



Buy (old: Buy)

Price target: EUR 30.50 (old: EUR 30.50)

Price: EUR 20.45 **Next result:** Q1 10 04.05.10
Bloomberg: EUZ GR **Market cap:** EUR 113.6 m
Reuters: EUZG.DE **Enterprise Value:** EUR 110.6 m

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Q1 2010 numbers out: Better EBIT, EPS in-line

Conference call at 10:00 AM CET: +49 (0) 6958 999 0805

Sales are overall in line, up 5.7% yoy. In the Therapy segment, sales are down 7.3% yoy in what is typically a weak quarter. Afterloader sales (e33% of divisional sales) are typically lumpy and could explain the shortfall.

Gross margin is a strong 3.1 pp better than anticipated due to the sales of high margin oil-drill bits. We however question the sustainability of the margin gain given reported supply bottlenecks as far as americium is concerned. Americium, which is the radioactive isotope featured in the oil-drill bits, is essentially sourced in Russia. We understand that the company is in the process of renegotiating its supply contracts that to a large extent are expiring this year and has been highlighting risks that less raw inputs make it into export markets as domestic producers integrate downstream (see *initiation report*).

EBIT is up 49% yoy and some 10% ahead of estimates due to a better gross margin, lower R&D and lower sales and marketing costs. **A catch-up in R&D and sales and marketing spend should be anticipated on a full year basis** with the company rolling out research programs ahead of product launches in Therapy (e.g. Xenon-based breast cancer seeds) and RadPharm (e.g. Gallium generators). Nonetheless the decline in SG&A in Q1 shows that the integration of competitor Nuclitec, acquired in Q1 2009 has resulted in the successful streamlining of the sales organisation, much to EUZ's credit. EBIT features EUR -0.3 m in one-offs in Therapy due to the IBt bid and an estimated EUR 60k gain from the revaluation of loans and equity in RadPharm. Hence adjusted EBIT of EUR 5.3m is 5% higher than reported.

EPS is line due to a higher tax rate at 38% (vs. 30%): no utilisation of tax loss carry forwards at certain foreign subsidiaries. Full year tax rate maintained at 30%.

Operating cash flow is down EUR 1.33m yoy at EUR 2.044m, due to a large swing in receivables: to be addressed on the conference call.

Remains a BUY, PT EUR 30.50 on FCF Yield 2011E.

Continued



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 24.40 / 8.00

Price/Book Ratio: 1.2

Relative performance (SDAX):

3 months -12.9 %

6 months -8.7 %

12 months 109.3 %

Changes in estimates

		Sales	EBIT	EPS
2010	old:	105.6	15.2	1.70
	Δ	0.0%	-	-
2011	old:	111.9	16.6	1.86
	Δ	-	-	-
2012	old:	119.5	18.0	2.05
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 5.3
Authorised capital: (in € m) 0.6
Book value per share: (in €) 16.7
Ø trading volume: (12 months) 20,453

Major shareholders:

Free float 62.1 %
Founders 35.2 %
Eckert & Ziegler AG 2.5 %

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	105.6	111.9	119.5
Sales growth	21 %	8 %	32 %	42 %	4 %	6 %	7 %
EBITDA	10.5	9.7	18.7	22.6	22.5	23.9	26.0
EBIT	5.9	6.0	9.6	15.5	15.2	16.6	18.0
Net income	2.2	1.9	4.5	13.3	8.9	9.8	10.8
Net debt	4.9	6.8	10.9	-23.8	-9.0	-13.1	-19.7
Net gearing	13.7 %	18.7 %	26.6 %	-31.2 %	-10.2 %	-13.5 %	-18.6 %
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	1.69	1.85	2.04
CPS	-0.01	0.93	1.16	3.71	1.36	1.55	1.85
DPS	0.25	0.25	0.30	0.45	0.45	0.45	0.45
Dividend yield	1.1 %	1.1 %	1.4 %	2.0 %	2.0 %	2.0 %	2.0 %
Gross profit margin	47.5 %	49.3 %	47.7 %	50.4 %	51.5 %	51.5 %	51.5 %
EBITDA margin	20.8 %	17.8 %	26.2 %	22.2 %	21.3 %	21.4 %	21.8 %
EBIT margin	11.7 %	11.0 %	13.4 %	15.2 %	14.4 %	14.8 %	15.1 %
ROCE	11.1 %	11.1 %	10.4 %	14.4 %	11.9 %	12.0 %	12.3 %
EV/sales	1.5	1.4	1.1	0.9	1.0	1.0	0.8
EV/EBITDA	7.0	7.8	4.3	4.3	4.9	4.5	3.9
EV/EBIT	12.5	12.6	8.3	6.4	7.3	6.5	5.6
PER	24.9	36.0	15.5	11.2	13.1	12.0	10.8
Adjusted FCF yield	5.5 %	4.1 %	12.6 %	13.1 %	9.0 %	10.4 %	12.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 03.05.2010

EUR		Q1 10	Q1 09	yoy	Q1 10 est.
Sales		25.7	24.3	5.7%	25.5
	Nuclear Medicine and Industry	13.2	12.7	4.2%	13.0
	Therapy	6.4	6.9	-7.3%	7.1
	Radiopharmacy	4.8	4.9	-2.4%	5.0
	Environment	1.3	n.a.	n.a.	1.0
Gross profit		14.1	12.6	12.0%	13.5
	<i>Gross margin</i>	<i>54.8%</i>	<i>51.7%</i>	<i>+ 3.1 pp</i>	<i>53.0%</i>
EBIT		5.0	3.3	49.0%	4.5
	<i>Margin</i>	<i>19.4%</i>	<i>13.8%</i>	<i>+ 5.6 pp</i>	<i>17.8%</i>
	Nuclear Medicine and Industry	4.3	2.2	89.4%	3.6
	<i>Margin</i>	<i>32.2%</i>	<i>17.7%</i>	<i>+ 14.5 pp</i>	<i>28.0%</i>
	Therapy	0.6	0.9	-31.2%	0.9
	<i>Margin</i>	<i>9.7%</i>	<i>13.0%</i>	<i>- 3.3 pp</i>	<i>12.4%</i>
	Radiopharmacy	0.7	0.7	12.5%	0.7
	<i>Margin</i>	<i>15.5%</i>	<i>13.4%</i>	<i>+ 2.1 pp</i>	<i>13.4%</i>
	Environment	0.0	n.a.	n.a.	-0.5
	<i>Margin</i>	<i>n.m</i>	<i>n.a</i>	<i>n.a</i>	<i>n.m</i>
Net profit		2.5	2.2	16.5%	2.4
	<i>Net margin</i>	<i>9.8%</i>	<i>8.9%</i>	<i>+ 0.9 pp</i>	<i>9.4%</i>
EPS		0.48	0.61	-21.6%	0.46

