



Friday, 04 November 2016

- **MBB – BUY – TP EUR 45.00 – Release of prel. 9M 2016 results**

**MBB SE – Excellent set of figures; full year guidance rather conservative**

**Sector** Industrial Holding  
**Bloomberg** MBB GY

**Rating** Buy  
**Target price** EUR 45.00

**Share price** EUR 37.75  
**Market cap** EUR 249.2m

**EPS estimates**  
FY-16e EUR 2.15  
FY-17e EUR 2.30  
FY-18e EUR 2.45

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**Organic growth of 12.6%; earnings rise disproportionately**

MBB generated a new revenue record after 9M 2016 with EUR 242.7m (9M 2015: EUR186.6m), according to preliminary figures. This corresponds to a growth in revenue of 30.1%. Revenue growth without the Aumann group, which is consolidated since November 2015, amounts to 12.6%.

EBITDA increased by 36.0% from EUR 17.4m to EUR 23.7m. EBIT increased by 47.7% from EUR 12.2m to EUR 18.1m. Consolidated earnings amounted to EUR 11.1m and also significantly exceeded the first nine months of the previous year (+ 24.2%). EpS grew to EUR 1.69 ( EUR1.36 in the previous year).

**Balance sheet remains solid**

Although a dividend of EUR 3.9m at the beginning of the third quarter was paid, equity increased to EUR 97.2m as of 30 September 2016 from EUR 87.7m at the end of 2015. The equity ratio at the end of Q3 2016 therefore remained almost unchanged at 39.5%.

Liquidity grew from EUR 54.0m at the end of FY 2015 to EUR 58.4m. In the same period, net cash decreased from EUR 8.1m to EUR 5.9m. Its war chest allows MBB to finance further acquisitions and investments.

**Guidance conservative**

MBB confirmed its guidance for FY 2016: revenues of more than EUR 310m and EpS of at least EUR 2.10. Furthermore, the management expects a good start into 2017. MBB explained, that the positive development of the group stems from growth in all subsidiaries, while MBB companies active in production of special machinery increasingly benefit from the automotive industry trend of a transition to e-mobility.

**BUY and EUR 45 TP confirmed**

In our view, MBB delivered very strong figures. Our estimates and even MBB's guidance may be too conservative. We therefore confirm BUY and the EUR 45 target price.

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#### Price and Rating History (last 12 months)

Date	Price target EUR	Rating	Initiation
08.09.2016	45.00	Buy	
01.06.2016	38.00	Buy	01.06.2016

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