

EBIT slightly missed estimates

Scanfil's Q4 top line developed flat as expected, while the EUR 13.4m EBIT missed estimates as there were more than EUR 1m in one-off costs. Scanfil's FY '24 guidance stands quite well in line with estimates, so estimate changes are likely to be small.

- Scanfil Q4 revenue declined by 0.7% y/y to EUR 220.8m, compared to the EUR 219.8m/220.4m Evli/consensus estimates. Growth excluding spot-market purchases was 4.9%.
- Advanced Consumer Applications landed at EUR 52.5m vs our EUR 44.5m estimate, while Energy & Cleantech was EUR 74.7m vs our EUR 65.6m estimate. Automation & Safety was EUR 44.5m, compared to our EUR 52.9m estimate.
- EBIT came in at EUR 13.4m vs the EUR 15.7m/14.9m Evli/consensus estimates. Operating margin was 6.1%. Scanfil implemented efficiency improvements, which will generate EUR 1.7m in annual savings; excluding one-off costs for efficiency improvement, customer settlement, spot-market purchases and other material invoicing EBIT margin was 6.7%.
- Scanfil guides FY '24 revenue in the range of EUR 820-900m and adjusted EBIT of EUR 57-65m, compared to the respective EUR 909.5m/890.8m and EUR 63.7m/60.6m Evli/consensus estimates.
- The BoD proposes a dividend per share of EUR 0.23 to be distributed for FY '23, compared to the EUR 0.23/0.23 Evli/consensus estimates.

Rating + BUY				
Q4'23	Actual	Evli	Year ago	Q3'23
Revenue	220.8	219.8	222.3	212.8
EBIT	13.4	15.7	13.4	15.2
EPS	0.17	0.18	0.16	0.17
Deviation	Actual	Evli	Year ago	Q3'23
Revenue		0 %	-1 %	4 %
EBIT		-15 %	0 %	-12 %
EPS		-6 %	6 %	0 %
Share price, EUR (Last trading day's closing price)				7.90
Target price, EUR				9.0
Latest change in				12-Oct-23
Latest report on company				29-Oct-23
Research paid by issuer:				YES
No. of shares outstanding, '000's				63,895
No. of shares fully diluted, '000's				63,895
Market cap, EURm				505
Free float, %				46.6
Exchange rate				-
Reuters code				SCANFLHE
Bloomberg code				SCANFL FH
Average daily volume, EURm				0.1
Next interim report				23-Feb-24
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+ 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	695.7	40.3	5.8%	-31.7	0.48	15.6	0.8	13.2	-6.7	0.19
2022	843.8	45.4	5.4%	-7.2	0.55	12.0	0.6	11.0	-1.7	0.21
2023E	900.5	63.6	7.1%	84.9	0.77	10.3	0.6	8.1	16.8	0.23
2024E	909.5	63.7	7.0%	42.1	0.75	10.6	0.5	7.6	8.3	0.25
2025E	936.8	66.5	7.1%	40.7	0.78	10.1	0.5	7.0	8.1	0.27
Market cap, EURm		505	BV per share 2023E, EUR		3.7	CAGR EPS 2022-25, %		12.6		
Net debt 2023E, EURm		10	Price/book 2023E		1.9	CAGR sales 2022-25, %		3.5		
Enterprise value, EURm		514	Dividend yield 2023E, %		2.9	ROE 2023E, %		20.1		
Total assets 2023E, EURm		488	Tax rate 2023E, %		22.1	ROCE 2023E, %		19.7		
Goodwill 2023E, EURm		8	Equity ratio 2023E, %		53.8	PEG, P/E 23/CAGR		13.1		

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

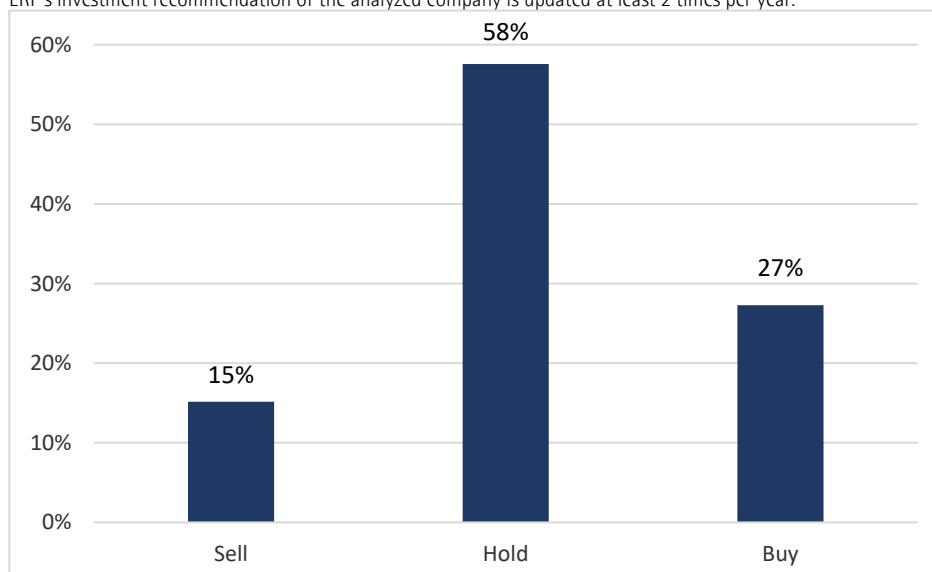
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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