

Hold (old: Hold)

Price target: EUR 1.20 (old: EUR 1.40)

Price:	EUR 1.10	Next result:	Q3 11/12 14.12.11
Bloomberg:	BENE AV	Market cap:	EUR 27.3 m
Reuters:	BENE.VI	Enterprise Value:	EUR 61.0 m

15-December-11

Thomas Wissler
Analyst

thomas.wissler@ha-research.de
Tel.: +49 40 4143885 80

Q3 11/12 results with further top-line growth and operational break even, chg. est. and PT

Q3 11/12 sales grew by 2.6% yoy to € 44.3m. Whilst sales remained fragile in markets such as Austria (-19% yoy to € 11.1m), the UK (-21% yoy to € 3.9m) and Russia (-8.3% yoy to € 2.9m), the main growth driver once again was the resilient German market, where sales grew by nearly 32% yoy to € 13.9m. 'Other markets' also grew nicely by 16.3% yoy to € 12.4m. In 9m 11/12 Bene posted c. 10% yoy top-line growth to € 132.5m, reflecting a) a low base effect, b) the introduction of new products and c) genuinely good project business in Germany and the UK but also d) a cooling-off of overall growth rates.

In Q3 11/12, **Bene managed to reach its operational break even level.** EBIT came in at € 0.2m after still heavy losses in the previous year's period (€ -2.3m). Main reason should be found in Bene's relatively high operating leverage and tight cost control.

Net profit / EPS came in better than expected (€ 0.4m vs. € -0.6m eH&A), helped by a one-off gain of € 1.1m from the disposal of financial assets.

Outlook - given a continued good order momentum even in Q3 11/12 (according to the management), Bene expects further top- and bottom-line growth in the forthcoming quarter. For FY 11/12, Bene expects 'significantly higher sales and a positive FY EBIT' - in-line with H+A expectations.

Action - We slightly cut our sales expectations for 11/12E - 13/14E, largely to retain a more cautious stance, given the softening of the macroeconomic picture. Consequently we also cut our bottom-line estimates (by 23-35%) given Bene's high operational gearing. At the same time, EPS are seen significantly better in 11/12E due to the one-off gain booked in Q3.

Remains a HOLD, PT € 1.20 (old € 1.40) based of DCF and supported by adj. FCF yield.

Continued

Y/E 31.1 (EUR m)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
Sales	252.5	265.3	179.3	170.8	184.9	195.8	203.7
Sales growth	27 %	5 %	-32 %	-5 %	8 %	6 %	4 %
EBITDA	21.7	18.9	-5.2	0.5	9.1	11.9	14.7
EBIT	15.2	11.4	-14.0	-8.2	0.8	3.4	6.2
Net income	11.0	4.6	-17.3	-12.4	-1.5	0.4	2.6
Net debt	0.1	11.8	17.0	16.3	21.9	22.6	17.5
Net gearing	0.1 %	17.4 %	33.3 %	42.5 %	59.7 %	61.8 %	45.2 %
Net Debt/EBITDA	0.0	0.6	-3.3	36.0	2.4	1.9	1.2
EPS fully diluted	0.45	0.19	-0.71	-0.51	-0.06	0.02	0.11
CPS	0.22	0.40	0.07	0.33	-0.13	-0.06	0.17
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Gross profit margin	50.0 %	50.6 %	53.6 %	53.6 %	52.9 %	53.6 %	53.8 %
EBITDA margin	8.6 %	7.1 %	-2.9 %	0.3 %	4.9 %	6.1 %	7.2 %
EBIT margin	6.0 %	4.3 %	-7.8 %	-4.8 %	0.4 %	1.7 %	3.1 %
ROCE	15.3 %	11.3 %	-12.2 %	-7.2 %	0.8 %	3.4 %	6.4 %
EV/sales	0.2	0.2	0.3	0.3	0.3	0.3	0.3
EV/EBITDA	1.8	2.7	-10.6	121.5	6.7	5.2	3.9
EV/EBIT	2.6	4.4	-3.9	-6.7	73.8	18.2	9.2
PER	2.5	5.9	-1.6	-2.2	-18.5	60.7	10.5
Adjusted Free Cash Flow	27.7 %	17.1 %	-19.6 %	-10.9 %	3.9 %	8.5 %	12.5 %

