

Nabaltec

Germany - Chemicals/ Specialty Chemicals



HAUCK & AUFHÄUSER
PRIVATBANKIERS SEIT 1796

Buy (old: Buy)

Price target: EUR 19.00 (old: EUR 20.00)

Price:	EUR 13.74	Next result:	Q1 31.05.16
Bloomberg:	NTG GR	Market cap:	EUR 109.9 m
Reuters:	NTGG.DE	Enterprise Value:	EUR 179.1 m

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Q1 reflect sound demand/est.&PT trimmed for cost inflation

While prel. FY results were reported on March 2, the FY report reveals that the cash generation was also solid. **CFO arrived at € 20m** and was more than sufficient to finance capex of € 13m (growth capex of c. € 6-7m) and interest payments (€ 2.9m). As a result, **net debt declined to € 41m** which combined with the increase in EBITDA lowered net debt /EBITDA to 1.7x. The refinancing with promissory notes in 2015 provides Nabaltec with ample financial flexibility (**€ 42m gross cash**). Part of this will be used to redeem the remaining bank debt of € 12m in 2016.

Nabaltec also reported **prel. Q1 results achieving record sales of € 41.2m (+6.3% yoy) driven by both divisions (Fillers +5%, Ceramics +10%)**. This confirms Nabaltec's ability to exploit the growing demand of environmental friendly flame retardants and that its Ceramic products are increasingly used to improve the quality of e.g. refractories. Still, the increase has been driven by volumes as price increases seem currently not possible given the price deflation in chemicals/commodities. Despite the sound sales growth, **EBIT came in below last year's level at € 3.5m (still at a healthy margin of 8.6%)** also as last year's EBIT of € 4.8m (12.5% margin) benefited from FX translation gains. **Adj. for FX EBIT would have been stable.**

Action: Bottom-line estimates are trimmed by 13% (16E) and 6% (17E) to account for a higher cost inflation which at the moment is not compensated for by price increases. However chances look good for some price increase from 2017 onwards given tight capacities in the oligopoly and considering that the new owner of Martinswerke (US based Huber) looks set to have to invest a high double digit €m into the plant.

The situation at its JV plant Nashtec (51%-49% JV between Nabaltec and a Glencore subsidiary) in the US still provides some short term uncertainty although a **Glencore owned company made the winning bid for Nashtec's supplier Sherwin Alumina**. After approval of the court (expected for Oct) uncertainty would further diminish. In the meantime Sherwin continues to produce. Importantly, the JV plant could be converted into a standalone plant (conversion to take a few months requiring capex of c. € 7-10m). The plant is solely focused on producing high margin fine precipitated ATH and we would expect it to achieve above average EBITDA margins after a successful ramp-up (in 2015 the JV achieved an EBIT of c. € 2m, c. 15% of group EBIT). **BUY, new PT € 19 (old € 20) based on 2017E**. At <7x EV/EBITDA '16E valuation looks undemanding considering the structural growth and de-leveraging potential.



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	18.43 / 12.85
Price/Book Ratio:	1.9
Relative performance (SDAX):	
3 months	-17.0 %
6 months	-23.8 %
12 months	-11.6 %

Changes in estimates

		Sales	EBIT	EPS
2016	old:	160.6	16.8	1.10
	Δ	-	-9.6%	-13.1%
2017	old:	170.2	19.3	1.33
	Δ	-	-5.5%	-6.4%
2018	old:	-	-	-
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	8.0
Authorised capital: (in € m)	4.0
Book value per share: (in €)	7.2
Ø trading volume: (12 months)	20,000

Major shareholders:

Free Float	38.6 %
Family Heckmann	31.5 %
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.

