INDUS Holding AG

Germany | Industrial Manufacturing | MCap EUR 909m

12 November 2026

UPDATE



Q3: Strong earnings beat, sharp Q4 normalization ahead; BUY

BUY (BUY)

Target price	**EUR 45.00** (43.00)
Current price	EUR 36.50
Up/downside	23.3%

What's it all about?

INDUS delivered a substantial Q3 earnings beat, with revenue up 24.4% yoy to EUR 544.3m and EBITDA rising 69.5% to EUR 113.4m, well ahead of our estimates. Another exceptionally strong contribution from tungsten carbide in Materials Solutions was the main driver, while Infrastructure continued to improve and Engineering maintained a record order backlog. Q3 free cash flow of EUR 74.9m was an additional positive. Nevertheless, management confirmed FY26 guidance, expecting the tungsten-driven windfall to fade sharply in Q4. We view the results positively but would not extrapolate current margins into 2027. The improving core portfolio and attractive valuation underpin our BUY rating and we raise our PT to EUR 45.00 from EUR 43.00.

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IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

research-hub.de

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Germany | Industrial Manufacturing | MCap EUR 909m | EV EUR 1,478m

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Q3: Strong earnings beat, sharp Q4 normalization ahead; BUY

Q3 results significantly ahead of expectations INDUS reported Q3 revenue of EUR 544.3m (+24.4% yoy), beating our EUR 505.0m estimate by 7.8%. EBITDA surged 69.5% to EUR 113.4m, exceeding our forecast by 42.3%, with the margin reaching 20.8% (own est.: 15.8%). EBIT came in at EUR 70.6m (own est.: EUR 53.7m), while EPS reached EUR 1.62 (own est.: EUR 1.31). For 9M, revenue increased 18.5% to EUR 1.51bn and adjusted EBITA more than doubled to EUR 218.5m, implying a 14.5% margin.

Tungsten carbide drives exceptional profitability Materials Solutions' Q3 revenue jumped 51.5% yoy to EUR 208.2m, while adjusted EBITA reached EUR 58.3m, corresponding to an exceptional 28.0% margin. Elevated tungsten carbide prices and the lag between selling-price increases and procurement costs continued to boost earnings. However, management anticipates a marked slowdown in Q4 as customers postpone orders ahead of expected price declines and competition from Chinese suppliers intensifies. The current profitability is therefore unlikely to be sustainable.

Underlying portfolio continues to strengthen Infrastructure delivered Q3 adjusted EBITA of EUR 27.5m (+23.3% yoy), lifting its margin to 15.6% from 13.8%. Engineering increased adjusted EBITA to EUR 13.5m (+8.9% yoy) and reported a record EUR 432.9m order backlog, supporting expectations of a strong Q4. However, its FY26 margin guidance was trimmed to 8–10% from 8.5–10.5%.

Cash conversion provides additional reassurance Q3 free cash flow reached EUR 74.9m, significantly ahead of the EUR 27.1m consensus estimate, bringing 9M free cash flow to EUR 38.0m. This is encouraging given the substantial working-capital absorption related to tungsten carbide inventories, although elevated capital requirements remain a concern.

-continued-

INDUS Holding AG	2023	2024	2025	2026E	2027E	2028E
Sales	1,802	1,722	1,735	2,013	2,053	2,094
Growth yoy	-0.1%	-4.5%	0.8%	16.0%	2.0%	2.0%
EBITDA	258	226	222	336	302	297
EBIT	150	127	127	226	196	194
Net profit	55	54	69	136	120	121
Net debt (net cash)	506	541	544	539	425	333
Net debt/EBITDA	2.0x	2.4x	2.5x	1.6x	1.4x	1.1x
EPS reported	2.06	2.07	2.77	5.45	4.80	4.85
DPS	1.20	1.20	1.30	2.45	2.16	2.18
Dividend yield	3.3%	3.3%	3.6%	6.7%	5.9%	6.0%
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%	11.2%	9.5%	9.3%
ROCE	8.8%	8.6%	8.0%	16.2%	14.4%	14.1%
EV/Sales	0.8x	0.9x	0.9x	0.7x	0.7x	0.6x
EV/EBITDA	5.5x	6.5x	6.7x	4.4x	4.5x	4.3x
EV/EBIT	9.5x	11.7x	11.6x	6.5x	7.0x	6.6x
PER	17.7x	17.6x	13.2x	6.7x	7.6x	7.5x

