

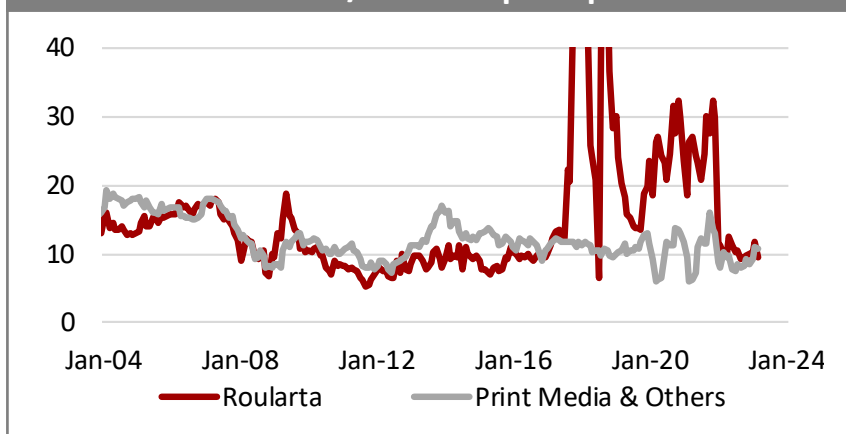
Roularta Media Group

BELGIUM
Bloomberg: ROU:BB
Reuters: RLRT.BR



Roularta Media Group

Roularta P/E vs European peers



€m	2019	2020	2021	2022	2023 ^e	2024 ^e	2025 ^e
Sales	298.0	258.5	303.6	345.9	353.1	361.4	370.0
EBIT	7.5	4.0	8.5	3.0	17.2	20.8	24.7
Net profit	10.9	6.0	16.6	7.6	20.6	24.3	33.6
EPS (€)	0.83	0.50	1.38	0.64	1.72	2.03	2.81
DPS (€)	0.00	1.00	1.00	1.00	1.00	1.00	1.00
P/E (x)	16.3	26.6	10.8	29.2	10.0	8.5	6.2
Yield (%)	0.0	7.6	6.7	5.4	5.8	5.8	5.8
Adj. EV/EBIT (x)	3.4	7.5	6.0	39.5	5.6	3.7	2.2

Source: Merodis Equity Research, Factset
Pricing date: 31/03/2023

Market review and peer benchmarking

21 April 2023

Key quarterly insights: 1Q23

2H22 results below our expectations

Roularta reported FY22 results on 3 March, with sales of EUR 346m, showing 14% growth entirely driven by the acquisition of NSM (organic sales growth was flat), in line with our forecast. While NSM (acquired in 2022 and consolidated from March 2022) performed better-than-expected, the organic performance in both ad revenues and subscriptions was weaker-than-expected. Although subscriber volumes was under pressure (higher cost-of-living impact on demand), pricing trends appeared quite favourable, probably due to some price hikes (more expected in 2023) and positive product mix thanks to the New Deal initiative. The results reflect, however, a stronger-than-expected deterioration of profitability with adjusted EBITDA margins of 7.1% down from 10.2% in FY21, with 2H22 at 6.1% from 8% in 2H21 (MERE 10.2%). Margin weakness was driven mainly by higher inflation-related costs such as paper (10% of COGS) and energy. EBIT was further hit in 2H22 by an unexpected customer portfolio impairment of EUR 5m at Immovlan (35% stake, but fully consolidated until Sep-22; equity-accounted thereafter due to change in shareholder agreement with Rossel). Another negative surprise came at the level of the corporate tax (EUR 3.7m in 2H22 vs MERE EUR 1m), albeit mainly due to a non-cash impact of EUR 2m (lower deferred tax asset). Finally, the bottom-line result of EUR 7.6m was flattered by a minority contribution of EUR 7.1m mainly from 65% of Immovlan's net loss driven mainly by the large customer portfolio impairment. Roularta's balance sheet remains very strong, with a reported net cash position of EUR 73m which excludes treasury share representing 10.5% of outstanding shares, which are valued at EUR 24m at the current share price.

Guidance focused mainly on economic cycle impact on ad spend and subscriber numbers, paper prices and wage inflation

As usual, Roularta's management is quite cautious regarding guidance, with ongoing pressure expected on ad spend and subscription volumes from the economic headwinds. The same can be said regarding cost inflation, although paper prices are starting to ease, from historically high levels. Wage inflation is expected to hit the P&L as from January, with Belgium's automatic wage indexation. To mitigate this impact, management expects to adapt ad spend and subscription prices to higher costs.

Valuation assessment

The market currently values Roularta at an enterprise value (EV) of EUR 97m, which includes a market cap of EUR 227m, the value of other liabilities of EUR 15m, EUR 94m of net cash in '23e as well as our estimated value of EUR 46m for its 50% stake in Mediafin and EUR 2m (as per value in 2022 annual report) for the 35% stake in Immovlan. Our fair equity value estimate is EUR 21.7/share (from EUR 18.7). We value the core Print Media activity at an EV of EUR 154m (7.4x EV/EBIT '24e down from 7.4x '23e previously). We believe this business has more potential value, given, among others, Roularta's leading market positions in (news, business and women) magazines as well as its state-of-the-art printing facilities. Further support is provided by the solid and relatively secure dividend yield, currently at 5.8%, well above sector peers (4.2%).

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Please refer to important disclosures at the end of this report

Goals of this Dashboard

- ➔ Follow-up to our coverage of Roularta which was launched in October 2015
- ➔ Tool to keep investors up to date with Roularta's equity story as well as its valuation in a sector context
- ➔ Update investors on recent company and sector news flow

Corporate calendar of Roularta's upcoming announcements and events

- ➔ Tuesday, 16 May 2023: General Meeting 2022
- ➔ Friday, 18 August 2023: 1H2023 results
- ➔ Friday, 1 March 2024: FY2023 results
- ➔ Tuesday, 21 May 2024: General Meeting 2023

Access our recent research reports on Roularta:

- ➔ ["3Q22 market review" \(quarterly dashboard\), 17 October 2022](#)
- ➔ ["4Q22 market review" \(quarterly dashboard\), 20 January 2023](#)

A domestic leader in high-quality print media focusing on its core activity

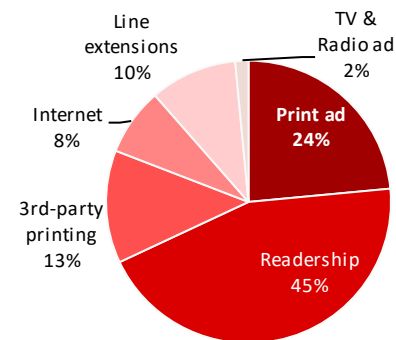
Company description

Roularta is Belgium's leading media company, offering:

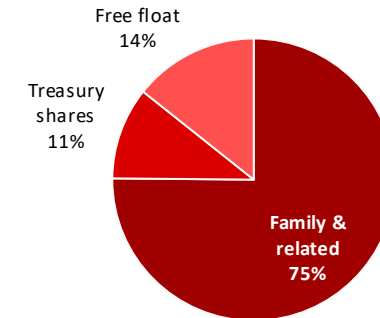
- (1) local weekly free newspapers in Flanders (Deze Week, De Zondag, Steps),
- (2) weekly news, business and women magazines in Belgium (Knack, Le Vif L'Express, Trends, Trends Tendance, Libelle/Femme d'Aujourd'hui and Flair and Feeling/Gael) and the Netherlands (EW, Beleggersbelangen, Knipmode, Formule 1, etc.),
- (3) internet platforms (Digilocal, Proxistore, Gezondheid.be, own content websites) and
- (4) a 50% JV stake in Mediafin, Belgium's leading daily business newspapers (De Tijd and L'Echo) publisher and a 35% stake in ImmoVlan.

Combined group sales are almost entirely generated in Belgium and the Netherlands (c. 20% of group sales) through (1) Print Media Advertising, (2) Readers Market revenues (subscriptions and newsstand sales), (3) Third-Party Printing, (4) Internet advertising and related, (5) other sources of revenues (inc. Line Extensions) and (6) TV & Radio advertising revenues. The 50% stake in Mediafin is equity-accounted. The company acquired its women magazines in an asset deal with Sanoma in 2018, it bought-out Bayard Presse from a JV with magazine titles in the Netherlands and Germany in '21 and acquired NSM (ex-Sanoma) in the Netherlands at the end of '21 (closed in Q1 '22) as well as 50+ Beurs in July 2021.

