

Emento Group

Company report

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✓ Inderes corporate customer

This report is a translation of the report “Näkymissä ristivetoa” published on 10/16/2024 at 8:02 am EEST

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Discord in the outlook

Enento will report its Q3 result on Tuesday, October 29 at around noon EET. There has not been any significant recovery in the demand environment yet, and we expect both revenue and earnings to moderately weaken from the comparison period. The outlook for the company is mixed. The fall in interest rates supports the outlook, and it appears that the public credit register that could be harmful to Enento will not be introduced in Sweden. At the same time, other measures proposed in Sweden to contain debt (e.g. a tightened interest rate cap) are likely to slow down market recovery next year. We reiterate our EUR 19.0 target price but lower our recommendation to Reduce (previously Accumulate) with the price rise.

Enento Q3'24 preview: The recovery has not yet started

We expect Enento's Q3 revenue to have decreased by some 1% to 37.0 MEUR. The demand for Enento's Swedish consumer credit information services began to weaken sharply in the comparison period, and the volumes have still not recovered despite the fall in interest rates. The challenges are still found in Sweden, and we believe Finland's business development is more stable. With the weak demand environment and cost pressures, we also expect earnings development has continued as subdued and adjusted EBIT to decrease to 11.0 MEUR (Q3'23: 11.8 MEUR).

Discord in the outlook in Sweden

The possible public credit information system has caused uncertainty in Enento's medium-term outlook in Sweden. Enento communicated that it opposed the proposal, and we considered a possible public register an uncertainty factor for Enento in the medium term. At present, it seems that the legislators have rejected the idea of a possible register, but other measures have been proposed to prevent over-indebtedness, such as a tightening interest rate cap, a cap on the cost of loans and restrictions on loan period extensions. The proposed new measures are not unproblematic, as we estimate that these could have a clear negative impact on the short-term demand for consumer credits and thus for Enento's consumer credit information services in Sweden. Thus, there is clear discord in the outlook. A clear risk factor has now been eliminated and the fall in interest rates should gradually contribute to the demand outlook but the proposed new measures may slow down the recovery of the Swedish credit market.

Risk/reward ratio is neutral with the current valuation

Enento's adjusted EV/EBIT ratios for 2024-2025 are 14.6x-13x and the corresponding P/E ratios are 21x-16x. We consider the multiples for the current year tight, but next year especially the P/E ratio will decrease significantly due to the operational earnings improvement and decreasing financing costs. Even then, however, we do not see any significant upside in the multiples, given that they also require the operating environment to recover. We believe the decrease in interest rates is promising for the company, as it benefits from this with a leverage through an improved demand outlook and the indebted capital structure. At the same time, however, possible new regulatory changes can take the sharpest edge of the recovery in the Swedish businesses. The dividend yield at good 5% provides clear support for the share's expected return, but we suspect the impact of earnings growth is partly overshadowed by the elevated multiples. We consider the risk/reward ratio of the share to be more or less neutral and see no rush to purchase more shares at the current valuation. We see an M&A option in the stock, but as always, the probability of this is difficult to assess and we do not rely on this in our view.

Recommendation

Reduce
(was Accumulate)

EUR 19.00
(was 19.00 EUR)

Share price:
19.10



Key figures

	2023	2024e	2025e	2026e
Revenue	155.9	152.0	158.2	165.3
growth-%	-7%	-2%	4%	5%
EBIT adj.	46.0	41.3	44.3	48.3
EBIT-% adj.	29.5 %	27.2 %	28.0 %	29.2 %
Net Income	17.6	14.5	21.6	26.5
EPS (adj.)	1.05	0.89	1.18	1.38
P/E (adj.)	18.5	21.4	16.2	13.8
P/B	1.6	1.6	1.7	1.6
Dividend yield-%	5.1 %	5.2 %	5.2 %	5.5 %
EV/EBIT (adj.)	13.4	14.6	13.4	12.1
EV/EBITDA	12.1	12.7	10.7	9.7
EV/S	3.9	4.0	3.8	3.5

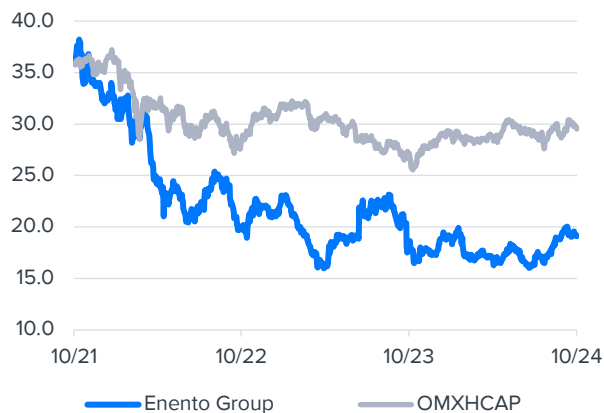
Source: Inderes

Guidance

(Unchanged)

