

High Renewable Energy demand

Dovre's EUR 2.4m EBIT was soft relative to our estimate despite the high top line, but in our view valuation is low relative to the annual EUR 8m EBIT level.

Some seasonal fluctuation in quarterly earnings levels

Dovre's EUR 63m Q3 revenue topped our EUR 58m estimate due to the 73% y/y growth in Renewable Energy, driven by solar and wind projects in Sweden and Finland. Project Personnel and Consulting were a bit soft relative to our estimates, and the EBIT margin of Renewable Energy was also lower than we estimated, so that the EUR 2.4m EBIT came in lower than our EUR 2.9m estimate. In our view Dovre likely lands near the upper end of its revenue guidance; Q4 EBIT should improve by at least some EUR 1m y/y as the comparison period was soft. We expect Dovre's EBIT will remain roughly around the level of EUR 8m (excluding the write-down) this year and next as Project Personnel and Renewable Energy will both continue to generate about EUR 4m.

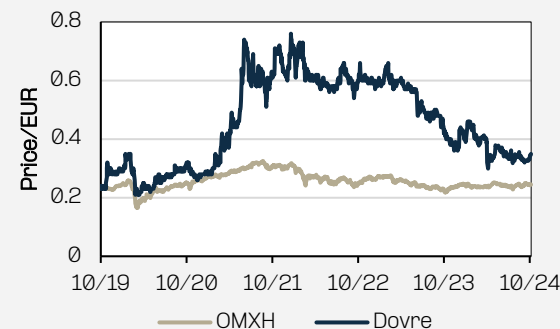
Solar power construction projects remain a major driver

The softness in Project Personnel this year means FY'25 will have an undemanding comparison period so that its revenue and EBIT should again grow, while Renewable Energy's growth seems set to continue even if at a lower rate. There are around 200 potential solar projects in Finland alone, worth up to ca. EUR 5bn (confirmed decisions of about 10% of that). The economics tend to be more favorable than those of wind projects due to the relatively small size (about EUR 25m investment on average) and thus often rather straightforward to complete in comparison to much larger wind parks. The Finnish market is still smaller than the Swedish one, but it has potential to reach a higher relative growth rate in the coming years. There's thus a lot of demand for the services of Suvic and Renetec, although the construction market also has enough supply so that margins are often not huge (however the business neither ties much capital).

Valuation low relative to the EUR 8m group EBIT level

We make revisions so that our revenue estimates increase while our earnings estimates are down a bit, and margin estimates decrease by some 20–30bps. Dovre's valuation remains around 6x EV/EBIT on our FY'25 estimates (excl. the RE minority). We retain our EUR 0.50 TP and BUY rating.

Rating ++ Buy



Share price, EUR (Last trading day's closing price) **0.33**
Target price, EUR 0.50

Latest change in recommendation 20-May-22

Latest report on company 16-Aug-24

Research paid by issuer: YES

No. of shares outstanding, '000's 105 960

No. of shares fully diluted, '000's 105 960

Market cap, EURm 36

Free float, % 94.3 %

Exchange rate –

Reuters code DOV1V.HE

Bloomberg code DOV1V FH

Average daily volume, EUR 0.1

Next interim report

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++ BUY ◻ HOLD - SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2022	203.0	8.5	4.2%	0.9	0.05	11.9	0.3	6.9	1.5%	
2023	196.7	7.4	3.8%	-0.1	0.04	11.3	0.2	6.3	-0.2%	0.01
2024E	208.5	1.8	0.9%	-0.1	0.02	21.1	0.2	21.1	-0.1%	0.01
2025E	218.5	8.0	3.6%	2.0	0.03	10.3	0.2	4.7	5.5%	0.01
2026E	226.4	9.2	4.1%	4.9	0.07	5.1	0.1	3.6	13.7%	0.01
Market cap, EURm		36	Gearing 2024E, %		5.9 %	CAGR EPS 2023–26, %		20.2 %		
Net debt 2024E, EURm		2	Price/book 2024		0.9	CAGR Sales 2023–26, %		4.8 %		
Enterprise value, EURm		38	Dividend yield 2024E, %		3.0 %	ROE 2024E, %		4.5 %		
Total assets 2024E, EURm		93	Tax rate 2024E, %		110.0 %	ROCE 2024E, %		3.8 %		
Goodwill 2024E, EURm		20	Equity ratio 2024E, %		41.1 %	PEG, P/E 24/CAGR		0.3		

