

**Buy** (old: Buy)

**Price target: EUR 5.90** (old: EUR 5.30)

<b>Price:</b>	EUR 4.11	<b>Next result:</b>	tba
<b>Bloomberg:</b>	SANT GR	<b>Market cap:</b>	EUR 178.0 m
<b>Reuters:</b>	SANT1.DE	<b>Enterprise Value:</b>	EUR 189.8 m

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## Strong figures and pipeline, promising 2015 outlook

S&T released strong Q4 figures beating our expectations on sales and EPS. Also, it reported **excellent cash generation** in '14 and issued a **better-than-expected first-time net income guidance for 2015**. FY sales rose by 14% yoy to € 385.5m ahead of management's € 375m guidance and our € 365m expectation.

For **Q4**, revenues increased by **32% yoy to € 132m** (eH&A: € 111m) supported by some € 16m sales (eH&A) from the acquisition of RTSoft and NES (both new subsidiaries are active in "smart energy"). This contribution was higher than expected (eH&A: € 10m) explaining the outperformance of expectations together with a better-than-expected organic performance of Appliances and Services EE (see below).

**Appliances** were the key driver on segment level (+135% yoy to € 33m) benefitting from external growth but also healthy organic growth (eH&A: >20% yoy) reflecting demand for security appliances especially from infotainment applications. **Services Eastern Europe (EE)** also showed a strong performance growing by 25% yoy to € 73m (eH&A: € 62m) carried by pent-up IT demand in countries like Poland and Romania. **Services DACH** (formerly called "Products") declined by 5% yoy to € 26m (eH&A: € 19m) as S&T is actively foregoing low-margin IT hardware projects.

**Q4 EBITDA rose by 18% yoy to € 7.9m**. This was less-than-proportionate to sales and also slightly missed our expectations (eH&A: € 8.3m). Key reason should be ongoing integration costs for RTSoft and restructuring costs for the Services DACH segment.

**Q4 EPS increased by 15% yoy to € 0.14** (eH&A: € 0.11) despite dilution from last year's 10% capital increase AND some € 0.3m loss from the equity participation in NES. The strong EPS performance should have been helped by a favourable tax result (no details yet disclosed).

**Cash generation was excellent:** S&T generated CFO of € 21m better than our expectation of € 7m revealing high earnings quality and tight w/c management. As a result, net debt stood at only € 1.5m as of end of 2014 vs. € 9m expected. S&T proposed a € 0.07 DPS yielding slightly below 2%.

*-continued-*

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014	2015E	2016E
Sales	80.7	153.2	339.5	337.9	365.0	446.0	463.1
Sales growth	35 %	90 %	122 %	0 %	8 %	22 %	4 %
EBITDA	4.6	12.3	16.6	20.1	23.5	27.3	29.0
EBIT	3.2	9.5	11.1	14.3	17.2	18.8	20.7
Net income	3.8	6.9	7.7	11.7	11.9	12.0	13.8
Net debt	-2.1	27.5	19.4	9.3	8.8	3.2	-5.7
Net gearing	-6.5 %	56.0 %	31.4 %	13.5 %	11.2 %	3.7 %	-6.0 %
Net Debt/EBITDA	0.0	2.2	1.2	0.5	0.4	0.1	0.0
EPS pro forma	0.19	0.29	0.20	0.30	0.28	0.28	0.32
CPS	-0.20	-0.09	0.16	0.15	0.05	0.25	0.35
DPS	0.00	0.00	0.00	0.06	0.07	0.10	0.10
Dividend yield	0.0 %	0.0 %	0.0 %	1.5 %	1.7 %	2.4 %	2.3 %
Gross profit margin	24.6 %	29.9 %	34.4 %	33.1 %	35.2 %	35.3 %	35.5 %
EBITDA margin	5.6 %	8.0 %	4.9 %	5.9 %	6.4 %	6.1 %	6.3 %
EBIT margin	4.0 %	6.2 %	3.3 %	4.2 %	4.7 %	4.2 %	4.5 %
ROCE	8.4 %	10.2 %	8.3 %	10.8 %	12.0 %	11.8 %	12.2 %
EV/sales	1.0	0.8	0.5	0.5	0.5	0.4	0.4
EV/EBITDA	17.5	10.6	11.1	8.7	8.1	6.7	6.0
EV/EBIT	24.7	13.7	16.5	12.2	11.1	9.8	8.5
PER	21.5	14.0	20.9	13.8	14.9	14.8	12.9
Adjusted FCF yield	6.3 %	6.5 %	5.6 %	8.5 %	8.6 %	9.7 %	11.0 %

