MID CAP DAY

Thursday 1 August 2019

What's new?

IN/OUTFLOWS: Generalized relapse
KORIAN: Good H1 in line, guidance confirmed - BUY (2), TP: €39.0
MAUREL&PROM: Finalization of the Angolan operation – Strong Buy (1), TP: €4.66
THERMADOR: Operational leverage limited by foreign exchange - Contact management - BUY (2), TP: €62.0

Market benchmark - as of previous day close

Benchmark	Spot	1-month average	12-month average
€ / $	1.11	1.12	1.14
WTI ($)	58.52	57.39	59.74
VIX Europe	14.39	12.84	15.78

Benchmark	Spot	1-month average	12-month average
10-year OAT	-0.17%	-0.07%	0.51%
3-month Euribor	-0.37%	-0.36%	-0.32%
French Market premium	6.47%	6.58%	6.14%

Index	Ch./prev. day	Ch./YTD	Volume (€m)		Median EV/EBIT		Median P/E		Median EPS variation		Median EPS revision since January 1 2019	
			j-1	1-month average	2019	2020	2019	2020	2019	2020	2019	2020
CAC 40	0.14%	16.66%	4 054	3 062	12.7x	11.1x	15.9x	14.4x	+9.6%	+10.1%	-0.1%	-0.2%
Next 20	0.08%	12.76%	551	436	12.9x	12.4x	17.0x	14.0x	+4.7%	+11.2%	-7.0%	-6.4%
Mid 60	0.04%	15.13%	521	433	12.7x	10.9x	12.9x	12.1x	+8.1%	+11.0%	-4.6%	-4.3%
Small	-0.19%	9.60%	53	48	12.0x	9.3x	15.2x	12.4x	+10.0%	+16.2%	-10.5%	-10.2%
CAC M&S	0.00%	14.26%	574	481	12.4x	9.7x	14.9x	12.2x	+9.0%	+14.3%	-6.3%	-6.5%
Next Biotech	0.08%	41.23%										
S&P 500	-1.09%	18.89%										
Nasdaq	-1.19%	23.21%										

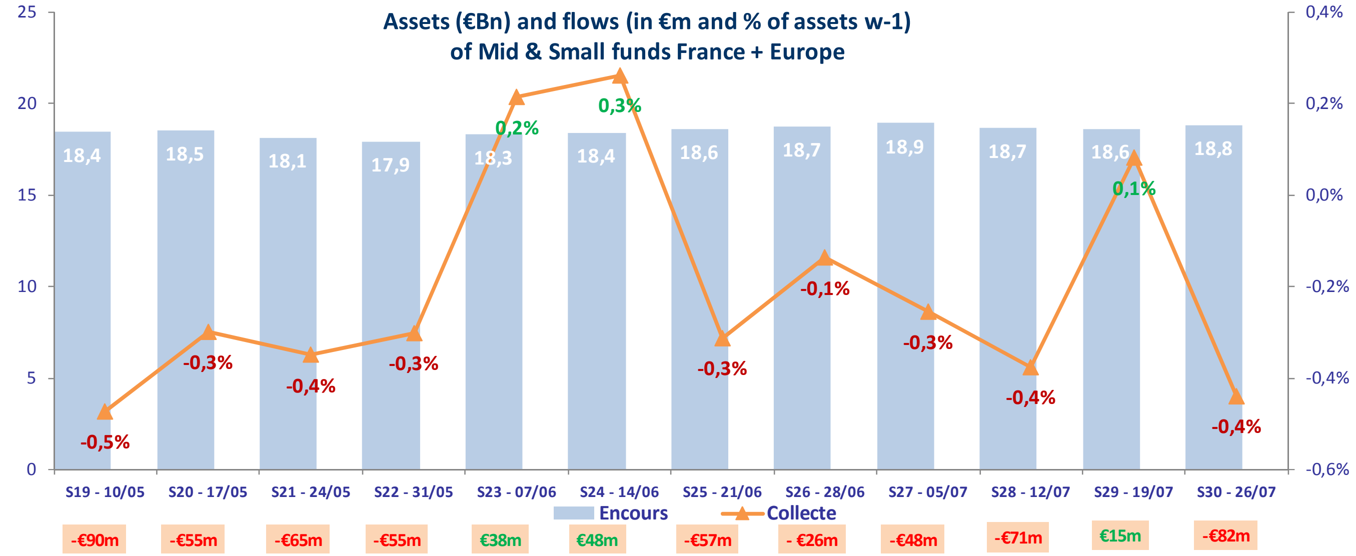
Source: Factset, Portzamparc

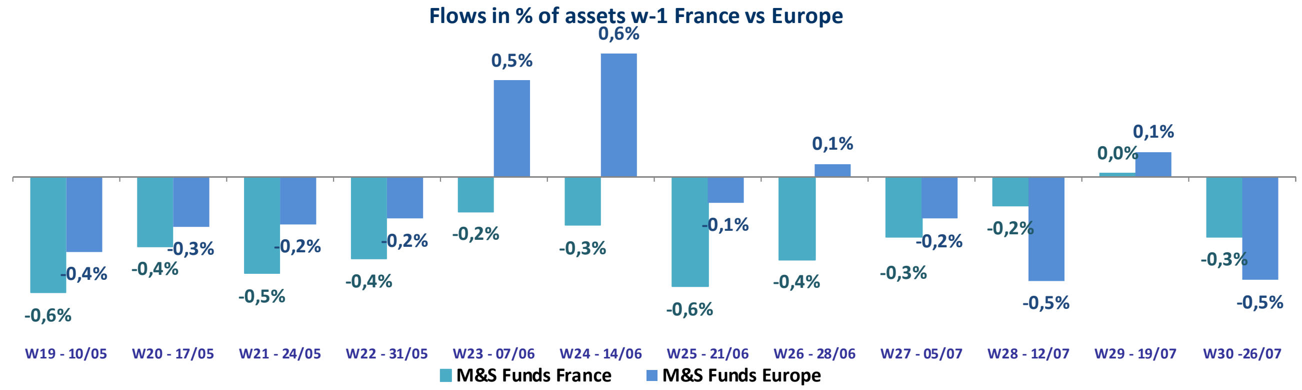
Market Floor - Contact Trading Desk : 02.40.44.95.26

