

Alma Media

Company report

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✓ Inderes corporate customer

This report is a summary translation of the report “Liikevaihdon kasvu valuu tehokkaasti tulokseen” published on 07/18/2021 at 5:00 pm

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Revenue growth efficiently reflected in result

Alma Media will publish its Q2 report on Wednesday at around 8 am. A clearly higher revenue and operating result than in the comparison period are expected, which is supported by strong market recovery and inorganic growth. We have raised our estimates based on Alma Media's recent positive earnings revision. Thus, we raise our target price to EUR 12.5 (previously EUR 10.5) and reiterate our Accumulate recommendation.

Next to organic growth, revenue growth is driven by Nettix acquisition

We have raised our estimates for both Q2 and the rest of the year and expect Alma Media's revenue to have grown by 29% in Q2 to EUR 67.8 million. By segment, we expect Alma Career's revenue to have grown by nearly 35% in Q2 from the low comparison period level burdened by the pandemic. Correspondingly, we expect Talent's revenue to have grown strongly by 14% in light of recovered ad sales and well-developed service sales. Organic growth of Consumer's revenue is driven by the recovered ad market and good market development of marketplaces, in addition to which the Nettix acquisition boosts segment growth. Thanks to these factors, we estimate that Consumer's revenue has grown by 51%.

Scalable growth also reflected in result rows

We estimate that Alma Media's adjusted operating profit has risen to EUR 16.4 million in Q2 and adjusted EBIT % has improved to 24.2% (Q2'20: 22.4%). We expect the operating result to have grown in all segments and strongest relative earnings growth is expected from Talent and Consumer. Consumer's earnings growth is driven to a large extent by the Nettix acquisition, but we also expect strong recovery in ad sales to have a large effect on the segment's result. Considering the operating result growth and lower result effect of minorities due to the Alma Mediapartners acquisition, we expect that the Q2 EPS has risen to EUR 0.13. With the estimate revisions, our full year adjusted EBIT estimate rose by 8% to EUR 61.1 million.

Recent guidance remains unchanged

Alma Media issued a positive earnings revision a good week ago, so the guidance naturally remains unchanged. In 2021, the company expects revenue from continuing operations (2020: EUR 230 million) and adjusted operating profit (2020: EUR 45.4 million) to grow clearly from 2020. In the Q2 report we will pay particular attention to how strongly the demand for Alma Career's recruitment business and digital ad sales have recovered. In addition, we monitor the development of the cost structure, which should be clearly more moderate than revenue growth considering the scalability of the business.

Earnings growth depresses earnings-based valuation multiples quickly

We believe the share's earnings-based valuation level is, however, slightly elevated compared to the short-term earnings level considering the increased gearing (2021e P/E 21x and EV/EBIT 19x) With the expected earnings growth, the valuation level does, however, fall to more attractive levels in the next few years (2022-2023 P/E 18-17x and EV/EBIT 16-15 x). The expected earnings growth together with the dividend yield of some 3% offer in our opinion a sufficient return expectation for the next couple of years despite the relatively high short-term valuation.

Recommendation

Accumulate

(previous Accumulate)

EUR 12.50

(previous EUR 10.50)

Share price:

11.80



Key indicators

	2020	2021e	2022e	2023e
Revenue	230	261	280	291
growth %	-8%	14%	7%	4%
EBIT adjusted	45.5	61.1	70.2	75.5
EBIT % adjusted	19.7%	23.4%	25.1%	25.9%
Net profit	27.6	42.2	50.3	54.9
EPS (adjusted)	0.36	0.57	0.66	0.71
P/E (adjusted)	24.6	20.8	17.9	16.7
P/B	4.0	4.8	4.3	3.9
Dividend yield %	3.4%	2.7%	3.0%	3.4%
EV/EBIT (adjusted)	16.6	19.3	16.3	14.7
EV/EBITDA	12.8	16.2	14.0	12.7
EV/Sales	3.3	4.5	4.1	3.8

Source: Inderes

Guidance

(Improved)

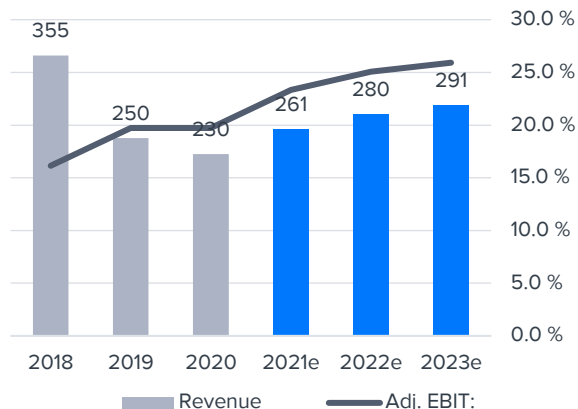
In 2021, Alma Media expects revenue from continuing operations (2020: EUR 230 million) and adjusted operating profit (2020: EUR 45.4 million) to grow clearly from 2020.

