

4th January 2016

Technology

ASK

Price EUR1.71

ASK implements new equity line with a potential dilution up to 12%

Fair Value EUR2.4 (+40%)

CORPORATE

Bloomberg	ASK FP
Reuters	ASK.PA
12-month High / Low (EUR)	4.4 / 1.3
Market Cap (EUR)	14
Avg. 6m daily volume (000)	88.10

ANALYSIS

- **In order to continue its transformation plan, ASK announced that it has set up an equity line financing that could lead to a potential dilution of 12%.** Kepler Cheuvreux has committed to subscribe, upon ASK's request, newly issued shares over the next 24 months within a limit of 780,000 shares. The price of the newly issued shares will be determined by the previous day's stock price with a maximum discount of 7.5%. As usually seen in this kind of operation, Kepler Cheuvreux is not set to remain a long term shareholder. At the current stock price, the equity line funding would represent EUR1.27m (applying a 7.5% discount).
- **At the end of the first half year, the group's gross cash position was close to EUR3.5m.** We also recall that during H1-15, the company also issued convertible bonds for EUR1.85m (subscribed by historical shareholders), and destined to be converted into shares before the end of 2016.

	1 M	3 M	6 M	31/12/14
Absolute perf.	11.8%	21.3%	24.8%	-60.5%
Industry	-4.8%	5.7%	-5.5%	6.8%
DJ Stoxx 600	-4.8%	5.7%	-5.5%	6.8%

	2014	2015e	2016e	2017e
P/E	NS	NS	23.7x	5.0x
Div yield (%)	NM	NM	NM	NM

VALUATION

- ASK's shares trade at a 2016e P/E ratio of 23.7x.

NEXT CATALYSTS

- 9th February 2016 (after market closing), FY15 sales.

[Click here to download document](#)

Dorian Terral, dterral@bryangarnier.com

Bryan Garnier stock rating system

For the purposes of this Report, the Bryan Garnier stock rating system is defined as follows:

Stock rating

BUY	Positive opinion for a stock where we expect a favourable performance in absolute terms over a period of 6 months from the publication of a recommendation. This opinion is based not only on the FV (the potential upside based on valuation), but also takes into account a number of elements including a SWOT analysis, positive momentum, technical aspects and the sector backdrop. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.
NEUTRAL	Opinion recommending not to trade in a stock short-term, neither as a BUYER or a SELLER, due to a specific set of factors. This view is intended to be temporary. It may reflect different situations, but in particular those where a fair value shows no significant potential or where an upcoming binary event constitutes a high-risk that is difficult to quantify. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.
SELL	Negative opinion for a stock where we expect an unfavourable performance in absolute terms over a period of 6 months from the publication of a recommendation. This opinion is based not only on the FV (the potential downside based on valuation), but also takes into account a number of elements including a SWOT analysis, positive momentum, technical aspects and the sector backdrop. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.

