

SAAB

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COMPANY REPORT



Demand is there, but can they land the volumes?

In this preview, we update our view on Saab ahead of its Q4'25 results on February 5, 2026. Since the start of 2026, we see geopolitics and allied rhetoric pushing Europe toward a firmer, longer-term stance on defense and security. That makes defense spending paths clearer, capacity requirements more demanding, and supply chain execution more important, because budgets only matter if they can be translated into delivered capability. Against this backdrop, we see Saab well-positioned to benefit significantly from Europe's firmer shift, and we raise our order intake, revenue, and profitability forecasts from 2026 onward. While our revised outlook reduces downside risk and supports a higher fair value, the expected return remains unattractive, albeit less so than before. Therefore, on our adjusted expectations, we raise our target price to SEK 550 (prev. SEK 310), and see an improved risk-reward profile, but reiterate our Sell recommendation.

A historic Q4 ahead and we see 2026 as make or break

Q4 looks set to be one of Saab's most consequential quarters since listing, as it confirms underlying demand strength and, in our view, frames the growth moving forward. We expect order intake to land materially above our prior view, which will translate into meaningful support for the backlog. We also expect the seasonally strong Q4 to support full-year 2025 revenue and continued margin progression. Our understanding is that near-term earnings impact from the Q4 orders should be limited, given the long-cycle mix and the time it takes to convert orders into revenue. We see 2026 as an inflection point where demand is not the constraint. Execution is. How delivery capacity develops and how well and quickly the supply chain is synchronized will determine Saab's growth pace and whether it can be sustained to meet market expectations.

More certainty on demand, more pressure on capacity

We believe the macro backdrop has shifted in a way that prolongs and de-risks the European demand runway versus [our initiation](#) assumptions. To us, the debate has moved from whether budgets will rise enough for Saab to grow into an elevated valuation to whether Saab can convert the increasingly certain funding (orders) into delivered capability. In our view, that conversion is the binding constraint. Sustaining the growth implied by expectations becomes progressively more demanding as each step up requires incremental billions of SEK in products to be produced, integrated, tested, and delivered on time. Against this backdrop, and with that caveat in mind, we raise our order intake, revenue, and profitability forecasts from 2026 onward, while keeping the margin path a gradual grind upward.

Much better runway but the market expects perfection

We see a more durable demand backdrop for European defense, but Saab is still priced for very strong execution. Our 2026-27 valuation multiples of ~55-45x P/E and ~43-36x EV/EBIT remain demanding even after we lift our long-term acceptable range to ~22-25x P/E and ~17-20x EV/EBIT on higher quality demand and greater confidence in backlog conversion. In our return framework, expected shareholder return is driven by earnings growth, dividend yield, and valuation changes. Our growth outlook would be sufficient if multiples stayed flat, but we assume avg. ~15% multiple contraction in 2026-28, which keeps expected returns negative, albeit less negative than before. Our DCF, using a 7.6% WACC, with growth tapering from ~19% in 2027 toward 3% terminal and a 12% terminal EBIT margin, implies ~SEK 550 per share. The valuation of such asset is dominated by long-term cash flows and is therefore sensitive to terminal assumptions. In this update, we see the long-term fundamentals as improved, supporting a more consistent growth and profitability trajectory, but still see a meaningful rerating risk and expect high day-to-day and week-to-week volatility in the shares.

Recommendation

Sell

(prev. Sell)

Target price:

550 SEK

(prev. 310 SEK)

Share price:

698 SEK

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	63,751	76,425	90,615	105,928
growth-%	24%	20%	19%	17%
EBIT adj.	5,604	7,338	8,957	10,792
EBIT-% adj.	8.8 %	9.6 %	9.9 %	10.2 %
Net Income	4,249	5,770	6,860	8,370
EPS (adj.)	7.76	10.48	12.69	15.48
P/E (adj.)	30.0	66.9	55.3	45.3
P/B	3.5	9.4	8.3	7.3
Dividend yield-%	0.9 %	0.4 %	0.5 %	0.6 %
EV/EBIT (adj.)	22.4	52.6	43.2	35.8
EV/EBITDA	14.9	36.3	31.0	26.7
EV/S	2.0	5.0	4.3	3.6

Source: Inderes

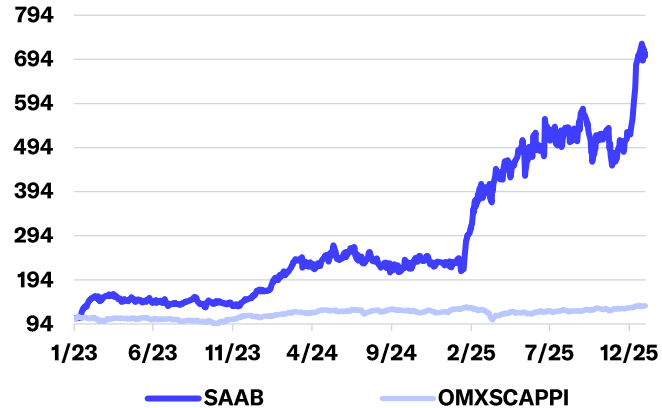
Guidance

Guidance for 2025 upgraded in Q3

The company lifted its guidance for 2025 to organic growth of 20-24% up from 16-20%, while keeping its EBIT and operational cash flow guidance unchanged.

