

**Buy** (old: Buy)

**Price target: EUR 5.90** (old: EUR 5.90)

<b>Price:</b>	EUR 4.19	<b>Next result:</b>	Q1 15: 06.05.15
<b>Bloomberg:</b>	SANT GR	<b>Market cap:</b>	EUR 181.3 m
<b>Reuters:</b>	SANT1.DE	<b>Enterprise Value:</b>	EUR 180.6 m

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## Bright prospects in Smart Energy could yield upside to estimates

Following strong Q4 results and a better-than-expected net income guidance for 2015 ("€ 15m+ net income before minorities" / eH&A: € 14.2m), we had a detailed discussion with management regarding the 2015 prospects. Key takeaways:

- **The new smart energy business has excellent prospects** (2015: € 80m sales expected / 2014: € 21m sales but only three months of consolidation). Through the 2014 acquisitions of RTSoft, ubitronix and NES, S&T can offer customers services, software and hardware to install and manage a smart grid and make smart grid devices communicate most efficiently with each other. This puts S&T in an excellent position to thrive on the trend towards smart energy networks driven by the desire to cut energy consumption and improve grid reliability. In recent months, S&T has seen more and more major smart energy projects pop up around the world explaining the **excellent € 644m tender pipeline** (+110% yoy). In 2014, a notably project win was a \$ 20m smart grid in Poland. Any further major project wins of S&T **would yield upside to our conservative 2015E estimates**.
- **Integration of NES (USA / formerly Echelon) well on track**. Acquired in late 2014, S&T expects NES' performance to improve strongly in 2015: The subsidiaries' sales are seen to rise from c. \$ 6m in Q4 '14 to \$ 12m+ in Q4 '15 carried by smart energy project wins in Poland, Puerto Rico and two Swiss cities. Given an elevated cost base, NES should generate a € 1m EBITDA loss in Q1. However, scale and cost-cutting should translate into **strong profitability of NES by Q4 '15** (eH&A: NES is to generate \$ 2m+ EBITDA in Q4 '15). Notably, management is in the process of **cutting NES' fixed costs by \$ 3m** by replacing expensive US engineers with Russians: S&T has a pool of Russian engineers mainly from the RTSoft take-over.
- **Reorganisation of Services DACH segment (2014: € 90m sales) almost finalised**. Thanks to cost cutting and a focus on profitable projects, management expects the segment to generate net income of € 2m in 2015 versus € -0.5m in 2014 – a key driver behind the strong net income guidance. Meanwhile, the "Services Eastern Europe" segment (2014: € 217m sales) should increase net income by € 1m to € 8m in 2015 supported by strong IT demand from Poland and the Czech Republic as well as a rebound in Romania (where anti-corruption laws should be of help).

Supported by an **undemanding valuation** (11.5x PER '16E adj. for PPA) S&T is a BUY. The € 5.90 PT is based on FCFY 2016E.

Y/E 31.12 (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Sales	153.2	339.5	337.9	385.5	446.0	463.1	481.6
Sales growth	90 %	122 %	0 %	14 %	16 %	4 %	4 %
EBITDA	12.3	16.6	20.1	22.9	27.3	29.0	31.1
EBIT	9.5	11.1	14.3	16.6	18.8	20.7	22.6
Net income	6.9	7.7	11.7	13.0	11.9	13.7	15.5
Net debt	27.5	19.4	9.3	1.5	-3.0	-12.5	-24.6
Net gearing	56.0 %	31.4 %	13.5 %	1.7 %	-3.1 %	-11.7 %	-20.6 %
Net Debt/EBITDA	2.2	1.2	0.5	0.1	0.0	0.0	0.0
EPS pro forma	0.29	0.20	0.30	0.30	0.28	0.32	0.36
CPS	-0.09	0.16	0.15	0.35	0.20	0.35	0.36
DPS	0.00	0.00	0.06	0.07	0.10	0.10	0.11
Dividend yield	0.0 %	0.0 %	1.4 %	1.7 %	2.4 %	2.3 %	2.6 %
Gross profit margin	29.9 %	34.4 %	33.1 %	33.2 %	34.8 %	35.1 %	35.2 %
EBITDA margin	8.0 %	4.9 %	5.9 %	5.9 %	6.1 %	6.3 %	6.5 %
EBIT margin	6.2 %	3.3 %	4.2 %	4.3 %	4.2 %	4.5 %	4.7 %
ROCE	10.2 %	8.3 %	10.8 %	12.4 %	13.2 %	13.6 %	13.8 %
EV/sales	0.9	0.6	0.5	0.5	0.4	0.4	0.3
EV/EBITDA	10.7	11.3	8.8	8.1	6.6	5.9	5.1
EV/EBIT	13.8	16.8	12.4	11.1	9.6	8.3	7.0
PER	14.3	21.3	14.0	14.0	15.2	13.2	11.7
Adjusted FCF yield	6.4 %	5.5 %	8.4 %	8.8 %	9.8 %	11.2 %	12.1 %

