PFISTERER Holding SE*5a,11

Growth in sales and earnings continued in Q2 2026; forecasts for 2026 raised slightly

Rating: BUY
Target price: €115.00 (old: €115.00)

Industry: technology
Focus: products for electricity grids
Founded: 1921

Employees: 1,510 (30 June 2026)
Head office: Winterbach
Executive Board: Johannes Linden, Dr Konstantin Kurfiss

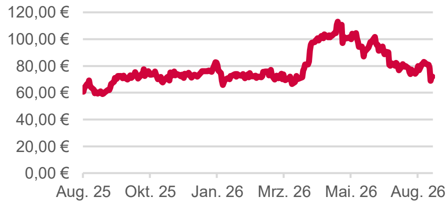
PFISTERER is a leading global, independent technology company headquartered in Winterbach near Stuttgart. The company develops, manufactures and markets solutions for the insulation and connection of electrical conductors at the interfaces within power grids – from the generation and transmission to the distribution of electrical energy – on land, at sea and in the air. With its innovative strength, state-of-the-art production facilities and global sales network, PFISTERER offers advanced solutions to the challenges of electrification. Since its foundation in 1921, PFISTERER has established itself internationally as a pioneer in modern energy infrastructure and employs more than 1,500 people. PFISTERER Holding SE is represented worldwide with 20 operational sites in 15 countries.

in € million	FY 25	FY 26e	FY 27e	FY 28e	FY 29e	FY 30e
Sales	449.88	523.91	571.53	657.41	739.16	808.25
EBITDA	76.24	104.35	115.15	127.29	144.81	161.34
EBIT	62.14	88.56	94.44	102.15	118.49	133.95
Net profit	51.18	66.36	70.28	75.82	88.09	99.83
Earnings per share	2.81	3.65	3.86	4.17	4.84	5.48
Dividend per share	0.85	1.09	1.16	1.25	1.45	1.65
EV/Sales	2.91	2.50	2.29	1.99	1.77	1.62
EV/EBITDA	17.17	12.54	11.37	10.28	9.04	8.11
EV/EBIT	21.07	14.78	13.86	12.81	11.05	9.77
P/E	25.44	19.62	18.53	17.18	14.78	13.05
KBV	6.35					

Investment Case

- With its product portfolio, PFISTERER covers almost all voltage levels and grid interfaces and will be specifically expanding its offering from 2027 to include the future market of HVDC.
- Grid expansion, renewable energies, data centres and rising electricity demand are ensuring a sustainably attractive market environment, particularly in Europe, the USA and the Middle East.
- Revenue rose by 20.2% to €256.70 million in the first half of 2026, driven in particular by HVA (+26.3%) and OHL (+32.3%); the EBITDA margin rose to 20.1%.
- For 2026, we now expect revenue of €523.91 million (+16.5 %) and EBITDA of €104.35 million. We are maintaining our medium-term forecasts unchanged.
- The order book of €340.26 million already extends into the 2027 financial year and provides a solid basis for continuing on the growth trajectory.
- Our higher 2026 forecasts and the roll-over effect offset the rise in the risk-free interest rate; the target price remains unchanged at €115.00. We confirm our BUY rating.

Share and key data



Price as of 24/08/26 (5:35 pm)	71.55 EUR
Stock exchange	XETRA
ISIN	DE000PFSE212
WKN	PFS21
Number of shares (in m)	18.20
Market cap (in €m)	1,302.32
Enterprise value (in €m)	1,309.00
Transparency	Open market
Market segment	Scale
End of financial year	31.12
Accounting	IFRS

Shareholder structure

Free float	43.1%
Founding family/ Supervisory Board/Executive Board	56.9%

Financial calendar

18.11.2026	Q3 2026 results
23–24.11.2026	German Equity Forum
24.03.2027	Annual Report 2026
12.05.2027	Annual General Meeting

Analysts

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Latest GBC Research

Date: Publication / Target price in EUR / Rating
20.05.26: RS / 115.00 / BUY
21.04.26: RS / 110.00 / BUY
05.03.26: RS / 85.00 / BUY
19.11.25: RS / 85.00 / BUY
** The research reports listed above can be viewed at www.gbc-ag.de

Completion: 25.08.2028 (08:44 am)
First dissemination: 25.08.2028 (10:30 am)

Validity of the price target: until 31 December 2027 at the latest

* List of potential conflicts of interest on p. 13

EXECUTIVE SUMMARY

- In the first six months of 2026, PFISTERER achieved a strong jump in sales of 20.2% to €256.70 million (previous year: €213.56 million). Following significant sales growth in the first quarter (+26.7%), the growth momentum remained high in the second quarter at +14.5%. The slowdown in the growth rate is mainly attributable to weak revenue in the first quarter of 2025, which was still affected by a fire-related production stoppage.

