

Buy (old: Buy)

Price target: EUR 35.00 (old: EUR 35.00)

Price:	EUR 26.03	Next result:	FY 2010 30.03.11
Bloomberg:	EUZ GR	Market cap:	EUR 133.7 m
Reuters:	EUZG.DE	Enterprise Value:	EUR 132.3 m

13-December-10

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Feedback from Paris Roadshow with founder and CEO Dr Eckert

1. Isotope Products (71% of EBIT). Concerns were alleviated in the oil drill-bits business (est. € 5m in sales). Dr Eckert indicated that the company is able to cope with reduced supplies of americium on world markets (Russian suppliers are integrating downstream), given inventories and recycling capabilities ensuring that the company is at least able to supply its existing installed base (H&A base case). Fundamentals for that business remain intact as depleting oil wells mean increased need for intelligent directional drilling.

2. Therapy (23% of EBIT). The company should be receiving a licence to sell after-loaders in China, early next year. EUZ is already present in India (est. € 2m in sales). After-loaders are substitutes for "beam" radiotherapy, yielding greater accuracy and lower collateral damage. The company is a leader in emerging markets thanks to a cobalt-based technology with slow decay, allowing safe transport.

3. Environmental services. EUZ is today German market leader for the processing and recycling of low level radioactive waste ("LLRW") stemming from nuclear medicine, thanks to a business acquired early 2009. **It is one of three operators licensed to treat LLRW, an extremely regulated business with high entry barriers.** The company intends to participate in upcoming tenders stemming from German nuclear power plants aiming to clear sites from stockpiles of LLRW (e.g. overalls, gloves, steel), as the German government recently allowed those plants to run for another 12 years. While this waste management market is estimated to be worth € 800m, it remains unclear at what pace it will trickle down to specialists like EUZ. **The company is investing € 6m in a new processing facility able to accommodate an estimated € 50m worth of revenues.**

4. Guidance. The company says it aims to **double sales by 2014, with an EBIT margin of 15% at a minimum.** Acquisitions should be adding €30-€40m to sales, the environmental services business € 30m at least and organic growth across Therapy, Isotope Products and RadPharm another €30-€40m. Those assumptions would yield a fair value per share of € 45 on a present value basis and assuming a WACC of 8.5% vs. a PT of € 35 on FCF Yield 2011E, excluding acquisitions.

Remains a BUY, PT unchanged at € 35 per share: the stock remains fundamentally cheap at current levels, with a compelling exposure to demographics and a significant option value (one of a few consolidators in the radioactive isotope space and environmental services opportunity).



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 26.84 / 16.60
Price/Book Ratio: 1.5
Relative performance (SDAX):
3 months -6.9 %
6 months -6.3 %
12 months -0.9 %

Changes in estimates

		Sales	EBIT	EPS
2010	old:	106.8	19.2	2.03
	Δ	-	-	-
2011	old:	113.3	20.8	2.21
	Δ	-	-	-
2012	old:	120.5	22.3	2.39
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 5.3
Authorised capital: (in € m) 0.6
Book value per share: (in €) 17.1
Ø trading volume: (12 months) 20,453

Major shareholders:

Free float 64.2 %
Founders 34.4 %
Eckert & Ziegler AG 1.4 %

Company description:

Produces and markets a wide range of industrial and medical applications featuring radioactive isotopes, including prostate seed implants, calibration standards and radiation afterloaders.