Source: Company data, Hauck & Aufhäuser Close price as of: 08.04.2015



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 4.26 / 2.54

**Price/Book Ratio:** 1.9

**Relative performance (TecDAX):**

3 months 8.7 %

6 months 16.8 %

12 months 24.2 %

### Changes in estimates

		Sales	EBIT	EPS
2015	old:	446.0	18.8	0.28
	Δ	-	-	-
2016	old:	463.1	20.7	0.32
	Δ	-	-	-
2017	old:	481.6	22.6	0.36
	Δ	-	-	-

### Key share data:

Number of shares: (in m pcs) 43.3

Authorised capital: (in € m) 12.1

Book value per share: (in €) 2.2

Ø trading volume: (12 months) 60,000

### Major shareholders:

Free Float 66.3 %

Grosso 18.8 %

CEO Niederhauser 14.9 %

### Company description:

S&T combines an IT system house business with a portfolio of security appliances targeting Cloud Computing applications.

Financials

Profit and loss (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
<b>Net sales</b>	<b>153.2</b>	<b>339.5</b>	<b>337.9</b>	<b>385.5</b>	<b>446.0</b>	<b>463.1</b>	<b>481.6</b>
<i>Sales growth</i>	89.9 %	121.5 %	-0.5 %	14.1 %	15.7 %	3.8 %	4.0 %
Increase/decrease in finished goods and work-in-process	0.7	0.3	0.9	1.2	0.9	0.9	1.0
<b>Total sales</b>	<b>153.9</b>	<b>339.8</b>	<b>338.8</b>	<b>386.8</b>	<b>446.9</b>	<b>464.0</b>	<b>482.6</b>
Other operating income	5.2	6.4	6.7	5.0	3.8	4.0	4.1
Material expenses	108.0	222.9	226.7	258.3	291.2	301.3	312.7
Personnel expenses	23.4	71.9	66.2	72.4	90.7	95.5	99.1
Other operating expenses	15.6	34.9	32.5	38.2	41.5	42.2	43.8
Total operating expenses	141.7	323.3	318.7	363.9	419.6	435.0	451.5
<b>EBITDA</b>	<b>12.3</b>	<b>16.6</b>	<b>20.1</b>	<b>22.9</b>	<b>27.3</b>	<b>29.0</b>	<b>31.1</b>
Depreciation	1.1	2.7	2.3	2.2	3.9	4.3	4.8
<b>EBITA</b>	<b>11.1</b>	<b>13.8</b>	<b>17.8</b>	<b>20.7</b>	<b>23.4</b>	<b>24.7</b>	<b>26.3</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.6	2.7	3.5	4.1	4.6	4.0	3.7
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>9.5</b>	<b>11.1</b>	<b>14.3</b>	<b>16.6</b>	<b>18.8</b>	<b>20.7</b>	<b>22.6</b>
Interest income	0.3	0.6	0.5	1.6	0.4	0.4	0.5
Interest expenses	1.3	2.0	2.7	3.2	3.3	3.3	3.3
Other financial result	0.0	0.0	0.0	-0.3	-0.2	-0.2	-0.1
Financial result	-1.0	-1.4	-2.2	-1.8	-3.1	-3.0	-2.8
<b>Recurring pretax income from continuing operations</b>	<b>8.5</b>	<b>9.8</b>	<b>12.1</b>	<b>14.8</b>	<b>15.7</b>	<b>17.7</b>	<b>19.8</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>8.5</b>	<b>9.8</b>	<b>12.1</b>	<b>14.8</b>	<b>15.7</b>	<b>17.7</b>	<b>19.8</b>
Taxes	0.3	0.3	0.1	0.8	1.6	1.8	2.0
<b>Net income from continuing operations</b>	<b>8.2</b>	<b>9.4</b>	<b>11.9</b>	<b>14.0</b>	<b>14.1</b>	<b>15.9</b>	<b>17.8</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>8.2</b>	<b>9.4</b>	<b>11.9</b>	<b>14.0</b>	<b>14.1</b>	<b>15.9</b>	<b>17.8</b>
Minority interest	1.3	1.7	0.2	1.0	2.2	2.2	2.3
<b>Net income (net of minority interest)</b>	<b>6.9</b>	<b>7.7</b>	<b>11.7</b>	<b>13.0</b>	<b>11.9</b>	<b>13.7</b>	<b>15.5</b>
Average number of shares	23.5	28.3	39.2	41.2	43.3	43.3	43.3
<b>EPS reported</b>	<b>0.29</b>	<b>0.27</b>	<b>0.30</b>	<b>0.32</b>	<b>0.28</b>	<b>0.32</b>	<b>0.36</b>

