

**Buy** (old: Buy)

**Price target: EUR 120.00** (old: EUR 120.00)

<b>Price:</b>	EUR 49.88	<b>Next result:</b>	Q4 30.03.23
<b>Bloomberg:</b>	EUZ GR	<b>Market cap:</b>	EUR 1,032.3 m
<b>Reuters:</b>	EUZG.DE	<b>Enterprise Value:</b>	EUR 973.6 m

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### Pluvicto TAM expansion bodes well for Lu-177 and Ga-68 demand

A highly relevant x-read from Novartis took a back seat amid a placement of 1.0 million shares by an institutional investor (Invesco Ltd.) taking place at € 47/share (15% discount). The market reacted negatively with shares dropping and stabilizing at c. € 49.

First and foremost, **we do not view the placement as a harbinger of bad news**. In fact, we expect news flow to remain positive on the back of a likely FY guidance beat/hike, Lu-177 DMF submission and additional customer wins for hot cells, CMO services and isotope supplies. Hence, **the market reaction seems misplaced**.

More importantly, the positive Phase 3 data from Novartis showing that its radioligand therapy **Pluvicto is efficacious as the 2<sup>nd</sup> line treatment in metastatic castration-resistant prostate cancer (mCRPC)** – which is currently only approved for the 3<sup>rd</sup> line intervention (i.e. when all other treatment options are exhausted) – **bodes well for the size of the addressable market** (+12,000 patients; +30%). To recap, Pluvicto is a Lu-177-based radioligand therapy, which is administered after a positive Ga-68 or F-18-based scan. Hence, **a wider application of the therapy leads to higher demand for the related therapeutic (Lu-177) and imaging (Ga-68, F-18) isotopes**.

According to Lantheus, **the market for prostate cancer PET imaging in the US currently amounts to c. 250,000 scans p.a. or \$ 1.1bn** with an additional potential of 100,000 scan (\$ 0.4bn) driven by TAM expansion (e.g. Pluvicto going into 2<sup>nd</sup> and 1<sup>st</sup> line of mCRPC). As the first mover, PYLARIFY (F-18 imaging) is seen to exceed 100,000 scans in 2022E. As a fast-follower, Illuccix (Ga-68 imaging launched in Q2 '22) is seen to reach c. 20,000+ scans (eHAIB) in 2022E and continue growing in 2023E, **benefiting the demand for Ga-68 generators**.

Following a temporary production halt in Q2, **Lu-177-based Pluvicto is off to a good start with \$ 80m sales and continuously strong momentum**. The expected drug master file (DMF) submission in late Dec/early Jan should make EUZ **one of the most reliable suppliers of Lu-177**. An important differentiating factor is its greater control over the supply chain – with an “in-house” production of enriched Yt-176 (“raw material”) – ensuring **superior reliability of supply and potential cost advantage**.

That said, trading at c. € 1bn EV, where at least € 500m can be explained by the “steady state” business and € 200m+ by clinical assets, the **long-term growth opportunity in the radiopharma is strongly underappreciated**. **BUY** with a **PT of € 120** (DCF).

Y/E 31.12 (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Sales	168.7	178.5	176.1	180.4	224.5	238.5	263.5
Sales growth	22 %	6 %	-1 %	2 %	24 %	6 %	10 %
EBITDA	32.0	43.1	44.8	57.0	60.9	63.8	73.7
EBIT	23.4	32.1	33.7	47.4	50.2	51.9	60.9
Net income	16.1	22.0	22.9	34.4	31.3	35.5	41.8
Net debt	-54.1	-78.9	-88.6	-86.6	-71.8	-70.2	-74.2
Net gearing	-44.1 %	-57.1 %	-59.9 %	-46.2 %	-34.6 %	-30.4 %	-28.4 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	3.12	1.06	1.04	1.67	1.51	1.71	2.02
CPS	0.64	1.46	1.28	1.20	1.09	1.55	1.68
DPS	1.20	0.35	0.35	0.56	0.50	0.50	0.50
Dividend yield	2.9 %	0.9 %	0.8 %	1.3 %	1.2 %	1.2 %	1.2 %
Gross profit margin	44.1 %	48.8 %	49.1 %	50.5 %	50.8 %	51.2 %	52.2 %
EBITDA margin	18.9 %	24.2 %	25.4 %	31.6 %	27.1 %	26.8 %	28.0 %
EBIT margin	13.9 %	18.0 %	19.1 %	26.3 %	22.4 %	21.7 %	23.1 %
ROCE	17.6 %	22.5 %	22.9 %	26.0 %	18.9 %	15.8 %	17.1 %
EV/sales	1.1	3.1	4.2	10.1	4.3	4.1	3.7
EV/EBITDA	5.5	13.0	16.7	32.0	16.0	15.3	13.2
EV/EBIT	7.6	17.5	22.2	38.5	19.4	18.8	15.9
PER	10.5	25.5	34.9	52.7	30.6	29.1	24.7
Adjusted FCF yield	9.8 %	4.2 %	3.3 %	2.0 %	3.6 %	3.9 %	4.6 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 08.12.2022

