

Operative profitability still under pressure

Afarak reported Q4 results on Friday. Afarak's topline came in fairly in line with expectations due to good market conditions. However, the company's operational profitability was still under pressure and fell short from our expectations. Due to the dispute between Afarak's shareholders we abstain from giving a target price or a recommendation. We believe the stock price will be driven by this dispute and Afarak's possible delisting process rather than fundamentals in the short term.

Topline fairly in line with expectations, but profitability was lower than expected

Afarak reached 50.6 MEUR sales in Q4'17, which was just below our expectations of 51.7 MEUR (Q4'16 44.4 MEUR). Sales grew substantially Y-on-Y due to positive volume development and healthy pricing environment. Specialty Alloys exceeded our sales estimates, which was driven by higher than expected volumes where as the average pricing was in line with our expectations. On the contrary, Ferroalloys fell short from our sales expectations due to clearly weaker than expected average pricing and lower than expected volumes. Afarak's EBIT of 1.2 MEUR was clearly below our expectations of 2.8 MEUR. This was mainly driven by the weakness of Ferroalloys where segment's weak operative profitability was burdened by the weak pricing environment and inventory write-offs at of the joint venture. Below operative results Afarak posted positive net financials due to FX fluctuations and also positive taxes which lifted EPS to 0.01 and in line with expectations. Afarak also announced that a return of capital 0.02 EUR will be paid on Q4'18.

We revised our estimates for the current year

As typical, Afarak did not give any numeric guidance for Q1'18, but rather commented market sentiment. Charge chrome benchmark fell to 1.18 \$/lb for Q1'18 vs. 1.39 \$/lb on Q4'17 and this will significantly hit the company's margins. Also, profitability will be burdened by increased raw material costs and adverse FX fluctuations. The weakening of the US dollar as well as strengthening South African Rand are both negative for Afarak. However, according to Afarak, the recent development in chrome ore and ferrochrome prices have been positive, which is in line with our data. H1'18 will be affected by significantly lower ferrochrome prices than H1'17 and therefore we estimate FY'18 operative profit to be lower than FY'17. However, we did minor negative estimate revisions due to higher costs than previously estimated and adverse FX outlook. We know expect the company to reach 181 MEUR sales and 8.1 MEUR EBIT in FY'18.

Valuation will not reflect fundamentals in the short term

Afarak's valuation is clearly not reflecting current fundamentals in our opinion. Afarak's FY'18 EV/EBITDA is 27x and the balance sheet based P/B-ratio is at 1.5, which are clearly too high. In relation to the peer group the stock is clearly overvalued. However, due to the possible tender offer by Afarak for its own shares before a delisting and also the oblige by FIN-FSA we do not expect the stock to be priced based on fundamentals any time soon. Afarak has planned to tender for its own shares at 1.015 EUR price where as FIN-FSA is obliging Afarak's major shareholder to launch a takeover bid at a minimum price of 2.50 EUR per share.

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Recommendation

-

Previous: -

Target price -

Previous: -



Source: Reuters

Last close **1,02 EUR**

12 month range **0.72-1.15 EUR**

Potential

Guidance

The current ferrochrome benchmark is significantly lower than the exceptionally high price registered during Q1'17.

