.45**	**n.a.**	**1.21**	**1.35**	**1.45**	**n.a.**	**-5%**	**-2%**	**0%**
DPS		0.70	0.75	0.80		0.65	0.70	0.75		8%	7%	7%
Divisional sales EURm	**Q1 2023E**	**2023E**	**2024E**	**2025E**	**Q4 2022E**	**2023E**	**2024E**	**2025E**	**Q4 2022E**	**2023E**	**2024E**	**2025E**
Finland	304	1,280	1,299	n.a.	n.a.	1,279	1,298	n.a.	n.a.	0%	0%	n.a.
Sweden	79	344	355	n.a.	n.a.	342	352	n.a.	n.a.	1%	1%	n.a.
Denmark & Estonia	27	116	118	n.a.	n.a.	114	116	n.a.	n.a.	2%	2%	n.a.
Unallocated	0	0	0	n.a.	n.a.	0	0	n.a.	n.a.	nm.	nm.	n.a.
Group eliminations	-8	-38	-39	n.a.	n.a.	-39	-39	n.a.	n.a.	-2%	-2%	n.a.
Group	**403**	**1,702**	**1,734**	**n.a.**	**n.a.**	**1,696**	**1,727**	**n.a.**	**n.a.**	**0%**	**0%**	**n.a.**
Divisional adj. EBIT	**Q1 2023E**	**2023E**	**2024E**	**Q4 2022E**	**Q4 2022E**	**2023E**	**2024E**	**Q4 2022E**	**Q4 2022E**	**2023E**	**2024E**	**Q4 2022E**
Finland	6.0	45.2	48.6	n.a.	n.a.	42.0	46.0	n.a.	n.a.	8%	6%	n.a.
Sweden	-0.9	3.8	6.3	n.a.	n.a.	5.6	6.7	n.a.	n.a.	-32%	-7%	n.a.
Denmark & Estonia	0.3	3.7	4.5	n.a.	n.a.	4.3	4.7	n.a.	n.a.	-15%	-5%	n.a.
Unallocated	-1.0	-4.2	-4.3	n.a.	n.a.	-3.2	-3.3	n.a.	n.a.	31%	31%	n.a.
Group	**4.5**	**48.5**	**55.1**	**n.a.**	**n.a.**	**48.7**	**54.2**	**n.a.**	**n.a.**	**0%**	**2%**	**n.a.**
Divisional sales growth	**Q1 2023E**	**2023E**	**2024E**	**Q4 2022E**	**Q4 2022E**	**2023E**	**2024E**	**Q4 2022E**	**Q4 2022E**	**2023E**	**2024E**	**Q4 2022E**
Finland	11%	1%	1%	n.a.	n.a.	1%	1%	n.a.	n.a.	0.2pp	0.0pp	n.a.
Sweden	-4%	-3%	3%	n.a.	n.a.	-5%	3%	n.a.	n.a.	1.3pp	0.0pp	n.a.
Denmark & Estonia	5%	3%	2%	n.a.	n.a.	2%	2%	n.a.	n.a.	0.6pp	0.0pp	n.a.
Unallocated	n.m.	n.m.	n.m.	n.a.	n.a.	n.m.	n.m.	n.a.	n.a.	n.m.	n.m.	n.a.
Group eliminations	n.m.	n.m.	n.m.	n.a.	n.a.	n.m.	n.m.	n.a.	n.a.	n.m.	n.m.	n.a.
Group	**7%**	**0%**	**2%**	**n.a.**	**n.a.**	**0%**	**2%**	**n.a.**	**n.a.**	**0.5pp**	**0.0pp**	**n.a.**
EBIT margin	**Q1 2023E**	**2023E**	**2024E**	**Q4 2022E**	**Q4 2022E**	**2023E**	**2024E**	**Q4 2022E**	**Q4 2022E**	**2023E**	**2024E**	**Q4 2022E**
Finland	2.0%	3.5%	3.7%	n.a.	n.a.	3.3%	3.5%	n.a.	n.a.	0.3pp	0.2pp	n.a.
Sweden	-1.1%	1.1%	1.8%	n.a.	n.a.	1.6%	1.9%	n.a.	n.a.	-0.5pp	-0.1pp	n.a.
Denmark & Estonia	1.2%	3.2%	3.8%	n.a.	n.a.	3.8%	4.1%	n.a.	n.a.	-0.6pp	-0.2pp	n.a.
Unallocated	nm.	nm.	nm.	n.a.	n.a.	nm.	nm.	n.a.	n.a.	nm.	nm.	n.a.
Group	**1.1%**	**2.8%**	**3.2%**	**n.a.**	**n.a.**	**2.9%**	**3.1%**	**n.a.**	**n.a.**	**0.0pp**	**0.0pp**	**n.a.**

Source: Nordea estimates

Valuation

We derive a fair value range based on a combination of a DCF-based valuation and a relative multiples-based valuation. In our relative valuation, we compare Atria to companies that we consider its most relevant European peers using various metrics. Based on these methods, we derive a fair value range of EUR 12.4-15.1 (12.2-14.9) per share for Atria.

DCF valuation yields EUR 14.6-17.9 per share

The outcome of our DCF valuation is EUR 14.6-17.9 (13.6-16.6) per share. We use a WACC of 7.3-7.9%, assuming a terminal growth rate of 1.5% and an EBIT margin of 3%.