- The OHL and HVA segments in particular contributed to the strong revenue growth. OHL benefited from high demand from the 'Middle East and India' region, whilst HVA benefited from high demand for high-voltage cable accessories from the 'Europe and Africa' region. The other two segments, MVA (+1.8 %) and COM (+8.6 %), also contributed to the positive picture by continuing their growth trajectory, although a stronger rise in demand driven by orders is still to come in these segments.

- Driven by the strong rise in turnover, gross profit increased proportionally to €107.77 million (previous year: €90.00 million). At 42.0 % (previous year: 42.1 %), the gross margin remained almost exactly at the previous year's level. As operating expenses increased at a lower rate than revenue, PFISTERER achieved a strong increase in EBITDA to €51.51 million (previous year: €36.78 million). The EBITDA margin improved to 20.1% (previous year: 17.2 %) and is thus within the range of the company's medium-term guidance (high teens to low twenties). Adjusted EBITDA also improved significantly to €52.40 million (previous year: €39.50 million).

- With the publication of the 2026 half-year report, the PFISTERER Executive Board confirms the revenue guidance for the current financial year 2026. Accordingly, revenue growth is still expected to be in the range of 12 % to 17 %. In addition to the successful performance in the first half of the year, the order book, which remains strong, provides a solid basis for the expected increase in revenue in the second half of the year. Although the company recorded a decline in new orders to €262.97 million (previous year: €290.22 million) in the first six months compared with the very strong corresponding period last year, the order book of €340.26 million (30.06.2025: €312.47 million) is accompanied by visibility extending into the coming financial year 2027.

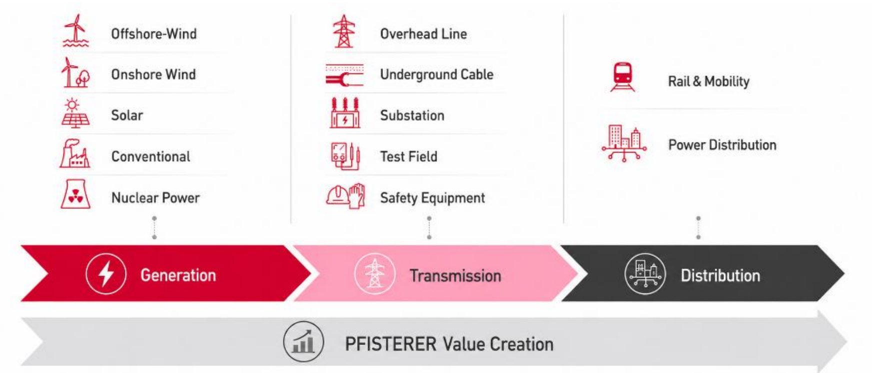
- We expect the growth trend to continue in the second half of the year, but anticipate a slowdown in growth momentum due to the higher-revenue comparative period. Nevertheless, despite the current geopolitical challenges, the company should be in a position to reach the upper end of the forecast range. We are therefore adjusting our forecasts for the current financial year 2026. We now expect revenue of €523.91 million (previously: €515.31 million) and EBITDA of €104.35 million (previously: €102.87 million). The medium-term forecasts (2027–2030) remain unchanged.

- Using the DCF valuation model, we have arrived at an unchanged price target of €115.00. However, the price-target-boosting effect resulting from the slight upward revision to the 2026 forecast and the roll-over effect is offset by a rise in the risk-free interest rate. We maintain our 'BUY' rating.