Guidance change: **New guidance**

Key figures

	Net sales	EBIT	EBIT-%	Pre-tax profit	EPS	DPS	EV/S	EV/EBITDA	EV/EBIT	P/E	Div. Yield
	MEUR	MEUR	%	MEUR	EUR	EUR	(x)	(x)	(x)	(x)	%
2016	154	-1,0	-0,7 %	-3,1	-0,01	0,02	1,3	37,3	-202,2	-73,4	2,6 %
2017	199	11,4	5,7 %	4,2	0,02	0,02	1,2	13,5	20,7	37,3	2,2 %
2018e	185	8,1	4,4 %	4,8	0,02	0,02	1,4	18,8	32,9	51,2	2,0 %
2019e	207	10,2	4,9 %	6,2	0,02	0,02	1,3	16,8	26,8	56,9	2,0 %
2020e	215	15,1	7,0 %	10,1	0,03	0,01	1,3	12,9	18,2	34,7	1,2 %
MCAP, MEUR			263	Equity / share 2018e, EUR			0,69	CAGR EPS, 2017-2020, %			7 %
Net debt 2018e, MEUR			3	P/B 2018e			1,5	CAGR growth, 2017-2020, %			2,7 %
EV, MEUR			268	Gearing 2018e, %			1,7 %	ROE 2018e, %			2,9 %
Balance sheet total 2018e, MEUR			267	Equity ratio 2018e, %			67,1 %	ROCE 2018e, %			4,3 %

Topline in line, profitability fell short of expectations

Pricing conditions and volumes drove topline growth as expected

Afarak's topline grew 14 % y-on-y which was driven by better pricing environment as well as growth in volumes. Speciality Alloys sales of processed materials grew to 7 456 tonnes (Q4'16: 5 758 tonnes). This was mainly due to the growth in business of the standard grade ferrochrome, which was started at the EWW plant in 2017. The decline in Ferroalloys volumes (Q4'17 17 915 tonnes vs. Q4'16 18 148 tonnes) was a disappointment. However overall sales of processed materials grew 6.1 % during the year 2017 and thus the company's volumes are on an increasing path as expected.

Margin development was mixed

Afarak's EBIT of 1.2 MEUR fell short of our expectations. This was due to clearly weaker than expected margins in the Ferroalloys segment. The margins of the segment were burdened by adverse development of the joint venture. The JV's profitability fell on to the negative side due to low pricing and inventory write-offs. On the positive note, Speciality Alloys came in above our expectations and reached healthy margins mainly driven by higher pricing.

Balance sheet remained strong

Afarak's balance sheet remained strong and in the end of 2017 the company's equity ratio was at 66.3 % and gearing at 0.7 %. This might change if the company will launch a tender offer for its own shares for 1.015 EUR per share and at a maximum amount of 50 MEUR. At the end of 2017 Afarak had 10.7 MEUR cash on its balance sheet. Thus, the company would need to secure sufficient credit facilities to finance the tender offer.

Due to significant growth in working capital FY'17 cash flows were weak and only 1.5 MEUR. As investments also grew significantly free cash flow was negative at -6.1 MEUR. Working capital fluctuation is common due to the characters of the business. However, it should be followed on a continuous basis as relative levels cannot grow in the long-term.

Estimates MEUR / EUR	Q4'16	Q4'17	Q4'17e	Q4'17e	Consensus		Difference (%)	2017
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes	Actualized
Net sales	44,4	50,6	51,7				-2 %	199
EBITDA	4,2	2,6	4,5				-42 %	17,4
EBIT (exc. NRIs)	2,7	1,2	2,8				-59 %	11,4
EBIT	2,7	1,2	2,8				-59 %	11,4
PTP	1,5	1,8	1,8				-2 %	4,2
EPS (excl. NRIs)	0,01	0,01	0,01				0 %	0,02
DPS	0,02	0,02	0,02				0 %	0,02
Net sales growth-%	-9,8 %	13,8 %	16,3 %				-2,5 %-yks.	29,4 %
EBIT-% (adjusted)	6,0 %	2,3 %	5,4 %				-3,1 %-yks.	5,7 %

Source: Inderes

We revised estimates for 2018

Guidance signals tough times ahead in the short term.

Afarak commented the market sentiment for the first quarter in a negative tone. Ferrochrome price fell to 1.18 \$/lb for the quarter which is a major drop from Q4'17 1,39 \$/lb levels and even greater Y-on-Y from Q1'17 1,65 \$/lb levels. This was no news at this time as the price had been announced earlier. Also, Afarak commented that the first quarter will see negative impact from increased raw materials as well as the adverse FX development. Afarak sells its products in USD where as a great deal of its costs are in South African Rand. Therefore, the weakening of the US dollar and strengthening of the Rand will hurt the company's earnings. We did some estimate revisions as the cost level seems to be higher than earlier expected and we do not expect it to ease off quickly due to the appreciating South African Rand.

