



# IDI

Holding Companies / France

## Revision to EPS expectations in view of the challenges ahead

A challenging environment for private equity after a record year - 06/09/2022

### Change in EPS

2022 : € 2.01 vs 2.44	-17.3%
2023 : € 2.20 vs 2.57	-14.3%

Despite a record year in 2021, marked by a €141.3m increase in net income driven by IDI's dynamic investment activity, we have revised downwards our estimates for the years 2022 and 2023. We believe that the difficult environment should weigh on the private equity universe and that the coming years will not be as good as 2021.



Saïma HUSSAIN

otherfinancials@alphavalue.eu  
+33 (0) 1 70 61 10 50  
cs.alphavalue.com

This research has been commissioned and paid for by the company and is deemed to constitute an acceptable minor non-monetary benefit as defined in MiFID II

<b>Buy</b>	<b>Upside : 67.2%</b>
Target Price (6 months)	€ 76.9
Share Price	€ 46.0
Market Cap. €M	333
Price Momentum	<b>NEGATIVE</b>
Extremes 12Months	38.4 ▶ 56.4
Bloomberg	IDIP FP Equity
Reuters	IDVP.PA



[Download Full Analysis](#)

[Company Page](#)

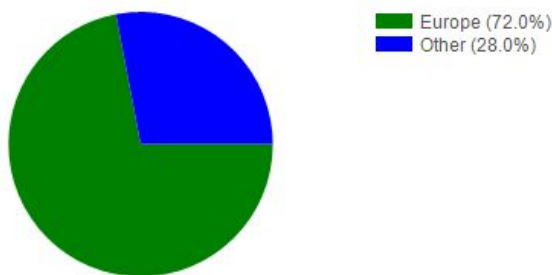


PERF	1w	1m	3m	12m
IDI	0.88%	-4.17%	-15.4%	18.1%
Other Financials	-2.67%	-5.56%	2.36%	-22.7%
SXXR Index	-2.16%	-4.91%	-5.63%	-10.1%

Last updated: 06/09/2022	12/21A	12/22E	12/23E	12/24E
Adjusted P/E (x)	2.98	22.8	20.9	17.9
Dividend yield (%)	7.58	6.09	6.52	7.61
EV/EBITDA(R) (x)	11.6	9.48	6.87	4.31
Adjusted EPS (€)	15.0	2.01	2.20	2.57
Growth in EPS (%)	401	-86.6	9.21	17.1
Dividend (€)	3.40	2.80	3.00	3.50
Sales (€th)	5,098	5,225	5,487	5,761
Dividend contributions marg...	70.6	70.6	70.6	70.6
Attributable net profit (€th)	108,980	14,586	15,929	18,649
ROE (after tax) (%)	19.3	2.47	2.91	3.73
Gearing (%)	-5.34	-5.64	5.33	21.4

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

## Sales by Geography



## Consolidated P&L Accounts

	12/21A	12/22E	12/23E
Sales	€th 5,098	5,225	5,487
Change in sales	% 31.4	2.50	5.00
Change in staff costs	% 74.2	6.50	5.00
EBITDA	€th -29,218	-29,802	-30,696
<b>EBITDA(R) margin</b>	% <b>-573</b>	<b>-570</b>	<b>-559</b>
Depreciation	€th -443	-454	-477
Underlying operating profit	€th -29,649	-30,244	-31,160
<b>Operating profit (EBIT)</b>	€th <b>111,650</b>	<b>15,263</b>	<b>16,623</b>
Net financial expense	€th -480	-502	-502
of which related to pensions	€th	0.00	0.00
Exceptional items & other	€th		
Corporate tax	€th -2,190	-175	-191
Equity associates	€th		
Minority interests	€th		
<b>Adjusted attributable net profit</b>	€th <b>108,980</b>	<b>14,586</b>	<b>15,929</b>
NOPAT	€th 78,155	10,684	11,636

## Cashflow Statement

	12/21A	12/22E	12/23E
EBITDA	€th -29,218	-29,802	-30,696
Change in WCR	€th 4,440	10,854	919
Actual div. received from equity holdi...	€th 0.00	0.00	0.00
Paid taxes	€th -2,190	-175	-191
Exceptional items	€th 0.00		
Other operating cash flows	€th -1,101		
Total operating cash flows	€th -28,069	-19,124	-29,969
Capital expenditure	€th -16.0	-16.0	-16.0
Total investment flows	€th 77,870	28,054	18,207
Net interest expense	€th -480	-502	-502
Dividends (parent company)	€th -23,429	-20,280	-20,280
Dividends to minorities interests	€th 0.00	0.00	0.00
New shareholders' equity	€th 0.00		
Total financial flows	€th -75,540	-57,672	-59,517
Change in cash position	€th -25,739	-48,742	-71,279
<b>Free cash flow (pre div.)</b>	€th <b>-28,565</b>	<b>-19,642</b>	<b>-30,487</b>

