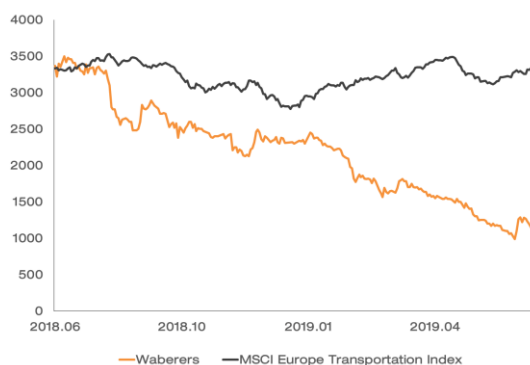


Waberer's

Recommendation: Buy (unch.)

Target price (e-o-y): HUF 1,785 (unch.)

Share price: HUF 1,230



Share price close as of 08/27/2019	HUF 1,230	Bloomberg	WABERERS HB
Number of diluted shares [million]	17.7	Reuters	WABE.HU
Market capitalization [HUF bn/EUR mn]	22.1/73	Free float	28%
Daily turnover 12M [HUF million]	20	52 week range	HUF 990 – 2,890

Waberer's extends cooperation with Audi in Győr

- WABERER'S announced that its fully owned subsidiary, Waberer's Szemerey Logisztika won a tender to provide a range of logistics services for Audi in Győr.
- Waberer's is to provide inhouse logistics services in the engine production plant and to operate an external logistic centre. The service covers warehousing of parts and line feeding of the production of approximately 2 mn engines per year.
- The contract with Audi is expected to enter into force until the end of September. The service period starts in December 2019 and lasts for 3 years.
- **Opinion:** We expect Waberer's to reach net revenues of c. EUR 30 mn in 2019F from warehousing activity in the Regional segment. However, we are of the view that the new contract will have a very meaningful positive impact on both revenues and EBIT in the RCL. Even though the participants haven't disclosed further details about the financials, we strongly believe that it might be worth between EUR 10-20 mn and EUR 0.5-1.0 mn in terms of revenues and EBIT, respectively, assuming an EBIT margin of 5pc for the business.

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Rating	Trigger
Buy	Total return is expected to exceed 20% in the next 12 months
Accumulate	Total return is expected to be in the range of 10-20%
Neutral	Total return is expected to be in the range of 10%-(-10%)
Reduce	Total return is expected to be in the range of -10-(-20%)
Sell	Total return is expected to be lower than -20%
Under Revision	The stock is put Under Revision if the covering analyst considers new information may change the valuation materially and if this may take more time.
Coverage in transition	Coverage in transition rating is assigned to a stock if there is a change in analyst.

Securities prices:

Prices are taken as of the previous day's close on the home market unless otherwise stated.

Valuations and risks:

Analysis of specific risks to set stock target prices highlighted in our investment case(s) are outlined throughout the report. For details of methodologies used to determine our price targets and risks related to the achievement of the targets referred to in the main body of the report or at [Rating Methodology](#) on our website, visit (https://www.con.hu/wp-content/uploads/2016/04/Methodology_concorde_research.pdf?tstamp=201710021038)

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