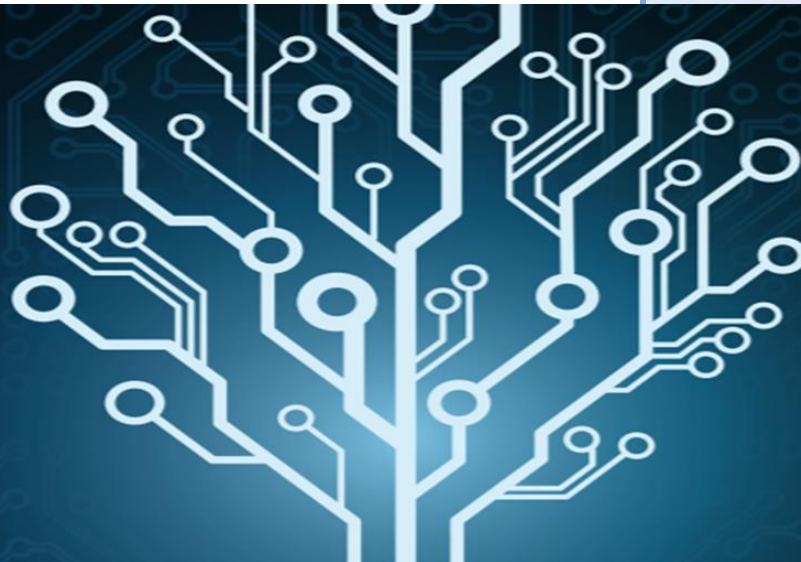


Kontron AG

Austria | Technology | MCap EUR 1,191m

30 March 2023

UPDATE



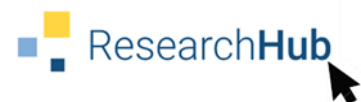
Robust 2022 results and encouraging 2023 guidance - BUY

What's it all about?

Kontron reported detailed 2022 results that were broadly in line with its preliminary release, registering healthy growth in revenues and EBITDA from continuing operations. The outlook for 2023 was upbeat, with management raising its net profit guidance by 10% from the one issued in January. We note that Kontron benefits from unparalleled competitive advantages, especially now that the company has become a pure play for smart industrial IoT solutions after the sale of the largest parts of its IT services division. This should enable Kontron to achieve above-average revenue and earnings growth in the large IoT market. The group currently trades at significantly low valuation multiples vs its IoT peers, which appears unjustified. We believe Kontron has a significant re-rating potential once the capital markets fully grasp the group's immense growth potential. We, therefore, reiterate our BUY rating with an unchanged PT of EUR 31.00.

BUY (BUY)

Target price	EUR 31.00 (31.00)
Current price	EUR 18.37
Up/downside	68.8%



MAIN AUTHOR

Thomas Wissler

t.wissler@alsterresearch.com

+49 40 309 293-58

IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

[alsterresearch.com](https://www.alsterresearch.com)

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Kontron AG

Austria | Technology | MCap EUR 1,191m | EV EUR 964m (2021)

BUY (BUY)

Target price EUR 31.00 (31.00)
Current price EUR 18.37
Up/downside 68.8%

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t.wissler@alsterresearch.com
+49 40 309 293-58

Robust 2022 results and encouraging 2023 guidance - BUY.

Revenue guidance for 2023 confirmed, profit outlook upgraded. Kontron reported detailed 2022 results, with revenues coming in line with its preliminary release. Adj. EBITDA (continuing operations [cont. op.]) growth was impressive at 22% yoy, while reported profits of EUR 233m (EUR 48m in 2021) benefitted from EUR 151m of gains on the sale of its IT services division and other special effects. Management issued a positive outlook for 2023, reiterating its organic sales growth guidance of c. 10% yoy to c. EUR 1.2bn, but now expecting stronger net profit growth to EUR 66m (vs EUR 60m earlier) in the IoT business.

Strong top-line growth and a solid order backlog. Kontron reported 9.3% yoy growth in revenues from cont. op. to EUR 1.1bn (EUR 1.5bn including divested operations). This was led by 25% yoy growth at IoT Solutions America to EUR 129m, which benefitted from a recovery in the aviation industry, and a 10% yoy increase in IoT Solutions Europe to EUR 745m on the back of a strong order book. Growth of 1% yoy at IT services (cont. op.) also helped. Overall order backlog remains robust at EUR 1.5bn (+26% yoy), which translates to a healthy book-to-bill ratio of 1.28x.

Attractive shareholder returns. After the sale of significant parts of its IT services division and healthy 2022 results, Kontron proposed a dividend of EUR 1.00/ share (vs EUR 0.35 in 2021), which currently yields ca 6%. In early-February, it had announced a share buyback programme of EUR 10m (runs until 8 August 2023), which would reduce c. 1% of its outstanding shares. These further appeal to Kontron's equity story.

