

Nemetschek SE

Germany | Software & Services | MCap EUR 6,881m

14 April 2026

UPDATE



Strategic expansion into infrastructure via HCSS acquisition. BUY.

BUY (BUY)

Target price	EUR 109.00 (109.00)
Current price	EUR 59.60
Up/downside	82.9%



What's it all about?

Nemetschek (NEM) announced the acquisition of US-based Heavy Construction Systems Specialists (HCSS), expanding its Build & Construct segment. HCSS generated ~USD 215m revenue and ~40% EBITDA margin in 2025 (US GAAP). The transaction structure is complex as PE investor Thoma Bravo will retain a ~28% stake in NEM's entire Build & Construct segment, while Nemetschek keeps control and full consolidation. The implied valuation (~USD 1.5bn mwb est.) appears in line with Nemetschek's own multiples. Strategically, the deal strengthens exposure to infrastructure and enhances data-driven capabilities. However, complexity, integration risks, and shared value creation with a minority partner remain key considerations. At this stage, we leave our estimates unchanged pending further analysis. We confirm our price target of EUR 109.00 and reiterate our BUY rating, awaiting greater clarity on the transaction's financial and operational impact.

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IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

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Strategic expansion into infrastructure via HCSS acquisition. BUY.

Transaction overview. Yesterday, Nemetschek (NEM) has announced the acquisition of Heavy Construction Systems Specialists (HCSS), marking a further strategic step in expanding its Build & Construct segment. HCSS generated c. USD 215m in revenue in 2025 with an EBITDA margin of around 40% (US GAAP). HCSS will be contributed to the existing segment, while seller Thoma Bravo (PE investor) will receive a minority stake of c. 28% in the entire Build & Construct segment (40% of NEM Sales in 2025). NEM will retain ~72% ownership, full control, and continue to fully consolidate the business.

Valuation and financial implications. We estimate the implied valuation of HCSS at c. USD 1.5bn, corresponding to ~7x sales and ~17-19x EBITDA. The transaction is executed at a premium on a sales basis relative to NEM's current trading multiple (~6x EV/sales FY25), while being broadly in line on an EBITDA basis (~19x EV/EBITDA FY25). This suggests that NEM is paying for growth, margin quality, and strategic positioning. The structure combines a moderate cash component (including ~EUR 450m increase in net debt) with a meaningful equity rollover by the seller, preserving balance sheet flexibility while sharing future value creation with Thoma Bravo.

Strategic rationale and potential synergies. Strategically, the acquisition appears well aligned. HCSS strengthens NEM's exposure to the infrastructure and heavy construction segment, which benefits from structural growth drivers and higher visibility. Combining HCSS's field-level operational data with NEM's existing solutions across the construction lifecycle could unlock cross-selling opportunities and enable enhanced data-driven use cases, particularly in AI. This would further support NEM's positioning as an integrated end-to-end platform.

Risks and key considerations. However, the transaction introduces additional complexity. The involvement of a private equity investor at the segment level could lead to differing priorities regarding capital allocation and exit strategies over time. Integration risks also remain, particularly given HCSS's strong US focus and operational positioning versus NEM's historically design-centric portfolio. Given the relatively full valuation, execution and synergy realization will be critical to justify the investment.

- continued -

Nemetschek SE	2023	2024	2025	2026E	2027E	2028E
Sales	852	996	1,191	1,364	1,534	1,719
Growth yoy	6.2%	16.9%	19.7%	14.5%	12.5%	12.0%
EBITDA	258	301	371	438	496	576
EBIT	199	234	298	366	422	500
Net profit	161	175	217	268	316	374
Net debt (net cash)	-193	364	153	-98	-393	-758
Net debt/EBITDA	-0.7x	1.2x	0.4x	-0.2x	-0.8x	-1.3x
EPS reported	1.40	1.52	1.88	2.32	2.74	3.24
DPS	0.48	0.55	0.68	0.70	0.80	0.85
Dividend yield	0.8%	0.9%	1.1%	1.2%	1.3%	1.4%
Gross profit margin	96.0%	95.9%	96.2%	97.4%	97.5%	97.7%
EBITDA margin	30.3%	30.2%	31.2%	32.1%	32.3%	33.5%
EBIT margin	23.4%	23.5%	25.0%	26.8%	27.5%	29.1%
ROCE	22.2%	15.1%	21.4%	23.8%	24.4%	25.4%
EV/Sales	7.9x	7.3x	5.9x	5.0x	4.2x	3.6x
EV/EBITDA	26.0x	24.1x	19.0x	15.5x	13.1x	10.6x
EV/EBIT	33.5x	30.9x	23.6x	18.5x	15.4x	12.3x
PER	42.7x	39.3x	31.7x	25.7x	21.7x	18.4x

Source: Company data, mwb research



Source: Company data, mwb research

High/low 52 weeks 138.50 / 60.75
Price/Book Ratio 7.4x

Ticker / Symbols
ISIN DE0006452907
WKN 645290
Bloomberg NEM:GR

Changes in estimates

		Sales	EBIT	EPS
2026E	old	1,364	366	2.32
	Δ	0.0%	0.0%	0.0%
2027E	old	1,534	422	2.74
	Δ	0.0%	0.0%	0.0%
2028E	old	1,719	500	3.24
	Δ	0.0%	0.0%	0.0%

Key share data

Number of shares: (in m pcs) 115.45
Book value per share: (in EUR) 8.05
Ø trading vol.: (12 months) 181,503

Major shareholders

Nemetschek Foundations 42.9%
Prof. Georg Nemetschek 2.4%
Nemetschek Family 5.5%
Free Float 49.2%

Company description

Nemetschek SE is a software developer for the construction industry. The company operates through four segments: Design, Build, Manage, and Media and Entertainment.

