

H&M

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Rauli Juva
+358 50 588 0092
rauli.juva@inderes.fi

COMPANY REPORT



Margin improvement expectations cut

We believe consumer demand has remained subdued in H&M's Q4 (Sep-Nov), although the strong September should support growth. We have lowered our margin assumptions for 2025 and beyond, prompting us to cut the target price to SEK 160 (previously 170). We continue to see the share as fairly valued and maintain a Reduce recommendation.

Strong start for Q4 didn't carry through the quarter, we believe

H&M published already in conjunction with its Q3 report that it was off to a strong start in Q4 with September sales up 11%. After that, we believe the markets have remained more subdued, however, and hence the growth in Q4 (Sep-Nov) has not been as strong as we earlier expected. We now expect 4% growth in local currencies and with a clearly negative FX impact, only 1% growth in reported currencies.

On gross margin, H&M is facing several headwinds in Q4 (as reported already earlier) with pricing coming down, markdowns increasing and "external factors" ie. cost of the products and freight, for example, impacting negatively as well. The soft demand in Oct-Nov has most likely kept some pressure on pricing also during the quarter. H&M's own efficiency measures are likely to offset some of the negatives, but we see a gross margin of 53.1% for Q4, down from 53.7% a year ago.

In terms of fixed costs, H&M's earlier efficiency program is having its full impact and keeping opex in check. The company announced in end-Q4 plans to close its Monki chain, which is likely to incur some cost for Q4, which we believe will be of a similar magnitude as the closure of Afound in Q3 (200 MSEK). In total, we expect opex/sales to remain at last year's level, with moderate top-line growth and efficiencies keeping costs under control. H&M will report Q4 in late January.

10% margin target starting to look more distant

As H&M is again putting more focus on its pricing and driving sales, we believe the margin improvement trend will be more moderate than previously expected. We expect gross margin to remain slightly over 53% in the coming years and top-line growth to drive opex/sales lower and hence EBIT margin higher. H&M might be hit by new tariffs between the US and China, as the US is one of H&M largest markets (some 15% of sales), while China accounts around 25% of its sourcing.

We still forecast EBIT margin improving from around 7% in 2024 to around 9% in 2026, but nevertheless the estimates for 2025-26 are down 8-12%. On the back of this, we have also lowered our long-term EBIT margin assumption to 9%, below H&M's target of 10%. This has led to our DCF value decreasing to SEK 160.

Share continues to look fairly valued

H&M's P/E for 2024 is 22x, while for 2025, the expected margin improvement drives the P/E down to 18x. The 2025 multiples are well in line with our accepted multiples. The multiples are well below the closest peer Inditex, which trades close to 30x for 2024. We believe some discount is fair, given Inditex's better sales development. We estimate that H&M's free cash flow and dividend yields will be around 4-5% in the coming years. After a larger earnings improvement in 2024-26, driven by the increasing margin, we expect a steady sales/earnings growth of 5% in the medium term. Our DCF value is in line with our target and close to the current share price. Therefore, overall, we see the share as quite fairly valued.

Recommendation

Reduce
(prev. Reduce)

160 SEK
(prev. 170,00 SEK)

Share price:
152

Business risk



Valuation risk



	2023	2024e	2025e	2026e
Revenue	236 035	235 485	244 725	258 034
growth-%	6 %	0 %	4 %	5 %
EBIT adj.	13 538	16 840	19 843	22 840
EBIT-% adj.	5,7 %	7,2 %	8,1 %	8,9 %
Net Income	8 723	11 135	13 682	16 338
EPS (adj.)	4,7	7,0	8,5	10,2

P/E (adj.)	37,6	21,6	17,8	14,9
P/B	6,1	5,1	4,8	4,4
Dividend yield-%	3,7 %	4,4 %	4,9 %	5,6 %
EV/EBIT (adj.)	25,1	17,8	15,2	13,2
EV/EBITDA	9,1	7,8	7,1	6,6
EV/S	1,4	1,3	1,2	1,2

