

Keeps delivering on recurring revenue

Inderes' Q3 came in slightly better than we had input after the September profit warning. Importantly, from an investment case perspective, Inderes continues to show a strong growth trend in recurring revenue, which we view as more critical than project revenue. With EBITA estimates slightly up, we fine tune our fair value range to EUR 22-24 (previously EUR 21-24).

Key Data (2022E)

Price (EUR)	22.50
Reuters	INDERES.HE
Bloomberg	INDERES FH
Market cap (EURm)	37
Market cap (USDm)	36
Net debt (EURm)	(5)
Net gearing	(72%)
Net debt/EBITDA (x)	(2.7)
Shares fully dil. (m)	1.6
Avg daily turnover (m)	0.0
Free float	76%

Q3: Slightly better profitability, commissioned research still growing nicely

Inderes reported slightly better-than-expected profitability in Q3 owing to headcount which did not increase as we expected. Hence, our EBITA estimates are slightly up driven by lower headcount. Short-term, the demand for virtual events (outside listed company customers) should be down. However, looking towards 2023, the comparison numbers should be easy and the relative share of revenue outside listed companies should be very low. Another takeaway from the report was that the number of commissioned research agreements increased more than we had expected, and are now up 17% y/y.

Recurring revenue remains key case driver and should back growth for 2023

From a valuation perspective, we think that the commissioned research business provides solid support when the other businesses experience volatility. Thus, we are not overly concerned about the current weaker performance on the project side, although it impacts group level numbers. We also note that the overall profitability is being eroded by the growth investments in Sweden. Our indicative valuation approach for the standalone commissioned research business is EUR 33m or EUR 20 per share, i.e. 87% of our current fair value mid-point.

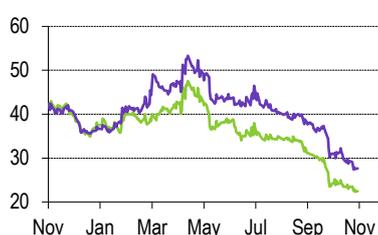
Fair value range fine-tuned to EUR 22-24

We continue to see Inderes' shares as relatively fairly valued. Although the current year multiples are elevated, we remind that the growth investments hide the underlying profitability and should yield growth in the future.

Estimate Revisions (%)

	2022E	2023E	2024E
Revenues	(0)	0	(1)
Adj. EBIT	9	7	6
Adj. EPS	9	7	6

Share Price (12M)



Absolute (green) / Relative to Finland (purple).

Marketing communication commissioned by:
Inderes

Financials (EUR)

Year end: Dec	2020	2021	2022E	2023E	2024E
Revenues (m)	9	12	13	15	17
Adj. EBIT	1	2	1	2	3
Pre-tax profit (m)	2	2	1	2	3
EPS	0.00	0.79	0.54	0.91	1.51
Adj. EPS	0.00	0.79	0.54	0.91	1.51
DPS	0.00	0.80	0.70	1.00	1.50
Revenue growth (%)	76.3	35.4	11.5	12.2	12.2
Adj. EBIT growth (%)	74.8	41.7	(43.7)	67.8	66.4
Adj. EPS growth (%)	n.m.	n.m.	(31.7)	67.8	66.4
Adj. EBIT margin (%)	15.9	16.6	8.4	12.5	18.6
ROE (%)	67.4	29.8	13.7	23.1	35.2
ROCE (%)	75.5	43.8	16.8	28.3	43.2
PER (x)		47.3	41.5	24.7	14.9
Free cash flow yield (%)		4.8	1.9	4.2	6.7
Dividend yield (%)		2.1	3.1	4.4	6.7
P/BV (x)		9.18	5.88	5.57	4.95
EV/Sales (x)		4.59	2.44	2.15	1.87
EV/Adj. EBITDA (x)	0.0	22.3	19.5	13.1	8.4
EV/Adj. EBIT (x)	0.0	27.6	29.1	17.1	10.0
Operating cash flow/EV (%)		5.7	4.3	6.0	9.1
Net debt/EBITDA (x)	(0.50)	(2.90)	(2.82)	(2.13)	(1.66)

Source for all data on this page: SEB (estimates) and Millstream/Thomson Reuters (prices)

Estimate revisions

With Q3 sales well in line with our estimate, we keep our 2022E-24E sales broadly unchanged. Yet, the higher number of commissioned research contracts prompt us to hike slightly recurring revenue while project revenue is marginally lowered. Looking at commissioned research agreements for 2023, we input fairly muted assumptions. The IPO market is likely to remain inactive and Inderes holds a very high share of the Finnish market. We think that some customers might be lost also in 2023, due to their exit from the stock exchange or for cost-saving reasons. The market timing is not supporting the Swedish commissioned research business either. Looking at other revenue streams in 2023, we find estimating in the current environment is tricky. The AGM season may turn out positive or negative, depending on whether the clients go back to pure physical solutions. However, we think the trend is towards hybrid solutions, which should be net positive for Inderes. In terms of Sweden or Denmark (HCA cooperation), Q3 did not offer any major news and we keep our assumptions for international revenue unchanged.

