

Nabaltec

Germany - Chemicals/ Specialty Chemicals

Buy (old: Buy)

Price target: EUR 17.10 (old: EUR 17.10)

Price:	EUR 9.19	Next result:	Q3 29.11.11
Bloomberg:	NTG GR	Market cap:	EUR 72.0 m
Reuters:	NTGG.DE	Enterprise Value:	EUR 141.8 m

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Nabaltec reported strong Q2/H1 results – outlook confirmed

Sales growth of 19.7% yoy to **€ 34.8 m in Q2** (eH&A € 34.7m) was **driven by pricing which has improved markedly** due to tight capacities and as competitors are lifting prices to compensate for higher raw material costs as their preferred sourcing ended. At the end of 2010, Nabaltec informed customers about price increase of 17-23% for its high performance based flame retardants (eH&A 50% of total sales).

More importantly **EBIT jumped by 79.2% yoy to € 4.5 m** (eH&A € 4.0m) driven by price increases and as Nabaltec is not facing comparable cost increases in raw materials. As a result, the gross margin has improved strongly by 5.1 pp yoy to 51.1% in Q2 (+4.7 pp in H1). In addition D&A, which shot up from € 2.2m (or 3.6% of sales) in 2005 to € 7.8m (or 6.9% of sales) in 2010 driven by the significant expansion of capacities (c. € 120m in investments) fuels strong disproportionate EBIT growth.

Thanks to the bond issue at the end of '10 (€ 30m) and the improving cash generation (i.e. CFO of 12 € m in H1 vs. € 15m for FY '10), Nabaltec has sufficient financial flexibility to meet debt redemption (c. € 8m in FY '11E) and to finance the planned expansion of capacities by c. 20k tpa in high performance flame retardants (c. € 15m capex). At the end of H1 liquid assets stood at c. € 30 m.

Management confirmed its outlook of double digit sales growth and disproportionate earnings growth in 2011 and our estimates already include a cushion for a potentially weaker H2 which is not yet seen by the company. Still, due to a structurally increasing demand for non-hazardous and non-toxic flame retardants (phase out of brominated flame retardants) and the ramp up of high margin products (Boehmite for PCBs and stabiliser for PVC), Nabaltec should also be less exposed to general business cycles. Both new products could add in total > € 25m in sales p.a.

Even in the absence of growth Nabaltec should be able to significantly increase the value for equity holders just by paying back bank debt which stood at € 43.1 m or € 5.39 per share. Considering only maintenance capex, the company should be able to generate a FCF of c. € 10m (2011E). Remains a **BUY, PT € 17.10**.



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 13.00 / 5.28
Price/Book Ratio: 1.5
Relative performance (SDAX):
3 months 13.7 %
6 months 56.5 %
12 months 49.0 %

Changes in estimates

		Sales	EBIT	EPS
2011	old:	140.7	13.7	0.67
	Δ	-	-	-
2012	old:	163.0	20.0	1.25
	Δ	-	-	-
2013	old:	183.0	25.5	1.80
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 8.0
Authorised capital: (in € m) 3.0
Book value per share: (in €) 6.0
Ø trading volume: (12 months) 20,000

Major shareholders:

Free Float 37.5 %
Family Heckmann 32.9 %
Family Witzany 29.7 %

Company description:

Nabaltec is focused on the production of functional fillers for plastics such as non-hazardous and non-toxic flame retardants used in electrical and electronic equipment.