Share price



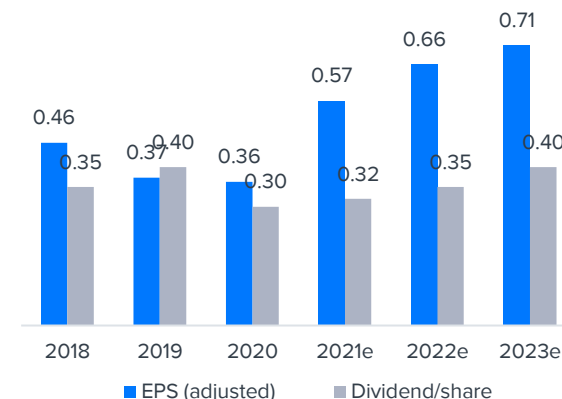
Source: Thomson Reuters

Revenue and EBIT %



Source: Inderes

EPS and dividend



Source: Inderes



Value drivers

- Strong and profitable growth in digital businesses
- Positive long-term market trends of marketplace businesses
- Stable profitability development and strong cash flow in media businesses
- M&A transaction option that is positive considering the track record



Risk factors

- Relatively high cyclicality
- Accelerated revolution in media and steep decrease in print media
- New technologies
- Changes in competitive position and dynamics
- Short-term uncertainty factors caused by COVID

Valuation	2021e	2022e	2023e
Share price	11.8	11.8	11.8
Number of shares, millions	82.3	82.3	82.3
Market cap	971	971	971
EV	1176	1145	1113
P/E (adj.)	20.8	17.9	16.7
P/E	23.0	19.3	17.7
P/FCF	neg.	16.3	15.4
P/B	4.8	4.3	3.9
P/S	3.7	3.5	3.3
EV/Sales	4.5	4.1	3.8
EV/EBITDA	16.2	14.0	12.7
EV/EBIT (adj.)	19.3	16.3	14.7
Payout ratio (%)	62.4 %	57.3 %	59.9 %
Dividend yield-%	2.7 %	3.0 %	3.4 %

Source: Inderes

Strong revenue and result growth

Strong revenue growth

We expect that Alma Media's revenue has grown by 29% in Q2 to EUR 67.8 million.

In connection with raising its guidance, Alma Media commented that Career's recruitment business has recovered faster than expected and the livelier market development is estimated to be caused by materialization of pent-up demand. Considering this, we expect Alma Career's revenue to have grown by nearly 35% in Q2 from the low comparison period level burdened by the pandemic.

Correspondingly, we expect Talent's revenue to have grown strongly by 14% in light of recovered ad sales and well-developed service sales. According to our estimate, e.g., livelier activity on the capital markets in Q2 has supported Talent's ad sales.

Organic growth of Consumer's revenue is driven by the recovered ad market and good market development of marketplaces, in addition to which the Nettix acquisition boosts segment growth. We estimate that Consumer's revenue has grown by 51% of which little over half is inorganic growth.

Thanks to scalable business model growth is efficiently reflected in result

We estimate that Alma Media's adjusted operating profit has risen to EUR 16.4 million in Q2 and adjusted EBIT % has improved to 24.2% (Q2'20: 22.4%). We expect the operating result to have grown in all segments and strongest relative earnings growth is expected from Talent and Consumer. Consumer's earnings growth is driven to a large extent by the Nettix acquisition, but we also expect strong recovery in ad sales to have a large effect on both segment's

result.

Considering the operating result growth and lower result effect of minorities due to the Alma Mediapartners acquisition, we expect that the Q2 EPS has risen to EUR 0.13.

Especially our operating result estimate is at the top end of the consensus, but it should be noted that collection of the consensus was made pretty close to the earnings revision. Thus, we do not believe the consensus fully reflects market expectations ahead of the Q2 report.

