

# Eckert & Ziegler AG

## Germany - High-tech Engineering



HAUCK  
AUFHÄUSER  
INVESTMENT BANKING

**Buy** (old: Buy)

**Price target: EUR 60.00** (old: EUR 60.00)

**Price:** EUR 33.98      **Next result:** Q3 14.11.23  
**Bloomberg:** EUZ GR      **Market cap:** EUR 654.8 m  
**Reuters:** EUZG.DE      **Enterprise Value:** EUR 623.2 m

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### High-margin medical isotopes continue to drive growth in Q3

EUZ reported sound Q3 prelims, strongly supported by the ongoing robust growth in the strategically important vertical of medical isotopes. **In detail:**

- **Q3 sales grew by 15% yoy to € 66m**, strongly driven by the Medical division and medical isotopes in particular. In fact, sales in the Medical division grew by c. 26% yoy to € 30m. Correspondingly, sales in the Isotope Product division should have grown by c. 9% yoy to € 36m, following a 13% yoy decline in Q2.
- **Q3 net income arrived at € 9.4m**, compared to € 7.9m in Q3'22 and € 5m and € 6m in Q1'23 and Q2'23 respectively. However, significantly varying quarterly tax rate in 2022 and H1'23 and yet to be disclosed Q3 tax rate make the comparison at this stage difficult. Assuming Q3 tax rate at 26%, which would bring the 9M tax rate close to the FY of 32%, the implied Q3 EBIT would stand at c. € 13m, corresponding to 20% margin. This compares to € 11.8m (20.6% margin) in Q3'22 adjusted for fx gains of € 1.7m. The slight yoy margin compression should be explained by higher operating costs to support the ongoing capacity expansion as well as potential expensed R&D related to Pentixa projects.
- **EUZ continues to target € 230m sales and € 25m of net income.** This only implies € 4.7m of net income in Q4, which corresponds to c. € 6m EBIT (11% margin), compared to c. 20% and 18% in Q3 and 9M'23 respectively (eHAIB). We attribute it to the company's too cautious communication style as well as occasional non-cash charges related to movement in various provisions typically booked in Q4. On the other hand, sales are likely to arrive at € 240m+, compared to the guided € 230m, as this would imply unrealistic 20%+ sales decline in Q4, after recording 15% and 12% yoy sales growth in Q3 and 9M'23. **With that, following better-than-expected Q3, our FY'23 estimates seem conservative.** We refrain from adjusting our forecast until the full set of figures, looking for more clarity on Pentixa-related expensed R&D and higher opex for the ramp up of growth investments.

**At 13x operating result the valuation looks highly compelling**, especially for a mission-critical supplier to a rapidly growing market. In addition, considering high interest from pharma companies in promising radiopharmaceutical compounds, **the wholly-owned Pentixa offers a valuable optionality**, which is not reflected in the current share price. Reiterate **BUY** with a DCF- based **PT of € 60**.

Y/E 31.12 (EUR m)	2020	2021	2022	2023E	2024E	2025E	2026E
Sales	176.1	180.4	222.3	241.0	261.2	286.5	311.7
Sales growth	-1 %	2 %	23 %	8 %	8 %	10 %	9 %
EBITDA	44.8	57.0	55.0	51.6	53.8	64.3	73.3
EBIT	33.7	47.4	44.5	38.9	40.2	49.7	57.7
Net income	22.9	34.4	29.3	23.8	25.5	32.1	37.7
Net debt	-88.6	-86.6	-60.3	-41.9	-32.2	-50.8	-70.7
Net gearing	-59.9 %	-46.2 %	-28.4 %	-19.0 %	-13.8 %	-21.2 %	-26.6 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	1.04	1.67	1.41	1.15	1.23	1.55	1.82
CPS	1.28	1.20	1.19	0.90	1.32	1.63	1.71
DPS	0.35	0.56	0.50	0.50	0.50	0.52	0.61
Dividend yield	1.1 %	1.8 %	1.6 %	1.6 %	1.6 %	1.6 %	1.9 %
Gross profit margin	49.1 %	50.5 %	48.0 %	48.9 %	48.8 %	48.9 %	49.2 %
EBITDA margin	25.4 %	31.6 %	24.8 %	21.4 %	20.6 %	22.5 %	23.5 %
EBIT margin	19.1 %	26.3 %	20.0 %	16.1 %	15.4 %	17.3 %	18.5 %
ROCE	22.9 %	26.0 %	16.5 %	19.1 %	19.7 %	21.5 %	22.0 %
EV/sales	4.2	10.1	2.7	2.6	2.4	2.1	1.9
EV/EBITDA	16.7	32.0	11.0	12.1	11.8	9.5	8.1
EV/EBIT	22.2	38.5	13.6	16.0	15.8	12.4	10.3
PER	34.9	52.7	19.9	27.5	25.7	20.4	17.4
Adjusted FCF yield	3.3 %	2.0 %	5.3 %	5.6 %	6.2 %	7.6 %	9.0 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 17.10.2023



