



Please find our Research on Bloomberg BRYG <GO>

12th September 2016

BG's Wake Up Call

	Last close	Daily chg (%)	Chg YTD (%)
Indices			
Dow Jones	18085.45	-2.13%	+3.79%
S&P 500	2127.81	-2.45%	+4.10%
Nasdaq	5125.91	-2.54%	+2.37%
Nikkei	16672.92	-1.73%	-10.86%
Stoxx 600	345.518	-1.09%	-5.55%
CAC 40	4491.4	-1.12%	-3.14%
Oil /Gold			
Crude WTI	45.88	-3.65%	+23.33%
Gold (once)	1333.94	-0.77%	+25.56%
Currencies/Rates			
EUR/USD	1.12115	-0.56%	+3.21%
EUR/CHF	1.095	+0.21%	+0.70%
German 10 years	-0.051	-60.32%	-108.06%
French 10 years	0.233	+55.38%	-76.27%
Euribor	-0.301	-0.99%	+129.77%

Economic releases :

Date	
12th-Sept	JP - Machine orders (5.2% A 0.3%E) US - Feds Brainard speaks about Eco Outlook in Chicago

Upcoming BG events :

Date	
13th-Sept	Thematic Breakfast with ARCEP
14th-Sept	SAINT GOBAIN (BG Luxembourg roadshow)
22nd-Sept	Thematic Lunch with HC specialist
30th-Sept	Thematic Breakfast with Vimpelcom
28th-Oct	IMERYYS (Paris roadshow)
14th-Nov/ 15th-Nov	4th Paris Healthcare Conference

Recent reports :

Date	
9th-Sept	ENGIE The twelve labours of Engie
7th-Sept	FRESENIUS : ¡Salud!
6th-Sept	WIRECARD Ready to reconnect with the fundamentals
24th-Aug	AMS Catching the ball when it bounces - all a question of timing
26th-Jul	NICOX Don't turn a blind eye to opportunities
21st-Jul	SEMICONDUCTORS : Looking for lost growth

List of our Reco & Fair Value : Please click here to download



ACCORHOTELS

BUY, Fair Value EUR42 (+17%)

Feedback roadshow AccorHotels Paris on 8th September

Following the go-ahead given by the Board of Directors in mid-July for the project to turn HotellInvest into a subsidiary and before the Capital market day on 5th October in Paris, most of the questions focused on the HotellInvest valuation and the cash that could be returned to shareholders.

LVMH

BUY, Fair Value EUR171 (+12%)

Hennessy is ready to pursue its positive momentum!

For two days last week, LVMH hosted an Investor Day focused on Hennessy. This event highlighted the strong resilience of the brand (10% of LVMH's EBIT) and also the rebound since 2015. This confirms again the very efficient LVMH business model, based on a very well balanced group portfolio. We confirm our Buy recommendation on the stock with an unchanged EUR171 FV (12% upside).

In brief...

ALTICE, Successful refinancing of existing debt at Optimum

This morning Altice announced the successful pricing of USD2.5bn of 8-year Senior Secured Term Loan B and USD1.31bn of 10.5-year Senior Guaranteed Notes

QIAGEN, US GeneReader's launch halted by a preliminary injunction

The US Court for the Northern District of California granted a motion for a preliminary injunction against QIAGEN...

SFR GROUP, CFO said to be leaving the company.

According to *Les Echos*, Jean Raby, CFO of SFR Group, is said to be leaving the company in the coming weeks.

Hotels

AccorHotels

Price EUR35.81

Feedback roadshow AccorHotels Paris on 8th September

Fair Value EUR42 (+17%)

BUY

Bloomberg	AC FP
Reuters	ACCP.PA
12-month High / Low (EUR)	46.1 / 30.0
Market Cap (EURm)	10,194
Ev (BG Estimates) (EURm)	9,999
Avg. 6m daily volume (000)	1 139
3y EPS CAGR	10.0%

Following the go-ahead given by the Board of Directors in mid-July for the project to turn HotellInvest into a subsidiary and before the Capital market day on 5th October in Paris, most of the questions focused on the HotellInvest valuation and the cash that could be returned to shareholders.

