

FISKARS

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INDERES CORPORATE CUSTOMER
COMPANY REPORT



Revenue turned to growth, earnings decreased

As expected, Fiskars' Q3 earnings were weak, and the guidance was revised downwards. The pick-up in revenue raised our expectations for earnings to turn to growth in Q4, which the guidance also indicates. However, we still find the stock's valuation high (e.g. 2025 EV/EBIT 18x). We reiterate our Reduce recommendation and EUR 12 target price.

Revenue turned to growth, earnings were weak

Fiskars Group's Q3 revenue decreased by 1%, or by 4% in comparable currencies, when we expected a decrease. Fiskars' Q3 adjusted EBIT fell to 13.9 MEUR, while our estimate was 16 MEUR (Q3'24: 24 MEUR). There was a decrease in both segments, with the Fiskars segment's earnings decreasing to 12.6 MEUR (Q3'24: 13.6 MEUR), which was significantly better than our forecast (8 MEUR). The Vita segment's result decreased to 5 MEUR (Q3'24: 13 MEUR), while we expected 11 MEUR.

The guidance was downgraded, our estimate is still below it

Fiskars revised its guidance and now expects the full-year adjusted EBIT to be 90-100 MEUR, while it previously expected 90-110 MEUR (2024: 111 MEUR). Further, the company states that "the company's current visibility points more towards the lower end of the range". In practice, the guidance refers to a result of good 90 MEUR. The guidance downgrade was expected, as both our and the consensus estimate were below the guidance range before the Q3 earnings report. After nine months, the company has made 44 MEUR in adjusted EBIT, so the lower end of the guidance requires 46 MEUR in adjusted EBIT in Q4, when last year the company made 43 MEUR. The company provided clear steps for the guidance, which requires Vita to continue growing, fixed costs to be relatively lower than in Q3, and the Fiskars segment to be able to perform at a level of around the comparison period.

Vita's revenue turnaround to growth in Q3 raised our

expectations for a better Q4 compared to the comparison period, as Q4 earnings are highly dependent on Vita's Christmas season sales. In addition, the company's comments on the timing of fixed costs being higher in Q3 than in Q4 last year support the Q4 earnings outlook. Therefore, we raised this year's estimates a bit, even though the Q3 earnings were slightly below our expectations. Our adjusted EBIT estimate is now 88 MEUR, still below the guidance range.

Updated strategy and targets coming in early 2026

Fiskars' strategy period with financial targets ends at the end of this year. The company is far from the targets it set in 2021. We expect the company to announce a new strategy and financial targets separately for the independently operating Fiskars and Vita segments early next year. In this context, the company is planning a CMD during H1'26. The legal division of the companies within the Group will be completed during Q1'26. After this, we see it as possible that Fiskars would seek to exit the Vita segment by listing it as an independent company or selling it. However, Vita's current low performance level may hold back the divestment possibilities.

Valuation still high

Fiskars' valuation multiples for 2025 (e.g. P/E 22x) are above our acceptable multiples and only within them in 2027. Although we expect a dividend decrease next spring, Fiskars offers a 4-5% dividend yield in the coming years. Supported by this, our expected return is around zero. Earnings growth forecasts for the coming years require volume growth and a consequent improvement in profitability, which Fiskars has failed to deliver in recent years. On the other hand, the company should be able to compensate for the direct impact of US tariffs by price increases next year, which supports profitability improvement. Our DCF value is around the current share price.

Recommendation

Reduce

(was Reduce)

Target price:

EUR 12.00

(was EUR 12.00)

Share price:

EUR 12.36

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	1157	1151	1186	1228
growth-%	2%	-1%	3%	4%
EBIT adj.	111.5	87.7	103.9	125.3
EBIT-% adj.	9.6 %	7.6 %	8.8 %	10.2 %
Net Income	27.1	19.6	60.7	81.1
EPS (adj.)	1.07	0.56	0.75	1.00
P/E (adj.)	14.0	22.1	16.5	12.3
P/B	1.5	1.3	1.3	1.2
Dividend yield-%	5.6 %	3.6 %	4.4 %	4.9 %
EV/EBIT (adj.)	15.3	17.8	14.5	11.2
EV/EBITDA	14.2	11.9	8.3	6.8
EV/S	1.5	1.4	1.3	1.1

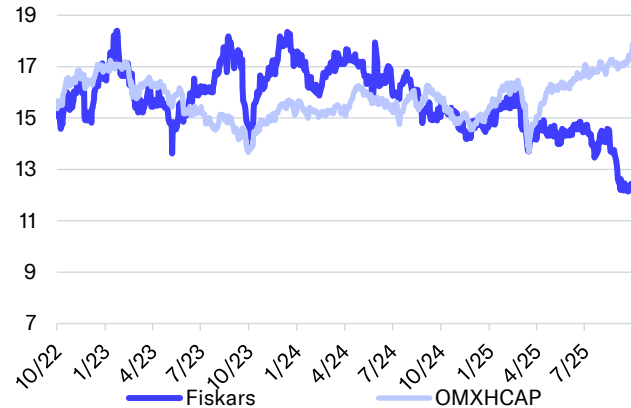
Source: Inderes

Guidance

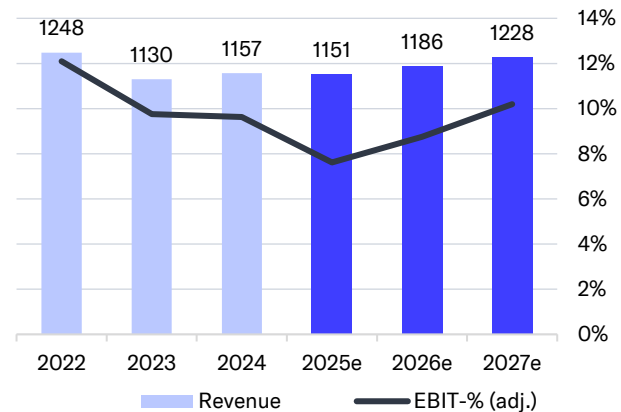
(Adjusted)

