

# Graphisoft Park

# Buy

Upgraded from Hold

Price: HUF 3,290  
Price target: HUF 5,237  
(From HUF 5,285)

## Everybody loves a bargain

In operational terms, Graphisoft Park has benefitted from the strong leasing demand in the Budapest office market during the past three-to-four years. As the vacancy rate across Budapest was declining and average rents started to trend up, the buildings in the Park are no longer rented at a premium to the market. This is clearly positive, and should offer some protection for the company in the economic downturn, we believe. While its small size and low liquidity mean that it is not for everyone, we believe that Graphisoft Park is trading currently at attractive levels. With the tenant roster skewed towards IT and biotech companies, we believe the crisis should have a relatively limited impact on its rental income. Further developments and, potentially, a takeover by a larger peer, would be the key drivers of upside, we believe. We have upgraded the stock to BUY, setting our new 12M price target (PT) at HUF 5,237/share.

**Developments a key driver of long-term value.** There is a room to add c.20k sqm in the Southern Development Area. While we believe there are no immediate plans to start building, in its 1H20 report, management highlighted that the company could launch construction within the following 18 months, if it saw demand for the space. Upon clean-up, the Northern Area could accommodate an additional 42k sqm. If all this space is developed (42+20), the total GLA would increase by c.75% relative to the current levels. The Northern Area of the Park is still blocked for development, as it needs to be decontaminated first. The polluter, the Capital City Gas Works, does not appear to be co-operative and it is unclear whether the rehabilitation works will commence in the foreseeable future.

**A prospective acquisition of Graphisoft Park by a larger player** would be the key trigger for a rerating, in our view. Following the special dividend, Graphisoft Park is trading at a FFO yield in excess of 10%. That said, real estate transaction activity has come to an abrupt halt across the CEE capitals, and we believe it is rather unlikely that an established real estate company would be willing to pay a premium to NAV to acquire Graphisoft Park at this juncture.

**Guidance.** The majority of Graphisoft Park's tenants are financially stable companies, operating in IT or biotech. Based on the initial feedback from its tenants, management expects the impact on leasing demand for premium office space to be limited. The updated management guidance implies that the FFO should reach EUR 11.2m and EUR 11.4m in 2020E and 2021E, respectively, slightly more optimistic than the guidance issued in 1Q20.

**We value the company using a combination of a DCF and a peer multiples valuation.** Our DCF arrives at a 12M PT of HUF 7,313/share; while our peer valuation suggests HUF 3,162/share. We use a WACC of around 4.5% across our forecast horizon.

**Key risks:** working from home becoming more common; flooding; a continued economic contraction; FX fluctuations between the HUF and the EUR; oversupply on the office market; and an increase in capitalisation rates and borrowing costs.

### Expected events

3Q20 results 10 November 2020

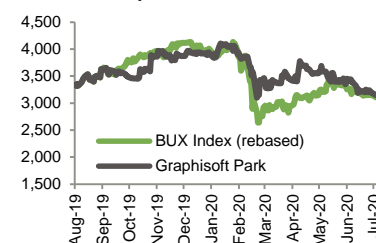
### Key data

Market cap	EUR 97m
Free float	38%
Shares outstanding	10.6m
3M ADTV	EUR 99k
Major shareholders	
	Mr. Gábor Bojár: 32%
	Concorde/HOLD AM: 16%
	AEGON: 10%
Reuters code	GSPAEUR.DEP
Bloomberg code	GSPARK HB
BUX index	34,910

### Price performance

52-w range	HUF 3,103-4,107/share
52-w performance	-7%
Relative performance	6%

Graphisoft Park 12M share price performance



Year	BV (EUR m)	BVPS (EUR)	Net LTV	Equity ratio	FFO (EUR m)	FFOPS (EUR)	FFO ROE	P/BV	FFO yield	DPS (EUR)	Div. Yield
2017	26	2.6	69%	25%	8.5	0.8	34.3%	3.1x	10.4%	0.3	3.7%
2018	168	16.6	28%	67%	9.9	1.0	10.2%	0.5x	12.1%	0.6	7.9%
2019	179	17.7	25%	60%	12.0	1.2	6.9%	0.5x	13.0%	2.8	30.4%
2020E	160	15.9	34%	57%	10.4	1.0	6.1%	0.6x	11.3%	0.7	7.3%
2021E	169	16.8	32%	58%	10.3	1.0	6.2%	0.5x	11.2%	0.7	7.3%
2022E	175	17.4	30%	59%	10.2	1.0	5.9%	0.5x	11.1%	0.7	7.2%