Source: Company data, Hauck & Aufhäuser Close price as of: 14.12.2011



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 2.20 / 1.10
Price/Book Ratio: 0.7
Relative performance (ATX):
3 months 5.5 %
6 months 4.6 %
12 months 16.3 %

Changes in estimates

		Sales	EBIT	EPS
2011	old:	188.6	0.8	-0.12
	Δ	-2.0%	3.3%	n.m.
2012	old:	201.0	5.2	0.07
	Δ	-2.6%	-34.6%	n.m.
2013	old:	208.8	8.1	0.16
	Δ	-2.4%	-23.0%	n.m.

Key share data:

Number of shares: (in m pcs) 24.3
Authorised capital: (in € m) 9.0
Book value per share: (in €) 1.5
Ø trading volume: (12 months) 25,000

Major shareholders:

Free Float 53.7 %
Bene Foundation 42.4 %
Bene Management 3.9 %

Company description:

office furniture

Quarterly table

in € m	Q3 11/12	Q3 11/12 est	Q3 10/11	yoy	Q2 11/12	qoq	9m 11/12	9m 10/11
Sales	44,3	44,5	43,2	2,6%	43,9	1,0%	132,5	120,3
Gross profit	22,4	22,3	22,3	0,6%	21,2	5,7%	66,8	62,1
Gross margin	50,5%	50,2%	51,5%	- 1,0 pp	48,2%	+ 2,3 pp	50,4%	51,6%
EBITDA	2,2	2,1	-0,2	n.a.	1,0	127,3%	4,0	-2,3
EBITDA margin	5,0%	4,7%	-0,6%	+ 5,5 pp	2,2%	+ 2,8 pp	3,0%	-1,9%
EBIT	0,2	0,1	-2,3	n.a.	-1,1	n.a.	-2,2	-8,7
EBIT margin	0,3%	0,2%	-5,4%	+ 5,7 pp	-2,5%	+ 2,8 pp	-1,7%	-7,2%
Net profit	0,4	-0,6	-3,2	n.a.	-2,2	n.a.	-4,0	-11,4
Net margin	0,9%	-1,3%	-7,4%	+ 8,3 pp	-4,9%	+ 5,9 pp	-3,0%	-9,4%
EPS	0,02	-0,03	-0,13	n.a.	-0,09	n.a.	-0,17	-0,47

Source: Company data, Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
Net sales	252.5	265.3	179.3	170.8	184.9	195.8	203.7
<i>Sales growth</i>	27.2 %	5.1 %	-32.4 %	-4.7 %	8.3 %	5.9 %	4.1 %
Increase/decrease in finished goods and work-in-process	3.7	3.9	-2.0	4.9	7.1	0.5	0.5
Total sales	256.2	269.2	177.3	175.7	192.1	196.3	204.2
Other operating income	4.2	4.9	3.4	3.3	3.2	3.4	3.6
Material expenses	128.2	133.0	82.2	81.5	90.5	91.0	94.3
Personnel expenses	71.3	77.5	65.4	61.3	64.9	63.2	64.8
Other operating expenses	39.2	44.7	38.3	35.8	30.7	33.5	34.0
Total operating expenses	234.5	250.3	182.5	175.3	182.9	184.4	189.5
EBITDA	21.7	18.9	-5.2	0.5	9.1	11.9	14.7
Depreciation	4.7	5.4	6.3	6.4	5.9	6.1	6.1
EBITA	17.0	13.5	-11.5	-5.9	3.2	5.8	8.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.8	2.1	2.6	2.3	2.4	2.4	2.4
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	15.2	11.4	-14.0	-8.2	0.8	3.4	6.2
Interest income	0.3	0.4	0.3	0.2	0.1	0.0	0.0
Interest expenses	1.0	1.2	3.0	3.5	3.3	3.3	3.2
Other financial result	0.7	-1.8	-0.2	0.3	1.5	0.5	0.5
Financial result	0.0	-2.7	-2.8	-3.1	-1.6	-2.8	-2.7
Recurring pretax income from continuing operations	15.2	8.7	-16.8	-11.3	-0.8	0.6	3.5
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	15.2	8.7	-16.8	-11.3	-0.8	0.6	3.5
Taxes	3.8	4.0	0.3	1.0	0.7	0.2	0.9
Net income from continuing operations	11.4	4.7	-17.2	-12.3	-1.5	0.4	2.6
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	11.4	4.7	-17.2	-12.3	-1.5	0.4	2.6
Minority interest	0.4	0.1	0.1	0.1	0.0	0.0	0.0
Net income (net of minority interest)	11.0	4.6	-17.3	-12.4	-1.5	0.4	2.6
Average number of shares	24.3	24.3	24.3	24.3	24.3	24.3	24.3
EPS reported	0.45	0.19	-0.71	-0.51	-0.06	0.02	0.11