Fiskars expects comparable EBIT to be EUR 90-100 MEUR (2024: 111.4 MEUR). The company's current visibility points more to the lower end of the range

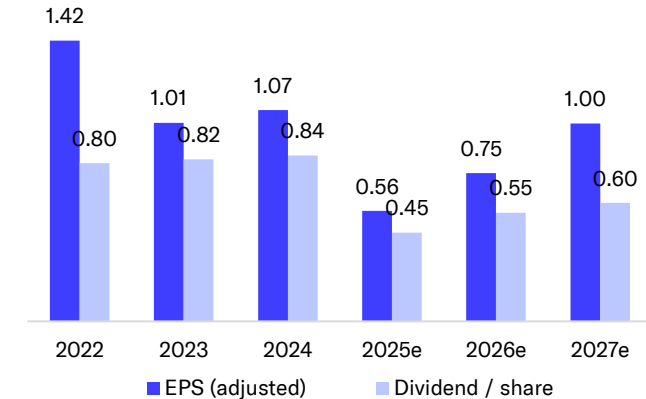
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Portfolio's focus on big and most profitable brands
- Organic growth from new markets and/or product categories
- Profitability improvement through sales and channel mix as well as growth and scale

Risk factors

- Consumer confidence/demand remaining weak
- Rapid transition in the retail sector to digital channels and increasing price competition
- Complexity of the brand portfolio
- Activating in acquisitions increases the risk, for example in terms of their valuation and integration

Valuation	2025e	2026e	2027e
Share price	12.4	12.4	12.4
Number of shares, millions	80.9	80.9	80.9
Market cap	999	999	999
EV	1559	1502	1408
P/E (adj.)	22.1	16.5	12.3
P/E	50.9	16.5	12.3
P/B	1.3	1.3	1.2
P/S	0.9	0.8	0.8
EV/Sales	1.4	1.3	1.1
EV/EBITDA	11.9	8.3	6.8
EV/EBIT (adj.)	17.8	14.5	11.2
Payout ratio (%)	185%	73%	60%
Dividend yield-%	3.6 %	4.4 %	4.9 %

Source: Inderes

Revenue turned to growth, but earnings still weak

Revenue surprisingly turned to slight growth, driven by the Vita segment

Fiskars Group's revenue decreased by 1%, or by 4% in comparable currencies, while we expected a decrease. Comparably, revenue grew significantly in the Americas (9%), which was a surprise given the volatile consumer sentiment in the US. European revenue was at the level of the comparison period, and the Asia-Pacific region also grew by a healthy 7%. Growth in the US is partly explained by improved distribution of the Waterford brand in the country. The Vita segment's comparable revenue grew by 8%, supported especially by the Waterford brand, which had long performed poorly, and the Georg Jensen brand. This was clearly better than our estimate, which expected development at the level of the comparison period. The Fiskars segment's revenue decreased by 1% in comparable currencies, while we expected 6%. In the Fiskars segment, development was also surprisingly good in the USA.

The result was weak, Vita clearly below our expectations, Fiskars above

Fiskars' Q3 adjusted EBIT fell to 13.9 MEUR, while our estimate was 16 MEUR (Q3'24: 24 MEUR). There was a decrease in both segments, with the Fiskars segment's earnings decreasing to 12.6 MEUR (Q3'24: 13.6 MEUR), which was significantly better than our forecast (8 MEUR). The Vita segment's result decreased to 5 MEUR (Q3'24: 13 MEUR), while we expected 11 MEUR. Vita's earnings were weighed down by large inventories, which led the company to reduce production, thereby decreasing its efficiency. In addition, Vita's fixed costs were burdened by differences partly due to timing, which will balance out in Q4. The Fiskars segment defended its profitability significantly better than we expected in an environment of US tariff pressures and declining revenue, managing to improve its comparable gross margin from the comparison period.

Cash flow subdued, debt increased clearly

Fiskars' free cash flow was negative both for Q3 and cumulatively for this year, pushing net debt to over 600 MEUR (Q3'24: 530 MEUR). Due to the weakened result and rather weak cash flow, Fiskars' net debt/comparable EBITDA rose to 3.2x, while the company's target is to be below 2.5x. Indebtedness is already remarkably high and requires action, which is ongoing, especially to decrease Vita's inventories. However, reducing inventories takes at least several quarters. We believe that high debt and weakening earnings will also lead to a clear drop in dividends.

Estimates	Q3'24	Q3'25	Q3'25e	Q3'25e	Consensus	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low High	Act. vs. inderes	Inderes
Revenue	256	259	247	246		5%	1151
EBIT (adj.)	24.3	13.9	15.6	18.2		-11%	87.7
EBIT	-0.5	12.0	14.6	-		-18%	55.7
EPS (adj.)	0.19	0.08	0.09	0.11		-11%	0.56
EPS (reported)	-0.07	0.07	0.08	0.12		-13%	0.24
Revenue growth-%	6.1 %	1.3 %	-3.6 %	-4.1 %		4.9 pp	-0.5 %
EBIT-% (adj.)	9.5 %	5.4 %	6.3 %	7.4 %	-	-1 pp	7.6 %

Source: Inderes & Modular Finance, 4-6 analysts (consensus)

Estimates for this year rose, but are still below the revised guidance

Guidance revised downwards, profit warning risk lingers

Fiskars revised its guidance and now expects the full-year adjusted EBIT to be 90-100 MEUR, while it previously expected 90-110 MEUR (2024: 111 MEUR). Further, the company states that "the company's current visibility points more towards the lower end of the range". In practice, the guidance refers to a result of good 90 MEUR. The guidance downgrade was expected, as both our and the consensus estimate were below the guidance range before the Q3 earnings report.