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

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	0.33 PV of Free Cash Flow	47 Long-term growth, %	2.5 % Risk-free interest rate, % 2.25 %
DCF share value	0.72 PV of Horizon value	31 WACC, %	9.2 % Market risk premium, % 5.8 %
Share price potential, %	112.6 % Unconsolidated equity	0 Spread, %	0.0 % Debt risk premium % 2.8 %
Maximum value	0.7 Marketable securities	8 Minimum WACC, %	9.2 % Equity beta coefficient 1.20
Minimum value	0.7 Debt – dividend	-10 Maximum WACC, %	9.2 % Target debt ratio, % 15 %
Horizon value, %	39.5 % Value of stock	76 No. of shares, Mn	106.0 Effective tax rate, % 20 %

DCF valuation, EURm	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	TERMINAL
Net sales	197	209	218	226	233	238	244	250	257	263	270	276
Sales growth (%)	-3.1%	6.0%	4.8%	3.6%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Operating income (EBIT)	7	2	8	9	11	12	12	13	13	13	13	14
Operating income margin %	3.8%	0.9%	3.6%	4.1%	4.5%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
+ Depreciation+amort.	1		0	0	0	0	1	1	1	0	0	
EBITDA	8	3	8	10	11	12	13	13	14	13	13	
- Paid taxes	-2	-1	-2	-2	-2	-2	-2	-3	-3	-3	-3	
- Change in NWC	-5	-1	-1	-1	0	0	0	0	0	0	0	
NWC / Sales, %	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	6.0%	6.0%	6.0%	6.0%	6.0%	
+ Change in other liabs	-1											
- Operative CAPEX	0	-1	-1	-2	-2	-2	-2	-2	15	-1	-6	
opCAPEX / Sales, %	0.1%	0.5%	0.5%	0.9%	0.9%	0.8%	0.8%	0.8%	-5.8%	0.4%	2.1%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	1	-1	5	5	6	8	8	8	26	9	5	70
= Discounted FCFF		-1	4	4	5	5	5	5	14	4	2	31
= DFCF min WACC		-1	4	4	5	5	5	5	14	4	2	31
= DFCF max WACC		-1	4	4	5	5	5	5	14	4	2	31

Sensitivity analysis, EUR

		Terminal WACC				
		7.23 %	8.23 %	9.23 %	10.23 %	11.23 %
Terminal EBIT-%	3.00 %	0.39	0.38	0.37	0.36	0.35
	4.00 %	0.68	0.60	0.55	0.50	0.46
	5.00 %	0.97	0.82	0.72	0.64	0.57
	6.00 %	1.26	1.04	0.89	0.78	0.69
	7.00 %	1.55	1.26	1.06	0.91	0.80