Inderes' Q3 EBITA was marginally better than we had input thanks to personnel costs. The end-quarter headcount of 95 was lower than we expected and hence our future personnel costs also come down, lifting our EBITA estimates by 6-7%.

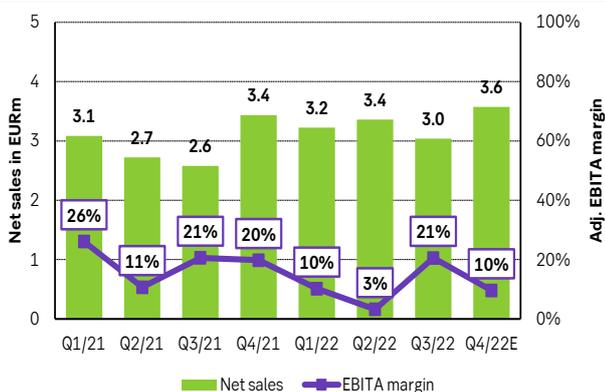
Estimate revisions

(EURm)	New estimates			Old estimates			Difference (%)		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
Sales	13.2	14.8	16.6	13.3	14.8	16.7	0	0	-1
EBITA	1.4	2.1	3.2	1.3	2.0	3.1	7	6	6
EBITA margin (%)	10.7	14.1	19.4	9.9	13.3	18.3	0.7pp	0.8pp	1.2pp
EPS (EUR)	0.54	0.91	1.51	0.50	0.85	1.43	9	7	6
Sales									
Recurring revenue	7.5	8.5	9.1	7.3	7.8	8.2	3	10	10
Project revenue	5.7	6.3	7.5	6.0	7.0	8.5	-5	-11	-11
Other data									
No. of paid research, period-end	133	135	139	131	133	137	2	2	1
No. of employees, avg.	95	100	104	95	103	107	-1	-3	-3

