

# Eckert & Ziegler AG

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## Information Analysis

Analyst

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Evaluation result

**BUY**

(previously BUY)

Fair value

**€ 38.30**

(previously € 40.50)



## H1/2011: On Track for Success

- Best semi-annual result in Company history: revenues at €55.8 Mill. (+5%, yoy), net result after minorities at €6.6 Mill. (+28%)
- By yoy comparison, profitability further increased
  - Gross margin up 3.8 %-age points
  - EBIT improved by 2.5 %-age points
  - Net result after minorities up 2.1 %-age points
- Strongest sales and net profit growth within segment Radiopharma
- Liquid funds at period end: €22.4 Mill. (- €6.8 Mill.)
- Equity ratio further improved to 54% (balance sheet date 2010: 51%)

During H1/2011, Eckert & Ziegler group (EZAG) has booked revenues amounting to €55.8 Mill. translating into a result after minorities of €6.6 Mill. (+28%, yoy). Accordingly, the six-month period is the most profitable one ever (w/o special effects). On a yoy basis, operating margins further improved, again substantiating the strategic objective to continuously enhance profitability. This notably results from synergies, primarily within the segments "Isotope Products" and Radiopharma".

H1 earnings of €1.26 per share already now disproportionately contribute almost 63% to the group's full year forecast; however, management reiterates its guidance 2011 of €2.00 per share. This cautious approach basically results from currently doubtful accounts receivables within the Therapy segment amounting to €2.5 Mill. for shipments to Spain, Portugal, and Italy. However so far, a provision for this contingency has not been recognized.

By yoy comparison, operating cash-flow declined by almost 4% to €5.3 Mill.; this basically results from a capital-absorbing increase in net working capital to €6 Mill. (including the afore-mentioned doubtful accounts). Investment activities during H1 amounted to €5.6 Mill. for the implementation of a group-wide production planning system as well as for construction activities. Further, loans were redeemed at €2.9 Mill. and a dividend of €3.2 Mill. was paid out to the shareholders. Compared to year end balance sheet, liquid funds came down by €6.8 Mill. to €22.4 Mill.

**We have not made any adjustments to our forecasts as well as to our DCF analysis; rather, we only updated the peer group data. We calculate a fair value of €38.30 and reiterate our "Buy" rating.**

### Key data / Earnings

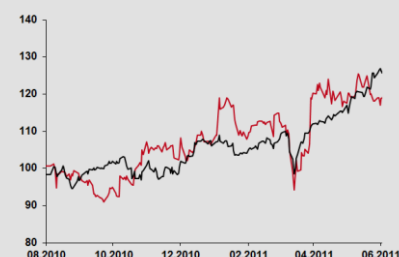
| Year  | Sales (mln €) | EBITDA (mln €) | EBIT (mln €) | EBT (mln €) | adj. net (mln €) | adj. EPS (€) | DPS (€) | EBIT-Margin | Net-Margin |
|-------|---------------|----------------|--------------|-------------|------------------|--------------|---------|-------------|------------|
| 2010a | 111.1         | 26.4           | 16.6         | 14.4        | 9.4              | 1.81         | 0.45    | 14.9%       | 8.5%       |
| 2011e | 118.9         | 29.3           | 18.6         | 16.6        | 10.5             | 2.01         | 0.60    | 15.6%       | 8.9%       |
| 2012e | 126.0         | 32.2           | 20.8         | 19.1        | 12.2             | 2.32         | 0.60    | 16.5%       | 9.7%       |
| 2013e | 132.3         | 35.4           | 23.5         | 22.0        | 14.1             | 2.68         | 0.70    | 17.7%       | 10.6%      |
| 2014e | 137.6         | 38.9           | 26.5         | 25.2        | 16.2             | 3.08         | 0.80    | 19.2%       | 11.8%      |

