Nabaltec

Germany - Chemicals/ Specialty Chemicals

HAUCK & AUFHÄUSER
PRIVATBANKIERS SEIT 1796

Buy (old: Buy)

Price target: EUR 20.00 (old: EUR 17.50)

Price:	EUR 15.72	**Next result:**	AGM 30.06.15
Bloomberg:	NTG GR	**Market cap:**	EUR 125.8 m
Reuters:	NTGG.DE	**Enterprise Value:**	EUR 194.1 m

12-June-15

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Reminder to BUY....increase in PT

Nabaltec's stock has done little after record Q1 results also reflecting a strong cash generation. Valuation looks undemanding given sound structural growth for environmental flame retardants, Nabaltec's global dominant position in the niche market and the outlook for disproportionate earnings growth.

In Q1 Functional Fillers increased sales by 7% yoy to a quarterly record of € 27m. While the company has still room to grow with its existing capacity the **expansion at Nashtec (US) of 8k tpa which should be finalised beginning 2016 and looks set to contribute € 7m high margin** (c 20% EBIT margin in the US) annual sales once fully ramped up. Volumes are largely backed by a new large customer in the US and the ramp up of the distribution partnership with Sumitomo Chemical in East Asia.

While the group EBIT margin improvement by 4.4pp yoy to 12.5% in Q1 was supported by FX, the **underlying margin excl. FX tailwind increased to above 10% (>+2pp)** thanks to scale effects and an improving product mix. Given that personnel expenses should increase only moderately by around 3% (last year >10% due to catch up effect in salaries), **economies of scale should be achievable thanks to a highly automated production** (employee base increased by only 4% between 2011-2015).

According to management **trading in Q2 has remained healthy and the outlook for H2 remains positive** based on discussions with customers as well as the underlying favourable global trend towards environmental friendly flame retardants. Against the backdrop of the strong Q1, FX tailwind and economies of scale, **management's guidance of flat margins for FY '15 is seen as conservative and likely to be overachieved, in our view (eH&A +1.8pp)**.

Within **12 months Nabaltec reduced its net debt by € 17m or >€ 2 per share** carried by strong results supported by moderate capex and improved w/c. While capex is seen to increase (partly due to Nashtec expansion) to € 15m this year (vs D&A € 10m), the performance shows what Nabaltec would be able to achieve if it were to focus solely on maintenance capex (c € 6m pa vs € c. € 26m EBITDA '15E).

Trading on 6.3x EV/EBITDA '16E looks undemanding considering the structural growth and the potential to increase EPS disproportionately (30% CAGR 14-17E) as well as to de-leverage. Given the high visibility into growth valuation is **rolled to halfway '16E/'17E leading a new PT of € 20** implying an EV/EBITDA of 7.5x '16E.

Y/E 31.12 (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Sales	129.0	129.2	132.9	143.3	156.0	167.0	177.0
Sales growth	14 %	0 %	3 %	8 %	9 %	7 %	6 %
EBITDA	20.6	18.8	19.8	22.4	26.2	29.5	32.5
EBIT	12.5	10.0	10.5	12.7	16.5	19.5	22.5
Net income	3.6	2.1	2.6	5.5	8.3	10.3	12.4
Net debt	60.7	55.2	50.8	44.2	43.0	33.8	23.0
Net gearing	121.4 %	111.7 %	99.4 %	83.9 %	69.7 %	47.3 %	27.8 %
Net Debt/EBITDA	2.9	2.9	2.6	2.0	1.6	1.1	0.7
EPS pro forma	0.45	0.26	0.33	0.69	1.04	1.28	1.55
CPS	0.27	1.31	0.17	1.25	1.14	1.48	1.80
DPS	0.00	0.00	0.06	0.12	0.21	0.32	0.47
Dividend yield	0.0 %	0.0 %	0.4 %	0.8 %	1.3 %	2.0 %	3.0 %
Gross profit margin	48.8 %	48.0 %	48.7 %	47.4 %	48.3 %	48.4 %	48.6 %
EBITDA margin	15.9 %	14.6 %	14.9 %	15.6 %	16.8 %	17.6 %	18.3 %
EBIT margin	9.7 %	7.8 %	7.9 %	8.8 %	10.6 %	11.7 %	12.7 %
ROCE	9.1 %	7.3 %	7.3 %	8.4 %	11.0 %	13.1 %	14.8 %
EV/sales	1.6	1.5	1.5	1.4	1.2	1.1	1.0
EV/EBITDA	9.7	10.6	9.9	8.7	7.4	6.3	5.4
EV/EBIT	16.0	19.8	18.6	15.4	11.8	9.5	7.7
PER	34.6	61.1	47.5	22.9	15.1	12.3	10.1
Adjusted FCF yield	5.8 %	5.2 %	5.5 %	6.1 %	7.0 %	8.5 %	10.2 %