Source: Company data, ResearchHub



Source: Company data, FactSet

High/low 52 weeks	42.70 / 21.15
Price/Book Ratio	1.2x

Ticker / Symbols

ISIN	DE0006200108
WKN	620010
Bloomberg	INH:GR

Changes in estimates

		Sales	EBIT	EPS
2026E	old	1,961	217	5.21
	Δ	2.7%	4.0%	4.6%
2027E	old	2,000	188	4.60
	Δ	2.7%	3.9%	4.5%
2028E	old	2,040	187	4.66
	Δ	2.7%	3.7%	4.1%

Key share data

Number of shares: (in m pcs)	24.91
Book value per share: (in EUR)	29.29
Ø trading vol.: (12 months)	44,910

Major shareholders

H.J. Selzer et al.	5.8%
Versicherungskammer Bayern	5.4%
Wirtgen Invest Holding	3.9%
Treasury Shares	3.5%
Free Float	75.2%

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.

Guidance confirmed; estimates and PT raised INDUS maintained FY26 guidance of EUR 1.9–2.1bn revenue and EUR 220–260m adjusted EBITA. Following EUR 218.5m adjusted EBITA in 9M, this implies a sharp Q4 slowdown. We raise our FY26 forecasts to reflect the stronger-than-expected Q3 performance, while increasing subsequent years' estimates only marginally, as we do not extrapolate the temporary tungsten windfall. Nevertheless, improving underlying operations, solid order visibility and better cash conversion reinforce our investment case. We raise our PT to EUR 45.00 from EUR 43.00 and reiterate BUY.

EURm	Q3 26E *mwb est.*	Q3 25 *actual*	yoy	Q2 26 *actual*
Sales	**505,0**	**437,4**	15,5%	**523,6**
Gross profit	277,8	245,6	13,1%	282,8
Gross margin	55,0%	56,2%	-115bp	54,0%
EBITDA	79,7	66,9	19,1%	101,4
EBITDA margin	15,8%	15,3%	49bp	19,4%
EBIT	53,7	43,3	24,0%	75,7
EBIT margin	10,6%	9,9%	73bp	14,5%
EBT	46,6	41,7	11,8%	69,5
tax rate	30,0%	20,1%		33,6%
Net profit	32,6	33,3	-2,0%	46,0
EPS	1,31	1,33	-1,5%	1,85

Source: Company data

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

P&L data	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Sales	439.6	402.4	434.3	437.4	461.3	441.6	523.6	544.3
yoy growth in %	0.2%	-1.9%	1.2%	-1.3%	4.9%	9.7%	20.6%	24.4%
Gross profit	245.3	223.9	247.1	245.6	269.7	238.0	282.8	275.7
Gross margin in %	55.8%	55.6%	56.9%	56.2%	58.5%	53.9%	54.0%	55.0%
EBITDA	56.6	42.5	49.0	66.9	63.2	61.3	101.4	113.4
EBITDA margin in %	12.9%	10.6%	11.3%	15.3%	13.7%	12.8%	12.8%	20.8%
EBIT	30.8	19.6	25.8	43.3	38.3	36.0	75.7	70.6
EBIT margin in %	7.0%	4.9%	5.9%	9.9%	8.3%	8.2%	14.5%	13.0%
EBT	19.3	12.8	19.1	41.7	24.7	27.9	69.5	63.9
taxes paid	14.6	3.4	6.6	8.4	10.1	11.9	23.3	23.2
tax rate in %	75.5%	26.6%	34.6%	20.1%	40.9%	30.0%	33.6%	30.0%
net profit	4.5	15.8	12.3	33.3	7.6	16.0	46.0	40.7
yoy growth in %	-64.0%	56.7%	-42.9%	89.2%	68.8%	1.1%	275.5%	22.2%
EPS	**0.18**	**0.63**	**0.50**	**1.33**	**0.31**	**0.64**	**1.85**	**1.62**

Source: Company data

Investment case in six charts

Empowering Mittelstand



Investing around EUR 500m in acquisitions until 2030



International growth organically and through M&A

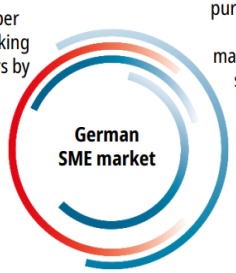


Formation of technology fields Innovation, AI and digitalization

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

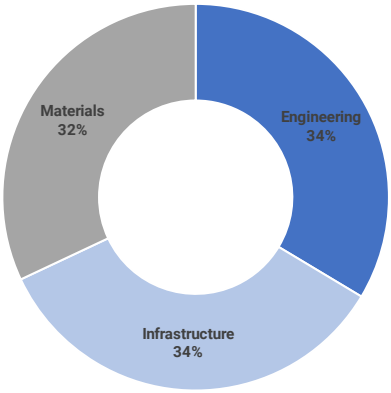
109,000 companies (per year) are looking for successors by **2029***