Y/E 31.12 (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Sales	88.1	96.3	73.1	112.7	140.7	163.0	183.0
Sales growth	23 %	9 %	-24 %	54 %	25 %	16 %	12 %
EBITDA	8.4	9.3	3.7	14.3	21.8	29.0	35.4
EBIT	4.0	4.1	-2.7	6.5	13.7	20.0	25.5
Net income	2.4	1.1	-5.0	1.8	5.3	10.0	14.4
Net debt	33.8	42.9	57.6	52.9	56.8	55.2	42.0
Net gearing	68.4 %	87.5 %	128.4 %	115.0 %	118.7 %	97.6 %	59.9 %
Net Debt/EBITDA	4.0	4.6	15.4	3.7	2.6	1.9	1.2
EPS fully diluted	0.29	0.14	-0.63	0.22	0.67	1.25	1.80
CPS	2.06	0.63	0.02	0.28	0.45	1.17	1.79
DPS	0.00	0.00	0.00	0.00	0.10	0.20	0.30
Dividend yield	1.1 %	0.0 %	0.0 %	0.0 %	1.1 %	2.2 %	3.3 %
Gross profit margin	44.5 %	44.8 %	45.6 %	46.0 %	46.9 %	47.9 %	48.9 %
EBITDA margin	9.5 %	9.7 %	5.1 %	12.7 %	15.5 %	17.8 %	19.3 %
EBIT margin	4.5 %	4.3 %	-3.7 %	5.8 %	9.7 %	12.2 %	14.0 %
ROCE	4.6 %	4.2 %	-2.5 %	5.3 %	10.1 %	14.9 %	18.8 %
EV/sales	1.3	1.3	1.9	1.2	1.0	0.9	0.7
EV/EBITDA	13.8	13.4	37.7	9.6	6.5	4.8	3.6
EV/EBIT	29.0	30.2	-52.0	21.1	10.3	7.0	5.0
PER	20.8	64.8	-14.4	40.5	13.5	7.2	5.0
Adjusted FCF yield	4.5 %	3.4 %	-0.5 %	5.6 %	7.8 %	11.4 %	15.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 22.08.2011

EURm	Q2 11	Q2 11 est	Q2 10	yoy	Q1 11	qoq	H1 11E	H1 10	yoy	FY 11	FY 10	yoy
Sales	34.8	34.7	29.1	19.7%	35.3	-1.4%	70.1	53.4	31.3%	140.7	112.7	24.8%
Functional fillers	23.5	23.4	19.6	19.8%	24.1	-2.8%	47.6	36.2	31.5%	100.6	75.9	32.5%
Technical Ceramics	11.3	11.3	9.4	20.3%	11.2	1.4%	22.5	17.2	30.7%	40.1	36.8	9.0%
Gross profit	17.8	17.3	13.4	33.0%	17.1	4.1%	34.9	24.1	44.9%	65.9	51.8	27.2%
Gross margin (%)	51.1%	49.8%	46.0%	+ 5.1 pp	48.4%	+ 2.7 pp	49.7%	45.0%	+ 4.7 pp	46.9%	46.0%	+ 0.9 pp
EBITDA	6.5	6.0	4.5	45.7%	5.9	10.5%	12.4	7.3	69.9%	21.8	14.3	52.1%
EBITDA margin (%)	18.8%	17.4%	15.4%	+ 3.3 pp	16.7%	+ 2.0 pp	17.7%	13.7%	+ 4.0 pp	15.5%	12.7%	+ 2.8 pp
EBIT	4.5	4.0	2.5	79.2%	3.9	15.4%	8.4	3.5	144.8%	13.7	6.5	109.2%
EBIT margin (%)	13.0%	11.6%	8.7%	+ 4.3 pp	11.1%	+ 1.9 pp	12.1%	6.5%	+ 5.6 pp	9.7%	5.8%	+ 3.9 pp
Net profit	1.9	1.6	0.4	344.7%	-0.5	n.a.	3.5	0.5	632.8%	5.3	1.8	200.0%
Net margin (%)	5.4%	4.5%	1.4%	+ 3.9 pp	-1.3%	+ 6.7 pp	4.9%	0.9%	+ 4.1 pp	3.8%	1.6%	+ 2.2 pp
EPS	0.23	0.19	0.05	337.4%	0.20	17.4%	0.43	0.06	622.1%	0.67	0.22	200.0%

