

Capacent Holding

Challenging quarter in Sweden

- Net sales -9% vs ABGSCe, Finland still outperforming
- Acquires RGP's Nordic business
- Share trading at EV/EBIT of 5.9x for '20e

Dependence on Finland increases as Sweden struggles

Capacent reported net sales of SEK 67.7m (66.2m), -9% vs ABGSCe. The deviation was caused by the performance in Sweden, which saw a sales decline of 9% as the Operations segment had a challenging quarter. Group EBIT increased to SEK 4.3m (2.9m), adjusted EBIT amounted to SEK 3.7m (4.7m) as gains from a change in the incentive programme had a positive effect of SEK 0.6m in Q2. The new incentive program is beneficial for Capacent. The P&L effect goes down from a maximum 20% of EBITDA to a small dilution effect through warrants if the stock performance is positive; the full details are yet to be determined.

Start new business area with focus on interim services

In conjunction with the acquisition of RGP's Nordic business, Capacent during Q2 started a new business area with the brand name Capacity. Capacity will focus on interim services and the majority of the acquisition will be integrated into the business area, adding much needed size. The acquisition in itself will add SEK 30-70m in sales, depending on the success of transferring contracts and personnel. Capacent is believed to be paying around SEK 6.5m for the acquisition, partly in cash and partly in overtaking of some fixed costs.

Acquisition to add sales of SEK 30-70m per year

We find the acquisition promising as it adds size to the interim business, has a similar customer profile as Capacent's current business and gives Capacent a broader palette of services to offer its customer base. With that said, we are slightly cautious initially as the price suggests it has not performed well in its current shape. However, Capacent will only take over part of the fixed costs and we believe it will contribute positively to the EBIT margin from 2020e. We raise our sales estimates by 5.8-6.6% for '20-'21e. Our EBIT margin assumption for '20e is lowered by 0.4 p.p. on the weaker than expected performance in Q2.

Lead analyst: Stefan Knutsson
Victor Forssell

SEKm	2017	2018	2019e	2020e	2021e
Sales	200	264	288	330	348
EBITDA	13	21	28	39	42
EBITDA margin (%)	6.5	7.9	9.7	11.9	12.2
EBIT adj	8	21	16	28	31
EBIT adj margin (%)	4.2	8.0	5.4	8.5	8.9
Pretax profit	5	17	13	24	28
EPS rep	1.23	3.85	3.40	6.07	6.77
EPS adj	2.17	4.96	3.19	6.07	6.77
Sales growth (%)	40.2	31.7	9.1	14.5	5.6
EPS growth (%)	-60.3	212.7	-11.9	78.8	11.5

Source: ABG Sundal Collier, Company data

Reason: Post-results comment

Company sponsored research

Not rated

Estimate changes (%)	2019e	2020e	2021e
Sales	-1.1%	5.8%	6.6%
EBIT (rep)	-23.8%	0.7%	5.6%
EPS (rep)	-25.4%	2.5%	8.4%

Source: ABG Sundal Collier

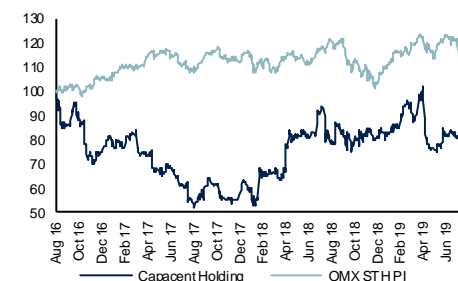
Share price (SEK)	27/08/2019	46.4
Professional Services, Sweden		
CAPAC.ST/CAPAC.SS		

MCap (SEKm)	126
MCap (EURm)	11.8
Net debt (EURm)	3

No. of shares (m)	2.7
Free float (%)	41.0
Av. daily volume (k)	1.1

Next event Q3 report: 12 Nov

Performance



	1m	3m	12m
Absolute (%)	-5.1	1.5	-4.3
OMX STH PI (%)	-4.4	-0.4	-3.7

Source: FactSet

	2019e	2020e	2021e
P/E (x)	13.7	7.6	6.9
P/E adj (x)	14.5	7.6	6.9
P/BVPS (x)	1.21	1.11	1.06
EV/EBITDA (x)	6.2	4.2	3.7
EV/EBIT adj (x)	11.1	5.9	5.1
EV/sales (x)	0.60	0.50	0.45
ROE adj (%)	8.4	15.2	15.8
Dividend yield (%)	5.5	9.8	10.9
FCF yield (%)	7.1	13.1	14.5
Net IB debt/EBITDA	1.2	0.6	0.4

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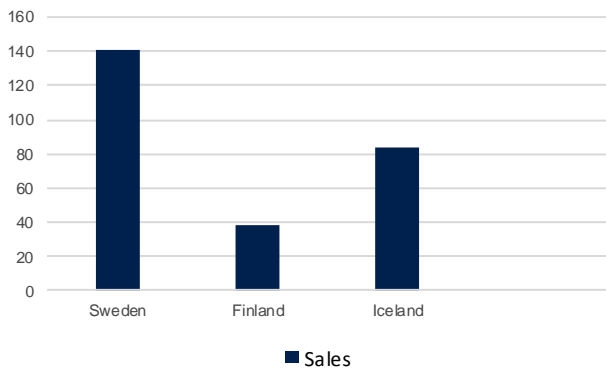
Opportunities

The company has a strong overall offering with a broad service platform. The business model is also very asset-light as staff are the main asset and cost. The operational leverage should thus in the long term be able to strengthen margins as other costs than for personnel should not grow as fast as revenues. Furthermore, Capacent has further room for acquisitions.

