

Fiskars

Company report

01/16/2023



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



Thomas Westerholm
+358 50 541 2211
thomas.westerholm@inderes.fi

✓ Inderes corporate customer

This report is a summary translation of the report “Q4 liikevoitto odotuksiin liikevaihto jäi” published on 01/16/2023 at 08:00 am.

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Q4 operating profit in line with expectations, net sales missed

Fiskars published its preliminary Q4 results on Friday, reporting comparable operating profit in line with previous guidance, but net sales were clearly lower year-on-year and thus below our expectations. In the longer term, we don't see this as a significant issue for the value of the company. However, we have revised our estimates slightly downwards for 2023. We see Fiskars' potential unchanged and maintain our Accumulate recommendation with the target price rising to EUR 17.5 (was EUR 17.0).

Fiskars announces preliminary Q4 results - operating profit in line with previous guidance, net sales down

Fiskars announced its preliminary Q4 results on Friday. Net sales amounted to EUR 304 million, down 12% year-on-year on a comparable basis. This was clearly below our expectations (349 MEUR). The fall in net sales was mainly due to inventory management by US retailers, with comparable sales in the US down 26% year-on-year. The US accounted for approximately 35% of Fiskars' net sales in Q4'21. Therefore, the US accounts for the bulk of the fall, but other markets have also seen negative developments. Already in December, when Fiskars lowered its guidance, it said that US retailers' end-of-year orders had fallen well short of expectations as they focused on reducing their inventory levels. However, the scale of this wasn't understood by us and analysts on average. Fiskars' comparable EBIT for Q4 was EUR 30 million and for the full year EUR 151 million, in line with the guidance given a month ago (around 150 MEUR). Despite the major drop in net sales, this was only slightly below the EUR 32 million in the comparison period and the margin improved from just over 9% to almost 10%. Especially as the drop in volumes/net sales was quite big and unexpected, we believe this shows excellent cost management and/or quick reaction from Fiskars. While we are aware that fixed costs in the comparison period included quite a lot of growth efforts, we still think the margin performance is good.

We see no material long-term impact from net sales weakness, 2023 estimates slightly down

As commented above, the weakness in Q4 net sales was mainly due to inventory management by US retailers. Of course, this is also partly due to slowing consumer demand, which Fiskars is also seeing in Europe. Fiskars also said before Christmas that it expects US retailers to remain cautious about orders at the beginning of this year. As their impact in Q4 was much larger than we previously expected, we have also lowered our net sales estimates, especially for Q1'23, and thus our 2023 EBIT estimate is also down 2%. We made no material revisions to our 2024 estimates.

We continue to see a positive change in Fiskars, which offers reasonable expected returns

We believe that Fiskars' profitability has already structurally improved from the pre-COVID period, although during the COVID period the company was also supported by exceptionally good demand. Our estimate for 2023 EBIT is significantly higher (130 MEUR) than the average for 2016-20 (~100 MEUR). In addition, we believe that the strategy launched by the current management in 2021 will support net sales growth and profitability improvement in 2024-25 to levels unprecedented in Fiskars' history. Earning-based valuation (EV/EBIT: 11x and adjusted P/E: 15x) for 2023 is right in our view but given our belief in the company's transformation and clear earnings improvement in 2024, we still think the expected return on the stock is sufficient for a positive recommendation.

Recommendation

Accumulate

(previous Accumulate)

EUR 17.50

(previous EUR 17.00)

Share price:

16.80



Key figures

	2021	2022e	2023e	2024e
Revenue	1254	1248	1204	1278
growth-%	12%	-1%	-3%	6%
EBIT adj.	154.4	151.2	129.9	156.3
EBIT-% adj.	12.3 %	12.1 %	10.8 %	12.2 %
Net Income	86.7	112.1	91.4	113.4
EPS (adj.)	1.21	1.48	1.13	1.41

