

13 May 2014

Benelux Conference - Tuesday, 27 May 2014 - Brussels. [Click here to register.](#)  
 Credit Conference - Friday, 13 June 2014 - Brussels. [Click here to register.](#)

## CONTENTS

Company / Sector	Comment	Recommendation	Price	Target Price
AB InBev	Target price upped after strong 1Q14 volumes	Accumulate	79.94	87.00
Agfa	Weak 1Q14: uncertain climate in the US healthcare	Reduce	2.47	2.25
Banimmo	1Q14 results preview	Accumulate	8.22	9.50
CFE	Preview trading update	Buy	79.85	85.00
Cofinimmo	Sale of North Galaxy Office building for € 475m	Hold	91.00	86.50
Corbion	New management team in place	Accumulate	16.63	17.00
Deceuninck	Strong 1Q volumes albeit driven by good weather	Hold	2.51	2.50
Leasinvest RE	1Q14 results preview	Hold	81.95	80.00
Montea	Identification of €23m portfolio growth in Willebroek	Hold	33.50	30.00
Option	Jan Callewaert reduces its stake in Option	Sell	0.63	0.25
Texaf	€19.5m offer for Imbakin	Accumulate	39.00	46.00
Tigenix	1Q14 update	Accumulate	0.72	0.95

## CHANGES IN RECOMMENDATION

Company	From	To
Option	Reduce	Sell

## CHANGES IN TARGET PRICE

Company	From	To
AB InBev	78.00	87.00
Leasinvest RE	76.00	80.00
Texaf	40.00	46.00

## KEY FIGURES

(at close)	Price	1D	1M	12M
AEX	403.8	0.5%	2.1%	11.8%
BEL20	3,163.6	0.6%	3.4%	15.9%
CAC40	4,493.7	0.4%	2.9%	13.7%
DAX30	9,702.5	1.3%	4.2%	17.2%
FTSE100	6,851.8	0.6%	4.4%	3.4%
EUROSTOXX50	3,207.0	0.7%	2.9%	15.1%
STOXX50	3,009.1	0.7%	4.5%	7.7%
DJIA	16,583.3	0.2%	2.6%	10.0%
S&P500	1,878.5	0.2%	2.5%	15.5%
NASDAQ Comp	4,071.9	0.5%	0.4%	19.4%
USD/EUR	0.7270	0.0%	0.9%	-4.8%
GBP/EUR	1.2265	0.2%	1.5%	3.6%
Bel govt	2.05%	3.0bps	-10.0bps	-1.0bps
French govt	1.93%	4.0bps	-9.0bps	10.0bps
Dutch govt	1.79%	2.0bps	-7.0bps	10.0bps

Source: KBC Securities

## CHANGES IN EPS FORECAST

Company	From		To	
	2014	2015	2014	2015
AB InBev (\$)	5.54	5.83	5.44	5.91

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13 May 2014

## CORPORATE CALENDAR

Date	Company	Event
13.05.14	Aedifica	Trading update 3Q14
	Agfa	Results 1Q14
	Boskalis	Trading update 1Q14
	CMB	General Assembly
	Deceuninck	General Assembly
		Trading update 1Q14
	Fluxys Belgium	Trading update 1Q14
	Solvac	General Assembly
	Solvay	General Assembly
	Texaf	Ex. General Meeting
		General Assembly
	Tigenix	Results 1Q14
	14.05.14	Ablynx
Ageas		Results 1Q14
Bekaert		Trading update 1Q14
bpost		General Assembly
Brederode		General Assembly
Cofinimmo		General Assembly
Corbion		Ex div. FY13
IBA		Results 1Q14
Leasinvest RE		Results 1Q14
Solvac		Results 1Q14

## ROADSHOW CALENDAR

Date	Company	Place
13.05.14	Euronav	New York
14.05.14	Euronav	Boston
23.05.14	Gimv	Antwerpen, Gent
28.05.14	DSM	Paris
12.06.14	Barco	Spain
13.06.14	Barco	Frankfurt
	Sipef	Paris
16.06.14	Bekaert	Luxembourg
18.06.14	Mobistar	Luxembourg
23.06.14	RealDolmen	Brussels
01.07.14	Wessanen	Paris
07.07.14	RealDolmen	Paris
05.09.14	Befimmo	Luxembourg
11.09.14	CFE	New York
12.09.14	CFE	New York
18.09.14	Ackermans	New York
19.09.14	Ackermans	New York

For an overview of our upcoming events, please click [here](#).

## PUBLICATION OVERVIEW

Date	Company / Sector	Title report	Recommendation	Target Price
09.05.14	bpost	An excellent quarter in the (mail)bag	Buy	19.00
	D'leteren	1Q14E results hit by mild winter	Hold	36.50
	Solvay	PVC JV clearance is crucial transformation step	Accumulate	130.00
08.05.14	Thrombogenics	ARVO Jetrea analysis, M&A (?), forecast review	Accumulate	26.00
	Belgacom	Preview 1Q14	Accumulate	24.00
	DSM	1 Q Marks the trough for Nutrition	Buy	63.00
05.05.14	Montea	Entering a higher League	Hold	30.00
	Solvay	1Q results upcoming but all eyes on EC	Accumulate	130.00
	Tessenderlo	Strong 1Q result, FY guidance upped	Hold	21.00
02.05.14	Delhaize	Tough trading conditions in Belgium in 1Q14E	Accumulate	55.00
	Wessanen	Earnings surprise prompts upgrade	Buy	4.90
30.04.14	Umicore	FY guidance disappoints	Hold	36.00
28.04.14	Corbion	Biochemicals in higher gear, not PLA-related	Accumulate	17.00
25.04.14	CP Invest	Just launched a two-stage rocket	Hold	14.00
	Melexis	Surfing on the trend for greener, safer cars	Accumulate	31.00
	Telenet	Preview 1Q14 - Straight sailing ahead	Buy	45.00
	Heineken	Back to positive organic volume growth	Accumulate	58.00
22.04.14	Heineken	Volume momentum expected to pick up	Accumulate	58.00
17.04.14	Wessanen	Lower REBIT in 1Q14E due to higher A&P	Buy	4.90
	Akzo Nobel	1Q operating results below expectations	Accumulate	61.00
	CEZ	CEZ lightning, it's electrifying!		