Buyers (BID)		Sellers	
BAIKOWSKI	ALBKK FP	ARGAN	ARG FP
CRCAM ATL.VEND.CCI	CRAV FP	AKWEL	AKW FP
GENERIX GROUP	GENX FP	CAST	CAS FP
HERIGE	ALHRG FP	ITESOFT	ITE FP
LINEDATA SERVICES	LIN FP	LACROIX SA	LACR FP
REALITES	ALREA FP	MANITOU BF	MTU FP
TESSI	TES FP	VERIMATRIX	VMX FP
TRIGANO	TRI FP		
WAVESTONE	WAVE FP		

IN / OUTFLOWS: Generalized relapse

On Friday 26/07/2019	Number of funds	Assets (€Bn)	In/outflows (€m)	In/outflows (% assets w-1)	In/outflows last 4 weeks (€m)	4 weeks average (% assets w-1)
Mid & Small funds France + Europe	**165**	**18,8**	**-82**	**-0,4%**	**-185**	**-0,2%**
Of which PEA-PME	65	4,2	-54	-1,3%	-89	-0,5%
France M&S	**74**	**7,8**	**-24**	**-0,3%**	**-58**	**-0,2%**
Of which PEA-PME	30	1,2	-7	-0,6%	-16	-0,3%
Europe M&S	**91**	**11,0**	**-58**	**-0,5%**	**-127**	**-0,3%**
Of which PEA-PME	35	3,1	-47	-1,5%	-73	-0,6%





Sources: Portzamparc / AMF, 165 funds

Comment: After an encouraging passage, last week's flows are again negative. Both Europe and France funds are showing outflows. It should be noted that the sub-segment of PEA-SME funds remains the one that attracts the most inflows (particularly in Europe this time), which in our opinion still illustrates the preference for liquidity (preference for mid vs small visible for many months on the evolution of indices, volumes, etc).

Nicolas Royot, CFA – Financial Analyst
royot@portzamparc.fr – +33 1 40 17 50 43

Upcoming Portzamparc events

10/09/2019	Biotech Seminar (Paris)
12/09/2019	Haulotte RoadShow + Group Lunch (Paris)
17/09/2019	Chargeurs Lunch (Paris)
24/09/2019	GTT Site Visit
02/10/2019	Exel Industries Breakfast
10/10/2019	Lisi Site visit
10/10/2019	Digital Seminar (Paris)
31/10/2019	Mersen Lunch (Paris)
19/11/2019	Energy Seminar (Paris)
03/12/2019	Technologic Innovations Seminar (Paris)

Research Coverage: quick overview

KORIAN: Good H1 in line, guidance confirmed - BUY (2), TP: €39.0 **Price: €35.7 on 01/08/19**

Q2 revenue: €896m; +8.2%; +3.8% org
H1 revenue: €1,767m; +8.2% +3.8% org
H1 EBITDA: €258m; 14.6% (+70bp)
H1 EBIT: €163m; 9.2% (+40bp)

News: Half-yearly publication in line with our expectations (PZP €1,772m +8.5%e including +3.9%org / Consensus €1,764m +8.0%e) with activities in France and Germany that remain particularly dynamic. EBITDAR remained stable at 26% thanks to good control of operating expenses. It should be noted that EBITDA stood at €258m with a margin up +70bp to 14.6% (PZP €259m +70bpe / Consensus €252m +39bpe) thanks to less intensive real estate activities and a holding rate now at 21%. EBIT was at €163m (PZP €168m / Consensus €163m). The group reiterates its 2019 guidance of increasing sales >=+8% (PZP +8.6%e) and EBITDA margin >=+14.5% (PZP +14.8%e). In terms of newsflow, we are still waiting for some bolt-on acquisitions at the end of the year.

Recommendation: Not surprisingly, Korian is publishing a good publication this semester and is continuing its momentum. We maintain our Buy (2) recommendation and raise our price target to €39 (vs. €38 previously) after updating our comparables and market parameters.

Gaetan Calabro, Financial Analyst
calabro@portzamparc.fr - +33 2 40 94 68

MAUREL & PROM: Finalization of the Angolan operation – Strong Buy (1), TP: €4.66 **Price: €2.92 on 01/08/19**

News: Maurel & Prom finalizes the acquisition of AJOCO's 20% interest in two production blocks located in shallow waters off Angola for a gross amount of $80 million. The price actually paid is actually $37 million by adjusting the purchase price of the cash flows generated by the asset since January 1, 2018, the economic effective date of the contract. This operation, the project for which was announced on 23 October last, will enable Maurel & Prom to increase its production by 4,600 b/d from Q3 2019 (18% of its production in H1 2019). Although relatively mature (in production since 1985), these two blocks still offer some potential with 1/ in the short to medium term the possibility of increasing production from 23,000 b/d to 25,000 b/d through new drilling and better optimization of water injection and 2/ in the longer term the possible development of contingent resources (Punja). Following this operation, M&P's management is opening the door to new operations in Angola (the second largest oil producing country in Africa), which now benefits from a much more favourable regulatory and political situation.

Recommendation: The completion of this transaction is good news for Maurel & Prom, which is buying a cash flow generating asset with strong development potential at a low cost. The integration of this operation leads us to revise our target price from 4.15€ to 4.66€. We maintain our opinion Strong Buy (1) unchanged.

