

Results due: 15 August

April-May sales data triggers estimate cuts

Ahead of Inderes' Q2 report we broadly reverse our previous estimate increases following the April-May sales data. Despite cutting our estimates we find that Inderes is heading to a healthy profit improvement in 2023. This is thanks to the acquired Swedish operations, organic growth and ramp-up investments made to Sweden in 2022. Our fair value is pulled back to a range of EUR 26-29 (from 28-31).

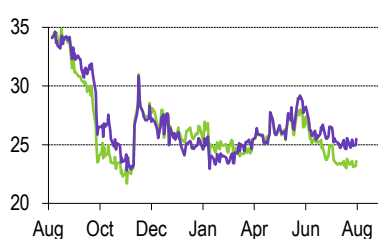
Key Data (2023E)

Price (EUR)	23.60
Reuters	INDERES.HE
Bloomberg	INDERES FH
Market cap (EURm)	40
Market cap (USDm)	44
Net debt (EURm)	(3)
Net gearing	(36%)
Net debt/EBITDA (x)	(0.8)
Shares fully dil. (m)	1.7
Avg daily turnover (m)	0.0
Free float	76%

Estimate Revisions (%)

	2023E	2024E	2025E
Revenues	(4)	(4)	(4)
Adj. EBIT	(15)	(14)	(15)
Adj. EPS	(22)	(18)	(15)

Share Price (12M)



Absolute (green) / Relative to Finland (purple).

Marketing communication

commissioned by:

Inderes

Q2 expectations – Estimates down following released April-May sales

April and May sales data came in somewhat soft vs. our previous Q2 estimate. Hence, in addition to a Q2 sales cut of 8% we lower slightly our forward-looking sales estimates as well. The cut is owing partly to a weaker SEK, but we also think that the event business outside listed companies will continue to be moderate in the current uncertain macro environment. We expect Q2 sales of EUR 4.7m and EBITA of EUR 0.5m.

Sweden is a long-term game

Inderes has increased its research coverage in Sweden. However, in addition to few paying customers the company has initiated coverage for free in selected large names. This is virtually an opex investment, which we see necessary in order to gain investor attention. Unlike in Finland, Inderes lacks the first-mover position in commissioned research. However, it has already established a position in the virtual event business in listed company markets. Also, investors' attention can be attracted with Finnish equity analysis content. Nevertheless, gaining critical mass in Sweden will take time and during the investment phase profitability remains below potential. In the Q2 report we will continue to focus on management's comments on progress in the Swedish market.

Fair value range down back to where it was prior to strong Q1

Our DCF valuation (using a WACC of 9.0%) declines to EUR 29 and our fair value range using DCF and peer group multiple benchmarking declines to EUR 26-29.

Financials (EUR)

Year end: Dec	2021	2022	2023E	2024E	2025E
Revenues (m)	12	14	19	21	22
Adj. EBIT	2	1	3	4	4
Pre-tax profit (m)	2	1	2	3	4
EPS	0.79	0.23	0.96	1.36	1.76
Adj. EPS	0.79	0.23	0.96	1.36	1.76
DPS	0.80	0.82	0.85	0.90	1.00
Revenue growth (%)	35.4	14.1	41.7	9.6	7.2
Adj. EBIT growth (%)	33.5	(43.3)	155.1	25.9	(3.1)
Adj. EPS growth (%)	n.m.	(71.4)	324.0	41.6	29.4
Adj. EBIT margin (%)	19.5	9.7	17.4	20.0	18.1
ROE (%)	29.8	5.2	20.0	26.5	30.3
ROCE (%)	51.1	15.5	31.0	37.2	32.0
PER (x)	47.3	112.3	24.5	17.3	13.4
Free cash flow yield (%)	4.8	2.3	6.4	(0.7)	5.5
Dividend yield (%)	2.1	3.2	3.6	3.8	4.2
P/BV (x)	9.18	5.38	4.83	4.37	3.77
EV/Sales (x)	4.59	3.04	1.92	1.83	1.68
EV/Adj. EBITDA (x)	22.3	27.2	10.2	8.6	7.0
EV/Adj. EBIT (x)	23.5	31.4	11.0	9.1	9.3
Operating cash flow/EV (%)	5.7	3.6	8.2	8.4	7.6
Net debt/EBITDA (x)	(2.90)	(1.24)	(0.85)	(0.30)	(0.38)