Source: Company data; Hauck&Aufhäuser Institutional Research

Financials

Profit and loss (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Net sales	88.1	96.3	73.1	112.7	140.7	163.0	183.0
<i>Sales growth</i>	23.1 %	9.3 %	-24.1 %	54.3 %	24.8 %	15.9 %	12.2 %
Increase/decrease in finished goods and work-in-process	1.3	4.4	-1.7	-0.1	0.0	0.0	0.0
Total sales	89.4	100.6	71.4	112.6	140.7	163.0	183.0
Other operating income	2.4	1.9	1.0	2.2	1.4	1.5	1.5
Material expenses	50.2	57.5	38.1	60.8	74.8	84.9	93.5
Personnel expenses	15.6	17.1	15.6	19.0	21.1	22.7	24.5
Other operating expenses	17.6	18.6	15.0	20.7	24.5	27.8	31.1
Total operating expenses	81.1	91.3	67.6	98.3	118.9	134.0	147.6
EBITDA	8.4	9.3	3.7	14.3	21.8	29.0	35.4
Depreciation	4.4	5.2	6.4	7.8	8.1	9.1	9.9
EBITA	4.0	4.1	-2.7	6.5	13.7	20.0	25.5
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	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	4.0	4.1	-2.7	6.5	13.7	20.0	25.5
Interest income	0.5	0.6	0.1	0.2	0.4	0.2	0.1
Interest expenses	3.3	3.7	4.4	5.3	5.6	5.0	4.2
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-2.8	-3.1	-4.3	-5.1	-5.2	-4.8	-4.1
Recurring pretax income from continuing operations	1.2	1.0	-7.0	1.4	8.5	15.1	21.5
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	1.2	1.0	-7.0	1.4	8.5	15.1	21.5
Taxes	0.5	1.2	-1.7	-0.7	2.6	4.5	6.4
Net income from continuing operations	0.7	-0.2	-5.3	2.1	6.0	10.6	15.0
Result from discontinued operations (net of tax)	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.7	-0.2	-5.3	2.1	6.0	10.6	15.0
Minority interest	-1.7	-1.3	-0.3	0.3	0.6	0.6	0.6
Net income (net of minority interest)	2.4	1.1	-5.0	1.8	5.3	10.0	14.4
Average number of shares	8.0	8.0	8.0	8.0	8.0	8.0	8.0
EPS reported	0.29	0.14	-0.63	0.22	0.67	1.25	1.80

Profit and loss (common size)	2007	2008	2009	2010	2011E	2012E	2013E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	1.5 %	4.5 %	-2.3 %	0.0 %	0.0 %	0.0 %	0.0 %
Total sales	101.5 %	104.5 %	97.7 %	100.0 %	100.0 %	100.0 %	100.0 %
Other operating income	2.8 %	2.0 %	1.4 %	1.9 %	1.0 %	0.9 %	0.8 %
Material expenses	57.0 %	59.8 %	52.1 %	54.0 %	53.1 %	52.1 %	51.1 %
Personnel expenses	17.8 %	17.8 %	21.3 %	16.9 %	15.0 %	13.9 %	13.4 %
Other operating expenses	20.0 %	19.3 %	20.5 %	18.3 %	17.4 %	17.1 %	17.0 %
Total operating expenses	92.0 %	94.9 %	92.6 %	87.2 %	84.5 %	82.2 %	80.7 %
EBITDA	9.5 %	9.7 %	5.1 %	12.7 %	15.5 %	17.8 %	19.3 %
Depreciation	5.0 %	5.4 %	8.8 %	6.9 %	5.7 %	5.6 %	5.4 %
EBITA	4.5 %	4.3 %	-3.7 %	5.8 %	9.7 %	12.2 %	14.0 %
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 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	4.5 %	4.3 %	-3.7 %	5.8 %	9.7 %	12.2 %	14.0 %
Interest income	0.5 %	0.6 %	0.2 %	0.2 %	0.3 %	0.1 %	0.1 %
Interest expenses	3.7 %	3.8 %	6.1 %	4.7 %	4.0 %	3.1 %	2.3 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-3.2 %	-3.2 %	-5.9 %	-4.5 %	-3.7 %	-3.0 %	-2.2 %
Recurring pretax income from continuing operations	1.3 %	1.1 %	-9.6 %	1.3 %	6.1 %	9.3 %	11.7 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	1.3 %	1.1 %	-9.6 %	1.3 %	6.1 %	9.3 %	11.7 %
Tax rate	43.7 %	118.3 %	24.2 %	-45.5 %	30.0 %	30.0 %	30.0 %
Net income from continuing operations	0.7 %	-0.2 %	-7.3 %	1.9 %	4.2 %	6.5 %	8.2 %
Income from discontinued operations (net of tax)	1.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	0.7 %	-0.2 %	-7.3 %	1.9 %	4.2 %	6.5 %	8.2 %
Minority interest	-1.9 %	-1.4 %	-0.4 %	0.3 %	0.4 %	0.3 %	0.4 %
Net income (net of minority interest)	2.7 %	1.2 %	-6.9 %	1.6 %	3.8 %	6.2 %	7.9 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	0.3	0.4	0.2	0.2	0.2	0.2	0.2
Property, plant and equipment	82.5	96.9	108.5	109.0	115.9	121.9	120.0
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	82.8	97.3	108.7	109.2	116.2	122.1	120.2
Inventories	17.8	28.4	19.2	21.4	26.7	31.0	34.8
Accounts receivable	2.8	1.3	0.5	1.6	2.0	2.3	2.6
Other current assets	11.6	3.2	3.0	3.5	3.5	3.5	0.0
Liquid assets	1.7	1.9	0.5	29.0	15.7	8.7	11.7
Deferred taxes	0.0	0.0	0.0	1.3	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.2	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	34.1	34.9	23.1	56.8	48.0	45.4	49.1
TOTAL ASSETS	116.9	132.2	131.8	166.0	164.1	167.5	169.3
SHAREHOLDERS EQUITY	49.3	49.0	44.9	46.0	47.8	56.6	70.1
MINORITY INTEREST	-1.9	-4.0	-4.0	-4.0	-1.0	0.0	0.0
Long-term debt	28.7	34.6	53.4	73.6	64.5	55.9	48.7
Provisions for pensions and similar obligations	9.6	9.6	11.1	13.1	13.1	13.1	13.1
Other provisions	2.0	1.5	1.3	0.8	0.8	0.8	0.0
Non-current liabilities	40.2	45.8	65.8	87.4	78.3	69.7	61.7
short-term liabilities to banks	6.8	10.2	4.7	8.3	8.0	8.0	5.0
Accounts payable	11.4	9.5	6.1	11.2	14.0	16.3	18.3
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	7.7	17.6	13.1	14.2	14.2	14.2	14.2
Deferred taxes	3.4	3.9	2.1	2.7	2.7	2.7	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	29.3	41.3	25.9	36.5	39.0	41.2	37.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	117.0	132.2	132.7	166.0	164.1	167.6	169.3

