

# Clasquin

France | Support services

**Hold** (Hold)

Target price  
EUR 29.00

Current price  
EUR 21.00

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## Higher volumes, but margin still under pressure

- Volumes kept growing in Q3...
- But the gross margin was still under pressure
- Likely to continue through the end of 2014
- Scenario unchanged – Hold rating

### Volumes kept growing in Q3, but at a more moderate pace

Clasquin's top line figures for Q3 were in line with the first half of the year: business was strong, but margins were still under pressure. Key indicators show improvement in the volume of activity: the number of shipments continued to progress in the third quarter (+3.3% QOQ), albeit at a slower pace (+10% in H1). For the first nine months, shipments grew by 7.5%. By division, the sea freight market saw the number of shipments rising by 3.7% in Q3 with more moderate growth than in H1 (+15%) and more in line with the worldwide sea freight market (3 to 4%). Volumes, expressed in TEU (twenty-foot equivalent units) were up 5.5% (7.4% for 9M). In the air freight business, the number of shipments grew by 1.7% in Q3 versus +5% in H1 while volumes, in tonnes, were up 4% (+8% for the first 9M). Finally, revenues at Gueppe-Clasquin (road transport and logistics) were stable (+0.7%) at the end of September, amid the tough economic environment in Europe.

### Margin still under pressure in Q3

Despite satisfactory figures in volume terms, the increase in gross profit (key indicator in the freight forwarding business) was more modest. Gross profit rose by 1% in the third quarter to EUR35.6m (+2% in the first 9M, +3.3%, excluding negative FX impact). Higher sea freight rates, especially in July and August on the South East Asia/Europe route were to blame (similar to H1).

### Scenario unchanged – Hold reiterated

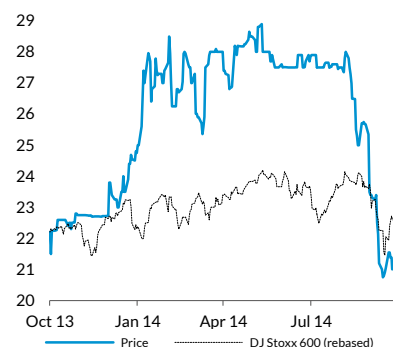
Clasquin has confirmed the business rebound which began in 2013. We are confident it will be able to maintain the pace through the last quarter of 2014 thanks partly to the positive context for world trade and the positive contribution of Garnett Logistics Group (consolidated from 1 October, with +EUR0.6m gross profit expected). However, we do not expect a significant margin improvement in 2014, given the high volatility of freight rates and the full impact of the 2013 recruitment campaign. Our scenario foresees an earnings rebound and margin recovery in 2015. We reiterate our Hold rating.

#### Front page

Reuters ALCLA.PA  
Bloomberg ALCLA FP  
Index DJ Stoxx 600

#### Market data

Market cap (EURm)	48
Free float	37%
No. of shares outstanding (m)	2
Avg. daily trading volume('000)	1
YTD abs performance	-11.8%
52-week high (EUR)	28.90
52-week low (EUR)	20.75



FY to 31/12 (EUR)	2014E	2015E	2016E
Sales (m)	210.6	244.3	256.5
EBITDA adj (m)	6.0	7.2	8.7
EBIT adj (m)	4.2	5.3	6.7
Net profit adj (m)	1.9	3.1	3.9
Net fin. debt (m)	-0.7	-1.4	-2.7
FCF (m)	1.5	1.5	3.3
EPS adj. and fully dil.	0.84	1.32	1.71
Consensus EPS	0.97	1.59	1.91
Net dividend	0.59	0.79	0.94

FY to 31/12 (EUR)	2014E	2015E	2016E
P/E (x) adj and ful. dil.	25.0	15.9	12.3
EV/EBITDA (x)	8.4	6.9	5.6
EV/EBIT (x)	11.8	9.4	7.3
FCF yield	3.0%	3.0%	6.9%
Dividend yield	2.8%	3.8%	4.5%
Net debt/EBITDA (x)	0.0	-0.1	-0.2
Gearing	-3.1%	-5.5%	-9.8%
ROIC	12.6%	16.0%	18.9%
EV/IC (x)	2.5	2.2	2.1