Risks

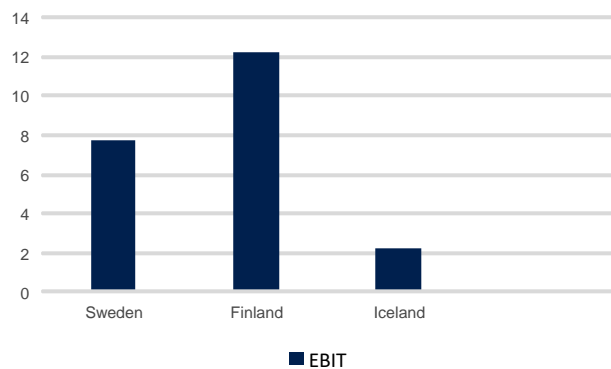
Capacent is dependent on continuing demand for its services from current and new customers. Moreover, a tougher climate for hiring new consultants would affect Capacent's organic growth. Furthermore, the Finnish operations are more volatile than the other divisions due to more performance-based earnings. This means that on a quarterly basis, operations can be significantly more volatile than the rest of the group.

Geographical breakdown, sales 2018, SEKm



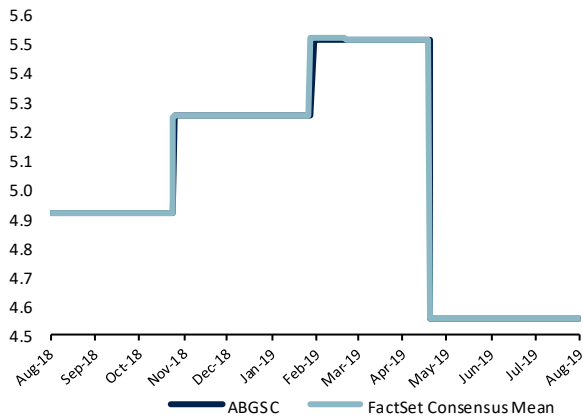
Source: ABG Sundal Collier, Company data

Geographical breakdown, EBIT 2018, SEKm



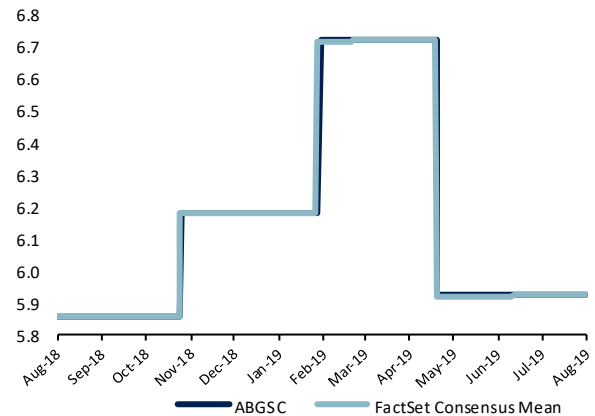
Source: ABG Sundal Collier, Company data

EPS estimate changes, 2019e, SEK



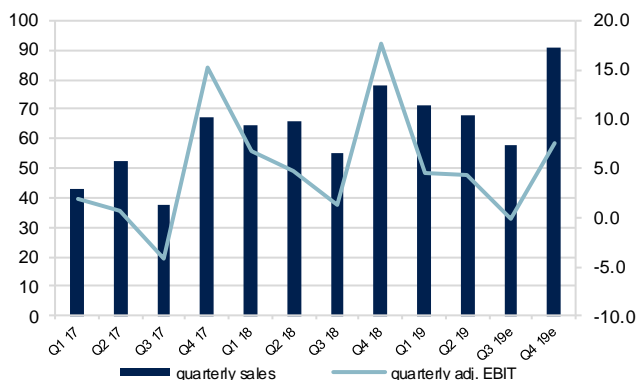
Source: ABG Sundal Collier, FactSet

EPS estimate changes, 2020e, SEK



Source: ABG Sundal Collier, FactSet

Quarterly sales and adj. EBIT, SEKm



Source: ABG Sundal Collier, Company data

Company description

Capacent is a management consulting company concentrated on corporate consulting, mainly focusing on improving customer profitability and cash flow. The company offers business-oriented consulting aiming to deliver measurable results, from setting strategies to implementation and follow-ups. Capacent has a Nordic presence and a high level of involvement in customer operations. The customer base is broad in terms of number of customers and sectors represented.

Deviations and estimate changes

Q2 deviations

SEKm P&L	Q2'18	Q2'19	Q2'19e	Diff vs. ABGSC
Net sales	66.2	67.7	74.0	-9%
Other income	0.1	0.1	0.0	
Other external costs	-15.2	-10.2	-11.8	-14%
Personnel costs	-46.8	-50.2	-53.7	-6%
Other costs	0.0	0.0	0.0	
-of which non-recurring items	-1.8	0.6	0.0	
EBITDA	4.2	7.3	8.5	-15%
Adj. EBITDA	6.0	6.7	8.5	-22%
Depreciation	-1.3	-3.0	-2.9	
Impairment	0.0	0.0	0.0	
EBIT	2.9	4.3	5.7	-23%
Adj. EBIT	4.7	3.7	5.7	-34%
Net Financials	-0.5	-0.7	-1.0	
Profit before tax	2.4	3.7	4.7	
Tax	-1.1	-0.8	-1.0	
NCI	-0.6	-0.1	-0.1	
Net income (to shareholders)	0.7	2.8	3.6	-22%
EPS	0.2	1.0	1.3	-22%
Growth				
Sales growth y-o-y	26.3%	2.3%	11.9%	-9.6pp
Organic growth (est.)	25.9%	3.9%	14.2%	-10.2pp
Acquired growth	0.0%	0.0%	0.0%	
FX (est.)	0.4%	-2.3%	-2.3%	
Margins				
Adj. EBITDA margin	9.1%	10.8%	11.5%	-0.7pp
Adj. EBIT margin	7.1%	5.5%	7.6%	-2.1pp

