

Buy (old: Buy)

Price target: EUR 43.50 (old: EUR 43.50)

Price:	EUR 37.48	Next result:	Q1 14: 13.05.14
Bloomberg:	COK GR	Market cap:	EUR 547.8 m
Reuters:	COKG.DE	Enterprise Value:	EUR 456.3 m

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Pironet's Q4 provides positive cross-read for CANCOM

Pironet's healthy prelim. Q4 figures offer a positive cross-read for CANCOM which holds a c. 77% stake in the company. Notably, **Q4 Cloud Computing sales rose by 20% yoy to € 9.6m** (76% of sales) carried by a dynamic market environment as cost and flexibility advantages attract more and more German SMEs to the cloud. Latest customer wins/implementations include Dt.See, real estate service provider BEOS, building material retailer Fassbender Tenten and SQS Software.

Q4 Cloud Computing EBIT remained flat yoy at € 0.9m (9% EBIT margin) but only because Pironet invested into additional sales personnel to gain market share – a sensible investment given the strong lock-in effect once a client is in Pironet's cloud. Also, Pironet incurred a negative € 0.2m one-off due to its take-over by CANCOM in Q4 '13. Future growth should improve fixed cost coverage and hence enable the segment to return to a c. 15% EBIT margin in the mid-term, in our view.

Content Management showed a strong Q4 performance (Sales +19% yoy / EBIT +100% yoy) – **this should facilitate the divestment of this non-core business** which is seen to take place in the course of '14E at a price of € 6m+, in our view.

2014E outlook: Pironet expects "double-digit yoy sales growth" – an acceleration over the 6% yoy growth achieved on group level in 2013. In our view, this implies dynamic double-digit yoy sales growth for Cloud Computing also in 2014E as Content Management is no longer in the strategic focus and should remain flat in 2014E. Also, **FY '14E group EBIT should rise by some 15% yoy to € 3.2m**, according to Pironet, in our view exclusively carried by the Cloud segment. EBIT growth prospects for 2014E could have been higher, in our view, but should be temporarily burdened by the merger of Pironet and CANCOM. Related positive effects (cost savings, higher sales growth) should become evident by 2015E.

Overall, **the positive cross-read** underpins the dynamic nature of the cloud business. As a reminder, CANCOM's take-over of Pironet is seen as very sensible offering (1) Capacity expansion as CANCOM may shift Pironet's consultants to higher-value cloud projects; (2) Synergies in admin of c. € 1.0m p.a. (eH&A); (3) Data centre synergies as CANCOM can save c. € 0.5m p.a. by relocating to Pironet's own data centre, which is only 40% utilised. **Remains a BUY; PT € 43.50 (DCF). cont.**

Y/E 31.12 (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Sales	348.3	474.6	544.4	558.1	613.0	734.7	782.2
Sales growth	2 %	36 %	15 %	3 %	10 %	20 %	6 %
EBITDA	9.5	19.0	25.0	28.1	33.3	52.9	62.4
EBIT	7.1	15.2	18.5	20.7	24.3	34.0	43.3
Net income	5.1	7.8	11.5	11.5	16.4	23.4	29.8
Net debt	-3.5	-0.9	-18.5	-29.2	-91.6	-63.6	-85.8
Net gearing	-8.0 %	-1.8 %	-30.4 %	-36.3 %	-55.7 %	-39.3 %	-46.3 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.48	0.92	1.14	1.06	1.12	1.60	2.04
CPS	0.80	1.28	2.18	0.89	1.04	1.76	2.36
DPS	0.15	0.15	0.30	0.35	0.40	0.45	0.50
Dividend yield	0.4 %	0.4 %	0.8 %	0.9 %	1.1 %	1.2 %	1.3 %
Gross profit margin	31.0 %	29.3 %	29.1 %	29.5 %	30.5 %	35.0 %	35.2 %
EBITDA margin	2.7 %	4.0 %	4.6 %	5.0 %	5.4 %	7.2 %	8.0 %
EBIT margin	2.0 %	3.2 %	3.4 %	3.7 %	4.0 %	4.6 %	5.5 %
ROCE	10.5 %	19.5 %	20.6 %	21.1 %	17.2 %	17.9 %	20.5 %
EV/sales	1.1	0.8	0.7	0.7	0.7	0.7	0.6
EV/EBITDA	40.6	20.2	14.7	14.1	13.7	9.1	7.4
EV/EBIT	54.2	25.3	19.9	19.2	18.8	14.2	10.7
PER	77.9	40.7	32.8	35.3	33.4	23.4	18.4
Adjusted FCF yield	1.6 %	3.0 %	4.3 %	3.9 %	4.3 %	6.6 %	8.4 %

