

ICA Gruppen

Financial Performance in 2019

ICA Gruppen announced a net profit of SEK 3,432 mil in 2019, down 1.69% when compared to the last year. Sales increased 3.42% yoy to SEK 119,295 mil, EBITDA rose 3.48% to SEK 10,119 mil and net margin amounted to 2.88%. ICA Gruppen stock appreciated 42.6% in 2019 to SEK 431 per share and the stock traded at 12-month trailing PE of 25.3 and EV/EBITDA of 9.86x at the end of 2019.

- ✓ Sales increased 3.42% yoy to SEK 119,295 mil in 2019. That's compared to average growth of 4.80% in the last three years and 47.8% when compared to the average annual increase in the last decade.
- ✓ EBITDA amounted to SEK 10,119 mil and grew 3.48% when compared to last year. EBITDA margin reached 8.48%, up 1.49 pp when compared to 5-year average.
- ✓ Company's indebtedness fell when measured by Net Debt/Equity and reached 42.2% at the end of the year. When compared to EBITDA, net debt fell to 1.41x.
- ✓ ICA Gruppen netted SEK 3,432 mil to its shareholders in the last year, down 11.2% when compared to the average seen in the last five years. The company produced a return on capital of 4.75% and return on equity of 10.3% in the last year.
- ✓ ICA Gruppen stock traded at SEK 431 per share at the end of 2019 implying a market capitalization of USD 9,405 mil and enterprise value of USD 10,931 mil. This puts the stock at the 12-month trailing price to earnings of 25.3x and EV/EBITDA of 9.86x as of the end of 2019. Over the last five years, the stock price has increased by 11.2% a year on average and the firm generated its shareholders an average return on equity of 12.7%.

Sector:
Retail & Wholesale

Country:
Sweden

Share Price:
SEK 431

Market Capitalization:
USD 9,405 mil

Shares Outstanding:
201 mil

Enterprise Value:
USD 10,931 mil

Net Debt:
SEK 14,291 mil

Net Debt / Equity:
42.2%

EBITDA Margin:
8.48%

Net Margin:
2.88%

KEY FIGURES									
	SALES	EBITDA	NET PROFIT	EPS	EPS GROWTH	PER	EV/EBITDA	ROCE	DEBT/EBITDA
	SEK mil	SEK mil	SEK mil	SEK	%			%	
2019	119,295	10,119	3,432	17.1	-1.67	25.3	9.86	4.75	1.41
2018	115,354	9,779	3,491	17.4	-15.5	17.4	8.14	5.59	1.90
2017	109,408	6,681	4,130	20.5	21.0	13.4	10.0	7.76	0.507
2016	103,655	5,984	3,413	17.0	-29.7	14.5	10.0	6.54	1.08
2015	101,221	6,177	4,855	24.1	92.7	10.9	10.8	9.77	1.27

Source: Company Data, Helgi Analytics, Valuation multiples calculated based on historical prices

Data tells a story



1 Company Overview

ICA Gruppen (formerly Hakon Invest), is a Sweden-based company, which is primarily engaged in the food retail sector. The Group includes ICA Sweden and Rimi Baltic, which mainly conduct grocery retail; ICA Real Estate, which owns and manages properties; ICA Bank, which offers financial services, and Apotek Hjärtat, which conducts pharmacy operations. The Group also includes two portfolio companies, Hemtex and inkClub. ICA Sweden operates in cooperation with independent retailers, who manage their own stores and have agreements with ICA Sweden in various areas, such as coordinated purchase, logistics, marketing communications and development. Rimi Baltic operates a chain of grocery stores in Estonia, Latvia and Lithuania through the store formats Rimi Hypermarket, Rimi Supermarket, Supernetto and Saastumarket.

ICA Gruppen has been growing its sales by 6.47% a year on average in the last 5 years. EBITDA has grown on average by 10.2% a year during that time to total of SEK 10,119 mil in 2019, or 8.48% of sales. That's compared to 6.99% average margin seen in last five years.

The company netted SEK 3,432 mil in 2019 implying ROE of 10.3% and ROCE of 4.75%. Again, the average figures were 12.7% and 6.88%, respectively when looking at the previous 5 years.

ICA Gruppen's net debt amounted to SEK 14,291 mil at the end of 2019, or 42.2% of equity. When compared to EBITDA, net debt was 1.41x, up when compared to average of 1.23x seen in the last 5 years.

ICA Gruppen stock traded at SEK 431 per share at the end of 2019 resulting in a market capitalization of USD 9,405 mil. Over the previous five years, stock price grew by 69.8% or 11.2% a year on average. The closing price put stock at a 12-month trailing EV/EBITDA of 9.86x and price to earnings (PE) of 25.3x as of 2019.

FINANCIALS		2012	2013	2014	2015	2016	2017	2018	2019
Sales	SEK mil	2,726	65,155	87,174	101,221	103,655	109,408	115,354	119,295
EBITDA	SEK mil	-59.0	11,953	6,222	6,177	5,984	6,681	9,779	10,119
Net Profit	SEK mil	280	9,439	2,518	4,855	3,413	4,130	3,491	3,432
Total Assets	SEK mil	10,381	68,961	72,434	74,916	76,123	78,000	96,391	98,927
Working Capital	SEK mil	-28.0	-3,641	-4,224	-3,504	-3,840	-4,428	-7,225	-5,884
Net Debt	SEK mil	-1,199	6,345	4,844	7,822	6,489	3,389	18,562	14,291
Equity	SEK mil	9,021	26,541	27,911	28,075	29,688	32,017	33,110	33,844

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	3.18	53.1	9.25	17.3	11.8	13.4	10.7	10.3
ROCE	%	3.34	33.2	5.26	9.77	6.54	7.76	5.59	4.75
EBITDA Margin	%	-2.16	18.3	7.14	6.10	5.77	6.11	8.48	8.48
Net Margin	%	10.3	14.5	2.89	4.80	3.29	3.77	3.03	2.88
Net Debt/EBITDA		20.3	0.531	0.779	1.27	1.08	0.507	1.90	1.41
Net Debt/Equity	%	-13.3	23.9	17.4	27.9	21.9	10.6	56.1	42.2

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	3,659	6,287	7,880	7,313	6,152	7,326	7,177	9,405
EV/EBITDA		-399	3.97	9.72	10.8	10.0	10.0	8.14	9.86
Price/Earnings (P/E)		57.4	3.24	20.3	10.9	14.5	13.4	17.4	25.3
EV/Sales		8.63	0.728	0.694	0.661	0.580	0.611	0.690	0.836