P/E (adj.)	19.1	11.3	14.8	11.9
P/B	2.3	1.6	1.5	1.4
Dividend yield-%	3.3 %	4.5 %	4.5 %	4.9 %
EV/EBIT (adj.)	12.4	9.9	10.9	8.5
EV/EBITDA	9.4	7.4	7.6	6.2
EV/S	1.5	1.2	1.2	1.0

Source: Inderes

Guidance

(Adjusted)

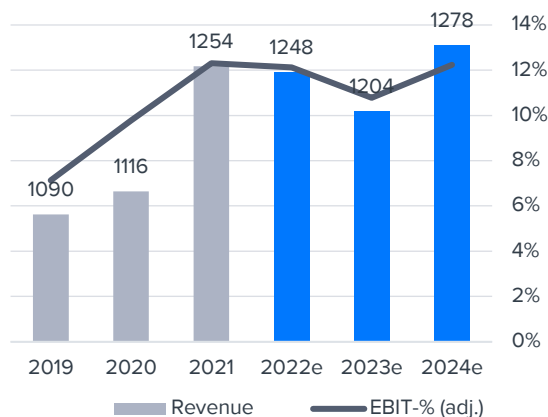
Fiskars' comparable EBIT in 2022 was EUR 151 million (2021: EUR 154.2 million).

Share price



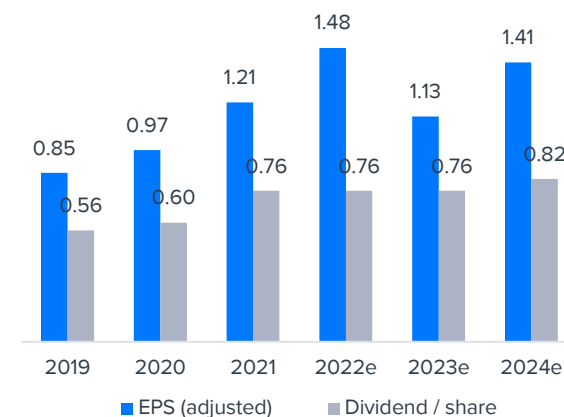
Source: Millstream Market Data AB

Revenue and EBIT %



Source: Inderes

EPS and dividend



Source: Inderes



Value drivers

- Portfolio's focus on big and most profitable brands
- Organic growth from new markets and/or product categories
- Profitability improvement through sales and channel mix as well as growth and scale
- Earnings improvement through the Vita segment and the Group-wide restructuring program
- Strong balance sheet enables inorganic growth



Risk factors

- Shift in consumption from products to services as the home nesting trend slows down
- Weakening of the global economy and consumer confidence
- Rapid transition of the commerce sector to digital channels and increasing price competition
- Unnecessary sprawling and complexity of brand portfolio
- Raw material inflation and challenges in the global logistics chain

Valuation	2022e	2023e	2024e
Share price	16.8	16.8	16.8
Number of shares, millions	80.6	80.6	80.6
Market cap	1354	1354	1354
EV	1503	1410	1336
P/E (adj.)	11.3	14.8	11.9
P/E	12.1	14.8	11.9
P/FCF	neg.	8.3	9.5
P/B	1.6	1.5	1.4
P/S	1.1	1.1	1.1
EV/Sales	1.2	1.2	1.0
EV/EBITDA	7.4	7.6	6.2
EV/EBIT (adj.)	9.9	10.9	8.5
Payout ratio (%)	54.6 %	67.0 %	58.3 %
Dividend yield-%	4.5 %	4.5 %	4.9 %

Source: Inderes

Estimates only slightly down for 2023, dividend expectations cut

2022 numbers clarified

In practice, Fiskars already announced reported figures for net sales and comparable EBIT for 2022, which resulted in a 3% decrease in our net sales estimate and a 1% increase in our EBIT estimate.