Source: Company data, Hauck & Aufhäuser Close price as of: 31.03.2015



Source: Company data, Hauck & Aufhäuser

<b>High/low 52 weeks:</b>	4.11 / 2.54
<b>Price/Book Ratio:</b>	2.3
<b>Relative performance (TecDAX):</b>	
3 months	-
6 months	16.1 %
12 months	25.4 %

### Changes in estimates

		Sales	EBIT	EPS
<b>2014</b>	<i>old:</i>	446.0	18.82	0.28
	Δ	-	-	-
<b>2015</b>	<i>old:</i>	446.0	18.8	0.28
	Δ	-	-	-
<b>2016</b>	<i>old:</i>	463.1	20.7	0.32
	Δ	-	-	-

### Key share data:

Number of shares: (in m pcs)	41.2
Authorised capital: (in € m)	12.1
Book value per share: (in €)	1.8
Ø trading volume: (12 months)	60,000

### Major shareholders:

Free Float	61.5 %
Grosso	20.6 %
CEO Niederhauser	17.9 %

### Company description:

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

**Outlook:** S&T expects the "smart energy" sector comprising mainly NES and RTSoft to operate at a slight profitability in 2015 and reach EBITDA margins of 10%+ in 2016E as the company sees more and more major smart energy projects popping up around the world.

This explains the **outstanding performance of the order backlog (+60% yoy to € 157m)** and the project pipeline (+110% yoy to € 644m). Accordingly, S&T confirms its previously communicated sales guidance of € 465m in 2015. Also, it issues a **promising first-time guidance of € 15m+ net income for 2015E** (i.e. net income before minorities).

Our 2015E estimates (€ 446m sales / € 14.2 net before minorities) remain conservatively below management's guidance to account for the current challenging situation in Russia (note: RTSoft is 90% Russia). However, we see increasing chance of upside to our top- and bottom-line expectations for this year and the next.

Due to increased confidence in the smart energy growth story we roll valuation to FCFY 2016E yielding a **new PT of € 5.90** (old: € 5.30). **BUY**.

Financials

Profit and loss (EUR m)	2010	2011	2012	2013	2014	2015E	2016E
<b>Net sales</b>	<b>80.7</b>	<b>153.2</b>	<b>339.5</b>	<b>337.9</b>	<b>365.0</b>	<b>446.0</b>	<b>463.1</b>
<i>Sales growth</i>	34.8 %	89.9 %	121.5 %	-0.5 %	8.0 %	22.2 %	3.8 %
Increase/decrease in finished goods and work-in-process	0.3	0.7	0.3	0.9	0.9	0.9	0.9
<b>Total sales</b>	<b>81.1</b>	<b>153.9</b>	<b>339.8</b>	<b>338.8</b>	<b>365.9</b>	<b>446.9</b>	<b>464.0</b>
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	237.0	289.2	299.3
Personnel expenses	8.1	23.4	71.9	66.2	74.9	92.7	97.5
Other operating expenses	7.6	15.6	34.9	32.5	34.2	41.5	42.2
Total operating expenses	76.5	141.7	323.3	318.7	342.5	419.6	435.0
<b>EBITDA</b>	<b>4.6</b>	<b>12.3</b>	<b>16.6</b>	<b>20.1</b>	<b>23.5</b>	<b>27.3</b>	<b>29.0</b>
Depreciation	0.3	1.1	2.7	2.3	3.3	3.9	4.3
<b>EBITA</b>	<b>4.2</b>	<b>11.1</b>	<b>13.8</b>	<b>17.8</b>	<b>20.2</b>	<b>23.4</b>	<b>24.7</b>
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	3.0	4.6	4.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>3.2</b>	<b>9.5</b>	<b>11.1</b>	<b>14.3</b>	<b>17.2</b>	<b>18.8</b>	<b>20.7</b>
Interest income	0.0	0.3	0.6	0.5	0.4	0.5	0.5
Interest expenses	0.4	1.3	2.0	2.7	3.1	3.3	3.3
Other financial result	0.0	0.0	0.0	0.0	0.0	-0.2	-0.2
Financial result	-0.4	-1.0	-1.4	-2.2	-2.7	-3.0	-2.9
<b>Recurring pretax income from continuing operations</b>	<b>2.8</b>	<b>8.5</b>	<b>9.8</b>	<b>12.1</b>	<b>14.4</b>	<b>15.8</b>	<b>17.8</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>2.8</b>	<b>8.5</b>	<b>9.8</b>	<b>12.1</b>	<b>14.4</b>	<b>15.8</b>	<b>17.8</b>
Taxes	-1.2	0.3	0.3	0.1	1.9	1.6	1.8
<b>Net income from continuing operations</b>	<b>4.0</b>	<b>8.2</b>	<b>9.4</b>	<b>11.9</b>	<b>12.5</b>	<b>14.2</b>	<b>16.0</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>4.0</b>	<b>8.2</b>	<b>9.4</b>	<b>11.9</b>	<b>12.5</b>	<b>14.2</b>	<b>16.0</b>
Minority interest	0.3	1.3	1.7	0.2	0.6	2.2	2.2
<b>Net income (net of minority interest)</b>	<b>3.8</b>	<b>6.9</b>	<b>7.7</b>	<b>11.7</b>	<b>11.9</b>	<b>12.0</b>	<b>13.8</b>
Average number of shares	19.6	23.5	28.3	39.2	41.2	43.3	43.3
<b>EPS reported</b>	<b>0.19</b>	<b>0.29</b>	<b>0.27</b>	<b>0.30</b>	<b>0.29</b>	<b>0.28</b>	<b>0.32</b>