Sizeable cash reserves to grow its lucrative IoT segment. The divestment of the IT services segment has turned Kontron into a quasi-pure play for smart industrial IoT solutions, a lucrative market that is expected to grow at a double-digit CAGR. Favourable market dynamics, in addition to Kontron's huge war chest, with cash/equivalents of EUR 438m at end-2022 (and an additional EUR 138m still outstanding from the IT Service companies' divestment) place the group in a sweet spot to pursue value-accretive acquisitions in the IoT space. Its target to spend EUR 500m on M&As over the next two years and its aim to reach EUR 2bn in revenues in 2025 are highly attractive. Taking final figures and the updated outlook into account, we reiterate our DCF-based target price of EUR 31.00 and confirm our BUY-rating.

Kontron AG	2020	2021	2022	2023E	2024E	2025E
Sales	1,255	1,003	1,096	1,195	1,290	1,355
<i>Growth yoy</i>	11.7%	-20.1%	9.3%	9.0%	8.0%	5.0%
EBITDA	130	90	70	122	137	150
EBIT	69	40	-2	84	94	102
Net profit	56	48	232	69	74	85
Net debt (net cash)	44	65	-227	-461	-493	-537
Net debt/EBITDA	0.3x	0.7x	-3.2x	-3.8x	-3.6x	-3.6x
EPS recurring	0.84	0.74	3.59	1.06	1.15	1.30
DPS	0.30	0.35	1.00	0.48	0.52	0.59
<i>Dividend yield</i>	1.6%	1.9%	5.4%	2.6%	2.8%	3.2%
Gross profit margin	37.7%	37.8%	35.8%	36.5%	36.5%	36.5%
EBITDA margin	10.4%	9.0%	6.4%	10.2%	10.6%	11.1%
EBIT margin	5.5%	4.0%	-0.2%	7.1%	7.3%	7.5%
ROCE	8.3%	4.6%	-0.2%	8.2%	9.5%	9.9%
EV/EBITDA	9.7x	14.2x	13.8x	6.2x	5.3x	4.5x
EV/EBIT	18.3x	31.9x	-478.2x	8.9x	7.7x	6.6x
PER	21.8x	24.7x	5.1x	17.3x	16.0x	14.1x
FCF yield	9.1%	5.9%	2.5%	16.3%	7.7%	8.5%

Source: Company data, AlsterResearch



Source: Company data, AlsterResearch

High/low 52 weeks 20.08 / 13.04
Price/Book Ratio 1.9x

Ticker / Symbols

ISIN AT0000A0E9W5
WKN A0X9EJ
Bloomberg KTN:GR

Changes in estimates

		Sales	EBIT	EPS
2023E	old	1,198	78	0.93
	Δ	-0.3%	8.0%	14.0%
2024E	old	1,294	89	1.03
	Δ	-0.3%	5.3%	11.4%
2025E	old	1,342	96	1.15
	Δ	0.9%	6.8%	13.8%

Key share data

Number of shares: (in m pcs) 64.83
Book value per share: (in EUR) 9.78
Ø trading volume: (12 months) 48,500

Major shareholders

Ennoconn Corporation 27.6%
Kontron Management 7.0%
Amiral Gestion 5.4%
Naneva B.V. 5.3%
Free Float 54.6%

Company description

Kontron AG (formerly S&T AG) is a supplier of information technology (IT) solutions, specialising in Industry 4.0, embedded computer systems and Internet of Things (IoT) technology. Germany, Austria, Switzerland, France, Eastern Europe and North America are its core markets.