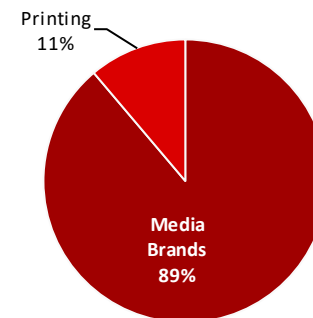
Combined sales breakdown (2022)



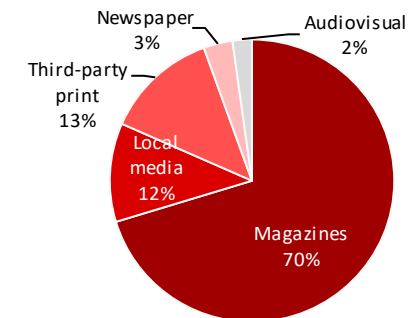
Shareholders (March 2023)



Segment sales (2022)



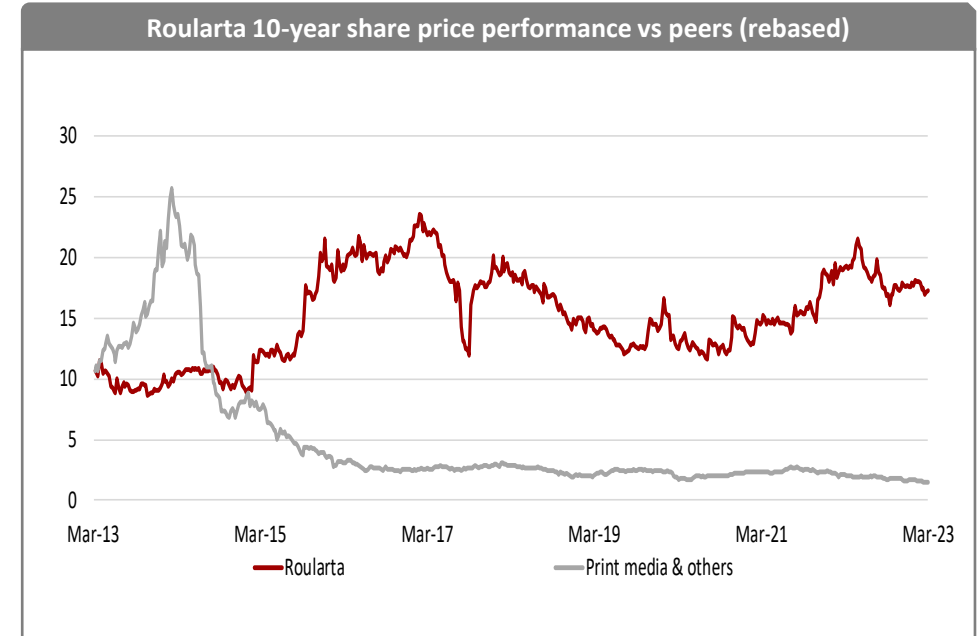
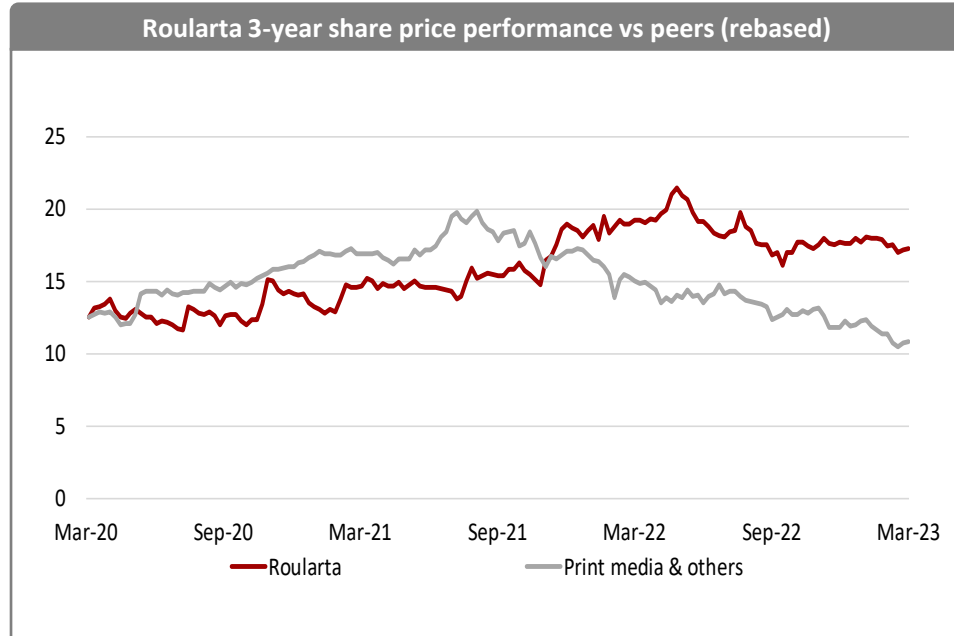
BU sales (2022)



Source: Merodis, Factset

Share price performance

Positive momentum since 2H20 with macro headwinds since 1Q22



Source: Merodis, Factset

Analyst Recommendations, Earnings Expectations

Consensus stabilizes after downgrading from Covid-19 lockdowns

Consensus view

'23e consensus EPS estimates for Roularta remained almost completely flat q-o-q at EUR 1.76 (vs. EUR 1.77 previously), despite the macro headwinds on ad spend and consumer spending from the inflationary environment.

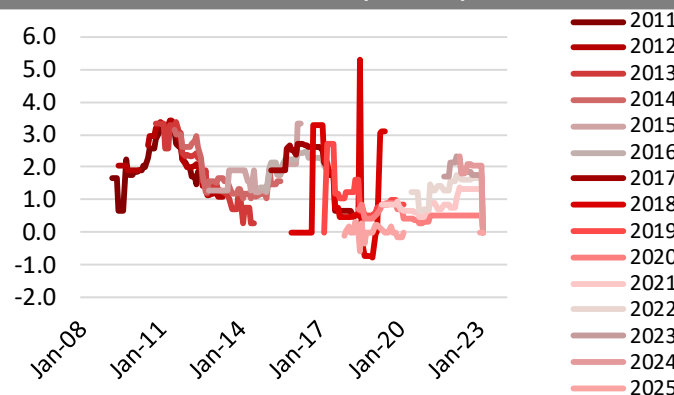
Consensus currently expects '24e earnings of EUR 1.96 per share (-3.8% q-o-q), vs. our forecast of EUR 2.03 (reflecting 18% growth y-o-y). Momentum should turn positive and we expect it to continue to some extent as the company's strategy of focused growth and cost discipline is paying off. We are, nevertheless, also expecting ongoing gross margin pressure from cost inflation, although the worst is probably behind and management is expecting price hikes to offset some of the negative impacts.

Our '25e EPS forecast of EUR 2.81 compares to a consensus forecast of EUR 1.18 per share.

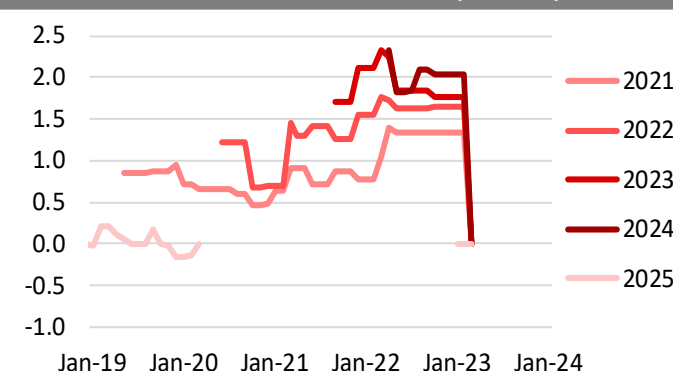
Roularta's share price decreased by 2.5% in 1Q23, outperforming its Print Media peers (-8.1% q-o-q) but underperforming the broader market (+7.8% for the Euro Stoxx 600) and Belgian SMCs (-1.2% q-o-q). The share's 12 months low was EUR 16.10 (on 14 October '22), while its high during the year was EUR 21.50 (27 May '22).

Only two brokers are actively covering the stock according to Factset, KBC Securities (Overweight recommendation with EUR 24 target price) and Degroof Petercam (na).

