

Buy (old: Buy)

Price target: EUR 19.00 (old: EUR 20.00)

Price: EUR 12.35 **Next result:** Q2 2013 14.08.13
Bloomberg: AEI GR **Market cap:** EUR 112.0 m
Reuters: AEIG.DE **Enterprise Value:** EUR 136.8 m

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Q1 results impacted by one-offs; chg est.

Allgeier released Q1 figures which were below our expectations. The shortfall can be primarily put down to the **revaluation of a purchase price liability** for the acquired Nagarro group due to exchange rate changes (€ 1.1m). However, also the operating performance was below our estimates as the expected recovery after the challenging Q2-Q4 2012 was slower than anticipated. Consequently **we reduce our estimates**.

| Allgeier Key Figures (EUR) | Q1 13 | Q1 13 est | Q1 12 | yoy | Q4 12 | qoq |
|----------------------------|-------|-----------|-------|---------|-------|---------|
| Sales | 110.2 | 115.9 | 92.7 | 18.9% | 125.0 | -11.8% |
| EBITDA | 4.8 | 6.5 | 6.1 | -21.2% | 6.9 | -30.3% |
| EBITDA margin | 4.4% | 5.6% | 6.6% | -2.2 pp | 5.5% | -1.2 pp |
| EBIT | 1.8 | 3.1 | 2.8 | -37.2% | 2.8 | -37.6% |
| EBIT margin | 1.6% | 2.6% | 3.0% | -1.4 pp | 2.2% | -0.7 pp |
| Net profit | 0.5 | 1.7 | 1.5 | -64.4% | 7.1 | -92.6% |
| Net margin | 0.5% | 1.5% | 1.6% | -1.1 pp | 5.7% | -5.2 pp |
| EPS | 0.06 | 0.21 | 0.18 | -64.2% | 0.85 | -92.6% |

Source: Company data; Hauck & Aufhäuser

Q1 Sales increased by 19% to € 110.2m yoy which should have been nearly exclusively driven by first time consolidation effects (eH&A € 115.9m incl. 5% organic growth). However, this does not mean that all of its portfolio companies stagnated in Q1. In fact, the picture was mixed with some providing dynamic growth (especially Nagarro) while others that struggled in 2012 (e.g. in IT services) are recovering in 2013, but did not achieve the sound Q1 2012 levels yet again.

The latter is also the reason for the lower than expected EBITDA contribution. **Adjusted for the one-off hit of € 1.1m EBITDA decreased slightly by c. 3% yoy to € 5.9m.** Assuming that the nearly € 1m EBITDA was contributed by first-time consolidated companies, the **underlying EBITDA margin should have decreased by more than 1pp to c. 5.3%** due to the less pronounced recovery in some portfolio company's.

Nevertheless, the performance should gradually improve and the base becomes less challenging as of Q2. Hence, the **company guidance of double digit sales growth and disproportionately growing EBITDA should be achievable.** The FCFY 2013E based **PT is reduced to € 19** (old € 20) on lowered estimates. **Buy.**

