

**Buy** (old: Buy)

**Price target: EUR 7.60** (old: EUR 6.70)

<b>Price:</b>	EUR 5.43	<b>Next result:</b>	Q4: tba
<b>Bloomberg:</b>	SANT GR	<b>Market cap:</b>	EUR 234.9 m
<b>Reuters:</b>	SANT1.DE	<b>Enterprise Value:</b>	EUR 236.1 m

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## Favourable smart energy transaction finalised; Adj. Est. & PT

**S&T has announced that it has finalised negotiations to re-focus its Smart Energy business** ('15E: € 50-55m sales / € -0.5m EBITDA) on Europe which should help drive the segment into profitability this year.

**How the deal works:** S&T will buy 100% of the European smart energy subsidiary and sell its 56% stake in the smart energy operations relating to the rest of the world, especially the USA. The buyer of the RoW operations is Cedrus which has been an existing shareholder of S&T's smart energy business.

**The deal is seen to be very favourable for S&T.** First, while the company will roughly lose \$ 10m sales due to the re-focussing, **S&T confirmed that smart energy sales are expected to rise by 30% yoy to c. € 70m in 2016E** (i.e. slightly ahead of eH&A) given recent project wins in Europe. Second, S&T rids itself of the loss-making US smart energy business which was burdened by high engineering costs whereas S&T has a low-cost engineering pool in Russia.

In detail, **the re-focussing has three positive effects:** (1) Smart Energy segment EBITDA should climb to € 2m in 2016E vs. € -0.5m in 2015; (2) Minorities in the P&L should decrease slightly; (3) The net cash flow impact from the transaction is seen at € 1m booked in 2016.

**Action:** 2015E estimates are raised to account for a better-than-expected Q4 performance as flagged by the company. Higher expectations for 2016E (+1.4% re sales / +2 % re EBIT) and 2017E reflect the positive impact of the smart energy re-focussing as well as recent smart energy project wins (e.g. in Austria).

With the favourable transaction, **S&T has made a step towards higher profitability** and a "cleaner", more transparent set-up (as it now holds 100% of its smart energy business vs. 56% before) while still possessing the attractive upside relating to the structurally growing smart energy market.

Valuation is rolled from 2016E to 2017E in light of the much improved visibility regarding success in smart energy. **S&T remains a BUY with a new PT of € 7.60** (previously: € 6.70).

Y/E 31.12 (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Sales	153.2	339.5	337.9	385.5	465.0	500.0	530.0
Sales growth	90 %	122 %	0 %	14 %	21 %	8 %	6 %
EBITDA	12.3	16.6	20.1	22.9	28.4	32.5	36.0
EBIT	9.5	11.1	14.3	16.6	19.9	23.7	27.0
Net income	6.9	7.7	11.7	13.0	13.9	16.7	19.4
Net debt	27.5	19.4	9.3	1.5	-1.1	-12.6	-27.1
Net gearing	56.0 %	31.4 %	13.5 %	1.7 %	-1.1 %	-11.3 %	-21.1 %
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	0.32	0.39	0.45
CPS	-0.09	0.16	0.15	0.35	0.17	0.37	0.41
DPS	0.00	0.00	0.06	0.07	0.08	0.09	0.10
Dividend yield	0.0 %	0.0 %	1.1 %	1.3 %	1.5 %	1.7 %	1.8 %
Gross profit margin	29.9 %	34.4 %	33.1 %	33.2 %	33.9 %	33.9 %	34.2 %
EBITDA margin	8.0 %	4.9 %	5.9 %	5.9 %	6.1 %	6.5 %	6.8 %
EBIT margin	6.2 %	3.3 %	4.2 %	4.3 %	4.3 %	4.7 %	5.1 %
ROCE	10.2 %	8.3 %	10.8 %	12.4 %	13.9 %	15.2 %	15.7 %
EV/sales	1.0	0.7	0.7	0.6	0.5	0.4	0.4
EV/EBITDA	13.1	14.3	11.2	10.4	8.3	6.9	5.8
EV/EBIT	16.9	21.2	15.8	14.4	11.9	9.5	7.8
PER	18.5	27.6	18.2	18.1	16.9	14.1	12.1
Adjusted FCF yield	5.2 %	4.3 %	6.6 %	6.7 %	8.3 %	10.0 %	11.0 %

Source: Company data, Hauck & Aufhäuser Close price as of: 03.02.2016



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 5.95 / 3.37

**Price/Book Ratio:** 2.4

**Relative performance (TecDAX):**

3 months 19.9 %

6 months 21.7 %

12 months 51.3 %

### Changes in estimates

		Sales	EBIT	EPS
2015	old:	465.0	19.4	0.31
	Δ	-	2.6%	3.4%
2016	old:	493.1	23.2	0.37
	Δ	1.4%	2.2%	3.7%
2017	old:	522.7	26.5	0.44
	Δ	1.4%	1.9%	2.3%