Y/E 31.12 (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	50.4	54.4	71.6	101.4	106.8	113.3	120.5
Sales growth	21 %	8 %	32 %	42 %	5 %	6 %	6 %
EBITDA	10.5	9.7	18.7	22.6	26.6	28.2	30.4
EBIT	5.9	6.0	9.6	15.5	19.2	20.8	22.3
Net income	2.2	1.9	4.5	13.3	10.7	11.6	12.6
Net debt	4.9	6.8	10.9	-23.8	-7.4	-12.6	-20.9
Net gearing	13.7 %	18.7 %	26.6 %	-31.2 %	-8.2 %	-12.5 %	-18.8 %
Net Debt/EBITDA	0.5	0.7	0.6	0.0	0.0	0.0	0.0
EPS fully diluted	0.70	0.61	1.43	3.48	2.01	2.19	2.38
CPS	-0.01	0.93	1.16	3.71	1.03	1.78	2.20
DPS	0.25	0.25	0.30	0.45	0.45	0.45	0.45
Dividend yield	1.0 %	1.0 %	1.2 %	1.7 %	1.7 %	1.7 %	1.7 %
Gross profit margin	47.5 %	49.3 %	47.7 %	50.4 %	52.5 %	52.5 %	52.5 %
EBITDA margin	20.8 %	17.8 %	26.2 %	22.2 %	24.9 %	24.9 %	25.2 %
EBIT margin	11.7 %	11.0 %	13.4 %	15.2 %	18.0 %	18.3 %	18.5 %
ROCE	11.1 %	11.1 %	10.4 %	14.4 %	14.8 %	14.8 %	14.7 %
EV/sales	1.7	1.6	1.3	1.1	1.2	1.1	1.0
EV/EBITDA	8.2	9.0	4.9	5.2	5.0	4.5	3.9
EV/EBIT	14.6	14.7	9.6	7.7	6.9	6.1	5.4
PER	29.3	42.4	18.3	13.2	12.9	11.9	11.0
Adjusted FCF yield	4.7 %	3.5 %	10.9 %	10.9 %	8.9 %	10.2 %	12.3 %

Source: Company data, Hauck & Aufhäuser Close price as of: 10.12.2010

Financials

Profit and loss (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	50.4	54.4	71.6	101.4	106.8	113.3	120.5
<i>Sales growth</i>	<i>20.5 %</i>	<i>8.1 %</i>	<i>31.5 %</i>	<i>41.6 %</i>	<i>5.3 %</i>	<i>6.1 %</i>	<i>6.3 %</i>
Cost of sales	26.5	27.6	37.5	50.3	50.7	53.8	57.2
Gross profit	23.9	26.9	34.2	51.1	56.1	59.5	63.2
Sales and marketing	8.7	10.2	15.1	18.4	20.3	20.4	21.1
General and administration	10.3	10.5	14.6	19.1	20.0	21.0	22.0
Research and development	0.3	0.3	3.1	2.5	3.2	3.4	4.2
Other operating income	1.5	0.6	17.2	9.3	3.2	3.4	3.6
Other operating expenses	0.2	0.5	9.0	5.0	-3.5	-2.7	-2.7
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	10.5	9.7	18.7	22.6	26.6	28.2	30.4
Depreciation	4.6	3.7	9.2	7.1	7.4	7.5	8.1
EBITA	5.9	6.0	9.6	15.5	19.2	20.8	22.3
Amortisation of goodwill	0.0	0.0	0.0	4.4	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	5.9	6.0	9.6	15.5	19.2	20.8	22.3
Interest income	0.0	0.1	0.1	0.1	0.4	0.4	0.4
Interest expenses	0.9	0.8	1.2	1.3	1.8	1.8	1.7
Other financial result	0.4	-0.3	-0.1	1.0	0.0	0.0	0.0
Financial result	-1.1	-1.1	-1.3	-0.3	-1.4	-1.4	-1.3
Recurring pretax income from continuing operations	4.7	4.9	8.3	15.2	17.8	19.4	21.0
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	4.7	4.9	8.3	15.2	17.8	19.4	21.0
Taxes	1.6	2.8	5.3	-6.7	6.2	6.8	7.4
Net income from continuing operations	3.1	2.2	3.0	21.9	11.6	12.6	13.7
Result from discontinued operations (net of tax)	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Net income	2.5	2.2	3.0	21.9	11.6	12.6	13.7
Minority interest	0.3	0.2	-1.5	8.6	0.9	1.0	1.1
Net income (net of minority interest)	2.2	1.9	4.5	13.3	10.7	11.6	12.6
Average number of shares	3.1	3.1	3.1	3.8	5.3	5.3	5.3
EPS reported	0.71	0.62	1.43	3.48	2.03	2.21	2.39

