Equity Research

11 September 2012

Let's Gowex

Telecom

Buy

7.5€	Price on 10/09/12
€12.8 vs €11.5	Target Price

ALGOW.PA - ALGOW FP - ES0158252017

Company contact: TP raised to 12.8 €

- High growth in network exploitation revenues, validating Gowex strategy
- Growth mix beneficial to gross margin increase
- TP increased to €12.8 vs. €11.5. Buy recommendation reiterated

Network exploitation revenues growth accelerates...

In the cities where its Smart Cities offering is rolled out, Gowex now considers it is fully benefiting from the network effect prompted by its size. As such, the company posted a surge in revenues from offloading and roaming services on the back of a larger installed client base and also higher usage per client. Thanks to this network effect, the media platform also benefited from robust momentum during H1.

In all, revenues from the operation of hotspots networks more than doubled over H1, thereby validating the relevance of Gowex' business model and helping offset lower growth in engineering revenues over the period.

...helping to offset lower growth in engineering

During H1 2012, Gowex rolled out its Smart Cities offering in eight new cities, bringing the total number of cities equipped to 60. This figure was slightly disappointing in that it was the same as in H1 2011 whereas we were forecasting 12 new cities to be rolled out over H1.

The group's new strategy aimed at investing more in new projects also slowed sales growth in the engineering segment during H1. However, the strategy favours momentum in recurring revenue growth over the long-term since it secures the operation of wifi hotspots.

Growth mix beneficial to profitability increase

Although Gowex reported H1 2012 sales of €41m in line with our forecasts, the growth mix proved to be fairly different. This configuration is more beneficial for improving the group's margins in that the roaming/offloading and media businesses carry far higher gross margin rates than those in the engineering segment.

We are therefore forecasting a 3.5 percentage point widening in gross margin in 2012 (vs. 1.0 points previously). As such, whereas we were forecasting a stable y/y EBITDA margin in 2012, we are now forecasting a 2.5 point widening to 28.3% (representing FY 2012 EBITDA of €28.1m vs. €24.9m). We have also increased our EBITDA margin estimates by 1.0 point for 2013 and 2014 in view of the faster than expected adoption of high-margin services. Beyond then, we remain cautious in terms of margin growth at Gowex and are making no change to our forecasts (EBITDA margin to converge at around 20% further out). Our target price now stands at €12.8 (vs. €11.5 previously), pointing to upside potential of 70%. We reiterate our Buy recommendation.

Market information

Capitalisation	**€ 97.0 m**
Nb of shares	**12.9 m**
Free float (%)	**25**
High/low 12 m	**€ 7.50 / 4.33**

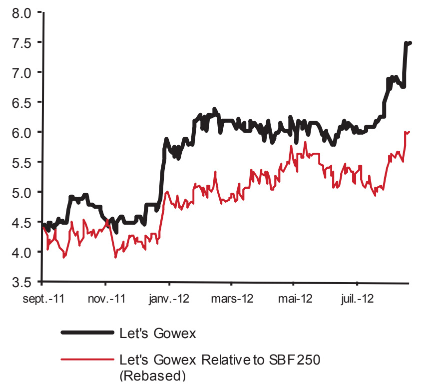
Performances

(%)	1m	3m	12m
Absolute Perf.	20.97	21.36	65.20
Relative Perf.	18.59	6.40	41.10

Financial data

On 31/12	2011	2012E	2013E	2014E
(€m)				
Sales	66.7	99.2	129.1	167.1
EBITDA	16.5	28.1	33.5	43.1
EBIT (restated)	9.5	19.3	21.4	28.8
EBIT	9.5	19.3	21.4	28.8
Rep.Net Att.Inc.	7.2	14.8	16.5	22.1
Rest.Net Att.Inc.	7.2	14.8	16.5	22.1
(€)				
Adj. EPS	0.56	1.14	1.28	1.71
(X)				
EV/Sales	0.50	0.68	0.45	0.25
EV/EBITDA	2.02	2.39	1.73	0.99
EV/restated EBIT	3.5	3.5	2.7	1.5
PE (reported)	8.2	6.6	5.9	4.4
PE (restated)	8.2	6.6	5.9	4.4
(%)				
Yield	3.6	3.5	4.8	6.2
ROCE	54.8	80.8	73.4	89.9
Gearing	-63.0	-62.6	-64.1	-69.4

Stock performance



Source : FactSet

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Financial data (Let's Gowex)

Profit and loss accounts (€m) (31/12)	2010	2011	2012E	2013E	2014E	TMVA 11/14E
Sales	49.6	66.7	99.2	129.1	167.1	35.8%
%ch	*41.1%*	*34.4%*	*48.7%*	*30.1%*	*29.4%*	
EBITDA	9.4	16.5	28.1	33.5	43.1	37.7%
%ch	*69.8%*	*76.2%*	*69.9%*	*19.5%*	*28.5%*	
EBIT (restated)	6.3	9.5	19.3	21.4	28.8	44.6%
%ch	*74.7%*	*51.9%*	*102.9%*	*11.1%*	*34.2%*	
EBIT (reported)	6.3	9.5	19.3	21.4	28.8	44.6%
Financial income	0.1	0.1	0.5	0.6	0.8	
Pre-tax current income	6.3	9.6	19.8	22.0	29.6	45.5%
Corporate tax	- 1.2	- 2.4	- 5.0	- 5.5	- 7.4	
Income from equity investees	0.0	0.0	0.0	0.0	0.0	
Net Att. income (reported)	5.1	7.2	14.8	16.5	22.1	45.5%
Net Att. income (restated)	5.1	7.2	14.8	16.5	22.1	45.5%
%ch	*78.4%*	*40.2%*	*105.7%*	*11.5%*	*34.1%*	
Balance sheet (€m)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
Shareholders'Equity	22.9	35.1	47.8	61.0	78.4	
Fixed Assets	7.9	15.6	28.2	37.6	46.7	
Net debt	- 9.3	- 22.1	- 29.9	- 39.1	- 54.4	
WCR	6.8	- 0.3	- 0.4	- 0.1	- 0.2	
Financing chart (€m)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EBITDA	9.4	16.5	28.1	33.5	43.1	
change in WCR	- 0.8	2.5	0.1	- 0.2	0.0	
capex	5.8	10.0	16.4	16.4	18.4	
free cash flow	4.2	3.9	9.2	12.4	19.1	
financial investment less disposal	0.0	0.0	0.0	0.0	0.0	
Distribution	0.0	0.8	2.1	3.4	4.7	
Capital increase	5.5	6.3	0.0	0.0	0.0	
Net debt change	- 6.6	- 12.9	- 7.8	- 9.1	- 15.3	
Financial Ratios (%)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EBITDA/Sales	18.9	24.8	28.3	26.0	25.8	
Ebit margin restated	12.6	14.2	19.4	16.6	17.2	
Restated net margin	10.3	10.8	14.9	12.8	13.2	
Net debt / equity	- 40.4	- 63.0	- 62.6	- 64.1	- 69.4	
Net debt / EBITDA	- 98.9	- 134.1	- 106.7	- 116.6	- 126.3	
ROCE	37.3	54.8	80.8	73.4	89.9	
ROE	22.4	20.5	30.9	27.1	28.2	
Data per share (€)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EPS adjusted	0.45	0.56	1.14	1.28	1.71	45.5%
CFPS	0.59	1.38	2.03	2.24	2.97	29.0%
DPS	0.06	0.16	0.26	0.36	0.46	41.7%
Market Ratios (x)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EV/Sales	0.57	0.50	0.68	0.45	0.25	
EV/EBITDA	3.0	2.0	2.4	1.7	1.0	
EV/EBIT (restated)	4.5	3.5	3.5	2.7	1.5	
PE (restated)	7.9	8.2	6.6	5.9	4.4	
P/CFPS	6.0	3.3	3.7	3.4	2.5	
P/BVPS	1.78	1.67	2.03	1.59	1.24	
Payout (%)	14.1	29.2	23.0	28.4	27.0	
Yield (%)	1.8	3.6	3.5	4.8	6.2	

Detection of potential conflicts of interest

Investment banking	Liquidity provider	Corporate links	Analyst's personal interest	Detention of assets of the issuer	Communication to the issuer	Other sources of conflicts of interests
No	Yes	Yes	No	No	No	No

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This document may feature three types of recommendation for the next six months:

Buy: The stock shows upside of more than 15% in absolute terms, and its fundamentals are satisfactory to excellent.

Hold: The stock's valuation is between -15% and +15% from the current price in absolute terms.