ANALYSIS

- **What valuation for HotellInvest?** After the splitting of the hotel business (HotelServices) under managed and franchised contracts and real estate (HotellInvest) initiated in 2013, the restructuring of HotellInvest, which was the main challenge, is paying off with a gross asset value of EUR7bn versus EUR5.5bn in 2013 and an EBIT margin of 7.9% in 2015 versus 4.6% in 2013.
 - A new GAV will be given during the Capital market day, which should be higher than at the end of 2015, but not significantly higher. Remember that as previously, the assets are valued by three independent experts (JLL, DTZ and BNP Real Estate), each of whom analyses a third of the portfolio. The valuation technique chosen is EBITDA multiples, defined with each hotel's specific situation (market, segment, etc...). For lease contracts, the valuation takes into account such factors as the time remaining on the lease, the options for terminating the contract and the potential lease termination costs.
 - Based on ROI (EBITDA to GAV), value ratio was broadly stable at 9.5% (9.5% in 2015 vs. 9.1% in 2013). Using NOI (EBITDA – Capex to GAV), ratio was 6.3% in 2015 vs. 4.9% in 2013 which sounds conservative to us. Nevertheless, we have to notice that capex is still limited and definitely too low, as noted by CFO, to optimize the asset return.

- The demerger process: All in all, the process should be finalized by mid-2017 with the objective to deconsolidate HotellInvest with AccorHotels keeping a stake of between 10% and 50%. Like the new structure "Grape Hospitality" (85 hotels sold to a new structure 70% owned by Eurazeo and 30% by AccorHotels), the aim of opening the share capital to new outside long term investors, is to have greater financial flexibility, taking advantage of the current financial environment to accelerate real estate expansion and asset rotation. The number of new owners will be limited (5 to 12) investing between EUR300m and EUR1bn. Concerning the tax situation, confirmation that the cost should be less than 5% of the GAV i.e. between EUR100m to EUR300m (bear case).

- **What about the cash?** Assuming that AccorHotels will own 30% of HotellInvest and based on current GAV of EUR7bn, AccorHotels will receive c.EUR5bn. Without specific needs (HotelServices being an asset light business) except new investment in new businesses as Wipolo, Oasis Collections, SquareBreak, onefinestay or John Paul and/or new hotel concept like Mama Shelter, **we now understand that a significant sum could be returned to shareholders.** However (and not totally ruled out by the group), management could retained the necessary resources in case of mega industry consolidation.

	1 M	3 M	6 M	31/12/15
Absolute perf.	0.9%	-7.7%	-4.6%	-10.5%
Travel&Leisure	0.4%	-4.7%	-5.1%	-13.7%
DJ Stoxx 600	0.2%	1.3%	1.9%	-5.5%

YEnd Dec. (€m)	2014	2015	2016e	2017e
Sales	5,454	5,581	5,736	6,277
% change		2.3%	2.8%	9.4%
EBITDA	923	987	1,040	1,205
EBIT	602.0	665.0	695.5	828.1
% change		10.5%	4.6%	19.1%
Net income	386.0	441.8	441.2	514.2
% change		14.5%	-0.1%	16.5%

	2014	2015	2016e	2017e
Operating margin	11.0	11.9	12.1	13.2
Net margin	4.1	4.4	6.6	7.9
ROE	6.2	6.8	10.2	14.5
ROCE	12.4	14.5	11.5	15.1
Gearing	4.1	-4.9	20.0	19.7

(€)	2014	2015	2016e	2017e
EPS	1.52	1.59	1.70	2.03
% change	-	4.6%	6.5%	19.4%
P/E	23.5x	22.5x	21.1x	17.7x
FCF yield (%)	6.0%	6.1%	5.9%	7.3%
Dividends (€)	0.95	1.00	1.00	1.10
Div yield (%)	2.7%	2.8%	2.8%	3.1%
EV/Sales	1.9x	1.8x	1.9x	1.7x
EV/EBITDA	11.2x	10.1x	10.6x	9.0x
EV/EBIT	17.2x	15.0x	15.8x	13.2x



VALUATION

- At the current share price, the stock is trading 10.6x EV/EBITDA 2016e and 9.0x 2017e compared with average European peer valuation of respectively 10.6x and 9.5x o/w IHG valued 13x 2016e and 12x 2017e. Based on our FV, stock valuation would be 12.3x EV/ABITDA 2016e and 10.5x 2017e.