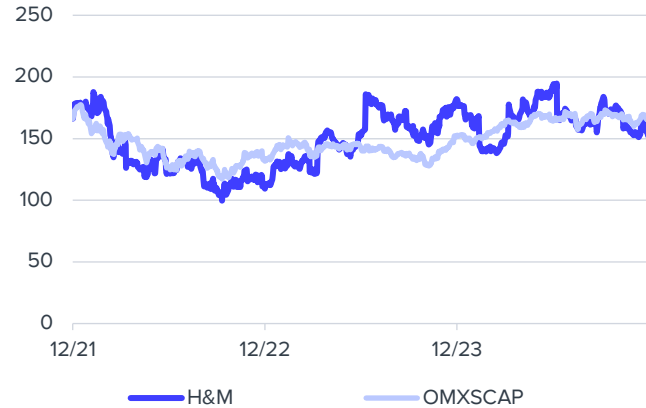
Source: Inderes

Guidance

(Unchanged)

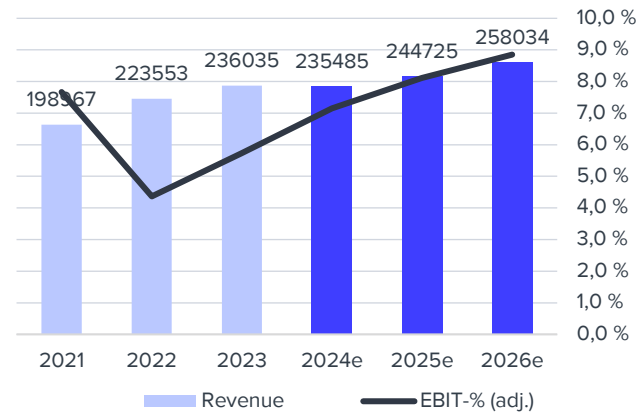
No guidance

Share price



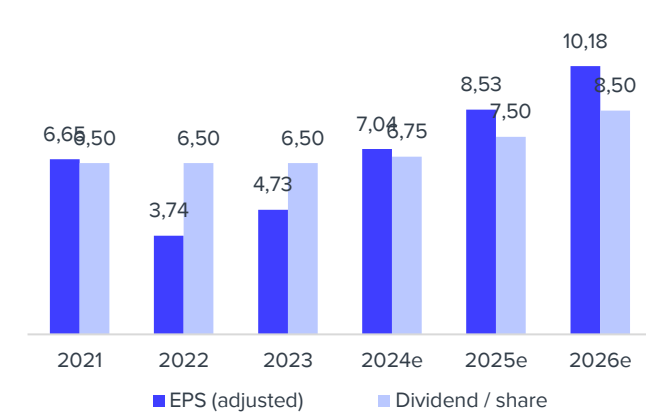
Source: Millstream Market Data AB

Sales and EBIT-%



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- Very strong brand and market presence in fashion retail
- Potential to grow in emerging markets and increase market share
- Margin improvement towards 10% EBIT-margin target
- Portfolio chains / ventures could create value in the mid-/long-term
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Risk factors

- The fashion industry is fiercely competed and somewhat cyclical in nature
- H&M's track record from the past decade is poor and a "normal" margin level is uncertain
- Increased regulation could have a negative impact
- Reputational risk for H&M
- Change in consumer preferences away from fast fashion
-

Valuation	2024e	2025e	2026e
Share price	152	152	152
Number of shares, m	1610	1605	1605
Market cap	244 125	244 125	244 125
EV	300 018	300 644	301 065
P/E (adj.)	21,6	17,8	14,9
P/E	22,0	17,8	14,9
P/B	5,1	4,8	4,4
P/S	1,0	1,0	0,9
EV/Sales	1,3	1,2	1,2
EV/EBITDA	7,8	7,1	6,6
EV/EBIT (adj.)	17,8	15,2	13,2
Payout ratio (%)	97 %	88 %	83 %
Dividend yield-%	4,4 %	4,9 %	5,6 %

Source: Inderes

More moderate assumptions on the margin improvement trend

Q4 estimates slightly down

H&M announced already in conjunction with its Q3 report that it was off to a strong start in Q4 with September sales up 11%. After that, we believe the markets have remained more subdued, however, and hence the growth in Q4 (Sep-Nov) has not been as strong as we earlier expected. We now expect 4% growth in local currencies and with a clearly negative FX impact, only 1% growth in reported currencies.

On the gross margin H&M is facing several headwinds in Q4 (as reported already earlier) with pricing coming down, markdowns increasing and “external factors” ie. cost of the products and freight, for example, impacting negatively as well. The soft demand in Oct-Nov has most likely kept some pressure on pricing also during the quarter. H&M’s own efficiency measures are likely to offset some of the negatives, but we see a gross margin of 53.1% for Q4, down from 53.7% a year ago.