Source: SEB

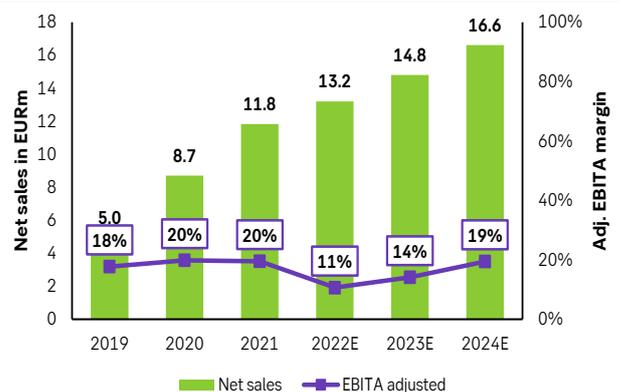
SEB estimates

Quarterly sales and EBITA margin



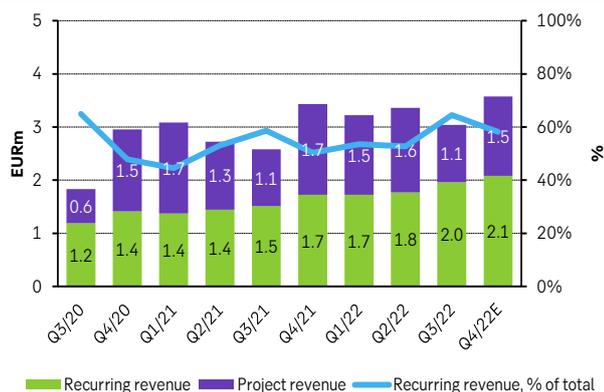
Source: SEB

Annual sales and EBITA margin



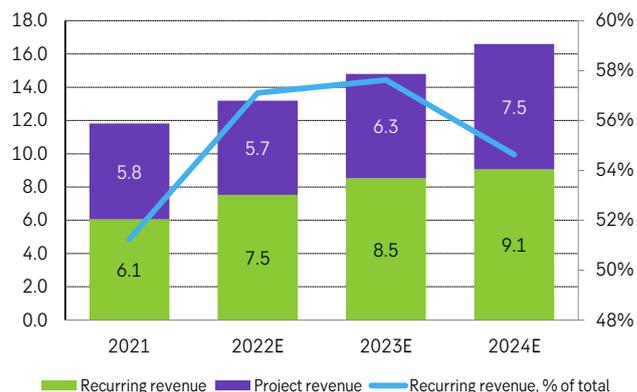
Source: SEB

Quarterly sales split



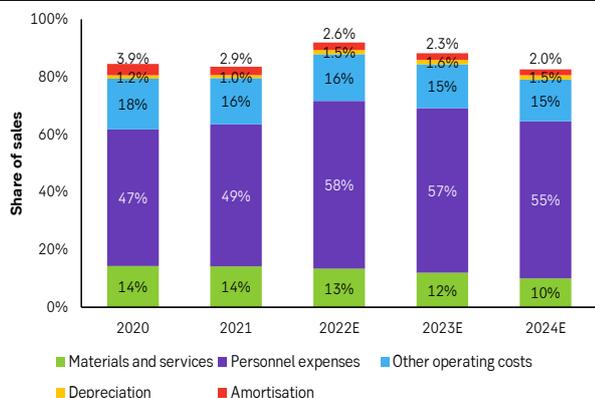
Source: SEB

Annual sales split



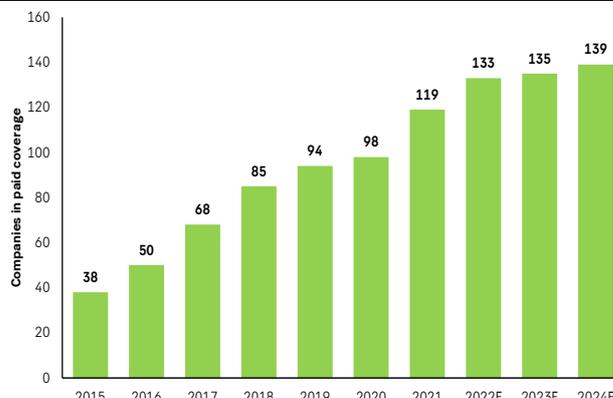
Source: SEB

Annual cost split, % of sales



Source: SEB

No. of commissioned research agreements



Source: SEB

Quarterly estimates (EURm)

	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22E
Net sales	3.1	2.7	2.6	3.4	3.2	3.4	3.0	3.6
Other income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and services	-0.4	-0.3	-0.4	-0.4	-0.4	-0.5	-0.4	-0.4
Gross profit	2.6	2.4	2.1	3.0	2.9	2.8	2.6	3.1
-margin	86%	87%	83%	87%	89%	84%	86%	88%
Personnel expenses	-1.3	-1.5	-1.1	-1.8	-2.0	-2.1	-1.4	-2.2
Other operating costs	-0.5	-0.5	-0.4	-0.5	-0.5	-0.6	-0.5	-0.6
EBITDA reported	0.8	0.3	0.6	0.7	0.4	0.2	0.7	0.4
EBITDA adjusted	0.8	0.3	0.6	0.7	0.4	0.2	0.7	0.4
-margin-%	0.3	0.1	0.2	0.2	0.1	0.0	0.2	0.1
Depreciation	-0.03	-0.04	-0.03	-0.03	-0.03	-0.05	-0.06	-0.06
EBITA	0.8	0.3	0.5	0.7	0.3	0.1	0.6	0.3
EBITA adjusted	0.8	0.3	0.5	0.7	0.3	0.1	0.6	0.3
-margin	26%	11%	21%	20%	10%	3%	21%	10%
Amortisation	-0.09	-0.09	-0.09	-0.09	-0.09	-0.09	-0.09	-0.09
EBIT reported	0.7	0.2	0.4	0.6	0.2	0.0	0.5	0.3
EBIT adjusted	0.7	0.2	0.4	0.6	0.2	0.0	0.5	0.3
-margin	23%	8%	17%	17%	8%	1%	18%	7%

Source: SEB

Annual estimates (EURm)						
	2019	2020	2021	2022E	2023E	2024E
Net sales	5.0	8.7	11.8	13.2	14.8	16.6
Other income	0.0	0.0	0.0	0.0	0.0	0.0
Materials and services	-0.5	-1.2	-1.7	-1.8	-1.8	-1.7
Gross profit	4.4	7.5	10.2	11.4	13.0	14.9
<i>-margin</i>	89%	86%	86%	87%	88%	90%
Personnel expenses	-2.9	-4.1	-5.8	-7.7	-8.5	-9.1
Other operating costs	-0.6	-1.5	-1.9	-2.1	-2.2	-2.4
EBITDA reported	0.9	1.8	2.4	1.6	2.3	3.5
EBITDA adjusted	0.9	1.8	2.4	1.6	2.3	3.5
<i>-margin</i>	19%	21%	21%	12%	16%	21%
Depreciation	-0.07	-0.10	-0.12	-0.20	-0.23	-0.25
EBITA	0.9	1.7	2.3	1.4	2.1	3.2
EBITA adjusted	0.9	1.7	2.3	1.4	2.1	3.2
<i>-margin</i>	18%	20%	20%	11%	14%	19%
Amortisation	-0.1	-0.3	-0.3	-0.3	-0.3	-0.3
EBIT reported	0.8	1.4	2.0	1.1	1.7	2.9
EBIT adjusted	0.8	1.4	2.0	1.1	1.7	2.9
<i>-margin</i>	16%	16%	17%	8%	12%	17%
Net financials	0.0	0.2	-0.2	0.0	0.0	0.0
Pre-tax profit	0.8	1.6	1.7	1.1	1.9	3.1
Earnings	0.6	1.2	1.3	0.9	1.5	2.5
Minority share	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings for owners	0.6	1.1	1.3	0.9	1.5	2.5
EPS (EUR)			0.79	0.54	0.91	1.51
Other data						
Employees avg.	42	52	72	95	100	104
No. of Finnish commissioned research, period-end	94	98	119	133	135	139

Source: SEB

Valuation

We value Inderes based on a DCF analysis and peer group multiples. Because the peer group is small, we give a 60/40 valuation weighting in favour of DCF. When setting our fair value range, we narrow the outcome at both ends by 5%.