We also did some estimate revisions on the depreciation of the coming year as well as the tax rate. Afarak can deduct previous years losses on its P&L which reflected on a positive income tax during Q4'17. We now expect Afarak to reach 185 MEUR sales and a 7.9 MEUR EBIT in 2018.

We expect that the increasing cost level should ease out by increasing prices of chrome ore and ferrochrome as the big players on the markets will have to hike prices in order to cover costs. We thus expect the rising market prices to help Afarak cover higher costs during the year and the major cost burden should ease out. However, the visibility regarding the coming quarters remains weak.

Estimate revisions MEUR / EUR	2017e			2018e			2019e		
	Old	Actual	Change %	Old	New	Change %	Old	New	Change %
Net sales	200	199	-1 %	204	185	-9 %	221	207	-6 %
EBITDA	19,3	17,4	-10 %	14,9	14,2	-4 %	17,1	16,3	-5 %
EBIT (exc. NRIs)	13,0	11,4	-13 %	8,5	8,1	-4 %	10,0	10,2	2 %
EBIT	13,0	11,4	-13 %	8,5	8,1	-4 %	10,0	10,2	2 %
PTP	4,3	4,2	-1 %	5,0	4,8	-3 %	7,0	6,2	-12 %
EPS (excl. NRIs)	0,02	0,02	49 %	0,01	0,02	38 %	0,02	0,02	-12 %
DPS	0,02	0,02	0 %	0,02	0,02	0 %	0,02	0,02	0 %

Source: Inderes

Valuation not driven by fundamentals

Multiples are not justifiable

Based on FY'18 estimates Afarak is valued at 1.5x P/B and 27x EV/EBITDA multiples. There are clearly too high and would require a clearly more positive fundamental outlook to be justified. However, the valuation will not be driven by fundamentals in the short term. This is due to the possible tender offer by the company itself before a delisting from the

Helsinki stock exchange. Also, the oblige of FIN-FSA for the company's major shareholder to launch a takeover bid for a minimum of 2.50 EUR per share may lead the stock price in the short term.

Company	MCAP	EV	EV/EBIT		EV/EBITDA		EV/Sales		P/E		Dividend yield-%		P/B
	MEUR	MEUR	2018e	2019e	2018e	2019e	2018e	2019e	2018e	2019e	2018e	2019e	2018e
Rio Tinto	81991	90794	9,1	9,8	6,4	6,7	2,8	2,8	12,2	13,1	2,8	2,6	2,1
Glencore	64932	90564	11,2	11,8	6,6	6,7	0,5	0,5	12,6	13,5	0,2	0,2	1,5
BHP Billiton	99230	115942	9,6	10,9	6,2	6,7	3,3	3,4	13,4	15,3	1,1	0,9	1,9
Assore	3073	2636	25,0	32,4	24,0	27,1	6,2	6,4	7,3	9,8	16,6	9,7	1,5
African Rainbow Minerals	1901	2124	21,4	21,3	13,8	14,3	3,1	3,0	6,4	8,4	7,8	6,7	0,9
South32	11076	9811	8,0	8,3	5,4	5,5	1,7	1,6	11,5	12,7	0,1	0,1	1,3
Exxaro Resources	3545	3849	8,6	8,9	7,2	7,5	2,2	2,2	8,8	10,3	5,4	5,3	1,1
Impala Platinum	1771	2062	283,8	8,5	6,9	4,0	0,7	0,6	37,1	11,3	0,0	0,5	0,5
Afarak Group (Inderes)	264	269	33,0	26,9	18,9	16,9	1,5	1,3	51,4	57,1	2,0	2,0	1,5
Average			41,4	14,2	9,7	9,7	2,3	2,2	21,7	15,1	3,4	2,6	1,3
Median			10,4	10,4	6,8	6,7	1,9	1,9	11,9	12,0	0,6	0,7	1,4
Premium/discount-% vs. mediaan			217 %	159 %	179 %	151 %	-26 %	-31 %	332 %	376 %	212 %	175 %	7 %