On the fixed costs, H&M’s earlier efficiency program is having its full impact and keeping opex in check. The company announced in end-Q4 plans to close its Monki chain, which is likely to incur some cost for Q4, which we believe will be of a similar magnitude as the closure of Afound in Q3 (200 MSEK). In total, we expect opex/sales to remain at last year’s level with moderate topline growth and efficiencies keeping costs under control.

The lower sales estimate and some fine-tuning in the cost estimates lead to 3% lower earnings expectations for 2024.

Margin curve further down for 2025-26

As H&M is again putting more focus on its pricing and driving sales, we believe the margin improvement trend will be more moderate than previously expected. We expect gross margin to remain slightly over 53% in the coming years and top-line growth to drive opex/sales lower and hence EBIT margin higher. H&M might be hit by new

tariffs between the US and China, as the US is one of H&M largest markets (some 15% of sales), while China accounts around 25% of its sourcing.

We still forecast EBIT margin improving from around 7% in 2024 to around 9% in 2026, but nevertheless the estimates are down. On the back of this, we have also lowered our long-term EBIT margin assumption to 9%, below H&M’s target of 10%. This has led to our DCF value decreasing to SEK 160.

Estimate revisions	2024e	2024e	Change	2025e	2025e	Change	2026e	2026e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	236585	235485	0 %	247445	244725	-1 %	260926	258034	-1 %
EBIT	17161	16641	-3 %	22007	19843	-10 %	24606	22840	-7 %
PTP	15388	14868	-3 %	20507	18243	-11 %	23406	21640	-8 %
EPS (excl. NRIs)	7,28	7,04	-3 %	9,65	8,53	-12 %	11,01	10,18	-8 %
DPS	6,75	6,75	0 %	7,50	7,50	0 %	8,50	8,50	0 %

Source: Inderes

Valuation

Valuation summary - Reduce

We forecast earnings growth in 2024 as margins continue to improve. We expect H&M to distribute most of its earnings and free cash flow as dividends, resulting in a dividend yield of 4-5%. The multiples are currently at the high end of our acceptable range and the share is around the levels of our DCF value. We therefore see little upside on a 12-month horizon.

Acceptable absolute multiples in 2024-25

H&M's valuation multiples for 2024 are fairly high with a P/E of 22x. H&M is, however, showing an ongoing margin recovery (even if it has been slower than expected), which we expect to stretch out to 2025-26. The headline multiples for 2025 are P/E 18x and EV/EBIT 15x, which look fair or even modest. Adjusted for lease liabilities, EV/EBIT is some 14x and P/E adjusted for net cash excl. IFRS 16 is 18x. Given the continued growth potential and high returns on capital, which we see in the company, these are in line with our range of acceptable multiples. As we expect further margin improvement in 2026, the multiples start to look more attractive. Obviously, they require the expected margin improvement to materialize, which has disappointed in recent quarters.

Looking from 2026 onwards, when we expect stable growth and profitability going forward, we believe H&M's acceptable P/E is 15-20x and EV/EBIT with reported figures is 13-15x. Our estimate of H&M's sustainable free cash flow in 2025-26 is 10-11 BNSEK, which implies a free cash flow yield of around 4%.

Valuation compared to the peer group

All retail chains have significant lease liabilities, which muddle the EV-based valuation. Thus, we look mainly at the P/E ratios of the peer group. The peer group's median P/E is 24x for 2024, slightly higher than H&M's 22x, and 20x for 2025, also higher than H&M's 18x. The values for the peer group vary broadly from around 15x to over 40x. Hence, the peer group median is somewhat dependent on which companies one chooses to include in the group, given that there are also other potential peers in the fashion industry. H&M's closest peer Inditex is valued at P/E ~30x for 2024 and 26x for 2025, i.e., clearly higher than H&M. Inditex has, however, also been growing faster than H&M for some years already. Compared to peers, we see H&M's valuation as fair.

DCF suggests current price is fair

We expect steady growth and margins during 2026-2032. In the terminal period, we expect the EBIT margin to remain largely flat at around 9.0% (previously 9.5%) while our terminal growth rate assumption is 3%. We estimate the cost of equity and WACC (due to no financial debt) for H&M to be 8.0%, which is fairly low given the company's strong and wide market presence and strong global brand.

With these assumptions, our DCF model arrives at an EV and equity value of around 260 BNSEK, which translates to around SEK 160 per share. This is in line with our target price and close to the current share price, suggesting that the share is fairly valued.

