INDUS Holding AG

Germany | Industrial Manufacturing | MCap EUR 755m

12 August 2026

UPDATE

Q2 with solid core momentum behind tungsten windfall; BUY

BUY (BUY)

Target price	**EUR 43.00** (43.00)
Current price	EUR 30.30
Up/downside	41.9%

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What's it all about?

INDUS Holding released its full Q2/H1 26 report, confirming strong Q2 figures while offering clearer visibility into underlying momentum. Q2 revenue rose 20.6% yoy to EUR 523.6m, and adjusted EBITA surged 160% yoy to EUR 81.1m (margin: 15.5%). While the tungsten special situation in Materials Solutions continues to drive extraordinary profitability, the detailed report highlights an encouraging sequential recovery in Engineering, strong organic growth in Infrastructure, and a robust book-to-bill ratio of 1.14x across the group. A sequential Q2 FCF rebound (+EUR 37.2m vs Q1 -EUR 74.1m) further eases working capital concerns. We reiterate our BUY rating with an unchanged PT of EUR 43.00.

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INDUS Holding AG

Germany | Industrial Manufacturing | MCap EUR 755m | EV EUR 1,324m

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Q2 with solid core momentum behind tungsten windfall; BUY

Strong Q2 driven by Materials windfall. Q2 revenue increased 20.6% yoy to EUR 523.6m, while adjusted EBITA surged 160% to EUR 81.1m, lifting the EBITA margin to 15.5% (Q2 25: 7.2%). Materials Solutions accounted for most of the acceleration, generating EUR 209m in revenue (+47.3% yoy) and EUR 56.3m in adjusted EBITA (26.9% margin) on tungsten scarcity pricing. In our view, management correctly cautions that long procurement and processing lags front-loaded H1 earnings. Higher raw material costs and potential Chinese competition will likely normalize margins in H2. Thus, we refrain from extrapolating H1's 22.4% segment margin long term.

Engineering inflection and record backlog. Outside Materials Solutions, Engineering delivered a meaningful sequential turnaround. Following a soft Q1, Q2 revenue rose 9.1% yoy to EUR 148.9m, with adjusted EBITA up 10.5% to EUR 10.5m (7.1% margin). More importantly, demand indicators showed genuine strength despite macro headwinds. H1 incoming orders reached EUR 340.6m, driving the order backlog to a record EUR 430.4m (up from EUR 359.4m at YE25). We believe this solid order cushion provides high visibility for H2 earnings acceleration toward the FY guidance margin range of 8.5-10.5%.

High-quality delivery in Infrastructure. In our view, Infrastructure delivered the cleanest operational update. H1 revenue grew 5.7% (3.9% organic), while Q2 adjusted EBITA jumped 26.7% to EUR 20.9m, taking the segment margin to 12.6% (above the FY target range of 10-12%). Growth was supported by climate/sealing systems and operational efficiency rather than commodity pricing. Incoming orders rose 23.4% yoy to EUR 351.8m, driving backlog to a two-year high of EUR 184.1m, strengthening our confidence in the group's core operational execution. *-continued-*

INDUS Holding AG	2023	2024	2025	2026E	2027E	2028E
Sales	1,802	1,722	1,735	1,961	2,000	2,040
Growth yoy	-0.1%	-4.5%	0.8%	13.0%	2.0%	2.0%
EBITDA	258	226	222	327	294	290
EBIT	150	127	127	217	188	187
Net profit	55	54	69	130	115	116
Net debt (net cash)	506	541	544	532	421	330
Net debt/EBITDA	2.0x	2.4x	2.5x	1.6x	1.4x	1.1x
EPS reported	2.06	2.07	2.77	5.21	4.60	4.66
DPS	1.20	1.20	1.30	2.35	2.07	2.10
Dividend yield	4.0%	4.0%	4.3%	7.7%	6.8%	6.9%
Gross profit margin	54.6%	55.8%	56.8%	59.1%	57.0%	56.3%
EBITDA margin	14.3%	13.1%	12.8%	16.7%	14.7%	14.2%
EBIT margin	8.3%	7.4%	7.3%	11.1%	9.4%	9.2%
ROCE	8.8%	8.6%	8.0%	15.6%	14.0%	13.7%
EV/Sales	0.7x	0.8x	0.8x	0.7x	0.6x	0.5x
EV/EBITDA	4.9x	5.9x	6.0x	4.0x	4.1x	3.8x
EV/EBIT	8.4x	10.5x	10.4x	6.1x	6.4x	6.0x
PER	14.7x	14.6x	10.9x	5.8x	6.6x	6.5x

Source: Company data, mwb research

Source: Company data, mwb research

High/low 52 weeks	33.70 / 21.15
Price/Book Ratio	1.0x

Ticker / Symbols

ISIN	DE0006200108
WKN	620010
Bloomberg	INH:GR

Changes in estimates

		Sales	EBIT	EPS
2026E	old	1,961	217	5.21
	Δ	0.0%	0.0%	0.0%
2027E	old	2,000	188	4.60
	Δ	0.0%	0.0%	0.0%
2028E	old	2,040	187	4.66
	Δ	0.0%	0.0%	0.0%

Key share data

Number of shares: (in m pcs)	24.91
Book value per share: (in EUR)	29.29
Ø trading vol.: (12 months)	41,975

Major shareholders

Versicherungskammer Bayern	6.4%
H.J. Selzer et al.	5.8%
Wirtgen Invest Holding	3.9%
Treasury Shares	3.5%
Free Float	74.2%

Company description

INDUS Holding acquires small and medium-sized companies. Within its three segments (Engineering, Infrastructure and Materials) it operates a buy-and-hold strategy. INDUS is specializing in industries such as construction, automotive, engineering (including inert gas glove box systems and automated valves), healthcare and basic materials processing.