Source: Company data, Hauck & Aufhäuser Close price as of: 11.06.2015

Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	15.72 / 8.80
Price/Book Ratio:	2.0
Relative performance (SDAX):	
3 months	1.4 %
6 months	4.9 %
12 months	22.8 %

Changes in estimates

		Sales	EBIT	EPS
2015	*old:*	156.0	16.5	1.04
	Δ	-	-	-
2016	*old:*	167.0	19.5	1.28
	Δ	-	-	-
2017	*old:*	177.0	22.5	1.55
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	8.0
Authorised capital: (in € m)	4.0
Book value per share: (in €)	7.7
Ø trading volume: (12 months)	20,000

Major shareholders:

Free Float	38.6 %
Family Heckmann	31.6 %
Family Witzany	29.9 %

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.

Financials

Profit and loss (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Net sales	**129.0**	**129.2**	**132.9**	**143.3**	**156.0**	**167.0**	**177.0**
Sales growth	*14.5 %*	*0.1 %*	*2.9 %*	*7.8 %*	*8.9 %*	*7.0 %*	*6.0 %*
Increase/decrease in finished goods and work-in-process	3.7	0.1	1.4	-0.3	0.0	0.0	-0.4
Total sales	**132.8**	**129.4**	**134.3**	**143.0**	**156.0**	**167.0**	**176.6**
Other operating income	1.4	1.7	1.3	2.6	1.4	1.3	1.4
Material expenses	69.8	67.3	69.6	75.1	80.7	86.2	90.8
Personnel expenses	21.0	21.8	22.5	25.4	26.2	27.2	28.1
Other operating expenses	22.9	23.2	23.8	22.7	24.3	25.6	26.6
Total operating expenses	112.2	110.5	114.6	120.6	129.8	137.5	144.1
EBITDA	**20.6**	**18.8**	**19.8**	**22.4**	**26.2**	**29.5**	**32.5**
Depreciation	8.0	8.8	9.2	9.7	9.7	10.0	10.0
EBITA	**12.5**	**10.0**	**10.5**	**12.7**	**16.5**	**19.5**	**22.5**
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	**12.5**	**10.0**	**10.5**	**12.7**	**16.5**	**19.5**	**22.5**
Interest income	0.6	0.4	0.3	0.2	0.1	0.0	0.1
Interest expenses	6.9	6.3	6.2	4.3	3.7	3.3	3.1
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-6.4	-5.9	-5.9	-4.2	-3.6	-3.3	-3.0
Recurring pretax income from continuing operations	**6.2**	**4.1**	**4.7**	**8.5**	**12.9**	**16.2**	**19.5**
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	**6.2**	**4.1**	**4.7**	**8.5**	**12.9**	**16.2**	**19.5**
Taxes	1.6	1.1	0.9	2.5	3.5	4.6	5.5
Net income from continuing operations	**4.5**	**3.0**	**3.7**	**6.1**	**9.4**	**11.6**	**13.9**
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**4.5**	**3.0**	**3.7**	**6.1**	**9.4**	**11.6**	**13.9**
Minority interest	0.9	1.0	1.1	0.6	1.1	1.3	1.5
Net income (net of minority interest)	**3.6**	**2.1**	**2.6**	**5.5**	**8.3**	**10.3**	**12.4**
Average number of shares	8.0	8.0	8.0	8.0	8.0	8.0	8.0
EPS reported	**0.44**	**0.26**	**0.33**	**0.69**	**1.04**	**1.28**	**1.55**

