

Buy (old: Buy)

Price target: EUR 20.00 (old: EUR 20.00)

Price: EUR 13.76 **Next result:** Q1 09.05.17
Bloomberg: MUX GR **Market cap:** EUR 212.4 m
Reuters: MUXG.BE **Enterprise Value:** EUR 265.3 m

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FY figures as expected, expansion into Italy and France on track

Mutares reported FY 2016 figures today which fully met expectations. More importantly, the company continues its expansion into France and Italy and is hence shaping its unique positioning as a restructuring specialist in these markets.

Positioning: Following successful transactions in Southern Europe in the past, mutares just **set up an office in Italy (Mailand) and further expanded its Paris office** in order to further drive its M&A activities in these regions. Since its foundation, mutares has done >10 acquisitions in France and Italy and been very successful in restructuring businesses in these countries. This is evidenced by the strong development of **STS, Artmadis, Eupec and BSL in recent years which underline management's restructuring expertise** in these markets.

Outlook: Against this backdrop, **management targets around four acquisitions as well as at least one exit in 2017E**. In our view, suitable exit candidates could be A+F as well as Elastomer which could come with proceeds of up to € 30m each. Moreover, management reiterated its **guidance of € 1.8bn of annualised sales in 2018E** which should be driven by further acquisitions going forward.

Figures: H2 sales declined by 9.4% yoy to € 337m (H&A: € 348m) primarily due to the deconsolidation of Pixmania as well as a lower sales level at Eupec and BSL amid the lacklustre market environment in the oil & gas industry. This was however partly compensated for by sound growth at Geesinknorba, Zanders and A+F as well as the consolidation of Cenpa, Norsilk as well as Grosbill.

H2 EBITDA reached € 17m which fully met expectations (H&A: € 17.0m). EBITDA was largely affected by 1) the consolidation of loss-making companies such as Cenpa, Norsilk and Grosbill, and 2) fewer badwill releases which partly compensated for restructuring costs.

Dividend: Management **proposed a dividend of € 0.35/share which exceeded expectations (H&A: € 0.25/share)**, implying a dividend yield of 2.6%. Proceeds from the Eupec plant sale (Feb 17) will be included in the 2017E dividend (paid 2018E).

NAV: Mutares' Dec 2016 NAV remained broadly flat yoy at € 308m or € 20/share.

All in all, mutares continues to build on its platform investment strategy and is on track to reach its 2018E targets. With **potential dealflow coming up and trading below its NAV**, the stock remains a **BUY** with a **PT of € 20** based on NAV.

Y/E 31.12 (EUR m)	2012	2013	2014	2015	2016	2017E	2018E
Sales	301.2	347.0	648.1	683.8	647.6	958.8	1,014.7
Sales growth	89 %	15 %	87 %	6 %	-5 %	48 %	6 %
EBITDA	22.4	5.9	30.9	39.9	20.7	40.1	43.3
EBIT	14.1	-4.5	15.5	19.6	4.5	23.1	25.1
Net income	9.5	-7.9	8.5	7.9	-5.3	13.2	14.6
Net debt	-39.5	-19.2	-42.0	-46.1	-19.9	4.0	12.4
Net gearing	-49.4 %	-32.9 %	-51.5 %	-37.0 %	-17.8 %	2.7 %	9.3 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.1	0.3
EPS pro forma	0.78	-0.65	0.61	0.51	-0.34	0.85	0.95
CPS	-1.02	-2.76	-4.73	-3.90	-3.50	-1.88	0.15
DPS	0.34	1.67	0.78	0.60	0.35	0.90	0.25
Dividend yield	2.5 %	12.1 %	5.7 %	4.4 %	2.5 %	6.5 %	1.8 %
Gross profit margin	54.0 %	41.9 %	35.5 %	33.3 %	34.6 %	36.5 %	36.5 %
EBITDA margin	7.4 %	1.7 %	4.8 %	5.8 %	3.2 %	4.2 %	4.3 %
EBIT margin	4.7 %	-1.3 %	2.4 %	2.9 %	0.7 %	2.4 %	2.5 %
ROCE	9.8 %	-2.5 %	7.8 %	7.5 %	1.4 %	6.7 %	6.9 %
EV/sales	0.5	0.4	0.2	0.3	0.4	0.3	0.3
EV/EBITDA	6.4	25.6	4.9	5.9	12.8	7.2	6.9
EV/EBIT	10.2	-33.5	9.8	11.9	59.1	12.5	11.9
PER	17.6	-21.3	22.7	26.7	-40.3	16.1	14.5
Adjusted FCF yield	8.8 %	-2.6 %	11.0 %	9.8 %	1.8 %	6.9 %	6.7 %

