

Buy (old: Buy)

Price target: EUR 31.00 (old: EUR 31.00)

Price:	EUR 21.50	Next result:	Q2'21: tba
Bloomberg:	SANT GR	Market cap:	EUR 1,586.3 m
Reuters:	SANT1.DE	Enterprise Value:	EUR 1,681.0 m

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Key insights from Q1 results and the Conference Call

- Q1 results in-line** (see table on next page). S&T reported flat organic growth due to FX headwinds (€ 6.5m burden) and chip shortages. The latter led to project delays, which shifted € 10.5m of revenues into the coming quarters. Segment IoT America was an underperformer due to FX and ongoing weakness in Avionics. The end-market contributed € 3m to segment revenues in Q1'21, which compares to c. € 10m per quarter in FY'19. The segment's EBITDA margin was burdened by € 0.7m one-off expenses (i.e. restructuring and write-downs), while M&A had a 1.3pp margin dilutive effect on IoT Europe (eH&A).
- Upbeat prospects for Q2'21.** On a positive note, management expects revenues to "well exceed" € 600m in H1'21E. This would imply **more than € 305m revenues in Q2'21E** (eH&A: € 315m), equalling growth of at least 14% yoy and 4% qoq. First, S&T recorded a strong order intake of € 404m in Q1'21 (+33% yoy / 1.4x book-to-bill), carried by industry / robotics, healthcare and transport applications. There should have been no double ordering but some pull forward effects to the tune of € 30m as S&T's customers are looking to secure supply. At the same time, € 4m revenues from delayed projects should be realised in Q2'21, the remaining € 6m in H2'21E.
- Muted cash flow performance.** Q1'21 operating cash flow arrived at € -27m (Q1'20: € 6m) due to temporarily reduced factoring (€ 21m negative effect) and higher inventories (€ 11m negative effect). Indeed, S&T managed to secure additional supply on several chips / components, which were already on allocation. The company targets a 75% EBITDA to cash flow conversion for the FY'21E, indicating that operating cash flow is set to improve strongly in the coming quarters.
- Preparing for a divestment of IT Services – a major potential catalyst.** S&T is looking to split up the segment IT Services into IT Services (2/3 of segment revenues) and IoT Solutions Central & Eastern Europe (1/3). As management noted during the CC, this should be an initial step to divest the non-core IT Services business, and fully focus the company on technology. A divestment could happen in late '21E or early '22E, in our view.

Reiterate **BUY** with a € 31.00 PT based on DCF. *continued*

Y/E 31.12 (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Sales	882.0	990.9	1,122.9	1,254.8	1,402.0	1,556.2	1,696.3
Sales growth	75 %	12 %	13 %	12 %	12 %	11 %	n/a
EBITDA	68.1	90.5	111.7	130.0	141.6	165.7	190.8
EBIT	41.7	61.5	61.8	68.6	77.6	100.1	124.8
Net income	22.5	45.0	49.1	55.6	64.2	84.3	100.6
Net debt	-101.8	-52.7	91.5	104.1	67.8	8.2	-75.0
Net gearing	-33.4 %	-14.8 %	24.5 %	25.8 %	15.2 %	1.6 %	-12.7 %
Net Debt/EBITDA	0.0	0.0	0.8	0.8	0.5	0.0	0.0
EPS pro forma	0.51	0.68	0.74	0.84	0.97	1.28	1.52
CPS	0.52	0.32	0.88	1.67	1.09	1.47	1.75
DPS	0.13	0.16	0.00	0.30	0.30	0.32	0.34
Dividend yield	0.5 %	0.7 %	0.0 %	1.3 %	1.2 %	1.4 %	1.4 %
Gross profit margin	36.7 %	36.0 %	37.2 %	37.2 %	37.0 %	37.4 %	37.9 %
EBITDA margin	7.7 %	9.1 %	9.9 %	10.4 %	10.1 %	10.7 %	11.3 %
EBIT margin	4.7 %	6.2 %	5.5 %	5.5 %	5.5 %	6.4 %	7.4 %
ROCE	9.4 %	11.9 %	8.8 %	9.9 %	8.7 %	10.9 %	12.8 %
EV/sales	1.6	1.6	1.5	1.4	1.2	1.0	0.9
EV/EBITDA	21.2	17.1	15.3	13.2	11.9	9.8	8.1
EV/EBIT	34.5	25.2	27.6	25.0	21.7	16.2	12.3
PER	47.1	35.3	32.3	28.5	24.7	18.8	15.7
Adjusted FCF yield	3.0 %	4.2 %	4.9 %	5.6 %	6.3 %	7.8 %	9.4 %

