



Buy (old: Buy)

Price target: EUR 5.10 (old: EUR 5.10)

Price:	EUR 3.30	Next result:	Q1 2014 tbc
Bloomberg:	MSAG GR	Market cap:	EUR 97.4 m
Reuters:	MSAG.DE	Enterprise Value:	EUR 182.3 m

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Sound FY'13 development somewhat distorted by one-offs

MS Industrie published its FY'13 figures on April 30. **FY'13 sales (€ 179.8m) came in in-line with eH&A, up c. 3% yoy** after a particular strong Q4 (+17% yoy) supported by the stellar development of the European heavy truck market (up 54% yoy).

Due to a negative one-off, **FY'13 EBITDA and EBIT came in slightly below expectations (€ 17.3m and € 6.7m vs. eH&A: € 18.3m and € 8.3m)** as MS Industrie booked a € 1.5m provision related to the litigation of an insolvency case in its former participation portfolio. This is however the last negative one-off to be expected here and future figures will fully reflect the new business focus of the company. **Adjusting for one-offs, the operating performance was in-line with our expectations.**

FY'13 EPS of € 0.07 (stable yoy) was consequently weaker than anticipated (eH&A: € 0.10) however being supported by a somewhat lower tax rate.

Outlook: MS Industrie guides for sales of c. € 200m (eH&A: € 212m) which we consider conservative as the company started FY'14 with an order backlog of € 105m. Furthermore, a significant growth in EBITDA, EBIT and EBT is targeted which looks well in-reach as the company will continue to benefit from sound demand for its products on the back of the increasing penetration of Daimler's Weltmotor in Europe, a sound market environment in the US and ongoing demand for welding machinery from the automotive OEMs and Tier 1 suppliers. This should result in an increasing capacity utilisation and increasing margins in the powertrain technology which should offset a weaker product mix driven by the strong growth of the powertrain technology business.

Current trading: Following an increase of nearly 10% in order backlog from end 2013 to beginning 2014, Q1 looks promising, especially bearing in mind the sound development of the heavy truck markets both in Europe (+12% yoy in Q1'14) and the US (+15% yoy in Q1'14).

Change in estimates: we slightly reduce our EBIT estimates for FY'14E and FY'15E reflecting the slightly increasing price pressure in the ultrasonic special machinery business (following MS Industrie's gain of market shares last year).

Trading at **8.9x PER'15E adjusted for PPA** (€ 1.8m at EBIT level), the stock is priced ex-growth. Hence, we reiterate our **BUY rating, PT of € 5.10 based on FCFY'15E** remains unchanged despite slightly lower estimates as also net debt is lowered by € 10m. **- continued -**

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	116.7	154.3	174.8	179.8	212.1	237.2	267.7
Sales growth	14 %	32 %	13 %	3 %	18 %	12 %	13 %
EBITDA	15.9	20.9	16.3	17.3	21.6	26.7	32.7
EBIT	5.6	9.2	6.0	6.7	11.2	16.4	23.8
Net income	0.8	2.1	2.1	2.0	5.4	9.3	14.5
Net debt	49.5	74.3	81.8	84.9	59.6	49.0	35.6
Net gearing	156.3 %	218.8 %	237.5 %	237.9 %	165.4 %	108.1 %	59.5 %
Net Debt/EBITDA	3.1	3.5	5.0	4.9	2.8	1.8	1.1
EPS pro forma	0.03	0.14	0.09	0.08	0.18	0.31	0.48
CPS	-0.36	-0.52	-0.01	0.00	0.14	0.22	0.31
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 %	43.5 %	43.5 %	43.0 %
EBITDA margin	13.6 %	13.6 %	9.3 %	9.6 %	10.2 %	11.3 %	12.2 %
EBIT margin	4.8 %	6.0 %	3.4 %	3.7 %	5.3 %	6.9 %	8.9 %
ROCE	5.4 %	7.9 %	4.6 %	5.0 %	8.9 %	13.4 %	19.5 %
EV/sales	1.2	1.1	1.0	1.0	0.7	0.6	0.5
EV/EBITDA	8.8	8.3	11.0	10.6	7.3	5.5	4.1
EV/EBIT	24.9	18.8	29.7	27.1	14.1	9.0	5.7
PER	108.0	23.5	37.3	43.8	18.2	10.7	6.8
Adjusted FCF yield	6.2 %	8.3 %	6.0 %	5.4 %	7.3 %	10.3 %	13.7 %

Source: Company data, Hauck & Aufhäuser Close price as of: 30.04.2014



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 3.43 / 1.63
Price/Book Ratio: 2.7
Relative performance (SDAX):
3 months 15.2 %
6 months 49.5 %
12 months 60.7 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	212.0	11.6	0.19
	Δ	0.0%	-3.5%	-5.2%
2015	old:	238.6	17.1	0.33
	Δ	-0.6%	-4.2%	-5.3%
2016	old:	269.6	24.0	0.49
	Δ	-0.7%	-1.0%	-1.1%

Key share data:

Number of shares: (in m pcs) 29.5
Authorised capital: (in € m) 9.7
Book value per share: (in €) 1.2
Ø trading volume: (12 months) 52,941

Major shareholders:

Free Float 64.0 %
MS ProActive 20.0 %
Management 10.0 %
Dreyer Ventures & Management 6.0 %
Ruffer * 5.4 %
Allianz GI * 4.2 %

* 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.