**Analysts:** Jakub Caithaml; Stefan Lungu, CFA  
E-mail: jakub.caithaml@wood.cz, stefan.lungu@wood.com

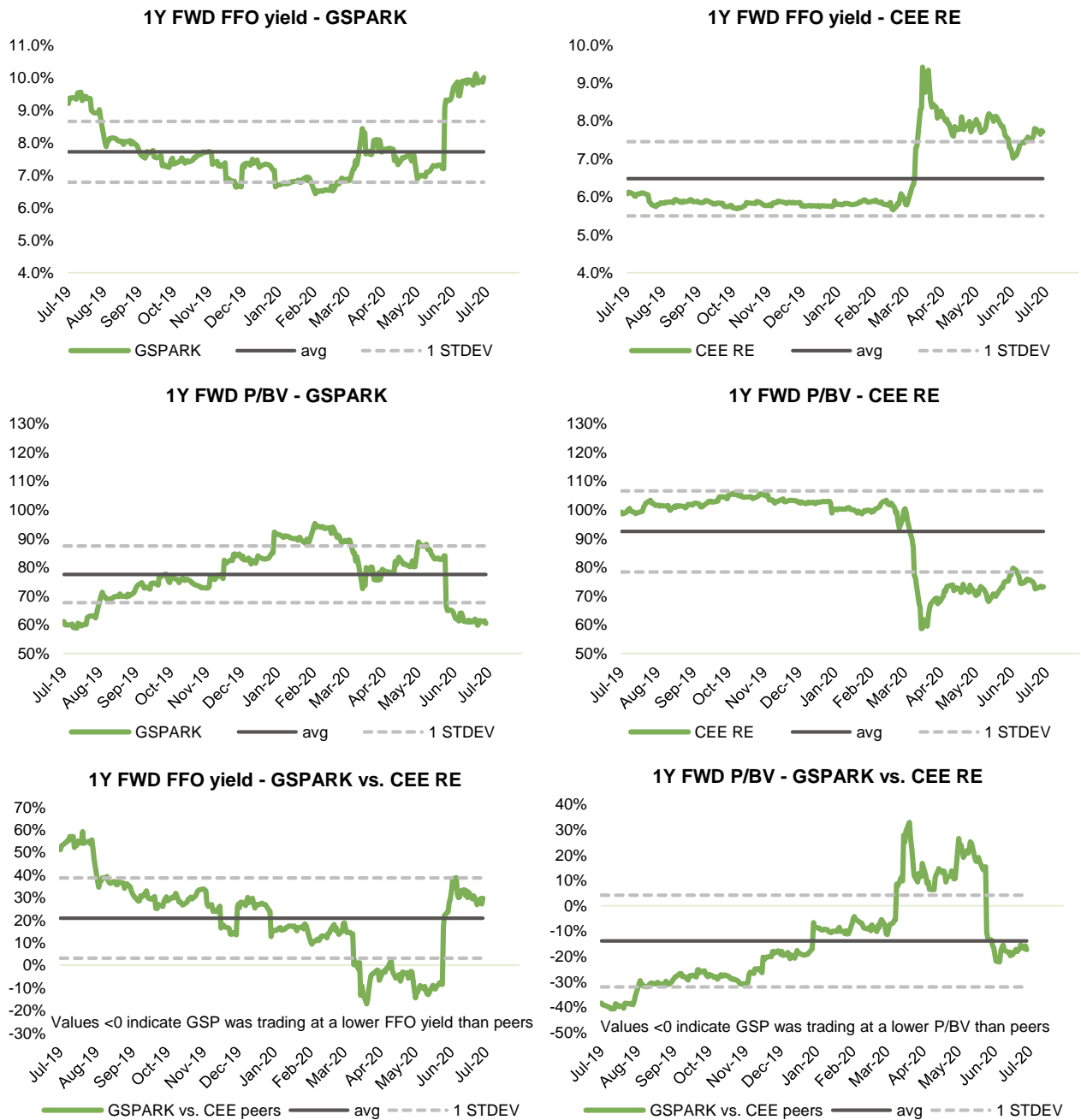
**Prague:** +420 222 096 481  
Website: www.wood.com

# Key risks and triggers

With a compact, unique portfolio of high quality offices, we believe Graphisoft Park could become an attractive takeover target for either a financial or industry investor. The development of new buildings on the existing land reserves, which we do not price in, could enhance the returns significantly beyond our forecasts.

The strong leasing demand in the Budapest office market and the growth of effective rents in recent years mean that the premium at which the Park's offices have been leased, historically, relative to the broader market, is shrinking. We believe the key structural risk for the business model is that, with more high-quality premises in and around the city centre, it may become less appealing to commute to the outskirts of town, especially for younger people without cars. Increases in working flexibility and working from home becoming more common could also lead to companies requiring less office space. Other risks include: yield expansion; flooding; a continued economic contraction; and FX fluctuations between the HUF and the EUR.

