

Buy (old: Buy)

Price target: EUR 210.00 (old: EUR 210.00)

Price: EUR 151.20 **Next result:** Q2 13.08.20
Bloomberg: EUZ GR **Market cap:** EUR 776.1 m
Reuters: EUZG.DE **Enterprise Value:** EUR 696.8 m

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Aliaksandr Halitsa
Analyst

aliaksandr.halitsa@ha-ib.de
Tel.: +49 40 414 3885 83

Novartis' expansion underscores radiopharma growth prospects

Topic: Having acquired France-based AAA – with its flagship radioactive cancer therapy (Lutathera) – for \$ 3.9bn in 2018 and US-based Endocyte for \$ 2.1bn, **Novartis ramps up manufacturing capacities** in preparation for substantial growth with radioactive therapies in the coming years.

Novartis announced to build a **50,000-square-foot manufacturing plant**, which will significantly expand production of its clinical and marketed radiopharmaceuticals for cancer therapies. This compares to the existing 15,000-square-foot site owned by AAA.

Evidently, **Novartis foresees a bright future for radioactive therapies** in treatment of cancerous diseases. According to AAA's President, this type of therapies **"has the potential to become a major pillar of cancer treatment"**.

Indeed, Lutathera – the first approved therapy of this kind – generated \$ 400m sales in 2019 with annual peak sales estimated at > \$ 2bn. Given the strong acceptance of Lutathera, **Novartis is looking to build on this success with new treatments for other cancer types**. In fact, the highly-anticipated prostate cancer therapy based on Lu-177 is in the Phase III trial with an estimated completion in Sept. 2021E.

Importantly, besides 68Ga/177Lu-based Lutathera and the prostate cancer therapy there is a large number of molecules under development targeting various types of cancer most of them are also based on the 68Ga/177Lu isotope pair. It is hence hardly surprising that **the radiotheranostic market** – highly precise treatment of cancers with a help of radioactive isotopes – **looks set to expand to c. \$ 1bn by 2021E and to \$ 6bn by 2025E** (next page).

What does it mean for EUZ: As one of a handful of suppliers of mission-critical radioactive isotopes in a market with formidable entry barriers, EUZ is perfectly positioned to benefit from the growth of radioactive therapies.

The expected approval of pharma-grade lutetium-177 (177Lu) in the course of 2021E (eH&A) coupled with its leading position with gallium-68 (68Ga), **EUZ's high-margin Radiopharma division (>40% of EBIT) is hence poised for robust growth** in the coming years.

BUY with a DCF-based **PT of € 210.** - continued -

Y/E 31.12 (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
Sales	119.9	138.6	168.7	178.5	178.4	197.1	215.3
Sales growth	-14 %	16 %	22 %	6 %	0 %	11 %	9 %
EBITDA	24.9	26.6	32.0	42.7	43.1	48.1	53.9
EBIT	16.1	18.0	23.4	31.6	32.1	37.0	42.9
Net income	9.5	14.7	16.1	22.0	22.0	25.6	29.8
Net debt	-24.9	-56.0	-54.1	-78.9	-92.8	-101.0	-122.6
Net gearing	-23.7 %	-49.8 %	-44.1 %	-57.1 %	-61.9 %	-60.3 %	-64.9 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	1.93	2.19	3.12	4.17	4.29	4.98	5.80
CPS	2.42	3.54	2.53	5.83	3.46	3.90	5.35
DPS	0.66	0.80	1.20	1.39	1.43	1.66	1.93
Dividend yield	0.4 %	0.5 %	0.8 %	0.9 %	0.9 %	1.1 %	1.3 %
Gross profit margin	49.7 %	46.1 %	44.1 %	48.8 %	49.2 %	50.0 %	51.0 %
EBITDA margin	20.8 %	19.2 %	18.9 %	23.9 %	24.2 %	24.4 %	25.0 %
EBIT margin	13.5 %	13.0 %	13.9 %	17.7 %	18.0 %	18.8 %	19.9 %
ROCE	12.0 %	13.8 %	17.6 %	22.2 %	22.7 %	25.8 %	20.6 %
EV/sales	6.4	5.3	4.4	4.0	3.9	3.5	3.1
EV/EBITDA	30.7	27.5	23.1	16.6	16.2	14.3	12.4
EV/EBIT	47.3	40.7	31.6	22.5	21.7	18.6	15.6
PER	78.3	63.6	45.2	33.2	31.6	26.8	22.3
Adjusted FCF yield	1.6 %	1.7 %	2.3 %	3.2 %	3.4 %	3.9 %	4.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 01.07.2020