Source: ABG Sundal Collier, company data

Estimate changes

SEKm P&L	Old forecast			New forecast			Change		
	2019e	2020e	2021e	2019e	2020e	2021e	2019e	2020e	2021e
Net sales	291.3	311.6	326.6	287.9	329.6	348.1	-1.1%	5.8%	6.6%
Adj. EBITDA	32.8	39.3	40.9	27.2	39.4	42.4	-17.0%	0.2%	3.8%
Adj. EBIT	21.3	27.7	29.3	15.7	27.9	30.9	-26.6%	0.7%	5.6%
Adj EBITDA margin	11.3%	12.6%	12.5%	9.5%	11.9%	12.2%	-1.8pp	-0.7pp	-0.3pp
Adj. EBIT margin	7.3%	8.9%	9.0%	5.4%	8.5%	8.9%	-1.9pp	-0.4pp	-0.1pp

Source: ABG Sundal Collier, company data

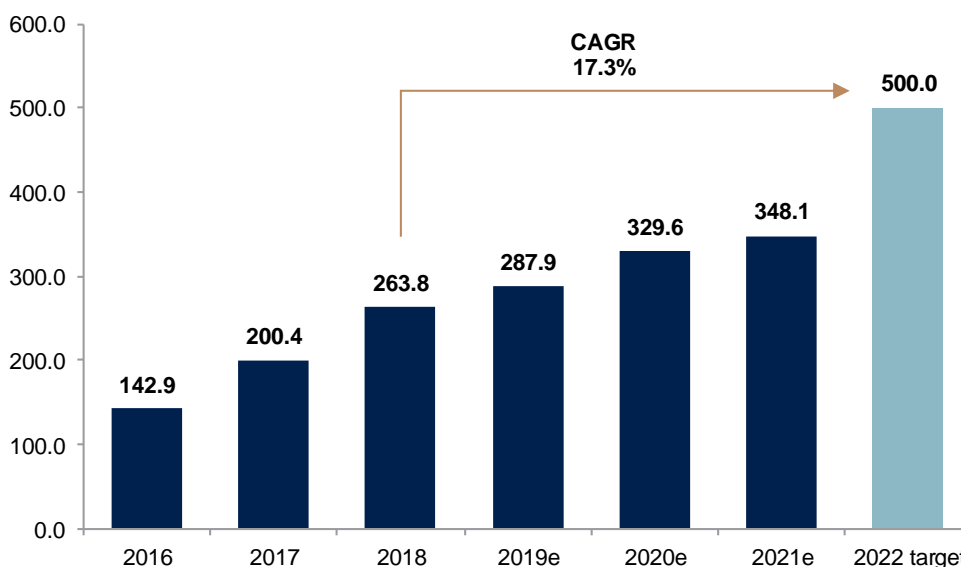
Financial targets

After listing in 2015, Capacent set its sights on doubling sales, from ~SEK 150m at the time to SEK 300m. As the company is now closing in on that target, it is aiming for a higher target in 2022.

New financial goal – sales of SEK 500m in 2022

Management is steering Capacent towards a new and clear growth path. The company has reset its goal from the time of its listing and is now shooting for a doubling of sales by 2022. To attain this goal, we argue that the company must continue to 1) grow its core Management Consulting business, and 2) add complementary services to its platform of competencies. In our view, this would enhance the company's capability to support customers' needs. Based on full-year sales for 2018, this would imply a sales CAGR of ~17% to reach the target.

Net sales, SEKm



Source: ABG Sundal Collier, company data

Geographical expansion – which country is next?

During the same period, Capacent will expand its geographical presence into at least one new country. The latest expansion was in 2017, when Capacent Island was acquired. We believe that this expansion is a key factor in reaching the company's new sales target.

Current targets will also remain

- To grow faster than the underlying market
- The dividend shall correspond to the net income for the year adjusted for changes in working capital and investments.

