

Roularta Media Group

BELGIUM

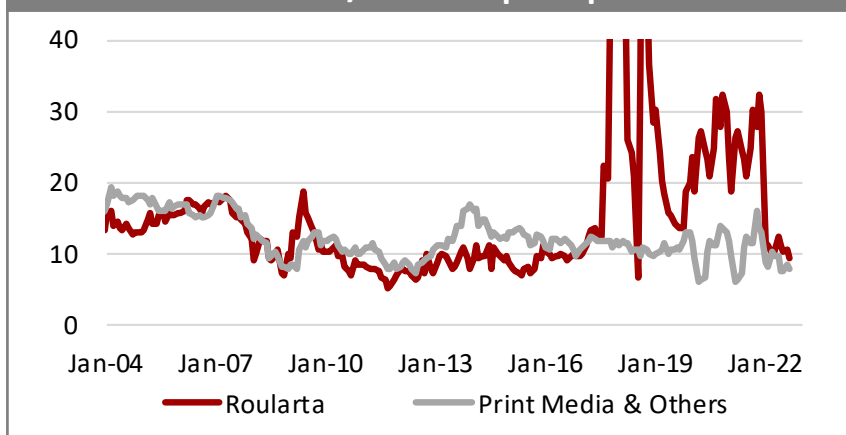
Bloomberg: ROU:BB

Reuters: RLRT.BR



Roularta Media Group

Roularta P/E vs European peers



€m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	278.4	298.0	258.5	303.6	344.3	355.6	363.8
EBIT	-63.7	7.5	4.0	8.5	16.6	17.3	21.3
Net profit	79.9	10.9	6.0	16.6	21.2	22.4	26.3
EPS (€)	6.14	0.83	0.50	1.38	1.77	1.86	2.19
DPS (€)	5.50	0.00	1.00	1.00	1.00	1.00	1.00
P/E (x)	3.2	16.3	26.6	10.8	9.5	9.0	7.7
Yield (%)	28.0	0.0	7.6	6.7	6.0	6.0	6.0
Adj. EV/EBIT (x)	na	3.4	7.5	6.0	6.4	4.7	2.8

Source: Merodis Equity Research, Factset

Pricing date: 30/09/2022

Market review and peer benchmarking

17 October 2022

Key quarterly insights: 3Q22

1H22 results reflect post-Covid-19 tailwinds as expected with inflationary headwinds kicking in

Roularta reported 1H22 results on 19 August. Top-line growth was slightly below our forecast (+20% y-o-y vs +24% MERe), but still double-digit growth for the third consecutive semester driven by the post-Covid-19 market revival as well the contribution from acquisitions (buyout of the Bayard JV in March '21 as well as the acquisitions of NSM in December '21, 50+ Beurs in July '21, both in the Netherlands, and gezondheid.be in March '22). As expected, gross margins are under pressure (80%, in line with MERe, from 83% in 1H22) driven by rapidly rising paper prices (10% of COGS). After a record EBITDA margin in 1H21 (10.4% excluding one-off items, the highest level since 2H10), EBITDA margin erosion was stronger than expected (8.1% vs 9.5% MERe), mainly due to rising energy prices and despite ongoing cost control. Besides depreciation, which was higher than expected mainly due to the acquisitions, the only other line to highlight is equity accounted results (mainly 50% stake in Mediafin), which was slightly better-than-expected at EUR 2.4m vs EUR 2.1m MERe. The balance sheet remains strong with a net cash position of EUR 70m, including a EUR 18m cash-out from acquisitions. Going forward, management expects costs in 2H22 to be negatively impacted by inflationary pressures. With Belgium's wage-indexation-to-inflation regime, further pressure should be felt but from early '23. We have revised our '22e EPS forecasts by 4.1%, which puts us 8% above consensus. For '23e and '24e respectively, we have revised down our EPS forecasts by around 6.5% (in line with consensus for '23e and 5% above consensus for '24e).

Roularta should be in a better position than ever to tackle macro headwinds

Roularta's strategy to focus its efforts on growing its subscriber base, has significantly reduced its dependence on cyclical ad spend. Advertising revenues represented 52% of Media Brand sales in '17 compared to less cyclical and volatile subscription revenues (23%). In '22, we expect ad revenues to weigh 35% of divisional sales vs 45% for subscription revenues. This shift has happened in an environment of strong top line growth (8% Media Brand sales CAGR '17-22e) driven by magazine title acquisitions. Subscription revenues grew by 22% CAGR. Subscriber count has risen from 801k in '18 to 917k in '21 and we expect it to exceed 1m in '22.

Valuation assessment

The market currently values Roularta at an enterprise value (EV) of EUR 106m, which includes a market cap of EUR 221m, the value of other liabilities of EUR 12m, EUR 71m of net cash in '22e as well as our estimated value of EUR 44m for its 50% stake in Mediafin and EUR 7.5m for the 35% stake in Immovlan. Our fair equity value estimate is EUR 17.8/share (from EUR 21.3). We value the core Print Media activity at an EV of EUR 118m (6.8x EV/EBIT '23e down from 7.1x 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 6%.

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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

- ➔ Friday, 3 March 2023: 2022 results

Access our recent research reports on Roularta:

- ➔ ["4Q21 market review" \(quarterly dashboard\), 17 January 2021](#)
- ➔ ["2Q22 market review" \(quarterly dashboard\), 13 July 2022](#)

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

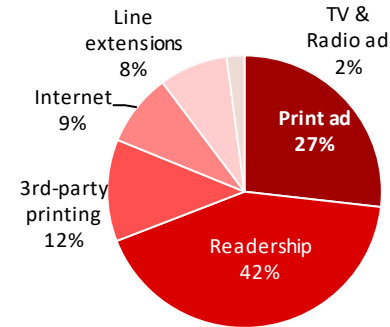
Company description

Roularta is Belgium's leading media company, offering:

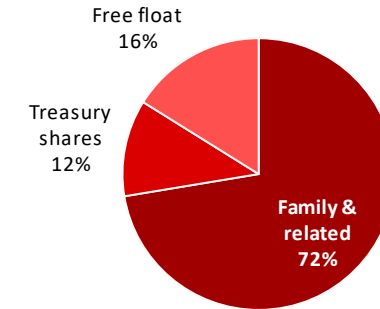
- (1) local weekly free newspapers in Flanders (Deze Week, De Zondag, Steps),
- (2) weekly news, business and women magazines in Belgium (Knack, Le Vif L'Express, Trends, Trends Tendance, Libelle/Femme d'Aujourd'hui and Flair and Feeling/Gael) and the Netherlands (EW, Beleggersbelangen, Knipmode, Formule 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.

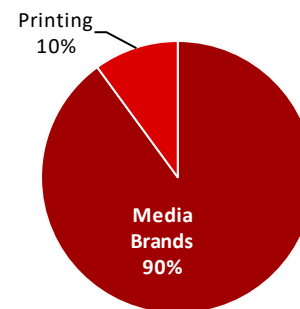
Combined sales breakdown (2021)



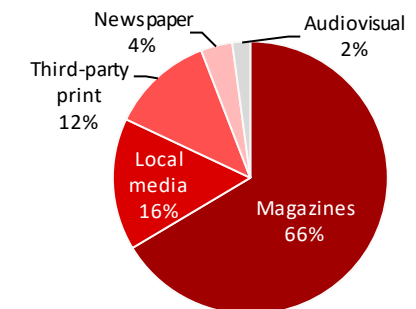
Shareholders



Segment sales (2021)



