

Nabaltec

Germany - Chemicals/ Specialty Chemicals



HAUCK & AUFHÄUSER
INSTITUTIONAL RESEARCH AG

Buy (old: Buy)

Price target: EUR 14.00 (old: EUR 15.00)

Price:	EUR 8.45	Next result:	Q4 tba
Bloomberg:	NTG GR	Market cap:	EUR 67.6 m
Reuters:	NTGG.DE	Enterprise Value:	EUR 132.9 m

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Strong yoy improvement/management confirms outlook - still est. & PT adj. for somewhat lower dynamic than expected

Yesterday, Nabaltec released its Q3 results showing a strong yoy performance despite a still muted macro environment, achieving sound sales growth but more importantly **strong disproportionate bottom-line growth**. Also, **management confirmed its outlook** of mid single digit growth in 2013.

Q3 sales growth of 5.4% yoy to € 33.8m (eH&A € 34.5m) was driven by a strong yoy recovery in Technical Ceramics by 15% yoy to € 10.8m, last year suffering from the downturn in the refractory industry. **Functional Fillers sales increased only slightly by 0.7% yoy to € 23.0m** biased by negative FX (c. 1pp) and somewhat lower avg. prices amid a subpar utilisation in the industry due to a muted macro environment in Europe, in particular in construction (c. 60% of segment sales).

EBIT grew strongly disproportionately by 51% yoy to € 3.2m (eH&A € 3.5m) with the margin improving by 2.9pp yoy to 9.5% mainly as result of a better product mix. Coupled with the high financial leverage and also lower interest expenses of € 1.3m (€ 1.5m), **EPS jumped by 162% yoy to € 0.17 (eH&A € 0.16)**.

Cash flow generation remained sound arriving at € 13.3m (before changes in w/c € 16.0m) after 9month. Hence cash generation has been sufficient to cover interest expenses of € 3.8m and capex of € 3.4m, signalling that the **cash flow cycle is turning into investors favour**. Net debt declined to € 45m as per end of September (€ 55m at the end of '12). For FY '13 we expect the FCF to arrive at € 8m.

Estimates for '13 are trimmed to reflect a weaker sales dynamic (now in-line with guidance) and for '14 & '15 to account for the lower base. Nevertheless, given the structurally growing demand for non hazardous and non toxic flame retardants (explaining 6% p.a. market growth), **growth is seen to accelerate** in a normalised economic environment. In addition, new products such as Nabaltec's boemite for PCB and separation foils in lithium ions batteries as well as its stabiliser to replace lead in PVC should add to growth. At the same time, **the positive cash flow cycle should allow to redeem debt**, putting the company on more solid ground and additionally driving earnings growth. Remains a **BUY, new PT of € 14** (old € 15) **based on FCFY'14E only partially reflecting the growth and de-leverage potential**.

- continued -

Y/E 31.12 (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Sales	73.1	112.7	129.0	129.2	134.9	147.8	159.7
Sales growth	-24 %	54 %	14 %	0 %	4 %	10 %	8 %
EBITDA	3.7	14.3	20.6	18.8	21.0	25.4	28.4
EBIT	-2.7	6.5	12.5	10.0	12.0	16.4	19.4
Net income	-5.0	1.8	3.6	2.1	4.2	7.4	9.8
Net debt	57.6	52.9	60.7	55.2	47.5	40.4	32.0
Net gearing	128.4 %	115.0 %	121.4 %	111.7 %	88.9 %	66.2 %	46.2 %
Net Debt/EBITDA	15.4	3.7	2.9	2.9	2.3	1.6	1.1
EPS pro forma	-0.63	0.22	0.45	0.26	0.52	0.93	1.22
CPS	0.02	0.40	0.27	1.31	1.05	1.05	1.38
DPS	0.00	0.00	0.00	0.00	0.10	0.21	0.34
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	1.2 %	2.5 %	4.1 %
Gross profit margin	45.6 %	46.0 %	48.8 %	48.0 %	49.3 %	49.6 %	49.8 %
EBITDA margin	5.1 %	12.7 %	15.9 %	14.6 %	15.6 %	17.1 %	17.8 %
EBIT margin	-3.7 %	5.8 %	9.7 %	7.8 %	8.9 %	11.1 %	12.2 %
ROCE	-2.5 %	5.3 %	9.1 %	7.3 %	9.1 %	12.7 %	15.0 %
EV/sales	1.9	1.2	1.1	1.1	1.0	0.9	0.7
EV/EBITDA	36.5	9.3	6.9	7.5	6.3	5.0	4.1
EV/EBIT	-50.4	20.4	11.3	14.0	11.1	7.7	6.0
PER	-13.5	38.0	18.6	32.8	16.1	9.1	6.9
Adjusted FCF yield	0.2 %	6.5 %	8.1 %	7.3 %	8.3 %	10.6 %	12.5 %