Source: Company data, Hauck & Aufhäuser Close price as of: 12.04.2017



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 16.05 / 10.90
Price/Book Ratio: 1.9
Relative performance (SDAX):
3 months 7.4 %
6 months -8.7 %
12 months -24.9 %

Changes in estimates

		Sales	EBIT	EPS
2017	old:	952.7	23.1	0.87
	Δ	-	-	-
2018	old:	1,013.8	25.1	0.96
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 15.4
Authorised capital: (in € m) 7.0
Book value per share: (in €) 7.2
Ø trading volume: (12 months) 5,400

Major shareholders:

Founders 60.0 %
Free Float 40.0 %

Company description:

mutares AG is a turnaround investor focussed on generating a return on its investment through the purchase of underperforming corporate spin offs, their operational turnaround and subsequent sale.

<i>mutares AG</i>	H2 16	H2 16 est	H2 15	yoy	H1 16	qoq	FY 16	FY 15	yoy
Sales	337.0	347.6	372.2	-9.5%	310.6	8.5%	647.6	683.8	-5.3%
EBITDA	16.7	17.0	27.0	-38.0%	4.0	313.5%	20.7	39.9	-48.0%
EBITDA margin	5.0%	4.9%	7.2%	- 2.3 pp	1.3%	+ 3.7 pp	3.2%	5.8%	- 2.6 pp

Source: company data, H&A

NAV overview	Dec 16
Automotive	104.7
Wood & Paper	37.2
Construction & Infrastructure	69.4
Engineering & Technology	64.9
Consumer Goods & Logistics	28.2
Net cash	3.5
Total	307.9
<i>yoy</i>	<i>-1.0%</i>

Source: Company data; Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2012	2013	2014	2015	2016	2017E	2018E
Net sales	301.2	347.0	648.1	683.8	647.6	958.8	1,014.7
<i>Sales growth</i>	89.1 %	15.2 %	86.8 %	5.5 %	-5.3 %	48.1 %	5.8 %
Increase/decrease in finished goods and work-in-process	0.1	15.2	-1.4	-28.5	5.0	0.0	0.0
Total sales	301.3	362.2	646.6	655.4	652.6	958.8	1,014.7
Other operating income	52.8	40.2	74.7	92.8	69.2	76.7	81.2
Material expenses	138.7	210.3	417.1	437.3	426.7	608.9	644.3
Personnel expenses	90.1	106.5	156.7	151.9	157.2	215.7	223.2
Other operating expenses	103.0	79.7	116.6	119.0	117.1	170.9	185.0
Total operating expenses	279.0	356.3	615.7	615.5	631.9	918.8	971.4
EBITDA	22.4	5.9	30.9	39.9	20.7	40.1	43.3
Depreciation	8.3	10.4	15.4	20.3	16.3	17.0	18.2
EBITA	14.1	-4.5	15.5	19.6	4.5	23.1	25.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	14.1	-4.5	15.5	19.6	4.5	23.1	25.1
Interest income	0.2	1.0	0.1	0.2	0.1	0.6	0.6
Interest expenses	1.1	1.8	2.5	7.9	5.4	4.8	4.8
Other financial result	0.0	0.6	0.0	0.0	1.5	0.0	0.0
Financial result	-0.9	-1.4	-2.4	-7.7	-6.8	-4.2	-4.2
Recurring pretax income from continuing operations	13.2	-6.0	13.1	11.9	-2.3	18.9	20.9
Extraordinary income/loss	-2.7	-0.2	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	10.5	-6.1	13.1	11.9	-2.3	18.9	20.9
Taxes	1.0	1.8	4.6	5.1	3.0	5.7	6.3
Net income from continuing operations	9.5	-7.9	8.5	6.8	-5.3	13.2	14.6
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	9.5	-7.9	8.5	6.8	-5.3	13.2	14.6
Minority interest	0.0	0.0	0.0	-1.1	-0.1	0.0	0.0
Net income (net of minority interest)	9.5	-7.9	8.5	7.9	-5.3	13.2	14.6
Average number of shares	12.2	12.2	14.0	15.4	15.4	15.4	15.4
EPS reported	0.78	-0.65	0.61	0.51	-0.34	0.85	0.95

