



**Buy** (old: Buy)

**Price target: EUR 37.00** (old: EUR 40.00)

<b>Price:</b>	EUR 26.35*	<b>Next result:</b>	Q2 15.08.13
<b>Bloomberg:</b>	EUZ GR	<b>Market cap:</b>	EUR 135.3 m
<b>Reuters:</b>	EUZG.DE	<b>Enterprise Value:</b>	EUR 119.8 m

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### Weak Q1 figures and softer guidance, chg. in est. & PT

Eckert & Ziegler reported Q1 figures today. A conference call was held at 10:00 a.m.

**Q1 sales declined by 9.4% yoy to € 26.5m and missed expectations (H&A: € 29.2m).** The major shortfall occurred in the Therapy segment (26% of sales) which dropped by 23.8% yoy due to order delays for afterloaders as well as persistent price pressure for seed implants. As orders and prepayments however seem secured, **orders are expected to be executed in the coming quarters.** Isotope Products (47% of sales) sales declined by 2.6% yoy on the back of softer demand from industrial clients. Radiopharma (22% of sales) sales remained almost flat (-0.5% yoy). Sales in the Environmental segment (5% of sales) dropped by 37.1% yoy also on the back of order push outs given a general lumpiness of the project business.

**Q1 EBIT missed expectations significantly and came in at € 2.4m, implying an EBIT margin of 9.1% (H&A: € 4.6m, 15.8% EBIT margin).** Apart from the weaker sales development, the major reason for the shortfall was the Environmental segment which incurred a loss of € 2.0m (H&A: € 0.0m) on the back of regulatory price increases for radioactive waste disposal which led to higher provisions. This should however be a one off effect since no further price increases are expected going forward. EBIT in the Radiopharma segment as well as the Isotope Products segment were also weaker on a yoy basis due to negative product mix effects. The Therapy segment equally suffered from the sales decline however benefited from a positive one off effect from the settlement with Core Oncology of c. € 1.3m.

**Net income came in at € 1.2m (H&A: € 2.3m)** and was naturally affected by the lower EBIT, however benefited from a slightly better interest result.

**Guidance: Management cut its net income guidance to € 11.3m** (prev. € 12m) while keeping its c. € 125m sales target.

**Action:** In order to account for the shortfall in EBIT, especially related to the Environmental segment as well as negative product mix effects, we reduce our EBIT estimates by 9% for 2013E as well as by 4% for 2014/15E. Since the sales decline primarily relates to push out effects, we keep our sales estimates broadly unchanged.

Valuation however looks undemanding at 5x EV/EBIT 2014E. Remains **BUY** with a **new PT of € 37m** (old: € 40) based on FCFY 2013E.



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 28.88 / 20.51

**Price/Book Ratio:** 1.7

**Relative performance (SDAX):**

3 months 11.5 %

6 months 9.1 %

12 months 7.2 %

### Changes in estimates

		Sales	EBIT	EPS
2013	old:	124.5	21.7	2.30
	Δ	-0.2%	-8.9%	-8.9%
2014	old:	130.7	23.5	2.58
	Δ	-0.4%	-4.2%	-4.2%
2015	old:	136.6	24.7	2.77
	Δ	-0.4%	-4.2%	-4.1%

