

Buy (old: Buy)

Price target: EUR 3.10 (old: EUR 3.10)

Price:	EUR 2.33	Next result:	Q4/FY 2013 tba
Bloomberg:	MSAG GR	Market cap:	EUR 68.7 m
Reuters:	MSAG.DE	Enterprise Value:	EUR 153.0 m

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Q3 EBITDA a good surprise - chg. in est.

Yesterday, MS Industrie released Q3 figures showing a sound bottom-line development.

Q3 sales came in at € 44.9m, down 0.9% yoy (eH&A: € 48m), due to a weaker development of Motor Technology in the US. Apparently, Daimler's supply chains problems had not been completely resolved in H1 and continued to weigh on the development in Q3. This was partly offset by a sound development in Welding. As the company has a significant exposure to the US (c. 30-40%), some FX related headwinds arose in Q3 bringing down sales in the region by c. 14% yoy of which the currency effect was around 6% (eH&A: group currency effect: 2.5%).

EBITDA was up 9% yoy to € 4.6m (eH&A: € 4.2m) in Q3, translating into a margin of 10.2% (eH&A: 8.8%). This was driven by the positive sales mix (Welding and other Diesel engines generate higher gross margins than the Weltmotor). **Q3 EBT was up 58% yoy to € 1.1m (eH&A: € 1.0m), translating into a margin of 2.4%**, on the back of decreasing interest payments.

Outlook: the company confirmed its outlook for growing revenues in FY'13 and expects sales to be above € 180m (eH&A: € 181.3m). FY sales of € 180m would imply sales of c. € 50m in Q4'13E which looks realistic in our view as the issue with Daimler in the US seems to have been cleared at the beginning of Q4.

We slightly trim our sales estimates by 2% for FY'13E reflecting lower volumes for Daimler's Weltmotor but increase our EBIT and EPS forecast by 10% and 21% respectively reflecting the better sales mix (towards high margin welding products).

All in all, the company looks well on-track and the investment case is confirmed. The stock is priced ex-growth trading at only 9.8x PER'14E (adj. for PPA) despite a sound visibility due to the increasing penetration of Daimler's Weltmotor and continuous order wins in Welding. **BUY. PT of € 3.10 is based on FCFY'14E.**

- continued -

Y/E 31.12 (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Sales	102.5	116.7	154.3	174.8	181.3	212.6	240.6
Sales growth	-47 %	14 %	32 %	13 %	4 %	17 %	13 %
EBITDA	6.2	15.9	20.9	16.3	18.7	22.1	27.9
EBIT	-4.0	5.6	9.2	6.0	8.5	11.7	17.6
Net income	-7.6	0.8	2.1	2.1	3.1	5.8	10.1
Net debt	45.6	49.5	74.3	81.8	84.3	66.1	55.7
Net gearing	175.9 %	156.3 %	218.8 %	237.5 %	218.1 %	165.9 %	111.0 %
Net Debt/EBITDA	7.3	3.1	3.5	5.0	4.5	3.0	2.0
EPS pro forma	-0.33	0.03	0.14	0.09	0.11	0.19	0.34
CPS	-0.03	-0.36	-0.52	-0.01	0.13	0.05	0.22
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	48.7 %	42.6 %	42.5 %	42.2 %	45.0 %	43.0 %	43.0 %
EBITDA margin	6.1 %	13.6 %	13.6 %	9.3 %	10.3 %	10.4 %	11.6 %
EBIT margin	-4.0 %	4.8 %	6.0 %	3.4 %	4.7 %	5.5 %	7.3 %
ROCE	-3.6 %	5.4 %	7.9 %	4.6 %	6.0 %	8.4 %	12.7 %
EV/sales	1.0	1.0	0.9	0.9	0.8	0.6	0.5
EV/EBITDA	15.9	7.2	6.9	9.2	8.2	6.1	4.5
EV/EBIT	-24.4	20.3	15.8	25.0	18.0	11.6	7.1
PER	-7.0	76.2	16.6	26.5	21.8	12.0	6.9
Adjusted FCF yield	1.9 %	7.7 %	10.0 %	7.2 %	6.9 %	8.8 %	12.9 %