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 201.50 / 98.40
Price/Book Ratio: 5.2
Relative performance (SDAX):
3 months -16.5 %
6 months -13.0 %
12 months 44.7 %

Changes in estimates

		Sales	EBIT	EPS
2020	old:	178.4	32.1	4.29
	Δ	-	-	-
2021	old:	197.1	37.0	4.98
	Δ	-	-	-
2022	old:	215.3	42.9	5.80
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 5.1
Authorised capital: (in € m) 0.6
Book value per share: (in €) 29.2
Ø trading volume: (12 months) 20,453

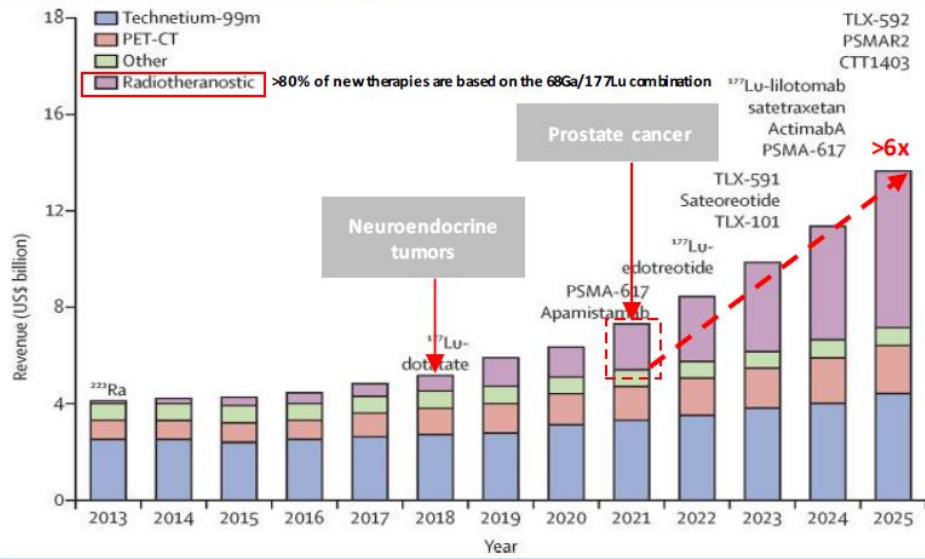
Major shareholders:

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.

Radiotheranostic revenue forecast (in \$ bn)



Source: MEDDraysintell; Hauck&Aufhaeuser

Financials

Profit and loss (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
Sales	119.9	138.6	168.7	178.5	178.4	197.1	215.3
<i>Sales growth</i>	-14.2 %	15.7 %	21.7 %	5.8 %	-0.1 %	10.5 %	9.2 %
Cost of sales	60.3	74.8	94.4	91.5	90.6	98.6	105.5
Gross profit	59.6	63.9	74.3	87.0	87.8	98.6	109.8
Sales and marketing	18.1	20.0	23.3	22.9	22.9	25.3	27.7
General and administration	24.7	23.9	26.9	27.6	27.6	30.5	33.3
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	3.5	3.8	3.5	2.8	2.8	3.1	3.4
Other operating expenses	5.0	4.5	4.5	7.1	8.1	8.9	9.5
Unusual or infrequent items	0.9	-1.2	0.2	-0.6	0.0	0.0	0.0
EBITDA	24.9	26.6	32.0	42.7	43.1	48.1	53.9
Depreciation	8.7	8.6	8.6	11.1	11.1	11.1	11.1
EBITA	16.1	18.0	23.4	31.6	32.1	37.0	42.9
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 (inc revaluation net)	16.1	18.0	23.4	31.6	32.1	37.0	42.9
Interest income	0.4	0.3	0.2	0.3	0.3	0.3	0.3
Interest expenses	1.2	0.9	0.7	1.1	1.1	1.1	1.1
Other financial result	0.0	0.0	0.0	0.4	0.0	0.0	0.0
Financial result	-0.7	-0.6	-0.5	-0.4	-0.8	-0.8	-0.8
Recurring pretax income from continuing operations	15.4	17.3	22.9	31.2	31.3	36.2	42.0
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	15.4	17.3	22.9	31.2	31.3	36.2	42.0
Taxes	5.0	5.3	6.0	8.8	8.8	10.2	11.8
Net income from continuing operations	10.4	12.0	16.9	22.5	22.5	26.0	30.2
Result from discontinued operations (net of tax)	-0.7	3.1	0.0	0.0	0.0	0.0	0.0
Net income	9.8	15.1	16.9	22.5	22.5	26.0	30.2
Minority interest	0.2	0.4	0.8	0.5	0.5	0.5	0.5
Net profit (reported)	9.5	14.7	16.1	22.0	22.0	25.6	29.8
Average number of shares	5.3	5.3	5.2	5.1	5.1	5.1	5.1
EPS reported	1.81	2.78	3.12	4.29	4.29	4.98	5.80

