UiS Studentkapital AS

Porteføljen siden sist

- Archer: -1,1%
- Statoil: -0,02%
- Austevoll: +2,37%
- Avance: +3,13%
- Frontline: +13,49%
- Ocean Yield: +0,73%
- SMN: -0,32%
- Sør: +1,93%
- Vest: +0,74%
- Komplett: -2,54%
- Superfondet: -0,88%

Analysegruppen
Børsklubben UiS

UiS Studentkapital AS

Höegh LNG og Frontline

Oppdatering

Analysegruppen
Børsklubben UiS

UiS Studentkapital AS

Höegh LNG

Kursutvikling siste 6mnd

Analysegruppen

Børsklubben UiS

UiS Studentkapital AS

Wacc

Weigth of Equity		Weight of debt	
Shareprice	6,92	908100	Interest bearing debt
Outstanding sh	76033	233900	Excess cash
Equity	525984	674200	Net debt
Weight of Equi	44 %	56 %	Weight of debt
Cost of Debt	5,54 %		
Capm	5,01 %		
Wacc	5,31 %		

Beta: 0,78

Analysegruppen
Børsklubben UiS

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DCF

TUSD	Base2017	2018	2019	2020	2021
Rev	271047	292731	313222	332015	345296
OPEX	164889	190275	200462	209170	214083
EBITDA	106158	102456	112760	122846	131212
DEP	40419	45754	51793	53865	56020
ebit	65739	56702	60967	68981	75193
Tax	-	-	-	-	-
Nopat	65739	56702	60967	68981	75193
DEP	40419	45754	51793	53865	56020
Capex	246398	250000	250000	150000	50000
Change WC	-20000	-10000	-10000	15000	15000
FCF	-120240	-137544	-127240	-42154	66212

UiS Studentkapital AS

Resultat

Terminal Cash Flow	67437,3
Terminal cost of capital	5,31 %
Terminal Value	1951651
PV TV	1587082
PV CF	-227611
EV	1359471
Value of debt	674200
Minority Interest	13929
Shareholders Equity	671342
Outstanding Shares	76033
Share Price $	8,8
FX Rate	7,75
Price NOK	68,4
Current Price	53,8
Upside/Downside	27 %

Analysegruppen
Børsklubben UiS

Frontline

Analysegruppen

Børsklubben UiS

UiS Studentkapital AS

WACC og Cost of equity

Weightes					
Weight of Equity			**Weight of Debt**		
share price	4,48		Interest-bearing debt	1580000,0	
Outstanding shares	169809,00		Excess Cash	104 145,00	
Equity	760923,468		Net Debt	1 475 855,00	
Weight of Equity	**0,34**		**Weight of Debt**	**0,66**	
Cost of Capital and Cost of Equity					
CAPM			**Wacc**		
Risk free rate	0,77 %		Cost of Equity	8,67 %	
Beta	1,58000000		Cost of Debt	3,65 %	
Market risk premium	5,00 %		Tax rate	0 %	
			Weight of Equity	34,02 %	
			Weight of Debt	65,98 %	
Cost of Equity	8,67 %		**WACC**	5,35 %	

Analysegruppen

Børsklubben UiS

UiS Studentkapital AS

FCF

	Base	1	2	3	4	5
	2017	E2018	E2019	E2020	E2021	E2022
Revenues	646 326,00	489 098,00	612 098,65	637 098,65	653 026,12	672 616,90
Growth						
Total OPEX	642 597,00	600 000,00	570 000,00	550 000,00	540 000,00	520 000,00
EBITDA	3 729,00	- 110 902,00	42 098,65	87 098,65	113 026,12	152 616,90
D&A&I	185 935,00	189 653,70	193 446,77	197 315,71	201 262,02	205 287,26
EBIT	- 182 206,00	- 300 555,70	- 151 348,12	- 110 217,06	- 88 235,91	- 52 670,36
Tax Rate	0 %	0 %	0 %	0 %	0 %	0 %
Tax	-	-	-	-	-	-
CAPEX	417700	86300	53400	120000	122 400,00	124 848,00
Change in WC		- 50 000,00	- 50 000,00	80 000,00	- 20 000,00	- 15 000,00
WC						
D&A	185 935,00	189 653,70	193 446,77	197 315,71	201 262,02	205 287,26
=FCFF	- 413 971,00	- 147 202,00	38 698,65	- 112 901,35	10 626,12	42 768,90

Analysegruppen
Børsklubben UiS

UiS Studentkapital AS

Resultat

Terminal Cash Flow	43 581,51
Terminal cost of capital	5,35 %
Terminal Value	1 261 607,17
PV TV	971 985,66
PV CF	- 159 827,38
EV	**812 158**
Value of debt	218 861,53
Minority Interest	
Shareholders Equity	593 296,76
Outstanding Shares	169 809,00
Share Price $	3,49
FX Rate	7,79727096
Price NOK	27,24

