KALMAR

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Aapeli Pursimo, Analyst
+358 40 719 6067
aapeli.pursimo@inderes.fi

INDERES CORPORATE CUSTOMER

COMPANY REPORT

Softness in Services, but valuation is attractive

Kalmar's Q1 figures were generally below our expectations, though earnings improved from the comparison period. Development was particularly overshadowed by challenges on the service side. Meanwhile, the company expects its market situation to remain stable despite uncertainties. We slightly lowered our earnings forecasts for the coming years due to the downward revisions we made to our service business forecasts. However, we view yesterday's price decline as an overreaction, and we reiterate our Buy recommendation, though we lower our target price to EUR 46 (was EUR 48) in line with the forecast changes.

Q1 figures fell short of expectations, particularly in Services

The company's Q1 revenue grew by 5%, still missing our forecasts in both segments. Kalmar's adjusted EBIT was 51.7 MEUR, an increase from the comparison period, but below our (60.0 MEUR) and consensus expectations (55.1 MEUR). Compared to forecasts, progress was weighed down by the development of Services, which the company attributed to the impact of tariffs and challenges in spare parts sales in North America. The segment's margin fell well short of forecasts (Q1'26: 16.0% vs. Inderes' estimate 17.7%, consensus 18.0%) and declined from the high level recorded in the comparison period (19.0%). The Equipment margin also fell short of our expectations due to lower revenue but was consistent with the consensus. Group expenses were lower than we had forecast.

Kalmar's order intake (451 MEUR, -6% y/y) in Q1 also moderately fell short of both our (461 MEUR) and the consensus expectation (467 MEUR). However, order intake remained stable compared to the 2025 average. The shortfall relative to forecasts came from Services (-6% v/v vs. Inderes and consensus +4% y/y), while the order trend for Equipment (-6% y/y) was in line with expectations. According to the company, the decline in orders was due to a strong comparison period marked by sizeable equipment orders and service agreements. Nevertheless, in our view, the development of Services remained lackluster.

Earnings forecasts for coming years show slight decline

Kalmar reiterated its guidance and expects its comparable EBIT margin to exceed 12.5% this year. The company reported that the overall demand situation remained stable in Q1 and expects total demand to remain roughly at the previous quarter's level for the next 6 months. Trade tensions and geopolitical uncertainty increase the risks. So far, effects of the situation in the Middle East on Kalmar have been minor, but if prolonged, we believe the situation would have an impact through inflation and slowing economic growth. Overall, the market outlook was well in line with our expectations.

We did not make any material changes to our Equipment estimates for the next few years, but we did decrease our Services estimates. Kalmar was confident that it could improve service margins in the coming quarters, but we estimate that the pace of improvement will be slower than we had previously expected. The negative estimate changes for Services were partly offset by the decrease in group costs. As a result of these changes, our forecasts for operational earnings in the coming years decreased by 2-3%. We expect the adjusted EBIT margin for 2026 to be 13.0% (was 13.3%). However, we project that earnings growth will remain at a good level in the coming years (2026e-28e adj. EBIT growth: 6-12%/year), supported by growth in container traffic, the company's strong market position, and the Driving Excellence program. This projection is based on our assumption that the situation in the Middle East will not have long-term negative effects on the global economy.

Valuation is attractive

With our updated forecasts, the EV/EBIT ratios considering Kalmar's strong balance sheet in 2026 and 2027 are about 11x and 9x. The corresponding P/E ratios are about 15x and 13x. We consider these multiples moderate for a quality company, and they already fall below the midpoints of the levels we deem neutral for this year (EV/EBIT 11x-13x, P/E 14x-17x). Given the earnings growth we project, we find the risk-adjusted expected return on the share attractive. Our positive view is also supported by our DCF model (EUR ~49/share).

Recommendation
Accumulate
(was Accumulate)

Target price:
EUR 46.00
(was EUR 48.00)

Share price:
EUR 41.04

Business risk
●●●○○

Valuation risk
●●●○○

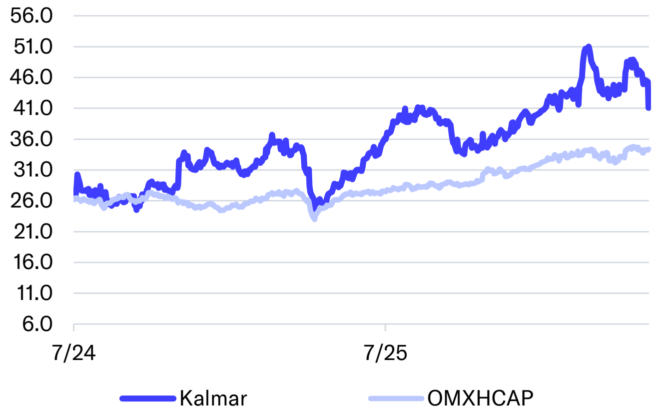
	2025	2026e	2027e	2028e
Revenue	1741.4	1818.4	1937.1	2059.6
growth-%	1%	4%	7%	6%
EBIT adj.	223.4	235.7	263.0	288.5
EBIT-% adj.	12.8 %	13.0 %	13.6 %	14.0 %
Net Income	163.3	176.5	199.7	221.3
EPS (adj.)	2.58	2.76	3.12	3.45
P/E (adj.)	15.7	14.9	13.2	11.9
P/B	3.6	3.2	2.8	2.4
Dividend yield-%	2.7 %	2.9 %	3.2 %	3.4 %
EV/EBIT (adj.)	11.7	10.8	9.2	8.0
EV/EBITDA	9.4	8.4	7.3	6.4
EV/S	1.5	1.4	1.3	1.1

Source: Inderes

Guidance (Unchanged)

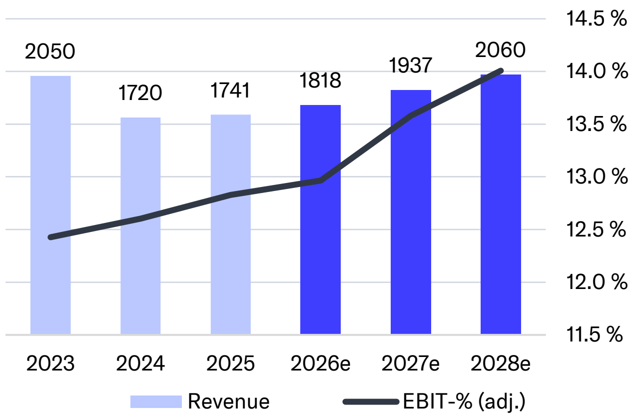
Kalmar expects its comparable operating profit margin to be above 12.5 percent in 2026.

