

## Elevated material uncertainty

Consti reports its Q1 results on April 29<sup>th</sup>. Concerns relating to material pricing and availability have increased due to Ukraine crisis, although Consti through its renovation focus should be less affected than constructors. We retain our BUY-rating with a TP of EUR 13.0 (14.0).

### Growth picked up in H2/21 and is seen to continue

Consti reports its Q1 results on April 29<sup>th</sup>. Consti was able to turn to a clearer track of growth during H2/2021 and our expectations are for the growth to continue going into 2022. The growth was to a smaller part aided by the acquisition of RA-Urakointi Oy, specializing in renovations of apartment and row housing companies. The larger share of growth came from the improved order intake, with the order backlog up 22.9% at the end of 2021, aided also by Consti's first projects within new construction. Profitability was to some degree affected by rising material prices, with the impact slightly larger in the latter half of the year.

### Additional material pricing and availability concerns

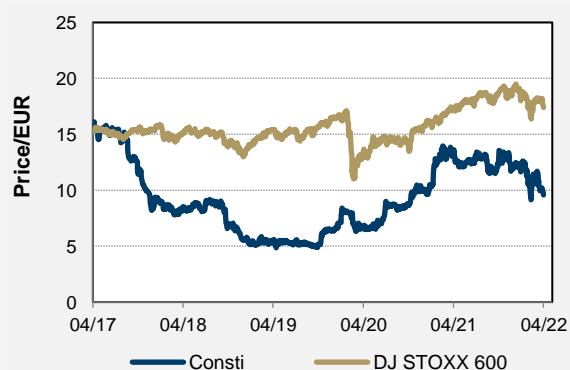
The on-going Ukraine crisis has further affected the situation with construction material prices and availability. The renovation market is less dependent on larger quantities of construction materials and for instance the need for steel construction parts, which have seen prices increase above previous year levels, is low compared with new construction. Nonetheless, pricing and availability issues are being seen in areas that also affect the renovation market. For now, we have pre-emptively slightly lowered our Q1 profitability estimates. We see pressure on profitability going forward and seek to gain further clarity on the matter from the Q1 report.

### BUY with a target price of EUR 13.0 (14.0)

With the uncertainty relating to material pricing and availability we slightly lower our target price to EUR 13.0 (prev. EUR 14.0). We continue to see that Consti through its renovation focus will be less affected but affected nonetheless. We retain our BUY-rating.

## Rating

BUY



Share price, EUR (Last trading day's closing price) 9.58

Target price, EUR 13.0

Latest change in recommendation	23-Jul-21
Latest report on company	07-Feb-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	75
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	29-Apr-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
2020	274.6	8.2	3.0%	15.1	0.71	14.2	0.3	10.6	19.2	0.40
2021	288.8	5.7	2.0%	-3.1	0.47	25.9	0.4	19.1	-3.3	0.45
2022E	309.7	10.5	3.4%	8.1	0.97	9.9	0.3	8.0	10.8	0.49
2023E	320.0	12.2	3.8%	9.3	1.16	8.3	0.2	6.5	12.3	0.58
2024E	330.7	13.0	3.9%	10.0	1.25	7.6	0.2	5.7	13.3	0.63
Market cap, EURm	75		Gearing 2022E, %	26.5		CAGR EPS 2021-24, %		39.0		
Net debt 2022E, EURm	10		Price/book 2022E	2.1		CAGR sales 2021-24, %		4.6		
Enterprise value, EURm	85		Dividend yield 2022E, %	5.1		ROE 2022E, %		22.4		
Total assets 2022E, EURm	124		Tax rate 2022E, %	20.0		ROCE 2022E, %		16.4		
Goodwill 2022E, EURm	50		Equity ratio 2022E, %	29.2		PEG, P/E 22/CAGR		0.9		

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	9.58 PV of Free Cash Flow	86 Long-term growth, %	1.2 Risk-free interest rate, %	2.25
DCF share value	20.38 PV of Horizon value	88 WACC, %	8.6 Market risk premium, %	5.8
Share price potential, %	112.7 Unconsolidated equity	0 Spread, %	0.5 Debt risk premium, %	3.3
Maximum value	22.0 Marketable securities	18 Minimum WACC, %	8.1 Equity beta coefficient	1.15
Minimum value	19.0 Debt - dividend	-32 Maximum WACC, %	9.1 Target debt ratio, %	30
Horizon value, %	50.5 Value of stock	160 Nr of shares, Mn	7.9 Effective tax rate, %	20

