

Investors House

Construction and Real Estate
Finland

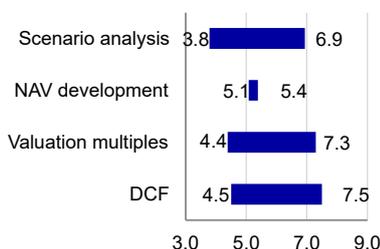
KEY DATA

Stock country	Finland
Bloomberg	INVEST.FH
Reuters	INVEST.HE
Share price (close)	EUR 5.88
Free Float	
Market cap. (bn)	EUR 0.04/EUR 0.04
Website	www.investorshouse.fi
Next report date	15 May 2023

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-3%	-3%	-3%
EBIT (adj)	-16%	-17%	-17%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Svante Krokfors
DirectorDavid Flemmich
Senior Analyst, Sector Coordinator

Guiding for strong earnings in 2023

Investors House reported Q4 revenue of EUR 2.1m, 4% above our estimate, and net operating income (NOI) of EUR 0.7m, 18% below our EUR 0.8m forecast, as Real Estate posted higher property costs compared to our estimates. EPRA earnings were EUR 0.4m, down by 60% y/y, owing to divestments conducted in Q4 2021. The share of revenue from Services was 59%. Investors House succeeded in streamlining its operations and its balance sheet through an extra dividend of EUR 1 per share in 2022, which has reduced the EPRA NRV discount further to 5%, from 40% at the end of 2021. The company is waiting for the market to stabilise before it enters new investments and will closely monitor acquisition opportunities to enhance the return on capital.

Real Estate weaker, Services solid – flat 2023 earnings guided

Q4 NOI of EUR 0.8m was 18% below our estimate, weighed down mainly by higher property costs in Real Estate. Reported EBIT was EUR 3.0bn in Q4 and included the development gain from the Tikkurila project, while the company saw property values decline slightly in the quarter. Services' EBIT margin was 20%, but a healthy 25% when adjusted for writedowns. EPRA NRV increased by 9% q/q in Q4 to EUR 6.23, boosted by the development gain. The equity ratio improved by 2 pp q/q, to 60%, which is important given the growing JV development pipeline. The company guides for flat net profit (EUR 3.2m in 2022) including potential development gains; we expect adjusted EBIT to grow by 16% y/y to EUR 2.6m.

Estimates adjusted to reflect the new structure

We forecast that adjusted EPS will grow by 15% in 2023, while we lower adjusted EBIT by 16-17% for 2023E-25E to better reflect the streamlined business after large disposals in Real Estate over the past 18 months. With its strong balance sheet and 60% equity ratio, the company has EUR ~30m in M&A firepower. We do not model any unannounced M&A but find it likely that the company will conduct acquisitions during 2023.

Fair value range unchanged at EUR 4.4-6.8

We base our fair value range of EUR 4.4-6.8 per share on a combination of valuation methods, with the greatest emphasis being on EPRA NRV. Development projects (e.g. the Kukkuola project in Jyväskylä) contain hidden value, which could support a valuation even above EPRA NRV and the high end of our valuation range.

SUMMARY TABLE - KEY FIGURES

EURt	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	11,461	9,465	8,043	7,603	8,080	8,412	8,680
EBITDA (adj)	5,273	333	4,149	2,260	2,633	2,783	2,901
EBIT (adj)	5,273	333	4,149	2,260	2,633	2,783	2,901
EBIT (adj) margin	46.0%	3.5%	51.6%	29.7%	32.6%	33.1%	33.4%
EPS (adj, EUR)	0.48	-0.18	0.53	0.27	0.31	0.34	0.35
EPS (adj) growth	176.0%	-137.3%	396.5%	-49.0%	15.3%	9.3%	4.3%
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	6.2	6.1	6.0
EV/EBIT (adj)	9.8	17.9	22.6	25.5	24.6	23.6	23.0
P/E (adj)	13.5	n.m.	10.5	17.8	18.9	17.3	16.6
P/BV	0.9	0.9	1.0	1.0	1.2	1.2	1.2
Dividend yield (ord)	3.9%	4.7%	5.2%	6.5%	5.6%	6.0%	6.3%
FCF Yield bef A&D, lease	3.9%	2.3%	-2.1%	1.9%	4.6%	3.3%	3.4%
Net debt	16,081	19,505	4,383	12,205	12,442	13,318	14,275
Net debt/EBITDA	4.1	n.m.	n.m.	2.9	4.7	4.8	4.9
ROIC after tax	5.7%	0.4%	n.a.	4.1%	4.6%	4.7%	4.8%

