

Steady development, strong orders

Consti's net sales in Q2 amounted to EUR 75.7m, roughly in line with our and consensus estimates (EUR 79.8m/77.7m Evli/cons.), with growth of 3.6% y/y. EBIT amounted to EUR 3.0m, also in line with our and consensus estimates (EUR 3.1m/3.1m Evli/cons.). Guidance for FY 2023 (unchanged): operating result for 2023 will be in the range of EUR 9.5–13.5 million.

- Net sales in Q2 were EUR 75.7m (EUR 73.1m in Q2/22), roughly in line with our and consensus estimates (EUR 79.8m/77.7m Evli/cons.). Sales grew 3.6% y/y.
- Operating profit in Q2 amounted to EUR 3.0m (EUR 2.9m in Q2/22), in line with our and consensus estimates (EUR 3.1m/3.1m Evli/cons.) at a margin of 4.0% (4.0%).
- EPS in Q2 amounted to EUR 0.29 (EUR 0.28 in Q2/22), in line with our and consensus estimates (EUR 0.29/0.29 Evli/cons.).
- The order backlog at the end of Q2 was EUR 297.9m (EUR 240.8m in Q2/22), up by 23.7% y/y. Order intake was EUR 106.5m in Q2 (Q2/22: EUR 98.7m).
- Free cash flow amounted to EUR 4.1m (Q2/22: EUR 2.6m).
- The company's steady development continues in line with our estimates, the order intake, which was particular interest of ours for Q2, was strong and order backlog grew almost 24% y/y.
- The strengthened order backlog likely supports volumes for H2 2023
- **Guidance for 2023 (unchanged):** Operating result for 2023 will be in the range of EUR 9.5–13.5 million

Rating + BUY

Q2/23	Actual	Evli	Consensus	Year ago	Q1/23
Net sales	75.7	79.8	77.7	73.1	68.9
EBIT	3.0	3.1	3.1	2.9	0.7
EPS	0.29	0.29	0.29	0.28	0.04

Deviation	Actual	Evli	Consensus	Year ago	Q1/23
Net sales		-5 %	-3 %	4 %	10 %
EBIT		-3 %	-3 %	3 %	>100%
EPS		0 %	1 %	4 %	>100%

Consensus by Bloomberg

Share price, EUR (Last trading day's closing price) 10.05

Target price, EUR 14.0

Latest change in recommendation 26-Jul-21

Latest report on company 14-Jul-23

Research paid by issuer: YES

No. of shares outstanding, '000's 7,735

No. of shares fully diluted, '000's 7,735

Market cap, EURm 78

Free float, % 45.9

Exchange rate EUR 1.000

Reuters code CONSTI.HE

Bloomberg code CONSTI FH

Average daily volume, EURm 0.1

Next interim report 21-Jul-23

Web site investor.consti.fi

Analyst Atte Jortikka

E-mail atte.jortikka@evli.com

Telephone +358 400 543 725

+ 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
2021	288.8	5.7	2.0%	-3.1	0.47	25.9	0.4	19.1	-3.3	0.45
2022	305.2	11.5	3.8%	15.2	1.10	10.2	0.3	7.9	17.6	0.60
2023E	328.2	12.4	3.8%	11.4	1.16	8.7	0.2	6.0	14.7	0.65
2024E	335.1	14.1	4.2%	11.5	1.37	7.3	0.2	4.9	14.8	0.75
2025E	342.1	15.1	4.4%	12.2	1.50	6.7	0.2	4.1	15.6	0.83
Market cap, EURm				78	BV per share 2023E, EUR		-7.2	CAGR EPS 2022-25, %		11.0
Net debt 2023E, EURm				-3	Price/book 2023E		1.9	CAGR sales 2022-25, %		3.9
Enterprise value, EURm				75	Dividend yield 2023E, %		6.5	ROE 2023E, %		23.4
Total assets 2023E, EURm				127	Tax rate 2023E, %		20.0	ROCE 2023E, %		20.6
Goodwill 2023E, EURm				50	Equity ratio 2023E, %		32.0	PEG, P/E 23/CAGR		0.8

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

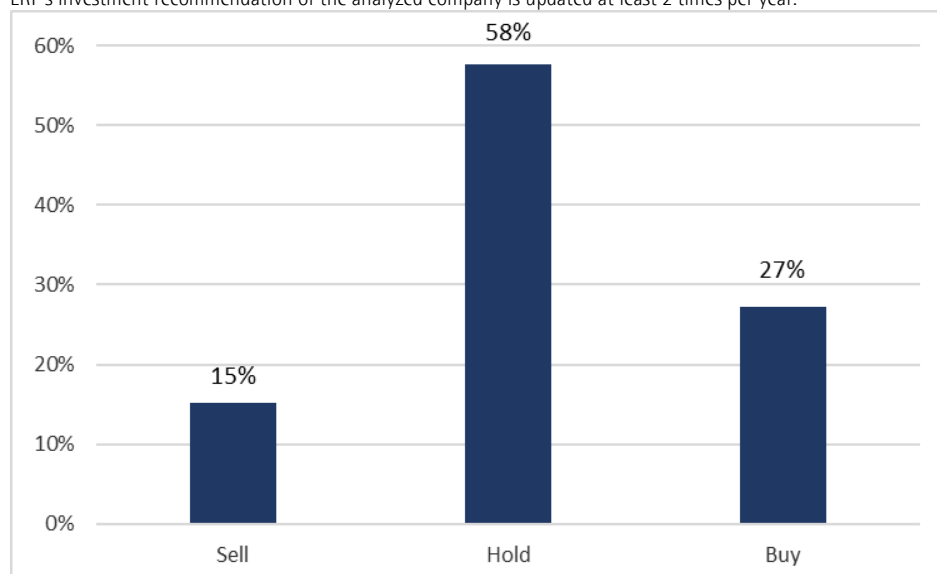
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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Contact information

SALES, TRADING AND RESEARCH

Equity, ETF and Derivatives Sales

Joachim Dannberg +358 9 4766 9123
Ari Laine +358 9 4766 9115
Kimmo Lilja +358 9 4766 9130

Trading

Lauri Vehkaluoto (Head) +358 9 4766 9120
Pasi Väisänen +358 9 4766 9120
Antti Kässi +358 9 4766 9120
Miika Ronkanen +358 9 4766 9120

Structured Investments

Heikki Savijoki +358 9 4766 9726
Aki Lakkisto +358 9 4766 9123

Equity Research

Arttu Heikura +358 40 082 8098
Joonas Ilvonen +358 44 430 9071
Jerker Salokivi +358 9 4766 9149

Evli Investment Solutions

Johannes Asuja +358 9 4766 9205



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