

CapMan

Company report

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✓ Inderes Corporate customer

This report is a summary translation of the report “Tulosparannuksen jälkeen fokus tuloksen laatuun” published on 10/27/2021 at 18:50

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After earnings improvement the focus is on earnings mix

We reiterate our EUR 3.3 target price and Accumulate recommendation. The Q3 report was very strong in terms of figures but estimate changes have remained moderate as the earnings overshoot largely come from investments. The company's earnings improvement continues materializing strongly and the earnings outlook for the next few years is good. Relative to estimates, the share isn't particularly expensive and this together with a strong dividend yield keeps the share's return/risk ratio sufficient.

Strong Q3 report

CapMan's turnover increased by 66% to EUR 14.9 million, exceeding clearly our forecast of EUR 12.2 million thanks to higher carried interest income. Furthermore, a positive surprise came from fund management fees, which were clearly higher than our forecasts (MEUR 9.6 vs. MEUR 8.6), which was the most positive surprise in the report. The result also exceeded our expectations clearly (MEUR 10.9 vs. MEUR 6.6) thanks to strong investment income and carried interest income. According to our calculations, the profitability of the Management Company business was quite well in line with our forecasts when adjusted from bonus provisions that increased as a result of higher-than-expected earnings. Although in absolute terms the earnings overshoot was sizable, its significance is ultimately not very great due to its non-continuous nature. AUM amounted to around EUR 4.3 billion in line with our expectations. However, CapMan stated that in October it had raised ca. EUR 250 million of new capital. For fund exits, CapMan expects several funds to move to profit distribution during the next six months.

Focus shifts from absolute earnings to earnings mix

We have made extraordinarily large number of changes to our forecasts after the Q3 report. The key changes are related to the growth of CapMan's Wealth Service, personnel costs and timing of carried interest. Although there have been several changes in the forecasts below, the big picture of the forecasts hasn't changed much. We expect CapMan's result to finally make a significant correction to the level of EUR 45 million this year and to remain at this level for the next few years. Investors should pay particular attention to the quality of the result, as the earnings mix is crucial to CapMan's value. For 2021, the earnings mix is weak and, due to the major role of investment income, the mix should improve clearly between 2022 and 2024. In our opinion, the conditions for improving the earnings of the Management Company business are good, as the growth outlook of AUM is very strong. In practice, it's primarily a question of successful cost control. With strong earnings development, dividend can easily be kept on a stable growth path and the risk associated with dividend is very low.

Dividend and moderate multiples keep the return/risk ratio sufficient

Thanks to a significant earnings improvement CapMan's realized figures finally offer a solid footing to support the valuation. The P/E ratio calculated based on the last 12 months' result is around 15x, which we consider a neutral level for CapMan. However, we want to point out that during the last 12 months CapMan's result has received exceptionally high tailwind from investment returns, and the earnings mix is weak and the earnings improvement of the Management Company business (recurring fees + carried interest) will clearly improve the mix for the next 12 months. Since we don't forecast substantial profit growth for CapMan in 2022-2024 after the current year's earnings leap, the P/E multiples for the next few years are around 13-15x. Dividend yield remains strong at ~5% and the risk associated with it is very moderate. Thus, we see that dividend, moderate multiples and potential for longer-term earnings growth continue to offer a sufficiently attractive return/risk ratio at the current share price level.

Recommendation

Accumulate

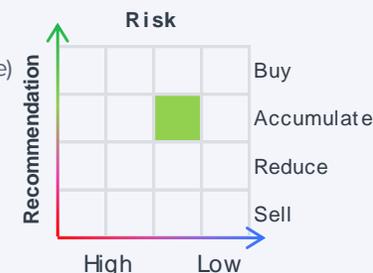
(previous Accumulate)

EUR 3.30

(previous EUR 3.30)

Share price:

2.98



Key figures

	2020	2021e	2022e	2023e
Turnover	43.0	58.1	74.4	78.2
growth %	-12%	35%	28%	5%
EBIT adj.	12.3	46.4	45.3	45.2
EBIT % adj.	28.7%	79.8%	60.8%	57.8%
Net profit	5.1	36.3	34.5	33.6
EPS (adj.)	0.03	0.23	0.22	0.21
P/E (adj.)	70.3	13.2	13.9	14.4
P/B	3.2	3.8	3.5	3.3
Dividend yield %	6.0%	4.9%	5.3%	5.6%
EV/EBIT (adj.)	32.0	11.0	11.1	11.1
EV/EBITDA	28.7	10.7	10.8	10.8
EV/Sales	9.2	8.8	6.8	6.4

Source: Inderes

Guidance

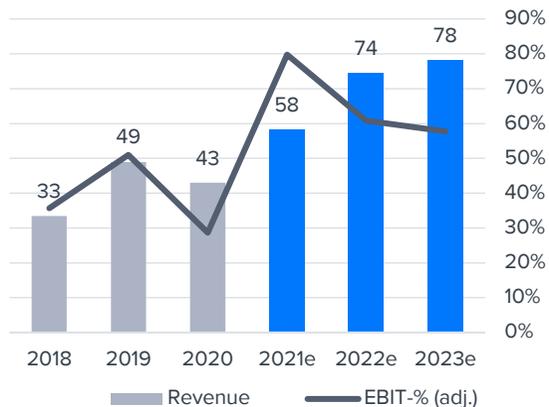
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Share price



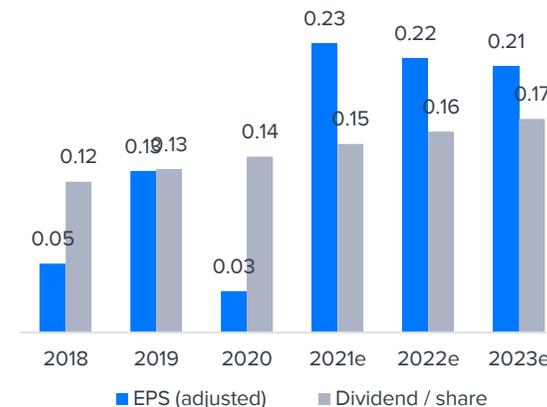
Source: Thomson Reuters

Revenue and EBIT %



Source: Inderes

EPS and dividend



Source: Inderes



Value drivers

- New products
- Growth in open-end products
- Increase in carried interest income
- Ramping up CWS
- Growth in Service business
- Improving cost efficiency



Risk factors

- Sustainability of cost level
- Funds' ability to generate good returns for investors
- Fast changes in industry
- Investment portfolio's share of result still significant
- Market situation

Valuation	2021e	2022e	2023e
Market cap	480	480	480
EV	512	502	502
P/E (oik.)	13.2	13.9	14.4
P/E	13.2	13.9	14.4
P/FCF	9.3	12.9	16.0
P/B	3.8	3.5	3.3
P/S	8.3	6.4	6.1
EV/Sales	8.8	6.8	6.4
EV/EBITDA	10.7	10.8	10.8
EV/EBIT (adj.)	11.0	11.1	11.1
Payout ratio (%)	65%	73%	80%
Dividend yield-%	4.9 %	5.3 %	5.6 %

Source: Inderes

Estimates

Estimates MEUR / EUR	Q3'20	Q3'21	Q3'21e	Q3'21e	Consensus		Difference (%)	2021
	Comparator	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	9.0	14.9	12.2				22%	58.1
EBIT (adj.)	4.5	10.9	6.6				65%	46.4
PTP	3.7	10.2	5.8				75%	42.7
EPS (adj.)	0.02	0.06	0.03				87%	0.23
Revenue growth-%	-7.7 %	65.9 %	36.1 %				29.8 pp	35.2 %
EBIT-% (adj.)	49.7 %	73.4 %	54.1 %				19.3 pp	79.8 %

