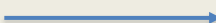
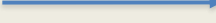


Nordic Paper						01-jul-23
<b>An underpriced stock given estimats for the future markets for Nordic Paper</b>						
<p>The operating margins have been relatively stable in the last 5 years. In this valuation the margins for Nordic Paper markets of Kraft and Greaseproof Papers are expected to decline over time from current higher levels. Given the assumptions below the current stock price is at 40% of the calculated intrinsic value implying a currently underpriced stock.</p>						
<b>The Assumptions</b>						
	<i>Base year</i>	<i>Next year</i>	<i>Years 2-5</i>	<i>Years 6-10</i>	<i>After year 10</i>	<i>Link to story</i>
Revenues	4.692 SEK	3,7%	3,70%	3,70%	3,00%	CAGR estimated by Transparency Market Research
Operating margin	16,56%	16,0%	14,38%	12,80%	12,00%	Margins expected to fall from historical high levels
Taxes	20,17%	20,17%	20,17%			Moves towards the marginal tax rate
Reinvestment Rate (RIR)	55,94%	41,38%	53,80%	60,68%	25,00%	RIR at stable levels
Return on capital (ROC)	28,72%	28,77%	16,59%		12,00%	ROC declining from currently all time high
Cost of capital (COC)			8,37%			
<b>The Cash Flows</b>						
	<i>Revenues</i>	<i>Operating Margin</i>	<i>EBIT</i>	<i>EBIT (1-t)</i>	<i>Reinvestment</i>	<i>FCFF</i>
1	4.866 SEK	16,00%	778 SEK	621 SEK	257 SEK	364 SEK
2	5.046 SEK	15,00%	757 SEK	604 SEK	311 SEK	293 SEK
3	5.232 SEK	14,50%	759 SEK	606 SEK	323 SEK	283 SEK
4	5.426 SEK	14,00%	760 SEK	606 SEK	335 SEK	272 SEK
5	5.627 SEK	14,00%	788 SEK	629 SEK	347 SEK	282 SEK
6	5.835 SEK	13,60%	794 SEK	633 SEK	360 SEK	273 SEK
7	6.051 SEK	13,20%	799 SEK	636 SEK	373 SEK	263 SEK
8	6.275 SEK	12,80%	803 SEK	639 SEK	387 SEK	252 SEK
9	6.507 SEK	12,40%	807 SEK	641 SEK	401 SEK	240 SEK
10	6.748 SEK	12,00%	810 SEK	643 SEK	416 SEK	227 SEK
Terminal year	6.950 SEK	12,00%	834 SEK	662 SEK	166 SEK	497 SEK
<b>The Value</b>						
Terminal value			9.460 SEK			
PV(Terminal value)			4.249 SEK			
PV (CF over next 10 years)			1.864 SEK			
Value of operating assets			6.113 SEK			
Adjustment for distress			0 SEK	Probability of failure = 0,00%		
- Debt & Minority Interests			1.258 SEK			
+ Cash & Other Non-operating assets			308 SEK			
Value of equity			5.163 SEK			
- Value of equity options			0 SEK			
+ Outstanding dividends			0 SEK			
Number of shares			66,91			
Value per share			77,16 SEK	Stock was trading at = 31,10 SEK		