



technotrans AG

Guidance raised to upper end of range

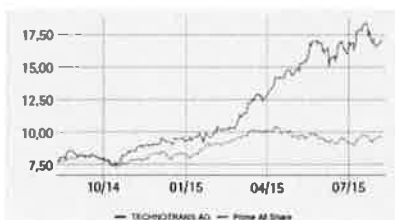
11/08/2015

Buy (Buy)
20.00 EUR (20.00 EUR)

Close 07/08/2015 17.15 EUR
Bloomberg: TTR1 GY WKN: A0XYGA
Sector Consumer

Share price performance

52 week high 18.40 EUR
52 week low 7.41 EUR
Compared to Prime All Share
YTD 68.5%
1 month -5.8%
12 months 104.1%



Share data

EV (m EUR; 2015) 103
Market Cap (m EUR) 111
No. of shares (m) 6
Free float 85.1%

Next event

Quarterly Results 06/11/2015

Change in model

	Sales	EBIT	EPS
2015e	---	---	---
2016e	---	---	---
2017e	---	---	---

Analyst

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See end of document for disclaimer.

After good Q2 results that were in line with our expectations, technotrans raised its guidance to the upper end of the range. As we were already above guidance, the greater confidence in the company's business activities came as no surprise to us. Based on unchanged estimates, we confirm our PT of € 20.00 and BUY rating.

INVESTMENT CASE

technotrans [€ m]	BHLe				HY/2015	HY/2014	% yoy
	Q2/2015	Q2/2015	Q2/2014	% yoy			
Sales	29.7	30.2	27.2	9.4%	60.3	54.3	11.1%
Technology	19.7	20.3	17.5	12.7%	40.4	35.2	14.9%
Services	10.1	9.9	9.7	-4.0%	20.0	19.1	4.7%
EBIT	2.1	2.1	1.6	31.3%	4.4	3.0	46.7%
EBIT-margin	7.1%	7.0%	5.9%	1.2 PP	7.3%	5.5%	1.8 PP
Technology	0.5	0.5	-0.1	na	1.1	-0.2	na
EBIT-margin	2.5%	2.5%	-0.6%	3.1 PP	2.7%	-0.6%	3.3 PP
Services	1.6	1.6	1.7	-5.9%	3.3	3.2	3.1%
EBIT-margin	15.8%	16.2%	17.5%	-1.7 PP	16.5%	16.7%	-0.2 PP
Net Result	1.4	1.4	1.0	50.8%	2.9	1.8	57.5%

Source: technotrans AG, Bankhaus Lampe

- In H1, both the non-printing and the printing activities contributed to growth with +22% and +8%, respectively. The 'Technology' segment continues to grow stronger than the 'Service' segment. The only area currently doing less well than expected is the technical documentation business of the subsidiary gds.
- For 2015, the management now expects sales of € 120 m (formerly: € 116 - 120 m) and an EBIT margin of 7.3% (formerly: 6.8% - 7.3%). As technotrans already generated sales of slightly more than € 60 m in H1 and H2 is usually stronger than H1, we still believe the guidance can be exceeded.

CATALYSTS

In our view, the next catalyst should be consistently strong results and the expansion of business activities via acquisitions, maybe by as soon as 2016.

VALUATION

Based on our estimates the shares are trading at a P/E multiple of ~ 15x for next year, which we regard as attractive given the assumed growth rates.

in m EUR	2013	2014	2015e	2016e	2017e
Sales	105	112	124	138	150
EBIT	5	7	9	12	14
EBIT margin	4.4%	6.1%	7.5%	8.5%	9.6%
Net financial debt	-2	-6	-9	-13	-17
Free cash-flow	-3	5	6	6	8
EPS (in EUR)	0.47	0.67	0.93	1.18	1.48
DPS (in EUR)	0.20	0.33	0.46	0.59	0.74
Dividend yield	2.6%	3.6%	2.7%	3.4%	4.3%
EV/Sales	0.5	0.5	0.8	0.7	0.6
EV/EBIT	10.6	8.1	11.1	8.6	6.6
Price Earnings ratio (P/E)	16.5	13.8	18.5	14.5	11.6

Source: Company information, Bankhaus Lampe Research estimates