Profit and loss (common size)	2016	2017	2018	2019	2020E	2021E	2022E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	50.3 %	53.9 %	55.9 %	51.2 %	50.8 %	50.0 %	49.0 %
Gross profit	49.7 %	46.1 %	44.1 %	48.8 %	49.2 %	50.0 %	51.0 %
Sales and marketing	15.1 %	14.4 %	13.8 %	12.8 %	12.8 %	12.8 %	12.8 %
General and administration	20.6 %	17.3 %	15.9 %	15.4 %	15.4 %	15.4 %	15.4 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	2.9 %	2.7 %	2.1 %	1.6 %	1.6 %	1.6 %	1.6 %
Other operating expenses	4.2 %	3.2 %	2.6 %	4.0 %	4.5 %	4.5 %	4.4 %
Unusual or infrequent items	0.7 %	neg.	0.1 %	neg.	0.0 %	0.0 %	0.0 %
EBITDA	20.8 %	19.2 %	18.9 %	23.9 %	24.2 %	24.4 %	25.0 %
Depreciation	7.3 %	6.2 %	5.1 %	6.2 %	6.2 %	5.6 %	5.1 %
EBITA	13.5 %	13.0 %	13.9 %	17.7 %	18.0 %	18.8 %	19.9 %
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 (inc revaluation net)	13.5 %	13.0 %	13.9 %	17.7 %	18.0 %	18.8 %	19.9 %
Interest income	0.4 %	0.2 %	0.1 %	0.2 %	0.2 %	0.1 %	0.1 %
Interest expenses	1.0 %	0.6 %	0.4 %	0.6 %	0.6 %	0.6 %	0.5 %
Other financial result	0.0 %	0.0 %	0.0 %	0.2 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	12.9 %	12.5 %	13.6 %	17.5 %	17.5 %	18.4 %	19.5 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	12.9 %	12.5 %	13.6 %	17.5 %	17.5 %	18.4 %	19.5 %
Tax rate	32.2 %	30.7 %	26.2 %	28.1 %	28.1 %	28.1 %	28.1 %
Net income from continuing operations	8.7 %	8.7 %	10.0 %	12.6 %	12.6 %	13.2 %	14.0 %
Result from discontinued operations (net of tax)	-0.6 %	2.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	8.2 %	10.9 %	10.0 %	12.6 %	12.6 %	13.2 %	14.0 %
Minority interest	0.2 %	0.3 %	0.4 %	0.3 %	0.3 %	0.2 %	0.2 %
Net profit (reported)	8.0 %	10.6 %	9.6 %	12.3 %	12.3 %	13.0 %	13.8 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
Intangible assets	53.0	51.4	52.5	51.9	51.9	51.9	51.9
Property, plant and equipment	37.8	33.8	36.9	40.0	36.2	40.1	36.3
Financial assets	2.9	3.2	3.5	5.2	5.2	5.2	5.2
FIXED ASSETS	93.7	88.5	93.0	97.1	93.3	97.2	93.4
Inventories	25.1	26.8	28.8	31.2	36.4	40.2	41.4
Accounts receivable	23.2	24.3	28.3	29.5	31.3	34.6	37.7
Other current assets	11.9	10.9	14.9	26.6	26.6	26.6	26.6
Liquid assets	36.6	57.7	54.2	78.9	92.8	101.0	122.7
Deferred taxes	9.0	8.8	9.9	10.9	0.0	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	105.8	128.5	136.1	177.1	187.1	202.4	228.4
TOTAL ASSETS	199.5	217.0	229.1	274.2	280.3	299.6	321.8
SHAREHOLDERS EQUITY	105.2	112.3	122.6	138.2	149.9	167.3	189.0
MINORITY INTEREST	4.9	5.2	1.2	1.2	1.2	1.2	0.0
Long-term debt	4.1	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	11.8	11.7	11.4	13.5	13.5	13.5	13.5
Other provisions	35.3	48.7	55.1	66.4	61.9	63.2	64.4
Non-current liabilities	51.2	60.4	66.5	79.9	75.4	76.7	77.9
short-term liabilities to banks	7.5	1.7	0.0	0.0	0.0	0.0	0.0
Accounts payable	6.4	4.5	6.5	4.5	6.2	6.8	7.2
Advance payments received on orders	1.4	5.9	4.1	12.0	12.0	12.0	12.0
Other liabilities (incl. from lease and rental contracts)	15.6	17.3	17.4	35.6	35.6	35.6	35.6
Deferred taxes	5.6	6.4	7.1	2.8	0.0	0.0	0.0
Deferred income	1.7	3.3	3.6	0.0	0.0	0.0	0.0
Current liabilities	38.2	39.1	38.8	54.9	53.8	54.3	54.8
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	199.5	217.0	229.1	274.2	280.3	299.6	321.8