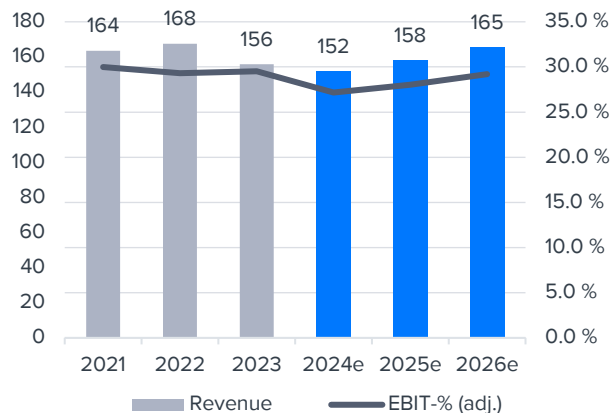
Enento's year-on-year revenue development is expected to improve in the second half of the financial year compared to the development in the first half of the year. For the full year 2024, Enento expects revenue to decline compared to 2023 (at comparable exchange rates and excluding the impact from the discontinued Tambur service).

Share price



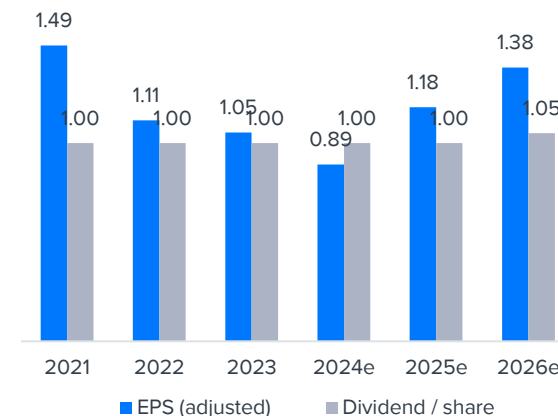
Source: Millistream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes



Value drivers

- Steady growth and strong profitability
- Stable cash flow enables investments for growth
- Well-known and respected brands in the Nordic countries
- Mainly defensive income streams
- Potential longer-term efficiency gains from building the new technology platform
- M&A option (potential buyer and target)



Risk factors

- In the short term, the growth outlook is weak in a challenging market environment
- Dependence on the Nordic banking sector
- Failure to build a unified technology platform
- Regulatory changes can lead to changes in the operating environment

Valuation	2024e	2025e	2026e
Share price	19.1	19.1	19.1
Number of shares, millions	23.6	23.6	23.6
Market cap	451	451	451
EV	601	596	587
P/E (adj.)	21.4	16.2	13.8
P/E	31.1	20.9	17.0
P/B	1.6	1.7	1.6
P/S	3.0	2.8	2.7
EV/Sales	4.0	3.8	3.5
EV/EBITDA	12.7	10.7	9.7
EV/EBIT (adj.)	14.6	13.4	12.1
Payout ratio (%)	162.9 %	109.3 %	93.7 %
Dividend yield-%	5.2 %	5.2 %	5.5 %

Source: Inderes

Enento Q3'24 preview: Recovery has not yet begun

We expect revenue to have fallen slightly from the comparison period

We expect Enento's reported Q3 revenue to decrease by around 1% to 37.0 MEUR. Against the backdrop of a comparison period where demand for consumer credit information services in Sweden started to weaken sharply, the company ended up issuing a profit warning in October 2023. We do not believe volumes have recovered strongly so far despite falling interest rates. The problems still lie in Sweden. In Finland, business information services account for a larger share of revenue, and we expect developments to be clearly more stable. Here too, however, the company is not immune to a weak demand environment. In the midst of generally weak development, new product launches support the development of the top line. SEK has strengthened slightly from the comparison period, so currencies should support revenue development a bit.

Earnings are also still under pressure

We expect Enento's adjusted Q3 EBIT to decline to 11.0 MEUR (Q2'23: 11.8 MEUR), which corresponds to an adjusted EBIT margin of 29.8% (Q3'23: 31.5%). Thus, we expect the result and profitability to weaken from the comparison period. The weakening profitability is explained, e.g., by the weakening of the gross margin we expect due to the decreased relative share of consumer credit information services. In Finland, there have also been significant price increases in data acquisition costs. In general, the company has also commented that it sees cost pressures in H2 due to, e.g., wage inflation and increased marketing investments. We expect reported EBIT to decline to 7.5 MEUR (Q3'23: 8.9 MEUR), which we expect, in addition to ongoing PPA amortization, will be depressed by non-recurring items related to the migration of the company's technology platform.

