

## Low multiples amid uncertainty

**Raute reports Q1 results on May 7. Earnings will decline this year from the high comparison period, yet Raute's order book should be stabilizing soon while time is ripe for a larger order.**

### Earnings decline but order book should be stabilizing

Raute's FY'25 was very strong throughout in terms of profitability on the back of its existing yet dwindling order book; Q4'25 was in fact the strongest quarter in relative profitability terms as EBITDA margin touched 16%, however order intake remained soft. We expect the recent trend of declining order book to be already visible in Q1'26 figures as we estimate comparable EBITDA to have declined some EUR 3m y/y to EUR 4.2m. We also don't expect the order book trend to have turned quite yet, although in our view the level should be stabilizing now at a level slightly below EUR 100m. We expect EUR 33m order intake for Q1, which would be in line with the two preceding ones.

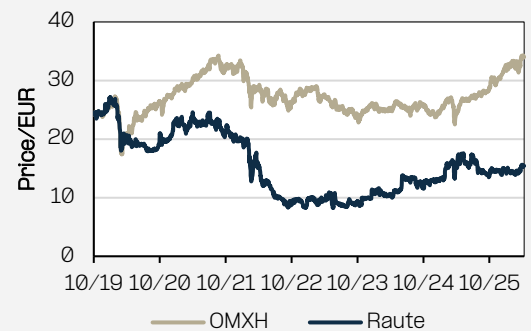
### Potential for positive drivers yet uncertainty remains

We estimate Raute FY'26 revenue to decline at a double-digit rate, and the Q1'26 figure to be down 27% y/y due to the high comparison figure. We see FY'26 comparable EBITDA to fall by about EUR 8.5m y/y, yet we note this estimate is still nearer the upper end of the guidance range. The lower end of the guidance range could prove conservative since there's likely to be some pent-up demand especially in Europe when Raute's customers have postponed their investment projects for a while now, but the current oil shock is yet another unpleasant surprise which might still postpone decisions even further. There have already been positive signs of European construction activity picking up however the market recovery could still prove fragile.

### Valuation not challenging even if demand softness persists

FY'26 earnings are to decline y/y, but FY'27 already has good potential for growth assuming a stabilizing order book in the short-term and a possible larger mill-sized order at some point over the next year. Raute is valued 6x EV/EBIT on our FY'26 estimates; in the short-term earnings could yet turn out slightly softer than we are estimating, but the respective EUR 155m revenue and 11% EBITDA margin are quite conservative relative to potential as the EUR 17.5m comparable EBITDA estimate is also about EUR 2m lower than the FY'24 figure. In our view Raute's valuation is hence unchallenging even if short-term earnings drivers are yet to materialize. Our new TP is EUR 16.0 (15.0) as we retain ACCUMULATE rating.

## Rating + Accumulate



<b>Share price, EUR</b> (Last trading day's closing price)	<b>15.45</b>
Target price, EUR	16.0
Latest change in recommendation	13-Feb-26
Latest report on company	13-Feb-26
Research paid by issuer:	YES
No. of shares outstanding, '000's	6 040
No. of shares fully diluted, '000's	6 040
Market cap, EURm	93
Free float, %	-
Exchange rate	-
Reuters code	RAUTE.HE
Bloomberg code	RAUTE:FH
Average daily volume, EURm	0.1
Next interim report	07-May-26
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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
2024	204.6	13.7	6.7%	11.4	1.98	6.6	0.1	2.1	14.2%	0.55
2025	175.6	17.3	9.8%	-10.1	2.14	7.1	0.3	3.1	-11.1%	0.65
2026E	155.0	11.7	7.6%	-10.7	1.54	10.0	0.5	6.0	-11.4%	0.65
2027E	161.9	13.3	8.2%	8.0	1.77	8.8	0.4	5.0	8.6%	0.70
2028E	167.2	14.2	8.5%	9.1	1.84	8.4	0.4	4.3	9.7%	0.70
Market cap, EURm	93		Gearing 2026E, %	-36.8 %		CAGR EPS 2025-28, %	-4.8 %			
Net debt 2026E, EURm	-23		Price/book 2026E	1.5		CAGR Sales 2025-28, %	-1.6 %			
Enterprise value, EURm	70		Dividend yield 2026E, %	4.2 %		ROE 2026E, %	15.3 %			
Total assets 2026E, EURm	120		Tax rate 2026E, %	25.6 %		ROCE 2026E, %	16.8 %			
Goodwill 2026E, EURm	2		Equity ratio 2026E, %	35.5 %		PEG, P/E 26/CAGR	1.1			