However, the turnaround in Vita's revenue growth gives hope for a better Q4, as Q4 earnings are highly dependent on Vita's Christmas season sales. In addition, the company's comments on the timing of fixed costs more heavily in Q3 vs. Q4 than last year supports the Q4 earnings outlook. Therefore, we raised this year's estimates a bit, even though the Q3 earnings were slightly below our expectations. Our adjusted EBIT estimate is now 88 MEUR, still below the guidance range.

After nine months, the company has made 44 MEUR in adjusted EBIT, so the lower end of the guidance requires 46 MEUR in adjusted EBIT in Q4, when last year the company made 43 MEUR. The company provided clear steps for the guidance materializing, which requires Vita to continue growing, fixed costs to be relatively lower than in Q3, and the Fiskars segment to achieve a performance of around the comparison period. However, we still consider the guidance challenging, and the risk of a profit warning lingers for the company. However, the earnings appear to end up at a level of around 90 MEUR, and thus, we feel a small profit warning would not be too dramatic.

Otherwise estimates remain largely unchanged

Due to the weak balance sheet and declining earnings, we lowered this year's dividend estimate a bit, although our estimate already anticipated a clear dividend cut. Estimates for the coming years remained largely unchanged. Revenue turning to growth for the first time in three years is a clearly positive sign for next year. On the other hand,

the company is still struggling with US tariffs and low demand. Our estimates already anticipate improving revenue and, with it, an improving margin, which is why we saw no need to change them.

CMD coming early next year

Fiskars announced that it will organize a CMD during H1'26, where the company's strategy and financial targets for the coming years will be presented. The previous strategy and target period ends at the end of this year. We expect the company to separately disclose the strategy and targets for the Fiskars and Vita segments. The legal division of the companies will be completed by the end of Q1'26, after which Fiskars could, in principle, e.g., be divided into two listed companies.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	1126	1151	2%	1172	1186	1%	1219	1228	1%
EBIT (exc. NRIs)	85	88	3%	105	104	-1%	125	125	0%
EBIT	54	56	4%	105	104	-1%	125	125	0%
EPS (excl. NRIs)	0.52	0.56	7%	0.76	0.75	-1%	1.00	1.00	0%
DPS	0.50	0.45	-10%	0.55	0.55	0%	0.60	0.60	0%

Source: Inderes

Fiskars, Webcast, Q3'25



Valuation still on the high side

The share prices in improved earnings

In our opinion, Fiskars' share price reflects profitability recovering clearly from this year's weak level. Thus, at least the earnings growth estimated for next year will be absorbed by the multiples, and the dividend yield alone does not provide a sufficient expected return.

Earnings-based valuation is high

Prior to the COVID pandemic, Fiskars' growth and profitability profile was modest. The home nesting trend sparked by COVID clearly supported Fiskars, which was particularly reflected as significant earnings growth in the Vita segment in 2020-22, which, however, weakened significantly in 2023-25 due to the slowdown in demand. We believe the company should have potential for stable, albeit quite small growth, and better relative profitability than in the past (adj. EBIT 5-10%). On the other hand, historically, the company has achieved little growth, and its markets are quite mature (and thus slow-growing), which limits accepted multiples.

We determined the acceptable valuation level for Fiskars' share to be P/E 12-14x and EV/EBIT 10-12x. The multiples for 2024-26 are above acceptable, and only in 2027 are they within acceptable. Thus, the expected earnings growth in the coming years will largely be used to digest the multiples. In our opinion, Fiskars does not have a clear peer group, but even compared to the peers we have selected, the company is currently valued at a clear premium. In our view, this is not justified given the company's, at best, mediocre growth profile and return on capital.

DCF model close to the current share price

We estimate Fiskars' revenue to return to growth in 2026, but for growth to slow to 2% annually from 2029 onwards. We expect the EBIT margin to improve to about 11.5% by 2029 and then remain stable. Excluding the COVID years of 2020-21, this level is above any level achieved in the company's history. The company's gross margin has clearly increased over the past five years, which, as volumes recover, should also lead to a better operating profit margin than before.

Our DCF model indicates that Fiskars' debt-free value is about 1.5 BNEUR and the value of the share capital is about 1.0 BNEUR, or good EUR 12 per share. The DCF relies on a margin improvement in the coming years.

Balance sheet-based valuation slightly high

Fiskars' P/B ratio is about 1.3x for the coming years. The ROE for 2025 will remain very weak, and in 2026 it will still be below 10%. Relative to these figures, the valuation is high. Starting from 2028, we expect an 11-12% ROE, compared to which the valuation is at an acceptable level. Here, too, we see a need for earnings growth for the multiples to neutralize.

