Stora Enso Oyj

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RECOMMENDATION **BUY** 12-month horizon	CURRENT PRICE **10.05 EUR** as of report date	TARGET PRICE **12.76 EUR** 12-month fundamental
IMPLIED UPSIDE **+27.0%** vs. current price	MARKET CAP **EUR 7.9 bn** shares × price	ENTERPRISE VALUE **EUR 11.2 bn** mcap + net debt

P/E 2026E	EV/EBITDA 2026E	FCF YIELD 2026E	DIVIDEND YIELD 2026E	NET DEBT / EBITDA 2026E
19.8×	7.8×	1.8%	4.0%	2.4×

RESEARCH SNAPSHOT

The call, the math, and the three reasons why

02

This page is the institutional summary. Read it in 30 seconds — the rest of the report is the supporting evidence.

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01 Swedish Forest Asset Demerger

The planned statutory demerger of the EUR 5,700 million Swedish forest assets unlocks trapped value and forces a positive re-rating of the residual EUR 3,248 million industrial enterprise value.

EUR 5,700m

02 Oulu Consumer Board Ramp-up

The capital conversion at the Oulu site scales new board volumes and lifts the Consumer Packaging segment from a depressed 6.8% margin to an 11.0% rate, driving a valuation re-rating.

11.0%

03 Mechanical Earnings Growth

Because heavy capital outlays are now complete, incremental volumes will mechanically lift group earnings from EUR 705 million to EUR 977 million by 2028, easing the currently mispriced debt burden.

EUR 977m

THESIS BREAKER

The thesis breaks if the cross-border demerger triggers capital gains tax leakage on the biological assets, or if Oulu fails to lift Consumer Packaging margins above 8.0% by late 2027.

SHARE PRICE DEVELOPMENT

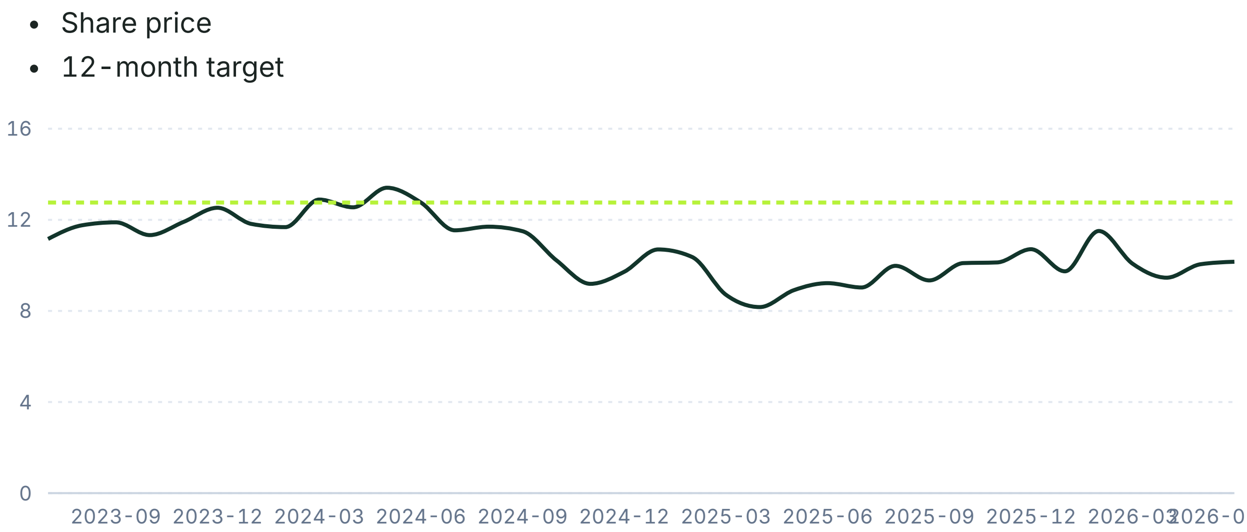
Price trajectory and valuation anchors

03

24+ months of monthly closes with the 12-month target overlaid. Quick facts pull from market data.

Share price — last 24 months

EUR per share, with 12-month target line



CURRENT PRICE **10.05 EUR** 1 June 2026	TARGET PRICE **12.76 EUR** 12-month	IMPLIED UPSIDE **+27.0%** vs. current	52-WEEK HIGH **11.51 EUR** past 12m
52-WEEK LOW **9.03 EUR** past 12m	1-YEAR CHANGE **+10.2%** price only	3-YEAR CHANGE **−9.0%** price only	REPORT DATE **1 June 2026**

VALUE BREAKDOWN · PART 1

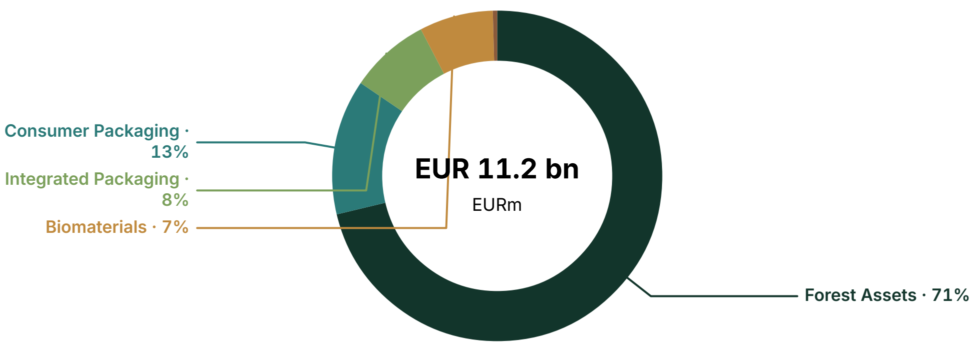
Enterprise-value allocation by value pool

04

Each pool's share of the group's enterprise value, with revenue / EBIT / EV economics.