Following our small positive EBITA revisions, our DCF mid-point rises to EUR 27 (previously EUR 26). We continue to assume a WACC of 9.0% for Inderes. We justify a lower yield for the resilient Finnish commissioned research business. However, higher WACC must be used for project revenue streams which look to be more volatile. Also, we note that our sales growth assumptions are highly dependent on the success of the international operations, which is still uncertain.

In the table below we also provide our indicative valuation for Inderes core, i.e. Commissioned research business. We calculate the NPV of a single commissioned research contract by assuming EBITDA margin of 25% and derive a single contract value of EUR 250,000, i.e. EUR 0.15 per Inderes share. With the current number of contracts at 132, we calculate a total value of EUR 33m, or EUR 20 per Inderes share, which is some 87% of our current fair value range mid-point. With this theoretical and simplified assessment, we stress the importance of the Commissioned research business for Inderes' equity case.

Inderes still trades at a 45% EV/EBITDA premium to peers for 2022E. However, the premium on 2024E multiples is much smaller. We argue that Inderes' valuation should have a small liquidity discount to peers and hence justify EV/EBITDA valuation multiples of 13x and 8x for 2022E and 2024E, giving us a fair valuation range of EUR 15-20 per share in peer group valuation. Combining DCF and peer group valuations, we fine-tune our fair value range to EUR 22-24 (previously EUR 21-24) for Inderes.

Illustrative DCF valuation for a single commissioned research agreement

Annual revenue, new contract, EUR '000	40										
Index hike	2.50%										
Capex	0 (included in EBITDA)										
Change in WC	0										
Tax	20%										
WACC	8.0%										
DCF:											
Year	0	1	2	3	4	5	6	7	8	9	TV
Sales, EUR '000	40	41	42	43	44	45	46	48	49	50	51
EBITDA margin	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
EBITDA, EUR '000	10.0	10.3	10.5	10.8	11.0	11.3	11.6	11.9	12.2	12.5	12.8
FCF, EUR '000	8.0	8.2	8.4	8.6	8.8	9.1	9.3	9.5	9.7	10.0	10.2
Discounted FCF, EUR '000	8.0	7.6	7.2	6.8	6.5	6.2	5.8	5.5	5.3	5.0	186.2
Sum of discounted FCF & TV, EUR '000	250.1										
Per share, EUR	0.15										
Total value of Finnish commissioned research contracts:											
Current number of contracts	132										
Total value, EURm	33.0										
Per share, EUR	20.2										

Source: SEB

DCF summary table

DCF valuation (EURm)		Weighted average cost of capital (%)	
NPV of FCF in explicit forecast period	20	Risk free interest rate	2.5
NPV of continuing value	20	Risk premium	6.5
Value of operation	39	Cost of equity	9.0
Net debt	(5)	After tax cost of debt	2.0
Share issue/buy-back in forecast period	-		
Value of associated companies	-	WACC	9.0
Value of minority shareholders' equity	-		
Value of marketable assets	-	Assumptions	
DCF value of equity	44	Number of forecast years	10
DCF value per share (EUR)	27	EBIT margin - steady state (%)	16.6
Current share price (EUR)	22.50	EBIT multiple - steady state (x)	10.9
DCF performance potential (%)	19	Continuing value (% of NPV)	50.0

Source: SEB

DCF assumption details

(EURm)	2022E	2023E	2024E	2025E	2026E	Average year 6	Average year 7-8	Average year 9-10
Sales growth (%)	11.5	12.2	12.2	8.0	7.0	6.0	3.5	2.5
EBITDA margin (%)	12.1	15.6	20.9	21.9	22.9	23.2	23.2	20.6
EBIT margin (%)	8.0	11.7	17.3	18.1	19.2	19.6	19.7	17.2
Gross capital expenditures as % of sales	19.7	2.4	2.1	2.1	2.1	2.1	2.1	2.1
Working capital as % of sales	(12.4)	(10.8)	(9.3)	(8.3)	(8.3)	(8.3)	(8.3)	(8.3)
Lease repayments as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sales	13	15	17	18	19	20	21	23
Depreciation	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Intangibles amortisation	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
EBIT	1	2	3	3	4	4	4	4
Taxes on EBIT	(0)	(0)	(1)	(1)	(1)	(1)	(1)	(1)
Increase in deferred taxes	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
NOPLAT	1	2	3	3	3	4	4	4
Gross capital expenditure	(3)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Increase in working capital	0	(0)	(0)	(0)	0	0	0	0
Lease repayments	0	0	0	0	0	0	0	0
Free cash flow (incl. lease repayments)	(1)	2	3	3	4	4	4	4
ROIC (%)	18.0	26.0	36.3	42.2	50.4	57.5	66.4	70.5
ROIC-WACC (%)	9.0	17.0	27.3	33.2	41.4	48.5	57.4	61.5
Share of total net present value (%)	0.0	3.8	5.7	6.1	6.6	6.5	11.9	9.4