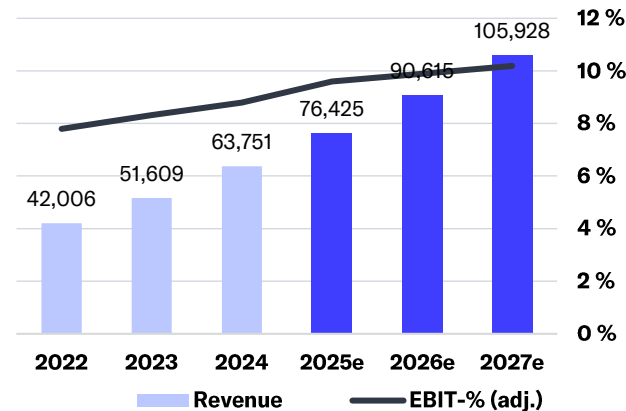
The medium-term guidance for 2023–27 remained unchanged: sales CAGR ~18%, EBIT growth above sales, and operational cash flow conversion of at least 60% over the 5-year period.

Share price



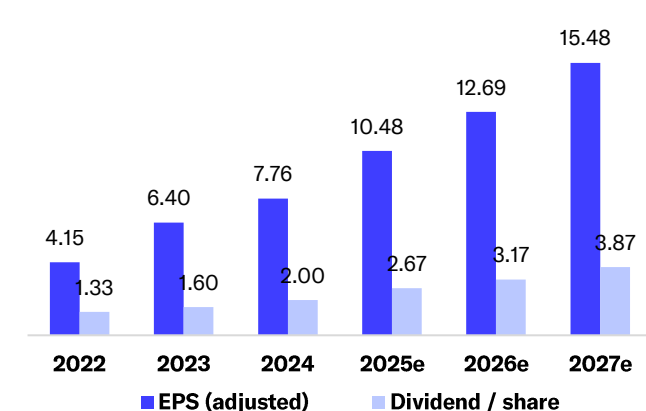
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- Strong position in core technology niches within a stable market characterized by multi-decade upcycles
- Solid value-creation track record through organic growth, complemented by selective bolt-on M&A to enhance the tech portfolio
- Clear runway to capture meaningful growth in the Americas and parts of Asia
- Path toward ~10% EBIT margin, supported by operating leverage and a strategy to grow EBIT faster than sales
- Increasing societal relevance via civil-security and digital-infrastructure solutions

Risk factors

- Risk of over-investing in capacity during a long upcycle
- Growth and profitability are highly execution-dependent; major missteps or managerial errors could have severe long-term effects
- Failure to develop or acquire relevant technologies that open future growth channels
- Fierce competition from larger, established defense peers

Valuation	2025e	2026e	2027e
Share price	701.0	701.0	701.0
Number of shares, millions	540.7	540.7	540.7
Market cap	379,061	379,061	379,061
EV	385,775	387,337	386,423
P/E (adj.)	66.9	55.3	45.3
P/E	65.7	55.3	45.3
P/B	9.4	8.3	7.3
P/S	5.0	4.2	3.6
EV/Sales	5.0	4.3	3.6
EV/EBITDA	36.3	31.0	26.7
EV/EBIT (adj.)	52.6	43.2	35.8
Payout ratio (%)	25.0 %	25.0 %	25.0 %
Dividend yield-%	0.4 %	0.5 %	0.6 %

Source: Inderes

Orders are in, execution is next

Very strong demand shifts focus to capacity

Q4 was exceptionally strong for order intake, with announced contracts totaling ~85 BSEK, including the GlobalEye contract in France and the Gripen order to Colombia. With the Q4 order flow as it unfolded, our post-Q3 order intake estimate of ~27 BSEK was clearly too low. We now estimate total Q4 order intake at ~90 BSEK, which should lift the order backlog materially and strengthen long-term visibility. For the full-year 2025, we expect Saab’s order intake to land at ~159 BSEK. We see the near-term earnings impact as limited, however, as most of the intake relates to long-cycle programs where revenue conversion is measured in years, not quarters. That makes 2026 primarily an execution year. In our view, the key watchpoint is whether Saab can expand and synchronize industrial capacity and keep supply chains tight enough to turn the growing backlog into on-time deliveries, meeting both contracted schedules and market expectations.

Seasonality supports full-year guidance delivery

We estimate Q4 group revenue to reach ~25 BSEK, representing year-on-year growth of ~20%. This is unchanged from our post-Q3 update. We see that the strong topline performance will be driven by high delivery rates across all business areas, as the fourth quarter is typically the strongest for revenue recognition and milestone payments. For the full-year 2025, we expect group revenue to land at ~76.4 BSEK, placing growth at the lower end of the upgraded 20-24% organic growth guidance range. The hiring push and capacity expansion efforts that took place throughout 2025 should, in our view, support these higher delivery rates.

Higher throughput supports margin and cash conversion

We forecast Q4 adjusted EBIT of ~2.6 BSEK, implying a 10.6% margin, up from 9.4% in the comparison period. We see profitability supported by volume driven operating leverage, alongside incremental efficiency gains from the ongoing industrialization push. Dynamics should remain the main earnings contributor, with an EBIT margin of ~20%

supported by a favorable mix and high utilization. As a result, we expect EBIT to grow faster than sales in both Q4 and full-year 2025, in line with the management’s financial targets. We also expect positive full-year operational cash flow, in line with Saab’s reiterated messaging in Q3.

2026 guidance matters, but execution matters more

Saab typically sets its guidance view for the coming year in the Q4 report, but we do not expect the 2026 organic growth range to match the 2025 upgrade (20-24% organic growth), as we believe that 2026 growth is ultimately gated by delivered volumes. Our view is that the market needs clarity on whether the current growth pace is sustainable, or whether capacity constraints start to cap deliveries and push revenue further out. Given the capacity ramp up and supply chain coordination required to step up deliveries in a defense production environment, we think management could frame 2026 organic growth at ~16-20%. Execution commentary will be central to how we set 2026 growth assumptions in our post-Q4 update.

