



Investment Research

Reason: Company Newsflow

4 January 2013

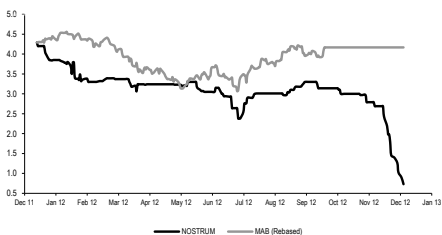
## U. Revision

**Share price: EUR 0.70**

closing price as of 02/01/2013

**Target price: U. Rev**

| Reuters/Bloomberg                   | NOS.MC/NOS.SM |
|-------------------------------------|---------------|
| Daily avg. no. trad. sh. 12 mth     | 1,508         |
| Daily avg. trad. vol. 12 mth (m)    | 0.00          |
| Price high 12 mth (EUR)             | 4.29          |
| Price low 12 mth (EUR)              | 0.73          |
| Abs. perf. 1 mth                    | -73.8%        |
| Abs. perf. 3 mth                    | -77.9%        |
| Abs. perf. 12 mth                   | -83.0%        |
| <b>Market capitalisation (EURm)</b> | <b>3</b>      |
| Current N° of shares (m)            | 4             |
| <b>Free float</b>                   | <b>28%</b>    |



Shareholders: (Post Conversión) Socios Ejecutivos 47%; Fundación Universitaria de Navarra 21%; NWG 5%;

For company description please see summary table footnote

## Nueva revisión a la baja del plan de negocio y deterioro de la visibilidad a corto plazo. Ponemos la recomendación y valoración bajo revisión

Aunque hace sólo unos meses Nostrum ya había revisado a la baja sus resultados y se abría la posibilidad a una mejora en la segunda parte del año, la empresa publicó ayer que debido a la cancelación de ciertos trabajos en curso, los objetivos revisados no se podrán cumplir y las expectativas para los próximos meses deben ser revisadas.

- ✓ **La empresa ha presentado una evolución de los resultados a octubre del año pasado que contienen unas pérdidas de 7,9 millones de euros.** Estas pérdidas son el resultado de la cancelación de trabajos en curso, lo que además obliga a reconocer los costes en que se han incurrido para esos trabajos. Adicionalmente se han provisionado los trabajos no cobrados con más de un año de antigüedad de algunos clientes. **Estos conceptos suman 5 millones de pérdidas que no son recurrentes según la compañía.**
- ✓ El resto de las pérdidas a octubre, hasta los 7,9 millones de euros, se deben a la reducción de la actividad en España y a la pérdida de ciertos contratos importantes en Latinoamérica. **Dado que a cierre de junio de 2012, Nostrum perdió 1,8 millones de euros, incluso restando los 5 millones no recurrentes, los números muestran que la recuperación esperada por la empresa hace sólo unos meses, no solo no se ha cumplido, sino que el deterioro se ha acelerado.**
- ✓ Ante este entorno de deterioro de actividad, parte derivada del contexto de la economía y parte por la pérdida de clientes clave, con actividad en España y en mercados extranjeros, **la empresa ha anunciado un programa de reducción de personal (ERE), con un coste de 550.000 euros, que se completará en breve, y cuya ejecución está influenciando la marcha normal de la empresa.**
- ✓ **Con la información existente es complicado separar el impacto que la pérdida de clientes y la reducción de personal, tendrá en la capacidad de la empresa de generar resultados recurrentes y qué parte de dicho impacto es no recurrente.**
- ✓ En el Hecho Relevante se mencionan tres aspectos que hasta que no estén aclarados o cuantificados, reducen la visibilidad y son: el inicio de acciones legales contra algunos clientes (lo que por lógica implica la pérdida de esos clientes), la continuidad de provisiones a la baja en el negocio y la renegociación de compromisos de pago a corto plazo.
- ✓ Adicionalmente hay otros aspectos muy relevantes para la valoración de la empresa, que pueden estar en negociación, como son el futuro del préstamo participativo de New Winds Group y los pagos pendientes por la adquisición de "Ñ" (aunque esto último es una hipótesis nuestra).
- ✓ Por todo ello, nuestras actuales estimaciones y valoración no son válidas y necesitan de una profunda revisión que con la actual información no es posible. **Esto nos conduce a poner dichas estimaciones, valoración y recomendación en revisión, hasta el momento en que la empresa esté en disposición de proporcionar la información necesaria.**

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## ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.

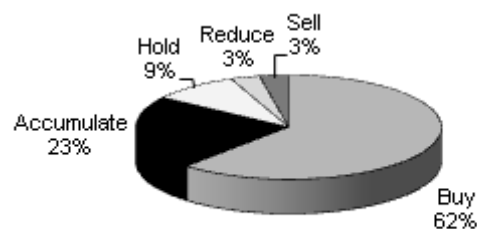
The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy, Accumulate (or Add), Hold, Reduce and Sell (in short: B, A, H, R, S)**.

Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

### Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 20%** during the next 12 months time horizon
- **Accumulate:** the stock is expected to generate total return of **10% to 20%** during the next 12 months time horizon
- **Hold:** the stock is expected to generate total return of **0% to 10%** during the next 12 months time horizon.
- **Reduce:** the stock is expected to generate total return of **0% to -10%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -10%** during the next 12 months time horizon
- **Rating Suspended:** the rating is suspended due to a capital operation (take-over bid, SPO, ...) where the issuer of the document (a partner of ESN) or a related party of the issuer is or could be involved or to a change of analyst covering the stock
- **Not Rated:** there is no rating for a company being floated (IPO) by the issuer of the document (a partner of ESN) or a related party of the issuer

Bankia Bolsa Ratings Breakdown

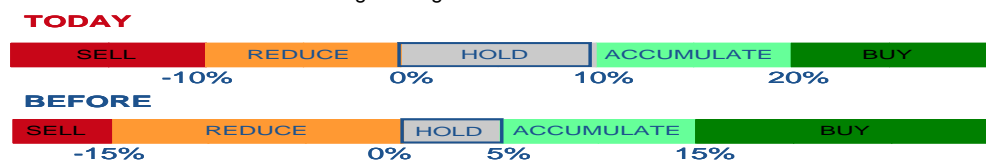


### History of ESN Recommendation System

**Since 18 October 2004**, the Members of ESN are using an Absolute Recommendation System (before was a Relative Rec. System) to rate any single stock under coverage.

**Since 4 August 2008**, the ESN Rec. System has been amended as follow.

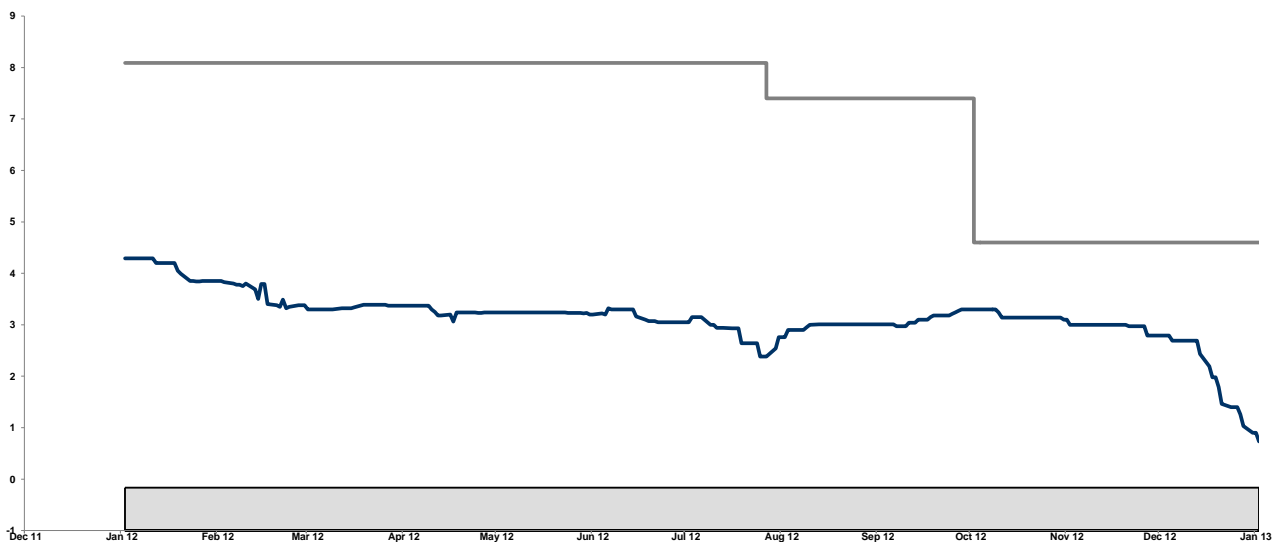
- Time horizon changed to 12 months (it was 6 months)
- Recommendations Total Return Range changed as below:



**Recommendation history for NOSTRUM**

| Date      | Recommendation | Target price | Price at change date |
|-----------|----------------|--------------|----------------------|
| 02-Oct-12 | Buy            | 4.60         | 3.30                 |
| 27-Jul-12 | Buy            | 7.40         | 2.38                 |
| 08-Nov-11 | Buy            | 8.09         | 4.35                 |
| 21-Sep-11 | Buy            | 8.11         | 4.40                 |
| 02-Sep-11 | Buy            | 8.11         | 4.40                 |
| 26-May-11 | Buy            | 8.11         | 4.63                 |

Source: Factset & ESN, price data adjusted for stock splits.  
 This chart shows Bankia Bolsa continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Maria Rivas Rodriguez (since 26/05/2011)



Information regarding Market Abuse and Conflicts on Interests and recommendation history available in our web page: [www.bankiabolso.es](http://www.bankiabolso.es) and our offices.

As of the date of this report, Bankia Bolsa S.V.S.A acts as agent or liquidity provider for Nostrum RNL S.A, and has in the last 12 months, participated as lead or co-lead manager in corporate operations with the security mentioned in this report.

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