

## RESULTS PREVIEW

23 January 2025  
Sweden  
Software & Services

## Research analysts:

Rikard Engberg

## BTS Group

Share price: SEK262.0

Fair value range: SEK310.0–380.0

## Positioned for double-digit growth in 2025e

## We expect a strong finish to the year

We estimate sales of SEK852m in Q4, corresponding to total growth of 10.9% Y/Y, which would return BTS to Y/Y growth above 10% Y/Y. We see the ongoing recovery of the Europe segment as a growth driver. We estimate Q4 EBITA, as defined by BTS, of SEK124m, corresponding to an EBITA margin of 14.2%. For the full year 2024e we expect EBITA growth Y/Y of 4.9%, in line with given guidance of a better EBITA result in 2024 than 2023.

## 2025–26e virtually unchanged

We only make very minor adjustments for 2025–26e. See Page 6 for details.

## Return to topline growth key for investment case

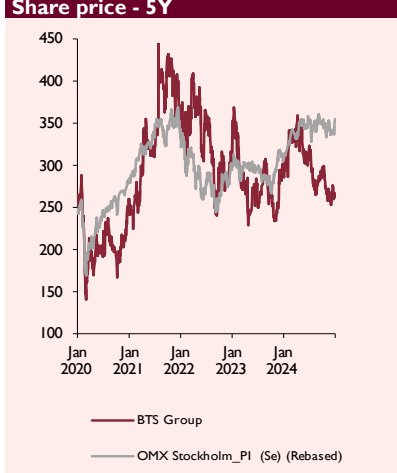
We believe that a return to a topline growth Y/Y above 10% will be the key catalyst for the share price and profitability for BTS going forward, something we expect to happen in 2025–26e. We believe the launch of Verity and the increase usage of AI bots – BTS doubled its number of AI bot clients Q/Q in Q3(24) – will lead to an expanding margin in the future. However, in the coming 6–12 months we see a return to a growth above 10% Y/Y, driven by Europe and the latest M&A, as the main driver of margin expansion.

## Upcoming events

- Q4 Report: 26 Feb 2025

## Valued at a discount to historical valuation

Looking at the last three years, BTS is valued at a 16% discount to median consensus EV/EBIT NTM. We believe this is partly explained by a fall in organic growth in 2024. We therefore see an accelerated organic growth rate as the key catalyst for the valuation going forward. Given the uncertainty for the outlook beyond Q4(24) we are changing our fair value range to SEK310–380 (320–370).

Changes in this report				Key figures (SEK)					Share price - 5Y				
	From	To	Chg		2023	2024e	2025e	2026e					
EPS adj. 2024e	n.a.	12.1	n.a.	Sales (m)	2,683	2,856	3,208	3,510					
EPS adj. 2025e	n.a.	14.7	n.a.	EBITDA (m)	422	434	496	539					
EPS adj. 2026e	n.a.	16.0	n.a.	EBIT (m)	302	300	364	414					
				EPS	11.9	19.8	12.5	14.3					
				EPS adj.	13.4	12.1	14.7	16.0					
				DPS	5.70	6.50	6.75	7.00					
				Sales growth Y/Y	6%	6%	12%	9%					
				EPS adj. growth Y/Y	15%	-10%	21%	9%					
				EBIT margin	11.3%	10.5%	11.3%	11.8%					
				P/E adj.	19.5	21.6	17.8	16.4					
				EV/EBIT	18.6	16.4	12.9	10.7					
				EV/EBITA	17.0	14.3	11.5	9.9					
				EV/EBITDA	13.3	11.4	9.4	8.2					
				P/BV	3.9	3.2	3.0	2.8					
				Dividend yield	2.2%	2.5%	2.6%	2.7%					
				FCF yield	1.0%	3.5%	5.8%	6.4%					
				Equity/Total Assets	44.0%	49.3%	50.7%	52.5%					
				ROCE	18.6%	25.0%	17.2%	18.9%					
				ROE adj.	20.4%	16.3%	17.5%	17.6%					
				Net IB debt/EBITDA	-0.1	-0.4	-0.8	-1.2					
Key facts				No. shares (m)	19.4				High/Low (12M) SEK359/253 Perf. 3M 6M 12M YTD Abs. -10.0 -18.9 -10.0 -0.4 Rel. -11.9 -19.0 -25.3 -5.5				
				Market cap. (USDm)	462								
				Market cap. (SEKm)	5,083								
				Net IB Debt. (SEKm)	-173								
				Adjustments (SEKm)	0								
				EV (2024e) (SEKm)	4,909								
				Free float	81.0%								
				Avg. daily vol. ('000)	4								
				Risk	Medium Risk								
				Fiscal year end	December								
				Share price as of (CET)	22 Jan 2025 00:00								

Source: Carnegie Research, FactSet, Millstream &amp; company data

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### Equity story

#### Near term: 6–12m

We argue that the main catalyst for the share on a 6–12-month basis is an acceleration in the topline growth. We think this can come from ongoing recovery in the Europe segment and successful integration of the latest two acquisitions.