BUSINESS ACTIVITIES

Background

Just as with the flow of electricity, value creation in the electricity market essentially comprises the areas of 'generation', 'transmission' and 'distribution'. The energy generated, whether from conventional sources (nuclear, coal, etc.) or renewable sources, must be transported via the electricity grid and then distributed to end consumers via medium-voltage or low-voltage networks. PFISTERER Holding SE (PFISTERER for short) offers solutions for insulating and connecting electrical conductors at the interfaces within electricity grids across the entire spectrum of this value chain in the electricity market. The company's products cover all voltage levels and grid interfaces. Of particular note is the company's independence from cable manufacturers, which ensures a high level of compatibility for PFISTERER products. This gives the company's customers a high degree of flexibility when selecting cables, whilst also enabling them to benefit from a significantly reduced need to stock spare parts.



Sources: PFISTERER SE; GBC AG

Through the continuous development of new product families and the expansion of existing ones based on the two materials – metal and silicone – PFISTERER has demonstrated its strong innovative capacity. In-house product development, collaborations with leading universities and research centres, as well as partnerships with industrial companies, contribute significantly to the company's rapid pace of innovation.

A key aspect of this is the company's own high-voltage development laboratories, which enable it to address the increasing complexity associated with higher voltages. Higher voltage levels are accompanied by greater demands on development, manufacturing and testing expertise. In all these areas, PFISTERER has built up specialist know-how, supported by established processes.

The company's products are essential components of transmission and distribution networks. The respective network operators are therefore PFISTERER's end customers. The majority of turnover is generated directly with the network operators, the DSOs and TSOs. These include TenneT, RWE, E.ON, Amprion, etc. The company also supplies general contractors responsible for the construction of electricity networks. These contractors ultimately build the infrastructure for the network operators, meaning that distribution and transmission network operators are also indirectly served through this customer segment. The same applies to other customer groups such as distributors, cable manufacturers and plant manufacturers. In general, the customer base is very diverse. Some of these are long-standing customer relationships, which are classified as low-risk and where the focus is on the reliability, safety and durability of the products.

Business segments

PFISTERER divides its product portfolio into five segments: ‘High Voltage Cable Accessories (HVA)’, ‘Medium Voltage Cable Accessories (MVA)’, ‘High Voltage Direct Current Cable Accessories (HVDC)’, ‘Overhead Lines (OHL)’ and ‘Components (COM)’. The company thus covers a broad spectrum of electrical connection and insulation solutions, ranging from medium voltage to extra-high voltage, as well as both alternating current and direct current applications. At present, the Group’s revenue is currently generated by four segments, whilst HVD is in the start-up and qualification phase.

HVA – High Voltage Cable Accessories: The largest product segment comprises cable accessories for high- and extra-high-voltage applications. These include, in particular, cable terminations, cable joints and connections for transformers and switchgear. Products such as the CONNEX cable connection system cater for voltage levels up to 550 kV.

MVA – Medium Voltage Cable Accessories: MVA brings together cable accessories and system solutions for medium-voltage networks. The main product line, MV-CONNEX, covers voltage levels from 12 kV to 52 kV and enables, amongst other things, the connection of transformers and the joining of cables.

HVD – High Voltage Direct Current: this segment, which is currently being established, focuses on high-voltage direct current (HVDC) transmission. Products under development include cable joints, outdoor cable terminations and connections for transformers and switchgear up to 525 kV. The company is currently developing HVDC cable accessories, which are due to be launched on the market from 2027. Additional testing capacity must be established for this voltage range; this will be provided by the new test hall at the Winterbach site, which is due to come into operation from 2027.