Source: Company data, Hauck & Aufhäuser Close price as of: 13.11.2013



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	2.34 / 1.49
Price/Book Ratio:	1.8
Relative performance (SDAX):	
3 months	14.4 %
6 months	21.9 %
12 months	13.6 %

Changes in estimates

		Sales	EBIT	EPS
2013	old:	185.8	7.7	0.09
	Δ	-2.4%	9.9%	21.1%
2014	old:	212.6	11.7	0.19
	Δ	-	-	-
2015	old:	240.6	17.6	0.34
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	29.6
Authorised capital: (in € m)	9.7
Book value per share: (in €)	1.3
Ø trading volume: (12 months)	52,941

Major shareholders:

Free Float	54.9 %
MS ProActive	20.0 %
Management	10.0 %
Dreyer Ventures & Management	8.0 %
MM Vermögensverw. / Paladin	7.1 %
Ruffer *	3.9 %

* included in free float

Company description:

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

MS Industrie AG

MS Industrie key figures (EUR m)	Q3 13	Q3 13 est.	Q3 12	yoy	Q2 13	qoq	9M 13	9M 13 est.	9M 12	yoy
Sales	44.9	48.0	45.3	-0.9%	48.5	-7.3%	129.8	96.5	132.2	-1.8%
EBITDA	4.6	4.2	4.1	11.1%	5.0	-8.1%	13.8	9.2	12.2	13.2%
<i>margin</i>	10.2%	8.8%	9.1%	1.1 pp	10.3%	-0.1 pp	10.6%	9.5%	9.2%	1.4 pp
EBIT	2.0	1.6	1.8	9.1%	2.5	-19.2%	6.2	4.1	5.0	23.5%
<i>margin</i>	4.5%	3.3%	4.0%	0.4 pp	5.1%	-0.7 pp	4.8%	4.2%	3.8%	1.0 pp
Net income	0.6	0.5	0.2	206.1%	1.5	na	2.0	2.0	2.0	-1.7%
<i>margin</i>	1.3%	1.0%	0.4%	0.9 pp	3.0%	-1.7 pp	1.5%	2.0%	1.5%	0.0 pp
EPS	0.02	0.02	0.01	100.0%	0.05	na	0.07	0.07	0.07	0.0%

Source: Company data; Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Net sales	102.5	116.7	154.3	174.8	181.3	212.6	240.6
<i>Sales growth</i>	-46.8 %	13.9 %	32.2 %	13.3 %	3.7 %	17.2 %	13.2 %
Increase/decrease in finished goods and work-in-process	0.0	3.1	0.9	-0.6	0.0	0.0	0.0
Total sales	102.5	119.8	155.2	174.3	181.3	212.6	240.6
Other operating income	4.6	11.5	10.9	6.4	5.1	4.0	3.1
Material expenses	52.6	68.7	89.2	100.7	99.7	121.2	137.1
Personnel expenses	27.9	29.3	33.2	38.0	42.1	44.9	48.1
Other operating expenses	20.4	17.4	22.8	25.8	25.9	28.4	30.5
Total operating expenses	96.2	103.9	134.3	158.0	162.6	190.4	212.7
EBITDA	6.2	15.9	20.9	16.3	18.7	22.1	27.9
Depreciation	7.6	7.7	7.5	7.4	8.2	8.4	8.3
EBITA	-1.4	8.2	13.5	8.9	10.5	13.7	19.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.2	2.6	2.3	2.3	2.0	2.0	2.0
Impairment charges	0.5	0.0	2.0	0.5	0.0	0.0	0.0
EBIT	-4.0	5.6	9.2	6.0	8.5	11.7	17.6
Interest income	6.9	0.5	0.1	1.4	0.0	0.0	0.0
Interest expenses	13.8	4.8	7.5	6.7	4.1	3.7	3.5
Other financial result	0.0	-0.6	0.0	0.0	0.0	0.0	0.0
Financial result	-6.9	-4.9	-7.4	-5.3	-4.1	-3.7	-3.5
Recurring pretax income from continuing operations	-10.9	0.7	1.8	0.7	4.4	8.1	14.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-10.9	0.7	1.8	0.7	4.4	8.1	14.1
Taxes	-2.2	-0.2	-0.4	-1.3	1.2	2.3	3.9
Net income from continuing operations	-8.7	0.9	2.2	2.1	3.1	5.8	10.1
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-8.7	0.9	2.2	2.1	3.1	5.8	10.1
Minority interest	-1.2	0.1	0.0	0.0	0.0	0.0	0.0
Net income (net of minority interest)	-7.6	0.8	2.1	2.1	3.1	5.8	10.1
Average number of shares	21.4	26.4	28.9	29.3	29.6	30.0	30.0
EPS reported	-0.35	0.03	0.07	0.07	0.11	0.19	0.34

