



<b>Share Price:</b>		<b>8,82</b>
Closing Price as 01/04/15		
Price High 52week		13,63
Price Low 52week		6,86
Market capitalisation		2.813.580.000
Current num. of shares		319.000.000
Long Term Debt		

Key Financials	12/14	12/15€	12/16€
Sales	1.377.679.000	1.392.578.443	1.701.717.771
EBITDA	346.518.000	268.941.678	365.232.437
EBITDA margin	25%	19%	21%
Total Debt/Equity	Total Equity	Total Equity	Total Equity
P/E	14,20	20,62	14,53
EPS	0,62	0,53	0,76
Dividend/Share	0,85	0,85	0,85

<b>Enterprise Value</b>	3.527.108.931
<b>Shareholders value</b>	3.527.108.931

## OPAP S.A

**Sector:** Leisure- Gaming

**Activity:** Production, operation, management and marketing of PROPO, LOTTO, PROPOGOL, JOKER, BINGO and other games.

### Outlook:

We reiterate our investment thesis on OPAP on the back of FY14 results and the increase in revenues from the contribution of Scratch cards and Lotteries and the strong performance of Pame Stixoima), positive free cash flow generation and strong balance sheet with zero bank debt exposure.

The delay in the launching of VLT's and the corresponding Company guidance of full utilization as late as 2016 made us re estimate the Sales levers for the period 2015 and on and grossly affected our model by lowering the Free Cash Fair Value to 11 Euro's/Share down from 14 Euros/Share previously.

Although, we are fundamentally disappointed by this setback we still find OPAP as one of the best values in our Universe and maintain our positive thesis.

### Strengths:

Additional cash flow generation from VLT and lotteries from 2016 and on.

Decrease in CAPEX enhancing Cash Flow generation.

Positive contribution from Scratch Cards business.

### Weaknesses:

Soft demand in traditional betting games.

OPAP'S lack of expertise in VLT business. Additional costs in creating market awareness in VLT business.

Further delay in launch of the VLT'S due to the existing institutional framework will decelerate the growth in Revenues and affect our model.

**Date** 02/04/15

<b>FAIR ESTIMATED PRICE</b>	<b>11</b>
<b>Δ% from Current Price</b>	<b>25%</b>
<b>Investment Thesis</b>	<b>UV</b>

## OPAP's Summary tables

Income Statement	2014	2015E	2016E	2017E	2018E
Gross Gaming Revenues	1.377.679.000	1.392.578.443	1.701.717.771	1.715.105.142	1.718.618.512
30% at Revenues	391.924.000	389.921.964	476.480.976	480.229.440	481.213.183
Gaming Revenues	985.755.000	1.002.656.479	1.225.236.795	1.234.875.703	1.237.405.329
Cost of Services	527.729.000	632.990.202	773.508.078	779.593.247	781.190.233
<b>Gross Profit</b>	<b>474.241.000</b>	<b>369.666.278</b>	<b>451.728.717</b>	<b>455.282.456</b>	<b>456.215.096</b>
VLT'S Royalties	0				
Rest Income	7.521.000	6.679.000	6.679.000	6.679.000	6.679.000
Sales Cost	88.927.000	71.141.600	56.913.280	56.913.280	56.913.280
Administrative Cost	41.346.000	20.000.000	20.000.000	20.000.000	20.000.000
Rest Cost	4.971.000	16.262.000	16.262.000	16.262.000	16.262.000
Impairment Loss					
<b>EBITDA</b>	<b>346.518.000</b>	<b>268.941.678</b>	<b>365.232.437</b>	<b>368.786.176</b>	<b>369.718.816</b>
D&A	50.321.000	55.000.000	55.000.000	55.000.000	55.000.000
<b>EBIT</b>	<b>296.197.000</b>	<b>213.941.678</b>	<b>310.232.437</b>	<b>313.786.176</b>	<b>314.718.816</b>
Income/Loss from Asset Sales	5.000				
Income/Loss from relative Companies	321.000				
Loss from Asset Impairment					
Interest Income	7.000.000	14.061.000	14.061.000	14.061.000	14.061.000
Interest Exopense	2.000.000	2.000.000	2.000.000	2.000.000	2.000.000
Dividend from Subsidiaries					
<b>EBT</b>	<b>305.197.000</b>	<b>230.002.678</b>	<b>326.293.437</b>	<b>329.847.176</b>	<b>330.779.816</b>
Taxation	105.878.000	59.800.696	84.836.294	85.760.266	86.002.752
Deferred Tax					
<b>Net Income</b>	<b>199.319.000</b>	<b>170.201.982</b>	<b>241.457.144</b>	<b>244.086.910</b>	<b>244.777.064</b>

### Σημειώσεις/Notes

P: Τρέχουσα Τιμή  
MCAP: Κεφαλαιοποίηση  
EPS: Καθάρια Κέρδη Ανά Μετοχή

P/E: Λόγος Τιμής προς Κέρδη  
P/S: Λόγος Τιμής προς Πωλήσεις  
D/A: Συνολικός Δανεισμός προς Παθητικό  
DY: Αποδόση Μέρισματος  
ROE: Αποδόση Ισίων Κεφαλαίων  
FV: Τιμή Σωστής Αποτίμησης

### Οδηγός Συστάσεων/Ratings

UV Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος  
UVI Χαμηλή Αποτίμηση/ Κίνδυνος  
FV Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος  
OVI Σωστή Αποτίμηση/ Κίνδυνος  
OV Υπερτιμημένη Μετοχή  
Market Price Capitalization  
Earnings per Share  
Price/Earnings Ratio  
Price/Sales Ratio  
Total Debt/Assets Ratio  
Dividend Yield  
Return on Equity  
Fair Value Price

### Cash flow estimations (E)

	2014	2015E	2016E
EBIT	296.197.000	213.941.678	310.232.437
Taxation	105.878.000	74%	74%
NOPAT	190.319.000	158.316.842	229.572.004
Depreciation	50.321.000	55.000.000	55.000.000
Capital Exp.	15.000.000	16.000.000	15.000.000
IWC	-3.563.991	-336.605	-6.984.012
NCF	229.203.991	197.653.447	276.556.015

### Growth/Margins/Metrics(E)

	12/14	12/15E	12/16E
Sales Growth	13%	2%	22%
EBITDA growth Y-Y	56%	-22%	36%
Net Profit/Loss growth	41,25%	-14,61%	41,87%
<b>RATIOS</b>	<b>12/14</b>	<b>12/15E</b>	<b>12/16E</b>
Debt/Equity	Total Equity	Total Equity	Total Equity
Capex/EBITDA	4%	6%	4%
ROE	0,15	0,21	0,21
WACC	12,44%	12,44%	12,44%
<b>VALUATION</b>	<b>12/14</b>	<b>12/15E</b>	<b>12/16E</b>
Book Value	3,66	3,66	3,66
P/BV	2,42	3,01	3,01
P/E	14,20	20,62	14,53

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