Profit and loss (common size)	2010	2011	2012	2013	2014	2015E	2016E
<b>Net 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>
Increase/decrease in finished goods and work-in-process	0.4 %	0.5 %	0.1 %	0.3 %	0.2 %	0.2 %	0.2 %
<b>Total sales</b>	<b>100.4 %</b>	<b>100.5 %</b>	<b>100.1 %</b>	<b>100.3 %</b>	<b>100.2 %</b>	<b>100.2 %</b>	<b>100.2 %</b>
Other operating income	0.3 %	3.4 %	1.9 %	2.0 %	1.0 %	0.9 %	0.9 %
Material expenses	75.7 %	70.5 %	65.6 %	67.1 %	64.9 %	64.8 %	64.6 %
Personnel expenses	10.0 %	15.3 %	21.2 %	19.6 %	20.5 %	20.8 %	21.1 %
Other operating expenses	9.5 %	10.2 %	10.3 %	9.6 %	9.4 %	9.3 %	9.1 %
Total operating expenses	94.8 %	92.5 %	95.2 %	94.3 %	93.8 %	94.1 %	93.9 %
<b>EBITDA</b>	<b>5.6 %</b>	<b>8.0 %</b>	<b>4.9 %</b>	<b>5.9 %</b>	<b>6.4 %</b>	<b>6.1 %</b>	<b>6.3 %</b>
Depreciation	0.4 %	0.7 %	0.8 %	0.7 %	0.9 %	0.9 %	0.9 %
<b>EBITA</b>	<b>5.2 %</b>	<b>7.2 %</b>	<b>4.1 %</b>	<b>5.3 %</b>	<b>5.5 %</b>	<b>5.2 %</b>	<b>5.3 %</b>
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 %	0.8 %	1.0 %	0.9 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT</b>	<b>4.0 %</b>	<b>6.2 %</b>	<b>3.3 %</b>	<b>4.2 %</b>	<b>4.7 %</b>	<b>4.2 %</b>	<b>4.5 %</b>
Interest income	0.0 %	0.2 %	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.5 %	0.8 %	0.6 %	0.8 %	0.9 %	0.7 %	0.7 %
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 %	-0.8 %	-0.7 %	-0.6 %
<b>Recurring pretax income from continuing operations</b>	<b>3.5 %</b>	<b>5.5 %</b>	<b>2.9 %</b>	<b>3.6 %</b>	<b>3.9 %</b>	<b>3.5 %</b>	<b>3.8 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>3.5 %</b>	<b>5.5 %</b>	<b>2.9 %</b>	<b>3.6 %</b>	<b>3.9 %</b>	<b>3.5 %</b>	<b>3.8 %</b>
Tax rate	-42.7 %	3.4 %	3.4 %	1.1 %	13.0 %	10.0 %	10.0 %
<b>Net income from continuing operations</b>	<b>5.0 %</b>	<b>5.3 %</b>	<b>2.8 %</b>	<b>3.5 %</b>	<b>3.4 %</b>	<b>3.2 %</b>	<b>3.5 %</b>
Income 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>5.0 %</b>	<b>5.3 %</b>	<b>2.8 %</b>	<b>3.5 %</b>	<b>3.4 %</b>	<b>3.2 %</b>	<b>3.5 %</b>
Minority interest	0.3 %	0.8 %	0.5 %	0.1 %	0.2 %	0.5 %	0.5 %
<b>Net income (net of minority interest)</b>	<b>4.7 %</b>	<b>4.5 %</b>	<b>2.3 %</b>	<b>3.5 %</b>	<b>3.3 %</b>	<b>2.7 %</b>	<b>3.0 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2010	2011	2012	2013	2014	2015E	2016E
<b>Intangible assets</b>	<b>20.6</b>	<b>40.9</b>	<b>39.7</b>	<b>44.8</b>	<b>50.1</b>	<b>48.4</b>	<b>47.4</b>
Property, plant and equipment	2.7	11.1	9.9	9.0	10.1	11.6	12.8
Financial assets	0.1	4.4	3.8	2.8	5.3	5.3	5.3
<b>FIXED ASSETS</b>	<b>23.4</b>	<b>56.4</b>	<b>53.4</b>	<b>56.5</b>	<b>65.4</b>	<b>65.2</b>	<b>65.5</b>
Inventories	13.2	20.6	23.4	22.7	25.2	26.7	27.7
Accounts receivable	8.9	85.0	81.9	71.6	80.0	85.5	88.8
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	47.5	53.1	62.0
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
<b>CURRENT ASSETS</b>	<b>41.4</b>	<b>170.6</b>	<b>160.5</b>	<b>163.6</b>	<b>179.6</b>	<b>192.6</b>	<b>206.2</b>
<b>TOTAL ASSETS</b>	<b>64.8</b>	<b>227.0</b>	<b>214.0</b>	<b>220.1</b>	<b>245.0</b>	<b>257.8</b>	<b>271.8</b>
SHAREHOLDERS EQUITY	32.8	49.2	61.8	69.2	78.1	86.0	94.5
MINORITY INTEREST	0.6	5.4	2.2	2.1	13.2	15.4	17.6
Long-term debt	9.9	23.3	11.5	23.9	27.9	27.9	27.9
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
<b>Non-current liabilities</b>	<b>13.8</b>	<b>47.0</b>	<b>31.7</b>	<b>30.7</b>	<b>35.0</b>	<b>35.2</b>	<b>35.3</b>
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	46.0	47.7	49.5
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
<b>Current liabilities</b>	<b>17.7</b>	<b>125.5</b>	<b>118.3</b>	<b>118.1</b>	<b>118.8</b>	<b>121.7</b>	<b>124.9</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>64.8</b>	<b>227.0</b>	<b>214.0</b>	<b>220.1</b>	<b>245.0</b>	<b>258.3</b>	<b>272.2</b>