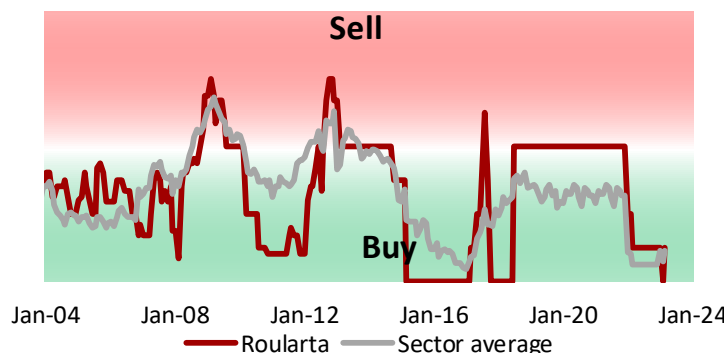
EPS Worms (€/share)



Consensus EPS 2021-25 (€/share)



Analyst recommendations vs. peer average



Merodis Equity Research estimates (MERe) vs. consensus (%)

	2023e	2024e	2025e
Sales	4.4	4.2	-3.0
EBITDA	-11.0	-7.4	-100.0
EBIT	15.1	11.8	41.1
EPS	-2.2	3.5	137.9
DPS	0.0	0.0	0.0
Net cash	230.4	239.7	38.3

Source: Merodis, Factset

Sector benchmarking and valuation analysis

Benchmarking Print Media peers and listed Printing companies

Sector financial benchmarking

Company	Freefloat (%) 2023	Liquidity (daily,€m)	Depr/ EBITDA	Capex/ Sales	ND/EBITDA			EBITDA margin (%)			EBIT margin (%)			Net margin (%)			ROE (%)			2023-25e CAGR (%)		
					2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e
Solocal	100	0.10	46%	8%	1.9	1.7		27.5	27.4	30.0	13.8	13.9	17.5	5.7	5.9	8.6				26.3	7.2	2.6
Mondadori	46	0.36	45%	2%	0.9	0.6	0.5	14.9	15.2	15.4	9.6	9.8	10.1	6.2	6.4	6.9	22.1	20.9	19.7	4.5	0.9	-0.6
RCS	23	0.09	31%	2%	0.9	0.4		15.5	15.6		9.6	10.0		6.1	6.5		12.2	12.3				
Vocento	50	0.03	45%	4%	0.5	0.2	-0.1	9.4	10.3	11.7	3.9	4.9	7.0	1.8	2.5	4.1	2.8	4.0		70.0	12.5	0.6
Sanoma	38	0.69	58%	3%	2.4	2.1	2.0	24.5	26.2	26.5	10.7	12.3	12.7	4.6	6.2	6.9	12.3	14.6	16.0	17.2	5.9	1.8
Wilmington	95	0.85	103%	3%	0.1	0.1	-1.7	23.7	24.3	24.5	18.8	19.4	19.4	14.7	15.0	15.2	25.2	23.9	22.7	8.1	7.6	5.9
PRINT MEDIA AVERAGE	59	0.36	55%	4%	1.1	0.8	0.2	19.2	19.8	21.6	11.1	11.7	13.3	6.5	7.1	8.3	14.9	15.1	19.5	25.2	6.8	2.1
PRINT MEDIA MEDIAN	48	0.23	45%	3%	0.9	0.5	0.2	19.6	20.0	24.5	10.2	11.2	12.7	5.9	6.3	6.9	12.3	14.6	19.7	17.2	7.2	1.8
Roularta (consolidated)	14	0.01	58%	4%	-2.8	-3.0	-3.2	9.5	10.4	11.4	4.0	4.9	5.8	5.8	6.7	9.1	8.9	10.1	13.4	na	-6.2	-5.8
% prem./(disc.) vs median	-70	-93.9	28.0	22.7	-419.6	-716.9	-1,639.9	-51.7	-47.7	-53.4	-60.9	-56.4	-54.3	-1.2	6.1	31.3	-27.2	-30.9	-32.1	#VALUE!	-186.8	-415.6

Source: Merodis, Factset

Sector valuation

Company	Country	Price (local)	MCap (local m)	P/E			EV/Sales			EV/EBITDA			EV/EBIT			P/B			DYield		
				2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e
Solocal	FRANCE	0.44	58	2.6	2.4	1.6	0.7	0.6		2.4	2.2		4.8	4.3					0.0	0.0	0.0
Mondadori	ITALY	1.95	509	8.6	8.3	7.9	0.7	0.6	0.6	4.6	4.2	4.1	7.1	6.5	6.2	1.8	1.6	1.5	5.6	5.8	6.1
RCS	ITALY	0.77	396	8.1	7.7		0.6	0.5		3.9	3.4		6.3	5.2		1.0	0.9		7.8	7.8	
Vocento	SPAIN	0.70	85	14.5	9.9	5.0	0.3	0.3	0.2	3.2	2.6	2.0	7.6	5.4	3.4	0.4	0.4		3.5	2.8	
Sanoma	FINLAND	8.11	1,323	15.5	12.9	11.3	1.5	1.5	1.5	6.3	5.7	5.5	14.5	12.1	11.4	1.9	1.9	1.8	4.7	5.2	5.4
Wilmington	UNITED KINGDOM	3.02	264	1502%	14.0	12.9	2.2	2.1	1.5	9.4	8.7	6.3	11.8	10.9	7.9	3.6	3.1	2.7	2.9	3.2	3.4
PRINT MEDIA AVERAGE				10.7	9.2	7.7	1.0	0.9	1.0	5.0	4.5	4.5	8.7	7.4	7.2	1.7	1.6	2.0	4.1	4.1	3.7
PRINT MEDIA MEDIAN				11.6	9.1	7.9	0.7	0.6	1.0	4.3	3.8	4.8	7.4	6.0	7.1	1.8	1.6	1.8	4.1	4.2	4.4
Roularta (consolidated)	BELGIUM	17.30	227	10.0	8.5	6.2	0.3	0.2	0.1	2.9	2.0	1.3	5.6	3.7	2.2	1.0	0.9	0.9	5.8	5.8	5.8
% prem./(disc.) vs median				-13.2	-5.8	-22.0	-59.3	-65.4	-85.7	-31.8	-46.1	-72.8	-23.5	-37.9	-68.4	-47.1	-43.4	-50.3	40.0	38.6	31.3

Source: Merodis, Factset

P/E valuation relative to the sector

A recent normalisation driven by regained profitability momentum

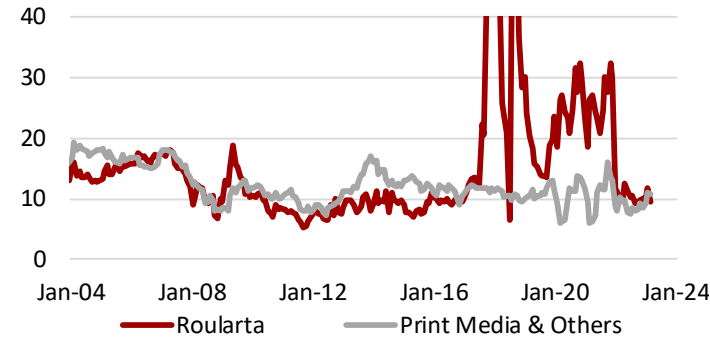
Valuation

On consensus EPS estimates, Roularta shares trade at a P/E 12M forward of 9.6x, which is a discount to Print Media peers in Europe (currently at a median of 10.8x, up from 8.6x in December). Importantly, the volatility was historically due to profitability at Roularta which was negatively impacted by weak market conditions in the ad space for Roularta's core activity. The company's focus on subscriber revenues and reduced exposure to ad spend have alleviated earnings volatility.

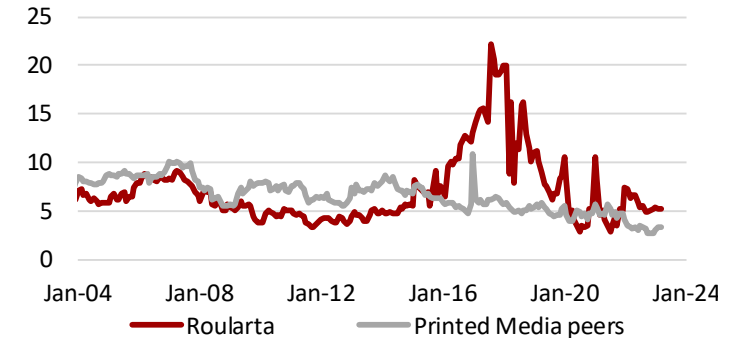
As a reminder, Roularta disposed of its stake in Medialaan in '18, which means Roularta is now a Print Media pure play compared to the past when TV broadcasting (through Medialaan) was the main profit contributor and the key value driver of the stock (in '16, 73% of Roularta's EBIT and 80% of its EPS was generated by Medialaan). The rerating compared to the Print Media sector from 2017 to recently is mainly driven by the share price performance since October '17 as well as the sharp cut in Roularta's earnings estimates due to launching costs in digital initiatives such as Storesquare (discontinued as from '19).

As disclosed in the first paragraph, the Print Media sector is valued at 10.8x P/E 12M forward (from 10.3x in March '22) and at 3.4x EV/EBITDA 12M forward (down from 3.3x y-o-y), which compares to a 20-year average of 12.2x and 6.6x respectively. The historical valuation range for the sector is 5.9x-19.4x (P/E) and 2.7x-10.9x (EV/EBITDA), which suggests that the sector remains close to the low-end of its historical P/E range and its historical EV/EBITDA range.

