

Buy (old: Buy)

Price target: EUR 16.00 (old: EUR 16.00)

Price:	EUR 9.20	Next result:	Final Q4 '11: 27.03.12
Bloomberg:	COK GR	Market cap:	EUR 94.4 m
Reuters:	COKG.DE	Enterprise Value:	EUR 81.5 m

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Prelims out: Sales better; EBITDA in-line; Positive 2012E outlook

Q4 sales growth of 6% y-o-y to € 157.1m (see next page for figures) was above expectations driven by solid IT demand from small- and mid-sized enterprises in Germany (90% of sales), project wins in Cloud Computing as well as market share gains from small rivals AND from Bechtle which grew by only 3% in Q4 '11.

Q4 growth decelerated from a level of 18% after 9m '11 likely due to a strong base and customer caution to invest given macro uncertainty which weighed on sentiment at the end of last year. **This is seen to have improved again in January** as suggested by channel checks.

EBITDA of € 7.4m was in-line and down 11% y-o-y in our view mainly as CANCOM should have incurred restructuring expenses to the tune of € 0.5m (eH&A) in Q4 '11 related to the effort to strip out € 3m of operating expenses to further improve the efficiency of the lean business model. This possibly coupled with a weaker mix should explain why the reported Q4 EBITDA margin of 4.7% was 0.5pp below expectations.

A company known for its conservative stance, CANCOM did not yet issue a guidance but stated that **it remains optimistic for Q1 '12** (January sales were above prior year's level) while expecting "revenues and profits in 2012 to remain at a good level".

Having adjusted our FY '11 estimates to match the prelims, we now conservatively expect sales growth of 4% y-o-y and EBITDA growth of 11% y-o-y in '12E. In our view, **there are several indicators giving confidence on Q1 and FY '12:** (1) Favourable IT demand in Jan. '12 which was underpinned by our discussion with management; (2) BITKOM expecting the German IT market to grow by 4.5% in 2012E; (3) CANCOM's efforts to strip out € 3m in expenses which alone would explain our expected EBITDA growth 2012E; (4) The ever growing importance of Cloud Computing - a market in which CANCOM is prominently positioned with its proprietary AHP solution: The goal is to generate € 8-10m of EBITDA annually at maintenance sales of € 12m p.a. within the next two to three years.

The stock remains a BUY with an unchanged PT of € 16 based on DCF and supported by FCFY 2011E. The FCFY 2012E would result in an even higher fair value of € 19 per share. Valuation does not look ambitious trading on 6.3x cash-adjusted earnings 2012E with net cash of c. € 13m or >€ 1 per share and a book value of roughly € 6 per share. – **continued** –



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 11.23 / 6.74
Price/Book Ratio: 1.6
Relative performance (TecDAX):
3 months 0.5 %
6 months 15.6 %
12 months -6.8 %

Changes in estimates

		Sales	EBIT	EPS
2011	old:	530.1	19.0	1.10
	Δ	2.6%	-	-
2012	old:	564.0	21.2	1.25
	Δ	-	-	-
2013	old:	589.4	22.4	1.35
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 10.4
Authorised capital: (in € m) 4.0
Book value per share: (in €) 5.9
Ø trading volume: (12 months) 60,000

Major shareholders:

Free Float	84.8 %
JP Morgan	5.3 %
AGI	3.0 %
Stefan Kober	2.5 %
Raymond Kober	2.5 %
Klaus Weinmann	1.9 %

Company description:

CANCOM is Germany's 3rd largest independent system house operating a scalable eCommerce business.