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

### Estimates and peer valuation

Raute EURm	2021	2022	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e
<b>Order intake</b>	<b>203</b>	<b>139</b>	<b>316</b>	<b>121</b>	<b>15</b>	<b>12</b>	<b>38</b>	<b>25</b>	<b>90</b>	<b>33</b>	<b>32</b>	<b>43</b>	<b>39</b>	<b>147</b>
Europe	69	65	204	81	7	5	21	10	43	21	20	25	23	89
Russia	79	3	0	0	0	0	0	0	0	0	0	0	0	0
North America	37	51	48	22	6	4	14	7	31	7	7	13	12	39
Latin America	8	8	58	11	2	2	2	1	6	2	3	3	2	10
Asia-Pacific	10	11	5	7	1	1	1	7	10	3	2	2	2	9
<b>Order book</b>	<b>158</b>	<b>84</b>	<b>266</b>	<b>184</b>	<b>146</b>	<b>115</b>	<b>108</b>	<b>98</b>	<b>98</b>	<b>93</b>	<b>87</b>	<b>92</b>	<b>90</b>	<b>90</b>
<b>Revenue</b>	<b>142</b>	<b>158</b>	<b>145</b>	<b>205</b>	<b>52</b>	<b>44</b>	<b>44</b>	<b>36</b>	<b>176</b>	<b>38</b>	<b>38</b>	<b>39</b>	<b>41</b>	<b>155</b>
Wood Processing	97	108	92	147	38	30	32	24	124	24	25	25	27	101
Services	30	36	33	42	10	10	9	10	38	10	10	10	10	40
Analyzers	15	15	20	15	4	4	4	2	13	3	3	4	4	14
Europe	35	68	56	114	39	33	32	26	129	25	26	26	28	105
Russia	70	33	15	0	0	0	0	0	0	0	0	0	0	0
North America	20	38	44	46	10	7	6	6	28	7	7	7	8	29
Latin America	8	10	21	38	2	3	4	3	12	3	3	3	3	12
Asia-Pacific	10	9	9	6	2	1	2	1	7	2	2	2	2	8
<b>Comparable EBITDA</b>	<b>3</b>	<b>-2</b>	<b>9</b>	<b>20</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>26</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>18</b>
Wood Processing	-5	-10	0	11	6	4	5	4	18	3	2	3	3	10
Services	5	6	5	7	2	2	1	2	7	1	2	2	1	6
Analyzers	4	2	5	2	0	0	1	0	1	0	0	0	0	1
<b>EBIT</b>	<b>-2</b>	<b>-15</b>	<b>2</b>	<b>14</b>	<b>6</b>	<b>2</b>	<b>5</b>	<b>4</b>	<b>17</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>12</b>
<i>EBIT margin</i>	-1.6%	-9.3%	1.3%	6.7%	11%	4%	12%	12%	9.8%	7%	7%	8%	8%	7.6%

Source: Evli Research

RAUTE PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		25	26	27	25	26	27	25	26	27
Biesse	161	5.7x	4.6x	3.9x		42.3x	17.4x		119.6x	24.7x
Duerr	1453	4.7x	4.2x	3.8x	7.0x	6.3x	5.5x	7.2x	10.1x	8.6x
Glaston	48	4.6x	4.8x	4.2x	7.4x	9.3x	7.1x	8.1x	13.4x	9.1x
Kesla	18		19.8x	7.7x		801.5x	11.9x			14.2x
Konecranes	7277	10.9x	10.1x	9.3x	13.1x	12.2x	11.1x	17.6x	16.9x	15.2x
Ponsse	627	9.7x	8.8x	7.3x	17.5x	16.4x	11.8x	20.0x	20.8x	15.4x
Robit	23	7.3x	4.8x	4.5x	27.2x	8.3x	7.4x		8.9x	7.7x
Sandvik	45256	14.2x	15.1x	13.9x	19.7x	19.5x	17.6x	33.3x	24.8x	22.1x
Valmet	4112	8.5x	6.7x	6.1x	11.7x	9.8x	8.9x	12.3x	10.3x	9.0x
Wartsila	21237	15.7x	18.3x	16.4x	19.2x	21.4x	18.9x	34.0x	31.8x	28.1x
Peer Group Average	8021	9.0x	9.7x	7.7x	15.4x	94.7x	11.8x	18.9x	28.5x	15.4x
Peer Group Median	1040	8.5x	7.7x	6.7x	15.3x	14.3x	11.4x	17.6x	16.9x	14.7x
Raute (Evli est.)	93	2.3x	4.0x	3.4x	3.1x	6.0x	5.0x	7.1x	10.0x	8.8x