Source: Company data and Nordea estimates

Deviation and revision tables

INVESTORS HOUSE: Q3 DEVIATION FROM OUR ESTIMATES

EURt	Actual	NDA est.	Deviation		Actual	Actual	Actual	
	Q4 2022	Q4 2022E	vs. actual		Q3 2022	q/q	Q4 2021	y/y
Sales	2,059	1,973	86	4%	1,886	9%	3,015	-32%
EBIT adj.	437	795	-358	-45%	700	-38%	3,087	-86%
Net operating income	654	794	-140	-18%	929	-30%	2,370	-72%
EPS, EUR	0.04	0.08			0.04	1%	0.08	-48%

Source: Company data and Nordea estimates

INVESTORS HOUSE: OUR ESTIMATE REVISIONS AFTER THE Q4 REPORT

EUR THOUSANDS	New estimates			Old estimates			Difference %		
	2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E
Sales	8,080	8,412	8,680	8,351	8,691	8,965	-3%	-3%	-3%
Adj. EBIT	2,633	2,783	2,901	3,152	3,335	3,477	-16%	-17%	-17%
Net operating income	3,161	3,334	3,464	3,579	3,780	3,930	-12%	-12%	-12%
Adj. EPS, EUR	0.31	0.34	0.35	0.37	0.39	0.41	-17%	-14%	-14%

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 also 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 in the future. After the acquisition of Juhola Asset Management, announced on 26 February 2021, services have become an increasingly important part of Investors House, accounting for 54% of sales in Q3 2022. 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.

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.

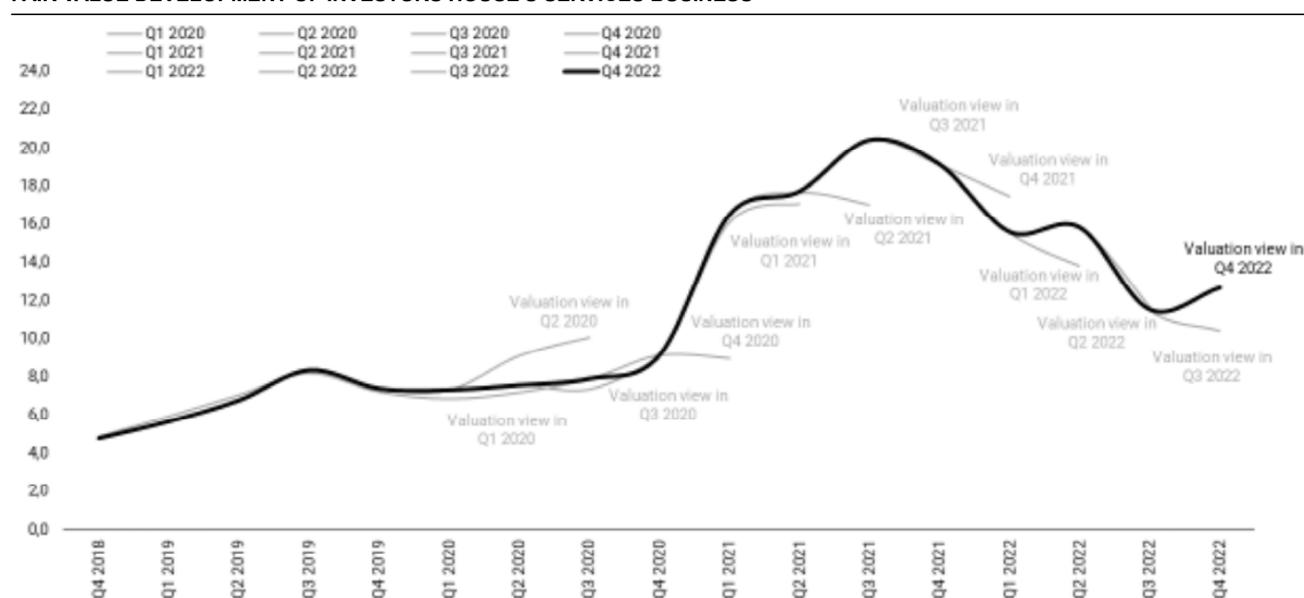
Investors House has grown quite aggressively since mid-2015, when the current CEO, chairman and vice chairman became owners. The Real Estate and Services segments have expanded, mainly through acquisitions. We expect the good growth pace to continue, especially in the Services segment. Investors House 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. Investors House is currently trading at a ~5% EPRA NRV discount, down from 12% after the Q3 report.

