

## European order potential remains

**Raute's low order book remains an issue for now, but in our view chances are European orders will begin to rebound soon.**

### Wood Processing earnings strong but lacking new orders

Raute's EUR 33.5m revenue was below our EUR 37.7m estimate, yet the EUR 4.2m comparable EBITDA matched our estimate as Wood Processing delivered a very high 15.7% margin; Q1 earnings can thus be described to have been relatively high given the quite modest revenue. This dynamic was also reflected by the recent guidance update as the implied EBITDA margin midpoint increased 70bps to 10.2%, however we believe Wood Processing margin will not continue at such a high level for the rest of the year as Q1 still benefited from the reversal of certain project-related cost provisions. The EUR 17m order intake was also low, although it was driven by Services and Analyzers; this suggests the two could see more stable and even improving development during the rest of the year, while the bigger question is about the recovery of Wood Processing orders especially from the perspective of next year's deliveries.

### In our view European orders should rebound quite soon

We estimate 10–11% Wood Processing EBITDA margin going forward, which would bring the FY'26 figure to just below 12%. Construction market uncertainty remains the biggest hurdle for new plywood and LVL capacity investment decisions, and as the environment has been more or less similar for a while now it's hard to say when exactly customers might be able to muster enough confidence to go ahead with their plans despite pent-up demand. Statistically speaking another large mill-scale order should be due soon as the last one was booked already more than two years ago. This last mill expansion order came from Latvia, and we believe the odds are that another large project will soon be announced from one of the nearby countries.

### We see moderate earnings growth drivers for next year

Given the new order uncertainty we continue to estimate only moderate growth for FY'27 after some 15% decline this year. Wood Processing EBITDA would then remain significantly below the level seen last year, but relatively stable compared to FY'26, while Services and Analyzers have more potential to improve. We thus see FY'27 EBITDA just below EUR 19m. Raute is then valued below 5x EV/EBIT on our respective FY'27 estimates. Our new TP is EUR 15.0 (16.0) as we retain ACCUMULATE rating.

## Rating + Accumulate



<b>Share price, EUR</b> (Last trading day's closing price)	<b>14.55</b>
Target price, EUR	15.0
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	88
Free float, %	–
Exchange rate	–
Reuters code	RAUTE.HE
Bloomberg code	RAUTE:FH
Average daily volume, EURm	0.1
Next interim report	12-Aug-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	7.0	0.3	3.1	-11.1%	0.65
2026E	148.2	11.1	7.5%	-8.6	1.45	10.1	0.4	5.6	-9.8%	0.65
2027E	154.9	12.7	8.2%	8.2	1.78	8.2	0.4	4.6	9.3%	0.70
2028E	159.9	13.3	8.3%	8.5	1.72	8.4	0.3	4.1	9.6%	0.70
Market cap, EURm	88		Gearing 2026E, %		-40.4 %		CAGR EPS 2025–28, %		-7.0 %	
Net debt 2026E, EURm	-25		Price/book 2026E		1.4		CAGR Sales 2025–28, %		-3.1 %	
Enterprise value, EURm	63		Dividend yield 2026E, %		4.5 %		ROE 2026E, %		14.5 %	
Total assets 2026E, EURm	115		Tax rate 2026E, %		25.3 %		ROCE 2026E, %		16.3 %	
Goodwill 2026E, EURm	2		Equity ratio 2026E, %		36.2 %		PEG, P/E 26/CAGR		1.0	