Source: Company data, Hauck Aufhäuser Investment Banking

**High/low 52 weeks:** 58.65 / 29.14

**Price/Book Ratio:** 3.2

**Relative performance (SDAX):**

3 months -2.7 %  
6 months -15.0 %  
12 months -27.4 %

#### Changes in estimates

		Sales	EBIT	EPS
2023	old:	241.0	38.9	1.15
	Δ	-	-	-
2024	old:	261.2	40.2	1.23
	Δ	-	-	-
2025	old:	286.5	49.7	1.55
	Δ	-	-	-

#### Key share data:

Number of shares: (in m pcs) 20.7  
Authorised capital: (in € m) 0.6  
Book value per share: (in €) 10.7  
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)	2020	2021	2022	2023E	2024E	2025E	2026E
<b>Sales</b>	<b>176.1</b>	<b>180.4</b>	<b>222.3</b>	<b>241.0</b>	<b>261.2</b>	<b>286.5</b>	<b>311.7</b>
Sales growth	-1.3 %	2.4 %	23.2 %	8.4 %	8.4 %	9.7 %	8.8 %
Cost of sales	89.6	89.4	115.5	123.1	133.7	146.4	158.2
<b>Gross profit</b>	<b>86.5</b>	<b>91.1</b>	<b>106.8</b>	<b>117.9</b>	<b>127.5</b>	<b>140.1</b>	<b>153.5</b>
Sales and marketing	21.7	22.6	23.1	26.1	28.0	30.1	32.3
General and administration	28.1	31.5	36.0	40.2	42.6	45.1	47.8
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	5.8	17.7	7.2	2.1	2.1	2.1	2.1
Other operating expenses	7.2	7.3	10.4	14.8	18.8	17.3	17.7
Unusual or infrequent items	-1.6	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>44.8</b>	<b>57.0</b>	<b>55.0</b>	<b>51.6</b>	<b>53.8</b>	<b>64.3</b>	<b>73.3</b>
Depreciation	11.1	9.6	10.5	12.7	13.7	14.7	15.7
<b>EBITA</b>	<b>33.7</b>	<b>47.4</b>	<b>44.5</b>	<b>38.9</b>	<b>40.2</b>	<b>49.7</b>	<b>57.7</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>33.7</b>	<b>47.4</b>	<b>44.5</b>	<b>38.9</b>	<b>40.2</b>	<b>49.7</b>	<b>57.7</b>
Interest income	0.2	0.1	0.2	0.0	0.0	0.0	0.0
Interest expenses	1.2	1.2	1.8	3.1	3.1	3.1	3.1
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.9	-1.1	-1.5	-3.1	-3.1	-3.1	-3.1
<b>Recurring pretax income from continuing operations</b>	<b>32.7</b>	<b>46.4</b>	<b>43.0</b>	<b>35.8</b>	<b>37.1</b>	<b>46.6</b>	<b>54.6</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>32.7</b>	<b>46.4</b>	<b>43.0</b>	<b>35.8</b>	<b>37.1</b>	<b>46.6</b>	<b>54.6</b>
Taxes	9.6	11.7	13.3	11.4	11.1	14.0	16.4
<b>Net income from continuing operations</b>	<b>23.1</b>	<b>34.7</b>	<b>29.7</b>	<b>24.3</b>	<b>26.0</b>	<b>32.6</b>	<b>38.2</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>23.1</b>	<b>34.7</b>	<b>29.7</b>	<b>24.3</b>	<b>26.0</b>	<b>32.6</b>	<b>38.2</b>
Minority interest	0.2	0.2	0.5	0.5	0.5	0.5	0.5
<b>Net profit (reported)</b>	<b>22.9</b>	<b>34.4</b>	<b>29.3</b>	<b>23.8</b>	<b>25.5</b>	<b>32.1</b>	<b>37.7</b>
Average number of shares	20.6	20.6	20.7	20.7	20.7	20.7	20.7
<b>EPS reported</b>	<b>1.11</b>	<b>1.67</b>	<b>1.41</b>	<b>1.15</b>	<b>1.23</b>	<b>1.55</b>	<b>1.82</b>