Please refer to important disclosures at the end of the report



Source: Company data, Hauck Aufhäuser Investment Banking

<b>High/low 52 weeks:</b>	97.70 / 30.66
<b>Price/Book Ratio:</b>	4.9
<b>Relative performance (SDAX):</b>	
3 months	25.2 %
6 months	29.6 %
12 months	-23.0 %

#### Changes in estimates

		Sales	EBIT	EPS
2022	old:	224.5	50.2	1.51
	Δ	-	-	-
2023	old:	238.5	51.9	1.71
	Δ	-	-	-
2024	old:	263.5	60.9	2.02
	Δ	-	-	-

#### Key share data:

Number of shares: (in m pcs)	20.7
Authorised capital: (in € m)	0.6
Book value per share: (in €)	10.0
Ø trading volume: (12 months)	20,453

#### Major shareholders:

Free float	67.8 %
Founders	32.2 %
Eckert & Ziegler AG	0.1 %

#### Company description:

A full-service provider for radiopharmaceuticals and isotope technology for industrial applications

## Financials

Profit and loss (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
<b>Sales</b>	<b>168.7</b>	<b>178.5</b>	<b>176.1</b>	<b>180.4</b>	<b>224.5</b>	<b>238.5</b>	<b>263.5</b>
Sales growth	21.7 %	5.8 %	-1.3 %	2.4 %	24.4 %	6.2 %	10.5 %
Cost of sales	94.4	91.5	89.6	89.4	110.4	116.3	126.0
<b>Gross profit</b>	<b>74.3</b>	<b>87.0</b>	<b>86.5</b>	<b>91.1</b>	<b>114.1</b>	<b>122.2</b>	<b>137.5</b>
Sales and marketing	23.3	22.9	21.7	22.6	27.1	28.7	30.1
General and administration	26.9	27.6	28.1	31.5	34.8	36.8	38.5
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	3.5	2.8	5.8	17.7	6.6	2.6	-0.4
Other operating expenses	4.5	7.1	7.2	7.3	8.6	7.4	7.6
Unusual or infrequent items	0.2	-0.2	-1.6	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>32.0</b>	<b>43.1</b>	<b>44.8</b>	<b>57.0</b>	<b>60.9</b>	<b>63.8</b>	<b>73.7</b>
Depreciation	8.6	11.1	11.1	9.6	10.7	12.0	12.8
<b>EBITA</b>	<b>23.4</b>	<b>32.1</b>	<b>33.7</b>	<b>47.4</b>	<b>50.2</b>	<b>51.9</b>	<b>60.9</b>
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
<b>EBIT (inc revaluation net)</b>	<b>23.4</b>	<b>32.1</b>	<b>33.7</b>	<b>47.4</b>	<b>50.2</b>	<b>51.9</b>	<b>60.9</b>
Interest income	0.2	0.3	0.2	0.1	0.0	0.0	0.0
Interest expenses	0.7	1.1	1.2	1.2	2.1	1.2	1.2
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.5	-0.8	-0.9	-1.1	-2.1	-1.2	-1.2
<b>Recurring pretax income from continuing operations</b>	<b>22.9</b>	<b>31.2</b>	<b>32.7</b>	<b>46.4</b>	<b>48.1</b>	<b>50.7</b>	<b>59.7</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>22.9</b>	<b>31.2</b>	<b>32.7</b>	<b>46.4</b>	<b>48.1</b>	<b>50.7</b>	<b>59.7</b>
Taxes	6.0	8.8	9.6	11.7	16.8	15.2	17.9
<b>Net income from continuing operations</b>	<b>16.9</b>	<b>22.5</b>	<b>23.1</b>	<b>34.7</b>	<b>31.3</b>	<b>35.5</b>	<b>41.8</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>16.9</b>	<b>22.5</b>	<b>23.1</b>	<b>34.7</b>	<b>31.3</b>	<b>35.5</b>	<b>41.8</b>
Minority interest	0.8	0.5	0.2	0.2	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>16.1</b>	<b>22.0</b>	<b>22.9</b>	<b>34.4</b>	<b>31.3</b>	<b>35.5</b>	<b>41.8</b>
Average number of shares	20.5	20.5	20.6	20.6	20.7	20.7	20.7
<b>EPS reported</b>	<b>0.79</b>	<b>1.07</b>	<b>1.11</b>	<b>1.67</b>	<b>1.51</b>	<b>1.71</b>	<b>2.02</b>

