

# Alma Media

## Company report

4/11/2024 11:08 pm EEST.



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✓ Inderes corporate customer

This report is a summary translation of the report "Segmenttirakenteen muutos ennusteisiin" published on 4/11/2024 at 11:08 pm EEST.

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# Change in segment structure to forecasts

Alma Media will publish its Q1 report next Friday at around 8:00 am EEST. We forecast the company's EBIT to decline slightly year-on-year, in line with the weaker market environment. We expect the company to reiterate its guidance for the current year, which is also expected by consensus. We have updated our forecasts to reflect the change in the company's segment structure, but our earnings forecasts for the coming years are virtually unchanged. Thus, we reiterate Alma Media's target price of EUR 10.5 and our Accumulate recommendation.

## Divergent organic and inorganic revenue drivers

We forecast Alma Media's Q1 revenue to decline by 1% to around 75 MEUR, which is well in line with the consensus forecast. We expect revenue to decline organically in all segments. This reflects the general economic development, which we expect to have had a negative impact on the media business (News Media), especially on advertising sales. In Marketplaces and Career, we expect classified advertising revenues to have declined organically, reflecting more moderate target market activity. As such, we forecast Career and News Media's revenues to decline slightly in Q1. However, we forecast a slight increase in Marketplaces segment revenues, driven by inorganic growth from the [Netwheels acquisition](#) since February.

## Earnings expectations slightly below the comparison period

We forecast Alma Media's adjusted EBIT to decrease to 16.1 MEUR, which is also practically in line with the consensus forecast. As a result, we expect adjusted EBIT margin to decline from the very good level of the comparison period to 21.5% (Q1'23): 22.6%). We expect a slight decline in EBIT for Career and News Media, reflecting their declining revenues in our forecasts. We expect the impact of continued cost inflation to have been mitigated by the company's adaptation measures and generally flexible cost structure. However, we expect the Marketplaces segment to outperform the comparison period due to inorganic growth. Against this background and taking into account the small one-off effects of 0.7 MEUR in Q1, our forecast for Q1 EPS is in line with the consensus at EUR 0.13.

## Guidance is expected to be reiterated

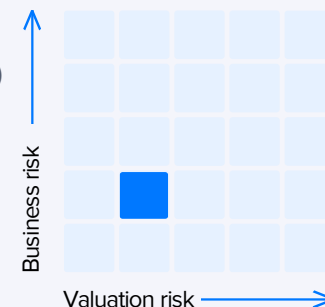
Prior to the Q1 report, the consensus expects Alma Media to achieve a revenue of 312 MEUR and an adjusted EBIT of 74.1 MEUR in 2024. Our corresponding updated forecasts are for a revenue of 306 MEUR and an adjusted EBIT of 72.9 MEUR. Thus, the company is expected to reiterate its guidance for the current year, which points to revenue (2023: 305 MEUR) and adjusted EBIT (2023: 73.6 MEUR) are to be at the 2023 level. We believe that the positive demand drivers for the current year are limited, as the general economic outlook is weak, and we do not see any particular drivers to strengthen it or the company's revenue. A fairly stable revenue outlook will keep earnings growth in check, but we expect the company's efficiency measures to kick in and counter the effects of cost inflation. Our P/E and EV/EBIT multiples for the next few years, which remain practically unchanged, are 15x and 13x respectively. As a result, we believe the stock's valuation remains moderate and, together with a dividend yield of around 5%, supports a positive view on the stock.

## Recommendation

**Accumulate**  
(previous Accumulate)

**EUR 10.50**  
(previous EUR 10.50)

**Share price:**  
9.44



## Key figures

	2023	2024e	2025e	2026e
<b>Revenue</b>	305	306	311	317
<b>growth-%</b>	-1%	0%	2%	2%
<b>EBIT adj.</b>	73.6	72.9	75.4	78.2
<b>EBIT-% adj.</b>	24.1 %	23.8 %	24.2 %	24.7 %
<b>Net Income</b>	56.2	50.0	53.7	57.0
<b>EPS (adj.)</b>	0.66	0.62	0.66	0.70
<b>P/E (adj.)</b>	14.6	15.1	14.3	13.5
<b>P/B</b>	3.6	3.3	3.1	2.9
<b>Dividend yield-%</b>	4.7 %	4.9 %	5.0 %	5.1 %
<b>EV/EBIT (adj.)</b>	12.6	12.7	12.1	11.4
<b>EV/EBITDA</b>	10.2	10.3	9.7	9.2
<b>EV/S</b>	3.0	3.0	2.9	2.8

Source: Inderes

## Guidance

(Unchanged)

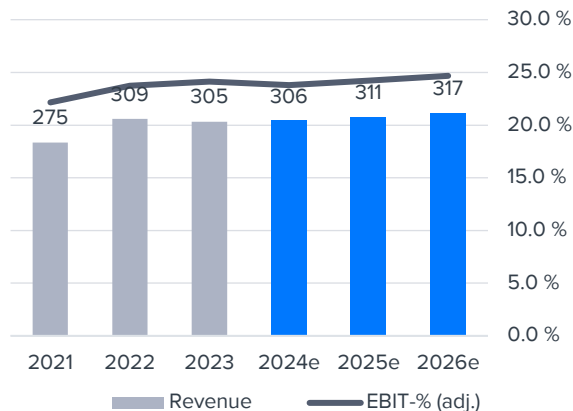
Alma Media expects its full-year revenue and adjusted operating profit of 2024 to remain at the 2023 level. The full-year revenue for 2023 was 304.9 MEUR and the adjusted operating profit was 73.6 MEUR.