WACC COMPONENTS

WACC components	
Risk-free interest rate	3.0%
Market risk premium	4.0%
Equity beta	1.3-1.6
Cost of equity	8.3-9.5%
Cost of debt	4.0%
Tax-rate used in WACC	20%
Equity weight	75%
WACC	**7.0-7.9%**

Source: Nordea estimates

DCF VALUE (EURm AND EUR)

DCF value	**Value**	**Per share**
NPV FCFF	657-749	23.2-26.5
(Net debt)	-234	-8.3
Market value of associates	0	0.0
(Market value of minorities)	-15	-0.5
Surplus values	0	0.0
(Market value preference shares)	0	0.0
Share based adjustments	0	0.0
Other adjustments	0	0.0
Time value	6	0.2
DCF Value	**414-505**	**14.6-17.9**

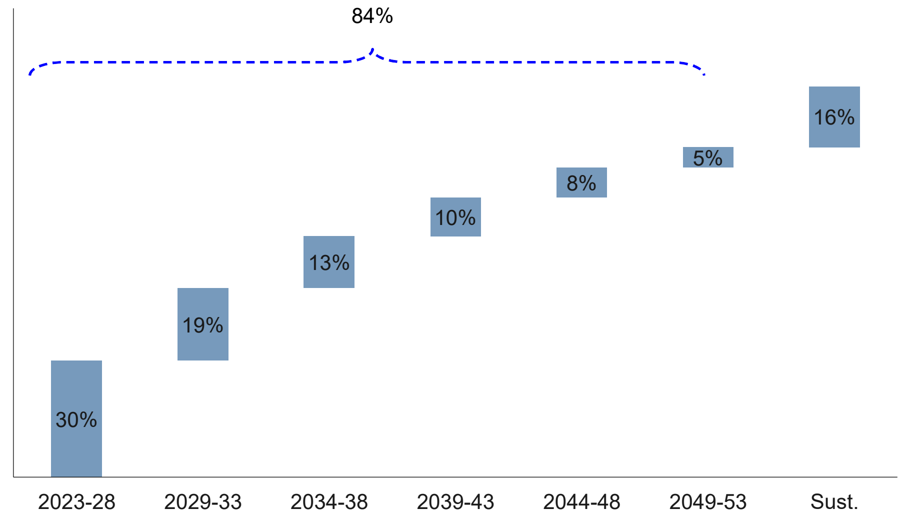
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	**2023-28**	**2029-33**	**2034-38**	**2039-43**	**2044-48**	**2049-53**	**Sust.**
Sales growth, CAGR	2.3%	1.5%	1.5%	1.5%	1.5%	1.5%	
EBIT-margin, excluding associate:	3.3%	3.0%	3.0%	3.0%	3.0%	2.7%	
Capex/depreciation, x	1.1	1.0	1.0	1.0	1.0	1.0	
Capex/sales	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
NWC/sales	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
FCFF, CAGR	87.6%	0.0%	1.5%	1.5%	1.5%	-0.8%	1.5%

Source: Nordea estimates

DCF VALUATION COMPOSITION



Source: Nordea estimates

DCF valuation sensitivity

To highlight the sensitivity of our DCF valuation, we also provide sensitivity matrices that model variations in revenue growth, margin assumptions and cost of capital. The sensitivities in our WACC are outlined in the following tables.

When we use sensitivities to changes of ±0.5 pp for WACC, ±0.5 pp for sales growth, and ±0.5 for the EBIT margin, our DCF model gives us a value range of EUR 12.6-20.4 per share.

SENSITIVITY OF OUR DCF MODEL (EUR)

Sensitivity analysis: WACC vs EBIT margin

		WACC				
		6.9%	7.1%	7.4%	7.6%	7.9%
EBIT marg. change	1.0pp	25.0	23.4	22.0	20.7	19.6
	0.5pp	21.7	20.4	19.1	18.0	17.0
	0.0pp	18.4	17.3	16.3	15.3	14.4
	-0.5pp	15.2	14.2	13.4	12.6	11.8
	-1.0pp	11.9	11.2	10.5	9.8	9.3

Sensitivity analysis: WACC vs Sales growth

		WACC				
		6.9%	7.1%	7.4%	7.6%	7.9%
Sales gr. change	1.0pp	21.0	19.6	18.4	17.3	16.3
	0.5pp	19.6	18.4	17.3	16.3	15.3
	0.0pp	18.4	17.3	16.3	15.3	14.4
	-0.5pp	17.3	16.3	15.3	14.4	13.6
	-1.0pp	16.3	15.3	14.4	13.6	12.8

Sensitivity analysis: Sales growth vs EBIT margin

		Sales growth change				
		-+1.0pp	-+0.5pp	+0.0pp	+0.5pp	+1.0pp
EBIT margin change	1.0pp	19.5	20.7	22.0	23.5	25.0
	0.5pp	17.0	18.0	19.1	20.4	21.7
	0.0pp	14.4	15.3	16.3	17.3	18.4
	-0.5pp	11.9	12.6	13.4	14.2	15.1
	-1.0pp	9.3	9.9	10.5	11.1	11.8

Source: Nordea estimates

Relative valuation versus European peers

We compare Atria to European food processing peers that we find relevant for the company. We derive an EV/EBIT valuation range of EUR 11.5-14.1 by taking 2023E adjusted EBIT of EUR 48.7m, multiplying it by the accepted multiple range of 11.3-12.7x and deducting our 2022 net debt assumption of EUR 222m (including IFRS 16 lease liabilities). Similarly, we derive a P/E valuation range of EUR 11.4-14.0 by taking 2023E adjusted EPS of EUR 1.21 and multiplying it by an accepted multiple range of 9.5-11.6x.