Raute prem./disc. to peer median

RAUTE PEER GROUP	Sales 24	Sales gr.			EBIT-%			Div. yield		
		25	26	27	25	26	27	25	26	27
Biesse	822	-19.4%	3.2%	5.2%	-11%	0.7%	15%	0.0%	0.1%	0.6%
Duerr	4314	3.9%	-7.0%	3.1%	5.2%	5.8%	6.4%	3.5%	3.8%	4.6%
Glaston	213	-2.0%	-10.9%	6.7%	4.9%	4.4%	5.4%	0.0%	2.6%	3.9%
Kesla	46	-25.0%	23.6%	17.1%	-14.3%	0.1%	4.9%			
Konecranes	3365	24.5%	4.3%	5.7%	13.3%	13.4%	14.0%	2.4%	2.6%	2.8%
Ponsse	755	-0.7%	-3.8%	5.5%	5.7%	5.5%	7.2%	2.5%	2.6%	3.1%
Robit	112	-29.7%	9.8%	5.0%	1.8%	5.6%	6.0%			
Sandvik	10062	13.5%	13.3%	7.7%	17.2%	19.2%	19.7%	1.5%	1.8%	2.0%
Valmet	5074	5.6%	-1.4%	4.6%	9.8%	9.7%	10.2%	6.0%	6.1%	6.7%
Wartsila	5842	18.3%	0.6%	8.2%	12.0%	13.0%	13.6%	2.9%	1.8%	2.1%
Peer Group Average	3061	-1.1%	3.2%	6.9%	5.4%	7.7%	8.9%	2.4%	2.7%	3.2%
Peer Group Median	2094	1.6%	1.9%	5.6%	5.4%	5.7%	6.8%	2.4%	2.6%	2.9%
Raute (Evli est.)	205	-14.2%	-11.7%	4.5%	9.8%	7.5%	8.2%	4.3%	4.2%	4.5%

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	15.45 PV of Free Cash Flow	51 Long-term growth, %	2.0 % Risk-free interest rate, % 2.25 %
DCF share value	19.59 PV of Horizon value	29 WACC, %	9.2 % Market risk premium, % 5.8 %
Share price potential, %	26.8 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium % 2.8 %
Maximum value	20.4 Marketable securities	40 Minimum WACC, %	8.7 % Equity beta coefficient 1.25
Minimum value	18.8 Debt – dividend	–2 Maximum WACC, %	9.7 % Target debt ratio, % 20 %
Horizon value, %	36.4 % Value of stock	118 No. of shares, Mn	6.0 Effective tax rate, % 18 %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	176	155	162	167	171	175	179	183	187	191	195	199
Sales growth (%)	-14.2%	-11.7%	4.5%	3.2%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.0%	2.0%
Operating income (EBIT)	17	12	13	14	15	16	16	16	17	17	18	18
Operating income margin %	9.8%	7.6%	8.2%	8.5%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
+ Depreciation+amort.	6	6	6	6	6	7	5	4	3	3	3	
EBITDA	24	17	19	20	22	22	21	20	20	20	21	
- Paid taxes	-2	-3	-2	-3	-3	-3	-3	-3	-3	-3	-4	
- Change in NWC	-29	-20	-2	-1	-1	-1	-1	-1	-1	-1	-1	
NWC / Sales, %	-1.6%	10.9%	11.5%	11.9%	12.2%	12.5%	12.8%	13.1%	13.3%	13.6%	13.8%	
+ Change in other liabs	1											
- Operative CAPEX	-6	-6	-7	-7	-7	-3	-3	-3	-3	-3	-11	
opCAPEX / Sales, %	1.6%	3.7%	4.3%	4.2%	4.1%	1.9%	1.8%	1.8%	1.8%	1.7%	5.8%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	-13	-12	8	9	11	15	13	13	13	13	5	68
= Discounted FCF		-11	7	7	8	10	8	7	6	6	2	29
= DFCF min WACC		-11	7	8	8	10	8	7	7	6	2	33
= DFCF max WACC		-11	7	7	8	10	8	7	6	6	2	26