Conclusion. Overall, the transaction represents a strategically consistent move that materially expands NEM's addressable market. Near-term uncertainty around structure, governance, and financial impact remains. Against this backdrop and at this early stage, we leave our estimates unchanged pending further analysis. We confirm our price target of EUR 109.00 and reiterate our BUY rating, awaiting greater clarity on the transaction's financial and operational impact.

The following table displays the quarterly performance of **Nemetschek SE**:

P&L data	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Sales	223.9	227.7	253.0	291.4	282.8	290.0	293.1	325.3
yoy growth in %	9.5%	9.7%	15.1%	32.7%	26.3%	27.4%	15.9%	11.6%
Gross profit	214.8	217.6	242.3	280.4	271.5	279.2	282.0	313.5
Gross margin in %	95.9%	95.6%	95.8%	96.2%	96.0%	96.3%	96.2%	96.4%
EBITDA	68.3	61.4	76.2	95.1	80.7	88.5	95.2	106.8
EBITDA margin in %	30.5%	27.0%	30.1%	32.7%	28.5%	30.5%	32.5%	32.8%
EBIT	54.7	47.9	57.9	73.5	62.2	70.5	77.5	87.7
EBIT margin in %	24.4%	21.0%	22.9%	25.2%	22.0%	24.3%	26.4%	27.0%
EBT	54.7	54.6	50.9	68.0	56.9	67.6	73.4	84.9
taxes paid	11.4	11.9	10.5	15.6	11.6	14.4	17.0	18.8
tax rate in %	20.8%	21.8%	20.7%	22.9%	20.4%	21.3%	23.1%	22.2%
net profit	42.5	41.9	40.3	50.2	44.9	53.2	56.4	62.7
yoy growth in %	15.6%	27.7%	-12.2%	6.5%	5.5%	27.0%	39.8%	25.0%
EPS	0.37	0.36	0.34	0.45	0.39	0.45	0.48	0.56

Source: Company data; mwb research

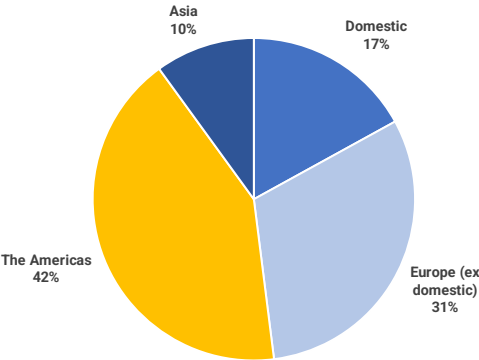
Investment case in six charts

Divisions and brands

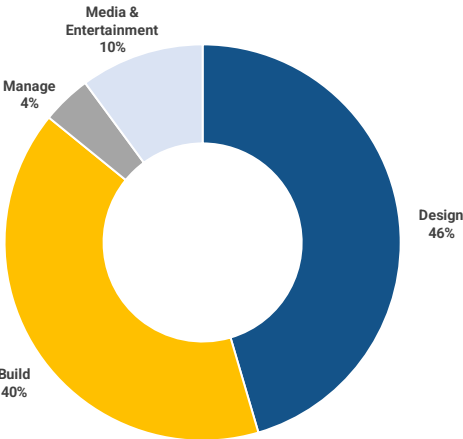
Architecture • Engineering • Construction • Construction (AEC/O)

DESIGN		BUILD	MANAGE
			
			
			
			
			