P/E ratio of Roularta vs. Print Media



EV/EBITDA ratio of Roularta vs. Print Media



P/E Premium/(Discount) of Roularta vs. Print Media



EV/EBITDA Premium/(Discount) of Roularta vs. Print Media



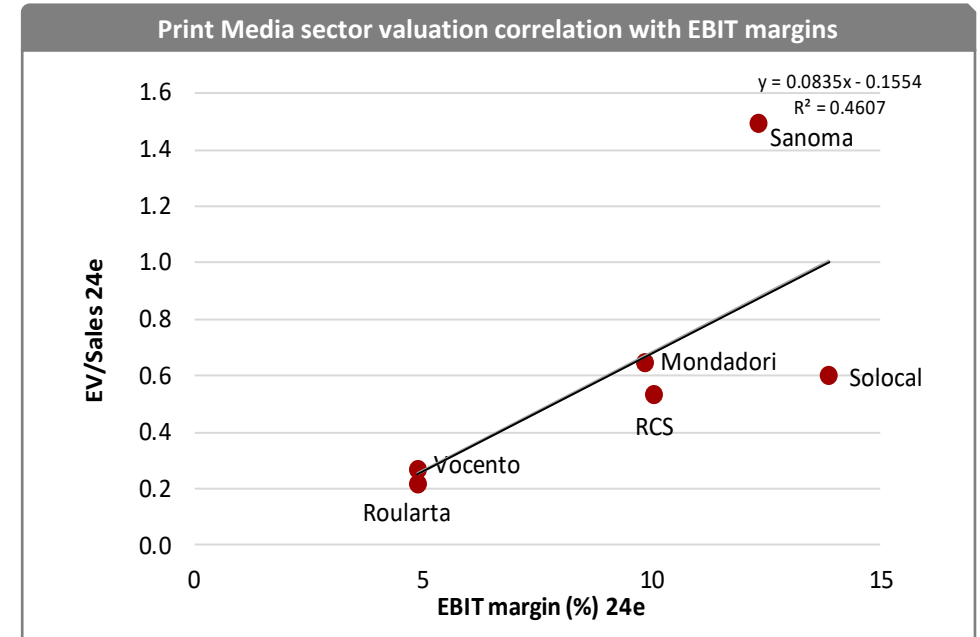
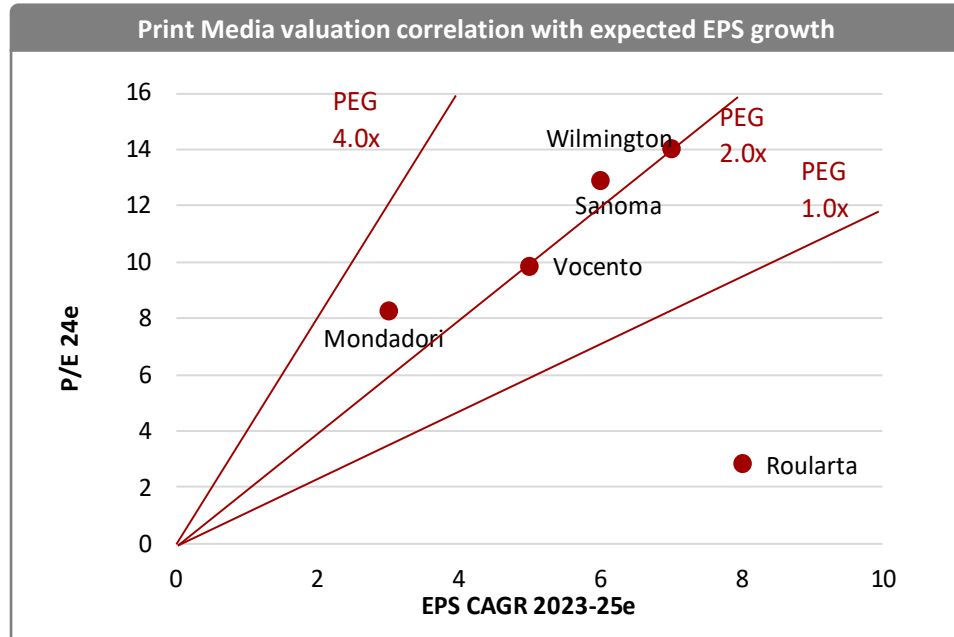
Source: Merodis, Factset

Fair value estimate

Reflecting the Medialaan disposal, Mediafin acquisition, Sanoma acquisition and Bayard buyout...

Roularta updated sum-of-the-parts									
(EURm)	Ownership (%)	Adjusted EBIT 24e	Discount to peers	EV/EBIT multiple 24e	Net debt 24e	Value	Equity value/sh.	Value split	Value w/o discount
RMG	100%	20.8	0.0	7.4		154.4	18.0	83.1%	154.4
Group enterprise value						154.4			154.4
- Net Financial Debt/(cash) (23e)						94.3			94.3
- Other liabilities (23e)						-15.1			-15.1
+ NPV tax asset (balance sheet)						3.0			3.0
+ Equity value of Mediafin stake	50%					46.0	3.5	16.2%	46.0
+ Immovlan stake	35%					2.1	0.2	0.7%	2.1
= Estimated market value of equity						284.8			284.8
Total share outstanding (m)						13.1			13.1
Equity value per share						21.7			21.7

Source: Merodis, Factset



Source: Merodis, Factset

Sales growth expectations

Impacted by cyclical and structural effects

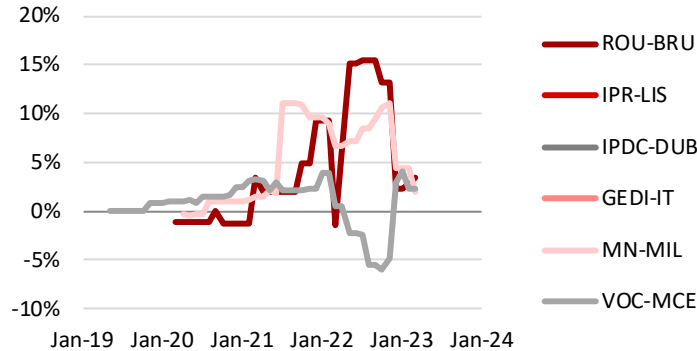
Expected Sales Growth

At the end of December, consensus expectations for '23e Print Media sales growth stood at +3.5% (up q-o-q from +2.2%) and vs. -1% at the start of 2020, reflecting the impact of the Covid-19 rebound. We expect Roularta sales to grow by 2% in FY23e with organic growth of 1% (from 7% in 2021 and 0% in 2022).

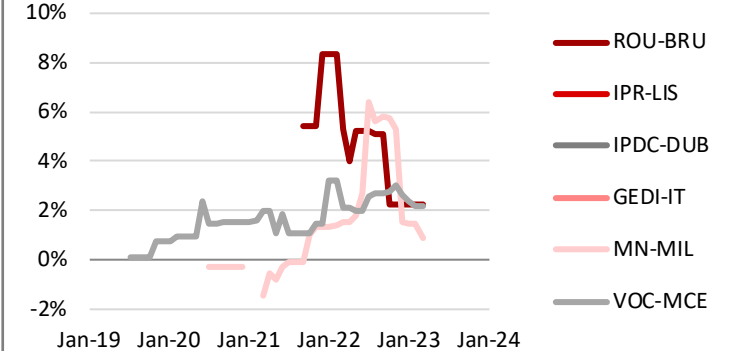
Roularta has engaged in a number of acquisitions and disposals over the past 4 years, leading to a repositioning of the company towards more focus on magazines and derived subscription revenues as well as printing in Belgium and in neighbouring countries. These transactions impede, however, on the comparability of the accounts from one year to another. The underlying trend, however, is positive in terms of focus and profitability.

In addition to the Covid-19 crisis which is affecting the world economy, the media sector is suffering from the structural impact of online media gaining market share over traditional Printed Media and TV in terms of advertising revenues. This is driven by changes in viewership, which is moving from the traditional media to online.