Revenue development should straighten towards the end of the year

Enento's guidance is that H2 revenue development is better than the corresponding revenue development in H1. For the full year 2024, Enento expects revenue to decline compared to 2023 (at comparable exchange rates and excluding the impact from the discontinued Tambur service). We expect revenue to decline by close on 3% to 152 MEUR. We expect adjusted EBIT to fall to 41.2 MEUR.

Estimates MEUR / EUR	Q3'23	Q3'24	Q3'24e	Q3'24e	Consensus		2024e
	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	37.3		37.0	37.3	-	-	152
EBITDA (adj.)	14.5		14.1	14.6	-	-	53.7
EBIT (adj.)	11.8		11.0	11.5	-	-	41.3
EBIT	8.9		7.5	9.1	-	-	26.6
EPS (reported)	0.23		0.17	0.23	-	-	0.61
Revenue growth-%	-7.8 %		-0.9 %	-0.1 %	-		-2.5 %
EBIT-% (adj.)	31.5 %		29.8 %	30.8 %	-		27.2 %

Source: Inderes & Enevento (6 estimates, 10/15/2024) (consensus)

Minor cuts to the estimates for the coming years

Both positive and negative trends in the Swedish market

Uncertainty about Enento's medium-term outlook in Sweden (business focused on consumer credit information services) has been caused by a possible public credit information system. Enento has previously communicated that it opposes the license-based system, and we considered a possible public register an uncertainty factor for the company in the medium term, as this could at worst have had a cannibalizing effect on Enento's services. This issue has been debated in Sweden during the fall and it seems that the legislators have rejected the idea of a possible register. However, other measures have been proposed to prevent over-indebtedness: 1) a reduction in the interest rate cap from 40% to 20%, 2) a cost cap and 3) restrictions on loan period extensions. The measures would enter into force in March 2025, but these will still have to be decided by the Swedish Parliament.

Although the risk of a potentially problematic credit register for Enento has decreased, the new proposed measures are not unproblematic, as we believe they could have a clear negative impact on the short-term demand for consumer credits and thus also for Enento's consumer credit information services in Sweden. For example, the cut in the interest rate cap in Finland in 2020 led to a clear weakening of the demand for credit information. However, the demand level in Sweden in the current situation is already clearly lower, which means that the downside can be more limited. Concerning the proposed measures, it should also be noted that, e.g., the cuts in the interest rate cap mainly concern high-interest loans, where we do not believe that Enento (UC) is at least over-represented in relative terms.

Therefore, there is a clear discord in the outlook. Despite the proposed new measures, the fall in interest rates should gradually support the Swedish demand outlook.

Forecasts trimmed a little

We have made small negative adjustments to our revenue forecasts for the next few years, which are also reflected in our earnings estimates. This is, in particular, based on the slower-than-expected market recovery and the proposed measures in Sweden to prevent over-indebtedness, which could slow the recovery further. We expect Enento's revenue to grow by some 4% next year and adjusted EBIT to improve to 44.3 MEUR (28.0% of revenue). But the visibility for next year is still relatively weak. If the economic environment in Finland and/or Sweden starts to improve rapidly, the impact on Enento's demand may be fast as well. In general, we expect Enento to benefit from lower interest rates, both through its demand outlook and the reduction in interest costs due to the indebted capital structure.