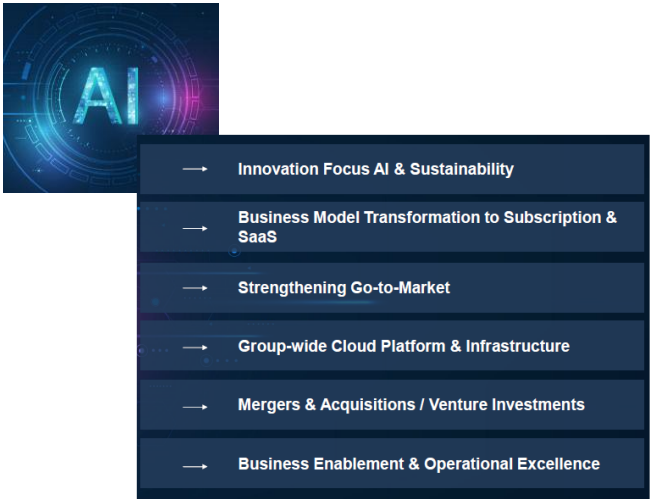
Regional sales split in %



Segmental breakdown in %



AI-First Strategy: Becoming a Vertical AI Leader

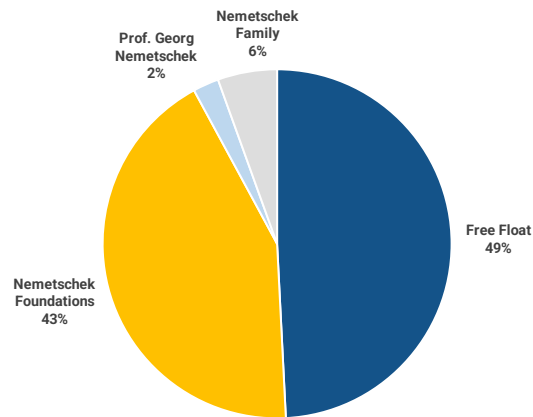


Outlook Financial Year 2026

Starting Point 2025	Guidance 2026
Revenue: EUR 1,191.2m (reported)	Revenue Growth: +14% - 15% (at constant currency)
Revenue Growth: +19.7% (reported) + 22.6% (at constant currency)	EBITDA Margin: 32% - 33% (reported)
EBITDA Margin: 31.2% (reported)	

Note: Growth benefitted from M&A contribution & temporary positive effects related to the successful completion of the subscription transition of Bluebeam

Major Shareholders



Source: Company data, mwb research

SWOT analysis

Strengths

- Market leader in several segments, regions
- Innovation leader with OpenBIM approach
- Strong, experienced management
- Well-established player in AEC market

Weaknesses

- Controlled by the Nemetschek family
- Company structure with only limited synergy potential
- Reliance on acquisitions for growth
- Focus on AEC market only

Opportunities

- Digitalization of construction industry
- Internationalization, expansion into other regions
- Further growth through acquisitions
- Regulatory development (BIM mandates worldwide)

Threats

- Decreasing IT spending in AEC segment
- Increasing competition
- Decline in construction sector

Valuation

DCF Model

The DCF model results in a **fair value of EUR 108.39 per share**:

Top-line growth: We expect Nemetschek SE to grow revenues at a CAGR of 9.6% between 2026E and 2033E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from 23.8% in 2026E to 22.7% in 2033E.

WACC. Starting point is a historical equity beta of 0.90. Unlevering and correcting for mean reversion yields an asset beta of 0.91. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 7.5%. With pre-tax cost of borrowing at 5.0%, a tax rate of 20% and target debt/equity of 0.0 this results in a long-term WACC of 7.5%.

[illegible]

DCF per share derived from	
Total present value	12,094
Mid-year adj. total present value	12,538
Net debt / cash at start of year	153
Financial assets	130
Provisions and off b/s debt	3
Equity value	12,513
No. of shares outstanding	115.4
Discounted cash flow / share upside/(downside)	108.39 81.9%

Share price	59.60
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DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2026E-2033E)	9.6%
Terminal value growth (2033E - infinity)	2.0%
Terminal year ROCE	22.7%
Terminal year WACC	7.5%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	20%
Equity beta	0.90
Unlevered beta (industry or company)	0.91
Target debt / equity	0.0
Relevered beta	0.91
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	7.5%

Sensitivity analysis DCF

Change in WACC (%points)	Long term growth					Share of present value	
	1.0%	1.5%	2.0%	2.5%	3.0%		
2.0%	71.4	74.5	77.9	81.8	86.3	2026E-2029E	12.0%
1.0%	81.8	86.0	90.7	96.3	102.9	2030E-2033E	15.2%
0.0%	95.5	101.4	108.4	116.8	127.1	terminal value	72.8%
-1.0%	114.2	123.1	134.0	147.7	165.3		
-2.0%	141.4	155.9	174.6	199.6	234.7		

Source: mwb research

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR 42.08 per share based on 2026E and EUR 94.92 per share on 2030E estimates.

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2026E	2027E	2028E	2029E	2030E
EBITDA	438	496	576	712	810
- Maintenance capex	37	38	38	39	39
- Minorities	5	6	8	10	11
- tax expenses	76	83	102	132	152
= Adjusted FCF	319	368	428	531	607
Actual Market Cap	6,884	6,884	6,884	6,884	6,884
+ Net debt (cash)	-98	-393	-758	-1,193	-1,707
+ Pension provisions	3	4	4	4	5
+ Off B/S financing	0	0	0	0	0
- Financial assets	130	130	130	130	130
- Acc. dividend payments	79	159	252	350	448
<i>EV Reconciliations</i>	-304	-679	-1,136	-1,668	-2,281
= Actual EV'	6,580	6,205	5,748	5,215	4,603
Adjusted FCF yield	4.8%	5.9%	7.4%	10.2%	13.2%
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
Fair EV	4,555	5,263	6,110	7,588	8,677
- <i>EV Reconciliations</i>	-304	-679	-1,136	-1,668	-2,281
Fair Market Cap	4,859	5,942	7,246	9,256	10,958
No. of shares (million)	115	115	115	115	115
Fair value per share in EUR	42.08	51.47	62.76	80.18	94.92
Premium (-) / discount (+)	-29.4%	-13.6%	5.3%	34.5%	59.3%

Sensitivity analysis FV						
Adjusted hurdle rate	5.0%	58	70	84	106	125
	6.0%	49	59	72	91	107
	7.0%	42	51	63	80	95
	8.0%	37	46	56	72	86
	9.0%	33	41	51	66	78