Source for all data on this page: SEB (estimates) and Millstream/Thomson Reuters (prices)

Estimate revisions

Our sales estimates are down by 4% after inputting somewhat softer-than-expected April-May data, a weakened SEK and the uncertain macro-outlook. Due to high earnings leverage our EBITA estimates for 2023-25 come down 13-16%. We now expect FY23 sales of EUR 19.1m, well above the guidance communication of EUR >17m. Our 2023E EBITA margin is 16.9%, also safely above the guidance of >9.4%. In fact, depending on event business visibility, we think the company could hike its guidance slightly in connection with the report.

Estimate revisions									
(EURm)	New estimates			Old estimates			Difference (%)		
	2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E
Sales	19.1	21.0	22.5	20.0	21.9	23.5	-4	-4	-4
EBITA	3.2	4.0	4.9	3.8	4.7	5.6	-16	-14	-13
EBITA margin (%)	16.9	19.1	21.6	19.2	21.3	23.8	-2.3pp	-2.2pp	-2.2pp
EPS	0.96	1.37	1.79	1.24	1.68	2.13	-23	-19	-16
Other data									
No. of paid reserach, period-end	144	154	163	144	154	163	0	0	0
No. of employees, avg.	117	121	123	117	121	123	0	0	0

Source: SEB

SEB estimates

We expect Q2 sales of EUR 4.7m. After April-May sales already released, our Q2 implies June sales of EUR 1.4m, up from EUR 1.0m in the previous year's June. We understand that June is seasonally quiet for the acquired Swedish operations. Hence the growth should come from Finland where comparables in event business should be easy and the base of commissioned research agreements is somewhat larger. In terms of EBITA, we expect Inderes' Q2 to land at EUR 0.5m, up from last year's low-point of EUR 0.1m.

Quarterly estimates								
(EURm)	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23E	Q3/23E	Q4/23E
Net sales	3.2	3.4	3.0	3.9	5.0	4.7	4.3	5.2
Other income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and services	-0.4	-0.5	-0.4	-0.6	-1.0	-0.8	-0.6	-0.8
Gross profit	2.9	2.8	2.6	3.3	4.0	3.9	3.8	4.4
<i>-margin-%</i>	89%	84%	86%	84%	79%	83%	87%	85%
Personnel expenses	-2.0	-2.1	-1.4	-2.3	-2.6	-2.6	-1.8	-2.6
Other operating costs	-0.5	-0.6	-0.5	-0.7	-0.7	-0.7	-0.6	-0.9
EBITDA reported	0.4	0.2	0.7	0.3	0.7	0.5	1.3	0.9
EBITDA adjusted	0.4	0.2	0.7	0.3	0.7	0.5	1.3	0.9
<i>-margin-%</i>	0.1	0.0	0.2	0.1	0.1	0.1	0.3	0.2
Depreciation	-0.03	-0.05	-0.06	-0.06	-0.07	-0.07	-0.07	-0.07
EBITA	0.3	0.1	0.6	0.2	0.6	0.5	1.3	0.8
EBITA adjusted	0.3	0.1	0.6	0.2	0.6	0.5	1.3	0.8
<i>-margin-%</i>	10%	3%	21%	5%	13%	10%	29%	16%
Amortisation	-0.09	-0.09	-0.09	-0.20	-0.26	-0.26	-0.26	-0.26
EBIT reported	0.2	0.0	0.5	0.0	0.4	0.2	1.0	0.6
EBIT adjusted	0.2	0.0	0.5	0.0	0.4	0.2	1.0	0.6
<i>-margin-%</i>	8%	1%	18%	0%	8%	4%	23%	11%

