

Buy (old: Buy)

Price target: EUR 38.50 (old: EUR 38.50)

Price:	EUR 29.15	Next result:	Q2 11 02.08.11
Bloomberg:	EUZ GR	Market cap:	EUR 149.7 m
Reuters:	EUZG.DE	Enterprise Value:	EUR 141.5 m

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Q1 EBIT 8% better, EPS, EPS in line

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Q1 Sales are in line at € 28.2m, up 9.7% yoy (eH&A 9% top line growth in FY 2011E).

As expected, Q1 11 was carried by a 30.9% growth in RadPharm (22% of group sales), carried by contract wins in Central and Eastern Europe for contrast agent FDG, produced at the company's cyclotrons and Yttrium 90 chloride contracts for Spectrum Pharma. **Gross margin in RadPharm is a strong 62%** (first time disclosed by the company), vs. 52% at the consolidated level, hence an over proportional contribution to EBIT. **Pricing power** in a regional oligopoly explains this. Cyclotrons represent a high barrier to entry: expensive, difficult to operate and maintain and highly regulated by nuclear protection agencies.

Isotope product sales (49% of group sales, essentially replacement) are up 7% yoy at €14.2m, driven by **higher pricing in the calibration business**. Fukushima should be having an impact over the course of the year with a higher use of calibration sources by power plant operators, government and security organisations in the Japanese market.

EBIT of € 6.4m is up 18% yoy, some 7.6% better than expectations, with the margin of 22.7%, up 1.6 pts: a strong margin in RadPharm at 24.5% vs. 20% expected, up 8 pts yoy, explains the better performance. We assume that the EBIT margin in RadPharm should be reverting to the 11% expected FY 2011E, given an expected sizing of the cost structure and seasonally higher R&D spend going in the quarters ahead.

Net Income of € 3.6m is up 29% yoy and € 0.2k better than expected given a lower tax rate of 37% vs. 40% expected.

2011 guidance is maintained of sales between € 110 m to € 120m, net income after minorities of at least € 10m (eH&A € 120.6m and € 12m respectively). By 2014, the company expects to double revenues to € 200 organically and via bolt-on acquisitions, with an EBIT margin of 15% at least.

-Continued-

Y/E 31.12 (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Sales	54.4	71.6	101.4	111.1	120.6	128.4	135.0
Sales growth	8 %	32 %	42 %	10 %	9 %	6 %	5 %
EBITDA	9.7	18.7	22.6	26.4	32.4	35.2	41.5
EBIT	6.0	9.6	15.5	16.6	21.8	23.8	29.5
Net income	1.9	4.5	13.3	9.4	11.9	13.1	17.1
Net debt	6.8	10.9	-23.8	-7.6	-15.0	-23.9	-35.7
Net gearing	18.7 %	26.6 %	-31.2 %	-11.2 %	-20.2 %	-28.5 %	-27.0 %
Net Debt/EBITDA	0.7	0.6	0.0	0.0	0.0	0.0	0.0
EPS fully diluted	0.61	1.43	3.48	1.81	2.28	2.51	3.29
CPS	0.93	1.16	3.71	1.01	1.71	2.23	3.12
DPS	0.25	0.30	0.45	0.60	0.76	0.83	0.00
Dividend yield	0.9 %	1.0 %	1.5 %	2.1 %	2.6 %	2.9 %	3.8 %
Gross profit margin	49.3 %	47.7 %	50.4 %	52.0 %	52.0 %	52.0 %	52.0 %
EBITDA margin	17.8 %	26.2 %	22.2 %	23.8 %	26.9 %	27.4 %	30.7 %
EBIT margin	11.0 %	13.4 %	15.2 %	14.9 %	18.0 %	18.6 %	21.9 %
ROCE	11.1 %	10.4 %	14.4 %	16.2 %	19.0 %	19.0 %	20.2 %
EV/sales	1.8	1.4	1.3	1.3	1.2	1.0	0.9
EV/EBITDA	10.0	5.4	6.0	5.6	4.4	3.8	2.9
EV/EBIT	16.3	10.6	8.8	8.9	6.5	5.6	4.1
PER	47.5	20.4	14.8	16.1	12.8	11.6	8.9
Adjusted FCF yield	3.2 %	9.9 %	9.6 %	7.9 %	10.1 %	12.0 %	16.2 %