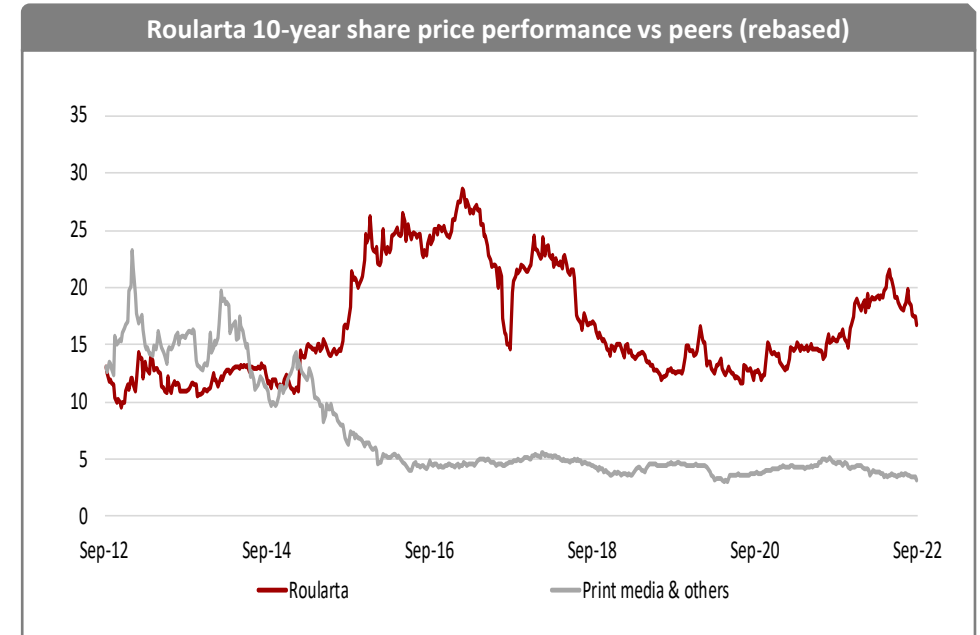
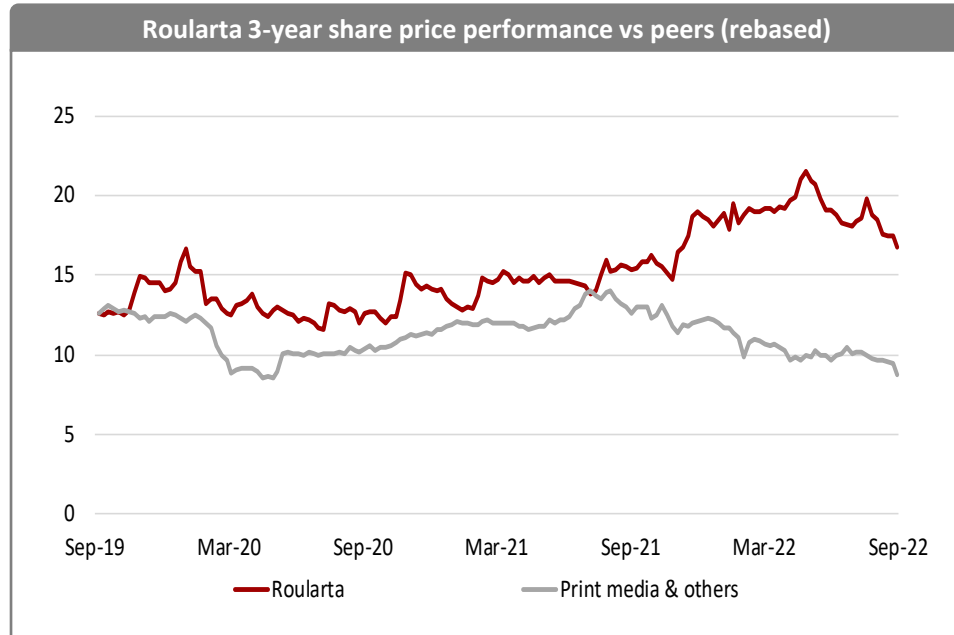
BU sales (2021)



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

'22e consensus EPS estimates for Roularta remained flat q-o-q at EUR 1.63, despite publishing strong '21 results, but probably impacted by the macro headwinds on ad spend and consumer spending from the inflationary environment.

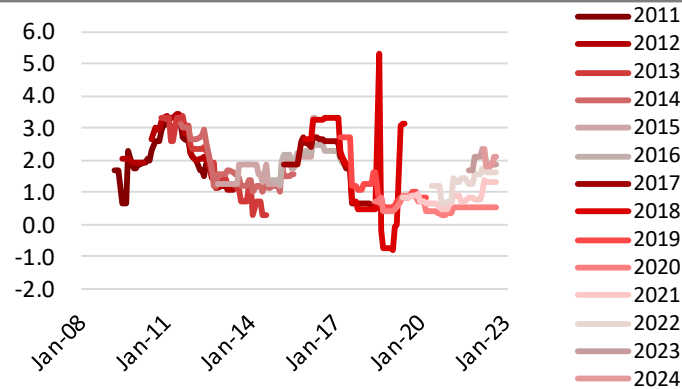
Consensus currently expects '23e earnings of EUR 1.85 per share (also flat q-o-q), vs. our forecast of EUR 1.86 (reflecting 5% growth y-o-y). Momentum is positive and we expect it to continue to some extent as the company's strategy of focused growth and cost discipline is paying off. We are, nevertheless, also expecting gross margin pressure from rising paper and energy prices.

Our '24e EPS forecasts, with EUR 2.19 expected (+18% y-o-y and 5% above consensus).

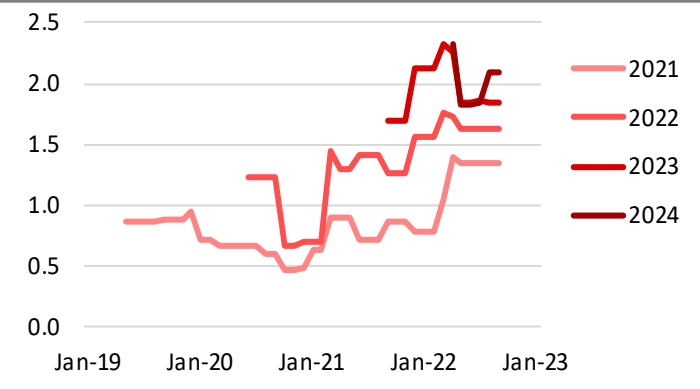
Roularta's share price decreased by 13.6% in 3Q22, underperforming its Print Media peers (-8.8% q-o-q) and underperforming the broader market (-4.8% for the Euro Stoxx 600), and Belgian SMCs (-2.8% q-o-q) by a wider margin. The share's 12 months low was EUR 14.75 (on 26 November '21), while its high during the year was EUR 21.50 (27 May '22).

Only one broker covers the stock according to Factset, KBC Securities (Overweight recommendation with EUR 24 target price). Kepler Cheuvreux, which initiated coverage in September 2018, is no longer listed on Factset as actively covering the stock and Degroof Petercam does not appear to have published anything recently, also according to Factset.

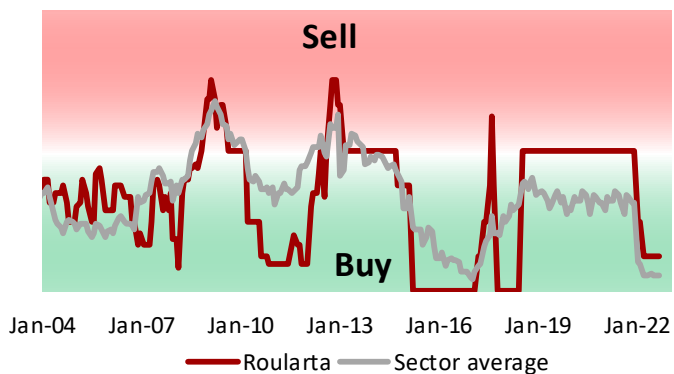
EPS Worms (€/share)



Consensus EPS 2021-23 (€/share)



Analyst recommendations vs. peer average



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

	<u>2022e</u>	<u>2023e</u>	<u>2024e</u>
Sales	4.1	2.9	2.7
EBITDA	-9.5	-11.6	-7.5
EBIT	27.3	3.1	1.5
EPS	8.4	0.6	5.0
DPS	0.0	0.0	0.0
Net cash	68.0	181.6	199.5