Profit and loss (common size)	2020	2021	2022	2023E	2024E	2025E	2026E
<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	50.9 %	49.5 %	52.0 %	51.1 %	51.2 %	51.1 %	50.8 %
<b>Gross profit</b>	<b>49.1 %</b>	<b>50.5 %</b>	<b>48.0 %</b>	<b>48.9 %</b>	<b>48.8 %</b>	<b>48.9 %</b>	<b>49.2 %</b>
Sales and marketing	12.3 %	12.5 %	10.4 %	10.8 %	10.7 %	10.5 %	10.4 %
General and administration	15.9 %	17.4 %	16.2 %	16.7 %	16.3 %	15.8 %	15.4 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	3.3 %	9.8 %	3.2 %	0.9 %	0.8 %	0.7 %	0.7 %
Other operating expenses	4.1 %	4.0 %	4.7 %	6.1 %	7.2 %	6.0 %	5.7 %
Unusual or infrequent items	neg.	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITDA</b>	<b>25.4 %</b>	<b>31.6 %</b>	<b>24.8 %</b>	<b>21.4 %</b>	<b>20.6 %</b>	<b>22.5 %</b>	<b>23.5 %</b>
Depreciation	6.3 %	5.3 %	4.7 %	5.3 %	5.2 %	5.1 %	5.0 %
<b>EBITA</b>	<b>19.1 %</b>	<b>26.3 %</b>	<b>20.0 %</b>	<b>16.1 %</b>	<b>15.4 %</b>	<b>17.3 %</b>	<b>18.5 %</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>19.1 %</b>	<b>26.3 %</b>	<b>20.0 %</b>	<b>16.1 %</b>	<b>15.4 %</b>	<b>17.3 %</b>	<b>18.5 %</b>
Interest income	0.1 %	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest expenses	0.7 %	0.7 %	0.8 %	1.3 %	1.2 %	1.1 %	1.0 %
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>18.6 %</b>	<b>25.7 %</b>	<b>19.3 %</b>	<b>14.8 %</b>	<b>14.2 %</b>	<b>16.3 %</b>	<b>17.5 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>18.6 %</b>	<b>25.7 %</b>	<b>19.3 %</b>	<b>14.8 %</b>	<b>14.2 %</b>	<b>16.3 %</b>	<b>17.5 %</b>
Tax rate	29.4 %	25.3 %	30.8 %	32.0 %	30.0 %	30.0 %	30.0 %
<b>Net income from continuing operations</b>	<b>13.1 %</b>	<b>19.2 %</b>	<b>13.4 %</b>	<b>10.1 %</b>	<b>9.9 %</b>	<b>11.4 %</b>	<b>12.3 %</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>13.1 %</b>	<b>19.2 %</b>	<b>13.4 %</b>	<b>10.1 %</b>	<b>9.9 %</b>	<b>11.4 %</b>	<b>12.3 %</b>
Minority interest	0.1 %	0.1 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
<b>Net profit (reported)</b>	<b>13.0 %</b>	<b>19.1 %</b>	<b>13.2 %</b>	<b>9.9 %</b>	<b>9.7 %</b>	<b>11.2 %</b>	<b>12.1 %</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2020	2021	2022	2023E	2024E	2025E	2026E
<b>Intangible assets</b>	<b>41.4</b>	<b>61.4</b>	<b>97.0</b>	<b>117.0</b>	<b>137.0</b>	<b>137.0</b>	<b>137.0</b>
Property, plant and equipment	38.0	61.9	85.1	86.4	87.7	88.1	87.4
Financial assets	8.0	16.4	15.9	15.9	15.9	3.2	3.5
<b>FIXED ASSETS</b>	<b>87.4</b>	<b>139.7</b>	<b>198.0</b>	<b>219.3</b>	<b>240.6</b>	<b>228.3</b>	<b>227.9</b>
Inventories	33.6	37.4	51.6	47.9	50.1	50.8	54.9
Accounts receivable	28.2	31.9	37.2	43.5	45.0	47.8	52.0
Other current assets	42.3	34.0	38.7	38.7	38.7	38.7	38.7
Liquid assets	88.6	93.7	82.7	71.2	61.5	80.1	100.0
Deferred taxes	11.9	11.2	8.6	0.0	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
<b>CURRENT ASSETS</b>	<b>204.6</b>	<b>208.1</b>	<b>218.8</b>	<b>201.3</b>	<b>195.4</b>	<b>217.5</b>	<b>245.7</b>
<b>TOTAL ASSETS</b>	<b>292.0</b>	<b>347.7</b>	<b>416.8</b>	<b>420.7</b>	<b>436.0</b>	<b>445.7</b>	<b>473.6</b>
SHAREHOLDERS EQUITY	147.8	187.4	212.1	220.7	232.7	240.2	266.0
MINORITY INTEREST	1.1	5.1	1.6	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	22.4	23.8	23.8	23.8	23.8
Provisions for pensions and similar obligations	14.4	13.0	10.3	10.3	10.3	10.3	10.3
Other provisions	70.5	92.5	77.2	78.8	80.4	80.4	80.4
<b>Non-current liabilities</b>	<b>84.9</b>	<b>105.5</b>	<b>109.9</b>	<b>112.9</b>	<b>114.4</b>	<b>114.4</b>	<b>114.4</b>
short-term liabilities to banks	0.0	7.1	0.0	5.5	5.5	5.5	5.5
Accounts payable	5.0	5.6	8.3	7.5	8.2	8.9	9.7
Advance payments received on orders	8.6	11.6	19.0	13.3	14.4	15.8	17.1
Other liabilities (incl. from lease and rental contracts)	42.3	23.1	60.8	60.8	60.8	60.8	60.8
Deferred taxes	2.2	2.2	5.1	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>58.2</b>	<b>49.7</b>	<b>93.3</b>	<b>87.1</b>	<b>88.9</b>	<b>91.0</b>	<b>93.2</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>292.0</b>	<b>347.7</b>	<b>416.8</b>	<b>420.7</b>	<b>436.0</b>	<b>445.7</b>	<b>473.6</b>