Source: Company data, Hauck & Aufhäuser Close price as of: 02.05.2011



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 30.75 / 18.86

Price/Book Ratio: 2.0

Relative performance (SDAX):

3 months 4.9 %

6 months -0.8 %

12 months 9.3 %

Changes in estimates

		Sales	EBIT	EPS
2011	old:	120.6	21.8	2.29
	Δ	0.0%	-	-
2012	old:	128.4	23.8	2.51
	Δ	-	-	-
2013	old:	135.0	29.5	3.30
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 5.2

Authorised capital: (in € m) 0.6

Book value per share: (in €) 14.3

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.

Operating cash flow of € 1.9m is flat yoy, given a € 0.6K build up in inventories vs. FY end 2010. We believe this has to do with some americium "hoarding", given that this isotope is hard to get and that the oil-drill bit business should be picking up again in Q2 to Q4 after contributing no sales in Q1 11.

Capex of € 2.5m vs. € 0.9m in Q1 10 has to do with the environmental business and the expansion of facilities in Braunschweig.

Only caveat is USD exposure: an average rate of 1.50 vs. Euro results in a 5% negative impact at EBIT level, and a € 1.50 cut to our PT of € 38.50 on FCF Yield 2011E

Remains a BUY PT € 38.50 on Adjusted Free Cash Flow Yield 2011E (€ 44.5 on FCF Yield 2012E): a 31% upside to current levels.

Quarterly Table

EUR		Q1 11	Q1 11E	Q1 10	yoy
Sales		28.2	28.0	25.7	9.7%
	Isotope Products	14.2	14.0	13.2	6.9%
	Therapy	6.6	6.6	6.4	4.6%
	Radiopharmacy	6.2	6.2	4.8	30.9%
	Environment	1.2	1.2	1.3	-10.7%
EBIT*		6.4	5.9	5.4	17.9%
	Margin	22.7%	21.2%	21.1%	+ 1.6 pp
	Isotope Products*	4.7	4.6	4.3	10.5%
	Margin	33.2%	33.0%	32.2%	+ 1.1 pp
	Therapy*	0.6	0.6	0.9	-33.0%
	Margin	9.2%	9.1%	14.4%	- 5.2 pp
	Radiopharmacy*	1.5	1.2	0.8	91.6%
	Margin	24.5%	20.0%	16.8%	+ 7.8 pp
	Environment*	0.1	0.0	0.0	n.m
	Margin	n.m	n.m	n.m	n.m.
Net profit*		3.6	3.4	2.8	28.6%
	Net margin	12.8%	12.1%	10.9%	+ 1.2 pp
EPS		0.69	0.65	0.54	28.0%

* Excluding one-offs in Q1 10: - € 0.3m due to lbt bid and + € 0.06K due to loan and equity re-evaluations in RadPharm