Source: Merodis, Factset

Sector benchmarking and valuation analysis

Benchmarking Print Media peers and listed Printing companies

Sector financial benchmarking

Company	Freefloat (%) 2022	Liquidity (daily,€m)	Depr/ EBITDA	Capex/ Sales	ND/EBITDA			EBITDA margin (%)			EBIT margin (%)			Net margin (%)			ROE (%)			2022-24e CAGR (%)		
					2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e
Solocal	100	0.22	46%	8%	1.7	1.4	1.1	27.8	28.0	27.9	14.2	14.4	14.6	6.1	6.3	6.5				5.3	1.2	0.9
Mondadori	46	0.34	45%	2%	1.4	1.0	0.8	14.3	14.8	15.0	8.9	9.5	9.8	5.6	5.9	6.0	22.3	21.7	20.3	7.0	6.5	4.1
RCS	15	0.20	31%	2%	1.1	0.6		15.4	17.5		9.9	12.5		5.6	6.8		12.1	15.7				
Vocento	50	0.05	45%	4%	0.1	-0.3	-0.7	10.0	11.8	13.0	4.1	5.9	7.3	5.4	4.4	5.7				3.3	17.4	3.1
Sanoma	38	0.45	58%	3%	2.2	1.8	1.7	28.0	29.0	29.6	12.1	13.6	14.1	7.6	8.9	9.4		18.0	18.0	13.0	7.3	4.4
Wilmington	89	0.25	103%	3%	-0.6	-1.0	-1.3	23.2	23.3	23.6	17.8	18.4	18.9	13.5	14.3	14.6		25.1	23.7	8.1	4.8	3.8
PRINT MEDIA AVERAGE	57	0.25	55%	4%	1.0	0.6	0.3	19.8	20.7	21.8	11.2	12.4	12.9	7.3	7.8	8.4	17.2	20.1	20.7	7.3	7.4	3.3
PRINT MEDIA MEDIAN	48	0.24	45%	3%	1.2	0.8	0.8	19.3	20.4	23.6	11.0	13.0	14.1	5.9	6.6	6.5	17.2	19.9	20.3	7.0	6.5	3.8
Roularta (consolidated)	15	0.03	57%	13%	-2.2	-2.8	-3.0	9.2	9.6	10.6	4.4	4.4	5.4	6.2	6.3	7.2	9.4	10.0	11.3	11.3	10.2	2.8
% prem./(disc.) vs median	-69	-89.0	25.4	326.0	-280.9	-452.4	-491.7	-52.2	-52.8	-55.1	-60.3	-66.1	-61.8	4.9	-4.0	11.7	-45.0	-49.7	-44.5	63.0	57.5	-25.9

Source: Merodis, Factset

Sector valuation

Company	Country	Price (local)	MCap (local m)	P/E			EV/Sales			EV/EBITDA			EV/EBIT			P/B			DYield		
				2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e	2022e	2023e	2024e
Solocal	FRANCE	0.78	102	4.2	4.1	3.8	0.7	0.7	0.6	2.6	2.4	2.0	5.1	4.6	3.9				0.0	0.0	0.0
Mondadori	ITALY	1.53	399	7.8	7.1	6.8	0.6	0.6	0.5	4.5	3.9	3.6	7.3	6.0	5.5	1.6	1.4	1.3	6.3	6.9	7.5
RCS	ITALY	0.66	340	7.5	5.5		0.6	0.5		3.7	2.8		5.8	4.0		0.9	0.8		9.1	9.1	
Vocento	SPAIN	0.63	76	4.2	5.3	4.0	0.2	0.2	0.1	2.4	1.7	1.0	5.9	3.3	1.7				8.5	11.6	9.7
Sanoma	FINLAND	12.26	2,005	18.1	14.9	14.2	2.1	1.9	1.9	7.6	6.7	6.4	17.7	14.3	13.5	2.7	2.6	2.5	4.6	4.8	4.9
Wilmington	UNITED KINGDOM	2.60	227	1412%	13.0	12.1	1.7	1.6	1.4	7.5	6.9	6.1	9.8	8.8	7.7	3.4	3.1	2.7	3.2	3.4	3.6
PRINT MEDIA AVERAGE				9.3	8.3	8.2	1.0	0.9	0.9	4.7	4.1	3.8	8.6	6.8	6.4	2.2	2.0	2.2	5.3	6.0	5.1
PRINT MEDIA MEDIAN				7.7	6.3	6.8	0.7	0.6	0.6	4.1	3.3	3.6	6.6	5.3	5.5	2.2	2.0	2.5	5.4	5.8	4.9
Roularta (consolidated)	BELGIUM	16.80	221	9.5	9.0	7.7	0.3	0.2	0.2	3.3	2.4	1.6	6.4	4.7	2.8	1.0	1.0	0.9	6.0	6.0	6.0
% prem./(disc.) vs median				24.2	43.6	12.9	-55.0	-62.5	-70.9	-19.2	-28.4	-56.3	-3.8	-10.9	-48.5	-54.3	-52.3	-62.8	9.3	2.4	20.8

Source: Merodis, Factset

P/E valuation relative to the sector

A recent normalisation driven by regained profitability momentum

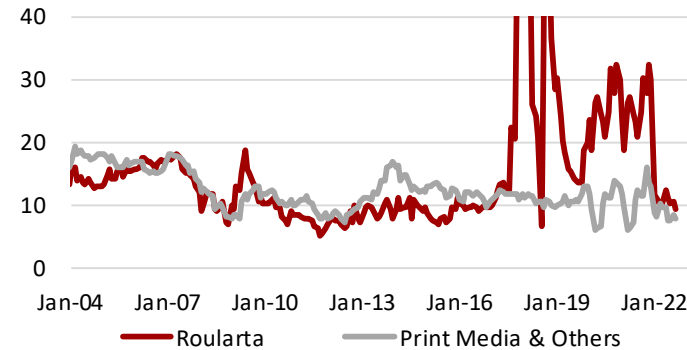
Valuation

On consensus EPS estimates, Roularta shares trade at a P/E 12M forward of 9.4x, which is a premium to Print Media peers in Europe (currently at a median of 8.0x, down from 10.3x in March). 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.

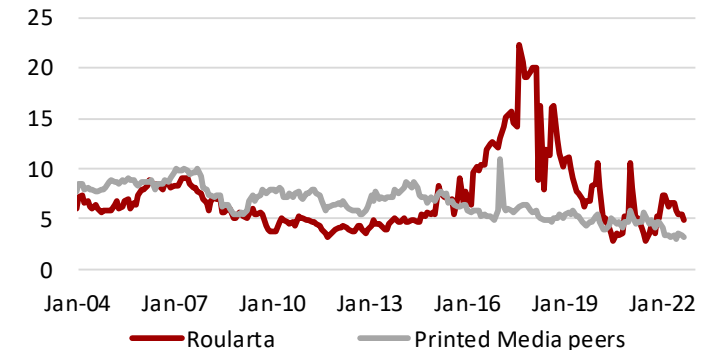
As a reminder, Roularta disposed of its stake in Medialaan in '18, which means Roularta is now a Print Media pure play compared to the past when TV broadcasting (through Medialaan) was the main profit contributor and the key value driver of the stock (in '16, 73% of Roularta's EBIT and 80% of its EPS was generated by Medialaan). The rerating compared to the Print Media sector is driven entirely 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 8.0x P/E 12M forward (from 11.6x in September '21) and at 3.1x EV/EBITDA 12M forward (down from 4.8 y-o-y), which compares to a 18-year average of 12.3x and 6.7x respectively. The historical valuation range for the sector is 5.9x-19.4x (P/E) and 3.0x-10.9x (EV/EBITDA), which suggest that the sector remains close or at the low-end of its historical 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