Analysegruppen

Børsklubben UiS

UiS Studentkapital AS

NAV

2593828	Vessel verdi
1946000	Total debt
647828	NAV
169809	Outstanding shares
3,82	NAV/share
29,57	Pris nok

←--Kvartalsrapport NAV

Markedsverdi av flåten fra vesselvalue ------>

2240310	Vessel verdi
1946000	Total debt
294310	NAV
169809	Outstanding shares
1,73	NAV/share
13,43	Pris nok

Type	Live	Av Age	Market Value	Demo Value	N/B	N/B Value	Total Size
ALL	46	3	2,078.25	572.16	2	162.06	
TANKER	46	3	2,078.25	572.16	2	162.06	8,793,200 DWT

Analysegruppen
Børsklubben UiS

UiS Studentkapital AS

Frontline - Anbefaling: “Selg”

Pris i dag: 34,54 NOK

DCF: 27,24 NOK -21% nedside

NAV: 29,47 NOK -14% nedside

NAV: 13,43 NOK -61% nedside (markedsverdi)

FRONTLINE

Analysegruppen

Børsklubben UiS

UiS Studentkapital AS

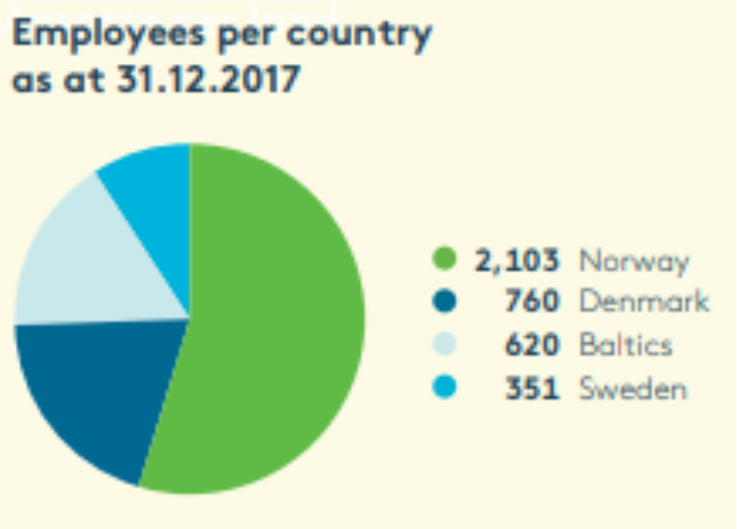
Gjensidige Forsikring ASA

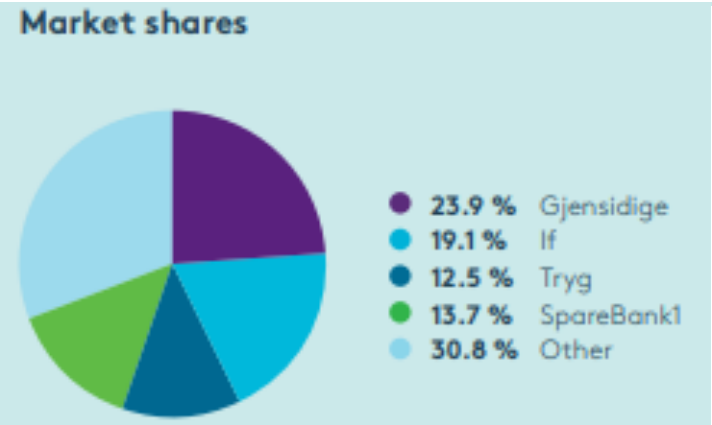
Analysegruppen
Børsklubben UiS

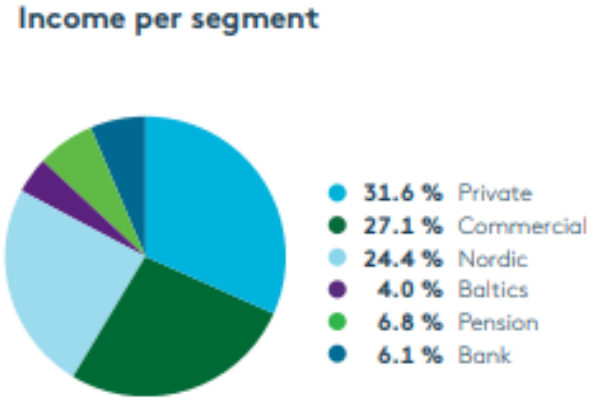
UiS Studentkapital AS

Om selskapet

- Totaltilbyder av forsikring
- Norges største tilbyder av skadeforsikring
- Operer også i Sverige, Danmark, Latvia, Estland og Litauen.
- Tilbyr også bank og pensjon.