### Key share data:

Number of shares: (in m pcs) 5.3

Authorised capital: (in € m) 0.6

Book value per share: (in €) 17.3

Ø trading volume: (12 months) 20,453

### Major shareholders:

Free float 67.8 %

Founders 32.2 %

Eckert & Ziegler AG 0.1 %

### 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)	2009	2010	2011	2012	2013E	2014E	2015E
Sales	101.4	111.1	116.2	120.0	124.2	130.2	136.1
Sales growth	42 %	10 %	5 %	3 %	3 %	5 %	4 %
EBITDA	22.6	26.4	30.4	28.1	28.5	31.6	32.7
EBIT	15.5	16.6	22.9	19.7	19.8	22.5	23.6
Net income	13.3	9.4	10.4	10.3	11.1	13.0	14.1
Net debt	-23.8	-7.6	-14.3	-15.4	-24.5	-34.1	-44.3
Net gearing	-31.2 %	-11.2 %	-18.9 %	-19.1 %	-26.8 %	-33.8 %	-39.7 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS fully diluted	3.48	1.81	1.98	1.95	2.09	2.47	2.66
CPS	3.71	1.01	2.46	1.76	2.18	2.74	2.82
DPS	0.45	0.60	0.60	0.60	0.63	0.82	0.00
Dividend yield	1.7 %	2.3 %	2.3 %	2.3 %	2.4 %	3.1 %	3.3 %
Gross profit margin	50.4 %	52.0 %	55.4 %	54.3 %	55.0 %	55.6 %	55.7 %
EBITDA margin	22.2 %	23.8 %	26.2 %	23.4 %	22.9 %	24.3 %	24.1 %
EBIT margin	15.2 %	14.9 %	19.7 %	16.4 %	15.9 %	17.3 %	17.4 %
ROCE	16.2 %	14.3 %	19.9 %	15.9 %	14.6 %	15.1 %	14.8 %
EV/sales	1.2	1.2	1.1	1.1	1.0	0.8	0.7
EV/EBITDA	5.3	5.1	4.2	4.6	4.2	3.5	3.1
EV/EBIT	7.8	8.1	5.6	6.5	6.1	4.9	4.3
PER	13.3	14.6	13.3	13.5	12.6	10.7	9.9
Adjusted FCF yield	10.8 %	8.7 %	10.5 %	10.8 %	11.6 %	14.8 %	16.3 %

Source: Company data, Hauck & Aufhäuser Close price as of: 02.05.2013 \* price: 03.05.13 10:30 a.m. CET

# Eckert & Ziegler AG

Eckert & Ziegler Key Figures (€ m)	Q1 13	Q1 13 est	Q1 12	yoy	Q4 12	qoq
<b>Sales</b>	<b>26.5</b>	<b>29.2</b>	<b>29.2</b>	-9.4%	<b>32.3</b>	-17.8%
Isotope Products	13.6	14.0	14.0	-2.6%	14.6	-6.7%
Therapy	5.5	7.0	7.2	-23.8%	10.0	-45.3%
Radiopharma	6.3	6.4	6.4	-0.5%	6.1	4.7%
Environment	1.1	1.8	1.7	-37.1%	1.6	-33.1%
<b>EBIT</b>	<b>2.4</b>	<b>4.6</b>	<b>4.9</b>	-51.0%	<b>5.7</b>	-57.7%
<i>Margin</i>	<i>9.1%</i>	<i>15.8%</i>	<i>16.8%</i>	<i>- 7.7 pp</i>	<i>17.7%</i>	<i>- 8.6 pp</i>
Isotope Products	4.1	4.1	4.5	-8.3%	3.4	22.9%
<i>Margin</i>	<i>30.3%</i>	<i>29.3%</i>	<i>32.2%</i>	<i>- 1.9 pp</i>	<i>23.0%</i>	<i>+ 7.3 pp</i>
Therapy	0.9	0.8	0.5	91.7%	3.0	-70.8%
<i>Margin</i>	<i>16.2%</i>	<i>11.4%</i>	<i>6.4%</i>	<i>+ 10 pp</i>	<i>30.3%</i>	<i>- 14 pp</i>
Radiopharma	0.1	0.2	0.5	-86.1%	0.0	-494.4%
<i>Margin</i>	<i>1.1%</i>	<i>3.1%</i>	<i>8.0%</i>	<i>- 6.9 pp</i>	<i>-0.3%</i>	<i>+ 1 pp</i>
Environment	-2.0	0.0	0.1	-3536.8%	-0.4	398.5%
<i>Margin</i>	<i>-180.2%</i>	<i>0.0%</i>	<i>3.3%</i>	<i>- 184 pp</i>	<i>-24.2%</i>	<i>- 156 pp</i>
Others/Elimination	-0.7	-0.5	-0.6	16.6%	-0.3	164.9%
<b>Net profit</b>	<b>1.2</b>	<b>2.3</b>	<b>2.5</b>	-51.3%	<b>3.2</b>	-62.1%
<i>Net margin</i>	<i>4.6%</i>	<i>8.0%</i>	<i>8.5%</i>	<i>- 3.9 pp</i>	<i>9.9%</i>	<i>- 5.3 pp</i>
<b>EPS</b>	<b>0.23</b>	<b>0.44</b>	<b>0.47</b>	-51.3%	<b>0.61</b>	-62.1%