Source: Inderes

Estimate revisions MEUR / EUR	2021	2021e	Change	2022e	2022e	Change	2023e	2023e	Change
	Old	New	%	Old	New	%	Old	New	%
Revenue	59.3	58.1	-2%	68.7	74.4	8%	76.0	78.2	3%
EBIT (exc. NRIs)	49.0	46.4	-5%	43.7	45.3	4%	49.2	45.2	-8%
EBIT	49.0	46.4	-5%	43.7	45.3	4%	49.2	45.2	-8%
PTP	45.3	42.7	-6%	40.9	42.5	4%	46.5	42.4	-9%
EPS (excl. NRIs)	0.24	0.23	-5%	0.21	0.22	6%	0.23	0.21	-9%
DPS	0.15	0.15	0%	0.16	0.16	0%	0.17	0.17	0%

Source: Inderes

Earnings estimates

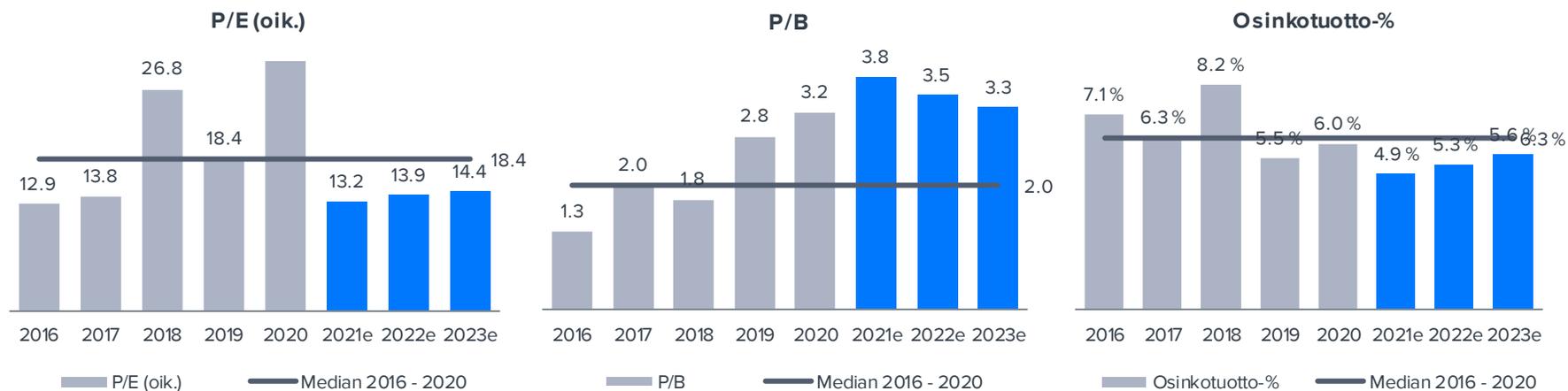
MEUR	2018	2019	2020	2021e	2022e	2023e	2024e
Turnover	33.5	49.0	43.0	58.1	74.4	78.2	80.4
<i>Recurring fees from funds</i>	22.1	24.7	29.0	35.8	40.4	43.9	47.9
<i>Growth %</i>	13%	12%	17%	23%	13%	9%	9%
<i>Private Equity*</i>	12.8	10.3	10.5	11.4	11.8	12.3	12.9
<i>Real Estate*</i>	8.8	11.3	14.6	20.0	23.0	24.7	27.4
<i>Infra*</i>	0.6	2.6	3.5	4.0	5.3	6.5	7.3
<i>Other income from Management business</i>	1.1	1.2	3.9	4.6	5.9	8.2	9.2
<i>Services</i>	8.7	15.7	8.6	8.4	9.6	10.9	11.8
<i>Carried interest income</i>	1.0	6.9	0.9	8.8	18.0	14.8	10.0
Operating profit	12.0	19.4	12.3	46.4	45.3	45.2	43.1
<i>Management Business</i>	2.8	10.4	9.5	19.2	32.3	32.4	30.2
<i>Services</i>	4.4	9.1	4.6	4.0	4.9	5.8	6.2
<i>Investments</i>	6.5	10.7	4.0	28.3	13.1	12.5	12.5
<i>Group costs</i>	-1.7	-5.9	-5.7	-5.2	-5.0	-5.5	-5.7
<i>EBIT adjusted for investments and profit distribution*</i>	4.5	1.8	7.5	9.2	14.2	17.9	20.6
EPS	0.05	0.09	0.03	0.23	0.22	0.21	0.20
Dividend	0.12	0.13	0.14	0.15	0.16	0.17	0.18
Profit distribution %	219%	142%	424%	65%	73%	80%	90%
ROE %	6.5%	11.3%	4.3%	30.3%	26.1%	23.7%	21.4%
Equity per share	0.82	0.84	0.72	0.81	0.87	0.92	0.95
AUM	3043	3245	3827	4800	5465	6065	6815
<i>Growth %</i>	8%	7%	18%	25%	14%	11%	12%
<i>Private Equity</i>	943	973	998	1100	1150	1200	1250
<i>Real Estate</i>	1896	1931	2440	3134	3434	3834	4234
<i>Infra</i>	204	293	357	460	650	650	800
<i>Other</i>	0	48	32	106	231	381	531
Return on equity %	6.0%	9.9%	3.8%	22.3%	10.4%	10.0%	10.0%

