

Buy (old: Buy)

Price target: EUR 29.50 (old: EUR 29.50)

Price:	EUR 19.05	Next result:	Q1'23 04.05.23
Bloomberg:	KTN GR	Market cap:	EUR 1,170.8 m
Reuters:	KTN.DE	Enterprise Value:	EUR 1,013.2 m

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A case of growth and value – reiterate Buy following upbeat RS

We were on the road in Paris with the high-spirited CEO of Kontron, whom we overheard saying that he has „not been this upbeat for years“. It is for good reason that Kontron is an **HAIB conviction idea**, as a now focused IoT / 5G player with attractive growth and margin expansion potential as well as cash on hand for value-accretive M&A upside. **The key insights in a nutshell:**

- **Kontron is set to participate in the underlying dynamic market growth**, which is seen at 8% CAGR for embedded solutions and 15% CAGR for connected IoT devices, carried in particular by the re-shoring trend and related investments into automation to establish production cost parity to Asian countries. **Management targets 10% organic growth per year as a blended average**, which includes c. 5pp annual growth headwinds from the winding down of low-margin businesses. While a top-line headwind, this sensible strategy should support margin expansion due to mix effects.
- **Current trading and 2023E expectations** - management noted that even the recently raised net income guidance of € 66m (prior: € 60m / eHAIB: € 64m) **should be seen as conservative** given strong current trading and a high backlog of € 1.45bn, which consists of a **relatively large share of high-margin Software & Solutions business** carrying 15%+ EBITDA margins. The CEO's indication of strong current trading gives confidence in **excellent Q1'23E operating results** to be released on May 4, likely supporting the ongoing share price re-rating.
- **M&A** is still work in progress but management seems to be close to the finish line on several deals, with seemingly only minor details left to settle with sellers. Targets should be „typical Kontron deals“, i.e. promising technology available at attractive multiples but (relatively) mismanaged, leaving room for operational upside through synergies and stronger execution. Also, the current short-list of targets is tilted towards the Software & Solutions segment, which would mean targets have strong gross margins of 50%+ and growth potential of 20%+ per year. Combined with annual double-digit organic growth, M&A should be the **key lever to drive group sales to € 2.0bn at € 140m net income by FY'25E** (i.e. management's mid-term targets / M&A not part of eHAIB). **That would be equal to c. € 2.20 in EPS**, which would value the stock on less than 9x earnings 2025E, highlighting that Kontron offers an attractive mix of value and growth at current levels.

Reiterate Buy with a € 29.50 PT based on DCF.

Y/E 31.12 (EUR m)	2019	2020	2021	2022	2023E	2024E	2025E
Sales	1,122.9	1,254.8	1,002.9	1,096.1	1,161.0	1,295.3	1,435.2
Sales growth	13 %	12 %	-20 %	9 %	6 %	12 %	11 %
EBITDA	111.7	130.0	90.1	70.0	117.8	138.6	157.9
EBIT	61.8	68.6	40.1	-2.0	73.4	92.7	111.9
Net income	49.1	55.6	48.3	232.5	63.9	82.2	99.6
Net debt	91.5	104.1	116.0	-65.6	-177.5	-225.6	-242.6
Net gearing	24.5 %	25.8 %	27.7 %	-10.3 %	-29.7 %	-35.2 %	-34.7 %
Net Debt/EBITDA	0.8	0.8	1.3	0.0	0.0	0.0	0.0
EPS pro forma	0.74	0.84	0.45	-0.19	1.00	1.29	1.57
CPS	0.88	1.67	0.87	-0.15	1.08	1.25	1.14
DPS	0.00	0.30	0.35	1.00	0.60	0.60	0.60
Dividend yield	0.0 %	1.6 %	1.9 %	5.4 %	3.3 %	3.3 %	3.3 %
Gross profit margin	37.2 %	37.2 %	37.1 %	35.1 %	39.4 %	39.5 %	39.6 %
EBITDA margin	9.9 %	10.4 %	9.0 %	6.4 %	10.2 %	10.7 %	11.0 %
EBIT margin	5.5 %	5.5 %	4.0 %	-0.2 %	6.3 %	7.2 %	7.8 %
ROCE	8.8 %	9.9 %	4.5 %	-0.2 %	8.0 %	9.2 %	11.4 %
EV/sales	1.2	1.1	1.4	1.0	0.9	0.7	0.7
EV/EBITDA	12.0	10.4	15.1	16.1	8.6	7.0	6.0
EV/EBIT	21.7	19.6	33.9	-558.1	13.8	10.4	8.5
PER	24.8	21.8	40.8	-95.5	18.3	14.2	11.8
Adjusted FCF yield	6.3 %	7.1 %	3.8 %	1.5 %	8.3 %	10.4 %	12.5 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 04.04.2023