Source: Company data, Hauck & Aufhäuser Close price as of: 26.11.2013



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	9.35 / 6.20
Price/Book Ratio:	1.3
Relative performance (SDAX):	
3 months	8.7 %
6 months	21.1 %
12 months	0.7 %

Changes in estimates

		Sales	EBIT	EPS
2013	old:	138.5	13.4	0.64
	Δ	-2.6%	-10.0%	-18.7%
2014	old:	149.8	17.1	1.00
	Δ	-1.3%	-4.5%	-6.7%
2015	old:	161.8	20.3	1.30
	Δ	-1.3%	-4.3%	-5.9%

Key share data:

Number of shares: (in m pcs)	8.0
Authorised capital: (in € m)	4.0
Book value per share: (in €)	6.7
Ø trading volume: (12 months)	20,000

Major shareholders:

Free Float	38.2 %
Family Heckmann	32.0 %
Family Witzany	29.8 %

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.

EURm	Q3 13	Q3 13 est	Q3 12	yoy	9m 13	9m 12	yoy
Sales	33.8	34.5	32.1	5.4%	102.5	100.4	2.1%
Functional Fillers	23.0	23.5	22.8	0.7%	69.5	69.8	-0.4%
Technical Ceramics	10.8	11.0	9.4	14.5%	33.0	30.6	7.9%
Gross profit	16.7	16.0	15.1	10.9%	49.9	47.7	4.6%
Gross margin (%)	49.5%	46.4%	47.1%	+ 2.5 pp	48.7%	47.6%	+ 1.2 pp
EBITDA	5.5	5.8	4.4	26.0%	16.0	15.4	3.5%
EBITDA margin (%)	16.4%	16.8%	13.7%	+ 2.7 pp	15.6%	15.4%	+ 0.2 pp
EBIT	3.2	3.5	2.1	50.7%	9.1	8.9	2.2%
EBIT margin (%)	9.5%	10.1%	6.6%	+ 2.9 pp	8.8%	8.8%	+ 0.0 pp
Net profit	1.4	1.3	0.5	162.3%	3.5	2.6	33.8%
Net margin (%)	4.0%	3.8%	1.6%	+ 2.4 pp	3.4%	2.6%	+ 0.8 pp
EPS	0.17	0.16	0.06	162.3%	0.44	0.33	33.8%

Source: Company data; Hauck&Aufhäuser

Financials

Profit and loss (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Net sales	73.1	112.7	129.0	129.2	134.9	147.8	159.7
<i>Sales growth</i>	-24.1 %	54.3 %	14.5 %	0.1 %	4.4 %	9.6 %	8.0 %
Increase/decrease in finished goods and work-in-process	-1.7	-0.1	3.7	0.1	0.0	0.0	0.0
Total sales	71.4	112.6	132.8	129.4	134.9	147.8	159.7
Other operating income	1.0	2.2	1.4	1.7	1.2	1.3	1.3
Material expenses	38.1	60.8	69.8	67.3	68.4	74.5	80.2
Personnel expenses	15.6	19.0	21.0	21.8	23.0	23.8	25.2
Other operating expenses	15.0	20.7	22.9	23.2	23.7	25.5	27.1
Total operating expenses	67.6	98.3	112.2	110.5	113.9	122.5	131.3
EBITDA	3.7	14.3	20.6	18.8	21.0	25.4	28.4
Depreciation	6.4	7.8	8.0	8.8	9.0	9.0	9.0
EBITA	-2.7	6.5	12.5	10.0	12.0	16.4	19.4
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	-2.7	6.5	12.5	10.0	12.0	16.4	19.4
Interest income	0.1	0.2	0.6	0.4	0.1	0.1	0.1
Interest expenses	4.4	5.3	6.9	6.3	5.0	4.4	3.9
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-4.3	-5.1	-6.4	-5.9	-4.9	-4.3	-3.8
Recurring pretax income from continuing operations	-7.0	1.4	6.2	4.1	7.2	12.0	15.7
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-7.0	1.4	6.2	4.1	7.2	12.0	15.7
Taxes	-1.7	-0.7	1.6	1.1	2.0	3.6	4.7
Net income from continuing operations	-5.3	2.1	4.5	3.0	5.2	8.4	11.0
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-5.3	2.1	4.5	3.0	5.2	8.4	11.0
Minority interest	-0.3	0.3	0.9	1.0	1.0	1.0	1.2
Net income (net of minority interest)	-5.0	1.8	3.6	2.1	4.2	7.4	9.8
Average number of shares	8.0	8.0	8.0	8.0	8.0	8.0	8.0
EPS reported	-0.63	0.22	0.44	0.26	0.52	0.93	1.22

