

HELLA Group

Financial Performance in 2019

HELLA Group announced a net profit of EUR 348 mil in 2019, down 45.1% when compared to the last year. Sales decreased 5.66% yoy to EUR 6,753 mil, EBITDA fell 29.9% to EUR 798 mil and net margin amounted to 5.16%. HELLA Group stock depreciated 21.3% in 2019 to EUR 40.4 per share and the stock traded at 12-month trailing PE of 12.9 and EV/EBITDA of 5.81x at the end of 2019.

- ✓ Sales increased -5.66% yoy to EUR 6,753 mil in 2019. That's compared to average growth of 1.86% in the last three years and 7.05% when compared to the average annual increase in the last decade.
- ✓ EBITDA amounted to EUR 798 mil and fell -29.9% when compared to last year. EBITDA margin reached 11.8%, down 0.788 pp when compared to 5-year average.
- ✓ Company's indebtedness rose when measured by Net Debt/Equity and reached 7.10% at the end of the year. When compared to EBITDA, net debt rose to 0.244x.
- ✓ HELLA Group netted EUR 348 mil to its shareholders in the last year, down 7.26% when compared to the average seen in the last five years. The company produced a return on capital of 8.96% and return on equity of 12.6% in the last year.
- ✓ HELLA Group stock traded at EUR 40.4 per share at the end of 2019 implying a market capitalization of USD 5,039 mil and enterprise value of USD 5,257 mil. This puts the stock at the 12-month trailing price to earnings of 12.9x and EV/EBITDA of 5.81x as of the end of 2019. Over the last three years, the stock price has increased by 2.07% a year on average and the firm generated its shareholders an average return on equity of 18.1%.

Sector:
Manufacturing

Country:
Germany

Share Price:
EUR 40.4

Market Capitalization:
USD 5,039 mil

Shares Outstanding:
111 mil

Enterprise Value:
USD 5,257 mil

Net Debt:
EUR 195 mil

Net Debt / Equity:
7.10%

EBITDA Margin:
11.8%

Net Margin:
5.16%

KEY FIGURES									
	SALES	EBITDA	NET PROFIT	EPS	EPS GROWTH	PER	EV/EBITDA	ROCE	DEBT/EBITDA
	EUR mil	EUR mil	EUR mil	EUR	%			%	
2019	6,753	798	348	3.13	-10.5	12.9	5.81	8.96	0.244
2018	7,158	1,139	634	3.50	13.6	14.7	5.22	16.5	0.005
2017	6,839	882	367	3.08	27.3	13.7	6.05	10.00	0.357
2016	6,390	741	260	2.42	-10.4	15.7	5.74	7.79	0.464
2015	6,168	667	268	2.70	21.1	14.8	7.42	8.75	0.347

Source: Company Data, Helgi Analytics, Valuation multiples calculated based on historical prices

Data tells a story



1 Company Overview

Hella KGaA Hueck & Co. (HELLA Group) is an internationally operating German Company involved in production of automotive parts with headquarters in Lippstadt, Germany. The company develops and manufactures lighting and electronic components and systems for the automotive industry. Worldwide, about 40,000 people are employed in more than 100 locations in over 35 countries.

HELLA Group has been growing its sales by 4.17% a year on average in the last 5 years. EBITDA has grown on average by 4.79% a year during that time to total of EUR 798 mil in 2019, or 11.8% of sales. That's compared to 12.6% average margin seen in last five years.

The company netted EUR 348 mil in 2019 implying ROE of 12.6% and ROCE of 8.96%. Again, the average figures were 16.5% and 10.4%, respectively when looking at the previous 5 years.

HELLA Group's net debt amounted to EUR 195 mil at the end of 2019, or 7.10% of equity. When compared to EBITDA, net debt was 0.244x, down when compared to average of 0.283x seen in the last 5 years.

HELLA Group stock traded at EUR 40.4 per share at the end of 2019 resulting in a market capitalization of USD 5,039 mil. Over the previous five years, stock price grew by 0% or % a year on average. The closing price put stock at a 12-month trailing EV/EBITDA of 5.81x and price to earnings (PE) of 12.9x as of 2019.

FINANCIALS		2012	2013	2014	2015	2016	2017	2018	2019
Sales	EUR mil	4,893	5,090	5,505	6,168	6,390	6,839	7,158	6,753
EBITDA	EUR mil	502	535	632	667	741	882	1,139	798
Net Profit	EUR mil	206	201	264	268	260	367	634	348
Total Assets	EUR mil	3,247	3,899	4,745	5,003	5,039	5,471	6,247	6,722
Working Capital	EUR mil	789	855	811	939	1,060	1,242	1,265	1,186
Net Debt	EUR mil	440	521	262	231	344	315	5.70	195
Equity	EUR mil	1,123	1,236	1,706	1,919	2,072	2,283	2,792	2,741

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	19.4	17.0	17.9	14.8	13.0	16.8	25.0	12.6
ROCE	%	8.92	7.80	9.34	8.75	7.79	10.00	16.5	8.96
EBITDA Margin	%	10.3	10.5	11.5	10.8	11.6	12.9	15.9	11.8
Net Margin	%	4.21	3.94	4.79	4.35	4.07	5.36	8.86	5.16
Net Debt/EBITDA		0.877	0.975	0.416	0.347	0.464	0.357	0.005	0.244
Net Debt/Equity	%	39.2	42.2	15.4	12.1	16.6	13.8	0.204	7.10

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	...	...	...	5,399	4,201	5,617	6,951	5,039
EV/EBITDA		...	...	...	7.42	5.74	6.05	5.22	5.81
Price/Earnings (P/E)		...	...	...	14.8	15.7	13.7	14.7	12.9
EV/Sales		...	...	...	0.803	0.666	0.780	0.830	0.687

Source: Company Data, Helgi Analytics

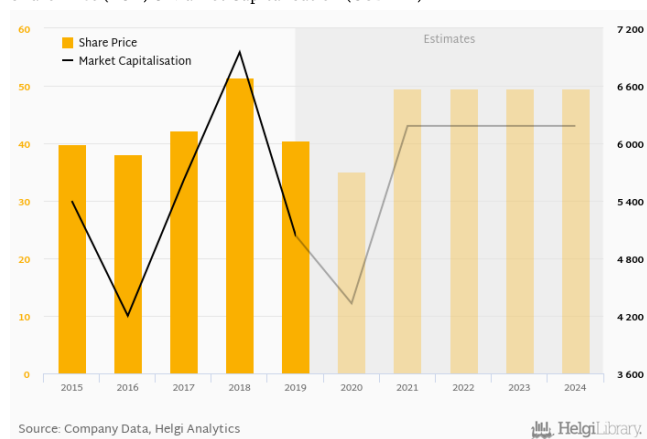


2 Valuation

HELLA Group stock traded at EUR 40.4 per share at the end of 2019 translating into a market capitalization of USD 5,039 mil. Over the previous year, the stock depreciated by 21.3%. Over the previous three years, stock price rose by 6.35% or 2.07% a year on average. That's compared to an average ROE of 18.1% the company generated for its shareholders:

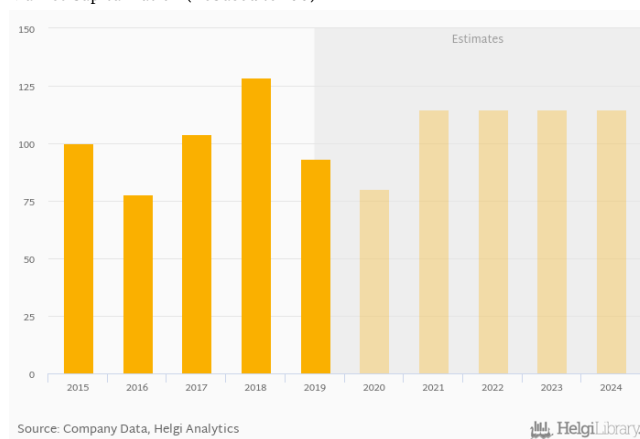
Stock Price & Market Capitalization

Share Price (EUR) & Market Capitalisation (USD mil)



Market Capitalization Peers Comparison

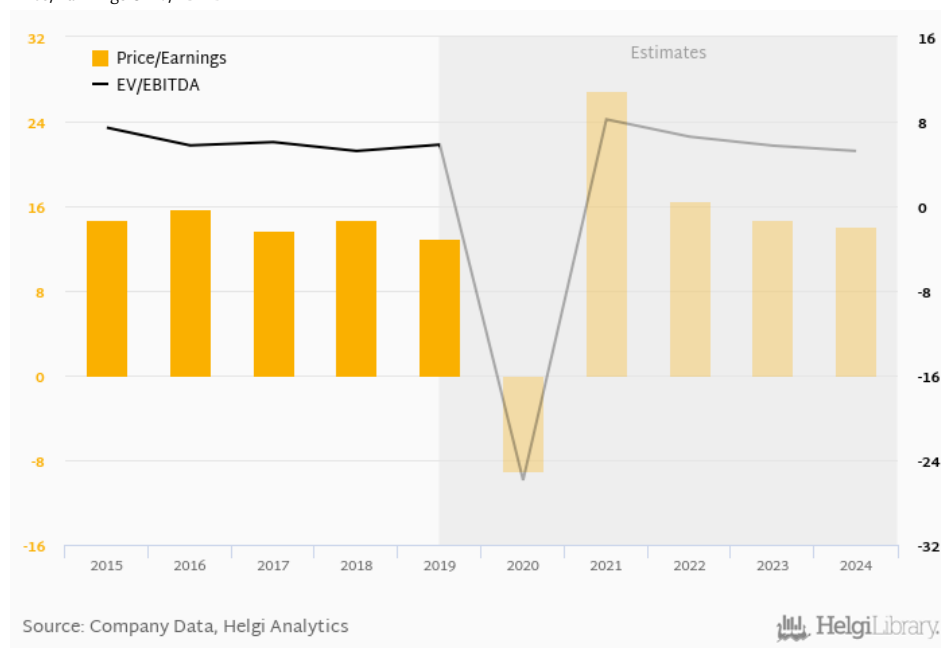
Market Capitalization (Rebased to 100)



The last price puts the company at the 12-month trailing price to earnings (PE) of 12.9x and enterprise value to EBITDA (EV/EBITDA) of 5.81x as of the end of 2019.

Price to Earnings & EV/EBITDA

Price/Earnings & EV/EBITDA





Within the last five years, the PE multiple reached a high of 15.7x in 2016 and a low of 12.9x in 2019 with an average of 14.4x.

PE MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Dongfeng Motor Group	China	8,108	7.85	8.26	7.38	5.58	5.97	3.89	4.80	4.10	4.55
Chongqing Changan Automobile	China	6,163	15.8	18.1	13.5	8.66	6.87	6.18	8.02	47.0	-18.2
BAIC Motor Corporation	China	4,548	...	...	...	10.2	14.6	7.03	30.3	6.81	8.40
FAW Jiefang Group	China	2,330	65.6	-17.7	19.0	162	499	-18.4	61.9	52.8	308
Renault	France	14,007	2.60	4.84	21.8	7.20	7.53	5.84	3.95	4.21	-81.1
Tata Motors	India	8,538	8.25	6.58	8.66	9.12	12.8	11.3	21.2	12.4	-2.05
Mitsubishi Motors Corporation	Japan	7,900	53.7	34.3	23.1	9.19	8.12	10.5	-3.80	10.0	6.46
Mazda Motor Corporation	Japan	7,041	-4.68	-2.18	21.2	8.77	8.01	6.89	9.27	7.14	11.8
Kia Motors Corporation	South Korea	15,378	6.66	5.05	5.15	6.23	7.21	5.28	13.2	11.4	9.72
HELLA Group	Germany	5,039	...	...	...	...	14.8	15.7	13.7	14.7	12.9
Weighted Average			12.0	7.63	13.5	13.0	24.0	7.04	12.5	10.5	-1.59
Median			8.05	5.81	16.2	8.77	8.07	6.53	11.2	10.7	7.43

Source: Company Data, Helgi Analytics

In terms of EV/EBITDA, HELLA Group was trading at 5.81 at the end of 2019. Over the last five years, the multiple reached a high of 7.42x in 2015 and a low of 5.22x in 2018 with an average of 6.05x.

EV/EBITDA MULTIPLE COMPARISON											
NAME	COUNTRY	Mkt Cap (USD mil)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Dongfeng Motor Group	China	8,108	4.46	-60.8	-226	38.5	23.8	11.0	53.6	397	73.1
Chongqing Changan Automobile	China	6,163	-32.3	1,720	-739	88.2	42.6	34.7	19.1	10.7	15.4
BAIC Motor Corporation	China	4,548	...	...	...	23.2	7.05	2.90	2.69	0.651	0.211
FAW Jiefang Group	China	2,330	17.4	-8.40	12.2	29.2	30.5	-58.3	16.4	15.9	0.821
Renault	France	14,007	2.29	4.55	7.11	4.54	5.39	4.01	4.06	2.47	2.62
Tata Motors	India	8,538	4.67	4.84	3.66	4.40	6.22	5.41	8.21	8.04	6.76
Subaru Corporation	Japan	17,461	4.22	3.37	3.45	5.06	5.00	6.33	6.33	7.11	5.30
Mazda Motor Corporation	Japan	7,041	12.2	4.30	4.06	5.41	4.86	4.67	4.54	4.97	5.29
Kia Motors Corporation	South Korea	15,378	6.13	5.67	5.88	5.92	6.10	4.37	7.46	5.40	4.94
HELLA Group	Germany	5,039	...	...	...	...	7.42	5.74	6.05	5.22	5.81
Weighted Average			4.66	84.6	-85.2	16.7	10.2	5.61	10.2	35.2	11.5
Median			4.56	4.43	3.86	5.92	6.64	5.04	6.89	6.25	5.29

HELLA GROUP'S PREMIUM/DISCOUNT TO:											
Weighted Average			...	...	...	...	-27.5%	2.38%	-40.4%	-85.2%	-49.5%
Median			...	...	...	...	11.8%	14.0%	-12.2%	-16.6%	9.83%

