



EV/EBITDA	8.06	P/E	26.97
RoA	2.85%	P/S	0.7
RoE	5.94%	P/B	1.6

Stock Price of Devin



- The consolidated revenues of Devin remained stable and keep the growth rate from the 1Q. The sales on yearly basis increased by 8.45% to BGN 33 million. On quarterly basis the increase is 37%. The summer season is the strongest for the company, although the management expects almost equal revenues for the third quarter due to the steady growth of the mineral water consumption.

- The net profit significantly increased on yearly basis, mainly due to the realized investments in the bottling equipment. Moreover, the company managed to erase previous quarter losses and posted BGN 1 million net profit for the first half of the year.

- Through the distribution of the natural juice Granini the company diversified its product portfolio and is aiming at 2% market share in the natural juices segment. Inventories decreased by 10% on quarterly basis.

- At the beginning of the year the management forecasted BGN 82 million sales and net profit of BGN 3 million. Until now the company is implemented around 40% of the prognosis.

- We expect that Devin will be much less affected by the economic slump than the other Bulgarian public listed companies. This was the main reason for the recovery of the price from its February low.

- The Management announced that due to the current market conjuncture will reduce its investments to minimum level and will concentrate in the development of the distribution lines.

- The stock is traded far above its February low at BGN 1.30. The volumes are moderate in accordance with the market lethargy. The news for the sale of Soravia's stake in Devin boosted the position to BGN 3.01 in the end of May. We expect that P/E ratio of Devin will remain well above the market average but will continue to improve as well as EV/EBITDA. There was no investors' reaction to the announced financial results.

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