PEER GROUP VALUATION MULTIPLES

		Price	Mcap	EV	EV/EBIT				P/E				Div yield %	
European peers	**Country**	**Local**	**EURm**	**EURm**	**2021**	**2022E**	**2023E**	**2024E**	**2021**	**2022E**	**2023E**	**2024E**	**2022E**	**2023E**
Apetit Oyj	Finland	11.0	70	57	20.4	15.4	11.4	9.5	28.2	21.2	15.3	14.9	4.5%	5.0%
Bell Food Group Ag	Switzerland	244.5	1,556	2,309	14.6	14.0	13.9	13.7	10.4	10.1	11.1	11.1	2.9%	3.1%
Cranswick Plc	UK	2,988.0	1,811	1,967	12.3	12.1	11.7	11.0	14.4	14.4	14.7	14.0	2.6%	2.7%
Hkscan Oyj	Finland	0.8	73	445	30.5		26.2	17.8				26.0	0.0%	0.0%
Raisio Oyj	Finland	2.6	416	371	15.4	22.2	15.1	13.2	18.9	41.4	20.9	18.6	5.4%	5.4%
Scandi Standard Ab (Publ)	Sweden	51.5	309	489	23.2	18.3	12.3	11.9	32.9	24.8	13.2	12.7	2.2%	3.3%
Societe Ldc Sa	France	111.0	1,964	1,768	8.5	7.0	6.5	6.2	12.1	9.9	9.3	9.0	1.9%	2.0%
Ter Beke Nv	Belgium	80.2	147	223	9.8		31.8	13.9	13.8	61.7	45.3	13.8	5.0%	5.3%
Average			793	954	16.8	14.8	16.1	12.2	18.7	26.2	18.5	15.0	3.1%	3.3%
Median			362	467	15.0	14.7	13.1	12.6	14.4	21.2	14.7	13.9	2.7%	3.2%
Atria (NDA)		**10.9**	**308**	**460**	**9.3**	**10.1**	**11.6**	**10.2**	**11.9**	**6.0**	**9.5**	**8.3**	**7.6%**	**6.4%**

Source: Refinitiv and Nordea estimates (as of market close on 21 February)

PEER GROUP KEY FIGURES

	Sales growth				EBIT margin				ROE			
European peers	**2021**	**2022E**	**2023E**	**2024E**	**2021**	**2022E**	**2023E**	**2024E**	**2021**	**2022E**	**2023E**	**2024E**
Apetit Oyj	-3.1%	-36.0%	4.5%	2.1%	1.0%	2.0%	2.6%	3.1%	2.5%	3.3%	4.7%	4.8%
Bell Food Group Ag	4.4%	13.2%	2.9%	1.5%	4.1%	3.7%	3.7%	3.6%	9.2%	8.9%	8.0%	7.5%
Cranswick Plc	10.9%	7.7%	5.0%	3.7%	6.9%	6.5%	6.4%	6.5%	14.2%	13.5%	12.5%	11.8%
Hkscan Oyj	1.9%	8.9%	-5.0%		0.8%	0.0%	0.9%	1.3%	-0.2%	-3.1%	-0.9%	0.9%
Raisio Oyj	5.5%	-9.7%	5.5%	5.1%	9.8%	7.5%	10.4%	11.3%	7.6%	4.6%	7.0%	8.6%
Scandi Standard Ab (Pul	2.5%	14.3%	3.7%	2.8%	2.1%	2.4%	3.4%	3.4%	5.4%	6.2%	10.3%	10.3%
Societe Ldc Sa	12.1%	15.1%	6.1%	3.4%	4.2%	4.4%	4.5%	4.5%	10.1%	10.9%	10.4%	10.1%
Ter Beke Nv	-2.9%	6.8%	24.6%		3.3%	0.7%	0.8%	1.5%	6.3%	3.6%	3.9%	8.8%
Average	3.9%	2.6%	5.9%	3.1%	4.0%	3.4%	4.1%	4.4%	6.9%	6.0%	7.0%	7.8%
Median	3.5%	8.3%	4.7%	3.1%	3.7%	3.1%	3.5%	3.5%	6.9%	5.4%	7.5%	8.7%
Atria (NDA)	**2.4%**	**10.2%**	**0.3%**	**1.8%**	**3.2%**	**2.9%**	**2.8%**	**3.2%**	**-1.6%**	**-1.2%**	**7.1%**	**7.9%**

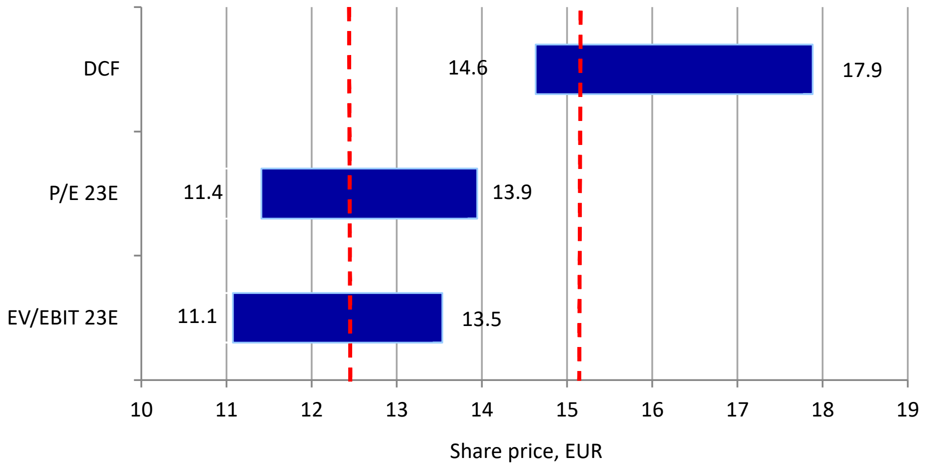
Source: Refinitiv and Nordea estimates (as of market close 21 February)

Valuation conclusion

From our DCF-based valuation and a relative multiples-based valuation, we derive a fair value range of EUR 12.4-15.1 (12.2-14.9) per Atria share, as shown by the red dotted lines in the chart below.