NEXT CATALYSTS

- Capital Market Day (Paris) on 5th October 2016
- Q3 revenue on 18th October

[Click here to download](#)

Analyst :

Bruno de La Rochebrochard
33(0) 1 56 68 75 88
bdelarochebrochard@bryangarnier.com



Luxury & Consumer Goods

LVMH

Price EUR152.20

Hennessy is ready to pursue its positive momentum!

Fair Value EUR171 (+12%)

BUY

Bloomberg	MC FP
Reuters	LVMH.PA
12-month High / Low (EUR)	173.5 / 131.4
Market Cap (EUR)	77,277
Ev (BG Estimates) (EUR)	80,397
Avg. 6m daily volume (000)	810.4
3y EPS CAGR	11.2%

For two days last week, LVMH hosted an Investor Day focused on Hennessy. This event highlighted the strong resilience of the brand (10% of LVMH's EBIT) and also the rebound since 2015. This confirms again the very efficient LVMH business model, based on a very well balanced group portfolio. We confirm our Buy recommendation on the stock with an unchanged EUR171 FV (12% upside).

ANALYSIS

- LVMH hosted investors days last Thursday and Friday, which focused on prospects for Hennessy (founded in 1765 by Richard Hennessy). This brand, the second biggest in the LVMH portfolio, accounted for almost 6% of LVMH 2015 sales, but close to 10% of 2015 EBIT thanks to a 30% EBIT margin. Last year, Hennessy volumes grew 8% and the trend was even stronger in H1 2016, with 13% growth. In H1 2016, Hennessy sales grew organically around 11% with a very significant profitability improvement (+380bp to 32.3%) thanks to better product mix (outperformance of XO in Mainland China).

- According to IWSR, the global cognac market is valued at EUR9.2bn (retail price) versus EUR8.4bn for blended Scotch and is the leader of the Premium and above spirits category with a 16% market share. It is worth noting that the Champagne market – the other strong contributor to LVMH Wines & Spirits division – is valued at EUR7bn. Among Super Premium category, cognac market share is close to 27% (retail value) versus 21% for champagne. The cognac market is very concentrated, as 90% of its market value is generated by four Houses: Hennessy, Martell (Pernod Ricard), Remy Martin (Remy Cointreau) and Courvoisier (Suntory).

- Since 1998, the cognac market's CAGR has been quite resilient at 3.1%, lifting shipments to close to 15 millions cases (one case contains 12 bottles of 70cl). In a more recent period, (2005-2015), the cognac market grew 6.1% on average versus +4.7% for the total spirits market. Hennessy has a very strong market share at 46% with a clear positive momentum as the brand gained 20 points over the last 20 years. Market share is very impressive on VS or Very Special (aged for 2 years) at 62% versus 39% in 1997. On VSOP or Very Special Old pale (aged for 4 years), Hennessy market share gained 7 points to 33% while on XO or Extra Old (aged for 10 years) Hennessy market share remained almost unchanged at 28%. The brand is very well positioned in the market spectrum as it has strong position in all segments, which is not the case for all the others players. For Instance, a VS bottle is sold EUR30, while a VSOP one is sold at EUR50. Meanwhile, the selling price of a XO is EUR180 and a Paradis Imperial bottle is sold EUR2,200. VS accounts for 60% of Hennessy volume but 1/3 in value.

- Hennessy is an ongoing success story, with a 4.7% CAGR (in volume) to 6.4 millions cases. Since 2000, Hennessy volume declined only in 2009 and in 2013. As highlighted above, in 2015 volumes grew 8% and even 13% in H1 2016. Despite the 2009 financial crisis and the bursting of the Chinese bubble in 2013 and 2014, Hennessy EBIT has doubled over the last 10 years.

