

## Favourable AUM development amid challenging half-year

Taaleri's H1 results were quite in line with our expectations, with group income amounting to EUR 30.9m (Evli 31.1m) and EBIT to EUR 6.4m (Evli EUR 6.8m). AUM development better than we had foreseen, increasing 15.6% y/y to EUR 6.6bn.

- Income in H1 amounted to EUR 30.9m (EUR 35.5m in H1/18), in line with our estimates (Evli EUR 31.1m). The group's continuing earnings declined some 8.6 per cent y/y.
- EBIT in H1 amounted to EUR 6.4m (EUR 12.4m in H1/18), slightly below our estimates (Evli EUR 6.8m). Taaleri had pre-announced the EBIT -margin in H1/19 to be between 20-25%
- The Wealth Management segments income in H1 was EUR 17.2m (H1/18 EUR 29.7m) and EBIT EUR 2.0m (H1/18 EUR 14.1m), with our estimates at EUR 18.0m and EUR 2.2m respectively.
- The Financing segments income in H1 was EUR 10.4m (H1/18 EUR 6.2m) and EBIT EUR 6.1m (H1/18 EUR 2.4m), with our estimates at EUR 10.6m and EUR 6.5m respectively.
- The Energy segments income in H1 was EUR 1.4m (H1/18 EUR 1.1m) and EBIT EUR -1.6m (H1/18 EUR -0.9m), with our estimates at EUR 2.0m and EUR -0.8m respectively.
- Income from other operations in H1 amounted to EUR 1.8m (H1/18 EUR -1.5m) and EBIT EUR -0.1m (H1/18 EUR -3.3m), with our estimates at EUR 0.5m and EUR -1.1m respectively.
- Assets under management at the end of H1/19 amounted to EUR 6.6bn, up 15.6% y/y.

### Rating + BUY

H1/19	Actual	Evli	H1/18
Income	30.9	31.1	35.2
EBIT	6.4	6.8	12.4
EPS	0.18	0.19	0.33

Deviation	Actual	Evli	H1/18
Income		-1%	-12%
EBIT		-5%	-48%
EPS		-5%	-46%

Share price, EUR (Last trading day's closing price) **6.96**

Target price, EUR **8.0**

Latest change in recommendation **29-May-18**

Latest report on company **13-Aug-19**

Research paid by issuer: **YES**

No. of shares outstanding, '000's **28,351**

No. of shares fully diluted, '000's **28,351**

Market cap, EURm **197**

Free float, % **45.0**

Exchange rate **0.000**

Reuters code **TAALA.HE**

Bloomberg code **TAALA FH**

Average daily volume, EURm **0.07**

Next interim report **15-Aug-19**

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+ 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
2017	81	27	33.4%	28	0.77	13.5	4.0	10.2	11.9	0.26
2018	73	24	33.3%	24	0.76	9.3	3.3	-82.9	10.0	0.30
2019E	72	21	28.6%	21	0.58	12.0	3.2	10.8	11.1	0.30
2020E	77	24	30.5%	24	0.66	10.5	2.8	11.3	9.3	0.32
2021E	82	27	33.3%	27	0.77	9.0	2.5	9.5	7.6	0.33

Market cap, EURm	197	BV per share 2019E, EUR	4.5	CAGR EPS 2018-21, %	0.4
Net debt 2019E, EURm	27	Price/book 2019E	1.5	CAGR sales 2018-21, %	4.3
Enterprise value, EURm	227	Dividend yield 2019E, %	4.3	ROE 2019E, %	13.2
Total assets 2019E, EURm	237	Tax rate 2019E, %	20.0	ROCE 2019E, %	11.2
Goodwill 2019E, EURm	5	Equity ratio 2019E, %	54.9	PEG, P/E 19/CAGR	1.1

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

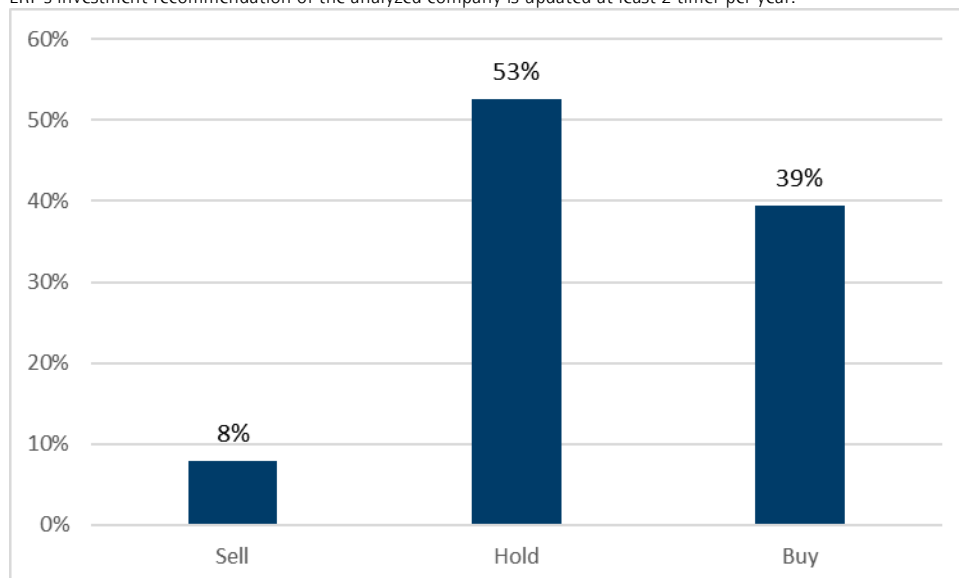
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Investment recommendations are defined as follows:

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

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