



# Louis D'Arvieu

Fund Manager, Amiral Gestion



# Amiral Gestion

ENTREPRENEURS INVESTIS

ECONOCOM (again)





**econocom** Stock price €2,8 / Market Cap €498m / EV €0,9bn

Figures 2021

Sales: 1067m  
Ebit: 54m

## Products & Solutions

- *Advises big corporations and supplies them with IT hardware (peers: Computacenter, Bechtle)*
- *Low margin, high ROCE business*

Sales: 921m  
Ebit: 40m

## Technology Management & Financing (TMF)

- *Finances and manages the equipment (Leasing of IT equipment, management of the fleet, reconditioning and recycling...).*
- *Not a bank: works with banking partners for refinancing for the most part. Still needs BS, relationships, KH.*

Sales: 516m  
Ebit: 42m

## Services

- *Provides IT Services: 50% on workspace management in France (1m desks managed, 7m requests per year, n°1)*
- *50% on digitalization*

## Post-covid opportunities

- *More and more IT equipment in the field*
- *Natural answer to the critical circular economy challenge*



## Interesting numbers

	2018	2019	2020	2021	2022e
Number of shares net of treasury	231,2	221,9	208,7	185	177,8
Buybacks (% of CMP)		3,9%	3,9%	11%	3,9%
Stocks purchases from founder	1,4%		3,8%		
Dividends (% of CMP)	4,3%	4,3%	4,3%	4,3%	5%
Stock price 12/31/N	2,9	2,3	2,5	3,3	2,8
Market cap	670	510	518	633	498
Net debt	279	252	-20	124	82
factoring	253	247	222	202	202
EV	1 202	1 009	720	959	908
EBIT	115	124	122	136	143
EV/EBIT	10,5	8,1	5,9	7	6,3



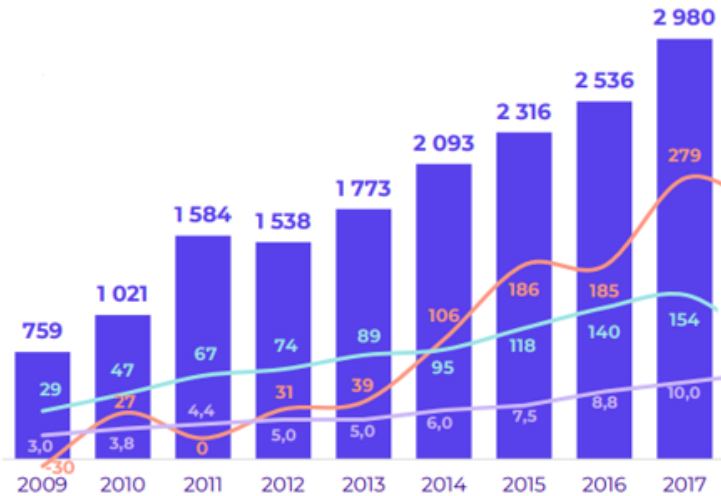
## Why so cheap? A Complex and forgotten business...

Only company with earnings/value equally split between IT products financing, IT products distribution & services

French company listed in Belgium

5 Sell-side analysts, only one at « buy », no one seems to notice buybacks & founder's purchases as sell-side analysts do not adjust for the number of shares repurchased but not yet cancelled (20%+ of shares!)

# ...which used to be a darling....



**PLAN**  
Horizon 2012  
ACQUISITION ECS

**PLAN**  
Mutation  
ACQUISITION OSIATIS  
ACQUISITION DES SATELLITES

- Consolidated turnover (in €M)
- EBIT (in €M)
- Net financial debt (in €M)
- Dividends (in €cents)

Mix of organic and inorganic growth leads to 4x-EBIT surge between 2009 and 2017 (2009 not a low base)

Ebit multiple surges to 16x in 2017

# ...but faced a mix of mistakes and challenges



**PLAN**  
Horizon 2012  
ACQUISITION ECS

**PLAN**  
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**CHANGEMENT**  
Equipe de  
Management

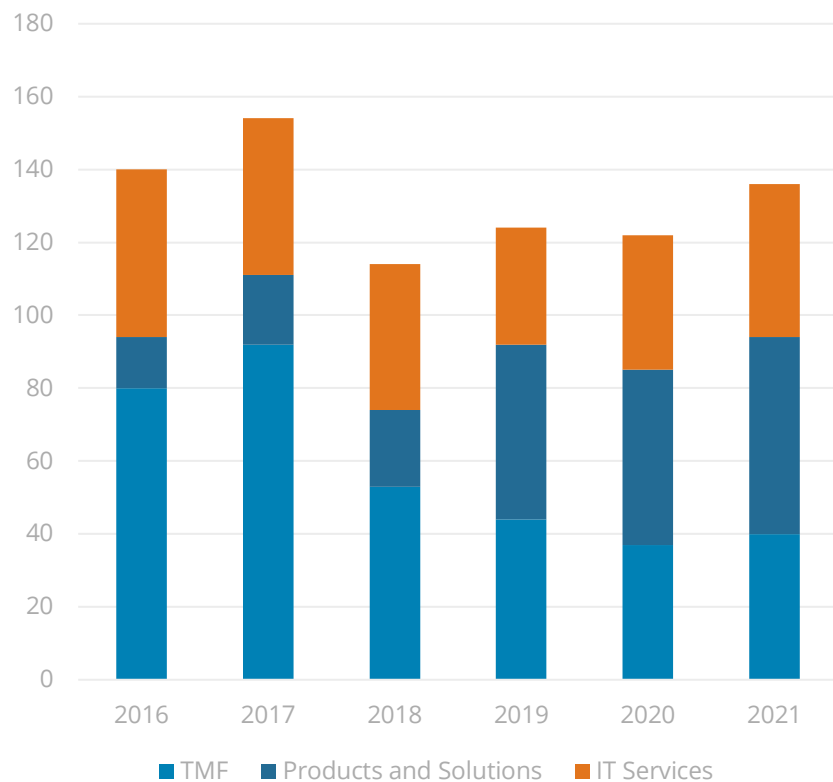
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## 3 big crises in 3 years

- Robert Bouchard, son of founder Jean Louis Bouchard, takes the helm in 2017. Management reshuffle leads to execution crisis (and a return of the father 18 months later)
- Fraud in Italy in 2019
- Covid in 2020 leads to abnormal competition environment for TMF as States become lenders

# Despite tough times, profitability remains resilient

M€ EBIT composition now more balanced



2022 results are above 2021

Italy « back on track » with business coming back

« State-guaranteed loans » now being paid back offer more opportunities for traditional TMF business

Issue : Laurent Roudil just left



Feel free to contact me:

Louis d'Arvieu  
la@amiralgestion.com