Enterprise value by pool

EUR millions



SEGMENT ECONOMICS

	REVENUE	REV %	COMP. EBIT	EBIT %	EV	EV %	ARCHETYPE
Forest Assets	1,258	13.4%	225	31.9%	8,000	71.1%	Asset-backed
Consumer Packaging	3,250	34.6%	220	31.2%	1,489	13.2%	Profit engine
Integrated Packaging	2,150	22.9%	130	18.4%	880	7.8%	Commodity
Biomaterials	1,126	12.0%	120	17.0%	812	7.2%	Commodity
Other (Wood Products)	1,600	17.1%	10	1.4%	67	0.6%	Restructuring

VALUE BREAKDOWN · PART 2

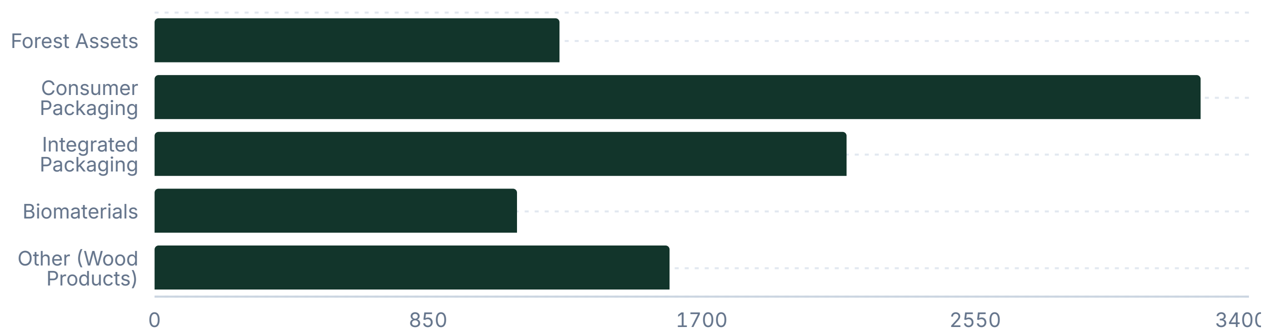
05

Net sales and EBIT by pool

Two horizontal bar charts showing where revenue and earnings actually come from.

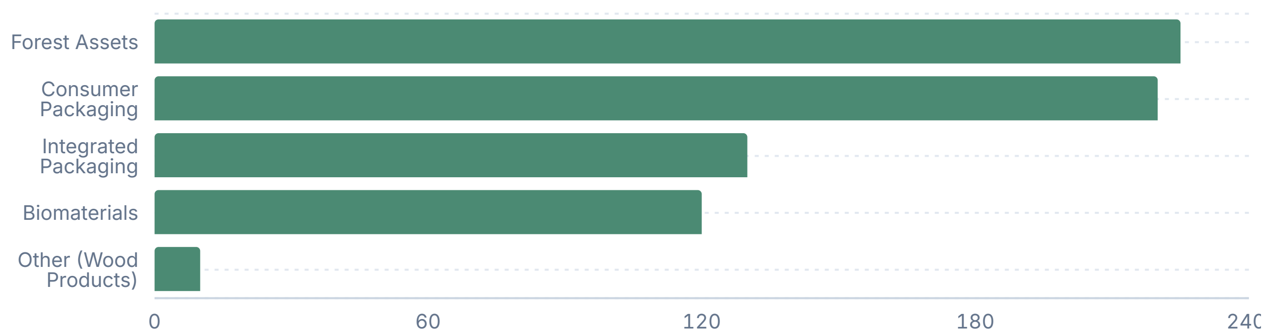
Net sales by pool

EUR millions, latest reported



Comparable EBIT by pool

EUR millions, latest reported



INTERPRETATION

Stora Enso's EUR 11,248 million enterprise value is heavily skewed toward its biological assets. The Forest Assets value pool alone is allocated approximately EUR 8.0 billion, representing over 70% of the group total. Because the market anchors Stora Enso's valuation to this physical asset floor, the residual enterprise value allocated to the industrial operations—which generate the vast majority of revenue and EBIT—is severely compressed.

RECOMMENDATION

06 Why we land on the call we do

The supporting prose, the rating decision, and the three load-bearing reasons.

Stora Enso is currently trading at EUR 10.05 and offers significant hidden asset value, supporting a BUY recommendation with a target price of EUR 12.76, implying roughly 27 percent upside over the next 12 months.

Stora Enso's EUR 7,922 million equity capitalization prices a distressed industrial operation attached to an EUR 8,000 million biological land bank. The main re-rating catalyst is the H1 2027 statutory demerger of EUR 5,700 million in Swedish forest assets, which would separate a 2.8% cash-yielding real asset from cyclical headwinds.

