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## CA S1 16: en ligne et même un peu mieux

Earnings/sales releases - 18/07/2016

### Fact

genOway a communiqué son chiffre d'affaires semestriels (S1 16) le 12 juillet, qui a atteint €4.3m contre 3.9m un an plus tôt, soit +10%.

### Analysis

Le CA progresse de 10%, contre +9.5% dans nos estimations annuelles et est donc parfaitement en ligne (voire meilleur) grâce aux nouveaux contrats qui montent en puissance et aux lignées cellulaires (commercialisées depuis le second semestre 2015), même si le CA n'est pas détaillé à ce stade. Les résultats semestriels seront communiqués le 12 septembre.

### Impact

Pas de modification de nos chiffres à l'occasion de ce communiqué, qui confirme néanmoins le potentiel du titre devant se matérialiser lorsque le marché actera du retour de genOway à une croissance à deux chiffres.

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.

<b>Buy</b>	<b>Upside : 107%</b>
Target Price (6 months)	€ 3.09
Share Price	€ 1.49
Market Capitalisation €M	8.92
Price Momentum	<b>NEGATIVE</b>
Extremes 12Months	1.37 ▶ 2.18
Newsflow	Positive
Fundamental Strength	3 / 10
Bloomberg	ALGEN FP Equity
Reuters	ALGEN.PA

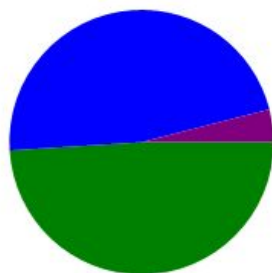
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PERF	1w	1m	3m	12m
genOway	-1.32%	-0.67%	-5.10%	-29.7%
Pharma	-0.50%	10.0%	4.50%	-8.10%
STOXX 600	1.80%	3.97%	-1.60%	-16.5%

Last updated: 02/03/2016	12/14A	12/15A	12/16E	12/17E
Adjusted P/E (x)	ns	ns	44.6	13.0
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	12.0	9.33	5.58	2.32
Adjusted EPS (€)	0.00	0.01	0.03	0.11
Growth in EPS (%)	-89.9	43.5	420	244
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€M)	9.86	10.4	10.6	11.6
EBIT margin (%)	2.55	3.67	1.88	5.91
Attributable net profit (€M)	0.03	0.04	0.20	0.69
ROE (after tax) (%)	0.58	0.82	4.02	11.9
Gearing (%)	-87.9	-79.0	-79.0	-82.7

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## Sales by Geography



■ Europe (49.0%)  
■ Americas (47.0%)  
■ Other (4.0%)

## Consolidated P&L Account

		12/15A	12/16E	12/17E
Sales	€M	10.4	10.6	11.6
Change in sales	%	5.64	2.10	9.43
Change in staff costs	%	3.43	9.49	5.42
EBITDA	€M	0.96	0.79	1.29
<b>EBITDA(R) margin</b>	<b>%</b>	<b>9.21</b>	<b>7.39</b>	<b>11.1</b>
Depreciation	€M	-0.58	-0.59	-0.60
Underlying operating profit	€M	0.38	0.20	0.69
<b>Operating profit (EBIT)</b>	<b>€M</b>	<b>0.38</b>	<b>0.20</b>	<b>0.69</b>
Net financial expense	€M	-0.19	0.00	0.00
of which related to pensions	€M		0.00	0.00
Exceptional items & other	€M	-0.18	0.00	0.00
Corporate tax	€M	0.02	0.00	0.00
Equity associates	€M			
Minority interests	€M			
<b>Adjusted attributable net profit</b>	<b>€M</b>	<b>0.04</b>	<b>0.20</b>	<b>0.69</b>
NOPAT	€M	0.27	0.14	0.48

## Cashflow Statement

		12/15A	12/16E	12/17E
EBITDA	€M	0.96	0.79	1.29
Change in WCR	€M	-0.06	0.26	0.41
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	-0.31		
Total operating cash flows	€M	0.59	1.05	1.70
Capital expenditure	€M	-0.18	-0.30	-0.30
Total investment flows	€M	-0.18	-0.30	-0.30
Net interest expense	€M	-0.19	0.00	0.00
Dividends (parent company)	€M			
Dividends to minorities interests	€M	0.00	0.00	0.00
New shareholders' equity	€M	0.00		
Total financial flows	€M	-0.51	0.00	0.00
Change in cash position	€M	-0.10	0.75	1.40
<b>Free cash flow (pre div.)</b>	<b>€M</b>	<b>0.22</b>	<b>0.75</b>	<b>1.40</b>