Source: Company Data, Helgi Analytics

The detailed comparison of HELLA Group's valuation multiples with its peers could be seen below:



VALUATION MULTIPLES		MKT CAP		ROE			PE			EV/EBITDA	
NAME	COUNTRY	(USD mil)	2017	2018	2019	2017	2018	2019	2017	2018	2019
Dongfeng Motor Group	China	8,108	12.8%	10.8%	9.93%	4.80	4.10	4.55	53.6	397	73.1
Chongqing Changan Automobile	China	6,163	15.7%	1.45%	-5.88%	8.02	47.0	-18.2	19.1	10.7	15.4
BAIC Motor Corporation	China	4,548	3.83%	6.70%	5.61%	30.3	6.81	8.40	2.69	0.651	0.211
FAW Jiefang Group	China	2,330	3.59%	2.52%	0.288%	61.9	52.8	308	16.4	15.9	0.821
Renault	France	14,007	16.1%	9.47%	-0.395%	3.95	4.21	-81.1	4.06	2.47	2.62
Tata Motors	India	8,538	11.6%	-36.8%	-19.4%	21.2	12.4	-2.05	8.21	8.04	6.76
Mitsubishi Motors Corporation	Japan	7,900	11.6%	13.5%	6.26%	-3.80	10.0	6.46	...	...	...
Mazda Motor Corporation	Japan	7,041	8.83%	5.28%	4.74%	9.27	7.14	11.8	4.54	4.97	5.29
Kia Motors Corporation	South Korea	15,378	3.62%	4.27%	6.50%	13.2	11.4	9.72	7.46	5.40	4.94
HELLA Group	Germany	5,039	16.8%	25.0%	12.6%	13.7	14.7	12.9	6.05	5.22	5.81
Weighted Average			11.4	0.904	1.84	12.5	10.5	-1.59	11.1	44.2	13.0
Median			11.6	5.99	5.17	11.2	10.7	7.43	7.46	5.40	5.29

Source: Company Data, Helgi Analytics



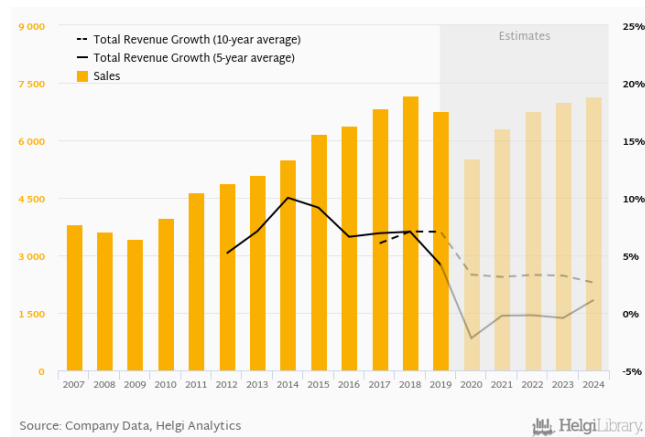
3 Sales, Production & Margins

3.1 Sales & Production

HELLA Group reached total sales of EUR 6,753 mil in 2019, down 5.66% when compared to the previous year. In the last five years sales have increased by 22.7%, or 4.17% a year.

Sales Momentum

Sales (EUR mil) vs. Revenue Growth (%)



3.2 Margins

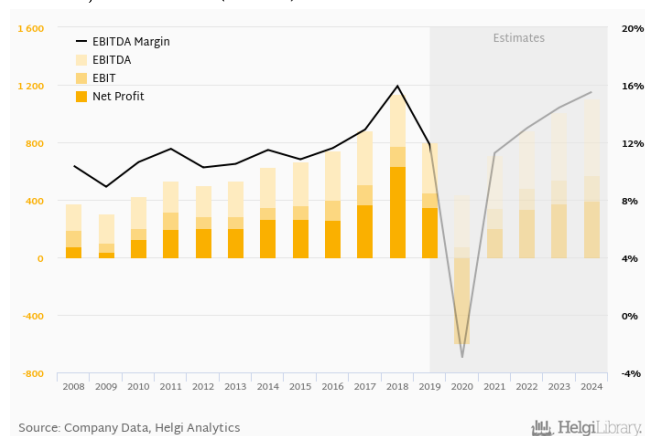
The company made a net profit of EUR 348 mil under revenues of EUR 6,753 mil in 2019, what translates into a net margin of 5.16%.

Between 2007 and 2019, the net margin has reached a high of 8.86% in 2018 and a low of 1.20% in 2009 with an average at 4.83% seen in the last decade.

On the operating level, the company produced EBITDA of EUR 798 mil, down 29.9% yoy. Over the last five years, company's EBITDA has grown 4.79% a year on average.

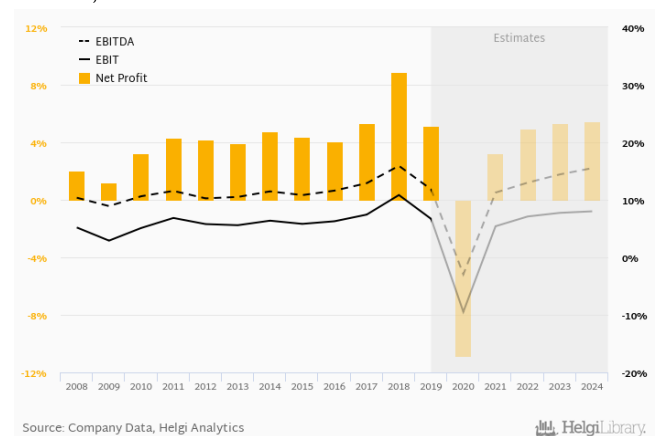
From EBITDA to Net Profit

Net Profit, EBIT & EBITDA (EUR mil)



Profit Margins

Net Profit, EBIT & EBITDA as % of Sales





When compared to a few selected peers, HELLA Group has been operating with 67.0% higher EBITDA margin in 2019 than the weighted average of the group.

EBITDA MARGIN COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tata Motors	India	10.9%	10.2%	11.1%	11.7%	11.1%	9.33%	6.79%	4.74%	3.45%
Ferrari	Italy	...	...	21.4%	19.5%	25.2%	27.1%	26.9%	28.7%	29.4%
Honda Motor Company	Japan	8.89%	11.2%	13.0%	12.2%	9.96%	9.34%	10.2%	9.59%	9.11%
Nissan Motor Company	Japan	12.4%	10.9%	11.1%	12.2%	13.0%	13.5%	12.2%	11.9%	8.92%
Suzuki Motor Corporation	Japan	8.75%	8.98%	10.4%	10.6%	10.8%	12.4%	14.3%	13.3%	10.9%
Subaru Corporation	Japan	6.65%	8.00%	15.3%	17.0%	19.3%	15.9%	15.3%	12.4%	11.1%
Mazda Motor Corporation	Japan	1.26%	4.53%	8.23%	9.38%	8.88%	7.35%	6.39%	5.29%	4.19%
SEAT	Spain	1.37%	2.21%	1.85%	2.60%	3.65%	5.43%	6.04%	6.46%	6.69%
Jaguar Land Rover	UK	13.3%	12.6%	14.8%	15.0%	11.7%	9.26%	7.13%	-8.99%	5.35%
HELLA Group	Germany	11.5%	10.3%	10.5%	11.5%	10.8%	11.6%	12.9%	15.9%	11.8%
Weighted Average		9.76	10.1	12.4	12.7	11.9	11.2	10.6	6.65	9.14
Median		8.89	10.2	11.1	12.0	10.9	10.5	11.2	10.7	9.02

