

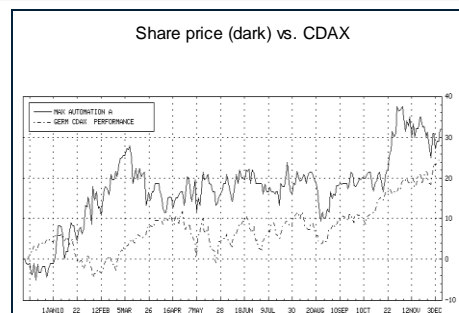
Recommendation: **BUY** (BUY) Risk: **MEDIUM** (MEDIUM) Price Target: **EUR 4.15** (3.80)

08 December 2010

## Increased guidance ...

### ... and higher price target

- Last week M.A.X. increased its guidance for FY 2010: Management expects sales of EUR 180m to EUR 185m, EBIT should amount to approximately EUR 8m. So far, Management expected sales of at least EUR 175m and EBIT of more than EUR 7m.
- The main driver behind the positive development in the current business year was the "Industrial Automation" unit, which could benefit from major orders (e.g. utility and automotive sector).
- We adjusted our FY 2010E estimates accordingly. For FY 2011E and FY 2012E we increased our estimates, too, assuming that the "Environmental Technology" unit takes up stronger momentum. The company will benefit from rising raw material and energy prices.
- We adjusted our estimate for order intake (FY 2010E) from EUR 170m to more than EUR 200m, which will underline M.A.X.'s mid-term growth sales, too.
- New estimates result in a new price target of EUR 4.15 (old: EUR 3.80). We therefore confirm our BUY recommendation.



Source: CBS Research, Bloomberg, M.A.X. Automation AG

Change	2010E		2011E		2012E	
	new	old	new	old	new	old
Sales	182.0	174.5	203.4	188.9	222.3	204.8
EBIT	7.8	7.4	11.2	10.8	15.8	15.5
EPS	0.16	0.15	0.25	0.24	0.40	0.39

Internet: maxautomation.de Sector: All Industrial  
WKN: 658090 ISIN: DE0006580905  
Reuters: MAXG.DE Bloomberg: MXH GY

#### Short company profile:

M.A.X. Automation AG is an international group operating in the two core segments "Environmental Technology" and "Industrial Automation". The company is committed to successfully developing and advancing medium-sized automation specialists.

#### Share data:

Share price (EUR, latest closing price):	<b>3.04</b>
Shares outstanding (m):	26.8
Market capitalisation (EUR m):	81.5
Enterprise value (EUR m):	91.6
Ø daily trading volume (3 m., no. of shares):	15,123

#### Performance data:

High 52 weeks (EUR):	3.27
Low 52 weeks (EUR):	2.22
Absolute performance (12 months):	32.1%
Relative performance vs. CDAX:	
1 month	-1.8%
3 months	-0.5%
6 months	-4.2%
12 months	6.2%

#### Shareholders:

Fortas AG	22.6%
DWS	7.4%
Pioneer	7.1%
Hans W. Böninghausen	3.1%
Free float	59.9%

#### Financial calendar:

Prelim. FY 2010 results February 2011

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#### Key data

FY 12/31, EUR m	2007	2008	2009	2010E	2011E	2012E
Sales	224.5	231.9	156.5	182.0	203.4	222.3
EBIT	18.6	14.1	0.5	7.8	11.2	15.8
Net result	11.0	10.6	0.2	4.4	6.6	10.8
EPS	0.41	0.39	0.01	0.16	0.25	0.40
DPS	0.10	0.05	0.05	0.06	0.05	0.07
Gross margin	49.3%	49.2%	51.2%	53.4%	54.5%	55.6%
EBIT margin	8.3%	6.1%	0.3%	4.3%	5.5%	7.1%
ROE	17.0%	14.5%	0.3%	5.8%	8.3%	12.3%
ROA	7.3%	6.5%	0.1%	2.8%	3.9%	6.0%
EV/EBITDA	4.5	5.7	20.8	8.0	6.0	4.6
EV/EBIT	5.3	7.3	n.m.	11.7	8.2	5.8
P/E	7.4	7.7	n.m.	18.7	12.4	7.5

Source: M.A.X. Automation AG, CBS Research AG

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HOLD: The expected performance of the share price is between 0% and +10%.

SELL: The expected performance of the share price is below 0%.

Recommendation history over the last 12 months for the company analysed in this report:

Date	Recommendation	Price at change date	Price target
18 January 2010	BUY (Initiating Coverage)	EUR 2.55 (Initiating Coverage)	EUR 3.50
4 February 2010	BUY	EUR 2.65	EUR 3.50
23 February 2010	BUY	EUR 2.91	EUR 3.80
6 May 2010	BUY	EUR 2.79	EUR 3.80
14 September 2010	BUY	EUR 2.79	EUR 3.80
1 November 2010	BUY	EUR 3.09	EUR 3.80
8 December 2010	BUY	EUR 3.04	EUR 4.15

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