Share price



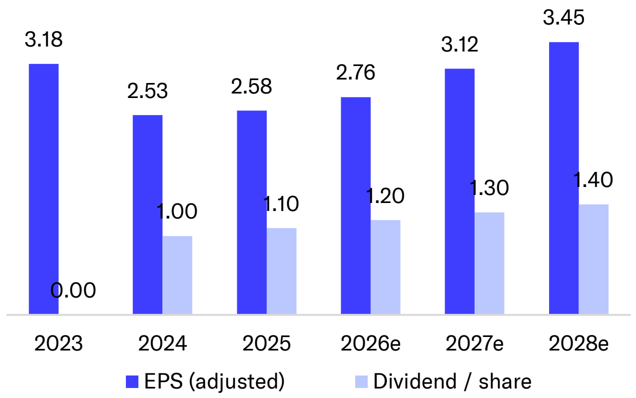
Source: Millistream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Accelerating growth in container traffic
- The advancement of equipment electrification and automation in heavy material handling
- Growth in the services business through more efficient utilization of the company's installed equipment base and digitalization
- Improved margin through the development of the company's performance (e.g. the Driving Excellence program)

Risk factors

- The general cyclicality of equipment demand
- Increased and prolonged geopolitical and trade policy tensions
- Intensified price competition, particularly from Chinese players
- Electrification, digitalization, and automation are not progressing as expected

Valuation	2026e	2027e	2028e
Share price	41.0	41.0	41.0
Number of shares, millions	64.1	64.1	64.1
Market cap	2630	2630	2630
EV	2538	2429	2307
P/E (adj.)	14.9	13.2	11.9
P/E	14.9	13.2	11.9
P/B	3.2	2.8	2.4
P/S	1.4	1.4	1.3
EV/Sales	1.4	1.3	1.1
EV/EBITDA	8.4	7.3	6.4
EV/EBIT (adj.)	10.8	9.2	8.0
Payout ratio (%)	43.5 %	41.7 %	40.5 %
Dividend yield-%	2.9 %	3.2 %	3.4 %

Source: Inderes

Q1 broadly missed our forecasts due to Services

Revenue increased from comparison period

Kalmar's revenue grew by just over 5% in Q1 but still fell short of especially our estimates. Of the segments, Equipment grew by 7% (Inderes' estimate + 19% y/y), while Services grew by 2% (Inderes' estimate +8% y/y). This means that the larger equipment deliveries we had anticipated did not reach the levels we had expected, though the segment's growth was in line with the consensus. According to the company, growth in Services slowed due to spare parts sales challenges in the North American market, partly due to sluggish market activity in the region. The share of services in revenue remained steady (33%). From a regional perspective, the strongest growth was seen in APAC (+9% y/y) and EMEA (+7% y/y). Growth in the Americas was 2% year-on-year.

Services weighed on earnings trend

Kalmar's adjusted EBIT amounted to 51.7 MEUR, up year-on-year but below estimates. Compared to forecasts, progress was weighed down by the Services trend, which Kalmar attributed to the impact of tariffs and the aforementioned challenges in North American spare parts sales. Kalmar noted that these sales are very profitable, which meant the sales structure was also weaker. The segment's margin fell well short of forecasts (Q1'26: 16.0% vs. Inderes' estimate 17.7%, consensus 18.0%) and declined from the high level recorded in the comparison period (19.0%). The Equipment margin also fell short of our expectations due to lower revenue but was in line with the consensus estimate (12.6% vs. Inderes 13.4%). Group expenses and the cost burden on the bottom line were slightly lower than we had forecast.

Orders slightly below expectations

Kalmar's order intake (451 MEUR, -6% y/y) moderately fell short of both our (461 MEUR) and the consensus expectation (467 MEUR) in Q1. However, order intake remained stable compared to the 2025 average. The shortfall relative to forecasts also came from Services (-6% v/v vs. Inderes and consensus +4% y/y), while the order trend for Equipment (-6% y/y) was largely in line with expectations. According to Kalmar, the decline in orders was due to a strong comparison period marked by some sizeable equipment orders and service agreements. Still, the trend of service orders was weak, which we believe was also due to the spare parts sales' revenue development in North America. By region, orders grew in APAC (+16% y/y), supported by Oceania. In the Americas, growth (+6% y/y) was supported by the gradual recovery of the US distribution end customer segment in new equipment. In contrast, the decline in EMEA (-18% y/y) was mainly due to the timing of large orders in the comparison period. Kalmar's order book (1,010 MEUR, -3% y/y) remained almost unchanged. Currencies weighed on reported order intake and revenue figures (-4% y/y), as expected.

Financial position very strong as usual

Net cash flow from operating activities (incl. payments of lease liabilities) was 48 MEUR in Q1 (Q1'25: 67 MEUR). The company was in a net cash position at the end of Q1 (36 MEUR), and Kalmar's financial position was very strong (net gearing -5%, net debt/EBITDA -0.1x).