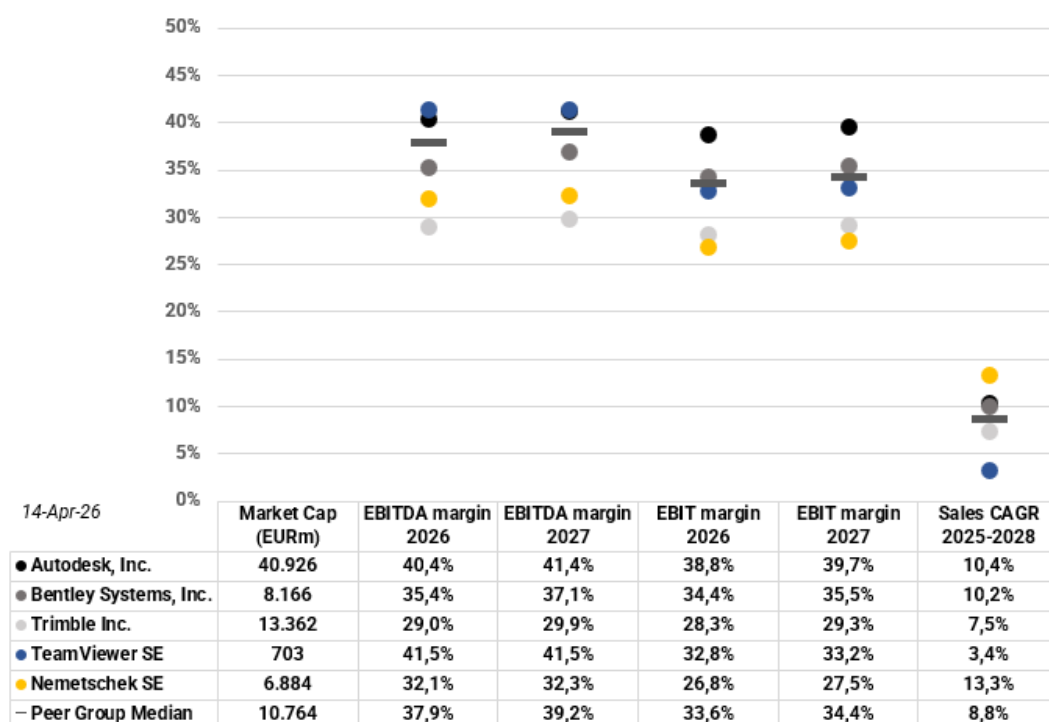
Source: Company data; mwb research

Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

Peer group analysis

A peer group or comparable company ("comps") analysis is a methodology that calculates a company's relative value – how much it should be worth based on how it compares to other similar companies. Given that **Nemetschek SE** differs quite significantly in terms of size, focus, financial health and growth trajectory, we regard our peer group analysis merely as a support for other valuation methods. The peer group of Nemetschek SE consists of the stocks displayed in the chart below. As of 14 April 2026 the median market cap of the peer group was EUR 10,764m, compared to EUR 6,881m for Nemetschek SE. In the period under review, the peer group was more profitable than Nemetschek SE. The expectations for sales growth are lower for the peer group than for Nemetschek SE.

Peer Group – Key data

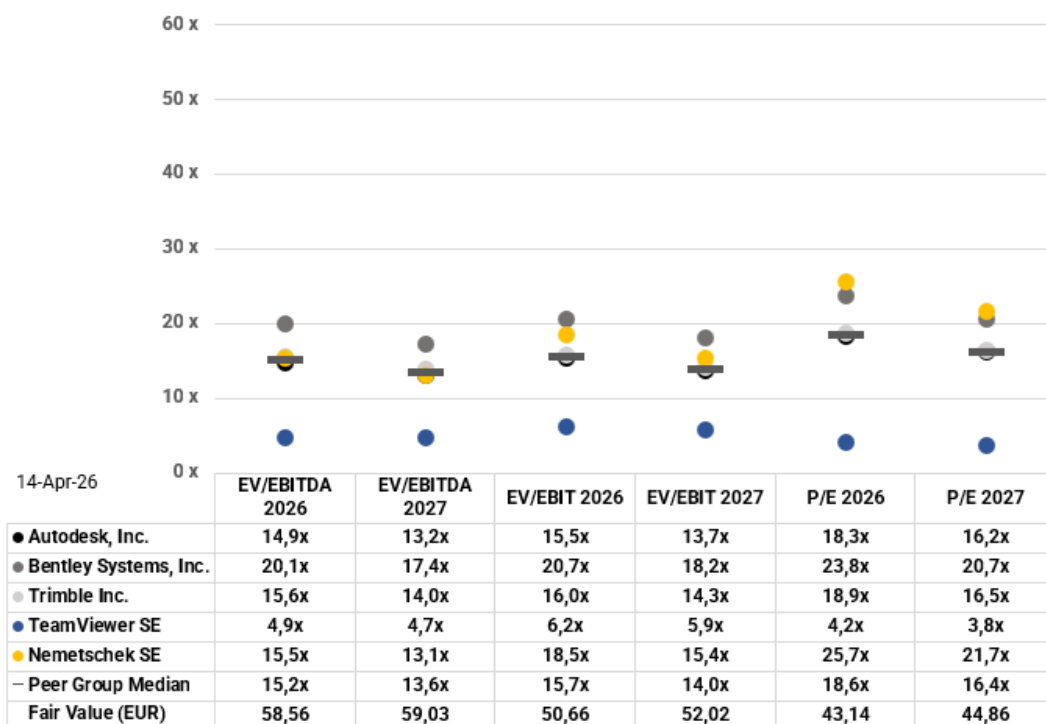


Source: FactSet, mwb research

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/EBITDA 2026, EV/EBITDA 2027, EV/EBIT 2026, EV/EBIT 2027, P/E 2026 and P/E 2027.

