

Buy (old: Buy)

Price target: EUR 7.60 (old: EUR 7.60)

Price:	EUR 6.05	Next result:	Q4 '15: 30.03.15
Bloomberg:	SANT GR	Market cap:	EUR 261.9 m
Reuters:	SANT1.DE	Enterprise Value:	EUR 261.7 m

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Preview: Strong beat of net income guidance expected

S&T will report Q4/FY results on March 30. While the company has not reported prelims it has come out in January stating that the FY sales guidance (€ 465m) was reached and the FY net income guidance (€ 15m net income before minorities) exceeded.

The magnitude of the bottom-line beat has not yet been revealed: **We expect it to be significant** thanks to strong demand for Appliances Security – which are high-margin – and an excellent performance of the Smart Energy business in Q4. Ahead of the results, **we hence raise our FY '15E EPS estimates (see below)** now expecting FY net income before minorities of € 16.7m. This is ahead of consensus (€ 15.8m; two estimates) **suggesting results will be positive news flow.**

Q4 sales are expected to grow by 23% yoy to € 163m (see next page). Appliances Security are seen up by 57% yoy to € 20m thanks to IoT applications e.g. protection for IP-based welding robots or Wi-Fi in airplanes. Services Eastern Europe should rise by 38% yoy to € 100m given strong IT demand in Romania and Poland supported by the € 23m IT project awarded by the Polish government in August 2015.

Meanwhile, Appliances Smart Energy are expected to drop by 6% yoy to € 19m: While the Q4 performance should have been sound helped by strong demand from Tauron (Poland), the base is extremely challenging as Q4 '14 benefitted from pent-up demand. Services DACH should continue to decline given the systematic scaling back of low-margin hardware revenues.

Q4 EBITDA should rise by 51% yoy to € 11.7m given a positive mix effect (disproportionate sales growth of Appliances Security), profitability improvements in Services DACH (i.e. scaling back low-margin hardware sales), and successful restructuring in Smart Energy (e.g. replacing expensive US engineers with more cost-attractive Russian ones). **Q4 net income is seen to increase less-than-proportionately to EBITDA by 18% yoy to € 7.0m** given higher minorities due to the expected strong performance of the Smart Energy business.

Action: For 2015E, EBIT expectations are raised by 1% modelling slightly lower D&A. EPS estimates are increased by 9% now expecting lower interest expenses and a lower tax rate. 2016E estimates remain unchanged for the moment. **Remains a BUY ahead of the figures.** The € 7.60 PT is based on FCFY 2017E. – cont. –

Y/E 31.12 (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Sales	153.2	339.5	337.9	385.5	465.0	500.0	530.0
Sales growth	90 %	122 %	0 %	14 %	21 %	8 %	6 %
EBITDA	12.3	16.6	20.1	22.9	28.4	32.5	36.0
EBIT	9.5	11.1	14.3	16.6	20.1	23.7	27.0
Net income	6.9	7.7	11.7	13.0	15.1	16.7	19.4
Net debt	27.5	19.4	9.3	1.5	-2.5	-14.1	-28.5
Net gearing	56.0 %	31.4 %	13.5 %	1.7 %	-2.5 %	-12.4 %	-21.9 %
Net Debt/EBITDA	2.2	1.2	0.5	0.1	0.0	0.0	0.0
EPS pro forma	0.29	0.20	0.30	0.30	0.35	0.39	0.45
CPS	-0.09	0.16	0.15	0.35	0.20	0.37	0.41
DPS	0.00	0.00	0.06	0.07	0.08	0.09	0.10
Dividend yield	0.0 %	0.0 %	1.0 %	1.2 %	1.3 %	1.5 %	1.7 %
Gross profit margin	29.9 %	34.4 %	33.1 %	33.2 %	33.9 %	33.9 %	34.2 %
EBITDA margin	8.0 %	4.9 %	5.9 %	5.9 %	6.1 %	6.5 %	6.8 %
EBIT margin	6.2 %	3.3 %	4.2 %	4.3 %	4.3 %	4.7 %	5.1 %
ROCE	10.2 %	8.3 %	10.8 %	12.4 %	14.0 %	15.0 %	15.6 %
EV/sales	1.1	0.8	0.7	0.7	0.6	0.5	0.4
EV/EBITDA	14.3	15.7	12.5	11.6	9.2	7.7	6.5
EV/EBIT	18.5	23.4	17.5	16.0	13.0	10.6	8.7
PER	20.6	30.7	20.3	20.2	17.3	15.7	13.5
Adjusted FCF yield	4.8 %	3.9 %	5.9 %	6.0 %	7.5 %	9.0 %	9.7 %

