

# Nabaltec AG

## Germany - Chemicals/ Specialty Chemicals



HAUCK & AUFHÄUSER  
Investment Banking

**Buy** (old: Buy)

**Price target: EUR 32.00** (old: EUR 32.00)

**Price:** EUR 29.10      **Next result:** Final Q4 29.04.2021  
**Bloomberg:** NTG GR      **Market cap:** EUR 218.2 m  
**Reuters:** NTGG.DE      **Enterprise Value:** EUR 295.0 m

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### Strong prelim. Q4 underpin operational recovery; chg. est.

**Topic:** Yesterday, Nabaltec released strong Q4 prelims ahead of our estimates thanks to improved demand across the group and ongoing stellar growth of its “gem”, boehmite.

**Q4 sales increased by 8% yoy to € 40.7m, ahead of our expected € 37.5.** This should have been driven by improved demand for ATH but also unbroken stellar growth of boehmite; Functional Fillers +12% yoy. Further, Specialty Alumina remained largely flat yoy, a significant improvement vs the first nine months where sales were down 25% yoy.

The **adjusted EBIT** (excl. the € 23.2m Nashtec impairment) **improved to € 2.3m** (eH&A € 2m) from only € 1.4m in Q4 '19, margin +1.6pp yoy to 5.6% thanks to improved volumes and the resulting positive op. leverage as well as tight cost control.

Most importantly, **boehmite remains on a stellar growth trajectory.** Despite the very challenging year for the automotive industry, FY 2020 sales from Nabaltec's “gem” grew by 48% yoy to roughly € 15m. Growth rates look set to remain on these high levels in the short- to mid-term, if not accelerate, as **Nabaltec is not only in contact with all major EV battery players but has also begun delivering first volumes to one of their new plants in Europe**, supporting our expectations of 6.75kt in '21E and 9.5kt in '22E.

While Nabaltec is already **working on increasing its boehmite production capacity to 10-12k until the end of this year**, further build-outs in Germany or an independent production at one of their US sites with an incremental capacity of 5-10kt should be decided during H2 '21. As the potential build-out would depend on a clear commitment from potential customers, a positive decision is seen to provide visibility on stellar midterm growth rates. **Fully utilized 20kt would imply c. € 65m sales and € 20m EBIT.**

**For 2021, management guides for 6-9% yoy growth at an 8-10% EBIT margin**, implying €169-174m sales and € 13.5-17.5m EBIT. While the guidance came in below our expectations (eH&A € 178m sales and € 19.5m EBIT), we continue to regard our estimates as reachable in light of the very strong EV momentum, which actually looks set to accelerate, and the ongoing strong recovery of key end markets.

**Management also expects to “poste new highs by 2022 at the latest”**, strongly underpinning our view of an ongoing operational recovery paired with continuous stellar growth of boehmite and improving utilization rates at its US plants.

**We reiterate BUY with an unchanged € 32 PT**, based on FCFY 2022E.

Y/E 31.12 (EUR m)	2016	2017	2018	2019	2020P	2021E	2022E
Sales	159.2	168.6	176.7	179.0	159.6	177.9	194.8
Sales growth	5 %	6 %	5 %	1 %	-11 %	11 %	9 %
EBITDA	22.9	30.0	30.6	32.3	23.6	34.1	40.1
EBIT	12.2	18.3	18.5	18.6	-15.9	20.1	26.3
Net income	5.3	11.4	10.3	10.7	-13.2	13.2	17.7
Net debt	36.4	25.9	40.7	41.9	30.2	17.4	1.7
Net gearing	63.6 %	30.6 %	42.4 %	42.3 %	37.8 %	18.9 %	1.6 %
Net Debt/EBITDA	1.6	0.9	1.3	1.3	1.3	0.5	0.0
EPS pro forma	1.07	1.30	1.49	1.22	1.37	1.50	2.01
CPS	1.88	1.90	0.92	1.63	1.88	1.91	2.49
DPS	0.15	0.18	0.20	0.20	0.00	0.25	0.30
Dividend yield	0.5 %	0.6 %	0.7 %	0.7 %	0.0 %	0.9 %	1.0 %
Gross profit margin	49.3 %	50.8 %	51.2 %	53.5 %	52.4 %	53.5 %	54.2 %
EBITDA margin	14.4 %	17.8 %	17.3 %	18.1 %	14.8 %	19.2 %	20.6 %
EBIT margin	7.7 %	10.9 %	10.5 %	10.4 %	-10.0 %	11.3 %	13.5 %
ROCE	7.1 %	10.0 %	9.8 %	8.9 %	-8.0 %	9.5 %	12.9 %
EV/sales	1.9	1.9	1.9	1.9	2.1	1.8	1.6
EV/EBITDA	13.4	10.6	10.9	10.6	14.1	9.4	7.6
EV/EBIT	25.1	17.4	18.0	18.5	-20.9	15.9	11.5
PER	27.2	22.4	19.6	23.9	21.2	19.4	14.5
Adjusted FCF yield	3.6 %	5.6 %	5.2 %	5.6 %	6.1 %	6.6 %	8.4 %

