

## Profitable growth track in place

Consti reports its Q4 results on February 4<sup>th</sup>. We expect double-digit growth, with some margin uncertainty due to the situation with construction materials. Growth is set to continue in 2022 supported by the order backlog and previous acquisition, with some potential for margin improvement depending on the market situation.

### Expecting double-digit growth, some margin uncertainty

Consti will report its Q4 results on February 4<sup>th</sup>. Q3 saw growth accelerate to double-digit figures compared with growth of 1.4% during H1/21. Growth has been supported by the strengthened order backlog, up 15% y/y at the end Q3. The order backlog has received support from the first projects within new construction services, where Consti signed its first projects after the addition to being part of the company's strategy. Consti also made its first acquisition in a long time, that of RA-Urakointi Oy, a company specializing in the repair of apartments and row houses. We expect growth in Q4 to have remained at a good pace supported by the order backlog and expect a net sales growth of 11.3%. We expect the adjusted operating profit to be slightly below previous year levels due to uncertainties related to construction material prices and availability, at a margin of 4.2%.

### Seeing continued good growth in 2022

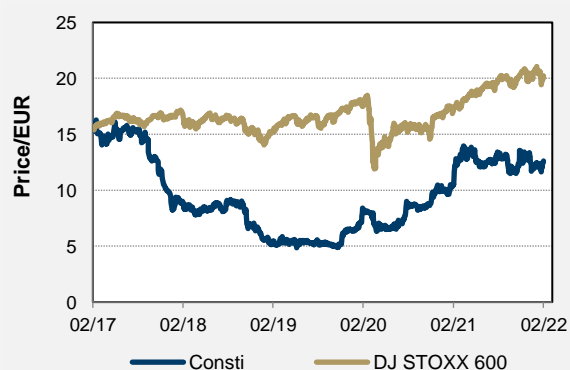
We expect growth to continue in 2022 supported by the order backlog and acquisition of RA-Urakointi, with our growth estimate at 7.3%. Consti has typically only given a guidance for operating profit, and we expect for Consti to estimate an improvement in operating profit during 2022 compared with 2021. We currently estimate adjusted operating profit margins on par with 2021e, at 3.5%. There is potential for improvement, and we will be keeping an eye on management comments relating to the situation with construction material.

### BUY with a target price of EUR 14.5

We have made no changes to our estimates ahead of Q4. On our estimates Consti currently trades at a 2022e P/E of 12.3x, which we do not see as overly challenging. We retain our target price of EUR 14.5 and retain our BUY-rating.

## Rating

BUY



Share price, EUR (Last trading day's closing price) 12.60

Target price, EUR 14.5

Latest change in recommendation	23-Jul-21
Latest report on company	28-Oct-22
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	04-Feb-22
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	293.1	6.3	2.2%	1.3	0.54	23.3	0.4	17.1	1.3	0.35
2022E	314.3	11.0	3.5%	9.4	1.03	12.3	0.3	9.3	9.5	0.51
2023E	324.8	12.0	3.7%	9.3	1.15	11.0	0.3	8.1	9.3	0.57
Market cap, EURm	99		Gearing 2021E, %	31.0		CAGR EPS 2020-23, %		17.3		
Net debt 2021E, EURm	10		Price/book 2021E	3.1		CAGR sales 2020-23, %		5.8		
Enterprise value, EURm	109		Dividend yield 2021E, %	2.8		ROE 2021E, %		13.7		
Total assets 2021E, EURm	133		Tax rate 2021E, %	19.5		ROCE 2021E, %		10.2		
Goodwill 2021E, EURm	49		Equity ratio 2021E, %	23.6		PEG, P/E 21/CAGR		0.7		

