

Clasquin

France | Support services | MCAP EUR 76.7m

30 April 2019

Hold

Target Price	EUR 36.00
Current Price	EUR 33.30
Up/downside	8.1%
Change in TP	none
Change in EPS	none 19E / none 20E

Mixed bag in Q1

A more delicate world trade environment stance is reflected in the top line. Q1 was in line with expectations (+3.6% vs. 4.4% expected), as a slowdown was factored in. No change to our estimates. Hold, EUR36 TP.

Resilient in sea freight...more challenging in air freight

The slowdown observed in the second half of 2018 is being confirmed on the back of a more challenging environment for global trade (worldwide sea freight market growth estimated at 0% and -2% in air freight). Volume in air freight came down by -17%, in line with the dynamic displayed in the previous quarter (-15%), supporting a 3% like-for-like decrease in GP. The ocean freight was still growing in Q1 (+4% LFL in GP), but we note a shift in volume growth (+2% vs. +13% in Q4 2018).

RORO drives growth

At the group level, GP came up by 3.6% to EUR17.2m, roughly in line with expectations (KECH: +4.4%) as a mitigated performance in traditional business areas was offset by a strong performance of the RORO business (+27%), in which Clasquin strengthened its position via the acquisition of LCI International a few years ago. RORO (Roll-On, Roll-Off) ships are vessels equipped with a mobile access ramp, allowing for the loading and unloading of goods by towing between the edge and the wharf. They are fast and allow for short loading/unloading times. Clasquin is active in the intra-Mediterranean route.

Hold, TP: EUR36.

We value Clasquin via a DCF (8.2% WACC; 2.5% LTG) pointing to EUR36 per share. The discount to global listed freight forwarders has widened in the last quarter (25% vs. 15%). The EV/EBITDA multiple stands at 11x for 2019E vs. 13.5x), but recent M&A activity tends to distort sector multiples. A discount is justified by the company's smaller size, conversion ratio, and ROIC profile.

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Market data

Bloomberg: ALCLA FP	Reuters: ALCLA.PA
Market cap (EURm)	77
Free float	39%
No. of shares outstanding (m)	2
Avg. daily volume (EURm)	0.0
YTD abs performance	11.0%
52-week high/low (EUR)	0.43/0.30

FY to 31/12 (EUR)	12/19E	12/20E	12/21E
Sales (m)	322,0	334,1	345,0
EBITDA adj (m)	9,5	10,2	10,8
EBIT adj (m)	6,8	7,6	8,1
Net profit adj (m)	3,6	4,0	5,3
Net debt (m)	22,3	21,6	20,5
FCF (m)	2,7	4,0	4,8
EPS adj. and fully dil.	1,56	1,73	2,29
Consensus EPS	1,87	2,12	na
Net dividend	1,25	1,38	1,48

FY to 31/12 (EUR)	12/19E	12/20E	12/21E
P/E adj and ful. dil.	21,3	19,2	14,5
EV/EBITDA	10,8	10,0	9,4
EV/EBIT	15,1	13,5	12,6
FCF yield	3,5%	5,3%	6,2%
Dividend yield	3,8%	4,2%	4,5%
Net debt/EBITDA	2,3	2,1	1,9
Gearing	83,1%	76,3%	68,7%
ROIC	9,8%	10,7%	11,0%
EV/IC	2,2	2,2	2,1



