

## Another record EBIT

Aspo's Q2 results were broadly higher than expected as all three segments reached record-high quarterly profitability levels. ESL's H2 looks to remain strong, while Telko needs to manage with decreasing top line due to the exit from Russia.

- Aspo Q2 revenue for continuing operations increased by 16% y/y to EUR 161.4m, compared to the EUR 142.0m/148.3m Evli/consensus estimates.
- Q2 adjusted EBIT was EUR 16.0m vs the EUR 9.3m/9.5m Evli/consensus estimates.
- ESL Q2 revenue amounted to EUR 60.3m vs our EUR 50.2m estimate, while adjusted EBIT landed at EUR 9.2m vs our EUR 6.3m estimate. All vessel categories' profitability remained strong during the quarter. Demand looks to stay high at least over the course of H2.
- Telko's top line was EUR 71.8m, compared to our EUR 68.5m estimate, whereas adjusted EBIT amounted to EUR 7.2m vs our EUR 4.2m estimate. Price levels remained high, and volumes grew especially in Western markets. Western sales are expected to stay at a relatively stable level, but significantly decreasing sales in Russia will drag revenue lower during H2. The overall outlook on prices seems to be somewhat stable.
- Leipurin Q2 revenue was EUR 29.3m vs our EUR 23.3m estimate. Adjusted EBIT came in at EUR 0.9m, compared to our EUR 0.3m estimate.
- Other operations cost EUR 1.4m, compared to our EUR 1.5m estimate.
- Aspo's guidance remains unchanged as the company expects comparable operating profit to improve from previous year (EUR 42.4m).

Rating		BUY	
Q2'22	Actual	Evli	Year ago
Revenue	161.4	142.0	145.8
Adj. EBIT	16.0	9.3	9.6
EBIT-%	9.7 %	6.5 %	6.7 %
PTP	11.7	8.5	8.6
EPS	0.31	0.23	0.24
Share price, EUR (Last trading day's closing price)	8.00		
Target price, EUR	8.5		
Latest change in recommendation	05-May-22		
Latest report on company	16-Jun-22		
Research paid by issuer:	YES		
No. of shares outstanding, '000's	31,420		
No. of shares fully diluted, '000's	31,420		
Market cap, EURm	251		
Free float, %	-		
Exchange rate EUR/RUB	-		
Reuters code	ASPO.HE		
Bloomberg code	ASPO FH		
Average daily volume, EURm	0.1		
Next interim report	10-Aug-22		
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BUY HOLD SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2020	500.7	16.7	3.3%	47.5	0.34	24.4	0.8	25.2	18.0	0.35
2021	573.3	36.9	6.4%	9.3	0.90	12.6	0.9	13.8	2.6	0.23
2022E	566.8	39.8	7.0%	52.3	0.98	8.2	0.6	9.0	20.8	0.45
2023E	550.5	39.0	7.1%	53.5	1.01	7.9	0.6	8.2	21.3	0.50
2024E	567.2	44.1	7.8%	55.8	1.16	6.9	0.5	6.4	22.2	0.70
Market cap, EURm	251		BV per share 2022E, EUR		70.6		CAGR EPS 2021-24, %		8.6	
Net debt 2022E, EURm	108		Price/book 2022E		1.6		CAGR sales 2021-24, %		-0.4	
Enterprise value, EURm	359		Dividend yield 2022E, %		5.6		ROE 2022E, %		21.7	
Total assets 2022E, EURm	395		Tax rate 2022E, %		11.3		ROCE 2022E, %		13.5	
Goodwill 2022E, EURm	40		Equity ratio 2022E, %		38.7		PEG, P/E 22/CAGR		0.5	

All the important disclosures can be found on the last pages of this report.

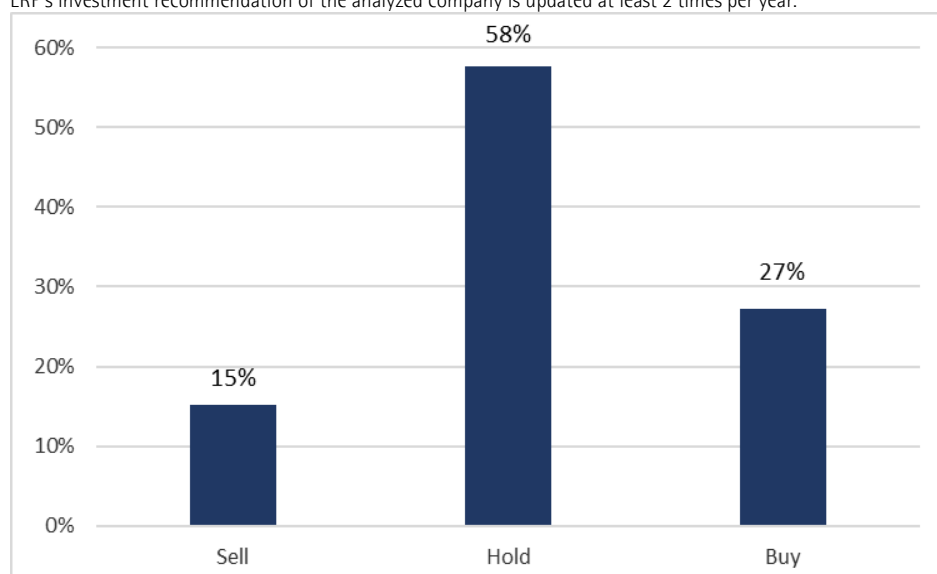
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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