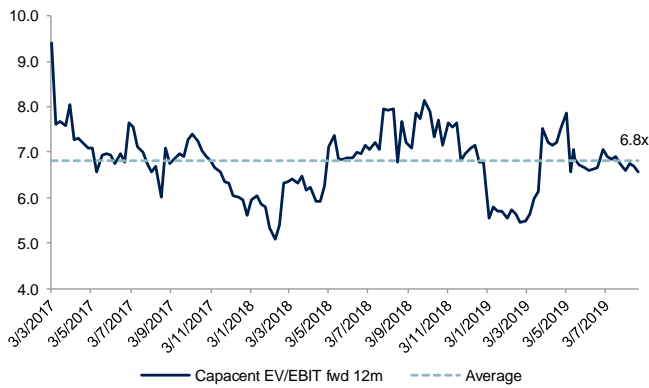
Valuation

Peer table

Company Consulting firms	Market cap (SEKm)	Sales growth (%)			EV/Sales (x)			EV/EBITDA (x)			EV/EBIT (x)			P/E (x)			Dividend yields			3-year CAGR ('19e-'21e)		
		2019e	2020e	2021e	2019e	2020e	2021e	2019e	2020e	2021e	2019e	2020e	2021e	2019e	2020e	2021e	2019e	2020e	2021e	Sales	EBIT	EPS
Acando	#NA	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na
Addnode	4,817	14%	4%	3%	1.5	1.4	1.4	11.7	11.5	11.3	21.2	19.4	18.5	33.4	26.3	24.1	1.7%	1.7%	1.7%	7%	10%	9%
BTS Group	3,108	18%	12%	12%	1.8	1.6	1.4	11.0	9.8	8.7	14.7	12.7	11.0	23.0	19.8	17.1	2.3%	2.6%	2.9%	34%	22%	17%
Data Respons	2,525	23%	12%	7%	1.1	1.0	1.0	8.6	7.5	6.9	10.8	9.2	8.3	14.6	14.6	12.8	3.3%	3.3%	3.7%	14%	23%	35%
EVRY	12,641	2%	3%	3%	1.4	1.3	1.3	8.7	8.3	7.9	11.7	10.8	10.3	11.5	10.6	9.8	5.4%	5.7%	6.1%	2%	7%	4%
Eurocon Consulting	262	11%	7%	na	0.9	0.9	0.8	7.4	6.3	6.1	11.4	9.1	8.5	14.6	11.7	11.1	5.8%	7.5%	7.5%	8%	7%	-3%
eWork Group	1,241	16%	11%	9%	0.1	0.1	0.1	9.9	8.0	6.8	12.2	9.4	7.8	14.4	10.8	8.9	6.9%	8.0%	9.0%	12%	21%	21%
Hifab	161	-5%	8%	na	0.4	0.4	0.4	20.6	8.1	5.9	-85.4	15.7	9.1	-100.1	20.5	11.9	5.3%	6.1%	6.4%	3%	10%	13%
HQ	2,680	2%	4%	5%	1.3	1.3	1.2	9.4	9.3	8.9	11.9	11.1	10.5	16.9	15.7	14.9	6.9%	7.2%	7.4%	4%	7%	7%
Knowit	3,512	11%	6%	6%	1.2	1.1	1.1	10.0	9.3	8.7	12.3	11.3	10.5	15.8	14.3	13.3	3.0%	3.4%	4.1%	8%	8%	9%
Rejlers	1,405	11%	14%	3%	0.7	0.6	0.6	6.0	5.0	4.7	12.4	8.7	7.9	13.7	9.6	8.6	2.5%	3.8%	5.0%	9%	84%	34%
Semcon	898	3%	5%	2%	0.6	0.6	0.6	6.4	5.4	5.1	8.5	6.9	6.5	11.0	8.6	8.1	4.9%	5.2%	5.2%	4%	15%	13%
Sweco	30,359	9%	6%	4%	1.7	1.6	1.6	13.9	13.0	12.3	19.6	17.6	16.5	22.1	19.8	18.6	2.4%	2.7%	2.9%	6%	9%	9%
Tieto	17,901	1%	3%	3%	1.3	1.3	1.3	8.7	8.4	8.1	12.9	12.2	11.7	14.0	13.5	12.9	5.8%	6.0%	6.2%	2%	4%	3%
ÅF	23,427	47%	8%	4%	1.0	0.9	0.9	8.5	7.0	6.6	11.7	9.6	8.9	15.1	12.9	12.0	3.3%	3.7%	4.0%	18%	22%	15%
Average		12%	7%	5%	1.1	1.0	1.0	10.1	8.4	7.7	6.1	11.7	10.4	8.6	14.9	13.1	4.3%	4.8%	5.2%	9%	18%	14%
Median		11%	6%	4%	1.2	1.1	1.0	9.0	8.2	7.4	12.0	11.0	9.7	14.6	13.9	12.4	4.1%	4.5%	5.1%	7%	10%	11%
Capacent (ABGSCe)	145	9%	14%	6%	0.6	0.5	0.5	6.9	4.5	3.9	12.2	6.5	5.4	16.8	8.6	7.2	5.2%	8.8%	10.4%	10%	20%	21%
Capacent premium/discount (+/-)		-15%	126%	35%	-47%	-52%	-53%	-24%	-45%	-48%	1%	-41%	-45%	15%	-38%	-42%	27%	95%	104%	35%	105%	84%

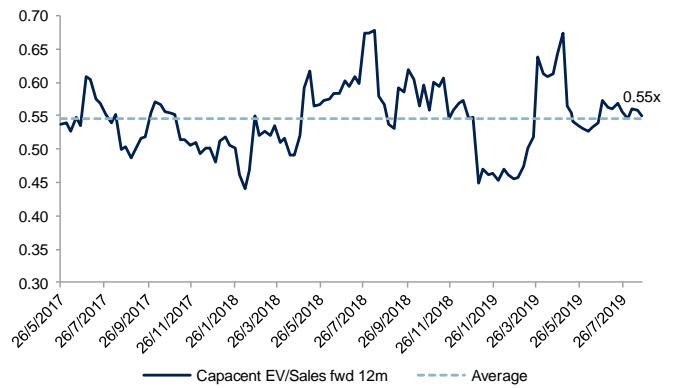
Source: ABG Sundal Collier, company data