Source: SEB

Annual estimates							
(EURm)	2019	2020	2021	2022E	2023E	2024E	2025E
Net sales	5.0	8.7	11.8	13.5	19.1	21.0	22.5
Other income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and services	-0.5	-1.2	-1.7	-1.9	-3.2	-3.4	-3.4
Gross profit	4.4	7.5	10.2	11.6	16.0	17.6	19.1
<i>-margin-%</i>	89%	86%	86%	86%	84%	84%	85%
Personnel expenses	-2.9	-4.1	-5.8	-7.8	-9.6	-10.1	-10.6
Other operating costs	-0.6	-1.5	-1.9	-2.3	-2.9	-3.2	-3.4
EBITDA reported	0.9	1.8	2.4	1.5	3.5	4.3	5.1
EBITDA adjusted	0.9	1.8	2.4	1.5	3.5	4.3	5.1
<i>-margin-%</i>	19%	21%	21%	11%	18%	20%	23%
Depreciation	-0.07	-0.10	-0.12	-0.20	-0.26	-0.27	-0.27
EBITA	0.9	1.7	2.3	1.3	3.2	4.0	4.9
EBITA adjusted	0.9	1.7	2.3	1.3	3.2	4.0	4.9
<i>-margin-%</i>	18%	20%	20%	9%	17%	19%	22%
Amortisation	-0.1	-0.3	-0.3	-0.5	-1.0	-1.0	-1.0
EBIT reported	0.8	1.4	2.0	0.8	2.2	3.0	3.8
EBIT adjusted	0.8	1.4	2.0	0.8	2.2	3.0	3.8
<i>-margin-%</i>	16%	16%	17%	6%	11%	14%	17%
Net financials	0.0	0.2	-0.2	-0.1	-0.2	-0.2	-0.2
Pre-tax profit	0.8	1.6	1.7	0.8	2.1	3.0	3.9
Earnings	0.6	1.2	1.3	0.4	1.7	2.4	3.1
Minority share	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Net earnings for owners	0.6	1.1	1.3	0.4	1.6	2.3	3.0
EPS			0.77	0.24	0.96	1.37	1.79
Other data							
Employees avg.	42	52	72	97	117	121	123
No. of commissioned research, period end	94	98	119	137	144	154	163

Source: SEB

Valuation

Following our estimate reductions, our DCF mid-point valuation declines to EUR 29 (previously EUR 33). We continue to use a WACC of 9% for Inderes. As previously argued, we could justify a lower WACC for the established Finnish research business. However, our estimates reflect the Swedish expansion, which is still in an early phase and contains many risks that need to be reflected in the WACC. The peer comparison continues to be dragged down by the blended valuation in our assessment. We derive our peer valuation range by benchmarking the peer group median 2023E and 2025E EV/EBITDA. For Inderes, we justify 2023E and 2025E EV/EBITDA multiples of 10x and 8x respectively. All in all, our fair value range for Inderes declines back to EUR 26-29 (28-31).

SEB fair value range setting		
DCF valuation	EUR per share	
Mid-point		29
Range with +/-2% growth sensitivity	27	32
Peer group benchmarking	23	26
DCF & peer group valuation with 60/40 weightings	25	29
SEB fair value range	26	29

Source: SEB

DCF summary table

DCF valuation (EURm)		Weighted average cost of capital (%)	
NPV of FCF in explicit forecast period	21	Risk free interest rate	2.5
NPV of continuing value	25	Risk premium	6.5
Value of operation	46	Cost of equity	9.0
Net debt	(3)	After tax cost of debt	2.0
Share issue/buy-back in forecast period	-		
Value of associated companies	-	WACC	9.0
Value of minority shareholders' equity	-		
Value of marketable assets	-	Assumptions	
DCF value of equity	49	Number of forecast years	10
DCF value per share (EUR)	29	EBIT margin - steady state (%)	14.7
Current share price (EUR)	23.60	EBIT multiple - steady state (x)	12.1
DCF performance potential (%)	24	Continuing value (% of NPV)	54.9

