



Buy (old: Buy)

Price target: EUR 28.00 (old: EUR 29.00)

Price:	EUR 19.34	Next result:	Q4 23.03.16
Bloomberg:	EUZ GR	Market cap:	EUR 99.3 m
Reuters:	EUZG.DE	Enterprise Value:	EUR 108.1 m

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Weak Q3 figures, chg. in est. & PT

Eckert & Ziegler released Q3 figures this morning. A conference call was held at 10am CEST.

Q3 sales grew strongly by 10.0% yoy to € 33.7m which was in line with our estimates (H&A: € 34.0m). This was however largely driven by positive FX effects of € 2.3m. **FX adjusted sales growth thus stood at only 2.5% yoy.** Growth was driven by a solid Therapy segment (24% of sales) which grew by 22% yoy (H&A: +32% yoy) on the back of an increase in afterloader sales while the seed business remained lacklustre. Isotope Products (~46% of sales) grew only by 3.9% yoy (H&A: +4.2% yoy) which was exclusively driven by positive FX effects while the underlying development should have been affected by a weaker business with oil & gas clients. Radiopharma (~24% of sales) grew by 8.6% yoy (H&A: 2.9% yoy) on the back of a pick-up in consumable sales thanks to a growing installed base of synthesis modules.

Q3 EBIT declined by 45% yoy to € 2.1m and hence missed expectations (H&A: € 2.9m). This was driven by 1) a negative EBIT of € -1m in the Therapy segment which continues to suffer from a weak and price competitive seeds business, 2) a weaker profitability in Isotope Products amid less high-margin business with oil & gas clients. EBIT in Radiopharma was sound at € 1.3m due to a healthy sales development while Others remained loss-making at € 0.8m (vs € -1.1m last year).

Q3 net income decreased by 35.1% yoy to € 1.5m and hence came in below expectations (H&A: € 1.9m) however supported by a slightly lower tax rate as well as positive minorities (seeds business is owned only by 76%).

Outlook: Management reiterated its 2015E guidance of over € 133m (H&A: € 136m) in sales as well as an EPS of more than € 2.00 (H&A: € 2.03). Management moreover introduced a 2016E guidance of € 137-140m sales (H&A: € 139m) as well as an EPS of around € 1.8 (H&A: € 1.77).

Action: We reduce our EBIT estimates by 9% for 2015E and by 4-5% for 2016/17E on the back of the ongoing pricing issues in the seeds business as well as limited visibility on a recovery in the business with oil & gas clients (also reason for our slight sales cut).

All in all, Q3 figures showed a rather mixed picture and were strongly driven by FX effects. **Trading at 7x EV/EBIT 2016E, valuation however looks undemanding. BUY** with a new **PT of € 28** (old: € 29) based on FCFY 2016E. - continued -



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 24.31 / 16.90
Price/Book Ratio: 1.1
Relative performance (SDAX):
3 months -9.7 %
6 months -19.2 %
12 months -49.5 %

Changes in estimates

		Sales	EBIT	EPS
2015	old:	135.5	17.4	2.09
	Δ	-	-9.0%	-2.7%
2016	old:	140.7	15.4	1.79
	Δ	-1.0%	-4.2%	-1.0%
2017	old:	146.1	16.0	1.84
	Δ	-2.0%	-5.2%	2.0%

Key share data:

Number of shares: (in m pcs) 5.3
Authorised capital: (in € m) 0.6
Book value per share: (in €) 17.9
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)	2011	2012	2013	2014	2015E	2016E	2017E
Sales	116.2	120.0	117.1	127.3	135.5	139.3	143.2
Sales growth	5 %	3 %	-2 %	9 %	6 %	3 %	3 %
EBITDA	30.4	27.5	22.1	20.1	24.0	23.1	23.7
EBIT	22.9	19.7	12.8	13.0	15.8	14.7	15.1
Net income	10.4	10.3	9.1	6.8	10.7	9.3	9.9
Net debt	-14.3	-15.4	-6.8	-3.1	-2.5	-7.4	-12.8
Net gearing	-18.9 %	-19.1 %	-8.2 %	-3.5 %	-2.7 %	-8.3 %	-12.3 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	1.98	1.95	1.72	1.28	2.03	1.77	1.87
CPS	2.46	1.74	1.14	0.82	0.95	1.91	1.93
DPS	0.60	0.60	0.60	0.60	0.66	0.62	0.66
Dividend yield	3.1 %	3.1 %	3.1 %	3.1 %	3.4 %	3.2 %	3.4 %
Gross profit margin	55.4 %	54.3 %	48.7 %	50.1 %	50.1 %	50.3 %	50.3 %
EBITDA margin	26.2 %	22.9 %	18.8 %	15.8 %	17.7 %	16.6 %	16.6 %
EBIT margin	19.7 %	16.4 %	10.9 %	10.2 %	11.7 %	10.6 %	10.6 %
ROCE	19.9 %	15.9 %	9.3 %	8.6 %	10.3 %	9.5 %	9.7 %
EV/sales	0.8	0.8	0.9	0.8	0.8	0.7	0.7
EV/EBITDA	3.0	3.4	4.6	5.3	4.5	4.5	4.1
EV/EBIT	4.0	4.7	7.9	8.3	6.8	7.0	6.5
PER	9.8	9.9	11.3	15.1	9.5	10.9	10.3
Adjusted FCF yield	14.8 %	15.2 %	10.1 %	8.6 %	12.2 %	11.3 %	12.0 %

Source: Company data, Hauck & Aufhäuser Close price as of: 04.11.2015

Eckert & Ziegler AG

Eckert & Ziegler Key Figures (€ m)	Q3 15	Q3 15 est	Q3 14	yoy	Q2 15	qoq	9M 15	9M 15 est	9M 14	yoy
Sales	33.7	34.0	30.6	10.0%	35.0	-3.7%	102.7	103.0	92.6	11.0%
Isotope Products	16.0	16.0	15.4	3.9%	17.6	-9.2%	49.6	49.6	44.2	12.3%
Therapy	6.9	7.5	5.6	21.6%	7.7	-10.7%	21.5	22.2	19.5	10.2%
Radiopharma	9.0	8.5	8.3	8.6%	8.2	9.2%	26.2	25.8	24.1	8.8%
Others	1.9	2.0	1.4	39.7%	1.5	26.4%	5.4	5.5	4.7	13.6%
EBIT	2.1	2.9	3.8	-44.8%	6.9	-70.0%	13.8	14.6	10.0	38.5%
<i>Margin</i>	6.2%	8.5%	12.3%	- 6.1 pp	19.8%	- 13.6 pp	13.4%	14.2%	10.8%	+ 2.7 pp
Isotope Products	2.5	2.9	5.2	-51.5%	3.4	-25.6%	9.6	10.0	12.4	-22.7%
<i>Margin</i>	15.8%	18.1%	33.9%	- 18.1 pp	19.3%	- 3.5 pp	19.3%	20.1%	28.0%	- 8.7 pp
Therapy	-1.0	-0.5	-1.2	-18.7%	-2.1	-53.3%	-2.9	-2.4	-2.4	21.8%
<i>Margin</i>	-14.5%	-6.7%	-21.6%	+ 7 pp	-27.7%	+ 13 pp	-13.5%	-10.9%	-12.2%	- 1.3 pp
Radiopharma	1.3	1.0	0.9	48.2%	6.0	-77.9%	8.7	8.4	2.5	243.2%
<i>Margin</i>	14.8%	11.8%	10.8%	+ 3.9 pp	73.0%	- 58 pp	33.3%	32.7%	10.6%	+ 22.8 pp
Others/Elimination	-0.8	-0.5	-1.1	-30.1%	-0.4	121.6%	-1.6	-1.3	-2.6	-37.4%
Net profit	1.5	1.9	2.3	-35.1%	4.8	-68.9%	9.0	9.4	5.6	61.2%
<i>Net margin</i>	4.4%	5.5%	7.5%	- 3.1 pp	13.7%	- 9.3 pp	8.7%	9.1%	6.0%	+ 0.5 pp