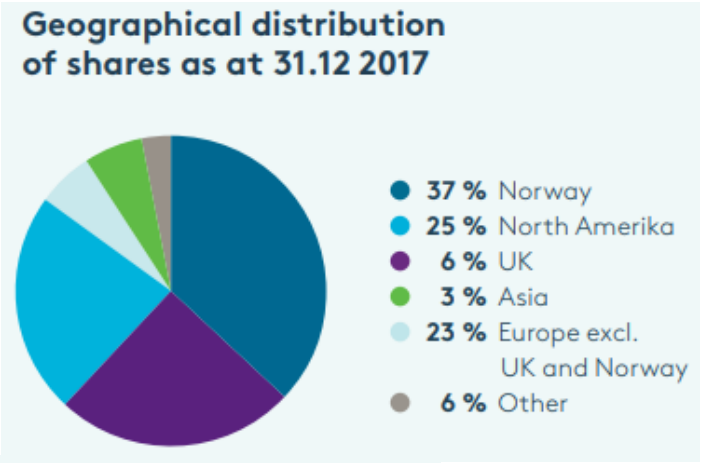


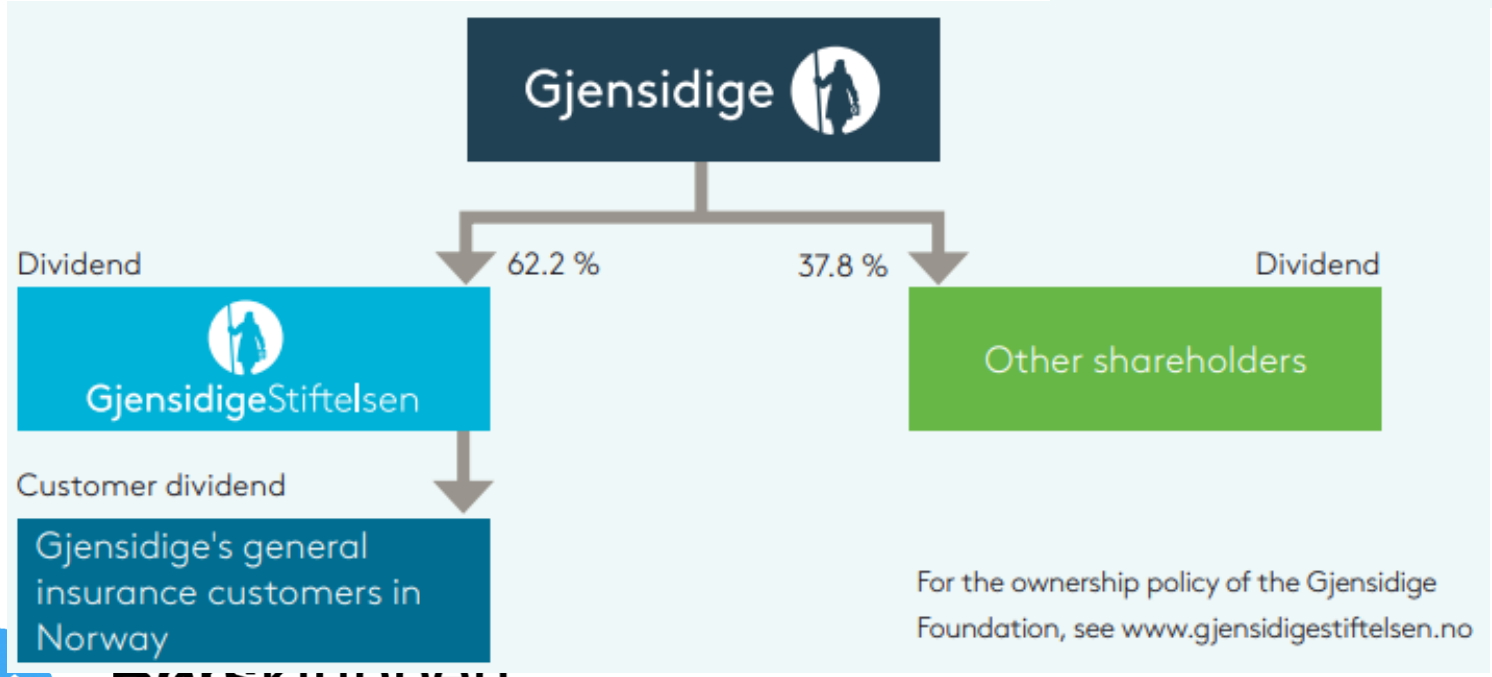


Analysegruppen
Børsklubben UiS

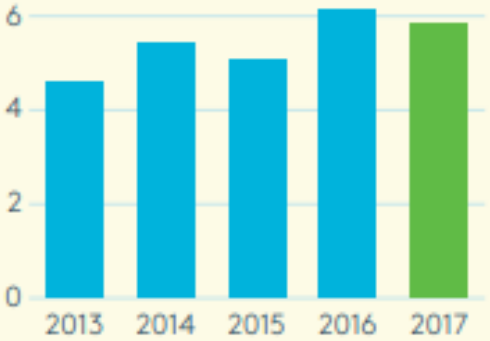
Eierstruktur

- GjensidigeStiftelsen hovedeier
- Andre eiere: < 3,9 % eierandel

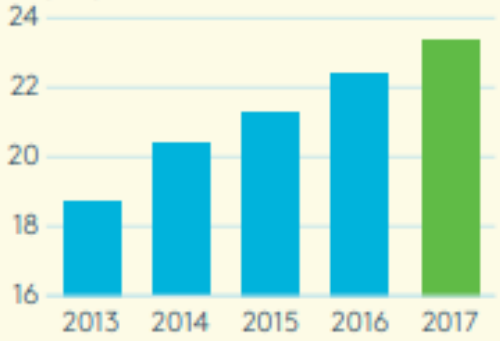




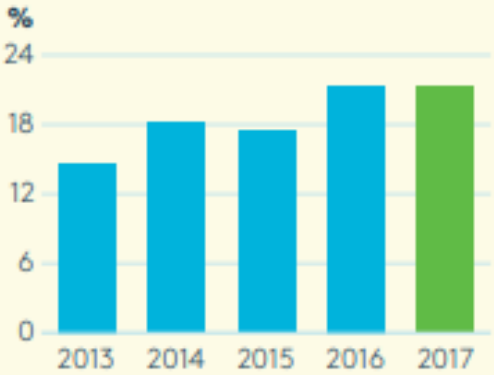
Profit before tax



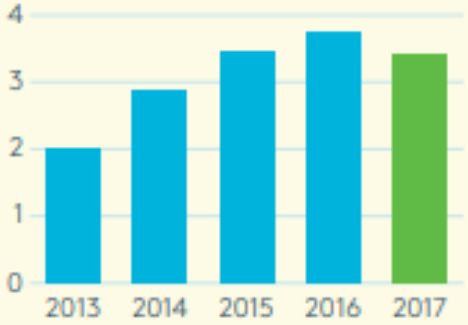
Earned premiums general insurance



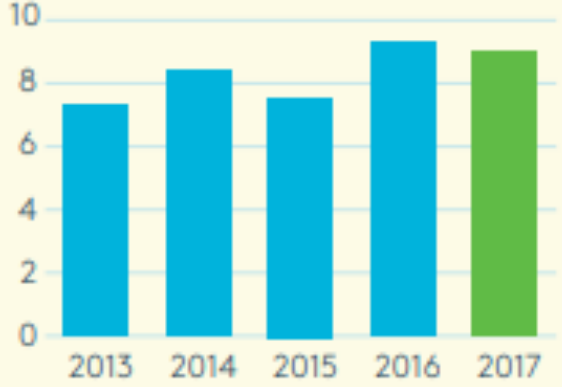
Return on equity



Underwriting result general insurance



Earnings per share



Analysegruppen

Børsklubben UiS

UiS Studentkapital AS

Nøkkeltall

- Dividend yield 2018: ≈ 5 %
  - Payout ratio på minimum 70 %
- ROE: 21,3 %
- Rating fra S&P: A
- Godt innenfor likviditetsmål internt og på bransjenivå

UiS Studentkapital AS

Viktigste elementer

- Porteføljevekst
- Risikostyring → porteføljesammensetning
- Funding
- Finansielle eiendeler