Profit and loss (common size)	2018	2019	2020	2021	2022E	2023E	2024E
<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	55.9 %	51.2 %	50.9 %	49.5 %	49.2 %	48.8 %	47.8 %
<b>Gross profit</b>	<b>44.1 %</b>	<b>48.8 %</b>	<b>49.1 %</b>	<b>50.5 %</b>	<b>50.8 %</b>	<b>51.2 %</b>	<b>52.2 %</b>
Sales and marketing	13.8 %	12.8 %	12.3 %	12.5 %	12.1 %	12.0 %	11.4 %
General and administration	15.9 %	15.4 %	15.9 %	17.4 %	15.5 %	15.4 %	14.6 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	2.1 %	1.6 %	3.3 %	9.8 %	2.9 %	1.1 %	neg.
Other operating expenses	2.6 %	4.0 %	4.1 %	4.0 %	3.8 %	3.1 %	2.9 %
Unusual or infrequent items	0.1 %	neg.	neg.	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITDA</b>	<b>18.9 %</b>	<b>24.2 %</b>	<b>25.4 %</b>	<b>31.6 %</b>	<b>27.1 %</b>	<b>26.8 %</b>	<b>28.0 %</b>
Depreciation	5.1 %	6.2 %	6.3 %	5.3 %	4.7 %	5.0 %	4.9 %
<b>EBITA</b>	<b>13.9 %</b>	<b>18.0 %</b>	<b>19.1 %</b>	<b>26.3 %</b>	<b>22.4 %</b>	<b>21.7 %</b>	<b>23.1 %</b>
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 %
<b>EBIT (inc revaluation net)</b>	<b>13.9 %</b>	<b>18.0 %</b>	<b>19.1 %</b>	<b>26.3 %</b>	<b>22.4 %</b>	<b>21.7 %</b>	<b>23.1 %</b>
Interest income	0.1 %	0.2 %	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %
Interest expenses	0.4 %	0.6 %	0.7 %	0.7 %	0.9 %	0.5 %	0.5 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>13.6 %</b>	<b>17.5 %</b>	<b>18.6 %</b>	<b>25.7 %</b>	<b>21.4 %</b>	<b>21.2 %</b>	<b>22.7 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>13.6 %</b>	<b>17.5 %</b>	<b>18.6 %</b>	<b>25.7 %</b>	<b>21.4 %</b>	<b>21.2 %</b>	<b>22.7 %</b>
Tax rate	26.2 %	28.1 %	29.4 %	25.3 %	35.0 %	30.0 %	30.0 %
<b>Net income from continuing operations</b>	<b>10.0 %</b>	<b>12.6 %</b>	<b>13.1 %</b>	<b>19.2 %</b>	<b>13.9 %</b>	<b>14.9 %</b>	<b>15.9 %</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>10.0 %</b>	<b>12.6 %</b>	<b>13.1 %</b>	<b>19.2 %</b>	<b>13.9 %</b>	<b>14.9 %</b>	<b>15.9 %</b>
Minority interest	0.4 %	0.3 %	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>9.6 %</b>	<b>12.3 %</b>	<b>13.0 %</b>	<b>19.1 %</b>	<b>13.9 %</b>	<b>14.9 %</b>	<b>15.9 %</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
<b>Intangible assets</b>	<b>52.5</b>	<b>51.9</b>	<b>41.4</b>	<b>61.4</b>	<b>76.1</b>	<b>96.1</b>	<b>116.1</b>
Property, plant and equipment	36.9	40.0	38.0	61.9	71.9	74.0	73.1
Financial assets	3.5	5.2	8.0	16.4	16.4	16.4	16.4
<b>FIXED ASSETS</b>	<b>93.0</b>	<b>97.1</b>	<b>87.4</b>	<b>139.7</b>	<b>164.4</b>	<b>186.5</b>	<b>205.6</b>
Inventories	28.8	31.2	33.6	37.4	43.2	45.9	50.7
Accounts receivable	28.3	29.5	28.2	31.9	36.9	39.2	43.3
Other current assets	14.9	26.6	42.3	34.0	34.0	34.0	34.0
Liquid assets	54.2	78.9	88.6	93.7	78.9	77.3	81.3
Deferred taxes	9.9	10.9	11.9	11.2	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
<b>CURRENT ASSETS</b>	<b>136.1</b>	<b>177.1</b>	<b>204.6</b>	<b>208.1</b>	<b>193.0</b>	<b>196.4</b>	<b>209.3</b>
<b>TOTAL ASSETS</b>	<b>229.1</b>	<b>274.2</b>	<b>292.0</b>	<b>347.7</b>	<b>357.4</b>	<b>382.9</b>	<b>414.9</b>
SHAREHOLDERS EQUITY	122.6	138.2	147.8	187.4	207.7	231.1	260.7
MINORITY INTEREST	1.2	1.2	1.1	5.1	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	11.4	13.5	14.4	13.0	13.0	13.0	13.0
Other provisions	55.1	66.4	70.5	92.5	88.1	89.8	91.6
<b>Non-current liabilities</b>	<b>66.5</b>	<b>79.9</b>	<b>84.9</b>	<b>105.5</b>	<b>101.1</b>	<b>102.9</b>	<b>104.7</b>
short-term liabilities to banks	0.0	0.0	0.0	7.1	7.1	7.1	7.1
Accounts payable	6.5	4.5	5.0	5.6	6.7	7.0	7.6
Advance payments received on orders	4.1	12.0	8.6	11.6	11.6	11.6	11.6
Other liabilities (incl. from lease and rental contracts)	17.4	35.6	42.3	23.1	23.1	23.1	23.1
Deferred taxes	7.1	2.8	2.2	2.2	0.0	0.0	0.0
Deferred income	3.6	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>38.8</b>	<b>54.9</b>	<b>58.2</b>	<b>49.7</b>	<b>48.5</b>	<b>48.9</b>	<b>49.4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>229.1</b>	<b>274.2</b>	<b>292.0</b>	<b>347.7</b>	<b>357.4</b>	<b>382.9</b>	<b>414.9</b>

