

Rating	Price Target	Price ^	Market Cap (m)	NOSH (m)	Free Float	Cons. Rec.	GC Score	ESG Score
Hold	€30.00	€28.05	€686	24	74.8%	4.4	61.6	54.5

Source: Commerzbank Research, Bloomberg, powered by Arabesque S-Ray (11 November 2020)

## Morning Bite Flash Contribution

# Q3 EBIT above expectations, guidance reiterated

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Reading Time: 2 minutes

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Q3 group sales of €390m were down 11% y/y and in line with company collected consens and our estimate. Q3 EBIT was €23m reported, down 6% y/y and 35% above company collected consensus, 70% above our estimate. For us, a major driver for the headline surprise were the €2m one off losses recognised in Q3 compared to our €8m forecast, adj. EBIT of €25m thus is 20% above our estimate, validating the reiterated guidance which looks reachable on the upper end of the €0-20m EBIT range. The €65m op cash flow was €33m above our €32m estimate, mainly on better NWC. The share trades at a 8x EV/EBIT 2021E, roughly in line with historical industry averages. We prefer to remain on the sideline given a balanced risk-return profile where we regard the weakness in Automotive to be a major drag, being a combination of Corona-related and structural burdens.

### Key Financials

Year End Dec (€ m)	2020E
Revenue	1,565
Organic growth (%)	0.0
EBITDA	110
EBITDA margin (%)	7.1
EBIT	69
EBIT margin (%)	4.4
EBITA adj.	0
EBITA	107
EBITA margin (%)	6.8
Trading profit	0
margin (%)	0.0
Profit	0
Profit margin (%)	0.0
EBT	58
EBT margin (%)	3.7
EPS	0.25
EV/Sales (x)	0.7
EV/EBITDA (x)	9.9
EV/EBIT (x)	15.7
EV/EBITA (x)	0.0

**Key Financials**

<b>Year End Dec (€ m)</b>	<b>2020E</b>
EV/Profit (x)	0.0
EV/Trading Profit (x)	0.0
P/E (x)	112.2
Free cash flow	81
FCF yield	11.8
P/B (x)	1.0
DPS	0.40
Div yield (%)	1.4
Net debt	350
Net economic debt	556
Net fin. debt/EBITDA (x)	3.2
Net economic debt/EBITDA (x)	0.0
Order intake	0
FCF before spectrum expense	0.0
RASK	0.00
CASK ex fuel	0.00
Order backlog	0.0
ROCE	5.1

Source: Commerzbank Research, Bloomberg, Company Information

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**Indus Holding**

Industrials

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**Indus Holding AG (INH GY)**



Source: Commerzbank Research

#### Distribution of ratings

Number of recommendations from Commerzbank Research, at the end of Q3 2020	thereof recommendations for issuers to which investment banking services were provided during the preceding twelve months
101 (48.33%) Buy	34 (33.66%)
88 (42.11%) Hold	23 (26.14%)
20 (9.57%) Reduce	4 (20.00%)

Source: Commerzbank Research

^ Prior trading day's closing price unless otherwise noted. Company name: Indus Holding AG; Exchange: XETRA

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