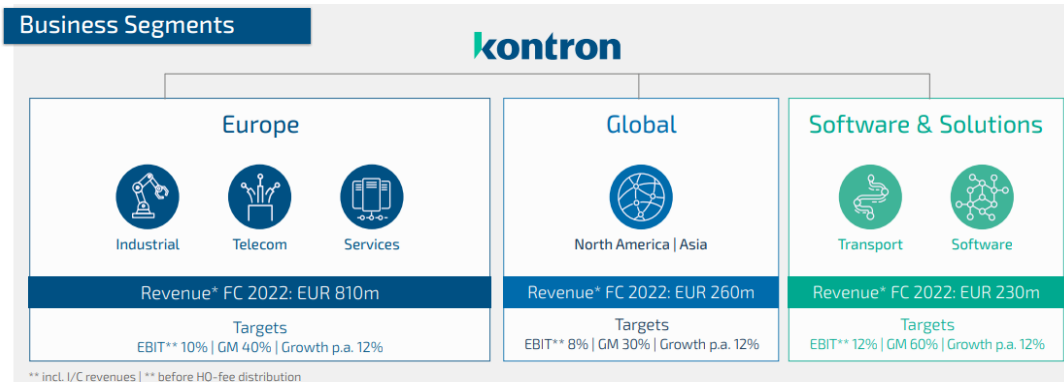
Quarterly table

P&L data	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Sales	294.1	306.5	313.2	428.1	329.7	331.0	262.4	173.0
yoy growth in %	8.9%	14.1%	5.2%	2.3%	12.1%	8.0%	-16.2%	-59.6%
Gross profit	120.3	121.0	90.4	148.8	125.6	131.4	90.7	45.1
Gross margin in %	40.9%	39.5%	28.9%	34.8%	38.1%	39.7%	34.6%	26.1%
EBITDA	28.2	30.1	23.0	45.0	29.4	33.1	20.4	-12.9
EBITDA margin in %	9.6%	9.8%	7.3%	10.5%	8.9%	10.0%	7.8%	-7.4%
EBIT	12.7	13.9	7.4	28.6	14.7	17.7	8.5	-42.9
EBIT margin in %	4.3%	4.5%	2.4%	6.7%	4.5%	5.3%	3.2%	-24.8%
EBT	10.8	11.5	5.2	22.6	12.3	15.3	6.7	-44.9
taxes paid	1.1	1.1	-2.1	4.3	1.1	2.7	0.9	-2.5
tax rate in %	10.2%	9.6%	-40.4%	19.0%	8.9%	17.6%	13.3%	5.6%
net profit	10.1	10.4	10.2	17.6	11.6	12.8	8.3	199.7
yoy growth in %	5.8%	3.0%	-13.6%	-27.3%	14.9%	23.1%	-18.1%	1,034.7%
EPS	0.16	0.16	0.16	0.28	0.18	0.20	0.13	3.08

Source: Company data; AlsterResearch; as of Q3 22 excl. IT Services business

Investment case in six charts

Business units and end markets

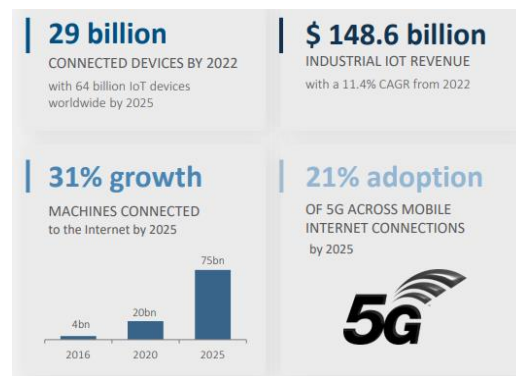


Guidance

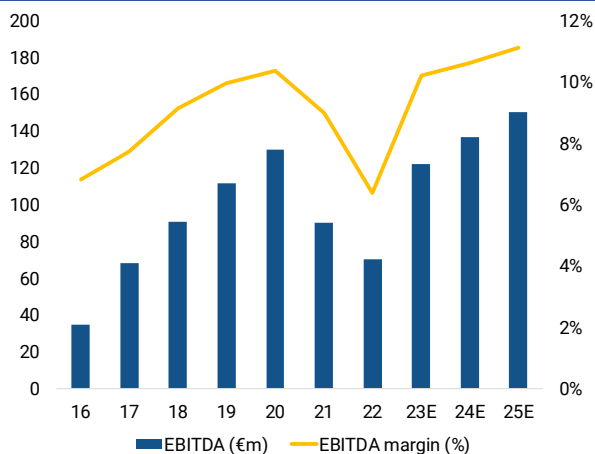
Guidance 2023/ Outlook Agenda 2025	2023E	2025E
Revenues	EUR 1,200m	EUR 2,000m
EBITDA	11%	13%
Net Profit	>60m	140m

Best available estimation at beginning of 2023 before consolidation has been finalized.

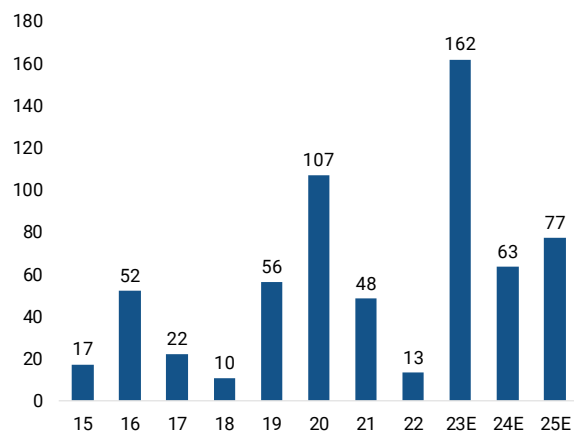
The IoT market



EBITDA and margins on an upwards trend



FCF to strengthen going forward



Source: Company data; AlsterResearch

SWOT-Analysis

Strengths

- Strong and strategic partnership with Foxconn
- Offers comprehensive suite of solutions in IT Service business
- Strong presence in DACH and EE countries
- Has diversified clients and is present in multiple geographies, minimising concentration risk

