

Buy (old: Buy)

Price target: EUR 4.50 (old: EUR 4.50)

Price:	EUR 2.79	Next result:	Q2 2014: tba
Bloomberg:	SANT GR	Market cap:	EUR 109.8 m
Reuters:	SANT1.DE	Enterprise Value:	EUR 123.0 m

09-May-14

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Q1 driven by Appliances; Products in need of restructuring

Topic: S&T released Q1 results (see *next page*), which were in-line with our expectations on both the top-line as well as on the bottom-line when adjusting for a c. € 0.6m (net) positive one-off.

Q1 sales rose by 3% yoy to € 79.2m (eH&A: € 78.0m). **Appliances were the key growth driver for the group** rising by more than 30% yoy to € 12m. 50% of this increase was organic; the other 50% came from the acquisition of Taiwanese Quanmax Inc. offset by the divestment of the Italian appliances subsidiary. The organic growth in appliances reflects **ongoing strong demand for security solutions** to protect computer and cloud networks from unauthorised access / cyber attacks. Services declined by 5% yoy to € 44m in a rather unimportant quarter for the segment, which should reflect challenging economic conditions in some of S&T's Eastern Europe markets as well as the scheduled scaling-back of some lower margin services (e.g. SAP consulting).

Q1 EBIT grew by 39% yoy to € 3.3m (eH&A: € 2.6m), mainly helped by a positive € 0.6m (net) one-off: First, S&T reversed a € 1.2m provision for the departing CEO of a subsidiary as the severance package included software rights rather than cash. Second, S&T incurred € 0.6m restructuring relating to the Products segment, which is facing intensifying price pressure.

When adjusted for the one-off, **EBIT rose disproportionately by c. 14% yoy** in virtue of the Appliance's segment strong profitability (no EBIT figure available; Q1 net income +30% yoy to € 2.0m) which is **S&T's most differentiated business**. However, the Products segment spoiled profitability on group level with Q1 with net income arriving at € -0.7m (adj. for one-off) vs. € -0.2m in Q1 '13.

S&T will undertake **further restructuring of the products segment** in the next twelve months targeting € 1m annual cost savings at an additional restructuring expense of € 0.8m.

The company confirms its FY '14E guidance expecting sales of € 375m+ and net income of € 12m+, which is in-line with our expectations of € 369m and € 12.3m. **Remains a BUY** with a € 4.50 PT based on FCFY 2014E. – *continued* –



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 3.06 / 2.08
Price/Book Ratio: 1.4
Relative performance (TecDAX):
3 months -4.0 %
6 months -8.7 %
12 months -3.1 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	369.0	15.9	0.31
	Δ	-	-	-
2015	old:	381.0	17.5	0.35
	Δ	-	-	-
2016	old:	398.1	19.5	0.33
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 39.2
Authorised capital: (in € m) 12.1
Book value per share: (in €) 2.0
Ø trading volume: (12 months) 60,000

Major shareholders:

Free Float 61.5 %
Grosso 20.6 %
CEO Niederhauser 17.9 %
0 0.0 %

Company description:

S&T combines an IT system house business with a portfolio of security appliances targeting Cloud Computing applications.

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	80.7	153.2	339.5	337.9	369.0	381.0	398.1
Sales growth	35 %	90 %	122 %	0 %	9 %	3 %	4 %
EBITDA	4.6	12.3	16.6	20.1	22.6	24.8	26.6
EBIT	3.2	9.5	11.1	14.3	15.9	17.5	19.5
Net income	3.8	6.9	7.7	11.7	12.3	13.9	13.0
Net debt	-2.1	27.5	19.4	9.3	10.3	0.0	-7.3
Net gearing	-6.5 %	56.0 %	31.4 %	13.5 %	13.2 %	0.0 %	-7.6 %
Net Debt/EBITDA	0.0	2.2	1.2	0.5	0.5	0.0	0.0
EPS pro forma	0.19	0.29	0.20	0.30	0.31	0.35	0.33
CPS	-0.20	-0.09	0.16	0.15	0.06	0.36	0.29
DPS	0.00	0.00	0.00	0.06	0.08	0.10	0.10
Dividend yield	0.0 %	0.0 %	0.0 %	2.2 %	2.9 %	3.6 %	3.6 %
Gross profit margin	24.6 %	29.9 %	34.4 %	33.1 %	35.0 %	35.4 %	35.6 %
EBITDA margin	5.6 %	8.0 %	4.9 %	5.9 %	6.1 %	6.5 %	6.7 %
EBIT margin	4.0 %	6.2 %	3.3 %	4.2 %	4.3 %	4.6 %	4.9 %
ROCE	8.4 %	10.2 %	8.3 %	10.8 %	11.7 %	12.0 %	12.5 %
EV/sales	0.7	0.6	0.4	0.4	0.3	0.3	0.3
EV/EBITDA	11.8	8.0	8.0	6.1	5.4	4.5	4.0
EV/EBIT	16.7	10.4	11.9	8.5	7.8	6.4	5.4
PER	14.6	9.5	14.2	9.3	8.9	7.9	8.4
Adjusted FCF yield	9.3 %	8.7 %	7.8 %	12.2 %	12.0 %	14.8 %	13.7 %