Estimates	Q4'24	Q4'25	Q4'25e	Q4'25e	Consensus	2025e
MSEK / SEK	Comparison	Actualized	Inderes	Consensus	Low High	Inderes
Revenue	20,850		24,976	25,916	24,976 - 27,297	76,425
EBIT (adj.)	1,953		2,638	2,692	2,564 - 2,946	7,443
Net income	1,449		2,016	2,058	1,879 - 2,191	5,770
EPS (adj.)	2.61		3.73	3.81	3.47 - 4.05	10.67
Order intake	17,556		90,250	37,396	20,804 - 55,978	158,658
Revenue growth-%	29.3 %		19.8 %	24.3 %	19.8 % - 30.9 %	19.9 %
EBIT-% (adj.)	9.4 %		10.6 %	10.4 %	10.3 % - 10.8 %	9.7 %

Source: Inderes & Infront consensus (4.11.25, 9 estimates)

Europe shows a more serious stance, we lift forecasts

European shift strengthens the demand backdrop

In this preview, we revisit our expectations ahead of Saab’s Q4’25 report on February 5, 2026, with a focus on 2026 and beyond. Since the start of 2026, geopolitics and policy rhetoric are, in our view, pushing Europe toward a more consistent, long-term stance on defense investment, improving the demand and order intake backdrop for Saab versus our prior assumptions.

In our model, this supports a longer demand runway and a more decisive capacity ramp up, lifting delivery potential and revenue growth. This higher throughput should also reduce divisional volatility from milestone driven programs, while supporting better cash flow conversion. The operating margins should benefit from operating leverage as volumes scale and learning curve effects as production becomes more repeatable. We also find it viable for cash flow generation to improve as advance and milestone payment structures increasingly pull cash forward, and higher volumes tend to strengthen these mechanics.

When fiscal constraints meet a persistent threat

In our [initiation report](#), we already saw defense demand as structurally elevated, but we expected the budget path to be uneven. Even after NATO’s Hague commitment to raise defense and security related spending to ~5% of GDP by 2035, including at least 3.5% for core defense, our working assumption was that many countries would land closer to ~3% of GDP for core defense, but still a tad below. We viewed Europe’s fiscal starting point and domestic policy trade-offs as constraints on the pace and sequencing of budget uplifts rather than as enablers of a clean step change. We also assumed Russia’s economic capacity would constrain its endurance. Since then, Russia has shown greater endurance than we expected, supported by an external supply and financing ecosystem that has helped sustain its war effort. Net, we now see the demand runway as longer and more certain, and the key question shifts from whether budgets rise to how fast European industry can convert funding into delivered capability.

Model uplift led by order intake and margin path

Against that backdrop, we increase our 2026-27 order intake assumptions by ~25-30%. We raise 2026-27 sales by ~2-4% and adjusted EBIT by ~7-9%, as we still expect EBIT to grow faster than revenue. Net income increases mechanically. We now model a ~16% revenue CAGR for 2025-30 (from ~15%) and ~14% for 2025-34 (from ~12%).

In margins, we see a clearer path upward, but we still model a moderately gradual uplift given the customer mix and contract mechanics, where outcomes are driven more by procurement dynamics and execution than by open market pricing. We therefore forecast group EBIT margin rising from 9.9% in 2026 to ~11% by 2030, then drifting toward a 12% terminal EBIT margin. EBIT was the main area where we held back in our prior view, driven by uncertainty around the volume ramp up and delivery throughput. From 2027 onward, we assume the dividend payout ratio remains at 25%, rather than stepping up to 30% as in our prior view.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	76,425	76,425	0%	88,956	90,615	2%	102,130	105,928	4%
EBIT (adj.)	7,443	7,443	0%	8,350	8,957	7%	9,899	10,792	9%
Net income	5,868	5,770	-2%	6,381	6,860	8%	7,637	8,370	10%
EPS (adj.)	10.85	10.67	-2%	11.80	12.69	8%	14.12	15.48	10%
DPS	2.71	2.71	0%	2.95	3.08	4%	4.24	3.70	-13%
Order intake	95,645	158,658	66%	101,313	127,124	25%	108,679	140,836	30%

Note: Small adjustment to 2025e NI and EPS, include non-controlling interest and slightly higher financial expenses

Source: Inderes

Return math struggles despite improved outlook

Still challenging multiples despite paradigm shift

From a valuation standpoint, our projected 2026-27 multiples of ~55-45x P/E and ~43-36x EV/EBIT still screen as extremely demanding. We see an upcycle of at least 10 years as Europe moves toward higher spending levels. Beyond that, major platforms' long development and fielding timelines, plus the large sustainment and service requirements across a system's lifespan, support a persistent and more robust demand tail at a higher new normal.

Even as Saab executes outstandingly and compounds earnings on a strong demand backdrop, our implied 2027-30 multiples still sit a good chunk above what we previously viewed as long-term acceptable levels for a business like Saab. As we now see a longer, higher quality demand backdrop, with structurally higher order intake and greater confidence in backlog conversion, we raise our long-term acceptable multiples to ~22-25x (20-22x) P/E and ~17-20x (15-18x) EV/EBIT. We see these multiples as most relevant from 2030 onward, once both today's long cycle backlog and the orders likely to be booked over the next few years are well under execution. By then, the demand growth outlook should be starting to moderate also as Europe moves closer to 3.5% of GDP core defense spending target for 2035.

Better risk-reward but expected return remains negative

In our valuation framework, we break expected shareholder return into earnings growth, dividend yield, and multiple expansion or contraction. With Saab trading on elevated multiples, the market is already pricing in strong earnings growth, which increases both the risk and the speed of multiple contraction if execution or expectations slip. At current levels, if the valuation were to stay flat, our growth

outlook would imply an expected return above our required return for 2026-28. However, under our base case assumption of valuation contraction averaging ~15% per year across those years, the expected return remains negative, albeit less negative than in our prior valuation updates. Even so, the market is still paying a premium for future backlog conversion and higher expected returns on capital. That premium is only justifiable if the production ramp-up ties up progressively less capital and capex intensity eases over time.