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Key financials

FY to 31/12 (EUR)	12/14	12/15	12/16	12/17	12/18	12/19E	12/20E	12/21E
Income Statement (EURm)								
Sales	201,7	234,2	235,0	290,6	308,3	322,0	334,1	345,0
% Change	1,8%	16,1%	0,3%	23,6%	6,1%	4,4%	3,8%	3,3%
EBITDA adjusted	4,6	8,2	7,1	7,4	9,3	9,5	10,2	10,8
EBITDA margin (%)	2,3%	3,5%	3,0%	2,5%	3,0%	3,0%	3,1%	3,1%
EBIT adjusted	3,1	6,3	4,6	5,9	5,9	6,8	7,6	8,1
EBIT margin (%)	1,5%	2,7%	2,0%	2,0%	1,9%	2,1%	2,3%	2,3%
Net financial items & associates	-0,4	-0,1	-0,5	-0,7	-0,6	-0,6	-0,6	-0,6
Others	0,0	0,0	0,0	-0,4	0,0	0,0	0,0	0,0
Tax	-0,9	-1,9	-1,5	-1,9	-1,9	-2,2	-2,4	-2,6
Net profit from continuing operations	1,8	4,2	2,6	2,8	3,4	4,0	4,6	4,9
Net profit from discontinuing activities	0,7	-0,3	0,0	0,0	0,0	0,0	0,0	0,0
Net profit before minorities	2,5	4,0	2,6	2,8	3,4	4,0	4,6	4,9
Net profit reported	2,1	3,3	2,1	2,4	2,8	3,6	4,0	5,3
Net profit adjusted	2,1	3,3	2,1	2,4	2,8	3,6	4,0	5,3
Cash Flow Statement (EURm)								
Cash flow from operating activities	6,5	8,2	1,9	2,3	0,2	5,9	7,0	7,5
Capex	-2,9	-2,4	-3,6	-3,6	-3,4	-3,2	-3,0	-2,7
Free cash flow	3,7	5,8	-1,7	-1,3	-3,2	2,7	4,0	4,8
Acquisitions & Divestments	-1,8	-8,5	-0,6	0,1	0,0	0,0	0,0	0,0
Dividend paid	-2,2	-2,1	-2,9	-1,9	-2,1	-2,3	-3,0	-3,3
Others	-0,4	1,5	-0,1	-1,5	-0,2	-0,2	-0,2	-0,2
Change in net financial debt	-0,7	-3,2	-5,4	-4,7	-5,5	0,1	0,9	1,3
Balance Sheet (EURm)								
Intangible assets	11,4	17,3	19,1	19,6	20,1	20,5	20,7	20,7
Tangible assets	6,2	3,8	5,2	5,1	5,6	6,0	6,2	6,2
Financial & other non-current assets	1,8	2,9	2,8	2,8	2,8	2,8	2,8	2,8
Total shareholders' equity	23,3	23,8	23,8	22,9	24,0	25,7	27,1	28,5
Pension provisions	1,1	1,1	0,8	0,9	0,9	0,9	0,9	0,9
Liabilities and provisions	73,3	85,5	93,8	102,9	133,2	137,5	139,6	141,1
Net debt	1,8	6,3	11,8	16,9	22,4	22,3	21,6	20,5
Net financial debt	0,7	5,2	11,0	16,0	21,5	21,3	20,7	19,6
IFRS 16 debt	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Working capital requirement	6,2	6,3	9,2	12,7	18,5	19,3	19,7	21,0
Invested Capital	23,8	27,3	33,5	37,4	44,2	45,8	46,5	47,8
Per share data								
EPS adjusted	0,92	1,45	0,92	1,03	1,21	1,56	1,73	2,29
EPS adj and fully diluted	0,92	1,45	0,92	1,03	1,21	1,56	1,73	2,29
% Change	-3,9%	57,8%	-36,6%	12,5%	17,3%	28,8%	10,9%	32,4%
EPS reported	0,92	1,45	0,92	1,03	1,21	1,56	1,73	2,29
Cash flow per share	2,84	3,57	0,81	0,99	0,09	2,57	3,05	3,25
Book value per share	9,22	9,42	9,03	8,57	8,88	9,43	9,87	10,30
Dividend per share	0,80	1,25	0,80	0,86	0,97	1,25	1,38	1,48
Number of shares, YE (m)	2,30	2,30	2,30	2,30	2,30	2,30	2,30	2,30
Ratios								
ROE (%)	10,0%	15,6%	10,0%	11,8%	13,9%	17,1%	18,0%	22,7%
ROIC (%)	8,9%	16,9%	9,6%	9,9%	9,3%	9,8%	10,7%	11,0%
Net debt / EBITDA (x)	0,4	0,8	1,7	2,3	2,4	2,3	2,1	1,9
Gearing (%)	3,0%	21,9%	46,3%	69,7%	89,5%	83,1%	76,3%	68,7%
Valuation								
P/E adjusted	27,8	20,3	32,2	32,1	30,1	21,3	19,2	14,5
P/E adjusted and fully diluted	27,8	20,3	32,2	32,1	30,1	21,3	19,2	14,5
P/BV	2,8	3,1	3,3	3,9	4,1	3,5	3,4	3,2
P/CF	9,0	8,2	36,4	33,3	na	13,0	10,9	10,2
Dividend yield (%)	3,1%	4,2%	2,7%	2,6%	2,7%	3,8%	4,2%	4,5%
FCF yield (%)	6,2%	8,6%	-2,5%	-1,7%	-3,8%	3,5%	5,3%	6,2%
EV/Sales	0,3	0,3	0,4	0,3	0,4	0,3	0,3	0,3
EV/EBITDA	13,7	9,2	11,7	13,1	11,8	10,8	10,0	9,4
EV/EBIT	20,3	12,1	18,1	16,4	18,7	15,1	13,5	12,6