Source: Company Data, Helgi Analytics

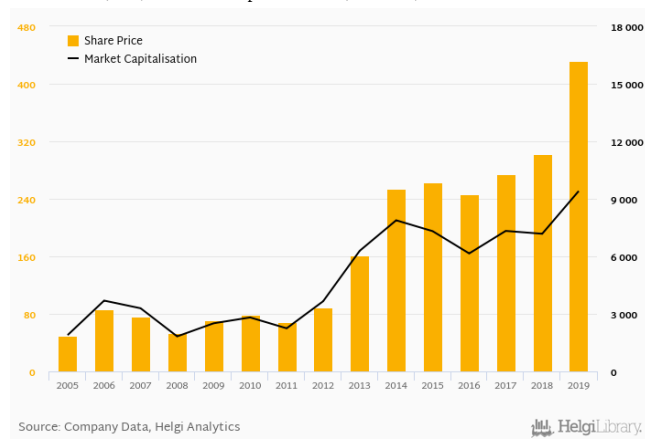


2 Valuation

ICA Gruppen stock traded at SEK 431 per share at the end of 2019 translating into a market capitalization of USD 9,405 mil. Over the previous year, the stock appreciated by 42.6%. Over the previous three years, stock price rose by 74.7% or 20.4% a year on average. That's compared to an average ROE of 11.5% the company generated for its shareholders:

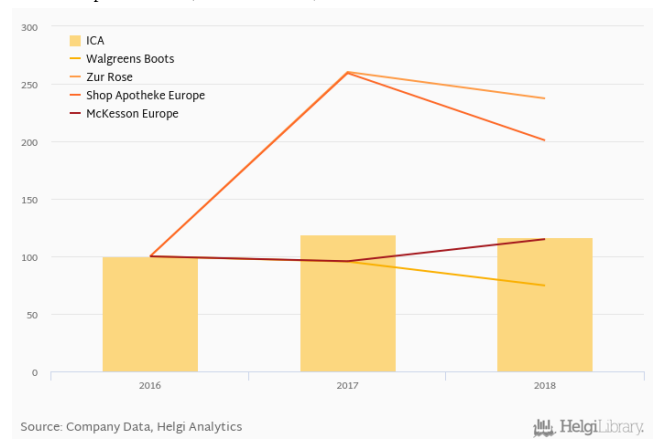
Stock Price & Market Capitalization

Share Price (SEK) & Market Capitalisation (USD mil)



Market Capitalization Peers Comparison

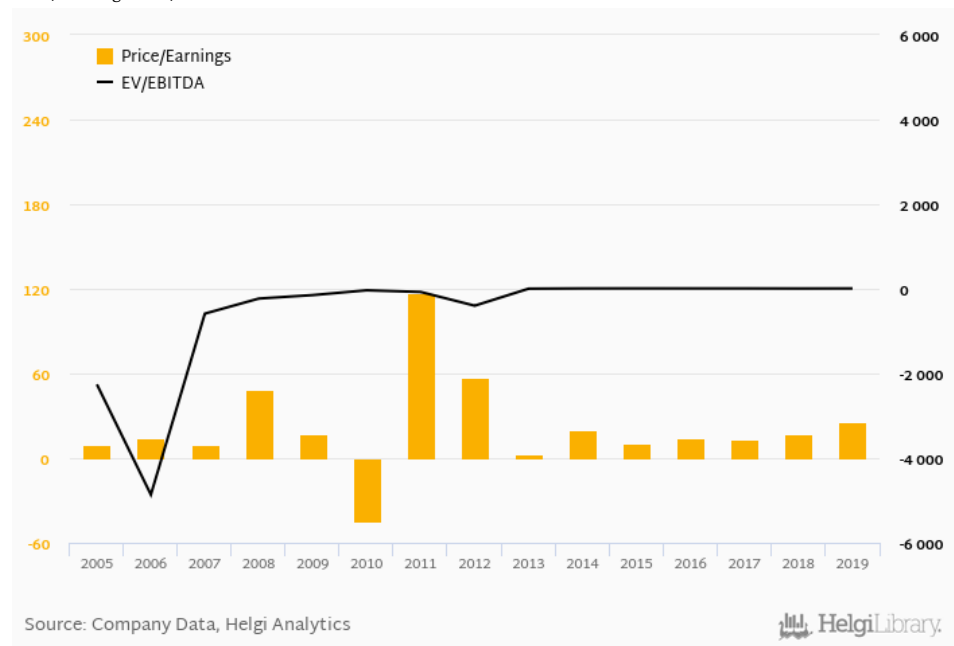
Market Capitalization (Rebased to 100)



The last price puts the company at the 12-month trailing price to earnings (PE) of 25.3x and enterprise value to EBITDA (EV/EBITDA) of 9.86x as of the end of 2019.

Price to Earnings & EV/EBITDA

Price/Earnings & EV/EBITDA





Within the last five years, the PE multiple reached a high of 25.3x in 2019 and a low of 10.9x in 2015 with an average of 16.3x.

PE MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pilulka	Czechia	40.1	...	...	...	...	...	...	...	...	-16.9
McKesson Europe	Germany	...	984	-11.6	20.9	90.4	-21.8	11.5	-4.92	-17.1	...
Shop Apotheke Europe	Netherlands	638	...	...	...	...	...	-8.77	-20.6	-13.5	-15.6
Zur Rose	Switzerland	961	6.59	11.8	-4.96	10.7	21.0	-21.0	-18.9	-14.6	-17.7
CVS Health	USA	96,726	13.2	13.5	16.4	21.1	18.6	14.4	10.3	-109	14.3
Walgreens Boots	USA	45,835	9.72	12.3	16.1	26.5	19.2	19.1	19.9	12.8	11.6
ICA Gruppen	Sweden	9,405	117	57.4	3.24	20.3	10.9	14.5	13.4	17.4	25.3
Weighted Average			43.9	14.0	15.9	25.3	17.5	16.5	14.4	-50.7	13.8
Median			13.2	12.3	16.1	21.1	18.6	13.0	2.71	-14.0	-2.05

Source: Company Data, Helgi Analytics

In terms of EV/EBITDA, ICA Gruppen was trading at 9.86 at the end of 2019. Over the last five years, the multiple reached a high of 10.8x in 2015 and a low of 8.14x in 2018 with an average of 9.78x.

