

Buy (old: Buy)

Price target: EUR 5.70 (old: EUR 5.00)

Price:	EUR 3.62	Next result:	Q4/FY 2014 30.04.15
Bloomberg:	MSAG GR	Market cap:	EUR 108.6 m
Reuters:	MSAG.DE	Enterprise Value:	EUR 166.7 m

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Strong USD should provide additional tailwind – chg. in est. & PT

We roll over valuation from FCFY'15E to average FCFY'15-16E and increase our PT for MS Industrie from € 5.00 to € 5.70 as we give the company more credit for growth and as we expect newsflow to remain supportive in the next quarters. Our estimates increase reflects the strong USD appreciation which should bring significant positive translation effects.

Weltmotor volumes look set to continue growing in FY'15E-16E: While our Weltmotor volume estimates remain nearly unchanged (NAFTA: 90k units in FY'15E vs. 78k in FY'14E; Europe: 65k units in FY'15E vs. 62k in FY'14E), we now factor in a USD/EUR exchange rate of 1.15 for FY'15E (vs. 1.35 USD/EUR in FY'14). This results in an additional sales contribution of c. € 6m in both FY'15E and FY'16E. In fact, we expect volumes to continue on an expansion path in FY'15E (class 8 truck sales were up 19% yoy to 220k units), driven by the healthiness of the US truck market benefitting from a positive economic environment and subsequent increasing road freight volumes as well as the need for fleet replacement. At the same time, Europe is expected to show only limited growth this year after a c. 70% yoy increase in volumes (driven by the switch to Euro VI) in FY'14. Going forward, the situation is expected to stabilise in the US (95k units in FY'16E) while the roll out of the Weltmotor in new applications in Europe is expected to bring significantly higher volumes for the region (90k units in FY'16E). This comes together with gradually increasing sales with other customers (MAN, MTU) after FY'14 was negatively impacted in the aftermath of the pre-buy in FY'13.

Significant growth opportunities remain in the Ultrasonic Technology (not yet reflected in our estimates): Going forward, we forecast 12% and 8% yoy increases in sales for this segment in FY'15E and FY'16E respectively, driven by an ongoing investment by OEMs in new car models and a gradual increase in sales with packaging machine suppliers. Regarding the latter, we only expect an increase in sales from currently € 3.5m (eH&A: FY'14E) to € 6.5m by FY'16E. This looks conservative when looking at the potential of the overall market for packaging machinery (estimated at USD 33.4bn in FY'12 of which we estimate that MS Industrie addresses c. 10% with its ultrasonic modules) and bearing in mind that 90-95% of this market still rely on hot tool technology and not ultrasonic components. Furthermore, ultrasonic welding should gain ground gradually, driven by significant savings (material, time, maintenance costs) for customers.

- continued -



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	4.20 / 2.65
Price/Book Ratio:	3.0
Relative performance (SDAX):	
3 months	-6.9 %
6 months	-10.4 %
12 months	27.5 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	212.8	10.5	0.18
	Δ	-	-	-
2015	old:	229.3	14.4	0.26
	Δ	2.7%	2.1%	2.8%
2016	old:	256.7	20.1	0.39
	Δ	2.3%	2.5%	3.0%

Key share data:

Number of shares: (in m pcs)	30.0
Authorised capital: (in € m)	9.7
Book value per share: (in €)	1.2
Ø trading volume: (12 months)	52,941

Major shareholders:

Free Float	66.6 %
MS ProActive	20.7 %
Dr. Andreas Aufschneider	6.2 %
Allianz GI *	5.1 %
Ruffer *	4.8 %
Christian Dreyer *	3.3 %

* included in free float

Company description:

Supplier of Diesel motor parts and systems for truck OEMs, of electric motors and of welding machines for the automotive and packaging industries.