Balance sheet (common size)	2018	2019	2020	2021	2022E	2023E	2024E
<b>Intangible assets</b>	<b>22.9 %</b>	<b>18.9 %</b>	<b>14.2 %</b>	<b>17.7 %</b>	<b>21.3 %</b>	<b>25.1 %</b>	<b>28.0 %</b>
Property, plant and equipment	16.1 %	14.6 %	13.0 %	17.8 %	20.1 %	19.3 %	17.6 %
Financial assets	1.5 %	1.9 %	2.7 %	4.7 %	4.6 %	4.3 %	3.9 %
<b>FIXED ASSETS</b>	<b>40.6 %</b>	<b>35.4 %</b>	<b>29.9 %</b>	<b>40.2 %</b>	<b>46.0 %</b>	<b>48.7 %</b>	<b>49.6 %</b>
Inventories	12.6 %	11.4 %	11.5 %	10.7 %	12.1 %	12.0 %	12.2 %
Accounts receivable	12.4 %	10.8 %	9.7 %	9.2 %	10.3 %	10.2 %	10.4 %
Other current assets	6.5 %	9.7 %	14.5 %	9.8 %	9.5 %	8.9 %	8.2 %
Liquid assets	23.7 %	28.8 %	30.3 %	26.9 %	22.1 %	20.2 %	19.6 %
Deferred taxes	4.3 %	4.0 %	4.1 %	3.2 %	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 %
<b>CURRENT ASSETS</b>	<b>59.4 %</b>	<b>64.6 %</b>	<b>70.1 %</b>	<b>59.8 %</b>	<b>54.0 %</b>	<b>51.3 %</b>	<b>50.4 %</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	53.5 %	50.4 %	50.6 %	53.9 %	58.1 %	60.4 %	62.8 %
MINORITY INTEREST	0.5 %	0.5 %	0.4 %	1.5 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	5.0 %	4.9 %	4.9 %	3.8 %	3.6 %	3.4 %	3.1 %
Other provisions	24.0 %	24.2 %	24.1 %	26.6 %	24.6 %	23.5 %	22.1 %
<b>Non-current liabilities</b>	<b>29.0 %</b>	<b>29.1 %</b>	<b>29.1 %</b>	<b>30.4 %</b>	<b>28.3 %</b>	<b>26.9 %</b>	<b>25.2 %</b>
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	2.0 %	2.0 %	1.8 %	1.7 %
Accounts payable	2.8 %	1.6 %	1.7 %	1.6 %	1.9 %	1.8 %	1.8 %
Advance payments received on orders	1.8 %	4.4 %	3.0 %	3.3 %	3.3 %	3.0 %	2.8 %
Other liabilities (incl. from lease and rental contracts)	7.6 %	13.0 %	14.5 %	6.7 %	6.5 %	6.0 %	5.6 %
Deferred taxes	3.1 %	1.0 %	0.8 %	0.6 %	0.0 %	0.0 %	0.0 %
Deferred income	1.6 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>16.9 %</b>	<b>20.0 %</b>	<b>19.9 %</b>	<b>14.3 %</b>	<b>13.6 %</b>	<b>12.8 %</b>	<b>11.9 %</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 Investment Banking