Please refer to important disclosures at the end of the report



Source: Company data, Hauck Aufhäuser Investment Banking

High/low 52 weeks:	19.80 / 13.55
Price/Book Ratio:	2.0
Relative performance (TecDAX):	
3 months	1.7 %
6 months	5.9 %
12 months	9.0 %

Changes in estimates

		Sales	EBIT	EPS
2023	old:	1,161.0	73.4	1.00
	Δ	-	-	-
2024	old:	1,295.3	92.7	1.29
	Δ	-	-	-
2025	old:	1,435.2	111.9	1.57
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	63.6
Authorised capital: (in € m)	12.1
Book value per share: (in €)	9.4
Ø trading volume: (12 months)	155,000

Major shareholders:

Free Float	55.2 %
Ennoconn	27.6 %
Management	6.5 %
Amiral Gestion	5.4 %
Naneva BV	5.3 %

Company description:

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

Financials

Profit and loss (EUR m)	2019	2020	2021	2022	2023E	2024E	2025E
Net sales	1,122.9	1,254.8	1,002.9	1,096.1	1,161.0	1,295.3	1,435.2
Sales growth	13.3 %	11.7 %	-20.1 %	9.3 %	5.9 %	11.6 %	10.8 %
Increase/decrease in finished goods and work-in-process	15.5	17.6	21.2	23.4	12.2	13.0	14.4
Total sales	1,138.4	1,272.4	1,024.2	1,119.5	1,173.2	1,308.3	1,449.5
Other operating income	8.0	8.8	14.6	19.7	8.1	6.5	7.2
Material expenses	715.4	799.0	644.7	726.6	710.5	791.4	875.5
Personnel expenses	245.2	273.3	237.6	258.8	271.7	296.6	327.2
Other operating expenses	74.2	78.8	66.5	83.8	81.3	88.1	96.2
Total operating expenses	1,026.7	1,142.4	934.1	1,049.5	1,055.3	1,169.7	1,291.7
EBITDA	111.7	130.0	90.1	70.0	117.8	138.6	157.9
Depreciation	25.9	30.9	50.0	72.0	25.9	27.4	27.5
EBITA	85.8	99.1	40.1	-2.0	91.9	111.2	130.4
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	24.0	30.5	0.0	0.0	18.5	18.5	18.5
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	61.8	68.6	40.1	-2.0	73.4	92.7	111.9
Interest income	1.3	1.6	1.4	1.4	6.8	7.3	7.6
Interest expenses	9.0	9.3	9.0	10.0	7.7	6.6	6.3
Other financial result	0.0	-0.2	0.0	0.0	0.0	0.0	0.0
Financial result	-7.7	-7.9	-7.6	-8.6	-0.8	0.7	1.3
Recurring pretax income from continuing operations	54.1	60.7	32.4	-10.7	72.6	93.4	113.2
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	54.1	60.7	32.4	-10.7	72.6	93.4	113.2
Taxes	4.6	6.1	2.0	2.2	8.7	11.2	13.6
Net income from continuing operations	49.5	54.6	30.5	-12.8	63.9	82.2	99.6
Result from discontinued operations (net of tax)	0.0	0.0	-18.5	-244.7	0.0	0.0	0.0
Net income	49.5	54.6	49.0	231.9	63.9	82.2	99.6
Minority interest	0.4	-1.0	0.7	-0.6	0.0	0.0	0.0
Net profit (reported)	49.1	55.6	48.3	232.5	63.9	82.2	99.6
Average number of shares	66.1	65.0	65.0	63.6	63.6	63.6	63.6
EPS reported	0.74	0.86	0.74	3.65	1.00	1.29	1.57