Profit and loss (common size)	2011	2012	2013	2014	2015E	2016E	2017E
<b>Net sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Increase/decrease in finished goods and work-in-process	0.5 %	0.1 %	0.3 %	0.3 %	0.2 %	0.2 %	0.2 %
<b>Total sales</b>	<b>100.5 %</b>	<b>100.1 %</b>	<b>100.3 %</b>	<b>100.3 %</b>	<b>100.2 %</b>	<b>100.2 %</b>	<b>100.2 %</b>
Other operating income	3.4 %	1.9 %	2.0 %	1.3 %	0.9 %	0.9 %	0.9 %
Material expenses	70.5 %	65.6 %	67.1 %	67.0 %	65.3 %	65.1 %	64.9 %
Personnel expenses	15.3 %	21.2 %	19.6 %	18.8 %	20.3 %	20.6 %	20.6 %
Other operating expenses	10.2 %	10.3 %	9.6 %	9.9 %	9.3 %	9.1 %	9.1 %
Total operating expenses	92.5 %	95.2 %	94.3 %	94.4 %	94.1 %	93.9 %	93.7 %
<b>EBITDA</b>	<b>8.0 %</b>	<b>4.9 %</b>	<b>5.9 %</b>	<b>5.9 %</b>	<b>6.1 %</b>	<b>6.3 %</b>	<b>6.5 %</b>
Depreciation	0.7 %	0.8 %	0.7 %	0.6 %	0.9 %	0.9 %	1.0 %
<b>EBITA</b>	<b>7.2 %</b>	<b>4.1 %</b>	<b>5.3 %</b>	<b>5.4 %</b>	<b>5.2 %</b>	<b>5.3 %</b>	<b>5.5 %</b>
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	1.1 %	0.8 %	1.0 %	1.1 %	1.0 %	0.9 %	0.8 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT</b>	<b>6.2 %</b>	<b>3.3 %</b>	<b>4.2 %</b>	<b>4.3 %</b>	<b>4.2 %</b>	<b>4.5 %</b>	<b>4.7 %</b>
Interest income	0.2 %	0.2 %	0.1 %	0.4 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.8 %	0.6 %	0.8 %	0.8 %	0.7 %	0.7 %	0.7 %
Other financial result	0.0 %	0.0 %	0.0 %	-0.1 %	0.0 %	0.0 %	0.0 %
Financial result	-0.7 %	-0.4 %	-0.7 %	-0.5 %	-0.7 %	-0.7 %	-0.6 %
<b>Recurring pretax income from continuing operations</b>	<b>5.5 %</b>	<b>2.9 %</b>	<b>3.6 %</b>	<b>3.8 %</b>	<b>3.5 %</b>	<b>3.8 %</b>	<b>4.1 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>5.5 %</b>	<b>2.9 %</b>	<b>3.6 %</b>	<b>3.8 %</b>	<b>3.5 %</b>	<b>3.8 %</b>	<b>4.1 %</b>
Tax rate	3.4 %	3.4 %	1.1 %	5.2 %	10.0 %	10.0 %	10.0 %
<b>Net income from continuing operations</b>	<b>5.3 %</b>	<b>2.8 %</b>	<b>3.5 %</b>	<b>3.6 %</b>	<b>3.2 %</b>	<b>3.4 %</b>	<b>3.7 %</b>
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>5.3 %</b>	<b>2.8 %</b>	<b>3.5 %</b>	<b>3.6 %</b>	<b>3.2 %</b>	<b>3.4 %</b>	<b>3.7 %</b>
Minority interest	0.8 %	0.5 %	0.1 %	0.3 %	0.5 %	0.5 %	0.5 %
<b>Net income (net of minority interest)</b>	<b>4.5 %</b>	<b>2.3 %</b>	<b>3.5 %</b>	<b>3.4 %</b>	<b>2.7 %</b>	<b>3.0 %</b>	<b>3.2 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
<b>Intangible assets</b>	<b>40.9</b>	<b>39.7</b>	<b>44.8</b>	<b>57.1</b>	<b>58.1</b>	<b>59.9</b>	<b>59.0</b>
Property, plant and equipment	11.1	9.9	9.0	11.4	9.8	7.8	7.8
Financial assets	4.4	3.8	2.8	3.8	3.8	3.8	3.8
<b>FIXED ASSETS</b>	<b>56.4</b>	<b>53.4</b>	<b>56.5</b>	<b>72.3</b>	<b>71.6</b>	<b>71.4</b>	<b>70.6</b>
Inventories	20.6	23.4	22.7	30.0	34.7	36.0	37.5
Accounts receivable	85.0	81.9	71.6	95.7	110.0	114.2	118.8
Other current assets	25.9	15.4	15.2	22.0	22.6	23.1	23.7
Liquid assets	29.9	29.9	42.9	39.5	43.9	53.5	65.5
Deferred taxes	9.2	9.9	11.1	13.6	13.6	13.6	13.6
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>170.6</b>	<b>160.5</b>	<b>163.6</b>	<b>200.8</b>	<b>224.7</b>	<b>240.4</b>	<b>259.1</b>
<b>TOTAL ASSETS</b>	<b>227.0</b>	<b>214.0</b>	<b>220.1</b>	<b>273.1</b>	<b>296.4</b>	<b>311.8</b>	<b>329.7</b>
SHAREHOLDERS EQUITY	49.2	61.8	69.2	86.9	96.6	106.8	119.0
MINORITY INTEREST	5.4	2.2	2.1	2.8	2.8	2.8	2.8
Long-term debt	23.3	11.5	23.9	26.1	26.1	26.1	26.1
Provisions for pensions and similar obligations	5.4	3.0	2.9	2.3	2.3	2.4	2.4
Other provisions	18.4	17.2	3.9	4.6	4.7	4.8	5.0
<b>Non-current liabilities</b>	<b>47.0</b>	<b>31.7</b>	<b>30.7</b>	<b>33.0</b>	<b>33.2</b>	<b>33.3</b>	<b>33.5</b>
short-term liabilities to banks	34.2	37.8	28.4	14.8	14.8	14.8	14.8
Accounts payable	60.6	53.7	46.6	74.2	85.8	89.1	92.6
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)	29.4	25.6	41.8	59.9	61.7	63.6	65.5
Deferred taxes	1.4	1.2	1.4	1.5	1.5	1.5	1.5
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>125.5</b>	<b>118.3</b>	<b>118.1</b>	<b>150.3</b>	<b>163.8</b>	<b>168.9</b>	<b>174.4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>227.0</b>	<b>214.0</b>	<b>220.1</b>	<b>273.1</b>	<b>296.4</b>	<b>311.8</b>	<b>329.7</b>