Cash flow statement (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Net profit/loss	16.9	22.5	23.1	34.7	31.3	35.5	41.8
Depreciation of fixed assets (incl. leases)	8.6	11.1	11.1	9.6	10.7	12.0	12.8
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	10.6	4.3	-1.1	0.0	0.0	0.0
Cash flow from operations before changes in w/c	28.2	44.1	38.5	43.1	41.9	47.4	54.6
Increase/decrease in inventory	0.7	-2.2	-2.4	-6.0	-5.8	-2.7	-4.8
Increase/decrease in accounts receivable	-4.0	-1.2	0.1	-3.9	-5.0	-2.3	-4.1
Increase/decrease in accounts payable	2.0	-0.4	0.5	0.6	1.1	0.4	0.6
Increase/decrease in other working capital positions	-5.7	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-7.0	-3.7	-1.7	-9.3	-9.8	-4.6	-8.3
<b>Cash flow from operating activities</b>	<b>21.2</b>	<b>40.4</b>	<b>36.8</b>	<b>33.9</b>	<b>32.2</b>	<b>42.8</b>	<b>46.3</b>
CAPEX	6.1	7.3	8.9	28.9	35.4	34.0	32.0
Payments for acquisitions	2.1	0.9	0.0	8.3	0.0	0.0	0.0
Financial investments	0.0	0.0	5.4	0.0	0.0	0.0	0.0
Income from asset disposals	-2.5	2.5	0.9	13.5	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-10.7</b>	<b>-5.7</b>	<b>-13.3</b>	<b>-23.6</b>	<b>-35.4</b>	<b>-34.0</b>	<b>-32.0</b>
Cash flow before financing	10.5	34.7	23.4	10.3	-3.3	8.8	14.3
Increase/decrease in debt position	-1.7	-2.7	-3.0	7.1	0.0	0.0	0.0
Purchase of own shares	8.6	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	4.1	6.2	8.8	9.3	11.5	10.3	10.3
Others	-0.2	-1.7	-1.2	-3.8	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.6	0.5	-1.9	2.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-14.6</b>	<b>-10.5</b>	<b>-13.0</b>	<b>-6.1</b>	<b>-11.5</b>	<b>-10.3</b>	<b>-10.3</b>
Increase/decrease in liquid assets	-3.5	24.7	8.6	6.2	-14.7	-1.6	3.9
<b>Liquid assets at end of period</b>	<b>54.2</b>	<b>78.9</b>	<b>87.4</b>	<b>93.6</b>	<b>78.9</b>	<b>77.3</b>	<b>81.3</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Regional split (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
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	96.8	110.4	125.9	143.5	163.6	186.5	212.6
yoy change	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %
NAFTA	60.9	70.1	80.6	92.7	106.6	122.5	140.9
yoy change	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %
Asia Pacific	17.9	20.2	22.9	25.8	29.2	33.0	37.3
yoy change	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %
Rest of world	-7.0	-22.2	-53.1	-81.5	-74.8	-103.5	-127.3
yoy change	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>TTL</b>	<b>168.7</b>	<b>178.5</b>	<b>176.1</b>	<b>180.4</b>	<b>224.5</b>	<b>238.5</b>	<b>263.5</b>
yoy change	21.7 %	5.8 %	-1.3 %	2.4 %	24.4 %	6.2 %	10.5 %