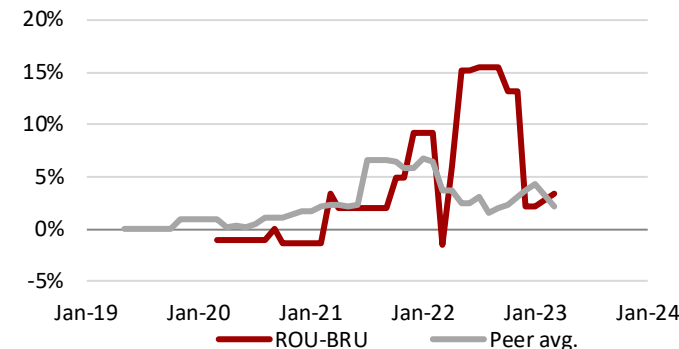
2023 expected sales growth (%)



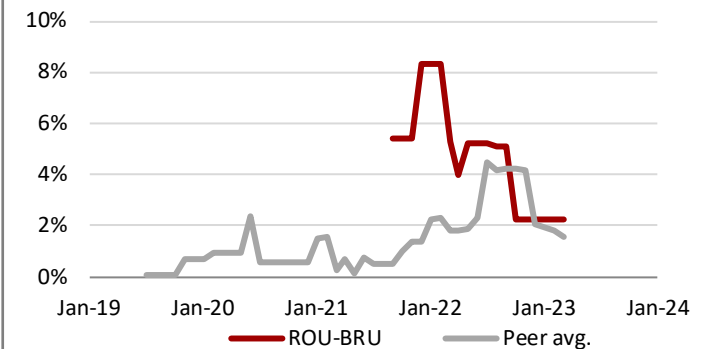
2024 expected sales growth (%)



2023 expected sales growth, Roularta vs. peers



2024 expected sales growth, Roularta vs. peers



Source: Merodis, Factset

EBITDA growth and margin expectations

Advertising revenue pressure continues to hurt margins

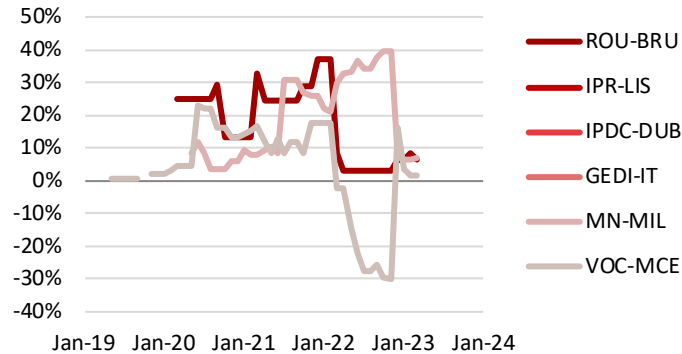
EBITDA expectations

At the end of December, expected consensus EBITDA growth for '23e at Roularta lies at +6.3% (down from 8.2% previously expected), compared to the peer average of +4.2% (flat q-on-q). Roularta's EBITDA margin expectations (9.6%) remain below the peer average for '23e (12.4%).

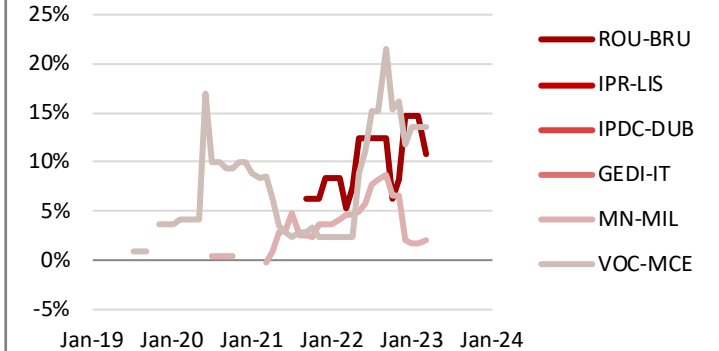
Note that consensus changes to EBIT or EBITDA at Roularta are not interpretable in a straightforward manner. In Roularta's case, its reported EBITDA margin (as reflected by Factset consensus) is positively influenced by the IFRS 11 treatment of its 50% stake in Mediafin (from March '18 and 35% stake in ImmoVlan from September '22), whereby 50% of Mediafin's the net profits are accounted for in Roularta's EBITDA and EBIT, but where its sales are not accounted for in its top-line. Merodis estimates exclude equity accounted results from the EBITDA and EBIT lines, but other analysts may treat these figures differently, or they may have recently changed their view on them.

The transactions impact IFRS EBITDA and EBIT as the Mediafin net contribution is added as from March '18. Sanoma's contribution is included from July '18, as reflected in our forecasts. Finally, we have added the Bayard JV as being fully consolidated since April '21 with the buyout transaction (and ensuing 100% ownership). We have also added the contribution of the NSM acquisition as from Q1 '22, with an expected accretive impact thanks to the (estimated) reasonable price paid (MERe 4x EBITDA) and NSM's high margins (11.6% EBITDA margin vs Roularta's 10.2% in '21).

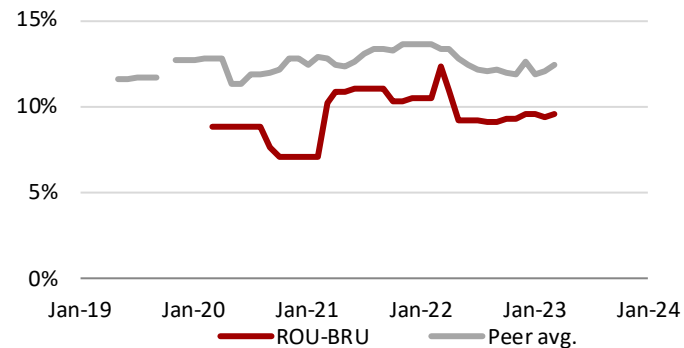
2023 expected EBITDA growth (%)



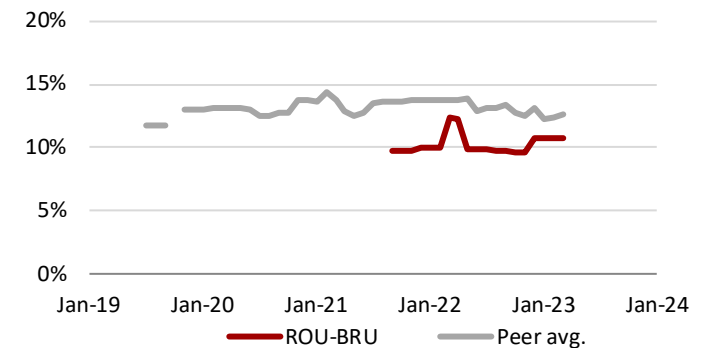
2024 expected EBITDA growth (%)



2023 expected EBITDA margin, Roularta vs. peers



2024 expected EBITDA margin, Roularta vs. peers



Source: Merodis, Factset

Consensus payout expectations

Stable dividend outlook backed by a strong balance sheet

Dividend payout

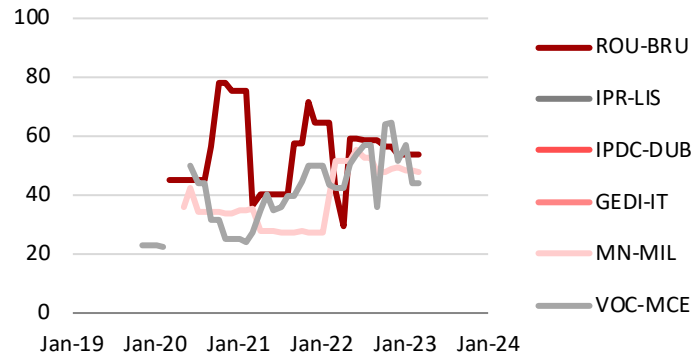
Roularta announced a dividend of EUR 1 per share for 2022, the same as last year. The amount is as expected although it reflects a high payout (157%) and implies a high dividend yield (5.8%) based on the current share price.

Roularta's targeted pay-out ratio is 30%, which is in line with its average payout ratio prior to the acquisition in France of c. 32% ('02-06) and broadly in line with the Sector average.

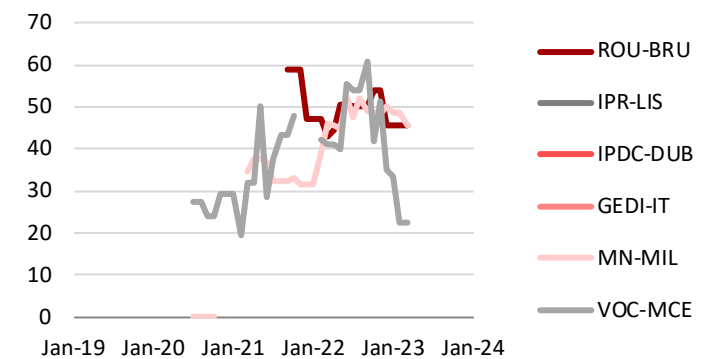
Consensus expects Roularta to pay out a dividend of EUR 1/share in '23e (flat q-o-q), in line with MERE and the company's guidance.

Going forward, we believe that a EUR 1/share dividend in the next years is entirely sustainable given the EUR 73m net cash position reported in '22. This excludes treasury shares worth a total of EUR 24m at the current market price, which could either be cancelled (ie. considered as a form of payout), placed in the market in case of appetite (ie. turned back into cash with the added beneficial impact of increasing free-float/liquidity) or used as M&A currency (although we do not expect any major/disrupting acquisitions in the future). Recent communication suggests a current focus on improving liquidity.