Source: Company data, Hauck & Aufhäuser Close price as of: 06.05.2021



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 25.28 / 15.30
Price/Book Ratio: 3.3
Relative performance (TecDAX):
 3 months 2.6 %
 6 months 9.0 %
 12 months -15.8 %

Changes in estimates

		Sales	EBIT	EPS
2021	old:	1,402.0	77.6	0.97
	Δ	-	-	-
2022	old:	1,556.2	100.1	1.28
	Δ	-	-	-
2023	old:	1,696.3	124.8	1.52
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 65.0
 Authorised capital: (in € m) 12.1
 Book value per share: (in €) 6.8
 Ø trading volume: (12 months) 155,000

Major shareholders:

Free Float 73.4 %
 Ennoconn 26.6 %
 AGI 5.0 %
 Ninety One 4.0 %

Company description:

Leading IoT solutions provider targeting industrial, medical, avionics, smart energy, and other applications

EUR	Q1'21	Q1'21 est	Q1'21 cons.	Q1'20	yoy	Q4'20	qoq
Sales	294	295	296	270	9%	418	-30%
IoT Solutions Europe	144	142	-	129	12%	173	-17%
IoT Solutions America	22	25	-	24	-8%	41	-46%
IT Services	128	128	-	117	9%	205	-37%
Gross profit	120	123	118	112	8%	144	-16%
Gross margin	40.9%	41.7%	39.8%	41.3%	- 0.4 pp	34.4%	+ 6.5 pp
EBITDA	28.2	27.8	28.0	25.0	13%	46.4	-39%
EBITDA margin	9.6%	9.4%	9.4%	9.3%	+ 0.3 pp	11.1%	- 1.5 pp
IoT Solutions Europe	16.8	16.6	-	15.7	7%	18.5	-9%
margin	11.7%	11.7%	-	12.2%	- 0.5 pp	10.7%	+ 1.0 pp
IoT Solutions America	-0.8	1.6	-	2.1	n.a.	6.1	n.a.
margin	-3.7%	6.4%	-	8.8%	- 12.5 pp	15.1%	- 18.7 pp
IT Services	12.2	9.6	-	7.2	69%	21.7	-44%
margin	9.5%	7.5%	-	6.1%	+ 3.4 pp	10.6%	- 1.1 pp
EBIT	12.7	12.7	12.1	11.2	13%	27.1	-53%
EBIT margin	4.3%	4.3%	4.1%	4.2%	+ 0.2 pp	6.5%	- 2.2 pp
Net after minorities	10.1	10.0	9.4	9.5	6%	24.2	-58%
Net margin	3.4%	3.4%	3.2%	3.5%	- 0.1 pp	5.8%	- 2.3 pp
EPS	0.16	0.15	0.15	0.14	11%	0.37	-56%

Source: Company data, Hauck & Aufhäuser

Note:

- Acquired companies contributed € 27m to revenues in Q1'21. The EBITDA contribution from M&A amounted to € 0.5m in Q1'21.
- FX headwinds ate up € 6.5m of revenues in Q1'21. The respective burden on the IoT America segment was € 2.5m.
- The chip shortage shifted € 10.5m worth of projects into the coming quarters. € 7.5m of this hurt the IoT Solutions segment, € 3m the IoT America segment.
- The FY'21E guidance was confirmed: € 1.4bn revenues, € 140m EBITDA, € 1.00 EPS. In-line with eH&A.