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	Q1'26	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>17</b>	<b>29</b>	<b>42</b>	<b>44</b>	<b>132</b>
Europe	69	65	204	81	7	5	21	10	43	11	17	24	28	80
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	5	7	13	12	37
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	0	2	2	2	6
<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>81</b>	<b>73</b>	<b>77</b>	<b>81</b>	<b>81</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>33</b>	<b>37</b>	<b>39</b>	<b>40</b>	<b>148</b>
Wood Processing	97	108	92	147	38	30	32	24	124	23	24	25	26	98
Services	30	36	33	42	10	10	9	10	38	8	10	10	10	38
Analyzers	15	15	20	15	4	4	4	2	13	2	3	4	4	13
Europe	35	68	56	114	39	33	32	26	129	22	26	26	28	102
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	8	7	7	8	30
Latin America	8	10	21	38	2	3	4	3	12	2	3	3	3	11
Asia-Pacific	10	9	9	6	2	1	2	1	7	1	2	2	2	7
<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>4</b>	<b>4</b>	<b>17</b>
Wood Processing	-5	-10	0	11	6	4	5	4	18	4	2	3	3	12
Services	5	6	5	7	2	2	1	2	7	1	1	1	1	5
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>2</b>	<b>3</b>	<b>3</b>	<b>11</b>
EBIT margin	-1.6 %	-9.3 %	1.3 %	6.7 %	11 %	4 %	12 %	12 %	9.8 %	8 %	7 %	8 %	8 %	7.5 %

Source: Evli Research

RAUTE PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		25	26	27	25	26	27	25	26	27
Biesse	171	5.7x	4.8x	4.1x		44.6x	18.4x		127.1x	26.2x
Duerr	1599	4.7x	4.6x	4.2x	7.0x	6.9x	6.0x	7.9x	11.1x	9.5x
Glaston	46	4.6x	4.0x	4.4x	7.3x	9.7x	7.3x	7.5x	12.2x	9.2x
Kesla	16		18.0x	7.0x		729.6x	10.9x			12.2x
Konecranes	6616	10.9x	9.2x	8.4x	13.1x	11.2x	10.1x	16.1x	15.7x	13.9x
Ponsse	644	9.7x	9.0x	7.5x	17.5x	16.8x	12.1x	20.5x	21.4x	15.8x
Robit	23	7.3x	4.8x	4.5x	27.2x	8.4x	7.4x		9.0x	7.7x
Sandvik	46618	14.2x	15.5x	14.3x	19.7x	20.2x	18.0x	34.4x	25.8x	22.8x
Valmet	4167	8.5x	7.0x	6.4x	11.7x	9.9x	9.1x	12.4x	10.9x	9.5x
Wartsila	21931	15.7x	19.2x	17.3x	19.2x	22.5x	20.0x	35.1x	32.7x	29.0x
Peer Group Average	8183	9.0x	9.6x	7.8x	15.3x	88.0x	11.9x	19.1x	29.5x	15.6x
Peer Group Median	1121	8.5x	8.0x	6.7x	15.3x	14.0x	10.5x	16.1x	15.7x	13.1x
Raute (Evli est.)	88	2.3x	3.8x	3.1x	3.1x	5.6x	4.6x	7.0x	10.0x	8.2x

Raute prem./disc. to peer median

-73 % -63 % -54 % -80 % -60 % -56 % -56 % -36 % -38 %

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%	-1.1 %	0.7 %	1.5 %	0.0 %	0.1 %	0.5 %
Duerr	4314	3.9%	-7.0%	3.1%	5.2 %	5.8 %	6.4 %	3.1 %	3.5 %	4.1 %
Glaston	213	-2.1%	-14.8%	5.7%	5.0 %	4.3 %	5.3 %	0.0 %	3.6 %	5.0 %
Kesla	46	-25.0%	23.6%	17.1%	-14.3 %	0.1 %	4.9 %			
Konecranes	3365	24.5%	3.2%	6.3%	13.3 %	13.3 %	13.9 %	2.6 %	2.9 %	3.3 %
Ponsse	755	-0.7%	-3.8%	5.5%	5.7 %	5.5 %	7.2 %	2.4 %	2.5 %	3.0 %
Robit	112	-29.7%	9.8%	5.0%	1.8 %	5.6 %	6.0 %			
Sandvik	10062	13.5%	12.3%	8.4%	17.2 %	19.2 %	19.9 %	1.5 %	1.8 %	2.0 %
Valmet	5074	5.6%	-1.7%	2.3%	9.8 %	9.7 %	10.3 %	6.0 %	6.0 %	6.6 %
Wartsila	5842	18.3%	-0.6%	7.5%	12.0 %	13.2 %	13.8 %	2.8 %	1.8 %	2.0 %
Peer Group Average	3061	-1.1%	2.4%	6.6%	5.5 %	7.7 %	8.9 %	2.3 %	2.8 %	3.3 %
Peer Group Median	2094	1.6%	1.3%	5.6%	5.4 %	5.7 %	6.8 %	2.5 %	2.7 %	3.1 %
Raute (Evli est.)	205	-14.2%	-15.6%	4.5%	9.8 %	7.5 %	8.2 %	4.3 %	4.5 %	4.8 %

