Izostal

3Q26 Results Review

Izostal published its final 3Q26 results on 17 November 2026.

***Opinion. Neutral**; results are in line with preliminary figures. The lower y/y results are mainly due to smaller orders from Gaz-System. We also view the increase in the order book by approx. 4% q/q as neutral. The company has reported that Gaz-System is wavering over whether to commence the approx. 280 km DN1000 project; should this be abandoned, it would be negative news for the company. We view the improvement in margins positively; we can see that the management is selecting more favourable contracts (currently orders for small and medium diameters from PSG) and is keeping a close eye on costs.*

Revenues. Group revenues in 3Q26 reached PLN 116m (-62% y/y, -39% q/q), in line with preliminary results.

Infrastructure segment. Total revenues in this segment amounted to PLN 75m (-72% y/y, -48% q/q).

Steel segment. The company generated revenues of PLN 41m in this segment (-2% y/y, -13% q/q).

Costs. COGS was at PLN -101m (-136% y/y), again declining faster than revenues.

EBITDA. EBITDA came in at PLN 7.6m (-34% y/y, -27% q/q), in line with preliminary results. EBITDA margin reached 6.6% (vs. 3.% in 3Q25).

Net profit. Net profit reached PLN 2.0m (-41% y/y) compared to preliminary PLN 2.0m, while net finance costs stood at PLN -1.2m.

Industrials

Izostal

ACCUMULATE

TP PLN 3.40

22% upside

Price as of 16 Novmeber 2026 PLN 2.78

Analysts

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Figure 1. Izostal 3Q26 results

IZS PW (PLN m)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	Y/Y	Q/Q	3Q26E prel.	vs. prel.
Revenues	172.0	179.4	152.8	267.5	329.7	373.4	307.6	222.9	162.7	192.3	116.4	-62%	-39%	116.4	0%
Infrastructure Segment	140.8	135.8	112.6	229.5	285.1	326.4	265.4	182.4	122.7	144.9	75.1	-72%	-48%	n.m.	n.m.
Steel Segment	31.2	43.6	40.2	38.0	44.6	47.0	42.2	42.2	40.0	47.4	41.3	-2%	-13%	n.m.	n.m.
COGS	-156.3	-164.9	-136.8	-249.0	-302.2	-341.3	-277.5	-199.6	-145.3	-174.2	101.2	-136%	-158%	n.m.	n.m.
Gross profit	15.7	14.5	15.9	18.5	27.5	32.1	30.0	23.3	17.4	18.2	15.3	-49%	-16%	15.2	0%
EBITDA	9.8	8.0	8.7	6.3	12.4	12.9	11.6	6.8	7.9	10.4	7.6	-34%	-27%	7.6	0%
EBIT	6.9	5.0	5.7	3.1	9.3	9.8	8.5	3.6	4.1	6.6	3.8	-55%	-42%	n.m.	n.m.
Net profit	3.2	3.0	2.1	1.8	3.3	5.0	3.4	1.1	16.1	4.8	2.0	-41%	-58%	2.0	0%
Gross margin	9.1%	8.1%	10.4%	6.9%	8.3%	8.6%	9.8%	10.5%	10.7%	9.4%	13.1%			13.1%	
EBITDA margin	5.7%	4.4%	5.7%	2.4%	3.8%	3.5%	3.8%	3.0%	4.9%	5.4%	6.6%			6.6%	
EBIT margin	4.0%	2.8%	3.7%	1.2%	2.8%	2.6%	2.8%	1.6%	2.5%	3.5%	3.3%			#VALUE!	
Net profit margin	1.9%	1.7%	1.4%	0.7%	1.0%	1.3%	1.1%	0.5%	9.9%	2.5%	1.7%			1.7%	

Source: Company, IPOPEMA Research

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AGM/EGM – annual/extraordinary general meeting of shareholders.
BVPS – book value per share - the book value of the company's shareholders equity divided by the number of shares outstanding without treasury shares at the end of period.
CAGR – compound annual growth rate.
CFO – net cash flow from operations.
Cost/Income – operating expenses divided by total banking revenue.
D&A – depreciation and amortization.
DCF – discounted cash flow model – a valuation method based on the sum of discounted future cashflows with appropriate adjustments (such as net debt, etc., if applicable).
DDM – dividend discount model – a valuation method of based on the sum of discounted future dividends.
DPS – dividend per share – dividend of a given year divided by the number of shares outstanding without treasury shares at the moment of distribution.
DY – dividend yield – total DPS of a given financial year divided by share price.
EBIT – earnings before interests and tax.
EBITDA – earnings before interests, tax, depreciation and amortization.
EPS – earnings per share – the net income (or adjusted net income) divided by the number of shares outstanding without treasury shares at the end of period.
EV – enterprise value – market cap adjusted by treasury shares, plus gross debt, less cash and equivalents, less associates, plus minorities.
EV/EBITDA – EV divided by EBITDA.
EV/S, or EV/revenues – EV divided by revenues (sales).
FCFE – free cash flow to the equity.
FCFF – free cash flow to the firm.
LLP – loan loss provisions – an expense set aside as an allowance for bad loans.
ND – net debt – gross debt and leases (depending on accounting standard) less cash and equivalents.
Net F&C – net fee and commission income – fee and commission income minus fee and commission expense.
NII – net interest income – interest income minus interest expense.
NPL – non-performing loan – loans that are in default or close to be in default.
P/BV – price to book value - price divided by the BVPS.
P/E – price to earnings ratio – price divided by earnings per share.
PEG – P/E ratio divided by the annual EPS growth, usually over a certain period of time.
ROA – return on assets – net income (or adjusted net income) divided by the average assets.
ROE – return on equity – net income (or adjusted net income) divided by the average shareholders' equity.
ROIC – return on invested capital – EBIT * (1 – tax rate) divided by average invested capital.
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uFCFps – uFCF per share.
WACC – weighted average cost of capital.

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IPOPEMA Research – Distribution by rating category (1 July – 30 September 2026)	Number	%
Buy	43	48%
Accumulate	17	19%
Hold	11	12%
Sell	19	21%
Total	90	100%

Rating History - Izostal

Date	Recommednation	Target Prce	Price at recommendation	Author
12/09/2025	HOLD	PLN 3.00	PLN 2.89	Krzysztof Otczyk Marcin Nowak
01/12/2025	HOLD	PLN 3.20	PLN 3.37	Krzysztof Otczyk Marcin Nowak
13/04/2026	HOLD	PLN 3.25	PLN 3.06	Krzysztof Otczyk Marcin Nowak
31/07/2026	ACCUMULATE	PLN 3.40	PLN 2.95	Krzysztof Otczyk
23/10/2026	ACCUMULATE	PLN 3.40	PLN 3.06	Krzysztof Otczyk