

Europe Austria
Capital Goods Engineering

Deutsche Bank



10 November 2009

A-TEC Industries AG

Reuters: ATEC.VI Bloomberg: ATEC AV Exchange: VIE Ticker: ATEC

3Q09 results review

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We change our TP to N/A from Euro 12

On August 10 2009 Deutsche Bank instituted a new policy whereby analysts may choose not to set or maintain a target price of certain issuers under coverage with a Hold rating as we believe that such policy allow us to make best use of resources. We maintain our Hold rating on A-TEC given a lack of catalysts over the next 12 months and change our price target from Euro 12 to N/A.

Weak order intake of Euro 248m (-80% YoY)

A-TEC reported 3Q09 order intake of Euro 248m, -80%YoY and 18% below our forecast. The decline is primarily from poor intake of Euro 96.4m (Euro 1.2bn in 3Q08) in Plant Construction business. Adjusting for Euro 8m of copper inventory gains, the group reported clean-EBITA of Euro 19.3m, exactly in-line with our forecasts. Net attributable profit fell short of DBE due to higher net interest expense. Elsewhere the group's positive net working capital changes helped to post Euro 9m operating cash flow and Euro 16 FCF, both ahead of our forecasts. However, Q3 net debt of Euro 326m is higher than our projection of Euro 300m.

Increasing risk of consensus downgrades

Following the weak YTD order intake group backlog fell to Euro 2.4bn (-31%YoY), which implies a significant downturn of sales in the short term. Moreover, the group has not announced any large orders in the Plant Construction segment in Q4 thus far; hence we assume that group backlog continues to fall to Euro 2.03bn (-38%YoY) in Q4 09E. Against this backdrop, we regard consensus sales and earnings expectations for the next two years as demanding. Moreover, we believe the group will have to make further significant capacity adjustment measures in all capital goods segments, which is likely to hurt earnings further in the next couple of quarters in our view. We have not changed our bottom-of-the range expectations over the entire forecast period.

Risks

Downside risks include: 1) sustained weakness of order intake in the Plant Construction, Drive Technologies and Mechanical Engineering segments; 2) significant decline of the copper price; and 3) large and value destroying investments or acquisitions; Key upside risks are 1) any disposal or demerger activity which would simplify the group structure or eliminate major loss making activities; 2) a large decline of input costs for raw materials or energy and 3) unexpected cost cutting benefits.

Forecasts and ratios

Year End Dec 31	2007A	2008A	2009E	2010E	2011E
DB EPS (EUR)	1.01	0.66	0.30	0.45	0.53
P/E (DB EPS) (x)	36.0	20.7	35.6	24.0	20.4
EV/EBITA (x)	15.7	27.2	5.5	10.0	9.6

Source: Company data & Deutsche Bank estimates

Deutsche Bank AG/London

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Forecast Change

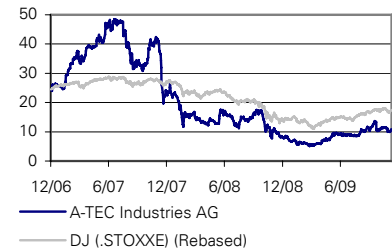
Hold

Price at 9 Nov 2009 (EUR)	10.85
Price Target (EUR)	NA
52-week range (EUR)	13.65 - 5.12

Key changes

Target Price	12.00 to NA
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Price/price relative



Performance (%)	1m	3m	12m
Absolute	-3.1	3.4	6.8
DJ (.STOXXE)	-1.3	7.1	12.3

Stock & option liquidity data

Market cap (EUR)(m)	281.6
Shares outstanding (m)	26
Free float (%)	38
Option volume (und. shrs., 1M avg.)	-

Model updated: 10 November 2009

Running the numbers**Europe****Austria****Engineering****A-TEC Industries AG**

Reuters: ATEC.VI

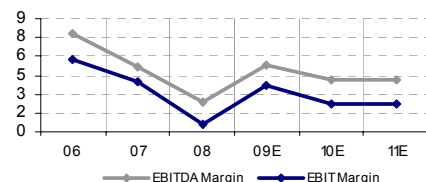
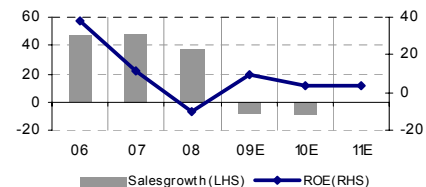
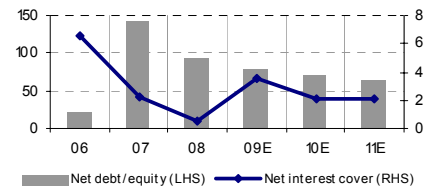
Bloomberg: ATEC AV