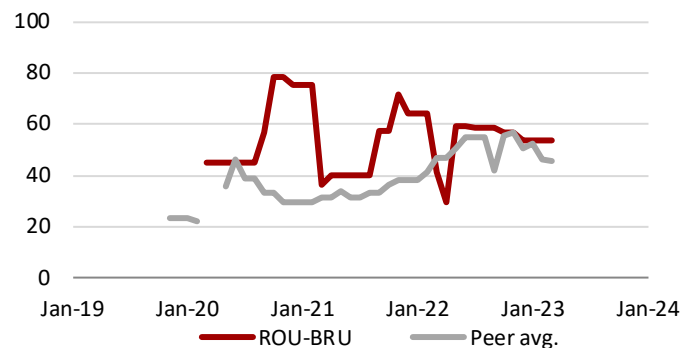
2023 expected Payout, Sector



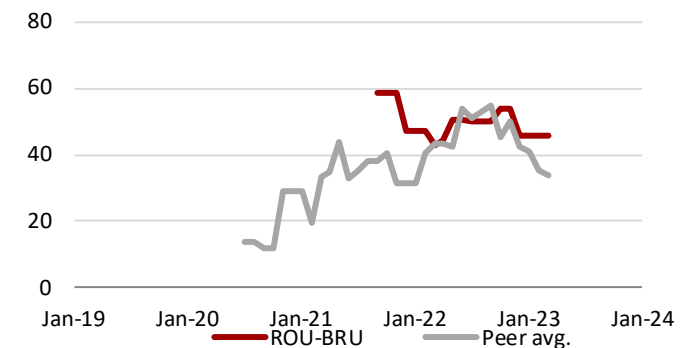
2024 expected Payout, Sector



2023 expected payout, Roularta vs. Peers



2024 expected payout, Roularta vs. Peers



Source: Merodis, Factset

Leverage expectations

No longer an issue post the Medialaan disposal

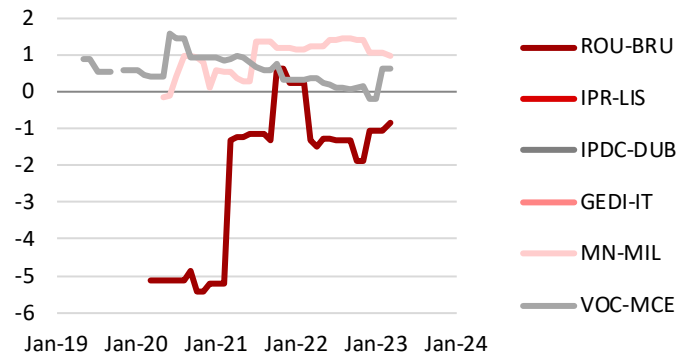
Net-debt-to-EBITDA

The level of expected financial leverage in the Media Sector was high in '11 and '12 and again in '14 (where it exceeded 2.2x Net debt over EBITDA), but trended down since then, before moving back up with, on average, a ratio of 2x. Roularta's ratio has exceeded 2x only during '14 but has reached a net cash position of €73m at the end of '22, following the transactions (Medialaan disposal and the acquisitions of Mediafin and Sanoma's women magazine titles) as well as the special €5/share dividend payout to shareholders in '18.

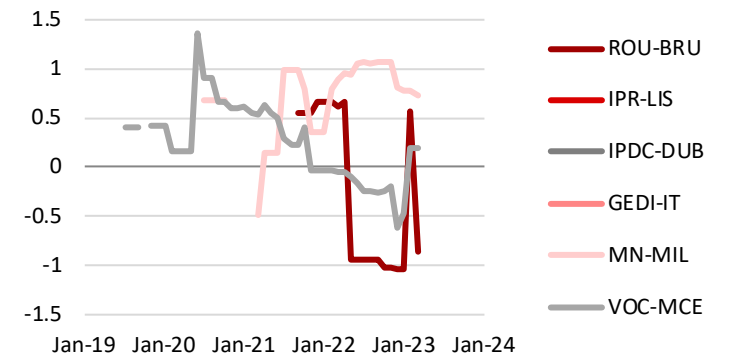
As a reminder, Roularta has paid back its €100m bond in '18 and benefited from the first full-year impact in '19. The company had a covenant threshold of 3.5x net debt over EBITDA based on annual EBITDA including the company's share of Mediafin's and Bayard's net profit.

Going forward, this has become a non-issue given our forecast of a net cash position of EUR 95m at the end of '23e. However, we are well above consensus.