Y/E 31.12 (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Sales	300.1	342.8	348.3	474.6	544.1	564.0	589.4
Sales growth	13 %	14 %	2 %	36 %	15 %	4 %	5 %
EBITDA	8.0	7.8	9.5	19.0	25.0	27.7	29.0
EBIT	6.2	5.6	7.1	15.2	19.0	21.2	22.4
Net income	4.7	2.7	5.1	7.8	11.4	13.0	14.0
Net debt	6.2	3.9	-3.5	-0.9	-13.0	-24.0	-35.7
Net gearing	17.2 %	9.9 %	-8.0 %	-1.8 %	-21.5 %	-33.5 %	-43.0 %
Net Debt/EBITDA	0.8	0.5	0.0	0.0	0.0	0.0	0.0
EPS fully diluted	0.45	0.26	0.49	0.76	1.10	1.25	1.35
CPS	0.40	1.05	0.80	1.25	1.13	1.33	1.41
DPS	0.00	0.00	0.15	0.15	0.22	0.25	0.27
Dividend yield	0.0 %	0.0 %	1.6 %	1.6 %	2.4 %	2.7 %	2.9 %
Gross profit margin	28.8 %	29.9 %	31.0 %	29.3 %	29.5 %	29.9 %	30.1 %
EBITDA margin	2.7 %	2.3 %	2.7 %	4.0 %	4.6 %	4.9 %	4.9 %
EBIT margin	2.1 %	1.6 %	2.0 %	3.2 %	3.5 %	3.8 %	3.8 %
ROCE	10.6 %	8.9 %	10.5 %	19.5 %	21.2 %	21.1 %	20.1 %
EV/sales	0.3	0.3	0.3	0.2	0.1	0.1	0.1
EV/EBITDA	12.7	12.8	9.7	4.9	3.3	2.5	2.0
EV/EBIT	16.5	17.7	12.9	6.2	4.3	3.3	2.6
PER	19.8	30.1	19.1	10.0	8.4	7.4	6.8
Adjusted Free Cash Flow	5.6 %	4.5 %	6.6 %	12.3 %	19.7 %	25.5 %	32.4 %

Source: Company data, Hauck & Aufhäuser Close price as of: 03.02.2012

EUR	Q4 11	Q4 11 est	Q4 10	yoy	Q3 11	qoq	FY 11	FY 11 est	FY 10	yoy
Sales	157.1	143.1	147.8	6%	135.5	16%	544.1	530.1	474.6	15%
EBITDA	7.4	7.4	8.3	-11%	6.8	8%	25.0	25.0	19.0	32%
EBITDA margin	4.7%	5.2%	5.6%	-0.9 pp	5.0%	-0.3 pp	4.6%	4.7%	4.0%	+0.6 pp
EBIT	5.7	6.2	7.1	-20%	5.1	11%	18.5	19.0	15.2	22%
EBIT margin	3.6%	4.4%	4.8%	-1.2 pp	3.8%	-0.2 pp	3.4%	3.6%	3.2%	+0.2 pp

Source: Company data, Hauck & Aufhäuser.

Financials

Profit and loss (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Net sales	300.1	342.8	348.3	474.6	544.1	564.0	589.4
<i>Sales growth</i>	13.2 %	14.2 %	1.6 %	36.2 %	14.7 %	3.7 %	4.5 %
Increase/decrease in finished goods and work-in-process	0.9	0.3	1.0	1.3	1.3	1.0	1.0
Total sales	301.0	343.1	349.3	475.8	545.4	565.0	590.4
Other operating income	1.5	0.3	2.3	3.3	2.2	2.2	2.3
Material expenses	214.2	240.7	241.1	336.3	384.4	395.9	412.8
Personnel expenses	59.0	71.0	79.2	97.0	111.0	115.1	120.4
Other operating expenses	21.2	24.0	21.8	26.8	27.2	28.5	30.5
Total operating expenses	293.0	335.3	339.8	456.8	520.4	537.3	561.4
EBITDA	8.0	7.8	9.5	19.0	25.0	27.7	29.0
Depreciation	1.4	2.2	2.4	3.8	3.4	3.7	3.6
EBITA	6.6	5.6	7.1	15.2	21.6	24.0	25.4
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.5	0.0	0.0	0.0	2.6	2.8	3.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	6.2	5.6	7.1	15.2	19.0	21.2	22.4
Interest income	0.2	0.3	0.2	0.1	0.2	0.2	0.3
Interest expenses	1.0	1.4	1.3	1.9	2.7	2.7	2.7
Other financial result	0.0	-0.1	0.0	0.0	-0.2	-0.1	0.0
Financial result	-0.9	-1.2	-1.1	-1.8	-2.6	-2.5	-2.4
Recurring pretax income from continuing operations	5.3	4.4	5.9	13.3	16.4	18.7	20.0
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	5.3	4.4	5.9	13.3	16.4	18.7	20.0
Taxes	-0.1	1.3	0.9	3.7	4.9	5.6	6.0
Net income from continuing operations	5.4	3.2	5.0	9.6	11.5	13.1	14.0
Result from discontinued operations (net of tax)	0.2	0.5	-0.1	1.7	0.0	0.0	0.0
Net income	5.2	2.7	5.1	7.9	11.5	13.1	14.0
Minority interest	0.5	0.0	0.0	0.1	0.1	0.1	0.0
Net income (net of minority interest)	4.7	2.7	5.1	7.8	11.4	13.0	14.0
Average number of shares	10.4	10.4	10.4	10.3	10.4	10.4	10.4
EPS reported	0.45	0.26	0.49	0.76	1.10	1.25	1.35