Nicolas Montel, Financial Analyst
montel@portzamparc.fr - +33 6 89 28 47 60

THERMADOR GROUPE: Operational leverage limited by foreign exchange - Contact management - BUY (2), TP: €62.0 **Price: €57.4 on 01/08/19**

ROC 25.0M€ (MOC 13.1%, -100bp vs n-1; PZP 26.5M€e or MOC 13.9%e, -20bp)

News: The volatility of the €/$ exchange rate is reflected in the commercial margins of Sferaco (60% of purchases in $) and Mecafer/Domac subsidiaries. Thus, 1/ Sferaco has a pre-tax margin of 19.6% (-80bp vs n-1; PZP +20bpe); 2/ Mecafer/Domac a margin of 5.9% (-370bp vs n-1; PZP flat). The other subsidiaries are in line with our expectations for this first part of the year. The Net income groupe share stands at €16.9m and in line with our expectations (PZP €16.9m). We highlight the cash generation (CFO €13.5M vs. -€0.4M n-1) driven by good WCR management (-€5.9M vs. -€17.7M in n-1, n-1 drift due to the acceleration of Domac and opportunistic purchases). Finally, the management mentions potential new M&A operations, with 3 potential transactions (for a cumulative turnover of €40M).

Recommendation: Good publication despite the changing impact. Potential M&A transactions can be good catalysts for MT.

Arnaud Despre, Financial Analyst

despre@portzamparc.fr - +33 2 40 44 94 52

Research Coverage: full note available at the end of this document

THERMADOR: Operational leverage limited by foreign exchange, Buy (2), TP: €62.00, ADE

KORIAN: Good H1 in line, guidance confirmed, Buy (2), TP: €39.00, GCA

Our top picks

Short list: *Tactical List, every month and on the basis of expected short term newsflow, our analysts pick 5 stocks with the objective to beat the CAC Mid & Small*: ***Ipsen, LNA Santé, Manitou, Maurel&Prom, Solutions 30***

Convictions List: *Strategic List, selection of stocks showing strong mid to long-term price appreciation potential based on attractive valuation and/or significant earnings growth prospect .*: ***CS, Ipsen, Rubis, SII, Réalités, 2CRSI, ID Logistics, Solutions 30, Mithra.***

Change in recommendation

Stock	Date	Recommendation		Target Price		Analyst
		NEW	PREVIOUS	NEW	PREVIOUS	
MND	01/08/2019	**SUSPENDED**	STRONG BUY (1)		€3.30	ADE
MANITOU	30/07/2019	**BUY (2)**	STRONG BUY (1)	€29.00	€36.40	YDE
AKKA	26/07/2019	**BUY (2)**	STRONG BUY (1)	€75.50	€69.50	ADI
GUERBET	26/07/2019	**BUY (2)**	STRONG BUY (1)	€57.10	€57.10	PAD
LISI	25/07/2019	**BUY (2)**	HOLD (3)	€27.00	€29.00	JSA
ALTEN	25/07/2019	**HOLD (3)**	BUY (2)	€111.21	€106.43	ADI
INFOTEL	25/07/2019	**BUY (2)**	STRONG BUY (1)	€44.90	€46.50	MDH
ESKER	17/07/2019	**BUY (2)**	STRONG BUY (1)	€88.0	€83.20	NRO
THERMADOR GROUP	15/07/2019	**BUY (2)**	STRONG BUY (1)	€60.40	€60.00	ADE
PIERRE & VACANCES	12/07/2019	**BUY (2)**	HOLD (3)	€18.00	€17.00	ADE

This week's meetings (Paris time)

31-juil				
AIR France KLM	Half-yearly results	Conference Call		8h30
KORIAN	Half-yearly results			18h00
01-août				
NETGEM	Half-yearly results	SFAF (135 boulevard Haussmann)	PARIS 8	10h

Volume alerts

KEEP AN EYE ON: 1st session with large volumes	IN DEMAND: Large volumes and upward price movement over a string of consecutive sessions	NO SHOVING, WE'RE GETTING OUT: Large volumes and downward price movement over a string of consecutive sessions
MID CAPS		
	Coface SA	Gaztransport Et Technigaz SA Tarkett SA Fnac Darty SA Ipsen SA Eramet SA
SMALL CAPS		
CBo Territoria SA Groupe Flo SA Manitou BF SA	Verimatrix SA	Pixium Vision SA Keyrus SA

TIME TO SELL? Strongest increases over 1 year		TIME TO BUY? Sharpest decreases over 1 year	
MID CAPS			
Altran Technologies SA	75.48%	-DBV Technologies SA	-42.01%
Gaztransport Et Technigaz SA	46.57%	Imerys SA	-43.01%
Coface SA	46.21%	Vallourec SA	-43.19%
Sartorius Stedim Biotech SA	42.14%	Aperam SA	-44.13%
Alten SA	31.96%	Eramet SA	-48.59%
SMALL			
APRIL	59.56%	-Ymagis SA	-80.37%
Abivax SA	39.76%	SRP Groupe SA	-81.48%
Virbac SA	37.54%	Avenir Telecom SA	-82.85%
Assystem SA	37.03%	Biom'Up SA	-83.38%
Generix Group SA-	32.02%	Cerenis Therapeutics Holding SA	-84.66%

Trading zone

Inside word - Management statements (>€20k)

Threshold crossing

Stock	Notifier	Threshold crossed		Position after crossing	
		Capital	Voting rights	Capital	Voting rights
THRESHOLD EXCEEDED					
EIFFAGE	BLACKROCK, INC.		5%	5,82%	5.01%
THRESHOLD FALLEN BELOW					
TESSI	AMIRAL GESTION		5%	5.002%	4.99%
CASINO GUICHARD-PERRACHON	MORGAN STANLEY & CO. INTERNATIONAL	5%	-	4.97%	3.76%
NEXTSTAGE	CPR ASSET MANAGEMENT	5%	-	4.96%	4.11%

Stocks purchased	Mkt. cap. (€m)	Volume (€k)	Price (€)	Corporate or individual	Date of purchase
WEBORAMA	20	32	4.90	STARTUP AVENUE SAS LIEE A DANIEL SFEZ, DIRECTEUR GENERAL	29/07/2019
UNION FINANCIÈRE DE BANQUE	293	31	18.50	KARYN BAYLE, DIRECTEUR GENERAL DELEGUE	24/05/2019
UNION FINANCIÈRE DE BANQUE	293	37	18.50	JULIEN BRAMI, DIRECTEUR GÉNÉRAL	24/05/2019
DEVOTEAM	901	42 467	101.86	GODEFROY DE BENTZMANN, DG, MEMBRE DU DIRECTOIRE	29/07/2019
DEVOTEAM	901	649 866	101.86	STANISLAS DE BENTZMANN, PRESIDENT DU DIRECTOIRE	29/07/2019
LVMH	189 133	17 207	378.57	FINANCIERE AGACHE LIEE A B ARNAULT, PRESIDENT-DIRECTEUR GENERAL	29/07/2019
LVMH	189 133	5 152	376.84	FINANCIERE AGACHE LIEE A B ARNAULT, PRESIDENT-DIRECTEUR GENERAL	25/07/2019
SOITEC	2 915	187	93.50	KAI SEIKKU, ADMINISTRATEUR	29/07/2019