EV/EBIT (x) fwd 12m



Source: ABG Sundal Collier, company data

EV/Sales (x) fwd 12m



Source: ABG Sundal Collier, company data

Quarterly and yearly overview

SEKm P&L	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19e	Q4'19e	2016	2017	2018	2019e	2020e	2021e
Net sales	64.6	66.2	55.1	78.0	71.3	67.7	58.1	90.8	142.9	200.4	263.8	287.9	329.6	348.1
Other income	0.1	0.1	0.0	9.4	0.0	0.1	0.0	0.0	0.7	6.8	9.6	0.1	0.0	0.0
Other external costs	-12.6	-15.2	-15.3	-16.2	-11.1	-10.2	-9.3	-14.5	-20.1	-42.0	-59.3	-45.2	-52.7	-55.7
Personnel costs	-45.0	-46.8	-39.0	-52.9	-52.9	-50.2	-46.0	-65.9	-115.6	-112.6	-183.7	-215.0	-237.5	-250.0
Other costs	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
-of which non-recurring items	0.0	-1.8	-1.1	-0.4	0.0	0.6	0.0	0.0	0	2.75	-3.3	0.6	0.0	0.0
EBITDA	7.1	4.2	0.8	18.3	7.3	7.3	2.8	10.4	10.8	12.9	30.5	27.8	39.4	42.4
Adj. EBITDA	7.1	6.0	1.9	9.3	7.3	6.7	2.8	10.4	10.8	10.2	24.3	27.2	39.4	42.4
Depreciation	-0.5	-1.3	-0.5	-0.7	-2.9	-3.0	-2.9	-2.9	-0.5	-1.8	-3.1	-11.6	-11.5	-11.5
Impairment	0	0	0	-9.5	0	0	0	0	0	-5.3	-9.5	0.0	0.0	0.0
EBIT	6.6	2.9	0.2	8.1	4.5	4.3	-0.1	7.6	10.3	5.9	17.9	16.3	27.9	30.9
Adj. EBIT	6.6	4.7	1.3	8.5	4.5	3.7	-0.1	7.6	10.3	8.4	21.2	15.7	27.9	30.9
Net Financials	-0.3	-0.5	0.0	-0.4	-1.0	-0.7	-1.0	-1.0	0.2	-0.9	-1.2	-3.6	-3.4	-3.4
Profit before tax	6.4	2.4	0.2	7.7	3.5	3.7	-1.1	6.6	10.6	5.0	16.7	12.7	24.5	27.5
Tax	-1.3	-1.1	-0.1	-2.2	-0.7	-0.8	0.2	-1.5	-2.3	-2.0	-4.7	-2.7	-5.4	-6.1
NCI	-0.1	-0.6	0.2	0.0	0.5	-0.1	0	-0.3	0.0	0.3	-0.5	0.2	-0.9	-1.2
Net income (to shareholders)	5.0	0.7	0.3	5.5	3.2	2.8	-0.7	4.9	8.2	3.3	11.5	10.1	18.1	20.2
EPS diluted	1.8	0.2	0.1	1.8	1.1	1.0	-0.3	1.7	3.1	1.2	4.0	3.4	6.1	6.8
DPS									3.0	1.0	3.0	2.5	4.6	5.1
Growth														
Sales growth y-o-y	49.9%	26.3%	46.4%	15.9%	10.4%	2.3%	5.5%	16.5%	-7.2%	40.2%	31.7%	9.1%	14.5%	5.6%
Organic growth (est.)	28.4%	25.9%	43.8%	17.2%	11.2%	3.9%	3.4%	3.5%	-7.2%	-4.1%	26.9%	5.5%	7.8%	5.6%
Acquired growth	20.7%	0.0%	0.0%	0.0%	0.0%	0.0%	3.7%	11.4%	0.0%	44.1%	4.5%	4.1%	6.6%	0.0%
FX (est.)	0.8%	0.4%	3.1%	-1.2%	-0.9%	-2.3%	-1.5%	1.6%	0.0%	0.3%	0.5%	-0.6%	0.0%	0.0%
Margins														
Adj. EBITDA margin	11.0%	9.1%	3.4%	11.9%	10.3%	10.8%	4.8%	11.5%	7.6%	5.1%	9.2%	9.5%	11.9%	12.2%
EBIT margin	10.3%	4.4%	0.4%	10.4%	6.3%	6.4%	-0.2%	8.3%	7.2%	2.9%	6.8%	5.6%	8.5%	8.9%
Adj. EBIT margin	10.3%	7.1%	2.4%	10.9%	6.3%	5.5%	-0.2%	8.3%	7.2%	4.2%	8.0%	5.4%	8.5%	8.9%
Adj. R12 EBIT margin	5.9%	7.3%	8.9%	8.0%	7.0%	6.6%	6.0%	5.4%						