## Share price



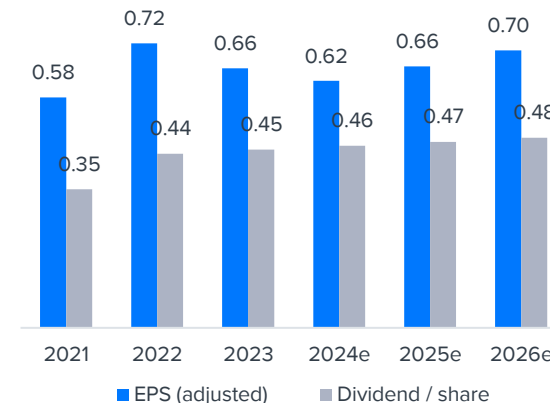
Source: Millstream Market Data AB

## Revenue and EBIT-%



Source: Inderes

## EPS and dividend



Source: Inderes



## Value drivers

- Profitable growth in digital businesses
- Positive long-term market trends of marketplace businesses
- Stable profitability development and good cash flow of media businesses
- M&A option that is positive given track record



## Risk factors

- Cyclicity especially in advertising and recruitment business
- Accelerated revolution in media and decrease in print media
- Competitive risks posed by new technologies
- Possible changes in competitive position and dynamics

Valuation	2024e	2025e	2026e
Share price	9.44	9.44	9.44
Number of shares, millions	82.1	82.1	82.1
Market cap	775	775	775
EV	927	911	891
P/E (adj.)	15.1	14.3	13.5
P/E	15.5	14.4	13.6
P/B	3.3	3.1	2.9
P/S	2.5	2.5	2.4
EV/Sales	3.0	2.9	2.8
EV/EBITDA	10.3	9.7	9.2
EV/EBIT (adj.)	12.7	12.1	11.4
Payout ratio (%)	75.5 %	71.9 %	69.1 %
Dividend yield-%	4.9 %	5.0 %	5.1 %

Source: Inderes

# Q1 expectations and estimate revisions

Estimates MEUR / EUR	Q1'23	Q1'24	Q1'24e	Q1'24e	Consensus		2024e
	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	75.3		74.8	75.2	74.3	- 76.0	306
EBIT (adj.)	17.0		16.1	16.4	16.1	- 17.0	72.9
EBIT	16.5		15.2	16.3	15.2	- 17.0	71.7
EPS (reported)	0.14		0.13	0.13	0.11	- 0.15	0.61
Revenue growth-%	-1.2 %		-0.7 %	-0.1 %	-1.3 %	- 0.9 %	0.4 %
EBIT-% (adj.)	22.6 %		21.5 %	21.8 %	21.7 %	- 22.4 %	23.8 %

Source: Inderes & Vara Research (consensus, 5 forecasts, collected February 23.)

Estimate revisions MEUR / EUR	2024e	2024e	Change	2025e	2025e	Change	2026e	2026e	Change
	Old	New	%	Old	New	%	Old	New	%
Revenue	308	306	-1%	314	311	-1%	323	317	-2%
EBIT (exc. NRIs)	73.1	72.9	0%	76.0	75.4	-1%	79.3	78.2	-1%
EBIT	72.6	71.7	-1%	75.5	74.9	-1%	78.8	77.7	-1%
PTP	64.6	63.7	-1%	69.6	68.9	-1%	74.2	73.1	-1%
EPS (excl. NRIs)	0.62	0.62	0%	0.67	0.66	-1%	0.71	0.70	-1%
DPS	0.46	0.46	0%	0.47	0.47	0%	0.48	0.48	0%