EPRA NRV CALCULATION

EURm	31/12/2022
EPRA NTA	26.2
Fair value of services and other	13.6
EPRA NRV	39.8
EPRA NRV per share (EUR)	6.23

Source: Company data

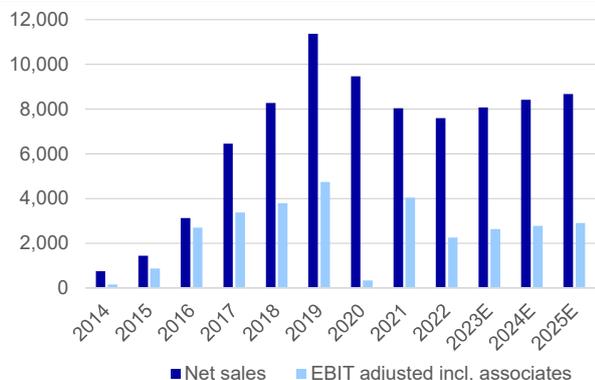
FAIR VALUE DEVELOPMENT OF INVESTORS HOUSE'S SERVICES BUSINESS



Source: Company data

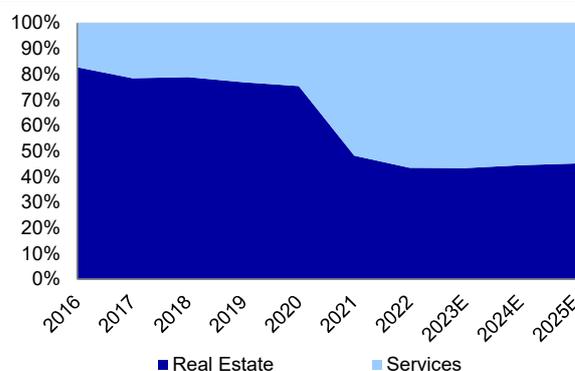
The Services segment has low capital needs and good scalability, as the company intends to expand into real estate funds, where it hopes to utilise its existing real estate investor base of around 10,000 clients. We believe the Services segment has good earnings potential and provides stability, as its revenues come from the services and fund management fees. An external evaluator has valued the Services business at EUR 12.7m, up from EUR 11.5m in Q3 2022 and down from EUR 19.1m a year ago.

SALES AND ADJUSTED EBIT (EUR THOUSANDS)



Source: Company data and Nordea estimates

SPLIT OF NET SALES BY DIVISION

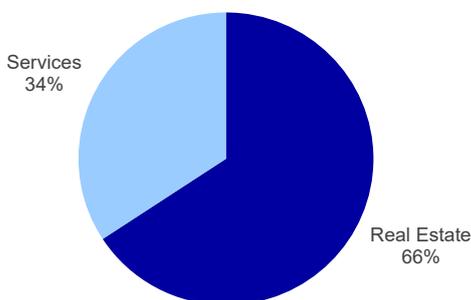


Source: Company data and Nordea estimates

Balanced investment portfolio

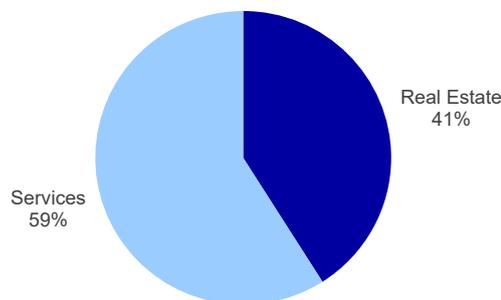
Since IVH Kampus is no longer consolidated but instead treated as an associated company, 41% of group sales came from the Real Estate business in Q4 and 59% came from Services.