Cash flow recovery and guidance backed. A sequential FCF recovery to +EUR 37.2m in Q2 (Q1: -EUR 74.1m) significantly reduces concerns over working capital absorption (EUR -160.5m in H1), which remains inflated by strategic tungsten inventory builds. Group incoming orders rose 22.5% yoy to EUR 1.1bn in H1 (book-to-bill: 1.14x). Reaffirmed FY26 guidance (revenue EUR 1.90-2.10bn; adjusted EBITA EUR 220–260m) implies reasonable H2 margin normalization (midpoint 11.3%).

Conclusion. The full Q2/H1 report confirms that behind the temporary tungsten windfall lies an increasingly healthy, well-ordered core portfolio with expanding backlogs across all three divisions. We reiterate our BUY recommendation with an unchanged PT of EUR 43.00.

The following table displays the quarterly performance of **INDUS Holding AG:**

P&L data	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Sales	443.1	439.6	402.4	434.3	437.4	461.3	441.6	523.6
yoy growth in %	-3.6%	0.2%	-1.9%	1.2%	-1.3%	4.9%	9.7%	20.6%
Gross profit	248.4	245.3	223.9	247.1	245.6	269.7	238.0	282.8
Gross margin in %	56.1%	55.8%	55.6%	56.9%	56.2%	58.5%	53.9%	54.0%
EBITDA	61.3	56.6	42.5	49.0	66.9	63.2	61.3	101.4
EBITDA margin in %	13.8%	12.9%	10.6%	11.3%	15.3%	13.7%	12.8%	12.8%
EBIT	31.8	30.8	19.6	25.8	43.3	38.3	36.0	75.7
EBIT margin in %	7.2%	7.0%	4.9%	5.9%	9.9%	8.3%	8.2%	14.5%
EBT	26.3	19.3	12.8	19.1	41.7	24.7	27.9	69.5
taxes paid	8.4	14.6	3.4	6.6	8.4	10.1	11.9	23.3
tax rate in %	31.9%	75.5%	26.6%	34.6%	20.1%	40.9%	30.0%	33.6%
net profit	17.6	4.5	15.8	12.3	33.3	7.6	16.0	46.0
yoy growth in %	-25.1%	-64.0%	56.7%	-42.9%	89.2%	68.8%	1.1%	275.5%
EPS	**0.68**	**0.18**	**0.63**	**0.50**	**1.33**	**0.31**	**0.64**	**1.85**

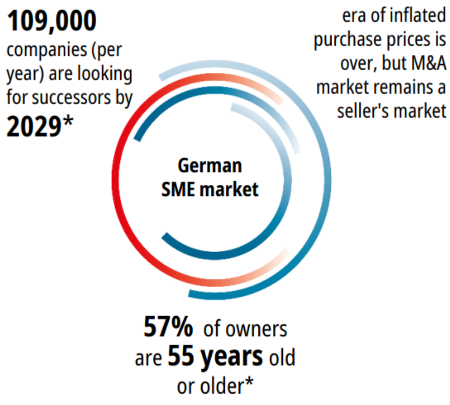
Source: Company data; mwb research

Investment case in six charts

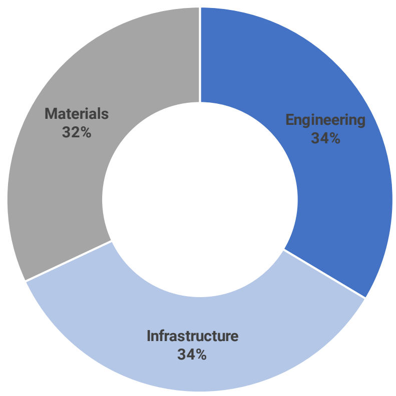
Empowering Mittelstand

Sound financial structure and sufficient liquidity secured for further growth
Free cash flow and additional debt capital with Net debt / EBITDA ~2.5x (no capital increase)

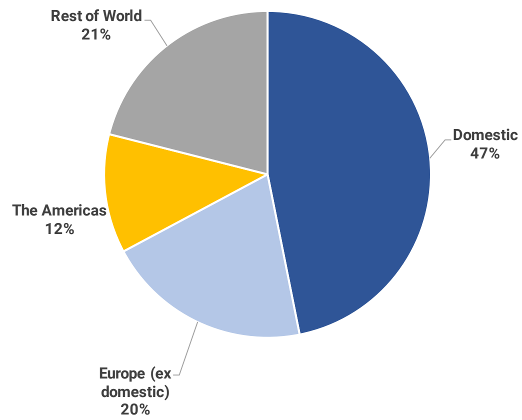
M&A environment



Segmental breakdown in %



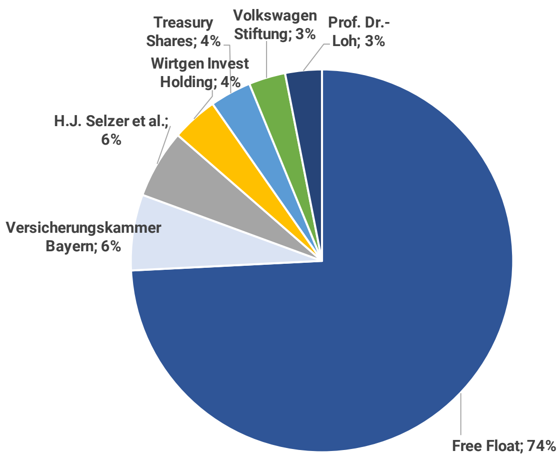
Regional sales split in %



Guidance 2026

in EURm	Low	High	Midpoint
Sales	1.900	2.100	2.000
Adj. EBITA	220	260	240
adj. EBIT margin	11,0%	13,0%	12,0%