Profit and loss (common size)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	1.5 %	1.5 %	-1.1 %	2.9 %	3.9 %	0.3 %	0.2 %
Total sales	101.5 %	101.5 %	98.9 %	102.9 %	103.9 %	100.3 %	100.2 %
Other operating income	1.7 %	1.9 %	1.9 %	1.9 %	1.7 %	1.7 %	1.8 %
Material expenses	50.8 %	50.1 %	45.9 %	47.7 %	48.9 %	46.5 %	46.3 %
Personnel expenses	28.2 %	29.2 %	36.5 %	35.9 %	35.1 %	32.3 %	31.8 %
Other operating expenses	15.5 %	16.9 %	21.3 %	20.9 %	16.6 %	17.1 %	16.7 %
Total operating expenses	92.9 %	94.3 %	101.8 %	102.6 %	98.9 %	94.2 %	93.0 %
EBITDA	8.6 %	7.1 %	-2.9 %	0.3 %	4.9 %	6.1 %	7.2 %
Depreciation	1.9 %	2.0 %	3.5 %	3.7 %	3.2 %	3.1 %	3.0 %
EBITA	6.7 %	5.1 %	-6.4 %	-3.5 %	1.7 %	3.0 %	4.2 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.7 %	0.8 %	1.4 %	1.3 %	1.3 %	1.2 %	1.2 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	6.0 %	4.3 %	-7.8 %	-4.8 %	0.4 %	1.7 %	3.1 %
Interest income	0.1 %	0.1 %	0.2 %	0.1 %	0.1 %	0.0 %	0.0 %
Interest expenses	0.4 %	0.5 %	1.7 %	2.1 %	1.8 %	1.7 %	1.6 %
Other financial result	0.3 %	-0.7 %	-0.1 %	0.2 %	0.8 %	0.3 %	0.2 %
Financial result	0.0 %	-1.0 %	-1.6 %	-1.8 %	-0.9 %	-1.4 %	-1.3 %
Recurring pretax income from continuing operations	6.0 %	3.3 %	-9.4 %	-6.6 %	-0.4 %	0.3 %	1.7 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	6.0 %	3.3 %	-9.4 %	-6.6 %	-0.4 %	0.3 %	1.7 %
Tax rate	25.0 %	46.2 %	46.2 %	46.2 %	46.2 %	46.2 %	46.2 %
Net income from continuing operations	4.5 %	1.8 %	-9.6 %	-7.2 %	-0.8 %	0.2 %	1.3 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	4.5 %	1.8 %	-9.6 %	-7.2 %	-0.8 %	0.2 %	1.3 %
Minority interest	0.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	4.4 %	1.7 %	-9.6 %	-7.2 %	-0.8 %	0.2 %	1.3 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
Intangible assets	9.3	13.1	13.9	13.8	13.4	13.0	12.7
Property, plant and equipment	34.8	45.3	48.2	45.6	44.0	42.4	40.8
Financial assets	0.6	0.7	0.4	0.4	0.4	0.4	0.4
FIXED ASSETS	44.6	59.1	62.5	59.9	57.8	55.8	53.9
Inventories	19.4	19.1	13.8	16.3	16.1	16.3	15.7
Accounts receivable	48.5	45.1	30.4	23.0	27.9	32.2	33.5
Other current assets	6.3	3.7	4.4	8.9	9.1	9.3	9.4
Liquid assets	16.1	11.8	43.8	34.6	28.1	27.4	22.5
Deferred taxes	6.9	6.7	6.8	6.5	6.6	6.8	6.9
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	97.3	86.5	99.2	89.3	87.7	91.9	88.0
TOTAL ASSETS	142.0	145.6	161.7	149.2	145.6	147.7	141.9
SHAREHOLDERS EQUITY	69.0	67.9	51.0	38.4	36.7	36.6	38.7
MINORITY INTEREST	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Long-term debt	6.6	3.7	50.9	48.3	50.0	50.0	40.0
Provisions for pensions and similar obligations	11.8	11.5	10.7	11.5	11.8	12.1	12.3
Other provisions	0.6	1.2	2.5	2.6	2.6	2.7	2.7
Non-current liabilities	19.0	16.4	64.1	62.3	64.4	64.7	55.0
short-term liabilities to banks	9.6	19.9	9.8	2.6	0.0	0.0	0.0
Accounts payable	12.2	12.8	15.7	18.6	18.7	18.8	18.4
Advance payments received on orders	12.5	10.5	3.1	4.6	4.7	4.8	4.8
Other liabilities (incl. from lease and rental contracts)	19.4	17.7	17.5	22.2	22.8	23.5	24.2
Deferred taxes	0.1	0.1	0.2	0.3	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	53.7	61.1	46.4	48.3	46.2	47.1	47.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	142.0	145.6	161.7	149.2	147.5	148.6	141.4

