Elanders

Consumer Goods
Sweden

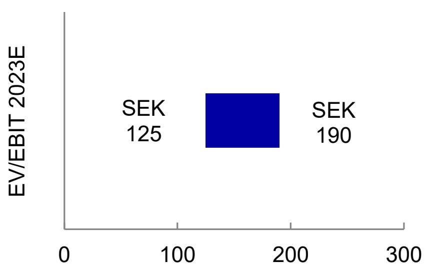
KEY DATA

Stock country	Sweden
Bloomberg	ELANB SS
Reuters	ELANb.ST
Share price (close)	SEK 120.8
Free float	50%
Market cap. (bn)	EUR 0.36/SEK 4.27
Website	www.elanders.com
Next report date	12 Jul 2023

PERFORMANCE

Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-1%	-1%	-1%
EBIT (adj)	-3%	-3%	-2%

Source: Nordea estimates

Nordea IB & Equity - Analysts
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Associate Director

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Analyst

Mixed Q2 print coming off the press

We lower adjusted EBIT by 2-3% for 2023E-25E ahead of Elanders' Q2 report – a quarter in which we expect weak demand in Electronics in EMEA and APAC to continue, and believe there will be somewhat softer demand from Fashion in the US. Along with lower freight forwarding volumes, we expect the top line in Supply Chain Solutions to be burdened. Despite ~50% y/y adjusted EBIT growth in Print & Packaging solutions amid better cost control and easier comps, we expect flat EBIT growth for the group. We lower our multiples-based fair value range to SEK 125-190 (142-207), implying a valuation range of ~13-16x EV/EBIT for 2023E.

We expect y/y flat EBIT for Q2

We expect a decent Q2 report from Elanders (12 July), with group sales of SEK 3,632m, 3% y/y (of which, -6% organic and 8% FX). For Supply Chain Solutions, we continue to foresee that Industrial will hold up well and Automotive will likely be relatively unchanged, while Electronics in both EMEA and APAC is set to remain weak. We expect somewhat softer demand from Fashion in the US, following several quarters of strong growth for Bergen Logistics, while lower freight volumes in the Air & Sea business, along with the exit of unprofitable sections of road transportation operations in Germany, ought to make a dent to the top line. Positively, we expect Print & Packaging to hold up fairly well, which, along with better cost control and easier comps (given higher input costs in Q2 2022) should support y/y adjusted EBIT growth of ~50% for the segment. Yet, for the group, we expect the lower volumes to pressure margins somewhat in the quarter. Thus we pencil in adjusted EBIT of SEK 201m, flat y/y, implying a group margin of 5.5%, down ~20 bp y/y.

Estimates and valuation

Ahead of Q2, we take into account softer consumer demand in Electronics, as well as Fashion, as we continue to closely monitor worsening consumer sentiment amid widespread price inflation and higher interest rates, the latter of which will continue to burden EPS for Elanders, similar to what we have seen in recent quarters. Despite support from favourable FX movements, we lower adjusted EBIT by 2-3% for 2023E-25E, and we thus lower our multiples-based fair value range to SEK 125-190 (142-207), implying ~13-16x EV/EBIT for 2023E.

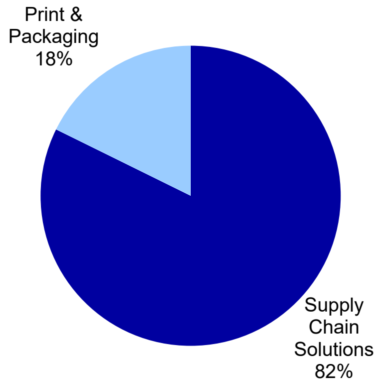
SUMMARY TABLE - KEY FIGURES

SEKm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	11,254	11,050	11,732	14,974	15,322	15,817	16,435
EBITDA (adj)	1,409	1,426	1,497	1,967	2,005	2,063	2,128
EBIT (adj)	509	546	596	877	969	1,025	1,085
EBIT (adj) margin	4.5%	4.9%	5.1%	5.9%	6.3%	6.5%	6.6%
EPS (adj, SEK)	7.13	9.19	9.56	13.95	12.46	14.71	16.30
EPS (adj) growth	-0.4%	29.0%	4.0%	46.0%	-10.7%	18.1%	10.8%
DPS (ord, SEK)	0.00	3.10	3.60	4.15	4.40	5.00	5.20
EV/Sales	0.6	0.6	1.0	0.8	0.8	0.7	0.6
EV/EBIT (adj)	13.9	13.0	19.1	14.4	12.0	10.9	9.8
P/E (adj)	12.2	13.0	18.2	10.7	9.7	8.2	7.4
P/BV	1.1	1.5	1.9	1.4	1.1	1.0	0.9
Dividend yield (ord)	0.0%	2.6%	2.1%	2.8%	3.6%	4.1%	4.3%
FCF Yield bef A&D, lease	16.7%	23.2%	3.5%	0.3%	17.1%	12.3%	13.1%
Net debt	3,994	2,854	5,249	7,276	7,298	6,834	6,347
Net debt/EBITDA	3.2	2.0	3.5	3.8	3.8	3.3	3.0
ROIC after tax	5.9%	6.4%	5.7%	5.8%	5.9%	6.5%	6.9%

Source: Company data and Nordea estimates

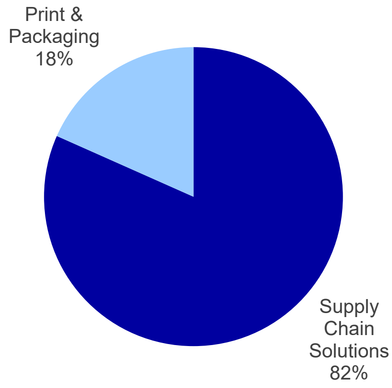
Selected charts

ELANDERS: REVENUE SPLIT BY SEGMENT (%), 2023E



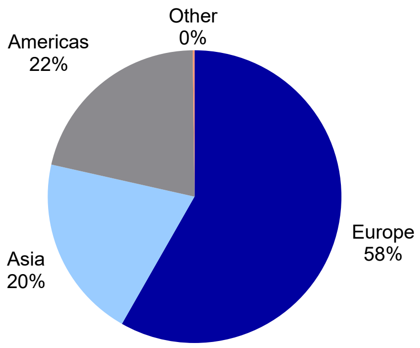
Source: Company data and Nordea estimates