Balance sheet (common size)	2011	2012	2013	2014	2015E	2016E	2017E
<b>Intangible assets</b>	<b>18.0 %</b>	<b>18.6 %</b>	<b>20.3 %</b>	<b>20.9 %</b>	<b>19.6 %</b>	<b>19.2 %</b>	<b>17.9 %</b>
Property, plant and equipment	4.9 %	4.6 %	4.1 %	4.2 %	3.3 %	2.5 %	2.4 %
Financial assets	2.0 %	1.8 %	1.3 %	1.4 %	1.3 %	1.2 %	1.1 %
<b>FIXED ASSETS</b>	<b>24.9 %</b>	<b>25.0 %</b>	<b>25.7 %</b>	<b>26.5 %</b>	<b>24.2 %</b>	<b>22.9 %</b>	<b>21.4 %</b>
Inventories	9.1 %	10.9 %	10.3 %	11.0 %	11.7 %	11.6 %	11.4 %
Accounts receivable	37.5 %	38.3 %	32.6 %	35.0 %	37.1 %	36.6 %	36.0 %
Other current assets	11.4 %	7.2 %	6.9 %	8.1 %	7.6 %	7.4 %	7.2 %
Liquid assets	13.2 %	14.0 %	19.5 %	14.5 %	14.8 %	17.1 %	19.9 %
Deferred taxes	4.0 %	4.6 %	5.1 %	5.0 %	4.6 %	4.3 %	4.1 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>75.1 %</b>	<b>75.0 %</b>	<b>74.3 %</b>	<b>73.5 %</b>	<b>75.8 %</b>	<b>77.1 %</b>	<b>78.6 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
SHAREHOLDERS EQUITY	21.7 %	28.9 %	31.4 %	31.8 %	32.6 %	34.3 %	36.1 %
MINORITY INTEREST	2.4 %	1.0 %	0.9 %	1.0 %	0.9 %	0.9 %	0.8 %
Long-term debt	10.2 %	5.4 %	10.9 %	9.6 %	8.8 %	8.4 %	7.9 %
Provisions for pensions and similar obligations	2.4 %	1.4 %	1.3 %	0.8 %	0.8 %	0.8 %	0.7 %
Other provisions	8.1 %	8.0 %	1.8 %	1.7 %	1.6 %	1.6 %	1.5 %
<b>Non-current liabilities</b>	<b>20.7 %</b>	<b>14.8 %</b>	<b>14.0 %</b>	<b>12.1 %</b>	<b>11.2 %</b>	<b>10.7 %</b>	<b>10.2 %</b>
short-term liabilities to banks	15.1 %	17.7 %	12.9 %	5.4 %	5.0 %	4.7 %	4.5 %
Accounts payable	26.7 %	25.1 %	21.2 %	27.2 %	28.9 %	28.6 %	28.1 %
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)	12.9 %	11.9 %	19.0 %	21.9 %	20.8 %	20.4 %	19.9 %
Deferred taxes	0.6 %	0.6 %	0.6 %	0.5 %	0.5 %	0.5 %	0.4 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>55.3 %</b>	<b>55.3 %</b>	<b>53.7 %</b>	<b>55.1 %</b>	<b>55.3 %</b>	<b>54.2 %</b>	<b>52.9 %</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Net profit/loss	8.2	9.4	11.9	14.0	14.1	15.9	17.8
Depreciation of fixed assets (incl. leases)	1.1	2.7	2.3	2.2	3.9	4.3	4.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.6	2.7	3.5	4.1	4.6	4.0	3.7
Others	-8.1	2.3	-10.6	4.1	0.0	0.0	0.0
Cash flow from operations before changes in w/c	2.8	17.2	7.2	24.4	22.7	24.3	26.3
Increase/decrease in inventory	-0.1	-2.8	0.7	-7.4	-4.7	-1.3	-1.4
