

Nolato

Margin expansion starting to plateau

- Q3e: Medical stable, but negative seasonality
- EBITA estimates cut by 2-3%, mainly for Engineered
- Share trading at 14x '26e EV/EBITA

Q3e: stable Medical, but a seasonal drop in margins

We expect Nolato will report Q3 net sales of SEK 2,324m, down 3% y-o-y, of which +1% is organic growth. We expect muted organic growth in Engineered (-2%), while we expect demand in Medical will hold up better (+4%). We noted German medical peer [Gerresheimer's profit warning](#) on 8 October, which saw its share slump 18%, but its Q3 organic growth of -1% does not worry us much as 1) the historical correlation with Nolato Medical's organic growth is only 0.25, and 2) Gerresheimer largely blamed weak cosmetics demand, which is an end-market exposure Nolato does not share. On margins, as usual, we expect a seasonal down-tick in Q3, for an EBITA of SEK 265m and a margin of 11.4% (9.8% in Q3'24, 11.6% in Q2'25).

EBITA cut by 2-3%, mainly for Engineered Solutions

At the group level, we cut EBITA by 2-3% for '25e-'27e. This stems mainly from top line-driven downgrades in Engineered Solutions, as we see subdued demand from industrial end-markets in the coming quarters. Updated FX assumptions also account for 1pp of our EBITA cuts.

14x '26e EV/EBITA, slower margin expansion ahead

Despite raising its EBITA margin target from 10% to 12% as recently as in [March](#), Nolato is already just 40bp off its new target (as of Q2'25), as it has reported impressive sequential margin expansion of 90bp in Q1 followed by another 60bp in Q2. As such, we believe the pace of expansion should be slower ahead, as much of the improvement potential discussed at the CMD has been realised. We model the group EBITA margin going to 11.8-12.0% in '26-'27e, and on our estimates, the share is trading at 14x '26e EV/EBITA (5Y median 15x), while offering lease-adj. FCF yields of 5-6% for '26e-'27e.

Analyst: adrian.gilani@abgsc.se, +46 8 566 286 92

SEKm	2023	2024	2025e	2026e	2027e
Sales	9,546	9,664	9,444	10,002	10,593
EBITDA	1,253	1,509	1,638	1,780	1,868
EBITDA margin (%)	13.1	15.6	17.3	17.8	17.6
EBIT adj.	717	913	1,038	1,140	1,228
EBIT adj. margin (%)	7.5	9.4	11.0	11.4	11.6
Pretax profit	616	848	1,011	1,112	1,204
EPS	1.61	2.44	2.99	3.28	3.55
EPS adj.	1.89	2.58	3.11	3.41	3.68
Sales growth (%)	-11.4	1.2	-2.3	5.9	5.9
EPS growth (%)	-37.6	51.3	22.2	9.8	8.3

Source: ABG Sundal Collier, Company Data

Reason: Preview of results

Commissioned research

Not rated

Capital Goods

Estimate changes (%)

	2025e	2026e	2027e
Sales	-1.4	-2.1	-2.1
EBIT	-1.9	-3.2	-3.0
EPS	-2.0	-3.2	-3.0

Source: ABG Sundal Collier

NOLA.B-SE/NOLAB SS

Share price (SEK)	13/10/2025	58.05
Fair value range		55.0-75.0

MCap (SEKm)	15,637
MCap (EURm)	1,416
No. of shares (m)	241.8
Free float (%)	79.3
Av. daily volume (k)	95

Next event Q3 Report 28 October 2025

Performance



Disclosures and analyst certifications are located on pages 9-10 of this report.

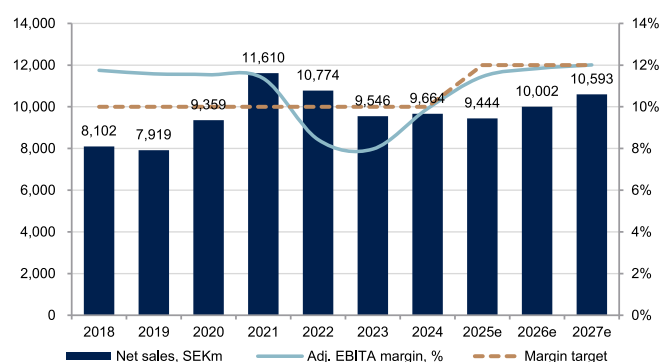
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Company description

Nolato develops and manufactures products in polymer materials such as plastic, silicone and TPE for leading customers within medical technology, pharmaceuticals, consumer electronics, telecom, automotive and other selected industrial sectors. Over the years Nolato has strengthened its strategic move from being a manufacturer of components to customer specification to being a solutions-oriented advanced partner for its customers.