Estimates and valuation

Dovre	FY '20	FY '21	FY '22	Q1'23	Q2'23	Q3'23	Q4'23	FY '23	Q1'24	Q2'24	Q3'24	Q4'24e	FY '24e
Revenue	77.5	142.7	203.0	45.8	47.3	52.8	50.8	196.7	42.3	50.9	63.2	52.1	208.5
Project Personnel	62.9	76.2	90.6	24.8	25.9	28.8	29.3	108.8	25.2	25.3	25.1	25.2	100.8
y/y growth	-18 %	21 %	19 %	9 %	16 %	28 %	27 %	20 %	2 %	-2 %	-13 %	-14 %	-7 %
Consulting	14.5	16.1	18.2	5.1	4.0	3.5	3.9	16.5	3.6	3.5	2.8	3.2	13.1
y/y growth	137 %	11 %	13 %	17 %	-13 %	-20 %	15 %	-9 %	-30 %	-13 %	-19 %	-18 %	-21 %
Renewable Energy		50.4	94.2	15.9	17.4	20.5	17.6	71.4	13.5	22.1	35.3	23.7	94.6
y/y growth			87 %	-23 %	-14 %	-38 %	-13 %	-24 %	-15 %	27 %	72 %	35 %	32 %
EBIT	2.4	6.1	8.5	1.7	1.5	2.7	1.5	7.4	-4.9	1.9	2.4	2.5	1.9
Project Personnel	1.9	2.9	4.3	1.2	0.9	1.7	1.1	4.9	0.7	0.7	1.0	1.2	3.6
EBIT-%	3 %	4 %	5 %	5 %	3 %	6 %	4 %	5 %	3 %	3 %	4 %	5 %	4 %
Consulting	1.5	2.3	2.5	0.6	0.4	0.4	0.4	1.7	0.3	0.2	0.3	0.3	1.1
EBIT-%	10 %	14 %	14 %	12 %	10 %	11 %	10 %	10 %	8 %	6 %	11 %	9 %	9 %
Renewable Energy		1.9	2.7	0.2	0.5	0.9	0.2	1.8	-5.7	1.1	1.4	1.3	-1.9
EBIT-%		4 %	3 %	1 %	3 %	4 %	1 %	3 %	-42 %	5 %	4 %	5 %	-2 %
Other & Unallocated	-1.0	-1.0	-1.0	-0.3	-0.3	-0.3	-0.2	-1.0	-0.3	-0.2	-0.3	-0.3	-1.1

Source: Evli Research

DOVRE PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			EBIT-%		
		23	24	25	23	24	25	23	24	25
Brunel International	445	7.7x	6.0x	4.8x	10.8x	8.3x	6.3x	4.1 %	4.2 %	5.0 %
Eezy	31	7.1x	8.7x	6.8x	25.7x	26.1x	14.7x	1.8 %	2.0 %	3.3 %
Randstad	7554	8.6x	8.9x	7.7x	10.6x	11.8x	10.0x	4.2 %	3.2 %	3.7 %
AFRY	1769	8.1x	9.0x	8.1x	12.2x	12.8x	11.2x	6.8 %	7.4 %	8.1 %
Etteplan	284	9.3x	9.5x	7.9x	14.7x	19.1x	13.8x	7.7 %	5.3 %	7.1 %
Sitowise Group	95	8.3x	9.1x	7.4x	15.0x	23.1x	14.8x	6.2 %	3.9 %	5.9 %
SWECO	5254	16.0x	17.4x	15.9x	22.0x	22.3x	20.1x	8.6 %	9.6 %	10.1 %
AF Gruppen	1186	11.4x	9.3x	7.3x	19.9x	15.2x	10.6x	2.5 %	3.5 %	5.0 %
Kreate Group	75	5.9x	7.3x	6.4x	11.1x	11.9x	9.6x	2.3 %	3.3 %	3.7 %
Sdiptech	960	10.8x	10.7x	9.7x	15.2x	14.8x	13.3x	17.1 %	16.6 %	17.0 %
Veidekke	1423	4.9x			8.4x			3.3 %	3.8 %	3.9 %
Peer Group Average	1734	8.9x	9.6x	8.2x	15.1x	16.5x	12.4x	5.9 %	5.7 %	6.6 %
Peer Group Median	960	8.3x	9.0x	7.6x	14.7x	15.0x	12.2x	4.2 %	3.9 %	5.0 %
Dovre (Evli est.)	36	5.6x	13.6x	4.1x	6.3x	21.1x	4.7x	3.8 %	0.9 %	3.6 %