Source: company data, Hauck&Aufhäuser

## Financials

Profit and loss (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
<b>Sales</b>	<b>101.4</b>	<b>111.1</b>	<b>116.2</b>	<b>120.0</b>	<b>124.2</b>	<b>130.2</b>	<b>136.1</b>
<i>Sales growth</i>	41.6 %	9.6 %	4.6 %	3.3 %	3.5 %	4.9 %	4.5 %
Cost of sales	50.3	53.3	51.8	54.8	55.9	57.8	60.3
<b>Gross profit</b>	<b>51.1</b>	<b>57.8</b>	<b>64.4</b>	<b>65.2</b>	<b>68.3</b>	<b>72.4</b>	<b>75.8</b>
Sales and marketing	18.4	18.9	19.5	20.6	21.1	22.1	23.1
General and administration	19.1	18.8	19.2	22.8	20.9	21.9	22.9
Research and development	2.5	2.9	3.0	3.5	3.6	3.4	3.5
Other operating income	9.3	3.9	4.7	9.5	5.1	5.3	5.6
Other operating expenses	5.0	4.5	4.5	8.1	8.1	7.8	8.2
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>22.6</b>	<b>26.4</b>	<b>30.4</b>	<b>28.1</b>	<b>28.5</b>	<b>31.6</b>	<b>32.7</b>
Depreciation	7.1	9.8	7.5	8.4	8.7	9.1	9.1
<b>EBITA</b>	<b>15.5</b>	<b>16.6</b>	<b>22.9</b>	<b>19.7</b>	<b>19.8</b>	<b>22.5</b>	<b>23.6</b>
Amortisation of goodwill	4.4	0.0	0.0	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
<b>EBIT</b>	<b>15.5</b>	<b>16.6</b>	<b>22.9</b>	<b>19.7</b>	<b>19.8</b>	<b>22.5</b>	<b>23.6</b>
Interest income	0.1	0.3	0.2	0.5	0.4	0.5	0.6
Interest expenses	1.3	2.5	2.9	2.8	2.2	2.1	1.9
Other financial result	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.3	-2.2	-2.7	-2.3	-1.9	-1.6	-1.4
<b>Recurring pretax income from continuing operations</b>	<b>15.2</b>	<b>14.4</b>	<b>20.2</b>	<b>17.5</b>	<b>17.9</b>	<b>20.9</b>	<b>22.3</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>15.2</b>	<b>14.4</b>	<b>20.2</b>	<b>17.5</b>	<b>17.9</b>	<b>20.9</b>	<b>22.3</b>
Taxes	-6.7	3.9	8.8	5.7	5.6	6.5	6.9
<b>Net income from continuing operations</b>	<b>21.9</b>	<b>10.4</b>	<b>11.4</b>	<b>11.8</b>	<b>12.4</b>	<b>14.4</b>	<b>15.4</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>21.9</b>	<b>10.4</b>	<b>11.4</b>	<b>11.8</b>	<b>12.4</b>	<b>14.4</b>	<b>15.4</b>
Minority interest	8.6	1.0	1.0	1.5	1.3	1.4	1.3
<b>Net income (net of minority interest)</b>	<b>13.3</b>	<b>9.4</b>	<b>10.4</b>	<b>10.3</b>	<b>11.1</b>	<b>13.0</b>	<b>14.1</b>
Average number of shares	3.8	5.2	5.3	5.3	5.3	5.3	5.3
<b>EPS reported</b>	<b>3.48</b>	<b>1.81</b>	<b>1.98</b>	<b>1.95</b>	<b>2.09</b>	<b>2.47</b>	<b>2.66</b>