Estimates MEUR / EUR	Q2'20	Q2'21	Q2'21e	Q2'21e	Consensus		2021e
	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	52.5		67.8	64.6	60.0	- 70.2	261
EBIT (adj.)	11.8		16.4	14.2	13.3	- 16.4	61.1
EBIT	9.0		14.3	13.5	11.3	- 16.3	56.5
PTP	8.4		13.7	13.1	10.7	- 15.8	54.3
EPS (reported)	0.06		0.13	0.13	0.10	- 0.15	0.51
Revenue growth-%	-18.1%		29.1%	23.0 %	14.3 %	- 33.7 %	13.6 %
EBIT-% (adj.)	22.4 %		24.2 %	22.0 %	22.2 %	- 23.4 %	23.4 %

Source: Inderes & Infront (consensus)

We also raised our estimates for the next few years slightly

Estimate changes 2021e-2023e

- As a result of the estimate revisions our 2021 revenue estimate rose by 3% to EUR 261 million, which corresponds with nearly 14% growth compared to 2020.
- Considering the scalability of the business our adjusted operating result estimate rose by 8% to EUR 61.1 million.
- The largest relative result driver for 2021 estimates was raised Q2'21 estimates and we expect market recovery to take place slightly faster than we anticipated.
- Our estimates for the next few years rose by 2-3% in terms of revenue and operating result.

Estimate revisions	2021e	2021e	Change	2022e	2022e	Change	2023e	2023e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	253	261	3%	274	280	2%	285	291	2%
EBIT (excl. NRIs)	56.6	61.1	8%	68.5	70.2	2%	73.8	75.5	2%
EBIT	52.0	56.5	9%	64.5	66.2	3%	70.4	72.1	2%
PTP	49.8	54.3	9%	62.0	63.7	3%	67.9	69.6	3%
EPS (excl. NRIs)	0.53	0.57	8%	0.64	0.66	3%	0.69	0.71	2%
DPS	0.32	0.32	0%	0.35	0.35	0%	0.40	0.40	0%

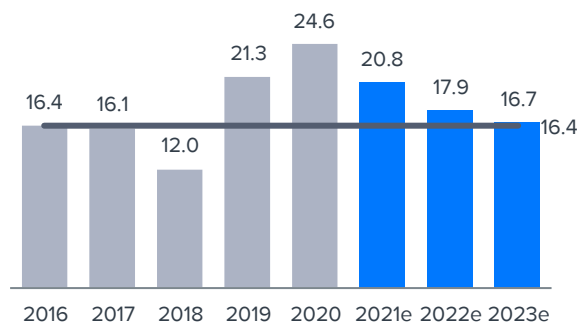
Source: Inderes

Valuation table

Valuation	2016	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Share price	5.03	7.19	5.54	7.96	8.92	11.8	11.8	11.8	11.8
Number of shares, millions	82.4	82.4	82.3	82.3	82.3	82.3	82.3	82.3	82.3
Market cap	414	592	456	655	734	971	971	971	971
EV	557	662	616	732	756	1176	1145	1113	1082
P/E (adj.)	16.4	16.1	12.0	21.3	24.6	20.8	17.9	16.7	15.9
P/E	24.5	18.4	10.9	21.3	26.6	23.0	19.3	17.7	16.7
P/FCF	13.6	19.2	58.2	8.5	6.7	neg.	16.3	15.4	14.8
P/B	3.5	4.3	2.8	3.8	4.0	4.8	4.3	3.9	3.5
P/S	1.2	1.6	1.3	2.6	3.2	3.7	3.5	3.3	3.2
EV/Sales	1.6	1.8	1.7	2.9	3.3	4.5	4.1	3.8	3.6
EV/EBITDA	11.6	9.9	8.0	10.3	12.8	16.2	14.0	12.7	11.9
EV/EBIT (adj.)	15.8	13.0	10.7	14.8	16.6	19.3	16.3	14.7	13.7
Payout ratio (%)	78.0 %	61.4 %	69.0 %	106.8 %	89.3 %	62.4 %	57.3 %	59.9 %	65.0 %
Dividend yield-%	3.2 %	3.3 %	6.3 %	5.0 %	3.4 %	2.7 %	3.0 %	3.4 %	3.9 %

