Nordea

Commissioned Equity Research

Flash comment

14 August 2024

Commissioned research: Investors House – Strong Q2 result boosted by disposals with underlying operations solid

Marketing material commissioned by Investors House

Investors House reported Q2 revenues of EUR 3.1m, 18% above our EUR 2.6m estimate. Net operating income was EUR 1.9m, which was up from EUR 0.6m y/y and above our EUR 1.4m estimate. Real Estate division posted EUR 1.9m in sales versus our EUR 1.8m estimate. The Services segment posted better sales and EBIT than we estimated. Adjusted EBIT was EUR 1.8m versus our EUR 1.2m estimate while reported EBIT of EUR 7.7m included EUR 5.8m in net gains from asset disposals (the 1/3 disposal of the JKK JV). Operationally, the results were better than expected. The guidance for 2024 was reiterated: earnings will increase significantly compared to 2023 (2023: EUR 3.5m) thanks to the significant asset disposal gains in H1. The equity ratio improved q/q from 44% in Q1 2024 to 46%. We expect an initial positive share price reaction.

INVESTORS HOUSE: DEVIATION TABLE

	Actual	NDA est.	Deviation		Actual		Actual	
EURt	**Q2 2024**	**Q2 2024E**	**vs. actual**		**Q1 2024**	**q/q**	**Q22023**	**y/y**
Sales	**3,082**	**2,609**	**473**	**18%**	**1,635**	**89%**	**1,715**	**80%**
EBIT adj.	**1,814**	**1,249**	**565**	**45%**	**986**	**84%**	**3,394**	**-47%**
Net operating income	**1,905**	**1,449**	**456**	**32%**	**169**	**1028%**	**564**	**238%**
EPS, EUR	**0.88**	**0.12**		**644%**	**0.13**	597%	**0.49**	80%

Source: Investors House and Nordea

SUMMARY TABLE - KEY FIGURES

EURt	**2021**	**2022**	**2023**	**2024E**	**2025E**	**2026E**
Total revenue	8,043	7,603	6,857	9,527	10,617	10,830
EBITDA (adj)	4,149	2,260	3,897	4,892	4,964	5,097
EBIT (adj)	4,149	2,260	3,897	4,892	4,964	5,097
EBIT (adj) margin	51.6%	29.7%	56.8%	51.4%	46.7%	47.1%
EPS (adj, EUR)	0.53	0.27	0.54	0.43	0.41	0.43
EPS (adj) growth	396.5%	-49.0%	100.3%	-20.5%	-3.8%	4.6%
DPS (ord, EUR)	0.29	0.31	0.33	0.35	0.37	0.39
EV/Sales	6.4	5.7	6.0	8.9	8.0	7.9
EV/EBIT (adj)	22.6	25.5	n.m.	17.7	17.2	16.8
P/E (adj)	10.5	17.8	9.4	12.2	12.6	12.1
P/BV	1.0	1.0	1.0	1.0	1.0	0.9
Dividend yield (ord)	5.2%	6.5%	6.5%	6.7%	7.1%	7.5%
FCF Yield bef A&D, lease adj	-2.1%	1.9%	-2.9%	6.7%	7.9%	8.0%
Net debt	4,383	12,205	8,273	37,124	36,726	36,418
Net debt/EBITDA	n.m.	2.9	2.1	7.6	7.4	7.1
ROIC after tax	n.a.	4.1%	6.9%	6.3%	4.9%	5.0%

Source: Company data and Nordea estimates

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