

Q2 results postview - Mid Caps

Rating	TP	EPS 11e	EPS 12e
	⬇️ (2%)	⬇️ (3%)	⬇️ (1%)

Price (31 August 2011)	EUR39.9
Market cap./Free float (EURbn)	1.1/0.9
EV (EURbn)	1.6
3m avg. volume (EURm)	1.7
Reuters/Bloomberg	RUBF.PA/RUI FP

Financial data	12/10	12/11e	12/12e	12/13e
Adjusted EPS (EUR)	2.32	2.42	2.88	3.19
EPS - IBES (EUR)	2.34	2.64	2.99	3.32
Net dividend (EUR)	1.53	1.62	1.94	2.15
Sales (EURm)	1,450	2,470	2,195	2,242
Adjusted EBITA (EURm)	87.1	116.5	135.6	147.9
Adj. net profit (EURm)	55.9	71.0	85.3	94.5
Adj. net debt / EBITDA (x)	1.2	2.5	2.1	1.7

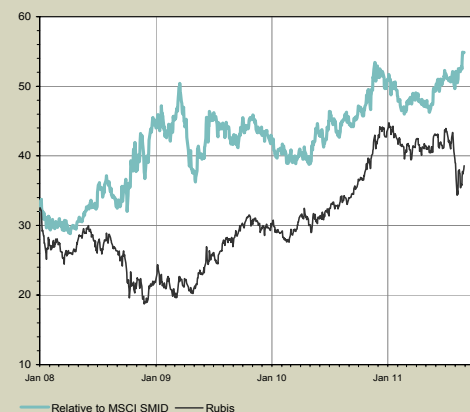
Stockmarket ratios*	12/10	12/11e	12/12e	12/13e
P/E (x)	14.5	16.5	13.9	12.5
P/BV (x)	1.3	1.5	1.5	1.4
Net yield (%)	4.5	4.1	4.9	5.4
FCF yield (%)	(0.4)	(4.6)	5.9	9.3
EV/Sales (x)	0.7	0.6	0.7	0.7
EV/EBITDA (x)	7.8	9.5	8.2	7.4
EV/EBITA (x)	11.5	13.4	11.4	10.2

* Yearly average price for FY ended 12/10

Performance* (%)	1w	1m	3m	12m
Absolute	8	(2)	(0)	27
Rel. Oil & Gas	4	9	14	22
Rel. MSCI SMID	3	9	19	27

* In listing currency, with dividend reinvested

Price relative to MSCI SMID



Outperform

Target price	EUR46 (+15%)
Sector rating	Outperform

Already guiding for a strong 2012!

► H1 earnings a touch below estimates

Rubis's H1 11 earnings were somewhat disappointing, with recurring EBIT 3% below our estimate and net profit 4% below. The group's overall performance was, however, satisfactory, with recurring net profit up 18%. The major surprise in the release was the large difference (vs what we were expecting) in the contributions of the two divisions.

► Storage: hurt by the ongoing growth plan

Even though revenues were bang in line with our estimates (+17% excluding trading), a strong performance showing no slowdown in Q2 vs Q1, Rubis Terminal's contribution to recurring EBIT was significantly below our forecast with no signs of the traditional (significant) operating leverage inherent in this kind of business. We had underestimated the start-up costs for the new terminal in Antwerp as well as the related depreciation.

► Distribution: surprisingly strong

Despite weak volumes (-4% on an organic basis in H1, hurt by a particularly warm Q2 in Europe), the distribution division delivered a very strong performance, with recurring EBIT up 38%, of which +13% on an organic basis (vs flat expected). Despite high propane prices (+31% y/y), Rubis was able to increase its unit gross margin by 8%.

► Outlook: growth and more growth!

Rubis is comfortable with its net profit guidance of EUR70m in 2011 (i.e., +25%) which is slightly lower than our EUR73m (we were in line with consensus). More importantly, despite all the macro uncertainties, Rubis is expecting strong growth in net profit in 2012 (admittedly driven in part by the full contribution of Chevron), confirming the visibility and resilience of its two activities. Despite the lower upside potential, we reiterate our Outperform rating.