Profit and loss (common size)	2009	2010	2011	2012	2013E	2014E	2015E
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	0.0 %	2.7 %	0.6 %	-0.3 %	0.0 %	0.0 %	0.0 %
Total sales	100.0 %	102.7 %	100.6 %	99.7 %	100.0 %	100.0 %	100.0 %
Other operating income	4.5 %	9.9 %	7.1 %	3.7 %	2.8 %	1.9 %	1.3 %
Material expenses	51.3 %	58.9 %	57.8 %	57.6 %	55.0 %	57.0 %	57.0 %
Personnel expenses	27.2 %	25.2 %	21.5 %	21.7 %	23.2 %	21.1 %	20.0 %
Other operating expenses	19.9 %	14.9 %	14.8 %	14.8 %	14.3 %	13.4 %	12.7 %
Total operating expenses	93.9 %	89.0 %	87.0 %	90.4 %	89.7 %	89.6 %	88.4 %
EBITDA	6.1 %	13.6 %	13.6 %	9.3 %	10.3 %	10.4 %	11.6 %
Depreciation	7.4 %	6.6 %	4.8 %	4.3 %	4.5 %	4.0 %	3.4 %
EBITA	-1.3 %	7.1 %	8.7 %	5.1 %	5.8 %	6.5 %	8.1 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.1 %	2.3 %	1.5 %	1.3 %	1.1 %	0.9 %	0.8 %
Impairment charges	0.5 %	0.0 %	1.3 %	0.3 %	0.0 %	0.0 %	0.0 %
EBIT	-4.0 %	4.8 %	6.0 %	3.4 %	4.7 %	5.5 %	7.3 %
Interest income	6.8 %	0.4 %	0.1 %	0.8 %	0.0 %	0.0 %	0.0 %
Interest expenses	13.5 %	4.1 %	4.9 %	3.8 %	2.3 %	1.7 %	1.5 %
Other financial result	0.0 %	-0.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-6.7 %	-4.2 %	-4.8 %	-3.0 %	-2.3 %	-1.7 %	-1.5 %
Recurring pretax income from continuing operations	-10.7 %	0.6 %	1.2 %	0.4 %	2.4 %	3.8 %	5.8 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	-10.7 %	0.6 %	1.2 %	0.4 %	2.4 %	3.8 %	5.8 %
Tax rate	20.0 %	-34.6 %	-20.4 %	-177.6 %	28.0 %	28.0 %	28.0 %
Net income from continuing operations	-8.5 %	0.8 %	1.4 %	1.2 %	1.7 %	2.7 %	4.2 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	-8.5 %	0.8 %	1.4 %	1.2 %	1.7 %	2.7 %	4.2 %
Minority interest	-1.1 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	-7.4 %	0.7 %	1.4 %	1.2 %	1.7 %	2.7 %	4.2 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	12.6	11.3	9.6	7.7	5.7	3.7	1.7
Property, plant and equipment	61.0	56.8	52.9	63.1	65.9	58.5	54.4
Financial assets	5.3	13.1	11.1	14.3	17.7	3.5	3.5
FIXED ASSETS	78.8	81.3	73.5	85.1	89.3	65.7	59.6
Inventories	13.9	20.5	25.6	23.7	24.2	28.3	32.1
Accounts receivable	14.1	19.1	21.8	22.7	23.8	28.0	31.6
Other current assets	4.1	11.4	16.1	10.4	10.4	10.4	10.4
Liquid assets	8.1	7.1	5.1	10.5	18.4	19.1	31.6
Deferred taxes	3.1	1.9	0.2	1.0	0.9	0.9	0.8
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	43.3	60.1	68.7	68.2	77.7	86.6	106.5
TOTAL ASSETS	122.2	141.4	142.2	153.3	167.0	152.4	166.0
SHAREHOLDERS EQUITY	25.9	31.7	34.0	34.4	38.6	39.9	50.1
MINORITY INTEREST	3.3	2.1	1.5	1.3	0.3	0.3	0.3
Long-term debt	46.7	50.9	59.1	76.0	86.4	69.0	71.0
Provisions for pensions and similar obligations	3.5	3.1	3.2	0.0	0.0	0.0	0.0
Other provisions	13.1	13.6	6.2	7.0	7.0	7.0	7.0
Non-current liabilities	63.3	67.6	68.5	83.0	93.4	76.0	78.0
short-term liabilities to banks	7.0	5.7	20.2	16.2	16.2	16.2	16.2
Accounts payable	7.0	11.9	11.1	10.3	10.4	12.2	13.8
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)	8.0	16.3	3.7	6.5	6.5	6.5	6.5
Deferred taxes	7.6	6.2	3.3	1.6	1.4	1.2	0.9
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	29.6	40.0	38.3	34.6	34.5	36.1	37.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	122.2	141.4	142.2	153.3	167.0	152.4	166.0