* Historical figures are also Inderes' forecasts

Valuation table

Valuation	2016	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Market cap	182	256	216	359	361	480	480	480	480
EV	203	281	222	385	395	512	502	502	497
P/E (oik.)	12.9	13.8	26.8	18.4	70.3	13.2	13.9	14.4	15.2
P/E	12.9	16.9	26.8	25.7	70.3	13.2	13.9	14.4	15.2
P/FCF	4.8	11.1	5.9	neg.	neg.	9.3	12.9	16.0	13.7
P/B	1.3	2.0	1.8	2.8	3.2	3.8	3.5	3.3	3.2
P/S	6.8	7.4	6.5	7.3	8.4	8.3	6.4	6.1	6.0
EV/Sales	7.6	8.1	6.6	7.9	9.2	8.8	6.8	6.4	6.2
EV/EBITDA	10.7	12.3	16.6	15.4	28.7	10.7	10.8	10.8	11.2
EV/EBIT (adj.)	10.9	12.2	18.6	15.4	32.0	11.0	11.1	11.1	11.5
Payout ratio (%)	91.5 %	105.9 %	219.0 %	141.7 %	424.1 %	65.2 %	73.3 %	80.4 %	90.0 %
Osinkotuotto-%	7.1 %	6.3 %	8.2 %	5.5 %	6.0 %	4.9 %	5.3 %	5.6 %	6.0 %