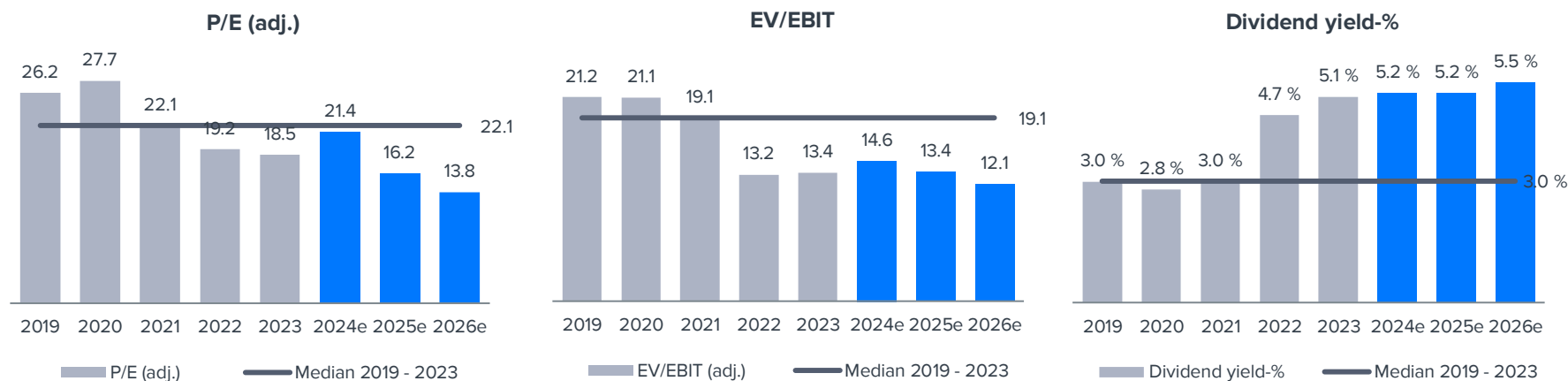
Estimate revisions	2024e			2025e			2026e		
	Old	New	Change %	Old	New	Change %	Old	New	Change %
MEUR / EUR									
Revenue	153	152	-1%	161	158	-2%	168	165	-2%
EBITDA	48.3	47.4	-2%	56.9	55.6	-2%	61.3	60.3	-2%
EBIT (exc. NRIs)	42.2	41.3	-2%	45.6	44.3	-3%	49.4	48.3	-2%
EBIT	27.5	26.6	-3%	35.7	34.4	-4%	40.4	39.4	-3%
PTP	19.5	18.8	-4%	28.2	27.5	-2%	34.7	33.7	-3%
EPS (excl. NRIs)	0.91	0.89	-2%	1.20	1.18	-2%	1.42	1.38	-2%
DPS	1.00	1.00	0%	1.05	1.00	-5%	1.10	1.05	-5%

Source: Inderes

Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	31.5	33.6	33.0	21.4	19.5	19.1	19.1	19.1	19.1
Number of shares, millions	24.0	24.0	24.0	24.0	23.8	23.6	23.6	23.6	23.6
Market cap	756	807	793	514	464	451	451	451	451
EV	904	950	935	646	615	601	596	587	577
P/E (adj.)	26.2	27.7	22.1	19.2	18.5	21.4	16.2	13.8	12.6
P/E	38.3	41.5	30.7	29.6	26.4	31.1	20.9	17.0	15.0
P/B	2.4	2.6	2.5	1.7	1.6	1.6	1.7	1.6	1.6
P/S	5.2	5.3	4.9	3.1	3.0	3.0	2.8	2.7	2.6
EV/Sales	6.2	6.3	5.7	3.9	3.9	4.0	3.8	3.5	3.3
EV/EBITDA	18.7	19.3	16.1	11.6	12.1	12.7	10.7	9.7	8.9
EV/EBIT (adj.)	21.2	21.1	19.1	13.2	13.4	14.6	13.4	12.1	11.0
Payout ratio (%)	115.6 %	117.3 %	92.9 %	138.5 %	135.5 %	162.9 %	109.3 %	93.7 %	86.7 %
Dividend yield-%	3.0 %	2.8 %	3.0 %	4.7 %	5.1 %	5.2 %	5.2 %	5.5 %	5.8 %