Sum of the parts is also a relevant valuation method

As Fiskars Group is currently divided into two independent segments, which we believe could be fully separated into independent companies as early as next year, the valuation could also be viewed as a sum of the parts. We believe the Fiskars segment is a business with modest growth potential and a business that already generates good profitability and return on capital. On the other hand, we also believe that it

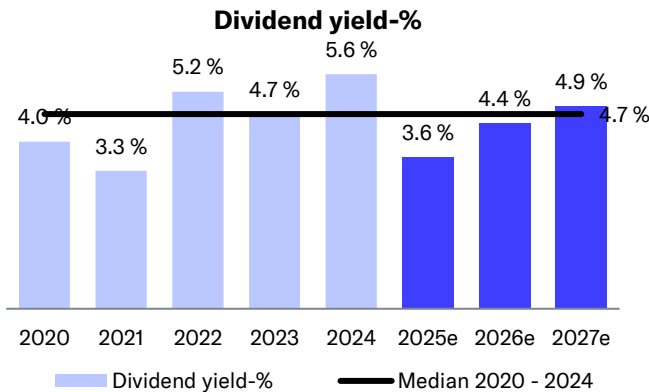
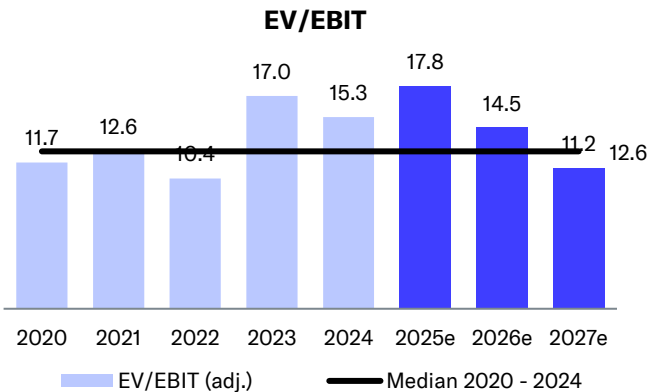
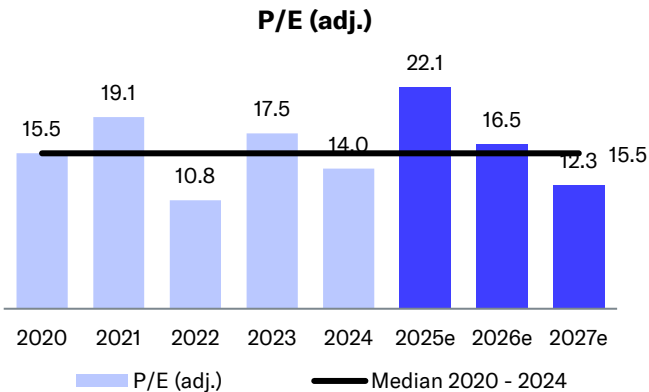
is quite stable. In our view, the Vita segment has the potential for slightly faster growth (around 5% per year) and a clear improvement in profitability from this year's adjusted EBIT margin level of under 6%. Historically, Vita's profitability has been volatile. However, current profitability is clearly below average.

The best peer for the Fiskars segment is Husqvarna, whose EV/EBIT 2025 is approximately 11x. Applying this multiple, the value of the Fiskars segment would be around 750 MEUR. We believe that an acceptable multiple for Vita at the current somewhat low margin level is higher. If we were to use, for example, an EV/EBIT multiple of 15x for Vita's earnings this year, we would arrive at a value of over 500 MEUR. By assigning the median EV/EBIT multiple of Inderes' coverage (just under 11x) to next year's clearly better earnings, the value would be just under 550 MEUR. If one believes Vita's profitability will improve significantly, the company could be valued on a revenue basis, e.g., with an EV/S multiple of 1x, which would place the value at 600-650 MEUR. Although the earnings level of the Fiskars segment is as much as twice that of Vita in our estimates this year, we believe the difference in the segments' values is clearly smaller. In addition, the sum-of-the-parts calculation should consider the "other" segment, which generates negative earnings of around 15 MEUR, and whose costs would mainly be distributed among the segments if the company were divided into two. However, we do not currently use the sum of the parts as the main valuation method. The above values result in a lower outcome than the company's current valuation, although the multiples used are only rough examples of the segments' potential valuation levels.

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	15.0	23.0	15.4	17.6	14.9	12.4	12.4	12.4	12.4
Number of shares, millions	81.5	81.5	80.6	80.8	80.9	80.9	80.9	80.9	80.9
Market cap	1220	1874	1239	1420	1208	999	999	999	999
EV	1276	1938	1570	1872	1707	1559	1502	1408	1367
P/E (adj.)	15.5	19.1	10.8	17.5	14.0	22.1	16.5	12.3	11.0
P/E	18.0	21.7	12.6	20.3	44.6	50.9	16.5	12.3	11.0
P/B	1.6	2.3	1.5	1.7	1.5	1.3	1.3	1.2	1.2
P/S	1.1	1.5	1.0	1.3	1.0	0.9	0.8	0.8	0.8
EV/Sales	1.1	1.5	1.3	1.7	1.5	1.4	1.3	1.1	1.1
EV/EBITDA	7.4	9.5	8.1	11.4	14.2	11.9	8.3	6.8	6.4
EV/EBIT (adj.)	11.7	12.6	10.4	17.0	15.3	17.8	14.5	11.2	10.3
Payout ratio (%)	72.2 %	71.6 %	65.6 %	94.8 %	250.9 %	185.4 %	73.2 %	59.9 %	70.0 %
Dividend yield-%	4.0 %	3.3 %	5.2 %	4.7 %	5.6 %	3.6 %	4.4 %	4.9 %	6.3 %

