

Earnings growth remains a challenge

Consti's Q4 was roughly in line with our estimates as net sales were a touch higher and profitability slightly lower than we expected. The outlook indicates limited earnings growth potential for 2025E, yet the valuation doesn't set the bar high.

Figures roughly in line, order backlog decreases

Net sales in Q4 were EUR 92.3m (EUR 86.1m in Q4/23), only slightly above our estimates (EUR 89.3m). Building Technology business area delivered even stronger growth than we had expected. Operating profit in Q4 amounted to EUR 3.6m (EUR 3.9m in Q4/23), slightly below our estimate (EUR 3.8m) at a margin of 3.9% (Q4/23: 4.5%, Evli: 4.2%). The order backlog at the end of Q4 was EUR 240.1m (EUR 270.0m in Q4/23), declining 11.1% y/y. Order intake was EUR 67.2m in Q4 (Q4/23: EUR 91.6m). While order backlog declined, we see that it is still at relatively healthy levels considering the market environment. In relative terms a larger and in absolute terms a slightly smaller share of 12/24 will be recognized within the next four quarters compared to 12/23 backlog.

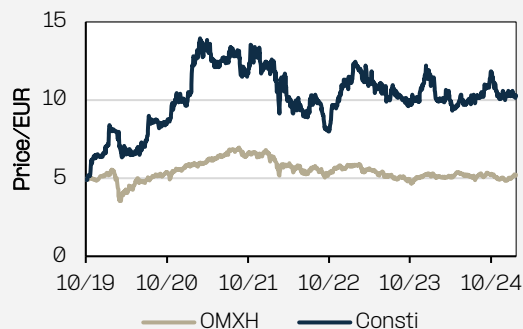
Tight competition likely to continue to hinder profitability

Consti kept its guidance identical to the guidance for 2024 as the company expect EBIT to be in the range of EUR 9–12m in 2025. We have revised our estimates for 2025E downwards as prior to the Q4 print we estimated EBIT of EUR 11.8m for 2025E. We still expect earnings growth, albeit at slightly slower pace. Our estimate for slightly increased profitability is based on the anticipated improvement in sales mix and gradual sales growth. We expect that the higher share of Housing Companies business area sales will have a positive effect on relative profitability also going forward. According to our understanding, the company's profitability was affected negatively in 2024 by increased competition, increased allocation of resources in to tendering and negotiation activities and sales mix. While we expect sales mix to start to help profitability this year, we estimate that the increased competition will continue and therefore the company's 2025 result will still be far from the potential.

BUY with a TP of EUR 12.5

Consti is priced at EV/EBIT of 7–6x and P/E of 10–9x based on our estimates for 2025–2026E. The company is currently priced at a significant discount to both its peers and its own historic multiple levels. In addition, the company's stock provides dividend yield of approximately 7% for the coming years.

Rating ++ Buy



Share price, EUR (Last trading day's closing price)	10.15
Target price, EUR	12.5
Latest change in recommendation	26-Jul-21
Latest report on company	10-Feb-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	80
Free float, %	45.9 %
Exchange rate	1.0
Reuters code	CONSTI.HE
Bloomberg code	CONSTI FH
Average daily volume, EUR	
Next interim report	25-Apr-25
Web site	investor.consti.fi
Analyst	Atte Jortikka
E-mail	atte.jortikka@evli.com
Telephone	+358 400 543 725