Hold

Price (9 Nov 09)	EUR 10.85
Target price	EUR NA
52-week Range	EUR 5.12 - 13.65
Market Cap (m)	EURm 282 USDm 423

Company Profile

A-TEC Industries AG has been growing through acquisitions and consists of four different business areas today. The biggest segment Plant Construction supplies thermal power generation and waste incineration plants as well as flue gas cleaning equipment. The segments Drive Technologies and Mechanical Engineering manufacture electric motors and machine tools primarily for industrial customers. Metal Production operates copper recycling and processing activities in Continental Europe.

Price Performance**Margin Trends****Growth & Profitability****Solvency****Christian Bader**

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Fiscal year end 31-Dec

	2006	2007	2008	2009E	2010E	2011E
Financial Summary						
DB EPS (EUR)	2.13	1.01	0.66	0.30	0.45	0.53
Reported EPS (EUR)	2.92	1.53	-1.31	1.24	0.45	0.53
DPS (EUR)	0.75	0.00	0.00	0.00	0.00	0.00
BVPS (EUR)	11.3	14.7	11.7	12.9	13.3	13.9
Weighted average shares (m)	26	26	26	26	26	26
Average market cap (EURm)	681	958	355	282	282	282
Enterprise value (EURm)	800	1,252	688	606	592	579
Valuation Metrics						
P/E (DB) (x)	12.1	36.0	20.7	35.6	24.0	20.4
P/E (Reported) (x)	8.8	23.7	nm	8.7	24.0	20.4
P/BV (x)	2.27	1.55	0.57	0.84	0.81	0.78
FCF Yield (%)	13.9	nm	nm	nm	6.2	6.5
Dividend Yield (%)	2.9	0.0	0.0	0.0	0.0	0.0
EV/Sales (x)	0.5	0.5	0.2	0.2	0.2	0.2
EV/EBITDA (x)	6.4	10.1	8.9	3.8	5.3	5.1
EV/EBIT (x)	8.7	13.4	35.5	5.5	10.0	9.6

Income Statement (EURm)

	2006	2007	2008	2009E	2010E	2011E
Sales revenue	1,594	2,361	3,257	2,985	2,699	2,689
Gross profit	245	298	314	361	290	290
EBITDA	125	124	77	161	111	112
Depreciation	31	44	37	49	50	50
Amortisation	2	-14	21	2	2	2
EBIT	92	93	19	110	59	60
Net interest income/(expense)	-14	-41	-34	-32	-29	-28
Associates/affiliates	0	0	0	0	0	0
Exceptionals/extraordinaries	0	0	-8	-13	-12	-11
Other pre-tax income/(expense)	1	-3	10	-5	0	0
Profit before tax	79	49	-12	61	18	21
Income tax expense	-8	4	14	27	5	5
Minorities	10	5	7	2	2	2
Other post-tax income/(expense)	0	0	0	0	0	0
Net profit	77	40	-34	32	12	14
DB adjustments (including dilution)	-21	-14	51	-24	0	0
DB Net profit	56	27	17	8	12	14

Cash Flow (EURm)

	2006	2007	2008	2009E	2010E	2011E
Cash flow from operations	161	6	108	38	65	70
Net Capex	-67	-70	-128	-50	-47	-52
Free cash flow	94	-64	-20	-12	18	18
Equity raised/(bought back)	-38	-109	-69	24	-2	-3
Dividends paid	0	-20	0	0	0	0
Net inc/(dec) in borrowings	0	0	0	0	0	0
Other investing/financing cash flows	9	-325	365	0	0	0
Net cash flow	65	-518	276	12	16	15
Change in working capital	0	-228	179	-24	-3	0

Balance Sheet (EURm)