Profit and loss (common size)	2009	2010	2011	2012	2013E	2014E	2015E
<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	49.6 %	48.0 %	44.6 %	45.7 %	45.0 %	44.4 %	44.3 %
<b>Gross profit</b>	<b>50.4 %</b>	<b>52.0 %</b>	<b>55.4 %</b>	<b>54.3 %</b>	<b>55.0 %</b>	<b>55.6 %</b>	<b>55.7 %</b>
Sales and marketing	18.2 %	17.0 %	16.8 %	17.2 %	17.0 %	17.0 %	17.0 %
General and administration	18.8 %	16.9 %	16.5 %	19.0 %	16.8 %	16.8 %	16.8 %
Research and development	2.5 %	2.6 %	2.6 %	2.9 %	2.9 %	2.6 %	2.6 %
Other operating income	9.2 %	3.5 %	4.0 %	7.9 %	4.1 %	4.1 %	4.1 %
Other operating expenses	4.9 %	4.0 %	3.8 %	6.8 %	6.5 %	6.0 %	6.0 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITDA</b>	<b>22.2 %</b>	<b>23.8 %</b>	<b>26.2 %</b>	<b>23.4 %</b>	<b>22.9 %</b>	<b>24.3 %</b>	<b>24.1 %</b>
Depreciation	7.0 %	8.9 %	6.5 %	7.0 %	7.0 %	7.0 %	6.7 %
<b>EBITA</b>	<b>15.2 %</b>	<b>14.9 %</b>	<b>19.7 %</b>	<b>16.4 %</b>	<b>15.9 %</b>	<b>17.3 %</b>	<b>17.4 %</b>
Amortisation of goodwill	4.3 %	0.0 %	0.0 %	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 %
<b>EBIT</b>	<b>15.2 %</b>	<b>14.9 %</b>	<b>19.7 %</b>	<b>16.4 %</b>	<b>15.9 %</b>	<b>17.3 %</b>	<b>17.4 %</b>
Interest income	0.1 %	0.3 %	0.2 %	0.4 %	0.3 %	0.4 %	0.4 %
Interest expenses	1.3 %	2.3 %	2.5 %	2.3 %	1.8 %	1.6 %	1.4 %
Other financial result	0.9 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-0.3 %	-2.0 %	-2.3 %	-1.9 %	-1.5 %	-1.3 %	-1.0 %
<b>Recurring pretax income from continuing operations</b>	<b>14.9 %</b>	<b>12.9 %</b>	<b>17.4 %</b>	<b>14.6 %</b>	<b>14.4 %</b>	<b>16.0 %</b>	<b>16.4 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>14.9 %</b>	<b>12.9 %</b>	<b>17.4 %</b>	<b>14.6 %</b>	<b>14.4 %</b>	<b>16.0 %</b>	<b>16.4 %</b>
Tax rate	-44.5 %	27.4 %	43.6 %	32.6 %	31.0 %	31.0 %	31.0 %
<b>Net income from continuing operations</b>	<b>21.6 %</b>	<b>9.4 %</b>	<b>9.8 %</b>	<b>9.8 %</b>	<b>10.0 %</b>	<b>11.1 %</b>	<b>11.3 %</b>
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>21.6 %</b>	<b>9.4 %</b>	<b>9.8 %</b>	<b>9.8 %</b>	<b>10.0 %</b>	<b>11.1 %</b>	<b>11.3 %</b>
Minority interest	8.5 %	0.9 %	0.9 %	1.2 %	1.0 %	1.0 %	1.0 %
<b>Net income (net of minority interest)</b>	<b>13.1 %</b>	<b>8.5 %</b>	<b>9.0 %</b>	<b>8.6 %</b>	<b>8.9 %</b>	<b>10.0 %</b>	<b>10.3 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
<b>Intangible assets</b>	<b>42.1</b>	<b>40.9</b>	<b>45.0</b>	<b>45.8</b>	<b>45.8</b>	<b>45.8</b>	<b>45.8</b>
Property, plant and equipment	27.3	27.6	28.9	31.2	32.5	32.3	32.2
Financial assets	1.8	1.3	1.4	4.0	4.0	4.0	4.0
<b>FIXED ASSETS</b>	<b>71.1</b>	<b>69.8</b>	<b>75.3</b>	<b>81.0</b>	<b>82.3</b>	<b>82.2</b>	<b>82.1</b>
Inventories	12.6	12.7	14.2	15.5	15.5	16.3	17.0
Accounts receivable	16.2	17.3	18.1	22.0	22.8	23.9	25.0
Other current assets	6.2	3.1	4.7	6.0	7.6	8.0	8.4
Liquid assets	43.9	29.4	32.3	30.8	38.5	46.4	55.7
Deferred taxes	11.8	12.2	9.5	9.1	10.2	10.7	11.1
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>90.8</b>	<b>74.7</b>	<b>78.8</b>	<b>83.4</b>	<b>94.6</b>	<b>105.2</b>	<b>117.1</b>
<b>TOTAL ASSETS</b>	<b>161.9</b>	<b>144.5</b>	<b>154.0</b>	<b>164.4</b>	<b>176.9</b>	<b>187.4</b>	<b>199.2</b>
SHAREHOLDERS EQUITY	76.4	68.3	75.9	80.7	91.5	100.8	111.6
MINORITY INTEREST	10.3	5.3	5.7	6.2	7.5	8.9	8.9
Long-term debt	14.3	16.0	12.9	9.8	8.3	6.6	5.6
Provisions for pensions and similar obligations	5.7	5.9	6.8	8.9	9.0	9.2	9.4
Other provisions	18.3	19.5	21.1	22.0	22.4	22.9	23.3
<b>Non-current liabilities</b>	<b>38.2</b>	<b>41.5</b>	<b>40.8</b>	<b>40.6</b>	<b>39.8</b>	<b>38.7</b>	<b>38.4</b>
short-term liabilities to banks	5.8	5.8	5.1	5.7	5.7	5.7	5.7
Accounts payable	4.4	4.3	5.3	7.5	7.5	7.3	7.4
Advance payments received on orders	8.0	3.4	1.3	2.3	2.3	2.4	2.4
Other liabilities (incl. from lease and rental contracts)	14.4	15.3	17.1	18.9	19.6	20.5	21.5
Deferred taxes	2.6	0.0	1.8	1.5	1.9	2.0	2.1
Deferred income	1.8	0.6	1.0	1.0	1.1	1.1	1.2
<b>Current liabilities</b>	<b>37.0</b>	<b>29.4</b>	<b>31.6</b>	<b>36.9</b>	<b>38.1</b>	<b>39.0</b>	<b>40.3</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>161.9</b>	<b>144.4</b>	<b>154.0</b>	<b>164.4</b>	<b>176.9</b>	<b>187.4</b>	<b>199.2</b>