MS Industrie AG

MS Industrie key figures (EUR m)	Q4 13	Q4 13 est.	Q4 12	yoy	Q3 13	qoq	FY 13	FY 13 est.	FY 12	yoy
Sales	50.0	49.9	42.6	17.3%	44.9	11.4%	179.8	179.7	174.8	2.8%
EBITDA	3.5	4.7	5.1	-31.7%	4.6	-24.6%	17.3	18.5	17.3	0.0%
margin	6.9%	13.3%	11.9%		10.2%		9.6%	10.2%	9.9%	
EBIT	0.6	2.1	1.7	-67.9%	2.0	-72.2%	6.7	8.3	6.7	0.0%
margin	1.1%	6.5%	4.1%		4.5%		3.7%	4.4%	3.8%	
Net income	0.0	1.0	0.0	na	0.6	-98.7%	2.0	3.0	2.0	0.0%
margin	0.0%	2.8%	-0.1%		1.3%		1.1%	1.8%	1.1%	
EPS	0.00	0.03	0.00	na	0.02	na	0.07	0.10	0.07	0.0%

Source: Company data; Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Net sales	116.7	154.3	174.8	179.8	212.1	237.2	267.7
<i>Sales growth</i>	13.9 %	32.2 %	13.3 %	2.8 %	18.0 %	11.9 %	12.9 %
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	212.1	237.2	267.7
Other operating income	11.5	10.9	6.4	4.5	3.3	2.5	1.8
Material expenses	68.7	89.2	100.7	98.9	119.8	134.0	152.6
Personnel expenses	29.3	33.2	38.0	42.1	44.6	47.6	50.5
Other operating expenses	17.4	22.8	25.8	28.3	29.3	31.4	33.7
Total operating expenses	103.9	134.3	158.0	164.8	190.4	210.5	235.0
EBITDA	15.9	20.9	16.3	17.3	21.6	26.7	32.7
Depreciation	7.7	7.5	7.4	7.8	8.4	8.3	8.2
EBITA	8.2	13.5	8.9	9.4	13.2	18.4	24.5
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	11.2	16.4	23.8
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	3.7	3.5	2.8
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	-3.7	-3.5	-2.8
Recurring pretax income from continuing operations	0.7	1.8	0.7	2.4	7.5	12.9	21.0
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	7.5	12.9	21.0
Taxes	-0.2	-0.4	-1.3	0.2	2.1	3.6	6.5
Net income from continuing operations	0.9	2.2	2.1	2.3	5.4	9.3	14.5
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	5.4	9.3	14.5
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	5.4	9.3	14.5
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	0.31	0.48

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 %	0.7 %
Material expenses	58.9 %	57.8 %	57.6 %	55.0 %	56.5 %	56.5 %	57.0 %
Personnel expenses	25.2 %	21.5 %	21.7 %	23.4 %	21.0 %	20.1 %	18.9 %
Other operating expenses	14.9 %	14.8 %	14.8 %	15.7 %	13.8 %	13.2 %	12.6 %
Total operating expenses	89.0 %	87.0 %	90.4 %	91.7 %	89.8 %	88.7 %	87.8 %
EBITDA	13.6 %	13.6 %	9.3 %	9.6 %	10.2 %	11.3 %	12.2 %
Depreciation	6.6 %	4.8 %	4.3 %	4.4 %	4.0 %	3.5 %	3.1 %
EBITA	7.1 %	8.7 %	5.1 %	5.2 %	6.2 %	7.8 %	9.2 %
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 %	5.3 %	6.9 %	8.9 %
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 %	1.7 %	1.5 %	1.0 %
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 %	-1.7 %	-1.5 %	-1.0 %
Recurring pretax income from continuing operations	0.6 %	1.2 %	0.4 %	1.4 %	3.6 %	5.4 %	7.8 %
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 %	3.6 %	5.4 %	7.8 %
Tax rate	-34.6 %	-20.4 %	-177.6 %	6.5 %	28.0 %	28.0 %	31.0 %
Net income from continuing operations	0.8 %	1.4 %	1.2 %	1.3 %	2.6 %	3.9 %	5.4 %
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 %	2.6 %	3.9 %	5.4 %
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 %	2.6 %	3.9 %	5.4 %