Sell: The stock shows downside of more than 15% in absolute terms, and shows poor fundamentals or an excessive valuation.

We may refer to various valuation methods:

DCF: The DCF (discounted cash flow) method consists of valuing a company on the basis of cash flows, whose present value is calculated by discounting them at the average rate of return demanded by shareholders and creditors. The discount rate used is the weighted average cost of capital (WACC), which represents the average of the company's cost of debt and its theoretical cost of capital as estimated by the analyst, with each component given the appropriate weighting.

Transaction multiples: Valuation multiples shown by completed transactions involving companies in the same sector are applied to the stock.

Peer-group comparison: After putting together a sample of comparable listed companies, the average valuation multiples shown by the sample are applied to the stock to give a reference valuation for the current year and the next two years.

NAV / sum-of-the-parts: The market value or adjusted book value of each asset on the balance sheet is calculated using a variety of appropriate methods.

Discounted dividends: Future dividend flows are discounted using an appropriate discount rate (usually the theoretical cost of equity).

EVA: The EVA (economic value added) method, invented by Stern Stewart & Co., takes into account the value created by the company, based on the differential between its return on assets and its weighted average cost of capital.

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Wednesday, 30 May 2012

Let's Gowex

Telecom

Buy

€6,17	Price on 29/05/12
€11,5 vs €7,8	Target Price

ALGOW.PA - ALGOW FP - ES0158252017

More than ever on the right hot spot

- Growth drivers more efficient than ever
- A solid pipeline and a sharpened business model
- Buy recommendation reiterated. TP raised to €11.5 vs. €7.8

Growth drivers are more efficient than ever

For several years now, Gowex's business has been driven by the boom in demand for mobile data, prompted by the momentum in mobile devices adoption (smartphones and tablets) and new internet services (VoIP, streaming, etc.).

This momentum now seems to be accelerating and telecom operators are increasingly less capable of meeting demand given the current economic crisis. As such, Wifi hotspot networks are more than ever a strong alternative to 3G and 4G networks, thereby making Gowex a growth stock with a somewhat defensive character.

A solid pipeline and a sharpened business model

In this backdrop, Gowex boasts high growth in the pipeline for its Wifi offering. The group is able to be selective and thereby diversify geographically while signing profitable projects. Furthermore, Gowex is gradually set to increase direct investments in the network of Wifi hotspots in order to secure the operation of these infrastructures and capture higher margins.

Heading for another year of high and profitable growth

We expect the group to enjoy another year of high growth in 2012 in view of 1/ its extensive pipeline in the engineering business, 2/ the automatic growth in sales prompted by interconnection and the media platform, given the growth of the number of Wifi hotspots networks managed, as well as 3/ more buoyant sales in the telecom business.

The group should also post higher gross margin and EBIT margin on the back of the rising momentum of Gowex Wireless business unit.

Buy recommendation reiterated. TP increased to €11.5 vs. €7.8.

The group's attractive growth prospects and its ability to self-finance rising investments in Wifi hotspot networks (infrastructure offering a rapid ROI), have prompted us to raise our medium-term estimates and our TP to €11.5 per share.

At €11.5, Gowex would still be trading on a 38% discount to its main US peers (Boingo, iPass and Towerstream) adding weight to our positive stance on the share.

Market information

Capitalisation	€ 79,8 m
Nb of shares	12,9 m
Free float (%)	25
High/low 12 m	€ 6.40 / 4.33

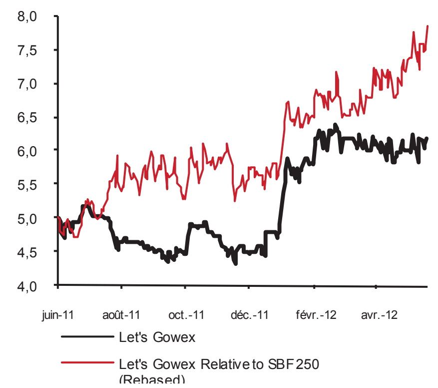
Performances

(%)	1m	3m	12m
Absolute Perf.	0,33	-2,06	34,13
Relative Perf.	6,33	8,62	68,13

Financial data

On 31/12	2011	2012E	2013E	2014E
(€m)				
Sales	66,7	99,3	128,6	163,3
EBITDA	16,5	24,9	32,2	41,1
EBIT (restated)	9,5	16,1	19,2	25,2
EBIT	9,5	16,1	19,2	25,2
Rep.Net Att.Inc.	7,2	12,4	14,7	19,3
Rest.Net Att.Inc.	7,2	12,4	14,7	19,3
(€)				
Adj. EPS	0,56	0,96	1,14	1,50
(X)				
EV/Sales	0,50	0,57	0,40	0,24
EV/EBITDA	2,02	2,29	1,62	0,95
EV/restated EBIT	3,5	3,5	2,7	1,5
PE (reported)	8,2	6,4	5,4	4,1
PE (restated)	8,2	6,4	5,4	4,1
(%)				
Yield	3,6	4,3	5,9	7,5
ROCE	54,8	53,5	49,5	62,1
Gearing	-63,0	-50,3	-48,9	-57,4

Stock performance



Source : FactSet

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Contents

Gowex overview

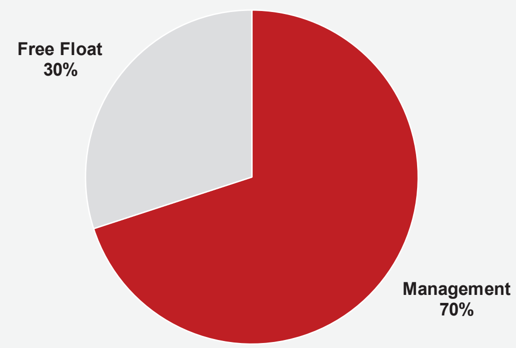
Business

Gowex is a Spanish telecom company which is organised into two business units:

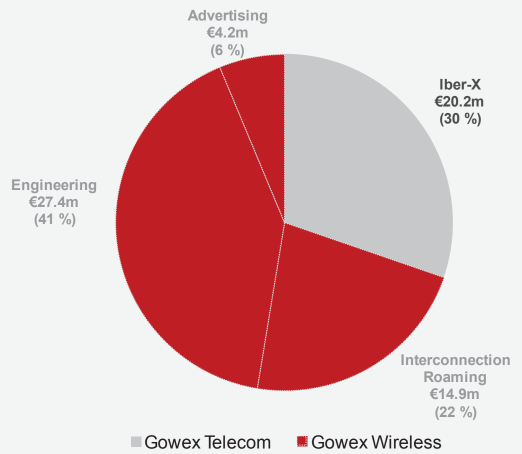
- Gowex Telecom (30% of 2011 sales), which operates a telecom bandwidth exchange platform.
- Gowex Wireless (70% of 2011 sales), which 1/ installs and operates free wifi networks for municipalities and transportation agencies; 2/ sells interconnection and roaming services via its networks of Wifi hotspots.

The company was created in 1999 and has enjoyed extremely robust growth over the past 10 years. It is now set to take on a new dimension thanks to an aggressive strategy to expand internationally.

