

**Buy** (old: Buy)

**Price target: EUR 36.30** (old: EUR 35.00)

<b>Price:</b>	EUR 26.98	<b>Next result:</b>	FY 2010 30.03.11
<b>Bloomberg:</b>	EUZ GR	<b>Market cap:</b>	EUR 135.8 m
<b>Reuters:</b>	EUZG.DE	<b>Enterprise Value:</b>	EUR 136.5 m

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**Marie-Therese Gruebner**  
Analyst

marie-therese.gruebner@ha-research.de  
Tel.: +49 40 414 3885 83

### Small acquisition in Therapy segment, est. & PT up

EUZ has acquired, via its listed subsidiary IBt Bebig, all the shares in Bavarian **SonoTech GmbH**, a small software developer specialised in the planning of radiation therapy. The target has developed, among others, the software featured in EUZ's prostate seed implants and in some of its afterloaders.

We understand that **SonoTech has sales of around € 1m and an estimated EBIT of € 0.8m. EUZ will be paying for the acquisition out of own cash reserves.** The transaction features an earn-out agreement. Further details will be made public with the release of full year numbers on March 30, 2011.

The estimated **EV/EBIT** for the deal, assuming an "all-in" transaction value of € 4m, comes out **at a value accretive 5.0x, compared to EUZ's current 7.1x 2010E EV/EBIT.** SonoTech has been integrated in figures as of Jan 1, 2011. Consequently sales, EBIT and EPS have been increased by 1%, 4.0% and 4.2%, respectively, for 2011E/2012E.

The deal with its favourable valuation metrics, **underlines EUZ's attractive positioning as one of the few consolidators in a mature and highly regulated radioactive isotope space**, as it offers market access and capital to smaller companies which are largely stemming out of academia.

**Remains a BUY, new PT of € 36.3 (€ 35.0) on Free Cash Flow Yield 2011E: fundamentally cheap at current levels with compelling "demographics" and "roll-up" angles to the story.**



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 27.25 / 16.60  
**Price/Book Ratio:** 1.6  
**Relative performance (SDAX):**  
3 months -3.1 %  
6 months -17.0 %  
12 months 9.3 %

#### Changes in estimates

		Sales	EBIT	EPS
2010	old:	106.8	19.2	2.03
	Δ	-	-	-
2011	old:	113.3	20.8	2.21
	Δ	1.1%	3.9%	4.0%
2012	old:	120.5	22.3	2.39
	Δ	1.0%	4.1%	4.3%

#### 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	114.5	121.7
Sales growth	21 %	8 %	32 %	42 %	5 %	7 %	6 %
EBITDA	10.5	9.7	18.7	22.6	26.6	29.1	31.4
EBIT	5.9	6.0	9.6	15.5	19.2	21.6	23.2
Net income	2.2	1.9	4.5	13.3	10.7	12.1	13.1
Net debt	4.9	6.8	10.9	-23.8	-5.3	-10.0	-17.9
Net gearing	13.7 %	18.7 %	26.6 %	-31.2 %	-5.9 %	-10.0 %	-16.3 %
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	2.28	2.48
CPS	-0.01	0.93	1.16	3.71	1.03	1.86	2.32
DPS	0.25	0.25	0.30	0.45	0.45	0.45	0.45
Dividend yield	0.9 %	0.9 %	1.1 %	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 %	25.4 %	25.8 %
EBIT margin	11.7 %	11.0 %	13.4 %	15.2 %	18.0 %	18.8 %	19.1 %
ROCE	11.1 %	11.1 %	10.4 %	14.4 %	14.9 %	15.3 %	15.3 %
EV/sales	1.7	1.6	1.3	1.2	1.3	1.2	1.0
EV/EBITDA	8.3	9.2	5.0	5.3	5.1	4.5	4.0
EV/EBIT	14.8	14.9	9.7	7.8	7.1	6.1	5.4
PER	29.8	43.1	18.6	13.4	13.1	11.6	10.7
Adjusted FCF yield	4.6 %	3.5 %	10.8 %	10.7 %	8.7 %	10.3 %	12.3 %