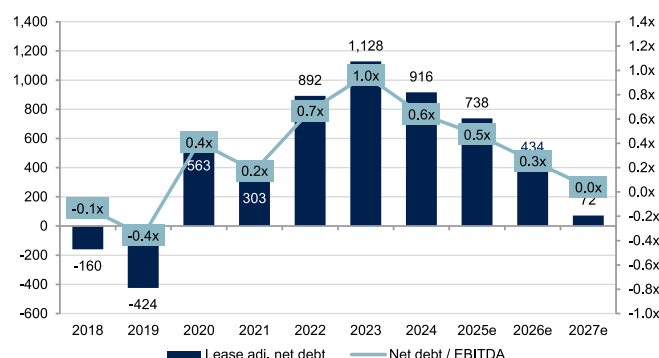
[Sustainability information](#)

Net sales and adj. EBITA margin



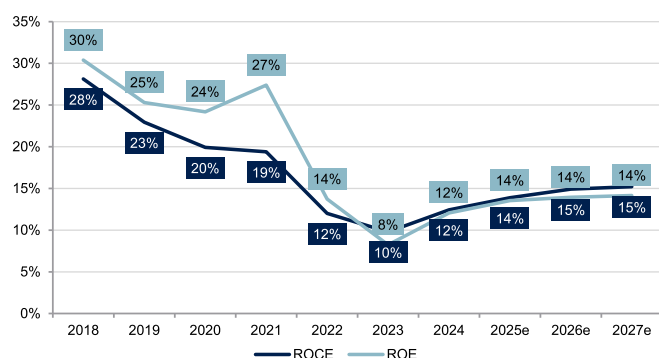
Source: ABG Sundal Collier estimates, company data

Lease adj. net debt and ND/EBITDA



Source: ABG Sundal Collier estimates, company data

ROCE and ROE

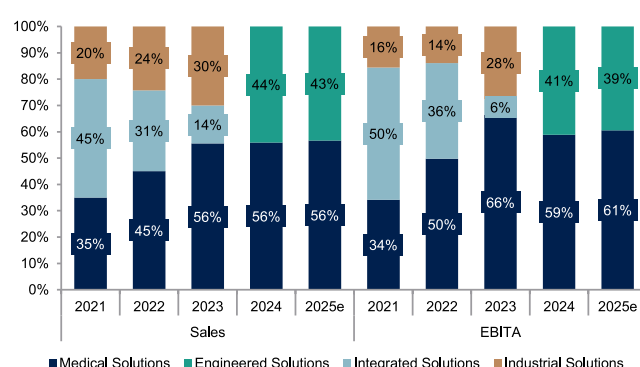


Source: ABG Sundal Collier estimates, company data

Risks

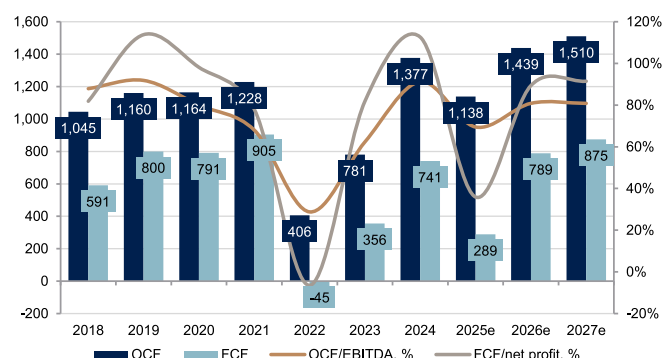
Attracting new customers in growth areas as seen in VHP (Vaporiser Heating Products). As customers' volume prospers so does Nolato's. Owing to its wide-ranging expertise across different areas of technology, many industries and niches are potential customers. Also, value-added acquisitions are opportunities on the back of a very solid balance sheet and high cash conversion.

Segment sales and EBITA split



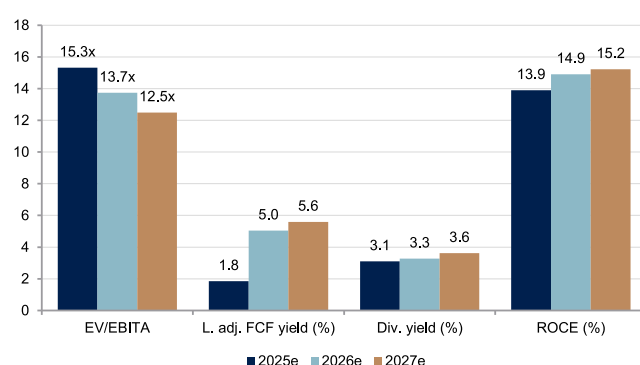
Source: ABG Sundal Collier estimates, company data