Balance sheet (common size)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	0.2 %	0.3 %	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %
Property, plant and equipment	70.5 %	73.3 %	81.8 %	65.7 %	70.6 %	72.7 %	70.9 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	70.7 %	73.6 %	81.9 %	65.8 %	70.8 %	72.8 %	71.0 %
Inventories	15.3 %	21.5 %	14.5 %	12.9 %	16.3 %	18.5 %	20.5 %
Accounts receivable	2.4 %	1.0 %	0.4 %	1.0 %	1.2 %	1.4 %	1.5 %
Other current assets	9.9 %	2.4 %	2.2 %	2.1 %	2.1 %	2.1 %	0.0 %
Liquid assets	1.4 %	1.5 %	0.4 %	17.4 %	9.6 %	5.2 %	6.9 %
Deferred taxes	0.0 %	0.0 %	0.0 %	0.8 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	29.1 %	26.4 %	17.4 %	34.2 %	29.2 %	27.1 %	29.0 %
TOTAL ASSETS	99.9 %	100.0 %	99.4 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	42.2 %	37.1 %	33.8 %	27.7 %	29.1 %	33.8 %	41.4 %
MINORITY INTEREST	-1.6 %	-3.0 %	-3.0 %	-2.4 %	-0.6 %	0.0 %	0.0 %
Long-term debt	24.5 %	26.2 %	40.3 %	44.3 %	39.3 %	33.4 %	28.8 %
Provisions for pensions and similar obligations	8.2 %	7.3 %	8.4 %	7.9 %	8.0 %	7.8 %	7.7 %
Other provisions	1.7 %	1.2 %	1.0 %	0.5 %	0.5 %	0.5 %	0.0 %
Non-current liabilities	34.4 %	34.7 %	49.6 %	52.7 %	47.7 %	41.6 %	36.5 %
short-term liabilities to banks	5.8 %	7.7 %	3.6 %	5.0 %	4.9 %	4.8 %	3.0 %
Accounts payable	9.7 %	7.2 %	4.6 %	6.8 %	8.6 %	9.7 %	10.8 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	6.6 %	13.3 %	9.8 %	8.6 %	8.7 %	8.5 %	8.4 %
Deferred taxes	2.9 %	3.0 %	1.6 %	1.6 %	1.7 %	1.6 %	0.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	25.0 %	31.2 %	19.6 %	22.0 %	23.8 %	24.6 %	22.1 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Net profit/loss	0.7	-0.2	-5.3	2.1	6.0	10.6	15.0
Depreciation of fixed assets (incl. leases)	4.4	5.2	6.4	7.8	8.1	9.1	9.9
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	0.0	0.0	0.0	0.0	0.0
Others	11.4	0.0	-0.9	-0.8	0.0	0.0	0.0
Cash flow from operations before changes in w/c	16.5	5.0	0.2	9.1	14.0	19.7	24.9
Increase/decrease in inventory	-3.5	-10.6	9.2	-2.2	-5.3	-4.2	-3.8
Increase/decrease in accounts receivable	-0.4	1.5	1.4	-1.7	-0.4	-0.3	-0.3
Increase/decrease in accounts payable	1.5	-1.9	-10.5	4.1	2.8	2.2	2.0
Increase/decrease in other working capital positions	2.3	6.5	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	0.0	-4.5	0.0	0.1	-2.9	-2.3	-2.1
Cash flow from operating activities	16.4	0.6	0.2	9.2	11.1	17.3	22.8
CAPEX	27.0	21.5	20.4	7.5	15.0	15.0	8.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	5.2	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-27.2	-16.3	-20.4	-7.5	-15.0	-15.0	-8.0
Cash flow before financing	-10.8	-15.8	-20.2	1.7	-3.9	2.3	14.8
Increase/decrease in debt position	2.5	9.9	18.8	28.7	-9.4	-8.6	-10.2
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.8	0.8	0.0	0.0	0.0	0.8	1.6
Others	-0.3	6.8	0.0	-2.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.1	0.1	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	1.5	15.9	18.8	26.7	-9.4	-9.4	-11.8
Increase/decrease in liquid assets	-9.4	0.2	-1.4	28.4	-13.3	-7.0	3.0
Liquid assets at end of period	1.7	2.0	0.6	29.0	15.8	8.7	11.8

