

Date **16/03/2012**

Consensus Rating\*: **0.50 (Accumulate)**

Previous rating **0.44 (Hold)**

Stock price (in Euro) **3.21**

High/Low (52 weeks) **6.7/2.27**

Market cap (in Euro m) **868.6**

ISIN **FI0009014716**

Reuters **TLV1V.HE**

Bloomberg **TLV1V:FH**

Exchange **Nasdaq-OMX Helsinki**

Sector **Mining**

Internet [www.talvivaara.com](http://www.talvivaara.com)

Coverage **9**

## Talvivaara

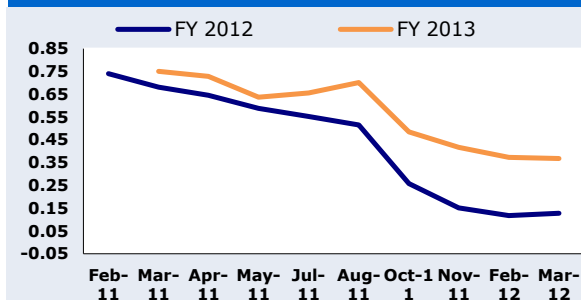
### Summary

#### Outlook given by the company (after FY 2011):

Talvivaara expects production at the Sotkamo mine to continue ramping up and to reach the annual nickel production volume of 25,000-30,000t in 2012. In line with the guidance provided at the Company's Capital Markets Day in November 2011, total operating costs in 2012 are expected to amount to approximately EUR 250 million including leasing, and capital expenditure to EUR 40-50 million excluding construction of the uranium extraction circuit

Talvivaara will release its Q1 2012 results on 25<sup>th</sup> April 2012.

### EPS Estimates in Euro:



### YoY Change in Estimates

	Q1 12E	Q1 11A	Change
Sales	79.0	66.5	18.8%
EBITDA	26.9	22.8	17.9%
EBIT	14.9	11.6	28.2%
EPS clean	0.02	0.03	-47.0%

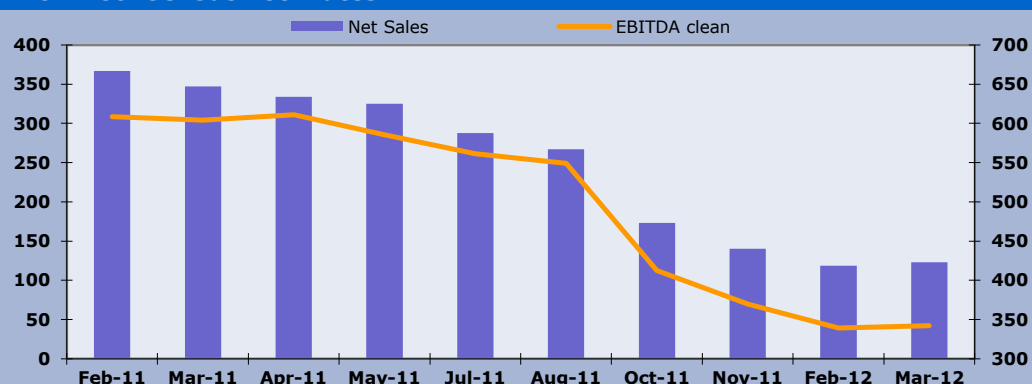
### Price targets in Euro

	Current	Previous	Change	Up-/Downside
Current Price	3.21			
Highest	4.60	4.00	15.0%	43.3%
Consensus	3.77	3.13	20.4%	17.4%
Median	3.80	3.05	24.6%	18.4%
Lowest	2.80	2.60	7.7%	-12.8%

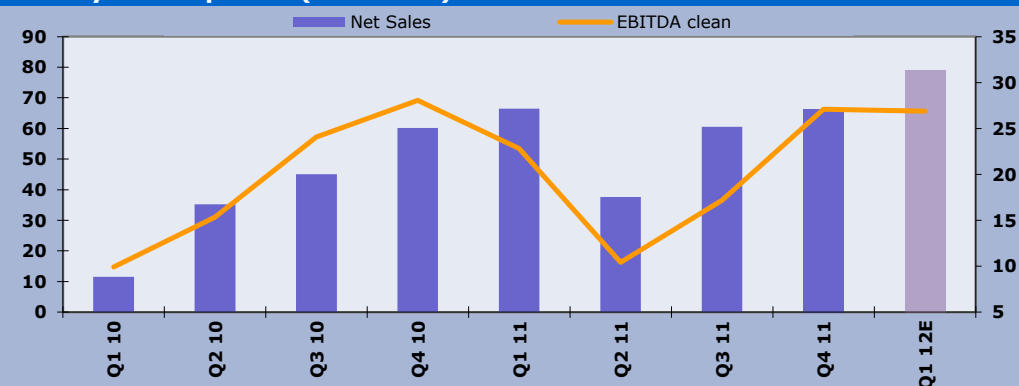
### Consensus Valuation

	Sales	EBITDA clean	EPS	EV/Sales	EV/EBITDA	Div.Yield
2009	7.57	-17.7	-0.19	n.m.	n.m.	0.0%
2010	152.2	77.4	-0.06	9.95	n.m.	0.0%
2011	231.2	77.5	-0.04	6.91	20.6	0.0%
2012E	342.3	123.3	0.13	3.87	10.7	0.2%
2013E	494.0	228.9	0.37	2.68	5.8	1.1%

### FY 2012 Consensus Estimates



### Quarterly Development (in Euro m)



### \* 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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