



CEWE Stiftung & Co. KGaA

Solid development - on track to reaching targets

12/05/2015

Hold
60.00 EUR

Close (11/05/2015)	57.81 EUR
Bloomberg: CWC	WKN: 540390
Sector	Consumer

Share price performance

52 week high	62.18
52 week low	45.87
Compared to	SDAX
YTD	-7.2%
1 month	-0.5%
12 months	-7.7%



Share data

Market Cap (m EUR)	402
No. of shares (m)	7
Free float	69.9%
Trading vol. Ø (m EUR)	0.65

Next event

03/06/2015	AGM
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Analyst

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See end of document for disclaimer.

CEWE has published solid Q1 figures and confirmed the FY 2015 guidance. We are standing by our HOLD recommendation with an unchanged price target of € 60.00.

KEY TAKEAWAYS

- Cewe improved sales by 3.7% in the typically loss-making first quarter. EBIT improved by € 0.7 m to € -3.5 m. All in all, a solid start to 2015.
- Keep in mind that the company's earnings targets for 2015 are € 2 m higher than in 2014. So the Q1 numbers indicate that it is on track to reaching its targets.
- The report shows that the EBIT figure also includes one-offs of € 1.0 m for the shut-down of a call centre in Dresden and restructuring charges for the remaining retail business in Poland.
- As expected, the guidance for FY 2015 was confirmed.

['€ m]	Q1 2015	BHL Q1 2015e	Q1 2014	% yoy
Fotofinishing				
Sales	75,5	74,5	70,2	7,5%
EBIT	-1,1	-1,2	-2,3	---
Retail				
Sales	13,4	13,5	16,4	-18,3%
EBIT	-1,1	-1,0	-0,7	---
Onlineprint				
Sales	17,9	18,5	16,3	9,8%
EBIT	-1,3	-1,2	-1,2	---
Group				
Sales	106,8	106,5	103,0	3,7%
EBIT	-3,5	-3,4	-4,2	---

Source: Company information, Factset, Bankhaus Lampe Research

FIRST TAKE

- We confirm our positive view on the company's business model.
- Due to the seasonal nature of the business and its strong dependence on Q4, the guidance is back-end loaded.

in m EUR	2013	2014	2015e	2016e	2017e
Sales	536	524	529	545	561
EBIT	29	33	36	39	42
EBIT margin	5.4%	6.2%	6.8%	7.1%	7.5%
Net financial debt	19	-23	-27	-40	-56
Free cash-flow	14	28	13	24	28
EPS (in EUR)	3.40	3.07	3.42	3.69	3.99
DPS (in EUR)	1.50	1.55	1.60	1.65	1.70
Dividend yield	3.5%	3.0%	2.8%	2.9%	2.9%
EV/Sales	0.6	0.7	0.8	0.7	0.7
EV/EBIT	11.0	10.9	11.0	9.9	8.8
Price Earnings ratio (P/E)	12.6	16.8	16.9	15.6	14.5

Source: Company information, Bankhaus Lampe Research estimates

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Unless shown otherwise, the stated upside targets are based upon either a discounted cash-flow pricing or upon a comparison of the performance ratios of companies that the respective analyst considers to be comparable, or upon a combination of these two analyses. Analysts modify the result of this fundamental assessment to incorporate the potential trend in market sentiment.

Overview of changes in our recommendations/price targets in the previous twelve months for: CEWE Stiftung & Co. KGaA (CWC GY), Close (11/05/2015): 57.81 EUR, Analyst: Christoph Schlienkamp (Investmentanalyst DVFA).

Date of publication	Price at recommendation	Rating	Price target
07/04/2015	59.31 EUR	Hold	60.00 EUR
25/02/2015	58.24 EUR	Hold	58.00 EUR
12/08/2014	49.92 EUR	Hold	54.00 EUR

The distribution of recommendations in our investments universe is currently as follows (date: 01/04/2015)

Rating	Basis: all analysed companies	Basis: companies with investment banking relationships
Buy	52.5%	71.4%
Hold	33.8%	28.6%
Sell	13.7%	0.0%
Under Review	0.0%	0.0%

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Company	Disclosure
CEWE Stiftung & Co. KGaA	---

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12 May 2015

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