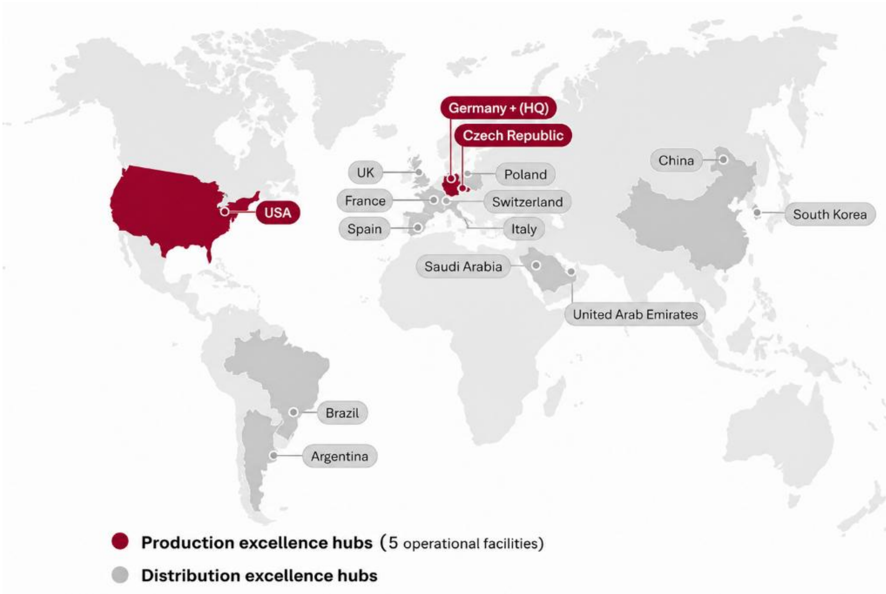
OHL – Overhead Lines: in the field of overhead line technology, PFISTERER offers insulators, fittings and other connection solutions between pylons and conductor cables. The products provide both mechanical fastening and electrical insulation, and cover applications right up to ultra-high voltage as well as AC and DC systems.

COM – Components: this segment encompasses component and connection technology across various voltage levels. This portfolio includes, in particular, screw connections for conductors, branch and connection systems for low-voltage cables, as well as safety products and low-voltage distribution cabinets.

PFISTERER's footprint

The distribution of production across the five sites in Germany, the Czech Republic and the USA brings cost advantages, ensures rapid delivery capability and enables a high degree of production flexibility. By implementing standardised processes and IT structures across all production sites, the plants are able to collaborate efficiently. Production redundancies exist within defined clusters of sites, with two or three sites in each cluster ensuring mutual support. A good example of how cost advantages are utilised is the production site in Kadaň, Czech Republic. Using the same processes, it covers a similar product range to the site in Winterbach whilst, at the same time, achieving cost advantages due to the lower cost base. The production site in Rochester (USA), opened in 2024, ensures regional proximity to the rapidly growing US market and makes PFISTERER independent of any potential customs or import restrictions.

Global footprint



Source: PFISTERER

BUSINESS PERFORMANCE 1. HY 2026

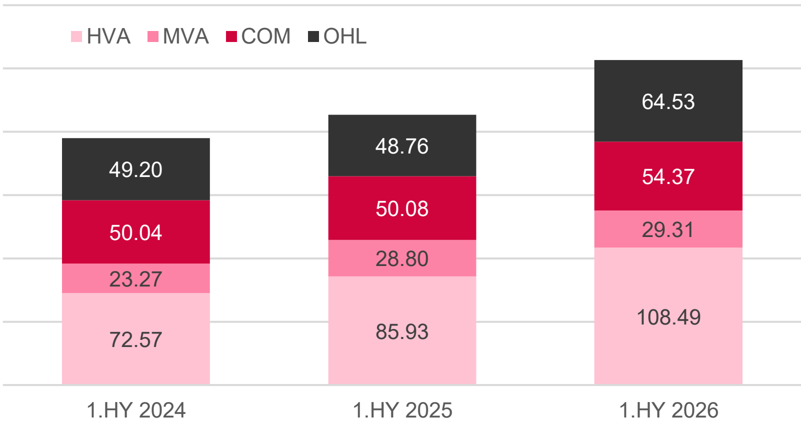
P&L in € million	1.HY 2024	1.HY 2025	1.HY 2026
Revenue	195.09	213.56	256.70
EBITDA	32.77	36.78	51.51
EBITDA margin	16.8%	17.2%	20.1%
EBIT	26.92	30.61	43.84
EBIT margin	13.8%	14.3%	17.1%
Net profit	16.47	21.43	37.94

*Sources: PFISTERER; GBC AG; *after minority interests*

Revenue performance, 1.HY 2026

Following revenue growth of 26.7 % in the first quarter of 2026, PFISTERER also recorded a new quarterly record of €129.83 million in the second quarter of 2026, with revenue rising by 14.5 % (Q2 25: €113.43 million), thereby demonstrating strong growth momentum. The slowdown in the growth rate is primarily attributable to the weak sales in the first quarter of the previous year, which was still affected by the lingering effects of the major fire at the production site in Wunsiedel. In the first six months of 2026, revenue growth stood at 20.2 %, totalling €256.70 million (previous year: €213.56 million).