Source: Inderes



Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Dun & Bradstreet	4598	7714	10.5	9.9	9.0	8.4	3.5	3.3	11.1	10.1	3.2	3.2	1.5
Fair Isaac Corp	46476	48275	61.9	50.0	58.1	47.6	30.8	26.7	87.1	69.5			
Equifax Inc	33008	38031	31.8	24.6	22.2	18.1	7.2	6.5	39.6	30.2	0.5	0.6	7.1
Experian Plc	43186	46956	27.1	24.9	20.9	19.2	7.3	6.8	35.4	32.4	1.1	1.2	10.4
TransUnion	19030	23420	32.4	25.7	17.3	15.5	6.2	5.7	27.6	23.4	0.4	0.5	4.8
Moody's Corp	79990	83948	31.8	29.1	28.4	25.9	13.5	12.5	41.3	37.0	0.7	0.8	23.3
Intrum AB	446	4906	12.7	11.9	8.3	7.5	3.0	3.0	6.0	6.2			0.4
Credit Corp Group Ltd	716	949	12.9	9.0	11.3	8.6	3.2	2.8	16.5	12.2	3.0	4.2	1.5
Kruk S.A.	1900	3145	9.1	8.2	8.7	7.9	4.6	4.2	7.6	7.3	4.1	4.4	1.8
Alma Media	911	1061	14.3	13.5	11.8	10.9	3.4	3.3	16.8	16.2	4.1	4.2	3.6
F-Secure	383	550	11.4	10.4	10.3	9.3	3.8	3.5	13.3	11.9	3.2	3.7	6.7
Enento Group (Inderes)	451	601	14.6	13.4	12.7	10.7	4.0	3.8	21.4	16.2	5.2	5.2	1.6
Average			23.2	19.7	18.8	16.3	7.9	7.1	27.5	23.3	2.3	2.5	6.1
Median			14.3	13.5	11.8	10.9	4.6	4.2	16.8	16.2	3.0	3.2	4.2
Diff-% to median			2%	0%	7%	-2%	-14%	-11%	27%	0%	76%	63%	-61%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue	168	40.0	39.7	37.3	38.9	156	37.3	38.5	37.0	39.3	152	158	165	172
Business Insight	92.1	22.4	22.8	20.9	22.6	88.6	22.2	23.0	21.3	23.3	89.8	93.3	97.5	102
Consumer Insight	75.4	17.6	16.8	16.5	16.3	67.3	15.1	15.4	15.7	16.0	62.3	64.9	67.8	70.5
Oikaistu käyttökate	61.2	14.7	14.5	14.5	13.4	57.1	12.4	14.1	14.1	13.1	53.7	57.6	61.5	65.6
EBITDA	55.6	12.1	13.7	14.0	11.1	51.1	10.3	13.1	12.6	11.3	47.4	55.6	60.3	64.6
Depreciation	-29.8	-5.2	-5.1	-5.1	-5.3	-20.6	-5.1	-5.3	-5.2	-5.2	-20.8	-21.2	-20.9	-20.7
EBIT (excl. NRI)	49.1	12.0	11.8	11.8	10.5	46.0	9.4	10.9	11.0	10.0	41.3	44.3	48.3	52.3
EBIT	25.8	6.9	8.7	8.9	5.9	30.4	5.2	7.8	7.5	6.1	26.6	34.4	39.4	43.8
Group	25.8	6.9	8.7	8.9	5.9	30.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share of profits in assoc. compan.	-0.9	-0.3	-0.2	-0.1	-0.2	-0.8	-0.2	-0.1	-0.2	-0.2	-0.7	-0.7	-0.7	-0.7
Net financial items	-2.7	-1.3	-1.4	-1.9	-2.8	-7.4	-1.2	-2.1	-2.1	-1.8	-7.2	-6.2	-5.0	-5.0
PTP	22.1	5.3	7.1	6.9	2.9	22.2	3.9	5.6	5.2	4.1	18.8	27.5	33.7	38.1
Taxes	-4.8	-1.1	-1.5	-1.5	-0.7	-4.7	-0.8	-1.3	-1.3	-1.0	-4.3	-5.9	-7.2	-8.2
Net earnings	17.4	4.3	5.6	5.4	2.2	17.6	3.1	4.4	3.9	3.1	14.5	21.6	26.5	30.0
EPS (adj.)	1.11	0.26	0.31	0.31	0.17	1.05	0.20	0.26	0.23	0.20	0.89	1.18	1.38	1.52
EPS (rep.)	0.72	0.18	0.24	0.23	0.09	0.74	0.13	0.19	0.17	0.13	0.61	0.91	1.12	1.27

Key figures	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue growth-%	2.5 %	-1.7 %	-8.7 %	-7.8 %	-9.3 %	-6.9 %	-6.8 %	-3.0 %	-0.9 %	0.9 %	-2.5 %	4.1 %	4.5 %	4.3 %
Adjusted EBIT growth-%	0.2 %	26.6 %	-7.8 %	-13.4 %	-20.9 %	-6.3 %	-21.7 %	-7.5 %	-6.1 %	-5.1 %	-10.3 %	7.3 %	9.0 %	8.2 %
EBITDA-%	33.2 %	30.4 %	34.7 %	37.6 %	28.6 %	32.7 %	27.7 %	34.2 %	34.2 %	28.7 %	31.2 %	35.2 %	36.4 %	37.4 %
Adjusted EBITDA-%	36.6 %	36.8 %	36.5 %	38.9 %	34.4 %	36.6 %	33.3 %	36.7 %	38.2 %	33.2 %	35.3 %	36.4 %	37.2 %	38.0 %
Adjusted EBIT-%	29.3 %	29.9 %	29.8 %	31.5 %	27.0 %	29.5 %	25.1 %	28.4 %	29.8 %	25.3 %	27.2 %	28.0 %	29.2 %	30.3 %
Net earnings-%	10.4 %	10.7 %	14.2 %	14.5 %	5.7 %	11.3 %	8.2 %	11.4 %	10.6 %	7.9 %	9.5 %	13.6 %	16.0 %	17.4 %

Source: Inderes

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	449	443	434	427	421
Goodwill	341	341	341	341	341
Intangible assets	98.0	88.7	79.9	73.7	68.5
Tangible assets	6.1	10.5	10.0	8.9	8.1
Associated companies	3.9	3.2	3.2	3.2	3.2
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.1	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	50.3	47.0	45.6	48.3	49.8
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	29.5	29.7	27.4	27.7	28.3
Cash and equivalents	20.8	17.4	18.2	20.6	21.5
Balance sheet total	499	490	480	475	470