We do not foresee any material long-term impact from the weakness in net sales

As commented above, the weakness in Q4 net sales was mainly due to inventory management by US retailers. Of course, this is also partly due to slowing consumer demand, which Fiskars is also seeing in Europe. Fiskars also said before Christmas that it expects US retailers to remain cautious about orders at the beginning of this year. As their impact in Q4 was much larger than we previously expected, we have also lowered our net sales estimates, especially for Q1'23, and thus our 2023 net sales estimate is

also down 3 % and EBIT estimate 2%. We made no material revisions to our 2024 estimates.

We lowered our dividend estimates

In this context, we also revised our dividend estimates for 2023 and 2024 downwards, as we expect a clear decline in EPS in 2023 and no longer believe that Fiskars will increase its dividend at that time. However, the payout ratio and dividend yield remain relatively high.

Estimate revisions MEUR / EUR	2022e		Change %	2023e		Change %	2024e		Change %
	Old	New		Old	New		Old	New	
Revenue	1293	1248	-3%	1242	1204	-3%	1296	1278	-1%
EBIT (exc. NRIs)	150	151	1%	133	130	-2%	156	156	0%
EBIT	143	144	1%	133	130	-2%	156	156	0%
EPS (excl. NRIs)	1.49	1.48	0%	1.17	1.13	-3%	1.42	1.41	-1%
DPS	0.76	0.76	0%	0.82	0.76	-7%	0.92	0.82	-11%

Source: Inderes

Earnings growth share main driver

Valuation for this year is neutral-ish

We see Fiskars' earnings-based valuation for the current year (EV/EBIT: 11x and adjusted P/E: 15x) as neutral or even slightly high in the current market environment. Therefore, we believe that continued earnings growth from 2024 onwards together with dividend yield will be the main drivers of the stock's return and will keep the expected return above 10% for the next few years.

Fiskars is valued slightly below its peers

Fiskars' earnings-based valuation is significantly below its international peer group in our 2022 estimates, but the gap narrows to almost zero in our 2023 estimates. Fiskars' peer group limits the upside of the share to some extent because we believe that a premium pricing would require more evidence of improved performance and the company's ability to produce 'intact' earnings in the future without launching new transformation and restructuring programs with significant non-recurring costs, which have marked the last ten years.

Share price is attractive if the company meets its targets

We believe that there is still upside potential in the valuation multiples if Fiskars can achieve higher growth than in previous (pre-COVID) years. Increasing net sales has historically been challenging, which is why the company has not been allowed particularly high valuation multiples. The new financial targets are set at a very ambitious level. We believe the company has been able to generate structural growth on top of the exceptional demand generated by the COVID period. We expect sustainable growth to resume in 2024.

If we assume that Fiskars would be able to meet its financial targets of growing sales by around 5% per year until 2025 and increase its EBIT margin to the targeted 15%, this would mean net sales of EUR ~1.5 billion, an EBIT of EUR ~225 million and EPS of EUR ~2.2. If the company would then be priced at 12x P/E, the calculated value of the share would be EUR 26 in 2025. If Fiskars can meet its own financial targets, we believe that the share price is currently cheap as if targets are met, the expected return considering the dividend would be around 25% p.a.

