

Stable earnings for now

Wood Processing's strong Q1 prompted Raute to upgrade FY'25 earnings guidance. Q1 orders however still weren't great, and it remains to be seen how much further new orders might be delayed in the prevailing environment.

Only small estimate revisions beyond Wood Processing's Q1

Raute upgraded its FY'25 earnings guidance midpoint by 15% as Q1 proved better than expected thanks to Wood Processing. We raise our Q1 adj. EBITDA estimate by some EUR 1.5m to EUR 5.9m, driven by Wood Processing. We expect all segments to show earnings gains this year; in our view Analyzers' EBITDA should improve the most in absolute as well as relative terms due to low comparison figures, and the 18% margin we estimate would still be modest compared to the 25% levels it has historically posted. We now estimate Wood Processing FY'25 EBITDA to gain EUR 1m y/y as comparison figures for H1 are low; H2 on the other hand might already see softening, but we expect the segment's EBITDA to stay around 8.5% over the year.

Earnings growth might not continue next year

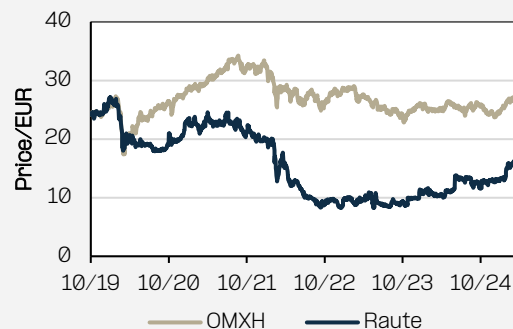
Raute says Q1 new order intake was low, which we believe could mean below EUR 30m. The trade war and tariffs might not have very big direct effects on Raute, but the uncertainty they create will not help any new capital investment decisions. We thus make some cuts to our revenue estimates for the coming years, attributable to Wood Processing; we estimate the segment's top line to decline 4% already this year, and it is likely to continue to fall at a steeper rate next year unless new orders pick up in the coming quarters. The segment's EBITDA margin could however stay at around 8% if its annual revenue doesn't fall significantly short of EUR 125m. Raute's EBITDA should then stay comfortably above EUR 20m as long as that remains the case.

Multiples remain attractive even if growth doesn't continue

Wood Processing generates more than 50% of Raute EBITDA, so further earnings growth will be challenging to achieve unless new orders pick up. The market has had its challenges for a while now; new orders may still not pick up enough in the coming quarters to drive growth for next year, but Raute remains valued only at about 4.5x EV/EBIT on our FY'25 estimates. In our view upside potential thus remains large enough even if earnings only flatline in the base case, while additional large projects as well as smaller order pick-up would drive more significant gains. Our TP is now EUR 19.0 (16.0) as we retain our BUY rating.

Rating

++ Buy



Share price, EUR (Last trading day's closing price) **17.00**
Target price, EUR 19.0

Latest change in recommendation 04-Feb-25

Latest report on company 14-Feb-25

Research paid by issuer: YES

No. of shares outstanding, '000's 6 120

No. of shares fully diluted, '000's 6 120

Market cap, EURm 104

Free float, % —

Exchange rate —

Reuters code RAUTE.HE

Bloomberg code RAUTE:FH

Average daily volume, EURm 0.1

Next interim report 07-May-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	145.4	1.9	1.3%	32.3	0.22	44.7	0.1	10.1	53.6%	0.10
2024	204.6	13.7	6.7%	11.4	1.98	6.6	0.1	2.1	14.2%	0.55
2025E	201.5	16.6	8.2%	-21.2	2.25	7.5	0.4	4.6	-20.3%	0.60
2026E	193.6	15.8	8.2%	8.6	2.19	7.8	0.4	4.5	8.3%	0.70
2027E	199.1	16.3	8.2%	11.6	2.18	7.8	0.3	4.0	11.1%	0.75
Market cap, EURm	104		Gearing 2025E, %		-45.5 %		CAGR EPS 2024-27, %		3.3 %	
Net debt 2025E, EURm	-27		Price/book 2025E		1.7		CAGR Sales 2024-27, %		-0.9 %	
Enterprise value, EURm	77		Dividend yield 2025E, %		3.5 %		ROE 2025E, %		25.1 %	
Total assets 2025E, EURm	139		Tax rate 2025E, %		20.7 %		ROCE 2025E, %		26.7 %	
Goodwill 2025E, EURm	2		Equity ratio 2025E, %		30.4 %		PEG, P/E 25/CAGR		23.5	