Profit and loss (common size)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	52.5 %	50.7 %	52.3 %	49.6 %	47.5 %	47.5 %	47.5 %
Gross profit	47.5 %	49.3 %	47.7 %	50.4 %	52.5 %	52.5 %	52.5 %
Sales and marketing	17.2 %	18.8 %	21.1 %	18.2 %	19.0 %	18.0 %	17.5 %
General and administration	20.5 %	19.2 %	20.4 %	18.8 %	18.8 %	18.5 %	18.3 %
Research and development	0.7 %	0.5 %	4.3 %	2.5 %	3.0 %	3.0 %	3.5 %
Other operating income	2.9 %	1.0 %	24.1 %	9.2 %	3.0 %	3.0 %	3.0 %
Other operating expenses	0.4 %	0.9 %	12.5 %	4.9 %	-3.3 %	-2.3 %	-2.3 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	20.8 %	17.8 %	26.2 %	22.2 %	24.9 %	24.9 %	25.2 %
Depreciation	9.1 %	6.9 %	12.8 %	7.0 %	6.9 %	6.6 %	6.7 %
EBITA	11.7 %	11.0 %	13.4 %	15.2 %	18.0 %	18.3 %	18.5 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	4.3 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	11.7 %	11.0 %	13.4 %	15.2 %	18.0 %	18.3 %	18.5 %
Interest income	0.0 %	0.1 %	0.1 %	0.1 %	0.4 %	0.4 %	0.4 %
Interest expenses	1.7 %	1.5 %	1.7 %	1.3 %	1.7 %	1.6 %	1.4 %
Other financial result	0.8 %	-0.5 %	-0.2 %	0.9 %	0.0 %	0.0 %	0.0 %
Financial result	-2.2 %	-1.9 %	-1.8 %	-0.3 %	-1.3 %	-1.2 %	-1.1 %
Recurring pretax income from continuing operations	9.4 %	9.0 %	11.6 %	14.9 %	16.7 %	17.1 %	17.5 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	9.4 %	9.0 %	11.6 %	14.9 %	16.7 %	17.1 %	17.5 %
Tax rate	33.9 %	56.3 %	63.4 %	-44.5 %	35.0 %	35.0 %	35.0 %
Net income from continuing operations	6.2 %	3.9 %	4.2 %	21.6 %	10.8 %	11.1 %	11.3 %
Result from discontinued operations (net of tax)	1.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	5.1 %	3.9 %	4.2 %	21.6 %	10.8 %	11.1 %	11.3 %
Minority interest	0.6 %	0.4 %	-2.0 %	8.5 %	0.9 %	0.9 %	0.9 %
Net income (net of minority interest)	4.4 %	3.6 %	6.3 %	13.1 %	10.0 %	10.2 %	10.4 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Intangible assets	18.0	18.2	38.7	42.1	55.3	55.3	55.3
Property, plant and equipment	15.9	17.7	23.8	27.3	28.9	30.4	30.4
Financial assets	2.2	1.7	1.4	1.8	1.8	1.8	1.8
FIXED ASSETS	36.1	37.7	63.9	71.1	85.9	87.4	87.4
Inventories	5.9	7.7	8.6	12.6	13.3	14.2	15.1
Accounts receivable	11.1	11.5	14.0	16.2	20.5	22.3	23.8
Other current assets	0.0	2.2	3.5	6.2	6.6	7.0	7.4
Liquid assets	5.8	5.4	7.6	43.9	34.8	40.0	48.3
Deferred taxes	4.1	3.1	1.2	11.8	12.4	13.2	14.0
Deferred charges and prepaid expenses	1.2	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	28.1	29.9	34.9	90.8	87.6	96.6	108.5
TOTAL ASSETS	64.2	67.6	98.8	161.9	173.5	184.1	196.0
SHAREHOLDERS EQUITY	35.9	36.1	40.9	76.4	90.6	100.3	111.1
MINORITY INTEREST	0.4	0.4	2.0	10.3	1.0	2.0	3.1
Long-term debt	7.3	3.9	10.8	14.3	21.6	21.6	21.6
Provisions for pensions and similar obligations	0.1	0.1	0.4	5.7	6.0	6.4	6.8
Other provisions	3.4	3.7	16.5	18.3	18.3	18.3	18.3
Non-current liabilities	10.9	7.7	27.7	38.2	45.9	46.2	46.6
short-term liabilities to banks	3.4	8.3	7.8	5.8	5.8	5.8	5.8
Accounts payable	3.9	3.9	4.3	4.4	4.5	4.7	5.0
Advance payments received on orders	0.3	0.3	1.0	8.0	6.0	4.0	2.0
Other liabilities (incl. from lease and rental contracts)	5.2	7.4	12.3	14.4	15.2	16.1	17.1
Deferred taxes	2.0	1.3	1.1	2.6	2.7	2.9	3.1
Deferred income	2.2	2.3	1.8	1.8	1.9	2.0	2.1
Current liabilities	17.0	23.4	28.3	37.0	36.0	35.5	35.1
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	64.2	67.6	98.8	161.9	173.5	184.1	196.0

