12 July 2024

Commissioned research: Atria – Good EBIT development triggered a positive profit warning

Marketing material commissioned by Atria

Atria raised its adjusted EBIT guidance and now expects growing earnings in 2024 (earlier: adjusted EBIT to decline in 2024 from EUR 49.6m in 2023). Positive profit warning is due to good EBIT development in all business areas. In addition, the new poultry unit has been put into operation successfully. LSEG consensus has modelled EUR 51m adjusted EBIT in 2024E (+3%) while we have anticipated EUR 52.5m (+6%). Hence, guidance raise is not a big surprise, while we note successful commissioning of the new poultry unit which lowers risk going forward and enables cost-efficient production and business expansion. We believe consensus to take up its estimates by some 5% for 2024E-26E. For Q2E, due on 18 July, we have been fairly in line with consensus while we note positive EBIT development comments for all business areas (we have anticipated y/y decline in Finland adjusted EBIT).

ATRIA: OUR ESTIMATES VS. CONSENSUS

		Nordea estimates				Consensus estimates				Difference %			
EURm	**2023**	**Q2 2024E**	**2024E**	**2025E**	**2026E**	**Q2 2024E**	**2024E**	**2025E**	**2026E**	**Q2 2024E**	**2024E**	**2025E**	**2026E**
Sales	**1,753**	**452**	**1,767**	**1,826**	**1,862**	**450**	**1761**	**1809**	**1848**	**0%**	**0%**	**1%**	**1%**
Adj. EBIT	**49.5**	**10.7**	**52.5**	**61.4**	**66.5**	**10.9**	**51.0**	**59.3**	**63.3**	**-2%**	**3%**	**4%**	**5%**
Adj. EBIT margin	2.8%	2.4%	3.0%	3.4%	3.6%	2.4%	2.9%	3.3%	3.4%	-0.1pp	0.1pp	0.1pp	0.1pp
Adj. EPS	**1.04**	**0.15**	**0.97**	**1.25**	**1.44**	**0.17**	**0.95**	**1.22**	**1.37**	**-11%**	**2%**	**2%**	**5%**
DPS	**0.60**		**0.65**	**0.72**	**0.77**		**0.64**	**0.69**	**0.74**		**2%**	**4%**	**4%**

Source: Company data, LSEG Data & Analytics and Nordea estimates

SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024E	2025E	2026E
Total revenue	1,540	1,697	1,753	1,767	1,826	1,862
EBITDA (adj)	106	102	109	117	128	134
EBIT (adj)	49	49	50	52	61	66
EBIT (adj) margin	3.2%	2.9%	2.8%	3.0%	3.4%	3.6%
EPS (adj, EUR)	0.97	1.54	1.04	0.97	1.25	1.44
EPS (adj) growth	6.4%	58.7%	-32.5%	-7.2%	29.4%	15.0%
DPS (ord, EUR)	0.63	0.70	0.60	0.65	0.72	0.77
EV/Sales	0.3	0.3	0.3	0.3	0.3	0.3
EV/EBIT (adj)	10.0	10.4	12.0	10.8	8.8	7.7
P/E (adj)	11.9	6.0	10.1	9.9	7.6	6.6
P/BV	0.7	0.6	0.8	0.7	0.6	0.6
Dividend yield (ord)	5.5%	7.6%	5.7%	6.8%	7.5%	8.1%
FCF Yield bef A&D, lease adj	7.2%	-31.1%	-8.4%	9.8%	19.8%	19.0%
Net debt	152	234	273	272	237	206
Net debt/EBITDA	2.4	2.2	2.7	2.3	1.8	1.5
ROIC after tax	6.4%	6.3%	5.7%	5.9%	7.0%	7.6%

Source: Company data and Nordea estimates

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