

Italy - Food and Beverage

IWB acquires organic prosecco and sparkling wines

3rd March 2020

RDB acquisition

RIC: ITWB.MI BBG: IWB IM IWB acquires the Swiss Raphael Dal Bo (RDB), specialised in Organic Prosecco & Sparkling wines. We welcome this strategic move in a growing and profitable niche in a geographical market characterized by generous returns. Sales/costs synergies are anticipated to bring in additional value for shareholders.

Rating:

Buy

Price Target:

U.R. (€ 19.20)

Upside/(Downside): -

Last Price: € 13.60

Market Cap.: € 99.7

1Y High/Low: € 13.90/€ 10.50

Free Float: 78.8%

Major shareholders:

Otus Capital Management
Provinco Srl
IPOC Srl
Praude Assett Management

10.2%
9.1%
8.7%
6.3%



Stock price performance						
	1M	3M	12M			
Absolute	-1.4%	11.0%	17.2%			
Rel.to AIM Italia	8.0%	16.5%	23.2%			
Rel.to EU Sector	7 1%	15.3%	15.6%			

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A leading Swiss bio-prosecco & sparkling wine producer

IWB acquires 100% of Raphael Dal Bo for a total Enterprise Value consideration of CHF 13.4m (€ 12.6m), corresponding to a multiple slightly higher than the current trading multiple of IWB. CHF 12.4m (86% of the total consideration) has already been transferred and max CHF 2.0m will be paid by 31-Mar-21. The remainder is linked to RDB results consistency in 2020. RDB generated revenues to the tune of CHF 10.7m in 2019, up 10.4% YoY, with an EBITDA margin estimated significantly higher than that of IWB on the back of RDB positioning in the organic niche and the Swiss market. Net Cash was CHF 1.0m. Mr. Raphael Dal Bo will remain CEO of RDB and will reinvest part of the cash in IWB shares: he bought 210k IWB shares (€ 2.9m) and will reinvest 30% of the earn-out cash consideration in IWB shares with a 36 month lock-up.

Switzerland: a strategic and lucrative market for Italian wines

With this acquisition IWB reinforces its leading positioning in the Swiss market, the fourth largest market for Italian wines in the world, valued at the sum of € 350m. IWB generated € 26.8m revenues in the Swiss market in 2018, corresponding to 18% of consolidated revenues. Headquartered in Riedikon (Zurich), RDB has a solid positioning in Switzerland in the organic prosecco & sparkling wines niche with its own brands 'Raphael Dal Bo', 'La vita è bella' and 'Raffaello'. Its products stand in the affordable premium segment and are sold to large-scale retailers and specialty shops.

Sales and cost synergies bring in additional value

RDB will distribute new organic still wines to its customers, produced in IWB's wine cellars in Puglia and Piedmont. Moreover, IWB will offer organic RDB products in its international reference markets. Costs side, the greater amount of raw material purchases arising from the consolidation of the newly acquired company, enlarges IWB purchasing power and is anticipated to benefit group profitability.

A value accretive move including synergies, already in 2020

Following RBD acquisition, we put estimates and PT under revision. According to a conservative rudimentary exercise considering 1) 2020 stand-alone estimates for IWB, 2) 2020 RDB sales increase similar to 2019 and flat EBITDA margin, 3) sales synergies of 0.50% of the consolidated turnover and 4) cost synergies of 0.50% of the consolidated EBITDA, RBD acquisition lowers the combined entity multiple to 4.9x from 5.0x of IWB stand-alone already in 2020. Unquestionably, in the medium-long term the effect is even more tangible.

IWB unveils FY-19 results next 18-Mar.

IWB, key financials and ratios

€m	2017	2018	2019e	2020e	2021e
Sales	149.7	149.9	153.0	158.1	163.0
EBITDA adj.	16.0	14.6	17.4	18.9	20.0
EBITDA	14.2	13.4	16.8	18.9	20.0
EBIT adj.	12.7	11.1	13.7	15.2	16.4
EBIT	10.8	9.9	13.1	15.2	16.4
Net profit adj.	8.1	7.2	9.6	10.5	11.3
Net profit	6.7	6.4	9.1	10.5	11.3
NFP (cash)/debt	2.3	3.4	(3.4)	(12.3)	(21.1)
EPS adjusted FD	1.10	0.98	1.30	1.41	1.53
EPS adj. FD growth	90.6%	-11.1%	32.9%	8.9%	7.8%
DPS ord. €/s	0.40	0.40	0.41	0.45	0.49
Dividend yield	2.9%	2.9%	3.0%	3.3%	3.6%
Free Cash Flow Yield	15.8%	3.4%	11.0%	11.8%	12.1%
PER adj. x *	7.6	12.0	9.7	10.0	9.2
PCF x *	5.7	12.4	50.0	52.8	51.8
EV/Sales x *	0.4	0.6	0.6	0.6	0.6
EV/EBITDA adj. x *	4.0	6.2	5.2	5.0	4.3
EV/EBIT adj. x *	5.0	8.2	7.5	6.5	5.5