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

Estimates and peer valuation

Raute EURm	2021	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e
Order intake	203	139	316	36	20	15	50	121	26	42	37	41	146
Europe	69	65	204	28	10	6	38	81	12	24	15	20	71
Russia	79	3	0	0	0	0	0	0	0	0	0	0	0
North America	37	51	48	4	7	6	5	22	7	10	15	13	45
Latin America	8	8	58	3	1	2	6	11	5	5	5	5	20
Asia-Pacific	10	11	5	2	2	1	2	7	2	3	2	3	10
Order book	158	84	266	259	223	186	184	184	157	146	135	129	129
Revenue	142	158	145	45	57	46	56	205	53	53	48	48	202
Wood Processing	97	108	92	32	42	32	41	147	39	38	32	32	141
Services	30	36	33	10	11	10	12	42	10	11	11	11	42
Analyzers	15	15	20	3	5	4	4	15	4	5	5	5	18
Europe	35	68	56	17	26	28	42	114	32	32	27	24	115
Russia	70	33	15	0	0	0	0	0	0	0	0	0	0
North America	20	38	44	11	14	12	9	46	12	13	10	15	50
Latin America	8	10	21	14	16	5	3	38	7	6	8	6	27
Asia-Pacific	10	9	9	1	1	1	3	6	2	2	3	3	10
Comparable EBITDA	3	-2	9	3	5	6	5	20	6	6	6	5	23
Wood Processing	-5	-10	0	1	3	4	3	11	3	3	3	3	12
Services	5	6	5	2	2	2	1	7	2	2	2	2	7
Analyzers	4	2	5	0	1	1	1	2	1	1	1	1	3
EBIT	-2	-15	2	1	4	5	3	14	4	4	4	4	17
<i>EBIT margin</i>	-1.6 %	-9.3 %	1.3 %	3 %	7 %	10 %	6 %	6.7 %	8 %	8 %	8 %	8 %	8.2 %

Source: Evli Research

RAUTE PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			EBIT-%		
		24	25	26	24	25	26	24	25	26
Biesse	192	3.5x	4.3x	2.7x	12.4x	28.4x	6.1x	2.2 %	1.0 %	3.9 %
Hiab	2480	12.4x	9.5x	8.8x	13.5x	11.4x	10.4x	14.5 %	13.6 %	14.2 %
Duerr	1401	5.4x	4.5x	3.8x	7.5x	6.9x	5.7x	5.5 %	5.6 %	6.4 %
Glaston	58	3.1x	2.7x	2.2x	4.8x	4.4x	3.7x	5.1 %	5.1 %	5.7 %
Kesla	13	13.7x	11.3x	7.5x			16.8x		3.4 %	
Konecranes	4543	8.0x	7.2x	6.8x	9.6x	8.9x	8.3x	12.4 %	12.6 %	13.1 %
Ponsse	711	7.8x	8.1x	7.3x	14.1x	13.5x	11.2x	5.4 %	6.9 %	8.0 %
Robit	30	7.2x	5.9x	4.6x	18.6x	11.5x	7.5x	2.8 %	4.4 %	6.2 %
Sandvik	23129	10.0x	10.2x	9.6x	15.6x	13.6x	12.5x	15.0 %	17.9 %	18.6 %
Valmet	4806	7.7x	8.0x	7.1x	10.4x	10.3x	9.1x	9.6 %	10.4 %	11.1 %
Wartsila	8960	11.4x	8.8x	8.1x	13.3x	10.3x	9.4x	10.9 %	10.9 %	11.2 %
Peer Group Average	4211	8.2x	7.3x	6.2x	12.0x	12.4x	8.4x	8.3 %	8.3 %	9.8 %
Peer Group Median	1401	7.8x	8.0x	7.1x	12.8x	11.4x	8.7x	7.5 %	6.9 %	9.5 %
Raute (Evli est.)	104	1.5x	3.5x	3.4x	2.1x	4.6x	4.5x	6.7 %	8.2 %	8.2 %