| Y/E 31.12 (EUR m) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|---------------------|---------|---------|--------|--------|--------|--------|--------|
| Sales | 223.5 | 308.7 | 378.8 | 422.8 | 478.9 | 514.8 | 550.8 |
| Sales growth | 25 % | 38 % | 23 % | 12 % | 13 % | 8 % | 7 % |
| EBITDA | 14.4 | 18.1 | 22.3 | 22.9 | 28.5 | 33.7 | 36.7 |
| EBIT | 8.0 | 11.0 | 12.0 | 9.1 | 14.6 | 19.3 | 22.4 |
| Net income | 5.2 | 8.3 | 4.4 | 8.4 | 7.7 | 10.9 | 12.0 |
| Net debt | -27.4 | -15.8 | 9.4 | 34.8 | 31.2 | 15.1 | 1.3 |
| Net gearing | -35.2 % | -19.3 % | 11.3 % | 39.2 % | 32.5 % | 14.4 % | 1.1 % |
| Net Debt/EBITDA | 0.0 | 0.0 | 0.4 | 1.5 | 1.1 | 0.4 | 0.0 |
| EPS fully diluted | 0.57 | 0.92 | 0.49 | 0.92 | 0.85 | 1.21 | 1.33 |
| CPS | 1.24 | 0.65 | 1.94 | 0.94 | 1.51 | 1.96 | 1.83 |
| DPS | 0.50 | 0.50 | 0.50 | 0.21 | 0.44 | 0.65 | 0.72 |
| Dividend yield | 4.0 % | 4.0 % | 4.0 % | 1.7 % | 3.5 % | 5.3 % | 5.8 % |
| Gross profit margin | 38.5 % | 40.9 % | 41.9 % | 48.3 % | 50.9 % | 51.0 % | 51.2 % |
| EBITDA margin | 6.5 % | 5.9 % | 5.9 % | 5.4 % | 5.9 % | 6.5 % | 6.7 % |
| EBIT margin | 3.6 % | 3.6 % | 3.2 % | 2.2 % | 3.0 % | 3.7 % | 4.1 % |
| ROCE | 6.9 % | 8.7 % | 8.3 % | 5.5 % | 7.6 % | 9.5 % | 10.6 % |
| EV/sales | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.2 | 0.2 |
| EV/EBITDA | 5.6 | 4.9 | 5.1 | 6.1 | 4.8 | 3.6 | 2.9 |
| EV/EBIT | 10.1 | 8.1 | 9.5 | 15.4 | 9.4 | 6.3 | 4.8 |
| PER | 21.7 | 13.4 | 26.6 | 12.4 | 14.6 | 10.2 | 9.3 |
| Adjusted FCF yield | 14.3 % | 15.6 % | 11.7 % | 9.0 % | 11.4 % | 15.7 % | 19.9 % |

Source: Company data, Hauck & Aufhäuser Close price as of: 15.05.2013



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 12.45 / 9.70

Price/Book Ratio: 1.2

Relative performance (TecDAX):

3 months -2.8 %

6 months 4.5 %

12 months -24.5 %

Changes in estimates

| | | Sales | EBIT | EPS |
|------|------|-------|--------|--------|
| 2013 | old: | 495.8 | 16.6 | 1.09 |
| | Δ | -3.4% | -12.0% | -15.4% |
| 2014 | old: | 533.0 | 19.7 | 1.34 |
| | Δ | -3.4% | -2.0% | -2.8% |
| 2015 | old: | 570.3 | 23.5 | 1.53 |
| | Δ | -3.4% | -4.6% | -6.1% |

Key share data:

Number of shares: (in m pcs) 9.1
 Authorised capital: (in € m) 2.3
 Book value per share: (in €) 10.6
 Ø trading volume: (12 months) 7,265

Major shareholders:

Free Float 50.7 %
 Lantano Beteiligungen GmbH 27.6 %
 Detlef Dinsel 10.4 %
 Treasury stock 7.6 %
 CS Equity Fund 3.8 %

Company description:

Allgeier is one of Germany's leading IT service groups.

