

Reason: Post-results comment

Company sponsored research

Not rated

Eolus Vind

Öyfjellet afterlife looking bright

- Adjusted Q1 figures very much in line
- Eolus announced its detailed project portfolio to 2024
- Set to deliver 200 MW of wind pa & 750 MW solar project

Adj. EBIT of SEK 12m was higher than our estimate

Eolus reported Q1 figures in line with our estimates. Kråktorpet has successfully been delivered and revenue recognition from Stigafjellet and Bäckhammar added to the quarter. EBIT came in at SEK 52m, relative to our estimate of SEK 198m. This deviation sounds terrible, however it is largely due to us expecting partial payment of Öyfjellet (SEK 158m) coming in November (Q1) but instead it came in December (Q2).

Adjusting for this effect, adj. EBIT came in SEK 12m better than our adj. estimate of SEK 40m, (excluding the partial Öyfjellet payment). We note that figures were boosted by some FX derivatives, but these were non-cash and are expected to have close to zero net effect over time. All in all, we make slight time adjustments for projects and also update FX, which leads us to increase '19-'21e total EBIT by SEK 16m.

Updated project portfolio assures high future activity

In the Q1 report, Eolus gave details regarding its project portfolio spanning from 2022 until 2024. This is something we applaud, since it will give investors a clearer view of projects planned and the potential earnings going forward i.e. reducing speculative risk. We note that Eolus has wind farm projects of 597 MW, plus an additional 500MW solar farm with some additional 250MW energy storage in the US, which is expected to be delivered in 2023. This is bigger than we previously anticipated and the timeline is sooner than we previously expected – a development we find encouraging. All in all, if the company delivers these projects according to plan, it should be well positioned to benefit from strong, long-term demand in its existing markets.

Fair value range of SEK 55-156 per share

We incorporate the Q1 figures into our estimates and update our fair value range of SEK 55-156 per share, which is based on three DCF scenarios using a WACC of 8.7%, which can be found in our report, published on 30 August.

Lead analyst: Oskar Vikström
Mattias Ehrenborg

SEKm	2018	2019	2020e	2021e	2022e
Sales	1,367	2,032	1,454	596	2,952
EBITDA	217	123	356	350	233
EBITDA margin (%)	15.9	6.1	24.5	58.8	7.9
EBIT adj	202	118	351	346	229
EBIT adj margin (%)	14.8	5.8	24.1	58.1	7.8
Pretax profit	199	116	333	343	226
EPS rep	7.58	5.23	11.30	11.01	7.27
EPS adj	7.58	5.23	11.30	11.01	7.27
Sales growth (%)	28.3	48.6	-28.5	-59.0	395.7
EPS growth (%)	693.0	-31.0	116.1	-2.6	-34.0

Source: ABG Sundal Collier, Company data

Estimate changes (%)

	2020e	2021e	2022e
Sales	7.6%	-11.8%	0.0%
EBIT (rep)	6.2%	-2.7%	0.0%
EPS (rep)	7.7%	-2.7%	0.0%

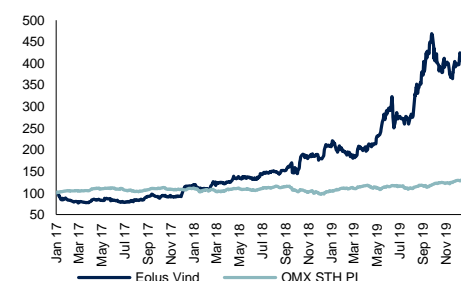
Source: ABG Sundal Collier

Share price (SEK) 22/01/2020 121.2
Utilities, Sweden
EOLUb.ST/EOLUB SS

MCap (SEKm)	3,019
MCap (EURm)	286.2
Net debt (EURm)	-78
No. of shares (m)	24.9
Free float (%)	100.0
Av. daily volume (k)	126.6

Next event Q2 report: 23 Apr

Performance



	1m	3m	12m
Absolute (%)	17.4	14.3	126.5
OMX STH PI (%)	2.3	9.0	25.8

Source: FactSet

	2020e	2021e	2022e
P/E (x)	10.7	11.0	16.7
P/E adj (x)	10.7	11.0	16.7
P/BVPS (x)	2.67	2.22	2.02
EV/EBITDA (x)	6.1	5.6	7.8
EV/EBIT adj (x)	6.1	5.6	7.9
EV/sales (x)	1.48	3.28	0.62
ROE adj (%)	27.6	22.0	12.7
Dividend yield (%)	1.5	1.7	1.7
FCF yield (%)	2.5	9.3	6.1
Lease adj. FCF yld (%)	2.5	9.3	6.1
Net IB debt/EBITDA	-2.3	-3.1	-5.1
Lease adj. ND/EBITDA	-2.3	-3.1	-5.1

Please refer to important disclosures at the end of this report

This research product is commissioned and paid for by the company covered in this report. As such, this report is deemed to constitute an acceptable minor non-monetary benefit (i.e. not investment research) as defined in MiFID II.