Source: Inderes



Peer group valuation

Peer group valuation Company	Share price	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
		MEUR	MEUR	2021e	2022e	2021e	2022e	2021e	2022e	2021e	2022e	2021e	2022e	2021e
Evi	22.50	545	545	10.8	12.1	9.8	10.5	5.0	52.0	16.7	16.1	5.5	6.0	5.2
Taaleri	11.05	312	326	4.4	17.6	2.5	13.8	6.2	6.4	2.4	22.4	10.9	8.0	1.4
United Bankers	13.65	143	146	11.2	10.4	10.4	9.7	3.4	3.3	15.3	14.2	5.1	5.9	3.3
eQ	27.80	1105	1106	23.8	24.4	23.3	23.9	14.3	14.3	29.9	30.8	3.5	3.4	14.3
EAB Group	2.98	42	47	15.7	10.5	8.6	7.2	2.2	1.9	20.7	13.0	3.2	4.2	2.0
Titanium	15.95	163	149	12.4	10.6	10.6	9.3	6.5	5.5	15.0	12.7	6.0	6.6	6.9
Aktia	12.50	898								13.8	10.9	4.3	5.5	1.0
Alexandria	8.39	83	68	7.5	8.4	5.6	5.9	1.5	1.5	10.2	13.8	5.4	6.0	3.5
Wisdom Tree Investments	6.25	782	975	13.8	13.4	13.2	12.5	3.7	3.5	18.0	17.6	1.9	1.9	2.7
River and Mercantile Group	271.00	293	268	21.9	14.3	14.0	12.9	3.1	2.8	23.5	18.9	3.6	4.3	4.2
IDI SCA	51.00	370	424	14.1	13.7			66.2	59.7	17.6	15.4	3.9	3.9	0.7
Liontrust Asset Management	2120.00	1527	1445	23.7	13.4	18.8	13.1	7.4	5.4	25.3	19.2	2.1	2.9	7.6
Deutsche Beteiligungs	39.15	738	611	3.8	8.9	3.2	7.8	3.3	5.7	4.2	10.2	2.8	3.1	1.0
AGF Management	7.81	385	380	11.1	6.5	4.6	4.3	1.2	1.1	14.7	8.5	4.3	4.6	0.5
CapMan (Inderes)	3.04	480	512	11.0	11.1	10.7	10.8	8.8	6.8	13.2	13.9	4.9	5.3	3.8
Average				13.4	12.6	10.4	10.9	9.5	12.5	16.2	16.0	4.5	4.7	3.9
Median				12.4	12.1	10.1	10.1	3.7	5.4	16.0	14.8	4.1	4.4	3.0
Diff-% to median				-11%	-8%	6%	7%	138%	25%	-18%	-6%	20%	19%	25%

Source: Thomson Reuters / Inderes. NB: The market cap Inderes uses does not consider own shares held by the company.

Income statement

Income statement	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21	Q3'21	Q4'21e	2021e	2022e	2023e	2024e
Turnover	49.0	12.0	8.7	9.0	13.4	43.0	11.3	11.9	14.9	20.0	58.1	74.4	78.2	80.4
Management Company business	32.8	7.2	6.5	7.0	10.3	30.9	9.0	9.9	12.9	17.3	49.2	64.3	66.8	67.1
Service business	15.7	4.8	2.2	1.8	2.6	11.4	2.3	2.0	1.9	2.2	8.4	9.6	10.9	11.8
Investment business	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Other	0.5	0.0	0.0	0.2	0.5	0.7	0.0	0.0	0.0	0.5	0.5	0.5	0.5	0.5
EBITDA	25.0	-5.6	4.5	4.8	10.1	13.7	10.5	11.7	11.3	14.3	47.8	46.4	46.5	44.6
Depreciation	-5.6	-0.3	-0.4	-0.4	-0.4	-1.4	-0.4	-0.4	-0.4	-0.4	-1.4	-1.2	-1.3	-1.4
EBIT (excl. NRI)	25.0	-6.0	4.1	4.5	9.7	12.3	10.1	11.4	10.9	14.0	46.4	45.3	45.2	43.1
EBIT	19.4	-6.0	4.1	4.5	9.7	12.3	10.1	11.4	10.90	14.0	46.4	45.3	45.2	43.1
Management Company business	6.0	1.9	1.6	2.1	3.6	9.1	2.5	2.4	5.1	9.2	19.2	32.3	32.4	30.2
Service business	9.1	3.0	0.5	0.6	1.0	5.0	1.2	0.7	1.1	1.1	4.0	4.9	5.8	6.2
Investment business	10.2	-8.4	2.8	2.6	7.0	4.0	7.9	9.4	5.9	5.2	28.3	13.1	12.5	12.5
Other	-5.9	-2.4	-0.7	-0.9	-1.8	-5.7	-1.4	-1.2	-1.1	-1.5	-5.2	-5.0	-5.5	-5.7
Net financial items	-1.8	-0.6	-0.7	-0.7	-1.1	-3.1	-0.9	-1.3	-0.8	-0.8	-3.7	-2.8	-2.8	-2.4
PTP	17.6	-6.5	3.4	3.7	8.6	9.2	9.3	10.1	10.15	13.2	42.7	42.5	42.4	40.7
Taxes	-1.7	-0.9	-0.3	-0.4	-1.4	-2.9	-1.5	-1.2	-0.7	-1.8	-5.3	-6.4	-7.2	-7.3
Minority interest	-1.9	-0.9	0.2	-0.1	-0.4	-1.1	-0.3	0.0	-0.4	-0.4	-1.1	-1.5	-1.6	-1.6
Net earnings	14.0	-8.3	3.3	3.3	6.8	5.1	7.5	8.8	9.0	11.0	36.3	34.5	33.6	31.8
EPS (adj.)	0.13	-0.05	0.02	0.02	0.04	0.03	0.05	0.06	0.06	0.07	0.23	0.22	0.21	0.20
EPS (rep.)	0.09	-0.05	0.02	0.02	0.04	0.03	0.05	0.06	0.06	0.07	0.23	0.22	0.21	0.20