Source: Company data, Hauck & Aufhäuser Close price as of: 23.03.2016



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 6.29 / 3.82

Price/Book Ratio: 2.6

Relative performance (TecDAX):

3 months 17.4 %

6 months 36.3 %

12 months 55.2 %

Changes in estimates

		Sales	EBIT	EPS
2015	old:	465.0	19.9	0.32
	Δ	-	1.0%	8.8%
2016	old:	500.0	23.7	0.39
	Δ	-	-	-
2017	old:	530.0	27.0	0.45
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 43.3

Authorised capital: (in € m) 12.1

Book value per share: (in €) 2.3

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	Q4 15 est	Q4 14	yoy	Q3 15	qoq	FY 15 est	FY 14	yoy
Sales	162.6	131.9	23%	114.2	42%	465.0	385.5	21%
Appliances total	39.2	33.1	18%	26.4	48%	120.2	78.8	53%
Appliances Security	20.4	13.0	57%	15.8	29%	69.2	50.0	38%
Appliances Smart Energy	18.8	20.1	-6%	10.6	77%	51.0	28.8	77%
Services EE	100.4	72.8	38%	71.5	40%	269.7	217.2	24%
Services DACH	23.1	26.1	-11%	16.2	43%	75.1	89.6	-16%
EBITDA	11.7	7.7	51%	5.9	98%	28.4	22.9	24%
EBITDA margin	7.2%	5.9%	+ 1.3 pp	5.2%	+ 2.0 pp	6.1%	5.9%	+ 0.2 pp
Net profit (after minorities)	7.0	6.0	18%	2.5	181%	15.1	13.0	16%
Net margin	4.3%	4.5%	- 0.2 pp	2.2%	+ 2.1 pp	3.3%	3.4%	- 0.1 pp
EPS	0.16	0.14	18%	0.06	171%	0.35	0.32	11%

Source: Company data, Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Net sales	153.2	339.5	337.9	385.5	465.0	500.0	530.0
<i>Sales growth</i>	89.9 %	121.5 %	-0.5 %	14.1 %	20.6 %	7.5 %	6.0 %
Increase/decrease in finished goods and work-in-process	0.7	0.3	0.9	1.2	0.9	1.0	1.0
Total sales	153.9	339.8	338.8	386.8	465.9	501.0	531.0
Other operating income	5.2	6.4	6.7	5.0	3.8	4.0	4.1
Material expenses	108.0	222.9	226.7	258.3	307.8	331.0	349.3
Personnel expenses	23.4	71.9	66.2	72.4	90.2	95.9	102.1
Other operating expenses	15.6	34.9	32.5	38.2	43.3	45.6	47.7
Total operating expenses	141.7	323.3	318.7	363.9	437.5	468.5	495.0
EBITDA	12.3	16.6	20.1	22.9	28.4	32.5	36.0
Depreciation	1.1	2.7	2.3	2.2	3.9	4.3	4.8
EBITA	11.1	13.8	17.8	20.7	24.5	28.2	31.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.6	2.7	3.5	4.1	4.4	4.5	4.2
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	9.5	11.1	14.3	16.6	20.1	23.7	27.0
Interest income	0.3	0.6	0.5	1.6	1.4	0.4	0.6
Interest expenses	1.3	2.0	2.7	3.2	3.3	3.3	3.3
Other financial result	0.0	0.0	0.0	-0.3	-0.2	-0.2	-0.1
Financial result	-1.0	-1.4	-2.2	-1.8	-2.1	-3.0	-2.8
Recurring pretax income from continuing operations	8.5	9.8	12.1	14.8	18.0	20.6	24.2
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	8.5	9.8	12.1	14.8	18.0	20.6	24.2
Taxes	0.3	0.3	0.1	0.8	1.3	2.1	2.4
Net income from continuing operations	8.2	9.4	11.9	14.0	16.7	18.6	21.8
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	8.2	9.4	11.9	14.0	16.7	18.6	21.8
Minority interest	1.3	1.7	0.2	1.0	1.6	1.9	2.4
Net income (net of minority interest)	6.9	7.7	11.7	13.0	15.1	16.7	19.4
Average number of shares	23.5	28.3	39.2	41.2	43.3	43.3	43.3
EPS reported	0.29	0.27	0.30	0.32	0.35	0.39	0.45

