

Multiples assume very low orders

Raute's margins impress, while extended low orders pose big earnings headwinds, yet multiples remain very undemanding.

Order backlog still delivered, but new orders almost halted

Raute's EUR 43.8m Q2 revenue was below our EUR 53.9m estimate mostly due to Wood Processing as its revenue wasn't recognized as fast as we expected, however the EUR 6.5m comparable EBITDA still matched our EUR 6.7m estimate since Wood Processing again posted an EBITDA margin of 14%. The segment repeated the effectiveness seen already in Q1 even though its order book consists mostly of large mill-sized projects, which have historically had some margin challenges. The very soft EUR 12m new order intake was a clear negative and the extended order book decline poses significant earnings headwinds going towards next year, however Raute's competitive position should remain strong enough (as reflected by the five mill-sized orders received a couple of years ago) so that the pent-up demand which has been building in Europe for a while now should turn into higher orders going forward.

FY'25 earnings likely closer to the upper end of the range

We make further FY'26 estimate cuts as Wood Processing faces a major volume headwind next year. We estimate FY'26 earnings down by some EUR 5m due to Wood Processing as we see its EBITDA down to EUR 12m, or 10.5% margin (vs 11.8% in Q2'25 TTM and 14.1% in H1'25). The lower volumes will hurt margins, but Raute's order book is likely to tilt towards smaller equipment orders from now on; Raute's recent large orders have delivered impressive margins, however it should still be easier to do better with smaller projects. Equipment orders have been further postponed, but there seem to be signs that at least European orders will recover from H2'25 onwards. The eventual rebuilding of Ukraine would likely be a major boost to construction, which would also help Raute's orders, but Raute's expectations of European H2 improvement don't assume any such scenario.

Low multiples even if earnings decline more than estimated

Services and Analyzers should be able to post stable or even improving FY'26 earnings; new Wood Processing orders remain in focus over H2 as their level determines how big of a headwind the segment faces. Raute is valued only about 4.5x EV/EBIT on our FY'26 estimates; the multiple wouldn't still be too high if earnings declined by another EUR 5m more on top of our estimate. Our new TP is EUR 18.0 (19.0) as we retain BUY rating.

Rating

++ Buy



Share price, EUR (Last trading day's closing price) **15.00**
Target price, EUR 18.0

Latest change in recommendation 04-Feb-25

Latest report on company 06-Aug-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 92

Free float, % —

Exchange rate —

Reuters code RAUTE.HE

Bloomberg code RAUTE:FH

Average daily volume, EURm 0.1

Next interim report 30-Oct-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	192.3	16.8	8.7%	-24.2	2.13	7.0	0.4	4.0	-26.4%	0.60
2026E	172.3	15.0	8.7%	6.7	2.06	7.3	0.4	4.3	7.3%	0.70
2027E	177.8	15.5	8.7%	10.6	2.08	7.2	0.3	3.8	11.5%	0.75

Market cap, EURm	92	Gearing 2025E, %	-41.0 %	CAGR EPS 2024-27, %	1.6 %
Net debt 2025E, EURm	-24	Price/book 2025E	1.5	CAGR Sales 2024-27, %	-4.6 %
Enterprise value, EURm	67	Dividend yield 2025E, %	4.0 %	ROE 2025E, %	23.9 %
Total assets 2025E, EURm	136	Tax rate 2025E, %	25.4 %	ROCE 2025E, %	27.3 %
Goodwill 2025E, EURm	2	Equity ratio 2025E, %	30.5 %	PEG, P/E 25/CAGR	-4.9

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	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e
Order intake	203	139	316	36	20	15	50	121	15	12	33	42	102
Europe	69	65	204	28	10	6	38	81	7	5	19	21	52
Russia	79	3	0	0	0	0	0	0	0	0	0	0	0
North America	37	51	48	4	7	6	5	22	6	4	7	13	30
Latin America	8	8	58	3	1	2	6	11	2	2	5	5	13
Asia-Pacific	10	11	5	2	2	1	2	7	1	1	2	3	6
Order book	158	84	266	259	223	186	184	184	146	115	100	93	93
Revenue	142	158	145	45	57	46	56	205	52	44	48	49	192
Wood Processing	97	108	92	32	42	32	41	147	38	30	33	33	134
Services	30	36	33	10	11	10	12	42	10	10	11	11	42
Analyzers	15	15	20	3	5	4	4	15	4	4	4	4	16
Europe	35	68	56	17	26	28	42	114	39	33	30	27	129
Russia	70	33	15	0	0	0	0	0	0	0	0	0	0
North America	20	38	44	11	14	12	9	46	10	7	8	13	38
Latin America	8	10	21	14	16	5	3	38	2	3	7	6	17
Asia-Pacific	10	9	9	1	1	1	3	6	2	1	3	3	9
Comparable EBITDA	3	-2	9	3	5	6	5	20	7	7	6	6	26
Wood Processing	-5	-10	0	1	3	4	3	11	6	4	4	4	17
Services	5	6	5	2	2	2	1	7	2	2	2	2	7
Analyzers	4	2	5	0	1	1	1	2	0	0	1	1	2
EBIT	-2	-15	2	1	4	5	3	14	6	2	5	5	17
<i>EBIT margin</i>	-1.6 %	-9.3 %	1.3 %	3 %	7 %	10 %	6 %	6.7 %	11 %	4 %	9 %	9 %	8.7 %