Key figures	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21	Q3'21	Q4'21e	2021e	2022e	2023e	2024e
Turnover growth-%	46.3 %	28.7 %	-34.9 %	-7.7 %	-19.5 %	-12.2 %	-5.3 %	36.4 %	66.0 %	49.9 %	35.2 %	28.0 %	5.1 %	2.7 %
Adjusted EBIT growth-%	109.1 %	-206.9 %	-34.7 %	-18.4 %		-50.6 %	-269.4 %	174.4 %	144.8 %	43.7 %	275.9 %	-2.4 %	-0.2 %	-4.5 %
EBITDA-%	51.1 %	-47.2 %	51.5 %	53.6 %	75.4 %	31.9 %	92.8 %	98.6 %	75.8 %	71.5 %	82.3 %	62.4 %	59.4 %	55.4 %
Adjusted EBIT-%	51.0 %	-50.1 %	47.5 %	49.7 %	72.8 %	28.7 %	89.6 %	95.6 %	73.3 %	69.8 %	79.8 %	60.8 %	57.8 %	53.7 %
Net earnings-%	28.5 %	-69.4 %	37.6 %	37.0 %	51.2 %	12.0 %	65.9 %	74.3 %	60.5 %	55.0 %	62.5 %	46.4 %	43.0 %	39.5 %

Source: Inderes

Balance sheet

Assets	2019	2020	2021e	2022e	2023e
Non-current assets	157	138	151	152	159
Goodwill	15.3	15.3	15.3	15.3	22.3
Intangible assets	0.8	0.7	0.8	1.1	1.2
Tangible assets	3.4	2.6	2.7	2.9	3.1
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	134	117	130	130	130
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	3.7	2.4	2.4	2.4	2.4
Current assets	59.6	81.1	83.4	97.9	99.8
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	5.2	9.1	9.1	9.1	9.1
Receivables	10.8	14.0	17.4	22.3	23.5
Cash and equivalents	43.7	58.0	56.9	66.5	67.2
Balance sheet total	216	219	235	250	259

