

Eyes on demand development

Consti will report Q1 results on April 30th. Our attention is drawn towards any comments on demand development. Following share price increase we downgrade to HOLD (BUY), target price of EUR 13.0 intact.

Looking for signs of growth

Consti will report Q1 results on April 30th. Consti posted stable profitability figures throughout 2020 after challenges in previous years and with the pandemic focus has shifted towards order intake and growth. The order backlog development has been on a slightly declining throughout 2020, while order intake development was essentially flat. With the housing company General Meeting season kicking off any comments thereto could give some indication of demand development within housing companies. In terms of top and bottom line figures Q1 is typically the seasonally slowest quarter and we expect sales of EUR 60.2m and EBIT of EUR 0.5m.

Expect slight growth and profitability improvement in 2021

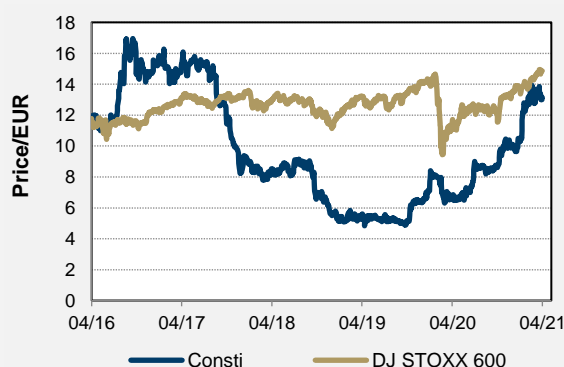
Consti has not given a sales guidance for 2021 while the guidance for EBIT is at EUR 7-11, a wider range due to still present COVID-19 uncertainties. Consti indicated in conjunction with Q4 that the activity level going forward is expected to be higher compared with the same period a year ago despite no clear growth in the order backlog. Our estimates assume only a rather minor growth of 2.3%, quite in line with historic pre-COVID market growth. Focus has in the past been on organizational improvements and profitability, but we expect Consti to increasingly adding attention towards sales growth. In terms of profitability we expect a slight improvement in EBIT-margins, 20bps y/y, to 3.2%.

HOLD (BUY) with a target price of EUR 13.0

Consti's valuation is currently rather in line with peers although still lower compared to building installations and services peers. Consti is a solid case in terms of cash conversion but on current growth outlook valuation appears quite fair. We have not made changes to our estimates and retain our target price of EUR 13.0. With Consti's share price up slightly over 10% since our previous update we downgrade to HOLD (BUY).

Rating

■ HOLD



Share price, EUR (Last trading day's closing price) 13.15
Target price, EUR 13.0

Latest change in recommendation 28-Apr-21
Latest report on company 08-Feb-21
Research paid by issuer: YES
No. of shares outstanding, '000's 7,858
No. of shares fully diluted, '000's 7,858
Market cap, EURm 103
Free float, % 62.0
Exchange rate EUR 1.000
Reuters code CONSTI.HE
Bloomberg code CONSTI FH
Average daily volume, EURm 0.1
Next interim report 30-Apr-21
Web site investor.consti.fi

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■ BUY ■ HOLD ■ SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2019	314.8	4.6	1.5%	0.1	0.32	20.3	0.2	15.6	0.2	0.16
2020	274.6	8.2	3.0%	15.1	0.71	14.2	0.3	10.6	19.2	0.40
2021E	281.0	9.1	3.2%	6.5	0.80	16.4	0.4	11.9	6.3	0.41
2022E	289.5	10.0	3.5%	7.6	0.94	14.0	0.4	10.4	7.4	0.47
2023E	297.8	11.0	3.7%	8.5	1.06	12.5	0.3	9.0	8.3	0.53
Market cap, EURm	103		Gearing 2021E, %	13.6		CAGR EPS 2020-23, %		14.1		
Net debt 2021E, EURm	5		Price/book 2021E	3.1		CAGR sales 2020-23, %		2.7		
Enterprise value, EURm	108		Dividend yield 2021E, %	3.1		ROE 2021E, %		19.8		
Total assets 2021E, EURm	127		Tax rate 2021E, %	20.0		ROCE 2021E, %		15.1		
Goodwill 2021E, EURm	49		Equity ratio 2021E, %	26.5		PEG, P/E 21/CAGR		1.2		