Financials

Profit and loss (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Net sales	882.0	990.9	1,122.9	1,254.8	1,402.0	1,556.2	1,696.3
Sales growth	75.1 %	12.3 %	13.3 %	11.7 %	11.7 %	11.0 %	n/a
Increase/decrease in finished goods and work-in-process	13.4	15.1	15.5	17.6	16.8	17.1	17.8
Total sales	895.3	1,006.0	1,138.4	1,272.4	1,418.8	1,573.3	1,714.1
Other operating income	8.5	7.5	8.0	8.8	8.4	8.6	8.5
Material expenses	567.0	644.3	715.4	799.0	894.5	985.1	1,065.3
Personnel expenses	179.4	194.6	245.2	273.3	302.8	333.0	359.6
Other operating expenses	89.4	84.0	74.2	78.8	88.3	98.0	106.9
Total operating expenses	827.3	915.4	1,026.7	1,142.4	1,277.2	1,407.6	1,523.3
EBITDA	68.1	90.5	111.7	130.0	141.6	165.7	190.8
Depreciation	7.4	29.0	25.9	30.9	31.3	32.6	33.0
EBITA	60.7	61.5	85.8	99.1	110.3	133.1	157.8
Amortisation of goodwill	0.0	n/a	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	18.9	n/a	24.0	30.5	32.7	33.0	33.0
Impairment charges	0.0	n/a	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	41.7	61.5	61.8	68.6	77.6	100.1	124.8
Interest income	0.6	1.0	1.3	1.6	1.8	1.6	1.6
Interest expenses	6.9	6.2	9.0	9.3	8.1	8.1	8.1
Other financial result	0.0	0.0	0.0	-0.2	0.0	0.0	0.0
Financial result	-6.4	-5.2	-7.7	-7.9	-6.3	-6.5	-6.5
Recurring pretax income from continuing operations	35.4	56.3	54.1	60.7	71.3	93.6	118.3
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	35.4	56.3	54.1	60.7	71.3	93.6	118.3
Taxes	6.0	7.9	4.6	6.1	7.1	9.4	17.7
Net income from continuing operations	29.4	48.5	49.5	54.6	64.2	84.3	100.6
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	29.4	48.5	49.5	54.6	64.2	84.3	100.6
Minority interest	6.9	3.5	0.4	-1.0	0.0	0.0	0.0
Net profit (reported)	22.5	45.0	49.1	55.6	64.2	84.3	100.6
Average number of shares	52.5	66.1	66.1	65.0	65.0	65.0	65.0
EPS reported	0.43	0.68	0.74	0.86	0.99	1.30	1.55

