

Stora Enso

Company report

7/19/2023



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This report is a summary translation of the report “Paluu finanssikriisin aikaisiin tunnelmiin” published on 07/19/2023 at 8:24 am.

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Return to the mood of the financial crisis

We reiterate our Reduce recommendation and target price of EUR 11.50 for Stora Enso. The company reports its Q2 results on Friday. We have significantly cut our estimates for Stora Enso, especially for the current year, due to the gloomy market situation in the forest sector that has further deteriorated over the spring. In the long term, the stock is still not expensive, but the short-term valuation is high (2023e-2024e: P/E 27x and 13x) and rapid upward drivers are conspicuous by their absence. We still prefer UPM and Metsä Board, which we believe offer slightly better risk/return ratios in the forest sector, which is favorably valued for long-term investors.

Q2 is expected to be the weakest quarter in a long time, but this is unlikely to be a major shock to the market

The news flow from the forest sector has remained very weak as demand stalls by a lack of consumer purchasing power and overstocking in the value chain. Due to weak demand and normalized supply, price pressures have continued apart from a few individual product groups (e.g. consumer paperboards), while cost levels have shot up further, driven in particular by rising wood prices. The development of the news flow has been clearly below the assumptions we made in the spring. We have significantly lowered our operational revenue and earnings estimates for Stora Enso in Q2 and also in H2, and we have also included one-off restructuring costs announced in June in our Q2 estimates. We now expect Stora Enso's net sales in Q2 to decline by 19% to EUR 2,458 million driven by volumes and a significant decline in prices. We expect the adjusted operating result to plummet from an excellent Q2'22 by 85% to EUR 82 million due to lower net sales, high costs and inefficiencies caused by low utilization rates. The result is on the shoulders of Forest, while the performance of all industrial divisions has remained weak in Q2, according to our projections. We estimate that negative one-off items, financial expenses and low taxes have pushed the company's reported EPS to a loss in Q2. Our forecasts are below consensus across the board for Q2, but the very weak Q2 figures are unlikely to be a major shock to the market.

We cut our estimates in the short term by a wide margin

As a starting point, we expect Stora Enso to reiterate its guidance for the current year, which is to deliver a significantly lower (>50%) operating profit this year than in 2022. Stora Enso generated an adjusted operating profit of EUR 1,891 million in 2022. We now expect Stora Enso's net sales to decline by 15% this year to EUR 9,946 million and adjusted operating profit to fall by 72% to EUR 539 million. Our estimate for the current year's adjusted EBIT fell by 25%. We also lowered our estimate for next year's adjusted operating profit by 6%, especially due to pulp prices and board volumes, but we still expect the company to rise to a break-even level next year, driven by recovering demand, easing inflation and savings as economic growth picks up slightly and destocking subsidies. We did not make any material changes to our assessment of the company's long-term earnings potential. The main risks to our forecasts are the global economy and intensifying competition.

Relative to the sluggish performance, the valuation multiples for the current year look fairly neutral

Stora Enso's adjusted P/E ratios for 2023 and 2024 based on our estimates are 27x and 13x, while the corresponding EV/EBITDA ratios are 11x and 7x. At next year's more normal earnings, we believe the valuation is neutral given current interest rates. The only clear positive signal for the valuation comes from the long-biased DCF, which is above the price on tolerable long-term assumptions. However, given the overall valuation picture, we still do not believe that Stora Enso's short-term expected return exceeds the required return.

Recommendation

Reduce

(previous Reduce)

EUR 11.50

(previous EUR 11.50)

Share price:

EUR 11.45



Key figures

	2022	2023e	2024e	2025e
Revenue	11680	9946	10175	11293
growth-%	15%	-15%	2%	11%
EBIT adj.	1890	545	990	1237
EBIT-% adj.	16.2 %	5.5 %	9.7 %	11.0 %
Net Income	1549	183	681	875
EPS (adj.)	1.84	0.42	0.86	1.11

P/E (adj.)	7.1	27.3	13.2	10.3
P/B	0.8	0.7	0.7	0.7
Dividend yield-%	4.6 %	3.5 %	4.4 %	4.8 %
EV/EBIT (adj.)	6.6	22.6	12.4	9.7
EV/EBITDA	4.7	10.8	7.2	6.1
EV/S	1.1	1.2	1.2	1.1

Source: Inderes

Guidance

(Unchanged)

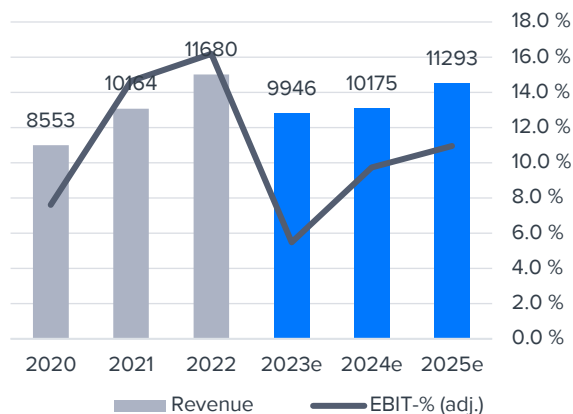
Stora Enso's full-year 2023 operational EBIT is expected to be significantly lower than for the full-year 2022 (EUR 1,891 million).