Source: Company data, Hauck & Aufhäuser Close price as of: 04.01.2011

## Financials

Profit and loss (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
<b>Sales</b>	<b>50.4</b>	<b>54.4</b>	<b>71.6</b>	<b>101.4</b>	<b>106.8</b>	<b>114.5</b>	<b>121.7</b>
<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>7.2 %</i>	<i>6.3 %</i>
Cost of sales	26.5	27.6	37.5	50.3	50.7	54.4	57.8
<b>Gross profit</b>	<b>23.9</b>	<b>26.9</b>	<b>34.2</b>	<b>51.1</b>	<b>56.1</b>	<b>60.1</b>	<b>63.9</b>
Sales and marketing	8.7	10.2	15.1	18.4	20.3	20.6	21.3
General and administration	10.3	10.5	14.6	19.1	20.0	21.2	22.2
Research and development	0.3	0.3	3.1	2.5	3.2	3.5	4.3
Other operating income	1.5	0.6	17.2	9.3	3.2	3.4	3.7
Other operating expenses	0.2	0.5	9.0	5.0	-3.5	-3.3	-3.4
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>10.5</b>	<b>9.7</b>	<b>18.7</b>	<b>22.6</b>	<b>26.6</b>	<b>29.1</b>	<b>31.4</b>
Depreciation	4.6	3.7	9.2	7.1	7.4	7.6	8.2
<b>EBITA</b>	<b>5.9</b>	<b>6.0</b>	<b>9.6</b>	<b>15.5</b>	<b>19.2</b>	<b>21.6</b>	<b>23.2</b>
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
<b>EBIT</b>	<b>5.9</b>	<b>6.0</b>	<b>9.6</b>	<b>15.5</b>	<b>19.2</b>	<b>21.6</b>	<b>23.2</b>
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
<b>Recurring pretax income from continuing operations</b>	<b>4.7</b>	<b>4.9</b>	<b>8.3</b>	<b>15.2</b>	<b>17.8</b>	<b>20.2</b>	<b>21.9</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>4.7</b>	<b>4.9</b>	<b>8.3</b>	<b>15.2</b>	<b>17.8</b>	<b>20.2</b>	<b>21.9</b>
Taxes	1.6	2.8	5.3	-6.7	6.2	7.1	7.7
<b>Net income from continuing operations</b>	<b>3.1</b>	<b>2.2</b>	<b>3.0</b>	<b>21.9</b>	<b>11.6</b>	<b>13.1</b>	<b>14.3</b>
Result from discontinued operations (net of tax)	0.6	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>2.5</b>	<b>2.2</b>	<b>3.0</b>	<b>21.9</b>	<b>11.6</b>	<b>13.1</b>	<b>14.3</b>
Minority interest	0.3	0.2	-1.5	8.6	0.9	1.0	1.1
<b>Net income (net of minority interest)</b>	<b>2.2</b>	<b>1.9</b>	<b>4.5</b>	<b>13.3</b>	<b>10.7</b>	<b>12.1</b>	<b>13.1</b>
Average number of shares	3.1	3.1	3.1	3.8	5.3	5.3	5.3
<b>EPS reported</b>	<b>0.71</b>	<b>0.62</b>	<b>1.43</b>	<b>3.48</b>	<b>2.03</b>	<b>2.30</b>	<b>2.49</b>