Profit and loss (common size)	2017	2018	2019	2020	2021E	2022E	2023E
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	1.5 %	1.5 %	1.4 %	1.4 %	1.2 %	1.1 %	1.1 %
Total sales	101.5 %	101.5 %	101.4 %	101.4 %	101.2 %	101.1 %	101.1 %
Other operating income	1.0 %	0.8 %	0.7 %	0.7 %	0.6 %	0.6 %	0.5 %
Material expenses	64.3 %	65.0 %	63.7 %	63.7 %	63.8 %	63.3 %	62.8 %
Personnel expenses	20.3 %	19.6 %	21.8 %	21.8 %	21.6 %	21.4 %	21.2 %
Other operating expenses	10.1 %	8.5 %	6.6 %	6.3 %	6.3 %	6.3 %	6.3 %
Total operating expenses	93.8 %	92.4 %	91.4 %	91.0 %	91.1 %	90.5 %	89.8 %
EBITDA	7.7 %	9.1 %	9.9 %	10.4 %	10.1 %	10.7 %	11.3 %
Depreciation	0.8 %	2.9 %	2.3 %	2.5 %	2.2 %	2.1 %	1.9 %
EBITA	6.9 %	6.2 %	7.6 %	7.9 %	7.9 %	8.6 %	9.3 %
Amortisation of goodwill	0.0 %	n/a	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.1 %	n/a	2.1 %	2.4 %	2.3 %	2.1 %	1.9 %
Impairment charges	0.0 %	n/a	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	4.7 %	6.2 %	5.5 %	5.5 %	5.5 %	6.4 %	7.4 %
Interest income	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.8 %	0.6 %	0.8 %	0.7 %	0.6 %	0.5 %	0.5 %
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	4.0 %	5.7 %	4.8 %	4.8 %	5.1 %	6.0 %	7.0 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	4.0 %	5.7 %	4.8 %	4.8 %	5.1 %	6.0 %	7.0 %
Tax rate	17.0 %	14.0 %	8.4 %	10.0 %	10.0 %	10.0 %	15.0 %
Net income from continuing operations	3.3 %	4.9 %	4.4 %	4.4 %	4.6 %	5.4 %	5.9 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	3.3 %	4.9 %	4.4 %	4.4 %	4.6 %	5.4 %	5.9 %
Minority interest	0.8 %	0.4 %	0.0 %	neg.	0.0 %	0.0 %	0.0 %
Net profit (reported)	2.6 %	4.5 %	4.4 %	4.4 %	4.6 %	5.4 %	5.9 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	189.9	207.6	294.9	302.3	295.3	288.5	272.4
Property, plant and equipment	31.9	37.1	99.8	135.1	126.3	118.6	112.7
Financial assets	17.6	0.3	22.8	22.1	22.1	22.1	22.1
FIXED ASSETS	239.4	244.9	417.5	459.5	443.7	429.2	407.3
Inventories	104.0	130.8	146.8	159.9	182.1	202.1	220.3
Accounts receivable	172.4	202.7	212.2	204.5	265.0	294.2	320.7
Other current assets	43.5	68.0	102.6	104.2	106.9	109.5	112.3
Liquid assets	216.9	171.8	312.3	281.9	318.2	377.8	461.0
Deferred taxes	28.6	29.8	34.4	36.6	36.6	36.6	36.6
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	565.5	603.0	808.2	787.1	908.8	1,020.2	1,150.8
TOTAL ASSETS	804.9	847.9	1,225.7	1,246.6	1,352.5	1,449.4	1,558.1
SHAREHOLDERS EQUITY	305.1	356.0	372.7	404.0	447.2	511.7	588.5
MINORITY INTEREST	26.7	11.3	12.4	5.4	5.4	5.4	5.4
Long-term debt	68.7	79.4	341.0	343.2	343.2	343.2	343.2
Provisions for pensions and similar obligations	21.2	14.6	30.0	26.8	26.8	26.8	26.8
Other provisions	36.7	28.0	54.4	40.5	40.5	40.5	40.5
Non-current liabilities	126.6	122.0	425.4	410.5	410.5	410.5	410.5
short-term liabilities to banks	46.4	39.6	62.8	42.8	42.8	42.8	42.8
Accounts payable	154.9	177.0	205.0	210.0	268.9	298.5	325.3
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)	135.6	129.4	134.2	160.6	160.6	165.4	170.3
Deferred taxes	9.5	12.6	13.4	13.3	17.0	15.2	15.2
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	346.4	358.6	415.3	426.6	489.3	521.8	553.6
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	804.9	847.9	1,225.7	1,246.6	1,352.5	1,449.4	1,558.1