Source: Company data, Hauck & Aufhäuser Close price as of: 12.03.2014



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 39.07 / 14.15

Price/Book Ratio: 3.3

Relative performance (TecDAX):

3 months 27.5 %

6 months 54.6 %

12 months 113.9 %

Changes in estimates

		Sales	EBIT	EPS
2013	old:	613.0	24.3	1.32
	Δ	-	-	-
2014	old:	734.7	34.0	1.60
	Δ	-	-	-
2015	old:	782.2	43.3	2.04
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 12.4

Authorised capital: (in € m) 4.0

Book value per share: (in €) 11.3

Ø trading volume: (12 months) 60,000

Major shareholders:

Free Float 82.9 %

AGI 13.3 %

Stefan Kober 2.3 %

Klaus Weinmann 1.6 %

Company description:

CANCOM is Germany's 3rd largest independent system house operating a scalable eCommerce business.

Pironet's Q4/FY 2013 results:

EUR	Q4 13	Q4 12	yoy	Q3 13	qoq	FY 13	FY 12	yoy
Sales	12.7	10.5	21%	11.3	13%	46.0	43.2	6%
Cloud Computing	9.6	8.0	20%	9.6	0%	36.1	32.2	12%
Content Management	3.1	2.6	19%	2.1	48%	9.6	11.0	-13%
EBIT	0.7	0.5	40%	0.7	-7%	2.8	2.2	27%
EBIT margin	5.5%	4.8%	+ 0.7 pp	6.6%	- 1.1 pp	6.1%	5.1%	+ 1.0 pp
Cloud Computing	0.9	0.9	0%	1.0	-10%	4.4	4.1	7%
margin	9%	11%	- 1.9 pp	10%	- 1.0 pp	12%	13%	- 0.5 pp
Content Management	0.4	0.2	100%	0.1	300.0%	0.1	-0.3	n.a.
margin	13%	8%	+ 5.2 pp	5%	+ 8.1 pp	1%	-3%	+ 3.8 pp

Source: Company data, Hauck & Aufhäuser. Note: Central costs not displayed

Financials

Profit and loss (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Net sales	348.3	474.6	544.4	558.1	613.0	734.7	782.2
<i>Sales growth</i>	1.6 %	36.2 %	14.7 %	2.5 %	9.8 %	19.9 %	6.5 %
Increase/decrease in finished goods and work-in-process	1.0	1.3	0.9	2.5	1.0	1.0	1.0
Total sales	349.3	475.8	545.3	560.6	614.0	735.7	783.2
Other operating income	2.3	3.3	0.7	0.6	0.7	0.7	0.7
Material expenses	241.1	336.3	386.6	395.1	426.6	478.3	507.8
Personnel expenses	79.2	97.0	108.0	112.4	125.4	163.9	170.2
Other operating expenses	21.8	26.8	26.4	25.8	29.4	41.2	43.5
Total operating expenses	339.8	456.8	520.3	532.5	580.7	682.8	720.9
EBITDA	9.5	19.0	25.0	28.1	33.3	52.9	62.4
Depreciation	2.4	3.8	2.8	4.0	4.8	8.3	8.7
EBITA	7.1	15.2	22.2	24.0	28.5	44.6	53.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	3.7	3.4	4.2	10.6	10.4
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	7.1	15.2	18.5	20.7	24.3	34.0	43.3
Interest income	0.2	0.1	0.3	0.4	0.6	0.7	0.7
Interest expenses	1.3	1.9	2.2	2.1	1.2	1.1	1.2
Other financial result	0.0	0.0	0.4	0.0	0.0	0.0	0.0
Financial result	-1.1	-1.8	-1.6	-1.8	-0.6	-0.4	-0.5
Recurring pretax income from continuing operations	5.9	13.3	16.9	18.9	23.7	33.7	42.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	5.9	13.3	16.9	18.9	23.7	33.7	42.8
Taxes	0.9	3.7	4.9	6.6	7.1	9.2	11.6
Net income from continuing operations	5.0	9.6	12.0	12.3	16.6	24.5	31.1
Result from discontinued operations (net of tax)	-0.1	1.7	0.3	0.7	0.0	0.0	0.0
Net income	5.1	7.9	11.7	11.6	16.6	24.5	31.1
Minority interest	0.0	0.1	0.2	0.1	0.2	1.1	1.4
Net income (net of minority interest)	5.1	7.8	11.5	11.5	16.4	23.4	29.8
Average number of shares	10.4	10.3	10.4	10.6	12.4	14.6	14.6
EPS reported	0.49	0.76	1.11	1.09	1.32	1.60	2.04