Profit and loss (common size)	2009	2010	2011	2012	2013E	2014E	2015E
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	-2.3 %	0.0 %	2.9 %	0.1 %	0.0 %	0.0 %	0.0 %
Total sales	97.7 %	100.0 %	102.9 %	100.1 %	100.0 %	100.0 %	100.0 %
Other operating income	1.4 %	1.9 %	1.1 %	1.3 %	0.9 %	0.9 %	0.8 %
Material expenses	52.1 %	54.0 %	54.1 %	52.1 %	50.7 %	50.4 %	50.2 %
Personnel expenses	21.3 %	16.9 %	16.3 %	16.8 %	17.0 %	16.1 %	15.8 %
Other operating expenses	20.5 %	18.3 %	17.7 %	17.9 %	17.6 %	17.2 %	17.0 %
Total operating expenses	92.6 %	87.2 %	87.0 %	85.5 %	84.4 %	82.9 %	82.2 %
EBITDA	5.1 %	12.7 %	15.9 %	14.6 %	15.6 %	17.1 %	17.8 %
Depreciation	8.8 %	6.9 %	6.2 %	6.8 %	6.7 %	6.1 %	5.6 %
EBITA	-3.7 %	5.8 %	9.7 %	7.8 %	8.9 %	11.1 %	12.2 %
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	-3.7 %	5.8 %	9.7 %	7.8 %	8.9 %	11.1 %	12.2 %
Interest income	0.2 %	0.2 %	0.4 %	0.3 %	0.1 %	0.1 %	0.1 %
Interest expenses	6.1 %	4.7 %	5.4 %	4.9 %	3.7 %	3.0 %	2.4 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-5.9 %	-4.5 %	-4.9 %	-4.6 %	-3.6 %	-2.9 %	-2.4 %
Recurring pretax income from continuing operations	-9.6 %	1.3 %	4.8 %	3.2 %	5.3 %	8.1 %	9.8 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	-9.6 %	1.3 %	4.8 %	3.2 %	5.3 %	8.1 %	9.8 %
Tax rate	24.2 %	-45.5 %	26.7 %	26.8 %	28.0 %	30.0 %	30.0 %
Net income from continuing operations	-7.3 %	1.9 %	3.5 %	2.3 %	3.8 %	5.7 %	6.9 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	-7.3 %	1.9 %	3.5 %	2.3 %	3.8 %	5.7 %	6.9 %
Minority interest	-0.4 %	0.3 %	0.7 %	0.7 %	0.7 %	0.7 %	0.8 %
Net income (net of minority interest)	-6.9 %	1.6 %	2.8 %	1.6 %	3.1 %	5.0 %	6.1 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Property, plant and equipment	108.5	109.0	116.4	116.0	115.0	114.0	113.0
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	108.7	109.2	116.6	116.2	115.2	114.3	113.3
Inventories	19.2	21.4	26.3	23.6	23.7	25.9	28.0
Accounts receivable	0.5	1.6	2.2	3.4	3.1	3.4	3.7
Other current assets	3.0	3.5	2.9	3.4	0.0	0.0	0.0
Liquid assets	0.5	29.0	16.3	14.3	9.7	9.6	11.0
Deferred taxes	0.0	1.3	0.9	0.6	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	23.1	56.8	48.8	45.3	36.5	39.0	42.7
TOTAL ASSETS	131.8	166.0	165.4	161.5	151.7	153.2	156.0
SHAREHOLDERS EQUITY	44.9	46.0	50.0	49.4	53.4	61.0	69.3
MINORITY INTEREST	-4.0	-4.0	-3.1	-2.0	0.0	0.0	0.0
Long-term debt	53.4	73.6	68.9	59.9	49.2	42.0	35.0
Provisions for pensions and similar obligations	11.1	13.1	13.7	17.8	17.8	17.8	17.8
Other provisions	1.3	0.8	0.7	1.3	0.0	0.0	0.0
Non-current liabilities	65.8	87.4	83.3	79.0	67.0	59.8	52.8
short-term liabilities to banks	4.7	8.3	8.1	9.7	8.0	8.0	8.0
Accounts payable	6.1	11.2	10.0	10.4	11.5	12.6	14.0
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)	13.1	14.2	13.2	11.9	11.9	11.9	11.9
Deferred taxes	2.1	2.7	3.8	3.1	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	25.9	36.5	35.2	35.0	31.3	32.4	33.9
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	132.7	166.0	165.4	161.5	151.7	153.2	156.0