Profit and loss (common size)	2012	2013	2014	2015	2016	2017E	2018E
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 %	4.4 %	-0.2 %	-4.2 %	0.8 %	0.0 %	0.0 %
Total sales	100.0 %	104.4 %	99.8 %	95.8 %	100.8 %	100.0 %	100.0 %
Other operating income	17.5 %	11.6 %	11.5 %	13.6 %	10.7 %	8.0 %	8.0 %
Material expenses	46.0 %	60.6 %	64.4 %	63.9 %	65.9 %	63.5 %	63.5 %
Personnel expenses	29.9 %	30.7 %	24.2 %	22.2 %	24.3 %	22.5 %	22.0 %
Other operating expenses	34.2 %	23.0 %	18.0 %	17.4 %	18.1 %	17.8 %	18.2 %
Total operating expenses	92.6 %	102.7 %	95.0 %	90.0 %	97.6 %	95.8 %	95.7 %
EBITDA	7.4 %	1.7 %	4.8 %	5.8 %	3.2 %	4.2 %	4.3 %
Depreciation	2.7 %	3.0 %	2.4 %	3.0 %	2.5 %	1.8 %	1.8 %
EBITA	4.7 %	-1.3 %	2.4 %	2.9 %	0.7 %	2.4 %	2.5 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	4.7 %	-1.3 %	2.4 %	2.9 %	0.7 %	2.4 %	2.5 %
Interest income	0.1 %	0.3 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
Interest expenses	0.4 %	0.5 %	0.4 %	1.2 %	0.8 %	0.5 %	0.5 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-0.3 %	-0.4 %	-0.4 %	-1.1 %	-1.1 %	-0.4 %	-0.4 %
Recurring pretax income from continuing operations	4.4 %	-1.7 %	2.0 %	1.7 %	-0.4 %	2.0 %	2.1 %
Extraordinary income/loss	-0.9 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	3.5 %	-1.8 %	2.0 %	1.7 %	-0.4 %	2.0 %	2.1 %
Tax rate	9.3 %	-28.8 %	35.1 %	43.0 %	-131.5 %	30.0 %	30.0 %
Net income from continuing operations	3.2 %	-2.3 %	1.3 %	1.0 %	-0.8 %	1.4 %	1.4 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	3.2 %	-2.3 %	1.3 %	1.0 %	-0.8 %	1.4 %	1.4 %
Minority interest	0.0 %	0.0 %	0.0 %	-0.2 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	3.2 %	-2.3 %	1.3 %	1.2 %	-0.8 %	1.4 %	1.4 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2012	2013	2014	2015	2016	2017E	2018E
Intangible assets	4.0	2.3	8.9	5.1	6.7	6.7	6.7
Property, plant and equipment	47.1	31.6	45.8	81.9	110.1	109.1	90.9
Financial assets	2.0	1.1	0.9	0.6	0.8	0.8	0.8
FIXED ASSETS	53.1	35.0	55.6	87.5	117.6	116.6	98.5
Inventories	75.7	82.5	93.9	112.1	111.0	154.7	163.7
Accounts receivable	102.5	133.9	175.8	143.2	170.7	223.3	236.3
Other current assets	15.0	32.8	0.0	0.1	0.0	0.0	0.0
Liquid assets	52.4	47.7	74.3	81.2	69.6	56.0	47.6
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	2.6	2.1	3.4	2.7	4.1	4.1	4.1
CURRENT ASSETS	248.2	299.0	347.4	339.2	355.5	438.1	451.7
TOTAL ASSETS	301.3	334.0	403.0	426.8	473.1	554.8	550.1
SHAREHOLDERS EQUITY	79.9	58.4	81.5	124.7	111.9	146.2	133.9
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.5	0.5	0.5
Long-term debt	12.9	28.5	32.3	35.1	49.7	60.0	60.0
Provisions for pensions and similar obligations	15.4	2.1	0.0	67.8	72.9	72.9	72.9
Other provisions	84.6	85.7	107.9	73.5	89.0	89.0	89.0
Non-current liabilities	113.0	116.3	140.2	176.3	211.5	221.8	221.8
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	54.8	66.9	104.9	75.3	94.4	131.3	139.0
Advance payments received on orders	14.3	41.8	34.2	11.8	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	36.8	49.2	41.0	37.9	53.4	53.4	53.4
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	2.6	1.5	1.2	0.7	1.4	1.4	1.4
Current liabilities	108.5	159.3	181.3	125.7	149.2	186.1	193.8
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	301.3	334.0	403.0	426.8	473.1	554.8	550.1