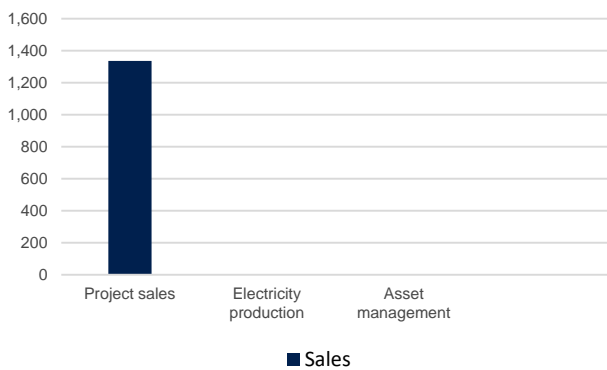
Opportunities

Faster realization of priority projects than our assumptions. De-risked operation through release of own windfarms and lower impairment risks. Potential expansion to new areas within sustainable energy.

Risks

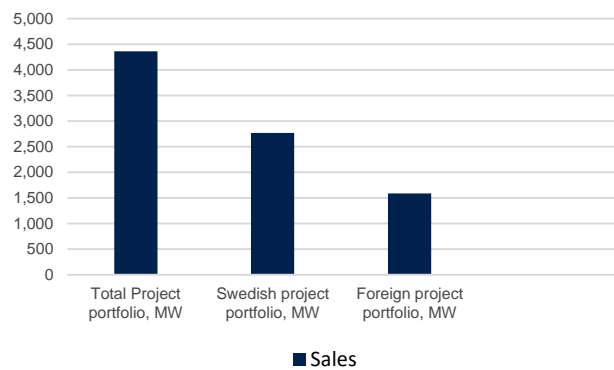
Lower investment activity in wind power facilities. Political risks and dependence on electricity prices. Construction risk.

Geographical breakdown, sales, SEKm



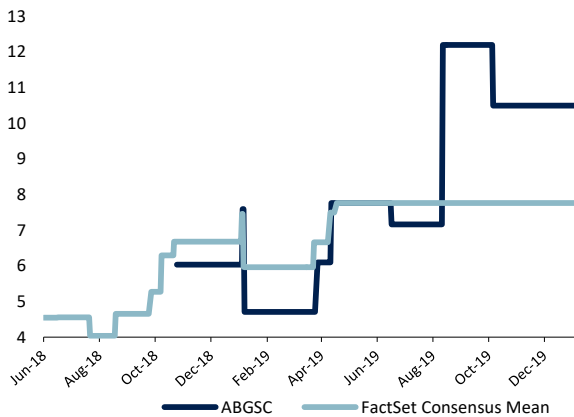
Source: ABG Sundal Collier, Company data

Business area breakdown, sales, SEKm



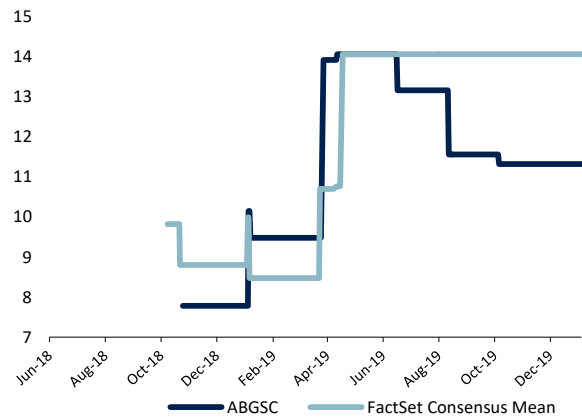
Source: ABG Sundal Collier, Company data

EPS estimate changes, 2020e, SEK



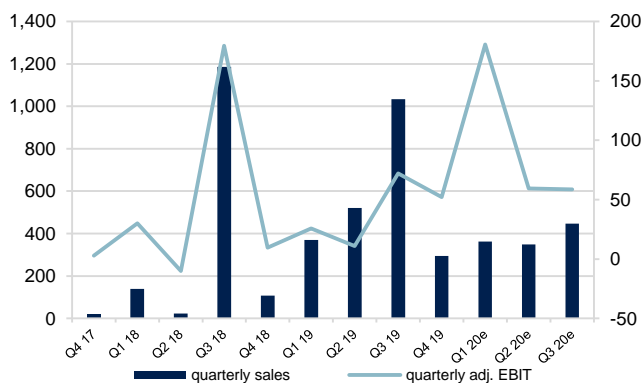
Source: ABG Sundal Collier, FactSet

EPS estimate changes, 2021e, SEK



Source: ABG Sundal Collier, FactSet

Quarterly sales and adj. EBIT, SEKm



Source: ABG Sundal Collier, Company data

Company description

Eolus is a leading Nordic wind power developer listed on Nasdaq Stockholm Small Cap. The core business is to construct wind power facilities in favorable wind locations and transfer them to customers as turnkey solutions. This has been Eolus' mission since its inception in 1990. It has gained extensive experience and expertise in the construction of wind power facilities and a broad network of landowners, authorities, investors, sub-contractors and wind turbine manufacturers. Eolus has established a combined capacity of 900+ MW, which is about 13% of the wind power constructed in Sweden.