ELANDERS: ADJ EBIT SPLIT BY SEGMENT (%), 2023E



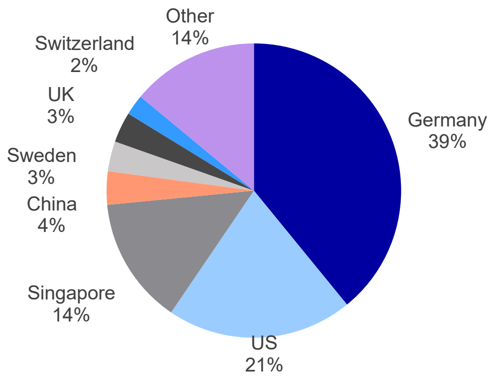
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY REGION (%), 2022



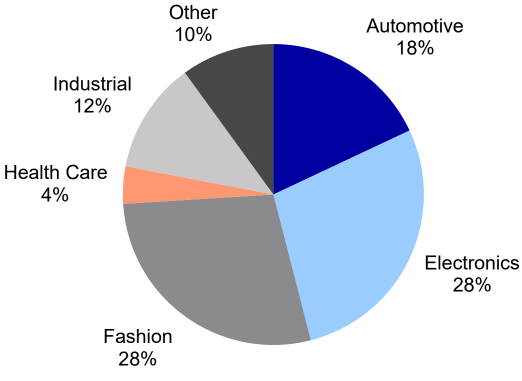
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY COUNTRY (%), 2022



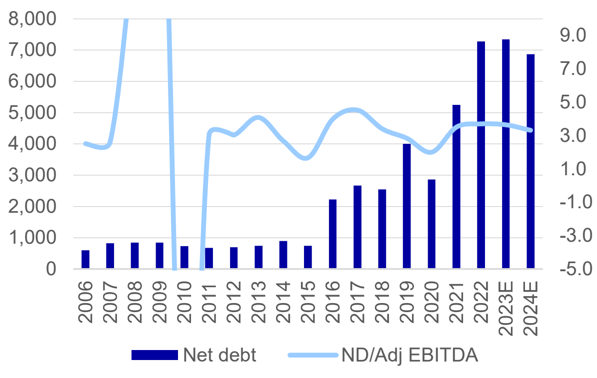
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY END MARKET (%), 2022



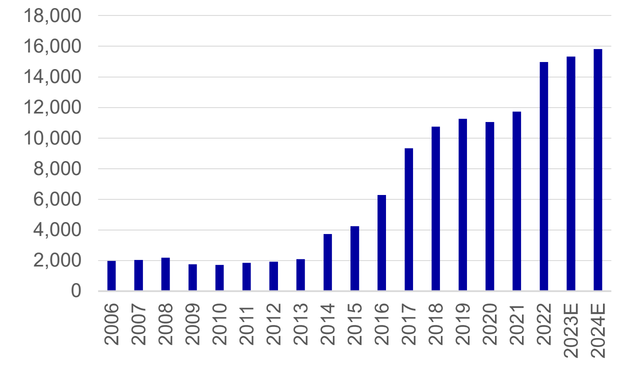
Source: Company data and Nordea estimates

ELANDERS: GROUP LEVERAGE (SEKm), NET DEBT/EBITDA



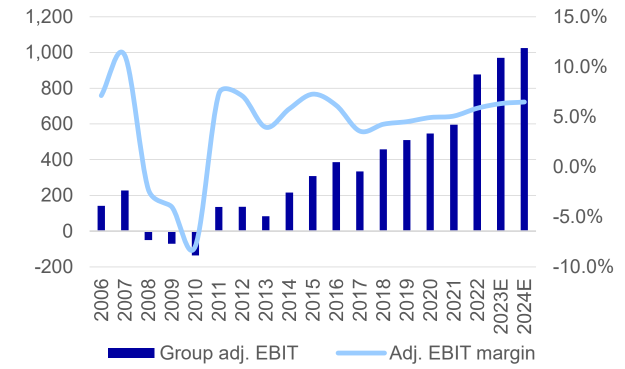
Source: Company data and Nordea estimates

ELANDERS: GROUP NET SALES DEVELOPMENT (SEKm)



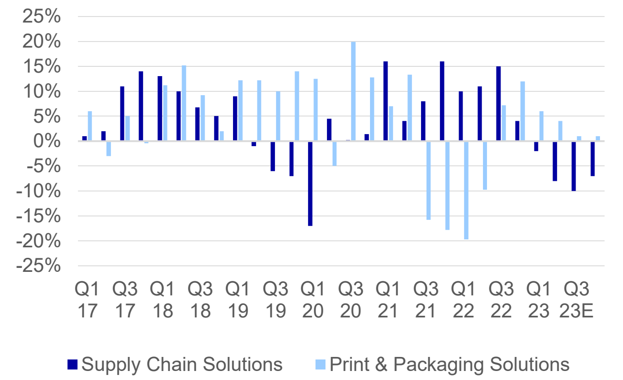
Source: Company data and Nordea estimates

ELANDERS: GROUP ADJUSTED EBIT (SEKm) AND EBIT MARGIN (%)



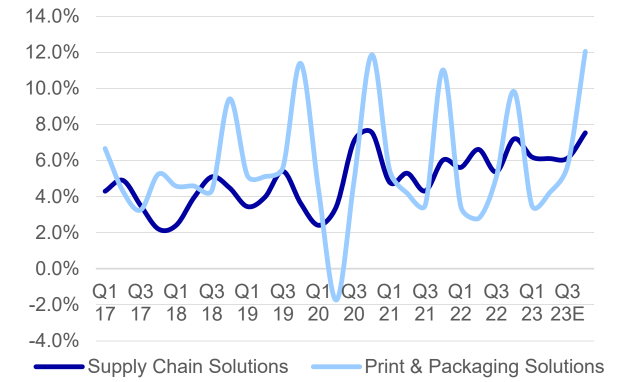
Source: Company data and Nordea estimates

ELANDERS: ORGANIC GROWTH BY SEGMENT (%)