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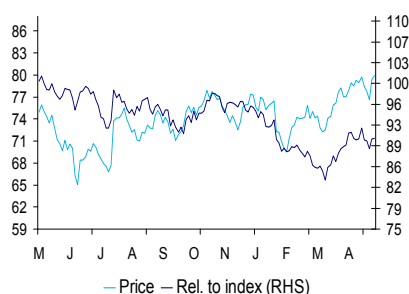
## AB INBEV

### Target price upped after strong 1Q14 volumes

BEVERAGES  
BELGIUM

CURRENT PRICE €79.94  
TARGET PRICE €87.00

**ACCUMULATE**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg ABI BB  
Reuters ABI.BR  
www.ab-inbev.com

Market Cap € 128,098.1m  
Shares outst. 1,606.1m  
Volume (daily) € 116,113,588  
Free float 46.8%

Next corporate event

Results 1H14: 31 July 2014

(\$ m)	2013	2014E	2015E
Sales	43,195.0	47,780.9	50,313.2
REBITDA	17,188.0	18,956.2	20,522.6
Net earnings	14,394.0	8,646.0	9,388.0
Adj. EPS (\$)	4.89	5.44	5.91
P/E (x)	19.7	20.2	18.6
EV/REBITDA	15.0	14.8	13.4
FCF Yield	6.5%	5.0%	5.5%
Dividend yield	2.8%	2.8%	2.9%

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We have reviewed our earnings model following last week's 1Q results release. We have slightly lowered our 2014E EPS forecasts (from \$ 5.54 to \$ 5.44), mainly due to an upwards revision of financing charges (recall 1Q was impacted by higher charges a.o. due to mark-to-market adjustments linked to the hedging of share-based payment programs). We have however slightly revised our FY15E forecasts up (from \$ 5.83 to \$ 5.91).

We remind that ABI's 1Q14 figures have surprised positively on the top line, with a strong organic volume performance (+4.4%), even if there was some support from loading inventory levels at US wholesalers ahead of labour discussions (estimated effect of about +1.2%). 1Q EBITDA was up by 10.8% organically but the actual figure of \$ 3,880m was lower than our and consensus figures. We entirely blame this miss on temporary elements such as higher sales & marketing expenses ahead of the FIFA World Cup and the somewhat volatile bonus accrual costs.

#### Conclusion:

With volume growth resuming, pricing still very solid (+5.7% on constant geo-mix in 1Q) and further synergy potential in Mexico, ABI looks on the way to a healthy underlying 2014 performance.

ABI remains a very well managed group with strong market positions in some of the world's largest beer profit pools like the US, Brazil and Mexico. Significant cash flow (operating cash flow – capex) generation, estimated at around \$ 10bn yearly on average in the next few years, will create significant headroom for share buybacks, dividend increases and/or M&A. After the encouraging 1Q top line performance and backed by our DCF model, we have decided to increase our target price from € 78 to € 87. We maintain our Accumulate rating.

*A flash note with a more detailed review of the 1Q14 performance will be published today.*

13 May 2014

## AGFA

## Weak 1Q14: uncertain climate in the US healthcare

GENERAL INDUSTRIES  
BELGIUMCURRENT PRICE €2.47  
TARGET PRICE €2.25REDUCE  
RATING UNCHANGED

Source: Thomson Reuters Datastream

Bloomberg	AGFB BB
Reuters	AGFB.BR
www.agfa.com	
Market Cap	€ 424.5m
Shares outst.	167.8m
Volume (daily)	€ 754,143
Free float	97.6%

Next corporate event

Results 1H14: 27 August 2014

(€ m)	2013	2014E	2015E
Sales	2,865.0	2,836.6	2,879.0
REBITDA	225.0	249.3	301.2
Net earnings	41.0	39.4	86.7
Adj. EPS (€)	0.24	0.37	0.65
P/E (x)	6.3	6.7	3.8
EV/REBITDA	8.2	7.9	6.0
FCF Yield	24.4%	15.1%	22.6%
Dividend yield	0.0%	0.0%	0.0%

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Agfa's 1Q14 revenues came in at a weak € 622m (-11.8%) vs. € 655m CSS (€ 665m KBCSe). Excluding currency-related effects, the decline amounted to 8.8%. The top line decline was even more than we and consensus expected, impacted by the weak performance in most of the emerging markets and by the expected product portfolio rationalisation in Agfa Graphics.