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Domestic	28.2	33.7	22.0	35.1	42.0	46.0	50.0
yoy change	13.8 %	19.5 %	-34.8 %	59.4 %	19.8 %	9.5 %	8.7 %
Rest of Europe	48.5	48.9	37.3	50.2	62.4	74.9	85.0
yoy change	25.4 %	0.7 %	-23.7 %	34.6 %	24.4 %	20.0 %	13.5 %
NAFTA	6.2	7.8	7.8	17.1	22.0	25.0	28.0
yoy change	44.8 %	26.0 %	0.6 %	119.5 %	28.4 %	13.6 %	12.0 %
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	5.7	5.9	6.0	10.4	14.0	17.0	20.6
yoy change	33.3 %	4.6 %	0.9 %	72.8 %	35.0 %	21.4 %	21.2 %
TTL	88.6	96.3	73.1	112.7	140.4	162.9	183.6
yoy change	23.0 %	8.7 %	-24.1 %	54.3 %	24.6 %	16.0 %	12.7 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
P&L growth analysis							
Sales growth	23.1 %	9.3 %	-24.1 %	54.3 %	24.8 %	15.9 %	12.2 %
EBITDA growth	27.0 %	11.5 %	-59.9 %	283.5 %	52.1 %	33.3 %	21.9 %
EBIT growth	-0.7 %	3.6 %	-165.6 %	-342.1 %	109.2 %	45.7 %	28.0 %
EPS growth	-1032.8 %	-52.9 %	-550.9 %	-135.5 %	200.0 %	87.9 %	43.6 %
Efficiency							
Total operating costs / sales	92.0 %	94.9 %	92.6 %	87.2 %	84.5 %	82.2 %	80.7 %
Sales per employee	290.8	285.7	210.5	312.2	369.2	416.9	456.2
EBITDA per employee	27.6	27.6	10.8	39.7	57.2	74.3	88.3
Balance sheet analysis							
Avg. working capital / sales	9.1 %	15.3 %	23.2 %	11.3 %	9.4 %	9.7 %	9.9 %
Inventory turnover (sales/inventory)	4.9	3.4	3.8	5.3	5.3	5.3	5.3
Trade debtors in days of sales	11.5	4.9	2.5	5.2	5.2	5.2	5.2
A/P turnover [(A/P*365)/sales]	47.2	36.0	30.3	36.4	36.4	36.4	36.4
Cash conversion cycle (days)	58.4	124.9	128.4	66.2	67.2	68.4	69.7
Cash flow analysis							
Free cash flow	-10.6	-20.9	-20.2	1.7	-3.9	2.3	14.8
Free cash flow/sales	-12.0 %	-21.7 %	-27.6 %	1.5 %	-2.8 %	1.4 %	8.1 %
FCF / net profit	-448.6 %	-1882.6 %	402.6 %	97.5 %	-72.6 %	23.4 %	102.9 %
FCF yield	-14.7 %	-29.1 %	-28.0 %	2.4 %	-5.4 %	3.3 %	20.6 %
Capex / depn	622.4 %	413.9 %	316.8 %	96.5 %	185.5 %	165.1 %	81.2 %
Capex / maintenance capex	617.4 %	413.9 %	316.8 %	107.1 %	200.0 %	187.5 %	94.1 %
Capex / sales	30.9 %	22.3 %	27.9 %	6.7 %	10.7 %	n/a	n/a
Security							
Net debt	33.8	42.9	57.6	52.9	56.8	55.2	42.0
Net Debt/EBITDA	4.0	4.6	15.4	3.7	2.6	1.9	1.2
Net debt / equity	0.7	0.9	1.3	1.1	1.2	1.0	0.6
Interest cover	1.2	1.1	0.0	1.2	2.5	4.0	6.1
Dividend payout ratio	33.9 %	0.0 %	0.0 %	0.0 %	14.5 %	15.8 %	16.7 %
Asset utilisation							
Capital employed turnover	0.9	1.0	0.7	0.8	1.1	1.2	1.3
Operating assets turnover	1.0	0.8	0.6	0.9	1.1	1.2	1.3
Plant turnover	1.1	1.0	0.7	1.0	1.2	1.3	1.5
Inventory turnover (sales/inventory)	4.9	3.4	3.8	5.3	5.3	5.3	5.3
Returns							
ROCE	4.6 %	4.2 %	-2.5 %	5.3 %	10.1 %	14.9 %	18.8 %
ROE	4.8 %	2.3 %	-11.2 %	3.9 %	11.2 %	17.7 %	20.5 %
Other							
Interest paid / avg. debt	10.1 %	9.1 %	8.6 %	7.6 %	7.2 %	7.4 %	7.1 %
No. employees (average)	303	337	347	361	381	391	401
Number of shares	8.0	8.0	8.0	8.0	8.0	8.0	8.0
DPS	0.0	0.0	0.0	0.0	0.1	0.2	0.3
EPS reported	0.29	0.14	-0.63	0.22	0.67	1.25	1.80
Valuation ratios							
P/BV	1.5	1.5	1.6	1.6	1.5	1.3	1.0
EV/sales	1.3	1.3	1.9	1.2	1.0	0.9	0.7
EV/EBITDA	13.8	13.4	37.7	9.6	6.5	4.8	3.6
EV/EBITA	29.0	30.2	-52.0	21.1	10.3	7.0	5.0
EV/EBIT	29.0	30.2	-52.0	21.1	10.3	7.0	5.0
EV/FCF	-10.9	-6.0	-7.0	79.6	-36.6	59.8	8.6
Dividend yield	1.1 %	0.0 %	0.0 %	0.0 %	1.1 %	2.2 %	3.3 %