Financials

Profit and loss (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	50.4	54.4	71.6	101.4	105.6	111.9	119.5
<i>Sales growth</i>	20.5 %	8.1 %	31.5 %	41.6 %	4.1 %	6.0 %	6.8 %
Cost of sales	26.5	27.6	37.5	50.3	51.2	54.3	58.0
Gross profit	23.9	26.9	34.2	51.1	54.4	57.6	61.6
Sales and marketing	8.7	10.2	15.1	18.4	20.1	20.1	20.9
General and administration	10.3	10.5	14.6	19.1	19.8	20.7	21.8
Research and development	0.3	0.3	3.1	2.5	4.2	4.5	4.2
Other operating income	1.5	0.6	17.2	9.3	3.2	3.4	3.6
Other operating expenses	0.2	0.5	9.0	5.0	-1.8	-0.9	0.2
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	10.5	9.7	18.7	22.6	22.5	23.9	26.0
Depreciation	4.6	3.7	9.2	7.1	7.3	7.4	8.0
EBITA	5.9	6.0	9.6	15.5	15.2	16.6	18.0
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
EBIT	5.9	6.0	9.6	15.5	15.2	16.6	18.0
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	1.7	1.7	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	-1.3	-1.3
Recurring pretax income from continuing operations	4.7	4.9	8.3	15.2	13.8	15.2	16.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	4.7	4.9	8.3	15.2	13.8	15.2	16.8
Taxes	1.6	2.8	5.3	-6.7	4.2	4.6	5.0
Net income from continuing operations	3.1	2.2	3.0	21.9	9.7	10.6	11.7
Result from discontinued operations (net of tax)	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Net income	2.5	2.2	3.0	21.9	9.7	10.6	11.7
Minority interest	0.3	0.2	-1.5	8.6	0.8	0.9	0.9
Net income (net of minority interest)	2.2	1.9	4.5	13.3	8.9	9.8	10.8
Average number of shares	3.1	3.1	3.1	3.8	5.3	5.3	5.3
EPS reported	0.71	0.62	1.43	3.48	1.70	1.86	2.05

Profit and loss (common size)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	52.5 %	50.7 %	52.3 %	49.6 %	48.5 %	48.5 %	48.5 %
Gross profit	47.5 %	49.3 %	47.7 %	50.4 %	51.5 %	51.5 %	51.5 %
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 %	4.0 %	4.0 %	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 %	-1.7 %	-0.8 %	0.2 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	20.8 %	17.8 %	26.2 %	22.2 %	21.3 %	21.4 %	21.8 %
Depreciation	9.1 %	6.9 %	12.8 %	7.0 %	6.9 %	6.6 %	6.7 %
EBITA	11.7 %	11.0 %	13.4 %	15.2 %	14.4 %	14.8 %	15.1 %
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 %
EBIT	11.7 %	11.0 %	13.4 %	15.2 %	14.4 %	14.8 %	15.1 %
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 %
Recurring pretax income from continuing operations	9.4 %	9.0 %	11.6 %	14.9 %	13.1 %	13.6 %	14.0 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	9.4 %	9.0 %	11.6 %	14.9 %	13.1 %	13.6 %	14.0 %
Tax rate	33.9 %	56.3 %	63.4 %	-44.5 %	30.0 %	30.0 %	30.0 %
Net income from continuing operations	6.2 %	3.9 %	4.2 %	21.6 %	9.2 %	9.5 %	9.8 %
Result from discontinued operations (net of tax)	1.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	5.1 %	3.9 %	4.2 %	21.6 %	9.2 %	9.5 %	9.8 %
Minority interest	0.6 %	0.4 %	-2.0 %	8.5 %	0.7 %	0.8 %	0.8 %
Net income (net of minority interest)	4.4 %	3.6 %	6.3 %	13.1 %	8.4 %	8.8 %	9.0 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Intangible assets	18.0	18.2	38.7	42.1	55.3	55.3	55.3
Property, plant and equipment	15.9	17.7	23.8	27.3	29.0	30.6	30.6
Financial assets	2.2	1.7	1.4	1.8	1.8	1.8	1.8
FIXED ASSETS	36.1	37.7	63.9	71.1	86.0	87.6	87.6
Inventories	5.9	7.7	8.6	12.6	13.2	14.0	14.9
Accounts receivable	11.1	11.5	14.0	16.2	16.9	17.9	19.1
Other current assets	0.0	2.2	3.5	6.2	6.5	6.9	7.4
Liquid assets	5.8	5.4	7.6	43.9	36.4	40.4	47.1
Deferred taxes	4.1	3.1	1.2	11.8	12.3	13.0	13.9
Deferred charges and prepaid expenses	1.2	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	28.1	29.9	34.9	90.8	85.2	92.2	102.4
TOTAL ASSETS	64.2	67.6	98.8	161.9	171.2	179.8	190.0
SHAREHOLDERS EQUITY	35.9	36.1	40.9	76.4	88.6	96.5	105.6
MINORITY INTEREST	0.4	0.4	2.0	10.3	1.0	1.9	2.8
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	5.9	6.3	6.7
Other provisions	3.4	3.7	16.5	18.3	18.3	18.3	18.3
Non-current liabilities	10.9	7.7	27.7	38.2	45.8	46.1	46.6
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	15.0	15.9	17.0
Deferred taxes	2.0	1.3	1.1	2.6	2.7	2.8	3.0
Deferred income	2.2	2.3	1.8	1.8	1.9	2.0	2.1
Current liabilities	17.0	23.4	28.3	37.0	35.9	35.3	35.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	64.2	67.6	98.8	161.9	171.2	179.8	190.0