Balance sheet (common size)	2009	2010	2011	2012	2013E	2014E	2015E
<b>Intangible assets</b>	<b>26.0 %</b>	<b>28.3 %</b>	<b>29.2 %</b>	<b>27.9 %</b>	<b>25.9 %</b>	<b>24.4 %</b>	<b>23.0 %</b>
Property, plant and equipment	16.8 %	19.1 %	18.8 %	18.9 %	18.3 %	17.3 %	16.2 %
Financial assets	1.1 %	0.9 %	0.9 %	2.5 %	2.3 %	2.2 %	2.0 %
<b>FIXED ASSETS</b>	<b>43.9 %</b>	<b>48.3 %</b>	<b>48.9 %</b>	<b>49.3 %</b>	<b>46.5 %</b>	<b>43.9 %</b>	<b>41.2 %</b>
Inventories	7.8 %	8.8 %	9.2 %	9.4 %	8.8 %	8.7 %	8.5 %
Accounts receivable	10.0 %	11.9 %	11.7 %	13.4 %	12.9 %	12.7 %	12.5 %
Other current assets	3.9 %	2.1 %	3.0 %	3.7 %	4.3 %	4.3 %	4.2 %
Liquid assets	27.1 %	20.4 %	21.0 %	18.8 %	21.8 %	24.8 %	27.9 %
Deferred taxes	7.3 %	8.5 %	6.2 %	5.5 %	5.7 %	5.7 %	5.6 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>56.1 %</b>	<b>51.7 %</b>	<b>51.1 %</b>	<b>50.7 %</b>	<b>53.5 %</b>	<b>56.1 %</b>	<b>58.8 %</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	47.2 %	47.3 %	49.3 %	49.1 %	51.7 %	53.8 %	56.0 %
MINORITY INTEREST	6.3 %	3.7 %	3.7 %	3.8 %	4.3 %	4.7 %	4.5 %
Long-term debt	8.8 %	11.1 %	8.4 %	5.9 %	4.7 %	3.5 %	2.8 %
Provisions for pensions and similar obligations	3.5 %	4.1 %	4.4 %	5.4 %	5.1 %	4.9 %	4.7 %
Other provisions	11.3 %	13.5 %	13.7 %	13.4 %	12.7 %	12.2 %	11.7 %
<b>Non-current liabilities</b>	<b>23.6 %</b>	<b>28.7 %</b>	<b>26.5 %</b>	<b>24.7 %</b>	<b>22.5 %</b>	<b>20.7 %</b>	<b>19.3 %</b>
short-term liabilities to banks	3.6 %	4.0 %	3.3 %	3.4 %	3.2 %	3.0 %	2.8 %
Accounts payable	2.7 %	3.0 %	3.4 %	4.5 %	4.2 %	3.9 %	3.7 %
Advance payments received on orders	4.9 %	2.3 %	0.9 %	1.4 %	1.3 %	1.3 %	1.2 %
Other liabilities (incl. from lease and rental contracts)	8.9 %	10.6 %	11.1 %	11.5 %	11.1 %	11.0 %	10.8 %
Deferred taxes	1.6 %	0.0 %	1.2 %	0.9 %	1.1 %	1.1 %	1.1 %
Deferred income	1.1 %	0.4 %	0.6 %	0.6 %	0.6 %	0.6 %	0.6 %
<b>Current liabilities</b>	<b>22.9 %</b>	<b>20.3 %</b>	<b>20.5 %</b>	<b>22.4 %</b>	<b>21.5 %</b>	<b>20.8 %</b>	<b>20.2 %</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)	2009	2010	2011	2012	2013E	2014E	2015E
Net profit/loss	15.7	10.4	11.4	11.8	12.4	14.4	15.4
Depreciation of fixed assets (incl. leases)	7.0	9.8	7.5	8.4	8.7	9.1	9.1
Amortisation of goodwill	4.4	0.0	0.0	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	-0.8	1.6	2.8	-2.8	0.2	0.2	0.2
Cash flow from operations before changes in w/c	26.3	16.9	21.7	17.4	21.2	23.7	24.7
