

Company Alert

R.Stahl

Results Initial View: Incoming orders above expectations

COMPANY



RATING

BUY (UNCHANGED)

TARGET PRICE

24 EUR (UNCHANGED)

HIGHLIGHTS

- Preliminary key figures ahead of our estimates

Order situation: Order development compared with the previous year slightly distorts the general picture, as Q4/08 was the best quarter since Q1/08. In comparison with Q3/09, orders increased by 17 % and achieved the level of Q1/09 and Q2/09. The company mentioned the growth strategy delivering results, which have supported the order situation in the difficult FY 2009.

Business development: Sales were slightly above our estimates. Therefore, our earnings forecast should have been achieved, if not even better. The company made no statement regarding their earnings development.

R. Stahl assumes that they has hit the bottom, as they received the first positive signals from their most important customer industries. Nevertheless, they expect the first half of 2010 to be strongly influenced by the global crisis.

Final figures will be released on April 23, 2010. For the time being, we maintain our Rating and target price.

in EUR m	Q4/2009	LBBW E	change yoy	12M/2009	LBBW E	change yoy
Incoming orders	54.0	46.0	-5,6 %	208.0	200.0	-7,0 %
Sales	50.8	48.3	-3,9 %	201.0	198.5	-9,1 %
Net profit	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EPS (in EUR)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

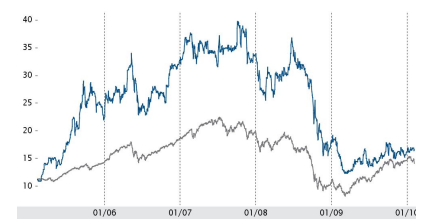
Source: R. Stahl, LBBW Research

+++ Reuters: RSLG +++ Bloomberg: RSL1 GY +++

Current Price (XETRA (Germany)): 2010-02-09; 05:36 pm) ... 16.85 EUR
CLOSING PRICE (2010-02-09): 16.85 EUR
EXPECTED PERFORMANCE:..... 42.4%
MARKET CAPITALIZATION:..... 108.51 EUR m
ENTERPRISE VALUE:..... 132.58 EUR m
NUMBER OF SHARES:..... 6.44 m
FREE FLOAT:..... 47.0 %
INDEX (WEIGHT):..... Classic All Share (0.05 %)
AVG. DAILY TRADEVOL.: 2,323
ISIN:..... DE0007257727
SECTOR: Capital Goods

KEY DATA (DEC)	2008	2009E	2010E
Sales (EUR m)	221.2	198.5	204.2
EBITDA (EUR m)	30.5	18.7	21.3
EBIT (EUR m)	21.5	9.9	12.8
Net profit (EUR m)	12.0	4.3	6.7
FCF (EUR m)	13.4	-1.7	8.1
FCF yield (in %)	n.a.	-1.6 %	7.5 %
EPS (EUR)	2.03	0.73	1.13
DPS (EUR)	0.90	0.30	0.50
EV / Sales (x)	0.4	0.7	0.6
EV / EBITDA (x)	2.6	7.1	6.2
EV / EBIT (x)	3.6	13.4	10.4
P / E (x)	9.0	23.2	14.9
P / BV (x)	1.41	1.32	1.24
Dividend yield (in %)	4.9 %	1.8 %	3.0 %

PRICE PERFORMANCE



Source: R. Stahl, LBBW Research, Thomson Reuters

UPCOMING EVENTS

April 23-10 Annual report

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LBBW Research Rating-Systematics (absolute share rating system)

Rating definitions:

Buy:	Based on a time horizon of up to 12 months, we recommend that investors buy the stock.
Sell:	Based on a time horizon of up to 12 months, we recommend that investors sell the stock.
Hold:	We take a neutral view on the stock and, based on a time horizon of up to 12 months, do not recommend either a Buy or Sell.
Under review:	The rating is currently updated.
Suspended:	The evaluation of the company is currently not feasible.

Percentage of companies within this rating category

Buy:	45,0%
Sell:	16,7%
Hold:	36,3%
Under review:	0,8%
Suspended:	1,3%

Notes: Rating definitions prior to 6th April, 2009 were:

Buy: The price potential of the share is at least 10%. Hold: The price potential of the share is between 0% and 10%. Sell: A negative price performance of the share is expected. Ratings relate to a time horizon of up to 6 months.

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