

Buy	Value Indicators:	EUR	Share data:	Description:
	DCF:	319.11	Bloomberg:	HYQ GR
EUR 320.00 (EUR 280.00)			Reuters:	HYQGn.DE
Price			ISIN:	DE0005493365
Upside			Shareholders:	Risk Profile (WRe):
			Freefloat	2019e
			Revenia (Ronald Slabke)	Beta:
			Treasury shares	1.3
				Price / Book:
				9.2 x
				Equity Ratio:
				53 %
				Net Fin. Debt / EBITDA:
				0.9 x
				Net Debt / EBITDA:
				0.9 x

Excellent growth prospects trigger increase in top-line assumptions; PT up

Stated Figures Q3/2019:									
in EUR m	9M/19	9M/18	yoy	9M/19e	Δ WRe	FY/19e	FY/18	yoy	
Private Clients									
Revenue	79.8	65.7	21%	75.9	5%	107.1	86.4	24%	
EBIT	8.5	9.0	-6%	7.2	18%	11.2	10.8	4%	
margin	10.7%	13.7%		9.5%		10.5%	12.5%		
Credit Platform									
Revenue	101.9	81.5	25%	98.6	3%	138.5	114.7	21%	
EBIT	22.6	18.8	20%	22.7	0%	31.3	26.1	20%	
margin	22.2%	23.1%		23.0%		22.6%	22.8%		
Real estate Platform									
Revenue	34	23.5	45%	32.4	5%	49.4	34.1	45%	
EBIT	4.7	3.7	27%	3.6	31%	6.9	6.0	15%	
margin	13.8%	15.7%		11.0%		14.0%	17.6%		
Insurance Platform									
Revenue	32.5	21.9	48%	35.0	-7%	41.8	30.4	37%	
EBIT	-0.6	-1.5	-60%	0.4		-1.0	-2.7		
margin	-1.8%	-6.8%		1.0%		-2.5%	-8.9%		
Consolidation effects									
Revenue	-0.5	-0.8	-38%	0.0		0.0	0.4		
EBIT	-10.2	-7.8	31%	-7.5		-13.4	-10.9	23%	
Group									
Revenue	247.7	191.8	29%	241.9	2%	336.8	266.0	27%	
EBIT	25	22.2	13%	26.4	-6%	35.0	29.3	19%	
margin	10.1%	11.6%		10.9%		10.4%	11.0%		

Comment on Figures:

- Private clients exceeded our expectations on EBIT level due to an earlier than assumed improvement in the margin situation, which indicates that the low-margin trend of the past two quarters caused by higher digitization investments is slowly reversing
- Credit platform benefits from a continuation of the high growth rates in the savings banks sector (+47% after 9M) and cooperative banks sector (+149% after 9M), in line with our expectations.
- Real estate platform outperformed our expectations on EBIT level, indicating that the inclusion of SaaS and valuation services are developing well.
- Insurance platform development could be faster but the management stressed its confidence that Hypoport would remain the dominant player in its market and that the segment would contribute positively to EBIT from 2020 onwards.

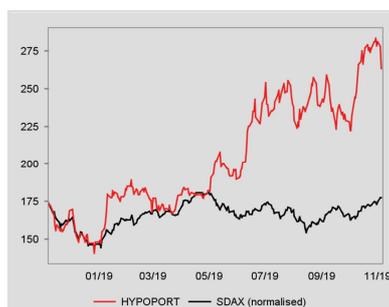
Hypoport reported figures for 9M 2019 on Monday, 04.11.2019 and hosted a conference call. While the figures were broadly in line with our expectations, CEO Slabke emphasised his conviction that Hypoport would continue to proceed at full speed on its strong growth track. Furthermore he stressed that the company would continue to invest in further growth as long as there is still huge untapped potential. In accordance with these statements, we adjusted our financial model by reflecting higher growth opportunities whilst keeping margin assumptions in the long run broadly unchanged.