EV/EBITDA MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pilulka	Czechia	40.1	...	...	...	...	...	...	...	-32.9	-25.9
McKesson Europe	Germany	...	6.25	6.90	10.2	12.8	8.52	15.9	37.9	40.4	...
Shop Apotheke Europe	Netherlands	638	...	...	...	...	...	-21.9	-47.1	-30.3	-32.2
Zur Rose	Switzerland	961	5.97	3.98	23.2	6.12	6.54	165	-34.6	-47.2	-84.8
CVS Health	USA	96,726	7.79	7.58	9.46	11.2	11.5	8.38	8.21	22.5	9.34
Walgreens Boots	USA	45,835	6.02	8.58	9.98	12.0	15.6	10.8	13.5	10.0	11.9
ICA Gruppen	Sweden	9,405	-74.1	-399	3.97	9.72	10.8	10.0	10.0	8.14	9.86
Weighted Average			5.06	-6.98	9.42	11.4	13.2	10.1	11.4	17.2	9.37
Median			6.02	6.90	9.98	11.2	10.8	10.4	9.11	8.14	-8.27

Source: Company Data, Helgi Analytics

The detailed comparison of ICA Gruppen's valuation multiples with its peers could be seen below:

VALUATION MULTIPLES			MKT CAP			ROE			PE			EV/EBITDA		
NAME	COUNTRY	(USD mil)	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Pilulka	Czechia	40.1	...	...	-209%	...	...	-16.9	...	-32.9	-25.9	...	-32.9	-25.9
McKesson Europe	Germany	...	-15.7%	-3.02%	...	-4.92	-17.1	...	37.9	40.4	...	37.9	40.4	...
Shop Apotheke Europe	Netherlands	638	-12.9%	-14.8%	-16.2%	-20.6	-13.5	-15.6	-47.1	-30.3	-32.2	-47.1	-30.3	-32.2
Zur Rose	Switzerland	961	-18.2%	-10.6%	-12.3%	-18.9	-14.6	-17.7	-34.6	-47.2	-84.8	-34.6	-47.2	-84.8
CVS Health	USA	96,726	17.8%	-1.23%	10.8%	10.3	-109	14.3	8.21	22.5	9.34	8.21	22.5	9.34
Walgreens Boots	USA	45,835	13.6%	20.1%	14.6%	19.9	12.8	11.6	13.5	10.0	11.9	13.5	10.0	11.9
ICA Gruppen	Sweden	9,405	13.4%	10.7%	10.3%	13.4	17.4	25.3	10.0	8.14	9.86	10.0	8.14	9.86
Weighted Average			14.2	7.55	11.6	14.4	-50.7	13.8	11.4	17.2	9.37	11.4	17.2	9.37
Median			0.264	-2.13	-1.04	2.71	-14.0	-2.05	9.11	8.14	-8.27	9.11	8.14	-8.27

Source: Company Data, Helgi Analytics



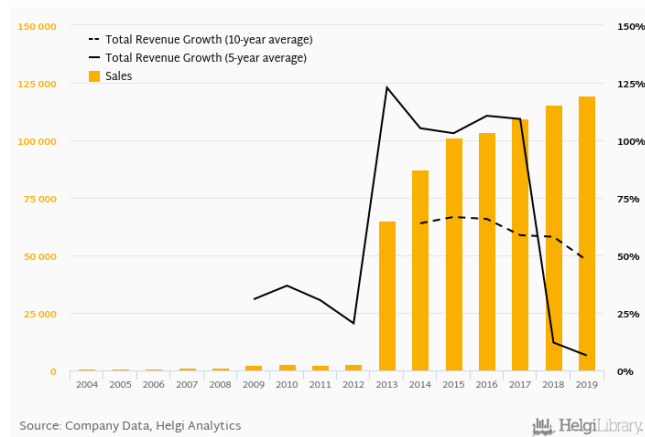
3 Sales, Production & Margins

3.1 Sales & Production

ICA Gruppen reached total sales of SEK 119,295 mil in 2019, up 3.42% when compared to the previous year. In the last five years sales have increased by 36.8%, or 6.47% a year.

Sales Momentum

Sales (SEK mil) vs. Revenue Growth (%)



3.2 Margins

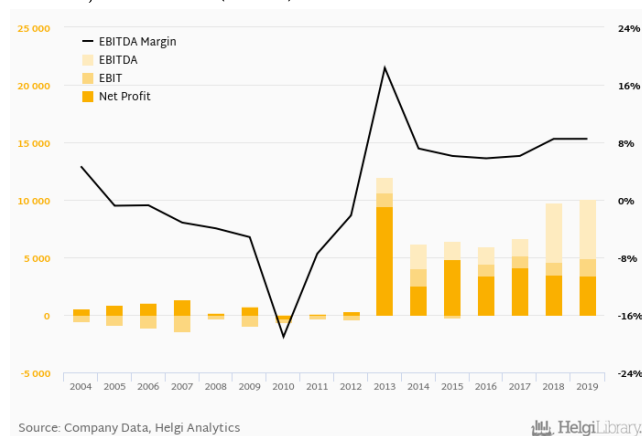
The company made a net profit of SEK 3,432 mil under revenues of SEK 119,295 mil in 2019, what translates into a net margin of 2.88%.

Between 2004 and 2019, the net margin has reached a high of 160% in 2006 and a low of -10.3% in 2010 with an average at 3.90% seen in the last decade.

On the operating level, the company produced EBITDA of SEK 10,119 mil, up 3.48% yoy. Over the last five years, company's EBITDA has grown 10.2% a year on average.

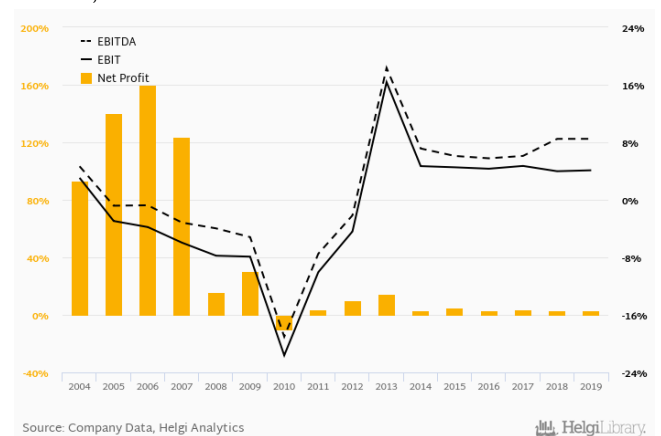
From EBITDA to Net Profit

Net Profit, EBIT & EBITDA (SEK mil)



Profit Margins

Net Profit, EBIT & EBITDA as % of Sales





When compared to a few selected peers, ICA Gruppen has been operating with 25.6% higher EBITDA margin in 2019 than the weighted average of the group.

EBITDA MARGIN COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pilulka	Czechia	...	...	...	...	...	...	...	-2.80%	-2.76%
McKesson Europe	Germany	2.44%	2.49%	2.18%	2.09%	3.46%	1.91%	0.699%	0.689%	...
Shop Apotheke Europe	Netherlands	...	...	-1.36%	-2.83%	-4.18%	-4.72%	-4.27%	-2.88%	-2.65%
Apoteket	Sweden	1.40%	0.525%	5.66%	3.61%	3.96%	4.64%	4.81%	3.98%	...
Apotea	Sweden	-161%	-2.75%	4.52%	2.04%	2.07%	1.60%	3.72%	2.20%	...
Zur Rose	Switzerland	2.00%	4.59%	0.512%	1.89%	1.89%	0.241%	-2.16%	-1.16%	-1.02%
CVS Health	USA	7.37%	7.28%	7.82%	7.70%	7.55%	7.24%	6.50%	3.46%	7.41%
Walgreens Boots	USA	7.42%	6.31%	6.79%	6.37%	6.01%	7.66%	5.87%	5.94%	5.32%
ICA Gruppen	Sweden	-7.49%	-2.16%	18.3%	7.14%	6.10%	5.77%	6.11%	8.48%	8.48%
Weighted Average		5.46	5.66	11.2	6.89	6.48	6.71	5.99	5.14	7.17
Median		2.00	2.49	5.09	2.85	3.71	3.27	4.26	2.20	2.15

Source: Company Data, Helgi Analytics



4 Indebtedness & Investments

4.1 Balance Sheet & Indebtedness

ICA Gruppen's total assets reached SEK 98,927 mil at 2019, up 2.63% when compared to the previous year. Current assets amounted to SEK 19,138 mil, or 19.3% of total assets while cash reached SEK 6,673 mil at the end of 2019.

