



Buy (old: Buy)

Price target: EUR 5.00 (old: EUR 5.00)

Price:	EUR 2.97	Next result:	Q4/FY 2014 30.04.15
Bloomberg:	MSAG GR	Market cap:	EUR 88.5 m
Reuters:	MSAG.DE	Enterprise Value:	EUR 146.5 m

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Reassuring roadshow feedback – outlook remains promising

We roadshowed MS Industrie's CEO Dr. Aufschnaiter and COO Mr. Distel in Paris yesterday. **All in all, the meetings confirmed our investment case** articulated around multiples levers:

- Dynamic top line growth** mainly thanks to the roll-out of Daimler's Weltmotor (c. 48% of group sales) within its own heavy-duty engine portfolio. Interestingly, the remaining part of the Diesel powertrain technology (c. 21% of group sales) should also resume growing after the digestion of last year's pre-buy in the European truck sector which has resulted in sharply decreasing volumes at customers like MAN in 2014 (eH&A: -32% yoy, more than offset by the roll-out of the Weltmotor), as demand should stabilise. Furthermore, additional volumes are expected from e.g. the introduction of MAN's new RX engine with peak sales of c. € 4m p.a. vs. current MAN volume of c. € 12-13m.

At the same time, the company faces significant growth opportunities within the ultrasonic technology business in the automotive special machinery segment (c. 17% of sales) driven by: increasing number of car models and variants, increasing plastic content in cars, no dependence on production volumes and limited cyclicality as OEMs tend to refresh their model portfolios during crises. Finally, the ultrasonic technology applications for the packaging industry (c. 1.7% of group sales) appear to be a major disruptor in a sector which is currently dominated by heat-based processes (c. 95% of all worldwide installed packaging machines still use heat tools).

- EBITDA margin expansion** on the back of (1) an overall increasing capacity utilisation in the Diesel powertrain technology, (2) efficiency gains following the reorganisation of the group's major plant in Germany leading to significant savings in energy (down from c. € 2m p.a. to c. € 1m p.a.) and logistic costs.

- Disproportionate increase in EBIT margin** on the back of (1) the fading out PPA amortisation (from currently € 1.8m p.a. to € 0.5m in 2016E and € 0m in 2017E) and (2) overall decreasing depreciation as the major CAPEX plan has been concluded and machinery is usually used longer than it is depreciated.

- An improving financial result** driven by the deleveraging process which should also result in a cleaner balance sheet structure. This should provide for an additional leverage on shareholder value creation. **- continued -**

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	116.7	154.3	174.8	179.8	212.8	229.3	256.7
Sales growth	14 %	32 %	13 %	3 %	18 %	8 %	12 %
EBITDA	15.9	20.9	16.3	17.3	21.5	25.2	29.4
EBIT	5.6	9.2	6.0	6.7	10.5	14.4	20.1
Net income	0.8	2.1	2.1	2.0	5.3	7.8	11.7
Net debt	49.5	74.3	81.8	84.9	58.0	47.3	36.3
Net gearing	156.3 %	218.8 %	237.5 %	237.9 %	158.0 %	106.2 %	64.5 %
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	0.26	0.39
CPS	-0.29	-0.47	0.03	0.04	0.19	0.25	0.25
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 %	44.0 %	43.6 %
EBITDA margin	13.6 %	13.6 %	9.3 %	9.6 %	10.1 %	11.0 %	11.5 %
EBIT margin	4.8 %	6.0 %	3.4 %	3.7 %	4.9 %	6.3 %	7.8 %
ROCE	5.4 %	7.9 %	4.6 %	5.0 %	8.3 %	11.8 %	16.7 %
EV/sales	1.1	1.1	1.0	1.0	0.7	0.6	0.5
EV/EBITDA	8.2	7.8	10.4	10.0	6.8	5.4	4.2
EV/EBIT	23.2	17.7	28.0	25.6	14.0	9.5	6.2
PER	96.5	21.0	33.3	39.1	16.6	11.4	7.6
Adjusted FCF yield	8.1 %	9.7 %	7.0 %	6.6 %	9.4 %	11.0 %	13.5 %