Weaknesses

- A large part of revenue accrues from IT Services segment, which is a low-margin business and has low pricing power
- Lacks a scalable platform
- Avionics, one of its target IoT markets, is witnessing a rough phase due to travel restrictions

Opportunities

- Has a strong presence in medical and transport segments of IoT market, which are expected to grow well
- Has sufficient liquidity and balance sheet strength to undertake acquisitions in current market where valuations are attractive
- Margin expansion, as focus shifts to higher margin IoT segment and proprietary products
- Expanding presence in China, one of the fastest-growing IoT markets

Threats

- A relatively small player in the IoT market and could be hard pressed to defend its turf if a larger player enters its segment
- Dependent on Asia for hardware manufacturing and China for raw material. Geopolitical tension in the area could impair its supply chain
- Aggressive acquisitions could drag company's prospects if not properly synergized

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR 28.14 per share based on 2023E and EUR 34.61 per share on 2027E estimates. **We value Kontron AG on 2023E, which supports the DCF based fair value calculations.**

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2023E	2024E	2025E	2026E	2027E
EBITDA	122	137	150	155	160
- Maintenance capex	24	32	39	45	50
- Minorities	-1	-1	-1	-1	-1
- tax expenses	10	11	13	13	13
= Adjusted FCF	89	95	100	98	97
Actual Market Cap	1,191	1,191	1,191	1,191	1,191
+ Net debt (cash)	-461	-493	-537	-575	-616
+ Pension provisions	20	22	23	24	24
+ Off B/S financing	0	0	0	0	0
- Financial assets	55	55	55	55	55
- Acc. dividend payments	65	96	129	167	205
<i>EV Reconciliations</i>	-560	-622	-698	-774	-852
= Actual EV'	631	569	493	417	339
Adjusted RW_FCF yield	14.0%	16.6%	20.2%	23.5%	28.7%
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
Fair EV	1,264	1,351	1,423	1,399	1,392
- <i>EV Reconciliations</i>	-560	-622	-698	-774	-852
Fair Market Cap	1,824	1,973	2,121	2,173	2,243
No. of shares (million)	65	65	65	65	65
FV per share in EUR	28.14	30.43	32.71	33.52	34.61
Premium (-) / discount (+)	53.2%	65.6%	78.1%	82.5%	88.4%

Sensitivity analysis FV

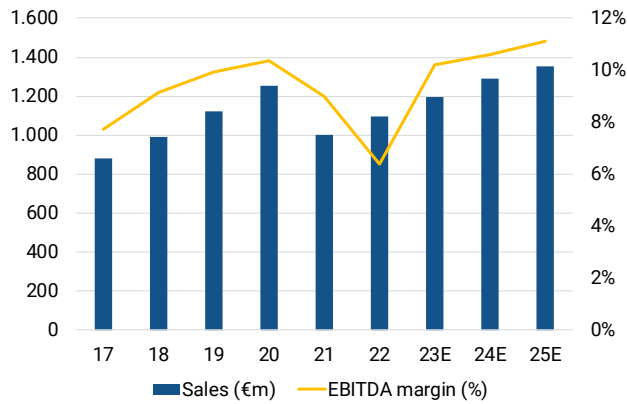
	5.0%	36	39	41	42	43
	6.0%	31	34	36	37	38
Adjusted hurdle rate	7.0%	28	30	33	34	35
	8.0%	26	28	30	31	32
	9.0%	24	26	28	29	30

Source: AlsterResearch

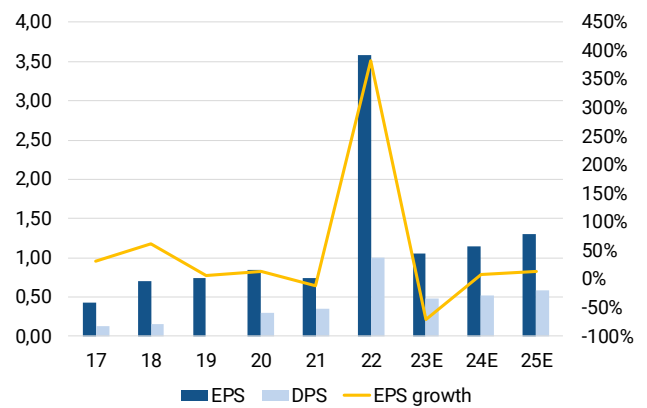
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 6%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable, based on the overall Leeway ESG Score. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