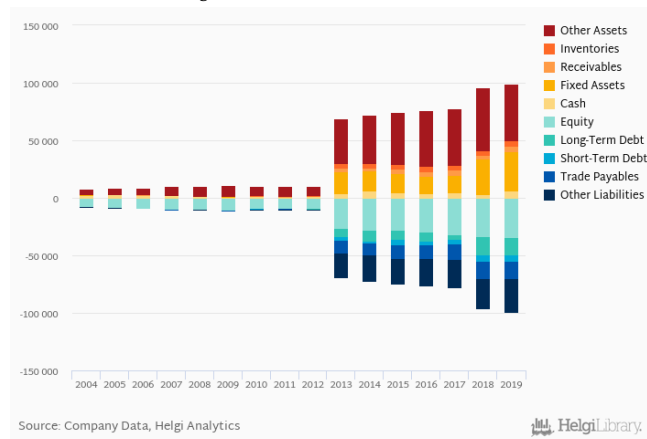
On the other hand, total debt reached SEK 20,964 mil at the end of 2019, or 21.2% of total assets while firm's equity amounted to SEK 33,844 mil. As a result, net debt reached SEK 14,291 mil in 2019 and accounted for 42.2% of equity.

Historically, between 2004 and 2019, the firm's net debt to equity reached a high of 56.1% in 2018 and a low of -38.4% in 2005.

When compared to EBITDA, net debt amounted to 1.41x at the end of 2019. The ratio reached a high of 608x in 2005 and a low of -94.1x in 2004 in the period of 2004 - 2019.

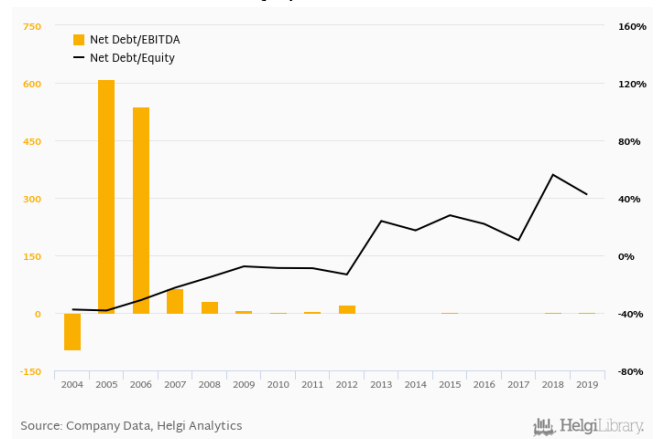
Balance Sheet

Assets and their Funding (SEK mil)



Indebtedness

Net Debt/EBITDA & Net Debt/Equity





When compared to the selected peers, ICA Gruppen has been operating with 2.92 pp lower indebtedness measured by Net Debt/EBITDA at the end of 2019:

NET DEBT/EBITDA COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pilulka	Czechia	...	...	...	...	...	...	...	-2.64	-1.86
McKesson Europe	Germany	2.87	2.56	1.78	1.93	1.50	2.13	3.86	1.09	...
Shop Apotheke Europe	Netherlands	...	...	0.122	0.124	0.672	6.99	1.93	-1.92	-1.94
Zur Rose	Switzerland	0.899	0.963	5.80	2.12	2.05	13.9	4.47	5.90	-16.8
CVS Health	USA	1.09	0.943	0.931	0.967	2.15	1.87	2.10	9.92	4.25
Walgreens Boots	USA	0.241	1.02	0.826	0.337	1.73	1.04	1.72	1.88	5.64
ICA Gruppen	Sweden	4.12	20.3	0.531	0.779	1.27	1.08	0.507	1.90	1.41
Weighted Average		1.28	2.75	0.803	0.787	1.74	1.41	1.55	6.12	3.82
Median		1.09	1.02	0.878	0.873	1.61	2.00	2.01	1.88	-0.224

ICA GRUPPEN'S PREMIUM/DISCOUNT TO:										
Weighted Average		221%	639%	-33.9%	-1.11%	-27.2%	-23.3%	-67.2%	-69.0%	-63.0%
Median		278%	1,893%	-39.6%	-10.8%	-21.4%	-45.8%	-74.8%	1.09%	730%

Source: Company Data, Helgi Analytics

4.2 Cash Flow & Investments

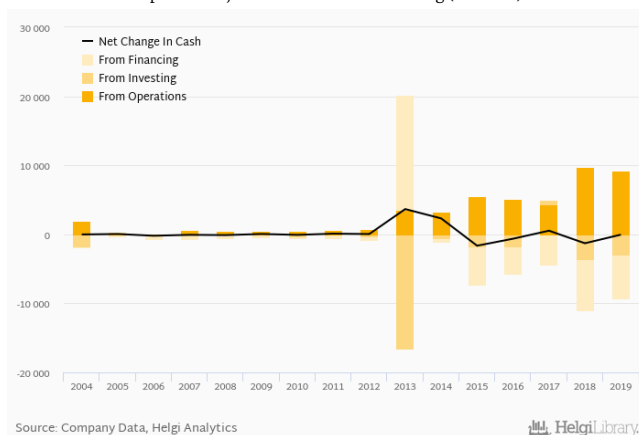
ICA Gruppen's operating cash flow reached SEK 9,281 mil in 2019, down 4.97% when compared to the previous year. Historically, between 2004 and 2019, the firm's operating cash flow reached a high of SEK 9,766 mil in 2018 and a low of SEK 166 mil in 2006.

ICA Gruppen's total investments reached SEK -2,902 mil and accounted for 2.53% of sales in 2019. This is compared to 1.82% seen on average in the last five years.

Since cash from financing amounted to SEK -6,427 mil, net cash the company generated in 2019 reached SEK 6,673 mil.

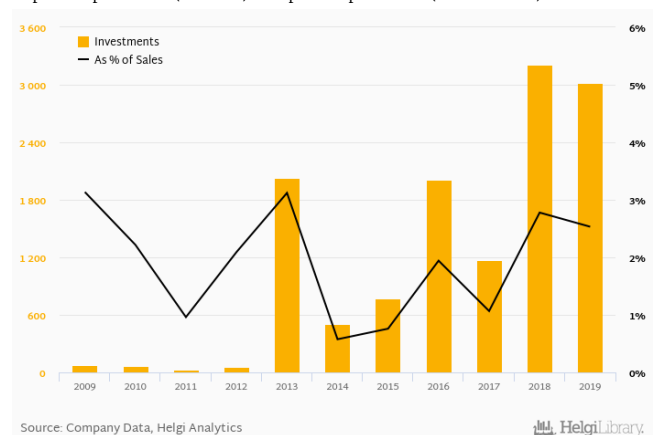
Cash Flow

Total Cash from Operations, Investment and Financing (SEK mil)



How Much Does ICA Gruppen Invests?

