

No meaningful surprises

Cibus Nordic reported Q1 property portfolio performance in line with our estimates, while operating income was slightly below our estimate due to the Coop portfolio acquisition which temporarily elevated central administration expenses.

- Q1 rental income amounted to EUR 14.0m vs our EUR 13.9m estimate.
- Accounting for property expenses, net rental income was EUR 13.0m while we expected EUR 13.0m.
- Subtracting central administration expenses, operating income stood at EUR 11.5m in comparison to our EUR 11.9m estimate. The expenses were higher than we expected due to the Coop portfolio acquisition.
- After considering net financial costs (including currency losses), net operating income was EUR 6.8m vs our EUR 7.6m expectation. The figure was EUR 7.7m excluding currency losses.
- Annual net rental income capacity now stands at EUR 60.6m (previously EUR 50.9m).
- The portfolio was valued at EUR 1,053m, meaning EPRA NAV amounted to EUR 11.6 (11.4) per share.
- Net LTV ratio was 58.1% (58.7%).
- Occupancy rate stood at 94.8% (94.7%) at the end of Q1.
- WAULT was 5.5 years (4.9 years), increasing due to the Coop portfolio acquisition.

Rating				+ BUY
Q1'20	Actual	Evli	Q4'19	
Rental income	14.0	13.9	13.2	
Net rental income	13.0	13.0	12.6	
Operating income	11.5	11.9	10.6	
Net operating income	6.8	7.6	7.0	
Share price, SEK (Last trading day's closing price)				122.40
Target price, SEK				150.0
Latest change in recommendation				12-May-20
Latest report on company				12-May-20
Research paid by issuer:				YES
No. of shares outstanding, '000's				37,320
No. of shares fully diluted, '000's				37,320
Market cap, EURm				429
Free float, %				91.4
Exchange rate EUR/SEK				10.60
Reuters code				CIBUS.ST
Bloomberg code				CIBUS SS
Average daily volume, EURm				1.0
Next interim report				15-May-20
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+ BUY + HOLD - SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2018	39.8	33.7	84.7%	17.8	0.54	19.6	19.8	23.4	5.5	0.84
2019	51.5	43.5	84.5%	-17.5	0.76	18.8	18.5	21.9	-3.9	0.89
2020E	62.7	55.1	87.9%	-149.5	0.85	13.5	16.5	18.8	-34.8	0.93
2021E	65.8	58.3	88.5%	34.4	0.93	12.3	15.7	17.7	8.0	0.98
2022E	66.6	59.0	88.5%	34.3	0.92	12.5	15.5	17.6	8.0	1.03
Market cap, EURm	429		BV per share 2020E, EUR		143.3	CAGR EPS 2019-22, %		6.7		
Net debt 2020E, EURm	603		Price/book 2020E		1.0	CAGR sales 2019-22, %		9.0		
Enterprise value, EURm	1,033		Dividend yield 2020E, %		8.1	ROE 2020E, %		8.4		
Total assets 2020E, EURm	1,099		Tax rate 2020E, %		17.0	ROCE 2020E, %		5.7		
Goodwill 2020E, EURm	0		Equity ratio 2020E, %		38.3	PEG, P/E 20/CAGR		4.3		

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

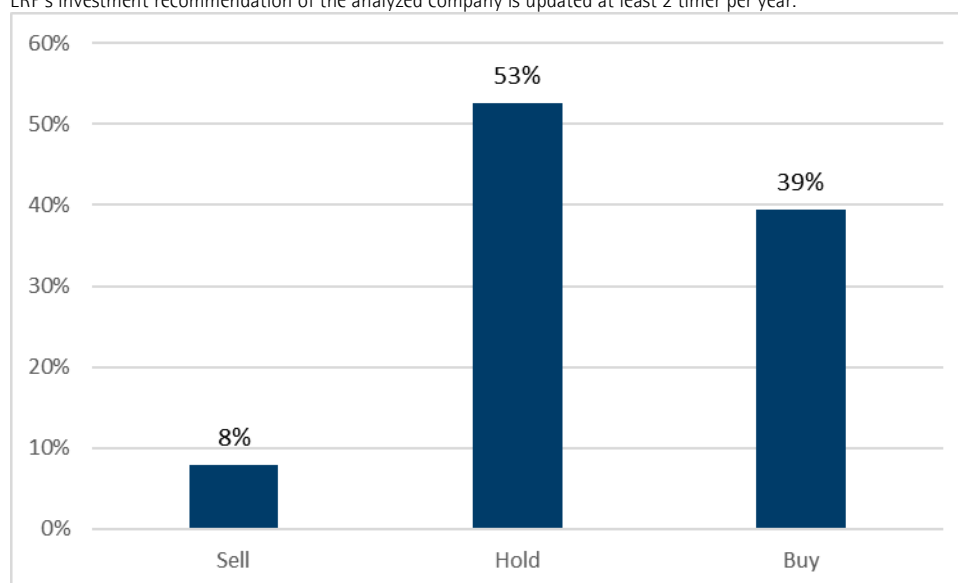
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Investment recommendations are defined as follows:

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

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The graph above shows the distribution of ERP's recommendations of companies under coverage in 1st of February 2019. If recommendation is not given, it is not mentioned here.

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

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