Raute prem./disc. to peer median

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	17.00 PV of Free Cash Flow	52 Long-term growth, %	2.0 % Risk-free interest rate, %
DCF share value	23.08 PV of Horizon value	37 WACC, %	9.2 % Market risk premium, %
Share price potential, %	35.8 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	24.1 Marketable securities	58 Minimum WACC, %	8.7 % Equity beta coefficient
Minimum value	22.2 Debt – dividend	–6 Maximum WACC, %	9.7 % Target debt ratio, %
Horizon value, %	41.7 % Value of stock	141 No. of shares, Mn	6.1 Effective tax rate, %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	205	202	194	199	205	210	214	219	224	229	234	238
Sales growth (%)	40.7%	–1.5%	–3.9%	2.9%	2.9%	2.3%	2.3%	2.3%	2.3%	2.3%	2.0%	2.0%
Operating income (EBIT)	14	17	16	16	17	19	19	20	20	21	21	21
Operating income margin %	6.7%	8.2%	8.2%	8.2%	8.5%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
+ Depreciation+amort.	5	6	6	7	7	7	7	5	4	4	3	
EBITDA	19	22	21	23	24	26	26	25	24	24	24	
– Paid taxes	0	–3	–3	–3	–3	–4	–4	–4	–4	–4	–4	
– Change in NWC	–6	–38	1	–1	–1	–1	–1	–1	–1	–1	–1	
NWC / Sales, %	–15.6%	3.0%	2.4%	2.8%	3.2%	3.5%	3.9%	4.2%	4.5%	4.8%	5.0%	
+ Change in other liabs	0											
– Operative CAPEX	–3	–3	–12	–7	–8	–8	–3	–3	–3	–3	–13	
opCAPEX / Sales, %	1.3%	1.4%	6.1%	3.7%	3.8%	3.7%	1.6%	1.5%	1.5%	1.5%	5.7%	
– Acquisitions												
+ Divestments												
– Other items												
= FCFF	9	–22	8	12	12	14	19	17	16	16	6	87
= Discounted FCFF		–21	7	9	9	9	11	9	8	7	3	37
= DFCF min WACC		–21	7	9	9	9	12	10	8	8	3	42
= DFCF max WACC		–21	7	9	9	9	11	9	8	7	3	33

Sensitivity analysis, EUR

		Terminal WACC				
		7.17 %	8.17 %	9.17 %	10.17 %	11.17 %
Terminal EBIT–%	7.00 %	20.59	19.41	18.43	17.61	16.88
	8.00 %	24.44	22.36	20.76	19.47	18.41
	9.00 %	28.30	25.31	23.08	21.34	19.93
	10.00 %	32.15	28.26	25.40	23.20	21.45
	11.00 %	36.00	31.21	27.72	25.07	22.98

