

Slow and steady wins the race

Consti's net sales surpassed our estimates in Q2, yet profitability was weaker than expected due to continued soft performance in service business. Healthy backlog and further self-help in service should support development going forward.

Order backlog at its highest level since Q2/23

Consti's steady development continued during the second quarter as net sales grew 2.3% to EUR 84.8m while we had expected slight sales decline. On the other hand, profitability fell more than we had estimated as EBIT came in at EUR 2.5m (Evli est. EUR 2.7m). According to our understanding, the main negative in terms of profitability development remain Consti's service business where sales continued to be at a low level. The company has continued to implement adaptation measures throughout the H1 to stabilize the business. The project side of the business advanced largely according to the company's plans, although the market remains challenging and competition is intense. Once again, the order development was positive as order intake grew 15.8% and backlog reached EUR 276.7m, the highest level seen since Q2/23.

Market environment limits short-term momentum

After the Q2 figures and slight adjustments to our estimates, we model net sales of EUR 334.8m and EBIT of EUR 10.0m for FY 2025. We had anticipated some improvement in the service business during the second quarter, which did not materialize. We now expect that the adaptation measures implemented in the first half will begin to gradually improve profitability in the second half of the year. However, we do not foresee a significant recovery yet, as the competitive landscape will continue to limit achievable margins in the project business. Roughly the same amount of 6/25 backlog will materialize during the second half compared to last year, we model slight net sales growth throughout the second half. We have kept our forecasts for the coming years mostly unchanged, as they were lowered ahead of the quarterly results. The slow pace of market recovery continues to limit the potential for substantial earnings growth in the near to medium term.

BUY with a TP of EUR 12.0

Consti is priced at 9–7x EV/EBIT based on our estimates for 2025–2026. The valuation discount compared to peers continues to be larger than warranted as Consti is priced at a discount of 30–40%. After only slight adjustments to our estimates, we retain our TP at EUR 12.0 and rating at BUY.

Rating

++ Buy


Share price, EUR (Last trading day's closing price) **10.80**
 Target price, EUR **12.0**

Latest change in recommendation **26-Jul-21**

Latest report on company **21-Jul-25**

Research paid by issuer: **YES**

No. of shares outstanding, '000's **7 913**

No. of shares fully diluted, '000's **7 913**

Market cap, EURm **85**

Free float, % **45.9 %**

Exchange rate **1.0**

Reuters code **CONSTI.HE**

Bloomberg code **CONSTI FH**

Average daily volume, EURm **0.1**

Next interim report **24-Oct-25**

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++ BUY ++ ACCUMULATE -- REDUCE -- SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2023	320.6	12.3	3.9%	8.6	1.16	9.8	0.3	7.1	9.7%	0.70
2024	326.7	10.2	3.1%	1.5	0.90	11.5	0.3	8.3	1.9%	0.70
2025E	334.8	10.0	3.0%	7.8	0.92	11.7	0.3	8.6	9.2%	0.70
2026E	347.5	11.8	3.4%	10.2	1.13	9.6	0.2	6.9	12.0%	0.72
2027E	356.9	13.3	3.7%	9.6	1.30	8.3	0.2	5.8	11.3%	0.75
Market cap, EURm	85		Gearing 2025E, %		0.9 %		CAGR EPS 2024–27, %		12.9 %	
Net debt 2025E, EURm	0		Price/book 2025E		1.9		CAGR Sales 2024–27, %		3.0 %	
Enterprise value, EURm	86		Dividend yield 2025E, %		6.5 %		ROE 2025E, %		16.5 %	
Total assets 2025E, EURm	116		Tax rate 2025E, %		20.0 %		ROCE 2025E, %		17.1 %	
Goodwill 2025E, EURm	49		Equity ratio 2025E, %		39.1 %		PEG, P/E 25/CAGR		0.7	

All the important disclosures can be found on the last pages of this report.

