

Nabaltec

Germany - Chemicals/ Specialty Chemicals



HAUCK & AUFHÄUSER
PRIVATBANKIERS SEIT 1796

Buy (old: Buy)

Price target: EUR 39.00 (old: EUR 39.00)

Price:	EUR 21.35	Next result:	Q2 2018 23.08.18
Bloomberg:	NTG@GR	Market cap:	EUR 198.9 m
Reuters:	NTGG.DE	Enterprise Value:	EUR 268.0 m

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Growth acceleration ahead after a slight delay in 18; chg est.

Nabaltec's mid-term outlook is seen to be well intact, underpinned by its current capex program, which looks set to accelerate growth from 2019 onwards on the back of very healthy end market demand trends.

In accordance with this US-focused investment plan, Nabaltec has now announced the acquisition of land and buildings in Chattanooga, Tennessee, in order to broaden the locally produced product portfolio and counteract capacity restraints in Germany. Starting mid-2019, Nabaltec will begin to ramp up its 2nd production plant in the US at a strategically well positioned former DuPont site with an annual capacity of 30kt coarse ATH and a special ATH which in total should generate close to USD 20m sales after full ramp up in '21 (eH&A).

Nabaltec is also currently ramping up its US based Nashtec plant, which is seen to produce c. 6kt of fine precipitated ATH (cable applications) this year (eH&A € 4.5m sales) and 30kt after full ramp up in '20 achieving c. € 25m sales (eH&A).

Most importantly, Boehmite looks set to turn into a strong profit contributor. The coating solution for separation foils in Lithium-ion batteries of EVs seems to pose significant earnings potential with a selling prices of > € 3,000/t and a >25% EBIT margin even after cost allocations. Nabaltec is looking to increase its capacity from 5kt p.a. to 7.5kt p.a. as sales volumes seem to gain increasing traction. In fact, a strong acceleration in growth in course of 2018 should partly compensate for the ramp up costs at Nashtec (eH&A c. € 3.0m).

These gradual capacity increases are in fact urgently needed to cope with constantly rising demand for its different products driven by three major trends: (1) Increasingly tighter regulatory environment around the globe (e.g. CPR in the EU), (2) A rising awareness of any health and environment related topics, (3) A strong pick up of EV production globally. Note, the German plant has been running at 100% utilization since '16 and the same seems true for its major competitor Huber who also announced some capacity expansions for fine ATH. Overall, we do expect increasing demand to fill up the new capacities (see page 2).

While 2018 is likely to turn out to be somewhat of a transition year, it is essential for this case to focus on the years to come. Not only should we see dynamic top-line growth, but more importantly a disproportionate increase of EPS (30% p.a. '18-20E) and FCFs (eH&A € 20m in '20) considering a normalization of capex to c. € 10m.

Action: We slightly trim our '18 estimates to account for additional expenses, related to delays in the ramp up of the Nashtec plant which is now expected to start generate sales at the end of Q3 (previously start of Q2).

In light of the very promising mid-term outlook we reiterate our BUY recommendation with an unchanged € 39 PT, based on FCFY '20E which does neither fully reflect the benefits from the current capex programme nor the significant earnings contribution potential of the coating solution for EV batteries (see page 2). –continued–