Profit and loss (common size)	2011	2012	2013	2014	2015E	2016E	2017E
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	2.9 %	0.1 %	1.0 %	-0.2 %	0.0 %	0.0 %	-0.2 %
Total sales	**102.9 %**	**100.1 %**	**101.0 %**	**99.8 %**	**100.0 %**	**100.0 %**	**99.8 %**
Other operating income	1.1 %	1.3 %	1.0 %	1.8 %	0.9 %	0.8 %	0.8 %
Material expenses	54.1 %	52.1 %	52.4 %	52.4 %	51.7 %	51.6 %	51.3 %
Personnel expenses	16.3 %	16.8 %	16.9 %	17.7 %	16.8 %	16.3 %	15.9 %
Other operating expenses	17.7 %	17.9 %	17.9 %	15.8 %	15.6 %	15.3 %	15.1 %
Total operating expenses	87.0 %	85.5 %	86.2 %	84.2 %	83.2 %	82.4 %	81.4 %
EBITDA	**15.9 %**	**14.6 %**	**14.9 %**	**15.6 %**	**16.8 %**	**17.6 %**	**18.3 %**
Depreciation	6.2 %	6.8 %	6.9 %	6.8 %	6.2 %	6.0 %	5.6 %
EBITA	**9.7 %**	**7.8 %**	**7.9 %**	**8.8 %**	**10.6 %**	**11.7 %**	**12.7 %**
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 %	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	**9.7 %**	**7.8 %**	**7.9 %**	**8.8 %**	**10.6 %**	**11.7 %**	**12.7 %**
Interest income	0.4 %	0.3 %	0.2 %	0.1 %	0.1 %	0.0 %	0.1 %
Interest expenses	5.4 %	4.9 %	4.6 %	3.0 %	2.4 %	2.0 %	1.8 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-4.9 %	-4.6 %	-4.4 %	-2.9 %	-2.3 %	-2.0 %	-1.7 %
Recurring pretax income from continuing operations	**4.8 %**	**3.2 %**	**3.5 %**	**5.9 %**	**8.3 %**	**9.7 %**	**11.0 %**
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	**4.8 %**	**3.2 %**	**3.5 %**	**5.9 %**	**8.3 %**	**9.7 %**	**11.0 %**
Tax rate	26.7 %	26.8 %	20.2 %	28.8 %	27.0 %	28.5 %	28.5 %
Net income from continuing operations	**3.5 %**	**2.3 %**	**2.8 %**	**4.2 %**	**6.0 %**	**6.9 %**	**7.9 %**
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	**3.5 %**	**2.3 %**	**2.8 %**	**4.2 %**	**6.0 %**	**6.9 %**	**7.9 %**
Minority interest	0.7 %	0.7 %	0.8 %	0.4 %	0.7 %	0.8 %	0.8 %
Net income (net of minority interest)	**2.8 %**	**1.6 %**	**2.0 %**	**3.8 %**	**5.3 %**	**6.1 %**	**7.0 %**

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Intangible assets	**0.2**	**0.2**	**0.2**	**0.4**	**0.4**	**0.4**	**0.4**
Property, plant and equipment	116.4	116.0	111.8	112.0	117.3	116.3	115.3
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	**116.6**	**116.2**	**112.0**	**112.4**	**117.7**	**116.7**	**115.7**
Inventories	26.3	23.6	26.2	27.5	30.0	32.1	34.0
Accounts receivable	2.2	3.4	4.3	4.6	5.0	5.3	5.6
Other current assets	2.9	3.4	3.8	7.0	7.0	7.0	7.0
Liquid assets	16.3	14.3	29.7	27.2	17.0	16.2	22.0
Deferred taxes	0.9	0.6	0.3	0.1	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	48.8	45.3	64.2	66.4	58.9	60.6	68.6
TOTAL ASSETS	**165.4**	**161.5**	**176.3**	**178.8**	**176.6**	**177.2**	**184.3**
SHAREHOLDERS EQUITY	50.0	49.4	51.1	52.6	61.7	71.6	83.0
MINORITY INTEREST	-3.1	-2.0	-0.8	-0.2	0.0	0.0	0.0
Long-term debt	68.9	59.9	70.6	61.4	50.0	40.0	35.0
Provisions for pensions and similar obligations	13.7	17.8	18.9	25.3	25.3	25.3	25.3
Other provisions	0.7	1.3	1.6	2.4	1.4	1.4	1.4
Non-current liabilities	**83.3**	**79.0**	**91.1**	**89.0**	**76.7**	**66.7**	**61.7**
short-term liabilities to banks	8.1	9.7	9.9	10.0	10.0	10.0	10.0
Accounts payable	10.0	10.4	8.7	9.9	10.8	11.6	12.3
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)	13.2	11.9	13.3	15.9	15.9	15.9	15.9
Deferred taxes	3.8	3.1	2.9	1.5	1.5	1.5	1.5
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	**35.2**	**35.0**	**34.8**	**37.4**	**38.2**	**39.0**	**39.7**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**165.4**	**161.5**	**176.2**	**178.8**	**176.6**	**177.2**	**184.3**