	2006	2007	2008	2009E	2010E	2011E
Cash and other liquid assets	314	400	447	451	469	487
Tangible fixed assets	272	468	518	517	512	512
Goodwill/intangible assets	256	291	272	272	272	272
Associates/investments	25	358	38	38	38	38
Other assets	707	1,384	1,477	1,380	1,257	1,252
Total assets	1,574	2,900	2,752	2,658	2,548	2,562
Interest bearing debt	380	963	735	725	725	725
Other liabilities	878	1,541	1,706	1,587	1,463	1,461
Total liabilities	1,258	2,504	2,440	2,313	2,188	2,186
Shareholders' equity	298	389	308	340	352	366
Minorities	18	8	3	5	7	9
Total shareholders' equity	315	396	312	346	359	375
Net debt	67	564	288	274	256	238

Key Company Metrics

	2006	2007	2008	2009E	2010E	2011E
Sales growth (%)	47.1	48.1	37.9	-8.3	-9.6	-0.4
DB EPS growth (%)	27.3	-52.6	-34.6	-53.8	48.3	18.0
EBITDA Margin (%)	7.9	5.2	2.4	5.4	4.1	4.2
EBIT Margin (%)	5.8	4.0	0.6	3.7	2.2	2.2
Payout ratio (%)	25.7	0.0	nm	0.0	0.0	0.0
ROE (%)	37.6	11.8	-9.7	9.9	3.4	3.9
Capex/sales (%)	4.5	3.0	4.0	1.7	1.7	1.9
Capex/depreciation (x)	2.2	1.6	2.5	1.0	0.9	1.0
Net debt/equity (%)	21.2	142.2	92.5	79.3	71.3	63.5
Net interest cover (x)	6.5	2.3	0.6	3.5	2.0	2.2

Source: Company data, Deutsche Bank estimates

3Q09 results highlights

Figure 1: ATEC – 3Q09 results vs. DB estimates

Euro million	3Q08A	3Q09 DBE	3Q09A	3Q09A vs. DBE
Order intake	1,242	300	248	-17.5%
Order backlog	3,512	2,398	2,394	-0.2%
Sales	767	719	675	-6.0%
EBITA	8.9	29.1	27.6	-5.0%
EBITA margin (%)	1.2%	4.0%	4.1%	
Adjusted EBITA	22.2	19.4	19.3	-0.2%
Adjusted EBITA margin (%)	2.9%	2.7%	2.9%	
Pre-tax profit	-7.9	18.1	15.9	-12.0%
Net Profit (post min.)	-9.1	12.4	10.9	-12.1%
EPS Stated	-0.35	0.48	0.42	-12.5%
Adjusted EPS	0.09	0.21	0.15	-29.5%
Segment EBITA				
Plant Construction	16.9	14.4	13.2	-8.5%
Drive Technologies	-1.9	-0.4	-0.9	-146.6%
Machine Tools	9.0	2.0	-0.8	-139.8%
Minerals & Metals	-15.8	14.0	16.2	15.7%
Consolidation	0.7	-1.0	-0.1	92.1%
Cash flow				
Change in Net working capital	211	-15	9	161.5%
Operating cash flow	214	4	26	586.2%
Capex	-24	-10	-10	-4.2%
Free cash flow	191	-6	16	350.4%
Net cash (debt)	-223	-300	-326	-8.8%
Net cash (debt) incl. provisions	-313	-385	-414	-7.5%

Source: Company data & Deutsche Bank estimates

Q3 09 comments

- Order intake of Euro 248m was dreadful, down 80%YoY and 18% below our forecast. The main reason for the decline/shortfall was the Plant Construction business, which reported only Euro 96.4m against a comparison period with Euro 1.2bn of order intake. Elsewhere Drive Technologies and Mechanical Engineering also reported steep declines of new orders while Minerals & Metals had a strong Euro 46m (+111% YoY) of order intake.
- Adjusted EBITA of Euro 19.3m (excluding the Euro 8m effect of copper inventory gains) was bang-in-line with our forecast. Pre-tax profit of Euro 15.9m was below our projection due to lower reported EBIT and slightly higher net interest expenses and hence net attributable profit was also lower by the same magnitude.
- Cash flows were also better than expected thanks to positive contribution from net working capital. However net debt of Euro 326m is higher than our projection of Euro 300m.