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Figure 1: H1 11 earnings a touch below estimates

Rubis's H1 11 earnings by division

EURm	H1 10	H1 11	Y/y	H1 11e
Rubis Terminal	129	136	5%	130
<i>o.w. pure storage</i>	48	56	17%	56
<i>o.w. trading</i>	81	80	-1%	74
Rubis Energie	554	817	47%	1,037
<i>o.w. Europe</i>	303	381	26%	399
<i>o.w. Caribbean</i>	215	349	62%	553
<i>o.w. Africa</i>	36	87	141%	86
Group's sales	683	952	39%	1,167
Rubis Terminal	31	31	2%	36
Rubis Energie	42	54	29%	52
Holding	-4	-5		-4
Group's recurring EBITDA	68	80	18%	83
<i>Margin</i>	9.9%	8.4%	-15%	7.2%
Rubis Terminal	24	23	-5%	28
Rubis Energie	29	40	38%	37
Holding	-5	-5		-5
Group's recurring OP	49	59	20%	60
<i>Margin</i>	7.2%	6.1%	-10%	5.2%
Other operating charges	5	0		0
Operating profit	54	58	8%	60
Net financial expense	-4	-6		-5
Income tax	-14	-14		-16
Minorities	-2	-2		-2
Attributable Net profit	35	36	4%	38

Source: Exane BNP Paribas estimates

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Exane

Investment banking	Distributor	Liquidity provider	Corporate links	Analyst's personal interest	Equity stake		Amended after Disclosure to company	Additional material conflicts
					US Law	French Law		
NO	NO	YES	NO	NO	NO	NO	NO	NO

Source: Exane

BNP Paribas

Potential conflicts of interest: None.

Source: BNP Paribas

Price at 31 Aug. 11 / Target Price
EUR39.9 / EUR46 +15%

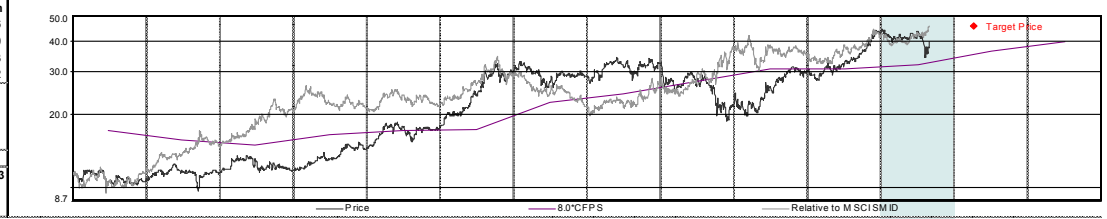
RUBIS (Outperform)

Reuters / Bloomberg: RUBF.PA / RUI.FP

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Oil & Gas (Outperform) - France

Company Highlights			
Enterprise value	1,566		
Market capitalisation	1,140		
Free float	883		
3m average volume	2		
Performance (*)			
	1m	3m	12m
Absolute	(2%)	(0%)	27%
Rel. Sector	9%	14%	22%
Rel. MSCI SMID	9%	19%	27%
12m Hi/Lo (EUR) : 44.8 -11% / 33.6 +19%			
CAGR			
	1999/2011	2011/2013	
EPS restated (**)	8%	15%	
CFPS	7%	11%	



Price (yearly avg from Dec. 00 to Dec. 10)

	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Dec. 09	Dec. 10	Dec. 11e	Dec. 12e	Dec. 13e
PER SHARE DATA (EUR)	10.387	10.844	12.055	13.174	13.695	16.849	17.436	19.870	20.593	21.643	28.139	28.549	28.549	28.549
No of shares year end, basic, (m)	10.584	11.041	12.252	13.371	14.012	14.609	17.634	19.544	21.022	22.246	24.346	29.504	29.709	29.709
Average no of shares, diluted, excl. treasury stocks (m)	1.86	1.14	1.11	1.18	1.15	1.39	1.81	2.15	2.15	2.29	2.61	5.05	5.98	6.62
EPS reported	1.85	1.12	1.08	1.13	1.07	1.29	1.75	1.80	2.07	2.20	2.32	2.42	2.88	3.19
EPS restated	1.85	1.12	1.08	1.13	1.07	1.29	1.75	1.80	2.07	2.20	2.32	2.42	2.88	3.19
% change	91.9%	(39.7%)	(3.5%)	4.5%	(4.8%)	20.3%	35.5%	2.9%	15.3%	6.0%	5.5%	4.1%	19.2%	10.7%
CFPS	2.12	1.94	1.85	2.04	2.13	2.15	2.77	3.02	3.40	3.83	3.81	3.97	4.54	4.93
Book value (BVPS) (a)	17.6	17.7	18.2	17.4	16.7	18.2	19.0	20.9	21.5	22.7	25.4	25.9	27.2	28.5
Net dividend	0.62	0.65	0.69	0.71	0.75	0.95	1.07	1.23	1.33	1.43	1.53	1.62	1.94	2.15