Balance sheet (common size)	2012	2013	2014	2015	2016	2017E	2018E
Intangible assets	1.3 %	0.7 %	2.2 %	1.2 %	1.4 %	1.2 %	1.2 %
Property, plant and equipment	15.6 %	9.5 %	11.4 %	19.2 %	23.3 %	19.7 %	16.5 %
Financial assets	0.6 %	0.3 %	0.2 %	0.1 %	0.2 %	0.2 %	0.2 %
FIXED ASSETS	17.6 %	10.5 %	13.8 %	20.5 %	24.9 %	21.0 %	17.9 %
Inventories	25.1 %	24.7 %	23.3 %	26.3 %	23.5 %	27.9 %	29.7 %
Accounts receivable	34.0 %	40.1 %	43.6 %	33.6 %	36.1 %	40.3 %	43.0 %
Other current assets	5.0 %	9.8 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Liquid assets	17.4 %	14.3 %	18.4 %	19.0 %	14.7 %	10.1 %	8.6 %
Deferred taxes	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.9 %	0.6 %	0.9 %	0.6 %	0.9 %	0.7 %	0.7 %
CURRENT ASSETS	82.4 %	89.5 %	86.2 %	79.5 %	75.1 %	79.0 %	82.1 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	26.5 %	17.5 %	20.2 %	29.2 %	23.6 %	26.4 %	24.3 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %
Long-term debt	4.3 %	8.5 %	8.0 %	8.2 %	10.5 %	10.8 %	10.9 %
Provisions for pensions and similar obligations	5.1 %	0.6 %	0.0 %	15.9 %	15.4 %	13.1 %	13.2 %
Other provisions	28.1 %	25.7 %	26.8 %	17.2 %	18.8 %	16.0 %	16.2 %
Non-current liabilities	37.5 %	34.8 %	34.8 %	41.3 %	44.7 %	40.0 %	40.3 %
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	18.2 %	20.0 %	26.0 %	17.6 %	19.9 %	23.7 %	25.3 %
Advance payments received on orders	4.7 %	12.5 %	8.5 %	2.8 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	12.2 %	14.7 %	10.2 %	8.9 %	11.3 %	9.6 %	9.7 %
Deferred taxes	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred income	0.9 %	0.4 %	0.3 %	0.2 %	0.3 %	0.3 %	0.3 %
Current liabilities	36.0 %	47.7 %	45.0 %	29.5 %	31.5 %	33.6 %	35.2 %
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)	2012	2013	2014	2015	2016	2017E	2018E
Net profit/loss	9.5	-7.9	8.5	6.8	-5.3	13.2	14.6
Depreciation of fixed assets (incl. leases)	8.3	10.4	15.4	20.3	17.8	17.0	18.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	3.8	0.4	0.0	0.0	0.0	0.0	0.0
Others	-11.5	-31.2	-68.2	-100.6	-70.3	-20.0	0.0
Cash flow from operations before changes in w/c	10.0	-28.2	-44.3	-73.6	-57.9	10.2	32.8
Increase/decrease in inventory	66.1	-14.6	61.5	95.1	11.6	-43.7	-9.0
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	0.0	-52.6	-13.0
Increase/decrease in accounts payable	-80.3	20.1	-70.8	-77.3	1.1	37.0	7.6
Increase/decrease in other working capital positions	0.0	0.0	-0.9	10.5	6.3	35.0	2.0
Increase/decrease in working capital	-14.2	5.5	-10.2	28.3	18.9	-24.3	-12.4
Cash flow from operating activities	-4.1	-22.7	-54.5	-45.3	-39.0	-14.1	20.4
CAPEX	9.0	10.7	16.6	9.8	18.1	15.0	15.0
Payments for acquisitions	0.0	0.0	-85.5	-50.9	-33.2	0.0	0.0
Financial investments	0.3	0.5	0.2	0.0	1.4	0.0	0.0
Income from asset disposals	33.3	23.9	4.4	-6.5	10.4	19.5	0.0
Cash flow from investing activities	24.0	12.7	73.0	34.5	24.2	4.5	-15.0
Cash flow before financing	19.9	-10.0	18.6	-10.8	-14.9	-9.6	5.4
Increase/decrease in debt position	11.0	8.0	2.0	0.6	12.3	10.3	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	25.0	24.6	0.0	0.0	0.0
Dividends paid	0.7	4.1	20.3	11.0	9.3	5.4	13.9
Others	0.0	0.0	0.0	-1.5	-1.1	0.0	0.0
Effects of exchange rate changes on cash	-0.2	0.0	-0.5	2.8	-0.8	0.0	0.0
Cash flow from financing activities	10.3	3.9	6.6	12.6	1.9	4.9	-13.9
Increase/decrease in liquid assets	30.0	-6.1	24.7	4.7	-13.8	-4.7	-8.5
Liquid assets at end of period	51.2	45.1	69.8	74.5	60.7	56.0	47.6