Profit and loss (common size)	2009	2010	2011	2012	2013E	2014E	2015E
Net sales	100.0 %						
Increase/decrease in finished goods and work-in-process	0.3 %	0.3 %	0.2 %	0.5 %	0.2 %	0.1 %	0.1 %
Total sales	100.3 %	100.3 %	100.2 %	100.5 %	100.2 %	100.1 %	100.1 %
Other operating income	0.6 %	0.7 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Material expenses	69.2 %	70.9 %	71.0 %	70.8 %	69.6 %	65.1 %	64.9 %
Personnel expenses	22.7 %	20.4 %	19.8 %	20.1 %	20.5 %	22.3 %	21.8 %
Other operating expenses	6.3 %	5.7 %	4.8 %	4.6 %	4.8 %	5.6 %	5.6 %
Total operating expenses	97.6 %	96.3 %	95.6 %	95.4 %	94.7 %	92.9 %	92.2 %
EBITDA	2.7 %	4.0 %	4.6 %	5.0 %	5.4 %	7.2 %	8.0 %
Depreciation	0.7 %	0.8 %	0.5 %	0.7 %	0.8 %	1.1 %	1.1 %
EBITA	2.0 %	3.2 %	4.1 %	4.3 %	4.6 %	6.1 %	6.9 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.0 %	0.0 %	0.7 %	0.6 %	0.7 %	1.4 %	1.3 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	2.0 %	3.2 %	3.4 %	3.7 %	4.0 %	4.6 %	5.5 %
Interest income	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.4 %	0.4 %	0.4 %	0.4 %	0.2 %	0.1 %	0.1 %
Other financial result	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-0.3 %	-0.4 %	-0.3 %	-0.3 %	-0.1 %	-0.1 %	-0.1 %
Recurring pretax income from continuing operations	1.7 %	2.8 %	3.1 %	3.4 %	3.9 %	4.6 %	5.5 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	1.7 %	2.8 %	3.1 %	3.4 %	3.9 %	4.6 %	5.5 %
Tax rate	15.6 %	28.1 %	28.8 %	35.0 %	30.0 %	27.2 %	27.2 %
Net income from continuing operations	1.4 %	2.0 %	2.2 %	2.2 %	2.7 %	3.3 %	4.0 %
Income from discontinued operations (net of tax)	0.0 %	0.4 %	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %
Net income	1.5 %	1.7 %	2.1 %	2.1 %	2.7 %	3.3 %	4.0 %
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.2 %
Net income (net of minority interest)	1.5 %	1.6 %	2.1 %	2.1 %	2.7 %	3.2 %	3.8 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	31.5	42.5	39.6	41.2	57.0	91.5	86.9
Property, plant and equipment	6.5	9.7	12.9	17.6	19.6	23.0	25.3
Financial assets	0.2	3.2	2.2	5.0	5.0	5.0	5.0
FIXED ASSETS	38.2	55.4	54.6	63.8	81.7	119.5	117.3
Inventories	12.6	13.4	15.0	8.7	12.3	14.1	15.6
Accounts receivable	47.2	68.0	72.2	88.3	95.7	110.7	120.0
Other current assets	5.1	6.4	7.2	0.9	0.9	0.9	0.9
Liquid assets	25.8	31.5	44.4	44.6	102.5	77.1	98.2
Deferred taxes	2.6	0.7	0.6	1.1	1.1	1.1	1.1
Deferred charges and prepaid expenses	3.4	2.0	0.9	1.1	1.1	1.1	1.1
CURRENT ASSETS	96.7	122.0	140.2	144.8	213.7	205.1	237.0
TOTAL ASSETS	134.9	177.4	194.9	208.6	295.4	324.7	354.2
SHAREHOLDERS EQUITY	43.9	50.9	60.7	80.6	164.6	161.9	185.1
MINORITY INTEREST	0.0	0.1	0.2	0.2	0.4	19.1	20.5
Long-term debt	21.6	29.0	16.7	14.1	6.4	9.0	7.9
Provisions for pensions and similar obligations	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Other provisions	4.3	3.2	7.6	5.1	5.1	5.1	5.1
Non-current liabilities	26.0	32.2	24.4	19.3	11.6	14.2	13.1
short-term liabilities to banks	0.7	1.6	9.1	1.3	4.5	4.5	4.5
Accounts payable	47.9	64.4	72.9	76.9	84.0	94.6	100.7
Advance payments received on orders	1.1	1.5	1.9	3.6	3.6	3.6	3.6
Other liabilities (incl. from lease and rental contracts)	10.7	16.3	17.4	18.8	18.8	18.8	18.8
Deferred taxes	2.0	4.3	2.7	2.8	2.8	2.8	2.8
Deferred income	2.7	6.0	5.6	5.1	5.1	5.1	5.1
Current liabilities	65.0	94.2	109.6	108.6	118.8	129.4	135.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	134.9	177.4	194.9	208.6	295.4	324.7	354.2