#### Long term: 5Y+

We believe that the acquisition of Wonderway and increased sale of AI bots can lead to margin and multiple expansion as they should increase the sales of non-consulting services, where margins are higher. This acceleration should also increase the share of recurring revenue.

#### Key risks:

Downturn in venture capital's appetite to invest could lead to fewer projects from the important US tech segment  
Sentiment remaining weak in Europe  
Failure to integrate acquisitions

### Company description

BTS is an international consultancy and training company in the strategic implementation sector. It supports clients in implementation and performance improvements using tailored, computer-based simulation models.

#### Key industry drivers

- Increased investments in employees
- M&A

#### Industry outlook

- Various across different geographies and industries

#### Largest shareholders

Henrik Ekelund	18.9%
Lannebo Fonder	12.0%
Stefan af Petersens	11.6%

#### Cyclicality

Cyclicality: No

#### Key peers

Accenture, Mindgym, SWECO

### Valuation and methodology

Given BTS's long, stable history we argue that a DCF is the best way to value it. We use a WACC of 8.5% for the top end of our fair value range, and 10% for the bottom end. We estimate that the EBITDA margin will remain stable around the current level over 2027–44e, assuming no margin expansion from the new initiatives.

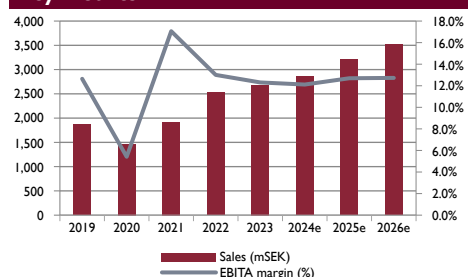
#### Fair value range 12m



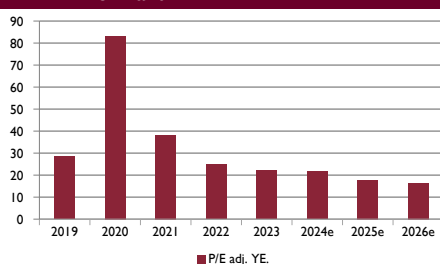
At the high end of our fair value range, we use a WACC of 8.5%. This represents a scenario where we see clear signs of growth returning to above 10% Y/Y during 2025e, driving the share towards the higher end of the fair value range.

At the low end of our fair value range, we use a WACC of 10%. This represents a scenario where it takes longer for BTS to return to its historical growth rates.

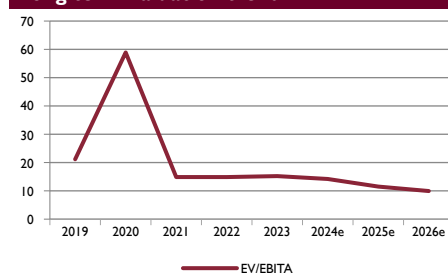
#### Key metrics



#### PE 12m forward



#### Long term valuation trend



Source: Carnegie Research & company data

## Talking points for Q4(24e) and 2025e

**Recovery in Europe:** BTS Europe had a challenging year with a FX-adjusted decline of 23% Y/Y in Q2(24), and FX-adjusted growth of 5% Y/Y in Q3(24). We estimate that the recovery will continue in Q4(24) with a growth rate of 8% Y/Y.