Source: company data, Hauck&Aufhäuser

Financials

Profit and loss (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Sales	116.2	120.0	117.1	127.3	135.5	139.3	143.2
<i>Sales growth</i>	4.6 %	3.3 %	-2.4 %	8.6 %	6.5 %	2.8 %	2.8 %
Cost of sales	51.8	54.8	60.1	63.5	67.6	69.2	71.2
Gross profit	64.4	65.2	57.1	63.8	67.9	70.1	72.0
Sales and marketing	19.5	20.6	21.9	23.6	25.1	25.8	26.5
General and administration	19.2	22.8	23.9	25.0	26.7	27.4	28.2
Research and development	3.0	3.5	4.9	0.0	0.0	0.0	0.0
Other operating income	4.7	9.5	8.6	2.9	3.1	3.2	3.2
Other operating expenses	4.5	8.1	2.2	5.1	3.3	5.3	5.4
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	30.4	27.5	22.1	20.1	24.0	23.1	23.7
Depreciation	7.5	7.7	9.3	7.1	8.1	8.4	8.6
EBITA	22.9	19.7	12.8	13.0	15.8	14.7	15.1
Amortisation of goodwill	0.0	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
EBIT	22.9	19.7	12.8	13.0	15.8	14.7	15.1
Interest income	0.2	0.5	1.3	0.5	0.2	0.2	0.7
Interest expenses	2.9	2.8	1.2	1.6	1.1	1.0	1.0
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-2.7	-2.3	0.1	-1.2	-0.9	-0.8	-0.2
Recurring pretax income from continuing operations	20.2	17.5	12.9	11.8	15.0	13.9	14.9
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	20.2	17.5	12.9	11.8	15.0	13.9	14.9
Taxes	8.8	5.7	2.4	5.3	4.9	4.6	5.0
Net income from continuing operations	11.4	11.8	10.5	6.5	10.0	9.3	9.9
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	11.4	11.8	10.5	6.5	10.0	9.3	9.9
Minority interest	1.0	1.5	1.4	-0.3	-0.7	0.0	0.0
Net income (net of minority interest)	10.4	10.3	9.1	6.8	10.7	9.3	9.9
Average number of shares	5.3	5.3	5.3	5.3	5.3	5.3	5.3
EPS reported	1.98	1.95	1.72	1.28	2.03	1.77	1.87