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2012	2013	2014	2015	2016	2017E	2018E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of Europe	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NAFTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TTL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2012	2013	2014	2015	2016	2017E	2018E
P&L growth analysis							
Sales growth	89.1 %	15.2 %	86.8 %	5.5 %	-5.3 %	48.1 %	5.8 %
EBITDA growth	21.0 %	-73.6 %	424.0 %	28.9 %	-48.0 %	93.3 %	8.0 %
EBIT growth	11.6 %	-132.1 %	-443.4 %	26.4 %	-77.1 %	414.0 %	8.7 %
EPS growth	10.1 %	-182.8 %	-193.7 %	-15.1 %	-166.4 %	-350.2 %	10.6 %
Efficiency							
Total operating costs / sales	92.6 %	102.7 %	95.0 %	90.0 %	97.6 %	95.8 %	95.7 %
Sales per employee	102.0	139.0	240.6	n/a	n/a	n/a	n/a
EBITDA per employee	7.6	2.4	11.5	n/a	n/a	n/a	n/a
Balance sheet analysis							
Avg. working capital / sales	26.2 %	31.2 %	18.4 %	21.8 %	27.4 %	22.6 %	25.0 %
Inventory turnover (sales/inventory)	4.0	4.2	6.9	6.1	5.8	6.2	6.2
Trade debtors in days of sales	124.2	140.8	99.0	76.4	96.2	85.0	85.0
A/P turnover [(A/P*365)/sales]	66.4	70.3	59.1	40.2	53.2	50.0	50.0
Cash conversion cycle (days)	179.3	167.9	89.3	107.2	110.4	99.0	99.0
Cash flow analysis							
Free cash flow	-13.1	-33.4	-71.1	-55.1	-57.1	-29.1	5.4
Free cash flow/sales	-4.4 %	-9.6 %	-11.0 %	-8.1 %	-8.8 %	-3.0 %	0.5 %
FCF / net profit	-138.2 %	424.9 %	-835.3 %	-693.7 %	1083.3 %	-220.4 %	37.2 %
Capex / depre	76.9 %	103.5 %	109.3 %	48.7 %	109.8 %	88.2 %	82.5 %
Capex / maintenance capex	0.0 %	101.7 %	100.0 %	106.7 %	106.7 %	106.7 %	0.0 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	-39.5	-19.2	-42.0	-46.1	-19.9	4.0	12.4
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.1	0.3
Net debt / equity	-0.5	-0.3	-0.5	-0.4	-0.2	0.0	0.1
Interest cover	12.9	0.0	6.2	2.5	0.8	4.8	5.2
Dividend payout ratio	43.5 %	100.0 %	129.2 %	116.6 %	100.0 %	105.3 %	26.4 %
Asset utilisation							
Capital employed turnover	1.6	2.0	2.9	2.3	2.0	2.6	2.8
Operating assets turnover	1.9	2.5	3.7	2.7	2.2	2.7	2.9
Plant turnover	6.4	11.0	14.2	8.4	5.9	8.8	11.2
Inventory turnover (sales/inventory)	4.0	4.2	6.9	6.1	5.8	6.2	6.2
Returns							
ROCE	9.8 %	-2.5 %	7.8 %	7.5 %	1.4 %	6.7 %	6.9 %
ROE	11.9 %	-13.5 %	10.4 %	6.4 %	-4.7 %	9.0 %	10.9 %
Other							
Interest paid / avg. debt	15.7 %	8.8 %	8.2 %	23.5 %	12.8 %	8.8 %	8.0 %
No. employees (average)	2953	2496	2693	0	0	0	0
Number of shares	12.2	12.2	14.0	15.4	15.4	15.4	15.4
DPS	0.3	1.7	0.8	0.6	0.4	0.9	0.3
EPS reported	0.78	-0.65	0.61	0.51	-0.34	0.85	0.95
Valuation ratios							
P/BV	2.1	2.9	2.4	1.7	1.9	1.5	1.6
EV/sales	0.5	0.4	0.2	0.3	0.4	0.3	0.3
EV/EBITDA	6.4	25.6	4.9	5.9	12.8	7.2	6.9
EV/EBITA	10.2	-33.5	9.8	11.9	59.1	12.5	11.9
EV/EBIT	10.2	-33.5	9.8	11.9	59.1	12.5	11.9
EV/FCF	-10.9	-4.5	-2.1	-4.2	-4.6	-9.9	54.8
Adjusted FCF yield	8.8 %	-2.6 %	11.0 %	9.8 %	1.8 %	6.9 %	6.7 %
Dividend yield	2.5 %	12.1 %	5.7 %	4.4 %	2.5 %	6.5 %	1.8 %