Profit and loss (common size)	2019	2020	2021	2022	2023E	2024E	2025E
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	1.4 %	1.4 %	2.1 %	2.1 %	1.1 %	1.0 %	1.0 %
Total sales	101.4 %	101.4 %	102.1 %	102.1 %	101.1 %	101.0 %	101.0 %
Other operating income	0.7 %	0.7 %	1.5 %	1.8 %	0.7 %	0.5 %	0.5 %
Material expenses	63.7 %	63.7 %	64.3 %	66.3 %	61.2 %	61.1 %	61.0 %
Personnel expenses	21.8 %	21.8 %	23.7 %	23.6 %	23.4 %	22.9 %	22.8 %
Other operating expenses	6.6 %	6.3 %	6.6 %	7.6 %	7.0 %	6.8 %	6.7 %
Total operating expenses	91.4 %	91.0 %	93.1 %	95.7 %	90.9 %	90.3 %	90.0 %
EBITDA	9.9 %	10.4 %	9.0 %	6.4 %	10.2 %	10.7 %	11.0 %
Depreciation	2.3 %	2.5 %	5.0 %	6.6 %	2.2 %	2.1 %	1.9 %
EBITA	7.6 %	7.9 %	4.0 %	neg.	7.9 %	8.6 %	9.1 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.1 %	2.4 %	0.0 %	0.0 %	1.6 %	1.4 %	1.3 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	5.5 %	5.5 %	4.0 %	neg.	6.3 %	7.2 %	7.8 %
Interest income	0.1 %	0.1 %	0.1 %	0.1 %	0.6 %	0.6 %	0.5 %
Interest expenses	0.8 %	0.7 %	0.9 %	0.9 %	0.7 %	0.5 %	0.4 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	0.1 %	0.1 %
Recurring pretax income from continuing operations	4.8 %	4.8 %	3.2 %	neg.	6.3 %	7.2 %	7.9 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	4.8 %	4.8 %	3.2 %	neg.	6.3 %	7.2 %	7.9 %
Tax rate	8.4 %	10.0 %	6.1 %	-20.5 %	12.0 %	12.0 %	12.0 %
Net income from continuing operations	4.4 %	4.4 %	3.0 %	neg.	5.5 %	6.3 %	6.9 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	-1.8 %	-22.3 %	0.0 %	0.0 %	0.0 %
Net income	4.4 %	4.4 %	4.9 %	21.2 %	5.5 %	6.3 %	6.9 %
Minority interest	0.0 %	neg.	0.1 %	neg.	0.0 %	0.0 %	0.0 %
Net profit (reported)	4.4 %	4.4 %	4.8 %	21.2 %	5.5 %	6.3 %	6.9 %

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	294.9	302.3	312.5	261.8	236.9	232.8	235.9
Property, plant and equipment	99.8	135.1	132.5	95.5	80.1	66.2	68.9
Financial assets	22.8	22.1	32.5	146.0	32.0	32.0	32.0
FIXED ASSETS	417.5	459.5	477.5	503.4	349.1	331.1	336.8
Inventories	146.8	159.9	187.3	192.6	203.7	227.2	276.0
Accounts receivable	212.2	204.5	214.1	148.1	156.8	175.0	193.8
Other current assets	102.6	104.2	136.5	126.0	129.1	132.4	135.7
Liquid assets	312.3	281.9	296.5	437.8	472.5	500.6	517.6
Deferred taxes	34.4	36.6	40.2	33.1	33.1	33.1	33.1
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	808.2	787.1	874.6	937.5	995.2	1,068.2	1,156.2
TOTAL ASSETS	1,225.7	1,246.6	1,352.1	1,440.9	1,344.2	1,399.3	1,492.9
SHAREHOLDERS EQUITY	372.7	404.0	418.6	633.8	597.8	640.3	700.1
MINORITY INTEREST	12.4	5.4	4.7	1.8	0.0	0.0	0.0
Long-term debt	341.0	343.2	340.2	246.5	270.0	260.0	260.0
Provisions for pensions and similar obligations	30.0	26.8	25.1	19.9	19.9	19.9	19.9
Other provisions	54.4	40.5	31.4	27.0	27.0	27.0	27.0
Non-current liabilities	425.4	410.5	396.7	293.3	316.8	306.8	306.8
short-term liabilities to banks	62.8	42.8	72.3	125.7	25.0	15.0	15.0
Accounts payable	205.0	210.0	270.0	226.3	240.2	267.9	296.9
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)	134.2	160.6	176.7	154.1	158.8	163.5	168.4
Deferred taxes	13.4	13.3	13.2	5.7	5.7	5.7	5.7
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	415.3	426.6	532.2	511.9	429.6	452.2	486.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,225.7	1,246.6	1,352.1	1,440.9	1,344.2	1,399.3	1,492.9

