

9m Results 2022

Opinion ⁽¹⁾: In line

Impact ⁽¹⁾: We will maintain our estimates

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Lingotes Especiales (LGT) is a small Spanish industrial company specialising in the design, development, casting and machining of steel components, mainly for use in the automotive industry, where it is a market leader in braking systems (85% sales) with a 12% market share in Europe.

9m22: an improvement in EBITDA, probably not priced in

3Q RESULTS WHILE STILL WEAK... LGT has announced its 9m22 results, although restricted to just EBITDA (EUR 3.8Mn) and net profit (EUR -0.3Mn). To put these results in context, in 2020 (the last year in which the company announced figures to September) EBITDA was EUR 9Mn and PBT EUR 4.5Mn.

... REPRESENT AN IMPROVEMENT ON 1H22. Results that, despite obviously still being greatly affected by the current macro scenario (with a direct impact both on the level of activity and on costs), already show signs of recovery (as we were expecting). Looking at 3Q in isolation, LGT generated EBITDA of EUR 2.1Mn (vs EUR 1.7Mn in the whole of the first half). Net profit has also turned around, being positive in 3Q in isolation (EUR 0.3Mn vs losses of EUR -0.5Mn in 1H22).

OUR ESTIMATES ARE UNCHANGED: UNCERTAINTY CONTINUES IN THE SHORT TERM... Although 4Q will continue to be weak, 9m22 results allow us to maintain our 2022 estimates unchanged. For 2022e we estimate revenue of c. EUR 100Mn, EBITDA of c. EUR 5Mn (EBITDA margin of 5%) and net profit at breakeven (EUR 0.5Mn vs losses of EUR -1.5Mn in 2021).

... BUT THE RECOVERY (NOW VISIBLE) POINTS TO A SIGNIFICANT RECOVERY FROM CURRENT LEVELS (IN 2024E). Focusing on 2024e, the recovery of sales levels of EUR 114Mn (+10% 21-24e CAGR; similar to those seen in 2019), together with the normalisation of energy prices, should allow LGT to recover levels of Rec. EBITDA of EUR 17Mn (EBITDA margin 15%; an EBITDA margin fully in line with its historical average).

IN CONCLUSION: AN IMPROVEMENT IN EBITDA, PROBABLY NOT PRICED IN. After the recent performance of the share price (-49.3% YTD), the current price is 30% below its lowest level at the worst point in the pandemic, when uncertainty was certainly greater than now. A theoretical recovery of 2019 levels in 2024e would today be trading at 4.8x EV/EBITDA (vs 6x for its main peers). 2024e FCF yield 12.7%; a recovery that, if it happens, the market will discount in advance.

Market Data

Market Cap (Mn EUR and USD)	60.8	60.5
EV (Mn EUR and USD) ⁽²⁾	82.0	81.6
Shares Outstanding (Mn)	10.0	
-12m (Max/Med/Mín EUR)	12.50 / 9.67 / 5.58	
Daily Avg volume (-12m Mn EUR)	0.03	
Rotation ⁽³⁾	11.0	
Factset / Bloomberg	LGT-ES / LGT SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Board of Directors	55.0
Mallorquina de Seguros	6.0
Onchena	5.0
Free Float	34.0

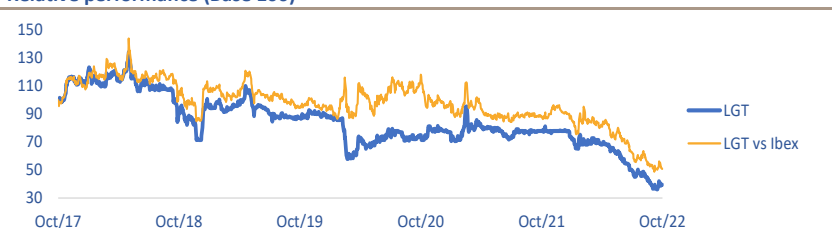
Financials (Mn EUR)

	2021	2022e	2023e	2024e
Adj. n° shares (Mn)	10.0	10.0	10.0	10.0
Total Revenues	85.9	101.8	106.9	114.4
Rec. EBITDA	1.5	5.0	10.0	17.0
% growth	-87.6	232.3	97.5	71.1
% Rec. EBITDA/Rev.	1.8	4.9	9.3	14.9
% Inc. EBITDA sector ⁽⁴⁾	33.3	18.6	7.5	9.9
Net Profit	-1.5	0.5	4.0	9.4
EPS (EUR)	-0.15	0.05	0.40	0.94
% growth	-123.0	134.3	694.1	133.3
Ord. EPS (EUR)	-0.29	0.05	0.40	0.94
% growth	-148.5	117.3	694.1	133.3
Rec. Free Cash Flow ⁽⁵⁾	-4.9	0.3	2.7	7.6
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	19.9	19.6	16.9	9.4
ND/Rec. EBITDA (x)	13.1	3.9	1.7	0.5
ROE (%)	n.a.	1.2	8.7	17.7
ROCE (%) ⁽⁵⁾	n.a.	1.1	6.7	14.4

