

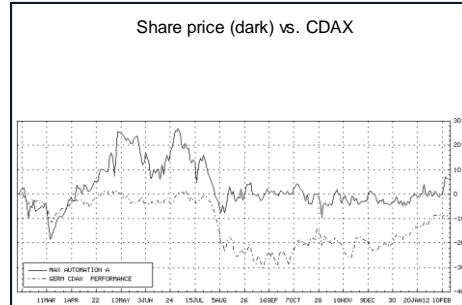
Recommendation: BUY (BUY) Risk: MEDIUM (MEDIUM) Price Target: EUR 5.50 (5.50)

16 February 2012

Prel. FY 2011 results above expectations

4Q EBIT-margin at 9.9%

- This week M.A.X. Automation announced some preliminary key figures for the past business year that were better than expected.
- Order intake amounted to approximately EUR 264m (+ 27% yoy). Sales rose by 38% to EUR 261m (FY 2010: EUR 189.7m). So far, M.A.X. guided sales of EUR 250m.
- EBIT significantly rose from EUR 9.5m (FY 2010) to EUR 16m, while the company's outlook was EUR 14m to EUR 15m. Main catalyst for this improvement was M.A.X.' Industrial Automation segment that benefitted among others from major orders from the car industry. Furthermore, cost cutting measures and efficiency programs stimulated profitability further.
- The fourth quarter was highly profitable for the company. M.A.X. generated sales of approx. EUR 70.8m with an EBIT of EUR 7m. This translates into an EBIT-margin of 9.9%.
- Outlook: The company expects a dynamic business development in FY 2012, resulting in further improved sales and earnings figures.
- For FY 2012 we assume demand from the automobile industry to remain robust. Additionally, we expect the Environmental Technology division with its holding Vecoplan will take up further momentum. Therefore M.A.X.' outlook is not aggressive in our view.
- We leave our estimates unchanged. We recommend to BUY the stock with an EUR 5.50 price target.



Source: CBSR AG, Bloomberg, M.A.X. Automation AG

Change	2011E		2012E		2013E	
	new	old	new	old	new	old
Sales	261.0	251.4	-	273.3	-	283.3
EBIT	16.0	14.4	-	17.2	-	19.5
EPS	0.39	0.35	-	0.42	-	0.49

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):	4.28
Shares outstanding (m):	26.8
Market capitalisation (EUR m):	114.7
Enterprise value (EUR m):	114.7
Ø daily trading volume (3 m., no. of shares):	29.907

Performance data:

High 52 weeks (EUR):	5.21
Low 52 weeks (EUR):	3.21
Absolute performance (12 months):	3.8%
Relative performance vs. CDAX:	
1 month	0.1%
3 months	-6.1%
6 months	-4.0%
12 months	14.8%

Shareholders:

Fortas AG	22.6%
DWS	7.4%
Universal Investment	3.0%
Hans W. Bönninghausen	3.5%
Free float	63.5%

Financial calendar:

FY 2011 Report	March 2012
1Q 2012 Report	May 2012

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Key data

FY 12/31, EUR m	2008	2009	2010	2011E	2012E	2013E
Sales	231.9	156.5	189.7	261.0	273.3	283.3
EBIT	14.1	0.5	9.5	16.0	17.2	19.5
Net result	10.6	0.2	6.2	10.4	11.3	13.0
EPS	0.39	0.01	0.23	0.39	0.42	0.49
DPS	0.05	0.05	0.10	0.14	0.15	0.17
Gross margin	49.2%	51.2%	48.8%	54.1%	55.3%	55.2%
EBIT margin	6.1%	0.3%	5.0%	6.1%	6.3%	6.9%
ROE	14.5%	0.3%	8.1%	12.3%	12.2%	12.8%
ROA	6.5%	0.1%	3.8%	5.5%	5.7%	6.2%
EV/EBITDA	7.5	26.1	8.7	5.7	5.4	4.8
EV/EBIT	8.2	n.m.	12.1	7.2	6.7	5.9
P/E	10.9	n.m.	18.5	11.0	10.1	8.8

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

M.A.X. Automation AG
Profit and loss account

	IFRS	EURm	2007	2008	2009	2010	2011E	2012E	2013E
Sales			224.5	231.9	156.5	189.7	261.0	273.3	283.3
YoY growth			22.2%	3.3%	-32.5%	21.2%	37.6%	4.7%	3.7%
Change in inventories			-0.2	5.9	-5.9	1.3	1.2	1.5	1.5
Other activated own work			0.1	0.4	0.3	0.2	1.8	2.0	2.0
Total revenues			224.5	238.2	150.9	191.2	264.0	276.8	286.8
COGS			-113.8	-124.0	-70.9	-98.7	-122.7	-125.7	-130.3
in % of sales			-50.7%	-53.5%	-45.3%	-52.0%	-47.0%	-46.0%	-46.0%
Gross income			110.7	114.2	80.1	92.5	141.3	151.1	156.5
in % of sales			49.3%	49.2%	51.2%	48.8%	54.1%	55.3%	55.2%
Personnel expenses			-56.2	-59.8	-50.1	-51.7	-55.0	-55.5	-55.5
in % sales			-25.0%	-25.8%	-32.0%	-27.3%	-21.1%	-20.3%	-19.6%
Other operating expenses			-32.4	-36.4	-25.6	-27.6	-66.3	-74.2	-77.0
EBITDA			22.1	18.0	4.4	13.2	20.0	21.4	24.0
in % of sales			9.9%	7.7%	2.8%	7.0%	7.7%	7.8%	8.5%
Depreciation and amortisation			-3.5	-3.9	-3.9	-3.7	-4.0	-4.2	-4.5
in % of total revenues			-1.6%	-1.6%	-2.6%	-2.0%	-1.5%	-1.5%	-1.6%
EBIT			18.6	14.1	0.5	9.5	16.0	17.2	19.5
in % of sales			8.3%	6.1%	0.3%	5.0%	6.1%	6.3%	6.9%
Financial result			-1.7	-2.5	0.0	-1.5	-1.1	-1.0	-0.9
EBT			16.9	11.6	0.5	8.0	14.9	16.2	18.6
in % of sales			7.5%	5.0%	0.3%	4.2%	5.7%	5.9%	6.6%
Taxes			-6.0	-1.0	-0.3	-1.8	-4.5	-4.8	-5.6
as % of EBT			-35.3%	-8.8%	-63.8%	-22.1%	-30.0%	-30.0%	-30.0%
Net income including minorities			11.0	10.6	0.2	6.2	10.4	11.3	13.0
Minority interests/discontinued operations			0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income attributable to shareholders			11.0	10.6	0.2	6.2	10.4	11.3	13.0
in % of sales			4.9%	4.6%	0.1%	3.3%	4.0%	4.1%	4.6%
Shares outstanding (in millions)			26.8	26.8	26.8	26.8	26.8	26.8	26.8
Earnings per share (EUR)			0.41	0.39	0.01	0.23	0.39	0.42	0.49

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

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

Date	Recommendation	Price at change date	Price target
6 April 2011	BUY	EUR 4.00	EUR 5.60
1 August 2011	BUY	EUR 4.20	EUR 5.60
8 September 2011	BUY	EUR 4.00	EUR 5.60
5 October 2011	BUY	EUR 4.00	EUR 5.60
18 January 2012	BUY	EUR 3.98	EUR 5.50
16 February 2012	BUY	EUR 4.28	EUR 5.50

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