Source: Company data, Hauck & Aufhäuser Close price as of: 08.05.2014

EUR	Q1 14	Q1 14 est	Q1 13	yoy	Q4 13	qoq
Sales	79.2	78.0	76.9	3%	99.7	-21%
Appliances	12	11	9	32%	14	-13%
Services	44	45	46	-5%	58	-26%
Products	23	22	22	6%	27	-14%
EBIT	3.3	2.6	2.4	39%	5.2	-36%
EBIT margin	4.2%	3.3%	3.1%	+ 1.1 pp	5.2%	- 1.0 pp
Net profit	2.4	1.9	2.0	20%	4.9	-51%
Net margin	3.0%	2.4%	2.6%	+ 0.4 pp	4.9%	- 1.9 pp
EPS	0.06	0.05	0.05	24%	0.13	-53%

Source: Company data, Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Net sales	80.7	153.2	339.5	337.9	369.0	381.0	398.1
<i>Sales growth</i>	34.8 %	89.9 %	121.5 %	-0.5 %	9.2 %	3.3 %	4.5 %
Increase/decrease in finished goods and work-in-process	0.3	0.7	0.3	0.9	0.9	0.9	0.9
Total sales	81.1	153.9	339.8	338.8	369.9	381.9	399.0
Other operating income	0.3	5.2	6.4	6.7	3.6	3.8	4.0
Material expenses	61.1	108.0	222.9	226.7	240.5	246.7	257.0
Personnel expenses	8.1	23.4	71.9	66.2	76.2	78.1	82.0
Other operating expenses	7.6	15.6	34.9	32.5	34.2	36.1	37.4
Total operating expenses	76.5	141.7	323.3	318.7	347.3	357.1	372.4
EBITDA	4.6	12.3	16.6	20.1	22.6	24.8	26.6
Depreciation	0.3	1.1	2.7	2.3	3.5	3.9	4.3
EBITA	4.2	11.1	13.8	17.8	19.1	20.9	22.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.0	1.6	2.7	3.5	3.3	3.4	2.8
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	3.2	9.5	11.1	14.3	15.9	17.5	19.5
Interest income	0.0	0.3	0.6	0.5	1.1	1.2	1.4
Interest expenses	0.4	1.3	2.0	2.7	1.9	1.9	1.9
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.4	-1.0	-1.4	-2.2	-0.9	-0.8	-0.5
Recurring pretax income from continuing operations	2.8	8.5	9.8	12.1	15.0	16.7	19.0
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	2.8	8.5	9.8	12.1	15.0	16.7	19.0
Taxes	-1.2	0.3	0.3	0.1	1.5	1.7	4.8
Net income from continuing operations	4.0	8.2	9.4	11.9	13.5	15.1	14.3
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	4.0	8.2	9.4	11.9	13.5	15.1	14.3
Minority interest	0.3	1.3	1.7	0.2	1.2	1.2	1.2
Net income (net of minority interest)	3.8	6.9	7.7	11.7	12.3	13.9	13.0
Average number of shares	19.6	23.5	28.3	39.2	39.2	39.2	39.2
EPS reported	0.19	0.29	0.27	0.30	0.31	0.35	0.33

