

Clasquin

France | Support services

Hold (Hold)

Target price
EUR 28.00

Current price
EUR 26.85

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Business rebound confirmed in Q1

- **Gross profit +3.7% LFL in Q1, in line with our estimates**
- **Business rebound started in Q2 2013 confirmed**
- **No major change to our scenario**
- **Positive newsflow but almost fully priced in, Hold**

Q1 gross profit vs. estimates

EURm	Q1 2013	Q2 2013	Q3 2013	Q4 2013	2013	Q1 14E	Q1 14
Total Gross profit	10.8	11.8	12.3	12.5	47.4	10.9	11.1
Growth	4.7%	4.4%	7.7%	3.6%	5.1%	0.6%	2.2%
Organic Growth	-1.1%	1.2%	5.5%	6.6%	3.2%	3.5%	3.7%

Source: Kepler Cheuvreux

Good Q1 performance, in line

Q1 gross profit was EUR11.1m, +2.2% YOY or +3.7% LFL (excluding forex effect), in line with our estimate at +3.5% LFL. As expected, the business rebound that began mid-2013 was confirmed in Q1. By division, the freight forwarding activities were up by 1.6% (o/w flat for sea freight with volumes up by 6.5% and +4% for air with volumes +14%), while road transport growth remained healthy at +4.7%. As a reminder, as the freight rate and oil price changes are passed on to clients (highly volatile), sales are not really representative of the business trend. Q1 sales were EUR46.3m, +2.4% or +4.3% LFL (EUR45.3m expected).

Better market context confirmed, no change to our scenario

Thanks to staff reinforcement and development abroad, management targets significant growth in 2014. Amid a still tough economic context in Europe, and as the base effect will be harder quarter after quarter, we maintain our cautious scenario: +2.4% estimated gross profit growth for FY 2014. Besides the business rebound, management also aims to bring the EBIT/GP ratio back to more than 15% (reached in 2008 and 2010, vs. 9.5% posted in 2013). Due to future investments, we expect a gradual margin recovery with the EBIT/GP ratio estimated at 11.5% for 2014 (+200bps vs. 2013). A 15% threshold is expected for 2018.

More limited upside after share price rebound

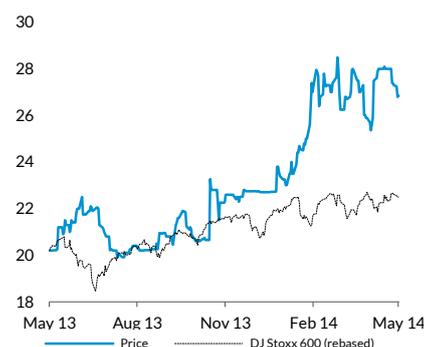
After the recovery that began in H2 2013, Clasquin is expected to continue to benefit from positive newsflow in 2014. New acquisitions could also accelerate business growth (last deal in Spain in 2012). However, in light of the share price performance, we estimate that the sales and margin recovery is almost fully priced in. EV/EBIT at 11.2x vs. 11.4x for the past three-year average or 9.0x for the past five years. Hold rating reiterated.

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Reuters ALCLA.PA
Bloomberg ALCLA FP
Index DJ Stoxx 600

Market data

Market cap (EURm)	62
Free float	37%
No. of shares outstanding (m)	2
Avg. daily trading volume('000)	3
YTD abs performance	12.8%
52-week high (EUR)	28.50
52-week low (EUR)	19.90



FY to 31/12 (EUR)	2013	2014E	2015E
Sales (m)	198.1	202.9	208.9
EBITDA adj (m)	6.3	7.3	8.2
EBIT adj (m)	4.5	5.6	6.4
Net profit adj (m)	2.2	3.3	3.8
Net fin. debt (m)	-0.1	-1.3	-2.5
FCF (m)	2.3	3.1	3.1
EPS adj. and fully dil.	0.96	1.41	1.64
Consensus EPS	0.96	1.48	1.77
Net dividend	0.80	0.85	0.90

FY to 31/12 (EUR)	2013	2014E	2015E
P/E (x) adj and ful. dil.	21.9	19.0	16.4
EV/EBITDA (x)	7.9	8.6	7.6
EV/EBIT (x)	11.1	11.3	9.7
FCF yield	4.7%	4.9%	5.1%
Dividend yield	3.8%	3.2%	3.4%
Net debt/EBITDA (x)	0.1	-0.1	-0.2
Gearing	-0.5%	-5.4%	-9.5%
ROIC	14.1%	18.1%	20.0%
EV/IC (x)	2.6	3.1	2.9