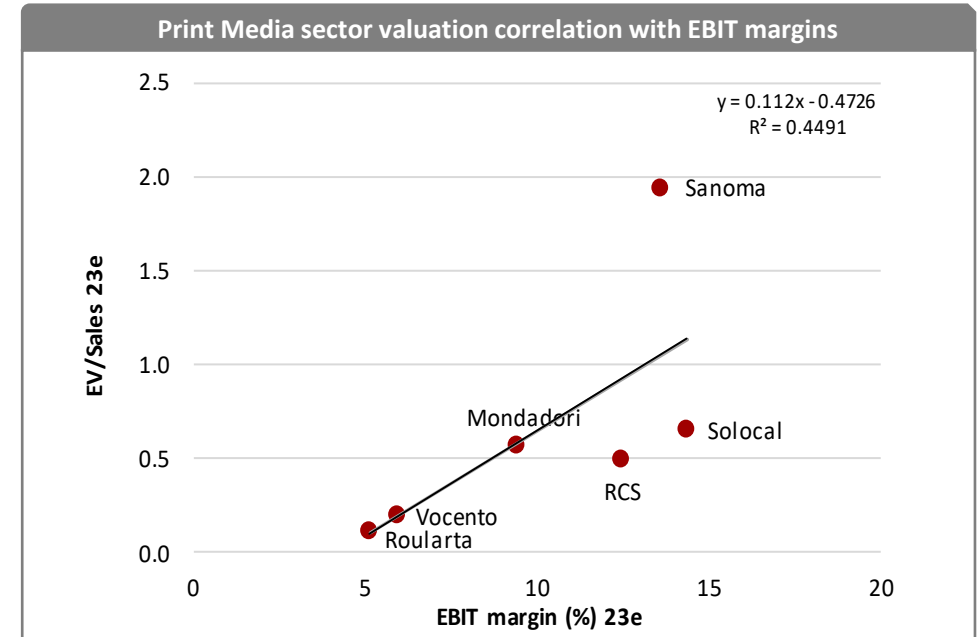
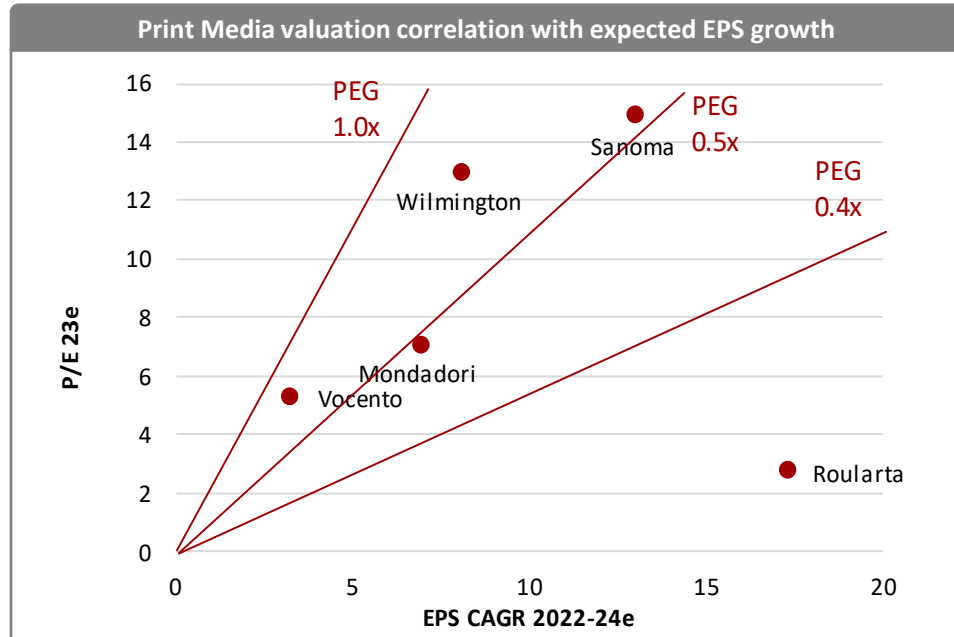


Source: Merodis, Factset

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

Roularta updated sum-of-the-parts									
(EURm)	Ownership (%)	Adjusted EBIT 23e	Discount to peers	EV/EBIT multiple 23e	Net debt 23e	Value	Equity value/sh.	Value split	Value w/o discount
RMG	100%	17.3	0.0	6.8		118.3	13.9	78%	118.3
Group enterprise value						118.3			118.3
- Net Financial Debt/(cash) (22)						71.3			71.3
- Other liabilities (22)						-12.4			-12.4
+ NPV tax asset (balance sheet)						5.2			5.2
+ Equity value of Mediafin stake	50%					43.5	3.3	19%	43.5
+ Immovlan stake	35%					7.5	0.6	3%	7.5
= Estimated market value of equity						233.4			233.4
Total share outstanding (m)						13.1			13.1
Equity value per share						17.8			17.8

Source: Merodis, Factset



Source: Merodis, Factset

Sales growth expectations

Impacted by cyclical and structural effects

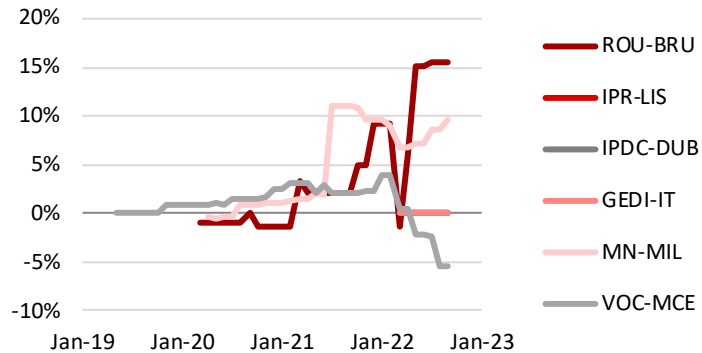
Expected Sales Growth

At the end of September, consensus expectations for '22 Print Media sales growth stood at +2.0% (down q-o-q from +2.4%) and vs. -1.3% at the start of 2020, reflecting the impact of the Covid-19 rebound. We expect Roularta sales to grow by 13% in FY22e with organic growth of c. 1%.

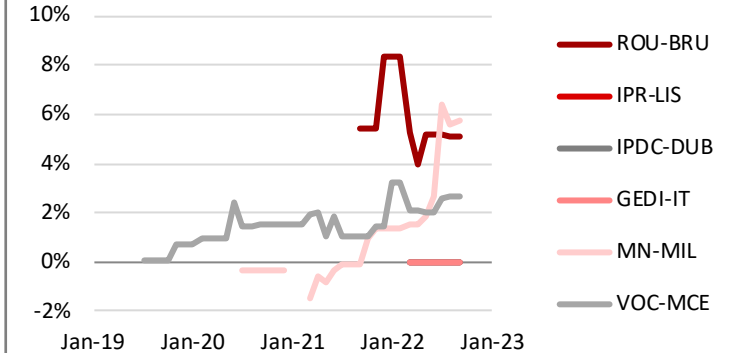
Roularta has engaged in a number of acquisitions and disposals over the past 4 years, leading to a repositioning of the company towards more focus on magazines and derived subscription revenues as well as printing in Belgium and in neighbouring countries. These transactions impede, however, on the comparability 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.

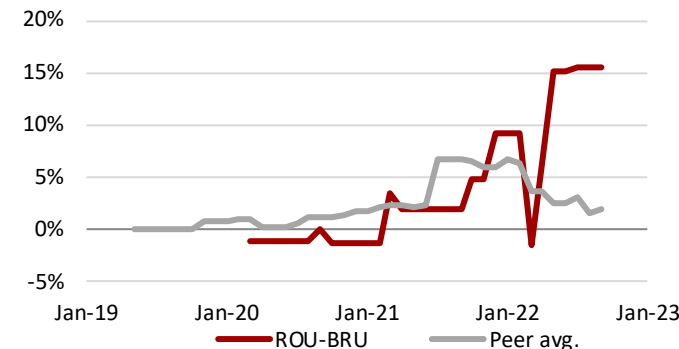
2022 expected sales growth (%)



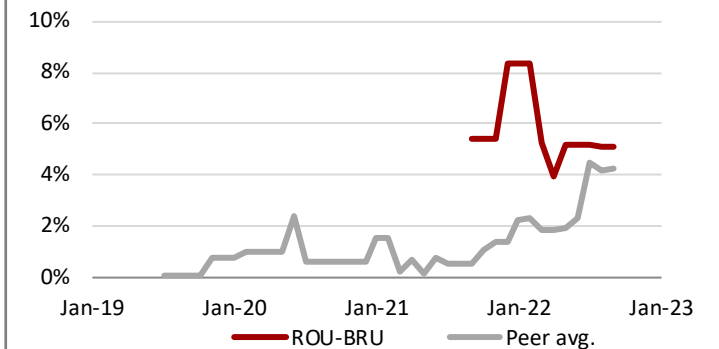
2023 expected sales growth (%)



2022 expected sales growth, Roularta vs. peers



2023 expected sales growth, Roularta vs. peers



Source: Merodis, Factset

EBITDA growth and margin expectations

Advertising revenue pressure continues to hurt margins

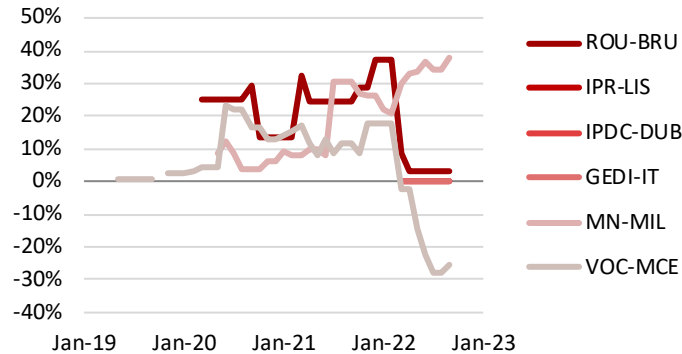
EBITDA expectations

At the end of September, expected consensus EBITDA growth for '22e at Roularta lies at +3.2% (flat q-o-q), compared to the peer average of +6.2% (from +7.0% previously expected). EBITDA margin expectations remain below the peer average for '22.