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	0.3 %	0.1 %	0.3 %	0.3 %	0.2 %	0.2 %	0.2 %
Total sales	100.3 %	100.1 %	100.3 %	100.3 %	100.2 %	100.2 %	100.2 %
Other operating income	0.5 %	0.1 %	0.6 %	0.7 %	0.4 %	0.4 %	0.4 %
Material expenses	71.4 %	70.2 %	69.2 %	70.9 %	70.6 %	70.2 %	70.0 %
Personnel expenses	19.7 %	20.7 %	22.7 %	20.4 %	20.4 %	20.4 %	20.4 %
Other operating expenses	7.1 %	7.0 %	6.3 %	5.7 %	5.0 %	5.1 %	5.2 %
Total operating expenses	97.6 %	97.8 %	97.6 %	96.3 %	95.6 %	95.3 %	95.2 %
EBITDA	2.7 %	2.3 %	2.7 %	4.0 %	4.6 %	4.9 %	4.9 %
Depreciation	0.5 %	0.6 %	0.7 %	0.8 %	0.6 %	0.7 %	0.6 %
EBITA	2.2 %	1.6 %	2.0 %	3.2 %	4.0 %	4.3 %	4.3 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.2 %	0.0 %	0.0 %	0.0 %	0.5 %	0.5 %	0.5 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	2.1 %	1.6 %	2.0 %	3.2 %	3.5 %	3.8 %	3.8 %
Interest income	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %
Interest expenses	0.3 %	0.4 %	0.4 %	0.4 %	0.5 %	0.5 %	0.5 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-0.3 %	-0.4 %	-0.3 %	-0.4 %	-0.5 %	-0.4 %	-0.4 %
Recurring pretax income from continuing operations	1.8 %	1.3 %	1.7 %	2.8 %	3.0 %	3.3 %	3.4 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	1.8 %	1.3 %	1.7 %	2.8 %	3.0 %	3.3 %	3.4 %
Tax rate	-1.1 %	28.3 %	15.6 %	28.1 %	30.0 %	30.0 %	30.0 %
Net income from continuing operations	1.8 %	0.9 %	1.4 %	2.0 %	2.1 %	2.3 %	2.4 %
Income from discontinued operations (net of tax)	0.1 %	0.1 %	0.0 %	0.4 %	0.0 %	0.0 %	0.0 %
Net income	1.7 %	0.8 %	1.5 %	1.7 %	2.1 %	2.3 %	2.4 %
Minority interest	0.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	1.6 %	0.8 %	1.5 %	1.6 %	2.1 %	2.3 %	2.4 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	25.7	28.3	31.5	42.5	38.9	38.1	37.1
Property, plant and equipment	3.0	5.4	6.5	9.7	9.8	9.6	9.5
Financial assets	0.2	3.5	0.2	3.2	3.2	3.2	3.2
FIXED ASSETS	28.9	37.3	38.2	55.4	51.9	50.9	49.8
Inventories	8.6	10.1	12.6	13.4	14.5	15.2	15.9
Accounts receivable	39.3	44.2	47.2	68.0	71.6	74.2	77.5
Other current assets	1.5	6.3	5.1	6.4	6.4	6.4	6.4
Liquid assets	11.8	18.3	25.8	31.5	43.6	54.6	66.3
Deferred taxes	3.1	2.5	2.6	0.7	0.7	0.7	0.7
Deferred charges and prepaid expenses	7.4	2.1	3.4	2.0	2.0	2.0	2.0
CURRENT ASSETS	71.5	83.4	96.7	122.0	138.8	153.1	168.9
TOTAL ASSETS	100.4	120.7	134.9	177.4	190.8	204.1	218.7
SHAREHOLDERS EQUITY	36.3	38.9	43.9	50.9	60.8	71.5	83.0
MINORITY INTEREST	0.0	0.0	0.0	0.1	0.1	0.2	0.2
Long-term debt	16.1	20.3	21.6	29.0	29.0	29.0	29.0
Provisions for pensions and similar obligations	0.2	0.2	0.0	0.1	0.1	0.1	0.1
Other provisions	7.9	3.2	4.3	3.2	3.2	3.2	3.2
Non-current liabilities	24.1	23.6	26.0	32.2	32.2	32.2	32.2
short-term liabilities to banks	1.9	1.8	0.7	1.6	1.6	1.6	1.6
Accounts payable	27.5	39.3	47.9	64.4	67.8	70.3	73.5
Advance payments received on orders	0.8	2.0	1.1	1.5	1.5	1.5	1.5
Other liabilities (incl. from lease and rental contracts)	6.6	12.6	10.7	16.3	16.3	16.3	16.3
Deferred taxes	0.7	1.3	2.0	4.3	4.3	4.3	4.3
Deferred income	2.5	1.2	2.7	6.0	6.0	6.0	6.0
Current liabilities	40.0	58.1	65.0	94.2	97.6	100.1	103.2
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.4	120.7	134.9	177.4	190.8	204.1	218.7