Profit and loss (common size)	2011	2012	2013	2014	2015E	2016E	2017E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	44.6 %	45.7 %	51.3 %	49.9 %	49.9 %	49.7 %	49.7 %
Gross profit	55.4 %	54.3 %	48.7 %	50.1 %	50.1 %	50.3 %	50.3 %
Sales and marketing	16.8 %	17.2 %	18.7 %	18.5 %	18.5 %	18.5 %	18.5 %
General and administration	16.5 %	19.0 %	20.4 %	19.7 %	19.7 %	19.7 %	19.7 %
Research and development	2.6 %	2.9 %	4.2 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	4.0 %	7.9 %	7.4 %	2.3 %	2.3 %	2.3 %	2.3 %
Other operating expenses	3.8 %	6.8 %	1.8 %	4.0 %	2.5 %	3.8 %	3.8 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	26.2 %	22.9 %	18.8 %	15.8 %	17.7 %	16.6 %	16.6 %
Depreciation	6.5 %	6.5 %	7.9 %	5.6 %	6.0 %	6.0 %	6.0 %
EBITA	19.7 %	16.4 %	10.9 %	10.2 %	11.7 %	10.6 %	10.6 %
Amortisation of goodwill	0.0 %	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 %
EBIT	19.7 %	16.4 %	10.9 %	10.2 %	11.7 %	10.6 %	10.6 %
Interest income	0.2 %	0.4 %	1.1 %	0.4 %	0.1 %	0.2 %	0.5 %
Interest expenses	2.5 %	2.3 %	1.0 %	1.3 %	0.8 %	0.7 %	0.7 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-2.3 %	-1.9 %	0.1 %	-0.9 %	-0.6 %	-0.5 %	-0.2 %
Recurring pretax income from continuing operations	17.4 %	14.6 %	11.0 %	9.3 %	11.1 %	10.0 %	10.4 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	17.4 %	14.6 %	11.0 %	9.3 %	11.1 %	10.0 %	10.4 %
Tax rate	43.6 %	32.6 %	18.9 %	44.9 %	33.0 %	33.0 %	33.5 %
Net income from continuing operations	9.8 %	9.8 %	9.0 %	5.1 %	7.4 %	6.7 %	6.9 %
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	9.8 %	9.8 %	9.0 %	5.1 %	7.4 %	6.7 %	6.9 %
Minority interest	0.9 %	1.2 %	1.2 %	-0.2 %	-0.5 %	0.0 %	0.0 %
Net income (net of minority interest)	9.0 %	8.6 %	7.8 %	5.3 %	7.9 %	6.7 %	6.9 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Intangible assets	45.0	45.8	52.7	55.6	55.6	55.6	55.6
Property, plant and equipment	28.9	31.2	33.5	36.1	37.0	37.6	38.0
Financial assets	1.4	4.0	7.3	6.3	6.3	6.3	6.3
FIXED ASSETS	75.3	81.0	93.5	98.0	98.9	99.5	99.9
Inventories	14.2	15.5	17.8	24.3	25.6	26.3	28.1
Accounts receivable	18.1	22.0	23.1	23.8	26.0	26.7	27.5
Other current assets	4.7	6.0	5.2	9.9	8.3	8.6	8.8
Liquid assets	32.3	30.8	29.4	21.8	20.2	24.1	28.7
Deferred taxes	9.5	9.1	9.9	9.5	11.1	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	78.8	83.4	85.4	89.3	91.1	85.6	93.0
TOTAL ASSETS	154.0	164.4	178.9	187.3	190.0	185.2	193.0
SHAREHOLDERS EQUITY	75.9	80.7	83.5	88.6	94.6	88.7	104.1
MINORITY INTEREST	5.7	6.2	7.1	5.9	5.9	5.9	0.0
Long-term debt	12.9	9.8	17.6	7.3	6.2	5.3	4.5
Provisions for pensions and similar obligations	6.8	8.9	8.7	11.1	11.3	11.5	11.8
Other provisions	21.1	22.0	28.0	27.2	27.8	28.3	28.9
Non-current liabilities	40.8	40.6	54.3	45.6	45.3	45.1	45.1
short-term liabilities to banks	5.1	5.7	5.1	11.4	11.4	11.4	11.4
Accounts payable	5.3	7.5	7.8	8.2	8.3	8.5	8.8
Advance payments received on orders	1.3	2.3	2.2	3.1	3.2	3.2	3.2
Other liabilities (incl. from lease and rental contracts)	17.1	18.9	15.5	19.5	18.0	18.9	20.4
Deferred taxes	1.8	1.5	3.3	4.9	2.1	2.2	0.0
Deferred income	1.0	1.0	0.1	0.1	1.2	1.2	0.0
Current liabilities	31.6	36.9	34.0	47.2	44.2	45.4	43.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	154.0	164.4	178.9	187.3	190.0	185.2	193.0