Service business continued to affect margins more negatively than we had expected in Q2

Consti's net sales in Q2 were EUR 84.8m (EUR 82.9m in Q2/24), slightly surpassing our estimates. Housing Companies net sales grew relatively well in line with our estimates, yet performance in Corporations business area fell short of our forecast. On the other hand, net sales in the Public Sector and Building Technology business areas fell less y/y than we forecasted. Operating profit in Q2 amounted to EUR 2.5m (EUR 3.0m in Q2/24), below our estimate of EUR 2.7m. Profitability remained negatively impacted by lower-than-expected net sales and weaker-than-anticipated performance in the Service business. Additionally, the continued weakness in the market further affected profitability negatively. We had expected already some q/q improvement for the Service business after adaptation measures implemented in Q1, yet it did not materialize. EPS in Q2 amounted to EUR 0.23 (EUR 0.27 in Q2/24, EUR 0.25 Evli est.), as there were no surprises for net financial and tax expenses. Consti refinanced its long-term loan in June with a new loan of EUR 10m that has a maturity of three years and includes two extension options (one additional year per extension). We expect no major changes to the company's financial expenses going forward. The order backlog at the end of Q2 was EUR 276.7m (EUR 261.2m in Q2/24), growing 5.9% y/y. Order intake was EUR 105.1m in Q2 (Q2/24: EUR 90.8m). As expected, the order backlog stays at a healthy level as the order intake grew 15.8% y/y. Larger orders contributed some EUR 47m to new orders. In addition to the EUR 30 million school renovation and expansion project, Consti was able to close larger orders for renovation of school in Vantaa and ventilation and electrical works for a technology centre in Tampere. Free cash flow amounted to EUR 2.9m (Q2/24: EUR 1.2m).

Renovation market recovery pace expected to be sluggish

As expected, Consti retains its guidance for 2025 unchanged as it expects operating result for 2025 to be in the range of EUR 9–12 million. After slightly worse than expected profitability in Q2, we model EBIT of EUR 10.0m for FY, slightly lower than the guidance middle point of EUR 10.5m. We forecast minor sales growth for the second half while self-help in the service business should alleviate margin pressure. On the other hand, the competitive environment remains tense, which will affect the achievable project business margins negatively. Given the continued sluggishness in market recovery and the likelihood of continued elevated competition, we lowered our estimates for the coming years prior to the Q2 report. Euroconstruct forecasts Finnish renovation volumes to decline 0.2% in 2025 while in 2026 the volumes are expected to remain unchanged. The Confederation of Finnish Construction Industries RT (CFCI) estimates growth of 1% for both 2025 and 2026. Overall, following two years of decreasing volumes, projections indicate that the recovery will proceed at a gradual pace.

Table 1: Estimate summary

Consti	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25	Q2/'25	Q3/'25E	Q4/'25E	2025E	2026E	2027E
Housing Companies	102.4	15.2	22.5	26.7	28.8	93.2	21.1	28.8	32.0	30.9	112.8	117.3	120.9
Corporations	112.2	20.2	25.5	25.1	27.4	98.1	16.7	23.4	27.6	28.8	96.4	99.3	102.3
Public Sector	54.3	16.0	14.2	15.1	13.0	58.3	10.6	13.4	14.3	14.3	52.7	55.3	55.8
Building Technology	65.7	18.0	25.7	24.1	27.9	95.7	19.4	22.9	20.5	23.7	86.5	90.8	93.5
Eliminations	-14.0	-3.9	-5.1	-4.8	-4.8	-18.6	-2.2	-3.7	-3.8	-3.9	-13.6	-15.2	-15.6
Net sales	320.6	65.5	82.9	86.1	92.3	326.7	65.6	84.8	90.6	93.8	334.8	347.5	356.9
<i>change, %</i>	<i>5.0%</i>	<i>-4.9%</i>	<i>9.4%</i>	<i>-4.3%</i>	<i>7.2%</i>	<i>1.9%</i>	<i>0.1%</i>	<i>2.3%</i>	<i>5.3%</i>	<i>1.7%</i>	<i>2.5%</i>	<i>3.8%</i>	<i>2.7%</i>
Operating profit	12.3	0.2	3.0	3.4	3.6	10.2	-0.1	2.5	3.5	4.1	10.0	11.8	13.3
<i>-margin, %</i>	<i>3.9%</i>	<i>0.3%</i>	<i>3.6%</i>	<i>3.9%</i>	<i>3.9%</i>	<i>3.1%</i>	<i>-0.2%</i>	<i>2.9%</i>	<i>3.9%</i>	<i>4.4%</i>	<i>3.0%</i>	<i>3.4%</i>	<i>3.7%</i>
Net financials	-1.0	-0.3	-0.3	-0.3	-0.2	-1.1	-0.2	-0.2	-0.2	-0.2	-0.9	-0.6	-0.4
Pre-tax profit	11.4	0.0	2.7	3.1	3.4	9.1	-0.4	2.2	3.3	3.9	9.1	11.1	12.8
Income taxes	-2.4	0.0	-0.5	-0.6	-0.8	-2.0	0.1	-0.4	-0.7	-0.8	-1.8	-2.2	-2.6
Net earnings	9.0	0.0	2.1	2.5	2.6	7.1	-0.3	1.8	2.7	3.1	7.3	8.9	10.3