Increase/decrease in accounts receivable	-17.6	3.1	10.3	-24.0	-14.3	-4.2	-4.6
Increase/decrease in accounts payable	15.3	-6.9	-7.1	27.6	11.6	3.3	3.6
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	-2.3	-6.6	3.9	-3.8	-7.4	-2.3	-2.4
<b>Cash flow from operating activities</b>	<b>0.5</b>	<b>10.6</b>	<b>11.1</b>	<b>20.6</b>	<b>15.3</b>	<b>22.0</b>	<b>23.9</b>
CAPEX	2.8	3.2	5.8	5.8	7.8	8.1	7.7
Payments for acquisitions	11.6	0.2	-4.6	5.5	0.0	0.0	0.0
Financial investments	2.6	-0.6	0.2	1.7	0.0	0.0	0.0
Income from asset disposals	0.2	0.5	1.4	0.4	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-16.8</b>	<b>-2.2</b>	<b>0.0</b>	<b>-12.6</b>	<b>-7.8</b>	<b>-8.1</b>	<b>-7.7</b>
Cash flow before financing	-16.3	8.4	11.1	8.0	7.5	13.9	16.2
Increase/decrease in debt position	11.9	-13.2	1.9	3.1	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	1.3	0.0	0.0	0.0	0.0
Capital measures	2.4	1.7	-0.1	10.5	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	2.4	3.0	4.3	4.1
Others	-0.1	-0.3	-2.1	1.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.1	0.5	-0.5	-1.1	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>14.3</b>	<b>-11.8</b>	<b>-1.6</b>	<b>12.5</b>	<b>-3.0</b>	<b>-4.3</b>	<b>-4.1</b>
Increase/decrease in liquid assets	-2.0	-2.9	9.1	19.5	4.4	9.6	12.1
<b>Liquid assets at end of period</b>	<b>29.9</b>	<b>29.9</b>	<b>42.9</b>	<b>39.5</b>	<b>43.9</b>	<b>53.5</b>	<b>65.5</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Domestic	43.2	70.0	68.4	65.1	62.4	60.2	62.6
yoy change	51.2 %	62.2 %	-2.4 %	-4.8 %	-4.0 %	-3.6 %	4.0 %
Rest of Europe	110.1	269.5	269.6	320.5	383.6	402.9	419.0
yoy change	111.0 %	144.8 %	0.0 %	18.9 %	19.7 %	5.0 %	4.0 %
NAFTA	n/a	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	n/a	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	n/a	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>TTL</b>	<b>153.2</b>	<b>339.5</b>	<b>337.9</b>	<b>385.5</b>	<b>446.0</b>	<b>463.1</b>	<b>481.6</b>
yoy change	89.9 %	121.5 %	-0.5 %	14.1 %	15.7 %	3.8 %	4.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
<b>P&amp;L growth analysis</b>							
Sales growth	89.9 %	121.5 %	-0.5 %	14.1 %	15.7 %	3.8 %	4.0 %
EBITDA growth	169.3 %	35.1 %	21.3 %	14.0 %	19.3 %	6.4 %	7.2 %
EBIT growth	194.2 %	17.4 %	28.2 %	16.2 %	13.2 %	10.3 %	9.1 %
EPS growth	53.2 %	-6.6 %	9.3 %	5.4 %	-12.6 %	15.1 %	13.0 %
