

Mutares SE & Co. KGaA

Germany - Others



HAUCK
AUFHÄUSER
INVESTMENT BANKING

Buy (old: Buy)

Price target: EUR 34.00 (old: EUR 37.50)

Price: EUR 16.48 **Next result:** H1'22 11.08.22
Bloomberg: MUX GR **Market cap:** EUR 340.1 m
Reuters: MUXG.BE **Enterprise Value:** EUR 784.5 m

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Nordec IPO postponed, caution on dividend, est & PT chg.

We recently talked to management in the wake of coverage transfer. **We reduce FY 2022 Holding estimates and reduce 2022 dividend expectations and PT following the recent postponement of the Nordec IPO.**

Q2 2022 saw a flurry of deals with twelve transactions signed or closed since year-start and the company already reaching its 2022 target of twelve transactions signed. Mutares should therefore be well on track to also reach its guided > € 4 billion in consolidated revenues (€ 1.1 billion of incremental revenues signed as of Q1 alone). The company notably sold the French arm of the Frigoscandia business for an eHAIB € 15m in net proceeds. It bought Vallourec Beating Tubes (eHAIB dowry of ca. € 5m), as well as MANN+HUMMEL as an add-on to the Automotive & Mobility segment for an eHAIB € 20-25m cash outlay, as well as Cimosa, a powertrain and electrification and components specialist (eHAIB dowry in the mid-single digit million range). The M&A firepower should now be in the € 30m range (eHAIB).

The recent transactions bode well for our estimated € 74m (in line with company guidance of € 75m) in consulting revenues at Holding company level. While Q2 consulting revenues should be on par with the € 14.7m level of Q1, H2 should see a sequential acceleration to € 22m on average per quarter. This income stream should be resilient to any potential deterioration in operating performance in light of weak macro given that > 80% is backed by the dowries received from company sellers.

We however question whether this is the case for the dividends up-streamed to the Holding company with weaker assets more vulnerable to the ongoing macro shockwave (energy prices, inflation, weaker demand, etc). We therefore cautiously cut our 2022E overall Portfolio Income line item (consulting revenues + dividends) by 6.4% to € 88m. Furthermore, our 2022 Holding Net Income estimates, now seen at € 24.2m and reduced by 17.5%, conservatively do not include unrealized exits, vs. the company's guided € 72-88m. The recent postponement of the Nordec IPO (eHAIB of € 20-€ 25m in net cash proceeds) calls for caution. While the company is actively preparing exits, we **reduce our dividend expectation from € 1.50 per share to € 1.00 per share**, still yielding an attractive 6% yield, in light of a lower Holding Net Income expected.

We update our dividend yield model based on a basket of listed private equity peers (see details on p.2) and derive a new **PT of € 34 (€ 37.50) per share**, with still significant upside to current levels. Remains a BUY. *Consolidated figures are under review pending Q2 release.*

Y/E 31.12 (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Sales	865.1	1,015.9	1,583.9	2,504.0	3,273.5	3,498.9	3,650.0
Sales growth	-4 %	17 %	56 %	58 %	31 %	7 %	4 %
EBITDA	49.1	79.2	142.7	566.5	46.1	104.6	160.2
EBIT	19.4	26.2	41.2	447.3	-80.4	-22.7	30.4
Net income	14.7	21.2	27.1	435.6	-91.3	-34.3	14.7
Net debt	31.5	204.7	289.2	428.6	444.4	399.3	317.3
Net gearing	-8.6 %	63.4 %	90.9 %	38.2 %	42.2 %	36.8 %	24.4 %
Net Debt/EBITDA	0.6	2.6	2.0	0.8	9.7	3.8	2.0
EPS pro forma (Holding)	1.32	1.48	2.16	2.46	1.37	2.51	2.82
CPS	-2.68	-4.18	-8.92	-10.79	-0.96	2.86	11.79
DPS	1.00	1.00	1.50	1.50	1.00	1.25	1.50
Dividend yield	7.5 %	9.9 %	13.3 %	6.8 %	6.1 %	7.6 %	9.1 %
Gross profit margin	38.5 %	38.5 %	37.6 %	37.1 %	40.0 %	41.0 %	41.0 %
EBITDA margin	5.7 %	7.8 %	9.0 %	22.6 %	1.4 %	3.0 %	4.4 %
EBIT margin	2.2 %	2.6 %	2.6 %	17.9 %	-2.5 %	-0.6 %	0.8 %
ROCE	4.8 %	5.6 %	7.3 %	41.9 %	-7.0 %	-1.4 %	2.0 %
Holding Revenues		19.3	31.9	50.5	74.0	107.1	126.0
Portfolio Income		41.3	66.5	64.9	88.0	132.1	156.0
Net Income		22.5	33.4	50.7	28.2	51.7	58.2