Balance sheet (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	23.6 %	24.5 %	24.1 %	24.2 %	21.8 %	19.9 %	17.5 %
Property, plant and equipment	4.0 %	4.4 %	8.1 %	10.8 %	9.3 %	8.2 %	7.2 %
Financial assets	2.2 %	0.0 %	1.9 %	1.8 %	1.6 %	1.5 %	1.4 %
FIXED ASSETS	29.7 %	28.9 %	34.1 %	36.9 %	32.8 %	29.6 %	26.1 %
Inventories	12.9 %	15.4 %	12.0 %	12.8 %	13.5 %	13.9 %	14.1 %
Accounts receivable	21.4 %	23.9 %	17.3 %	16.4 %	19.6 %	20.3 %	20.6 %
Other current assets	5.4 %	8.0 %	8.4 %	8.4 %	7.9 %	7.6 %	7.2 %
Liquid assets	27.0 %	20.3 %	25.5 %	22.6 %	23.5 %	26.1 %	29.6 %
Deferred taxes	3.6 %	3.5 %	2.8 %	2.9 %	2.7 %	2.5 %	2.4 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	70.3 %	71.1 %	65.9 %	63.1 %	67.2 %	70.4 %	73.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	37.9 %	42.0 %	30.4 %	32.4 %	33.1 %	35.3 %	37.8 %
MINORITY INTEREST	3.3 %	1.3 %	1.0 %	0.4 %	0.4 %	0.4 %	0.3 %
Long-term debt	8.5 %	9.4 %	27.8 %	27.5 %	25.4 %	23.7 %	22.0 %
Provisions for pensions and similar obligations	2.6 %	1.7 %	2.4 %	2.2 %	2.0 %	1.9 %	1.7 %
Other provisions	4.6 %	3.3 %	4.4 %	3.2 %	3.0 %	2.8 %	2.6 %
Non-current liabilities	15.7 %	14.4 %	34.7 %	32.9 %	30.4 %	28.3 %	26.3 %
short-term liabilities to banks	5.8 %	4.7 %	5.1 %	3.4 %	3.2 %	3.0 %	2.7 %
Accounts payable	19.2 %	20.9 %	16.7 %	16.8 %	19.9 %	20.6 %	20.9 %
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)	16.9 %	15.3 %	10.9 %	12.9 %	11.9 %	11.4 %	10.9 %
Deferred taxes	1.2 %	1.5 %	1.1 %	1.1 %	1.3 %	1.0 %	1.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	43.0 %	42.3 %	33.9 %	34.2 %	36.2 %	36.0 %	35.5 %
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)	2017	2018	2019	2020	2021E	2022E	2023E
Net profit/loss	29.4	48.5	49.5	54.6	64.2	84.3	100.6
Depreciation of fixed assets (incl. leases)	7.4	29.9	49.9	30.9	31.3	32.6	33.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	18.9	0.0	0.0	30.5	32.7	33.0	33.0
Others	-13.6	-17.7	3.7	-8.5	0.0	0.0	0.0
Cash flow from operations before changes in w/c	42.1	60.7	103.1	107.5	128.2	149.9	166.6
Increase/decrease in inventory	-17.9	-4.1	-16.0	-13.1	-22.2	-20.0	-18.2
Increase/decrease in accounts receivable	5.5	-23.1	-30.0	41.4	-60.6	-29.2	-26.5
Increase/decrease in accounts payable	15.2	2.1	49.7	5.0	58.9	29.6	26.9
Increase/decrease in other working capital positions	0.0	0.0	-23.5	0.0	0.0	0.0	0.0
Increase/decrease in working capital	2.8	-25.1	-19.8	33.3	-23.9	-19.6	-17.8
Cash flow from operating activities	44.9	35.5	83.4	140.8	104.3	130.3	148.8
CAPEX	23.0	25.1	27.1	33.9	40.7	43.6	44.1
Payments for acquisitions	11.5	39.6	27.2	41.0	7.5	7.5	0.0
Financial investments	5.7	-0.5	4.3	3.6	0.0	0.0	0.0
Income from asset disposals	1.2	1.1	2.9	1.3	0.0	0.0	0.0
Cash flow from investing activities	-39.1	-63.1	-55.7	-77.2	-48.2	-51.1	-44.1
Cash flow before financing	5.8	-27.6	27.7	63.6	56.1	79.2	104.7
Increase/decrease in debt position	28.8	1.2	128.1	-40.9	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	14.6	12.2	0.0	0.0	0.0
Capital measures	86.9	2.2	0.0	1.4	0.0	0.0	0.0
Dividends paid	4.9	8.3	10.6	0.0	19.8	19.6	21.4
Others	-17.7	-15.9	-19.1	-14.1	0.0	0.0	0.0
Effects of exchange rate changes on cash	-2.0	0.3	1.1	-8.1	0.0	0.0	0.0
Cash flow from financing activities	93.1	-20.9	83.8	-65.8	-19.8	-19.6	-21.4
Increase/decrease in liquid assets	97.0	-48.2	112.6	-10.2	36.3	59.6	83.2
Liquid assets at end of period	216.9	171.8	312.3	281.9	318.2	377.8	461.0