Balance sheet (common size)	2011	2012	2013	2014	2015E	2016E	2017E
Intangible assets	29.2 %	27.9 %	29.4 %	29.7 %	29.3 %	30.0 %	28.8 %
Property, plant and equipment	18.8 %	18.9 %	18.7 %	19.3 %	19.5 %	20.3 %	19.7 %
Financial assets	0.9 %	2.5 %	4.1 %	3.4 %	3.3 %	3.4 %	3.3 %
FIXED ASSETS	48.9 %	49.3 %	52.2 %	52.3 %	52.0 %	53.8 %	51.8 %
Inventories	9.2 %	9.4 %	9.9 %	13.0 %	13.5 %	14.2 %	14.6 %
Accounts receivable	11.7 %	13.4 %	12.9 %	12.7 %	13.7 %	14.4 %	14.2 %
Other current assets	3.0 %	3.7 %	2.9 %	5.3 %	4.4 %	4.6 %	4.6 %
Liquid assets	21.0 %	18.8 %	16.5 %	11.7 %	10.6 %	13.0 %	14.9 %
Deferred taxes	6.2 %	5.5 %	5.6 %	5.1 %	5.8 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	51.1 %	50.7 %	47.8 %	47.7 %	48.0 %	46.2 %	48.2 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	49.3 %	49.1 %	46.7 %	47.3 %	49.8 %	47.9 %	53.9 %
MINORITY INTEREST	3.7 %	3.8 %	4.0 %	3.2 %	3.1 %	3.2 %	0.0 %
Long-term debt	8.4 %	5.9 %	9.8 %	3.9 %	3.3 %	2.8 %	2.3 %
Provisions for pensions and similar obligations	4.4 %	5.4 %	4.9 %	5.9 %	6.0 %	6.2 %	6.1 %
Other provisions	13.7 %	13.4 %	15.7 %	14.5 %	14.6 %	15.3 %	15.0 %
Non-current liabilities	26.5 %	24.7 %	30.3 %	24.3 %	23.8 %	24.4 %	23.4 %
short-term liabilities to banks	3.3 %	3.4 %	2.8 %	6.1 %	6.0 %	6.2 %	5.9 %
Accounts payable	3.4 %	4.5 %	4.3 %	4.4 %	4.4 %	4.6 %	4.5 %
Advance payments received on orders	0.9 %	1.4 %	1.3 %	1.6 %	1.7 %	1.7 %	1.6 %
Other liabilities (incl. from lease and rental contracts)	11.1 %	11.5 %	8.7 %	10.4 %	9.5 %	10.2 %	10.6 %
Deferred taxes	1.2 %	0.9 %	1.8 %	2.6 %	1.1 %	1.2 %	0.0 %
Deferred income	0.6 %	0.6 %	0.1 %	0.1 %	0.6 %	0.6 %	0.0 %
Current liabilities	20.5 %	22.4 %	19.0 %	25.2 %	23.2 %	24.5 %	22.7 %
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)	2011	2012	2013	2014	2015E	2016E	2017E
Net profit/loss	11.4	11.8	10.5	6.5	10.0	9.3	9.9
Depreciation of fixed assets (incl. leases)	7.5	7.7	2.6	7.1	8.1	8.4	8.6
Amortisation of goodwill	0.0	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	2.8	-2.8	4.4	1.3	-2.8	0.2	0.2
Cash flow from operations before changes in w/c	21.7	16.7	17.6	14.9	15.4	17.9	18.7
Increase/decrease in inventory	-1.4	-1.3	-2.1	-5.1	-1.2	-0.7	-1.8
Increase/decrease in accounts receivable	-1.2	-2.2	-0.2	-0.8	-2.2	-0.7	-0.8
Increase/decrease in accounts payable	1.0	5.5	-3.6	3.1	0.1	0.2	0.2
Increase/decrease in other working capital positions	0.1	-2.8	2.9	-1.5	0.1	0.7	1.2
Increase/decrease in working capital	-1.6	-0.8	-2.9	-4.3	-3.2	-0.6	-1.1
Cash flow from operating activities	20.2	15.9	14.6	10.7	12.2	17.3	17.7
CAPEX	9.2	9.8	9.7	7.8	9.0	9.0	9.0
Payments for acquisitions	0.0	0.0	7.4	0.8	0.0	0.0	0.0
Financial investments	0.0	0.0	0.4	2.3	0.0	0.0	0.0
Income from asset disposals	0.3	-1.5	0.0	0.1	0.0	0.0	0.0
Cash flow from investing activities	-8.9	-11.4	-17.4	-10.8	-9.0	-9.0	-9.0
Cash flow before financing	11.3	4.5	-2.7	-0.2	3.2	8.3	8.7
Increase/decrease in debt position	-5.5	-2.5	6.1	-4.1	-1.1	-0.9	-0.8
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	0.0	0.0	0.0	0.0
Dividends paid	3.2	3.1	3.2	3.2	3.2	3.5	3.3
Others	0.3	-1.0	-1.2	-1.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.2	0.0	-0.4	1.2	0.0	0.0	0.0
Cash flow from financing activities	-8.4	-6.6	1.7	-8.5	-4.3	-4.4	-4.1
Increase/decrease in liquid assets	3.1	-2.1	-1.4	-7.5	-1.1	3.9	4.6
Liquid assets at end of period	32.5	30.2	28.8	21.2	20.2	24.1	28.7