Estimates	Q1'25	Q1'26	Q1'26e	Q1'26e	Consensus			Difference (%)	2026e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low		High	Act. vs. inderes	Inderes
Revenue	398	420	456	430	415	-	456	-8%	1818
EBIT (adj.)	48.0	51.7	60.0	55.1	53.0	-	60.0	-14%	236
EBIT	45.7	51.5	60.0	55.1	53.0	-	60.0	-14%	236
PTP	43.4	50.1	57.8	53.6	51.3	-	57.8	-13%	228
EPS (reported)	0.53	0.61	0.69	0.64	0.60	-	0.69	-12%	2.75
Revenue growth-%	-9.3 %	5.5 %	14.6 %	7.9 %	4.2 %	-	14.5 %	-9.1 pp	4.4 %
EBIT-% (adj.)	12.0 %	12.3 %	13.1 %	12.8 %	12.8 %	-	13.2 %	-0.8 pp	13.0 %

Source: Inderes & Vara Research (8 estimates) (consensus)

Earnings estimates slightly down, driven by Services

Market situation remained stable

According to Kalmar, the overall demand situation remained stable in Q1 despite uncertainties and was comparable to previous quarters. Therefore, we estimate that customer activity has remained strong, particularly in ports and terminals. On a positive note, there was a gradual uptick in the end-customer segment for US distribution, though Kalmar remains cautious about the sustainability of this trend, given the conflict in the Middle East and the stable level of activity in the equipment base (activity in the equipment base was also stable globally).

Kalmar expects that overall market demand will remain at roughly the same level as in previous quarters over the next 6 months, which is also in line with our estimates. However, trade tensions and increased geopolitical uncertainty could affect demand. The company reports that the situation in the Middle East has not significantly impacted sales directly, but rising freight and fuel costs have had indirect effects. Kalmar believes it can mitigate these effects through its agreement terms. Nevertheless, if the situation drags on, it may increase cost pressures and affect global economic development, thereby affecting Kalmar as well. The company estimates that the impact of the updated US tariff landscape on the group level will be somewhat similar to that seen previously.

This year's guidance was repeated

Kalmar reiterated its guidance and expects its comparable EBIT margin to exceed 12.5% for the current year. Based on Kalmar's previous comments, this guidance can be seen as indicating a minimum level of development. The company said it has progressed in developing business execution (Driving Excellence program) and achieved approximately 40 MEUR in annual gross efficiency improvements by the end of Q1'26 (target 50 MEUR by the end of 2026), mainly due to successful procurement measures.

We lowered our profitability estimates for Services

We made only minor revisions to our Equipment estimates, but lowered our growth and margin estimates for Services. Based on the company's comments, we interpreted that it does not expect a rapid change in the North American market and that, given the sluggish market situation, implementing price increases has also become more challenging. However, the company was confident in its ability to improve the profitability of Services through its own measures (e.g., sales activity, pricing, cost control). We find this credible and do not assume that the long-term profitability potential of Services has materially changed due to a single quarter. We thus expect margins to rise from Q1 levels in the coming quarters and continue on an upward trend in the coming years, though the absolute level will remain lower than our previous expectations. However, our group-level earnings estimates were supported by our lowered group cost estimates, yet our overall earnings estimates for the coming years decreased slightly. We now expect this year's margin to be 13.0% (was 13.3%).

Estimate revisions MEUR / EUR	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %	2028e Old	2028e New	Change %
Revenue	1821	1818	0%	1954	1937	-1%	2076	2060	-1%
EBITDA	300	301	0%	331	332	0%	358	358	0%
EBIT (exc. NRIs)	242	236	-3%	269	263	-2%	293	289	-2%
EBIT	242	236	-3%	269	263	-2%	293	289	-2%
PTP	233	228	-2%	265	259	-2%	292	287	-2%
EPS (excl. NRIs)	2.80	2.76	-2%	3.18	3.12	-2%	3.51	3.45	-2%
DPS	1.20	1.20	0%	1.30	1.30	0%	1.40	1.40	0%

Source: Inderes

Kalmar's January–March 2026 interim report

Valuation encourages staying on board

Valuation is fairly reasonable

With our updated forecasts, the EV/EBIT ratios considering Kalmar's strong balance sheet in 2026 and 2027 are approximately 11x and 9x. The corresponding net profit-based P/E ratios are approximately 15x and 13x. Taking into account the earnings growth rate we forecast for Kalmar (adj. EPS CAGR 2025-2028e ~10%/year) and its favorable return on capital employed (Q1'26 LTM ROCE-%: 24.2%), while considering the cyclical nature of the equipment market, we deem an EV/EBIT multiple of 11x–13x and a P/E multiple of 14x–17x as acceptable for the stock. Similarly, we believe Kalmar's acceptable EV-based valuation is somewhat constrained by capital allocation decisions (i.e. an overly strong balance sheet), even though this lowers the company's risk level. In this regard, we believe the company has the potential to enhance capital efficiency within its current strategy, for example, through a slightly more generous profit-sharing, but we think it is still too early to rely on this.

For the current year, the multiples are set below the midpoints of the levels we consider neutral. Given the at least temporary challenges facing the Services segment and the still-uncertain implications of the situation in the Middle East, we believe it is reasonable to value the stock around the midpoint of the range. In light of this, we see upside potential for the stock, even for the current year, as our target price would imply an EV/EBIT multiple of around 12x. In contrast, next year's multiples are already falling to very attractive levels, but these forecasts are based on the assumption that the situation in the Middle East will be resolved within a reasonable timeframe or that its impact on the global economy will be limited at most. We estimate the dividend yield to offer a base return of about 3% in the coming years.

Relative valuation

Kalmar's earnings-based valuation is clearly below that of the broader peer group on an EBIT basis, and we see the valuation of the peer group as being at a somewhat neutral level. On the other hand, Kalmar's net profit-based valuation is above its peers', but at the same time, their multiples are moderate compared to historical levels. Overall, we do not view the relative valuation as an obstacle to an increase in Kalmar's share price.

Expected total return clearly exceeds required return

Assuming Kalmar's earnings development progresses in line with our expectations, we believe the company and the stock could justifiably be priced at an 11x-13x EV/EBIT ratio and a 14x-17x P/E ratio with the realized earnings at the end of 2028 if no significant changes occur in market pricing or interest rates. This would be equivalent to a value of EUR 51.4-61.1 per share. Converted to annual return, this would correspond to an average of approximately 12-13%, in addition to which we believe the stock offers an annual dividend yield of some 3%. Thus, the medium-term total return expectation significantly exceeds our cost of equity of just under 10%. We note, however, that the expected return relies more heavily on EV-based valuation, the estimation of which for the longer term involves its own additional challenges (i.e. capital structure). Overall, however, we see this as supporting the stance of upside potential in the valuation.