## Graphisoft Park vs. peers



Source: Company data, Bloomberg, WOOD Research

## WOOD: new vs. old estimates

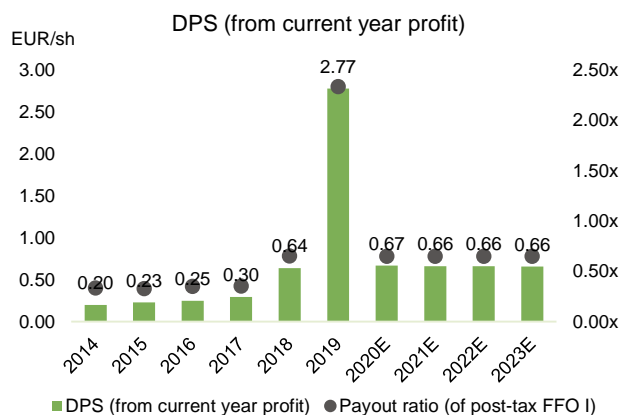
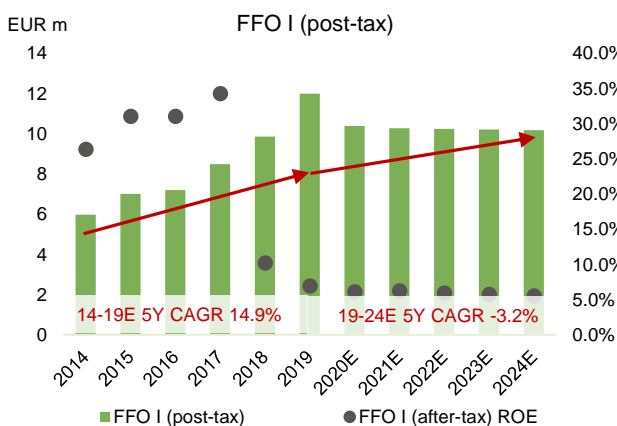
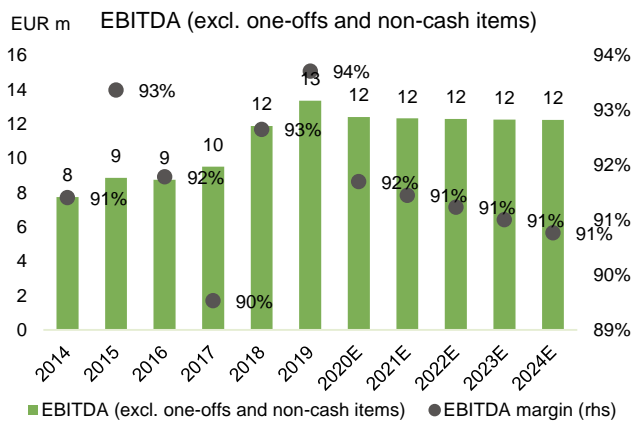
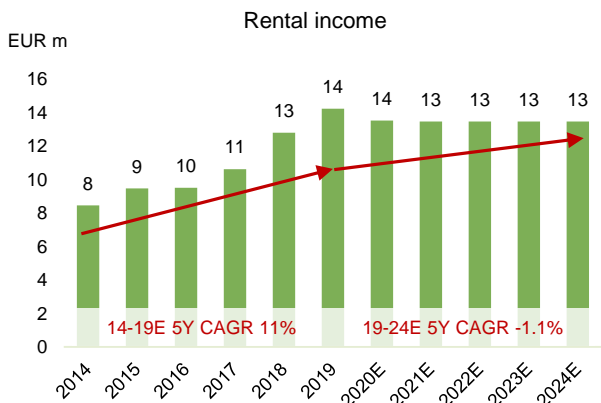
No consensus is available for Graphisoft Park.