**Sensitivity analysis, EUR**

		Terminal WACC				
		7.17 %	8.17 %	9.17 %	10.17 %	11.17 %
Terminal EBIT-%	7.00 %	17.29	16.40	15.66	15.02	14.46
	8.00 %	20.54	18.90	17.63	16.60	15.75
	9.00 %	23.80	21.39	19.59	18.18	17.04
	10.00 %	27.06	23.89	21.56	19.76	18.32
	11.00 %	30.32	26.38	23.52	21.34	19.61

**INTERIM FIGURES**

<b>EVLI ESTIMATES, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	51.9	43.8	43.6	36.3	175.6	37.7	37.9	38.6	40.8	155.0	161.9	167.2
EBITDA	7.3	4.5	6.3	5.5	23.6	4.1	4.2	4.5	4.5	17.3	19.3	20.4
<i>EBITDA margin (%)</i>	<i>14.0%</i>	<i>10.2%</i>	<i>14.4%</i>	<i>15.3%</i>	<i>13.4%</i>	<i>10.9%</i>	<i>11.1%</i>	<i>11.7%</i>	<i>11.0%</i>	<i>11.2%</i>	<i>11.9%</i>	<i>12.2%</i>
EBIT	5.9	1.9	5.1	4.4	17.3	2.7	2.8	3.1	3.1	11.7	13.3	14.2
<i>EBIT margin (%)</i>	<i>11.3%</i>	<i>4.4%</i>	<i>11.7%</i>	<i>12.0%</i>	<i>9.8%</i>	<i>7.2%</i>	<i>7.4%</i>	<i>8.0%</i>	<i>7.6%</i>	<i>7.6%</i>	<i>8.2%</i>	<i>8.5%</i>
Net financial items	-0.1	0.4	0.0	0.0	0.3	0.2	0.2	0.2	0.2	0.8	-0.3	-0.3
Pre-tax profit	5.8	2.3	5.1	4.4	17.6	2.9	3.0	3.3	3.3	12.5	13.0	13.9
Tax	-1.5	-1.1	-1.2	-0.8	-4.7	-0.8	-0.8	-0.8	-0.8	-3.2	-2.3	-2.8
<i>Tax rate (%)</i>	<i>26.8%</i>	<i>47.9%</i>	<i>22.9%</i>	<i>19.3%</i>	<i>26.5%</i>	<i>27.6%</i>	<i>26.7%</i>	<i>24.2%</i>	<i>24.2%</i>	<i>25.6%</i>	<i>18.0%</i>	<i>20.0%</i>
Net profit	4.2	1.2	3.9	3.5	12.9	2.1	2.2	2.5	2.5	9.3	10.7	11.1
EPS	0.70	0.20	0.65	0.59	2.14	0.35	0.36	0.41	0.41	1.54	1.77	1.84
EPS adj. (diluted)	0.70	0.20	0.65	0.59	2.14	0.35	0.36	0.41	0.41	1.54	1.77	1.84
Dividend per share					0.65					0.65	0.70	0.70
<b>SALES, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Wood Processing	37.9	30.4	31.6	24.4	124.3	24.3	24.7	25.3	26.8	101.1	106.2	109.9
Services	10.3	9.9	8.5	9.6	38.3	10.2	9.9	9.8	10.3	40.2	41.4	42.4
Analyzers	3.7	3.5	3.5	2.3	13.0	3.2	3.3	3.5	3.7	13.7	14.4	14.9
Total	51.9	43.8	43.6	36.3	175.6	37.7	37.9	38.6	40.8	155.0	161.9	167.2
<b>SALES GROWTH, Y/Y%</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Wood Processing	18.4%	-27.3%	-1.9%	-40.8%	-15.6%	-35.9%	-18.8%	-19.9%	9.8%	-18.7%	5.0%	3.5%
Services	5.1%	-8.3%	-14.1%	-17.2%	-9.0%	-1.0%		15.3%	7.3%	5.0%	3.0%	2.5%
Analyzers	27.6%	-22.2%	-16.7%	-37.8%	-15.0%	-13.5%	-5.7%		60.9%	5.4%	5.0%	3.5%
Total	16.1%	-23.3%	-5.8%	-35.8%	-14.2%	-27.4%	-13.5%	-11.5%	12.4%	-11.7%	4.5%	3.2%
<b>EBIT, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Total	5.9	1.9	5.1	4.4	17.3	2.7	2.8	3.1	3.1	11.7	13.3	14.2
Total	5.9	1.9	5.1	4.4	17.3	2.7	2.8	3.1	3.1	11.7	13.3	14.2
<b>EBIT margin %</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
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	11.3%	4.4%	11.7%	12.0%	9.8%	7.2%	7.4%	8.0%	7.6%	7.6%	8.2%	8.5%

