Ν. ΧΡΥΣΟΧΟΪΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗ
ΑΝΩΝΥΜΟΣ ΕΤΑΙΡΕΙΑ ΠΑΡΟΧΗΣ ΕΠΕΝΔΥΤΙΚΩΝ ΥΠΗΡΕΣΙΩΝ
Μέλος του Χρηματιστηρίου Αξιών Αθηνών
Μέλος του Χρηματιστηρίου Παραγώγων Αθηνών
Μέλος του Δικτύου XNet
Τμήμα Μελετών και Αναλύσεων

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FRIGOGLASS S.A.I.C

Sector: Industrial Goods&Services

DATE	**19/8/2014**

FAIR ESTIMATED PRICE	**2,61**
Δ% from Current Price	**-20%**
Investment Thesis	**OV**

Share Price:		**3,26**
Closing Price as 19/08/14		
Price High 52week		6,41
Price Low 52week		3,1
Market capitalisation		164.935.892
Current num. of shares		50.593.832
Long Term Debt		245.069.000

Key Financials	12/12	12/13	12/14E
Sales	581.250.000	522.508.000,00	535.060.780
EBITDA	52.798.000	46.302.000,00	50.862.764
EBITDA margin	9%	9%	10%
Total Debt/Equity	2,53	3,41	3,75
P/E	- 19,21	-9,16	-3,69
EPS	- 0,27	-0,56	-1,13
Dividend/Share	N/A	N/A	N/A

Enterprise Value	376.912.707
Shareholders value	131.843.707

Activity: Manufacture and supply of Refrigeration facilities, Cooling systems and Glass.

Outlook:

We downgrade our Fair Estimated Price at 2,61 euro per share on the back of weak H114 results especially in the Cooling sector, the pause of Turkey's operating facility and transfer to Romania (36 million euros restructiring costs) and lower estimates for FY 14 and overall softness in Sales figures .

We adjust our estimates regarding the Sales from FY2014 and on, due to Company's H114 weak results primarilly in Cooling Sector (-21% sales reduction from Q213) and 8% sales increase from Q213 in the Glass Sector.

Accordingly, we take lower estimated growth for the Company's Sales and a slight decrease in Operating Expenses driven from the cost cutting efforts that result in an EV of approximately 376 million euros down from 413m euros previously.

HY14 results indicate a soft overall FY14 which is highlighted by the decrease in sales of Cool and Glass operations and the losses incurred by the termination of the Company's Turkish Operating facility, which will supress the Operating Income by 36 million euros. In that case we expect a 32% decrease in Cooling Operations at Asia/Oceania and a small increase in Glass operations at Africa/Middle East for the FY14 and an overall negative NI for FY14 of 57m euros (from 14,7m negative previously).

Strengths:

Frigoglass operates on sales contracts with solid customers such as Coca Cola Hellenic Botling Company and major international brewers, a fact that has tradionally secured a minimum level of sales and visibility regarding its operations.

Weaknesses:

There is a negative trend in sales since 2012 that we expect to continue to 2014 inclusive.

Opportunities:

Frigoglass is running a cost saving plan until 2016 with estimated cost reduction to a total of 20 million euro.

Threats:

FRIGOGLASS Summary tables

Income Statement	2012	2013	2014E	2015E	2016E
Total Sales	581.250.000,00	522.508.000,00	482.191.506,00	505.674.610,79	532.372.355,83
CGS	447.577.000,00	401.744.000,00	377.753.204,80	391.482.942,53	412.574.161,10
Gross Profit	133.673.000,00	120.764.000,00	104.438.301,20	114.191.668,27	119.798.194,72
Sales Costs	28.470.000,00	27.595.000,00	25.000.000,00	25.000.000,00	25.000.000,00
Adm. Costs	35.343.000,00	28.704.000,00	28.000.000,00	30.000.000,00	35.000.000,00
R & D Costs	4.456.000,00	4.313.000,00	3.000.000,00	4.000.000,00	4.000.000,00
Rest Income/Costs	2.252.000,00	2.488.000,00	2.000.000,00	2.000.000,00	2.000.000,00
Other Operational Profits		661.000,00	300.000,00	300.000,00	300.000,00
Restructuring Costs		16.999.000,00	36.059.000,00	0,00	0,00
EBITDA	52.798.000,00	46.302.000,00	14.679.301,20	57.491.668,27	58.098.194,72
D&A	33.771.000,00	33.349.000,00	32.000.000,00	30.000.000,00	30.000.000,00
EBIT	19.027.000,00	12.953.000,00	-17.320.698,80	27.491.668,27	28.098.194,72
Interest	25.056.000,00	29.686.000,00	32.000.000,00	15.000.000,00	15.000.000,00
EBT	-6.029.000,00	-16.733.000,00	-49.320.698,80	12.491.668,27	13.098.194,72
Taxation	7.830.000,00	11.453.000,00	8.000.000,00	3.122.917,07	3.274.548,68
Net Income/Loss	-13.859.000,00	-28.186.000,00	-57.320.698,80	9.368.751,20	9.823.646,04

Cash flow estimations (E)

	2013	2014E	2015E
EBIT	12.953.000,00	-17.320.698,80	27.491.668,27
Taxation	25%	25%	25%
NOPAT	9.714.750,00	-14.549.386,99	20.618.751,20
Depreciation	33.349.000,00	32.000.000,00	30.000.000,00
Capital Exp.	7.000.000,00	10.000.000,00	7.000.000,00
IWC	14.534.000,00	-6.450.639,04	3.757.296,77
NCF	21.529.750,00	13.901.252,05	39.861.454,43

Growth/Margins/Metrics(E)	**12/12**	**12/13**	**12/14E**
Sales Growth	5%	-10%	-8%
EBITDA growth Y-Y	-35%	-12%	-68%
Net Profit/Loss growth	-156%	-103%	-103%
RATIOS	**12/11**	**12/12**	**12/13E**
Debt/Equity	2,53	3,41	3,75
Capex/EBITDA	587%	417%	50%
ROE	- 0,12	- 0,33	- 0,69
WACC	10,40%	10,40%	10,40%
VALUATION	**12/11**	**12/12**	**12/13E**
Book Value	2,35	1,71	1,64
P/BV	2,24	2,99	2,55
P/E	- 19,21	- 9,16	- 3,69

Σημειώσεις/Notes

P:	Τρέχουσα Τιμή	Market Price
MCAP:	Κεφαλαιοποίηση	Capitalization
EPS:	Καθαρά Κέρδη Ανά Μετοχή	Earnings per Share
P/E:	Λόγος Τιμής προς Κέρδη	Price/Earnings Ratio
P/S:	Λόγος Τιμής προς Πωλήσεις	Price/Sales Ratio
D/A:	Συνολικός Δανεισμός προς Παθητικό	Total Debt/Assets Ratio
DY:	Απόδοση Μερίσματος	Dividend Yield
ROE:	Απόδοση Ιδίων Κεφαλαίων	Return on Equity
FV:	Τιμή Σωστής Αποτίμησης	Fair Value Price

Οδηγός Συστάσεων/Ratings

UV	Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος	Underpriced/ Small Risk Stock Price < 20% of Fair
UV1	Χαμηλή Αποτίμηση/ Κίνδυνος	Underpriced/ Risk Stock Price < 10% of Fair
FV	Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος	Fairly Priced/ Small Risk 10%<Stock Price<10%
OV1	Σωστή Αποτίμηση/ Κίνδυνος	Fairly Priced/ Risk Stock Price >10% of Fair
OV	Υπερτιμημένη Μετοχή	Overvalued Stock Price >20% of Fair