Balance sheet (common size)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	23.4 %	24.0 %	20.3 %	19.8 %	19.3 %	28.2 %	24.5 %
Property, plant and equipment	4.8 %	5.5 %	6.6 %	8.4 %	6.6 %	7.1 %	7.1 %
Financial assets	0.1 %	1.8 %	1.1 %	2.4 %	1.7 %	1.5 %	1.4 %
FIXED ASSETS	28.3 %	31.2 %	28.0 %	30.6 %	27.7 %	36.8 %	33.1 %
Inventories	9.3 %	7.5 %	7.7 %	4.2 %	4.2 %	4.4 %	4.4 %
Accounts receivable	35.0 %	38.3 %	37.1 %	42.3 %	32.4 %	34.1 %	33.9 %
Other current assets	3.8 %	3.6 %	3.7 %	0.4 %	0.3 %	0.3 %	0.3 %
Liquid assets	19.2 %	17.7 %	22.8 %	21.4 %	34.7 %	23.8 %	27.7 %
Deferred taxes	1.9 %	0.4 %	0.3 %	0.5 %	0.4 %	0.3 %	0.3 %
Deferred charges and prepaid expenses	2.5 %	1.1 %	0.4 %	0.5 %	0.4 %	0.4 %	0.3 %
CURRENT ASSETS	71.7 %	68.8 %	72.0 %	69.4 %	72.3 %	63.2 %	66.9 %
TOTAL ASSETS	100.0 %						
SHAREHOLDERS EQUITY	32.5 %	28.7 %	31.2 %	38.6 %	55.7 %	49.9 %	52.3 %
MINORITY INTEREST	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %	5.9 %	5.8 %
Long-term debt	16.0 %	16.3 %	8.6 %	6.8 %	2.2 %	2.8 %	2.2 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %
Other provisions	3.2 %	1.8 %	3.9 %	2.4 %	1.7 %	1.6 %	1.4 %
Non-current liabilities	19.3 %	18.2 %	12.5 %	9.3 %	3.9 %	4.4 %	3.7 %
short-term liabilities to banks	0.5 %	0.9 %	4.7 %	0.6 %	1.5 %	1.4 %	1.3 %
Accounts payable	35.5 %	36.3 %	37.4 %	36.9 %	28.4 %	29.1 %	28.4 %
Advance payments received on orders	0.8 %	0.9 %	1.0 %	1.7 %	1.2 %	1.1 %	1.0 %
Other liabilities (incl. from lease and rental contracts)	7.9 %	9.2 %	9.0 %	9.0 %	6.4 %	5.8 %	5.3 %
Deferred taxes	1.5 %	2.4 %	1.4 %	1.4 %	1.0 %	0.9 %	0.8 %
Deferred income	2.0 %	3.4 %	2.9 %	2.4 %	1.7 %	1.6 %	1.4 %
Current liabilities	48.2 %	53.1 %	56.2 %	52.0 %	40.2 %	39.9 %	38.3 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %						