++ BUY + ACCUMULATE - REDUCE - - SELL

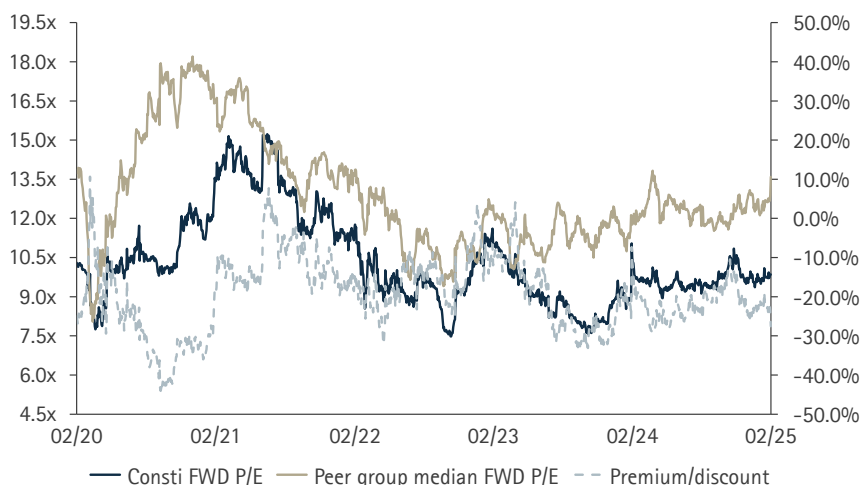
KEY FIGURES

	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%	1.6	0.91	11.4	0.3	8.3	1.9%	0.70
2025E	335.9	10.8	3.2%	9.2	1.00	10.2	0.2	7.3	11.5%	0.73
2026E	351.9	12.3	3.5%	9.9	1.17	8.7	0.2	6.1	12.3%	0.76
2027E	362.4	13.6	3.7%	9.8	1.32	7.7	0.2	5.3	12.2%	0.79

Market cap, EURm	80	Gearing 2025E, %	-2.2 %	CAGR EPS 2024–27, %	13.2 %
Net debt 2025E, EURm	-1	Price/book 2025	1.8	CAGR Sales 2024–27, %	3.5 %
Enterprise value, EURm	79	Dividend yield 2025E, %	7.2 %	ROE 2025E, %	17.7 %
Total assets 2025E, EURm	118	Tax rate 2025E, %	20.0 %	ROCE 2025E, %	18.2 %
Goodwill 2025E, EURm	49	Equity ratio 2025E, %	38.9 %	PEG, P/E 25/CAGR	0.7

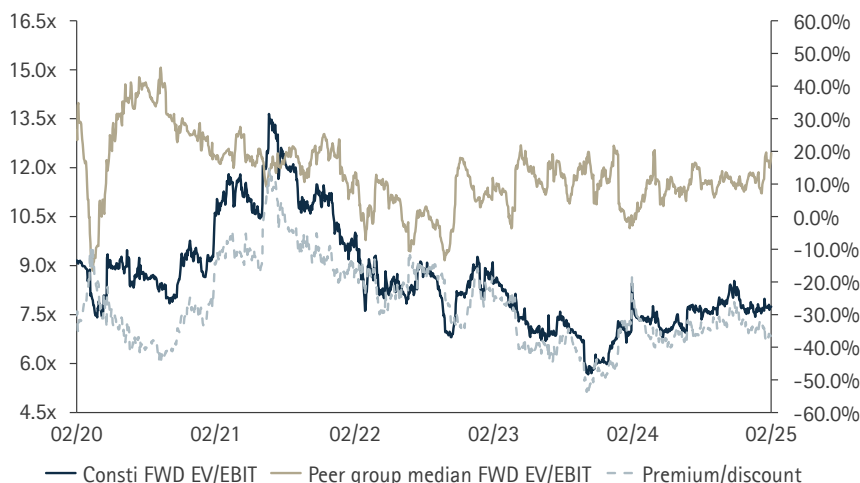
All the important disclosures can be found on the last pages of this report.