Operating cash flow, free cash flow and cash conversion



Source: ABG Sundal Collier estimates, company data

Multiples and ratios on ABGSCe



Source: ABG Sundal Collier estimates

Estimate changes

Income statement	Old forecast			New forecast			Percentage change			ABGSCe vs. IR cons		
	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Net sales	9,578	10,219	10,819	9,444	10,002	10,593	-1.4%	-2.1%	-2.1%	0%	-1%	-3%
Gross profit	1,773	1,893	2,003	1,743	1,840	1,950	-1.7%	-2.8%	-2.7%	n.a	n.a	n.a
Adj. EBITA	1,102	1,221	1,310	1,081	1,184	1,272	-1.9%	-3.0%	-2.9%	4%	1%	-3%
Non-recurring items	0	0	0	0	0	0	n.a.	n.a.	n.a.			
EBITA	1,102	1,221	1,310	1,081	1,184	1,272	-1.9%	-3.0%	-2.9%	4%	1%	-3%
EBIT	1,059	1,177	1,266	1,038	1,140	1,228	-1.9%	-3.2%	-3.0%	4%	1%	-3%
PTP	1,032	1,149	1,242	1,011	1,112	1,204	-2.0%	-3.2%	-3.0%	6%	1%	-3%
Net profit	820	912	986	804	883	956	-2.0%	-3.2%	-3.0%	7%	3%	-1%
Growth and margins	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Net sales y-o-y	-0.9%	6.7%	5.9%	-2.3%	5.9%	5.9%	-1.4pp	-0.8pp	0.0pp	-0.3pp	-1.2pp	-1.9pp
Organic	2.2%	6.7%	5.9%	1.4%	6.3%	5.9%	-0.8pp	-0.4pp	0.0pp	0.0pp	0.0pp	0.0pp
FX	-3.1%	0.0%	0.0%	-3.7%	-0.4%	0.0%	-0.6pp	-0.4pp	0.0pp	0.0pp	0.0pp	0.0pp
Structure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0pp	0.0pp	0.0pp	0.0pp	0.0pp	0.0pp
Adj. EBITA y-o-y	15.0%	10.8%	7.3%	12.9%	9.5%	7.5%	-2.1pp	-1.3pp	0.2pp	4.0pp	-3.0pp	-3.9pp
Gross margin	18.5%	18.5%	18.5%	18.5%	18.4%	18.4%	-0.1pp	-0.1pp	-0.1pp	0.0pp	0.0pp	0.0pp
Adj. EBITA margin	11.5%	11.9%	12.1%	11.4%	11.8%	12.0%	-0.1pp	-0.1pp	-0.1pp	0.4pp	0.3pp	0.1pp
Sales by segment	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Medical Solutions	5,432	5,867	6,336	5,393	5,825	6,291	-0.7%	-0.7%	-0.7%	-1%	-1%	-3%
Engineering Solutions	4,155	4,360	4,491	4,060	4,185	4,311	-2.3%	-4.0%	-4.0%	0%	-2%	-3%
Eliminations	-9	-8	-8	-9	-8	-8	0.0%	0.0%	0.0%			
Rep. EBITA by segment	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Medical Solutions	679	752	822	674	747	816	-0.7%	-0.7%	-0.7%	2%	-1%	-5%
Engineering Solutions	450	488	507	438	465	484	-2.5%	-4.9%	-4.6%	7%	4%	1%
Eliminations	-27	-20	-20	-31	-28	-28						
EBITA margin by segment	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Medical Solutions	12.5%	12.8%	13.0%	12.5%	12.8%	13.0%	0.0pp	0.0pp	0.0pp	0.3pp	0.1pp	-0.2pp
Engineering Solutions	10.8%	11.2%	11.3%	10.8%	11.1%	11.2%	0.0pp	-0.1pp	-0.1pp	0.7pp	0.6pp	0.5pp

Source: ABG Sundal Collier estimates, Modular Finance IR consensus

Key figures, quarterly

Income statement	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25e	Q4'25e
Net sales	2,476	2,478	2,340	2,252	2,442	2,439	2,401	2,382	2,453	2,395	2,324	2,272
Gross Profit	348	360	286	342	403	412	402	395	450	447	423	423
EBITDA	316	333	276	318	373	383	371	388	401	406	414	418
EBITA	193	198	133	177	238	245	235	240	271	277	265	269
Adj. EBITA	193	198	193	177	238	245	235	240	271	277	265	269
EBIT	183	186	123	165	226	234	224	228	260	267	254	258
Adj. EBIT	183	186	183	165	226	234	224	228	260	267	254	258
PTP	173	192	102	149	208	215	209	215	252	264	246	250
Net profit	136	155	69	75	161	169	164	163	199	212	195	198
EPS (SEK)	0.50	0.58	0.26	0.28	0.60	0.63	0.61	0.61	0.74	0.79	0.72	0.74
Growth and margins	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25e	Q4'25e
Sales growth	-14.0%	-14.7%	-10.9%	-4.7%	-1.4%	-1.6%	2.6%	5.8%	0.5%	-1.8%	-3.2%	-4.6%
Organic	-20.0%	-20.0%	-15.0%	-6.0%	-2.0%	-2.0%	5.0%	5.0%	-1.0%	4.0%	1.4%	1.4%
FX	6.0%	5.3%	3.9%	1.0%	0.6%	0.4%	-2.4%	0.8%	1.5%	-5.8%	-4.6%	-6.0%
M&A	0.0%	0.0%	0.2%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross Margin	14.1%	14.5%	12.2%	15.2%	16.5%	16.9%	16.7%	16.6%	18.3%	18.7%	18.2%	18.6%
EBITA Margin	7.8%	8.0%	5.7%	7.9%	9.7%	10.0%	9.8%	10.1%	11.0%	11.6%	11.4%	11.8%
Adj. EBITA margin	7.8%	8.0%	8.2%	7.9%	9.7%	10.0%	9.8%	10.1%	11.0%	11.6%	11.4%	11.8%
Segment breakdown	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25e	Q4'25e
Net sales												
Medical Solutions	1,324	1,364	1,320	1,300	1,355	1,365	1,355	1,359	1,397	1,354	1,334	1,308
y-o-y %	22%	12%	6%	-1%	2%	0%	3%	5%	3%	-1%	-2%	-4%
organic %	13%	6%	1%	-2%	2%	-1%	5%	4%	2%	5%	4%	4%
FX %	9%	6%	5%	1%	0%	1%	-2%	1%	1%	-6%	-6%	-8%
M&A %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Engineered Solutions	1,154	1,116	1,021	959	1,087	1,077	1,046	1,033	1,058	1,044	992	966
y-o-y %	-36%	-34%	-26%	-9%	-6%	-3%	2%	8%	-3%	-3%	-5%	-6%
organic %	-39%	-37%	-30%	-11%	-7%	-4%	4%	7%	-3%	1%	-2%	-2%
FX %	4%	3%	3%	2%	1%	0%	-2%	1%	0%	-4%	-3%	-4%
M&A %	0%	0%	0%	1%	1%	1%	0%	0%	0%	0%	0%	0%
EBITA												
Medical Solutions	132	138	126	129	140	149	145	152	171	170	165	167
margin %	10.0%	10.1%	9.5%	9.9%	10.3%	10.9%	10.7%	11.2%	12.2%	12.6%	12.4%	12.8%
Engineered Solutions	68	72	74	52	103	108	103	95	107	117	106	108
margin %	5.9%	6.5%	7.2%	5.4%	9.5%	10.0%	9.8%	9.2%	10.1%	11.2%	10.7%	11.2%

