

Results largely as expected

DT's Q4 results came in largely as expected as EBITA improved by EUR 0.6m y/y despite a flat top line. There weren't big surprises in terms of sales mix. DT sees Q1'25 top line flat, while double-digit growth should continue in Q2'25 when all three broad product application areas are expected to grow.

- DT Q4 revenue grew by 0.9% y/y to EUR 31.6m vs the EUR 32.0m/31.5m Evli/consensus estimates whereas EBITA was EUR 5.2m vs the EUR 4.8m/5.2m Evli/consensus estimates. Cash flow increased due to good productivity and working capital management. The Indian facility's ramp-up is progressing, and deliveries are set to start in late H1'25.
- Medical (MBU) revenue decreased by 4.6% y/y to EUR 12.5m, compared to our EUR 12.7m estimate. Growth is expected to return in Q1.
- Security (SBU) increased by 5.3% y/y to EUR 13.9m vs our EUR 13.6m estimate. Growth was primarily driven by robust demand for security CT and cargo imaging solutions. Sales are expected to temporarily decline in Q1 due to delays in airport construction, but growth should start again in Q2.
- Industrial (IBU) revenue grew by 4.2% y/y to EUR 5.2m, compared to our EUR 5.7m estimate. Demand was steady in Europe particularly within food and industrial CT applications, while strong demand in the APAC region was countered by pricing pressure due to intense competition. Growth is expected to continue in Q1.
- The BoD proposes a dividend of EUR 0.50 per share to be distributed, compared to the EUR 0.36/0.40 Evli/consensus estimates.
- DT expects Q1'25 revenue to remain stable and sees double-digit growth in Q2'25.

Rating ++ Buy

Q4'24	Actual	Evli	Year ago	Q3'24
Revenue	31.6	32.0	31.3	27.1
MBU	12.5	12.7	13.1	10.9
SBU	13.9	13.6	13.2	11.3
IBU	5.2	5.7	5.0	4.9
Adj. EBITA	5.2	4.8	4.6	4.2
Adj. EBITA-margin	16.3 %	15.0 %	14.7 %	15.3 %

Share price, EUR (Last trading day's closing price) **14.40**
Target price, EUR 17.0

Latest change in recommendation 03-Feb-25

Latest report on company 03-Feb-25

Research paid by issuer: YES

No. of shares outstanding, '000's 14 656

No. of shares fully diluted, '000's 14 656

Market cap, EURm 211

Free float, % -

Exchange rate -

Reuters code DETEC.HE

Bloomberg code DETEC FH

Average daily volume, EURm 0.1

Next interim report 06-Feb-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
2022	98.6	5.8	5.9%	-1.9	0.35	45.3	2.3	39.2	-0.8%	0.20
2023	103.8	8.2	7.9%	2.1	0.38	29.3	1.8	23.1	10.5%	0.23
2024E	107.9	14.2	13.2%	11.7	0.73	19.8	1.8	13.4	5.6%	0.36
2025E	118.4	17.6	14.9%	14.5	0.94	15.3	1.5	10.3	6.9%	0.47
2026E	126.3	20.2	16.0%	12.4	1.08	13.3	1.4	8.7	5.9%	0.54
Market cap, EURm	211		Gearing 2024E, %		-26.5 %		CAGR EPS 2023-26, %		32.2 %	
Net debt 2024E, EURm	-21		Price/book 2024E		2.6		CAGR Sales 2023-26, %		6.8 %	
Enterprise value, EURm	190		Dividend yield 2024E, %		2.5 %		ROE 2024E, %		13.9 %	
Total assets 2024E, EURm	101		Tax rate 2024E, %		21.3 %		ROCE 2024E, %		17.4 %	
Goodwill 2024E, EURm	0		Equity ratio 2024E, %		79.1 %		PEG, P/E 24/CAGR		1.4	

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

Important Disclosures

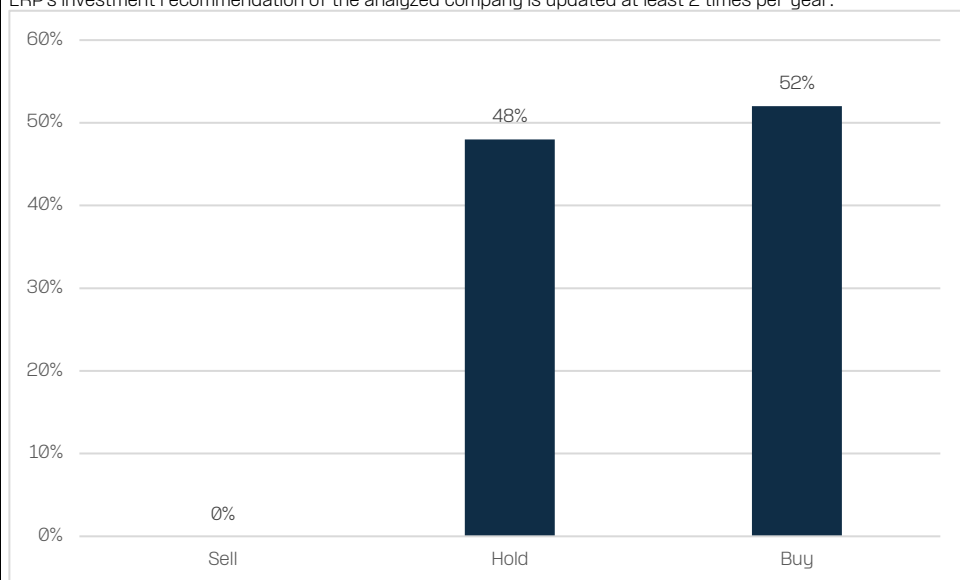
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	REDUCE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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