## Per Share Data

		12/15A	12/16E	12/17E
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
<b>Benchmark EPS</b>	<b>€</b>	<b>0.01</b>	<b>0.03</b>	<b>0.11</b>
Restated NAV per share	€			
<b>Net dividend per share</b>	<b>€</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 4.23	35%	<span style="color: pink;">■</span> bioMerieux <span style="color: red;">■</span> Carl Zeiss Meditec <span style="color: green;">■</span> Grifols <span style="color: red;">■</span> Icon <span style="color: lightgreen;">■</span> Fresenius Medical ...
NAV/SOTP per share	€ 3.56	20%	
EV/Ebitda	€ 2.87	20%	
P/E	€ 1.75	10%	
Dividend Yield	€ 0.00	10%	
P/Book	€ 2.84	5%	
TARGET PRICE	€ 3.09	100%	

### NAV/SOTP Calculation

## Balance Sheet

		12/15A	12/16E	12/17E
Goodwill	€M	0.00	0.00	0.00
Total intangible	€M	0.93	0.71	0.49
Tangible fixed assets	€M	0.41	0.34	0.26
Financial fixed assets	€M	0.00	0.00	0.00
WCR	€M	-2.93	-3.20	-3.61
Other assets	€M	2.43	2.66	3.04
Total assets (net of short term liab.)	€M	1.05	0.73	0.39
<b>Ordinary shareholders' equity</b>	<b>€M</b>	<b>4.68</b>	<b>5.25</b>	<b>6.32</b>
Quasi Equity & Preferred	€M			
Minority interests	€M			
Provisions for pensions	€M	0.00	0.00	0.00
Other provisions for risks and liabilities	€M	0.15		
Total provisions for risks and liabilities	€M	0.15	0.00	0.00
Tax liabilities	€M			
Other liabilities	€M	0.00	0.00	0.00
<b>Net debt (cash)</b>	<b>€M</b>	<b>-3.78</b>	<b>-4.53</b>	<b>-5.93</b>
Total liab. and shareholders' equity	€M	1.05	0.73	0.39

## Capital Employed

		12/15A	12/16E	12/17E
Capital employed after depreciation	€M	-1.59	-2.14	-2.86

## Profits & Risks Ratios

		12/15A	12/16E	12/17E
<b>ROE (after tax)</b>	<b>%</b>	<b>0.82</b>	<b>4.02</b>	<b>11.9</b>
ROCE	%	-16.8	-6.53	-16.8
<b>Gearing (at book value)</b>	<b>%</b>	<b>-79.0</b>	<b>-79.0</b>	<b>-82.7</b>
Adj. Net debt/EBITDA(R)	x	-3.94	-5.76	-4.60
Interest cover (x)	x	2.04	66,574	229,208

## Valuation Ratios

		12/15A	12/16E	12/17E
<b>Reference P/E (benchmark)</b>	<b>x</b>	<b>ns</b>	<b>44.6</b>	<b>13.0</b>
Free cash flow yield	%	1.78	8.42	15.7
P/Book	x	2.69	1.70	1.41
<b>Dividend yield</b>	<b>%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## EV Calculation

		12/15A	12/16E	12/17E
Market cap	€M	12.6	8.92	8.92
+ Provisions	€M	0.15	0.00	0.00
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	-3.78	-4.53	-5.93
+ Leases debt equivalent	€M	0.00	0.00	0.00
- Financial fixed assets (fair value)	€M			
+ Minority interests (fair value)	€M			
= EV	€M	8.94	4.39	2.98
<b>EV/EBITDA(R)</b>	<b>x</b>	<b>9.33</b>	<b>5.58</b>	<b>2.32</b>
EV/Sales	x	0.86	0.41	0.26

Analyst : Fabrice Farigoule, Changes to Forecasts : 02/03/2016.