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

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	12.60 PV of Free Cash Flow	102 Long-term growth, %	1.2 Risk-free interest rate, %	2.25
DCF share value	24.61 PV of Horizon value	109 WACC, %	8.6 Market risk premium, %	5.8
Share price potential, %	95.3 Unconsolidated equity	0 Spread, %	0.5 Debt risk premium, %	3.3
Maximum value	26.5 Marketable securities	22 Minimum WACC, %	8.1 Equity beta coefficient	1.15
Minimum value	23.0 Debt - dividend	-32 Maximum WACC, %	9.1 Target debt ratio, %	30
Horizon value, %	51.7 Value of stock	199 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	293	314	325	330	335	340	345	350	355	359	364
<i>Sales growth, %</i>	-12.8	6.7	7.3	3.3	1.5	1.5	1.5	1.5	1.5	1.5	1.2	1.2
Operating income (EBIT)	8	6	11	12	13	13	14	14	14	14	14	15
<i>Operating income margin, %</i>	3.0	2.2	3.5	3.7	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
+ Depreciation+amort.	3	3	6	6	6	6	6	6	6	6	6	6
EBITDA	11	10	17	18	19	19	19	20	20	20	21	
- Paid taxes	-1	-1	-2	-2	-3	-3	-3	-3	-3	-3	-3	-3
- Change in NWC	8	1	1	1	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	-4.9
+ Change in other liabs	0	0	0	0	0	0	0	0	0	0	0	0
- Operative CAPEX	-1	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
<i>opCAPEX / Sales, %</i>	1.0	2.4	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	0
- Other items	0	0	0	0	0	0	0	0	0	0	0	0
= FCFF	17	7	14	14	15	15	16	16	16	16	16	226
= Discounted FCFF		7	13	12	12	11	10	10	9	9	8	109
= DFCF min WACC		7	13	12	12	11	11	10	9	9	8	122
= DFCF max WACC		7	13	12	12	11	10	9	9	8	8	98