Financials

| Profit and loss (EUR m) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Net sales | 223.5 | 308.7 | 378.8 | 422.8 | 478.9 | 514.8 | 550.8 |
| <i>Sales growth</i> | 25.1 % | 38.1 % | 22.7 % | 11.6 % | 13.2 % | 7.5 % | 7.0 % |
| Increase/decrease in finished goods and work-in-process | -0.1 | 0.1 | 0.3 | 0.7 | 0.5 | 0.5 | 0.9 |
| Total sales | 223.5 | 308.8 | 379.1 | 423.5 | 479.4 | 515.3 | 551.7 |
| Other operating income | 4.0 | 5.8 | 6.6 | 7.3 | 7.7 | 8.0 | 8.3 |
| Material expenses | 137.5 | 182.5 | 220.2 | 218.8 | 235.4 | 252.2 | 269.3 |
| Personnel expenses | 59.5 | 88.4 | 109.0 | 149.0 | 181.5 | 193.0 | 206.0 |
| Other operating expenses | 16.1 | 25.5 | 34.2 | 40.0 | 41.7 | 44.3 | 47.9 |
| Total operating expenses | 209.0 | 290.7 | 356.8 | 400.6 | 450.9 | 481.6 | 515.0 |
| EBITDA | 14.4 | 18.1 | 22.3 | 22.9 | 28.5 | 33.7 | 36.7 |
| Depreciation | 1.1 | 1.7 | 3.3 | 3.8 | 4.3 | 4.6 | 5.0 |
| EBITA | 13.3 | 16.3 | 19.0 | 19.1 | 24.2 | 29.1 | 31.7 |
| Amortisation of goodwill | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Amortisation of intangible assets | 5.3 | 5.3 | 7.2 | 10.0 | 9.6 | 9.8 | 9.4 |
| Impairment charges | 0.0 | 0.0 | -0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| EBIT | 8.0 | 11.0 | 12.0 | 9.1 | 14.6 | 19.3 | 22.4 |
| Interest income | 0.8 | 0.7 | 0.4 | 0.6 | 0.6 | 0.7 | 0.8 |
| Interest expenses | 1.8 | 1.6 | 2.9 | 3.6 | 3.0 | 3.0 | 4.4 |
| Other financial result | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Financial result | -1.0 | -0.9 | -2.5 | -3.0 | -2.3 | -2.2 | -3.6 |
| Recurring pretax income from continuing operations | 7.0 | 10.2 | 9.5 | 6.1 | 12.3 | 17.1 | 18.8 |
| Extraordinary income/loss | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Earnings before taxes | 7.0 | 10.2 | 9.5 | 6.1 | 12.3 | 17.1 | 18.8 |
| Taxes | 2.1 | 1.5 | 4.2 | 2.4 | 3.7 | 5.1 | 5.6 |
| Net income from continuing operations | 5.0 | 8.7 | 5.3 | 3.7 | 8.6 | 11.9 | 13.1 |
| Result from discontinued operations (net of tax) | 0.0 | 0.0 | 0.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| Net income | 5.0 | 8.7 | 5.3 | 8.8 | 8.6 | 11.9 | 13.1 |
| Minority interest | -0.2 | 0.4 | 0.9 | 0.4 | 0.9 | 1.0 | 1.1 |
| Net income (net of minority interest) | 5.2 | 8.3 | 4.4 | 8.4 | 7.7 | 10.9 | 12.0 |
| Average number of shares | 8.7 | 8.4 | 8.4 | 8.4 | 8.4 | 8.4 | 8.4 |
| EPS reported | 0.60 | 0.99 | 0.52 | 0.39 | 0.92 | 1.31 | 1.44 |

| Profit and loss (common size) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 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 % | 0.0 % | 0.1 % | 0.2 % | 0.1 % | 0.1 % | 0.2 % |
| Total sales | 100.0 % | 100.0 % | 100.1 % | 100.2 % | 100.1 % | 100.1 % | 100.2 % |
| Other operating income | 1.8 % | 1.9 % | 1.7 % | 1.7 % | 1.6 % | 1.6 % | 1.5 % |
| Material expenses | 61.5 % | 59.1 % | 58.1 % | 51.8 % | 49.2 % | 49.0 % | 48.9 % |
| Personnel expenses | 26.6 % | 28.7 % | 28.8 % | 35.2 % | 37.9 % | 37.5 % | 37.4 % |
| Other operating expenses | 7.2 % | 8.3 % | 9.0 % | 9.5 % | 8.7 % | 8.6 % | 8.7 % |
| Total operating expenses | 93.5 % | 94.2 % | 94.2 % | 94.7 % | 94.2 % | 93.6 % | 93.5 % |
| EBITDA | 6.5 % | 5.9 % | 5.9 % | 5.4 % | 5.9 % | 6.5 % | 6.7 % |
| Depreciation | 0.5 % | 0.6 % | 0.9 % | 0.9 % | 0.9 % | 0.9 % | 0.9 % |
| EBITA | 6.0 % | 5.3 % | 5.0 % | 4.5 % | 5.0 % | 5.6 % | 5.8 % |
| Amortisation of goodwill | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| Amortisation of intangible assets | 2.4 % | 1.7 % | 1.9 % | 2.4 % | 2.0 % | 1.9 % | 1.7 % |
| Impairment charges | 0.0 % | 0.0 % | -0.1 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| EBIT | 3.6 % | 3.6 % | 3.2 % | 2.2 % | 3.0 % | 3.7 % | 4.1 % |
| Interest income | 0.4 % | 0.2 % | 0.1 % | 0.1 % | 0.1 % | 0.1 % | 0.2 % |
| Interest expenses | 0.8 % | 0.5 % | 0.8 % | 0.8 % | 0.6 % | 0.6 % | 0.8 % |
| Other financial result | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| Financial result | -0.4 % | -0.3 % | -0.7 % | -0.7 % | -0.5 % | -0.4 % | -0.7 % |
| Recurring pretax income from continuing operations | 3.2 % | 3.3 % | 2.5 % | 1.4 % | 2.6 % | 3.3 % | 3.4 % |
| Extraordinary income/loss | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| Earnings before taxes | 3.2 % | 3.3 % | 2.5 % | 1.4 % | 2.6 % | 3.3 % | 3.4 % |
| Tax rate | 29.6 % | 14.4 % | 43.9 % | 30.0 % | 30.0 % | 30.0 % | 30.0 % |
| Net income from continuing operations | 2.2 % | 2.8 % | 1.4 % | 0.9 % | 1.8 % | 2.3 % | 2.4 % |
| Income from discontinued operations (net of tax) | 0.0 % | 0.0 % | 0.0 % | 1.2 % | 0.0 % | 0.0 % | 0.0 % |
| Net income | 2.2 % | 2.8 % | 1.4 % | 2.1 % | 1.8 % | 2.3 % | 2.4 % |
| Minority interest | -0.1 % | 0.1 % | 0.2 % | 0.1 % | 0.2 % | 0.2 % | 0.2 % |
| Net income (net of minority interest) | 2.3 % | 2.7 % | 1.2 % | 2.0 % | 1.6 % | 2.1 % | 2.2 % |