<b>INCOME STATEMENT, EURm</b>	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	142.2	158.3	145.4	204.6	175.6	155.0	161.9	167.2
<i>Sales growth (%)</i>	23.7%	11.3%	-8.2%	40.7%	-14.2%	-11.7%	4.5%	3.2%
EBITDA	2.1	-9.6	6.8	19.1	23.6	17.3	19.3	20.4
<i>EBITDA margin (%)</i>	1.5%	-6.1%	4.7%	9.4%	13.4%	11.2%	11.9%	12.2%
Depreciation	-4.3	-5.0	-4.9	-5.4	-6.3	-5.6	-6.0	-6.2
EBITA	-2.2	-14.6	1.9	13.7	17.3	11.7	13.3	14.2
Goodwill amortization / writedown								
EBIT	-2.2	-14.6	1.9	13.7	17.3	11.7	13.3	14.2
<i>EBIT margin (%)</i>	-1.6%	-9.2%	1.3%	6.7%	9.8%	7.6%	8.2%	8.5%
Reported EBIT	-2.2	-14.6	1.9	13.7	17.3	11.7	13.3	14.2
<i>EBIT margin (reported) (%)</i>	-1.6%	-9.2%	1.3%	6.7%	9.8%	7.6%	8.2%	8.5%
Net financials	0.5	0.8	-0.1	1.4	0.3	0.8	-0.3	-0.3
Pre-tax profit	-1.7	-13.8	1.8	15.1	17.6	12.5	13.0	13.9
Taxes		2.3	-0.4	-3.0	-4.7	-3.2	-2.3	-2.8
Minority shares								
Net profit	-1.7	-11.5	1.4	12.1	12.9	9.3	10.7	11.1
Cash NRIs								
Non-cash NRIs								
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	19	22	21	19	19	20	21	21
Goodwill	2	2	2	2	2	2	2	2
Right of use assets	10	7	6	6	2	2	2	2
Inventory	22	17	26	24	15	36	37	38
Receivables	32	32	26	25	27	24	25	26
Liquid funds	24	8	48	58	40	36	37	38
Total assets	111	92	135	136	107	120	125	129
Liabilities								
Shareholders' equity	34	23	38	50	58	63	70	77
Minority interest								
Convertibles								
Lease liabilities	8	6	7	6	2	2	2	2
Deferred taxes		0	0	0	0	0	0	0
Interest bearing debt	2	7				10	8	4
Non-interest bearing current liabilities	39	34	63	50	24	21	22	23
Other interest-free debt	27	22	27	30	22	22	22	22
Total liabilities	111	92	135	136	107	120	125	129
<b>CASH FLOW, EURm</b>								
+ EBITDA	2	-10	7	19	24	17	19	20
- Net financial items	0	1	0	1	0	1	0	0
- Taxes	-1	-1	-1	-1	-2	-3	-2	-3
- Increase in Net Working Capital	21	-5	30	-6	-29	-20	-2	-1
+/- Other								
= Cash flow from operations	23	-14	36	14	-7	-5	15	16
- Capex	-10	-4	-4	-3	-3	-6	-7	-7
- Acquisitions								
+ Divestments								
= Free cash flow	13	-18	32	11	-10	-11	8	9
+/- New issues/buybacks	-1	0	14	0	-1			
- Paid dividend			1	3	4	4	4	4
+/- Other	5	1	-6	-1	-3	10	-2	-4
Change in cash	13	-17	40	9	-17	-5	2	1