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	14.55 PV of Free Cash Flow	50 Long-term growth, %	2.0 % Risk-free interest rate, %
DCF share value	19.48 PV of Horizon value	29 WACC, %	9.2 % Market risk premium, %
Share price potential, %	33.9 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	20.3 Marketable securities	40 Minimum WACC, %	8.7 % Equity beta coefficient
Minimum value	18.7 Debt – dividend	–2 Maximum WACC, %	9.7 % Target debt ratio, %
Horizon value, %	37.0 % Value of stock	118 No. of shares, Mn	6.0 Effective tax rate, %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	176	148	155	160	163	167	171	175	179	183	186	190
Sales growth (%)	-14.2%	-15.6%	4.5%	3.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.0%	2.0%
Operating income (EBIT)	17	11	13	13	15	15	15	16	16	16	17	17
Operating income margin %	9.8%	7.5%	8.2%	8.3%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
+ Depreciation+amort.	6	5	6	6	6	6	4	4	3	3	3	
EBITDA	24	17	19	19	21	21	20	19	19	20	20	
- Paid taxes	-2	-3	-2	-3	-3	-3	-3	-3	-3	-3	-3	
- Change in NWC	-29	-18	-2	-1	-1	-1	-1	-1	-1	-1	-1	
NWC / Sales, %	-1.6%	10.3%	10.9%	11.3%	11.6%	11.9%	12.2%	12.5%	12.8%	13.1%	13.3%	
+ Change in other liabs	1											
- Operative CAPEX	-6	-5	-7	-7	-7	-3	-3	-3	-3	-3	-11	
opCAPEX / Sales, %	1.6%	3.2%	4.5%	4.2%	4.1%	1.9%	1.9%	1.9%	1.8%	1.8%	5.8%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	-13	-9	8	9	10	14	13	12	12	12	5	69
= Discounted FCF		-9	7	7	8	9	8	7	6	6	2	29
= DFCF min WACC		-9	7	7	8	10	8	7	6	6	2	33
= DFCF max WACC		-9	7	7	7	9	8	7	6	5	2	26

**Sensitivity analysis, EUR**

		Terminal WACC				
		7.17 %	8.17 %	9.17 %	10.17 %	11.17 %
Terminal EBIT-%	7.00 %	17.43	16.49	15.72	15.06	14.48
	8.00 %	20.55	18.88	17.60	16.57	15.72
	9.00 %	23.67	21.27	19.48	18.09	16.95
	10.00 %	26.79	23.66	21.37	19.60	18.19
	11.00 %	29.91	26.05	23.25	21.11	19.42