Balance sheet (common size)	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	24.1 %	24.2 %	23.1 %	18.2 %	17.6 %	16.6 %	15.8 %
Property, plant and equipment	8.1 %	10.8 %	9.8 %	6.6 %	6.0 %	4.7 %	4.6 %
Financial assets	1.9 %	1.8 %	2.4 %	10.1 %	2.4 %	2.3 %	2.1 %
FIXED ASSETS	34.1 %	36.9 %	35.3 %	34.9 %	26.0 %	23.7 %	22.6 %
Inventories	12.0 %	12.8 %	13.9 %	13.4 %	15.2 %	16.2 %	18.5 %
Accounts receivable	17.3 %	16.4 %	15.8 %	10.3 %	11.7 %	12.5 %	13.0 %
Other current assets	8.4 %	8.4 %	10.1 %	8.7 %	9.6 %	9.5 %	9.1 %
Liquid assets	25.5 %	22.6 %	21.9 %	30.4 %	35.2 %	35.8 %	34.7 %
Deferred taxes	2.8 %	2.9 %	3.0 %	2.3 %	2.5 %	2.4 %	2.2 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	65.9 %	63.1 %	64.7 %	65.1 %	74.0 %	76.3 %	77.4 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	30.4 %	32.4 %	31.0 %	44.0 %	44.5 %	45.8 %	46.9 %
MINORITY INTEREST	1.0 %	0.4 %	0.3 %	0.1 %	0.0 %	0.0 %	0.0 %
Long-term debt	27.8 %	27.5 %	25.2 %	17.1 %	20.1 %	18.6 %	17.4 %
Provisions for pensions and similar obligations	2.4 %	2.2 %	1.9 %	1.4 %	1.5 %	1.4 %	1.3 %
Other provisions	4.4 %	3.2 %	2.3 %	1.9 %	2.0 %	1.9 %	1.8 %
Non-current liabilities	34.7 %	32.9 %	29.3 %	20.4 %	23.6 %	21.9 %	20.6 %
short-term liabilities to banks	5.1 %	3.4 %	5.3 %	8.7 %	1.9 %	1.1 %	1.0 %
Accounts payable	16.7 %	16.8 %	20.0 %	15.7 %	17.9 %	19.1 %	19.9 %
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)	10.9 %	12.9 %	13.1 %	10.7 %	11.8 %	11.7 %	11.3 %
Deferred taxes	1.1 %	1.1 %	1.0 %	0.4 %	0.4 %	0.4 %	0.4 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	33.9 %	34.2 %	39.4 %	35.5 %	32.0 %	32.3 %	32.6 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow statement (EUR m)	2019	2020	2021	2022	2023E	2024E	2025E
Net profit/loss	49.5	54.6	49.0	-2.0	63.9	82.2	99.6
Depreciation of fixed assets (incl. leases)	49.9	30.9	63.6	72.0	25.9	27.4	27.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	30.5	0.0	0.0	18.5	18.5	18.5
Others	3.7	-8.5	-20.3	-42.6	0.0	0.0	0.0
Cash flow from operations before changes in w/c	103.1	107.5	92.3	27.4	108.3	128.1	145.6
Increase/decrease in inventory	-16.0	-13.1	-27.5	-5.3	-11.1	-23.6	-48.8
Increase/decrease in accounts receivable	-30.0	41.4	-9.6	66.0	-8.7	-18.1	-18.9
Increase/decrease in accounts payable	49.7	5.0	60.0	-43.6	13.8	27.8	28.9
Increase/decrease in other working capital positions	-23.5	0.0	-19.9	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-19.8	33.3	3.0	17.1	-6.0	-13.9	-38.7
Cash flow from operating activities	83.4	140.8	95.3	44.4	102.3	114.2	106.9
CAPEX	27.1	33.9	47.0	40.5	44.1	47.9	51.7
Payments for acquisitions	27.2	41.0	13.9	20.5	0.0	0.0	0.0
Financial investments	4.3	3.6	8.2	-13.0	0.0	0.0	0.0
Income from asset disposals	2.9	1.3	2.8	191.7	117.3	20.0	0.0
Cash flow from investing activities	-55.7	-77.2	-66.3	143.7	73.2	-27.9	-51.7
Cash flow before financing	27.7	63.6	29.0	188.1	175.5	86.3	55.2
Increase/decrease in debt position	128.1	-40.9	28.8	-56.7	-77.2	-20.0	0.0
Purchase of own shares	14.6	12.2	20.6	0.0	0.0	0.0	0.0
Capital measures	0.0	1.4	0.0	0.0	0.0	0.0	0.0
Dividends paid	10.6	0.0	19.2	22.3	63.6	38.2	38.2
Others	-19.1	-14.1	-9.3	-11.8	0.0	0.0	0.0
Effects of exchange rate changes on cash	1.1	-8.1	4.3	0.4	0.0	0.0	0.0
Cash flow from financing activities	83.8	-65.8	-20.2	-90.8	-140.8	-58.2	-38.2
Increase/decrease in liquid assets	112.6	-10.2	13.0	97.7	34.7	28.1	17.0
Liquid assets at end of period	312.3	281.9	296.5	437.8	472.5	500.6	517.6