Profit and loss (common size)	2011	2012	2013	2014	2015E	2016E	2017E
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	0.5 %	0.1 %	0.3 %	0.3 %	0.2 %	0.2 %	0.2 %
Total sales	100.5 %	100.1 %	100.3 %	100.3 %	100.2 %	100.2 %	100.2 %
Other operating income	3.4 %	1.9 %	2.0 %	1.3 %	0.8 %	0.8 %	0.8 %
Material expenses	70.5 %	65.6 %	67.1 %	67.0 %	66.2 %	66.2 %	65.9 %
Personnel expenses	15.3 %	21.2 %	19.6 %	18.8 %	19.4 %	19.2 %	19.3 %
Other operating expenses	10.2 %	10.3 %	9.6 %	9.9 %	9.3 %	9.1 %	9.0 %
Total operating expenses	92.5 %	95.2 %	94.3 %	94.4 %	94.1 %	93.7 %	93.4 %
EBITDA	8.0 %	4.9 %	5.9 %	5.9 %	6.1 %	6.5 %	6.8 %
Depreciation	0.7 %	0.8 %	0.7 %	0.6 %	0.8 %	0.9 %	0.9 %
EBITA	7.2 %	4.1 %	5.3 %	5.4 %	5.3 %	5.6 %	5.9 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	1.1 %	0.8 %	1.0 %	1.1 %	0.9 %	0.9 %	0.8 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	6.2 %	3.3 %	4.2 %	4.3 %	4.3 %	4.7 %	5.1 %
Interest income	0.2 %	0.2 %	0.1 %	0.4 %	0.3 %	0.1 %	0.1 %
Interest expenses	0.8 %	0.6 %	0.8 %	0.8 %	0.7 %	0.7 %	0.6 %
Other financial result	0.0 %	0.0 %	0.0 %	-0.1 %	0.0 %	0.0 %	0.0 %
Financial result	-0.7 %	-0.4 %	-0.7 %	-0.5 %	-0.5 %	-0.6 %	-0.5 %
Recurring pretax income from continuing operations	5.5 %	2.9 %	3.6 %	3.8 %	3.9 %	4.1 %	4.6 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	5.5 %	2.9 %	3.6 %	3.8 %	3.9 %	4.1 %	4.6 %
Tax rate	3.4 %	3.4 %	1.1 %	5.2 %	7.0 %	10.0 %	10.0 %
Net income from continuing operations	5.3 %	2.8 %	3.5 %	3.6 %	3.6 %	3.7 %	4.1 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	5.3 %	2.8 %	3.5 %	3.6 %	3.6 %	3.7 %	4.1 %
Minority interest	0.8 %	0.5 %	0.1 %	0.3 %	0.3 %	0.4 %	0.5 %
Net income (net of minority interest)	4.5 %	2.3 %	3.5 %	3.4 %	3.3 %	3.3 %	3.7 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Intangible assets	40.9	39.7	44.8	57.1	58.5	60.3	59.2
Property, plant and equipment	11.1	9.9	9.0	11.4	9.9	8.1	8.6
Financial assets	4.4	3.8	2.8	3.8	3.8	3.8	3.8
FIXED ASSETS	56.4	53.4	56.5	72.3	72.2	72.1	71.6
Inventories	20.6	23.4	22.7	30.0	36.2	38.9	41.3
Accounts receivable	85.0	81.9	71.6	95.7	114.7	123.3	130.7
Other current assets	25.9	15.4	15.2	22.0	22.6	23.1	23.7
Liquid assets	29.9	29.9	42.9	39.5	43.5	55.0	69.5
Deferred taxes	9.2	9.9	11.1	13.6	13.6	13.6	13.6
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	170.6	160.5	163.6	200.8	230.5	254.0	278.7
TOTAL ASSETS	227.0	214.0	220.1	273.1	302.6	326.1	350.3
SHAREHOLDERS EQUITY	49.2	61.8	69.2	86.9	99.3	113.9	130.3
MINORITY INTEREST	5.4	2.2	2.1	2.8	2.8	2.8	2.8
Long-term debt	23.3	11.5	23.9	26.1	26.1	26.1	26.1
Provisions for pensions and similar obligations	5.4	3.0	2.9	2.3	2.3	2.4	2.4
Other provisions	18.4	17.2	3.9	4.6	4.7	4.8	5.0
Non-current liabilities	47.0	31.7	30.7	33.0	33.2	33.3	33.5
short-term liabilities to banks	34.2	37.8	28.4	14.8	14.8	14.8	14.8
Accounts payable	60.6	53.7	46.6	74.2	89.4	96.2	101.9
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)	29.4	25.6	41.8	59.9	61.7	63.6	65.5
Deferred taxes	1.4	1.2	1.4	1.5	1.5	1.5	1.5
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	125.5	118.3	118.1	150.3	167.4	176.0	183.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	227.0	214.0	220.1	273.1	302.6	326.1	350.3

