

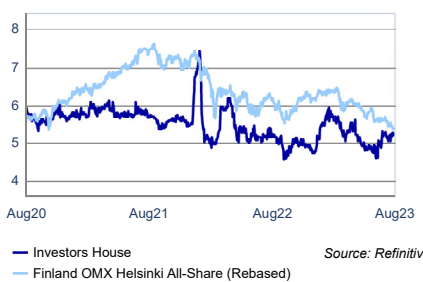
Investors House

Construction and Real Estate
Finland

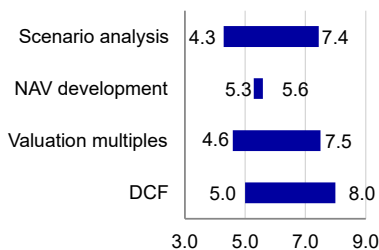
KEY DATA

Stock country	Finland
Bloomberg	INVEST.FH
Reuters	INVEST.HE
Share price (close)	EUR 5.24
Free float	
Market cap. (bn)	EUR 0.03/EUR 0.03
Website	www.investorhouse.fi
Next report date	13 Nov 2023

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-6%	-6%	-6%
EBIT (adj)	-15%	-5%	-2%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Svante Krokfors
DirectorDavid Flemmich
Associate Director

Q2 earnings boosted by asset revaluation

Investors House reported Q2 2023 revenue of EUR 1.7m, 12% below our estimate, and net operating income (NOI) of EUR 0.6m, 25% below our EUR 0.8m forecast, as the Service business disappointed. The company is taking actions to improve the division's top line and profitability, as its EBIT declined by more than 60% y/y. The operative result fell by 47% y/y at the group level, while the net results improved to EUR 3.1m from EUR 0.4m y/y due to valuation gains from the Kukkula project booked in Q2. Investors House is still waiting for the market to stabilise before making new investments and will closely monitor acquisition opportunities to enhance its return on capital. The company's main focus will be on preparing the Kukkula project for the coming years.

Services disappointed in Q2 – guidance for 2023 reiterated

NOI of EUR 0.6m for Q2 2023 was a slight disappointment, as Services underperformed in the quarter. Within Real Estate, reported earnings were boosted by the EUR 3m valuation gain booked in Q2 from the Kukkula project in Jyväskylä, Finland. EPRA NRV improved by 3% q/q in Q2, to EUR 5.83. The equity ratio improved by 4 pp q/q, to 62%, which is a comfortably high level given the growing JV development pipeline. The company reiterated its guidance for flat to slightly higher net profit (EUR 3.2m in 2022), including potential development gains. We estimate that adjusted EBIT will decline by 11% y/y to EUR 2.0m, while we expect a clear improvement in net profit owing to the revaluation effect in Q2.

Cuts to adjusted EBIT of 15% for 2023E and 2-5% for 2024E-25E

We lower our adjusted EBIT estimates by 15% for 2023 and 2-5% for 2024-25 owing to weak performance in Services, which will likely take more time than a few quarters to fix. The Kukkula project should generate EUR 1-1.5m in annual earnings, but not until 2026 at the earliest. Investors House had a gross cash position of EUR ~5m in Q2 and can increase the level of bank loans if needed.

Fair value range increased to EUR 4.8-7.1

We base our fair value range of EUR 4.8-7.1 (4.4-6.8) per share on a combination of valuation methods, with the greatest emphasis being on EPRA NRV. Our fair value range increases slightly to reflect a higher probability of value-add from the Kukkula project. Development projects contain hidden value, which could support a valuation above EPRA NRV and the upper end of our valuation range in the longer term.

SUMMARY TABLE - KEY FIGURES

EURt	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	11,461	9,465	8,043	7,603	7,280	7,595	7,847
EBITDA (adj)	5,273	333	4,149	2,260	2,002	2,757	2,956
EBIT (adj)	5,273	333	4,149	2,260	2,002	2,757	2,956
EBIT (adj) margin	46.0%	3.5%	51.6%	29.7%	27.5%	36.3%	37.7%
EPS (adj, EUR)	0.48	-0.18	0.53	0.27	0.23	0.34	0.37
EPS (adj) growth	176.0%	-137.3%	396.5%	-49.0%	-15.2%	49.1%	7.6%
DPS (ord, EUR)	0.25	0.27	0.29	0.31	0.33	0.35	0.37
EV/Sales	5.0	5.9	6.4	5.7	6.5	6.4	6.3
EV/EBIT (adj)	9.8	17.9	22.6	25.5	n.m.	23.9	22.6
P/E (adj)	13.5	n.m.	10.5	17.8	22.9	15.4	14.3
P/BV	0.9	0.9	1.0	1.0	1.0	1.0	1.0
Dividend yield (ord)	3.9%	4.7%	5.2%	6.5%	6.3%	6.7%	7.1%
FCF Yield bef A&D, lease	3.9%	2.3%	-2.1%	1.9%	2.2%	3.0%	3.3%
Net debt	16,081	19,505	4,383	12,205	13,459	14,562	15,684
Net debt/EBITDA	4.1	n.m.	n.m.	2.9	2.8	5.3	5.3
ROIC after tax	5.7%	0.4%	n.a.	4.1%	3.4%	4.4%	4.6%