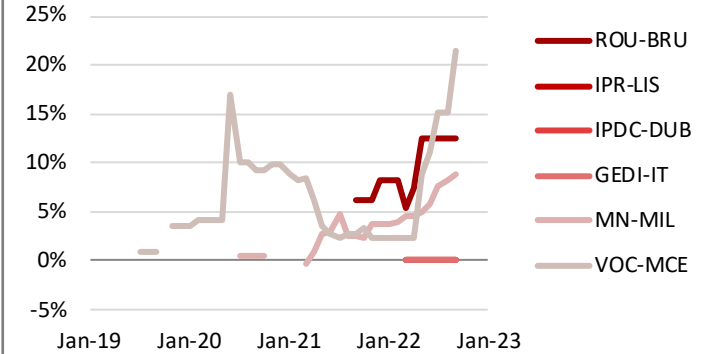
Note that consensus changes to EBIT or EBITDA at Roularta are not interpretable in a straightforward manner. In Roularta's case, its reported EBITDA margin (as reflected by Factset consensus) is positively influenced by the IFRS 11 treatment of its 50% stake in Mediafin (from March '18), whereby 50% of the net profit is 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 in the consolidation scope 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).

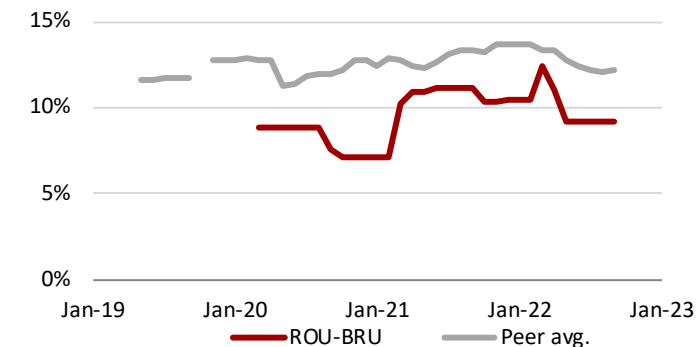
2022 expected EBITDA growth (%)



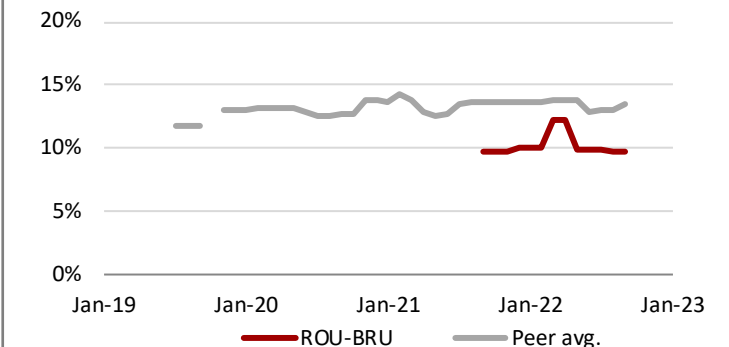
2023 expected EBITDA growth (%)



2022 expected EBITDA margin, Roularta vs. peers



2023 expected EBITDA margin, Roularta vs. peers



Source: Merodis, Factset

Consensus payout expectations

Stable dividend outlook backed by a strong balance sheet

Dividend payout

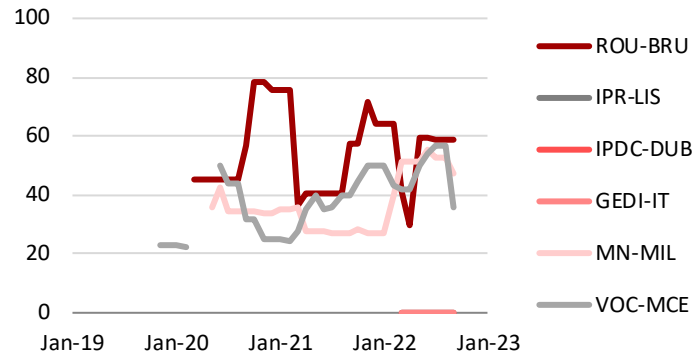
Roularta announced a dividend of EUR 1 per share for 2021, the same as last year. The amount is as expected although it reflects a high payout (73%) and implies a high dividend yield (6%).

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.

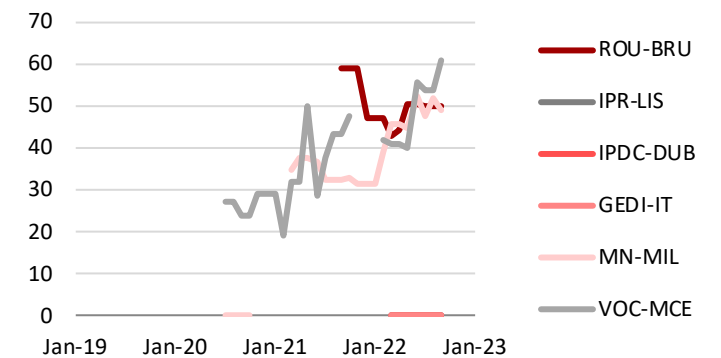
Consensus expects Roularta to pay out a dividend of EUR 1/share in '22e (flat q-o-q), in line with MERe and the company's guidance.

Going forward, we believe that a EUR 1/share dividend in the next years is entirely sustainable given the EUR 101m net cash position reported in '21. This excludes treasury shares worth a total of EUR 24m, 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.

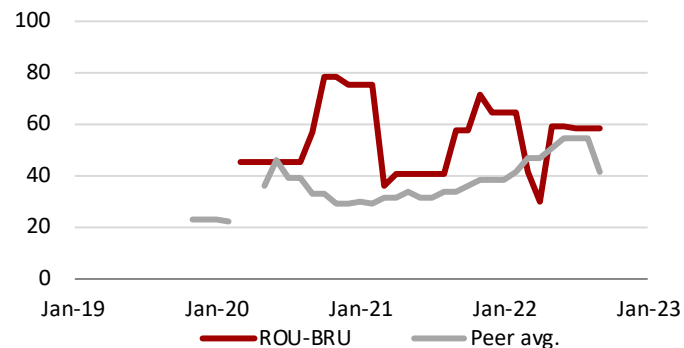
2022 expected Payout, Sector



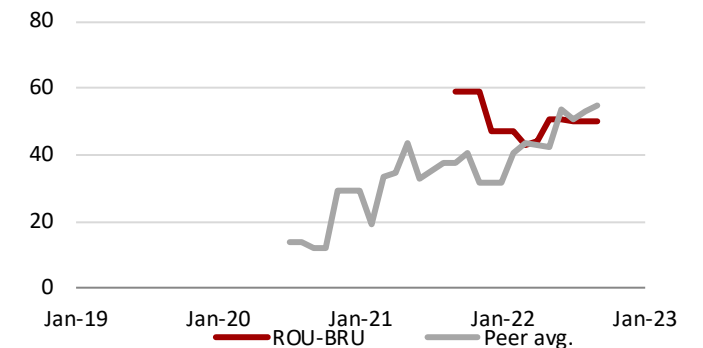
2023 expected Payout, Sector



2022 expected payout, Roularta vs. Peers



2023 expected payout, Roularta vs. Peers



Source: Merodis, Factset

Leverage expectations

No longer an issue post the Medialaan disposal

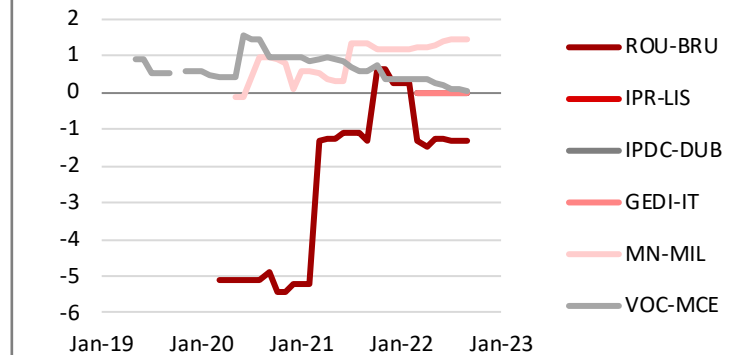
Net-debt-to-EBITDA

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 €101m at the end of '21, 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.