Positive was that - in spite of the strike Agfa saw in 1Q14 - 1Q14 gross profit margin improved to 29.3% in 1Q14 (28.8% in 1Q13). As expected, the main drivers behind this improvement were the targeted efficiency programs and positive raw material effects. 1Q14 REBIT (the sum of Graphics, HealthCare, Specialty Products and the unallocated portion) came in at a weak € 16m (2.6% REBIT margin) vs. € 21m (3.0%) in 1Q13. Consensus was aiming at 1Q14 REBIT of € 21m (3.2% EBIT margin) while we were at € 22.8m (3.4%). Restructuring and non-recurring items were lower than expected (€ -1m vs. € -9m in 1Q13) and Agfa's net finance costs amounted to € 14m (€ 16m in 1Q13) while the tax expense was nil. As a result of this, Agfa posted a 1Q14 net profit of € 1m (€ -12m in 1Q13). We and consensus were at € -3m. The net debt decreased from € 217m (end 2013) to € 191m due to the strong cash flow generation (Net cash from operating activities was a nice € 31m).

- **Agfa Graphics'** revenue decreased 11.9% to € 327m (€ 340m CSS, € 344 KBCSe). The weak performance in most of the emerging markets weighed on the business group's top line. The revenue evolution also reflects the product portfolio rationalisation, in particular for the traditional businesses. In the prepress segment, the digital computer-to-plate (CtP) business continued to suffer from competitive pressure. The industrial inkjet segment's top line was influenced by the weak investment climate and the product portfolio rationalisation. Graphics' 1Q14 REBIT improved from € 4.4m (1.2%) to € 12.6m (3.9% margin). We and CSS were at € 12 and € 11m.
- Impacted by adverse currency effects, **Agfa HealthCare's** revenue decreased 11.6% to a weak € 244m (€ 261m CSS, € 265m KBCSe) also impacted by the weak performance in the emerging markets. Agfa highlighted that while Agfa HealthCare's Direct Radiography and Enterprise IT businesses performed well, the Imaging IT activities suffered from the uncertain investment climate in the US healthcare sector. Healthcare 1Q14 REBIT came in at a weak € 3.7m (1.5% margin) while we and consensus were aiming at respectively € 9.5m and € 11m.
- Mainly due to the lower silver price, Agfa **Specialty Products'** revenue decreased € 51m (€ 54m CSS). REBIT came in at € 0.6m.

## Conclusion

Agfa's 1Q14 revenues came in at a weak € 622m impacted by the weak performance in the emerging markets while the Imaging IT business suffered from the continuously uncertain investment climate in the US healthcare market. Agfa further reduced its net financial debt. Agfa believes 1H14 will continue to show a soft business environment, but they believe they will continue to improve the gross profit margin and they will continue to focus on cash flow generation. Agfa sticks to its medium-term target of delivering a double digit recurring EBITDA percentage. € 2.25 TP and Reduce.

13 May 2014

## BANIMMO

### 1Q14 results preview

REAL ESTATE INVESTMENT & SERVICES  
BELGIUM

CURRENT PRICE €8.22  
TARGET PRICE €9.50

**ACCUMULATE**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg BANI.BB  
Reuters BANI.BR  
[www.banimmo.be](http://www.banimmo.be)

Market Cap €93.5m  
Shares outst. 11.4m  
Volume (daily) €23,278  
Free float 21.6%

Next corporate event

Trading update 1Q14: 15 May 2014

(€ m)	2013	2014E	2015E
Current Result	-4.2	1.1	8.5
Portf. Result	-9.7	3.1	0.3
Net Profit	-13.9	4.1	8.9
Adj. EPS (€)	-0.37	0.09	0.75
NAV (€)	11.0	11.3	12.1
P/E (x)	-25.3	88.7	10.9
DPS (€)	0.00	0.00	0.40
Dividend yield	0.0%	0.0%	4.9%

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Banimmo is expected to release a 1Q14 trading update on Thursday 15 May after market.

#### News:

We expect a drop in net rental income y/y from € 2.8m to € 2.2m on the back of several project disposals in FY13, but tempered by the acquisition of an income generating asset (Desguin) and the opening of the retail Gallery in Suresnes. As most of the disposed assets were 100% occupied, we expect the occupancy to come in lower y/y. More interesting will however be the evolution in the occupancy since end-FY13, as this is a comparison with a stable perimeter.

With regard to the projects in JV, we believe to see limited changes, whereas contributions of conference centres are expected to benefit from the improved economic climate.

Typically in Q1, Banimmo made no asset disposals.

We expect the project values overall to remain stable.

#### Conclusion:

We stick to our recently upped TP of € 9.5 and Accumulate rating.

13 May 2014

## CFE

## Preview trading update

CONSTRUCTION & MATERIALS  
BELGIUM

CURRENT PRICE €79.85  
TARGET PRICE €85.00

**BUY**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg CFE8.BB  
Reuters CFE8.BR  
www.cfe.be

Market Cap €2,021.4m  
Shares outst. 25.3m  
Volume (daily) €1,340,282  
Free float 27.5%

Next corporate event

Results 1Q14: 16 May 2014

(€ m)	2013	2014E	2015E
Sales	2,267.3	3,395.0	3,290.9
REBITDA	213.2	429.8	414.2
Net earnings	-81.2	107.1	104.4
Adj. EPS (€)	0.60	4.23	4.13
P/E (x)	81.9	18.9	19.4
EV/REBITDA	6.6	6.1	6.0
FCF Yield	8.4%	9.3%	8.3%
Dividend yield	2.3%	1.9%	1.9%

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Friday, before market, CFE will release its 1Q14 trading update.

The company will provide revenues and order book by division, combined with qualitative comments. As from the end of December, CFE has become 100% shareholder of DEME (from 50%), while AvH has become the new reference shareholder of CFE, holding 60.4%. Hence, as from 01/01/2014, DEME will be 100% consolidated in CFE's financial accounts.