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	44.7	57.1	46.3	56.5	204.6	53.3	53.1	47.6	47.5	201.5	193.6	199.1
EBITDA	2.9	5.3	6.2	4.8	19.1	5.8	5.7	5.4	5.3	22.2	21.4	22.9
<i>EBITDA margin (%)</i>	<i>6.4%</i>	<i>9.2%</i>	<i>13.4%</i>	<i>8.5%</i>	<i>9.4%</i>	<i>10.9%</i>	<i>10.7%</i>	<i>11.3%</i>	<i>11.2%</i>	<i>11.0%</i>	<i>11.1%</i>	<i>11.5%</i>
EBIT	1.5	3.9	4.8	3.5	13.7	4.4	4.3	4.0	3.9	16.6	15.8	16.3
<i>EBIT margin (%)</i>	<i>3.3%</i>	<i>6.9%</i>	<i>10.4%</i>	<i>6.2%</i>	<i>6.7%</i>	<i>8.3%</i>	<i>8.1%</i>	<i>8.4%</i>	<i>8.2%</i>	<i>8.2%</i>	<i>8.2%</i>	<i>8.2%</i>
Net financial items	0.2	0.6	0.4	0.3	1.4	0.2	0.2	0.2	0.2	0.8	0.8	
Pre-tax profit	1.6	4.6	5.2	3.8	15.1	4.6	4.5	4.2	4.1	17.4	16.6	16.3
Tax	-0.4	-1.1	-0.7	-0.8	-3.0	-0.9	-0.9	-0.9	-0.9	-3.6	-3.2	-2.9
<i>Tax rate (%)</i>	<i>21.7%</i>	<i>25.1%</i>	<i>13.9%</i>	<i>21.5%</i>	<i>20.0%</i>	<i>19.6%</i>	<i>20.0%</i>	<i>21.4%</i>	<i>22.0%</i>	<i>20.7%</i>	<i>19.3%</i>	<i>18.0%</i>
Net profit	1.3	3.4	4.5	3.0	12.1	3.7	3.6	3.3	3.2	13.8	13.4	13.4
EPS	0.21	0.56	0.73	0.48	1.98	0.60	0.59	0.54	0.52	2.25	2.19	2.18
EPS adj. (diluted)	0.21	0.56	0.73	0.48	1.98	0.60	0.59	0.54	0.52	2.25	2.19	2.18
Dividend per share					0.55					0.60	0.70	0.75
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Wood Processing	32.0	41.8	32.2	41.2	147.2	38.7	37.7	32.3	32.2	140.9	131.0	134.3
Services	9.8	10.8	9.9	11.6	42.1	10.2	10.6	10.7	10.8	42.3	43.4	44.7
Analyzers	2.9	4.5	4.2	3.7	15.3	4.4	4.8	4.6	4.5	18.3	19.2	20.2
Total	44.7	57.1	46.3	56.5	204.6	53.3	53.1	47.6	47.5	201.5	193.6	199.1
SALES GROWTH, Y/Y%	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Wood Processing	31.2%	140.2%	49.8%	41.6%	59.3%	20.9%	-9.8%	0.3%	-21.8%	-4.3%	-7.0%	2.5%
Services	18.1%	66.1%	25.3%	12.6%	27.6%	4.1%	-1.9%	8.1%	-6.9%	0.5%	2.5%	3.0%
Analyzers	-29.3%	-18.2%	-8.7%	-36.2%	-23.5%	51.7%	6.7%	9.5%	21.6%	19.6%	5.0%	5.0%
Total	21.5%	94.2%	36.2%	25.0%	40.7%	19.2%	-7.0%	2.8%	-15.9%	-1.5%	-3.9%	2.9%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Total	1.5	3.9	4.8	3.5	13.7	4.4	4.3	4.0	3.9	16.6	15.8	16.3
Total	1.5	3.9	4.8	3.5	13.7	4.4	4.3	4.0	3.9	16.6	15.8	16.3
