

**Date** 08/03/2015

**Consensus Rating\*:** 0.11 (Hold)

 Previous rating **-0.46 (Hold)**

 Stock price (in EUR) **15.824**

 High/Low (52 weeks) **21.42/15.10**

 Market cap (in EUR m) **14057.5**

 ISIN **FI0009007132**

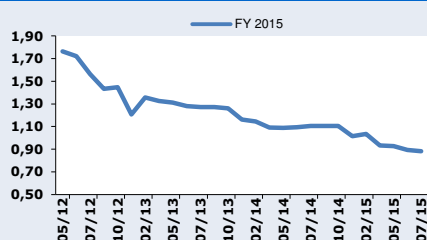
 Reuters **FUM1V.HE**

 Bloomberg **FUM1V FH**

 Exchange **OMX**

 Sector **Utilities**

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

 Coverage **19**
**EPS Estimates (in EUR)**

**YoY Change in Estimates**

	Q3 15E	Q3 14A	Change
EBITDA rep.	170.4	210.0	-18.9%
EBIT clean	87.4	147.0	-40.5%
EPS	0.06	0.10	-41.2%
EPS clean	0.06	0.06	-1.9%
Capex	-	n.a.	n.a.

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

 Buy:  $1.50 \leq CR < 2.00$ 

 Accumulate:  $0.50 \leq CR < 1.50$ 

 Hold:  $-0.50 < CR < 0.50$ 

 Reduce:  $-1.50 \leq CR < -0.50$ 

 Sell:  $-2.00 \leq CR < -1.50$ 

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# Fortum

**Summary**

Fortum is a Finnish energy company focusing on the Nordic and Baltic countries, Poland and Russia. Fortum operates power plants, including co-generation plants, and generates and sells electricity, heat and steam.

**Outlook given by the company after Q2 2015 results:**

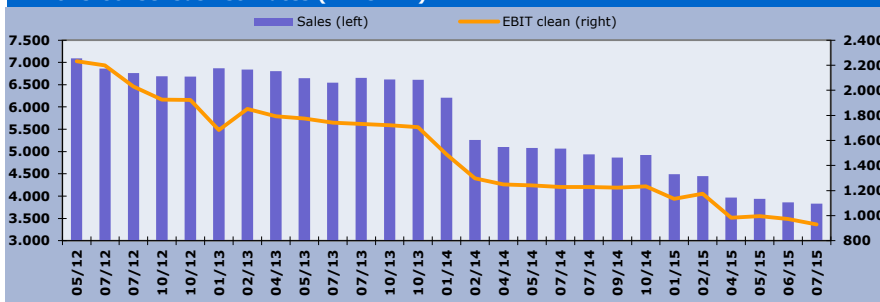
- The run-rate operating profit level (EBIT) for the Russia segment, RUB 18.2 billion, is targeted to be reached during 2015. The euro-denominated result level will be volatile, due to the translation effect
- Annual electricity demand to grow in the Nordic countries on average by approximately 0.5% in the coming years
- Power and Technology segment's Nordic generation hedges: for the rest of the year 2015, approx. 45% hedged at EUR 41 per MWh (2016 approx. 25% hedged at EUR 35 per MWh)
- Group effective tax-rate 19-21%
- 2015 Capex approx. EUR 0.8 billion (ex. potential acquisitions)

**Fortum will release its financial statements for Q3 2015 on 22nd October 2015.**

	Current	Previous	Change	Up-/Downside
Current Price	15.82			
Highest	24.50	24.00	2.1%	32.7%
Consensus	18.58	19.01	-2.3%	8.0%
Median	18.00	18.00	0.0%	7.4%
Lowest	16.00	15.50	3.2%	-8.4%

**Consensus Valuation**

	EPS clean	EBIT clean	P/E	EV/Sales	EV/EBIT	Div.Yield
2012	1.45	1752.0	11.3	3.60	12.6	6.1%
2013	1.24	1403.0	11.4	3.95	15.0	7.8%
2014	1.22	1085.0	13.7	5.55	20.9	7.8%
2015E	0.88	929.1	17.9	4.66	19.2	8.3%
2016E	0.86	867.3	18.3	4.59	20.6	6.6%

**FY 2015 Consensus Estimates (in EUR m)**

**Quarterly Development (in EUR m)**