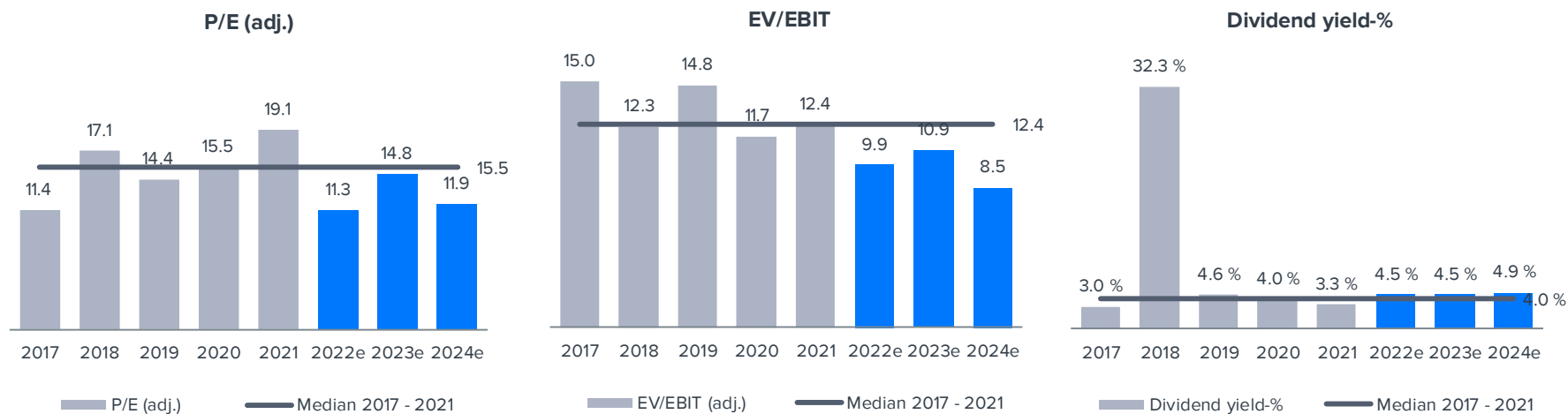
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Market cap	1354	1354	1354
EV	1503	1410	1336
P/E (adj.)	11.3	14.8	11.9
P/E	12.1	14.8	11.9
P/FCF	neg.	8.3	9.5
P/B	1.6	1.5	1.4
P/S	1.1	1.1	1.1
EV/Sales	1.2	1.2	1.0
EV/EBITDA	7.4	7.6	6.2
EV/EBIT (adj.)	9.9	10.9	8.5
Payout ratio (%)	54.6 %	67.0 %	58.3 %
Dividend yield-%	4.5 %	4.5 %	4.9 %

Source: Inderes

Valuation table

Valuation	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Share price	24.0	19.0	12.2	15.0	23.0	16.8	16.8	16.8	16.8
Number of shares, millions	81.7	81.6	81.5	81.5	81.5	80.6	80.6	80.6	80.6
Market cap	1958	1550	996	1220	1874	1354	1354	1354	1354
EV	1559	1236	1152	1276	1916	1503	1410	1336	1272
P/E (adj.)	11.4	17.1	14.4	15.5	19.1	11.3	14.8	11.9	11.2
P/E	11.8	19.0	19.3	18.0	21.6	12.1	14.8	11.9	11.2
P/FCF	12.9	24.4	28.5	6.9	24.5	neg.	8.3	9.5	10.0
P/B	1.5	1.3	1.3	1.6	2.3	1.6	1.5	1.4	1.4
P/S	1.7	1.4	0.9	1.1	1.5	1.1	1.1	1.1	1.0
EV/Sales	1.3	1.1	1.1	1.1	1.5	1.2	1.2	1.0	1.0
EV/EBITDA	11.4	9.1	9.6	7.4	9.4	7.4	7.6	6.2	5.5
EV/EBIT (adj.)	15.0	12.3	14.8	11.7	12.4	9.9	10.9	8.5	7.5
Payout ratio (%)	35.4 %	613.3 %	88.4 %	72.2 %	71.4 %	54.6 %	67.0 %	58.3 %	60.1 %
Dividend yield-%	3.0 %	32.3 %	4.6 %	4.0 %	3.3 %	4.5 %	4.5 %	4.9 %	5.4 %