Figure 1: FWD P/E Consti & Peer group median, 02/2020–02/2025



Source: Factset, Evli Research

Figure 2: FWD EV/EBIT Consti & Peer group median, 02/2020–02/2025



Source: Factset, Evli Research

Table 1: Estimate summary

Consti	2022	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25E	Q2/'25E	Q3/'25E	Q4/'25E	2025E	2026E	2027E
Housing Companies	104.0	102.4	15.2	22.5	26.7	28.8	93.2	19.8	27.1	28.0	30.2	105.1	109.3	112.6
Corporations	104.9	112.2	20.2	25.5	25.1	27.4	98.1	21.7	24.2	26.3	27.4	99.6	104.6	107.8
Public Sector	42.1	54.3	16.0	14.2	15.1	13.0	58.3	8.0	11.4	14.3	13.7	47.3	49.7	50.2
Building Technology	69.1	65.7	18.0	25.7	24.1	27.9	95.7	18.9	25.7	25.3	27.9	97.8	103.7	107.8
Eliminations	-14.9	-14.0	-3.9	-5.1	-4.8	-4.8	-18.6	-2.7	-3.5	-3.8	-4.0	-14.0	-15.4	-15.9
Net sales	305.2	320.6	65.5	82.9	86.1	92.3	326.7	65.7	84.8	90.2	95.2	335.9	351.9	362.4
<i>change, %</i>	<i>5.7%</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>0.3%</i>	<i>2.3%</i>	<i>4.8%</i>	<i>3.2%</i>	<i>2.8%</i>	<i>4.8%</i>	<i>3.0%</i>
Operating profit	11.5	12.3	0.2	3.0	3.4	3.6	10.2	0.4	2.9	3.5	4.0	10.8	12.3	13.6
<i>-margin, %</i>	<i>3.8%</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>0.6%</i>	<i>3.5%</i>	<i>3.8%</i>	<i>4.2%</i>	<i>3.2%</i>	<i>3.5%</i>	<i>3.7%</i>
Net financials	-1.0	-1.0	-0.3	-0.3	-0.3	-0.2	-1.0	-0.2	-0.2	-0.2	-0.2	-1.0	-0.7	-0.5
Pre-tax profit	10.4	11.4	0.0	2.7	3.1	3.4	9.2	0.2	2.7	3.2	3.8	9.9	11.6	13.0
Income taxes	-1.9	-2.4	0.0	-0.5	-0.6	-0.8	-2.0	0.0	-0.5	-0.6	-0.8	-2.0	-2.3	-2.6
Net earnings	8.5	9.0	0.0	2.1	2.5	2.6	7.2	0.1	2.2	2.6	3.0	7.9	9.3	10.4

Source: Consti, Evli Research

Table 2: Peer group

Company name	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		24	25	26	24	25	26	24	25	26
YIT	492	22.0x	16.1x	11.5x	44.7x	24.7x	15.1x			
SRV Yhtiot	82	13.2x	19.1x	11.6x	27.1x	23.8x	16.5x	15.6x	21.5x	7.5x
Skanska	9301	10.8x	10.1x	9.4x	13.8x	12.6x	11.4x	18.1x	14.6x	13.5x
NCC	1593	6.4x	7.7x	7.7x	10.2x	12.7x	12.4x	11.2x	12.5x	12.1x
Peab	2058	8.0x	9.0x	8.2x	12.8x	14.5x	12.6x	11.5x	13.3x	11.2x
JM	926	36.3x	30.3x	18.2x	37.6x	31.9x	18.7x	35.7x	23.3x	12.6x
Veidekke	1691	6.6x	6.5x	6.2x	10.9x	10.6x	10.0x	15.7x	15.1x	14.3x
Bravida Holding	1617	9.3x	8.9x	8.4x	13.3x	12.1x	11.0x	16.8x	13.5x	12.2x
MITIE Group	1770	5.9x	5.7x	5.4x	7.6x	7.5x	7.0x	10.3x	9.6x	8.7x
ISS	3505	7.0x	6.9x	6.6x	9.5x	9.4x	8.9x	9.8x	8.7x	7.9x
Bilfinger	1840	4.7x	4.5x	4.2x	6.7x	6.1x	5.5x	11.2x	9.6x	8.5x
Instalco	763	10.9x	10.0x	8.6x	19.4x	16.7x	12.9x	19.0x	14.7x	11.3x
Peer Group Average	2137	11.8x	11.2x	8.8x	17.8x	15.2x	11.8x	15.9x	14.2x	11.6x
Peer Group Median	1654	8.7x	9.0x	8.3x	13.0x	12.7x	11.9x	15.6x	13.5x	11.7x
Consti (Evli est.)	80	6.1x	5.5x	4.8x	8.3x	7.3x	6.1x	11.4x	10.2x	8.7x