In the Q1 report, Eolus gave details of its project portfolio beyond 2021 and after Öyfjellet. We have always been confident that additional projects would be added beyond 2021, however, we find it positive that Eolus has disclosed these details about its future portfolio as it is more transparent for investors. This increases our expectations that Eolus will be able to deliver 200-250 MW pa for many years to come, as long term demand is high and the company's track record is solid.

Announced project portfolio 2022-2024

Project	Location	Technology	Capacity, MW	delivery
Stockåsbodarna	Sundsvall, Sweden	Wind	39	2022
Rosenskog	Falköping, Sweden	Wind	15	2022
Dällebo	Ulricehamn, Sweden	Wind	20	2022
Boarp	Vaggeryd, Sweden	Wind	19	2023
Ölme	Kristinehamn, Sweden	Wind	64	2023
Stor-Vrången	Ockelbo, Sweden	Wind	49	2022
Fågelås	Hjo, Sweden	Wind	49	2023
Vaberget	Sollefteå, Sweden	Wind	49	2024
Siggebohyttan	Lindesberg, Sweden	Wind	73	2024
Pörtom	Närpes, Finland	Wind	44	2023
Peineva/Dobele	Tukums & Dobele, Latvia	Wind	172	2023
Cenetennial Flats	Arizona, USA	Solar + storage	500 + 250	2023
Total			1343	

Source: ABG Sundal Collier, company data

The above table shows that Eolus could potentially deliver 597 MW of wind farm capacity between 2022 and 2024, an average of 200 MW pa. In addition, we see the mega US solar and energy storage project *Cenetennial Flats*, with a total capacity of 500 + 250 MW, being delivered as soon as 2023 – something we did not expect to happen so soon.

We understand that total capex for a solar + storage farm exceeds the one for a wind farm. We also understand that Eolus is expected to divest the project once all permits and PPA contracts have been signed and is thus not taking responsibility for the construction. This would imply a lower total gross profit but nonetheless a higher return on capital (likely higher than what it can achieve in the Nordics). This is also something we find positive, as it de-risks the operation and allow Eolus to focus on its core business – project development.

Estimated construction schedule, gross profit contribution '17-'18-2021e on a quarterly basis

Project	Q1 17/18	Q2 17/18	Q3 17/18	Q4 17/18	Q1	Q2	Q3	Q4	Q1	Q2e	Q3e	Q4e	Q1e	Q2e	Q3e	Q4e
Jenåsen (79 MW)				104												
Sötterfällan (36 MW, KGAL)						3	15	36								
Anneberg (10,8 KGAL)					9	5										
Nylandsbergen (68 MW, Aquila)						16	12	39								
Kråktorpet (163 MW, Aquila)						28	20	21	26							
Bäckhammar (130 MW, KGAL)								23	8	32	49	50				
Stigafjellet (30 MW, Ewz)									10	5	5	13	18			
Öyfjellet (400 MW, Aquila)										158			24	48	72	254
Windwall (47 MW), Repowering. (Eolus 60% share)										4	9	16				

Completed construction, handover to customer
Ongoing construction, financed by Eolus
Ongoing construction, financed by customer
Ongoing sales process
Ongoing construction, financier to be decided

Estimated gross profit contribution by project, SEKm	
Jenåsen (79 MW)	104
Sötterfällan (36 MW, KGAL)	54
Anneberg (10,8 KGAL)	14
Nylandsbergen (68 MW, Aquila)	66
Kråktorpet (163 MW, Aquila)	96
Bäckhammar (130 MW, KGAL)	162
Stigafjellet (30 MW, Ewz)	50
Öyfjellet (400 MW, Aquila)	557
Windwall (47 MW), Repowering. (Eolus 60% share)	29
Total (excl. Jenåsen)	1,027

Source: ABG Sundal Collier, company data

The Q1 report came in very much in line with our estimates. One major deviation was the Öyjellet partial payment, which we expected to take place in November (Q1), but instead it took place one month later in December (Q2). This has zero net impact on our estimates and we thus adjust accordingly. As one can see in the table, EBIT came in at SEK 52m, which can be put in to relation to our EBIT estimate of SEK 40m (when adjusting for the Öyfjellet payment of SEK 158m).