Source: Company data, Hauck & Aufhäuser Close price as of: 25.02.2021



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 29.80 / 17.15  
**Price/Book Ratio:** 3.3  
**Relative performance (SDAX):**  
 3 months 9.6 %  
 6 months 38.4 %  
 12 months -25.0 %

#### Changes in estimates

		Sales	EBIT	EPS
2020	old:	156.4	-18.3	0.91
	Δ	-	-	-
2021	old:	177.9	19.5	1.45
	Δ	-	-	-
2022	old:	194.8	25.7	1.96
	Δ	-	-	-

#### Key share data:

Number of shares: (in m pcs) 8.8  
 Authorised capital: (in € m) 3.2  
 Book value per share: (in €) 8.9  
 Ø trading volume: (12 months) 2,200

#### Major shareholders:

Free Float 44.0 %  
 Family Heckmann 28.3 %  
 Family Witzany 27.2 %

#### Company description:

Nabaltec is focused on the production of functional fillers for plastics such as non-hazardous and non-toxic flame retardants used in electrical and electronic equipment.

## Financials

Profit and loss (EUR m)	2016	2017	2018	2019	2020P	2021E	2022E
<b>Net sales</b>	<b>159.2</b>	<b>168.6</b>	<b>176.7</b>	<b>179.0</b>	<b>159.6</b>	<b>177.9</b>	<b>194.8</b>
<i>Sales growth</i>	5.2 %	5.9 %	4.8 %	1.3 %	-10.9 %	11.5 %	9.5 %
Increase/decrease in finished goods and work-in-process	0.4	1.5	0.0	2.6	0.0	2.6	0.0
<b>Total sales</b>	<b>159.6</b>	<b>170.1</b>	<b>176.7</b>	<b>181.7</b>	<b>159.6</b>	<b>180.6</b>	<b>194.8</b>
Other operating income	2.2	4.5	3.1	1.5	1.6	2.1	1.9
Material expenses	80.9	83.7	86.3	84.4	76.0	84.0	89.2
Personnel expenses	31.7	31.3	33.0	35.6	33.6	33.8	34.7
Other operating expenses	26.2	29.6	30.7	30.9	28.0	30.8	32.7
Total operating expenses	136.7	140.1	146.9	149.3	136.0	146.4	154.7
<b>EBITDA</b>	<b>22.9</b>	<b>30.0</b>	<b>30.6</b>	<b>32.3</b>	<b>23.6</b>	<b>34.1</b>	<b>40.1</b>
Depreciation	10.7	11.7	12.1	13.7	14.2	14.0	13.8
<b>EBITA</b>	<b>12.2</b>	<b>18.3</b>	<b>18.5</b>	<b>18.6</b>	<b>9.4</b>	<b>20.1</b>	<b>26.3</b>
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	25.3	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>12.2</b>	<b>18.3</b>	<b>18.5</b>	<b>18.6</b>	<b>-15.9</b>	<b>20.1</b>	<b>26.3</b>
Interest income	0.3	0.1	0.1	0.1	0.0	0.0	0.1
Interest expenses	3.3	2.7	2.8	2.8	2.0	1.8	1.8
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-3.1	-2.6	-2.7	-2.7	-2.0	-1.8	-1.7
<b>Recurring pretax income from continuing operations</b>	<b>9.2</b>	<b>15.7</b>	<b>15.8</b>	<b>15.9</b>	<b>-17.9</b>	<b>18.4</b>	<b>24.6</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>9.2</b>	<b>15.7</b>	<b>15.8</b>	<b>15.9</b>	<b>-17.9</b>	<b>18.4</b>	<b>24.6</b>
Taxes	3.9	4.3	5.5	5.2	-4.6	5.1	6.9
<b>Net income from continuing operations</b>	<b>5.3</b>	<b>11.4</b>	<b>10.3</b>	<b>10.7</b>	<b>-13.2</b>	<b>13.2</b>	<b>17.7</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>5.3</b>	<b>11.4</b>	<b>10.3</b>	<b>10.7</b>	<b>-13.2</b>	<b>13.2</b>	<b>17.7</b>
Minority interest	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>5.3</b>	<b>11.4</b>	<b>10.3</b>	<b>10.7</b>	<b>-13.2</b>	<b>13.2</b>	<b>17.7</b>
Average number of shares	8.0	8.3	8.8	8.8	8.8	8.8	8.8
<b>EPS reported</b>	<b>0.67</b>	<b>1.39</b>	<b>1.17</b>	<b>1.22</b>	<b>-1.50</b>	<b>1.50</b>	<b>2.01</b>