Source: SEB

DCF assumption details

(EURm)	2023E	2024E	2025E	2026E	2027E	Average year 6	Average year 7-8	Average year 9-10
Sales growth (%)	41.7	9.6	7.2	6.0	5.0	6.0	5.0	2.5
EBITDA margin (%)	18.2	20.4	22.8	22.9	23.0	23.1	23.2	20.6
EBIT margin (%)	11.4	14.1	17.0	16.6	17.0	17.3	17.7	15.3
Gross capital expenditures as % of sales	2.6	16.7	3.1	3.1	3.1	3.1	3.1	3.1
Working capital as % of sales	(9.3)	(7.5)	(1.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Lease repayments as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sales	19	21	22	24	25	27	29	30
Depreciation	(0)	(0)	(0)	(0)	(0)	(1)	(1)	(1)
Intangibles amortisation	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
EBIT	2	3	4	4	4	5	5	5
Taxes on EBIT	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Increase in deferred taxes	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
NOPLAT	3	3	4	4	5	5	5	5
Gross capital expenditure	(1)	(4)	(1)	(1)	(1)	(1)	(1)	(1)
Increase in working capital	0	(0)	(1)	(0)	0	0	0	0
Lease repayments	0	0	0	0	0	0	0	0
Free cash flow (incl. lease repayments)	3	(0)	2	4	4	5	5	5
ROIC (%)	25.2	29.3	32.1	34.8	39.2	44.6	53.5	58.6
ROIC-WACC (%)	16.2	20.3	23.1	25.8	30.2	35.6	44.5	49.6
Share of total net present value (%)	0.0	(0.3)	4.4	6.3	6.5	6.4	12.1	9.6

Source: SEB

Peer valuation table 1

	Mkt cap (EURm)	EV (EURm)	PER 2023E	PER 2024E	PER 2025E	EV/EBIT 2023E	EV/EBIT 2024E	EV/EBIT 2025E	EV/EBITDA 2023E	EV/EBITDA 2024E	EV/EBITDA 2025E	EV/Sales 2023E	EV/Sales 2024E	EV/Sales 2025E
Enento	540	664	23.4x	18.1x	16.1x	16.9x	14.2x	12.6x	12.0x	10.3x	9.4x	4.2x	3.9x	3.7x
Alma Media	747	875	13.8x	13.5x	12.9x	12.7x	11.6x	10.9x	9.8x	9.4x	8.9x	2.9x	2.7x	2.6x
Sanoma	1,162	1,826	21.5x	12.5x	11.2x	14.2x	10.8x	10.2x	5.9x	5.0x	4.8x	1.3x	1.3x	1.3x
Gofore	340	298	16.7x	14.2x	11.9x	14.0x	10.9x	7.9x	10.5x	8.4x	6.3x	1.6x	1.3x	1.0x
Talenom	308	371	34.4x	26.7x	20.5x	25.8x	20.5x	16.3x	10.6x	9.2x	7.9x	3.0x	2.7x	2.3x
EQS Group	253	277	216.0x	49.9x	29.9x	176.6x	31.8x	16.9x	29.6x	16.2x	11.1x	3.8x	3.0x	2.3x
Broadridge Financial Solutions	18,072	21,061	24.3x	22.3x	20.2x	20.2x	18.2x	16.4x	17.0x	15.2x	13.9x	3.8x	3.5x	3.2x
Median	540	664	23.4x	18.1x	16.1x	16.9x	14.2x	12.6x	10.6x	9.4x	8.9x	3.0x	2.7x	2.3x
Average	3,060	3,624	50.0x	22.5x	17.5x	40.1x	16.9x	13.0x	13.6x	10.5x	8.9x	2.9x	2.6x	2.3x
Inderes (SEBe)	40	37	24.5x	17.3x	13.4x	11.0x	9.1x	9.3x	10.2x	8.6x	7.0x	1.9x	1.8x	1.7x