Balance sheet (common size)	2006	2007	2008	2009	2010E	2011E	2012E
Intangible assets	28.0 %	27.0 %	39.2 %	26.0 %	31.9 %	30.0 %	28.2 %
Property, plant and equipment	24.8 %	26.3 %	24.1 %	16.8 %	16.7 %	16.5 %	15.5 %
Financial assets	3.4 %	2.6 %	1.4 %	1.1 %	1.0 %	1.0 %	0.9 %
FIXED ASSETS	56.2 %	55.8 %	64.7 %	43.9 %	49.5 %	47.5 %	44.6 %
Inventories	9.2 %	11.4 %	8.7 %	7.8 %	7.7 %	7.7 %	7.7 %
Accounts receivable	17.3 %	17.0 %	14.2 %	10.0 %	11.8 %	12.1 %	12.1 %
Other current assets	0.0 %	3.3 %	3.5 %	3.9 %	3.8 %	3.8 %	3.8 %
Liquid assets	9.0 %	8.0 %	7.7 %	27.1 %	20.1 %	21.7 %	24.6 %
Deferred taxes	6.4 %	4.6 %	1.2 %	7.3 %	7.2 %	7.2 %	7.1 %
Deferred charges and prepaid expenses	1.9 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	43.8 %	44.2 %	35.3 %	56.1 %	50.5 %	52.5 %	55.4 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.1 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	55.9 %	53.5 %	41.4 %	47.2 %	52.2 %	54.5 %	56.7 %
MINORITY INTEREST	0.7 %	0.5 %	2.0 %	6.3 %	0.6 %	1.1 %	1.6 %
Long-term debt	11.4 %	5.8 %	10.9 %	8.8 %	12.4 %	11.7 %	11.0 %
Provisions for pensions and similar obligations	0.2 %	0.1 %	0.4 %	3.5 %	3.5 %	3.5 %	3.5 %
Other provisions	5.4 %	5.4 %	16.7 %	11.3 %	10.5 %	9.9 %	9.3 %
Non-current liabilities	17.0 %	11.4 %	28.0 %	23.6 %	26.4 %	25.1 %	23.8 %
short-term liabilities to banks	5.2 %	12.2 %	7.8 %	3.6 %	3.4 %	3.2 %	3.0 %
Accounts payable	6.0 %	5.7 %	4.3 %	2.7 %	2.6 %	2.6 %	2.6 %
Advance payments received on orders	0.5 %	0.4 %	1.0 %	4.9 %	3.5 %	2.2 %	1.0 %
Other liabilities (incl. from lease and rental contracts)	8.0 %	10.9 %	12.5 %	8.9 %	8.8 %	8.8 %	8.7 %
Deferred taxes	3.1 %	2.0 %	1.2 %	1.6 %	1.6 %	1.6 %	1.6 %
Deferred income	3.5 %	3.4 %	1.8 %	1.1 %	1.1 %	1.1 %	1.1 %
Current liabilities	26.4 %	34.7 %	28.6 %	22.9 %	20.8 %	19.3 %	17.9 %
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)	2006	2007	2008	2009	2010E	2011E	2012E
Net profit/loss	2.5	2.2	3.0	15.7	11.6	12.6	13.7
Depreciation of fixed assets (incl. leases)	4.6	3.7	9.2	7.0	7.4	7.5	8.1
Amortisation of goodwill	0.0	0.0	0.0	4.4	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	-1.0	1.9	-5.0	-0.8	0.3	0.4	0.4
Cash flow from operations before changes in w/c	6.2	7.8	7.1	26.3	19.3	20.5	22.1
Increase/decrease in inventory	-0.1	-2.1	-0.8	-4.1	-0.7	-0.8	-0.9
Increase/decrease in accounts receivable	-1.9	0.1	-2.5	-2.2	-4.3	-1.9	-1.4
Increase/decrease in accounts payable	0.3	0.1	0.4	0.1	0.0	0.3	0.3
Increase/decrease in other working capital positions	0.1	0.6	4.4	6.3	-1.6	-1.5	-1.4
Increase/decrease in working capital	-1.6	-1.2	1.5	0.2	-6.5	-3.9	-3.4
Cash flow from operating activities	4.6	6.6	8.6	26.5	12.7	16.6	18.7
CAPEX	4.2	4.2	6.0	5.7	9.0	9.0	8.1
Payments for acquisitions	0.0	0.7	0.2	5.3	22.2	0.0	0.0
Financial investments	-1.4	0.1	-0.5	0.0	0.0	0.0	0.0
Income from asset disposals	0.1	0.2	0.2	1.3	0.0	0.0	0.0
Cash flow from investing activities	-2.7	-4.7	-5.5	-9.7	-31.2	-9.0	-8.1
Cash flow before financing	1.9	1.9	3.1	16.8	-18.4	7.6	2.3
Increase/decrease in debt position	-1.3	-1.2	0.6	1.9	7.3	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	24.4	0.0	0.0	0.0
Dividends paid	0.5	0.8	0.8	0.6	2.3	2.3	2.3
Others	-0.3	-0.3	-0.1	-1.6	0.0	0.0	0.0
Effects of exchange rate changes on cash	-1.6	0.2	0.1	-0.3	0.0	0.0	0.0
Cash flow from financing activities	-1.9	-2.2	-0.3	24.0	5.0	-2.3	-2.3
Increase/decrease in liquid assets	-1.6	-0.1	2.9	40.5	-13.4	5.3	n/a
Liquid assets at end of period	5.8	5.4	7.6	48.1	34.7	40.0	48.3