Capital Expenditure (SEK mil) & Capital Expenditure (as % of Sales)





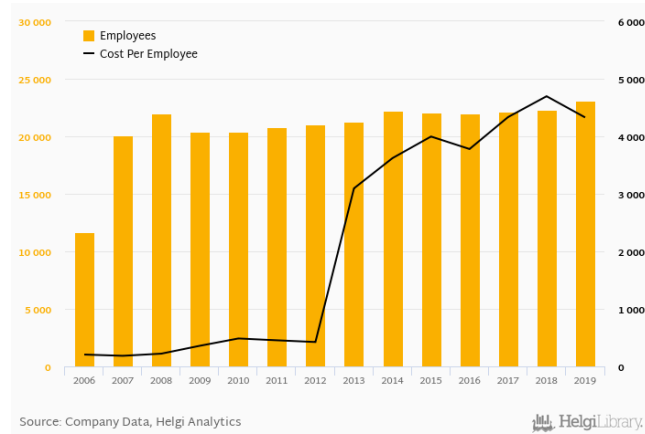
4.3 Workforce

ICA Gruppen employed 23,125 persons in 2019, up up 3.83 when compared to the previous year. Historically, between 2006 and 2019, the firm's workforce hit a high of 23,125 in 2019 and a low of 11,698 in 2006.

Average cost reached SEK 39,506 per month per employee, 1.98% less than a year ago. This figure was SEK 2,739 per month some 10 years ago:

Workforce

Employees & Cost per Employee (USD per month)



When compared to selected peers, cost per employee at ICA Gruppen was 0.420% lower.

COST PER EMPLOYEE										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pilulka	Czechia	...	...	...	...	...	...	...	1,911	...
McKesson Europe	Germany	3,783	3,435	3,582	2,600	5,149	3,804	4,449	4,781	...
Shop Apotheke Europe	Netherlands	...	...	3,808	3,752	3,382	3,469	3,875	4,629	5,051
Zur Rose	Switzerland	6,729	6,525	7,389	7,294	6,299	6,634	5,923	6,063	5,864
ICA Gruppen	Sweden	453	424	3,095	3,621	3,996	3,779	4,334	4,696	4,328
Weighted Average		1,959	1,767	3,157	3,532	4,114	3,789	4,350	4,703	4,346
Median		3,783	3,435	3,695	3,687	4,573	3,791	4,392	4,696	5,051

Source: Company Data, Helgi Analytics



5 Profitability

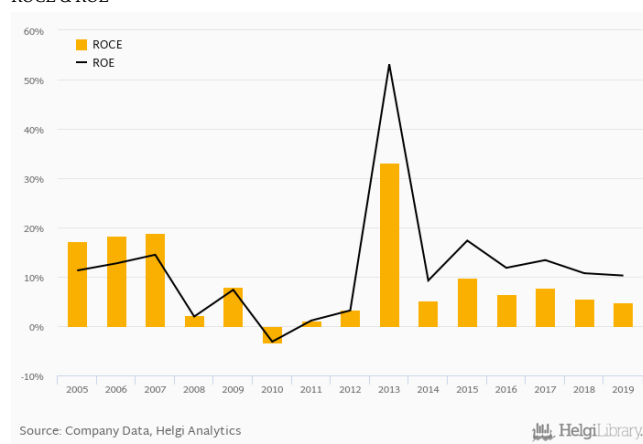
ICA Gruppen made a net profit of SEK 3,432 mil in 2019, down 1.69% when compared to the previous year. Historically, between 2004 and 2019, company's net profit reached a high of SEK 9,439 mil in 2013 and a low of SEK -303 mil in 2010

The profit implies the company generated a return on equity of 10.3% and return on invested capital of 4.75% in 2019. That is compared to 12.7% and 6.88% average seen in the last five years.

Since 2014, net profit of the firm increased by 36.3% or 6.39% a year on average.

Profitability

ROCE & ROE



When compared to its peers, ICA Gruppen's profitability is 0.554 pp above average when measured by the ROCE:

ROCE COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pilulka	Czechia	...	...	...	...	...	...	...	...	-57.6%
McKesson Europe	Germany	-3.22%	3.61%	1.10%	-4.87%	9.21%	-26.3%	-10.2%	-2.28%	...
Shop Apotheke Europe	Netherlands	...	...	...	-37.3%	-58.6%	-60.2%	-15.3%	-13.6%	-13.9%
Zur Rose	Switzerland	8.95%	5.33%	-12.3%	5.56%	2.63%	-9.22%	-17.8%	-12.1%	-9.90%
CVS Health	USA	6.09%	6.65%	7.72%	7.51%	7.23%	6.48%	7.98%	-0.466%	3.65%
Walgreens Boots	USA	13.1%	7.99%	9.29%	6.81%	10.6%	7.88%	7.67%	10.3%	5.83%
Lloyds Pharmacy	UK	3.13%	3.32%	4.15%	4.59%	2.58%	-24.3%	-27.9%	-30.6%	...
Chemist Direct	UK	154%	154%	552%	632%	540%	256%	162%	32.3%	-3.18%
ICA Gruppen	Sweden	1.15%	3.34%	33.2%	5.26%	9.77%	6.54%	7.76%	5.59%	4.75%
Weighted Average		6.69	6.55	17.2	6.06	8.98	5.84	7.13	2.99	4.29
Median		6.09	5.33	7.72	5.41	8.22	-1.37	-1.27	-1.37	-3.18

ICA GRUPPEN'S PREMIUM/DISCOUNT TO:										
Weighted Average		-82.8%	-49.0%	93.1%	-13.2%	8.86%	11.9%	8.86%	87.0%	10.6%
Median		-81.1%	-37.4%	330%	-2.79%	18.9%	578%	710%	507%	250%

Source: Company Data, Helgi Analytics

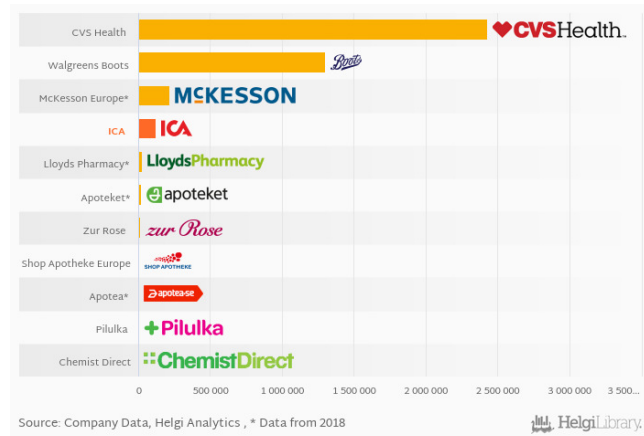


6 Relative Performance Compared to Peers

Based on last available data, following charts demonstrate ICA Gruppen's relative performance when compared to selected peers:

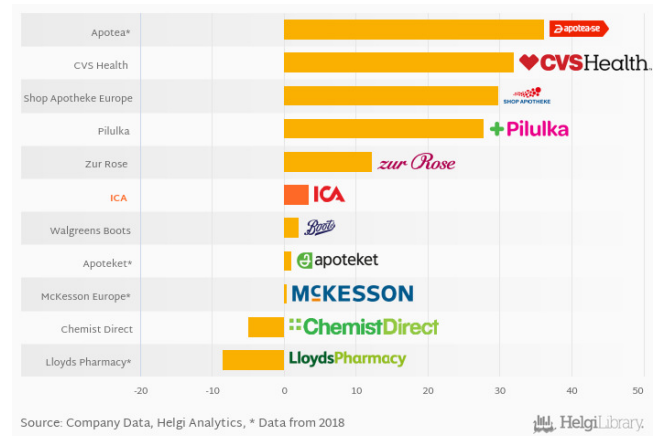
Who Was the Largest by Sales?

Top Companies by Sales (SEK mil), 2019



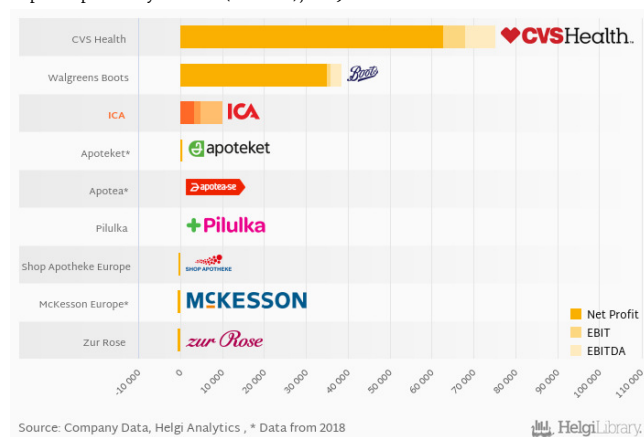
Who Has Grown the Most in Sales?

Total Revenue Growth (%), 2019



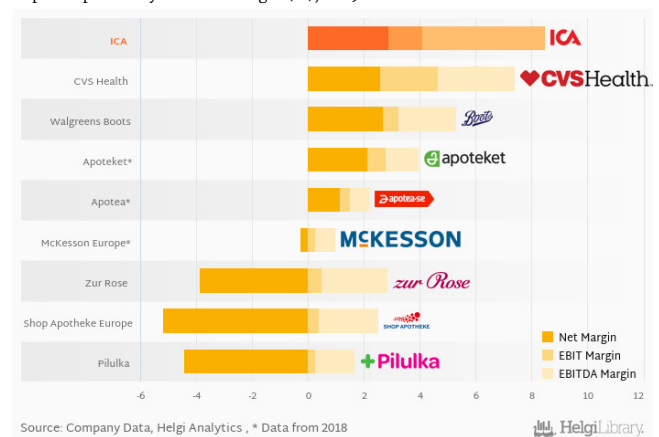
Who Created the Largest EBITDA?

Top Companies by EBITDA (SEK mil), 2019



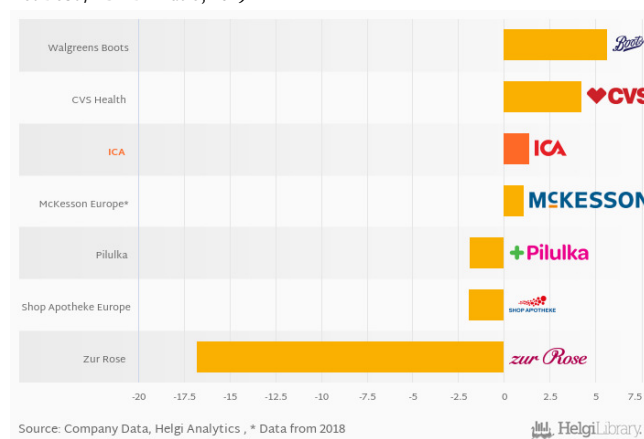
Who Operated with the Highest Margins?

Top Companies by EBITDA Margin (%), 2019



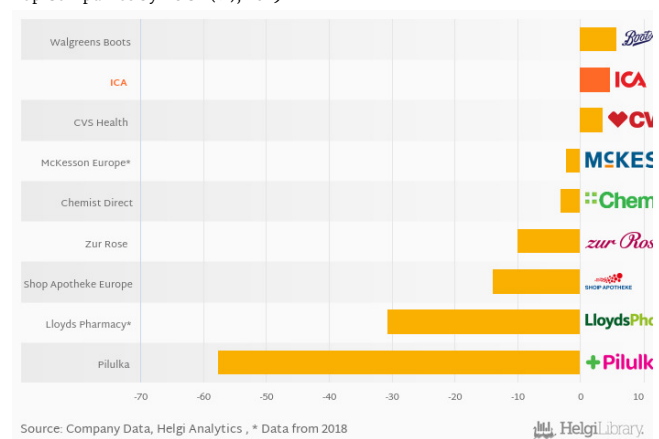
Who Was the Most Indebted to EBITDA?

Net Debt / EBITDA Ratio, 2019



Who Utilized Capital the Most?