Financials in six charts

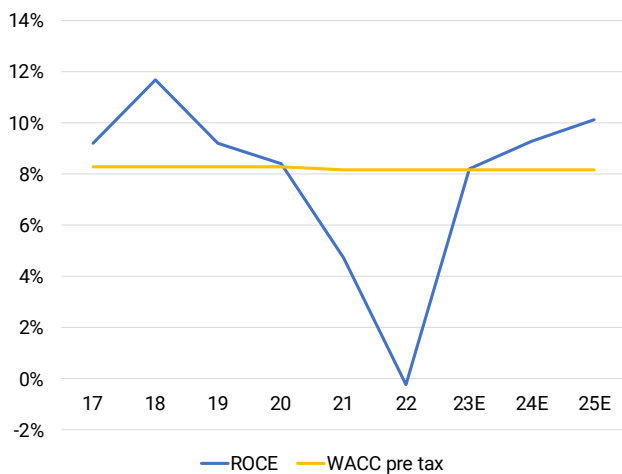
Sales vs. EBITDA margin development



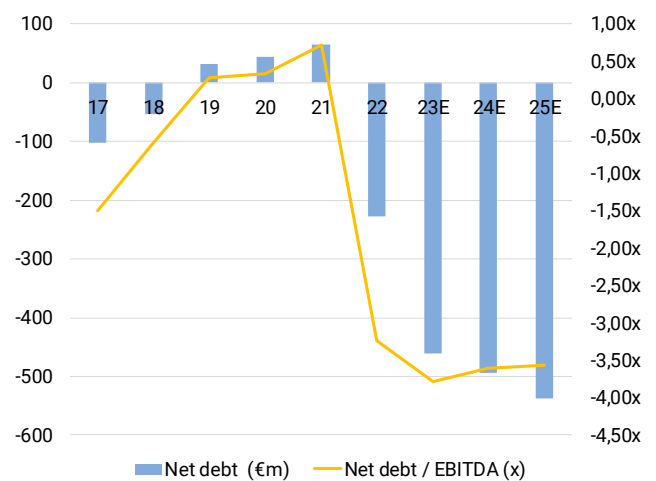
EPS, DPS in EUR & yoy EPS growth



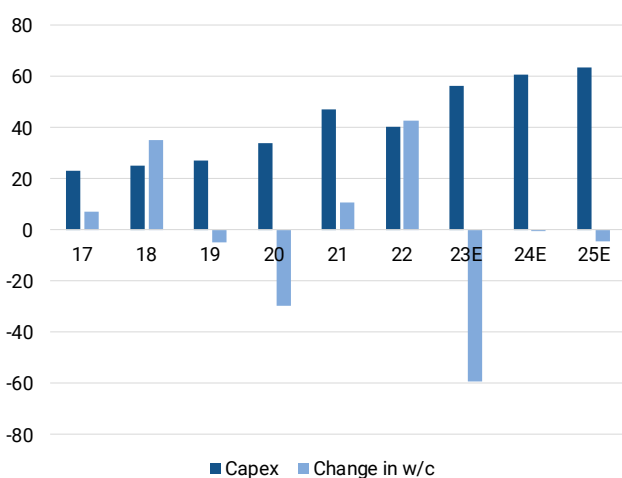
ROCE vs. WACC (pre tax)