Ratios & Multiples (x)⁽⁶⁾

	2021	2022e	2023e	2024e
P/E	n.a.	n.a.	15.1	6.5
Ord. P/E	n.a.	n.a.	15.1	6.5
P/BV	1.4	1.4	1.3	1.1
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	0.95	0.81	0.77	0.72
EV/Rec. EBITDA	n.a.	16.3	8.2	4.8
EV/EBIT	n.a.	n.a.	14.0	6.4
FCF Yield (%) ⁽⁵⁾	n.a.	0.5	4.4	12.4

Relative performance (Base 100)



Stock performance (%)

	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	1.3	-20.6	-49.3	-49.3	-54.8	-60.5
vs Ibex 35	-4.7	-18.9	-42.2	-44.2	-46.1	-49.1
vs Ibex Small Cap Index	0.3	-9.5	-37.8	-38.4	-56.4	-66.3
vs Eurostoxx 50	-6.5	-19.8	-40.6	-39.7	-54.6	-60.1
vs Sector benchmark ⁽⁴⁾	-2.2	-18.1	-34.7	-35.5	-54.2	-53.3

(1) The opinion regarding the results is on reported EBITDA with respect to our estimate for the year (12m). The impact reflects whether, due to the results, we envisage a significant revision (>5% - 10%, depending on the sector) of our EBITDA estimate (for any of the estimated years).

(2) Please refer to Appendix 3.

(3) Rotation is the % of the capitalisation traded - 12m.

(4) Sector: Stoxx Europe 600 Automobiles & Parts.

(5) Please see Appendix 2 for the theoretical tax rate (ROCE) and rec. FCF calculation.

(6) Multiples and ratios calculated over prices at the date of this report.

(*) Unless otherwise indicated, all the information contained in this report is based on: The Company, Factset and Lighthouse.

Valuation inputs
Inputs for the DCF Valuation Approach

	2022e	2023e	2024e	Terminal Value ⁽¹⁾			
Free Cash Flow "To the Firm"	0.5	3.1	7.8	140.6			
Market Cap	60.8	At the date of this report					
Net financial debt	21.2	Debt net of Cash (6m Results 2022)					
					Best Case	Worst Case	
Cost of Debt	4.5%	Net debt cost			4.3%	4.8%	
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=	
Net debt cost	3.6%	Kd = Cost of Net Debt * (1-T)			3.4%	3.8%	
Risk free rate (rf)	3.1%	Rf (10y Spanish bond yield)			=	=	
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%	
Beta (B)	1.1	B (own estimate)			1.0	1.1	
Cost of Equity	9.7%	Ke = Rf + (R * B)			8.6%	10.3%	
Equity / (Equity + Net Debt)	74.1%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	25.9%	D			=	=	
WACC	8.2%	WACC = Kd * D + Ke * E			7.3%	8.6%	
G "Fair"	2.0%				2.0%	1.5%	

(1) The terminal value reflects the NAV of FCF beyond the period estimated with the WACC and G of the central scenario.

Inputs for the Multiples Valuation Approach

Company	Ticker	Factset	Mkt. Cap	P/E 22e	EPS 22e-24e	EV/EBITDA 22e	EBITDA 22e-24e	EV/Sales 22e	Revenues 22e-24e	EBITDA/Sales 22e	FCF Yield 22e	FCF 22e-24e
CIE Automotive	CIE-ES		3,118.1	10.3	11.5%	7.5	9.3%	1.2	6.6%	16.5%	10.0%	14.6%
Gestamp	GEST-ES		1,996.4	8.0	26.2%	4.2	11.0%	0.5	8.2%	11.5%	11.5%	16.6%
Faurecia	EO-FR		2,859.6	21.6	n.a.	4.8	12.5%	0.5	7.6%	10.9%	5.7%	n.a.
Voestalpine	VOE-AT		3,923.9	8.0	n.a.	4.2	n.a.	0.4	n.a.	10.4%	16.3%	n.a.
Auto-Parts				12.0	18.9%	5.2	10.9%	0.7	7.5%	12.3%	10.9%	15.6%
Brembo SPA	BRE-IT		3,446.3	12.4	5.6%	6.9	5.1%	1.2	3.5%	17.0%	1.5%	n.a.
Brake Systems				12.4	5.6%	6.9	5.1%	1.2	3.5%	17.0%	1.5%	n.a.
LGT	LGT-ES		60.8	n.a.	n.a.	16.3	83.8%	0.8	6.0%	4.9%	0.5%	n.a.

