

Buy (old: Buy)

Price target: EUR 39.00 (old: EUR 39.00)

Price:	EUR 21.80	Next result:	Q3 '11 14.11.11
Bloomberg:	RSL1 GR	Market cap:	EUR 130.3 m
Reuters:	RSLG.DE	Enterprise Value:	EUR 167.9 m

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Q2 '11 results broadly in-line, earnings slightly below est.

Topic: Release of Q2 '11 results which had been in-line on the top-line, but shy on the bottom-line. Order intake remains very strong, which is why **management reiterates its FY guidance**. Figures are shown on next page.

Sales increased by 9.7% yoy to € 57.1m in Q2 (eH&A € 57.2m), reflecting continued strong demand for explosion protected products, mainly from R.Stahl's core European market. In particular, R.Stahl benefits from an increasing share of systems business (rather selling components), an area where R.Stahl has a competitive edge vs. competition.

More importantly, **order growth remains very strong**. New orders came in at € 67.5m (eH+A € 60m), **an increase of 25.8% yoy**, suggesting to see yet another strong H2 '11.

Earnings on the contrary fell short of expectations. Q2 '11 EBT arrived at € 3.2m (eH+A € 4.1m). Main reason has been continued pricing pressure on the lower end of R.Stahls's product spectrum (gross margin down 2.1pp) as well as integration costs for its newly acquired/build-up subsidiaries.

Outlook / Guidance. Despite the shortfall in earnings, **we stick to our FY estimates of € 246.6m in sales and € 19.3m EBT**. Main reason is the better than expected order situation and visibility of earnings improvement in H2 '11 (e.g. discontinuation of one-offs). Likewise, **management reiterates its FY guidance of sales between € 240m and € 250m as well as an EBT of between € 17-19m**.

With unchanged estimates, we reiterate to **BUY, PT € 39**, based on adj. FCF 11/12E.
-continued-

Y/E 31.12 (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Sales	211.6	221.2	202.6	222.6	246.6	263.9	277.1
Sales growth	27 %	5 %	-8 %	10 %	11 %	7 %	5 %
EBITDA	35.7	30.5	21.7	30.2	33.2	37.4	40.8
EBIT	26.9	21.5	12.6	19.3	22.9	26.7	29.8
Net income	15.7	12.0	5.3	10.6	13.2	15.8	18.1
Net debt	-16.5	-23.4	-7.6	-9.1	-12.7	-19.9	-29.6
Net gearing	-22.4 %	-30.4 %	-10.4 %	-10.9 %	-13.8 %	-19.5 %	-26.0 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS fully diluted	2.44	1.87	0.83	1.64	2.06	2.45	2.81
CPS	1.65	3.27	0.45	1.55	1.35	2.14	2.74
DPS	1.10	0.90	0.40	0.70	0.89	1.07	1.22
Dividend yield	5.0 %	4.1 %	1.8 %	3.2 %	4.1 %	4.9 %	5.5 %
Gross profit margin	66.0 %	67.1 %	66.3 %	66.5 %	66.0 %	66.4 %	66.5 %
EBITDA margin	16.9 %	13.8 %	10.7 %	13.6 %	13.4 %	14.2 %	14.7 %
EBIT margin	12.7 %	9.7 %	6.2 %	8.7 %	9.3 %	10.1 %	10.7 %
ROCE	18.4 %	14.3 %	8.5 %	12.7 %	14.6 %	16.5 %	17.3 %
EV/sales	0.8	0.7	0.8	0.8	0.7	0.6	0.6
EV/EBITDA	4.4	5.0	7.9	5.6	5.1	4.3	3.8
EV/EBIT	5.9	7.1	13.6	8.8	7.3	6.0	5.1
PER	9.0	11.8	26.6	13.4	10.7	9.0	7.8
Adjusted FCF yield	13.4 %	11.8 %	6.5 %	9.9 %	11.7 %	14.1 %	16.6 %