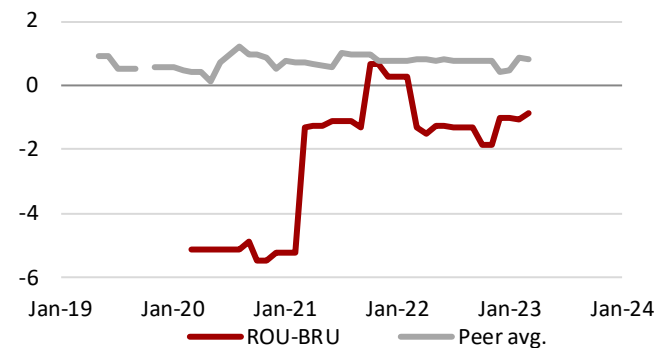
2023 NFD/EBITDA, sector



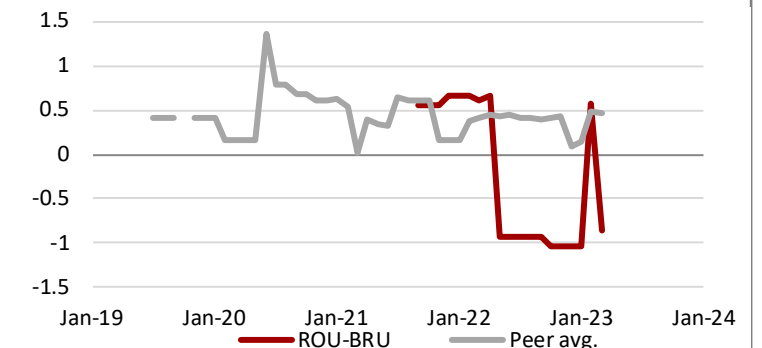
2024 NFD/EBITDA, sector



2023 NFD/EBITDA, Roularta vs. Peers

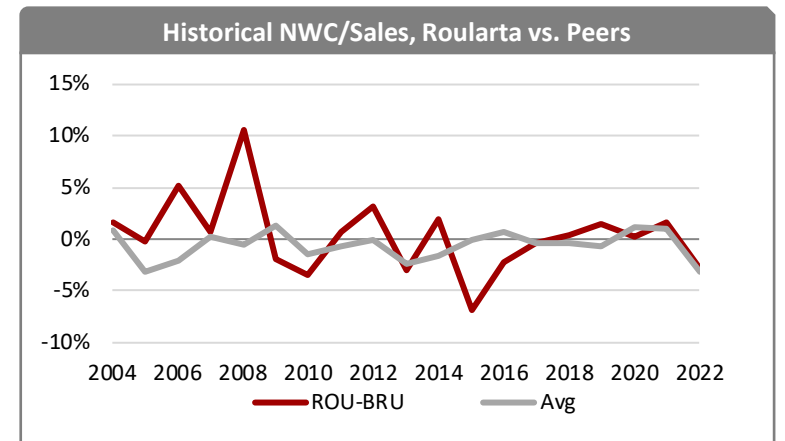
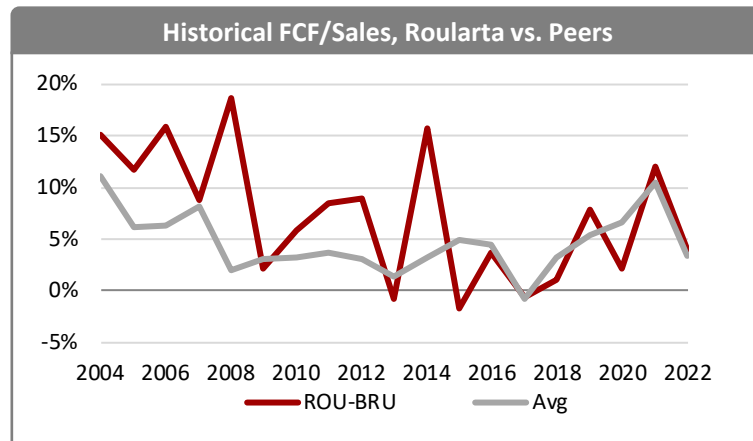
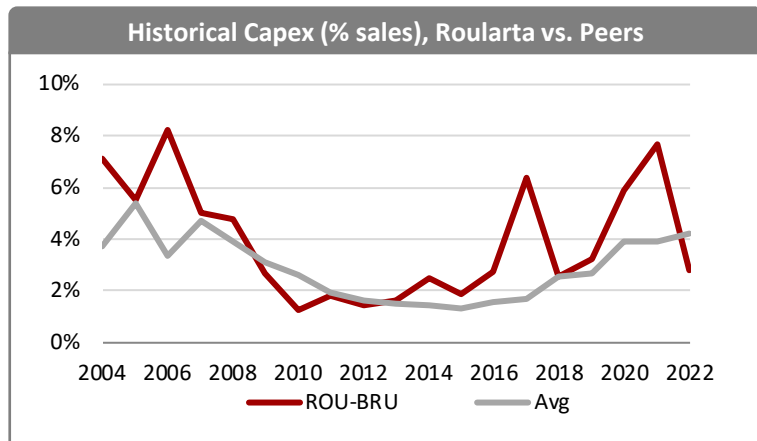
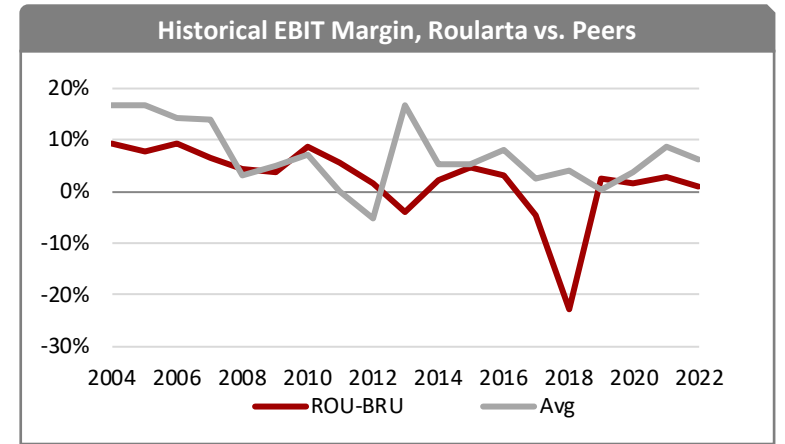
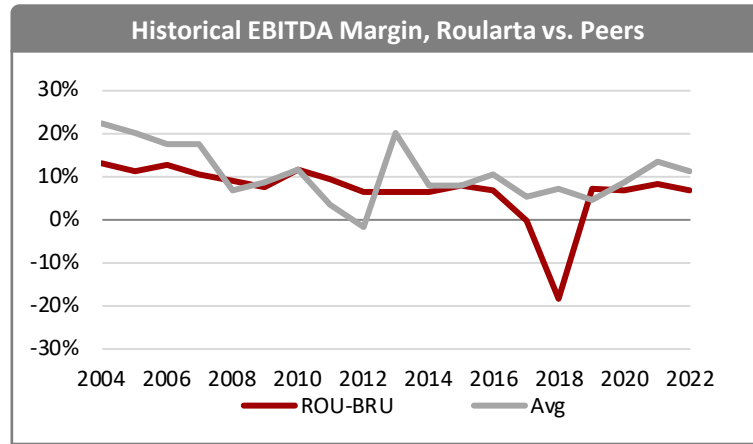
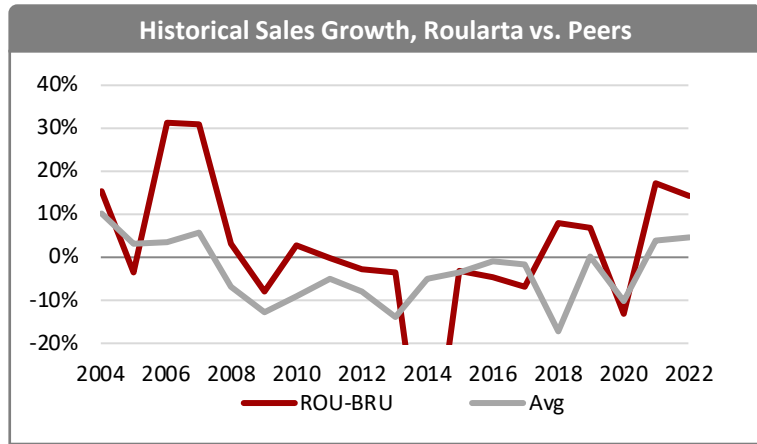


2024 NFD/EBITDA, Roularta vs. Peers



Source: Merodis, Factset

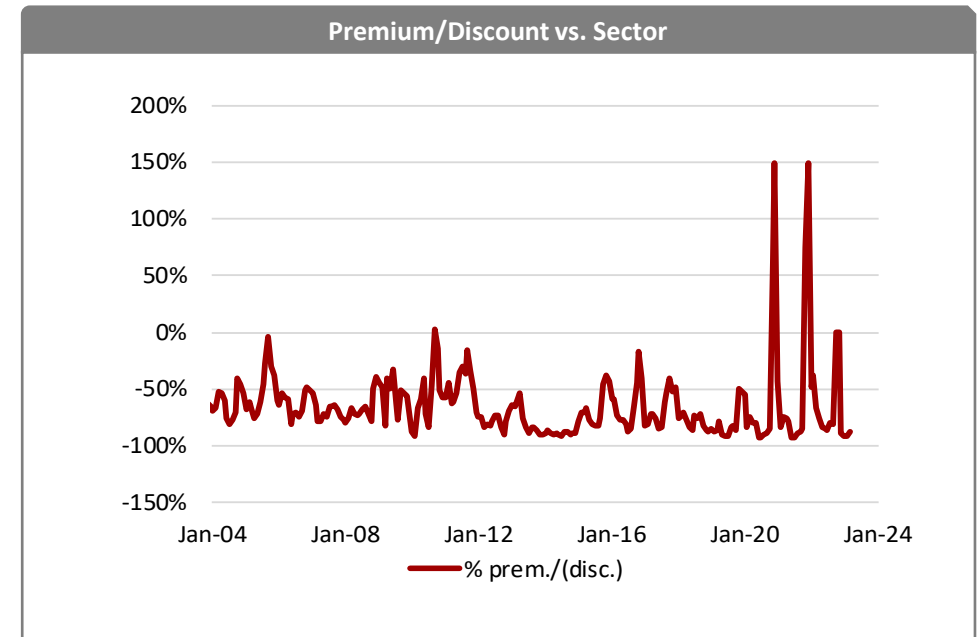
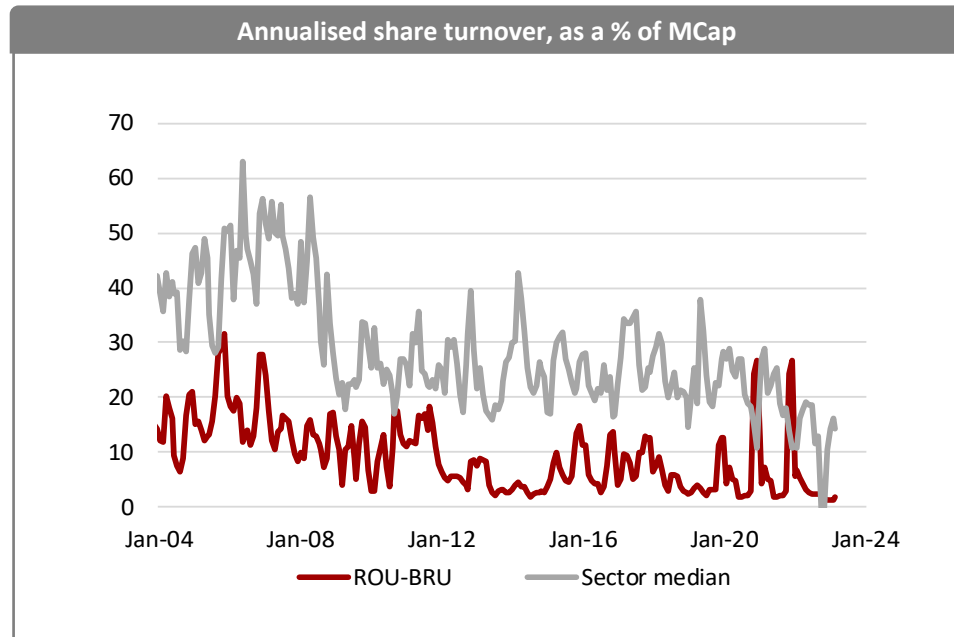
Historical P&L, CF and Balance Sheet Performance