Source: Company data, Hauck & Aufhäuser

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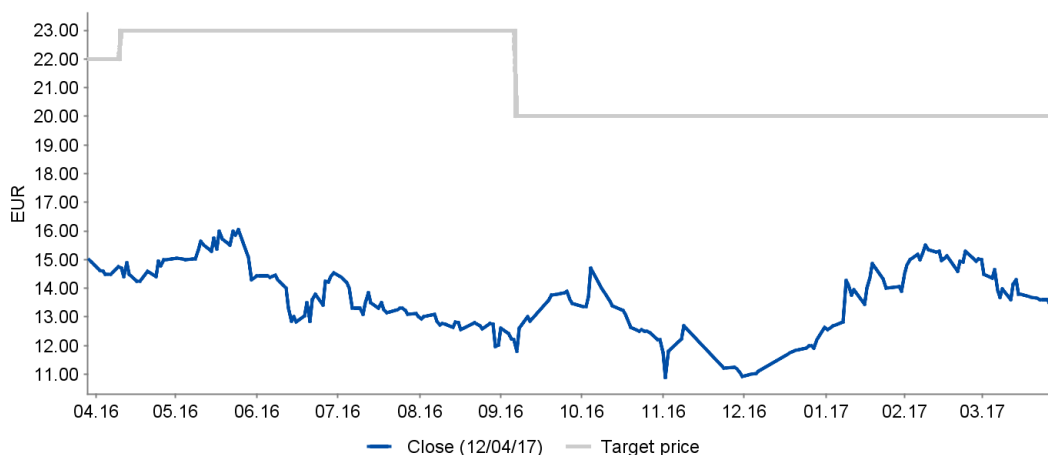
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Company	Disclosure
mutares AG	3

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

**Price and Rating History
mutares AG as of 13/04/17**

Initiation coverage
24-March-14



Company	Date	Analyst	Rating	Target price	Close
mutares AG	16.02.2017	Teichler, Torben	Buy	EUR 20.00	EUR 14.80
	19.12.2016	Teichler, Torben	Buy	EUR 20.00	EUR 11.00
	21.11.2016	Teichler, Torben	Buy	EUR 20.00	EUR 11.80
	28.09.2016	Teichler, Torben	Buy	EUR 20.00	EUR 12.86
	22.09.2016	Teichler, Torben	Buy	EUR 20.00	EUR 11.80
	26.05.2016	Teichler, Torben	Buy	EUR 23.00	EUR 15.65

11.05.2016	Teichler, Torben	Buy	EUR 23.00	EUR 14.79
26.04.2016	Teichler, Torben	Buy	EUR 23.00	EUR 14.70

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