<b>KEY FIGURES</b>	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	35	60	80	91	93	93	93
Net debt (excl. convertibles)	5	-41	-52	-38	-23	-27	-32
Enterprise value	40	19	28	53	70	66	61
Sales	158	145	205	176	155	162	167
EBITDA	-10	7	19	24	17	19	20
EBIT	-15	2	14	17	12	13	14
Pre-tax	-14	2	15	18	13	13	14
Earnings	-11	1	12	13	9	11	11
Equity book value (excl. minorities)	23	38	50	58	63	70	77

<b>Valuation multiple</b>	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	0.3	0.1	0.1	0.3	0.5	0.4	0.4
EV/EBITDA	-4.2	2.8	1.5	2.3	4.0	3.4	3.0
EV/EBITA	-2.8	10.1	2.1	3.1	6.0	5.0	4.3
EV/EBIT	-2.8	10.1	2.1	3.1	6.0	5.0	4.3
EV/OCF	-2.9	0.5	2.0	-7.3	-14.3	4.4	3.8
EV/FCF	-1.9	0.6	3.0	-4.0	-6.1	7.9	6.5
P/FCFR	-1.9	1.9	7.0	-9.0	-8.7	11.7	10.3
P/E	-3.1	44.7	6.6	7.1	10.0	8.8	8.4
P/BV	1.5	1.6	1.6	1.6	1.5	1.3	1.2
Target EV/EBITDA					4.2	3.6	3.2
Target EV/EBIT					6.3	5.2	4.5
Target EV/FCFF					-6.9	8.7	7.1
Target P/BV					1.5	1.4	1.3
Target P/E, diluted	-3.8	35.2	7.2	8.1	10.4	9.1	8.7

<b>Per share measures</b>	2022	2023	2024	2025	2026E	2027E	2028E
Number of shares (million)	4.25	6.12	6.12	6.04	6.04	6.04	6.04
Number of shares (diluted, million)	4.25	6.12	6.12	6.04	6.04	6.04	6.04
EPS	-2.70	0.22	1.98	2.14	1.54	1.77	1.84
Operating cash flow per share	-3.30	5.86	2.31	-1.20	-0.81	2.47	2.65
Free cash flow per share	-4.24	5.28	1.87	-1.68	-1.77	1.32	1.51
Book value per share	5.39	6.27	8.12	9.60	10.49	11.61	12.75
Dividend per share		0.10	0.55	0.65	0.65	0.70	0.70
Dividend payout ratio, %		45.3%	27.8%	30.4%	42.2%	39.7%	38.1%
Dividend yield, %		1.0%	4.2%	4.2%	4.2%	4.5%	4.5%
FCF yield, %	-51.4%	53.6%	14.2%	-11.1%	-11.4%	8.6%	9.7%

<b>Efficiency measures</b>	2022	2023	2024	2025	2026E	2027E	2028E
ROE	-40.3%	4.4%	27.5%	24.0%	15.3%	16.0%	15.1%
ROCE	-36.3%	4.6%	27.4%	29.2%	16.8%	16.7%	17.1%

<b>Financial ratios</b>	2022	2023	2024	2025	2026E	2027E	2028E
Inventories as % of sales	10.6%	18.1%	11.5%	8.8%	23.0%	23.0%	23.0%
Receivables as % of sales	20.2%	17.8%	12.2%	15.6%	15.7%	15.7%	15.7%
Non-int. bearing liabilities as % of sales	21.4%	43.1%	24.4%	13.6%	13.6%	13.6%	13.6%
NWC/sales, %	-4.6%	-25.9%	-15.6%	-1.6%	10.9%	11.5%	11.9%
Operative CAPEX/Sales, %	2.5%	2.4%	1.3%	1.6%	3.7%	4.3%	4.2%
CAPEX/sales (incl. acquisitions), %	2.5%	2.4%	1.3%	1.6%	3.7%	4.3%	4.2%
FCFF/EBITDA	2.2	4.7	0.5	-0.6	-0.7	0.4	0.5
Net Debt/EBITDA, book-weighted	-0.6	-6.1	-2.7	-1.6	-1.3	-1.4	-1.6
Debt/equity, market-weighted	0.2				0.1	0.1	0.0
Equity ratio, book-weighted	0.4	0.5	0.6	1.2	1.0	1.1	1.1
Gearing, %	23.6%	-108.1%	-104.4%	-65.5%	-36.8%	-39.1%	-41.9%

