

Ν. ΧΡΥΣΟΧΟΪΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗ
 ΑΝΩΝΥΜΟΣ ΕΤΑΙΡΕΙΑ ΠΑΡΟΧΗΣ ΕΠΕΝΔΥΤΙΚΩΝ ΥΠΗΡΕΣΙΩΝ
 Μέλος του Χρηματιστηρίου Αθηνών
 Μέλος του Χρηματιστηρίου Παραγώγων Αθηνών
 Μέλος του Δικτύου XNet



N. CHRYSOCHOIDIS STOCK BROKERAGE
 INVESTMENT SERVICES S.A.
 Member of the Athens Stock Exchange
 Member of the Athens Derivatives Exchange
 Member of the XNet Network

Τμήμα Μελετών και Αναλύσεων

Equity Research Department

Share Price:		7,48
Closing Price as 01/04/15		
Price High 52week		8,08
Price Low 52week		5,09
Market capitalisation		534.199.908
Current num. of shares		71.417.100
Long Term Debt		-

Key Financials	12/14	12/15E	12/16E
Sales	911.793.710	876.361.219	939.179.843
EBITDA	118.790.590	110.235.347	108.357.783
EBITDA margin	13%	13%	12%
Total Debt/Equity	Total Equity	Total Equity	Total Equity
P/E	9,33	12,55	9,38
EPS	1,12	0,89	0,87
Dividend/Share	0,70	0,70	0,70

Enterprise Value	731.460.295
Shareholders value	731.460.295

Risk Free	FV
6,50%	10,00
7,50%	9,80
8,50%	8,80
9,50%	7,90
10,50%	7,20

AEGEAN AIRLINES

Sector: Travel & Leisure-Airlines

Activity: Aegean Airlines is a full service airline. The company carries passengers through an extensive network of domestic and international scheduled routes and operates seasonal chartered flights on a substantial number of Greek and international destinations.

Outlook:

Aegean Group's FY14 results confirmed the upward trend in Sales that we estimated albeit a lower contribution level of Olympic Air than projected. Specifically, in our previous analysis we have estimated the contribution of Olympic Air in Aegean's revenues at 200 million per year whereas it finally settled at c. 60 million Euros and the consolidated Operating Costs came out at 17% of Total Sales as we expected.

Following the above we alter our projections for the Group's total Sales imposing the lower Olympic Air contribution in Total revenues, the strong Aegean y-o-y Sales growth and the stable Operating performance which came in line with our expectations.

Under these circumstances, we reconfirm our investment Thesis to Undervalued reducing the Fair Estimated Price to 10 Euros/Share from 12 Euros/Share previously to reflect more normalised Sales conditions. We should note that our Fair Value estimate derives from a normal Risk Free rate of 6,50%. As we pinpoint in our sensitivity analysis table, at current levels of 10,50%, Fair Value ends up at 7,18 Euros/Share, a fact that highlights the Value of the Stock even at current depressed levels.

Strengths: Aegean airlines is the dominant domestic airline company.

The company managed to eliminate its bank loans and maintain healthy capital structure even by taking into account the Olympic Air debt consolidation.

The Olympic Air acquisition expanded Aegean's market share mainly in the domestic flights and lead to economies of scale in Operating Costs.

Weaknesses: Further Fleet expansion will lead to increased lease costs.

Opportunities:

Tourist arrivals still follow an upward trend which is estimated to continue for the next years. (Aegean passengers 2014 10.1million vs 8,4million in 2013 and 5,9 million in 2012).

Threats:

The penetration of low budget flight companies is able to claim market shares from Aegean airlines for both domestic and international flights potentially suppressing profit margins.

The company is very sensitive to the tourist arrivals trend. Potential turmoil in Greece could affect the upward tourist trend.