### WOOD: new vs. old

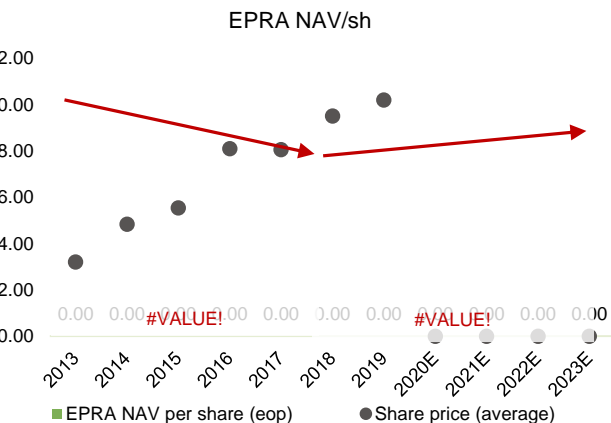
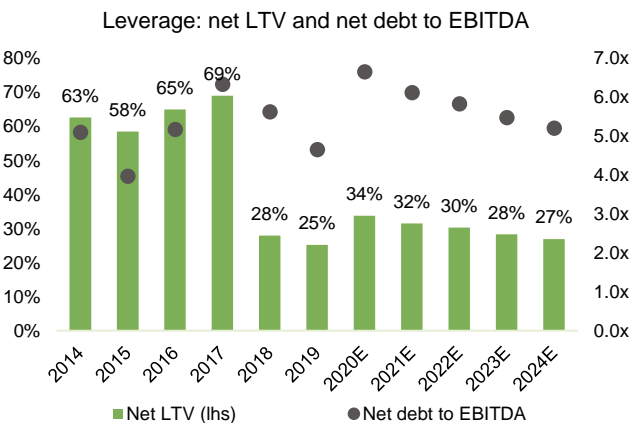
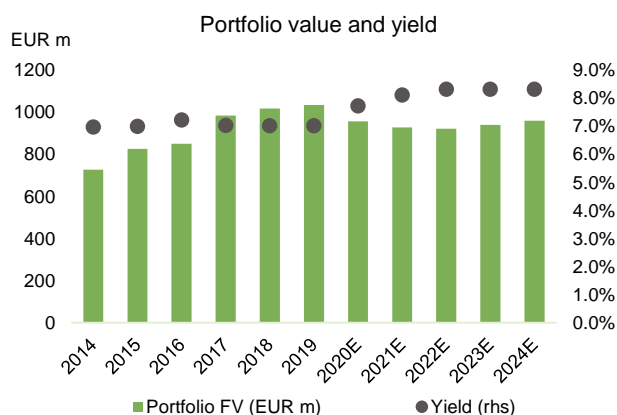
EUR m	2020E			2021E			2022E		
	New	Old	Diff. (%)	New	Old	Diff. (%)	New	Old	Diff. (%)
Sales	14	15	-6%	14	15	-6%	14	15	-6%
EBITDA	12	13	-6%	12	13	-6%	12	13	-6%
EBIT	-8	13	-164%	7	13	-50%	10	13	-25%
Net profit	-11	11	-195%	5	11	-59%	8	11	-29%
BPS (EUR)	15.9	18.0	-12%	16.8	18.6	-9%	17.4	19.2	-9%
FFOPS (EUR)	1.03	1.10	-6%	1.02	1.09	-7%	1.02	1.09	-7%
DPS (EUR)	0.67	0.71	-6%	0.66	0.71	-7%	0.66	0.71	-7%
<i>EBITDA margin</i>	<i>89.2%</i>	<i>88.9%</i>	<i>0.3ppt</i>	<i>89.0%</i>	<i>88.7%</i>	<i>0.2ppt</i>	<i>88.8%</i>	<i>88.5%</i>	<i>0.2ppt</i>
<i>Net margin</i>	<i>-75.5%</i>	<i>74.7%</i>	<i>-150.2ppt</i>	<i>32.6%</i>	<i>74.3%</i>	<i>-41.7ppt</i>	<i>56.4%</i>	<i>74.1%</i>	<i>-17.7ppt</i>

Source: WOOD Research

Graphisoft Park: earnings, dividends, portfolio, leverage and NAV



Rental income by country, 2019E



Source: Company data, Bloomberg, WOOD Research

# Valuation

We value Graphisoft Park using a combination of a DCF and a peer valuation, where we compare the company to its CEE and European office peers. We use a WACC of around 4.3-4.5% throughout our forecast horizon.

## Setting our 12M PT at HUF 5,237/share

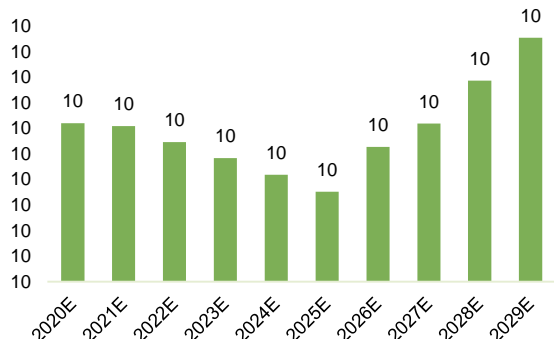
Valuation method	Weight	Per share (HUF)
Peer multiples	50%	3,162
DCF	50%	7,313
<b>Weighted average target value</b>		<b>5,237</b>
<b>Current price</b>		<b>3,290</b>
Upside/(downside)		59.2%

Source: WOOD Research

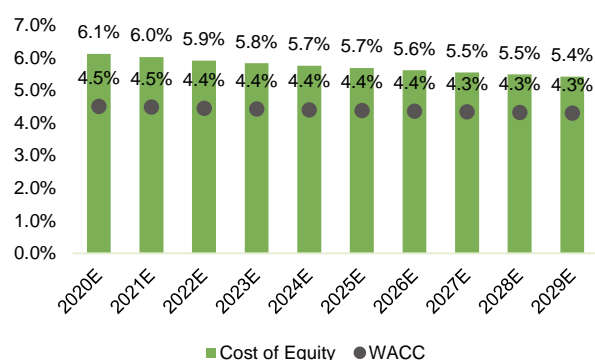
## Graphisoft Park: valuation – COE, WACC, multiples