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	2022e	2023e	2022e	2023e	2022e	2023e	2022e	2023e	2022e	2023e	2022e
Duni AB	376	526	15.2	11.8	8.6	7.6	0.8	0.8	12.7	10.1	5.6	5.9	1.6
Harvia Oyj	377	419	11.9	12.8	10.1	10.6	2.4	2.5	13.4	16.2	3.0	3.1	3.5
Leifheit AG	150	121	40.2	8.9	11.5	5.9	0.5	0.5	69.6	15.2	2.2	4.3	1.4
Marimekko Oyj	378	370	12.3	11.4	9.3	8.5	2.2	2.0	15.8	15.5	4.5	5.2	5.3
Nokian Tyres plc	1507	1628	6.2	11.4	4.7	5.9	0.9	1.1	7.9	15.5			1.0
Orthex Oyj	88	113	18.3	10.9	11.3	7.6	1.3	1.2	25.0	13.2	2.4	3.6	2.4
Rapala VMC Oyj	182	268	16.8	12.2	10.4	7.8	1.0	0.9	18.5	14.3	2.1	4.3	1.2
Stanley Black & Decker Inc	12146	19078	16.7	15.9	12.6	12.0	1.2	1.3	20.4	19.9	3.6	3.7	1.5
Villeroy & Boch AG	528	411	4.2	4.5	3.0	3.1	0.4	0.4	7.6	8.2	6.2	5.7	1.4
Fiskars (Inderes)	1354	1503	9.9	10.9	7.4	7.6	1.2	1.2	11.3	14.8	4.5	4.5	1.6
Average			15.7	11.1	9.1	7.7	1.2	1.2	21.2	14.2	3.7	4.5	2.1
Median			15.2	11.4	10.1	7.6	1.0	1.1	15.8	15.2	3.3	4.3	1.5
Diff-% to median			-35%	-5%	-27%	0%	25%	5%	-28%	-3%	38%	6%	5%

Source: Refinitiv / Inderes. NB: The market cap Inderes uses does not consider own shares held by the company.

Income statement

Income statement	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22	Q4'22e	2022e	2023e	2024e	2025e
Revenue	1116	302	307	292	353	1254	333	319	293	304	1248.0	1204	1278	1317
Vita	457	108	116	134	187	545	121	127	140	155	543.0	536	581	604
Terra	494	157	149	111	118	535	173	139	108	100	521.1	490	509	522
Crea	162	35.9	42.2	45.6	46.9	171	38.1	52.0	43.1	46.9	180.0	175	184	188
Other	3.8	0.9	0.8	0.9	1.2	3.8	0.7	0.9	1.1	1.2	3.8	3.8	3.8	3.8
EBITDA	173	61.1	53.2	50.5	39.4	204	56.5	54.4	48.0	44.9	203.8	185	217	232
Depreciation	-75.3	-15.2	-14.7	-15.8	-15.6	-61.3	-15.1	-14.9	-14.8	-15.0	-59.8	-55.5	-60.6	-62.7
EBIT (excl. NRI)	109	46.6	41.4	34.1	32.3	154	51.8	36.3	33.2	29.9	151	130	156	169
EBIT	98.1	45.9	38.5	34.7	23.8	143	41.4	39.5	33.2	29.9	144	130	156	169
Vita	11.9	10.1	9.9	25.2	24.2	69.4	10.7	14.1	24.6	27.2	76.6	71.2	84.2	90.6
Terra	60.8	31.2	17.3	6.3	-3.9	50.9	35.5	9.9	5.2	0.0	50.6	42.4	53.5	60.0
Crea	38.5	8.1	11.2	11.4	5.6	36.3	8.1	11.6	10.0	7.0	36.7	35.3	38.6	39.4
Other	-13.1	-3.5	0.1	-8.2	-2.2	-13.8	-2.4	-6.6	-6.6	-4.3	-19.9	-19.0	-20.0	-21.0
Net financial items	-8.9	-4.3	1.4	2.8	0.1	0.0	0.7	-0.8	-1.7	-2.0	-3.8	-10.0	-7.9	-6.9
PTP	89.9	41.9	40.4	37.9	24.1	144	42.6	39.3	31.5	27.9	141.3	120	148	162
Taxes	-21.3	-33.7	-9.0	-8.0	-5.8	-56.5	-11.2	-5.8	-4.9	-6.4	-28.3	-27.6	-34.1	-40.5
Minority interest	-0.8	-0.2	-0.2	-0.2	-0.4	-1.0	-0.2	-0.1	-0.4	-0.2	-0.9	-0.9	-0.9	-0.9
Net earnings	67.7	7.9	31.2	29.7	17.9	86.7	31.2	33.4	26.2	21.3	112.1	91.4	113	121
EPS (adj.)	0.97	0.11	0.42	0.36	0.32	1.21	0.52	0.38	0.33	0.26	1.48	1.13	1.41	1.50
EPS (rep.)	0.83	0.10	0.38	0.36	0.22	1.06	0.39	0.41	0.33	0.26	1.39	1.13	1.41	1.50