Applying these to Nemetschek SE results in a range of fair values from EUR 43.14 to EUR 59.03.

Peer Group – Multiples and valuation

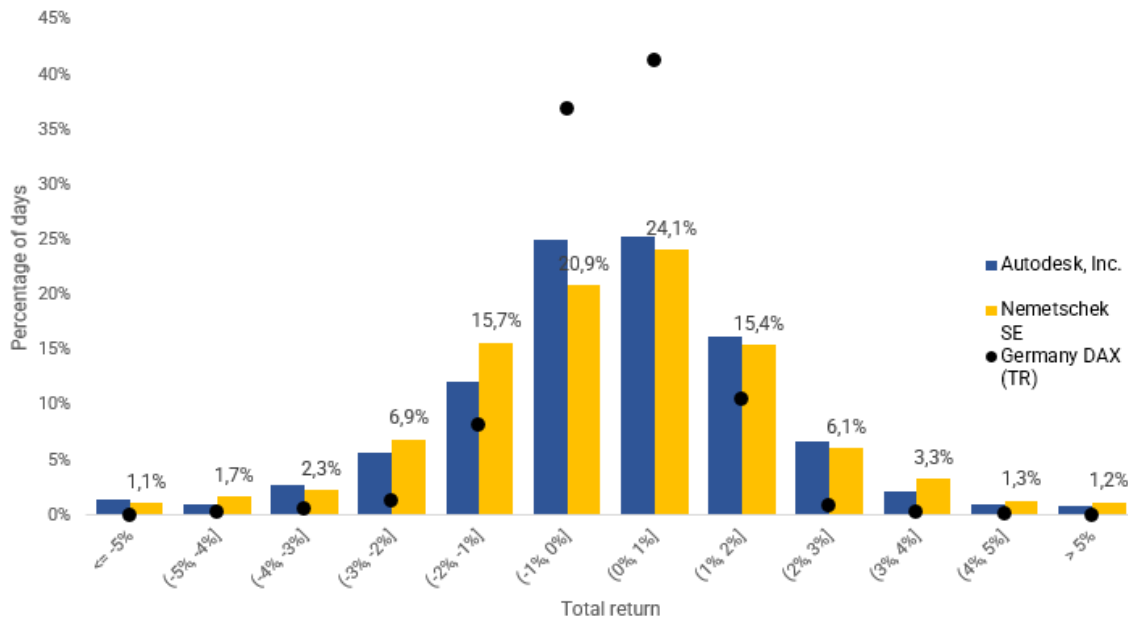


Source: FactSet, mwb research

Risk

The chart displays the **distribution of daily returns of Nemetschek SE** over the last 3 years, compared to the same distribution for Autodesk, Inc.. We have also included the distribution for the index Germany DAX (TR). The distribution gives a better understanding of risk than measures like volatility, which assume that log returns are normally distributed. In reality, they are skewed (down moves are larger) and have fat tails (large moves occur more often than predicted). Also, volatility treats up and down moves the same, while investors are more worried about down moves. For Nemetschek SE, the worst day during the past 3 years was 12/08/2025 with a share price decline of -11.1%. The best day was 20/01/2025 when the share price increased by 10.4%.

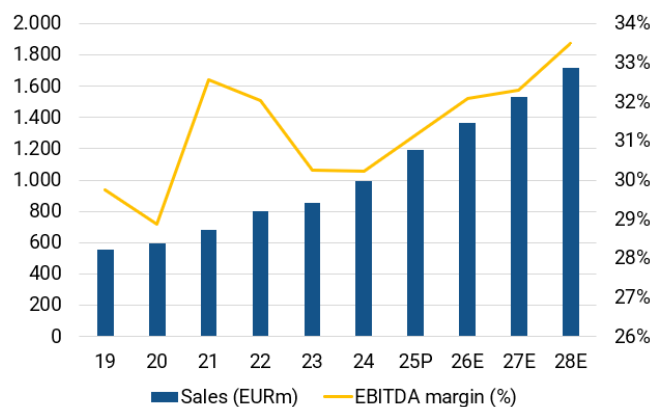
Risk – Daily Returns Distribution (trailing 3 years)