HELLA GROUP'S PREMIUM/DISCOUNT TO:										
Weighted Average		18.3%	1.07%	-15.3%	-10.0%	-8.82%	3.51%	22.1%	139%	29.4%
Median		29.9%	0.256%	-5.43%	-4.12%	-1.09%	10.8%	14.6%	48.0%	31.1%

Source: Company Data, Helgi Analytics



4 Indebtedness & Investments

4.1 Balance Sheet & Indebtedness

HELLA Group's total assets reached EUR 6,722 mil at 2019, up 7.6% when compared to the previous year. Current assets amounted to EUR 3,946 mil, or 58.7% of total assets while cash reached EUR 1,662 mil at the end of 2019.

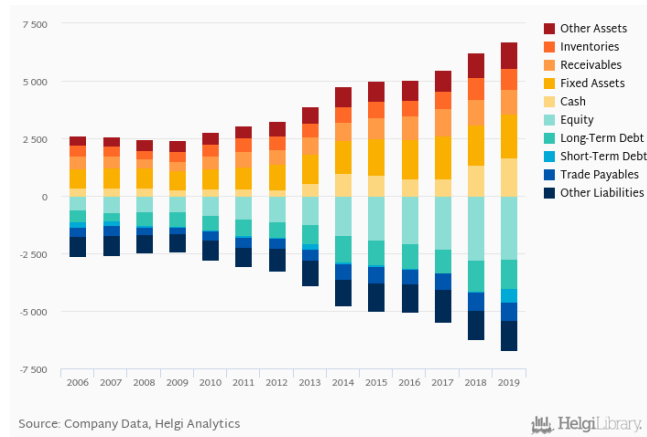
On the other hand, total debt reached EUR 1,856 mil at the end of 2019, or 27.6% of total assets while firm's equity amounted to EUR 2,741 mil. As a result, net debt reached EUR 195 mil in 2019 and accounted for 7.10% of equity.

Historically, between 2006 and 2019, the firm's net debt to equity reached a high of 71.9% in 2006 and a low of 0.204% in 2018.

When compared to EBITDA, net debt amounted to 0.244x at the end of 2019. The ratio reached a high of 1.35x in 2009 and a low of 0.005x in 2018 in the period of 2008 - 2019.

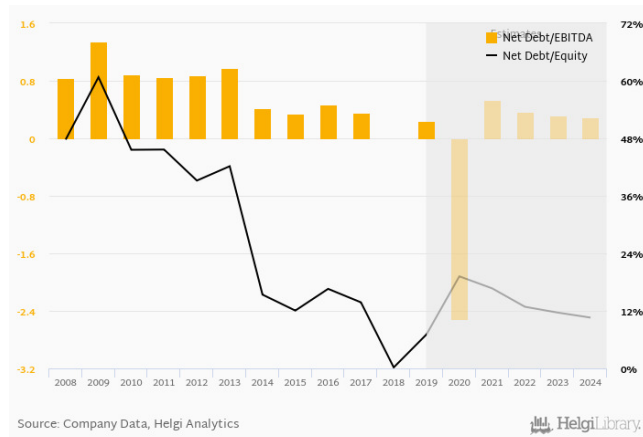
Balance Sheet

Assets and their Funding (EUR mil)



Indebtedness

Net Debt/EBITDA & Net Debt/Equity





When compared to the selected peers, HELLA Group has been operating with 1.04 pp lower indebtedness measured by Net Debt/EBITDA at the end of 2019:

NET DEBT/EBITDA COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tata Motors	India	1.53	1.63	1.06	1.04	0.685	1.12	2.00	4.51	9.31
Ferrari	Italy	...	...	0.406	0.697	2.89	1.65	1.26	1.15	1.07
Honda Motor Company	Japan	3.91	3.19	3.20	3.62	3.66	3.95	3.16	3.27	3.46
Nissan Motor Company	Japan	-0.323	-0.348	-0.569	-0.856	-0.882	-0.691	-0.894	-0.934	-0.904
Suzuki Motor Corporation	Japan	-1.63	-1.53	-1.55	-1.60	-0.597	-0.849	-0.724	-0.487	-0.773
Subaru Corporation	Japan	1.19	0.003	-0.721	-0.806	-1.14	-1.47	-1.71	-2.07	-1.49
Mazda Motor Corporation	Japan	19.6	3.54	1.41	0.984	0.301	0.058	-0.257	-0.405	0.555
SEAT	Spain	-3.94	-0.354	-0.174	-2.20	-2.16	-1.75	-1.62	-1.50	-1.10
Jaguar Land Rover	UK	-0.052	-0.132	-0.281	-0.508	-0.367	-0.533	-0.017	-0.918	1.51
HELLA Group	Germany	0.854	0.877	0.975	0.416	0.347	0.464	0.357	0.005	0.244
Weighted Average		1.33	0.812	0.637	0.486	0.608	0.558	0.463	0.335	1.24
Median		0.854	0.003	0.116	-0.046	-0.033	-0.238	-0.137	-0.446	0.400

HELLA GROUP'S PREMIUM/DISCOUNT TO:										
Weighted Average		-35.8%	7.98%	53.1%	-14.4%	-43.0%	-16.9%	-23.0%	-98.5%	-80.4%
Median		0	32,341%	741%	1,001%	1,152%	295%	360%	101%	-39.0%

Source: Company Data, Helgi Analytics

4.2 Cash Flow & Investments

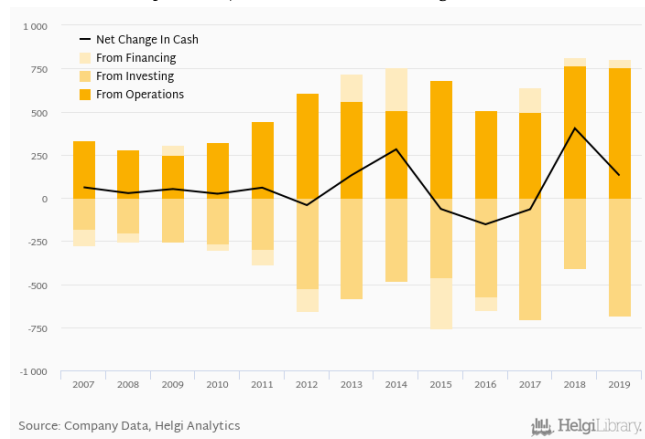
HELLA Group's operating cash flow reached EUR 757 mil in 2019, down 1.43% when compared to the previous year. Historically, between 2007 and 2019, the firm's operating cash flow reached a high of EUR 768 mil in 2018 and a low of EUR 250 mil in 2009.