Source: Company data, Hauck & Aufhäuser

Allgeier Holding SE

| Balance sheet (EUR m) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Intangible assets | 42.3 | 57.4 | 102.8 | 128.4 | 120.1 | 111.5 | 103.2 |
| Property, plant and equipment | 4.6 | 5.4 | 8.8 | 10.7 | 9.6 | 8.3 | 6.3 |
| Financial assets | 0.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| FIXED ASSETS | 47.4 | 62.7 | 111.6 | 139.2 | 129.7 | 119.8 | 109.5 |
| Inventories | 2.7 | 3.1 | 3.0 | 4.9 | 5.6 | 6.0 | 6.4 |
| Accounts receivable | 52.9 | 66.5 | 81.8 | 76.4 | 86.5 | 93.0 | 99.5 |
| Other current assets | 7.4 | 9.5 | 12.4 | 28.2 | 28.2 | 28.2 | 28.2 |
| Liquid assets | 49.2 | 61.3 | 31.9 | 38.9 | 42.6 | 58.7 | 72.5 |
| Deferred taxes | 0.5 | 1.0 | 1.4 | 2.0 | 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 |
| CURRENT ASSETS | 112.7 | 141.4 | 130.6 | 150.4 | 162.9 | 185.9 | 206.7 |
| TOTAL ASSETS | 160.1 | 204.1 | 242.1 | 289.6 | 292.6 | 305.7 | 316.2 |
| SHAREHOLDERS EQUITY | 77.8 | 81.8 | 83.7 | 88.9 | 96.0 | 104.4 | 112.0 |
| MINORITY INTEREST | 1.8 | 3.7 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 |
| Long-term debt | 21.8 | 45.1 | 8.6 | 72.0 | 72.0 | 72.0 | 72.0 |
| Provisions for pensions and similar obligations | 1.0 | 0.9 | 1.0 | 2.2 | 2.2 | 2.2 | 2.2 |
| Other provisions | 7.8 | 10.8 | 16.1 | 17.1 | 21.1 | 23.1 | 23.1 |
| Non-current liabilities | 30.5 | 56.8 | 25.6 | 91.3 | 95.3 | 97.3 | 97.3 |
| short-term liabilities to banks | 0.0 | 0.5 | 32.7 | 1.8 | 1.8 | 1.8 | 1.8 |
| Accounts payable | 23.3 | 29.8 | 36.5 | 33.3 | 37.8 | 40.6 | 43.4 |
| 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) | 21.0 | 25.8 | 49.9 | 60.0 | 47.5 | 47.3 | 47.4 |
| Deferred taxes | 5.8 | 5.7 | 9.2 | 9.7 | 9.7 | 9.7 | 9.7 |
| Deferred income | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Current liabilities | 50.1 | 61.9 | 128.3 | 104.9 | 96.8 | 99.4 | 102.4 |
| TOTAL LIABILITIES AND SHAREHOLDERS EQUITY | 160.1 | 204.1 | 242.1 | 289.6 | 292.6 | 305.7 | 316.2 |