Source: BankM Research

|                               |                    |
|-------------------------------|--------------------|
| <b>Sector</b>                 | Medical Technology |
| <b>WKN</b>                    | 565970             |
| <b>ISIN</b>                   | DE0005659700       |
| <b>Bloomberg/Reuters</b>      | EUZ GY Equity      |
| <b>Accounting standard</b>    | IFRS               |
| <b>Financial year</b>         | Dec 31             |
| <b>Financial report Q3/11</b> | November 2, 2011   |
| <b>Market segment</b>         | Regulated Market   |
| <b>Transparency standard</b>  | Prime Standard     |

| Financial ratios | 2011e | 2012e | 2013e |
|------------------|-------|-------|-------|
| EV/Sales         | 1.0   | 1.0   | 0.9   |
| EV/EBITDA        | 4.2   | 3.8   | 3.5   |
| EV/EBIT          | 6.6   | 5.9   | 5.3   |
| P/E adj.         | 11.9  | 10.3  | 8.9   |
| Price/Bookvalue  | 1.7   | 1.5   | 1.3   |
| Price/FCF        | 11.3  | 9.5   | 7.7   |
| ROE              | 14.6  | 15.2  | 15.6  |
| Dividend yield   | 2.5   | 2.5   | 2.9   |

|                                         |                      |
|-----------------------------------------|----------------------|
| <b>Number shares</b> (million)          | 5.260                |
| <b>Market Cap / EV</b> (million €)      | 121.3 / 123.3        |
| <b>Free float</b>                       | 67.0%                |
| <b>Ø daily trading vol.</b> (3M, in T€) | 223.806              |
| <b>12 months high/low</b> (XETRA-close) | €3160/22.50          |
| <b>Price Aug 4, 2011</b> (XETRA-close)  | 23.80 €              |
| <b>Performance</b>                      | 1M 6M 12M            |
| absolute                                | -20.1% -13.8% -4.8%  |
| relative                                | -14.9% -21.6% -20.9% |
| <b>Benchmark index</b>                  | MEDTECH PERFORM.     |



Eckert & Ziegler AG (red/grey), Performance 1 year vs. DAX Subsector MedTech (black)  
Source: Bloomberg

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## Segment Discussion

Main sales driver, again, was the segment "Isotope Products" with 50% of total sales, followed by the segments "Therapy" (23%) and "Radiopharma" (22%). The business division "Environmental Services", operating as a separate segment since 2010, contributed 5% to total sales.

Within the segment „Isotope Products“, it is again the reference and calibration sources which significantly contributed to the segment's top line (ca. 50%). Due to improvements of the cost structure, about 40% of the sales increase of €2.3 Mill. (+9%) is captured in the bottom line result.

The segment "Therapy" reports reduced revenues by 12%. However, comparability to last year's period is limited owing to the fact, that H1/2010 saw special revenues amounting to €1.5 Mill. in the context of the Russian joint venture. In addition, a delay in the approval of Afterloaders by the Chinese authorities contributes to the segment's negative growth. However, it is the Afterloaders sales that - according to management - will continue to be the growth driver within the segment.

Sales revenues within the segment "Radiopharma" increased by 25% yoy and were accompanied by a rise in gross margin to a considerable 60%; this entailed an improvement of the segment's net margin by 7.4 %-age points. Main sales drivers were the devices for the synthesis of radioactive diagnostics ("Modular Lab") as well as the radioactively labeled tracer FDG for Positron Emission Tomography.

The "Environmental Services" segment's revenues remained almost constant at €2.6 Mill. Due to cost reductions, segment earnings were not in deficit as in the year-back period but rather slightly positive at €0.2 Mill.

## Stock and Valuation

Year-to-date, EZAG's stock came down by 11.9% from €27.00 (XETRA close Jan 1, 2011) to €23.80 (XETRA close August 4, 2011) and fell behind the performance (+8%) of the benchmark (Daxsubsec. Medical Technology Performance). Based on daily stock price returns since beginning of the year, the annualized volatility is at 38% (reference period: 43%) with a mean daily trading volume of ca. 9,400 pieces.

**Based on the H1 results, we have not adjusted our DCF analysis and only updated our multiple valuation, which significantly deteriorated during the last few days regarding the nervousness over the capital markets. We arrive at a current fair value of €38.30 and reiterate our "Buy" rating. With a prevailing PE of almost 12 (based on our earnings forecast of €2.01/share), we perceive the stock favorably valued considering the growth potential as well as the peer group's median P/E of almost 19.**