Source: SEB

Peer group valuation table

	Ccy	Price (local)	Mkt cap (EURm)	PER (x)			EV/Sales (x)			Exp. sales growth		
				2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
ENENTO GROUP OYJ	EUR	21.1	507.1	19.0	17.0	14.3	3.8	3.6	3.3	3%	4%	5%
ALMA MEDIA CORP	EUR	8.5	697.8	11.8	13.1	12.5	2.7	2.6	2.5	13%	0%	3%
SANOMA OYJ	EUR	12.0	1959.5	16.6	14.8	13.6	2.1	1.9	1.8	5%	9%	2%
GOFORO OYJ	EUR	22.6	350.4	21.1	20.4	17.0	2.2	1.9	1.6	40%	11%	11%
TALENOM OYJ	EUR	9.2	412.7	33.5	32.9	27.9	4.4	3.6	2.8	25%	28%	25%
EQS GROUP AG	EUR	22.2	188.1	nm	38.5	15.9	3.2	2.3	1.7	33%	31%	25%
BROADRIDGE FINANCIAL SOLUTIO	USD	150.1	17762.2	21.4	19.7	18.1	3.4	3.1	2.9	7%	5%	4%
Average				20.6	22.3	17.1	3.1	2.7	2.4	18%	12%	11%
Median				20.0	19.7	15.9	3.2	2.6	2.5	13%	9%	5%
INDERES - SEB est.	EUR	22.45	36.7	41.9	24.9	14.9	2.4	2.1	1.9	11.5%	12.2%	12.2%
	EV/EBITDA (x)			EV/EBIT (x)			EBIT margin			Sales grwth (%) + EBIT mgn (%)		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
ENENTO GROUP OYJ	10.7	10.0	8.7	17.8	15.7	13.0	21%	23%	26%	25%	27%	31%
ALMA MEDIA CORP	8.5	9.4	8.8	10.5	11.8	10.9	26%	22%	23%	39%	22%	26%
SANOMA OYJ	8.0	6.9	6.5	18.5	14.6	13.6	11%	13%	13%	16%	21%	15%
GOFORO OYJ	14.6	12.5	10.2	19.4	16.5	12.7	11%	12%	13%	51%	23%	24%
TALENOM OYJ	13.9	12.4	10.6	28.3	27.0	22.0	16%	13%	13%	41%	41%	38%
EQS GROUP AG	32.7	11.7	6.4	nm	22.3	9.3	-2%	10%	18%	31%	42%	43%
BROADRIDGE FINANCIAL SOLUTIO	15.3	13.9	13.2	17.5	16.0	14.4	19%	20%	20%	27%	24%	24%
Average	14.8	11.0	9.2	18.7	17.7	13.7	15%	16%	18%	33%	29%	29%
Median	13.9	11.7	8.8	18.2	16.0	13.0	16%	13%	18%	31%	24%	26%
INDERES - SEB est.	20.2	13.8	8.9	30.5	18.3	10.8	10.6%	14.0%	19.4%	22%	26%	32%

Source: SEB, Bloomberg

Overview

Investment considerations

Inderes has a very strong position in the Finnish commissioned research market due to its active investor community and over 120 commissioned research clients. Inderes' commissioned research provides up to 30% EBITDA margin, meaning high recurring cash flows. Inderes has expanded to virtual events and IR solutions with a strong track record in cross-selling. The key long-term growth will drive Nordic expansion. We calculate that the Nordic market potential is roughly 7x the Finnish market.

Company profile

Inderes provides IR services connecting stock-listed companies and investors. It has over 190 Finnish stock-listed companies as customers. Inderes has three main business areas: commissioned equity research, virtual events through its subsidiary Flik and IR solutions. In addition, Inderes operates an investment platform for its over 75,000 active users.

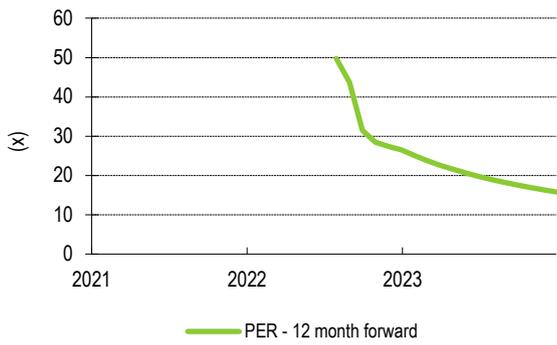
Valuation approach

We base our fair value range on DCF and peer group valuation. In our DCF, we assume a relatively low WACC for mature and defensive Finnish commissioned research while the Nordic growth estimates are more uncertain and thus require a higher capital cost. We give a lower weight for the peer group valuation due to the lack of direct peers.