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Domestic	108.3	98.4	102.2	106.7	112.2	141.6	0.0
yoy change	80.1 %	-9.1 %	3.8 %	4.4 %	5.2 %	26.3 %	n/a
Rest of Europe	242.7	300.0	336.9	373.9	410.8	471.5	0.0
yoy change	46.0 %	23.6 %	12.3 %	11.0 %	9.9 %	14.8 %	n/a
NAFTA	132.1	133.2	152.7	178.2	206.1	211.6	0.0
yoy change	n/a	0.8 %	14.7 %	16.7 %	15.7 %	2.7 %	n/a
Asia Pacific	n/a	n/a	n/a	n/a	n/a	n/a	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	398.9	459.4	531.1	596.0	673.0	722.1	0.0
yoy change	43.8 %	15.2 %	15.6 %	12.2 %	12.9 %	7.3 %	n/a
TTL	882.0	990.9	1,122.9	1,254.8	1,402.0	1,556.2	0.0
yoy change	75.1 %	12.3 %	13.3 %	11.7 %	11.7 %	11.0 %	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
P&L growth analysis							
Sales growth	75.1 %	12.3 %	13.3 %	11.7 %	11.7 %	11.0 %	n/a
EBITDA growth	97.9 %	33.0 %	23.4 %	43.6 %	26.8 %	27.4 %	34.8 %
EBIT growth	73.1 %	47.3 %	0.4 %	11.5 %	25.6 %	46.0 %	60.9 %
EPS growth	29.9 %	58.9 %	9.2 %	25.7 %	32.9 %	51.5 %	56.7 %
Efficiency							
Total operating costs / sales	93.8 %	92.4 %	91.4 %	91.0 %	91.1 %	90.5 %	89.8 %
Sales per employee	306.0	254.1	259.8	288.9	319.6	709.6	765.8
EBITDA per employee	23.6	23.2	25.9	29.9	32.3	75.6	86.1
Balance sheet analysis							
Avg. working capital / sales	13.6 %	14.0 %	13.8 %	12.4 %	11.8 %	11.3 %	11.6 %
Inventory turnover (sales/inventory)	8.5	7.6	7.7	7.8	7.7	7.7	7.7
Trade debtors in days of sales	71.3	74.6	69.0	59.5	69.0	69.0	69.0
A/P turnover [(A/P*365)/sales]	64.1	65.2	66.6	61.1	70.0	70.0	70.0
Cash conversion cycle (days)	38.6	48.5	39.2	36.6	33.6	33.3	33.0
Cash flow analysis							
Free cash flow	21.9	10.4	56.3	106.9	63.6	86.7	104.7
Free cash flow/sales	2.5 %	1.1 %	5.0 %	8.5 %	4.5 %	5.6 %	6.2 %
FCF / net profit	97.3 %	23.2 %	114.6 %	192.2 %	99.1 %	102.9 %	104.1 %
Capex / depre	109.2 %	82.3 %	62.9 %	61.2 %	63.5 %	66.4 %	66.8 %
Capex / maintenance capex	145.7 %	n/a	74.6 %	70.3 %	70.1 %	75.9 %	82.2 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	-101.8	-52.7	91.5	104.1	67.8	8.2	-75.0
Net Debt/EBITDA	0.0	0.0	0.8	0.8	0.5	0.0	0.0
Net debt / equity	neg.	neg.	0.2	0.3	0.2	0.0	neg.
Interest cover	6.0	10.0	6.9	7.4	9.6	12.4	15.4
Dividend payout ratio	36.6 %	23.5 %	0.0 %	35.7 %	30.5 %	25.4 %	22.4 %
Asset utilisation							
Capital employed turnover	1.7	1.9	1.3	1.5	1.5	1.6	1.6
Operating assets turnover	5.7	5.1	4.4	4.3	4.6	4.9	5.2
Plant turnover	27.7	26.7	11.3	9.3	11.1	13.1	15.1
Inventory turnover (sales/inventory)	8.5	7.6	7.7	7.8	7.7	7.7	7.7
Returns							
ROCE	9.4 %	11.9 %	8.8 %	9.9 %	8.7 %	10.9 %	12.8 %
ROE	7.4 %	12.6 %	13.2 %	13.8 %	14.3 %	16.5 %	17.1 %
Other							
Interest paid / avg. debt	6.6 %	5.3 %	3.4 %	3.7 %	2.1 %	2.1 %	2.1 %
No. employees (average)	2882	3900	4322	4343	4387	2193	2215
Number of shares	52.5	66.1	66.1	65.0	65.0	65.0	65.0
DPS	0.1	0.2	0.0	0.3	0.3	0.3	0.3
EPS reported	0.43	0.68	0.74	0.86	0.99	1.30	1.55
Valuation ratios							
P/BV	5.0	4.5	4.3	3.9	3.5	3.1	2.7
EV/sales	1.6	1.6	1.5	1.4	1.2	1.0	0.9
EV/EBITDA	21.2	17.1	15.3	13.2	11.9	9.8	8.1
EV/EBITA	23.8	25.2	19.9	17.3	15.2	12.2	9.7
EV/EBIT	34.5	25.2	27.6	25.0	21.7	16.2	12.3
EV/FCF	65.8	148.3	30.3	16.1	26.4	18.7	14.7
Adjusted FCF yield	3.0 %	4.2 %	4.9 %	5.6 %	6.3 %	7.8 %	9.4 %
Dividend yield	0.5 %	0.7 %	0.0 %	1.3 %	1.2 %	1.4 %	1.4 %