Balance sheet (common size)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
Intangible assets	6.6 %	9.0 %	8.6 %	9.3 %	9.1 %	8.8 %	9.0 %
Property, plant and equipment	24.5 %	31.1 %	29.8 %	30.6 %	29.8 %	28.5 %	28.9 %
Financial assets	0.4 %	0.5 %	0.2 %	0.3 %	0.3 %	0.3 %	0.3 %
FIXED ASSETS	31.4 %	40.6 %	38.6 %	40.1 %	39.2 %	37.5 %	38.1 %
Inventories	13.7 %	13.1 %	8.6 %	10.9 %	10.9 %	11.0 %	11.1 %
Accounts receivable	34.2 %	31.0 %	18.8 %	15.4 %	18.9 %	21.7 %	23.7 %
Other current assets	4.4 %	2.5 %	2.7 %	6.0 %	6.2 %	6.2 %	6.7 %
Liquid assets	11.4 %	8.1 %	27.1 %	23.2 %	19.0 %	18.4 %	15.9 %
Deferred taxes	4.9 %	4.6 %	4.2 %	4.4 %	4.5 %	4.5 %	4.9 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	68.6 %	59.4 %	61.4 %	59.9 %	59.5 %	61.9 %	62.2 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	98.7 %	99.4 %	100.4 %
SHAREHOLDERS EQUITY	48.6 %	46.6 %	31.6 %	25.7 %	24.9 %	24.6 %	27.4 %
MINORITY INTEREST	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Long-term debt	4.7 %	2.5 %	31.5 %	32.4 %	33.9 %	33.7 %	28.3 %
Provisions for pensions and similar obligations	8.3 %	7.9 %	6.6 %	7.7 %	8.0 %	8.1 %	8.7 %
Other provisions	0.4 %	0.9 %	1.5 %	1.7 %	1.8 %	1.8 %	1.9 %
Non-current liabilities	13.4 %	11.3 %	39.6 %	41.8 %	43.7 %	43.6 %	38.9 %
short-term liabilities to banks	6.7 %	13.7 %	6.1 %	1.8 %	0.0 %	0.0 %	0.0 %
Accounts payable	8.6 %	8.8 %	9.7 %	12.5 %	12.7 %	12.6 %	13.0 %
Advance payments received on orders	8.8 %	7.2 %	1.9 %	3.1 %	3.2 %	3.2 %	3.4 %
Other liabilities (incl. from lease and rental contracts)	13.7 %	12.2 %	10.8 %	14.9 %	15.5 %	15.8 %	17.1 %
Deferred taxes	0.0 %	0.1 %	0.1 %	0.2 %	0.0 %	0.0 %	0.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	37.9 %	42.0 %	28.7 %	32.4 %	31.3 %	31.7 %	33.6 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
Net profit/loss	11.4	4.7	-17.2	-12.3	-1.5	0.4	2.6
Depreciation of fixed assets (incl. leases)	4.7	5.4	6.3	6.4	5.9	6.1	6.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.8	2.1	2.6	2.3	2.4	2.4	2.4
Others	0.0	3.7	2.5	3.5	0.3	0.2	0.2
Cash flow from operations before changes in w/c	18.0	15.9	-5.8	-0.1	7.2	9.2	11.3
Increase/decrease in inventory	-4.9	0.3	5.3	-2.5	0.2	-0.2	0.6
Increase/decrease in accounts receivable	-5.8	3.3	14.7	7.4	-4.9	-4.3	-1.3
Increase/decrease in accounts payable	0.3	-1.3	-4.6	4.5	0.1	0.0	-0.4
Increase/decrease in other working capital positions	2.5	-2.9	-2.2	4.5	0.0	0.0	0.0
Increase/decrease in working capital	-7.8	-0.7	13.3	13.9	-4.5	-4.5	-1.0
Cash flow from operating activities	10.1	15.2	7.4	13.8	2.7	4.7	10.3
CAPEX	19.2	22.5	13.3	6.5	6.3	6.4	6.6
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	8.4	0.1	0.0	4.6	0.0	0.0	0.0
Income from asset disposals	25.0	3.0	0.6	1.4	0.0	0.0	0.0
Cash flow from investing activities	-2.6	-19.7	-12.7	-9.8	-6.3	-6.4	-6.6
Cash flow before financing	7.6	-4.4	-5.2	4.0	-3.6	-1.8	3.7
Increase/decrease in debt position	-7.2	-3.6	-10.3	-9.8	-0.9	0.0	-10.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	11.0	47.5	0.0	0.0	0.0	0.0
Dividends paid	4.9	5.4	0.0	0.0	0.0	0.0	0.0
Others	-1.7	-1.1	0.1	-3.7	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.4	-0.8	-0.1	0.3	0.0	0.0	0.0
Cash flow from financing activities	-13.8	0.9	37.3	-13.5	-0.9	0.0	-10.0
Increase/decrease in liquid assets	-6.7	-4.4	32.0	-9.2	-4.6	-1.8	-6.3
Liquid assets at end of period	16.1	11.8	43.8	34.6	30.0	28.3	22.0