Investment risks

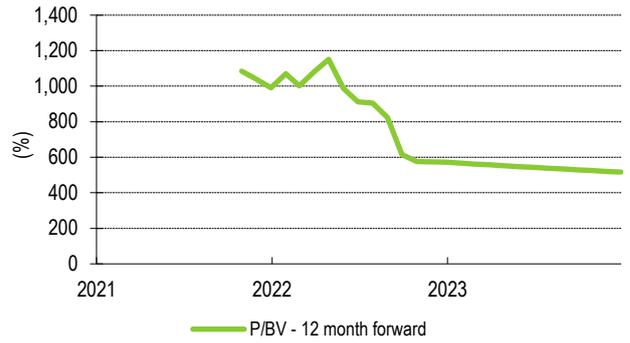
The company is expanding geographically and failure in expansion would mean notably lower growth estimates; however, we believe that success in expansion creates upside risk to our fair valuation. Another significant risk relates to an economic downturn, which could result in a slowing IPO market and trend where companies start to reduce IR functions. This could slow market growth. We also flag other risks, e.g. related to key personnel and new competitors.

PER - 12 month forward



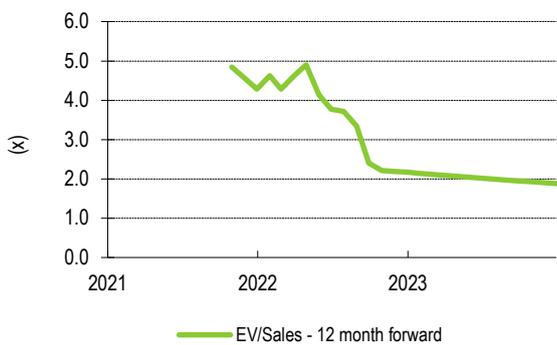
Source: SEB

P/BV - 12 month forward



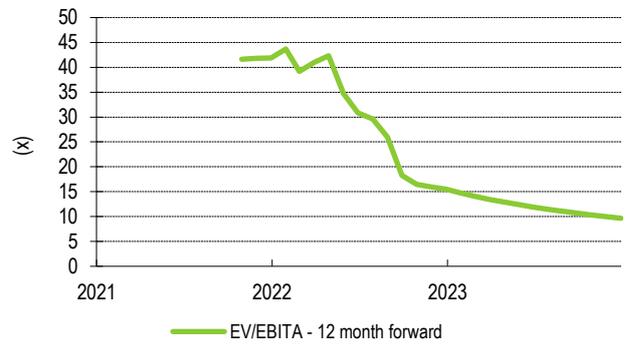
Source: SEB

EV/Sales - 12 month forward



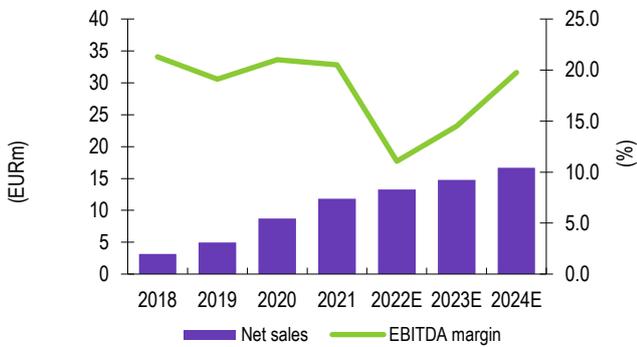
Source: SEB

EV/EBITA - 12 month forward



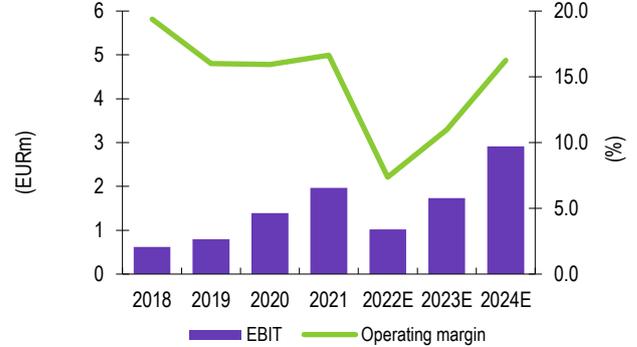
Source: SEB

Net sales & EBITDA margin



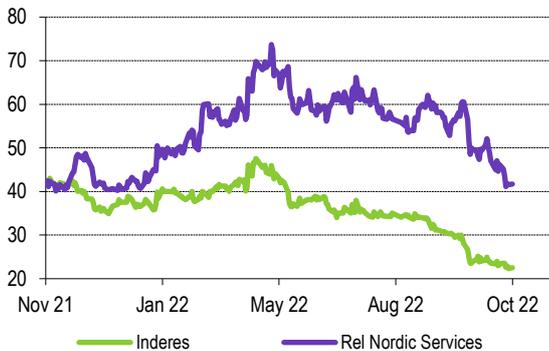
Source: SEB

EBIT & Operating margin



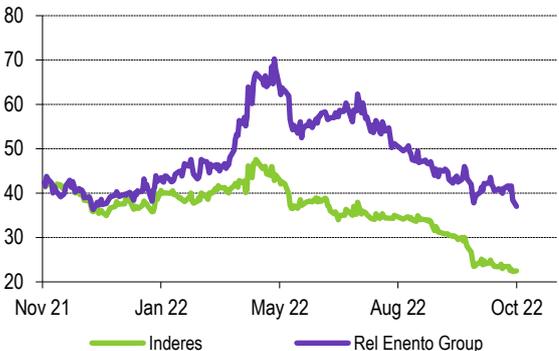
Source: SEB

Comparison with sector index - 1 year



Source: SIX

Comparison with Enento Group - 1 year



Source: SIX

Profit & loss statement - Inderes							
(EURm)	2018	2019	2020	2021	2022E	2023E	2024E
Net Sales	3	5	9	12	13	15	17
Other revenues	0	0	0	0	0	0	0
Total revenues	3	5	9	12	13	15	17
Total expenses	(3)	(4)	(7)	(9)	(12)	(12)	(13)
Profit before depreciation	1	1	2	2	2	2	3
Depreciation - Fixed assets	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Depreciation - Other assets	0	0	0	0	0	0	0
Depreciation of right-of-use assets	0	0	0	0	0	0	0
Amortisation - Goodwill	0	(0)	(0)	(0)	(0)	(0)	(0)
Amortisation - Other intangibles	0	0	0	0	0	0	0
Operating profit	1	1	1	2	1	2	3
Associated companies	0	0	0	0	0	0	0
Net interest expenses	0	0	0	(0)	0	0	0
Foreign exchange items	0	0	0	0	0	0	0
Other financial items	0	0	0	0	0	0	0
Value changes - Fixed assets	0	0	0	0	0	0	0
Value changes - Financial assets	0	0	0	0	0	0	0
Value changes - Other assets	0	0	0	0	0	0	0
Reported pre-tax profit	1	1	2	2	1	2	3
Minority interests	0	(0)	(0)	(0)	0	0	0
Total taxes	(0)	(0)	(0)	(0)	(0)	(0)	(1)