Profit and loss (common size)	2006	2007	2008	2009	2010E	2011E	2012E
<b>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>
Cost of sales	52.5 %	50.7 %	52.3 %	49.6 %	47.5 %	47.5 %	47.5 %
<b>Gross profit</b>	<b>47.5 %</b>	<b>49.3 %</b>	<b>47.7 %</b>	<b>50.4 %</b>	<b>52.5 %</b>	<b>52.5 %</b>	<b>52.5 %</b>
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 %	-2.9 %	-2.8 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITDA</b>	<b>20.8 %</b>	<b>17.8 %</b>	<b>26.2 %</b>	<b>22.2 %</b>	<b>24.9 %</b>	<b>25.4 %</b>	<b>25.8 %</b>
Depreciation	9.1 %	6.9 %	12.8 %	7.0 %	6.9 %	6.6 %	6.7 %
<b>EBITA</b>	<b>11.7 %</b>	<b>11.0 %</b>	<b>13.4 %</b>	<b>15.2 %</b>	<b>18.0 %</b>	<b>18.8 %</b>	<b>19.1 %</b>
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 %
<b>EBIT</b>	<b>11.7 %</b>	<b>11.0 %</b>	<b>13.4 %</b>	<b>15.2 %</b>	<b>18.0 %</b>	<b>18.8 %</b>	<b>19.1 %</b>
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 %
<b>Recurring pretax income from continuing operations</b>	<b>9.4 %</b>	<b>9.0 %</b>	<b>11.6 %</b>	<b>14.9 %</b>	<b>16.7 %</b>	<b>17.6 %</b>	<b>18.0 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>9.4 %</b>	<b>9.0 %</b>	<b>11.6 %</b>	<b>14.9 %</b>	<b>16.7 %</b>	<b>17.6 %</b>	<b>18.0 %</b>
Tax rate	33.9 %	56.3 %	63.4 %	-44.5 %	35.0 %	35.0 %	35.0 %
<b>Net income from continuing operations</b>	<b>6.2 %</b>	<b>3.9 %</b>	<b>4.2 %</b>	<b>21.6 %</b>	<b>10.8 %</b>	<b>11.5 %</b>	<b>11.7 %</b>
Result from discontinued operations (net of tax)	1.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>5.1 %</b>	<b>3.9 %</b>	<b>4.2 %</b>	<b>21.6 %</b>	<b>10.8 %</b>	<b>11.5 %</b>	<b>11.7 %</b>
Minority interest	0.6 %	0.4 %	-2.0 %	8.5 %	0.9 %	0.9 %	0.9 %
<b>Net income (net of minority interest)</b>	<b>4.4 %</b>	<b>3.6 %</b>	<b>6.3 %</b>	<b>13.1 %</b>	<b>10.0 %</b>	<b>10.5 %</b>	<b>10.8 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
<b>Intangible assets</b>	<b>18.0</b>	<b>18.2</b>	<b>38.7</b>	<b>42.1</b>	<b>55.3</b>	<b>55.3</b>	<b>55.3</b>
Property, plant and equipment	15.9	17.7	23.8	27.3	30.9	32.3	32.3
Financial assets	2.2	1.7	1.4	1.8	1.8	1.8	1.8
<b>FIXED ASSETS</b>	<b>36.1</b>	<b>37.7</b>	<b>63.9</b>	<b>71.1</b>	<b>87.9</b>	<b>89.4</b>	<b>89.4</b>
Inventories	5.9	7.7	8.6	12.6	13.3	14.3	15.2
Accounts receivable	11.1	11.5	14.0	16.2	20.5	22.6	24.0
Other current assets	0.0	2.2	3.5	6.2	6.6	7.0	7.5
Liquid assets	5.8	5.4	7.6	43.9	32.7	37.4	45.3
Deferred taxes	4.1	3.1	1.2	11.8	12.4	13.3	14.2
Deferred charges and prepaid expenses	1.2	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>28.1</b>	<b>29.9</b>	<b>34.9</b>	<b>90.8</b>	<b>85.5</b>	<b>94.7</b>	<b>106.2</b>
<b>TOTAL ASSETS</b>	<b>64.2</b>	<b>67.6</b>	<b>98.8</b>	<b>161.9</b>	<b>173.5</b>	<b>184.0</b>	<b>195.5</b>
SHAREHOLDERS EQUITY	35.9	36.1	40.9	76.4	90.6	99.9	110.2
MINORITY INTEREST	0.4	0.4	2.0	10.3	1.0	2.0	3.2
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	6.9
Other provisions	3.4	3.7	16.5	18.3	18.3	18.3	18.3
<b>Non-current liabilities</b>	<b>10.9</b>	<b>7.7</b>	<b>27.7</b>	<b>38.2</b>	<b>45.9</b>	<b>46.3</b>	<b>46.7</b>
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	4.8	5.1
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	16.3	17.3
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
<b>Current liabilities</b>	<b>17.0</b>	<b>23.4</b>	<b>28.3</b>	<b>37.0</b>	<b>36.0</b>	<b>35.8</b>	<b>35.4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>64.2</b>	<b>67.6</b>	<b>98.8</b>	<b>161.9</b>	<b>173.5</b>	<b>184.0</b>	<b>195.5</b>