Source: Company data, Hauck Aufhäuser Investment Banking

Regional split (EUR m)	2019	2020	2021	2022	2023E	2024E	2025E
Domestic	102.2	106.7	156.5	178.6	189.2	211.1	233.8
yoy change	3.8 %	4.4 %	46.7 %	14.2 %	5.9 %	11.6 %	10.8 %
Rest of Europe	336.9	373.9	484.6	512.4	542.7	605.5	670.9
yoy change	12.3 %	11.0 %	29.6 %	5.7 %	5.9 %	11.6 %	10.8 %
NAFTA	152.7	178.2	96.5	109.8	120.7	136.0	150.7
yoy change	14.7 %	16.7 %	-45.8 %	13.8 %	9.9 %	12.6 %	10.8 %
Asia Pacific	n/a	n/a	62.4	80.0	84.7	94.5	104.7
yoy change	n/a	n/a	n/a	28.2 %	5.9 %	11.6 %	10.8 %
Rest of world	531.1	596.0	203.0	215.3	222.9	247.4	274.1
yoy change	15.6 %	12.2 %	-65.9 %	6.1 %	3.5 %	11.0 %	10.8 %
TTL	1,122.9	1,254.8	1,002.9	1,096.1	1,161.0	1,295.3	1,435.2
yoy change	13.3 %	11.7 %	-20.1 %	9.3 %	5.9 %	11.6 %	10.8 %