Source: Company data, Hauck & Aufhäuser Close price as of: 08.08.2011



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 31.82 / 21.61
Price/Book Ratio: 1.5
Relative performance (SDAX):
3 months -9.9 %
6 months -2.0 %
12 months -9.8 %

Changes in estimates

		Sales	EBIT	EPS
2011	old:	246.6	22.9	2.24
	Δ	-	-	-
2012	old:	263.9	26.7	2.67
	Δ	-	-	-
2013	old:	277.1	29.8	3.05
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 5.9
Authorised capital: (in € m) 3.3
Book value per share: (in €) 14.3
Ø trading volume: (12 months) 10,000

Major shareholders:

Founding family 51.0 %
Free Float 41.0 %
Treasury shares 8.0 %
Highclere International* 3.0 %

Company description:

Manufacturer of explosion protected products, components and systems

in € m	Q2 11	Q2 11 est	Q2 10	yoy	Q1 11	qoq	H1 11
Order intake	67.5	60.0	53.6	25.8%	59.1	14.1%	126.6
Order backlog	58.8	51.2	46.0	27.8%	48.4	21.5%	57.9
Sales	57.1	57.2	52.0	9.7%	58.7	-2.7%	115.8
Gross profit	37.1	38.1	34.9	6.3%	36.5	1.8%	73.6
Gross margin	65.0%	66.5%	67.1%	- 2.1 pp	62.1%	+ 2.9 pp	63.5%
EBIT	4.1	4.9	4.5	-8.9%	4.4	-5.8%	8.4
EBIT margin	7.2%	8.6%	8.6%	- 1.5 pp	7.4%	- 0.2 pp	7.3%
EBT	3.2	4.0	3.5	-10.5%	3.5	-10.1%	6.7
EBT margin	5.6%	7.0%	6.8%	- 1.3 pp	6.0%	- 0.5 pp	5.8%
Net profit	2.2	2.7	2.5	-13.2%	2.5	-13.9%	4.7
Net margin	3.8%	4.7%	4.8%	- 1.0 pp	4.3%	- 0.5 pp	4.0%
EPS	0.42	0.46	0.42	0.3%	0.42	-0.4%	0.78

Source: Company data; Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Net sales	211.6	221.2	202.6	222.6	246.6	263.9	277.1
<i>Sales growth</i>	26.7 %	4.5 %	-8.4 %	9.9 %	10.8 %	7.0 %	5.0 %
Increase/decrease in finished goods and work-in-process	6.7	0.4	1.2	2.4	5.1	1.2	1.2
Total sales	218.3	221.6	203.8	225.0	251.7	265.1	278.3
Other operating income	6.5	5.6	4.4	7.6	7.4	5.5	6.5
Material expenses	74.3	73.0	68.7	75.4	85.6	89.2	93.1
Personnel expenses	72.3	77.1	78.9	84.5	94.0	99.0	103.9
Other operating expenses	42.5	46.7	38.9	42.5	46.4	45.0	47.0
Total operating expenses	182.6	191.1	182.1	194.8	218.6	227.7	237.5
EBITDA	35.7	30.5	21.7	30.2	33.2	37.4	40.8
Depreciation	8.8	9.0	9.1	10.9	10.2	10.7	11.0
EBITA	26.9	21.5	12.6	19.3	22.9	26.7	29.8
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
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	26.9	21.5	12.6	19.3	22.9	26.7	29.8
Interest income	1.1	1.0	0.3	-3.9	-3.6	-3.5	-3.2
Interest expenses	3.4	4.0	4.0	0.0	0.0	0.0	0.0
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-2.3	-3.0	-3.7	-3.9	-3.6	-3.5	-3.2
Recurring pretax income from continuing operations	24.6	18.5	8.9	15.4	19.3	23.2	26.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	24.6	18.5	8.9	15.4	19.3	23.2	26.6
Taxes	8.4	5.9	3.3	4.8	6.1	7.4	8.5
Net income from continuing operations	16.2	12.6	5.6	10.5	13.2	15.8	18.1
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	16.2	12.6	5.6	10.5	13.2	15.8	18.1
Minority interest	0.5	0.6	0.3	0.0	0.0	0.0	0.0
Net income (net of minority interest)	15.7	12.0	5.3	10.6	13.2	15.8	18.1
Average number of shares	5.9	5.9	5.9	5.9	5.9	5.9	5.9
EPS reported	2.65	2.03	0.90	1.78	2.24	2.67	3.05