Balance sheet (common size)	2006	2007	2008	2009	2010E	2011E	2012E
<b>Intangible assets</b>	<b>28.0 %</b>	<b>27.0 %</b>	<b>39.2 %</b>	<b>26.0 %</b>	<b>31.9 %</b>	<b>30.0 %</b>	<b>28.3 %</b>
Property, plant and equipment	24.8 %	26.3 %	24.1 %	16.8 %	17.8 %	17.6 %	16.5 %
Financial assets	3.4 %	2.6 %	1.4 %	1.1 %	1.0 %	1.0 %	0.9 %
<b>FIXED ASSETS</b>	<b>56.2 %</b>	<b>55.8 %</b>	<b>64.7 %</b>	<b>43.9 %</b>	<b>50.7 %</b>	<b>48.6 %</b>	<b>45.7 %</b>
Inventories	9.2 %	11.4 %	8.7 %	7.8 %	7.7 %	7.8 %	7.8 %
Accounts receivable	17.3 %	17.0 %	14.2 %	10.0 %	11.8 %	12.3 %	12.3 %
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 %	18.9 %	20.3 %	23.2 %
Deferred taxes	6.4 %	4.6 %	1.2 %	7.3 %	7.2 %	7.2 %	7.2 %
Deferred charges and prepaid expenses	1.9 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>43.8 %</b>	<b>44.2 %</b>	<b>35.3 %</b>	<b>56.1 %</b>	<b>49.3 %</b>	<b>51.4 %</b>	<b>54.3 %</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	55.9 %	53.5 %	41.4 %	47.2 %	52.2 %	54.3 %	56.4 %
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 %
<b>Non-current liabilities</b>	<b>17.0 %</b>	<b>11.4 %</b>	<b>28.0 %</b>	<b>23.6 %</b>	<b>26.4 %</b>	<b>25.2 %</b>	<b>23.9 %</b>
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 %	8.8 %
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 %
<b>Current liabilities</b>	<b>26.4 %</b>	<b>34.7 %</b>	<b>28.6 %</b>	<b>22.9 %</b>	<b>20.8 %</b>	<b>19.4 %</b>	<b>18.1 %</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)	2006	2007	2008	2009	2010E	2011E	2012E
Net profit/loss	2.5	2.2	3.0	15.7	11.6	13.1	14.3
Depreciation of fixed assets (incl. leases)	4.6	3.7	9.2	7.0	7.4	7.6	8.2
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	21.1	22.8
Increase/decrease in inventory	-0.1	-2.1	-0.8	-4.1	-0.7	-1.0	-0.9
Increase/decrease in accounts receivable	-1.9	0.1	-2.5	-2.2	-4.3	-2.1	-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	-1.4	-1.4
Increase/decrease in working capital	-1.6	-1.2	1.5	0.2	-6.5	-4.1	-3.4
<b>Cash flow from operating activities</b>	<b>4.6</b>	<b>6.6</b>	<b>8.6</b>	<b>26.5</b>	<b>12.7</b>	<b>17.0</b>	<b>19.4</b>
CAPEX	4.2	4.2	6.0	5.7	11.0	10.0	9.2
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
<b>Cash flow from investing activities</b>	<b>-2.7</b>	<b>-4.7</b>	<b>-5.5</b>	<b>-9.7</b>	<b>-33.2</b>	<b>-10.0</b>	<b>-9.2</b>
Cash flow before financing	1.9	1.9	3.1	16.8	-20.4	7.0	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
<b>Cash flow from financing activities</b>	<b>-1.9</b>	<b>-2.2</b>	<b>-0.3</b>	<b>24.0</b>	<b>5.0</b>	<b>-2.3</b>	<b>-2.3</b>
Increase/decrease in liquid assets	-1.6	-0.1	2.9	40.5	-15.4	4.7	n/a
<b>Liquid assets at end of period</b>	<b>5.8</b>	<b>5.4</b>	<b>7.6</b>	<b>48.1</b>	<b>32.7</b>	<b>37.4</b>	<b>45.3</b>