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2019	2020	2021	2022	2023E	2024E	2025E
P&L growth analysis							
Sales growth	13.3 %	11.7 %	-20.1 %	9.3 %	5.9 %	11.6 %	10.8 %
EBITDA growth	23.4 %	43.6 %	-19.4 %	-46.2 %	30.8 %	98.0 %	34.0 %
EBIT growth	0.4 %	11.5 %	-35.1 %	-102.9 %	83.3 %	-	52.3 %
EPS growth	9.2 %	25.7 %	-0.1 %	327.0 %	35.2 %	-64.6 %	55.9 %
Efficiency							
Total operating costs / sales	91.4 %	91.0 %	93.1 %	95.7 %	90.9 %	90.3 %	90.0 %
Sales per employee	259.8	242.1	225.8	207.9	256.3	286.6	314.4
EBITDA per employee	25.9	25.1	20.3	13.3	26.0	30.7	34.6
Balance sheet analysis							
Avg. working capital / sales	13.8 %	12.4 %	14.2 %	12.3 %	10.8 %	9.6 %	10.2 %
Inventory turnover (sales/inventory)	7.7	7.8	5.4	5.7	5.7	5.7	5.2
Trade debtors in days of sales	69.0	59.5	77.9	49.3	49.3	49.3	49.3
A/P turnover [(A/P*365)/sales]	66.6	61.1	98.3	75.4	75.5	75.5	75.5
Cash conversion cycle (days)	39.2	36.6	31.1	32.4	30.6	30.5	40.6
Cash flow analysis							
Free cash flow	56.3	106.9	48.3	4.0	58.2	66.3	55.2
Free cash flow/sales	5.0 %	8.5 %	4.8 %	0.4 %	5.0 %	5.1 %	3.8 %
FCF / net profit	114.6 %	192.2 %	100.1 %	1.7 %	91.1 %	80.6 %	55.4 %
Capex / deprn	62.9 %	61.2 %	86.7 %	38.2 %	99.4 %	104.4 %	112.3 %
Capex / maintenance capex	74.6 %	114.5 %	n/a	44.1 %	76.7 %	82.8 %	87.4 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	91.5	104.1	116.0	-65.6	-177.5	-225.6	-242.6
Net Debt/EBITDA	0.8	0.8	1.3	0.0	0.0	0.0	0.0
Net debt / equity	0.2	0.3	0.3	neg.	neg.	neg.	neg.
Interest cover	6.9	7.4	4.5	0.0	9.6	14.1	17.7
Dividend payout ratio	0.0 %	35.7 %	47.9 %	27.4 %	59.8 %	46.4 %	38.3 %
Asset utilisation							
Capital employed turnover	1.3	1.5	1.1	1.0	1.2	1.3	1.4
Operating assets turnover	4.4	4.3	3.8	5.2	5.8	6.5	5.9
Plant turnover	11.3	9.3	7.6	11.5	14.5	19.6	20.8
Inventory turnover (sales/inventory)	7.7	7.8	5.4	5.7	5.7	5.7	5.2
Returns							
ROCE	8.8 %	9.9 %	4.5 %	-0.2 %	8.0 %	9.2 %	11.4 %
ROE	13.2 %	13.8 %	11.5 %	36.7 %	10.7 %	12.8 %	14.2 %
Other							
Interest paid / avg. debt	3.4 %	3.7 %	2.2 %	2.7 %	2.2 %	2.0 %	2.2 %
No. employees (average)	4322	5184	4442	5271	4530	4520	4565
Number of shares	66.1	65.0	65.0	63.6	63.6	63.6	63.6
DPS	0.0	0.3	0.4	1.0	0.6	0.6	0.6
EPS reported	0.74	0.86	0.74	3.65	1.00	1.29	1.57
Valuation ratios							
P/BV	3.3	3.0	2.9	1.8	2.0	1.8	1.7
EV/sales	1.2	1.1	1.4	1.0	0.9	0.7	0.7
EV/EBITDA	12.0	10.4	15.1	16.1	8.6	7.0	6.0
EV/EBITA	15.6	13.6	33.9	-558.1	11.0	8.7	7.3
EV/EBIT	21.7	19.6	33.9	-558.1	13.8	10.4	8.5
EV/FCF	23.8	12.6	28.1	284.5	17.4	14.6	17.2
Adjusted FCF yield	6.3 %	7.1 %	3.8 %	1.5 %	8.3 %	10.4 %	12.5 %
Dividend yield	0.0 %	1.6 %	1.9 %	5.4 %	3.3 %	3.3 %	3.3 %

