

Wednesday, 6 May 2026 | special comments

## (=) Newag: 2026 Q1 Earnings Forecast

Recommendation: buy | target price: PLN 115.00 | current price: PLN 112.40

NWG PW; NWGP.WA | Industrials, Poland

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**Newag will release its 2026 Q1 results on Friday, May 22, 2026.**

**We expect another quarter of solid performance, with revenue projected at PLN 471m (+26% Y/Y) assuming delivery of 12 locomotives and four EMUs during the quarter. In our view, recurring production and a high number of locomotive deliveries will support profitability in Q1'26, resulting in a stable EBITDA margin close to 21% and EBITDA of PLN 100.7m.**

- **Sales:** We expect Q1'26 revenue to reach PLN 471m (+26% y/y), supported by a consistently solid order backlog and timely execution of key rolling stock contracts. Deliveries during the quarter remained diversified across the locomotive and EMU segments.
- **Deliveries.** Based on our assumptions and disclosed delivery schedules, Newag is set to deliver a record number of

locomotives in 2026, with these remaining the highest-margin products in its portfolio. Additionally, given the historical pattern of sequentially increasing delivery volumes, we assume that Newag will fulfill around 20% of our 2026 full-year locomotive volume forecast in the first quarter.

We expect the following deliveries in Q1'26:

- **12 locomotives, and**
- **4 Electric Multiple Units (EMU).**
- **Margin:** We expect Newag to maintain EBITDA margin at ~21% in Q1'26, supported by recurring production and a more locomotive deliveries.
- **EBITDA** for Q1'26 is estimated at PLN 100.7m (+24% Y/Y).
- **Net profit** is projected at PLN 67.5m (+29% Y/Y).

### Forecast of 2026 Q1 Results of Newag

| (PLN m)           | 3Q24         | 4Q24         | 1Q25         | 2Q25         | 3Q25         | 4Q25         | 1Q26E        | Y/Y        | Q/Q         | 2026E          | %YTD       |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|-------------|----------------|------------|
| <b>Sales</b>      | <b>565.0</b> | <b>449.1</b> | <b>374.6</b> | <b>474.6</b> | <b>924.9</b> | <b>612.3</b> | <b>471.4</b> | <b>26%</b> | <b>-23%</b> | <b>2,823.5</b> | <b>17%</b> |
| Gross profit      | 93.0         | 103.1        | 107.6        | 131.2        | 246.0        | 193.1        | 121.9        | 13%        | -37%        | 827.2          | 15%        |
| Gross margin      | 16%          | 23%          | 29%          | 28%          | 27%          | 32%          | 26%          |            |             | 29%            |            |
| Profit on sales   | 58.4         | 64.5         | 67.7         | 88.9         | 203.2        | 137.0        | 88.9         | 31%        | -35%        | 601.4          | 15%        |
| <b>EBIT</b>       | <b>59.6</b>  | <b>44.2</b>  | <b>67.0</b>  | <b>87.9</b>  | <b>196.7</b> | <b>89.0</b>  | <b>86.9</b>  | <b>30%</b> | <b>-2%</b>  | <b>595.4</b>   | <b>15%</b> |
| EBIT margin       | 11%          | 10%          | 18%          | 19%          | 21%          | 15%          | 18%          |            |             | 21%            |            |
| <b>EBITDA</b>     | <b>72.3</b>  | <b>58.0</b>  | <b>81.2</b>  | <b>102.2</b> | <b>211.5</b> | <b>103.9</b> | <b>100.7</b> | <b>24%</b> | <b>-3%</b>  | <b>648.2</b>   | <b>16%</b> |
| EBITDA margin     | 13%          | 13%          | 22%          | 22%          | 23%          | 17%          | 21%          |            |             | 23%            |            |
| Profit before tax | 56.4         | 41.8         | 65.9         | 84.3         | 192.2        | 89.3         | 83.5         | 27%        | -6%         | 586.5          | 14%        |
| <b>Net profit</b> | <b>45.0</b>  | <b>30.1</b>  | <b>52.5</b>  | <b>76.7</b>  | <b>153.3</b> | <b>73.5</b>  | <b>67.5</b>  | <b>29%</b> | <b>-8%</b>  | <b>474.5</b>   | <b>14%</b> |

Source: Newag, E – estimates by mBank

**List of abbreviations and ratios contained in the report:**

**EV** (Enterprise Value) – Equity Value + Net Debt; **EBIT** – Earnings Before Interest and Taxes; **EBITDA** – EBIT + Depreciation & Amortisation; **Net Debt** – Borrowings + Debt Securities + Interest-Bearing Loans - Cash and Cash Equivalents; **P/E** (Price/Earnings) – Price Per Share Divided by Earnings Per Share; **P/CE** (Price to Cash Earnings) – Price Per Share Divided by Earnings + Depreciation & Amortisation; **P/B** (Price to Book Value) – Price Per Share Divided by Book Value Per Share; **P/CF** (Price to Cash Flow) – Price Divided by Cash Flow from Operations; **ROE** (Return on Equity) – Earnings Divided by Shareholders' Equity; **ROCE** (Return on Capital Employed) – EBIT / (Average Assets - Current Liabilities); **ROIC** (Return on Invested Capital) – EBIT x (1-Tax Rate) / (Average Equity + Minority Interest + Net Debt); **FCFF** (Free Cash Flow to Firm) – Cash Flow from Operations - CAPEX - Lease Payments; **FCFE** (Free Cash Flow to Equity) – Free Cash Flow to Firm - Net Interest Expense (incl. Debt + Leases); **EBITDA margin** – EBITDA/Sales

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