Segment-specific revenue performance (in € million)



Sources: PFISTERER; GBC AG

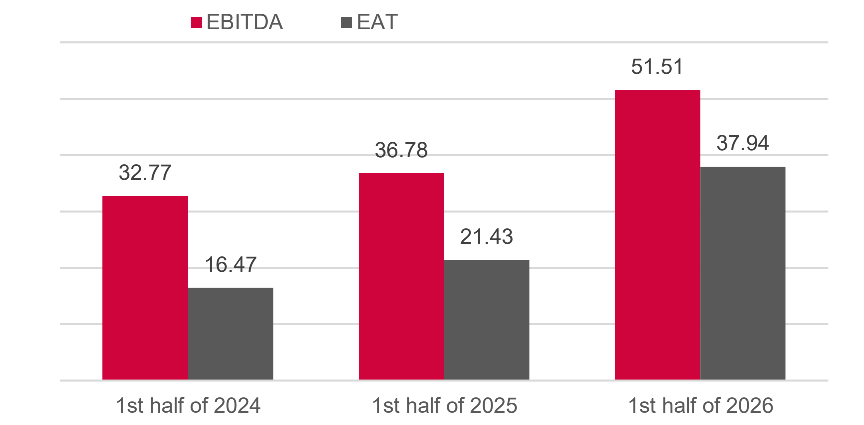
In the first six months of 2026, the OHL and HVA segments in particular contributed to the strong revenue performance. The OHL segment improved significantly by 32.3 % to €64.53 million (previous year: €48.76 million). A major factor in this was the strong first quarter of 2026, with revenue growth of 69.1 %, which benefited from high demand from the Middle East and India. In parallel, revenue in the HVA segment rose by 26.3 % to €108.49 million (previous year: €85.93 million). In the second quarter of 2026, growth momentum even accelerated. Demand for high-voltage cable accessories, primarily from the 'Europe & Africa' region, is likely to have contributed to this development. The other two segments, MVA (+1.8 %) and COM (+8.6 %), also contributed to the positive picture by continuing their growth trajectory, although a stronger rise in demand driven by orders is still to come in these segments.

Earnings Performance in the First Half of 2026

Owing to the strong increase in sales, the gross profit improved proportionally to €107.77 million (previous year: €90.00 million). The gross margin remained virtually unchanged at 42.0 % (previous year: 42.1 %). Following the exceptionally high gross margin of 43.6 % in the first quarter of 2026, the gross margin of 40.4 % achieved in the second quarter should be regarded as a return to normality. All segments (with the exception of COM) continue to achieve a margin level of over 40 %. The margin level depends on the product mix. However, project revenue with higher margins can have a significantly positive impact on the margin, as was the case in the 'North and South America' region in the first quarter of 2026.

Operating costs below gross profit increased at a significantly lower rate than revenue, enabling PFISTERER to achieve a strong rise in EBITDA to €51.51 million (previous year: €36.78 million) in the first half of 2026. The corresponding EBITDA margin of 20.1 % (previous year: 17.2 %) is already in line with the projected medium-term margin level (high teens to low twenties). In the first half of the year, EBITDA benefited from a further insurance payout of €1.9 million (previous year: €3.6 million) for the fire damage incurred at the Wunsiedel site. This contributed to a positive 'other operating result' of €4.56 million (previous year: €1.64 million). The previous year's figure also included currency losses of €2.1 million, whereas currency gains of €0.3 million were realised in the first six months of 2026.

EBITDA and EAT (in € million)



Sources: PFISTERER; GBC AG

PFISTERER also reports EBITDA adjusted for expenses relating to the virtual share programme. This figure rose sharply to €52.40 million (previous year: €39.50 million).