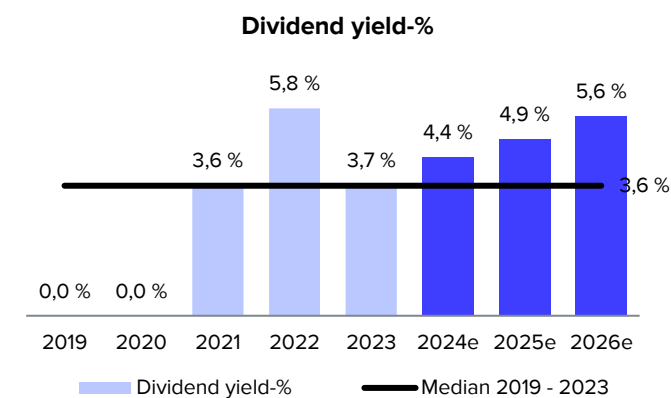
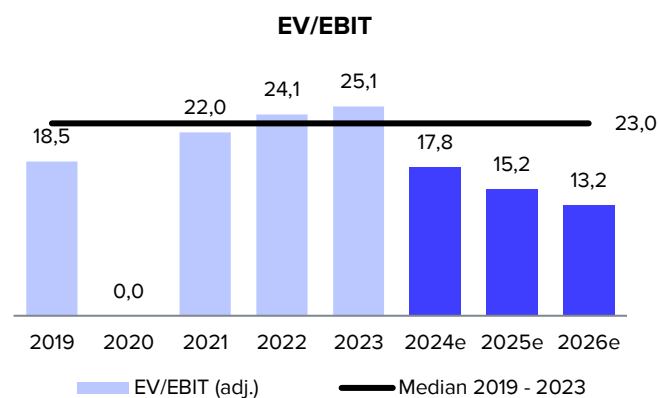
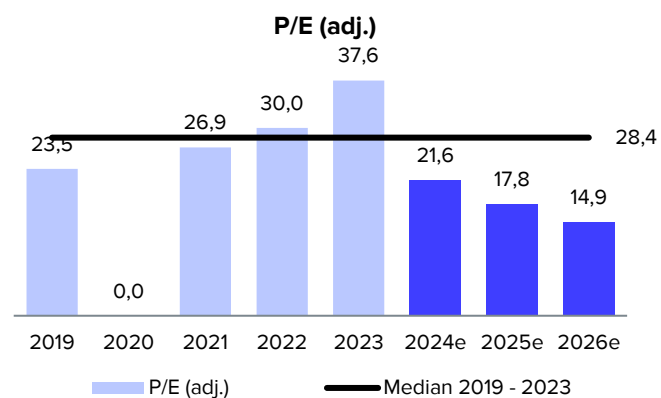
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Market cap	244 125	244 125	244 125
EV	300 018	300 644	301 065
P/E (adj.)	21,6	17,8	14,9
P/E	22,0	17,8	14,9
P/B	5,1	4,8	4,4
P/S	1,0	1,0	0,9
EV/Sales	1,3	1,2	1,2
EV/EBITDA	7,8	7,1	6,6
EV/EBIT (adj.)	17,8	15,2	13,2
Payout ratio (%)	97 %	88 %	83 %
Dividend yield-%	4,4 %	4,9 %	5,6 %

Source: Inderes

Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	190	172	179	112	178	152	152	152	152
Number of shares, millions	1655,1	1655,1	1655,1	1645,5	1633,5	1610,0	1604,5	1604,5	1604,5
Market cap	315 258	284 672	295 927	184 569	288 002	244 125	244 125	244 125	244 125
EV	320 644	348 197	335 147	235 497	339 574	300 018	300 644	301 065	302 223
P/E (adj.)	23,5	>100	26,9	30,0	37,6	21,6	17,8	14,9	13,8
P/E	23,5	>100	26,9	51,8	33,3	22,0	17,8	14,9	13,8
P/B	5,5	5,2	4,9	3,6	6,1	5,1	4,8	4,4	4,1
P/S	1,4	1,5	1,5	0,8	1,2	1,0	1,0	0,9	0,9
EV/Sales	1,4	1,9	1,7	1,1	1,4	1,3	1,2	1,2	1,1
EV/EBITDA	11,3	12,0	8,9	7,9	9,1	7,8	7,1	6,6	6,4
EV/EBIT (adj.)	18,5	>100	22,0	24,1	25,1	17,8	15,2	13,2	12,7
Payout ratio (%)	0,0 %	0,0 %	97,7 %	299,8 %	120,9 %	97,3 %	88,0 %	83,5 %	100,0 %
Dividend yield-%	0,0 %	0,0 %	3,6 %	5,8 %	3,7 %	4,4 %	4,9 %	5,6 %	7,2 %