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Net profit/loss	5.1	7.9	11.7	11.6	16.6	24.5	31.1
Depreciation of fixed assets (incl. leases)	2.4	3.8	2.8	4.0	4.8	8.3	8.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	3.7	3.4	4.2	10.6	10.4
Others	-0.6	3.0	4.7	2.9	0.0	0.0	0.0
Cash flow from operations before changes in w/c	6.9	14.7	22.9	21.9	25.6	43.4	50.2
Increase/decrease in inventory	-0.9	0.3	-6.3	6.2	-3.5	-1.9	-1.5
Increase/decrease in accounts receivable	0.8	-15.2	-5.2	-16.1	-7.4	-15.0	-9.3
Increase/decrease in accounts payable	2.7	17.1	15.3	4.0	7.0	10.6	6.1
Increase/decrease in other working capital positions	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	3.8	2.2	3.8	-5.8	-3.9	-6.2	-4.7
Cash flow from operating activities	10.7	16.9	26.7	16.1	21.7	37.2	45.5
CAPEX	4.7	8.1	9.4	12.5	9.9	16.1	15.2
Payments for acquisitions	0.4	10.5	3.6	0.1	0.0	40.6	1.7
Financial investments	-0.2	-0.1	-0.3	0.0	0.0	0.0	0.0
Income from asset disposals	2.3	1.1	4.8	2.0	0.0	0.0	0.0
Cash flow from investing activities	-2.6	-17.3	-7.9	-10.6	-9.9	-56.7	-16.9
Cash flow before financing	8.0	-0.4	18.8	5.5	11.8	-19.5	28.7
Increase/decrease in debt position	0.1	8.1	-2.6	-11.9	-4.5	0.0	-1.1
Purchase of own shares	0.2	-0.6	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	11.2	54.6	0.0	0.0
Dividends paid	0.0	1.5	1.6	3.3	4.0	5.8	6.6
Others	-1.0	-1.3	-1.6	-1.4	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-1.1	5.9	-5.8	-5.3	46.1	-5.8	-7.7
Increase/decrease in liquid assets	7.0	5.6	13.0	0.2	57.9	-25.4	21.0
Liquid assets at end of period	25.8	31.5	44.5	44.6	102.5	77.1	98.2

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Domestic	386.1	441.7	502.0	529.1	582.4	698.7	744.7
yoy change	19.8 %	14.4 %	13.7 %	5.4 %	10.1 %	20.0 %	6.6 %
Rest of Europe	36.4	32.9	42.4	29.0	30.7	36.0	37.5
yoy change	n/a	-9.6 %	28.9 %	-31.7 %	5.9 %	17.5 %	4.3 %
NAFTA	0.0	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a						
Asia Pacific	0.0	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a						
Rest of world	0.0	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a						
TTL	422.5	474.6	544.4	558.1	613.0	734.7	782.2
yoy change	31.1 %	12.3 %	14.7 %	2.5 %	9.8 %	19.9 %	6.5 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
P&L growth analysis							
Sales growth	1.6 %	36.2 %	14.7 %	2.5 %	9.8 %	19.9 %	6.5 %
EBITDA growth	21.3 %	100.7 %	31.6 %	12.2 %	18.7 %	59.0 %	17.8 %
EBIT growth	26.0 %	114.0 %	21.7 %	12.0 %	17.5 %	40.3 %	27.0 %
EPS growth	87.8 %	55.5 %	46.4 %	-2.1 %	21.9 %	21.1 %	27.2 %
Efficiency							
Total operating costs / sales	97.6 %	96.3 %	95.6 %	95.4 %	94.7 %	92.9 %	92.2 %
Sales per employee	196.0	257.7	273.1	270.9	288.7	330.9	337.9
EBITDA per employee	5.3	10.3	12.5	13.6	15.7	23.9	26.9
Balance sheet analysis							
Avg. working capital / sales	3.4 %	2.8 %	2.6 %	2.6 %	3.0 %	3.2 %	3.7 %
Inventory turnover (sales/inventory)	27.7	35.5	36.3	63.8	50.0	52.0	50.0
Trade debtors in days of sales	49.5	52.3	48.4	57.7	57.0	55.0	56.0
A/P turnover [(A/P*365)/sales]	50.1	49.6	48.9	50.3	50.0	47.0	47.0
Cash conversion cycle (days)	-3.9	-3.1	-6.3	-5.3	-4.4	-6.4	-5.2
Cash flow analysis							
Free cash flow	6.0	8.8	17.3	3.6	11.8	21.1	30.3
Free cash flow/sales	1.7 %	1.9 %	3.2 %	0.6 %	1.9 %	2.9 %	3.9 %
FCF / net profit	118.4 %	113.1 %	150.3 %	31.4 %	71.9 %	90.1 %	101.9 %
Capex / depre	188.4 %	206.6 %	139.0 %	169.0 %	109.7 %	85.2 %	79.6 %
Capex / maintenance capex	137.6 %	133.1 %	151.6 %	n/a	106.2 %	102.6 %	100.0 %
Capex / sales	1.3 %	1.7 %	1.7 %	n/a	n/a	n/a	n/a
Security							
Net debt	-3.5	-0.9	-18.5	-29.2	-91.6	-63.6	-85.8
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.1	0.0	-0.3	-0.4	-0.6	-0.4	-0.5
Interest cover	5.4	8.0	8.3	9.7	20.5	31.0	37.1
Dividend payout ratio	30.7 %	19.7 %	26.7 %	34.7 %	35.7 %	28.1 %	24.5 %
Asset utilisation							
Capital employed turnover	4.9	5.6	5.8	5.5	3.4	3.7	3.5
Operating assets turnover	20.1	18.9	21.5	16.4	15.3	14.8	13.8
Plant turnover	53.4	49.0	42.2	31.8	31.2	31.9	30.9
Inventory turnover (sales/inventory)	27.7	35.5	36.3	63.8	50.0	52.0	50.0
Returns							
ROCE	10.5 %	19.5 %	20.6 %	21.1 %	17.2 %	17.9 %	20.5 %
ROE	11.5 %	15.4 %	19.0 %	14.2 %	10.0 %	14.5 %	16.1 %
Other							
Interest paid / avg. debt	5.9 %	7.2 %	7.9 %	10.3 %	9.0 %	9.0 %	9.0 %
No. employees (average)	1777	1842	1994	2060	2123	2220	2315
Number of shares	10.4	10.3	10.4	10.6	12.4	14.6	14.6
DPS	0.2	0.2	0.3	0.4	0.4	0.5	0.5
EPS reported	0.49	0.76	1.11	1.09	1.32	1.60	2.04
Valuation ratios							
P/BV	8.9	7.6	6.4	5.3	3.3	3.4	3.0
EV/sales	1.1	0.8	0.7	0.7	0.7	0.7	0.6
EV/EBITDA	40.6	20.2	14.7	14.1	13.7	9.1	7.4
EV/EBITA	54.2	25.3	16.5	16.5	16.0	10.8	8.6
EV/EBIT	54.2	25.3	19.9	19.2	18.8	14.2	10.7
EV/FCF	64.1	43.4	21.1	110.1	38.7	23.0	15.2
Adjusted FCF yield	1.6 %	3.0 %	4.3 %	3.9 %	4.3 %	6.6 %	8.4 %
Dividend yield	0.4 %	0.4 %	0.8 %	0.9 %	1.1 %	1.2 %	1.3 %