EUR m

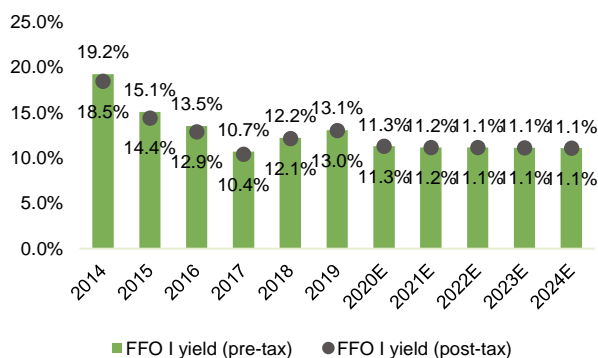
FCFF



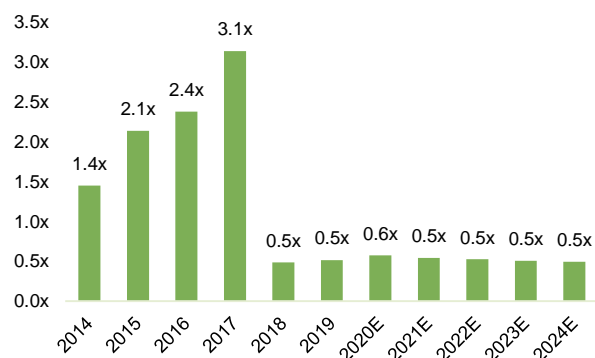
Cost of Equity and WACC



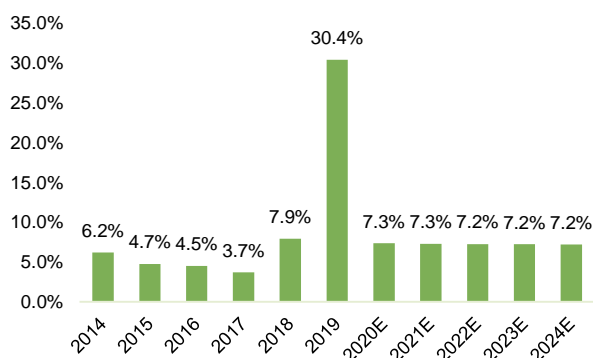
FFO I yield



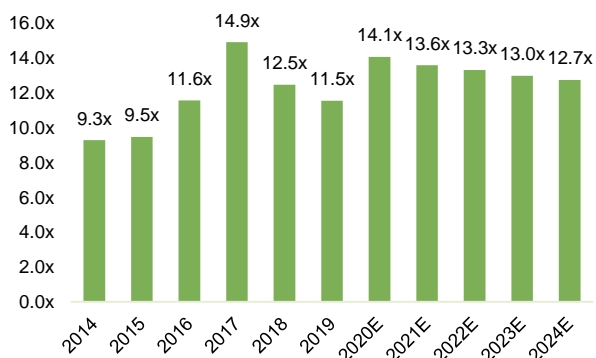
P/BV



Dividend yield



EV/EBITDA



Source: Company data, Bloomberg, WOOD Research

# Financials

## Graphisoft Park: P&L, FFO, DPS and rental income by country and sector

P&L (EUR m)	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E	2023E
Rental income	8	9	10	11	13	14	14	13	13	13
- net service charges and property expenses	0	0	0	0	0	0	0	0	0	0
<b>Net rental income</b>	<b>9</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>13</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
- income from hotels	0	0	0	0	0	0	0	0	0	0
- net operating expenses	-1	-1	-1	-1	-1	-1	-2	-2	-2	-2
<b>EBITDA (excl. one-offs and non-cash items)</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>10</b>	<b>12</b>	<b>13</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
- revaluation gain/(loss)	-4	-4	-4	-5	5	6	-21	-6	-2	0
- net result from sale of investment properties	0	0	0	0	0	0	0	0	0	0
- result from JVs	0	0	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>17</b>	<b>19</b>	<b>-8</b>	<b>7</b>	<b>10</b>	<b>12</b>
- net interest expense	-1	-1	-1	-1	-1	-1	-2	-2	-2	-2
- other financial income/expense	0	0	0	0	0	0	0	0	0	0
<b>Pre-tax profit</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>15</b>	<b>18</b>	<b>-11</b>	<b>5</b>	<b>8</b>	<b>10</b>
- current income tax	0	0	0	0	0	0	0	0	0	0
- deferred tax charge	0	0	0	1	0	0	0	0	0	0
<b>Net profit</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>15</b>	<b>18</b>	<b>-11</b>	<b>5</b>	<b>8</b>	<b>10</b>
- minorities	0	0	0	0	0	0	0	0	0	0
- discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Net income</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>15</b>	<b>18</b>	<b>-11</b>	<b>5</b>	<b>8</b>	<b>10</b>
<b>FFO &amp; DPS ( EUR m, unless per sh)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
FFO I (pre-tax)	6	7	8	9	10	12	10	10	10	10
FFO I (post-tax)	6	7	7	8	10	12	10	10	10	10
FFO II	6	7	7	8	10	12	10	10	10	10
FFO I per share (pre-tax)	0.62	0.73	0.75	0.86	0.98	1.19	1.03	1.02	1.02	1.01
FFO I per share (post-tax)	0.59	0.69	0.71	0.84	0.98	1.19	1.03	1.02	1.02	1.01
FFO II per share	0.59	0.69	0.71	0.84	0.98	1.19	1.03	1.02	1.02	1.01
DPS (from current year profit)	0.20	0.23	0.25	0.30	0.64	2.77	0.67	0.66	0.66	0.66
Payout ratio (of post-tax FFO I)	0.34x	0.33x	0.35x	0.35x	0.65x	2.33x	0.65x	0.65x	0.65x	0.65x
<b>Margins and growth</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Net rental income margin	101%	102%	103%	103%	103%	103%	103%	103%	103%	103%
EBITDA margin	91%	93%	92%	90%	93%	94%	92%	91%	91%	91%
FFO I (pre-tax) margin	74%	77%	79%	82%	77%	84%	77%	76%	76%	76%
FFO I (post-tax) margin	71%	74%	76%	80%	77%	84%	77%	76%	76%	76%
Net rental income growth	4.3%	11.9%	0.4%	11.5%	20.7%	11.2%	-5.0%	-0.5%	0.0%	0.0%
EBITDA growth	6.1%	14.3%	-1.3%	8.8%	24.9%	12.4%	-7.0%	-0.7%	-0.2%	-0.3%
Net income growth	10.0%	52.0%	5.0%	37.3%	245.1%	17.6%	-159.2%	-143.0%	73.0%	28.2%
FFO I per sh (pre-tax) growth	6.9%	18.0%	2.9%	15.4%	13.7%	21.4%	-13.6%	-1.0%	-0.3%	-0.3%
FFO I per sh (post-tax) growth	7.3%	17.4%	2.7%	18.1%	16.0%	21.7%	-13.5%	-1.0%	-0.3%	-0.3%
FFO II per sh growth	7.3%	17.4%	2.7%	18.1%	16.0%	21.7%	-13.5%	-1.0%	-0.3%	-0.3%
<b>Rental income per country</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Hungary	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Rental income per sector</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Offices	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: WOOD Research, company data