Y/E 31.12 (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Sales	129.2	132.9	143.3	151.3	160.6	170.2	177.9
Sales growth	0 %	3 %	8 %	6 %	6 %	6 %	4 %
EBITDA	18.8	19.8	22.4	24.6	25.9	29.3	31.8
EBIT	10.0	10.5	12.7	14.5	15.2	18.3	20.5
Net income	2.1	2.6	5.5	6.7	7.6	10.0	11.9
Net debt	55.2	50.8	44.2	41.3	39.1	33.1	20.0
Net gearing	111.7 %	99.4 %	83.9 %	71.7 %	58.8 %	42.5 %	24.4 %
Net Debt/EBITDA	2.9	2.6	2.0	1.7	1.5	1.1	0.6
EPS pro forma	0.26	0.33	0.69	0.84	0.95	1.25	1.49
CPS	1.31	0.17	1.25	1.15	1.29	1.56	1.73
DPS	0.00	0.06	0.12	0.15	0.19	0.25	0.40
Dividend yield	0.0 %	0.4 %	0.9 %	1.1 %	1.4 %	1.8 %	2.9 %
Gross profit margin	48.0 %	48.7 %	47.4 %	48.2 %	48.0 %	48.2 %	48.3 %
EBITDA margin	14.6 %	14.9 %	15.6 %	16.3 %	16.1 %	17.2 %	17.9 %
EBIT margin	7.8 %	7.9 %	8.8 %	9.6 %	9.5 %	10.7 %	11.5 %
ROCE	7.3 %	7.3 %	8.4 %	8.9 %	9.0 %	10.8 %	12.5 %
EV/sales	1.4	1.4	1.3	1.2	1.1	1.0	0.9
EV/EBITDA	9.7	9.1	8.0	7.3	6.8	5.8	5.0
EV/EBIT	18.3	17.1	14.2	12.4	11.6	9.4	7.7
PER	53.4	41.5	20.0	16.4	14.4	11.0	9.2
Adjusted FCF yield	5.6 %	6.0 %	6.6 %	7.0 %	7.7 %	9.4 %	11.3 %

Source: Company data, Hauck & Aufhäuser Close price as of: 12.05.2016

Financials

Profit and loss (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Net sales	129.2	132.9	143.3	151.3	160.6	170.2	177.9
<i>Sales growth</i>	0.1 %	2.9 %	7.8 %	5.6 %	6.2 %	6.0 %	4.5 %
Increase/decrease in finished goods and work-in-process	0.1	1.4	-0.3	1.9	0.0	0.0	0.0
Total sales	129.4	134.3	143.0	153.2	160.6	170.2	177.9
Other operating income	1.7	1.3	2.6	2.8	1.7	1.8	1.9
Material expenses	67.3	69.6	75.1	80.3	83.5	88.3	92.0
Personnel expenses	21.8	22.5	25.4	26.8	27.6	28.6	29.4
Other operating expenses	23.2	23.8	22.7	24.3	25.2	25.9	26.7
Total operating expenses	110.5	114.6	120.6	128.6	134.7	141.0	146.1
EBITDA	18.8	19.8	22.4	24.6	25.9	29.3	31.8
Depreciation	8.8	9.2	9.7	10.2	10.7	11.0	11.3
EBITA	10.0	10.5	12.7	14.5	15.2	18.3	20.5
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	10.0	10.5	12.7	14.5	15.2	18.3	20.5
Interest income	0.4	0.3	0.2	0.3	0.0	0.0	0.0
Interest expenses	6.3	6.2	4.3	3.9	3.3	2.9	2.4
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-5.9	-5.9	-4.2	-3.7	-3.3	-2.9	-2.4
Recurring pretax income from continuing operations	4.1	4.7	8.5	10.8	11.9	15.4	18.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	4.1	4.7	8.5	10.8	11.9	15.4	18.1
Taxes	1.1	0.9	2.5	3.4	3.4	4.4	5.2
Net income from continuing operations	3.0	3.7	6.1	7.4	8.5	11.0	12.9
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	3.0	3.7	6.1	7.4	8.5	11.0	12.9
Minority interest	1.0	1.1	0.6	0.7	0.9	1.0	1.0
Net income (net of minority interest)	2.1	2.6	5.5	6.7	7.6	10.0	11.9
Average number of shares	8.0	8.0	8.0	8.0	8.0	8.0	8.0
EPS reported	0.26	0.33	0.69	0.84	0.95	1.25	1.49