DCF value at around target price level

Our view of the stock's upside is also supported by our longer-term DCF model, which indicates a value of just under EUR 49, clearly above the current share price. Therefore, we see the overall valuation as supporting a positive view of the share.

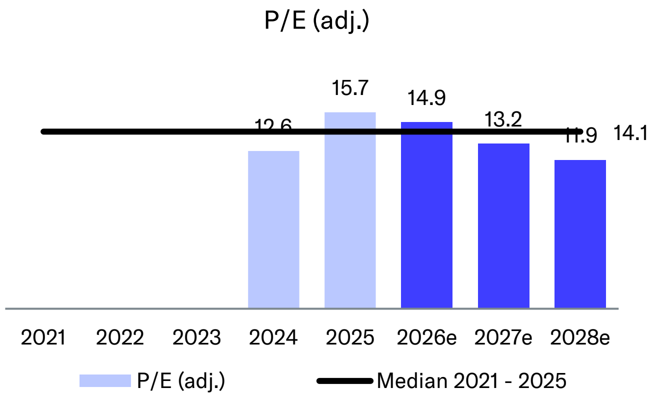
Valuation	2026e	2027e	2028e
Share price	41.0	41.0	41.0
Number of shares, millions	64.1	64.1	64.1
Market cap	2630	2630	2630
EV	2538	2429	2307
P/E (adj.)	14.9	13.2	11.9
P/E	14.9	13.2	11.9
P/B	3.2	2.8	2.4
P/S	1.4	1.4	1.3
EV/Sales	1.4	1.3	1.1
EV/EBITDA	8.4	7.3	6.4
EV/EBIT (adj.)	10.8	9.2	8.0
Payout ratio (%)	43.5 %	41.7 %	40.5 %
Dividend yield-%	2.9 %	3.2 %	3.4 %

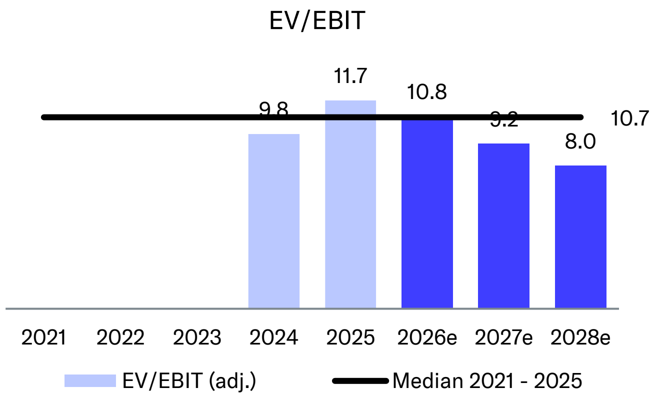
Source: Inderes

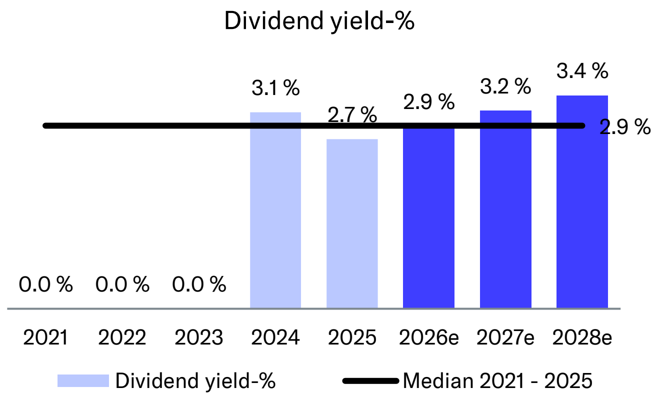
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price				31.8	40.5	41.0	41.0	41.0	41.0
Number of shares, millions				64.1	64.1	64.1	64.1	64.1	64.1
Market cap				2040	2598	2630	2630	2630	2630
EV				2117	2603	2538	2429	2307	2178
P/E (adj.)				12.6	15.7	14.9	13.2	11.9	11.0
P/E				16.0	15.9	14.9	13.2	11.9	11.0
P/B				3.2	3.6	3.2	2.8	2.4	2.1
P/S				1.2	1.5	1.4	1.4	1.3	1.2
EV/Sales				1.2	1.5	1.4	1.3	1.1	1.0
EV/EBITDA				8.8	9.4	8.4	7.3	6.4	5.7
EV/EBIT (adj.)				9.8	11.7	10.8	9.2	8.0	7.0
Payout ratio (%)				50.1 %	43.1 %	43.5 %	41.7 %	40.5 %	40.2 %
Dividend yield-%				3.1 %	2.7 %	2.9 %	3.2 %	3.4 %	3.7 %