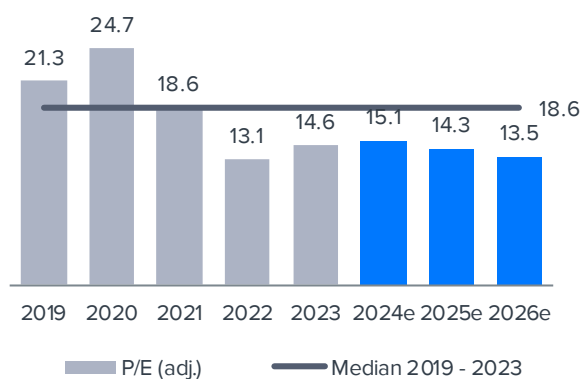
Source: Inderes

# Valuation table

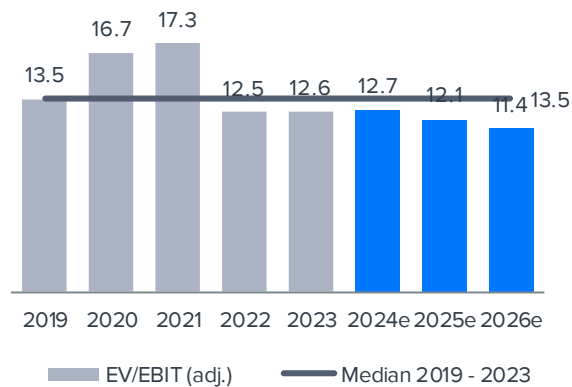
Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	7.96	8.92	10.8	9.40	9.60	9.44	9.44	9.44	9.44
Number of shares, millions	82.3	82.3	82.4	82.2	82.1	82.1	82.1	82.1	82.1
Market cap	655	734	891	773	788	775	775	775	775
EV	667	756	1059	920	925	927	911	891	869
P/E (adj.)	21.3	24.7	18.6	13.1	14.6	15.1	14.3	13.5	13.0
P/E	21.3	26.7	20.4	10.7	14.0	15.5	14.4	13.6	13.1
P/B	3.8	4.0	5.4	3.8	3.6	3.3	3.1	2.9	2.7
P/S	2.6	3.2	3.2	2.5	2.6	2.5	2.5	2.4	2.4
EV/Sales	2.7	3.3	3.8	3.0	3.0	3.0	2.9	2.8	2.7
EV/EBITDA	9.3	12.8	14.4	9.5	10.2	10.3	9.7	9.2	8.8
EV/EBIT (adj.)	13.5	16.7	17.3	12.5	12.6	12.7	12.1	11.4	10.8
Payout ratio (%)	106.8 %	89.9 %	66.1 %	50.0 %	65.7 %	75.5 %	71.9 %	69.1 %	69.2 %
Dividend yield-%	5.0 %	3.4 %	3.2 %	4.7 %	4.7 %	4.9 %	5.0 %	5.1 %	5.3 %

Source: Inderes

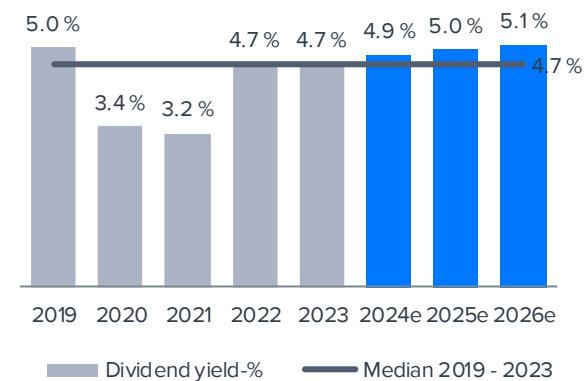
P/E (adj.)



EV/EBIT (oik.)