Source: Evli Research

RAUTE PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			EBIT-%		
		24	25	26	24	25	26	24	25	26
Blesse	203	3.5x	5.6x	4.8x	12.1x	258.5x	23.9x	2.2 %	0.1 %	1.4 %
Duerr	1526	5.6x	7.0x	5.4x	9.8x	11.5x	8.6x	4.2 %	4.4 %	5.6 %
Glaston	50	5.0x	4.9x	4.0x	10.1x	11.5x	7.5x	3.9 %	3.1 %	4.9 %
Kesla	10	13.7x	23.4x	7.5x			15.7x		-1.6 %	3.0 %
Konecranes	5854	8.0x	9.4x	8.9x	9.6x	11.6x	10.8x	12.4 %	12.3 %	13.0 %
Ponsse	823	7.8x	9.7x	8.8x	15.3x	16.8x	14.2x	4.9 %	6.5 %	7.5 %
Robit	24	7.2x	7.3x	5.3x	18.6x	19.5x	9.8x	2.8 %	2.7 %	5.0 %
Sandvik	26438	10.0x	12.0x	11.1x	15.6x	16.3x	14.7x	15.0 %	17.5 %	18.4 %
Valmet	5722	7.6x	9.2x	8.1x	10.1x	12.3x	10.5x	9.9 %	10.3 %	11.2 %
Wartsila	14187	11.2x	13.7x	12.7x	13.3x	16.2x	14.7x	10.9 %	11.4 %	11.8 %
Peer Group Average	5484	8.0x	10.2x	7.7x	12.7x	41.6x	13.0x	7.3 %	6.7 %	8.2 %
Peer Group Median	1174	7.7x	9.3x	7.8x	12.1x	16.2x	12.5x	4.9 %	5.5 %	6.5 %
Raute (Evli est.)	92	1.5x	2.9x	3.1x	2.1x	4.0x	4.3x	6.7 %	8.7 %	8.7 %

Raute prem./disc. to peer median

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	15.00 PV of Free Cash Flow	40 Long-term growth, %	2.0 % Risk-free interest rate, %
DCF share value	21.00 PV of Horizon value	36 WACC, %	9.2 % Market risk premium, %
Share price potential, %	40.0 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	22.0 Marketable securities	58 Minimum WACC, %	8.7 % Equity beta coefficient
Minimum value	20.1 Debt – dividend	–6 Maximum WACC, %	9.7 % Target debt ratio, %
Horizon value, %	47.5 % Value of stock	129 No. of shares, Mn	6.1 Effective tax rate, %
			18 %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	205	192	172	178	184	188	192	196	201	205	209	214
Sales growth (%)	40.7%	–6.0%	–10.4%	3.2%	3.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.0%	2.0%
Operating income (EBIT)	14	17	15	16	16	17	17	18	18	18	19	19
Operating income margin %	6.7%	8.7%	8.7%	8.7%	8.5%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
+ Depreciation+amort.	5	7	6	6	6	6	6	5	4	3	3	
EBITDA	19	24	21	21	22	23	24	22	22	22	22	
– Paid taxes	0	–4	–3	–3	–3	–3	–3	–4	–4	–4	–4	
– Change in NWC	–6	–42	–1	–1	–1	–1	–1	–1	–1	–1	–1	
NWC / Sales, %	–15.6%	5.2%	6.4%	7.0%	7.5%	7.9%	8.2%	8.6%	8.9%	9.2%	9.5%	
+ Change in other liabs	0											
– Operative CAPEX	–3	–2	–11	–7	–7	–7	–3	–3	–3	–3	–11	
opCAPEX / Sales, %	1.3%	1.1%	6.1%	3.8%	3.8%	3.7%	1.7%	1.7%	1.7%	1.6%	5.5%	
– Acquisitions												
+ Divestments												
– Other items												
= FCFF	9	–25	5	11	10	12	16	15	14	14	6	83
= Discounted FCFF		–24	5	9	8	8	10	8	7	7	3	36
= DFCF min WACC		–24	5	9	8	8	10	9	8	7	3	41
= DFCF max WACC		–24	5	9	8	8	10	8	7	6	2	33

