

**Voltaia**

Price EUR9.15

2015 earnings, first take

Fair Value EUR13 (+42%)

BUY

Bloomberg	MLVLT FP
Reuters	MLVLT.PA
12-month High / Low (EUR)	10.8 / 8.4
Market Cap (EURk)	239,840
Ev (BG Estimates) (EURk)	407,017
Avg. 6m daily volume (000)	2.90
3y EPS CAGR	14.0%

The group has posted solid 2015 earnings this morning, thanks to the commissioning of new projects in Brazil. EBITDA came out at EUR30m while EBIT was at EUR22.3m, respectively multiplied by 2.1x and 2.4x compared with 2014 metrics. Results were short of our estimates, although we assume this was mainly due a difference in average FX and the exact commissioning date/load factors for each project. 2016 is set to be another impressive year of the growth for the group, which will need extra capital to finance its expansion. Buy, with FV confirmed at EUR13/share.

	1 M	3 M	6 M	31/12/15
Absolute perf.	-3.3%	-10.6%	-9.0%	-9.7%
Utilities	-3.4%	-10.1%	-7.4%	-7.8%
DJ Stoxx 600	-3.1%	-13.8%	-9.3%	-10.4%

## ANALYSIS

YEnd Dec. (EURk)	2014	2015e	2016e	2017e
Sales	27,609	59,455	98,246	133,664
% change		115.3%	65.2%	36.0%
EBITDA	12,536	37,158	59,509	85,702
EBIT	6,736	17,979	31,642	51,553
% change		NM	76.0%	62.9%
Net income	4,495	6,934	4,368	9,531
% change		54.3%	-37.0%	118.2%

	2014	2015e	2016e	2017e
Operating margin	45.4	62.5	60.6	64.1
Net margin	NM	NM	NM	NM
ROE	NM	NM	NM	NM
ROCE	NM	NM	NM	NM
Gearing	NM	NM	NM	NM

(EUR)	2014	2015e	2016e	2017e
EPS	0.25	0.26	0.17	0.36
% change	-	7.7%	-37.0%	118.2%
P/E	37.2x	34.6x	54.9x	25.1x
FCF yield (%)	NM	NM	NM	37.0%
Dividends (EUR)	0.00	0.00	0.00	0.00
Div yield (%)	NM	NM	NM	NM
EV/Sales	15.4x	6.8x	6.3x	4.1x
EV/EBITDA	34.0x	11.0x	10.4x	6.4x
EV/EBIT	63.2x	22.6x	19.6x	10.6x

• **Main 2015 metrics?** Total sales came out at **EUR58.5m**, multiplied by **2.1x** compared with last year, with energy sales reaching **EUR57.4m** level (2.1x) and sales from other activities reaching EUR1m. As already observed during group's sales publication weeks ago, most of sales growth was driven by wind activities and Brazil. As expected the group's profitability was positively driven by the ramp-up of new capacities in Brazil, with EBITDA being multiplied by **2.4x to EUR30m**, leading to a **6.1pp EBITDA** margin rise compared with last year (higher margin from wind assets than for other technologies). We were slightly more bullish in our model as we were expecting **EBITDA at EUR37m**. EBIT also surged (x3.7) for similar reasons, to **EUR22.3m**, leading to net reported income of **EUR4.5m**, which compared with last year was down EUR0.5m due to a strong rise in financial charges. In our model we were forecasting net reported income of around **EUR7m**. Most of the difference stemmed from lower EBITDA margin and from higher financial charges, compared with our estimates. As a reminder, in 2015 Voltaia beat its initial capacity target of 330MW installed at the year-end, with **376.1MW** connected.

• **What to expect beyond 2015?** The group is confirming its target for total installed capacities of around **475MW** at end 2016, thanks notably to the commissioning of Vila Para (Q4-16). The deployment in other countries is set to further boost the group's future projects, thanks notably to the recently rise in its projects (*1.8GW projects under development at end 2015 vs. 1.4GW at end 2014*). No official sales and EBITDA targets were communicated although in our model we expect further impressive EBITDA growth (*EUR55m expected at end 2016 vs. EUR30m at end 2015*). The group also mentioned in its press release it will potentially undertake a capital increase to finance its future investments in Morocco and in France.

• **Conclusion:** Despite the important difference between the group's EBITDA/EBIT publication and our estimates for 2015, the group's performance was quite impressive, even in the renewables sector. At the current share price the stock is attractively valued and offers robust earnings growth. **We confirm our Buy rating with FV unchanged at EUR13/share.**

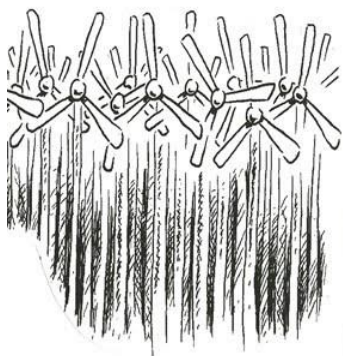
## VALUATION

- At the current share price, Voltaia trades at 10.4x its 2016e EBITDA
- Buy, FV @ EUR13

## NEXT CATALYSTS

- Analyst meeting at 12.30am (Paris)

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