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	69.8	74.3
yoy change	27.9 %	18.0 %	42.5 %	40.9 %	5.3 %	7.2 %	6.3 %
NAFTA	18.4	19.0	20.3	27.4	29.9	33.2	36.5
yoy change	-1.1 %	3.3 %	6.8 %	34.9 %	9.2 %	11.1 %	10.0 %
Asia Pacific	2.8	2.6	6.2	10.1	10.7	10.3	9.7
yoy change	27.3 %	-7.1 %	138.5 %	63.5 %	5.3 %	-3.5 %	-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 %	7.2 %	6.3 %
<b>TTL</b>	<b>50.4</b>	<b>54.4</b>	<b>71.6</b>	<b>101.4</b>	<b>106.8</b>	<b>114.5</b>	<b>121.7</b>
yoy change	20.6 %	7.9 %	31.6 %	41.6 %	5.3 %	7.2 %	6.3 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
<b>P&amp;L growth analysis</b>							
Sales growth	20.5 %	8.1 %	31.5 %	41.6 %	5.3 %	7.2 %	6.3 %
EBITDA growth	62.5 %	-7.4 %	93.1 %	20.4 %	17.8 %	9.6 %	7.7 %
EBIT growth	131.7 %	1.6 %	60.6 %	61.3 %	24.2 %	12.3 %	7.6 %
EPS growth	38.4 %	-12.6 %	131.0 %	143.0 %	-41.8 %	13.3 %	8.6 %
<b>Efficiency</b>							
Total operating costs / sales	35.8 %	38.4 %	34.3 %	35.2 %	34.5 %	33.7 %	33.4 %
Sales per employee	183.2	174.5	181.3	202.8	201.4	212.0	221.3
EBITDA per employee	38.1	31.1	47.4	45.1	50.1	53.9	57.0
<b>Balance sheet analysis</b>							
Avg. working capital / sales	24.0 %	25.6 %	22.5 %	16.6 %	18.6 %	22.5 %	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
<b>Cash flow analysis</b>							
Free cash flow	0.4	2.5	2.6	20.8	1.7	7.0	10.2
Free cash flow/sales	0.8 %	4.5 %	3.6 %	20.5 %	1.6 %	6.1 %	8.4 %
FCF / net profit	18.0 %	126.7 %	57.9 %	156.9 %	16.3 %	57.9 %	77.9 %
FCF yield	0.5 %	3.0 %	3.2 %	15.3 %	1.3 %	5.1 %	7.5 %
Capex / depre	60.3 %	113.8 %	59.7 %	49.8 %	149.3 %	132.3 %	112.3 %
Capex / maintenance capex	0.0 %	0.0 %	0.0 %	0.0 %	148.0 %	121.1 %	109.7 %
Capex / sales	5.5 %	7.8 %	7.6 %	5.6 %	10.3 %	8.7 %	7.5 %
<b>Security</b>							
Net debt	4.9	6.8	10.9	-23.8	-5.3	-10.0	-17.9
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	12.2	13.6
Dividend payout ratio	40.4 %	44.5 %	14.1 %	17.4 %	21.7 %	19.1 %	17.6 %
<b>Asset utilisation</b>							
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	3.5	3.5	3.8
Inventory turnover (sales/inventory)	8.6	7.1	8.4	8.0	8.0	8.0	8.0
<b>Returns</b>							
ROCE	11.1 %	11.1 %	10.4 %	14.4 %	14.9 %	15.3 %	15.3 %
ROE	6.2 %	5.4 %	11.0 %	17.3 %	11.8 %	12.1 %	11.9 %
<b>Other</b>							
Interest paid / avg. debt	7.4 %	7.3 %	8.1 %	6.9 %	7.4 %	6.5 %	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	2.30	2.49
<b>Valuation ratios</b>							
P/BV	2.3	2.3	2.0	1.3	1.5	1.4	1.3
EV/sales	1.7	1.6	1.3	1.2	1.3	1.2	1.0
EV/EBITDA	8.3	9.2	5.0	5.3	5.1	4.5	4.0
EV/EBITA	14.8	14.9	9.7	5.3	7.1	6.1	5.4
EV/EBIT	14.8	14.9	9.7	7.8	7.1	6.1	5.4
EV/FCF	218.1	36.0	35.8	5.7	78.8	18.9	12.2
Dividend yield	0.9 %	0.9 %	1.1 %	1.7 %	1.7 %	1.7 %	1.7 %