Balance sheet (common size)	2016	2017	2018	2019	2020E	2021E	2022E
Intangible assets	26.6 %	23.7 %	22.9 %	18.9 %	18.5 %	17.3 %	16.1 %
Property, plant and equipment	19.0 %	15.6 %	16.1 %	14.6 %	12.9 %	13.4 %	11.3 %
Financial assets	1.4 %	1.5 %	1.5 %	1.9 %	1.9 %	1.7 %	1.6 %
FIXED ASSETS	47.0 %	40.8 %	40.6 %	35.4 %	33.3 %	32.4 %	29.0 %
Inventories	12.6 %	12.3 %	12.6 %	11.4 %	13.0 %	13.4 %	12.9 %
Accounts receivable	11.6 %	11.2 %	12.4 %	10.8 %	11.2 %	11.5 %	11.7 %
Other current assets	6.0 %	5.0 %	6.5 %	9.7 %	9.5 %	8.9 %	8.3 %
Liquid assets	18.3 %	26.6 %	23.7 %	28.8 %	33.1 %	33.7 %	38.1 %
Deferred taxes	4.5 %	4.1 %	4.3 %	4.0 %	0.0 %	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	53.0 %	59.2 %	59.4 %	64.6 %	66.7 %	67.6 %	71.0 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	52.7 %	51.8 %	53.5 %	50.4 %	53.5 %	55.9 %	58.7 %
MINORITY INTEREST	2.5 %	2.4 %	0.5 %	0.5 %	0.4 %	0.4 %	0.0 %
Long-term debt	2.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	5.9 %	5.4 %	5.0 %	4.9 %	4.8 %	4.5 %	4.2 %
Other provisions	17.7 %	22.4 %	24.0 %	24.2 %	22.1 %	21.1 %	20.0 %
Non-current liabilities	25.7 %	27.8 %	29.0 %	29.1 %	26.9 %	25.6 %	24.2 %
short-term liabilities to banks	3.8 %	0.8 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	3.2 %	2.1 %	2.8 %	1.6 %	2.2 %	2.3 %	2.2 %
Advance payments received on orders	0.7 %	2.7 %	1.8 %	4.4 %	4.3 %	4.0 %	3.7 %
Other liabilities (incl. from lease and rental contracts)	7.8 %	8.0 %	7.6 %	13.0 %	12.7 %	11.9 %	11.1 %
Deferred taxes	2.8 %	3.0 %	3.1 %	1.0 %	0.0 %	0.0 %	0.0 %
Deferred income	0.8 %	1.5 %	1.6 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	19.1 %	18.0 %	16.9 %	20.0 %	19.2 %	18.1 %	17.0 %
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)	2016	2017	2018	2019	2020E	2021E	2022E
Net profit/loss	9.8	15.1	16.9	22.5	22.5	26.0	30.2
Depreciation of fixed assets (incl. leases)	8.7	8.6	8.6	11.1	11.1	11.1	11.1
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
Others	-0.8	5.5	2.8	10.6	0.0	0.0	0.0
Cash flow from operations before changes in w/c	17.7	29.3	28.2	44.1	33.6	37.1	41.3
Increase/decrease in inventory	0.3	-1.7	0.7	-2.2	-5.2	-3.8	-1.2
Increase/decrease in accounts receivable	2.0	-1.1	-4.0	-1.2	-1.8	-3.3	-3.2
Increase/decrease in accounts payable	0.1	-1.9	2.0	-0.4	1.7	0.5	0.5
Increase/decrease in other working capital positions	0.2	2.2	-5.7	0.0	0.0	0.0	0.0
Increase/decrease in working capital	2.6	-2.5	-7.0	-3.7	-5.3	-6.6	-3.9
Cash flow from operating activities	20.3	26.8	21.2	40.4	28.3	30.6	37.4
CAPEX	5.3	4.2	6.1	7.3	7.3	15.0	7.3
Payments for acquisitions	0.2	5.5	2.1	0.9	0.0	0.0	0.0
Financial investments	0.0	0.5	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	15.2	-2.5	2.5	0.0	0.0	0.0
Cash flow from investing activities	-5.5	5.1	-10.7	-5.7	-7.3	-15.0	-7.3
Cash flow before financing	14.8	31.9	10.5	34.7	21.1	15.6	30.2
Increase/decrease in debt position	-3.9	-5.3	-1.7	-2.7	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	8.6	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	3.5	4.1	6.2	7.1	7.3	8.5
Others	-2.5	-1.2	-0.2	-1.7	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.3	-0.8	0.6	0.5	0.0	0.0	0.0
Cash flow from financing activities	-9.5	-10.0	-14.6	-10.5	-7.1	-7.3	-8.5
Increase/decrease in liquid assets	5.6	21.1	-3.5	24.7	13.9	8.2	21.7
Liquid assets at end of period	37.0	57.7	54.2	78.9	92.8	101.0	122.7