Dividend yield-%



# Peer group valuation

Peer group valuation Company	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Alma Media	778	925	12.5	11.8	10.0	9.7	3.0	2.9	14.2	13.3	5.0	5.4	3.3
Agora SA	237	46					0.3	0.3					0.4
Future PLC	932	1366	5.4	5.2	4.8	4.7	1.5	1.5	5.8	5.3	0.5	0.5	68.7
Gannett Co Inc	332	1210	17.2	9.6	4.7	4.4	0.5	0.5		9.6			
Lagardere SA	2957	7536	13.8	12.9	8.4	8.6	0.9	0.9	11.3	10.2	4.7	4.7	4.0
Arnoldo Mondadori Editore SpA	570	806	8.4	8.1	5.3	5.1	0.9	0.8	8.5	8.0	6.1	7.1	1.7
New York Times Co	6627	6207	19.1	16.7	15.8	14.2	2.6	2.5	26.0	23.3	1.2	1.1	3.7
Rizzoli Corriere della Sera Mediagroup SpA	423	600	6.0		4.1		0.7		7.4		7.4		0.9
TX Group AG	1686	1938	17.6	11.3	9.0	7.7	1.9	2.0	10.0	8.9	3.6	4.6	0.4
Promotora de Informaciones SA	341	1164	10.3	8.5	6.4	5.7	1.2	1.2	14.4	7.7			
Vocento SA	100	135	9.6	7.0	3.5	3.1	0.4	0.4	11.5	11.5	5.4	6.2	0.4
Auto Trader Group PLC	7265	7308	18.2	16.2	17.3	15.7	11.3	10.5	24.9	21.7	1.3	1.5	10.4
Carsales.Com Ltd	7860	8514	29.3	25.8	24.1	21.4	12.7	11.5	38.6	33.5	2.1	2.4	4.2
Moneysupermarket.Com Group PLC	1383	1443	10.4	9.4	8.8	8.1	2.7	2.6	12.8	11.7	5.7	6.0	5.2
REA Group Ltd	14739	14854	36.5	30.9	31.1	26.8	17.3	15.3	53.7	44.9	1.0	1.3	15.1
Rightmove PLC	4898	4861	15.2	13.9	15.0	13.7	10.6	9.7	20.2	17.9	1.8	2.0	69.4
Schibsted ASA	6429	7006	46.6	34.6	28.7	24.2	5.2	5.1	51.2	34.6	0.7	0.8	1.9
Scout24 SE	5183	5312	18.1	16.2	15.9	14.3	9.4	8.6	24.5	21.5	1.9	2.1	3.3
Seek Ltd	5456	6227	28.0	22.9	20.4	17.3	8.7	8.0	43.2	33.7	1.5	2.1	3.4
Stroeer SE & Co KgaA	3124	4754	14.7	12.5	7.5	6.8	2.3	2.1	17.2	14.0	3.7	4.5	5.9
Adevinta ASA	11996	13673	25.7	20.1	17.8	15.1	6.7	6.0	33.1	25.1		0.2	1.3
<b>Alma Media (Inderes)</b>	<b>775</b>	<b>927</b>	<b>12.7</b>	<b>12.1</b>	<b>10.3</b>	<b>9.7</b>	<b>3.0</b>	<b>2.9</b>	<b>15.1</b>	<b>14.3</b>	<b>4.9</b>	<b>5.0</b>	<b>3.3</b>
<b>Average</b>		<b>4444</b>	<b>16.6</b>	<b>14.4</b>	<b>12.1</b>	<b>11.2</b>	<b>4.8</b>	<b>4.6</b>	<b>20.9</b>	<b>17.9</b>	<b>3.3</b>	<b>3.2</b>	<b>11.2</b>
<b>Median</b>		<b>3346</b>	<b>15.2</b>	<b>12.7</b>	<b>9.0</b>	<b>9.1</b>	<b>2.4</b>	<b>2.5</b>	<b>15.8</b>	<b>13.6</b>	<b>2.8</b>	<b>2.3</b>	<b>3.6</b>
<b>Diff-% to median</b>			<b>-16%</b>	<b>-5%</b>	<b>15%</b>	<b>7%</b>	<b>24%</b>	<b>18%</b>	<b>-4%</b>	<b>5%</b>	<b>72%</b>	<b>120%</b>	<b>-6%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24e	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
<b>Revenue</b>	<b>309</b>	<b>75.3</b>	<b>78.2</b>	<b>73.5</b>	<b>77.9</b>	<b>305</b>	<b>74.8</b>	<b>77.1</b>	<b>74.6</b>	<b>79.6</b>	<b>306</b>	<b>311</b>	<b>317</b>	<b>322</b>
Alma Career	0.0	27.7	28.4	27.4	27.0	110.5	27.0	27.5	27.2	27.0	109	111.2	114	117
Alma Marketplaces	0.0	20.7	21.7	21.0	21.9	85.4	21.6	23.1	23.0	24.2	91.8	94.1	96.5	99.1
Alma News Media	0.0	27.2	27.9	25.0	28.9	109	26.4	26.8	24.6	28.6	106	107	107	107
Non-allocated	0.0	-0.3	0.2	0.0	0.0	0.0	-0.2	-0.2	-0.2	-0.2	-0.8	-1.0	-1.0	-1.0
<b>EBITDA</b>	<b>97.2</b>	<b>20.7</b>	<b>24.1</b>	<b>25.3</b>	<b>20.5</b>	<b>90.6</b>	<b>19.7</b>	<b>22.5</b>	<b>25.5</b>	<b>22.0</b>	<b>89.7</b>	<b>93.4</b>	<b>96.5</b>	<b>99.0</b>
Depreciation	-17.2	-4.2	-4.4	-4.4	-4.6	-17.6	-4.5	-4.5	-4.5	-4.5	-18.0	-18.5	-18.8	-18.9
<b>EBIT (excl. NRI)</b>	<b>73.4</b>	<b>17.0</b>	<b>19.3</b>	<b>20.5</b>	<b>16.8</b>	<b>73.6</b>	<b>16.1</b>	<b>18.1</b>	<b>21.1</b>	<b>17.6</b>	<b>72.9</b>	<b>75.4</b>	<b>78.2</b>	<b>80.5</b>
<b>EBIT</b>	<b>80.0</b>	<b>16.5</b>	<b>19.8</b>	<b>20.8</b>	<b>15.9</b>	<b>73.0</b>	<b>15.2</b>	<b>18.0</b>	<b>21.0</b>	<b>17.5</b>	<b>71.7</b>	<b>74.9</b>	<b>77.7</b>	<b>80.0</b>
Alma Career	0.0	11.1	11.9	12.3	9.7	45.0	10.8	11.7	11.7	10.0	44.2	45.6	47.4	49.1
Alma Marketplaces	0.0	6.2	7.4	7.5	5.4	26.4	6.5	6.6	8.8	7.0	28.8	30.2	31.6	32.9
Alma News Media	0.0	2.3	3.8	3.4	4.0	13.5	1.9	3.0	3.3	3.7	11.9	11.9	11.5	10.9
Non-allocated	0.0	-3.0	-3.2	-2.4	-3.3	-12.0	-3.1	-3.1	-2.7	-3.1	-12.0	-12.2	-12.3	-12.3
Net financial items	6.3	-1.9	2.9	-1.5	-4.8	-5.3	-2.0	-2.0	-2.0	-2.0	-8.0	-6.0	-4.6	-4.0
<b>PTP</b>	<b>86.9</b>	<b>14.6</b>	<b>22.7</b>	<b>19.6</b>	<b>11.6</b>	<b>68.5</b>	<b>13.2</b>	<b>16.0</b>	<b>19.0</b>	<b>15.5</b>	<b>63.7</b>	<b>68.9</b>	<b>73.1</b>	<b>76.0</b>
Taxes	-14.5	-2.9	-4.1	-4.3	-0.9	-12.1	-2.8	-3.4	-4.1	-3.3	-13.7	-14.8	-15.7	-16.3
Minority interest	0.0	0.0	0.0	-0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	-0.4	-0.4	-0.4
<b>Net earnings</b>	<b>72.4</b>	<b>11.7</b>	<b>18.6</b>	<b>15.2</b>	<b>10.7</b>	<b>56.2</b>	<b>10.4</b>	<b>12.6</b>	<b>14.9</b>	<b>12.1</b>	<b>50.0</b>	<b>53.7</b>	<b>57.0</b>	<b>59.3</b>
<b>EPS (adj.)</b>	<b>0.72</b>	<b>0.15</b>	<b>0.18</b>	<b>0.18</b>	<b>0.14</b>	<b>0.66</b>	<b>0.14</b>	<b>0.15</b>	<b>0.18</b>	<b>0.15</b>	<b>0.62</b>	<b>0.66</b>	<b>0.70</b>	<b>0.73</b>
<b>EPS (rep.)</b>	<b>0.88</b>	<b>0.14</b>	<b>0.23</b>	<b>0.19</b>	<b>0.13</b>	<b>0.68</b>	<b>0.13</b>	<b>0.15</b>	<b>0.18</b>	<b>0.15</b>	<b>0.61</b>	<b>0.65</b>	<b>0.69</b>	<b>0.72</b>