Share price



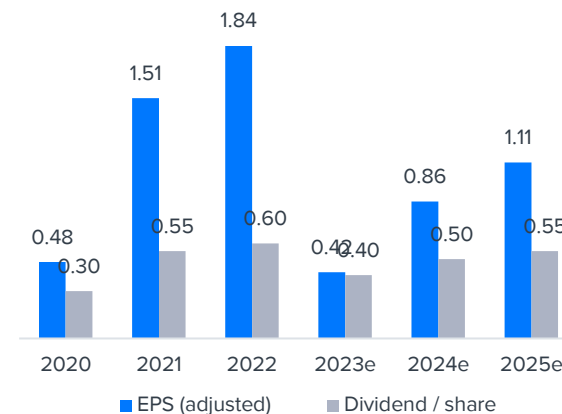
Source: Millstream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes



Value drivers

- Good long-term prospects for packaging businesses and strong market position
- Product mix gradually improving with new products
- Realizing the potential of ongoing investments
- Improved cost-efficiency through the cost savings program
- Battery materials have potential as a high-margin volume product



Risk factors

- Somewhat cyclical demand in several product groups
- Tighter competition
- Pulp price risk
- Foreign exchange rate risks
- Most of net sales come from Europe
- Some of the company's capital allocation decisions over the past decade raise questions

Valuation	2023e	2024e	2025e
Share price	11.5	11.5	11.5
Number of shares, millions	788.6	788.6	788.6
Market cap	9030	9030	9030
EV	12391	12339	12095
P/E (adj.)	27.4	13.3	10.3
P/E	49.3	13.3	10.3
P/FCF	neg.	18.8	12.0
P/B	0.7	0.7	0.7
P/S	0.9	0.9	0.8
EV/Sales	1.2	1.2	1.1
EV/EBITDA	10.8	7.3	6.1
EV/EBIT (adj.)	22.7	12.5	9.8
Payout ratio (%)	172.3 %	57.9 %	49.6 %
Dividend yield-%	3.5 %	4.4 %	4.8 %

Source: Inderes

Result is likely to dive to the lowest level in living memory

Estimates	Q2'22	Q2'23	Q2'23e	Q2'23e	Consensus		2023e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	3054		2458	2622	2320	- 2799	9946
EBIT (adj.)	505		82	125	45	- 179	545
EBIT	399		-108	71.4	-145	- 179	362
PTP	370		-147	17.5	-190	- 139	216
EPS (reported)	0.39		-0.15	0.03	-0.14	- 0.14	0.23
Revenue growth-%	0.0 %		-19.5 %	-14.1 %	-24.0 %	- -8.4 %	-14.8 %
EBIT-% (adj.)	16.5 %		3.3 %	4.7 %	1.9 %	- 6.4 %	5.5 %

Source: Inderes & Vara Research, 9 estimates (consensus)

We lowered our short-term estimates before the Q2 report

Estimate revisions 2023e-2025e

- As a starting point, we expect Stora Enso to reiterate its guidance for the current year in the Q2 report, which is to deliver a significantly lower (>50%) operating profit this year than in 2022. Stora Enso generated an adjusted operating profit of EUR 1,891 million in 2022. However, the market situation in the forest sector has developed below our expectations in almost all product groups during the spring and summer, and the near-term horizon will be difficult for the company.
- We cut our volume estimates and, to some extent, prices in virtually all industrial divisions for this year. Our adjusted EBIT estimates for the current year went down 25%. Our estimate for the group's adjusted EBIT in the coming years is still 2-7% for 2024 and 2025, especially due to pulp prices and packaging board volumes. In contrast, Forest's forecasts rose modestly, driven by a tight timber market.
- We made no changes to our assessment of the company's long-term earnings potential
- We included the positive impact on profitability (from 2024) and costs (Q2) of the efficiency program announced in June in our estimates.
- We also cut our dividend estimates for the coming years as our EBIT estimate came down.