Profit and loss (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	0.4 %	0.5 %	0.1 %	0.3 %	0.2 %	0.2 %	0.2 %
Total sales	100.4 %	100.5 %	100.1 %	100.3 %	100.2 %	100.2 %	100.2 %
Other operating income	0.3 %	3.4 %	1.9 %	2.0 %	1.0 %	1.0 %	1.0 %
Material expenses	75.7 %	70.5 %	65.6 %	67.1 %	65.2 %	64.8 %	64.6 %
Personnel expenses	10.0 %	15.3 %	21.2 %	19.6 %	20.7 %	20.5 %	20.6 %
Other operating expenses	9.5 %	10.2 %	10.3 %	9.6 %	9.3 %	9.5 %	9.4 %
Total operating expenses	94.8 %	92.5 %	95.2 %	94.3 %	94.1 %	93.7 %	93.5 %
EBITDA	5.6 %	8.0 %	4.9 %	5.9 %	6.1 %	6.5 %	6.7 %
Depreciation	0.4 %	0.7 %	0.8 %	0.7 %	0.9 %	1.0 %	1.1 %
EBITA	5.2 %	7.2 %	4.1 %	5.3 %	5.2 %	5.5 %	5.6 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	1.2 %	1.1 %	0.8 %	1.0 %	0.9 %	0.9 %	0.7 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	4.0 %	6.2 %	3.3 %	4.2 %	4.3 %	4.6 %	4.9 %
Interest income	0.0 %	0.2 %	0.2 %	0.1 %	0.3 %	0.3 %	0.4 %
Interest expenses	0.5 %	0.8 %	0.6 %	0.8 %	0.5 %	0.5 %	0.5 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-0.5 %	-0.7 %	-0.4 %	-0.7 %	-0.2 %	-0.2 %	-0.1 %
Recurring pretax income from continuing operations	3.5 %	5.5 %	2.9 %	3.6 %	4.1 %	4.4 %	4.8 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	3.5 %	5.5 %	2.9 %	3.6 %	4.1 %	4.4 %	4.8 %
Tax rate	-42.7 %	3.4 %	3.4 %	1.1 %	10.0 %	10.0 %	25.0 %
Net income from continuing operations	5.0 %	5.3 %	2.8 %	3.5 %	3.7 %	4.0 %	3.6 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	5.0 %	5.3 %	2.8 %	3.5 %	3.7 %	4.0 %	3.6 %
Minority interest	0.3 %	0.8 %	0.5 %	0.1 %	0.3 %	0.3 %	0.3 %
Net income (net of minority interest)	4.7 %	4.5 %	2.3 %	3.5 %	3.3 %	3.6 %	3.3 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	20.6	40.9	39.7	44.8	43.9	43.0	42.8
Property, plant and equipment	2.7	11.1	9.9	9.0	9.9	10.5	11.0
Financial assets	0.1	4.4	3.8	2.8	2.8	2.8	2.8
FIXED ASSETS	23.4	56.4	53.4	56.5	56.5	56.3	56.5
Inventories	13.2	20.6	23.4	22.7	25.4	26.3	27.5
Accounts receivable	8.9	85.0	81.9	71.6	80.9	83.5	87.3
Other current assets	1.2	25.9	15.4	15.2	15.8	16.2	16.6
Liquid assets	15.2	29.9	29.9	42.9	42.0	52.3	59.6
Deferred taxes	2.9	9.2	9.9	11.1	11.1	11.1	11.1
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	41.4	170.6	160.5	163.6	175.2	189.4	202.0
TOTAL ASSETS	64.8	227.0	214.0	220.1	231.8	245.6	258.5
SHAREHOLDERS EQUITY	32.8	49.2	61.8	69.2	78.3	88.0	96.0
MINORITY INTEREST	0.6	5.4	2.2	2.1	3.2	4.4	5.6
Long-term debt	9.9	23.3	11.5	23.9	23.9	23.9	23.9
Provisions for pensions and similar obligations	1.2	5.4	3.0	2.9	3.0	3.0	3.0
Other provisions	2.7	18.4	17.2	3.9	4.1	4.2	4.4
Non-current liabilities	13.8	47.0	31.7	30.7	31.0	31.2	31.3
short-term liabilities to banks	3.1	34.2	37.8	28.4	28.4	28.4	28.4
Accounts payable	11.3	60.6	53.7	46.6	46.5	48.0	50.2
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	3.3	29.4	25.6	41.8	43.0	44.3	45.7
Deferred taxes	0.0	1.4	1.2	1.4	1.4	1.4	1.4
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	17.7	125.5	118.3	118.1	119.3	122.1	125.6
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	64.8	227.0	214.0	220.1	231.8	245.6	258.5

