

8 January 2016

QUEST FOR GROWTH

FY15 profit and dividend assured

EQUITY INVESTMENT INSTRUMENTS
BELGIUM

CURRENT PRICE €11.00
TARGET PRICE €11.40

ACCUMULATE
RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg QFG BB
Reuters QUFG.BR
www.questforgrowth.com

Market Cap €131.4m
Shares outst. 11.5m
Volume (daily) €97,838
Free float 72.9%

Next corporate event

Results FY15: 21 January 2016

(€m)	2012	2013	2014
Net result	15.7	18.5	8.7
Adj. net result	0.0	18.5	8.7
Basic EPS (€)	1.36	1.60	0.76
ROE	17.2%	17.3%	7.9%
Adj. eq. value	9.26	10.87	10.28
Premium/disc.	38.4%	24.5%	26.0%
DPS (€)	0.00	1.18	0.72
Dividend yield	0.0%	14.4%	9.5%

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Quest's end December update signals NAV per share at €12.81, showing a discount of 11.0% vs. 18.3% end November. With portfolio stocks relatively holding up well in the market, the discount clearly shrunk towards the end of the year. As we now know the YE NAV stance, we can calculate how much FY15 profit the company has realised. Comparing with the company's NAV per share at YE14 of €9.53 (excl. div.), leads us to a total profit of €37.9m, a stellar performance.

Conclusion:

Quest's stock price improved substantially over December, as live monitoring of the portfolio signalled little or change vs. the end November stance (€12.81 vs. €12.86). At yesterday's close, we estimate NAV per share at €12.5 at a current discount vs. the stock of 12.2%.

We remind that the company is obliged to pay out at least 90% of its net profit, which would lead to a € 2.47 DPS over FY15, yielding 22.4%. Furthermore, the stock is exempt from the Belgian speculation tax (33% tax on capital gains realised within 6 months). The company can pursue a capital increase at the support of its shareholders to increase the equity and investment base going forward.