Source: SEB, Refinitiv

Peer valuation table 2

	Mkt cap (EURm)	EV (EURm)	Sales growth			EBIT margin			Sales growth + EBIT margin (%)		
			2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E
Enento	540	664	-5.3	4.2	5.0	24.8	27.8	29.2	19.5	32.0	34.2
Alma Media	747	875	-1.3	2.7	2.3	22.6	23.4	23.6	21.3	26.1	25.9
Sanoma	1,162	1,826	6.1	1.3	0.4	9.3	11.8	12.5	15.5	13.2	12.9
Gofore	340	298	27.3	12.4	13.0	11.1	11.6	12.6	38.4	24.0	25.6
Talenom	308	371	22.4	13.3	13.2	11.5	12.9	14.1	33.9	26.3	27.3
EQS Group	253	277	17.4	21.3	17.9	2.2	9.4	13.8	19.6	30.7	31.7
Broadridge Financial Solutions	18,072	21,061	7.0	6.1	5.5	18.8	19.1	19.5	na	na	na
Median	540	664	7.0	6.1	5.5	11.5	12.9	14.1	20.5	26.2	26.6
Average	3,060	3,624	10.5	8.8	8.2	14.3	16.6	17.9	24.7	25.4	26.3
Inderes (SEBe)	40	37	41.7	9.6	7.2	17.4	20.0	18.1	59.1	29.6	25.3

Source: SEB, Refinitiv

SEAM (SEB's ESG Assessment Methodology)

Inderes

Country: Finland Sector: Services Overall impact of ESG factors on valuation: **Slightly Positive** Fully discounted in mid-point DCF value: **Yes**

In our view, ESG factors do or will have an overall slightly positive impact on the share's valuation. The most material impact is Inderes' online events that reduce traffic related to events and that Inderes democratises stock market information to make it more broadly available. Most of the impact is yet to be discounted in our mid-point equity valuation. We believe that most of the ESG factors facing the company could be manageable by the company, and that the company's management of these issues could be improved by establishing and further developing policies and reporting on ESG topics.

With regard to the EU taxonomy, we expect to see the company report an insignificant current revenue alignment with relevant taxonomy screening criteria. In the longer term, we also expect alignment to be insignificant.

ESG impact on NPV (as % of equity valuation)

Total impact over time	3
of which:	
- impact reflected in mid-point equity valuation	3
- impact yet-to-be reflected in mid-point equity valuation	0

ESG impact on NPV (as % of enterprise valuation)

Total impact over time	4
of which:	
- impact reflected in mid-point enterprise valuation	4
- impact yet-to-be reflected in mid-point enterprise valuation	0

SEB ESG Financial Assessment

	As % of equity valuation	As % of enterprise valuation
Long term impact of ESG issue on valuation	3	4
of which:		
Impact already reflected in our 6-12 month mid-point	3	4
Impact yet-to-be reflected in mid-point price	0	0

Sales (price/volume) exposure to ESG opportunities/threats

	Impact on Sales CAGR (%pa)		NPV/EV (%)
	0-3 yrs	4-10+ yrs	
Societal impacts			
Inderes democratises stock market information to make it more broadly available	1	1	2
Climate related impact - products/services			
Inderes offers online events that can reduce travelling related to events	1	1	2

Long term impact of ESG issue on valuation (% NPV/EV)

4

Inderes (cont.)

EU Taxonomy Eligibility/Alignment (based on mandatory EU disclosures)

In our view, the company does not have EU Taxonomy eligible revenues.