Balance sheet (common size)	2007	2008	2009	2010	2011E	2012E	2013E
Intangible assets	25.6 %	23.5 %	23.4 %	24.0 %	20.4 %	18.7 %	17.0 %
Property, plant and equipment	3.0 %	4.5 %	4.8 %	5.5 %	5.1 %	4.7 %	4.3 %
Financial assets	0.2 %	2.9 %	0.1 %	1.8 %	1.7 %	1.6 %	1.5 %
FIXED ASSETS	28.8 %	30.9 %	28.3 %	31.2 %	27.2 %	25.0 %	22.8 %
Inventories	8.5 %	8.4 %	9.3 %	7.5 %	7.6 %	7.5 %	7.3 %
Accounts receivable	39.1 %	36.6 %	35.0 %	38.3 %	37.5 %	36.3 %	35.4 %
Other current assets	1.5 %	5.2 %	3.8 %	3.6 %	3.4 %	3.2 %	2.9 %
Liquid assets	11.7 %	15.1 %	19.2 %	17.7 %	22.9 %	26.7 %	30.3 %
Deferred taxes	3.1 %	2.1 %	1.9 %	0.4 %	0.4 %	0.3 %	0.3 %
Deferred charges and prepaid expenses	7.3 %	1.7 %	2.5 %	1.1 %	1.1 %	1.0 %	0.9 %
CURRENT ASSETS	71.2 %	69.1 %	71.7 %	68.8 %	72.8 %	75.0 %	77.2 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	36.1 %	32.3 %	32.5 %	28.7 %	31.9 %	35.1 %	38.0 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %
Long-term debt	16.0 %	16.9 %	16.0 %	16.3 %	15.2 %	14.2 %	13.2 %
Provisions for pensions and similar obligations	0.2 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	7.9 %	2.6 %	3.2 %	1.8 %	1.7 %	1.6 %	1.5 %
Non-current liabilities	24.0 %	19.6 %	19.3 %	18.2 %	16.9 %	15.8 %	14.7 %
short-term liabilities to banks	1.9 %	1.5 %	0.5 %	0.9 %	0.8 %	0.8 %	0.7 %
Accounts payable	27.4 %	32.5 %	35.5 %	36.3 %	35.6 %	34.5 %	33.6 %
Advance payments received on orders	0.8 %	1.6 %	0.8 %	0.9 %	0.8 %	0.7 %	0.7 %
Other liabilities (incl. from lease and rental contracts)	6.6 %	10.4 %	7.9 %	9.2 %	8.5 %	8.0 %	7.4 %
Deferred taxes	0.7 %	1.1 %	1.5 %	2.4 %	2.3 %	2.1 %	2.0 %
Deferred income	2.5 %	1.0 %	2.0 %	3.4 %	3.2 %	3.0 %	2.8 %
Current liabilities	39.9 %	48.2 %	48.2 %	53.1 %	51.2 %	49.0 %	47.2 %
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	5.2	2.7	5.1	7.9	11.5	13.1	14.0
Depreciation of fixed assets (incl. leases)	1.4	2.2	2.4	3.8	3.4	3.7	3.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.5	0.0	0.0	0.0	2.6	2.8	3.0
Others	0.0	-10.8	-0.6	3.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	7.0	-6.0	6.9	14.7	17.5	19.6	20.6
Increase/decrease in inventory	0.2	0.9	-0.9	0.3	-1.1	-0.7	-0.7
Increase/decrease in accounts receivable	-3.5	4.4	0.8	-15.2	-3.5	-2.6	-3.3
Increase/decrease in accounts payable	1.3	4.3	2.7	17.1	3.4	2.5	3.2
Increase/decrease in other working capital positions	1.0	9.5	1.1	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-1.1	19.0	3.8	2.2	-1.3	-0.9	-0.9
Cash flow from operating activities	6.0	13.1	10.7	16.9	16.2	18.7	19.8
CAPEX	4.2	3.0	4.7	8.1	5.5	5.5	5.5
Payments for acquisitions	4.7	6.6	0.4	10.5	0.0	0.0	0.0
Financial investments	-0.1	-0.3	-0.2	-0.1	0.0	0.0	0.0
Income from asset disposals	3.5	8.1	2.3	1.1	3.0	0.0	0.0
Cash flow from investing activities	-5.4	-1.2	-2.6	-17.3	-2.5	-5.5	-5.5
Cash flow before financing	0.6	11.9	8.0	-0.4	13.7	2.3	2.6
Increase/decrease in debt position	4.8	-3.5	0.1	8.1	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.2	-0.6	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	1.5	1.5	2.3	2.6
Others	-0.8	-1.0	-1.0	-1.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.2	-0.3	0.0	0.1	0.0	0.0	0.0
Cash flow from financing activities	4.0	-4.5	-1.1	5.9	-1.5	-2.3	-2.6
Increase/decrease in liquid assets	4.5	7.1	7.0	5.6	12.1	n/a	n/a
Liquid assets at end of period	11.8	18.9	25.8	31.5	43.6	54.6	66.3