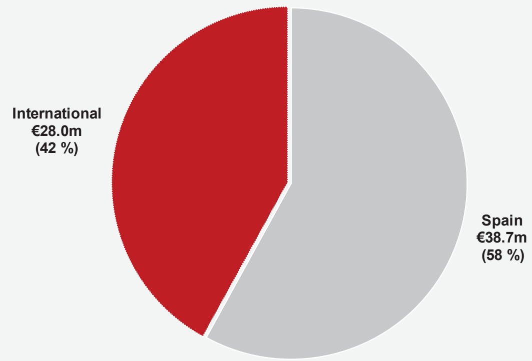
Share ownership on 31/12/2011



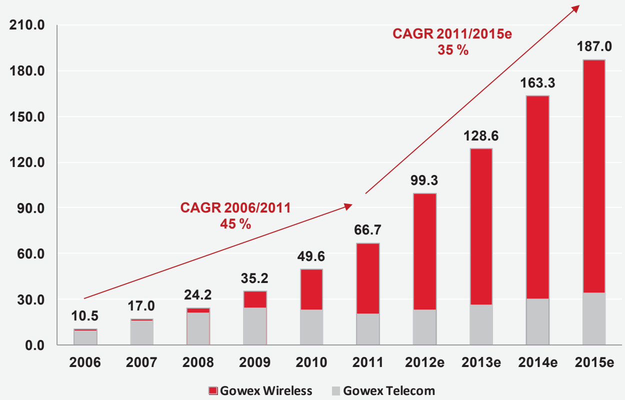
Breakdown of 2011 sales by business



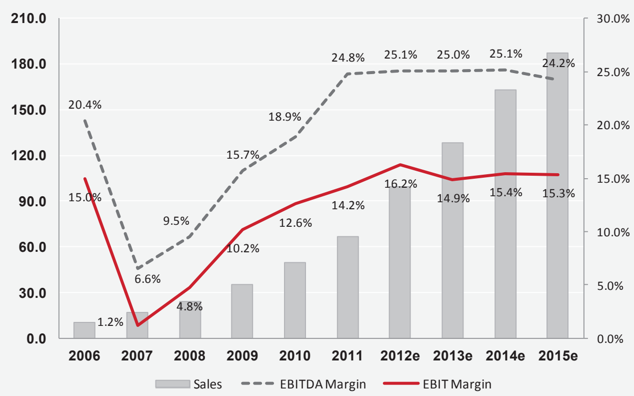
Breakdown of 2011 sales by region



Change in sales



Change in margins



Source: Gowex, Aurel-BGC

SWOT analysis

Strengths	Weaknesses
☐ A pioneer and leader in the Spanish and South American markets ☐ Increasing commercial appeal thanks to the network effect reached in Spain and soon in Latin America. ☐ An innovative and patented proprietary technology. ☐ An original win/win business model. ☐ High innovative capacity and a proactive attitude. ☐ A robust balance sheet (€20m in net cash on 31 December 2011). ☐ 63% of 2011 revenues can be considered recurring.	☐ Gowex only owns a portion of its hotspot networks. ☐ The group is rapidly expanding and needs to structure itself and recruit staff. ☐ Primarily exposed to Spanish speaking markets at present. ☐ Technology is not patented in China. ☐ Low liquidity on the market and share not very well known today.

Opportunities	Threats
☐ A huge market opportunity: the development of smartphones and tablets has massively increased mobile data traffic and caused the saturation of 3G networks. ☐ Difficulty for European and US telecom operators to increase their capex in order to make up for the saturation of 3G networks. ☐ Very large and fragmented potential market, especially on the international front in emerging markets. ☐ Targeted acquisitions in order to step up growth. ☐ IPO in a more liquid market in 2012 or 2013.	☐ New entrants boasting significant financial capacity, especially mobile telecom operators, likely to develop directly Wifi hotspot networks in order to make up for saturated 3G networks. ☐ Faster than expected and more extensive development of 4G. ☐ Risk of losing concessions of municipalities' networks. ☐ Risk of failing to reach the critical mass necessary to enable network effect and boost revenues. ☐ End of government aid and regulatory back-up for R&D. ☐ Change in laws on protection of personal information.

More than ever on the right hot spot

Review of Let's Gowex positioning

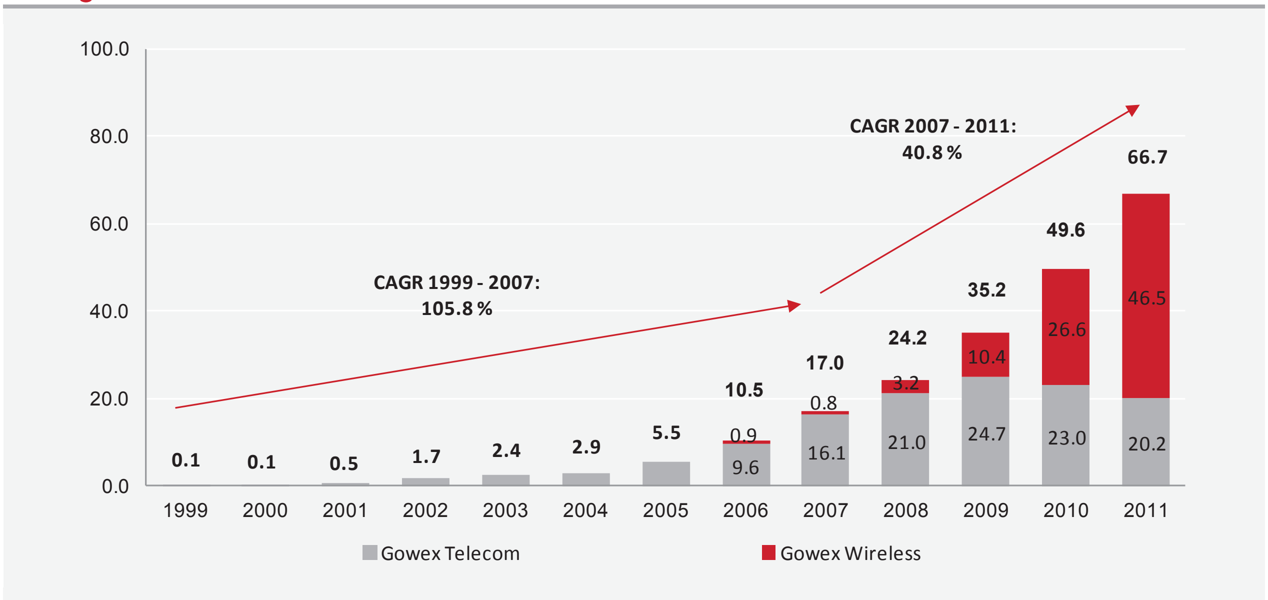
Let's Gowex is a Spanish group created in 1999 specialised in telecommunications services. It currently has two business units:

- **Gowex Telecom (30% of 2011 sales)**, the group's historical business unit, which operates a bandwidth trade exchange in Spain.
- **Gowex Wireless (70% of 2011 sales)**, a business unit launched in 2007 and housing three businesses based on Wifi networks: 1/ an interconnection and roaming platform for Wifi operators, 2/ a turnkey installation, maintenance and operation service for Wifi hotspot networks (which are physical relays enabling access to the Wifi network), in municipalities and transportation agencies, and eventually 3/ a geolocated advertising platform.

Gowex grew rapidly between 1999 and 2007, with sales rising from zero to €17m over the period, thanks to the relevance of its Iber-X exchange for trading bandwidth between telecom players. The highly recurring revenues from services and trading enabled the group to confidently finance the development of a new business between 2004 and 2007, namely Gowex Wireless.

Bolstered by the success of the wireless business unit launched in 2007, Gowex continued to post a top-notch track record in growth (CAGR of 41% a year over 2007-11), despite the fact that sales in the telecom business have been falling since 2010 given a change in accounting method.

Change in Gowex revenues over 2006-11



Source: Gowex, Aurel BGC

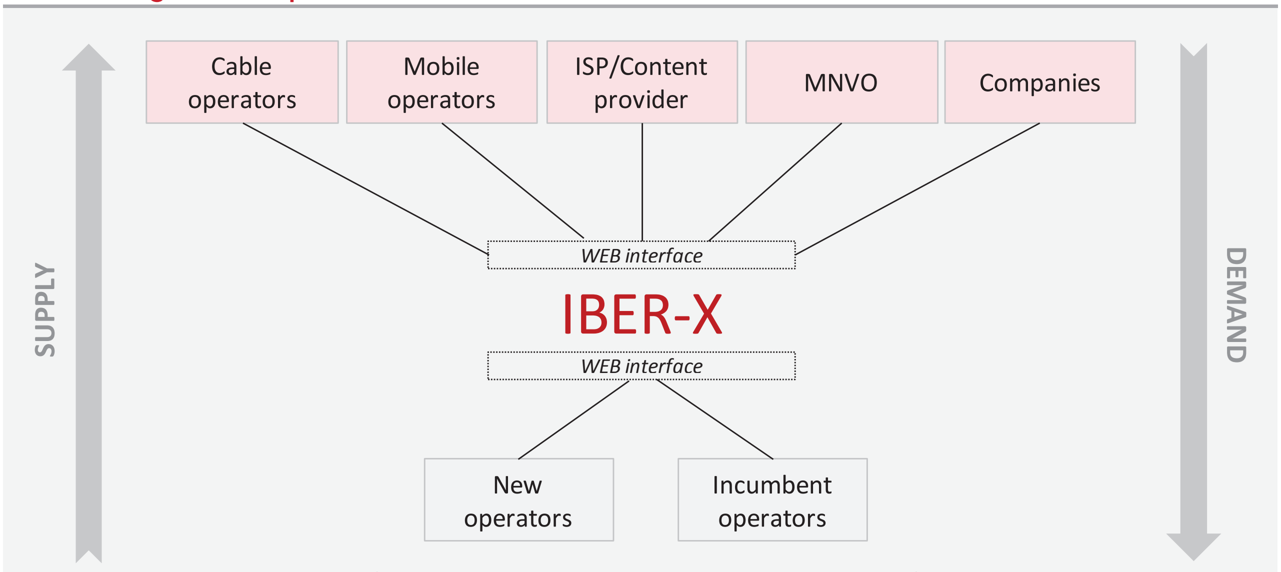
Historical business of bandwidth trading exchange...

