

## Margins remained strong

**Raute's EUR 4.2m comparable EBITDA met our estimate despite the relatively low top line as Wood Processing once again delivered very strong profitability. Order intake however was at a low level of EUR 17m as the Iran war dampened European construction sentiment.**

- Raute Q1 revenue decreased by 35.5% y/y to EUR 33.5m, compared to our EUR 37.7m estimate. Wood Processing amounted to EUR 22.8m vs our EUR 24.3m estimate, while Services was EUR 8.3m vs our EUR 10.2m estimate. Analyzers came in at EUR 2.3m, compared to our EUR 3.2m estimate.
- Raute comparable EBITDA landed at EUR 4.2m vs our EUR 4.2m estimate, whereas EBIT was EUR 3.0m vs our EUR 2.7m estimate. Wood Processing EBITDA was EUR 3.6m, compared to our EUR 2.5m estimate, and Services was EUR 0.8m vs our EUR 1.4m estimate. Analyzers amounted to EUR -0.2m, compared to our EUR 0.3m estimate. The exceptionally strong Wood Processing profitability was supported in part by the reversal of certain project-related cost provisions, while lower sales volumes negatively affected Services and Analyzers performance.
- Q1 order intake was EUR 17m vs our EUR 33m estimate. The market sentiment in the European construction sector was cautiously optimistic before the outbreak of the Iran war in March, but the sentiment has since dampened. Wood products demand now depends largely on consumer confidence. In North America geopolitical-driven cost inflation is limiting housing-led demand growth in the near term. Some European and North American customers have however continued preparatory work for future investments.
- Order book amounted to EUR 81m at the end of Q1 (EUR 146m a year ago).
- Raute guides FY'26 revenue to be in the range of EUR 125-160m and comparable EBITDA to be between EUR 10-19m (guidance updated on Apr 30).

Rating	+ Accumulate			
Q1'26	Actual	Evli	Year ago	Q4'25
Revenue	33.5	37.7	51.9	36.2
Wood Processing	22.8	24.3	37.9	24.4
Services	8.3	10.2	10.3	9.6
Analyzers	2.3	3.2	3.7	2.3
Comparable EBITDA	4.2	4.2	7.4	5.7
EBIT	3.0	2.7	6.0	4.4

<b>Share price, EUR</b> (Last trading day's closing price)	<b>15.00</b>
Target price, EUR	16.0
Latest change in recommendation	13-Feb-26
Latest report on company	29-Apr-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	91
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	9.7	0.4	5.8	-11.8%	0.65
2027E	161.9	13.3	8.2%	8.0	1.77	8.5	0.4	4.8	8.8%	0.70
2028E	167.2	14.2	8.5%	9.1	1.84	8.2	0.3	4.1	10.0%	0.70
Market cap, EURm	91	Gearing 2026E, %	-36.8 %	CAGR EPS 2025-28, %	-4.8 %					
Net debt 2026E, EURm	-23	Price/book 2026E	1.4	CAGR Sales 2025-28, %	-1.6 %					
Enterprise value, EURm	67	Dividend yield 2026E, %	4.3 %	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.

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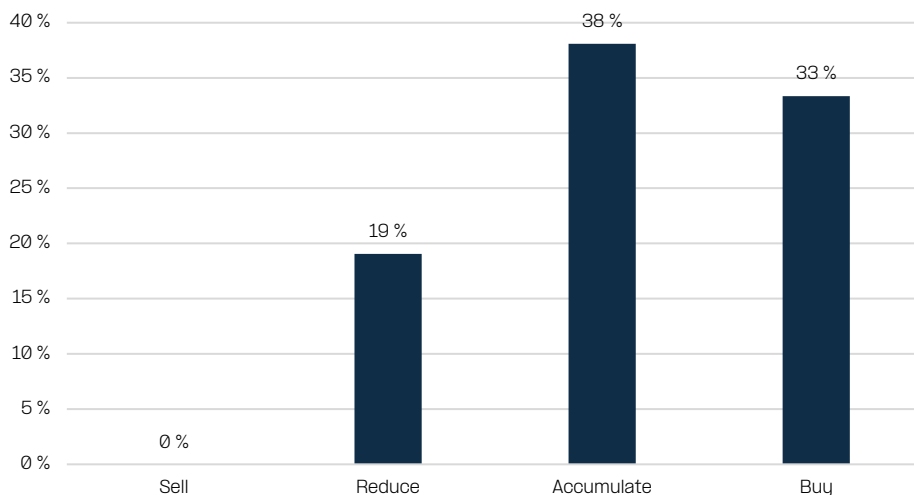
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – 0 %	RECUDE
0 – (+10) %	ACCUMULATE
> 10 %	BUY

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