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 01.07.2022

Please refer to important disclosures at the end of the report



Source: Company data, Hauck Aufhäuser Investment Banking

High/low 52 weeks: 29.80 / 17.22
Price/Book Ratio: 0.5
Relative performance (SDAX):
3 months -7.0 %
6 months 2.0 %
12 months 7.8 %

Changes in estimates

		Sales	EBIT	EPS*
2022	old:	3,273.5	-80.4	1.66
	Δ	-	-	-17.6%
2023	old:	3,498.9	-22.7	2.51
	Δ	-	-	-
2024	old:	3,650.0	30.4	2.82
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 20.6
Authorised capital: (in € m) 7.0
Book value per share: (in €) 33.5
Ø trading volume: (12 months) 5,400

* Holding level

Major shareholders:

Free Float 63.0 %
Robin Laik 25.0 %
Management 12.0 %

Company description:

Mutares 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.

Mutares SE & Co. KGaA

Company	Dividend 22E	Dividend 23E	Yield 22E	Yield 23E	Price per share*
EQT	3.03	3.57	1.4%	1.7%	209.9
Melrose	2.50	3.70	1.7%	2.5%	148.75
Eurazeo	1.78	1.79	3.0%	3.0%	59.6
Partners Group	34.75	37.64	4.1%	4.4%	856.4
Altamir	0.66	0.66	2.7%	2.7%	24.6
3i Group	4.71	5.09	0.4%	0.5%	1083
Deutsche Bet. AG	1.37	1.55	5.5%	6.2%	25.05
Apollo	1.60	1.74	3.2%	3.5%	49.68
Aurelius	1.50	1.50	6.8%	6.8%	22.14
Tikehau	0.616	0.728	3.2%	3.7%	19.5
Average			3.2%	3.5%	

Source: *local currency, Bloomberg estimates, HAIB estimates

in € m except per share data		Base dividend
Number of shares outstanding (m)	20.6	20.6
Market cap	€354.1	€354.1
Dividend per share	1.00	1.25
Total dividend payout	€20.6	€25.7
Hurdle rate	3.2%	3.2%
Dividend yield	5.8%	7.3%
Fair equity value	€642.6	€803.2
Fair equity value per share	€31.3	€39.1