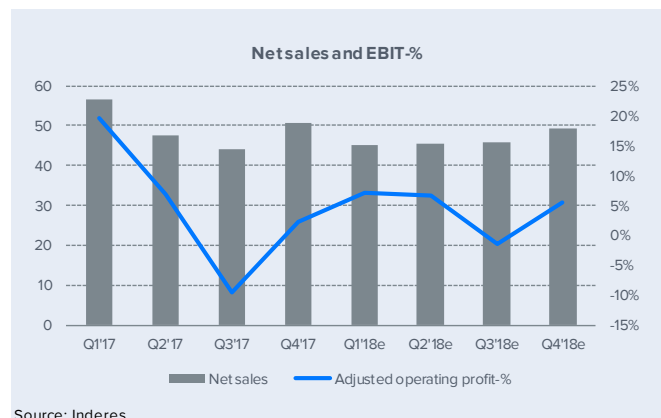
Source: Reuters / Inderes. Notification: Inderes' MCAP does not include treasury shares

Quarterly key figures

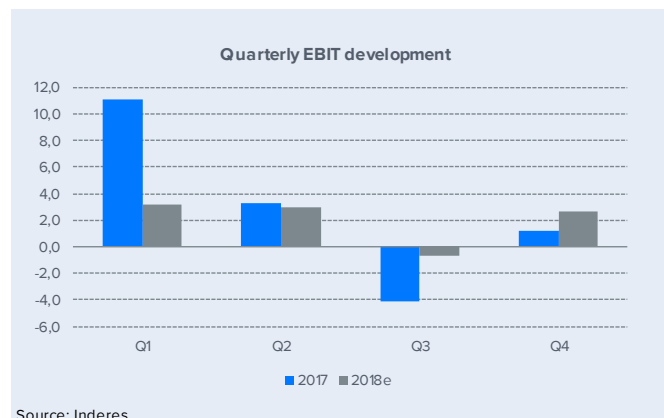
Quarterly earnings	2016	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18e	Q2'18e	Q3'18e	Q4'18e	2018e	2019e	2020e
Net sales	153,6	56,6	47,4	44,1	50,6	198,8	45,0	45,5	45,7	49,2	185,3	206,9	215,2
Speciality Alloys	68,7	21,7	22,3	21,2	24,2	89,4	18,9	20,5	20,5	22,4	82,2	87,0	90,5
Ferroalloys	84,5	34,1	24,2	22,2	25,6	106,1	25,3	23,8	24,7	26,4	100,2	119,8	124,6
Eliminations and unallocated	0,4	0,8	1,0	0,7	0,7	3,3	0,8	1,2	0,5	0,4	3,0	0,1	0,1
EBITDA	5,5	12,7	4,8	-2,7	2,6	17,4	4,8	4,5	0,8	4,2	14,2	16,3	21,3
Depreciation	-6,5	-1,6	-1,5	-1,4	-1,5	-6,0	-1,6	-1,5	-1,5	-1,5	-6,1	-6,1	-6,2
EBIT (excl. NRI)	-1,0	11,1	3,3	-4,2	1,2	11,4	3,2	3,0	-0,7	2,7	8,1	10,2	15,1
EBIT	-1,0	11,1	3,3	-4,2	1,2	11,4	3,2	3,0	-0,7	2,7	8,1	10,2	15,1
Speciality Alloys	3,1	4,2	3,4	0,6	2,8	11,1	2,2	2,5	0,9	2,4	8,0	8,3	10,4
Ferroalloys	0,9	8,0	0,8	-3,4	1,0	6,4	2,1	1,4	-0,3	1,3	4,5	5,8	8,7
Eliminations and unallocated	-4,9	-1,1	-0,9	-1,4	-2,7	-6,0	-1,1	-0,9	-1,4	-1,0	-4,4	-4,0	-4,0
Net financial items	-2,1	-4,2	-2,4	-1,2	0,6	-7,2	-0,5	-0,8	-0,5	-1,5	-3,3	-4,0	-5,0
PTP	-3,1	6,9	1,0	-5,4	1,8	4,2	2,7	2,2	-1,2	1,2	4,8	6,2	10,1
Taxes	0,3	-2,7	0,4	1,5	1,7	1,0	-0,2	0,2	0,3	0,1	0,4	-1,5	-2,5
Minority interest	0,0	-0,6	-0,1	0,0	0,2	-0,5	0,1	-0,1	0,0	-0,1	-0,1	0,0	0,0
Net earnings	-2,8	5,1	1,3	-3,9	3,7	6,3	2,6	2,3	-0,9	1,2	5,1	4,6	7,6
EPS (adj.)	-0,01	0,02	0,01	-0,01	0,01	0,02	0,01	0,01	0,00	0,00	0,02	0,02	0,03
EPS (rep.)	-0,01	0,02	0,01	-0,01	0,01	0,02	0,01	0,01	0,00	0,00	0,02	0,02	0,03

