

Buy (old: Buy)

Price target: EUR 39.00 (old: EUR 39.00)

Price:	EUR 25.30	Next result:	Q3 2018: 27.11.2018
Bloomberg:	NTG@GR	Market cap:	EUR 222.6 m
Reuters:	NTGG.DE	Enterprise Value:	EUR 291.7 m

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Q2: Record high sales coupled with strong margins

Last week, Nabaltec reported strong Q2 figures with **sales hitting a new record high of €46.5m**; +3.4% yoy. As a result of capacity restraints, Functional Fillers came in flat yoy at € 30.7m. However, this is seen to resolve throughout H2 this year as production of fine ATH at US-based Nashtec plant looks set to gain momentum as production is ramped up again after two years of stand still. For '18 alone, we expect € 6-7m sales which should ramp up > € 20m. Sales from the **Specialty Alumina (form. Technical Ceramics) segment grew dynamically by 10.5% yoy**, driven by both higher volumes as well as increased prices.

Despite one-off costs of c. € 1.5m (H&Ae) related to the ramp-up of Nashtec in Q2, EBIT arrived at € 5.4m (-5% yoy); 11.6% margin. Hence, the **adjusted EBIT margin came in at a whopping 14.8%** compared to 12.5% in Q2 2017. In our view, the significant margin expansion was not only driven by the good results from Specialty Alumina but also by **accelerated demand for boehmite**, Nabaltec's high margin coating solution for separator foils within lithium-ion batteries (>30% margins H&Ae).

Despite a better than initially feared Q2, **management sticks to its in our view conservative FY '18 outlook** (mid single-digit revenue growth, EBIT margin in the high single-digits).

Nevertheless, we see our estimates for the FY to be well in reach, carried by (1) an ongoing strong demand for ATH, coupled with additional capacities gradually becoming available starting in September, (2) sound operational performance of the Specialty Oxides business driven by price increases and (3) a strong boehmite business which seems to gain a lot of momentum as Nabaltec managed to get involved with major foil producers also in China.

The true appealing factor about this case does not lay within 2018 figures but rather the years to come, in our view:

- While **boehmite is seen to yield a low seven-digit sales figure for 2018**, this should significantly increase with a pick-up of the global EV production, as its coating solution can markedly improve safety and performance of lithium-ion batteries. For example, already **10m EVs globally sold would translate into > € 20m sales and > € 7m EBIT** based on certain adoption rates and market shares laid out on page 2.
- Increasingly tightening regulatory environment around the globe in regards to fire safety as well as rising awareness for sustainability fuelling structural growth of demand for both, fine and coarse ATH while capacity additions of the two leading players Nabaltec and Huber (US) should just be enough to meet rising demand.

Against the back of all this and the strong de-leverage potential after expansion capex are stemmed, we **reiterate BUY with an unchanged PT of € 39** based on FCFY '20E.

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 %	0.6 %	0.6 %	0.7 %	0.8 %	0.9 %	1.2 %
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	1.9	1.8	1.7	1.7	1.6	1.5	1.2
EV/EBITDA	12.2	11.0	12.1	9.5	9.3	7.7	6.2
EV/EBIT	21.5	18.8	22.6	15.6	15.8	12.4	9.4
PER	36.8	30.1	23.7	19.4	19.4	15.1	11.6
Adjusted FCF yield	4.4 %	4.6 %	4.0 %	6.2 %	6.5 %	8.2 %	10.6 %

Source: Company data, Hauck & Aufhäuser Close price as of: 24.08.2018



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 30.10 / 21.00

Price/Book Ratio: 2.4

Relative performance (SDAX):

3 months	-
6 months	-
12 months	-

Changes in estimates

		Sales	EBIT	EPS
2018	old:	180.0	18.5	1.30
	Δ	-	-	-
2019	old:	193.9	22.8	1.68
	Δ	-	-	-
2020	old:	219.1	29.0	2.18
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	8.8
Authorised capital: (in € m)	3.2
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.