At the same time, the EUR 1,000 million Oulu site conversion will lift Consumer Packaging from a depressed 6.8% margin to an 11.0% mid-cycle rate. Together, these two actions unlock the trapped timberland net asset value (NAV) and force a re-rating of the residual EUR 3,248 million industrial enterprise value well above its distressed 6.7x 2026E EBIT multiple.

BUY

TARGET PRICE
12.76 EUR

CURRENT PRICE
10.05 EUR

IMPLIED UPSIDE
+27.0%

12-MONTH VIEW
Stora Enso offers significant upside as the 2027 Swedish forest demerger unlocks trapped asset value and Oulu capacity ramp-ups drive industrial margin recovery.

MAIN DRIVER
Swedish forest asset demerger and Consumer Packaging recovery.

MAIN RISK
Biological asset capital gains tax leakage from the demerger.

01 Swedish Forest Asset Demerger

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EUR 5,700m

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11.0%

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EUR 977m

THESIS BREAKER

The thesis breaks if the cross-border demerger triggers capital gains tax leakage on the biological assets, or if Oulu fails to lift Consumer Packaging margins above 8.0% by late 2027.

CORE ANALYSIS · EXECUTIVE MAP

07 How the company creates economic value

The mental model behind every pool deep-dive that follows.

Stora Enso is currently priced as a massive land bank with a discounted, cyclical industrial operation attached. The group's EUR 11,248 million enterprise value is heavily skewed toward its biological assets. The Forest Assets value pool alone is allocated approximately EUR 8.0 billion, over 70% of the total. This allocation is supported by direct asset-value evidence: the company's reported fair value for its biological assets stood at roughly EUR 8.5 billion at the end of the first quarter of 2026, following a minor 2025 divestment. Because the market anchors valuation to this physical asset floor, the residual enterprise value allocated to the industrial operations—Packaging and Biomaterials—is severely compressed.

The company's economic output contrasts sharply with this valuation allocation. The industrial segments generate the vast majority of Stora Enso's revenue and over 65% of its adjusted operating profit, yet they are assigned less than 30% of enterprise value on a residual basis. Consumer Packaging, the primary industrial profit engine, drives 34.6% of sales and 31.2% of EBIT but commands a residual EV of only EUR 1.5 billion. This disconnect suggests the market is either applying a punitive conglomerate discount to the forest holdings—implying that the stated NAV is not fully realizable in cash—or pricing in a structural impairment in the cyclical packaging and pulp businesses.

To bridge this enterprise value to the EUR 7,922 million equity market capitalization, one must deduct the group's EUR 3,432 million in net debt and minor balancing items. Because that debt sits at the group level, the equity investment case hinges entirely on how the debt will be apportioned. Management has announced a statutory cross-border demerger of the Swedish forest assets into a newly listed entity, expected to close in the first half of 2027. The core analytical task is to determine whether this transaction will cleanly separate the asset value from industrial volatility, and what level of normalized earnings the remaining industrial company must generate to support the remaining debt burden.

ANALYTICAL ANCHOR

The main analytical task is to determine whether the 2027 Swedish demerger will cleanly separate the asset value from industrial volatility to support the debt burden.

CORE ANALYSIS · POOL DEEP DIVES

08

Forest Assets

Pool deep dive — asset_backed_value_pool.

The segment generates an estimated EUR 1,258 million in net sales (13.4% of group) and EUR 225 million in adjusted EBIT (31.9% of group), for an operating margin of 17.9%. The allocated enterprise value is EUR 8,000 million (71.1% of group EV). This allocation has high confidence, based on the stated fair value of the biological assets adjusted for recent minor divestments and holding discounts.

The market values the Forest Assets purely on a net asset value (NAV) basis, not a cash-flow multiple. Timberland is a highly stable, inflation-protected real asset that provides both physical supply security for the industrial operations and a liquid reservoir of value. Because the company's historic reported EBIT has been heavily distorted by non-cash fair value revaluations of these biological assets, investors strip out the accounting noise and value the forest holdings independently.

Stora Enso is one of the world's largest private forest owners. The asset base is strictly regulated, sustainably managed, and geographically concentrated in the Nordic region. The 2027 separation specifically targets the Swedish forest holdings, which comprise over 1.2 million hectares of productive forest land. As of late 2025, these Swedish assets alone carried a fair value of approximately EUR 5.7 billion. The remaining forest assets include Finnish holdings and a minority stake in Tornator.

The competitive moat of mature forest holdings is absolute: productive land cannot be replicated. Stora Enso's main Nordic competitors—UPM, SCA, and Holmen—also benefit from substantial integrated forest holdings. SCA, which operates largely as a pure-play forest company with integrated industrial assets, often trades at a premium multiple because its forest valuation is highly transparent. Stora Enso's decision to demerge the Swedish assets into a new publicly listed company headquartered in Falun, Sweden, is a direct attempt to replicate that SCA-style pure-play valuation.

FOREST ASSETS FACT SHEET
ASSET_BACKED_VALUE_POOL

ASSET NAV
EUR ~8.5B

CASH YIELD
2.8%

MOAT
Absolute (Timberland)

PLANNED SPINCO
EUR 5.7B (Swedish)

CORE ANALYSIS · POOL DEEP DIVES

08

Consumer Packaging

Pool deep dive — current_profit_engine.