Major Shareholders



Source: Company data, mwb research

SWOT analysis

Strengths

- High level management expertise through years of experience in a wide range of industries
- Well diversified portfolio by industries
- Wealth of expertise in the field of operational efficiency, automation, AI and lean management principles
- Access to financial resources

Weaknesses

- Disproportionately higher share of sales depending on the German market
- Focus on cyclical industries
- Relatively large Supervisory Board in relation to the size of the company

Opportunities

- Well filled M&A pipeline
- Higher interest rates lead to normalization of valuations; Hence falling purchase prices open up new investment opportunities
- Increased government spending into infrastructure could support the company's growth outlook

Threats

- Fierce competition from different angles of the market such as private equity firms or buy-out specialists
- Higher interest rates for a longer period of time

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Valuation

DCF Model

The DCF model results in a **fair value of EUR 43.31 per share**:

Top-line growth: We expect INDUS Holding AG to grow revenues at a CAGR of 2.0% between 2026E and 2033E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from 15.6% in 2026E to 12.5% in 2033E.

WACC. Starting point is a historical equity beta of 1.18. Unlevering and correcting for mean reversion yields an asset beta of 1.15. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 11.5%. With pre-tax cost of borrowing at 5.0%, a tax rate of 25% and target debt/equity of 0.5 this results in a long-term WACC of 8.9%.

DCF (EURm) (except per share data and beta)	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	Terminal value
NOPAT	150	130	130	121	121	115	116	120	
Depreciation & amortization	111	106	102	100	98	97	97	97	
Change in working capital	-132	32	8	-44	-13	-12	-12	-11	
Chg. in long-term provisions	16	2	2	2	2	2	2	2	
Capex	-82	-86	-88	-89	-91	-93	-95	-97	
Cash flow	63	185	155	90	118	110	108	112	1,651
Present value	61	164	127	67	82	70	63	60	879
WACC	8.7%	8.7%	8.7%	8.7%	8.8%	8.8%	8.8%	8.9%	8.9%

DCF per share derived from	
Total present value	1,572
Mid-year adj. total present value	1,640
Net debt / cash at start of year	544
Financial assets	8
Provisions and off b/s debt	25
Equity value	1,079
No. of shares outstanding	24.9
Discounted cash flow / share	**43.31**
upside/(downside)	**42.9%**
Share price	**30.30**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2026E-2033E)	2.0%
Terminal value growth (2033E - infinity)	2.0%
Terminal year ROCE	12.5%
Terminal year WACC	8.9%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25%
Equity beta	1.18
Unlevered beta (industry or company)	1.15
Target debt / equity	0.5
Relevered beta	1.58
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	11.5%

Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth 1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	27.4	28.8	30.2	31.8	33.7
1.0%	32.3	34.0	35.9	38.1	40.6
0.0%	38.3	40.6	43.3	46.4	50.0
-1.0%	46.1	49.4	53.2	57.6	63.0
-2.0%	56.5	61.3	67.0	74.0	82.8

Share of present value	
2026E-2029E	26.7%
2030E-2033E	17.4%
terminal value	55.9%

Source: mwb research

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR 58.90 per share based on 2026E and EUR 62.06 per share on 2030E estimates.

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2026E	2027E	2028E	2029E	2030E
EBITDA	**327**	**294**	**290**	**275**	**274**
- Maintenance capex	111	106	102	100	98
- Minorities	2	1	1	1	1
- tax expenses	56	50	50	48	49
= Adjusted FCF	**159**	**137**	**136**	**126**	**125**
Actual Market Cap	**782**	**782**	**782**	**782**	**782**
+ Net debt (cash)	532	421	330	302	240
+ Pension provisions	29	30	31	31	32
+ Off B/S financing	0	0	0	0	0
- Financial assets	8	8	8	8	8
- Acc. dividend payments	32	91	142	195	244
EV Reconciliations	521	352	210	131	20
= Actual EV'	**1,303**	**1,134**	**992**	**913**	**802**
Adjusted FCF yield	**12.2%**	**12.1%**	**13.7%**	**13.8%**	**15.6%**
base hurdle rate	8.0%	8.0%	8.0%	8.0%	8.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	8.0%	8.0%	8.0%	8.0%	8.0%
Fair EV	**1,988**	**1,716**	**1,694**	**1,572**	**1,566**
- *EV Reconciliations*	521	352	210	131	20
Fair Market Cap	**1,467**	**1,364**	**1,484**	**1,441**	**1,546**
No. of shares (million)	25	25	25	25	25
Fair value per share in EUR	**58.90**	**54.76**	**59.59**	**57.86**	**62.06**
Premium (-) / discount (+)	**94.4%**	**80.7%**	**96.7%**	**91.0%**	**104.8%**

Sensitivity analysis FV

Adjusted hurdle rate	6.0%	86	78	82	79	83
	7.0%	70	65	69	67	71
	8.0%	**59**	**55**	**60**	**58**	**62**
	9.0%	50	47	52	51	55
	10.0%	43	41	46	45	49