Comparison should be relatively easy as the contracting activities were impacted by the harsh winter conditions early 2013 while DEME had a somewhat lower fleet utilisation early 2013. We expect revenues, on a comparable basis (CFE, incl. DEME for 100%) to have increased by 7.8% y/y to €793.5m. Revenues from the contracting activities (CFE, excl. DEME) are seen at €228.3m, up 8.3% y/y while revenues at DEME are seen at €565.2m, up 7.6% y/y.

The order book at the end of March is seen at €4,172.7m (of which €2,860.6m from DEME), down from €4,387.9m at the end of December. At the end of April, the consortium consisting of Unibail-Rodamco, Bexis and CFE, was selected by the City of Brussels for the NEO 1 project. Several press sources are suggesting that Singapore is close to awarding phase one and two of the Tuas mega port development. These same sources are suggesting that the consortium consisting of Boskalis, Van Oord, PentaOcean, Hyundai and Samsung came the lowest on price for phase one while the consortium led by DEME was the lowest on price for phase two. Phase one and two are estimated to be worth approximately €0.6 and €1.8bn, with dredging accounting for approximately 15% in phase one and 20% in phase two.

**Conclusion:**

In contracting or dredging, one should be extremely prudent in jumping to conclusions on the back of first quarter sales numbers. We expect the company to repeat its positive outlook for FY14. DEME not only entered into FY14 with a well filled order book, we see momentum in dredging improving as well.



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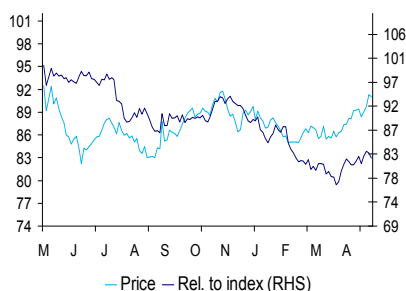
## COFINIMMO

## Sale of North Galaxy Office building for €475m

REAL ESTATE INVESTMENT TRUSTS  
BELGIUM

CURRENT PRICE €91.00  
TARGET PRICE €86.50

**HOLD**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg COFB BB  
Reuters COFB.BR  
www.cofinimmo.be

Market Cap €1,601.0m  
Shares outst. 17.6m  
Volume (daily) €3,018,435  
Free float 91.3%

Next corporate event

General Assembly : 14 May 2014

(€ m)	2013E	2014E	2015E
Current Result	119.2	121.2	117.1
Portf. Result	-61.9	-43.7	-5.6
Net Profit	58.7	77.5	111.6
Adj. EPS (€)	6.78	6.77	6.69
NAV (€)	99.2	99.7	100.4
P/E (x)	13.4	13.4	13.6
DPS (€)	6.00	5.50	5.50
Dividend yield	6.6%	6.0%	6.0%

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Cofinimmo sold its North Galaxy Office building, its debt inclusive. Hence the non-cash 'writeback of leasepayments sold' will drop, but the cash impact of financial charges will also drop significantly. Hence, bottom line pos. impact of € 1.00 annually on a cash base.

**News:** Cofinimmo sold 100% of the shares of its subsidiary Galaxy Properties SA/NV, owner of the North Galaxy building, head office of the Belgian Ministry of Finance in Brussels. 90% of the shares were acquired by ATP, the largest Danish pension fund, and 10% by AXA Belgium.

The value agreed between the parties for the building amounts to € 475m. It makes this real estate transaction the largest realised on the Belgian office market for a single building. Given the current passing rent of € 26.8m (€ 229/m<sup>2</sup>), this sales value represents a gross yield of 5.64%. The actual sales price amounted however to € 7m, being the difference between the agreed value and the debts taken over.

In 2005, Cofinimmo acquired the property for an agreed value of € 390m. Hence, the company attained an average annual IRR on this 9-year transaction of 14.9%. This was made possible because of smart financial mgmt. such as selling the 18-year leases in advance for € 344m, i.e. 88% of the € 390m that needed to be financed.

Cofinimmo books a small accounting loss of € 25m on this transaction given the higher market value in the books and the cancellation in the income statement of the writeback of lease payment sold and discounted.

Additionally, Cofinimmo restructured € 600m of FLOOR options with a strike of 3%. This represents a one-off outlay of € 57m but has no impact on the equity, as they are booked marked-to-market. Furthermore, the company fixed new IRS hedges for a notional amount of € 400m at an average rate of 0.51%. This will significantly reduce financial charges in the years ahead.

**Our View:** This is a good transaction as 11% rental growth was booked and the building is sold at a 55bps lower yield than it was acquired (acquisition yield of 6.19%) even though the building has aged. Secondly, this transaction reduces the company's exposure to offices immediately from 45.6% to 41.7%. The transaction provides Cofinimmo with € 200m headroom before reaching 50% debt ratio to fund its investment pipeline.

**Outlook:** The debt ratio is expected to drop to 47.1% by end-FY14. The net current result per share guidance remains unchanged at € 6.61 as the reduction in writeback of lease payments sold is offset by an equivalent reduction of the net interest charges. The cash flow generation for FY14 will increase by € 0.64/sh and by € 1.00/sh on year basis. Hence, there is sufficient coverage of the guided FY DPS of € 5.50, which is reconfirmed today.