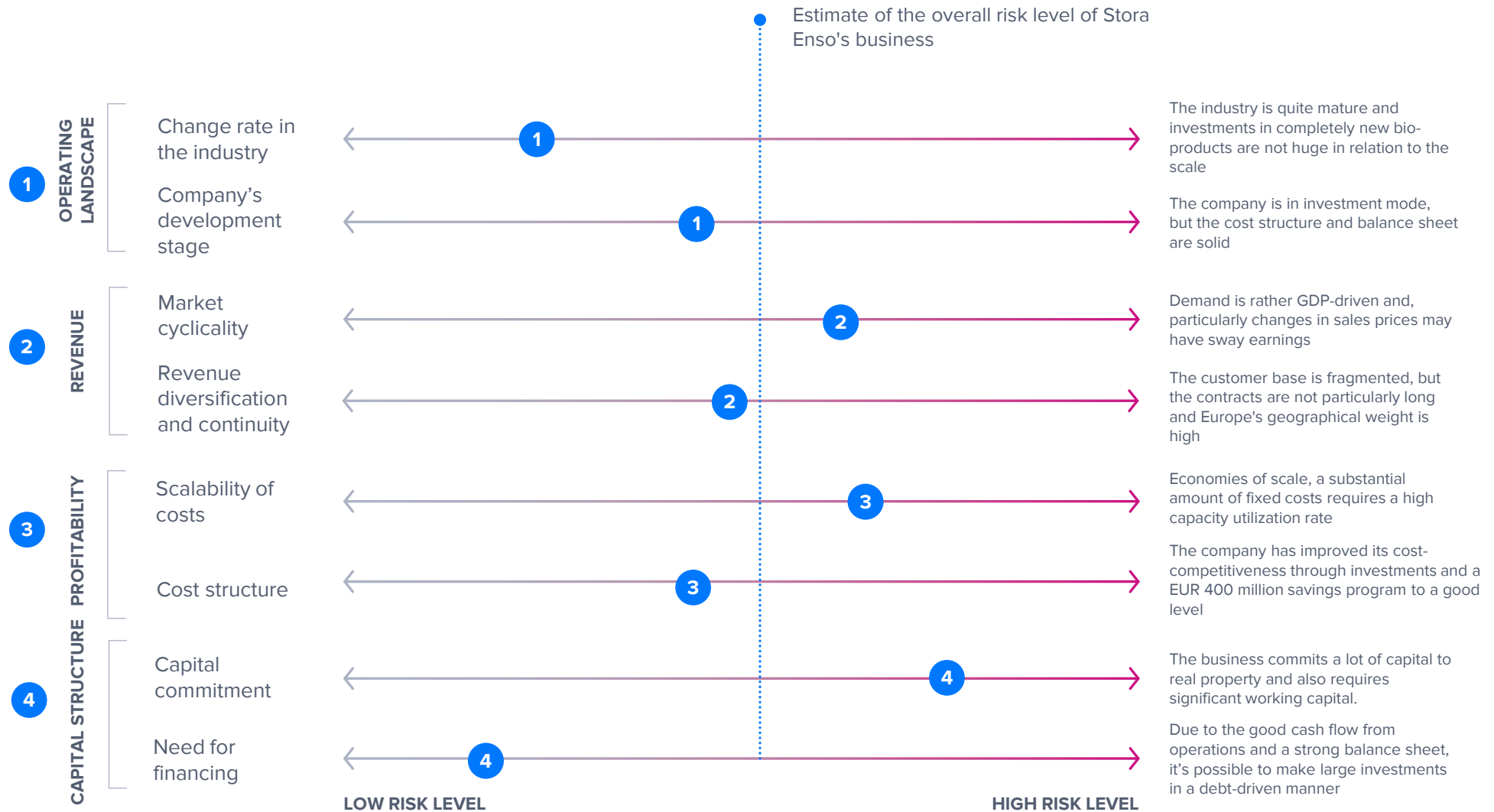
Operational result drivers 2023e-2025e:

- We expect Packaging Materials' results to fall sharply to a weak level this year, reflecting a miserable corrugated raw material market and a clearly weakening consumer paperboard market and inflation. In the coming years, we expect the unit's profitability to gradually improve thanks to the economic cycle and new investments (notably the new consumer cardboard machine in Oulu).
- We expect Biomaterials' earnings to fall sharply from the 2022 peak in 2023-2024, as pulp prices have fallen during March and April and more supply is also on the way. We do not expect the price trend to reverse until 2024-2025.
- Packaging Solutions' net sales will grow significantly with De Jong Packaging from the beginning of 2023, but profitability will be under pressure this year for cyclical reasons.
- In Wood Products, we forecast a sharp drop in earnings in a weak construction cycle this year. We do not expect a return to the exceptionally high results of 2021-2022.
- Forest is forecast to continue its stable and even slightly bullish performance in the coming years thanks to the tight timber market.