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	3.3%	6.9%	10.4%	6.2%	6.7%	8.3%	8.1%	8.4%	8.2%	8.2%	8.2%	8.2%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	115.0	142.2	158.3	145.4	204.6	201.5	193.6	199.1
<i>Sales growth (%)</i>	-24.0%	23.7%	11.3%	-8.2%	40.7%	-1.5%	-3.9%	2.9%
EBITDA	1.2	2.1	-9.6	6.8	19.1	22.2	21.4	22.9
<i>EBITDA margin (%)</i>	1.1%	1.5%	-6.1%	4.7%	9.4%	11.0%	11.1%	11.5%
Depreciation	-4.0	-4.3	-5.0	-4.9	-5.4	-5.6	-5.6	-6.6
EBITA	-2.8	-2.2	-14.6	1.9	13.7	16.6	15.8	16.3
Goodwill amortization / writedown								
EBIT	-2.8	-2.2	-14.6	1.9	13.7	16.6	15.8	16.3
<i>EBIT margin (%)</i>	-2.4%	-1.6%	-9.2%	1.3%	6.7%	8.2%	8.2%	8.2%
Reported EBIT	-2.8	-2.2	-14.6	1.9	13.7	16.6	15.8	16.3
<i>EBIT margin (reported) (%)</i>	-2.4%	-1.6%	-9.2%	1.3%	6.7%	8.2%	8.2%	8.2%
Net financials	0.3	0.5	0.8	-0.1	1.4	0.8	0.8	
Pre-tax profit	-2.5	-1.7	-13.8	1.8	15.1	17.4	16.6	16.3
Taxes	0.6		2.3	-0.4	-3.0	-3.6	-3.2	-2.9
Minority shares								
Net profit	-1.8	-1.7	-11.5	1.4	12.1	13.8	13.4	13.4
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	17	19	22	21	19	17	23	24
Goodwill	2	2	2	2	2	2	2	2
Right of use assets	6	10	7	6	6	6	5	6
Inventory	15	22	17	26	24	30	29	30
Receivables	34	32	32	26	25	48	46	48
Liquid funds	12	24	8	48	58	33	38	45
Total assets	86	111	92	135	136	139	147	157
Liabilities								
Shareholders' equity	40	34	23	38	50	60	70	79
Minority interest								
Convertibles								
Lease liabilities	4	8	6	7	6	6	5	6
Deferred taxes			0	0	0	0	0	0
Interest bearing debt	2	2	7					
Non-interest bearing current liabilities	23	39	34	63	50	42	41	42
Other interest-free debt	16	27	22	27	30	30	30	30
Total liabilities	86	111	92	135	136	139	147	157
CASH FLOW, EURm								
+ EBITDA	1	2	-10	7	19	22	21	23
- Net financial items	0	0	1	0	1	1	1	
- Taxes	-1	-1	-1	-1	-1	-4	-3	-3
- Increase in Net Working Capital	1	21	-5	30	-6	-38	1	-1
+/- Other								
= Cash flow from operations	2	23	-14	36	14	-18	20	19
- Capex	-3	-10	-4	-4	-3	-3	-12	-7
- Acquisitions								
+ Divestments								
= Free cash flow	-2	13	-18	32	11	-21	9	12
+/- New issues/buybacks	-1	-1	0	14	0			
- Paid dividend	3			1	3	4	4	5
+/- Other	-2	5	1	-6	-1	0	0	0
Change in cash	-11	13	-17	40	9	-24	5	7