Stocks sold	Mkt. cap. (€m)	Volume (€k)	Price (€)	Corporate or individual	Date of sale
ORPEA	7 275	219	109.97	JEAN-CLAUDE BRDENK, DIRECTEUR GENERAL DELEGUE	25/07/2019
UBISOFT ENTERTAINMENT	8 299	3477	75.12	CHRISTIAN GUILLEMOT, DIRECTEUR GENERAL DELEGUE	30/07/2019
UBISOFT ENTERTAINMENT	8 299	2947	75.04	GUILLEMOT BROTHERS LTD LIMITEDGUILLEMOT, DG DELEGUE	29/07/2019
UBISOFT ENTERTAINMENT	8 299	4140	75.29	GUILLEMOT BROTHERS LTD C GUILLEMOT, DIRECTEUR GENERAL DELEGUE	26/07/2019
INFOTEL	266	79	39.92	ERIC FABRETTI, DIRECTEUR GENERAL DELEGUE	29/07/2019
INFOTEL	266	119	39.82	ERIC FABRETTI, DIRECTEUR GENERAL DELEGUE	29/07/2019

Short sales

Stocks shorted	Notifier	% interest	Position date
ERAMET	WORLDQUANT LLC	0.52%	30/07/2019
GENFIT	MILLENNIUM INTERNATIONAL MANAGEMENT LP	0.50%	30/07/2019
AQR CAPITAL MANAGEMENT, LLC	VALEO	3.57%	30/07/2019
ALTRAN TECHNOLOGIES	AQR CAPITAL MANAGEMENT, LLC	1.49%	30/07/2019
VIRBAC	MARSHALL WACE LLP	0.49%	30/07/2019
TECHNICOLOR	MARSHALL WACE LLP	0.54%	30/07/2019
ELIS	MARSHALL WACE LLP	1.40%	30/07/2019
AIR FRANCE-KLM	MARSHALL WACE LLP	1.86%	30/07/2019
GLG PARTNERS	MAISONS DU MONDE	0.54%	30/07/2019
CGG	AHL PARTNERS LLP	1.58%	30/07/2019
CGG	CITADEL ADVISORS LLC	0.70%	30/07/2019
KORIAN	CITADEL EUROPE LLP	0.72%	30/07/2019
NEOPOST S.A.	ENGADINE PARTNERS LLP	0.68%	30/07/2019
CGG	CITADEL EUROPE LLP	2.06%	30/07/2019
EUTELSAT COMMUNICATIONS	PORTSEA ASSET MANAGEMENT LLP	0.49%	30/07/2019
EUTELSAT COMMUNICATIONS	THUNDERBIRD PARTNERS LLP	0.69%	30/07/2019
GENFIT	BLACKROCK INSTITUTIONAL TRUST	1.67%	30/07/2019
ERAMET	VOLEON CAPITAL MANAGEMENT LP	0.52%	29/07/2019
GENFIT	VOLEON CAPITAL MANAGEMENT	1.17%	29/07/2019
CASINO GUICHARD-PERRACHON	MELQART ASSET MANAGEMENT (UK) LTD	1.12%	29/07/2019

Corporate News

Close look at future listings

Coming soon	Sector	Prior year sales (€M)	Prior year OI (€m)	Prior year NI - gp share (€m)
DIGITAL VIRGO	TECHNOLOGIE	258	20	7

MID CAP DAY

Current offerings

Company	Equity valuation (€m) Diluted mid-range base deal	Sector	Market	Price range (€)	Raised (€m) Mid-range base deal	Cash-out IPO?	First listing

IPO results (over 12 months)

Company	Mkt. cap. IPO (€m)	Sector	Market	Price range (€)		IPO price (€)	Demand (%)	Raised (€m)	Cash-out IPO?	Perf. since IPO	First listing
GROUPE TERA	14	Environment	GROWTH	4,35	5,05	4.35	165%	6	NON	+1%	18/07/19
ARCURE	35	Technology	GROWTH	7,00	9,00	7,00	75%	11	NON	-13%	26/02/19
PREDILIFE	26	Medtech	GROWTH	8,76	11,84	9,30	-	4	NON	-9%	21/12/18
VOGO	37	Technology	GROWTH	10,01	12,63	11,00	132%	12	NON	-6%	30/11/18
NEOEN	1 401	Renewable Energy	EURO.	16,00	19,00	16,50	-	628	OUI	+38%	17/10/18
MEDINCELL	144	Biotech	EURO.	7,25	9,25	7,25	108%	30	NON	-5%	08/10/18
MYBEST GROUP	34	Internet	GROWTH	5,07		5,07	-	3	OUI	-18%	10/09/18
AUDIOVALLEY	35	Digital Audio	GROWTH	4,53	5,42	4,53	110%	10	NON	-1%	30/07/18
NAVYA	190	Autonomous vehicle	EURO.	9,00	12,00	7,00	96%	38	NON	-88%	24/07/18
ORDISSIMO	13	Computer equipment	GROWTH.	5,28		5,28	148%	6	NON	2%	10/07/18
BIO-UV	30	Cleantech	GROWTH	3,84	5,00	3,84	130%	10	NON	-2%	10/07/18
ROCHE BOBOIS	198	Furniture	EURO.	19,75	24,30	20,00	118%	22	OUI	-11%	09/07/18