Source: Company data, Hauck Aufhäuser Investment Banking

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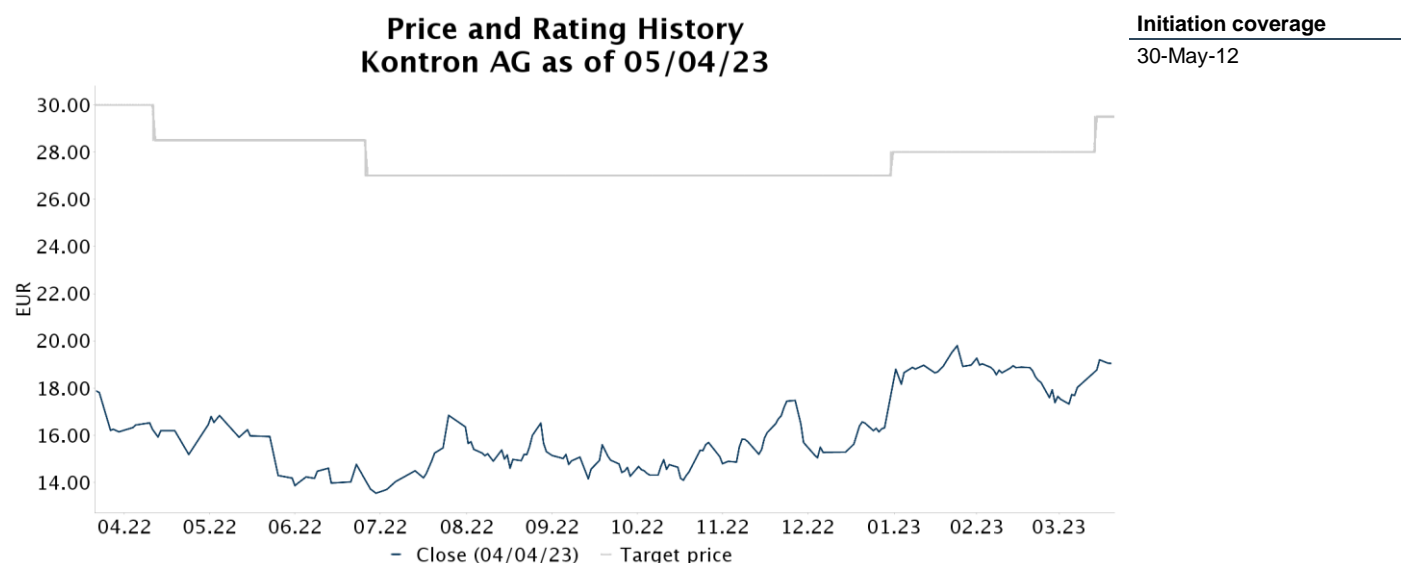
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Company	Disclosure
Kontron AG	

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



Company	Date	Analyst	Rating	Target price	Close
Kontron AG	31.03.2023	Wunderlich, CFA, Tim	Buy	EUR 29,50	EUR 19,20
	02.03.2023	Wunderlich, CFA, Tim	Buy	EUR 28,00	EUR 18,88
	07.02.2023	Wunderlich, CFA, Tim	Buy	EUR 28,00	EUR 19,50
	17.01.2023	Wunderlich, CFA, Tim	Buy	EUR 28,00	EUR 18,80
	12.01.2023	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 16,28

12.01.2023	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 16,28
12.01.2023	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 16,28
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12.01.2023	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 16,28
12.01.2023	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 16,28
09.01.2023	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 16,20
11.08.2022	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 16,85
28.07.2022	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 14,04
13.07.2022	Wunderlich, CFA, Tim	Buy	EUR 27,00	EUR 13,73
17.05.2022	Wunderlich, CFA, Tim	Buy	EUR 28,50	EUR 16,80
28.04.2022	Wunderlich, CFA, Tim	Buy	EUR 28,50	EUR 15,93

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Buy	77.91 %	91.18 %
Sell	5.81 %	0.00 %
Hold	16.28 %	8.82 %

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