

ABO Wind (AB9 GY) | Utilities/Renewables

December 01, 2022

Increase of earnings guidance for 2022 and 2023

ABO just announced that FY 2022 will develop better than expected so far. The company is also more optimistic for 2023 than before due to the initiation of project sales of already approved wind and solar parks in international markets. ABO is aiming for a number of individual sales due to the current favourable market environment. Due to a large demand from investors for renewable energy projects that are ready for construction, the price level is high. ABO is in talks with several potential investors. A successful conclusion of the sales negotiations seems likely at the present time. Obviously, the reason for ABO's increased optimism is above all the international business, which proves the success in the internationalisation of the company. We are also optimistic about the German business in the coming years. Here, ABO's pipeline amounts to around 2.1 GW and the German government is taking measures that make the implementation of the ambitious expansion plans (around 35 GW p.a. from 2025 vs. an average of around 7 GW p.a. in 2020 and 2021) appear increasingly realistic, such as the draft law presented yesterday to accelerate administrative court proceedings in the infrastructure sector for the purpose of accelerating planning. In the near future, appeals against projects in the public interest, such as wind farms or electricity grids, are to be decided particularly quickly.

- ABO now expects earnings after tax of nearly EUR 17 m for FY 2022 (old: at least the FY 2021 result of EUR 13.8 m).
- For 2023, ABO expects a further significant improvement in earnings to EUR 22 to 26 m. A successful conclusion of the sales processes seem likely at the present time.

Fundamentals (in EUR m) ¹	2019	2020	2021	2022e	2023e	2024e
Sales	126	149	127	198	209	210
EBITDA	27	35	30	39	47	47
EBIT	19	22	22	26	34	34
EPS adj. (EUR)	1.41	1.42	1.50	1.81	2.58	2.49
DPS (EUR)	0.42	0.45	0.49	0.55	0.55	0.55
BVPS (EUR)	12.83	15.19	16.25	17.30	19.44	20.52
Net Debt incl. Provisions	69	7	74	75	53	26
Ratios ¹	2019	2020	2021	2022e	2023e	2024e
EV/EBITDA	7.6	12.5	19.3	16.2	13.0	12.5
EV/EBIT	10.7	19.4	26.2	24.2	17.9	17.2
P/E adj.	12.2	32.6	37.3	33.6	23.5	24.3
Dividend yield (%)	2.4	1.0	0.9	0.9	0.9	0.9
EBITDA margin (%)	21.7	23.3	24.0	19.8	22.5	22.3
EBIT margin (%)	15.4	15.1	17.7	13.2	16.3	16.1
Net debt/EBITDA	2.5	0.2	2.4	1.9	1.1	0.5
PBV	1.3	3.1	3.4	3.5	3.1	3.0

¹Sources: Bloomberg, Metzler Research

Buy



unchanged

Price*

EUR 60.60

Price target

EUR 112.00 (106.00)

* XETRA trading price at the close of the previous day unless stated otherwise in the Disclosures

Market Cap (EUR m) ¹	559
Enterprise Value (EUR m) ¹	634
Free Float (%) ¹	38.0

Price (in EUR)¹



Performance (in %) ¹	1m	3m	12m
Share	5.6	7.1	2.4
Rel. to SDAX	-2.8	0.2	36.9

Changes in estimates (in %) ¹	2022e	2023e	2024e
Sales	0.4	1.4	2.0
EBIT	3.3	9.3	5.6
EPS	13.1	26.1	13.9

Sponsored Research



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company note

Key Data

Company profile

CEO: Dr. Karsten Schlageter (Spokesman), Dr. Jochen Ahn, Matthias Bockholt, Matthias Hollmann, Susanne von Mutius, Alexander Reinicke CFO: Wiesbaden
 The renewables project developer ABO Wind, founded in 1996 and now active in 16 countries, has its roots in wind power, but in recent years has also expanded its wind farm management activities through services such as maintenance and expert reports (since 2014) and the construction of solar parks (since 2016).

Major shareholders

Family Ahn (26%), Family Bockholt (26%), Mainova AG (10%)

