Trevi

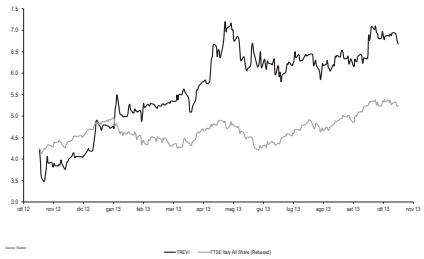
Italy/Materials, Construction & Infrastructure

Hold

Recommendation unchanged

Share price: EUR	**6.68**
closing price as of 14/11/2013	
Target price: EUR	**6.70**
Target Price unchanged	
Reuters/Bloomberg	TFI.MI/TFI IM
Market capitalisation (EURm)	469
Current N° of shares (m)	70
Free float	50%
Daily avg. no. trad. sh. 12 mth	72,200
Daily avg. trad. vol. 12 mth (m)	479
Price high 12 mth (EUR)	7.20
Price low 12 mth (EUR)	3.48
Abs. perf. 1 mth	5.20%
Abs. perf. 3 mth	4.13%
Abs. perf. 12 mth	57.85%

Key financials (EUR)	12/12	12/13e	12/14e
Sales (m)	1,115	1,205	1,268
EBITDA (m)	112	125	147
EBITDA margin	*10.1%*	*10.4%*	*11.6%*
EBIT (m)	47	64	84
EBIT margin	*4.3%*	*5.3%*	*6.6%*
Net Profit (adj.)(m)	11	21	35
ROCE	5.6%	7.1%	9.3%
Net debt/(cash) (m)	411	451	424
Net Debt/Equity	*1.0*	*1.0*	*0.9*
Debt/EBITDA	3.7	3.6	2.9
Int. cover(EBITDA/Fin. int)	5.2	5.4	5.9
EV/Sales	0.7	0.9	0.8
EV/EBITDA	7.1	8.2	6.8
EV/EBITDA (adj.)	7.1	8.2	6.8
EV/EBIT	16.8	16.0	11.9
P/E (adj.)	26.3	21.9	13.2
P/BV	0.7	1.1	1.0
OpFCF yield	*10.8%*	*0.1%*	*9.4%*
Dividend yield	*1.9%*	*1.9%*	*1.9%*
EPS (adj.)	0.15	0.31	0.51
BVPS	5.97	6.15	6.53
DPS	0.13	0.13	0.13



Shareholders: Trevi family 50%;

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9M 13 results: good growth of sales and profitability

TREVI: 9M 13 results

	9M 12a	9M 13a	*%Chg.*
Sales	818.5	951.9	*+16.3%*
EBITDA	73.7	100.8	*+36.8%*
EBITDA margin	*9.0%*	*10.6%*	

- 9M 13 sales grew by 16.3% thanks to the sales increase both in the service division (+11.5% Y/Y) and in the mechanical division (+22.0% Y/Y).
- the good improvement of the profitability in the service division (EBITDA grew by 20.1%) and the good operating leverage in the mechanical division allowed the group to increase strongly the profitability.

Net debt at the end of September 2013 was EUR 505.2m compared to EUR 480m at the end of September 2012, owing to the postponement of the delivery of some oil drilling rigs. 9M7 13 Net Debt/EBITDA ratio was 3.6x (vs 4.88x on September 2012).

Order book slightly lower than 9M 12: the order book at the end of September 13 was of EUR 838.2m, slightly lower than EUR 871.5m in September 12 (-3.8%).

Conclusion & Action: *the group reported very positive 9M results; we wait to have more details about the potential evolution of the order portfolio during the post-results conference call today at 4:00 pm CET.*