Financials

Profit and loss (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Sales	54.4	71.6	101.4	111.1	120.6	128.4	135.0
<i>Sales growth</i>	8.1 %	31.5 %	41.6 %	9.6 %	8.6 %	6.4 %	5.2 %
Cost of sales	27.6	37.5	50.3	53.3	57.9	61.6	64.8
Gross profit	26.9	34.2	51.1	57.8	62.7	66.7	70.2
Sales and marketing	10.2	15.1	18.4	18.9	21.1	22.5	23.6
General and administration	10.5	14.6	19.1	18.8	19.9	20.5	21.6
Research and development	0.3	3.1	2.5	2.9	3.1	3.3	3.5
Other operating income	0.6	17.2	9.3	2.9	3.1	3.3	3.5
Other operating expenses	0.5	9.0	5.0	3.5	-0.1	-0.1	-4.6
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	9.7	18.7	22.6	26.4	32.4	35.2	41.5
Depreciation	3.7	9.2	7.1	9.8	10.7	11.4	12.0
EBITA	6.0	9.6	15.5	16.6	21.8	23.8	29.5
Amortisation of goodwill	0.0	0.0	4.4	0.0	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	6.0	9.6	15.5	16.6	21.8	23.8	29.5
Interest income	0.1	0.1	0.1	0.3	0.3	0.3	1.4
Interest expenses	0.8	1.2	1.3	2.5	2.7	2.9	3.1
Other financial result	-0.3	-0.1	1.0	0.0	0.0	0.0	0.0
Financial result	-1.1	-1.3	-0.3	-2.2	-2.4	-2.6	-1.6
Recurring pretax income from continuing operations	4.9	8.3	15.2	14.4	19.3	21.3	27.9
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	4.9	8.3	15.2	14.4	19.3	21.3	27.9
Taxes	2.8	5.3	-6.7	3.9	6.4	7.0	9.2
Net income from continuing operations	2.2	3.0	21.9	10.4	13.0	14.3	18.7
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	2.2	3.0	21.9	10.4	13.0	14.3	18.7
Minority interest	0.2	-1.5	8.6	1.0	1.1	1.2	1.6
Net income (net of minority interest)	1.9	4.5	13.3	9.4	11.9	13.1	17.1
Average number of shares	3.1	3.1	3.8	5.2	5.2	5.2	5.2
EPS reported	0.62	1.43	3.48	1.81	2.29	2.51	3.30