Key figures

P&L (in EUR m)	2019	%	2020	%	2021	%	2022e	%	2023e	%	2024e	%
Sales	126	-16.0	149	18.1	127	-14.8	198	55.9	209	5.6	210	0.6
EBITDA	27	-14.9	35	26.9	30	-12.3	39	28.4	47	20.5	47	-0.6
EBITDA margin (%)	21.7	1.3	23.3	7.4	24.0	2.9	19.8	-17.6	22.5	14.1	22.3	-1.2
EBIT	19	-11.6	22	15.7	22	0.0	26	16.5	34	30.7	34	-0.8
EBIT margin (%)	15.4	5.1	15.1	-2.1	17.7	17.3	13.2	-25.3	16.3	23.8	16.1	-1.4
Financial result	-2	-71.3	-2	-11.7	-1	15.3	-2	-0.9	-1	6.7	-1	0.0
EBT	18	-15.3	21	16.0	21	1.3	25	17.6	33	32.9	33	-0.8
Taxes	7	-21.9	8	13.8	7	-5.8	8	11.9	9	12.5	10	5.6
Tax rate (%)	37.4	n.a.	36.7	n.a.	34.1	n.a.	32.5	n.a.	27.5	n.a.	29.2	n.a.
Net income	11	-10.7	13	15.0	14	5.3	17	20.6	24	42.7	23	-3.2
Minority interests	0	-97.6	-0	-200.0	0	100.0	0	n.a.	0	n.a.	0	n.a.
Net Income after minorities	11	-10.6	13	15.0	14	5.3	17	20.6	24	42.7	23	-3.2
Number of shares outstanding (m)	8	5.6	9	14.2	9	0.0	9	0.0	9	0.0	9	0.0
EPS adj. (EUR)	1.41	-15.3	1.42	0.6	1.50	5.3	1.81	20.6	2.58	42.7	2.49	-3.2
DPS (EUR)	0.42	0.0	0.45	7.1	0.49	8.9	0.55	12.2	0.55	0.0	0.55	0.0
Dividend yield (%)	2.4	n.a.	1.0	n.a.	0.9	n.a.	0.9	n.a.	0.9	n.a.	0.9	n.a.
Cash Flow (in EUR m)	2019	%	2020	%	2021	%	2022e	%	2023e	%	2024e	%
Gross Cash Flow	19	-13.5	42	122.4	20	-52.4	30	46.8	37	24.0	36	-2.1
Increase in working capital	-15	n.a.	27	n.a.	-67	n.a.	-20	n.a.	-5	n.a.	0	n.a.
Capital expenditures	3	-7.4	4	20.0	4	11.1	4	0.0	4	0.0	4	0.0
D+A/Capex (%)	266.0	n.a.	341.7	n.a.	200.8	n.a.	325.0	n.a.	325.0	n.a.	325.0	n.a.
Free cash flow (Metzler definition)	1	105.4	66	n.m.	-51	-177.7	6	111.0	28	391.4	32	15.2
Free cash flow yield (%)	0.8	n.a.	15.4	n.a.	-10.0	n.a.	1.0	n.a.	5.0	n.a.	5.7	n.a.
Dividend paid	3	10.8	4	14.2	4	7.1	7	66.7	5	-26.7	5	0.0
Free cash flow (post dividend)	-2	90.1	62	n.m.	-55	-189.3	-1	97.7	23	n.m.	27	18.7
Balance sheet (in EUR m)	2019	%	2020	%	2021	%	2022e	%	2023e	%	2024e	%
Assets	251	29.5	261	3.7	310	19.0	279	-9.9	288	3.2	295	2.5
Goodwill	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Shareholders' equity	104	16.4	140	35.3	150	7.0	160	6.5	179	12.3	189	5.6
Equity/total assets (%)	42.7	n.a.	56.2	n.a.	50.3	n.a.	60.8	n.a.	64.4	n.a.	66.6	n.a.
Net Debt incl. Provisions	69	42.5	7	-89.2	74	892.2	75	1.7	53	-30.2	26	-51.2
thereof pension provisions	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Gearing (%)	66.6	n.a.	5.3	n.a.	49.4	n.a.	47.2	n.a.	29.3	n.a.	13.5	n.a.
Net debt/EBITDA	2.5	n.a.	0.2	n.a.	2.4	n.a.	1.9	n.a.	1.1	n.a.	0.5	n.a.

Structure

Sales by area of activity 2021



Sources: Bloomberg, Metzler Research

company note

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Recommendations for each financial instrument or issuer - mentioned in this document - published by Metzler in the past twelve months

Date of dissemination	Metzler recommendation * Previous	Current	Current price **	Price target *	Author ***
Issuer/Financial Instrument (ISIN): ABO Wind (DE0005760029)					
15.09.2022	Buy	Buy	57.60 EUR	106.00 EUR	Hoymann, Guido
01.09.2022	Buy	Buy	60.00 EUR	106.00 EUR	Hoymann, Guido
18.03.2022	Buy	Buy	59.00 EUR	95.00 EUR	Hoymann, Guido
09.02.2022	Buy	Buy	51.00 EUR	80.00 EUR	Hoymann, Guido
06.12.2021	Buy	Buy	56.20 EUR	80.00 EUR	Hoymann, Guido

* Effective until the price target and/or investment recommendation is updated (FI/FX recommendations are valid solely at the time of publication)

** XETRA trading price at the close of the previous day unless stated otherwise herein

*** All authors are financial analysts

ABO Wind

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