- Hennessy wants also to strengthen its global footprint by capitalizing on US growth, by revitalizing the Chinese market (develop rising middle class consumption Hennessy Classium), by deploying XO in Asia outside China, by building growth drivers in others EM as Africa thanks to VS and finally by benefiting from TR boom (3rd Hennessy market with a 9% CGR on last 10 years. In order to achieve these goals which could lift volume to 10m cases in the medium term, the brand has implemented a production capacity increase plan.

VALUATION

- LVMH share price has risen 5% over the last three months versus +3% for our luxury groups sample and outperformed the DJ Stoxx. With a 11.6x 2016 EV/EBIT, the stock is trading with an 8% discount vs our luxury groups sample average.

NEXT CATALYSTS

- Q3 sales will be reported mid October

[Click here to download](#)

	1 M	3 M	6 M	31/12/15
Absolute perf.	-0.9%	4.4%	-2.2%	5.0%
Pers & H/H Gds	-1.2%	-0.2%	2.1%	1.2%
DJ Stoxx 600	0.2%	1.3%	1.9%	-5.5%

YEnd Dec. (EURm)	2015	2016e	2017e	2018e
Sales	35,664	36,960	39,070	41,380
% change		3.6%	5.7%	5.9%
EBITDA	7,505	7,800	8,530	9,260
EBIT	6,605	6,850	7,530	8,210
% change		3.7%	9.9%	9.0%
Net income	3,573	4,010	4,470	4,912
% change		12.2%	11.5%	9.9%

	2015	2016e	2017e	2018e
Operating margin	18.5	18.5	19.3	19.8
Net margin	10.0	10.8	11.4	11.9
ROE	12.7	13.1	13.4	13.4
ROCE	10.1	10.0	10.6	11.0
Gearing	13.4	10.2	6.5	3.6

(EUR)	2015	2016e	2017e	2018e
EPS	7.11	7.98	8.90	9.78
% change	-	12.2%	11.5%	9.9%
P/E	21.4x	19.1x	17.1x	15.6x
FCF yield (%)	3.0%	3.3%	4.0%	4.1%
Dividends (EUR)	3.55	3.90	4.30	4.70
Div yield (%)	2.3%	2.6%	2.8%	3.1%
EV/Sales	2.3x	2.2x	2.0x	1.9x
EV/EBITDA	10.8x	10.3x	9.3x	8.5x
EV/EBIT	12.3x	11.7x	10.6x	9.6x



Analyst :
Loic Morvan
33(0) 1 70 36 57 24
lmorvan@bryangarnier.com

Sector Team :
Nikolaas Faes
Antoine Parison
Cédric Rossi
Virginie Roumage

TMT

Altice

Price EUR15.75

Successful refinancing of existing debt at Optimum

Fair Value EUR16.5 (+5%)

BUY

Bloomberg	ATC NA
Reuters	ATCA.AS
12-month High / Low (EUR)	24.5 / 10.0
Market Cap (EURm)	17,235
Avg. 6m daily volume (000)	1 666

	1 M	3 M	6 M	31/12/15
Absolute perf.	5.0%	3.3%	12.6%	18.9%
Telecom	-1.7%	-4.1%	-8.2%	-13.6%
DJ Stoxx 600	0.2%	1.3%	1.9%	-5.5%

	2015	2016e	2017e	2018e
P/E	NS	NS	18.7x	12.7x
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- This morning Altice announced the **successful pricing of USD2.5bn of 8-year Senior Secured Term Loan B and USD1.31bn of 10.5-year Senior Guaranteed Notes**. The funds raised will be used to **refinance the entire USD3.8bn principal amount** of loans under Optimum's existing term loan facility that matures in October 22.
- Following the refinancing, the average maturity of Optimum's capital structure has been extended **from 5.9 years to 6.6 years**. The weighted average cost of Optimum's debt will **decrease from 7.4% to 7.2%**.
- This operation, which **strengthens Altice's liquidity profile**, allows **improved maturity and reduced cost at the same time**. It confirms Altice's **efficient management of debt** and highlights the **US debt market's confidence in the company**. As of June 30th, Altice's total net debt was **EUR49bn**, with **5.8x** net debt / EBITDA leverage.