Source: Company data, Hauck & Aufhäuser

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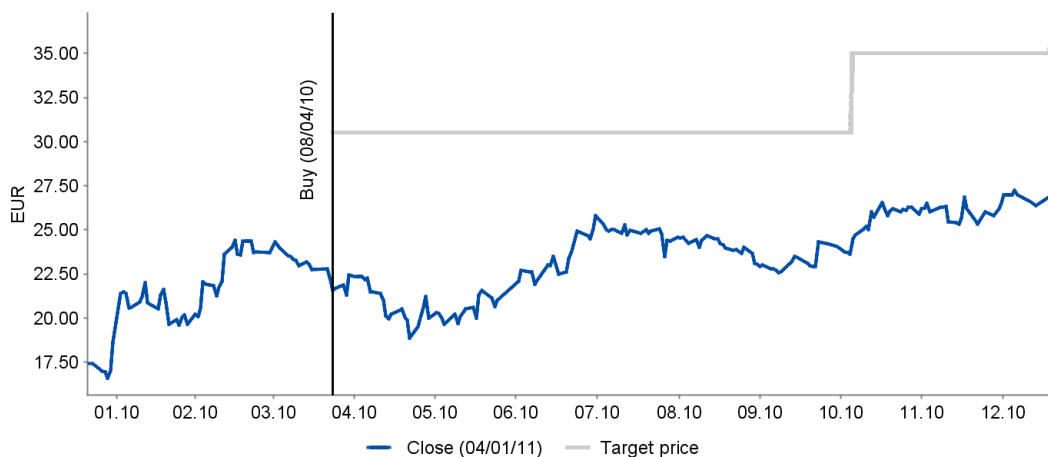
Company	Disclosure
Eckert & Ziegler AG	2

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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 05/01/11

**Initiation coverage**  
08-April-10



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<b>Buy</b>	79.17 %	100.00 %
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**Buy:** Sustainable upside potential of more than 10% within 12 months.

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Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin – (Federal Financial Supervisory Authority), Graurheindorfer Straße 108, 53117 Bonn and Lurgiallee 12, 60439 Frankfurt am Main, Germany

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## Contacts: Hauck&Aufhäuser Investment Banking

### Hauck & Aufhäuser Research

Hauck & Aufhäuser  
Institutional Research GmbH  
Mittelweg 142

20148 Hamburg  
Germany

Tel.: +49 (0) 40 414 3885 - 70  
Fax: +49 (0) 40 414 3885 - 71  
Email: info@ha-research.de  
www.ha-research.de

**Sascha Berresch, CFA**  
Analyst

Tel.: +49 (0)40 414 3885 - 85  
E-Mail: sascha.berresch@ha-research.de

**Marie-Therese Gruebner**  
Analyst

Tel.: +49 (0)40 414 3885 - 83  
E-Mail: marie-therese.gruebner@ha-research.de

**Marc Osigus, CFA**  
Analyst

Tel.: +49 (0)40 414 3885 - 90  
E-Mail: marc.osigus@ha-research.de

**Roland Rapelius, CFA**  
Analyst

Tel.: +49 (0)40 414 3885 - 86  
E-Mail: roland.rapelius@ha-research.de

**Bastian Timm**  
Analyst

Tel.: +49 (0)40 414 3885 - 82  
E-Mail: bastian.timm@ha-research.de

**Thomas Wissler**  
Analyst

Tel.: +49 (0)40 414 3885 - 80  
E-Mail: thomas.wissler@ha-research.de

**Tim Wunderlich**  
Analyst

Tel.: +49 (0)40 414 3885 - 81  
E-Mail: tim.wunderlich@ha-research.de

### Hauck & Aufhäuser Sales

**Vincent Bischoff**  
Sales

Tel.: +49 (0)40 414 3885 - 88  
E-Mail: vincent.bischoff@ha-research.de

**Hugues Madelin**  
Sales

Tel.: +33 1 78 41 40 62  
E-Mail: hugues.madelin@ha-research.de

### Senior Advisors

**Dr. Alexander Klemm**  
Senior Advisor

Tel.: +49 (0) 69 50 500 49- 71  
E-Mail: alexander.klemm@ha-ib.com

**Graeme Davies**  
Senior Advisor

Tel.: +49 (0)40 414 3885 - 72  
E-Mail: graeme.davies@ha-research.de

**Michael Schramm**  
Senior Advisor

Tel.: +49 (0)69 2161 - 1240  
E-Mail: michael.schramm@hauck-aufhaeuser.de

### Hauck & Aufhäuser Sales Trading

Hauck & Aufhäuser  
Privatbankiers KGaA  
Kaiserstraße 24

60311 Frankfurt am Main  
Germany

Tel.: +49 (0) 69 2161- 0  
Fax: +49 (0) 69 2161- 1340  
Email: info@hauck-aufhaeuser.de  
www.hauck-aufhaeuser.de

**Thomas Seibert**  
Trading

Tel.: +49 (0)69 2161 - 1555  
E-Mail: thomas.seibert@hauck-aufhaeuser.de

**Sebastian Schuett**  
Trading

Tel.: +49 (0)69 2161 - 1556  
E-Mail: sebastian.schuett@hauck-aufhaeuser.de