Profit and loss (common size)	2012	2013	2014	2015	2016E	2017E	2018E
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	0.1 %	1.0 %	-0.2 %	1.3 %	0.0 %	0.0 %	0.0 %
Total sales	100.1 %	101.0 %	99.8 %	101.3 %	100.0 %	100.0 %	100.0 %
Other operating income	1.3 %	1.0 %	1.8 %	1.9 %	1.1 %	1.1 %	1.1 %
Material expenses	52.1 %	52.4 %	52.4 %	53.1 %	52.0 %	51.9 %	51.7 %
Personnel expenses	16.8 %	16.9 %	17.7 %	17.7 %	17.2 %	16.8 %	16.5 %
Other operating expenses	17.9 %	17.9 %	15.8 %	16.1 %	15.7 %	15.2 %	15.0 %
Total operating expenses	85.5 %	86.2 %	84.2 %	85.0 %	83.9 %	82.8 %	82.2 %
EBITDA	14.6 %	14.9 %	15.6 %	16.3 %	16.1 %	17.2 %	17.9 %
Depreciation	6.8 %	6.9 %	6.8 %	6.7 %	6.7 %	6.5 %	6.4 %
EBITA	7.8 %	7.9 %	8.8 %	9.6 %	9.5 %	10.7 %	11.5 %
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	7.8 %	7.9 %	8.8 %	9.6 %	9.5 %	10.7 %	11.5 %
Interest income	0.3 %	0.2 %	0.1 %	0.2 %	0.0 %	0.0 %	0.0 %
Interest expenses	4.9 %	4.6 %	3.0 %	2.6 %	2.1 %	1.7 %	1.3 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-4.6 %	-4.4 %	-2.9 %	-2.4 %	-2.1 %	-1.7 %	-1.3 %
Recurring pretax income from continuing operations	3.2 %	3.5 %	5.9 %	7.1 %	7.4 %	9.0 %	10.2 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	3.2 %	3.5 %	5.9 %	7.1 %	7.4 %	9.0 %	10.2 %
Tax rate	26.8 %	20.2 %	28.8 %	31.5 %	28.5 %	28.5 %	28.5 %
Net income from continuing operations	2.3 %	2.8 %	4.2 %	4.9 %	5.3 %	6.5 %	7.3 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	2.3 %	2.8 %	4.2 %	4.9 %	5.3 %	6.5 %	7.3 %
Minority interest	0.7 %	0.8 %	0.4 %	0.5 %	0.6 %	0.6 %	0.6 %
Net income (net of minority interest)	1.6 %	2.0 %	3.8 %	4.4 %	4.7 %	5.9 %	6.7 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Intangible assets	0.2	0.2	0.4	0.5	0.5	0.5	0.5
Property, plant and equipment	116.0	111.8	112.0	116.6	120.9	124.9	114.6
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	116.2	112.0	112.4	117.1	121.4	125.4	115.1
Inventories	23.6	26.2	27.5	30.8	32.1	34.0	35.6
Accounts receivable	3.4	4.3	4.6	5.2	5.5	5.9	6.1
Other current assets	3.4	3.8	7.0	6.5	6.5	6.5	6.5
Liquid assets	14.3	29.7	27.2	42.3	31.9	29.1	30.0
Deferred taxes	0.6	0.3	0.1	0.0	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	45.3	64.2	66.4	84.8	76.1	75.5	78.2
TOTAL ASSETS	161.5	176.3	178.8	201.9	197.5	200.9	193.3
SHAREHOLDERS EQUITY	49.4	51.1	52.6	57.5	66.5	78.0	82.0
MINORITY INTEREST	-2.0	-0.8	-0.2	0.6	0.0	0.0	0.0
Long-term debt	59.9	70.6	61.4	71.3	58.8	50.0	40.0
Provisions for pensions and similar obligations	17.8	18.9	25.3	28.0	28.0	28.0	28.0
Other provisions	1.3	1.6	2.4	2.6	1.6	1.6	1.6
Non-current liabilities	79.0	91.1	89.0	101.9	88.3	79.5	69.5
short-term liabilities to banks	9.7	9.9	10.0	12.2	12.2	12.2	10.0
Accounts payable	10.4	8.7	9.9	12.3	13.0	13.8	14.4
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)	11.9	13.3	15.9	15.9	15.9	15.9	15.9
Deferred taxes	3.1	2.9	1.5	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	35.0	34.8	37.4	41.9	42.7	43.5	41.8
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	161.5	176.2	178.8	201.9	197.5	200.9	193.3

