

Antonio Tognoli
 +39 02 7862 5300
 antonio.tognoli@integraesim.it

BREAKING NEWS

BioDue

Accordo per nuovo stabilimento in Albania

Price (10/3/2017)	€4,65
Recommendation	Buy (maintained)
12mth target price	€7,65 (maintained)
Ticker	DM IM

NEWS

Bio Due ha firmato un accordo con la società Fufarma Albania (Gruppo IMC) allo scopo di costituire una JV al 50% ciascuno per la realizzazione di uno stabilimento per la produzione farmaceutica di capsule e compresse. Lo stabilimento avrà una superficie di circa 2.100 mq e sarà realizzato secondo le più elevate specifiche GMP.

L'investimento complessivo è di circa €2,0 mln, interamente finanziato con mezzi propri, da sottoscrivere in quota parte da ciascuno dei due Partner per il tramite dell'intervento in una newco holding italiana, detenuta al 50% da Biodue ed al 50% da Isuf Berberi, Chairman e azionista di maggioranza assoluta del Gruppo IMC e di Fufarma.

BioDue porrà al servizio della iniziativa la sua trentennale esperienza e know-how produttivo industriale mentre Fufarma, quale leader nella distribuzione farmaceutica sul mercato albanese e nell'area Balcani con settant'anni di esperienza nel settore, garantirà alla JV, nella fase di startup, la commercializzazione della intera produzione e, a regime, una quota di ordini non inferiore al 70% per le forme farmaceutiche da essa stessa commercializzate.

Fufarma, inoltre, si è impegnata a concedere in affitto le superfici destinate alla ristrutturazione e riadeguamento impiantistico nonché ad intrattenere i rapporti con le Autorità locali per l'ottenimento delle necessarie autorizzazioni e registrazione di nuove formule farmacologiche.

La produzione partirà nel primo semestre 2018F.

CONCLUSIONI

Valutazione: target price a €7,65 per azione. Buy rating e risk medium invariati. Crediamo che questa iniziativa costituisca un altro significativo e strategico passo verso il processo di internazionalizzazione, elemento basilare della strategia di crescita. In un orizzonte temporale di medio lungo termine BioDue ha ritenuto interessante l'Albania che ha avviato il processo di adesione alla Comunità Europea, per gli interessanti potenziali di crescita e nell'area dei Balcani.

Disclosure Pursuant to Article 69 ET SEQ. of Consob (Italian Securities % Exchange Commission) Regulation No. 11971/1999
Analyst/s certification

The analyst(s) which has/have produced the following analyses hereby certifies/certify that the opinions expressed herein reflect their own opinions, and that no direct and/or indirect remuneration has been, nor shall be received by the analyst(s) as a result of the above opinions or shall be correlated to the success of investment banking operations. INTEGRAE SPA is comprised of the following analysts who have gained significant experience working for INTEGRAE and other intermediaries: Antonio Tognoli. Neither the analysts nor any of their relatives hold administration, management or advising roles for the Issuer. Antonio Tognoli is Integrae SIM's current Deputy Chairman and Head of Research, Board Member of AIAF - Associazione Italiana Analisti Finanziari, Vice President of Associazione Nazionale Private and Investment Banking – ANPIB, member of Organismo Italiano di Valutazione – OIV, member of Organismo Italiano di Contabilità - OIC, international account working group and Journalists guild.

Disclaimer

This publication was produced by INTEGRAE SIM SpA. INTEGRAE SIM SpA is licensed to provide investment services pursuant to Italian Legislative Decree n. 58/1998, released by Consob, with Resolution n. 17725 of March 29th 2011.

INTEGRAE SIM SpA performs the role of corporate broker for the financial instruments issued by the company covered in this report.

INTEGRAE SIM SpA is distributing this report in Italian and in English, starting from the date indicated on the document, to approximately 300 qualified institutional investors by post and/or via electronic media, and to non-qualified investors through the Borsa Italiana website and through the leading press agencies.

Unless otherwise indicated, the prices of the financial instruments shown in this report are the prices referring to the day prior to publication of the report. INTEGRAE SIM SpA will continue to cover this share on a continuing basis, according to a schedule which depends on the circumstances considered important (corporate events, changes in recommendations, etc.), or useful to its role as specialist.

The table below, shows INTEGRAE SIM's recommendation, target price and risk issued during the last 12 months:

Date	Recommendation	Target Price	Risk	Comment
11/4/2016	Buy	7,65	Medium	FY15 Results
15/7/2016	Buy	7,65	Medium	New Plant Completed
22/7/2016	Buy	7,65	Medium	New Project
5/9/2016	Buy	7,65	Medium	1H16 Preliminary Results
29/9/2016	Buy	7,65	Medium	1H16 Results
12/1/2017	Buy	7,65	Medium	JV con Gruppo Suco
31/1/2017	Buy	7,65	Medium	New Finance

The list of all recommendations on any financial instrument or issuer produced by Integrae SIM Research Department and distributed during the preceding 12-month period is available on the Integrae SIM website.