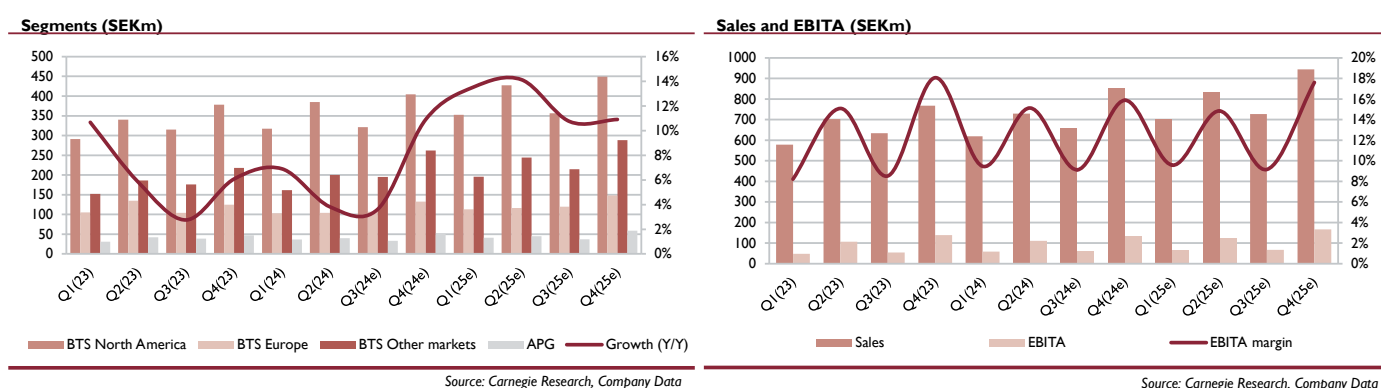
**Acceleration in growth:** Despite weak organic growth of 5% in 9M(24), BTS's EBITA margin has been resilient, increasing from 10.8% in 9M(23) to 11.4% in 9M(24). We believe that a return to Y/Y growth of 10–12% will lead to margin expansion throughout 2025e.

**New initiatives increasing contribution:** During Q3(24) BTS launched its AI tool Verity to clients in North America and Europe. Verity listens to clients' sales calls, assesses performance and gives feedback in real time. We believe that this service, together with the increased number of custom practice bots, will increase BTS's profitability as these services require fewer employees. Both cases are at an early commercial stage.

**Bolt-on acquisitions:** We believe BTS will continue to make smaller bolt-on acquisitions. These could either be in certain geographies to strengthen presence, or new product offerings to increase share of wallet in acquisitions.

QUARTERLY DATA	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4e	2025Q1e	2025Q2e	2025Q3e	2025Q4e
Financial Year End	2023-03-31	2023-06-30	2023-09-30	2023-12-31	2024-03-31	2024-06-30	2024-09-30	2024-12-31	2025-03-31	2025-06-30	2025-09-30	2025-12-31
Sales	579	703	634	768	619	730	657	852	703	833	728	945
EBITDA	66	123	72	162	80	124	78	153	85	142	85	184
EBITA	47	106	53	139	58	110	60	135	67	124	67	166
Adjusted EBITA	47	106	53	139	58	110	60	135	67	124	67	166
EBIT	36	92	38	122	43	95	43	121	52	109	52	151
Adjusted EBIT	36	92	38	122	43	95	43	121	52	109	52	151
Net Financial Items	-3	-4	-6	-8	-6.8	-9	157	-6	-5.5	-5.5	-5.5	-5.5
EAFI	33	88	32	115	36	86	200	115	47	103	46	146
Pre-Tax Profit	33	88	31	143	64	87	200	115	47	103	46	146
Adjusted Pre-Tax Profit	33	88	31	115	36	86.4	34	115	47	103	46	146
Net Profit	23	61	22	110	53	60	190	81	33	72	32	102
Adjusted Net Profit	23	61	22	81	25	60	24	81	33	72	32	102
EPS	1.2	3.1	1.1	5.7	2.8	3.1	10	4.2	1.7	3.7	1.7	5.3
Adjusted EPS	1.2	3.1	1.1	2.7	1.3	3.1	1.2	4.2	1.7	3.7	1.7	5.3