Fair value range of EUR 12.4-15.1

VALUATION (EUR)



Source: Nordea estimates

Detailed estimates

ANNUAL ESTIMATES (EURm)

Income statement (EURm)	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Sales	1,340	1,352	1,436	1,439	1,451	1,504	1,540	1,697	1,702	1,734	1,775
- sales growth	-6.0%	0.9%	6.2%	0.2%	0.9%	3.6%	2.4%	10.2%	0.3%	1.8%	2.4%
Gross profit	**163**	**164**	**173**	**153**	**163**	**166**	**177**	**169**	**175**	**187**	**193**
- margin	12.2%	12.2%	12.1%	10.6%	11.2%	11.1%	11.5%	9.9%	10.3%	10.8%	10.9%
EBITDA	**76**	**79**	**87**	**74**	**85**	**96**	**64**	**104**	**100**	**110**	**127**
- margin	5.6%	5.8%	6.1%	5.1%	5.9%	6.4%	4.1%	6.1%	5.9%	6.4%	7.2%
D&A	-47	-47	-46	-45	-54	-57	-57	-104	-52	-55	-67
EBIT reported	28.9	31.8	40.9	28.2	31.1	39.5	6.4	0.2	48.5	55.1	59.7
Adj. EBIT	**36.1**	**31.2**	**39.6**	**28.2**	**33.0**	**40.3**	**49.2**	**49.0**	**48.5**	**55.1**	**59.7**
- margin	2.7%	2.3%	2.8%	2.0%	2.3%	2.7%	3.2%	2.9%	2.8%	3.2%	3.4%
Net finance	-9	-6	-7	-6	-6	-5	-5	-3	-7	-7	-7
Associated companies	0	1	2	0	1	1	3	5	2	2	2
Adj. PTP	**27.3**	**25.7**	**34.1**	**22.3**	**28.2**	**36.1**	**47.6**	**50.6**	**43.8**	**50.2**	**55.3**
Taxes	-5.5	-6.6	-7.1	-4.5	-9.2	-12.6	-10.2	-5.5	-8.8	-10.0	-11.1
Profit before minorities	**14.6**	**19.6**	**28.4**	**17.8**	**17.0**	**23.5**	**-5.4**	**-3.7**	**35.0**	**40.1**	**44.2**
Minorities	-0.8	-1.4	-2.5	-1.4	-1.9	-1.8	-1.5	-1.5	-2.5	-2.8	-3.1
Adj. Net Profit	**21.0**	**17.8**	**24.5**	**16.5**	**17.0**	**25.8**	**27.4**	**43.6**	**32.6**	**37.3**	**41.1**
EPS, excluding NRI (EUR)	**0.74**	**0.63**	**0.87**	**0.59**	**0.60**	**0.91**	**0.97**	**1.54**	**1.15**	**1.32**	**1.45**
Divisional sales EURm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Finland	929	932	986	1,019	1,034	1,066	1,106	1,265	1,280	1,299	1,332
Sweden			307	288	289	332	352	356	344	355	362
Denmark & Estonia			99	98	97	107	105	113	116	118	120
Unallocated	75	72	86	75	74	52	15	0	0	0	0
Group eliminations	-27	-30	-42	-41	-42	-53	-37	-38	-38	-39	-39
Group	**1,340**	**1,352**	**1,436**	**1,439**	**1,451**	**1,504**	**1,540**	**1,697**	**1,702**	**1,734**	**1,775**
Divisional operative EBIT	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Finland	29.8	24.2	36.3	36.7	40.0	43.1	48.1	49.4	45.2	48.6	52.3
Sweden			1.0	-7.1	-4.6	0.8	2.7	2.3	3.8	6.3	7.0
Denmark & Estonia			5.2	5.3	4.3	5.2	5.1	1.3	3.7	4.5	4.7
Unallocated	-4.5	-0.9	-3.8	-2.7	-3.1	-8.8	-6.9	-4.0	-4.2	-4.3	-4.4
Group	**36.1**	**31.4**	**39.5**	**28.2**	**33.1**	**39.5**	**49.2**	**49.0**	**48.5**	**55.1**	**59.7**
Divisional sales growth	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Finland	-2%	0%	6%	3%	1%	3%	4%	14%	1%	1%	2%
Sweden			n.a.	-6%	0%	15%	6%	1%	-3%	3%	2%
Denmark & Estonia			n.a.	-1%	-1%	11%	-2%	8%	3%	2%	2%
Unallocated	-24%	-4%	19%	-12%	-2%	-30%	-72%	n.m.	n.m.	n.m.	n.m.
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	**-6%**	**1%**	**6%**	**0%**	**1%**	**4%**	**2%**	**10%**	**0%**	**2%**	**2%**
EBIT margin	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Finland	3.2%	2.6%	3.7%	3.6%	3.9%	4.0%	4.4%	3.9%	3.5%	3.7%	3.9%
Sweden			0.3%	-2.5%	-1.6%	0.2%	0.8%	0.6%	1.1%	1.8%	1.9%
Denmark & Estonia			5.3%	5.4%	4.5%	4.9%	4.9%	1.2%	3.2%	3.8%	3.9%
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	**2.7%**	**2.3%**	**2.8%**	**2.0%**	**2.3%**	**2.6%**	**3.2%**	**2.9%**	**2.8%**	**3.2%**	**3.4%**

Source: Company data and Nordea estimates

QUARTERLY ESTIMATES (EURm)