## Tables

### Profit & Loss Account

| Fiscal Year 31/12 • IFRS<br>in T€       | 10a              | 11e              | 12e              | 13e              | 14e              | 10a               | 11e         | 12e         | 13e         | 14e         | 5y - CAGR   |
|-----------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------|-------------|-------------|-------------|-------------|
|                                         |                  |                  |                  |                  |                  | y-o-y changes (%) |             |             |             |             |             |
| <b>Total Sales</b>                      | <b>111,093.0</b> | <b>118,869.5</b> | <b>126,001.7</b> | <b>132,301.8</b> | <b>137,593.8</b> | <b>9.6</b>        | <b>7.0</b>  | <b>6.0</b>  | <b>5.0</b>  | <b>4.0</b>  | <b>4.4</b>  |
| Cost of Sales                           | 53,295.0         | 56,787.9         | 59,817.2         | 62,278.8         | 64,082.0         | 6.0               | 6.6         | 5.3         | 4.1         | 2.9         | 3.8         |
| <i>% of Sales</i>                       | <i>48.0</i>      | <i>47.8</i>      | <i>47.5</i>      | <i>47.1</i>      | <i>46.6</i>      |                   |             |             |             |             |             |
| <b>Gross Profit</b>                     | <b>57,798.0</b>  | <b>62,081.6</b>  | <b>66,184.5</b>  | <b>70,022.9</b>  | <b>73,511.8</b>  | <b>13.1</b>       | <b>7.4</b>  | <b>6.6</b>  | <b>5.8</b>  | <b>5.0</b>  | <b>4.9</b>  |
| Distribution Expenses                   | 18,929.0         | 20,016.3         | 20,839.3         | 21,352.0         | 21,518.1         | 2.7               | 5.7         | 4.1         | 2.5         | 0.8         | 2.6         |
| <i>% of Sales</i>                       | <i>17.0</i>      | <i>16.8</i>      | <i>16.5</i>      | <i>16.1</i>      | <i>15.6</i>      |                   |             |             |             |             |             |
| General & Admin. Expenses               | 18,828.0         | 19,908.2         | 20,724.7         | 21,231.7         | 21,393.0         | -1.3              | 5.7         | 4.1         | 2.4         | 0.8         | 2.6         |
| <i>% of Sales</i>                       | <i>16.9</i>      | <i>16.7</i>      | <i>16.4</i>      | <i>16.0</i>      | <i>15.5</i>      |                   |             |             |             |             |             |
| R&D Expenses                            | 2,886.0          | 3,566.1          | 3,780.1          | 3,969.1          | 4,127.8          | 15.6              | 23.6        | 6.0         | 5.0         | 4.0         | 7.4         |
| <i>% of Sales</i>                       | <i>2.6</i>       | <i>3.0</i>       | <i>3.0</i>       | <i>3.0</i>       | <i>3.0</i>       |                   |             |             |             |             |             |
| Other Operating Income                  | 2,868.0          | 0.0              | 0.0              | 0.0              | 0.0              |                   |             |             |             |             |             |
| Other Operating Expenses                | 1,703.0          | 0.0              | 0.0              | 0.0              | 0.0              |                   |             |             |             |             |             |
| <b>Income from Ord. Business</b>        | <b>18,320.0</b>  | <b>18,591.0</b>  | <b>20,840.5</b>  | <b>23,470.1</b>  | <b>26,472.8</b>  | <b>18.5</b>       | <b>1.5</b>  | <b>12.1</b> | <b>12.6</b> | <b>12.8</b> | <b>7.6</b>  |
| Foreign exchange gains/losses           | 43.0             | 0.0              | 0.0              | 0.0              | 0.0              |                   |             |             |             |             |             |
| Other Financial Items                   | -1,792.0         | 0.0              | 0.0              | 0.0              | 0.0              |                   |             |             |             |             |             |
| Financial Result                        | -1,749.0         | 0.0              | 0.0              | 0.0              | 0.0              |                   |             |             |             |             |             |
| <b>EBIT</b>                             | <b>16,571.0</b>  | <b>18,591.0</b>  | <b>20,840.5</b>  | <b>23,470.1</b>  | <b>26,472.8</b>  | <b>0.9</b>        | <b>12.2</b> | <b>12.1</b> | <b>12.6</b> | <b>12.8</b> | <b>9.8</b>  |