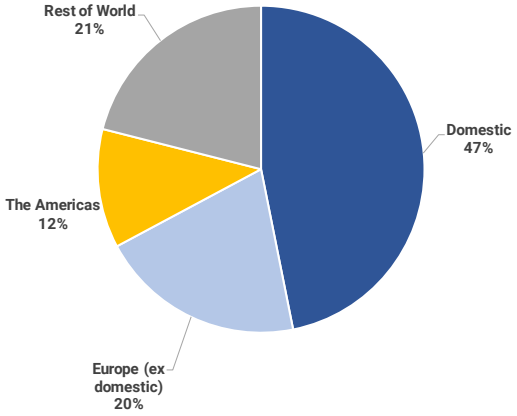
era of inflated purchase prices is over, but M&A market remains a seller's market

57% of owners are **55 years** old or older*

Segmental breakdown in %



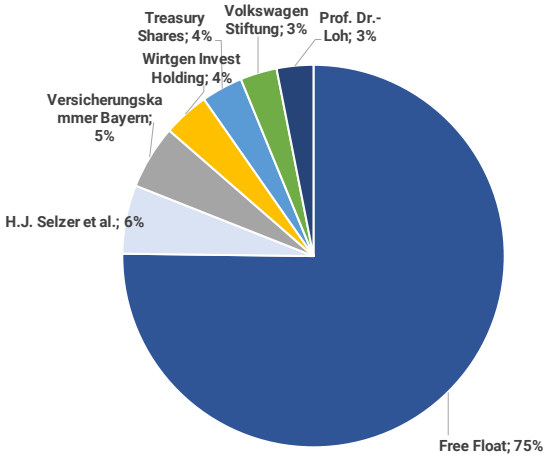
Regional sales split in %



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, ResearchHub

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

Valuation

DCF Model

The DCF model results in a **fair value of EUR 45.03 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 16.2% in 2026E to 12.5% in 2033E.

WACC. Starting point is a historical equity beta of 0.84. Unleverering 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	156	136	134	125	126	119	120	122	
Depreciation & amortization	111	106	103	101	100	99	99	99	
Change in working capital	-145	33	9	-45	-13	-13	-13	-12	
Chg. in long-term provisions	19	2	2	2	2	2	2	2	
Capex	-85	-88	-90	-92	-94	-96	-97	-99	
Cash flow	57	189	158	92	121	112	111	112	1,651
Present value	56	172	132	70	85	73	66	61	898
WACC	8.7%	8.7%	8.8%	8.8%	8.8%	8.8%	8.9%	8.9%	8.9%

DCF per share derived from	
Total present value	1,613
Mid-year adj. total present value	1,683
Net debt / cash at start of year	544
Financial assets	8
Provisions and off b/s debt	25
Equity value	1,121
No. of shares outstanding	24.9
Discounted cash flow / share	**45.03**
upside/(downside)	**23.4%**
Share price	**36.50**

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	0.84
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%	29.0	30.4	31.9	33.5	35.4
1.0%	33.9	35.6	37.6	39.9	42.4
0.0%	39.9	42.3	45.0	48.2	51.8
-1.0%	47.8	51.1	54.9	59.5	65.0
-2.0%	58.2	63.0	68.8	75.9	84.9

Share of present value

2026E-2029E	26.7%
2030E-2033E	17.6%
terminal value	55.7%

Source: ResearchHub

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 61.64 per share based on 2026E and EUR 64.34 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	**336**	**302**	**297**	**282**	**281**
- Maintenance capex	111	106	103	101	100
- Minorities	2	1	1	1	1
- tax expenses	59	52	52	49	50
= Adjusted FCF	**165**	**142**	**140**	**130**	**129**
Actual Market Cap	**942**	**942**	**942**	**942**	**942**
+ Net debt (cash)	539	425	333	306	243
+ Pension provisions	30	31	31	32	33
+ Off B/S financing	0	0	0	0	0
- Financial assets	8	8	8	8	8
- Acc. dividend payments	32	94	147	202	253
EV Reconciliations	528	355	209	128	15
= Actual EV'	**1,470**	**1,297**	**1,151**	**1,070**	**957**
Adjusted FCF yield	**11.2%**	**11.0%**	**12.2%**	**12.2%**	**13.5%**
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	**2,064**	**1,780**	**1,754**	**1,626**	**1,618**
- EV Reconciliations	528	355	209	128	15
Fair Market Cap	**1,535**	**1,425**	**1,545**	**1,498**	**1,603**
No. of shares (million)	25	25	25	25	25
Fair value per share in EUR	**61.64**	**57.21**	**62.02**	**60.13**	**64.34**
Premium (-) / discount (+)	**68.9%**	**56.7%**	**69.9%**	**64.7%**	**76.3%**