Source: Consti, Evli Research

BUY with a TP of EUR 12.0

Following only slight adjustments to our estimates, we maintain our TP at EUR 12.0 and rating at BUY. Consti is priced at EV/EBIT of 9–7x and P/E of 12–10x on our estimates for 2025–2026E. We base our valuation of Consti on the company's own historic multiple levels and relative peer group multiples, additionally our DCF implies a notable discount on fair value from the current price levels. Despite the long-term upside remaining substantial, we expect the short-term earnings growth potential rather limited given the sluggish market recovery expected.

Table 2: Peer group

Consti peer group	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		25	26	27	25	26	27	25	26	27
YIT	620	19.8x	13.2x	10.5x	29.7x	17.2x	13.0x		32.8x	13.3x
SRV Yhtiot	89	16.2x	9.7x	7.6x	26.4x	12.6x	9.3x	96.0x	9.9x	5.8x
Skanska	8388	9.2x	8.2x	7.9x	12.0x	10.4x	9.9x	14.1x	12.5x	11.9x
NCC	1579	7.0x	6.8x	6.5x	11.7x	11.0x	10.1x	12.7x	11.6x	10.6x
Peab	1873	8.3x	7.7x	7.2x	13.3x	11.7x	10.6x	14.6x	9.9x	8.9x
JM	802	36.7x	20.7x	14.6x	36.8x	21.6x	15.0x	35.7x	14.8x	9.8x
Veidekke	1875	7.1x	6.7x	6.5x	11.7x	10.8x	10.3x	17.0x	15.6x	15.0x
Bravida Holding	1643	9.7x	8.9x	8.4x	13.2x	11.8x	10.9x	14.4x	12.6x	11.5x
MITIE Group	1929	6.3x	5.8x	5.4x	8.4x	7.6x	7.0x	11.0x	10.0x	9.0x
ISS	4153	7.9x	7.5x	7.1x	10.8x	10.2x	9.7x	11.3x	9.9x	8.9x
Bilfinger	3579	8.3x	7.3x	6.8x	11.5x	9.8x	9.1x	17.9x	15.1x	13.7x
Instalco	656	9.6x	8.1x	7.5x	16.6x	12.5x	11.3x	14.1x	10.5x	9.2x
Peer Group Average	2266	12.2x	9.2x	8.0x	16.8x	12.3x	10.5x	23.5x	13.8x	10.6x
Peer Group Median	1758	8.8x	7.9x	7.4x	12.6x	11.4x	10.2x	14.4x	12.1x	10.2x
Consti (Evli est.)	87	6.5x	5.5x	4.9x	8.8x	7.1x	6.0x	12.0x	9.8x	8.5x
<i>Consti prem./disc. to peer median</i>		<i>-26 %</i>	<i>-29 %</i>	<i>-34 %</i>	<i>-30 %</i>	<i>-38 %</i>	<i>-41 %</i>	<i>-17 %</i>	<i>-19 %</i>	<i>-17 %</i>
<i>Source FactSet, Evli Research</i>										

