

## Rather upbeat report

Consti's net sales in Q2 amounted to EUR 70.9m, in line with our and consensus estimates (EUR 68.5m/69.2m Evli/cons.). EBIT amounted to EUR -0.5m, in line with our and consensus estimates (EUR -0.4m/-0.7m Evli/cons.). The order backlog was up 11.5% to EUR 236.5m. Excluding one-offs the report was in our view rather upbeat, in particular on order intake.

- Net sales in Q2 were EUR 70.9m (EUR 69.3m in Q2/20), in line with our and consensus estimates (EUR 68.5m/69.2m Evli/Cons.). Sales grew 2.3% y/y.
- Operating profit in Q2 amounted to EUR -0.5m (EUR 2.4m in Q2/20), in line with our and consensus estimates (EUR -0.4m/-0.7m Evli/cons.), at a margin of -0.7%. Consti recognized a non-recurring loss of EUR 3.4m as a result of the arbitral award relating to the Hotel St. George project. Adj. EBIT was EUR 2.9m (Q2/20: EUR 2.7m). On adj. basis EBIT was better than expected as we had expected EBIT excl. St. George items to amount to EUR 2.6m.
- EPS in Q2 amounted to EUR -0.09 (EUR 0.21 in Q2/20), below our estimates and above consensus estimates (EUR -0.07/-0.12 Evli/cons.).
- The order backlog in Q2 was EUR 236.5m (EUR 211.8m in Q2/20), up by 11.5%. Order intake was at a very healthy EUR 98.5m in Q2 (Q2/20: EUR 66.8m).
- Free cash flow amounted to EUR -1.4m (Q2/20: EUR 8.1m).

**Guidance for 2021 (intact):** Operating profit is expected to be between EUR 4-8m.

**Rating** 🟡 HOLD

| Q2/21     | Actual | Evli  | Consensus | Year ago | Q1/21 |
|-----------|--------|-------|-----------|----------|-------|
| Net sales | 70.9   | 68.5  | 69.2      | 69.3     | 59.3  |
| EBIT      | -0.5   | -0.4  | -0.7      | 2.4      | 0.1   |
| EPS       | -0.09  | -0.07 | -0.12     | 0.22     | -0.02 |

| Deviation | Actual | Evli  | Consensus | Year ago | Q1/21 |
|-----------|--------|-------|-----------|----------|-------|
| Net sales |        | 4 %   | 2 %       | 2 %      | 20 %  |
| EBIT      |        | -25 % | 29 %      | -        | -     |
| EPS       |        | -38 % | 25 %      | -        | <100% |

*Consensus by FactSet*

 Share price, EUR (Last trading day's closing price) 12.65

 Target price, EUR 13.0

 Latest change in recommendation 28-Apr-21

 Latest report on company 21-Jul-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 99

 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 23-Jul-21

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+ BUY 🟡 HOLD - SELL

### PRE-REPORT KEY FIGURES

|                          | Sales<br>EURm | EBIT<br>EURm | EBIT<br>% | FCF<br>EURm             | EPS<br>EUR | P/E<br>(x) | EV/Sales<br>(x)       | EV/EBIT<br>(x) | FCF yield<br>% | DPS<br>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                    | 278.0         | 5.7          | 2.1%      | 3.9                     | 0.48       | 26.4       | 0.4                   | 18.7           | 3.9            | 0.35       |
| 2022E                    | 286.3         | 10.0         | 3.5%      | 7.6                     | 0.94       | 13.5       | 0.4                   | 10.2           | 7.7            | 0.47       |
| 2023E                    | 294.4         | 11.0         | 3.7%      | 8.5                     | 1.05       | 12.0       | 0.3                   | 8.8            | 8.6            | 0.53       |
| Market cap, EURm         |               |              | 99        | BV per share 2021E, EUR |            | 23.2       | CAGR EPS 2020-23, %   |                |                | 14.1       |
| Net debt 2021E, EURm     |               |              | 7         | Price/book 2021E        |            | 3.2        | CAGR sales 2020-23, % |                |                | 2.3        |
| Enterprise value, EURm   |               |              | 107       | Dividend yield 2021E, % |            | 2.8        | ROE 2021E, %          |                |                | 12.3       |
| Total assets 2021E, EURm |               |              | 126       | Tax rate 2021E, %       |            | 20.0       | ROCE 2021E, %         |                |                | 9.5        |
| Goodwill 2021E, EURm     |               |              | 49        | Equity ratio 2021E, %   |            | 24.6       | PEG, P/E 21/CAGR      |                |                | 0.8        |

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

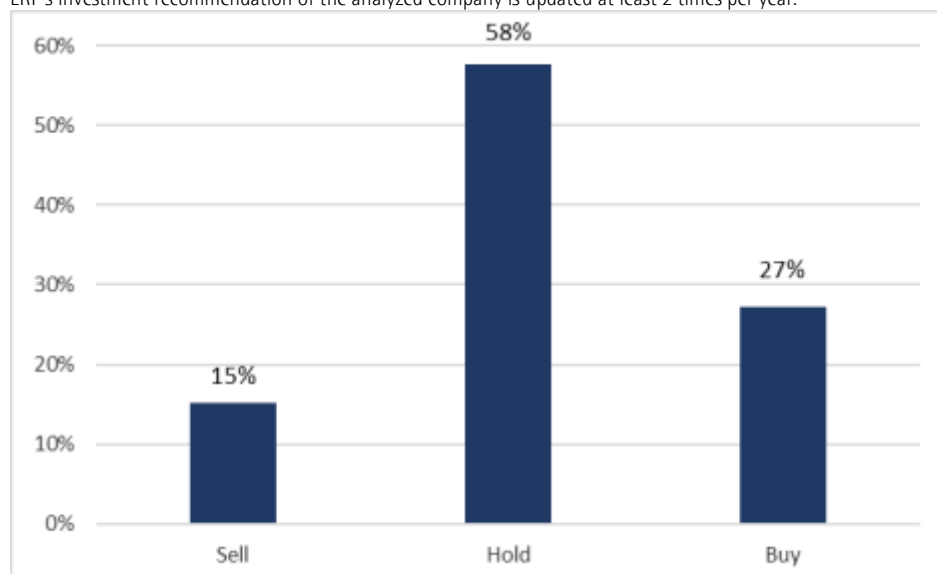
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| Target price compared to share price | Recommendation |
|--------------------------------------|----------------|
| < -10 %                              | SELL           |
| -10 – (+10) %                        | HOLD           |
| > 10 %       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

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