Assessment: Hypoport seems to be well on track to deliver on its targets which is why the guidance remained unchanged. The strong operative developments with positive margin surprises in the private clients and real estate platform segments should be welcomed. Furthermore, we highlight the excellent growth prospects, which is why we increased our PT to EUR 320. Stock remains a Buy.

Changes in Estimates:						
FY End: 31.12. in EUR m	2019e (old)	+ / -	2020e (old)	+ / -	2021e (old)	+ / -
Sales	333.85	0.9 %	396.49	3.8 %	452.80	4.8 %
EBIT	35.05	-0.3 %	47.48	0.2 %	58.86	2.4 %
EPS	4.29	-0.2 %	5.79	0.5 %	7.23	2.5 %

Comment on Changes:

- Detail changes in segment estimates
- Growth prospects are reflected in higher top-line assumptions especially in the segments credit platform and real estate platform.

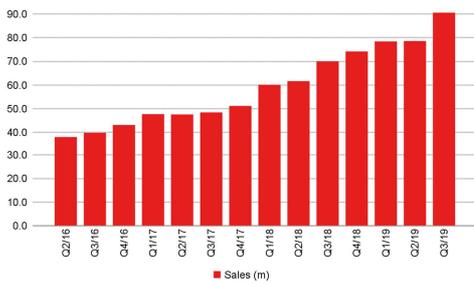


Rel. Performance vs SDAX:	
1 month:	5.4 %
6 months:	36.1 %
Year to date:	57.1 %
Trailing 12 months:	52.0 %

Company events:

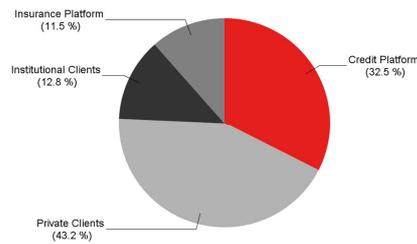
FY End: 31.12. in EUR m	CAGR (18-21e)	2015	2016	2017	2018	2019e	2020e	2021e
Sales	21.3 %	138.98	156.64	194.86	265.96	336.85	411.72	474.71
Change Sales yoy		23.7 %	12.7 %	24.4 %	36.5 %	26.7 %	22.2 %	15.3 %
Gross profit margin		54.9 %	58.0 %	56.1 %	56.7 %	55.9 %	56.5 %	56.7 %
EBITDA	25.8 %	25.08	28.24	30.12	39.09	47.73	62.89	77.85
Margin		18.0 %	18.0 %	15.5 %	14.7 %	14.2 %	15.3 %	16.4 %
EBIT	27.2 %	19.26	23.16	23.32	29.29	34.96	47.57	60.29
Margin		13.9 %	14.8 %	12.0 %	11.0 %	10.4 %	11.6 %	12.7 %
Net income	27.2 %	15.87	18.07	18.42	22.47	26.74	36.39	46.28
EPS	27.2 %	2.56	3.00	3.10	3.60	4.28	5.82	7.41
EPS adj.	27.2 %	2.56	3.00	3.10	3.60	4.28	5.82	7.41
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF / Market cap		10.2 %	2.2 %	-0.3 %	2.5 %	1.1 %	1.9 %	2.7 %
EV / Sales		1.4 x	2.8 x	3.5 x	3.9 x	5.0 x	4.1 x	3.5 x
EV / EBITDA		7.8 x	15.6 x	22.6 x	26.7 x	35.4 x	26.6 x	21.0 x
EV / EBIT		10.2 x	19.0 x	29.1 x	35.6 x	48.3 x	35.1 x	27.2 x
P / E		13.2 x	25.0 x	36.8 x	44.2 x	61.6 x	45.3 x	35.6 x
P / E adj.		13.2 x	25.0 x	36.8 x	44.2 x	61.6 x	45.3 x	35.6 x
FCF Potential Yield		11.2 %	5.3 %	3.8 %	3.2 %	2.4 %	3.1 %	3.9 %
Net Debt		-13.29	-11.46	2.15	49.26	43.07	23.88	-8.44
ROCE (NOPAT)		38.9 %	39.7 %	27.1 %	16.3 %	12.8 %	16.0 %	19.0 %
Guidance:		2019: Revenue between EUR 310m and 340m and EBIT between EUR 32m and 40m						