**INTERIM FIGURES**

<b>EVLI ESTIMATES, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	51.9	43.8	43.6	36.3	175.6	33.4	36.7	38.5	39.6	148.2	154.9	159.9
EBITDA	7.3	4.5	6.3	5.5	23.6	4.0	3.8	4.3	4.4	16.5	18.7	19.3
<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>12.0%</i>	<i>10.4%</i>	<i>11.2%</i>	<i>11.1%</i>	<i>11.2%</i>	<i>12.1%</i>	<i>12.0%</i>
EBIT	5.9	1.9	5.1	4.4	17.3	2.8	2.4	2.9	3.0	11.1	12.7	13.3
<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>8.3%</i>	<i>6.5%</i>	<i>7.5%</i>	<i>7.6%</i>	<i>7.5%</i>	<i>8.2%</i>	<i>8.3%</i>
Net financial items	-0.1	0.4	0.0	0.1	0.3	0.0	0.2	0.2	0.2	0.6	0.4	-0.3
Pre-tax profit	5.8	2.3	5.1	4.4	17.6	2.8	2.6	3.1	3.2	11.7	13.1	13.0
Tax	-1.5	-1.1	-1.2	-0.8	-4.7	-0.6	-0.8	-0.8	-0.8	-3.0	-2.4	-2.6
<i>Tax rate (%)</i>	<i>26.8%</i>	<i>47.9%</i>	<i>22.9%</i>	<i>19.1%</i>	<i>26.5%</i>	<i>20.0%</i>	<i>30.8%</i>	<i>25.8%</i>	<i>25.0%</i>	<i>25.3%</i>	<i>18.0%</i>	<i>20.0%</i>
Net profit	4.2	1.2	3.9	3.6	12.9	2.2	1.8	2.3	2.4	8.7	10.7	10.4
EPS	0.70	0.20	0.65	0.59	2.14	0.37	0.30	0.38	0.40	1.45	1.78	1.72
EPS adj. (diluted)	0.70	0.20	0.65	0.59	2.14	0.37	0.30	0.38	0.40	1.45	1.78	1.72
Dividend per share					0.65					0.65	0.70	0.70
<b>SALES, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Wood Processing	37.9	30.4	31.6	24.4	124.3	22.8	23.8	25.2	25.7	97.5	102.4	106.0
Services	10.3	9.9	8.5	9.6	38.3	8.3	9.7	9.8	10.2	38.0	39.1	40.1
Analyzers	3.7	3.5	3.5	2.3	13.0	2.3	3.2	3.5	3.7	12.7	13.3	13.8
Total	51.9	43.8	43.6	36.3	175.6	33.4	36.7	38.5	39.6	148.2	154.9	159.9
<b>SALES GROWTH, Y/Y%</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Wood Processing	18.4%	-27.3%	-1.9%	-40.8%	-15.6%	-39.8%	-21.7%	-20.3%	5.3%	-21.6%	5.0%	3.5%
Services	5.1%	-8.3%	-14.1%	-17.2%	-9.0%	-19.4%	-2.0%	15.3%	6.3%	-0.8%	3.0%	2.5%
Analyzers	27.6%	-22.2%	-16.7%	-37.8%	-15.0%	-37.8%	-8.6%		60.9%	-2.3%	5.0%	3.5%
Total	16.1%	-23.3%	-5.8%	-35.8%	-14.2%	-35.7%	-16.2%	-11.7%	9.1%	-15.6%	4.5%	3.3%
<b>EBIT, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Total	5.9	1.9	5.1	4.4	17.3	2.8	2.4	2.9	3.0	11.1	12.7	13.3
Total	5.9	1.9	5.1	4.4	17.3	2.8	2.4	2.9	3.0	11.1	12.7	13.3
<b>EBIT margin %</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	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%	8.3%	6.5%	7.5%	7.6%	7.5%	8.2%	8.3%