Source: Inderes



Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B 2024e
			2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	
Inditex	156456	150171	22,2	19,9	15,3	14,1	4,2	3,9	29,2	26,3	2,9	3,4	8,6
Fast Retailing	105465	99231	28,9	28,3	23,4	21,3	5,2	4,8	46,2	42,4	0,7	0,8	8,3
Next	14781	16988	14,3	13,0	12,1	10,9	2,6	2,3	17,3	15,6	2,1	2,3	9,0
GAP													
Zalando	8947	8201	20,5	16,9	10,5	9,6	0,8	0,7	35,9	29,5			3,4
Victoria's Secret	3351	4568	15,3	14,4	8,3	8,4	0,8	0,8	20,8	19,1			7,3
Abercrombie & Fitch	7328	6638	14,5	9,5	11,2	8,1	1,6	1,4	25,2	15,0			7,5
Urban Outfitters	4846	4357	11,4	10,1	8,9	7,9	0,9	0,8	16,8	14,0			2,2
H&M (Inderes)	21045	25864	17,8	15,2	7,8	7,1	1,3	1,2	21,6	17,8	4,4	4,9	5,1
Average			18,1	16,0	12,8	11,5	2,3	2,1	27,3	23,1	1,9	2,2	6,6
Median			15,3	14,4	11,2	9,6	1,6	1,4	25,2	19,1	2,1	2,3	7,5
Diff-% to median			17 %	5 %	-30 %	-26 %	-22 %	-13 %	-14 %	-7 %	109 %	111 %	-33 %

Source: Refinitiv / Inderes

Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24	Q3'24	Q4'24e	2024e	2025e	2026e	2027e
Revenue	223 553	54 872	57 616	60 897	62 650	236 035	53 669	59 605	59 011	63 200	235 485	244 725	258 034	270 535
EBITDA	29 748	6 230	10 234	10 466	10 562	37 492	7 480	12 526	8 881	9 459	38 346	42 613	45 646	46 888
Depreciation	-22 579	-5 505	-5 493	-5 727	-6 230	-22 955	-5 403	-5 428	-5 374	-5 500	-21 705	-22 769	-22 806	-23 007
EBIT (excl. NRI)	9 760	-274	4 741	4 739	4 332	13 538	2 077	7 297	3 507	3 959	16 840	19 843	22 840	23 881
EBIT	7 169	725	4 741	4 739	4 332	14 537	2 077	7 098	3 507	3 959	16 641	19 843	22 840	23 881
Net financial items	-953	-329	-416	-366	-416	-1 527	-471	-430	-422	-450	-1 773	-1 600	-1 200	-500
PTP	6 216	396	4 325	4 373	3 916	13 010	1 606	6 668	3 085	3 509	14 868	18 243	21 640	23 381
Taxes	-2 650	144	-1 037	-1 054	-2 340	-4 287	-405	-1 673	-778	-877	-3 733	-4 561	-5 302	-5 728
Minority interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net earnings	3 566	540	3 288	3 319	1 576	8 723	1 201	4 995	2 307	2 632	11 135	13 682	16 338	17 653
EPS (adj.)	3,7	-0,3	2,0	2,0	1,0	4,7	0,7	3,2	1,4	1,6	7,0	8,5	10,2	11,0
EPS (rep.)	2,2	0,3	2,0	2,0	1,0	5,3	0,7	3,1	1,4	1,6	6,9	8,5	10,2	11,0

Key figures	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24	Q3'24	Q4'24e	2024e	2025e	2026e	2027e
Revenue growth-%	12,4 %	11,6 %	5,7 %	6,0 %	0,3 %	5,6 %	-2,2 %	3,5 %	-3,1 %	0,9 %	-0,2 %	3,9 %	5,4 %	4,8 %
Adjusted EBIT growth-%	-36,0 %	-159,8 %	-5,0 %	78,6 %	160,8 %	38,7 %	-858,0 %	53,9 %	-26,0 %	-8,6 %	24,4 %	17,8 %	15,1 %	4,6 %
EBITDA-%	13,3 %	11,4 %	17,8 %	17,2 %	16,9 %	15,9 %	13,9 %	21,0 %	15,0 %	15,0 %	16,3 %	17,4 %	17,7 %	17,3 %
Adjusted EBIT-%	4,4 %	-0,5 %	8,2 %	7,8 %	6,9 %	5,7 %	3,9 %	12,2 %	5,9 %	6,3 %	7,2 %	8,1 %	8,9 %	8,8 %
Net earnings-%	1,6 %	1,0 %	5,7 %	5,5 %	2,5 %	3,7 %	2,2 %	8,4 %	3,9 %	4,2 %	4,7 %	5,6 %	6,3 %	6,5 %