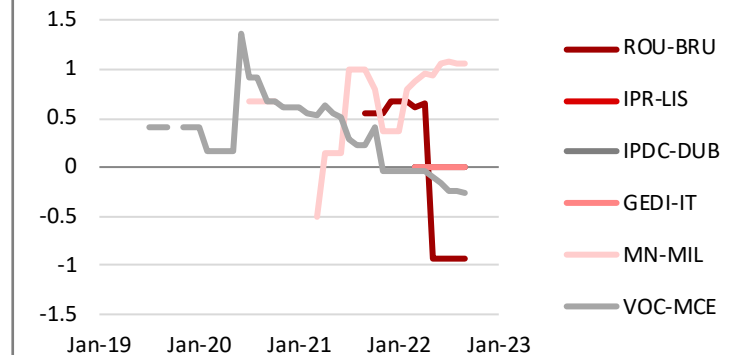
As a reminder, Roularta has paid back its €100m bond in '18 and benefited from the first full-year impact in '19. The company had a covenant threshold of 3.5x net debt over EBITDA based on annual EBITDA including the company's share of Mediafin's and Bayard's net profit.

Going forward, this has become a non-issue given our forecast of a net cash position of €71m at the end of '22e. However, we are well above consensus which stands, according to Factset, at a net cash position of EUR 43m.

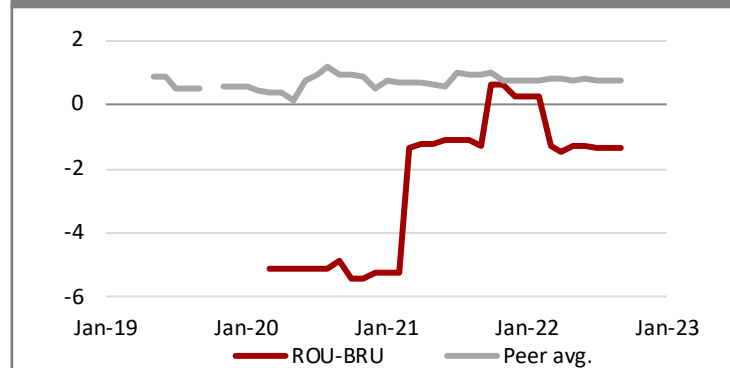
2022 NFD/EBITDA, sector



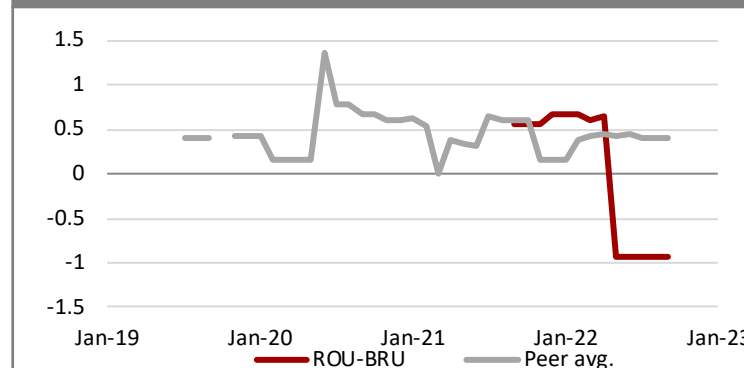
2023 NFD/EBITDA, sector



2022 NFD/EBITDA, Roularta vs. Peers

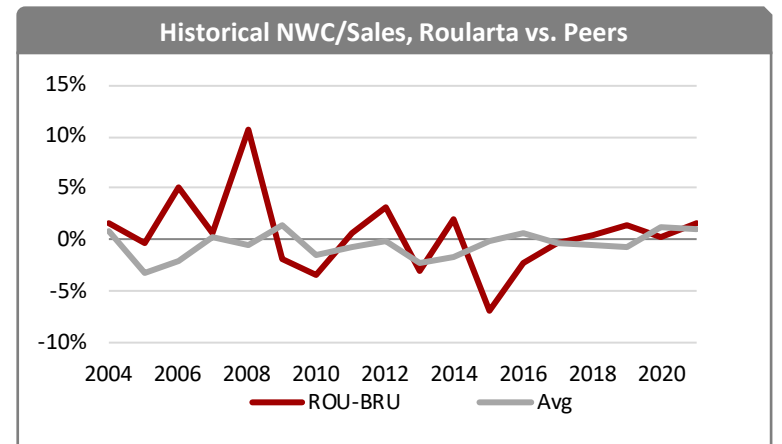
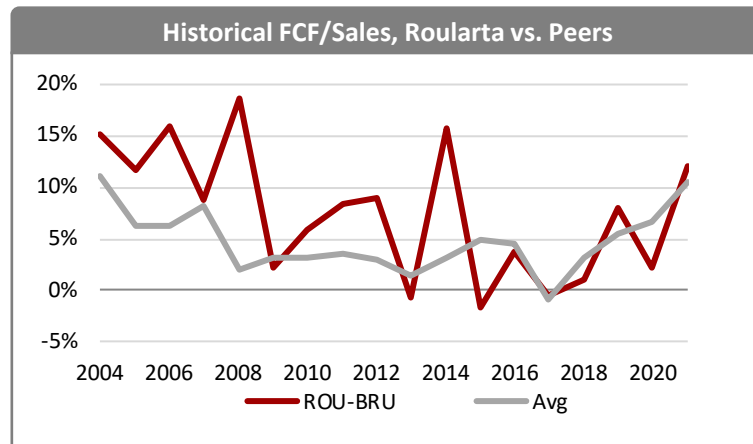
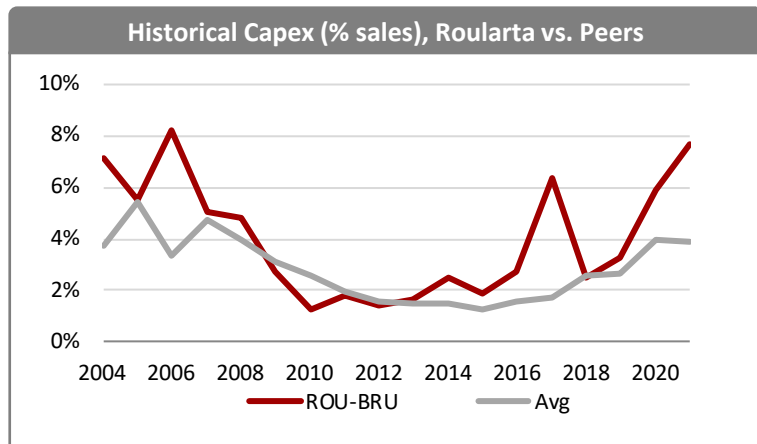
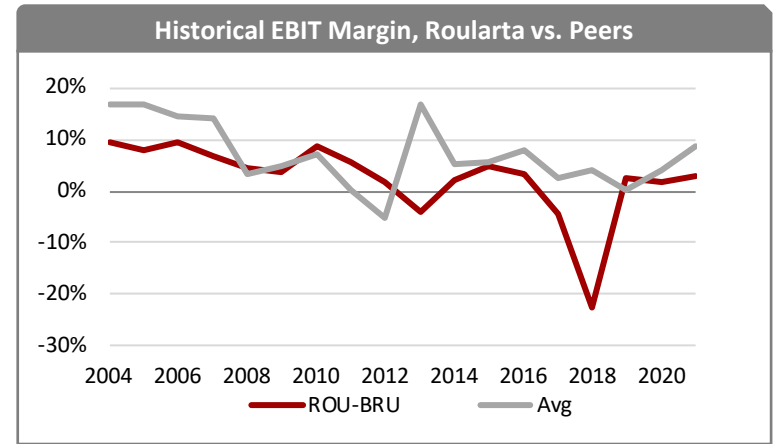
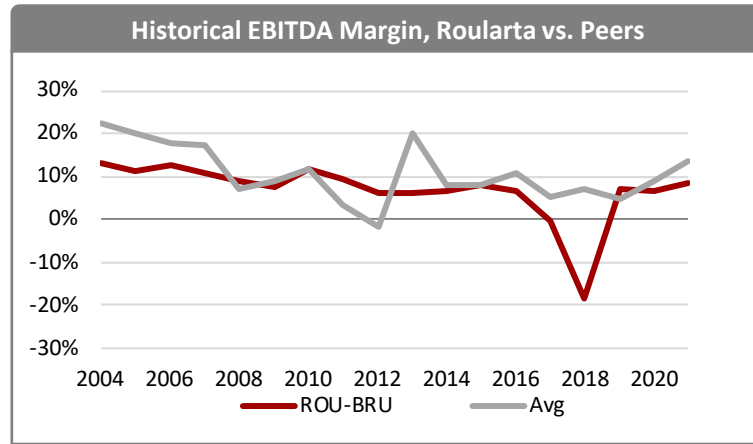
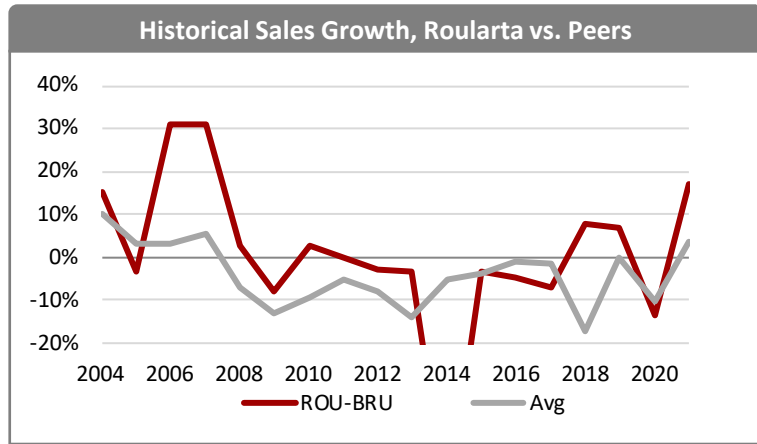


