



Share Price:		1,59
Closing Price as 05/04/16		
Price High 52week		1,90
Price Low 52week		1,52
Market capitalisation		52.573.566
Current num. of shares		33.065.136
Long Term Debt		7.755.455

Key Financials	12/15	12/16E	12/17E
Sales	66.950.798	69.658.768	71.792.757
EBITDA	7.859.556	8.586.528	9.208.362
EBITDA margin	12%	12%	13%
Total Debt/Equity	0,21	0,21	0,21
P/E	1,23	1,23	1,23
EPS	0,12	0,11	0,12
Dividend/Share	0,06	N/A	N/A

Enterprise Value	87.314.859
Shareholders value	79.559.404

KRI KRI

Sector: Food & Beverage

Activity: Production and trading of Dairy products (Ice Cream, Yoghurt, Milk).

Outlook:

We restate KRI-KRI's Fair estimated price to 1.80 Euros/Share on the back of FY15 results.

KRI KRI's FY15 results did not comply with our basic hypothesis in terms of total revenues for the group. Specifically, KRI KRI'S like for like FY15 sales in the Ice Cream sector further declined from our projected level (-5.47% vs -2.00%) due to softer demand attributed to adverse weather conditions.

However the Yoghurt sector continued growing (+13% excluding the FY14 amount of 14 mn. Euros in sales to third parties for outsourcing purposes) confirming our thesis regarding the ongoing demand growth for the sector.

The Group's operating margin decreased due to increased expenses for advertising and a substantial increase in receivables' provisions. We expect that level of operating costs to remain for the 2016-2019 period.

Accordingly, we have updated our Cash Flow and Enterprise Value estimations to include the period 2016-2019.

For the said period we are expecting a slight Operating Margin decrease and smaller growth in expected sales for the Yoghurt sector. In the Ice cream sector we have applied a flat growth rate for the same period.

Strengths:

The strong demand trend in dairy products is expected to continue in the following years.

Weaknesses:

Ice Cream Sales may have reached a maturity stage.

Opportunities:

Global Yoghurt consumption is expected to be strong the forthcoming years due to a shift towards healthier nutrition habits. Accordingly, exports in the Yoghurt business sector in European Union countries primarily under the KRI KRI brand and secondarily as private label products (cooperation with Super Markets) are expected to enhance the Sector's Sales.

Threats:

Ice cream consumption is highly dependent on weather conditions and nutritional habits.

Strong local and global competition in the Yoghurt and Ice Cream Sector.

DATE

06/04/16

FAIR ESTIMATED PRICE	1,80
Δ% from Current Price	13%
Investment Thesis	FV

KRI KRI'S Summary tables

Income Statement	2015	2016E	2017E	2018E	2019E
Sales	66.950.798,00	69.658.767,66	71.792.756,72	73.507.282,58	74.755.603,53
Cost of goods	44.579.472,00	47.367.962,01	48.819.074,57	49.984.952,16	50.833.810,40
Gross Profit	22.371.326,00	22.290.805,65	22.973.682,15	23.522.330,43	23.921.793,13
Sales Cost	16.089.882,00	14.000.000,00	14.140.000,00	14.281.400,00	14.424.214,00
Admin.cost	2.199.975,00	2.104.277,58	2.125.320,36	2.146.573,56	2.168.039,30
R&D costs	96.615,00	100.000,00	100.000,00	100.000,00	100.000,00
Rest Income/Expenses	590.398,00	500.000,00	500.000,00	500.000,00	500.000,00
EBITDA	7.859.556,00	8.586.528,07	9.208.361,79	9.594.356,87	9.829.539,83
Depreciation&Amortization	2.994.444,00	3.000.000,00	3.000.000,00	3.000.000,00	3.000.000,00
EBIT	4.865.112,00	5.586.528,07	6.208.361,79	6.594.356,87	6.829.539,83
Interest	570.201,00	400.000,00	400.000,00	400.000,00	400.000,00
EBT	4.294.911,00	5.186.528,07	5.808.361,79	6.194.356,87	6.429.539,83
Taxation	451.616,00	1.504.093,14	1.684.424,92	1.796.363,49	1.864.566,55
Net Income	3.843.295,00	3.682.434,93	4.123.936,87	4.397.993,37	4.564.973,28

Cash flow estimations (E)	2016E	2017E	2018E
EBIT	5.586.528,07	6.208.361,79	6.594.356,87
Taxation (1-Tax Rate)	71%	71%	71%
NOPAT	3.966.434,93	4.407.936,87	4.681.993,37
Depreciation	3.000.000,00	3.000.000,00	3.000.000,00
Capital Exp.	2.500.000,00	2.500.000,00	2.500.000,00
IWC	487.434,54	746.896,17	600.034,05
NCF	3.979.000,39	4.161.040,70	4.581.909,32

Growth/Margins/Metrics(E)	12/15	12/16E	12/17E
Sales Growth	-13%	4%	3%
EBITDA growth Y-Y	27%	9%	7%
Net Profit/Loss growth	8%	-4%	12%
RATIOS	12/15	12/16E	12/17E
Debt/Equity	0,21	0,21	0,21
Capex/EBITDA	93%	29%	27%
ROE	9%	9%	10%
WACC	10,70%	10,70%	10,70%
VALUATION	12/15	12/16E	12/17E
Book Value	1,23	1,23	1,23
P/BV	1,29	1,46	1,46
P/E	1,23	1,23	1,23

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 Ιδίων Κεφαλαίων
 FV: Τιμή Σωστής Αποτίμησης

Οδηγός Συστάσεων/Ratings

UV Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος

UV1 Χαμηλή Αποτίμηση/ Κίνδυνος

FV Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος

OV1 Σωστή Αποτίμηση/ Κίνδυνος

OV Υπερτιμημένη Μετοχή

Underpriced/ Small Risk
 Stock Price < 20% of Fair
 Underpriced/ Risk
 Stock Price < 10% of Fair
 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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