Source: Inderes

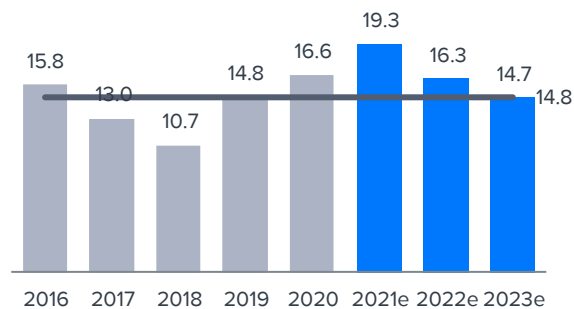
P/E (adj.)



■ P/E (adj.)

— Median 2016 - 2020

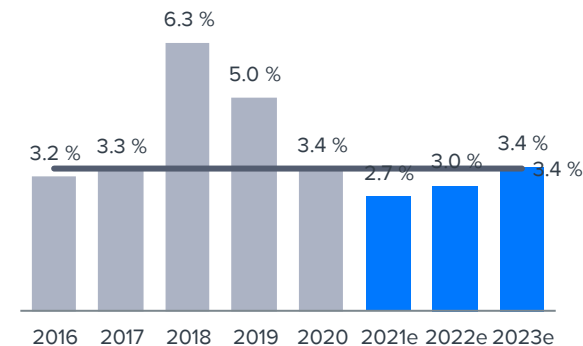
EV/EBIT (adj.)



■ EV/EBIT (adj.)

— Median 2016 - 2020

Dividend yield %



■ Dividend yield-%

— Median 2016 - 2020

Peer group valuation

Peer group valuation	Share price	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company		MEUR	MEUR	2021e	2022e	2021e	2022e	2021e	2022e	2021e	2022e	2021e	2022e	2021e
Alma Media Oyj	11.9	939	990	18.1	15.4	13.9	12.3	3.9	3.6	23.0	19.4	2.9	3.1	5.0
Agora SA	10.0	104	272		84.8	16.9	9.2	1.4	1.2		106.5			0.6
Future PLC	3164.0	4467	4792	24.3	20.1	21.6	17.8	7.0	6.0	27.6	24.5	0.1	0.1	4.3
Daily Mail and General Trust P L C	1114.0	2755	2521	22.3	18.1	15.9	13.7	1.9	1.8	43.4	33.0	2.2	2.3	2.1
Gannett Co Inc	4.9	585	1598	9.1	8.0	4.1	4.0	0.6	0.6					0.8
Lagardere SCA	20.7	2920	7033	1663.3	37.5	27.6	16.0	1.5	1.2		33.4		3.2	2.8
Meredith Corp	41.3	1418	3542	8.2	10.9	6.4	7.9	1.4	1.4	8.1	9.2			
Arnoldo Mondadori Editore SpA	1.9	510	645	12.7	9.6	6.8	5.7	0.8	0.8	18.7	13.2	2.5	2.6	2.6
New York Times Co	42.8	6073	5592	26.8	22.9	21.8	19.2	3.3	3.1	39.7	34.7	0.5	0.7	4.9
Rizzoli Corriere della Sera Mediagroup SpA	0.7	363	587	97.8	6.7	4.6	4.3	0.7	0.7	7.8	6.4	4.3	4.3	1.1
Sanoma Oyj	15.2	2451	3196	20.5	17.9	9.0	8.5	2.6	2.5	21.2	18.7	3.6	3.9	3.7
TX Group AG	88.0	863	972	9.9	8.6	6.8	6.2	1.1	1.1	63.2	36.3	2.2	2.3	0.5
Promotora de Informaciones SA	0.8	578	1295	33.7	11.7	12.2	6.9	1.4	1.3		82.0			
Vocento SA		137	271	12.6	10.3	6.6	5.9	0.8	0.7	16.6	12.8	1.9	3.6	0.8
Media peers median		863	1295	20.5	13.6	10.6	8.2	1.4	1.3	22.1	24.5	2.2	2.9	2.4
Auto Trader Group PLC	657.6	7410	7423	43.4	22.9	41.8	22.5	25.3	16.1	53.6	28.0	1.2	1.3	14.3
Carsales.Com Ltd	21.2	3785	4050	30.5	25.9	25.9	22.9	14.9	13.4	38.1	32.4	2.3	2.5	9.6
Holidaycheck Group AG	2.5	901	1447	21.4	15.4	12.2	8.5	1.4	1.3	23.0	26.3	2.2	2.6	2.6
Moneysupermarket.Com Group PLC	260.8	1661	1678	15.9	13.4	13.3	11.4	4.1	3.8	19.9	16.6	4.3	4.6	6.7
REA Group Ltd	163.0	13608	13751	46.1	37.8	39.5	32.6	24.0	19.3	64.9	51.9	0.8	1.1	20.3
Rightmove PLC	666.4	6663	6587	26.1	23.9	25.8	23.8	19.1	17.7	32.6	29.2	1.1	1.2	69.0
Schibsted ASA	458.9	9777	10729	59.0	47.3	41.1	37.3	7.7	7.3	66.0	47.9	0.5	0.5	9.7
Scout24 AG	71.9	6633	5199	28.9	24.5	23.7	20.8	13.6	12.3	47.8	40.4	1.0	1.2	3.1
Seek Ltd	32.3	7207	8171	40.3	40.5	27.4	28.4	8.0	11.2	78.5	61.5	1.2	1.1	6.8
Just Eat Takeaway.com NV	69.6	15882	16010				110.6	4.5	3.4					1.2
New Work SE		1468	1434	26.7	23.0	15.3	13.8	5.0	4.6	40.2	34.9	1.1	1.2	10.9
Stroeer SE & Co KGaA	66.6	3803	5426	26.4	20.9	10.7	9.4	3.4	3.2	23.7	18.4	3.1	3.7	7.2
Adevinta ASA		18415	19869	77.8	38.8	54.9	31.8	16.8	11.2	107.6	66.3	0.2	0.2	3.3
Recruit Holdings Co Ltd	5635.0	73415	72550	59.9		38.1	29.0	4.2	3.8	71.6	50.5	0.5	0.6	8.8
Marketplace peers median		6935	7005	30.5	24.2	25.9	23.4	7.9	9.3	47.8	34.9	1.1	1.2	8.0
Alma Media (Inderes)	11.80	971	1176	19.3	16.3	16.2	14.0	4.5	4.1	20.8	17.9	2.7	3.0	4.8
Average			7164	94.7	23.7	20.1	19.3	6.4	5.5	40.7	35.9	1.8	2.1	7.8
Median			3542	26.6	20.5	15.9	13.8	3.7	3.3	38.1	32.7	1.6	2.3	4.0

