



<b>Share Price:</b>		<b>32,8</b>
Closing Price as 10/06/14		
Price High 52week		31,9
Price Low 52week		14,95
Market Capitalisation		2.195.901.288
Current num. of shares		66.948.210
Long Term Debt		35.895.108

Key Financials	12/12	12/13	12/14E
Sales	1.110.000.000	934.231.000	1.077.713.100
EBITDA	212.818.497	194.689.900	287.633.681
EBITDA margin	19%	21%	27%
Total Debt/Equity	0,92	0,19	0,18
P/E	9,05	4,51	11,49
EPS	1,43	5,19	2,78
Dividend/Share	N/A	N/A	N/A

<b>Enterprise Value</b>	2.000.753.124
<b>Shareholders value</b>	1.964.858.016

## FOLLI FOLLIE GROUP S.A

**Sector: Retail-Specialty Retailers**

**Activity: Operations of Shops, large and small scale industrial- as well as technical and commercial operations**

### Outlook:

We upgrade FOLLI FOLLIE'S fair estimated price from 20,7 euros per share to 29 euros/share due to further Chinese market penetration and the establishment and overall strong business performance in the sectors which Group operates.

We point out that our growth estimates for the Group's sales remain conservative (4% CAGR 2015 and on) and possible higher growth rates could lead to higher operating margins and bring extra value to the company.

### Strengths:

Group's performance in the sector of Jewellery confirms the ongoing upward strong sales trend (+13% FY2012) (+14% FY2013) (+14% Q12014) mainly from the successful penetration in the market of China.

In the Clothing sector Group's Q1 2014 (+25% from Q1 2013) performance appears to reverse the past five years negative trend and prospects for the FY2014 sales look strong.

Company has healthy debt structure (Debt/Equity 0,19 only) after the repayment of the major part of long term loans in 2014.

### Weaknesses:

The Department Stores sector continues a negative five year pattern of decreased sales, following weak macro economic environment, and remains dependent on the economic and social stability in Greece.

### Opportunities:

Better total Group sales in the market of Greece.

**DATE** 11/6/2014

<b>FAIR ESTIMATED PRICE</b>	<b>29</b>
<b>Δ% from Current Price</b>	<b>-11%</b>
<b>Investment Thesis</b>	<b>FV</b>

**FOLLI FOLLIE'S Summary tables**

Income Statement	2012	2013	2014E	2015E	2016E
Sales	1.110.000.000,00	934.231.000,00	1.077.713.100,00	1.126.568.598,00	1.145.914.337,10
CGS	553.171.501,79	463.547.464,18	528.079.419,00	552.018.613,02	561.498.025,18
<b>Gross Profit</b>	<b>556.861.034,25</b>	<b>470.683.535,82</b>	<b>549.633.681,00</b>	<b>574.549.984,98</b>	<b>584.416.311,92</b>
Other Income	32.530.852,70	13.079.426,52	25.000.000,00	25.000.000,00	30.000.000,00
Admin. Costs	73.601.970,40	59.088.626,28	55.000.000,00	55.000.000,00	55.000.000,00
Sales Costs	313.805.643,90	241.335.354,74	244.000.000,00	244.000.000,00	244.000.000,00
Rest Cost/Income	16.210.815,79	9.937.943,13	10.000.000,00	10.000.000,00	10.000.000,00
<b>EBITDA</b>	<b>212.818.497,06</b>	<b>194.689.899,78</b>	<b>287.633.681,00</b>	<b>312.549.984,98</b>	<b>327.416.311,92</b>
D&A	27.037.040,20	21.288.861,59	22.000.000,00	22.000.000,00	22.000.000,00
<b>EBIT</b>	<b>185.781.456,86</b>	<b>173.401.038,19</b>	<b>265.633.681,00</b>	<b>290.549.984,98</b>	<b>305.416.311,92</b>
Interest Income	3.910.717,17	16.337.993,44	10.000.000,00	10.000.000,00	10.000.000,00
Interest Expense	58.703.756,11	24.369.277,84	24.369.277,84	24.369.277,84	24.369.277,84
Income/Loss Relatives	93.966,36	232.241.297,52	0,00	0,00	0,00
Impairment Losses	0,00	0,00	0,00	0,00	0,00
<b>EBT</b>	<b>130.894.451,56</b>	<b>397.611.051,31</b>	<b>251.264.403,16</b>	<b>276.180.707,14</b>	<b>291.047.034,08</b>
Taxation	35.274.296,46	50.108.888,03	65.328.744,82	71.806.983,86	75.672.228,86
<b>Net Income</b>	<b>95.620.155,10</b>	<b>347.502.163,28</b>	<b>185.935.658,34</b>	<b>204.373.723,28</b>	<b>215.374.805,22</b>

**Cash flow estimations (E)**

	2013	2014E	2015E
EBIT	185.781.456,86	173.401.038,19	265.633.681,00
Taxation	0,20	0,23	0,21
NOPAT	148.625.165,49	150.858.903,23	209.850.607,99
Depreciation	27.037.040,20	21.288.861,59	22.000.000,00
Capital Exp.	40.000.000,00	16.674.546,04	20.000.000,00
IWC	53.537.652,73	-67.173.808,48	86.717.695,61
NCF	82.124.552,96	222.647.027,26	125.132.912,38

Growth/Margins/Metrics(E)	12/12	12/13	12/14E
Sales Growth	8%	-19%	13%
EBITDA growth Y-Y	7%	-9%	32%
Net Profit/Loss growth	4,53%	72,48%	-86,89%
RATIOS	12/12	12/13	12/14E
Debt/Equity	0,92	0,19	0,18
Capex/EBITDA	19%	21%	6%
ROE	0,12	0,30	0,15
WACC	11,45%	11,45%	11,45%
VALUATION	12/12	12/13	12/14E
Book Value	12,03	17,33	18,04
P/BV	0,73	0,26	0,64
P/E	9,05	4,51	11,49

**Σημειώσεις/Notes**

P:	Τρέχουσα Τιμή
MCAP:	Κεφαλαιοποίηση
EPS:	Καθαρά Κέρδη Ανά Μετοχή
P/E:	Λόγος Τιμής προς Κέρδη
P/S:	Λόγος Τιμής προς Πωλήσεις
D/A:	Συνολικός Δανεισμός προς Παθητικό
DY:	Απόδοση Μερίσματος
ROE:	Απόδοση Ισίων Κεφαλαίων
FV:	Τιμή Σωστής Αποτίμησης

Market Price	Capitalization
Earnings per Share	Price/Earnings Ratio
Price/Sales Ratio	Total Debt/Assets Ratio
Dividend Yield	Return on Equity
Fair Value Price	

**Οδηγός Συστάσεων/Ratings**

<b>UV</b>	Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος	Underpriced/ Small Risk
<b>UVI</b>	Χαμηλή Αποτίμηση/ Κίνδυνος	Stock Price < 20% of Fair
<b>FV</b>	Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος	Underpriced/ Risk
<b>OVI</b>	Σωστή Αποτίμηση/ Κίνδυνος	Stock Price < 10% of Fair
<b>OV</b>	Υπερτιμημένη Μετοχή	Fairly Priced/ Small Risk
		10% < Stock Price < 10%
		Fairly Priced/ Risk
		Stock Price > 10% of Fair
		Overvalued
		Stock Price > 20% of Fair

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