DCF valuation, EURm	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Horizon
Net sales	289	310	320	331	336	341	346	351	356	362	366	370
<i>Sales growth, %</i>	<i>5.1</i>	<i>7.3</i>	<i>3.3</i>	<i>3.3</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.2</i>	<i>1.2</i>
Operating income (EBIT)	6	11	12	13	13	14	14	14	14	14	15	15
<i>Operating income margin, %</i>	<i>2.0</i>	<i>3.4</i>	<i>3.8</i>	<i>3.9</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>
+ Depreciation+amort.	3	3	3	3	3	3	4	4	4	4	4	4
EBITDA	9	14	15	16	17	17	17	18	18	18	19	
- Paid taxes	-1	-2	-2	-3	-3	-3	-3	-3	-3	-3	-3	
- Change in NWC	-3	1	0	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	<i>-3.4</i>	
+ 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	-2	-2	-2	
<i>opCAPEX / Sales, %</i>	<i>2.4</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	<i>1.1</i>	
- Acquisitions	-1	0	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	1	0	0	0	0	0	0	0	0	0	0	
= FCFF	3	11	12	13	13	13	13	14	14	14	14	195
= Discounted FCFF		10	10	10	10	9	8	8	7	7	6	88
= DFCF min WACC		10	11	10	10	9	9	8	8	7	7	99
= DFCF max WACC		10	10	10	9	9	8	8	7	7	6	79

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2021Q1	2021Q2	2021Q3	2021Q4	2021	2022Q1E	2022Q2E	2022Q3E	2022Q4E	2022E	2023E	2024E
Net sales	59.3	70.9	76.0	82.6	288.8	63.3	76.0	81.8	88.7	309.7	320.0	330.7
EBITDA	0.9	0.3	4.0	4.0	9.2	0.8	3.9	4.2	4.8	13.7	15.5	16.4
<i>EBITDA margin (%)</i>	<i>1.5</i>	<i>0.4</i>	<i>5.3</i>	<i>4.9</i>	<i>3.2</i>	<i>1.3</i>	<i>5.2</i>	<i>5.2</i>	<i>5.4</i>	<i>4.4</i>	<i>4.8</i>	<i>4.9</i>
EBIT	0.1	-0.5	3.1	3.0	5.7	0.0	3.1	3.4	4.0	10.5	12.2	13.0
<i>EBIT margin (%)</i>	<i>0.2</i>	<i>-0.7</i>	<i>4.1</i>	<i>3.6</i>	<i>2.0</i>	<i>0.0</i>	<i>4.1</i>	<i>4.2</i>	<i>4.5</i>	<i>3.4</i>	<i>3.8</i>	<i>3.9</i>
Net financial items	-0.2	-0.4	-0.2	-0.3	-1.1	-0.2	-0.2	-0.2	-0.2	-1.0	-0.9	-0.7
Pre-tax profit	-0.1	-0.9	2.9	2.7	4.6	-0.2	2.9	3.2	3.7	9.5	11.3	12.3
Tax	0.0	0.2	-0.6	-0.5	-0.9	0.1	-0.6	-0.6	-0.7	-1.9	-2.3	-2.5
<i>Tax rate (%)</i>	<i>19.8</i>	<i>20.0</i>	<i>19.1</i>	<i>19.1</i>	<i>18.9</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	-0.7	2.4	2.2	3.7	-0.2	2.3	2.5	3.0	7.6	9.1	9.9
EPS	-0.02	-0.09	0.30	0.27	0.47	-0.03	0.29	0.32	0.38	0.97	1.16	1.25
EPS adjusted (diluted no. of shares)	-0.02	-0.09	0.30	0.27	0.47	-0.03	0.29	0.32	0.38	0.97	1.16	1.25
Dividend per share	0.00	0.00	0.00	0.00	0.45	0.00	0.00	0.00	0.00	0.49	0.58	0.63
<b>SALES, EURm</b>												
Housing Companies	13.4	21.7	27.6	27.3	90.0	15.0	24.3	30.9	30.6	100.8	104.8	109.0
Corporations	21.8	26.0	25.6	27.6	101.0	22.9	27.3	26.8	29.0	106.0	109.2	112.5
Public Sector	7.5	8.5	9.6	12.1	37.7	7.7	8.8	9.9	12.5	38.8	40.0	41.2
Building Technology	19.2	17.8	16.3	19.5	72.9	20.4	18.9	17.3	20.7	77.3	79.6	82.0
Elimination	-2.6	-3.1	-3.1	-3.9	-12.7	-2.7	-3.2	-3.2	-4.0	-13.1	-13.5	-13.9
<b>Total</b>	<b>59.3</b>	<b>70.9</b>	<b>76.0</b>	<b>82.6</b>	<b>288.8</b>	<b>63.3</b>	<b>76.0</b>	<b>81.8</b>	<b>88.7</b>	<b>309.7</b>	<b>320.0</b>	<b>330.7</b>
<b>SALES GROWTH, Y/Y %</b>												
<i>Housing Companies</i>	<i>-18.6</i>	<i>-12.4</i>	<i>16.1</i>	<i>29.2</i>	<i>4.5</i>	<i>12.0</i>	<i>12.0</i>	<i>12.0</i>	<i>12.0</i>	<i>12.0</i>	<i>4.0</i>	<i>4.0</i>
<i>Corporations</i>	<i>5.0</i>	<i>20.2</i>	<i>18.8</i>	<i>3.5</i>	<i>11.4</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>3.0</i>	<i>3.0</i>
<i>Public Sector</i>	<i>-20.3</i>	<i>-17.4</i>	<i>-2.0</i>	<i>1.0</i>	<i>-9.1</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>
<i>Building Technology</i>	<i>24.4</i>	<i>8.2</i>	<i>2.7</i>	<i>-9.3</i>	<i>5.1</i>	<i>6.0</i>	<i>6.0</i>	<i>6.0</i>	<i>6.0</i>	<i>6.0</i>	<i>3.0</i>	<i>3.0</i>
<i>Elimination</i>	<i>-13.5</i>	<i>-19.6</i>	<i>11.6</i>	<i>22.1</i>	<i>-1.1</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>	<i>3.0</i>
<b>Total</b>	<b>0.4</b>	<b>2.3</b>	<b>11.4</b>	<b>5.8</b>	<b>5.1</b>	<b>6.7</b>	<b>7.2</b>	<b>7.6</b>	<b>7.3</b>	<b>7.3</b>	<b>3.3</b>	<b>3.3</b>
<b>EBIT, EURm</b>												
Group	0.1	-0.5	3.1	3.0	5.7	0.0	3.1	3.4	4.0	10.5	12.2	13.0
Total	0.1	-0.5	3.1	3.0	5.7	0.0	3.1	3.4	4.0	10.5	12.2	13.0
<b>EBIT margin, %</b>												
<b>Total</b>	<b>0.2</b>	<b>-0.7</b>	<b>4.1</b>	<b>3.6</b>	<b>2.0</b>	<b>0.0</b>	<b>4.1</b>	<b>4.2</b>	<b>4.5</b>	<b>3.4</b>	<b>3.8</b>	<b>3.9</b>