Source: HAIB estimates

Financials

Profit and loss (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Net sales	865.1	1,015.9	1,583.9	2,504.0	3,273.5	3,498.9	3,650.0
<i>Sales growth</i>	-3.8 %	17.4 %	55.9 %	58.1 %	30.7 %	6.9 %	4.3 %
Increase/decrease in finished goods and work-in-process	0.1	-3.9	-23.1	6.8	-16.4	-17.5	-18.3
Total sales	865.2	1,012.0	1,560.8	2,510.8	3,257.1	3,481.4	3,631.8
Other operating income	107.4	119.1	241.3	770.1	0.0	0.0	1.0
Material expenses	532.4	622.6	974.6	1,579.7	1,954.3	2,054.0	2,142.8
Personnel expenses	244.7	291.8	423.9	660.4	818.4	874.7	912.5
Other operating expenses	146.4	137.5	260.8	474.3	438.4	448.1	417.3
Total operating expenses	816.1	932.8	1,418.1	1,944.3	3,211.1	3,376.8	3,471.6
EBITDA	49.1	79.2	142.7	566.5	46.1	104.6	160.2
Depreciation	23.5	43.1	88.7	109.2	115.0	115.0	115.0
EBITA	25.6	36.1	54.0	457.3	-69.0	-10.4	45.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Amortisation of intangible assets	6.2	9.9	12.8	10.0	11.5	12.2	12.8
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	1.0
EBIT (inc revaluation net)	19.4	26.2	41.2	447.3	-80.4	-22.7	30.4
Interest income	0.5	1.5	3.9	8.5	2.2	2.4	2.9
Interest expenses	5.1	11.0	28.2	27.2	13.1	14.0	14.6
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	2.0
Financial result	-4.6	-9.5	-24.3	-18.7	-10.9	-11.6	-11.7
Recurring pretax income from continuing operations	14.8	16.7	16.9	428.6	-91.3	-34.3	18.7
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Earnings before taxes	14.8	16.7	16.9	428.6	-91.3	-34.3	19.7
Taxes	2.8	0.0	-2.8	-13.7	0.0	0.0	1.0
Net income from continuing operations	12.0	16.7	19.7	442.3	-91.3	-34.3	18.7
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	2.0
Net income	12.0	16.7	19.7	442.3	-91.3	-34.3	15.7
Minority interest	-2.7	-4.5	-7.4	6.7	0.0	0.0	1.0
Net profit (reported)	14.7	21.2	27.1	435.6	-91.3	-34.3	14.7
Average number of shares	15.2	15.2	15.2	20.6	20.6	20.6	20.6
EPS reported	0.96	1.39	1.78	21.11	-4.42	-1.66	0.71

Profit and loss (common size)	2018	2019	2020	2021	2022E	2023E	2024E
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 %	neg.	neg.	0.3 %	neg.	neg.	neg.
Total sales	100.0 %	99.6 %	98.5 %	100.3 %	99.5 %	99.5 %	99.5 %
Other operating income	12.4 %	11.7 %	15.2 %	30.8 %	0.0 %	0.0 %	0.0 %
Material expenses	61.5 %	61.3 %	61.5 %	63.1 %	59.7 %	58.7 %	58.7 %
Personnel expenses	28.3 %	28.7 %	26.8 %	26.4 %	25.0 %	25.0 %	25.0 %
Other operating expenses	16.9 %	13.5 %	16.5 %	18.9 %	13.4 %	12.8 %	11.4 %
Total operating expenses	94.3 %	91.8 %	89.5 %	77.6 %	98.1 %	96.5 %	95.1 %
EBITDA	5.7 %	7.8 %	9.0 %	22.6 %	1.4 %	3.0 %	4.4 %
Depreciation	2.7 %	4.2 %	5.6 %	4.4 %	3.5 %	3.3 %	3.2 %
EBITA	3.0 %	3.6 %	3.4 %	18.3 %	neg.	neg.	1.2 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.7 %	1.0 %	0.8 %	0.4 %	0.4 %	0.4 %	0.4 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	2.2 %	2.6 %	2.6 %	17.9 %	neg.	neg.	0.8 %
Interest income	0.1 %	0.1 %	0.2 %	0.3 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.6 %	1.1 %	1.8 %	1.1 %	0.4 %	0.4 %	0.4 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	1.7 %	1.6 %	1.1 %	17.1 %	neg.	neg.	0.5 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	1.7 %	1.6 %	1.1 %	17.1 %	neg.	neg.	0.5 %
Tax rate	18.9 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income from continuing operations	1.4 %	1.6 %	1.2 %	17.7 %	neg.	neg.	0.5 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %
Net income	1.4 %	1.6 %	1.2 %	17.7 %	neg.	neg.	0.4 %
Minority interest	neg.	neg.	neg.	0.3 %	0.0 %	0.0 %	0.0 %
Net profit (reported)	1.7 %	2.1 %	1.7 %	17.4 %	neg.	neg.	0.4 %

