

Slightly softer than expected start

Consti's net sales in Q1 amounted to EUR 59.3m, in line with our and consensus estimates (EUR 60.2m/60.2m Evli/cons.). EBIT amounted to EUR 0.1m, below our and consensus estimates (EUR 0.5m/0.6m Evli/cons.). 2021 operating profit guidance of EUR 7-11m intact.

- Net sales in Q1 were EUR 59.3m (EUR 59.0m in Q1/20), in line with our and consensus estimates (EUR 60.2m/60.2m Evli/Cons.). Sales grew 0.4% y/y.
- Operating profit in Q1 amounted to EUR 0.1m (EUR 0.5m in Q1/20), below our and consensus estimates (EUR 0.5m/0.6m Evli/cons.), at a margin of 0.2%.
- EPS in Q1 amounted to EUR -0.02 (EUR 0.02 in Q1/20), below our and consensus estimates (EUR 0.02/0.03 Evli/cons.).
- The order backlog in Q1 was EUR 196.5m (EUR 202.2m in Q1/20), down by -2.8%. Order intake EUR 69.8m in Q1 (Q1/20: EUR 62.1m).
- Free cash flow amounted to EUR -2.9m (Q1/20: EUR 2.0m).
- **Guidance for 2021 (intact):** Operating profit is expected to be between EUR 7-11. The guidance range is large due to uncertainty factors brought by the COVID-19 pandemic.

Rating 🟡 HOLD

Q1/21	Actual	Evli	Consensus	Year ago	Q4/20
Net sales	59.3	60.2	60.2	59.0	78.1
EBIT	0.1	0.5	0.6	0.5	3.0
EPS	-0.02	0.02	0.03	0.02	0.26

Deviation	Actual	Evli	Consensus	Year ago	Q4/20
Net sales		-1%	-1%	0%	-24%
EBIT		-80%	-83%	-78%	-97%
EPS		-	-	-	-

Consensus by FactSet

 Share price, EUR (Last trading day's closing price) 13.60

 Target price, EUR 13.0

Latest change in recommendation	28-Apr-21
Latest report on company	28-Apr-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	107
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

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
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	16.9	0.4	12.2	6.1	0.41
2022E	289.5	10.0	3.5%	7.6	0.94	14.5	0.4	10.7	7.1	0.47
2023E	297.8	11.0	3.7%	8.5	1.06	12.9	0.3	9.3	8.0	0.53

Market cap, EURm	107	BV per share 2021E, EUR	13.6	CAGR EPS 2020-23, %	14.1
Net debt 2021E, EURm	5	Price/book 2021E	3.2	CAGR sales 2020-23, %	2.7
Enterprise value, EURm	111	Dividend yield 2021E, %	3.0	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.

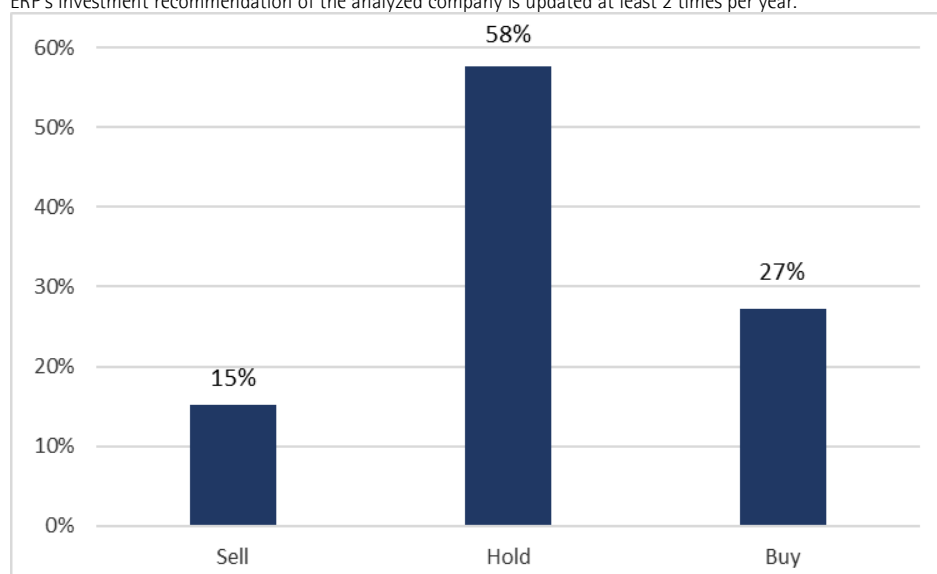
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Investment recommendations are defined as follows:

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

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The graph above shows the distribution of ERP's recommendations of companies under coverage in 11th of May 2020. If recommendation is not given, it is not mentioned here.

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

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