Sustainability related commitments and targets

Does the company have a science based target?	No
Is the CEO's remuneration linked to achievement of sustainability goals?	No
What are the company's most material sustainability goals?	Help employees to develop themselves
Who has ultimate responsibility for sustainability management?	CEO

Overview

Investment considerations

Inderes has a very strong position in the Finnish commissioned research market due to its active investor community and over 120 commissioned research clients. Inderes' commissioned research provides up to 30% EBITDA margin, meaning high recurring cash flows. Inderes has expanded to virtual events and IR solutions with a strong track record in cross-selling. The key long-term growth will drive Nordic expansion. We calculate that the Nordic market potential is roughly 7x the Finnish market.

Company profile

Inderes provides IR services connecting stock-listed companies and investors. It has over 190 Finnish stock-listed companies as customers. Inderes has three main business areas: commissioned equity research, virtual events through its subsidiary Flik and IR solutions. In addition, Inderes operates an investment platform for its over 75,000 active users.

Valuation approach

We base our fair value range on DCF and peer group valuation. In our DCF, we assume a relatively low WACC for mature and defensive Finnish commissioned research while the Nordic growth estimates are more uncertain and thus require a higher capital cost. We give a lower weight for the peer group valuation due to the lack of direct peers.

Investment risks

The company is expanding geographically and failure in expansion would mean notably lower growth estimates; however, we believe that success in expansion creates upside risk to our fair valuation. Another significant risk relates to an economic downturn, which could result in a slowing IPO market and trend where companies start to reduce IR functions. This could slow market growth. We also flag other risks, e.g. related to key personnel and new competitors.