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2020Q1	2020Q2	2020Q3	2020Q4	2020	2021Q1	2021Q2	2021Q3	2021Q4E	2021E	2022E	2023E
Net sales	59.0	69.3	68.2	78.1	274.6	59.3	70.9	76.0	86.9	293.1	314.3	324.8
EBITDA	1.3	3.2	3.2	3.7	11.4	0.9	0.3	4.0	4.4	9.6	16.9	17.5
<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>1.5</i>	<i>0.4</i>	<i>5.3</i>	<i>5.1</i>	<i>3.3</i>	<i>5.4</i>	<i>5.4</i>
EBIT	0.5	2.4	2.5	3.0	8.2	0.1	-0.5	3.1	3.7	6.3	11.0	12.0
<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>0.2</i>	<i>-0.7</i>	<i>4.1</i>	<i>4.2</i>	<i>2.2</i>	<i>3.5</i>	<i>3.7</i>
Net financial items	-0.3	-0.2	-0.2	-0.2	-1.0	-0.2	-0.4	-0.2	-0.2	-1.0	-0.9	-0.7
Pre-tax profit	0.2	2.1	2.2	2.7	7.2	-0.1	-0.9	2.9	3.4	5.3	10.1	11.3
Tax	0.0	-0.4	-0.5	-0.6	-1.6	0.0	0.2	-0.6	-0.7	-1.0	-2.0	-2.3
<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>19.8</i>	<i>20.0</i>	<i>19.1</i>	<i>20.0</i>	<i>19.5</i>	<i>20.0</i>	<i>20.0</i>
Net profit	0.1	1.7	1.7	2.0	5.6	-0.1	-0.7	2.4	2.7	4.2	8.1	9.0
EPS	0.02	0.22	0.22	0.26	0.71	-0.02	-0.09	0.30	0.35	0.54	1.03	1.15
EPS adjusted (diluted no. of shares)	0.02	0.22	0.22	0.26	0.71	-0.02	-0.09	0.30	0.35	0.54	1.03	1.15
Dividend per share	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.35	0.51	0.57
<b>SALES, EURm</b>												
Housing Companies	16.5	24.8	23.8	21.1	86.1	13.4	21.7	27.6	28.6	91.3	102.3	106.4
Corporations	20.8	21.6	21.5	26.6	90.6	21.8	26.0	25.6	28.5	101.9	107.0	110.2
Public Sector	9.4	10.3	9.8	12.0	41.4	7.5	8.5	9.6	12.2	37.7	38.9	40.0
Building Technology	15.5	16.5	15.9	21.5	69.4	19.2	17.8	16.3	21.0	74.4	78.9	81.2
Elimination	-3.0	-3.9	-2.8	-3.2	-12.9	-2.6	-3.1	-3.1	-3.4	-12.3	-12.6	-13.0
<b>Total</b>	<b>59.0</b>	<b>69.3</b>	<b>68.2</b>	<b>78.1</b>	<b>274.6</b>	<b>59.3</b>	<b>70.9</b>	<b>76.0</b>	<b>86.9</b>	<b>293.1</b>	<b>314.3</b>	<b>324.8</b>
<b>SALES GROWTH, Y/Y %</b>												
<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>-18.6</i>	<i>-12.4</i>	<i>16.1</i>	<i>35.4</i>	<i>6.0</i>	<i>12.0</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>5.0</i>	<i>20.2</i>	<i>18.8</i>	<i>7.0</i>	<i>12.5</i>	<i>5.0</i>	<i>3.0</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>-20.3</i>	<i>-17.4</i>	<i>-2.0</i>	<i>1.7</i>	<i>-8.9</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>24.4</i>	<i>8.2</i>	<i>2.7</i>	<i>-2.3</i>	<i>7.3</i>	<i>6.0</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>-13.5</i>	<i>-19.6</i>	<i>11.6</i>	<i>7.4</i>	<i>-4.7</i>	<i>3.0</i>	<i>3.0</i>
<b>Total</b>	<b>-19.7</b>	<b>-14.7</b>	<b>-16.7</b>	<b>-0.2</b>	<b>-12.8</b>	<b>0.4</b>	<b>2.3</b>	<b>11.4</b>	<b>11.3</b>	<b>6.7</b>	<b>7.3</b>	<b>3.3</b>
<b>EBIT, EURm</b>												
Group	0.5	2.4	2.5	3.0	8.2	0.1	-0.5	3.1	3.7	6.3	11.0	12.0
Total	0.5	2.4	2.5	3.0	8.2	0.1	-0.5	3.1	3.7	6.3	11.0	12.0
<b>EBIT margin, %</b>												
<i>Total</i>	<i>0.8</i>	<i>3.4</i>	<i>3.6</i>	<i>3.8</i>	<i>3.0</i>	<i>0.2</i>	<i>-0.7</i>	<i>4.1</i>	<i>4.2</i>	<i>2.2</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	293.1	314.3	324.8
<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>6.7</i>	<i>7.3</i>	<i>3.3</i>
EBITDA	13.1	1.7	-0.5	8.1	11.4	9.6	16.9	17.5
<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>3.3</i>	<i>5.4</i>	<i>5.4</i>
Depreciation	-2.1	-2.1	-1.7	-3.5	-3.2	-3.3	-5.9	-5.5
EBITA	10.9	-0.4	-2.1	4.6	8.2	6.3	11.0	12.0
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	6.3	11.0	12.0
<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>2.2</i>	<i>3.5</i>	<i>3.7</i>
Reported EBIT	10.9	-0.4	-2.1	4.6	8.2	6.3	11.0	12.0
<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>2.2</i>	<i>3.5</i>	<i>3.7</i>
Net financials	-0.9	-0.8	-0.7	-1.2	-1.0	-1.0	-0.9	-0.7
Pre-tax profit	10.1	-1.2	-2.8	3.4	7.2	5.3	10.1	11.3
Taxes	-2.1	0.1	0.5	-0.7	-1.6	-1.0	-2.0	-2.3
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	4.2	8.1	9.0
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
<b>BALANCE SHEET, EURm</b>								
<b>Assets</b>								
Fixed assets	6	5	4	4	3	3	4	4
Goodwill	44	49	49	49	49	49	49	49
Right of use assets	0	0	4	3	2	5	5	5
Inventory	1	1	1	1	1	1	1	1
Receivables	39	36	53	50	49	53	56	58
Liquid funds	9	10	3	10	24	22	24	24
Total assets	98	101	115	117	129	133	139	142
<b>Liabilities</b>								
Shareholder's equity	30	25	23	26	30	31	37	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	5	5	5
Deferred taxes	0	0	0	0	0	0	0	0
Interest bearing debt	21	22	23	25	27	27	22	17
Non-interest bearing current liabilities	46	52	62	56	63	68	73	75
Other interest-free debt	0	0	0	0	0	0	0	0
Total liabilities	98	101	115	117	129	133	139	142
<b>CASH FLOW, EURm</b>								
+ EBITDA	13	2	0	8	11	10	17	18
- Net financial items	-1	-1	-1	-1	-1	-1	-1	-1
- Taxes	-1	-1	0	0	-1	-1	-2	-2
- Increase in Net Working Capital	0	9	-5	-3	8	1	1	1
+/- Other	0	0	0	0	0	0	0	0
= Cash flow from operations	11	9	-7	4	18	8	15	15
- Capex	-2	-1	-1	-4	-3	-7	-6	-6
- 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	1	9	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	0	-5	-4
Change in cash	5	0	-6	7	14	-2	2	1