Free Cash Flow sensitivity analysis (2023e)
A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 23e	EBITDA 23e	EV/EBITDA 23e
Max	10.2%	10.9	7.5x
Central	9.3%	10.0	8.2x
Min	8.4%	9.0	9.1x

B) Rec. FCF and Rec. FCF - Yield sensitivity to changes in EBITDA and CAPEX/sales

Rec. FCF EUR Mn	CAPEX/Sales 23e				Scenario	Rec. FCF/Yield 23e		
EBITDA 23e	3.8%	4.2%	4.6%		Max	6.7%	6.0%	5.3%
10.9	4.1	3.6	3.2	➔	Central	5.1%	4.4%	3.7%
10.0	3.1	2.7	2.3		Min	3.5%	2.8%	2.1%
9.0	2.1	1.7	1.3					

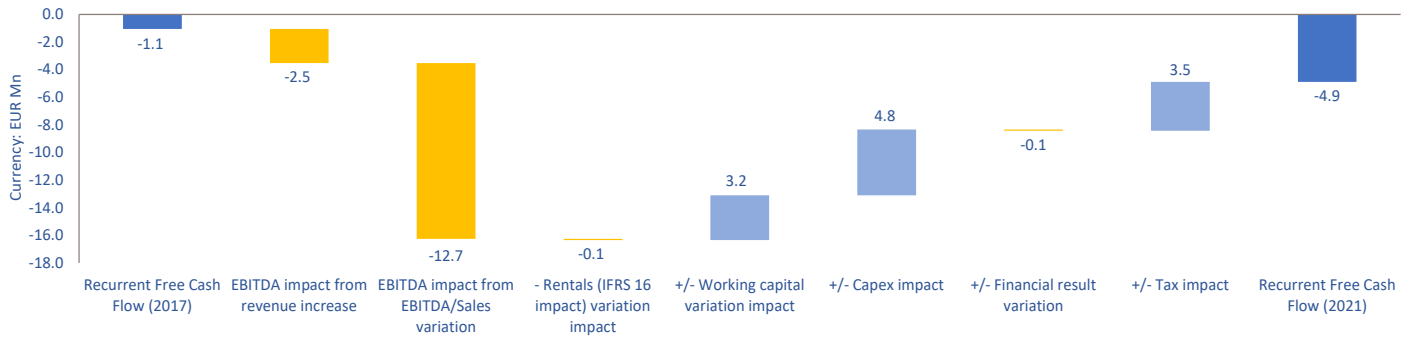
Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2017	2018	2019	2020	2021	2022e	2023e	2024e	CAGR	
Intangible assets	0.4	0.5	0.9	1.1	1.6	2.6	3.7	4.7		
Fixed assets	49.5	55.1	56.8	57.2	57.1	56.2	55.7	55.4		
Other Non Current Assets	0.6	0.6	0.5	0.4	1.2	1.2	1.2	1.2		
Financial Investments	0.7	0.6	0.6	0.2	0.2	0.2	0.2	0.2		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	28.8	29.5	28.9	28.3	25.7	28.9	30.1	31.0		
Total assets	80.1	86.3	87.7	87.3	85.9	89.2	90.9	92.6		
Equity	42.3	44.5	46.2	45.1	43.7	44.2	48.2	57.6		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	1.9	1.7	1.5	8.3	1.4	1.4	1.4	1.4		
Other Non Current Liabilities	-	-	0.2	0.1	0.2	0.2	0.2	0.2		
Net financial debt	10.7	17.0	15.2	9.2	19.9	19.6	16.9	9.4		
Current Liabilities	25.2	23.1	24.6	24.5	20.7	23.8	24.1	24.0		
Equity & Total Liabilities	80.1	86.3	87.7	87.3	85.9	89.2	90.9	92.6		
P&L (EUR Mn)	2017	2018	2019	2020	2021	2022e	2023e	2024e	17-21	21-24e
Total Revenues	104.2	115.6	114.9	91.2	85.9	101.8	106.9	114.4	-4.7%	10.0%
Total Revenues growth	9.0%	10.9%	-0.6%	-20.7%	-5.8%	18.5%	5.0%	7.0%		
COGS	(41.6)	(48.7)	(49.6)	(37.7)	(40.5)	(42.3)	(44.9)	(48.6)		
Gross Margin	62.6	66.9	65.3	53.5	45.4	59.4	62.0	65.8	-7.7%	13.1%
Gross Margin/Revenues	60.1%	57.9%	56.8%	58.7%	52.9%	58.4%	58.0%	57.5%		
Personnel Expenses	(26.7)	(28.1)	(27.8)	(25.2)	(22.7)	(25.1)	(26.0)	(27.3)		
Other Operating Expenses	(19.2)	(20.5)	(20.6)	(16.0)	(21.2)	(29.4)	(26.1)	(21.4)		
Recurrent EBITDA	16.7	18.2	16.8	12.3	1.5	5.0	10.0	17.0	-45.1%	n.a.
Recurrent EBITDA growth	-12.1%	8.9%	-7.5%	-27.2%	-87.6%	232.3%	97.5%	71.1%		