* Multiples calculated including the IFRS 16 effect



CFO SIM Equity Research COMPANY FLASH



Note						
Net Revenues	Income statement (€ m)	2017	2018	2019e	2020e	2021e
Purchosing (80.8)						
Services						
Personnel (9.8) (6.3) (7.6) (7.9) (8.8) Colher operating expenses 1.0 1.1 0.4 1.1 1.1 8.8 2.0 EBITDA caljusted 16.0 14.6 17.4 18.9 2.0 D&A (3.4) (3.5) (3.7)	Purchasing	(80.8)	(87.2)	(87.0)	(89.8)	(92.1)
Personnel (9.8) (6.3) (7.6) (7.9) (8.8) Colher operating expenses 1.0 1.1 0.4 1.1 1.1 8.8 2.0 EBITDA caljusted 16.0 14.6 17.4 18.9 2.0 D&A (3.4) (3.5) (3.7)	Services	(45.9)	(42.0)	(42.0)	(42.5)	(43.8)
Differ operating expenses 1.0						(8.1)
BBITDA adjusted 16.0 14.6 17.4 18.9 20.0						
BBIDA I42 13.4 16.8 18.9 20.0 D&A (3.4) (3.5) (3.7) (3.7) (3.7) (3.8) BBII adjusted 12.7 11.1 13.7 15.2 16. Financicis (1.6) (1.1) (0.7) (0.9) (0.0) Financicis (1.6) (1.1) (0.7) (0.9) (0.0) Financicis (1.6) (1.1) (0.7) (0.9) (0.0) Financicis (2.5) (2.6) (2.8) (2.8) (2.8) (2.9) Financicis (2.5) (2.6) (2.8) (2.8) (2.9) (2.8) Financicis (2.6) (2.8) (2.8) (2.9) (2.8) (2.9) (2.8) Financicis (2.9) (2.8) (2.9) (2.8) (2.9) (2.9) (2.9) Financicis (2.9) (2.9) (2.9) (2.9) (2.9) (2.9) (2.9) Financicis (2.9)	Other operating expenses	1.0	1.1	0.4	1.1	1.1
BBIDA 142 13.4 16.8 18.9 20.0 D&A (3.4) (3.5) (3.7) (3.7) (3.5) BBI adjusted 12.7 11.1 13.7 15.2 16. BBIT 10.8 9.9 13.1 15.2 16. Financials (1.6) (1.1) (0.7) (0.9) (0.0 Extraordinary 0.0 0.0 0.0 0.0 0.0 0.0 Extraordinary 0.0 0.0 0.0 0.0 0.0 0.0 Bell roughty 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Bell roughty 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Bell roughty 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Bell roughty 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Bell roughty 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Bell roughty 0.7 6.4 9.0 10.5 11.5 BBIDA adj. Incl. IFRS 16 18.5 20.0 21. BBIDA adj. Incl. IFRS 16 13.0 15.1 16. BBI adj. Incl. IFRS 16 9.1 10.0 10.0 10.0 Bell roughty 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Bell roughty 0.0 0	EBITDA adjusted	16.0	14.6	17.4	18.9	20.0
D&A (3.4) (3.5) (3.7) (3.7) (3.7) (3.6)	-	1/1/2	13.4	16.8	18.0	20.0
EBIT of 10,8 9.7 13.1 13.7 15.2 16.						
EBIT 10.8 9.9 13.1 15.2 10.8 15.2 10.8 10.0 1						(3.6)
Financials	EBIT adjusted	12.7	11.1	13.7	15.2	16.4
Financials	FRIT	10.8	Q Q	13.1	15.2	16.4
Extraordinary						
Pre-Tox profit Income toxes						(0.9)
Income taxes	Extraordinary	0.0	0.0	0.0	0.0	0.0
Income taxes	Pre-Tax profit	9.2	8.7	12.4	14.3	15.5
Minorities						
Net Profit adjusted 8.1 7.2 9.5 10.5 11.						
BBITDA ard, Incl. IFRS 16	Minorities	0.0	0.0	0.0	0.0	0.0
Real Profit	Net Profit adjusted	8.1	7.2	9.5	10.5	11.3
EBITOA adj, Incl, IFRS 16						
EBIT add, Incl. IFRS 16 13.0 Balance sheet (€ m)	Netrioni	0.7	0.4	9.0	10.5	11.0
EBIT add, Incl. IFRS 16 13.0 Balance sheet (€ m)						
EBIT add, Incl. IFRS 16 13.0 Balance sheet (€ m)	EBITDA adj. Incl. IFRS 16	-	_	18.5	20.0	21.1
Balance sheet (€ m) 2017 2018 2019e 2020e 2021	-	_	_	13.0	15.1	16.3
Balance sheet (€ m) 2017 2018 2019e 2020e 2021 Net Working Capital (4.4) (4.7) (5.3) (4.9) (4.4) Net Fixed Assets 99.7 101.8 101.5 100.0 98. Equity Investments 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Net Fixed Assets 99.7 101.8 101.5 100.0 98. Equity Investments 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Net Fixed Assets 99.7 101.8 101.5 100.0 98. Equity Investments 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Net Invested Capital 83.9 87.7 86.8 85.7 84. Net Financial Fosition 2.3 3.4 (3.4) (12.3) (21. Minorities 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Groups Shareholders Equity 81.6 84.3 90.3 98.0 106. Financial Libralities & Equity 83.9 87.7 86.8 85.7 84. Net Financial Position Incl. IFRS 16 - 8.3 (0.6) (9. Cash Flow statement (€ m) 2017 2018 2019e 2020e 2021 Total net Income 6.7 6.4 9.0 10.5 11. Depreciation 3.4 3.5 3.7 3.7 3.7 3.7 3.7 3.7 3.7 3.7 3.7 3.7	-					
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Net Working Capital Net Working Capital Net Riskad Assets 99.7 10.18 10.15 10.00 98. Equity Investments 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.						
