

Buy (old: Buy)

Price target: EUR 8.50 (old: EUR 8.50)

Price:	EUR 7.10	Next result:	Q2 '16: tba
Bloomberg:	SANT GR	Market cap:	EUR 311.2 m
Reuters:	SANT1.DE	Enterprise Value:	EUR 290.2 m

04-May-16

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Q1 a tad better; Strong order intake; FY guidance confirmed

Q1 results came in better than expected (see next page). Sales rose by 4% yoy to € 96.4m (eH&A: € 95.0m) despite the deconsolidation of NES USA on Feb 1. In our view, the US business of NES contributed roughly € 3m to sales in the prior year quarter. Adjusted for this, **Q1 '16 sales even increased by c. 7% yoy**.

Key contributor was Services EE (+12% yoy to € 51m) helped by healthy IT demand in Poland and Romania as well as some final revenues from the >€ 20m IT project won in Poland in 2015. As expected, Appliances Security showed a muted performance (sales -7% yoy to € 16m) as customers should have been busy digesting inventory following the very strong Q4 performance. Appliances Smart Energy were flat yoy to € 10m but only because of the NES USA deconsolidation: Adjusted Q1 segment sales growth of 30% yoy (eH&A) reflects recent project wins in Austria as well as sound demand from Polish utility Tauron.

Remarkably, Appliances Smart Energy reported positive Q1 EBITDA of € 1.3m equalling a 13% EBITDA margin (Q1 '15: € -0.2m EBITDA). This shows that **S&T has successfully reorganised this segment** by divesting the loss-making US Smart Energy business. As a result, this segment's improved performance was the key driver behind group EBITDA growth of 8% yoy to € 6.3m (eH&A: € 6.1m).

Net income after minorities increased by 4% yoy to € 2.7m (eH&A: € 2.7m) and hence less than proportionately to EBITDA given higher minority interest in the P&L of € 0.6m vs. € 0.1m in Q1 '15. This implies a strong performance of RTSoft (Russia; Smart Energy) in Q1.

S&T confirms its FY guidance of € 500m sales (eH&A: sales +7% yoy € 500m) and "disproportionate earnings growth" (eH&A: net income after minorities +12% yoy to € 17.8m). Importantly, the company has seen **strong Q1 order intake** especially for Appliances Security suggesting the inventory correction has been finalised. Consequently, **S&T expects Q2 sales to "substantially exceed € 100m"** which is in-line with our estimates (eH&A: +10% yoy to € 105m).

S&T remains a BUY with a € 8.50 PT based on FCFY 2017E.

Y/E 31.12 (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Sales	339.5	337.9	385.5	468.2	500.0	530.0	561.8
Sales growth	122 %	0 %	14 %	21 %	7 %	6 %	6 %
EBITDA	16.6	20.1	22.9	28.4	32.5	36.0	40.3
EBIT	11.1	14.3	16.6	20.6	23.7	27.0	31.3
Net income	7.7	11.7	13.0	15.8	17.8	21.1	25.1
Net debt	19.4	9.3	1.5	-9.4	-23.5	-40.7	-62.1
Net gearing	31.4 %	13.5 %	1.7 %	-9.4 %	-20.4 %	-30.7 %	-40.3 %
Net Debt/EBITDA	1.2	0.5	0.1	0.0	0.0	0.0	0.0
EPS pro forma	0.20	0.30	0.30	0.36	0.40	0.48	0.57
CPS	0.16	0.15	0.35	0.47	0.42	0.51	0.60
DPS	0.00	0.06	0.07	0.08	0.09	0.10	0.12
Dividend yield	0.0 %	0.8 %	1.0 %	1.1 %	1.3 %	1.4 %	1.7 %
Gross profit margin	34.4 %	33.1 %	33.2 %	34.3 %	33.9 %	34.2 %	34.5 %
EBITDA margin	4.9 %	5.9 %	5.9 %	6.1 %	6.5 %	6.8 %	7.2 %
EBIT margin	3.3 %	4.2 %	4.3 %	4.4 %	4.7 %	5.1 %	5.6 %
ROCE	8.3 %	10.8 %	12.4 %	13.8 %	14.9 %	16.3 %	16.9 %
EV/sales	0.9	0.9	0.8	0.6	0.6	0.5	0.4
EV/EBITDA	18.2	14.5	13.6	10.6	8.9	7.6	6.2
EV/EBIT	27.1	20.4	18.7	14.6	12.3	10.1	8.0
PER	36.0	23.8	23.6	19.8	17.6	14.8	12.5
Adjusted FCF yield	3.4 %	5.1 %	5.1 %	6.5 %	7.8 %	9.3 %	11.6 %