Source: Company data; mwb research

Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 8.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

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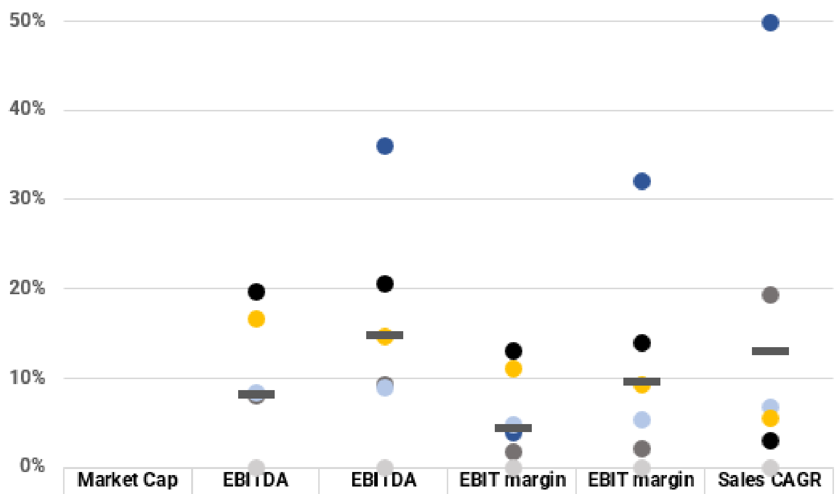
Peer group analysis

A peer group or comparable company ("comps") analysis is a methodology that calculates a company's relative value — how much it should be worth based on how it compares to other similar companies. Given that **INDUS Holding AG** differs quite significantly in terms of size, focus, financial health and growth trajectory, we regard our peer group analysis merely as a support for other valuation methods. The peer group of INDUS Holding AG consists of the stocks displayed in the chart below. As of 12 August 2026 the median market cap of the peer group was EUR 213m, compared to EUR 755m for INDUS Holding AG. In the period under review, the peer group was less profitable than INDUS Holding AG. The expectations for sales growth are higher for the peer group than for INDUS Holding AG.

Peer Group – Key data



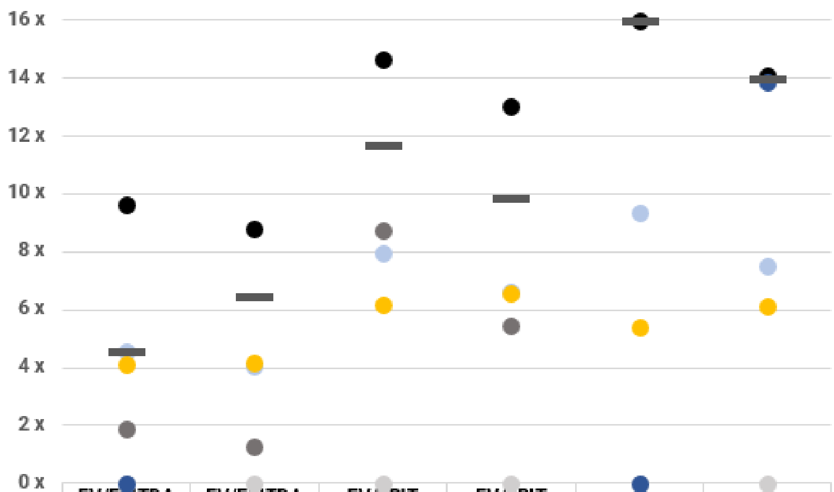
12-Aug-26	Market Cap (EURm)	EBITDA margin 2026	EBITDA margin 2027	EBIT margin 2026	EBIT margin 2027	Sales CAGR 2025-2028
● Aalberts N.V.	4.790	19,8%	20,6%	13,1%	14,0%	3,1%
● Blue Cap AG	74	8,1%	9,3%	1,8%	2,2%	19,4%
● Brockhaus Technologies AG	213	0,0%	0,0%	0,0%	0,0%	0,0%
● Deutsche Beteiligungs AG	400	-1,0%	36,0%	4,0%	32,1%	50,0%
● GESCO AG	150	8,4%	8,9%	4,8%	5,4%	6,9%
● INDUS Holding AG	782	16,7%	14,7%	11,1%	9,4%	5,5%
– Peer Group Median	213	8,2%	14,9%	4,4%	9,7%	13,1%

Source: FactSet, mwb research

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/EBITDA 2026, EV/EBITDA 2027, EV/EBIT 2026, EV/EBIT 2027, P/E 2026 and P/E 2027.

Applying these to INDUS Holding AG results in a range of fair values from EUR 37.41 to EUR 83.39.