Source: Company data, Hauck & Aufhäuser

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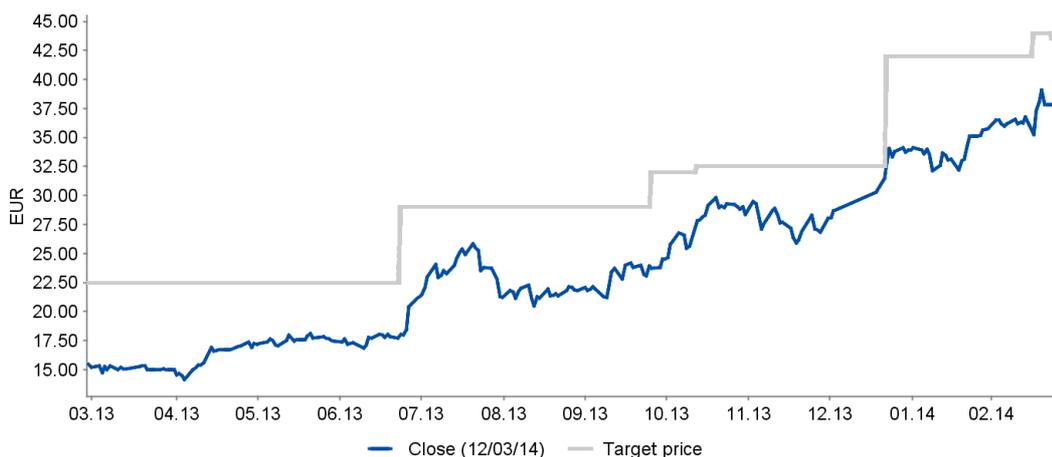
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Company	Disclosure
CANCOM SE	2, 3, 5, 7

Historical target price and rating changes for CANCOM SE in the last 12 months

**Price and Rating History
CANCOM SE as of 13/03/14**

Initiation coverage
06-July-10



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