



Share Price:		7,8
Closing Price as 02/04/14		
Price High 52week		7,85
Price Low 52week		4,23
Market capitalisation		271.210.000
Current num. of shares		34.770.982
Long Term Debt		

Key Financials	12/11	12/12	12/13
Sales	220.007.410	236.000.000	236.585.271
EBITDA	19.627.489	21.166.922	23.066.035
EBITDA margin	9%	9%	10%
Total Debt/Equity	0,47	0,36	0,11
P/E	6,91	13,69	26,00
EPS	0,28	0,32	0,25
Dividend/Share	N/A	N/A	0,27

Enterprise Value	191.041.201
Shareholders value	191.041.201

SARANTIS

SECTOR: Personal & Household goods-Personal products

ACTIVITY: Formulation and supply of cosmetics products.

Outlook:

Sarantis FY13 came slightly under our expectations due to lower recovery in total sales (+0,25% vs. +2,50% expected). Additionally, there was an extra loss incurred from group's FF Group shareholding(c.7 million euros).

For FY14, we perceive higher total sales growth (+3,50%) yet lower than company's guidance (+5,70%) due to lower domestic retail sales evidenced in the first quarter of the year.

Both management's ability and expertise as well as solid balance sheet are key factors in our valuation of the company. Thus, we believe that Sarantis is an interesting long term business case yet a bit pricey at current levels.

Strengths:

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

We expect an increase of c.3,5% in total sales for the full year of 2014 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 in the economies which the group

Date 3/4/2014

FAIR ESTIMATED PRICE	5,5
Δ% from Current Price	-30%
Investment Thesis	OV
	c

SARANTIS Summary tables

Income Statement	2012	2013	2014E	2015E	2016E
Sales	236.000.000,00	236.585.270,88	244.730.575,00	246.323.092,50	252.430.602,90
Cost of goods	123.869.458,43	119.822.980,00	122.365.287,50	123.161.546,25	126.215.301,45
Gross Profit	112.128.834,94	116.762.290,88	122.365.287,50	123.161.546,25	126.215.301,45
Other Income	4.761.798,90	5.838.418,35	4.761.798,90	4.761.798,90	4.761.798,90
Administrative Costs	12.555.360,44	12.701.735,73	12.828.753,09	12.828.753,09	12.828.753,09
Sales Costs	86.974.876,62	90.517.076,72	91.422.247,49	92.336.469,96	93.259.834,66
EBITDA	21.166.921,83	23.066.035,02	26.560.224,07	26.442.260,34	28.572.650,84
D&A	3.826.525,05	3.684.138,24	3.684.138,24	3.684.138,24	3.684.138,24
EBIT	17.360.396,78	19.381.896,78	22.876.085,83	22.758.122,10	24.888.512,60
Impairment Loss		7.210.728,22			
Interest Income/Expense	2.070.112,31	351.450,45	255.001,44	255.001,44	255.001,44
EBT	15.290.284,47	12.522.619,01	22.621.084,39	22.503.120,66	24.633.511,16
Tax	2.827.058,52	3.827.603,00	5.881.481,94	5.850.811,37	6.404.712,90
Deferred Tax	308.949,31				
Net Income	12.154.276,65	8.695.016,01	16.739.602,45	16.652.309,29	18.228.798,26

Cash flow estimations (E)

	2013	2014E	2015E
EBIT	19.381.896,78	22.876.085,83	22.758.122,10
Taxation	30%	26%	26%
NOPAT	13.567.327,75	16.928.303,51	16.841.010,35
Depreciation	3.684.138,24	3.684.138,24	3.684.138,24
Capital Exp.	2.300.000,00	2.000.000,00	1.500.000,00
IWC	-1.416.973,51	169.728,56	2.362.138,19
NCF	16.368.439,50	18.442.713,20	16.663.010,40

Growth/Margins/Metrics(E)

	12/11	12/12	12/13
Sales Growth	0%	7%	0,25%
EBITDA growth Y-Y	-8%	8%	9%
Net Profit/Loss growth	-12,58%	11,81%	-28,46%
RATIOS	12/11	12/12	12/13E
Debt/Equity	0,47	0,36	0,11
Capex/EBITDA	25%	9%	10%
ROE	0,09	0,09	0,06
WACC	11,00%	11,00%	10,80%
VALUATION	12/11	12/12	12/13E
Book Value	3,30	3,72	3,72
P/BV	0,59	1,17	1,61
P/E	6,91	13,69	26,00

Σημειώσεις/Notes

P:	Τρέχουσα Τιμή 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 Μερισμάτων
ROE:	Απόδοση Ιδίων 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

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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