Source: ABG Sundal Collier, company data

Capacent Holding

Income Statement (SEKm)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019e	Q4 2019e
Sales	65	66	55	78	71	68	58	91
COGS	0	0	0	0	0	0	0	0
Gross profit	65	66	55	78	71	68	58	91
Other operating items	-57	-62	-54	-60	-64	-60	-55	-80
EBITDA	7	4	1	18	7	7	3	10
Depreciation on tangibles	0	0	0	0	0	0	0	0
Depreciation on intangibles	-0	-1	-1	-1	-3	-3	-3	-3
EBITA	7	3	0	18	4	4	-0	8
Goodwill impairment charges	0	0	0	-10	0	0	0	0
Other impairment and amortisation	0	0	0	0	0	0	0	0
EBIT	7	3	0	8	4	4	-0	8
Interest Net	-0	-1	-0	-0	-1	-1	-1	-1
Other financial items	0	0	0	0	0	0	0	0
Associated income	0	0	0	0	0	0	0	0
Other EO items	0	0	0	0	0	0	0	0
Pretax profit	6	2	0	8	3	4	-1	7
Tax	-1	-1	-0	-2	-1	-1	0	-1
Net profit	5	1	0	6	3	3	-1	5
Minority interest	-0	-1	0	-0	0	-0	0	-0
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	5	1	0	5	3	3	-1	5
EPS	1.83	0.27	0.12	1.83	1.08	0.93	-0.25	1.59
EPS Adj	1.83	0.27	0.12	5.01	1.08	0.93	-0.25	1.59
Total extraordinary items after tax	0	-2	-1	0	0	0	0	0
Tax rate (%)	21.0	45.1	37.4	28.8	20.9	21.7	22.0	22.0
Gross margin (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
EBITDA margin (%)	11.0	6.4	1.4	23.5	10.3	10.8	4.8	11.5
EBITA margin (%)	10.3	4.4	0.4	22.6	6.3	6.4	-0.2	8.3
EBIT margin (%)	10.3	4.4	0.4	10.4	6.3	6.4	-0.2	8.3
Pretax margin (%)	9.9	3.6	0.4	9.9	4.9	5.4	-1.8	7.3
Net margin (%)	7.8	2.0	0.2	7.1	3.8	4.2	-1.4	5.7
Growth rates Y/Y	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019e	Q4 2019e
Sales growth (%)	49.9	26.3	46.4	15.9	10.4	2.3	5.5	16.5
EBITDA growth (%)	+chg	267.8	+chg	13.5	2.8	71.9	262.4	-43.1
EBIT growth (%)	+chg	333.8	+chg	-21.5	-32.8	49.8	-chg	-7.1
Net profit growth (%)	+chg	407.8	+chg	-25.5	-45.6	119.3	-chg	-6.4
EPS growth (%)	+chg	407.8	+chg	-25.5	-45.6	119.3	-chg	-6.4
Adj earnings numbers	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019e	Q4 2019e
EBITDA Adj	7	6	2	18	7	7	3	10
EBITDA Adj margin (%)	11.0	9.1	3.4	23.5	10.3	10.8	4.8	11.5
EBITA Adj	7	5	1	18	4	4	-0	8
EBITA Adj margin (%)	10.3	7.1	2.4	22.6	6.3	6.4	-0.2	8.3
EBIT Adj	7	5	1	18	4	4	-0	8
EBIT Adj margin (%)	10.3	7.1	2.4	22.6	6.3	6.4	-0.2	8.3
Pretax profit Adj	6	4	1	17	3	4	-1	7
Net profit Adj	5	3	1	15	3	3	-1	5
Net profit to shareholders Adj	5	3	1	15	3	3	-1	5
Net Adj margin (%)	7.8	4.7	2.2	19.2	3.8	4.2	-1.4	5.7

Source: ABG Sundal Collier, Company data

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Income Statement (SEKm)	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Sales	135	121	138	154	143	200	264	288	330	348
COGS	0	0	0	0	0	0	0	0	0	0
Gross profit	135	121	138	154	143	200	264	288	330	348
Other operating items	-122	-119	-125	-137	-132	-187	-243	-260	-290	-306
EBITDA	13	1	14	17	11	13	21	28	39	42
Depreciation on tangibles	0	0	0	0	0	0	0	0	0	0
Depreciation on intangibles	-1	-1	-1	-1	-0	-2	-3	-12	-12	-12
EBITA	12	1	13	17	10	11	18	16	28	31
Goodwill impairment charges	0	0	0	0	0	-5	0	0	0	0
Other impairment and amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	12	1	13	17	10	6	18	16	28	31
Interest Net	-0	-1	-1	-0	0	-1	-1	-4	-3	-3
Other financial items	0	0	0	0	0	0	0	0	0	0
Associated income	0	0	0	0	0	0	0	0	0	0
Other EO items	0	0	0	0	0	0	0	0	0	0
Pretax profit	12	-1	12	16	11	5	17	13	24	28
Tax	-1	1	-2	-3	-2	-2	-5	-3	-5	-6
Net profit	11	-0	10	14	8	3	12	10	19	21
Minority interest	0	0	0	0	0	0	-0	0	-1	-1
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	11	-0	10	14	8	3	12	10	18	20
EPS	0	-0.06	3.71	5.12	3.11	1.23	3.85	3.40	6.07	6.77
EPS Adj	0	-0.06	3.71	5.76	3.11	2.17	4.96	3.19	6.07	6.77
Total extraordinary items after tax	0	0	0	-2	0	3	-3	1	0	0
Tax rate (%)	10.4	76.3	17.9	17.6	22.2	39.5	28.2	21.6	22.0	22.0
Gross margin (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
EBITDA margin (%)	9.3	1.1	9.8	11.2	7.6	6.5	7.9	9.7	11.9	12.2
EBITA margin (%)	8.9	0.5	9.4	10.8	7.2	5.6	6.8	5.6	8.5	8.9
EBIT margin (%)	8.9	0.5	9.4	10.8	7.2	2.9	6.8	5.6	8.5	8.9
Pretax margin (%)	8.8	-0.6	8.6	10.7	7.4	2.5	6.3	4.4	7.4	7.9
Net margin (%)	7.9	-0.1	7.1	8.8	5.7	1.5	4.5	3.4	5.8	6.2
Growth rates Y/Y	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Sales growth (%)	na	-10.6	14.7	11.3	-7.2	40.2	31.7	9.1	14.5	5.6
EBITDA growth (%)	high	-89.7	938.4	27.1	-37.2	19.7	61.9	32.7	41.5	7.8
EBIT growth (%)	high	-95.4	2,212.0	28.9	-38.2	-43.0	204.5	-9.2	71.4	11.0
Net profit growth (%)	high	-101.5	6,072.6	38.2	-39.3	-63.3	297.7	-17.1	92.2	12.5
EPS growth (%)	na	high	6,072.5	38.2	-39.3	-60.3	212.7	-11.9	78.8	11.5
Profitability	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
ROE (%)	24.0	-0.2	10.2	12.9	7.7	3.2	10.6	8.9	15.2	15.8
ROE Adj (%)	24.0	-0.2	10.2	14.5	7.7	5.6	13.6	8.4	15.2	15.8
ROCE (%)	25.1	0.5	12.1	15.3	9.4	5.2	15.0	11.5	16.9	18.0
ROCE Adj(%)	25.1	0.5	12.1	16.9	9.4	7.5	17.7	11.1	16.9	18.0
ROIC (%)	25.0	0.1	10.3	14.3	8.3	3.2	11.2	9.9	14.5	15.9
ROIC Adj (%)	25.0	0.1	10.3	15.8	8.3	4.6	13.3	9.6	14.5	15.9
Adj earnings numbers	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
EBITDA Adj	13	1	14	19	11	10	24	27	39	42
EBITDA Adj margin (%)	9.3	1.1	9.8	12.3	7.6	5.1	9.2	9.5	11.9	12.2
EBITA Adj	12	1	13	18	10	8	21	16	28	31
EBITA Adj margin (%)	8.9	0.5	9.4	11.9	7.2	4.2	8.0	5.4	8.5	8.9
EBIT Adj	12	1	13	18	10	8	21	16	28	31
EBIT Adj margin (%)	8.9	0.5	9.4	11.9	7.2	4.2	8.0	5.4	8.5	8.9
Pretax profit Adj	12	-1	12	18	11	8	20	12	24	28
Net profit Adj	11	-0	10	15	8	6	15	9	19	21
Net profit to shareholders Adj	11	-0	10	15	8	6	15	10	18	20
Net Adj margin (%)	7.9	-0.1	7.1	9.9	5.7	2.8	5.8	3.2	5.8	6.2