HELLA Group's total investments reached EUR -682 mil and accounted for 8.30% of sales in 2019. This is compared to 8.53% seen on average in the last five years.

Since cash from financing amounted to EUR 50.2 mil, net cash the company generated in 2019 reached EUR 1,662 mil.

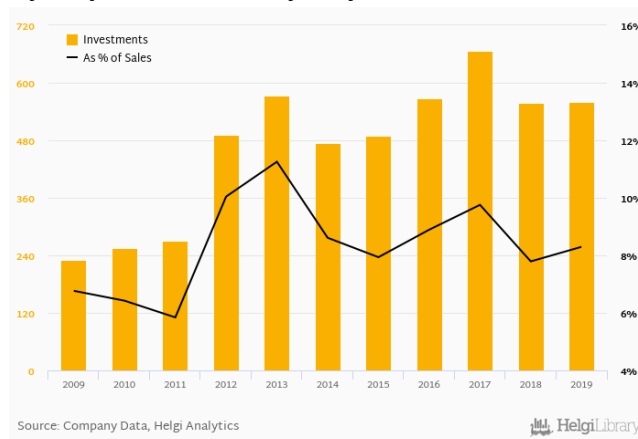
Cash Flow

Total Cash from Operations, Investment and Financing (EUR mil)



How Much Does HELLA Group Invests?

Capital Expenditure (EUR mil) & Capital Expenditure (as % of Sales)





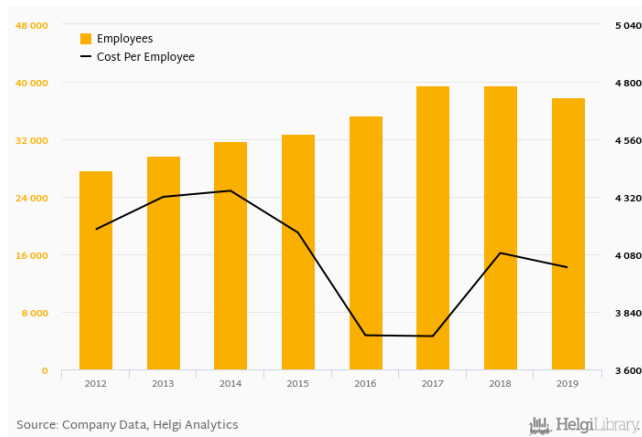
4.3 Workforce

HELLA Group employed 37,847 persons in 2019, down up 4.18 when compared to the previous year. Historically, between 2006 and 2019, the firm's workforce hit a high of 39,523 in 2017 and a low of 22,846 in 2009.

Average cost reached EUR 3,552 per month per employee, 1.84% more than a year ago.

Workforce

Employees & Cost per Employee (USD per month)



When compared to selected peers, cost per employee at HELLA Group was 42.4% lower.

COST PER EMPLOYEE										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Porsche AG	Germany	10,214	10,084	10,803	11,029	10,165	9,302	10,056	10,909	10,670
Tata Motors	India	3,748	4,138	4,604	4,641	4,857	4,508	4,722	5,004	12,935
Honda Motor Company	Japan	...	...	...	...	...	...	...	5,493	5,589
Nissan Motor Company	Japan	2,092	2,278	2,043	1,881	1,897	1,994	2,215	2,309	2,299
Subaru Corporation	Japan	1,873	1,918	1,667	1,508	1,452	1,436	1,508	1,554	1,576
Mazda Motor Corporation	Japan	2,698	2,673	2,248	1,960	1,788	1,724	1,794	1,905	1,937
Mitsubishi Motors Corporation	Japan	2,104	2,265	1,922	1,747	1,712	1,658	1,771	1,852	1,886
SEAT	Spain	5,371	5,289	5,667	5,780	5,418	5,267	5,586	5,846	6,138
Jaguar Land Rover	UK	5,689	6,584	7,002	7,462	7,459	7,005	6,700	7,269	7,174
HELLA Group	Germany	...	4,184	4,320	4,345	4,171	3,742	3,739	4,086	4,026
Weighted Average		6,510	6,410	6,623	6,651	6,405	6,070	6,361	6,726	6,986
Median		3,223	4,138	4,320	4,345	4,171	3,742	3,739	4,545	4,807

Source: Company Data, Helgi Analytics



5 Profitability

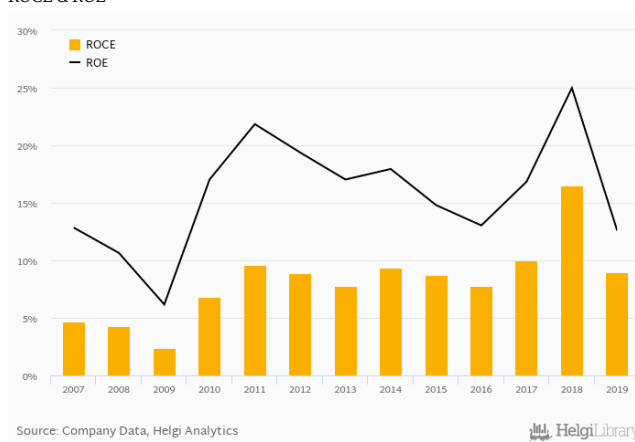
HELLA Group made a net profit of EUR 348 mil in 2019, down 45.1% when compared to the previous year. Historically, between 2007 and 2019, company's net profit reached a high of EUR 634 mil in 2018 and a low of EUR 41.1 mil in 2009

The profit implies the company generated a return on equity of 12.6% and return on invested capital of 8.96% in 2019. That is compared to 16.5% and 10.4% average seen in the last five years.

Since 2014, net profit of the firm increased by 32% or 5.70% a year on average.

Profitability

ROCE & ROE



When compared to its peers, HELLA Group's profitability is 6.33 pp above average when measured by the ROCE:

ROCE COMPARISON										
NAME	COUNTRY	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tata Motors	India	20.6%	12.2%	14.2%	11.9%	8.35%	4.84%	5.14%	-15.2%	-6.24%
Ferrari	Italy	...	...	...	15.5%	16.2%	21.5%	26.8%	35.6%	27.5%
Honda Motor Company	Japan	2.13%	3.92%	4.22%	4.46%	3.55%	2.76%	6.66%	4.58%	2.90%
Nissan Motor Company	Japan	3.95%	3.65%	3.71%	3.65%	4.14%	3.34%	5.43%	3.14%	0.281%
Suzuki Motor Corporation	Japan	4.54%	6.44%	10.0%	7.96%	8.93%	11.5%	13.3%	13.0%	5.38%
Subaru Corporation	Japan	4.23%	7.77%	32.3%	27.1%	50.1%	34.3%	22.6%	15.8%	9.79%
Mazda Motor Corporation	Japan	-15.6%	2.81%	7.42%	14.4%	10.7%	6.50%	6.79%	4.19%	3.54%
Mitsubishi Motors Corporation	Japan	5.59%	4.83%	18.7%	18.6%	17.4%	-49.1%	18.1%	15.4%	5.52%
SEAT	Spain	-2.97%	-1.30%	-6.15%	-2.95%	0.320%	44.5%	12.0%	11.3%	11.4%
HELLA Group	Germany	9.59%	8.92%	7.80%	9.34%	8.75%	7.79%	10.00%	16.5%	8.96%
Weighted Average		2.95	4.28	5.90	7.07	7.68	8.36	9.38	8.20	5.49
Median		4.23	4.83	7.80	10.6	8.84	7.15	11.0	12.1	5.45