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Duni AB	408	615	13.9	10.5	8.5	7.0	0.9	0.8	15.0	11.8	5.5	5.9	1.3
Harvia Oyj	677	723	18.6	15.8	15.9	13.4	3.7	3.3	25.7	20.7	2.3	2.8	4.5
Leifheit AG	152	131	14.1	9.0	7.1	5.4	0.6	0.5	23.0	14.6	6.6	7.1	1.6
Marimekko Oyj	554	545	16.1	14.2	12.5	11.2	2.8	2.6	21.4	18.9	3.3	5.5	6.5
Nokian Tyres plc	1148	1897	22.0	16.0	10.3	7.4	1.4	1.2	35.1	17.6	3.0	3.6	0.9
Orthex Oyj	81	98	10.9	8.7	7.2	6.2	1.1	1.0	13.6	10.8	5.2	6.1	2.0
Rapala VMC Oyj	47	148	16.4	13.3	6.9	7.7	0.7	0.6					0.4
Stanley Black & Decker Inc	9229	14708	12.3	10.4	10.1	8.8	1.1	1.1	15.0	12.0	4.7	4.8	1.2
Villeroy & Boch AG	445	948	12.8	9.7	6.4	5.5	0.7	0.7	12.7	8.5	5.7	6.4	1.1
Husqvarna	2469	3193	10.8	9.6	5.6	5.3	0.7	0.7	13.4	11.6	3.4	4.7	1.1
Fiskars (Inderes)	999	1559	17.8	14.5	11.9	8.3	1.4	1.3	22.1	16.5	3.6	4.4	1.3
Average			14.8	11.7	9.1	7.8	1.4	1.3	19.4	14.1	4.4	5.2	2.0
Median			14.0	10.5	7.9	7.2	1.0	0.9	15.0	12.0	4.7	5.5	1.2
Diff-% to median			27%	38%	51%	15%	38%	38%	47%	37%	-23%	-19%	10%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue	1130	283	281	256	337	1157	292	258	259	342	1151.1	1186	1228	1272
Vita	555	126	130	139	210	605	127	125	147	218	618	643	669	695
Fiskars	571	156	150	115	126	547	164	131	110	122	527	538	554	570
Others	4.0	1.0	1.0	1.5	1.3	4.8	1.2	1.9	1.5	1.3	5.9	5.9	5.9	5.9
EBITDA	165	26.5	22.4	20.0	51.6	121	14.2	24.5	30.7	61.9	131.3	181	206	212
Depreciation	-66.0	-20.1	-22.1	-20.5	-20.7	-83.4	-18.8	-19.2	-18.7	-18.9	-75.6	-77.4	-80.3	-79.5
EBIT (excl. NRI)	110	25.1	19.2	24.3	42.9	112	26.8	3.1	13.8	44.0	88	104	125	133
EBIT	98.9	6.4	0.3	-0.5	30.9	37.1	-4.6	5.3	12.0	43.0	56	104	125	133
Vita	62.3	-0.1	1.7	12.7	33.3	47.6	1.3	-7.8	5.3	36.0	34.8	50.1	66.9	69.5
Fiskars	73.8	29.5	22.2	13.7	11.9	77.3	30.6	13.9	12.7	11.5	68.7	70.0	75.0	80.0
Others	-25.8	-4.3	-4.8	-2.0	-2.3	-13.4	-5.1	-3.2	-4.0	-3.5	-15.8	-16.3	-16.6	-16.9
Net financial items	-24.0	-3.8	-9.0	-5.6	-6.8	-25.2	-12.2	-9.2	-5.0	-6.5	-32.9	-25.0	-20.0	-15.0
PTP	79.7	3.6	-7.7	-4.2	26.8	18.5	-16.1	-3.0	8.2	37.0	26.1	79.9	106	119
Taxes	-9.7	-1.2	1.8	-1.6	9.9	8.9	3.0	0.9	-2.9	-7.4	-6.4	-18.1	-24.2	-27.0
Minority interest	-0.2	0.0	-0.3	0.0	0.0	-0.3	-0.1	0.0	0.0	0.0	-0.1	-1.0	-1.0	-1.0
Net earnings	69.9	2.4	-6.3	-5.8	36.7	27.1	-13.2	-2.1	5.3	29.6	19.6	60.7	81.1	90.6
EPS (adj.)	1.01	0.21	0.11	0.19	0.57	1.07	0.15	-0.05	0.08	0.38	0.56	0.75	1.00	1.12
EPS (rep.)	0.87	0.03	-0.08	-0.07	0.45	0.33	-0.16	-0.03	0.07	0.37	0.24	0.75	1.00	1.12

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	-9.5 %	2.9 %	5.0 %	6.1 %	-2.5 %	2.4 %	3.2 %	-8.1 %	1.3 %	1.3 %	-0.5 %	3.1 %	3.5 %	3.5 %
Adjusted EBIT growth-%	-27.0 %	-19.3 %	-19.0 %	37.3 %	13.8 %	1.2 %	6.8 %	-84.0 %	-43.4 %	2.6 %	-21.4 %	18.5 %	20.6 %	5.9 %
EBITDA-%	14.6 %	9.4 %	8.0 %	7.8 %	15.3 %	10.4 %	4.9 %	9.5 %	11.8 %	18.1 %	11.4 %	15.3 %	16.7 %	16.7 %
Adjusted EBIT-%	9.8 %	8.9 %	6.8 %	9.5 %	12.7 %	9.6 %	9.2 %	1.2 %	5.3 %	12.9 %	7.6 %	8.8 %	10.2 %	10.4 %
Net earnings-%	6.2 %	0.8 %	-2.2 %	-2.3 %	10.9 %	2.3 %	-4.5 %	-0.8 %	2.1 %	8.7 %	1.7 %	5.1 %	6.6 %	7.1 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	1029	1070	1066	1077	1084
Goodwill	220	226	226	226	226
Intangible assets	372	378	345	340	330
Tangible assets	307	306	335	351	368
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	91.0	97.4	97.4	97.4	97.4
Other non-current assets	11.0	13.9	13.9	13.9	13.9
Deferred tax assets	28.4	48.8	48.8	48.8	48.8
Current assets	726	641	664	636	597
Inventories	364	331	345	320	282
Other current assets	5.6	7.6	7.6	7.6	7.6
Receivables	229	242	242	237	233
Cash and equivalents	127	60.8	69.1	71.2	73.7
Balance sheet total	1755	1711	1729	1713	1682