We also note that FX derivatives had a positive non-cash effect on other income, as prior quarters had had negative effects, and some of the effect is also recognised in the net financials. All this is likely to have a zero impact over the course of the projects, however one should be aware of the P&L effect.

Furthermore, Kråktorpet was successfully delivered in the quarter and we also saw revenue recognition from the ongoing construction of Bäckhammar and Stigafjellet, where the latter is contributing ahead of our expectations. We also wish to highlight that the construction of Wind Wall in the US is going according to plan, but no revenue will be recognised until it has been sold, which we expect to happen in 2020.

Deviation table

(SEKm)	Last year	Actual	ABGSCe	Dev.	Dev.
FY (Sept-Aug)	Q1 18/19	Q4 18/19	Q1 19/20	(%)	(SEKm)
Sales by segment					
Project Development	101.0	289.4	398.8	-27%	-109.4
Asset Management	4.6	5.2	7.3	-29%	-2.1
Electricity Generation	2.3	0.0	0.0	<i>nmf</i>	0.0
Net sales	107.8	294.4	406.1	-28%	-111.8
Other income	7.7	27.54	8.10	240%	19.435
EBITDA	10.8	54.3	198.7	-73%	-144.4
Adj EBITDA	10.8	54.3	198.7	-73%	-144.4
D&A	-1.2	-2.0	-1.0	-102%	-1.0
EBIT	9.7	52.2	197.7	-74%	-145.5
Net financials	-7.5	-14.7	-1.0	-1447%	-13.8
Net income	1.0	42.1	157.4	-73%	-115.3
EPS diluted (SEK)	0.04	1.69	6.32	-73%	-4.6
Adj EBITDA margin	10.0%	18.4%	48.9%	-30%	<i>nmf</i>
Adj EBIT margin	9.0%	24.4%	48.7%	-24%	<i>nmf</i>

Source: ABG Sundal Collier, company data

We make minor estimate revisions on the back of time adjustments of projects and also some non-cash FX derivatives adjustments. All in all, 2019-2021e total EBIT is improved by SEK 16m.

Forecast changes

	Old			New			Change (%)			Change (SEKm)		
	19/20e	20/21e	21/22e	19/20e	20/21e	21/22e	19/20e	20/21e	21/22e	19/20e	20/21e	21/22e
Net sales	1351	675	2953	1454	596	2952	8%	-12%	0%	102	-80	0
Other income	27	0	0	39	0	0	44%	<i>nmf</i>	<i>nmf</i>	12	0	0
COGS	-950	-215	-2612	-1042	-145	-2612	10%	-33%	0%	-92	70	0
SG&A and other costs	-93	-101	-107	-95	-101	-107	1%	0%	0%	-1	0	1
EBITDA	335	359	233	356	350	233	6%	-3%	0%	21	-9	0
Adj EBITDA	335	359	233	356	350	233	6%	-3%	0%	21	-9	0
Depreciation	-4	-4	-4	-5	-4	-4	25%	0%	0%	-1	0	0
Amortization	0	0	0	0	0	0	<i>nmf</i>	<i>nmf</i>	<i>nmf</i>	0	0	0
EBIT	331	355	229	351	346	229	6%	-3%	0%	20	-9	0
Adj EBIT	331	355	229	351	346	229	6%	-3%	0%	20	-9	0
Net financials	-4	-3	-3	-18	-3	-3	363%	2%	2%	-14	0	0
EBT	327	352	226	333	343	226	2%	-3%	0%	7	-10	0
Tax	-65	-70	-45	-55	-69	-45	-16%	-3%	0%	11	2	0
Net Income	261	282	181	279	274	181	7%	-3%	0%	17	-8	0
EPS diluted (SEK)	10.50	11.32	7.27	11.19	11.01	7.27	7%	-3%	0%	0.7	-0.3	0.0
Free cash flow	72	288	183	75	281	183	4%	-3%	0%	3	-8	0
Net cash flow	35	244	133	-112	236	133	-425%	-3%	0%	-147	-8	0
Net debt	-835	-1,078	-1,212	-832	-1,068	-1,201	0%	-1%	-1%	3	10	10
Breakdown of sales												
Project Development	2007	1278	629	2007	1383	549	0%	8%	-13%	0	105	-79
Asset Management	20	30	41	20	28	41	0%	-8%	-1%	0	-2	0
Electricity Production	7	0	0	7	0	0	0%	0%	0%	0	0	0