Source: Company data and Nordea estimates

Deviation and revision tables

INVESTORS HOUSE: Q2 DEVIATION FROM OUR ESTIMATES

EURt	Actual	NDA est.	Deviation		Actual	Actual		
	Q2 2023	Q2 2023E	vs. actual		Q1 2023	q/q	Q2 2022	y/y
Sales	1,715	1,952	-237	-12%	1,655	4%	1,862	-8%
EBIT adj.	298	667	-369	-55%	59	408%	510	-42%
Net operating income	564	752	-188	-25%	77	635%	632	-11%
EPS, EUR	0.49	0.08		517%	(0.03)	-1735%	0.07	650%

Source: Company data and Nordea estimates

INVESTORS HOUSE: OUR ESTIMATE REVISIONS AFTER THE Q2 REPORT

EUR THOUSANDS	New estimates			Old estimates			Difference %		
	2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E
Sales	7,280	7,595	7,847	7,727	8,053	8,314	-6%	-6%	-6%
Adj. EBIT	2,002	2,757	2,956	2,364	2,893	3,014	-15%	-5%	-2%
Net operating income	2,398	3,012	3,215	2,708	3,253	3,381	-11%	-7%	-5%
Adj. EPS, EUR	0.23	0.34	0.37	0.28	0.36	0.37	-18%	-5%	-2%

Source: Nordea estimates

Factors to consider

Investors House is a real estate investment company with a focus on residential and office properties. It mainly operates in the regional growth centres of Finland. The company provides services and expanded its business into real estate funds during 2018. Investors House has a strong balance sheet, which bodes well for acquisitions or the expansion of existing business areas. After the acquisition of Juhola Asset Management, services have become an increasingly important part of Investors House, accounting for 52% of sales in Q2 2023. In June 2022, Investors House acquired Infonia Oy, a service company within real estate asset management with annual net sales of EUR 0.7-1.1m and earnings of EUR 0.2-0.5m in 2018-21. The key focus going forward and value creation potential comes from the Kukkula real estate project in Jyväskylä, Finland, where Investors House has a 33% stake with two other operators in the JV.

Diversified business model

Investors House is a real estate company that deals in residential and office properties, with an increasing focus on services and investment products through its Services segment. The company has historically bought and sold properties efficiently and streamlined its portfolio, especially during 2019, and this continued in H2 2021 with the divestment of residential properties and IVH Kampus.

Investors House has grown quite aggressively since mid-2015, when the current CEO, chairman and vice chairman became owners. The Real Estate and Services segments have expanded, mainly through acquisitions. We expect the good growth pace to continue, especially in the Services segment. Investors House decided to distribute its 20.4% stake in Ovaro (formerly Orava REIT) to its shareholders, which was completed at the end of 2020. EPRA NRV declined from EUR 8.27 at the end of 2021 to EUR 6.23 at the end of Q4 2022. Investors House distributed a EUR 1 extra dividend after the end of 2021, which explains a large part of the decline in EPRA NRV, which was EUR 5.83 in Q2 2023. The stock is currently trading at a ~10% EPRA NRV discount, down from 12% after the Q1 report.