Balance sheet (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	31.8 %	18.0 %	18.6 %	20.3 %	18.9 %	17.5 %	16.5 %
Property, plant and equipment	4.2 %	4.9 %	4.6 %	4.1 %	4.3 %	4.3 %	4.2 %
Financial assets	0.1 %	2.0 %	1.8 %	1.3 %	1.2 %	1.1 %	1.1 %
FIXED ASSETS	36.2 %	24.9 %	25.0 %	25.7 %	24.4 %	22.9 %	21.9 %
Inventories	20.4 %	9.1 %	10.9 %	10.3 %	11.0 %	10.7 %	10.6 %
Accounts receivable	13.8 %	37.5 %	38.3 %	32.6 %	34.9 %	34.0 %	33.7 %
Other current assets	1.8 %	11.4 %	7.2 %	6.9 %	6.8 %	6.6 %	6.4 %
Liquid assets	23.4 %	13.2 %	14.0 %	19.5 %	18.1 %	21.3 %	23.1 %
Deferred taxes	4.4 %	4.0 %	4.6 %	5.1 %	4.8 %	4.5 %	4.3 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	63.8 %	75.1 %	75.0 %	74.3 %	75.6 %	77.1 %	78.1 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	50.6 %	21.7 %	28.9 %	31.4 %	33.8 %	35.8 %	37.1 %
MINORITY INTEREST	0.9 %	2.4 %	1.0 %	0.9 %	1.4 %	1.8 %	2.2 %
Long-term debt	15.3 %	10.2 %	5.4 %	10.9 %	10.3 %	9.7 %	9.3 %
Provisions for pensions and similar obligations	1.8 %	2.4 %	1.4 %	1.3 %	1.3 %	1.2 %	1.2 %
Other provisions	4.2 %	8.1 %	8.0 %	1.8 %	1.8 %	1.7 %	1.7 %
Non-current liabilities	21.2 %	20.7 %	14.8 %	14.0 %	13.4 %	12.7 %	12.1 %
short-term liabilities to banks	4.8 %	15.1 %	17.7 %	12.9 %	12.2 %	11.5 %	11.0 %
Accounts payable	17.4 %	26.7 %	25.1 %	21.2 %	20.1 %	19.5 %	19.4 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	5.0 %	12.9 %	11.9 %	19.0 %	18.6 %	18.0 %	17.7 %
Deferred taxes	0.0 %	0.6 %	0.6 %	0.6 %	0.6 %	0.6 %	0.5 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	27.3 %	55.3 %	55.3 %	53.7 %	51.5 %	49.7 %	48.6 %
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)	2010	2011	2012	2013	2014E	2015E	2016E
Net profit/loss	4.0	8.2	9.4	11.9	13.5	15.1	14.3
Depreciation of fixed assets (incl. leases)	0.3	1.1	2.7	2.3	3.5	3.9	4.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.0	1.6	2.7	3.5	3.3	3.4	2.8
Others	0.3	-8.1	2.3	-10.6	0.1	0.0	0.0
Cash flow from operations before changes in w/c	5.6	2.8	17.2	7.2	20.3	22.4	21.4
Increase/decrease in inventory	-4.6	-0.1	-2.8	0.7	-2.8	-0.8	-1.2
Increase/decrease in accounts receivable	-2.6	-17.6	3.1	10.3	-9.2	-2.6	-3.7
Increase/decrease in accounts payable	-2.1	15.3	-6.9	-7.1	-0.1	1.5	2.2
Increase/decrease in other working capital positions	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-9.1	-2.3	-6.6	3.9	-12.1	-1.9	-2.8
Cash flow from operating activities	-3.5	0.5	10.6	11.1	8.2	20.5	18.6
CAPEX	1.0	2.8	3.2	5.8	6.8	7.0	7.3
Payments for acquisitions	1.2	11.6	0.2	-4.6	0.0	0.0	0.0
Financial investments	0.1	2.6	-0.6	0.2	0.0	0.0	0.0
Income from asset disposals	0.0	0.2	0.5	1.4	0.0	0.0	0.0
Cash flow from investing activities	-2.3	-16.8	-2.2	0.0	-6.8	-7.0	-7.3
Cash flow before financing	-5.8	-16.3	8.4	11.1	1.4	13.4	11.3
Increase/decrease in debt position	1.3	11.9	-13.2	1.9	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	1.3	0.0	0.0	0.0
Capital measures	4.2	2.4	1.7	-0.1	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	2.4	3.1	3.9
Others	0.0	-0.1	-0.3	-2.1	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.1	0.1	0.5	-0.5	0.0	0.0	0.0
Cash flow from financing activities	5.5	14.3	-11.8	-1.6	-2.4	-3.1	-3.9
Increase/decrease in liquid assets	-0.2	-2.0	-2.9	9.1	-1.0	10.3	7.3
Liquid assets at end of period	12.1	29.9	29.9	42.9	42.0	52.3	59.6

