

# ITAB SHOP CONCEPT

Sweden  
Industrial Goods & Services

BUY

December 3, 2015

## Company description

ITAB Shop Concept is a Sweden-based company engaged in the development, manufacture, marketing and installation of shop fitting concepts and products for chain stores in the food and non-food segments. The Company's product portfolio comprises equipment for the checkout aisle, self-checkout solutions, flexible entrance and exit systems, as well as lighting systems. In addition, it offers custom-made shop concepts and light planning and service. ITAB has operations in 18 countries in Europe with the Nordics and the UK being the most important markets, where the company holds a leading market position. Customers include major players throughout most parts of Europe. ITAB Shop Concept AB is listed on the OMX Nordic Exchange.

## Recent developments

**November 3, 2015:** The Company released very strong Q3 results with EBIT growing 77% year-on-year from a very strong Q3 last year. This growth was driven by acquisitions and a solid organic performance. ITAB has had its strongest period to date, both in terms of sales and earnings. The acquired operations have been smoothly integrated in the Group.

### Recent important events:

- ITAB has entered into a global cooperation agreement with Toshiba Global Commerce Solutions Inc. in the US for the sale of self-checkout systems.
- Installation of self-checkout solutions in the French market (with Auchan).

### Upcoming events:

February 9, 2016: Year-end report 2015.  
May 11, 2016: Q1 16 Interim report & AGM.

## Investment conclusion

Despite the recent stellar performance of the share, we continue to have a buy recommendation based on the company's solid track-record of earnings growth, a balance sheet in a good shape as well as the successful recent acquisitions.

We highlight the high potential from self-checkout solutions and important input/contribution of acquisitions in earnings' growth.

ITAB is a good example of a niche market leader with high potential growth.

## Performance



	1m	3m	12 m
Absolute perf.	28.9%	74.1%	157.8%
OMX Stockholm	-0.3%	0.1%	2.6%
30 Index perf			

## Market data

Share price (SEK), as of Dec 3, 2015:	332.5
52-wk range:	112.75–337
Mkt cap (SEK m):	11'200
Nb of shares issued:	26,1m
Bloomberg ticker:	ITABB:SS
Isin:	SE0005992567

## Financial summary (In mio SEK) & Valuation

	2013	2014	2015e	2016e
Revenues	3'574	3'938	5'307	5'669
Oper. income	246	325	547	584
Income	217	288	509	561
EPS	4.41	5.88	11	12
DPS	1.5	2.5	3	3.5
Div. yield (%)	1.7	1.9	1.1	1.2
P/E	19.15	21.72	29.53	26.69

Source: Bloomberg

## Equity rating—Bloomberg consensus

		Nb of analysts
Buys	50%	1
Holds	50%	1
Sells	0%	0