Balance sheet (common size)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	10.3 %	8.0 %	6.7 %	5.0 %	3.4 %	2.4 %	1.0 %
Property, plant and equipment	49.9 %	40.2 %	37.2 %	41.2 %	39.5 %	38.4 %	32.7 %
Financial assets	4.3 %	9.3 %	7.8 %	9.3 %	10.6 %	2.3 %	2.1 %
FIXED ASSETS	64.5 %	57.5 %	51.7 %	55.5 %	53.5 %	43.1 %	35.9 %
Inventories	11.3 %	14.5 %	18.0 %	15.5 %	14.5 %	18.6 %	19.3 %
Accounts receivable	11.6 %	13.5 %	15.3 %	14.8 %	14.3 %	18.3 %	19.1 %
Other current assets	3.4 %	8.1 %	11.3 %	6.8 %	6.2 %	6.8 %	6.2 %
Liquid assets	6.6 %	5.0 %	3.6 %	6.8 %	11.0 %	12.5 %	19.0 %
Deferred taxes	2.5 %	1.4 %	0.2 %	0.6 %	0.6 %	0.6 %	0.5 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	35.5 %	42.5 %	48.3 %	44.5 %	46.5 %	56.9 %	64.1 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	21.2 %	22.4 %	23.9 %	22.5 %	23.1 %	26.2 %	30.2 %
MINORITY INTEREST	2.7 %	1.5 %	1.0 %	0.8 %	0.2 %	0.2 %	0.2 %
Long-term debt	38.2 %	36.0 %	41.6 %	49.6 %	51.8 %	45.3 %	42.8 %
Provisions for pensions and similar obligations	2.8 %	2.2 %	2.3 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	10.7 %	9.6 %	4.4 %	4.6 %	4.2 %	4.6 %	4.2 %
Non-current liabilities	51.8 %	47.8 %	48.2 %	54.1 %	56.0 %	49.9 %	47.0 %
short-term liabilities to banks	5.8 %	4.0 %	14.2 %	10.6 %	9.7 %	10.6 %	9.8 %
Accounts payable	5.8 %	8.4 %	7.8 %	6.7 %	6.2 %	8.0 %	8.3 %
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)	6.5 %	11.5 %	2.6 %	4.3 %	3.9 %	4.3 %	3.9 %
Deferred taxes	6.2 %	4.4 %	2.3 %	1.0 %	0.8 %	0.8 %	0.6 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	24.3 %	28.3 %	26.9 %	22.6 %	20.7 %	23.7 %	22.6 %
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)	2009	2010	2011	2012	2013E	2014E	2015E
Net profit/loss	-8.7	0.9	2.2	2.1	3.1	5.8	10.1
Depreciation of fixed assets (incl. leases)	7.6	7.7	7.5	7.4	8.2	8.4	8.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.2	2.6	2.3	2.3	2.0	2.0	2.0
Others	-1.0	-4.7	-1.0	-1.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	0.1	6.5	10.9	10.8	13.3	16.2	20.4
Increase/decrease in inventory	17.2	-13.1	-11.4	-0.7	-0.5	-4.2	-3.7
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	-1.1	-4.1	-3.7
Increase/decrease in accounts payable	-10.0	5.5	-6.7	-2.5	0.1	1.8	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	7.2	-7.6	-18.0	-3.3	-1.5	-6.5	-5.8
Cash flow from operating activities	7.3	-1.2	-7.1	7.6	11.9	9.7	14.6
CAPEX	9.2	3.8	11.0	17.2	11.0	6.0	4.2
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.3	0.0	0.0	3.4	0.0	0.0
Income from asset disposals	2.8	2.0	3.7	1.4	0.0	0.0	0.0
Cash flow from investing activities	-6.3	-2.0	-7.3	-15.9	-14.4	-6.0	-4.2
Cash flow before financing	0.9	-3.2	-14.5	-8.4	-2.5	3.7	10.5
Increase/decrease in debt position	-5.4	0.5	13.7	14.2	10.4	-3.0	2.0
Purchase of own shares	0.0	0.0	0.3	0.0	0.0	0.0	0.0
Capital measures	-0.1	2.6	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	-1.8	-1.0	-0.9	-0.1	0.0	0.0	0.0
Effects of exchange rate changes on cash	-2.0	0.0	0.0	-0.4	0.0	0.0	0.0
Cash flow from financing activities	-7.2	2.2	12.5	14.1	10.4	-3.0	2.0
Increase/decrease in liquid assets	-8.3	-1.0	-2.0	5.4	7.9	0.7	12.5
Liquid assets at end of period	8.1	7.1	5.1	10.5	18.4	19.1	31.6