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

Construction companies	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		21	22	23	21	22	23	21	22	23
YIT	997	9.9x	8.5x	7.9x	13.2x	10.9x	10.0x	12.7x	9.9x	8.7x
SRV Yhtiot	202	14.3x	10.7x	9.2x	20.2x	13.5x	11.1x	185.3x	16.1x	8.9x
Lehto Group	168	6.1x	4.3x	4.5x	8.9x	5.5x	5.7x	15.2x	8.9x	9.6x
Skanska	9339	9.5x	8.8x	7.2x	12.1x	11.1x	10.5x	16.7x	15.2x	14.2x
NCC	1686	6.2x	5.8x	5.3x	11.3x	10.3x	9.0x	12.8x	11.7x	10.3x
Peab	3549	11.7x	10.8x	10.1x	16.8x	15.2x	13.8x	16.4x	14.9x	13.7x
JM	2222	13.6x	12.4x	11.6x	13.5x	12.3x	11.3x	14.9x	13.5x	12.4x
Veidekke	1690	6.8x	6.5x	5.9x	12.0x	11.1x	9.5x	18.0x	16.7x	14.8x
Peer Group Average	2157	9.8x	8.5x	7.7x	13.5x	11.2x	10.1x	36.5x	13.4x	11.6x
Peer Group Median	1688	9.7x	8.7x	7.6x	12.7x	11.1x	10.2x	15.8x	14.2x	11.3x
Consti (Evli est.)	103	8.9x	7.9x	6.9x	11.9x	10.4x	9.0x	16.4x	14.0x	12.5x

Consti prem./disc. to peer median -8% -9% -8% -6% -7% -12% 4% -1% 10%

Source FactSet, Evli Research

Building installations and services companies	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		21	22	23	21	22	23	21	22	23
Caverion	773	6.9x	6.3x	5.6x	15.2x	11.7x	9.9x	19.9x	14.4x	11.8x
Bravida Holding	2460	14.0x	13.0x	12.4x	18.2x	16.8x	15.9x	22.9x	21.0x	20.0x
MITIE Group	1014	2.8x	2.3x		4.5x	3.3x		13.9x	10.1x	
ISS A/S	2962	12.0x	8.7x	7.7x	26.1x	14.8x	12.5x	35.7x	15.1x	12.1x
Bilfinger	1264	4.3x	3.5x	3.2x	9.2x	6.1x	4.5x	23.7x	14.7x	10.2x
Instalco	1866	22.4x	20.9x	19.7x	26.4x	24.3x	22.8x	33.7x	30.8x	28.8x
Peer Group Average	2157	10.4x	9.1x	9.7x	16.6x	12.9x	13.1x	25.0x	17.7x	16.6x
Peer Group Median	1688	9.5x	7.5x	7.7x	16.7x	13.3x	12.5x	23.3x	14.9x	12.1x
Consti (Evli est.)	103	8.9x	7.9x	6.9x	11.9x	10.4x	9.0x	16.4x	14.0x	12.5x

Consti prem./disc. to peer median -6% 5% -10% -29% -22% -28% -30% -6% 3%

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	13.15 PV of Free Cash Flow	78 Long-term growth, %	1.2 Risk-free interest rate, %	2.25
DCF share value	19.22 PV of Horizon value	81 WACC, %	8.6 Market risk premium, %	5.8
Share price potential, %	46.1 Unconsolidated equity	0 Spread, %	0.5 Debt risk premium, %	3.3
Maximum value	20.7 Marketable securities	24 Minimum WACC, %	8.1 Equity beta coefficient	1.15
Minimum value	17.9 Debt - dividend	-32 Maximum WACC, %	9.1 Target debt ratio, %	30
Horizon value, %	50.9 Value of stock	151 Nr of shares, Mn	7.9 Effective tax rate, %	20