Key figures	2016	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18e	Q2'18e	Q3'18e	Q4'18e	2018e	2019e	2020e
Revenue growth-%	-18,2 %	38,8 %	20,1 %	53,0 %	13,8 %	29,4 %	-20,6 %	-4,1 %	3,5 %	-2,7 %	-6,8 %	11,6 %	4,0 %
Adjusted EBIT growth-%	-110,2 %	553,2 %	-477,3 %	-7,5 %	neg.	neg.	-71,4 %	neg.	neg.	133,2 %	neg.	neg.	48,6 %
EBITDA-%	3,6 %	22,4 %	10,2 %	-6,2 %	5,2 %	8,8 %	10,6 %	9,8 %	1,8 %	8,5 %	7,7 %	7,9 %	9,9 %
Adjusted operating profit-%	-0,7 %	19,6 %	7,0 %	-9,4 %	2,3 %	5,7 %	7,0 %	6,5 %	-1,5 %	5,5 %	4,4 %	4,9 %	7,0 %
Net profit-%	-1,8 %	9,0 %	2,8 %	-8,8 %	7,3 %	3,1 %	5,7 %	5,0 %	-1,9 %	2,4 %	2,8 %	2,2 %	3,5 %

Source: Inderes



Source: Inderes

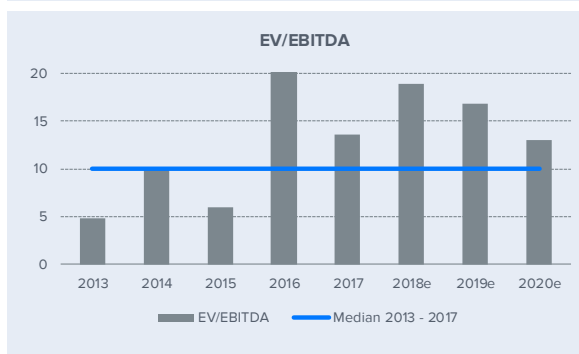
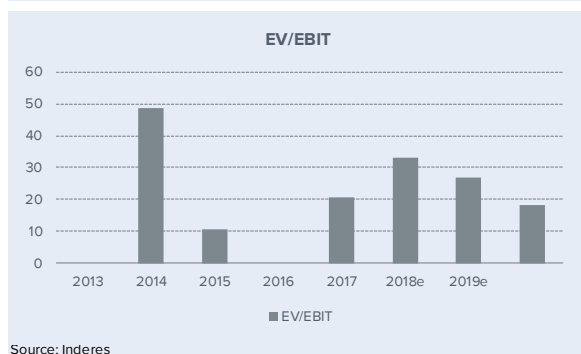
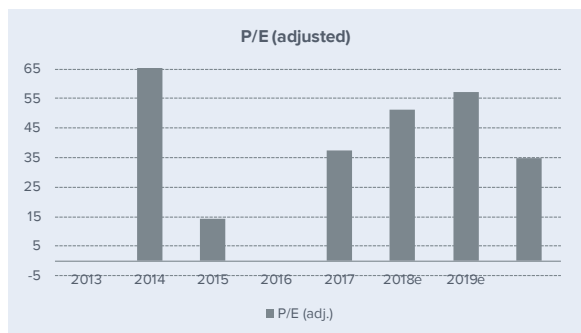


