EVLI

GLASTON

Machinery/Finland, February 8, 2018
News Flash

Misses estimates

Glaston's Q4 sales were below our expectations due to lower number of deliveries in the quarter. Adj. EBIT was 10% below our estimates at EUR 2.6m. Q4 order intake was 14% below last year due to customers' long decision-making and delayed deals. Board proposes return of capital of EUR 0.01 per share, in line with our dividend estimate of EUR 0.01. In 2018, Glaston expects the full-year comparable operating profit to improve from 2017.

Glaston's Q4/17 figures against Evli estimates:

- Group net sales were EUR 33.1m vs. EUR 37.2m by Evli
- Group adj. EBIT was EUR 2.6m vs. EUR 2.9m by Evli
- Group adj. EBIT margin was 7.9% vs. 7.8% by Evli
- EPS was 0.009 vs. 0.01 by Evli
- DPS was 0.01 vs. 0.01 by Evli
- Machines' sales were EUR 22.3m vs. EUR 25.5m by Evli
- Services' sales were EUR 11.5m vs. EUR 12.3m by Evli
- FY2018 Guidance: Full-year 2018 comparable operating profit to improve from 2017 (EUR 5.4m in 2017).
- Positive market conditions create good conditions for profitable growth to continue in 2018
- Our FY2018 net sales estimate is at EUR 119.1m, representing growth of 4.2%
- Our FY2018 adj. EBIT estimate is at EUR 8.6m or 7.2% of net sales

Rating	HOLD

GLASTON				
Q4/17	Actual	Evli	Actual vs Evli	Year ago
Revenue	33.1	37.2	-11%	35.2
Adj. EBIT	2.6	2.9	-10%	2.7
Adj. EBIT margin	7.9%	7.8%	1%	7.7%
EPS rep.	0.009	0.01	-10%	0.01
DPS	0.01	0.01	0%	0.00

Consensus not available, only two analysts following

Share price, EUR (Last trading day's closing price)	0.45
Target price, EUR	0.47
Latest change in recommendation	31-Oct-17
Latest report on company	8-Feb-18
Research paid by issuer:	Yes
No. of shares outstanding, '000's	192,920
No. of shares fully diluted, '000's	192,920
Market cap, EURm	87
Free float, %	53.0
Exchange rate EUR/USD	0.000
Reuters code	GLA1V.HE
Bloomberg code	GLA1V FH
Average daily volume, EURm	0.0
Next interim report	
Web site	http://www.glaston.net/

Analyst	Tomi Lindell
E-mail	tomi.lindell@evli.com
Telephone	+358 9 4766 9204

BUY HOLD SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	Ptx profit EURm	EPS EUR	P/E (x)	EV/Sales (x)	P/CF (x)	EV/EBIT (x)	DPS EUR
2015	123	6	4.9%	0	0.00	-232.5	0.8	9.5	16.6	0.01
2016	107	2	2.1%	2	0.01	55.8	0.8	6.3	36.4	0.00
2017E	115	6	4.8%	5	0.02	23.8	0.8	21.9	15.9	0.01
2018E	119	9	7.2%	8	0.03	14.0	0.7	8.1	9.7	0.01
2019E	124	11	8.6%	10	0.04	10.9	0.6	6.8	7.3	0.02

Market cap, EURm	87	BV per share 2017E, EUR	0.2	CAGR EPS 2016-19, %	74.5
Net debt 2017E, EURm	0	Price/book 2017E	2.2	CAGR sales 2016-19, %	4.9
Enterprise value, EURm	87	Dividend yield 2017E, %	1.4	ROE 2017E, %	9.2
Total assets 2017E, EURm	109	Tax rate 2017E, %	26.8	ROCE 2017E, %	10.0
Goodwill 2017E, EURm	31	Equity ratio 2017E, %	36.0	PEG, P/E 17/CAGR	1.3

All the important disclosures can be found on the last pages of this report.

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https://research.evli.com/JasperAllModels.action?authParam=key;461&authParam=x;G3rNagWrtf7K&authType=3
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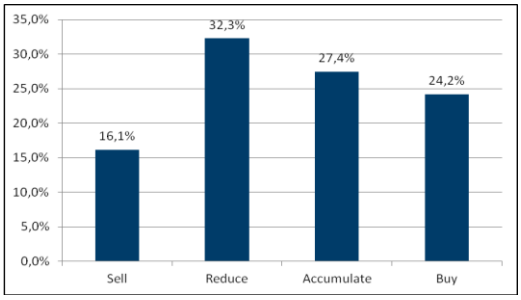
Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

ERP's investment recommendation of the analyzed company is in general updated 2 – 4 per year.



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Name(s) of the analyst(s): Lindell

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Contact information

SALES AND TRADING HELSINKI

Equity Sales

Ari Laine	+358 9 4766 9115
Lauri Ahokanto	+358 9 4766 9117
Niclas Henelius	+358 9 4766 9116

Trading

Lauri Vehkaluoto (Head)	+358 9 4766 9130
Pasi Väisänen	+358 9 4766 9120
Antti Kässi	+358 9 4766 9120

ETFs and Derivatives

Tobias Björk (Head)	+358 9 4766 9130
Joachim Dannberg	+358 9 4766 9123
Kimmo Lilja	+358 9 4766 9130

Structured Investments

Heikki Savijoki	+358 9 4766 9726
Aki Lakkisto	+358 9 4766 9123

Corporate Bonds sales and trading

Jukka Hyvönen	+46 8 407 8138
Thomas Kaukonen	+358 9 4766 9542

Derivatives Trading

Sami Järvinen	+358 9 4766 9110

Evli Investment Solutions

Johannes Asuja	+358 9 4766 9205
Markku Reinikainen	+358 9 4766 9669

SALES AND TRADING STOCKHOLM

Urban Lawesson (Head)	+46 8 407 8021
Thomas Kåhrström	+46 8 407 8018

EQUITY RESEARCH

Forestry, Pulp&Paper, Chemicals, Utilities, Packaging

Markku Järvinen (Head of Research, Finland)	+358 9 4766 9635

Retail, Consumer Goods, Telecommunications, Healthcare

Joonas Häyhä	+358 9 4766 9662

Research Analysts

Olli Pöyhönen	+358 9 4766 9643
Jerker Salokivi	+358 9 4766 9149

Technology, Software

Jonas Forslund	+358 9 4766 9314

Construction, Real Estate

Tomi Lindell	+358 9 4766 9204

EVLI BANK PLC

Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Fax +358 9 634 382
Internet www.evli.com
E-mail
firstname.lastname@evli.com

EVLI BANK PLC,
STOCKHOLMSFILIAL
Kungsgatan 27, P.O. Box 16354
SE-111 56 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000
Fax +46 (0)8 407 8001