KEY FIGURES	2017	2018	2019	2020	2021E	2022E	2023E
M-cap	66	43	50	79	99	99	99
Net debt (excl. convertibles)	12	23	19	5	10	3	-2
Enterprise value	78	67	72	87	109	102	97
Sales	300	316	315	275	293	314	325
EBITDA	2	0	8	11	10	17	18
EBIT	0	-2	5	8	6	11	12
Pre-tax	-1	-3	3	7	5	10	11
Earnings	-1	-2	2	6	4	8	9
Equity book value (excl. minorities)	25	23	26	30	31	37	42
<b>Valuation multiples</b>							
EV/sales	0.3	0.2	0.2	0.3	0.4	0.3	0.3
EV/EBITDA	45.3	-143.6	8.9	7.6	11.3	6.0	5.5
EV/EBITA	-207.0	-31.3	15.6	10.6	17.1	9.3	8.1
EV/EBIT	-207.0	-31.3	15.6	10.6	17.1	9.3	8.1
EV/OCF	8.8	-9.9	19.7	4.9	13.0	6.8	6.4
EV/FCFF	14.9	-9.6	31.9	5.2	15.2	7.1	6.8
P/FCFE	14.6	-5.7	523.9	5.2	74.2	10.5	10.7
P/E	-61.0	-18.5	20.3	14.2	23.3	12.3	11.0
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	12.9	6.9	6.4
Target EV/EBIT	0.0	0.0	0.0	0.0	19.5	10.6	9.3
Target EV/FCF	0.0	0.0	0.0	0.0	92.7	12.4	12.1
Target P/B	0.0	0.0	0.0	0.0	3.6	3.1	2.7
Target P/E	0.0	0.0	0.0	0.0	26.9	14.1	12.7
<b>Per share measures</b>							
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	0.54	1.03	1.15
Operating cash flow per share	1.16	-0.85	0.47	2.27	1.07	1.91	1.91
Free cash flow per share	0.59	-0.96	0.01	1.93	0.17	1.20	1.18
Book value per share	3.32	2.98	3.33	3.87	4.01	4.68	5.31
Dividend per share	0.00	0.00	0.16	0.40	0.35	0.51	0.57
Dividend payout ratio, %	0.0	0.0	50.8	56.3	64.8	50.0	50.0
Dividend yield, %	0.0	0.0	2.5	4.0	2.8	4.1	4.5
FCF yield, %	6.8	-17.4	0.2	19.2	1.3	9.5	9.3
<b>Efficiency measures</b>							
ROE	-3.9	-9.6	10.0	19.7	13.7	23.6	22.9
ROCE	-0.6	-4.2	8.6	13.7	10.2	17.5	19.0
<b>Financial ratios</b>							
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	2.4	1.8	1.8
CAPEX/sales (incl. acquisitions), %	-0.8	0.4	1.3	1.0	2.4	1.8	1.8
FCFF/EBITDA	3.0	15.0	0.3	1.5	0.7	0.9	0.8
Net debt/EBITDA, book-weighted	7.0	-50.5	2.3	0.4	1.0	0.2	-0.1
Debt/equity, market-weighted	0.3	0.5	0.5	0.3	0.3	0.2	0.2
Equity ratio, book-weighted	28.8	24.4	29.8	26.1	23.6	26.5	29.5
Gearing, %	47.7	100.0	64.4	14.1	31.0	8.4	-5.1