Reported profit after tax	0	1	1	1	1	1	2
Discontinued operations	0	0	0	0	0	0	0
Extraordinary items	0	0	0	0	0	0	0
Net Profit	0	1	1	1	1	1	2
Adjustments:							
Discontinued operations	0	0	0	0	0	0	0
Interest on convertible debt	0	0	0	0	0	0	0
Minority interests (IFRS)	0	0	0	0	0	0	0
Value changes	0	0	0	0	0	0	0
Goodwill/intangibles amortisations	0	0	0	0	0	0	0
Restructuring charges	0	0	0	0	0	0	0
Other adjustments	0	(0)	(0)	(0)	(0)	(0)	(0)
Tax effect of adjustments	0	0	0	0	0	0	0
Adjusted profit after tax	0	1	1	1	1	1	2
Margins, tax & returns							
Operating margin	19.4	16.0	15.9	16.6	8.1	11.8	17.4
Pre-tax margin	19.5	16.2	18.3	14.7	8.4	12.5	18.6
Tax rate	20.1	19.7	27.2	22.8	20.0	20.0	20.0
ROE	88.8	61.6	67.4	29.8	13.7	23.1	35.2
ROCE	111.2	64.8	75.5	43.8	16.8	28.3	43.2
Growth rates y-o-y (%)							
Total revenues	n.a.	55.7	76.3	35.4	11.5	12.2	12.2
Operating profit	29.9	28.7	74.8	41.7	(45.8)	63.8	65.4
Pre-tax profit	24.9	28.9	98.4	9.0	(36.2)	67.8	66.4
EPS (adjusted)	0.0	0.0	0.0	0.0	(31.7)	67.8	66.4

Cash flow							
(EURm)	2018	2019	2020	2021	2022E	2023E	2024E
Net profit	0	1	1	1	1	1	2
Non-cash adjustments	0	0	1	1	1	0	0
Cash flow before work cap	1	1	2	2	1	2	3
Ch. in working capital / Other	(0)	1	(1)	1	0	(0)	(0)
Operating cash flow	0	2	1	3	1	2	3
Capital expenditures	0	0	(0)	(0)	(1)	(0)	(0)
Asset disposals	0	0	0	0	0	0	0
L/T financial investments	0	0	(0)	(0)	(2)	0	0
Acquisitions / adjustments	0	0	0	0	0	0	0
Free cash flow	0	2	1	3	(1)	2	2
Net loan proceeds	0	0	(0)	(0)	0	0	0
Dividend paid	0	0	(1)	(1)	(1)	(1)	(2)
Share issue	0	0	0	5	0	0	0
Other	0	0	(0)	(1)	0	(0)	0
Net change in cash	0	2	(0)	6	(3)	0	1
Adjustments							
C/flow bef chng in work cap	1	1	2	2	1	2	3
Adjustments	0	0	0	0	0	0	0
Int on convy debt net of tax	0	0	0	0	0	0	0
Cash earnings	1	1	2	2	1	2	3
Per share information							
Cash earnings	0.0	0.0	0.0	1.3	0.85	1.19	1.75
Operating cash flow	0.0	0.0	0.0	1.9	0.85	1.17	1.72
Free cash flow	0.0	0.0	0.0	1.78	(0.74)	0.95	1.51
Investment cover							
Capex/sales (%)	0.0	0.0	2.6	1.7	5.3	2.4	2.1
Capex/depreciation (%)	0	0	222	163	347	151	140