Income statement

Income statement	2018	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21e	Q3'21e	Q4'21e	2021e	2022e	2023e	2024e
Revenue	355	250	61.8	52.5	53.9	62.0	230	58.1	67.8	64.8	70.9	261	280	291	302
Alma Career	96.4	100.0	18.4	13.5	15.5	15.3	62.7	16.2	18.2	17.1	17.8	69.3	74.7	77.8	80.3
Alma Talent	109	103	25.6	22.4	20.7	26.4	95.1	24.5	25.4	24.3	27	101	106	111	117
Alma Consumer	152	47.2	17.9	15.7	16.9	19.3	69.8	17.5	23.7	22.8	25.4	89.4	97.1	100	103
Non-recurring items	-2.3	0.0	-0.1	0.9	0.8	0.9	2.5	-0.1	0.5	0.5	0.5	1.4	2.0	2.0	2.0
EBITDA	76.6	71.4	16.3	13.0	17.0	12.8	59.0	14.3	18.5	19.0	20.7	72.6	81.9	87.3	90.7
Depreciation	-15.6	-21.9	-4.1	-4.0	-3.9	-3.8	-15.8	-3.5	-4.2	-4.2	-4.2	-16.1	-15.7	-15.2	-14.8
EBIT (excl. NRI)	57.3	49.4	11.2	11.8	13.2	9.4	45.5	11.1	16.4	15.9	17.6	61.1	70.2	75.5	78.9
EBIT	61.0	49.5	12.2	9.0	13.1	9.0	43.2	10.8	14.3	14.8	16.5	56.5	66.2	72.1	75.9
Alma Career	34.4	37.7	6.6	4.8	5.5	4.5	21.4	5.1	6.6	6.5	6.3	24.6	27.2	27.9	28.4
Alma Talent	15.5	14.8	3.7	2.8	4.1	2.6	13.1	5.2	5.5	5.3	5.8	21.9	23.9	26.5	28.7
Alma Consumer	14.4	6.2	2.7	2.8	4.6	5.0	15.1	3.4	5.5	5.2	6.6	20.7	24.1	25.9	27.1
Others and eliminations	0.0	0.0	-1.8	-0.4	-1.1	-3.1	-6.4	-2.7	-1.9	-1.9	-1.9	-8.4	-8.0	-7.8	-7.8
Non-recurring items	-7.0	-9.2	1.0	-1.0	0.0	0.0	0.0	-0.3	-1.4	-0.4	-0.4	-2.3	-1.0	-0.5	-0.5
Net financial items	-0.3	-2.1	0.3	-0.6	0.0	-0.7	-1.0	-0.5	-0.8	-0.6	-0.6	-2.4	-2.6	-2.7	-2.6
PTP	60.4	47.9	12.5	8.4	13.3	8.2	42.3	10.4	13.7	14.2	16.0	54.3	63.7	69.6	73.6
Taxes	-12.5	-10.7	-2.3	-2.3	-1.9	-2.5	-9.0	-2.2	-2.8	-2.9	-3.3	-11.2	-13.0	-14.2	-15.0
Minority interest	-6.3	-6.4	-1.6	-1.3	-1.9	-1.0	-5.7	-0.5	-0.2	-0.2	-0.2	-1.0	-0.5	-0.5	-0.5
Net earnings	41.7	30.8	8.6	4.9	9.5	4.7	27.6	7.6	10.7	11.2	12.6	42.2	50.3	54.9	58.1
EPS (adj.)	0.46	0.37	0.09	0.09	0.12	0.06	0.36	0.10	0.16	0.15	0.17	0.57	0.66	0.71	0.74
EPS (rep.)	0.51	0.37	0.10	0.06	0.12	0.06	0.34	0.09	0.13	0.14	0.15	0.51	0.61	0.67	0.71