Consumer Packaging generates an estimated EUR 3,250 million in net sales (34.6% of group) and EUR 220 million in adjusted EBIT (31.2% of group), for a depressed operating margin of 6.8%. The segment is allocated a residual enterprise value of EUR 1,489 million, or 13.2% of the group total. Allocation confidence is medium, because it relies on deducting the large Forest NAV from the group EV control total.

The market values Consumer Packaging as the group's primary industrial growth and profit engine. The segment produces high-quality folding boxboard (FBB) and solid bleached sulphate (SBS) board used in food, beverage, and premium retail packaging. The valuation is currently depressed because the segment is navigating a cyclical trough in European demand, along with the heavy margin drag from ramping up the converted Oulu consumer board line.

The European fresh fiber consumer board market is highly consolidated. Demand is driven by fast-moving consumer goods, liquid packaging (such as milk and juice cartons), and food-service applications. Stora Enso committed a EUR 1 billion capital investment to convert an idle paper machine at its Oulu site in Finland into a large consumer board line. The line is currently ramping up and is expected to reach full capacity by 2027, temporarily flooding the market with supply and dragging down segment margins through unabsorbed fixed costs.

The unit economics of consumer board are driven by volume (capacity utilization), average selling price (ASP) negotiated through multi-year contracts with major FMCG buyers, and variable input costs (energy, chemicals, and pulpwood). In a normalized environment, consumer packaging assets operating at 90%+ utilization generate EBIT margins of 12–15%. Currently, the segment operates at a 6.8% margin. As Oulu scales toward its target capacity, fixed cost absorption will improve geometrically.

CONSUMER PACKAGING FACT SHEET

CURRENT_PROFIT_ENGINE

CURRENT MARGIN
6.8%

REQUIRED MID-CYCLE MARGIN
11.0%

IMPLIED EV/EBIT MULTIPLE
6.7x

KEY GROWTH CATALYST
Oulu Site Ramp-up

CORE ANALYSIS · POOL DEEP DIVES

08 Smaller pools — grouped deep dives

Pools that don't warrant a full deep dive — a short fact strip each.

Integrated Packaging

commodity_or_spread_business — EBIT Margin: 6.0% · Market State: Structural Oversupply

Biomaterials

commodity_or_spread_business — EBIT Margin: 10.7% · Sensitivity: Global Pulp Price Cycle

Other (Wood Products)

restructuring_or_disposal_asset — EBIT Margin: 0.6% · Action: Strategic Review / Divestment

CORE ANALYSIS · CROSS-POOL BRIDGE

09 Putting the pools back together

How the parts add up — and where the multiple has to come from.

The financial forecast for Stora Enso rests on two pillars: the completion of the heavy capital expenditure cycle and the subsequent margin recovery in Consumer Packaging. Net sales are projected to grow modestly from 2026 to 2028, by roughly EUR 470 million. However, EBIT is expected to expand more sharply, from EUR 705 million to EUR 977 million. This is entirely an operating leverage story. The Oulu consumer board line carries large upfront fixed costs and depreciation; as utilization rates climb through 2027 and 2028, each incremental tonne sold flows directly to the bottom line.

The historical reported EBIT in 2023 (EUR -322m) and 2025 (EUR 942m) was severely distorted by non-cash fair value changes in the biological assets and impairment reversals. The 2026 base of EUR 705 million represents a much cleaner, cash-generative run-rate for the underlying industrial operations.

The weakest part of this bridge is the assumption that Biomaterials and Integrated Packaging will avoid another severe cyclical downturn before 2028. If global pulp prices collapse because of sudden South American capacity additions, the resulting cash drain would offset the gains from the Oulu ramp-up. Moreover, the forecast group net debt stays stubbornly around EUR 3.4 billion to EUR 3.5 billion through 2028. This indicates that operating cash flows will barely cover the dividend and maintenance capex, so deleveraging must come from structural actions—specifically, the planned demerger of the Swedish forests and the potential divestment of the Central European wood products division.

> **BRIDGE MECHANICS**
>
> The 2026–2028 financial bridge relies mechanically on the operating leverage of Consumer Packaging at the newly converted Oulu site.

Under an asset NAV framework, Stora Enso’s enterprise value is entirely defensible; in fact, it appears deeply undervalued. The stated fair value of the biological assets was EUR 8.5 billion in early 2026. Allocating EUR 8.0 billion of the EUR 11.2 billion enterprise value to these forests implies the market assigns a slight discount for future tax leakage or execution risk.

The resulting valuation tension lies in the residual EUR 3.2 billion enterprise value left for the industrial operations (Packaging, Biomaterials, Wood Products). These segments generate over EUR 9 billion in revenue and nearly EUR 480 million in trough-cycle EBIT. Assigning them an EV of EUR 3.2 billion implies a multiple of less than 6.7x operating profit. For context, pure-play packaging competitors generally trade between 8x and 12x mid-cycle EBIT.

However, enterprise value does not immediately equal equity value. The valuation bridge requires subtracting the EUR 3.4 billion in group net debt. The market’s hesitance stems from this debt burden. If the EUR 5.7 billion Swedish forest asset is spun off to shareholders in 2027 without assuming a proportional share of the debt, the remaining industrial company will be left with EUR 3.4 billion in debt against EUR 480 million in operating EBIT—a leverage ratio exceeding 7x, which would trigger immediate distress.