Source: Company data, Hauck & Aufhäuser Close price as of: 17.12.2014



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 4.20 / 2.60

Price/Book Ratio: 2.4

Relative performance (SDAX):

3 months -14.3 %

6 months -12.9 %

12 months 11.1 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	209.4	10.0	0.16
	Δ	1.6%	4.8%	8.7%
2015	old:	229.5	14.4	0.26
	Δ	-0.1%	-0.3%	-0.4%
2016	old:	256.8	20.2	0.39
	Δ	0.0%	-0.2%	-0.2%

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 Aufschnaiter 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.

Current trading and outlook: **Management's statements regarding current trading were upbeat** as sales are now expected to surpass the guidance which was already increased with Q3 (to € 200m and more). Furthermore, the company is confident that further significant growth will come next year in all the business units as the current order backlog is already well exceeding the € 100m mark and is always guaranteed for a rolling 6-month period.

Change in estimates: Our estimates for FY'14E are increased reflecting higher volumes at Daimler while our estimates for FY'15E and FY'16E remain broadly unchanged.

With regard to the sound growth opportunities and the flawless investment case, a valuation of **8.4x EV/EBIT'15E adjusted for PPA** looks undemanding. **BUY. PT is € 5.00 based on FCFY'15E.**

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	229.3	256.7
<i>Sales growth</i>	13.9 %	32.2 %	13.3 %	2.8 %	18.4 %	7.8 %	11.9 %
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	229.3	256.7
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	128.4	144.8
Personnel expenses	29.3	33.2	38.0	42.1	46.9	48.2	51.7
Other operating expenses	17.4	22.8	25.8	28.3	27.9	30.0	32.8
Total operating expenses	103.9	134.3	158.0	164.8	191.3	204.2	227.3
EBITDA	15.9	20.9	16.3	17.3	21.5	25.2	29.4
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	16.4	20.8
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	14.4	20.1
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	10.8	16.9
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	10.8	16.9
Taxes	-0.2	-0.4	-1.3	0.2	0.7	3.0	5.2
Net income from continuing operations	0.9	2.2	2.1	2.3	5.3	7.8	11.7
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	7.8	11.7
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	7.8	11.7
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	0.26	0.39

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 %	56.0 %	56.4 %
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 %	13.1 %	12.8 %
Total operating expenses	89.0 %	87.0 %	90.4 %	91.7 %	89.9 %	89.0 %	88.5 %
EBITDA	13.6 %	13.6 %	9.3 %	9.6 %	10.1 %	11.0 %	11.5 %
Depreciation	6.6 %	4.8 %	4.3 %	4.4 %	4.2 %	3.8 %	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 %	0.9 %	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 %	6.3 %	7.8 %
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 %	1.6 %	1.3 %
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 %	-1.6 %	-1.3 %
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 %	4.5 %
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 %	4.5 %
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 %	4.5 %

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	32.8	36.7
Accounts receivable	19.1	21.8	22.7	23.1	26.2	28.3	31.7
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	25.5	12.8
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	95.7	90.3
TOTAL ASSETS	141.4	142.2	153.3	155.5	136.5	147.3	136.9
SHAREHOLDERS EQUITY	31.7	34.0	34.4	35.7	36.7	44.5	56.2
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	13.8	15.5
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)	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	34.5	38.2
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	141.4	142.2	153.3	155.5	136.5	147.3	136.9