**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	11.684	12.5 %
Laakkonen Mikko Kalervo	172 225	2.661	2.9 %
eQ Finland Investment Fund	134 368	2.076	2.2 %
Mandatum Life Insurance Company Ltd.	132 574	2.048	2.2 %
Stephen Industries Inc Oy	129 687	2.004	2.1 %
Suominen Pekka Matias	117 329	1.813	1.9 %
Siivonen Osku Pekka	106 901	1.652	1.8 %
eQ Nordic Small Cap Mutual Fund	106 000	1.638	1.8 %
Kirmo Kaisa Marketta	105 421	1.629	1.7 %
Mustakallio Mika Tapani	103 678	1.602	1.7 %
Ten largest	1 864 433	28.805	30.9 %
Residual	4 175 567	64.513	69.1 %
Total	6 040 000	93.318	100%

**EARNINGS CALENDAR**

May 07, 2026	Q1 report
August 12, 2026	Q2 report
October 30, 2026	Q3 report

**OTHER EVENTS**
**COMPANY MISCELLANEOUS**

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 CFO: Ville Halttunen  
 IR:

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 Tel: +358 3 82911

## DEFINITIONS

<b>P/E</b>  $\frac{\text{Price per share}}{\text{Earnings per share}}$	<b>EPS</b>  $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
<b>P/BV</b>  $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	<b>DPS</b>  Dividend for the financial period per share
<b>Market cap</b>  Price per share * Number of shares	<b>OCF (Operating cash flow)</b>  EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
<b>EV (Enterprise value)</b>  Market cap + net debt + minority interest at market value – share of associated companies at market value	<b>FCF (Free cash flow)</b>  Operating cash flow – Operative CAPEX – acquisitions + divestments
<b>EV/Sales</b>  $\frac{\text{Enterprise value}}{\text{Sales}}$	<b>FCF yield, %</b>  $\frac{\text{Free cash flow}}{\text{Market cap}}$
<b>EV/EBITDA</b>  $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	<b>Operative CAPEX / Sales</b>  $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
<b>EV/EBIT</b>  $\frac{\text{Enterprise value}}{\text{Operating profit}}$	<b>Net working capital</b>  Current assets – current liabilities
<b>Net debt</b>  Interest bearing debt – financial assets	<b>Capital employed / Share</b>  $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
<b>Total assets</b>  Balance sheet total	<b>Gearing</b>  $\frac{\text{Net debt}}{\text{Equity}}$
<b>Div yield, %</b>  $\frac{\text{Dividend per share}}{\text{Price per share}}$	<b>Debt/Equity, %</b>  $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
<b>Payout ratio, %</b>  $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	<b>Equity ratio, %</b>  $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
<b>ROCE, %</b>  $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	<b>CAGR, %</b>  Cumulative annual growth rate = Average growth rate per year
<b>ROE, %</b>  $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

**Important Disclosures**

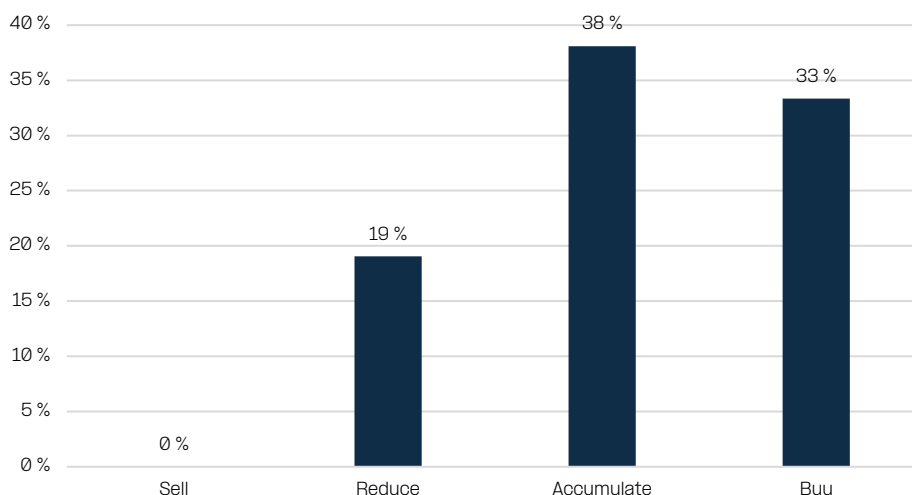
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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

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