Y/E 31.12 (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	143.3	151.3	159.2	168.6	180.0	193.9	219.1
Sales growth	8 %	6 %	5 %	6 %	7 %	8 %	13 %
EBITDA	22.4	24.6	22.9	30.0	31.4	36.8	44.4
EBIT	12.7	14.5	12.2	18.3	18.5	22.8	29.0
Net income	5.5	6.7	5.3	11.4	11.5	14.8	19.1
Net debt	44.2	41.3	36.4	25.9	32.3	22.9	14.2
Net gearing	83.9 %	71.7 %	63.6 %	30.6 %	34.9 %	22.1 %	12.9 %
Net Debt/EBITDA	2.0	1.7	1.6	0.9	1.0	0.6	0.3
EPS pro forma	0.69	0.84	1.07	1.30	1.30	1.68	2.18
CPS	1.25	1.15	1.88	1.90	1.34	1.91	2.26
DPS	0.12	0.15	0.15	0.18	0.20	0.24	0.30
Dividend yield	0.5 %	0.7 %	0.7 %	0.8 %	0.9 %	1.1 %	1.3 %
Gross profit margin	47.4 %	48.2 %	49.3 %	50.8 %	52.0 %	52.2 %	52.5 %
EBITDA margin	15.6 %	16.3 %	14.4 %	17.8 %	17.4 %	19.0 %	20.2 %
EBIT margin	8.8 %	9.6 %	7.7 %	10.9 %	10.3 %	11.8 %	13.2 %
ROCE	8.4 %	8.9 %	7.1 %	10.0 %	9.9 %	11.1 %	14.8 %
EV/sales	1.7	1.7	1.6	1.6	1.5	1.3	1.1
EV/EBITDA	11.2	10.1	11.1	8.7	8.5	7.0	5.6
EV/EBIT	19.7	17.3	20.9	14.3	14.5	11.3	8.6
PER	32.9	26.9	21.1	17.4	17.3	13.5	10.4
Adjusted FCF yield	4.7 %	5.0 %	4.4 %	6.8 %	7.1 %	9.0 %	11.7 %

Source: Company data, Hauck & Aufhäuser Close price as of: 04.07.2018



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	30.10 / 21.15
Price/Book Ratio:	2.0
Relative performance (SDAX):	
3 months	-14.0 %
6 months	-19.8 %
12 months	-11.8 %

Changes in estimates

		Sales	EBIT	EPS
2018	old:	181.2	19.7	1.41
	Δ	-0.7%	-6.3%	-7.3%
2019	old:	193.9	22.7	1.67
	Δ	-	-	-
2020	old:	219.1	28.9	2.17
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	8.8
Authorised capital: (in € m)	4.0
Book value per share: (in €)	10.5
Ø trading volume: (12 months)	20,000

Major shareholders:

Free Float	44.0 %
Family Heckmann	28.3 %
Family Witzany	27.2 %

Company description:

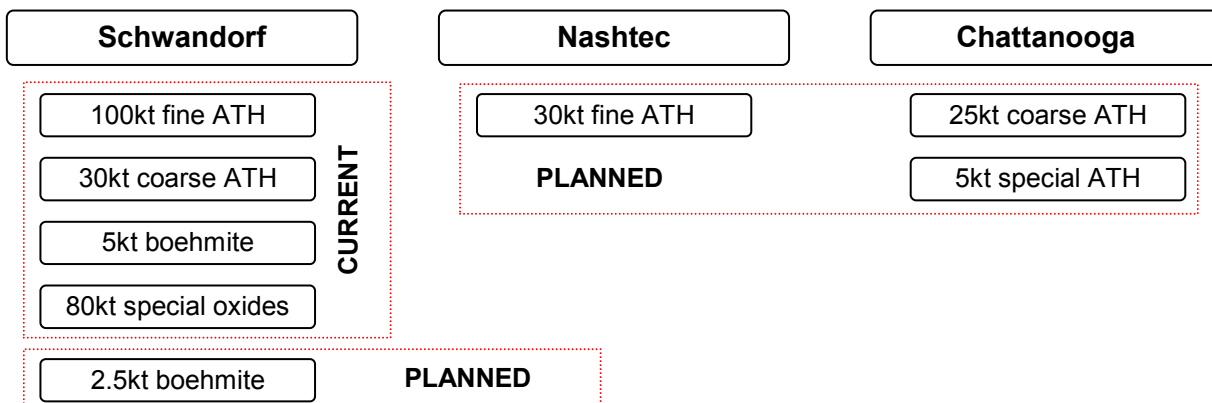
Nabaltec is focused on the production of functional fillers for plastics such as non-hazardous and non-toxic flame retardants used in electrical and electronic equipment.