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	84	35	60	80	104	104	104
Net debt (excl. convertibles)	-14	5	-41	-52	-27	-32	-40
Enterprise value	70	40	19	28	77	72	64
Sales	142	158	145	205	202	194	199
EBITDA	2	-10	7	19	22	21	23
EBIT	-2	-15	2	14	17	16	16
Pre-tax	-2	-14	2	15	17	17	16
Earnings	-2	-11	1	12	14	13	13
Equity book value (excl. minorities)	34	23	38	50	60	70	79

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	0.5	0.3	0.1	0.1	0.4	0.4	0.3
EV/EBITDA	33.3	-4.2	2.8	1.5	3.5	3.4	2.8
EV/EBITA	-32.0	-2.8	10.1	2.1	4.6	4.5	4.0
EV/EBIT	-32.0	-2.8	10.1	2.1	4.6	4.5	4.0
EV/OCF	3.0	-2.9	0.5	2.0	-4.2	3.5	3.4
EV/FCF	4.2	-1.9	0.6	3.0	-3.5	9.3	5.5
P/FCFR	6.5	-1.9	1.9	7.0	-4.9	12.1	9.0
P/E	-48.7	-3.1	44.7	6.6	7.5	7.8	7.8
P/BV	2.5	1.5	1.6	1.6	1.7	1.5	1.3
Target EV/EBITDA					4.0	3.9	3.3
Target EV/EBIT					5.4	5.3	4.7
Target EV/FCFF					-4.2	9.8	6.6
Target P/BV					1.9	1.7	1.5
Target P/E, diluted	-50.8	-3.8	35.2	7.2	8.4	8.7	8.7

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	4.25	4.25	6.12	6.12	6.12	6.12	6.12
Number of shares (diluted, million)	4.25	4.25	6.12	6.12	6.12	6.12	6.12
EPS	-0.41	-2.70	0.22	1.98	2.25	2.19	2.18
Operating cash flow per share	5.50	-3.30	5.86	2.31	-3.01	3.34	3.11
Free cash flow per share	3.04	-4.24	5.28	1.87	-3.46	1.41	1.89
Book value per share	8.02	5.39	6.27	8.12	9.83	11.42	12.90
Dividend per share			0.10	0.55	0.60	0.70	0.75
Dividend payout ratio, %			45.3%	27.8%	26.6%	32.0%	34.3%
Dividend yield, %			1.0%	3.2%	3.5%	4.1%	4.4%
FCF yield, %	15.4%	-51.4%	53.6%	14.2%	-20.3%	8.3%	11.1%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	-4.6%	-40.3%	4.4%	27.5%	25.1%	20.6%	18.0%
ROCE	-4.8%	-36.3%	4.6%	27.4%	26.7%	22.4%	20.4%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	15.5%	10.6%	18.1%	11.5%	15.0%	15.0%	15.0%
Receivables as % of sales	22.3%	20.2%	17.8%	12.2%	24.0%	24.0%	24.0%
Non-int. bearing liabilities as % of sales	27.1%	21.4%	43.1%	24.4%	21.0%	21.0%	21.0%
NWC/sales, %	-8.3%	-4.6%	-25.9%	-15.6%	3.0%	2.4%	2.8%
Operative CAPEX/Sales, %	7.4%	2.5%	2.4%	1.3%	1.4%	6.1%	3.7%
CAPEX/sales (incl. acquisitions), %	7.4%	2.5%	2.4%	1.3%	1.4%	6.1%	3.7%
FCFF/EBITDA	7.9	2.2	4.7	0.5	-1.0	0.4	0.5
Net Debt/EBITDA, book-weighted	-6.5	-0.6	-6.1	-2.7	-1.2	-1.5	-1.7
Debt/equity, market-weighted	0.0	0.2					
Equity ratio, book-weighted	0.3	0.4	0.5	0.6	0.8	0.8	0.8
Gearing, %	-40.5%	23.6%	-108.1%	-104.4%	-45.5%	-46.2%	-50.1%

COMPANY DESCRIPTION: Raute offers production lines, machinery and services for the entire production process of veneer and veneer-based products, which include plywood and laminated veneer lumber (LVL). The company's strategy is premised on a complementary offering of veneer production technology and services. Raute has differentiated itself through technological leadership and the ability to supply complete plywood and LVL production processes. Raute delivers most of its equipment in a tailored project-driven fashion to a global customer base consisting of hundreds of plywood and LVL mills. Raute has its main production plant in Lahti, Finland, however the company also operates a global sales and services network. Raute is a global leader in its niche market.