Balance sheet (common size)	2006	2007	2008	2009	2010E	2011E	2012E
Intangible assets	28.0 %	27.0 %	39.2 %	26.0 %	32.3 %	30.7 %	29.1 %
Property, plant and equipment	24.8 %	26.3 %	24.1 %	16.8 %	16.9 %	17.0 %	16.1 %
Financial assets	3.4 %	2.6 %	1.4 %	1.1 %	1.0 %	1.0 %	0.9 %
FIXED ASSETS	56.2 %	55.8 %	64.7 %	43.9 %	50.2 %	48.7 %	46.1 %
Inventories	9.2 %	11.4 %	8.7 %	7.8 %	7.7 %	7.8 %	7.9 %
Accounts receivable	17.3 %	17.0 %	14.2 %	10.0 %	9.9 %	9.9 %	10.1 %
Other current assets	0.0 %	3.3 %	3.5 %	3.9 %	3.8 %	3.8 %	3.9 %
Liquid assets	9.0 %	8.0 %	7.7 %	27.1 %	21.2 %	22.5 %	24.8 %
Deferred taxes	6.4 %	4.6 %	1.2 %	7.3 %	7.2 %	7.2 %	7.3 %
Deferred charges and prepaid expenses	1.9 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	43.8 %	44.2 %	35.3 %	56.1 %	49.8 %	51.3 %	53.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	55.9 %	53.5 %	41.4 %	47.2 %	51.7 %	53.7 %	55.6 %
MINORITY INTEREST	0.7 %	0.5 %	2.0 %	6.3 %	0.6 %	1.0 %	1.5 %
Long-term debt	11.4 %	5.8 %	10.9 %	8.8 %	12.6 %	12.0 %	11.4 %
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 %	10.7 %	10.2 %	9.6 %
Non-current liabilities	17.0 %	11.4 %	28.0 %	23.6 %	26.7 %	25.7 %	24.5 %
short-term liabilities to banks	5.2 %	12.2 %	7.8 %	3.6 %	3.4 %	3.2 %	3.1 %
Accounts payable	6.0 %	5.7 %	4.3 %	2.7 %	2.6 %	2.7 %	2.7 %
Advance payments received on orders	0.5 %	0.4 %	1.0 %	4.9 %	3.5 %	2.2 %	1.1 %
Other liabilities (incl. from lease and rental contracts)	8.0 %	10.9 %	12.5 %	8.9 %	8.8 %	8.8 %	8.9 %
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 %
Current liabilities	26.4 %	34.7 %	28.6 %	22.9 %	20.9 %	19.6 %	18.4 %
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)	2006	2007	2008	2009	2010E	2011E	2012E
Net profit/loss	2.5	2.2	3.0	15.7	9.7	10.6	11.7
Depreciation of fixed assets (incl. leases)	4.6	3.7	9.2	7.0	7.3	7.4	8.0
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	0.2	0.4	0.4
Cash flow from operations before changes in w/c	6.2	7.8	7.1	26.3	17.2	18.4	20.2
Increase/decrease in inventory	-0.1	-2.1	-0.8	-4.1	-0.6	-0.8	-1.0
Increase/decrease in accounts receivable	-1.9	0.1	-2.5	-2.2	-0.7	-1.0	-1.2
Increase/decrease in accounts payable	0.3	0.1	0.4	0.1	0.1	0.3	0.3
Increase/decrease in other working capital positions	0.1	0.6	4.4	6.3	-1.7	-1.5	-1.4
Increase/decrease in working capital	-1.6	-1.2	1.5	0.2	-2.8	-3.0	-3.2
Cash flow from operating activities	4.6	6.6	8.6	26.5	14.4	15.4	16.9
CAPEX	4.2	4.2	6.0	5.7	9.0	9.0	8.0
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
Cash flow from investing activities	-2.7	-4.7	-5.5	-9.7	-31.2	-9.0	-8.0
Cash flow before financing	1.9	1.9	3.1	16.8	-16.8	6.4	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
Cash flow from financing activities	-1.9	-2.2	-0.3	24.0	5.0	-2.3	-2.3
Increase/decrease in liquid assets	-1.6	-0.1	2.9	40.5	-11.8	4.1	n/a
Liquid assets at end of period	5.8	5.4	7.6	48.1	36.4	40.4	47.1

