

AlphaValue has a contract with Chargeurs to research Chargeurs using the AlphaValue methods and procedures.

Significant news

Fact

Through a total return swap, Pathé has sold 734,035 Chargeurs shares and now owns only 1m shares, corresponding to 7.75% of the capital and 7.70% of the theoretical voting rights. Consequently, the stake of the combined interest of the concert group comprising Pathé, Jérôme Seydoux, Eduardo Malone and the companies they control has dropped to 13.21% of the capital and 13.22% of the theoretical voting rights compared to 18.99% and 19.02% previously.

Buy

Upside : 52.6 %

Target Price (6 months)	€ 8.91
Share Price	€ 5.84
Market Capitalisation €M	76.6
Price Momentum	STRONG
Extremes 12Months	3.50 ▶ 6.01

[Full Company Analysis](#)



PERF	1w	1m	3m	12m
Chargeurs	3.36 %	1.21 %	12.1 %	47.8 %
Other financials	0.09 %	1.07 %	0.68 %	22.7 %
DJ STOXX 600	-0.11 %	0.85 %	-3.64 %	12.7 %

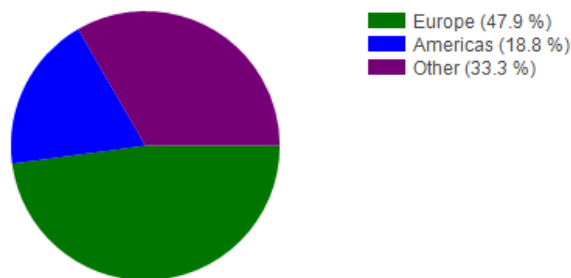
Sector Opinion	Underweight
Strongest upside	Sonae
Worst potential	TUI

[Complete Sector Analysis](#)

Last updated: 09/05/2011	12/09A	12/10A	12/11E	12/12E
Adjusted P/E (x)	-1.56	6.16	10.9	10.3
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA (x)	6.62	4.50	4.59	4.40
Adjusted EPS (€)	-3.41	0.72	0.54	0.57
Growth in EPS (%)			-25.4	5.88
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€M)	452	512	521	532
Operating result margin (%)	-4.34	4.16	4.26	4.44
Attributable net profit (€M)	-45.9	12.9	11.6	12.5
ROE (after tax) (%)	-28.6	8.80	6.74	6.93
Gearing (%)	67.2	49.0	41.4	37.0

[Company Valuation - Company Financials](#)

Sales by Geography



Consolidated P&L Account

		12/10A	12/11E	12/12E
Sales	€M	512	521	532
Change in sales	%	13.3	1.76	2.06
Change in staff costs	%	-1.37	3.52	3.48
EBITDA	€M	28.9	32.7	34.2
EBITDA margin	%	5.64	6.28	6.43
Depreciation	€M	-9.10	-9.30	-9.50
Underlying operating profit	€M	18.8	22.4	23.7
Operating profit (EBIT)	€M	21.3	22.4	23.7
Net financial expense	€M	-9.90	-10.0	-10.0
of which related to pensions	€M		-0.35	-0.61
Exceptional items & other	€M			
Corporate tax	€M	1.60	-1.13	-1.56
Equity associates	€M	0.20	0.50	0.75
Minority interests	€M	-0.10	-0.20	-0.40
Adjusted attributable net profit	€M	11.2	11.6	12.5
NOPAT	€M	13.9	16.4	17.8

Cashflow Statement

		12/10A	12/11E	12/12E
EBITDA	€M	28.9	32.7	34.2
Change in WCR	€M	-6.90	-5.10	-7.00
Actual div. received from equity holdi...	€M	0.30	0.40	0.50
Paid taxes	€M		-1.13	-1.56
Exceptional items	€M	0.00	0.00	0.00
Other operating cash flows	€M	-21.5	-12.0	-12.0
Total operating cash flows	€M	0.80	14.9	14.1
Capital expenditure	€M	-5.80	-6.00	-6.00
Total investment flows	€M	-7.20	-6.00	-6.00
Net interest expense	€M	-9.90	-10.0	-10.0
Dividends (parent company)	€M	0.00	0.00	0.00
Dividends to minorities interests	€M	0.00	0.00	0.00
New shareholders' equity	€M	5.10	0.60	1.20
Total financial flows	€M	20.3	-12.5	-10.2
Change in cash position	€M	18.1	-3.68	-2.06
Free cash flow (pre div.)	€M	-14.9	-1.13	-1.86

Per Share Data

		12/10A	12/11E	12/12E
No. of shares net of treas. stock (year...)	Mio	12.8	13.0	13.6
Number of diluted shares (average)	Mio	15.9	21.6	22.0
Benchmark EPS	€	0.72	0.54	0.57
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
NAV/SOTP per share	€12.5	55 %	● Wendel
Dividend Yield	€0.00	20 %	● Bolloré
DCF	€9.18	10 %	● Eurazeo
P/E	€5.37	10 %	● Groupe Bruxelles L...
P/Book	€11.2	5 %	● Hal Trust
TARGET PRICE	€8.91	100 %	● Sonae
			● Akzo Nobel
			● Rhodia

DCF Calculation

NAV/SOTP Calculation

Balance Sheet

		12/10A	12/11E	12/12E
Goodwill	€M	65.8	65.8	65.8
Tangible fixed assets	€M	59.4	55.5	51.4
Financial fixed assets	€M	18.3	18.0	18.0
WCR	€M	61.9	67.0	74.0
Other assets	€M	34.3	34.0	34.0
Total assets (net of short term liab.)	€M	260	254	257
Ordinary shareholders' equity	€M	168	176	184
Quasi Equity & Preferred	€M			
Minority interests	€M	6.70	6.70	6.70
Provisions for pensions	€M	10.0	11.7	11.8
Other provisions for risks and liabilities	€M	8.40	10.0	10.0
Total provisions for risks and liabilities	€M	18.4	21.7	21.8
Tax liabilities	€M	-17.7	-20.0	-22.0
Other liabilities	€M	10.0	0.00	0.00
Net debt (cash)	€M	75.1	70.3	66.3
Total liab. and shareholders' equity	€M	260	254	257

Capital Employed

		12/10A	12/11E	12/12E
Capital employed after depreciation	€M	228	231	234

Profits & Risks Ratios

		12/10A	12/11E	12/12E
ROE (after tax)	%	8.80	6.74	6.93
ROCE	%	7.88	8.85	9.32
Gearing (at book value)	%	49.0	41.4	37.0
Adj. Net debt/EBITDA(R)	x	2.67	2.34	2.16
Interest cover (x)	x	1.90	2.32	2.52

Valuation Ratios

		12/10A	12/11E	12/12E
Reference P/E (benchmark)	x	6.16	10.9	10.3
Free cash flow yield	%	-26.4	-1.49	-2.35
P/Book	x	0.34	0.43	0.43
Dividend yield	%	0.00	0.00	0.00

AlphaValue EV Calculation

		12/10A	12/11E	12/12E
Market cap	€M	56.5	75.9	79.4
+ Provisions	€M	18.4	21.7	21.8
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	75.1	70.3	66.3
+ Leases debt equivalent	€M	17.7	20.0	20.0
- Financial fixed assets (fair value)	€M	18.3	18.0	18.0
+ Minority interests (fair value)	€M	6.70	6.70	6.70
= EV	€M	156	177	176
EV/EBITDA	x	4.50	4.59	4.40
EV/Sales	x	0.30	0.34	0.33

Analyst : Véronique Colas, Changes to Forecasts : 09/05/2011.