Key figures	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24e	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
<b>Revenue growth-%</b>	12.1 %	-1.2 %	-1.4 %	-1.4 %	-1.0 %	-1.3 %	-0.7 %	-1.3 %	1.5 %	2.2 %	0.4 %	1.7 %	1.7 %	1.7 %
<b>Adjusted EBIT growth-%</b>	20.1 %	-13.3 %	0.2 %	6.5 %	10.0 %	0.3 %	-5.5 %	-5.8 %	2.8 %	4.9 %	-0.9 %	3.4 %	3.7 %	3.0 %
<b>EBITDA-%</b>	31.5 %	27.5 %	30.9 %	34.4 %	26.3 %	29.7 %	26.4 %	29.2 %	34.1 %	27.6 %	29.3 %	30.0 %	30.5 %	30.7 %
<b>Adjusted EBIT-%</b>	23.8 %	22.6 %	24.6 %	27.9 %	21.5 %	24.1 %	21.5 %	23.5 %	28.3 %	22.1 %	23.8 %	24.2 %	24.7 %	25.0 %
<b>Net earnings-%</b>	23.4 %	15.5 %	23.8 %	20.7 %	13.7 %	18.4 %	13.9 %	16.3 %	20.0 %	15.2 %	16.3 %	17.2 %	18.0 %	18.4 %

Source: Inderes

# Balance sheet

Assets	2022	2023	2024e	2025e	2026e
<b>Non-current assets</b>	<b>429</b>	<b>437</b>	<b>445</b>	<b>445</b>	<b>444</b>
Goodwill	294	298	308	308	308
Intangible assets	87	88	87	88	88
Tangible assets	34	41	40	39	38
Associated companies	4.2	4.4	4.4	4.4	4.4
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	8.8	5.9	5.9	5.9	5.9
Deferred tax assets	0.6	0.2	0.2	0.2	0.2
<b>Current assets</b>	<b>66.2</b>	<b>90.3</b>	<b>69.7</b>	<b>69.9</b>	<b>71.1</b>
Inventories	0.7	0.6	0.6	0.6	0.6
Other current assets	0.1	3.9	3.9	3.9	3.9
Receivables	35	33	34	34	35
Cash and equivalents	30	52	31	31	32
<b>Balance sheet total</b>	<b>495</b>	<b>528</b>	<b>522</b>	<b>522</b>	<b>522</b>