Source: ABG Sundal Collier, company data

Income Statement (SEKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020e	Q3 2020e	Q4 2020e
Sales	108	370	520	1,034	294	363	349	448
COGS	-82	-302	-463	-947	-244	-159	-277	-362
Gross profit	26	69	58	87	51	204	72	85
Other operating items	-15	-41	-45	-14	4	-22	-11	-25
EBITDA	11	27	12	73	54	182	60	60
Depreciation and amortisation	-1	-1	-1	-1	-2	-1	-1	-1
EBITA	10	26	11	72	52	181	59	59
EO items	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0
EBIT	10	26	11	72	52	181	59	59
Net financial items	-8	5	-1	1	-15	-1	-1	-1
Pretax profit	2	31	10	73	38	180	58	58
Tax	-1	7	2	8	5	-36	-12	-12
Net profit	1	39	12	81	42	144	47	46
Minority interest	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	1	39	12	81	42	144	47	46
EPS	0.04	1.53	0.49	3.21	1.71	5.77	1.88	1.86
EPS Adj	0.04	1.53	0.49	3.21	1.71	5.77	1.88	1.86
Total extraordinary items after tax	0	0	0	0	0	0	0	0
<i>Tax rate (%)</i>	<i>53.2</i>	<i>23.9</i>	<i>21.6</i>	<i>11.5</i>	<i>12.3</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>
<i>Gross margin (%)</i>	<i>24.0</i>	<i>18.5</i>	<i>11.1</i>	<i>8.4</i>	<i>17.2</i>	<i>56.2</i>	<i>20.6</i>	<i>19.0</i>
<i>EBITDA margin (%)</i>	<i>10.0</i>	<i>7.4</i>	<i>2.3</i>	<i>7.1</i>	<i>18.4</i>	<i>50.1</i>	<i>17.3</i>	<i>13.3</i>
<i>EBITA margin (%)</i>	<i>9.0</i>	<i>7.0</i>	<i>2.1</i>	<i>7.0</i>	<i>17.7</i>	<i>49.8</i>	<i>17.0</i>	<i>13.1</i>
<i>EBIT margin (%)</i>	<i>9.0</i>	<i>7.0</i>	<i>2.1</i>	<i>7.0</i>	<i>17.7</i>	<i>49.8</i>	<i>17.0</i>	<i>13.1</i>
<i>Pretax margin (%)</i>	<i>2.0</i>	<i>8.4</i>	<i>1.9</i>	<i>7.0</i>	<i>12.7</i>	<i>49.5</i>	<i>16.7</i>	<i>12.9</i>
<i>Net margin (%)</i>	<i>0.9</i>	<i>10.5</i>	<i>2.3</i>	<i>7.8</i>	<i>14.3</i>	<i>39.6</i>	<i>13.4</i>	<i>10.3</i>
Growth rates Y/Y	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020e	Q3 2020e	Q4 2020e
<i>Sales growth (%)</i>	<i>494.2</i>	<i>165.6</i>	<i>2,199.1</i>	<i>-12.8</i>	<i>173.1</i>	<i>-2.0</i>	<i>-33.0</i>	<i>-56.7</i>
<i>EBITDA growth (%)</i>	<i>108.1</i>	<i>-21.0</i>	<i>+chg</i>	<i>-60.6</i>	<i>401.9</i>	<i>565.6</i>	<i>396.3</i>	<i>-18.2</i>
<i>EBIT growth (%)</i>	<i>223.2</i>	<i>-13.7</i>	<i>+chg</i>	<i>-59.9</i>	<i>441.0</i>	<i>598.7</i>	<i>446.8</i>	<i>-18.4</i>
<i>Net profit growth (%)</i>	<i>-86.6</i>	<i>7.8</i>	<i>+chg</i>	<i>-48.0</i>	<i>4,140.8</i>	<i>271.6</i>	<i>284.3</i>	<i>-42.9</i>
<i>EPS growth (%)</i>	<i>-86.6</i>	<i>7.8</i>	<i>+chg</i>	<i>-48.0</i>	<i>4,140.8</i>	<i>271.6</i>	<i>284.3</i>	<i>-42.9</i>
Adj earnings numbers	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020e	Q3 2020e	Q4 2020e
EBITDA Adj	11	27	12	73	54	182	60	60
<i>EBITDA Adj margin (%)</i>	<i>10.0</i>	<i>7.4</i>	<i>2.3</i>	<i>7.1</i>	<i>18.4</i>	<i>50.1</i>	<i>17.3</i>	<i>13.3</i>
EBITA Adj	10	26	11	72	52	181	59	59
<i>EBITA Adj margin (%)</i>	<i>9.0</i>	<i>7.0</i>	<i>2.1</i>	<i>7.0</i>	<i>17.7</i>	<i>49.8</i>	<i>17.0</i>	<i>13.1</i>
EBIT Adj	10	26	11	72	52	181	59	59
<i>EBIT Adj margin (%)</i>	<i>9.0</i>	<i>7.0</i>	<i>2.1</i>	<i>7.0</i>	<i>17.7</i>	<i>49.8</i>	<i>17.0</i>	<i>13.1</i>
Pretax profit Adj	2	31	10	73	38	180	58	58
Net profit Adj	1	39	12	81	42	144	47	46
Net profit to shareholders Adj	1	39	12	81	42	144	47	46
<i>Net Adj margin (%)</i>	<i>0.9</i>	<i>10.5</i>	<i>2.3</i>	<i>7.8</i>	<i>14.3</i>	<i>39.6</i>	<i>13.4</i>	<i>10.3</i>