Profit and loss (common size)	2007	2008	2009	2010	2011E	2012E	2013E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	50.7 %	52.3 %	49.6 %	48.0 %	48.0 %	48.0 %	48.0 %
Gross profit	49.3 %	47.7 %	50.4 %	52.0 %	52.0 %	52.0 %	52.0 %
Sales and marketing	18.8 %	21.1 %	18.2 %	17.0 %	17.5 %	17.5 %	17.5 %
General and administration	19.2 %	20.4 %	18.8 %	16.9 %	16.5 %	16.0 %	16.0 %
Research and development	0.5 %	4.3 %	2.5 %	2.6 %	2.6 %	2.6 %	2.6 %
Other operating income	1.0 %	24.1 %	9.2 %	2.6 %	2.6 %	2.6 %	2.6 %
Other operating expenses	0.9 %	12.5 %	4.9 %	3.1 %	-0.1 %	-0.1 %	-3.4 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	17.8 %	26.2 %	22.2 %	23.8 %	26.9 %	27.4 %	30.7 %
Depreciation	6.9 %	12.8 %	7.0 %	8.9 %	8.9 %	8.9 %	8.9 %
EBITA	11.0 %	13.4 %	15.2 %	14.9 %	18.0 %	18.6 %	21.9 %
Amortisation of goodwill	0.0 %	0.0 %	4.3 %	0.0 %	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	11.0 %	13.4 %	15.2 %	14.9 %	18.0 %	18.6 %	21.9 %
Interest income	0.1 %	0.1 %	0.1 %	0.3 %	0.3 %	0.3 %	1.1 %
Interest expenses	1.5 %	1.7 %	1.3 %	2.3 %	2.3 %	2.3 %	2.3 %
Other financial result	-0.5 %	-0.2 %	0.9 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-1.9 %	-1.8 %	-0.3 %	-2.0 %	-2.0 %	-2.0 %	-1.2 %
Recurring pretax income from continuing operations	9.0 %	11.6 %	14.9 %	12.9 %	16.0 %	16.6 %	20.7 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	9.0 %	11.6 %	14.9 %	12.9 %	16.0 %	16.6 %	20.7 %
Tax rate	56.3 %	63.4 %	-44.5 %	27.4 %	33.0 %	33.0 %	33.0 %
Net income from continuing operations	3.9 %	4.2 %	21.6 %	9.4 %	10.7 %	11.1 %	13.9 %
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	3.9 %	4.2 %	21.6 %	9.4 %	10.7 %	11.1 %	13.9 %
Minority interest	0.4 %	-2.0 %	8.5 %	0.9 %	0.9 %	0.9 %	1.2 %
Net income (net of minority interest)	3.6 %	6.3 %	13.1 %	8.5 %	9.8 %	10.2 %	12.7 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	18.2	38.7	42.1	40.9	40.9	40.9	40.9
Property, plant and equipment	17.7	23.8	27.3	27.6	25.9	24.5	24.6
Financial assets	1.7	1.4	1.8	1.3	1.3	1.3	1.3
FIXED ASSETS	37.7	63.9	71.1	69.8	68.1	66.8	66.8
Inventories	7.7	8.6	12.6	12.7	14.4	15.3	16.1
Accounts receivable	11.5	14.0	16.2	17.3	19.2	20.4	21.5
Other current assets	2.2	3.5	6.2	3.1	7.4	7.9	8.3
Liquid assets	5.4	7.6	43.9	29.4	36.8	45.7	57.5
Deferred taxes	3.1	1.2	11.8	12.2	14.0	14.9	15.7
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	29.9	34.9	90.8	74.7	91.8	104.3	119.0
TOTAL ASSETS	67.6	98.8	161.9	144.5	159.9	171.0	185.8
SHAREHOLDERS EQUITY	36.1	40.9	76.4	68.3	74.4	84.1	131.9
MINORITY INTEREST	0.4	2.0	10.3	5.3	6.4	7.6	0.0
Long-term debt	3.9	10.8	14.3	16.0	16.0	16.0	16.0
Provisions for pensions and similar obligations	0.1	0.4	5.7	5.9	6.8	7.2	7.6
Other provisions	3.7	16.5	18.3	19.5	19.5	19.5	0.0
Non-current liabilities	7.7	27.7	38.2	41.5	42.3	42.8	23.6
short-term liabilities to banks	8.3	7.8	5.8	5.8	5.8	5.8	5.8
Accounts payable	3.9	4.3	4.4	4.3	4.7	5.0	5.3
Advance payments received on orders	0.3	1.0	8.0	3.4	4.0	2.0	0.0
Other liabilities (incl. from lease and rental contracts)	7.4	12.3	14.4	15.3	17.1	18.2	19.2
Deferred taxes	1.3	1.1	2.6	0.0	3.1	3.3	0.0
Deferred income	2.3	1.8	1.8	0.6	2.1	2.3	0.0
Current liabilities	23.4	28.3	37.0	29.4	36.8	36.5	30.2
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	67.6	98.8	161.9	144.4	159.9	171.0	185.8