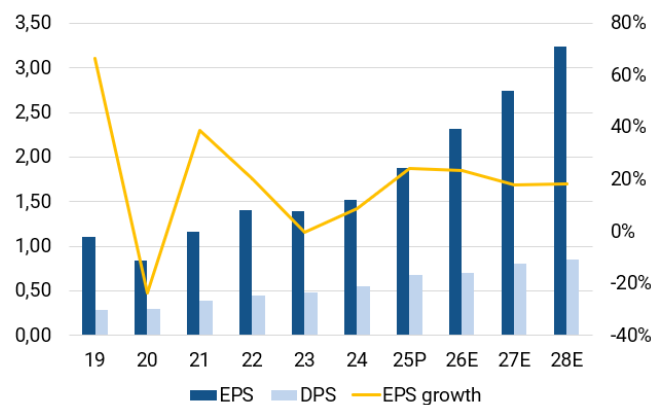
Source: FactSet, mwb research

Financials in six charts

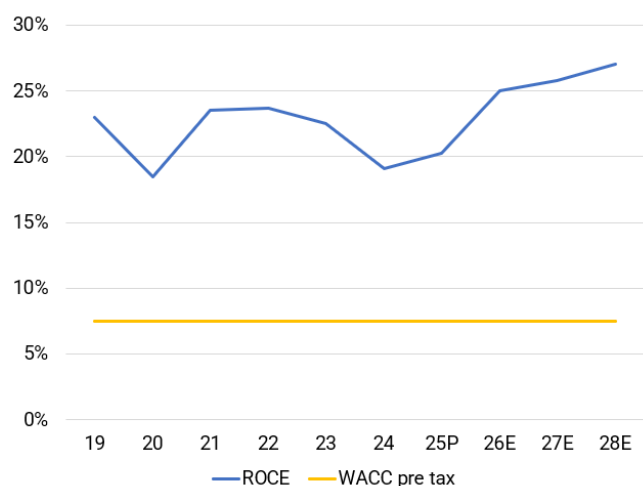
Sales vs. EBITDA margin development



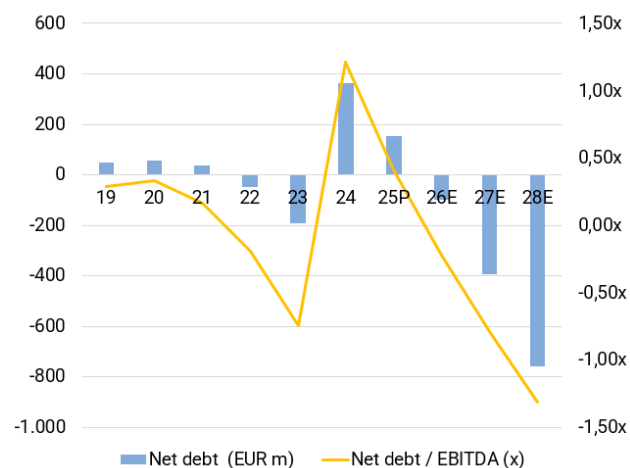
EPS, DPS in EUR & yoy EPS growth



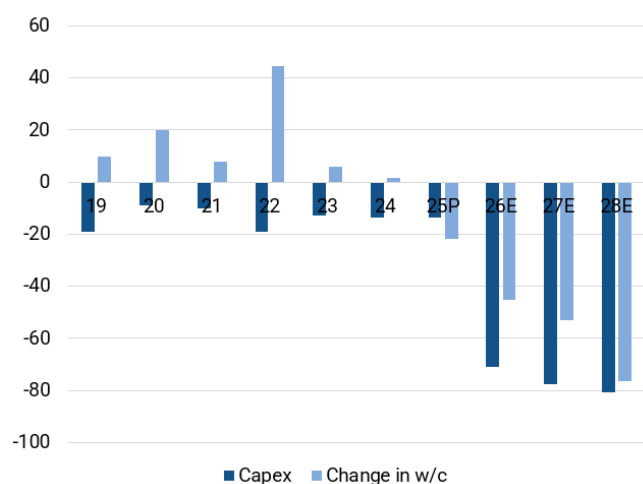
ROCE vs. WACC (pre tax)



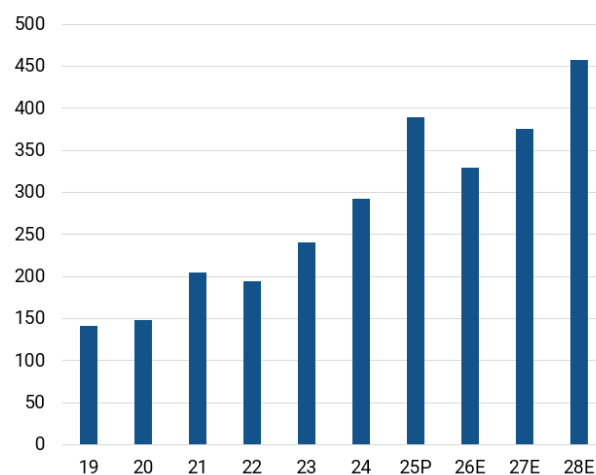
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2023	2024	2025	2026E	2027E	2028E
Net sales	852	996	1,191	1,364	1,534	1,719
Sales growth	6.2%	16.9%	19.7%	14.5%	12.5%	12.0%
Change in finished goods and work-in-process	0	0	0	0	0	0
Total sales	852	996	1,191	1,364	1,534	1,719
Material expenses	34	40	45	35	38	40
Gross profit	818	955	1,146	1,328	1,496	1,679
Other operating income	9	12	13	14	15	26
Personnel expenses	361	406	465	573	643	708
Other operating expenses	208	260	323	331	373	421
EBITDA	258	301	371	438	496	576
Depreciation	29	33	37	37	38	38
EBITA	229	268	335	401	458	538
Amortisation of goodwill and intangible assets	29	33	37	35	36	38
EBIT	199	234	298	366	422	500
Financial result	5	-5	-15	-16	-16	-16
Recurring pretax income from continuing operations	204	229	283	350	406	484
Extraordinary income/loss	0	-1	-0	0	0	0
Earnings before taxes	205	228	283	350	406	484
Taxes	41	49	62	76	83	102
Net income from continuing operations	164	178	221	274	323	382
Result from discontinued operations (net of tax)	0	0	0	0	0	0
Net income	164	178	221	274	323	382
Minority interest	-3	-3	-4	-5	-6	-8
Net profit (reported)	161	175	217	268	316	374
Average number of shares	115.50	115.45	115.45	115.45	115.45	115.45
EPS reported	1.40	1.52	1.88	2.32	2.74	3.24