Source: Merodis, Factset

Share liquidity

Well-below peers



Source: Merodis, Factset

Financial summary

Enterprise Value (€m): 97
Market Cap. (€m): 227
Free-float MCap (€m): 92

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	CAGR	
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e	09-22	23-25e	
Consolidated P&L (€m)																			
Sales	712	731	742	677	300	292	279	258	278	298	259	304	346	353	361	370	-5.8	2.4	
EBITDA	82	70	45	42	20	18	16	1	8	21	17	31	25	33	38	42	-6.2	12.4	
EBIT	57	36	5	-49	4	12	7	-13	-64	8	4	9	3	17	21	25	-9.7	19.8	
Pretax profit	51	28	-4	-57	-3	7	2	-18	-69	7	4	8	3	17	21	25	na	22.5	
Net profit	31	15	-3	-58	-142	64	21	-11	-80	11	6	17	8	21	24	34	na	27.7	
Cash Flow (€m)																			
Cash Flow	77	63	39	21	17	15	-16	1	8	21	17	31	25	33	38	42	-3.2	12.4	
Adj. EBITDA	-19	4	17	-16	4	-17	-8	0	28	-5	1	10	1	10	4	1	na	-62.1	
Gros Op CF	58	66	56	5	21	-3	8	1	36	16	18	41	25	44	42	44	-0.4	0.0	
Capex	-8	0	-4	-6	-7	-5	-8	-16	-7	-10	-15	-23	-10	-13	-13	-13	-5.9	0.0	
FCF	24	46	44	-10	27	0	5	-26	28	12	4	27	15	33	31	34	na	1.5	
Net disp./acq.	-9	1	0	1	9	12	16	17	221	-8	-1	-3	-18	0	0	0	na	na	
Dividends paid	0	-6	-4	0	0	0	-6	-6	-63	-6	-11	-12	-12	-12	-12	-12	na	0.0	
Equity issue	0	-3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	na	na	
Others	0	-16	-19	2	-41	-6	3	10	-28	3	-2	3	-13	0	0	0	1.1	na	
Net Debt (incr./decr.)	15	22	20	-7	-6	6	18	-5	158	0	-10	15	-28	21	20	22	na	2.3	
Balance Sheet (€m)																			
WC	-20	-24	-41	-25	-51	-21	-13	-13	-41	-36	-37	-47	-48	-58	-62	-64	1.6	4.9	
Capital Employed	602	581	549	511	221	298	295	154	143	144	148	159	173	163	152	143	-10.3	-6.5	
Discontinued Assets	0	0	0	0	152	0	0	129	0	2	3	2	1	0	0	0	na	na	
Cash & Equivalent	44	35	79	51	34	39	51	43	96	101	91	107	84	106	125	148	34	18.2	
Gross Debt	155	124	148	127	116	114	108	106	0	6	5	6	11	11	11	11	-25.6	0.0	
Equity	345	351	345	287	143	208	222	203	223	228	223	230	226	236	245	258	-2.5	-4.4	
Growth (%)																			
Sales	1	3	-3	-5	-56	-3	-5	-7	8	7	-13	17	14	2	2	2	2	2	
EBITDA	54	-15	-35	-6	-54	-8	-10	-94	712	151	-15	78	-21	36	13	12	12	12	
EBIT	131	-32	-73	na	na	139	-58	na	na	na	na	-47	-31	-78	2196	26	22	22	
Net profit	na	-50	na	na	na	na	-67	na	na	-86	-45	177	-54	171	18	38	na	na	
FCF	na	92	-6	na	na	-100	18859	na	na	-57	-68	567	-42	116	-5	8	8	8	
NWC	-49	19	72	-38	99	-58	-39	-2	222	-11	2	27	1	22	7	2	2	2	
Capital Employed	3	-4	-5	-7	-57	-35	-1	-48	-7	1	2	7	9	-6	-7	-6	-5	-5	
Shareholder Equity	11	2	-2	-17	-50	45	7	-9	10	2	-2	3	-2	5	3	5	-2	-2	
Financial Ratios																			
Gross margin (%)	76	76	76	76	72	75	76	76	76	79	82	84	80	79	79	79	79	79	
EBITDA margin (%)	12	10	6	6	7	6	6	0	3	7	7	10	7	9	10	11	11	11	
EBIT margin (%)	9	6	2	-4	2	5	2	-4	0	3	2	1	0	4	5	6	6	6	
Net margin (%)	4	2	0	-9	-47	22	8	-4	29	4	2	5	2	6	7	9	9	9	
Opex/Sales (%)	88	91	94	94	94	92	94	99	96	93	94	91	93	90	89	88	88	88	
Depreciation/Sales (%)	22	22	34	41	45	52	63	1126	143	64	74	54	80	58	53	49	49	49	
Depreciation/EBITDA (%)	37	43	28	-3	-89	-671	-4	-82	-2	-6	0	-42	172	0	0	0	0	0	
Tax rate (%)	1	0	1	1	2	2	3	6	3	3	6	8	3	4	4	4	4	4	
Capex/Sales (%)	3	6	6	-1	9	0	2	-10	10	4	2	9	4	9	9	9	9	9	
FCF/Sales (%)	-3	-1	2	-2	1	-6	-3	0	10	-2	0	3	0	3	1	0	0	0	
WCR/Sales (%)	-3	-3	-6	-4	-17	-7	-5	-15	-12	-14	-16	-14	-16	-17	-17	-17	-17	-17	
WC/Sales (%)	85	79	77	75	74	76	56	106	59	51	48	57	52	50	46	42	39	39	
Capital Employed/Sales (%)	31	25	19	26	56	36	26	31	-43	-42	-38	-42	-32	-40	-47	-53	-53	-53	
Gearing (%)	1.4	1.3	1.5	1.8	4.2	4.2	4.2	3.5	62.2	-11.7	-4.7	-4.9	-3.3	-3.0	-2.8	-3.0	-3.2	-3.2	
Net Debt/EBITDA (x)	6	3	1	6	8	32	8	-9	0	6	3	3	3	3	3	3	3	3	
ROCE post-tax (%)	9	4	-1	-18	-66	37	10	-5	38	5	3	7	3	9	10	13	15	15	
ROE (%)	22	30	0	0	0	10	30	0	90	0	202	72	157	58	49	36	36	36	
Dividend Payout (%)																			
Valuation																			
Market Capitalisation (€m)	248	275	185	155	162	208	319	306	258	179	173	196	244	227	227	227	2.4	0.0	
+ Net Financial Debt (€)	111	89	70	76	82	76	57	63	-96	-96	-86	-101	-73	-94	-114	-136	na	20.2	
+ Res stated Min. + others (€m)	17	16	14	35	20	10	10	10	9	9	8	18	6	15	15	15	-7.3	0.0	
- Associates & Inv. (€m)	11	12	14	14	123	176	167	20	72	66	66	63	58	51	51	51	15.8	0.0	
= Enterprise Value (€m)	365	369	254	253	141	118	219	358	100	26	30	51	119	97	77	55	-7.8	-24.7	
Assoc. NFD (gr. share) (€m)	0	0	0	0	0	-7	-10	0	-5	-3	-8	-4	-4	-4	-4	-4	-4	-4	
EV/Sales (x)	0.5	0.5	0.4	0.4	0.3	0.4	0.8	1.4	0.4	0.1	0.1	0.2	0.3	0.3	0.2	0.1	0.1	0.1	
EV/EBITDA (x)	4.5	5.3	5.6	6.0	7.2	6.6	13.5	356.3	12.2	1.3	1.7	1.7	4.8	2.9	2.0	1.3	2.2	2.2	
EV/EBIT (x)	6.4	10.4	53.7	-5.1	36.0	9.6	32.7	-27.7	-1.6	3.4	7.5	6.0	39.5	5.6	3.7	2.2	2.2	2.2	
EV/FCF (x)	15.1	7.9	5.8	-25.0	5.3	na	42.8	-13.7	3.5	2.1	7.5	1.9	7.8	2.9	2.5	1.6	1.6	1.6	
EV/Capital Employed (x)	0.6	0.6	0.5	0.5	0.6	0.4	0.7	2.3	0.7	0.2	0.2	0.3	0.7	0.6	0.5	0.4	0.4	0.4	
P/E (x)	8.2	17.9	-74.0	-2.7	-1.1	3.2	14.7	-27.7	3.2	16.3	26.6	10.8	29.2	10.0	8.5	6.2	6.2	6.2	
P/BVPS (x)	0.7	0.8	0.5	0.5	1.1	1.0	1.4	1.5	1.2	0.8	0.9	1.1	1.0	0.9	0.9	0.9	0.9	0.9	
FCF yield (%)	9.8	16.9	23.7	-6.5	16.4	0.0	1.6	-8.5	11.0	6.8	2.3	13.5	6.3	14.5	13.8	15.0	15.0	15.0	
Per share data																			
# of shares	13.13	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	
# of avg sh. (FD, ex-treas.)	13.42	13.21	13.18	13.05	12.97	13.03	13.03	13.03	13.03	13.04	12.07	12.01	11.98	11.98	11.98	11.98	-0.9	0.0	
Share price	18.85	20.95	14.06	11.81	12.36	15.85	24.24	23.25	19.64	13.60	13.19	14.95	18.58	17.30	17.30	17.30	2.4	0.0	
EPS	2.31	1.17	-0.19	-4.44	-11.0	4.92	1.65	-0.84	6.14	0.83	0.50	1.38	0.64	1.72	2.03	2.81	na	27.7	
EPS FD	2.31	1.17	-0.19	-4.44	-11.0	4.92	1.65	-0.84	6.14	0.83	0.50	1.38	0.64	1.72	2.03	2.81	na	27.7	
BVPS	26.28	26.73	26.23	21.84	10.90	15.80	16.92	15.45	16.94	17.34	17.01	17.47	17.20	17.99	18.61	19.61	-2.7	4.4	
DPS	0.50	0.35	0.00	0.00	0.00	0.50	0.50	0.00	5.50	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	

Source: Company data, Merodis Equity Research

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