<b>Efficiency</b>							
Total operating costs / sales	92.5 %	95.2 %	94.3 %	94.4 %	94.1 %	93.9 %	93.7 %
Sales per employee	161.1	203.6	211.9	203.5	200.0	205.6	211.7
EBITDA per employee	12.9	9.9	12.6	12.1	12.2	12.9	13.7
<b>Balance sheet analysis</b>							
Avg. working capital / sales	18.2 %	14.2 %	14.7 %	12.9 %	12.4 %	13.0 %	13.0 %
Inventory turnover (sales/inventory)	7.4	14.5	14.9	12.8	12.8	12.8	12.8
Trade debtors in days of sales	202.6	88.1	77.4	90.6	90.0	90.0	90.0
A/P turnover [(A/P*365)/sales]	144.3	57.7	50.3	70.2	70.2	70.2	70.2
Cash conversion cycle (days)	67.5	38.5	38.9	28.2	26.0	25.8	25.6
<b>Cash flow analysis</b>							
Free cash flow	-2.3	7.5	5.3	14.8	7.5	13.9	16.2
Free cash flow/sales	-1.5 %	2.2 %	1.6 %	3.8 %	1.7 %	3.0 %	3.4 %
FCF / net profit	-34.0 %	96.4 %	45.3 %	114.1 %	62.6 %	101.2 %	104.2 %
Capex / depre	196.1 %	46.9 %	103.4 %	119.1 %	91.8 %	97.6 %	90.7 %
Capex / maintenance capex	52.0 %	n/a	78.4 %	37.3 %	34.3 %	34.1 %	56.7 %
Capex / sales	3.5 %	n/a	n/a	n/a	n/a	n/a	n/a
<b>Security</b>							
Net debt	27.5	19.4	9.3	1.5	-3.0	-12.5	-24.6
Net Debt/EBITDA	2.2	1.2	0.5	0.1	0.0	0.0	0.0
Net debt / equity	0.6	0.3	0.1	0.0	0.0	-0.1	-0.2
Interest cover	7.5	5.6	5.3	5.2	5.7	6.3	6.9
Dividend payout ratio	0.0 %	0.0 %	20.1 %	23.3 %	36.3 %	30.0 %	30.0 %
<b>Asset utilisation</b>							
Capital employed turnover	1.1	2.5	2.6	2.8	3.0	2.9	2.8
Operating assets turnover	2.7	5.5	6.0	6.1	6.5	6.7	6.7
Plant turnover	13.8	34.2	37.6	33.7	45.6	59.5	61.7
Inventory turnover (sales/inventory)	7.4	14.5	14.9	12.8	12.8	12.8	12.8
<b>Returns</b>							
ROCE	10.2 %	8.3 %	10.8 %	12.4 %	13.2 %	13.6 %	13.8 %
ROE	14.0 %	12.5 %	17.0 %	14.9 %	12.3 %	12.9 %	13.0 %
<b>Other</b>							
Interest paid / avg. debt	3.6 %	3.7 %	5.3 %	6.8 %	8.0 %	8.0 %	8.0 %
No. employees (average)	952	1668	1595	1895	2230	2252	2275
Number of shares	23.5	28.3	39.2	41.2	43.3	43.3	43.3
DPS	0.0	0.0	0.1	0.1	0.1	0.1	0.1
EPS reported	0.29	0.27	0.30	0.32	0.28	0.32	0.36
<b>Valuation ratios</b>							
P/BV	2.0	2.7	2.4	2.1	1.9	1.7	1.5
EV/sales	0.9	0.6	0.5	0.5	0.4	0.4	0.3
EV/EBITDA	10.7	11.3	8.8	8.1	6.6	5.9	5.1
EV/EBITA	11.8	13.5	10.0	9.0	7.7	6.9	6.0
EV/EBIT	13.8	16.8	12.4	11.1	9.6	8.3	7.0
EV/FCF	-56.1	25.1	33.3	12.5	24.2	12.3	9.8
Adjusted FCF yield	6.4 %	5.5 %	8.4 %	8.8 %	9.8 %	11.2 %	12.1 %
Dividend yield	0.0 %	0.0 %	1.4 %	1.7 %	2.4 %	2.3 %	2.6 %