Source: Company data, Hauck & Aufhäuser Close price as of: 03.05.2016



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 7.11 / 4.21

Price/Book Ratio: 2.7

Relative performance (TecDAX):

3 months 30.4 %

6 months 55.9 %

12 months 68.5 %

Changes in estimates

		Sales	EBIT	EPS
2016	old:	500.0	23.7	0.40
	Δ	-	-	-
2017	old:	530.0	27.0	0.48
	Δ	-	-	-
2018	old:	561.8	31.3	0.57
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 43.8

Authorised capital: (in € m) 12.1

Book value per share: (in €) 2.6

Ø trading volume: (12 months) 60,000

Major shareholders:

Free Float 86.0 %

Grosso 14.0 %

CEO (incl. in Free Float) 5.0 %

Company description:

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

EUR	Q1 16	Q1 16 est	Q1 15	yoy	Q4 15	qoq
Sales	96.4	95.0	92.836	4%	165.8	-42%
Appliances total	26.3	28.8	27.6	-4%	52.4	-50%
Appliances Security	16.3	17.2	17.6	-7%	33.8	-52%
Appliances Smart Energy	10.0	11.6	10.0	0%	18.6	-46%
Services EE	50.9	47.0	45.5	12%	95.0	-46%
Services DACH	19.1	19.2	19.8	-3%	18.5	3%
EBITDA	6.3	6.1	5.8	8%	11.6	-46%
EBITDA margin	6.5%	6.4%	6.3%	+ 0.3 pp	7.0%	- 0.5 pp
Net profit (after minorities)	2.7	2.7	2.6	4%	7.9	-66%
Net margin	2.7%	2.8%	2.8%	- 0.0 pp	4.8%	- 2.0 pp
EPS	0.06	0.06	0.06	2%	0.18	-67%

Source: Company data, Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Net sales	339.5	337.9	385.5	468.2	500.0	530.0	561.8
<i>Sales growth</i>	121.5 %	-0.5 %	14.1 %	21.4 %	6.8 %	6.0 %	6.0 %
Increase/decrease in finished goods and work-in-process	0.3	0.9	1.2	2.7	1.0	1.0	1.1
Total sales	339.8	338.8	386.8	470.9	501.0	531.0	562.9
Other operating income	6.4	6.7	5.0	6.3	4.0	4.1	4.1
Material expenses	222.9	226.7	258.3	309.3	331.0	349.3	368.9
Personnel expenses	71.9	66.2	72.4	89.5	95.9	102.1	107.7
Other operating expenses	34.9	32.5	38.2	50.0	45.6	47.7	50.1
Total operating expenses	323.3	318.7	363.9	442.6	468.5	495.0	522.6
EBITDA	16.6	20.1	22.9	28.4	32.5	36.0	40.3
Depreciation	2.7	2.3	2.2	7.7	4.3	4.8	5.0
EBITA	13.8	17.8	20.7	20.6	28.2	31.2	35.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.7	3.5	4.1	0.0	4.5	4.2	4.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	11.1	14.3	16.6	20.6	23.7	27.0	31.3
Interest income	0.6	0.5	1.6	0.3	0.3	0.3	0.4
Interest expenses	2.0	2.7	3.2	3.0	2.6	2.0	2.0
Other financial result	0.0	0.0	-0.3	0.5	-0.2	-0.1	0.0
Financial result	-1.4	-2.2	-1.8	-2.2	-2.5	-1.7	-1.5
Recurring pretax income from continuing operations	9.8	12.1	14.8	18.4	21.1	25.3	29.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	9.8	12.1	14.8	18.4	21.1	25.3	29.8
Taxes	0.3	0.1	0.8	0.8	1.5	1.8	2.1
Net income from continuing operations	9.4	11.9	14.0	17.6	19.6	23.5	27.7
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	9.4	11.9	14.0	17.6	19.6	23.5	27.7
Minority interest	1.7	0.2	1.0	1.8	1.9	2.4	2.5
Net income (net of minority interest)	7.7	11.7	13.0	15.8	17.8	21.1	25.1
Average number of shares	28.3	39.2	41.2	43.5	43.8	43.8	43.8
EPS reported	0.27	0.30	0.32	0.36	0.41	0.48	0.57