Profit and loss (common size)	2023	2024	2025	2026E	2027E	2028E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	0%	0%	0%	0%	0%	0%
Total sales	100%	100%	100%	100%	100%	100%
Material expenses	4%	4%	4%	3%	3%	2%
Gross profit	96%	96%	96%	97%	98%	98%
Other operating income	1%	1%	1%	1%	1%	2%
Personnel expenses	42%	41%	39%	42%	42%	41%
Other operating expenses	24%	26%	27%	24%	24%	25%
EBITDA	30%	30%	31%	32%	32%	34%
Depreciation	3%	3%	3%	3%	2%	2%
EBITA	27%	27%	28%	29%	30%	31%
Amortisation of goodwill and intangible assets	3%	3%	3%	3%	2%	2%
EBIT	23%	24%	25%	27%	28%	29%
Financial result	1%	-1%	-1%	-1%	-1%	-1%
Recurring pretax income from continuing operations	24%	23%	24%	26%	26%	28%
Extraordinary income/loss	0%	-0%	-0%	0%	0%	0%
Earnings before taxes	24%	23%	24%	26%	26%	28%
Taxes	5%	5%	5%	6%	5%	6%
Net income from continuing operations	19%	18%	19%	20%	21%	22%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	19%	18%	19%	20%	21%	22%
Minority interest	-0%	-0%	-0%	-0%	-0%	-0%
Net profit (reported)	19%	18%	18%	20%	21%	22%

Source: Company data; mwb research

Balance sheet (EURm)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (exl. Goodwill)	135	383	362	375	393	412
Goodwill	552	1,135	1,065	1,065	1,065	1,065
Property, plant and equipment	85	83	59	45	31	17
Financial assets	84	84	130	130	130	130
FIXED ASSETS	856	1,686	1,616	1,615	1,619	1,625
Inventories	1	1	1	1	1	1
Accounts receivable	101	147	153	153	168	184
Other current assets	19	38	52	52	52	52
Liquid assets	269	206	252	447	687	997
Deferred taxes	34	37	25	25	25	25
Deferred charges and prepaid expenses	28	21	20	27	39	40
CURRENT ASSETS	418	451	502	705	972	1,298
TOTAL ASSETS	1,274	2,136	2,118	2,321	2,591	2,923
SHAREHOLDERS EQUITY	747	906	929	1,124	1,366	1,655
MINORITY INTEREST	35	38	36	36	36	36
Long-term debt	53	553	391	341	291	241
Provisions for pensions and similar obligations	4	4	3	3	4	4
Other provisions	35	35	18	27	31	34
Non-current liabilities	92	591	412	372	326	280
short-term liabilities to banks	23	17	13	8	3	-2
Accounts payable	15	21	27	19	21	22
Advance payments received on orders	265	355	436	484	537	596
Other liabilities (incl. from lease and rental contracts)	14	96	138	136	153	172
Deferred taxes	17	10	26	26	26	26
Deferred income	66	102	100	115	123	137
Current liabilities	401	600	740	788	863	951
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,274	2,136	2,118	2,321	2,591	2,923

Balance sheet (common size)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (excl. Goodwill)	11%	18%	17%	16%	15%	14%
Goodwill	43%	53%	50%	46%	41%	36%
Property, plant and equipment	7%	4%	3%	2%	1%	1%
Financial assets	7%	4%	6%	6%	5%	4%
FIXED ASSETS	67%	79%	76%	70%	62%	56%
Inventories	0%	0%	0%	0%	0%	0%
Accounts receivable	8%	7%	7%	7%	6%	6%
Other current assets	1%	2%	2%	2%	2%	2%
Liquid assets	21%	10%	12%	19%	27%	34%
Deferred taxes	3%	2%	1%	1%	1%	1%
Deferred charges and prepaid expenses	2%	1%	1%	1%	2%	1%
CURRENT ASSETS	33%	21%	24%	30%	38%	44%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	59%	42%	44%	48%	53%	57%
MINORITY INTEREST	3%	2%	2%	2%	1%	1%
Long-term debt	4%	26%	18%	15%	11%	8%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	3%	2%	1%	1%	1%	1%
Non-current liabilities	7%	28%	19%	16%	13%	10%
short-term liabilities to banks	2%	1%	1%	0%	0%	-0%
Accounts payable	1%	1%	1%	1%	1%	1%
Advance payments received on orders	21%	17%	21%	21%	21%	20%
Other liabilities (incl. from lease and rental contracts)	1%	4%	7%	6%	6%	6%
Deferred taxes	1%	0%	1%	1%	1%	1%
Deferred income	5%	5%	5%	5%	5%	5%
Current liabilities	31%	28%	35%	34%	33%	33%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Cash flow statement (EURm)	2023	2024	2025	2026E	2027E	2028E
Net profit/loss	205	228	283	274	323	382
Depreciation of fixed assets (incl. leases)	58	67	37	37	38	38
Amortisation of goodwill	0	0	0	0	0	0
Amortisation of intangible assets	0	41	37	35	36	38
Others	-4	-28	25	9	4	4
Cash flow from operations before changes in w/c	259	308	381	355	400	461
Increase/decrease in inventory	0	0	0	-0	-0	0
Increase/decrease in accounts receivable	0	0	-0	0	-15	-15
Increase/decrease in accounts payable	49	48	60	-8	2	1
Increase/decrease in other w/c positions	-55	-58	-38	53	67	91
Increase/decrease in working capital	-6	-2	22	45	53	77
Cash flow from operating activities	253	307	403	400	453	538
CAPEX	-13	-14	-14	-71	-77	-81
Payments for acquisitions	-10	-681	-60	0	0	0
Financial investments	-15	-13	-8	0	0	0
Income from asset disposals	0	0	0	0	0	0
Cash flow from investing activities	-38	-707	-82	-71	-77	-81
Cash flow before financing	215	-400	321	329	376	457
Increase/decrease in debt position	-82	424	-141	-55	-55	-55
Purchase of own shares	0	0	-11	0	0	0
Capital measures	0	0	0	0	0	0
Dividends paid	-52	-55	-63	-79	-81	-92
Others	-6	-37	-42	0	0	0
Effects of exchange rate changes on cash	-4	6	-17	0	0	0
Cash flow from financing activities	-144	338	-275	-134	-136	-147
Increase/decrease in liquid assets	71	-56	29	195	240	310
Liquid assets at end of period	268	206	235	430	670	980