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Domestic	63.8	72.9	78.3	0.0	0.0	0.0	0.0
yoy change	n/a	14.4 %	7.4 %	n/a	n/a	n/a	n/a
Rest of Europe	5.9	5.4	15.5	0.0	0.0	0.0	0.0
yoy change	n/a	-7.6 %	185.6 %	n/a	n/a	n/a	n/a
NAFTA	31.1	35.2	55.7	0.0	0.0	0.0	0.0
yoy change	n/a	13.4 %	58.1 %	n/a	n/a	n/a	n/a
Asia Pacific	0.6	0.2	0.1	0.0	0.0	0.0	0.0
yoy change	n/a	-69.0 %	-45.8 %	n/a	n/a	n/a	n/a
Rest of world	1.1	2.9	4.6	0.0	0.0	0.0	0.0
yoy change	n/a	156.7 %	61.4 %	n/a	n/a	n/a	n/a
TTL	102.5	116.7	154.3	0.0	0.0	0.0	0.0
yoy change	n/a	13.9 %	32.2 %	n/a	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
P&L growth analysis							
Sales growth	-46.8 %	13.9 %	32.2 %	13.3 %	3.7 %	17.2 %	13.2 %
EBITDA growth	-3.4 %	155.8 %	31.6 %	-22.2 %	14.8 %	18.4 %	25.9 %
EBIT growth	-86.0 %	-238.7 %	63.4 %	-34.4 %	41.1 %	38.2 %	49.8 %
EPS growth	-85.1 %	-108.6 %	138.2 %	-1.8 %	48.5 %	82.3 %	74.3 %
Efficiency							
Total operating costs / sales	93.9 %	89.0 %	87.0 %	90.4 %	89.7 %	89.6 %	88.4 %
Sales per employee	93.1	171.6	208.2	177.5	175.4	198.3	215.3
EBITDA per employee	5.7	23.4	28.3	16.5	18.1	20.7	25.0
Balance sheet analysis							
Avg. working capital / sales	20.7 %	20.9 %	20.8 %	20.7 %	20.3 %	19.2 %	19.5 %
Inventory turnover (sales/inventory)	7.4	5.7	6.0	7.4	7.5	7.5	7.5
Trade debtors in days of sales	50.3	59.9	51.6	47.4	48.0	48.0	48.0
A/P turnover [(A/P*365)/sales]	25.0	37.2	26.3	21.5	21.0	21.0	21.0
Cash conversion cycle (days)	97.7	105.8	110.8	96.1	98.3	96.5	96.5
Cash flow analysis							
Free cash flow	-1.9	-5.0	-18.2	-9.7	0.9	3.7	10.5
Free cash flow/sales	-1.8 %	-4.3 %	-11.8 %	-5.5 %	0.5 %	1.8 %	4.3 %
FCF / net profit	24.6 %	-618.6 %	-862.2 %	-463.6 %	28.4 %	64.3 %	103.4 %
FCF yield	-3.7 %	-8.1 %	-26.9 %	-14.1 %	1.3 %	5.3 %	15.0 %