Sensitivity analysis, EUR

		Terminal WACC				
		7.17 %	8.17 %	9.17 %	10.17 %	11.17 %
Terminal EBIT–%	7.00 %	18.85	17.68	16.73	15.94	15.26
	8.00 %	22.37	20.38	18.87	17.66	16.66
	9.00 %	25.90	23.09	21.00	19.38	18.07
	10.00 %	29.42	25.79	23.14	21.10	19.48
	11.00 %	32.94	28.50	25.27	22.82	20.89

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	44.7	57.1	46.3	56.5	204.6	51.9	43.8	47.7	48.9	192.3	172.3	177.8
EBITDA	2.9	5.3	6.2	4.8	19.1	7.3	4.5	5.9	5.9	23.5	20.6	21.4
EBITDA margin (%)	6.4%	9.2%	13.4%	8.5%	9.4%	14.0%	10.2%	12.4%	12.1%	12.2%	12.0%	12.0%
EBIT	1.5	3.9	4.8	3.5	13.7	5.9	1.9	4.5	4.5	16.8	15.0	15.5
EBIT margin (%)	3.3%	6.9%	10.4%	6.2%	6.7%	11.3%	4.4%	9.4%	9.2%	8.7%	8.7%	8.7%
Net financial items	0.2	0.6	0.4	0.3	1.4	-0.1	0.4	0.2	0.2	0.7	0.8	
Pre-tax profit	1.6	4.6	5.2	3.8	15.1	5.8	2.3	4.7	4.7	17.5	15.8	15.5
Tax	-0.4	-1.1	-0.7	-0.8	-3.0	-1.5	-1.1	-0.9	-0.9	-4.4	-3.2	-2.8
Tax rate (%)	21.7%	25.1%	13.9%	21.5%	20.0%	26.8%	47.9%	19.2%	19.2%	25.4%	20.3%	18.0%
Net profit	1.3	3.4	4.5	3.0	12.1	4.2	1.2	3.8	3.8	13.0	12.6	12.7
EPS	0.21	0.56	0.73	0.48	1.98	0.69	0.20	0.62	0.62	2.13	2.06	2.08
EPS adj. (diluted)	0.21	0.56	0.73	0.48	1.98	0.69	0.20	0.62	0.62	2.13	2.06	2.08
Dividend per share					0.55					0.60	0.70	0.75
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Wood Processing	32.0	41.8	32.2	41.2	147.2	37.9	30.4	32.7	33.3	134.3	112.8	116.2
Services	9.8	10.8	9.9	11.6	42.1	10.3	9.9	10.8	11.3	42.3	43.4	44.7
Analyzers	2.9	4.5	4.2	3.7	15.3	3.7	3.5	4.2	4.3	15.7	16.2	17.0
Total	44.7	57.1	46.3	56.5	204.6	51.9	43.8	47.7	48.9	192.3	172.3	177.8
SALES GROWTH, Y/Y%	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Wood Processing	31.2%	140.2%	49.8%	41.6%	59.3%	18.4%	-27.3%	1.6%	-19.2%	-8.8%	-16.0%	3.0%
Services	18.1%	66.1%	25.3%	12.6%	27.6%	5.1%	-8.3%	9.1%	-2.6%	0.5%	2.5%	3.0%
Analyzers	-29.3%	-18.2%	-8.7%	-36.2%	-23.5%	27.6%	-22.2%		16.2%	2.6%	3.0%	5.0%
Total	21.5%	94.2%	36.2%	25.0%	40.7%	16.1%	-23.3%	3.0%	-13.5%	-6.0%	-10.4%	3.2%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Total	1.5	3.9	4.8	3.5	13.7	5.9	1.9	4.5	4.5	16.8	15.0	15.5
Total	1.5	3.9	4.8	3.5	13.7	5.9	1.9	4.5	4.5	16.8	15.0	15.5