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	824	797	748	773	809
Share capital	77.5	77.5	77.5	77.5	77.5
Retained earnings	742	715	666	691	727
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	0.0	0.0	0.0	0.0	0.0
Minorities	3.8	4.3	4.3	4.3	4.3
Non-current liabilities	506	502	547	514	440
Deferred tax liabilities	38.8	36.9	36.9	36.9	36.9
Provisions	15.4	15.8	15.8	15.8	15.8
Interest bearing debt	448	445	490	456	383
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	4.1	4.4	4.4	4.4	4.4
Current liabilities	425	413	434	427	432
Interest bearing debt	126	110	134	113	94.8
Payables	287	285	282	297	319
Other current liabilities	12.5	17.9	17.9	17.9	17.9
Balance sheet total	1755	1711	1729	1713	1682

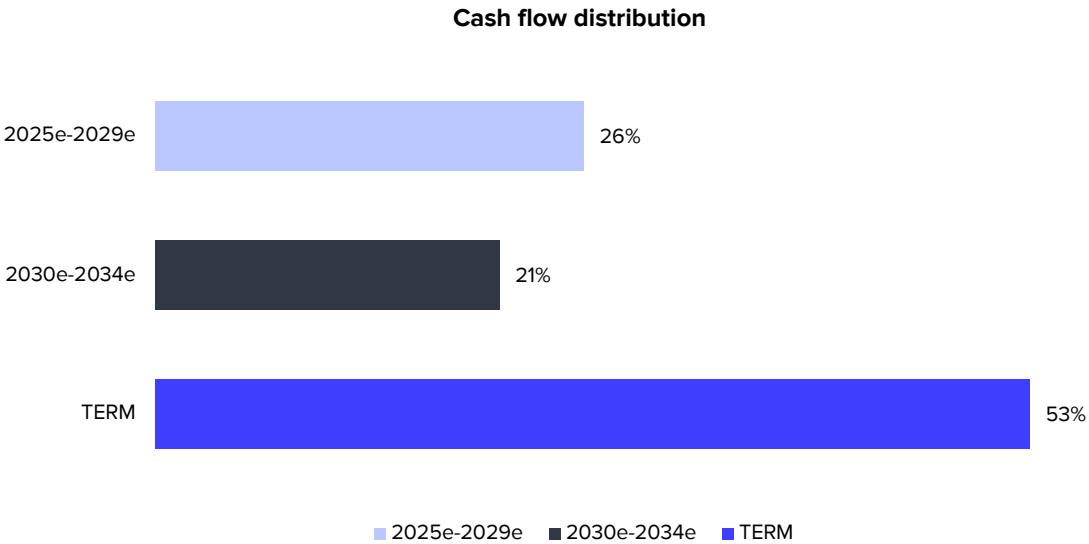
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	2.4 %	-0.5 %	3.1 %	3.5 %	3.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	3.2 %	4.8 %	8.8 %	10.2 %	10.4 %	11.5 %	11.5 %	11.5 %	11.5 %	11.5 %	11.5 %	11.5 %
EBIT (operating profit)	37.1	55.7	104	125	133	149	152	155	158	161	165	
+ Depreciation	83	76	77	80	80	78	79	79	79	77	76	
- Paid taxes	-13	-6	-18	-24	-27	-31	-32	-32	-33	-34	-34	
- Tax, financial expenses	-6.0	-9.1	-5.8	-4.6	-3.5	-3.5	-3.5	-3.5	-3.5	-3.5	-3.5	
+ 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	22	-17.0	44.1	64.5	-6.9	-4.1	-4.2	-4.2	-4.3	-4.4	-4.5	
Operating cash flow	123	98.9	201	241	175	189	192	194	196	197	198	
+ Change in other long-term liabilities	1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-104	-72	-89	-88	-73	-79	-79	-79	-86	-77	-90	
Free operating cash flow	20	27.4	113	154	101	110	112	115	110	120	108	
+/- Other	0	-20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	20	7.4	113	154	101	110	112	115	110	120	108	1702
Discounted FCFF		7.3	102	129	78	78	74	69	61	61	51	805
Sum of FCFF present value		1516	1509	1407	1278	1200	1122	1048	979	918	856	805
Enterprise value DCF		1516										
- Interest bearing debt		-555										
+ Cash and cash equivalents		60.8										
-Minorities		-6										
-Dividend/capital return		-34										
Equity value DCF		983										
Equity value DCF per share		12.2										