Source: Company data and Nordea estimates

ELANDERS: EBIT MARGIN DEVELOPMENT BY SEGMENT (%)



Source: Company data and Nordea estimates

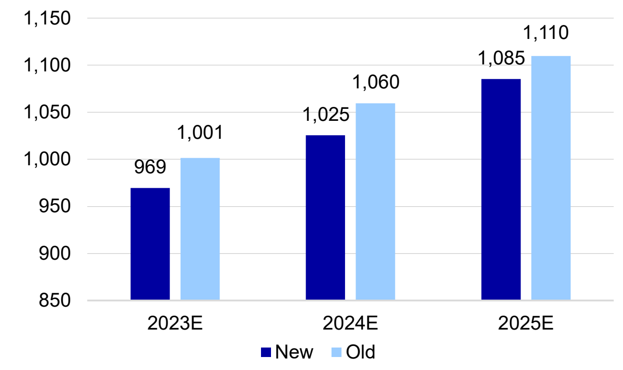
Estimate revisions

ELANDERS: ESTIMATE REVISIONS

	New estimates			Old estimates			Difference %		
SEKm	**2023E**	**2024E**	**2025E**	**2023E**	**2024E**	**2025E**	**2023E**	**2024E**	**2025E**
Net sales	**15,322**	**15,817**	**16,435**	**15,514**	**16,018**	**16,647**	**-1%**	**-1%**	**-1%**
Cost of goods sold	-13,154	-13,606	-14,138	-13,320	-13,780	-14,321	-1%	-1%	-1%
Gross profit	**2,168**	**2,210**	**2,297**	**2,195**	**2,239**	**2,326**	**-1%**	**-1%**	**-1%**
EBITA	977	1,090	1,140	1,009	1,124	1,165	-3%	-3%	-2%
Amortisation of intangibles	-76	-65	-55	-76	-65	-55	0%	0%	0%
EBIT	901	1,025	1,085	933	1,060	1,110	-3%	-3%	-2%
Net financials	-324	-277	-256	-324	-277	-256	0%	0%	0%
PTP	578	749	829	610	783	854	-5%	-4%	-3%
Income tax	-183	-225	-249	-193	-235	-256	-5%	-4%	-3%
Net profit	395	524	580	417	548	597	-5%	-4%	-3%
Earnings per share (SEK)	11	15	16	11	15	17	-6%	-4%	-3%
Adj. EBITA	1,045	1,090	1,140	1,077	1,124	1,165	-3%	-3%	-2%
Adj. EBIT	**969**	**1,025**	**1,085**	**1,001**	**1,060**	**1,110**	**-3%**	**-3%**	**-2%**
Tax on EO	22	0	0	22	0	0	n.a	n.a	n.a
Adj. Net profit	484	524	580	506	548	597	-4%	-4%	-3%
Adj. EPS	13	15	16	14	15	17	-5%	-4%	-3%
Adj. EBITA margin	6.8%	6.9%	6.9%	6.9%	7.0%	7.0%	-0.1pp	-0.1pp	-0.1pp
Adj. EBIT margin	6.3%	6.5%	6.6%	6.5%	6.6%	6.7%	-0.1pp	-0.1pp	-0.1pp
Adj. Incremental margin	26.6%	11.3%	9.7%	23.0%	11.6%	8.0%	3.6pp	-0.3pp	1.7pp
Net sales per segment									
Supply Chain Solutions	12,714	13,184	13,777	12,967	13,447	14,052	-2%	-2%	-2%
Print & Packaging Solutions	2,727	2,755	2,782	2,666	2,693	2,720	2%	2%	2%
Group functions	42	42	43	42	42	43	0%	0%	0%
Eliminations	-161	-164	-168	-161	-164	-168	0%	0%	0%
Group net sales	**15,322**	**15,817**	**16,435**	**15,514**	**16,018**	**16,647**	**-1%**	**-1%**	**-1%**
Adj EBIT per segment									
Supply Chain Solutions	829	884	944	864	921	969	-4%	-4%	-3%
Print & Packaging Solutions	184	185	187	181	183	186	2%	1%	0%
Group functions	-43	-44	-45	-43	-44	-45	0%	0%	0%
Group EBIT	**969**	**1,025**	**1,085**	**1,001**	**1,060**	**1,110**	**-3%**	**-3%**	**-2%**
Adj. EBIT margin									
Supply Chain Solutions	6.5%	6.7%	6.9%	6.7%	6.8%	6.9%	-0.1pp	-0.1pp	0.0pp
Print & Packaging Solutions	4.2%	6.7%	6.7%	4.2%	6.8%	6.8%	0.0pp	-0.1pp	-0.1pp
Group	**5.9%**	**6.5%**	**6.6%**	**6.0%**	**6.6%**	**6.7%**	**-0.1pp**	**-0.1pp**	**-0.1pp**

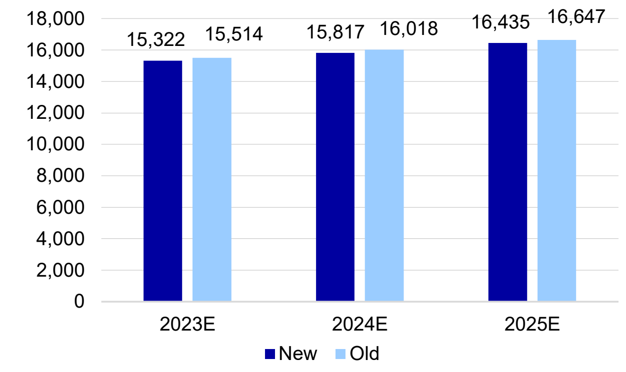
Source: Nordea estimates

NET SALES: NEW ESTIMATES VERSUS OLD ESTIMATES (SEKm)



Source: Nordea estimates

ADJUSTED EBIT: NEW ESTIMATES VERSUS OLD ESTIMATES (SEKm)



