



Chargeurs^{CR}

Holding Companies / France

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Deep, deep discount and firming up ground

Update - 02/09/2013

Change in EPS

2013 : €0.29 vs 0.30	-3.85 %
2014 : €0.52 vs 0.49	+6.19 %

Fine-tuning on EPS primarily combining a better outlook on Protection films and a more cautious one on Interlining with positive net implications on DCF-based valuations.

Change in DCF

€6.58 vs 5.85	+12.5 %
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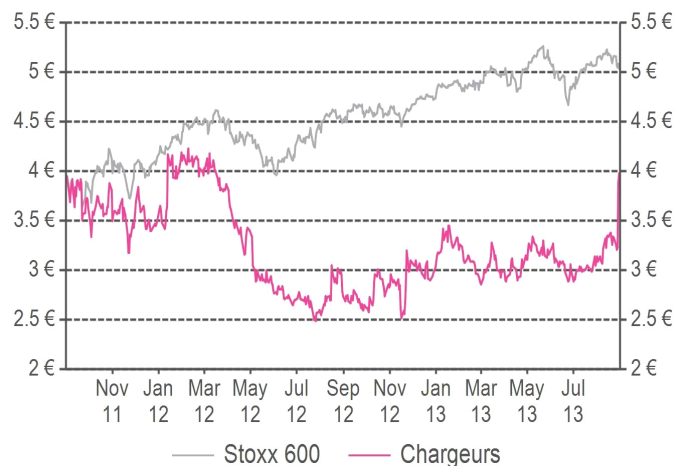
Stronger DCF-based valuation on account of firmer earnings forecasts from 2014 onwards. Net debt at parent company level unchanged.

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 : 136 %

Target Price (6 months)	€9.38
Share Price	€3.98
Market Capitalisation €M	53.8
Price Momentum	STRONG
Extremes 12Months	2.52 ▶ 3.98
Newsflow	Neutral
Bloomberg	CRI FP Equity
Reuters	CRIP.PA

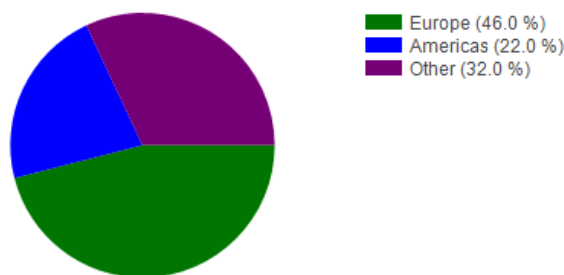
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PERF	1w	1m	3m	12m
Chargeurs	19.5 %	28.8 %	25.6 %	42.7 %
Other financials	-2.69 %	-0.87 %	0.25 %	35.2 %
STOXX 600	-2.43 %	-0.75 %	-2.05 %	12.2 %

Last updated: 02/09/2013	12/11A	12/12A	12/13E	12/14E
Adjusted P/E (x)	10.1	-8.57	13.7	7.68
Dividend yield (%)	0.00	0.00	0.00	5.03
EV/EBITDA(R) (x)	6.00	6.19	4.25	3.79
Adjusted EPS (€)	0.47	-0.37	0.29	0.52
Growth in EPS (%)	-35.2			78.4
Dividend (€)	0.00	0.00	0.00	0.20
Sales (€M)	552	525	467	485
Operating margin (%)	4.29	1.33	3.75	4.23
Attributable net profit (€M)	10.5	-15.1	5.60	10.5
ROE (after tax) (%)	5.31	-6.86	3.11	5.71
Gearing (%)	35.9	30.9	12.6	6.03

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

Sales by Geography



Consolidated P&L Account

		12/12A	12/13E	12/14E
Sales	€M	525	467	485
Change in sales	%	-4.96	-11.0	3.85
Change in staff costs	%	1.46	-8.61	0.93
EBITDA	€M	17.6	27.5	30.5
EBITDA(R) margin	%	4.46	7.28	7.63
Depreciation	€M	-9.80	-10.0	-10.5
Underlying operating profit	€M	6.60	17.5	20.0
Operating profit (EBIT)	€M	7.00	17.5	20.0
Net financial expense	€M	-10.2	-8.00	-6.00
of which related to pensions	€M		-0.72	-0.77
Exceptional items & other	€M	1.30		
Corporate tax	€M	-9.20	-2.90	-3.50
Equity associates	€M	-1.20	-1.00	0.00
Minority interests	€M	-0.60	0.00	0.00
Adjusted attributable net profit	€M	-10.8	5.60	10.5
NOPAT	€M	4.68	11.8	14.5