WACC

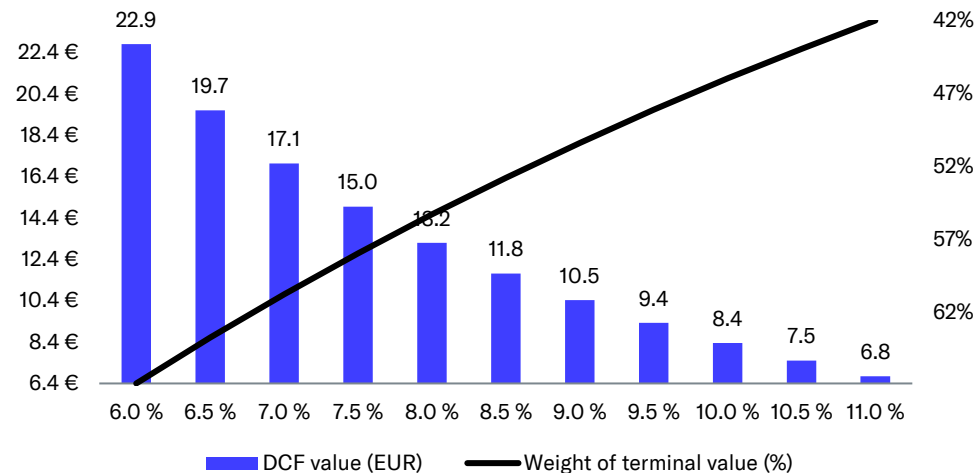
Tax-% (WACC)	24.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.0 %
Equity Beta	1.16
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	9.0 %
Weighted average cost of capital (WACC)	8.5 %

Source: Inderes

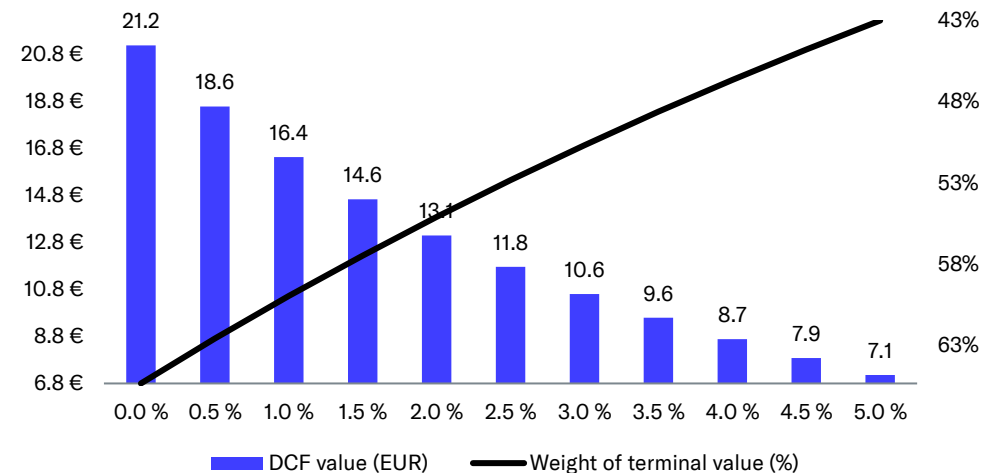


DCF sensitivity calculations and key assumptions in graphs

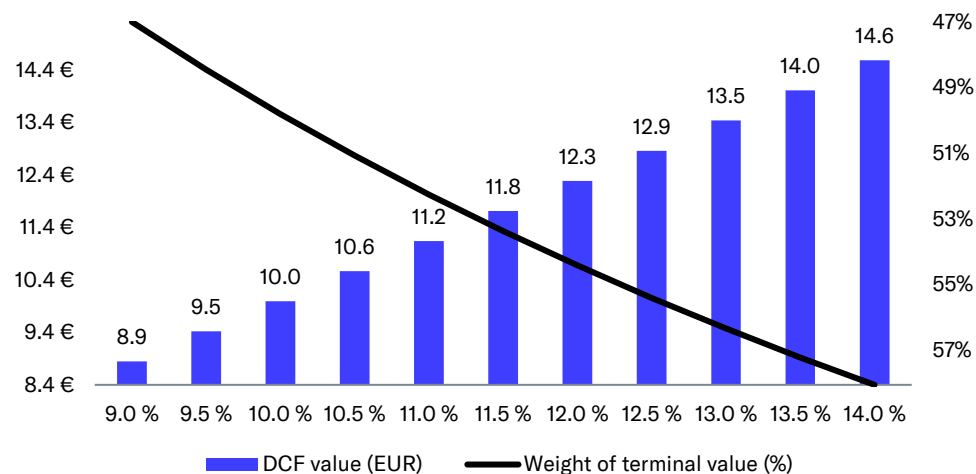
Sensitivity of DCF to changes in the WACC-%