Profit and loss (common size)	2007	2008	2009	2010	2011E	2012E	2013E
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	3.2 %	0.2 %	0.6 %	1.1 %	2.1 %	0.5 %	0.4 %
Total sales	103.2 %	100.2 %	100.6 %	101.1 %	102.1 %	100.5 %	100.4 %
Other operating income	3.1 %	2.6 %	2.1 %	3.4 %	3.0 %	2.1 %	2.3 %
Material expenses	35.1 %	33.0 %	33.9 %	33.9 %	34.7 %	33.8 %	33.6 %
Personnel expenses	34.2 %	34.9 %	38.9 %	38.0 %	38.1 %	37.5 %	37.5 %
Other operating expenses	20.1 %	21.1 %	19.2 %	19.1 %	18.8 %	17.1 %	17.0 %
Total operating expenses	86.3 %	86.4 %	89.9 %	87.5 %	88.6 %	86.3 %	85.7 %
EBITDA	16.9 %	13.8 %	10.7 %	13.6 %	13.4 %	14.2 %	14.7 %
Depreciation	4.2 %	4.1 %	4.5 %	4.9 %	4.1 %	4.1 %	4.0 %
EBITA	12.7 %	9.7 %	6.2 %	8.7 %	9.3 %	10.1 %	10.7 %
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	12.7 %	9.7 %	6.2 %	8.7 %	9.3 %	10.1 %	10.7 %
Interest income	0.5 %	0.5 %	0.2 %	-1.8 %	-1.5 %	-1.3 %	-1.2 %
Interest expenses	1.6 %	1.8 %	2.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-1.1 %	-1.4 %	-1.8 %	-1.8 %	-1.5 %	-1.3 %	-1.2 %
Recurring pretax income from continuing operations	11.6 %	8.4 %	4.4 %	6.9 %	7.8 %	8.8 %	9.6 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	11.6 %	8.4 %	4.4 %	6.9 %	7.8 %	8.8 %	9.6 %
Tax rate	34.2 %	31.7 %	37.1 %	31.5 %	31.5 %	32.0 %	32.0 %
Net income from continuing operations	7.6 %	5.7 %	2.8 %	4.7 %	5.4 %	6.0 %	6.5 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	7.6 %	5.7 %	2.8 %	4.7 %	5.4 %	6.0 %	6.5 %
Minority interest	0.2 %	0.3 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	7.4 %	5.4 %	2.6 %	4.7 %	5.4 %	6.0 %	6.5 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	21.4	20.9	27.5	39.1	43.6	48.2	52.9
Property, plant and equipment	29.1	33.2	34.6	33.6	28.3	22.8	17.2
Financial assets	12.3	11.7	11.9	11.3	11.6	11.8	12.0
FIXED ASSETS	62.8	65.7	74.0	84.0	83.5	82.9	82.2
Inventories	37.7	35.2	33.0	36.1	40.0	42.8	45.0
Accounts receivable	41.5	36.3	38.4	42.5	47.1	50.4	53.0
Other current assets	7.3	6.1	5.5	6.8	6.9	7.1	7.2
Liquid assets	29.7	34.1	22.5	19.6	15.7	19.9	29.6
Deferred taxes	1.2	1.2	2.5	2.3	1.5	1.5	1.5
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	117.4	113.0	101.8	107.4	111.3	121.7	136.3
TOTAL ASSETS	180.2	178.7	175.8	191.5	194.8	204.6	218.4
SHAREHOLDERS EQUITY	74.0	76.8	72.9	84.0	92.2	102.5	114.0
MINORITY INTEREST	1.1	1.4	0.1	0.1	0.0	0.0	0.0
Long-term debt	6.2	4.5	7.8	6.4	0.0	0.0	0.0
Provisions for pensions and similar obligations	45.1	46.1	48.0	49.3	50.3	51.3	52.4
Other provisions	18.0	14.6	12.1	11.8	12.0	12.3	12.5
Non-current liabilities	69.4	65.2	67.9	67.5	62.3	63.6	64.9
short-term liabilities to banks	7.0	6.3	7.1	4.1	3.0	0.0	0.0
Accounts payable	11.9	13.2	9.5	11.6	12.8	13.7	14.4
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)	10.7	10.6	11.5	16.2	16.4	16.6	16.9
Deferred taxes	1.8	1.6	1.7	2.5	2.5	2.5	2.6
Deferred income	4.4	3.6	5.0	5.5	5.6	5.6	5.7
Current liabilities	35.8	35.3	34.9	39.8	40.3	38.6	39.6
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	180.2	178.7	175.8	191.5	194.8	204.6	218.4