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
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	74.5	84.9	96.8	110.4	125.9	143.5	163.6
yoy change	3.5 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %
NAFTA	46.1	53.0	60.9	70.1	80.6	92.7	106.6
yoy change	3.5 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %
Asia Pacific	14.0	15.8	17.9	20.2	22.9	25.8	29.2
yoy change	8.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %
Rest of world	-14.7	-15.1	-7.0	-22.2	-50.9	-64.8	-84.0
yoy change	neg.	neg.	neg.	neg.	neg.	neg.	neg.
TTL	119.9	138.6	168.7	178.5	178.4	197.1	215.3
yoy change	-14.2 %	15.7 %	21.7 %	5.8 %	-0.1 %	10.5 %	9.2 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
P&L growth analysis							
Sales growth	-14.2 %	15.7 %	21.7 %	5.8 %	-0.1 %	10.5 %	9.2 %
EBITDA growth	-7.6 %	7.0 %	20.1 %	33.6 %	1.0 %	11.5 %	12.1 %
EBIT growth	-11.2 %	11.4 %	30.1 %	35.2 %	1.4 %	15.4 %	15.8 %
EPS growth	-10.5 %	53.9 %	12.3 %	37.4 %	0.0 %	16.1 %	16.4 %
Efficiency							
Total operating costs / sales	37.0 %	32.2 %	30.3 %	30.7 %	31.2 %	31.2 %	31.1 %
Sales per employee	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EBITDA per employee	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Balance sheet analysis							
Avg. working capital / sales	32.9 %	29.3 %	25.8 %	25.4 %	26.3 %	26.8 %	27.0 %
Inventory turnover (sales/inventory)	4.8	5.2	5.2	5.2	4.9	4.9	5.2
Trade debtors in days of sales	70.7	64.0	64.0	64.0	64.0	64.0	64.0
A/P turnover [(A/P*365)/sales]	38.7	22.0	25.0	25.0	25.0	25.0	25.0
Cash conversion cycle (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cash flow analysis							
Free cash flow	15.0	22.7	15.1	33.2	21.1	15.6	30.2
Free cash flow/sales	12.5 %	16.4 %	8.9 %	18.6 %	11.8 %	7.9 %	14.0 %
FCF / net profit	156.6 %	154.2 %	93.5 %	150.7 %	95.6 %	60.8 %	101.3 %
Capex / depre	61.0 %	53.9 %	71.4 %	65.5 %	65.5 %	135.4 %	65.5 %
Capex / maintenance capex	67.8 %	48.1 %	75.2 %	68.9 %	68.9 %	142.5 %	72.8 %
Capex / sales	4.4 %	3.4 %	3.6 %	4.1 %	4.1 %	7.6 %	3.4 %
Security							
Net debt	-24.9	-56.0	-54.1	-78.9	-92.8	-101.0	-122.6
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Interest cover	13.9	20.4	34.8	28.9	29.3	33.8	39.1
Dividend payout ratio	37.4 %	27.9 %	38.4 %	32.4 %	33.3 %	33.3 %	33.3 %
Asset utilisation							
Capital employed turnover	0.9	1.1	1.2	1.2	1.3	1.3	0.8
Operating assets turnover	1.5	1.9	2.0	2.1	2.1	2.0	2.2
Plant turnover	3.2	4.1	4.6	4.5	4.9	4.9	5.9
Inventory turnover (sales/inventory)	4.8	5.2	5.2	5.2	4.9	4.9	5.2
Returns							
ROCE	12.0 %	13.8 %	17.6 %	22.2 %	22.7 %	25.8 %	20.6 %
ROE	9.1 %	13.1 %	13.2 %	15.9 %	14.7 %	15.3 %	15.8 %
Other							
Interest paid / avg. debt	8.6 %	13.2 %	73.9 %	1809.9 %	3128.6 %	3128.6 %	3128.6 %
No. employees (average)	0	0	0	0	0	0	0
Number of shares	5.3	5.3	5.2	5.1	5.1	5.1	5.1
DPS	0.7	0.8	1.2	1.4	1.4	1.7	1.9
EPS reported	1.81	2.78	3.12	4.29	4.29	4.98	5.80
Valuation ratios							
P/BV	7.5	6.2	5.5	4.9	4.5	4.0	3.6
EV/sales	6.3	5.2	4.3	3.9	3.9	3.5	3.1
EV/EBITDA	30.4	23.6	19.8	14.2	13.7	12.2	10.4
EV/EBITA	46.8	35.0	27.1	19.2	18.5	15.8	13.1
EV/EBIT	46.8	35.0	27.1	19.2	21.5	18.4	15.4
EV/FCF	50.5	27.7	42.0	18.3	28.2	37.6	18.7
Adjusted FCF yield	1.6 %	1.9 %	2.7 %	3.8 %	3.9 %	4.6 %	5.6 %
Dividend yield	0.4 %	0.5 %	0.8 %	1.1 %	1.1 %	1.3 %	1.5 %