| Balance sheet (common size) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Intangible assets | 26.5 % | 28.1 % | 42.4 % | 44.3 % | 41.0 % | 36.5 % | 32.6 % |
| Property, plant and equipment | 2.9 % | 2.6 % | 3.6 % | 3.7 % | 3.3 % | 2.7 % | 2.0 % |
| Financial assets | 0.3 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| FIXED ASSETS | 29.6 % | 30.7 % | 46.1 % | 48.1 % | 44.3 % | 39.2 % | 34.6 % |
| Inventories | 1.7 % | 1.5 % | 1.2 % | 1.7 % | 1.9 % | 2.0 % | 2.0 % |
| Accounts receivable | 33.1 % | 32.6 % | 33.8 % | 26.4 % | 29.6 % | 30.4 % | 31.5 % |
| Other current assets | 4.6 % | 4.7 % | 5.1 % | 9.7 % | 9.6 % | 9.2 % | 8.9 % |
| Liquid assets | 30.7 % | 30.0 % | 13.2 % | 13.4 % | 14.6 % | 19.2 % | 22.9 % |
| Deferred taxes | 0.3 % | 0.5 % | 0.6 % | 0.7 % | 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 % |
| CURRENT ASSETS | 70.4 % | 69.3 % | 53.9 % | 51.9 % | 55.7 % | 60.8 % | 65.4 % |
| TOTAL ASSETS | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % |
| SHAREHOLDERS EQUITY | 48.6 % | 40.1 % | 34.6 % | 30.7 % | 32.8 % | 34.2 % | 35.4 % |
| MINORITY INTEREST | 1.1 % | 1.8 % | 1.8 % | 1.6 % | 1.5 % | 1.5 % | 1.4 % |
| Long-term debt | 13.6 % | 22.1 % | 3.6 % | 24.9 % | 24.6 % | 23.5 % | 22.8 % |
| Provisions for pensions and similar obligations | 0.6 % | 0.5 % | 0.4 % | 0.8 % | 0.7 % | 0.7 % | 0.7 % |
| Other provisions | 4.8 % | 5.3 % | 6.6 % | 5.9 % | 7.2 % | 7.6 % | 7.3 % |
| Non-current liabilities | 19.0 % | 27.8 % | 10.6 % | 31.5 % | 32.6 % | 31.8 % | 30.8 % |
| short-term liabilities to banks | 0.0 % | 0.2 % | 13.5 % | 0.6 % | 0.6 % | 0.6 % | 0.6 % |
| Accounts payable | 14.5 % | 14.6 % | 15.1 % | 11.5 % | 12.9 % | 13.3 % | 13.7 % |
| 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) | 13.1 % | 12.7 % | 20.6 % | 20.7 % | 16.2 % | 15.5 % | 15.0 % |
| Deferred taxes | 3.6 % | 2.8 % | 3.8 % | 3.4 % | 3.3 % | 3.2 % | 3.1 % |
| Deferred income | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| Current liabilities | 31.3 % | 30.3 % | 53.0 % | 36.2 % | 33.1 % | 32.5 % | 32.4 % |
| TOTAL LIABILITIES AND SHAREHOLDERS EQUITY | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % |

Source: Company data, Hauck & Aufhäuser

Allgeier Holding SE

| Cash flow statement (EUR m) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|--|--------------|--------------|--------------|--------------|--------------|-------------|-------------|
| Net profit/loss | 5.0 | 8.7 | 5.3 | 8.8 | 8.6 | 11.9 | 13.1 |
| Depreciation of fixed assets (incl. leases) | 1.1 | 1.7 | 3.3 | 3.8 | 4.3 | 4.6 | 5.0 |
| Amortisation of goodwill | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Amortisation of intangible assets | 5.3 | 5.3 | 7.2 | 10.0 | 9.6 | 9.8 | 9.4 |
| Others | 2.7 | 5.9 | 12.6 | 6.2 | 4.0 | 2.0 | 0.0 |
| Cash flow from operations before changes in w/c | 14.1 | 21.6 | 28.4 | 28.9 | 26.5 | 28.4 | 27.5 |
| Increase/decrease in inventory | 0.0 | 0.0 | 0.1 | -1.9 | -0.7 | -0.4 | -0.4 |
| Increase/decrease in accounts receivable | 0.0 | 0.0 | -15.3 | 5.4 | -10.1 | -6.5 | -6.5 |
| Increase/decrease in accounts payable | 0.0 | 0.0 | 6.7 | -3.2 | 4.4 | 2.8 | 2.8 |
| Increase/decrease in other working capital positions | -2.2 | -14.4 | -0.2 | -14.1 | 0.0 | 0.0 | 0.0 |
| Increase/decrease in working capital | -2.2 | -14.4 | -8.8 | -13.8 | -6.4 | -4.1 | -4.1 |
| Cash flow from operating activities | 11.8 | 7.2 | 19.6 | 15.1 | 20.1 | 24.3 | 23.4 |
| CAPEX | 3.3 | 2.7 | 4.3 | 4.4 | 4.4 | 4.5 | 4.1 |
| Payments for acquisitions | 2.7 | 8.7 | 29.4 | 34.9 | 10.0 | 0.0 | 0.0 |
| Financial investments | 0.0 | 0.0 | 0.0 | 5.0 | 0.0 | 0.0 | 0.0 |
| Income from asset disposals | -10.2 | -0.6 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 |
| Cash flow from investing activities | -16.3 | -12.0 | -33.7 | -44.2 | -14.4 | -4.5 | -4.1 |
| Cash flow before financing | -4.4 | -4.7 | -14.0 | -29.2 | 5.7 | 19.8 | 19.3 |
| Increase/decrease in debt position | -4.1 | 17.4 | -7.6 | 43.9 | 0.0 | 0.0 | 0.0 |
| Purchase of own shares | 1.9 | 1.0 | 1.1 | 0.8 | 0.0 | 0.0 | 0.0 |
| Capital measures | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Dividends paid | 5.2 | 4.2 | 4.2 | 4.2 | 1.7 | 3.7 | 5.5 |
| Others | -3.7 | 4.1 | -2.3 | -2.8 | 0.0 | 0.0 | 0.0 |
| Effects of exchange rate changes on cash | 0.0 | 0.3 | -0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cash flow from financing activities | -14.9 | 16.4 | -15.3 | 36.2 | -1.7 | -3.7 | -5.5 |
| Increase/decrease in liquid assets | -19.3 | 12.0 | -29.5 | 7.0 | 4.0 | 16.1 | 13.8 |
| Liquid assets at end of period | 49.2 | 61.2 | 31.6 | 38.6 | 42.6 | 58.7 | 72.5 |

Source: Company data, Hauck & Aufhäuser

| Regional split (EUR m) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|------------------------|--------------|--------------|------------|------------|------------|------------|------------|
| Domestic | 210.8 | 265.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| yoy change | 24.9 % | 26.0 % | n/a | n/a | n/a | n/a | n/a |
| Rest of Europe | 10.9 | 40.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| yoy change | 24.8 % | 268.3 % | n/a | n/a | n/a | n/a | n/a |
| NAFTA | 0.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| yoy change | 1310.3 % | 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 | 1.0 | 2.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| yoy change | -17.4 % | 205.2 % | n/a | n/a | n/a | n/a | n/a |
| TTL | 223.5 | 308.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| yoy change | 25.1 % | 38.1 % | n/a | n/a | n/a | n/a | n/a |