Dovre prem./disc. to peer median

-32 % 50 % -46 % -57 % 41 % -62 % -11 % -78 % -27 %

Source FactSet, Evli Research

Segment	EBIT '24e ⁴⁾	EV/EBIT '24e *	EV ¹⁾	EBIT '25e	EV/EBIT '25e *	EV ¹⁾
Project Personnel	3.6	11.8x	42	4.2	10.0x	42
Consulting	1.1	20.7x	23	1.4	14.3x	20
Renewable Energy	4.0	14.8x	30	3.6	10.6x	19
Other & Unallocated ²⁾	-1.1	15.8x	-17	-1.2	11.6x	-14
Total	7.6	10.3x	78	8.0	8.4x	67
Net debt (Evli YE est.)			2			1
Equity value			76			66
Per share			0.72			0.62
EV/EBIT ³⁾			13.8x			10.8x

*Peer group median (FactSet)

1) 51% stake in Renewable Energy

2) Multiple based on the weighted segmental average

3) Excluding 49% of Renewable Energy EBIT

4) Renewable Energy EBIT adjusted for the EUR 5.8m write-down

INTERIM FIGURES

EVLI ESTIMATES, EURm	2023Q1	2023Q2	2023Q3	2023Q4	2023	2024Q1	2024Q2	2024Q3	2024Q4E	2024E	2025E	2026E
Net sales	45.8	47.3	52.8	50.8	196.7	42.3	50.9	63.2	52.1	208.5	218.5	226.4
EBITDA	1.9	1.8	2.9	1.8	8.4	-4.6	2.1	2.6	2.7	2.8	8.3	9.6
<i>EBITDA margin (%)</i>	4.2%	3.8%	5.5%	3.5%	4.3%	-10.9%	4.1%	4.1%	5.2%	1.3%	3.8%	4.2%
EBIT	1.7	1.5	2.7	1.5	7.4	-4.9	1.9	2.3	2.5	1.8	8.0	9.2
<i>EBIT margin (%)</i>	3.7%	3.2%	5.1%	2.9%	3.8%	-11.6%	3.7%	3.6%	4.8%	0.9%	3.6%	4.1%
Net financial items	-0.2	-0.2	-0.6	-0.1	-1.1	-0.2	-0.1	-0.4	-0.1	-0.8	-0.4	-0.4
Pre-tax profit	1.5	1.3	2.1	1.4	6.3	-5.1	1.8	1.9	2.4	1.0	7.6	8.8
Tax	-0.3	-0.5	-0.5	-0.4	-1.7	-0.3	0.0	-0.5	-0.3	-1.1	-1.6	-1.8
<i>Tax rate (%)</i>	20.0%	37.5%	24.4%	28.6%	27.0%	-5.9%	-0.9%	27.2%	12.5%	110.0%	21.2%	20.0%
Net profit	1.0	0.8	1.3	1.0	4.1	-2.4	1.0	1.2	1.9	1.7	3.5	7.1
EPS	0.01	0.01	0.01	0.01	0.04	-0.02	0.01	0.01	0.02	0.02	0.03	0.07
EPS adj. (diluted)	0.01	0.01	0.01	0.01	0.04	-0.02	0.01	0.01	0.02	0.02	0.03	0.07
Dividend per share					0.01					0.01	0.01	0.01
SALES, EURm	2023Q1	2023Q2	2023Q3	2023Q4	2023	2024Q1	2024Q2	2024Q3	2024Q4E	2024E	2025E	2026E
Project Personnel	24.8	25.9	28.8	29.3	108.8	25.2	25.3	25.1	25.2	100.8	103.8	106.4
Consulting	5.1	4.0	3.5	3.9	16.5	3.6	3.5	2.8	3.2	13.1	13.4	13.7
Total	45.8	47.3	52.8	50.8	196.7	42.3	50.9	63.2	52.1	208.5	218.5	226.4
SALES GROWTH, Y/Y%	2023Q1	2023Q2	2023Q3	2023Q4	2023	2024Q1	2024Q2	2024Q3	2024Q4E	2024E	2025E	2026E
Project Personnel	9.3%	15.6%	28.0%	27.4%	20.1%	1.6%	-2.3%	-12.9%	-14.0%	-7.4%	3.0%	2.5%
Consulting	15.9%	-13.0%	-18.6%	-20.4%	-9.3%	-29.4%	-12.5%	-20.0%	-18.0%	-20.6%	2.5%	2.0%
Total	-4.2%		-11.6%	5.4%	-3.1%	-7.6%	7.6%	19.7%	2.6%	6.0%	4.8%	3.6%
EBIT, EURm	2023Q1	2023Q2	2023Q3	2023Q4	2023	2024Q1	2024Q2	2024Q3	2024Q4E	2024E	2025E	2026E
Project Personnel	1.2	0.9	1.7	1.1	4.9	0.7	0.7	1.0	1.2	3.6	4.2	4.8
Consulting	0.6	0.3	0.4	0.4	1.7	0.3	0.3	0.3	0.3	1.2	1.4	1.6
Renewable Energy	0.2	0.5	0.9	0.2	1.8	-5.7	1.1	1.4	1.3	-1.9	3.6	4.0
Other functions	-0.2	-0.2	-0.2	-0.1	-0.7	-0.2	-0.2	-0.3	-0.2	-0.8	-0.8	-0.8
Total	1.7	1.5	2.7	1.5	7.4	-4.9	1.9	2.3	2.5	1.8	8.0	9.2
EBIT margin %	2023Q1	2023Q2	2023Q3	2023Q4	2023	2024Q1	2024Q2	2024Q3	2024Q4E	2024E	2025E	2026E
Project Personnel	4.8%	3.5%	5.9%	3.8%	4.5%	2.8%	2.8%	4.0%	4.8%	3.6%	4.0%	4.5%
Consulting	11.8%	7.5%	11.4%	10.3%	10.3%	8.3%	8.6%	10.7%	9.4%	9.2%	10.5%	12.0%
Renewable Energy	1.3%	2.9%	4.4%	1.1%	2.5%	-41.9%	4.8%	4.0%	5.5%	-2.0%	3.6%	3.8%
Other functions	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Total	3.7%	3.2%	5.1%	2.9%	3.8%	-11.6%	3.7%	3.6%	4.8%	0.9%	3.6%	4.1%