Balance sheet (common size)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	27.0 %	39.2 %	26.0 %	28.3 %	25.6 %	23.9 %	22.0 %
Property, plant and equipment	26.3 %	24.1 %	16.8 %	19.1 %	16.2 %	14.4 %	13.2 %
Financial assets	2.6 %	1.4 %	1.1 %	0.9 %	0.8 %	0.8 %	0.7 %
FIXED ASSETS	55.8 %	64.7 %	43.9 %	48.3 %	42.6 %	39.0 %	36.0 %
Inventories	11.4 %	8.7 %	7.8 %	8.8 %	9.0 %	8.9 %	8.7 %
Accounts receivable	17.0 %	14.2 %	10.0 %	11.9 %	12.0 %	11.9 %	11.5 %
Other current assets	3.3 %	3.5 %	3.9 %	2.1 %	4.6 %	4.6 %	4.5 %
Liquid assets	8.0 %	7.7 %	27.1 %	20.4 %	23.0 %	26.8 %	30.9 %
Deferred taxes	4.6 %	1.2 %	7.3 %	8.5 %	8.8 %	8.7 %	8.5 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	44.2 %	35.3 %	56.1 %	51.7 %	57.4 %	61.0 %	64.0 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	53.5 %	41.4 %	47.2 %	47.3 %	46.5 %	49.2 %	71.0 %
MINORITY INTEREST	0.5 %	2.0 %	6.3 %	3.7 %	4.0 %	4.4 %	0.0 %
Long-term debt	5.8 %	10.9 %	8.8 %	11.1 %	10.0 %	9.4 %	8.6 %
Provisions for pensions and similar obligations	0.1 %	0.4 %	3.5 %	4.1 %	4.2 %	4.2 %	4.1 %
Other provisions	5.4 %	16.7 %	11.3 %	13.5 %	12.2 %	11.4 %	0.0 %
Non-current liabilities	11.4 %	28.0 %	23.6 %	28.7 %	26.5 %	25.0 %	12.7 %
short-term liabilities to banks	12.2 %	7.8 %	3.6 %	4.0 %	3.6 %	3.4 %	3.1 %
Accounts payable	5.7 %	4.3 %	2.7 %	3.0 %	2.9 %	2.9 %	2.8 %
Advance payments received on orders	0.4 %	1.0 %	4.9 %	2.3 %	2.5 %	1.2 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	10.9 %	12.5 %	8.9 %	10.6 %	10.7 %	10.7 %	10.3 %
Deferred taxes	2.0 %	1.2 %	1.6 %	0.0 %	1.9 %	1.9 %	0.0 %
Deferred income	3.4 %	1.8 %	1.1 %	0.4 %	1.3 %	1.3 %	0.0 %
Current liabilities	34.7 %	28.6 %	22.9 %	20.3 %	23.0 %	21.4 %	16.3 %
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)	2007	2008	2009	2010	2011E	2012E	2013E
Net profit/loss	2.2	3.0	15.7	10.4	13.0	14.3	18.7
Depreciation of fixed assets (incl. leases)	3.7	9.2	7.0	9.8	10.7	11.4	12.0
Amortisation of goodwill	0.0	0.0	4.4	0.0	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	1.9	-5.0	-0.8	1.6	0.9	0.4	0.4
Cash flow from operations before changes in w/c	7.8	7.1	26.3	16.9	24.5	26.1	31.0
Increase/decrease in inventory	-2.1	-0.8	-4.1	0.0	-1.7	-0.9	-0.8
Increase/decrease in accounts receivable	0.1	-2.5	-2.2	-1.0	-1.9	-1.2	-1.1
Increase/decrease in accounts payable	0.1	0.4	0.1	-0.1	0.4	0.3	0.3
Increase/decrease in other working capital positions	0.6	4.4	6.3	-0.6	-1.8	-1.4	-1.5
Increase/decrease in working capital	-1.2	1.5	0.2	-1.8	-5.0	-3.2	-3.1
Cash flow from operating activities	6.6	8.6	26.5	15.0	19.5	22.8	28.0
CAPEX	4.2	6.0	5.7	7.7	9.0	10.0	12.0
Payments for acquisitions	0.7	0.2	5.3	22.8	0.0	0.0	0.0
Financial investments	0.1	-0.5	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.2	0.2	1.3	0.2	0.0	0.0	0.0
Cash flow from investing activities	-4.7	-5.5	-9.7	-30.4	-9.0	-10.0	-12.0
Cash flow before financing	1.9	3.1	16.8	-15.4	10.5	3.9	4.3
Increase/decrease in debt position	-1.2	0.6	1.9	1.7	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	4.5	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	24.4	1.3	0.0	0.0	0.0
Dividends paid	0.8	0.8	0.6	2.3	3.1	3.9	4.3
Others	-0.3	-0.1	-1.6	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.2	0.1	-0.3	0.4	0.0	0.0	0.0
Cash flow from financing activities	-2.2	-0.3	19.5	0.7	-3.1	-3.9	-4.3
Increase/decrease in liquid assets	-0.1	2.9	36.0	-14.2	7.4	n/a	n/a
Liquid assets at end of period	5.4	7.6	43.6	29.4	36.8	45.7	57.5