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
Domestic	75.2	76.7	53.5	55.1	47.0	47.0	47.9
yoy change	10.2 %	2.1 %	-30.3 %	3.0 %	-14.7 %	0.0 %	2.0 %
Rest of Europe	130.4	131.8	90.3	78.0	87.0	91.2	92.5
yoy change	30.9 %	1.1 %	-31.5 %	-13.6 %	11.5 %	4.9 %	1.4 %
NAFTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	46.9	56.8	35.5	37.7	50.9	57.5	63.3
yoy change	53.0 %	21.0 %	-37.5 %	6.2 %	35.1 %	13.0 %	10.0 %
TTL	252.5	265.3	179.3	170.8	184.9	195.8	203.7
yoy change	27.2 %	5.1 %	-32.4 %	-4.7 %	8.3 %	5.9 %	4.1 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2007/08	2008/09	2009/10	2010/11	2011/12E	2012/13E	2013/14E
P&L growth analysis							
Sales growth	27.2 %	5.1 %	-32.4 %	-4.7 %	8.3 %	5.9 %	4.1 %
EBITDA growth	16.6 %	-12.9 %	-127.4 %	-108.7 %	1918.7 %	30.2 %	23.6 %
EBIT growth	16.2 %	-25.1 %	-223.1 %	-41.5 %	-110.1 %	312.1 %	82.5 %
EPS growth	7.5 %	-58.3 %	-475.5 %	-28.4 %	-88.1 %	-130.4 %	479.4 %
Efficiency							
Total operating costs / sales	92.9 %	94.3 %	101.8 %	102.6 %	98.9 %	94.2 %	93.0 %
Sales per employee	182.1	180.0	129.6	135.6	144.1	149.5	152.5
EBITDA per employee	15.7	12.9	-3.8	0.4	7.1	9.1	11.0
Balance sheet analysis							
Avg. working capital / sales	15.1 %	15.9 %	18.5 %	12.2 %	9.9 %	11.6 %	12.5 %
Inventory turnover (sales/inventory)	13.0	13.9	13.0	10.5	11.5	12.0	13.0
Trade debtors in days of sales	70.1	62.1	62.0	49.2	55.0	60.0	60.0
A/P turnover [(A/P*365)/sales]	17.6	17.6	31.9	39.8	37.0	35.0	33.0
Cash conversion cycle (days)	90.7	79.5	53.8	38.7	44.2	50.1	49.4
Cash flow analysis							
Free cash flow	-9.1	-7.3	-5.8	7.3	-3.6	-1.8	3.7
