

Buy (old: Buy)

Price target: EUR 38.50 (old: EUR 38.50)

Price:	EUR 28.55	Next result:	Q3 02.11.2011
Bloomberg:	EUZ GR	Market cap:	EUR 145.6 m
Reuters:	EUZG.DE	Enterprise Value:	EUR 137.4 m

02-August-11

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Q2 earnings in line, sales below estimates due to Russian JV effect, guidance unchanged

CC at 10:00 AM CET, +49 (0) 6103 485 3001, ID: 4457325 – TABLE on p. 2

Q2 11 sales of € 27.6m are up 1.5% yoy and 8.8% below estimates. The shortfall is due to lower sales in Therapy as some € 2m in plant sales to the Russian JV were booked in Q2 10. Therapy sales are however sequentially stable at € 6.6m in Q2 vs. € 6.4m in Q1, which, considering low seasonality, indicates a **stable underlying business**. This revenue shortfall compared to estimates could still be made up in H2 thanks to the launch of a new generation of afterloaders in late Q1, used in radiotherapy.

Q2 EBIT of € 5.5m, up 14% yoy is in line with estimates at € 5.7m, with the EBIT margin almost 1 pt better than estimates at 19.9% and up 2.2 pts yoy.

Isotope Products (74% of Q2 group EBIT), continues to reap economies of scale and to benefit from enhanced pricing power following the acquisition of Nuclitec in 2009, with the **Q2 EBIT margin up 4.3 pts yoy at 30.4% (eH&A 28%)**.

In RadPharm (14.4% of Q2 group EBIT), the Q2 EBIT margin of 12.6% is up 6 pts yoy but is 6 pts behind estimates, given higher R&D spending backing the launch of a device enabling a fully automated processing of radioactive liquids used in Modular Labs.

In Therapy (14.0% of Q2 group EBIT), the operating margin of 12% is 8 pts down yoy given the Russian JV effect mentioned earlier and higher R&D spending backing new accessories increasing patient safety during afterloader (radiotherapy) treatments.

Net income of € 3.0m is in line with estimates of € 3.3m.

Operating Cash flow of € 5.3m (€ 5.6m) is slightly down yoy due to higher inventories in anticipation of product launches and higher receivables, which needs to be monitored going forward.

2011 guidance is maintained of sales between € 110 and € 120m and net income after minorities of at least € 10m (eH&A € 11.9m).

Remains a BUY PT € 38.50 on FCFY 2011E (€ 44.5 on FCFY 2012E), representing a 36% upside to current levels: strong market position with positive earnings momentum from better pricing and better capacity utilisation.



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 31.11 / 22.55

Price/Book Ratio: 2.0

Relative performance (SDAX):

3 months 0.1 %

6 months 5.0 %

12 months -9.8 %

Changes in estimates

		Sales	EBIT	EPS
2011	old:	120.6	21.8	2.29
	Δ	-	-	-
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 67.0 %

Founders 31.7 %

Eckert & Ziegler AG 1.3 %

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)	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 %	1.1 %	1.6 %	2.1 %	2.7 %	2.9 %	3.9 %
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	1.7	1.4	1.3	1.3	1.1	1.0	0.9
EV/EBITDA	9.8	5.3	5.8	5.4	4.2	3.7	2.8
EV/EBIT	15.9	10.3	8.5	8.7	6.3	5.4	4.0
PER	46.1	19.9	14.4	15.7	12.4	11.3	8.6
Adjusted FCF yield	3.2 %	10.1 %	9.9 %	8.1 %	10.4 %	12.4 %	16.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 01.08.2011