Balance sheet (common size)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	11.9 %	11.7 %	15.6 %	20.4 %	22.4 %	23.6 %	24.2 %
Property, plant and equipment	16.2 %	18.6 %	19.7 %	17.5 %	14.5 %	11.2 %	7.9 %
Financial assets	6.8 %	6.5 %	6.7 %	5.9 %	5.9 %	5.8 %	5.5 %
FIXED ASSETS	34.8 %	36.8 %	42.1 %	43.9 %	42.9 %	40.5 %	37.6 %
Inventories	20.9 %	19.7 %	18.8 %	18.9 %	20.5 %	20.9 %	20.6 %
Accounts receivable	23.0 %	20.3 %	21.8 %	22.2 %	24.2 %	24.6 %	24.2 %
Other current assets	4.1 %	3.4 %	3.1 %	3.5 %	3.6 %	3.5 %	3.3 %
Liquid assets	16.5 %	19.1 %	12.8 %	10.3 %	8.1 %	9.7 %	13.6 %
Deferred taxes	0.7 %	0.7 %	1.4 %	1.2 %	0.8 %	0.7 %	0.7 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	65.2 %	63.2 %	57.9 %	56.1 %	57.1 %	59.5 %	62.4 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	41.0 %	43.0 %	41.5 %	43.9 %	47.3 %	50.1 %	52.2 %
MINORITY INTEREST	0.6 %	0.8 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %
Long-term debt	3.4 %	2.5 %	4.5 %	3.3 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	25.0 %	25.8 %	27.3 %	25.8 %	25.8 %	25.1 %	24.0 %
Other provisions	10.0 %	8.2 %	6.9 %	6.2 %	6.2 %	6.0 %	5.7 %
Non-current liabilities	38.5 %	36.5 %	38.6 %	35.3 %	32.0 %	31.1 %	29.7 %
short-term liabilities to banks	3.9 %	3.5 %	4.0 %	2.2 %	1.5 %	0.0 %	0.0 %
Accounts payable	6.6 %	7.4 %	5.4 %	6.0 %	6.6 %	6.7 %	6.6 %
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)	5.9 %	6.0 %	6.6 %	8.4 %	8.4 %	8.1 %	7.7 %
Deferred taxes	1.0 %	0.9 %	1.0 %	1.3 %	1.3 %	1.2 %	1.2 %
Deferred income	2.4 %	2.0 %	2.9 %	2.9 %	2.9 %	2.7 %	2.6 %
Current liabilities	19.9 %	19.8 %	19.8 %	20.8 %	20.7 %	18.8 %	18.1 %
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)	2007	2008	2009	2010	2011E	2012E	2013E
Net profit/loss	16.2	12.6	5.6	10.5	13.2	15.8	18.1
Depreciation of fixed assets (incl. leases)	8.8	9.0	9.1	10.9	10.2	10.7	11.0
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	4.8	-3.1	-0.2	2.7	1.0	1.0	1.0
Cash flow from operations before changes in w/c	29.8	18.5	14.5	24.2	24.5	27.5	30.1
Increase/decrease in inventory	-8.4	2.5	2.2	-3.1	-3.9	-2.8	-2.1
Increase/decrease in accounts receivable	-4.0	5.2	-2.1	-4.2	-4.6	-3.3	-2.5
Increase/decrease in accounts payable	0.3	1.3	-3.7	2.1	1.3	0.9	0.7
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	-12.1	9.0	-3.7	-5.2	-7.2	-5.2	-4.0
Cash flow from operating activities	17.7	27.5	10.9	19.0	17.2	22.3	26.1
CAPEX	13.9	14.1	12.5	9.6	9.5	9.8	10.1
Payments for acquisitions	2.3	0.0	0.0	5.7	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	5.7	0.3	-1.5	0.4	0.0	0.0	0.0
Cash flow from investing activities	-10.5	-13.7	-14.0	-14.9	-9.5	-9.8	-10.1
Cash flow before financing	7.2	13.7	-3.1	4.1	7.7	12.5	16.0
Increase/decrease in debt position	-2.2	-2.4	4.2	-4.5	-7.5	-3.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	5.3	6.5	5.3	2.4	4.1	5.3	6.3
Others	-2.3	0.6	-8.0	-0.8	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.5	-1.0	0.7	0.6	0.0	0.0	0.0
Cash flow from financing activities	-9.8	-8.4	-9.2	-7.6	-11.6	-8.3	-6.3
Increase/decrease in liquid assets	-3.1	4.4	-11.6	-2.9	-3.9	4.2	9.7
Liquid assets at end of period	29.7	34.1	22.5	19.6	15.7	19.9	29.6