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
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	69.0	69.6	68.9	67.6	72.0	74.5	84.9
yoy change	1.6 %	0.9 %	-1.0 %	-1.9 %	6.5 %	3.5 %	14.0 %
NAFTA	30.9	33.1	32.8	41.6	44.5	46.1	53.0
yoy change	1.3 %	7.1 %	-0.9 %	26.8 %	7.0 %	3.5 %	15.0 %
Asia Pacific	12.1	13.1	11.3	11.8	13.0	14.0	15.8
yoy change	9.0 %	8.3 %	-13.7 %	4.4 %	10.0 %	8.0 %	13.0 %
Rest of world	4.2	4.2	4.1	6.3	6.0	4.7	-10.6
yoy change	162.5 %	0.0 %	-2.4 %	53.7 %	-5.0 %	-21.7 %	neg.
TTL	116.2	120.0	117.1	127.3	135.5	139.3	143.2
yoy change	4.6 %	3.3 %	-2.4 %	8.6 %	6.5 %	2.8 %	2.8 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
P&L growth analysis							
Sales growth	4.6 %	3.3 %	-2.4 %	8.6 %	6.5 %	2.8 %	2.8 %
EBITDA growth	15.1 %	-9.7 %	-19.7 %	-8.9 %	19.2 %	-3.8 %	2.9 %
EBIT growth	38.2 %	-13.9 %	-35.0 %	1.1 %	22.2 %	-7.1 %	2.9 %
EPS growth	9.1 %	-1.2 %	-11.9 %	-25.5 %	58.5 %	-13.0 %	6.0 %
Efficiency							
Total operating costs / sales	35.7 %	37.9 %	37.8 %	39.9 %	38.4 %	39.7 %	39.7 %
Sales per employee	212.4	218.2	n/a	n/a	n/a	n/a	n/a
EBITDA per employee	55.6	50.0	n/a	n/a	n/a	n/a	n/a
Balance sheet analysis							
Avg. working capital / sales	20.6 %	22.2 %	25.0 %	26.6 %	28.4 %	29.2 %	29.7 %
Inventory turnover (sales/inventory)	8.2	7.8	6.6	5.2	5.3	5.3	5.1
Trade debtors in days of sales	56.8	66.9	72.1	68.2	70.0	70.0	70.0
A/P turnover [(A/P*365)/sales]	37.4	49.6	47.3	47.3	45.0	45.0	45.0
Cash conversion cycle (days)	119.6	120.3	n/a	n/a	n/a	n/a	n/a
Cash flow analysis							
Free cash flow	11.0	6.1	5.0	2.8	3.2	8.3	8.7
Free cash flow/sales	9.4 %	5.1 %	4.3 %	2.2 %	2.3 %	6.0 %	6.0 %
FCF / net profit	105.4 %	59.2 %	55.0 %	41.9 %	29.6 %	89.3 %	87.5 %
Capex / depre	122.2 %	126.9 %	379.3 %	141.3 %	110.7 %	107.7 %	104.7 %
Capex / maintenance capex	122.2 %	141.0 %	113.8 %	121.6 %	123.0 %	119.7 %	116.4 %
Capex / sales	7.9 %	8.2 %	8.6 %	7.9 %	6.6 %	6.5 %	6.3 %
Security							
Net debt	-14.3	-15.4	-6.8	-3.1	-2.5	-7.4	-12.8
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.2	-0.2	-0.1	0.0	0.0	-0.1	-0.1
Interest cover	7.9	7.1	10.8	8.0	15.0	14.7	15.9
Dividend payout ratio	29.6 %	29.9 %	40.3 %	46.8 %	32.7 %	35.0 %	35.0 %
Asset utilisation							
Capital employed turnover	1.0	0.9	0.8	0.8	0.9	0.9	0.9
Operating assets turnover	2.1	2.0	1.8	1.7	1.8	1.8	1.8
Plant turnover	4.0	3.9	3.5	3.5	3.7	3.7	3.8
Inventory turnover (sales/inventory)	8.2	7.8	6.6	5.2	5.3	5.3	5.1
Returns							
ROCE	19.9 %	15.9 %	9.3 %	8.6 %	10.3 %	9.5 %	9.7 %
ROE	13.7 %	12.8 %	10.9 %	7.6 %	11.3 %	10.5 %	9.5 %
Other							
Interest paid / avg. debt	14.5 %	16.7 %	6.2 %	7.9 %	5.8 %	5.8 %	5.9 %
No. employees (average)	547	550	0	0	0	0	0
Number of shares	5.3	5.3	5.3	5.3	5.3	5.3	5.3
DPS	0.6	0.6	0.6	0.6	0.7	0.6	0.7
EPS reported	1.98	1.95	1.72	1.28	2.03	1.77	1.87
Valuation ratios							
P/BV	1.3	1.3	1.2	1.2	1.1	1.2	1.0
EV/sales	0.8	0.8	0.9	0.8	0.8	0.7	0.7
EV/EBITDA	3.0	3.4	4.6	5.3	4.5	4.5	4.1
EV/EBITA	4.0	4.7	7.9	8.3	6.8	7.0	6.5
EV/EBIT	4.0	4.7	7.9	8.3	6.8	7.0	6.5
EV/FCF	8.4	15.2	20.2	37.8	34.1	12.4	11.4
Adjusted FCF yield	14.8 %	15.2 %	10.1 %	8.6 %	12.2 %	11.3 %	12.0 %
Dividend yield	3.1 %	3.1 %	3.1 %	3.1 %	3.4 %	3.2 %	3.4 %