Balance sheet (common size)	2020	2021	2022	2023E	2024E	2025E	2026E
<b>Intangible assets</b>	<b>14.2 %</b>	<b>17.7 %</b>	<b>23.3 %</b>	<b>27.8 %</b>	<b>31.4 %</b>	<b>30.7 %</b>	<b>28.9 %</b>
Property, plant and equipment	13.0 %	17.8 %	20.4 %	20.5 %	20.1 %	19.8 %	18.5 %
Financial assets	2.7 %	4.7 %	3.8 %	3.8 %	3.6 %	0.7 %	0.7 %
<b>FIXED ASSETS</b>	<b>29.9 %</b>	<b>40.2 %</b>	<b>47.5 %</b>	<b>52.1 %</b>	<b>55.2 %</b>	<b>51.2 %</b>	<b>48.1 %</b>
Inventories	11.5 %	10.7 %	12.4 %	11.4 %	11.5 %	11.4 %	11.6 %
Accounts receivable	9.7 %	9.2 %	8.9 %	10.3 %	10.3 %	10.7 %	11.0 %
Other current assets	14.5 %	9.8 %	9.3 %	9.2 %	8.9 %	8.7 %	8.2 %
Liquid assets	30.3 %	26.9 %	19.8 %	16.9 %	14.1 %	18.0 %	21.1 %
Deferred taxes	4.1 %	3.2 %	2.1 %	0.0 %	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 %
<b>CURRENT ASSETS</b>	<b>70.1 %</b>	<b>59.8 %</b>	<b>52.5 %</b>	<b>47.9 %</b>	<b>44.8 %</b>	<b>48.8 %</b>	<b>51.9 %</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	50.6 %	53.9 %	50.9 %	52.5 %	53.4 %	53.9 %	56.2 %
MINORITY INTEREST	0.4 %	1.5 %	0.4 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	5.4 %	5.7 %	5.5 %	5.3 %	5.0 %
Provisions for pensions and similar obligations	4.9 %	3.8 %	2.5 %	2.4 %	2.4 %	2.3 %	2.2 %
Other provisions	24.1 %	26.6 %	18.5 %	18.7 %	18.4 %	18.0 %	17.0 %
<b>Non-current liabilities</b>	<b>29.1 %</b>	<b>30.4 %</b>	<b>26.4 %</b>	<b>26.8 %</b>	<b>26.2 %</b>	<b>25.7 %</b>	<b>24.2 %</b>
short-term liabilities to banks	0.0 %	2.0 %	0.0 %	1.3 %	1.3 %	1.2 %	1.2 %
Accounts payable	1.7 %	1.6 %	2.0 %	1.8 %	1.9 %	2.0 %	2.0 %
Advance payments received on orders	3.0 %	3.3 %	4.6 %	3.2 %	3.3 %	3.5 %	3.6 %
Other liabilities (incl. from lease and rental contracts)	14.5 %	6.7 %	14.6 %	14.5 %	14.0 %	13.7 %	12.8 %
Deferred taxes	0.8 %	0.6 %	1.2 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>19.9 %</b>	<b>14.3 %</b>	<b>22.4 %</b>	<b>20.7 %</b>	<b>20.4 %</b>	<b>20.4 %</b>	<b>19.7 %</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)	2020	2021	2022	2023E	2024E	2025E	2026E
Net profit/loss	23.1	34.7	29.7	24.3	26.0	32.6	38.2
Depreciation of fixed assets (incl. leases)	11.1	9.6	10.5	12.7	13.7	14.7	15.7
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	4.3	-1.1	-29.7	2.3	2.0	2.0	2.0
Cash flow from operations before changes in w/c	38.5	43.1	10.6	39.3	41.6	49.3	55.9