Source: Company data, Carnegie research

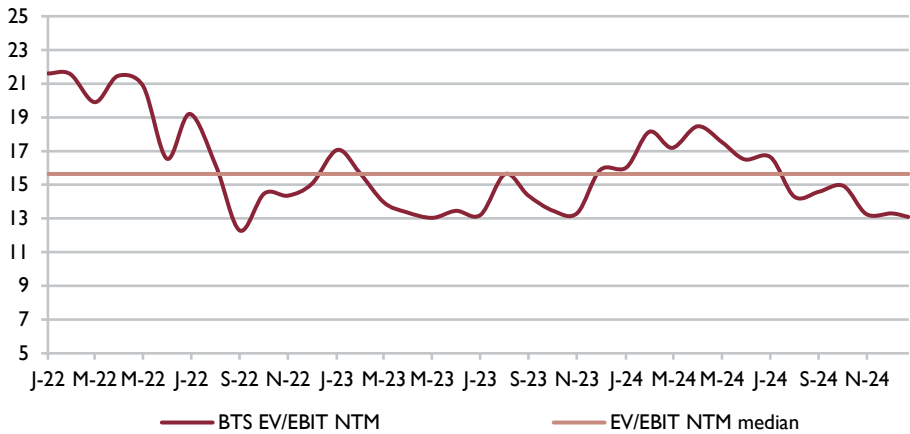


Valuation

We use DCFs to value BTS, using WACCs of 8.5% and 10%, to get our fair value range of SEK310–380 (320–370). We argue that a DCF is the best way to value BTS given the limited number of peers and the company’s long, stable history. BTS had an FX-adjusted revenue CAGR(01–23) of 12%.

Trades at a 16% discount to the 3-year median EV/EBIT NTM

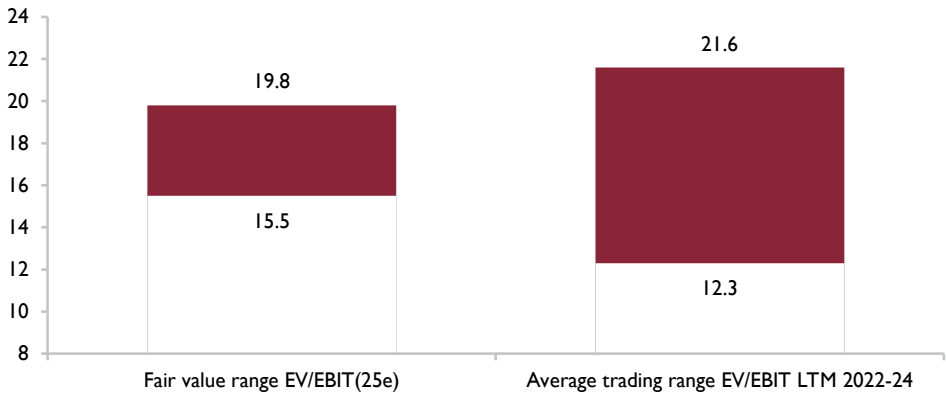
Valuation range EV/EBIT (NTM)



Source: Factset (Consensus numbers)

Our fair value range is within the trading range in the last three years

Fair value range (EV/EBIT 2025e) and (EV/EBIT NTM\*)



Source: Carnegie Research, FactSet \*Consensus numbers

DCF assumptions - Summary	2025e	2026e	2027e	Average year			Terminal	
				4-5	6-10	11-15	16-20	period
Total sales growth	12.3%	9.4%	8.0%	7.8%	4.8%	4.0%	4.0%	2.0%
EBITDA margin	15.5%	15.3%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Depreciation % of sales	-2.8%	-2.6%	-3.0%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%
EBITA margin	12.7%	12.7%	12.0%	12.5%	12.5%	12.5%	12.5%	12.5%
Amortisations % of sales	-1.3%	-0.9%	1.0%	1.0%	1.0%	1.0%	1.0%	0.0%
EBIT margin	11.3%	11.8%	13.0%	13.5%	13.5%	13.5%	13.5%	13.5%
Capex % of sales	-0.3%	-0.3%	-0.2%	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%
Paid tax rate	-29.8%	-29.8%	-29.8%	-28.0%	-28.0%	-28.0%	-28.0%	-28.0%
NWC to sales	4.5%	4.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Sales	3,208	3,510	3,791	4,248	5,133	6,267	7,625	8,399
<b>EBITDA</b>	<b>496</b>	<b>539</b>	<b>569</b>	<b>637</b>	<b>770</b>	<b>940</b>	<b>1,144</b>	<b>1,260</b>
Capex	-9	-9	-9	-106	-128	-157	-191	-210
Taxes	-104	-119	4	-149	-180	-219	-267	294
Other	-16	-14	158	-12	-9	-10	-12	9,928
<b>Free cash flow</b>	<b>367</b>	<b>397</b>	<b>721</b>	<b>370</b>	<b>453</b>	<b>554</b>	<b>674</b>	<b>11,272</b>
Discounted FCF	352	351	588	267	245	200	162	2,297
Share of total discounted FCF	5%	5%	8%	7%	17%	14%	11%	32%