Key figures	2018	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21e	Q3'21e	Q4'21e	2021e	2022e	2023e	2024e
Revenue growth-%	-3.4 %	-29.5 %	-0.5 %	-18.1 %	-7.5 %	-5.6 %	-8.0 %	-6.1 %	29.1 %	20.2 %	14.4 %	13.6 %	7.1 %	4.0 %	3.7 %
Adjusted EBIT growth-%		-13.8 %	-3.0 %	-1.2 %	-3.3 %	-24.3 %	-8.0 %	-0.6 %	39.6 %	21.0 %	88.0 %	34.3 %	14.9 %	7.6 %	4.5 %
EBITDA-%	21.6 %	28.5 %	26.3 %	24.7 %	31.5 %	20.6 %	25.6 %	24.6 %	27.3 %	29.4 %	29.3 %	27.7 %	29.3 %	30.0 %	30.1 %
Adjusted EBIT-%	16.2 %	19.7 %	18.0 %	22.4 %	24.4 %	15.1 %	19.7 %	19.1 %	24.2 %	24.6 %	24.9 %	23.4 %	25.1 %	25.9 %	26.1 %
Net earnings-%	11.8 %	12.3 %	13.8 %	9.3 %	17.7 %	7.6 %	12.0 %	13.2 %	15.8 %	17.2 %	17.8 %	16.1 %	18.0 %	18.9 %	19.2 %

Source: Inderes

Balance sheet

Assets	2019	2020	2021e	2022e	2023e
Non-current assets	239	257	444	439	435
Goodwill	130	151	296	296	296
Intangible assets	54	55	84	81	79
Tangible assets	47	41	53	51	50
Associated companies	3.2	6.6	6.6	6.6	6.6
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	3.3	3.9	3.9	3.9	3.9
Deferred tax assets	0.4	0.3	0.3	0.3	0.3
Current assets	162	76.7	43.4	51.3	64.3
Inventories	0.7	0.6	1.6	1.4	1.2
Other current assets	83.3	1.0	0.0	0.0	0.0
Receivables	30	27	31	34	35
Cash and equivalents	48	48	10	16	28
Balance sheet total	401	334	517	521	529

