

Approaching next steps in the restructuring process

Buy, TP EUR 32.30

Following the release of some preliminary numbers for FY 2018 mid-February '19 tomorrow the annual results presentation will follow. In addition to all details of the accounts 2018 the progress that were made in the overall restructuring process are in the center of interest in our view. In this respect we hope to get an update with regard to the planned sale of the subsidiaries Sepsa and Alte Technologies. Furthermore, the refinancing of a syndicated credit line in the amount of EUR 100m end of 2019e is of key importance. Based on the order book of EUR 515m end of September 2018 we expect a positive start into Q1 2019. By division we expect a more dynamic start in the Mobile Transportation Technology segment than in the Stationary Transportation Technology segment. The announcement from last Friday of a reduction of the numbers of Board members from four to three people (resignation of the Chief Restructuring Officer) can be interpreted as a positive sign that the overall restructuring of the group has made progress, but it is not yet finalized in our view.

Schaltbau Holding (EUR m)	FY '17 reported*	FY '18 reported	FY '18e Pareto	FY '18 consensus**	Deviation		Pareto estimates		
					Pareto	consensus**	2019e	2020e	2021e
Group Incoming orders	594.0	n.a.	508.0	n.a.					
Group sales	516.5	480.0	480.0	489.3	0.0%	-1.9%	502.0	519.5	539.0
Group EBIT, reported	-23.0	n.a.	-1.6	-1.6			24.4	30.6	34.7
Group EBIT, operating	2.4	n.a.	15.2	15.2			24.4	30.6	34.7
EPS, EUR	-8.03	n.a.	-0.71				1.21	1.66	1.97
ANALYSIS GROUP									
Group EBIT reported-margin, %	n.m.		n.m.	n.m.			4.9%	5.9%	6.4%
Group EBIT operating-margin, %	0.5%	c. 3.0%	3.2%	3.1%			4.9%	5.9%	6.4%

* like-for-like sales '17: EUR 432m (Pareto); ** FactSet

Source: Company data, Pareto Securities; * like-for-like sales '17: EUR 432m (Pareto); ** FactSet

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