Source: Company data, Hauck & Aufhäuser

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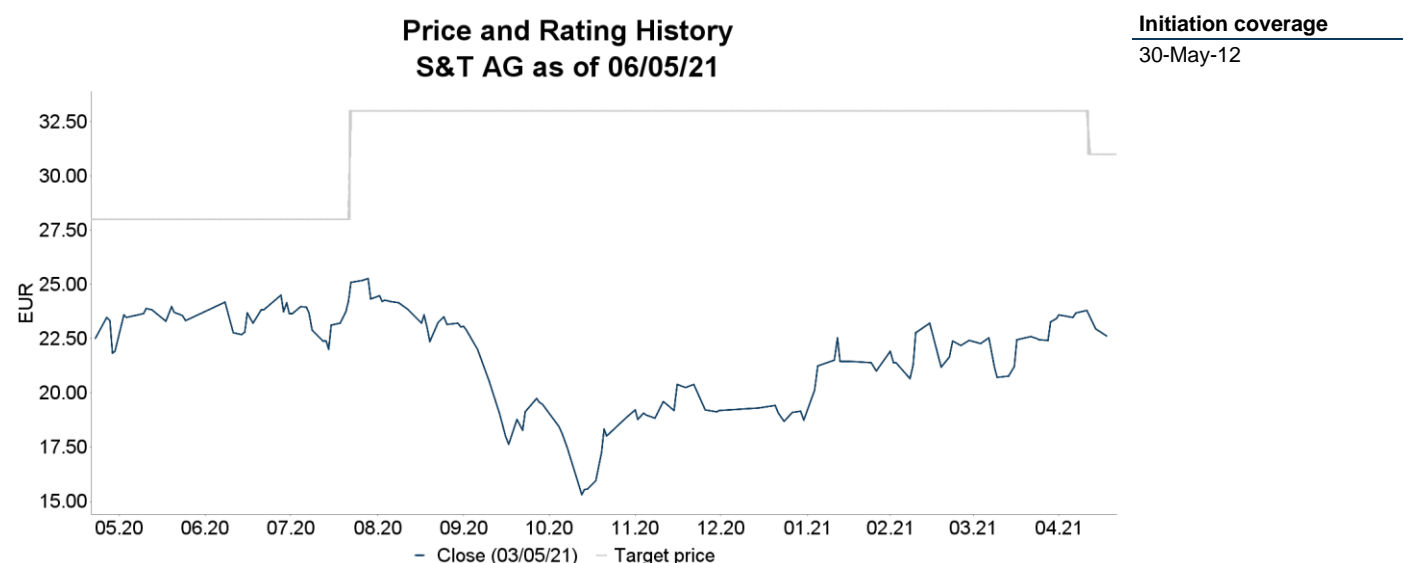
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Company	Disclosure
S&T AG	3

Historical target price and rating changes for S&T AG in the last 12 months



Company	Date	Analyst	Rating	Target price	Close
S&T AG	28.04.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 23,80
	24.02.2021	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 22,76
	18.12.2020	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 19,20
	05.11.2020	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 18,33
	03.11.2020	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 15,96

05.10.2020	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 18,77
11.08.2020	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 25,18
11.08.2020	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 25,18
10.08.2020	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 25,08
05.08.2020	Wunderlich, CFA, Tim	Buy	EUR 28,00	EUR 23,74

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