Key figures	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22	Q4'22e	2022e	2023e	2024e	2025e
Revenue growth-%	2.4 %	17.9 %	9.7 %	9.4 %	12.7 %	12.4 %	10.1 %	3.9 %	0.3 %	-14.0 %	-0.5 %	-3.5 %	6.1 %	3.1 %
Adjusted EBIT growth-%	40.5 %	202.6 %	88.1 %	-4.6 %	-10.3 %	41.5 %	11.1 %	-12.3 %	-2.7 %	-7.2 %	-2.1 %	-14.1 %	20.4 %	8.1 %
EBITDA-%	15.5 %	20.2 %	17.3 %	17.3 %	11.1 %	16.3 %	17.0 %	17.0 %	16.4 %	14.8 %	16.3 %	15.4 %	17.0 %	17.6 %
Adjusted EBIT-%	9.8 %	15.4 %	13.5 %	11.7 %	9.1 %	12.3 %	15.6 %	11.4 %	11.3 %	9.9 %	12.1 %	10.8 %	12.2 %	12.8 %
Net earnings-%	6.1 %	2.6 %	10.2 %	10.2 %	5.1 %	6.9 %	9.4 %	10.5 %	9.0 %	7.0 %	9.0 %	7.6 %	8.9 %	9.2 %

Source: Inderes

Balance sheet

Assets	2020	2021	2022e	2023e	2024e
Non-current assets	829	898	905	924	929
Goodwill	214	219	219	219	219
Intangible assets	268	270	272	273	269
Tangible assets	149	145	150	168	176
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	80.6	91.6	91.6	91.6	91.6
Other non-current assets	90.2	145	145	145	145
Deferred tax assets	27.4	27.5	27.5	27.5	27.5
Current assets	513	537	677	605	603
Inventories	207	273	362	301	281
Other current assets	29.2	2.6	2.6	2.6	2.6
Receivables	214	230	237	229	243
Cash and equivalents	62.5	31.5	74.9	72.3	76.7
Balance sheet total	1342	1435	1581	1529	1532