Market growth vs additional capacities of fine ATH

	2017	Growth p.a.	2018E	2019E	2020E	2021E	2022E
Fine ATH		4%	16	17	17	18	19
(400kt)		5%	20	21	22	23	24
		6%	24	25	27	29	30
Additional available capacities	Nabaltec (US)		6	18	0	0	0
	Huber (GER)		0	16	9	0	0
	Huber (US)		10	0	0	0	0

Source: Company data, Hauck & Aufhäuser;

Overview capacities (current/planned)



Source: Company data, Hauck & Aufhäuser

Sensitivity boehmite contribution

Global EV production (m)	1.0	2.0	3.0	4.0	5.0	7.5	10.0	15.0	20.0	25.0	30.0
Global boehmite demand (kt)	1.5	3.0	4.5	6.0	7.5	11.3	15.0	22.5	30.0	37.5	45.0
Global market volume (€ m)	4.7	9.3	14.0	18.6	23.3	34.9	46.5	69.8	93.0	116.3	139.5
NTG sales (50% market share)	2.3	4.7	7.0	9.3	11.6	17.4	23.3	34.9	46.5	58.1	69.8
EBIT contribution (€ m)	0.7	1.4	2.1	2.8	3.5	5.2	7.0	10.5	14.0	17.4	20.9

Assumptions

Avg. kg per Li-battery	3.0kg
Share boehmite	50%
Price per kg	3.1 €
EBIT margin	30%

Source: Company data, Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Net sales	143.3	151.3	159.2	168.6	180.0	193.9	219.1
<i>Sales growth</i>	7.8 %	5.6 %	5.2 %	5.9 %	6.8 %	7.7 %	13.0 %
Increase/decrease in finished goods and work-in-process	-0.3	1.9	0.4	1.5	0.0	0.0	0.0
Total sales	143.0	153.2	159.6	170.1	180.0	193.9	219.1
Other operating income	2.6	2.8	2.2	4.5	2.7	2.2	2.2
Material expenses	75.1	80.3	80.9	83.7	86.4	92.7	104.1
Personnel expenses	25.4	26.8	31.7	31.3	32.9	34.8	36.9
Other operating expenses	22.7	24.3	26.2	29.6	32.0	31.8	35.9
Total operating expenses	120.6	128.6	136.7	140.1	148.6	157.1	174.7
EBITDA	22.4	24.6	22.9	30.0	31.4	36.8	44.4
Depreciation	9.7	10.2	10.7	11.7	12.9	14.0	15.4
EBITA	12.7	14.5	12.2	18.3	18.5	22.8	29.0
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 (inc revaluation net)	12.7	14.5	12.2	18.3	18.5	22.8	29.0
Interest income	0.2	0.3	0.3	0.1	0.0	0.0	0.0
Interest expenses	4.3	3.9	3.3	2.7	2.6	2.4	2.4
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-4.2	-3.7	-3.1	-2.6	-2.6	-2.3	-2.4
Recurring pretax income from continuing operations	8.5	10.8	9.2	15.7	15.9	20.5	26.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	8.5	10.8	9.2	15.7	15.9	20.5	26.6
Taxes	2.5	3.4	3.9	4.3	4.5	5.7	7.4
Net income from continuing operations	6.1	7.4	5.3	11.4	11.5	14.8	19.1
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	6.1	7.4	5.3	11.4	11.5	14.8	19.1
Minority interest	0.6	0.7	-0.1	0.0	0.0	0.0	0.0
Net profit (reported)	5.5	6.7	5.3	11.4	11.5	14.8	19.1
Average number of shares	8.0	8.0	8.0	8.3	8.8	8.8	8.8
EPS reported	0.69	0.84	0.67	1.39	1.30	1.68	2.18