HELLA GROUP'S PREMIUM/DISCOUNT TO:										
Weighted Average		225%	108%	32.1%	32.1%	14.0%	-6.83%	6.55%	101%	63.2%
Median		127%	84.7%	0	-12.0%	-1.03%	9.02%	-9.01%	36.0%	64.3%

Source: Company Data, Helgi Analytics

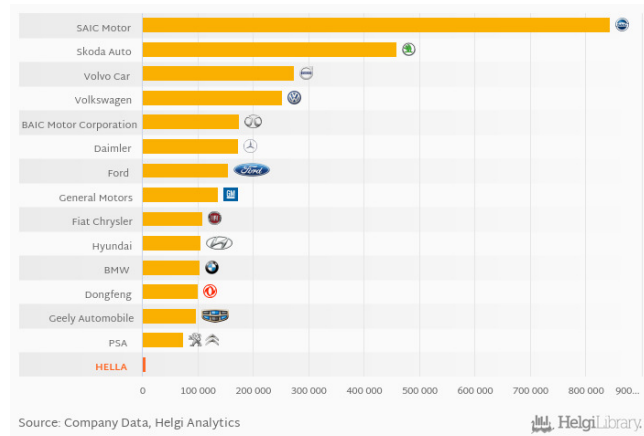


6 Relative Performance Compared to Peers

Based on last available data, following charts demonstrate HELLA Group's relative performance when compared to selected peers:

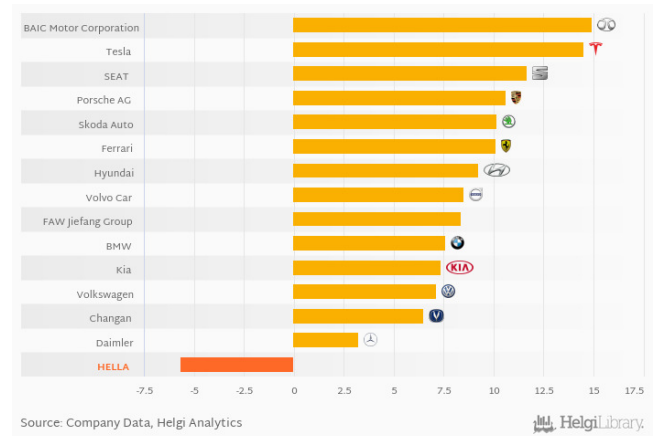
Who Was the Largest by Sales?

Top Companies by Sales (€), 2019



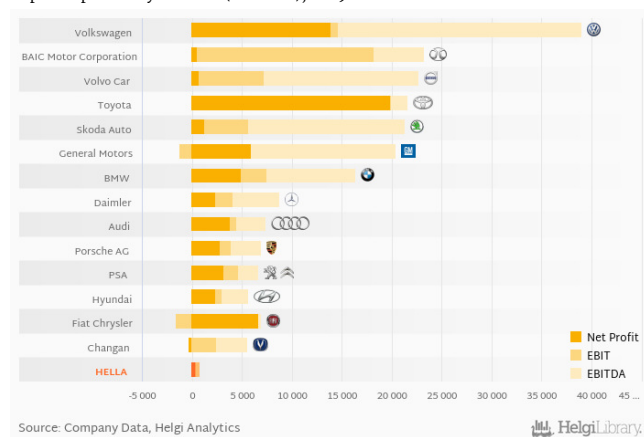
Who Has Grown the Most in Sales?

Total Revenue Growth (%), 2019



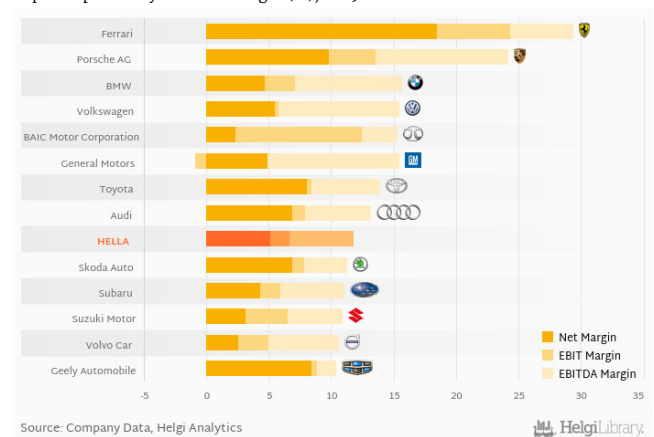
Who Created the Largest EBITDA?

Top Companies by EBITDA (EUR mil), 2019



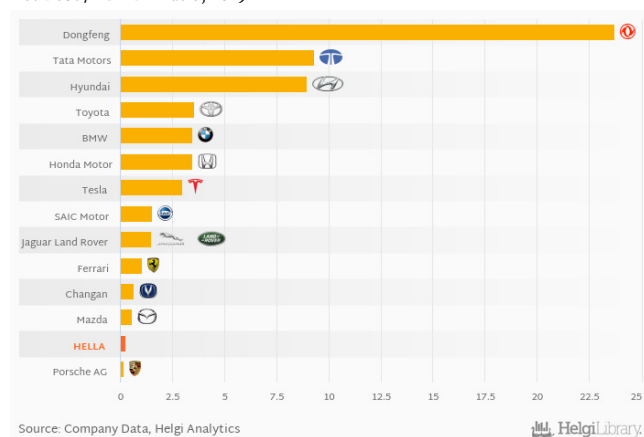
Who Operated with the Highest Margins?

Top Companies by EBITDA Margin (%), 2019



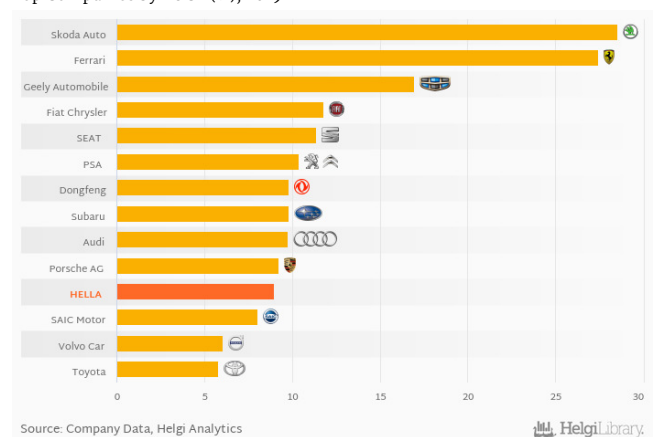
Who Was the Most Indebted to EBITDA?

Net Debt / EBITDA Ratio, 2019



Who Utilized Capital the Most?