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
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	30.8	43.9	61.9	67.8	73.6	78.3	82.4
yoy change	18.0 %	42.5 %	40.9 %	9.6 %	8.6 %	6.4 %	5.2 %
NAFTA	19.0	20.3	27.4	31.1	35.0	38.5	40.5
yoy change	3.3 %	6.8 %	34.9 %	13.6 %	12.4 %	10.1 %	5.2 %
Asia Pacific	2.6	6.2	10.1	11.1	10.9	10.3	10.8
yoy change	-7.1 %	138.5 %	63.5 %	9.6 %	-2.3 %	-5.4 %	5.2 %
Rest of world	2.0	1.2	2.0	1.1	1.2	1.3	1.4
yoy change	-35.5 %	-40.0 %	69.0 %	-45.2 %	8.6 %	6.4 %	5.2 %
TTL	54.4	71.6	101.4	111.1	120.6	128.4	135.0
yoy change	7.9 %	31.6 %	41.6 %	9.6 %	8.6 %	6.4 %	5.2 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
P&L growth analysis							
Sales growth	8.1 %	31.5 %	41.6 %	9.6 %	8.6 %	6.4 %	5.2 %
EBITDA growth	-7.4 %	93.1 %	20.4 %	17.1 %	22.8 %	8.5 %	17.9 %
EBIT growth	1.6 %	60.6 %	61.3 %	7.2 %	31.2 %	9.6 %	23.9 %
EPS growth	-12.6 %	131.0 %	143.0 %	-48.0 %	26.3 %	10.0 %	31.2 %
Efficiency							
Total operating costs / sales	38.4 %	34.3 %	35.2 %	37.1 %	34.0 %	33.4 %	30.1 %
Sales per employee	174.5	181.3	202.8	209.6	223.4	233.4	n/a
EBITDA per employee	31.1	47.4	45.1	49.8	60.1	64.0	n/a
Balance sheet analysis							
Avg. working capital / sales	25.6 %	22.5 %	16.6 %	17.4 %	19.5 %	20.8 %	22.6 %
Inventory turnover (sales/inventory)	7.1	8.4	8.0	8.8	8.4	8.4	8.4
Trade debtors in days of sales	76.8	71.3	58.3	56.7	58.0	58.0	58.0
A/P turnover [(A/P*365)/sales]	51.4	41.8	32.1	29.6	29.6	29.6	29.6
Cash conversion cycle (days)	127.5	112.9	117.9	113.9	118.9	118.9	n/a
Cash flow analysis							
Free cash flow	2.5	2.6	20.8	7.3	10.5	12.8	16.0
Free cash flow/sales	4.5 %	3.6 %	20.5 %	6.6 %	8.7 %	10.0 %	11.8 %
FCF / net profit	126.7 %	57.9 %	156.9 %	77.5 %	88.2 %	98.3 %	93.3 %
FCF yield	2.7 %	2.9 %	13.9 %	4.9 %	7.0 %	8.6 %	10.7 %
Capex / depn	113.8 %	59.7 %	49.8 %	78.5 %	84.2 %	87.9 %	100.3 %
Capex / maintenance capex	0.0 %	0.0 %	0.0 %	78.5 %	84.2 %	87.9 %	100.3 %
Capex / sales	7.8 %	7.6 %	5.6 %	7.0 %	7.5 %	7.8 %	8.9 %
Security							
Net debt	6.8	10.9	-23.8	-7.6	-15.0	-23.9	-35.7
Net Debt/EBITDA	0.7	0.6	0.0	0.0	0.0	0.0	0.0
Net debt / equity	0.2	0.3	-0.3	-0.1	-0.2	-0.3	-0.3
Interest cover	7.2	7.7	11.6	6.6	8.0	8.2	9.7
Dividend payout ratio	44.5 %	14.1 %	17.4 %	32.7 %	32.8 %	32.8 %	36.2 %
Asset utilisation							
Capital employed turnover	1.0	0.9	0.8	1.0	1.0	1.0	0.8
Operating assets turnover	1.7	1.7	2.3	2.2	2.4	2.4	2.4
Plant turnover	3.1	3.0	3.7	4.0	4.7	5.2	5.5
Inventory turnover (sales/inventory)	7.1	8.4	8.0	8.8	8.4	8.4	8.4
Returns							
ROCE	11.1 %	10.4 %	14.4 %	16.2 %	19.0 %	19.0 %	20.2 %
ROE	5.4 %	11.0 %	17.3 %	13.8 %	16.0 %	15.5 %	13.0 %
Other							
Interest paid / avg. debt	7.3 %	8.1 %	6.9 %	12.0 %	12.5 %	13.3 %	14.0 %
No. employees (average)	312	395	500	530	540	550	0
Number of shares	3.1	3.1	3.8	5.2	5.2	5.2	5.2
DPS	0.3	0.3	0.5	0.6	0.8	0.8	0.0
EPS reported	0.62	1.43	3.48	1.81	2.29	2.51	3.30
Valuation ratios							
P/BV	2.6	2.3	1.5	2.2	2.0	1.8	1.2
EV/sales	1.8	1.4	1.3	1.3	1.2	1.0	0.9
EV/EBITDA	10.0	5.4	6.0	5.6	4.4	3.8	2.9
EV/EBITA	16.3	10.6	6.0	8.9	6.5	5.6	4.1
EV/EBIT	16.3	10.6	8.8	8.9	6.5	5.6	4.1
EV/FCF	39.4	39.0	6.3	20.3	13.5	10.4	7.6
Dividend yield	0.9 %	1.0 %	1.5 %	2.1 %	2.6 %	2.9 %	3.8 %