2023 NFD/EBITDA, Roularta vs. Peers



Source: Merodis, Factset

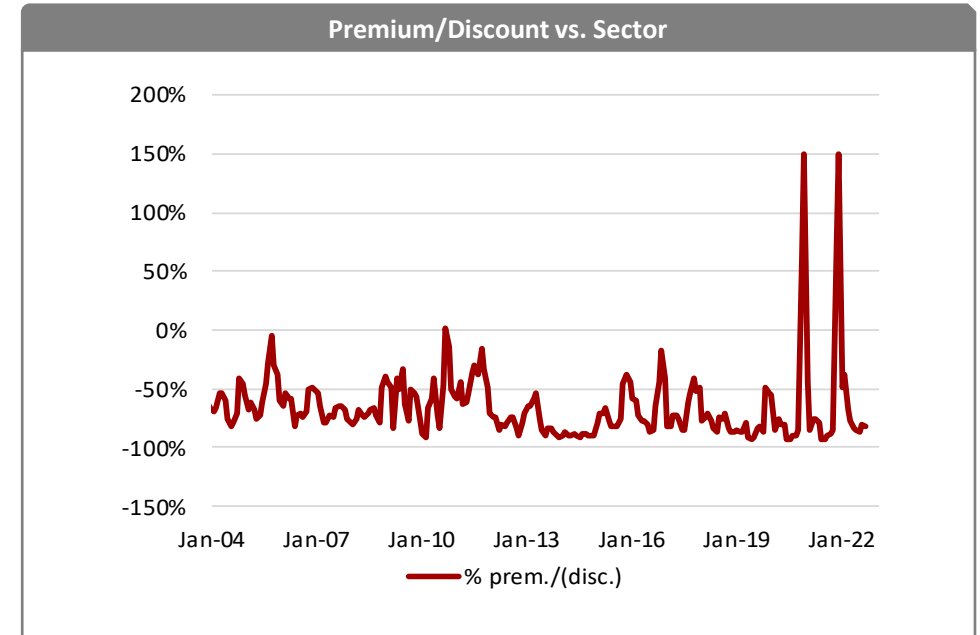
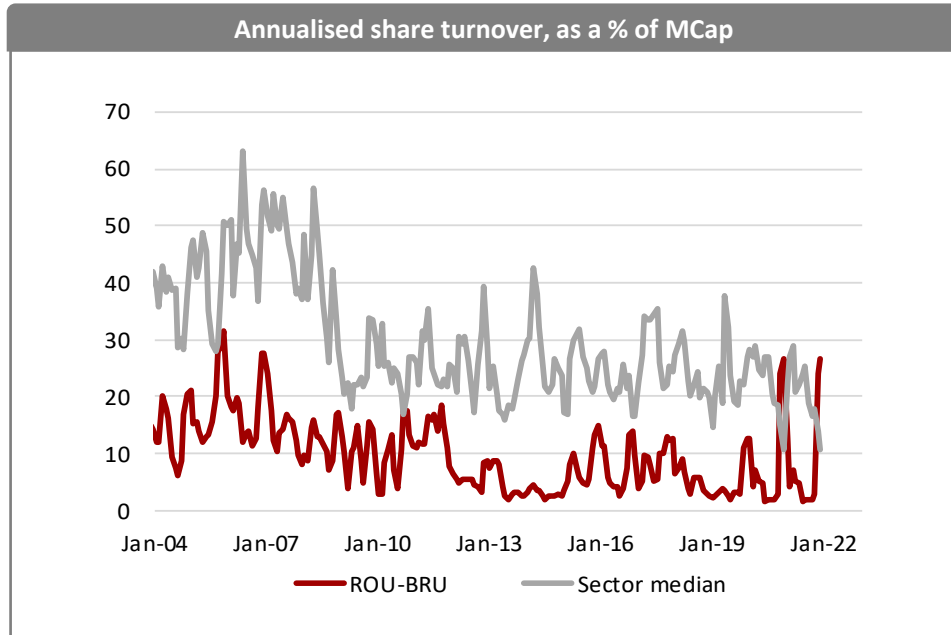
Historical P&L, CF and Balance Sheet Performance