A leading platform in the Spanish market

Gowex was created in 1999 with the launch of Iber-X, a bandwidth trading exchange destined for the Spanish telecom market. The Iber-X platform enables buying and selling of bandwidth between members of the exchange, real or virtual telecom operators, companies, services or internet content providers etc. The capacities exchanged are destined for pure internet navigation, VoIP, VPN and downloading etc.

The platform actually has 25 companies that really use it, among which Seasuntel, Línea Informática, Level3, Recoletos, Once, Acciona, Telefónica, El Corte Inglés, and Unión Fenosa. In this business, the main source of revenues for Gowex stems from brokerage commissions on operations undertaken by its members. Indeed, Gowex has historically levied brokerage fees of 10-15% depending on the volumes traded on each operation on Iber-X, although this commissioning level has dropped significantly in recent years.

Functioning of Iber-X platform



Source: Gowex, Aurel-BGC

High demand in volume but margin is under pressure

The market remains buoyant in terms of growth in traded bandwidth volumes in view of: 1/ the boom in the number of mobile handsets connected (smartphones, tablets etc) and 2/ the rising momentum of new services requiring a lot of bandwidth, namely VoIP, Visio Conference etc. However, despite the massive increase in the amount of volumes traded on the Iber-X platform, the business has reached a certain degree of maturity and this implies pressure on prices and on margins.

As such, whereas the Iber-X platform has posted robust growth in traded volumes, Gowex has reported a steady decline in gross margin on the business, this having narrowed from 30% when it was created in 1999 to around 10% at present. Note that this low level of gross margin was historically linked to the fact that Gowex booked under sales the volumes stemming from buy/sell operations on behalf of its users and which carried no margins, and which can be viewed more in terms of business volumes rather than actual revenue.

Since 2010, Gowex has started negotiations with all of its members in order to eliminate brokerage services for this trading platform and thereby stop billing on behalf of its members. The group should therefore gradually stop booking all revenues and purchase costs as it was the case so far, thereby prompting a plunge in revenues from the telecom business albeit with no impact on Gowex' gross margin.

Restoring more buoyant momentum

Gowex has noted a stabilisation in prices for this business since the middle of 2011. This stabilisation combined with a surge in volumes has enabled the group to post high growth in overall revenues (including sales concerned by disintermediation). Indeed, excluding the impact of disintermediation, 2011 telecoms sales would have totalled €48.3m, showing growth of 79% relative to the amount reported by Gowex in 2010 on a same-structure basis.

The disintermediation process prompted a further decline of 12.2% in 2011 telecoms sales after a fall of 7% in 2010. However, as mentioned, this trend has not affected gross margin. Given the stabilisation of prices and the surge in volumes, the telecom business even reported a surge in gross margin in 2011 to €5.8m (+35 % vs. €4.3m in 2010).

Disintermediation is set to end in 2012, thereby enabling better visibility on the business's growth profile. Furthermore, Gowex estimates that the business looks buoyant for 2012, with further significant growth in volumes and resilient prices, such that we can expect a widening in gross margin over the year.

Change in Gowex telecom sales with and without disintermediation revenues

€m	2009	2010	2011
Restated Sales (including disintermediated sales)	24.8	27.0	48.3
Cost of goods sold	-20.0	-22.7	-42.5
Restated gross margin	4.8	4.3	5.8
Gross Margin as % of restated Sales	19.4%	15.9%	12.3%
Disintermediated sales	0.0	-4.0	-28.1
Released Sales	24.8	23.0	20.2
Cost of goods sold	-20.0	-18.7	-14.3
Released gross margin	4.8	4.3	5.8
Gross Margin as % of released Sales	19.4%	18.7%	28.8%

Source: Let's Gowex

…making way for a new success story: Gowex Wireless

Numerous revenue sources…

Between 2004 and 2007, Gowex developed two technological assets enabling it to surf on the boom in the Wifi market, a technical solution helping to make up for certain inadequacies in 3G networks:

- **A Wifi interconnection and roaming platform:** this platform enables Gowex to provide a given client access to all of its member hotspots throughout the world in return for the client sharing its hotspot network and paying an interconnection fee: Gowex has partnerships with around 90 hotspot network operators throughout the world.

  The platform also enables offloading, namely the connection between Wifi and 3G networks and hence, an alternative to 3G networks once they are saturated as some of the data traffic is redirected to Wifi networks. Gowex has partnerships with five operators in this segment.

  Finally, Gowex is also able to generate revenues stemming directly from end users via premium subscriptions providing access to value added internet services: Gowex has partnerships with players such as Skype and Bloomberg.

- **An advertising platform:** this platform enables Gowex to monetise end-user audiences via geolocated advertising. At this stage, revenues stemming from this platform are marginal in the group's business, although their weight should increase gradually in coming years once the group boasts hefty traffic levels.

In order to provide genuine value to Gowex clients and generate significant revenues, these software platforms need to be backed up by extensive hotspot networks. Since Gowex does not have sufficient financial resources to rapidly develop this type of network directly, the group decided to:

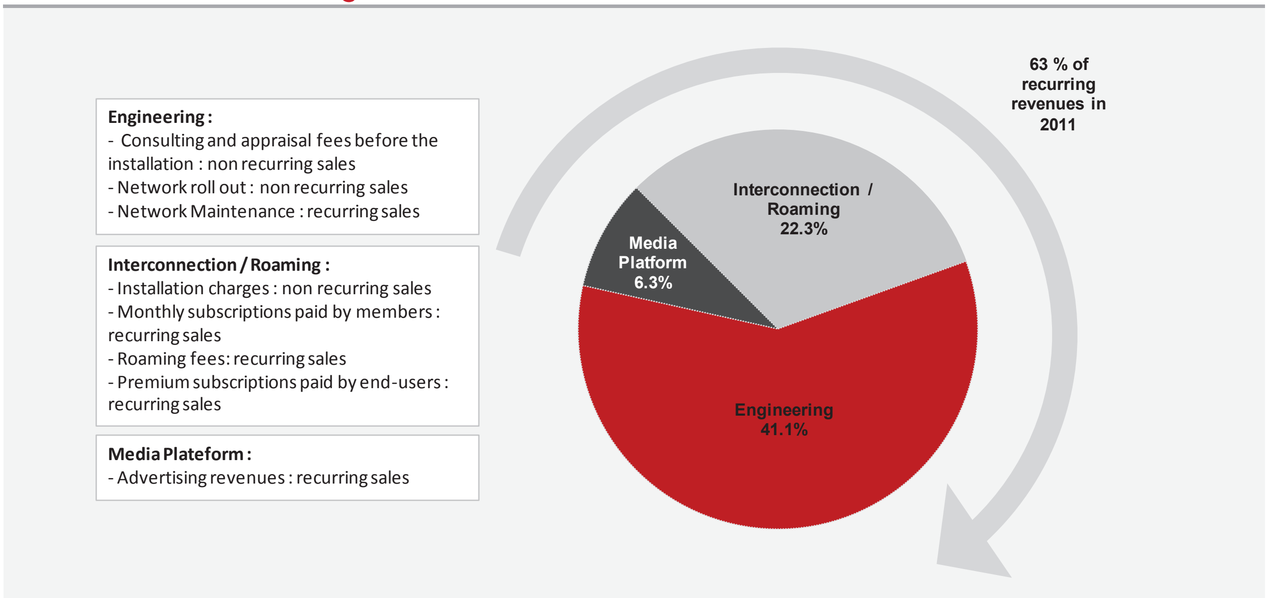
- Rely on existing hotspot networks: under this framework, via its platform, Gowex plays the role of intermediary between the owner of the hotspot network and operators who would like to use the network.
- Undertake project ownership assistance for third parties boasting genuine financial clout and aiming to roll out a Wifi hotspot. Gowex has initially focused on Spanish municipalities and is set to target universities, transport agencies and other private companies.

The position of project ownership assistance is particularly strategic since it not only enables Gowex to pocket substantial engineering revenues during the design and roll-out phases of the hotspot networks, but also enables it to take positions downstream during the maintenance and operating phases of these networks and to associate its advertising platform.