| <i>% of Sales</i>                       | <i>14.9</i>      | <i>15.6</i>      | <i>16.5</i>      | <i>17.7</i>      | <i>19.2</i>      |                   |             |             |             |             |             |
| Interest Income                         | 299.0            | 50.0             | 50.0             | 50.0             | 50.0             |                   |             |             |             |             |             |
| Interest Expenses                       | 2,517.0          | 2,000.0          | 1,750.0          | 1,500.0          | 1,275.0          |                   |             |             |             |             |             |
| <b>EBT</b>                              | <b>14,353.0</b>  | <b>16,641.0</b>  | <b>19,140.5</b>  | <b>22,020.1</b>  | <b>25,247.8</b>  | <b>-5.3</b>       | <b>15.9</b> | <b>15.0</b> | <b>15.0</b> | <b>14.7</b> | <b>12.0</b> |
| Taxes on Income (Exp.-/Inc.+)           | -3,938.0         | -4,992.3         | -5,742.1         | -6,606.0         | -7,574.4         |                   |             |             |             |             |             |
| <i>t/o deferred taxes (Exp.-/Inc.+)</i> | <i>571.0</i>     | <i>-1,574.4</i>  | <i>-1,731.9</i>  | <i>-1,905.1</i>  | <i>-1,905.1</i>  |                   |             |             |             |             |             |
| <b>Net Profit before minorities</b>     | <b>10,415.0</b>  | <b>11,648.7</b>  | <b>13,398.3</b>  | <b>15,414.1</b>  | <b>17,673.5</b>  | <b>-52.4</b>      | <b>11.8</b> | <b>15.0</b> | <b>15.0</b> | <b>14.7</b> | <b>11.2</b> |
| Minorities                              | 1,002.0          | 1,102.2          | 1,212.4          | 1,333.7          | 1,467.0          |                   |             |             |             |             |             |
| <b>Net Profit</b>                       | <b>9,413.0</b>   | <b>10,546.5</b>  | <b>12,185.9</b>  | <b>14,080.4</b>  | <b>16,206.5</b>  | <b>-29.0</b>      | <b>12.0</b> | <b>15.5</b> | <b>15.5</b> | <b>15.1</b> | <b>11.5</b> |
| <i>% of Sales</i>                       | <i>8.5</i>       | <i>8.9</i>       | <i>9.7</i>       | <i>10.6</i>      | <i>11.8</i>      |                   |             |             |             |             |             |
| Adjustments                             | 0.0              | 0.0              | 0.0              | 0.0              | 0.0              |                   |             |             |             |             |             |
| <b>Adjusted Net Profit</b>              | <b>9,413.0</b>   | <b>10,546.5</b>  | <b>12,185.9</b>  | <b>14,080.4</b>  | <b>16,206.5</b>  | <b>26.3</b>       | <b>12.0</b> | <b>15.5</b> | <b>15.5</b> | <b>15.1</b> | <b>11.5</b> |
| <i>% of Sales</i>                       | <i>8.5</i>       | <i>8.9</i>       | <i>9.7</i>       | <i>10.6</i>      | <i>11.8</i>      |                   |             |             |             |             |             |
| <i>For Information purposes</i>         |                  |                  |                  |                  |                  |                   |             |             |             |             |             |
| Depreciation & Amortization             | 9,842.0          | 10,698.3         | 11,340.2         | 11,907.2         | 12,383.4         | -14.6             | 8.7         | 6.0         | 5.0         | 4.0         | 4.7         |
| <i>% of Sales</i>                       | <i>8.9</i>       | <i>9.0</i>       | <i>9.0</i>       | <i>9.0</i>       | <i>9.0</i>       |                   |             |             |             |             |             |
| <b>EBITDA</b>                           | <b>26,413.0</b>  | <b>29,289.3</b>  | <b>32,180.6</b>  | <b>35,377.3</b>  | <b>38,856.3</b>  | <b>-5.5</b>       | <b>10.9</b> | <b>9.9</b>  | <b>9.9</b>  | <b>9.8</b>  | <b>8.0</b>  |
| No. of Shares (∅ outstanding)           | 5,194            | 5,260            | 5,260            | 5,260            | 5,260            | 37.3              | 1.3         | 0.0         | 0.0         | 0.0         | n.a.        |
| Net Profit/Share (EPS)                  | 1.81             | 2.01             | 2.32             | 2.68             | 3.08             | -48.3             | 10.6        | 15.5        | 15.5        | 15.1        | 11.2        |
| Adjusted Net Profit/Share (adj. EPS)    | 1.81             | 2.01             | 2.32             | 2.68             | 3.08             | -8.0              | 10.6        | 15.5        | 15.5        | 15.1        | 11.2        |