Source: Nordea estimates

Valuation

ELANDERS: PEER VALUATION TABLE

		Mcap.	Adj. EV/EBITDA		Adj. EV/EBITA		Adj. EV/EBIT		Adj. P/E		Div. yield		ND/EBITDA		ROIC	
Stock	**Rec.**	**SEKm**	**2023E**	**2024E**	**2023E**	**2024E**	**2023E**	**2024E**	**2023E**	**2024E**	**2023E**	**2024E**	**2023E**	**2024E**	**2023E**	**2024E**
Agility	-	59,901	12.2x	11.7x	-	-	18.3x	17.3x	2.1x	1.8x	30.3%	35.1%	-	-	6.6%	7.2%
CH Robinson	-	120,528	16.0x	14.4x	16.4x	14.7x	18.4x	16.8x	23.7x	20.5x	2.6%	2.6%	1.9x	1.8x	26.9%	31.3%
DSV	BUY	347,400	14.3x	13.8x	18.0x	17.6x	18.1x	17.7x	23.5x	22.2x	0.6%	0.6%	1.6x	1.9x	13.0%	12.7%
Elanders		4,335	5.8x	5.4x	11.2x	10.3x	12.1x	10.9x	9.8x	8.3x	3.6%	4.1%	3.8x	3.3x	5.9%	6.5%
Expeditors	-	201,388	14.3x	15.2x	14.2x	15.3x	15.1x	16.3x	22.3x	23.2x	1.1%	1.2%	-	-	34.2%	33.9%
ID Logistics	-	19,710	6.4x	6.0x	22.6x	22.7x	21.7x	19.0x	26.3x	21.6x	0.0%	0.0%	1.9x	1.6x	11.7%	14.1%
J.B Hunt	-	204,779	10.4x	9.5x	-	-	16.6x	14.5x	21.7x	18.9x	0.9%	1.0%	0.6x	0.5x	16.4%	16.8%
Kerry Logistics	-	22,584	4.0x	3.6x	-	-	6.9x	5.9x	8.1x	6.4x	3.7%	4.1%	-	-	0.0%	0.0%
Kuehne + Nagel	-	389,904	11.2x	12.1x	18.8x	21.2x	15.6x	17.1x	23.4x	26.0x	3.1%	2.5%	-	-	106.4%	109.0%
Landstar	-	75,232	15.0x	13.9x	-	-	17.0x	16.0x	23.4x	21.2x	0.6%	0.6%	-	-	35.8%	36.1%
Old Dominion	-	436,904	21.0x	18.7x	-	-	25.2x	22.3x	33.9x	29.3x	0.4%	0.4%	-	-	30.4%	30.8%
XPO Logistics	-	74,778	10.1x	8.8x	-	-	18.6x	15.1x	24.9x	19.2x	0.0%	0.0%	2.6x	2.2x	12.3%	14.1%
Average		**163,120**	**11.7x**	**11.1x**	**16.9x**	**17.0x**	**17.0x**	**15.7x**	**20.3x**	**18.2x**	**3.9%**	**4.3%**	**2.1x**	**1.9x**	**25.0%**	**26.0%**
Median		**97,880**	**11.7x**	**11.9x**	**17.2x**	**16.5x**	**17.6x**	**16.6x**	**23.4x**	**20.8x**	**1.0%**	**1.1%**	**1.9x**	**1.8x**	**14.7%**	**15.4%**
Elanders		**4,335**	**5.8x**	**5.4x**	**11.2x**	**10.3x**	**12.1x**	**10.9x**	**9.8x**	**8.3x**	**3.6%**	**4.1%**	**3.8x**	**3.3x**	**5.9%**	**6.5%**
vs. peer average	-	-	-50%	-51%	-34%	-39%	-29%	-30%	-52%	-54%	-0.3pp	3.0pp	84%	76%	-19pp	-9pp
vs. peer median	-	-	-50%	-54%	-35%	-37%	-31%	-34%	-58%	-60%	2.6pp	3.0pp	99%	82%	-9pp	-9pp

Source: Refinitiv and Nordea estimates

Detailed estimates

ELANDERS: QUARTERLY ESTIMATES

(SEKm)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23E	Q3 23E	Q4 23E
Net sales	3,371	3,525	3,979	4,099	3,589	3,632	3,986	4,115
Cost of goods sold	-2,879	-3,000	-3,417	-3,448	-3,064	-3,123	-3,428	-3,539
Gross profit	492	525	562	651	525	508	558	576
Sales and administrative expenses	-338	-356	-380	-410	-405	-365	-378	-426
Other operating income	26	83	36	51	25	85	36	51
Other operating expenses	-16	-11	-26	-41	-18	-28	18	138
EBITDA	430	506	466	538	383	457	495	602
Depreciation	-33	-31	-30	-45	-47	-47	-52	-53
EBITA	187	263	216	273	146	220	253	358
Amortisation of intangible acq related assets	-22	-22	-23	-22	-19	-19	-19	-19
EBIT	165	241	193	251	127	201	234	339
Net financials	-36	-36	-42	-70	-77	-82	-82	-83
PTP	129	205	151	181	50	119	152	257
Income tax	-41	-63	-35	-41	-25	-36	-45	-77
Net profit	88	142	115	140	25	84	106	180
Earnings per share (SEK)	2.40	3.87	3.04	3.87	0.69	2.17	2.80	4.88
Adj. EBITDA	430	466	475	596	451	457	495	602
Adj. EBITA	187	223	225	331	214	220	253	358
Adj. EBIT	165	201	202	309	195	201	234	339
Tax on EO	0	-12	2	13	34	0	0	0
Adj. Net profit	88	170	109	95	-9	84	106	180
Adj. EPS	2.40	4.66	2.84	2.61	-0.28	2.17	2.80	4.88
Gross margin	14.6%	14.9%	14.1%	15.9%	14.6%	14.0%	14.0%	14.0%
EBITDA margin	12.8%	14.4%	11.7%	13.1%	10.7%	12.6%	12.4%	14.6%
EBITA margin	5.5%	7.5%	5.4%	6.7%	4.1%	6.1%	6.3%	8.7%
EBIT margin	4.9%	6.8%	4.9%	6.1%	3.5%	5.5%	5.9%	8.2%
Incremental margin	5.8%	14.4%	7.4%	5.7%	-17.3%	-37.3%	549.3%	552.3%
Adj. EBITDA margin	12.8%	13.2%	11.9%	14.5%	12.6%	12.6%	12.4%	14.6%
Adj. EBITA margin	5.5%	6.3%	5.7%	8.1%	6.0%	6.1%	6.3%	8.7%
Adj. EBIT margin	4.9%	5.7%	5.1%	7.5%	5.4%	5.5%	5.9%	8.2%
Adj. Incremental margin	5.8%	14.4%	7.4%	5.7%	-17.3%	-37.3%	549.3%	552.3%