Source: Merodis, Factset

Share liquidity

Well-below peers



Source: Merodis, Factset

Financial summary

Enterprise Value (€m): 106
Market Cap. (€m): 221
Free-float MCap (€m): 93

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e	CAGR	CAGR
Consolidated P&L (€m)																	09-21	22-24e
Sales	707	712	731	712	677	300	292	279	258	278	298	259	304	344	356	364	-6.8	2.8
EBITDA	53	82	70	45	42	20	18	16	1	8	21	17	31	32	34	39	-4.4	10.2
EBIT	10	57	36	5	-49	4	12	7	-13	-64	8	4	9	17	17	21	-1.5	13.1
Pretax profit	-3	51	28	-4	-57	-3	7	2	-18	-69	7	4	8	16	17	21	na	13.3
Net profit	-4	31	15	-3	-58	-142	64	21	-11	80	11	6	17	21	22	26	na	11.3
Cash Flow (€m)																	09-21	22-24e
Adj. EBITDA	36	77	63	39	21	17	15	16	1	8	21	17	31	32	34	39	-1.4	10.2
WCR	-10	-19	4	17	-16	4	-17	-8	0	28	-5	1	10	10	8	1	na	-61.2
Gross Op CF	26	58	66	56	5	21	-3	8	1	36	16	18	41	42	42	40	3.8	-1.9
Capex	-20	-8	0	-4	-6	-7	-5	-8	-16	-7	-10	-15	-23	-44	-10	-10	1.2	-52.3
FCF	-8	24	46	44	-10	27	0	5	-26	28	12	4	27	2	35	34	na	286.6
Net disp./acq.	57	-9	1	0	1	9	12	16	17	221	-8	-1	-3	-20	0	0	na	na
Dividends paid	0	0	-6	-4	0	0	0	-6	-6	-63	-6	-11	-12	-12	-12	-12	na	0.0
Equity issue	2	0	-3	0	0	0	0	0	0	0	0	0	0	0	0	0	na	na
Others	-12	0	-16	-19	2	-41	-6	3	10	-28	3	-2	3	0	0	0	na	na
Net Debt (incr./decr.)	39	15	22	20	-7	-6	6	18	-5	158	0	-10	15	-30	24	22	-7.6	na
Balance Sheet (€m)																	09-21	22-24e
WC	-39	-20	-24	-41	-25	-51	-21	-13	-13	-41	-36	-37	-47	-57	-65	-66	1.6	7.8
Capital Employed	584	602	581	549	511	221	298	295	154	143	144	148	159	181	165	154	-10.3	-7.6
Discontinued Assets	0	0	0	0	0	152	0	0	129	0	2	3	2	0	0	0	na	na
Cash & Equivalent	72	44	35	79	51	34	39	51	43	96	101	91	107	77	101	123	3.4	26.2
Gross Debt	198	155	124	148	127	116	114	108	106	0	6	5	6	6	6	6	-25.6	0.0
Equity	312	345	351	345	287	143	208	222	203	223	228	223	230	220	227	239	-2.5	4.2
Growth (%)																		
Sales	-10	1	3	-3	-5	-56	-3	-5	-7	8	7	-13	17	13	3	2		
EBITDA	-24	54	-15	-35	-6	-54	-8	-10	-94	712	151	-15	78	3	8	13		
EBIT	-23	131	-32	-73	na	na	139	-58	na	na	na	-47	-31	452	5	25		
Net profit	na	na	-50	na	na	na	na	-67	na	na	-86	-45	177	28	5	18		
FCF	na	na	92	-6	na	na	-100	18859	na	na	-57	-68	567	-92	1476	-5		
NWC	-20	-49	19	72	-38	99	-58	-39	-2	222	-11	2	27	21	13	2		
Capital Employed	-9	3	-4	-5	-7	-57	35	-1	-48	-7	1	2	7	14	-9	-6		
Shareholder Equity	-2	11	2	-2	-17	-50	45	7	-9	10	2	-2	3	-4	3	5		
Financial Ratios																		
Gross margin (%)	76	78	76	75	76	72	75	76	76	78	79	82	84	81	79	79		
EBITDA margin (%)	8	12	10	6	6	7	6	6	0	3	7	7	10	9	10	11		
EBIT margin (%)	4	9	6	2	-4	2	5	2	-4	0	3	2	1	4	4	5		
Net margin (%)	-1	4	2	0	-9	-47	22	8	-4	29	4	2	5	6	6	7		
Opex/Sales (%)	92	88	91	94	94	94	92	94	99	96	93	94	91	91	90	89		
Depreciation/Sales (%)	42	22	22	34	41	45	52	63	1126	143	64	74	54	57	54	49		
Depreciation/EBITDA (%)	-84	37	43	28	-3	-89	-67	-4	-82	-2	-6	0	-42	0	0	0		
Tax rate (%)	3	1	0	1	1	2	2	3	6	3	3	6	8	13	3	3		
Capex/Sales (%)	-1	3	6	6	-1	9	0	2	-10	10	4	2	9	1	10	9		
WCR/Sales (%)	-1	-3	1	2	-2	1	-6	-3	0	10	-2	0	3	3	2	0		
WC/Sales (%)	-6	-3	-3	-6	-4	-17	-7	-5	-15	-12	-14	-16	-17	-18	-18	-18		
Capital Employed/Sales (%)	83	85	79	77	75	74	102	106	59	51	48	52	53	46	42	42		
Gearing (%)	39	31	25	19	26	56	36	26	31	-43	-42	-38	-42	-31	-40	-46		
Net Debt/EBITDA (x)	2.4	1.4	1.3	1.5	1.8	4.2	4.2	3.5	62.2	-11.7	-4.7	-4.9	-3.3	-2.2	-2.8	-3.0		
ROCE post-tax (%)	3	6	3	1	6	8	32	8	-9	0	6	3	3	9	9	12		
ROE (%)	-1	9	4	-1	-18	-66	37	-5	38	5	3	7	9	10	11	11		
Dividend Payout (%)	0	22	30	0	0	0	10	30	0	90	0	202	72	57	54	46		
Valuation																		
Market Capitalisation (€m)	184	248	275	185	155	162	208	319	306	258	179	173	196	221	221	221	0.5	0.0
+ Net Financial Debt (€)	127	111	89	70	76	82	76	57	63	-96	-96	-86	-101	-71	-95	-117	na	28.1
+ Restated Min. + others (€m)	15	17	16	14	35	20	10	10	10	9	9	8	18	12	12	12	1.6	0.0
- Associates & Inv. (€m)	10	11	12	14	14	123	176	167	20	72	66	66	63	56	56	56	16.5	0.0
= Enterprise Value (€m)	316	365	369	254	253	141	118	219	358	100	26	30	51	106	82	60	-14.1	-24.6
Assoc. NFD (gr. share) (€m)	0	0	0	0	0	0	-7	-10	0	-5	-3	-8	-1	-1	-1	-1		
EV/Sales (x)	0.4	0.5	0.5	0.4	0.4	0.3	0.4	0.8	1.4	0.4	0.1	0.2	0.2	0.3	0.2	0.2		
EV/EBITDA (x)	5.9	4.5	5.3	5.6	6.0	7.2	6.6	13.5	356.3	12.2	1.3	1.7	1.7	3.3	2.4	1.6		
EV/EBIT (x)	30.9	6.4	10.4	53.7	-5.1	36.0	9.6	32.7	-27.7	-1.6	3.4	7.5	6.0	6.4	4.7	2.8		
EV/FCF (x)	-37.3	15.1	7.9	5.8	-25.0	5.3	na	47.8	-13.7	3.5	2.1	7.5	1.9	46.9	2.3	1.8		
EV/Capital Employed (x)	-0.5	0.6	0.6	0.5	0.5	0.6	0.4	0.7	2.3	0.7	0.2	0.2	0.3	0.6	0.5	0.4		
P/E (x)	-45.0	8.2	17.9	-74.0	-2.7	-1.1	3.2	14.7	-27.7	3.2	16.3	26.6	10.8	9.5	9.0	7.7		
P/BVPS (x)	0.6	0.7	0.8	0.5	0.5	1.1	1.0	1.4	1.5	1.2	0.8	0.8	0.9	1.0	1.0	0.9		
FCF yield (%)	-4.6	9.8	16.9	23.7	-6.5	16.4	0.0	1.6	-8.5	11.0	6.8	2.3	13.5	10.1	16.1	15.2		
Per share data																		
# of shares	13.13	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	0.0	0.0
# of avg sh. (FD, ex-treas.)	13.43	13.42	13.21	13.18	13.05	12.97	13.07	13.03	13.03	13.04	13.04	12.07	12.01	12.01	12.01	12.01	-0.9	0.0
Share price	14.02	18.85	20.95	14.06	11.81	12.36	15.85	24.24	23.25	19.64	13.60	13.19	14.95	16.80	16.80	16.80	0.5	0.0
EPS	-0.31	2.31	1.17	-0.19	-4.44	-11.0	4.92	1.65	-0.84	6.14	0.83	0.50	1.38	1.77	1.86	2.19	na	11.3
EPS FD	-0.31	2.31	1.17	-0.19	-4.44	-11.0	4.92	1.65	-0.84	6.14	0.83	0.50	1.38	1.77	1.86	2.19	na	11.3
BVPS	23.75	26.28	26.73	26.23	21.84	10.90	15.80	16.92	15.45	16.94	17.34	17.01	17.47	16.73	17.30	18.18	-2.5	4.2
DPS	0.00	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	na	0.0

Source: Company data, Merodis Equity Research

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