…that are highly recurring

Engineering revenues, stemming from the design and the roll-out of networks, currently account for the lion's share of sales generated by Gowex Wireless since the group is in the phase of setting up its network and since new projects are flourishing. Gradually, the share of recurring revenues stemming from 1/ network maintenance, 2/ the operation of the network, through interconnection and roaming fees, and finally 3/ the media platform, is set to increase. In this respect, 63% of Gowex Wireless' 2011 sales were recurring vs. "just" 55% in 2010.

Revenue sources stemming from the Gowex Wireless business in 2011



Source: Gowex

The wireless offering should also enable Gowex to diversify in geographic and sector terms.

1/ in geographic terms: historically, Gowex was only present in Spain via its bandwidth exchange business, which is difficult to transpose outside Spain since significant telecom markets are already highly competitive.

The development of the Gowex Wireless offering has enabled Gowex to cross the Spanish borders, especially via the contracts signed in South America (Buenos Aires, Gody Cruz, Mendoza, etc.), in France (Bordeaux) and China (Naijing). Revenues stemming from international activities accounted for 42% of Gowex' 2011 sales vs. around 30% in 2010.

2/ in sector terms: Gowex now targets a number of sectors: municipalities and universities as well as transport agencies. Gowex also intends to develop its offering in the private sector, initially via retailers, city billboard companies and services points.

A healthy pipeline and robust growth drivers

As a reminder, in 2011 Gowex reported sales up 34.5% to €66.7m, in line with its target for sales of €60-70m. However, management pointed out that business indicators were ahead of targets both in terms of the number of towns equipped and the number of transport agencies. In this respect, the prospect of a 60% increase in the pipeline announced by the company gives us confidence in the growth momentum for 2012. At this stage, only the pace of growth in revenues from the media platform seems somewhat disappointing.

Robust business metrics with local authorities and transport agencies

At end-2011, Gowex was present in 52 towns via its Wifi Cities offering, well ahead of its initial target of 45. This performance was all the more interesting in that Gowex' management added that the size of the towns equipped is generally higher than it expected. Boasting this track record, Gowex would now like to focus its efforts on major cities that would enable the group to 1/ enhance its reputation and credibility and also 2/ offer cheaper installation costs per inhabitant.

Concerning transport agencies, Gowex has multiplied by seven the number of contracts underway with 15 agencies equipped so far, and despite the fact that management did not have a particularly high sales target in this segment.

As such, on the back of these business metrics, engineering revenues received by Gowex were extremely robust in 2011 (sales of €27m, up 90%), as were revenues from the interconnection and roaming platform (sales of €15m, up 75%). Despite these excellent performances, the group did not exceed its full-year sales target given that revenues at Gowex Telecom fell due to the disintermediation process, while those generated by the media platform were somewhat disappointing.

The disappointing performance by the media platform stemmed from Gowex' short-term aim to focus on increasing the number of towns and transport networks covered in order to secure user volumes, before optimising the operation of this platform.

Key metrics of Gowex Wireless business

As of 12/31	2011	2010	Var.
Wifi Cities	52	30	+ 73%
Transportation agencies	15	2	X 7
Freemium users	740 K	340 K	+ 117%
Pages viewed	4.600 K	1.700 K	+ 170%
Roaming operators	95	65	+ 38%

Source: Gowex

Commercial activity at Gowex remains buoyant, with an increase in the pipeline of 60% at end-2011 in terms of opportunities with municipalities, transportation agencies and other players eligible for the Wifi offering. This momentum suggests further high growth in revenues stemming from the design and roll-out of Wifi networks. Furthermore, in addition to these sales the group also books recurring revenues stemming from the maintenance of existing networks.

PPP in order to capture more value added

Bolstered by a net cash pile of €20m and its partnership with CRSC enabling the group to obtain attractive financing solutions for equipment, Gowex is now aiming to bring back in house a rising share of the hotspot networks on which its platforms rely. This should enable Gowex to **1/ secure operation of infrastructure** (at present Gowex negotiates multi-year contracts with local authorities in order to operate hotspot networks) and **2/ capture a greater share of the value generated by their operation.**

In 2011 Gowex invested around €8m in developing Wifi infrastructures by co-investing primarily via public-private partnerships (PPPs) and in the future, the group would like to increase the share of this type of agreement in its project mix. On a case-by-case basis, Gowex could also buy back a number of Wifi hotspot networks already in place.

As such, it remains difficult to accurately estimate the amounts the group is likely to invest in 2012 and beyond in this type of project in that the agreements are to be negotiated on a case-by-case basis. However, in view of their high margins and strategic interest, we estimate that a rise in the share of projects undertaken as a joint investment in the group's project mix would clearly be positive for Gowex' valuation.

Indeed, even though the lifespan of equipments in place is fairly short (four years on average), **the numerous sources of revenues and their high profitability enable the group to obtain a return on investment as of the third year.** Furthermore, during equipment renewal phases, ROI is even faster given that the amounts invested are lower and the revenue sources are already in place.

Growth drivers at Gowex Wireless remain intact

Momentum in Gowex Wireless business is primarily driven by the rising need for data volumes transiting via wireless networks and the inability of telecom operators to meet this increasing demand. However, these growth drivers are being confirmed, if not accentuated as the quarters go by:

1/ Growth in mobile data flows set to continue at a robust pace:

- **Global sales of smartphones and tablets are continuing to grow at an impressive pace** in mature countries and their adoption is beginning to take off in emerging markets, thereby prompting a number of market analysts to raise their short and medium term sales estimates.

Gartner for example is forecasting growth of 60% in smartphones and tablets sales in 2012 followed by annual growth of 27% from 2013 to 2015 to exceed 1bn in annual unit sales. Meanwhile, Cisco estimates that the installed network of connected mobile handsets is set to exceed 10bn units in 2016, which is higher than the global population (7.3bn individuals according to the United Nations). This reflects 1/ a surge in the equipment rate, to around 50% of the population, 2/ a multiplication in the number of handsets per user, with both private and professional, use and 3/ the sharp increase in Machine to Machine mobile handsets (M2M: communications handsets widely used in the management of vehicle fleets or remote monitoring).

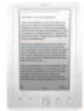
Global smartphones and tablets sales estimates out to 2015

Worldwide sales in millions of units	2010	2011	2012	2015	
Smartphones (Android, iOS and Microsoft)	**173.653**	**359.379**	**576.427**	**1 068.104**	
Growth (%)	N/A	107.0%	60.4%	22.8%	/ annum
Tablets	**17.611**	**63.637**	**103.479**	**326.304**	
Growth (%)	N/A	261.3%	62.6%	46.6%	/ annum
Total	**191.264**	**423.016**	**679.906**	**1 394.408**	
Growth (%)	N/A	121.2%	60.7%	27.1%	/ annum

Source: Gartner, September 2011

- **These mobile handset sales are particularly beneficial for the use of services requiring significant data volumes:** video and music via streaming, social video games, VoIP etc. Cisco estimates that on the back of these services, the average volume of data uploaded via this type of handset could increase by more than 50% a year and approach the level of usage of laptop computers.

Prospective change in average volumes of data uploaded via mobile handsets

Device		2011 MBs[1] per month	2016 MBs per month	GAGR 2011 - 2016
Mobile phones excl. smartphones		4	108	91%
M2M		71	266	30%
Smartphones		150	2 576	77%
E-book readers		750	2 880	31%
Tablets		517	4 223	52%
Notbooks		2131	6 942	27%