Increase/decrease in inventory	-2.4	-6.0	-14.3	3.7	-2.3	-0.7	-4.1
Increase/decrease in accounts receivable	0.1	-3.9	-5.3	-6.3	-1.5	-2.8	-4.2
Increase/decrease in accounts payable	0.5	0.6	2.8	-0.8	0.6	0.8	0.7
Increase/decrease in other working capital positions	0.0	0.0	40.4	-5.8	1.1	1.4	1.4
Increase/decrease in working capital	-1.7	-9.3	23.6	-9.2	-2.0	-1.3	-6.2
<b>Cash flow from operating activities</b>	<b>36.8</b>	<b>33.9</b>	<b>34.1</b>	<b>30.1</b>	<b>39.7</b>	<b>48.0</b>	<b>49.7</b>
CAPEX	8.9	28.9	35.4	34.0	35.0	15.0	15.0
Payments for acquisitions	0.0	8.3	0.0	0.0	0.0	0.0	0.0
Financial investments	5.4	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.9	13.5	-5.6	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-13.3</b>	<b>-23.6</b>	<b>-41.0</b>	<b>-34.0</b>	<b>-35.0</b>	<b>-15.0</b>	<b>-15.0</b>
Cash flow before financing	23.4	10.3	-6.9	-3.9	4.7	33.0	34.7
Increase/decrease in debt position	-3.0	7.1	24.2	6.9	0.0	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	0.0	0.0	0.0	0.0
Dividends paid	8.8	9.3	10.4	10.3	10.3	10.3	10.8
Others	-1.2	-3.8	-19.5	-4.0	-4.0	-4.0	-4.0
Effects of exchange rate changes on cash	-1.9	2.0	1.5	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-13.0</b>	<b>-6.1</b>	<b>-5.7</b>	<b>-7.4</b>	<b>-14.3</b>	<b>-14.3</b>	<b>-14.8</b>
Increase/decrease in liquid assets	8.6	6.2	-11.1	-11.3	-9.7	n/a	n/a
<b>Liquid assets at end of period</b>	<b>87.4</b>	<b>93.6</b>	<b>82.5</b>	<b>71.2</b>	<b>61.5</b>	<b>80.1</b>	<b>100.0</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Regional split (EUR m)	2020	2021	2022	2023E	2024E	2025E	2026E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0	1.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of Europe	125.9	143.5	163.6	186.5	212.6	0.0	1.0
yoy change	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	n/a	n/a
NAFTA	80.6	92.7	106.6	122.5	140.9	0.0	1.0
yoy change	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	n/a	n/a
Asia Pacific	22.9	25.8	29.2	33.0	37.3	0.0	1.0
yoy change	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	n/a	n/a
Rest of world	-53.1	-81.5	-77.0	-101.0	-129.6	0.0	1.0
yoy change	neg.	neg.	neg.	neg.	neg.	n/a	n/a
<b>TTL</b>	<b>176.1</b>	<b>180.4</b>	<b>222.3</b>	<b>241.0</b>	<b>261.2</b>	<b>0.0</b>	<b>5.0</b>
yoy change	-1.3 %	2.4 %	23.2 %	8.4 %	8.4 %	n/a	n/a