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	64.4	68.2	72.9
yoy change	27.9 %	18.0 %	42.5 %	40.9 %	4.1 %	6.0 %	6.8 %
NAFTA	18.4	19.0	20.3	27.4	29.6	32.4	35.9
yoy change	-1.1 %	3.3 %	6.8 %	34.9 %	8.0 %	9.7 %	10.5 %
Asia Pacific	2.8	2.6	6.2	10.1	10.6	10.1	9.6
yoy change	27.3 %	-7.1 %	138.5 %	63.5 %	4.1 %	-4.6 %	-5.0 %
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 %	-47.9 %	6.0 %	6.8 %
TTL	50.4	54.4	71.6	101.4	105.6	111.9	119.5
yoy change	20.6 %	7.9 %	31.6 %	41.6 %	4.1 %	6.0 %	6.8 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
P&L growth analysis							
Sales growth	20.5 %	8.1 %	31.5 %	41.6 %	4.1 %	6.0 %	6.8 %
EBITDA growth	62.5 %	-7.4 %	93.1 %	20.4 %	-0.2 %	6.3 %	8.8 %
EBIT growth	131.7 %	1.6 %	60.6 %	61.3 %	-1.6 %	8.7 %	8.9 %
EPS growth	38.4 %	-12.6 %	131.0 %	143.0 %	-51.3 %	9.8 %	10.3 %
Efficiency							
Total operating costs / sales	35.8 %	38.4 %	34.3 %	35.2 %	37.1 %	36.7 %	36.4 %
Sales per employee	183.2	174.5	181.3	202.8	199.2	207.2	217.3
EBITDA per employee	38.1	31.1	47.4	45.1	42.5	44.3	47.3
Balance sheet analysis							
Avg. working capital / sales	24.0 %	25.6 %	22.5 %	16.6 %	17.0 %	19.1 %	20.9 %
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	58.3	58.3	58.3
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	120.3	120.3	120.3
Cash flow analysis							
Free cash flow	0.4	2.5	2.6	20.8	5.4	6.4	8.9
Free cash flow/sales	0.8 %	4.5 %	3.6 %	20.5 %	5.1 %	5.7 %	7.5 %
FCF / net profit	18.0 %	126.7 %	57.9 %	156.9 %	60.5 %	65.0 %	82.7 %
FCF yield	0.6 %	3.6 %	3.8 %	18.3 %	4.7 %	5.6 %	7.9 %
Capex / depre	60.3 %	113.8 %	59.7 %	49.8 %	123.5 %	121.9 %	100.0 %
Capex / maintenance capex	0.0 %	0.0 %	0.0 %	0.0 %	121.1 %	121.1 %	107.7 %
Capex / sales	5.5 %	7.8 %	7.6 %	5.6 %	8.5 %	8.0 %	6.7 %
Security							
Net debt	4.9	6.8	10.9	-23.8	-9.0	-13.1	-19.7
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	8.7	9.5	10.8
Dividend payout ratio	40.4 %	44.5 %	14.1 %	17.4 %	25.9 %	23.6 %	21.4 %
Asset utilisation							
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	2.2	2.1	2.1
Plant turnover	3.2	3.1	3.0	3.7	3.6	3.7	3.9
Inventory turnover (sales/inventory)	8.6	7.1	8.4	8.0	8.0	8.0	8.0
Returns							
ROCE	11.1 %	11.1 %	10.4 %	14.4 %	11.9 %	12.0 %	12.3 %
ROE	6.2 %	5.4 %	11.0 %	17.3 %	10.1 %	10.1 %	10.2 %
Other							
Interest paid / avg. debt	7.4 %	7.3 %	8.1 %	6.9 %	7.3 %	6.3 %	6.1 %
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	1.70	1.86	2.05
Valuation ratios							
P/BV	2.0	1.9	1.7	1.1	1.3	1.2	1.1
EV/sales	1.5	1.4	1.1	0.9	1.0	1.0	0.8
EV/EBITDA	7.0	7.8	4.3	4.3	4.9	4.5	3.9
EV/EBITA	12.5	12.6	8.3	4.3	7.3	6.5	5.6
EV/EBIT	12.5	12.6	8.3	6.4	7.3	6.5	5.6
EV/FCF	184.5	30.6	30.7	4.6	20.5	16.8	11.3
Dividend yield	1.1 %	1.1 %	1.4 %	2.0 %	2.0 %	2.0 %	2.0 %