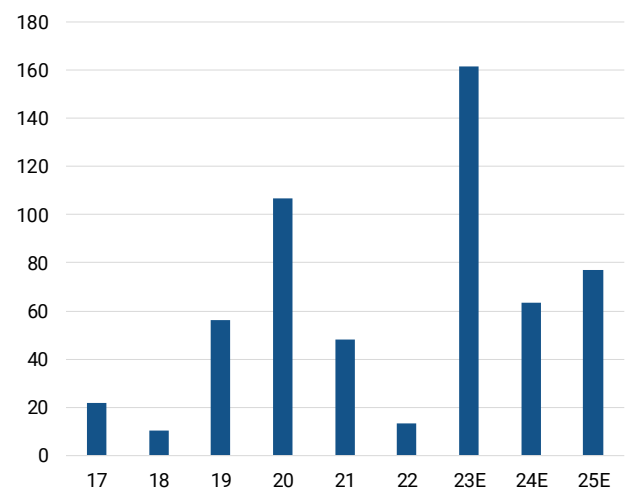
Net debt and net debt/EBITDA



Capex & chg in w/c requirements in EURm



Free Cash Flow in EURm



Financials

Profit and loss (EURm)	2020	2021	2022	2023E	2024E	2025E
Net sales	1,255	1,003	1,096	1,195	1,290	1,355
Sales growth	11.7%	-20.1%	9.3%	9.0%	8.0%	5.0%
Change in finished goods and work-in-process	18	21	23	0	0	0
Total sales	1,272	1,024	1,119	1,195	1,290	1,355
Material expenses	799	645	727	759	819	860
Gross profit	473	379	393	436	471	495
Other operating income	9	15	20	18	19	20
Personnel expenses	273	238	259	254	272	279
Other operating expenses	79	66	84	78	81	85
EBITDA	130	90	70	122	137	150
Depreciation	31	25	24	24	32	39
EBITA	99	65	46	98	105	111
Amortisation of goodwill and intangible assets	31	25	48	14	11	9
EBIT	69	40	-2	84	94	102
Financial result	-8	-8	-9	-6	-9	-6
Recurring pretax income from continuing operations	61	32	-11	78	85	96
Extraordinary income/loss	0	0	0	0	0	0
Earnings before taxes	61	32	-11	78	85	96
Taxes	6	2	2	10	11	13
Net income from continuing operations	55	30	-13	68	74	84
Result from discontinued operations (net of tax)	0	19	245	0	0	0
Net income	55	49	232	68	74	84
Minority interest	1	-1	1	1	1	1
Net profit (reported)	56	48	232	69	74	85
Average number of shares	66.00	64.96	64.83	64.83	64.83	64.83
EPS reported	0.84	0.74	3.59	1.06	1.15	1.30

Profit and loss (common size)	2020	2021	2022	2023E	2024E	2025E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	1%	2%	2%	0%	0%	0%
Total sales	101%	102%	102%	100%	100%	100%
Material expenses	64%	64%	66%	64%	64%	64%
Gross profit	38%	38%	36%	37%	37%	37%
Other operating income	1%	1%	2%	2%	2%	2%
Personnel expenses	22%	24%	24%	21%	21%	21%
Other operating expenses	6%	7%	8%	7%	6%	6%
EBITDA	10%	9%	6%	10%	11%	11%
Depreciation	2%	2%	2%	2%	2%	3%
EBITA	8%	7%	4%	8%	8%	8%
Amortisation of goodwill and intangible assets	2%	3%	4%	1%	1%	1%
EBIT	5%	4%	-0%	7%	7%	8%
Financial result	-1%	-1%	-1%	-1%	-1%	-0%
Recurring pretax income from continuing operations	5%	3%	-1%	7%	7%	7%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	5%	3%	-1%	7%	7%	7%
Taxes	0%	0%	0%	1%	1%	1%
Net income from continuing operations	4%	3%	-1%	6%	6%	6%
Result from discontinued operations (net of tax)	0%	2%	22%	0%	0%	0%
Net income	4%	5%	21%	6%	6%	6%
Minority interest	0%	-0%	0%	0%	0%	0%
Net profit (reported)	4%	5%	21%	6%	6%	6%

Source: Company data; AlsterResearch

Balance sheet (EURm)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (exl. Goodwill)	103	104	72	59	48	38
Goodwill	199	208	189	189	189	189
Property, plant and equipment	135	133	95	128	156	181
Financial assets	69	74	55	55	55	55
FIXED ASSETS	506	519	412	431	448	464
Inventories	160	187	193	148	159	167
Accounts receivable	228	265	202	229	247	260
Other current assets	25	26	62	62	62	62
Liquid assets	286	308	572	631	563	607
Deferred taxes	0	0	0	0	0	0
Deferred charges and prepaid expenses	43	47	0	36	45	47
CURRENT ASSETS	741	833	1,029	1,105	1,077	1,143
TOTAL ASSETS	1,247	1,352	1,441	1,536	1,525	1,607
SHAREHOLDERS EQUITY	404	419	634	774	817	867
MINORITY INTEREST	5	5	2	2	2	2
Long-term debt	264	277	220	100	0	0
Provisions for pensions and similar obligations	22	21	0	20	22	23
Other provisions	68	49	33	66	71	75
Non-current liabilities	354	348	253	186	93	98
short-term liabilities to banks	66	95	126	70	70	70
Accounts payable	210	270	226	241	260	273
Advance payments received on orders	72	87	78	74	80	84
Other liabilities (incl. from lease and rental contracts)	86	76	116	143	155	163
Deferred taxes	13	13	6	6	6	6
Deferred income	37	40	0	39	43	45
Current liabilities	483	581	553	574	614	640
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,247	1,352	1,441	1,536	1,525	1,607