Consti prem./disc. to peer median -29% -39% -42% -36% -42% -49% -27% -24% -26%

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	10.15 PV of Free Cash Flow	76 Long-term growth, %	1.0 % Risk-free interest rate, %
DCF share value	16.48 PV of Horizon value	57 WACC, %	9.2 % Market risk premium, %
Share price potential, %	62.4 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	17.5 Marketable securities	14 Minimum WACC, %	8.7 % Equity beta coefficient
Minimum value	15.6 Debt – dividend	-17 Maximum WACC, %	9.7 % Target debt ratio, %
Horizon value, %	42.8 % Value of stock	130 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	336	352	362	368	373	379	385	390	396	400	404
Sales growth (%)	1.9%	2.8%	4.8%	3.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.0%	1.0%
Operating income (EBIT)	10	11	12	14	15	15	13	13	12	12	12	12
Operating income margin %	3.1%	3.2%	3.5%	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	16	17	18	18	16	17	15	15	15	15
- Paid taxes	-2	-2	-2	-3	-3	-3	-3	-3	-2	-2	-2	-2
- Change in NWC	-7	1	0	-1	0	0	0	0	0	0	0	0
NWC / Sales, %	-2.7%	-2.9%	-2.9%	-2.6%	-2.5%	-2.4%	-2.3%	-2.2%	-2.1%	-2.1%	-2.0%	-2.0%
+ Change in other liabs	0											
- Operative CAPEX	-1	-2	-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%	0.9%
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	4	11	12	12	13	13	12	12	11	11	11	136
= Discounted FCF		11	10	9	9	9	7	7	5	5	5	57
= DFCF min WACC		11	10	9	9	9	7	7	6	5	5	63
= DFCF max WACC		10	10	9	9	8	7	6	5	5	4	51

Sensitivity analysis, EUR

		Terminal WACC				
		7.17 %	8.17 %	9.17 %	10.17 %	11.17 %
Terminal EBIT-%	1.00 %	13.25	12.13	11.23	10.47	9.83
	2.00 %	17.43	15.41	13.86	12.61	11.59
	3.00 %	21.60	18.69	16.48	14.75	13.35
	4.00 %	25.77	21.97	19.11	16.89	15.11
	5.00 %	29.95	25.24	21.73	19.02	16.88

