

## Accumulate

Recommendation unchanged

**Share price: EUR 10.39**

closing price as of 27/09/2012

**Target price: EUR 15.00**

Target Price unchanged

Reuters/Bloomberg

4DSG.DE/4DS GR

Market capitalisation (EURm)	57
Current N° of shares (m)	5
Free float	34%
Daily avg. no. trad. sh. 12 mth	2,991
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	19.07
Price low 12 mth (EUR)	10.39
Abs. perf. 1 mth	-20.08%
Abs. perf. 3 mth	-14.84%
Abs. perf. 12 mth	-39.84%

Key financials (EUR)	12/11	12/12e	12/13e
Sales (m)	40	49	62
EBITDA (m)	2	10	13
EBITDA margin	4.0%	20.1%	20.6%
EBIT (m)	(2)	5	6
EBIT margin	nm	10.0%	9.3%
Net Profit (adj.)(m)	(2)	3	4
ROCE	-2.2%	3.1%	3.5%
Net debt/(cash) (m)	5	34	35
Net Debt/Equity	0.1	0.4	0.4
Debt/EBITDA	2.8	3.4	2.7
Int. cover(EBITDA/Fin. int)	3.4	7.4	5.6
EV/Sales	2.8	2.1	1.7
EV/EBITDA	69.4	10.7	8.2
EV/EBITDA (adj.)	69.4	10.7	8.2
EV/EBIT	nm	21.5	18.3
P/E (adj.)	nm	22.1	16.2
P/BV	1.5	0.9	0.8
OpFCF yield	-8.1%	5.0%	1.9%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	(0.30)	0.47	0.64
BVPS	11.14	11.61	12.25
DPS	0.00	0.00	0.00

## H1 12 results in-line, outlook down to our EBIT-estimates

**The facts:** Daldrup reported H1 12 results broadly in-line at EBIT-level while output components deviated from our forecasts. EBIT of EUR 0.8m was broadly in-line with our forecast of EUR 0.85m. Net income of EUR 0.59m (EUR 0.35m) was slightly higher on burden-sharing with minorities.

### Daldrup & Söhne Group - Review H1 2012

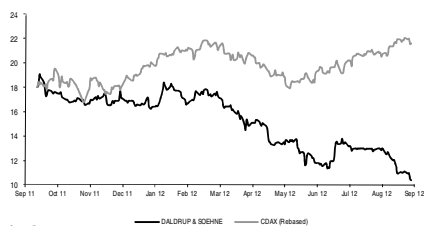
EUR m	H1 12	H1 11	delta (%)	2012e	2011	y-y (%)	H1 12e
<b>Sales</b>	<b>3.89</b>	<b>10.80</b>	<b>-64%</b>	<b>49.20</b>	<b>40.25</b>	<b>22%</b>	<b>13.00</b>
<b>Total Output</b>	<b>20.61</b>	<b>24.98</b>	<b>-18%</b>	<b>59.00</b>	<b>47.06</b>	<b>25%</b>	<b>25.00</b>
EBITDA	2.68	1.89	42%	9.90	1.63	508%	3.10
<b>EBIT</b>	<b>0.80</b>	<b>-0.30</b>	<b>n.m.</b>	<b>4.91</b>	<b>-2.49</b>	<b>n.m.</b>	<b>0.85</b>
Margin (% of output)	3.9%	-1.2%		8.3%	-5.3%		3.4%
EBT	0.48	-0.56	-184%	3.56	-3.03	n.m.	0.50
<b>EAT</b>	<b>0.06</b>	<b>-0.74</b>	<b>-108%</b>	<b>2.57</b>	<b>-3.61</b>	<b>-171%</b>	<b>0.35</b>
Minorities	0.53	0.59	-11%	0.00	1.95	-100%	0.00
Net income attr. to shareh.	0.59	-0.14	n.m.	2.57	-1.66	n.m.	0.35
<b>Adj. net income (e)</b>	<b>0.59</b>	<b>-0.14</b>	<b>n.m.</b>	<b>2.57</b>	<b>-1.66</b>	<b>n.m.</b>	<b>0.35</b>
<b>Adj. EPS (EUR per share)</b>	<b>0.11</b>	<b>-0.03</b>	<b>n.m.</b>	<b>0.47</b>	<b>-0.30</b>	<b>n.m.</b>	<b>0.06</b>

Source: Daldrup, equinet

**Our analysis: Output outlook adjusted, implied EBIT now in-line with our forecast:** Delays at the Taufkirchen plant pushed subsequent drilling activities back. Hence, Daldrup reduced its output forecast to EUR 50m from EUR 58m beforehand. Unchanged EBIT-Margin guidance of 10% implies an EBIT 12e of EUR 5m, in-line with our forecast of EUR 4.9m.

**Financing of above-ground installations at Taufkirchen still unclear – finally via own resources?:** Financing for the EUR 30m investment into above ground installations at the Taufkirchen plant is not secured yet. Hinting on its 67% equity ratio, Daldrup didn't rule out the use of own funds to secure the – already delayed – start of production by year-end 2013. Timing is in-line with our forecast but pushed backwards by 6 months from previous statements.

**Conclusion & Action:** H1 12 results in-line, outlook reduced, SoP at Taufkirchen pushed backward while financing remains unclear. There's not much to cheer about from today's reporting. We eagerly await explanations from today's CC.



Shareholders: Daldrup Family 66%;

### Analyst(s):

Michael Schaefer, Equinet Bank  
 michael.schaefer@equinet-ag.de  
 +49 69 58997 419