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	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%	11.3%	4.4%	9.4%	9.2%	8.7%	8.7%	8.7%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	115.0	142.2	158.3	145.4	204.6	192.3	172.3	177.8
<i>Sales growth (%)</i>	-24.0%	23.7%	11.3%	-8.2%	40.7%	-6.0%	-10.4%	3.2%
EBITDA	1.2	2.1	-9.6	6.8	19.1	23.5	20.6	21.4
<i>EBITDA margin (%)</i>	1.1%	1.5%	-6.1%	4.7%	9.4%	12.2%	12.0%	12.0%
Depreciation	-4.0	-4.3	-5.0	-4.9	-5.4	-6.7	-5.6	-5.9
EBITA	-2.8	-2.2	-14.6	1.9	13.7	16.8	15.0	15.5
Goodwill amortization / writedown								
EBIT	-2.8	-2.2	-14.6	1.9	13.7	16.8	15.0	15.5
<i>EBIT margin (%)</i>	-2.4%	-1.6%	-9.2%	1.3%	6.7%	8.7%	8.7%	8.7%
Reported EBIT	-2.8	-2.2	-14.6	1.9	13.7	16.8	15.0	15.5
<i>EBIT margin (reported) (%)</i>	-2.4%	-1.6%	-9.2%	1.3%	6.7%	8.7%	8.7%	8.7%
Net financials	0.3	0.5	0.8	-0.1	1.4	0.7	0.8	
Pre-tax profit	-2.5	-1.7	-13.8	1.8	15.1	17.5	15.8	15.5
Taxes	0.6		2.3	-0.4	-3.0	-4.4	-3.2	-2.8
Minority shares								
Net profit	-1.8	-1.7	-11.5	1.4	12.1	13.0	12.6	12.7
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	17	19	22	21	19	15	21	21
Goodwill	2	2	2	2	2	2	2	2
Right of use assets	6	10	7	6	6	5	5	5
Inventory	15	22	17	26	24	33	34	36
Receivables	34	32	32	26	25	48	43	44
Liquid funds	12	24	8	48	58	30	32	39
Total assets	86	111	92	135	136	136	140	150
Liabilities								
Shareholders' equity	40	34	23	38	50	59	68	77
Minority interest								
Convertibles								
Lease liabilities	4	8	6	7	6	5	5	5
Deferred taxes			0	0	0	0	0	0
Interest bearing debt	2	2	7					
Non-interest bearing current liabilities	23	39	34	63	50	40	36	37
Other interest-free debt	16	27	22	27	30	30	30	30
Total liabilities	86	111	92	135	136	136	140	150
CASH FLOW, EURm								
+ EBITDA	1	2	-10	7	19	24	21	21
- 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	-42	-1	-1
+/- Other								
= Cash flow from operations	2	23	-14	36	14	-22	17	17
- Capex	-3	-10	-4	-4	-3	-2	-11	-7
- Acquisitions								
+ Divestments								
= Free cash flow	-2	13	-18	32	11	-24	7	11
+/- New issues/buybacks	-1	-1	0	14	0			
- Paid dividend	3			1	3	4	4	5
+/- Other	-2	5	1	-6	-1	0	-1	0
Change in cash	-11	13	-17	40	9	-28	2	6