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	41.4	58.7	76.0	134.0	123.5	112.3	100.5
Property, plant and equipment	133.3	296.2	390.0	875.3	790.3	705.3	621.3
Financial assets	16.9	16.6	8.7	73.6	73.6	73.6	73.6
FIXED ASSETS	191.6	371.5	474.7	1,082.9	987.4	891.2	795.4
Inventories	100.8	134.0	203.5	423.2	553.3	591.3	616.9
Accounts receivable	147.6	143.0	258.5	291.0	380.4	406.6	424.2
Other current assets	69.4	96.5	226.2	480.7	480.7	480.7	480.7
Liquid assets	108.1	79.7	145.3	255.1	239.3	284.4	366.5
Deferred taxes	13.3	23.8	18.9	27.4	27.4	27.4	27.4
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	439.2	477.0	852.5	1,477.4	1,681.1	1,790.5	1,915.6
TOTAL ASSETS	630.8	848.5	1,327.2	2,560.3	2,668.5	2,681.7	2,711.1
SHAREHOLDERS EQUITY	180.7	185.3	190.3	721.2	691.0	668.9	673.7
MINORITY INTEREST	27.4	22.9	16.9	15.2	15.2	15.2	16.2
Long-term debt	92.6	197.1	318.4	530.7	530.7	530.7	530.7
Provisions for pensions and similar obligations	47.0	87.3	116.1	153.0	153.0	153.0	153.0
Other provisions	49.7	50.5	94.1	172.8	172.8	172.8	172.8
Non-current liabilities	189.3	334.9	528.6	856.5	856.5	856.5	856.5
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	111.9	159.9	250.4	372.8	511.2	546.4	570.0
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)	115.1	130.4	289.5	412.3	412.3	412.3	412.3
Deferred taxes	6.4	15.1	15.1	137.8	137.8	137.8	137.8
Deferred income	0.0	0.0	36.3	44.5	44.5	44.5	44.5
Current liabilities	233.4	305.4	591.4	967.4	1,105.8	1,141.0	1,164.6
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	630.8	848.5	1,327.2	2,560.3	2,668.5	2,681.7	2,711.0