## Per Share Data

	12/21A	12/22E	12/23E
No. of shares net of treas. stock (year...	Th 7,243	7,243	7,243
Number of diluted shares (average)	Th 7,243	7,243	7,243
<b>Benchmark EPS</b>	€ <b>15.0</b>	<b>2.01</b>	<b>2.20</b>
Restated NAV per share	€		
<b>Net dividend per share</b>	€ <b>3.40</b>	<b>2.80</b>	<b>3.00</b>

## Valuation Summary

Benchmarks	Value	Weight	Largest comparables
NAV/SOTP per share	€ 88.4	55%	● Ackermans & van H...
Dividend Yield	€ 92.0	20%	● Bolloré
DCF	€ 37.9	10%	● Corporacion Financ...
P/E	€ 35.3	10%	● GBL
P/Book	€ 51.1	5%	● Kinnevik Investment
TARGET PRICE	€ 76.9	100%	● Wendel

### NAV/SOTP Calculation

## Balance Sheet

	12/21A	12/22E	12/23E
Goodwill	€th		
Total intangible	€th 0.00	0.00	0.00
Tangible fixed assets	€th 652	668	702
Financial fixed assets	€th 584,534	599,147	629,105
WCR	€th -16,713	-27,567	-28,486
Other assets	€th 4,979	4,979	4,979
Total assets (net of short term liab.)	€th 574,944	578,720	607,792
<b>Ordinary shareholders' equity</b>	€th <b>612,432</b>	<b>567,828</b>	<b>525,427</b>
Quasi Equity & Preferred	€th		
Minority interests	€th 8.00	8.00	8.00
Provisions for pensions	€th 393	0.00	0.00
Other provisions for risks and liabilities	€th 3,835	3,873	4,067
Total provisions for risks and liabilities	€th 4,228	3,873	4,067
Tax liabilities	€th 3,376	3,376	3,376
Other liabilities	€th 11,280	11,280	11,280
<b>Net debt (cash)</b>	€th <b>-56,387</b>	<b>-7,645</b>	<b>63,634</b>
Total liab. and shareholders' equity	€th 574,937	578,720	607,792

## Capital Employed

	12/21A	12/22E	12/23E
Capital employed after depreciation	€th 568,473	572,249	601,321

## Profits & Risks Ratios

	12/21A	12/22E	12/23E
<b>ROE (after tax)</b>	% <b>19.3</b>	<b>2.47</b>	<b>2.91</b>
ROCE	% 13.7	1.87	1.94
<b>Gearing (at book value)</b>	% <b>-5.34</b>	<b>-5.64</b>	<b>5.33</b>
Adj. Net debt/EBITDA(R)	x 1.93	0.26	-2.07
Interest cover (x)	x -61.8	-60.2	-62.1

## Valuation Ratios

	12/21A	12/22E	12/23E
<b>Reference P/E (benchmark)</b>	x <b>2.98</b>	<b>22.8</b>	<b>20.9</b>
Free cash flow yield	% -8.80	-5.90	-9.15
P/Book	x 0.53	0.59	0.63
<b>Dividend yield</b>	% <b>7.58</b>	<b>6.09</b>	<b>6.52</b>

## EV Calculation

	12/21A	12/22E	12/23E
Market cap	€th 324,730	333,163	333,163
+ Provisions	€th 4,228	3,873	4,067
+ Unrecognised actuarial losses/(gains)	€th 0.00	0.00	0.00
+ Net debt at year end	€th -57,879	-9,137	62,142
+ Leases debt equivalent	€th 0.00	0.00	0.00
- Financial fixed assets (fair value)	€th 610,381	610,381	610,381
+ Minority interests (fair value)	€th 8.00	0.00	8.00
= EV	€th -339,294	282,482	211,001
<b>EV/EBITDA(R)</b>	x <b>11.6</b>	<b>9.48</b>	<b>6.87</b>
EV/Sales	x -66.6	-54.1	-38.5

Analyst : Saima Hussain, Changes to Forecasts : 06/09/2022.