Balance sheet (common size)	2010	2011	2012	2013	2014	2015E	2016E
<b>Intangible assets</b>	<b>31.8 %</b>	<b>18.0 %</b>	<b>18.6 %</b>	<b>20.3 %</b>	<b>20.4 %</b>	<b>18.7 %</b>	<b>17.4 %</b>
Property, plant and equipment	4.2 %	4.9 %	4.6 %	4.1 %	4.1 %	4.5 %	4.7 %
Financial assets	0.1 %	2.0 %	1.8 %	1.3 %	2.1 %	2.0 %	1.9 %
<b>FIXED ASSETS</b>	<b>36.2 %</b>	<b>24.9 %</b>	<b>25.0 %</b>	<b>25.7 %</b>	<b>26.7 %</b>	<b>25.2 %</b>	<b>24.1 %</b>
Inventories	20.4 %	9.1 %	10.9 %	10.3 %	10.3 %	10.3 %	10.2 %
Accounts receivable	13.8 %	37.5 %	38.3 %	32.6 %	32.7 %	33.1 %	32.6 %
Other current assets	1.8 %	11.4 %	7.2 %	6.9 %	6.5 %	6.3 %	6.1 %
Liquid assets	23.4 %	13.2 %	14.0 %	19.5 %	19.4 %	20.5 %	22.8 %
Deferred taxes	4.4 %	4.0 %	4.6 %	5.1 %	4.5 %	4.3 %	4.1 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>63.8 %</b>	<b>75.1 %</b>	<b>75.0 %</b>	<b>74.3 %</b>	<b>73.3 %</b>	<b>74.6 %</b>	<b>75.8 %</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>99.8 %</b>	<b>99.8 %</b>
SHAREHOLDERS EQUITY	50.6 %	21.7 %	28.9 %	31.4 %	31.9 %	33.3 %	34.7 %
MINORITY INTEREST	0.9 %	2.4 %	1.0 %	0.9 %	5.4 %	5.9 %	6.5 %
Long-term debt	15.3 %	10.2 %	5.4 %	10.9 %	11.4 %	10.8 %	10.3 %
Provisions for pensions and similar obligations	1.8 %	2.4 %	1.4 %	1.3 %	1.2 %	1.2 %	1.1 %
Other provisions	4.2 %	8.1 %	8.0 %	1.8 %	1.7 %	1.6 %	1.6 %
<b>Non-current liabilities</b>	<b>21.2 %</b>	<b>20.7 %</b>	<b>14.8 %</b>	<b>14.0 %</b>	<b>14.3 %</b>	<b>13.6 %</b>	<b>13.0 %</b>
short-term liabilities to banks	4.8 %	15.1 %	17.7 %	12.9 %	11.6 %	11.0 %	10.4 %
Accounts payable	17.4 %	26.7 %	25.1 %	21.2 %	18.8 %	18.5 %	18.2 %
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)	5.0 %	12.9 %	11.9 %	19.0 %	17.6 %	17.2 %	16.8 %
Deferred taxes	0.0 %	0.6 %	0.6 %	0.6 %	0.6 %	0.5 %	0.5 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>27.3 %</b>	<b>55.3 %</b>	<b>55.3 %</b>	<b>53.7 %</b>	<b>48.5 %</b>	<b>47.1 %</b>	<b>45.9 %</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