Outlook

A-TEC reiterates its guidance of Euro 3.0bn of sales with an EBIT-margin of 3.5%, however at the same time they talk about additional restructuring measures & costs in the financial and economic crisis persists into 2010.

Unchanged forecasts

Figure 2: ATEC – Segment forecasts

Euro million	Q3 08	9m 08	Q4 08	2008	Q1 09	Q2 09	Q3 09	9m 09	Q4 09E	2009E	2010E	2011E
Order intake	1,242	2,790	793	3,584	427	303	248	977	368	1,345	1,700	2,015
Order backlog	3,512	3,512	3,264	3,264	3,100	2,710	2,394	2,394	2,012	2,030	1,389	1,043
Sales												
Plant Construction	358	1,127	504	1,631	401	494	383	1,279	471	1,750	1,480	1,400
Drive Technologies	96	299	93	392	88	73	75	236	75	311	325	340
Machine tools	89	249	122	370	78	68	55	201	95	296	286	321
Minerals & Metals	225	716	149	865	126	137	160	423	207	630	610	630
Consolidation	-1	-1	-1	-2	-2	-1	2	-1	-1	-2	-2	-2
Total	767	2,389	868	3,257	692	771	675	2,138	847	2,985	2,699	2,689
EBITA margins												
Plant Construction	4.7%	4.0%	4.5%	4.2%	3.0%	3.4%	3.4%	3.3%	4.4%	3.6%	2.2%	2.0%
Drive Technologies	-2.0%	1.6%	-1.7%	0.8%	4.6%	3.7%	-1.2%	2.5%	-1.6%	1.5%	1.0%	1.5%
Machine Tools	10.1%	8.0%	8.2%	8.0%	6.0%	3.7%	-1.4%	3.2%	5.8%	4.0%	5.0%	5.5%
Minerals & Metals	-7.0%	2.4%	-50.3%	-6.7%	14.6%	7.4%	10.1%	10.6%	-5.6%	5.3%	2.1%	2.1%
Group EBITA margin	1.2%	3.2%	-5.8%	0.8%	5.6%	4.0%	4.1%	4.6%	1.4%	3.7%	2.2%	2.2%
EBITA margin adjusted	2.9%	3.2%	-0.1%	2.3%	2.5%	3.6%	2.9%	3.0%	1.4%	2.5%	2.2%	2.2%
EBITA												
Plant Construction	16.9	45.5	22.7	68.2	12.0	17.0	13.2	42.2	20.8	63.0	32.6	28.0
Drive Technologies	(1.9)	4.7	(1.6)	3.1	4.1	2.7	(0.9)	5.9	(1.2)	4.7	3.3	5.1
Machine Tools	9.0	19.8	9.9	29.7	4.7	2.5	(0.8)	6.4	5.4	11.8	14.3	17.7
Minerals & Metals	(15.8)	17.3	(75.0)	(57.7)	18.4	10.2	16.2	44.8	(11.6)	33.2	12.5	13.2
Consolidation	0.7	(12.0)	(5.9)	(17.9)	(0.5)	(1.3)	(0.1)	(1.9)	(1.2)	(3.1)	(3.6)	(3.6)
Group EBITA	8.9	75.3	(50.0)	25.3	38.7	31.1	27.6	97.4	12.2	109.7	59.0	60.4
EBITA adjusted*	22.2	77.2	-0.9	76.3	17.0	27.4	19.3	63.7	12.2	76.0	59.0	60.4
Goodwill impairment & write back	0.0	0.0	(5.9)	(5.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	8.9	75.3	(55.9)	19.4	38.7	31.1	27.6	97.4	12.2	109.7	59.0	60.4
Bank guarantee cost (1.2bn)				(7.5)	(3.8)	(3.0)	(2.8)	(9.6)	(2.9)	(12.5)	(12.0)	(11.3)
Associates & Participations	0.0	13.6	(3.9)	9.7	(4.6)	1.1	0.9	(2.6)	(2.0)	(4.6)	0.0	0.0
Net Interest	(16.8)	(34.1)	0.2	(33.9)	(8.5)	(8.2)	(9.8)	(26.5)	(5.0)	(31.5)	(29.0)	(28.0)
Pre-tax profit	(7.9)	54.8	(59.6)	(12.3)	21.8	21.1	15.9	58.8	2.3	61.0	18.0	21.1
Tax charge	(1.1)	(17.0)	2.5	(14.4)	(7.4)	(12.7)	(2.3)	(22.5)	(4.4)	(26.9)	(4.5)	(5.3)
Tax Rate	14%	-31%	-4%	117%	-34%	-60%	-15%	-38%	-194%	-44%	-25%	-25%
Net profit	(9.0)	37.8	(57.1)	(26.8)	14.4	8.3	13.6	36.3	(2.1)	34.2	13.5	15.8
Minorities & Discontinued	(0.1)	(1.7)	(5.4)	(7.1)	(0.5)	(0.1)	(2.6)	(3.2)	1.2	(2.0)	(1.8)	(2.0)
Net attributable profit	(9.1)	36.2	(62.5)	(33.9)	14.0	8.2	10.9	33.1	(0.9)	32.2	11.7	13.8
DB Adjustments	11.4	(5.6)	9.8	51.0	(14.3)	(4.8)	(7.1)	(26.2)	1.9	(24.3)	0.0	0.0
Adj. net attributable	2.2	30.5	(52.8)	17.1	(0.4)	3.4	3.8	6.9	1.0	7.9	11.7	13.8
Av. number of shares (m)	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
EPS stated	-0.35	1.39	-2.41	-1.31	0.54	0.32	0.42	1.27	-0.04	1.24	0.45	0.53
EPS adjusted	0.09	1.18	-2.03	0.66	-0.01	0.13	0.15	0.26	0.04	0.30	0.45	0.53
Growth YoY												
Sales	23.1%	49.9%	13.1%	37.9%	-11.5%	-8.3%	-11.9%	-10.5%	-2.4%	-8.3%	-9.6%	-0.4%
EBITA	-69.2%	-0.3%	-1346.4%	-68.1%	-1.3%	14.5%	210.3%	29.4%	-124.5%	332.7%	-46.2%	2.3%
EBITA adjusted*	-10.8%	8.0%	-121.4%	1.1%	-43.0%	8.9%	-13.0%	-17.4%	-1527.6%	-0.5%	-22.3%	2.3%
Net attributable profit	-271.4%	-34.0%	333.2%	-184.0%	-41.5%	-61.7%	-219.5%	-8.5%	-98.5%	-195.0%	-63.6%	18.0%