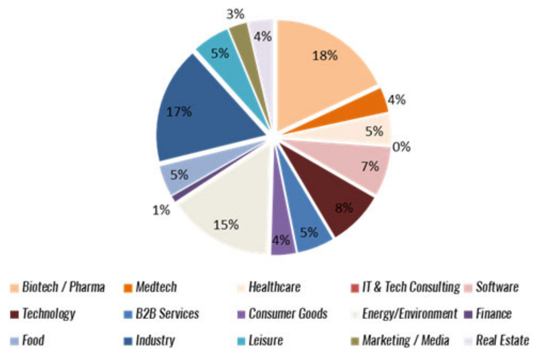
Public offering announcements (over 12 months)

Stock	Type	Initiator	Price /share	Spot premium (discount)	Position before transaction		Announcement date
					Capital	Voting rights	
LATÉCOÈRE	OPA	SEARCHLIGHT CAPITAL PARTNERS	3.85€	34%	26%	26%	01/07/19
ALTRAN	OPA	CAPGEMINI	14.00€	22%	-	-	24/06/19
EVOLIS	OPAS	CEDYS & CO	30.00€	23%-	63%	63%	20/06/19
MILLET INNOVATION	OPA	GROUPE GTF	20.20€	13%	-	-	07/06/19
COHERIS	OPAS	CHAPSVISION	2.30€	27%	-	-	21/05/19
STALLERGENES GREER	OPA	WAYPOINT	37.00€	43%	83.9%	83.9%	21/03/19
AGTA RECORD	OPA	ASSA ABLOY	70.00€	3%	39%	39%	06/03/19
TESSI	OPAS	PIXEL HOLDING	160.00€	28%	54,09%	53,97%	07/01/19
SOFT COMPUTING	OPAS	PUBLICIS	25,00€	67%	-	-	20/12/18
HARVEST	OPAS	FIVE ARROWS	85,00€	17%	-	-	17/12/18
PARROT	OPA	HORIZON	3,20€	83%	36,10%	36,91%	27/11/18
SERMA GROUP	OPAS	FINANCIERE WATT	235,00€	0%	99,21%	99,18%	13/11/18
MALTERIES FRANCO-BELGE	OPAS	MALTERIES SOUFFLET	600,00€	25%	92.01%	94.71%	07/11/18
GFI INFORMATIQUE	OPR	MANNAI CORPORATION	10,50€	30%	96,60%	96,60%	25/09/18
TXCELL	OPAS	SANGAMO THERAPEUTICS	2,58€	177%	53%	53%	23/07/18
HEURTEY PETROCHEM	OPR	AXENS	30,00€	38%	95.92%	95.69%	26/06/18
SPIR COMMUNICATION	OPR	SOFIOUEST	1,85€	138%	68.07%	80,99%	06/06/18
BUSINESS & DECISION	OPAS	ORANGE	7,93€	0,12%	62,69%	59.85%	06/06/18

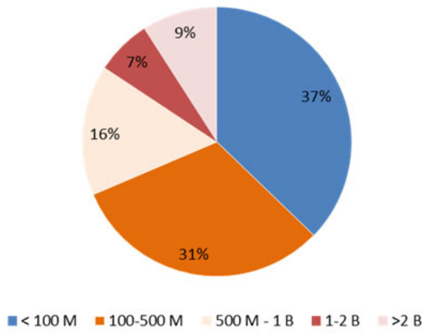
TO: Tender Offer
STO: Simplified Tender Offer
SOTO: Squeeze-out Tender Offer

Research breakdown

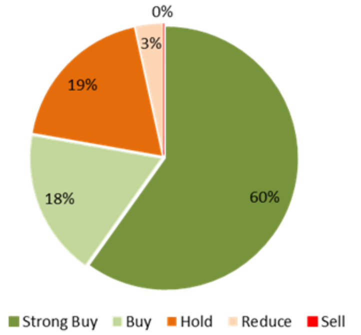
Segments



Market Cap



Recommendation



Initiation (last 6 months) – TP, price and potential at the time of initiation

Stocks	Initiation Date	Recommendation	Target Price	Price	Potential	Analyst
Clasquin	11/02/2019	HOLD (3)	€32.5	€33.4	-3%	YDP
Pharming Group	12/02/2019	STRONG BUY (1)	€1.8	€0.79	128%	PAD
Derichebourg	15/02/2019	STRONG BUY (1)	€5.20	€3.61	44%	NMO
Poujoulat	18/02/2019	BUY (2)	€37.50	€34.0	10%	ADE
Lumibird	12/03/2019	STRONG BUY (1)	€19.40	€14.4	35%	JSA
Solutions 30	12/03/2019	STRONG BUY (1)	€15.50	€11.1	40%	ADI
Nanobiotix	12/03/2019	STRONG BUY (1)	€14.68	€11.88	23%	CDO
Mithra	04/07/2019	STRONG BUY (1)	€35.00	€24.7€	42%	PAD

Contacts

Institutional Sales

François Bredoux, Head of Institutional Sales, +33 (0) 2 40 44 95 21, bredoux@portzamparc.fr
Henri Tasso, Institutional Sales, +33 (0) 2 40 44 95 41, tasso@portzamparc.fr
Henrique Cristino, Institutional Sales, +33 (0) 2 40 44 95 31, cristino@portzamparc.fr
Nitin Khednah, Institutional Sales, +33 (0) 2 40 44 95 11, khednah@portzamparc.fr
Alexandre Le Drogoff, Institutional Sales, +33 (0) 2 40 44 95 48, ledrogoff@portzamparc.fr
Christophe Clément, Institutional Sales, +33 (0) 2 40 44 95 04, clement@portzamparc.fr
Franck Jaunet, Head of Sales Trading, +33 (0) 2 40 44 95 26, jaunet@portzamparc.fr
Reine Haslay, Head of Middle Office, +33 (0) 2 40 44 95 40, haslay@portzamparc.fr