Source: ABG Sundal Collier estimates, company data

Key figures, annual

Income statement	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Net sales	4,447	6,720	8,102	7,919	9,359	11,610	10,774	9,546	9,664	9,444	10,002	10,593
Gross Profit	714	1,078	1,257	1,248	1,506	1,817	1,428	1,336	1,613	1,743	1,840	1,950
EBITDA	636	980	1,189	1,263	1,455	1,805	1,411	1,253	1,509	1,638	1,780	1,868
EBITA	457	763	949	895	1,066	1,369	908	701	959	1,081	1,184	1,272
Adj. EBITA	457	763	952	917	1,080	1,319	908	761	958	1,081	1,184	1,272
EBIT	443	749	941	887	1,048	1,333	867	657	913	1,038	1,140	1,228
Adj. EBIT	443	749	944	909	1,062	1,283	867	717	913	1,038	1,140	1,228
PTP	438	731	921	857	1,014	1,401	875	616	848	1,011	1,112	1,204
Net profit	336	572	722	703	806	1,160	697	435	658	804	883	956
EPS (SEK)	1.28	2.17	2.73	2.65	3.02	4.32	2.59	1.61	2.44	2.99	3.28	3.55
Growth and margins	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales growth	-5.9%	51.1%	20.6%	-2.3%	18.2%	24.1%	-7.2%	-11.4%	1.2%	-2.3%	5.9%	5.9%
Organic	-7.9%	41.7%	17.2%	-6.8%	10.4%	18.0%	-17.0%	-16.0%	1.0%	1.4%	6.3%	5.9%
FX	-0.7%	-0.5%	3.4%	4.5%	-0.7%	-4.9%	3.9%	1.9%	0.2%	-3.7%	-0.4%	0.0%
M&A	2.7%	9.9%	0.0%	0.0%	8.5%	11.0%	5.9%	2.7%	0.0%	0.0%	0.0%	0.0%
Gross Margin	16.1%	16.0%	15.5%	15.8%	16.1%	15.7%	13.3%	14.0%	16.7%	18.5%	18.4%	18.4%
EBITA Margin	10.3%	11.4%	11.7%	11.3%	11.4%	11.8%	8.4%	7.3%	9.9%	11.4%	11.8%	12.0%
Adj. EBITA margin	10.3%	11.4%	11.8%	11.6%	11.5%	11.4%	8.4%	8.0%	9.9%	11.4%	11.8%	12.0%
Segment breakdown	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Net sales												
Medical Solutions	1,645	1,955	2,270	2,484	3,089	4,067	4,859	5,308	5,434	5,393	5,825	6,291
y-o-y %	12%	19%	16%	9%	24%	32%	19%	9%	2%	-1%	8%	8%
organic %	11%	10%	12%	5%	7%	6%	8%	4%	2%	4%	8%	8%
FX %	-2%	-1%	4%	4%	-1%	-4%	-4%	0%	0%	-5%	0%	0%
M&A %	3%	10%	0%	0%	18%	30%	15%	5%	0%	0%	0%	0%
Engineered Solutions	2,811	4,778	5,839	5,451	6,273	7,550	5,929	4,250	4,243	4,060	4,185	4,311
y-o-y %	-14%	70%	22%	-7%	15%	20%	-21%	-28%	0%	-4%	3%	3%
organic %	-16%	60%	19%	-11%	13%	26%	-29%	-32%	-6%	-4%	4%	3%
FX %	0%	0%	3%	5%	-1%	-7%	8%	3%	6%	0%	-1%	0%
M&A %	3%	10%	0%	0%	3%	2%	0%	0%	0%	0%	0%	0%
EBITA												
Medical Solutions	216	257	295	320	402	457	457	525	586	674	747	816
margin %	13.1%	13.1%	13.0%	12.9%	13.0%	11.2%	9.4%	9.9%	10.8%	12.5%	12.8%	13.0%
Engineered Solutions	265	527	659	608	716	879	462	266	409	438	465	484
margin %	9.4%	11.0%	11.3%	11.2%	11.4%	11.6%	7.8%	6.3%	9.6%	10.8%	11.1%	11.2%