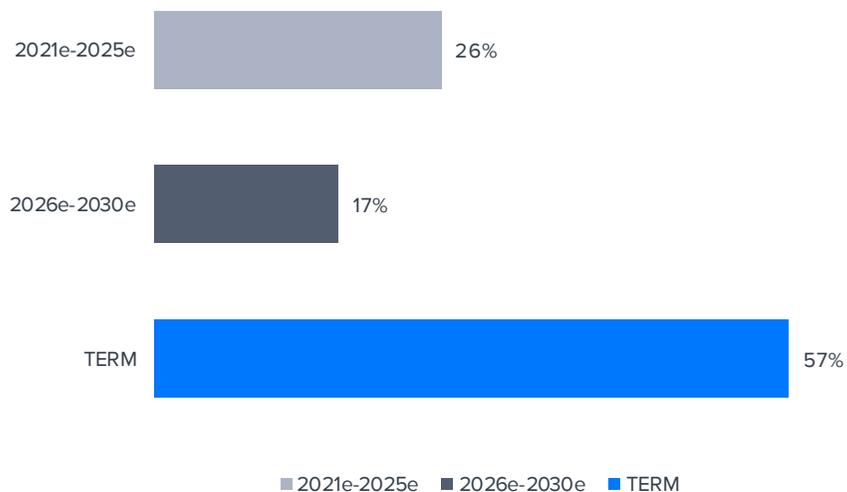
Source: Inderes

Liabilities & equity	2019	2020	2021e	2022e	2023e
Equity	130	113	128	139	147
Share capital	0.8	0.8	0.8	0.8	0.8
Retained earnings	3.2	1.6	16.1	27.0	35.3
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	39.0	39.0	39.0	39.0	39.0
Other equity	84.5	71.2	71.2	71.2	71.2
Minorities	2.1	0.7	0.7	0.7	0.7
Non-current liabilities	61.4	92.3	91.1	91.1	91.1
Deferred tax liabilities	2.2	2.7	2.7	2.7	2.7
Provisions	0.0	0.0	0.0	0.0	0.0
Long term debt	59.1	82.6	81.5	81.5	81.5
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.2	6.9	6.9	6.9	6.9
Current liabilities	25.6	13.3	15.8	19.9	20.8
Short term debt	0.9	0.9	0.0	0.0	0.0
Payables	20.2	11.1	14.5	18.6	19.6
Other current liabilities	4.5	1.3	1.3	1.3	1.3
Balance sheet total	217	219	235	250	259

DCF calculation

DCF model	2020	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	TERM
EBIT (operating profit)	12.3	46.4	45.3	45.2	43.1	45.5	42.4	43.5	44.6	45.7	46.8	
+ Depreciation	1.4	1.4	1.2	1.3	1.4	1.5	1.6	1.6	1.6	1.7	1.7	
- Paid taxes	-1.1	-5.3	-6.4	-7.2	-7.3	-7.8	-7.3	-7.5	-7.7	-7.9	-9.1	
- Tax, financial expenses	-0.6	-0.5	-0.4	-0.5	-0.4	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-19.4	0.0	-0.8	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	
Operating cash flow	-7.4	42.1	38.7	38.6	36.7	38.7	36.3	37.2	38.1	39.0	39.0	
+ Change in other long-term liabilities	6.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	16.5	-15.0	-1.6	-8.7	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	-2.2	
Free operating cash flow	15.9	27.1	37.1	29.9	35.0	37.0	34.6	35.5	36.4	37.3	36.9	
+/- Other	-17.0	24.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-1.2	51.4	37.1	29.9	35.0	37.0	34.6	35.5	36.4	37.3	36.9	723
Discounted FCFF		50.8	34.0	25.4	27.6	27.1	23.5	22.4	21.3	20.3	18.6	366
Sum of FCFF present value		637	586	552	527	499	472	448	426	405	384	366
Enterprise value DCF		637										
- Interesting bearing debt		-83.5										
+ Cash and cash equivalents		58.0										
-Minorities		-7.8										
-Dividend/capital return		-21.8										
Equity value DCF		582										
Equity value DCF per share		3.7										

Wacc	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	4.0 %
Equity Beta	1.10
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.0 %
Cost of equity	8.2 %
Weighted average cost of capital (WACC)	7.7 %