The information and opinions contained herein are based on sources considered reliable. INTEGRAE SIM SpA also declares that it takes all reasonable steps to ensure the correctness of the sources considered reliable; however, INTEGRAE SIM SpA shall not be directly and/or indirectly held liable for the correctness or completeness of said sources.

The most commonly used sources are the periodic publications of the company (financial statements and consolidated financial statements, interim and quarterly reports, press releases and periodic presentations). INTEGRAE SIM SpA also makes use of instruments provided by several service companies (Bloomberg, Reuters, JCF), daily newspapers and press in general, both national and international. INTEGRAE SIM SpA generally submits a draft of the analysis to the Investor Relator Department of the company being analyzed, exclusively for the purpose of verifying the correctness of the information contained therein, not the correctness of the assessment. INTEGRAE SIM SpA has adopted internal procedures able to assure the independence of its financial analysts and that establish appropriate rules of conduct for them. Integrae SIM S.p.A. has formalised a set of principles and procedures for dealing with conflicts of interest. The Conflicts Management Policy is clearly explained in the relevant section of Integrae SIM's web site (www.integraesim.it). This document is provided for information purposes only. Therefore, it does not constitute a contractual proposal, offer and/or solicitation to purchase and/or sell financial instruments or, in general, solicitation of investment, nor does it constitute advice regarding financial instruments. INTEGRAE SIM SpA does not provide any guarantee that any of the forecasts and/or estimates contained herein will be reached. The information and/or opinions contained herein may change without any consequent obligation of INTEGRAE SIM SpA to communicate such changes. Therefore, neither INTEGRAE SIM SpA, nor its directors, employees or contractors, may be held liable (due to negligence or other causes) for damages deriving from the use of this document or the contents thereof. Thus, Integrae SIM does not guarantee any specific result as regards the information contained in the present publication, and accepts no responsibility or liability for the outcome of the transactions recommended therein or for the results produced by such transactions. Each and every investment/divestiture decision is the sole responsibility of the party receiving the advice and recommendations, who is free to decide whether or not to implement them. Therefore, Integrae SIM and/or the author of the present publication cannot in any way be held liable for any losses, damage or lower earnings that the party using the publication might suffer following execution of transactions on the basis of the information and/or recommendations contained therein.

This document is intended for distribution only to professional clients and qualified counterparties as defined in Consob Regulation no. 16190 of 29.10.2007, as subsequently amended and supplemented, either as a printed document and/or in electronic form.

Rating system (long term horizon: 12 months)

The BUY, HOLD and SELL ratings are based on the expected total return (ETR – absolute performance in the 12 months following the publication of the analysis, including the ordinary dividend paid by the company), and the risk associated to the share analyzed. The degree of risk is based on the liquidity and volatility of the share, and on the rating provided by the analyst and contained in the report. Due to daily fluctuations in share prices, the

expected total return may temporarily fall outside the proposed range

Expected Total Return – ETR (for different risk categories)			
Rating	Low Risk	Medium Risk	High Risk
BUY	$ETR \geq 7.5\%$	$ETR \geq 10\%$	$ERT \geq 15\%$
HOLD	$-5\% < ETR < 7.5\%$	$-5\% < ETR < 10\%$	$0\% < ETR < 15\%$
SELL	$ETR \leq -5\%$	$ETR \leq -5\%$	$ETR \leq 0\%$
U.R.	Rating e/o target price Under Review		
N.R.	Stock Not Rated		

Valuation methodologies (long term horizon: 12 months)

The methods that INTEGRÆ SIM SpA prefers to use for value the company under analysis are those which are generally used, such as the market multiples method which compares average multiples (P/E, EV/EBITDA, and other) of similar shares and/or sectors, and the traditional financial methods (RIM, DCF, DDM, EVA etc). For financial securities (banks and insurance companies) Integræ SIM SpA tends to use methods based on comparison of the ROE and the cost of capital (embedded value for insurance companies).

The estimates and opinions expressed in the publication may be subject to change without notice. Any copying and/or redistribution, in full or in part, directly or indirectly, of this document are prohibited, unless expressly authorized.

Conflict of interest

In order to disclose its possible interest conflict Integræ SIM states that:

Integræ SIM S.p.A. pays or has paid in the past 12 months inside of the assignment of specialist, research services in favor BioDueS.p.A. .;

Integræ SIM S.p.A. plays, or has played in the last 12 months, the role of specialist financial instruments issued by BioDue S.p.A. .;

At the Integræ SIM website you can find the archive the last 12 months of the conflicts of interest between Integræ SIM and issuers of financial instruments, and their group companies, and referred to in research products produced by analysts at Integræ