Income statement (EURm)	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23E	Q2/23E	Q3/23E	Q4/23E
Sales	361	387	388	403	375	432	439	451	403	436	426	437
- sales growth	1.3%	5.7%	1.4%	1.2%	3.7%	11.5%	13.1%	11.8%	7.5%	1.0%	-2.8%	-3.2%
Gross profit	**38.1**	**45.4**	**48.7**	**43.9**	**31.6**	**46.5**	**41.9**	**48.7**	**39.1**	**45.4**	**44.3**	**46.5**
- margin	10.5%	11.7%	12.6%	10.9%	8.4%	10.8%	9.5%	10.8%	9.7%	10.4%	10.4%	10.7%
EBITDA	**21.9**	**-18.7**	**33.5**	**26.6**	**15.8**	**28.9**	**29.4**	**30.0**	**17.4**	**25.3**	**27.8**	**29.7**
- margin	6.1%	-4.8%	8.6%	6.6%	4.2%	6.7%	6.7%	6.6%	4.3%	5.8%	6.5%	6.8%
D&A	-15	-14	-14	-14	-14	-13	-13	-65	-13	-13	-13	-13
EBIT reported	6.5	-32.6	19.7	12.6	2.3	15.9	16.5	-34.5	4.5	12.4	14.9	16.7
Adj. EBIT	**6.5**	**12.5**	**19.7**	**10.3**	**2.3**	**13.8**	**16.2**	**16.7**	**4.5**	**12.4**	**14.9**	**16.7**
- margin	1.8%	3.2%	5.1%	2.6%	0.6%	3.2%	3.7%	3.7%	1.1%	2.8%	3.5%	3.8%
Net finance	-2.3	-0.4	-1.4	-0.9	-0.9	-0.7	-0.3	-1.5	-1.5	-1.6	-1.7	-1.9
Associated companies	0.8	1.1	1.0	0.6	1.4	2.1	2.2	-0.8	0.5	0.5	0.5	0.5
Adj. PTP	5.0	13.2	19.3	10.0	2.9	15.2	18.1	14.4	3.5	11.3	13.7	15.3
Taxes	-0.9	-2.9	-4.2	-2.2	-0.2	-3.1	-2.4	0.2	-0.7	-2.3	-2.7	-3.1
Profit before minorities	**4.1**	**-34.8**	**15.1**	**10.2**	**2.7**	**14.2**	**16.0**	**-36.6**	**2.8**	**9.0**	**11.0**	**12.2**
Minorities	-0.4	-0.3	-0.4	-0.5	-0.2	-0.6	0.5	-1.2	-0.6	-0.6	-0.6	-0.7
Adj. Net Profit	**3.7**	**10.0**	**14.7**	**7.3**	**2.5**	**11.5**	**16.2**	**13.4**	**2.2**	**8.4**	**10.4**	**11.6**
EPS, excluding NRI (EUR)	**0.13**	**0.35**	**0.52**	**0.26**	**0.09**	**0.41**	**0.57**	**0.47**	**0.08**	**0.30**	**0.37**	**0.41**
Divisional sales EURm	**Q1/21**	**Q2/21**	**Q3/21**	**Q4/21**	**Q1/22**	**Q2/22**	**Q3/22**	**Q4/22**	**Q1/23E**	**Q2/23E**	**Q3/23E**	**Q4/23E**
Finland	260	278	275	293	274	320	327	344	304	327	317	331
Sweden	77	88	94	93	82	95	93	86	79	91	89	85
Denmark & Estonia	25	27	27	26	26	28	29	29	27	29	30	30
Unallocated	10	5	0	0	0	0	0	0	0	0	0	0
Group eliminations	-10	-10	-8	-9	-8	-11	-10	-9	-8	-11	-10	-9
Group	**361**	**387**	**388**	**403**	**375**	**432**	**439**	**451**	**403**	**436**	**426**	**437**
Divisional operative EBIT	**Q1/21**	**Q2/21**	**Q3/21**	**Q4/21**	**Q1/22**	**Q2/22**	**Q3/22**	**Q4/22**	**Q1/23E**	**Q2/23E**	**Q3/23E**	**Q4/23E**
Finland	9.8	11.3	16.4	10.6	3.0	13.4	12.7	20.3	6.0	12.1	11.9	15.2
Sweden	-1.2	0.3	3.0	0.6	-0.9	0.7	3.4	-0.9	-0.9	0.7	2.9	1.1
Denmark & Estonia	1.9	2.0	1.2	0.0	0.8	0.7	0.7	-0.9	0.3	0.6	1.1	1.6
Unallocated	-4.0	-1.1	-0.9	-0.9	-0.6	-1.0	-0.6	-1.8	-1.0	-1.0	-1.0	-1.2
Group	**6.5**	**12.5**	**19.7**	**10.3**	**2.3**	**13.8**	**16.2**	**16.7**	**4.5**	**12.4**	**14.9**	**16.7**
Divisional sales growth	**Q1/21**	**Q2/21**	**Q3/21**	**Q4/21**	**Q1/22**	**Q2/22**	**Q3/22**	**Q4/22**	**Q1/23E**	**Q2/23E**	**Q3/23E**	**Q4/23E**
Finland	3%	6%	3%	3%	5%	15%	19%	17%	11%	2%	-3%	-4%
Sweden	-2%	12%	4%	9%	7%	8%	-2%	-7%	-4%	-4%	-4%	-2%
Denmark & Estonia	-8%	-1%	1%	-1%	6%	6%	7%	11%	5%	2%	2%	2%
Unallocated	-27%	-55%	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	**1%**	**6%**	**1%**	**1%**	**4%**	**12%**	**13%**	**12%**	**7%**	**1%**	**-3%**	**-3%**
EBIT margin	**Q1/21**	**Q2/21**	**Q3/21**	**Q4/21**	**Q1/22**	**Q2/22**	**Q3/22**	**Q4/22**	**Q1/23E**	**Q2/23E**	**Q3/23E**	**Q4/23E**
Finland	3.8%	4.1%	6.0%	3.6%	1.1%	4.2%	3.9%	5.9%	2.0%	3.7%	3.7%	4.6%
Sweden	-1.6%	0.3%	3.2%	0.6%	-1.1%	0.7%	3.7%	-1.0%	-1.1%	0.7%	3.3%	1.3%
Denmark & Estonia	7.8%	7.5%	4.4%	0.0%	3.1%	2.5%	2.4%	-3.1%	1.2%	2.2%	3.8%	5.2%
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	**1.8%**	**3.2%**	**5.1%**	**2.6%**	**0.6%**	**3.2%**	**3.7%**	**3.7%**	**1.1%**	**2.8%**	**3.5%**	**3.8%**

Source: Company data and Nordea estimates

Risk factors

In this section, we highlight the main risks that we find relevant for Atria. We list risks according to their relevance, with the most relevant on top. The following is not an exhaustive list but rather our view of some key risks for the company.

Increasing raw material prices
Atria's profitability depends on changes in global market prices for meat raw materials, which affect Atria with a lag. As Atria and other meat processing companies are in the middle of the value chain, it might be difficult to fully implement the product price hikes needed to protect EBIT margins in the event of elevated meat raw material prices. The annual harvest might have indirect impacts on meat raw material prices. In addition, the current geopolitical tensions could have a negative impact on the availability of e.g. fertilisers, which could increase grain prices and hence meat raw material prices even further.

