



Buy (old: Buy)

Price target: EUR 20.00 (old: EUR 20.00)

Price:	EUR 15.94	Next result:	Q3 24.11.15
Bloomberg:	NTG GR	Market cap:	EUR 127.5 m
Reuters:	NTGG.DE	Enterprise Value:	EUR 195.8 m

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Sound Q2/H1 & increased outlook & impressive cash flow

Q2/H1 were in-line with expectations and **management increased its FY '15 guidance now expecting an increase in the EBIT margin by c. 1pp to c. 10%** (old flat margin; eH&A 10.6%) while confirming its view of mid single digit sales growth. The guidance looks still conservative implying a flat yoy EBIT of € 6m in H2 while Functional Fillers continue the uptrend and as Technical Ceramics benefit from a rebound in profitability due to a favourable product mix shift and the in-sourcing of volumes which were produced externally due to capacity constraints (Quarterly table next page).

Q2 sales increased soundly by 7.8% yoy to € 39.0m (eH&A € 38.6m) and by 6.5% yoy in H1. Q2 growth was driven by Functional Fillers (+6.2% yoy to € 27m) underlining the structurally growing demand for environmental friendly flame retardants where Nabaltec holds a leading global position. At the same time Technical Ceramics rebounded nicely by 12% yoy to € 12m thanks to new customer wins.

EBIT was up disproportionately by 16% yoy to € 4.2m in Q2 (eH&A € 4.2m) with the EBIT margin improving by 0.7pp to 10.8% despite one-off repair cost of c. € 0.4m, reflecting a better product mix and some economies of scale. In H1 EBIT even grew by 37% yoy additionally reflecting an FX benefit (EBIT margin up 2.6pp yoy to 11.6%).

EPS growth of 26% yoy to € 0.28 in Q2 (eH&A € 0.30) additionally benefited from the financial leverage and slightly lower interest expenses. In H1 EPS grew by 38% yoy.

H1 CFO was impressive at € 20.7m benefiting from a relief on w/c (+ € 7m) and was more than sufficient to cover capex (€ 5.4m) and interest costs (€ 1.5m). On the back of a **strong FCF of c. € 14m, net debt declined to € 32m** (€ 44m at the end of 2014).

Management flagged that the order **momentum, especially for Functional Fillers, has remained very healthy for Q3** and is more than sufficient to fully fill capacities. This bodes well for H2 where the company faces a less demanding comparable base. The **order book increased by 16% yoy to € 33m at the end of June**.

H1 results, showing 6.5% yoy sales, 37% yoy EBIT and 38% yoy EPS growth underpin our investment case of **structural growth translating into strong earnings growth** on the back of a operational and financial leverage. Also, the cash flow profile is improving and allowing to reduce the debt burden. After the sell off, the stock trades at an undemanding valuation of **7.5x EBITDA '15E. BUY, PT € 20** (FCFY '16/17E).

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 %	2.9 %
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	1.6	1.5	1.4	1.3	1.1	1.0
EV/EBITDA	9.8	10.7	10.0	8.8	7.5	6.3	5.4
EV/EBIT	16.1	20.0	18.7	15.5	11.9	9.6	7.8
PER	35.1	61.9	48.2	23.2	15.4	12.4	10.3
Adjusted FCF yield	5.7 %	5.1 %	5.5 %	6.0 %	7.0 %	8.4 %	10.1 %

Source: Company data, Hauck & Aufhäuser Close price as of: 25.08.2015



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 18.43 / 8.80

Price/Book Ratio: 2.1

Relative performance (SDAX):

3 months 14.3 %

6 months 9.3 %

12 months 29.0 %

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.

	Q2 2015	Q2 2015 est	Q2 2014	yoy	H1 2015	H1 2014	yoy
Sales	39.0	38.6	36.2	7.8%	77.8	73.0	6.5%
Functional Fillers	26.8	26.8	25.3	6.2%	53.7	50.5	6.4%
Technical Ceramics	12.2	11.8	10.9	11.6%	24.1	22.6	6.8%
Gross profit	19.0	18.5	17.5	8.7%	37.8	34.6	9.1%
Gross margin	48.7%	47.9%	48.3%	+ 0.4 pp	48.5%	47.4%	+ 1.2 pp
EBIT	4.2	4.2	3.6	15.7%	9.0	6.6	36.7%
EBIT margin	10.8%	10.9%	10.0%	+ 0.7 pp	11.6%	9.0%	+ 2.6 pp
EBIT Functional Fillers	10.5%		11.8%	- 1.2 pp	12.1%	10.7%	+ 1.4 pp
EBIT Technical Ceramics	11.3%		6.0%	+ 5.3 pp	10.5%	5.3%	+ 5.2 pp
Net Profit	2.2	2.4	1.8	25.7%	4.3	3.1	38.2%
Net margin	5.7%	6.1%	4.9%	+ 0.8 pp	5.5%	4.3%	+ 1.3 pp
EPS	0.28	0.30	0.22	25.7%	0.54	0.39	38.2%