Source: Cisco, February 2012, [1]Megabytes

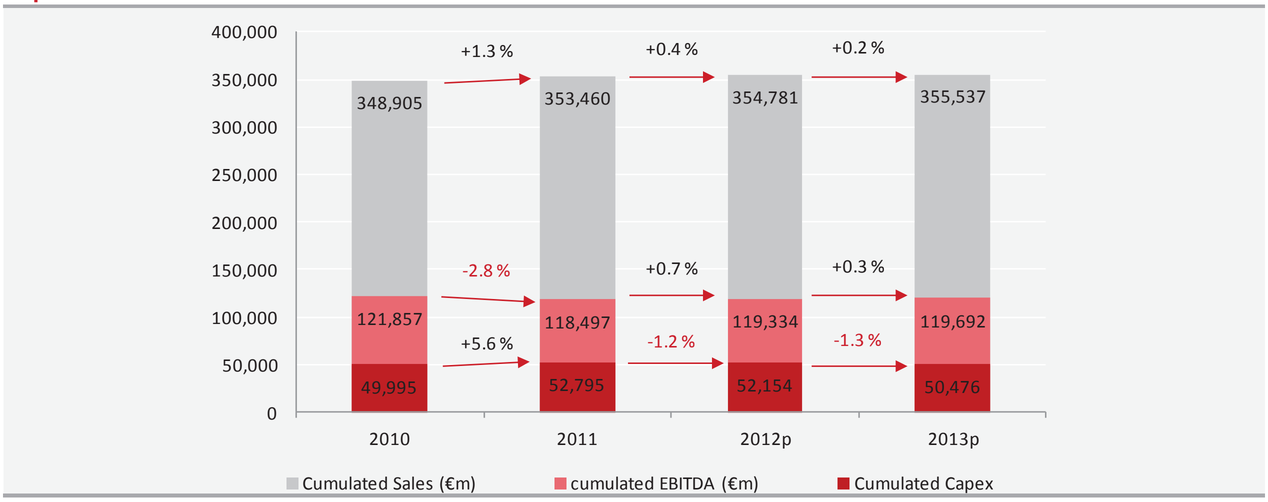
2/ **Operators need to rely on Wifi hotspot networks more than ever:**

- **In Europe,** the current crisis has caused revenues and margins at telecom operators to stagnate if not decline thereby threatening their cash flow generation. If European telecom operators would like to maintain dividend payouts, they are clearly unlikely to have the means to sufficiently bolster their 3G networks in order to fully accompany growth in demand for mobile data and even less so to massively invest in 4G networks.

At this stage, analysts are forecasting a decline in investments by the top 19 European operators in 2012 and 2013 whereas the development of a mobile network capable of handling demand requires an increase in investment spending.

→ Against this backdrop, Wifi hotspot networks are an alternative choice in order to handle the overload on 3G networks at a cheaper cost.

Analyst forecasts for 2012 and 2013 sales, EBITDA and capex of 19 main European telecom operators



Source: Factset

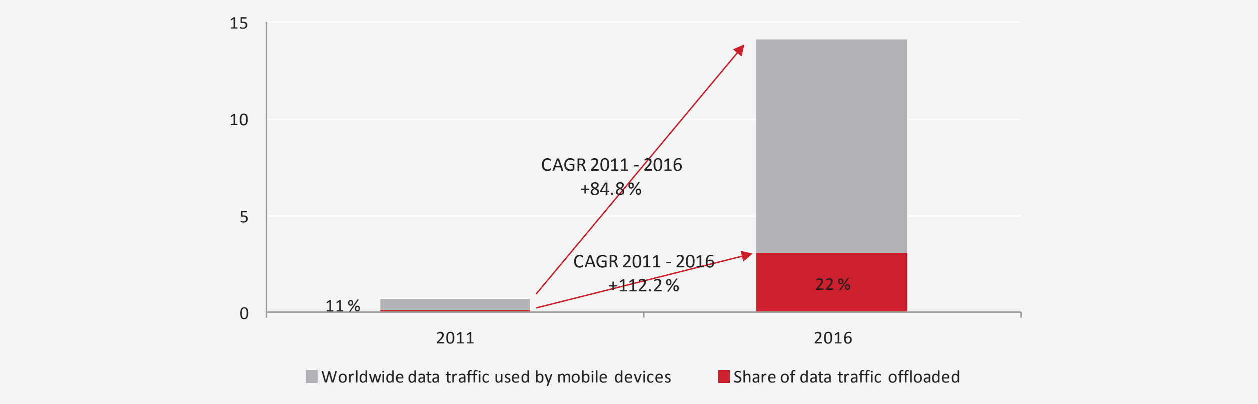
- **In North America,** telecom operators have already made significant progress in the development of 4G networks, thereby enabling them to better accompany growth in mobile data flows. This makes the US market less attractive for players such as Gowex. However, since optimising coverage of this 4G network is costly (management of demand peaks and coverage of areas that are not very populated or difficult to access), Wifi hotspots are of genuine interest for covering a number of areas such as transport networks and stadiums etc.

  Furthermore, the current 4G network could well prove insufficient to shoulder the rising momentum of mobile data flows during coming years, thereby prompting US operators to switch a portion of these flows to Wifi hotspot networks.

- **In emerging countries,** demand for Wifi hotspors stems from the poor quality or the total lack of mobile and fixed line internet networks. Indeed, in a number of countries, Wifi networks are primarily used to make up for the poor quality of fixed line domestic internet networks. Meanwhile, in a number of countries, given the limited number of mobile handsets equipped with the HSPA (3G) and LTE (4G) standards, national coverage by this type of network is not profitable. However, in these countries, Wifi compatible handsets are generally more common than those equipped with HSPA (3G) and LTE (4G) and the roll-out of Wifi hotspots is a means of covering more users, thereby implying high demand for this type of solution.

In all, Cisco is expecting an 85% annual increase in mobile data traffic between 2011 and 2016 and also estimates that the share of mobile data likely to be offloaded onto Wifi hotspots could double over the period, implying an annual doubling in the volume of data offloaded between 2011 and 2016.

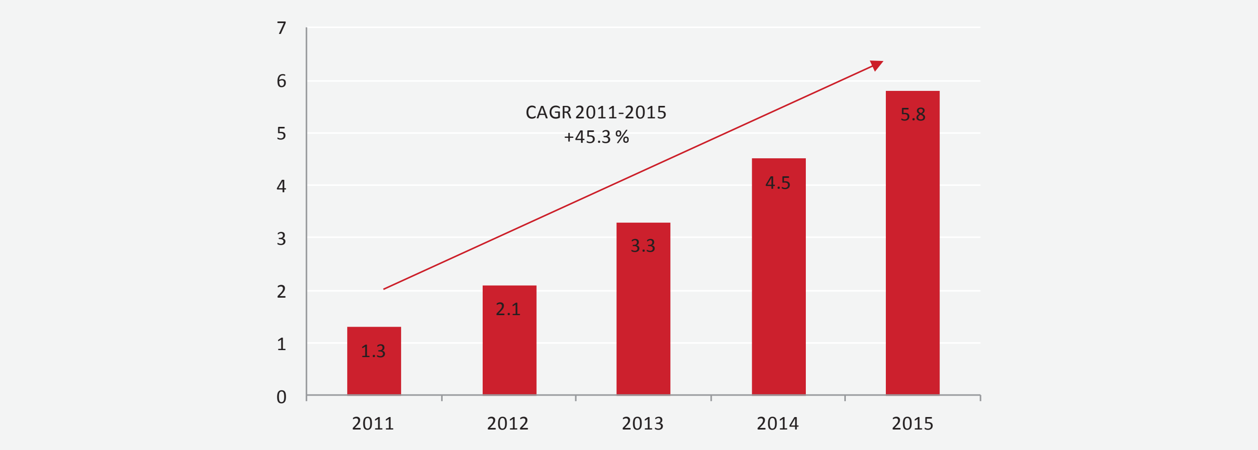
Estimated change in share of offloaded traffic out to 2016



Source: Cisco, February 2012

All of these growth drivers point to robust growth in the number of public Wifi hotspots in coming years and therefore rosy prospects for Gowex. This is even more true in that the market is highly fragmented and Gowex has a leadership position.

Estimated change in number of Wifi hotspots in the world



Source: Informa Telecoms & Media – Alcatel Lucent, 2012

No change to Buy recommendation. TP adjusted to €11.5.

Update to our estimates

Growth driven by Gowex Wireless but also better momentum at Gowex Telecom

The publication of Gowex' 2011 earnings and the announcement of recent commercial developments have reassured us on Gowex' growth prospects in the coming years. However, from a cautious stance, in order to take account of the risk of delays in a number of projects in view of the current crisis backdrop, we have reduced our 2012 sales estimate to €99.3m (vs. €112.7m previously), thereby pointing to growth of 48.9%. This forecast seems credible to us given that:

- 1/ Non-recurring engineering revenues are set to rise by around 60%, in view of the well-filled pipeline announced by the group.
- 2/ Recurring revenues stemming from maintenance works and roaming commissions should show high growth levels, driven by the boom in the number of hotspots managed.
- 3/ The telecom business should see more beneficial growth momentum since the disintermediation process is coming to an end and price are stabilizing.

Further out, given the above-mentioned market growth prospects, we are confident in Gowex' ability to post growth of 34% in its Wifi business in 2013 followed by 30% in 2014. Thereafter, we are more cautious since technological breakthrough's can be rapid in the sector and pressure on prices high. Furthermore, the group will gradually have to renegotiate its concessions concerning municipalities' networks.