Balance sheet (common size)	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	6.6 %	6.9 %	5.7 %	5.2 %	4.6 %	4.2 %	3.7 %
Property, plant and equipment	21.1 %	34.9 %	29.4 %	34.2 %	29.6 %	26.3 %	22.9 %
Financial assets	2.7 %	2.0 %	0.7 %	2.9 %	2.8 %	2.7 %	2.7 %
FIXED ASSETS	30.4 %	43.8 %	35.8 %	42.3 %	37.0 %	33.2 %	29.3 %
Inventories	16.0 %	15.8 %	15.3 %	16.5 %	20.7 %	22.1 %	22.8 %
Accounts receivable	23.4 %	16.9 %	19.5 %	11.4 %	14.3 %	15.2 %	15.6 %
Other current assets	11.0 %	11.4 %	17.0 %	18.8 %	18.0 %	17.9 %	17.7 %
Liquid assets	17.1 %	9.4 %	11.0 %	10.0 %	9.0 %	10.6 %	13.5 %
Deferred taxes	2.1 %	2.8 %	1.4 %	1.1 %	1.0 %	1.0 %	1.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	69.6 %	56.2 %	64.2 %	57.7 %	63.0 %	66.8 %	70.7 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	28.6 %	21.8 %	14.3 %	28.2 %	25.9 %	24.9 %	24.9 %
MINORITY INTEREST	4.3 %	2.7 %	1.3 %	0.6 %	0.6 %	0.6 %	0.6 %
Long-term debt	14.7 %	23.2 %	24.0 %	20.7 %	19.9 %	19.8 %	19.6 %
Provisions for pensions and similar obligations	7.5 %	10.3 %	8.7 %	6.0 %	5.7 %	5.7 %	5.6 %
Other provisions	7.9 %	6.0 %	7.1 %	6.7 %	6.5 %	6.4 %	6.4 %
Non-current liabilities	30.0 %	39.5 %	39.8 %	33.5 %	32.1 %	31.9 %	31.6 %
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	17.7 %	18.8 %	18.9 %	14.6 %	19.2 %	20.4 %	21.0 %
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)	18.2 %	15.4 %	21.8 %	16.1 %	15.5 %	15.4 %	15.2 %
Deferred taxes	1.0 %	1.8 %	1.1 %	5.4 %	5.2 %	5.1 %	5.1 %
Deferred income	0.0 %	0.0 %	2.7 %	1.7 %	1.7 %	1.7 %	1.6 %
Current liabilities	37.0 %	36.0 %	44.6 %	37.8 %	41.4 %	42.5 %	43.0 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow statement (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Net profit/loss	12.0	16.7	19.7	442.3	-91.3	-34.3	15.7
Depreciation of fixed assets (incl. leases)	23.5	43.1	88.7	109.2	115.0	115.0	115.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Amortisation of intangible assets	6.2	9.9	12.8	10.0	11.5	12.2	12.8
Others	-85.1	-127.6	-186.8	-677.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	-43.4	-57.9	-65.6	-115.5	35.2	93.0	144.5
Increase/decrease in inventory	13.0	20.1	16.5	-22.4	42.3	55.3	59.1
Increase/decrease in accounts receivable	39.0	34.4	7.1	43.1	29.1	38.0	40.7
Increase/decrease in accounts payable	-31.2	-1.9	48.0	38.4	0.0	0.0	0.0
Increase/decrease in other working capital positions	11.5	-5.4	-40.4	-47.1	0.0	0.0	0.0
Increase/decrease in working capital	32.3	47.2	31.2	12.0	71.4	93.4	99.8
Cash flow from operating activities	-11.1	-10.7	-34.4	-103.5	106.6	186.3	244.3
CAPEX	23.7	31.4	35.5	59.7	30.0	30.0	31.0
Payments for acquisitions	-19.4	-32.6	-78.6	-188.8	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Income from asset disposals	1.1	43.2	8.3	42.3	15.0	0.0	-15.0
Cash flow from investing activities	-3.2	44.4	51.4	171.5	-15.0	-30.0	-47.0
Cash flow before financing	-14.3	33.7	17.0	23.1	31.0	20.6	25.8
Increase/decrease in debt position	0.1	-0.1	104.0	44.0	0.0	0.0	0.0
Purchase of own shares	3.0	0.0	2.5	-5.4	0.0	0.0	0.0
Capital measures	46.9	0.0	0.0	94.3	0.0	0.0	0.0
Dividends paid	15.2	15.2	15.2	23.1	31.0	20.6	25.8
Others	-5.3	-47.1	-28.4	-72.8	-76.4	-80.3	-84.3
Effects of exchange rate changes on cash	0.0	0.3	-9.2	-6.0	0.0	0.0	0.0
Cash flow from financing activities	23.5	-62.4	57.9	47.8	-107.4	-100.9	-110.1
Increase/decrease in liquid assets	9.2	-28.4	65.7	n/a	n/a	n/a	n/a
Liquid assets at end of period	108.1	79.7	145.4	255.1	239.3	294.7	381.9