INCOME STATEMENT, EURm	2017	2018	2019	2020	2021	2022E	2023E	2024E
Sales	300.2	315.8	314.8	274.6	288.8	309.7	320.0	330.7
<i>Sales growth (%)</i>	<i>14.8</i>	<i>5.2</i>	<i>-0.3</i>	<i>-12.8</i>	<i>5.1</i>	<i>7.3</i>	<i>3.3</i>	<i>3.3</i>
EBITDA	1.7	-0.5	8.1	11.4	9.2	13.7	15.5	16.4
<i>EBITDA margin (%)</i>	<i>0.6</i>	<i>-0.1</i>	<i>2.6</i>	<i>4.2</i>	<i>3.2</i>	<i>4.4</i>	<i>4.8</i>	<i>4.9</i>
Depreciation	-2.1	-1.7	-3.5	-3.2	-3.5	-3.2	-3.3	-3.4
EBITA	-0.4	-2.1	4.6	8.2	5.7	10.5	12.2	13.0
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-0.4	-2.1	4.6	8.2	5.7	10.5	12.2	13.0
<i>EBIT margin (%)</i>	<i>-0.1</i>	<i>-0.7</i>	<i>1.5</i>	<i>3.0</i>	<i>2.0</i>	<i>3.4</i>	<i>3.8</i>	<i>3.9</i>
Reported EBIT	-0.4	-2.1	4.6	8.2	5.7	10.5	12.2	13.0
<i>EBIT margin (reported) (%)</i>	<i>-0.1</i>	<i>-0.7</i>	<i>1.5</i>	<i>3.0</i>	<i>2.0</i>	<i>3.4</i>	<i>3.8</i>	<i>3.9</i>
Net financials	-0.8	-0.7	-1.2	-1.0	-1.1	-1.0	-0.9	-0.7
Pre-tax profit	-1.2	-2.8	3.4	7.2	4.6	9.5	11.3	12.3
Taxes	0.1	0.5	-0.7	-1.6	-0.9	-1.9	-2.3	-2.5
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	-1.1	-2.3	2.5	5.6	3.7	7.6	9.1	9.9
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	5	4	4	3	3	4	4	4
Goodwill	49	49	49	49	50	50	50	50
Right of use assets	0	4	3	2	6	6	6	6
Inventory	1	1	1	1	1	1	1	1
Receivables	36	53	50	49	41	44	46	47
Liquid funds	10	3	10	24	18	19	20	21
Total assets	101	115	117	129	119	124	126	128
<b>Liabilities</b>								
Shareholder's equity	25	23	26	30	32	36	41	47
Minority interest	0	0	0	0	0	0	0	0
Convertibles	0	0	3	3	0	0	0	0
Lease liabilities	0	4	4	2	5	6	6	6
Deferred taxes	0	0	0	0	0	0	0	0
Interest bearing debt	22	23	25	27	27	23	18	14
Non-interest bearing current liabilities	52	62	56	63	52	56	58	60
Other interest-free debt	0	0	0	0	0	0	0	0
Total liabilities	101	115	117	129	119	124	126	128
<b>CASH FLOW, EURm</b>								
+ EBITDA	2	0	8	11	9	14	15	16
- Net financial items	-1	-1	-1	-1	-1	-1	-1	-1
- Taxes	-1	0	0	-1	-1	-2	-2	-2
- Increase in Net Working Capital	9	-5	-3	8	-3	1	0	0
+/- Other	0	0	0	0	1	0	0	0
= Cash flow from operations	9	-7	4	18	5	12	13	14
- Capex	-1	-1	-4	-3	-7	-3	-3	-4
- Acquisitions	-4	0	0	0	-1	0	0	0
+ Divestments	1	1	0	0	0	0	0	0
= Free cash flow	4	-8	0	15	-3	8	9	10
+/- New issues/buybacks	1	0	0	0	1	0	0	0
- Paid dividend	-4	0	0	-1	-3	-4	-4	-5
+/- Other	-1	1	6	0	-1	-3	-5	-5
Change in cash	0	-6	7	14	-6	1	1	1