VALUATION

- We stick to our fair value of EUR16.5 and maintain our BUY recommendation.

NEXT CATALYSTS

- Q3 results on November 8th.

[Click here to download](#)

Thomas Coudry, tcoudry@bryangarnier.com

Healthcare

QIAGEN

Price EUR23.54

US GeneReader's launch halted by a preliminary injunction

Fair Value EUR26 (+10%)

BUY

Bloomberg	QIA GR
Reuters	QGEN.DE
12-month High / Low (EUR)	25.3 / 17.8
Market Cap (EURm)	5,643
Avg. 6m daily volume (000)	398.8

	1 M	3 M	6 M	31/12/15
Absolute perf.	-3.1%	19.7%	19.8%	-6.3%
Healthcare	-4.7%	-2.1%	1.9%	-9.0%
DJ Stoxx 600	0.2%	1.3%	1.9%	-5.5%

	2015	2016e	2017e	2018e
P/E	25.1x	24.3x	21.1x	19.1x
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- The US Court for the Northern District of California granted a motion for a preliminary injunction against QIAGEN, as part of Illumina's patent infringement lawsuit filed in May 2016. Note that this lawsuit has been filed against IBS (hence QIAGEN), asserting infringement on US patent 7,566,537 which describes a method of labelling nucleotides as part of the sequencing. IBS' patent which might infringe Illumina's one has been transferred to QIAGEN's patent estate following its acquisition of IBS (Intelligent Bio-Systems) in 2012.
- The decision of the US Court halts commercial activities of the company for the GeneReader in the US. Following a launch in late 2015, the company's sales guidance (6-7% CER growth) did not take into account any contribution from the GeneReader. Our estimates which included a conservative 25 placements for the year (i.e. USD6m in sales) are not impacted either. Looking to 2017, management does not expect any impact on its internal projections. QIAGEN has already started to work on an upgrade of the component under dispute which is expected to go around Illumina's '537 patent. A trial date has been set for November 2017.
- We believe that QIAGEN's due diligence at the time of IBS' acquisition has been made carefully and that this might also raise free competition issues in the NGS space should Illumina remain the largest provider of such solutions. Moreover, we do not rule that this move from Illumina has for purpose of slowing the GeneReader's penetration in clinical labs where Illumina's presence is weak at the moment. Indeed, the launch of the GeneReader NGS System opened a new window for Illumina to sue QIAGEN. Finally, we would note that Illumina dropped its previous claims against IBS following 1/ the invalidation by the USPTO or 2/ the non-responsibility of QIAGEN in IBS' action before it was acquired.

VALUATION

- We do not rule out that this news might put pressure on the share price.
- No impact to our estimates at this stage. However, should QIAGEN be unable to resume sales after the trial in November 2017, this would have a EUR3 to EUR4 negative impact on our fair value.

NEXT CATALYSTS

- H2 2016: roll-out of novel products in the LS
- Nov. 15th: IR Day in NYC

[Click here to download](#)

Hugo Solvet, hsolvet@bryangarnier.com

TMT

SFR Group

Price EUR25.95

CFO said to be leaving the company.**Fair Value EUR28,7 (+11%)****NEUTRAL**

Bloomberg	SFR FP
Reuters	SFRGP.PA
12-month High / Low (EUR)	38.9 / 20.0
Market Cap (EURm)	11,372
Avg. 6m daily volume (000)	334.3

	1 M	3 M	6 M	31/12/15
Absolute perf.	13.3%	-6.2%	-23.9%	-22.5%
Telecom	-1.7%	-4.1%	-8.2%	-13.6%
DJ Stoxx 600	0.2%	1.3%	1.9%	-5.5%
	2015	2016e	2017e	2018e
P/E	17.9x	28.4x	15.3x	11.2x
Div yield (%)	20.8%	NM	NM	NM