Source: Inderes

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	102525	100744	104039	106270	109198
Goodwill	64,0	1013	1013	1013	1013
Intangible assets	9092	8712	9212	9712	10212
Tangible assets	82736	81536	84331	86062	88490
Associated companies	503	209	209	209	209
Other investments	2654	2363	2363	2363	2363
Other non-current assets	939	1204	1204	1204	1204
Deferred tax assets	6537	5707	5707	5707	5707
Current assets	79523	80529	74178	74641	70959
Inventories	42495	37358	37678	39156	41285
Other current assets	0,0	0,0	0,0	0,0	0,0
Receivables	15321	16773	15307	15907	16772
Cash and equivalents	21707	26398	21194	19578	12902
Balance sheet total	182048	181273	178217	180911	180158

Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	50757	47601	48193	51045	55349
Share capital	207	207	207	207	207
Retained earnings	44694	41198	41790	44642	48946
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	5856	6196	6196	6196	6196
Minorities	0,0	0,0	0,0	0,0	0,0
Non-current liabilities	62956	65745	50000	50000	50000
Deferred tax liabilities	3273	2416	0,0	0,0	0,0
Provisions	575	384	0,0	0,0	0,0
Interest bearing debt	58925	62813	50000	50000	50000
Convertibles	0,0	0,0	0,0	0,0	0,0
Other long term liabilities	183	132	0,0	0,0	0,0
Current liabilities	68335	67927	80024	79866	74808
Interest bearing debt	13710	15157	27087	26098	19842
Payables	21090	21027	21194	22025	23223
Other current liabilities	33535	31743	31743	31743	31743
Balance sheet total	182048	181273	178217	180911	180158

DCF-calculation

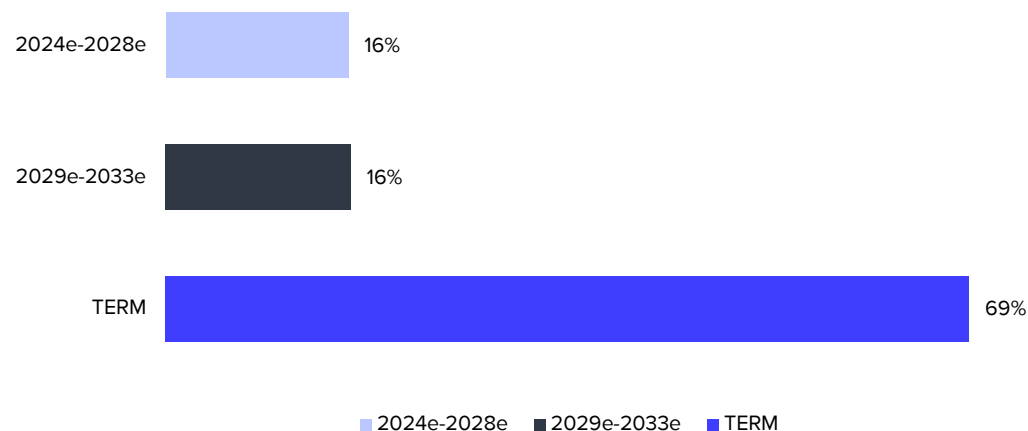
DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	5,6 %	-0,2 %	3,9 %	5,4 %	4,8 %	5,0 %	5,0 %	5,0 %	5,0 %	5,0 %	3,0 %	3,0 %
EBIT-%	6,2 %	7,1 %	8,1 %	8,9 %	8,8 %	9,0 %	9,0 %	9,0 %	9,0 %	9,0 %	9,0 %	9,0 %
EBIT (operating profit)	14537	16641	19843	22840	23881	25566	26844	28186	29595	31075	32007	
+ Depreciation	22955	21705	22769	22806	23007	23326	23730	24691	25619	26307	27622	
- Paid taxes	-4314	-6149	-4561	-5302	-5728	-6141	-6454	-6783	-7128	-7491	-7842	
- Tax, financial expenses	-503	-445	-400	-294	-123	-123	-123	-123	-123	-123	0	
+ Tax, financial income	0	0	0	0	0	0	0	0	0	0	0	
- Change in working capital	1830	1314	-1247	-1797	-1688	-1826	-1917	-2013	-2114	-2220	-1398	
Operating cash flow	34505	33065	36404	38254	39350	40802	42080	43959	45850	47549	50389	
+ Change in other long-term liabilities	-242	-516	0	0	0	0	0	0	0	0	0	
- Gross CAPEX	-22298	-25000	-25000	-25735	-26492	-27272	-28075	-28902	-28983	-32210	-31341	
Free operating cash flow	11965	7549	11404	12519	12858	13530	14005	15056	16866	15339	19049	
+/- Other	-1766	-2000	-2000	-2000	-2000	-2000	-2000	-2000	-2000	-2000	-2000	
FCFF	10199	5549	9404	10519	10858	11530	12005	13056	14866	13339	17049	353853
Discounted FCFF		5534	8688	9000	8605	8464	8163	8223	8672	7208	8532	177094
Sum of FCFF present value		258183	252649	243962	234961	226356	217892	209729	201507	192834	185627	177094
Enterprise value DCF		258183										
- Interest bearing debt		-17082										
+ Cash and cash equivalents		26398										
-Minorities		0,0										
-Dividend/capital return		-10543										
Equity value DCF		256956										
Equity value DCF per share		160										