Source: Inderes

Valuation

Valuation	2013	2014	2015	2016	2017	2018e	2019e	2020e
Share price	0,32	0,32	0,40	0,78	0,90	1,02	1,02	1,02
MCAP	78	83	105	205	233	264	264	264
EV	68	84	103	204	236	269	274	277
P/E (adj.)	neg.	185,0	14,2	neg.	37,3	51,4	57,1	34,8
P/E	neg.	185,0	14,2	neg.	37,3	51,4	57,1	34,8
P/FCF	1,8	-5,3	4,7	-77,0	19,1	3007,8	85,9	42,0
P/B	0,4	0,5	0,6	1,2	1,4	1,5	1,5	1,5
P/S	0,6	0,5	0,6	1,3	1,2	1,4	1,3	1,2
EV/S	0,5	0,5	0,5	1,3	1,2	1,5	1,3	1,3
EV/EBITDA	4,8	10,0	6,0	37,3	13,5	18,9	16,9	13,0
EV/EBIT	neg.	48,8	10,4	neg.	20,7	33,0	26,9	18,3
Payout (%)	-110,9 %	1156,2 %	71,0 %	-188,1 %	82,9 %	100,8 %	111,9 %	40,0 %
Dividend yield-%	6,3 %	6,3 %	5,0 %	2,6 %	2,2 %	2,0 %	2,0 %	1,1 %