INCOME STATEMENT, EURm	2019	2020	2021	2022	2023	2024E	2025E	2026E
Sales	83.1	77.4	142.7	203.0	196.7	208.5	218.5	226.4
<i>Sales growth (%)</i>	26.9%	-6.9%	84.4%	42.3%	-3.1%	6.0%	4.8%	3.6%
EBITDA	3.5	3.2	7.0	9.5	8.4	2.8	8.3	9.6
<i>EBITDA margin (%)</i>	4.2%	4.2%	4.9%	4.7%	4.3%	1.3%	3.8%	4.2%
Depreciation	-0.9	-0.8	-0.9	-1.0	-1.0		-0.3	-0.3
EBITA	2.6	2.4	6.1	8.5	7.4	1.8	8.0	9.2
Goodwill amortization / writedown								
EBIT	2.6	2.4	6.1	8.5	7.4	1.8	8.0	9.2
<i>EBIT margin (%)</i>	3.1%	3.1%	4.3%	4.2%	3.8%	0.9%	3.6%	4.1%
Reported EBIT	2.6	2.4	6.1	8.5	7.4	1.8	8.0	9.2
<i>EBIT margin (reported) (%)</i>	3.1%	3.1%	4.3%	4.2%	3.8%	0.9%	3.6%	4.1%
Net financials	-0.1	-0.2	-0.5	-1.0	-1.1	-0.8	-0.4	-0.4
Pre-tax profit	2.5	2.2	5.6	7.5	6.3	1.0	7.6	8.8
Taxes	-0.6	-0.5	-1.3	-1.6	-1.7	-1.1	-1.6	-1.8
Minority shares			-0.6	-0.7	-0.5	1.8	-2.5	
Net profit	2.0	1.7	3.7	5.2	4.1	1.7	3.5	7.1
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	3	3	3	4	7	8	9	10
Goodwill	15	16	21	21	20	20	20	20
Right of use assets								
Inventory			1	2	7	7	7	8
Receivables	15	14	32	42	44	47	49	51
Liquid funds	7	9	10	11	8	8	9	9
Total assets	41	44	70	82	88	93	96	100
Liabilities								
Shareholders' equity	24	24	28	34	37	38	40	46
Minority interest								
Convertible								
Lease liabilities								
Deferred taxes	1	1	1	1	1	1	1	1
Interest bearing debt	3	6	8	8	9	11	10	7
Non-interest bearing current liabilities	13	13	30	36	38	41	43	44
Other interest-free debt	0	0	1	2	1	1	1	1
Total liabilities	41	44	70	82	88	93	96	100
CASH FLOW, EURm								
+ EBITDA	3	3	7	10	8	3	8	10
- Net financial items	0	0	0	-1	-1	-1	0	0
- Taxes	-1	0	-1	-2	-2	-1	-2	-2
- Increase in Net Working Capital	-1	2	-2	-5	-5	-1	-1	-1
+/- Other			-1	-1	-1	2	-3	
= Cash flow from operations	2	5	3	1	0	1	3	7
- Capex	0	-5	-3	0	0	-1	-1	-2
- Acquisitions								
+ Divestments								
= Free cash flow	2	0	1	1	0	0	2	5
+/- New issues/buybacks		0	2	1	-1			
- Paid dividend	1	1			1	1	1	1
+/- Other	0	3	0	0	-2	2	-1	-4
Change in cash	1	2	1	2	-3	0	0	0