Profit and loss (common size)	2012	2013	2014	2015	2016E	2017E	2018E
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	0.1 %	0.3 %	0.3 %	0.6 %	0.2 %	0.2 %	0.2 %
Total sales	100.1 %	100.3 %	100.3 %	100.6 %	100.2 %	100.2 %	100.2 %
Other operating income	1.9 %	2.0 %	1.3 %	1.3 %	0.8 %	0.8 %	0.7 %
Material expenses	65.6 %	67.1 %	67.0 %	66.1 %	66.2 %	65.9 %	65.7 %
Personnel expenses	21.2 %	19.6 %	18.8 %	19.1 %	19.2 %	19.3 %	19.2 %
Other operating expenses	10.3 %	9.6 %	9.9 %	10.7 %	9.1 %	9.0 %	8.9 %
Total operating expenses	95.2 %	94.3 %	94.4 %	94.5 %	93.7 %	93.4 %	93.0 %
EBITDA	4.9 %	5.9 %	5.9 %	6.1 %	6.5 %	6.8 %	7.2 %
Depreciation	0.8 %	0.7 %	0.6 %	1.7 %	0.9 %	0.9 %	0.9 %
EBITA	4.1 %	5.3 %	5.4 %	4.4 %	5.6 %	5.9 %	6.3 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.8 %	1.0 %	1.1 %	0.0 %	0.9 %	0.8 %	0.7 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	3.3 %	4.2 %	4.3 %	4.4 %	4.7 %	5.1 %	5.6 %
Interest income	0.2 %	0.1 %	0.4 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.6 %	0.8 %	0.8 %	0.6 %	0.5 %	0.4 %	0.3 %
Other financial result	0.0 %	0.0 %	-0.1 %	0.1 %	0.0 %	0.0 %	0.0 %
Financial result	-0.4 %	-0.7 %	-0.5 %	-0.5 %	-0.5 %	-0.3 %	-0.3 %
Recurring pretax income from continuing operations	2.9 %	3.6 %	3.8 %	3.9 %	4.2 %	4.8 %	5.3 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	2.9 %	3.6 %	3.8 %	3.9 %	4.2 %	4.8 %	5.3 %
Tax rate	3.4 %	1.1 %	5.2 %	4.3 %	7.0 %	7.0 %	7.0 %
Net income from continuing operations	2.8 %	3.5 %	3.6 %	3.8 %	3.9 %	4.4 %	4.9 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	2.8 %	3.5 %	3.6 %	3.8 %	3.9 %	4.4 %	4.9 %
Minority interest	0.5 %	0.1 %	0.3 %	0.4 %	0.4 %	0.5 %	0.5 %
Net income (net of minority interest)	2.3 %	3.5 %	3.4 %	3.4 %	3.6 %	4.0 %	4.5 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Intangible assets	39.7	44.8	57.1	72.8	74.5	73.5	72.3
Property, plant and equipment	9.9	9.0	11.4	15.2	13.4	13.9	13.9
Financial assets	3.8	2.8	3.8	3.1	3.1	3.1	3.1
FIXED ASSETS	53.4	56.5	72.3	91.0	91.0	90.5	89.3
Inventories	23.4	22.7	30.0	28.7	30.7	32.5	34.5
Accounts receivable	81.9	71.6	95.7	86.4	92.3	97.8	103.7
Other current assets	15.4	15.2	22.0	36.7	37.6	38.5	39.5
Liquid assets	29.9	42.9	39.5	60.3	53.5	70.7	92.1
Deferred taxes	9.9	11.1	13.6	15.9	15.9	15.9	15.9
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	160.5	163.6	200.8	228.0	230.0	255.5	285.7
TOTAL ASSETS	214.0	220.1	273.1	319.1	321.0	346.0	375.0
SHAREHOLDERS EQUITY	61.8	69.2	86.9	99.8	115.1	132.8	154.1
MINORITY INTEREST	2.2	2.1	2.8	2.4	2.4	2.4	2.4
Long-term debt	11.5	23.9	26.1	28.1	15.0	15.0	15.0
Provisions for pensions and similar obligations	3.0	2.9	2.3	2.5	2.5	2.5	2.6
Other provisions	17.2	3.9	4.6	6.0	6.1	6.3	6.5
Non-current liabilities	31.7	30.7	33.0	36.5	23.7	23.9	24.1
short-term liabilities to banks	37.8	28.4	14.8	22.9	15.0	15.0	15.0
Accounts payable	53.7	46.6	74.2	70.1	74.9	79.3	84.1
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)	25.6	41.8	59.9	85.9	88.5	91.1	93.8
Deferred taxes	1.2	1.4	1.5	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	118.3	118.1	150.3	180.3	179.8	186.9	194.4
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	214.0	220.1	273.1	319.1	321.0	346.0	375.0