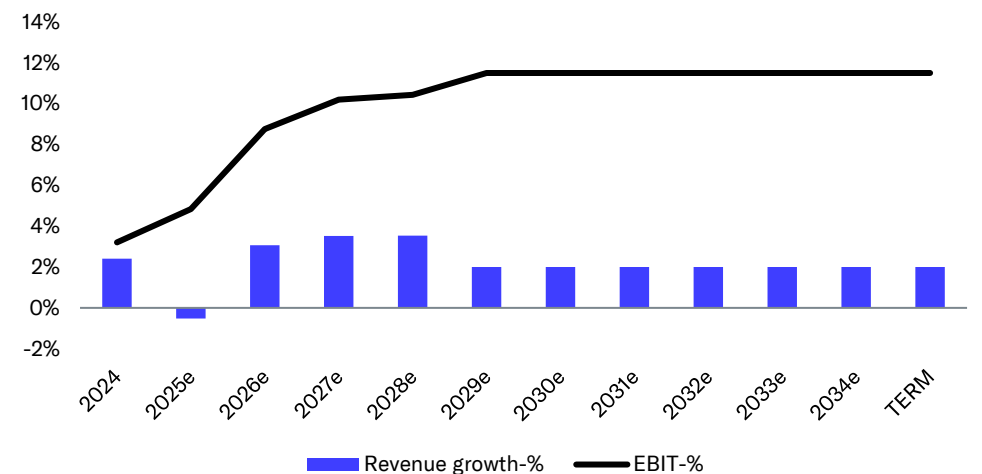
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. NB! The terminal value weight (%) is presented on a reverse scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	1248.4	1129.8	1157.1	1151.1	1186.3	EPS (reported)	1.22	0.87	0.33	0.24	0.75
EBITDA	193.5	164.9	120.5	131.4	181.3	EPS (adj.)	1.42	1.01	1.07	0.56	0.75
EBIT	134.7	98.9	37.1	55.7	103.9	OCF / share	-0.64	2.39	1.52	1.22	2.49
PTP	124.1	79.7	18.5	26.1	79.9	FCF / share	-1.71	-0.28	0.24	0.09	1.39
Net Income	98.2	69.9	27.1	19.6	60.7	Book value / share	10.32	10.15	9.80	9.20	9.50
Extraordinary items	-16.3	-11.3	-74.4	-32.0	0.0	Dividend / share	0.80	0.82	0.84	0.45	0.55
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	1585.6	1754.9	1711.2	1729.4	1713.5	Revenue growth-%	0%	-10%	2%	-1%	3%
Equity capital	835.7	823.7	796.5	748.2	772.6	EBITDA growth-%	-5%	-15%	-27%	9%	38%
Goodwill	221.2	220.1	225.9	225.9	225.9	EBIT (adj.) growth-%	-2%	-27%	1%	-21%	18%
Net debt	325.2	446.6	493.8	555.1	498.1	EPS (adj.) growth-%	18%	-29%	6%	-48%	34%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	15.5 %	14.6 %	10.4 %	11.4 %	15.3 %
EBITDA	193.5	164.9	120.5	131.4	181.3	EBIT (adj.)-%	12.1 %	9.8 %	9.6 %	7.6 %	8.8 %
Change in working capital	-218.7	36.2	22.0	-17.0	44.1	EBIT-%	10.8 %	8.8 %	3.2 %	4.8 %	8.8 %
Operating cash flow	-51.7	193.3	123.1	98.9	201.4	ROE-%	11.9 %	8.5 %	3.4 %	2.6 %	8.0 %
CAPEX	-35.8	-218.5	-104.1	-71.5	-88.8	ROI-%	12.5 %	7.8 %	3.2 %	4.3 %	7.7 %
Free cash flow	-137.4	-22.9	19.7	7.4	112.6	Equity ratio	52.7 %	46.9 %	46.5 %	43.3 %	45.1 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	38.9 %	54.2 %	62.0 %	74.2 %	64.5 %
EV/S	1.3	1.7	1.5	1.4	1.3						
EV/EBITDA	8.1	11.4	14.2	11.9	8.3						
EV/EBIT (adj.)	10.4	17.0	15.3	17.8	14.5						
P/E (adj.)	10.8	17.5	14.0	22.1	16.5						
P/B	1.5	1.7	1.5	1.3	1.3						
Dividend-%	5.2 %	4.7 %	5.6 %	3.6 %	4.4 %						

Source: Inderes

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
1/7/2021	Accumulate	16.00 €	15.26 €
2/8/2021	Reduce	15.00 €	15.60 €
4/20/2021	Accumulate	18.00 €	16.80 €
4/29/2021	Accumulate	19.00 €	17.58 €
7/29/2021	Accumulate	22.00 €	20.20 €
11/1/2021	Accumulate	23.00 €	21.25 €
11/10/2021	Accumulate	24.00 €	21.10 €
12/28/2021	Accumulate	24.00 €	22.75 €
Analyst changed			
2/5/2022	Accumulate	24.00 €	22.05 €
5/2/2022	Accumulate	24.00 €	21.90 €
7/19/2022	Accumulate	20.00 €	18.40 €
Analyst changed			
7/29/2022	Accumulate	20.00 €	18.60 €
9/26/2022	Accumulate	18.00 €	15.20 €
10/31/2022	Accumulate	18.00 €	15.22 €
12/23/2022	Accumulate	17.00 €	15.22 €
1/16/2023	Accumulate	17.50 €	16.80 €
2/8/2023	Accumulate	18.00 €	17.10 €
3/15/2023	Accumulate	18.00 €	16.62 €
4/28/2023	Accumulate	17.50 €	15.70 €
7/18/2023	Accumulate	17.50 €	15.90 €
7/21/2023	Accumulate	17.50 €	15.88 €
10/9/2023	Reduce	17.50 €	17.56 €
10/13/2023	Reduce	16.00 €	16.20 €
10/27/2023	Reduce	15.00 €	14.28 €
1/17/2024	Sell	15.00 €	17.58 €
2/9/2024	Sell	15.00 €	17.20 €
3/20/2024	Sell	15.00 €	16.78 €
4/26/2024	Sell	15.00 €	17.20 €
7/19/2024	Sell	15.00 €	16.60 €
9/4/2024	Sell	15.00 €	16.00 €
10/25/2024	Reduce	15.00 €	15.64 €
2/7/2025	Reduce	15.00 €	15.18 €
3/20/2025	Reduce	15.00 €	15.72 €
4/9/2025	Reduce	13.50 €	14.24 €
4/25/2025	Reduce	13.50 €	14.26 €
6/16/2025	Reduce	13.00 €	14.38 €
7/18/2025	Sell	12.00 €	14.54 €
10/14/2025	Reduce	12.00 €	12.24 €
10/24/2025	Reduce	12.00 €	12.36 €



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