

ABSTRACT

The main motivation in the choice of Impresa SGPS arises with the interesting challenges that this company has been subjected to in an era where the Media industry undergoes through deep transformations with the emergence of new platforms provided by technological advances.

The objective was to perform an analysis and evaluation of the company resulting in the estimation of a price target, defining the evaluation methods with the evolution of the work in the most suited way, maintaining the CFA structure.

As the largest Portuguese Media group, the focus of its activity is mainly divided between the television and publishing segments, where SIC and Expresso stand out, contributing to revenues of 172M€ in 2018.

To determine the intrinsic value of the group, a Discounted Cash Flow (DCF) approach was used as the main valuation method. With an estimated price target of 0.34€ per IPR's share for August of 2019, is issued a BUY recommendation with high risk, representing a 37% upside potential from the 1st of August closing price of 0.25€.

Complementary valuation approaches, stress tests including sensibility and scenario analysis with sensible variables were used to support this valuation results.

Keywords: Equity Research; Valuation; DCF; FCFF; Multiples; Media; Television; Publishing; Impresa SGPS SA; SIC; Expresso.