Source: BankM Research

### Cash Flow Statement

| Fiscal Year 31/12 • IFRS<br>in T€            | 10a              | 11e             | 12e             | 13e             | 14e             | 10a               | 11e         | 12e         | 13e         | 14e         | 5y - CAGR   |
|----------------------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-------------------|-------------|-------------|-------------|-------------|-------------|
|                                              |                  |                 |                 |                 |                 | y-o-y changes (%) |             |             |             |             |             |
| <b>Net Profit</b>                            | <b>10,415.0</b>  | <b>11,648.7</b> | <b>13,398.3</b> | <b>15,414.1</b> | <b>17,673.5</b> | <b>-52.4</b>      | <b>11.8</b> | <b>15.0</b> | <b>15.0</b> | <b>14.7</b> | <b>11.2</b> |
| + Depreciation & Amortisation                | 9,842.0          | 10,698.3        | 11,340.2        | 11,907.2        | 12,383.4        | -14.6             | 8.7         | 6.0         | 5.0         | 4.0         | 4.7         |
| + Chg. in long-term Provisions               | -1,038.0         | -1,000.0        | -1,000.0        | -1,000.0        | -1,000.0        |                   |             |             |             |             |             |
| <b>= Cash Earnings</b>                       | <b>19,219.0</b>  | <b>21,347.0</b> | <b>23,738.5</b> | <b>26,321.2</b> | <b>29,056.9</b> | <b>-27.7</b>      | <b>11.1</b> | <b>11.2</b> | <b>10.9</b> | <b>10.4</b> | <b>8.6</b>  |
| - other non-cash items                       | 1,807.0          | -1,574.4        | -1,731.9        | -1,905.1        | -1,905.1        |                   |             |             |             |             |             |
| - Chg. in Net Working Capital                | 2,387.0          | 2,305.3         | 2,214.3         | 1,337.6         | 1,123.6         |                   |             |             |             |             |             |
| <b>= Operating Cash Flow</b>                 | <b>15,025.0</b>  | <b>20,616.1</b> | <b>23,256.1</b> | <b>26,888.7</b> | <b>29,838.4</b> | <b>-32.1</b>      | <b>37.2</b> | <b>12.8</b> | <b>15.6</b> | <b>11.0</b> | <b>14.7</b> |
| - Capex                                      | 7,536.0          | 9,509.6         | 10,080.1        | 10,584.1        | 11,007.5        | -22.3             | 26.2        | 6.0         | 5.0         | 4.0         | 7.9         |
| <b>= Free Cash Flow</b>                      | <b>7,489.0</b>   | <b>11,106.5</b> | <b>13,175.9</b> | <b>16,304.5</b> | <b>18,830.9</b> | <b>-39.7</b>      | <b>48.3</b> | <b>18.6</b> | <b>23.7</b> | <b>15.5</b> | <b>20.3</b> |
| + Net Other Items                            | -1,048.0         | 0.0             | 0.0             | 0.0             | 0.0             | n.a.              | n.a.        | 0.0         | 0.0         | 0.0         | n.a.        |
| - Dividends (Previous Year)                  | 2,335.0          | 3,116.4         | 3,164.0         | 3,655.8         | 4,224.1         | 106.3             | 33.5        | 1.5         | 15.5        | 15.5        | 12.6        |
| - Payout minorities                          | 351.0            | 386.1           | 424.7           | 467.2           | 513.9           |                   |             |             |             |             |             |
| + Increase in Share Capital                  | 0.0              | 0.0             | 0.0             | 0.0             | 0.0             |                   |             |             |             |             |             |
| - Outflow from Share Buy Backs               | 22,841.0         | 0.0             | 0.0             | 0.0             | 0.0             |                   |             |             |             |             |             |
| +/- Bank Loans                               | 2,532.0          | -5,000.0        | -5,000.0        | -4,500.0        | -4,000.0        |                   |             |             |             |             |             |
| <b>= Incr. in Cash (+)/Decr. in Cash (-)</b> | <b>-14,458.0</b> | <b>2,604.0</b>  | <b>4,587.3</b>  | <b>7,681.6</b>  | <b>10,092.8</b> | <b>n.a.</b>       | <b>n.a.</b> | <b>76.2</b> | <b>67.5</b> | <b>31.4</b> | <b>40.3</b> |