Balance sheet (common size)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	0.2 %	0.1 %	0.1 %	0.1 %	0.2 %	0.2 %	0.1 %
Property, plant and equipment	81.8 %	65.7 %	70.4 %	71.8 %	75.8 %	74.4 %	72.5 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	81.9 %	65.8 %	70.5 %	72.0 %	75.9 %	74.6 %	72.6 %
Inventories	14.5 %	12.9 %	15.9 %	14.6 %	15.6 %	16.9 %	18.0 %
Accounts receivable	0.4 %	1.0 %	1.4 %	2.1 %	2.1 %	2.2 %	2.4 %
Other current assets	2.2 %	2.1 %	1.8 %	2.1 %	0.0 %	0.0 %	0.0 %
Liquid assets	0.4 %	17.4 %	9.9 %	8.9 %	6.4 %	6.3 %	7.0 %
Deferred taxes	0.0 %	0.8 %	0.6 %	0.3 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	17.4 %	34.2 %	29.5 %	28.0 %	24.1 %	25.4 %	27.4 %
TOTAL ASSETS	99.4 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	33.8 %	27.7 %	30.2 %	30.6 %	35.2 %	39.8 %	44.4 %
MINORITY INTEREST	-3.0 %	-2.4 %	-1.9 %	-1.2 %	0.0 %	0.0 %	0.0 %
Long-term debt	40.3 %	44.3 %	41.7 %	37.1 %	32.4 %	27.4 %	22.4 %
Provisions for pensions and similar obligations	8.4 %	7.9 %	8.3 %	11.0 %	11.8 %	11.6 %	11.4 %
Other provisions	1.0 %	0.5 %	0.4 %	0.8 %	0.0 %	0.0 %	0.0 %
Non-current liabilities	49.6 %	52.7 %	50.4 %	48.9 %	44.2 %	39.0 %	33.9 %
short-term liabilities to banks	3.6 %	5.0 %	4.9 %	6.0 %	5.3 %	5.2 %	5.1 %
Accounts payable	4.6 %	6.8 %	6.1 %	6.4 %	7.6 %	8.2 %	9.0 %
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)	9.8 %	8.6 %	8.0 %	7.3 %	7.8 %	7.7 %	7.6 %
Deferred taxes	1.6 %	1.6 %	2.3 %	1.9 %	0.0 %	0.0 %	0.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	19.6 %	22.0 %	21.3 %	21.7 %	20.6 %	21.1 %	21.7 %
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)	2009	2010	2011	2012	2013E	2014E	2015E
Net profit/loss	-5.3	2.1	4.5	3.0	5.2	8.4	11.0
Depreciation of fixed assets (incl. leases)	6.4	7.8	8.0	8.8	9.0	9.0	9.0
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
Others	-0.9	-0.8	2.8	2.5	0.0	0.0	0.0
Cash flow from operations before changes in w/c	0.2	9.1	15.4	14.3	14.1	17.4	20.0
Increase/decrease in inventory	9.2	-2.2	-4.9	2.7	-0.1	-2.3	-2.1
Increase/decrease in accounts receivable	1.4	-1.7	-0.6	-1.6	0.3	-0.3	-0.3
Increase/decrease in accounts payable	-10.5	4.1	-1.2	1.6	1.1	1.1	1.4
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	0.0	0.1	-6.8	2.7	1.3	-1.5	-0.9
Cash flow from operating activities	0.2	9.2	8.6	17.0	15.4	15.9	19.0
CAPEX	20.4	7.5	15.4	10.6	8.0	8.0	9.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-20.4	-7.5	-15.4	-10.6	-8.0	-8.0	-9.0
Cash flow before financing	-20.2	1.7	-6.8	6.4	7.4	7.9	10.0
Increase/decrease in debt position	18.8	28.7	-5.6	-8.4	-12.4	-7.2	-7.0
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	0.0	0.0	0.0	0.0	0.0	0.8	1.7
Others	0.0	-2.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	18.8	26.7	-5.6	-8.4	-12.4	-8.0	-8.7
Increase/decrease in liquid assets	-1.4	28.4	-12.4	-2.0	-5.0	-0.1	1.4
Liquid assets at end of period	0.6	29.0	16.7	14.7	9.7	9.6	11.0

