

# AutoStore Holdings

**Industrials**
**6 May 2025**

## A cycle like no other

AutoStore is a structural growth story in a cyclical market. The mechanisation and automation of warehouses is a structural trend because labour in developed markets is becoming increasingly expensive, largely because the available workforce is shrinking. However, these are large capital projects and customer willingness to invest is sensitive to economic certainty and cycles. Recent tariff moves have left certainty in short supply and, as investing in new warehouse automation can be easily deferred, the impact has been obvious. Management believes it is at the bottom of an unnecessary cycle.

## Trading has suffered from uncertainty

Q125 revenue was down 38% y-o-y, although adjusting for an unquantified but significant pull forward of revenue into Q424 means the underlying result was more like negative 20%. Trading deteriorated ahead of the tariff announcement on 2 April, so March will have been down significantly more than 20%. It is reasonable to expect Q2 will be more difficult. This is a sector issue, although AutoStore has focused on larger, more complex projects, increasing its vulnerability to uncertainty. Such projects are more easily postponed than smaller projects and extensions to existing installations. Despite the downturn in revenue, AutoStore delivered a strong level of profit, with adjusted EBITDA of €21.1m at a margin of 24.5%. It helps that it has a gross margin of 74%, boosted by all modules being standardised. Net debt was NOK2,123m (\$203m), around 1x lowered 2025 consensus EBITDA estimates.

## The problem is uncertainty rather than tariffs

The threat to profit from increased US tariffs is easy to overstate. The US makes up 25% of revenue and the cost of higher tariffs will likely be shared by customers, distributors and AutoStore. The greater issue is demand. It is important to note AutoStore believes strongly that projects are being deferred rather than cancelled and that there is no change in customer conviction to buy from AutoStore. There have been no cancellations in the high-quality backlog, which stands at \$513m (Q124: \$492m). It is worth noting that Europe had a weaker Q1 than North America, demonstrating the impact of uncertainty.

## Cyclical low points offer buying opportunities

The conversion rate is expected to improve sharply when economic confidence returns. Investors will be able to focus on a pioneering business, offering superior technology and high margins, operating in a large and growing market. However, the depth and duration of the economic slowdown due to tariff uncertainty is unclear.

### Consensus estimates

Year end	Revenue (NOKm)	EBITDA (NOKm) PBT (NOKm)	EPS (NOK)	EV/sales (x)	EV/EBITDA (x)	P/E (x)	
12/23	6,777.0	3,275.0	2,063.8	0.62	2.7	5.6	7.6
12/24	6,470.0	3,043.0	1,894.6	0.42	2.9	6.1	11.2
12/25e	5,770.0	2,236.0	1,346.2	0.37	3.2	8.3	12.8
12/26e	6,726.0	2,709.0	1,951.4	0.49	2.7	6.8	9.6

Source: Company data, LSEG Data & Analytics

**Price** **NOK4.72**  
**Market cap** **NOK16,368m**

### Share price performance



### Share details

Code	AUTO
Listing	OSLO
Shares in issue	3,428.5m
Net cash/(debt) at 31 January 2025	NOK(2,123.0)m

### Business description

AutoStore Holdings provides warehouse automation solutions, being the pioneer in cube storage, with automatic storage and retrieval.

### Bull points

- Financially sound; profitable in Q1, 1x net debt/EBITDA.
- High gross and operating margins.
- Market pioneer and leader in very large and growing market.

### Bear points

- Long lead-time cyclical sector.
- Sensitive to economic confidence because warehouse automation projects are easily deferred.
- Many competitors with different solutions.

### Analysts

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