Profit and loss (common size)	2014	2015	2016	2017	2018E	2019E	2020E
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	-0.2 %	1.3 %	0.2 %	0.9 %	0.0 %	0.0 %	0.0 %
Total sales	99.8 %	101.3 %	100.2 %	100.9 %	100.0 %	100.0 %	100.0 %
Other operating income	1.8 %	1.9 %	1.4 %	2.7 %	1.5 %	1.2 %	1.0 %
Material expenses	52.4 %	53.1 %	50.8 %	49.7 %	48.0 %	47.8 %	47.5 %
Personnel expenses	17.7 %	17.7 %	19.9 %	18.6 %	18.3 %	18.0 %	16.9 %
Other operating expenses	15.8 %	16.1 %	16.5 %	17.5 %	17.8 %	16.4 %	16.4 %
Total operating expenses	84.2 %	85.0 %	85.8 %	83.1 %	82.6 %	81.0 %	79.8 %
EBITDA	15.6 %	16.3 %	14.4 %	17.8 %	17.4 %	19.0 %	20.2 %
Depreciation	6.8 %	6.7 %	6.7 %	6.9 %	7.2 %	7.2 %	7.0 %
EBITA	8.8 %	9.6 %	7.7 %	10.9 %	10.3 %	11.8 %	13.2 %
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 (inc revaluation net)	8.8 %	9.6 %	7.7 %	10.9 %	10.3 %	11.8 %	13.2 %
Interest income	0.1 %	0.2 %	0.2 %	0.1 %	0.0 %	0.0 %	0.0 %
Interest expenses	3.0 %	2.6 %	2.1 %	1.6 %	1.4 %	1.2 %	1.1 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-2.9 %	-2.4 %	-1.9 %	-1.5 %	-1.4 %	-1.2 %	-1.1 %
Recurring pretax income from continuing operations	5.9 %	7.1 %	5.8 %	9.3 %	8.9 %	10.6 %	12.1 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	5.9 %	7.1 %	5.8 %	9.3 %	8.9 %	10.6 %	12.1 %
Tax rate	28.8 %	31.5 %	42.3 %	27.2 %	28.0 %	28.0 %	28.0 %
Net income from continuing operations	4.2 %	4.9 %	3.3 %	6.8 %	6.4 %	7.6 %	8.7 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	4.2 %	4.9 %	3.3 %	6.8 %	6.4 %	7.6 %	8.7 %
Minority interest	0.4 %	0.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net profit (reported)	3.8 %	4.4 %	3.4 %	6.8 %	6.4 %	7.6 %	8.7 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Intangible assets	0.4	0.5	0.5	0.5	0.5	0.5	0.5
Property, plant and equipment	112.0	116.6	125.3	131.7	143.8	143.8	136.4
Financial assets	0.0	0.0	0.1	0.1	0.1	0.1	0.1
FIXED ASSETS	112.4	117.1	125.9	132.2	144.4	144.3	137.0
Inventories	27.5	30.8	30.9	33.0	35.2	37.3	41.3
Accounts receivable	4.6	5.2	3.1	4.1	4.4	4.7	5.3
Other current assets	7.0	6.5	5.5	5.5	5.5	5.5	5.5
Liquid assets	27.2	42.3	36.2	45.9	38.1	47.4	24.8
Deferred taxes	0.1	0.0	1.1	0.7	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	66.4	84.8	76.8	89.2	83.2	94.9	77.0
TOTAL ASSETS	178.8	201.9	202.7	221.4	227.5	239.2	213.9
SHAREHOLDERS EQUITY	52.6	57.5	57.2	84.5	92.5	103.7	109.8
MINORITY INTEREST	-0.2	0.6	0.6	0.0	0.0	0.0	0.0
Long-term debt	61.4	71.3	71.3	70.4	70.4	70.4	39.0
Provisions for pensions and similar obligations	25.3	28.0	38.1	36.8	36.8	36.8	36.8
Other provisions	2.4	2.6	2.4	3.2	3.0	3.0	2.0
Non-current liabilities	89.0	101.9	111.8	110.4	110.2	110.2	77.8
short-term liabilities to banks	10.0	12.2	1.2	1.4	0.0	0.0	0.0
Accounts payable	9.9	12.3	14.5	15.6	16.4	18.0	20.0
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)	15.9	15.9	16.4	8.3	7.3	6.3	5.3
Deferred taxes	1.5	1.5	1.0	1.0	1.0	1.0	1.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	37.4	41.9	33.2	26.5	24.8	25.4	26.4
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	178.8	201.9	202.7	221.4	227.5	239.2	213.9