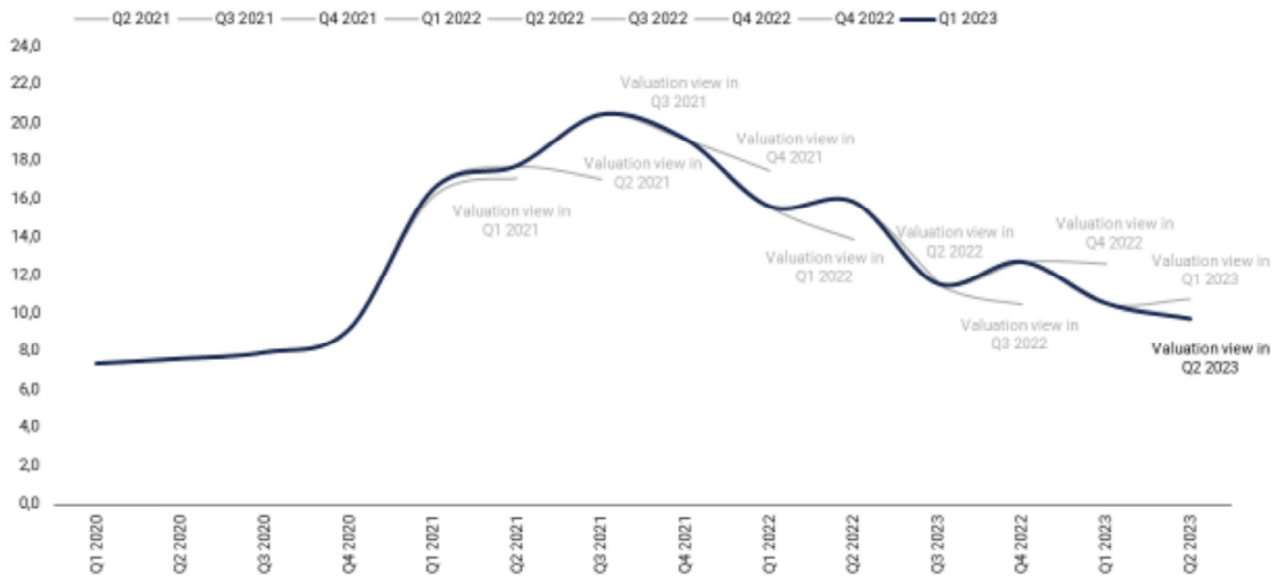
EPRA NRV CALCULATION

EURm	30/06/2023
EPRA NTA	26.9
Fair value of services and other	10.4
EPRA NRV	37.3
EPRA NRV per share (EUR)	5.83

Source: Company data

FAIR VALUE DEVELOPMENT OF INVESTORS HOUSE'S SERVICES BUSINESS

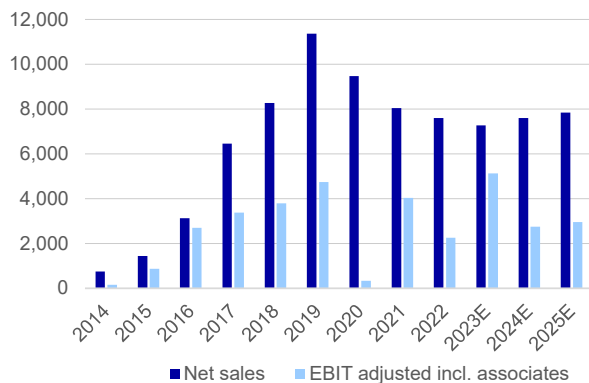
Service business fair value (EURm)



Source: Company data

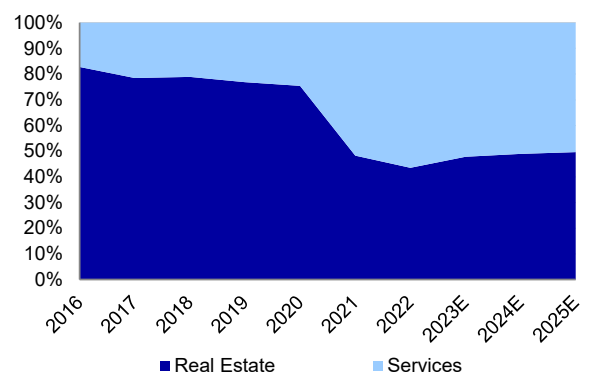
The Services segment has low capital needs and good scalability, as the company intends to expand into real estate funds, where it hopes to utilise its existing real estate investor base of around 10,000 clients. We believe the segment has good earnings potential and provides stability, as its revenues come from the services and fund management fees. An external evaluator has valued the Services business at EUR 9.7m, down from EUR 15.4m a year ago due to weaker operative performance as well as declining valuation multiples for peers.

SALES AND ADJUSTED EBIT (EUR THOUSANDS)



Source: Company data and Nordea estimates

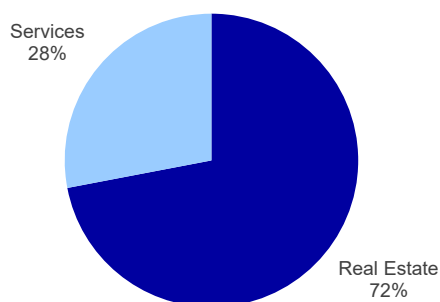
SPLIT OF NET SALES BY DIVISION



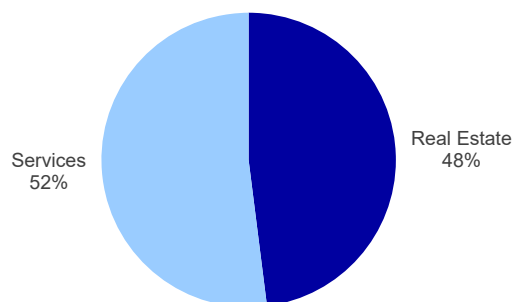
Source: Company data and Nordea estimates

Balanced investment portfolio

Since IVH Kampus is no longer consolidated but instead treated as an associated company, 48% of group sales came from the Real Estate business in Q2 2023 and 52% came from Services.