Source: ABG Sundal Collier, Company data

Cash Flow Statement (SEKm)	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
EBITDA	13	1	14	17	11	13	21	28	39	42
Net financial items	-0	-1	-1	-0	0	-1	-1	-4	-3	-3
Paid tax	-1	1	-2	-3	-2	-2	-5	-3	-5	-6
Non-cash items	-3	-3	0	3	1	-4	0	0	0	0
Cash flow before change in WC	8	-3	10	17	10	6	15	21	31	33
Change in WC	0	-8	7	3	-7	4	6	-2	0	0
Operating cash flow	9	-10	17	20	2	10	21	13	21	24
CAPEX tangible fixed assets	-1	-1	1	-0	-1	-10	-3	-3	-3	-3
CAPEX intangible fixed assets	0	0	0	0	0	0	0	0	0	0
Acquisitions and disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	8	-11	18	20	2	-1	18	10	18	20
Dividend paid	0	0	0	-6	-13	-8	-3	-8	-8	-14
Share issues and buybacks	0	0	0	0	0	0	0	0	0	0
Other non cash items	-5	-7	-0	-0	0	-4	1	-44	0	0
Decrease in net IB debt	2	-19	18	14	-11	-13	17	-42	11	7
Balance Sheet (SEKm)	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Goodwill	83	90	92	92	92	111	102	102	102	102
Indefinite intangible assets	0	0	0	0	0	0	0	0	0	0
Definite intangible assets	1	0	0	0	0	5	4	9	9	9
Tangible fixed assets	2	2	1	1	1	2	4	5	6	7
Other fixed assets	1	7	5	2	2	3	2	37	37	37
Fixed assets	87	99	99	95	96	122	112	153	154	155
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	30	40	29	38	37	56	61	69	79	84
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	10	2	6	20	6	6	15	13	18	25
Total assets	126	140	134	152	139	184	187	235	251	264
Shareholders equity	89	90	102	108	105	104	113	114	125	131
Minority	0	0	0	0	0	1	1	1	2	3
Total equity	89	90	102	108	105	105	114	115	127	135
Long-term debt	7	18	4	4	0	3	0	26	26	26
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Deferred tax	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	10	1	1	1	1
Short-term debt	0	0	0	0	2	11	6	21	16	16
Accounts payable	30	32	28	40	33	55	66	72	82	87
Other current liabilities	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	126	140	134	152	139	184	187	235	251	264
Net IB debt	-2	16	-2	-16	-4	8	-9	34	23	16
Net IB debt excl. pension debt	-2	16	-2	-16	-4	8	-9	34	23	16
Capital invested	86	106	99	93	100	123	107	150	151	152
Working capital	-0	8	1	-3	5	1	-5	-3	-3	-3
EV breakdown	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Market cap. diluted (m)	na	na	na	106	119	93	144	139	139	139
Net IB debt Adj	-2	16	-2	-16	-4	8	-9	34	23	16
Market value of minority	0	0	0	0	0	0	1	1	2	3
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	na	na	na	90	115	102	136	173	164	158
Capital efficiency (%)	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Total assets turnover (%)	213.7	90.6	100.9	107.5	98.1	124.1	142.3	136.3	135.5	135.1
Capital invested turnover (%)	312.2	125.1	134.5	160.4	148.2	179.6	230.1	224.4	219.1	230.0
Capital employed turnover (%)	281.1	118.3	129.4	141.2	130.6	177.6	220.5	203.8	199.6	202.4
Inventories/sales (%)	0	0	0	0	0	0	0	0	0	0
Customer advances/sales (%)	0	0	0	0	0	0	0	0	0	0
Payables/sales (%)	11.2	25.9	21.8	22.2	25.4	21.9	23.0	23.9	23.4	24.3
Working capital/sales (%)	-0.1	3.1	3.1	-0.5	0.8	1.4	-0.8	-1.4	-0.9	-1.0
Financial risk and debt service	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Net debt/equity (%)	-2.6	18.3	-1.9	-14.4	-4.2	8.0	-7.6	29.4	18.3	12.2
Net debt/market cap (%)	na	na	na	-16.3	-3.2	7.7	-7.0	24.4	16.7	11.8
Equity ratio (%)	70.3	64.2	75.8	71.0	75.2	57.1	61.0	49.0	50.4	51.0
Net IB debt adj./equity (%)	-2.6	18.3	-1.9	-14.4	-4.2	8.0	-7.6	29.4	18.3	12.2
Current ratio (%)	130.9	128.7	126.5	142.6	126.3	93.0	104.9	88.2	99.2	105.7
EBITDA/net interest (%)	7,741.7	104.2	1,341.7	7,001.6	-4,414.3	1,438.3	1,732.3	774.1	1,157.7	1,247.4
Net IB debt/EBITDA (%)	-18.2	1,259.5	-14.5	-90.7	-40.4	64.8	-41.2	121.6	58.8	38.6
Interest cover (%)	7,388.3	44.7	1,281.9	6,782.1	-4,211.4	1,242.0	1,479.2	452.4	819.4	909.2