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of Europe	26.1	30.8	43.9	61.9	65.1	69.1	73.5
yoy change	27.9 %	18.0 %	42.5 %	40.9 %	5.3 %	6.1 %	6.3 %
NAFTA	18.4	19.0	20.3	27.4	29.9	32.9	36.1
yoy change	-1.1 %	3.3 %	6.8 %	34.9 %	9.2 %	9.9 %	10.0 %
Asia Pacific	2.8	2.6	6.2	10.1	10.7	10.2	9.6
yoy change	27.3 %	-7.1 %	138.5 %	63.5 %	5.3 %	-4.5 %	-5.5 %
Rest of world	3.1	2.0	1.2	2.0	1.1	1.1	1.2
yoy change	416.7 %	-35.5 %	-40.0 %	69.0 %	-47.4 %	6.1 %	6.3 %
TTL	50.4	54.4	71.6	101.4	106.8	113.3	120.5
yoy change	20.6 %	7.9 %	31.6 %	41.6 %	5.3 %	6.1 %	6.3 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
P&L growth analysis							
Sales growth	20.5 %	8.1 %	31.5 %	41.6 %	5.3 %	6.1 %	6.3 %
EBITDA growth	62.5 %	-7.4 %	93.1 %	20.4 %	17.8 %	6.3 %	7.5 %
EBIT growth	131.7 %	1.6 %	60.6 %	61.3 %	24.2 %	8.1 %	7.3 %
EPS growth	38.4 %	-12.6 %	131.0 %	143.0 %	-41.8 %	8.9 %	8.3 %
Efficiency							
Total operating costs / sales	35.8 %	38.4 %	34.3 %	35.2 %	34.5 %	34.2 %	34.0 %
Sales per employee	183.2	174.5	181.3	202.8	201.4	209.8	219.0
EBITDA per employee	38.1	31.1	47.4	45.1	50.1	52.3	55.2
Balance sheet analysis							
Avg. working capital / sales	24.0 %	25.6 %	22.5 %	16.6 %	18.6 %	22.6 %	24.7 %
Inventory turnover (sales/inventory)	8.6	7.1	8.4	8.0	8.0	8.0	8.0
Trade debtors in days of sales	80.5	76.8	71.3	58.3	70.0	72.0	72.0
A/P turnover [(A/P*365)/sales]	53.2	51.4	41.8	32.1	32.1	32.1	32.1
Cash conversion cycle (days)	108.5	127.5	112.9	117.9	133.9	135.9	135.9
Cash flow analysis							
Free cash flow	0.4	2.5	2.6	20.8	3.7	7.6	10.6
Free cash flow/sales	0.8 %	4.5 %	3.6 %	20.5 %	3.5 %	6.7 %	8.8 %
FCF / net profit	18.0 %	126.7 %	57.9 %	156.9 %	35.0 %	65.2 %	84.6 %
FCF yield	0.5 %	3.1 %	3.2 %	15.6 %	2.8 %	5.7 %	8.0 %
Capex / depre	60.3 %	113.8 %	59.7 %	49.8 %	122.2 %	120.4 %	100.0 %
Capex / maintenance capex	0.0 %	0.0 %	0.0 %	0.0 %	121.1 %	121.1 %	108.6 %
Capex / sales	5.5 %	7.8 %	7.6 %	5.6 %	8.4 %	7.9 %	6.7 %
Security							
Net debt	4.9	6.8	10.9	-23.8	-7.4	-12.6	-20.9
Net Debt/EBITDA	0.5	0.7	0.6	0.0	0.0	0.0	0.0
Net debt / equity	0.1	0.2	0.3	-0.3	-0.1	-0.1	-0.2
Interest cover	6.8	7.2	7.7	11.6	10.9	11.8	13.2
Dividend payout ratio	40.4 %	44.5 %	14.1 %	17.4 %	21.7 %	19.9 %	18.4 %
Asset utilisation							
Capital employed turnover	1.0	1.0	0.9	0.8	0.8	0.8	0.8
Operating assets turnover	1.8	1.7	1.7	2.3	2.0	1.9	1.9
Plant turnover	3.2	3.1	3.0	3.7	3.7	3.7	4.0
Inventory turnover (sales/inventory)	8.6	7.1	8.4	8.0	8.0	8.0	8.0
Returns							
ROCE	11.1 %	11.1 %	10.4 %	14.4 %	14.8 %	14.8 %	14.7 %
ROE	6.2 %	5.4 %	11.0 %	17.3 %	11.8 %	11.6 %	11.3 %
Other							
Interest paid / avg. debt	7.4 %	7.3 %	8.1 %	6.9 %	7.4 %	6.4 %	6.2 %
No. employees (average)	275	312	395	500	530	540	550
Number of shares	3.1	3.1	3.1	3.8	5.3	5.3	5.3
DPS	0.3	0.3	0.3	0.5	0.5	0.5	0.5
EPS reported	0.71	0.62	1.43	3.48	2.03	2.21	2.39
Valuation ratios							
P/BV	2.3	2.3	2.0	1.3	1.5	1.4	1.2
EV/sales	1.7	1.6	1.3	1.1	1.2	1.1	1.0
EV/EBITDA	8.2	9.0	4.9	5.2	5.0	4.5	3.9
EV/EBITA	14.6	14.7	9.6	5.2	6.9	6.1	5.4
EV/EBIT	14.6	14.7	9.6	7.7	6.9	6.1	5.4
EV/FCF	214.8	35.5	35.3	5.6	35.4	16.8	11.2
Dividend yield	1.0 %	1.0 %	1.2 %	1.7 %	1.7 %	1.7 %	1.7 %