Therefore, the valuation is defensible only if the demerger pushes adequate debt onto the newly listed Swedish entity. If the debt allocation is balanced and tax leakage is avoided, the current market capitalization represents a severe discount to the sum of the parts.

CORE ANALYSIS · SCENARIOS & VERDICT

10 Scenario logic and the bottom-line judgment

How the report would look different if the call breaks the wrong way.

The scenarios diverge entirely based on the execution of the 2027 demerger and the Oulu site operational ramp-up. In the Bull case, the Swedish tax authorities grant a favorable ruling, allowing the EUR 5.7 billion Swedish forest asset to be demerged without capital gains leakage. At the same time, the Oulu consumer board line reaches full utilization, lifting industrial EBIT above EUR 700 million.

If the market values the remaining industrial business at a normalized 10x EBIT multiple, the combined enterprise value expands to EUR 13.5 billion, driving the equity value per share up by over 25%.

The downside hinges on trapped value. If the demerger is blocked by regulatory or tax hurdles, or if management is forced to leave the entire EUR 3.4 billion debt on the industrial business because of credit rating constraints, the sum-of-the-parts thesis breaks. Moreover, if European consumer demand stays weak, the EUR 1 billion Oulu investment will act as an anchor, destroying return on invested capital and preventing the industrial operations from generating the cash needed to service the group debt.

BOTTOM LINE

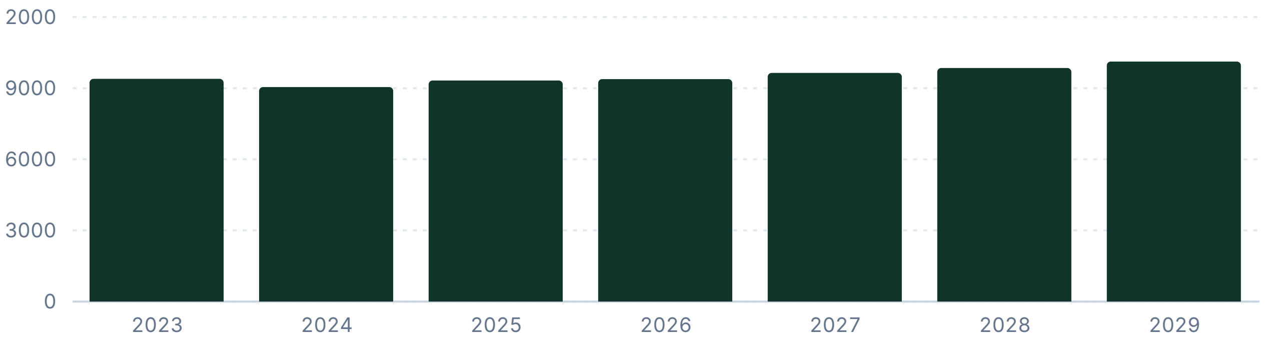
The central investment debate for Stora Enso is whether the market's severe conglomerate discount is justified by structural realities, or whether the upcoming 2027 forest demerger will succeed in unlocking value. Currently, the valuation is overwhelmingly supported by the asset value of the Nordic forests, while the industrial operations—despite generating the majority of revenue and operating profit—are priced for near-distress.

FINANCIAL BRIDGE · PART 1

14 Net sales, EBITDA / EBIT, EBIT margin

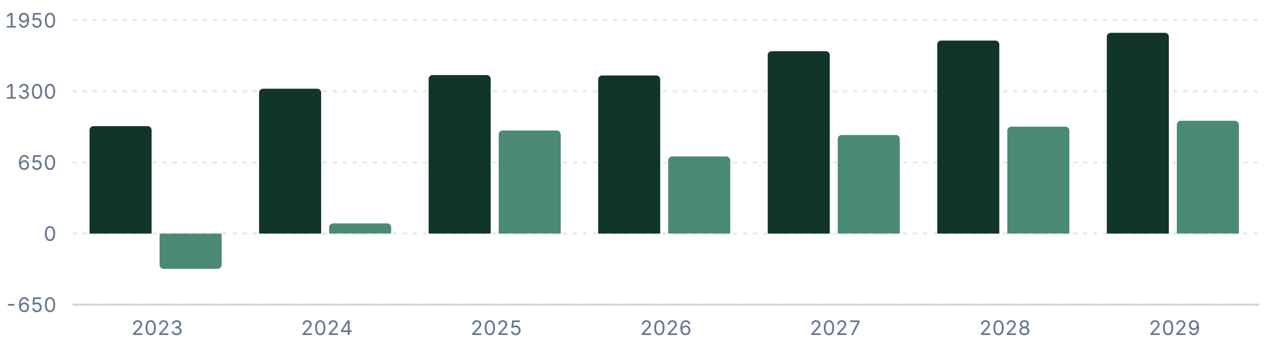
Group-level top-down view. Shaded bands show forecast periods.