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Companies mentioned

Stock	ISIN	Currency	Price
Clasquin	FR0004152882	EUR	33,30

Source: Factset closing prices of 29/04/2019

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Rating Breakdown	A	B
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Reduce	15%	10%
Not Rated/Under Review/Accept Offer	3%	5%
Total	100%	100%

Source: KEPLER CHEUVREUX

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Company Name	Date	Business Line	Rating	Target Price	Closing Price
Clasquin (EUR)	27/09/2018 07:10	Equity Research	Hold	41.00	40.50
	26/10/2018 07:20	Equity Research	Hold	39.00	39.10
	22/03/2019 09:17	Equity Research	Hold	36.00	34.90

Credit research does not issue target prices. Left intentionally blank.

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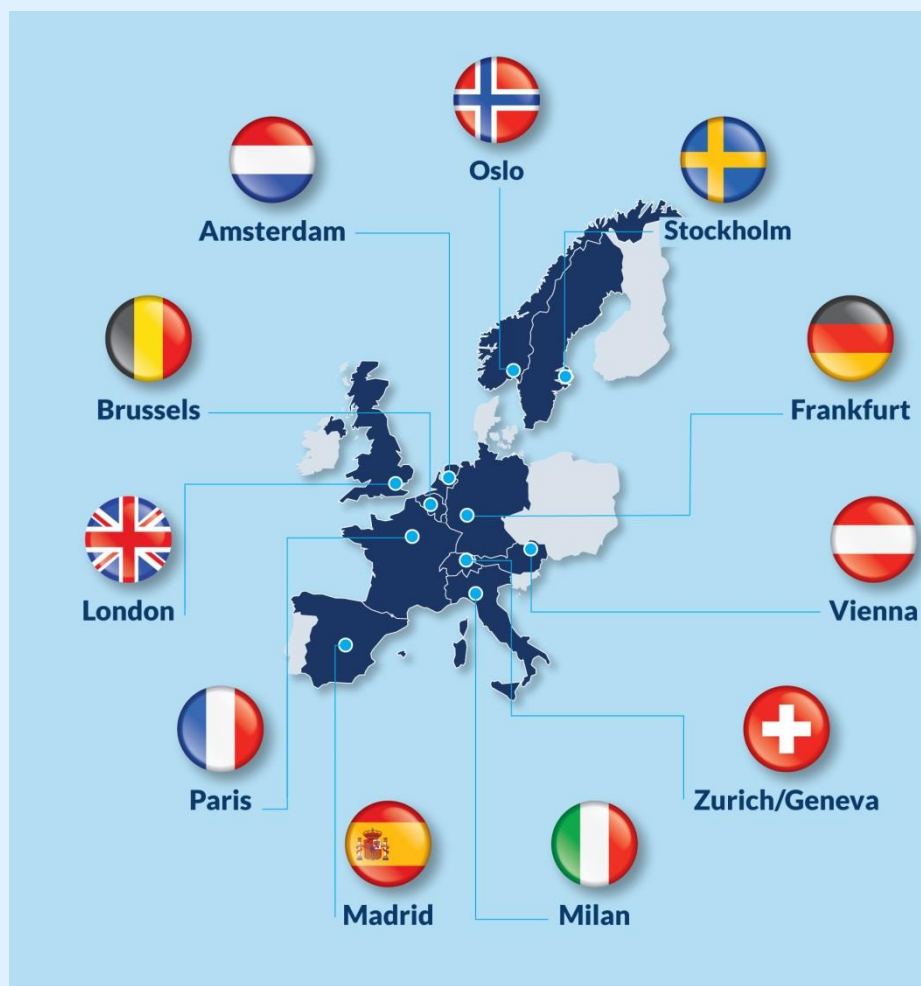
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