

Clasquin

France | Support services

Hold (Hold)

Target price
EUR 28.00

Current price
EUR 28.00

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Better prospects confirmed

- Business rebound followed by a margin rebound in H2 2013
- Significant growth announced for 2014
- Focus on margin improvement
- No major change to our scenario

Revised estimates

EURm	2011	2012	2013E	2013	Old-14E	New-14E	Old-15E	New-15E
Sales	171.4	184.6	198.1	198.1	202.9	202.9	208.9	208.9
LFL Growth	-3.9%	0.6%	6.6%	6.6%	2.4%	2.4%	3.0%	3.0%
Gross Profit	45.1	45.1	47.4	47.4	48.5	48.5	50.0	50.0
Growth	6.3%	0.0%	5.1%	5.1%	2.4%	2.4%	3.0%	3.0%
LFL growth	6.6%	-4.9%	3.2%	3.2%	2.4%	2.4%	3.0%	3.0%
EBIT	5.7	4.1	4.6	4.5	5.6	5.6	6.4	6.4
Growth	-11.3%	-28.5%	11.1%	10.4%	22.7%	23.5%	14.6%	14.6%
% of GP	12.7%	9.1%	9.6%	9.5%	11.5%	11.5%	12.8%	12.8%
NP	3.1	2.1	2.5	2.2	3.4	3.3	3.9	3.8
Growth	-9.7%	-31.4%	18.6%	4.8%	34.9%	49.4%	15.5%	15.5%
% of GP	6.8%	4.7%	5.3%	4.6%	6.9%	6.8%	7.8%	7.6%

Sources: Clasquin, Kepler Cheuvreux

Catch-up effect in H2 2013

After a difficult start to the year, Clasquin benefited from a rebound in H2 2013 which allowed the company to report 3% organic growth in 2013 after close to a 5% decline in 2012. In parallel with the GP rebound, Clasquin posted a slight margin rebound. Therefore at the end of the year the EBIT/GP ratio rose to 9.5% (+40bps), EUR4.5m in EBIT +10% YOY.

Better prospects for 2014, focus on margins

Thanks to staff reinforcement and development abroad, management targets significant growth for 2014. In a still tough economic context in Europe, we maintain our scenario for +2.4% estimated GP growth. Management also intends to bring margins back up to past levels and aims to bring the EBIT/GP ratio back to more than 15%. Due to future investments, we expect a gradual margin recovery with the EBIT/GP ratio estimated at 11.5% for 2014 (+200 bps vs 2013). A 15% threshold is expected for 2018. Globally, we have not significantly changed our forecasts for Clasquin.

Positive news flow expected to continue

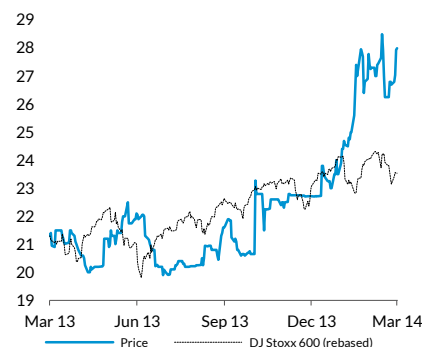
Management reiterated its external growth strategy (last deal in Spain in 2012). After the recovery that started in H2 2013, Clasquin is expected to continue to benefit from positive news flow in 2014. However, in light of the share price performance, we consider upside to be more limited now. Hold reiterated.

Front page

Reuters ALCLA.PA
Bloomberg ALCLA FP
Index DJ Stoxx 600

Market data

Market cap (EURm)	65
Free float	37%
No. of shares outstanding (m)	2
Avg. daily trading volume('000)	2
YTD abs performance	17.6%
52-week high (EUR)	28.50
52-week low (EUR)	19.90



FY to 31/12 (EUR)	2013E	2014E	2015E
Sales (m)	198.1	202.9	208.9
EBITDA adj (m)	6.3	7.4	8.3
EBIT adj (m)	4.5	5.6	6.4
Net profit adj (m)	2.2	3.3	3.8
Net fin. debt (m)	-0.4	-1.7	-3.0
FCF (m)	1.8	3.2	3.3
EPS adj. and fully dil.	0.96	1.43	1.65
Consensus EPS	1.02	1.50	1.79
Net dividend	0.80	0.86	0.91

FY to 31/12 (EUR)	2013E	2014E	2015E
P/E (x) adj and ful. dil.	29.3	19.6	17.0
EV/EBITDA (x)	10.5	8.8	7.8
EV/EBIT (x)	14.7	11.7	10.0
FCF yield	2.7%	4.9%	5.1%
Dividend yield	2.9%	3.1%	3.2%
Net debt/EBITDA (x)	0.0	-0.1	-0.3
Gearing	-1.6%	-6.8%	-11.1%
ROIC	13.7%	17.2%	19.1%
EV/IC (x)	3.2	3.1	2.9