Rec. EBITDA/Revenues	16.0%	15.8%	14.6%	13.4%	1.8%	4.9%	9.3%	14.9%		
Restructuring Expense & Other non-rec.	-	-	-	0.8	0.5	-	-	-		
EBITDA	16.7	18.2	16.8	13.1	2.0	5.0	10.0	17.0	-41.4%	n.a.
Depreciation & Provisions	(5.0)	(5.5)	(5.5)	(4.5)	(5.1)	(5.0)	(5.0)	(5.1)		
Capitalized Expense	0.6	0.1	0.4	0.7	1.0	1.0	1.0	1.0		
Rentals (IFRS 16 impact)	-	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)		
EBIT	12.4	12.8	11.7	9.1	(2.2)	1.0	5.9	12.9	-21.4%	99.7%
EBIT growth	-18.8%	3.7%	-8.7%	-22.0%	-123.7%	145.4%	499.0%	119.6%		
EBIT/Revenues	11.9%	11.1%	10.2%	10.0%	n.a.	1.0%	5.5%	11.3%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.5)	(0.4)		
Income by the Equity Method	(0.2)	(0.4)	-	-	-	-	-	-		
Ordinary Profit	11.9	12.2	11.4	8.8	(2.5)	0.7	5.4	12.5	-21.9%	91.7%
Ordinary Profit Growth	-16.1%	2.6%	-6.6%	-22.6%	-128.1%	127.2%	694.1%	133.3%		
Extraordinary Results	-	-	-	(0.4)	0.5	-	-	-		
Profit Before Tax	11.9	12.2	11.4	8.5	(2.0)	0.7	5.4	12.5	-21.4%	n.a.
Tax Expense	(3.0)	(3.0)	(2.7)	(2.1)	0.5	(0.2)	(1.3)	(3.1)		
Effective Tax Rate	25.1%	24.7%	23.7%	24.3%	n.a.	25.0%	25.0%	25.0%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	8.9	9.2	8.7	6.4	(1.5)	0.5	4.0	9.4	-21.3%	n.a.
Net Profit growth	-14.9%	3.1%	-5.3%	-26.4%	-123.0%	134.3%	694.1%	133.3%		
Ordinary Net Profit	8.9	9.2	8.7	6.1	(2.9)	0.5	4.0	9.4	-23.5%	73.2%
Ordinary Net Profit growth	-14.9%	3.1%	-5.3%	-30.6%	-148.5%	117.3%	694.1%	133.3%		
Cash Flow (EUR Mn)	2017	2018	2019	2020	2021	2022e	2023e	2024e	17-21	21-24e
Recurrent EBITDA						5.0	10.0	17.0	-45.1%	n.a.
Rentals (IFRS 16 impact)						(0.1)	(0.1)	(0.1)		
Working Capital Increase						(0.1)	(0.8)	(1.1)		
Recurrent Operating Cash Flow						4.9	9.0	15.9	-68.4%	n.a.
CAPEX						(4.1)	(4.5)	(4.8)		
Net Financial Result affecting the Cash Flow						(0.3)	(0.5)	(0.4)		
Tax Expense						(0.2)	(1.3)	(3.1)		
Recurrent Free Cash Flow						0.3	2.7	7.6	-46.8%	52.5%
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						0.3	2.7	7.6	-55.1%	57.3%
Capital Increase						-	-	-		
Dividends						-	-	-		
Net Debt Variation						(0.3)	(2.7)	(7.6)		