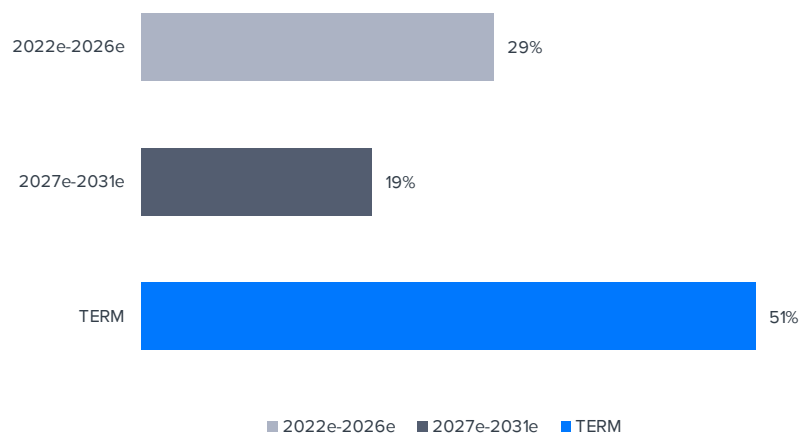
Source: Inderes

Liabilities & equity	2020	2021	2022e	2023e	2024e
Equity	762	816	866	897	949
Share capital	77.5	77.5	77.5	77.5	77.5
Retained earnings	680	735	785	815	867
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	0.0	0.0	0.0	0.0	0.0
Minorities	3.8	4.2	4.2	4.2	4.2
Non-current liabilities	175	144	165	156	149
Deferred tax liabilities	31.2	32.1	32.1	32.1	32.1
Provisions	3.6	3.4	3.4	3.4	3.4
Long term debt	51.2	0.7	21.9	12.3	5.4
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	89.4	108	108	108	108
Current liabilities	405	475	550	477	434
Short term debt	61.2	64.4	197	111	48.8
Payables	310	370	312	325	345
Other current liabilities	33.9	40.5	40.5	40.5	40.5
Balance sheet total	1342	1435	1581	1529	1532

DCF calculation

DCF model	2021	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	TERM
Revenue growth-%	12.4 %	-0.5 %	-3.5 %	6.1%	3.1%	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	11.4 %	11.5 %	10.8 %	12.2 %	12.8 %	12.0 %	11.0 %	10.0 %	9.5 %	9.5 %	9.5 %	9.5 %
EBIT (operating profit)	143	144	130	156	169	162	151	140	136	139	142	
+ Depreciation	61.3	59.8	55.5	60.6	62.7	59.4	60.4	61.2	62.0	62.8	64.1	
- Paid taxes	-55.7	-28.3	-27.6	-34.1	-40.5	-40.5	-37.9	-35.2	-34.1	-34.8	-35.5	
- Tax, financial expenses	0.0	-0.8	-2.3	-1.8	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	
- Change in working capital	12.0	-154.5	82.3	25.9	-5.5	-4.6	-3.8	-3.9	-3.9	-4.0	-4.1	
Operating cash flow	160	20.2	238	207	184	176	170	163	160	163	166	
+ Change in other long-term liabilities	18.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-130.4	-66.1	-75.0	-65.0	-48.1	-60.2	-60.6	-61.6	-62.7	-51.0	-72.5	
Free operating cash flow	48.2	-45.9	163	142	136	116	110	101	97.5	112	93.7	
+/- Other	28.3	43.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	76.5	-2.0	163	142	136	116	110	101	97.5	112	93.7	1607
Discounted FCFF		-2.0	151	122	108	85.8	75.0	64.1	57.3	60.9	47.2	810
Sum of FCFF present value		1581	1583	1431	1309	1201	1115	1040	976	919	858	810
Enterprise value DCF		1581										
- Interesting bearing debt		-65.1										
+ Cash and cash equivalents		31.5										
-Minorities		-6.6										
-Dividend/capital return		-61.9										
Equity value DCF		1480										
Equity value DCF per share		18.4										

Cash flow distribution



Wacc

Tax-% (WACC)	23.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	4.0 %
Equity Beta	1.05
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	8.5 %
Weighted average cost of capital (WACC)	7.9 %