STOCK MARKET RATIOS

	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Dec. 09	Dec. 10	Dec. 11e	Dec. 12e	Dec. 13e
P / E (P/ EPS restated)	5.9x	10.2x	11.4x	11.8x	15.7x	19.0x	16.7x	17.3x	12.4x	11.6x	14.5x	16.5x	13.9x	12.5x
P / E relative to MSCI Small Cap	5.9x	10.2x	11.4x	11.8x	15.7x	19.0x	16.7x	17.3x	12.4x	11.6x	14.5x	16.5x	13.9x	12.5x
P / CF	5.2x	5.9x	6.7x	6.5x	7.9x	11.4x	10.5x	10.3x	7.6x	6.7x	8.8x	10.0x	8.8x	8.1x
FCF yield	(7.3%)	13.8%	(0.9%)	9.8%	6.2%	6.0%	2.1%	(2.2%)	(9.1%)	0.7%	(0.4%)	(4.6%)	5.9%	9.3%
P / BVPS	0.62x	0.64x	0.69x	0.77x	1.01x	1.35x	1.54x	1.48x	1.20x	1.13x	1.33x	1.54x	1.47x	1.40x
Net yield	5.7%	5.7%	5.6%	5.3%	4.4%	3.9%	3.7%	3.9%	5.1%	5.6%	4.5%	4.1%	4.9%	5.4%
Payout	33.5%	58.1%	63.5%	63.0%	69.9%	73.6%	61.2%	68.1%	63.9%	64.8%	65.7%	66.9%	67.4%	67.5%
EV / Sales	0.60x	0.74x	0.74x	0.76x	1.22x	1.35x	0.80x	0.80x	0.59x	0.77x	0.69x	0.63x	0.71x	0.67x
EV / Restated EBITDA	6.0x	6.4x	6.4x	6.0x	7.0x	10.2x	9.3x	8.5x	7.2x	6.6x	7.8x	9.5x	8.2x	7.4x
EV / Restated EBITA	9.8x	9.8x	10.6x	10.6x	10.0x	13.9x	13.2x	12.6x	9.7x	9.4x	11.5x	13.4x	11.4x	10.2x
EV / OpFCF	NC	7.6x	26.6x	9.7x	10.3x	12.8x	22.7x	69.9x	NC	24.9x	36.8x	NC	13.7x	9.7x
EV / Capital employed (incl. gross goodwill)	0.8x	0.9x	0.8x	0.9x	1.6x	1.6x	1.4x	1.3x	1.1x	1.1x	1.2x	1.4x	1.4x	1.3x

ENTERPRISE VALUE (EURm)

	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Dec. 09	Dec. 10	Dec. 11e	Dec. 12e	Dec. 13e
Market cap	113	123	147	172	227	375	501	579	521	541	839	1,140	1,140	1,140
+ Adjusted net debt	79	108	93	76	49	96	82	93	175	181	150	408	388	338
+ Other liabilities and commitments	0	0	0	0	2	5	6	9	10	12	13	14	15	16
+ Revalued minority interests	31	49	50	51	52	14	13	14	14	16	20	22	28	28
- Revalued investments	0	0	0	0	18	18	18	18	18	18	18	18	18	18

P & L HIGHLIGHTS (EURm)

	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Dec. 09	Dec. 10	Dec. 11e	Dec. 12e	Dec. 13e
Sales	374.8	376.2	389.6	396.8	255.5	350.2	728.5	851.9	1,192.3	951.9	1,449.8	2,469.9	2,195.2	2,242.3
Restated EBITDA (b)	37.1	43.5	45.1	49.6	44.6	46.1	62.9	79.5	97.3	111.4	129.2	164.6	188.6	203.4
Depreciation	(14.3)	(15.0)	(17.7)	(21.4)	(13.5)	(12.0)	(18.7)	(25.8)	(24.9)	(33.7)	(42.0)	(48.1)	(53.1)	(55.6)
Restated EBITA (b) (**)	22.8	28.5	27.4	28.2	31.1	34.0	44.2	53.7	72.5	77.7	87.1	116.5	135.6	147.9
Reported operating profit (loss)	22.8	28.5	27.4	28.2	31.6	34.5	44.2	57.3	72.1	76.5	87.9	116.5	135.6	147.9
Net financial income (charges)	(2.8)	(6.1)	(5.1)	(5.1)	(3.8)	(2.1)	(3.7)	(6.5)	(8.6)	(6.9)	(3.6)	(11.2)	(11.8)	(10.9)
Affiliates	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0
Other	9.2	(0.7)	1.3	0.0	2.4	1.7	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tax	(5.2)	(6.9)	(7.5)	(4.6)	(10.8)	(11.3)	(11.5)	(11.0)	(18.5)	(19.7)	(24.0)	(29.5)	(32.8)	(36.3)
Minorities	(4.6)	(2.6)	(3.1)	(3.5)	(4.1)	(3.8)	(1.7)	(2.2)	(2.3)	(2.7)	(3.9)	(4.8)	(5.6)	(6.2)
Goodwill amortisation	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Net attributable profit reported	19.3	12.1	13.0	15.0	15.2	19.0	30.5	37.5	42.7	47.2	56.4	71.0	85.3	94.5
Net attributable profit restated (c)	19.3	12.1	13.0	15.0	14.9	18.7	30.5	34.7	43.0	48.1	55.9	71.0	85.3	94.5