Peer Group – Multiples and valuation



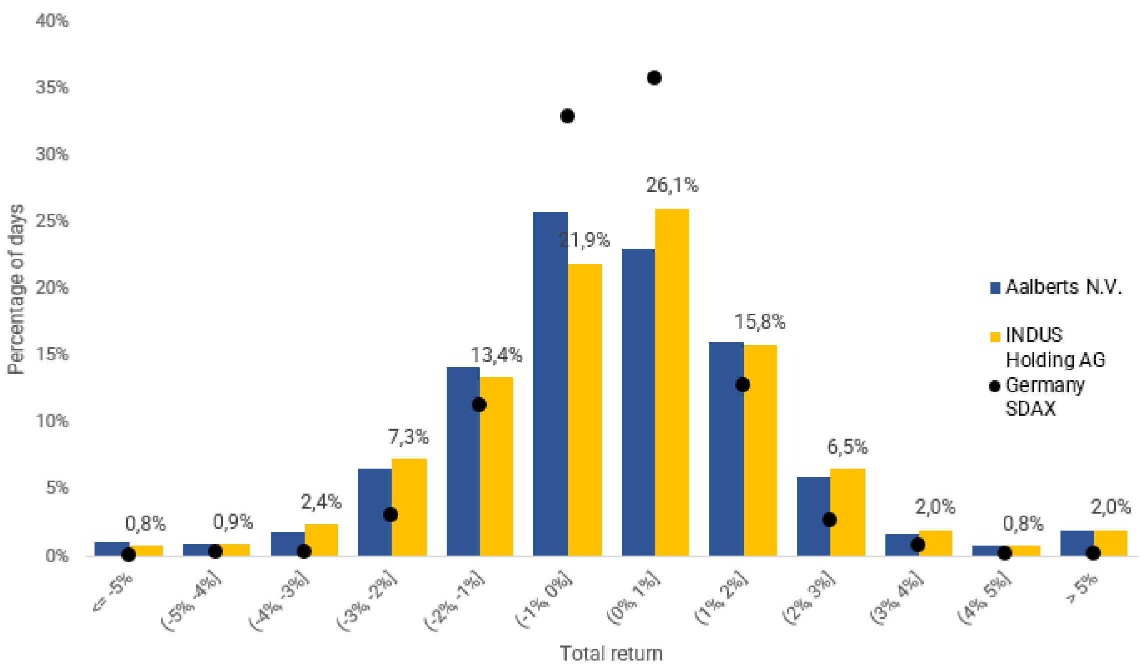
12-Aug-26	EV/EBITDA 2026	EV/EBITDA 2027	EV/EBIT 2026	EV/EBIT 2027	P/E 2026	P/E 2027
● Aalberts N.V.	9,6x	8,8x	14,6x	13,0x	16,0x	14,1x
● Blue Cap AG	1,9x	1,3x	8,7x	5,5x	35,8x	21,9x
● Brockhaus Technologies AG	0,0x	0,0x	0,0x	0,0x	0,0x	0,0x
● Deutsche Beteiligungs AG	0,0x	16,1x	286,0x	18,1x	0,0x	13,8x
● GESCO AG	4,6x	4,0x	8,0x	6,6x	9,3x	7,5x
● INDUS Holding AG	4,1x	4,2x	6,2x	6,5x	5,4x	6,1x
– Peer Group Median	4,6x	6,4x	11,7x	9,8x	16,0x	14,0x
Fair Value (EUR)	37,41	53,34	79,16	51,72	83,39	64,22

Source: FactSet, mwb research

Risk

The chart displays the **distribution of daily returns of INDUS Holding AG** over the last 3 years, compared to the same distribution for Aalberts N.V.. We have also included the distribution for the index Germany SDAX. The distribution gives a better understanding of risk than measures like volatility, which assume that log returns are normally distributed. In reality, they are skewed (down moves are larger) and have fat tails (large moves occur more often than predicted). Also, volatility treats up and down moves the same, while investors are more worried about down moves. For INDUS Holding AG, the worst day during the past 3 years was 08/05/2025 with a share price decline of -11.2%. The best day was 12/11/2025 when the share price increased by 14.5%.

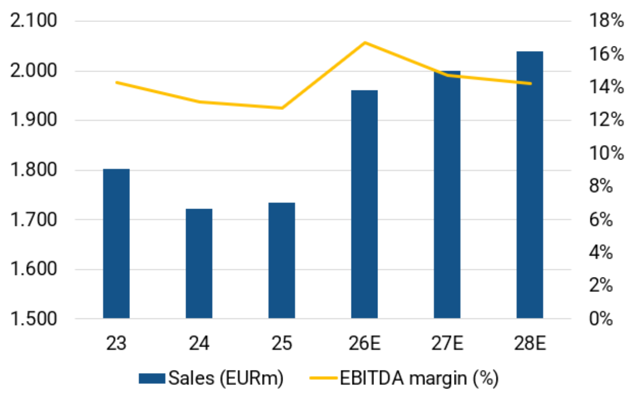
Risk – Daily Returns Distribution (trailing 3 years)