Source: Company data; mwb research

Regional sales split (EURm)	2023	2024	2025	2026E	2027E	2028E
Domestic	179	179	203	232	261	292
Europe (ex domestic)	273	309	369	423	476	533
The Americas	324	408	500	573	644	722
Asia	77	100	119	136	153	172
Rest of World	0	0	0	0	0	0
Total sales	852	996	1,191	1,364	1,534	1,719

Regional sales split (common size)	2023	2024	2025	2026E	2027E	2028E
Domestic	21.0%	18.0%	17.0%	17.0%	17.0%	17.0%
Europe (ex domestic)	32.0%	31.0%	31.0%	31.0%	31.0%	31.0%
The Americas	38.0%	41.0%	42.0%	42.0%	42.0%	42.0%
Asia	9.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Rest of World	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Ratios	2023	2024	2025	2026E	2027E	2028E
Per share data						
Earnings per share reported	1.40	1.52	1.88	2.32	2.74	3.24
Cash flow per share	2.11	2.58	3.41	3.14	3.60	4.33
Book value per share	6.46	7.85	8.05	9.74	11.83	14.34
Dividend per share	0.48	0.55	0.68	0.70	0.80	0.85
Valuation						
P/E	42.7x	39.3x	31.7x	25.7x	21.7x	18.4x
P/CF	28.2x	23.1x	17.5x	19.0x	16.6x	13.8x
P/BV	9.2x	7.6x	7.4x	6.1x	5.0x	4.2x
Dividend yield (%)	0.8%	0.9%	1.1%	1.2%	1.3%	1.4%
FCF yield (%)	3.5%	4.3%	5.7%	5.3%	6.0%	7.3%
EV/Sales	7.9x	7.3x	5.9x	5.0x	4.2x	3.6x
EV/EBITDA	26.0x	24.1x	19.0x	15.5x	13.1x	10.6x
EV/EBIT	33.5x	30.9x	23.6x	18.5x	15.4x	12.3x
Income statement (EURm)						
Sales	852	996	1,191	1,364	1,534	1,719
yoy chg in %	6.2%	16.9%	19.7%	14.5%	12.5%	12.0%
Gross profit	818	955	1,146	1,328	1,496	1,679
Gross margin in %	96.0%	95.9%	96.2%	97.4%	97.5%	97.7%
EBITDA	258	301	371	438	496	576
EBITDA margin in %	30.3%	30.2%	31.2%	32.1%	32.3%	33.5%
EBIT	199	234	298	366	422	500
EBIT margin in %	23.4%	23.5%	25.0%	26.8%	27.5%	29.1%
Net profit	161	175	217	268	316	374
Cash flow statement (EURm)						
CF from operations	253	307	403	400	453	538
Capex	-13	-14	-14	-71	-77	-81
Maintenance Capex	9	9	9	37	38	38
Free cash flow	240	293	389	329	376	457
Balance sheet (EURm)						
Intangible assets	687	1,519	1,427	1,440	1,458	1,477
Tangible assets	85	83	59	45	31	17
Shareholders' equity	747	906	929	1,124	1,366	1,655
Pension provisions	4	4	3	3	4	4
Liabilities and provisions	115	608	426	380	329	278
Net financial debt	-193	364	153	-98	-393	-758
w/c requirements	-179	-227	-309	-349	-389	-433
Ratios						
ROE	22.0%	19.7%	23.8%	24.3%	23.6%	23.1%
ROCE	22.2%	15.1%	21.4%	23.8%	24.4%	25.4%
Net gearing	-25.9%	40.1%	16.4%	-8.7%	-28.8%	-45.8%
Net debt / EBITDA	-0.7x	1.2x	0.4x	-0.2x	-0.8x	-1.3x

Source: Company data; mwb research

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