EPRA NRV CONTRIBUTION, Q4 2022



Source: Company data and Nordea

SALES BY SEGMENT, Q4 2022



Source: Company data and Nordea

Robust financial position

Investors House has a strong balance sheet, with a Q4 2022 equity ratio of 60% following several divestments in H2 2021. 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 the company will fund its expansion with new debt and expect the equity ratio to remain above the long-term target. Investors House had a gross cash position of EUR ~6m at the end of Q4 2022.

Clear discount to NAV and stable dividend

Investors House is currently trading at a 5% discount to EPRA NRV; the discount narrowed somewhat after the Ovaro share distribution and the distribution of the EUR 1 extra dividend. At the end of Q3 2022, the discount was 13%. 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 5.3-6.0%.

Valuation

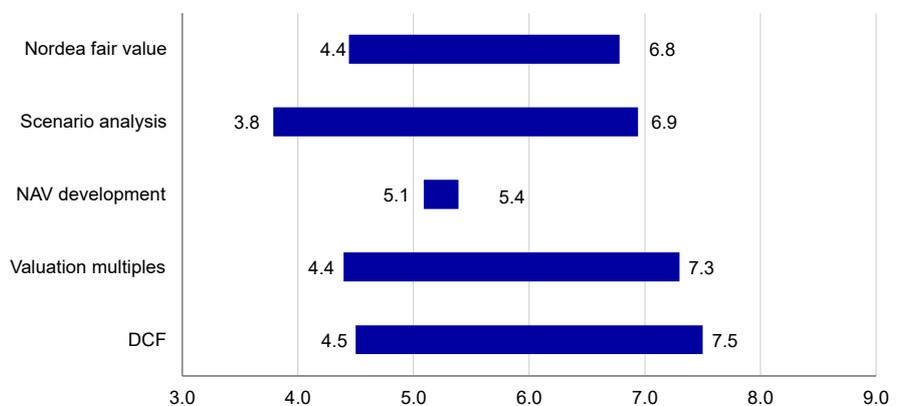
When combining our valuation methods, we derive a fair value range of EUR 4.7-7.0. As the company is in the midst of a transformation process, we emphasise a scenario-based sum-of-the-parts (SOTP) approach to give a better picture of where value will