Increase/decrease in inventory	-4.1	0.0	-1.4	-1.3	-0.1	-0.8	-0.7
Increase/decrease in accounts receivable	-2.2	-1.0	-1.2	-2.2	-0.8	-1.1	-1.1
Increase/decrease in accounts payable	0.1	-0.1	1.0	5.5	0.0	-0.2	0.1
Increase/decrease in other working capital positions	6.3	-0.6	0.1	-2.8	-1.0	0.6	0.6
Increase/decrease in working capital	0.2	-1.8	-1.6	-0.8	-1.8	-1.5	-1.0
<b>Cash flow from operating activities</b>	<b>26.5</b>	<b>15.0</b>	<b>20.2</b>	<b>16.6</b>	<b>19.5</b>	<b>22.3</b>	<b>23.6</b>
CAPEX	5.7	7.7	9.2	9.8	10.0	9.0	9.0
Payments for acquisitions	5.3	22.8	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	1.3	0.2	0.3	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-9.7</b>	<b>-30.4</b>	<b>-8.9</b>	<b>-9.9</b>	<b>-10.0</b>	<b>-9.0</b>	<b>-9.0</b>
Cash flow before financing	16.8	-15.4	11.3	6.7	9.5	13.3	14.6
Increase/decrease in debt position	1.9	1.7	-5.5	-2.5	-1.5	-1.7	-1.0
Purchase of own shares	4.5	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	24.4	1.3	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.6	2.3	3.2	3.1	3.1	3.7	4.4
Others	-1.6	0.0	0.3	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.3	0.4	0.2	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>19.5</b>	<b>0.7</b>	<b>-8.4</b>	<b>-5.6</b>	<b>-4.5</b>	<b>-5.4</b>	<b>-5.3</b>
Increase/decrease in liquid assets	36.0	-14.2	3.1	1.1	4.9	7.9	9.3
<b>Liquid assets at end of period</b>	<b>43.6</b>	<b>29.4</b>	<b>32.5</b>	<b>33.6</b>	<b>38.5</b>	<b>46.4</b>	<b>55.7</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
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	61.9	67.9	69.0	73.2	75.8	0.0	0.0
yoy change	40.9 %	9.8 %	1.6 %	6.1 %	3.5 %	n/a	n/a
NAFTA	27.4	30.5	30.9	36.0	37.3	0.0	0.0
yoy change	34.9 %	11.4 %	1.3 %	16.5 %	3.5 %	n/a	n/a
Asia Pacific	10.1	11.1	12.1	9.6	9.9	0.0	0.0
yoy change	63.5 %	9.5 %	9.0 %	-20.7 %	3.5 %	n/a	n/a
Rest of world	2.0	1.6	4.2	1.2	1.2	0.0	0.0
yoy change	69.0 %	-21.1 %	162.5 %	-71.4 %	3.5 %	n/a	n/a
<b>TTL</b>	<b>101.4</b>	<b>111.1</b>	<b>116.2</b>	<b>120.0</b>	<b>124.2</b>	<b>0.0</b>	<b>0.0</b>
yoy change	41.6 %	9.6 %	4.6 %	3.3 %	3.5 %	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
<b>P&amp;L growth analysis</b>							
Sales growth	41.6 %	9.6 %	4.6 %	3.3 %	3.5 %	4.9 %	4.5 %
EBITDA growth	20.4 %	17.1 %	15.1 %	-7.5 %	1.2 %	11.1 %	3.5 %
EBIT growth	61.3 %	7.2 %	38.2 %	-13.9 %	0.2 %	13.9 %	4.9 %