Balance sheet (common size)	2012	2013	2014	2015	2016E	2017E	2018E
Intangible assets	18.6 %	20.3 %	20.9 %	22.8 %	23.2 %	21.2 %	19.3 %
Property, plant and equipment	4.6 %	4.1 %	4.2 %	4.7 %	4.2 %	4.0 %	3.7 %
Financial assets	1.8 %	1.3 %	1.4 %	1.0 %	1.0 %	0.9 %	0.8 %
FIXED ASSETS	25.0 %	25.7 %	26.5 %	28.5 %	28.3 %	26.1 %	23.8 %
Inventories	10.9 %	10.3 %	11.0 %	9.0 %	9.6 %	9.4 %	9.2 %
Accounts receivable	38.3 %	32.6 %	35.0 %	27.1 %	28.8 %	28.3 %	27.7 %
Other current assets	7.2 %	6.9 %	8.1 %	11.5 %	11.7 %	11.1 %	10.5 %
Liquid assets	14.0 %	19.5 %	14.5 %	18.9 %	16.7 %	20.4 %	24.6 %
Deferred taxes	4.6 %	5.1 %	5.0 %	5.0 %	5.0 %	4.6 %	4.2 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	75.0 %	74.3 %	73.5 %	71.5 %	71.7 %	73.9 %	76.2 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	28.9 %	31.4 %	31.8 %	31.3 %	35.9 %	38.4 %	41.1 %
MINORITY INTEREST	1.0 %	0.9 %	1.0 %	0.8 %	0.8 %	0.7 %	0.6 %
Long-term debt	5.4 %	10.9 %	9.6 %	8.8 %	4.7 %	4.3 %	4.0 %
Provisions for pensions and similar obligations	1.4 %	1.3 %	0.8 %	0.8 %	0.8 %	0.7 %	0.7 %
Other provisions	8.0 %	1.8 %	1.7 %	1.9 %	1.9 %	1.8 %	1.7 %
Non-current liabilities	14.8 %	14.0 %	12.1 %	11.5 %	7.4 %	6.9 %	6.4 %
short-term liabilities to banks	17.7 %	12.9 %	5.4 %	7.2 %	4.7 %	4.3 %	4.0 %
Accounts payable	25.1 %	21.2 %	27.2 %	22.0 %	23.3 %	22.9 %	22.4 %
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)	11.9 %	19.0 %	21.9 %	26.9 %	27.6 %	26.3 %	25.0 %
Deferred taxes	0.6 %	0.6 %	0.5 %	0.5 %	0.4 %	0.4 %	0.4 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	55.3 %	53.7 %	55.1 %	56.5 %	56.0 %	54.0 %	51.8 %
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)	2012	2013	2014	2015	2016E	2017E	2018E
Net profit/loss	9.4	11.9	14.0	17.6	19.6	23.5	27.7
Depreciation of fixed assets (incl. leases)	2.7	2.3	2.2	7.7	4.3	4.8	5.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.7	3.5	4.1	0.0	4.5	4.2	4.0
Others	2.3	-10.6	4.1	-5.2	0.0	0.0	0.0
Cash flow from operations before changes in w/c	17.2	7.2	24.4	20.2	28.5	32.5	36.7
Increase/decrease in inventory	-2.8	0.7	-7.4	1.3	-2.0	-1.8	-2.0
Increase/decrease in accounts receivable	3.1	10.3	-24.0	9.2	-5.9	-5.5	-5.9
Increase/decrease in accounts payable	-6.9	-7.1	27.6	-4.1	4.8	4.5	4.8
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-6.6	3.9	-3.8	6.5	-3.1	-2.9	-3.1
Cash flow from operating activities	10.6	11.1	20.6	26.7	25.4	29.6	33.6
CAPEX	3.2	5.8	5.8	9.5	8.8	8.5	7.9
Payments for acquisitions	0.2	-4.6	5.5	0.4	0.0	0.0	0.0
Financial investments	-0.6	0.2	1.7	0.6	0.0	0.0	0.0
Income from asset disposals	0.5	1.4	0.4	0.9	1.0	0.0	0.0
Cash flow from investing activities	-2.2	0.0	-12.6	-9.6	-7.8	-8.5	-7.9
Cash flow before financing	8.4	11.1	8.0	17.1	17.6	21.2	25.8
Increase/decrease in debt position	-13.2	1.9	3.1	6.1	-21.0	0.0	0.0
Purchase of own shares	0.0	1.3	0.0	n/a	0.0	0.0	0.0
Capital measures	1.7	-0.1	10.5	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	2.4	3.1	3.5	3.9	4.4
Others	-0.3	-2.1	1.3	-3.8	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.5	-0.5	-1.1	0.5	0.0	0.0	0.0
Cash flow from financing activities	-11.8	-1.6	12.5	-0.7	-24.4	-3.9	-4.4
Increase/decrease in liquid assets	-2.9	9.1	19.5	16.8	-6.8	17.2	21.4
Liquid assets at end of period	29.9	42.9	39.5	60.3	53.5	70.7	92.1