### Key share data:

Number of shares: (in m pcs) 43.3

Authorised capital: (in € m) 12.1

Book value per share: (in €) 2.3

Ø trading volume: (12 months) 60,000

### Major shareholders:

Free Float 86.0 %

Grosso 14.0 %

CEO (incl. in Free Float) 5.0 %

### 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>465.0</b>	<b>500.0</b>	<b>530.0</b>
<i>Sales growth</i>	89.9 %	121.5 %	-0.5 %	14.1 %	20.6 %	7.5 %	6.0 %
Increase/decrease in finished goods and work-in-process	0.7	0.3	0.9	1.2	0.9	1.0	1.0
<b>Total sales</b>	<b>153.9</b>	<b>339.8</b>	<b>338.8</b>	<b>386.8</b>	<b>465.9</b>	<b>501.0</b>	<b>531.0</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	307.8	331.0	349.3
Personnel expenses	23.4	71.9	66.2	72.4	90.2	95.9	102.1
Other operating expenses	15.6	34.9	32.5	38.2	43.3	45.6	47.7
Total operating expenses	141.7	323.3	318.7	363.9	437.5	468.5	495.0
<b>EBITDA</b>	<b>12.3</b>	<b>16.6</b>	<b>20.1</b>	<b>22.9</b>	<b>28.4</b>	<b>32.5</b>	<b>36.0</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>24.5</b>	<b>28.2</b>	<b>31.2</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	4.5	4.2
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>19.9</b>	<b>23.7</b>	<b>27.0</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>16.8</b>	<b>20.6</b>	<b>24.2</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>16.8</b>	<b>20.6</b>	<b>24.2</b>
Taxes	0.3	0.3	0.1	0.8	1.7	2.1	2.4
<b>Net income from continuing operations</b>	<b>8.2</b>	<b>9.4</b>	<b>11.9</b>	<b>14.0</b>	<b>15.1</b>	<b>18.6</b>	<b>21.8</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>15.1</b>	<b>18.6</b>	<b>21.8</b>
Minority interest	1.3	1.7	0.2	1.0	1.2	1.9	2.4
<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>13.9</b>	<b>16.7</b>	<b>19.4</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>0.32</b>	<b>0.39</b>	<b>0.45</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 %	0.8 %	0.8 %	0.8 %
Material expenses	70.5 %	65.6 %	67.1 %	67.0 %	66.2 %	66.2 %	65.9 %
Personnel expenses	15.3 %	21.2 %	19.6 %	18.8 %	19.4 %	19.2 %	19.3 %
Other operating expenses	10.2 %	10.3 %	9.6 %	9.9 %	9.3 %	9.1 %	9.0 %
Total operating expenses	92.5 %	95.2 %	94.3 %	94.4 %	94.1 %	93.7 %	93.4 %
<b>EBITDA</b>	<b>8.0 %</b>	<b>4.9 %</b>	<b>5.9 %</b>	<b>5.9 %</b>	<b>6.1 %</b>	<b>6.5 %</b>	<b>6.8 %</b>
Depreciation	0.7 %	0.8 %	0.7 %	0.6 %	0.8 %	0.9 %	0.9 %
<b>EBITA</b>	<b>7.2 %</b>	<b>4.1 %</b>	<b>5.3 %</b>	<b>5.4 %</b>	<b>5.3 %</b>	<b>5.6 %</b>	<b>5.9 %</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>4.3 %</b>	<b>4.7 %</b>	<b>5.1 %</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 %	0.6 %
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 %	-0.6 %	-0.5 %
<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>3.6 %</b>	<b>4.1 %</b>	<b>4.6 %</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>3.6 %</b>	<b>4.1 %</b>	<b>4.6 %</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>3.7 %</b>	<b>4.1 %</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>3.7 %</b>	<b>4.1 %</b>
Minority interest	0.8 %	0.5 %	0.1 %	0.3 %	0.3 %	0.4 %	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>3.0 %</b>	<b>3.3 %</b>	<b>3.7 %</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>58.3</b>	<b>60.1</b>	<b>59.0</b>
Property, plant and equipment	11.1	9.9	9.0	11.4	9.9	8.1	8.6
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>72.0</b>	<b>71.9</b>	<b>71.4</b>
Inventories	20.6	23.4	22.7	30.0	36.2	38.9	41.3
Accounts receivable	85.0	81.9	71.6	95.7	114.7	123.3	130.7
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	42.1	53.6	68.0
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>229.1</b>	<b>252.5</b>	<b>277.3</b>
<b>TOTAL ASSETS</b>	<b>227.0</b>	<b>214.0</b>	<b>220.1</b>	<b>273.1</b>	<b>301.0</b>	<b>324.4</b>	<b>348.7</b>
SHAREHOLDERS EQUITY	49.2	61.8	69.2	86.9	97.6	112.3	128.7
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	89.4	96.2	101.9
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>167.4</b>	<b>176.0</b>	<b>183.7</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>301.0</b>	<b>324.4</b>	<b>348.7</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>19.4 %</b>	<b>18.5 %</b>	<b>16.9 %</b>
Property, plant and equipment	4.9 %	4.6 %	4.1 %	4.2 %	3.3 %	2.5 %	2.5 %
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>23.9 %</b>	<b>22.2 %</b>	<b>20.5 %</b>
Inventories	9.1 %	10.9 %	10.3 %	11.0 %	12.0 %	12.0 %	11.8 %
Accounts receivable	37.5 %	38.3 %	32.6 %	35.0 %	38.1 %	38.0 %	37.5 %
Other current assets	11.4 %	7.2 %	6.9 %	8.1 %	7.5 %	7.1 %	6.8 %
Liquid assets	13.2 %	14.0 %	19.5 %	14.5 %	14.0 %	16.5 %	19.5 %
Deferred taxes	4.0 %	4.6 %	5.1 %	5.0 %	4.5 %	4.2 %	3.9 %
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>76.1 %</b>	<b>77.8 %</b>	<b>79.5 %</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 %	32.4 %	34.6 %	36.9 %
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 %	8.7 %	8.1 %	7.5 %
Provisions for pensions and similar obligations	2.4 %	1.4 %	1.3 %	0.8 %	0.8 %	0.7 %	0.7 %
Other provisions	8.1 %	8.0 %	1.8 %	1.7 %	1.6 %	1.5 %	1.4 %
<b>Non-current liabilities</b>	<b>20.7 %</b>	<b>14.8 %</b>	<b>14.0 %</b>	<b>12.1 %</b>	<b>11.0 %</b>	<b>10.3 %</b>	<b>9.6 %</b>
short-term liabilities to banks	15.1 %	17.7 %	12.9 %	5.4 %	4.9 %	4.6 %	4.2 %
Accounts payable	26.7 %	25.1 %	21.2 %	27.2 %	29.7 %	29.6 %	29.2 %
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 %	20.5 %	19.6 %	18.8 %
Deferred taxes	0.6 %	0.6 %	0.6 %	0.5 %	0.5 %	0.4 %	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>55.6 %</b>	<b>54.2 %</b>	<b>52.7 %</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	15.1	18.6	21.8
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	4.5	4.2
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	23.6	27.4	30.8
Increase/decrease in inventory	-0.1	-2.8	0.7	-7.4	-6.2	-2.7	-2.3
Increase/decrease in accounts receivable	-17.6	3.1	10.3	-24.0	-19.0	-8.6	-7.4
Increase/decrease in accounts payable	15.3	-6.9	-7.1	27.6	15.3	6.7	5.8
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	-9.9	-4.6	-4.0
<b>Cash flow from operating activities</b>	<b>0.5</b>	<b>10.6</b>	<b>11.1</b>	<b>20.6</b>	<b>13.7</b>	<b>22.8</b>	<b>26.8</b>
CAPEX	2.8	3.2	5.8	5.8	8.1	8.8	8.5
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	1.0	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>-8.1</b>	<b>-7.8</b>	<b>-8.5</b>
Cash flow before financing	-16.3	8.4	11.1	8.0	5.6	15.0	18.3
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	3.5	3.9
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>-3.5</b>	<b>-3.9</b>
Increase/decrease in liquid assets	-2.0	-2.9	9.1	19.5	2.6	11.5	14.4
<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>42.1</b>	<b>53.6</b>	<b>68.0</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	65.1	65.0	68.9
yoy change	51.2 %	62.2 %	-2.4 %	-4.8 %	0.1 %	-0.2 %	6.0 %
Rest of Europe	110.1	269.5	269.6	320.5	399.9	435.0	461.1
yoy change	111.0 %	144.8 %	0.0 %	18.9 %	24.8 %	8.8 %	6.0 %
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>465.0</b>	<b>500.0</b>	<b>530.0</b>
yoy change	89.9 %	121.5 %	-0.5 %	14.1 %	20.6 %	7.5 %	6.0 %

