



genOway

Biomedical-Genetics / France

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FY17 : CA parfaitement en ligne.

Earnings/sales releases - 24/01/2018

CA 2017 parfaitement en ligne et perspectives favorables en attendant plus de détail sur les nouveaux axes de développement du groupe lors de la publication des résultats 2017 qui ne peuvent que soutenir notre opinion positive.

Fact

genOway a publié son CA pour l'exercice 2017, qui s'établit à €9.9m.

Analysis

Le CA est tout-à-fait en ligne avec nos prévisions (€9.89m) et le discours du management à la publication des résultats semestriels au mois de septembre dernier. Le CA n'est pas détaillé, comme à l'accoutumée, mais on note que le groupe indique dans son communiqué de nouvelles initiatives dans le courant du premier semestre, initiatives qui seront vraisemblablement précisées à l'occasion de la publication des résultats 2017 et devraient permettre de maintenir une croissance à deux chiffres. Au final, nous sommes confiants dans la capacité de la société à confirmer la croissance de ses résultats, tant en ce qui concerne 2017 que les exercices à venir.

Impact

Nous confirmerons/affinerons nos chiffres à l'occasion des résultats annuels, publiés le 3 avril prochain.



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

Buy **Upside: 58.5%**

Target Price (6 months) € 3.27

Share Price € 2.06

Market Cap. €M 12.3

Price Momentum **STRONG**

Extremes 12Months 1.68 ▶ 2.47

Bloomberg ALGEN FP Equity

Reuters ALGEN.PA

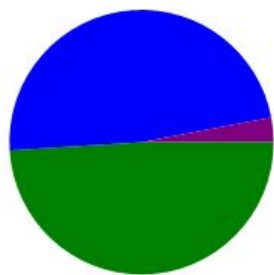
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PERF	1w	1m	3m	12m
genOway	0.98%	5.64%	9.57%	5.10%
Pharma	0.66%	0.96%	-2.64%	11.4%
STOXX 600	1.12%	3.21%	3.09%	11.6%

Last updated:	19/12/2017	12/15A	12/16A	12/17E	12/18E
Adjusted P/E (x)		ns	16.6	12.5	11.3
Dividend yield (%)		0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)		9.17	7.09	6.00	4.63
Adjusted EPS (€)		0.01	0.10	0.16	0.18
Growth in EPS (%)		43.5	1,416	66.8	12.1
Dividend (€)		0.00	0.00	0.00	0.00
Sales (€M)		10.4	12.1	12.1	12.8
EBIT margin (%)		3.67	5.70	8.01	8.47
Attributable net profit (€M)		0.04	0.58	0.97	1.09
ROE (after tax) (%)		0.82	11.7	16.1	14.3
Gearing (%)		-79.0	-60.9	-47.4	-52.5

[Company Valuation](#) - [Company Financials](#)

Sales by Geography



■ Europe (49.0%)
■ Americas (48.0%)
■ Other (3.0%)

Consolidated P&L Accounts

		12/16A	12/17E	12/18E
Sales	€M	12.1	12.1	12.8
Change in sales	%	16.6	-0.16	5.92
Change in staff costs	%	9.47	-1.04	3.36
EBITDA	€M	1.03	1.39	1.59
EBITDA(R) margin	%	8.47	11.5	12.4
Depreciation	€M	-0.80	-0.92	-1.00
Underlying operating profit	€M	0.69	0.97	1.09
Operating profit (EBIT)	€M	0.69	0.97	1.09
Net financial expense	€M	0.02	0.00	0.00
of which related to pensions	€M		0.00	0.00
Exceptional items & other	€M	-0.16	0.00	0.00
Corporate tax	€M	0.03	0.00	0.00
Equity associates	€M			
Minority interests	€M			
Adjusted attributable net profit	€M	0.58	0.97	1.09
NOPAT	€M	0.48	0.68	0.76