Equity Research

Nicolas Royot, CFA, Co-Head of Equity Research, +33 (0) 1 40 17 50 43, royot@portzamparc.fr
Maxence Dhoury, CFA, Co-Head of Equity Research, +33 (0) 2 40 44 94 12, dhoury@portzamparc.fr
Arnaud Despré, Equity Analyst, +33 (0) 2 40 44 94 52, despre@portzamparc.fr
Anthony Dick, Equity Analyst, +33 (0) 2 40 44 94 38, dick@portzamparc.fr
Christophe Dombu, PhD, Equity Analyst, +33 (0) 2 40 44 94 29, dombu@portzamparc.fr
Jeremy Sallée, Equity Analyst, +33 (0) 2 40 44 94 30, sallee@portzamparc.fr
Nicolas Montel, Equity Analyst, +33 (0) 2 40 44 94 54, montel@portzamparc.fr
Yann De Peyrelongue, Equity Analyst, +33 (0) 2 4044 94 42, depeyrelongue@portzamparc.fr
Pierre-Alexandre Desir, Equity Analyst, +33 (0) 2 40 44 94 10, desir@portzamparc.fr
Gaétan Calabro, Equity Analyst, +33 (0) 2 40 44 94 68, calabro@portzamparc.fr

Corporate Access

Stéphanie Manteigas, Corporate Access, +33 (0) 2 40 44 94 47, manteigas@portzamparc.fr
Stéphanie Tassin, Corporate Access, +33 (0) 2 40 44 94 09, tassin@portzamparc.fr

Disclaimers

Market watch stocks

Alongside its work on followed stocks, the Portzamparc analysis team keeps a market watch on all listed mid caps. All related commentaries are based on issuer publications, sector transactions, analyst meetings, conference calls or on-site visits. This work falls into the category of communication for promotional purposes and is not performed in accordance with the regulatory requirements that apply to the production of financial analysis material within the meaning of Articles 315-5 to 315-9 of the General Regulation (*Règlement Général*) of the AMF (*Autorité des Marchés Financiers* - French financial markets regulator). The Investment Services Provider and all the people working within it are not subject to the provision prohibiting, respectively, transactions for their own account or personal transactions that involve the related instruments before such communication is made.

Stocks followed by the Portzamparc research team

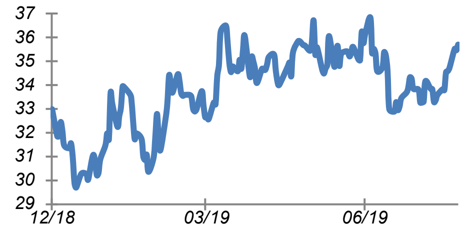
You may consult all the disclaimers relating to Portzamparc's research (commitment to transparency, policy for handling conflicts of interest, rating system, rating breakdown, etc.) at: **http://www.midcaps.portzamparc.fr/wp-content/fileadmin/pubt/avertissements.pdf (institutional investors)** or by contacting your usual adviser (private investors).

Potential conflicts of interest for BNP PARIBAS

Companies in which BNP Paribas holds an interest**: https://wealthmanagement.bnpparibas/en/conflict-of-interest.html**

Portzamparc
GROUPE BNP PARIBAS

KORIAN
Healthcare



Source : FactSet Research

Market	**Euronext - Comp. B**
ISIN / Mnemonic	FR0010386334 / KORI
Reuters / Bloomberg	KORI.PA / KORI:FP
Index	CAC Mid 60
PEA-PME	No
Market Cap (€m)	**2,955.05**
Float (%)	37.0%
Nbre of shares (Mio)	82.728
Closing	31-Dec

	18	19e	20e
PER	**17,2**	**18,7**	**17,2**
PCF	9,5	8,8	7,8
EV/Sales	1,5	1,6	1,5
EV/EBIT	17,2	18,1	16,2
PB	0,9	1,3	1,3
Yield	2,0%	1,7%	1,7%
Free Cash Flow Yield	-1,2%	7,1%	9,1%
ROACE	3,9%	3,8%	4,3%
Sales	**3 333,8**	**3 619,6**	**3 926,3**
chge y/y-1	*6,5%*	*8,6%*	*8,5%*
EBITDA	480,7	539,3	592,9
Underlying EBIT	317,4	347,5	373,0
% Sales	*9,5%*	*9,6%*	*9,5%*
EBIT	299,3	327,5	353,0
% Sales	*9,0%*	*9,0%*	*9,0%*
Decl.Net inc Group S	123,1	138,7	152,2
% Sales	*4,2%*	*4,3%*	*4,3%*
EPS	**1,51**	**1,70**	**1,87**
chge y/y-1	*-26,9%*	*12,7%*	*9,7%*
Restated EPS	**1,71**	**1,91**	**2,08**
Net Asset per Share	31,4	26,8	28,1
Net Dividend	0,60	0,60	0,60
Gearing	106,1%	137,5%	122,0%
NFD	2 723,7	3 021,1	2 802,6

Gaetan Calabro, Financial Analyst
Maxence Dhoury, CFA
+33 (0)2 40 44 94 68
calabro@portzamparc.fr

1 August 2019

Price: €35.72

Target Price: €39.00

BUY (2)

Opinion unchanged

1 : Strong Buy 2 : Buy 3 : Hold 4 : Reduce 5 : Sell

Price at 07/12/2019

H1 Results- Conf. Call Feedback

Good H1 in line, guidance confirmed

Korian publishes H1 results in line with our expectations, driven in particular by good structural cost management and the dynamism of its activities in France and Germany.

A promising development strategy in the four countries

The results are in line with our expectations, supported by an acceleration in revenue growth of +8.2%, of which +3.8%org (€1,767m vs. PZP €1,772m +8.5%e with +3.9%org / Consensus €1,764m +8.0%e). It should be noted that EBITDA stood at €258m with a margin up +70bp to 14.6% (PZP €259m +70bpe / Consensus €252m +39bpe) thanks to less intensive real estate activities and a holding rate now at 21%. EBIT was €163m (PZP €168m / Consensus €163m).

- **France** (49% of revenue) posted growth (restated from €8.2m in Spain in H1) of +5.4%, including +3.1%org, benefiting from the dynamic transformation of the Healthcare division and the growth of new activities - notably "Petit-Fils" (home) and "Ages&Vie" (senior co-location). The EBITDAR margin was stable at 27.3%.