Source: Company data; Hauck & Aufhäuser

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
<i>Sales growth</i>	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

Regional split (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Domestic	40.7	40.0	40.9	40.7	41.0	42.0	43.0
yoy change	16.2 %	-1.7 %	2.2 %	-0.4 %	0.6 %	2.4 %	2.4 %
Rest of Europe	58.3	59.9	63.6	68.5	73.0	75.0	76.0
yoy change	16.2 %	2.7 %	6.2 %	7.8 %	6.5 %	2.7 %	1.3 %
NAFTA	16.8	14.8	14.4	18.0	20.0	23.0	25.0
yoy change	-2.1 %	-11.9 %	-2.3 %	24.8 %	11.0 %	15.0 %	8.7 %
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	13.3	14.4	14.0	16.0	22.0	27.0	33.0
yoy change	27.8 %	8.9 %	-3.1 %	14.7 %	37.3 %	22.6 %	22.3 %
TTL	129.0	129.1	132.9	143.3	156.0	167.0	177.0
yoy change	14.5 %	0.1 %	2.9 %	7.8 %	8.9 %	7.0 %	6.0 %

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 / depre	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	2.6	2.6	2.5	2.4	2.1	1.8	1.5
EV/sales	1.6	1.6	1.5	1.4	1.3	1.1	1.0
EV/EBITDA	9.8	10.7	10.0	8.8	7.5	6.3	5.4
EV/EBITA	16.1	20.0	18.7	15.5	11.9	9.6	7.8
EV/EBIT	16.1	20.0	18.7	15.5	11.9	9.6	7.8
EV/FCF	-29.8	31.3	34.1	26.3	91.5	17.2	13.1
Adjusted FCF yield	5.7 %	5.1 %	5.5 %	6.0 %	7.0 %	8.4 %	10.1 %
Dividend yield	0.0 %	0.0 %	0.4 %	0.8 %	1.3 %	2.0 %	2.9 %

Source: Company data, Hauck & Aufhäuser

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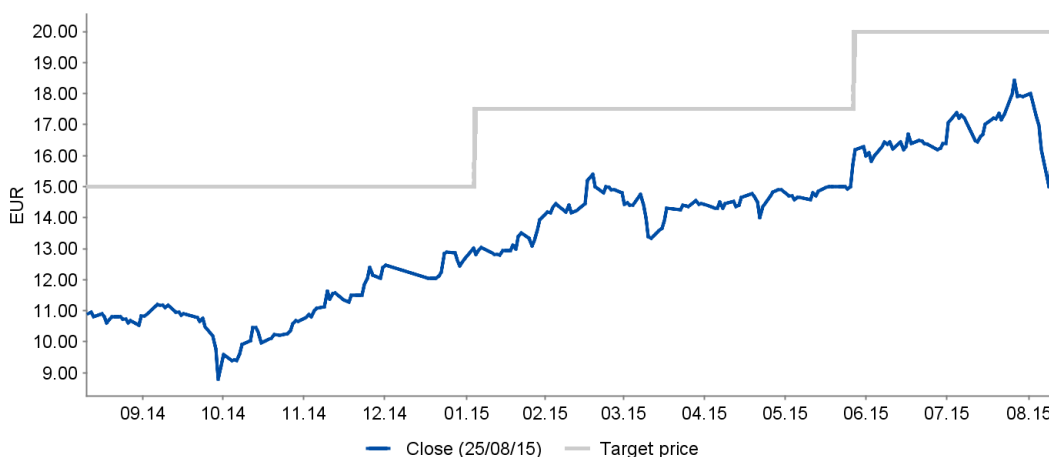
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Company	Disclosure
Nabaltec AG	2, 5

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

**Price and Rating History
Nabaltec AG as of 26/08/15**

Initiation coverage
14-April-11



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