Source: Inderes

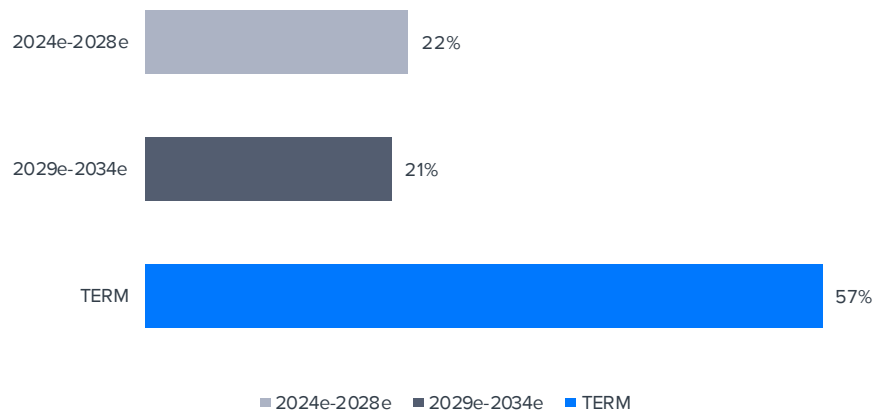
Liabilities & equity	2022	2023	2024e	2025e	2026e
<b>Equity</b>	<b>206</b>	<b>223</b>	<b>236</b>	<b>252</b>	<b>270</b>
Share capital	45	45	45	45	45
Retained earnings	132	148	161	177	195
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	7.7	7.7	7.7	7.7	7.7
Other equity	20	20	20	20	20
Minorities	2	3	3	3	3
<b>Non-current liabilities</b>	<b>191</b>	<b>216</b>	<b>194</b>	<b>175</b>	<b>156</b>
Deferred tax liabilities	17	17	17	17	17
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	164	192	170	151	132
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	10.2	7.0	7.0	7.0	7.0
<b>Current liabilities</b>	<b>98</b>	<b>89</b>	<b>92</b>	<b>95</b>	<b>97</b>
Interest bearing debt	10	7	10	11	12
Payables	81	80	80	81	82
Other current liabilities	7.0	3	2.5	2.5	2.5
<b>Balance sheet total</b>	<b>495</b>	<b>528</b>	<b>522</b>	<b>522</b>	<b>522</b>



# DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-1.3 %	0.4 %	1.7 %	1.7 %	1.7 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
EBIT-%	23.9 %	23.4 %	24.1 %	24.5 %	24.9 %	24.5 %	24.5 %	24.0 %	24.0 %	24.0 %	23.5 %	23.5 %	23.5 %
<b>EBIT (operating profit)</b>	<b>73.0</b>	<b>71.7</b>	<b>74.9</b>	<b>77.7</b>	<b>80.0</b>	<b>80.9</b>	<b>82.9</b>	<b>83.2</b>	<b>85.3</b>	<b>87.4</b>	<b>87.8</b>	<b>90.0</b>	
+ Depreciation	17.6	18.0	18.5	18.8	18.9	18.9	18.8	18.8	19.2	19.6	19.6	19.5	
- Paid taxes	-11.9	-13.7	-14.8	-15.7	-16.3	-16.6	-17.1	-17.2	-17.6	-18.1	-18.2	-18.6	
- Tax, financial expenses	-1.0	-1.7	-1.3	-1.0	-0.9	-0.8	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	
+ 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	0.0	
- Change in working capital	-7.9	-0.3	0.8	0.8	0.8	1.2	1.2	1.3	1.3	1.3	1.3	1.4	
<b>Operating cash flow</b>	<b>69.8</b>	<b>74.0</b>	<b>78.1</b>	<b>80.6</b>	<b>82.6</b>	<b>83.6</b>	<b>85.1</b>	<b>85.4</b>	<b>87.4</b>	<b>89.6</b>	<b>89.8</b>	<b>91.6</b>	
+ Change in other long-term liabilities	-3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-26	-33	-18.5	-18.0	-18.5	-18.5	-19.0	-19.5	-19.5	-19.5	-19.6	-16.8	
<b>Free operating cash flow</b>	<b>40</b>	<b>41</b>	<b>59.6</b>	<b>62.6</b>	<b>64.1</b>	<b>65.1</b>	<b>66.1</b>	<b>65.9</b>	<b>67.9</b>	<b>70.1</b>	<b>70.2</b>	<b>74.7</b>	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	40	41	59.6	62.6	64.1	65.1	66.1	65.9	67.9	70.1	70.2	74.7	1383
<b>Discounted FCFF</b>		<b>39</b>	<b>52.2</b>	<b>50.7</b>	<b>48.0</b>	<b>45.2</b>	<b>42.4</b>	<b>39.2</b>	<b>37.4</b>	<b>35.7</b>	<b>33.1</b>	<b>32.6</b>	<b>604</b>
Sum of FCFF present value		1059	1020	968	917	869	824	782	742	705	669	636	604
<b>Enterprise value DCF</b>		<b>1059</b>											
- Interest bearing debt		-199											
+ Cash and cash equivalents		52											
-Minorities		-4											
-Dividend/capital return		0											
<b>Equity value DCF</b>		<b>909</b>											
<b>Equity value DCF per share</b>		<b>11.1</b>											

## Cash flow distribution



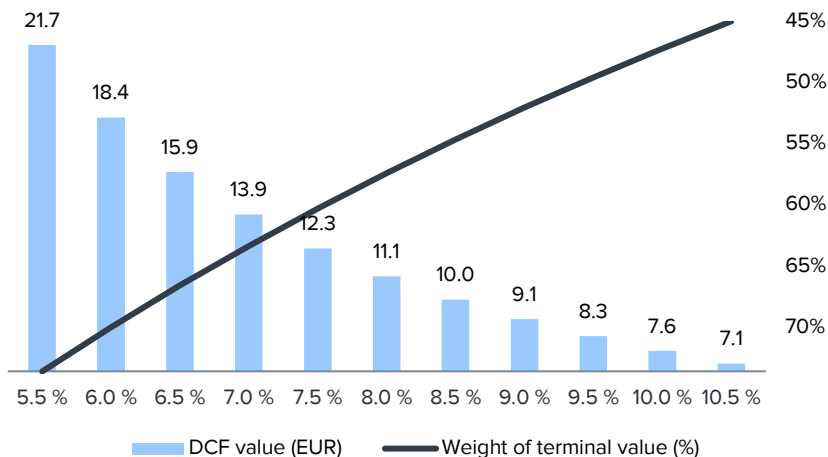
## WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.5 %
Equity Beta	1.4
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>9.2 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>8.0 %</b>