DATE 02/04/15

FAIR ESTIMATED PRICE	10
Δ% from Current Price	34%
Investment Thesis	UV

AEGEAN Summary tables

Income Statement	2014	2015E	2016E	2017E	2018E
Total Sales	911.793.710,00	876.561.219,10	939.179.843,48	986.000.738,79	1.037.086.738,79
CGS	639.572.240,00	631.124.077,75	665.601.285,74	719.780.539,31	757.073.319,31
Gross Profit	272.221.470,00	245.437.141,35	253.578.557,74	266.220.199,47	280.013.419,47
Sales Expenses	100.466.740,00	87.656.121,91	93.917.984,35	98.600.073,88	103.708.673,88
Administrative Expenses	33.945.340,00	26.296.836,57	28.175.395,30	29.580.022,16	31.112.602,16
Rest Income	9.745.200,00	5.048.000,48	5.048.000,48	5.048.000,48	5.048.000,48
Rest Costs	28.764.000,00	26.296.836,57	28.175.395,30	29.580.022,16	31.112.602,16
EBITDA	118.790.590,00	110.235.346,77	108.357.783,26	113.508.081,75	119.127.541,75
D&A	12.811.000,00	13.000.000,00	13.000.000,00	13.000.000,00	13.000.000,00
EBIT	105.979.590,00	97.235.346,77	95.357.783,26	100.508.081,75	106.127.541,75
Interest Expenses	11.058.700,00	12.000.000,00	12.000.000,00	12.000.000,00	12.000.000,00
EBT	94.630.719,96	85.507.766,74	83.630.203,26	88.780.501,75	94.399.961,75
Taxation	14.385.540,00	22.232.019,35	21.743.852,85	23.082.930,45	24.543.990,05
Net Income/Loss	80.245.179,96	63.275.747,39	61.886.350,41	65.697.571,29	69.855.971,69

Cash flow estimations (E)

	2014	2015E	2016E
EBIT	83.504.400,00	84.317.145,03	92.964.199,92
Taxation	- 14.910.000,00	74%	74%
NOPAT	68.594.400,00	62.394.687,32	68.793.507,94
Depreciation	11.058.700,00	12.000.000,00	12.000.000,00
Capital Exp.	48.387.000,00	5.000.000,00	5.000.000,00
IWC	18.000.000,00	6.719,90	6.719,90
NCF	49.266.100,00	69.387.967,43	75.786.788,05

Growth/Margins/Metrics(E)	12/14	12/15E	12/16E
Sales Growth	25%	-4%	7%
EBITDA growth Y-Y	40%	-7%	-2%
Net Profit/Loss growth	38%	-21%	-2%
RATIOS	12/14	12/15E	12/16E
Debt/Equity	Total Equity	Total Equity	Total Equity
Capex/EBITDA	41%	5%	5%
ROE	0,28	0,28	0,28
WACC	15,00%	15,00%	15,00%
VALUATION	12/14	12/15E	12/16E
Book Value	2,82	2,82	2,82
P/BV	2,63	3,55	3,55
P/E	9,33	12,55	9,58

Σημειώσεις/Notes

P:	Τρέχουσα Τιμή	Market Price
MCAP:	Κεφαλαιοποίηση	Capitalization
EPS:	Καθαρά Κέρδη Ανά Μετοχή	Earnings per Share
P/E:	Λόγος Τιμής προς Κέρδη	Price/Earnings Ratio
P/S:	Λόγος Τιμής προς Πωλήσεις	Price/Sales Ratio
D/A:	Συνολικός Δανεισμός προς Παθητικό	Total Debt/Assets Ratio
DY:	Απόδοση Μερισμάτων	Dividend Yield
ROE:	Απόδοση Ιδίων Κεφαλαίων	Return on Equity
FV:	Τιμή Σωστής Αποτίμησης	Fair Value Price

Οδηγός Συστάσεων/Ratings

UV	Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος	Underpriced/ Small Risk
UVI	Χαμηλή Αποτίμηση/ Κίνδυνος	Stock Price < 20% of Fair
FV	Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος	Underpriced/ Risk
OV1	Σωστή Αποτίμηση/ Κίνδυνος	Stock Price < 10% of Fair
OV	Υπερτιμημένη Μετοχή	Fairly Priced/ Small Risk
		10% < Stock Price < 10%
		Fairly Priced/ Risk
		Stock Price > 10% of Fair
		Overvalued
		Stock Price > 20% of Fair

Ρήτρα Περιορισμού Ευθύνης:

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