Analysegruppen
Børsklubben UiS

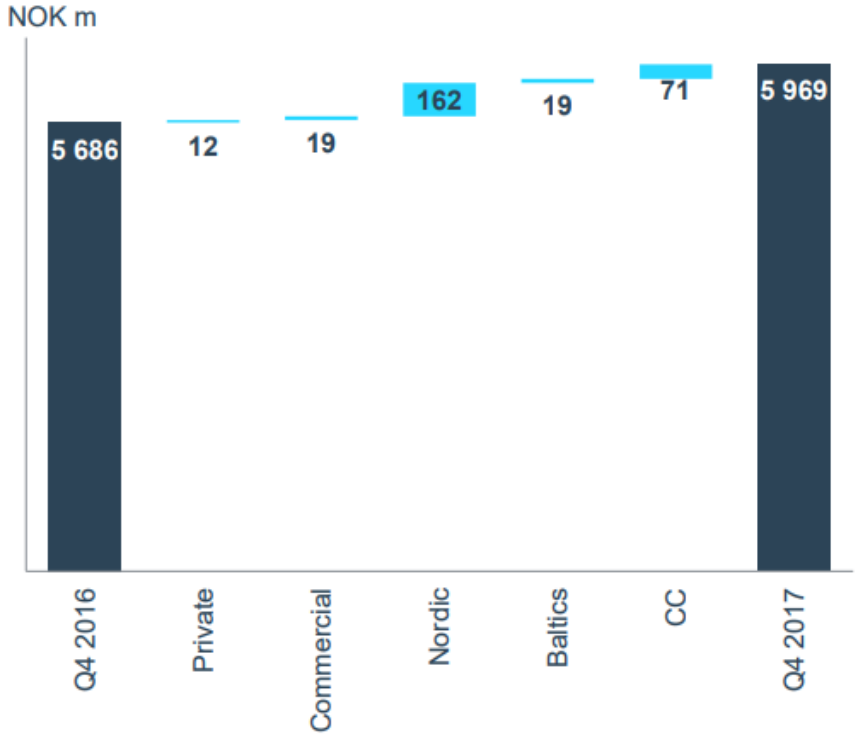
Financial assets and properties

NOK million	Return in per cent 2017	Return in per cent 2016	Result 2017	Result 2016	Carrying amount 31.12. 2017	Carrying amount 31.12. 2016
Match portfolio						
Money market	1.8	2.2	81.4	130.8	4,256.6	5,159.5
Bonds at amortized cost	4.0	4.7	694.7	858.4	17,597.5	17,491.3
Current bonds [1]	1.6	2.3	204.9	275.3	13,729.6	12,417.0
Match portfolio total	**2.8**	**3.5**	**981.0**	**1,264.5**	**35,583.6**	**35,067.8**
Free portfolio						
Money market	0.8	1.0	36.2	43.8	4,061.0	4,321.1
Other bonds [2]	3.1	8.1	103.9	296.5	3,354.6	3,689.5
High yield bonds [3]	6.1	11.5	51.3	208.7	648.8	1,072.2
Convertible bonds [3]	7.6	1.1	80.8	10.2	1,160.1	1,045.3
Current equities [4]	15.1	15.1	452.3	410.1	3,492.7	2,870.3
PE funds	8.4	(12.5)	100.0	(150.6)	1,269.7	1,145.7
Property	9.7	7.9	331.2	250.8	3,494.8	3,072.2
Other [5]	(8.1)	(11.0)	(134.2)	(179.0)	1,794.9	1,673.5
Free portfolio total	**5.3**	**4.6**	**1,021.6**	**890.6**	**19,276.6**	**18,889.9**
Financial result from the invesment portfolio	**3.7**	**3.9**	**2,002.6**	**2,155.1**	**54,860.2**	**53,957.7**
Financial income in Pension and Retail Bank			56.4	72.6		
Interest expenses subordinated loan Gjensidige Forsikring ASA			(30.1)	(31.6)		
Net income from investments			**2,029.0**	**2,196.1**		