Source: Inderes







The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Hiab	3158	2938	14.0	11.1	11.8	9.5	1.9	1.7	19.5	15.9	2.5	2.8	3.0
Konecranes	6417	6216	10.6	9.5	8.8	8.0	1.4	1.3	14.9	13.1	3.0	3.4	2.7
Metso	11821	12942	15.1	13.2	12.4	11.1	2.3	2.1	19.4	16.7	3.0	3.3	4.0
Hyster-Yale	590	924		21.1	22.5	9.3	0.3	0.3		39.7			1.6
Jungheinrich	2619	5007	11.8	10.2	5.6	5.1	0.9	0.8	9.4	7.7	3.0	3.6	1.0
Manitou BF	805	1045	7.3	6.6	4.5	4.2	0.4	0.4	8.2	7.9	4.3	4.8	0.8
Kion Group	5750	11949	13.5	11.1	6.0	5.4	1.0	1.0	11.7	9.3	2.5	3.1	0.9
Columbus McKinnon	362	716	8.3	4.1	4.8	2.1	0.7	0.4	6.9	8.6	1.9	1.9	0.4
ZPMC	2701	5807	18.3	15.7	14.3	13.0	1.2	1.1	25.2	20.5	1.4	1.8	1.7
Tadano Ltd	977	1327			6.7	5.9	0.6	0.6	11.9	10.0	2.5	3.0	0.8
Kalmar (Inderes)	2630	2538	10.8	9.2	8.4	7.3	1.4	1.3	14.9	13.2	2.9	3.2	3.2
Average			12.4	11.4	9.7	7.4	1.1	1.0	14.1	15.0	2.7	3.1	1.7
Median			12.6	11.1	7.7	6.9	1.0	0.9	11.9	11.6	2.5	3.1	1.3
Diff-% to median			-15%	-16%	9%	6%	46%	39%	25%	14%	18%	2%	149%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	1720	398	420	436	487	1741	420	445	448	505	1818	1937	2060	2178
Equipment	1160	252	275	286	324	1137	271	294	292	340	1197	1281	1370	1459
Services	560	145	144	150	163	602	148	151	157	165	621	657	689	719
Other	1	1	1	0	0	2	1	0	0	0	1	0	0	0
EBITDA	240	59.3	68.1	74.2	75.3	277	67.8	74.3	76.0	82.6	301	332	358	380
Depreciation	-65.8	-13.6	-14.2	-13.5	-15.2	-56.5	-16.3	-16.3	-16.3	-16.3	-65.2	-68.5	-69.8	-71.4
EBIT (excl. NRI)	217	48.0	54.9	60.0	60.5	223	51.7	58.0	59.7	66.3	236	263	289	309
EBIT	174	45.7	53.9	60.7	60.1	221	51.5	58.0	59.7	66.3	236	263	289	309
Equipment	139	28.2	38.2	36.7	44.0	147	34.1	39.4	39.1	46.6	159	175	190	204
Services	97.8	26.2	24.2	28.6	26.3	105	23.6	25.1	26.6	27.7	103	115	126	134
Other	-62.7	-8.7	-8.5	-4.6	-10.2	-31.9	-6.2	-6.5	-6.0	-8.0	-26.7	-27.3	-28.1	-29.0
Net financial items	-2.0	-2.3	-2.2	-2.3	-2.5	-9.3	-1.4	-2.0	-2.0	-2.0	-7.4	-3.7	-1.1	1.3
PTP	172	43.4	51.7	58.5	57.6	211	50.1	56.0	57.7	64.3	228	259	287	310
Taxes	-44.6	-9.3	-12.5	-13.8	-12.3	-47.8	-10.7	-12.9	-13.3	-14.8	-51.6	-59.6	-66.1	-71.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	128	34.1	39.2	44.7	45.4	163	39.4	43.1	44.5	49.5	176	200	221	239
EPS (adj.)	2.53	0.56	0.62	0.69	0.71	2.58	0.62	0.67	0.69	0.77	2.76	3.12	3.45	3.73
EPS (rep.)	1.99	0.53	0.61	0.70	0.71	2.55	0.61	0.67	0.69	0.77	2.75	3.12	3.45	3.73

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-16.1 %	-9.3 %	0.9 %	2.6 %	10.8 %	1.2 %	5.4 %	6.0 %	3.0 %	3.6 %	4.4 %	6.5 %	6.3 %	5.8 %
Adjusted EBIT growth-%	-14.9 %	-11.0 %	4.8 %	4.6 %	14.0 %	3.0 %	7.8 %	5.7 %	-0.5 %	9.5 %	5.5 %	11.6 %	9.7 %	7.1 %
EBITDA-%	14.0 %	14.9 %	16.2 %	17.0 %	15.5 %	15.9 %	16.2 %	16.7 %	17.0 %	16.4 %	16.5 %	17.1 %	17.4 %	17.5 %
Adjusted EBIT-%	12.6 %	12.0 %	13.1 %	13.8 %	12.4 %	12.8 %	12.3 %	13.0 %	13.3 %	13.1 %	13.0 %	13.6 %	14.0 %	14.2 %
Net earnings-%	7.4 %	8.6 %	9.3 %	10.3 %	9.3 %	9.4 %	9.4 %	9.7 %	9.9 %	9.8 %	9.7 %	10.3 %	10.7 %	11.0 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	642	638	644	650	657
Goodwill	262	256	256	256	256
Intangible assets	6.5	5.8	10.6	10.9	10.6
Tangible assets	265	278	280	285	293
Associated companies	53.1	49.1	49.1	49.1	49.1
Other investments	2.2	1.6	1.6	1.6	1.6
Other non-current assets	2.7	1.4	1.4	1.4	1.4
Deferred tax assets	50.4	45.9	45.9	45.9	45.9
Current assets	1054	1110	1129	1218	1366
Inventories	437	461	476	504	531
Other current assets	27.0	16.3	16.3	16.3	16.3
Receivables	325	352	364	387	412
Cash and equivalents	265	281	273	310	407
Balance sheet total	1696	1748	1774	1867	2024