DCF indicates downside at a more favorable risk-reward

Given that Saab's revenue, margins, reinvestment, and working capital can be tied to observable drivers, we view DCF as an appropriate tool. For 2027-34, reflecting our updated outlook, we model top line growth tapering from ~19% toward a 3% terminal rate, with a 12% terminal EBIT margin. As we see less risk embedded in future cash flow generation, we apply a 7.6% WACC (previously ~8%) and a 7.7% cost of equity (previously 8.2%). With ~82% of value in the terminal period, our valuation is driven mainly by long term cash flows, not the next few years. In all, we arrive at an equity value of ~SEK 550 per share, which we set as our target price.

In this update, we also raise our capex assumptions beyond the 2025-27 investment program and keep capex elevated for longer. We forecast capex/revenue fade from ~3% toward ~2% in the mid-term, and then toward ~1% in the long-term once capacity has reached a more optimal level. We still assume the ramp-up requires meaningful capital tie-up to meet contractual commitments, and we see that as a key risk versus what the current share price appears to imply.

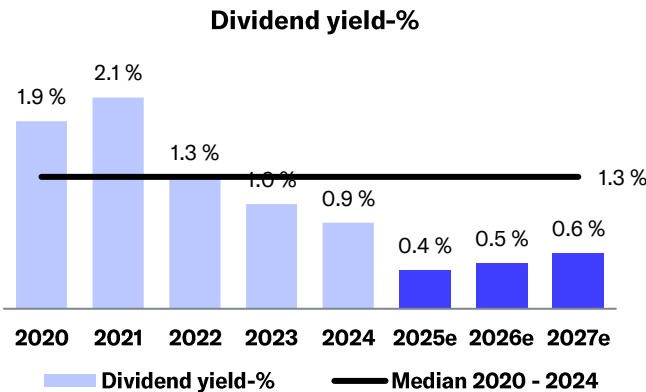
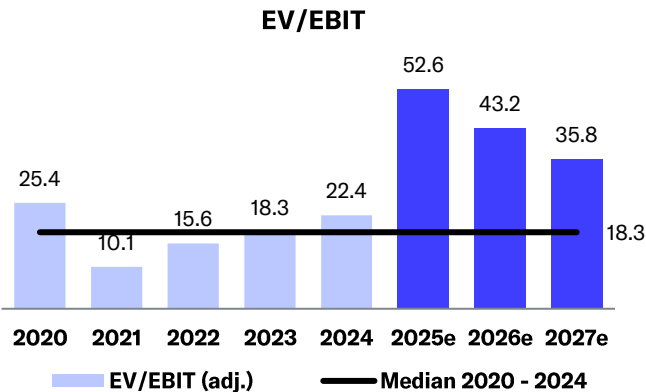
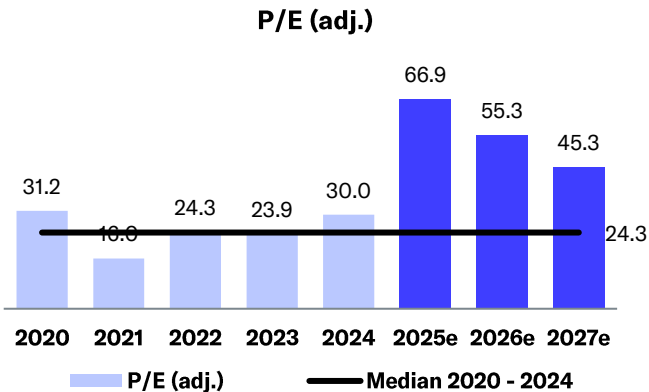
Valuation	2025e	2026e	2027e
Share price	701.0	701.0	701.0
Number of shares, millions	540.7	540.7	540.7
Market cap	379,061	379,061	379,061
EV	385,775	387,337	386,423
P/E (adj.)	66.9	55.3	45.3
P/E	65.7	55.3	45.3
P/B	9.4	8.3	7.3
P/S	5.0	4.2	3.6
EV/Sales	5.0	4.3	3.6
EV/EBITDA	36.3	31.0	26.7
EV/EBIT (adj.)	52.6	43.2	35.8
Payout ratio (%)	25.0 %	25.0 %	25.0 %
Dividend yield-%	0.4 %	0.5 %	0.6 %

Source: Inderes

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	63.0	58.4	101.0	153.0	233.0	701.0	701.0	701.0	701.0
Number of shares, millions	532.0	528.7	528.6	531.5	540.1	540.7	540.7	540.7	540.7
Market cap	33,519	30,847	53,392	81,325	125,846	379,061	379,061	379,061	379,061
EV	33,417	29,089	51,229	78,729	125,585	385,775	387,337	386,423	383,714
P/E (adj.)	31.2	16.0	24.3	23.9	30.0	66.9	55.3	45.3	38.1
P/E	31.2	16.0	24.3	24.1	29.6	65.7	55.3	45.3	38.1
P/B	1.6	1.3	1.8	2.5	3.5	9.4	8.3	7.3	6.3
P/S	0.9	0.8	1.3	1.6	2.0	5.0	4.2	3.6	3.1
EV/Sales	0.9	0.7	1.2	1.5	2.0	5.0	4.3	3.6	3.1
EV/EBITDA	11.8	6.0	9.5	12.0	14.9	36.3	31.0	26.7	23.1
EV/EBIT (adj.)	25.4	10.1	15.6	18.3	22.4	52.6	43.2	35.8	30.1
Payout ratio (%)	58.5 %	33.8 %	32.0 %	25.2 %	25.4 %	25.0 %	25.0 %	25.0 %	25.0 %
Dividend yield-%	1.9 %	2.1 %	1.3 %	1.0 %	0.9 %	0.4 %	0.5 %	0.6 %	0.7 %