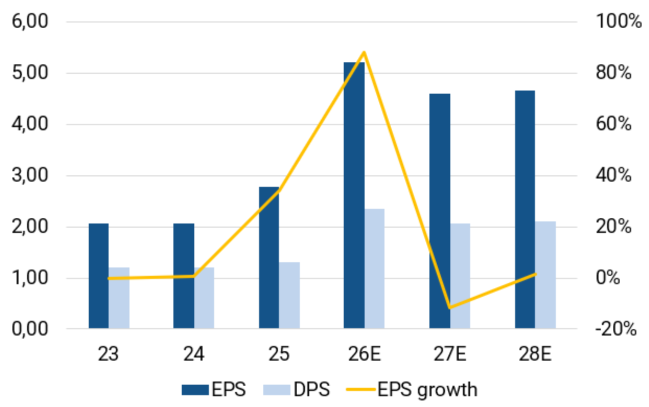
Source: FactSet, mwb research

Financials in six charts

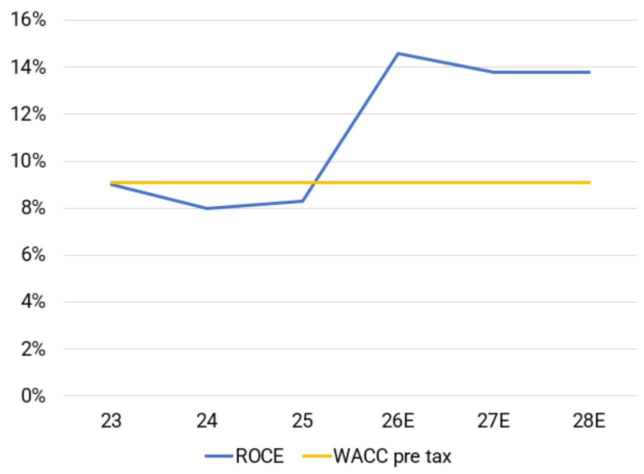
Sales vs. EBITDA margin development



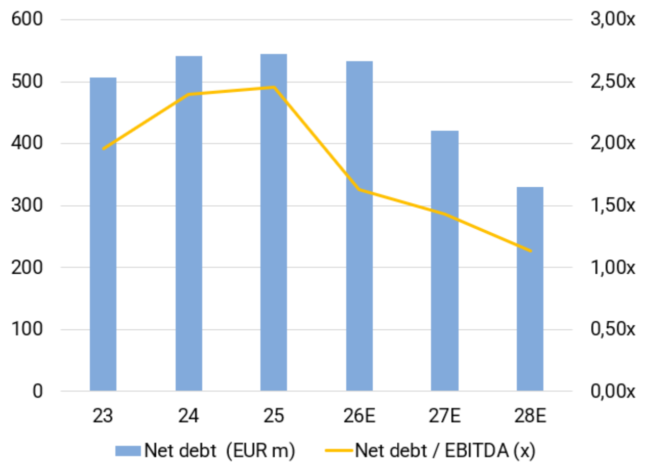
EPS, DPS in EUR & yoy EPS growth



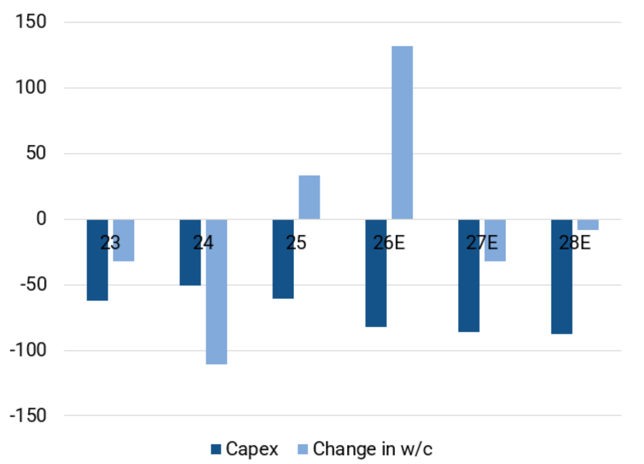
ROCE vs. WACC (pre tax)



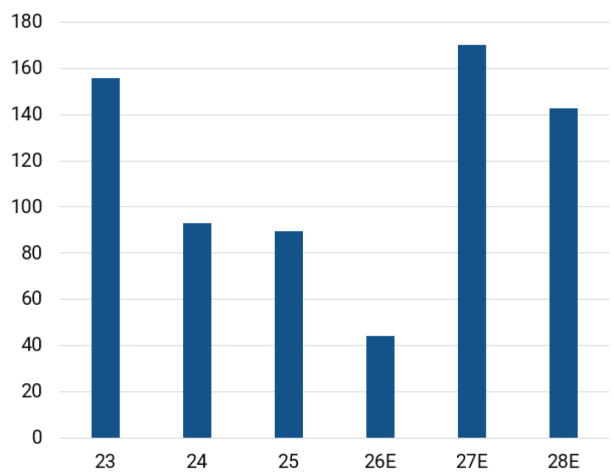
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2023	2024	2025	2026E	2027E	2028E
Net sales	**1,802**	**1,722**	**1,735**	**1,961**	**2,000**	**2,040**
Sales growth	-0.1%	-4.5%	0.8%	13.0%	2.0%	2.0%
Change in finished goods and work-in-process	-17	-3	3	-4	0	0
Total sales	**1,785**	**1,719**	**1,739**	**1,957**	**2,000**	**2,040**
Material expenses	801	757	752	798	860	892
Gross profit	**984**	**961**	**986**	**1,159**	**1,140**	**1,149**
Other operating income	26	28	25	27	28	29
Personnel expenses	522	537	554	604	614	622
Other operating expenses	230	226	236	255	260	265
EBITDA	**258**	**226**	**222**	**327**	**294**	**290**
Depreciation	89	93	93	89	86	84
EBITA	169	133	128	238	208	206
Amortisation of goodwill and intangible assets	19	7	1	21	20	19
EBIT	**150**	**127**	**127**	**217**	**188**	**187**
Financial result	-10	-31	-29	-29	-23	-20
Recurring pretax income from continuing operations	140	96	98	188	166	168
Extraordinary income/loss	0	0	0	0	0	0
Earnings before taxes	140	96	98	188	166	168
Taxes	56	41	29	56	50	50
Net income from continuing operations	84	55	70	131	116	117
Result from discontinued operations (net of tax)	-28	0	0	0	0	0
Net income	**56**	**55**	**70**	**131**	**116**	**117**
Minority interest	-1	-1	-1	-2	-1	-1
Net profit (reported)	55	54	69	130	115	116
Average number of shares	26.90	25.96	24.91	24.91	24.91	24.91
EPS reported	**2.06**	**2.07**	**2.77**	**5.21**	**4.60**	**4.66**