Source: Inderes

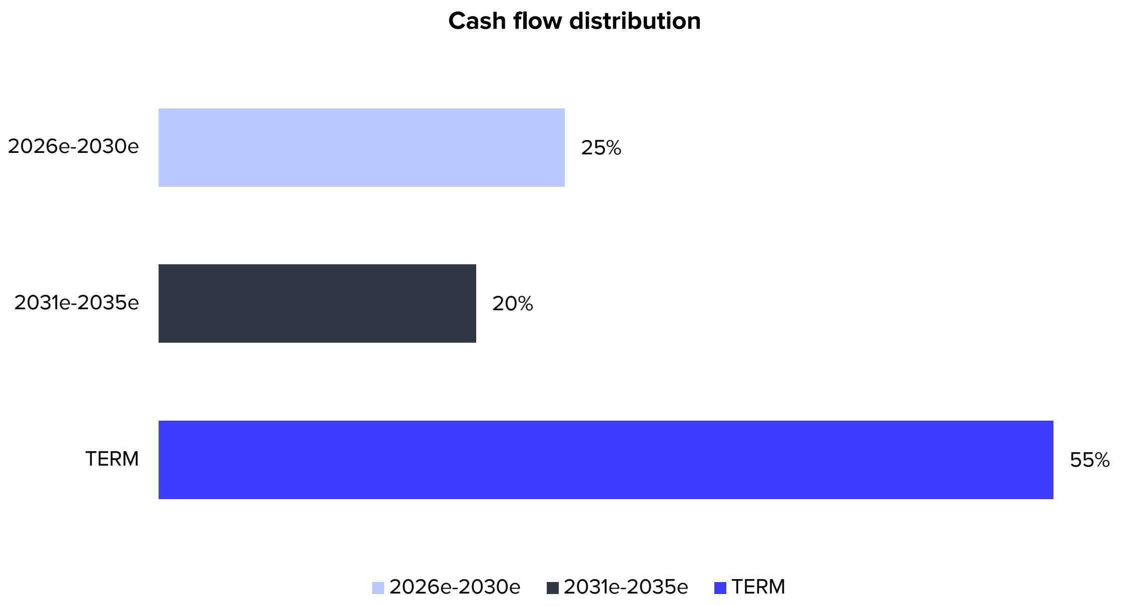
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	638	718	824	947	1085
Share capital	20.0	20.0	20.0	20.0	20.0
Retained earnings	562	665	771	894	1032
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	56.7	32.9	32.9	32.9	32.9
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	437	386	252	198	173
Deferred tax liabilities	4.7	7.6	7.6	7.6	7.6
Provisions	2.2	1.2	1.2	1.2	1.2
Interest bearing debt	316	262	128	75.0	50.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	115	115	115	115	115
Current liabilities	621	645	698	722	766
Interest bearing debt	25.2	24.2	52.3	34.5	34.5
Payables	595	621	646	688	731
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	1696	1748	1774	1867	2024

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	1.2 %	4.4 %	6.5 %	6.3 %	5.8 %	4.5 %	4.5 %	4.0 %	3.5 %	3.5 %	2.5 %	2.5 %
EBIT-%	12.7 %	13.0 %	13.6 %	14.0 %	14.2 %	13.9 %	13.6 %	13.4 %	13.0 %	12.7 %	12.7 %	12.7 %
EBIT (operating profit)	221	236	263	289	309	316	324	332	333	337	345	
+ Depreciation	56.5	65.2	68.5	69.8	71.4	73.2	75.0	76.9	78.8	80.7	82.2	
- Paid taxes	-40.4	-51.6	-59.6	-66.1	-71.4	-73.6	-75.7	-78.0	-78.8	-80.1	-82.6	
- Tax, financial expenses	-2.8	-2.9	-2.3	-1.8	-1.8	-1.8	-1.9	-1.9	-1.9	-2.0	-2.0	
+ Tax, financial income	0.7	1.3	1.4	1.6	2.1	2.6	3.2	3.7	4.2	4.7	5.2	
- Change in working capital	-14.4	-2.7	-8.8	-8.7	-12.2	-10.1	-10.6	-9.8	-8.9	-9.2	-6.8	
Operating cash flow	220	245	262	283	297	307	314	322	326	331	341	
+ Change in other long-term liabilities	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-61.2	-71.4	-73.9	-77.5	-79.5	-81.5	-83.5	-85.5	-87.5	-87.5	-85.8	
Free operating cash flow	158	173	188	206	218	225	230	237	239	243	255	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	158	173	188	206	218	225	230	237	239	243	255	4043
Discounted FCFF		164	163	164	159	151	141	134	124	116	111	1764
Sum of FCFF present value		3190	3027	2863	2700	2541	2390	2248	2114	1991	1875	1764
Enterprise value DCF		3190										
- Interest bearing debt		-286.5										
+ Cash and cash equivalents		281										
+ Associated companies		0.0										
-Minorities		0.0										
-Dividend/capital return		-70.4										
Equity value DCF		3115										
Equity value DCF per share		48.6										

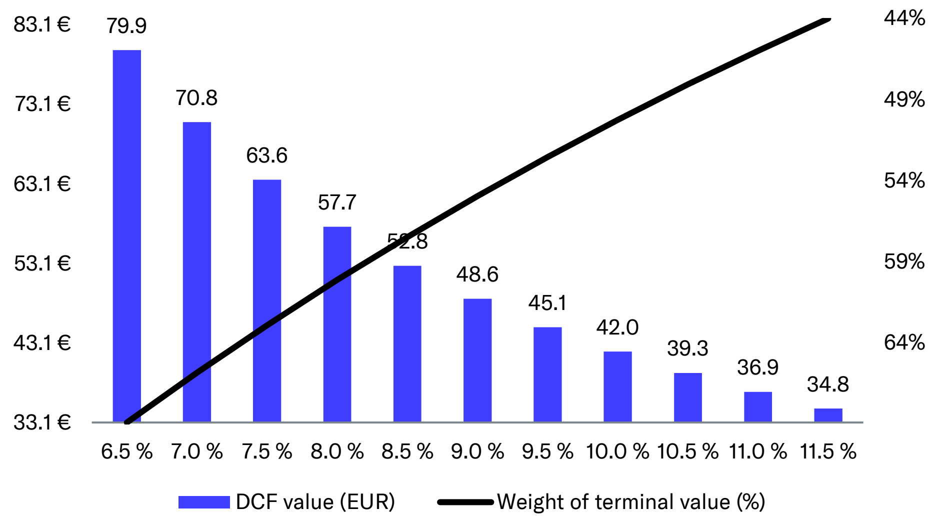
WACC	
Tax-% (WACC)	23.0 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	4.0 %
Equity Beta	1.50
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	9.6 %
Weighted average cost of capital (WACC)	9.0 %