Source: Company data, Hauck & Aufhäuser

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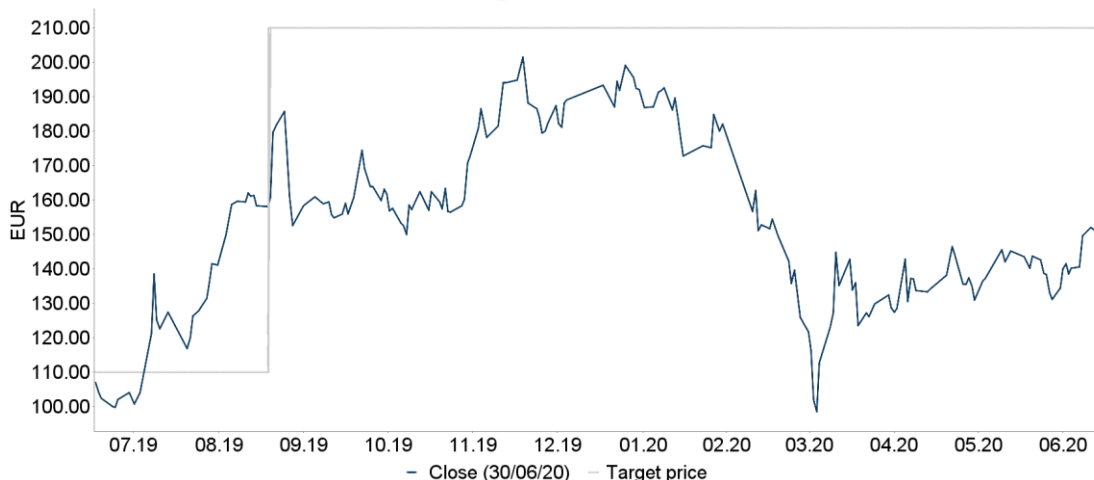
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Company	Disclosure
Eckert & Ziegler AG	2

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

**Price and Rating History
Eckert & Ziegler AG as of 02/07/20**

Initiation coverage
08-April-10



Company	Date	Analyst	Rating	Target price	Close
Eckert & Ziegler AG	24.06.2020	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 149,60
	15.06.2020	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 134,30
	13.05.2020	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 137,30
	06.04.2020	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 127,20
	17.02.2020	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 182,00