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 %	20.6 %	7.5 %	6.0 %
EBITDA growth	169.3 %	35.1 %	21.3 %	14.0 %	24.1 %	14.3 %	10.9 %
EBIT growth	194.2 %	17.4 %	28.2 %	16.2 %	19.8 %	18.9 %	14.1 %
EPS growth	53.2 %	-6.6 %	9.3 %	5.4 %	1.9 %	20.1 %	15.9 %
<b>Efficiency</b>							
Total operating costs / sales	92.5 %	95.2 %	94.3 %	94.4 %	94.1 %	93.7 %	93.4 %
Sales per employee	161.1	203.6	211.9	203.5	208.5	222.0	233.0
EBITDA per employee	12.9	9.9	12.6	12.1	12.7	14.4	15.8
<b>Balance sheet analysis</b>							
Avg. working capital / sales	18.2 %	14.2 %	14.7 %	12.9 %	12.1 %	12.7 %	12.8 %
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	26.9	26.9	26.6
<b>Cash flow analysis</b>							
Free cash flow	-2.3	7.5	5.3	14.8	5.6	14.0	18.3
Free cash flow/sales	-1.5 %	2.2 %	1.6 %	3.8 %	1.2 %	2.8 %	3.5 %
FCF / net profit	-34.0 %	96.4 %	45.3 %	114.1 %	40.3 %	83.8 %	94.7 %
Capex / depre	196.1 %	46.9 %	103.4 %	119.1 %	95.7 %	99.4 %	94.2 %
Capex / maintenance capex	52.0 %	n/a	78.4 %	37.3 %	35.8 %	36.8 %	58.9 %
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	-1.1	-12.6	-27.1
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	6.1	7.2	8.2
Dividend payout ratio	0.0 %	0.0 %	20.1 %	23.3 %	24.9 %	23.3 %	22.3 %
<b>Asset utilisation</b>							
Capital employed turnover	1.1	2.5	2.6	2.8	3.1	3.1	2.9
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	47.1	62.0	61.9
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 %	13.9 %	15.2 %	15.7 %
ROE	14.0 %	12.5 %	17.0 %	14.9 %	14.2 %	14.9 %	15.1 %
<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	0.32	0.39	0.45
<b>Valuation ratios</b>							
P/BV	2.6	3.5	3.1	2.7	2.4	2.1	1.8
EV/sales	1.0	0.7	0.7	0.6	0.5	0.4	0.4
EV/EBITDA	13.1	14.3	11.2	10.4	8.3	6.9	5.8
EV/EBITA	14.5	17.1	12.7	11.5	9.6	8.0	6.7
EV/EBIT	16.9	21.2	15.8	14.4	11.9	9.5	7.8
EV/FCF	-68.5	31.6	42.5	16.1	42.1	16.0	11.5
Adjusted FCF yield	5.2 %	4.3 %	6.6 %	6.7 %	8.3 %	10.0 %	11.0 %
Dividend yield	0.0 %	0.0 %	1.1 %	1.3 %	1.5 %	1.7 %	1.8 %