EPRA NRV CONTRIBUTION, Q2 2023

Source: Company data and Nordea

SALES BY SEGMENT, Q2 2023

Source: Company data and Nordea

Robust financial position

Investors House has a strong balance sheet, with a Q2 2023 equity ratio of 62% following several divestments in H2 2021 and the positive fair value gain in the JV in Q2 2023. The equity ratio is above the company's target of 45%, a level at which the covenants on bank loans stand, as we understand it. We believe Investors House will fund its expansion with new debt and expect the equity ratio to remain above the long-term target. The company had a gross cash position of EUR ~5m at the end of Q2 2023 and, according to management, investment capacity of EUR 20-30m given its high equity ratio, which enables increased gearing.

Slight discount to NAV and stable dividend

Investors House is currently trading at a 10% discount to EPRA NRV; the discount narrowed somewhat after the Ovaro share distribution and the distribution of the EUR 1 extra dividend. After the Q1 2023 report, the discount was 12%. The company has paid a stable, increasing dividend, with yields of 4.7-5.2% for the past two years. We expect an annual dividend of EUR 0.31-0.35 per share for 2023-25, which corresponds to a dividend yield of 5.9-6.7%.

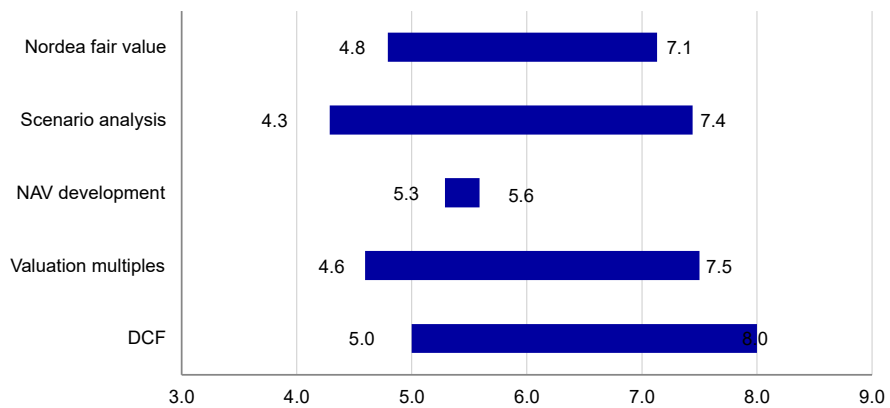
Valuation

When combining our valuation methods, we derive a fair value range of EUR 4.8-7.1. As the company is in the midst of a transformation process, we emphasise a scenario-based sum-of-the-parts (SOTP) approach to give a better picture of where value will come from in the future and how each part of the company is valued. We also use an NRV SOTP to show the short-term NAV development and asset revaluation potential.

In our fair value, we put less focus on the DCF and multiples valuation methods, as they are sensitive to changes. Peer multiples offer a broad valuation range, but there is no direct competitor with a similar business structure (residential, office, service and investment company aspects), so a multiples-based valuation is less reliable. A DCF valuation is easy to understand but sensitive to changes in the parameters, hence we put less focus on it.

The latest reported EPRA NRV was EUR 5.83, i.e. near the midpoint of our fair value range of EUR 4.8-7.1 per share. The low end of our range corresponds to a ~20% discount to the latest reported adjusted EPRA NRV, and the high end to a premium of ~20%. We see limited risk of asset writedowns in Investors House's high-yielding assets as, to our understanding, there has been next to no yield compression in the portfolio over the past few years.

VALUATION (EUR/SHARE)



Source: Nordea estimates

Detailed estimates

DETAILED ESTIMATES (EUR THOUSANDS; EPS IN EUR)