Still some potential to improve EBITDA margin

In 2012, we are forecasting a fresh increase in Gowex' gross margin thanks to 1/ the disintermediation of the last tranche of non-margin carrying telecom's sales and 2/ higher growth in the Wifi business which posts a higher level of gross margin than the telecom business.

Meanwhile in 2011, Gowex proved its ability to perfectly control its cost structure despite high growth in sales. We expect a lower increase in staff costs than in sales (+25% vs. around 50% for sales) and a hike in outside expenses in line with sales growth. As such, we expect a slight widening in EBITDA margin to 25.1% of sales.

The group should be capable of maintaining this level of margins over coming years, particularly thanks to the high margins prompted by Wifi hotspots developed via joint investment agreements, which are likely to be increasingly used by the group, and the rising momentum of revenues stemming from the media platform.

However, from a cautious stance, we are forecasting a gradual narrowing in the group's EBITDA margin from 24.2% in 2015 to around 20% in 2020, despite the gradual transformation of the model towards more high-margin revenues stemming from interconnection and the media platform. We have taken this cautious stance given the possible arrival of new technologies and increased competitive pressure that could lead to significant pressure on prices.

Gowex capable of self-financing investment spending

We expect a considerable increase in investment spending by Gowex in terms of Wifi infrastructure given 1/ the group's strong commercial activity and 2/ its aim to invest more directly in the projects developed. These investments are set to impact negatively the group's cash flow generation in the short term but should help it capture a greater share of future margins, while carrying a particularly attractive level of ROI.

Capex should then decline further out given the lower number of new towns equipped, but is likely to remain robust in view of the need to renew infrastructure in towns already equipped, either for simple replacements caused by tear and wear or as the technologies used become obsolete.

In addition, following the disintermediation of non-margin carrying telecom brokerage revenues, Gowex incurred a €2.5m decline in WCR in 2011 to stand at virtually zero at end-2011. As such, the group's future growth is unlikely to consume WCR.

In all, in view of the group's margin profile and the lack of WCR, we believe cash flow generation should more than enable Gowex to finance its investment spending in Wifi hotspot networks without finding itself either obliged to undertake a capital increase or in a positive net debt position. However, given the advantageous financing terms offered by its technological partners and the very nature of the investments made (investments in telecom infrastructures offering clear visibility), Gowex could have to finance a share of these investments via the debt housed in a specific vehicle for each project. The group would then considerably increase the cash pile that it could mobilise in order to undertake acquisitions.

Overview of our forecasts for 2012-2015e

The telecom business should show better momentum thanks to:

-1/ the end to the disintermediation process.

-2/ A surge in volumes.

-3/ A stabilised price backdrop.

Prospective growth in engineering revenues is made credible by the 60% increase in the pipeline at end-2011.

Sales growth prompted by other revenue sources is almost automatic given the rise in the number of installed hotspots.

Gowex still harbours room to improve gross margin on the back of

- 1/ Disintermediation of the last tranche of non-margin carrying telecoms sales.

- 2/ Higher growth in Wifi business which carries better gross margins than the telecoms business.

M€	2010	2011	2012e	2013e	2014e	2015e
Gowex Telecom	**23.0**	**20.2**	**23.0**	**26.4**	**30.2**	**34.1**
% var	-7.0%	-12.2%	13.8%	14.7%	14.5%	12.9%
Gowex Wifi	**26.6**	**46.5**	**76.3**	**102.2**	**133.1**	**152.9**
% var	154.8%	74.8%	64.1%	34.0%	30.2%	14.9%
o/w Engineering	14.6	27.4	44.5	46.4	48.7	44.8
% var	127.2%	87.3%	62.6%	4.1%	5.1%	-8.1%
o/w Roaming & Offloading	8.5	14.9	25.8	45.9	68.9	88.1
% var	133.0%	75.1%	72.8%	78.3%	50.1%	27.9%
o/w Media Plateform	3.5	4.2	6.0	10.0	15.5	20.0
% var	977.0%	21.1%	42.9%	66.6%	55.6%	29.1%
Total Sales	**49.6**	**66.7**	**99.3**	**128.6**	**163.3**	**187.0**
% var	41.1%	34.5%	48.9%	29.6%	27.0%	14.5%
Gross Margin	**18.5**	**29.8**	**45.3**	**58.8**	**75.0**	**84.3**
% var	73.1%	60.6%	52.2%	29.9%	27.5%	12.4%
% of sales	37.3%	44.6%	45.6%	45.7%	45.9%	45.1%
Ebitda	**9.4**	**16.5**	**24.9**	**32.2**	**41.1**	**45.3**
% var	69.8%	76.2%	50.7%	29.4%	27.4%	10.4%
% of sales	18.9%	24.8%	25.1%	25.0%	25.1%	24.2%
Ebit	**6.3**	**9.5**	**16.1**	**19.2**	**25.2**	**28.7**
% var	74.6%	51.9%	69.5%	18.9%	31.6%	13.7%
% of sales	12.6%	14.3%	16.2%	14.9%	15.4%	15.3%
Net result	**5.1**	**7.2**	**12.4**	**14.7**	**19.3**	**22.1**
% var	78.4%	40.2%	72.1%	18.7%	31.6%	14.2%
% of sales	10.3%	10.8%	12.5%	11.4%	11.8%	11.8%

Gowex should have the means to maintain a high level of EBITDA margin notably via its directly-operated hotspot networks...

...however the huge increase in tangible D&A in view of investments made in developing and maintaining these hotspots is set to limit EBIT margin

Source: Aurel-BGC

Update to our valuation: €11.5 per share

Our valuation of Let's Gowex is based on a DCF calculation that points to a share price of €11.5 representing an upside potential of 92% relative to the last listed share price of €6. We are therefore making no change to our Buy recommendation on the share.

DCF valuation of €11.5…

We have assumed a beta of 1.1 obtained by calculating the average beta of peer companies relative to their reference index. We have then assumed a growth rate to infinity of 1.5%, which is fairly cautious, a risk-free rate of 3.6% and a market risk premium of 6%. Finally, we have integrated a premium for non-liquidity and small cap risk of 4% (low liquidity and listing on Alternext). We have reduced this premium by one point relative to our last report since the group has diversified both geographically and by sector, and therefore considerably reduced its risk profile. We could reduce this premium further if the group were to list on a more liquid market and/or if it continues to reduce its risk profile.

DCF assumptions

Risk-free rate	3.5%
Market-risk premium	6.0%
Specific premium	4.0%
Beta	1.1
Cost of equity	**14.10%**
Debt spread	4.0%
Normal average corporate tax rate	33.3%
Target Gearing	0%
Cost of debt before tax	**7.50%**
WACC	**14.10%**

Source: Aurel BGC estimates

Cash flows

In €m	2012e	2013e	2014e	2015e	2016e	2017e	2018e	2019e	2020e	2021e
Sales	99.3	128.6	163.3	187.0	203.6	213.5	222.3	227.1	232.7	237.3
% var	48.8%	29.6%	27.0%	14.5%	8.9%	4.8%	4.1%	2.2%	2.4%	2.0%
EBITDA	24.9	32.2	41.1	45.3	48.1	48.6	48.2	45.5	45.3	46.2
% CA	25.1%	25.0%	25.1%	24.2%	23.6%	22.8%	21.7%	20.0%	19.5%	19.5%
EBIT	16.1	19.2	25.2	28.7	29.4	29.3	29.1	26.7	27.3	27.9
% CA	16.2%	14.9%	15.4%	15.3%	14.4%	13.7%	13.1%	11.7%	11.8%	11.8%
Corp. Tax on EBIT	-4.8	-5.7	-7.6	-8.6	-8.8	-8.8	-8.7	-8.0	-8.2	-8.4
D&A	8.8	13.1	15.8	16.7	18.7	19.3	19.1	18.8	18.0	17.1
Change in WCR	0.1	- 0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capex	-20.2	-20.0	-18.8	-19.6	-16.3	-13.6	-13.2	-10.4	-9.0	-9.0
FCF	**0.0**	**6.2**	**14.7**	**17.1**	**23.0**	**26.2**	**26.3**	**27.1**	**28.2**	**27.7**
Discounted FCF	- 0.0	4.8	9.9	10.1	11.9	11.9	10.5	9.4	8.6	49.5