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2020	2021	2022	2023E	2024E	2025E	2026E
<b>P&amp;L growth analysis</b>							
Sales growth	-1.3 %	2.4 %	23.2 %	8.4 %	8.4 %	9.7 %	8.8 %
EBITDA growth	3.8 %	27.4 %	-3.5 %	-6.2 %	4.3 %	19.5 %	14.0 %
EBIT growth	5.1 %	40.8 %	-6.1 %	-12.7 %	3.4 %	23.6 %	16.1 %
EPS growth	3.6 %	50.5 %	-15.4 %	-18.6 %	6.8 %	26.1 %	17.5 %
<b>Efficiency</b>							
Total operating costs / sales	29.1 %	24.2 %	28.0 %	32.8 %	33.4 %	31.6 %	30.7 %
Sales per employee	n/a	n/a	n/a	n/a	n/a	n/a	623,400.
EBITDA per employee	n/a	n/a	n/a	n/a	n/a	n/a	146,669.
<b>Balance sheet analysis</b>							
Avg. working capital / sales	26.2 %	27.8 %	25.5 %	27.4 %	27.4 %	20.0 %	20.3 %
Inventory turnover (sales/inventory)	5.2	4.8	4.3	5.0	5.2	5.6	5.7
Trade debtors in days of sales	58.4	64.5	61.0	65.9	62.9	60.8	60.8
A/P turnover [(A/P*365)/sales]	20.4	22.8	26.4	22.3	22.3	22.3	22.3
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	27.9	5.0	-1.3	-3.9	4.7	33.0	34.7
Free cash flow/sales	15.8 %	2.8 %	-0.6 %	-1.6 %	1.8 %	11.5 %	11.1 %
FCF / net profit	121.8 %	14.5 %	neg.	neg.	18.3 %	102.8 %	91.9 %
Capex / depre	128.8 %	300.7 %	337.2 %	267.0 %	256.1 %	102.3 %	95.8 %
Capex / maintenance capex	84.6 %	316.6 %	219.2 %	122.2 %	122.0 %	105.2 %	105.2 %
Capex / sales	8.1 %	16.0 %	15.9 %	14.1 %	13.4 %	5.2 %	4.8 %
<b>Security</b>							
Net debt	-88.6	-86.6	-60.3	-41.9	-32.2	-50.8	-70.7
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	28.2	39.7	25.1	12.5	13.0	16.0	18.6
Dividend payout ratio	31.1 %	33.3 %	35.3 %	43.4 %	40.6 %	33.5 %	33.5 %
<b>Asset utilisation</b>							
Capital employed turnover	1.2	0.8	0.7	0.7	0.7	0.8	0.8
Operating assets turnover	2.0	1.6	1.5	1.5	1.6	1.8	1.9
Plant turnover	4.6	2.9	2.6	2.8	3.0	3.3	3.6
Inventory turnover (sales/inventory)	5.2	4.8	4.3	5.0	5.2	5.6	5.7
<b>Returns</b>							
ROCE	22.9 %	26.0 %	16.5 %	19.1 %	19.7 %	21.5 %	22.0 %
ROE	15.5 %	18.4 %	13.8 %	10.8 %	10.9 %	13.4 %	14.2 %
<b>Other</b>							
Interest paid / avg. debt	5819.5 %	33.7 %	12.0 %	12.0 %	10.6 %	20.0 %	21.1 %
No. employees (average)	0	0	0	0	0	0	1
Number of shares	20.6	20.6	20.7	20.7	20.7	20.7	20.7
DPS	0.3	0.6	0.5	0.5	0.5	0.5	0.6
EPS reported	1.11	1.67	1.41	1.15	1.23	1.55	1.82
<b>Valuation ratios</b>							
P/BV	4.4	3.5	3.1	3.0	2.8	2.7	2.5
EV/sales	4.2	10.1	2.7	2.6	2.4	2.1	1.9
EV/EBITDA	16.7	32.0	11.0	12.1	11.8	9.5	8.1
EV/EBITA	22.2	38.5	13.6	16.0	15.8	12.4	10.3
EV/EBIT	22.2	38.5	13.6	16.0	15.8	12.4	10.3
EV/FCF	26.8	364.9	-473.9	-161.4	136.0	18.6	17.1
Adjusted FCF yield	3.3 %	2.0 %	5.3 %	5.6 %	6.2 %	7.6 %	9.0 %
Dividend yield	1.1 %	1.8 %	1.6 %	1.6 %	1.6 %	1.6 %	1.9 %