Source: Company data & Deutsche Bank estimates

Figure 3: ATEC – Quarterly cash flow forecasts

Euro million	Q3 08	9m 08	Q4 08	2008	Q1 09	Q2 09	Q3 09	9m 09	Q4 09E	2009E	2010E	2011E
Net Profit	-9	38	-57	-27	-0	3	4	7	-2	8	14	16
Depreciation	13	38	14	52	12	13	12	37	14	51	52	52
Amortisation	0	0	6	6	0	0	0	0	0	0	0	0
Pension Provisions chg.	0	0	-1	-1	1	1	1	2	1	2	2	3
Other provisions chg.	0	0	-102	-102	0	0	0	0	0	0	0	0
Change in NWC	211	13	166	179	51	-46	9	15	-38	-24	-3	-0
CF Operating	214	89	26	108	64	-29	26	60	-26	38	65	70
Total Capex	-24	-55	-75	-130	-15	-15	-10	-41	-9	-50	-47	-52
Investments	-31	-31	30	-1	0	0	0	0	0	0	0	0
Acquisitions	0	0	-33	-33	0	0	0	0	0	0	0	0
Disposals of investments	121	368	2	369	0	0	0	0	0	0	0	0
Disposals of tangibles	0	0	2	2	0	0	0	0	0	0	0	0
Disposals other	0	0	29	29	0	0	0	0	0	0	0	0
CF Investing	66	281	-44	237	-15	-15	-10	-41	-9	-50	-47	-52
CF before dividends	281	371	-18	345	48	-45	16	19	-35	-12	18	18
Dividend payment	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds of New Issue	-4	-4	4	0	0	0	0	0	0	0	0	0
Other changes equity	-418	-270	201	-69	0	-1	-1	-2	26	24	-2	-3
Net cash flow	-142	96	187	276	48	-46	15	17	-9	12	16	15
+ Last Year's Net Cash	-410	-644	-313	-644	-368	-330	-382	-368	-414	-368	-357	-341
Liquid Funds	510	510	447	447	450	371	348	348	451	451	469	487
ST Debt	-182	-182	-309	-309	-208	-171	-170	-170	-309	-309	-309	-309
LT Debt	-551	-551	-426	-426	-485	-493	-505	-505	-416	-416	-416	-416
YE net debt	-223	-223	-288	-288	-242	-293	-326	-326	-274	-274	-256	-238
Employee benefit obligations	-90	-90	-80	-80	-88	-89	-88	-88	-82	-82	-85	-87
YE net debt incl. provisions	-313	-313	-368	-368	-330	-382	-414	-414	-357	-357	-341	-326
FCF	191	34	-54	-20	48	-45	16	19	-35	-12	18	18
FCF in % of EBITA	2141%	45%	108%	-26%	285%	-162%	81%	30%	-285%	-16%	30%	30%
Net debt in % of equity	-79%	-79%	-119%	-119%	-102%	-111%	-116%	-121%	-105%	-105%	-97%	-89%
Net debt/EBITDA (x)	3.7	2.1	-2.5	4.8	1.6	2.2	2.6	2.3	3.6	2.2	3.1	2.9