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 can give 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 6.23, i.e. above the midpoint of our fair value range of EUR 4.4-6.8 per share. We lower the valuation range slightly due to a decline in valuation multiples. The low end of our range corresponds to a ~30% discount to the latest reported adjusted EPRA NRV, and the high end to a premium of ~10%. 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	Q1/23E	Q2/23E	Q3/23E	Q4/23E	2021	2022	2023E	2024E	2025E
Net sales	1,796	1,862	1,886	2,059	1,894	1,974	2,009	2,204	8,043	7,603	8,080	8,412	8,680
Sales growth %	-6%	-25%	-20%	-32%	5%	6%	7%	7%	-15%	-5%	6%	4%	3%
Maintenance expenses (Real estate)	-273	-425	-137	-486	-300	-400	-150	-411	-2,218	-1,321	-1,261	-1,347	-1,410
Direct operating expenses (Services)	-831	-805	-820	-919	-850	-900	-860	-1,048	-2,649	-3,375	-3,658	-3,731	-3,806
Net operating income	692	632	929	654	744	674	999	745	3,175	2,907	3,161	3,334	3,464
margin %	39%	34%	49%	32%	39%	34%	50%	34%	39%	38%	39%	40%	40%
Net gains on sale of properties	0	0	-184	0	0	0	0	0	-1,688	-184	0	0	0
Net fair value changes	0	0	-294	2,542	0	0	0	0	-3,183	2,180	0	0	0
Selling, marketing and admin expenses	-267	-220	-276	-283	-280	-230	-290	-312	-885	-1,046	-1,112	-1,157	-1,194
Other operating income	0	-49	-97	-16	0	0	0	0	-112	-162	0	0	0
Associates	127	147	144	143	145	145	145	148	1,858	561	583	606	631
EBIT	552	510	222	3,039	609	589	854	582	-834	4,255	2,633	2,783	2,901
margin %	31%	27%	12%	148%	32%	30%	43%	26%	-10%	56%	33%	33%	33%
EBIT adjusted incl. associates	552	510	700	497	609	589	854	582	4,037	2,259	2,633	2,783	2,901
margin %	24%	19%	29%	17%	25%	22%	35%	20%	27%	22%	25%	26%	26%
Financial income	57	57	59	73	57	57	59	57	84	246	230	230	230
Financial expenses	-105	-119	-52	-209	-130	-130	-130	-135	-699	-485	-525	-544	-562
Profit before taxes	504	448	229	2,903	536	516	783	504	-1,449	4,016	2,338	2,469	2,568
Taxes	-163	-32	-21	-575	-80	-77	-118	-76	446	-795	-351	-296	-308
Net profit	341	416	209	2,329	456	438	666	428	-1,003	3,221	1,987	2,173	2,260
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	456	438	666	428	-1,003	3,221	1,987	2,173	2,260
EPS	0.06	0.07	0.03	0.37	0.07	0.07	0.10	0.07	-0.16	0.51	0.31	0.34	0.36
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	456	438	666	428	-1,140	3,221	1,987	2,173	2,260
EPS attributable to shareholders	0.06	0.07	0.11	-0.03	0.07	0.07	0.10	0.07	0.51	0.27	0.31	0.33	0.34

Source: Company data and Nordea estimates

DIVISIONAL ESTIMATES

EUR THOUSANDS	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23E	Q2/23E	Q3/23E	Q4/23E	2021	2022	2023E	2024E	2025E
Real estate													
Net sales	798	796	876	839	838	844	928	898	3,877	3,309	3,508	3,748	3,923
Net sales growth %	-34%	-25%	-19%	57%	5%	6%	6%	7%	-48%	-15%	6%	7%	5%
Net fair value changes	-68	0	-294	2,603	0	0	0	0	-2,483	2,241	0	0	0
Associate income	127	147	144	143	145	145	145	148	1,858	561	583	606	631
EBIT	536	518	453	3,083	683	589	923	635	-731	4,590	2,830	3,007	3,144
margin %	67%	65%	52%	367%	81%	70%	99%	71%	-19%	139%	81%	80%	80%
EBIT adj. incl. associates	652	518	883	496	683	589	923	635	3,517	2,548	2,830	3,007	3,144
margin %	0%	0%	0%	0%	0%	0%	0%	0%	91%	77%	81%	80%	80%
Services													
Net sales	998	1,066	1,010	1,220	1,056	1,130	1,080	1,306	4,166	4,294	4,572	4,664	4,757
Net sales growth %	-31%	-16%	-58%	-79%	-1%	12%	-11%	-70%	5%	5%	5%	5%	5%
EBIT	167	212	93	240	206	230	220	258	700	712	914	933	951
margin %	17%	20%	9%	20%	20%	20%	20%	20%	17%	17%	20%	20%	20%

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 the risks 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 small size of the company 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 the development of Investors House if they were to leave the company, although we find this unlikely.