Source: Inderes

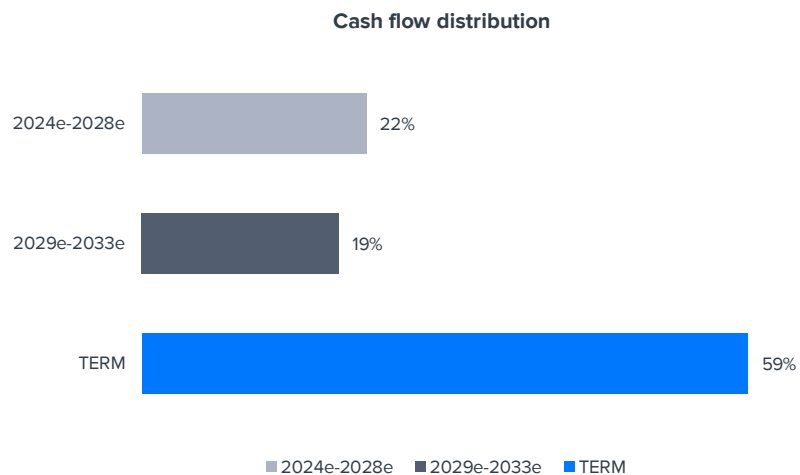
Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	295	283	274	272	274
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	38.3	55.8	46.5	44.5	47.4
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	256	227	227	227	227
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	169	170	169	168	161
Deferred tax liabilities	18.0	15.6	15.6	15.6	15.6
Provisions	0.1	0.4	0.0	0.0	0.0
Interest bearing debt	151	154	154	152	146
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	34.9	37.0	36.7	35.5	34.5
Interest bearing debt	1.4	2.6	4.8	3.1	1.5
Payables	33.5	34.4	31.9	32.4	33.1
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	499	490	480	475	470