Source: ABG Sundal Collier, Company data

Income Statement (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Sales	1,205	466	1,502	693	1,066	1,367	2,032	1,454	596	2,952
COGS	-969	-330	-1,239	-608	-923	-1,077	-1,793	-1,042	-145	-2,612
Gross profit	236	136	263	86	143	290	239	412	451	340
Other operating items	-35	-62	-79	-75	-79	-73	-115	-56	-101	-107
EBITDA	201	73	185	11	64	217	123	356	350	233
Depreciation and amortisation	-34	-31	-24	-24	-15	-15	-5	-5	-4	-4
Of which leasing depreciation	0	0	0	0	0	0	0	0	0	0
EBITA	166	42	161	-13	49	202	118	351	346	229
EO items	0	0	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	-20	-1	-71	-2	-8	0	0	0	0	0
EBIT	147	41	90	-16	40	202	118	351	346	229
Net financial items	-11	-28	-15	-13	-6	-4	-2	-18	-3	-3
Pretax profit	135	13	75	-29	34	199	116	333	343	226
Tax	6	-2	5	5	-10	-5	17	-55	-69	-45
Net profit	142	11	80	-24	25	194	133	279	274	181
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	142	11	80	-24	25	194	133	279	274	181
EPS	5.45	0.44	1.23	-0.97	0.96	7.58	5.23	11.30	11.01	7.27
EPS Adj	6.20	0.47	2.32	-0.87	1.29	7.58	5.23	11.30	11.01	7.27
Total extraordinary items after tax	0	0	0	0	0	0	0	0	0	0
Leasing payments	0	0	0	0	0	0	0	0	0	0
Tax rate (%)	4.6	16.8	6.3	17.7	28.4	2.3	14.5	16.4	20.0	20.0
Gross margin (%)	19.6	29.1	17.5	12.4	13.4	21.2	11.7	28.3	75.7	11.5
EBITDA margin (%)	16.7	15.8	12.3	1.6	6.0	15.9	6.1	24.5	58.8	7.9
EBITA margin (%)	13.8	9.1	10.7	-1.9	4.6	14.8	5.8	24.1	58.1	7.8
EBIT margin (%)	12.2	8.9	6.0	-2.3	3.8	14.8	5.8	24.1	58.1	7.8
Pretax margin (%)	11.2	2.8	5.0	-4.2	3.2	14.5	5.7	22.9	57.6	7.7
Net margin (%)	11.7	2.3	5.3	-3.4	2.3	14.2	6.5	19.2	46.0	6.1
Growth rates Y/Y	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Sales growth (%)	-36.2	-61.3	222.5	-53.8	53.7	28.3	48.6	-28.5	-59.0	395.7
EBITDA growth (%)	75.0	-63.4	151.1	-94.2	491.0	241.2	-43.2	188.8	-1.7	-33.3
EBIT growth (%)	80.6	-71.7	117.1	-117.7	352.3	403.1	-41.5	196.7	-1.5	-33.7
Net profit growth (%)	408.5	-92.3	631.9	-129.9	202.5	693.0	-31.7	109.9	-1.6	-34.0
EPS growth (%)	387.3	-91.9	178.0	-178.6	198.7	693.0	-31.0	116.1	-2.6	-34.0
Profitability	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
ROE (%)	15.7	1.2	9.6	-3.4	3.7	26.3	15.6	27.6	22.0	12.7
ROE Adj (%)	17.9	1.2	18.1	-3.1	5.0	26.3	15.6	27.6	22.0	12.7
ROCE (%)	11.5	3.1	7.6	-1.9	5.6	21.6	10.0	28.3	24.6	14.5
ROCE Adj(%)	13.0	3.2	13.6	-1.6	6.7	21.6	10.0	28.3	24.6	14.5
ROIC (%)	12.7	2.8	8.5	-1.9	4.9	36.2	41.2	127.5	85.8	57.7
ROIC Adj (%)	12.7	2.8	8.5	-1.9	4.9	36.2	41.2	127.5	85.8	57.7
Adj earnings numbers	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
EBITDA Adj	201	73	185	11	64	217	123	356	350	233
EBITDA Adj margin (%)	16.7	15.8	12.3	1.6	6.0	15.9	6.1	24.5	58.8	7.9
EBITDA lease Adj	201	73	185	11	64	217	123	356	350	233
EBITDA lease Adj margin (%)	16.7	15.8	12.3	1.6	6.0	15.9	6.1	24.5	58.8	7.9
EBITA Adj	166	42	161	-13	49	202	118	351	346	229
EBITA Adj margin (%)	13.8	9.1	10.7	-1.9	4.6	14.8	5.8	24.1	58.1	7.8
EBIT Adj	147	41	90	-16	40	202	118	351	346	229
EBIT Adj margin (%)	12.2	8.9	6.0	-2.3	3.8	14.8	5.8	24.1	58.1	7.8
Pretax profit Adj	155	14	146	-27	43	199	116	333	343	226
Net profit Adj	161	12	151	-21	33	194	133	279	274	181
Net profit to shareholders Adj	161	12	151	-21	33	194	133	279	274	181
Net Adj margin (%)	13.4	2.5	10.0	-3.1	3.1	14.2	6.5	19.2	46.0	6.1