DCF valuation, EURm	2020	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Horizon
Net sales	275	281	289	298	302	307	311	316	321	326	329	333
<i>Sales growth, %</i>	-12.8	2.3	3.0	2.9	1.5	1.5	1.5	1.5	1.5	1.5	1.2	1.2
Operating income (EBIT)	8	9	10	11	12	12	12	13	13	13	13	13
<i>Operating income margin, %</i>	3.0	3.2	3.5	3.7	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
+ Depreciation+amort.	3	3	3	3	3	3	3	3	3	4	4	
EBITDA	11	12	13	14	15	16	16	16	16	17	17	
- Paid taxes	-1	-2	-2	-2	-2	-2	-2	-3	-3	-3	-3	
- Change in NWC	8	0	0	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	-4.9	
+ Change in other liabs	0	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	
<i>opCAPEX / Sales, %</i>	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	0	0	0	0	0	0	0	0	0	0	0	
= FCFF	17	9	10	11	12	12	12	13	13	13	13	179
= Discounted FCFF		9	9	9	9	8	8	7	7	6	6	81
= DFCF min WACC		9	9	9	9	8	8	7	7	7	6	91
= DFCF max WACC		9	9	9	9	8	8	7	7	6	6	72

INTERIM FIGURES

EVLI ESTIMATES, EURm	2020Q1	2020Q2	2020Q3	2020Q4	2020	2021Q1E	2021Q2E	2021Q3E	2021Q4E	2021E	2022E	2023E
Net sales	59.0	69.3	68.2	78.1	274.6	60.2	70.7	69.2	80.9	281.0	289.5	297.8
EBITDA	1.3	3.2	3.2	3.7	11.4	1.3	3.4	3.5	4.1	12.1	13.1	14.2
<i>EBITDA margin (%)</i>	<i>2.2</i>	<i>4.6</i>	<i>4.8</i>	<i>4.8</i>	<i>4.2</i>	<i>2.1</i>	<i>4.8</i>	<i>5.0</i>	<i>5.0</i>	<i>4.3</i>	<i>4.5</i>	<i>4.8</i>
EBIT	0.5	2.4	2.5	3.0	8.2	0.5	2.6	2.7	3.3	9.1	10.0	11.0
<i>EBIT margin (%)</i>	<i>0.8</i>	<i>3.4</i>	<i>3.6</i>	<i>3.8</i>	<i>3.0</i>	<i>0.8</i>	<i>3.7</i>	<i>3.9</i>	<i>4.1</i>	<i>3.2</i>	<i>3.5</i>	<i>3.7</i>
Net financial items	-0.3	-0.2	-0.2	-0.2	-1.0	-0.2	-0.2	-0.2	-0.2	-1.0	-0.8	-0.6
Pre-tax profit	0.2	2.1	2.2	2.7	7.2	0.3	2.4	2.5	3.1	8.1	9.2	10.4
Tax	0.0	-0.4	-0.5	-0.6	-1.6	-0.1	-0.5	-0.5	-0.6	-1.6	-1.8	-2.1
<i>Tax rate (%)</i>	<i>16.9</i>	<i>19.6</i>	<i>24.0</i>	<i>21.4</i>	<i>21.6</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>
Net profit	0.1	1.7	1.7	2.0	5.6	0.2	1.8	1.9	2.4	6.3	7.4	8.3