EUR THOUSANDS	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23E	Q4/23E	2021	2022	2023E	2024E	2025E
Net sales	1,796	1,862	1,886	2,059	1,655	1,715	1,800	2,110	8,043	7,603	7,280	7,595	7,847
Sales growth %	-6%	-25%	-20%	-32%	-8%	-8%	-5%	2%	-15%	-5%	-4%	4%	3%
Maintenance expenses (Real estate)	-273	-425	-137	-486	-792	-372	-100	-386	-2,218	-1,321	-1,650	-1,363	-1,427
Direct operating expenses (Services)	-831	-805	-820	-919	-786	-779	-775	-892	-2,649	-3,375	-3,232	-3,219	-3,204
Net operating income	692	632	929	654	77	564	925	832	3,175	2,907	2,398	3,012	3,215
margin %	39%	34%	49%	32%	5%	33%	51%	39%	39%	38%	33%	40%	41%
Net gains on sale of properties	0	0	-184	0	-77	-92	0	0	-1,688	-184	-169	0	0
Net fair value changes	0	0	-294	2,542	-108	-29	0	0	-3,183	2,180	-137	0	0
Selling, marketing and admin expenses	-267	-220	-276	-283	-162	-266	-250	-268	-885	-1,046	-946	-987	-1,020
Other operating income	0	-49	-97	-16	0	-33	0	0	-112	-162	-33	0	0
Associates	127	147	144	143	144	3,129	145	294	1,858	561	3,712	732	761
EBIT	552	510	222	3,039	-126	3,273	820	858	-834	4,255	4,825	2,757	2,956
margin %	31%	27%	12%	148%	-8%	191%	46%	41%	-10%	56%	66%	36%	38%
EBIT adjusted incl. associates	552	510	700	497	59	3,394	820	858	4,037	2,259	5,131	2,757	2,956
margin %	24%	19%	29%	17%	-5%	15%	38%	27%	27%	22%	19%	27%	28%
Financial income	57	57	59	73	82	65	59	57	84	246	263	263	263
Financial expenses	-105	-119	-52	-209	-146	-177	-130	-72	-699	-485	-525	-544	-562
Profit before taxes	504	448	229	2,903	-190	3,161	749	843	-1,449	4,016	4,563	2,476	2,657
Taxes	-163	-32	-21	-575	5	-44	-112	-126	446	-795	-278	-297	-319
Net profit	341	416	209	2,329	-185	3,117	637	717	-1,003	3,221	4,284	2,179	2,338
Cash flow hedges	0	0	0	0	0	0	0	0	0	0	0	0	0
Net profit of the period	341	416	209	2,329	-185	3,117	637	717	-1,003	3,221	4,284	2,179	2,338
EPS	0.06	0.07	0.03	0.37	-0.03	0.49	0.10	0.11	-0.16	0.51	0.67	0.34	0.37
Minority interest	0	0	0	0	0	0	0	0	-137	0	0	0	0
Net profit attributable to shareholders	341	416	209	2,329	-185	3,117	637	717	-1,140	3,221	4,284	2,179	2,338
EPS attributable to shareholders	0.06	0.07	0.11	-0.03	0.00	0.51	0.10	0.11	0.51	0.27	0.72	0.32	0.35

Source: Company data and Nordea estimates

DIVISIONAL ESTIMATES

EUR THOUSANDS	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23E	Q4/23E	2021	2022	2023E	2024E	2025E
Real estate													
Net sales	798	796	876	839	853	824	911	889	3,877	3,309	3,477	3,716	3,890
Net sales growth %	-34%	-25%	-19%	57%	7%	4%	4%	6%	-48%	-15%	5%	7%	5%
Net fair value changes	-68	0	-294	2,603	-108	-29	0	0	-2,483	2,241	-137	0	0
Associate income	127	147	144	143	144	3,129	145	294	1,858	561	3,712	732	761
EBIT	536	518	453	3,083	20	3,460	956	798	-731	4,590	5,234	3,085	3,224
margin %	67%	65%	52%	367%	2%	420%	105%	90%	-19%	139%	151%	83%	83%
EBIT adj. incl. associates	652	518	883	496	205	3,581	956	798	3,517	2,548	5,540	3,085	3,224
margin %	0%	0%	0%	0%	0%	0%	0%	0%	91%	77%	159%	83%	83%
Services													
Net sales	998	1,066	1,010	1,220	802	891	888	1,220	4,166	4,294	3,802	3,879	3,956
Net sales growth %	-31%	-16%	-58%	-79%	-25%	-12%	-27%	-72%	5%	5%	5%	5%	5%
EBIT	167	212	93	240	16	79	113	328	700	712	570	659	752
margin %	17%	20%	9%	20%	2%	9%	13%	27%	17%	17%	15%	17%	19%

Source: Company data and Nordea estimates

Risk factors

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

Changes in interest rates

Rising interest rates will eventually push financial costs higher, which could have a significant impact on real estate companies. Investors House has a strong balance sheet but rising interest rates will have an impact on earnings. The company does not disclose its hedging strategy, which means forecasting increasing financial costs is difficult. Higher interest rates will also likely slow down the transaction market as funding becomes more expensive, which in turn could lower the value of properties and make divestments more difficult. This could hamper Investors House's ability to pursue value-creative investments in the future.

Small size

The company's small size adds volatility to future earnings, both on the downside and the upside. Investor House's low liquidity could also pose a risk for investors, as it can be difficult to buy or sell a large stake in the company.

Dependent on a few key people

The current strategy and growth have been driven by a few key people (CEO, chairman and vice chairman), making them crucial to the company. It could significantly impact Investors House's development if they were to leave the company, although we find this unlikely.

Competition

Investors House is still a small player, but the company will start competing against larger players as it grows, making it more difficult to differentiate itself. Over the past 12-18 months, Investors House has increased its share of service business, which will make it more vulnerable to competition from service providers and less vulnerable to real estate peers.

Strong transaction focus

Investors House has grown its property portfolio rapidly and is expected to continue rotating its assets. The current strong transaction market has supported property prices and favoured property divestments. If this market were to slow down and property prices faced downward pressure, it would make asset disposals slower or more challenging and could reduce gains on disposals.