**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 maintain the achieved healthier levels of profitability after a period of weaker profitability during previous years driven by a number of weak margin projects. Growth has been a challenge but with an improved order backlog and the strategic venture into new construction services growth is once again picking up. Demand in certain areas remains affected by the pandemic but for instance the housing market has seen good recovery. The long-term market outlook 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	9.954	10.1%
Heikintorppa Oy	750,000	9.450	9.5%
Wipunen varainhallinta Oy	750,000	9.450	9.5%
Fennia Life Insurance Company Ltd	520,525	6.559	6.6%
Korkeela Esa Sakari	434,637	5.476	5.5%
Kivi Risto Juhani	380,267	4.791	4.8%
Kalervo Markku	299,128	3.769	3.8%
Korkeela Antti Petteri	176,594	2.225	2.2%
Varma Mutual Pension Insurance Company	172,000	2.167	2.2%
Drumbo Oy	150,000	1.890	1.9%
Ten largest	4,423,151	55.732	56%
Residual	3,435,116	43.282	44%
Total	7,858,267	99.014	100%

**EARNINGS CALENDAR**

February 04, 2022	FY 2021 Results
April 29, 2022	Q1 report
July 22, 2022	Q2 report
October 27, 2022	Q3 report

**OTHER EVENTS****COMPANY MISCELLANEOUS**

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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, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

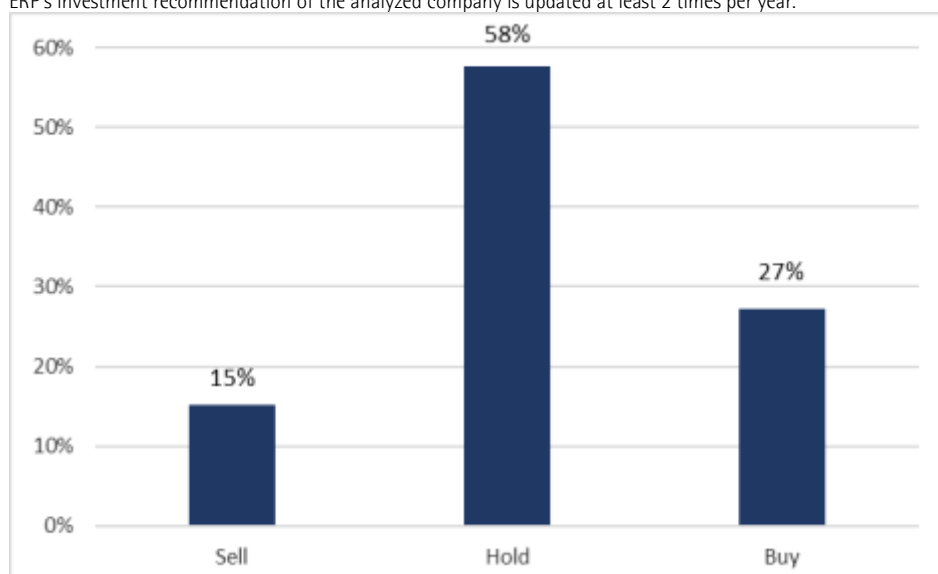
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Investment recommendations are defined as follows:

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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