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
Domestic	0.0	322.2	386.1	491.6	484.2	502.0	524.6
yoy change	n/a	n/a	19.8 %	27.3 %	-1.5 %	3.7 %	4.5 %
Rest of Europe	0.0	0.0	36.4	57.7	59.9	62.0	64.8
yoy change	n/a	n/a	n/a	58.5 %	3.8 %	3.7 %	4.5 %
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	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	0.0	322.2	422.5	474.6	544.1	564.0	589.4
yoy change	n/a	n/a	31.1 %	12.3 %	14.7 %	3.7 %	4.5 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2007	2008	2009	2010	2011E	2012E	2013E
P&L growth analysis							
Sales growth	13.2 %	14.2 %	1.6 %	36.2 %	14.7 %	3.7 %	4.5 %
EBITDA growth	38.7 %	-2.7 %	21.3 %	100.7 %	31.6 %	10.8 %	4.7 %
EBIT growth	44.7 %	-8.8 %	26.0 %	114.0 %	25.4 %	11.5 %	5.7 %
EPS growth	85.5 %	-42.4 %	87.8 %	55.5 %	44.9 %	14.0 %	7.9 %
Efficiency							
Total operating costs / sales	97.6 %	97.8 %	97.6 %	96.3 %	95.6 %	95.3 %	95.2 %
Sales per employee	233.3	215.9	196.0	243.4	262.9	262.3	266.4
EBITDA per employee	6.2	4.9	5.3	9.7	12.1	12.9	13.1
Balance sheet analysis							
Avg. working capital / sales	6.2 %	4.8 %	3.4 %	2.8 %	3.0 %	3.0 %	3.1 %
Inventory turnover (sales/inventory)	35.1	34.0	27.7	35.5	37.5	37.0	37.0
Trade debtors in days of sales	47.8	47.0	49.5	52.3	48.0	48.0	48.0
A/P turnover [(A/P*365)/sales]	33.5	41.8	50.1	49.6	45.5	45.5	45.5
Cash conversion cycle (days)	15.5	2.8	-3.9	-3.1	-2.6	-2.8	-2.9
Cash flow analysis							
Free cash flow	1.8	10.1	6.0	8.8	10.7	13.2	14.3
Free cash flow/sales	0.6 %	2.9 %	1.7 %	1.9 %	2.0 %	2.3 %	2.4 %
FCF / net profit	38.0 %	374.5 %	118.4 %	113.1 %	93.5 %	101.6 %	101.7 %
FCF yield	1.9 %	10.6 %	6.3 %	9.4 %	11.3 %	14.0 %	15.1 %
Capex / depre	221.5 %	122.1 %	188.4 %	206.6 %	91.7 %	84.6 %	83.3 %
Capex / maintenance capex	84.3 %	114.9 %	138.4 %	n/a	76.1 %	70.0 %	66.0 %
Capex / sales	1.4 %	0.8 %	1.3 %	1.7 %	1.0 %	n/a	n/a
Security							