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
Domestic	70.0	68.4	65.1	65.5	65.0	68.9	73.0
yoy change	62.2 %	-2.4 %	-4.8 %	0.7 %	-0.8 %	6.0 %	6.0 %
Rest of Europe	269.5	269.6	320.5	402.6	435.0	461.1	488.8
yoy change	144.8 %	0.0 %	18.9 %	25.6 %	8.0 %	6.0 %	6.0 %
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
TTL	339.5	337.9	385.5	468.2	500.0	530.0	561.8
yoy change	121.5 %	-0.5 %	14.1 %	21.4 %	6.8 %	6.0 %	6.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2012	2013	2014	2015	2016E	2017E	2018E
P&L growth analysis							
Sales growth	121.5 %	-0.5 %	14.1 %	21.4 %	6.8 %	6.0 %	6.0 %
EBITDA growth	35.1 %	21.3 %	14.0 %	23.9 %	14.4 %	10.9 %	11.9 %
EBIT growth	17.4 %	28.2 %	16.2 %	24.1 %	14.7 %	14.2 %	15.9 %
EPS growth	-6.6 %	9.3 %	5.4 %	15.3 %	11.5 %	18.7 %	19.1 %
Efficiency							
Total operating costs / sales	95.2 %	94.3 %	94.4 %	94.5 %	93.7 %	93.4 %	93.0 %
Sales per employee	203.6	211.9	203.5	209.9	222.0	233.0	244.5
EBITDA per employee	9.9	12.6	12.1	12.7	14.4	15.8	17.5
Balance sheet analysis							
Avg. working capital / sales	14.2 %	14.7 %	12.9 %	10.3 %	9.3 %	9.4 %	9.4 %
Inventory turnover (sales/inventory)	14.5	14.9	12.8	16.3	16.3	16.3	16.3
Trade debtors in days of sales	88.1	77.4	90.6	67.4	67.4	67.4	67.4
A/P turnover [(A/P*365)/sales]	57.7	50.3	70.2	54.6	54.6	54.6	54.6
Cash conversion cycle (days)	38.5	38.9	28.2	18.6	18.7	18.4	18.3
Cash flow analysis							
Free cash flow	7.5	5.3	14.8	17.2	16.6	21.2	25.8
Free cash flow/sales	2.2 %	1.6 %	3.8 %	3.7 %	3.3 %	4.0 %	4.6 %
FCF / net profit	96.4 %	45.3 %	114.1 %	108.6 %	93.6 %	100.2 %	102.5 %
Capex / depre	46.9 %	103.4 %	119.1 %	130.9 %	99.4 %	94.2 %	87.4 %
Capex / maintenance capex	n/a	78.4 %	37.3 %	36.0 %	35.7 %	73.6 %	68.3 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	19.4	9.3	1.5	-9.4	-23.5	-40.7	-62.1
Net Debt/EBITDA	1.2	0.5	0.1	0.0	0.0	0.0	0.0
Net debt / equity	0.3	0.1	0.0	-0.1	-0.2	-0.3	-0.4
Interest cover	5.6	5.3	5.2	6.9	9.0	13.8	16.1
Dividend payout ratio	0.0 %	20.1 %	23.3 %	21.9 %	22.2 %	20.8 %	20.9 %
Asset utilisation							
Capital employed turnover	2.5	2.6	2.8	2.9	3.2	3.0	2.9
Operating assets turnover	5.5	6.0	6.1	7.8	8.1	8.2	8.3
Plant turnover	34.2	37.6	33.7	30.9	37.4	38.3	40.4
Inventory turnover (sales/inventory)	14.5	14.9	12.8	16.3	16.3	16.3	16.3
Returns							
ROCE	8.3 %	10.8 %	12.4 %	13.8 %	14.9 %	16.3 %	16.9 %
ROE	12.5 %	17.0 %	14.9 %	15.9 %	15.4 %	15.9 %	16.3 %
Other							
Interest paid / avg. debt	3.7 %	5.3 %	6.8 %	6.5 %	6.5 %	6.5 %	6.5 %
No. employees (average)	1668	1595	1895	2230	2252	2275	2298
Number of shares	28.3	39.2	41.2	43.5	43.8	43.8	43.8
DPS	0.0	0.1	0.1	0.1	0.1	0.1	0.1
EPS reported	0.27	0.30	0.32	0.36	0.41	0.48	0.57
Valuation ratios							
P/BV	4.5	4.0	3.5	3.1	2.7	2.4	2.0
EV/sales	0.9	0.9	0.8	0.6	0.6	0.5	0.4
EV/EBITDA	18.2	14.5	13.6	10.6	8.9	7.6	6.2
EV/EBITA	21.8	16.4	15.0	14.6	10.3	8.8	7.1
EV/EBIT	27.1	20.4	18.7	14.6	12.3	10.1	8.0
EV/FCF	40.4	54.8	21.0	17.5	17.4	12.9	9.8
Adjusted FCF yield	3.4 %	5.1 %	5.1 %	6.5 %	7.8 %	9.3 %	11.6 %
Dividend yield	0.0 %	0.8 %	1.0 %	1.1 %	1.3 %	1.4 %	1.7 %