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
<b>P&amp;L growth analysis</b>							
Sales growth	21.7 %	5.8 %	-1.3 %	2.4 %	24.4 %	6.2 %	10.5 %
EBITDA growth	20.1 %	35.0 %	3.8 %	27.4 %	6.7 %	4.9 %	15.5 %
EBIT growth	30.1 %	37.1 %	5.1 %	40.8 %	5.8 %	3.3 %	17.4 %
EPS growth	9.7 %	36.5 %	3.6 %	50.5 %	-9.7 %	13.5 %	17.8 %
<b>Efficiency</b>							
Total operating costs / sales	30.3 %	30.7 %	29.1 %	24.2 %	28.5 %	29.5 %	29.1 %
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
<b>Balance sheet analysis</b>							
Avg. working capital / sales	25.8 %	25.4 %	26.2 %	27.8 %	25.3 %	26.9 %	26.8 %
Inventory turnover (sales/inventory)	5.9	5.7	5.2	4.8	5.2	5.2	5.2
Trade debtors in days of sales	61.2	60.3	58.4	64.5	60.0	60.0	60.0
A/P turnover [(A/P*365)/sales]	25.1	17.9	20.4	22.8	22.0	22.0	22.0
Cash conversion cycle (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Cash flow analysis</b>							
Free cash flow	15.1	33.2	27.9	5.0	-3.3	8.8	14.3
Free cash flow/sales	8.9 %	18.6 %	15.8 %	2.8 %	-1.5 %	3.7 %	5.4 %
FCF / net profit	93.5 %	150.7 %	121.8 %	14.5 %	neg.	24.8 %	34.2 %
Capex / depre	71.4 %	65.5 %	128.8 %	300.7 %	332.3 %	284.4 %	249.4 %
Capex / maintenance capex	75.2 %	68.9 %	84.6 %	316.6 %	216.0 %	130.1 %	103.9 %
Capex / sales	3.6 %	4.1 %	8.1 %	16.0 %	15.8 %	14.3 %	12.1 %
<b>Security</b>							
Net debt	-54.1	-78.9	-88.6	-86.6	-71.8	-70.2	-74.2
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	34.8	29.3	28.2	39.7	23.9	43.2	50.8
Dividend payout ratio	152.7 %	33.0 %	31.1 %	33.3 %	33.1 %	29.2 %	24.8 %
<b>Asset utilisation</b>							
Capital employed turnover	1.2	1.2	1.2	0.8	0.7	0.7	0.7
Operating assets turnover	2.0	2.1	2.0	1.6	1.7	1.7	1.8
Plant turnover	4.6	4.5	4.6	2.9	3.1	3.2	3.6
Inventory turnover (sales/inventory)	5.9	5.7	5.2	4.8	5.2	5.2	5.2
<b>Returns</b>							
ROCE	17.6 %	22.5 %	22.9 %	26.0 %	18.9 %	15.8 %	17.1 %
ROE	13.2 %	15.9 %	15.5 %	18.4 %	15.0 %	15.3 %	16.0 %
<b>Other</b>							
Interest paid / avg. debt	73.9 %	1809.9 %	5819.5 %	33.7 %	29.7 %	17.0 %	17.0 %
No. employees (average)	0	0	0	0	0	0	0
Number of shares	20.5	20.5	20.6	20.6	20.7	20.7	20.7
DPS	1.2	0.4	0.3	0.6	0.5	0.5	0.5
EPS reported	0.79	1.07	1.11	1.67	1.51	1.71	2.02
<b>Valuation ratios</b>							
P/BV	6.9	6.1	5.8	4.5	4.1	3.7	3.3
EV/sales	1.1	3.1	4.2	10.1	3.6	3.4	3.0
EV/EBITDA	5.5	13.0	16.7	32.0	13.1	12.5	10.8
EV/EBITA	7.6	17.5	22.2	38.5	15.9	15.4	13.1
EV/EBIT	7.6	17.5	22.2	38.5	15.9	15.4	13.1
EV/FCF	11.7	16.9	26.8	364.9	-244.3	91.0	55.6
Adjusted FCF yield	9.8 %	4.2 %	3.3 %	2.0 %	4.4 %	4.8 %	5.7 %
Dividend yield	2.9 %	0.9 %	0.8 %	1.3 %	1.2 %	1.2 %	1.2 %