EPS	0.02	0.22	0.22	0.26	0.71	0.02	0.23	0.24	0.31	0.80	0.94	1.06
EPS adjusted (diluted no. of shares)	0.02	0.22	0.22	0.26	0.71	0.02	0.23	0.24	0.31	0.80	0.94	1.06
Dividend per share	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.41	0.47	0.53
SALES, EURm												
Housing Companies	16.5	24.8	23.8	21.1	86.1	18.0	23.8	23.0	25.0	89.8	93.4	97.1
Corporations	20.8	21.6	21.5	26.6	90.6	19.5	21.5	20.5	24.5	86.0	87.7	89.0
Public Sector	9.4	10.3	9.8	12.0	41.4	9.6	10.9	11.9	13.8	46.2	47.6	49.0
Building Technology	15.5	16.5	15.9	21.5	69.4	16.1	17.8	17.2	21.0	72.2	74.3	76.5
Elimination	-3.0	-3.9	-2.8	-3.2	-12.9	-3.1	-3.3	-3.4	-3.4	-13.2	-13.5	-14.0
Total	59.0	69.3	68.2	78.1	274.6	60.2	70.7	69.2	80.9	281.0	289.5	297.8
SALES GROWTH, Y/Y %												
<i>Housing Companies</i>	<i>-41.9</i>	<i>-10.4</i>	<i>-21.7</i>	<i>-12.1</i>	<i>-22.0</i>	<i>9.4</i>	<i>-4.0</i>	<i>-3.2</i>	<i>18.3</i>	<i>4.2</i>	<i>4.0</i>	<i>4.0</i>
<i>Corporations</i>	<i>-24.8</i>	<i>-31.8</i>	<i>-22.9</i>	<i>-16.2</i>	<i>-23.9</i>	<i>-6.1</i>	<i>-0.6</i>	<i>-4.8</i>	<i>-8.0</i>	<i>-5.1</i>	<i>2.0</i>	<i>1.5</i>
<i>Public Sector</i>	<i>77.7</i>	<i>24.2</i>	<i>-7.2</i>	<i>22.7</i>	<i>22.3</i>	<i>2.6</i>	<i>5.7</i>	<i>21.6</i>	<i>15.1</i>	<i>11.5</i>	<i>3.0</i>	<i>3.0</i>
<i>Building Technology</i>	<i>-5.5</i>	<i>-12.3</i>	<i>-11.5</i>	<i>29.5</i>	<i>-0.5</i>	<i>4.3</i>	<i>8.4</i>	<i>7.9</i>	<i>-2.3</i>	<i>4.0</i>	<i>3.0</i>	<i>3.0</i>
<i>Elimination</i>	<i>-26.8</i>	<i>-25.6</i>	<i>-43.5</i>	<i>-19.5</i>	<i>-29.4</i>	<i>2.2</i>	<i>-14.7</i>	<i>19.7</i>	<i>7.4</i>	<i>2.2</i>	<i>3.0</i>	<i>3.0</i>
Total	-19.7	-14.7	-16.7	-0.2	-12.8	1.9	2.0	1.5	3.6	2.3	3.0	2.9
EBIT, EURm												
Group	0.5	2.4	2.5	3.0	8.2	0.5	2.6	2.7	3.3	9.1	10.0	11.0
Total	0.5	2.4	2.5	3.0	8.2	0.5	2.6	2.7	3.3	9.1	10.0	11.0
EBIT margin, %												
<i>Total</i>	<i>0.8</i>	<i>3.4</i>	<i>3.6</i>	<i>3.8</i>	<i>3.0</i>	<i>0.8</i>	<i>3.7</i>	<i>3.9</i>	<i>4.1</i>	<i>3.2</i>	<i>3.5</i>	<i>3.7</i>

