

Date 18/07/2013

Consensus Rating*: 0.00 (Hold)

Previous rating 0.22 (Hold)

Stock price (in Euro)** 23.06

High/Low (52 weeks)** 25.87/18.08

Market cap (in Euro m) 2,294.8

ISIN FI0009000202

Reuters KESBV.HE

Bloomberg KESBV FH

Exchange OMX

Sector Retail

 Internet www.kesko.com

Coverage 9

EPS Estimates in Euro:

YoY Change in Estimates

	Q2 13E	Q2 12A	Change
Sales	2,443.1	2,460.0	-0.7%
EBIT clean	68.9	60.7	13.4%
EBIT	68.9	59.0	16.7%
EPS clean	0.46	0.39	17.9%
EPS	0.46	0.38	21.1%

*** Consensus Rating (CR):**
Classification:

Buy: 1.50 ≤ CR < 2.00

Accumulate: 0.50 ≤ CR < 1.50

Hold: -0.50 < CR < 0.50

Reduce: -1.50 ≤ CR < -0.50

Sell: -2.00 ≤ CR < -1.50

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Kesko

Summary

Kesko's Outlook (after Q1 2013 results):

The Kesko Group's net sales for the next twelve months are expected to match the level of the preceding twelve months. As a result of measures taken to enhance business operations and cost savings, the operating profit excluding non-recurring items for the next twelve months is expected to exceed the operating profit excluding non-recurring items for the preceding twelve months, unless the overall consumer demand significantly weakens. Capital expenditure is expected to be lower compared to the capital expenditure for the preceding twelve months.

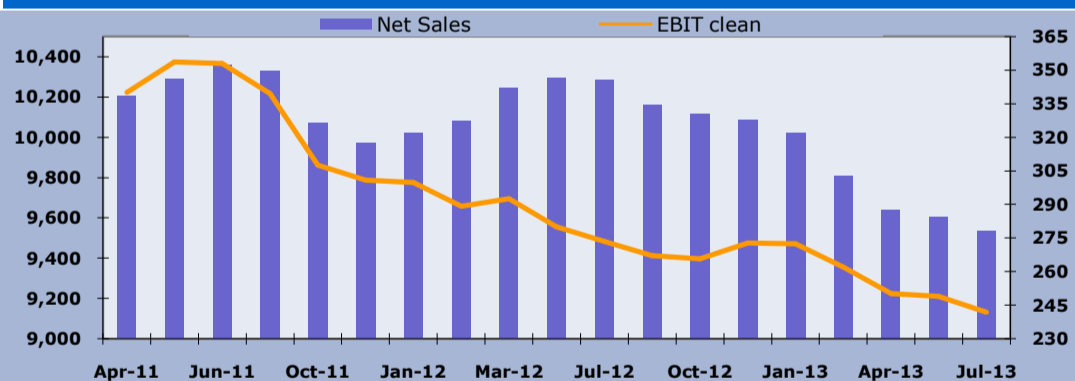
Kesko will release its Q2 2013 financial statement on 24th July 2013.

Price targets in Euro

	Current	Previous	Change	Up-/Downside
Current Price	23.06			
Highest	27.00	30.00	-10.0%	17.1%
Consensus	24.29	24.89	-2.4%	5.3%
Median	23.50	24.00	-2.1%	1.9%
Lowest	22.00	22.00	0.0%	-4.6%

Consensus Valuation

	EPS clean	EBIT clean	P/E	EV/Sales	EV/EBIT	Div.Yield
2010	1.78	268.1	19.7	0.44	14.28	3.7%
2011	1.83	278.9	14.9	0.28	9.54	4.4%
2012	1.50	234.7	16.5	0.27	11.06	4.9%
2013E	1.61	241.9	14.3	0.27	10.45	5.3%
2014E	1.86	274.0	12.4	0.25	9.23	5.6%

FY 2013 Consensus Estimates

Quarterly Development (in Euro m)