WACC

Tax-% (WACC)	24,0 %
Target debt ratio (D/(D+E))	0,0 %
Cost of debt	5,0 %
Equity Beta	1,15
Market risk premium	4,75 %
Liquidity premium	0,00 %
Risk free interest rate	2,5 %
Cost of equity	8,0 %
Weighted average cost of capital (WACC)	8,0 %

Source: Inderes

Cash flow distribution



Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	198967	223553	236035	235485	244725	EPS (reported)	6,7	2,2	5,3	6,9	8,5
EBITDA	37575	29748	37492	38346	42613	EPS (adj.)	6,7	3,7	4,7	7,0	8,5
EBIT	15255	7169	14537	16641	19843	OCF / share	27,1	15,2	21,1	20,5	22,7
PTP	14300	6216	13010	14868	18243	FCF / share	18,8	1,0	6,2	3,4	5,9
Net Income	11010	3566	8723	11135	13682	Book value / share	36,3	30,8	29,1	29,9	31,8
Extraordinary items	0	-2591	999	-199	0	Dividend / share	6,5	6,5	6,5	6,8	7,5
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	179781	182048	181273	178217	180911	Revenue growth-%	6 %	12 %	6 %	0 %	4 %
Equity capital	60018	50757	47601	48193	51045	EBITDA growth-%	29 %	-21 %	26 %	2 %	11 %
Goodwill	64	64	1013	1013	1013	EBIT (adj.) growth-%	392 %	-36 %	39 %	24 %	18 %
Net debt	39220	50928	51572	55894	56520	EPS (adj.) growth-%	786 %	-44 %	26 %	49 %	21 %
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	18,9 %	13,3 %	15,9 %	16,3 %	17,4 %
EBITDA	37575	29748	37492	38346	42613	EBIT (adj.)-%	7,7 %	4,4 %	5,7 %	7,2 %	8,1 %
Change in working capital	11083	-539	1830	1314	-1247	EBIT-%	7,7 %	3,2 %	6,2 %	7,1 %	8,1 %
Operating cash flow	44849	25091	34505	33065	36404	ROE-%	19,2 %	6,4 %	17,7 %	23,2 %	27,6 %
CAPEX	-13751	-23581	-22298	-25000	-25000	ROI-%	11,7 %	5,7 %	11,7 %	13,3 %	15,7 %
Free cash flow	31094	1660	10199	5549	9404	Equity ratio	33,4 %	27,9 %	26,3 %	27,0 %	28,2 %
						Gearing	65,3 %	100,3 %	108,3 %	116,0 %	110,7 %
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	1,7	1,1	1,4	1,3	1,2						
EV/EBITDA	8,9	7,9	9,1	7,8	7,1						
EV/EBIT (adj.)	22,0	24,1	25,1	17,8	15,2						
P/E (adj.)	26,9	30,0	37,6	21,6	17,8						
P/B	4,9	3,6	6,1	5,1	4,8						
Dividend-%	3,6 %	5,8 %	3,7 %	4,4 %	4,9 %						

