

Softer than expected

DT's Q1 was expected to remain slightly muted, but the reported figures were clearly lower than estimated. DT's short-term outlook has also softened mainly due to a prolonged dip in security applications demand.

- DT Q1 revenue declined by 2.0% y/y to EUR 22.2m, compared to the EUR 22.6m/22.7m Evli/consensus estimates. Exchange rate fluctuations impacted the figure toward the end of the quarter. EBITA landed at EUR 1.4m vs the EUR 2.1m/2.3m Evli/consensus estimates. Less favorable mix and timing of other income and certain expenses negatively affected profitability. Exchange rates affect top line, but their bottom line impact is mitigated by a similar currency mix in costs.
- Medical (MBU) revenue grew by 13.7% y/y to EUR 10.8m vs our EUR 9.8m estimate. Demand backlog due to the Chinese anti-corruption campaign has begun to ease, and demand remains good.
- Security (SBU) decreased by 20.0% y/y to EUR 7.7m, compared to our EUR 8.7m estimate. European aviation CT system installations delay negatively affected sales, while American security application demand was also weaker than expected. Customers have however indicated that their order backlog is strong, but the security applications demand dip appears to be a bit prolonged.
- Industrial (IBU) grew 4.2% y/y to EUR 3.8m vs our EUR 4.1m estimate. TFT flat panel detector sales grew significantly. Demand continues to develop positively.
- DT now expects its top line to remain stable in Q2 and Q3, while it previously expected double-digit growth for the remainder of the year. The main reasons for the downgrade are exchange rate changes and the postponement of security system deployments. The new tariffs' direct impact appears to be limited for now, however indirect effects are difficult to foresee.

Rating	+ Accumulate			
Q1'25	Actual	Evli	Year ago	Q4'24
Revenue	22.2	22.6	22.7	31.6
MBU	10.8	9.8	9.5	12.5
SBU	7.7	8.7	9.6	13.9
IBU	3.8	4.1	3.6	5.2
Adj. EBITA	1.4	2.1	2.3	5.2
Adj. EBITA-margin	6.3 %	9.3 %	10.0 %	16.3 %

Share price, EUR (Last trading day's closing price)	13.00
Target price, EUR	14.0
Latest change in recommendation	16-Apr-25
Latest report on company	16-Apr-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	191
Free float, %	—
Exchange rate	—
Reuters code	DETEC.HE
Bloomberg code	DETEC FH
Average daily volume, EURm	0.1
Next interim report	24-Apr-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	103.8	8.2	7.9%	21.1	0.38	29.3	1.8	23.1	10.5%	0.23
2024	107.5	13.8	12.8%	16.9	0.76	20.2	1.8	14.3	7.5%	0.50
2025E	116.7	15.9	13.7%	12.1	0.84	15.4	1.4	9.9	6.4%	0.56
2026E	125.9	19.3	15.3%	9.3	1.03	12.6	1.2	8.1	4.9%	0.68
2027E	132.2	19.9	15.1%	13.2	1.07	12.1	1.2	7.7	6.9%	0.71
Market cap, EURm	191	Gearing 2025E, %		-37.8 %		CAGR EPS 2024-27, %		12.3 %		
Net debt 2025E, EURm	-33	Price/book 2025E		2.2		CAGR Sales 2024-27, %		7.2 %		
Enterprise value, EURm	158	Dividend yield 2025E, %		4.3 %		ROE 2025E, %		14.6 %		
Total assets 2025E, EURm	110	Tax rate 2025E, %		20.6 %		ROCE 2025E, %		18.4 %		
Goodwill 2025E, EURm	0	Equity ratio 2025E, %		79.0 %		PEG, P/E 25/CAGR		1.3		

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

Important Disclosures

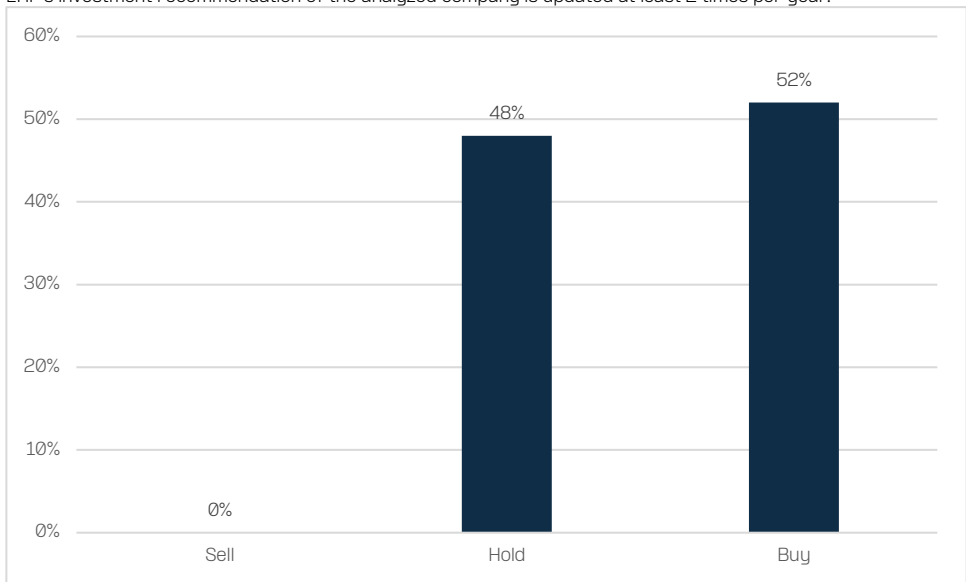
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Investment recommendations are defined as follows:

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

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