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	10.80 PV of Free Cash Flow	77 Long-term growth, %	1.0 % Risk-free interest rate, %
DCF share value	16.10 PV of Horizon value	58 WACC, %	9.2 % Market risk premium, %
Share price potential, %	49.1 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	17.1 Marketable securities	14 Minimum WACC, %	8.7 % Equity beta coefficient
Minimum value	15.2 Debt – dividend	–22 Maximum WACC, %	9.7 % Target debt ratio, %
Horizon value, %	43.1 % Value of stock	127 No. of shares, Mn	7.9 Effective tax rate, %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	327	335	348	357	362	368	373	379	384	390	394	398
Sales growth (%)	1.9%	2.5%	3.8%	2.7%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.0%	1.0%
Operating income (EBIT)	10	10	12	13	14	15	13	13	12	12	12	12
Operating income margin %	3.1%	3.0%	3.4%	3.7%	4.0%	4.0%	3.5%	3.5%	3.0%	3.0%	3.0%	3.0%
+ Depreciation+amort.	4	4	3	3	3	3	3	3	3	3	3	3
EBITDA	14	14	15	16	18	18	16	16	15	15	15	
– Paid taxes	–2	–2	–2	–3	–3	–3	–3	–3	–2	–2	–2	
– Change in NWC	–7	0	1	–1	0	0	0	0	0	0	0	
NWC / Sales, %	–2.7%	–2.7%	–2.9%	–2.6%	–2.5%	–2.4%	–2.3%	–2.2%	–2.1%	–2.1%	–2.0%	
+ Change in other liabs	0											
– Operative CAPEX	–1	–2	–2	–2	–2	–2	–2	–2	–2	–2	–2	
opCAPEX / Sales, %	0.8%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	
– Acquisitions												
+ Divestments												
– Other items												
= FCFF	4	10	12	11	13	13	12	12	11	11	11	134
= Discounted FCFF		10	11	9	9	9	7	7	5	5	5	58
= DFCF min WACC		10	11	9	10	9	7	7	6	5	5	65
= DFCF max WACC		9	11	9	9	9	7	7	5	5	5	53

Sensitivity analysis, EUR

		Terminal WACC				
		7.17 %	8.17 %	9.17 %	10.17 %	11.17 %
Terminal EBIT–%	1.00 %	12.69	11.60	10.72	9.99	9.36
	2.00 %	16.93	14.94	13.41	12.19	11.18
	3.00 %	21.17	18.28	16.10	14.38	13.00
	4.00 %	25.40	21.62	18.79	16.58	14.82
	5.00 %	29.64	24.96	21.47	18.78	16.64

