

HERA GROUP | Analyst's comments on FY 2025 financial results

INSTITUTE	COMMENT	EN
BANCA AKROS	<p>"Hera's 2025 Ebitda came in at 1,537 m€, in line with the 2025 preliminary results. The net profit amounted to 464 m€, up 4% y/y, and broadly in line with preliminary results. Finally, net debt stood at 3,944 m€, corresponding to 2.57x Net debt/Ebitda. The results were in line with consensus and target. We fine-tuned our estimates mainly to include the impact of higher taxes in 2026–2027. We confirm our rating and target price."</p>	
BANCA INTESA SANPAOLO	<p>"This results' release from Hera is aligned with consensus expectations and preliminary indications provided at end-January. Net of the temporary opportunities' effect yet to be sterilised, we flag an unchanged operational support in waste and networks' businesses, as well as low risks on the energy supply segment, underpinning the company's investment case. We are comfortable with our current estimates for 2026. We confirm our rating and target price."</p>	
EQUITA SIM	<p>"We are not making any material changes to our P&L and Balance Sheet estimates; therefore, we confirm our positive view on the stock (BUY) and the target price of 4.8 €/ps. Hera's reporting provides positive indications, with operating results in line with expectations and improved visibility on year-end net debt. Hera remains one of the best-positioned companies in the current market environment, trading at significantly discounted valuations compared to historical averages, despite a much lower-risk investment profile following its exit from last-resort markets (12x and 6.5x EV/Ebitda on E2026 estimates, with leverage at 2.6x Net debt/Ebitda)."</p>	
INTERMONTE	<p>"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 7.1x 2026E EV/Ebitda the stock is trading broadly in line with the sector average. We confirm our recommendation."</p>	
KEPLER CHEUVREUX	<p>"Both Ebitda and net profit were in line with our forecast with the later at 464 m€ for a 3.9% increase on a like-for-like basis compared with FY2024. In 2025, HERA recorded lower financial charges thanks to the continued rationalisation of the financial structure and improved results from associates. HERA 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. We think that the recent drop in the share price is undeserved. Buy confirmed."</p>	
MEDIOBANCA	<p>"Hera's FY25 numbers showed Ebitda overall in line and Net Income marginally ahead (+1%) the latest company's guidance. Net Debt was at <4 bn€, better than latest guidance (c4 bn€), corresponding to <2.6x leverage ratio. We continue to believe that Hera has a solid business model, exposed to the circular economy thanks to its consolidated position in the waste and water segments. Furthermore, the balance sheet headroom gives to the company options to accelerate on external growth opportunities. Outperform."</p>	