Source: Company data and Nordea estimates

ELANDERS: QUARTERLY SALES AND EBIT BRIDGE

(SEKm)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23E	Q3 23E	Q4 23E
Net sales								
Supply Chain Solutions	2,769	2,914	3,325	3,259	2,979	3,036	3,366	3,333
Print & Packaging Solutions	637	643	686	874	645	624	649	810
Group functions	10	10	11	11	12	10	10	10
Eliminations	-45	-43	-43	-45	-47	-38	-38	-38
Total sales	**3,371**	**3,524**	**3,979**	**4,099**	**3,589**	**3,632**	**3,986**	**4,115**
Sales bridge								
Volume	3%	6%	13%	6%	-1%	-6%	-8%	-5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	20%	14%	16%	4%	0%	0%	0%	0%
FX	6%	7%	9%	12%	8%	8%	8%	6%
Other	0%	0%	0%	0%	-2%	0%	0%	0%
Total growth	**23%**	**27%**	**39%**	**22%**	**6%**	**3%**	**0%**	**0%**
Sales bridge								
Volume	53	166	373	175	-17	-202	-322	-213
Price/Mix	0	0	0	0	0	0	0	0
Structural	540	384	471	148	16	16	0	0
FX	164	205	270	412	285	294	329	229
Other	0	0	0	0	-83	0	0	0
Total growth	**758**	**755**	**1,114**	**735**	**200**	**108**	**7**	**16**
Growth per segment quarterly								
(%)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23**	**Q2 23E**	**Q3 23E**	**Q4 23E**
Supply Chain Solutions								
Volume	10%	11%	15%	4%	-2%	-8%	-10%	-7%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	24%	16%	21%	6%	1%	1%	0%	0%
FX	6%	7%	10%	12%	9%	9%	9%	6%
Other	0%	0%	0%	0%	0%	3%	3%	3%
Total growth	**34%**	**34%**	**45%**	**21%**	**8%**	**4%**	**1%**	**2%**
Print & Packaging Solutions								
Volume	-20%	-10%	7%	12%	6%	4%	1%	1%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	5%	6%	0%	0%	0%	0%	0%	0%
FX	6%	7%	9%	13%	7%	6%	6%	4%
Other	0%	0%	0%	0%	-14%	-13%	-13%	-13%
Total growth	-8%	3%	16%	25%	1%	-3%	-5%	-7%
EBIT per segment quarterly								
(SEKm)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23**	**Q2 23E**	**Q3 23E**	**Q4 23E**
Supply Chain Solutions	156	233	179	187	185	186	207	251
Print & Packaging Solutions	22	18	26	76	-45	26	37	98
Group functions	-13	-10	-12	-12	-12	-11	-10	-10
Group EBIT	**165**	**241**	**193**	**251**	**127**	**201**	**234**	**339**
Adj. EBIT per segment quarterly								
Supply Chain Solutions	156	193	179	235	185	186	207	251
Print & Packaging Solutions	22	18	35	86	23	26	37	98
Group functions	-13	-10	-12	-12	-12	-11	-10	-10
Adj group EBIT	**165**	**201**	**202**	**309**	**195**	**201**	**234**	**339**
EBIT margin per segment quarterly								
Supply Chain Solutions	5.6%	8.0%	5.4%	5.7%	6.2%	6.1%	6.1%	7.5%
Print & Packaging Solutions	3.5%	2.8%	3.8%	8.7%	-7.0%	4.2%	5.7%	12.1%
EBIT margin	**4.9%**	**6.8%**	**4.9%**	**6.1%**	**3.5%**	**5.5%**	**5.9%**	**8.2%**
Adj. EBIT margin per segment quarterly								
Supply Chain Solutions	5.6%	6.6%	5.4%	7.2%	6.2%	6.1%	6.1%	7.5%
Print & Packaging Solutions	3.5%	2.8%	5.1%	9.8%	3.5%	4.2%	5.7%	12.1%
Adj EBIT margin	**4.9%**	**5.7%**	**5.1%**	**7.5%**	**5.4%**	**5.5%**	**5.9%**	**8.2%**

Source: Company data and Nordea estimates

ELANDERS: ANNUAL ESTIMATES

(SEKm)	2018	2019	2020	2021	2022	2023E	2024E	2025E
Net sales	10,742	11,254	11,050	11,732	14,974	15,322	15,817	16,435
Cost of goods sold	-9,331	-9,780	-9,532	-10,088	-12,744	-13,154	-13,606	-14,138
Gross profit	1,411	1,474	1,518	1,644	2,230	2,168	2,210	2,297
Sales and administrative expenses	-1,034	-1,145	-1,050	-1,119	-1,484	-1,574	-1,612	-1,664
Other operating income	112	66	13	82	196	197	201	208
Other operating expenses	-30	-33	-44	-28	-94	111	226	245
EBITDA	747	1,260	1,426	1,482	1,940	1,937	2,063	2,128
Depreciation	-203	-156	-169	-123	-139	-199	-268	-263
EBITA	522	416	599	639	939	977	1,090	1,140
Amortisation of intangible acq related assets	-64	-56	-53	-59	-89	-76	-65	-55
EBIT	458	360	546	580	850	901	1,025	1,085
Net financials	-93	-143	-131	-98	-184	-324	-277	-256
PTP	365	217	415	482	666	578	749	829
Income tax	-107	-63	-86	-151	-180	-183	-225	-249
Net profit	258	154	329	331	485	395	524	580
Earnings per share (SEK)	7.19	4.19	9.19	9.11	13.19	10.54	14.71	16.30
Adj. EBITDA	747	1,409	1,426	1,498	1,967	2,005	2,063	2,128
Adj. EBITA	522	565	599	655	966	1,045	1,090	1,140
Adj. EBIT	458	509	546	596	877	969	1,025	1,085
Tax on EO	0	43	0	5	7	22	0	0
Adj. Net profit	258	346	329	352	520	484	524	580
Adj. EPS	7.16	9.79	9.19	9.70	14.16	13.07	14.71	16.30
Gross margin	13.1%	13.1%	13.7%	14.0%	14.9%	14.1%	14.0%	14.0%
EBITDA margin	7.0%	11.2%	12.9%	12.6%	13.0%	12.6%	13.0%	12.9%
EBITA margin	4.9%	3.7%	5.4%	5.4%	6.3%	6.4%	6.9%	6.9%
EBIT margin	4.3%	3.2%	4.9%	4.9%	5.7%	5.9%	6.5%	6.6%
Incremental margin	10.7%	-19.1%	-91.2%	5.0%	8.3%	14.8%	25.1%	9.7%
Adj. EBITDA margin	7.0%	12.5%	12.9%	12.8%	13.1%	13.1%	13.0%	12.9%
Adj. EBITA margin	4.9%	5.0%	5.4%	5.6%	6.5%	6.8%	6.9%	6.9%
Adj. EBIT margin	4.3%	4.5%	4.9%	5.1%	5.9%	6.3%	6.5%	6.6%
Adj. Incremental margin	8.9%	10.0%	-18.1%	7.3%	8.7%	26.6%	11.3%	9.7%