Net Working Capital Net Working Capital Net Riskad Assets 99.7 10.18 10.15 10.00 98. Equity Investments 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.	Balance sheet (€ m)	2017	2018	2019e	2020e	2021e
Net Fixed Assets						(4.2)
Equity Investments 0.0						
Oher M/L Term A/L (11.4) (9.4) (1.2) (2.1) </td <td>Net Fixed Assets</td> <td>99.7</td> <td>101.8</td> <td>101.5</td> <td>100.0</td> <td>98.6</td>	Net Fixed Assets	99.7	101.8	101.5	100.0	98.6
Oher M/L Term A/L (11.4) (9.4) (1.2) (2.1) </td <td>Equity Investments</td> <td>0.0</td> <td>0.0</td> <td>0.0</td> <td>0.0</td> <td>0.0</td>	Equity Investments	0.0	0.0	0.0	0.0	0.0
Net Invested Capital Net Financial Position 2.3 3.4 (3.4) (12.3) (21.1 Minorities 0.0 0.0 0.0 0.0 0.0 0.0 Group's Shareholders Equity 81.6 84.3 90.3 98.0 106. Financial Liabilities & Equity 83.9 87.7 86.8 85.7 84. Net Financial Position Incl. IFR\$ 16 8.3 (0.6) (7.5) Cash Flow statement (€ m) 2017 2018 2019e 2020e 2021 Total net income 6.7 6.4 9.0 10.5 11. Depreciation Depreciation 3.4 3.5 3.7 3.7 3. Other non-cash charges (1.6) (3.3) (0.1) 0.0 0.0 Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) 0.0 FCF from Operations (FCFO) 10.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2.2) Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. Free Cr to the Firm (FCFF) (6.6) 5.6 (3.0) (3.6) (4.7) Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8.7 Financial ratios 2017 2018 2019e 2020e 2021 EBIIDA margin 9.5% 9.0% 11.0% 12.3 EBIIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.5 Gax rate 27.1% 27.3% 27.9% 27.0% 27.0% 27.0 Net Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2) ROCE 8.5% 7.4% 9.2% 10.3% 10.3 ROACE 8.5% 7.4% 9.2% 10.3% 10.3 Per share figures 2017 2018 2019e 2020e 2021 Financial ratios 2.2 2.9% 3.2% 3.5% 3.1% 2.2 Group State	• •					(9.4)
Net Financial Position 2.3 3.4 (3.4) (12.3) (21.5)						
Minorities 0.0 0	Net Invested Capital	83.9	87./	86.8	85./	84.9
Minorities 0.0 0	Net Financial Position	2.3	3.4	(3.4)	(12.3)	(21.2)
Structure St						0.0
Financial Liabilities & Equity 83.9 87.7 86.8 85.7 84. Net Financial Position Incl. IFRS 16 - - - 8.3 (0.6) (9. Cash Flow statement (€ m) 2017 2018 2019e 2020e 2021 Total net income 6.7 6.4 9.0 10.5 11. Depreciation 3.4 3.5 3.7 3.7 3.7 Other non-cash charges (1.6) (3.3) (0.1) 0.0 0. Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0. FCF from Operations (FCFO) 10.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8.8						
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Cash Flow statement (€ m) 2017 2018 2019e 2020e 2021 Total net income 6.7 6.4 9.0 10.5 11. Depreciation 3.4 3.5 3.7 3.7 3. Other non-cash charges (1.6) (3.3) (0.1) 0.0 0. Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0.0 FCF from Operations (FCFO) 10.7 7.0 13.3 13.8 14. Net investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. EBITDA margin 7.2% 6.6% 8.6% 9.6% 10.1 Invariancial ratios <td>Financial Liabilities & Equity</td> <td>83.9</td> <td>87.7</td> <td>86.8</td> <td>85.7</td> <td>84.9</td>	Financial Liabilities & Equity	83.9	87.7	86.8	85.7	84.9
Cash Flow statement (€ m) 2017 2018 2019e 2020e 2021 Total net Income 6.7 6.4 9.0 10.5 11. Depreciation 3.4 3.5 3.7 3.7 3. Other non-cash charges (1.6) (3.3) (0.1) 0.0 0. Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0.0 CF from Operations (FCFO) 10.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4. Free CS Holv to Equity (FCFE) 3.1 8.5 6.8 8.0 8. EBITDA margin 7.2% 6.6% 8.6% 8.0 8. Financial ratios	. ,					
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Total net income 6.7 6.4 9.0 10.5 11. Depreciation 3.4 3.5 3.7 3.7 3. Other non-cash charges (1.6) (3.3) (0.1) 0.0 0. Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0. FCF from Operations (FCFO) 110.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4. Free CF to the Firm (FCFF) 3.1 8.5 6.8 8.0 8. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios </td <td>Net Financial Position Incl. IFRS 16</td> <td>-</td> <td>-</td> <td>8.3</td> <td>(0.6)</td> <td>(9.5)</td>	Net Financial Position Incl. IFRS 16	-	-	8.3	(0.6)	(9.5)