**Conclusion:** Rating and TP under review.

13 May 2014

## CORBION

## New management team in place

FOOD PRODUCERS  
NETHERLANDSCURRENT PRICE €16.63  
TARGET PRICE €17.00ACCUMULATE  
RATING UNCHANGED

Source: Thomson Reuters Datastream

Bloomberg	CRBN NA
Reuters	CORB.AS
<a href="http://www.corbion.com">www.corbion.com</a>	

Market Cap	€ 1,017.8m
Shares outst.	61.6m
Volume (daily)	€ 3,010,222
Free float	85.0%

Next corporate event

Payment dividend FY13: 4 June 2014

(€ m)	2013	2014E	2015E
Sales	743.6	763.0	813.8
REBITDA	99.2	108.7	119.4
Net earnings	4.2	43.9	50.7
Adj. EPS (€)	0.07	0.67	0.78
P/E (x)	236.6	24.7	21.3
EV/REBITDA	10.4	8.3	7.8
FCF Yield	-5.6%	-1.9%	-1.7%
Dividend yield	0.9%	1.5%	1.7%

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## News:

The General Shareholders Meeting, held yesterday, approved the appointment of the earlier proposed new management team.

Mr Tjerk de Ruyter was appointed as new CEO, replacing Mr Gerard Hoetmer. Tjerk de Ruyter was previously CEO and President of LS9, an industrial biotech company based in the US. Prior to that, he was CEO of the Genencor division of Danisco, and a member of the Danisco Executive Committee.

Mr Eddy van Rhede van der Kloot was appointed as new CFO, replacing Mr Koos Kramer. Eddy van Rhede van der Kloot was previously SVP at Corbion. Prior to that role, he has been CFO of Corbion's Purac business. Previously, he has also worked with Vopak and Unilever.

Mr Sven Thormählen was appointed as Chief Technology Officer. He was previously CEO of MucoVax GmbH, Executive Vice President R&D and executive board member of Danone and Senior Vice President R&D at l'Oréal.

Furthermore, the General Shareholders Meeting also approved the € 0.15 dividend proposal.

## Our View:

After Mr Hoetmer and Mr Kramer have converted CSM, predominantly active in bakery ingredients and products, into Corbion, it is now up to the new management team to try to make a success out of the Biochemicals operations. In the Biobased Food Ingredients business, Corbion is the clear market leader in lactic acid, with solid profitability. With limited visibility on if & when the new management team can make a success out of the PLA, succinic acid and other innovation projects, we stick to our fairly conservative € 17 target price as well as our Accumulate rating.



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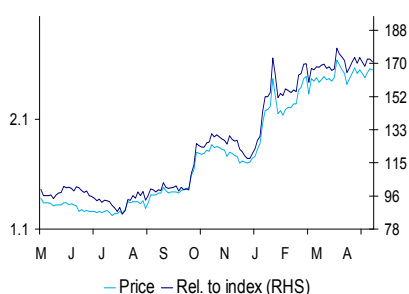
## DECEUNINCK

### Strong 1Q volumes albeit driven by good weather

CONSTRUCTION & MATERIALS  
BELGIUM

CURRENT PRICE €2.51  
TARGET PRICE €2.50

**HOLD**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg	DECB BB
Reuters	DECB.BR
www.deceuninck.com	
Market Cap	€ 270.2m
Shares outst.	107.8m
Volume (daily)	€ 302,594
Free float	59.6%

Next corporate event

Results 1H14: 23 July 2014

(€ m)	2013	2014E	2015E
Sales	536.5	552.5	573.2
REBITDA	47.4	53.6	59.2
Net earnings	8.2	12.9	17.8
Adj. EPS (€)	0.08	0.12	0.17
P/E (x)	18.3	20.9	15.2
EV/REBITDA	5.7	7.3	6.6
FCF Yield	9.6%	2.0%	2.2%
Dividend yield	1.4%	1.2%	1.6%

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#### News:

Deceuninck's 1Q trading update showed a slightly stronger than expected top line evolution, with sales up 3.8% to € 115m vs. our and consensus forecasts of respectively € 113.6m (+2.2%) and € 113.7m.

The regional breakdown of revenue was as follows:

Western Europe: +6.7% to € 46.4m (KBCS € 46.1m, CSS € 47.4m). Unsurprisingly, Deceuninck mentioned that the 1Q performance was supported by mild winter weather. All countries in the zone grew double digit, except France.

Central & Eastern Europe: +8.5% to € 29.3m (KBCS € 27.5m, CSS € 27.6m). Also in this zone, most markets showed double digit growth (except for some Balkan countries). Volumes in Russia were strong and not affected by the political turmoil around Ukraine.

Turkey & Emerging markets: -3.8% to € 25.5m (KBCS € 24.9m, CSS € 23.7m). Sales at constant FX grew by 15.1%. Deceuninck benefited also in this zone from a mild winter as well as competitive wins and further export activity.

United States: +0.5% to € 14.3m (KBCS € 15.1m, CSS € 15.0m). Sales at constant FX grew by 4.0%, somewhat impacted by the harsh winter offsetting positive underlying demand trends.

Volumes increased by 11.4% (KBCS est. +7.2%), whereas price/mix was up 0.9% (KBCS est. 2.5%) and FX had a negative -8.4% impact (KBCS est. -7.5%).

The group gives no quantified guidance for FY14, citing the fragile economic recovery and volatile FX. Deceuninck mentions that the weak Turkish lira and Russian ruble are expected to have an impact on consolidated sales and EBITDA. The start of the second quarter shows y/y stable volumes in Europe. Deceuninck expects a continued strong performance in the US after a severe winter season. Turkey and Emerging markets are expected to continue their growth path.

#### Our View:

We remind that we have lowered our forecasts ahead of this trading update with our REBITDA14E forecast now at € 53.6m vs. last year's € 47.0m figure (consensus prior to this trading update was € 50.1m). We believe Deceuninck's profitability might indeed to some extent be hit by the currency woes. We remind that most of the raw materials in Turkey are purchased abroad, creating some transactional FX exposure next to the obvious translational FX exposure.