Source: ABG Sundal Collier estimates, company data

Income Statement (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	8,102	7,919	9,359	11,610	10,774	9,546	9,664	9,444	10,002	10,593
COGS	-6,845	-6,671	-7,853	-9,793	-9,346	-8,210	-8,051	-7,701	-8,162	-8,644
Gross profit	1,257	1,248	1,506	1,817	1,428	1,336	1,613	1,743	1,840	1,950
Other operating items	-68	15	-51	-12	-17	-83	-104	-105	-60	-82
EBITDA	1,189	1,263	1,455	1,805	1,411	1,253	1,509	1,638	1,780	1,868
Depreciation and amortisation	-240	-368	-389	-436	-503	-552	-550	-557	-596	-596
of which leasing depreciation	0	-76	-76	-76	-76	-76	-76	-76	-76	-76
EBITA	949	895	1,066	1,369	908	701	959	1,081	1,184	1,272
EO Items	-3	-22	-14	50	0	-60	0	0	0	0
Impairment and PPA amortisation	-8	-8	-18	-36	-41	-44	-46	-43	-44	-44
EBIT	941	887	1,048	1,333	867	657	913	1,038	1,140	1,228
Net financial items	-20	-30	-34	68	8	-41	-65	-27	-28	-24
Pretax profit	921	857	1,014	1,401	875	616	848	1,011	1,112	1,204
Tax	-199	-154	-208	-241	-178	-181	-190	-207	-229	-248
Net profit	722	703	806	1,160	697	435	658	804	883	956
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	722	703	806	1,160	697	435	658	804	883	956
EPS	2.73	2.65	3.02	4.32	2.59	1.61	2.44	2.99	3.28	3.55
EPS adj.	2.76	2.74	3.11	4.27	2.71	1.89	2.58	3.11	3.41	3.68
Total extraordinary items after tax	-2	-18	-11	41	0	-42	0	0	0	0
Leasing payments	0	-76	-76	-76	-76	-76	-76	-76	-76	-76
<i>Tax rate (%)</i>	<i>21.6</i>	<i>18.0</i>	<i>20.5</i>	<i>17.2</i>	<i>20.3</i>	<i>29.4</i>	<i>22.4</i>	<i>20.5</i>	<i>20.6</i>	<i>20.6</i>
<i>Gross margin (%)</i>	<i>15.5</i>	<i>15.8</i>	<i>16.1</i>	<i>15.7</i>	<i>13.3</i>	<i>14.0</i>	<i>16.7</i>	<i>18.5</i>	<i>18.4</i>	<i>18.4</i>
<i>EBITDA margin (%)</i>	<i>14.7</i>	<i>15.9</i>	<i>15.5</i>	<i>15.5</i>	<i>13.1</i>	<i>13.1</i>	<i>15.6</i>	<i>17.3</i>	<i>17.8</i>	<i>17.6</i>
<i>EBITA margin (%)</i>	<i>11.7</i>	<i>11.3</i>	<i>11.4</i>	<i>11.8</i>	<i>8.4</i>	<i>7.3</i>	<i>9.9</i>	<i>11.4</i>	<i>11.8</i>	<i>12.0</i>
<i>EBIT margin (%)</i>	<i>11.6</i>	<i>11.2</i>	<i>11.2</i>	<i>11.5</i>	<i>8.0</i>	<i>6.9</i>	<i>9.4</i>	<i>11.0</i>	<i>11.4</i>	<i>11.6</i>
<i>Pre-tax margin (%)</i>	<i>11.4</i>	<i>10.8</i>	<i>10.8</i>	<i>12.1</i>	<i>8.1</i>	<i>6.5</i>	<i>8.8</i>	<i>10.7</i>	<i>11.1</i>	<i>11.4</i>
<i>Net margin (%)</i>	<i>8.9</i>	<i>8.9</i>	<i>8.6</i>	<i>10.0</i>	<i>6.5</i>	<i>4.6</i>	<i>6.8</i>	<i>8.5</i>	<i>8.8</i>	<i>9.0</i>
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
<i>Sales growth (%)</i>	<i>20.6</i>	<i>-2.3</i>	<i>18.2</i>	<i>24.1</i>	<i>-7.2</i>	<i>-11.4</i>	<i>1.2</i>	<i>-2.3</i>	<i>5.9</i>	<i>5.9</i>
<i>EBITDA growth (%)</i>	<i>21.3</i>	<i>6.2</i>	<i>15.2</i>	<i>24.1</i>	<i>-21.8</i>	<i>-11.2</i>	<i>20.4</i>	<i>8.6</i>	<i>8.6</i>	<i>5.0</i>