After deducting the financial result, which improved to -€1.22 million (previous year: -€1.81 million), and a significantly lower tax charge of €4.30 million (previous year: €7.01 million), the net profit for the period of €37.94 million (previous year: €21.43 million), a new half-year record has also been set in terms of profit for the period. The lower tax burden is linked to the different treatment of the virtual share option scheme, which is tax-deductible and thus reduces the tax burden. Under IFRS, the effects are largely neutral on profit. Excluding this effect, PFISTERER would have reported a tax rate of 20 %, compared with the actual reported tax rate of 10.1 %.

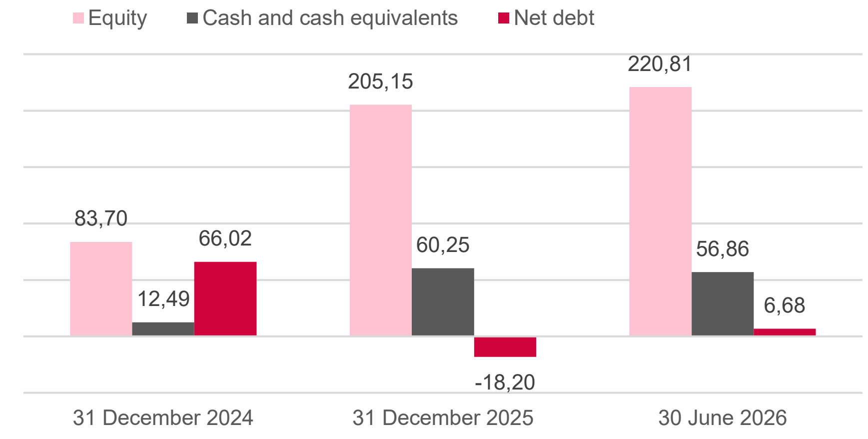
Key balance sheet figures as at 30 June 2026

in € million	31.12.2024	31.12.2025	30.06.2026
Equity (Equity ratio)	83.70 (34.5%)	205.15 (57.8%)	220.81 (55.3%)
Financial liabilities	78.67	42.06	63.54
Cash and cash equivalents	12.49	60.25	56.86
Net debt	66.02	-18.20	6.68
Operating fixed assets	72.72	95.88	124.45
Working capital	98.95	99.95	121.73
	FY 2024	**FY 2025**	**1.HY 2026**
Operating cash flow	42.59	47.58	18.76
Cash flow (investing)	-17.92	-38.78	-19.75
Cash flow (financing)	-25.32	38.57	-4.31

Sources: PFISTERER; GBC AG

The strong increase in earnings over the first six months, offset by a dividend payout of €15.47 million for the 2025 financial year, has further improved equity to €220.81 million (31.12.2025: €205.15 million). The equity ratio, which improved to over 50 % following the IPO carried out in the second quarter of 2025, remained at a high level of 55.3 % (31.12.2025: 57.8 %). The slight decline in the equity ratio is primarily attributable to the company's ongoing investment activities, which totalled €19.75 million in the first six months (according to cash flow from investing activities) and resulted in an increase in operating fixed assets to €124.45 million (31.12.2025: €95.88 million). These include investments in IT and digitalisation, the expansion of production capacity in the USA, the Czech Republic and Germany, and the construction of the new HVDC test centre in Winterbach. Bank loans totalling €15.0 million were taken out in the first half of 2026 for the construction of the HVDC laboratory, which contributed to the increase in the balance sheet total.

Equity, cash and cash equivalents, and net debt (in € million)



Sources: PFISTERER; GBC AG

The once again very positive trend in operating cash flow is striking. Despite the increase in working capital to €121.73 million (31.12.25: €99.95 million) due to revenue and reporting date effects, operating cash flow rose to €18.76 million (previous year: €0.49 million). This is offset by capital expenditure of €19.75 million (previous year: €17.95 million), which was thus almost entirely covered by the operating cash inflow in the first six months of 2026.