Macroeconomic factors

Changes in economic factors such as GDP development, inflation and the level of housing production have already started to affect real estate companies such as Investors House. A downturn in the economy would have an adverse effect on the Finnish housing market and thus impact Investors House's operations. An economic downturn would likely make homebuyers more cautious and thus put pressure on prices, as well as increase vacancy risk.

Risk of value dilution

The company has grown rapidly, funding part of its expansion through share issues. This has a dilutive effect on EPS development. Additional share issues could further dilute value and pose the risk of a lower dividend per share.

Legal, tax and political risks

Changes in regulations, tax rules or development restrictions could have negative ramifications for Investors House.

Reported numbers and forecasts

INCOME STATEMENT

EURt	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	1,438	3,134	6,449	8,276	11,461	9,465	8,043	7,603	7,280	7,595	7,847
Revenue growth	91.2%	117.9%	105.8%	28.3%	38.5%	-17.4%	-15.0%	-5.5%	-4.3%	4.3%	3.3%
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	4,325	4,505	5,981	4,683	3,953	-504	-834	4,256	4,825	2,757	2,956
Depreciation and impairments PPE	0	0	0	0	0	0	0	0	0	0	0
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	4,325	4,505	5,981	4,683	3,953	-504	-834	4,256	4,825	2,757	2,956
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	4,325	4,505	5,981	4,683	3,953	-504	-834	4,256	4,825	2,757	2,956
of which associates	0	1,356	1,056	653	-584	-2,782	1,858	561	3,712	732	761
Associates excluded from EBIT	0	0	0	0	0	0	n.a.	0	0	0	0
Net financials	48	-281	-422	-591	-1,213	-1,116	-615	-239	-262	-281	-299
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	4,373	4,224	5,559	4,092	2,740	-1,620	-1,449	4,017	4,563	2,476	2,657
Reported taxes	-886	-457	-512	-1,948	-657	91	446	-795	-278	-297	-319
Net profit from continued operations	3,487	3,767	5,047	2,144	2,083	-1,529	-1,003	3,222	4,284	2,179	2,338
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	-433	0	-137	0	0	0	0
Net profit to equity	3,487	3,767	5,047	2,144	1,650	-1,529	-1,140	3,222	4,284	2,179	2,338
EPS, EUR	1.48	1.14	1.12	0.35	0.27	-0.25	-0.18	0.50	0.67	0.34	0.37
DPS, EUR	0.17	0.19	0.21	0.23	0.25	0.27	1.29	0.31	0.33	0.35	0.37
of which ordinary	0.17	0.19	0.21	0.23	0.25	0.27	0.29	0.31	0.33	0.35	0.37
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00

Profit margin in percent

EBITDA	300.8%	143.7%	92.7%	56.6%	34.5%	-5.3%	-10.4%	56.0%	66.3%	36.3%	37.7%
EBITA	300.8%	143.7%	92.7%	56.6%	34.5%	-5.3%	-10.4%	56.0%	66.3%	36.3%	37.7%
EBIT	300.8%	143.7%	92.7%	56.6%	34.5%	-5.3%	-10.4%	56.0%	66.3%	36.3%	37.7%

Adjusted earnings

EBITDA (adj)	584	2,699	3,394	3,611	5,273	333	4,149	2,260	2,002	2,757	2,956
EBITA (adj)	584	2,699	3,394	3,611	5,273	333	4,149	2,260	2,002	2,757	2,956
EBIT (adj)	584	2,699	3,394	3,611	5,273	333	4,149	2,260	2,002	2,757	2,956
EPS (adj, EUR)	-0.12	0.57	0.55	0.17	0.48	-0.18	0.53	0.27	0.23	0.34	0.37

Adjusted profit margins in percent

EBITDA (adj)	40.6%	86.1%	52.6%	43.6%	46.0%	3.5%	51.6%	29.7%	27.5%	36.3%	37.7%
EBITA (adj)	40.6%	86.1%	52.6%	43.6%	46.0%	3.5%	51.6%	29.7%	27.5%	36.3%	37.7%
EBIT (adj)	40.6%	86.1%	52.6%	43.6%	46.0%	3.5%	51.6%	29.7%	27.5%	36.3%	37.7%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	72.4%	45.8%	20.7%	3.3%	-2.5%	-7.9%	-3.7%
EBITDA	n.m.	n.m.	n.m.	n.m.	38.9%	n.m.	n.m.	-6.6%	0.6%	-7.0%	n.m.
EBIT	n.a.	n.a.	n.a.	n.a.	38.9%	n.m.	n.m.	-6.6%	0.6%	-7.0%	n.m.
EPS	n.a.	n.a.	n.a.	n.a.	-10.2%	n.m.	n.m.	-14.8%	14.1%	5.0%	n.m.
DPS	n.m.	n.m.	n.m.	n.m.	20.1%	9.7%	8.8%	8.1%	7.5%	7.0%	6.5%
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	n.m.	76.2%	48.0%	30.4%	25.8%	26.7%	26.3%	36.4%
Average EBITDA margin	n.a.	n.a.	n.a.	n.m.	76.2%	48.0%	30.4%	25.8%	26.7%	26.3%	36.4%