Source: Company data & Deutsche Bank estimates

Figure 4: ATEC – Consolidated profit and loss forecasts

Euro million	2003	2004	2005	2006	2007	2008	2009E	2010E	2011E
Total Net Sales	282	723	1,084	1,594	2,361	3,257	2,985	2,699	2,689
% change	na	156.5%	49.9%	47.1%	48.1%	37.9%	-8.3%	-9.6%	-0.4%
Own Work Capitalised	0	1	12	13	12	11	0	0	0
Change in WIP	1	0	15	20	18	-53	0	0	0
Sales	283	724	1,110	1,627	2,390	3,215	2,985	2,699	2,689
	na	249.4%	48.5%	51.1%	57.7%	38.9%	-11.3%	-9.7%	-0.6%
Cost of Sales	-140	-488	-725	-1,095	-1,727	-2,399	-2,128	-1,921	-1,911
<i>% of sales</i>	49.6%	67.5%	66.9%	68.7%	73.2%	73.7%	71.3%	71.2%	71.1%
Gross Profit	143	236	386	532	663	816	857	777	778
Gross Margin	50.6%	32.6%	34.7%	32.7%	27.7%	25.4%	28.7%	28.8%	28.9%
Other Operating Income	7	31	24	38	29	57	60	59	62
<i>% of sales</i>	2.5%	4.3%	2.1%	2.4%	1.2%	1.8%	2.0%	2.2%	2.3%
Other Operating Costs	-50	-58	-109	-158	-204	-294	-260	-238	-239
<i>% of sales</i>	17.8%	8.0%	9.9%	9.7%	8.5%	9.2%	8.7%	8.8%	8.9%
Value Added	100	209	300	412	488	579	657	599	601
Value Added Rate	35.4%	28.9%	27.0%	25.3%	20.4%	18.0%	22.0%	22.2%	22.3%
Personnel Costs	-82	-163	-221	-287	-365	-502	-496	-487	-488
<i>% of sales</i>	28.8%	22.5%	19.9%	17.6%	15.3%	15.6%	16.6%	18.1%	18.2%
EBITDA	19	46	79	125	124	77	161	111	112
EBITDA-margin	6.6%	6.4%	7.1%	7.7%	5.2%	2.4%	5.4%	4.1%	4.2%
Depreciation	-8	-13	-24	-33	-44	-52	-51	-52	-52
o/w Intangibles (excl. goodwill)	-1	-1	-5	-2	0	-15	-2	-2	-2
<i>% of sales</i>	2.8%	1.8%	2.2%	2.1%	1.9%	1.6%	1.7%	1.9%	1.9%
EBITA	10.8	33.7	55.0	92.0	79.5	25.3	109.7	59.0	60.4
EBITA margin	3.8%	4.6%	5.0%	5.7%	3.3%	0.8%	3.7%	2.2%	2.2%
Goodwill amortisation	0	0			14	(5.9)			
EBIT	10.8	33.7	55.0	92.0	93.3	19.4	109.7	59.0	60.4
EBIT margin	3.8%	4.6%	5.0%	5.7%	3.9%	0.6%	3.7%	2.2%	2.2%
Bank guarantee cost (1.2bn @)	0	0	0	0	0	-8	-13	-12	-11
Disposals of Assets	1	-5	-1	1	-4	10	-5	0	0
Interest received	1.2	5.4	8.7	11.4	15.4	34.2	0.0	0.0	0.0
Interest paid	(1.7)	(6.9)	(19.5)	(25.6)	(56.3)	(68.1)	(31.5)	(29.0)	(28.0)
Total Net Interest	(0.5)	(1.5)	(10.8)	(14.2)	(40.8)	(33.9)	(31.5)	(29.0)	(28.0)
Pre-tax profit	11.1	27.3	43.0	78.6	49.2	(12.3)	61.1	18.0	21.1
PTP margin	3.9%	3.8%	3.9%	4.8%	2.1%	-0.4%	2.0%	0.7%	0.8%
Income tax	-3	-1	-4.9	8	-4	-14	-27	-5	-5
<i>% rate</i>	28%	5%	11%	-10%	8%	-117%	44%	25%	25%
Stated net profit	8.0	25.9	38.0	86.8	45.1	-26.8	34.2	13.5	15.8
Net margin	2.8%	3.6%	3.4%	5.3%	1.9%	-0.8%	1.1%	0.5%	0.6%
Minorities & Discontinued	(0.9)	(0.8)	(4.6)	(9.6)	(4.7)	(7.1)	(2.0)	(1.8)	(2.0)
Net attributable income	7.1	25.0	33.4	77.2	40.4	-33.9	32.2	11.7	13.8
DB Adjustments	0	0	0	-21	-14	51	-24	0	0
Adj.net profit	7.1	25.0	33.4	56.1	26.6	17.1	7.9	11.7	13.8
% change	na	252.3%	33.4%	67.9%	-52.6%	-35.7%	-53.8%	48.3%	18.0%