Top Companies by ROCE (%), 2019





Financial Data – Annual

Income Statement – Annual

INCOME STATEMENT		2012	2013	2014	2015	2016	2017	2018	2019
Sales	SEK mil	2,726	65,155	87,174	101,221	103,655	109,408	115,354	119,295
Cost of Goods & Services	SEK mil	1,494	55,102	75,038	87,504	89,687	91,081	95,134	98,328
Gross Profit	SEK mil	1,232	10,053	12,136	13,717	13,968	18,327	20,220	20,967
Selling, General & Admin	SEK mil	1,519	7,629	8,933	9,775	9,728	13,981	15,800	16,025
Research & Development	SEK mil	0	0	0	0	0	0	0	0
Other Operating Expense	SEK mil	0	-8,051	0	267	219	-524	179	421
Staff Cost	SEK mil	725	5,150	6,856	8,593	8,725	9,942	10,772	10,963
Other Operating Cost (Income)	SEK mil	167	191	883	904	462	288	346	379
EBITDA	SEK mil	-59.0	11,953	6,222	6,177	5,984	6,681	9,779	10,119
Depreciation	SEK mil	33.0	1,120	1,453	1,291	1,241	1,257	4,699	4,801
EBIT	SEK mil	-120	10,666	4,086	4,579	4,483	5,158	4,587	4,900
Net Financing Cost	SEK mil	0	470	369	359	360	336	602	535
Financing Cost	SEK mil	21.0	504	408	399	381	339	612	536
Financing Income	SEK mil	21.0	34.0	39.0	40.0	21.0	3.00	3.00	1.00
FX (Gain) Loss	SEK mil	-4.00	-8.00	0	5.00	-5.00	-4.00	-8.00	-3.00
(Income) / Loss from Affiliates	SEK mil	-332	-121	-11.0	-15.0	-35.0	-62.0	-71.0	-34.0
Extraordinary Cost	SEK mil	0	548	438	-1,192	-21.0	0	0	0
Pre-Tax Profit	SEK mil	244	10,341	3,727	4,225	4,154	4,853	4,057	4,402
Tax	SEK mil	-18.0	347	622	504	757	708	549	952
Minorities	SEK mil	-18.0	7.00	149	58.0	5.00	15.0	17.0	18.0
Net Profit	SEK mil	280	9,439	2,518	4,855	3,413	4,130	3,491	3,432
Net Profit Avail. to Common	SEK mil	280	9,439	2,518	4,855	3,413	4,130	3,491	3,432
Dividends	SEK mil	0	951	1,130	2,011	2,112	2,213	2,313	2,414

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Revenue Growth	%	9.13	2,290	33.8	16.1	2.40	5.55	5.43	3.42
Staff Cost Growth	%	-1.36	610	33.1	25.3	1.54	13.9	8.35	1.77
EBITDA Growth	%	-68.4	-20,359	-47.9	-0.723	-3.12	11.6	46.4	3.48
EBIT Growth	%	-52.2	-8,988	-61.7	12.1	-2.10	15.1	-11.1	6.82
Pre-Tax Profit Growth	%	-3.17	4,138	-64.0	13.4	-1.68	16.8	-16.4	8.50
Net Profit Growth	%	183	3,271	-73.3	92.8	-29.7	21.0	-15.5	-1.69

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	3.18	53.1	9.25	17.3	11.8	13.4	10.7	10.3
ROA	%	2.74	23.8	3.56	6.59	4.52	5.36	4.00	3.51
ROCE	%	3.34	33.2	5.26	9.77	6.54	7.76	5.59	4.75
Gross Margin	%	45.2	15.4	13.9	13.6	13.5	16.8	17.5	17.6
EBITDA Margin	%	-2.16	18.3	7.14	6.10	5.77	6.11	8.48	8.48
EBIT Margin	%	-4.40	16.4	4.69	4.52	4.32	4.71	3.98	4.11
Net Margin	%	10.3	14.5	2.89	4.80	3.29	3.77	3.03	2.88
Payout Ratio	%	0	10.1	44.9	41.4	61.9	53.6	66.3	70.3

Source: Company Data, Helgi Analytics



Balance Sheet – Annual

BALANCE SHEET		2012	2013	2014	2015	2016	2017	2018	2019
Cash & Cash Equivalents	SEK mil	1,446	3,948	6,091	4,611	3,974	4,499	3,206	6,673
Receivables	SEK mil	100	2,926	2,632	3,803	3,856	4,168	3,176	4,815
Inventories	SEK mil	433	4,253	3,566	4,452	4,455	4,488	4,490	4,611
Other ST Assets	SEK mil	195	5,482	8,889	6,219	7,897	6,134	7,716	3,039
Current Assets	SEK mil	2,174	16,609	21,178	19,085	20,182	19,289	18,588	19,138
Property, Plant & Equipment	SEK mil	48.0	19,246	17,600	16,646	15,209	15,642	30,536	33,857
LT Investments & Receivables	SEK mil	0	45.0	22.0	65.0	64.0	37.0	11,916	13,534
Intangible Assets	SEK mil	1,595	25,702	25,460	30,909	30,557	30,858	31,286	31,052
Goodwill	SEK mil	574	11,867	11,545	16,301	16,301	16,301	16,301	16,301
Non-Current Assets	SEK mil	8,207	52,352	51,256	55,831	55,941	58,711	77,803	79,789
Total Assets	SEK mil	10,381	68,961	72,434	74,916	76,123	78,000	96,391	98,927
Trade Payables	SEK mil	561	10,820	10,422	11,759	12,151	13,084	14,891	15,310
Short-Term Debt	SEK mil	61.0	3,523	1,277	4,712	3,057	3,975	5,589	5,730
Other ST Liabilities	SEK mil	105	11,772	13,700	12,885	14,003	14,995	34,147	17,930
Current Liabilities	SEK mil	727	28,808	27,528	31,896	31,897	34,843	39,736	41,901
Long-Term Debt	SEK mil	186	6,770	9,658	7,721	7,406	3,913	16,179	15,234
Other LT Liabilities	SEK mil	447	6,842	7,337	7,224	7,132	7,227	7,366	7,948
Non-Current Liabilities	SEK mil	633	13,612	16,995	14,945	14,538	11,140	23,545	23,182
Liabilities	SEK mil	1,360	42,420	44,523	46,841	46,435	45,983	63,281	65,083
Preferred Equity and Hybrid Capital	SEK mil	0	0	0	0	0	0	0	0
Share Capital	SEK mil	3,180	8,197	8,197	8,197	8,197	8,197	8,197	8,197
Treasury Stock	SEK mil	...	...	...	0	0	0	0	0
Equity Before Minority Interest	SEK mil	8,882	23,363	24,706	28,041	29,666	31,720	32,845	33,604
Minority Interest	SEK mil	139	3,178	3,205	34.0	22.0	297	265	240
Equity	SEK mil	9,021	26,541	27,911	28,075	29,688	32,017	33,110	33,844

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Asset Growth	%	3.19	564	5.04	3.43	1.61	2.47	23.6	2.63
Shareholders' Equity Growth	%	4.74	194	5.16	0.588	5.75	7.84	3.41	2.22
Net Debt Growth	%	55.7	-629	-23.7	61.5	-17.0	-47.8	448	-23.0
Total Debt Growth	%	6.93	4,067	6.24	13.7	-15.8	-24.6	176	-3.69

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Total Debt	SEK mil	247	10,293	10,935	12,433	10,463	7,888	21,768	20,964
Net Debt	SEK mil	-1,199	6,345	4,844	7,822	6,489	3,389	18,562	14,291
Working Capital	SEK mil	-28.0	-3,641	-4,224	-3,504	-3,840	-4,428	-7,225	-5,884
Capital Employed	SEK mil	8,179	48,711	47,032	52,327	52,101	54,283	70,578	73,905
Net Debt/Equity	%	-13.3	23.9	17.4	27.9	21.9	10.6	56.1	42.2
Net Debt/EBITDA		20.3	0.531	0.779	1.27	1.08	0.507	1.90	1.41
Cost of Financing	%	8.79	9.56	3.84	3.41	3.33	3.69	4.13	2.51
Current Ratio		2.99	0.577	0.769	0.598	0.633	0.554	0.468	0.457
Quick Ratio		2.13	0.239	0.317	0.264	0.245	0.249	0.161	0.274