Profit and loss (common size)	2016	2017	2018	2019	2020P	2021E	2022E
<b>Net sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Increase/decrease in finished goods and work-in-process	0.2 %	0.9 %	0.0 %	1.5 %	0.0 %	1.5 %	0.0 %
<b>Total sales</b>	<b>100.2 %</b>	<b>100.9 %</b>	<b>100.0 %</b>	<b>101.5 %</b>	<b>100.0 %</b>	<b>101.5 %</b>	<b>100.0 %</b>
Other operating income	1.4 %	2.7 %	1.7 %	0.9 %	1.0 %	1.2 %	1.0 %
Material expenses	50.8 %	49.7 %	48.8 %	47.2 %	47.6 %	47.2 %	45.8 %
Personnel expenses	19.9 %	18.6 %	18.7 %	19.9 %	21.1 %	19.0 %	17.8 %
Other operating expenses	16.5 %	17.5 %	17.4 %	17.2 %	17.6 %	17.3 %	16.8 %
Total operating expenses	85.8 %	83.1 %	83.1 %	83.4 %	85.2 %	82.3 %	79.4 %
<b>EBITDA</b>	<b>14.4 %</b>	<b>17.8 %</b>	<b>17.3 %</b>	<b>18.1 %</b>	<b>14.8 %</b>	<b>19.2 %</b>	<b>20.6 %</b>
Depreciation	6.7 %	6.9 %	6.9 %	7.7 %	8.9 %	7.9 %	7.1 %
<b>EBITA</b>	<b>7.7 %</b>	<b>10.9 %</b>	<b>10.5 %</b>	<b>10.4 %</b>	<b>5.9 %</b>	<b>11.3 %</b>	<b>13.5 %</b>
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 %	15.9 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>7.7 %</b>	<b>10.9 %</b>	<b>10.5 %</b>	<b>10.4 %</b>	<b>neg.</b>	<b>11.3 %</b>	<b>13.5 %</b>
Interest income	0.2 %	0.1 %	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %
Interest expenses	2.1 %	1.6 %	1.6 %	1.6 %	1.3 %	1.0 %	0.9 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>5.8 %</b>	<b>9.3 %</b>	<b>8.9 %</b>	<b>8.9 %</b>	<b>neg.</b>	<b>10.3 %</b>	<b>12.6 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>5.8 %</b>	<b>9.3 %</b>	<b>8.9 %</b>	<b>8.9 %</b>	<b>neg.</b>	<b>10.3 %</b>	<b>12.6 %</b>
Tax rate	42.3 %	27.2 %	34.7 %	32.9 %	26.0 %	28.0 %	28.0 %
<b>Net income from continuing operations</b>	<b>3.3 %</b>	<b>6.8 %</b>	<b>5.8 %</b>	<b>6.0 %</b>	<b>neg.</b>	<b>7.4 %</b>	<b>9.1 %</b>
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>3.3 %</b>	<b>6.8 %</b>	<b>5.8 %</b>	<b>6.0 %</b>	<b>neg.</b>	<b>7.4 %</b>	<b>9.1 %</b>
Minority interest	neg.	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>3.4 %</b>	<b>6.8 %</b>	<b>5.8 %</b>	<b>6.0 %</b>	<b>neg.</b>	<b>7.4 %</b>	<b>9.1 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2016	2017	2018	2019	2020P	2021E	2022E
<b>Intangible assets</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
Property, plant and equipment	125.3	131.7	148.4	155.6	129.4	129.4	129.6
Financial assets	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>FIXED ASSETS</b>	<b>125.9</b>	<b>132.2</b>	<b>149.0</b>	<b>156.1</b>	<b>130.0</b>	<b>129.9</b>	<b>130.2</b>
Inventories	30.9	33.0	34.6	40.5	34.7	35.6	35.4
Accounts receivable	3.1	4.1	4.5	5.6	5.2	5.4	5.9
Other current assets	5.5	5.5	7.5	5.7	5.7	5.7	5.7
Liquid assets	36.2	45.9	30.3	29.0	30.6	43.5	59.2
Deferred taxes	1.1	0.7	0.0	2.7	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>76.8</b>	<b>89.2</b>	<b>76.9</b>	<b>83.4</b>	<b>76.3</b>	<b>90.1</b>	<b>106.2</b>
<b>TOTAL ASSETS</b>	<b>202.7</b>	<b>221.4</b>	<b>225.9</b>	<b>239.6</b>	<b>206.2</b>	<b>220.1</b>	<b>236.3</b>
SHAREHOLDERS EQUITY	57.2	84.5	95.8	98.9	80.1	92.1	107.1
MINORITY INTEREST	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	71.3	70.4	70.4	39.0	60.9	60.9	60.9
Provisions for pensions and similar obligations	38.1	36.8	36.1	46.4	46.4	46.4	46.4
Other provisions	2.4	3.2	3.5	4.7	3.1	3.1	3.1
<b>Non-current liabilities</b>	<b>111.8</b>	<b>110.4</b>	<b>110.0</b>	<b>90.0</b>	<b>110.4</b>	<b>110.4</b>	<b>110.4</b>
short-term liabilities to banks	1.2	1.4	0.5	31.9	0.0	0.0	0.0
Accounts payable	14.5	15.6	12.6	13.4	11.9	13.3	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)	16.4	8.3	6.2	5.3	4.3	4.3	4.3
Deferred taxes	1.0	1.0	0.7	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>33.2</b>	<b>26.5</b>	<b>20.1</b>	<b>50.6</b>	<b>16.2</b>	<b>17.6</b>	<b>18.9</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>202.7</b>	<b>221.4</b>	<b>225.9</b>	<b>239.6</b>	<b>206.7</b>	<b>220.1</b>	<b>236.3</b>