ANALYSIS

- According to *Les Echos*, **Jean Raby, CFO of SFR Group, is said to be leaving the company in the coming weeks.** The news was neither confirmed nor denied by management. According to *Les Echos*, Jean Raby has taken the decision to resign this summer, and **his successor has already been found.** Jean Raby joined SFR **only a few months ago.** He is **close to Michel Combes** as he was the CFO of Alcatel Lucent when Michel Combes was CEO.
- We think his departure can be explained by **three main reasons:** First, a CFO function at SFR which was probably much more "**operational**" than he had imagined (especially compared to what he had known at Alcatel), second a **strong in-house presence and influence of Altice**, with limited responsibilities at the subsidiary level; last but not least, the exchange offer by Altice which could lead to **delisting of the company**, significantly reducing the scope of the job. Indeed, we believe this departure is **not very surprising** given Altice's strategy of building a **more integrated group.** Jean Raby did not seem to have the right profile for the job any more. Nevertheless, we think this move will not help bring stability and visibility at SFR in a period of doubts and strong reorganisations.

VALUATION

- We believe this news should **not have much impact** of SFR's value: Due to the exchange offer going on, SFR's stock is now driven by Altice's stock, Jean Raby has been at SFR for only a short time, a successor should come in soon and the real financial strategy and decision making is to be concentrated at the holding level.

NEXT CATALYSTS

- Altice's Q3 results on November 8th.

Thomas Coudry, tcoudry@bryangarnier.com

BG's Wake Up Call

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 that could include a SWOT analysis, momentum, technical aspects or 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 that could include a SWOT analysis, momentum, technical aspects or 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 55.3%

NEUTRAL ratings 33.3%

SELL ratings 11.3%

Bryan Garnier Research Team

Healthcare Team	Pharmaceuticals	Eric Le Berrigaud <i>(Head of Equities)</i>	33 (0) 1 56 68 75 33	eleberrigaud@bryangarnier.com
	Biotech/Medtech	Mickael Chane-Du	33 (0) 1 70 36 57 45	mchanedu@bryangarnier.com
	Medtech/Biotech	Hugo Solvet	33 (0) 1 56 68 75 57	hsolvet@bryangarnier.com
Consumer Team	Luxury/Consumer Goods	Loïc Morvan	33 (0) 1 70 36 57 24	lmorvan@bryangarnier.com
	Beverages	Nikolaas Faes	33 (0) 1 56 68 75 72	nfaes@bryangarnier.com
	Retailing	Antoine Parison	33 (0) 1 70 36 57 03	aparison@bryangarnier.com
	Luxury /Consumer Goods	Cedric Rossi	33 (0) 1 70 36 57 25	crossi@bryangarnier.com
	Food & Beverages	Virginie Roumage	33 (0) 1 56 68 75 22	vroumage@bryangarnier.com
TMT	Video Games / Payments	Richard-Maxime Beaudoux	33 (0) 1 56 68 75 61	rmbeaudoux@bryangarnier.com
	Telecom	Thomas Coudry	33(0) 1 70 36 57 04	tcoudry@bryangarnier.com
	Software & IT Services	Gregory Ramirez	33 (0) 1 56 68 75 91	gramirez@bryangarnier.com
	Semiconductor	Dorian Terral	33 (0) 1 56 68 75 92	dterral@bryangarnier.com
Utilities		Xavier Caroen	33 (0) 1 56 68 75 18	xcaroen@bryangarnier.com
		Pierre-Antoine Chazal	33 (0) 1 56 68 75 06	pachazal@bryangarnier.com
Insurance		Olivier Pauchaut <i>(Head of Research)</i>	33 (0) 1 56 68 75 49	opauchaut@bryangarnier.com
Hotels/Business Services		Bruno de La Rochebrochard	33 (0) 1 56 68 75 88	bdelarochebrochard@bryangarnier.com
Construction/ Infrastructures Building Materials		Eric Lemarié	33 (0) 1 70 36 57 17	elemarie@bryangarnier.com
Marketing		Sophie Braincourt	33(0) 1 56 68 75 36	sbraincourt@bryangarnier.com
Market Data & Information Systems Manager		Eric Monnier	33(0) 1 56 68 75 63	emonnier@bryangarnier.com