Source: Company Data, Helgi Analytics



Cash Flow – Annual

CASH FLOW		2012	2013	2014	2015	2016	2017	2018	2019
Net Profit	SEK mil	280	9,439	2,518	4,855	3,413	4,130	3,491	3,432
Depreciation	SEK mil	33.0	1,120	1,453	1,291	1,241	1,257	4,699	4,801
Non-Cash Items	SEK mil	398	-7,947	-418	-1,932	201	-557	-80.0	1,112
Change in Working Capital	SEK mil	86.0	754	-928	996	30.0	-754	1,163	-482
Total Cash From Operations	SEK mil	825	3,533	3,308	5,517	5,145	4,342	9,766	9,281
Capital Expenditures	SEK mil	-57.0	-2,033	-502	-769	-2,013	-1,167	-3,205	-3,021
Net Change in LT Investment	SEK mil	-421	1,168	-1.00	-1.00	2.00	0	-9.00	0
Net Cash From Acquisitions	SEK mil	170	-15,758	-104	-981	-334	1,587	-380	215
Other Investing Activities	SEK mil	0	3.00	4.00	4.00	630	209	0	-96.0
Total Cash From Investing	SEK mil	-308	-16,620	-603	-1,747	-1,715	629	-3,594	-2,902
Dividends Paid	SEK mil	-491	0	-1,079	-1,243	-2,011	-2,112	-2,213	-2,313
Issuance Of Shares	SEK mil	0	8,017	0	-3,257	0	0	0	0
Issuance Of Debt	SEK mil	17.0	8,663	646	-780	-1,935	-2,583	-5,177	-4,060
Other Financing Activities	SEK mil	0	0	10.0	-219	-7.00	264	-85.0	-54.0
Total Cash From Financing	SEK mil	-474	16,680	-423	-5,499	-3,953	-4,431	-7,475	-6,427
Effect of FX Rates	SEK mil	0	64.0	28.0	82.0	-114	-15.0	10.0	-1.00
Net Change In Cash	SEK mil	43.0	3,657	2,310	-1,647	-637	525	-1,293	-49.0

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Days Sales Outstanding	days	13.4	16.4	11.0	13.7	13.6	13.9	10.0	14.7
Days Sales Of Inventory	days	106	28.2	17.3	18.6	18.1	18.0	17.2	17.1
Days Payable Outstanding	days	137	71.7	50.7	49.0	49.5	52.4	57.1	56.8
Cash Conversion Cycle	days	-17.9	-27.1	-22.3	-16.8	-17.7	-20.5	-29.9	-25.0
Cash Earnings	SEK mil	313	10,559	3,971	6,146	4,654	5,387	8,190	8,233
Free Cash Flow	SEK mil	517	-13,087	2,705	3,770	3,430	4,971	6,172	6,379
Capital Expenditures (As % of Sales)	%	2.09	3.12	0.576	0.760	1.94	1.07	2.78	2.53

Source: Company Data, Helgi Analytics

Other Ratios – Annual

OTHER RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Employees		21,053	21,260	22,184	22,066	21,986	22,137	22,272	23,125
Cost Per Employee	USD per month	424	3,095	3,621	3,996	3,779	4,334	4,696	4,328
Cost Per Employee (Local Currency)	SEK per month	2,870	20,187	25,754	32,452	33,070	37,426	40,305	39,506
Employee Turnover	%	...	34.0	31.0	33.0	27.0	26.0	30.0	30.0
Women (As % of Workforce)	%	65.0	66.0	65.3	69.0	70.0	69.0	68.0	68.0
Women (As % of Management)	%	60.0	67.0	26.7	48.0	51.0	47.0	48.0	49.0
Operating Cost (As % of Sales)	%	55.7	-0.648	10.2	9.92	9.60	12.3	13.9	13.8
Research & Development (As % of Sales)	%	0	0	0	0	0	0	0	0
Staff Cost (As % of Sales)	%	26.6	7.90	7.86	8.49	8.42	9.09	9.34	9.19
Effective Tax Rate	%	-7.38	3.36	16.7	11.9	18.2	14.6	13.5	21.6
Total Revenue Growth (5-year average)	%	20.5	123	105	103	111	109	12.1	6.47
Total Revenue Growth (10-year average)	%	...	...	63.9	66.7	65.8	58.8	58.1	47.8

Source: Company Data, Helgi Analytics



Valuation – Annual

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	3,659	6,287	7,880	7,313	6,152	7,326	7,177	9,405
Enterprise Value (EV)	USD mil	3,474	7,273	8,501	8,239	6,868	7,739	9,274	10,931
Number Of Shares	mil	181	190	201	201	201	201	201	201
Share Price	SEK	88.8	161	254	263	247	274	303	431
EV/EBITDA		-399	3.97	9.72	10.8	10.0	10.0	8.14	9.86
Price/Earnings (P/E)		57.4	3.24	20.3	10.9	14.5	13.4	17.4	25.3
Price/Free Cash Flow (P/FCF)		31.1	-2.34	18.9	14.0	14.5	11.1	9.86	13.6
Price/Book Value (P/BV)		1.78	1.15	1.83	1.89	1.67	1.72	1.84	2.56
Dividend Yield	%	6.59	3.64	3.15	3.61	4.05	3.83	3.64	2.67
Free Cash Flow Yield	%	2.09	-31.9	4.83	6.35	6.37	7.86	10.0	7.43
Earnings Per Share (EPS)	SEK	1.55	49.7	12.5	24.1	17.0	20.5	17.4	17.1
Cash Earnings Per Share	SEK	1.73	55.6	19.8	30.6	23.1	26.8	40.7	40.9
Free Cash Flow Per Share	SEK	2.85	-68.9	13.5	18.7	17.1	24.7	30.7	31.7
Book Value Per Share	SEK	49.8	140	139	140	148	159	165	168
Dividend Per Share	SEK	5.86	5.86	8.00	9.50	10.0	10.5	11.0	11.5
EV/Sales		8.63	0.728	0.694	0.661	0.580	0.611	0.690	0.836
EV/EBIT		-196	4.45	14.8	14.6	13.4	13.0	17.4	20.4
EV/Free Cash Flow		45.5	-3.62	22.4	17.7	17.5	13.4	12.9	15.6
EV/Capital Employed		2.76	0.961	1.41	1.33	1.19	1.17	1.16	1.39
Earnings Per Share Growth	%	166	3,113	-74.8	92.7	-29.7	21.0	-15.5	-1.67
Cash Earnings Per Share	SEK	1.73	55.6	19.8	30.6	23.1	26.8	40.7	40.9
Book Value Per Share Growth	%	-0.865	181	-0.592	0.541	5.72	7.84	3.41	2.22

Source: Company Data, Helgi Analytics



ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 99% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit www.helgilibrary.com or contact us at info@helgilibrary.com.

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