Profit & loss statement - Inderes								
(EURm)	2018	2019	2020	2021	2022	2023E	2024E	2025E
Net Sales	3	5	9	12	14	19	21	22
Other revenues	0	0	0	0	0	0	0	0
Total revenues	3	5	9	12	14	19	21	22
Total expenses	(3)	(4)	(7)	(9)	(12)	(16)	(17)	(17)
Profit before depreciation	1	1	2	2	1	3	4	5
Depreciation - Fixed assets	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Depreciation - Other assets	0	0	0	0	0	0	0	0
Depreciation of right-of-use assets	0	0	0	0	0	0	0	0
Amortisation - Goodwill	0	(0)	(0)	(0)	(0)	(1)	(1)	(1)
Amortisation - Other intangibles	0	0	0	0	0	0	0	0
Operating profit	1	1	1	2	1	2	3	4
Associated companies	0	0	0	0	0	0	0	0
Net interest expenses	0	0	0	(0)	(0)	(0)	(0)	(0)
Foreign exchange items	0	0	0	0	0	0	0	0
Other financial items	0	0	0	0	0	0	0	0
Value changes - Fixed assets	0	0	0	0	0	0	0	0
Value changes - Financial assets	0	0	0	0	0	0	0	0
Value changes - Other assets	0	0	0	0	0	0	0	0
Reported pre-tax profit	1	1	2	2	1	2	3	4
Minority interests	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Total taxes	(0)	(0)	(0)	(0)	(0)	(0)	(1)	(1)
Reported profit after tax	0	1	1	1	0	2	2	3
Discontinued operations	0	0	0	0	0	0	0	0
Extraordinary items	0	0	0	0	0	0	0	0
Net Profit	0	1	1	1	0	2	2	3
Adjustments:								
Discontinued operations	0	0	0	0	0	0	0	0
Interest on convertible debt	0	0	0	0	0	0	0	0
Minority interests (IFRS)	0	0	0	0	0	0	0	0
Value changes	0	0	0	0	0	0	0	0
Goodwill/intangibles amortisations	0	0	0	0	0	1	1	1
Restructuring charges	0	0	0	0	0	0	0	0
Other adjustments	0	(0)	(0)	(0)	(0)	(1)	(1)	(1)
Tax effect of adjustments	0	0	0	0	0	0	0	0
Adjusted profit after tax	0	1	1	1	0	2	2	3
Margins, tax & returns								
Operating margin	19.4	16.0	15.9	16.6	6.0	11.4	14.1	17.0
Pre-tax margin	19.5	16.2	18.3	14.7	5.5	11.2	14.3	17.2
Tax rate	20.1	19.7	27.2	22.8	42.1	22.0	22.0	22.0
ROE	88.8	61.6	67.4	29.8	5.2	20.0	26.5	30.3
ROCE	111.2	71.7	91.7	51.1	15.5	31.0	37.2	32.0
Growth rates y-o-y (%)								
Total revenues	n.a.	55.7	76.3	35.4	14.1	41.7	9.6	7.2
Operating profit	29.9	28.7	74.8	41.7	(58.7)	169.3	35.5	29.0
Pre-tax profit	24.9	28.9	98.4	9.0	(57.3)	188.9	40.3	28.7
EPS (adjusted)	0.0	0.0	0.0	0.0	(71.4)	324.0	41.6	29.4
Cash flow								
(EURm)	2018	2019	2020	2021	2022	2023E	2024E	2025E
Net profit	0	1	1	1	0	2	2	3
Non-cash adjustments	0	0	1	1	1	1	1	1
Cash flow before work cap	1	1	2	2	1	3	3	4
Ch. in working capital / Other	(0)	1	(1)	1	1	0	(0)	(1)
Operating cash flow	0	2	1	3	1	3	3	3
Capital expenditures	0	0	(0)	(0)	(0)	(1)	(4)	(1)
Asset disposals	0	0	0	0	0	0	0	0
L/T financial investments	0	0	(0)	(0)	(1)	0	0	0
Acquisitions / adjustments	0	0	0	0	(3)	0	0	0
Free cash flow	0	2	1	3	(2)	3	(0)	2
Net loan proceeds	0	0	(0)	(0)	2	0	0	0
Dividend paid	0	0	(1)	(1)	(1)	(1)	(1)	(2)
Share issue	0	0	0	5	(1)	0	0	0
Other	0	0	(0)	(1)	(0)	0	(0)	(0)
Net change in cash	0	2	(0)	6	(3)	1	(2)	1
Adjustments								
C/flow bef chng in work cap	1	1	2	2	1	3	3	4
Adjustments	0	0	0	0	0	0	0	0
Int on conv debt net of tax	0	0	0	0	0	0	0	0
Cash earnings	1	1	2	2	1	3	3	4
Per share information								
Cash earnings	0.0	0.0	0.0	1.3	0.54	1.7	2.05	2.47
Operating cash flow	0.0	0.0	0.0	1.9	0.88	1.8	1.92	1.71
Free cash flow	0.0	0.0	0.0	1.78	(1.47)	1.5	(0.16)	1.3
Investment cover								
Capex/sales (%)	0.0	0.0	2.6	1.7	3.6	2.6	16.7	3.1
Capex/depreciation (%)	0	0	222	163	242	189	1,321	264