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	116.7	154.3	174.8	179.8	212.8	235.5	262.6
Sales growth	14 %	32 %	13 %	3 %	18 %	11 %	12 %
EBITDA	15.9	20.9	16.3	17.3	21.5	25.5	29.9
EBIT	5.6	9.2	6.0	6.7	10.5	14.7	20.6
Net income	0.8	2.1	2.1	2.0	5.3	8.0	12.0
Net debt	49.5	74.3	81.8	84.9	58.0	48.3	36.9
Net gearing	156.3 %	218.8 %	237.5 %	237.9 %	158.0 %	108.1 %	65.1 %
Net Debt/EBITDA	3.1	3.5	5.0	4.9	2.7	1.9	1.2
EPS pro forma	0.03	0.14	0.09	0.08	0.18	0.27	0.40
CPS	-0.29	-0.47	0.03	0.04	0.19	0.22	0.26
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Gross profit margin	42.6 %	42.5 %	42.2 %	45.7 %	43.7 %	43.7 %	43.4 %
EBITDA margin	13.6 %	13.6 %	9.3 %	9.6 %	10.1 %	10.8 %	11.4 %
EBIT margin	4.8 %	6.0 %	3.4 %	3.7 %	4.9 %	6.2 %	7.9 %
ROCE	5.4 %	7.9 %	4.6 %	5.0 %	8.3 %	12.1 %	17.1 %
EV/sales	1.3	1.2	1.1	1.1	0.8	0.7	0.6
EV/EBITDA	9.3	8.7	11.6	11.1	7.8	6.2	4.9
EV/EBIT	26.4	19.9	31.3	28.5	15.9	10.7	7.1
PER	118.5	25.7	40.9	48.0	20.3	13.6	9.0
Adjusted FCF yield	7.1 %	8.6 %	6.2 %	5.8 %	8.3 %	9.6 %	11.7 %

Source: Company data, Hauck & Aufhäuser Close price as of: 26.01.2015

Change in estimates: Following the strong USD appreciation, we increase our sales estimates by c. € 6m in both FY'15E and FY'16E. At the same time, a slightly weaker mix (more Powertrain Technology sales) and slightly higher personnel expenses lead to an under proportionate appreciation of our EBIT estimates in FY'15E.

With regard to the sound growth opportunities, a valuation of **7.0x EV/EBIT'16E adjusted for PPA** looks undemanding. **BUY. New PT is € 5.70 (old: € 5.00) based on average FCFY'15E-16E.**

Financials

Profit and loss (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Net sales	116.7	154.3	174.8	179.8	212.8	235.5	262.6
<i>Sales growth</i>	13.9 %	32.2 %	13.3 %	2.8 %	18.4 %	10.7 %	11.5 %
Increase/decrease in finished goods and work-in-process	3.1	0.9	-0.6	2.3	0.0	0.0	0.0
Total sales	119.8	155.2	174.3	182.1	212.8	235.5	262.6
Other operating income	11.5	10.9	6.4	4.5	3.3	2.5	2.0
Material expenses	68.7	89.2	100.7	98.9	119.8	132.6	148.7
Personnel expenses	29.3	33.2	38.0	42.1	46.9	49.5	52.9
Other operating expenses	17.4	22.8	25.8	28.3	27.9	30.4	33.2
Total operating expenses	103.9	134.3	158.0	164.8	191.3	210.0	232.7
EBITDA	15.9	20.9	16.3	17.3	21.5	25.5	29.9
Depreciation	7.7	7.5	7.4	7.8	9.0	8.8	8.6
EBITA	8.2	13.5	8.9	9.4	12.5	16.7	21.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.6	2.3	2.3	2.5	2.0	2.0	0.7
Impairment charges	0.0	2.0	0.5	0.3	0.0	0.0	0.0
EBIT	5.6	9.2	6.0	6.7	10.5	14.7	20.6
Interest income	0.5	0.1	1.4	0.3	0.0	0.0	0.0
Interest expenses	4.8	7.5	6.7	4.6	4.5	3.6	3.2
Other financial result	-0.6	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-4.9	-7.4	-5.3	-4.3	-4.5	-3.6	-3.2
Recurring pretax income from continuing operations	0.7	1.8	0.7	2.4	6.0	11.1	17.4
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	0.7	1.8	0.7	2.4	6.0	11.1	17.4
Taxes	-0.2	-0.4	-1.3	0.2	0.7	3.1	5.4
Net income from continuing operations	0.9	2.2	2.1	2.3	5.3	8.0	12.0
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.9	2.2	2.1	2.3	5.3	8.0	12.0
Minority interest	0.1	0.0	0.0	0.3	0.0	0.0	0.0
Net income (net of minority interest)	0.8	2.1	2.1	2.0	5.3	8.0	12.0
Average number of shares	26.4	28.9	29.3	29.5	30.0	30.0	30.0
EPS reported	0.03	0.07	0.07	0.07	0.18	0.27	0.40

