

## Solid figures and guidance upgrade

Etteplan's net sales in Q1 amounted to EUR 73.0m, in line with our estimates and consensus (EUR 71.1m/71.3m Evli/cons.). EBIT amounted to EUR 6.6m, above our estimates and above consensus estimates (EUR 5.4m/5.5m Evli/cons.). Guidance specified: Etteplan expects revenue to amount to EUR 285-305m (280-300m) and operating profit (EBIT) to amount to EUR 25-28m (23-26m).

- Net sales in Q1 were EUR 73.0m (EUR 71.3m in Q1/20), in line with our estimates and consensus estimates (EUR 71.1m/71.3m Evli/Cons.). Growth in Q1 amounted to 2.3% y/y.
- EBIT in Q1 amounted to EUR 6.6m (EUR 5.7m in Q1/20), above our estimates and consensus estimates (EUR 5.4m/5.5m Evli/cons.), at a margin of 9%.
- EPS in Q1 amounted to EUR 0.21 (EUR 0.17 in Q1/20), above our estimates and consensus estimates (EUR 0.17/0.17 Evli/cons.).
- Engineering Solutions net sales in Q1 were EUR 41.4m vs. EUR 40.7m Evli. EBITA in Q1 amounted to EUR 4.4m vs. EUR 3.8m Evli. The MSI-% in Q1 was 63% compared to 56% in Q1/20.
- Software and Embedded Solutions net sales in Q1 were EUR 18.8m vs. EUR 17.8m Evli. EBITA in Q1 amounted to EUR 2.1m vs. EUR 1.6m Evli. The MSI-% in Q1 was 51% compared to 53% in Q1/20.
- Technical Documentation Solutions net sales in Q1 were EUR 12.5m vs. EUR 12.4m Evli. EBITA in Q1 amounted to EUR 1.4m vs. EUR 1.1m Evli. The MSI-% in Q1 was 82% compared to 79% in Q1/20.
- **Guidance specified:** Etteplan expects revenue to amount to EUR 285-305m (280m-300m) and operating profit (EBIT) to amount to EUR 25-28m (23-26m).

### Rating

SELL

Q1/21	Actual	Evli	Cons.	Q1/20
Net sales	73.0	71.1	71.3	71.3
EBIT	6.6	5.4	5.5	5.7
EPS	0.21	0.17	0.17	0.17
Deviation	Actual	Evli	Cons.	Q1/20
Net sales		3%	2%	2%
EBIT		22%	20%	16%
EPS		27%	24%	24%

\*Consensus by Factset

Share price, EUR (Last trading day's closing price) 16.05

Target price, EUR 13.6

Latest change in recommendation 09-Feb-21

Latest report on company 29-Apr-21

Research paid by issuer: YES

No. of shares outstanding, '000's 24,963

No. of shares fully diluted, '000's 24,963

Market cap, EURm 401

Free float, % 16.0

Exchange rate 0.000

Reuters code ETTE.HE

Bloomberg code ETTE FH

Average daily volume, EURm 0.07

Next interim report 05-May-21

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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	262.7	22.8	8.7%	-1.0	0.70	15.6	1.1	12.9	-0.4	0.35
2020	259.7	22.4	8.6%	11.1	0.68	18.9	1.4	16.2	3.4	0.34
2021E	288.9	24.5	8.5%	14.7	0.75	21.3	1.5	17.7	3.7	0.38
2022E	315.3	27.7	8.8%	15.2	0.86	18.7	1.4	15.5	3.8	0.43
2023E	329.1	30.1	9.1%	27.8	0.94	17.0	1.3	13.7	7.0	0.47
Market cap, EURm		401	BV per share 2021E, EUR		35.3	CAGR EPS 2020-23, %		11.2		
Net debt 2021E, EURm		34	Price/book 2021E		4.1	CAGR sales 2020-23, %		8.2		
Enterprise value, EURm		435	Dividend yield 2021E, %		2.3	ROE 2021E, %		20.4		
Total assets 2021E, EURm		231	Tax rate 2021E, %		19.0	ROCE 2021E, %		15.8		
Goodwill 2021E, EURm		84	Equity ratio 2021E, %		42.1	PEG, P/E 21/CAGR		2.5		

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

Etteplan Q1/21	Actual	Evli	vs. Evli	Consensus	vs. cons	Q1/20	vs. Q1/20
Net sales	73.0	71.1	2.7%	71.3	2.4%	71.3	2.4%
-Engineering Solutions	41.4	40.7	1.7%			41.3	0.2%
-Software and Embedded Solutions	18.8	17.8	5.7%			17.0	10.7%
-Technical Documentation Solutions	12.5	12.4	1.2%			12.8	-2.0%
EBIT	6.6	5.4	22.2%	5.5	20.0%	5.7	15.8%
-Engineering Solutions	4.4	3.8	15.4%			3.9	12.4%
-Software and Embedded Solutions	2.1	1.6	30.6%			1.5	39.3%
-Technical Documentation Solutions	1.4	1.1	25.8%			1.3	6.5%
EPS	0.21	0.17	27.3%	0.17	23.5%	0.17	23.5%

**Consensus by Factset**

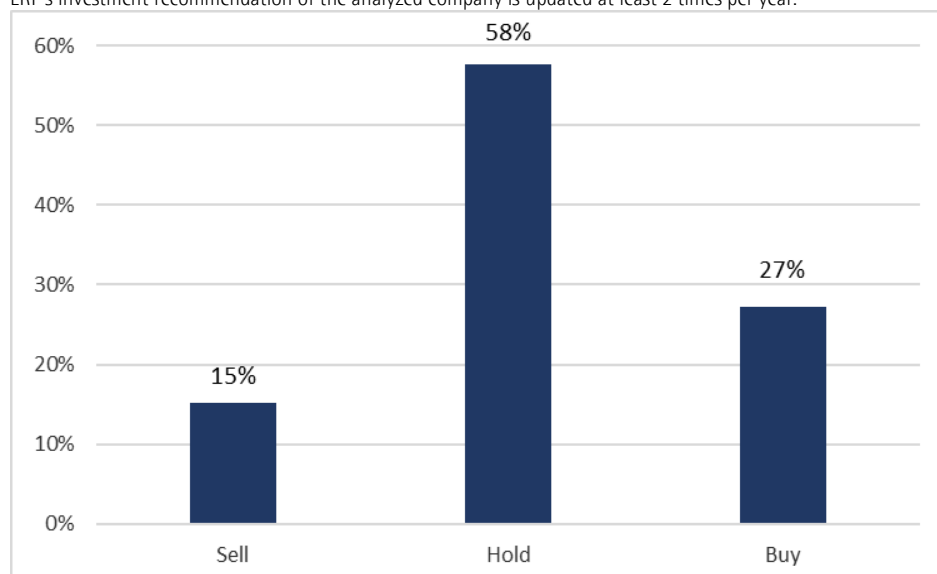
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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