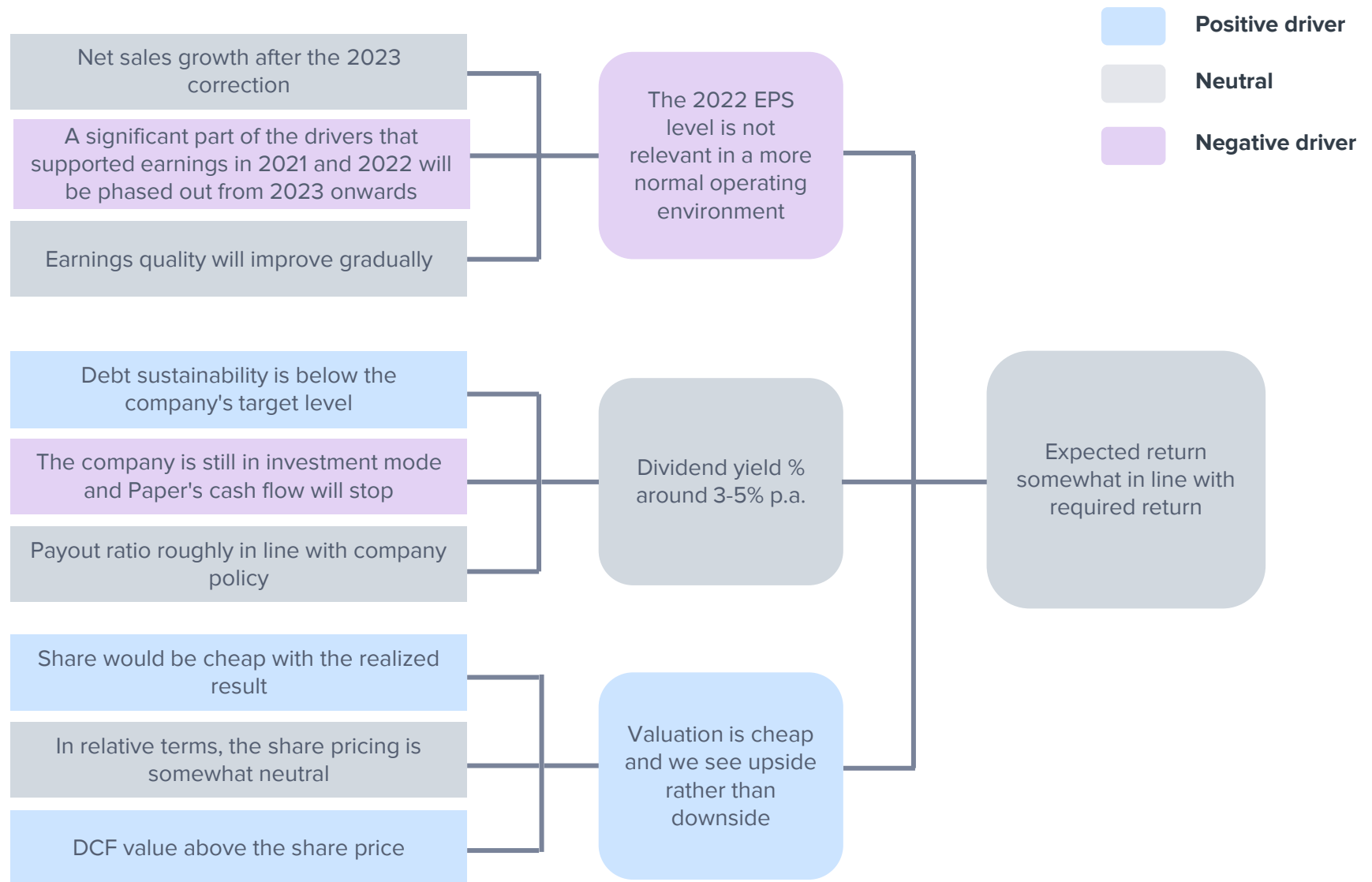
Estimate revisions	2023e	2023e	Change	2024e	2024e	Change	2025e	2025e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	10540	9946	-6%	10933	10175	-7%	11878	11293	-5%
EBIT (exc. NRIs)	723	545	-25%	1062	990	-7%	1259	1237	-2%
EBIT	730	362	-50%	1062	990	-7%	1259	1237	-2%
PTP	584	216	-63%	923	851	-8%	1120	1097	-2%
EPS (excl. NRIs)	0.60	0.42	-30%	0.94	0.86	-8%	1.13	1.11	-2%
DPS	0.45	0.40	-11%	0.50	0.50	0%	0.60	0.55	-8%