Source: Company data, Hauck Aufhäuser Investment Banking

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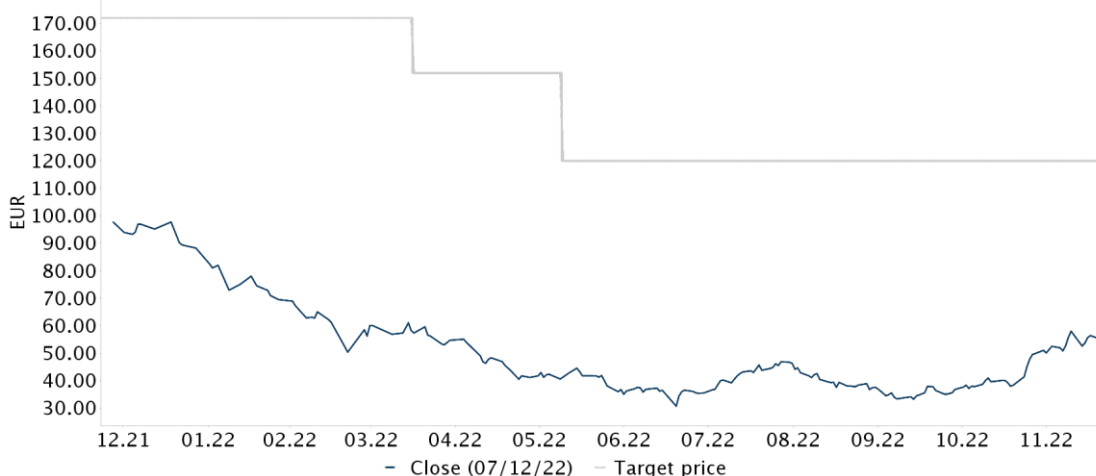
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Company	Disclosure
Eckert & Ziegler AG	2

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

**Price and Rating History  
Eckert & Ziegler AG as of 08/12/22**

**Initiation coverage**  
08-April-10



Company	Date	Analyst	Rating	Target price	Close
Eckert & Ziegler AG	24.11.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 55.75
	09.11.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 45.06
	02.09.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 39.32
	12.08.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 46.84
	09.08.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 44.78

06.07.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 34.38
31.05.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 43.28
27.05.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 42.66
17.05.2022	Galitsa, Alexander	Buy	EUR 152.00	EUR 42.90
11.04.2022	Galitsa, Alexander	Buy	EUR 152.00	EUR 53.35
04.04.2022	Galitsa, Alexander	Buy	EUR 152.00	EUR 57.30

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