Econocom

Technology

3 November 2026

Q3 growth returns as financing decline moderates

Econocom returned to growth in Q326, with revenue up 5.0% y-o-y (3.4% organic), reducing the nine-month decline to 1.0%. Products & Solutions (P&S) remains the main driver, while the decline in Technology Management & Financing (TMF) is moderating as the group limits deals financed by its own balance sheet. Management reiterated its 2–3% FY26 revenue growth guidance, requiring a strong Q4. Improving momentum and One Econocom restructuring offer recovery potential, although financing volumes, margins and cash generation remain key uncertainties.

Q3 recovery improves year-to-date performance

Econocom reported Q326 revenue growth of 5.0% (3.4% organic), resulting in a nine-month (9M26) revenue decline of 1.0% (2.6% organic) compared to the H126 decline of 3.6% (5.3% organic). TMF Q326 revenue declined 3.3%, versus a 24.5% decline in H1, reflecting continued caution over own-booked deals to contain net debt. P&S Q326 revenue grew 14.8% y-o-y, versus 15.8% in H1 (10.9% organic) benefiting from audiovisual acquisitions and integration synergies. Services Q326 revenue was down 2.4% y-o-y, versus 2.7% growth in H126, as the uncertain economic environment is resulting in longer sales cycles.

One Econocom: Transformation ongoing

Management is reshaping its offering around higher-value-added solutions, including the roll-out of Econocom Infrastructure Solutions, while focusing on operating efficiency and debt reduction. The group is pursuing cross-selling and integration of its audiovisual acquisitions. Governance changes include the appointments of Quentin Bouchard and Israel Garcia to the board. The original 2028 quantitative targets remain deferred as management prioritises sustainable profitability and balance-sheet discipline.

Forecasts and valuation: Q4 acceleration needed

Econocom maintained FY26 revenue growth guidance of 2–3%, implying full-year revenue of c €2.98–3.01bn and Q4 year-on-year growth of c 10–13%, following the 9M26 1% decline. Consensus is forecasting FY26 revenue growth of 2.5%, in the middle of the range, with a slight decline in EBITDA. The shares trade at 4.4x FY26 earnings, 3.1x EV/EBITDA and offer a 4.7% forecast yield. H126 net debt of €229m reflects the financing model and cash seasonality. The low rating leaves recovery potential, with Q4 delivery and earnings visibility central to the investment case.

Consensus estimates

Year end	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (€)	DPS (€)	P/E (x)	Yield (%)	EV/EBITDA (x)
12/24	2,744.0	146.8	67.9	0.35	0.16	4.2	10.8	3.0
12/25	2,923.3	145.7	82.0	0.31	0.10	4.8	6.8	3.0
12/26e	2,996.0	141.8	70.5	0.34	0.07	4.4	4.7	3.1
12/27e	3,072.0	153.3	76.0	0.40	0.10	3.7	6.8	2.9

Source: LSEG Data & Analytics (as at 3 November)

Price	€1.48
Market cap	€211m

Share price performance



Share details

Code	ECONB
Listing	BRU
Shares in issue	142.5m
Net cash/(debt) at end H126	€(229.4)m

Business description

Econocom supplies, finances and provides managed services for workplace, audiovisual and infrastructure solutions.

Bull points

- Offers end-to-end service from technology sourcing to financing.
- Adoption of AI is driving a technology refresh cycle.
- P&S momentum and group restructuring offer margin recovery potential.

Bear points

- Founder/chairman Jean-Louis Bouchard owns 54.8% of share capital and 71.8% of voting rights.
- TMF introduces volatility to earnings, and use of own balance sheet for financing increases gearing.
- Acquisition and integration risk.

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