A copy of the Bryan Garnier & Co Limited conflicts policy in relation to the production of research is available at www.bryangarnier.com

London	Paris	New York	Munich	New Delhi
Beaufort House 15 St. Botolph Street London EC3A 7BB Tel: +44 (0) 207 332 2500 Fax: +44 (0) 207 332 2559	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 résolution (ACPR)	750 Lexington Avenue New York, NY 10022 Tel: +1 (0) 212 337 7000 Fax: +1 (0) 212 337 7002 FINRA and SIPC member	Widenmayerstrasse 29 80538 Munich Germany +49 89 2422 62 11	The Imperial Hotel Janpath New Delhi 110 001 Tel +91 11 4132 6062 +91 98 1111 5119 Fax +91 11 2621 9062 Geneva rue de Grenus 7 CP 2113 Geneve 1, CH 1211 Tel +4122 731 3263 Fax+4122731 3243 Regulated by the FINMA



BRYAN, GARNIER & Co

Disclaimer:

Bryan Garnier & Co Limited, registered in England Number 03034095 with registered office : Beaufort House 15 St Botolph Street, London EC3A 7BB , United Kingdom and its MIFID branch registered in France Number 452 605 512 with registered office : 26, Avenue des Champs Elysées 75008 Paris , France. Bryan Garnier & Co Limited is authorised and regulated by the Financial Conduct Authority (Firm Reference Number 178733) and is a member of the London Stock Exchange.

This Report may not be reproduced, distributed or published by you for any purpose except with the Firms' prior written permission. The Firm reserves all rights in relation to this Report.

Past performance information contained in this Report is not an indication of future performance. The information in this report has not been audited or verified by an independent party and should not be seen as an indication of returns which might be received by investors. Similarly, where projections, forecasts, targeted or illustrative returns or related statements or expressions of opinion are given ("Forward Looking Information") they should not be regarded as a guarantee, prediction or definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. A number of factors, in addition to the risk factors stated in this Report, could cause actual results to differ materially from those in any Forward Looking Information.

Important information - This report may contain "Independent" and "Corporate/Non-independent" research reports.

Unless stated otherwise, documents in this report are classified under the FCA Handbook as being investment research (independent research). Bryan Garnier & Co Limited has in place the measures and arrangements required for investment research as set out in the FCA's Conduct of Business Sourcebook.

Independent investment research reports:

Independent investment research reports are prepared by Bryan Garnier & Co Limited and are distributed only to clients of Bryan Garnier & Co Limited (the "Firm"). Bryan Garnier & Co Limited is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the London Stock Exchange.

These reports are provided for information purposes only and do not constitute an offer, or a solicitation of an offer, to buy or sell relevant securities, including securities mentioned in this Report and options, warrants or rights to or interests in any such securities. These reports are for general circulation to clients of the Firm and as such are not, and should not be construed as, investment advice or a personal recommendation. No account is taken of the investment objectives, financial situation or particular needs of any person. The information and opinions contained in these reports have been compiled from and are based upon generally available information which the Firm believes to be reliable but the accuracy of which cannot be guaranteed. All components and estimates given are statements of the Firm, or an associated company's, opinion only and no express representation or warranty is given or should be implied from such statements. All opinions expressed in these reports are subject to change without notice. To the fullest extent permitted by law neither the Firm nor any associated company accept any liability whatsoever for any direct or consequential loss arising from the use of these reports. Information may be available to the Firm and/or associated companies which is not reflected in these reports. The Firm or an associated company may have a consulting relationship with a company which is the subject of these reports.

Corporate or Non-Independent investment research reports:

Non-independent research reports are prepared by Bryan Garnier & Co Limited and are being distributed only to clients of Bryan Garnier & Co Limited (the "Firm"). Bryan Garnier & Co Limited is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the London Stock Exchange.