<b>INCOME STATEMENT, EURm</b>	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	142.2	158.3	145.4	204.6	175.6	148.2	154.9	159.9
<i>Sales growth (%)</i>	23.7%	11.3%	-8.2%	40.7%	-14.2%	-15.6%	4.5%	3.3%
EBITDA	2.1	-9.6	6.8	19.1	23.6	16.5	18.7	19.3
<i>EBITDA margin (%)</i>	1.5%	-6.1%	4.7%	9.4%	13.4%	11.2%	12.1%	12.0%
Depreciation	-4.3	-5.0	-4.9	-5.4	-6.3	-5.5	-6.0	-6.0
EBITA	-2.2	-14.6	1.9	13.7	17.3	11.1	12.7	13.3
Goodwill amortization / writedown								
EBIT	-2.2	-14.6	1.9	13.7	17.3	11.1	12.7	13.3
<i>EBIT margin (%)</i>	-1.6%	-9.2%	1.3%	6.7%	9.8%	7.5%	8.2%	8.3%
Reported EBIT	-2.2	-14.6	1.9	13.7	17.3	11.1	12.7	13.3
<i>EBIT margin (reported) (%)</i>	-1.6%	-9.2%	1.3%	6.7%	9.8%	7.5%	8.2%	8.3%
Net financials	0.5	0.8	-0.1	1.4	0.3	0.6	0.4	-0.3
Pre-tax profit	-1.7	-13.8	1.8	15.1	17.6	11.7	13.1	13.0
Taxes		2.3	-0.4	-3.0	-4.7	-3.0	-2.4	-2.6
Minority shares								
Net profit	-1.7	-11.5	1.4	12.1	12.9	8.7	10.7	10.4
Cash NRIs								
Non-cash NRIs								
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	19	22	21	19	19	19	20	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	34	36	37
Receivables	32	32	26	25	27	23	24	25
Liquid funds	24	8	48	58	40	34	36	37
Total assets	111	92	135	136	107	115	120	123
Liabilities								
Shareholders' equity	34	23	38	50	58	63	70	76
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				7	4	1
Non-interest bearing current liabilities	39	34	63	50	24	20	21	22
Other interest-free debt	27	22	27	30	22	22	22	22
Total liabilities	111	92	135	136	107	115	120	123
<b>CASH FLOW, EURm</b>								
+ EBITDA	2	-10	7	19	24	17	19	19
- 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	-18	-2	-1
+/- Other								
= Cash flow from operations	23	-14	36	14	-7	-4	15	15
- Capex	-10	-4	-4	-3	-3	-5	-7	-7
- Acquisitions								
+ Divestments								
= Free cash flow	13	-18	32	11	-10	-9	8	8
+/- New issues/buybacks	-1	0	14	0	-1			
- Paid dividend			1	3	4	4	4	4
+/- Other	5	1	-6	-1	-3	6	-3	-3
Change in cash	13	-17	40	9	-17	-6	2	1

KEY FIGURES	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	35	60	80	91	88	88	88
Net debt (excl. convertibles)	5	-41	-52	-38	-25	-30	-34
Enterprise value	40	19	28	53	63	58	54
Sales	158	145	205	176	148	155	160
EBITDA	-10	7	19	24	17	19	19
EBIT	-15	2	14	17	11	13	13
Pre-tax	-14	2	15	18	12	13	13
Earnings	-11	1	12	13	9	11	10
Equity book value (excl. minorities)	23	38	50	58	63	70	76

Valuation multiple	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	0.3	0.1	0.1	0.3	0.4	0.4	0.3
EV/EBITDA	-4.2	2.8	1.5	2.3	3.8	3.1	2.8
EV/EBITA	-2.8	10.1	2.1	3.1	5.6	4.6	4.1
EV/EBIT	-2.8	10.1	2.1	3.1	5.6	4.6	4.1
EV/OCF	-2.9	0.5	2.0	-7.4	-16.1	3.9	3.6
EV/FCF	-1.9	0.6	3.0	-4.0	-6.6	7.3	6.2
P/FCFR	-1.9	1.9	7.0	-9.1	-10.2	10.7	10.4
P/E	-3.1	44.7	6.6	7.0	10.1	8.2	8.4
P/BV	1.5	1.6	1.6	1.6	1.4	1.3	1.2
Target EV/EBITDA					3.9	3.3	2.9
Target EV/EBIT					5.9	4.8	4.3
Target EV/FCFF					-7.6	7.5	6.7
Target P/BV					1.4	1.3	1.2
Target P/E, diluted	-3.8	35.2	7.2	8.1	10.4	8.4	8.7