Balance sheet (common size)	2011	2012	2013	2014	2015E	2016E	2017E
Intangible assets	18.0 %	18.6 %	20.3 %	20.9 %	19.3 %	18.5 %	16.9 %
Property, plant and equipment	4.9 %	4.6 %	4.1 %	4.2 %	3.3 %	2.5 %	2.4 %
Financial assets	2.0 %	1.8 %	1.3 %	1.4 %	1.3 %	1.2 %	1.1 %
FIXED ASSETS	24.9 %	25.0 %	25.7 %	26.5 %	23.8 %	22.1 %	20.4 %
Inventories	9.1 %	10.9 %	10.3 %	11.0 %	12.0 %	11.9 %	11.8 %
Accounts receivable	37.5 %	38.3 %	32.6 %	35.0 %	37.9 %	37.8 %	37.3 %
Other current assets	11.4 %	7.2 %	6.9 %	8.1 %	7.5 %	7.1 %	6.8 %
Liquid assets	13.2 %	14.0 %	19.5 %	14.5 %	14.4 %	16.9 %	19.8 %
Deferred taxes	4.0 %	4.6 %	5.1 %	5.0 %	4.5 %	4.2 %	3.9 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	75.1 %	75.0 %	74.3 %	73.5 %	76.2 %	77.9 %	79.6 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	21.7 %	28.9 %	31.4 %	31.8 %	32.8 %	34.9 %	37.2 %
MINORITY INTEREST	2.4 %	1.0 %	0.9 %	1.0 %	0.9 %	0.9 %	0.8 %
Long-term debt	10.2 %	5.4 %	10.9 %	9.6 %	8.6 %	8.0 %	7.5 %
Provisions for pensions and similar obligations	2.4 %	1.4 %	1.3 %	0.8 %	0.8 %	0.7 %	0.7 %
Other provisions	8.1 %	8.0 %	1.8 %	1.7 %	1.6 %	1.5 %	1.4 %
Non-current liabilities	20.7 %	14.8 %	14.0 %	12.1 %	11.0 %	10.2 %	9.6 %
short-term liabilities to banks	15.1 %	17.7 %	12.9 %	5.4 %	4.9 %	4.5 %	4.2 %
Accounts payable	26.7 %	25.1 %	21.2 %	27.2 %	29.6 %	29.5 %	29.1 %
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)	12.9 %	11.9 %	19.0 %	21.9 %	20.4 %	19.5 %	18.7 %
Deferred taxes	0.6 %	0.6 %	0.6 %	0.5 %	0.5 %	0.4 %	0.4 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	55.3 %	55.3 %	53.7 %	55.1 %	55.3 %	54.0 %	52.4 %
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)	2011	2012	2013	2014	2015E	2016E	2017E
Net profit/loss	8.2	9.4	11.9	14.0	16.7	18.6	21.8
Depreciation of fixed assets (incl. leases)	1.1	2.7	2.3	2.2	3.9	4.3	4.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.6	2.7	3.5	4.1	4.4	4.5	4.2
Others	-8.1	2.3	-10.6	4.1	0.0	0.0	0.0
Cash flow from operations before changes in w/c	2.8	17.2	7.2	24.4	25.1	27.4	30.8
Increase/decrease in inventory	-0.1	-2.8	0.7	-7.4	-6.2	-2.7	-2.3
Increase/decrease in accounts receivable	-17.6	3.1	10.3	-24.0	-19.0	-8.6	-7.4
Increase/decrease in accounts payable	15.3	-6.9	-7.1	27.6	15.3	6.7	5.8
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	-2.3	-6.6	3.9	-3.8	-9.9	-4.6	-4.0
Cash flow from operating activities	0.5	10.6	11.1	20.6	15.2	22.8	26.8
CAPEX	2.8	3.2	5.8	5.8	8.1	8.8	8.5
Payments for acquisitions	11.6	0.2	-4.6	5.5	0.0	0.0	0.0
Financial investments	2.6	-0.6	0.2	1.7	0.0	0.0	0.0
Income from asset disposals	0.2	0.5	1.4	0.4	0.0	1.0	0.0
Cash flow from investing activities	-16.8	-2.2	0.0	-12.6	-8.1	-7.8	-8.5
Cash flow before financing	-16.3	8.4	11.1	8.0	7.0	15.0	18.3
Increase/decrease in debt position	11.9	-13.2	1.9	3.1	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	1.3	0.0	0.0	0.0	0.0
Capital measures	2.4	1.7	-0.1	10.5	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	2.4	3.0	3.5	3.9
Others	-0.1	-0.3	-2.1	1.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.1	0.5	-0.5	-1.1	0.0	0.0	0.0
Cash flow from financing activities	14.3	-11.8	-1.6	12.5	-3.0	-3.5	-3.9
Increase/decrease in liquid assets	-2.0	-2.9	9.1	19.5	4.0	11.6	14.5
Liquid assets at end of period	29.9	29.9	42.9	39.5	43.5	55.0	69.5