Source: Inderes

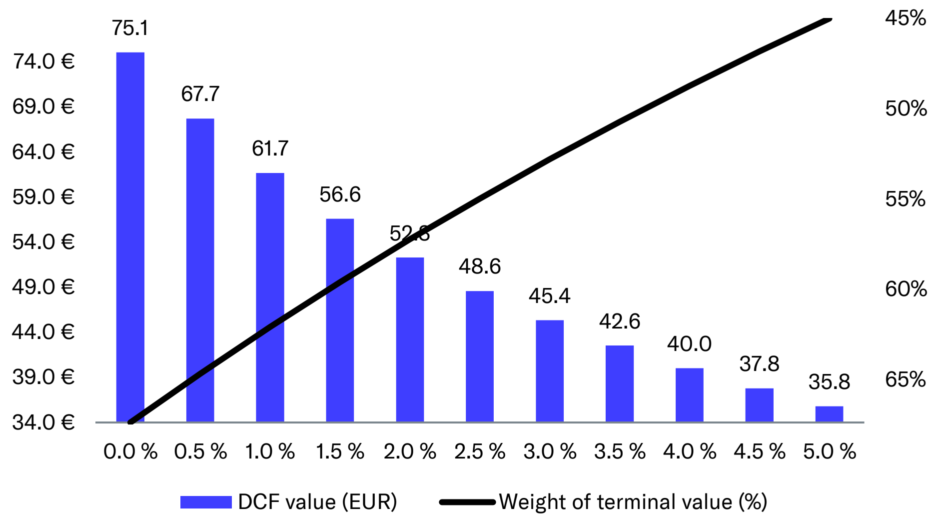


DCF sensitivity calculations and key assumptions in graphs

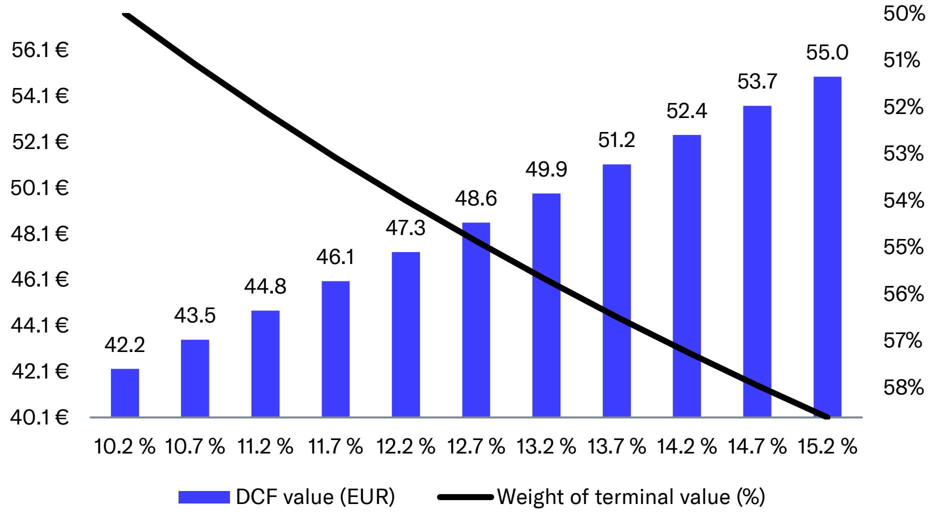
Sensitivity of DCF to changes in the WACC-%



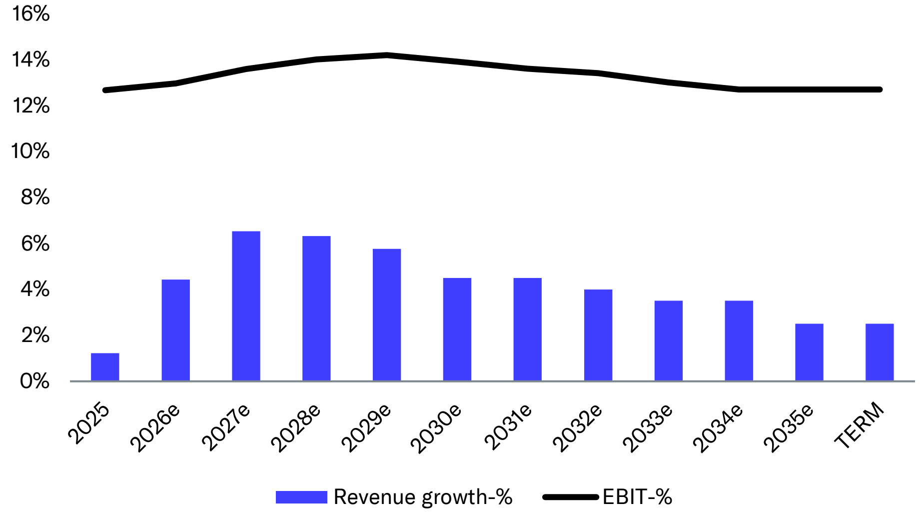
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	2050	1720	1741	1818	1937
EBITDA	297	240	277	301	332
EBIT	240	174	221	236	263
PTP	242	172	211	228	259
Net Income	194	128	163	176	200
Extraordinary items	-14.5	-42.4	-2.9	-0.2	0.0

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	1846	1696	1748	1774	1867
Equity capital	818	638	718	824	947
Goodwill	260	262	256	256	256
Net debt	-118	76	5	-92	-201

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	297	240	277	301	332
Change in working capital	-25	-21	-14	-3	-9
Operating cash flow	220	173	220	245	262
CAPEX	-63	-51	-61	-71	-74
Free cash flow	166	120	158	173	188

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	neg.	1.2	1.5	1.4	1.3
EV/EBITDA	neg.	8.8	9.4	8.4	7.3
EV/EBIT (adj.)	neg.	9.8	11.7	10.8	9.2
P/E (adj.)	0.0	12.6	15.7	14.9	13.2
P/B	0.0	3.2	3.6	3.2	2.8
Dividend-%		3.1 %	2.7 %	2.9 %	3.2 %

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	3.00	1.99	2.55	2.75	3.12
EPS (adj.)	3.18	2.53	2.58	2.76	3.12
OCF / share	3.40	2.70	3.44	3.82	4.09
OFCF / share	2.57	1.87	2.46	2.70	2.94
Book value / share	12.65	9.95	11.20	12.86	14.78
Dividend / share	0.00	1.00	1.10	1.20	1.30