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	65.5	82.9	86.1	92.3	326.7	65.6	84.8	90.6	93.8	334.8	347.5	356.9
EBITDA	1.3	3.9	4.3	4.5	13.9	0.8	3.4	4.4	5.0	13.6	15.0	16.4
EBITDA margin (%)	2.0%	4.7%	5.0%	4.9%	4.3%	1.2%	4.0%	4.9%	5.3%	4.1%	4.3%	4.6%
EBIT	0.2	3.0	3.4	3.6	10.2	-0.1	2.5	3.5	4.1	10.0	11.8	13.3
EBIT margin (%)	0.3%	3.6%	3.9%	3.9%	3.1%	-0.2%	2.9%	3.9%	4.4%	3.0%	3.4%	3.7%
Net financial items	-0.3	-0.3	-0.3	-0.2	-1.1	-0.2	-0.2	-0.2	-0.2	-0.9	-0.6	-0.4
Pre-tax profit	0.0	2.7	3.1	3.4	9.1	-0.4	2.2	3.3	3.9	9.1	11.1	12.8
Tax	0.0	-0.5	-0.6	-0.8	-2.0	0.1	-0.4	-0.7	-0.8	-1.8	-2.2	-2.6
Tax rate (%)	20.9%	19.9%	20.0%	24.8%	21.8%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Net profit	0.0	2.2	2.5	2.6	7.1	-0.3	1.8	2.7	3.1	7.3	8.9	10.3
EPS	0.00	0.27	0.31	0.32	0.90	-0.04	0.23	0.34	0.39	0.92	1.13	1.30
EPS adj. (diluted)	0.00	0.27	0.31	0.32	0.90	-0.04	0.23	0.34	0.39	0.92	1.13	1.30
Dividend per share					0.70					0.70	0.72	0.75
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Housing Companies	15.2	22.5	26.7	28.8	93.2	21.1	28.8	32.0	30.9	112.8	117.3	120.9
Corporations	20.2	25.5	25.1	27.4	98.1	16.7	23.4	27.6	28.8	96.4	99.3	102.3
Public Sector	16.0	14.2	15.1	13.0	58.3	10.6	13.4	14.3	14.3	52.7	55.3	55.8
Building Technology	18.0	25.7	24.1	27.9	95.7	19.4	22.9	20.5	23.7	86.5	90.8	93.5
Elimination	-3.9	-5.1	-4.8	-4.8	-18.6	-2.2	-3.7	-3.8	-3.9	-13.6	-15.2	-15.6
Total	65.5	82.9	86.1	92.3	326.7	65.6	84.8	90.6	93.8	334.8	347.5	356.9
SALES GROWTH, Y-Y %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Housing Companies	-25.3%	-17.4%	-9.7%	14.4%	-9.0%	38.7%	27.5%	20.0%	7.5%	21.0%	4.0%	3.0%
Corporations	-23.1%	-0.6%	-21.9%	-2.6%	-12.5%	-17.3%	-8.3%	10.0%	5.0%	-1.8%	3.0%	3.0%
Public Sector	62.0%	42.5%	2.8%	-34.2%	7.4%	-33.5%	-5.6%	-5.0%	10.0%	-9.6%	5.0%	1.0%
Building Technology	21.8%	58.7%	34.5%	65.5%	45.5%	7.5%	-10.7%	-15.0%	-15.0%	-9.6%	5.0%	3.0%
Elimination	59.9%	51.0%	11.3%	25.1%	33.1%	-42.8%	-27.3%	-21.8%	-19.2%	-27.0%	12.0%	2.7%
Total	-4.9%	9.4%	-4.3%	7.2%	1.9%	0.1%	2.3%	5.3%	1.7%	2.5%	3.8%	2.7%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Total	0.2	3.0	3.4	3.6	10.2	-0.1	2.5	3.5	4.1	10.0	11.8	13.3
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Total	0.3%	3.6%	3.9%	3.9%	3.1%	-0.2%	2.9%	3.9%	4.4%	3.0%	3.4%	3.7%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	274.6	288.8	305.2	320.6	326.7	334.8	347.5	356.9
<i>Sales growth (%)</i>	-12.8%	5.1%	5.7%	5.0%	1.9%	2.5%	3.8%	2.7%
EBITDA	11.4	9.2	15.0	16.1	13.9	13.6	15.0	16.4
<i>EBITDA margin (%)</i>	4.2%	3.2%	4.9%	5.0%	4.3%	4.1%	4.3%	4.6%
Depreciation	-3.2	-3.5	-3.5	-3.7	-3.7	-3.6	-3.2	-3.1
EBITA	8.2	5.7	11.5	12.3	10.2	10.0	11.8	13.3
Goodwill amortization / writedown								
EBIT	8.2	5.7	11.5	12.3	10.2	10.0	11.8	13.3
<i>EBIT margin (%)</i>	3.0%	2.0%	3.8%	3.9%	3.1%	3.0%	3.4%	3.7%
Reported EBIT	8.2	5.7	11.5	12.3	10.2	10.0	11.8	13.3
<i>EBIT margin (reported) (%)</i>	3.0%	2.0%	3.8%	3.9%	3.1%	3.0%	3.4%	3.7%
Net financials	-1.0	-1.1	-1.0	-1.0	-1.1	-0.9	-0.6	-0.4
Pre-tax profit	7.2	4.6	10.4	11.4	9.1	9.1	11.1	12.8
Taxes	-1.6	-0.9	-1.9	-2.4	-2.0	-1.8	-2.2	-2.6
Minority shares								
Net profit	5.6	3.7	8.5	9.0	7.1	7.3	8.9	10.3
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	3	3	4	5	4	5	5	5
Goodwill	49	50	50	49	49	49	49	49
Right of use assets	2	6	4	5	4	3	3	3
Inventory	1	1	1	1	1	1	1	1
Receivables	49	41	44	41	45	46	47	49
Liquid funds	24	18	21	21	14	12	14	14
Total assets	129	119	123	121	117	116	119	121
Liabilities								
Shareholders' equity	30	32	36	41	43	45	49	53
Minority interest								
Convertibles	3							
Lease liabilities	2	5	4	5	4	3	3	3
Deferred taxes								
Interest bearing debt	27	27	20	15	13	9	7	3
Non-interest bearing current liabilities	63	52	60	57	54	56	58	59
Other interest-free debt								
Total liabilities	129	119	123	121	117	116	119	121
CASH FLOW, EURm								
+ EBITDA	11	9	15	16	14	14	15	16
- Net financial items	-1	-1	-1	-1	-1	-1	-1	0
- Taxes	-1	-1	1	-2	-2	-2	-2	-3
- Increase in Net Working Capital	8	-3	4	1	-7	0	1	-1
+/- Other	0	1	-2					
= Cash flow from operations	18	5	17	13	4	11	13	13
- Capex	-3	-7	-2	-5	-2	-3	-3	-3
- Acquisitions		-1						
+ Divestments		0						
= Free cash flow	15	-3	15	9	2	8	10	10
+/- New issues/buybacks	0	1	-1	1	1			
- Paid dividend	3	4	5	5	6	6	6	6
+/- Other	0	-1	-8	-4	-4	-5	-2	-4
Change in cash	14	-6	3	0	-7	-2	2	0