Changes in customer demand
Atria's key market areas of retail trade are highly centralised, making it dependent on individual customers. Shifts in consumer demand could thus affect Atria's margins.

Outbreak of animal diseases
Animal disease discovered at a critical point in Atria's production chain could interrupt production in the unit concerned and disrupt operations throughout the chain. The development of African swine fever (ASF) may cause similar restrictions and government guidance pressure, much as avian influenza did in Sweden in H2 2017. Diseases may even lead to import and export restrictions on meat products. The latest outbreak of ASF in Germany put pressure on prices there owing to restrictions on exports to China. An outbreak of animal diseases in Atria's operating countries could have a substantial effect on its sales.

Changes in consumer demand
In the long term, consumer behaviour may change the pattern of demand for Atria's products across different categories. As a result, shifts in consumer demand could affect Atria's net sales and eventually its margins.

Operational disturbances
Atria has production plants in Finland, Sweden, Denmark and Estonia. Its operations are process-centric and disturbances in a critical part of the process could result in the suspension of plant operations.

Product safety issues
As a food manufacturing company, Atria is exposed to internal and external quality and safety issues throughout the production chain. Product safety issues may hamper Atria's reputation as a quality producer.

Financial risks
The key financial risks are translation, transaction and refinancing risks. Atria's main transaction and translation risks are in its Swedish operations. In addition, given the sharp increase in interest rates, we note risks related to possible writedowns of accounts receivable if e.g. foodservice customers were to face liquidity issues

Increasing competition from foreign products
Atria primarily uses domestic meat raw materials, and domestic customers demand mostly domestic meat products. In a scenario with changes in demand and foreign competitors entering the market, increased competition could affect profitability.

Reported numbers and forecasts

INCOME STATEMENT

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	**1,340**	**1,352**	**1,436**	**1,439**	**1,451**	**1,504**	**1,540**	**1,697**	**1,702**	**1,734**	**1,775**
Revenue growth	-6.0%	0.9%	6.2%	0.2%	0.9%	3.6%	2.4%	10.2%	0.3%	1.8%	2.4%
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	68	79	87	74	85	96	64	104	100	110	127
Depreciation and impairments PPE	-47	-47	-46	-45	-54	-57	-57	-104	-52	-55	-67
of which leased assets	0	0	0	0	-9	-9	-9	-16	-8	-9	-9
EBITA	22	32	41	28	31	40	6	0	48	55	60
Amortisation and impairments	7	0	0	0	0	0	0	0	0	0	0
EBIT	29	32	41	28	31	40	6	0	48	55	60
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	1	2	0	1	1	3	5	2	2	2
Net financials	-9	-6	-7	-6	-6	-5	-5	-3	-7	-7	-7
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	**20**	**26**	**36**	**22**	**26**	**36**	**5**	**2**	**44**	**50**	**55**
Reported taxes	-5	-7	-7	-5	-9	-13	-10	-6	-9	-10	-11
Net profit from continued operations	15	20	28	18	17	24	-5	-4	35	40	44
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	-1	-1	-3	-1	-2	-2	-2	-2	-2	-3	-3
Net profit to equity	14	18	26	17	15	22	-7	-5	33	37	41
EPS, EUR	**0.49**	**0.65**	**0.92**	**0.59**	**0.53**	**0.77**	**-0.24**	**-0.19**	**1.15**	**1.32**	**1.45**
DPS, EUR	0.40	0.46	0.50	0.40	0.42	0.50	0.63	0.70	0.70	0.75	0.80
of which ordinary	0.40	0.46	0.50	0.40	0.42	0.50	0.63	0.70	0.70	0.75	0.80
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	5.1%	5.8%	6.1%	5.1%	5.9%	6.4%	4.1%	6.1%	5.9%	6.4%	7.2%
EBITA	1.6%	2.3%	2.8%	2.0%	2.1%	2.6%	0.4%	0.0%	2.8%	3.2%	3.4%
EBIT	2.2%	2.3%	2.8%	2.0%	2.1%	2.6%	0.4%	0.0%	2.8%	3.2%	3.4%
Adjusted earnings											
EBITDA (adj)	76	78	86	74	87	96	106	153	100	110	127
EBITA (adj)	29	31	40	28	33	40	49	49	48	55	60
EBIT (adj)	36	31	40	28	33	40	49	49	48	55	60
EPS (adj, EUR)	0.74	0.63	0.87	0.59	0.60	0.91	0.97	1.54	1.15	1.32	1.45
Adjusted profit margins in percent											
EBITDA (adj)	5.6%	5.8%	6.0%	5.1%	6.0%	6.4%	6.9%	9.0%	5.9%	6.4%	7.2%
EBITA (adj)	2.2%	2.3%	2.8%	2.0%	2.3%	2.6%	3.2%	2.9%	2.8%	3.2%	3.4%
EBIT (adj)	2.7%	2.3%	2.8%	2.0%	2.3%	2.6%	3.2%	2.9%	2.8%	3.2%	3.4%
Performance metrics											
CAGR last 5 years											
Net revenue	0.6%	0.8%	1.3%	0.4%	0.4%	2.3%	2.6%	3.4%	3.4%	3.6%	3.4%
EBITDA	2.5%	7.2%	1.8%	-6.2%	-1.0%	7.1%	-4.2%	3.7%	6.4%	5.3%	5.7%
EBIT	24.3%	31.9%	6.2%	7.4%	-5.2%	6.4%	-27.4%	-65.5%	11.4%	12.1%	8.6%
EPS	n.m.	n.m.	21.3%	n.m.	-10.6%	9.4%	n.m.	n.m.	14.5%	20.0%	13.6%
DPS	9.9%	18.1%	17.8%	12.7%	1.0%	4.6%	6.5%	7.0%	11.8%	12.3%	9.9%
Average last 5 years											
Average EBIT margin	1.9%	2.2%	2.3%	2.4%	2.3%	2.4%	2.0%	1.4%	1.6%	1.8%	2.0%
Average EBITDA margin	5.8%	6.1%	6.1%	5.7%	5.6%	5.9%	5.5%	5.5%	5.7%	5.8%	6.0%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E (adj)	12.2	18.2	13.9	11.2	16.7	10.8	11.9	6.0	9.9	8.6	7.8
EV/EBITDA (adj)	5.8	7.0	6.6	5.7	6.0	5.0	4.6	3.3	5.9	5.4	4.5
EV/EBITA (adj)	15.2	17.5	14.3	14.9	15.7	12.3	10.0	10.4	12.3	10.8	9.5
EV/EBIT (adj)	12.2	17.5	14.3	14.9	15.7	12.3	10.0	10.4	12.3	10.8	9.5