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	2.7 %	0.6 %	-0.3 %	1.3 %	0.0 %	0.0 %	0.0 %
Total sales	102.7 %	100.6 %	99.7 %	101.3 %	100.0 %	100.0 %	100.0 %
Other operating income	9.9 %	7.1 %	3.7 %	2.5 %	1.6 %	1.1 %	0.8 %
Material expenses	58.9 %	57.8 %	57.6 %	55.0 %	56.3 %	56.3 %	56.6 %
Personnel expenses	25.2 %	21.5 %	21.7 %	23.4 %	22.1 %	21.0 %	20.1 %
Other operating expenses	14.9 %	14.8 %	14.8 %	15.7 %	13.1 %	12.9 %	12.6 %
Total operating expenses	89.0 %	87.0 %	90.4 %	91.7 %	89.9 %	89.2 %	88.6 %
EBITDA	13.6 %	13.6 %	9.3 %	9.6 %	10.1 %	10.8 %	11.4 %
Depreciation	6.6 %	4.8 %	4.3 %	4.4 %	4.2 %	3.7 %	3.3 %
EBITA	7.1 %	8.7 %	5.1 %	5.2 %	5.9 %	7.1 %	8.1 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.3 %	1.5 %	1.3 %	1.4 %	0.9 %	0.8 %	0.3 %
Impairment charges	0.0 %	1.3 %	0.3 %	0.1 %	0.0 %	0.0 %	0.0 %
EBIT	4.8 %	6.0 %	3.4 %	3.7 %	4.9 %	6.2 %	7.9 %
Interest income	0.4 %	0.1 %	0.8 %	0.2 %	0.0 %	0.0 %	0.0 %
Interest expenses	4.1 %	4.9 %	3.8 %	2.5 %	2.1 %	1.5 %	1.2 %
Other financial result	-0.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-4.2 %	-4.8 %	-3.0 %	-2.4 %	-2.1 %	-1.5 %	-1.2 %
Recurring pretax income from continuing operations	0.6 %	1.2 %	0.4 %	1.4 %	2.8 %	4.7 %	6.6 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	0.6 %	1.2 %	0.4 %	1.4 %	2.8 %	4.7 %	6.6 %
Tax rate	-34.6 %	-20.4 %	-177.6 %	6.5 %	11.0 %	28.0 %	31.0 %
Net income from continuing operations	0.8 %	1.4 %	1.2 %	1.3 %	2.5 %	3.4 %	4.6 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	0.8 %	1.4 %	1.2 %	1.3 %	2.5 %	3.4 %	4.6 %
Minority interest	0.1 %	0.0 %	0.0 %	0.2 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	0.7 %	1.4 %	1.2 %	1.1 %	2.5 %	3.4 %	4.6 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	11.3	9.6	7.7	6.2	4.2	2.2	1.5
Property, plant and equipment	56.8	52.9	63.1	61.8	49.8	45.4	41.1
Financial assets	13.1	11.1	14.3	23.2	4.0	4.0	4.0
FIXED ASSETS	81.3	73.5	85.1	91.1	57.9	51.5	46.5
Inventories	20.5	25.6	23.7	28.4	30.4	33.6	37.5
Accounts receivable	19.1	21.8	22.7	23.1	26.2	29.0	32.4
Other current assets	11.4	16.1	10.4	8.5	8.5	8.5	8.5
Liquid assets	7.1	5.1	10.5	3.6	12.8	24.5	12.2
Deferred taxes	1.9	0.2	1.0	0.6	0.6	0.6	0.6
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	60.1	68.7	68.2	64.3	78.6	96.3	91.3
TOTAL ASSETS	141.4	142.2	153.3	155.5	136.5	147.8	137.8
SHAREHOLDERS EQUITY	31.7	34.0	34.4	35.7	36.7	44.7	56.7
MINORITY INTEREST	2.1	1.5	1.3	0.9	0.0	0.0	0.0
Long-term debt	50.9	59.1	76.0	74.9	57.2	59.2	33.5
Provisions for pensions and similar obligations	3.1	3.2	0.0	0.0	0.0	0.0	0.0
Other provisions	13.6	6.2	7.0	9.1	9.1	9.1	9.1
Non-current liabilities	67.6	68.5	83.0	84.0	66.3	68.3	42.6
short-term liabilities to banks	5.7	20.2	16.2	13.6	13.6	13.6	15.6
Accounts payable	11.9	11.1	10.3	14.2	12.8	14.2	15.8
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)	16.3	3.7	6.5	5.9	5.9	5.9	5.9
Deferred taxes	6.2	3.3	1.6	1.1	1.1	1.1	1.1
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	40.0	38.3	34.6	34.9	33.5	34.9	38.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	141.4	142.2	153.3	155.5	136.5	147.8	137.8