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Domestic	59.0	58.0	52.7	51.5	53.0	73.9	74.8
yoy change	-0.5 %	-1.7 %	-9.1 %	-2.3 %	3.0 %	39.4 %	1.2 %
Rest of Europe	109.6	111.3	94.9	107.7	112.0	119.3	123.3
yoy change	35.6 %	1.6 %	-14.7 %	13.5 %	4.0 %	6.5 %	3.4 %
NAFTA	14.4	18.1	22.6	30.3	32.7	30.1	33.0
yoy change	33.4 %	25.7 %	24.9 %	34.1 %	8.0 %	-8.1 %	9.6 %
Asia Pacific	28.6	33.8	32.4	33.4	48.8	40.6	46.0
yoy change	77.0 %	18.2 %	-4.1 %	3.1 %	46.2 %	-16.8 %	13.2 %
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	211.6	221.2	202.6	222.9	246.6	263.9	277.1
yoy change	26.7 %	4.5 %	-8.4 %	10.0 %	10.6 %	7.0 %	5.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
P&L growth analysis							
Sales growth	26.7 %	4.5 %	-8.4 %	9.9 %	10.8 %	7.0 %	5.0 %
EBITDA growth	40.6 %	-14.7 %	-28.7 %	39.1 %	9.7 %	12.9 %	8.9 %
EBIT growth	45.6 %	-20.3 %	-41.4 %	53.3 %	18.9 %	16.7 %	11.4 %
EPS growth	24.4 %	-23.4 %	-55.6 %	98.0 %	25.3 %	19.4 %	14.4 %
Efficiency							
Total operating costs / sales	86.3 %	86.4 %	89.9 %	87.5 %	88.6 %	86.3 %	85.7 %
Sales per employee	174.0	174.0	149.1	157.7	168.6	174.4	179.5
EBITDA per employee	29.4	24.0	16.0	21.4	22.7	24.7	26.4
Balance sheet analysis							
Avg. working capital / sales	28.9 %	28.4 %	29.7 %	29.0 %	28.7 %	29.1 %	29.4 %
Inventory turnover (sales/inventory)	5.6	6.3	6.1	6.2	6.2	6.2	6.2
Trade debtors in days of sales	71.5	59.9	69.2	69.7	69.7	69.7	69.7
A/P turnover [(A/P*365)/sales]	20.6	21.8	17.1	19.0	19.0	19.0	19.0
Cash conversion cycle (days)	198.1	169.9	194.1	188.5	185.7	188.8	189.5
Cash flow analysis							
Free cash flow	3.8	13.4	-1.6	9.4	7.7	12.5	16.0
Free cash flow/sales	1.8 %	6.1 %	-0.8 %	4.2 %	3.1 %	4.7 %	5.8 %
FCF / net profit	24.3 %	111.5 %	-30.7 %	89.3 %	58.3 %	79.2 %	88.7 %
FCF yield	2.9 %	10.3 %	-1.3 %	7.2 %	5.9 %	9.6 %	12.3 %
Capex / depre	157.9 %	156.6 %	136.9 %	87.5 %	92.9 %	91.5 %	91.7 %