Valuation	(curr.)m	Per share	WACC assumptions	
EV (discounted FCF)	7,159	369	Risk free interest rate	4.0%
- Net debt (2024)	173	9	Debt risk premium	0.5%
+ Associates	0	0	Equity risk premium	4.0%
- Minority interest	0	0	Equity beta	1.25
- Outstanding warrants	0	0	<b>Cost of Equity</b>	<b>8.5%</b>
Other debt adjustments	0	0	Tax rate	28.0%
ESG penalty	0	0	After tax cost of debt	3.2%
<b>Equity value at YE (24)</b>	<b>7,332</b>	<b>378</b>	Equity weight	100%
Time adjustment	36	2	<b>WACC</b>	<b>8.5%</b>
Dividend	0	0		
<b>Current equity value</b>	<b>7,368</b>	<b>380</b>		

Source: Carnegie Research

DCF sensitivity table

		WACC (%)						
		7.0%	8.0%	8.5%	9.0%	9.5%	10.0%	10.5%
<b>Av. EBITDA margin (%)</b>	13%	423	353	327	304	285	267	252
	14%	459	383	353	328	307	288	272
	15%	495	412	380	353	329	309	291
	16%	531	441	406	377	352	330	310
	17%	567	470	433	401	374	350	330

Source: Carnegie research

## Risks

**Currency risk:** BTS reports in SEK and has most of its revenue in foreign currency. This is partially offset by the fact that BTS Group has both revenue and most costs in local currency.

**Integration risk:** BTS Group has a history of making acquisitions. Historically the acquisitions have been relatively small and well-integrated.


**Downturn in client industries:** BTS has clients in many industries, which helps its diversification. It is, however, vulnerable to drastic changes in sentiment in certain industries. A clear example of this happened in 2023 when the US tech sector decreased investments and increased layoffs. This resulted in cancelled and delayed projects. This was only partly compensated for by other industries.

## Estimate changes

BTS - Estimate changes									
	2024e			2025e			2026e		
	Old	New	Chg	Old	New	Chg	Old	New	Chg
Sales	2,856	2,856	0%	3,226	3,208	-1%	3,531	3,510	-1%
Growth	6%	6%	+0 bps	13%	12%	-64 bps	9%	9%	-1 bps
EBITA	346	346	0%	402	407	1%	437	447	2%
EBITA margin	12.1%	12.1%	+0 bps	12.5%	12.7%	+24 bps	12.4%	12.7%	+35 bps
EO	0	0	n.m	0	0	n.m	0	0	n.m
Adj. EBITA	346	346	0%	402	407	1%	534	539	1%
Adj. EBITA marign	12.1%	12.1%	+0 bps	12.5%	12.7%	+24 bps	15.1%	15.3%	+22 bps
Pre-tax profit	465	465	0%	350	346	-1%	386	396	2%
Net profit	382	382	0%	245	242	-1%	270	277	2%
EPS	19.8	19.8	0%	12.8	12.5	-3%	14.1	14.3	1%
EPS adj	12.1	12.1	0%	14.6	14.7	1%	15.9	16.0	1%

Source: Carnegie Research

## Interim figures

QUARTERLY DATA	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4e	2025Q1e	2025Q2e	2025Q3e	2025Q4e
Financial Year End	2023-03-31	2023-06-30	2023-09-30	2023-12-31	2024-03-31	2024-06-30	2024-09-30	2024-12-31	2025-03-31	2025-06-30	2025-09-30	2025-12-31
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EBIT	36	92	38	122	43	95	43	121	52	109	52	151
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Net Profit	23 	61	22	110	53	60	190	81	33	72	32	102
Adjusted Net Profit	23	61	22	81	25	60	24	81	33	72	32	102
EPS	1.2	3.1	1.1	5.7	2.8	3.1	10	4.2	1.7	3.7	1.7	5.3
Adjusted EPS	1.2	3.1	1.1	2.7	1.3	3.1	1.2	4.2	1.7	3.7	1.7	5.3