Source for all data on this page: SEB

Balance sheet - Inderes							
(EURm)	2018	2019	2020	2021	2022E	2023E	2024E
Cash and liquid assets	1	1	1	7	4	5	6
Debtors	1	1	2	2	2	2	3
Inventories	0	0	0	0	0	0	0
Other	0	0	1	0	0	0	0
Current assets	2	3	4	9	7	7	8
Interest bearing fixed assets	0	0	0	0	0	0	0
Other financial assets	0	0	0	0	2	2	2
Capitalized development cost	0	0	0	0	0	0	0
Goodwill	0	2	1	1	1	0	(0)
Other intangibles	0	0	0	0	0	0	0
Right-of-use lease assets	0	0	0	0	0	0	0
Fixed tangible assets	0	0	0	0	1	1	1
Other fixed assets	0	0	0	0	0	0	0
Fixed assets	0	2	2	1	4	3	3
Total assets	2	5	6	11	10	11	12
Creditors	0	0	0	0	1	1	1
Other trade financing	1	1	1	1	1	1	2
S/T lease liabilities	0	0	0	0	0	0	0
S/T interest bearing debt	0	0	0	0	0	0	0
Other	0	2	2	2	2	2	2
Current liabilities	1	3	3	4	4	4	4
L/T interest bearing debt	0	0	0	0	0	0	0
L/T lease liabilities	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0
Pension provisions	0	0	0	0	0	0	0
Other provisions	0	0	0	(0)	0	0	0
Deferred tax	0	0	0	0	0	0	0
Long term liabilities	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0
Shareholders' equity	1	1	2	7	6	7	7
Total liabilities and equity	2	5	6	11	10	11	12
Net debt (m)	(1)	(1)	(1)	(7)	(5)	(5)	(6)
Working capital (m)	(0)	(1)	(0)	(2)	(2)	(2)	(2)
Capital employed (m)	1	2	2	7	6	7	8
Net debt/equity (%)	(149)	(68)	(43)	(105)	(72)	(74)	(77)
Net debt/EBITDA (x)	(1.6)	(1.1)	(0.5)	(2.9)	(2.7)	(2.0)	(1.6)
Equity/total assets (%)	35	31	39	64	62	62	63
Interest cover	0.0	0.0	0.0	7.0	0.0	0.0	0.0

Valuation							
(EUR)	2018	2019	2020	2021	2022E	2023E	2024E
No of shares, fully dil. (y/e)	0.0	0.0	0.0	1.6	1.6	1.6	1.6
No of shares, fully dil. avg.	0.0	0.0	0.0	1.6	1.6	1.6	1.6
Share price, y/e				37.5	22.5	22.5	22.5
Share price, high				53.9	47.6		
Share price, low				34.6	22.3		
Share price, avg				40.1	35.7		
EPS (reported)	0.00	0.00	0.00	0.79	0.54	0.91	1.51
EPS (adjusted)	0.00	0.00	0.00	0.79	0.54	0.91	1.51
Cash earnings/share	0.00	0.00	0.00	1.30	0.85	1.19	1.75
Dividend/share	0.00	0.00	0.00	0.80	0.70	1.00	1.50
Enterprise value/share				33	19.7	19.5	19.0
Book value/share	73	135	211	4.1	3.8	4.0	4.5
Adjusted equity/share	73	135	211	4.1	3.8	4.0	4.5
PER (adjusted)				47.3	41.5	24.7	14.9
CEM				28.9	26.5	18.9	12.8
Dividend yield				2.1	3.1	4.4	6.7
EV/EBITDA				22.3	19.5	13.1	8.4
EV/EBITA				23.5	22.3	14.5	9.0
EV/EBIT				27.6	29.1	17.1	10.0
EV/Sales (x)				4.59	2.44	2.15	1.87
Price/Book value				9.18	5.88	5.57	4.95
Price/adjusted equity				9.18	5.88	5.57	4.95
Free cash flow/Market cap (%)				4.8	1.9	4.2	6.7
Operating cash flow/EV (%)				5.7	4.3	6.0	9.1
EV/Capital employed (x)				8.0	5.0	4.7	4.1

Main shareholders			Management		Company information	
Name	(%)	Votes	Capital	Title	Name	Contact
Mikael Rautanen		13.9	13.9	COB	Kaj Hagros	Internet group.inderes.fi
Juha Kinnunen		12.0	12.0	CEO	Mikael Rautanen	Phone number +358 10 219 4690
Sauli Vilén		9.0	9.0	CFO	Mikko Wartiovaara	
Foreign owners (total)		0.4	0.4	IK		

Source for all data on this page: SEB

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