Source: ABG Sundal Collier, Company data

Cash Flow Statement (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
EBITDA	201	73	185	11	64	217	123	356	350	233
Net financial items	-11	-28	-15	-13	-6	-4	-2	-18	-3	-3
Paid tax	6	-2	5	5	-10	-5	17	-55	-69	-45
Non-cash items	0	0	0	0	0	-44	108	12	3	0
Cash flow before change in WC	196	43	174	3	48	165	245	296	282	185
Change in WC	266	-523	626	101	-96	76	321	-219	1	0
Operating cash flow	428	-488	715	134	91	242	567	76	283	185
CAPEX tangible fixed assets	124	10	44	-10	-10	-1	-5	-1	-2	-2
CAPEX intangible fixed assets	0	0	0	0	0	0	-96	0	0	0
Acquisitions and disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	552	-478	759	124	81	241	466	75	281	183
Dividend paid	-25	-37	0	-286	-37	-37	-37	-37	-45	-50
Share issues and buybacks	0	0	0	0	0	0	0	0	0	0
Lease liability amortisation	0	0	0	0	0	0	0	0	0	0
Other non cash items	30	3	-264	263	-7	0	33	13	0	0
Decrease in net IB debt	550	-533	474	87	28	203	429	32	236	133
Balance Sheet (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	0	0	0	0	0	96	54	27	23	23
Tangible fixed assets	459	415	339	259	111	52	32	34	32	30
Right-of-use asset	0	0	0	0	0	0	0	0	0	0
Total other fixed assets	4	12	13	32	37	29	25	22	22	22
Fixed assets	462	426	352	292	148	177	111	83	77	75
Inventories	653	1,335	567	667	473	882	472	644	643	643
Receivables	64	82	99	89	78	96	372	312	312	312
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	383	86	242	222	202	740	1,103	990	1,226	1,360
Total assets	1,563	1,930	1,259	1,270	901	1,895	2,058	2,029	2,258	2,390
Shareholders equity	961	937	731	671	660	816	890	1,132	1,361	1,492
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	961	937	731	671	660	816	890	1,132	1,361	1,492
Long-term debt	272	508	189	82	34	369	152	156	156	156
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	0	0	0	0	0	0	0	0
Total other long-term liabilities	142	121	99	86	77	77	7	26	26	26
Short-term debt	0	0	0	0	0	0	151	3	3	3
Accounts payable	188	365	240	430	130	633	820	713	713	713
Other current liabilities	0	0	0	0	0	0	38	0	0	0
Total liabilities and equity	1,563	1,930	1,259	1,270	901	1,895	2,058	2,029	2,258	2,390
Net IB debt	-112	421	-53	-140	-168	-371	-800	-832	-1,068	-1,201
Net IB debt excl. pension debt	-112	421	-53	-140	-168	-371	-800	-832	-1,068	-1,201
Net IB debt excl. leasing	-112	421	-53	-140	-168	-371	-800	-832	-1,068	-1,201
Capital invested	991	1,479	778	618	569	522	135	326	319	317
Working capital	529	1,052	426	326	421	345	24	243	242	242
EV breakdown	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Market cap. diluted (m)	565	551	1,589	488	553	984	1,998	2,990	3,019	3,019
Net IB debt Adj	-112	421	-53	-140	-168	-371	-800	-832	-1,068	-1,201
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	0	0	0	0	0	0	0	0	0	0
EV	454	972	1,536	349	386	613	1,198	2,158	1,951	1,818
Capital efficiency	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Total assets turnover (%)	68.5	26.7	94.2	54.8	98.2	97.8	102.8	71.1	27.8	127.0
Working capital/sales (%)	54.9	169.7	49.2	54.2	35.1	28.0	9.1	9.2	40.7	8.2
Financial risk and debt service	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Net debt/equity	-0.12	0.45	-0.07	-0.21	-0.25	-0.45	-0.90	-0.74	-0.78	-0.80
Net debt/market cap	-0.21	0.70	-0.09	-0.26	-0.31	-0.50	-0.59	-0.28	-0.35	-0.40
Equity ratio (%)	61.5	48.5	58.1	52.9	73.2	43.1	43.2	55.8	60.3	62.4
Net IB debt adj./equity	-0.12	0.45	-0.07	-0.21	-0.25	-0.45	-0.90	-0.74	-0.78	-0.80
Current ratio	5.85	4.12	3.79	2.27	5.80	2.71	1.93	2.72	3.05	3.23
EBITDA/net interest	17.62	2.59	12.47	0.82	10.60	61.47	52.46	20.17	112.44	75.02
Net IB debt/EBITDA	-0.56	5.73	-0.29	-12.98	-2.63	-1.71	-6.49	-2.34	-3.05	-5.15
Net IB debt/EBITDA lease Adj	-0.56	5.73	-0.29	-12.98	-2.63	-1.71	-6.49	-2.34	-3.05	-5.15
Interest cover	14.59	1.49	10.85	-1.03	8.11	57.29	50.35	19.89	111.16	73.73