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	5%	-16%	1%	4%	7%
EBITDA growth-%	74%	-19%	15%	9%	10%
EBIT (adj.) growth-%	51%	-15%	3%	6%	12%
EPS (adj.) growth-%	55%	-20%	2%	7%	13%
EBITDA-%	14.5 %	14.0 %	15.9 %	16.5 %	17.1 %
EBIT (adj.)-%	12.4 %	12.6 %	12.8 %	13.0 %	13.6 %
EBIT-%	11.7 %	10.1 %	12.7 %	13.0 %	13.6 %
ROE-%	23.2 %	17.6 %	24.1 %	22.9 %	22.6 %
ROI-%	22.9 %	17.0 %	22.6 %	24.0 %	26.1 %
Equity ratio	44.3 %	40.3 %	44.5 %	50.5 %	55.2 %
Gearing	-14.4 %	11.9 %	0.7 %	-11.2 %	-21.2 %
Net debt/EBITDA	-0.4	0.3	0.0	-0.3	-0.6
EBITDA/net financials	-228.8	120.2	29.7	40.6	89.5

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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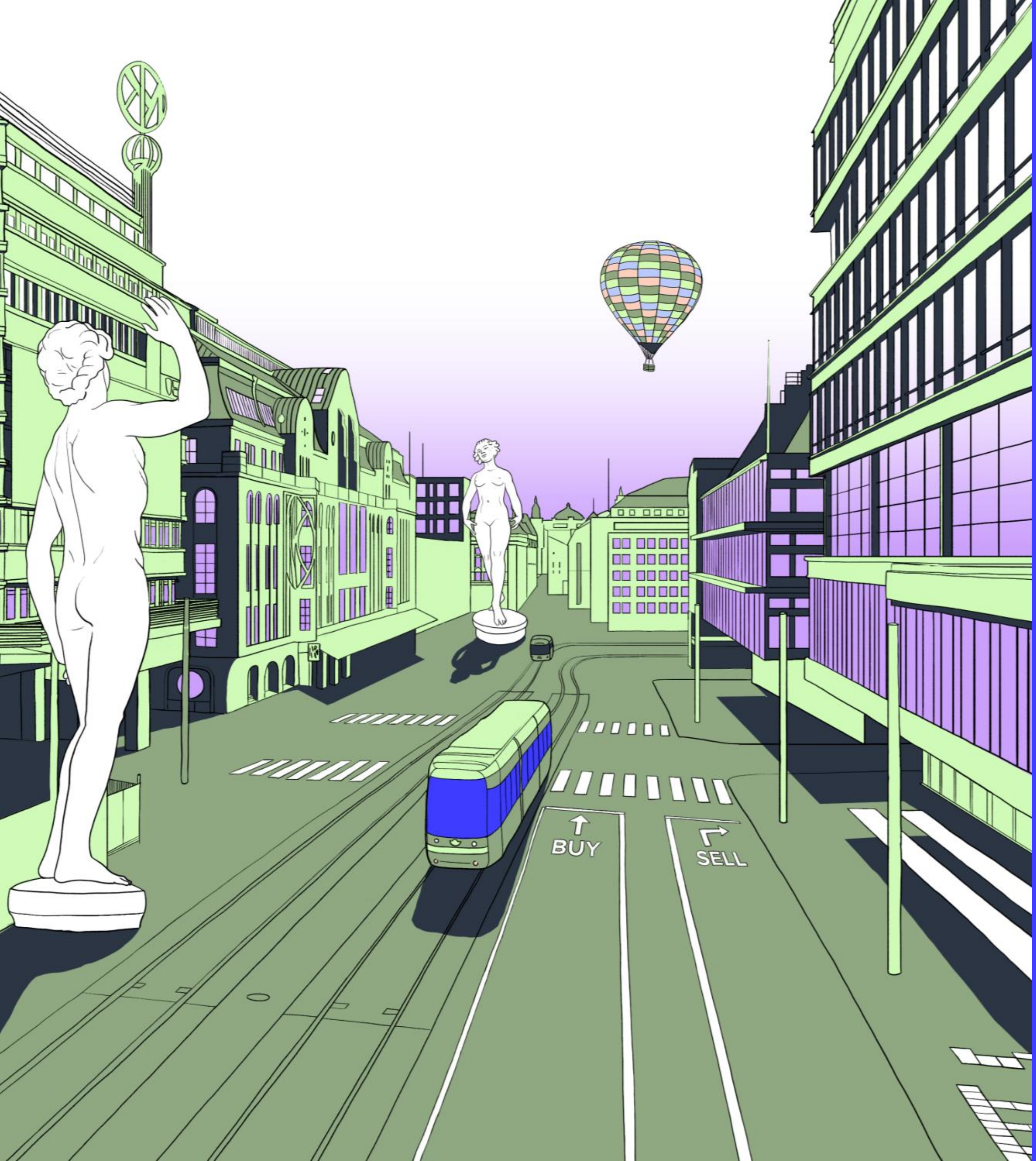
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
7/1/2024	Buy	36.00 €	26.40 €
8/8/2024	Buy	33.00 €	26.24 €
11/3/2024	Accumulate	35.00 €	32.42 €
	Analyst changed		
2/14/2025	Accumulate	38.00 €	34.80 €
4/23/2025	Accumulate	30.00 €	26.30 €
4/30/2025	Accumulate	30.00 €	27.40 €
7/23/2025	Reduce	37.00 €	39.00 €
7/28/2025	Reduce	39.00 €	38.80 €
10/28/2025	Accumulate	39.00 €	35.20 €
11/3/2025	Accumulate	39.00 €	35.94 €
1/30/2026	Accumulate	47.00 €	42.86 €
2/16/2026	Accumulate	48.00 €	44.58 €
5/6/2026	Accumulate	46.00 €	41.04 €



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Inderes Ab
Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

inderes.se

Inderes Oyj
Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi

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