Net sales
EUR millions



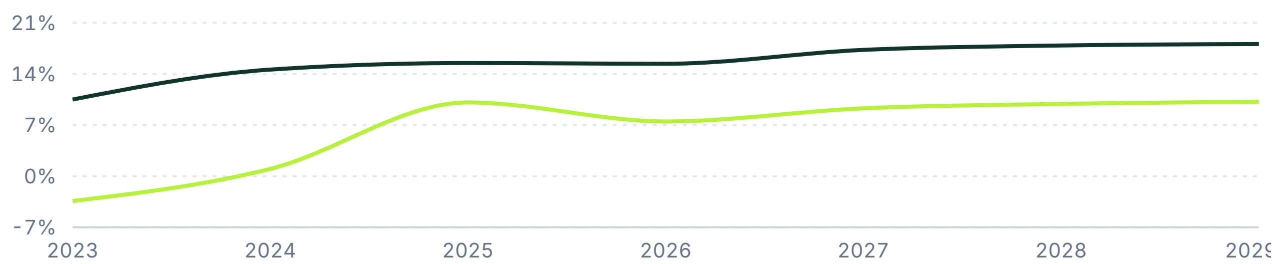
EBITDA & EBIT
EUR millions

- EBITDA
- EBIT



EBIT and EBITDA margin
% of net sales

- EBITDA margin
- EBIT margin



FINANCIAL BRIDGE · PART 2

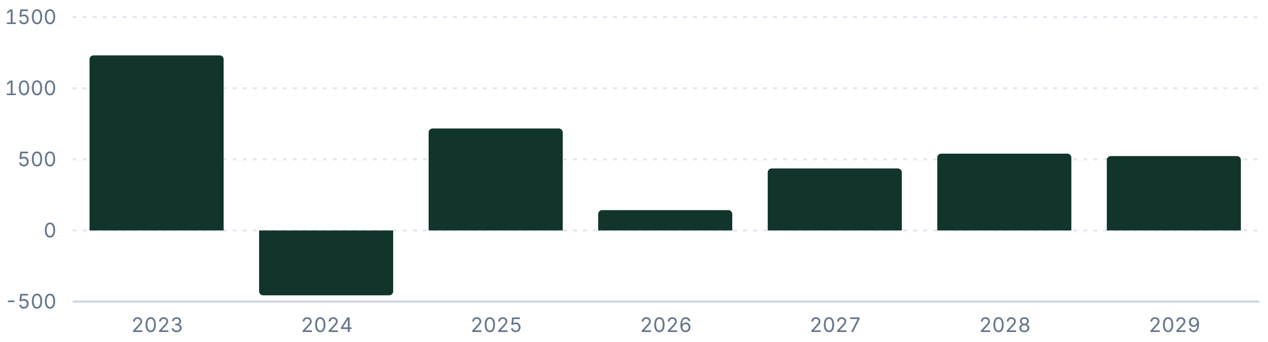
15

Free cash flow, leverage, and key financials

Cash generation and balance-sheet capacity.

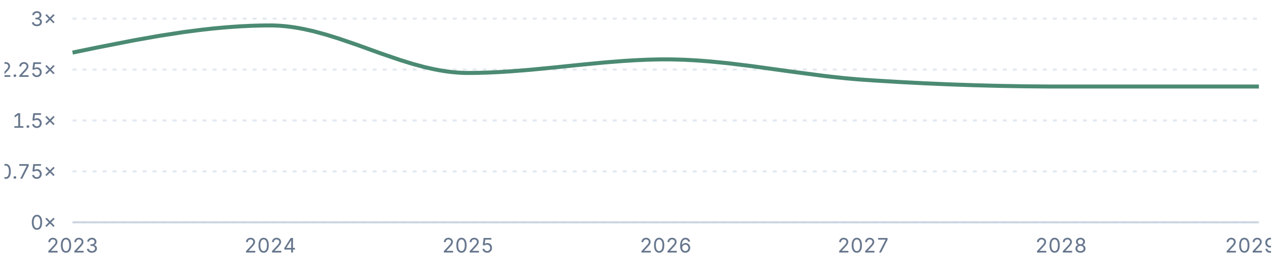
Free cash flow

EUR millions



Net debt / EBITDA

Ratio



KEY FINANCIALS	2025	2026	2027	2028	2029
Net Sales	9,326	9,384	9,646	9,853	10,125
EBITDA	1,449	1,445	1,667	1,764	1,835
Comparable EBIT	942	705	901	977	1,031
Net Earnings	**686**	**401**	**499**	**552**	**590**
EPS (EUR)	0.9	0.5	0.6	0.7	0.8
DPS (EUR)	0.3	0.4	0.5	0.6	0.6

MULTIPLES & SENSITIVITY

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Forward multiples and EBITDA × multiple grid

How the implied value changes when EBITDA and the trading multiple move.