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	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Leonardo	33,382	36,001	19.1	16.5	13.5	12.1	1.7	1.6	25.9	22.0	1.1	1.3	3.2
BAE Systems	69,114	77,177	18.6	17.1	14.7	13.6	2.0	1.9	23.8	21.4	2.0	2.2	4.4
Airbus	154,543	158,024	19.0	15.9	13.9	12.0	1.9	1.7	24.8	20.5	1.7	2.1	5.9
Rolls-Royce	117,637	115,879	27.5	24.6	21.9	19.8	4.6	4.3	37.0	32.5	0.9	1.0	42.4
Lockheed Martin	115,713	131,385	16.6	16.0	14.2	13.7	2.0	1.9	20.4	19.1	2.4	2.5	22.3
RTX Corporation	223,904	251,026	24.7	22.3	19.2	17.5	3.2	3.0	29.4	26.6	1.4	1.5	3.9
Northrop Grumman	81,884	91,339	23.1	21.5	17.3	16.2	2.5	2.3	24.4	22.6	1.4	1.5	5.3
General Dynamics	80,746	85,346	17.4	16.2	15.0	14.0	1.9	1.8	20.9	19.2	1.8	1.9	3.7
L3Harris Technologies	56,426	66,057	21.0	19.5	18.1	17.0	3.4	3.2	28.9	25.0	1.5	1.6	3.3
Rheinmetall AG	84,921	86,794	30.5	20.8	24.9	17.4	5.4	4.0	44.3	29.8	0.9	1.3	12.8
Elbit Systems Ltd.	28,367	28,157	39.3	34.7	31.6	29.5	3.8	3.7	52.9	49.2	0.5	0.5	6.7
Dassault Aviation	25,542	16,092	19.4	16.2	15.2	13.0	1.9	1.6	19.7	17.3	1.7	2.0	3.4
Leidos	20,100	23,076	12.4	12.2	11.4	11.2	1.5	1.5	15.3	14.7	0.9	1.5	4.4
Huntington Ingalls Industries	13,976	15,974	24.7	21.0	17.2	15.3	1.5	1.4	24.1	20.4	1.4	1.5	3.2
Hanwha Aerospace	39,088	42,917	16.0	13.5	13.6	11.7	2.4	2.2	26.5	21.7	0.4	0.4	5.4
Kongsberg Gruppen	24,548	23,459	28.3	24.4	23.5	20.5	3.9	3.5	35.7	30.7	2.3	3.3	11.2
Hensoldt	10,025	11,087	30.7	24.5	21.0	17.5	4.0	3.4	43.6	34.2	0.9	1.1	9.2
Thales	53,648	56,773	19.8	17.8	14.8	13.4	2.4	2.2	23.8	21.2	1.7	1.9	5.7
Renk	5,787	6,206	23.3	19.0	19.3	16.0	4.0	3.5	33.3	26.6	1.3	1.6	9.6
Babcock International	8,587	9,008	18.9	17.5	15.0	13.8	1.5	1.5	26.7	24.2	0.6	0.8	11.0
SAAB (Inderes)	35,961	36,598	52.6	43.2	36.3	31.0	5.0	4.3	66.9	55.3	0.4	0.5	9.4
Average			22.5	19.5	17.8	15.8	2.8	2.5	29.1	24.9	1.3	1.6	8.9
Median			20.4	18.4	16.2	14.7	2.4	2.2	26.2	22.3	1.4	1.5	5.6
Diff-% to median			158%	135%	124%	112%	111%	94%	156%	148%	-72%	-70%	69%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue	51,609	14,185	15,170	13,546	20,850	63,751	15,792	19,786	15,871	24,976	76,425	90,615	105,928	122,594
Aeronautics	13,754	4,047	3,726	3,322	5,594	16,689	4,525	4,424	4,438	6,601	19,988	23,186	26,664	30,397
Dynamics	11,160	2,622	3,312	3,056	5,615	14,605	3,143	5,714	3,411	7,019	19,287	23,723	28,467	33,591
Surveillance	18,559	4,989	5,406	5,115	6,504	22,014	5,274	6,544	5,517	7,415	24,750	28,957	33,880	39,300
Kockums	6,314	1,966	2,197	1,584	2,617	8,364	2,253	2,388	1,861	3,219	9,721	11,276	13,080	15,043
Combitech	3,922	1,049	1,082	877	1,298	4,306	1,182	1,340	1,025	1,532	5,079	5,739	6,485	7,328
Eliminations/corporate	-2 100	-488	-553	-408	-778	-2,227	-585	-624	-381	-809	-2,399	-2,265	-2,648	-3,065
EBITDA	6,558	1,819	1,961	1,888	2,734	8,402	2,140	2,831	2,173	3,478	10,622	12,482	14,475	16,611
Depreciation	-2,286	-628	-630	-701	-781	-2,740	-686	-854	-799	-840	-3,179	-3,525	-3,684	-3,858
EBIT (excl. NRI)	4,294	1,191	1,331	1,169	1,913	5,604	1,454	1,872	1,374	2,638	7,338	8,957	10,792	12,753
EBIT	4,272	1,191	1,331	1,187	1,953	5,662	1,454	1,977	1,374	2,638	7,443	8,957	10,792	12,753
Net financial items	146	-182	-23	60	-228	-373	167	-12	-115	-97	-57	-273	-197	-146
PTP	4,418	1,009	1,308	1,247	1,725	5,289	1,621	1,965	1,259	2,541	7,386	8,684	10,594	12,607
Taxes	-975	-225	-296	-275	-283	-1,079	-344	-429	-284	-515	-1,572	-1,824	-2,225	-2,647
Minority interest	-62	14	12	6	7	39	-9	-7	-18	-10	-44	0	0	0
EPS (adj.)	6.40	1.48	1.90	1.78	2.61	7.76	2.34	2.63	1.77	3.73	10.48	12.69	15.48	18.42
EPS (rep.)	6.36	1.48	1.90	1.81	2.68	7.87	2.34	2.83	1.77	3.73	10.67	12.69	15.48	18.42