Source: Company data, Carnegie research

## Financial statements

Profit & loss (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Sales	1,243	1,598	1,865	1,464	1,917	2,529	2,683	2,856	3,208	3,510
COGS	0	0	0	0	0	0	0	0	0	0
<b>Gross profit</b>	<b>1,243</b>	<b>1,598</b>	<b>1,865</b>	<b>1,464</b>	<b>1,917</b>	<b>2,529</b>	<b>2,683</b>	<b>2,856</b>	<b>3,208</b>	<b>3,510</b>
Other income & costs	-1,092	-1,384	-1,554	-1,309	-1,508	-2,110	-2,261	-2,422	-2,712	-2,972
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
<b>EBITDA</b>	<b>151</b>	<b>214</b>	<b>311</b>	<b>155</b>	<b>409</b>	<b>419</b>	<b>422</b>	<b>434</b>	<b>496</b>	<b>539</b>
Depreciation PPE	-9	-12	-66	-65	-71	-74	-75	-71	-72	-75
Depreciation lease assets	0	0	0	0	0	0	0	0	0	0
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	-4	-10	-9	-11	-11	-16	-17	-17	-17	-17
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
<b>EBITA</b>	<b>138</b>	<b>192</b>	<b>236</b>	<b>79</b>	<b>327</b>	<b>329</b>	<b>330</b>	<b>346</b>	<b>407</b>	<b>447</b>
Amortization acquisition related	-6	-8	-10	-15	-22	-29	-28	-46	-43	-33
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>132</b>	<b>183</b>	<b>226</b>	<b>65</b>	<b>305</b>	<b>300</b>	<b>302</b>	<b>300</b>	<b>364</b>	<b>414</b>
Share in ass. operations and JV	0	0	1	0	0	0	28	194	0	0
Net financial items	-1	-3	-10	-14	-16	-14	-21	-29	-18	-18
of which interest income/expenses	-1	-3	-10	-14	-16	-14	-21	-29	-18	-18
of which interest on lease liabilities	0	0	0	0	0	0	0	0	0	0
of which other items	0	0	0	0	0	0	0	0	0	0
<b>Pre-tax profit</b>	<b>131</b>	<b>180</b>	<b>216</b>	<b>51</b>	<b>289</b>	<b>287</b>	<b>309</b>	<b>465</b>	<b>346</b>	<b>396</b>
Taxes	-33	-54	-66	-16	-75	-91	-80	-82	-104	-119
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>98</b>	<b>126</b>	<b>151</b>	<b>35</b>	<b>215</b>	<b>195</b>	<b>229</b>	<b>382</b>	<b>242</b>	<b>277</b>
Adjusted EBITDA	151	214	311	155	409	419	422	434	496	539
Adjusted EBITA	138	192	236	79	327	329	330	346	407	447
Adjusted EBIT	132	183	226	65	256	300	302	300	364	414
Adjusted net profit	104	135	161	50	202	224	257	234	285	310
Sales growth Y/Y	12.2%	28.6%	16.7%	-21.5%	30.9%	31.9%	6.1%	6.4%	12.3%	9.4%
EBITDA growth Y/Y	20.1%	41.9%	45.4%	-50.1%	163.2%	2.5%	0.6%	2.8%	14.4%	8.6%
EBITA growth Y/Y	19.1%	39.1%	23.0%	-66.4%	312.3%	0.6%	0.4%	4.7%	17.7%	9.7%
EBIT growth Y/Y	18.1%	38.6%	23.0%	-71.4%	372.4%	-1.6%	0.5%	-0.6%	21.3%	13.6%
EBITDA margin	12.1%	13.4%	16.7%	10.6%	21.3%	16.6%	15.7%	15.2%	15.5%	15.3%
EBITA margin	11.1%	12.0%	12.6%	5.4%	17.1%	13.0%	12.3%	12.1%	12.7%	12.7%
EBIT margin	10.7%	11.5%	12.1%	4.4%	15.9%	11.9%	11.3%	10.5%	11.3%	11.8%
Tax rate	25.3%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%
Cash flow (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
EBITDA	151	214	311	155	409	419	422	434	496	539
Paid taxes	-51	-50	-71	-42	-76	-56	-71	-82	-104	-119
Change in NWC	-1	-2	-18	142	-5	-152	-164	-24	-16	-14
Non cash adjustments	0	-1	5	0	54	-1	-22	-55	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Total operating activities</b>	<b>99</b>	<b>161</b>	<b>227</b>	<b>256</b>	<b>382</b>	<b>211</b>	<b>165</b>	<b>273</b>	<b>376</b>	<b>406</b>
Capex tangible assets	-18	-19	-16	-12	-12	-21	-9	-9	-9	-9
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	0	0	-10	-8	-7	-39	-31	0	0	0
Acquisitions/divestments	-65	-15	-14	-126	-160	-15	-65	-152	0	0
Other non-cash adjustments	2	-3	2	-2	-2	-1	0	0	0	0
<b>Total investing activities</b>	<b>-80</b>	<b>-37</b>	<b>-38</b>	<b>-148</b>	<b>-182</b>	<b>-76</b>	<b>-105</b>	<b>-161</b>	<b>-9</b>	<b>-9</b>
Net financial items	-1	-3	-10	-14	-16	-14	-21	-29	-18	-18
Lease payments	0	0	-48	-45	-58	-55	-54	-54	-54	-54
Dividend paid and received	-47	-53	-69	-69	-23	-92	-103	-121	-126	-131
Share issues & buybacks	0	6	23	0	0	0	0	0	0	0
Change in bank debt	101	-23	-38	328	-79	-60	94	-5	0	0
Other cash flow items	0	0	0	0	-5	0	0	0	0	0
<b>Total financing activities</b>	<b>54</b>	<b>-74</b>	<b>-142</b>	<b>200</b>	<b>-181</b>	<b>-221</b>	<b>-84</b>	<b>-209</b>	<b>-198</b>	<b>-203</b>
Operating cash flow	99	161	227	256	382	211	165	273	376	406
Free cash flow	80	138	144	176	289	82	50	180	295	325
Net cash flow	72	50	48	308	19	-85	-25	-98	169	194
Change in net IB debt	-37	85	140	-7	190	98	-86	-39	223	248
Capex / Sales	1.4%	1.2%	0.9%	0.8%	0.6%	0.8%	0.3%	0.3%	0.3%	0.3%
NWC / Sales	7.6%	4.6%	4.3%	2.2%	-3.0%	-2.0%	1.9%	4.1%	4.3%	4.3%