FORECASTS AND MODEL ASSUMPTIONS

in € million	FY 2026 (old)	FY 2026e (new)	FY 2027e	FY 2028e	FY 2029e	FY 2030e
Sales	515.31	523.91	571.53	657.41	739.16	808.25
EBITDA	102.87	104.35	115.15	127.29	144.81	161.34
EBITDA margin	20.0%	19.9%	20.1%	19.4%	19.6%	20.0%
EBIT	87.08	88.56	94.44	102.15	118.49	133.95
EBIT margin	16.9%	16.9%	16.5%	15.5%	16.0%	16.6%
EAT	65.22	66.36	70.28	75.82	88.09	99.83

Source: GBC AG

In the first six months, PFISTERER continued to record a high level of order intake at €262.97 million (previous year: €290.22 million). However, this was 9.4% below the exceptionally high figure for the previous year. Given the sales of €256.70 million achieved in the first six months of 2026, the book-to-bill ratio stands at 1.02, just above the 1.0 mark. The order book, amounting to €340.26 million (as at 30.06.2025: €312.47 million) currently provides visibility into the coming financial year 2027. The decline in order intake is largely attributable to the OHL segment (-27.9 % to €56.40 million). Time delays in project awards, particularly in the Middle East & India region, are evident here. On a positive note, the high level of new orders seen in the previous year was repeated in the high-margin HVA segment (-0.9 % to €120.94 million), whilst orders in the MVA segment rose by 2.2 % to €32.05 million.

Against this backdrop, and in view of the dynamic revenue and earnings performance in the first half of 2026, the Executive Board confirms its guidance for the current financial year 2026: revenue growth is still expected to be in the range of 12 % to 17 %, with order intake at the same level as in the 2025 financial year. In addition, the Executive Board confirms its medium-term guidance, according to which revenue of between €800 million and €900 million and an EBITDA margin in the high teens to low twenties is to be achieved by 2030.

During the conference call on the half-year results, the PFISTERER Executive Board sees a strong chance of reaching the upper end of the guidance range. However, geopolitical and logistical uncertainties, particularly in the Middle East, are tempering this optimism somewhat. Nevertheless, given the high order book and deliveries already confirmed, a higher level of sales than in the first half of 2026 can be expected for the second half of 2026. We concur with this expectation and are raising our sales and, consequently, our profit estimates for the current financial year slightly. We now anticipate revenue of €523.91 million (previously: €515.31 million), which corresponds to revenue growth of 16.5 %. This has a direct impact on our expected EBITDA, which we are also raising to €104.35 million (previously: €102.87 million).

Our medium-term forecasts remain unchanged. Market conditions continue to be classified as very attractive. The market environment for electricity grid infrastructure remains very positive overall. In Europe, the expansion of renewable energies, the modernisation of grids and additional transmission and HVDC projects are ensuring sustained high levels of investment. Demand in the US is also robust and is driven by grid modernisation, data centres, battery storage and rising electricity demand. In the Middle East, the level of investment also remains high, particularly in Saudi Arabia. However, geopolitical uncertainties have recently led to delays in the awarding of individual projects. Developments at major industry players such as Siemens Energy confirm the ongoing strong investment cycle.

VALUATION

Model Assumptions

We have valued PFISTERER Holding SE using a three-stage DCF model. Starting with specific estimates for the years 2026 to 2030 in Phase 1, the forecast for the years 2031 to 2033 is based on value drivers. We expect revenue growth of 3.0% (previously: 3.0%). During the specific forecast period, we anticipate an increase in the EBITDA margin to up to 20.6%. We assume this figure to be the target EBITDA margin for the years 2031 to 2033. The tax rate of 23 % (terminal value: 25 %) assumed by us reflects the company's business activities in countries with varying tax rates. In the third phase, a residual value is also determined using the perpetual annuity method after the end of the forecast horizon. In the terminal value, we assume a growth rate of 3.0 % (previously: 2.5 %).

Determination of the cost of capital

PFISTERER's weighted average cost of capital (WACC) is calculated from the cost of equity and the cost of debt. To determine the cost of equity, the fair market premium, the company-specific beta and the risk-free rate of interest must be established.

The risk-free interest rate is derived from current yield curves for risk-free bonds in accordance with the recommendations of the IDW's Expert Committee on Business Valuations and Business Administration (FAUB). This is based on the zero-coupon bond yields published by the Deutsche Bundesbank using the Svensson method. To smooth out short-term market fluctuations, the average yields over the preceding three months are used and the result is rounded to 25 basis points. The risk-free interest rate currently used is 3.50% (previously: 3.00%).

