HERA GROUP | Analyst's comments on Q1 2026 financial results

INSTITUTE	COMMENT EN
BANCA AKROS	"The company results were broadly in line with our estimates at EBITDA (flat y/y) and Net profit (+1% better y/y). EBITDA came in at EUR 419M (flat y/y), driven by a positive performance across electricity and water businesses. We confirm our recommendation and TP."
BANCA INTESA SANPAOLO	"Hera reported stable 1Q26 results yoy, but with supportive underlying operating trends, the benefits of which should become more visible in the second part of the year and further so beyond. EBITDA came in line with our expectations at EUR 419M and was overall flat yoy, but with underlying operating growth running at +9% pace when stripping out past years' temporary opportunities. Net income in the period was stable yoy at EUR 155M, notwithstanding the surge in IRAP fiscal rate and including non-recurring moving parts vs. last year. Figures for the period were aligned to our expectations and looks consistent with FY26 consensus."
EQUITA SIM	"Hera's results and outlook were broadly in line with expectations, with the Group reporting slightly higher earnings (+1% EPS). Overall, the results were positive, considering the solid underlying growth excluding the normalisation effect linked to the exit from last resort markets. We are not making any significant changes to our estimates or recommendation, confirming our Buy rating and €4.8/share target price. Trading at 11.3x 2027 P/E and 6.1x 2027 EV/EBITDA, against a 5% EPS CAGR to 2028 (representing a 15% discount versus its historical P/E despite an improved risk profile following the exit from the last resort market), we continue to view Hera's profile as attractive."
INTERMONTE	"We continue to believe that the group is very well placed to benefit from its leadership in the Waste business and further growth in its retail customer base. Moreover, Hera's financial flexibility enables it to continue to seize growth opportunities in its core markets, which are still highly fragmented. At 7.0x 2026 EV/EBITDA the stock is trading broadly in line with the sector average; the relatively low DY and the lack of clear short-term catalysts, lead us to confirm our recommendation."
KEPLER CHEUVREUX	"The Q1 release was in line with our preview and the expected trend for the year, which means a small change for both EBITDA and net profit. According to the company, the adjusted EBITDA growth would have been c. 9% when excluding the EUR 33M contribution from the "temporary opportunities" accounted for in Q1 2025. We think that the recent drop in the share price is undeserved, as HERA currently has a more defensive profile compared with the previous gas crisis, as the initial financial leverage is lower, the management has renegotiated the supply contracts with lower shaping costs, and the fixed-price contracts are only 15% of the total. Buy confirmed."
MEDIOBANCA	"Hera unveiled its 1Q26 results, which show flattish trends compared to the same quarter of the previous year. In detail, EBITDA came out at EUR 419M thanks to the contribution of the electricity and water sectors, which overall offset the negative trend in the gas business. When stripping out temporary opportunities in 1Q25, EBITDA CAGR is in the high single-digit area. Net Profit was stable at EUR 155M despite the 2% increase in IRAP included in the Energy Decree. This reflects a continued normalization of provisioning and stable financial expenses. And the leverage ratio at just 2.6x offers the company ample financial opportunities. We maintain our estimates and €4.5/share TP unchanged. Outperform."