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	84	35	60	80	92	92	92
Net debt (excl. convertibles)	-14	5	-41	-52	-24	-27	-34
Enterprise value	70	40	19	28	67	64	58
Sales	142	158	145	205	192	172	178
EBITDA	2	-10	7	19	24	21	21
EBIT	-2	-15	2	14	17	15	16
Pre-tax	-2	-14	2	15	17	16	16
Earnings	-2	-11	1	12	13	13	13
Equity book value (excl. minorities)	34	23	38	50	59	68	77

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	2.9	3.1	2.7
EV/EBITA	-32.0	-2.8	10.1	2.1	4.0	4.3	3.8
EV/EBIT	-32.0	-2.8	10.1	2.1	4.0	4.3	3.8
EV/OCF	3.0	-2.9	0.5	2.0	-3.0	3.7	3.4
EV/FCF	4.2	-1.9	0.6	3.0	-2.7	11.8	5.4
P/FCFR	6.5	-1.9	1.9	7.0	-3.8	13.7	8.7
P/E	-48.7	-3.1	44.7	6.6	7.0	7.3	7.2
P/BV	2.5	1.5	1.6	1.6	1.5	1.3	1.2
Target EV/EBITDA					3.6	4.0	3.6
Target EV/EBIT					5.1	5.5	4.9
Target EV/FCFF					-3.5	12.4	7.2
Target P/BV					1.9	1.6	1.4
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	2.13	2.06	2.08
Operating cash flow per share	5.50	-3.30	5.86	2.31	-3.62	2.81	2.83
Free cash flow per share	3.04	-4.24	5.28	1.87	-3.95	1.09	1.73
Book value per share	8.02	5.39	6.27	8.12	9.70	11.16	12.54
Dividend per share			0.10	0.55	0.60	0.70	0.75
Dividend payout ratio, %			45.3%	27.8%	28.2%	34.0%	36.1%
Dividend yield, %			1.0%	3.7%	4.0%	4.7%	5.0%
FCF yield, %	15.4%	-51.4%	53.6%	14.2%	-26.4%	7.3%	11.5%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	-4.6%	-40.3%	4.4%	27.5%	23.9%	19.7%	17.5%
ROCE	-4.8%	-36.3%	4.6%	27.4%	27.3%	21.7%	20.0%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	15.5%	10.6%	18.1%	11.5%	17.0%	20.0%	20.0%
Receivables as % of sales	22.3%	20.2%	17.8%	12.2%	25.0%	25.0%	25.0%
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%	5.2%	6.4%	7.0%
Operative CAPEX/Sales, %	7.4%	2.5%	2.4%	1.3%	1.1%	6.1%	3.8%
CAPEX/sales (incl. acquisitions), %	7.4%	2.5%	2.4%	1.3%	1.1%	6.1%	3.8%
FCFF/EBITDA	7.9	2.2	4.7	0.5	-1.1	0.3	0.5
Net Debt/EBITDA, book-weighted	-6.5	-0.6	-6.1	-2.7	-1.0	-1.3	-1.6
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%	-41.0%	-40.1%	-43.9%

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	11.344	12.4 %
Laakkonen Mikko Kalervo	172 225	2.583	2.8 %
eQ Finland Investment Fund	134 368	2.016	2.2 %
Mandatum Life Insurance Company Ltd.	132 574	1.989	2.2 %
Stephen Industries Inc Oy	129 687	1.945	2.1 %
Suominen Pekka Matias	117 329	1.760	1.9 %
Siivonen Osku Pekka	106 901	1.604	1.7 %
eQ Nordic Small Cap Mutual Fund	106 000	1.590	1.7 %
Kirmo Kaisa Marketta	105 421	1.581	1.7 %
Mustakallio Mika Tapani	103 678	1.555	1.7 %
Ten largest	1 864 433	27.966	30.5 %
Residual	4 255 567	63.834	69.5 %
Total	6 120 000	91.800	100%

EARNINGS CALENDAR

October 30, 2025

Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Mika Saariaho
CFO: Ville Halttunen
IR:

Rautatie 2, FI-15550 Nastola
Tel: +358 3 82911

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

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Investment recommendations are defined as follows:

Target price compared to share price

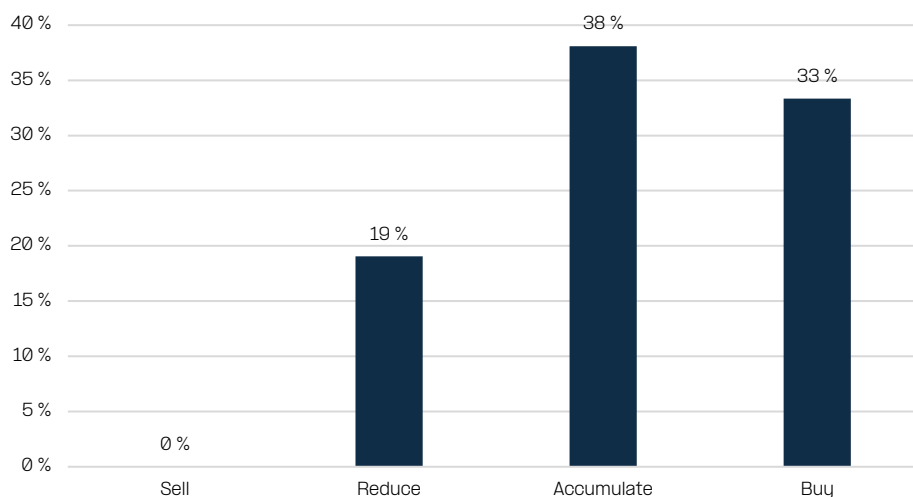
< -10 %
-10 - 0 %
0 - (+10) %
> 10 %

Recommendation

SELL
RECUDE
ACCUMULATE
BUY

ERP may temporarily suspend the rating and, if applicable, the target price to comply with regulations and/or firm policies, in which case a NOT RATED classification is used.

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.



The graph above shows the distribution of ERP's recommendations of companies under coverage on the 16th of May, 2025. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Joonas Ilvonen

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