Balance sheet (common size)	2016	2017	2018	2019	2020P	2021E	2022E
<b>Intangible assets</b>	<b>0.2 %</b>	<b>0.2 %</b>	<b>0.2 %</b>	<b>0.2 %</b>	<b>0.2 %</b>	<b>0.2 %</b>	<b>0.2 %</b>
Property, plant and equipment	61.8 %	59.5 %	65.7 %	64.9 %	62.6 %	58.8 %	54.8 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>FIXED ASSETS</b>	<b>62.1 %</b>	<b>59.7 %</b>	<b>65.9 %</b>	<b>65.2 %</b>	<b>62.9 %</b>	<b>59.0 %</b>	<b>55.1 %</b>
Inventories	15.2 %	14.9 %	15.3 %	16.9 %	16.8 %	16.2 %	15.0 %
Accounts receivable	1.5 %	1.8 %	2.0 %	2.3 %	2.5 %	2.4 %	2.5 %
Other current assets	2.7 %	2.5 %	3.3 %	2.4 %	2.8 %	2.6 %	2.4 %
Liquid assets	17.9 %	20.7 %	13.4 %	12.1 %	14.8 %	19.8 %	25.0 %
Deferred taxes	0.6 %	0.3 %	0.0 %	1.1 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>37.9 %</b>	<b>40.3 %</b>	<b>34.1 %</b>	<b>34.8 %</b>	<b>36.9 %</b>	<b>41.0 %</b>	<b>44.9 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>99.8 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
SHAREHOLDERS EQUITY	28.2 %	38.2 %	42.4 %	41.3 %	38.7 %	41.8 %	45.3 %
MINORITY INTEREST	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	35.2 %	31.8 %	31.2 %	16.3 %	29.5 %	27.7 %	25.8 %
Provisions for pensions and similar obligations	18.8 %	16.6 %	16.0 %	19.4 %	22.4 %	21.1 %	19.6 %
Other provisions	1.2 %	1.5 %	1.6 %	2.0 %	1.5 %	1.4 %	1.3 %
<b>Non-current liabilities</b>	<b>55.1 %</b>	<b>49.9 %</b>	<b>48.7 %</b>	<b>37.6 %</b>	<b>53.4 %</b>	<b>50.2 %</b>	<b>46.7 %</b>
short-term liabilities to banks	0.6 %	0.6 %	0.2 %	13.3 %	0.0 %	0.0 %	0.0 %
Accounts payable	7.2 %	7.1 %	5.6 %	5.6 %	5.8 %	6.0 %	6.2 %
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)	8.1 %	3.8 %	2.8 %	2.2 %	2.1 %	2.0 %	1.8 %
Deferred taxes	0.5 %	0.5 %	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>16.4 %</b>	<b>12.0 %</b>	<b>8.9 %</b>	<b>21.1 %</b>	<b>7.9 %</b>	<b>8.0 %</b>	<b>8.0 %</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2016	2017	2018	2019	2020P	2021E	2022E
Net profit/loss	5.3	11.4	10.3	10.7	-13.2	13.2	17.7
Depreciation of fixed assets (incl. leases)	10.7	11.7	12.1	13.7	37.2	14.0	13.8
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
Others	2.8	3.5	1.4	0.2	0.0	0.0	0.0
Cash flow from operations before changes in w/c	18.8	26.7	23.9	24.6	24.0	27.2	31.5
Increase/decrease in inventory	-0.1	-2.1	-1.6	-5.9	5.8	-0.9	0.2
Increase/decrease in accounts receivable	2.1	-1.0	-2.4	0.7	0.3	-0.1	-0.5