INCOME STATEMENT, EURm	2016	2017	2018	2019	2020	2021E	2022E	2023E
Sales	261.5	300.2	315.8	314.8	274.6	281.0	289.5	297.8
<i>Sales growth (%)</i>	<i>2.1</i>	<i>14.8</i>	<i>5.2</i>	<i>-0.3</i>	<i>-12.8</i>	<i>2.3</i>	<i>3.0</i>	<i>2.9</i>
EBITDA	13.1	1.7	-0.5	8.1	11.4	12.1	13.1	14.2
<i>EBITDA margin (%)</i>	<i>5.0</i>	<i>0.6</i>	<i>-0.1</i>	<i>2.6</i>	<i>4.2</i>	<i>4.3</i>	<i>4.5</i>	<i>4.8</i>
Depreciation	-2.1	-2.1	-1.7	-3.5	-3.2	-3.0	-3.1	-3.2
EBITA	10.9	-0.4	-2.1	4.6	8.2	9.1	10.0	11.0
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	10.9	-0.4	-2.1	4.6	8.2	9.1	10.0	11.0
<i>EBIT margin (%)</i>	<i>4.2</i>	<i>-0.1</i>	<i>-0.7</i>	<i>1.5</i>	<i>3.0</i>	<i>3.2</i>	<i>3.5</i>	<i>3.7</i>
Reported EBIT	10.9	-0.4	-2.1	4.6	8.2	9.1	10.0	11.0
<i>EBIT margin (reported) (%)</i>	<i>4.2</i>	<i>-0.1</i>	<i>-0.7</i>	<i>1.5</i>	<i>3.0</i>	<i>3.2</i>	<i>3.5</i>	<i>3.7</i>
Net financials	-0.9	-0.8	-0.7	-1.2	-1.0	-1.0	-0.8	-0.6
Pre-tax profit	10.1	-1.2	-2.8	3.4	7.2	8.1	9.2	10.4
Taxes	-2.1	0.1	0.5	-0.7	-1.6	-1.6	-1.8	-2.1
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	8.0	-1.1	-2.3	2.5	5.6	6.3	7.4	8.3
Cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	6	5	4	4	3	3	3	3
Goodwill	44	49	49	49	49	49	49	49
Right of use assets	0	0	4	3	2	2	3	3
Inventory	1	1	1	1	1	1	1	1
Receivables	39	36	53	50	49	50	52	53
Liquid funds	9	10	3	10	24	21	22	22
Total assets	98	101	115	117	129	127	129	131
Liabilities								
Shareholder's equity	30	25	23	26	30	34	38	42
Minority interest	0	0	0	0	0	0	0	0
Convertibles	0	0	0	3	3	0	0	0
Lease liabilities	0	0	4	4	2	2	3	3
Deferred taxes	0	0	0	0	0	0	0	0
Interest bearing debt	21	22	23	25	27	23	19	15
Non-interest bearing current liabilities	46	52	62	56	63	65	67	69
Other interest-free debt	0	0	0	0	0	0	0	0
Total liabilities	98	101	115	117	129	127	129	131
CASH FLOW, EURm								
+ EBITDA	13	2	0	8	11	12	13	14
- Net financial items	-1	-1	-1	-1	-1	-1	-1	-1
- Taxes	-1	-1	0	0	-1	-2	-2	-2
- Increase in Net Working Capital	0	9	-5	-3	8	0	0	0
+/- Other	0	0	0	0	0	0	0	0
= Cash flow from operations	11	9	-7	4	18	10	11	12
- Capex	-2	-1	-1	-4	-3	-3	-3	-3
- Acquisitions	-1	-4	0	0	0	0	0	0
+ Divestments	0	1	1	0	0	0	0	0
= Free cash flow	8	4	-8	0	15	7	8	9
+/- New issues/buybacks	0	1	0	0	0	0	0	0
- Paid dividend	-3	-4	0	0	-1	-3	-3	-4
+/- Other	0	-1	1	6	0	-7	-4	-4
Change in cash	5	0	-6	7	14	-3	1	1