Sensitivity analysis FV						
Adjusted hurdle rate	6.0%	89	81	85	82	86
	7.0%	73	67	72	69	74
	8.0%	**62**	**57**	**62**	**60**	**64**
	9.0%	52	49	54	53	57
	10.0%	45	43	48	47	51

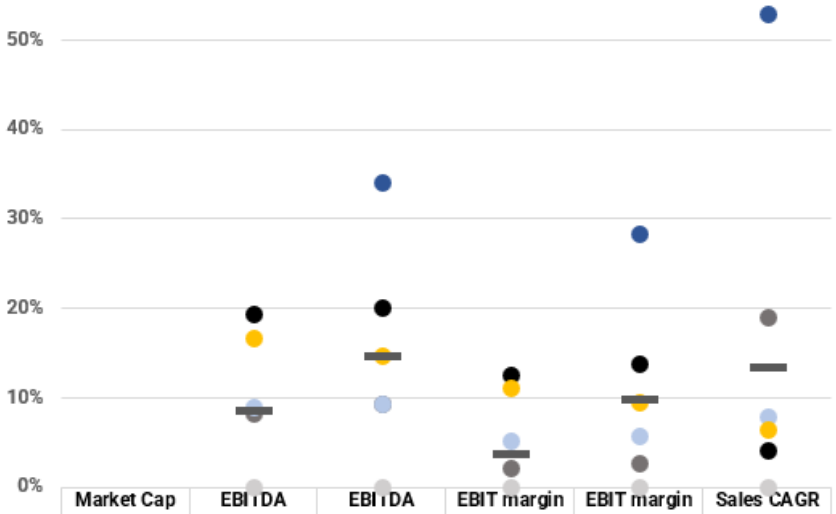
Source: Company data; ResearchHub

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.**

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 November 2026 the median market cap of the peer group was EUR 152m, compared to EUR 909m 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



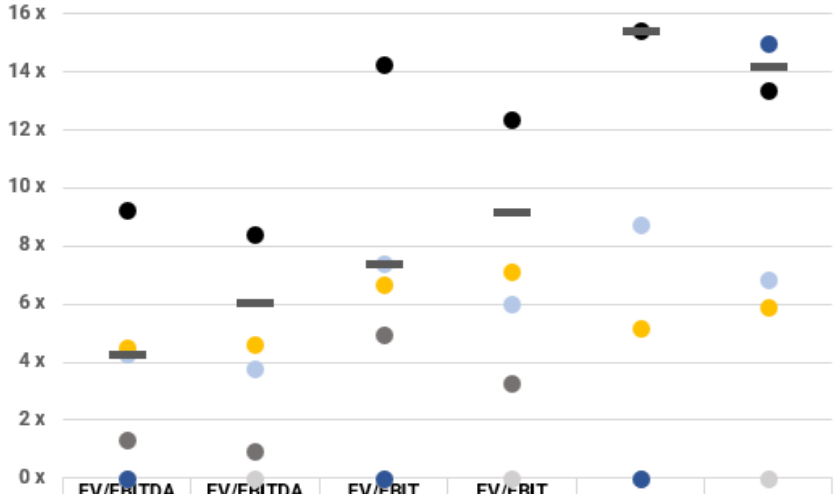
12-Nov-26	Market Cap (EURm)	EBITDA margin 2026	EBITDA margin 2027	EBIT margin 2026	EBIT margin 2027	Sales CAGR 2025-2028
Aalberts N.V.	4.572	19,5%	20,2%	12,6%	13,8%	4,1%
Blue Cap AG	66	8,2%	9,3%	2,2%	2,6%	19,0%
Brockhaus Technologies AG	112	0,0%	0,0%	0,0%	0,0%	0,0%
Deutsche Beteiligungs AG	399	-26,9%	34,2%	-25,5%	28,4%	53,0%
GESCO AG	152	8,9%	9,3%	5,2%	5,8%	8,0%
INDUS Holding AG	942	16,7%	14,7%	11,2%	9,5%	6,5%
Peer Group Median	152	8,6%	14,8%	3,7%	9,8%	13,5%

Source: FactSet, ResearchHub

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 35.05 to EUR 83.96.