- **Germany** (28% of revenue) benefited from a good organic growth dynamic, +5.2%, including +4.7%org, thanks to the ramp-up of recently opened establishments. The EBITDAR margin increased by +60bp to 25.1% despite a context of wage inflation.

- **Belgium** (14% of revenue) made significant progress thanks to the recent acquisition of Senior Assist last September (+21.6% including +6.1%org) but the EBITDAR margin fell from -40bp to 25.0% due to the lower maturity of the institutions.

- **Italy** (10% of revenue) is almost entirely driven by recent acquisitions (+8.1% including +1.7%org) with an EBITDAR margin that fell from -30bp to 24.0% as a result of the change in the business mix.

Financial structure controled, guidance confirmed

The financial structure remains under control (net debt leverage stable at 3.2x) despite the acceleration in both operating and real estate investments (10 acquisitions made in H1, including 8 already integrated / Stepping Stones and Grupo 5 will be in H2). The number of beds in operation has now been increased to 2,830 beds for a total of approximately 81,000 beds.

Given the good cost control in H1 and the good integration of recent acquisitions, the group logically reiterates its 2019 guidance of >=+8% growth in revenue (PZP +8.6%e) and >=+14.5% EBITDA margin (PZP +14.8%e).

Not surprisingly, Korian produces a good half-yearly publication. In terms of newsflow, a few bolt-on acquisitions should continue to fuel the share price at the end of the year. We keep our scenario unchanged and our recommendation to Buy (2) but raise our price target to 39€ (vs. 38€ previously) after updating our comparables and market parameters.

Compulsory disclosures

Stock recommendations

Our stock recommendations reflect the total return expected on the share over a 6-12 month investment horizon. They are based on target prices defined by the analyst and incorporate exogenous factors related to the market environment, which are subject to wide variations. Portzamparc's analysts use a fundamental multi-criteria approach when valuing a share (mainly, but not limited to, discounting of cash flows, comparable multiples, transaction multiples, sum of the parts and revalued net assets).

STRONG BUY (1): Expected return in excess of +15%

BUY (2): Expected return of between +5% and +15%

HOLD (3): Expected return of between -5% and +5%

REDUCE (4): Expected return of between -5% and -15%

SELL (5): Expected return of less than -15% or poor visibility on the fundamentals of the company.

All the disclaimers relating to Portzamparc's research (records of ratings, commitment to transparency, policy for handling conflicts of interest, rating system, rating breakdown, etc.) are available at **http://www.midcaps.portzamparc.fr/wp-content/fileadmin/pubt/avertissements.pdf** (institutional investors) or by contacting your usual adviser (private investors).

Unless otherwise specified, all prices are previous day's closing prices.

Ratings applied to the issuer in the past 12 months

The following table shows the changes of rating and target price made by the financial analysis department of Portzamparc over a 12-month period.

No changes in recommendation for the past twelve months.

Potential conflicts of interest for PORTZAMPARC

Company	*Potential conflicts of interest*
Korian	

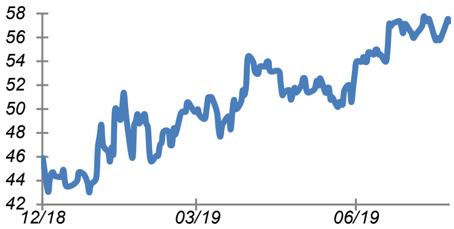
1. Portzamparc holds or controls 5% or more of the issuer's share capital;
2. The issuer, or its main shareholders, hold or control, directly or indirectly, 5% or more of Portzamparc's share capital;
3. Portzamparc has been lead manager or co-lead manager in a public offering of financial instruments of the issuer in the past 12 months;
4. Portzamparc is market maker for the financial instruments of the issuer;
5. Portzamparc has entered into a liquidity agreement with the issuer;
6. Portzamparc and the issuer have signed an analysis service agreement whereby Portzamparc has undertaken to produce and disseminate investment research on the issuer;
7. Portzamparc has received payment from the issuer in consideration for the provision of investment services or financial advisory services in the last 12 months;
8. The author of this document or any person who has assisted in its preparation (or a member of their household), and any person who, while not involved in the preparation of the report, has had, or can be reasonably assumed to have had, access to material elements of this document prior to its dissemination, holds a net or short position representing more than 0.5% of the issuer's share capital;
9. The rating published in this document has been disclosed to the issuer prior to publication and dissemination and subsequently amended prior to its dissemination.

Potential conflicts of interest for BNP PARIBAS

Companies in which BNP Paribas holds interests: https://wealthmanagement.bnpparibas/en/conflict-of-interest.html

THERMADOR GROUPE

Industrials



Source : FactSet Research

Market	**Euronext - Comp. B**
ISIN / Mnemonic	FR0013333432 / THEP
Reuters / Bloomberg	THHG.PA / THEP.FP
Index	CAC Small
PEA-PME	Yes
Market Cap (€m)	**522,899,764.80**
Float (%)	66.4%
Nbre of shares (Mio)	9,109,752.000
Closing	31-Dec

	18	19e	20e
PER	**17.3**	**15.8**	**14.3**
PCF	15.6	13.8	12.5
EV/Sales	1.7	1.5	1.4
EV/EBIT	12.0	11.0	10.1
PB	2.5	2.4	2.2
Yield	3.0%	3.0%	3.2%
Free Cash Flow Yield	2.5%	5.6%	6.0%
ROACE	13.7%	14.4%	15.6%
Sales	**311.2**	**358.2**	**368.4**
Previous Sales	311.2	358.2	368.4
chge y/y-1	*16.2%*	*15.1%*	*2.8%*
EBITDA	48.0	53.0	56.1
Underlying EBIT	44.1	48.2	51.0
% Sales	*14.2%*	*13.5%*	*13.9%*
EBIT	44.1	48.2	51.0
% Sales	*14.2%*	*13.5%*	*13.9%*
Decl.Net inc Group Sh	29.1	33.2	36.7
% Sales	*9.4%*	*9.3%*	*10.0%*
EPS	**3.20**	**3.64**	**4.02**
Previous EPS	3.20	3.64	4.02
chge y/y-1	*11.1%*	*13.8%*	*10.5%*
Restated EPS	**3.21**	**3.64**	**4.02**
Net Asset per Share	22.3	24.2	26.4
Net Dividend	1.75	1.82	1.91
Gearing	11.6%	4.7%	-1.8%
NFD	23.7	10.3	-4.3