Net debt	6.2	3.9	-3.5	-0.9	-13.0	-24.0	-35.7
Net Debt/EBITDA	0.8	0.5	0.0	0.0	0.0	0.0	0.0
Net debt / equity	0.2	0.1	-0.1	0.0	-0.2	-0.3	-0.4
Interest cover	6.0	4.0	5.4	8.0	7.1	8.0	8.4
Dividend payout ratio	0.0 %	0.0 %	30.7 %	19.7 %	19.8 %	19.8 %	19.8 %
Asset utilisation							
Capital employed turnover	4.8	5.3	4.9	5.6	5.7	5.3	5.0
Operating assets turnover	13.3	18.6	20.1	18.9	20.5	20.8	21.1
Plant turnover	99.4	63.5	53.4	49.0	55.7	58.9	62.2
Inventory turnover (sales/inventory)	35.1	34.0	27.7	35.5	37.5	37.0	37.0
Returns							
ROCE	10.6 %	8.9 %	10.5 %	19.5 %	21.2 %	21.1 %	20.1 %
ROE	12.9 %	6.9 %	11.5 %	15.4 %	18.8 %	18.2 %	16.9 %
Other							
Interest paid / avg. debt	6.6 %	7.0 %	5.9 %	7.2 %	8.7 %	8.7 %	8.7 %
No. employees (average)	1287	1588	1777	1950	2070	2150	2213
Number of shares	10.4	10.4	10.4	10.3	10.4	10.4	10.4
DPS	0.0	0.0	0.2	0.2	0.2	0.3	0.3
EPS reported	0.45	0.26	0.49	0.76	1.10	1.25	1.35
Valuation ratios							
P/BV	2.6	2.5	2.2	1.9	1.6	1.3	1.2
EV/sales	0.3	0.3	0.3	0.2	0.1	0.1	0.1
EV/EBITDA	12.7	12.8	9.7	4.9	3.3	2.5	2.0
EV/EBITA	15.4	17.7	12.9	6.2	3.8	2.9	2.3
EV/EBIT	16.5	17.7	12.9	6.2	4.3	3.3	2.6
EV/FCF	57.3	9.9	15.3	10.6	7.6	5.3	4.1
Dividend yield	0.0 %	0.0 %	1.6 %	1.6 %	2.4 %	2.7 %	2.9 %

Source: Company data, Hauck & Aufhäuser

Disclosure in respect of section 34b of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG)

Company	Disclosure
CANCOM AG	2, 5

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Historical target price and rating changes for CANCOM AG in the last 12 months

**Price and Rating History
CANCOM AG as of 06/02/12**

Initiation coverage
06-July-10



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Buy	80.52 %	50.00 %
Sell	5.19 %	0.00 %
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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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