Source: Company data, Hauck & Aufhäuser

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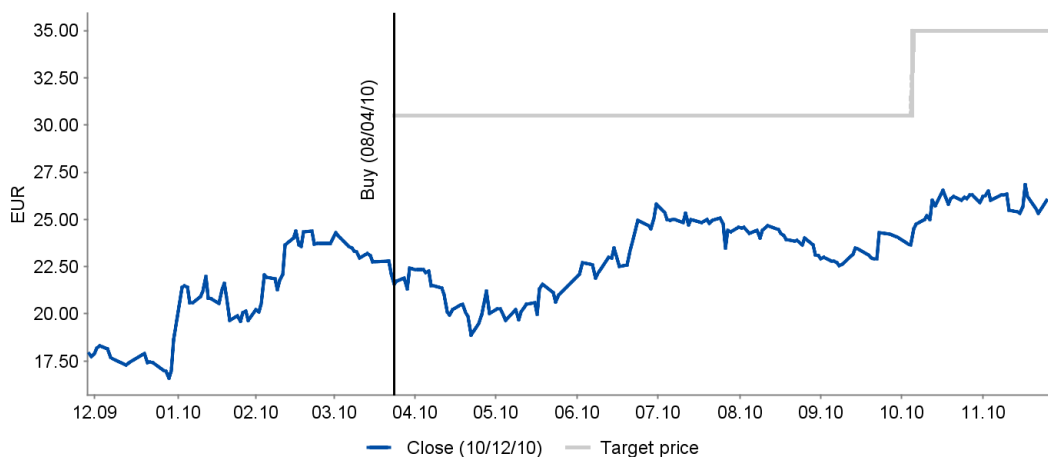
Company	Disclosure
Eckert & Ziegler AG	2

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Historical target price and rating changes for Eckert & Ziegler AG in the last 12 months

Price and Rating History Eckert & Ziegler AG as of 13/12/10

Initiation coverage
08-April-10



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