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

	Q2 2018	Q2 2018 est	Q2 2017	yoy	Q1 2018	qoq	H1 2018	H1 2017	yoy
Sales	46.6	46.2	45.0	3.4%	45.2	3.1%	91.8	88.6	3.6%
Functional Fillers	30.7	30.5	30.7	0.2%	29.3	4.8%	60.0	59.7	0.5%
Special Oxides	15.9	15.7	14.4	10.5%	15.9	0.0%	31.8	28.9	9.9%
EBIT	5.4	4.4	5.7	-4.8%	4.3	24.8%	9.7	9.7	0.5%
<i>EBIT margin</i>	<i>11.6%</i>	<i>9.5%</i>	<i>12.6%</i>	<i>- 1.0 pp</i>	<i>9.5%</i>	<i>+ 2.0 pp</i>	<i>10.6%</i>	<i>10.9%</i>	<i>- 0.3 pp</i>

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	neg.	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	neg.	neg.	neg.	neg.	neg.	neg.	neg.
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 %	neg.	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	neg.	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 %	neg.	73.2 %	103.8 %
Capex / depn	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	3.8	3.5	3.5	2.6	2.4	2.1	2.0
EV/sales	1.9	1.8	1.7	1.7	1.6	1.5	1.2
EV/EBITDA	12.2	11.0	12.1	9.5	9.3	7.7	6.2
EV/EBITA	21.5	18.8	22.6	15.6	15.8	12.4	9.4
EV/EBIT	21.5	18.8	22.6	15.6	15.8	12.4	9.4
EV/FCF	36.3	65.4	46.0	219.7	-56.2	26.1	13.8
Adjusted FCF yield	4.4 %	4.6 %	4.0 %	6.2 %	6.5 %	8.2 %	10.6 %
Dividend yield	0.5 %	0.6 %	0.6 %	0.7 %	0.8 %	0.9 %	1.2 %

Source: Company data, Hauck & Aufhäuser

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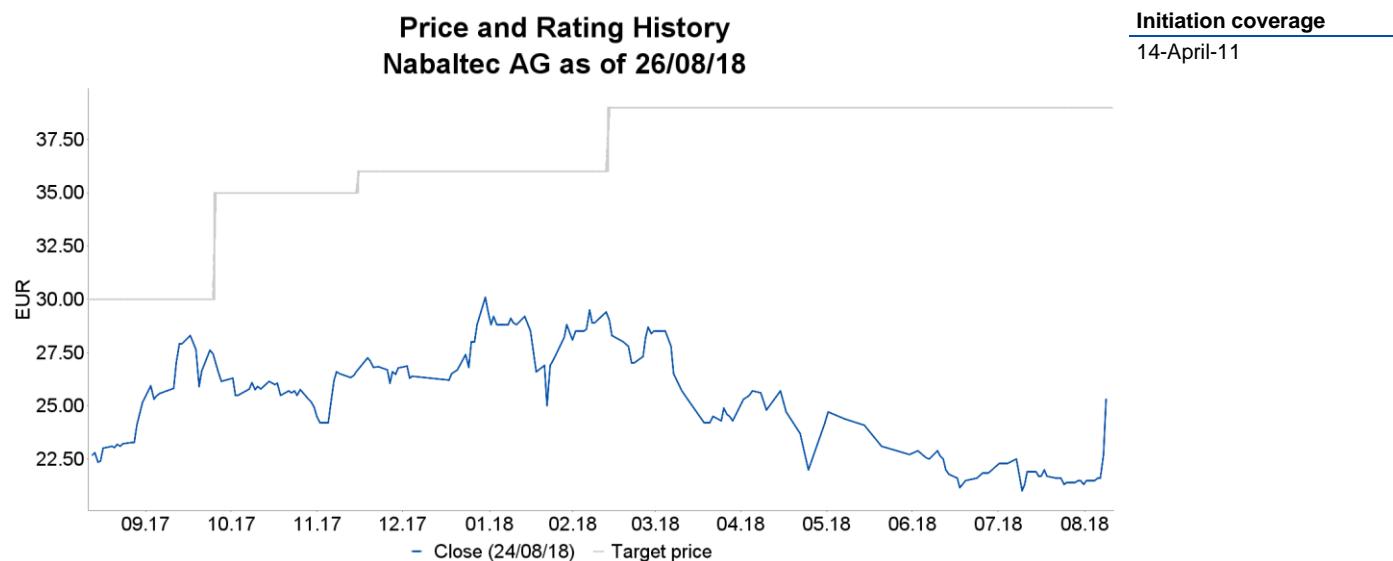
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Company	Disclosure
Nabaltec AG	2, 3

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



Company	Date	Analyst	Rating	Target price	Close
Nabaltec	05.07.2018	Sandherr, Christian	Buy	EUR 39,00	EUR 21,50
	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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