Source: Inderes

Risk profile of the business model



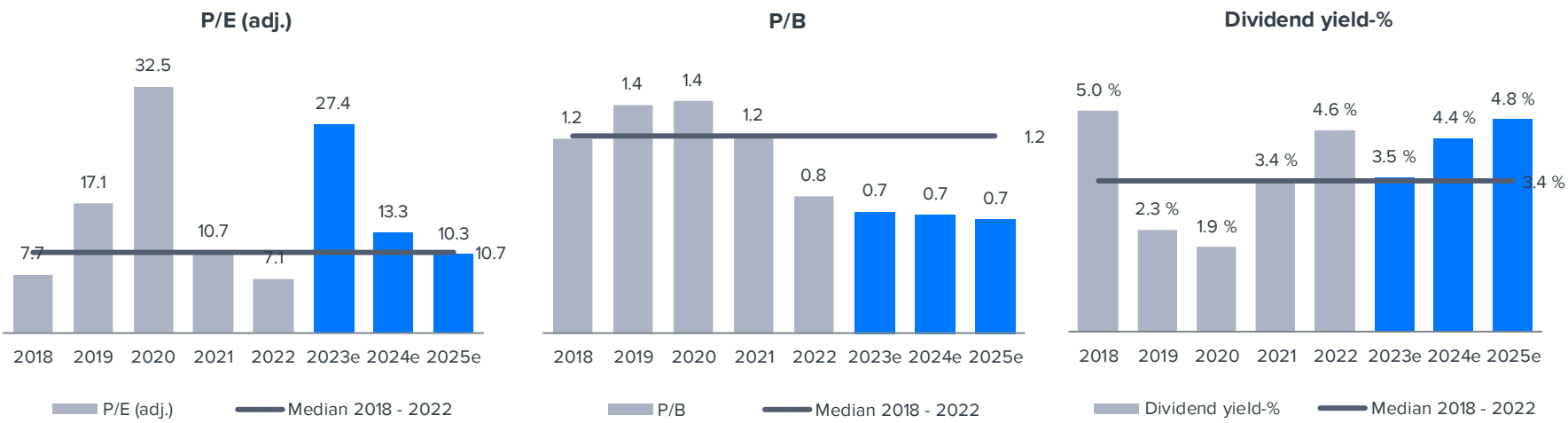
TSR drivers Q1'23 LTM-2025e



Valuation table

Valuation	2018	2019	2020	2021	2022	2023e	2024e	2025e	2026e
Share price	10.01	12.97	15.65	16.14	13.15	11.45	11.45	11.45	11.45
Number of shares, millions	788.6	788.6	788.6	788.6	788.6	788.6	788.6	788.6	788.6
Market cap	7890	10229	12342	12729	10371	9030	9030	9030	9030
EV	10124	13523	15409	15165	12401	12391	12339	12095	11507
P/E (adj.)	7.7	17.1	32.5	10.7	7.1	27.4	13.3	10.3	9.2
P/E	7.8	11.6	19.7	10.4	6.7	49.3	13.3	10.3	9.2
P/FCF	10.1	neg.	22.4	51.8	21.7	neg.	18.8	12.0	7.9
P/B	1.2	1.4	1.4	1.2	0.8	0.7	0.7	0.7	0.7
P/S	0.8	1.0	1.4	1.3	0.9	0.9	0.9	0.8	0.7
EV/Sales	1.0	1.3	1.8	1.5	1.1	1.2	1.2	1.1	1.0
EV/EBITDA	5.4	7.1	10.5	6.8	4.7	10.8	7.3	6.1	5.4
EV/EBIT (adj.)	7.6	14.2	23.7	10.2	6.6	22.7	12.5	9.8	8.3
Payout ratio (%)	38.9 %	26.9 %	37.8 %	35.4 %	30.5 %	172.3 %	57.9 %	49.6 %	48.0 %
Dividend yield-%	5.0 %	2.3 %	1.9 %	3.4 %	4.6 %	3.5 %	4.4 %	4.8 %	5.2 %

Source: Inderes



Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e
International Paper	9575	14142	12.5	13.2	7.0	7.0	0.8	0.8	13.5	13.8	6.0	6.0	1.3
Graphic Packaging	6546	11361	9.2	9.1	6.7	6.6	1.3	1.3	8.1	8.0	1.8	2.2	2.6
DS Smith	4590	6361	6.7	8.2	4.7	5.3	0.7	0.7	6.7	8.4	6.5	6.2	0.9
Metsä Board	2747	2931	11.5	9.4	8.1	7.3	1.4	1.2	14.5	11.2	4.2	4.9	1.2
Holmen	5655	5697	13.6	15.7	10.7	11.9	2.9	2.9	17.3	19.9	2.9	2.9	1.2
Billerud	1853	2245	13.1	9.2	6.0	4.7	0.6	0.6	15.5	11.0	6.3	6.0	0.8
Mayr-Melnhof	2688	4229	20.0	10.8	8.7	6.2	1.0	1.0	19.5	9.9	3.1	3.1	1.3
UPM	15238	18061	13.1	10.1	9.3	7.5	1.6	1.5	15.0	10.9	5.0	5.4	1.2
Suzano	10824	21556	10.4	12.7	5.9	6.2	2.8	2.8	8.1	17.7	1.9	2.0	1.5
Smurfit Kappa	8705	11664	8.6	9.2	5.8	6.0	1.0	1.0	10.1	10.8	4.4	4.6	1.5
Stora Enso (Inderes)	9030	12391	22.7	12.5	10.8	7.3	1.2	1.2	27.4	13.3	3.5	4.4	0.7
Average			12.5	11.3	7.9	7.4	1.7	1.7	13.8	12.9	4.0	4.1	1.3
Median			12.0	10.0	6.8	6.6	1.2	1.2	14.0	11.1	4.3	4.5	1.2
Diff-% to median			90%	25%	59%	10%	4%	3%	96%	20%	-18%	-2%	-39%