VALUATION RATIOS - REPORTED EARNINGS

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E	18.5	17.8	13.2	11.2	18.9	12.8	n.m.	n.m.	9.9	8.6	7.8
EV/Sales	0.33	0.41	0.39	0.29	0.36	0.32	0.32	0.30	0.35	0.34	0.32
EV/EBITDA	6.4	7.0	6.5	5.7	6.1	5.0	7.7	4.9	5.9	5.4	4.5
EV/EBITA	20.3	17.3	13.8	14.9	16.8	12.3	76.6	2,554.2	12.3	10.8	9.5
EV/EBIT	15.2	17.3	13.8	14.9	16.8	12.3	76.6	2,554.2	12.3	10.8	9.5
Dividend yield (ord.)	4.4%	4.0%	4.1%	6.1%	4.2%	5.1%	5.5%	7.6%	6.1%	6.6%	7.0%
FCF yield	26.8%	-0.8%	5.6%	1.0%	17.1%	20.8%	19.2%	-18.6%	1.7%	9.4%	19.2%
FCF Yield bef A&D, lease adj	15.9%	6.9%	3.3%	1.5%	14.0%	18.9%	7.2%	-33.8%	-0.8%	6.8%	16.6%
Payout ratio	53.7%	72.8%	57.6%	68.3%	69.8%	54.8%	64.9%	45.4%	60.7%	56.8%	55.0%

Source: Company data and Nordea estimates

BALANCE SHEET											
EURm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Intangible assets	237	263	256	249	246	249	240	179	179	179	179
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	79	94	89	87	85	84	78	54	54	54	54
of which goodwill	158	170	167	163	161	165	163	125	125	125	125
Tangible assets	395	405	409	401	423	421	400	490	542	566	564
of which leased assets	0	0	0	0	30	25	14	22	21	21	21
Shares associates	13	14	15	15	15	15	17	20	22	24	26
Interest bearing assets	1	1	1	1	1	1	1	1	1	1	1
Deferred tax assets	7	7	6	5	4	2	2	1	1	1	1
Other non-IB non-current assets	11	11	9	10	5	5	6	18	18	18	18
Other non-current assets	0	0	0	0	0	0	0	0	0	0	0
Total non-current assets	665	701	696	681	694	692	667	709	763	789	789
Inventory	81	90	93	106	110	103	110	153	136	130	124
Accounts receivable	101	109	114	105	107	106	108	135	136	138	142
Short-term leased assets	0	0	0	0	9	9	16	8	9	9	9
Other current assets	4	5	4	3	4	4	4	4	4	4	4
Cash and bank	4	5	3	4	4	27	57	31	38	51	53
Total current assets	190	208	214	219	235	248	295	331	323	332	331
Assets held for sale	0	0	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**855**	**909**	**910**	**900**	**929**	**940**	**961**	**1,040**	**1,086**	**1,121**	**1,120**
Shareholders equity	400	410	419	415	420	423	455	449	462	480	500
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	5	12	12	13	14	16	13	15	17	20	23
Total Equity	405	422	431	428	434	439	468	464	480	500	523
Deferred tax	45	49	47	43	41	39	37	36	36	36	36
Long term interest bearing debt	156	178	122	153	141	139	176	232	262	272	242
Pension provisions	7	7	6	6	7	7	7	5	5	5	5
Other long-term provisions	0	0	0	0	1	0	0	1	1	1	1
Other long-term liabilities	6	11	8	7	7	2	3	7	7	7	7
Non-current lease debt	0	0	0	0	25	25	21	21	22	22	22
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	214	245	184	209	221	212	245	302	333	343	313
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	192	200	202	188	211	234	237	261	262	267	273
Current lease debt	0	0	0	0	9	10	10	10	9	9	9
Other current liabilities	0	3	1	0	0	0	0	0	0	0	0
Short term interest bearing debt	44	40	92	75	54	45	3	3	3	3	3
Total current liabilities	236	242	295	262	274	289	249	274	273	278	284
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**855**	**909**	**910**	**900**	**929**	**940**	**961**	**1,040**	**1,086**	**1,121**	**1,120**
Balance sheet and debt metrics											
Net debt	194	212	210	222	223	190	152	234	256	254	222
of which lease debt	0	0	0	0	34	34	31	31	31	31	31
Working capital	-6	1	7	27	10	-21	-15	31	14	6	-3
Invested capital	659	703	703	708	705	670	651	740	777	795	786
Capital employed	604	640	645	656	663	657	678	730	775	806	799
ROE	3.4%	4.5%	6.2%	4.0%	3.6%	5.2%	-1.6%	-1.2%	7.1%	7.9%	8.4%
ROIC	4.4%	3.8%	4.8%	3.3%	3.8%	4.8%	6.5%	6.3%	5.4%	5.9%	6.3%
ROCE	5.8%	5.1%	6.4%	4.4%	5.1%	6.2%	7.9%	7.7%	6.7%	7.2%	7.7%
Net debt/EBITDA	2.8	2.7	2.4	3.0	2.6	2.0	2.4	2.2	2.6	2.3	1.7
Interest coverage	3.1	5.0	5.6	4.5	5.6	8.8	1.3	0.1	7.3	7.9	9.2
Equity ratio	46.8%	45.1%	46.0%	46.2%	45.2%	45.0%	47.3%	43.2%	42.6%	42.8%	44.6%
Net gearing	48.0%	50.3%	48.7%	51.9%	51.3%	43.4%	32.5%	50.3%	53.5%	50.9%	42.5%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
EURm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
EBITDA (adj) for associates	**68**	**79**	**87**	**74**	**85**	**96**	**64**	**104**	**100**	**110**	**127**
Paid taxes	-4	-6	-10	-1	-9	-9	-15	-7	-9	-10	-11
Net financials	-9	-4	-8	-6	-6	-5	-2	-3	-7	-7	-7
Change in provisions	-1	0	-1	0	1	0	-1	-1	0	0	0
Change in other LT non-IB	-1	5	1	0	5	-2	-1	-7	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	61	-16	-10	-6	-6	-10	50	15	0	0	0
Funds from operations (FFO)	**115**	**58**	**59**	**60**	**71**	**71**	**94**	**100**	**85**	**93**	**110**
Change in NWC	-24	7	6	-13	17	31	-6	-46	17	8	9
Cash flow from operations (CFO)	**91**	**65**	**65**	**47**	**89**	**102**	**88**	**54**	**102**	**102**	**118**
Capital expenditure	-50	-43	-53	-45	-40	-41	-56	-126	-96	-71	-56
Free cash flow before A&D	**40**	**22**	**11**	**3**	**48**	**61**	**32**	**-73**	**5**	**30**	**62**
Proceeds from sale of assets	33	6	8	-1	0	0	30	28	0	0	0
Acquisitions	-5	-30	0	0	0	-3	0	-4	0	0	0
Free cash flow	68	-2	19	2	48	58	63	-49	5	30	62
Free cash flow bef A&D, lease adj	40	22	11	3	40	53	24	-89	-3	22	53
Dividends paid	-11	-11	-13	-15	-12	-12	-15	-19	-20	-20	-21
Equity issues / buybacks	0	0	0	0	0	0	0	0	0	0	0
Net change in debt	-55	15	-3	13	-40	-13	-5	48	30	10	-30
Other financing adjustments	0	0	0	0	0	-9	-10	-9	-8	-9	-9
Other non-cash adjustments	-2	-1	-4	1	4	-2	-3	2	0	0	0
Change in cash	1	0	-1	1	0	22	31	-26	7	12	2
Cash flow metrics											
Capex/D&A	n.m.	90.9%	n.m.	98.0%	73.8%	72.0%	97.7%	n.m.	n.m.	n.m.	n.m.
Capex/Sales	3.7%	3.2%	3.7%	3.1%	2.8%	2.7%	3.6%	7.4%	5.7%	4.1%	3.2%
Key information											
Share price year end (/current)	9	11	12	7	10	10	12	9	11	11	11
Market cap.	255	324	341	185	284	278	326	262	322	322	322
Enterprise value	441	548	563	420	521	485	490	511	596	597	568
Diluted no. of shares, year-end (m)	28.2	28.2	28.2	28.2	28.3	28.3	28.3	28.3	28.3	28.3	28.3

