Chargeurs

Holding Companies / France



48 bd des Batignolles, 75017 Paris - France Tel +33 (0) 1 70 61 10 50 Email sales@alphavalue.eu Web WWW.ALPHAVALUE.COM

# Worsening economic context as from Q2, recovery expected as from 2013

Update - 26/11/2012

#### Change in EPS

 2012 : € -0.03 vs 0.36
 ns

 2013 : € 0.29 vs 0.45
 -34.7 %

The overall margin for 2012 will be lower than previously anticipated and therefore we have revised down our forecast. 2013 is impacted by a higher tax effect.

## Change in DCF

€ 9.05 vs 6.09 +48.7 %

The lower than previously anticipated net debt drives our DCF valuation upwards despite the downward revision of the group's profitability for 2012.

AlphaValue is contracted by Chargeurs to provide equity research on Chargeurs , using AlphaValue's unique and transparent methods and procedures. Target price and opinion are thus exclusively determined by those methods and procedures.

Buy	Upside: 165 %
Target Price (6 months)	€8.47
Share Price	€3.20
Market Capitalisation €M	43.1
Price Momentum	GOOD
Extremes 12Months	2.49 ▶ 4.23
Newsflow	Neutral
Bloomberg	CRI FP Equity
Reuters	CRIP.PA

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Company Page

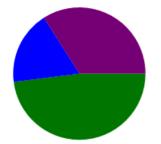


PERF	1w	1m	3m	12m
Chargeurs	27.0 %	13.5 %	11.5 %	0.63 %
Other financials	4.85 %	4.68 %	6.16 %	21.6 %
STOXX 600	3.98 %	1.41 %	2.11 %	24.1 %

Last updated: 26/11/2012	12/10A	12/11A	12/12E	12/13E
Adjusted P/E (x)	6.16	10.1	ns	10.9
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	5.24	5.44	4.73	4.06
Adjusted EPS (€)	0.72	0.47	-0.03	0.29
Growth in EPS (%)		-35.2		
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€M)	512	552	527	500
Operating margin (%)	4.16	4.29	1.71	3.70
Attributable net profit (€M)	12.9	10.5	-1.62	6.30
ROE (after tax) (%)	8.44	5.31	-0.32	3.34
Gearing (%)	42.0	35.9	36.3	31.6
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Company Valuation - Company Financials

## Sales by Geography



**Consolidated P&L Account** 

Sales

EBITDA

Change in sales

Change in staff costs

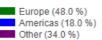
EBITDA(R) margin

Underlying operating profit **Operating profit (EBIT)** 

Net financial expense

Net dividend per share

Depreciation



12/11A

€M

%

%

€M

%

€M

€M

€M

€M

552

7.83

4.87

30.9

6.65

-9.00

20.8

23.7

-10.4

12/12E 12/13E

500

-5.12

-1.99

30.0

7.23

-10.0

18.5

18.0

-11.1

527

-4.55

-0.53

25.7

5.98

-9.40

15.0

9.00

-11.2

#### **Valuation Summary**

Benchmarks	Value	Weight	Largest con
NAV/SOTP per share	€12.8	55 %	Akzo No
Dividend Yield	€0.00	20 %	Solvay
DCF	€9.05	10 %	<ul> <li>Wendel</li> <li>Bolloré</li> </ul>
P/E	€2.19	10 %	<ul> <li>Bollore</li> <li>Groupe</li> </ul>
P/Book	€6.40	5 %	<ul> <li>Sonae</li> </ul>
TARGET PRICE	€8.47	100 %	<ul> <li>Hal Trus</li> <li>Eurazeo</li> </ul>