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	54.4	50.2	46.1
Financial assets	13.1	11.1	14.3	23.2	3.2	3.2	3.2
FIXED ASSETS	81.3	73.5	85.1	91.1	61.7	55.6	50.8
Inventories	20.5	25.6	23.7	28.4	30.3	33.9	38.2
Accounts receivable	19.1	21.8	22.7	23.1	27.3	30.5	34.4
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	12.0	24.6	12.3
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	78.7	98.1	94.1
TOTAL ASSETS	141.4	142.2	153.3	155.5	140.5	153.7	144.9
SHAREHOLDERS EQUITY	31.7	34.0	34.4	35.7	36.0	45.3	59.8
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	57.9	59.9	34.2
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	67.0	69.0	43.3
short-term liabilities to banks	5.7	20.2	16.2	13.6	13.6	13.6	13.6
Accounts payable	11.9	11.1	10.3	14.2	16.7	18.7	21.1
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)	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	37.4	39.4	41.8
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	141.4	142.2	153.3	155.5	140.5	153.7	144.9

Balance sheet (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	8.0 %	6.7 %	5.0 %	4.0 %	3.0 %	1.4 %	1.0 %
Property, plant and equipment	40.2 %	37.2 %	41.2 %	39.7 %	38.7 %	32.7 %	31.8 %
Financial assets	9.3 %	7.8 %	9.3 %	14.9 %	2.3 %	2.1 %	2.2 %
FIXED ASSETS	57.5 %	51.7 %	55.5 %	58.6 %	43.9 %	36.2 %	35.0 %
Inventories	14.5 %	18.0 %	15.5 %	18.3 %	21.6 %	22.0 %	26.4 %
Accounts receivable	13.5 %	15.3 %	14.8 %	14.9 %	19.4 %	19.8 %	23.8 %
Other current assets	8.1 %	11.3 %	6.8 %	5.5 %	6.1 %	5.6 %	5.9 %
Liquid assets	5.0 %	3.6 %	6.8 %	2.3 %	8.5 %	16.0 %	8.5 %
Deferred taxes	1.4 %	0.2 %	0.6 %	0.4 %	0.5 %	0.4 %	0.4 %
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 %	56.1 %	63.8 %	65.0 %
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 %	25.6 %	29.5 %	41.3 %
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 %	41.3 %	39.0 %	23.6 %
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 %	6.5 %	5.9 %	6.3 %
Non-current liabilities	47.8 %	48.2 %	54.1 %	54.0 %	47.7 %	44.9 %	29.9 %
short-term liabilities to banks	4.0 %	14.2 %	10.6 %	8.8 %	9.7 %	8.9 %	9.4 %
Accounts payable	8.4 %	7.8 %	6.7 %	9.1 %	11.9 %	12.2 %	14.6 %
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 %	4.2 %	3.9 %	4.1 %
Deferred taxes	4.4 %	2.3 %	1.0 %	0.7 %	0.8 %	0.7 %	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 %	26.6 %	25.6 %	28.9 %
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	5.4	9.3	14.5
Depreciation of fixed assets (incl. leases)	7.7	7.5	7.4	7.8	8.4	8.3	8.2
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	15.8	19.6	23.4
Increase/decrease in inventory	-13.1	-11.4	-0.7	-2.9	-1.9	-3.6	-4.4
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	-4.2	-3.2	-3.9
Increase/decrease in accounts payable	5.5	-6.7	-2.5	-1.8	2.5	2.0	2.4
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	-3.5	-4.8	-5.9
Cash flow from operating activities	-1.2	-7.1	7.6	8.2	12.4	14.7	17.5
CAPEX	3.8	11.0	17.2	7.5	6.0	4.2	4.1
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	-4.2	-4.1
Cash flow before financing	-3.2	-14.5	-8.4	-3.0	6.4	10.6	13.4
Increase/decrease in debt position	0.5	13.7	14.2	-3.7	2.0	2.0	-25.7
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	-25.7
Increase/decrease in liquid assets	-1.0	-2.0	5.4	-6.8	8.4	12.6	-12.3
Liquid assets at end of period	7.1	5.1	10.5	3.6	12.0	24.6	12.3