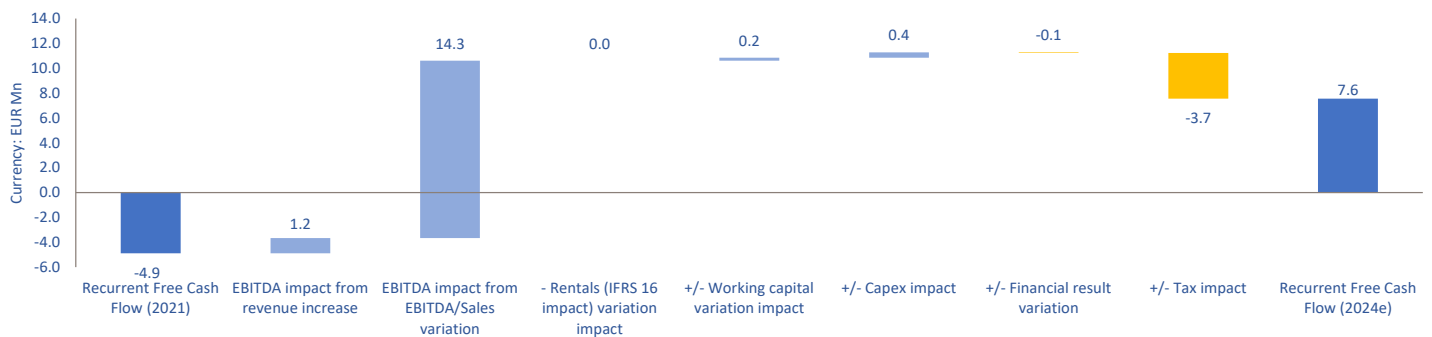
Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2018	2019	2020	2021	2022e	2023e	2024e	CAGR	
								18-21	21-24e
Recurrent EBITDA	18.2	16.8	12.3	1.5	5.0	10.0	17.0	-56.3%	n.a.
<i>Recurrent EBITDA growth</i>	8.9%	-7.5%	-27.2%	-87.6%	232.3%	97.5%	71.1%		
<i>Rec. EBITDA/Revenues</i>	15.8%	14.6%	13.4%	1.8%	4.9%	9.3%	14.9%		
- Rentals (IFRS 16 impact)	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)		
+/- Working Capital increase	(2.8)	2.1	0.6	(1.3)	(0.1)	(0.8)	(1.1)		
= Recurrent Operating Cash Flow	15.4	18.9	12.7	0.1	4.9	9.0	15.9	-80.1%	n.a.
<i>Rec. Operating Cash Flow growth</i>	26.8%	22.2%	-32.6%	-99.0%	n.a.	85.7%	76.1%		
<i>Rec. Operating Cash Flow / Sales</i>	13.4%	16.4%	14.0%	0.1%	4.8%	8.4%	13.9%		
- CAPEX	(11.5)	(7.5)	(5.5)	(5.2)	(4.1)	(4.5)	(4.8)		
- Net Financial Result affecting Cash Flow	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.5)	(0.4)		
- Taxes	(3.2)	(2.8)	(1.8)	0.5	(0.2)	(1.3)	(3.1)		
= Recurrent Free Cash Flow	0.6	8.4	5.2	(4.9)	0.3	2.7	7.6	n.a.	52.5%
<i>Rec. Free Cash Flow growth</i>	155.1%	n.a.	-38.0%	-193.9%	106.3%	766.9%	182.3%		
<i>Rec. Free Cash Flow / Revenues</i>	0.5%	7.3%	5.7%	n.a.	0.3%	2.5%	6.6%		
- Restructuring expenses & others	-	-	0.8	0.5	-	-	-		
- Acquisitions / + Divestments	0.2	0.4	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	0.5	-	-	-		
= Free Cash Flow	0.8	8.8	6.0	(4.0)	0.3	2.7	7.6	-91.0%	57.3%
<i>Free Cash Flow growth</i>	216.3%	994.4%	-31.1%	-165.9%	107.7%	766.9%	182.3%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	1.0%	13.8%	8.6%	n.a.	0.5%	4.4%	12.4%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	1.3%	14.4%	9.9%	n.a.	0.5%	4.4%	12.4%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
Recurrent FCF(FY - 1)	(1.1)	0.6	8.4	5.2	(4.9)	0.3	2.7		
EBITDA impact from revenue increase	1.8	(0.1)	(3.5)	(0.7)	0.3	0.3	0.7		
EBITDA impact from EBITDA/Sales variation	(0.3)	(1.3)	(1.1)	(10.0)	3.2	4.7	6.4		
= Recurrent EBITDA variation	1.5	(1.4)	(4.6)	(10.7)	3.5	4.9	7.1		
- Rentals (IFRS 16 impact) variation impact	-	(0.1)	(0.0)	(0.0)	-	-	-		
+/- Working capital variation impact	1.8	4.9	(1.5)	(1.9)	1.2	(0.8)	(0.2)		
= Recurrent Operating Cash Flow variation	3.3	3.4	(6.2)	(12.6)	4.7	4.2	6.9		
+/- CAPEX impact	(1.5)	4.0	2.1	0.2	1.2	(0.4)	(0.3)		
+/- Financial result variation	0.0	(0.0)	(0.1)	(0.0)	0.0	(0.2)	0.1		
+/- Tax impact	(0.2)	0.5	1.0	2.3	(0.7)	(1.2)	(1.8)		
= Recurrent Free Cash Flow variation	1.6	7.8	(3.2)	(10.1)	5.2	2.4	4.9		
Recurrent Free Cash Flow	0.6	8.4	5.2	(4.9)	0.3	2.7	7.6		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
EBIT	12.8	11.7	9.1	(2.2)	1.0	5.9	12.9	-29.4%	99.7%
* <i>Theoretical Tax rate</i>	24.7%	23.7%	24.3%	0.0%	25.0%	25.0%	25.0%		
= Taxes (pre- Net Financial Result)	(3.2)	(2.8)	(2.2)	-	(0.2)	(1.5)	(3.2)		
Recurrent EBITDA	18.2	16.8	12.3	1.5	5.0	10.0	17.0	-56.3%	n.a.
- Rentals (IFRS 16 impact)	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)		
+/- Working Capital increase	(2.8)	2.1	0.6	(1.3)	(0.1)	(0.8)	(1.1)		
= Recurrent Operating Cash Flow	15.4	18.9	12.7	0.1	4.9	9.0	15.9	-80.1%	n.a.
- CAPEX	(11.5)	(7.5)	(5.5)	(5.2)	(4.1)	(4.5)	(4.8)		
- Taxes (pre- Financial Result)	(3.2)	(2.8)	(2.2)	-	(0.2)	(1.5)	(3.2)		
= Recurrent Free Cash Flow (To the Firm)	0.8	8.6	5.0	(5.1)	0.5	3.1	7.8	n.a.	52.3%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	187.8%	960.0%	-41.3%	-201.4%	110.5%	469.2%	156.5%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	0.7%	7.5%	5.5%	n.a.	0.5%	2.9%	6.9%		
- Acquisitions / + Divestments	0.2	0.4	-	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	-	-	-	0.5	-	-	-		
= Free Cash Flow "To the Firm"	1.0	9.0	5.0	(4.7)	0.5	3.1	7.8	-86.7%	54.4%
<i>Free Cash Flow (To the Firm) growth</i>	284.1%	768.6%	-43.8%	-192.4%	111.5%	469.2%	156.5%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	1.0%	10.5%	6.2%	n.a.	0.7%	3.7%	9.6%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	1.3%	11.0%	6.2%	n.a.	0.7%	3.7%	9.6%		