Top Companies by ROCE (%), 2019





Financial Data – Annual

Income Statement – Annual

INCOME STATEMENT		2012	2013	2014	2015	2016	2017	2018	2019
Sales	EUR mil	4,893	5,090	5,505	6,168	6,390	6,839	7,158	6,753
Cost of Goods & Services	EUR mil	3,619	3,729	3,957	4,553	4,649	4,955	5,177	5,103
Gross Profit	EUR mil	1,273	1,361	1,549	1,615	1,742	1,885	1,981	1,650
Selling, General & Admin	EUR mil	600	608	626	682	722	776	796	635
Research & Development	EUR mil	414	477	549	566	643	631	679	602
Other Operating Expense	EUR mil	-23.1	-33.4	22.8	7.16	-23.8	-30.1	-270	273
Staff Cost	EUR mil	1,082	1,159	1,286	1,429	1,477	1,579	1,653	1,613
Other Operating Cost (Income)	EUR mil	0	0	0	0	0	0	156	182
EBITDA	EUR mil	502	535	632	667	741	882	1,139	798
Depreciation	EUR mil	219	250	281	308	340	373	363	347
EBIT	EUR mil	283	284	351	359	401	508	775	451
Net Financing Cost	EUR mil	36.4	36.6	41.6	25.1	21.8	27.3	30.6	26.0
Financing Cost	EUR mil	43.9	50.8	59.6	37.7	33.6	38.7	42.9	38.5
Financing Income	EUR mil	7.54	14.2	18.0	12.6	11.7	11.5	12.3	12.5
FX (Gain) Loss	EUR mil	0	0	0	0	0	0	7.52	15.6
(Income) / Loss from Affiliates	EUR mil	-31.1	-31.2	-43.2	-52.1	-61.1	-42.7	-46.1	-49.6
Extraordinary Cost	EUR mil	-33.5	-32.8	-63.6	-60.0	-52.2	-36.5	-42.8	-59.0
Pre-Tax Profit	EUR mil	272	266	355	381	420	506	775	472
Tax	EUR mil	60.5	59.4	83.6	106	159	138	140	123
Minorities	EUR mil	6.11	6.20	7.41	7.32	0.916	1.56	0.844	0.925
Net Profit	EUR mil	206	201	264	268	260	367	634	348
Net Profit Avail. to Common	EUR mil	206	201	264	268	260	367	634	348
Dividends	EUR mil	0	0	0	42.8	93.9	109	244	186

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Revenue Growth	%	5.45	4.03	8.15	12.0	3.61	7.03	4.66	-5.66
Staff Cost Growth	%	...	7.14	11.0	11.1	3.35	6.93	4.70	-2.42
EBITDA Growth	%	-6.39	6.54	18.2	5.64	11.1	19.0	29.2	-29.9
EBIT Growth	%	-10.9	0.541	23.4	2.24	11.7	26.8	52.6	-41.8
Pre-Tax Profit Growth	%	-6.96	-2.25	33.3	7.39	10.1	20.6	53.2	-39.1
Net Profit Growth	%	3.14	-2.49	31.4	1.67	-3.05	41.0	72.9	-45.1

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
ROE	%	19.4	17.0	17.9	14.8	13.0	16.8	25.0	12.6
ROA	%	6.55	5.62	6.11	5.50	5.18	6.98	10.8	5.37
ROCE	%	8.92	7.80	9.34	8.75	7.79	10.00	16.5	8.96
Gross Margin	%	26.0	26.7	28.1	26.2	27.3	27.6	27.7	24.4
EBITDA Margin	%	10.3	10.5	11.5	10.8	11.6	12.9	15.9	11.8
EBIT Margin	%	5.78	5.59	6.38	5.82	6.27	7.43	10.8	6.69
Net Margin	%	4.21	3.94	4.79	4.35	4.07	5.36	8.86	5.16
Payout Ratio	%	0	0	0	15.9	36.1	29.8	38.5	53.4

Source: Company Data, Helgi Analytics



Balance Sheet – Annual

BALANCE SHEET		2012	2013	2014	2015	2016	2017	2018	2019
Cash & Cash Equivalents	EUR mil	263	558	988	923	759	748	1,359	1,662
Receivables	EUR mil	630	735	790	912	1,020	1,178	1,121	1,096
Inventories	EUR mil	592	600	658	706	675	751	960	889
Other ST Assets	EUR mil	128	133	195	235	229	227	240	259
Current Assets	EUR mil	1,613	2,027	2,631	2,735	2,630	2,844	3,702	3,946
Property, Plant & Equipment	EUR mil	1,133	1,284	1,450	1,591	1,713	1,887	1,728	1,899
LT Investments & Receivables	EUR mil	27.6	29.6	16.4	18.6	16.4	33.9	39.9	49.9
Intangible Assets	EUR mil	148	177	202	227	234	268	330	413
Goodwill	EUR mil	64.7	63.0	61.5	54.6	55.1	54.6	43.3	5.36
Non-Current Assets	EUR mil	1,634	1,872	2,114	2,268	2,408	2,627	2,545	2,776
Total Assets	EUR mil	3,247	3,899	4,745	5,003	5,039	5,471	6,247	6,722
Trade Payables	EUR mil	433	481	637	679	635	687	815	798
Short-Term Debt	EUR mil	28.5	254	101	87.3	33.8	24.2	34.0	575
Other ST Liabilities	EUR mil	605	564	472	724	771	956	508	508
Current Liabilities	EUR mil	1,122	1,334	1,258	1,429	1,342	1,539	1,629	2,125
Long-Term Debt	EUR mil	675	825	1,149	1,068	1,068	1,038	1,331	1,282
Other LT Liabilities	EUR mil	328	504	632	1,013	995	1,097	835	941
Non-Current Liabilities	EUR mil	1,002	1,329	1,781	1,655	1,625	1,649	1,825	1,856
Liabilities	EUR mil	2,124	2,663	3,039	3,084	2,967	3,188	3,455	3,982
Preferred Equity and Hybrid Capital	EUR mil	0	0	0	0	0	0	0	0
Share Capital	EUR mil	200	200	222	222	222	222	222	222
Treasury Stock	EUR mil	0	0	0	0	0	0	0	0
Equity Before Minority Interest	EUR mil	1,094	1,209	1,675	1,913	2,067	2,279	2,790	2,737
Minority Interest	EUR mil	28.4	26.9	30.6	5.80	4.97	4.24	2.49	3.17
Equity	EUR mil	1,123	1,236	1,706	1,919	2,072	2,283	2,792	2,741

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2012	2013	2014	2015	2016	2017	2018	2019
Total Asset Growth	%	6.71	20.1	21.7	5.43	0.724	8.57	14.2	7.60
Shareholders' Equity Growth	%	12.0	10.1	38.1	12.5	7.98	10.2	22.3	-1.86
Net Debt Growth	%	-3.89	18.5	-49.6	-11.9	48.5	-8.47	-98.2	3,314
Total Debt Growth	%	-9.20	53.5	15.8	-7.62	-4.56	-3.63	28.5	36.0