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Domestic	28.5	43.2	70.0	64.2	70.1	72.4	0.0
yoy change	-34.7 %	51.2 %	62.2 %	-8.3 %	9.2 %	3.3 %	n/a
Rest of Europe	52.2	110.1	269.5	273.7	298.9	308.6	0.0
yoy change	223.0 %	111.0 %	144.8 %	1.6 %	9.2 %	3.3 %	n/a
NAFTA	n/a	n/a	n/a	n/a	n/a	n/a	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	n/a	n/a	n/a	n/a	n/a	n/a	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	n/a	n/a	n/a	n/a	n/a	n/a	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TTL	80.7	153.2	339.5	337.9	369.0	381.0	0.0
yoy change	34.8 %	89.9 %	121.5 %	-0.5 %	9.2 %	3.3 %	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
P&L growth analysis							
Sales growth	34.8 %	89.9 %	121.5 %	-0.5 %	9.2 %	3.3 %	4.5 %
EBITDA growth	78.5 %	169.3 %	35.1 %	21.3 %	12.6 %	9.7 %	7.4 %
EBIT growth	81.4 %	194.2 %	17.4 %	28.2 %	10.9 %	10.4 %	11.7 %
EPS growth	-51.2 %	53.2 %	-6.6 %	9.3 %	5.0 %	12.6 %	-6.3 %
Efficiency							
Total operating costs / sales	94.8 %	92.5 %	95.2 %	94.3 %	94.1 %	93.7 %	93.5 %
Sales per employee	429.3	161.1	201.2	201.6	213.1	211.4	433.9
EBITDA per employee	24.2	12.9	9.8	12.0	13.1	13.8	29.0
Balance sheet analysis							
Avg. working capital / sales	8.2 %	18.2 %	14.2 %	14.7 %	14.6 %	16.0 %	15.9 %
Inventory turnover (sales/inventory)	6.1	7.4	14.5	14.9	14.5	14.5	14.5
Trade debtors in days of sales	40.4	202.6	88.1	77.4	80.0	80.0	80.0
A/P turnover [(A/P*365)/sales]	51.1	144.3	57.7	50.3	46.0	46.0	46.0
Cash conversion cycle (days)	51.8	67.5	38.5	38.9	48.0	47.8	47.7
Cash flow analysis							
Free cash flow	-4.5	-2.3	7.5	5.3	1.4	13.4	11.3
Free cash flow/sales	-5.6 %	-1.5 %	2.2 %	1.6 %	0.4 %	3.5 %	2.8 %
FCF / net profit	-119.7 %	-34.0 %	96.4 %	45.3 %	11.2 %	96.8 %	86.6 %
Capex / depre	81.3 %	196.1 %	46.9 %	103.4 %	100.7 %	96.2 %	103.3 %
Capex / maintenance capex	121.8 %	52.0 %	n/a	76.9 %	75.9 %	74.5 %	66.9 %
Capex / sales	1.3 %	3.5 %	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	-2.1	27.5	19.4	9.3	10.3	0.0	-7.3
Net Debt/EBITDA	0.0	2.2	1.2	0.5	0.5	0.0	0.0
Net debt / equity	-0.1	0.6	0.3	0.1	0.1	0.0	-0.1
Interest cover	7.4	7.5	5.6	5.3	8.2	9.0	10.1
Dividend payout ratio	0.0 %	0.0 %	0.0 %	20.1 %	25.5 %	28.3 %	30.1 %
Asset utilisation							
Capital employed turnover	1.6	1.1	2.5	2.6	2.6	2.5	2.5
Operating assets turnover	5.9	2.7	5.5	6.0	5.3	5.3	5.3
Plant turnover	29.4	13.8	34.2	37.6	37.3	36.2	36.3
Inventory turnover (sales/inventory)	6.1	7.4	14.5	14.9	14.5	14.5	14.5
Returns							
ROCE	8.4 %	10.2 %	8.3 %	10.8 %	11.7 %	12.0 %	12.5 %
ROE	11.5 %	14.0 %	12.5 %	17.0 %	15.8 %	15.8 %	13.6 %
Other							
Interest paid / avg. debt	4.4 %	3.6 %	3.7 %	5.3 %	3.7 %	3.7 %	3.7 %
No. employees (average)	188	952	1688	1677	1731	1802	917
Number of shares	19.6	23.5	28.3	39.2	39.2	39.2	39.2
DPS	0.0	0.0	0.0	0.1	0.1	0.1	0.1
EPS reported	0.19	0.29	0.27	0.30	0.31	0.35	0.33
Valuation ratios							
P/BV	1.7	1.3	1.8	1.6	1.4	1.2	1.1
EV/sales	0.7	0.6	0.4	0.4	0.3	0.3	0.3
EV/EBITDA	11.8	8.0	8.0	6.1	5.4	4.5	4.0
EV/EBITA	12.7	8.9	9.6	6.9	6.4	5.4	4.7
EV/EBIT	16.7	10.4	11.9	8.5	7.8	6.4	5.4
EV/FCF	-12.0	-42.0	17.7	22.9	89.1	8.4	9.4
Adjusted FCF yield	9.3 %	8.7 %	7.8 %	12.2 %	12.0 %	14.8 %	13.7 %
Dividend yield	0.0 %	0.0 %	0.0 %	2.2 %	2.9 %	3.6 %	3.6 %