Balance sheet (common size)	2011	2012	2013	2014	2015E	2016E	2017E
Intangible assets	**0.1 %**	**0.1 %**	**0.1 %**	**0.2 %**	**0.2 %**	**0.2 %**	**0.2 %**
Property, plant and equipment	70.4 %	71.8 %	63.4 %	62.6 %	66.4 %	65.6 %	62.5 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	**70.5 %**	**72.0 %**	**63.6 %**	**62.8 %**	**66.6 %**	**65.8 %**	**62.8 %**
Inventories	15.9 %	14.6 %	14.9 %	15.4 %	17.0 %	18.1 %	18.5 %
Accounts receivable	1.4 %	2.1 %	2.4 %	2.5 %	2.8 %	3.0 %	3.0 %
Other current assets	1.8 %	2.1 %	2.1 %	3.9 %	3.9 %	3.9 %	3.8 %
Liquid assets	9.9 %	8.9 %	16.8 %	15.2 %	9.6 %	9.1 %	11.9 %
Deferred taxes	0.6 %	0.3 %	0.2 %	0.1 %	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	29.5 %	28.0 %	36.4 %	37.1 %	33.4 %	34.2 %	37.2 %
TOTAL ASSETS	**100.0 %**	**100.0 %**	**100.0 %**	**100.0 %**	**100.0 %**	**100.0 %**	**100.0 %**
SHAREHOLDERS EQUITY	30.2 %	30.6 %	29.0 %	29.4 %	34.9 %	40.4 %	45.0 %
MINORITY INTEREST	-1.9 %	-1.2 %	-0.4 %	-0.1 %	0.0 %	0.0 %	0.0 %
Long-term debt	41.7 %	37.1 %	40.0 %	34.3 %	28.3 %	22.6 %	19.0 %
Provisions for pensions and similar obligations	8.3 %	11.0 %	10.7 %	14.1 %	14.3 %	14.3 %	13.7 %
Other provisions	0.4 %	0.8 %	0.9 %	1.3 %	0.8 %	0.8 %	0.7 %
Non-current liabilities	**50.4 %**	**48.9 %**	**51.7 %**	**49.8 %**	**43.4 %**	**37.6 %**	**33.5 %**
short-term liabilities to banks	4.9 %	6.0 %	5.6 %	5.6 %	5.7 %	5.7 %	5.4 %
Accounts payable	6.1 %	6.4 %	4.9 %	5.5 %	6.1 %	6.5 %	6.7 %
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)	8.0 %	7.3 %	7.5 %	8.9 %	9.0 %	9.0 %	8.6 %
Deferred taxes	2.3 %	1.9 %	1.6 %	0.8 %	0.8 %	0.8 %	0.8 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	**21.3 %**	**21.7 %**	**19.7 %**	**20.9 %**	**21.7 %**	**22.0 %**	**21.5 %**
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)	2011	2012	2013	2014	2015E	2016E	2017E
Net profit/loss	4.5	3.0	3.7	6.1	9.4	11.6	13.9
Depreciation of fixed assets (incl. leases)	8.0	8.8	9.2	9.7	9.7	10.0	10.0
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	2.8	2.5	2.2	2.1	0.0	0.0	0.0
Cash flow from operations before changes in w/c	15.4	14.3	15.1	17.9	19.1	21.6	23.9
Increase/decrease in inventory	-4.9	2.7	-2.6	-1.3	-2.4	-2.1	-1.9
Increase/decrease in accounts receivable	-0.6	-1.6	-1.3	-0.3	-0.4	-0.3	-0.3
Increase/decrease in accounts payable	-1.2	1.6	-2.9	1.2	0.9	0.8	0.7
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	-6.8	2.7	-6.8	-0.4	-2.0	-1.7	-1.6
Cash flow from operating activities	**8.6**	**17.0**	**8.3**	**17.5**	**17.1**	**19.9**	**22.4**
CAPEX	15.4	10.6	2.6	10.0	15.0	9.0	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	**-15.4**	**-10.6**	**-2.6**	**-10.0**	**-15.0**	**-9.0**	**-9.0**
Cash flow before financing	-6.8	6.4	5.8	7.5	2.1	10.9	13.4
Increase/decrease in debt position	-5.6	-8.4	9.7	-10.0	-11.4	-10.0	-5.0
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	0.5	1.0	1.7	2.6
Others	0.0	0.0	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	**-5.6**	**-8.4**	**9.7**	**-10.4**	**-12.3**	**-11.7**	**-7.6**
Increase/decrease in liquid assets	-12.4	-2.0	15.5	-2.9	-10.2	-0.8	5.8
Liquid assets at end of period	**16.7**	**14.7**	**30.1**	**27.2**	**17.0**	**16.2**	**22.0**