KEY FIGURES	2017	2018	2019	2020	2021E	2022E	2023E
M-cap	66	43	50	79	103	103	103
Net debt (excl. convertibles)	12	23	19	5	5	0	-5
Enterprise value	78	67	72	87	108	104	99
Sales	300	316	315	275	281	289	298
EBITDA	2	0	8	11	12	13	14
EBIT	0	-2	5	8	9	10	11
Pre-tax	-1	-3	3	7	8	9	10
Earnings	-1	-2	2	6	6	7	8
Equity book value (excl. minorities)	25	23	26	30	34	38	42
Valuation multiples							
EV/sales	0.3	0.2	0.2	0.3	0.4	0.4	0.3
EV/EBITDA	45.3	-143.6	8.9	7.6	8.9	7.9	6.9
EV/EBITA	-207.0	-31.3	15.6	10.6	11.9	10.4	9.0
EV/EBIT	-207.0	-31.3	15.6	10.6	11.9	10.4	9.0
EV/OCF	8.8	-9.9	19.7	4.9	11.2	9.5	8.3
EV/FCFF	14.9	-9.6	31.9	5.2	11.6	10.0	8.8
P/FCFE	14.6	-5.7	523.9	5.2	15.9	13.5	12.1
P/E	-61.0	-18.5	20.3	14.2	16.4	14.0	12.5
P/B	2.6	1.8	1.9	2.6	3.1	2.7	2.4
Target EV/EBITDA	0.0	0.0	0.0	0.0	8.8	7.8	6.9
Target EV/EBIT	0.0	0.0	0.0	0.0	11.7	10.2	8.9
Target EV/FCF	0.0	0.0	0.0	0.0	16.4	13.4	11.4
Target P/B	0.0	0.0	0.0	0.0	3.0	2.7	2.4
Target P/E	0.0	0.0	0.0	0.0	16.2	13.8	12.3
Per share measures							
Number of shares	7,621	7,858	7,858	7,858	7,858	7,858	7,858
Number of shares (diluted)	7,621	7,858	7,858	7,858	7,858	7,858	7,858
EPS	-0.14	-0.30	0.32	0.71	0.80	0.94	1.06
Operating cash flow per share	1.16	-0.85	0.47	2.27	1.23	1.39	1.52
Free cash flow per share	0.59	-0.96	0.01	1.93	0.83	0.97	1.09
Book value per share	3.32	2.98	3.33	3.87	4.27	4.80	5.38
Dividend per share	0.00	0.00	0.16	0.40	0.41	0.47	0.53
Dividend payout ratio, %	0.0	0.0	50.8	56.3	51.3	50.0	50.0
Dividend yield, %	0.0	0.0	2.5	3.0	3.1	3.6	4.0
FCF yield, %	6.8	-17.4	0.2	19.2	6.3	7.4	8.3
Efficiency measures							
ROE	-3.9	-9.6	10.0	19.7	19.8	20.7	20.7
ROCE	-0.6	-4.2	8.6	13.7	15.1	17.0	18.6
Financial ratios							
Inventories as % of sales	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Receivables as % of sales	12.1	16.8	15.8	17.9	17.9	17.9	17.9
Non-interest bearing liabilities as % of sales	17.3	19.5	17.8	23.1	23.1	23.1	23.1
NWC/sales, %	-5.0	-2.5	-1.7	-4.9	-4.9	-4.9	-4.9
Operative CAPEX/sales, %	0.5	0.4	1.3	1.0	1.1	1.1	1.1
CAPEX/sales (incl. acquisitions), %	-0.8	0.4	1.3	1.0	1.1	1.1	1.1
FCFF/EBITDA	3.0	15.0	0.3	1.5	0.8	0.8	0.8
Net debt/EBITDA, book-weighted	7.0	-50.5	2.3	0.4	0.4	0.0	-0.3
Debt/equity, market-weighted	0.3	0.5	0.5	0.3	0.2	0.2	0.1
Equity ratio, book-weighted	28.8	24.4	29.8	26.1	26.5	29.2	32.2
Gearing, %	47.7	100.0	64.4	14.1	13.6	0.5	-11.1

COMPANY DESCRIPTION: Consti is one of the leading renovation and technical service companies in Finland. Consti has a comprehensive service offering covering technical building services, residential pipeline renovation, renovation contracting, building facade repair and maintenance, and other renovation and technical services for residential and non-residential properties. Consti was established in 2008 to meet the growing need for repair and construction work.