Balance sheet (common size)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (excl. Goodwill)	8%	8%	5%	4%	3%	2%
Goodwill	16%	15%	13%	12%	12%	12%
Property, plant and equipment	11%	10%	7%	8%	10%	11%
Financial assets	5%	5%	4%	4%	4%	3%
FIXED ASSETS	41%	38%	29%	28%	29%	29%
Inventories	13%	14%	13%	10%	10%	10%
Accounts receivable	18%	20%	14%	15%	16%	16%
Other current assets	2%	2%	4%	4%	4%	4%
Liquid assets	23%	23%	40%	41%	37%	38%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	3%	3%	0%	2%	3%	3%
CURRENT ASSETS	59%	62%	71%	72%	71%	71%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	32%	31%	44%	50%	54%	54%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	21%	21%	15%	7%	0%	0%
Provisions for pensions and similar obligations	2%	2%	0%	1%	1%	1%
Other provisions	5%	4%	2%	4%	5%	5%
Non-current liabilities	28%	26%	18%	12%	6%	6%
short-term liabilities to banks	5%	7%	9%	5%	5%	4%
Accounts payable	17%	20%	16%	16%	17%	17%
Advance payments received on orders	6%	6%	5%	5%	5%	5%
Other liabilities (incl. from lease and rental contracts)	7%	6%	8%	9%	10%	10%
Deferred taxes	1%	1%	0%	0%	0%	0%
Deferred income	3%	3%	0%	3%	3%	3%
Current liabilities	39%	43%	38%	37%	40%	40%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EURm)	2020	2021	2022	2023E	2024E	2025E
Net profit/loss	61	54	232	68	74	84
Depreciation of fixed assets (incl. leases)	61	64	24	24	32	39
Amortisation of goodwill	0	0	0	0	0	0
Amortisation of intangible assets	0	0	48	14	11	9
Others	-11	-12	-217	53	7	5
Cash flow from operations before changes in w/c	111	106	87	159	124	137
Increase/decrease in inventory	9	-26	-18	45	-12	-8
Increase/decrease in accounts receivable	47	-41	-23	-27	-18	-12
Increase/decrease in accounts payable	-2	69	24	15	19	13
Increase/decrease in other w/c positions	-24	-13	-26	26	11	12
Increase/decrease in working capital	30	-11	-43	59	0	4
Cash flow from operating activities	141	95	54	218	124	141
CAPEX	-34	-47	-40	-56	-61	-64
Payments for acquisitions	-41	-16	-5	0	0	0
Financial investments	-3	-7	0	0	0	0
Income from asset disposals	1	4	189	137	0	0
Cash flow from investing activities	-77	-66	144	81	-61	-64
Cash flow before financing	64	29	197	299	63	77
Increase/decrease in debt position	-41	29	-65	-175	-100	0
Purchase of own shares	-12	-21	0	0	0	0
Capital measures	1	0	0	0	0	0
Dividends paid	0	-20	-22	-65	-31	-33
Others	-14	-9	-3	0	0	0
Effects of exchange rate changes on cash	-8	4	0	0	0	0
Cash flow from financing activities	-74	-16	-90	-240	-131	-33
Increase/decrease in liquid assets	-10	13	107	59	-68	44
Liquid assets at end of period	255	268	438	496	429	472

Source: Company data; AlsterResearch

Regional sales split (EURm)	2020	2021	2022	2023E	2024E	2025E
Domestic	103	106	103	112	121	127
Europe (ex domestic)	785	604	644	702	759	797
The Americas	122	96	110	120	129	136
Asia	42	62	80	87	94	99
Rest of World	204	134	159	173	187	197
Total sales	1,255	1,003	1,096	1,195	1,290	1,355