KEY FIGURES	2018	2019	2020	2021	2022E	2023E	2024E
M-cap	43	50	79	95	75	75	75
Net debt (excl. convertibles)	23	19	5	14	10	4	-1
Enterprise value	67	72	87	109	85	79	74
Sales	316	315	275	289	310	320	331
EBITDA	0	8	11	9	14	15	16
EBIT	-2	5	8	6	11	12	13
Pre-tax	-3	3	7	5	10	11	12
Earnings	-2	2	6	4	8	9	10
Equity book value (excl. minorities)	23	26	30	32	36	41	47
<b>Valuation multiples</b>							
EV/sales	0.2	0.2	0.3	0.4	0.3	0.2	0.2
EV/EBITDA	-143.6	8.9	7.6	11.9	6.2	5.1	4.5
EV/EBITA	-31.3	15.6	10.6	19.1	8.0	6.5	5.7
EV/EBIT	-31.3	15.6	10.6	19.1	8.0	6.5	5.7
EV/OCF	-9.9	19.7	4.9	23.3	7.3	6.2	5.4
EV/FCFF	-9.6	31.9	5.2	32.9	7.8	6.6	5.8
P/FCFE	-5.7	523.9	5.2	-30.6	9.2	8.1	7.5
P/E	-18.5	20.3	14.2	25.9	9.9	8.3	7.6
P/B	1.8	1.9	2.6	3.0	2.1	1.8	1.6
Target EV/EBITDA	0.0	0.0	0.0	0.0	8.1	6.9	6.2
Target EV/EBIT	0.0	0.0	0.0	0.0	10.6	8.7	7.8
Target EV/FCF	0.0	0.0	0.0	0.0	13.7	11.5	10.1
Target P/B	0.0	0.0	0.0	0.0	2.8	2.5	2.2
Target P/E	0.0	0.0	0.0	0.0	13.4	11.3	10.4
<b>Per share measures</b>							
Number of shares	7,858	7,858	7,858	7,858	7,858	7,858	7,858
Number of shares (diluted)	7,858	7,858	7,858	7,858	7,858	7,858	7,858
EPS	-0.30	0.32	0.71	0.47	0.97	1.16	1.25
Operating cash flow per share	-0.85	0.47	2.27	0.60	1.47	1.62	1.73
Free cash flow per share	-0.96	0.01	1.93	-0.40	1.04	1.18	1.27
Book value per share	2.98	3.33	3.87	4.08	4.60	5.27	5.94
Dividend per share	0.00	0.16	0.40	0.45	0.49	0.58	0.63
Dividend payout ratio, %	0.0	50.8	56.3	96.4	50.0	50.0	50.0
Dividend yield, %	0.0	2.5	4.0	4.7	5.1	6.0	6.5
FCF yield, %	-17.4	0.2	19.2	-3.3	10.8	12.3	13.3
<b>Efficiency measures</b>							
ROE	-9.6	10.0	19.7	11.8	22.4	23.4	22.4
ROCE	-4.2	8.6	13.7	9.1	16.4	18.8	19.9
<b>Financial ratios</b>							
Inventories as % of sales	0.2	0.2	0.2	0.3	0.3	0.3	0.3
Receivables as % of sales	16.8	15.8	17.9	14.3	14.3	14.3	14.3
Non-interest bearing liabilities as % of sales	19.5	17.8	23.1	18.0	18.0	18.0	18.0
NWC/sales, %	-2.5	-1.7	-4.9	-3.4	-3.4	-3.4	-3.4
Operative CAPEX/sales, %	0.4	1.3	1.0	2.4	1.1	1.1	1.1
CAPEX/sales (incl. acquisitions), %	0.4	1.3	1.0	2.0	1.1	1.1	1.1
FCFF/EBITDA	15.0	0.3	1.5	0.4	0.8	0.8	0.8
Net debt/EBITDA, book-weighted	-50.5	2.3	0.4	1.5	0.7	0.3	-0.1
Debt/equity, market-weighted	0.5	0.5	0.3	0.3	0.3	0.2	0.2
Equity ratio, book-weighted	24.4	29.8	26.1	26.9	29.2	32.9	36.4
Gearing, %	100.0	64.4	14.1	44.1	26.5	10.0	-2.9