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	95	86	88	82	85	85	85
Net debt (excl. convertibles)	14	4	-1	3	0	-4	-8
Enterprise value	109	90	88	85	86	81	77
Sales	289	305	321	327	335	348	357
EBITDA	9	15	16	14	14	15	16
EBIT	6	11	12	10	10	12	13
Pre-tax	5	10	11	9	9	11	13
Earnings	4	8	9	7	7	9	10
Equity book value (excl. minorities)	32	36	41	43	45	49	53

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	0.4	0.3	0.3	0.3	0.3	0.2	0.2
EV/EBITDA	11.9	6.0	5.4	6.1	6.3	5.4	4.7
EV/EBITA	19.1	7.9	7.1	8.3	8.6	6.9	5.8
EV/EBIT	19.1	7.9	7.1	8.3	8.6	6.9	5.8
EV/OCF	23.3	5.2	6.5	21.2	7.9	6.1	6.1
EV/FCF	32.9	5.2	6.9	24.1	8.7	6.7	6.7
P/FCFR	-30.6	5.7	10.3	54.1	10.9	8.4	8.9
P/E	25.9	10.2	9.8	11.5	11.7	9.6	8.3
P/BV	3.0	2.4	2.2	1.9	1.9	1.8	1.6
Target EV/EBITDA					7.0	6.0	5.3
Target EV/EBIT					9.6	7.7	6.5
Target EV/FCFF					12.2	8.9	9.0
Target P/BV					2.1	2.0	1.8
Target P/E, diluted	26.9	13.3	10.3	13.5	13.0	10.6	9.2

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	7.86	7.73	7.79	7.91	7.91	7.91	7.91
Number of shares (diluted, million)	7.86	7.73	7.79	7.91	7.91	7.91	7.91
EPS	0.47	1.10	1.16	0.90	0.92	1.13	1.30
Operating cash flow per share	0.60	2.25	1.73	0.50	1.38	1.68	1.61
Free cash flow per share	-0.40	1.96	1.10	0.19	0.99	1.29	1.22
Book value per share	4.08	4.68	5.27	5.49	5.71	6.14	6.72
Dividend per share	0.45	0.60	0.70	0.70	0.70	0.72	0.75
Dividend payout ratio, %	96.4%	54.6%	60.5%	77.6%	76.0%	63.9%	58.0%
Dividend yield, %	3.7%	5.4%	6.2%	6.8%	6.5%	6.7%	7.0%
FCF yield, %	-3.3%	17.6%	9.7%	1.9%	9.2%	12.0%	11.3%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	11.8%	24.9%	23.3%	16.9%	16.5%	19.0%	20.2%
ROCE	9.1%	18.4%	20.3%	16.9%	17.1%	20.5%	22.7%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%
Receivables as % of sales	14.3%	14.4%	12.7%	13.7%	13.7%	13.5%	13.8%
Non-int. bearing liabilities as % of sales	18.0%	19.6%	17.8%	16.6%	16.6%	16.6%	16.6%
NWC/sales, %	-3.4%	-5.0%	-4.9%	-2.7%	-2.7%	-2.9%	-2.6%
Operative CAPEX/Sales, %	2.4%	0.7%	1.5%	0.8%	0.9%	0.9%	0.9%
CAPEX/sales (incl. acquisitions), %	2.0%	0.7%	1.5%	0.8%	0.9%	0.9%	0.9%
FCFF/EBITDA	0.4	1.1	0.8	0.3	0.7	0.8	0.7
Net Debt/EBITDA, book-weighted	1.5	0.3	-0.1	0.2	0.0	-0.3	-0.5
Debt/equity, market-weighted	0.3	0.2	0.2	0.2	0.1	0.1	0.0
Equity ratio, book-weighted	0.3	0.3	0.3	0.4	0.4	0.4	0.4
Gearing, %	44.1%	10.7%	-2.3%	6.2%	0.9%	-8.8%	-15.5%

COMPANY DESCRIPTION: Consti is one of the leading renovation and technical service companies in Finland. Consti has a comprehensive service offering covering technical building services, residential pipeline renovation, renovation contracting, building facade repair and maintenance, and other renovation and technical services for residential and non-residential properties. Consti was established in 2008 to meet the growing need for repair and construction work.