VALUATION RATIOS - ADJUSTED EARNINGS

EURt	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E (adj)	n.a.	n.a.	n.a.	34.6	13.5	n.m.	10.5	17.8	22.9	15.4	14.3
EV/EBITDA (adj)	n.a.	n.a.	n.a.	20.7	10.8	167.6	12.5	19.2	23.7	17.6	16.8
EV/EBITA (adj)	n.a.	n.a.	n.a.	20.7	10.8	167.6	12.5	19.2	23.7	17.6	16.8
EV/EBIT (adj)	n.a.	n.a.	n.a.	25.3	9.8	17.9	22.6	25.5	n.m.	23.9	22.6

VALUATION RATIOS - REPORTED EARNINGS

EURt	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E	n.a.	n.a.	n.a.	17.3	24.2	n.m.	n.m.	9.5	7.8	15.4	14.3
EV/Sales	n.a.	n.a.	n.a.	9.04	4.99	5.90	6.45	5.69	6.51	6.38	6.32
EV/EBITDA	n.a.	n.a.	n.a.	18.6	12.6	24.5	n.m.	11.7	42.6	23.9	22.6
EV/EBITA	n.a.	n.a.	n.a.	18.6	12.6	24.5	n.m.	11.7	42.6	23.9	22.6
EV/EBIT	n.a.	n.a.	n.a.	18.6	12.6	24.5	n.m.	11.7	42.6	23.9	22.6
Dividend yield (ord.)	n.a.	n.a.	n.a.	3.8%	3.9%	4.7%	5.2%	6.5%	6.3%	6.7%	7.1%
FCF yield	n.a.	n.a.	n.a.	-13.2%	-28.8%	-6.3%	38.5%	1.9%	2.2%	3.0%	3.3%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	0.7%	3.9%	2.3%	-2.1%	1.9%	2.2%	3.0%	3.3%
Payout ratio	n.m.	33.5%	38.3%	132.6%	52.2%	n.m.	243.8%	114.9%	144.3%	102.6%	100.8%