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
Domestic	43.2	70.0	68.4	65.1	65.1	65.0	68.9
yoy change	51.2 %	62.2 %	-2.4 %	-4.8 %	0.1 %	-0.2 %	6.0 %
Rest of Europe	110.1	269.5	269.6	320.5	399.9	435.0	461.1
yoy change	111.0 %	144.8 %	0.0 %	18.9 %	24.8 %	8.8 %	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	153.2	339.5	337.9	385.5	465.0	500.0	530.0
yoy change	89.9 %	121.5 %	-0.5 %	14.1 %	20.6 %	7.5 %	6.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2011	2012	2013	2014	2015E	2016E	2017E
P&L growth analysis							
Sales growth	89.9 %	121.5 %	-0.5 %	14.1 %	20.6 %	7.5 %	6.0 %
EBITDA growth	169.3 %	35.1 %	21.3 %	14.0 %	24.1 %	14.3 %	10.9 %
EBIT growth	194.2 %	17.4 %	28.2 %	16.2 %	21.0 %	17.7 %	14.1 %
EPS growth	53.2 %	-6.6 %	9.3 %	5.4 %	10.8 %	10.5 %	15.9 %
Efficiency							
Total operating costs / sales	92.5 %	95.2 %	94.3 %	94.4 %	94.1 %	93.7 %	93.4 %
Sales per employee	161.1	203.6	211.9	203.5	208.5	222.0	233.0
EBITDA per employee	12.9	9.9	12.6	12.1	12.7	14.4	15.8
Balance sheet analysis							
Avg. working capital / sales	18.2 %	14.2 %	14.7 %	12.9 %	12.1 %	12.7 %	12.8 %
Inventory turnover (sales/inventory)	7.4	14.5	14.9	12.8	12.8	12.8	12.8
Trade debtors in days of sales	202.6	88.1	77.4	90.6	90.0	90.0	90.0
A/P turnover [(A/P*365)/sales]	144.3	57.7	50.3	70.2	70.2	70.2	70.2
Cash conversion cycle (days)	67.5	38.5	38.9	28.2	26.9	26.9	26.6
Cash flow analysis							
Free cash flow	-2.3	7.5	5.3	14.8	7.0	14.0	18.3
Free cash flow/sales	-1.5 %	2.2 %	1.6 %	3.8 %	1.5 %	2.8 %	3.5 %
FCF / net profit	-34.0 %	96.4 %	45.3 %	114.1 %	46.4 %	83.9 %	94.7 %
Capex / depre	196.1 %	46.9 %	103.4 %	119.1 %	98.0 %	99.4 %	94.2 %