Peer Group – Multiples and valuation



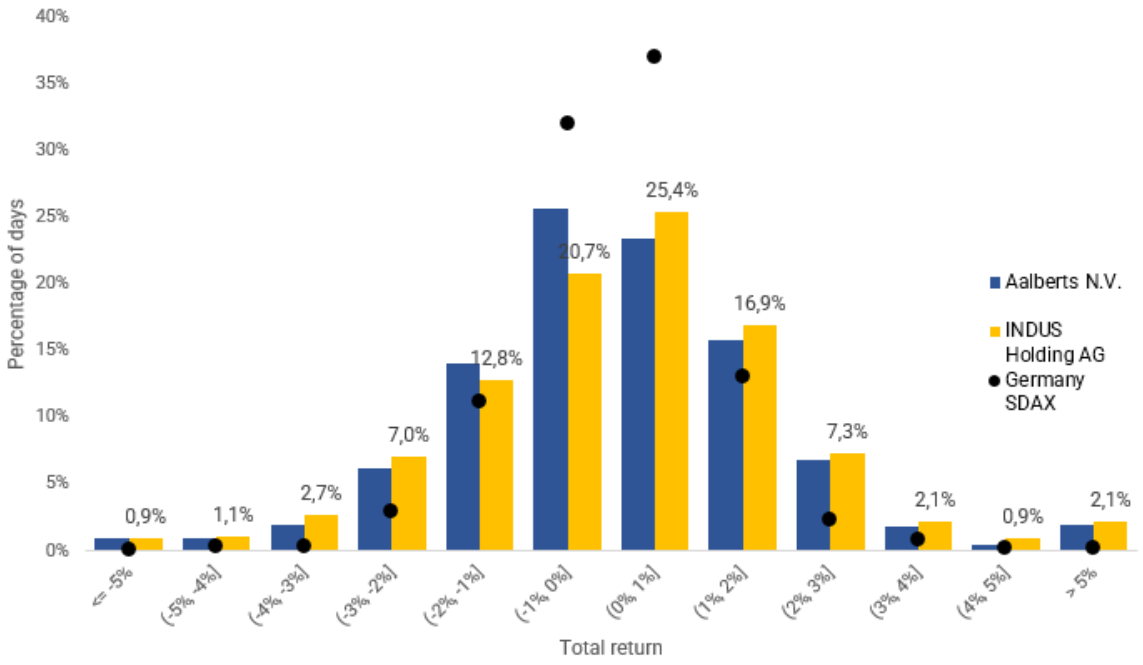
12-Nov-26	EV/EBITDA 2026	EV/EBITDA 2027	EV/EBIT 2026	EV/EBIT 2027	P/E 2026	P/E 2027
Aalberts N.V.	9,3x	8,4x	14,3x	12,4x	15,4x	13,4x
Blue Cap AG	1,3x	0,9x	5,0x	3,3x	33,3x	19,5x
Brockhaus Technologies AG	0,0x	0,0x	0,0x	0,0x	0,0x	0,0x
Deutsche Beteiligungs AG	0,0x	16,5x	0,0x	19,8x	0,0x	15,0x
GESCO AG	4,3x	3,8x	7,4x	6,0x	8,7x	6,8x
INDUS Holding AG	4,5x	4,6x	6,7x	7,1x	5,2x	5,9x
Peer Group Median	4,3x	6,1x	7,4x	9,2x	15,4x	14,2x
Fair Value (EUR)	35,05	50,98	43,98	49,25	83,96	68,05

Source: FactSet, ResearchHub

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%.

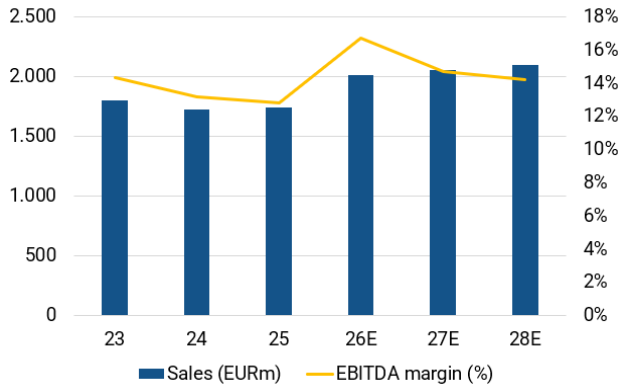
Risk – Daily Returns Distribution (trailing 3 years)