Cashflow Statement

		12/16A	12/17E	12/18E
EBITDA	€M	1.03	1.39	1.59
Change in WCR	€M	-1.70	0.12	0.01
Actual div. received from equity holdi...	€M	0.00	0.00	0.00
Paid taxes	€M		0.00	0.00
Exceptional items	€M			
Other operating cash flows	€M	-0.89		
Total operating cash flows	€M	-1.57	1.51	1.59
Capital expenditure	€M	-0.30	-0.30	-0.45
Total investment flows	€M	-0.30	-0.30	-0.45
Net interest expense	€M	0.02	0.00	0.00
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			
Total financial flows	€M	0.00	0.00	0.00
Change in cash position	€M	-1.87	1.21	1.14
Free cash flow (pre div.)	€M	-1.85	1.21	1.14

Per Share Data

		12/16A	12/17E	12/18E
No. of shares net of treas. stock (year...)	Mio	5.98	5.98	5.98
Number of diluted shares (average)	Mio	5.98	5.98	5.98
Benchmark EPS	€	0.10	0.16	0.18
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 3.70	35%	<ul style="list-style-type: none"> ● bioMerieux ● Carl Zeiss Meditec ● Grifols ● Fresenius Medical ...
NAV/SOTP per share	€ 3.64	20%	
EV/Ebitda	€ 3.49	20%	
P/E	€ 3.61	10%	
Dividend Yield	€ 0.00	10%	
P/Book	€ 3.71	5%	
TARGET PRICE	€ 3.27	100%	

NAV/SOTP Calculation

Balance Sheet

		12/16A	12/17E	12/18E
Goodwill	€M	0.00	0.00	0.00
Total intangible	€M	0.76	0.68	0.64
Tangible fixed assets	€M	0.48	0.45	0.44
Financial fixed assets	€M	0.00	0.00	0.00
WCR	€M	-2.02	-2.14	-2.15
Other assets	€M	3.49	3.81	4.29
Total assets (net of short term liab.)	€M	2.90	2.98	3.41
Ordinary shareholders' equity	€M	5.26	6.82	8.39
Quasi Equity & Preferred	€M			
Minority interests	€M			
Provisions for pensions	€M	0.00	0.00	0.00
Other provisions for risks and liabilities	€M	0.27		
Total provisions for risks and liabilities	€M	0.27	0.00	0.00
Tax liabilities	€M			
Other liabilities	€M	0.00	0.00	0.00
Net debt (cash)	€M	-2.63	-3.84	-4.98
Total liab. and shareholders' equity	€M	2.90	2.98	3.41

Capital Employed

		12/16A	12/17E	12/18E
Capital employed after depreciation	€M	-0.78	-1.01	-1.07

Profits & Risks Ratios

		12/16A	12/17E	12/18E
ROE (after tax)	%	11.7	16.1	14.3
ROCE	%	-62.3	-67.2	-71.4
Gearing (at book value)	%	-60.9	-47.4	-52.5
Adj. Net debt/EBITDA(R)	x	-2.56	-2.76	-3.14
Interest cover (x)	x	-31.5	323,697	362,747

Valuation Ratios

		12/16A	12/17E	12/18E
Reference P/E (benchmark)	x	16.6	12.5	11.3
Free cash flow yield	%	-19.1	9.90	9.27
P/Book	x	1.84	1.79	1.47
Dividend yield	%	0.00	0.00	0.00

EV Calculation

		12/16A	12/17E	12/18E
Market cap	€M	9.66	12.2	12.3
+ Provisions	€M	0.27	0.00	0.00
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	-2.63	-3.84	-4.98
+ Leases debt equivalent	€M	0.00	0.00	0.00
- Financial fixed assets (fair value)	€M			
+ Minority interests (fair value)	€M			
= EV	€M	7.30	8.34	7.34
EV/EBITDA(R)	x	7.09	6.00	4.63
EV/Sales	x	0.60	0.69	0.57

Analyst : Fabrice Farigoule, Changes to Forecasts : 19/12/2017.