Balance sheet (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	8.0 %	6.7 %	5.0 %	4.0 %	3.0 %	1.5 %	1.1 %
Property, plant and equipment	40.2 %	37.2 %	41.2 %	39.7 %	36.5 %	30.7 %	29.8 %
Financial assets	9.3 %	7.8 %	9.3 %	14.9 %	2.9 %	2.7 %	2.9 %
FIXED ASSETS	57.5 %	51.7 %	55.5 %	58.6 %	42.4 %	34.8 %	33.8 %
Inventories	14.5 %	18.0 %	15.5 %	18.3 %	22.3 %	22.8 %	27.2 %
Accounts receivable	13.5 %	15.3 %	14.8 %	14.9 %	19.2 %	19.6 %	23.5 %
Other current assets	8.1 %	11.3 %	6.8 %	5.5 %	6.3 %	5.8 %	6.2 %
Liquid assets	5.0 %	3.6 %	6.8 %	2.3 %	9.3 %	16.6 %	8.8 %
Deferred taxes	1.4 %	0.2 %	0.6 %	0.4 %	0.5 %	0.4 %	0.5 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	42.5 %	48.3 %	44.5 %	41.4 %	57.6 %	65.2 %	66.2 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	22.4 %	23.9 %	22.5 %	23.0 %	26.9 %	30.2 %	41.2 %
MINORITY INTEREST	1.5 %	1.0 %	0.8 %	0.6 %	0.0 %	0.0 %	0.0 %
Long-term debt	36.0 %	41.6 %	49.6 %	48.2 %	41.9 %	40.0 %	24.3 %
Provisions for pensions and similar obligations	2.2 %	2.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	9.6 %	4.4 %	4.6 %	5.8 %	6.6 %	6.1 %	6.6 %
Non-current liabilities	47.8 %	48.2 %	54.1 %	54.0 %	48.5 %	46.2 %	30.9 %
short-term liabilities to banks	4.0 %	14.2 %	10.6 %	8.8 %	10.0 %	9.2 %	11.3 %
Accounts payable	8.4 %	7.8 %	6.7 %	9.1 %	9.4 %	9.6 %	11.5 %
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)	11.5 %	2.6 %	4.3 %	3.8 %	4.4 %	4.0 %	4.3 %
Deferred taxes	4.4 %	2.3 %	1.0 %	0.7 %	0.8 %	0.8 %	0.8 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	28.3 %	26.9 %	22.6 %	22.4 %	24.5 %	23.6 %	27.9 %
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	0.9	2.2	2.1	2.3	5.3	8.0	12.0
Depreciation of fixed assets (incl. leases)	7.7	7.5	7.4	7.8	9.0	8.8	8.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.6	2.3	2.3	2.5	2.0	2.0	0.7
Others	-4.7	-1.0	-1.0	0.3	0.0	0.0	0.0
Cash flow from operations before changes in w/c	6.5	10.9	10.8	12.9	16.3	18.8	21.3
Increase/decrease in inventory	-13.1	-11.4	-0.7	-2.9	-2.0	-3.2	-3.9
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	-3.1	-2.8	-3.4
Increase/decrease in accounts payable	5.5	-6.7	-2.5	-1.8	1.9	1.4	1.6
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	-7.6	-18.0	-3.3	-4.6	-3.2	-4.7	-5.6
Cash flow from operating activities	-1.2	-7.1	7.6	8.2	13.1	14.1	15.7
CAPEX	3.8	11.0	17.2	7.5	6.0	4.4	4.3
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.3	0.0	0.0	4.3	0.0	0.0	0.0
Income from asset disposals	2.0	3.7	1.4	0.5	0.0	0.0	0.0
Cash flow from investing activities	-2.0	-7.3	-15.9	-11.3	-6.0	-4.4	-4.3
Cash flow before financing	-3.2	-14.5	-8.4	-3.0	7.1	9.7	11.4
Increase/decrease in debt position	0.5	13.7	14.2	-3.7	2.0	2.0	-23.7
Purchase of own shares	0.0	0.3	0.0	0.0	0.0	0.0	0.0
Capital measures	2.6	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	-1.0	-0.9	-0.1	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	-0.4	-0.1	0.0	0.0	0.0
Cash flow from financing activities	2.2	12.5	14.1	-3.7	2.0	2.0	-23.7
Increase/decrease in liquid assets	-1.0	-2.0	5.4	-6.8	9.1	11.7	-12.3
Liquid assets at end of period	7.1	5.1	10.5	3.6	12.8	24.5	12.2