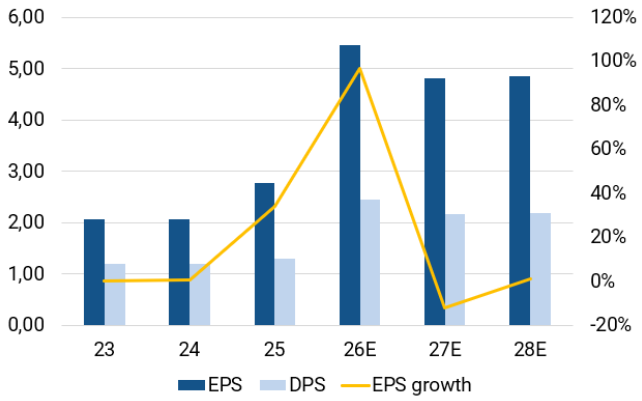
Source: FactSet, ResearchHub

Financials in six charts

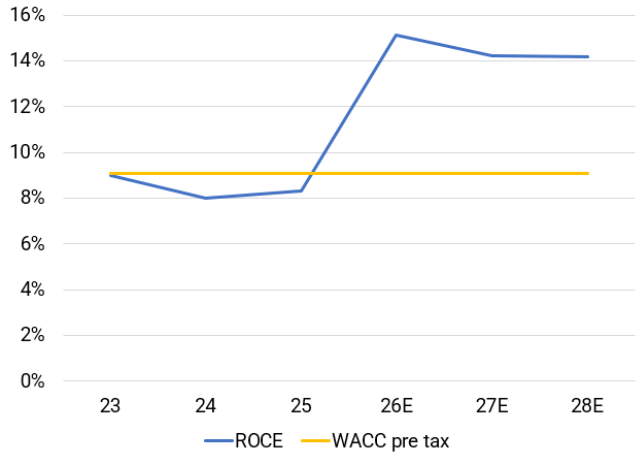
Sales vs. EBITDA margin development



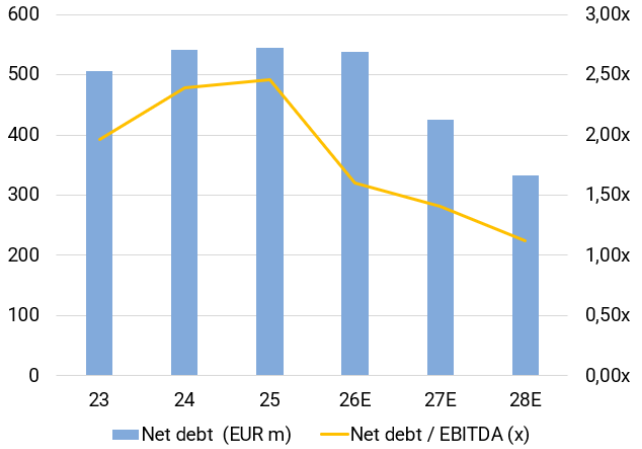
EPS, DPS in EUR & yoy EPS growth



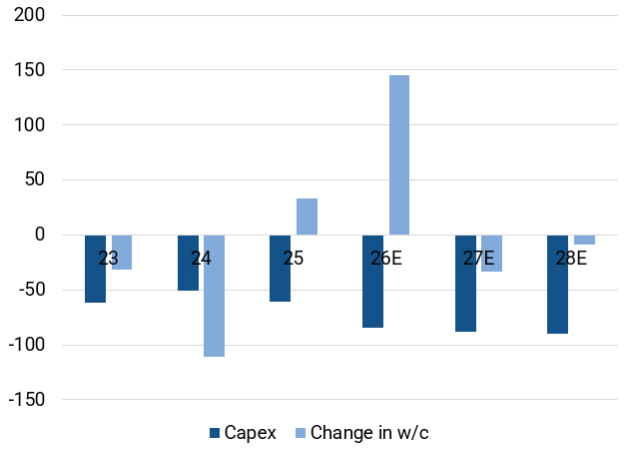
ROCE vs. WACC (pre tax)



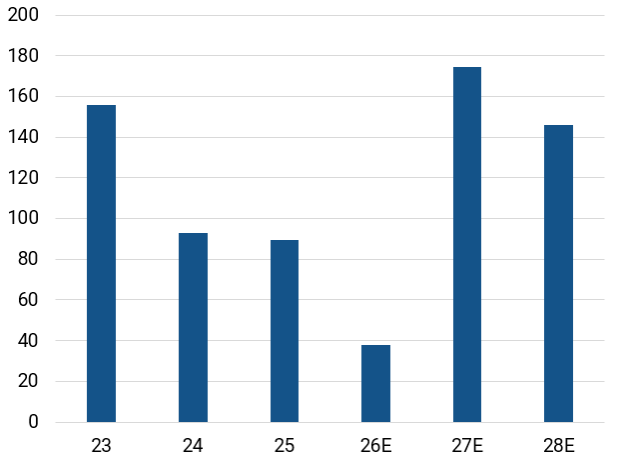
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; ResearchHub