Source: Company data, Hauck & Aufhäuser

Allgeier Holding SE

| Key ratios (EUR m) | 2009 | 2010 | 2011 | 2012 | 2013E | 2014E | 2015E |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| P&L growth analysis | | | | | | | |
| Sales growth | 25.1 % | 38.1 % | 22.7 % | 11.6 % | 13.2 % | 7.5 % | 7.0 % |
| EBITDA growth | 19.0 % | 25.4 % | 23.3 % | 2.9 % | 24.1 % | 18.4 % | 8.9 % |
| EBIT growth | 107.7 % | 37.8 % | 8.7 % | -24.1 % | 60.2 % | 32.3 % | 16.0 % |
| EPS growth | -93.3 % | 66.2 % | -47.0 % | -24.9 % | 133.1 % | 42.3 % | 10.0 % |
| Efficiency | | | | | | | |
| Total operating costs / sales | 93.5 % | 94.2 % | 94.2 % | 94.7 % | 94.2 % | 93.6 % | 93.5 % |
| Sales per employee | 213.7 | 237.5 | 201.0 | 170.8 | 188.9 | 198.8 | 206.5 |
| EBITDA per employee | 13.8 | 13.9 | 11.8 | 9.3 | 11.2 | 13.0 | 13.8 |
| Balance sheet analysis | | | | | | | |
| Avg. working capital / sales | 13.5 % | 11.7 % | 11.6 % | 11.4 % | 10.7 % | 11.0 % | 11.0 % |
| Inventory turnover (sales/inventory) | 83.4 | 101.0 | 126.2 | 85.5 | 85.5 | 85.5 | 85.5 |
| Trade debtors in days of sales | 86.4 | 78.6 | 78.8 | 65.9 | 65.9 | 65.9 | 65.9 |
| A/P turnover [(A/P*365)/sales] | 38.0 | 35.3 | 35.2 | 28.8 | 28.8 | 28.8 | 28.8 |
| Cash conversion cycle (days) | 31.8 | 25.1 | 23.3 | 18.6 | 16.1 | 15.9 | 15.8 |
| Cash flow analysis | | | | | | | |
| Free cash flow | 8.5 | 4.6 | 15.3 | 10.7 | 15.7 | 19.8 | 19.3 |
| Free cash flow/sales | 3.8 % | 1.5 % | 4.1 % | 2.5 % | 3.3 % | 3.8 % | 3.5 % |
| FCF / net profit | 164.8 % | 54.9 % | 347.9 % | 127.8 % | 204.3 % | 180.7 % | 160.0 % |
| FCF yield | 7.6 % | 4.1 % | 13.7 % | 9.5 % | 14.0 % | 17.7 % | 17.2 % |
| Capex / depre | 51.8 % | 37.8 % | 40.8 % | 68.0 % | 31.7 % | 31.2 % | 28.6 % |
| Capex / maintenance capex | 151.1 % | 153.4 % | 66.7 % | 42.0 % | 42.8 % | 42.0 % | 37.3 % |
| Capex / sales | 1.5 % | 0.9 % | 1.1 % | n/a | n/a | n/a | n/a |
| Security | | | | | | | |
| Net debt | -27.4 | -15.8 | 9.4 | 34.8 | 31.2 | 15.1 | 1.3 |
| Net Debt/EBITDA | 0.0 | 0.0 | 0.4 | 1.5 | 1.1 | 0.4 | 0.0 |
| Net debt / equity | -0.4 | -0.2 | 0.1 | 0.4 | 0.3 | 0.1 | 0.0 |
| Interest cover | 4.5 | 7.1 | 4.1 | 2.6 | 4.9 | 6.5 | 5.1 |
| Dividend payout ratio | 83.9 % | 50.5 % | 95.3 % | 20.9 % | 47.5 % | 50.0 % | 50.0 % |
| Asset utilisation | | | | | | | |
| Capital employed turnover | 2.0 | 2.2 | 2.6 | 2.3 | 2.4 | 2.5 | 2.6 |
| Operating assets turnover | 6.1 | 6.9 | 6.6 | 7.2 | 7.5 | 7.7 | 8.0 |
| Plant turnover | 48.7 | 57.7 | 43.1 | 39.5 | 49.9 | 62.3 | 87.4 |
| Inventory turnover (sales/inventory) | 83.4 | 101.0 | 126.2 | 85.5 | 85.5 | 85.5 | 85.5 |
| Returns | | | | | | | |
| ROCE | 6.9 % | 8.7 % | 8.3 % | 5.5 % | 7.6 % | 9.5 % | 10.6 % |
| ROE | 6.6 % | 10.2 % | 5.3 % | 9.4 % | 8.0 % | 10.5 % | 10.8 % |
| Other | | | | | | | |
| Interest paid / avg. debt | 7.1 % | 4.6 % | 6.7 % | 6.2 % | 4.0 % | 4.0 % | 6.0 % |
| No. employees (average) | 1046 | 1300 | 1885 | 2475 | 2536 | 2589 | 2667 |
| Number of shares | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 |
| DPS | 0.5 | 0.5 | 0.5 | 0.2 | 0.4 | 0.7 | 0.7 |
| EPS reported | 0.60 | 0.99 | 0.52 | 0.39 | 0.92 | 1.31 | 1.44 |
| Valuation ratios | | | | | | | |
| P/BV | 1.4 | 1.4 | 1.3 | 1.3 | 1.2 | 1.1 | 1.0 |
| EV/sales | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.2 | 0.2 |
| EV/EBITDA | 5.6 | 4.9 | 5.1 | 6.1 | 4.8 | 3.6 | 2.9 |
| EV/EBITA | 6.1 | 5.5 | 6.0 | 7.4 | 5.7 | 4.2 | 3.4 |
| EV/EBIT | 10.1 | 8.1 | 9.5 | 15.4 | 9.4 | 6.3 | 4.8 |
| EV/FCF | 9.5 | 19.5 | 7.4 | 13.1 | 8.7 | 6.1 | 5.5 |
| Dividend yield | 4.0 % | 4.0 % | 4.0 % | 1.7 % | 3.5 % | 5.3 % | 5.8 % |

