

discoverIE Group PLC

15:41 16 Oct 2020

discoverIE resumes dividends after strong pandemic run

What discoverIE does

DiscoverIE Group PLC (LON:DSCV) designs, manufactures and supplies highly differentiated, innovative components for electronics applications.

The group - which changed its name from Acal in 2017 - provides application-specific components to original equipment manufacturers (OEMs) internationally using its in-house engineering capability.

It focuses on key markets which are driven by structural growth and increasing electronic content, namely renewable energy, transportation, medical and industrial connectivity.

It employs around 4,000 people and its principal operating units are located in Continental Europe, the UK, China, Sri Lanka, India and North America.

How it is doing

In October the company announced it is resuming dividends since the outlook is improving, while orders in both September and October were ahead of sales.

The group exited the first half of its financial year with orders up 6% year-on-year on a like-for-like or organic basis. Half-year sales were down 6%.

The firm is to acquire Phoenix America, a designer and manufacturer of magnetically actuated sensors, encoders and related products for industrial customers in the US, for an initial consideration of US\$11mln and US\$1.5mln depending on milestones.

What the brokers say

In July, Berenberg upgraded the price target to 590p after an impressive set of full-year results, where underlying profit before tax rose 21% to £32.8mln on sales up 8% at constant exchange rates and 6% to £466.4mln on a reported basis.

The German broker said the electronic component supplier's profits were 7% ahead of its expectations while net debt was 19% lower than forecast.

"Trading so far in Q1 has illustrated the resilience of the business model, and new long-term targets demonstrate management's ambitions to become a higher-growth, higher-margin business," Berenberg added.

"While COVID-19 uncertainty remains elevated, we are confident that when conditions do recover, discoverIE will be

Price: 627

Market Cap: £560.89 m

1 Year Share Price Graph



Share Information

Code: DSCV

Listing: LSE

52 week High Low
690 330.29

Sector: Business & education services

Website: www.discoverieplc.com

Company Synopsis:

discoverIE (LSE: DSCV) is an international group of businesses that designs, manufactures and supplies highly differentiated, innovative components for electronics applications. The Group provides application-specific components to original equipment manufacturers ("OEMs") internationally.

action@proactiveinvestors.com

well placed to outperform, as it has done in previous cycles."

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of discoverIE Group PLC named herein, including the promotion by the Company of discoverIE Group PLC in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).