Total net income 6.7 6.4 9.0 10.5 11. Depreciation 3.4 3.5 3.7 3.7 3. Other non-cash charges (1.6) (3.3) (0.1) 0.0 0. Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0. FCF from Operations (FCFO) 110.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4. Free CF to the Firm (FCFF) 3.1 8.5 6.8 8.0 8. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Total net income 6.7 6.4 9.0 10.5 11. Depreciation 3.4 3.5 3.7 3.7 3. Other non-cash charges (1.6) (3.3) (0.1) 0.0 0. Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0. FCF from Operations (FCFO) 110.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios 2017 2018 2019e 2020e 2021 EBIT margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 4.5	Cash Flow statement (€ m)	2017	2018	2019e	2020e	2021e
Depreciation 3.4 3.5 3.7 3.7 3.0 Other non-cash charges (1.6) (3.3) (0.1) 0.0 0.0 Cash Flow from Oper, (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0.0 FCF from Operations (FCFO) (1.0) (4.0) (3.4) (2.2) (2.2) FCF from Flow from CFF) (1.0) (4.0) (3.4) (2.2) (2.2) Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios 2017 2018 2019e 2020e 2021 EBIT margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 4.5% 4.2% 5.9% 6.6% 6.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.6% 10.1 <						
Other non-cash charges (1.6) (3.3) (0.1) 0.0 0.0 Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14. Change in NWC 2.2 0.4 0.5 (0.4) (0.4) FCF from Operations (FCFO) 10.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2.2 Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios 2017 2018 2019e 2020e 2021 EBITDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net post/Ebitda 27.1% 27.3% 27.0% 27.0% 27.0 Op NWC/Sales <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
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Cash Flow from Oper. (CFO) 8.5 6.6 12.7 14.2 14.2 Change in NWC 2.2 0.4 0.5 (0.4) (0.5 CFC from Operations (FCFO) 10.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2.2 Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios 2017 2018 2019e 2020e 2021 EBITDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.6% 6.6% 9.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6% 6.6%	Other non-cash charges	(1.6)	(3.3)	(0.1)	0.0	0.0
Change in NWC 2.2 0.4 0.5 (0.4) (0.4) FCF from Operations (FCFO) 10.7 7.0 13.3 13.8 14. Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2.2) Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12.2 CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4.7) Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios 2017 2018 2019e 2020e 2021 EBITDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 4.5% 4.2% 5.9% 6.6% 6.6% 6.6% Net profit margin 4.5% 4.2% 5.9% 6.6% 6.6% 6.6% Tox rate 27.1% 27.3% 27.0% 27.0% 27.0% 27.0% 27.0% 27.0% 27.0% 27.0% 27.0% 27.0% 27.0% </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
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Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF for the Firm (FCFF) (2. Free CF for the Firm (FCFF) (3.0) (3.4) (3.2) (2. Free CF for the Firm (FCFF) (3.0) (3.4) (3.0) (3.6) (3.0) (3.6) (4. Free Cash Flow to Equity (FCFE) (3.1) 8.5 6.8 8.0 9.0 8.0 9.0 8.0	Change in NWC	2.2	0.4	0.5	(0.4)	(0.7)
Net Investments (CFI) (1.0) (4.0) (3.4) (2.2) (2. Free CF for the Firm (FCFF) (2. Free CF for the Firm (FCFF) (3.0) (3.4) (3.2) (2. Free CF for the Firm (FCFF) (3.0) (3.4) (3.0) (3.6) (3.0) (3.6) (4. Free Cash Flow to Equity (FCFE) (3.1) 8.5 6.8 8.0 9.0 8.0 9.0 8.0	FCF from Operations (FCFO)	10.7	7.0	13.3	13.8	14.3
Free CF to the Firm (FCFF) 9.7 2.9 9.9 11.6 12. CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4. Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios 2017 2018 2019e 2020e 2021 EBIDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0% </td <td></td> <td></td> <td></td> <td></td> <td></td> <td>(2.2)</td>						(2.2)
CF from financials (CFF) (6.6) 5.6 (3.0) (3.6) (4.6) Free Cash Flow to Equity (FCFE) 3.1 8.5 6.8 8.0 8. Financial ratios 2017 2018 2019e 2020e 2021 EBITA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.5 Tax rate 27.1% 27.3% 27.0% 27.0% 27.0 Op NWC/Sales -2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROE 8.5% 7.4% 9.2	* *					