Balance sheet (common size)	2012	2013	2014	2015	2016E	2017E	2018E
Intangible assets	0.1 %	0.1 %	0.2 %	0.3 %	0.3 %	0.3 %	0.3 %
Property, plant and equipment	71.8 %	63.4 %	62.6 %	57.7 %	61.2 %	62.2 %	59.3 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	72.0 %	63.6 %	62.8 %	58.0 %	61.5 %	62.4 %	59.5 %
Inventories	14.6 %	14.9 %	15.4 %	15.2 %	16.3 %	16.9 %	18.4 %
Accounts receivable	2.1 %	2.4 %	2.5 %	2.6 %	2.8 %	2.9 %	3.2 %
Other current assets	2.1 %	2.1 %	3.9 %	3.2 %	3.3 %	3.2 %	3.4 %
Liquid assets	8.9 %	16.8 %	15.2 %	20.9 %	16.2 %	14.5 %	15.5 %
Deferred taxes	0.3 %	0.2 %	0.1 %	0.0 %	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	28.0 %	36.4 %	37.1 %	42.0 %	38.5 %	37.6 %	40.5 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	30.6 %	29.0 %	29.4 %	28.5 %	33.7 %	38.8 %	42.4 %
MINORITY INTEREST	-1.2 %	-0.4 %	-0.1 %	0.3 %	0.0 %	0.0 %	0.0 %
Long-term debt	37.1 %	40.0 %	34.3 %	35.3 %	29.8 %	24.9 %	20.7 %
Provisions for pensions and similar obligations	11.0 %	10.7 %	14.1 %	13.8 %	14.2 %	13.9 %	14.5 %
Other provisions	0.8 %	0.9 %	1.3 %	1.3 %	0.8 %	0.8 %	0.8 %
Non-current liabilities	48.9 %	51.7 %	49.8 %	50.5 %	44.7 %	39.6 %	36.0 %
short-term liabilities to banks	6.0 %	5.6 %	5.6 %	6.1 %	6.2 %	6.1 %	5.2 %
Accounts payable	6.4 %	4.9 %	5.5 %	6.1 %	6.6 %	6.9 %	7.5 %
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)	7.3 %	7.5 %	8.9 %	7.9 %	8.1 %	7.9 %	8.2 %
Deferred taxes	1.9 %	1.6 %	0.8 %	0.7 %	0.7 %	0.7 %	0.8 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	21.7 %	19.7 %	20.9 %	20.8 %	21.6 %	21.6 %	21.6 %
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)	2012	2013	2014	2015	2016E	2017E	2018E
Net profit/loss	3.0	3.7	6.1	7.4	8.5	11.0	12.9
Depreciation of fixed assets (incl. leases)	8.8	9.2	9.7	10.2	10.7	11.0	11.3
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	2.5	2.2	2.1	2.7	0.0	0.0	0.0
Cash flow from operations before changes in w/c	14.3	15.1	17.9	20.2	19.2	22.0	24.2
Increase/decrease in inventory	2.7	-2.6	-1.3	-3.2	-1.3	-1.9	-1.5
Increase/decrease in accounts receivable	-1.6	-1.3	-0.3	-0.6	-0.3	-0.3	-0.3
Increase/decrease in accounts payable	1.6	-2.9	1.2	2.4	0.8	0.8	-0.6
Increase/decrease in other working capital positions	0.0	0.0	0.0	-1.5	0.0	0.0	0.0
Increase/decrease in working capital	2.7	-6.8	-0.4	-3.0	-0.9	-1.5	-2.4
Cash flow from operating activities	17.0	8.3	17.5	17.2	18.3	20.5	21.8
CAPEX	10.6	2.6	10.0	13.1	15.0	13.0	10.0
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	-10.6	-2.6	-10.0	-13.1	-15.0	-13.0	-10.0
Cash flow before financing	6.4	5.8	7.5	4.2	3.3	7.5	1.5
Increase/decrease in debt position	-8.4	9.7	-10.0	12.2	-12.5	-8.8	-12.2
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	0.0	0.0	0.5	1.0	1.2	1.5	1.5
Others	0.0	0.0	0.0	-0.6	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.4	0.0	0.0	0.0
Cash flow from financing activities	-8.4	9.7	-10.4	10.6	-13.7	-10.3	-13.8
Increase/decrease in liquid assets	-2.0	15.5	-2.9	15.1	-10.4	-2.8	n/a
Liquid assets at end of period	14.7	30.1	27.2	42.3	31.9	29.1	30.0