Arnaud Despre, Financial Analyst

+33 (0)2 40 44 94 52
despre@portzamparc.fr

1 August 2019

Price: €57.40

Target Price: €62.00

BUY (2)

Opinion unchanged

1 : Strong Buy 2 : Buy 3 : Hold 4 : Reduce 5 : Sell

Price at 07/12/2019

H1 Net Income / Call management

Operational leverage limited by foreign exchange

Thermador publishes results that are in line with our expectations, but the EBT margins of some subsidiaries are disappointing, limited by the appreciation of the dollar in H2 2018 and the beginning of the year. We highlight the cash generation, driven by good WCR management.

Purchases in $ weigh heavily, rigour on stocks pay off

Publication of an EBIT of €25.0M, EBIT margin of 13.1% (-100bp vs n1). We anticipated Sanidom's dilutive effect but the exchange rate weighed more than expected (PZP EBIT €26.5M, EBIT margin -20bp at 13.9%).

The volatility of the €/$ exchange rate is reflected in the commercial margins of Sferaco subsidiaries (60% of purchases in $) and Mecafer/Domac. As a reminder, the group makes 33% of its purchases in dollars and significant exchange rate volatility is not always well impacted on ST/MT to the customer. Thus, 1/ Sferaco has a pre-tax margin of 19.6% (-80bp vs n-1; PZP +20bpe), 2/ Mecafer/Domac a margin of 5.9% (-370bp vs n-1; PZP flat). The strong appreciation of the dollar since the beginning of the year (+8.1% in Q1, +6.0% in Q2) will therefore also penalise H2 but to a lesser extent (price adjustment). The other subsidiaries are evolving in line with our expectations for this first part of the year.

The Net Income group share stands at €16.9m and in line with our expectations (PZP €16.9m). We highlight the cash generation (CFO €13.5M vs. -€0.4M n-1) driven by good WCR management (-€5.9M vs -€17.7M in n-1, n-1 drift linked to the acceleration of Domac and opportunistic purchases). Inventories at the end of June were down sharply vs. the end of December (-4.1%) due to the acceleration in sales at the end of H1 and the rigour applied over the past few months.

Annual scenario unchanged and resumption of external growth?

The annual scenario is unchanged. We recently raised our expectations to €358.2 million. The EBIT margin is slightly revised downwards to include currency effects (PZP 13.5%e vs. 13.6%e previously) but without any major impact on the CFO (PZP 38.0M€e vs. 18.3M€ in n-1) and the net debt projection (PZP 10.3M€e vs. 23.7M€ in n-1).

Finally, the management mentions 3 potential external growth operations recently proposed to the Board for an additional potential turnover of around €40 million. The communication around these projects reflects a definite progress in the process.

Good publication despite the change impact. Potential M&A transactions can be good catalysts for MT. We confirm our Buy opinion (2).

The investment recommendation in this document was issued on 01/08/2019 - 11:44 (GMT+1) and published for the first time on 01/08/2019 - 08:03 (GMT+1).

Compulsory disclosures

Stock recommendations

Our stock recommendations reflect the total return expected on the share over a 6-12 month investment horizon. They are based on target prices defined by the analyst and incorporate exogenous factors related to the market environment, which are subject to wide variations. Portzamparc's analysts use a fundamental multi-criteria approach when valuing a share (mainly, but not limited to, discounting of cash flows, comparable multiples, transaction multiples, sum of the parts and revalued net assets).

STRONG BUY (1): Expected return in excess of +15%

BUY (2): Expected return of between +5% and +15%

HOLD (3): Expected return of between -5% and +5%

REDUCE (4): Expected return of between -5% and -15%

SELL (5): Expected return of less than -15% or poor visibility on the fundamentals of the company.

All the disclaimers relating to Portzamparc's research (records of ratings, commitment to transparency, policy for handling conflicts of interest, rating system, rating breakdown, etc.) are available at **http://www.midcaps.portzamparc.fr/wp-content/fileadmin/pubt/avertissements.pdf** (institutional investors) or by contacting your usual adviser (private investors).

Unless otherwise specified, all prices are previous day's closing prices.

Ratings applied to the issuer in the past 12 months

The following table shows the changes of rating and target price made by the financial analysis department of Portzamparc over a 12-month period.

Date	Analyst	Target Price	Closing Price	Old Recommendation	New Recommendation
16/07/2019 8:30	Arnaud Despre	€60.4	€57.8	STRONG BUY (1)	BUY (2)

Potential conflicts of interest for PORTZAMPARC

Company	*Potential conflicts of interest*
Thermador Groupe	**6,7**

1. Portzamparc holds or controls 5% or more of the issuer's share capital;
2. The issuer, or its main shareholders, hold or control, directly or indirectly, 5% or more of Portzamparc's share capital;
3. Portzamparc has been lead manager or co-lead manager in a public offering of financial instruments of the issuer in the past 12 months;
4. Portzamparc is market maker for the financial instruments of the issuer;
5. Portzamparc has entered into a liquidity agreement with the issuer;
6. Portzamparc and the issuer have signed an analysis service agreement whereby Portzamparc has undertaken to produce and disseminate investment research on the issuer;
7. Portzamparc has received payment from the issuer in consideration for the provision of investment services or financial advisory services in the last 12 months;
8. The author of this document or any person who has assisted in its preparation (or a member of their household), and any person who, while not involved in the preparation of the report, has had, or can be reasonably assumed to have had, access to material elements of this document prior to its dissemination, holds a net or short position representing more than 0.5% of the issuer's share capital;
9. The rating published in this document has been disclosed to the issuer prior to publication and dissemination and subsequently amended prior to its dissemination.

Potential conflicts of interest for BNP PARIBAS

Companies in which BNP Paribas holds interests: https://wealthmanagement.bnpparibas/en/conflict-of-interest.html