Source: Inderes

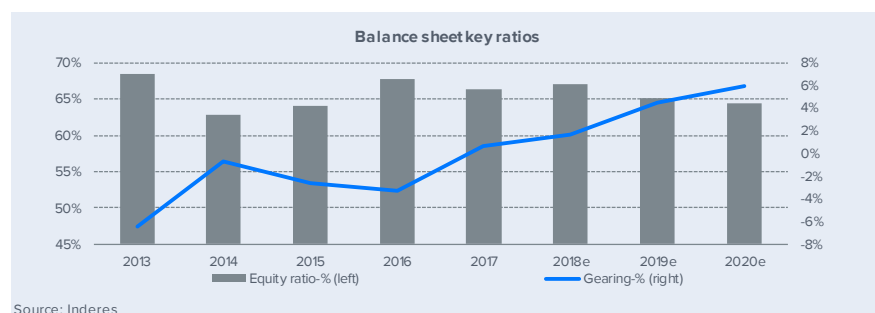


Source: Inderes

Balance sheet and DCF

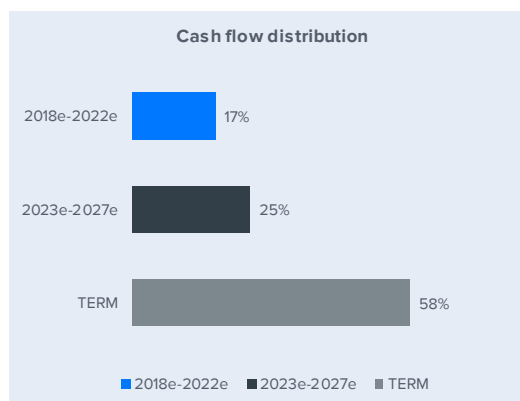
Assets (MEUR)	2015	2016	2017	2018e	2019e
Non-current assets	161	166	150	158	160
Goodwill	58,3	63,8	62,4	62,4	62,4
Intangible assets	17,0	18,3	16,2	18,5	19,7
Tangible assets	43,6	45,1	45,8	46,7	47,6
Associated companies	0,0	0,0	0,0	0,0	0,0
Other investments	0,6	0,2	0,0	0,2	0,2
Other non-current assets	38,6	34,0	25,4	25,4	25,4
Deferred tax assets	3,3	4,4	0,0	4,4	4,4
Current assets	106	94	110	109	115
Inventories	45,2	48,4	49,9	51,9	51,9
Other current assets	0,0	0,0	0,0	0,0	0,0
Receivables	40,8	36,3	49,4	47,3	51,5
Cash and equivalents	19,6	9,7	10,7	10,2	11,4
Balance sheet total	267	260	260	267	275

Liabilities (MEUR)	2015	2016	2017	2018e	2019e
Equity	171	176	172	179	179
Share capital	23,6	23,6	23,6	23,6	23,6
Retained earnings	-93,8	-96,0	-89,6	-89,7	-90,2
Shares repurchased	0,0	0,0	0,0	0,0	0,0
Revaluation reserve	-28,7	-16,8	-19,3	-16,8	-16,8
Other equity	266,2	261,1	256,7	261,1	261,1
Minorities	3,8	4,2	1,0	1,0	1,0
Non-current debt	62	57	53	47	47
Deferred tax liabilities	5,9	5,9	4,5	4,5	4,5
Provisions	9,3	10,7	9,2	9,2	9,2
Long term debt	3,0	0,0	5,7	0,0	0,0
Convertibles	0,0	0,0	0,0	0,0	0,0
Other long term liabilities	43,9	40,5	33,7	33,7	33,7
Current debt	34	27	35	40	48
Short term debt	12,1	3,8	6,2	13,2	19,5
Payables	15,4	18,5	16,5	15,4	17,2
Other current liabilities	6,1	4,8	11,8	11,8	11,8
Balance sheet total	267	260	260	267	275



DCF model (MEUR)	2017	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	TERM
EBIT (operating profit)	11,4	8,1	10,2	15,1	16,6	18,1	18,4	18,8	19,0	18,0	18,4	
+ Depreciation	6,0	6,1	6,1	6,2	6,3	6,4	6,5	6,5	6,6	6,4	6,5	
- Paid taxes	4,0	-4,0	-1,5	-2,5	-2,9	-3,3	-3,4	-3,5	-3,5	-3,2	-4,3	
- Tax, financial expenses	1,6	0,3	-1,0	-1,3	-1,3	-1,3	-1,3	-1,3	-1,3	-1,3	-1,3	
+ 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	
- Change in working capital	-9,6	-0,9	-2,5	-3,4	-2,7	-1,8	-1,9	-1,9	-1,0	-1,0	-2,0	
Operating cash flow	13,4	9,6	11,2	14,1	16,1	18,1	18,4	18,7	19,9	18,9	18,2	
+ Change in other long-term liabilities	-8,3	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
,- Gross CAPEX	5,5	-9,5	-8,1	-7,8	-7,6	-7,4	-7,4	-7,4	-7,2	-7,2	-6,6	
Free operating cash flow	10,7	0,1	3,1	6,3	8,5	10,7	11,0	11,3	12,6	11,7	11,7	
+/- Other	1,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
FCFF	12,2	0,1	3,1	6,3	8,5	10,7	11,0	11,3	12,6	11,7	11,7	164,8
Discounted FCFF		0,1	2,6	4,9	6,0	7,0	6,6	6,2	6,3	5,3	4,9	69,0
Sum of FCFF present value		118,9	118,8	116,2	111,3	105,3	98,3	91,8	85,6	79,3	73,9	69,0
Debt free DCF		118,9										
- Interesting bearing debt		-11,9										
+ Cash and equivalents		10,7										
- Minorities		-1,4										
- Dividend/capital return		0,0										
Equity value DCF		116,3										
Equity value DCF per share		0,45										