FORWARD MULTIPLES

	2026
P/E	19.8×
EV/EBITDA	7.8×
EV/EBIT	15.9×
P/FCF	55.3×
P/BV	0.7×
Dividend Yield	4.0%
Net Debt / EBITDA	2.4×

EBITDA × EV/EBITDA sensitivity

EBITDA EV/EBITDA →	5.5×	6.5×	7.8×	8.5×	10.0×
−20% EUR 1,156m	EUR 6,358m EUR 3.90 / sh	EUR 7,514m EUR 5.40 / sh	EUR 8,994m EUR 7.30 / sh	EUR 9,826m EUR 8.30 / sh	EUR 11,560m EUR 10.50 / sh
−10% EUR 1,300m	EUR 7,150m EUR 4.90 / sh	EUR 8,450m EUR 6.60 / sh	EUR 10,114m EUR 8.70 / sh	EUR 11,050m EUR 9.90 / sh	EUR 13,000m EUR 12.40 / sh
Base EUR 1,445m	EUR 7,948m EUR 5.90 / sh	EUR 9,393m EUR 7.80 / sh	EUR 11,242m EUR 10.10 / sh	EUR 12,283m EUR 11.40 / sh	EUR 14,450m EUR 14.20 / sh
+10% EUR 1,589m	EUR 8,740m EUR 7.00 / sh	EUR 10,329m EUR 9.00 / sh	EUR 12,362m EUR 11.50 / sh	EUR 13,507m EUR 13.00 / sh	EUR 15,890m EUR 16.00 / sh
+20% EUR 1,734m	EUR 9,537m EUR 8.00 / sh	EUR 11,271m EUR 10.20 / sh	EUR 13,491m EUR 13.00 / sh	EUR 14,739m EUR 14.60 / sh	EUR 17,340m EUR 17.90 / sh

SCENARIO VALUATION

17 Bear / Base / Bull bridge

Revenue, EBITDA, multiple, EV, equity, value-per-share and upside in each scenario.

SCENARIO BRIDGE

	REVENUE	EBITDA	MARGIN	MULTIPLE	EV	EQUITY	VALUE / SHARE	UPSIDE
Bear	9,384	1,445	15.4%	6.6×	9,494	6,237	EUR 7.91	−21.3%
Base	9,384	1,445	15.4%	7.8×	11,242	7,985	EUR 10.13	+0.8%
Bull	9,853	1,764	17.9%	7.7×	13,495	10,238	EUR 12.98	+29.2%

KEY CONDITIONS

The scenarios diverge entirely based on the execution of the 2027 Swedish forest demerger and the margin progression at the Oulu consumer board site.

THESIS BREAKER

If the cross-border demerger triggers heavy tax leakage, or if European consumer demand remains so weak that Oulu cannot absorb its fixed costs, the sum-of-the-parts thesis breaks.

CATALYSTS

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Monitoring checklist

Near, medium and long-term events that could shift the call.

CATALYST REGISTER

	TIMING	POOL	INDICATOR	VALUATION IMPACT
Demerger Prospectus Publication	NEAR-TERM	Forest Assets	Debt allocation and tax leakage details for SpinCo	Determines equity value unlock
Oulu Consumer Board Ramp-up	MEDIUM-TERM	Consumer Packaging	Quarterly margin progression toward 11%	Drives industrial EV re-rating
Central European Wood Products Divestment	NEAR-TERM	Other (Wood Products)	M&A announcements	Provides cash for deleveraging
European Corrugated Demand Recovery	MEDIUM-TERM	Integrated Packaging	Competitor commentary and volume lift	Supports spread margins

READ-THROUGH

The main catalyst is the publication of the demerger prospectus for the Swedish forest assets. The market already knows the gross fair value of the forests; the missing piece is the capital structure of the newly listed entity. This catalyst is also the one most likely to be misunderstood by retail investors, who may assume the entire EUR 5.7 billion Swedish asset value will accrue directly to equity without realizing that SpinCo must absorb a proportional share of Stora Enso's debt. The easiest catalyst to track is the quarterly margin progression in the Consumer Packaging segment. As the Oulu line absorbs its fixed costs, the segment margin must improve sequentially. A stall in this metric would be a severe early warning that European overcapacity is pressuring pricing power, threatening the industrial recovery thesis.

RISKS

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Risk register

Each risk's pool, mechanism, early-warning trigger, impact band and structural type.

RISK REGISTER

	POOL	MECHANISM	EARLY WARNING	IMPACT	TYPE
Separation leakage from 2027 demerger	Forest Assets	Statutory cross-border demerger triggers capital gains taxes on embedded biological growth.	Adverse Swedish tax rulings.	HIGH	THESIS-BREA
Debt allocation forces over-leverage	Forest Assets	Remaining industrial company is forced to retain the vast majority of the EUR 3.4B net debt.	Prospectus details unbalanced debt syndication.	HIGH	STRUCTURAL
Oulu ramp-up fails to absorb fixed costs	Consumer Packaging	Slowed substitution of plastic packaging prevents volume scaling.	Stalled quarterly margin progression below 8%.	MEDIUM	MANAGEABLE
Global pulp cycle collapse	Biomaterials	Sudden South American capacity additions flood global market.	Declining NBSK and BHKP spot prices.	MEDIUM	MANAGEABLE

READ-THROUGH

The most thesis-breaking risk is tax leakage in the 2027 Swedish forest demerger. Because the transaction is structured as a statutory partial cross-border demerger, it is highly sensitive to Nordic tax regulations. If it triggers capital gains taxes on the embedded biological growth of the forests, the resulting cash tax liability would destroy a significant portion of equity value, trapping the asset inside the conglomerate structure. Debt allocation risk is equally critical. Stora Enso currently carries EUR 3.4 billion in net debt. The new pure-play Swedish forest company will have a very low cash yield (~3%), so it cannot support heavy leverage without jeopardizing its investment-grade status or forcing premature timber harvests. If the remaining industrial company is forced to retain the vast majority of the debt, its highly cyclical cash flows will be choked by interest expenses, destroying the value of the operating equity. Operational risk is currently concentrated in the