Balance sheet (common size)	2014	2015	2016	2017	2018E	2019E	2020E
Intangible assets	0.2 %	0.3 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
Property, plant and equipment	62.6 %	57.7 %	61.8 %	59.5 %	63.2 %	60.1 %	63.7 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	62.8 %	58.0 %	62.1 %	59.7 %	63.4 %	60.3 %	64.0 %
Inventories	15.4 %	15.2 %	15.2 %	14.9 %	15.5 %	15.6 %	19.3 %
Accounts receivable	2.5 %	2.6 %	1.5 %	1.8 %	1.9 %	2.0 %	2.5 %
Other current assets	3.9 %	3.2 %	2.7 %	2.5 %	2.4 %	2.3 %	2.6 %
Liquid assets	15.2 %	20.9 %	17.9 %	20.7 %	16.7 %	19.8 %	11.6 %
Deferred taxes	0.1 %	0.0 %	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	37.1 %	42.0 %	37.9 %	40.3 %	36.6 %	39.7 %	36.0 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	29.4 %	28.5 %	28.2 %	38.2 %	40.7 %	43.3 %	51.3 %
MINORITY INTEREST	-0.1 %	0.3 %	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	34.3 %	35.3 %	35.2 %	31.8 %	30.9 %	29.4 %	18.2 %
Provisions for pensions and similar obligations	14.1 %	13.8 %	18.8 %	16.6 %	16.2 %	15.4 %	17.2 %
Other provisions	1.3 %	1.3 %	1.2 %	1.5 %	1.3 %	1.3 %	0.9 %
Non-current liabilities	49.8 %	50.5 %	55.1 %	49.9 %	48.4 %	46.1 %	36.4 %
short-term liabilities to banks	5.6 %	6.1 %	0.6 %	0.6 %	0.0 %	0.0 %	0.0 %
Accounts payable	5.5 %	6.1 %	7.2 %	7.1 %	7.2 %	7.5 %	9.3 %
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)	8.9 %	7.9 %	8.1 %	3.8 %	3.2 %	2.7 %	2.5 %
Deferred taxes	0.8 %	0.7 %	0.5 %	0.5 %	0.5 %	0.4 %	0.5 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	20.9 %	20.8 %	16.4 %	12.0 %	10.9 %	10.6 %	12.3 %
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)	2014	2015	2016	2017	2018E	2019E	2020E
Net profit/loss	6.1	7.4	5.3	11.4	11.5	14.8	19.1
Depreciation of fixed assets (incl. leases)	9.7	10.2	10.7	11.7	12.9	14.0	15.4
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
Others	2.1	2.7	2.8	3.5	-1.3	0.0	0.0
Cash flow from operations before changes in w/c	17.9	20.2	18.8	26.7	23.1	28.8	34.5
Increase/decrease in inventory	-1.3	-3.2	-0.1	-2.1	-2.2	-2.1	-4.1
Increase/decrease in accounts receivable	-0.3	-0.6	2.1	-1.0	-0.3	-0.3	-0.6
Increase/decrease in accounts payable	1.2	2.4	2.2	1.1	-0.8	-1.6	-2.0
Increase/decrease in other working capital positions	0.0	-1.5	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-0.4	-3.0	4.3	-2.0	-3.3	-4.0	-6.7
Cash flow from operating activities	17.5	17.2	23.0	24.7	19.8	24.8	27.9
CAPEX	10.0	13.1	17.0	23.4	25.0	14.0	8.0
Payments for acquisitions	0.0	0.0	0.0	0.6	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	-10.0	-13.1	-17.0	-23.9	-25.0	-14.0	-8.0
Cash flow before financing	7.5	4.2	6.0	0.7	-5.2	10.8	19.9
Increase/decrease in debt position	-10.0	12.2	-11.8	-0.8	-1.4	0.0	-31.4
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	17.9	0.0	0.0	0.0
Dividends paid	0.5	1.0	1.2	1.2	1.2	1.5	1.8
Others	0.0	-0.6	0.6	-6.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.4	0.2	-1.0	0.0	0.0	0.0
Cash flow from financing activities	-10.4	10.6	-12.4	10.0	-2.6	-1.5	-33.1
Increase/decrease in liquid assets	-2.9	15.1	-6.1	9.8	-7.8	9.3	-13.3
Liquid assets at end of period	27.2	42.3	36.2	45.9	38.1	47.4	24.8