Source: Company data, Hauck & Aufhäuser

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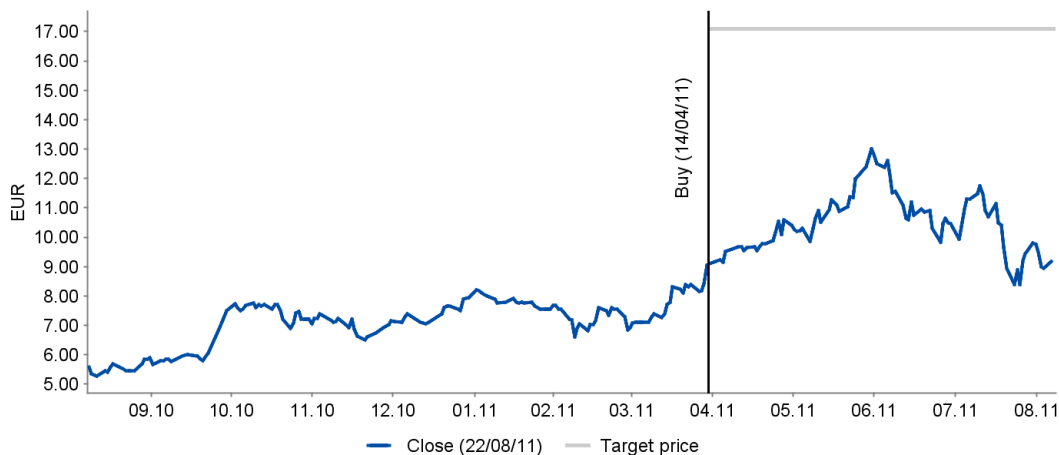
Company	Disclosure
Nabaltec AG	2

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Historical target price and rating changes for Nabaltec AG in the last 12 months

**Price and Rating History
Nabaltec AG as of 23/08/11**

Initiation coverage
14-April-11



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