Source: Company data, Hauck & Aufhäuser

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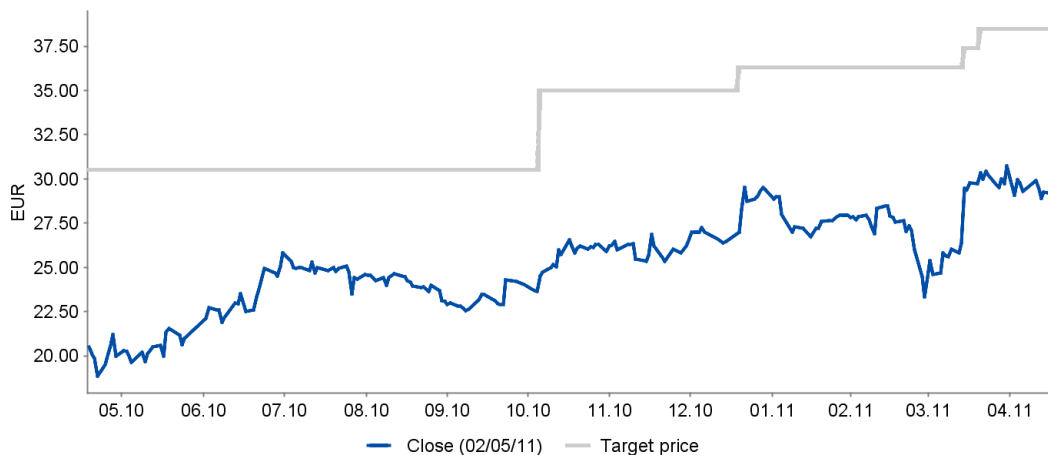
Company	Disclosure
Eckert & Ziegler AG	2

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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 03/05/11

Initiation coverage
08-April-10



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