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 %	30.8 %	30.0 %
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 %	35.0 %	34.0 %
Inventories	14.5 %	18.0 %	15.5 %	18.3 %	22.3 %	22.2 %	26.8 %
Accounts receivable	13.5 %	15.3 %	14.8 %	14.9 %	19.2 %	19.2 %	23.1 %
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 %	17.3 %	9.4 %
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 %	65.0 %	66.0 %
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 %	41.0 %
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 %	40.2 %	24.5 %
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 %	6.2 %	6.6 %
Non-current liabilities	47.8 %	48.2 %	54.1 %	54.0 %	48.5 %	46.4 %	31.1 %
short-term liabilities to banks	4.0 %	14.2 %	10.6 %	8.8 %	10.0 %	9.2 %	11.4 %
Accounts payable	8.4 %	7.8 %	6.7 %	9.1 %	9.4 %	9.4 %	11.3 %
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)	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 %	23.4 %	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	7.8	11.7
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	18.6	21.0
Increase/decrease in inventory	-13.1	-11.4	-0.7	-2.9	-2.0	-2.4	-3.9
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	-3.1	-2.0	-3.4
Increase/decrease in accounts payable	5.5	-6.7	-2.5	-1.8	1.9	1.0	1.7
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	-3.4	-5.6
Cash flow from operating activities	-1.2	-7.1	7.6	8.2	13.1	15.2	15.3
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	10.8	11.0
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	12.8	-12.7
Liquid assets at end of period	7.1	5.1	10.5	3.6	12.8	25.5	12.8

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 %	7.8 %	11.9 %
EBITDA growth	155.8 %	31.6 %	-22.2 %	6.1 %	24.2 %	17.3 %	16.9 %
EBIT growth	-238.7 %	63.4 %	-34.4 %	11.8 %	55.4 %	37.4 %	40.1 %
EPS growth	-108.6 %	138.2 %	-1.8 %	-2.1 %	154.5 %	45.3 %	50.2 %
Efficiency							
Total operating costs / sales	89.0 %	87.0 %	90.4 %	91.7 %	89.9 %	89.0 %	88.5 %
Sales per employee	171.6	208.2	177.5	173.9	198.5	205.2	224.4
EBITDA per employee	23.4	28.3	16.5	16.7	20.0	22.5	25.7
Balance sheet analysis							
Avg. working capital / sales	20.9 %	20.8 %	20.7 %	20.4 %	19.1 %	19.8 %	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	98.8	98.4
Cash flow analysis							
Free cash flow	-5.0	-18.2	-9.7	0.7	7.1	10.8	11.0
Free cash flow/sales	-4.3 %	-11.8 %	-5.5 %	0.4 %	3.3 %	4.7 %	4.3 %
FCF / net profit	-618.6 %	-862.2 %	-463.6 %	35.3 %	133.4 %	138.6 %	94.5 %
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 %	1.7 %
Security							
Net debt	49.5	74.3	81.8	84.9	58.0	47.3	36.3
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	0.6
Interest cover	1.2	1.2	0.9	1.5	2.3	4.0	6.3
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	1.8	2.2
Operating assets turnover	1.4	1.7	1.8	1.8	2.3	2.5	2.7
Plant turnover	2.1	2.9	2.8	2.9	4.3	5.1	6.3
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 %	11.8 %	16.7 %
ROE	2.5 %	6.2 %	6.1 %	5.5 %	14.6 %	17.5 %	20.8 %
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	0.26	0.39
Valuation ratios							
P/BV	2.5	2.5	2.5	2.4	2.4	2.0	1.6
EV/sales	1.1	1.1	1.0	1.0	0.7	0.6	0.5
EV/EBITDA	8.2	7.8	10.4	10.0	6.8	5.4	4.2
EV/EBITA	15.8	12.1	19.1	18.2	11.8	8.3	6.0
EV/EBIT	23.2	17.7	28.0	25.6	14.0	9.5	6.2
EV/FCF	-26.1	-9.0	-17.4	246.7	20.6	12.6	11.3
Adjusted FCF yield	8.1 %	9.7 %	7.0 %	6.6 %	9.4 %	11.0 %	13.5 %
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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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 18/12/14

Initiation coverage
12-March-13



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