Source: Company data, Hauck & Aufhäuser

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Company	Disclosure
Eckert & Ziegler AG	2, 8

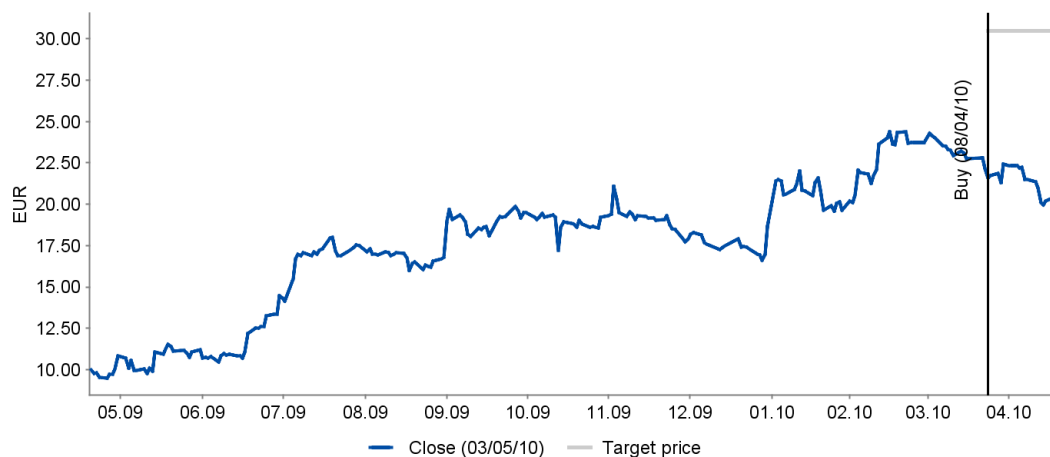
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Historical target price and rating changes for Eckert & Ziegler AG in the last 12 months

Price and Rating History Eckert & Ziegler AG as of 04/05/10

Initiation coverage

08-April-10



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