HERA GROUP | Analyst's comments on 9M 2026 financial results

INSTITUTE	COMMENT	EN
BANCA AKROS	"Hera reported its 9M 2026 results: Adjusted EBITDA was up 1% y/y and broadly in line with our estimate, supported by growth across all businesses, particularly Energy, alongside solid contributions from Networks and Waste. Adjusted EBIT came in around 3% above expectations, as lower provisions more than offset higher depreciation and amortisation linked to infrastructure growth. Net profit was up 1% y/y, Net debt was higher than expected, mainly reflecting accelerated capex, M&A activity and working-capital absorption. Rating and TP confirmed."	
BANCA INTESA SANPAOLO	"Overall, we see the release positively, confirming the solidity of the model, which combines organic developments and M&A to pursue growth in operations, while net income conversion remains healthy. We see the 9M 2026 print as providing limited traction on the share price. The customary early-year strategic update and the expected improvement in earnings momentum as of next year, driven by organic growth and STG clients' tariff shift/migration, could represent more meaningful catalysts for the share, although partially weighed down by the impact of the IRAP rate increase. Rating and TP confirmed."	
EQUITA SIM	"In our view, the results provide positive indications, with operating profits growing strongly, in line with expectations. Net debt was higher than estimated, reflecting working capital dynamics expected to reverse. We make no significant changes to our operating estimates, except for the additional IRAP surcharge for 2027–2029. We also raise our year-end net debt estimate to reflect weaker working capital performance, expected to reverse in 2027 as the commodity cycle normalises. We confirm our positive view and target price of €4.80/share."	
INTERMONTE	"Hera reported 9M 2026 P&L above our estimates. Hera's solid results show a ongoing trend seen in 1H 2026, with the Group able to recover all the temporary opportunities captured in 2025. We continue to believe that Hera is very well placed to benefit from its leadership in the Waste business and further growth of its retail customer base. Moreover, Hera's financial flexibility enables it to continue to seize growth opportunities in its core markets, highly fragmented. At 6.6x 2027E EV/EBITDA and 11.6x PE, the stock is trading broadly in line with the sector average. We confirm our positive view."	
KEPLER CHEUVREUX	"9M 2026 reported EBITDA reached €321m, definitely in line with our preview and up 2% YOY. EBIT was also in line, while net profit was around 8% above our estimate. On an adjusted basis, reflecting the exclusion of positive one-offs recorded in 2025, mainly related to last-resort gas supply and retroactive tariff adjustments in networks, the adjusted EBITDA increased with positive contributions from all businesses. We confirm our Buy rating and TP to €4.70/share."	
MEDIOBANCA	"Hera reported its 9M 2026 results, which showed an Adjusted Net Income up by a remarkable +16% (+3% beat on expectations). The performance was driven by positive Waste and Supply divisions partially offset by negative networks. At bottom line, Reported Net Income reflected lower provisions and the IRAP increase. We update our model to reflect a higher Net Debt towards yearend, due to working capital deterioration driven by the complex energy scenario, and some higher financial expenses as a consequence. Therefore, we marginally reduce our estimates by -1% in '26/28 and we move our TP to €4.40/share. Outperform."	