Despite a good start of the year from a volume perspective, the comment on flattish volumes in Europe at the start of 2Q14 raises indeed the question whether the 1Q performance in Europe was not mostly driven by easy weather comparables. With little upside from valuation multiples (EV/REBITDA14E of 7.3x and EV/REBITDA15E of 6.6x), we stick to our Hold rating.

13 May 2014

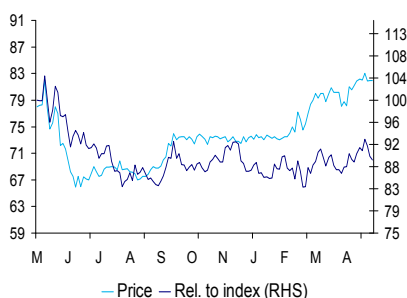
## LEASINVEST RE

### 1Q14 results preview

REAL ESTATE INVESTMENT TRUSTS  
BELGIUM

CURRENT PRICE €81.95  
TARGET PRICE €80.00

**HOLD**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg	LEAS BB
Reuters	LNRE.BR
www.leasinvest.be	
Market Cap	€ 404.7m
Shares outst.	4.9m
Volume (daily)	€ 150,284
Free float	40.4%

Next corporate event

Results 1Q14: 14 May 2014

(€ m)	2013	2014E	2015E
Current Result	24.1	26.6	27.4
Portf. Result	2.8	3.5	4.9
Net Profit	26.9	30.0	22.8
Adj. EPS (€)	4.88	5.38	5.55
NAV (€)	71.9	73.5	75.5
P/E (x)	14.7	15.2	14.8
DPS (€)	4.50	4.60	4.70
Dividend yield	6.3%	5.6%	5.7%

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Leasinvest RE will publish its 1Q14 results on Wednesday 14 May before market. We up our TP ahead of the results to € 80, which should reflect the company's solid earnings growth ahead.

#### Preview 1Q14 results:

We expect net rental income to increase 18% y/y from € 10.5m to € 12.4m on the back of significant portfolio expansion in 2H13, positive like-for-like rental growth and a higher occupancy, but tempered by the disposal of several smaller no longer value-creating assets. Operating charges are expected to rise proportionally and overheads by 6% y/y.

This is expected to lead to an increase y/y in operating result before result on portfolio from € 8.1m to € 9.4m, reflecting an operating margin of 76%.

We expect the net financial result (excl.IAS39) to increase y/y from € -2.6m to € -3.3m. The net current result is therefore expected to land 10% higher y/y at € 6.1m, which corresponds to a positive evolution per share from € 1.12 to € 1.23.

#### We up our target price to €80:

Leasinvest RE intensively rebalanced its portfolio in FY13. This work should pay off in FY14. We furthermore bank on internal portfolio improvements which should support the overall portfolio quality and enable the pay out of an increasing dividend per share in the years ahead.

We've lowered our WACC to 6.2% leading to an upward revision of our target price from € 76 to € 80 p.s. We stick to our Hold rating.

13 May 2014

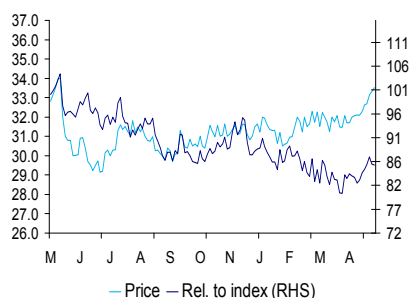
## MONTEA

### Identification of €23m portfolio growth in Willebroek

REAL ESTATE INVESTMENT TRUSTS  
BELGIUM

CURRENT PRICE €33.50  
TARGET PRICE €30.00

**HOLD**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg MONT BB  
Reuters MONTE.BR  
www.montea.eu

Market Cap € 216.0m  
Shares outst. 6.4m  
Volume (daily) € 56,705  
Free float 40.8%

Next corporate event

Results 1Q14: 15 May 2014

(€ m)	2013	2014E	2015E
Current Result	13.5	15.0	19.4
Portf. Result	3.5	0.0	3.4
Net Profit	17.0	15.0	22.9
Adj. EPS (€)	2.05	1.97	2.31
NAV (€)	22.4	23.4	23.7
P/E (x)	15.0	17.0	14.5
DPS (€)	1.97	1.97	2.10
Dividend yield	6.4%	5.9%	6.3%

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#### Summary:

Montea announces further portfolio growth by investing € 23m in two build-to-suit projects in the MG Park De Hulst (Willebroek). The projects have an average fixed lease term of 7 years and will yield 7.9% gross. Delivery and thus contributions are expected as of 3Q14. Montea hereby further identifies its guided € 95m portfolio growth. We stick to our Hold rating.

#### News:

In December FY13, Montea announced the potential development of 150k m<sup>2</sup> logistics in partnership with MG in the sustainable logistics park 'MG Park De Hulst'. After having announced a first build-to-suit project in December (€ 12.5m investment and leased to Dachser on 22 years), Montea announces today the development of two new build-to-suit projects in this same logistics park in Willebroek for a total investment value of € 23m, an average gross yield of 7.9% and average fixed lease term of 7 years.

The first new build-to-suit project entails 19k m<sup>2</sup> of warehousing, 500m<sup>2</sup> of offices and 82 truck spaces. The building will have 30 loading docks and is expected to be operational by 3Q14. Montea will acquire the project at completion from MG Real Estate subject to the normal conditions. The transaction entails a total investment value of € 13.3 and will yield 8% gross. Montea signed a 10-year lease agreement with Neovia Logistics Services.