Source: Refinitiv / Inderes

Income statement

Income statement	2021	Q1'22	Q2'22	Q3'22	Q4'22	2022	Q1'23	Q2'23e	Q3'23e	Q4'23e	2023e	2024e	2025e	2026e
Revenue	10164	2799	3054	2963	2864	11680	2721	2458	2234	2533	9946	10175	11293	12040
Packaging Materials	4508	1317	1424	1421	1335	5496	1300	1158	1151	1289	4898	4946	5650	6170
Packaging Solutions	720	189	186	176	177	727	276	279	288	303	1146	1214	1349	1383
Biomaterials	1728	442	522	567	649	2180	488	377	310	364	1540	1489	1560	1607
Wood Products	1872	573	631	520	471	2195	454	451	427	434	1766	1949	2104	2196
Forest	2311	626	649	581	664	2519	687	693	573	662	2615	2677	2731	2785
Other	2119	481	568	575	528	2150	364	300	285	280	1229	1000	1000	1000
Internal sales / Eliminations	-3094	-828	-925	-876	-959	-3589	-848	-800	-800	-800	-3248	-3100	-3100	-3100
Adjustment items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBITDA	2225	598	531	645	870	2644	414	187	265	278	1143	1698	1968	2128
Depreciation	-697	-204	-132	-134	-165	-635	-156	-295	-165	-165	-781	-708	-731	-748
EBIT (excl. NRI)	1488	503	505	527	355	1890	234	82	100	129	545	990	1237	1380
EBIT	1528	394	399	511	705	2009	258	-108	100	113	362	990	1237	1380
Packaging Materials	535	208	200	188	59	655	41	12	37	56	147	461	532	616
Packaging Solutions	42	5	2	4	5	16	8	3	2	3	16	71	107	117
Biomaterials	495	117	123	198	249	687	91	6	-10	8	95	183	253	290
Wood Products	364	118	134	70	-14	308	-11	-4	6	4	-5	66	152	160
Forest	267	49	47	47	61	204	57	50	55	54	216	232	238	241
Other	-166	6	14	29	14	63	27	0	3	1	31	-30	-45	-45
Internal sales / Eliminations	-9	-1	-14	-8	-19	-42	21	15	7	2	45	7	0	0
Adjustment items	0	-109	-106	-16	350	119	23	-190	0	-16	-183	0	0	0
Net financial items	-149	-19	-29	-63	-40	-151	-29	-39	-39	-39	-146	-139	-140	-143
PTP	1379	375	370	448	666	1858	228	-147	61	74	216	851	1097	1237
Taxes	-151	-88	-71	-81	-82	-322	-43	29	-12	-15	-41	-170	-219	-247
Minority interest	-2	2	4	5	2	13	0	3	3	3	8	0	-3	-3
Net earnings	1226	288	304	372	586	1549	185	-115	52	61	183	681	875	986
EPS (adj.)	1.51	0.48	0.49	0.49	0.39	1.84	0.21	0.05	0.07	0.09	0.42	0.86	1.11	1.25
EPS (rep.)	1.55	0.36	0.39	0.47	0.74	1.96	0.24	-0.15	0.07	0.08	0.23	0.86	1.11	1.25

Key figures	2021	Q1'22	Q2'22	Q3'22	Q4'22	2022	Q1'23	Q2'23e	Q3'23e	Q4'23e	2023e	2024e	2025e	2026e
Revenue growth-%	18.8 %	0.0 %	0.0 %	0.0 %	-71.8 %	14.9 %	-2.8 %	-19.5 %	-24.6 %	-11.6 %	-14.8 %	2.3 %	11.0 %	6.6 %
Adjusted EBIT growth-%	128.6 %	202.7 %	176.0 %	2192.6 %	-68.2 %	27.0 %	-53.4 %	-83.8 %	-81.0 %	-63.8 %	-71.2 %	81.7 %	24.9 %	11.6 %
EBITDA-%	21.9 %	21.4 %	17.4 %	21.8 %	30.4 %	22.6 %	15.2 %	7.6 %	11.9 %	11.0 %	11.5 %	16.7 %	17.4 %	17.7 %
Adjusted EBIT-%	14.6 %	18.0 %	16.5 %	17.8 %	12.4 %	16.2 %	8.6 %	3.3 %	4.5 %	5.1 %	5.5 %	9.7 %	11.0 %	11.5 %
Net earnings-%	12.1 %	10.3 %	9.9 %	12.6 %	20.4 %	13.3 %	6.8 %	-4.7 %	2.3 %	2.4 %	1.8 %	6.7 %	7.7 %	8.2 %