Source: ABG Sundal Collier, Company data

Valuation and Ratios (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Shares outstanding adj.	25	25	25	25	25	25	25	25	25	25
Fully diluted shares Adj	26	25	65	25	26	26	25	25	25	25
EPS	5.45	0.44	1.23	-0.97	0.96	7.58	5.23	11.30	11.01	7.27
Dividend per share Adj	1.5	1.5	11.5	1.5	1.5	1.5	1.5	1.8	2.0	2.0
EPS Adj	6.20	0.47	2.32	-0.87	1.29	7.58	5.23	11.30	11.01	7.27
BVPS	38.58	37.61	29.36	26.95	26.48	32.76	35.73	45.43	54.64	59.91
BVPS Adj	38.58	37.61	29.36	26.95	26.48	28.90	33.56	44.36	53.71	58.98
Net IB debt / share	-4.5	16.9	-2.1	-5.6	-6.7	-14.9	-32.1	-33.4	-42.9	-48.2
Share price	21.75	22.35	24.50	19.80	21.60	38.40	78.70	121.20	121.20	121.20
Market cap. (m)	542	557	610	493	538	956	1,960	3,019	3,019	3,019
Valuation	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
P/E	4.0	50.4	19.9	-20.4	22.6	5.1	15.0	10.7	11.0	16.7
EV/sales	0.38	2.09	1.02	0.50	0.36	0.45	0.59	1.48	3.28	0.62
EV/EBITDA	2.3	13.2	8.3	32.4	6.1	2.8	9.7	6.1	5.6	7.8
EV/EBITA	2.7	23.0	9.6	-25.9	7.9	3.0	10.1	6.1	5.6	7.9
EV/EBIT	3.1	23.4	17.1	-21.9	9.6	3.0	10.1	6.1	5.6	7.9
Dividend yield (%)	6.9	6.7	46.9	7.6	6.9	3.9	1.9	1.5	1.7	1.7
FCF yield (%)	97.7	-86.7	47.8	25.3	14.7	24.5	23.3	2.5	9.3	6.1
Lease adj. FCF yield (%)	97.7	-86.7	47.8	25.3	14.7	24.5	23.3	2.5	9.3	6.1
P/BVPS	0.56	0.59	0.83	0.73	0.82	1.17	2.20	2.67	2.22	2.02
P/BVPS Adj	0.56	0.59	0.83	0.73	0.82	1.33	2.35	2.73	2.26	2.05
P/E Adj	3.5	47.3	10.6	-22.8	16.8	5.1	15.0	10.7	11.0	16.7
EV/EBITDA Adj	2.3	13.2	8.3	32.4	6.1	2.8	9.7	6.1	5.6	7.8
EV/EBITA Adj	2.7	23.0	9.6	-25.9	7.9	3.0	10.1	6.1	5.6	7.9
EV/EBIT Adj	3.1	23.4	17.1	-21.9	9.6	3.0	10.1	6.1	5.6	7.9
EV/cap. employed	0.4	0.7	1.7	0.5	0.6	0.5	1.0	1.7	1.3	1.1
Investment ratios	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Capex/sales	-10.3	-2.2	-2.9	1.5	0.9	0.1	5.0	0.1	0.3	0.1
Capex/depreciation	-359.8	-32.8	-184.7	42.9	65.1	6.4	2,028.3	24.2	50.0	50.0
Capex tangibles/tangible fixed assets	-27.1	-2.5	-13.0	4.0	8.7	1.8	14.5	3.6	6.2	6.6
Capex intangibles/definite intangibles	nm	nm	nm	nm	nm	0	177.8	0	0	0
Depreciation on intangibles/definite intan	nm	nm	nm	nm	nm	0	0	0	0	0
Depreciation on tangibles/tangibles	7.5	7.5	7.1	9.3	13.4	28.4	15.6	14.7	12.4	13.2

Source: ABG Sundal Collier, Company data

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