Source: Company data & Deutsche Bank estimates

Figure 5: ATEC – Balance sheet forecasts

Euro million	2004	2005	2006	2007	2008	2009E	2010E	2011E
Current Assets								
Inventories	116	151	217	334	263	242	219	218
Trade Debtors	155	185	224	684	535	1,046	945	942
Other Debtors	196	132	179	298	606	0	0	0
Liquid Funds & securities	147	178	314	400	447	451	469	487
Prepaid & Discontinued	0	32	26	13	18	38	38	38
Total	614	677	960	1,728	1,869	1,776	1,671	1,685
Current Liabilities								
Trade Creditors	-230	-258	-479	-826	-1,195	-1,323	-1,196	-1,192
Other Creditors	-179	-101	-193	-311	-231	0	0	0
Discontinued	0	-38	-44	-34	-18	0	0	0
ST Borrowings	-130	-171	-112	-377	-309	-309	-309	-309
Tax provision	-2	-2	0	0	0	0	0	0
Total	-542	-570	-828	-1,548	-1,753	-1,632	-1,505	-1,501
Net Working Capital	55	101	-70	158	-21	2	6	6
Long-term Assets								
Intangible Assets	27	105	256	291	272	272	272	272
Tangible Assets	143	162	272	468	518	517	512	512
Financial & Other Assets	16	27	25	358	38	38	38	38
Deferred Taxes	31	30	61	55	55	55	55	55
Total	217	325	614	1,172	883	882	877	877
Long-term Liabilities								
Pension Provisions	-15	-15	-38	-56	-56	-57	-59	-61
Severance Provisions	-17	-22	-22	-25	-24	-25	-26	-27
Other Provisions	-90	-73	-92	-233	-132	-132	-132	-132
Bonds	0	-81	-90	-244	-136	-136	-136	-136
LT Borrowings	-70	-81	-179	-342	-290	-280	-280	-280
Deferred Taxes	-6	-8	-10	-56	-50	-50	-50	-50
Total	-199	-280	-430	-956	-688	-680	-683	-685
Total Assets	831	1,002	1,573	2,900	2,752	2,658	2,548	2,562
Represented by:								
Share capital	5	5	7	7	26	26	26	26
Capital reserves	7	7	152	178	158	158	158	158
Retained Earnings	43	108	144	157	99	132	143	157
Valuation gains & losses	-0	-1	-1	52	47	47	47	47
Other	0	-6	-4	-5	-22	-22	-22	-22
Shareholders' Equity	55	113	298	389	308	340	352	366
Minorities	35	40	18	8	3	5	7	9
Total net worth	90	153	315	396	312	346	359	375

Source: Company data & Deutsche Bank estimates

Appendix 1

Important Disclosures

Additional information available upon request

Disclosure checklist

Company	Ticker	Recent price*	Disclosure
A-TEC Industries AG	ATEC.VI	10.85 (EUR) 9 Nov 09	6,8

*Prices are sourced from local exchanges via Reuters, Bloomberg and other vendors. Data is sourced from Deutsche Bank and subject companies.