Source: Company data, Hauck & Aufhäuser

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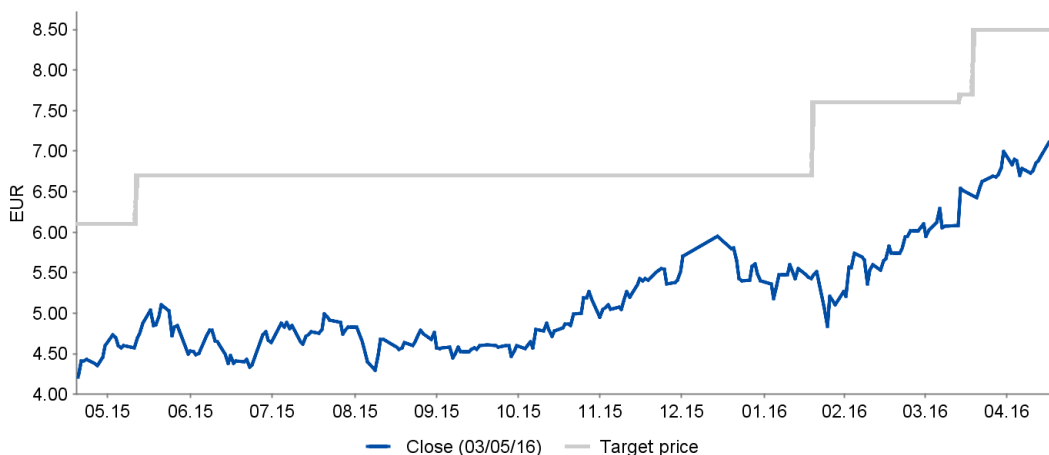
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Company	Disclosure
S&T AG	2, 3, 5

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

**Price and Rating History
S&T AG as of 04/05/16**

Initiation coverage
30-May-12



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