INVESTMENT CASE: Consti should seek to regain healthier levels of profitability after a period of weaker profitability during the past few years driven by a number of weak margin projects. Reorganisations and more disciplined bidding procedures support the profitability outlook, although the latter has had an unfavourable impact on the order backlog. In the near-term the decline in order backlog along with an anticipated increase in competition following a slow-down in new construction volumes pose growth challenges. The long-term market outlook, however, remains favourable due to among other things a large aging building stock, and the renovation market is expected to see steady growth.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Lujatalo Oy	790,000	10.388	10.1%
Heikintorppa Oy	520,000	6.838	6.6%
Wipunen varainhallinta Oy	520,000	6.838	6.6%
Korkeela Esa Sakari	434,637	5.715	5.5%
Evli Finnish Small Cap Fund	419,870	5.521	5.3%
Kivi Risto Juhani	380,267	5.001	4.8%
Fennia Life Insurance Company Ltd	329,471	4.333	4.2%
Kalervo Markku	299,128	3.934	3.8%
Korkeela Antti Petteri	176,705	2.324	2.2%
Consti Yhtiöt Oyj	173,031	2.275	2.2%
Ten largest	4,043,109	53.167	51%
Residual	3,815,158	50.169	49%
Total	7,858,267	103.336	100%

EARNINGS CALENDAR	
April 30, 2021	Q1 report
July 23, 2021	Q2 report
October 27, 2021	Q3 report
OTHER EVENTS	
April 07, 2021	AGM

COMPANY MISCELLANEOUS	
CEO: Esa Korkeela	Hopeatie 2, 6. krs, 00440 Helsinki, Finland
CFO: Joni Sorsanen	Tel: +358 10 288 6000
IR: Ismo Heikkilä	

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

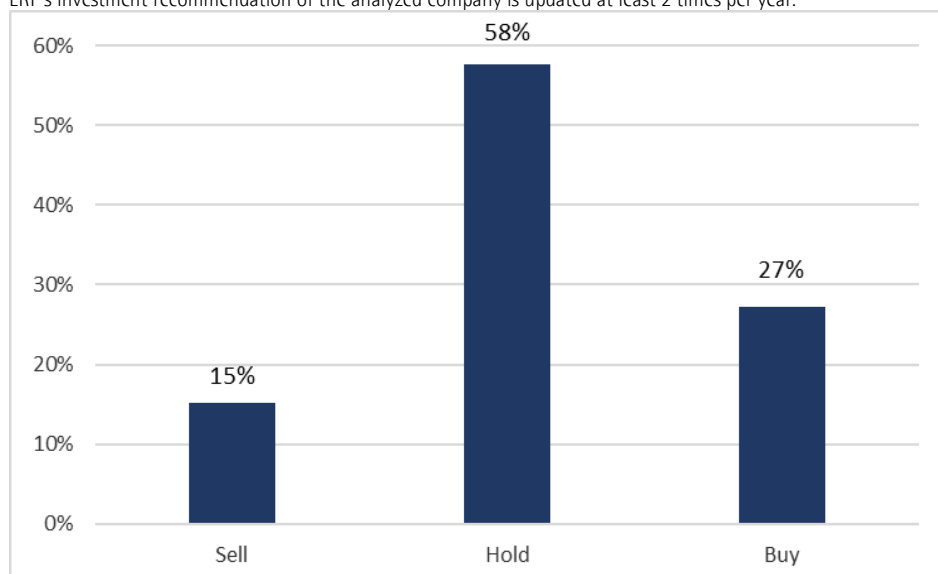
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Investment recommendations are defined as follows:

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

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Name(s) of the analyst(s): Salokivi

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