Source: ABG Sundal Collier, Company data

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Valuation and Ratios (SEKm)	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Shares outstanding adj.	0	3	3	3	3	3	3	3	3	3
Fully diluted shares Adj	0	3	3	3	3	3	3	3	3	3
EPS	0	-0.06	3.71	5.12	3.11	1.23	3.85	3.40	6.07	6.77
Dividend per share Adj	0	0	2.3	5.0	3.0	1.0	3.0	2.5	4.6	5.1
EPS Adj	0	-0.06	3.71	5.76	3.11	2.17	4.96	3.19	6.07	6.77
BVPS	0	34.00	38.46	40.89	39.58	38.41	41.61	38.23	41.75	43.97
BVPS Adj	0	-0.14	3.42	6.27	4.49	-4.39	2.70	1.18	4.70	6.92
Net IB debt / share	na	6.2	-0.7	-5.9	-1.7	3.1	-3.2	11.3	7.7	5.5
Share price	na	na	na	40.00	45.10	34.30	48.10	46.40	46.40	46.40
Market cap. (m)	na	na	na	106	119	93	131	139	139	139
Valuation	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
P/E	na	na	na	7.8	14.5	27.8	12.5	13.7	7.6	6.9
EV/sales	na	na	na	0.59	0.80	0.51	0.52	0.60	0.50	0.45
EV/EBITDA	na	na	na	5.2	10.6	7.8	6.5	6.2	4.2	3.7
EV/EBITA	na	na	na	5.4	11.1	9.1	7.6	10.7	5.9	5.1
EV/EBIT	na	na	na	5.4	11.1	17.3	7.6	10.7	5.9	5.1
Dividend yield (%)	na	na	na	12.5	6.7	2.9	6.2	5.5	9.8	10.9
FCF yield (%)	na	na	na	18.7	1.6	-0.8	12.8	7.1	13.1	14.5
P/BVPS	na	na	na	0.98	1.14	0.89	1.16	1.21	1.11	1.06
P/BVPS Adj	na	na	na	6.38	10.05	-7.82	17.80	39.35	9.86	6.70
P/E Adj	na	na	na	6.9	14.5	15.8	9.7	14.5	7.6	6.9
EV/EBITDA Adj	na	na	na	4.8	10.6	10.0	5.6	6.4	4.2	3.7
EV/EBITA Adj	na	na	na	4.9	11.1	12.0	6.4	11.1	5.9	5.1
EV/EBIT Adj	na	na	na	4.9	11.1	12.0	6.4	11.1	5.9	5.1
EV/cap. employed	na	na	na	0.8	1.1	0.9	1.1	1.1	1.0	0.9
Investment ratios	2012	2013	2014	2015	2016	2017	2018	2019e	2020e	2021e
Capex/sales	0.7	0.8	-0.8	0.2	0.4	5.2	1.0	1.0	1.0	1.0
Capex/depreciation	175.0	136.9	-189.9	58.7	105.4	585.7	84.9	24.9	28.7	30.3
Capex tangibles/tangible fixed assets	65.5	66.2	-96.9	27.7	52.6	435.6	66.3	60.0	55.0	47.9
Capex intangibles/definite intangibles	0	0	0	0	0	0	0	0	0	0
Depreciation on intangibles/definite inta	80.9	149.9	222.9	2,076.9	136.5	34.0	73.9	126.4	125.8	125.8
Depreciation on tangibles/tangibles	0	0	0	0	0	0	0	0	0	0

Source: ABG Sundal Collier, Company data

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