Cashflow Statement

		12/12A	12/13E	12/14E
EBITDA	€M	17.6	27.5	30.5
Change in WCR	€M	23.1	6.60	-7.00
Actual div. received from equity holdi...	€M	0.90	0.90	0.90
Paid taxes	€M	-3.70	-2.90	-3.50
Exceptional items	€M	0.00	0.00	0.00
Other operating cash flows	€M	-5.00	-5.00	-5.00
Total operating cash flows	€M	32.9	27.1	15.9
Capital expenditure	€M	-2.20	-3.00	-5.50
Total investment flows	€M	-2.20	0.00	-7.50
Net interest expense	€M	-10.2	-8.00	-6.00
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	0.80	0.00	0.00
Total financial flows	€M	-48.7	-38.7	-15.2
Change in cash position	€M	2.00	-11.6	-6.83
Free cash flow (pre div.)	€M	20.5	16.1	4.40

Per Share Data

		12/12A	12/13E	12/14E
No. of shares net of treas. stock (year...)	Mio	21.5	21.5	21.5
Number of diluted shares (average)	Mio	21.5	21.5	21.5
Benchmark EPS	€	-0.37	0.29	0.52
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.20

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
NAV/SOTP per share	€13.0	55 %	● Akzo Nobel
Dividend Yield	€3.49	20 %	● Solvay
DCF	€6.58	10 %	● Wendel
P/E	€4.95	10 %	● Bolloré
P/Book	€7.29	5 %	● Groupe Bruxelles L...
TARGET PRICE	€9.38	100 %	● Sonae
			● Hal Trust
			● Eurazeo

NAV/SOTP Calculation

Balance Sheet

		12/12A	12/13E	12/14E
Goodwill	€M	65.9	64.0	64.0
Total intangible	€M	69.9	70.0	70.0
Tangible fixed assets	€M	47.5	44.0	38.6
Financial fixed assets	€M	24.6	23.0	25.0
WCR	€M	49.6	43.0	50.0
Other assets	€M	28.2	29.0	30.0
Total assets (net of short term liab.)	€M	232	212	218
Ordinary shareholders' equity	€M	180	181	187
Quasi Equity & Preferred	€M			
Minority interests	€M	6.60	6.00	7.00
Provisions for pensions	€M	10.6	11.4	11.4
Other provisions for risks and liabilities	€M	6.00	6.00	6.00
Total provisions for risks and liabilities	€M	16.6	17.4	17.4
Tax liabilities	€M	-11.9	-11.9	-11.9
Other liabilities	€M	8.00	7.00	8.00
Net debt (cash)	€M	32.7	12.9	9.71
Total liab. and shareholders' equity	€M	232	212	218

Capital Employed

		12/12A	12/13E	12/14E
Capital employed after depreciation	€M	237	226	229

Profits & Risks Ratios

		12/12A	12/13E	12/14E
ROE (after tax)	%	-6.86	3.11	5.71
ROCE	%	3.69	7.23	8.33
Gearing (at book value)	%	30.9	12.6	6.03
Adj. Net debt/EBITDA(R)	x	3.34	1.72	1.49
Interest cover (x)	x	0.65	2.40	3.82

Valuation Ratios

		12/12A	12/13E	12/14E
Reference P/E (benchmark)	x	-8.57	13.7	7.68
Free cash flow yield	%	30.1	18.8	5.14
P/Book	x	0.38	0.47	0.46
Dividend yield	%	0.00	0.00	5.03

EV Calculation

		12/12A	12/13E	12/14E
Market cap	€M	68.1	85.6	85.6
+ Provisions	€M	16.6	17.4	17.4
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	32.7	12.9	9.71
+ Leases debt equivalent	€M	45.5	45.5	45.5
- Financial fixed assets (fair value)	€M	24.6	23.0	25.0
+ Minority interests (fair value)	€M	6.60	6.00	7.00
= EV	€M	145	144	140
EV/EBITDA(R)	x	6.19	4.25	3.79
EV/Sales	x	0.28	0.31	0.29

Analyst : Pierre-Yves Gauthier, Changes to Forecasts : 02/09/2013.