

## Impressive volume growth

Consti's net sales in Q2 amounted to EUR 82.9m, above our estimates (Evli est. EUR 75.9m.), with growth of 9.4% y/y. EBIT amounted to EUR 3.0m, also above our estimates (Evli est. EUR 2.5m).

- Net sales in Q2 were EUR 82.9m (EUR 75.7m in Q2/23), above our estimates (EUR 75.9m). Sales grew 9.4% y/y.
- Growth was even stronger than expected in Public Sector and Building Technology business areas which grew 42.5% and 58.7% respectively
- Housing Companies business area sales declined more than we had estimated
- Corporations business area sales remained flat while we had estimated strong decline
- Operating profit in Q2 amounted to EUR 3.0m (EUR 3.0m in Q2/23), above our estimates (EUR 2.5m) at a margin of 3.6% (Q2/23: 4.0%, Evli: 3.3%). The higher-than-expected margin was mainly related to higher volumes.
- EPS in Q2 amounted to EUR 0.27 (EUR 0.29 in Q2/23), also above our estimates (EUR 0.22)
- The order backlog at the end of Q2 was EUR 261.2m (EUR 297.9m in Q2/23), down by 12.3% y/y. Order intake was EUR 90.8m in Q2 (Q2/23: EUR 106.5m).
- While order backlog and intake fell y/y, the company is satisfied with the total amount and quality of orders received
- Free cash flow amounted to EUR 1.2m (Q2/23: EUR 4.1m).
- **Guidance for 2024 (unchanged):** Operating result for 2024 will be in the range of EUR 9–12 million

### Rating

+ BUY

Q2/24	Actual	Evli	Year ago	Q1/24
Net sales	82.9	75.9	75.7	65.5
EBIT	3.0	2.5	3.0	0.2
EPS	0.27	0.22	0.29	0.00

Deviation	Actual	Evli	Year ago	Q1/24
Net sales		9 %	9 %	27 %
EBIT		20 %	-1 %	>100%
EPS		21 %	-7 %	-

Share price, EUR (Last trading day's closing price) 9.74

Target price, EUR 12.0

Latest change in recommendation 26-Jul-21

Latest report on company 17-Jul-24

Research paid by issuer: YES

No. of shares outstanding, '000's 7,794

No. of shares fully diluted, '000's 7,794

Market cap, EURm 76

Free float, %

Exchange rate EUR 1.000

Reuters code CONSTI.HE

Bloomberg code CONSTI FH

Average daily volume, EURm 0.1

Next interim report 19-Jul-24

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+ BUY □ HOLD - SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2022	305.2	11.5	3.8%	15.2	1.10	10.2	0.3	7.9	17.6	0.60
2023	320.6	12.3	3.9%	8.6	1.16	9.8	0.3	7.1	9.7	0.70
2024E	317.0	10.4	3.3%	6.8	0.97	10.1	0.2	7.1	8.9	0.58
2025E	331.8	12.7	3.8%	8.3	1.22	8.0	0.2	5.5	10.9	0.73
2026E	344.5	14.4	4.2%	8.6	1.41	6.9	0.2	4.6	11.4	0.84
Market cap, EURm				76	BV per share 2024E, EUR			-5.2	CAGR EPS 2023-26, %	6.7
Net debt 2024E, EURm				-2	Price/book 2024E			1.8	CAGR sales 2023-26, %	2.4
Enterprise value, EURm				74	Dividend yield 2024E, %			6.0	ROE 2024E, %	17.9
Total assets 2024E, EURm				121	Tax rate 2024E, %			20.0	ROCE 2024E, %	17.0
Goodwill 2024E, EURm				49	Equity ratio 2024E, %			35.6	PEG, P/E 24/CAGR	0.7

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

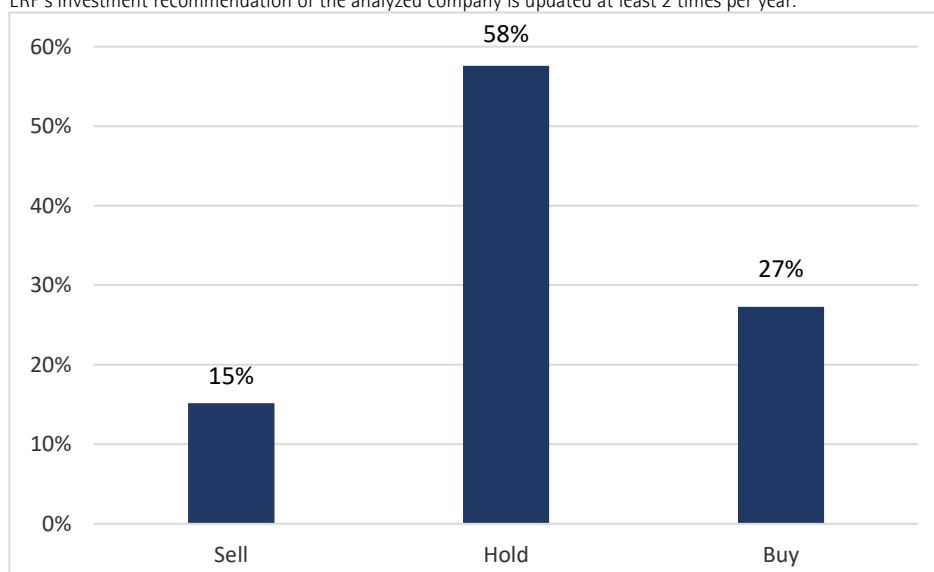
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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