Capex / maintenance capex	112.6 %	114.0 %	67.7 %	37.0 %	54.3 %	54.0 %	54.6 %
Capex / sales	6.6 %	6.4 %	6.2 %	4.3 %	3.9 %	n/a	n/a
Security							
Net debt	-16.5	-23.4	-7.6	-9.1	-12.7	-19.9	-29.6
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.2	-0.3	-0.1	-0.1	-0.1	-0.2	-0.3
Interest cover	7.9	5.4	3.1	999.0	999.0	999.0	999.0
Dividend payout ratio	41.5 %	44.3 %	44.4 %	39.3 %	40.0 %	40.0 %	40.0 %
Asset utilisation							
Capital employed turnover	1.4	1.5	1.4	1.4	1.6	1.6	1.5
Operating assets turnover	2.2	2.4	2.1	2.2	2.4	2.6	2.8
Plant turnover	7.3	6.7	5.8	6.6	8.7	11.6	16.1
Inventory turnover (sales/inventory)	5.6	6.3	6.1	6.2	6.2	6.2	6.2
Returns							
ROCE	18.4 %	14.3 %	8.5 %	12.7 %	14.6 %	16.5 %	17.3 %
ROE	21.2 %	15.7 %	7.3 %	12.6 %	14.4 %	15.4 %	15.9 %
Other							
Interest paid / avg. debt	23.8 %	33.5 %	31.4 %	0.0 %	0.0 %	0.0 %	n/a
No. employees (average)	1216	1271	1359	1412	1463	1513	1544
Number of shares	5.9	5.9	5.9	5.9	5.9	5.9	5.9
DPS	1.1	0.9	0.4	0.7	0.9	1.1	1.2
EPS reported	2.65	2.03	0.90	1.78	2.24	2.67	3.05
Valuation ratios							
P/BV	1.9	1.8	1.9	1.7	1.5	1.4	1.2
EV/sales	0.8	0.7	0.8	0.8	0.7	0.6	0.6
EV/EBITDA	4.4	5.0	7.9	5.6	5.1	4.3	3.8
EV/EBITA	5.9	7.1	13.6	8.8	7.3	6.0	5.1
EV/EBIT	5.9	7.1	13.6	8.8	7.3	6.0	5.1
EV/FCF	41.7	11.4	-104.3	18.1	21.8	12.9	9.5
Dividend yield	5.0 %	4.1 %	1.8 %	3.2 %	4.1 %	4.9 %	5.5 %

Source: Company data, Hauck & Aufhäuser

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Historical target price and rating changes for R.Stahl AG in the last 12 months

Price and Rating History R.Stahl AG as of 09/08/11

Initiation coverage
30-September-09



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Buy	78.57 %	66.67 %
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Buy: Sustainable upside potential of more than 10% within 12 months.

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