Source: Inderes

Balance sheet

Assets	2021	2022	2023e	2024e	2025e
Non-current assets	14517	15121	16336	16530	16677
Goodwill	282	244	571	571	571
Intangible assets	124	121	390	392	394
Tangible assets	5501	5278	5897	6089	6234
Associated companies	580	832	832	832	832
Other investments	7665	6854	6854	6854	6854
Other non-current assets	222	1718	1718	1718	1718
Deferred tax assets	143	74.0	74.0	74.0	74.0
Current assets	4509	5801	4430	4467	4780
Inventories	1478	1810	1442	1475	1638
Other current assets	101	601	601	601	601
Receivables	1449	1473	1293	1374	1525
Cash and equivalents	1481	1917	1094	1017	1016
Balance sheet total	19026	20922	20766	20998	21456

Source: Inderes

Liabilities & equity	2021	2022	2023e	2024e	2025e
Equity	10666	12502	12212	12577	13057
Share capital	1423	1423	1423	1423	1423
Retained earnings	7416	8532	8242	8607	9087
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	1843	2577	2577	2577	2577
Minorities	-16.0	-30.0	-30.0	-30.0	-30.0
Non-current liabilities	5195	4486	5276	5172	4976
Deferred tax liabilities	1430	1443	1443	1443	1443
Provisions	91.0	81.0	81.0	81.0	81.0
Long term debt	3313	2792	3582	3478	3282
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	361	170	170	170	170
Current liabilities	3165	3934	3278	3249	3423
Short term debt	624	1180	895	870	820
Payables	2339	2410	2039	2035	2259
Other current liabilities	202	344	344	344	344
Balance sheet total	19026	20922	20766	20998	21456

DCF calculation

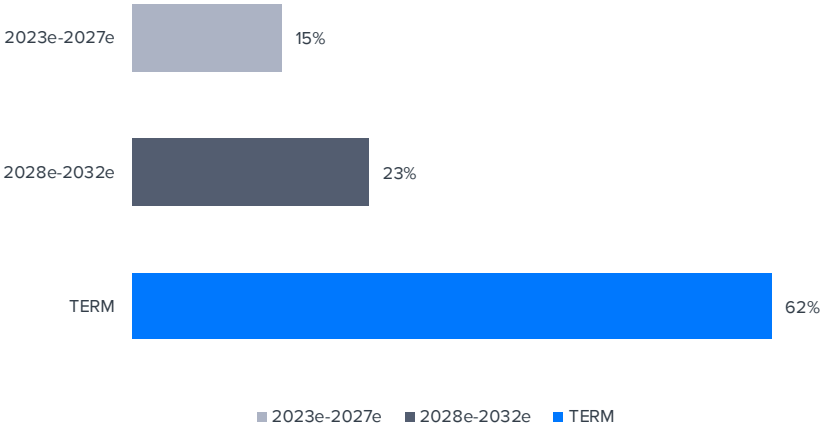
DCF model	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TERM
Revenue growth-%	14.9 %	-14.8 %	2.3 %	11.0 %	6.6 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %	2.0 %	2.0 %
EBIT-%	17.2 %	3.6 %	9.7 %	11.0 %	11.5 %	12.0 %	11.5 %	11.0 %	10.5 %	10.5 %	10.5 %	10.5 %
EBIT (operating profit)	2009	362	990	1237	1380	1488	1462	1433	1402	1437	1466	
+ Depreciation	635	781	708	731	748	736	726	717	709	672	670	
- Paid taxes	-240	-41	-170	-219	-247	-273	-272	-269	-265	-275	-284	
- Tax, financial expenses	-26	-28	-31	-31	-32	-28	-24	-20	-17	-14	-12	
+ Tax, financial income	0	0	3	3	3	3	3	2	2	2	2	
- Change in working capital	-643	177	-118	-89	-60	-29	-25	-25	-26	-27	-22	
Operating cash flow	1735	1252	1382	1631	1792	1898	1871	1838	1805	1796	1821	
+ Change in other long-term liabilities	-201	0	0	0	0	0	0	0	0	0	0	
- Gross CAPEX	-1056	-1996	-902	-877	-652	-652	-652	-652	-652	-652	-701	
Free operating cash flow	478	-744	480	754	1140	1246	1219	1186	1153	1144	1120	
+/- Other	0	0	0	0	0	0	0	0	0	0	0	
FCFF	478	-744	480	754	1140	1246	1219	1186	1153	1144	1120	18576
Discounted FCFF		-718	428	622	870	879	795	715	643	590	534	8857
Sum of FCFF present value		14214	14932	14504	13882	13012	12133	11338	10623	9980	9391	8857
Enterprise value DCF		14214										
- Interest bearing debt		-3972										
+ Cash and cash equivalents		1917										
-Minorities		22										
-Dividend/capital return		-473										
Equity value DCF		11708										
Equity value DCF per share		14.8										

WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.0 %
Equity Beta	1.5
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	9.4 %
Weighted average cost of capital (WACC)	8.2 %

Source: Inderes

Cash flow distribution



Summary

Income statement	2020	2021	2022	2023e	2024e	Per share data	2020	2021	2022	2023e	2024e
Revenue	8553	10164	11680	9946	10175	EPS (reported)	0.79	1.55	1.96	0.23	0.86
EBITDA	1531	2225	2644	1143	1698	EPS (adj.)	0.48	1.51	1.84	0.42	0.86
EBIT	922	1528	2009	362	990	OCF / share	1.97	2.75	2.20	1.59	1.75
PTP	773	1379	1858	216	851	FCF / share	0.70	0.31	0.61	-0.94	0.61
Net Income	626	1226	1549	183	681	Book value / share	11.17	13.54	15.89	15.52	15.99
Extraordinary items	271	40	119	-183	0	Dividend / share	0.30	0.55	0.60	0.40	0.50
Balance sheet	2020	2021	2022	2023e	2024e	Growth and profitability	2020	2021	2022	2023e	2024e
Balance sheet total	17431	19026	20922	20766	20998	Revenue growth-%	-15%	19%	15%	-15%	2%
Equity capital	8794	10666	12502	12212	12577	EBITDA growth-%	-20%	45%	19%	-57%	48%
Goodwill	281	282	244	571	571	EBIT (adj.) growth-%	-32%	129%	27%	-71%	82%
Net debt	3089	2456	2055	3383	3330	EPS (adj.) growth-%	-36%	214%	22%	-77%	107%
Cash flow	2020	2021	2022	2023e	2024e	EBITDA-%	17.9 %	21.9 %	22.6 %	11.5 %	16.7 %
EBITDA	1531	2225	2644	1143	1698	EBIT (adj.)-%	7.6 %	14.6 %	16.2 %	5.5 %	9.7 %
Change in working capital	206	40	-643	177	-118	EBIT-%	10.8 %	15.0 %	17.2 %	3.6 %	9.7 %
Operating cash flow	1552	2170	1735	1252	1382	ROE-%	7.7 %	12.6 %	13.3 %	1.5 %	5.5 %
CAPEX	-2331	-1788	-1056	-1996	-902	ROI-%	7.4 %	10.9 %	12.9 %	2.2 %	6.0 %
Free cash flow	552	246	478	-744	480	Equity ratio	50.5 %	56.1 %	59.8 %	58.8 %	59.9 %
						Gearing	35.1 %	23.0 %	16.4 %	27.7 %	26.5 %
Valuation multiples	2020	2021	2022	2023e	2024e						
EV/S	1.8	1.5	1.1	1.2	1.2						
EV/EBITDA (adj.)	10.5	6.8	4.7	10.8	7.3						
EV/EBIT (adj.)	23.7	10.2	6.6	22.7	12.5						
P/E (adj.)	32.5	10.7	7.1	27.4	13.3						
P/B	1.4	1.2	0.8	0.7	0.7						
Dividend-%	1.9 %	3.4 %	4.6 %	3.5 %	4.4 %						

Source: Inderes

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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
12/28/2018	Accumulate	11.50 €	10.12 €
10/30/2019	Reduce	11.50 €	11.80 €
1/30/2020	Reduce	11.50 €	11.76 €
3/24/2020	Accumulate	8.50 €	7.36 €
4/16/2020	Reduce	9.50 €	9.90 €
4/22/2020	Reduce	9.50 €	10.06 €
6/24/2020	Reduce	10.50 €	11.19 €
7/22/2020	Reduce	10.50 €	11.25 €
9/24/2020	Reduce	13.00 €	13.64 €
10/20/2020	Reduce	13.00 €	13.67 €
11/12/2020	Reduce	13.00 €	13.73 €
2/1/2021	Reduce	14.00 €	15.00 €
3/24/2021	Reduce	15.00 €	16.15 €
4/26/2021	Reduce	15.50 €	16.68 €
7/22/2021	Reduce	15.50 €	16.04 €
10/21/2021	Reduce	15.50 €	14.65 €
1/31/2022	Reduce	17.00 €	17.50 €
4/29/2022	Reduce	18.00 €	17.85 €
6/14/2022	Reduce	17.00 €	16.18 €
7/25/2022	Reduce	16.00 €	14.79 €
10/24/2022	Reduce	14.50 €	13.62 €
2/1/2023	Reduce	14.00 €	13.10 €
4/21/2023	Reduce	12.00 €	11.48 €
4/26/2023	Reduce	11.50 €	11.15 €
7/19/2023	Reduce	11.50 €	11.45 €



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