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	65.5	82.9	86.1	92.3	326.7	65.7	84.8	90.2	95.2	335.9	351.9	362.4
EBITDA	1.3	3.9	4.3	4.5	13.9	1.4	4.0	4.5	5.1	14.4	15.6	16.7
<i>EBITDA margin (%)</i>	<i>2.0%</i>	<i>4.7%</i>	<i>5.0%</i>	<i>4.9%</i>	<i>4.3%</i>	<i>2.2%</i>	<i>4.7%</i>	<i>5.0%</i>	<i>5.3%</i>	<i>4.3%</i>	<i>4.4%</i>	<i>4.6%</i>
EBIT	0.2	3.0	3.4	3.6	10.2	0.4	2.9	3.5	4.0	10.8	12.3	13.6
<i>EBIT margin (%)</i>	<i>0.3%</i>	<i>3.6%</i>	<i>3.9%</i>	<i>3.9%</i>	<i>3.1%</i>	<i>0.6%</i>	<i>3.5%</i>	<i>3.9%</i>	<i>4.2%</i>	<i>3.2%</i>	<i>3.5%</i>	<i>3.7%</i>
Net financial items	-0.3	-0.3	-0.3	-0.2	-1.0	-0.2	-0.2	-0.2	-0.2	-1.0	-0.7	-0.5
Pre-tax profit	0.0	2.7	3.1	3.4	9.2	0.2	2.7	3.2	3.8	9.9	11.6	13.0
Tax	0.0	-0.5	-0.6	-0.8	-2.0	0.0	-0.5	-0.6	-0.8	-2.0	-2.3	-2.6
<i>Tax rate (%)</i>	<i>20.9%</i>	<i>19.9%</i>	<i>20.0%</i>	<i>24.1%</i>	<i>21.5%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>
Net profit	0.0	2.2	2.5	2.6	7.2	0.1	2.2	2.6	3.0	7.9	9.3	10.4
EPS	0.00	0.27	0.31	0.33	0.91	0.02	0.27	0.33	0.38	1.00	1.17	1.32
EPS adj. (diluted)	0.00	0.27	0.31	0.33	0.91	0.02	0.27	0.33	0.38	1.00	1.17	1.32
Dividend per share					0.70					0.73	0.76	0.79
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Housing Companies	15.2	22.5	26.7	28.8	93.2	19.8	27.1	28.0	30.2	105.1	109.3	112.6
Corporations	20.2	25.5	25.1	27.4	98.1	21.7	24.2	26.3	27.4	99.6	104.6	107.8
Public Sector	16.0	14.2	15.1	13.0	58.3	8.0	11.4	14.3	13.7	47.3	49.7	50.2
Building Technology	18.0	25.7	24.1	27.9	95.7	18.9	25.7	25.3	27.9	97.8	103.7	107.8
Elimination	-3.9	-5.1	-4.8	-4.8	-18.6	-2.7	-3.5	-3.8	-4.0	-14.0	-15.4	-15.9
Total	65.5	82.9	86.1	92.3	326.7	65.7	84.8	90.2	95.2	335.9	351.9	362.4
SALES GROWTH, Y.Y%	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Housing Companies	-25.3%	-17.4%	-9.7%	14.4%	-9.0%	30.0%	20.0%	5.0%	5.0%	12.7%	4.0%	3.0%
Corporations	-23.1%	-0.6%	-21.9%	-2.6%	-12.5%	7.5%	-5.0%	5.0%	5.0%	1.5%	5.0%	3.0%
Public Sector	62.0%	42.5%	2.8%	-34.2%	7.4%	-50.0%	-20.0%	-5.0%	5.0%	-18.8%	5.0%	1.0%
Building Technology	21.8%	58.7%	34.5%	65.5%	45.5%	5.0%	5.0%	5.0%	5.0%	2.2%	6.0%	4.0%
Elimination	59.9%	51.0%	11.3%	25.1%	33.1%	-29.9%	-30.3%	-22.2%	-18.0%	-24.9%	10.2%	3.0%
Total	-4.9%	9.4%	-4.3%	7.2%	1.9%	0.3%	2.3%	4.8%	3.2%	2.8%	4.8%	3.0%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Total	0.2	3.0	3.4	3.6	10.2	0.4	2.9	3.5	4.0	10.8	12.3	13.6
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Total	0.3%	3.6%	3.9%	3.9%	3.1%	0.6%	3.5%	3.9%	4.2%	3.2%	3.5%	3.7%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	274.6	288.8	305.2	320.6	326.7	335.9	351.9	362.4
<i>Sales growth (%)</i>	-12.8%	5.1%	5.7%	5.0%	1.9%	2.8%	4.8%	3.0%
EBITDA	11.4	9.2	15.0	16.1	13.9	14.4	15.6	16.7
<i>EBITDA margin (%)</i>	4.2%	3.2%	4.9%	5.0%	4.3%	4.3%	4.4%	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	10.8	12.3	13.6
Goodwill amortization / writedown								
EBIT	8.2	5.7	11.5	12.3	10.2	10.8	12.3	13.6
<i>EBIT margin (%)</i>	3.0%	2.0%	3.8%	3.9%	3.1%	3.2%	3.5%	3.7%
Reported EBIT	8.2	5.7	11.5	12.3	10.2	10.8	12.3	13.6
<i>EBIT margin (reported) (%)</i>	3.0%	2.0%	3.8%	3.9%	3.1%	3.2%	3.5%	3.7%
Net financials	-1.0	-1.1	-1.0	-1.0	-1.0	-1.0	-0.7	-0.5
Pre-tax profit	7.2	4.6	10.4	11.4	9.2	9.9	11.6	13.0
Taxes	-1.6	-0.9	-1.9	-2.4	-2.0	-2.0	-2.3	-2.6
Minority shares								
Net profit	5.6	3.7	8.5	9.0	7.2	7.9	9.3	10.4
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	45	48	50
Liquid funds	24	18	21	21	14	15	15	16
Total assets	129	119	123	121	117	118	121	123
Liabilities								
Shareholders' equity	30	32	36	41	43	46	49	54
Minority interest								
Convertibles	3							
Lease liabilities	2	5	4	5	4	3	3	3
Deferred taxes								
Interest bearing debt	27	27	20	15	13	11	7	4
Non-interest bearing current liabilities	63	52	60	57	54	56	58	60
Other interest-free debt								
Total liabilities	129	119	123	121	117	118	121	123
CASH FLOW, EURm								
+ EBITDA	11	9	15	16	14	14	16	17
- Net financial items	-1	-1	-1	-1	-1	-1	-1	-1
- Taxes	-1	-1	1	-2	-2	-2	-2	-3
- Increase in Net Working Capital	8	-3	4	1	-7	1	0	-1
+/- Other	0	1	-2					
= Cash flow from operations	18	5	17	13	4	12	13	13
- Capex	-3	-7	-2	-5	-2	-3	-3	-3
- Acquisitions		-1						
+ Divestments		0						
= Free cash flow	15	-3	15	9	2	9	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	-3	-3	-3
Change in cash	14	-6	3	0	-7	0	1	0