Capex / maintenance capex	52.0 %	n/a	78.4 %	37.3 %	35.8 %	36.8 %	58.9 %
Capex / sales	3.5 %	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	27.5	19.4	9.3	1.5	-2.5	-14.1	-28.5
Net Debt/EBITDA	2.2	1.2	0.5	0.1	0.0	0.0	0.0
Net debt / equity	0.6	0.3	0.1	0.0	0.0	-0.1	-0.2
Interest cover	7.5	5.6	5.3	5.2	6.1	7.2	8.2
Dividend payout ratio	0.0 %	0.0 %	20.1 %	23.3 %	22.9 %	23.3 %	22.3 %
Asset utilisation							
Capital employed turnover	1.1	2.5	2.6	2.8	3.1	3.0	2.9
Operating assets turnover	2.7	5.5	6.0	6.1	6.5	6.7	6.7
Plant turnover	13.8	34.2	37.6	33.7	47.1	62.0	61.9
Inventory turnover (sales/inventory)	7.4	14.5	14.9	12.8	12.8	12.8	12.8
Returns							
ROCE	10.2 %	8.3 %	10.8 %	12.4 %	14.0 %	15.0 %	15.6 %
ROE	14.0 %	12.5 %	17.0 %	14.9 %	15.2 %	14.7 %	14.9 %
Other							
Interest paid / avg. debt	3.6 %	3.7 %	5.3 %	6.8 %	8.0 %	8.0 %	8.0 %
No. employees (average)	952	1668	1595	1895	2230	2252	2275
Number of shares	23.5	28.3	39.2	41.2	43.3	43.3	43.3
DPS	0.0	0.0	0.1	0.1	0.1	0.1	0.1
EPS reported	0.29	0.27	0.30	0.32	0.35	0.39	0.45
Valuation ratios							
P/BV	2.9	3.9	3.4	3.0	2.6	2.3	2.0
EV/sales	1.1	0.8	0.7	0.7	0.6	0.5	0.4
EV/EBITDA	14.3	15.7	12.5	11.6	9.2	7.7	6.5
EV/EBITA	15.8	18.8	14.1	12.9	10.7	8.9	7.6
EV/EBIT	18.5	23.4	17.5	16.0	13.0	10.6	8.7
EV/FCF	-74.8	34.9	47.1	17.9	37.2	17.8	12.8
Adjusted FCF yield	4.8 %	3.9 %	5.9 %	6.0 %	7.5 %	9.0 %	9.7 %
Dividend yield	0.0 %	0.0 %	1.0 %	1.2 %	1.3 %	1.5 %	1.7 %

Source: Company data, Hauck & Aufhäuser

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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 24/03/16**

Initiation coverage
30-May-12



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