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Domestic	72.9	78.3	88.0	96.2	0.0	0.0	0.0
yoy change	14.4 %	7.4 %	12.3 %	9.3 %	n/a	n/a	n/a
Rest of Europe	5.4	15.5	9.4	11.4	0.0	0.0	0.0
yoy change	-7.6 %	185.6 %	-39.4 %	20.6 %	n/a	n/a	n/a
NAFTA	35.2	55.7	74.1	66.1	0.0	0.0	0.0
yoy change	13.4 %	58.1 %	33.1 %	-10.8 %	n/a	n/a	n/a
Asia Pacific	0.2	0.1	0.9	0.2	0.0	0.0	0.0
yoy change	-69.0 %	-45.8 %	796.2 %	-76.0 %	n/a	n/a	n/a
Rest of world	2.9	4.6	2.4	5.9	0.0	0.0	0.0
yoy change	156.7 %	61.4 %	-48.0 %	143.2 %	n/a	n/a	n/a
TTL	116.7	154.3	174.8	179.8	0.0	0.0	0.0
yoy change	13.9 %	32.2 %	13.3 %	2.8 %	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
P&L growth analysis							
Sales growth	13.9 %	32.2 %	13.3 %	2.8 %	18.4 %	10.7 %	11.5 %
EBITDA growth	155.8 %	31.6 %	-22.2 %	6.1 %	24.2 %	18.7 %	17.5 %
EBIT growth	-238.7 %	63.4 %	-34.4 %	11.8 %	55.4 %	40.2 %	40.7 %
EPS growth	-108.6 %	138.2 %	-1.8 %	-2.1 %	154.5 %	49.4 %	50.5 %
Efficiency							
Total operating costs / sales	89.0 %	87.0 %	90.4 %	91.7 %	89.9 %	89.2 %	88.6 %
Sales per employee	171.6	208.2	177.5	173.9	198.5	210.7	229.6
EBITDA per employee	23.4	28.3	16.5	16.7	20.0	22.8	26.2
Balance sheet analysis							
Avg. working capital / sales	20.9 %	20.8 %	20.7 %	20.4 %	19.1 %	19.6 %	19.5 %
Inventory turnover (sales/inventory)	5.7	6.0	7.4	6.3	7.0	7.0	7.0
Trade debtors in days of sales	59.9	51.6	47.4	46.9	45.0	45.0	45.0
A/P turnover [(A/P*365)/sales]	37.2	26.3	21.5	28.8	22.0	22.0	22.0
Cash conversion cycle (days)	105.8	110.8	96.1	99.4	98.5	98.5	98.3
Cash flow analysis							
Free cash flow	-5.0	-18.2	-9.7	0.7	7.1	9.7	11.4
Free cash flow/sales	-4.3 %	-11.8 %	-5.5 %	0.4 %	3.3 %	4.1 %	4.3 %
FCF / net profit	-618.6 %	-862.2 %	-463.6 %	35.3 %	133.4 %	121.7 %	95.0 %
Capex / depre	39.5 %	113.1 %	176.9 %	114.6 %	54.5 %	40.7 %	46.2 %
Capex / maintenance capex	58.8 %	170.5 %	272.7 %	113.0 %	81.5 %	57.5 %	54.3 %
Capex / sales	3.5 %	7.2 %	9.9 %	6.6 %	2.8 %	1.9 %	1.6 %
Security							
Net debt	49.5	74.3	81.8	84.9	58.0	48.3	36.9
Net Debt/EBITDA	3.1	3.5	5.0	4.9	2.7	1.9	1.2
Net debt / equity	1.6	2.2	2.4	2.4	1.6	1.1	0.7
Interest cover	1.2	1.2	0.9	1.5	2.3	4.1	6.4
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	1.1	1.2	1.3	1.3	1.8	1.9	2.3
Operating assets turnover	1.4	1.7	1.8	1.8	2.3	2.5	2.8
Plant turnover	2.1	2.9	2.8	2.9	4.3	5.2	6.4
Inventory turnover (sales/inventory)	5.7	6.0	7.4	6.3	7.0	7.0	7.0
Returns							
ROCE	5.4 %	7.9 %	4.6 %	5.0 %	8.3 %	12.1 %	17.1 %
ROE	2.5 %	6.2 %	6.1 %	5.5 %	14.6 %	17.9 %	21.2 %
Other							
Interest paid / avg. debt	8.7 %	11.1 %	7.8 %	5.1 %	5.6 %	5.0 %	5.3 %
No. employees (average)	680	741	985	1034	1072	1118	1144
Number of shares	26.4	28.9	29.3	29.5	30.0	30.0	30.0
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	0.03	0.07	0.07	0.07	0.18	0.27	0.40
Valuation ratios							
P/BV	3.0	3.1	3.1	3.0	3.0	2.4	1.9
EV/sales	1.3	1.2	1.1	1.1	0.8	0.7	0.6
EV/EBITDA	9.3	8.7	11.6	11.1	7.8	6.2	4.9
EV/EBITA	18.0	13.5	21.3	20.3	13.4	9.4	6.8
EV/EBIT	26.4	19.9	31.3	28.5	15.9	10.7	7.1
EV/FCF	-29.7	-10.0	-19.5	275.1	23.4	16.2	12.7
Adjusted FCF yield	7.1 %	8.6 %	6.2 %	5.8 %	8.3 %	9.6 %	11.7 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