DCF calculation

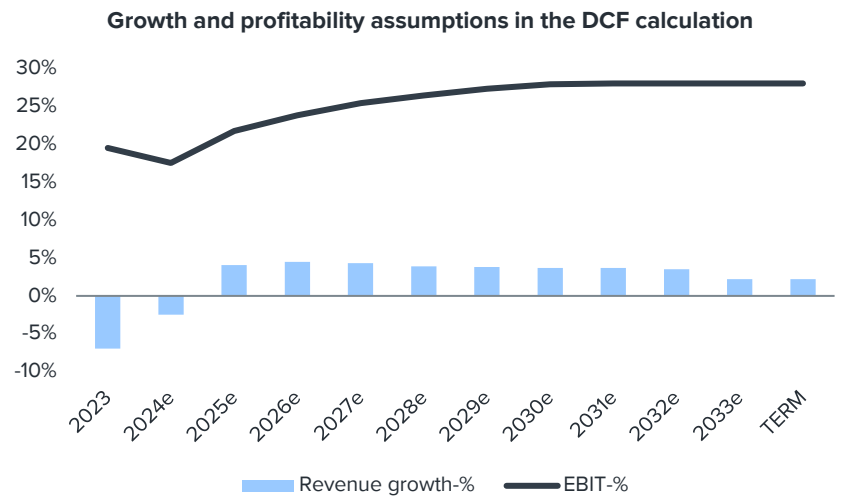
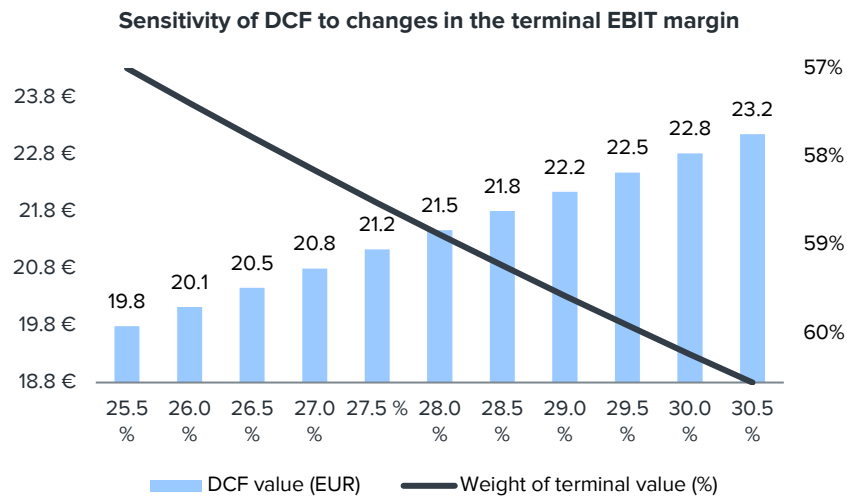
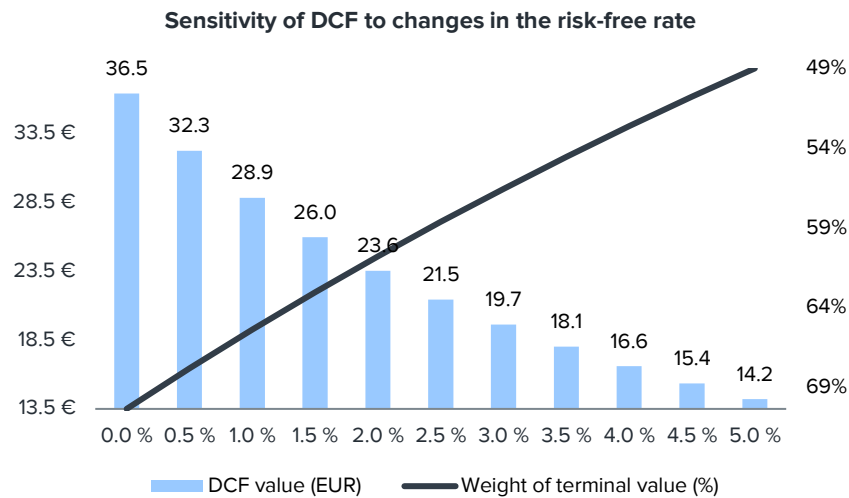
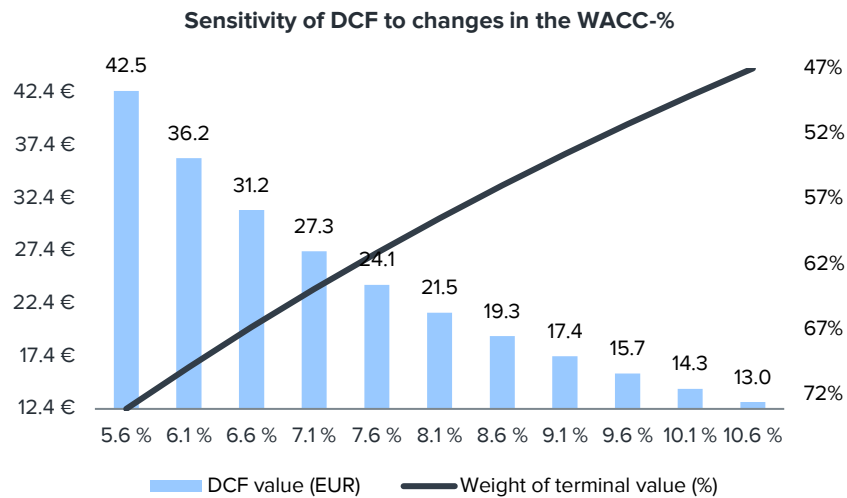
DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	-6.9 %	-2.5 %	4.1 %	4.5 %	4.3 %	3.9 %	3.8 %	3.7 %	3.7 %	3.5 %	2.2 %	2.2 %
EBIT-%	19.5 %	17.5 %	21.7 %	23.8 %	25.4 %	26.4 %	27.3 %	27.9 %	28.0 %	28.0 %	28.0 %	28.0 %
EBIT (operating profit)	30.4	26.6	34.4	39.4	43.8	47.3	50.8	53.8	56.0	58.0	59.2	
+ Depreciation	20.6	20.8	21.2	20.9	20.7	20.0	19.8	19.4	18.2	17.5	17.3	
- Paid taxes	-7.1	-4.3	-5.9	-7.2	-8.2	-9.1	-9.8	-10.5	-10.9	-11.3	-11.8	
- Tax, financial expenses	-1.5	-1.6	-1.3	-1.1	-1.1	-0.8	-0.8	-0.8	-0.8	-0.8	-0.6	
+ 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	0.7	-0.2	0.2	0.0	0.2	0.4	0.2	0.2	0.2	0.2	0.1	
Operating cash flow	43.2	41.3	48.6	52.0	55.6	57.8	60.1	62.1	62.7	63.5	64.3	
+ Change in other long-term liabilities	0.3	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-15.9	-11.4	-13.9	-14.9	-16.0	-16.5	-16.8	-17.0	-17.0	-17.0	-17.0	
Free operating cash flow	27.5	29.6	34.7	37.1	39.6	41.3	43.3	45.1	45.7	46.5	47.3	
+/- Other	-5.0	-3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	22.5	25.8	34.7	37.1	39.6	41.3	43.3	45.1	45.7	46.5	47.3	822
Discounted FCFF		25.4	31.6	31.3	30.8	29.8	28.9	27.8	26.1	24.6	23.1	402
Sum of FCFF present value		681	656	624	593	562	532	503	475	449	425	402
Enterprise value DCF		681										
- Interest bearing debt		-157.0										
+ Cash and cash equivalents		17.4										
-Minorities		0.0										
-Dividend/capital return		-23.8										
Equity value DCF		507										
Equity value DCF per share		21.5										