Regional sales split (common size)	2020	2021	2022	2023E	2024E	2025E
Domestic	8.2%	10.5%	9.4%	9.4%	9.4%	9.4%
Europe (ex domestic)	62.5%	60.3%	58.8%	58.8%	58.8%	58.8%
The Americas	9.7%	9.6%	10.0%	10.0%	10.0%	10.0%
Asia	3.3%	6.2%	7.3%	7.3%	7.3%	7.3%
Rest of World	16.2%	13.4%	14.5%	14.5%	14.5%	14.5%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Ratios	2020	2021	2022	2023E	2024E	2025E
Per share data						
Earnings per share reported	0.84	0.74	3.59	1.06	1.15	1.30
Cash flow per share	1.66	1.09	0.45	2.99	1.42	1.57
Book value per share	6.12	6.44	9.78	11.94	12.60	13.37
Dividend per share	0.30	0.35	1.00	0.48	0.52	0.59
Valuation						
P/E	21.8x	24.7x	5.1x	17.3x	16.0x	14.1x
P/CF	11.0x	16.9x	40.4x	6.1x	12.9x	11.7x
P/BV	3.0x	2.9x	1.9x	1.5x	1.5x	1.4x
Dividend yield (%)	1.6%	1.9%	5.4%	2.6%	2.8%	3.2%
FCF yield (%)	9.1%	5.9%	2.5%	16.3%	7.7%	8.5%
EV/Sales	1.0x	1.3x	0.9x	0.6x	0.6x	0.5x
EV/EBITDA	9.7x	14.2x	13.8x	6.2x	5.3x	4.5x
EV/EBIT	18.3x	31.9x	-478.2x	8.9x	7.7x	6.6x
Income statement (EURm)						
Sales	1,255	1,003	1,096	1,195	1,290	1,355
yoy chg in %	11.7%	-20.1%	9.3%	9.0%	8.0%	5.0%
Gross profit	473	379	393	436	471	495
Gross margin in %	37.7%	37.8%	35.8%	36.5%	36.5%	36.5%
EBITDA	130	90	70	122	137	150
EBITDA margin in %	10.4%	9.0%	6.4%	10.2%	10.6%	11.1%
EBIT	69	40	-2	84	94	102
EBIT margin in %	5.5%	4.0%	-0.2%	7.1%	7.3%	7.5%
Net profit	56	48	232	69	74	85
Cash flow statement (EURm)						
CF from operations	141	95	54	218	124	141
Capex	-34	-47	-40	-56	-61	-64
Maintenance Capex	31	25	24	24	32	39
Free cash flow	107	48	13	162	63	77
Balance sheet (EURm)						
Intangible assets	302	312	262	248	237	228
Tangible assets	135	133	95	128	156	181
Shareholders' equity	404	419	634	774	817	867
Pension provisions	22	21	0	20	22	23
Liabilities and provisions	420	443	378	256	163	168
Net financial debt	44	65	-227	-461	-493	-537
w/c requirements	106	96	90	62	66	70
Ratios						
ROE	13.5%	11.7%	36.6%	8.8%	9.0%	9.7%
ROCE	8.3%	4.6%	-0.2%	8.2%	9.5%	9.9%
Net gearing	10.9%	15.4%	-35.8%	-59.5%	-60.4%	-61.9%
Net debt / EBITDA	0.3x	0.7x	-3.2x	-3.8x	-3.6x	-3.6x

Source: Company data; AlsterResearch

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Contacts

SRH AlsterResearch AG
Mittelweg 142
20148 Hamburg

Tel: +49 40 309 293-52
E-Mail: info@alsterresearch.com

Team Assistant

HANNAH GABERT
Team Assistant
Tel: +49 40 309 293-52
E-Mail: h.gabert@alsterresearch.com

Sales

MARKUS KÖNIG-WEISS
Head of Sales
Tel: +49 40 309 293-52
E-Mail: mkw@alsterresearch.com

mwb fairtrade Wertpapierhandelsbank AG
Rottenbacher Straße 28
82166 Gräfelfing

Tel: +49 89 85852-0
Fax: +49 89 85852-505
E-Mail: info@mwbfairtrade.com

Our research can be found under

Research

HARALD HOF
Senior Analyst
Tel: +49 40 309 293-53
E-Mail: h.hof@alsterresearch.com

LEVENT YILMAZ
Senior Analyst
Tel: +49 40 309 293-52
E-Mail: l.yilmaz@alsterresearch.com

KATHARINA SCHLÖTER
Analyst
Tel: +49 40 309 293-52
E-Mail: k.schloeter@alsterresearch.com

THOMAS WISSLER
Senior Analyst
Tel: +49 40 309 293-58
E-Mail: t.wissler@alsterresearch.com

DR. OLIVER WOJAHN, CFA
Senior Analyst
Tel: +49 40 309 293-55
E-Mail: o.wojahn@alsterresearch.com

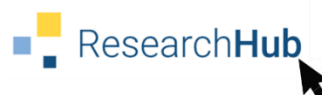
ALEXANDER ZIENKOWICZ
Senior Analyst
Tel: +49 40 309 293-56
E-Mail: a.zienkowicz@alsterresearch.com

Equity Capital Markets / Trading

KAI JORDAN
Member of the Board
Tel: +49 40 36 0995-22
E-Mail: kjordan@mwbfairtrade.com

ALEXANDER DEUSS
Head of Institutional Sales
Tel: +49 40 36 0995-22
E-Mail: adeuss@mwbfairtrade.com

SASCHA GUENON
Head of Designated Sponsoring
Tel: +49 40 360 995 - 23
E-Mail: sguenon@mwbfairtrade.com



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