

discoverIE Group

Organic growth in Q3 orders and sales

discoverIE's Q326 trading update confirmed that both sales and orders increased year-on-year on an organic basis, with the slower to recover Controls unit showing improving trends. The Keymat Technology acquisition has received regulatory approval and has now been completed while the regulatory approval process for the Trival Antene acquisition is ongoing. Management confirmed that the group is on track to deliver FY26 adjusted earnings in line with the board's expectations; we maintain our forecasts.

Year end	Revenue (£m)	PBT (£m)	EPS (p)	DPS (p)	P/E (x)	Yield (%)
3/24	437.0	48.2	36.78	12.00	17.2	1.9
3/25	422.9	50.1	38.68	12.50	16.4	2.0
3/26e	447.3	52.6	39.44	12.95	16.1	2.0
3/27e	475.6	56.9	42.36	13.55	15.0	2.1

Note: PBT and EPS as per discoverIE's adjusted metric (excludes amortisation of acquired intangibles and exceptional items).

For Q326, discoverIE saw group sales growth of 5% y-o-y at constant exchange rates (CER) and 1% on an organic CER basis (Q126 0%, Q226 1%). Group orders increased 9% y-o-y CER and 4% on an organic basis (Q126 -7%, Q226 +8%). As we have previously written, the Controls operating unit has taken longer to recover than the three other operating units, as several customers in the US have taken time to work through excess inventory. In Q326, the unit saw an improved sales trend compared to H126 with organic orders improving and higher year-on-year. Group book-to-bill for Q326 was 1.03x compared to 0.99x for H126. Gross margins remained robust, working capital was tightly managed, and cash generation remains strong. Management sees the order book providing good coverage for Q426 and believes the group remains on track to deliver FY26 earnings in line with the board's expectations.

The company announced two acquisitions during Q326, both of which required regulatory approval to complete. Keymat Technology has since received this and the acquisition has completed. The approval process for Trival Antene is ongoing. Including both acquisitions, the group's pro forma gearing at the end of H126 is 1.8x, comfortably within its target range of 1.5-2.0x. The company notes that there continues to be a healthy pipeline of acquisition opportunities.

Q3 trading update

Electrical components

2 February 2026

Price	634.00p
Market cap	£617m
Net cash/(debt) at end H126	£(90.7)m
Shares in issue	97.4m
Free float	96.0%
Code	DSCV
Primary exchange	LSE
Secondary exchange	N/A

Share price performance



Business description

discoverIE is a leading international designer and manufacturer of customised electronics to industry, supplying customer-specific electronic products and solutions to OEMs.

Analyst

Katherine Thompson +44 (0)20 3077 5700

tmt@edisongroup.com

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