Cash flow statement (EUR m)	2010	2011	2012	2013	2014	2015E	2016E
Net profit/loss	4.0	8.2	9.4	11.9	12.5	14.2	16.0
Depreciation of fixed assets (incl. leases)	0.3	1.1	2.7	2.3	3.3	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	3.0	4.6	4.0
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	18.9	22.7	24.3
Increase/decrease in inventory	-4.6	-0.1	-2.8	0.7	-2.5	-1.5	-1.0
Increase/decrease in accounts receivable	-2.6	-17.6	3.1	10.3	-8.4	-5.5	-3.3
Increase/decrease in accounts payable	-2.1	15.3	-6.9	-7.1	-0.6	1.7	1.8
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	-11.5	-5.4	-2.5
<b>Cash flow from operating activities</b>	<b>-3.5</b>	<b>0.5</b>	<b>10.6</b>	<b>11.1</b>	<b>7.4</b>	<b>17.3</b>	<b>21.9</b>
CAPEX	1.0	2.8	3.2	5.8	6.8	8.3	8.6
Payments for acquisitions	1.2	11.6	0.2	-4.6	5.9	0.0	0.0
Financial investments	0.1	2.6	-0.6	0.2	2.5	0.0	0.0
Income from asset disposals	0.0	0.2	0.5	1.4	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-2.3</b>	<b>-16.8</b>	<b>-2.2</b>	<b>0.0</b>	<b>-15.2</b>	<b>-8.3</b>	<b>-8.6</b>
Cash flow before financing	-5.8	-16.3	8.4	11.1	-7.8	9.0	13.2
Increase/decrease in debt position	1.3	11.9	-13.2	1.9	4.0	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	10.7	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	2.4	3.0	4.3
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
<b>Cash flow from financing activities</b>	<b>5.5</b>	<b>14.3</b>	<b>-11.8</b>	<b>-1.6</b>	<b>12.3</b>	<b>-3.0</b>	<b>-4.3</b>
Increase/decrease in liquid assets	-0.2	-2.0	-2.9	9.1	4.6	6.0	8.9
<b>Liquid assets at end of period</b>	<b>12.1</b>	<b>29.9</b>	<b>29.9</b>	<b>42.9</b>	<b>47.5</b>	<b>53.5</b>	<b>62.4</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2010	2011	2012	2013	2014	2015E	2016E
Domestic	28.5	43.2	70.0	64.2	69.4	75.8	78.7
yoy change	-34.7 %	51.2 %	62.2 %	-8.3 %	8.0 %	9.3 %	3.8 %
Rest of Europe	52.2	110.1	269.5	273.7	295.7	370.2	384.4
yoy change	223.0 %	111.0 %	144.8 %	1.6 %	8.0 %	25.2 %	3.8 %
NAFTA	n/a	n/a	n/a	n/a	n/a	n/a	n/a
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	n/a
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	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>TTL</b>	<b>80.7</b>	<b>153.2</b>	<b>339.5</b>	<b>337.9</b>	<b>365.0</b>	<b>446.0</b>	<b>463.1</b>
yoy change	34.8 %	89.9 %	121.5 %	-0.5 %	8.0 %	22.2 %	3.8 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2010	2011	2012	2013	2014	2015E	2016E
<b>P&amp;L growth analysis</b>							
Sales growth	34.8 %	89.9 %	121.5 %	-0.5 %	8.0 %	22.2 %	3.8 %