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	95	86	88	82	80	80	80
Net debt (excl. convertibles)	14	4	-1	3	-1	-5	-9
Enterprise value	109	90	88	85	79	75	71
Sales	289	305	321	327	336	352	362
EBITDA	9	15	16	14	14	16	17
EBIT	6	11	12	10	11	12	14
Pre-tax	5	10	11	9	10	12	13
Earnings	4	8	9	7	8	9	10
Equity book value (excl. minorities)	32	36	41	43	46	49	54

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	0.4	0.3	0.3	0.3	0.2	0.2	0.2
EV/EBITDA	11.9	6.0	5.4	6.1	5.5	4.8	4.3
EV/EBITA	19.1	7.9	7.1	8.3	7.3	6.1	5.3
EV/EBIT	19.1	7.9	7.1	8.3	7.3	6.1	5.3
EV/OCF	23.3	5.2	6.5	21.0	6.4	5.8	5.5
EV/FCF	32.9	5.2	6.9	23.9	7.0	6.3	6.1
P/FCFR	-30.6	5.7	10.3	52.5	8.7	8.1	8.2
P/E	25.9	10.2	9.8	11.4	10.2	8.7	7.7
P/BV	3.0	2.4	2.2	1.9	1.8	1.6	1.5
<i>Target EV/EBITDA</i>					6.8	6.0	5.4
<i>Target EV/EBIT</i>					9.1	7.6	6.6
<i>Target EV/FCFF</i>					10.6	9.5	9.2
<i>Target P/BV</i>					2.2	2.0	1.8
<i>Target P/E, diluted</i>	26.9	13.3	10.3	13.5	12.5	10.7	9.5

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	0.91	1.00	1.17	1.32
Operating cash flow per share	0.60	2.25	1.73	0.51	1.56	1.64	1.64
Free cash flow per share	-0.40	1.96	1.10	0.20	1.16	1.25	1.24
Book value per share	4.08	4.68	5.27	5.49	5.79	6.23	6.79
Dividend per share	0.45	0.60	0.70	0.70	0.73	0.76	0.79
Dividend payout ratio, %	96.4%	54.6%	60.5%	77.1%	73.3%	65.0%	60.0%
Dividend yield, %	3.7%	5.4%	6.2%	6.9%	7.2%	7.5%	7.8%
FCF yield, %	-3.3%	17.6%	9.7%	1.9%	11.5%	12.3%	12.2%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	11.8%	24.9%	23.3%	17.0%	17.7%	19.5%	20.3%
ROCE	9.1%	18.4%	20.3%	16.9%	18.2%	20.8%	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%	13.5%	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%	-2.9%	-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	0.8	0.8	0.7
Net Debt/EBITDA, book-weighted	1.5	0.3	-0.1	0.2	-0.1	-0.3	-0.5
Debt/equity, market-weighted	0.3	0.2	0.2	0.2	0.1	0.1	0.1
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%	-2.2%	-10.3%	-16.5%