The second project includes a build-to-suit logistics platform with 13k m<sup>2</sup> of warehousing, 1k of offices and 75 parking spots. This building will have 12 loading docks and is also expected to become operational in 3Q14. Montea will acquire the project at completion from MG Real Estate subject to the normal conditions. This transaction represents a total investment value of € 9.6m and will have an initial gross yield of 7.5%. Montea signed a long-term lease agreement of 15 years with an American Multinational.

#### Our View:

As largely touched upon in our preview sent out last week, Montea has the ambition to grow its portfolio by approx. € 95m in FY14. After having identified already half of this growth since December, the company announces today two other new build-to-suit projects for a total value of € 23m. We therefore welcome the further identification of their announced growth plan.

Given the fact that we had however already pencilled in this portfolio growth in our model, which is expected to start contributing mainly by year-end, we make no changes to our estimates.

#### Conclusion:

We stick to our Hold rating and € 30 TP.

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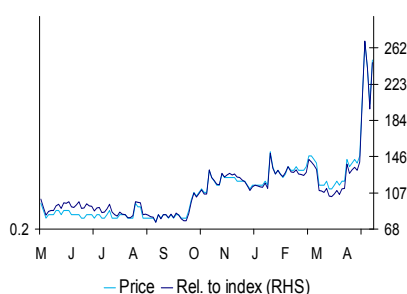
## OPTION

### Jan Callewaert reduces its stake in Option

TECHNOLOGY HARDWARE & EQUIPMENT  
BELGIUM

CURRENT PRICE €0.63  
TARGET PRICE €0.25

**SELL**  
RATING DOWNGRADED



Source: Thomson Reuters Datastream

Bloomberg OPTI BB  
Reuters OPIN.BR

www.option.com

Market Cap	€ 51.6m
Shares outst.	82.5m
Volume (daily)	€ 259,639
Free float	91.5%

Next corporate event

(€ th)	2013	2014E	2015E
Sales	9,393	21,411	32,116
REBITDA	-7,108	-74	4,999
Net earnings	-11,703	-4,458	125
Adj. EPS (€)	-0.14	-0.05	0.00
P/E (x)			413.2
EV/REBITDA			12.3
FCF Yield	-52.7%	3.5%	10.6%
Dividend yield	0.0%	0.0%	0.0%

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A filing at the FSMA-website showed that Jan Callewaert, chairman and with 14.8m shares (17.95% of total shares) prior to the sale, the biggest known shareholder of Option, sold 900,000 shares on 9 May 2014 at an average price of € 0.5676.

The share price improved heavily after a € 12m funding was successfully raised via the issue of a convertible loan. Option indicated that the combination of the funding, further cost reductions and sales in line with budget, will allow them to fully realise the potential of Internet of Things (IoT) and M2M and to establish growth at market pace. The two bonds (this one and the € 9m 5-year convertible bond of April 13) have a maximum dilution of just over 100% (or maximum close to 170m total shares in 5 years' time).

#### Conclusion

Half April 2014, we increased our rating from Sell to Reduce and our target price from € 0.15 to € 0.25 as - after Option secured the € 12 in funding - the imminent failure risk disappeared. After the recent share price rally, we lower our rating back to Sell (from Reduce) and reiterate our € 0.25 TP. Also Jan Callewaert, chairman and the biggest known shareholder of Option, recently sold 900,000 shares.

Although the market of Internet of Things looks promising, Option still has a lot to prove. After Option's shift from a B2C to a B2B company, Option's future now relies fully on its new product, CloudGate, aimed at the M2M market. Option continues to work on further expanding the ecosystem to secure a good market coverage and presence in the different M2M segments. With CloudGate Option is competing for some of the existing and new projects in the U.S. M2M market.

We believe investors underestimate the dilutive impact of the two bonds (this one and the € 9m 5-year convertible bond of April 13) which will have a maximum dilution of just over 100% (or maximum close to 170m total shares in 5 years' time).

13 May 2014

## TEXAF

### €19.5m offer for Imbakin

FINANCIAL SERVICES  
BELGIUM

CURRENT PRICE €39.00  
TARGET PRICE €46.00

**ACCUMULATE**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg                      TEXF BB  
Reuters                         TEXB.BR

[www.texaf.be](http://www.texaf.be)

Market Cap                    € 124.4m  
Shares outst.                 3.5m  
Volume (daily)               € 27,420  
Free float                     22.1%

Next corporate event

Trading update 1Q: 16 May 2014

(€ th)	2013	2014E	2015E
Sales	18,619	20,081	21,500
REBITDA	9,435	10,409	11,809
Net earnings	6,479	5,056	5,836
Adj. EPS (€)	1.48	1.50	1.65
P/E (x)	20.5	26.1	23.7
EV/REBITDA	13.6	16.0	14.2
FCF Yield	2.1%	-3.0%	0.1%
Dividend yield	1.3%	1.2%	1.5%

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#### Offer for Imbakin

A third party has expressed an interest in acquiring Imbakin sàrl (in liquidation), a subsidiary of Texaf. The identity of the potential acquirer is not disclosed. Imbakin sàrl's sole asset is a € 51m second ranking receivable on the Democratic Republic of the Congo. Imbakin sàrl is totally written off in Texaf's accounts. The receivable originates from the sentencing of the Republic of Zaire in 1996 to pay an expropriation indemnity of € 63m. In 2011, Cobepa received in return for financing that it provided to Texaf, € 12m of the receivable. In other words, Cobepa has a first ranking receivable of € 12m which the potential acquirer is prepared to buy as well. A due diligence is ongoing, which shouldn't last beyond 23 June. At this stage, there is no guarantee that the deal will go through.