EPS growth	143.0 %	-48.0 %	9.1 %	-1.2 %	7.2 %	17.9 %	7.7 %
<b>Efficiency</b>							
Total operating costs / sales	35.2 %	37.1 %	35.7 %	37.9 %	39.1 %	38.3 %	38.3 %
Sales per employee	202.8	218.3	212.4	218.2	n/a	n/a	n/a
EBITDA per employee	45.1	51.9	55.6	51.1	n/a	n/a	n/a
<b>Balance sheet analysis</b>							
Avg. working capital / sales	16.6 %	17.4 %	20.6 %	22.2 %	22.6 %	22.6 %	23.0 %
Inventory turnover (sales/inventory)	8.0	8.8	8.2	7.8	8.0	8.0	8.0
Trade debtors in days of sales	58.3	56.7	56.8	66.9	66.9	66.9	66.9
A/P turnover [(A/P*365)/sales]	32.1	29.6	37.4	49.6	49.0	46.0	45.0
Cash conversion cycle (days)	117.9	113.9	119.6	120.3	n/a	n/a	n/a
<b>Cash flow analysis</b>							
Free cash flow	20.8	7.3	11.0	6.7	9.5	13.3	14.6
Free cash flow/sales	20.5 %	6.6 %	9.4 %	5.6 %	7.6 %	10.2 %	10.7 %
FCF / net profit	156.9 %	77.6 %	105.4 %	65.5 %	85.7 %	101.6 %	103.9 %
FCF yield	15.4 %	5.4 %	8.1 %	5.0 %	7.0 %	9.8 %	10.8 %
Capex / depre	49.8 %	78.5 %	122.2 %	117.1 %	115.0 %	98.7 %	98.7 %
Capex / maintenance capex	0.0 %	78.5 %	122.2 %	130.1 %	121.1 %	109.7 %	98.7 %
Capex / sales	5.6 %	7.0 %	7.9 %	8.2 %	8.1 %	6.9 %	6.6 %
<b>Security</b>							
Net debt	-23.8	-7.6	-14.3	-15.4	-24.5	-34.1	-44.3
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.3	-0.1	-0.2	-0.2	-0.3	-0.3	-0.4
Interest cover	11.6	6.6	7.9	7.1	8.8	10.7	12.3
Dividend payout ratio	17.4 %	32.7 %	29.6 %	29.9 %	33.5 %	33.4 %	33.0 %
<b>Asset utilisation</b>							
Capital employed turnover	0.8	1.0	1.0	0.9	0.9	0.8	0.8
Operating assets turnover	2.3	2.2	2.1	2.0	2.0	2.1	2.1
Plant turnover	3.7	4.0	4.0	3.9	3.8	4.0	4.2
Inventory turnover (sales/inventory)	8.0	8.8	8.2	7.8	8.0	8.0	8.0
<b>Returns</b>							
ROCE	16.2 %	14.3 %	19.9 %	15.9 %	14.6 %	15.1 %	14.8 %
ROE	17.3 %	13.8 %	13.7 %	12.8 %	12.1 %	12.9 %	12.6 %
<b>Other</b>							
Interest paid / avg. debt	6.9 %	12.0 %	14.5 %	16.7 %	15.2 %	15.9 %	16.3 %
No. employees (average)	500	509	547	550	0	0	0
Number of shares	3.8	5.2	5.3	5.3	5.3	5.3	5.3
DPS	0.5	0.6	0.6	0.6	0.6	0.8	0.0
EPS reported	3.48	1.81	1.98	1.95	2.09	2.47	2.66
<b>Valuation ratios</b>							
P/BV	1.3	2.0	1.8	1.7	1.5	1.4	1.2
EV/sales	1.2	1.2	1.1	1.1	1.0	0.8	0.7
EV/EBITDA	5.3	5.1	4.2	4.6	4.2	3.5	3.1
EV/EBITA	5.3	8.1	5.6	6.5	6.1	4.9	4.3
EV/EBIT	7.8	8.1	5.6	6.5	6.1	4.9	4.3
EV/FCF	5.6	18.3	11.6	19.1	12.6	8.3	6.9
Dividend yield	1.7 %	2.3 %	2.3 %	2.3 %	2.4 %	3.1 %	3.3 %