Source: Company data and Nordea estimates

ELANDERS: ANNUAL SALES AND EBIT BRIDGE

(SEKm)	2018	2019	2020	2021	2022	2023E	2024E	2025E
Net sales								
Supply Chain Solutions	8,526	8,775	8,408	9,204	12,267	12,714	13,184	13,777
Print & Packaging Solutions	2,244	2,564	2,728	2,606	2,840	2,727	2,755	2,782
Group functions	47	37	40	40	42	42	42	43
Eliminations	-75	-122	-126	-117	-176	-161	-164	-168
Total sales	**10,946**	**11,254**	**11,050**	**11,733**	**14,973**	**15,322**	**15,817**	**16,435**
Sales bridge								
Volume	8%	1%	0%	7%	7%	-5%	3%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	0%	0%	4%	13%	0%	0%	0%
FX	5%	4%	-2%	-4%	9%	8%	0%	0%
Other	0%	0%	0%	0%	0%	-1%	0%	0%
Total growth	**15%**	**5%**	**-2%**	**6%**	**28%**	**2%**	**3%**	**4%**
Sales bridge								
Volume	848	69	14	791	768	-755	498	621
Price/Mix	0	0	0	0	0	0	0	0
Structural	48	-51	5	390	1,543	31	0	0
FX	503	477	-227	-497	1,051	1,137	0	0
Other	0	0	0	0	0	-83	0	0
Total growth	**1,399**	**495**	**-208**	**684**	**3,362**	**331**	**498**	**621**
Growth per segment annual								
(%)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Supply Chain Solutions								
Volume	8%	-2%	-3%	11%	10%	-7%	4%	5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	0%	0%	4%	16%	0%	0%	0%
FX	6%	4%	-1%	-5%	9%	8%	0%	0%
Other	0%	0%	0%	0%	0%	2%	0%	0%
Total growth	**22%**	**3%**	**-4%**	**9%**	**33%**	**4%**	**4%**	**5%**
Print & Packaging Solutions								
Volume	9%	12%	10%	-4%	-3%	3%	1%	1%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	0%	-2%	0%	3%	3%	0%	0%	0%
FX	4%	4%	-4%	-3%	9%	6%	0%	0%
Other	0%	0%	0%	0%	0%	-13%	0%	0%
Total growth	1%	14%	6%	-4%	9%	-4%	1%	1%
EBIT per segment annual								
(SEKm)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Supply Chain Solutions	346	220	435	459	755	829	884	944
Print & Packaging Solutions	132	174	147	162	142	116	185	187
Group functions	-20	-34	-36	-42	-47	-43	-44	-45
Group EBIT	**458**	**360**	**546**	**579**	**850**	**901**	**1,025**	**1,085**
Adj. EBIT per segment annual								
Supply Chain Solutions	346	362	435	475	763	829	884	944
Print & Packaging Solutions	132	181	147	162	161	184	185	187
Group functions	-20	-34	-36	-42	-47	-43	-44	-45
Adj group EBIT	**458**	**509**	**546**	**596**	**877**	**969**	**1025**	**1085**
EBIT margin per segment annual								
Supply Chain Solutions	4.1%	2.5%	5.2%	5.0%	6.2%	6.5%	6.7%	6.9%
Print & Packaging Solutions	5.9%	6.8%	5.4%	6.2%	5.0%	4.2%	6.7%	6.7%
EBIT margin	**4.2%**	**3.2%**	**4.9%**	**4.9%**	**5.7%**	**5.9%**	**6.5%**	**6.6%**
Adj. EBIT margin per segment annual								
Supply Chain Solutions	4.1%	4.1%	5.2%	5.2%	6.2%	6.5%	6.7%	6.9%
Print & Packaging Solutions	5.9%	7.1%	5.4%	6.2%	5.7%	6.7%	6.7%	6.7%
Adj EBIT margin	**4.2%**	**4.5%**	**4.9%**	**5.1%**	**5.9%**	**6.3%**	**6.5%**	**6.6%**