#### Spin-off of Imbakin

Today, Texaf's EGM will decide on the transfer of Imbakin sàrl as well as € 0.5m to a new Belgian company Imbakin Holding SA by way of a split. Each shareholder of Texaf will receive 1 share of Imbakin Holding SA for every Texaf share. Imbakin Holding SA will therefore benefit from the potential sale. The Imbakin Holding SA shares will be available from May 23 onwards. They will be traded over the counter.

#### Target price raised temporarily to €46

The potential acquirer is offering 50% of the € 63m expropriation indemnity or € 31.5m of which € 12m will go to Cobepa and € 19.5m to Imbakin if the transaction goes through. € 19.5m represents € 6.11 per Texaf share. We therefore raise our target price from € 40 to € 46. Our old target price was based on the sum-of-the-parts method in which we had valued Imbakin sàrl at € 0. We'll revise our target price downwards when the split takes place. We stick to our Accumulate.

#### Cha entering Texaf's capital and capital increase

Today's EGM will also vote on the contribution of Group Cha's stake in Immotex combined with a capital increase. Texaf's stake in Immotex will rise from 50.1% to 100% as a result of this. Immotex owns a 14 ha site of a former textile factory at a prime location of Kinshasa and a 104 ha site 10km from the centre. Taking full control of Immotex will facilitate the allocation of financial resources and speed up the development of the sites. There are already concrete plans to build rental properties (residential, offices, commercial) on the former textile factory site. The group is looking into the possibility of building houses for the local middle class on the site that is located 10km from the centre. These houses will probably be sold rather than let. Group Cha will have a 10% stake in Texaf following the capital increase. The operation with Cha should be EPS accretive (5-6%) as from 2015.

13 May 2014

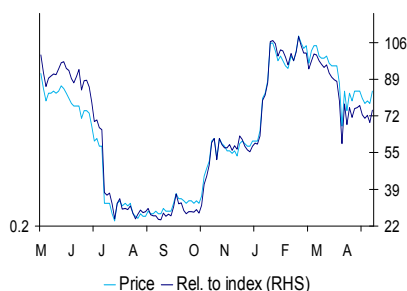
## TIGENIX

### 1Q14 update

PHARMACEUTICALS & BIOTECHNOLOGY  
BELGIUM

CURRENT PRICE €0.72  
TARGET PRICE €0.95

**ACCUMULATE**  
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg TIG BB  
Reuters G9U.BR  
www.tigenix.com

Market Cap € 115.7m  
Shares outst. 160.5m  
Volume (daily) € 1,506,869  
Free float 70.7%

Next corporate event

Results 1H14: 26 August 2014

(€ th)	2013	2014E	2015E
Sales	4,301	6,866	15,218
REBITDA	-10,278	-9,624	-2,380
Net earnings	-13,865	-11,963	-4,684
Adj. EPS (€)	-0.13	-0.07	-0.03
P/E (x)			
EV/REBITDA			
FCF Yield	-15.6%	-11.6%	-11.5%
Dividend yield			

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#### News:

Tigenix provided in its 1Q14 update more details on the impact of the ChondroCelect outlicensing to Sobi. The cash position and access to future funds is sufficient to cover the results publication of the phase 3 with Cx601 expected by 3Q15. No changes to our forecast and target price.

#### Our View:

ChondroCelect booked in 1Q14 € 1.3m of sales, up 26% versus 1Q13. As of 1 June, Sobi will take over the commercial responsibilities and Tigenix will receive in the first 12 months a 22% royalty on sales and 20% thereafter. In 2Q14, the company expects to close the sale of the Dutch manufacturing plant to PharmaCell accompanied with a € 3.5m payment. The closing of the two deals will have a € 5m reduction in annual operating costs for manufacturing and sales and marketing costs (FY13 COGS was € 1.1m, FY13 S&M was € 3.2m).

Regarding the ongoing Cx601 phase 3 trial, Tigenix reiterated to be on track to complete the recruitment by YE14 with results by 3Q15. If positive, the company expects to submit the regulatory dossier to the EMA by early 2016. In the coming 12 months, the company plans to file for Special Protocol Assessment (SPA) with the FDA for a phase 3 trial in the US and to hire a contract manufacturer to produce Cx601 for the US market. In line with the communications made at the FY13 reporting, the partnering of Cx601 for the US market is no longer a priority.

The development plans for Cx611 (systemic administration of adipose stem cells) will be communicated before end of 2Q14. We expect the company to perform additional phase 2 studies in a selection of autoimmune diseases, other than rheumatoid arthritis.

In line with expectations, Tigenix pulled the first € 5m debt tranche from the Kreos loan facility (closed at YE13). As such, the company's cash position increased at the end of March to € 17.2m, up from € 15.9m at YE13, suggesting a net operational and investment cash burn of € 3.7m for 1Q14. Including the expected € 3.5m from PharmaCell and a remaining loan facility of € 5m from Kreos, Tigenix calculates it has € 25.7m funds available to secure the study results from the European Cx601 phase III study.

#### Conclusion:

The 1Q14 trading update did not reveal major surprises. With the divestment of ChondroCelect, the company is fully focused on its Spain-based adipose stem cell technology and projects.

Short-term stock triggers are thus limited as all eyes are focused on the Cx601 readout in 3Q15. Thanks to the cash injection of Griffols and the loan facility of Kreos, Tigenix' cash position has substantially improved versus the situation of 12 months ago.



13 May 2014

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The company disclosures can be consulted on our website <http://www.kbcsecurities.com/disclosures>.

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