INVESTMENT CASE: Consti should seek to maintain the achieved healthier levels of profitability after a period of weaker profitability during previous 2017–2019 driven by a number of weak margin projects. The backlog is still at healthy levels which supports near-term development. The long-term market outlook remains favourable due to among other things a large aging building stock, and the renovation market is expected to see steady low single-digit growth.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Lujatalo Oy	810 000	8.748	10.2 %
Heikintorppa Oy	750 000	8.100	9.5 %
Wipunen Varainhallinta Oy	750 000	8.100	9.5 %
Fennia Life Insurance Company Ltd	544 470	5.880	6.9 %
Korkeela Esa Sakari	486 561	5.255	6.1 %
Kivi Risto Juhani	408 050	4.407	5.2 %
Kalevo Markku	294 175	3.177	3.7 %
Varma Mutual Pension Insurance Company	172 000	1.858	2.2 %
Drumbo Oy	150 000	1.620	1.9 %
Norvier Oy	106 463	1.150	1.3 %
Ten largest	4 471 719	48.295	56.5 %
Residual	3 441 548	37.169	43.5 %
Total	7 913 267	85.463	100%

EARNINGS CALENDAR

October 24, 2025

Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Esa Korkeela
CFO: Anders Löfman
IR:

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Tel: +358 10 288 6000

DEFINITIONS

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	DPS Dividend for the financial period per share
Market cap Price per share * Number of shares	OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value) Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow) Operating cash flow – Operative CAPEX – acquisitions + divestments
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, % $\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX / Sales $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital Current assets – current liabilities
Net debt Interest bearing debt – financial assets	Capital employed / Share $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets Balance sheet total	Gearing $\frac{\text{Net debt}}{\text{Equity}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, % $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, % $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, % $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year
ROE, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

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Investment recommendations are defined as follows:

Target price compared to share price

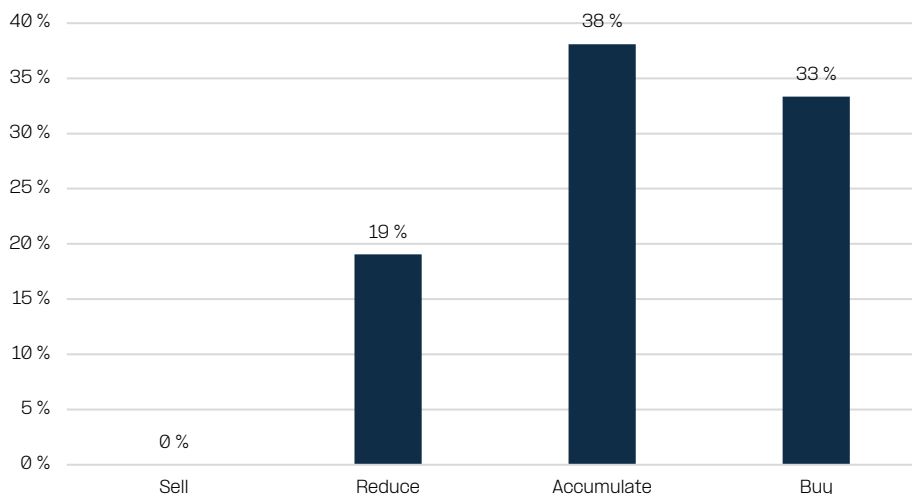
< -10 %
-10 - 0 %
0 - (+10) %
> 10 %

Recommendation

SELL
REDUCE
ACCUMULATE
BUY

ERP may temporarily suspend the rating and, if applicable, the target price to comply with regulations and/or firm policies, in which case a NOT RATED classification is used.

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.



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Name(s) of the analyst(s): Atte Jortikka

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