WACC	
Tax-% (WACC)	21.0 %
Target debt ratio (D/(D+E))	18.0 %
Cost of debt	5.0 %
Equity Beta	1.05
Market risk premium	4.75%
Liquidity premium	1.50%
Risk free interest rate	2.5 %
Cost of equity	9.0 %
Weighted average cost of capital (WACC)	8.1 %

Source: Inderes



DCF sensitivity calculations and key assumptions in graphs



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

Summary

Income statement	2022	2023	2024e	2025e	2026e	Per share data	2022	2023	2024e	2025e	2026e
Revenue	167.5	155.9	152.0	158.2	165.3	EPS (reported)	0.72	0.74	0.61	0.91	1.12
EBITDA	55.6	51.1	47.4	55.6	60.3	EPS (adj.)	1.11	1.05	0.89	1.18	1.38
EBIT	25.8	30.4	26.6	34.4	39.4	OCF / share	1.76	1.82	1.75	2.06	2.20
PTP	22.1	22.2	18.8	27.5	33.7	FCF / share	2.18	0.95	1.09	1.47	1.57
Net Income	17.4	17.6	14.5	21.6	26.5	Book value / share	12.27	11.89	11.59	11.51	11.63
Extraordinary items	-23.4	-5.0	-3.1	-2.8	-4.6	Dividend / share	1.00	1.00	1.00	1.00	1.05
Balance sheet	2022	2023	2024e	2025e	2026e	Growth and profitability	2022	2023	2024e	2025e	2026e
Balance sheet total	499.1	490.3	479.5	474.8	470.4	Revenue growth-%	2%	-7%	-2%	4%	5%
Equity capital	294.9	282.9	273.6	271.6	274.5	EBITDA growth-%	-4%	-8%	-7%	17%	8%
Goodwill	340.7	340.9	340.9	340.9	340.9	EBIT (adj.) growth-%	0%	-6%	-10%	7%	9%
Net debt	131.8	139.7	140.1	134.6	125.7	EPS (adj.) growth-%	-25%	-6%	-15%	32%	17%
Cash flow	2022	2023	2024e	2025e	2026e	EBITDA-%	33.2 %	32.7 %	31.2 %	35.2 %	36.4 %
EBITDA	55.6	51.1	47.4	55.6	60.3	EBIT (adj.)-%	29.3 %	29.5 %	27.2 %	28.0 %	29.2 %
Change in working capital	-3.2	0.7	-0.2	0.2	0.0	EBIT-%	15.4 %	19.5 %	17.5 %	21.7 %	23.8 %
Operating cash flow	42.4	43.2	41.3	48.6	52.0	ROE-%	5.7 %	6.1 %	5.2 %	7.9 %	9.7 %
CAPEX	13.6	-15.9	-11.4	-13.9	-14.9	ROI-%	5.3 %	6.7 %	6.0 %	7.9 %	9.1 %
Free cash flow	52.3	22.5	30.8	34.7	37.1	Equity ratio	60.3 %	57.7 %	57.1 %	57.2 %	58.4 %
						Gearing	44.7 %	49.4 %	51.2 %	49.6 %	45.8 %
Valuation multiples	2022	2023	2024e	2025e	2026e						
EV/S	3.9	3.9	4.0	3.8	3.5						
EV/EBITDA	11.6	12.1	12.7	10.7	9.7						
EV/EBIT (adj.)	13.2	13.4	14.6	13.4	12.1						
P/E (adj.)	19.2	18.5	21.4	16.2	13.8						
P/B	1.7	1.6	1.6	1.7	1.6						
Dividend-%	4.7 %	5.1 %	5.2 %	5.2 %	5.5 %						

Source: Inderes

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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
9/1/2023	Accumulate	24.50 €	23.15 €
10/11/2023	Lisää	21.00 €	18.22 €
10/30/2023	Buy	21.00 €	16.50 €
2/6/2024	Accumulate	21.00 €	19.34 €
2/12/2024	Accumulate	20.00 €	18.26 €
4/24/2024	Accumulate	19.00 €	16.82 €
7/17/2024	Accumulate	19.00 €	17.10 €
10/16/2024	Reduce	19.00 €	19.10 €



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