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Domestic	40.7	41.9	42.4	45.3	46.0	47.5	49.0
yoy change	-0.4 %	2.8 %	1.2 %	6.7 %	1.7 %	3.3 %	3.2 %
Rest of Europe	68.5	73.2	78.3	81.7	89.1	92.6	97.3
yoy change	7.8 %	6.8 %	7.0 %	4.4 %	9.0 %	4.0 %	5.0 %
NAFTA	18.0	19.7	20.2	21.4	23.5	28.2	39.5
yoy change	24.8 %	9.4 %	2.6 %	5.7 %	10.0 %	20.0 %	40.0 %
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	16.0	16.5	18.3	20.3	21.4	25.6	33.4
yoy change	14.7 %	2.9 %	10.8 %	10.8 %	5.7 %	19.3 %	30.5 %
TTL	143.3	151.3	159.2	168.6	180.0	193.9	219.1
yoy change	7.8 %	5.6 %	5.2 %	5.9 %	6.8 %	7.7 %	13.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
P&L growth analysis							
Sales growth	7.8 %	5.6 %	5.2 %	5.9 %	6.8 %	7.7 %	13.0 %
EBITDA growth	13.2 %	10.2 %	-7.0 %	31.0 %	37.0 %	22.6 %	41.3 %
EBIT growth	20.3 %	14.2 %	-15.5 %	49.7 %	51.2 %	24.5 %	56.6 %
EPS growth	107.6 %	22.3 %	-20.4 %	107.5 %	95.0 %	20.9 %	66.9 %
Efficiency							
Total operating costs / sales	84.2 %	85.0 %	85.8 %	83.1 %	82.6 %	81.0 %	79.8 %
Sales per employee	341.3	348.6	353.8	360.3	383.0	395.7	429.6
EBITDA per employee	53.3	56.8	50.9	64.2	66.8	75.1	87.0
Balance sheet analysis							
Avg. working capital / sales	15.3 %	15.2 %	13.6 %	12.1 %	11.8 %	11.7 %	11.4 %
Inventory turnover (sales/inventory)	5.2	4.9	5.2	5.1	5.1	5.2	5.3
Trade debtors in days of sales	11.6	12.5	7.1	8.9	8.9	8.9	8.9
A/P turnover [(A/P*365)/sales]	25.3	29.6	33.3	33.9	33.3	33.9	33.3
Cash conversion cycle (days)	97.2	96.7	80.8	84.5	88.3	84.9	83.7
Cash flow analysis							
Free cash flow	7.5	4.2	6.0	1.3	-5.2	10.8	19.9
Free cash flow/sales	5.2 %	2.7 %	3.8 %	0.8 %	-2.9 %	5.6 %	9.1 %
FCF / net profit	136.5 %	62.3 %	112.5 %	11.3 %	-45.2 %	73.2 %	103.8 %
Capex / depre	103.1 %	128.4 %	159.2 %	199.8 %	193.8 %	100.0 %	51.9 %
Capex / maintenance capex	133.3 %	163.3 %	212.6 %	292.4 %	312.5 %	175.0 %	100.0 %
Capex / sales	7.0 %	8.6 %	10.7 %	13.9 %	13.9 %	7.2 %	3.7 %
Security							
Net debt	44.2	41.3	36.4	25.9	32.3	22.9	14.2
Net Debt/EBITDA	2.0	1.7	1.6	0.9	1.0	0.6	0.3
Net debt / equity	0.8	0.7	0.6	0.3	0.3	0.2	0.1
Interest cover	2.9	3.7	3.7	6.8	7.1	9.7	12.1
Dividend payout ratio	17.5 %	18.0 %	22.4 %	13.0 %	15.3 %	14.3 %	13.8 %
Asset utilisation							
Capital employed turnover	0.9	0.9	0.9	0.9	0.9	0.9	1.2
Operating assets turnover	1.1	1.1	1.1	1.1	1.1	1.2	1.3
Plant turnover	1.3	1.3	1.3	1.3	1.3	1.3	1.6
Inventory turnover (sales/inventory)	5.2	4.9	5.2	5.1	5.1	5.2	5.3
Returns							
ROCE	8.4 %	8.9 %	7.1 %	10.0 %	9.9 %	11.1 %	14.8 %
ROE	10.4 %	11.6 %	9.4 %	13.5 %	12.4 %	14.2 %	17.4 %
Other							
Interest paid / avg. debt	5.7 %	5.1 %	4.3 %	3.7 %	3.6 %	3.3 %	4.4 %
No. employees (average)	420	434	450	468	470	490	510
Number of shares	8.0	8.0	8.0	8.3	8.8	8.8	8.8
DPS	0.1	0.2	0.2	0.2	0.2	0.2	0.3
EPS reported	0.69	0.84	0.67	1.39	1.30	1.68	2.18
Valuation ratios							
P/BV	3.4	3.1	3.2	2.4	2.1	1.9	1.8
EV/sales	1.7	1.7	1.6	1.6	1.5	1.3	1.1
EV/EBITDA	11.2	10.1	11.1	8.7	8.5	7.0	5.6
EV/EBITA	19.7	17.3	20.9	14.3	14.5	11.3	8.6
EV/EBIT	19.7	17.3	20.9	14.3	14.5	11.3	8.6
EV/FCF	33.4	60.2	42.4	201.4	-51.6	23.9	12.6
Adjusted FCF yield	4.7 %	5.0 %	4.4 %	6.8 %	7.1 %	9.0 %	11.7 %
Dividend yield	0.5 %	0.7 %	0.7 %	0.8 %	0.9 %	1.1 %	1.3 %