Free cash flow/sales	-3.6 %	-2.8 %	-3.2 %	4.3 %	-2.0 %	-0.9 %	1.8 %
FCF / net profit	-82.1 %	-158.8 %	33.7 %	-59.1 %	246.8 %	-393.1 %	143.2 %
FCF yield	-33.2 %	-26.8 %	-21.4 %	26.8 %	-13.4 %	-6.5 %	13.7 %
Capex / depn	421.4 %	299.7 %	150.8 %	128.5 %	75.7 %	75.6 %	77.7 %
Capex / maintenance capex	294.4 %	297.3 %	172.0 %	74.2 %	72.7 %	72.6 %	74.8 %
Capex / sales	10.9 %	8.5 %	7.4 %	6.5 %	n/a	n/a	n/a
Security							
Net debt	0.1	11.8	17.0	16.3	21.9	22.6	17.5
Net Debt/EBITDA	0.0	0.6	-3.3	36.0	2.4	1.9	1.2
Net debt / equity	0.0	0.2	0.3	0.4	0.6	0.6	0.5
Interest cover	15.1	9.2	0.0	0.0	0.3	1.0	1.9
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	2.6	2.5	1.4	1.6	1.8	1.9	2.2
Operating assets turnover	3.2	3.1	2.4	2.8	2.9	2.9	3.1
Plant turnover	7.3	5.9	3.7	3.7	4.2	4.6	5.0
Inventory turnover (sales/inventory)	13.0	13.9	13.0	10.5	11.5	12.0	13.0
Returns							
ROCE	15.3 %	11.3 %	-12.2 %	-7.2 %	0.8 %	3.4 %	6.4 %
ROE	16.0 %	6.8 %	-33.8 %	-32.2 %	-4.0 %	1.2 %	6.7 %
Other							
Interest paid / avg. debt	5.1 %	6.2 %	7.1 %	6.4 %	6.5 %	6.6 %	7.1 %
No. employees (average)	1387	1474	1383	1260	1284	1309	1336
Number of shares	24.3	24.3	24.3	24.3	24.3	24.3	24.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	0.45	0.19	-0.71	-0.51	-0.06	0.02	0.11
Valuation ratios							
P/BV	0.4	0.4	0.5	0.7	0.7	0.7	0.7
EV/sales	0.2	0.2	0.3	0.3	0.3	0.3	0.3
EV/EBITDA	1.8	2.7	-10.6	121.5	6.7	5.2	3.9
EV/EBITA	2.3	3.7	-4.8	-9.3	18.9	10.7	6.6
EV/EBIT	2.6	4.4	-3.9	-6.7	73.8	18.2	9.2
EV/FCF	-4.3	-6.9	-9.4	7.5	-16.7	-35.1	15.3
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