gest comparables Akzo Nobel Solvay Wendel Bolloré Groupe Bruxelles L ... Sonae

**NAV/SOTP Calculation** 

Balance Sheet	a	12/11A	12/12E	12/13E
Goodwill	€M	66.8	66.8	66.8
Total intangible	€M	71.6	71.6	71.6
Tangible fixed assets	€M	56.9	50.2	44.9
Financial fixed assets	€M	19.6	19.6	19.6
WCR	€M	83.4	71.4	70.5
Other assets	€M	41.6	40.0	40.0
Total assets (net of short term liab.)	€M	288	266	260
Ordinary shareholders' equity	€M	196	191	187
Quasi Equity & Preferred	€M			
Minority interests	€M	7.20	6.70	6.70
Provisions for pensions	€M	10.7	12.0	12.1
Other provisions for risks and liabilities	€M	6.00	6.00	6.00
Total provisions for risks and liabilities	€M	16.7	18.0	18.1
Tax liabilities	€M	-17.8	-17.8	-17.8
Other liabilities	€M	6.70	8.00	8.00
Net debt (cash)	€M	78.6	60.0	57.9
Total liab. and shareholders' equity	€M	288	266	260
Capital Employed				
Capital employed after depreciation	€M	247	228	222
Profits & Risks Ratios				
ROE (after tax)	%	5.31	-0.32	3.34
ROCE	%	8.85	5.22	8.47
Gearing (at book value)	%	35.9	36.3	31.6
Adj. Net debt/EBITDA(R)	х	2.56	2.38	2.02
Interest cover (x)	х	2.00	1.40	1.76
Valuation Ratios				
Reference P/E (benchmark)	x	10.1	ns	10.9
Free cash flow yield	%	-15.7	18.3	2.11
P/Book	х	0.52	0.36	0.37
Dividend yield	%	0.00	0.00	0.00
EV Calculation				
Market cap	€M	101	68.8	68.8
+ Provisions	€M	16.7	18.0	18.1
+ Unrecognised acturial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	78.6	60.0	57.9
+ Leases debt equivalent	€M	15.4	15.0	15.0
- Financial fixed assets (fair value)	€M	19.6	19.6	19.6
+ Minority interests (fair value)	€M	7.20	6.70	6.70
= EV	€M	200	149	147
EV/EBITDA(R)	x	5.44	4.73	4.06
EV/Sales	х	0.36	0.28	0.29

Analyst : Véronique Colas, Changes to Forecasts : 26/11/2012.

iver initialicial expense	CIVI	-10.4	-11.2	-11.1	Quasi Equity & Freien
of which related to pensions	€M	0.00	-0.46	-0.61	Minority interests
Exceptional items & other	€M				Provisions for pensio
Corporate tax	€M	-4.50	0.38	-2.00	Other provisions for ri
Equity associates	€M	1.20	1.20	1.40	Total provisions for ris
Minority interests	€M	0.00	0.00	0.00	Tax liabilities
Adjusted attributable net profit	€M	10.5	-1.62	6.30	Other liabilities
NOPAT	€M	17.8	7.82	14.4	Net debt (cash)
Cashflow Statement					Total liab. and shareh
EBITDA	€M	30.9	25.7	30.0	Capital Employe
Change in WCR	€M	-30.0	12.0	0.90	Capital employed after
Actual div. received from equity holdi	€M	0.70	0.70	0.70	Profits & Risks F
Paid taxes	€M	-4.00	0.38	-2.00	ROE (after tax)
Exceptional items	€M	0.00	0.00	0.00	ROCE
Other operating cash flows	€M	1.35	-12.0	-12.0	Gearing (at book val
Total operating cash flows	€M	-1.05	26.8	17.6	Adj. Net debt/EBITDA
Capital expenditure	€M	-4.50	-3.00	-5.00	Interest cover (x)
Total investment flows	€M	-4.40	2.60	-5.00	
Net interest expense	€M	-10.4	-11.2	-11.1	Valuation Ratios
Dividends (parent company)	€M	0.00	0.00	0.00	Reference P/E (benc
Dividends to minorities interests	€M	0.00	0.00	0.00	Free cash flow yield
New shareholders' equity	€M	0.50	0.00	0.00	P/Book
Total financial flows	€M	-9.90	-10.7	-10.5	Dividend yield
Change in cash position	€M	-14.7	18.6	2.06	<b>EV Calculation</b>
Free cash flow (pre div.)	€M	-16.0	12.6	1.45	Market cap
Per Share Data					+ Provisions
No. of shares net of treas. stock (year	Mio	21.5	21.5	21.5	+ Unrecognised actur
Number of diluted shares (average)	Mio	21.5	21.5	21.5	+ Net debt at year end
Benchmark EPS	€	0.47	-0.03	0.29	+ Leases debt equiva
Restated NAV per share	€				- Financial fixed asset

€

0.00

0.00

0.00

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