<i>EBITA growth (%)</i>	<i>24.4</i>	<i>-5.7</i>	<i>19.1</i>	<i>28.4</i>	<i>-33.7</i>	<i>-22.8</i>	<i>36.8</i>	<i>12.7</i>	<i>9.5</i>	<i>7.5</i>
<i>EBIT growth (%)</i>	<i>25.6</i>	<i>-5.7</i>	<i>18.2</i>	<i>27.2</i>	<i>-35.0</i>	<i>-24.2</i>	<i>39.0</i>	<i>13.7</i>	<i>9.8</i>	<i>7.8</i>
<i>Net profit growth (%)</i>	<i>26.2</i>	<i>-2.6</i>	<i>14.7</i>	<i>43.9</i>	<i>-39.9</i>	<i>-37.6</i>	<i>51.3</i>	<i>22.2</i>	<i>9.8</i>	<i>8.3</i>
<i>EPS growth (%)</i>	<i>25.6</i>	<i>-3.1</i>	<i>14.1</i>	<i>43.1</i>	<i>-40.0</i>	<i>-37.6</i>	<i>51.3</i>	<i>22.2</i>	<i>9.8</i>	<i>8.3</i>
Profitability	-	-	-	-	-	-	-	-	-	-
<i>ROE (%)</i>	<i>30.4</i>	<i>25.3</i>	<i>24.2</i>	<i>27.4</i>	<i>13.7</i>	<i>8.2</i>	<i>12.1</i>	<i>13.5</i>	<i>13.9</i>	<i>14.1</i>
<i>ROE adj. (%)</i>	<i>30.8</i>	<i>26.2</i>	<i>25.1</i>	<i>27.3</i>	<i>14.5</i>	<i>9.9</i>	<i>12.9</i>	<i>14.3</i>	<i>14.6</i>	<i>14.8</i>
<i>ROCE (%)</i>	<i>29.5</i>	<i>23.4</i>	<i>20.3</i>	<i>22.7</i>	<i>12.2</i>	<i>8.8</i>	<i>12.3</i>	<i>13.9</i>	<i>14.9</i>	<i>15.3</i>
<i>ROCE adj. (%)</i>	<i>29.9</i>	<i>24.2</i>	<i>20.9</i>	<i>20.4</i>	<i>12.6</i>	<i>10.2</i>	<i>13.0</i>	<i>14.5</i>	<i>15.5</i>	<i>15.8</i>
<i>ROIC (%)</i>	<i>31.4</i>	<i>28.0</i>	<i>22.8</i>	<i>22.7</i>	<i>12.1</i>	<i>7.5</i>	<i>11.1</i>	<i>12.4</i>	<i>13.2</i>	<i>14.0</i>
<i>ROIC adj. (%)</i>	<i>31.5</i>	<i>28.7</i>	<i>23.1</i>	<i>21.9</i>	<i>12.1</i>	<i>8.1</i>	<i>11.1</i>	<i>12.4</i>	<i>13.2</i>	<i>14.0</i>
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
EBITDA adj.	1,192	1,285	1,469	1,755	1,411	1,313	1,509	1,638	1,780	1,868
<i>EBITDA adj. margin (%)</i>	<i>14.7</i>	<i>16.2</i>	<i>15.7</i>	<i>15.1</i>	<i>13.1</i>	<i>13.8</i>	<i>15.6</i>	<i>17.3</i>	<i>17.8</i>	<i>17.6</i>
EBITDA lease adj.	1,192	1,209	1,393	1,679	1,335	1,237	1,433	1,562	1,704	1,792
<i>EBITDA lease adj. margin (%)</i>	<i>14.7</i>	<i>15.3</i>	<i>14.9</i>	<i>14.5</i>	<i>12.4</i>	<i>13.0</i>	<i>14.8</i>	<i>16.5</i>	<i>17.0</i>	<i>16.9</i>
EBITA adj.	952	917	1,080	1,319	908	761	959	1,081	1,184	1,272
<i>EBITA adj. margin (%)</i>	<i>11.8</i>	<i>11.6</i>	<i>11.5</i>	<i>11.4</i>	<i>8.4</i>	<i>8.0</i>	<i>9.9</i>	<i>11.4</i>	<i>11.8</i>	<i>12.0</i>
EBIT adj.	944	909	1,062	1,283	867	717	913	1,038	1,140	1,228
<i>EBIT adj. margin (%)</i>	<i>11.7</i>	<i>11.5</i>	<i>11.3</i>	<i>11.1</i>	<i>8.0</i>	<i>7.5</i>	<i>9.4</i>	<i>11.0</i>	<i>11.4</i>	<i>11.6</i>
Pretax profit Adj.	932	887	1,046	1,387	916	720	894	1,054	1,156	1,248
Net profit Adj.	732	729	835	1,155	738	521	704	847	927	1,000
Net profit to shareholders adj.	732	729	835	1,155	738	521	704	847	927	1,000
<i>Net adj. margin (%)</i>	<i>9.0</i>	<i>9.2</i>	<i>8.9</i>	<i>9.9</i>	<i>6.8</i>	<i>5.5</i>	<i>7.3</i>	<i>9.0</i>	<i>9.3</i>	<i>9.4</i>