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	22.9 %	23.5 %	21.6 %	17.5 %	29.3 %	23.5 %	11.3 %	30.4 %	17.2 %	19.8 %	19.9 %	18.6 %	16.9 %	15.7 %
Adjusted EBIT growth-%	31.2 %	28.3 %	25.0 %	36.1 %	32.7 %	30.5 %	22.1 %	40.6 %	17.5 %	37.9 %	30.9 %	22.1 %	20.5 %	18.2 %
EBITDA-%	12.7 %	12.8 %	12.9 %	13.9 %	13.1 %	13.2 %	13.6 %	14.3 %	13.7 %	13.9 %	13.9 %	13.8 %	13.7 %	13.5 %
Adjusted EBIT-%	8.3 %	8.4 %	8.8 %	8.6 %	9.2 %	8.8 %	9.2 %	9.5 %	8.7 %	10.6 %	9.6 %	9.9 %	10.2 %	10.4 %
Net earnings-%	6.6 %	5.6 %	6.8 %	7.2 %	6.9 %	6.7 %	8.0 %	7.7 %	6.0 %	8.1 %	7.5 %	7.6 %	7.9 %	8.1 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	27,762	34,421	39,297	40,872	42,288
Goodwill	5,424	5,572	5,572	5,572	5,572
Intangible assets	7,517	7,426	7,299	7,665	8,000
Tangible assets	12,469	15,779	20,782	21,991	23,072
Associated companies	1,355	3,078	3,078	3,078	3,078
Other investments	0	1,610	1,610	1,610	1,610
Other non-current assets	515	435	435	435	435
Deferred tax assets	482	521	521	521	521
Current assets	54,997	65,402	73,745	84,224	94,827
Inventories	16,786	21,825	26,749	32,622	38,134
Other current assets	15,255	16,993	20,248	22,605	23,856
Receivables	9,487	14,843	18,342	21,748	25,423
Cash and equivalents	13,469	11,741	8,407	7,249	7,415
Balance sheet total	82,759	99,823	113,042	125,095	137,115

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	32,362	35,812	40,519	45,920	52,574
Share capital	8,273	8,273	8,273	8,273	8,273
Retained earnings	22,164	27,035	31,725	37,143	43,797
Hybrid bonds	0	0	0	0	0
Revaluation reserve	0	0	0	0	0
Other equity	1,598	195	195	195	195
Minorities	327	309	326	309	309
Non-current liabilities	15,395	14,296	14,434	14,625	14,173
Deferred tax liabilities	1,432	1,070	1,070	1,070	1,070
Provisions	2,888	2,238	2,238	2,238	2,238
Interest bearing debt	8,993	9,465	9,603	9,794	9,342
Convertibles	0	0	0	0	0
Other long-term liabilities	2,082	1,523	1,523	1,523	1,523
Current liabilities	35,002	49,715	58,089	64,551	70,368
Interest bearing debt	1,050	919	2,443	3,163	3,195
Payables	14,095	17,915	19,870	23,560	26,482
Other current liabilities	19,857	30,881	35,776	37,828	40,692
Balance sheet total	82,759	99,823	113,042	125,095	137,115

DCF-calculation

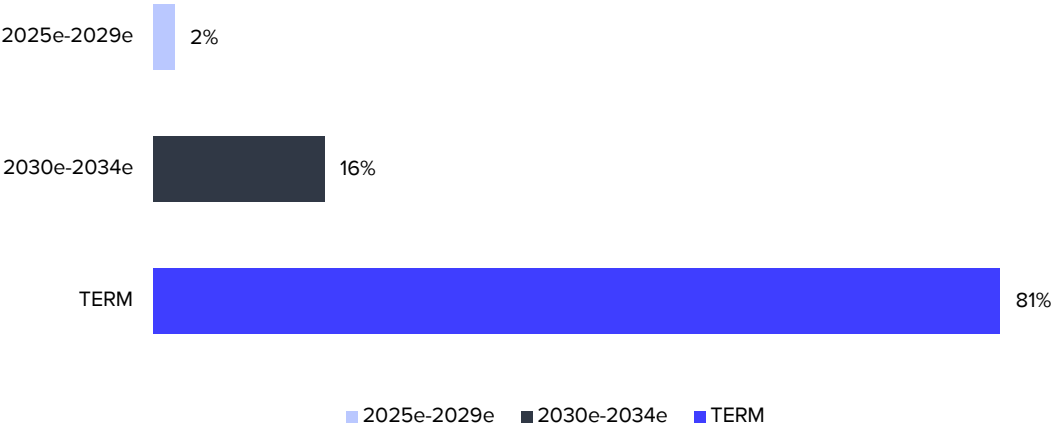
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	23.5 %	19.9 %	18.6 %	16.9 %	15.7 %	15.0 %	14.2 %	13.6 %	13.3 %	13.0 %	3.0 %	3.0 %
EBIT-%	8.9 %	9.7 %	9.9 %	10.2 %	10.4 %	10.7 %	11.0 %	11.5 %	12.0 %	12.0 %	12.0 %	12.0 %
EBIT (operating profit)	5,662	7,443	8,957	10,792	12,753	15,085	17,710	21,033	24,867	28,100	28,943	
+ Depreciation	2,740	3,179	3,525	3,684	3,858	4,187	4,520	4,883	5,276	5,394	5,432	
- Paid taxes	-1,480	-1,572	-1,824	-2,225	-2,647	-3,158	-3,740	-4,499	-5,329	-5,991	-6,236	
- Tax, financial expenses	-191	-162	-164	-134	-144	-156	-143	-132	-132	-135	-138	
+ Tax, financial income	115	150	107	92	114	146	165	214	240	225	296	
- Change in working capital	2,711	-4,827	-5,895	-4,651	-4,809	-5,228	-4,802	-,646	-3,022	,330	-1,836	
Operating cash flow	9,557	4,211	4,706	7,558	9,124	10,877	13,710	20,854	21,899	27,923	26,461	
+ Change in other long-term liabilities	-1,209	0	0	0	0	0	0	0	0	0	0	
- Gross CAPEX	-7,637	-8,055	-5,100	-5,100	-4,500	-4,800	-5,000	-5,200	-5,400	-5,600	-5,600	
Free operating cash flow	711	-3,844	-394	2,458	4,624	6,077	8,710	15,654	16,499	22,323	20,861	
+/- Other	0	0	0	0	0	0	0	0	0	0	0	
FCFF	711	-3,844	-394	2,458	4,624	6,077	8,710	15,654	16,499	22,323	20,861	469,751
Discounted FCFF		-3,867	-369	2,136	3,736	4,564	6,082	10,161	9,955	12,521	10,877	244,930
Sum of FCFF present value		300,727	304,594	304,963	302,826	299,090	294,526	288,444	278,283	268,328	255,807	244,930
Enterprise value DCF		300,727										
- Interest bearing debt		-10,384										
+ Cash and cash equivalents		11,741										
-Minorities		-3,075										
-Dividend/capital return		-1,080										
Equity value DCF		297,930										
Equity value DCF per share		551										