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Domestic	40.0	40.9	40.7	41.9	43.0	45.0	45.0
yoy change	-1.7 %	2.2 %	-0.4 %	2.8 %	2.7 %	4.7 %	0.0 %
Rest of Europe	59.9	63.6	68.5	73.2	76.5	80.0	82.4
yoy change	2.7 %	6.2 %	7.8 %	6.8 %	4.5 %	4.6 %	3.0 %
NAFTA	14.8	14.4	18.0	19.7	22.0	24.5	25.7
yoy change	-11.9 %	-2.3 %	24.8 %	9.4 %	11.6 %	11.4 %	5.0 %
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	14.4	14.0	16.0	16.5	19.1	20.7	24.8
yoy change	8.9 %	-3.1 %	14.7 %	2.9 %	15.8 %	8.6 %	19.5 %
TTL	129.1	132.9	143.3	151.3	160.6	170.2	177.9
yoy change	0.1 %	2.9 %	7.8 %	5.6 %	6.2 %	6.0 %	4.5 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
P&L growth analysis							
Sales growth	0.1 %	2.9 %	7.8 %	5.6 %	6.2 %	6.0 %	4.5 %
EBITDA growth	-8.5 %	4.9 %	13.2 %	10.2 %	5.1 %	12.9 %	22.5 %
EBIT growth	-20.0 %	5.0 %	20.3 %	14.2 %	5.1 %	20.1 %	34.5 %
EPS growth	-41.5 %	28.5 %	107.6 %	22.3 %	13.4 %	31.2 %	56.6 %
Efficiency							
Total operating costs / sales	85.5 %	86.2 %	84.2 %	85.0 %	83.9 %	82.8 %	82.2 %
Sales per employee	317.5	320.3	345.4	360.2	377.9	395.9	n/a
EBITDA per employee	46.3	47.6	53.9	58.7	61.0	68.1	n/a
Balance sheet analysis							
Avg. working capital / sales	13.6 %	14.4 %	15.3 %	15.2 %	15.0 %	14.9 %	14.6 %
Inventory turnover (sales/inventory)	5.5	5.1	5.2	4.9	5.0	5.0	5.0
Trade debtors in days of sales	9.6	11.8	11.6	12.5	12.5	12.5	12.5
A/P turnover [(A/P*365)/sales]	29.4	23.9	25.3	29.6	29.6	29.6	29.6
Cash conversion cycle (days)	81.2	103.6	97.2	96.7	96.0	96.2	96.5
Cash flow analysis							
Free cash flow	6.4	5.8	7.5	4.2	3.3	7.5	11.8
Free cash flow/sales	5.0 %	4.4 %	5.2 %	2.7 %	2.1 %	4.4 %	6.6 %
FCF / net profit	311.1 %	218.6 %	136.5 %	62.3 %	43.5 %	75.2 %	99.0 %
Capex / depre	120.4 %	27.8 %	103.1 %	128.4 %	140.2 %	118.2 %	88.5 %
Capex / maintenance capex	133.8 %	81.4 %	133.3 %	163.3 %	187.5 %	187.5 %	62.5 %
Capex / sales	8.2 %	1.9 %	7.0 %	8.6 %	9.3 %	7.6 %	n/a
Security							
Net debt	55.2	50.8	44.2	41.3	39.1	33.1	20.0
Net Debt/EBITDA	2.9	2.6	2.0	1.7	1.5	1.1	0.6
Net debt / equity	1.1	1.0	0.8	0.7	0.6	0.4	0.2
Interest cover	1.6	1.7	2.9	3.7	4.6	6.3	8.5
Dividend payout ratio	0.0 %	18.1 %	17.5 %	18.0 %	20.0 %	20.0 %	27.1 %
Asset utilisation							
Capital employed turnover	0.9	0.9	0.9	0.9	1.0	1.0	1.1
Operating assets turnover	1.0	1.0	1.1	1.1	1.1	1.1	1.3
Plant turnover	1.1	1.2	1.3	1.3	1.3	1.4	1.6
Inventory turnover (sales/inventory)	5.5	5.1	5.2	4.9	5.0	5.0	5.0
Returns							
ROCE	7.3 %	7.3 %	8.4 %	8.9 %	9.0 %	10.8 %	12.5 %
ROE	4.2 %	5.2 %	10.4 %	11.6 %	11.5 %	12.8 %	14.6 %
Other							
Interest paid / avg. debt	8.6 %	8.2 %	5.7 %	5.1 %	4.3 %	4.3 %	4.0 %
No. employees (average)	407	415	415	420	425	430	0
Number of shares	8.0	8.0	8.0	8.0	8.0	8.0	8.0
DPS	0.0	0.1	0.1	0.2	0.2	0.2	0.4
EPS reported	0.26	0.33	0.69	0.84	0.95	1.25	1.49
Valuation ratios							
P/BV	2.2	2.1	2.1	1.9	1.7	1.4	1.3
EV/sales	1.4	1.4	1.3	1.2	1.1	1.0	0.9
EV/EBITDA	9.7	9.1	8.0	7.3	6.8	5.8	5.0
EV/EBITA	18.3	17.1	14.2	12.4	11.6	9.4	7.7
EV/EBIT	18.3	17.1	14.2	12.4	11.6	9.4	7.7
EV/FCF	28.6	31.1	23.9	43.2	53.4	22.7	13.4
Adjusted FCF yield	5.6 %	6.0 %	6.6 %	7.0 %	7.7 %	9.4 %	11.3 %
Dividend yield	0.0 %	0.4 %	0.9 %	1.1 %	1.4 %	1.8 %	2.9 %