KEY FIGURES	2020	2021	2022	2023	2024E	2025E	2026E
M-cap	29	72	62	46	36	36	36
Net debt (excl. convertibles)	-2	-1	-3	1	2	1	-2
Enterprise value	26	71	59	47	38	37	33
Sales	77	143	203	197	209	218	226
EBITDA	3	7	10	8	3	8	10
EBIT	2	6	9	7	2	8	9
Pre-tax	2	6	7	6	1	8	9
Earnings	2	4	5	4	2	3	7
Equity book value (excl. minorities)	24	28	34	37	38	40	46

Valuation multiple	2020	2021	2022	2023	2024E	2025E	2026E
EV/Sales	0.3	0.5	0.3	0.2	0.2	0.2	0.1
EV/EBITDA	8.2	10.2	6.2	5.6	13.6	4.5	3.5
EV/EBITA	11.0	11.6	6.9	6.3	21.1	4.7	3.6
EV/EBIT	11.0	11.6	6.9	6.3	21.1	4.7	3.6
EV/OCF	5.5	23.6	52.0	363.9	40.1	11.9	4.8
EV/FCF	81.0	33.1	16.4	65.5	-31.5	7.8	6.4
P/FCFR	153.8	143.0	66.4	-644.7	-715.5	18.2	7.3
P/E	17.0	19.5	11.9	11.3	21.1	10.3	5.1
P/BV	1.2	2.5	1.8	1.2	0.9	0.9	0.8
Target EV/EBITDA					30.7	6.6	5.3
Target EV/EBIT					30.7	6.8	5.5
Target EV/FCFF					-1103.5	27.6	10.3
Target P/BV					1.4	1.3	1.1
Target P/E, diluted					31.2	15.3	7.5