## Graphisoft Park: capital structure, cash flow and EPRA indicators

Capital structure (EUR m)	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E	2023E
Total debt	44	40	48	64	73	109	109	109	109	109
Cash	5	5	3	4	6	46	26	33	37	41
Net debt	39	35	45	60	67	62	83	75	72	67
Equity	22	23	24	26	168	179	160	169	175	182
Assets	69	66	80	104	252	299	281	290	296	302
Investment property	63	60	70	87	240	247	245	239	237	237
EBITDA	8	9	9	10	12	13	12	12	12	12
Equity ratio	32%	35%	30%	25%	67%	60%	57%	58%	59%	60%
Gross LTV	70%	66%	69%	74%	30%	44%	44%	45%	46%	46%
Net LTV	63%	58%	65%	69%	28%	25%	34%	32%	30%	28%
Net debt to EBITDA	5.1x	4.0x	5.2x	6.3x	5.6x	4.7x	6.7x	6.1x	5.8x	5.5x
Gearing (net debt to equity)	177%	154%	192%	231%	40%	35%	52%	44%	41%	37%
Cost of debt (incl. hedging)	n/a	n/a	n/a	n/a	n/a					
Average debt maturity (years)	n/a	n/a	n/a	n/a	n/a					
% of debt fixed or hedged	n/a	n/a	n/a	n/a	n/a					
% of unsecured debt	n/a	n/a	n/a	n/a	n/a					
% of unencumbered assets	n/a	n/a	n/a	n/a	n/a					
Rating by S&P	n/a	n/a	n/a	n/a	n/a					
Rating by Fitch	n/a	n/a	n/a	n/a	n/a					
Rating by Moody's	n/a	n/a	n/a	n/a	n/a					
Net debt, rel. change, yoy	7%	-11%	28%	33%	11%	-7%	33%	-9%	-5%	-6%
Equity, rel. change, yoy	-3%	2%	3%	11%	543%	7%	-10%	6%	3%	4%
Assets, rel. change, yoy	-5%	-4%	21%	30%	143%	19%	-6%	3%	2%	2%
<b>Cash Flow (EUR m)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
<b>Profit before tax</b>	3	3	4	4	15	16	-11	5	8	10
<b>CF from Operations (before WC)</b>	8	9	9	9	11	13	-8	7	10	12
WC changes	1	0	-6	-2	6	0	0	0	0	0
<b>CF from Operations</b>	8	9	3	8	17	14	-8	7	10	12
Adjustment for net interest and taxes	-2	-2	-1	-1	-1	-1	-2	-2	-2	-2
<b>Net CF from Operations</b>	7	7	2	6	16	12	-10	5	8	10
CAPEX	-6	-1	-11	-22	-22	-3	-2	-2	-2	-2
Proceeds from disposals	0	0	0	0	0	0	0	0	0	0
Others										
<b>Net CF from Investing</b>	-6	-1	-11	-22	-22	-3	-2	-2	-2	-2
Proceeds from issuance of share capital										
Acquisition of own shares	0	0	0	0	0	0	0	0	0	0
Net issue of debt	-3	-4	10	19	11	36	0	0	0	0
Dividends paid	-3	-2	-2	-3	-3	-4	-8	5	-2	-4
Others										
<b>Net CF from Financing</b>	-6	-6	7	17	8	32	-8	5	-2	-4
<b>Change in cash &amp; equivalents</b>	-6	0	-2	2	2	41	-20	7	4	4
<b>EPRA Indicators (EUR m)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Book Value	22	23	24	26	168	179	160	169	175	182
EPRA NAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA NNNAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BV per share (EUR)	2.21	2.26	2.33	2.58	16.62	17.72	15.89	16.80	17.38	18.02
EPRA NAV per share (EUR)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA NNNAV per share (EUR)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Net Initial Yield (NIY)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA "topped-up" NIY	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Ifl Gross Rental Income	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Ifl Net Rental Income	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Earnings (EUR m)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Company adj. EPRA Earnings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Earnings per share	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Company adj. EPRA Earnings (per share)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Vacancy rate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Cost Ratio (incl. vacancy costs)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Cost Ratio (excl. vacancy costs)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: WOOD Research, company data