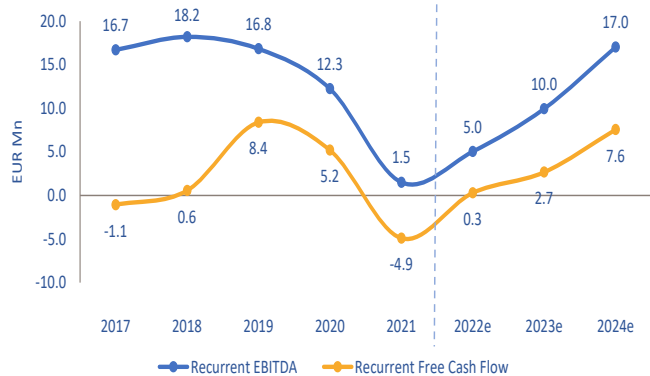
Recurrent Free Cash Flow accumulated variation analysis (2017 - 2021)



Recurrent Free Cash Flow accumulated variation analysis (2021 - 2024e)



Recurrent EBITDA vs Recurrent Free Cash Flow



Stock performance vs EBITDA 12m forward



Appendix 3. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	60.8	
+ Minority Interests	-	6m Results 2022
+ Provisions & Other L/T Liabilities	0.2	6m Results 2022
+ Net financial debt	21.2	6m Results 2022
- Financial Investments	0.2	6m Results 2022
+/- Others		
Enterprise Value (EV)	82.0	