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APPENDIX

Income statement

INCOME STATEMENT — EUR MILLIONS	2023	2024	2025	2026	2027	2028
Net Sales	**9,396**	**9,049**	**9,326**	**9,384**	**9,646**	**9,853**
EBITDA	**982**	**1,324**	**1,449**	**1,445**	**1,667**	**1,764**
EBITDA margin	10.5%	14.6%	15.5%	15.4%	17.3%	17.9%
Depreciation	-1,304	-1,231	-507	-739	-766	-787
Operating Profit (EBIT)	**-322**	**93**	**942**	**705**	**901**	**977**
EBIT margin	-3.4%	1.0%	10.1%	7.5%	9.3%	9.9%
Net financial items	-173	-211	-159	-164	-227	-230
Pre-tax Profit	**-495**	**-118**	**783**	**541**	**674**	**747**
Net Earnings	**-431**	**-183**	**686**	**401**	**499**	**552**
PER SHARE						
EPS	-0.6	-0.2	0.9	0.5	0.6	0.7
DPS	0.6	0.2	0.3	0.4	0.5	0.6
Payout ratio	-109.8%	-86.2%	28.7%	80.0%	80.0%	80.0%

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APPENDIX

Balance sheet

BALANCE SHEET — EUR MILLIONS	2023	2024	2025	2026	2027	2028
ASSETS						
Tangible assets	7,135	7,489	7,122	7,376	7,582	7,745
Intangibles	392	350	295	297	305	312
Goodwill	505	162	171	171	171	171
Non-current assets	**14,565**	**14,877**	**14,858**	**15,114**	**15,329**	**15,498**
Inventories	1,413	1,585	1,802	1,754	1,803	1,842
Receivables	2,177	1,132	965	989	1,016	1,038
Cash & equivalents	2,464	1,999	1,212	1,518	1,561	1,594
Current assets	**6,054**	**4,716**	**3,979**	**4,261**	**4,380**	**4,474**
Total Assets	**20,754**	**19,802**	**19,059**	**19,597**	**19,930**	**20,194**
EQUITY & LIABILITIES						
Equity	10,888	9,988	10,649	10,852	11,030	11,184
Long-term debt	4,183	3,889	3,093	2,475	2,523	2,554
Short-term debt	691	1,841	913	2,475	2,523	2,554
Long-term liabilities	**4,687**	**4,083**	**3,356**	**2,738**	**2,786**	**2,817**
Current liabilities	**3,674**	**4,232**	**3,277**	**4,692**	**4,800**	**4,879**
Total liabilities & equity	**20,754**	**19,802**	**19,059**	**19,597**	**19,930**	**20,194**
CAPITAL STRUCTURE & RATIOS						
Net debt	2,481	3,814	3,257	3,432	3,485	3,514
Capital invested	13,298	13,719	13,443	14,285	14,516	14,698
Equity ratio	52.5%	50.4%	55.9%	55.4%	55.3%	55.4%
Gearing	22.8%	38.2%	30.6%	31.6%	31.6%	31.4%
Net debt / EBITDA	2.5x	2.9x	2.2x	2.4x	2.1x	2.0x

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APPENDIX

Cash flow

CASH FLOW — EUR MILLIONS	2023	2024	2025	2026	2027	2028
OPERATIONS						
CF from operations	1,347	1,329	1,116	1,017	1,248	1,326
Operating cash flow	1,428	1,397	1,136	1,139	1,416	1,497
Change in working capital	-474	-281	77	122	17	13
INVESTING & FREE CASH						
Gross capex	823	1,543	488	995	980	956
Capex (ex. M&A)	-823	-1,543	-488	-995	-980	-956
Free Operating Cash Flow	**1,231**	**-456**	**717**	**143**	**436**	**540**
Free cash flow to firm	**1,231**	**-456**	**717**	**143**	**436**	**540**
FINANCING						
CF from financing	92	-159	-1,300	284	-225	-337
Dividends paid	-434	-473	-158	-197	-320	-399
Net change in cash	**616**	**-373**	**-672**	**306**	**42**	**33**

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APPENDIX

Quarterly snapshot

LAST FOUR QUARTERS — EUR MILLIONS

	Q1/25	Q2/25	Q3/25	Q4/25
Net Sales	2,362	2,426	2,283	2,254
EBITDA	288	194	358	615
EBITDA margin	12.2%	8.0%	15.7%	27.3%
Comparable EBIT	171	64	237	476
EBIT margin	7.2%	2.6%	10.4%	21.1%
Net Earnings	107	15	201	364
EPS	0.1	0	0.3	0.5

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SOURCES & DISCLAIMER

Sources, assumptions, and standard disclaimer

SOURCES REGISTER

	VALUE	CATEGORY	USED IN
Current Share Price	EUR 10.045	MARKET DATA	Cover & Recommendation
Enterprise Value Allocation	EUR 11,248m	COMPANY VALUE MAP	Executive Map & Value Pools
2026E EBIT	EUR 705m	ANALYST-GENERATED ESTIMATE	Financial Bridge & Valuation
2025 Actual EBIT	EUR 942m	FINANCIAL SNAPSHOT	Financial Bridge
Consensus 2026 EBIT	EUR 705m	CONSENSUS ESTIMATES	Estimates Comparison
Forward Multiples	PE 19.78x	MODEL OUTPUT	Valuation Matrix

DISCLAIMER

This report is for institutional equity research purposes only. Estimates rely on statutory disclosures and forward-looking market assumptions.