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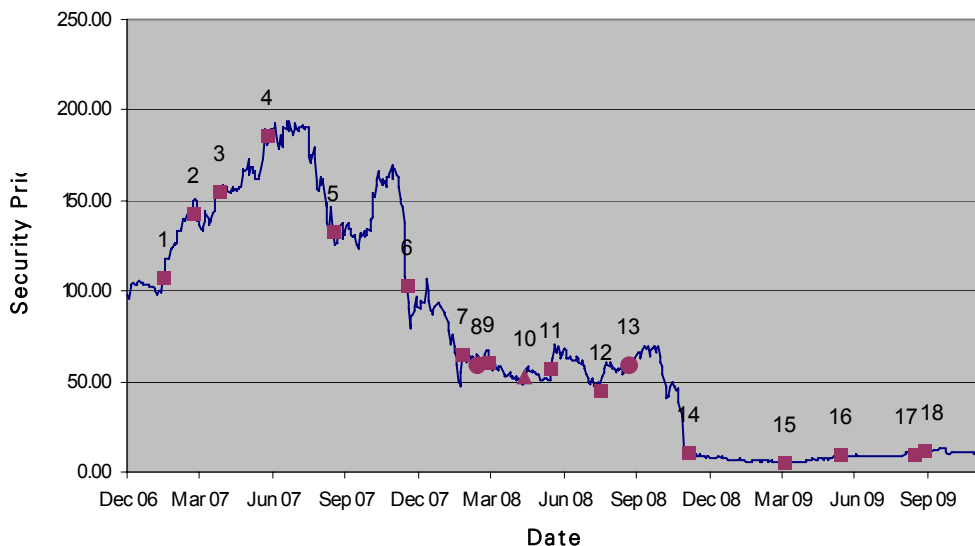
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Historical recommendations and target price: A-TEC Industries AG (ATEC.VI)

(as of 11/9/2009)



Previous Recommendations

- Strong Buy
- Buy
- Market Perform
- Underperform
- Not Rated
- Suspended Rating

Current Recommendations

- Buy
- Hold
- Sell
- Not Rated
- Suspended Rating

*New Recommendation Structure as of September 9, 2002

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7.	25/1/2008:	Buy, Target Price Change EUR107.00	16.	12/5/2009:	Hold, Target Price Change EUR10.00
8.	11/2/2008:	Downgrade to Hold, Target Price Change EUR80.00	17.	15/8/2009:	Hold, Target Price Change EUR0.00
9.	28/2/2008:	Hold, Target Price Change EUR61.00	18.	27/8/2009:	Hold, Target Price Change EUR12.00

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Buy: Based on a current 12- month view of total shareholder return (TSR = percentage change in share price from current price to projected target price plus projected dividend yield) , we recommend that investors buy the stock.

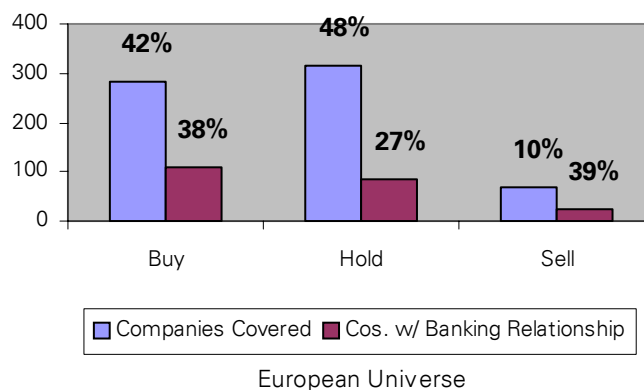
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Equity rating dispersion and banking relationships



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