Competition

Investors House is still a small player but will start competing against larger players as it grows, making it harder to differentiate itself. Over the past 12-18 months, Investors House has increased the 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 in the future. The currently strong transaction market has supported property prices and favoured property divestments. If this market slows down and property prices face 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	8,080	8,412	8,680
Revenue growth	91.2%	117.9%	105.8%	28.3%	38.5%	-17.4%	-15.0%	-5.5%	6.3%	4.1%	3.2%
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	2,633	2,783	2,901
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	2,633	2,783	2,901
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	2,633	2,783	2,901
of which associates	0	1,356	1,056	653	-584	-2,782	1,858	561	583	606	631
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	-295	-314	-332
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	2,338	2,469	2,568
Reported taxes	-886	-457	-512	-1,948	-657	91	446	-795	-351	-296	-308
Net profit from continued operations	3,487	3,767	5,047	2,144	2,083	-1,529	-1,003	3,222	1,987	2,173	2,260
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	1,987	2,173	2,260
EPS, EUR	1.48	1.14	1.12	0.35	0.27	-0.25	-0.18	0.50	0.31	0.34	0.35
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%	32.6%	33.1%	33.4%
EBITA	300.8%	143.7%	92.7%	56.6%	34.5%	-5.3%	-10.4%	56.0%	32.6%	33.1%	33.4%
EBIT	300.8%	143.7%	92.7%	56.6%	34.5%	-5.3%	-10.4%	56.0%	32.6%	33.1%	33.4%

Adjusted earnings

EBITDA (adj)	584	2,699	3,394	3,611	5,273	333	4,149	2,260	2,633	2,783	2,901
EBITA (adj)	584	2,699	3,394	3,611	5,273	333	4,149	2,260	2,633	2,783	2,901
EBIT (adj)	584	2,699	3,394	3,611	5,273	333	4,149	2,260	2,633	2,783	2,901
EPS (adj, EUR)	-0.12	0.57	0.55	0.17	0.48	-0.18	0.53	0.27	0.31	0.34	0.35

Adjusted profit margins in percent

EBITDA (adj)	40.6%	86.1%	52.6%	43.6%	46.0%	3.5%	51.6%	29.7%	32.6%	33.1%	33.4%
EBITA (adj)	40.6%	86.1%	52.6%	43.6%	46.0%	3.5%	51.6%	29.7%	32.6%	33.1%	33.4%
EBIT (adj)	40.6%	86.1%	52.6%	43.6%	46.0%	3.5%	51.6%	29.7%	32.6%	33.1%	33.4%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	72.4%	45.8%	20.7%	3.3%	-0.5%	-6.0%	-1.7%
EBITDA	n.m.	n.m.	n.m.	n.m.	38.9%	n.m.	n.m.	-6.6%	-10.9%	-6.8%	n.m.
EBIT	n.a.	n.a.	n.a.	n.a.	38.9%	n.m.	n.m.	-6.6%	-10.9%	-6.8%	n.m.
EPS	n.a.	n.a.	n.a.	n.a.	-10.2%	n.m.	n.m.	-14.8%	-2.2%	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%	21.3%	20.0%	28.8%
Average EBITDA margin	n.a.	n.a.	n.a.	n.m.	76.2%	48.0%	30.4%	25.8%	21.3%	20.0%	28.8%

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	18.9	17.3	16.6
EV/EBITDA (adj)	n.a.	n.a.	n.a.	20.7	10.8	167.6	12.5	19.2	19.2	18.4	18.0
EV/EBITA (adj)	n.a.	n.a.	n.a.	20.7	10.8	167.6	12.5	19.2	19.2	18.4	18.0
EV/EBIT (adj)	n.a.	n.a.	n.a.	25.3	9.8	17.9	22.6	25.5	24.6	23.6	23.0

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	18.9	17.3	16.6
EV/Sales	n.a.	n.a.	n.a.	9.04	4.99	5.90	6.45	5.69	6.24	6.10	6.02
EV/EBITDA	n.a.	n.a.	n.a.	18.6	12.6	24.5	n.m.	11.7	24.6	23.6	23.0
EV/EBITA	n.a.	n.a.	n.a.	18.6	12.6	24.5	n.m.	11.7	24.6	23.6	23.0
EV/EBIT	n.a.	n.a.	n.a.	18.6	12.6	24.5	n.m.	11.7	24.6	23.6	23.0
Dividend yield (ord.)	n.a.	n.a.	n.a.	3.8%	3.9%	4.7%	5.2%	6.5%	5.6%	6.0%	6.3%
FCF yield	n.a.	n.a.	n.a.	-13.2%	-28.8%	-6.3%	38.5%	1.9%	4.6%	3.3%	3.4%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	0.7%	3.9%	2.3%	-2.1%	1.9%	4.6%	3.3%	3.4%
Payout ratio	n.m.	33.5%	38.3%	132.6%	52.2%	n.m.	243.8%	114.9%	106.1%	102.9%	104.3%