Source: Inderes

Summary

Income statement	2019	2020	2021	2022e	2023e	Per share data	2019	2020	2021	2022e	2023e
Revenue	1090.4	1116.2	1254.3	1248.0	1204.3	EPS (reported)	0.63	0.83	1.06	1.39	1.13
EBITDA	119.5	173.4	204.2	203.8	185.4	EPS (adj.)	0.85	0.97	1.21	1.48	1.13
EBIT	60.0	98.1	142.9	144.0	129.9	OCF / share	1.53	2.57	1.97	0.25	2.95
PTP	63.2	89.9	144.2	141.3	119.9	FCF / share	0.43	2.19	0.94	-0.02	2.02
Net Income	51.6	67.7	86.7	112.1	91.4	Book value / share	9.33	9.30	9.97	10.70	11.07
Extraordinary items	-17.7	-11.0	-11.5	-7.2	0.0	Dividend / share	0.56	0.60	0.76	0.76	0.76
Balance sheet	2019	2020	2021	2022e	2023e	Growth and profitability	2019	2020	2021	2022e	2023e
Balance sheet total	1364.3	1342.0	1435.4	1581.2	1528.9	Revenue growth-%	-3%	2%	12%	-1%	-3%
Equity capital	764.5	761.7	816.3	866.4	896.6	EBITDA growth-%	-12%	45%	18%	0%	-9%
Goodwill	219.6	213.7	219.1	219.1	219.1	EBIT (adj.) growth-%	-23%	40%	41%	-2%	-14%
Net debt	150.7	49.9	33.6	144.2	51.2	EPS (adj.) growth-%	-24%	14%	25%	23%	-23%
Cash flow	2019	2020	2021	2022e	2023e	EBITDA-%	11.0 %	15.5 %	16.3 %	16.3 %	15.4 %
EBITDA	119.5	173.4	204.2	203.8	185.4	EBIT (adj.)-%	7.1 %	9.8 %	12.3 %	12.1 %	10.8 %
Change in working capital	24.2	60.7	12.0	-154.5	82.3	EBIT-%	5.5 %	8.8 %	11.4 %	11.5 %	10.8 %
Operating cash flow	124.7	209.6	160.5	20.2	237.8	ROE-%	5.2 %	8.9 %	11.0 %	13.4 %	10.4 %
CAPEX	-183.1	-14.3	-130.4	-66.1	-75.0	ROI-%	5.2 %	11.0 %	16.4 %	14.8 %	12.3 %
Free cash flow	34.9	178.2	76.5	-2.0	162.8	Equity ratio	56.0 %	56.8 %	56.9 %	54.8 %	58.6 %
						Gearing	19.7 %	6.6 %	4.1 %	16.6 %	5.7 %
Valuation multiples	2019	2020	2021	2022e	2023e						
EV/S	1.1	1.1	1.5	1.2	1.2						
EV/EBITDA (adj.)	9.6	7.4	9.4	7.4	7.6						
EV/EBIT (adj.)	14.8	11.7	12.4	9.9	10.9						
P/E (adj.)	14.4	15.5	19.1	11.3	14.8						
P/E	1.3	1.6	2.3	1.6	1.5						
Dividend-%	4.6 %	4.0 %	3.3 %	4.5 %	4.5 %						

Source: Inderes

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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 price	Share price
3/19/2020	Accumulate	9.00 €	7.91 €
5/7/2020	Reduce	10.00 €	10.38 €
7/31/2020	Reduce	11.50 €	12.00 €
10/14/2020	Accumulate	13.00 €	12.14 €
11/2/2020	Accumulate	14.00 €	12.88 €
1/7/2021	Accumulate	16.00 €	15.26 €
2/8/2021	Reduce	15.00 €	15.60 €
4/20/2021	Accumulate	18.00 €	16.80 €
4/29/2021	Accumulate	19.00 €	17.58 €
7/29/2021	Accumulate	22.00 €	20.20 €
11/1/2021	Accumulate	23.00 €	21.25 €
11/10/2021	Accumulate	24.00 €	21.10 €
12/28/2021	Accumulate	24.00 €	22.75 €
<i>Change of analyst</i>			
2/5/2022	Accumulate	24.00 €	22.05 €
5/2/2022	Accumulate	24.00 €	21.90 €
7/19/2022	Accumulate	20.00 €	18.40 €
<i>Change of analyst</i>			
7/29/2022	Accumulate	20.00 €	18.60 €
9/26/2022	Accumulate	18.00 €	15.20 €
10/31/2022	Accumulate	18.00 €	15.22 €
12/23/2022	Accumulate	17.00 €	15.22 €
1/16/2023	Accumulate	17.50 €	16.80 €



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Itämerentori 2

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