Disclosure in respect of section 34b of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG)

Company	Disclosure
BENE AG	2

- (1) Hauck & Aufhäuser or its affiliate(s) was Lead Manager or Co-Lead Manager over the previous 12 months of a public offering of this company.
- (2) Hauck & Aufhäuser acts as Designated Sponsor for this company or offers Equity Advisory Services.
- (3) Over the previous 12 months, Hauck & Aufhäuser and/or its affiliate(s) has effected an agreement with this company for investment banking services or received compensation or a promise to pay from this company for investment banking services.
- (4) Hauck & Aufhäuser and/or its affiliate(s) hold 5 % or more of the share capital of this company.
- (5) Hauck & Aufhäuser holds a trading position in shares of this company.
- (6) Hauck & Aufhäuser and/or its affiliate(s) holds a net short position of 1 % or more of the share capital of this company, calculated by methods required by German law as of the last trading day of the past month.
- (7) Within the last five years Hauck & Aufhäuser was a member of the issuing syndicate of this company.
- (8) The research report has been made available to the company prior to its publication / dissemination. Thereafter, only factual changes have been made to the report

Historical target price and rating changes for BENE AG in the last 12 months

**Price and Rating History
BENE AG as of 15/12/11**

Initiation coverage
26-October-11



Hauck & Aufhäuser distribution of ratings and in proportion to investment banking services

Buy	80.26 %	50.00 %
Sell	5.26 %	0.00 %
Hold	14.47 %	50.00 %

Valuation basis/rating key

Buy: Sustainable upside potential of more than 10% within 12 months.

Sell: Sustainable downside potential of more than 10% within 12 months.

Hold: Upside/downside potential limited. No immediate catalyst visible.

Competent supervisory authority

Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin – (Federal Financial Supervisory Authority), Graurheindorfer Straße 108, 53117 Bonn and Lurgiallee 12, 60439 Frankfurt am Main, Germany

Important Disclosures

This research report has been prepared by Hauck & Aufhäuser Institutional Research AG, Hamburg, or one of its affiliates (“**Hauck & Aufhäuser**”).

Hauck & Aufhäuser has made every effort to carefully research all information contained in this financial analysis. The information on which the financial analysis is based has been obtained from sources which we believe to be reliable such as, for example, Reuters, Bloomberg and the relevant specialised press as well as the company which is the subject of this financial analysis.

Only that part of the research note is made available to the issuer, who is the subject of this analysis, which is necessary to properly reconcile with the facts. Should this result change considerably, a reference is made in the research note.

Opinions expressed in this financial analysis are the current, personal opinions of the analyst responsible for the document as of the issuing date indicated on this document and are subject to change without notice. Hauck & Aufhäuser does not commit itself in advance to whether and in which intervals an update is made. Also, the opinions in this document do not necessarily correspond to the opinions of Hauck & Aufhäuser.

The document and the recommendations and estimations contained therein are not linked - whether directly or indirectly - to the compensation of the analyst responsible for the document.

No representation, guarantees or warranties are made by Hauck & Aufhäuser with regard to the accuracy, completeness or suitability regarding all the information on the stocks, stock markets or developments referred to in it.

On no account should the document be regarded as a substitute for the recipient's procuring information for himself or exercising his own judgements.

The document has been produced for information purposes only, and only for institutional clients or market professionals. In particular, it is not intended to be distributed to private investors or private customers. Private investors or private customers, into whose possession this document comes, should discuss possible investment decisions with their customer service officer as differing views and opinions may exist with regard to the stocks referred to in this document.

This document is not a recommendation, offer or solicitation to buy or sell the mentioned stock and will not form the basis or a part of any contract.

The document may include certain descriptions, statements, estimates, and conclusions underlining potential market and company development. These reflect assumptions, which may turn out to be incorrect. Past performance is not a guide to future results. The price of securities may decrease or increase and as a result investors may lose the amount originally invested. Changes in exchange rates may also cause the value of investments to decrease or increase. Hauck & Aufhäuser and/or its directors, officers and employees accept no responsibility or liability whatsoever for any direct or consequential loss or damages of any kind arising out of the use of this document or any part of its content. To the extent this research report is being transmitted in connection with an existing contractual relationship, e.g. financial advisory or similar services, the liability of Hauck & Aufhäuser shall be restricted to gross negligence and wilful misconduct. In any case, the liability of Hauck & Aufhäuser is limited to typical, foreseeable damages and liability for any indirect damages is excluded.

Hauck & Aufhäuser may act as market-maker or underwrite issues for any securities mentioned in this document, derivatives thereon or related financial products or perform or seek to perform capital market or underwriting services.