Source: Company data, Hauck & Aufhäuser

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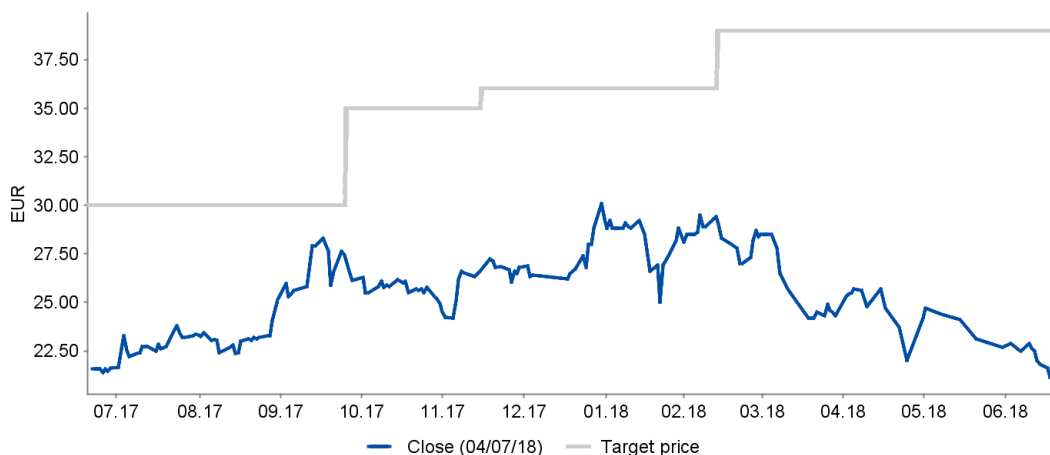
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Company	Disclosure
Nabaltec AG	2, 3

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

**Price and Rating History
Nabaltec AG as of 05/07/18**

Initiation coverage
14-April-11



Company	Date	Analyst	Rating	Target price	Close
Nabaltec	04.05.2018	Sandherr, Christian	Buy	EUR 39,00	EUR 24,70
	03.04.2018	Sandherr, Christian	Buy	EUR 39,00	EUR 24,20
	01.03.2018	Berresch, CFA, Sascha	Buy	EUR 39,00	EUR 28,30
	16.01.2018	Berresch, CFA, Sascha	Buy	EUR 36,00	EUR 29,30
	01.12.2017	Berresch, CFA, Sascha	Buy	EUR 36,00	EUR 26,60
	11.10.2017	Berresch, CFA, Sascha	Buy	EUR 35,00	EUR 27,43

30.08.2017 Berresch, CFA, Sascha Buy EUR 30,00 EUR 22,36

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