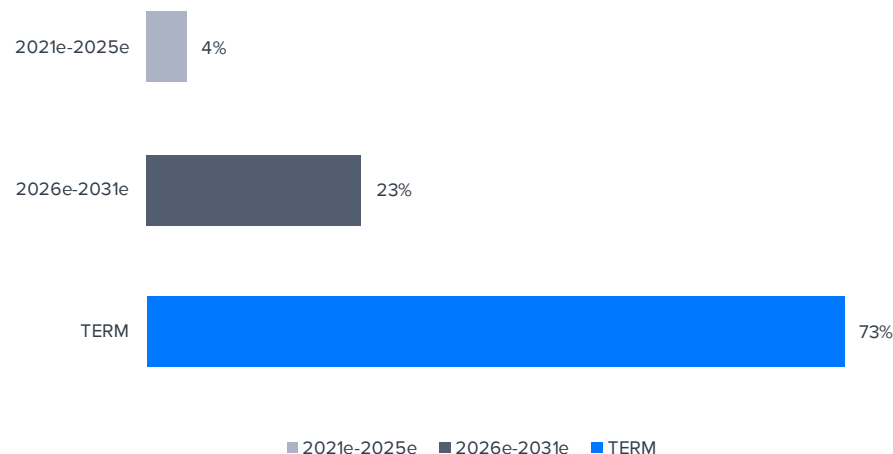
Source: Inderes

Liabilities & equity	2019	2020	2021e	2022e	2023e
Equity	203	205	205	229	255
Share capital	45	45	45	45	45
Retained earnings	101	111	129	153	179
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	7.2	7.7	7.7	7.7	7.7
Other equity	19	19	19	19	19
Minorities	30	21	4	4	4
Non-current liabilities	51	58	229	207	187
Deferred tax liabilities	11	12	12	12	12
Provisions	0.4	0.0	1.0	1.0	1.0
Long term debt	39	32	203	180	160
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.9	14.3	14.3	14.3	14.3
Current liabilities	147	72	83	85	88
Short term debt	9	10	13	10	10
Payables	66	58	67	71	74
Other current liabilities	72.5	3	3.4	3.4	3.4
Balance sheet total	401	334	517	521	529

DCF calculation

DCF model	2020	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	TERM
EBIT (operating profit)	43.2	56.5	66.2	72.1	75.9	79.3	81.3	83.3	85.4	87.5	87.9	90.1	
+ Depreciation	15.8	16.1	15.7	15.2	14.8	14.4	14.1	13.8	13.6	13.3	10.5	10.4	
- Paid taxes	-8.5	-11.2	-13.0	-14.2	-15.0	-15.7	-16.1	-16.5	-17.0	-17.4	-17.5	-17.9	
- Tax, financial expenses	-0.2	-0.5	-0.5	-0.6	-0.5	-0.6	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	8.5	4.0	2.7	1.7	1.7	1.2	1.0	1.1	1.1	1.1	1.1	1.2	
Operating cash flow	58.8	64.9	71.0	74.3	76.9	78.7	79.7	81.1	82.5	84.0	81.5	83.2	
+ Change in other long-term liabilities	13.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-30.8	-233	-11.3	-11.3	-11.3	-11.3	-11.3	-11.3	-11.3	-11.3	-10.0	-10.4	
Free operating cash flow	41.1	-166.6	59.7	63.0	65.6	67.4	68.4	69.8	71.2	72.7	71.5	72.8	
+/- Other	68.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	109	-167	59.7	63.0	65.6	67.4	68.4	69.8	71.2	72.7	71.5	72.8	1649
Discounted FCFF		-160	53.5	52.7	51.3	49.2	46.7	44.5	42.5	40.5	37.2	35.4	802
Sum of FCFF present value		1096	1256	1202	1150	1098	1049	1002	958	915	875	838	802
Enterprise value DCF		1096											
- Interesting bearing debt		-42											
+ Cash and cash equivalents		48											
-Minorities		-4											
-Dividend/capital return		-24.7											
Equity value DCF		1077											
Equity value DCF per share		13.1											

Cash flow distribution



Wacc	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	15.0 %
Cost of debt	4.0 %
Equity Beta	1.2
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.0 %
Cost of equity	7.7 %
Weighted average cost of capital (WACC)	7.0 %