WACC

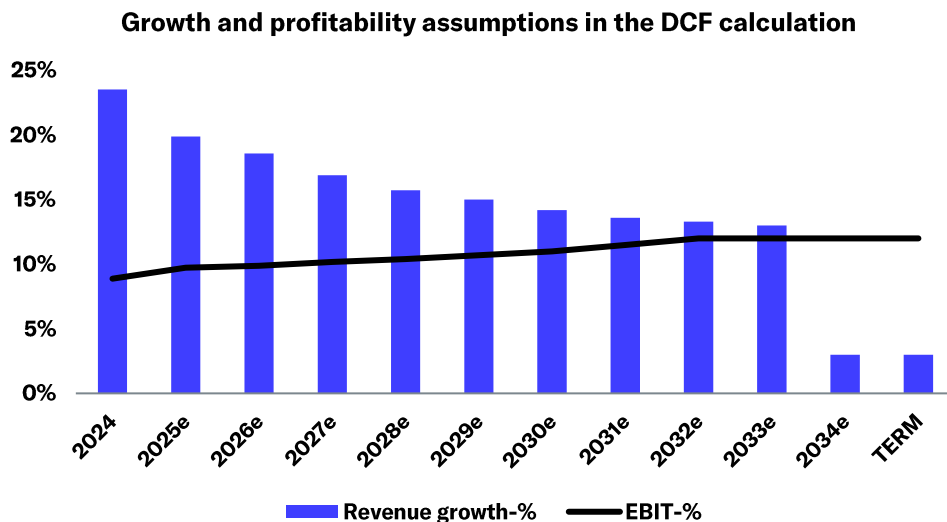
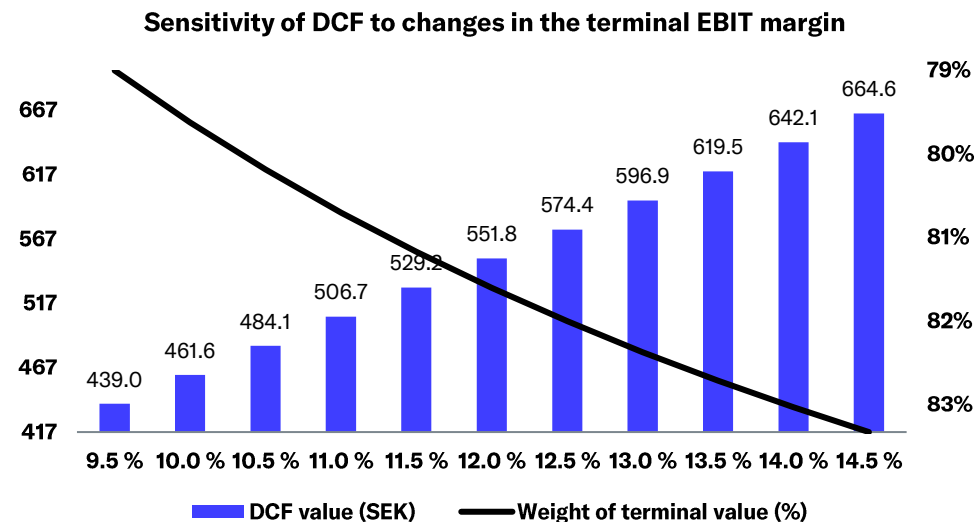
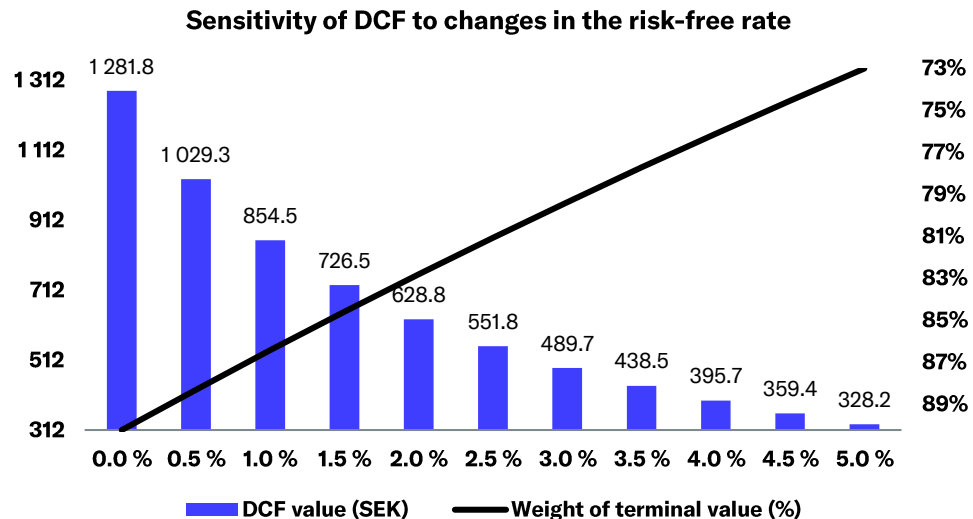
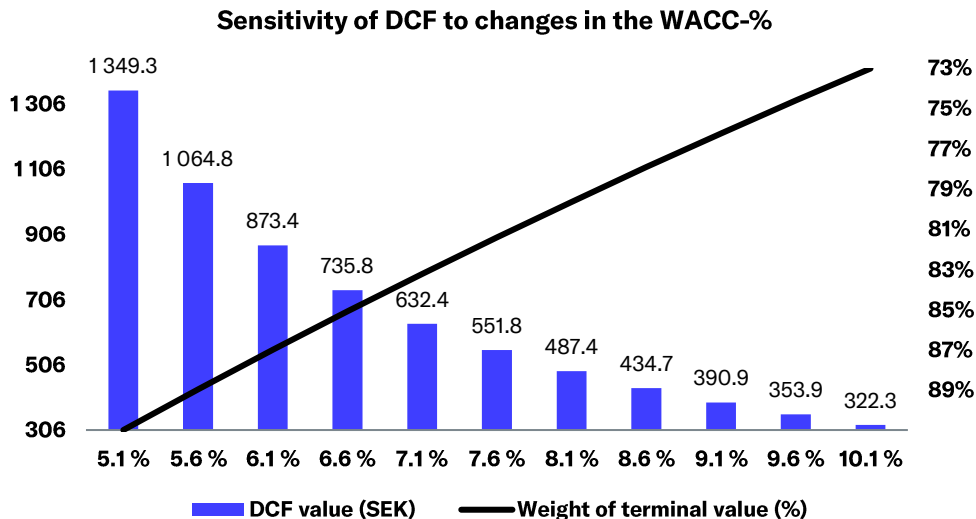
Tax-% (WACC)	21.0 %
Target debt ratio (D/(D+E))	4.0 %
Cost of debt	5.0 %
Equity Beta	1.10
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	7.7 %
Weighted average cost of capital (WACC)	7.6 %