EBITDA growth	78.5 %	169.3 %	35.1 %	21.3 %	16.8 %	16.4 %	6.4 %
EBIT growth	81.4 %	194.2 %	17.4 %	28.2 %	20.0 %	9.6 %	10.3 %
EPS growth	-51.2 %	53.2 %	-6.6 %	9.3 %	-3.2 %	-4.3 %	15.0 %
<b>Efficiency</b>							
Total operating costs / sales	94.8 %	92.5 %	95.2 %	94.3 %	93.8 %	94.1 %	93.9 %
Sales per employee	429.3	161.1	203.6	211.9	230.8	235.5	210.1
EBITDA per employee	24.2	12.9	9.9	12.6	14.8	14.4	13.2
<b>Balance sheet analysis</b>							
Avg. working capital / sales	8.2 %	18.2 %	14.2 %	14.7 %	14.6 %	13.9 %	14.2 %
Inventory turnover (sales/inventory)	6.1	7.4	14.5	14.9	14.5	16.7	16.7
Trade debtors in days of sales	40.4	202.6	88.1	77.4	80.0	70.0	70.0
A/P turnover [(A/P*365)/sales]	51.1	144.3	57.7	50.3	46.0	39.0	39.0
Cash conversion cycle (days)	51.8	67.5	38.5	38.9	47.9	43.6	43.5
<b>Cash flow analysis</b>							
Free cash flow	-4.5	-2.3	7.5	5.3	0.6	9.0	13.2
Free cash flow/sales	-5.6 %	-1.5 %	2.2 %	1.6 %	0.2 %	2.0 %	2.9 %
FCF / net profit	-119.7 %	-34.0 %	96.4 %	45.3 %	5.3 %	75.1 %	95.8 %
Capex / depre	81.3 %	196.1 %	46.9 %	103.4 %	147.6 %	97.8 %	103.9 %
Capex / maintenance capex	121.8 %	52.0 %	n/a	78.4 %	81.5 %	82.7 %	82.1 %
Capex / sales	1.3 %	3.5 %	n/a	n/a	n/a	n/a	n/a
<b>Security</b>							
Net debt	-2.1	27.5	19.4	9.3	8.8	3.2	-5.7
Net Debt/EBITDA	0.0	2.2	1.2	0.5	0.4	0.1	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	5.4	5.8	6.4
Dividend payout ratio	0.0 %	0.0 %	0.0 %	20.1 %	25.4 %	36.0 %	30.0 %
<b>Asset utilisation</b>							
Capital employed turnover	1.6	1.1	2.5	2.6	2.4	2.7	2.6
Operating assets turnover	5.9	2.7	5.5	6.0	5.3	5.9	5.8
Plant turnover	29.4	13.8	34.2	37.6	36.2	38.6	36.1
Inventory turnover (sales/inventory)	6.1	7.4	14.5	14.9	14.5	16.7	16.7
<b>Returns</b>							
ROCE	8.4 %	10.2 %	8.3 %	10.8 %	12.0 %	11.8 %	12.2 %
ROE	11.5 %	14.0 %	12.5 %	17.0 %	15.3 %	14.0 %	14.6 %
<b>Other</b>							
Interest paid / avg. debt	4.4 %	3.6 %	3.7 %	5.3 %	5.8 %	5.8 %	5.8 %
No. employees (average)	188	952	1668	1595	1582	1894	2205
Number of shares	19.6	23.5	28.3	39.2	41.2	43.3	43.3
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	0.29	0.28	0.32
<b>Valuation ratios</b>							
P/BV	2.5	2.0	2.6	2.3	2.3	2.1	1.9
EV/sales	1.0	0.8	0.5	0.5	0.5	0.4	0.4
EV/EBITDA	17.5	10.6	11.1	8.7	8.1	6.7	6.0
EV/EBITA	18.9	11.7	13.3	9.8	9.4	7.9	7.1
EV/EBIT	24.7	13.7	16.5	12.2	11.1	9.8	8.5
EV/FCF	-17.7	-55.3	24.7	32.7	298.3	20.4	13.2
Adjusted FCF yield	6.3 %	6.5 %	5.6 %	8.5 %	8.6 %	9.7 %	11.0 %
Dividend yield	0.0 %	0.0 %	0.0 %	1.5 %	1.7 %	2.4 %	2.3 %

