

discoverIE Group PLC

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Panmure Gordon initiates coverage of discoverIE Group as a 'buy'

discoverIE Group PLC's (LON:DSCV) scope for growth makes it a 'buy' according to analysts at broker Panmure Gordon, which has initiated coverage of the firm with 615p target price.

The City broker's analysts noted that the customised electronics firm went from a distributor of electronic components to an international designer, manufacturer and supplier thanks to a strategy of acquisitions, with £300mln invested since 2011 and chances for more to come.

WATCH: discoverIE Group CEO talks strategy, focus on growth markets and future acquisitions

Another strong point, according to the Panmure Gordon analysts, is the focus on growing markets and structural shifts such as decarbonisation, which has been driving electrification.

They forecast that these markets are expected to increase annual organic growth by 4% this year and by 3% thereafter.

"We expect design & manufacturing to continue to drive growth and with management's objective to self-fund acquisitions longer term, we expect future acquisitions to become increasingly earnings accretive," the analysts said in a note to clients..

"As current consensus excludes any future acquisitions, we believe there is significant opportunity for upgrades over the medium term," they concluded.

Price: 530

Market Cap: £474.12 m

1 Year Share Price Graph



Share Information

Code: DSCV

Listing: LSE

52 week	High	Low
	606	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.

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