Børsklubben UiS

Lav vekst i det norske PM-BM markedet

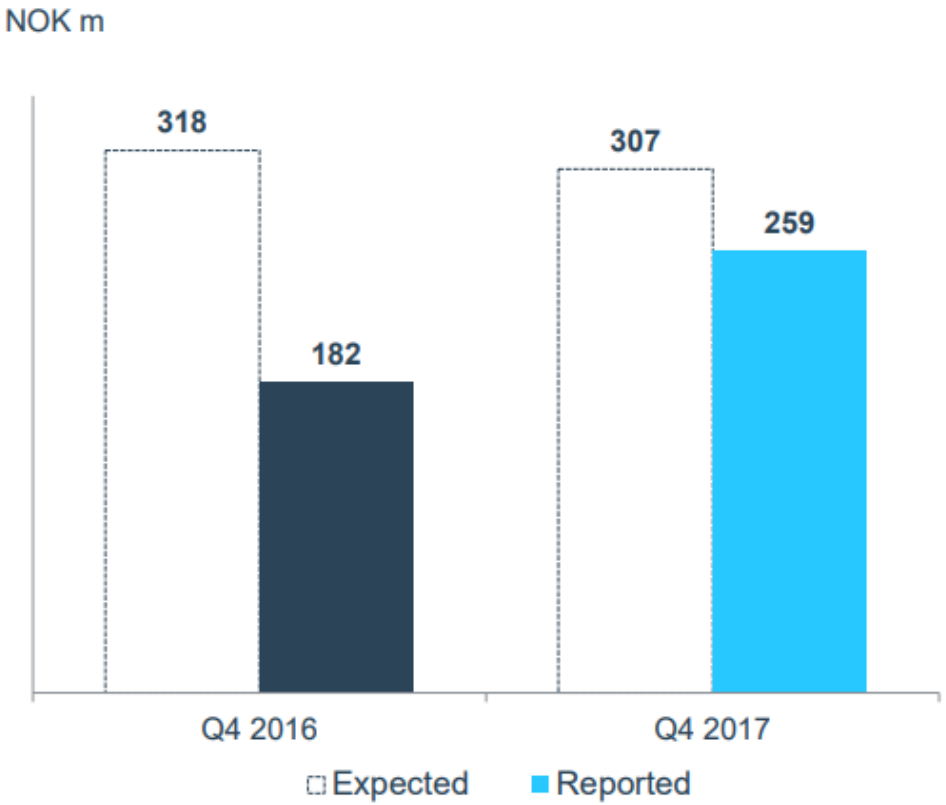
Premium development



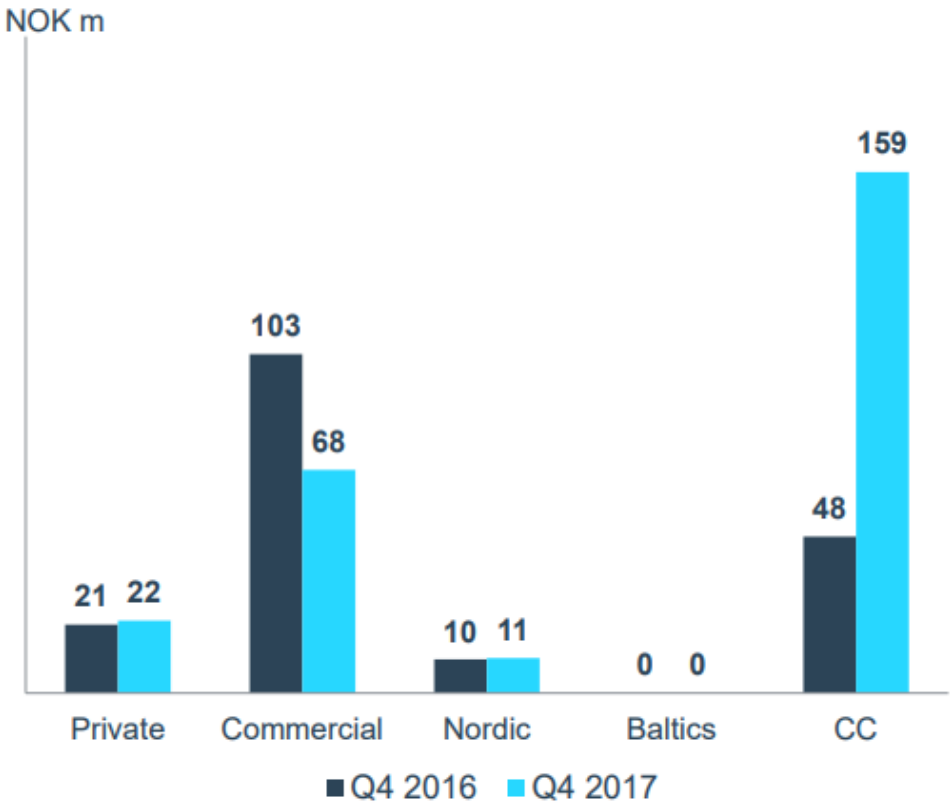
Key drivers - premium development

- Private +0.6%
  - Underlying 3.3% adjusted for one large contract not renewed 1 January 2017
- Commercial +1.1%
  - Satisfied with renewals into 2018
- Nordic +10.5%
  - Underlying negative 3.2% driven by portfolio re-underwriting in commercial lines in Denmark
- Baltics +7.6%
  - Underlying +1.5%

Large losses – reported vs expected



Large losses per segment



CC = corporate centre. Large losses: Losses > NOK 10m. Weather related large losses are included. Large losses in excess of NOK 30.0m are charged to the Corporate Centre while up to NOK 30m per claim is charged to the segment in which the large loss occurred. The Baltics segment has, as a main rule, a retention level of EUR 0.5m