## Graphisoft Park: DCF, cost of capital, portfolio, share data and valuation multiples

DCF: FCFF reconciliation (EUR m)	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
FFO I	10	10	10	10	10	10	10	10	10	11
+ taxes	0	0	0	0	0	0	0	0	0	0
+ interest costs	2	2	2	2	2	2	2	2	2	2
Adj. EBIT	12	12	12	12	12	12	12	12	12	12
tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NOPLAT	12	12	12	12	12	12	12	12	12	12
CAPEX	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
WC change	0	0	0	0	0	0	0	0	0	0
Proceeds from disposals	0	0	0	0	0	0	0	0	0	0
FCFF	10	10	10	10	10	10	10	10	10	10
<b>DCF: Cost of Equity and WACC</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>
[A] Debt/Capital Ratio	39%	38%	37%	37%	36%	35%	35%	34%	34%	33%
[C] Equity/Capital Ratio	61%	62%	63%	63%	64%	65%	65%	66%	66%	67%
Marginal Cost of Debt (%)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
x Marginal Tax Rate (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
[B] Cost of Debt (post tax)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Beta	0.89	0.86	0.84	0.82	0.80	0.79	0.77	0.76	0.74	0.73
x Equity Risk Premium	4%	4%	4%	4%	4%	4%	3%	3%	3%	3%
+ Risk Free Rate	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
[D] Cost of Equity	6.1%	6.0%	5.9%	5.8%	5.7%	5.7%	5.6%	5.5%	5.5%	5.4%
[A x B] + [C x D] = WACC:	4.5%	4.5%	4.4%	4.4%	4.4%	4.4%	4.4%	4.3%	4.3%	4.3%
<b>Portfolio</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Year-end, m2 ('000)	619	745	771	852	867	867	867	867	867	867
Rented space, m2	595	713	739	818	832	832	832	832	832	832
Occupancy	96.1%	95.8%	95.8%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
Gross Rental Income (EUR m)	51	58	61	65	71	73	74	75	77	78
Value (EUR m)	726	826	850	983	1018	1034	956	927	921	940
Weighted Average Lease Term (Y)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
- price / m2, EUR	1173	1109	1102	1154	1174	1192	1102	1069	1062	1084
- average gross rent per m2, EUR	n/a	n/a	n/a	7.1	6.7	6.9	6.6	7.1	7.3	7.4
- yield	7.0%	7.0%	7.2%	7.0%	7.0%	7.0%	7.7%	8.1%	8.3%	8.3%
- yield at full occupancy	n/a	n/a	n/a	7.4%	6.9%	7.0%	7.2%	8.0%	8.2%	8.2%
<b>Number of shares and share price</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Number of shares	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6
Treasury shares / options	1.2	2.2	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Number of shares outstanding	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1
Average number of shares	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6
Average number of treasury shares	1.2	1.7	3.1	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Average number of shares outstanding	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1
Average price/share (EUR)	3.2	4.8	5.5	8.1	8.1	9.5	10.2	n/a	n/a	n/a
Lowest price (EUR)	2.5	3.8	4.9	6.7	7.6	7.9	8.9	n/a	n/a	n/a
Highest price (EUR)	3.9	5.3	6.8	9.3	8.4	12.2	11.8	n/a	n/a	n/a
Closing price (EUR)	3.8	5.0	6.7	8.5	8.1	12.0	n/a	n/a	n/a	n/a
Market cap, average (EUR m)	32	49	56	82	81	96	103	n/a	n/a	n/a
Market cap, eop (EUR m)	38	50	68	86	82	121	n/a	n/a	n/a	n/a
<b>Profitability and valuation multiples</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
FFO I (pre-tax) ROE	27.5%	32.5%	32.6%	35.1%	10.2%	6.9%	6.1%	6.2%	5.9%	5.7%
FFO I (after-tax) ROE	26.4%	31.1%	31.1%	34.3%	10.2%	6.9%	6.1%	6.2%	5.9%	5.7%
FFO II ROE	26.4%	31.1%	31.1%	34.3%	10.2%	6.9%	6.1%	6.2%	5.9%	5.7%
FFO I (pre-tax) RONAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
FFO I (after-tax) RONAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
FFO II RONAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
FFO I yield (pre-tax)	19.2%	15.1%	13.5%	10.7%	12.2%	13.1%	11.3%	11.2%	11.1%	11.1%
FFO I yield (post-tax)	18.5%	14.4%	12.9%	10.4%	12.1%	13.0%	11.3%	11.2%	11.1%	11.1%
FFO II yield	18.5%	14.4%	12.9%	10.4%	12.1%	13.0%	11.3%	11.2%	11.1%	11.1%
P/BV	1.4x	2.1x	2.4x	3.1x	0.5x	0.5x	0.6x	0.5x	0.5x	0.5x
P/EPRA NAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dividend yield	6.2%	4.7%	4.5%	3.7%	7.9%	30.4%	7.3%	7.3%	7.2%	7.2%
EV/EBITDA	9.3x	9.5x	11.6x	14.9x	12.5x	11.5x	14.1x	13.6x	13.3x	13.0x