Source: ABG Sundal Collier, Company Data

Cash Flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	1,189	1,263	1,455	1,805	1,411	1,253	1,509	1,638	1,780	1,868
Net financial items	-20	-30	-34	68	8	-41	-65	-27	-28	-24
Paid tax	-204	-203	-123	-241	-239	-151	-140	-207	-229	-248
Non-cash items	-13	-36	-259	-230	-117	-38	-29	-166	0	0
Cash flow before change in WC	952	994	1,039	1,402	1,063	1,023	1,275	1,238	1,523	1,596
Change in working capital	93	166	125	-174	-657	-242	102	-100	-84	-86

Cash Flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Operating cash flow	1,045	1,160	1,164	1,228	406	781	1,377	1,138	1,439	1,510
Capex tangible fixed assets	-446	-355	-368	-318	-447	-421	-631	-850	-650	-636
Capex intangible fixed assets	-8	-5	-5	-5	-4	-4	-5	0	0	0
Acquisitions and Disposals	56	-93	-1,322	-459	0	-19	0	0	0	0
Free cash flow	647	707	-531	446	-45	337	741	289	789	875
Dividend paid	-329	-368	0	-428	-512	-512	-404	-404	-485	-512
Share issues and buybacks	0	0	0	0	0	0	0	0	0	0
Leasing liability amortisation	0	0	0	0	0	0	0	0	0	0
Other non-cash items	-30	-354	-644	281	-67	8	-18	293	0	0
Balance Sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Goodwill	780	852	2,093	2,234	2,472	2,401	2,526	2,526	2,526	2,526
Other intangible assets	0	0	0	0	0	0	0	0	0	0
Tangible fixed assets	1,518	1,565	2,049	2,581	2,869	2,812	3,129	3,588	3,642	3,681
Right-of-use asset	0	274	353	287	305	282	181	138	94	50
Total other fixed assets	114	61	53	73	90	17	16	16	16	16
Fixed assets	2,412	2,752	4,548	5,175	5,736	5,512	5,852	6,268	6,278	6,273
Inventories	566	667	1,110	1,340	1,283	1,196	1,183	992	1,000	1,006
Receivables	949	1,051	1,254	1,574	1,522	1,525	1,558	1,511	1,600	1,695
Other current assets	271	297	258	518	455	379	423	378	400	424
Cash and liquid assets	958	1,367	1,514	1,448	1,011	688	672	369	673	1,035
Total assets	5,156	6,134	8,684	10,055	10,007	9,300	9,688	9,517	9,951	10,434
Shareholders equity	2,592	2,966	3,699	4,768	5,392	5,171	5,738	6,138	6,536	6,980
Minority	-	-	-	-	-	-	-	-	-	-
Total equity	2,592	2,966	3,699	4,768	5,392	5,171	5,738	6,138	6,536	6,980
Long-term debt	522	627	930	1,350	1,457	1,544	1,341	860	860	860
Pension debt	182	246	274	247	173	228	241	241	241	241
Convertible debt	-	-	-	-	-	-	-	-	-	-
Leasing liability	0	277	358	295	314	293	188	188	188	188
Total other long-term liabilities	207	209	316	340	356	308	306	306	306	306
Short-term debt	94	70	873	154	273	44	6	6	6	6
Accounts payable	594	839	930	1,463	779	620	704	614	650	689
Other current liabilities	965	900	1,304	1,438	1,263	1,092	1,164	1,164	1,164	1,164
Total liabilities and equity	5,156	6,134	8,684	10,055	10,007	9,300	9,688	9,517	9,951	10,434
Net IB debt	-160	-147	921	598	1,206	1,421	1,104	926	622	260
Net IB debt excl. pension debt	-342	-393	647	351	1,033	1,193	863	685	381	19
Net IB debt excl. leasing	-160	-424	563	303	892	1,128	916	738	434	72
Capital employed	3,390	4,186	6,134	6,814	7,609	7,280	7,514	7,433	7,831	8,275
Capital invested	2,432	2,819	4,620	5,366	6,598	6,592	6,842	7,064	7,158	7,240
Working capital	227	276	388	531	1,218	1,388	1,296	1,103	1,186	1,272
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	15,352	15,428	15,509	15,603	15,637	15,637	15,637	15,637	15,637	15,637
Net IB debt adj.	-160	-147	921	598	1,206	1,421	1,104	926	622	260
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	15,192	15,281	16,430	16,201	16,843	17,058	16,741	16,563	16,260	15,897
Total assets turnover (%)	163.5	140.3	126.3	123.9	107.4	98.9	101.8	98.4	102.8	103.9
Working capital/sales (%)	3.8	3.2	3.5	4.0	8.1	13.6	13.9	12.7	11.4	11.6
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	-6.2	-5.0	24.9	12.5	22.4	27.5	19.2	15.1	9.5	3.7
Net debt / market cap (%)	-1.0	-1.0	5.9	3.8	7.7	9.1	7.1	5.9	4.0	1.7
Equity ratio (%)	50.3	48.4	42.6	47.4	53.9	55.6	59.2	64.5	65.7	66.9
Net IB debt adj. / equity (%)	-6.2	-5.0	24.9	12.5	22.4	27.5	19.2	15.1	9.5	3.7
Current ratio	1.66	1.87	1.33	1.60	1.84	2.16	2.05	1.82	2.02	2.24
EBITDA/net interest	59.5	42.1	42.8	26.5	176.4	30.6	23.2	60.7	63.6	77.8
Net IB debt/EBITDA (x)	-0.1	-0.1	0.6	0.3	0.9	1.1	0.7	0.6	0.3	0.1
Net IB debt/EBITDA lease adj. (x)	-0.1	-0.4	0.4	0.2	0.7	0.9	0.6	0.5	0.3	0.0
Interest coverage	47.5	29.8	31.4	20.1	113.5	17.1	14.8	40.0	42.3	53.0

Source: ABG Sundal Collier, Company Data

Share Data (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Actual shares outstanding	264	266	267	269	269	269	269	269	269	269
Actual shares outstanding (avg)	264	266	267	269	269	269	269	269	269	269