Financials

Profit and loss (EURm)	2023	2024	2025	2026E	2027E	2028E
Net sales	**1,802**	**1,722**	**1,735**	**2,013**	**2,053**	**2,094**
Sales growth	-0.1%	-4.5%	0.8%	16.0%	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**	**2,009**	**2,053**	**2,094**
Material expenses	801	757	752	819	883	915
Gross profit	**984**	**961**	**986**	**1,190**	**1,170**	**1,179**
Other operating income	26	28	25	28	29	29
Personnel expenses	522	537	554	620	630	639
Other operating expenses	230	226	236	262	267	272
EBITDA	**258**	**226**	**222**	**336**	**302**	**297**
Depreciation	89	93	93	89	86	85
EBITA	169	133	128	247	216	213
Amortisation of goodwill and intangible assets	19	7	1	21	20	19
EBIT	**150**	**127**	**127**	**226**	**196**	**194**
Financial result	-10	-31	-29	-29	-23	-20
Recurring pretax income from continuing operations	140	96	98	196	173	175
Extraordinary income/loss	0	0	0	0	0	0
Earnings before taxes	140	96	98	196	173	175
Taxes	56	41	29	59	52	52
Net income from continuing operations	84	55	70	137	121	122
Result from discontinued operations (net of tax)	-28	0	0	0	0	0
Net income	**56**	**55**	**70**	**137**	**121**	**122**
Minority interest	-1	-1	-1	-2	-1	-1
Net profit (reported)	55	54	69	136	120	121
Average number of shares	26.90	25.96	24.91	24.91	24.91	24.91
EPS reported	**2.06**	**2.07**	**2.77**	**5.45**	**4.80**	**4.85**

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%	30%
Other operating expenses	13%	13%	14%	13%	13%	13%
EBITDA	**14%**	**13%**	**13%**	**17%**	**15%**	**14%**
Depreciation	5%	5%	5%	4%	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%**	**10%**	**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%	3%	3%
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; ResearchHub

Balance sheet (EURm)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (exl. Goodwill)	**164**	**167**	**164**	**153**	**143**	**135**
Goodwill	396	405	407	407	407	407
Property, plant and equipment	418	438	446	431	423	418
Financial assets	30	12	8	8	8	8
FIXED ASSETS	**1,008**	**1,023**	**1,025**	**999**	**981**	**968**
Inventories	429	411	424	539	508	501
Accounts receivable	181	185	182	232	236	241
Other current assets	23	19	18	18	18	18
Liquid assets	266	145	218	-89	-75	-33
Deferred taxes	21	24	37	37	37	37
Deferred charges and prepaid expenses	0	0	0	0	0	0
CURRENT ASSETS	**921**	**784**	**879**	**737**	**724**	**765**
TOTAL ASSETS	**1,929**	**1,807**	**1,904**	**1,736**	**1,705**	**1,733**
SHAREHOLDERS EQUITY	**718**	**698**	**729**	**835**	**894**	**963**
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	30	31	31
Other provisions	200	61	66	81	82	84
Non-current liabilities	**818**	**630**	**737**	**561**	**463**	**415**
short-term liabilities to banks	154	146	116	0	0	0
Accounts payable	64	75	74	70	73	75
Advance payments received on orders	0	0	0	0	0	0
Other liabilities (incl. from lease and rental contracts)	147	180	178	201	205	209
Deferred taxes	26	76	68	68	68	68
Deferred income	0	0	0	0	0	0
Current liabilities	**391**	**477**	**437**	**339**	**346**	**353**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**1,929**	**1,807**	**1,904**	**1,736**	**1,705**	**1,733**

Balance sheet (common size)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (excl. Goodwill)	**9%**	**9%**	**9%**	**9%**	**8%**	**8%**
Goodwill	21%	22%	21%	23%	24%	23%
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%	30%	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%**	**52%**	**56%**
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	32%	30%	34%	26%	21%	17%
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%	12%	12%	12%
Deferred taxes	1%	4%	4%	4%	4%	4%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	**20%**	**26%**	**23%**	**20%**	**20%**	**20%**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; ResearchHub