Increase/decrease in accounts payable	2.2	1.1	-3.7	0.3	1.5	-1.4	-1.3
Increase/decrease in other working capital positions	0.0	0.0	0.0	2.6	-7.0	0.0	0.0
Increase/decrease in working capital	4.3	-2.0	-7.8	-2.2	0.6	-2.4	-1.6
<b>Cash flow from operating activities</b>	<b>23.0</b>	<b>24.7</b>	<b>16.1</b>	<b>22.4</b>	<b>24.6</b>	<b>24.8</b>	<b>29.9</b>
CAPEX	17.0	23.4	27.1	20.0	11.0	12.0	12.0
Payments for acquisitions	0.0	0.6	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-17.0</b>	<b>-23.9</b>	<b>-27.1</b>	<b>-20.0</b>	<b>-11.0</b>	<b>-12.0</b>	<b>-12.0</b>
Cash flow before financing	6.0	0.7	-11.1	2.3	13.6	12.8	17.9
Increase/decrease in debt position	-11.8	-0.8	-1.0	-0.1	-10.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	17.9	0.0	0.0	0.0	0.0	0.0
Dividends paid	1.2	1.2	1.6	1.8	1.8	0.0	2.2
Others	0.6	-6.0	-2.0	-2.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.2	-1.0	0.1	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-12.4</b>	<b>10.0</b>	<b>-4.6</b>	<b>-3.8</b>	<b>-11.8</b>	<b>0.0</b>	<b>-2.2</b>
Increase/decrease in liquid assets	-6.1	9.8	-15.6	-1.4	1.8	12.8	15.7
<b>Liquid assets at end of period</b>	<b>36.2</b>	<b>45.9</b>	<b>30.3</b>	<b>28.8</b>	<b>30.6</b>	<b>43.5</b>	<b>59.2</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2016	2017	2018	2019	2020P	2021E	2022E
Domestic	42.4	45.3	46.0	46.6	41.5	46.3	50.7
yoy change	1.2 %	6.7 %	1.7 %	1.3 %	-10.9 %	11.5 %	9.5 %
Rest of Europe	78.3	81.7	89.1	90.2	80.4	89.7	98.2
yoy change	7.0 %	4.4 %	9.0 %	1.3 %	-10.9 %	11.5 %	9.5 %
NAFTA	20.2	21.4	23.5	23.8	21.2	23.7	25.9
yoy change	2.6 %	5.7 %	10.0 %	1.3 %	-10.9 %	11.5 %	9.5 %
Asia Pacific	0.0	0.0	0.0	3.6	3.2	3.6	3.9
yoy change	n/a	n/a	n/a	n/a	-10.9 %	11.5 %	9.5 %
Rest of world	18.3	20.3	18.2	14.8	13.2	14.7	16.1
yoy change	10.8 %	10.8 %	-10.3 %	-18.4 %	-10.9 %	11.5 %	9.5 %
<b>TTL</b>	<b>159.2</b>	<b>168.6</b>	<b>176.7</b>	<b>179.0</b>	<b>159.6</b>	<b>177.9</b>	<b>194.8</b>
yoy change	5.2 %	5.9 %	4.8 %	1.3 %	-10.9 %	11.5 %	9.5 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2016	2017	2018	2019	2020P	2021E	2022E
<b>P&amp;L growth analysis</b>							
Sales growth	5.2 %	5.9 %	4.8 %	1.3 %	-10.9 %	11.5 %	9.5 %
EBITDA growth	-7.0 %	31.0 %	33.5 %	7.7 %	-22.9 %	5.5 %	70.1 %
EBIT growth	-15.5 %	49.7 %	51.0 %	1.7 %	-186.1 %	8.1 %	-265.5 %
EPS growth	-20.4 %	107.5 %	75.0 %	-12.4 %	-228.5 %	23.6 %	-233.8 %