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	**4,237**	**6,285**	**9,342**	**10,742**	**11,254**	**11,050**	**11,732**	**14,974**	**15,322**	**15,817**	**16,435**
Revenue growth	13.6%	48.4%	48.6%	15.0%	4.8%	-1.8%	6.2%	27.6%	2.3%	3.2%	3.9%
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	427	519	563	725	1,260	1,426	1,481	1,940	1,937	2,063	2,128
Depreciation and impairments PPE	-115	-132	-192	-203	-844	-827	-843	-1,001	-959	-973	-988
of which leased assets	0	0	0	0	-688	-658	-720	-862	-760	-770	-780
EBITA	312	387	371	522	416	599	638	939	977	1,090	1,140
Amortisation and impairments	-20	-40	-63	-64	-56	-53	-58	-89	-76	-65	-55
EBIT	292	347	308	458	360	546	580	850	901	1,025	1,085
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	-33	-44	-80	-93	-143	-131	-98	-184	-324	-277	-256
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	**259**	**303**	**228**	**365**	**217**	**415**	**482**	**666**	**578**	**749**	**829**
Reported taxes	-85	-82	-64	-107	-63	-86	-151	-180	-183	-225	-249
Net profit from continued operations	174	221	164	258	154	329	331	485	395	524	580
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	-1	-5	-6	-4	-9	-19	-22	-4	-4
Net profit to equity	174	221	163	253	148	325	322	466	373	520	576
EPS, SEK	**6.18**	**7.48**	**4.61**	**7.16**	**4.19**	**9.19**	**9.11**	**13.19**	**10.54**	**14.71**	**16.30**
DPS, SEK	2.20	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.40	5.00	5.20
of which ordinary	2.20	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.40	5.00	5.20
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	10.1%	8.3%	6.0%	6.7%	11.2%	12.9%	12.6%	13.0%	12.6%	13.0%	12.9%
EBITA	7.4%	6.2%	4.0%	4.9%	3.7%	5.4%	5.4%	6.3%	6.4%	6.9%	6.9%
EBIT	6.9%	5.5%	3.3%	4.3%	3.2%	4.9%	4.9%	5.7%	5.9%	6.5%	6.6%
Adjusted earnings											
EBITDA (adj)	443	558	589	725	1,409	1,426	1,497	1,967	2,005	2,063	2,128
EBITA (adj)	328	426	397	522	565	599	654	966	1,045	1,090	1,140
EBIT (adj)	308	386	334	458	509	546	596	877	969	1,025	1,085
EPS (adj, SEK)	6.75	8.80	5.35	7.16	7.13	9.19	9.56	13.95	12.46	14.71	16.30
Adjusted profit margins in percent											
EBITDA (adj)	10.5%	8.9%	6.3%	6.7%	12.5%	12.9%	12.8%	13.1%	13.1%	13.0%	12.9%
EBITA (adj)	7.7%	6.8%	4.2%	4.9%	5.0%	5.4%	5.6%	6.5%	6.8%	6.9%	6.9%
EBIT (adj)	7.3%	6.1%	3.6%	4.3%	4.5%	4.9%	5.1%	5.9%	6.3%	6.5%	6.6%
Performance metrics											
CAGR last 5 years											
Net revenue	20.0%	27.9%	37.2%	38.7%	24.7%	21.1%	13.3%	9.9%	7.4%	7.0%	8.3%
EBITDA	74.6%	21.4%	21.9%	32.4%	33.9%	27.3%	23.3%	28.1%	21.7%	10.4%	8.3%
EBIT	n.m.	25.9%	21.1%	41.8%	15.6%	13.3%	10.8%	22.5%	14.5%	23.3%	14.7%
EPS	n.m.	20.1%	18.1%	54.5%	3.7%	8.3%	4.0%	23.4%	8.0%	28.6%	12.1%
DPS	n.m.	39.1%	34.1%	29.4%	n.m.	7.1%	6.7%	9.8%	8.7%	n.m.	10.9%
Average last 5 years											
Average EBIT margin	5.6%	5.5%	4.7%	4.6%	4.2%	4.1%	4.2%	4.7%	5.0%	5.7%	6.0%
Average EBITDA margin	9.4%	8.9%	7.7%	7.4%	8.3%	9.2%	10.1%	11.4%	12.5%	12.8%	12.9%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E (adj)	9.4	12.1	15.3	12.2	12.2	13.0	18.2	10.7	9.7	8.2	7.4
EV/EBITDA (adj)	5.7	9.6	9.4	7.8	5.0	5.0	7.6	6.4	5.8	5.4	5.0
EV/EBITA (adj)	7.7	12.6	14.0	10.8	12.5	11.8	17.4	13.0	11.1	10.2	9.4
EV/EBIT (adj)	8.2	13.9	16.7	12.3	13.9	13.0	19.1	14.4	12.0	10.9	9.8