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Domestic	22.0	35.1	40.7	40.0	42.0	45.0	49.0
yoy change	-34.8 %	59.4 %	16.2 %	-1.7 %	4.9 %	7.1 %	8.9 %
Rest of Europe	37.3	50.2	58.3	59.9	63.0	68.0	73.0
yoy change	-23.7 %	34.6 %	16.2 %	2.7 %	5.2 %	7.9 %	7.4 %
NAFTA	7.8	17.1	16.8	14.8	16.5	19.0	21.0
yoy change	0.6 %	119.5 %	-2.1 %	-11.9 %	11.7 %	15.2 %	10.5 %
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	6.0	10.4	13.3	14.4	17.0	15.8	16.7
yoy change	0.9 %	72.8 %	27.8 %	8.9 %	17.8 %	-6.8 %	5.2 %
TTL	73.1	112.7	129.0	129.1	138.5	147.8	159.7
yoy change	-24.1 %	54.3 %	14.5 %	0.1 %	7.3 %	6.7 %	8.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
P&L growth analysis							
Sales growth	-24.1 %	54.3 %	14.5 %	0.1 %	4.4 %	9.6 %	8.0 %
EBITDA growth	-59.9 %	283.5 %	43.6 %	-8.5 %	11.5 %	20.7 %	12.1 %
EBIT growth	-165.6 %	-342.1 %	91.3 %	-20.0 %	19.9 %	36.2 %	18.8 %
EPS growth	-550.9 %	-135.5 %	97.9 %	-41.5 %	103.7 %	77.1 %	31.5 %
Efficiency							
Total operating costs / sales	92.6 %	87.2 %	87.0 %	85.5 %	84.4 %	82.9 %	82.2 %
Sales per employee	210.5	312.2	328.3	317.5	316.0	346.2	389.4
EBITDA per employee	10.8	39.7	52.3	46.3	49.2	59.4	69.3
Balance sheet analysis							
Avg. working capital / sales	23.2 %	11.3 %	11.7 %	13.6 %	11.8 %	10.9 %	10.8 %
Inventory turnover (sales/inventory)	3.8	5.3	4.9	5.5	5.7	5.7	5.7
Trade debtors in days of sales	2.5	5.2	6.4	9.6	8.5	8.5	8.5
A/P turnover [(A/P*365)/sales]	30.3	36.4	28.4	29.4	31.0	31.0	31.0
Cash conversion cycle (days)	128.4	66.2	91.5	81.2	73.6	74.0	72.3
Cash flow analysis							
Free cash flow	-20.2	1.7	-6.8	6.4	7.4	7.9	10.0
Free cash flow/sales	-27.6 %	1.5 %	-5.2 %	5.0 %	5.5 %	5.4 %	6.3 %
FCF / net profit	402.6 %	97.5 %	-186.4 %	311.1 %	176.3 %	106.9 %	102.8 %
FCF yield	-29.8 %	2.6 %	-10.0 %	9.5 %	10.9 %	11.7 %	14.9 %
Capex / depre	316.8 %	96.5 %	191.5 %	120.4 %	89.1 %	89.1 %	100.2 %
Capex / maintenance capex	370.9 %	125.0 %	237.2 %	161.5 %	114.3 %	106.7 %	100.0 %
Capex / sales	27.9 %	6.7 %	11.9 %	n/a	n/a	n/a	n/a
Security							
Net debt	57.6	52.9	60.7	55.2	47.5	40.4	32.0
Net Debt/EBITDA	15.4	3.7	2.9	2.9	2.3	1.6	1.1
Net debt / equity	1.3	1.1	1.2	1.1	0.9	0.7	0.5
Interest cover	0.0	1.2	1.8	1.6	2.4	3.7	5.0
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	19.7 %	22.7 %	28.1 %
Asset utilisation							
Capital employed turnover	0.7	0.8	0.9	0.9	1.1	1.1	1.2
Operating assets turnover	0.6	0.9	1.0	1.0	1.0	1.1	1.2
Plant turnover	0.7	1.0	1.1	1.1	1.2	1.3	1.4
Inventory turnover (sales/inventory)	3.8	5.3	4.9	5.5	5.7	5.7	5.7
Returns							
ROCE	-2.5 %	5.3 %	9.1 %	7.3 %	9.1 %	12.7 %	15.0 %
ROE	-11.2 %	3.9 %	7.3 %	4.2 %	7.9 %	12.2 %	14.1 %
Other							
Interest paid / avg. debt	8.6 %	7.6 %	8.7 %	8.6 %	7.8 %	8.3 %	8.3 %
No. employees (average)	347	361	393	407	427	427	410
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	-0.63	0.22	0.44	0.26	0.52	0.93	1.22
Valuation ratios							
P/BV	1.5	1.5	1.4	1.4	1.3	1.1	1.0
EV/sales	1.9	1.2	1.1	1.1	1.0	0.9	0.7
EV/EBITDA	36.5	9.3	6.9	7.5	6.3	5.0	4.1
EV/EBITA	-50.4	20.4	11.3	14.0	11.1	7.7	6.0
EV/EBIT	-50.4	20.4	11.3	14.0	11.1	7.7	6.0
EV/FCF	-6.8	77.0	-21.0	22.0	18.0	15.9	11.7
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	1.2 %	2.5 %	4.1 %