Distribution of stock ratings

BUY ratings 56.9%

NEUTRAL ratings 34.6%

SELL ratings 8.5%

Research Disclosure Legend

1	Bryan Garnier shareholding in Issuer	Bryan Garnier & Co Limited or another company in its group (together, the "Bryan Garnier Group") has a shareholding that, individually or combined, exceeds 5% of the paid up and issued share capital of a company that is the subject of this Report (the "Issuer").	No
2	Issuer shareholding in Bryan Garnier	The Issuer has a shareholding that exceeds 5% of the paid up and issued share capital of one or more members of the Bryan Garnier Group.	No
3	Financial interest	A member of the Bryan Garnier Group holds one or more financial interests in relation to the Issuer which are significant in relation to this report	No
4	Market maker or liquidity provider	A member of the Bryan Garnier Group is a market maker or liquidity provider in the securities of the Issuer or in any related derivatives.	No
5	Lead/co-lead manager	In the past twelve months, a member of the Bryan Garnier Group has been lead manager or co-lead manager of one or more publicly disclosed offers of securities of the Issuer or in any related derivatives.	YES
6	Investment banking agreement	A member of the Bryan Garnier Group is or has in the past twelve months been party to an agreement with the Issuer relating to the provision of investment banking services, or has in that period received payment or been promised payment in respect of such services.	YES
7	Research agreement	A member of the Bryan Garnier Group is party to an agreement with the Issuer relating to the production of this Report.	No
8	Analyst receipt or purchase of shares in Issuer	The investment analyst or another person involved in the preparation of this Report has received or purchased shares of the Issuer prior to a public offering of those shares.	No
9	Remuneration of analyst	The remuneration of the investment analyst or other persons involved in the preparation of this Report is tied to investment banking transactions performed by the Bryan Garnier Group.	No
10	Corporate finance client	In the past twelve months a member of the Bryan Garnier Group has been remunerated for providing corporate finance services to the issuer or may expect to receive or intend to seek remuneration for corporate finance services from the Issuer in the next six months.	YES
11	Analyst has short position	The investment analyst or another person involved in the preparation of this Report has a short position in the securities or derivatives of the Issuer.	No
12	Analyst has long position	The investment analyst or another person involved in the preparation of this Report has a long position in the securities or derivatives of the Issuer.	No
13	Bryan Garnier executive is an officer	A partner, director, officer, employee or agent of the Bryan Garnier Group, or a member of such person's household, is a partner, director, officer or an employee of, or adviser to, the Issuer or one of its parents or subsidiaries. The name of such person or persons is disclosed above.	No
14	Analyst disclosure	The analyst hereby certifies that neither the views expressed in the research, nor the timing of the publication of the research has been influenced by any knowledge of clients positions and that the views expressed in the report accurately reflect his/her personal views about the investment and issuer to which the report relates and that no part of his/her remuneration was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.	Yes
15	Other disclosures	Other specific disclosures: Report sent to Issuer to verify factual accuracy (with the recommendation/rating, price target/spread and summary of conclusions removed).	No

Summary of Investment Research Conflict Management Policy is available www.bryangarnier.com

London	Paris	New York	Geneva	New Delhi
Heron Tower 110 Bishopsgate London EC2N 4AY Tel: +44 (0) 207 332 2500 Fax: +44 (0) 207 332 2559 Authorised and regulated by the Financial Conduct Authority (FCA)	26 Avenue des Champs Elysées 75008 Paris Tel: +33 (0) 1 56 68 75 00 Fax: +33 (0) 1 56 68 75 01 Regulated by the Financial Conduct Authority (FCA) and the Autorité de Contrôle prudentiel et de resolution (ACPR)	750 Lexington Avenue New York, NY 10022 Tel: +1 (0) 212 337 7000 Fax: +1 (0) 212 337 7002 FINRA and SIPC member	rue de Grenus 7 CP 2113 Genève 1, CH 1211 Tel +4122 731 3263 Fax+4122731 3243 Regulated by the FINMA	The Imperial Hotel Janpath New Delhi 110 001 Tel +91 11 4132 6062 +91 98 1111 5119 Fax +91 11 2621 9062

Important information

Bryan Garnier & Co, registered in France no. 452 605 512 is a MiFID branch of Bryan Garnier & Co Limited (a UK company registered under the number 03034095) and is authorised and regulated by the Financial Conduct Authority. Registered address: 110 Bishopsgate London

This has been prepared solely for informational purposes, and is intended only for use by the designated recipient(s). This information was obtained from sources we believe to be reliable, but its accuracy is not guaranteed. All information is subject to change without notice. This does not constitute a solicitation or offer to buy or sell securities or any other instruments, or a recommendation with respect to any security or instrument mentioned herein. This is not a confirmation of terms of any transaction. No representations are made herein with respect to availability, pricing, or performance. Additional information available on request.

This document should only be read by those persons to whom it is addressed and is not intended to be relied upon by any person without subsequent written confirmation of its contents. If you have received this e-mail message in error, please destroy it and delete it from your computer. Any form of reproduction, dissemination, copying, disclosure, modification, distribution and/or publication of this E-mail message is strictly prohibited.

Please note that any views or opinions presented in this email are solely those of the author and do not necessarily represent those of Bryan Garnier.

Finally, the recipient should check this email and any attachments for the presence of viruses. Bryan Garnier accepts no liability for any damage caused by any virus transmitted by this email.