

# Company Alert

## Schaltbau

### Company Update: Schaltbau raises annual targets for 2010



RATING  
**BUY** (UNCHANGED)

TARGET PRICE  
**50 EUR** (UNCHANGED)

HIGHLIGHTS

- Schaltbau raises their guidance from November 2009
- Earnings should increase disproportionately

**Higher guidance for 2010.** Schaltbau revised the forecast for 2010 upwards. Whereas sales target was only slightly increased by 2.6 %, EBIT should jump by 21.1 %. This positive move is a result of a good performance in door systems and the components business. Especially the components business is a high margin business, which achieved an EBIT margin of 14.6 % in 2009. As a consequence of this better than expected prospects for Schaltbau, we have to revise our estimates.

New Guidance for 2010

	Schaltbau new	Schaltbau old	delta	LBBWe
Order entry (EURm)	286,0	275,0	4,0%	275,0
Sales (EURm)	277,0	270,0	2,6%	268,0
EBIT (EURm)	21,2	17,5	21,1%	17,9
EBIT margin	7,7%	6,5%		6,7%
Net profit (EURm)	11,3	10,1	11,9%	10,1
EPS (EUR)	6,10	5,40	13,0%	5,38

Source: Schaltbau, LBBW Research

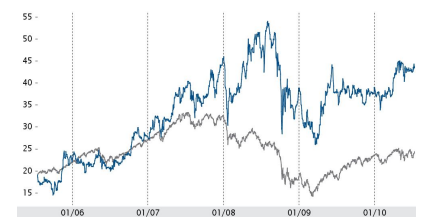
**Recommendation.** For the time being, we maintain our rating and target price.

+++ Reuters: SLTG +++ Bloomberg: SLT GY +++

Current Price (XETRA (Germany); 2010-07-14; 03:04 pm).....43.99 EUR  
**CLOSING PRICE (2010-07-13):..... 43.70 EUR**  
 EXPECTED PERFORMANCE:..... 14.4%  
 MARKET CAPITALIZATION:.....81.81 EUR m  
 ENTERPRISE VALUE:.....147.49 EUR m  
 NUMBER OF SHARES:.....1.87 m  
 FREE FLOAT:.....78.0 %  
 INDEX (WEIGHT):.....CDAX (n.a.)  
 AVG. DAILY TRADEVOL.: ..... 3,332  
 ISIN:..... DE0007170300  
 SECTOR: .....Capital Goods

KEY DATA (DEC)	2010E	2011 E	2012E
Sales (EUR m)	268.0	277.1	284.1
EBITDA (EUR m)	24.5	26.7	28.7
EBIT (EUR m)	17.9	20.0	21.7
Net profit (EUR m)	10.1	11.9	12.8
FCF (EUR m)	3.4	11.8	14.2
FCF yield	4.1 %	14.5 %	17.3 %
EPS (EUR)	5.38	6.38	6.84
DPS (EUR)	0.50	0.60	0.60
EV / Sales (x)	0.6	0.5	0.5
EV / EBITDA (x)	6.0	5.5	5.1
EV / EBIT (x)	8.2	7.4	6.8
P / E (x)	8.1	6.8	6.4
P / BV (x)	3.10	2.19	1.67
Dividend yield	1.1 %	1.4 %	1.4 %

PRICE PERFORMANCE



Source: Schaltbau, LBBW Research, Thomson Reuters

UPCOMING EVENTS

August 13-10 Quarterly report

**Alexandra Hauser, CPA**  
 Investment Analyst  
 +49 711 127-74669  
 Alexandra.Hauser@LBBW.de

# Appendix-1

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<b>Sell:</b>	Based on a time horizon of up to 12 months, we recommend that investors sell the stock.
<b>Hold:</b>	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.
<b>Under review:</b>	The rating is currently updated.
<b>Suspended:</b>	The evaluation of the company is currently not feasible.

Percentage of companies within this rating category

<b>Buy:</b>	54,4%
<b>Sell:</b>	10,0%
<b>Hold:</b>	34,3%
<b>Under review:</b>	0,0%
<b>Suspended:</b>	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.

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