Sales development in EUR m



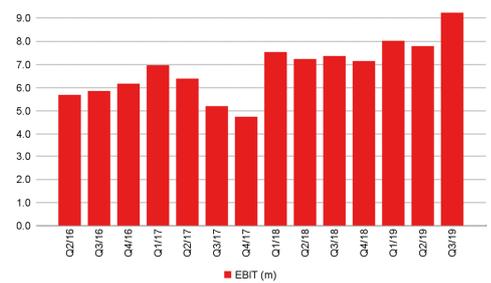
Source: Warburg Research

Sales by Segments 2018; in %



Source: Warburg Research

EBIT development in EUR m



Source: Warburg Research

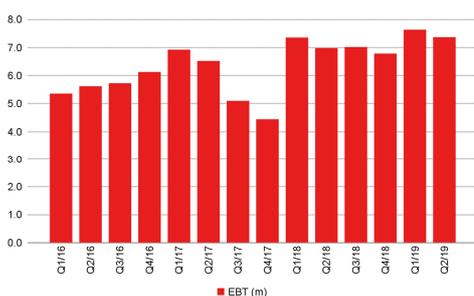
Company Background

- The company, founded in 1999, is specialised as a property financing intermediary and is expanding its value chain towards the insurance and real estate sectors
- With EUROPACE, Hypoport operates the largest German online B2B platform for property financing and similar products
- Under the Dr. Klein brand, Hypoport operates a franchise system of stationary advisors for private customers
- Hypoport is also in a leading position in the area of institutional property financing (also under the Dr. Klein brand)
- An advanced level of technology is shown in all segments (fintech)

Competitive Quality

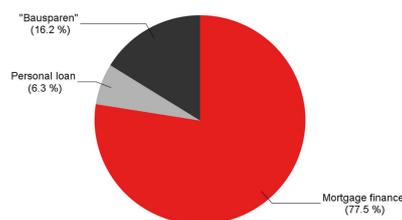
- The online B2B marketplace for property financing (EUROPACE) is the largest of its kind in Germany
- As the number of affiliated suppliers is decisive for marketplaces of this type, this forms a central competitive advantage and a considerable market entry barrier for third parties.
- The Dr. Klein business segments (private clients) benefits from market access over EUROPACE but also from the many years of experience in the area of property financing
- Most importantly however Dr. Klein is strongly focused on property financing and neutral (with offers from every provider). Other financial sales teams or retail banks normally cannot afford both.
- The new platform businesses insurance platform and real estate platform should strongly benefit of the market-leading credit platform and the excellent track record of the company.