Source for all data on this page: SEB

Balance sheet - Inderes								
(EURm)	2018	2019	2020	2021	2022	2023E	2024E	2025E
Cash and liquid assets	1	1	1	7	4	5	3	4
Debtors	1	1	2	2	3	4	4	4
Inventories	0	0	0	0	0	0	0	0
Other	0	0	1	0	0	0	0	0
Current assets	2	3	4	9	7	8	7	8
Interest bearing fixed assets	0	0	0	0	0	0	0	0
Other financial assets	0	0	0	0	3	3	3	3
Capitalized development cost	0	0	0	0	0	0	0	0
Goodwill	0	2	1	1	8	6	5	4
Other intangibles	0	0	0	0	0	0	0	0
Right-of-use lease assets	0	0	0	0	0	0	0	0
Fixed tangible assets	0	0	0	0	0	1	4	4
Other fixed assets	0	0	0	0	0	0	0	0
Fixed assets	0	2	2	1	11	10	13	12
Total assets	2	5	6	11	18	19	20	20
Creditors	0	0	0	0	0	1	1	1
Other trade financing	1	1	1	1	4	4	4	4
S/T lease liabilities	0	0	0	0	0	0	0	0
S/T interest bearing debt	0	0	0	0	0	0	0	0
Other	0	2	2	2	1	1	1	0
Current liabilities	1	3	3	4	5	5	6	5
L/T interest bearing debt	0	0	0	0	2	2	2	2
L/T lease liabilities	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	3	3	3	3
Convertible debt	0	0	0	0	0	0	0	0
Pension provisions	0	0	0	0	0	0	0	0
Other provisions	0	0	0	(0)	0	0	0	0
Deferred tax	0	0	0	0	0	0	0	0
Long term liabilities	0	0	0	0	5	5	5	5
Minority interests	0	0	0	0	0	0	0	0
Shareholders' equity	1	1	2	7	8	8	9	11
Total liabilities and equity	2	5	6	11	18	19	20	20
Net debt (m)	(1)	(1)	(1)	(7)	(2)	(3)	(1)	(2)
Working capital (m)	(0)	(1)	(0)	(2)	(2)	(2)	(2)	(0)
Capital employed (m)	1	2	2	7	10	10	11	13
Net debt/equity (%)	(149)	(68)	(43)	(105)	(23)	(36)	(14)	(18)
Net debt/EBITDA (x)	(1.6)	(1.1)	(0.5)	(2.9)	(1.2)	(0.8)	(0.3)	(0.4)
Equity/total assets (%)	35	31	39	64	45	44	47	53
Interest cover	0.0	0.0	0.0	7.0	7.4	0.0	0.0	0.0

Valuation								
(EUR)	2018	2019	2020	2021	2022	2023E	2024E	2025E
No of shares, fully dil. (y/e)	0.0	0.0	0.0	1.6	1.7	1.7	1.7	1.7
No of shares, fully dil. avg.	0.0	0.0	0.0	1.6	1.7	1.7	1.7	1.7
Share price, y/e				37.5	25.5	23.6	23.6	23.6
Share price, high				53.9	48.0	28.0		
Share price, low				34.6	21.2	23.0		
Share price, avg				40.1	34.2	25.3		
EPS (reported)	0.00	0.00	0.00	0.79	0.23	0.96	1.36	1.76
EPS (adjusted)	0.00	0.00	0.00	0.79	0.23	0.96	1.36	1.76
Cash earnings/share	0.00	0.00	0.00	1.30	0.54	1.70	2.05	2.47
Dividend/share	0.00	0.00	0.00	0.80	0.82	0.85	0.90	1.00
Enterprise value/share				33	24	22	23	22
Book value/share	73	135	211	4.1	4.7	4.9	5.4	6.3
Adjusted equity/share	73	135	211	4.1	4.7	4.9	5.4	6.3
PER (adjusted)				47.3	112.3	24.5	17.3	13.4
CEM				28.9	47.4	13.9	11.5	9.6
Dividend yield				2.1	3.2	3.6	3.8	4.2
EV/EBITDA				22.3	27.2	10.2	8.6	7.0
EV/EBITA				23.5	31.4	11.0	9.1	7.4
EV/EBIT				23.5	31.4	11.0	9.1	9.3
EV/Sales (x)				4.59	3.04	1.92	1.83	1.68
Price/Book value				9.18	5.38	4.83	4.37	3.77
Price/adjusted equity				9.18	5.38	4.83	4.37	3.77
Free cash flow/Market cap (%)				4.8	2.3	6.4	(0.7)	5.5
Operating cash flow/EV (%)				5.7	3.6	8.2	8.4	7.6
EV/Capital employed (x)				8.0	4.1	3.5	3.4	2.9

Main shareholders			Management		Company information	
Name	(%)	Votes	Capital	Title	Name	Contact
Mikael Rautanen		13.9	13.9	COB	Kaj Hagros	Internet
Juha Kinnunen		12.0	12.0	CEO	Mikael Rautanen	Phone number
Sauli Vilén		9.0	9.0	CFO	Mikko Wartiovaara	
Foreign owners (total)		0.4	0.4	IK		

Source for all data on this page: SEB

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