**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	7.568	10.1%
Heikintorppa Oy	750,000	7.185	9.5%
Wipunen varainhallinta Oy	750,000	7.185	9.5%
Fennia Life Insurance Company Ltd	518,525	4.967	6.6%
Korkeela Esa Sakari	442,058	4.235	5.6%
Kivi Risto Juhani	380,267	3.643	4.8%
Kalervo Markku	300,044	2.874	3.8%
Varma Mutual Pension Insurance Company	172,000	1.648	2.2%
Korkeela Antti Petteri	157,515	1.509	2.0%
Drumbo Oy	150,000	1.437	1.9%
Ten largest	4,410,409	42.252	56%
Residual	3,447,858	33.030	44%
Total	7,858,267	75.282	100%

**EARNINGS CALENDAR**

April 29, 2022	Q1 report
July 22, 2022	Q2 report
October 27, 2022	Q3 report

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

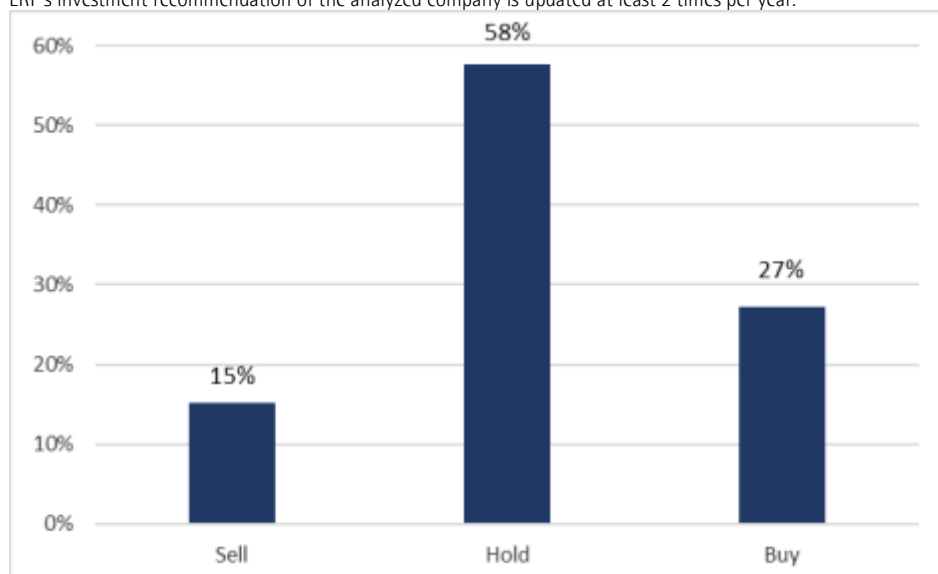
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Investment recommendations are defined as follows:

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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