Capex / depn	93.6 %	39.5 %	113.1 %	176.9 %	141.2 %	57.7 %	40.3 %
Capex / maintenance capex	117.0 %	46.2 %	143.5 %	237.7 %	134.8 %	73.5 %	50.9 %
Capex / sales	8.9 %	3.5 %	7.2 %	n/a	n/a	n/a	n/a
Security							
Net debt	45.6	49.5	74.3	81.8	84.3	66.1	55.7
Net Debt/EBITDA	7.3	3.1	3.5	5.0	4.5	3.0	2.0
Net debt / equity	1.8	1.6	2.2	2.4	2.2	1.7	1.1
Interest cover	0.0	1.2	1.2	0.9	2.1	3.2	5.0
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	1.0	1.1	1.2	1.3	1.2	1.6	1.7
Operating assets turnover	1.3	1.4	1.7	1.8	1.8	2.1	2.3
Plant turnover	1.7	2.1	2.9	2.8	2.8	3.6	4.4
Inventory turnover (sales/inventory)	7.4	5.7	6.0	7.4	7.5	7.5	7.5
Returns							
ROCE	-3.6 %	5.4 %	7.9 %	4.6 %	6.0 %	8.4 %	12.7 %
ROE	-29.1 %	2.5 %	6.2 %	6.1 %	8.1 %	14.6 %	20.2 %
Other							
Interest paid / avg. debt	23.5 %	8.7 %	11.1 %	7.8 %	4.2 %	3.9 %	4.1 %
No. employees (average)	1100	680	741	985	1034	1072	1118
Number of shares	21.4	26.4	28.9	29.3	29.6	30.0	30.0
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-0.35	0.03	0.07	0.07	0.11	0.19	0.34
Valuation ratios							
P/BV	1.9	1.9	2.0	2.0	1.8	1.8	1.4
EV/sales	1.0	1.0	0.9	0.9	0.8	0.6	0.5
EV/EBITDA	15.9	7.2	6.9	9.2	8.2	6.1	4.5
EV/EBITA	-72.3	13.8	10.8	17.0	14.6	9.9	6.4
EV/EBIT	-24.4	20.3	15.8	25.0	18.0	11.6	7.1
EV/FCF	-53.1	-22.9	-8.0	-15.5	171.0	36.4	12.0
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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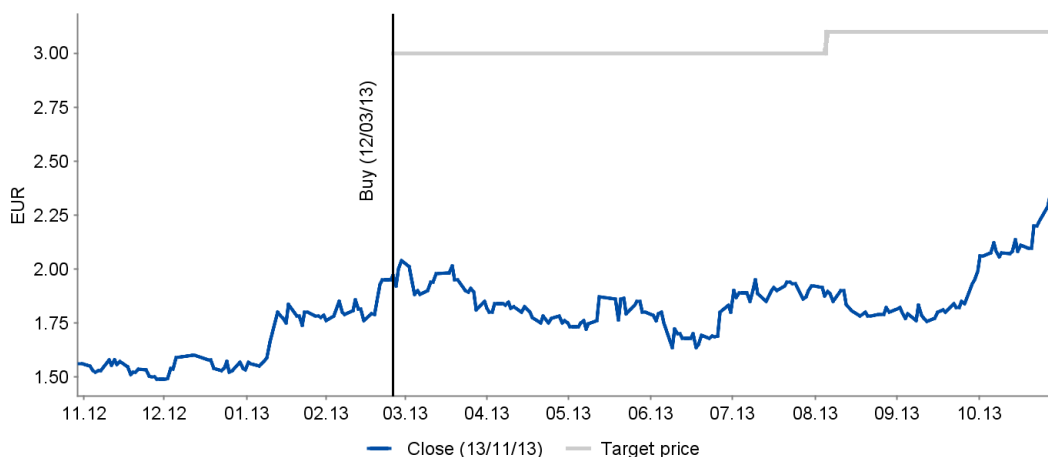
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Company	Disclosure
MS Industrie AG	5

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

Price and Rating History
MS Industrie AG as of 14/11/13

Initiation coverage
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