Source: Company data, Hauck Aufhäuser Investment Banking

Regional split (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Domestic	103.1	121.1	188.8	298.5	390.2	417.1	435.1
yoy change	-59.1 %	17.4 %	55.9 %	58.1 %	30.7 %	6.9 %	4.3 %
Rest of Europe	709.4	833.0	1,298.8	2,053.3	2,684.3	2,869.1	2,993.0
yoy change	17.9 %	17.4 %	55.9 %	58.1 %	30.7 %	6.9 %	4.3 %
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	8.0	9.4	14.6	23.1	30.2	32.3	33.7
yoy change	-82.6 %	17.4 %	55.9 %	58.1 %	30.7 %	6.9 %	4.3 %
TTL	820.5	963.5	1,502.2	2,374.9	3,104.7	3,318.4	3,461.8
yoy change	-8.8 %	17.4 %	55.9 %	58.1 %	30.7 %	6.9 %	4.3 %

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
P&L growth analysis							
Sales growth	-3.8 %	17.4 %	55.9 %	58.1 %	30.7 %	6.9 %	4.3 %
EBITDA growth	-26.8 %	61.3 %	190.7 %	615.3 %	-67.7 %	-81.5 %	247.8 %
EBIT growth	-51.5 %	35.1 %	112.5 %	1607.3 %	-295.1 %	-105.1 %	-137.8 %
EPS growth	-66.1 %	44.2 %	84.5 %	1416.8 %	-348.5 %	-107.9 %	-116.1 %
Efficiency							
Total operating costs / sales	94.3 %	91.8 %	89.5 %	77.6 %	98.1 %	96.5 %	95.1 %
Sales per employee	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EBITDA per employee	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Balance sheet analysis							
Avg. working capital / sales	19.0 %	12.5 %	11.0 %	9.2 %	9.7 %	11.3 %	12.2 %
Inventory turnover (sales/inventory)	8.6	7.6	7.8	5.9	5.9	5.9	5.9
Trade debtors in days of sales	62.3	51.4	59.6	42.4	42.4	42.4	42.4
A/P turnover [(A/P*365)/sales]	47.2	57.5	57.7	54.3	57.0	57.0	57.0
Cash conversion cycle (days)	54.7	36.2	42.0	54.1	50.3	50.4	50.4
Cash flow analysis							
Free cash flow	-34.8	-42.1	-69.9	-163.2	76.6	156.3	213.3
Free cash flow/sales	-4.0 %	-4.1 %	-4.4 %	-6.5 %	2.3 %	4.5 %	5.8 %
FCF / net profit	neg.	neg.	neg.	neg.	neg.	neg.	1448.1 %
Capex / depre	79.8 %	59.2 %	35.0 %	50.0 %	23.7 %	23.6 %	24.8 %
Capex / maintenance capex	52.5 %	139.2 %	49.3 %	50.0 %	23.7 %	23.6 %	3100.0 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	31.5	204.7	289.2	428.6	444.4	399.3	317.3
Net Debt/EBITDA	0.6	2.6	2.0	0.8	9.7	3.8	2.0
Net debt / equity	0.2	1.1	1.5	0.6	0.6	0.6	0.5
Interest cover	3.8	2.4	1.5	16.4	0.0	0.0	2.1
Dividend payout ratio	103.6 %	71.9 %	84.3 %	7.1 %	100.0 %	100.0 %	210.1 %
Asset utilisation							
Capital employed turnover	2.2	1.9	2.2	1.6	2.1	2.3	2.4
Operating assets turnover	3.2	2.5	2.6	2.1	2.7	3.0	3.3
Plant turnover	6.5	3.4	4.1	2.9	4.1	5.0	5.9
Inventory turnover (sales/inventory)	8.6	7.6	7.8	5.9	5.9	5.9	5.9
Returns							
ROCE	4.8 %	5.6 %	7.3 %	41.9 %	-7.0 %	-1.4 %	2.0 %
ROE	8.1 %	11.4 %	14.3 %	60.4 %	-13.2 %	-5.1 %	2.2 %
Other							
Interest paid / avg. debt	5.2 %	7.6 %	13.7 %	7.5 %	3.1 %	2.6 %	2.8 %
No. employees (average)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of shares	15.2	15.2	15.2	20.6	20.6	20.6	20.6
DPS	1.0	1.0	1.5	1.5	1.0	1.3	1.5
EPS reported	0.96	1.39	1.78	21.11	-4.42	-1.66	0.71
Valuation ratios							
P/BV	1.4	1.4	1.3	0.5	0.5	0.5	0.5
EV/sales	0.3	0.4	0.3	0.4	0.2	0.2	0.2
EV/EBITDA	4.8	4.5	3.2	1.6	17.0	7.1	4.1
EV/EBITA	9.2	9.9	8.5	1.9	-11.4	-71.0	14.6
EV/EBIT	12.2	13.7	11.2	2.0	-9.8	-32.6	21.6
EV/FCF	-6.8	-8.5	-6.6	-5.4	10.2	4.7	3.1
Adjusted FCF yield	6.3 %	5.9 %	8.0 %	54.1 %	-9.5 %	-2.8 %	21.8 %
Dividend yield	7.5 %	9.9 %	13.3 %	6.8 %	6.1 %	7.6 %	9.1 %

