



Share Price:		7,75
Closing Price as 27/03/15		
Price High 52week		8,05
Price Low 52week		6,63
Market capitalisation		269.475.111
Current num. of shares		34.770.982
Long Term Debt		

Key Financials	12/14	12/15E	12/16E
Sales	248.436.663	268.315.200	279.047.808
EBITDA	25.732.474	30.634.936	37.377.037
EBITDA margin	10%	11%	13%
Total Debt/Equity	0,10	0,10	0,10
P/E	13,69	8,62	8,62
EPS	0,49	0,57	0,71
Dividend/Share	N/A	N/A	0,27

Enterprise Value	210.372.793
Shareholders value	210.372.793

SARANTIS

SECTOR: Personal & Household goods-Personal products

ACTIVITY: Formulation and supply of cosmetics products.

Outlook:

Sarantis FY14 Revenues came slightly over our expectations (+4,2% vs +3,3%) due to the significant contribution of Distributed Brands to Group's Total Revenues (+27% and +30% increase in Cosmetics and Household products respectively). Additionally, operating and profit margins came in line with our expectations and Company's guidance.

For FY15, we perceive higher total sales growth (+8%) in line with company's guidance due an increase in foreign retail sales evidenced in the last quarter of the FY14.

We reconfirm Sarantis's Fair Estimated Price at 5.5 Euros/Share, due to management's ability and expertise, solid balance sheet and satisfactory track record regarding annual guidance which are key factors in our valuation model. However the unstable economic environment which the Group operates and imposes a higher Risk factor thus, suppressing our Fair Price Estimate.

We still believe that Sarantis is an interesting long term business case, Fair Price could amount to 6.00 Euros/Share, yet a bit pricey one at current levels.

Strengths:

Reduction of liquidity ratio (Total bank loans/Equity from 0,36 to 0,11)

We expect an increase of c.8% in total sales for the full year of 2015 due to the contribution from the foreign countries in line with the management's guidance.

Opportunities:

The expected recovery of the Balkan economies which Sarantis group operates is possible to increase profitability and operating margins.

Threats:

Slower pace of sales recovery in Greece

While we believe that the current share price is higher than our estimated fair value we should not ignore the fact that the group successfully operates in sales and production of cosmetics. Sarantis's management capital structure and operations have already proved resilient to the consequences of the recession. Moreover a possible recovery and stability in the economies which the group operates could spectacularly improve its operating and profitability

Date 30/03/15

FAIR ESTIMATED PRICE	5,5
Δ% from Current Price	-29%
Investment Thesis	0V

SARANTIS Summary tables

Income Statement	2014	2015E	2016E	2017E	2018E
Sales	248.436.662,77	268.315.200,00	279.047.808,00	284.628.764,16	290.321.339,44
Cost of goods	127.820.825,84	139.523.904,00	142.314.382,08	145.160.669,72	148.063.883,12
Gross Profit	120.615.836,93	128.791.296,00	136.733.425,92	139.468.094,44	142.257.456,33
Other Income	6.849.250,11	4.761.798,90	4.761.798,90	4.761.798,90	4.761.798,90
Administrative Costs	13.137.803,01	13.400.559,07	13.668.570,25	13.941.941,66	14.220.780,49
Sales Costs	92.278.948,74	93.201.738,23	94.133.755,61	95.075.093,17	96.025.844,10
EBIT	22.048.335,29	26.950.797,60	33.692.898,96	35.212.858,52	36.772.630,64
Impairment Loss					
Interest Income/Expense	-560.925,84	255.001,44	255.001,44	255.001,44	255.001,44
EBT	21.487.409,45	26.695.796,16	33.437.897,52	34.957.857,08	36.517.629,20
Tax	2.778.189,48	6.940.907,00	8.693.853,35	9.089.042,84	9.494.583,59
Deferred Tax	1.556.793,57				
Net Income	17.152.426,40	19.754.889,16	24.744.044,16	25.868.814,24	27.023.045,61
EBITDA	25.732.473,53	30.634.935,84	37.377.037,20	38.896.996,76	40.456.768,88
D&A	3.684.138,24	3.684.138,24	3.684.138,24	3.684.138,24	3.684.138,24

Cash flow estimations (E)

	2014	2015E	2016E
EBIT	22.048.335,29	26.950.797,60	33.692.898,96
Taxation	71%	74%	74%
NOPAT	15.654.318,06	19.943.590,23	24.932.745,23
Depreciation	3.684.138,24	3.684.138,24	3.684.138,24
IWC	169.728,56	3.436.903,65	5.764.775,80
Capital Exp.	11.000.000,00	1.500.000,00	1.500.000,00
NCF	8.168.727,74	18.690.824,82	21.352.107,67

Growth/Margins/Metrics(E)

	12/14	12/15E	12/16E
Sales Growth	5%	8%	4,00%
EBITDA growth Y-Y	12%	19%	20%
Net Profit/Loss growth	97,27%	15,00%	25,00%
RATIOS	12/14	12/15E	12/16E
Debt/Equity	0,10	0,10	0,10
Capex/EBITDA	1%	11%	15%
ROE	0,10	0,12	0,15
WACC	12,00%	12,50%	12,51%
VALUATION	12/14	12/15	12/16E
Book Value	4,59	4,59	4,59
P/BV	0,59	1,26	1,26
P/E	15,80	13,69	8,62

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 Μέρσματος
 ROE: Απόδοση Ιδίων Κεφαλαίων
 FV: Τιμή Σωστής Αποτίμησης

Οδηγός Συστάσεων/Ratings

Market Price Capitalization
 Earnings per Share

Price/Earnings Ratio

Price/Sales Ratio

Total Debt/Assets Ratio

Dividend Yield
 Return on Equity
 Fair Value Price

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

Ρήτρα Περιορισμού Ευθύνης:

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