Profit and loss (common size)	2023	2024	2025	2026E	2027E	2028E
Net sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Change in finished goods and work-in-process	-1%	-0%	0%	-0%	0%	0%
Total sales	**99%**	**100%**	**100%**	**100%**	**100%**	**100%**
Material expenses	44%	44%	43%	41%	43%	44%
Gross profit	**55%**	**56%**	**57%**	**59%**	**57%**	**56%**
Other operating income	1%	2%	1%	1%	1%	1%
Personnel expenses	29%	31%	32%	31%	31%	31%
Other operating expenses	13%	13%	14%	13%	13%	13%
EBITDA	**14%**	**13%**	**13%**	**17%**	**15%**	**14%**
Depreciation	5%	5%	5%	5%	4%	4%
EBITA	9%	8%	7%	12%	10%	10%
Amortisation of goodwill and intangible assets	1%	0%	0%	1%	1%	1%
EBIT	**8%**	**7%**	**7%**	**11%**	**9%**	**9%**
Financial result	-1%	-2%	-2%	-1%	-1%	-1%
Recurring pretax income from continuing operations	8%	6%	6%	10%	8%	8%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	8%	6%	6%	10%	8%	8%
Taxes	3%	2%	2%	3%	2%	2%
Net income from continuing operations	5%	3%	4%	7%	6%	6%
Result from discontinued operations (net of tax)	-2%	0%	0%	0%	0%	0%
Net income	**3%**	**3%**	**4%**	**7%**	**6%**	**6%**
Minority interest	-0%	-0%	-0%	-0%	-0%	-0%
Net profit (reported)	**3%**	**3%**	**4%**	**7%**	**6%**	**6%**

Source: Company data; mwb research

Balance sheet (EURm)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (exl. Goodwill)	**164**	**167**	**164**	**152**	**143**	**134**
Goodwill	396	405	407	407	407	407
Property, plant and equipment	418	438	446	429	420	413
Financial assets	30	12	8	8	8	8
FIXED ASSETS	**1,008**	**1,023**	**1,025**	**997**	**977**	**962**
Inventories	429	411	424	525	495	489
Accounts receivable	181	185	182	226	230	235
Other current assets	23	19	18	18	18	18
Liquid assets	266	145	218	-82	-71	-30
Deferred taxes	21	24	37	37	37	37
Deferred charges and prepaid expenses	0	0	0	0	0	0
CURRENT ASSETS	**921**	**784**	**879**	**723**	**709**	**749**
TOTAL ASSETS	**1,929**	**1,807**	**1,904**	**1,720**	**1,686**	**1,711**
SHAREHOLDERS EQUITY	**718**	**698**	**729**	**828**	**886**	**952**
MINORITY INTEREST	2	2	1	1	1	1
Long-term debt	618	541	645	450	350	300
Provisions for pensions and similar obligations	0	28	25	29	30	31
Other provisions	200	61	66	78	80	82
Non-current liabilities	**818**	**630**	**737**	**558**	**460**	**412**
short-term liabilities to banks	154	146	116	0	0	0
Accounts payable	64	75	74	68	71	73
Advance payments received on orders	0	0	0	0	0	0
Other liabilities (incl. from lease and rental contracts)	147	180	178	196	200	204
Deferred taxes	26	76	68	68	68	68
Deferred income	0	0	0	0	0	0
Current liabilities	**391**	**477**	**437**	**332**	**339**	**346**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**1,929**	**1,807**	**1,904**	**1,720**	**1,686**	**1,711**