INVESTMENT CASE: Raute is the most technologically sophisticated vendor and a market leader within its niche. In our view this set-up will not change as current competition lags quite far behind and larger capital goods companies are unlikely to enter the relatively small market. Predicting Raute's project delivery flow is not easy and a single large project can make up a significant portion of a given calendar year's activity. Services growth might help to smooth financial performance, however project deliveries will always remain crucially important for Raute's success.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Sundholm Göran Wilhelm	756 250	12.856	12.4 %
Laakkonen Mikko Kalervo	172 225	2.928	2.8 %
eQ Finland Investment Fund	134 368	2.284	2.2 %
Mandatum Life Insurance Company Ltd.	132 574	2.254	2.2 %
Stephen Industries Inc Oy	129 687	2.205	2.1 %
Suominen Pekka Matias	117 329	1.995	1.9 %
Siivonen Osku Pekka	106 901	1.817	1.7 %
eQ Nordic Small Cap Mutual Fund	106 000	1.802	1.7 %
Kirmo Kaisa Marketta	105 421	1.792	1.7 %
Mustakallio Mika Tapani	103 678	1.763	1.7 %
Ten largest	1 864 433	31.695	30.5 %
Residual	4 255 567	72.345	69.5 %
Total	6 120 000	104.040	100%

EARNINGS CALENDAR

May 07, 2025	Q1 report
August 12, 2025	Q2 report
October 30, 2025	Q3 report

OTHER EVENTS
COMPANY MISCELLANEOUS

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CFO: Ville Halttunen	Tel: +358 3 82911
IR:	

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) $\text{EBITDA} - \text{Net financial items} - \text{Taxes} - \text{Increase in working capital} - \text{Cash NRIs} \pm \text{Other adjustments}$
EV (Enterprise value) $\text{Market cap} + \text{net debt} + \text{minority interest at market value} - \text{share of associated companies at market value}$	FCF (Free cash flow) $\text{Operating cash flow} - \text{Operative CAPEX} - \text{acquisitions} + \text{divestments}$
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 $\text{Current assets} - \text{current liabilities}$
Net debt $\text{Interest bearing debt} - \text{financial assets}$	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

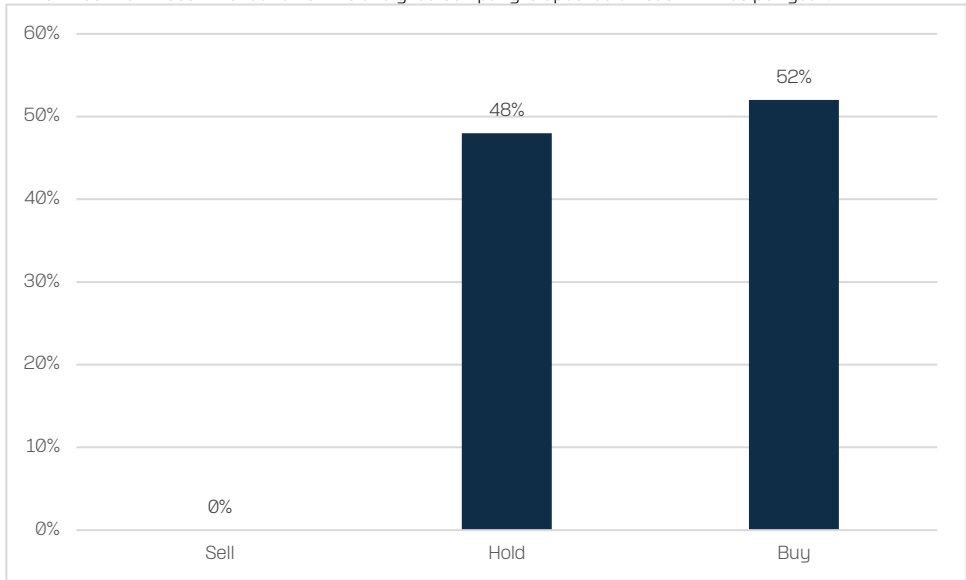
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Investment recommendations are defined as follows:

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): Joonas Ilvonen

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