Source: Inderes

Cash flow distribution



DCF sensitivity calculations and key assumptions in graphs



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

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	42,006	51,609	63,751	76,425	90,615	EPS (reported)	4.15	6.36	7.87	10.67	12.69
EBITDA	5,401	6,558	8,402	10,622	12,482	EPS (adj.)	4.15	6.40	7.76	10.48	12.69
EBIT	3,274	4,272	5,662	7,443	8,957	OCF / share	8.93	10.34	17.69	7.79	8.70
PTP	2,819	4,418	5,289	7,386	8,684	OFCF / share	-6.08	4.32	1.32	-7.11	-0.73
Net Income	2,195	3,381	4,249	5,770	6,860	Book value / share	55.78	60.27	65.73	74.33	84.35
Extraordinary items	0	-22	58	105	0	Dividend / share	1.33	1.60	2.00	0.00	0.00
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	72,365	82,759	99,823	113,042	125,095	Revenue growth-%	7%	23%	24%	20%	19%
Equity capital	29,876	32,362	35,812	40,519	45,920	EBITDA growth-%	12%	21%	28%	26%	18%
Goodwill	5,384	5,424	5,572	5,572	5,572	EBIT (adj.) growth-%	13%	31%	31%	31%	22%
Net debt	-2,869	-3,426	-1,357	3,639	5,708	EPS (adj.) growth-%	14%	54%	21%	35%	21%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	12.9 %	12.7 %	13.2 %	13.9 %	13.8 %
EBITDA	5,401	6,558	8,402	10,622	12,482	EBIT (adj.)-%	7.8 %	8.3 %	8.8 %	9.6 %	9.9 %
Change in working capital	-963.0	-331.0	2,711	-4,827	-5,895	EBIT-%	7.8 %	8.3 %	8.9 %	9.7 %	9.9 %
Operating cash flow	4,720	5,497	9,557	4,211	4,706	ROE-%	8.4 %	11.0 %	12.6 %	15.2 %	16.0 %
CAPEX	-3,364	-4,213	-7,637	-8,055	-5,100	ROI-%	9.5 %	12.3 %	14.1 %	16.5 %	17.0 %
Free cash flow	-3,212	2,294	711	-3,844	-394	Equity ratio	41.3 %	39.1 %	35.9 %	35.8 %	36.7 %
						Gearing	-9.6 %	-10.6 %	-3.8 %	9.0 %	12.4 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	1.2	1.5	2.0	5.0	4.3						
EV/EBITDA	9.5	12.0	14.9	36.3	31.0						
EV/EBIT (adj.)	15.6	18.3	22.4	52.6	43.2						
P/E (adj.)	24.3	23.9	30.0	66.9	55.3						
P/B	1.8	2.5	3.5	9.4	8.3						
Dividend-%	1.3 %	1.0 %	0.9 %	0.4 %	0.5 %						

Source: Inderes

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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
2025-09-15	Sell	310	537
2025-10-27	Sell	310	522
2026-01-30	Sell	550	698



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