Source: WOOD Research, company data



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Orange PL	5

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## CONTACTS

### Czech Republic

namesti republiky 1079/1a  
Palladium  
110 00 Praha 1  
Czech Republic  
Tel +420 222 096 111  
Fax +420 222 096 222

### Romania

Metropolis Center  
89-97 Grigore Alexandrescu St.  
010624 Bucharest 1  
Tel.: +40 316 30 11 81

### Poland

Skylight Zlote Tarasy  
Zlota 59  
00 120 Warszawa  
Poland  
Tel +48 22 222 1530  
Fax +48 22 222 1531

### UK

City Point, 11<sup>th</sup> Floor  
1 Ropemaker Street  
London EC2Y 9HT

Tel +44 20 3530 0691

### Italy

Via Luigi Settembrini, 35  
20124 Milan  
Italy

Tel +39 02 36692 500

### Kristen Andrasko

Head of Equities  
+420 222 096 253  
kristen.andrasko@wood.com

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[www.wood.com](http://www.wood.com)

## Research

### Co-Head of Research/ Head of Research Poland

**Marta Jezewska-Wasilewska**  
+48 22 222 1548  
marta.jezewska-wasilewska@wood.com

### Utilities/Mining/Pharma

**Bram Buring**  
+420 222 096 250  
bram.buring@wood.com

### Energy

**Jonathan Lamb**  
+44 20 3530 0621  
jonathan.lamb@wood.com

### Energy/Utilities

**Ondrej Slama**  
+420 222 096 484  
ondrej.slama@wood.com

### Greece

**Fani Tzioukalia**  
+30 211 106 9449  
fani.tzioukalia@wood.com

### Co-Head of Research/Head of Greek Research

**Alex Boulougouris**  
+30 211 106 9447  
alex.boulougouris@wood.com

### EMEA TMT & Industrials/Turkey

**Atinc Ozkan**  
+90 542 202 3632  
atinc.ozkan@wood.com

### Financials/Turkey

**Can Demir**  
+44 20 3530 0623  
can.demir@wood.com

### Poland

**Pawel Wieprzowski**  
+48 22 222 1549  
pawel.wieprzowski@wood.com

### Financials

**David Lojkasek**  
+420 222 096 256  
david.lojkasek@wood.com

### Head of Consumer/Industrials

**Lukasz Wachelko**  
+48 22 222 1560  
lukasz.wachelko@wood.com

### Russia & CIS Region

**Ildar Davletshin**  
+44 203 530 0631  
ildar.davletshin@wood.com

### Poland/TMT

**Piotr Raciborski**  
+48 22 222 1551  
piotr.raciborski@wood.com

### Consumer

**Jakub Mician**  
+420 222 096 320  
jakub.mician@wood.com

### Russia

**Dmitry Vlasov**  
+44 750 714 6702  
dmitry.vlasov@wood.com

### Macroeconomics

**Raffaella Tenconi**  
+44 20 3530 0685  
raffaella.tenconi@wood.com

### Macroeconomics

**Alessio Chiesa**  
+44 75177 06102  
alessio.chiesa@wood.com

### Consumer/Real Estate

**Jakub Caithaml**  
+420 222 096 481  
jakub.caithaml@wood.com

### Romania

**Stefan Lungu**  
+44 203 530 0694  
stefan.lungu@wood.com

## Sales

### Head of Sales

**Kristen Andrasko**  
+420 222 096 253  
kristen.andrasko@wood.cz

**Grzegorz Skowronski**  
+48 22 222 1559  
grzegorz.skowronski@wood.com

**Jan Koch**  
+48 22 222 1616  
jan.koch@wood.com

**Jarek Tomczynski**  
+44 203 530 0688  
jarek.tomczynski@wood.com

**Piotr Kopec**  
+48 22 222 1615  
piotr.kopec@wood.com

**Kostas Tsigkourakos**  
+30 694 082 5810  
kostas.tsigkourakos@wood.com

**Ioana Pop**  
+44 20 3530 0693  
ioana.pop@wood.com

**Tatiana Sarandinaki**  
Brasil Plural in association with WOOD&Co.  
1 212 388 5613  
tsarandinaki@wood-brasilplural.com

## Sales Trading and Execution Services

**Zuzana Mora**  
+420 222 096 283  
zuzana.mora@wood.com

**Ermir Shkurti**  
+420 222 096 847  
ermir.shkurti@wood.com

**Vladimir Vavra**  
+420 222 096 397  
vladimir.vavra@wood.com

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