Source: Company data, Hauck & Aufhäuser

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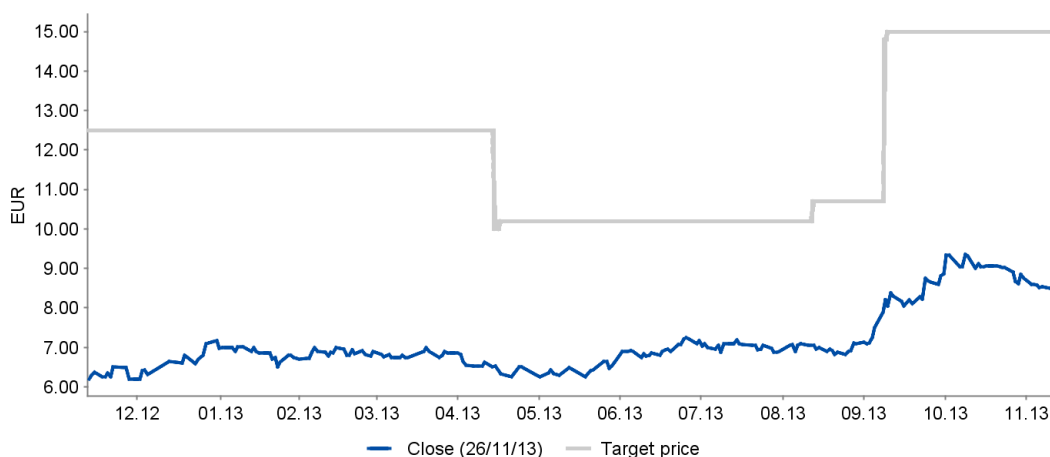
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Company	Disclosure
Nabaltec AG	2, 5

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

**Price and Rating History
Nabaltec AG as of 27/11/13**

Initiation coverage
14-April-11



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