Source: Company data, Hauck & Aufhäuser

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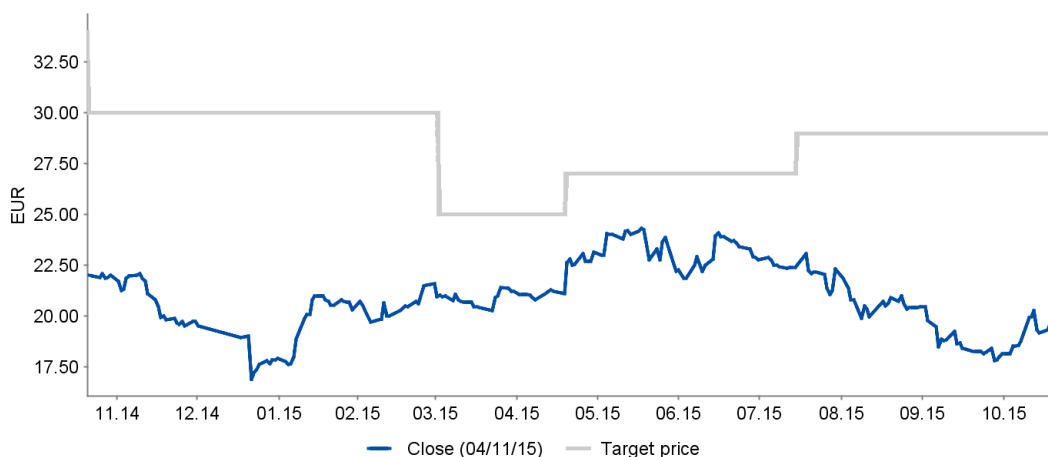
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Company	Disclosure
Eckert & Ziegler AG	2, 5

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

Price and Rating History
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