Source: Company data, Hauck & Aufhäuser

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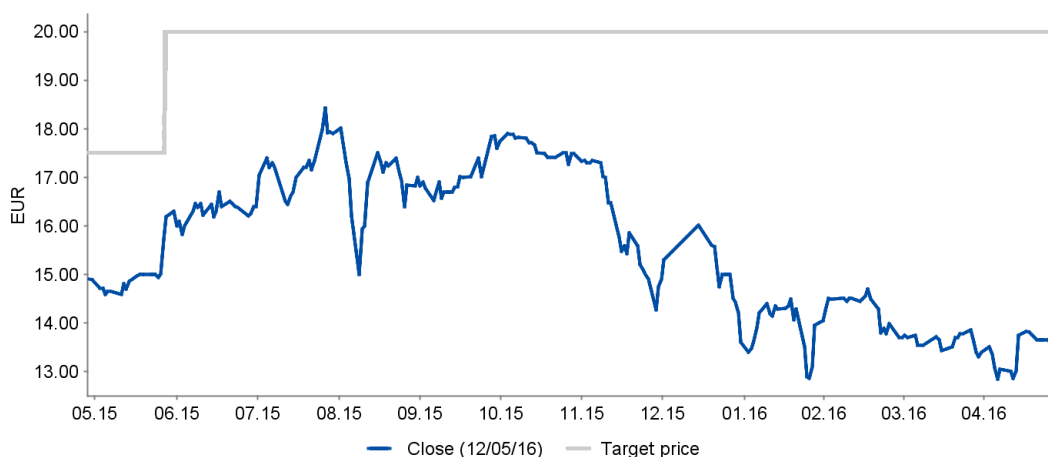
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Company	Disclosure
Nabaltec AG	2, 5

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

**Price and Rating History
Nabaltec AG as of 13/05/16**

Initiation coverage
14-April-11



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