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E	10.2	14.2	17.8	12.2	20.8	13.0	19.1	11.4	11.5	8.2	7.4
EV/Sales	0.60	0.85	0.60	0.52	0.63	0.64	0.97	0.84	0.76	0.70	0.65
EV/EBITDA	5.9	10.3	9.9	7.8	5.6	5.0	7.7	6.5	6.0	5.4	5.0
EV/EBITA	8.1	13.9	15.0	10.8	17.0	11.8	17.9	13.4	11.9	10.2	9.4
EV/EBIT	8.7	15.5	18.1	12.3	19.7	13.0	19.7	14.8	12.9	10.9	9.8
Dividend yield (ord.)	3.5%	2.4%	3.2%	3.3%	0.0%	2.6%	2.1%	2.8%	3.6%	4.1%	4.3%
FCF yield	12.7%	-50.2%	-11.3%	10.3%	38.8%	38.1%	-5.4%	15.7%	34.9%	30.4%	31.4%
FCF Yield bef A&D, lease adj	12.5%	7.0%	-9.0%	9.5%	16.7%	23.2%	3.5%	0.3%	17.1%	12.3%	13.1%
Payout ratio	32.6%	29.6%	48.6%	40.5%	0.0%	33.7%	37.7%	29.7%	35.3%	34.0%	31.9%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	1,269	3,081	3,136	3,218	3,229	3,085	4,517	4,923	4,847	4,782	4,727
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	1,269	3,081	3,136	3,218	3,229	3,085	2,017	1,268	1,192	1,127	1,072
of which goodwill	0	0	0	0	0	0	2,500	3,655	3,655	3,655	3,655
Tangible assets	533	1,047	1,075	1,056	2,139	2,255	3,372	5,071	4,767	4,698	4,624
of which leased assets	0	0	0	0	1,207	1,164	1,081	2,000	1,714	1,611	1,498
Shares associates	0	0	0	0	0	0	352	352	352	352	352
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0	0	0	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	0	0	0	0	297	0	0	0	0	0
Total non-current assets	1,802	4,128	4,211	4,274	5,368	5,637	8,241	10,346	9,966	9,833	9,704
Inventory	266	295	390	468	335	233	400	619	511	527	548
Accounts receivable	825	1,396	1,795	1,762	1,740	624	1,822	2,139	1,992	2,056	2,137
Short-term leased assets	0	0	0	0	658	720	438	567	770	780	790
Other current assets	139	312	333	511	448	324	0	0	0	0	0
Cash and bank	529	651	679	722	655	1,101	898	904	1,488	1,859	2,243
Total current assets	1,758	2,654	3,197	3,463	3,836	3,002	3,558	4,229	4,761	5,223	5,718
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**3,560**	**6,782**	**7,408**	**7,737**	**9,204**	**8,639**	**11,799**	**14,575**	**14,727**	**15,055**	**15,422**
Shareholders equity	1,488	2,411	2,453	2,707	2,777	2,908	3,304	3,870	4,046	4,410	4,810
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	4	0	19	41	45	49
Total Equity	1,488	2,411	2,453	2,707	2,777	2,912	3,304	3,889	4,087	4,455	4,859
Deferred tax	83	233	208	199	320	188	0	0	0	0	0
Long term interest bearing debt	20	2,646	2,504	2,442	2,214	1,990	4,413	5,268	5,268	5,268	5,268
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	253	271	271	271	271
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	0	1,259	1,278	913	1,961	1,878	1,785	1,682
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	103	2,879	2,712	2,641	3,793	3,456	5,579	7,500	7,417	7,324	7,221
Short-term provisions	0	0	0	1	1	0	0	0	0	0	0
Accounts payable	722	1,263	1,403	1,569	1,597	1,588	1,457	1,596	1,633	1,686	1,752
Current lease debt	0	0	0	0	639	639	639	639	639	639	639
Other current liabilities	0	0	0	1	1	0	0	0	0	0	0
Short term interest bearing debt	1,247	228	840	819	398	44	821	951	951	951	951
Total current liabilities	1,969	1,491	2,243	2,390	2,636	2,271	2,917	3,186	3,223	3,276	3,342
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**3,560**	**6,781**	**7,408**	**7,738**	**9,206**	**8,639**	**11,800**	**14,575**	**14,727**	**15,055**	**15,422**
Balance sheet and debt metrics											
Net debt	738	2,223	2,665	2,539	3,994	2,854	5,249	7,276	7,298	6,834	6,347
of which lease debt	0	0	0	0	1,898	1,917	1,552	2,600	2,517	2,424	2,321
Working capital	507	740	1,115	1,171	925	-407	765	1,162	870	898	933
Invested capital	2,309	4,868	5,326	5,445	6,293	5,230	9,006	11,508	10,836	10,730	10,637
Capital employed	2,755	5,285	5,797	5,968	7,287	6,863	10,090	12,708	12,823	13,098	13,399
ROE	12.3%	11.3%	6.7%	9.8%	5.4%	11.4%	10.4%	13.0%	9.4%	12.3%	12.5%
ROIC	9.0%	7.3%	4.5%	5.8%	5.9%	6.4%	5.7%	5.8%	5.9%	6.5%	6.9%
ROCE	11.3%	9.6%	6.0%	7.8%	7.7%	7.7%	7.0%	7.7%	7.6%	7.9%	8.2%
Net debt/EBITDA	1.7	4.3	4.7	3.5	3.2	2.0	3.5	3.8	3.8	3.3	3.0
Interest coverage	8.9	7.9	3.9	4.9	2.5	4.2	5.9	4.6	2.8	3.7	4.2
Equity ratio	41.8%	35.6%	33.1%	35.0%	30.2%	33.7%	28.0%	26.6%	27.5%	29.3%	31.2%
Net gearing	49.6%	92.2%	108.6%	93.8%	143.8%	98.0%	158.9%	187.1%	178.6%	153.4%	130.6%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
SEKm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
EBITDA (adj) for associates	**427**	**519**	**563**	**725**	**1,260**	**1,426**	**1,481**	**1,940**	**1,937**	**2,063**	**2,128**
Paid taxes	-85	-104	-133	-127	-114	-41	-128	-196	-183	-225	-249
Net financials	0	0	0	1	-143	-131	-98	-184	-324	-277	-256
Change in provisions	0	0	0	1	0	-1	253	18	0	0	0
Change in other LT non-IB	0	0	0	0	0	-297	297	0	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	-66	-71	-75	-149	229	310	-603	4	-50	0	0
Funds from operations (FFO)	**276**	**344**	**355**	**451**	**1,232**	**1,266**	**1,202**	**1,582**	**1,380**	**1,562**	**1,623**
Change in NWC	-8	-13	-419	4	104	461	-139	-476	292	-28	-35
Cash flow from operations (CFO)	**269**	**331**	**-64**	**455**	**1,336**	**1,727**	**1,063**	**1,106**	**1,672**	**1,534**	**1,588**
Capital expenditure	-46	-112	-196	-161	-133	-88	-128	-229	-182	-237	-247
Free cash flow before A&D	**223**	**219**	**-260**	**294**	**1,203**	**1,639**	**935**	**877**	**1,491**	**1,297**	**1,341**
Proceeds from sale of assets	4	-1,794	-67	24	-7	-28	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	-1,267	-46	0	0	0
Free cash flow	227	-1,575	-327	318	1,196	1,611	-332	831	1,491	1,297	1,341
Free cash flow bef A&D, lease adj	223	219	-260	294	515	981	215	15	731	527	561
Dividends paid	-29	-58	-92	-93	-129	58	-112	-136	-147	-156	-177
Equity issues / buybacks	0	695	0	0	0	0	0	0	0	0	0
Net change in debt	-125	1,029	462	-225	-1,152	-1,119	0	0	0	0	0
Other financing adjustments	0	0	0	0	1	-655	-720	-861	-760	-770	-780
Other non-cash adjustments	0	31	-15	43	17	532	1,609	357	0	0	0
Change in cash	72	122	28	43	-67	446	-203	6	584	371	384
Cash flow metrics											
Capex/D&A	34.1%	65.1%	76.9%	60.3%	14.8%	10.0%	14.2%	21.0%	17.5%	22.9%	23.6%
Capex/Sales	1.1%	1.8%	2.1%	1.5%	1.2%	0.8%	1.1%	1.5%	1.2%	1.5%	1.5%
Key information											
Share price year end (/current)	63	106	82	87	87	120	174	150	121	121	121
Market cap.	1,787	3,140	2,899	3,083	3,083	4,229	6,152	5,304	4,271	4,271	4,271
Enterprise value	2,525	5,363	5,564	5,622	7,077	7,087	11,401	12,599	11,610	11,150	10,667
Diluted no. of shares, year-end (m)	28.2	29.6	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4

Source: Company data and Nordea estimates

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