Source: Company data, Hauck & Aufhäuser

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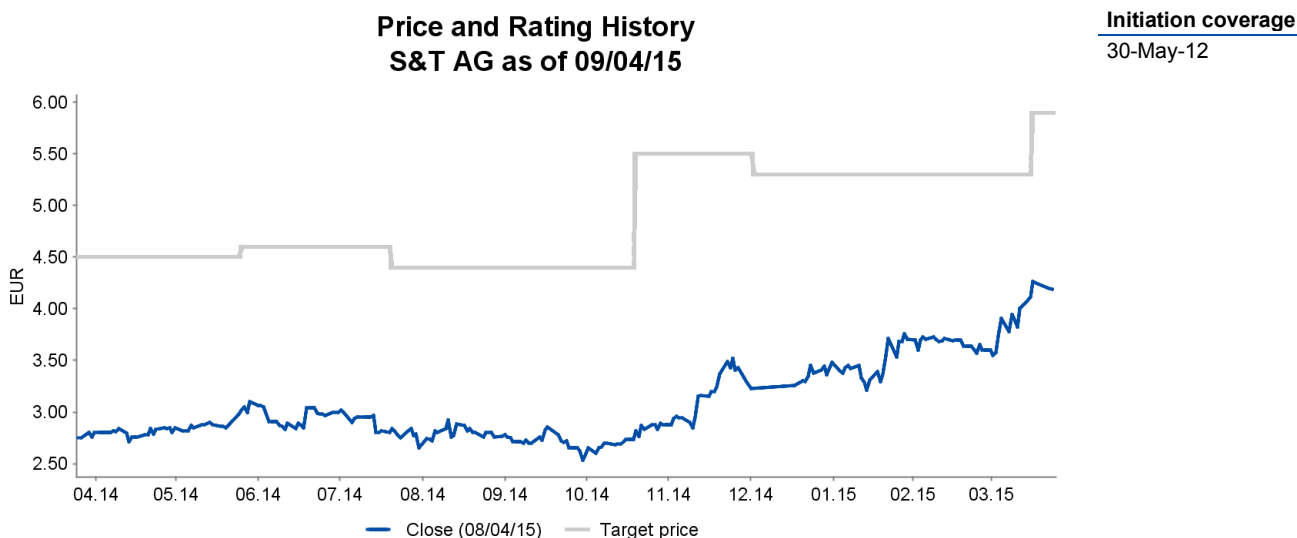
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