Source: Aurel BGC estimates

Terminal value, accounting for 33% of EV, calculated by normalising investment spending and D&A over a target level of €9.0m corresponding to infrastructure maintenance

DCF valuation of Gowex

2012-2021 period	84.4
Terminal value	42.1
Entreprise Value	**126.4**
- Gross debt	9.2
+ Cash	31.3
+ Other liabilities	-
Equity value	**148.6**
Number of shares	12.9
Per share value	**11.5**

Source: Aurel BGC estimates

WACC	Growth rate to infinity (G)				
	1.00%	1.25%	1.50%	1.75%	2.00%
13.10%	12.3	12.4	12.5	12.5	12.6
13.60%	11.8	11.9	11.9	12.0	12.1
14.10%	11.3	11.4	**11.5**	11.6	11.6
14.60%	10.9	11.0	11.1	11.1	11.2
15.10%	10.6	10.6	10.7	10.7	10.8

…showing a 38% discount to peers

Few listed companies are genuinely comparable to Gowex, whether in terms of the telecom or the wireless business. The rare peers that exist are listed in the US on the Nasdaq and are Boingo Wireless, iPass and to a lesser extent Towerstream:

Company	Profile
Boingo Wireless	US company that aggregates Wifi networks and then sells access to end-clients via a single user account, enabling better interoperability. 2011 sales = $94.6m (+18% vs. 2010), 2011 EBITDA = $28.6m , 2011 attr. NP = $4.7m.
iPass	US company primarily supplying connection services to companies wishing to provide a mobile internet access to their employees via 3G keys or Wifi hotspots. 2011 sales = $140.8m (-9% vs. 2010), 2011 EBITDA = -$0.2m, 2011 NP = -$3.0m.
Towerstream	US company installing and operating wireless Wifi and 4G networks in the US. 2011 sales = $26.5m (- 35% vs. 2010), 2011 EBITDA = $1.7m, 2011 NP= -$7.0m.

Sources: Company data

We have decided not to use the peer comparison method in our valuation of the group since 1/ we have little quantified data on growth prospects for these companies and 2/ among the companies, only Boingo Wireless has profitability and growth levels similar to those of Gowex.

Main financial data relative to Gowex peers

Company	Country / Currency	Sales			EBITDA			Sales Growth		EBITDA Margin %	
		2011	2012	2013	2011	2012	2013	2012e	2013e	2012e	2013e
Boingo Wireless Inc.	US / $	95	111	130	29	37	45	17.1%	17.7%	33.6%	34.7%
iPass Inc.	US / $	141	138	157	N/A	N/A	N/A	-2.3%	13.8%	N/A	N/A
Towerstream Corp.	US / $	26	33	47	2	-1	13	26.1%	39.8%	-2.4%	27.2%
Mean	-	-	-	-				**13.6%**	**23.8%**	**15.6%**	**30.9%**
Median	-	-	-	-				**17.1%**	**17.7%**	**15.6%**	**30.9%**
GOWEX	**Spain / €**	**67**	**111**	**157**	**17**	**29**	**40**	66.7%	41.1%	**25.7%**	**25.5%**

Sources: companies, Aurel BGC

Valuation multiples of Gowex peers

Company	Market Cap.	Net Debt	EV/Sales			EV/EBITDA		
		2011	2011	2012e	2013e	2011	2012e	2013e
Boingo Wireless Inc.	343	-94	2.6 x	2.2 x	1.9 x	8.7 x	6.7 x	5.5 x
iPass Inc.	145	-22	0.9 x	0.9 x	0.8 x	N/A	N/A	N/A
Towerstream Corp.	215	-45	6.4 x	5.1 x	3.7 x	N/A	N/A	13.4 x
Mean	**234**	**-**	**3.3 x**	**2.7 x**	**2.1 x**	**8.7 x**	**6.7 x**	**9.5 x**
Median	**215**	**-**	**2.6 x**	**2.2 x**	**1.9 x**	**8.7 x**	**6.7 x**	**9.5 x**
GOWEX (TP of 11.5 €]	**149**	**-22**	**1.9 x**	**1.3 x**	**1.0 x**	**7.7 x**	**5.1 x**	**3.9 x**
Premium (Discount)	**Mean**	**-38.4%**	**-36.2%**	**-49.0%**	**-51.1%**	**-11.9%**	**-23.8%**	**-58.5%**

Sources: companies, Aurel BGC

We would nevertheless point out that the **valuation of Gowex corresponding to our TP of €11.5 per share (€149m) points to an average discount of around 38% relative to the multiples shown by these three companies.** A share of this discount seems justified given the difference in liquidity and appeal between Alternext and the Nasdaq, however, the excessive level of it adds weight to our target price.

Financial data

Profit and loss accounts (€m) (31/12)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	**TMVA 11/14E**
Sales	49,6	66,7	99,3	128,6	163,3	34,8%
%ch	*41,1%*	*34,4%*	*48,8%*	*29,6%*	*27,0%*	
EBITDA	9,4	16,5	24,9	32,2	41,1	35,5%
%ch	*69,8%*	*76,2%*	*50,7%*	*29,4%*	*27,4%*	
EBIT (restated)	6,3	9,5	16,1	19,2	25,2	38,4%
%ch	*74,7%*	*51,9%*	*69,5%*	*18,9%*	*31,6%*	
EBIT (reported)	6,3	9,5	16,1	19,2	25,2	38,4%
Financial income	0,1	0,1	0,4	0,5	0,6	
Pre-tax current income	6,3	9,6	16,5	19,6	25,8	39,1%
Corporate tax	- 1,2	- 2,4	- 4,2	- 4,9	- 6,5	
Income from equity investees	0,0	0,0	0,0	0,0	0,0	
Net Att. income (reported)	5,1	7,2	12,4	14,7	19,3	39,1%
Net Att. income (restated)	5,1	7,2	12,4	14,7	19,3	39,1%
%ch	*78,4%*	*40,2%*	*72,1%*	*18,7%*	*31,6%*	
Balance sheet (€m)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
Shareholders'Equity	22,9	35,1	45,4	56,7	71,4	
Fixed Assets	7,9	15,6	32,0	44,1	52,0	
Net debt	- 9,3	- 22,1	- 22,9	- 27,7	- 41,0	
WCR	6,8	- 0,3	- 0,4	- 0,1	- 0,2	
Financing chart (€m)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EBITDA	9,4	16,5	24,9	32,2	41,1	
change in WCR	- 0,8	2,5	0,1	- 0,2	0,0	
capex	5,8	10,0	20,2	20,0	18,8	
free cash flow	4,2	3,9	2,1	8,3	17,2	
financial investment less disposal	0,0	0,0	0,0	0,0	0,0	
Distribution	0,0	0,8	2,1	3,4	4,7	
Capital increase	5,5	6,3	0,0	0,0	0,0	
Net debt change	- 6,6	- 12,9	- 0,7	- 4,9	- 13,3	
Financial Ratios (%)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EBITDA/Sales	18,9	24,8	25,1	25,0	25,1	
Ebit margin restated	12,6	14,2	16,2	14,9	15,4	
Restated net margin	10,3	10,8	12,5	11,4	11,8	
Net debt / equity	- 40,4	- 63,0	- 50,3	- 48,9	- 57,4	
Net debt / EBITDA	- 98,9	- 134,1	- 91,8	- 86,1	- 99,8	
ROCE	37,3	54,8	53,5	49,5	62,1	
ROE	22,4	20,5	27,3	25,9	27,1	
Data per share (€)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EPS adjusted	0,45	0,56	0,96	1,14	1,50	39,1%
CFPS	0,59	1,38	1,78	2,19	2,84	27,1%
DPS	0,06	0,16	0,26	0,36	0,46	41,7%
Market Ratios (x)	**2010**	**2011**	**2012E**	**2013E**	**2014E**	
EV/Sales	0,57	0,50	0,57	0,40	0,24	
EV/EBITDA	3,0	2,0	2,3	1,6	0,9	
EV/EBIT (restated)	4,5	3,5	3,5	2,7	1,5	
PE (restated)	7,9	8,2	6,4	5,4	4,1	
P/CFPS	6,0	3,3	3,5	2,8	2,2	
P/BVPS	1,78	1,67	1,76	1,41	1,12	
Payout (%)	14,1	29,2	27,4	31,9	30,9	
Yield (%)	1,8	3,6	4,3	5,9	7,5	

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Investment banking	Liquidity provider	Corporate links	Analyst’s personal interest	Detention of assets of the issuer	Communication to the issuer	Other sources of conflicts of interests
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