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Total Debt	EUR mil	703	1,079	1,250	1,155	1,102	1,062	1,365	1,856
Net Debt	EUR mil	440	521	262	231	344	315	5.70	195
Working Capital	EUR mil	789	855	811	939	1,060	1,242	1,265	1,186
Capital Employed	EUR mil	2,422	2,727	2,925	3,207	3,469	3,869	3,810	3,962
Net Debt/Equity	%	39.2	42.2	15.4	12.1	16.6	13.8	0.204	7.10
Net Debt/EBITDA		0.877	0.975	0.416	0.347	0.464	0.357	0.005	0.244
Cost of Financing	%	5.94	5.70	5.12	3.13	2.97	3.58	3.54	2.39
Current Ratio		1.44	1.52	2.09	1.91	1.96	1.85	2.27	1.86
Quick Ratio		0.796	0.969	1.41	1.28	1.33	1.25	1.52	1.30

Source: Company Data, Helgi Analytics



Cash Flow – Annual

CASH FLOW		2012	2013	2014	2015	2016	2017	2018	2019
Net Profit	EUR mil	206	201	264	268	260	367	634	348
Depreciation	EUR mil	219	250	281	308	340	373	363	347
Non-Cash Items	EUR mil	54.7	127	-43.0	65.0	-14.1	-250	-252	104
Change in Working Capital	EUR mil	80.2	-50.4	-30.2	-26.6	-130	-51.6	-27.6	-103
Total Cash From Operations	EUR mil	610	559	508	680	508	499	768	757
Capital Expenditures	EUR mil	-491	-573	-474	-489	-568	-667	-558	-560
Net Change in LT Investment	EUR mil	-6.06	0	0	0	2.77	-30.4	-214	50.0
Net Cash From Acquisitions	EUR mil	-22.1	-0.900	11.8	-4.85	-4.60	1.80	375	15.4
Other Investing Activities	EUR mil	-6.24	-8.97	-16.7	31.4	0.719	-5.70	-10.2	0
Total Cash From Investing	EUR mil	-526	-583	-479	-463	-569	-701	-406	-682
Dividends Paid	EUR mil	-61.2	-55.2	-59.4	-86.6	-86.6	-101	-119	-372
Issuance Of Shares	EUR mil	0	0	0	223	0	0	0	0
Issuance Of Debt	EUR mil	-68.4	-2.05	-119	28.0	-52.4	284	-153	-75.9
Other Financing Activities	EUR mil	-2.88	381	914	-26.9	57.7	-39.1	322	499
Total Cash From Financing	EUR mil	-132	159	250	-293	-81.3	143	49.1	50.2
Effect of FX Rates	EUR mil	6.00	-3.33	2.58	10.5	-10.4	-6.89	-7.22	4.27
Net Change In Cash	EUR mil	-42.4	131	281	-64.5	-154	-66.2	403	129

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Days Sales Outstanding	days	47.0	52.7	52.4	54.0	58.2	62.9	57.1	59.2
Days Sales Of Inventory	days	59.7	58.8	60.7	56.6	53.0	55.3	67.7	63.6
Days Payable Outstanding	days	43.7	47.0	58.8	54.4	49.8	50.6	57.4	57.1
Cash Conversion Cycle	days	63.0	64.4	54.3	56.2	61.4	67.6	67.4	65.7
Cash Earnings	EUR mil	425	451	544	577	600	740	997	695
Free Cash Flow	EUR mil	83.9	-24.2	28.8	218	-61.8	-203	361	74.8
Capital Expenditures (As % of Sales)	%	10.0	11.3	8.61	7.94	8.89	9.76	7.79	8.30

Source: Company Data, Helgi Analytics

Other Ratios – Annual

OTHER RATIOS		2012	2013	2014	2015	2016	2017	2018	2019
Employees		27,699	29,690	31,800	32,731	35,257	39,523	39,498	37,847
Cost Per Employee	USD per month	4,184	4,320	4,345	4,171	3,742	3,739	4,086	4,026
Cost Per Employee (Local Currency)	EUR per month	3,256	3,254	3,371	3,638	3,491	3,330	3,488	3,552
Women (As % of Workforce)	%	...	...	...	...	...	...	...	37.2
Operating Cost (As % of Sales)	%	20.2	20.6	21.8	20.4	21.0	20.1	16.8	22.4
Research & Development (As % of Sales)	%	8.45	9.37	9.97	9.18	10.1	9.22	9.48	8.91
Staff Cost (As % of Sales)	%	22.1	22.8	23.4	23.2	23.1	23.1	23.1	23.9
Effective Tax Rate	%	22.2	22.3	23.6	27.7	37.8	27.2	18.1	26.0
Total Revenue Growth (5-year average)	%	5.18	7.10	10.0	9.15	6.61	6.93	7.06	4.17
Total Revenue Growth (10-year average)	%	...	...	...	...	...	6.05	7.08	7.05

Source: Company Data, Helgi Analytics



Valuation – Annual

VALUATION		2012	2013	2014	2015	2016	2017	2018	2019
Market Capitalisation	USD mil	...	...	...	5,399	4,201	5,617	6,951	5,039
Enterprise Value (EV)	USD mil	...	...	...	5,676	4,564	5,994	6,957	5,257
Number Of Shares	mil	...	...	100	106	111	111	111	111
Share Price	EUR	...	...	...	39.8	38.0	42.3	51.4	40.4
EV/EBITDA		...	...	...	7.42	5.74	6.05	5.22	5.81
Price/Earnings (P/E)		...	...	...	14.8	15.7	13.7	14.7	12.9
Price/Free Cash Flow (P/FCF)		...	...	...	19.4	-68.3	-23.2	15.8	60.1
Price/Book Value (P/BV)		...	...	...	2.21	2.04	2.06	2.04	1.64
Dividend Yield	%	...	...	...	1.01	2.02	1.82	4.28	4.14
Free Cash Flow Yield	%	...	...	...	4.63	-1.58	-4.05	6.09	1.68
Earnings Per Share (EPS)	EUR	...	...	2.23	2.70	2.42	3.08	3.50	3.13
Cash Earnings Per Share	EUR	...	...	5.44	5.43	5.40	6.66	8.98	6.25
Free Cash Flow Per Share	EUR	...	...	0.288	2.05	-0.556	-1.82	3.25	0.673
Book Value Per Share	EUR	...	...	17.1	18.1	18.6	20.5	25.1	24.7
Dividend Per Share	EUR	...	...	0	0.403	0.770	0.770	2.20	1.68
EV/Sales		...	...	...	0.803	0.666	0.780	0.830	0.687
EV/EBIT		...	...	...	13.8	10.6	10.5	7.66	10.3
EV/Free Cash Flow		...	...	...	22.7	-68.9	-26.3	16.4	62.0
EV/Capital Employed		...	...	...	1.47	1.25	1.29	1.59	1.18
Earnings Per Share Growth	%	...	...	...	21.1	-10.4	27.3	13.6	-10.5
Cash Earnings Per Share	EUR	...	...	5.44	5.43	5.40	6.66	8.98	6.25
Book Value Per Share Growth	%	...	...	...	5.82	3.28	10.2	22.3	-1.86

Source: Company Data, Helgi Analytics



ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 99% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit www.helgilibrary.com or contact us at info@helgilibrary.com.

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