UiS Studentkapital AS

Risikomomenter

- Ekstremvær
- Delingsøkonomi
- Blockchain
- Syntetisk biologi

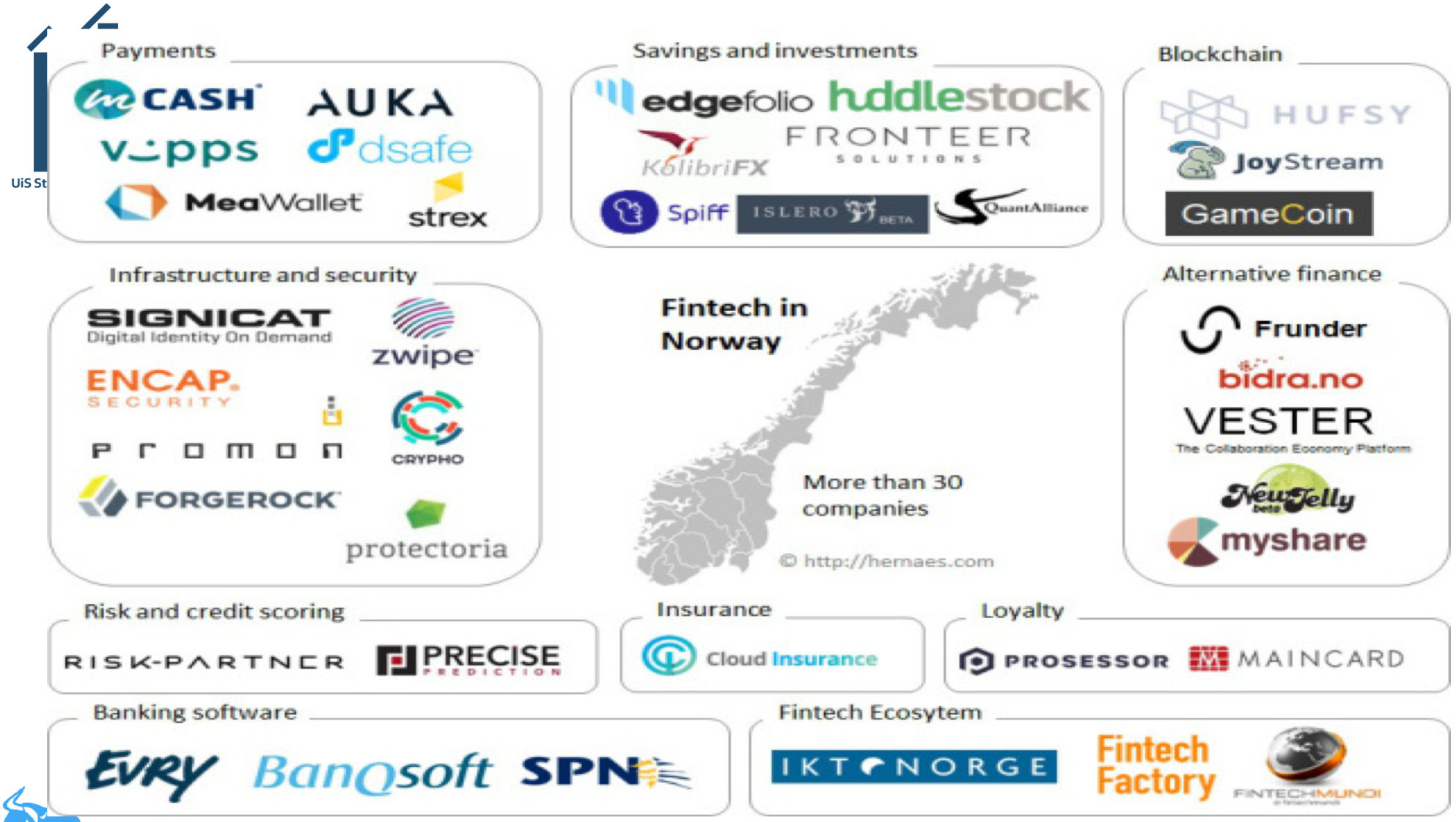
Hvordan håndteres risikoen?

«we have (…) taken a closer look…»

«Important for us to keep up…»

Analysegruppen

Børsklubben UiS



Børsklubben UiS

P2P Insurance: Friendsurance

Who are we?

In 2010, a few friends came together with an idea to **disrupt the insurance industry**.

They looked at customers paying premiums year after year and wondered how customers who were claims-free could better benefit from this. Their brainchild, an **insurtech company** called Friendsurance, was founded with this goal in mind and created what is now known as a **peer-to-peer insurance model**. P2P insurance is who connecting groups of customers and facilitating a yearly cashback when they and their connections remain claims-free.

This is only the first in a series of insurance solutions Friendsurance is focussed on, which are aimed at **making insurance more customer-friendly**. In 2010, Friendsurance was successfully launched in Germany and now has over **100,000 customers**. In 2017 Friendsurance will be expanding its operations to Australia.
Friendsurance is financed by a number **renowned institutional and private investors from the digital sector**, including Horizons Ventures, Ellerston Ventures, e.ventures, German Startups Group, as well as the European Regional Development Fund.