Source: Carnegie Research &amp; company data



## Financial statements, cont.

Balance sheet (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Acquired intangible assets	421	455	536	549	830	909	1,104	1,058	1,015	982
Other fixed intangible assets	87	72	82	75	115	121	154	137	120	103
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	34	39	220	185	180	186	180	119	56	-10
Lease assets	0	0	0	0	0	0	0	0	0	0
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	8	15	13	17	22	28	28	235	235	235
<b>Fixed assets</b>	<b>550</b>	<b>581</b>	<b>851</b>	<b>826</b>	<b>1,147</b>	<b>1,244</b>	<b>1,466</b>	<b>1,548</b>	<b>1,425</b>	<b>1,309</b>
Inventories (2)	0	0	0	0	0	0	0	0	0	0
Receivables (2)	335	512	514	409	557	723	714	800	898	983
Prepaid exp. & other NWC items (2)	0	0	0	0	0	0	0	0	0	0
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	141	172	187	134	194	215	243	257	257	257
Cash & cash equivalents (1)	200	262	316	591	594	577	532	586	756	950
<b>Current assets</b>	<b>676</b>	<b>947</b>	<b>1,018</b>	<b>1,134</b>	<b>1,345</b>	<b>1,515</b>	<b>1,490</b>	<b>1,643</b>	<b>1,911</b>	<b>2,190</b>
<b>Total assets</b>	<b>1,226</b>	<b>1,528</b>	<b>1,869</b>	<b>1,960</b>	<b>2,492</b>	<b>2,758</b>	<b>2,956</b>	<b>3,191</b>	<b>3,336</b>	<b>3,499</b>
Shareholders' equity	581	704	840	710	983	1,213	1,301	1,574	1,690	1,836
Minorities	0	0	0	0	0	0	0	0	0	0
Other equity	0	0	0	0	0	0	0	0	0	0
<b>Total equity</b>	<b>581</b>	<b>704</b>	<b>840</b>	<b>710</b>	<b>983</b>	<b>1,213</b>	<b>1,301</b>	<b>1,574</b>	<b>1,690</b>	<b>1,836</b>
Deferred tax	38	56	55	56	82	84	96	96	96	96
LT IB debt (1)	0	0	0	0	0	0	0	-5	-5	-5
Other IB provisions (1)	85	63	45	28	234	245	325	325	325	325
Lease liabilities	187	173	178	151	141	140	147	93	39	-14
Other non-IB liabilities	0	0	134	239	129	85	66	66	66	66
<b>LT liabilities</b>	<b>310</b>	<b>292</b>	<b>412</b>	<b>475</b>	<b>586</b>	<b>554</b>	<b>634</b>	<b>575</b>	<b>521</b>	<b>467</b>
ST IB debt (1)	0	0	0	0	0	0	0	0	0	0
Payables (2)	31	36	42	35	35	49	58	157	176	193
Accrued exp. & other NWC items (2)	237	399	390	392	620	677	551	514	577	632
Other ST non-IB liabilities	69	98	184	349	267	265	413	371	371	371
Liabilities - assets held for sale	0	0	0	0	0	0	0	0	0	0
<b>Current liabilities</b>	<b>336</b>	<b>532</b>	<b>617</b>	<b>776</b>	<b>922</b>	<b>991</b>	<b>1,022</b>	<b>1,042</b>	<b>1,125</b>	<b>1,196</b>