Source: BankM Research

## Balance Sheet

| Fiscal Year 31/12 • IFRS<br>in T€         | 10a              | 11e              | 12e              | 13e              | 14e              | 10a                             | 11e          | 12e          | 13e          | 14e          |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------------------|--------------|--------------|--------------|--------------|
| <b>Assets</b>                             |                  |                  |                  |                  |                  | <b>% of Balance Sheet Total</b> |              |              |              |              |
| Tangible Assets                           | 27,602.0         | 26,616.6         | 25,572.0         | 24,475.2         | 23,334.6         | 19.1                            | 18.1         | 17.0         | 15.6         | 14.1         |
| Intangible Assets                         | 40,885.0         | 40,605.7         | 40,309.6         | 39,998.6         | 39,675.3         | 28.3                            | 27.6         | 26.8         | 25.5         | 24.0         |
| <i>t/o Goodwill</i>                       | 30,410.0         | 30,410.0         | 30,410.0         | 30,410.0         | 30,410.0         | 21.0                            | 20.7         | 20.2         | 19.4         | 18.4         |
| Deferred Tax                              | 12,204.0         | 10,629.6         | 8,897.7          | 6,992.6          | 5,087.6          | 8.4                             | 7.2          | 5.9          | 4.5          | 3.1          |
| Other Fixed Assets                        | 1,328.0          | 1,760.0          | 1,760.0          | 1,760.0          | 1,760.0          | 0.9                             | 1.2          | 1.2          | 1.1          | 1.1          |
| <b>Total Fixed Assets</b>                 | <b>82,019.0</b>  | <b>79,611.8</b>  | <b>76,539.3</b>  | <b>73,226.5</b>  | <b>69,857.5</b>  | <b>56.8</b>                     | <b>54.2</b>  | <b>50.8</b>  | <b>46.7</b>  | <b>42.3</b>  |
| Inventories                               | 12,678.0         | 13,565.5         | 14,379.4         | 15,098.4         | 15,702.3         | 8.8                             | 9.2          | 9.5          | 9.6          | 9.5          |
| Accounts Receivable                       | 17,252.0         | 18,459.6         | 19,567.2         | 20,545.6         | 21,367.4         | 11.9                            | 12.6         | 13.0         | 13.1         | 12.9         |
| Total Liquid Funds                        | 29,216.0         | 31,820.0         | 36,407.3         | 44,088.9         | 54,181.7         | 20.2                            | 21.6         | 24.2         | 28.1         | 32.8         |
| Other Current Assets                      | 3,302.0          | 3,533.1          | 3,745.1          | 3,932.4          | 4,089.7          | 2.3                             | 2.4          | 2.5          | 2.5          | 2.5          |
| <b>Total Current Assets</b>               | <b>62,448.0</b>  | <b>67,378.3</b>  | <b>74,099.0</b>  | <b>83,665.2</b>  | <b>95,341.1</b>  | <b>43.2</b>                     | <b>45.8</b>  | <b>49.2</b>  | <b>53.3</b>  | <b>57.7</b>  |
| <b>Balance Sheet Total</b>                | <b>144,467.0</b> | <b>146,990.1</b> | <b>150,638.3</b> | <b>156,891.7</b> | <b>165,198.5</b> | <b>100.0</b>                    | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| <b>Shareholder's Equity / Liabilities</b> |                  |                  |                  |                  |                  | <b>% of Balance Sheet Total</b> |              |              |              |              |
| Subscribed Capital                        | 5,293.0          | 5,293.0          | 5,293.0          | 5,293.0          | 5,293.0          | 3.7                             | 3.6          | 3.5          | 3.4          | 3.2          |
| Share Premium                             | 53,874.0         | 53,874.0         | 53,874.0         | 53,874.0         | 53,874.0         | 37.3                            | 36.7         | 35.8         | 34.3         | 32.6         |
| Retained Earnings & Other Reserves        | 9,145.0          | 16,575.1         | 25,597.1         | 36,021.7         | 48,004.0         | 6.3                             | 11.3         | 17.0         | 23.0         | 29.1         |
| <b>Shareholders Equity</b>                | <b>68,312.0</b>  | <b>75,742.1</b>  | <b>84,764.0</b>  | <b>95,188.7</b>  | <b>107,171.0</b> | <b>47.3</b>                     | <b>51.5</b>  | <b>56.3</b>  | <b>60.7</b>  | <b>64.9</b>  |
| Minorities                                | 5,293.0          | 6,009.1          | 6,796.8          | 7,663.3          | 8,616.4          | 3.7                             | 4.1          | 4.5          | 4.9          | 5.2          |
| <b>Group Equity</b>                       | <b>73,605.0</b>  | <b>81,751.2</b>  | <b>91,560.9</b>  | <b>102,852.0</b> | <b>115,787.4</b> | <b>50.9</b>                     | <b>55.6</b>  | <b>60.8</b>  | <b>65.6</b>  | <b>70.1</b>  |
| Provisions                                | 23,754.0         | 22,754.0         | 21,754.0         | 20,754.0         | 19,754.0         | 16.4                            | 15.5         | 14.4         | 13.2         | 12.0         |
| <i>t/o Pension Provisions</i>             | 5,913.0          | 6,326.9          | 6,706.5          | 7,041.9          | 7,323.5          | 4.1                             | 4.3          | 4.5          | 4.5          | 4.4          |
| Other Liabilities                         | 47,108.0         | 42,484.9         | 37,323.4         | 33,285.7         | 29,657.1         | 32.6                            | 28.9         | 24.8         | 21.2         | 18.0         |
| <b>Total Liabilities</b>                  | <b>70,862.0</b>  | <b>65,238.9</b>  | <b>59,077.4</b>  | <b>54,039.7</b>  | <b>49,411.1</b>  | <b>49.1</b>                     | <b>44.4</b>  | <b>39.2</b>  | <b>34.4</b>  | <b>29.9</b>  |
| <i>t/o LT Liabilities</i>                 | 42,112.0         | 37,112.0         | 32,112.0         | 27,612.0         | 23,612.0         | 29.1                            | 25.2         | 21.3         | 17.6         | 14.3         |
| <i>t/o ST Liab. &lt;1Y</i>                | 28,750.0         | 28,126.9         | 26,965.4         | 26,427.7         | 25,799.0         | 19.9                            | 19.1         | 17.9         | 16.8         | 15.6         |
| <i>t/o Acc Payable &amp; Adv. Paymts.</i> | 7,697.0          | 7,486.8          | 7,194.0          | 7,553.7          | 7,855.8          | 5.3                             | 5.1          | 4.8          | 4.8          | 4.8          |
| <b>Balance Sheet Total</b>                | <b>144,467.0</b> | <b>146,990.1</b> | <b>150,638.3</b> | <b>156,891.7</b> | <b>165,198.5</b> | <b>100.0</b>                    | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |

Source: BankM Research

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**Author: Dr. Roger Becker, CEFA, Biologist**

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| Analyst          | Date              | Evaluation result | Fair value |
|------------------|-------------------|-------------------|------------|
| Dr. Roger Becker | August 7, 2009    | Neutral           | €19.26     |
| Dr. Roger Becker | November 4, 2009  | Buy               | €22.21     |
| Dr. Roger Becker | November 16, 2009 | Buy               | €22.90     |
| Dr. Roger Becker | December 17, 2009 | Buy               | €22.90     |
| Dr. Roger Becker | January 29, 2010  | Buy               | €24.00     |
| Dr. Roger Becker | March 25, 2010    | Neutral           | €24.00     |
| Dr. Roger Becker | April 12, 2010    | Buy               | €27.44     |
| Dr. Roger Becker | May 10, 2010      | Buy               | €28.22     |
| Dr. Roger Becker | August 6, 2010    | Buy               | €29.33     |
| Dr. Roger Becker | November 9, 2010  | Neutral           | €28.60     |
| Dr. Roger Becker | April 4, 2011     | Buy               | €40.50     |
| Dr. Roger Becker | May 3, 2011       | Buy               | €40.50     |

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#### 3. Date of first publication of this document:

**August 5, 2011**

#### 4. Date and time of prices of the instruments quoted in this document:

**Closing prices of August 4, 2011**

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# Eckert & Ziegler AG

August 05, 2011

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