EUR		Q2 11	Q2 11E	Q2 10	yoy	H1 11	H1 11E	H1 10	yoy
Sales		27.6	30.3	27.2	1.5%	55.8	58.5	52.9	5.5%
	Isotope Products	13.5	13.0	12.2	10.3%	27.7	27.2	25.5	8.7%
	Therapy	6.4	9.7	8.4	-24.1%	13.0	16.3	14.8	-12.1%
	Radiopharmacy	6.2	6.3	5.2	19.7%	12.4	12.5	10.0	24.7%
	Environment	1.4	1.3	1.3	7.0%	2.6	2.5	2.7	-2.0%
EBIT		5.5	5.7	4.8	13.9%	11.9	12.1	9.8	21.3%
	Margin	19.9%	19.0%	17.8%	+ 2.2 pp	21.3%	20.8%	18.6%	+ 2.8 pp
	Isotope Products	4.1	3.7	3.2	28.6%	8.8	8.4	7.4	18.2%
	Margin	30.4%	28.0%	26.0%	+ 4.3 pp	31.8%	30.7%	29.2%	+ 2.5 pp
	Therapy	0.8	1.9	1.8	-55.9%	1.4	2.5	2.4	-41.9%
	Margin	12.1%	20.0%	20.8%	- 8.7 pp	10.6%	15.6%	16.0%	- 5.4 pp
	Radiopharmacy	0.8	1.3	0.3	n.m.	2.3	2.8	1.1	113.1%
	Margin	12.6%	20.0%	6.4%	+ 6.2 pp	18.4%	22.1%	10.8%	+ 7.6 pp
	Environment	0.3	-0.5	0.0	n.m.	0.4	-0.4	0.0	n.m.
	Margin	18.7%	n.m.	-2.6%	n.m.	13.9%	-16.0%	-1.4%	n.m.
Net profit		3.0	3.2	2.5	18.6%	6.6	6.8	5.0	31.3%
	Net margin	10.8%	10.6%	9.2%	+ 1.6 pp	11.8%	11.7%	9.5%	+ 2.3 pp
EPS		0.56	0.62	0.48	16.4%	1.26	1.31	0.97	30.2%

Source: Company data, H&A estimates

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	2.8 %	3.0 %	14.3 %	5.0 %	7.2 %	8.8 %	11.0 %
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	2.5	2.2	1.4	2.2	2.0	1.8	1.1
EV/sales	1.7	1.4	1.3	1.3	1.1	1.0	0.9
EV/EBITDA	9.8	5.3	5.8	5.4	4.2	3.7	2.8
EV/EBITA	15.9	10.3	5.8	8.7	6.3	5.4	4.0
EV/EBIT	15.9	10.3	8.5	8.7	6.3	5.4	4.0
EV/FCF	38.4	38.1	6.1	19.7	13.1	10.0	7.3
Dividend yield	0.9 %	1.1 %	1.6 %	2.1 %	2.7 %	2.9 %	3.9 %

Source: Company data, Hauck & Aufhäuser

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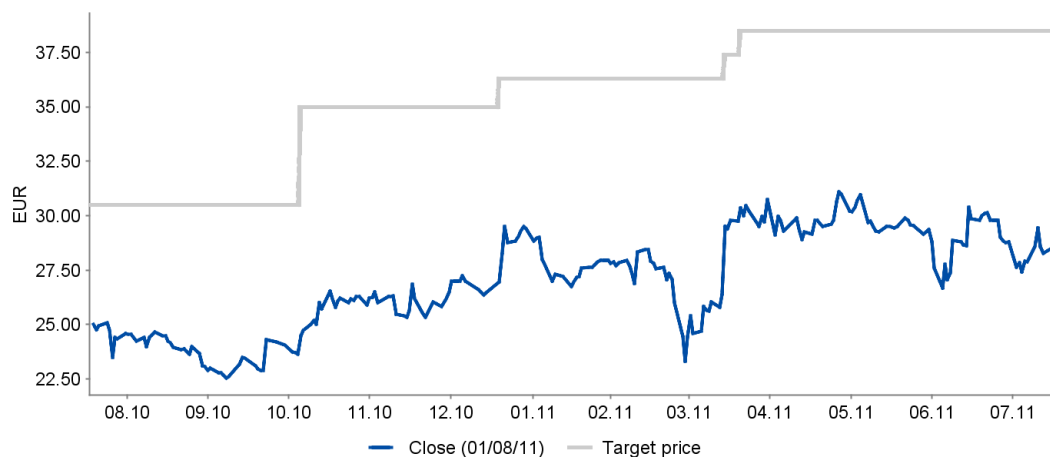
Company	Disclosure
Eckert & Ziegler AG	2

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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 02/08/11

Initiation coverage
08-April-10



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