Source: Company data, Hauck & Aufhäuser

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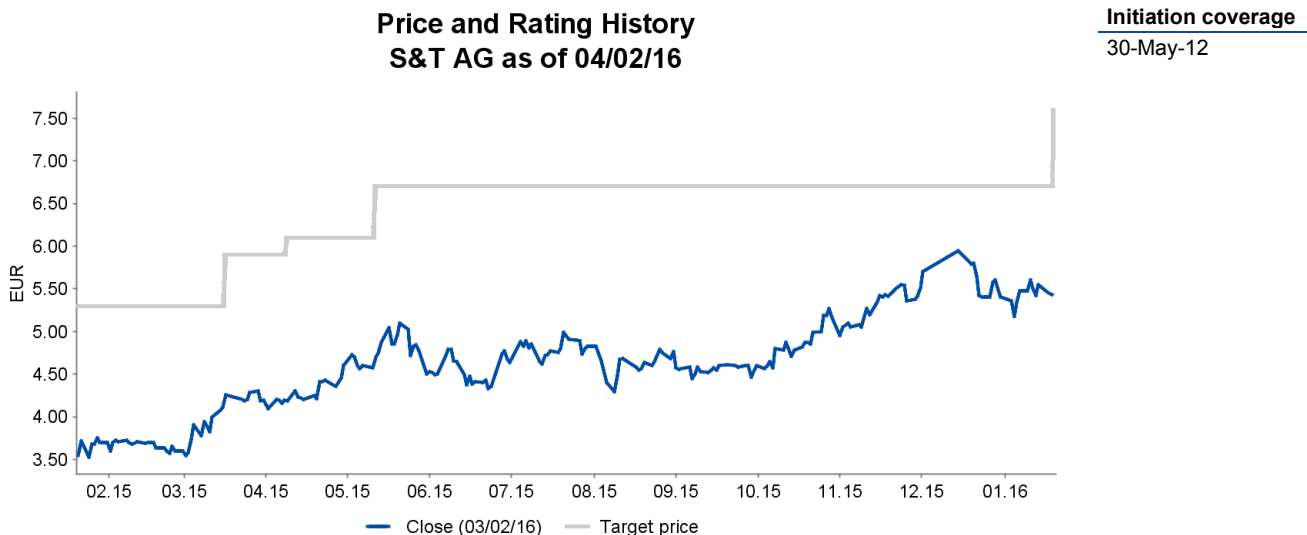
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