Hauck & Aufhäuser reserves all the rights in this document. No part of the document or its content may be rewritten, copied, photocopied or duplicated in any form by any means or redistributed without Hauck & Aufhäuser's prior written consent.

Please note that our research is only for the personal use of Hauck & Aufhäuser institutional clients. Do not pass on to third parties or make available to third parties. From time to time Hauck & Aufhäuser Institutional Research AG will be compensated for its services using soft dollar compensation arrangements, such as trading commissions.

By accepting this document, a recipient hereof agrees to be bound by the foregoing limitations.

Remarks regarding foreign investors

The preparation of this document is subject to regulation by German law. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions

Contacts: Hauck&Aufhäuser Investment Banking**Hauck & Aufhäuser Research**

Hauck & Aufhäuser
Institutional Research AG
Mittelweg 142

20148 Hamburg
Germany

Tel.: +49 (0) 40 414 3885 - 70
Fax: +49 (0) 40 414 3885 - 71
Email: info@ha-research.de
www.ha-research.de

Sascha Berresch, CFA
Analyst

Tel.: +49 (0)40 414 3885 - 85
E-Mail: sascha.berresch@ha-research.de

Marc Osigus, CFA
Analyst

Tel.: +49 (0)40 414 3885 - 90
E-Mail: marc.osigus@ha-research.de

Thomas Wissler
Analyst

Tel.: +49 (0)40 414 3885 - 80
E-Mail: thomas.wissler@ha-research.de

Henning Breiter
Analyst

Tel.: +49 (0)40 414 3885 - 73
E-Mail: henning.breiter@ha-research.de

Roland Rapelius, CFA
Analyst

Tel.: +49 (0)40 414 3885 - 86
E-Mail: roland.rapelius@ha-research.de

Tim Wunderlich, CFA
Analyst

Tel.: +49 (0)40 414 3885 - 81
E-Mail: tim.wunderlich@ha-research.de

Marie-Therese Gruebner
Analyst

Tel.: +49 (0)40 414 3885 - 83
E-Mail: marie-therese.gruebner@ha-research.de

Torben Teichler
Analyst

Tel.: +49 (0)40 414 3885 - 74
E-Mail: torben.teichler@ha-research.de

Hauck & Aufhäuser Sales

Vincent Bischoff
Sales

Tel.: +49 (0)40 414 3885 - 88
E-Mail: vincent.bischoff@ha-research.de

Hugues Madelin
Sales

Tel.: +33 1 78 41 40 62
E-Mail: hugues.madelin@ha-research.de

Hamish Edsell
Sales

Tel.: +44 207 763 2180
E-Mail: hamish.edsell@ha-research.de

Toby Woods
Sales

Tel.: +44 207 763 7179
E-Mail: toby.woods@ha-research.de

Supervisory Board

Graeme Davies
Chairman

Tel.: +49 (0)40 414 3885 - 72
E-Mail: graeme.davies@ha-research.de

Michael Schramm

Tel.: +49 (0)69 2161 - 1240
E-Mail: michael.schramm@hauck-aufhaeuser.de

Jochen Lucht

Tel.: +49 (0)69 2161 - 1260
E-Mail: jochen.lucht@hauck-aufhaeuser.de

Hauck & Aufhäuser Sales Trading

Hauck & Aufhäuser
Privatbankiers KGaA
Kaiserstraße 24

60311 Frankfurt am Main
Germany

Tel.: +49 (0) 69 2161- 0
Fax: +49 (0) 69 2161- 1340
Email: info@hauck-aufhaeuser.de
www.hauck-aufhaeuser.de

Mirko Brueggemann
Trading

Tel.: +49 (0)69 2161 - 1525
E-Mail: mirko.brueggemann@hauck-aufhaeuser.de

Sebastian Schuett
Trading

Tel.: +49 (0)69 2161 - 1556
E-Mail: sebastian.schuett@hauck-aufhaeuser.de

Thomas Seibert
Trading

Tel.: +49 (0)69 2161 - 1555
E-Mail: thomas.seibert@hauck-aufhaeuser.de