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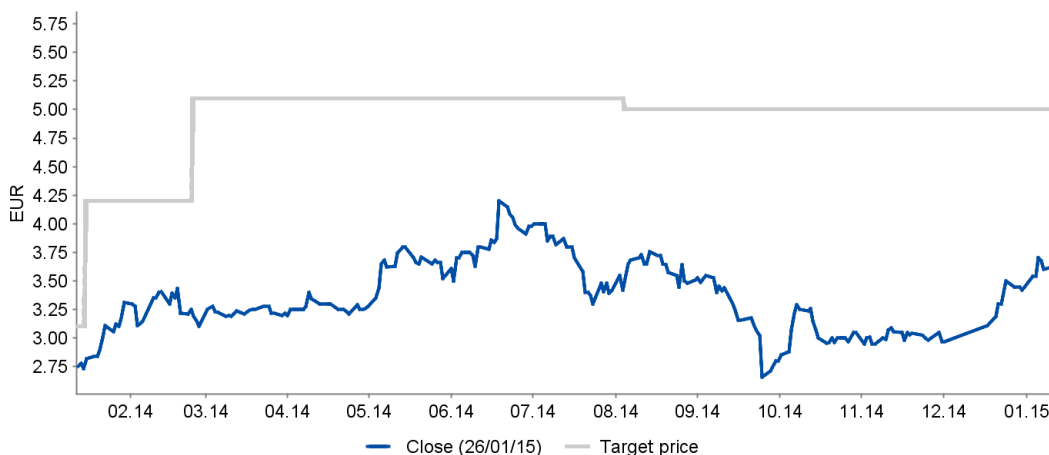
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Company	Disclosure
MS Industrie AG	5

Historical target price and rating changes for MS Industrie AG in the last 12 months

Price and Rating History
MS Industrie AG as of 27/01/15

Initiation coverage
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