Per share measures	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	1.45	1.78	1.72
Operating cash flow per share	-3.30	5.86	2.31	-1.19	-0.64	2.50	2.50
Free cash flow per share	-4.24	5.28	1.87	-1.67	-1.42	1.35	1.40
Book value per share	5.39	6.27	8.12	9.60	10.40	11.53	12.55
Dividend per share		0.10	0.55	0.65	0.65	0.70	0.70
Dividend payout ratio, %		45.3%	27.8%	30.3%	44.9%	39.4%	40.6%
Dividend yield, %		1.0%	4.2%	4.5%	4.5%	4.8%	4.8%
FCF yield, %	-51.4%	53.6%	14.2%	-11.1%	-9.8%	9.3%	9.6%

Efficiency measures	2022	2023	2024	2025	2026E	2027E	2028E
ROE	-40.3%	4.4%	27.5%	24.0%	14.5%	16.2%	14.3%
ROCE	-36.3%	4.6%	27.4%	29.2%	16.3%	16.9%	16.9%

Financial ratios	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%	10.3%	10.9%	11.3%
Operative CAPEX/Sales, %	2.5%	2.4%	1.3%	1.6%	3.2%	4.5%	4.2%
CAPEX/sales (incl. acquisitions), %	2.5%	2.4%	1.3%	1.6%	3.2%	4.5%	4.2%
FCFF/EBITDA	2.2	4.7	0.5	-0.6	-0.6	0.4	0.5
Net Debt/EBITDA, book-weighted	-0.6	-6.1	-2.7	-1.6	-1.5	-1.6	-1.8
Debt/equity, market-weighted	0.2				0.1	0.0	0.0
Equity ratio, book-weighted	0.4	0.5	0.6	1.2	1.1	1.1	1.2
Gearing, %	23.6%	-108.1%	-104.4%	-65.5%	-40.4%	-42.6%	-44.7%

**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	11.003	12.5 %
Laakkonen Mikko Kalervo	172 225	2.506	2.9 %
eQ Finland Investment Fund	134 368	1.955	2.2 %
Mandatum Life Insurance Company Ltd.	132 574	1.929	2.2 %
Stephen Industries Inc Oy	129 687	1.887	2.1 %
Suominen Pekka Matias	117 329	1.707	1.9 %
Siivonen Osku Pekka	106 901	1.555	1.8 %
eQ Nordic Small Cap Mutual Fund	106 000	1.542	1.8 %
Kirmo Kaisa Marketta	105 421	1.534	1.7 %
Mustakallio Mika Tapani	103 678	1.509	1.7 %
Ten largest	1 864 433	27.128	30.9 %
Residual	4 175 567	60.754	69.1 %
Total	6 040 000	87.882	100%

#### EARNINGS CALENDAR

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**

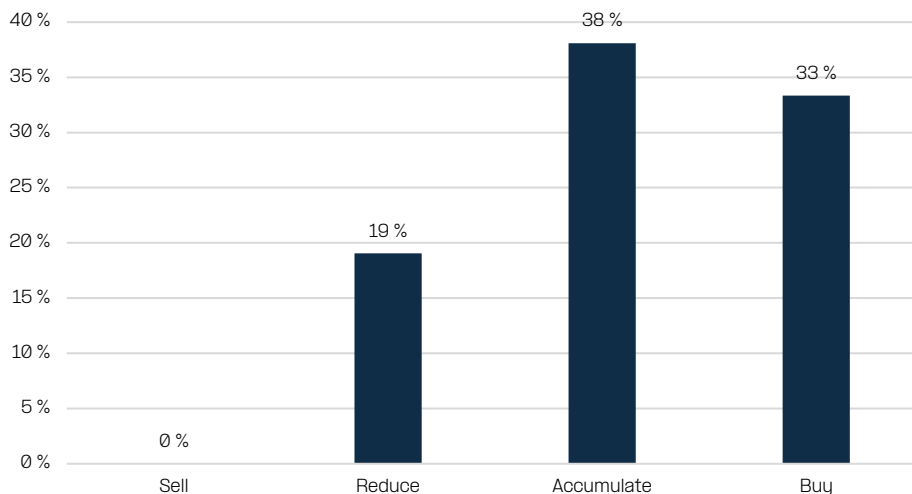
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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

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