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Financial ratios 2017 2018 2019e 2020e 2021 EBITDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0%	CF from financials (CFF)	(6.6)	5.6	(3.0)	(3.6)	(4.0)
Financial ratios 2017 2018 2019e 2020e 2021 EBITDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0%		3 1	8.5			8.1
EBITDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0% 27.0% 27.0 Op NWC/Sales -2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.1% 9.0% 10.0% 10.3 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares ≠ m 7.40 7.40 7.40 7.40 7.4 Average N. of shares ≠ m 7.40 7.40 7.40 7.40 7.4 Final N. of shares fully diluted) ≠ m 7.40 7.40 7.40 7.40 7.4 EPS reported € 0.91 0.86 1.22 1.41 1.5 EPS reported FD € 0.91 0.86 1.22 1.41 1.5 EPS adjusted FD € 1.10 0.98 1.29 1.41 1.5 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBIT FD € 0.03 0.01 0.02 0.04 0.0 FCFO FD € 1.45 0.94 1.79 1.86 1.99	rice edulition to Equity (Let E)	0.1	0.0	0.0	0.0	0.1
EBITDA margin 9.5% 9.0% 11.0% 12.0% 12.3 EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0% 27.0% 27.0 Op NWC/Sales -2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.1% 9.0% 10.0% 10.3 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares ≠ m 7.40 7.40 7.40 7.40 7.4 Average N. of shares ≠ m 7.40 7.40 7.40 7.40 7.4 Final N. of shares fully diluted) ≠ m 7.40 7.40 7.40 7.40 7.4 EPS reported € 0.91 0.86 1.22 1.41 1.5 EPS reported FD € 0.91 0.86 1.22 1.41 1.5 EPS adjusted FD € 1.10 0.98 1.29 1.41 1.5 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBIT FD € 0.03 0.01 0.02 0.04 0.0 FCFO FD € 1.45 0.94 1.79 1.86 1.99						
EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0% 27.0% 27.0 Op NWC/Sales 2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.1% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares ≠ m 7.40 7.40 7.40 7.40 7.40 Per shares (fully diluted) ≠ m 7.40 7.40 7.40 7.40 7.40 EPS reported € 0.91 0.86 1.22 1.41 1.5 EPS reported ∈ 0.91 0.86 1.22 1.41 1.5 EPS reported FD € 1.10 0.98 1.29 1.41 1.5 EPS adjusted FD € 1.91 1.81 2.28 2.56 2.7 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBITDA FD € 1.45 0.94 1.79 1.86 1.99	Financial ratios	2017	2018	2019e	2020e	2021e
EBIT margin 7.2% 6.6% 8.6% 9.6% 10.1 Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0% 27.0% 27.0 Op NWC/Sales 2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.1% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares ≠ m 7.40 7.40 7.40 7.40 7.40 Per shares (fully diluted) ≠ m 7.40 7.40 7.40 7.40 7.40 EPS reported € 0.91 0.86 1.22 1.41 1.5 EPS reported ∈ 0.91 0.86 1.22 1.41 1.5 EPS reported FD € 1.10 0.98 1.29 1.41 1.5 EPS adjusted FD € 1.91 1.81 2.28 2.56 2.7 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBITDA FD € 1.45 0.94 1.79 1.86 1.99	EBITDA marain	9.5%	9.0%	11.0%	12.0%	12.3%
Net profit margin 4.5% 4.2% 5.9% 6.6% 6.9 Tax rate 27.1% 27.3% 27.0% 27.0% 27.0 Op NWC/Sales -2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROE 8.5% 7.1% 9.0% 10.0% 10.3 ROE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.4% 9.2% 10.3% 10.5 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40	•					
Tax rate 27.1% 27.3% 27.0% 27.0% 27.0% Op NWC/Sales -2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROE 8.5% 7.1% 9.0% 10.0% 10.3 ROE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1						
Op NWC/Sales -2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 Average N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.40 EPS reported € 0.91 0.86	Net profit margin	4.5%	4.2%	5.9%	6.6%	6.9%
Op NWC/Sales -2.9% -3.2% -3.5% -3.1% -2.6 Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 Average N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.40 EPS reported € 0.91 0.86	Tax rate	27.1%	27.3%	27.0%	27.0%	27.0%
Interest coverage x 0.16 0.12 0.07 0.08 0.0 Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Paryout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 Average N. of shares f(fully diluted) # m 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.4						-2.6%