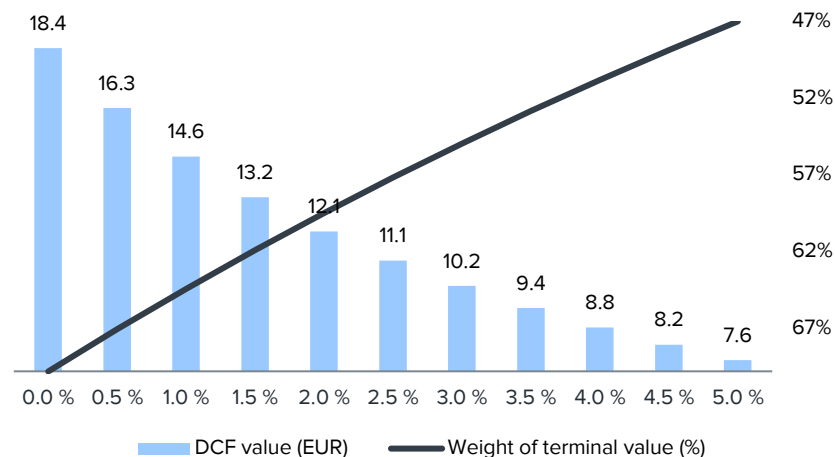
Source: Inderes

# DCF sensitivity calculations and key assumptions in graphs

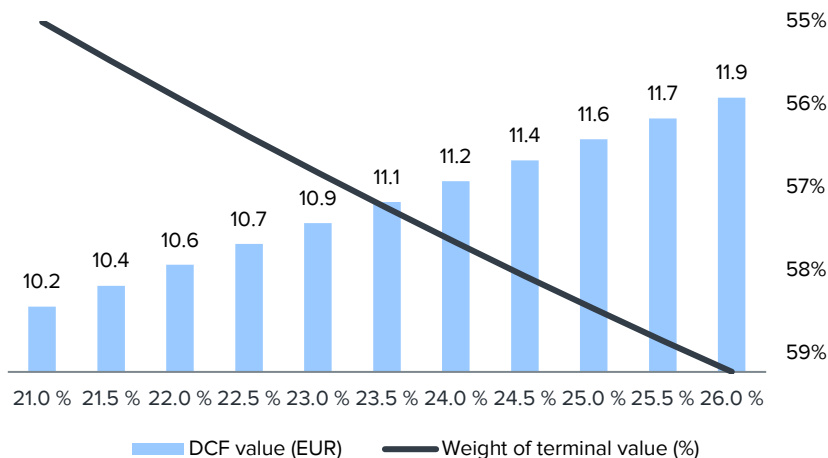
Sensitivity of DCF to changes in the WACC-%



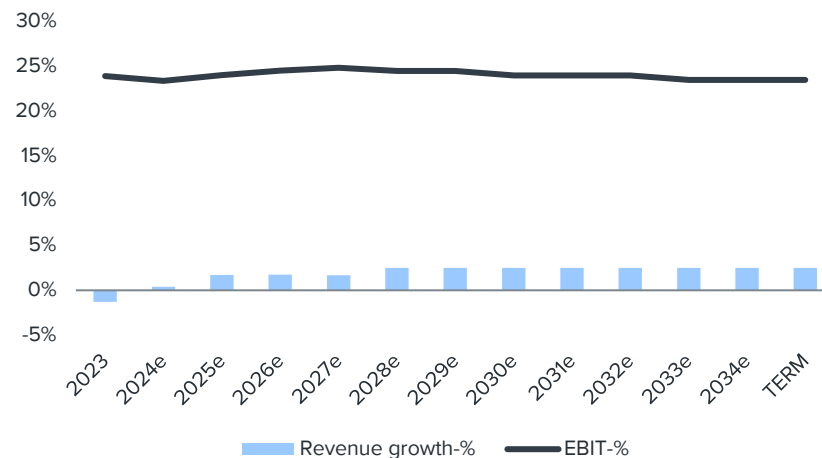
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

# Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	275	309	305	<b>306</b>	<b>311</b>	EPS (reported)	0.53	0.88	0.68	<b>0.61</b>	<b>0.65</b>
EBITDA	73.5	97.2	90.6	<b>89.7</b>	<b>93.4</b>	EPS (adj.)	0.58	0.72	0.66	<b>0.62</b>	<b>0.66</b>
EBIT	56.8	80.0	73.0	<b>71.7</b>	<b>74.9</b>	OCF / share	1.00	1.06	0.85	<b>0.90</b>	<b>0.95</b>
PTP	56.3	86.9	68.5	<b>63.7</b>	<b>68.9</b>	FCF / share	-1.28	0.89	0.49	<b>0.50</b>	<b>0.73</b>
Net Income	43.6	72.4	56.2	<b>50.0</b>	<b>53.7</b>	Book value / share	1.99	2.49	2.68	<b>2.84</b>	<b>3.04</b>
Extraordinary items	-4.3	6.6	-0.6	<b>-1.2</b>	<b>-0.5</b>	Dividend / share	0.35	0.44	0.45	<b>0.46</b>	<b>0.47</b>
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	518.4	495.2	527.7	<b>521.9</b>	<b>522.1</b>	Revenue growth-%	20%	12%	-1%	<b>0%</b>	<b>2%</b>
Equity capital	166.5	205.9	222.8	<b>235.9</b>	<b>251.8</b>	EBITDA growth-%	25%	32%	-7%	<b>-1%</b>	<b>4%</b>
Goodwill	294.5	294.4	298.0	<b>308.0</b>	<b>308.0</b>	EBIT (adj.) growth-%	35%	20%	0%	<b>-1%</b>	<b>3%</b>
Net debt	182.7	143.7	146.5	<b>148.5</b>	<b>131.8</b>	EPS (adj.) growth-%	61%	24%	-9%	<b>-5%</b>	<b>6%</b>
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	26.7 %	31.5 %	29.7 %	<b>29.3 %</b>	<b>30.0 %</b>
EBITDA	73.5	97.2	90.6	<b>89.7</b>	<b>93.4</b>	EBIT (adj.)-%	22.2 %	23.8 %	24.1 %	<b>23.8 %</b>	<b>24.2 %</b>
Change in working capital	14.0	5.0	-7.9	<b>-0.3</b>	<b>0.8</b>	EBIT-%	20.6 %	25.9 %	23.9 %	<b>23.4 %</b>	<b>24.1 %</b>
Operating cash flow	82.1	87.0	69.8	<b>74.0</b>	<b>78.1</b>	ROE-%	25.1 %	39.3 %	26.5 %	<b>22.0 %</b>	<b>22.2 %</b>
CAPEX	-190.3	-17.5	-26.2	<b>-32.8</b>	<b>-18.5</b>	ROI-%	17.8 %	20.6 %	18.4 %	<b>17.1 %</b>	<b>18.0 %</b>
Free cash flow	-105.4	73.1	40.4	<b>41.2</b>	<b>59.6</b>	Equity ratio	34.7 %	45.8 %	46.3 %	<b>49.7 %</b>	<b>53.1 %</b>
						Gearing	109.7 %	69.8 %	65.8 %	<b>63.0 %</b>	<b>52.3 %</b>
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	3.8	3.0	3.0	<b>3.0</b>	<b>2.9</b>						
EV/EBITDA (adj.)	14.4	9.5	10.2	<b>10.3</b>	<b>9.7</b>						
EV/EBIT (adj.)	17.3	12.5	12.6	<b>12.7</b>	<b>12.1</b>						
P/E (adj.)	18.6	13.1	14.6	<b>15.1</b>	<b>14.3</b>						
P/B	5.4	3.8	3.6	<b>3.3</b>	<b>3.1</b>						
Dividend-%	3.2 %	4.7 %	4.7 %	<b>4.9 %</b>	<b>5.0 %</b>						

Source: Inderes

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## Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2/16/2020	Reduce	8.80 €	8.70 €
3/12/2020	Reduce	6.80 €	6.54 €
3/26/2020	Reduce	6.50 €	6.50 €
6/12/2020	Accumulate	8.00 €	7.10 €
7/20/2020	Accumulate	8.00 €	7.06 €
10/23/2020	Accumulate	8.50 €	7.84 €
1/13/2021	Reduce	9.50 €	9.54 €
2/18/2021	Reduce	9.00 €	9.14 €
3/8/2021	Accumulate	10.00 €	9.50 €
4/13/2021	Accumulate	10.00 €	9.22 €
4/22/2021	Accumulate	11.00 €	10.46 €
5/28/2021	Accumulate	10.50 €	9.80 €
7/19/2021	Accumulate	12.50 €	11.80 €
7/22/2021	Reduce	12.00 €	11.60 €
9/17/2021	Reduce	11.50 €	10.90 €
10/22/2021	Reduce	12.00 €	12.48 €
2/17/2022	Accumulate	11.00 €	10.00 €
3/14/2022	Reduce	11.00 €	10.60 €
4/25/2022	Accumulate	11.00 €	9.58 €
6/13/2022	Reduce	11.00 €	10.50 €
7/21/2022	Reduce	11.00 €	10.30 €
10/21/2022	Accumulate	10.50 €	9.10 €
2/17/2023	Accumulate	10.50 €	9.63 €
4/24/2023	Accumulate	10.50 €	9.04 €
6/10/2023	Accumulate	10.00 €	8.92 €
7/20/2023	Accumulate	10.00 €	9.14 €
10/19/2023	Accumulate	10.00 €	8.62 €
2/19/2024	Accumulate	10.50 €	9.92 €
4/11/2024	Accumulate	10.50 €	9.44 €



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