Cash flow statement (EURm)	2023	2024	2025	2026E	2027E	2028E
Net profit/loss	84	55	70	137	121	122
Depreciation of fixed assets (incl. leases)	109	99	95	89	86	85
Amortisation of goodwill	0	0	0	0	0	0
Amortisation of intangible assets	0	0	0	21	20	19
Others	-7	-121	19	19	2	2
Cash flow from operations before changes in w/c	186	33	184	267	229	228
Increase/decrease in inventory	0	19	-14	-114	31	6
Increase/decrease in accounts receivable	0	-4	3	-49	-5	-5
Increase/decrease in accounts payable	0	11	-1	-5	3	3
Increase/decrease in other w/c positions	32	84	-22	23	4	4
Increase/decrease in working capital	32	110	-34	-145	33	9
Cash flow from operating activities	**218**	**144**	**150**	**122**	**263**	**236**
CAPEX	-62	-51	-61	-85	-88	-90
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**	**-85**	**-88**	**-90**
Cash flow before financing	168	78	78	38	174	146
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	-61	-54
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**	**-161**	**-104**
Increase/decrease in liquid assets	166	-122	72	-306	13	42
Liquid assets at end of period	**266**	**145**	**218**	**-89**	**-75**	**-33**

Source: Company data; ResearchHub

Regional sales split (EURm)	2023	2024	2025	2026E	2027E	2028E
Domestic	811	826	813	943	962	981
Europe (ex domestic)	379	344	353	409	417	426
The Americas	0	0	204	237	242	247
Asia	0	0	0	0	0	0
Rest of World	613	551	365	424	432	441
Total sales	**1,802**	**1,722**	**1,735**	**2,013**	**2,053**	**2,094**

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; ResearchHub

Ratios	2023	2024	2025	2026E	2027E	2028E
Per share data						
Earnings per share reported	2.06	2.07	2.77	5.45	4.80	4.85
Cash flow per share	4.06	1.70	2.23	0.48	6.28	5.34
Book value per share	26.71	26.87	29.29	33.51	35.91	38.66
Dividend per share	1.20	1.20	1.30	2.45	2.16	2.18
Valuation						
P/E	17.7x	17.6x	13.2x	6.7x	7.6x	7.5x
P/CF	9.0x	21.4x	16.4x	76.5x	5.8x	6.8x
P/BV	1.4x	1.4x	1.2x	1.1x	1.0x	0.9x
Dividend yield (%)	3.3%	3.3%	3.6%	6.7%	5.9%	6.0%
FCF yield (%)	11.1%	4.7%	6.1%	1.3%	17.2%	14.6%
EV/Sales	0.8x	0.9x	0.9x	0.7x	0.7x	0.6x
EV/EBITDA	5.5x	6.5x	6.7x	4.4x	4.5x	4.3x
EV/EBIT	9.5x	11.7x	11.6x	6.5x	7.0x	6.6x
Income statement (EURm)						
Sales	1,802	1,722	1,735	2,013	2,053	2,094
yoy chg in %	-0.1%	-4.5%	0.8%	16.0%	2.0%	2.0%
Gross profit	984	961	986	1,190	1,170	1,179
Gross margin in %	54.6%	55.8%	56.8%	59.1%	57.0%	56.3%
EBITDA	258	226	222	336	302	297
EBITDA margin in %	14.3%	13.1%	12.8%	16.7%	14.7%	14.2%
EBIT	150	127	127	226	196	194
EBIT margin in %	8.3%	7.4%	7.3%	11.2%	9.5%	9.3%
Net profit	55	54	69	136	120	121
Cash flow statement (EURm)						
CF from operations	218	144	150	122	263	236
Capex	-62	-51	-61	-85	-88	-90
Maintenance Capex	109	99	95	111	106	103
Free cash flow	156	93	90	38	174	146
Balance sheet (EURm)						
Intangible assets	560	573	571	560	550	542
Tangible assets	418	438	446	431	423	418
Shareholders' equity	718	698	729	835	894	963
Pension provisions	0	28	25	30	31	31
Liabilities and provisions	972	776	853	561	463	415
Net financial debt	506	541	544	539	425	333
w/c requirements	547	521	532	701	672	667
Ratios						
ROE	7.8%	7.8%	9.6%	16.5%	13.5%	12.7%
ROCE	8.8%	8.6%	8.0%	16.2%	14.4%	14.1%
Net gearing	70.5%	77.6%	74.6%	64.5%	47.6%	34.6%
Net debt / EBITDA	2.0x	2.4x	2.5x	1.6x	1.4x	1.1x

Source: Company data; ResearchHub

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