Børsklubben UiS

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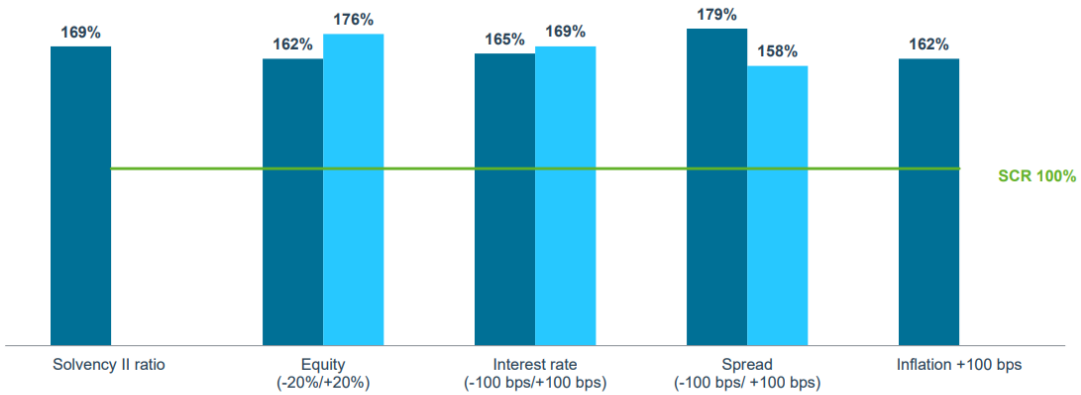
Solvens II

- Forsikringsbransjens Basel II



igures as at 31.12.2017. The Solvency II regulation is principle based. If the Guarantee provision had been treated as solvency capital, the Group's PIM solvency margin would be 172%. Total comprehensive income is ncluded in the calculations, minus a proposed dividend. UFR-sensitivity is very limited.

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Tre pilarer:

- To kapitalkrav: MCR og SCR
- ORSA (own risk and solvency assessment)
- Markedsdisiplin → rapportering til myndigheter

Analysegruppen
Børsklubben UiS

Balanse

NOK millions	Notes	31.12.2017	31.12.2016
Assets			
Goodwill	11	3,557.4	3,140.2
Other intangible assets	11	1,472.2	1,360.5
Deferred tax assets	9	11.3	19.1
Investments in associates and joint ventures	5	1,859.4	1,601.6
Interest-bearing receivables from joint venture	5, 13	1,620.1	1,420.2
Owner-occupied property, plant and equipment	12	290.1	321.9
Pension assets	10	206.0	488.7
Financial assets			
Financial derivatives	13	674.0	1,335.4
Shares and similar interests	13, 14	7,328.3	6,892.1
Bonds and other securities with fixed income	13	30,734.2	30,385.8
Bonds held to maturity	13	1,136.0	1,625.9
Loans and receivables	13, 15	67,010.1	60,030.6
Assets in life insurance with investment options	13	22,565.5	17,780.0
Reinsurance deposits			0.3
Reinsurers' share of insurance-related liabilities in general insurance, gross	16	827.4	706.8
Receivables related to direct operations and reinsurance		5,840.8	5,621.5
Other receivables	15	1,064.5	945.9
Prepaid expenses and earned, not received income	15	189.9	91.3
Cash and cash equivalents		2,685.2	2,158.7
Total assets		**149,072.4**	**135,926.6**

UiS Studentkapital AS

Gjennomgående positivt fra ledelsen

The year 2017

Our customers were more satisfied with us in 2017 than ever before, and we maintained high market shares. Profitability remained very good.

Analysegruppen
Børsklubben UiS

UiS Studentkapital AS

Men hvordan er de priset?

- Relativ verdsettelse
- Dividend discount model
- AEG

Analysegruppen
Børsklubben UiS

UiS Studentkapital AS

Relativ verdsettelse

- Ikke direkte sammenlignbart med Storebrand
- Dyr eller billig? Kommer an på hvordan vi velger å tolke multiplene…

	Rullende P/E	Pris/bok	D/E
Gjensidige Forsikring ASA	15.6	3	106 %
Storebrand ASA	12.5	1	83 %
Tryg A/S	15.6	3.4	35 %
Topdanmark A/S	14.2	4	29 %

Dividend discount model

Antakelser:

- Vekst i DIV lik vekst i EPS siste 5 år: 1,10 %
- Utbytte yield på 70 %
- Avkastningskrav til egenkapitalen (CAPM): 5,2 % (beta 0,63, rf 2 %, 5 % premium)

$$Pris = \frac{Utbytte\ 2018}{5{,}2\% - 1{,}1\ \%}$$

Snittvekst i EPS siste 5 år:	1.10 %
EPS 2018	9.15
DPS 2018	6.40
Pris per aksje:	**158.14**

Analysegruppen Børsklubben UiS

UiS Studentkapital AS

Abnormal earnings growth

- Meglerestimat
- Dividende yield: 70 %
- CAPM: 5,2 %
- Null vekst i terminalverdi

Estimater	2018	2019	2020
EPS	**8.51**	**8.8**	**8.78**
DIV	5.957	6.16	6.146
CUM-DIV		9.11	9.10
Normal EPS		8.95	9.26
AEG		0.16	-0.16
CV			-3.02
PV		**0.15**	**-2.84**
Kursmål	**111.95**		

Analysegruppen
Børsklubben UiS

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Anbefaling: Hold/selg

- Stor optimisme i markedet → vises i fallet etter Q4
- Godt selskap, men dyrt priset

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