<b>Efficiency</b>							
Total operating costs / sales	85.8 %	83.1 %	83.1 %	83.4 %	85.2 %	82.3 %	79.4 %
Sales per employee	353.8	360.3	356.3	354.5	309.9	338.9	364.2
EBITDA per employee	50.9	64.2	61.7	64.0	45.8	65.0	75.0
<b>Balance sheet analysis</b>							
Avg. working capital / sales	13.6 %	12.1 %	13.0 %	15.1 %	17.1 %	17.0 %	14.0 %
Inventory turnover (sales/inventory)	5.2	5.1	5.1	4.4	4.6	5.0	5.5
Trade debtors in days of sales	7.1	8.9	9.2	11.4	12.0	11.0	11.0
A/P turnover [(A/P*365)/sales]	33.3	33.9	26.1	27.3	27.3	27.3	27.3
Cash conversion cycle (days)	80.8	84.5	102.2	128.6	121.3	107.8	96.3
<b>Cash flow analysis</b>							
Free cash flow	6.0	1.3	-11.1	2.3	13.6	12.8	17.9
Free cash flow/sales	3.8 %	0.8 %	-6.3 %	1.3 %	8.5 %	7.2 %	9.2 %
FCF / net profit	112.5 %	11.3 %	neg.	21.9 %	neg.	97.1 %	101.1 %
Capex / deprn	159.2 %	199.8 %	223.8 %	146.0 %	29.6 %	85.7 %	87.0 %
Capex / maintenance capex	212.6 %	292.4 %	336.3 %	248.2 %	137.5 %	175.0 %	175.0 %
Capex / sales	10.7 %	13.9 %	15.3 %	11.2 %	6.9 %	6.7 %	6.2 %
<b>Security</b>							
Net debt	36.4	25.9	40.7	41.9	30.2	17.4	1.7
Net Debt/EBITDA	1.6	0.9	1.3	1.3	1.3	0.5	0.0
Net debt / equity	0.6	0.3	0.4	0.4	0.4	0.2	0.0
Interest cover	3.7	6.8	6.6	6.6	0.0	11.2	14.6
Dividend payout ratio	22.4 %	13.0 %	17.1 %	16.5 %	0.0 %	16.6 %	14.9 %
<b>Asset utilisation</b>							
Capital employed turnover	0.9	0.9	0.9	0.8	0.8	0.9	0.9
Operating assets turnover	1.1	1.1	1.0	1.0	1.0	1.1	1.2
Plant turnover	1.3	1.3	1.2	1.2	1.2	1.4	1.5
Inventory turnover (sales/inventory)	5.2	5.1	5.1	4.4	4.6	5.0	5.5
<b>Returns</b>							
ROCE	7.1 %	10.0 %	9.8 %	8.9 %	-8.0 %	9.5 %	12.9 %
ROE	9.4 %	13.5 %	10.8 %	10.8 %	-16.5 %	14.4 %	16.5 %
<b>Other</b>							
Interest paid / avg. debt	4.3 %	3.7 %	3.9 %	3.9 %	3.0 %	2.7 %	3.0 %
No. employees (average)	450	468	496	505	515	525	535
Number of shares	8.0	8.3	8.8	8.8	8.8	8.8	8.8
DPS	0.2	0.2	0.2	0.2	0.0	0.3	0.3
EPS reported	0.67	1.39	1.17	1.22	-1.50	1.50	2.01
<b>Valuation ratios</b>							
P/BV	4.1	3.0	2.7	2.6	3.2	2.8	2.4
EV/sales	1.9	1.9	1.9	1.9	2.1	1.8	1.6
EV/EBITDA	13.4	10.6	10.9	10.6	14.1	9.4	7.6
EV/EBITA	25.1	17.4	18.0	18.5	35.4	15.9	11.5
EV/EBIT	25.1	17.4	18.0	18.5	-20.9	15.9	11.5
EV/FCF	51.0	245.4	-30.1	146.8	24.5	24.9	17.0
Adjusted FCF yield	3.6 %	5.6 %	5.2 %	5.6 %	6.1 %	6.6 %	8.4 %
Dividend yield	0.5 %	0.6 %	0.7 %	0.7 %	0.0 %	0.9 %	1.0 %

