

Positive AGM update; high quality growth at 10x P/E

12 May 2026

Restore's AGM update confirms a period of robust trading, underpinned by a contribution from prior year acquisitions (notably Synertec) and continued organic growth (particularly across digitisation, outbound communications and IT recycling). The Group remains well on track to deliver another year of double-digit earnings growth, in line with expectations, as well as sustained growth over the medium term. In our view, a P/E rating of <10x for FY27 undervalues the quality of the business and its growth prospects. We reiterate our 400p Fair Value estimate.

AGM update confirms robust trading, in line with expectations

Trading for the first four months of 2026 was robust, with revenue increasing significantly, driven by prior year acquisitions and organic growth. In our view, the reported growth in IT recycling is particularly pleasing, following a period of consolidation in 2025, and the focus on improving the quality of this business. The core document storage business continues to deliver reliable and highly stable revenue and earnings. Operating margins remain strong across each division, in line with plans. As a reminder, the Group achieved its 20% operating margin target ahead of schedule in 2025.

Bolt on M&A activity continues

The early months of 2026 have seen a further three bolt-ons within Datashred for an aggregate cash consideration of c.£3.5m. Restore continues to review a number of bolt-on opportunities and has an excellent track record of securing value-enhancing acquisitions under the current management team. We expect M&A to remain an important driver of revenue and earnings growth over the coming years.

£20m share buyback programme underway

Restore's £20m share buyback programme (announced alongside the prelims in March) has commenced and is progressing to plan. The buyback is designed to return excess cash to shareholders over a twelve-month period. We have modelled c.5% earnings accretion in a full year from this exercise (see our note from March: [Firing on all cylinders](#)).

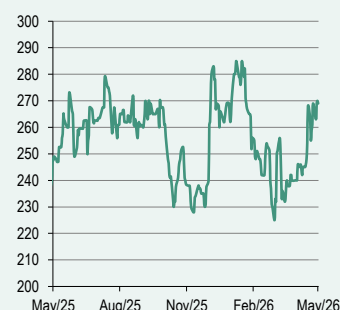
Rating highly attractive at <10x FY27 P/E

Restore's rating remains highly attractive, in our view, representing an FY26 P/E of 10.9x, falling to 9.8x in FY27. We reiterate our 400p Fair Value estimate, equating to an FY26 P/E rating of 16x (in line with the Group's 10-year historic average rating), falling to 14x in FY28.

Company data

EPIC	RST.L
Price (last close)	269p
52 weeks Hi/Lo	285p/225p
Market cap	£359m
ED Fair Value / share	400p
Net cash / (debt) 2025A	(£124m)
Avg. daily volume (3m)	531k

Share price, p



Source: Koyfin

Description

Restore is a leading provider of records management (physical document archiving), digitisation and secure recycling of paper and technology assets. In all these areas, it has a strong market position (either number 1 or 2 in the UK) and an excellent reputation across a customer base of blue-chip businesses and government/ public sector organisations.

Next event

Interim results - 28th July 2026

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Key financials & valuation metrics

Year to 31 Dec (£m)	2024A	2025A	2026E	2027E	2028E
Sales	240.0	304.7	333.4	343.3	353.6
EBITDA	80.5	88.8	95.3	98.5	100.5
Adjusted PBT	32.5	40.6	44.9	48.3	50.3
FD EPS (p)	17.7	22.0	24.6	27.5	28.7
DPS (p)	5.8	6.9	7.3	7.6	8.0
Net Cash/(Debt)*	(229.0)	(256.7)	(259.0)	(241.4)	(217.6)
Net Cash/(Debt)**	(89.0)	(123.8)	(126.1)	(108.5)	(84.7)
P/E	15.2x	12.2x	10.9x	9.8x	9.4x
EV/EBITDA*	7.3x	6.9x	6.5x	6.1x	5.7x
Dividend yield	2.2%	2.6%	2.7%	2.8%	3.0%

Source: ED analysis, IFRS 16 basis * including leases ** excluding leases, Shares priced at COB 11/05/26

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