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
P&L growth analysis							
Sales growth	14.5 %	0.1 %	2.9 %	7.8 %	8.9 %	7.0 %	6.0 %
EBITDA growth	43.6 %	-8.5 %	4.9 %	13.2 %	17.0 %	12.5 %	10.2 %
EBIT growth	91.3 %	-20.0 %	5.0 %	20.3 %	30.0 %	18.1 %	15.5 %
EPS growth	97.9 %	-41.5 %	28.5 %	107.6 %	51.1 %	23.5 %	21.2 %
Efficiency							
Total operating costs / sales	87.0 %	85.5 %	86.2 %	84.2 %	83.2 %	82.4 %	81.4 %
Sales per employee	328.3	317.5	320.3	345.4	371.5	393.0	411.7
EBITDA per employee	52.3	46.3	47.6	53.9	62.3	69.3	75.5
Balance sheet analysis							
Avg. working capital / sales	11.7 %	13.6 %	14.4 %	15.3 %	14.8 %	15.0 %	15.0 %
Inventory turnover (sales/inventory)	4.9	5.5	5.1	5.2	5.2	5.2	5.2
Trade debtors in days of sales	6.4	9.6	11.8	11.6	11.6	11.6	11.6
A/P turnover [(A/P*365)/sales]	28.4	29.4	23.9	25.3	25.3	25.3	25.3
Cash conversion cycle (days)	91.5	81.2	103.6	97.2	98.4	98.6	99.1
Cash flow analysis							
Free cash flow	-6.8	6.4	5.8	7.5	2.1	10.9	13.4
Free cash flow/sales	-5.2 %	5.0 %	4.4 %	5.2 %	1.4 %	6.5 %	7.6 %
FCF / net profit	-186.4 %	311.1 %	218.6 %	136.5 %	25.8 %	105.9 %	107.6 %
Capex / depn	191.5 %	120.4 %	27.8 %	103.1 %	154.6 %	90.0 %	90.0 %
Capex / maintenance capex	237.2 %	133.8 %	81.4 %	133.3 %	187.5 %	112.5 %	112.5 %
Capex / sales	11.9 %	8.2 %	1.9 %	7.0 %	9.6 %	5.4 %	5.1 %
Security							
Net debt	60.7	55.2	50.8	44.2	43.0	33.8	23.0
Net Debt/EBITDA	2.9	2.9	2.6	2.0	1.6	1.1	0.7
Net debt / equity	1.2	1.1	1.0	0.8	0.7	0.5	0.3
Interest cover	1.8	1.6	1.7	2.9	4.5	5.9	7.2
Dividend payout ratio	0.0 %	0.0 %	18.1 %	17.5 %	20.0 %	25.0 %	30.0 %
Asset utilisation							
Capital employed turnover	0.9	0.9	0.9	0.9	1.1	1.1	1.1
Operating assets turnover	1.0	1.0	1.0	1.1	1.1	1.2	1.2
Plant turnover	1.1	1.1	1.2	1.3	1.3	1.4	1.5
Inventory turnover (sales/inventory)	4.9	5.5	5.1	5.2	5.2	5.2	5.2
Returns							
ROCE	9.1 %	7.3 %	7.3 %	8.4 %	11.0 %	13.1 %	14.8 %
ROE	7.3 %	4.2 %	5.2 %	10.4 %	13.5 %	14.3 %	15.0 %
Other							
Interest paid / avg. debt	8.7 %	8.6 %	8.2 %	5.7 %	5.6 %	6.0 %	6.5 %
No. employees (average)	393	407	415	415	420	425	430
Number of shares	8.0	8.0	8.0	8.0	8.0	8.0	8.0
DPS	0.0	0.0	0.1	0.1	0.2	0.3	0.5
EPS reported	0.44	0.26	0.33	0.69	1.04	1.28	1.55
Valuation ratios							
P/BV	2.5	2.5	2.5	2.4	2.0	1.8	1.5
EV/sales	1.6	1.5	1.5	1.4	1.2	1.1	1.0
EV/EBITDA	9.7	10.6	9.9	8.7	7.4	6.3	5.4
EV/EBITA	16.0	19.8	18.6	15.4	11.8	9.5	7.7
EV/EBIT	16.0	19.8	18.6	15.4	11.8	9.5	7.7
EV/FCF	-29.6	31.0	33.8	26.0	90.7	17.0	13.0
Adjusted FCF yield	5.8 %	5.2 %	5.5 %	6.1 %	7.0 %	8.5 %	10.2 %
Dividend yield	0.0 %	0.0 %	0.4 %	0.8 %	1.3 %	2.0 %	3.0 %