Source: Company data, Hauck & Aufhäuser

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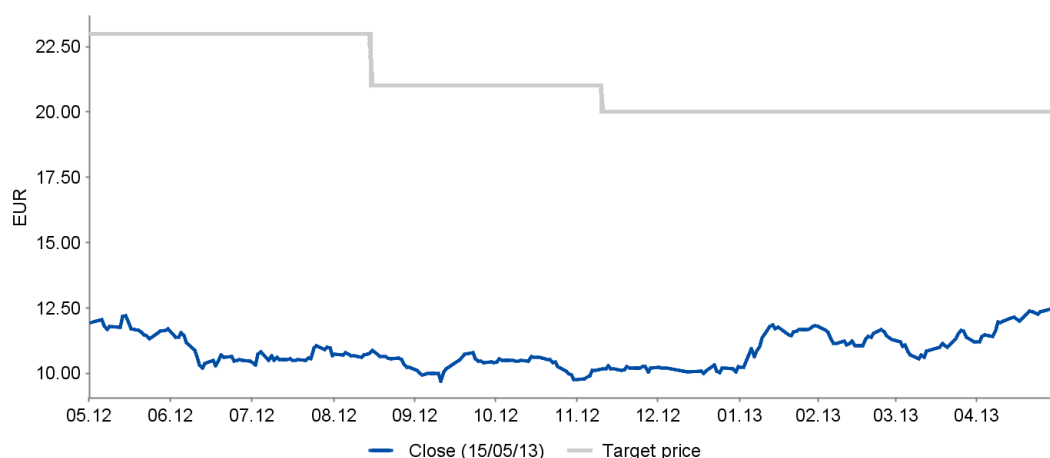
| Company | Disclosure |
|---------------------|------------|
| Allgeier Holding SE | 2, 5 |

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Historical target price and rating changes for Allgeier Holding SE in the last 12 months

Price and Rating History Allgeier Holding SE as of 16/05/13

Initiation coverage
28-March-12



Hauck & Aufhäuser distribution of ratings and in proportion to investment banking services

| | | |
|-------------|---------|----------|
| Buy | 57.84 % | 100.00 % |
| Sell | 13.73 % | 0.00 % |
| Hold | 28.43 % | 0.00 % |

Valuation basis/rating key

Buy: Sustainable upside potential of more than 10% within 12 months.

Sell: Sustainable downside potential of more than 10% within 12 months.

Hold: Upside/downside potential limited. No immediate catalyst visible.

Competent supervisory authority

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