Source: Inderes

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Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
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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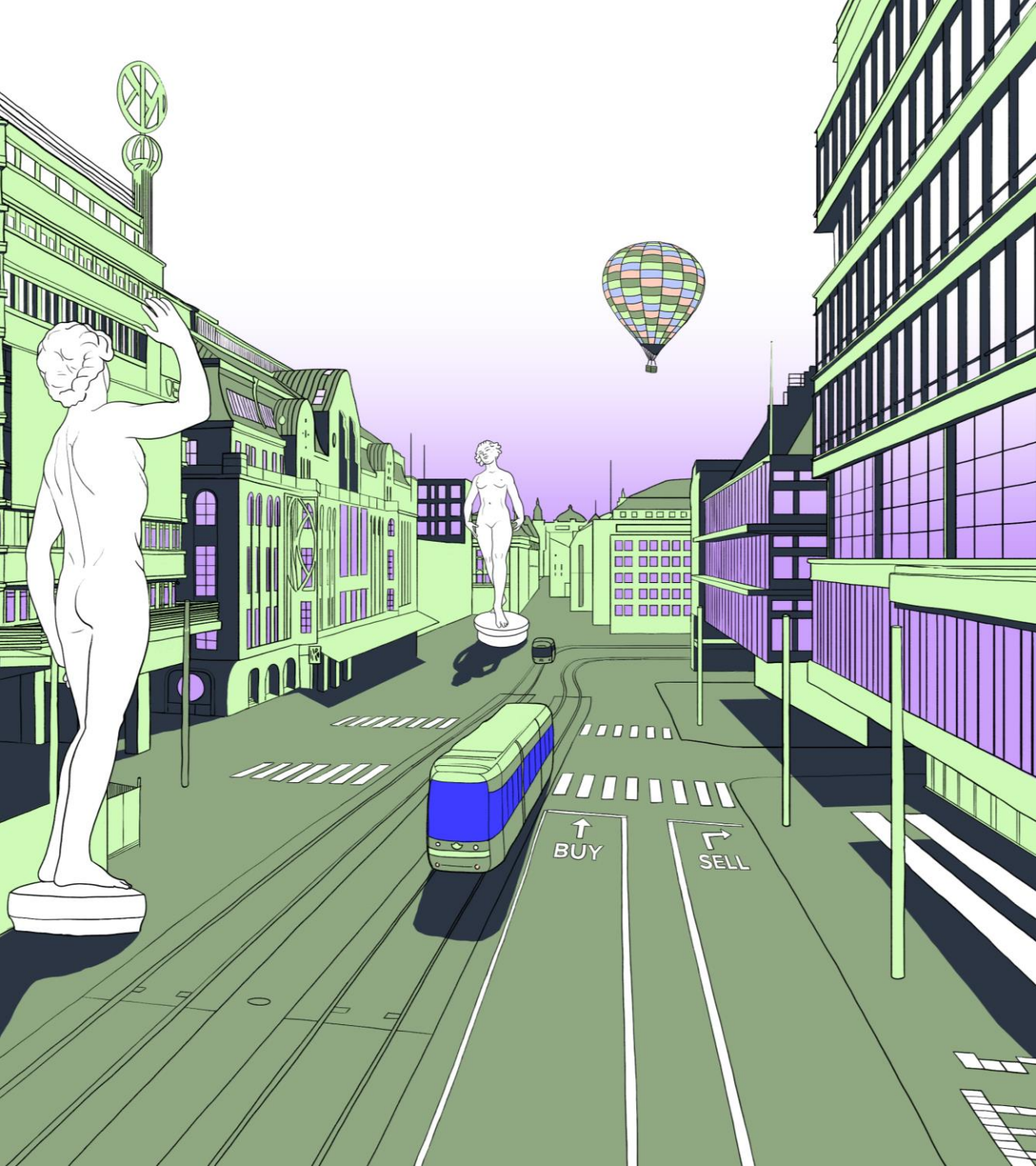
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
10/10/2023	Accumulate	165	148
17.12.2023	Reduce	170	178
01/02/2024	Accumulate	165	147
28/03/2024	Reduce	170	178
28/06/2024	Reduce	170	169
29/08/2024	Reduce	170	162
27/09/2024	Reduce	170	173
18/12/2024	Reduce	160	152



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Inderes Ab

Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

[inderes.se](https://www.inderes.se)

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