WACC	
Tax-% (WACC)	25,0 %
Target debt ratio (D/(D+E))	20,0 %
Cost of debt	5,0 %
Equity Beta	1,60
Market risk premium	4,75 %
Liquidity premium	0,00 %
Risk free interest rate	3,0 %
Cost of equity	10,6 %
Average cost of capital (WACC)	9,2 %



Summary

Income statement	2015	2016	2017	2018e	2019e
Sales	187,7	153,6	198,8	185,3	206,9
EBITDA	17,2	5,5	17,4	14,2	16,3
EBITDA-%	9,2	3,6	8,8	7,7	7,9
EBIT	9,9	-1,0	11,4	8,1	10,2
PTP	6,5	-3,1	4,2	4,8	6,2
Net earnings	8,2	-0,9	6,3	5,1	4,6
Non-recurring items	0,0	0,0	0,0	0,0	0,0

Balance sheet	2015	2016	2017	2018e	2019e
Balance sheet total	267,0	260,2	259,9	267,0	274,6
Equity	171,2	176,2	172,4	179,3	178,8
Goodwill	58,3	63,8	62,4	62,4	62,4
Interest-bearing debt	15,1	3,8	11,9	13,2	19,5

Cash flow	2015	2016	2017	2018e	2019e
EBITDA	17,2	5,5	17,4	14,2	16,3
Change in NWC	-1,6	2,9	-9,6	-0,9	-2,5
Operating cash flow	16,0	7,2	13,4	9,6	11,2
Free cash flow	22,4	-2,7	12,2	0,1	3,1

Company description

Afarak is a globally operating speciality alloys provider. The company operates a vertically integrated business model and thus its core business operations cover the whole value chain from extracting raw materials to global distribution of its products. In 2016 Afarak's revenues were 154 MEUR and their EBITDA was 5,5 MEUR.

Share based key figures	2015	2016	2017	2018e	2019e
EPS	0,03	-0,01	0,02	0,02	0,02
EPS (adj.)	0,03	-0,01	0,02	0,02	0,02
Oper. cash flow per share	0,06	0,03	0,05	0,04	0,04
Book value per share	0,64	0,65	0,66	0,69	0,69
Dividend per share	0,02	0,02	0,02	0,02	0,02
Payout ratio (%)	71	-188	83	101	112
Dividend yield (%)	5,0	2,6	2,2	2,0	2,0

Key figures	2015	2016	2017	2018e	2019e
P/E	14,2	neg.	37,3	51,4	57,1
P/B	0,6	1,2	1,4	1,5	1,5
P/S	0,6	1,3	1,2	1,4	1,3
P/CF	6,6	28,3	17,4	27,6	23,6
EV/S	0,5	1,3	1,2	1,5	1,3
EV/EBITDA	6,0	37,3	13,5	18,9	16,9
EV/EBIT	10,4	neg.	20,7	33,0	26,9

Largest shareholders

	% of shares
Nominee Registered	59.65%
Hino Resources Co. Ltd	14.06%
Joensuun Kauppa ja Kone Oy	4.76%
Hanwa Company Limited	3.42%
Kankaala Markku	2.69%

Recommendation history, LTM

Date	Recommendation	Target price	Share price
12.7.2017	Sell	0,75 €	0,86 €
14.8.2017	Reduce	0,75 €	0,77 €
25.9.2017	-	-	-
20.11.2017	-	-	-
26.2.2018	-	-	-

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Recommendation	Upside potential*
Buy	> 15 %
Accumulate	5 - 15 %
Reduce	-5 - 5 %
Sell	< -5 %

Potential regarding to 12 month target price

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