Source: Company data and Nordea estimates

BALANCE SHEET

EURt	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	400	1,350	1,389	2,933	3,142	2,846	5,391	6,173	6,173	6,173	6,173
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	39	105	329	33	614	686	686	686	686
of which goodwill	400	1,350	1,350	2,828	2,813	2,813	4,777	5,487	5,487	5,487	5,487
Tangible assets	28,198	38,559	57,816	71,263	42,124	45,887	34,094	34,664	34,944	35,390	35,857
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
Shares associates	0	1,844	13,583	14,296	24,929	15,851	745	1,306	5,018	5,750	6,511
Interest bearing assets	0	0	0	0	0	10	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	684	665	876	0	0	0
Other non-IB non-current assets	6	498	208	232	205	472	3,728	3,319	3,319	3,319	3,319
Other non-current assets	0	0	0	0	0	0	0	0	0	0	0
Total non-current assets	28,604	42,251	72,996	88,724	70,400	65,750	44,623	46,338	49,454	50,632	51,860
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	440	556	1,187	1,461	1,101	1,094	1,211	1,507	1,443	1,505	1,555
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	0	272	10	148	0	106	78	72	69	72	74
Cash and bank	212	509	1,465	2,323	4,844	3,181	17,399	6,543	5,289	4,186	3,064
Total current assets	652	1,337	2,662	3,932	5,945	4,381	18,688	8,122	6,800	5,763	4,693
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	29,256	43,588	75,658	92,656	76,345	70,131	63,311	54,460	56,255	56,395	56,553
Shareholders equity	17,865	21,695	46,128	46,815	43,477	37,562	36,239	32,113	34,280	34,350	34,452
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	19	2,671	1,200	1,140	475	425	425	425	425
Total Equity	17,865	21,695	46,147	49,486	44,677	38,702	36,714	32,538	34,705	34,775	34,877
Deferred tax	1,110	1,466	1,490	1,921	925	1,005	446	1,183	1,183	1,183	1,183
Long term interest bearing debt	7,936	18,273	21,408	28,641	18,017	18,364	18,512	16,553	16,553	16,553	16,553
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	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	0	0	0	0	0	0	0	0
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	9,046	19,739	22,898	30,562	18,942	19,369	19,338	18,036	17,736	17,736	17,736
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	533	879	2,041	3,909	9,818	7,728	3,989	1,691	1,619	1,689	1,745
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	0	17	249	0	0	0	0	0	0	0	0
Short term interest bearing debt	1,812	1,259	4,323	8,699	2,908	4,332	3,270	2,195	2,195	2,195	2,195
Total current liabilities	2,345	2,155	6,613	12,608	12,726	12,060	7,259	3,886	3,814	3,884	3,940
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	29,256	43,589	75,658	92,656	76,345	70,131	63,311	54,460	56,255	56,395	56,553
Balance sheet and debt metrics											
Net debt	9,536	19,023	24,266	35,017	16,081	19,505	4,383	12,205	13,459	14,562	15,684
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	-93	-68	-1,093	-2,300	-8,717	-6,528	-2,700	-112	-107	-112	-116
Invested capital	28,511	42,183	71,903	86,424	61,683	59,222	41,923	46,226	49,347	50,520	51,744
Capital employed	27,613	41,227	71,878	86,826	65,602	61,398	58,496	51,286	53,453	53,523	53,625
ROE	29.3%	19.0%	14.9%	4.6%	3.7%	-3.8%	-3.1%	9.4%	12.9%	6.3%	6.8%
ROIC	2.6%	6.1%	4.8%	3.6%	5.7%	0.4%	n.a.	4.1%	3.4%	4.4%	4.6%
ROCE	4.1%	7.8%	6.1%	4.6%	6.9%	0.6%	n.a.	4.6%	4.3%	5.6%	6.0%
Net debt/EBITDA	2.2	4.2	4.1	7.5	4.1	n.m.	n.m.	2.9	2.8	5.3	5.3
Interest coverage	55.0	15.9	13.1	7.5	3.2	-0.4	-1.1	9.3	9.7	5.6	5.7
Equity ratio	61.1%	49.8%	61.0%	50.5%	56.9%	53.6%	57.2%	59.0%	60.9%	60.9%	60.9%
Net gearing	53.4%	87.7%	52.6%	70.8%	36.0%	50.4%	11.9%	37.5%	38.8%	41.9%	45.0%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURt	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
EBITDA (adj) for associates	4,325	3,149	4,925	4,030	4,537	2,278	-2,692	3,695	1,112	2,025	2,195
Paid taxes	-31	-235	-133	-357	-273	-507	328	-795	-278	-297	-319
Net financials	48	-281	-422	-587	-1,767	-1,087	-615	-239	-262	-281	-299
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	-6	-492	290	-24	27	-951	-2,857	118	576	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	-3,906	-1,413	-3,244	-2,330	-649	6,910	5,684	-1,936	0	0	0
Funds from operations (FFO)	430	728	1,416	732	1,875	6,643	-153	843	1,148	1,447	1,577
Change in NWC	37	-82	33	310	810	-4,952	-97	135	-5	5	4
Cash flow from operations (CFO)	467	646	1,449	1,042	2,685	1,692	-250	978	1,143	1,452	1,581
Capital expenditure	-282	-386	-578	-773	-1,126	-897	-465	-397	-417	-446	-467
Free cash flow before A&D	185	260	871	269	1,559	795	-715	581	726	1,006	1,114
Proceeds from sale of assets	0	1,231	2,315	833	15,480	2,000	17,500	0	0	0	0
Acquisitions	-3,154	-3,869	-737	-6,012	-28,539	-5,000	-3,500	0	0	0	0
Free cash flow	-2,969	-2,378	2,449	-4,910	-11,500	-2,205	13,285	581	726	1,006	1,114
Free cash flow bef A&D, lease adj	185	260	871	269	1,559	795	-715	581	726	1,006	1,114
Dividends paid	-152	-563	-629	-1,298	-1,422	-1,546	-1,669	-7,975	-1,981	-2,108	-2,236
Equity issues / buybacks	0	0	1,167	0	0	0	0	0	0	0	0
Net change in debt	3,355	5,271	-1,138	2,983	15,500	5,000	6,500	7,000	0	0	0
Other financing adjustments	0	0	0	0	0	0	10	0	0	0	0
Other non-cash adjustments	-61	-2,033	-893	4,083	-57	-2,912	-3,908	-10,461	0	0	0
Change in cash	173	297	956	858	2,521	-1,663	14,218	-10,856	-1,254	-1,102	-1,122
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Capex/Sales	19.6%	12.3%	9.0%	9.3%	9.8%	9.5%	5.8%	5.2%	5.7%	5.9%	5.9%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	6	6	6	6	5	5	5	5
Market cap.	n.a.	n.a.	n.a.	37,094	39,876	35,239	34,497	30,668	33,479	33,479	33,479
Enterprise value	n.a.	n.a.	n.a.	74,782	57,157	55,884	51,855	43,298	47,363	48,466	49,588
Diluted no. of shares, year-end (t)	3,179.9	3,310.8	6,182.3	6,182.3	6,182.3	6,182.3	6,182.3	6,389.1	6,389.1	6,389.1	6,389.1

Source: Company data and Nordea estimates

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