Per share measures	2020	2021	2022	2023	2024E	2025E	2026E
Number of shares (million)	102.96	105.96	105.96	105.96	105.96	105.96	105.96
Number of shares (diluted, million)	102.96	105.96	105.96	105.96	105.96	105.96	105.96
EPS	0.02	0.03	0.05	0.04	0.02	0.03	0.07
Operating cash flow per share	0.05	0.03	0.01	0.00	0.01	0.03	0.07
Free cash flow per share	0.00	0.00	0.01	0.00	0.00	0.02	0.05
Book value per share	0.23	0.27	0.32	0.35	0.36	0.38	0.44
Dividend per share	0.01			0.01	0.01	0.01	0.01
Dividend payout ratio, %	60.9%			26.1%	62.3%	30.6%	15.0%
Dividend yield, %	3.6%			2.3%	3.0%	3.0%	3.0%
FCF yield, %	0.7%	0.7%	1.5%	-0.2%	-0.1%	5.5%	13.7%

Efficiency measures	2020	2021	2022	2023	2024E	2025E	2026E
ROE	7.1%	14.2%	16.5%	11.3%	4.5%	8.8%	16.3%
ROCE	8.5%	18.3%	21.4%	16.6%	3.8%	15.2%	17.0%

Financial ratios	2020	2021	2022	2023	2024E	2025E	2026E
Inventories as % of sales		0.5%	0.7%	3.4%	3.4%	3.4%	3.4%
Receivables as % of sales	17.8%	22.5%	20.8%	22.4%	22.4%	22.4%	22.4%
Non-int. bearing liabilities as % of sales	17.1%	21.1%	17.5%	19.5%	19.5%	19.5%	19.5%
NWC/sales, %	0.2%	1.2%	3.2%	5.9%	5.9%	5.9%	5.9%
Operative CAPEX/Sales, %	6.0%	1.8%	0.1%	0.1%	0.5%	0.5%	0.9%
CAPEX/sales (incl. acquisitions), %	6.0%	1.8%	0.1%	0.1%	0.5%	0.5%	0.9%
FCFF/EBITDA	0.1	0.3	0.4	0.1	-0.7	0.6	0.5
Net Debt/EBITDA, book-weighted	-0.7	-0.2	-0.3	0.1	1.3	0.2	-0.3
Debt/equity, market-weighted	0.2	0.1	0.1	0.2	0.3	0.3	0.2
Equity ratio, book-weighted	0.5	0.4	0.4	0.4	0.4	0.4	0.5
Gearing, %	-10.1%	-3.7%	-8.8%	3.1%	5.9%	3.3%	-5.4%

COMPANY DESCRIPTION: Dovre Group is a global provider of project management services. The Group's parent Dovre Group Plc is domiciled in Finland and is listed on Nasdaq Helsinki (symbol DOV1V). Dovre Group has three business areas: Project Personnel, Consulting and Renewable Energy.

INVESTMENT CASE: The three segments' organic development has been strong in recent years, while outlook for the key markets, namely the Norwegian oil and gas industry, the Norwegian public sector and the Finnish wind power construction market, remains favorable in the short and long-term. We believe Dovre is therefore likely to reach a healthy 5% organic CAGR in the coming years, which would also help EBIT margin to improve to around 5%.

OWNERSHIP STRUCTURE	SHARES	EURm	%
ETRA CAPITAL OY	19 000 000	6.422	17.9 %
JOENSUUN KAUPPA JA KONE OY	11 482 391	3.881	10.8 %
KOSKELO ILARI	6 155 000	2.080	5.8 %
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) HELSINKI BRANCH	3 465 513	1.171	3.3 %
SIIK SEPPO SAKARI	2 094 015	0.708	2.0 %
K22 FINANCE OY	2 000 000	0.676	1.9 %
MÄKELÄ PEKKA MIKAEL	1 775 713	0.600	1.7 %
PAASI KARI	1 750 000	0.591	1.7 %
SIIK RAUNI MARJUT	1 584 885	0.536	1.5 %
KAKKONEN KARI HEIKKI ILMARI	1 500 000	0.507	1.4 %
Ten largest	50 807 517	17.173	47.9 %
Residual	55 152 483	18.642	52.1 %
Total	105 960 000	35.814	100%

EARNINGS CALENDAR

OTHER EVENTS

COMPANY MISCELLANEOUS

GEO: Arve Jensen
CFO: Hans Sten
IR:

Ahventie 4 B
Tel: +358 20 436 2000

DEFINITIONS

<p>P/E</p> $\frac{\text{Price per share}}{\text{Earnings per share}}$	<p>EPS</p> $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
<p>P/BV</p> $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	<p>DPS</p> <p>Dividend for the financial period per share</p>
<p>Market cap</p> <p>Price per share * Number of shares</p>	<p>OCF (Operating cash flow)</p> <p>EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments</p>
<p>EV (Enterprise value)</p> <p>Market cap + net debt + minority interest at market value – share of associated companies at market value</p>	<p>FCF (Free cash flow)</p> <p>Operating cash flow – Operative CAPEX – acquisitions + divestments</p>
<p>EV/Sales</p> $\frac{\text{Enterprise value}}{\text{Sales}}$	<p>FCF yield, %</p> $\frac{\text{Free cash flow}}{\text{Market cap}}$
<p>EV/EBITDA</p> $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	<p>Operative CAPEX / Sales</p> $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
<p>EV/EBIT</p> $\frac{\text{Enterprise value}}{\text{Operating profit}}$	<p>Net working capital</p> <p>Current assets – current liabilities</p>
<p>Net debt</p> <p>Interest bearing debt – financial assets</p>	<p>Capital employed / Share</p> $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
<p>Total assets</p> <p>Balance sheet total</p>	<p>Gearing</p> $\frac{\text{Net debt}}{\text{Equity}}$
<p>Div yield, %</p> $\frac{\text{Dividend per share}}{\text{Price per share}}$	<p>Debt/Equity, %</p> $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
<p>Payout ratio, %</p> $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	<p>Equity ratio, %</p> $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
<p>ROCE, %</p> $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	<p>CAGR, %</p> <p>Cumulative annual growth rate = Average growth rate per year</p>
<p>ROE, %</p> $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

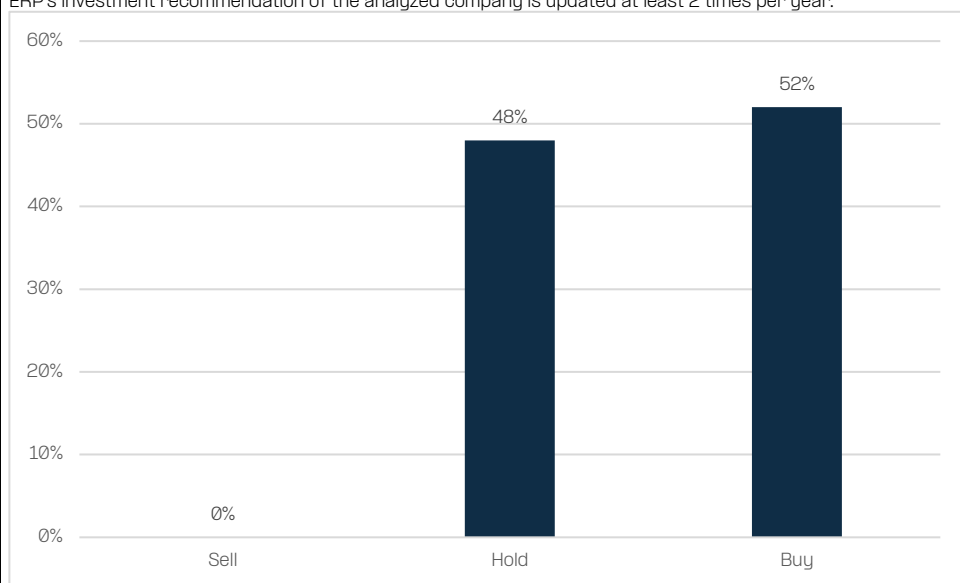
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Investment recommendations are defined as follows:

Target price compared to share price < -10 % -10 – (+10) % > 10 %	Recommendation SELL HOLD BUY
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Name(s) of the analyst(s): Joonas Iivonen

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