Source: Inderes

Summary

Income statement	2018	2019	2020	2021e	2022e	Per share data	2018	2019	2020	2021e	2022e
Revenue	355	250	230	261	280	EPS (reported)	0.51	0.37	0.34	0.51	0.61
EBITDA	76.6	71.4	59.0	72.6	81.9	EPS (adj.)	0.46	0.37	0.36	0.57	0.66
EBIT	61.0	49.5	43.2	56.5	66.2	OCF / share	0.83	0.38	0.72	0.79	0.86
PTP	60.4	47.9	42.3	54.3	63.7	FCF / share	0.10	0.94	1.33	-2.02	0.73
Net Income	41.7	30.8	95.6	42.2	50.3	Book value / share	1.95	2.09	2.23	2.44	2.73
Extraordinary items	3.7	0.1	-2.3	-4.6	-4.0	Dividend / share	0.35	0.40	0.30	0.32	0.35
Balance sheet	2018	2019	2020	2021e	2022e	Growth and profitability	2018	2019	2020	2021e	2022e
Balance sheet total	398.8	400.9	333.9	517.0	520.5	Revenue growth-%	-3%	-29%	-8%	14%	7%
Equity capital	186.8	202.5	204.5	205.0	228.9	EBITDA growth-%	15%	-7%	-17%	23%	13%
Goodwill	133.5	130.3	150.7	295.7	295.7	EBIT (adj.) growth-%	12%	-14%	-8%	34%	15%
Net debt	55.0	-0.5	-6.3	204.7	173.6	EPS (adj.) growth-%	4%	-19%	-3%	56%	16%
Cash flow	2018	2019	2020	2021e	2022e	EBITDA-%	21.6 %	28.5 %	25.6 %	27.7 %	29.3 %
EBITDA	76.6	71.4	59.0	72.6	81.9	EBIT (adj.)-%	16.2 %	19.7 %	19.7 %	23.4 %	25.1 %
Change in working capital	5.3	-29.1	8.5	4.0	2.7	EBIT-%	17.2 %	19.8 %	18.8 %	21.6 %	23.6 %
Operating cash flow	68.4	31.1	58.8	64.9	71.0	ROE-%	28.1 %	18.5 %	15.5 %	21.9 %	23.6 %
CAPEX	-61.2	46.5	-30.8	-232.5	-11.3	ROI-%	23.1 %	18.5 %	17.4 %	17.0 %	15.8 %
Free cash flow	7.8	77.3	109.1	-166.6	59.7	Equity ratio	49.4 %	52.1 %	63.7 %	40.7 %	45.1 %
						Gearing	29.4 %	-0.3 %	-3.1 %	99.9 %	75.9 %
Valuation multiples	2018	2019	2020	2021e	2022e						
EV/S	1.7	2.9	3.3	4.5	4.1						
EV/EBITDA (adj.)	8.0	10.3	12.8	16.2	14.0						
EV/EBIT (adj.)	10.7	14.8	16.6	19.3	16.3						
P/E (adj.)	12.0	21.3	24.6	20.8	17.9						
P/B	2.8	3.8	4.0	4.8	4.3						
Dividend-%	6.3 %	5.0 %	3.4 %	2.7 %	3.0 %						

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target price	Share price
24-09-18	Accumulate	7.20 €	6.44 €
26-10-18	Accumulate	7.00 €	6.24 €
05-12-18	Accumulate	7.00 €	6.42 €
15-02-19	Accumulate	7.00 €	6.22 €
23-04-19	Accumulate	7.00 €	6.12 €
26-04-19	Accumulate	7.00 €	6.18 €
20-05-19	Accumulate	6.70 €	5.82 €
18-07-19	Accumulate	7.00 €	6.50 €
24-10-19	Accumulate	7.30 €	6.96 €
20-11-19	Accumulate	8.20 €	7.80 €
17-12-19	Accumulate	8.30 €	7.90 €
16-02-20	Reduce	8.80 €	8.70 €
12-03-20	Reduce	6.80 €	6.54 €
26-03-20	Reduce	6.50 €	6.50 €
12-06-20	Accumulate	8.00 €	7.10 €
20-07-20	Accumulate	8.00 €	7.06 €
23-10-20	Accumulate	8.50 €	7.84 €
13-01-21	Reduce	9.50 €	9.54 €
18-02-21	Reduce	9.00 €	9.14 €
08-03-21	Accumulate	10.00 €	9.50 €
13-04-21	Accumulate	10.00 €	9.22 €
22-04-21	Accumulate	11.00 €	10.46 €
28-05-21	Accumulate	10.50 €	9.80 €
19-07-21	Accumulate	12.50 €	11.80 €



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