Appendix 4. Historical performance ⁽¹⁾

Historical performance (EUR Mn)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e	11-21	21-24e	CAGR
Total Revenues	56.0	57.8	59.0	63.3	79.5	95.6	104.2	115.6	114.9	91.2	85.9	101.8	106.9	114.4	4.4%	10.0%	
Total Revenues growth	<i>n.a.</i>	3.3%	2.1%	7.3%	25.5%	20.3%	9.0%	10.9%	-0.6%	-20.7%	-5.8%	18.5%	5.0%	7.0%			
EBITDA	4.2	6.0	7.2	8.7	13.2	19.0	16.7	18.2	16.8	13.1	2.0	5.0	10.0	17.0	-7.3%	<i>n.a.</i>	
EBITDA growth	<i>n.a.</i>	43.3%	18.4%	22.0%	50.8%	44.6%	-12.1%	8.9%	-7.5%	-22.2%	-85.0%	155.9%	97.5%	71.1%			
EBITDA/Sales	7.5%	10.5%	12.1%	13.8%	16.6%	19.9%	16.0%	15.8%	14.6%	14.4%	2.3%	4.9%	9.3%	14.9%			
Net Profit	0.3	2.5	2.5	4.0	6.7	10.5	8.9	9.2	8.7	6.4	(1.5)	0.5	4.0	9.4	-22.7%	<i>n.a.</i>	
Net Profit growth	<i>n.a.</i>	876.0%	0.0%	58.1%	69.1%	56.0%	-14.9%	3.1%	-5.3%	-26.4%	-123.0%	134.3%	694.1%	133.3%			
Adjusted number shares (Mn)	11.0	10.9	9.9	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0			
EPS (EUR)	0.02	0.23	0.25	0.40	0.67	1.05	0.89	0.92	0.87	0.64	-0.15	0.05	0.40	0.94	-23.6%	<i>n.a.</i>	
EPS growth	<i>n.a.</i>	<i>n.a.</i>	10.2%	56.4%	69.1%	56.0%	-14.9%	3.1%	-5.3%	-26.4%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>			
Ord. EPS (EUR)	0.02	0.23	0.25	0.40	0.67	1.05	0.89	0.92	0.87	0.61	-0.29	0.05	0.40	0.94	-30.6%	73.2%	
Ord. EPS growth	<i>n.a.</i>	<i>n.a.</i>	10.2%	56.4%	69.1%	56.0%	-14.9%	3.1%	-5.3%	-30.6%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>			
CAPEX	(2.7)	(2.0)	(2.0)	(3.5)	(6.1)	(18.1)	(10.0)	(11.5)	(7.5)	(5.5)	(5.2)	(4.1)	(4.5)	(4.8)			
CAPEX/Sales %	4.8%	3.4%	3.4%	5.5%	7.7%	18.9%	9.6%	9.9%	6.5%	6.0%	6.1%	4.0%	4.2%	4.2%			
Free Cash Flow	2.0	8.5	9.0	0.7	10.3	(0.3)	(0.7)	0.8	8.8	6.0	(4.0)	0.3	2.7	7.6	-15.0%	57.3%	
ND/EBITDA (x) ⁽²⁾	1.7x	0.0x	0.0x	0.7x	-0.2x	0.2x	0.6x	0.9x	0.9x	0.7x	10.1x	3.9x	1.7x	0.5x			
P/E (x)	77.2x	7.3x	9.4x	7.7x	10.6x	11.8x	17.9x	11.1x	14.9x	18.1x	<i>n.a.</i>	<i>n.a.</i>	15.1x	6.5x			
EV/Sales (x)	0.63x	0.42x	0.61x	0.76x	1.04x	1.53x	1.82x	1.11x	1.32x	1.52x	1.64x	0.81x	0.77x	0.72x			
EV/EBITDA (x) ⁽²⁾	8.3x	4.0x	5.0x	5.5x	6.3x	7.7x	11.4x	7.0x	9.0x	10.6x	<i>n.a.</i>	16.3x	8.2x	4.8x			
Absolute performance	-8.5%	-6.6%	41.1%	27.5%	133.6%	74.3%	29.0%	-36.4%	27.8%	-10.7%	3.2%	-49.3%					
Relative performance vs Ibx 35	5.3%	-2.0%	16.2%	23.0%	151.6%	77.9%	20.1%	-25.2%	14.3%	5.6%	-4.4%	-44.2%					

Note 1: The multiples are historical, calculated based on the price and EV at the end of each year, except (if applicable) in the current year, when multiples would be given at current prices. The absolute and relative behavior corresponds to each exercise (1/1 to 31/12). The source, both historical multiples and the evolution of the price, is Factset.

Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

Appendix 5. Main peers 2022e

		Auto-Parts				Brake Systems			
		CIE				Average	Brembo SPA	Average	LGT
		Automotive	Gestamp	Faurecia	Voestalpine				
Market data	EUR Mn	CIE-ES	GEST-ES	EO-FR	VOE-AT		BRE-IT		LGT-ES
	Country	Spain	Spain	France	Austria		Italy		Spain
	Market cap	3,118.1	1,996.4	2,859.6	3,923.9		3,446.3		60.8
	Enterprise value (EV)	4,835.5	4,782.6	13,046.7	6,384.8		4,099.6		82.0
Basic financial information	Total Revenues	3,938.9	9,919.1	24,794.8	14,485.3		3,505.5		101.8
	Total Revenues growth	20.5%	22.6%	58.8%	-9.8%	23.0%	26.2%	26.2%	18.5%
	2y CAGR (2022e - 2024e)	6.6%	8.2%	7.6%	<i>n.a.</i>	7.5%	3.5%	3.5%	6.0%
	EBITDA	648.6	1,137.6	2,691.5	1,509.3		596.9		5.0
	EBITDA growth	12.9%	15.5%	67.9%	-27.9%	17.1%	26.7%	26.7%	155.9%
	2y CAGR (2022e - 2024e)	9.3%	11.0%	12.5%	<i>n.a.</i>	10.9%	5.1%	5.1%	83.8%
	EBITDA/Revenues	16.5%	11.5%	10.9%	10.4%	12.3%	17.0%	17.0%	4.9%
	EBIT	459.4	517.1	963.8	735.8		374.7		1.0
	EBIT growth	11.1%	29.1%	28.6%	-43.0%	6.4%	45.1%	45.1%	145.4%
	2y CAGR (2022e - 2024e)	10.7%	18.5%	32.5%	<i>n.a.</i>	20.6%	5.8%	5.8%	<i>n.a.</i>
	EBIT/Revenues	11.7%	5.2%	3.9%	5.1%	6.5%	10.7%	10.7%	1.0%
	Net Profit	300.8	248.8	72.8	489.9		280.5		0.5
	Net Profit growth	13.0%	60.2%	311.5%	-47.6%	84.3%	30.0%	30.0%	134.3%
	2y CAGR (2022e - 2024e)	11.6%	25.7%	<i>n.a.</i>	<i>n.a.</i>	18.6%	5.6%	5.6%	<i>n.a.</i>
CAPEX/Sales %	5.5%	8.1%	7.2%	7.0%	7.0%	7.4%	7.4%	4.0%	
Free Cash Flow	310.3	230.4	162.1	640.7		50.9		0.3	
Net financial debt	1,294.7	2,087.7	7,928.9	1,536.5		450.0		19.6	
ND/EBITDA (x)	2.0	1.8	2.9	1.0	1.9	0.8	0.8	3.9	
Pay-out	<i>n.a.</i>	28.2%	50.4%	38.3%	39.0%	32.5%	32.5%	0.0%	
Multiples and Ratios	P/E (x)	10.3	8.0	21.6	8.0	12.0	12.4	12.4	<i>n.a.</i>
	P/BV (x)	2.7	1.0	0.6	0.5	1.2	1.8	1.8	1.4
	EV/Revenues (x)	1.2	0.5	0.5	0.4	0.7	1.2	1.2	0.8
	EV/EBITDA (x)	7.5	4.2	4.8	4.2	5.2	6.9	6.9	16.3
	EV/EBIT (x)	10.5	9.2	13.5	8.7	10.5	10.9	10.9	<i>n.a.</i>
	ROE	26.4	12.9	2.8	6.3	12.1	14.5	14.5	1.2
	FCF Yield (%)	10.0	11.5	5.7	16.3	10.9	1.5	1.5	0.5
	DPS	0.76	0.12	0.24	1.05	0.54	0.28	0.28	0.00
Dvd Yield	3.0%	3.5%	1.6%	4.8%	3.2%	2.6%	2.6%	0.0%	

Note 1: Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

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Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
31-Oct-2022	n.a.	6.08	n.a.	n.a.	9m Results 2022	David López Sánchez
03-Aug-2022	n.a.	7.14	n.a.	n.a.	6m Results 2022 - Estimates upgrade	David López Sánchez
01-Apr-2022	n.a.	11.20	n.a.	n.a.	Estimates downgrade	David López Sánchez
02-Mar-2022	n.a.	10.65	n.a.	n.a.	12m Results 2021	David López Sánchez
03-Aug-2021	n.a.	11.45	n.a.	n.a.	6m Results 2021 - Estimates downgrade	David López Sánchez
01-Mar-2021	n.a.	11.30	n.a.	n.a.	12m Results 2020	David López Sánchez
30-Oct-2020	n.a.	11.35	n.a.	n.a.	9m Results 2020	David López Sánchez
28-Jul-2020	n.a.	11.90	n.a.	n.a.	Estimates downgrade	David López Sánchez
28-Feb-2020	n.a.	13.30	n.a.	n.a.	12m Results 2019	David López Sánchez
28-Oct-2019	n.a.	13.45	n.a.	n.a.	9m Results 2019	David López Sánchez
22-Jul-2019	n.a.	14.35	n.a.	n.a.	6m Results 2019 - Estimates downgrade	David López Sánchez
13-May-2019	n.a.	15.45	n.a.	n.a.	3m Results 2019	David López Sánchez
01-Mar-2019	n.a.	15.00	n.a.	n.a.	12m Results 2018	David López Sánchez
22-Nov-2018	n.a.	12.68	n.a.	n.a.	Initiation of Coverage	David López Sánchez