Source: Company data, Hauck & Aufhäuser

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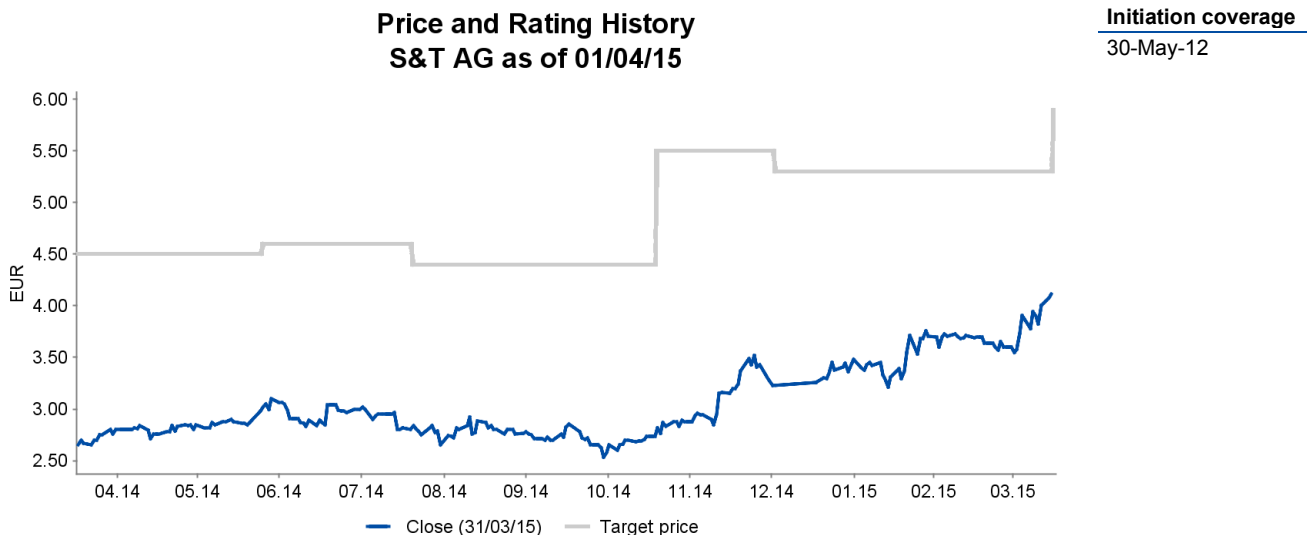
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