Source: Company data, Hauck & Aufhäuser

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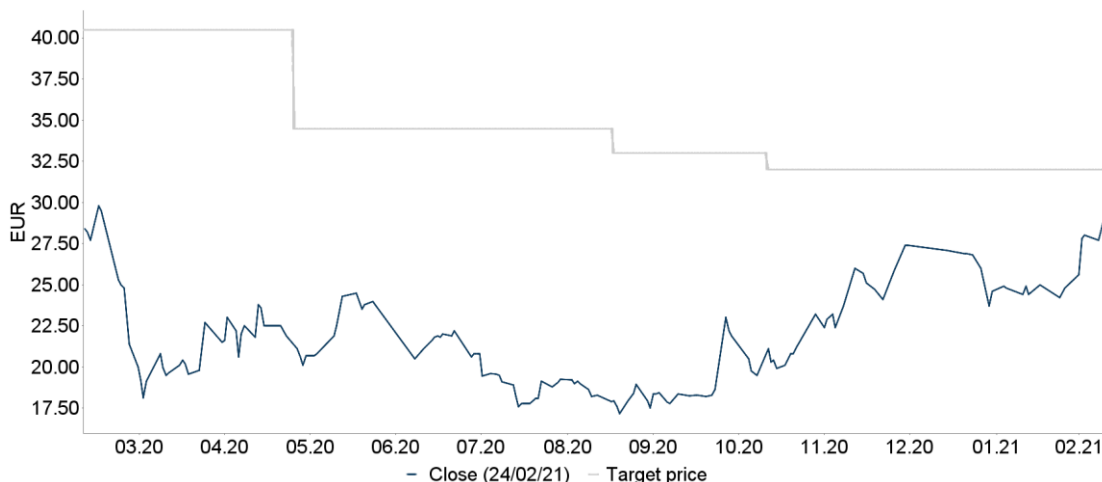
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Company	Disclosure
Nabaltec AG	2, 3

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

**Price and Rating History  
Nabaltec AG as of 25/02/21**

**Initiation coverage**  
14-April-11



Company	Date	Analyst	Rating	Target price	Close
Nabaltec AG	25.01.2021	Sandherr, Christian	Buy	EUR 32.00	EUR 24.80
	28.10.2020	Sandherr, Christian	Buy	EUR 32.00	EUR 20.30
	03.09.2020	Sandherr, Christian	Buy	EUR 33.00	EUR 17.60
	13.05.2020	Sandherr, Christian	Buy	EUR 34.50	EUR 20.60
	06.03.2020	Sandherr, Christian	Buy	EUR 40.50	EUR 28.10

27.02.2020      Sandherr, Christian      Buy      EUR 40.50      EUR 28.20

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