Share Data (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
All additional shares	-	-	-	-	-	-	-	-	-	-
Issue month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	1.40	0.00	1.60	1.90	1.90	1.50	1.50	1.80	1.90	2.10
Reported earnings per share	2.73	2.65	3.02	4.32	2.59	1.61	2.44	2.99	3.28	3.55

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Shares outstanding adj.	264	266	267	269	269	269	269	269	269	269
Diluted shares adj.	264	266	267	269	269	269	269	269	269	269
EPS	2.73	2.65	3.02	4.32	2.59	1.61	2.44	2.99	3.28	3.55
Dividend per share	1.40	0.00	1.60	1.90	1.90	1.50	1.50	1.80	1.90	2.10
EPS adj.	2.76	2.74	3.11	4.27	2.71	1.89	2.58	3.11	3.41	3.68
BVPS	9.80	11.16	13.85	17.74	20.02	19.20	21.30	22.79	24.26	25.91
BVPS adj.	6.85	7.95	6.01	9.43	10.84	10.28	11.92	13.41	14.89	16.54
Net IB debt/share	-0.60	-0.55	3.45	2.22	4.48	5.28	4.10	3.44	2.31	0.96
Share price	58.05	58.05	58.05	58.05	58.05	58.05	58.05	58.05	58.05	58.05
Market cap. (m)	15,352	15,428	15,509	15,603	15,637	15,637	15,637	15,637	15,637	15,637
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	21.3	21.9	19.2	13.5	22.4	35.9	23.8	19.4	17.7	16.4
EV/sales (x)	1.9	1.9	1.8	1.4	1.6	1.8	1.7	1.8	1.6	1.5
EV/EBITDA (x)	12.8	12.1	11.3	9.0	11.9	13.6	11.1	10.1	9.1	8.5
EV/EBITA (x)	16.0	17.1	15.4	11.8	18.5	24.3	17.5	15.3	13.7	12.5
EV/EBIT (x)	16.1	17.2	15.7	12.2	19.4	26.0	18.3	16.0	14.3	12.9
Dividend yield (%)	2.4	0.0	2.8	3.3	3.3	2.6	2.6	3.1	3.3	3.6
FCF yield (%)	4.2	4.6	-3.4	2.9	-0.3	2.2	4.7	1.8	5.0	5.6
Le. adj. FCF yld. (%)	4.2	4.6	-3.4	2.9	-0.3	2.2	4.7	1.8	5.0	5.6
P/BVPS (x)	5.92	5.20	4.19	3.27	2.90	3.02	2.73	2.55	2.39	2.24
P/BVPS adj. (x)	8.47	7.30	9.66	6.16	5.36	5.65	4.87	4.33	3.90	3.51
P/E adj. (x)	21.0	21.2	18.7	13.6	21.4	30.8	22.5	18.7	17.0	15.8
EV/EBITDA adj. (x)	12.7	11.9	11.2	9.2	11.9	13.0	11.1	10.1	9.1	8.5
EV/EBITA adj. (x)	16.0	16.7	15.2	12.3	18.5	22.4	17.5	15.3	13.7	12.5
EV/EBIT adj. (x)	16.1	16.8	15.5	12.6	19.4	23.8	18.3	16.0	14.3	12.9
EV/CE (x)	4.5	3.7	2.7	2.4	2.2	2.3	2.2	2.2	2.1	1.9
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	5.6	4.5	4.0	2.8	4.2	4.5	6.6	9.0	6.5	6.0
Capex/depreciation	1.9	1.2	1.2	0.9	1.1	0.9	1.3	1.8	1.3	1.2
Capex tangibles / tangible fixed assets	29.4	22.7	18.0	12.3	15.6	15.0	20.2	23.7	17.9	17.3
Capex intangibles / definite intangibles	--	--	--	--	--	--	--	--	--	--
Depreciation on intang / def. intang	--	--	--	--	--	--	--	--	--	--
Depreciation on tangibles / tangibles	15.8	18.7	15.3	13.9	14.9	16.9	15.1	13.4	14.3	14.1

Source: ABG Sundal Collier, Company Data

Analyst Certification

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Norway

Ruseløkkveien 26, 8th floor
0251 Oslo
Norway
Tel: +47 22 01 60 00
Fax: +47 22 01 60 60

Denmark

Forbindelsesvej 12,
2100 Copenhagen
Denmark
Tel: +45 35 46 61 00
Fax: +45 35 46 61 10

Sweden

Regeringsgatan 25, 8th floor
111 53 Stockholm
Sweden
Tel: +46 8 566 286 00
Fax: +46 8 566 286 01

United Kingdom

10 Paternoster Row, 5th floor
London EC4M 7EJ
UK
Tel: +44 20 7905 5600
Fax: +44 20 7905 5601

USA

140 Broadway, Suite 4604
New York, NY 10005
USA
Tel. +1 212 605 3800
Fax. +1 212 605 3801

Singapore

10 Collyer Quay
Ocean Financial Center
#40-07, Singapore 049315
Tel +65 6808 6082

Germany

Schillerstrasse 2, 5. OG
60313 Frankfurt
Germany
Tel +49 69 96 86 96 0
Fax +49 69 96 86 96 99

Switzerland

ABG Sundal Collier AG
Representative Office
Schwanenplatz 4
6004 Lucerne
Switzerland
Tel +41 79 502 33 39