CASH FLOW HIGHLIGHTS (EURm)

	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Dec. 09	Dec. 10	Dec. 11e	Dec. 12e	Dec. 13e
EBITDA (reported)	37.1	43.5	45.1	49.7	45.1	46.5	62.9	83.1	97.0	110.2	129.9	164.6	188.6	203.4
EBITDA adjustment (b)	0.0	0.0	0.0	(0.0)	(0.5)	(0.5)	0.0	(3.6)	0.4	1.2	(0.7)	0.0	0.0	0.0
Other items	(1.7)	(4.7)	(4.7)	(7.2)	6.0	5.0	3.4	5.7	1.7	2.9	0.1	(0.6)	(0.6)	(0.6)
Change in WCR	(18.5)	23.9	(8.5)	15.8	(4.2)	5.5	2.7	(12.9)	(23.8)	3.6	(3.4)	(54.2)	14.6	(2.5)
Operating cash flow	16.8	62.7	31.9	58.2	46.5	56.6	68.9	72.2	75.2	117.9	125.9	109.8	202.6	200.3
Capex	(19.4)	(26.1)	(21.0)	(27.4)	(16.3)	(19.9)	(43.2)	(62.5)	(99.3)	(88.6)	(98.6)	(123.9)	(89.0)	(45.0)
Operating free cash flow (OpFCF)	(2.5)	36.6	10.9	30.8	30.1	36.7	25.8	9.7	(24.1)	29.3	27.3	(14.1)	113.6	155.3
Net financial items + tax paid	(8.0)	(13.0)	(12.6)	(9.0)	(12.8)	(13.5)	(15.0)	(22.8)	(24.6)	(25.3)	(30.6)	(39.1)	(44.5)	(47.0)
Free cash flow	(10.5)	23.6	(1.7)	21.8	17.3	23.2	10.8	(13.1)	(48.6)	4.0	(3.4)	(53.2)	69.1	108.3
Net financial investments & acquisitions	(16.0)	(10.4)	3.4	(0.2)	(9.3)	(118.3)	10.2	(42.2)	(22.5)	(4.3)	(110.9)	(160.0)	0.0	0.0
Other	(18.6)	(37.6)	1.2	(0.0)	24.7	(8.0)	(0.1)	(1.8)	(0.4)	1.5	(11.2)	0.0	0.0	0.0
Capital increase (decrease)	2.5	3.4	22.4	6.5	8.5	69.5	13.0	66.0	18.4	22.0	195.7	0.0	0.0	0.0
Dividends paid	(9.1)	(8.5)	(10.4)	(10.9)	(13.7)	(13.9)	(19.7)	(20.5)	(28.3)	(29.4)	(38.8)	(45.5)	(48.8)	(58.1)
Increase (decrease) in net financial debt	51.8	29.4	(14.9)	(17.3)	(27.6)	47.6	(14.2)	11.6	81.4	6.2	(31.4)	25.7	(20.4)	(50.2)
Cash flow, group share	22	21	22	27	30	31	48	59	71	84	92	117	135	146

BALANCE SHEET HIGHLIGHTS (EURm)

	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Dec. 09	Dec. 10	Dec. 11e	Dec. 12e	Dec. 13e
Fixed operating assets, incl. gross goodwill	322	355	370	379	302	392	459	571	661	716	821	1,056	1,092	1,082
WCR	(26)	(28)	(22)	(32)	(103)	(88)	(29)	(34)	(26)	(28)	(8)	46	32	34
Capital employed, incl. gross goodwill	295	327	348	348	198	304	430	537	635	688	812	1,102	1,124	1,116
Shareholders' funds, group share	182	192	217	229	229	306	331	416	444	491	715	741	777	814
Minorities	50	49	50	51	52	14	13	14	14	17	22	28	28	34
Provisions/ Other liabilities	10	13	8	10	10	23	24	36	31	32	36	37	37	36
Net financial debt (cash)	79	108	93	76	49	96	82	93	175	181	150	408	388	338

FINANCIAL RATIOS (%)

	Dec. 00	Dec. 01	Dec. 02	Dec. 03	Dec. 04	Dec. 05	Dec. 06	Dec. 07	Dec. 08	Dec. 09	Dec. 10	Dec. 11e	Dec. 12e	Dec. 13e
Sales (% change)	59.5%	0.4%	3.6%	1.8%	(35.6%)	37.1%	108.0%	16.9%	40.0%	(20.2%)	52.3%	70.4%	(11.1%)	2.1%
Organic sales growth	22.0%	0.3%	3.6%	1.8%	4.2%	25.2%	7.2%	2.1%	30.1%	30				

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