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	35,085	35,535	36,005
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	1,889	2,496	3,126
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	46,466	47,522	48,624
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	1,601	1,667	1,720
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	77	80	82
Cash and bank	212	509	1,465	2,323	4,844	3,181	17,399	6,543	6,306	5,430	4,473
Total current assets	652	1,337	2,662	3,932	5,945	4,381	18,688	8,122	8,058	7,253	6,353
Assets held for sale	n.a.										
Total assets	29,256	43,588	75,658	92,656	76,345	70,131	63,311	54,460	54,537	54,800	55,014
Shareholders equity	17,865	21,695	46,128	46,815	43,477	37,562	36,239	32,113	32,120	32,184	32,208
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	32,545	32,609	32,633
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	1,797	1,871	1,930
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	4,072	4,147	4,209
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	54,537	54,800	55,014
Balance sheet and debt metrics											
Net debt	9,536	19,023	24,266	35,017	16,081	19,505	4,383	12,205	12,442	13,318	14,275
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	-124	-129	-133
Invested capital	28,511	42,183	71,903	86,424	61,683	59,222	41,923	46,226	46,354	47,417	48,528
Capital employed	27,613	41,227	71,878	86,826	65,602	61,398	58,496	51,286	51,293	51,357	51,381
ROE	29.3%	19.0%	14.9%	4.6%	3.7%	-3.8%	-3.1%	9.4%	6.2%	6.8%	7.0%
ROIC	2.6%	6.1%	4.8%	3.6%	5.7%	0.4%	n.a.	4.1%	4.6%	4.7%	4.8%
ROCE	4.1%	7.8%	6.1%	4.6%	6.9%	0.6%	n.a.	4.6%	5.6%	5.9%	6.1%
Net debt/EBITDA	2.2	4.2	4.1	7.5	4.1	n.m.	n.m.	2.9	4.7	4.8	4.9
Interest coverage	55.0	15.9	13.1	7.5	3.2	-0.4	-1.1	9.3	5.5	5.5	5.6
Equity ratio	61.1%	49.8%	61.0%	50.5%	56.9%	53.6%	57.2%	59.0%	58.9%	58.7%	58.5%
Net gearing	53.4%	87.7%	52.6%	70.8%	36.0%	50.4%	11.9%	37.5%	38.2%	40.8%	43.7%

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	2,050	2,176	2,270
Paid taxes	-31	-235	-133	-357	-273	-507	328	-795	-351	-296	-308
Net financials	48	-281	-422	-587	-1,767	-1,087	-615	-239	-295	-314	-332
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	1,980	1,566	1,629
Change in NWC	37	-82	33	310	810	-4,952	-97	135	12	5	4
Cash flow from operations (CFO)	467	646	1,449	1,042	2,685	1,692	-250	978	2,177	1,694	1,762
Capital expenditure	-282	-386	-578	-773	-1,126	-897	-465	-397	-421	-450	-471
Free cash flow before A&D	185	260	871	269	1,559	795	-715	581	1,744	1,232	1,279
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	1,744	1,232	1,279
Free cash flow bef A&D, lease adj	185	260	871	269	1,559	795	-715	581	1,744	1,232	1,279
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	-237	-876	-957
Cash flow metrics											
Capex/D&A	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%	5.2%	5.3%	5.4%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	6	6	6	6	5	6	6	6
Market cap.	n.a.	n.a.	n.a.	37,094	39,876	35,239	34,497	30,668	37,568	37,568	37,568
Enterprise value	n.a.	n.a.	n.a.	74,782	57,157	55,884	51,855	43,298	50,435	51,311	52,268
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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