Source: Company data, Hauck & Aufhäuser

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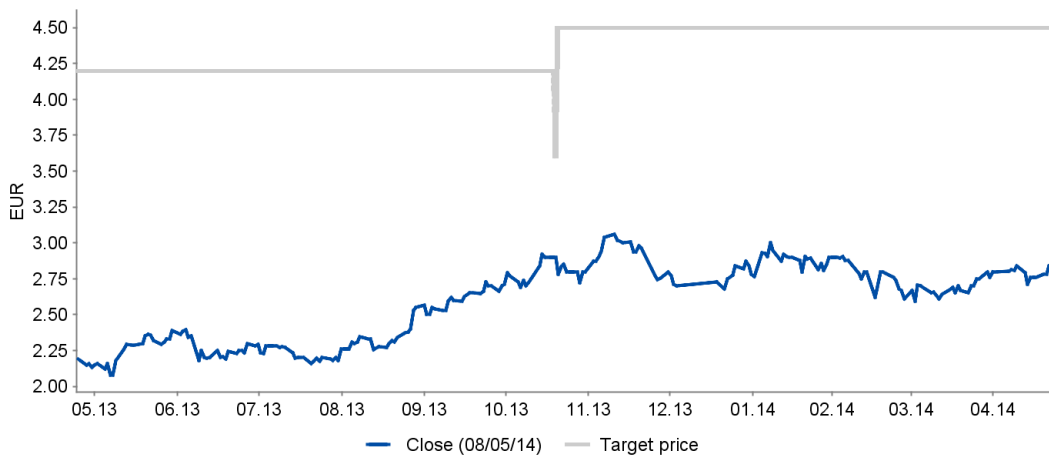
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Company	Disclosure
S&T AG	2, 5

Historical target price and rating changes for S&T AG in the last 12 months

**Price and Rating History
S&T AG as of 09/05/14**

Initiation coverage
30-May-12



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