Source: Company data, Hauck & Aufhäuser

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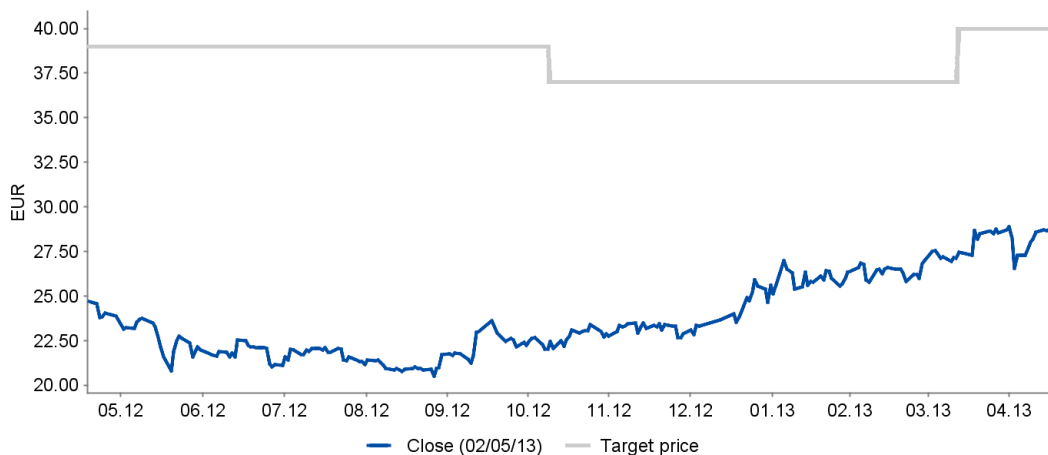
Company	Disclosure
Eckert & Ziegler AG	2, 5

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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 03/05/13

**Initiation coverage**  
08-April-10



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<b>Buy</b>	61.39 %	100.00 %
<b>Sell</b>	11.88 %	0.00 %
<b>Hold</b>	26.73 %	0.00 %

### Valuation basis/rating key

**Buy:** Sustainable upside potential of more than 10% within 12 months.

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### Competent supervisory authority

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