Monday, 10 August 2026 | special comments

(=) Newag: Forecast of 2026 Q2 Results

Recommendation: buy | target price: PLN 133.00 | current price: PLN 95.20

NWG PW; NWGP.WA | Industrials, Poland

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Newag will publish its 2Q26 results on September 18, 2026.

We expect Newag to deliver another solid quarter in 2Q26. Assuming delivery of 20 locomotives and 4 EMUs, we forecast revenue of PLN 588.0m (+24% y/y, +39% q/q). In our view, the effect of repeatable production should support profitability, allowing the company to achieve an EBITDA margin of 24% and EBITDA of PLN 142.3m (+39% y/y, +66% q/q). We estimate net profit at PLN 102.0m (+33% y/y, +76% q/q).

- **Sales:** We estimate Newag's 2Q26 revenue at PLN 588.0m (+24% y/y), supported by a resilient order backlog and timely execution of key rolling stock contracts. Deliveries in the quarter were split between the locomotive and EMU segments.

  We assume revenue includes the following units delivered and accepted in 2Q26:

- **20 locomotives:**
  - **PKP Intercity:** at least 4 Griffin EU200 locomotives delivered during the quarter – per a PKP Intercity/Kolejowy Portal statement dated 17 April 2026, the EU200 fleet grew to 21 units in mid-April (vs. c. 17 units at end-1Q26).
  - We assume delivery of the remaining c. 16 EU200 locomotives in May–June, consistent with the company's stated target of exceeding 30 EU200 locomotives in the PKP Intercity fleet by year-end 2026.

- **4 electric multiple units (EMUs):**
  - We assume continued EMU deliveries to regional carriers (Koleje Śląskie/Koleje Małopolskie), including potentially the first unit under the new Koleje Śląskie contract, whose delivery deadline was set for no later than 30 June 2026.

- **Profitability**. We believe that sustained repeatable locomotive production together with a favourable sales mix should support an EBITDA margin of c. 24%.

- **EBITDA.** Accordingly, we estimate Newag will report EBITDA of PLN 142.3m (+39% y/y, +66% q/q).

- **Net profit.** We estimate 2Q26 net profit at PLN 102.0m (+33% y/y, +76% q/q).

Forecast of Q2 2026 results of Newag

(PLN m)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	YoY	QoQ
Sales	**374.6**	**474.6**	**924.9**	**612.3**	**422.3**	**588.0**	**24%**	**39%**
Gross profit	107.6	131.2	246.0	193.1	111.7	172.8	32%	55%
Gross margin	29%	28%	27%	32%	26%	29%		
Proift on sales	67.7	88.9	203.2	137.0	70.8	131.6	48%	86%
EBIT	**67.0**	**87.9**	**196.7**	**89.0**	**71.0**	**129.6**	**47%**	**83%**
EBIT margin	18%	19%	21%	15%	17%	22%		
EBITDA	**81.2**	**102.2**	**211.5**	**103.9**	**85.5**	**142.3**	**39%**	**66%**
EBITDA margin	22%	22%	23%	17%	20%	24%		
Profit before tax	65.9	84.3	192.2	89.3	70.1	126.2	50%	80%
Net profit	**52.5**	**76.7**	**153.3**	**73.5**	**58.1**	**102.0**	**33%**	**76%**

Source: Newag, E – mBank estimates

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List of abbreviations and ratios used by mBank:
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 x (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; **E** – mBank estimates

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