19.12.2019	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 188,00
08.10.2019	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 169,00
05.09.2019	Halitsa, Aliaksandr	Buy	EUR 210,00	EUR 179,60

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Contacts: Hauck & Aufhäuser Privatbankiers AG

Hauck & Aufhäuser Research

Hauck & Aufhäuser
Privatbankiers AG
Mittelweg 16/17
20148 Hamburg
Germany

Tel.: +49 (0) 40 414 3885 91
Fax: +49 (0) 40 414 3885 71
Email: research@ha-ib.de
www.ha-research.de

Tim Wunderlich, CFA
Head of Transactional Research
Tel.: +49 40 414 3885 81
E-Mail: tim.wunderlich@ha-ib.de

Henning Breiter
Head of Research
Tel.: +49 40 414 3885 73
E-Mail: henning.breiter@ha-ib.de

Marie-Thérèse Grübner
Head of Corporate Brokerage
Tel.: +49 40 450 6342 3097
E-Mail: marie-therese.gruebner@ha-ib.de

Aliaksandr Halitsa
Analyst
Tel.: +49 40 414 3885 83
E-Mail: aliaksandr.halitsa@ha-ib.de

Alina Köhler
Analyst
Tel.: +49 40 450 6342 3095
E-Mail: alina.koehler@ha-ib.de

Christian Glowa
Analyst
Tel.: +49 40 414 3885 95
E-Mail: christian.glowa@ha-ib.de

Christian Salis
Analyst
Tel.: +49 40 414 3885 96
E-Mail: christian.salis@ha-ib.de

Christian Sandherr
Analyst
Tel.: +49 40 414 3885 79
E-Mail: christian.sandherr@ha-ib.de

Frederik Bitter
Analyst
Tel.: +49 40 450 6342 3091
E-Mail: frederik.bitter@ha-ib.de

Frederik Jarchow
Analyst
Tel.: +49 40 414 3885 76
E-Mail: frederik.jarchow@ha-ib.de

Julius Stinauer
Analyst
Tel.: +49 40 414 3885 84
E-Mail: julius.stinauer@ha-ib.de

Simon Bentlage
Analyst
Tel.: +49 40 450 6342 3096
E-Mail: simon.bentlage@ha-ib.de

Hauck & Aufhäuser Sales

Alexander Lachmann
Equity Sales
Tel.: +41 43 497 30 23
E-Mail: alexander.lachmann@ha-ib.de

Carlos Becke
Equity Sales
Tel.: +44 203 9473 245
E-Mail: carlos.becke@ha-ib.de

Markus Scharhag
Equity Sales
Tel.: +49 89 23 93 2813
E-Mail: markus.scharhag@ha-ib.de

Christian Schwenkenbecher
Equity Sales
Tel.: +44 203 9473 246
E-Mail: christian.schwenkenbecher@ha-ib.de

Christian Bybjerg
Equity Sales
Tel.: +49 414 3885 74
E-Mail: christian.bybjerg@ha-ib.de

Hugues Madelin
Equity Sales
Tel.: +33 1 78 41 40 62
E-Mail: hugues.madelin@ha-ib.de

Vincent Bischoff
Equity Sales
Tel.: +49 40 414 3885 88
E-Mail: vincent.bischoff@ha-ib.de

Imogen Voorspuy
Equity Junior Sales
Tel.: +44 203 9473 244
E-Mail: imogen.voorspuy@ha-ib.de

Hauck & Aufhäuser Sales Trading

Hauck & Aufhäuser
Privatbankiers AG
Mittelweg 16/17
20148 Hamburg
Germany

Tel.: +49 40 414 3885 78
Fax: +49 40 414 3885 71
Email: info@hauck-aufhaeuser.com
www.hauck-aufhaeuser.com

Christian von Schuler
Trading
Tel.: +49 40 414 3885 77
E-Mail: christian.schuler@hauck-aufhaeuser.com

Fin Schaffer
Trading
Tel.: +49 40 414 3885 98
E-Mail: fin.schaffer@hauck-aufhaeuser.com

Kathleen Jonas
Middle-Office
Tel.: +49 40 414 3885 97
E-Mail: kathleen.jonas@hauck-aufhaeuser.com

Carolin Heidrich
Middle-Office
Tel.: +49 176 10 59 41 52
E-Mail: carolin.heidrich@hauck-aufhaeuser.com