Source: Inderes

Summary

Income statement	2018	2019	2020	2021e	2022e	Per share data	2018	2019	2020	2021e	2022e
Revenue	33.5	49.0	43.0	58.1	74.4	EPS (reported)	0.05	0.09	0.03	0.23	0.22
EBITDA	13.4	25.0	13.7	47.8	46.4	EPS (adj.)	0.05	0.13	0.03	0.23	0.22
EBIT	12.0	19.4	12.3	46.4	45.3	OCF / share	-0.03	0.14	-0.05	0.27	0.24
PTP	9.3	17.6	9.2	42.7	42.5	FCF / share	0.25	-0.03	-0.01	0.33	0.23
Net Income	8.1	14.0	5.1	36.3	34.5	Book value / share	0.82	0.84	0.72	0.81	0.87
Extraordinary items	0.0	-5.6	0.0	0.0	0.0	Dividend / share	0.12	0.13	0.14	0.15	0.16
Balance sheet	2018	2019	2020	2021e	2022e	Growth and profitability	2018	2019	2020	2021e	2022e
Balance sheet total	206.0	216.5	218.8	234.7	249.6	Revenue growth-%	-4%	46%	-12%	35%	28%
Equity capital	121.0	129.5	113.3	127.8	138.6	EBITDA growth-%	-41%	87%	-45%	248%	-3%
Goodwill	4.7	15.3	15.3	15.3	15.3	EBIT (adj.) growth-%	-48%	109%	-51%	276%	-2%
Net debt	5.2	16.4	25.5	24.6	15.0	EPS (adj.) growth-%	-57%	135%	-74%	597%	-5%
Cash flow	2018	2019	2020	2021e	2022e	EBITDA-%	40.1 %	51.1 %	31.9 %	82.3 %	62.4 %
EBITDA	13.4	25.0	13.7	47.8	46.4	EBIT (adj.)-%	35.7 %	51.0 %	28.7 %	79.8 %	60.8 %
Change in working capital	-11.6	4.5	-19.4	0.0	-0.8	EBIT-%	35.7 %	39.6 %	28.7 %	79.8 %	60.8 %
Operating cash flow	-4.8	20.8	-7.4	42.1	38.7	ROE-%	6.5 %	11.3 %	4.3 %	30.3 %	26.1 %
CAPEX	41.2	-27.1	16.5	-15.0	-1.6	ROI-%	6.7 %	10.5 %	6.4 %	22.8 %	21.1 %
Free cash flow	36.5	-4.0	-1.2	51.4	37.1	Equity ratio	58.7 %	59.8 %	51.8 %	54.4 %	55.5 %
						Gearing	4.3 %	12.6 %	22.5 %	19.2 %	10.8 %
Valuation multiples	2018	2019	2020	2021e	2022e						
EV/S	6.6	7.9	9.2	8.8	6.8						
EV/EBITDA (adj.)	16.6	15.4	28.7	10.7	10.8						
EV/EBIT (adj.)	18.6	15.4	32.0	11.0	11.1						
P/E (adj.)	26.8	18.4	70.3	13.2	13.9						
P/E	1.8	2.8	3.2	3.8	3.5						
Dividend-%	8.2 %	5.5 %	6.0 %	4.9 %	5.3 %						

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target price	Share price
5/5/2017	Accumulate	1.80 €	1.69 €
8/11/2017	Accumulate	1.85 €	1.77 €
11/2/2017	Accumulate	1.85 €	1.77 €
12/19/2017	Accumulate	1.85 €	1.76 €
2/2/2018	Reduce	1.80 €	1.76 €
4/4/2018	Accumulate	1.65 €	1.43 €
4/27/2018	Accumulate	1.70 €	1.50 €
8/10/2018	Buy	1.85 €	1.56 €
11/2/2018	Buy	1.85 €	1.58 €
2/1/2019	Accumulate	1.85 €	1.71 €
4/26/2019	Accumulate	1.85 €	1.67 €
6/12/2019	Buy	1.85 €	1.62 €
8/9/2019	Buy	2.00 €	1.75 €
9/26/2019	Accumulate	2.00 €	1.87 €
11/1/2019	Reduce	2.10 €	2.06 €
1/31/2020	Buy	2.75 €	2.48 €
3/20/2020	Buy	2.00 €	1.52 €
4/7/2020	Accumulate	1.90 €	1.70 €
4/24/2020	Accumulate	1.90 €	1.76 €
8/7/2020	Accumulate	2.10 €	1.96 €
10/30/2020	Accumulate	2.10 €	1.93 €
2/5/2021	Accumulate	2.80 €	2.63 €
2/22/2021	Accumulate	2.80 €	2.68 €
4/30/2021	Accumulate	3.00 €	2.78 €
8/6/2021	Accumulate	3.30 €	3.04 €
10/28/2021	Accumulate	3.30 €	2.98 €



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