Source: Company data, Hauck & Aufhäuser

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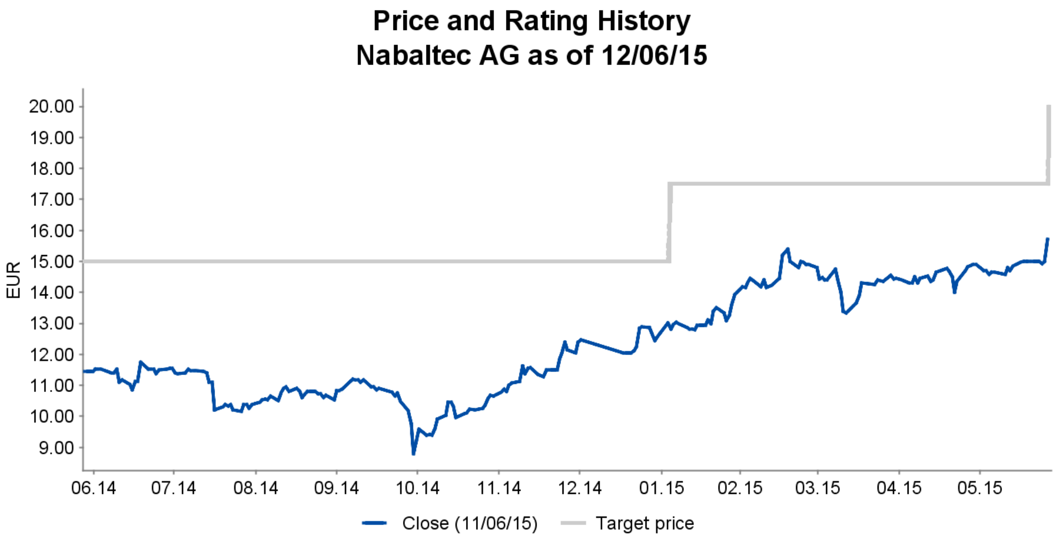

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