These reports have been sent to you for marketing purposes only and are non-independent research within the meaning of the FCA rules. These reports are not being held out as an objective or independent explanation of the matters contained in them and should not be treated as such. These reports have not been prepared in accordance with the legal requirements designed to promote the independence of investment research. The Firm is not subject to any prohibition on dealing ahead of the dissemination of investment research. These reports usually focus on emerging European growth companies. The contents of these reports as well as the other research documents on emerging growth stocks do not contain the Firm's usual stock ratings. The intrinsic value analysis is presented to provide a framework for stock valuation and discussion, and represents an estimated value on the date of publishing, which may be subject to change without notice.

The Firm's rationale for not having ratings on the stock includes the fact that such stock may have limited market capitalisation and liquidity and while the Firm may express an opinion on the near-term movement of the stock, what action investors should take depends on many factors, including liquidity/risk tolerance, holdings timeframe and investment philosophy. Emerging companies evolve rapidly with a continuous flow of information that can significantly impact the company and in the Firm's opinion this cannot be reflected by a periodic rating. Additionally, the Firm may have an advisory relationship with the company which is the subject of these reports, including for the production of sponsored research, and may expect to receive or intend to seek compensation for investment banking services from that company in the six months following the date of these reports.

To the fullest extent permitted by law, the Firm does not accept any liability whatsoever for any direct or consequential loss arising from any use of the information contained in these reports. Information may be available to the Firm which is not reflected in these reports. They are provided for information purposes only and do not constitute an offer or solicitation to buy or sell any of the securities discussed in them. These reports are for general circulation to clients of the Firm and as such are not, and should not be construed as, investment advice or a personal recommendation. No account is taken of the investment objectives, financial situation or particular needs of any person.

Disclosures specific to clients in the United Kingdom

This Report has not been approved by Bryan Garnier & Co Limited for the purposes of section 21 of the Financial Services and Markets Act 2000 because it is being distributed in the United Kingdom only to persons who have been classified by Bryan Garnier & Co Limited as professional clients or eligible counterparties. Any recipient who is not such a person should return the Report to Bryan Garnier & Co Limited immediately and should not rely on it for any purposes whatsoever.

Notice to US investors

This research report (the "Report") was prepared by Bryan Garnier & Co Limited for information purposes only. The Report is intended for distribution in the United States to "Major US Institutional Investors" as defined in SEC Rule 15a-6 and may not be furnished to any other person in the United States. Each Major US Institutional Investor which receives a copy of this Report by its acceptance hereof represents and agrees that it shall not distribute or provide this Report to any other person. Any US person that desires to effect transactions in any security discussed in this Report should call or write to our US affiliated broker, Bryan Garnier Securities, LLC, 750 Lexington Avenue, New York NY 10022. Telephone: 1-212-337-7000.

This Report is based on information obtained from sources that Bryan Garnier & Co. Ltd. believes to be reliable and, to the best of its knowledge, contains no misleading, untrue or false statements but which it has not independently verified. Neither Bryan Garnier & Co. Ltd. and/or Bryan Garnier Securities LLC make no guarantee, representation or warranty as to its accuracy or completeness. Expressions of opinion herein are subject to change without notice. This Report is not an offer to buy or sell any security.

Bryan Garnier Securities, LLC and/or its affiliate, Bryan Garnier & Co Limited may own more than 1% of the securities of the company(ies) which is (are) the subject matter of this Report, may act as a market maker in the securities of the company(ies) discussed herein, may manage or co-manage a public offering of securities for the subject company(ies), may sell such securities to or buy them from customers on a principal basis and may also perform or seek to perform investment banking services for the company(ies).

Bryan Garnier Securities, LLC and/or Bryan Garnier & Co Limited are unaware of any actual, material conflict of interest of the research analyst who prepared this Report and are also not aware that the research analyst knew or had reason to know of any actual, material conflict of interest at the time this Report is distributed or made available....