Net Debt/Ebitda x 0.16 0.25 (0.20) (0.65) (1.0 Debt-to-Equity x 0.03 0.04 (0.04) (0.13) (0.2 ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.4	· ·					
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ROIC 7.9% 7.4% 10.4% 12.1% 13.2 ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1						(0.20)
ROCE 8.5% 7.1% 9.0% 10.0% 10.3 ROACE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.40 7.40 7.40 7.4 Average N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.4 Final N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.4 EPS reported € 0.91 0.86 1.22 1.41 1.5 EPS adjusted FD € 1.10 0.98 1.29 1.41 1.5 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBIT FD € 0.03 0.01 0.02 0.04 0.0 FCFO FD € 1.45 0.94 1.79 1.86 1.9	• •					
ROACE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 Average N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.4 Final N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.4 EPS reported € 0.91 0.86 1.22 1.41 1.5 EPS adjusted FD € 1.10 0.98 1.22 1.41 1.5 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBIT FD € 0.03 0.01 0.02 0.04 0.0 FCFO FD € 1.45 0.94 1.79 1.86 1.9						13.2%
ROACE 8.5% 7.4% 9.2% 10.3% 10.5 ROE 8.5% 7.7% 10.4% 11.1% 11.1 Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0 Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 Average N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.4 Final N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.4 EPS reported € 0.91 0.86 1.22 1.41 1.5 EPS adjusted FD € 1.10 0.98 1.22 1.41 1.5 EBITDA FD € 1.91 1.81 2.28 2.56 2.7 EBIT FD € 0.03 0.01 0.02 0.04 0.0 FCFO FD € 1.45 0.94 1.79 1.86 1.9	ROCE	8.5%	7.1%	9.0%	10.0%	10.3%
ROE Payout ratio 8.5% 7.7% 10.4% 11.1% 11.1% Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0% Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 1.50 8.00						10.5%
Payout ratio 38.5% 48.3% 30.0% 30.0% 30.0% Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40 1.41						
Per share figures 2017 2018 2019e 2020e 2021 Final N. of shares # m 7.40						
Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 7.40 Average N. of shares # m 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40	Payout ratio	38.5%	48.3%	30.0%	30.0%	30.0%
Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 7.40 Average N. of shares # m 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40						
Final N. of shares # m 7.40 7.40 7.40 7.40 7.40 7.40 Average N. of shares # m 7.40 7.40 7.40 7.40 7.40 7.40 7.40 7.40	Per share figures	2017	2018	20106	20206	2021e
$\begin{array}{cccccccccccccccccccccccccccccccccccc$						
Final N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.40 7.40 7.40 FPS reported ϵ 0.91 0.86 1.22 1.41 1.5 EPS reported FD ϵ 0.91 0.86 1.22 1.41 1.5 EPS adjusted FD ϵ 1.10 0.98 1.29 1.41 1.5 EBIIDA FD ϵ 1.91 1.81 2.28 2.56 2.7 EBII FD ϵ 0.03 0.01 0.02 0.04 0.0 FCFO FD ϵ 1.45 0.94 1.79 1.86 1.9						7.40
Final N. of shares (fully diluted) # m 7.40 7.40 7.40 7.40 7.40 7.40 7.40 FPS reported ϵ 0.91 0.86 1.22 1.41 1.5 EPS reported FD ϵ 0.91 0.86 1.22 1.41 1.5 EPS adjusted FD ϵ 1.10 0.98 1.29 1.41 1.5 EBIIDA FD ϵ 1.91 1.81 2.28 2.56 2.7 EBII FD ϵ 0.03 0.01 0.02 0.04 0.0 FCFO FD ϵ 1.45 0.94 1.79 1.86 1.9	Average N. of shares # m	7.40	7.40	7.40	7.40	7.40
$\begin{array}{cccccccccccccccccccccccccccccccccccc$						7.40
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$						
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	•					1.53
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	EPS reported FD €	0.91	0.86	1.22	1.41	1.53
EBITDA FD ϵ 1.91 1.81 2.28 2.56 2.7 EBIT FD ϵ 0.03 0.01 0.02 0.04 0.0 FCFO FD ϵ 1.45 0.94 1.79 1.86 1.9	·					1.53
EBIT FD € 0.03 0.01 0.02 0.04 0.0 FCFO FD € 1.45 0.94 1.79 1.86 1.9						
FCFO FD € 1.45 0.94 1.79 1.86 1.9						2.70
FCFO FD € 1.45 0.94 1.79 1.86 1.9	EBIT FD €	0.03	0.01	0.02	0.04	0.04
						1.93
ECELED 6 101 0 40 100 107 17			U./ T	1.7.7		
	ECEL ED 6			1 22	1 57	1 2 2
FCFE FD € 0.41 1.15 0.92 1.08 1.0	FCFF FD €	1.31	0.40	1.33	1.57	1.63
		1.31	0.40			1.63 1.09
22	FCFE FD €	1.31 0.41	0.40 1.15	0.92	1.08	