<b>Total equity and liabilities</b>	<b>1,226</b>	<b>1,528</b>	<b>1,869</b>	<b>1,960</b>	<b>2,492</b>	<b>2,758</b>	<b>2,956</b>	<b>3,191</b>	<b>3,336</b>	<b>3,499</b>
Net IB debt (=1)	72	-27	-93	-412	-219	-191	-60	-173	-396	-645
Net working capital (NWC) (=2)	68	78	82	-18	-98	-3	105	129	144	158
Capital employed (CE)	890	996	1,118	945	1,440	1,683	1,869	2,083	2,145	2,237
Capital invested (CI)	610	644	920	791	1,027	1,213	1,543	1,442	1,335	1,233
Equity / Total assets	47%	46%	45%	36%	39%	44%	44%	49%	51%	52%
Net IB debt / EBITDA	0.5	-0.1	-0.3	-2.7	-0.5	-0.5	-0.1	-0.4	-0.8	-1.2
<b>Per share data (SEK)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Adj. no. of shares in issue YE (m)	19.13	19.14	19.14	19.14	19.14	19.14	19.14	19.40	19.40	19.40
Diluted no. of Shares YE (m)	19.13	19.14	19.14	19.14	19.14	19.14	19.14	19.40	19.40	19.40
EPS	5.20	6.59	7.87	1.84	11.2	10.2	11.9	19.8	12.5	14.3
EPS adj.	5.49	7.03	8.40	2.61	10.5	11.7	13.4	12.1	14.7	16.0
CEPS	6.17	8.21	9.83	4.20	13.6	13.5	13.9	13.9	16.5	17.9
DPS	2.80	3.60	3.60	1.20	4.80	5.40	5.70	6.50	6.75	7.00
BVPS	30.4	36.8	43.9	37.1	51.4	63.4	68.0	81.1	87.1	94.6
<b>Performance measures</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
ROE	17.5%	19.6%	19.5%	4.5%	25.4%	17.8%	18.2%	26.6%	14.8%	15.7%
Adj. ROCE pre-tax	18.6%	20.3%	22.4%	7.7%	27.4%	21.1%	20.2%	27.3%	19.3%	20.4%
Adj. ROIC after-tax	19.3%	21.5%	21.2%	6.5%	25.2%	20.6%	16.8%	16.3%	20.6%	24.4%
<b>Valuation</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
FCF yield	1.6%	2.7%	2.8%	3.5%	5.7%	1.6%	1.0%	3.5%	5.8%	6.4%
Dividend yield YE	na	na	1.5%	0.6%	1.2%	1.9%	1.9%	2.5%	2.6%	2.7%
Dividend payout ratio	53.8%	54.6%	45.7%	65.2%	42.8%	52.9%	47.7%	32.8%	54.1%	49.0%
Dividend + buy backs yield YE	na	na	1.5%	0.6%	1.2%	1.9%	1.9%	2.5%	2.6%	2.7%
EV/Sales YE	na	na	2.39	2.55	3.91	2.13	2.09	1.73	1.46	1.26
EV/EBITDA YE	na	na	14.3	24.1	18.3	12.8	13.3	11.4	9.4	8.2
EV/EBITA YE	na	na	18.9	47.2	22.9	16.4	17.0	14.3	11.5	9.9
EV/EBITA adj. YE	na	na	18.9	47.2	22.9	16.4	17.0	14.3	11.5	9.9
EV/EBIT YE	na	na	19.8	>50	24.6	17.9	18.6	16.4	12.9	10.7
P/E YE	na	na	30.2	>50	35.9	28.5	24.8	13.3	21.0	18.4
P/E adj. YE	na	na	28.3	>50	38.3	24.9	22.0	21.7	17.8	16.4
P/BV YE	na	na	5.42	5.85	7.84	4.59	4.36	3.24	3.01	2.77
Share price YE (SEK)			238	217	403	291	296	263	262	

Source: Carnegie Research &amp; company data

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