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 %	18.0 %	11.9 %	12.9 %
EBITDA growth	155.8 %	31.6 %	-22.2 %	6.1 %	25.2 %	23.5 %	22.5 %
EBIT growth	-238.7 %	63.4 %	-34.4 %	11.8 %	66.8 %	46.2 %	45.1 %
EPS growth	-108.6 %	138.2 %	-1.8 %	-2.1 %	158.7 %	70.7 %	56.3 %
Efficiency							
Total operating costs / sales	89.0 %	87.0 %	90.4 %	91.7 %	89.8 %	88.7 %	87.8 %
Sales per employee	171.6	208.2	177.5	173.9	197.8	212.3	234.0
EBITDA per employee	23.4	28.3	16.5	16.7	20.2	23.9	28.6
Balance sheet analysis							
Avg. working capital / sales	20.9 %	20.8 %	20.7 %	20.4 %	18.4 %	18.2 %	18.2 %
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	46.9	46.9	46.9
A/P turnover [(A/P*365)/sales]	37.2	26.3	21.5	28.8	28.8	28.8	28.8
Cash conversion cycle (days)	105.8	110.8	96.1	99.4	88.2	88.2	87.9
Cash flow analysis							
Free cash flow	-5.0	-18.2	-9.7	0.7	6.4	10.6	13.4
Free cash flow/sales	-4.3 %	-11.8 %	-5.5 %	0.4 %	3.0 %	4.5 %	5.0 %
FCF / net profit	-618.6 %	-862.2 %	-463.6 %	35.3 %	117.0 %	114.1 %	92.6 %
Capex / depre	39.5 %	113.1 %	176.9 %	114.6 %	57.7 %	40.3 %	46.1 %
Capex / maintenance capex	46.2 %	143.5 %	237.7 %	96.1 %	72.8 %	50.4 %	49.8 %
Capex / sales	3.5 %	7.2 %	9.9 %	6.6 %	2.8 %	1.7 %	1.5 %
Security							
Net debt	49.5	74.3	81.8	84.9	59.6	49.0	35.6
Net Debt/EBITDA	3.1	3.5	5.0	4.9	2.8	1.8	1.1
Net debt / equity	1.6	2.2	2.4	2.4	1.7	1.1	0.6
Interest cover	1.2	1.2	0.9	1.5	3.1	4.7	8.5
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	2.2	2.5	2.7
Plant turnover	2.1	2.9	2.8	2.9	3.9	4.7	5.8
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 %	8.9 %	13.4 %	19.5 %
ROE	2.5 %	6.2 %	6.1 %	5.5 %	15.1 %	20.5 %	24.2 %
Other							
Interest paid / avg. debt	8.7 %	11.1 %	7.8 %	5.1 %	4.6 %	4.9 %	4.6 %
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	0.31	0.48
Valuation ratios							
P/BV	2.8	2.8	2.8	2.7	2.7	2.2	1.7
EV/sales	1.2	1.1	1.0	1.0	0.7	0.6	0.5
EV/EBITDA	8.8	8.3	11.0	10.6	7.3	5.5	4.1
EV/EBITA	16.9	12.9	20.2	19.3	12.0	8.0	5.5
EV/EBIT	24.9	18.8	29.7	27.1	14.1	9.0	5.7
EV/FCF	-28.0	-9.5	-18.5	261.5	25.0	14.0	10.0
Adjusted FCF yield	6.2 %	8.3 %	6.0 %	5.4 %	7.3 %	10.3 %	13.7 %
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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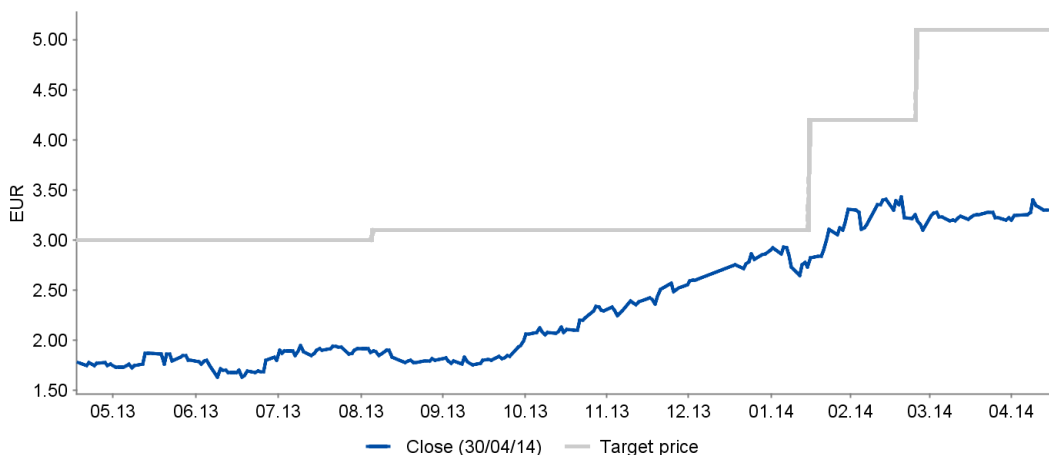
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Company	Disclosure
MS Industrie AG	5

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

Price and Rating History MS Industrie AG as of 02/05/14

Initiation coverage
12-March-13



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