Source: Company data, Hauck Aufhäuser Investment Banking

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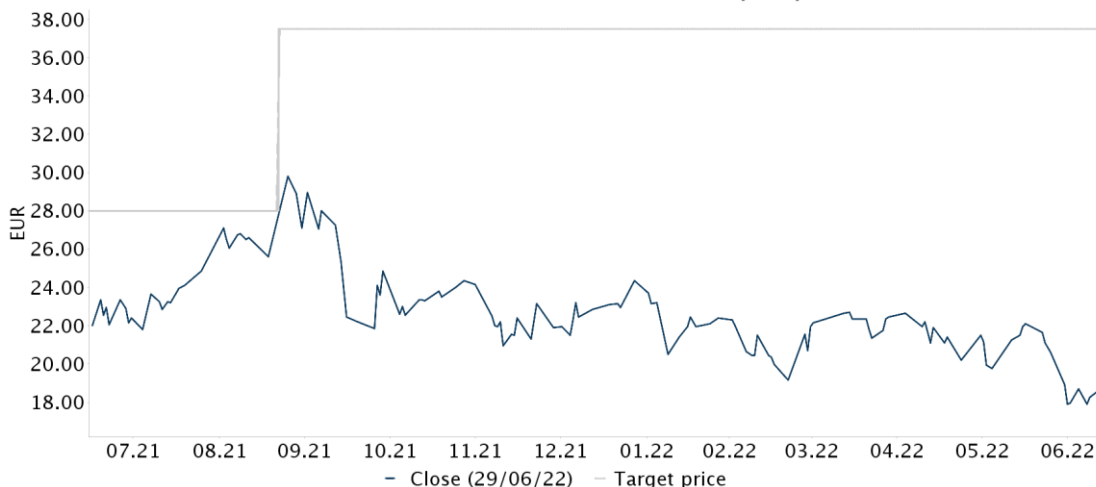
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Company	Disclosure
Mutares SE & Co. KGaA	2, 6, 8

Historical target price and rating changes for Mutares SE & Co. KGaA in the last 12 months

**Price and Rating History
Mutares SE & Co. KGaA as of 30/06/22**

Initiation coverage
24-March-14



Company	Date	Analyst	Rating	Target price	Close
Mutares SE & Co. KGaA	17.05.2022	Köhler, Alina	Buy	EUR 37,50	EUR 21,15
	22.04.2022	Köhler, Alina	Buy	EUR 37,50	EUR 22,65
	02.03.2022	Köhler, Alina	Buy	EUR 37,50	EUR 20,35
	10.11.2021	Köhler, Alina	Buy	EUR 37,50	EUR 24,00
	05.10.2021	Köhler, Alina	Buy	EUR 37,50	EUR 22,20

28.09.2021	Köhler, Alina	Buy	EUR 37,50	EUR 27,25
16.09.2021	Köhler, Alina	Buy	EUR 37,50	EUR 27,10
08.09.2021	Köhler, Alina	Buy	EUR 37,50	EUR 25,60

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