Balance sheet (common size)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (excl. Goodwill)	**9%**	**9%**	**9%**	**9%**	**8%**	**8%**
Goodwill	21%	22%	21%	24%	24%	24%
Property, plant and equipment	22%	24%	23%	25%	25%	24%
Financial assets	2%	1%	0%	0%	0%	0%
FIXED ASSETS	**52%**	**57%**	**54%**	**58%**	**58%**	**56%**
Inventories	22%	23%	22%	31%	29%	29%
Accounts receivable	9%	10%	10%	13%	14%	14%
Other current assets	1%	1%	1%	1%	1%	1%
Liquid assets	14%	8%	11%	-5%	-4%	-2%
Deferred taxes	1%	1%	2%	2%	2%	2%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	**48%**	**43%**	**46%**	**42%**	**42%**	**44%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**37%**	**39%**	**38%**	**48%**	**53%**	**56%**
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	32%	30%	34%	26%	21%	18%
Provisions for pensions and similar obligations	0%	2%	1%	2%	2%	2%
Other provisions	10%	3%	3%	5%	5%	5%
Non-current liabilities	**42%**	**35%**	**39%**	**32%**	**27%**	**24%**
short-term liabilities to banks	8%	8%	6%	0%	0%	0%
Accounts payable	3%	4%	4%	4%	4%	4%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	8%	10%	9%	11%	12%	12%
Deferred taxes	1%	4%	4%	4%	4%	4%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	**20%**	**26%**	**23%**	**19%**	**20%**	**20%**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Cash flow statement (EURm)	2023	2024	2025	2026E	2027E	2028E
Net profit/loss	84	55	70	131	116	117
Depreciation of fixed assets (incl. leases)	109	99	95	89	86	84
Amortisation of goodwill	0	0	0	0	0	0
Amortisation of intangible assets	0	0	0	21	20	19
Others	-7	-121	19	16	2	2
Cash flow from operations before changes in w/c	186	33	184	258	224	222
Increase/decrease in inventory	0	19	-14	-100	30	6
Increase/decrease in accounts receivable	0	-4	3	-43	-5	-5
Increase/decrease in accounts payable	0	11	-1	-6	3	3
Increase/decrease in other w/c positions	32	84	-22	18	4	4
Increase/decrease in working capital	32	110	-34	-132	32	8
Cash flow from operating activities	**218**	**144**	**150**	**126**	**256**	**230**
CAPEX	-62	-51	-61	-82	-86	-88
Payments for acquisitions	-9	-29	-19	0	0	0
Financial investments	-1	-1	-1	0	0	0
Income from asset disposals	21	16	8	0	0	0
Cash flow from investing activities	**-50**	**-65**	**-72**	**-82**	**-86**	**-88**
Cash flow before financing	168	78	78	44	170	143
Increase/decrease in debt position	42	-85	75	-312	-100	-50
Purchase of own shares	0	-42	-3	0	0	0
Capital measures	0	0	0	0	0	0
Dividends paid	-22	-31	-30	-32	-58	-52
Others	-21	-43	-45	0	0	0
Effects of exchange rate changes on cash	-1	1	-3	0	0	0
Cash flow from financing activities	**-1**	**-200**	**-5**	**-344**	**-158**	**-102**
Increase/decrease in liquid assets	166	-122	72	-300	12	41
Liquid assets at end of period	**266**	**145**	**218**	**-82**	**-71**	**-30**

Source: Company data; mwb research

Regional sales split (EURm)	2023	2024	2025	2026E	2027E	2028E
Domestic	811	826	813	919	937	956
Europe (ex domestic)	379	344	353	399	407	415
The Americas	0	0	204	231	235	240
Asia	0	0	0	0	0	0
Rest of World	613	551	365	413	421	429
Total sales	**1,802**	**1,722**	**1,735**	**1,961**	**2,000**	**2,040**

Regional sales split (common size)	2023	2024	2025	2026E	2027E	2028E
Domestic	45.0%	48.0%	46.9%	46.9%	46.9%	46.9%
Europe (ex domestic)	21.0%	20.0%	20.3%	20.3%	20.3%	20.3%
The Americas	0.0%	0.0%	11.8%	11.8%	11.8%	11.8%
Asia	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	34.0%	32.0%	21.0%	21.0%	21.0%	21.0%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Ratios	2023	2024	2025	2026E	2027E	2028E
Per share data						
Earnings per share reported	2.06	2.07	2.77	5.21	4.60	4.66
Cash flow per share	4.06	1.70	2.23	0.64	6.04	5.14
Book value per share	26.71	26.87	29.29	33.26	35.57	38.22
Dividend per share	1.20	1.20	1.30	2.35	2.07	2.10
Valuation						
P/E	14.7x	14.6x	10.9x	5.8x	6.6x	6.5x
P/CF	7.5x	17.8x	13.6x	47.6x	5.0x	5.9x
P/BV	1.1x	1.1x	1.0x	0.9x	0.9x	0.8x
Dividend yield (%)	4.0%	4.0%	4.3%	7.7%	6.8%	6.9%
FCF yield (%)	13.4%	5.6%	7.4%	2.1%	19.9%	17.0%
EV/Sales	0.7x	0.8x	0.8x	0.7x	0.6x	0.5x
EV/EBITDA	4.9x	5.9x	6.0x	4.0x	4.1x	3.8x
EV/EBIT	8.4x	10.5x	10.4x	6.1x	6.4x	6.0x
Income statement (EURm)						
Sales	1,802	1,722	1,735	1,961	2,000	2,040
yoy chg in %	-0.1%	-4.5%	0.8%	13.0%	2.0%	2.0%
Gross profit	984	961	986	1,159	1,140	1,149
Gross margin in %	54.6%	55.8%	56.8%	59.1%	57.0%	56.3%
EBITDA	258	226	222	327	294	290
EBITDA margin in %	14.3%	13.1%	12.8%	16.7%	14.7%	14.2%
EBIT	150	127	127	217	188	187
EBIT margin in %	8.3%	7.4%	7.3%	11.1%	9.4%	9.2%
Net profit	55	54	69	130	115	116
Cash flow statement (EURm)						
CF from operations	218	144	150	126	256	230
Capex	-62	-51	-61	-82	-86	-88
Maintenance Capex	109	99	95	111	106	102
Free cash flow	156	93	90	44	170	143
Balance sheet (EURm)						
Intangible assets	560	573	571	559	550	541
Tangible assets	418	438	446	429	420	413
Shareholders' equity	718	698	729	828	886	952
Pension provisions	0	28	25	29	30	31
Liabilities and provisions	972	776	853	558	460	412
Net financial debt	506	541	544	532	421	330
w/c requirements	547	521	532	683	654	650
Ratios						
ROE	7.8%	7.8%	9.6%	15.9%	13.1%	12.3%
ROCE	8.8%	8.6%	8.0%	15.6%	14.0%	13.7%
Net gearing	70.5%	77.6%	74.6%	64.3%	47.5%	34.6%
Net debt / EBITDA	2.0x	2.4x	2.5x	1.6x	1.4x	1.1x

Source: Company data; mwb research

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