Source: Company data, Hauck Aufhäuser Investment Banking

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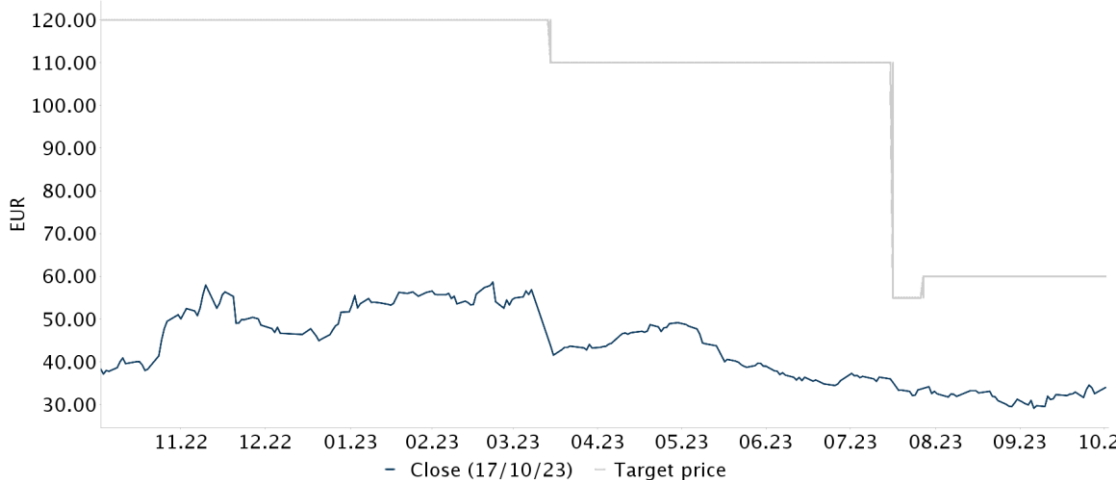
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Company	Disclosure
Eckert & Ziegler AG	2

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

**Price and Rating History  
Eckert & Ziegler AG as of 17/10/23**

**Initiation coverage**  
08-April-10



Company	Date	Analyst	Rating	Target price	Close
Eckert & Ziegler AG	10.10.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 33.46
	29.08.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 33.24
	15.08.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 32.58
	31.03.2023	Galitsa, Alexander	Buy	EUR 110.00	EUR 41.56
	13.03.2023	Galitsa, Alexander	Buy	EUR 120.00	EUR 52.55

03.02.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 56.25
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
12.01.2023	Galiitsa, Alexander	Buy	EUR 120.00	EUR 48.84
09.12.2022	Galiitsa, Alexander	Buy	EUR 120.00	EUR 49.86
24.11.2022	Galiitsa, Alexander	Buy	EUR 120.00	EUR 55.75
09.11.2022	Galiitsa, Alexander	Buy	EUR 120.00	EUR 45.06

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<b>Sell</b>	3.98 %	0.00 %
<b>Hold</b>	22.16 %	9.09 %

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