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	8.222	10.2 %
Heikintorppa Oy	750 000	7.613	9.5 %
Wipunen Varainhallinta Oy	750 000	7.613	9.5 %
Fennia Life Insurance Company Ltd	520 970	5.288	6.6 %
Korkeela Esa Sakari	477 931	4.851	6.0 %
Kivi Risto Juhani	403 854	4.099	5.1 %
Kalevo Markku	298 967	3.035	3.8 %
Varma Mutual Pension Insurance Company	172 000	1.746	2.2 %
Drumbo Oy	150 000	1.523	1.9 %
Erikoissijoitusrahasto Aktia Mikro Markka	112 678	1.144	1.4 %
Ten largest	4 446 400	45.131	56.2 %
Residual	3 466 867	35.189	43.8 %
Total	7 913 267	80.320	100%

EARNINGS CALENDAR

April 25, 2025	Q1 report
July 18, 2025	Q2 report
October 24, 2025	Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Esa Korkeela	Valimotie 16, 5th floor, 00380 Helsinki, Finland
OFO: Anders Löfman	Tel: +358 10 288 6000
IR: Ismo Heikkilä	

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, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

Important Disclosures

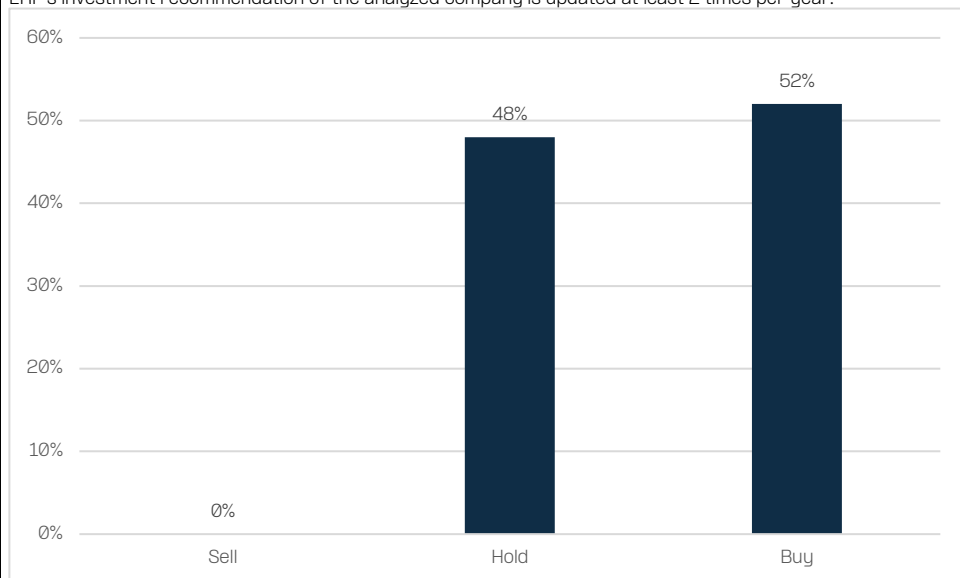
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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

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Contact information**SALES, TRADING AND RESEARCH****Equity Sales & Trading**

Joachim Dannberg (head)	+358 9 4766 9123
Aleksi Jalava	+358 9 4766 9123
Pasi Väisänen	+358 9 4766 9123

Evli Investment Solutions

Johannes Asuja	+358 9 4766 9205
----------------	------------------

Equity Research

Jerker Salokivi (head)	+358 9 4766 9149
Joonas Ilvonen	+358 44 430 9071
Atte Jortikka	+358 40 054 3725
Atte Pitkälampi	+358 44 047 6597

EVLI

EVLI PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Internet www.evli.com
E-mail firstname.lastname@evli.com

**EVLI PLC,
STOCKHOLMSFILIAL**
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000