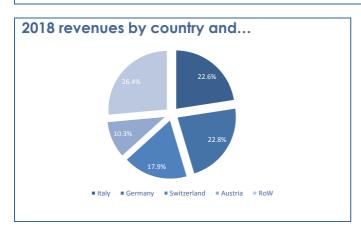
The company at a glance

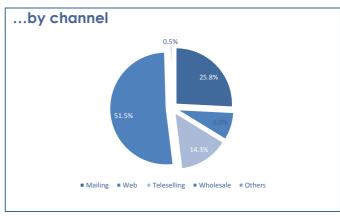
IWB (Italian Wine Brands) is the holding company of a leading producer and distributor in the Italian wine industry. The Group operates through two channels: B2C and B2B.

B2C's activity deals with the production and distribution of wine through distance selling channels such as mailing, telesales or internet, addressed to end consumers in Italy, the UK, Germany, Switzerland, Holland, Austria, France and the USA. B2C division boasts a catalogue of over 140 different wines and spumanti and 130 traditional Italian food products. Since the B2C arm does not own any vineyards, it procures raw materials (grapes, must and bulk wine) from Italian vineyards and wine producers, which it works in its own two proprietary wineries.

B2B is focused on sale and distribution in the international markets to mass retailers where it distributes both privately labelled and branded products. The B2B arm outsources both the bottling and the logistic activity in order to make its supply operations faster, leaner and more efficient.

Sales reached € 149.9m in 2018, +0.1% YoY. The figure was characterised once again by a strong performance in B2B and mixed results in B2C: B2B division up by some 11.8% and B2C down by circa 8.9%. EBITDA, which includes € 1.2m of non-recurring items, was € 13.4m, with 8.9% margin.