Source: Company data and Nordea estimates

Disclaimer and legal disclosures

Origin of the report
This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their units Nordea Markets and Equity Sales & Research.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

Content of report
This report has been prepared solely by Nordea Markets or Equity Sales & Research.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

Validity of the report
All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

No individual investment or tax advice
The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets or Equity Sales & Research as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

Sources
This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' or Equity Sales & Research analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets or Equity Sales & Research ("External Information"), Nordea Markets or Equity Sales & Research has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

Limitation of liability
Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

Risk information
The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

Conflicts of interest
Readers of this document should note that Nordea Markets or Equity Sales & Research has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report.

Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets and Equity Sales & Research are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at www.nordea.com/mifid.
Please find a list of all recommendations disseminated by Nordea Equities during the preceding 12-month period here: https://research.nordea.com/compliance

Distribution restrictions
The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US or to customers in any other jurisdiction where restrictions may apply.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request.

Nordea Bank Abp (“Nordea”) research is not “globally branded” research. Nordea research reports are intended for distribution in the United States solely to “major U.S. institutional investors,” as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Any transactions in securities discussed within the research reports will be chaperoned by Nordea Securities LLC (“Nordea Securities”), an affiliate of Nordea and a SEC registered broker dealer and member of FINRA. Nordea Securities does not employ research analysts and has no contractual relationship with Nordea that is reasonably likely to inform the content of Nordea research reports. Nordea makes all research content determinations without any input from Nordea Securities.

The research analyst(s) named on this report are not registered/qualified as research analysts with FINRA. Such research analyst(s) are also not registered with Nordea Securities and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Analyst Shareholding
Nordea analysts do not hold shares in the companies that they cover.
No holdings or other affiliations by analysts or associates.

Fair value and sensitivity
We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.
It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

Marketing Material
This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

Market-making obligations and other significant financial interest
Nordea has no market-making obligations in Atria shares.

As of 22/02/2023, Nordea Abp holds no positions of 0.5% or more of shares issued by Atria.

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

Investment banking transactions
In view of Nordea’s position in its markets readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking services to the company/companies

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

Completion Date

23 Feb 2023, 01:06 CET

Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea IB & Equity Division, Equity Research Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	**Nordea IB & Equity Division, Equity Research** Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	**Nordea IB & Equity Division, EquityResearch** Visiting address: Grønjordsvej 10 DK-2300 Copenhagen S Denmark	**Nordea IB & Equity Division, Equity Research** Visiting address: Essendropsgate 7 N-0107 Oslo Norway
Tel: +358 9 1651 Fax: +358 9 165 59710	Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Tel: +45 3333 3333 Fax: +45 3333 1520	Tel: +47 2248 5000 Fax: +47 2256 8650
Reg.no. 2858394-9 Satamaradankatu 5 Helsinki			