We use the historical market premium of 5.50 % as a reasonable expectation of the market premium. This is supported by historical analyses of equity market returns. The market premium reflects the percentage by which the equity market is expected to outperform low-risk government bonds.

To determine the beta, we have applied a market-based method. **Based on the peer group average, we have calculated a levered beta of 0.68 (previously: 0.68) for PFISTERER.**

Using the assumptions made, the cost of equity is calculated at 7.26% (previously: 6.76%) (beta multiplied by the risk premium plus the risk-free rate). As we assume a sustained weighting of 95 % for the cost of equity, this results in a weighted average cost of capital (WACC) of 7.06 % (previously: 6.58 %).

Valuation result

The downward pressure on the target price resulting from the increase in the risk-free rate is offset by the roll-over effect (new target price horizon: 31.12.2027) and the slight upward revision to the forecast for 2026. We maintain our target price and continue to assign a 'BUY' rating.

DCF MODEL

Phase	Estimate				Consistency				Final
	FY 26e	FY 27e	FY 28e	FY 29e	FY 30e	FY 31e	FY 32e	FY 33e	
Sales	523.91	571.53	657.41	739.16	808.25	832.49	857.47	883.19	
Sales growth	16.5%	9.1%	15.0%	12.4%	9.3%	3.0%	3.0%	3.0%	3.0%
EBITDA	104.35	115.15	127.29	144.81	161.34	166.18	176.26	181.55	
EBITDA margin	19.9%	20.1%	19.4%	19.6%	20.0%	20.0%	20.6%	20.6%	
EBIT	88.56	94.44	102.15	118.49	133.95	138.79	148.58	153.61	
EBIT margin	16.9%	16.5%	15.5%	16.0%	16.6%	16.7%	17.3%	17.4%	17.4%
NOPLAT	68.19	72.72	78.66	91.24	103.14	106.87	114.41	118.28	118.66
Working capital (WC)	115.00	130.00	139.80	157.18	171.88	177.03	182.34	187.81	
Fixed assets (OAV)	142.09	186.38	226.24	236.92	246.53	249.14	251.45	253.51	
Invested capital	257.09	316.38	366.04	394.10	418.40	426.17	433.80	441.33	
Return on capital	34.8%	28.3%	24.9%	24.9%	26.2%	25.5%	26.8%	27.3%	26.9%
EBITDA	104.35	115.15	127.29	144.81	161.34	166.18	176.26	181.55	
Taxes on EBITA	-20.37	-21.72	-23.50	-27.25	-30.81	-31.92	-34.17	-35.33	
Change OAV	-62.00	-65.00	-65.00	-37.00	-37.00	-30.00	-30.00	-30.00	
Change WC	-15.06	-15.00	-9.80	-17.38	-14.69	-5.16	-5.31	-5.47	
Investments in goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free cash flow	6.93	13.43	29.00	63.18	78.84	99.10	106.78	110.75	2599.28

Development of capital costs	
Risk-free return	3.50%
Market risk premium	5.50%
Beta	0.68
Cost of equity	7.26%
Target weighting	95.00%
Borrowing costs	4.30%
Target weighting	5.00%
Taxshield	24.99%
WACC	**7.06%**

Determination of fair value	FY 26e	FY 27e
Value of operating business	1972.27	2098.00
PV of explicit FCFs	359.47	371.41
PV of continuing value	1612.79	1726.59
Net Debt	-8.66	-0.32
Value of equity	1980.93	2098.32
Minority interest	-4.83	-5.12
Value of the share capital	1976.10	2093.20
Outstanding shares in million	18.20	18.20
Fair value of the share in €	108.57	**115.00**

Sensitivity analysis

		WACC				
		6.5%	**6.8%**	**7.1%**	**7.4%**	**7.7%**
Return on capital	**26.4%**	132.88	122.14	113.02	105.18	98.38
	26.6%	134.08	123.23	114.01	106.09	99.22
	26.9%	135.29	124.32	**115.00**	107.00	100.05
	27.1%	136.49	125.41	115.99	107.91	100.89
	27.4%	137.70	126.50	116.99	108.82	101.72

ANNEX

I.

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or

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II.

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