Shareholder structure		
	%	# m
Provinco	9.08%	0.67
IPOC	8.69%	0.64
Treasury Shares	3.40%	0.25
Free Float, o/w	78.8%	5.84
Praude Asset Management	6.33%	0.47
Otus Capital Management	10.20%	0.76
Total	100.0%	7.40
Source: company data		

Peer group absolute performance						
	1D	1W	1M	3M	6M	YTD
Baron de Ley SA	3.4	0.9	(0.9)	(1.4)	2.9	(1.4)
Concha y Toro Winery Inc	(1.2)	(0.1)	(4.7)	(3.9)	(4.8)	(5.5)
Lanson BCC SA	0.9	(8.8)	(8.8)	(8.1)	(18.0)	(13.6)
Laurent Perrier SA	(1.2)	(4.7)	(1.2)	(3.3)	(8.2)	(7.3)
Masi Agricola SpA	(0.7)	1.5	(12.4)	(15.7)	(29.1)	(14.6)
Schloss Wachenheim AG	(1.4)	(13.3)	(14.4)	(16.0)	(13.1)	(15.5)
Treasury Wine Estates Ltd	1.6	(0.4)	(10.2)	(38.2)	(41.2)	(31.5)
Vranken Pommery Mon	(1.6)	(1.4)	(1.9)	(13.1)	(16.3)	(8.3)
Wine producers median	(1.0)	(0.9)	(6.8)	(10.6)	(14.7)	(11.0)
Hawesko Holding AG	(0.3)	(7.6)	(12.3)	(16.8)	(14.6)	(17.0)
Naked Wines PLC	1.0	(3.9)	(0.5)	(2.3)	(15.9)	(7.1)
Wine distributors median	1.0	(3.9)	(0.5)	(2.3)	(15.9)	(7.1)
IWB	1.5	(0.4)	(1.4)	11.0	3.8	6.7

Price & EV multiples x	PER FY1	PER FY2	PER FY3	EBITDA FY1	EBITDA FY2	EBITDA FY3	EBIT FY1	EBIT FY2	EBIT FY3
Baron de Ley SA	17.2	19.3	n.a.	7.4	6.4	n.a.	9.7	8.5	n.a.
Concha y Toro Winery Inc	18.3	15.8	14.6	11.9	10.4	9.6	16.6	14.1	12.5
Lanson BCC SA	17.8	16.1	14.0	29.9	28.2	24.6	41.2	36.0	31.1
Laurent Perrier SA	18.8	17.4	15.8	14.0	13.1	12.5	16.2	15.3	14.5
Masi Agricola SpA	15.2	14.0	14.2	8.8	8.2	7.6	13.8	12.3	10.9
Schloss Wachenheim AG	12.0	10.5	10.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Treasury Wine Estates Ltd	18.8	15.8	13.6	11.1	9.8	8.6	13.5	11.7	10.0
Vranken Pommery Mon. SA	24.9	19.6	20.3	24.0	22.4	20.3	36.8	33.2	29.4
Wine producers median	18.1	15.9	14.2	11.9	10.4	11.0	16.2	14.1	13.5
Hawesko Holding AG	15.1	14.2	13.2	7.4	6.9	6.3	12.1	11.1	10.1
Naked Wines PLC	n.s.	n.s.	n.s.	23.7	14.9	11.9	n.s.	n.s.	19.1
Wine distributors median	15.1	14.2	13.2	15.5	10.9	9.1	12.1	11.1	14.6
IWB	9.7	10.0	9.2	5.2	5.0	4.3	7.5	6.5	5.5

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DATE	TARGET PRICE	RATING
03/03/2020	U.R.	BUY
08/01/2020	€19.20	BUY
17/09/2019	€19.20	BUY
02/04/2019	€18.60	BUY
18/09/2018	€18.60	BUY

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a **BUY** rating is assigned if the target price is at least 15% higher than the market price;

a **SELL** rating is assigned if the target price is at least 15% lower than the market price;

a **NEUTRAL** rating is assigned if the difference between the current price and target price lies within the +/ -15% bands identified using the preceding criteria.

The rating is determined on the basis of the **expected absolute return 12 months forward** and not on the basis of the estimated out/underperformance relative to a market index. Thus, the rating can be directly linked with the estimated percentage difference between current price and target price. The prices of the financial securities mentioned in the report (also used for the calculation of market capitalisation and market multiples) are the reference prices of the stock market trading day preceding the publication date of the report, otherwise stated.

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