EBT development in EUR m



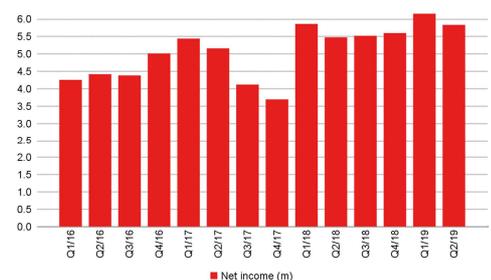
Source: Warburg Research

EUROPACE by product segments 2018; in %



Source: Warburg Research

Net income development in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	
Sales	337.33	412.32	475.40	530.87	583.43	633.50	692.98	751.53	809.65	862.28	905.39	946.13	969.79	
Sales change	26.8 %	22.2 %	15.3 %	11.7 %	9.9 %	8.6 %	9.4 %	8.4 %	7.7 %	6.5 %	5.0 %	4.5 %	2.5 %	2.5 %
EBIT	35.41	47.67	60.23	70.27	81.33	93.41	124.84	147.87	169.81	180.85	217.29	236.53	252.14	
EBIT-margin	10.5 %	11.6 %	12.7 %	13.2 %	13.9 %	14.7 %	18.0 %	19.7 %	21.0 %	21.0 %	24.0 %	25.0 %	26.0 %	
Tax rate (EBT)	22.2 %	22.2 %	22.2 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	
NOPAT	27.55	37.09	46.86	54.81	63.44	72.86	97.37	115.34	132.45	141.06	169.49	184.50	196.67	
Depreciation	12.32	15.22	17.62	21.23	23.34	25.34	27.72	30.06	32.39	34.49	36.22	37.85	38.79	
in % of Sales	3.7 %	3.7 %	3.7 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	
Changes in provisions	0.00	0.00	0.00	0.25	0.05	0.05	0.06	0.06	0.06	0.05	0.04	0.04	0.02	
Change in Liquidity from														
- Working Capital	8.79	7.00	6.00	8.29	5.26	5.01	5.95	5.85	5.81	5.26	4.31	4.07	2.37	
- Capex	12.52	13.52	13.52	21.23	23.34	25.34	27.72	30.06	32.39	34.49	36.22	37.85	38.79	
Capex in % of Sales	3.7 %	3.3 %	2.8 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free Cash Flow (WACC Model)	18.56	31.79	44.96	46.77	58.24	67.90	91.48	109.54	126.70	135.85	165.22	180.46	194.33	207
PV of FCF	18.56	29.34	38.31	36.79	42.28	45.50	56.59	62.55	66.78	66.09	74.20	74.81	74.36	1,357
share of PVs	4.22 %			29.36 %										66.42 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	5.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.3 %	Liquidity (share)	1.20
Market return	7.00 %	Cyclicality	1.60
Risk free rate	1.50 %	Transparency	1.40
		Others	1.30
WACC	8.33 %	Beta	1.30

Valuation (m)

Present values 2031e	686		
Terminal Value	1,357		
Financial liabilities	81		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	32	No. of shares (m)	6.2
Equity Value	1,994	Value per share (EUR)	319.11

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.49	9.3 %	244.52	249.62	255.08	260.94	267.24	274.05	281.41	1.49	9.3 %	242.28	248.50	254.72	260.94	267.16	273.37	279.59
1.40	8.8 %	267.57	273.76	280.43	287.61	295.39	303.84	313.04	1.40	8.8 %	267.39	274.13	280.87	287.61	294.35	301.09	307.83
1.35	8.6 %	280.45	287.30	294.69	302.68	311.37	320.83	331.17	1.35	8.6 %	281.58	288.62	295.65	302.68	309.72	316.75	323.78
1.30	8.3 %	294.37	301.96	310.18	319.11	328.83	339.47	351.15	1.30	8.3 %	297.05	304.40	311.76	319.11	326.46	333.81	341.17
1.25	8.1 %	309.45	317.90	327.08	337.07	348.01	360.02	373.27	1.25	8.1 %	313.97	321.67	329.37	337.07	344.77	352.47	360.17
1.20	7.8 %	325.84	335.27	345.55	356.79	369.14	382.77	397.88	1.20	7.8 %	332.55	340.63	348.71	356.79	364.87	372.96	381.04
1.11	7.3 %	363.25	375.14	388.19	402.60	418.58	436.40	456.40	1.11	7.3 %	375.71	384.67	393.64	402.60	411.56	420.53	429.49

- The growth anticipated for Hypoport is based on robust business development in all segments
- Credit platform segment (EUROPACE) in particular offers systematic potential for economies of scale and margin growth
- On this basis we assume a positive long-term margin trend
- Based on a sophisticated regional dispersion of tax obligations a low tax rate is assumed long term.

Valuation	2015	2016	2017	2018	2019e	2020e	2021e
Price / Book	4.0 x	7.0 x	8.2 x	6.5 x	9.2 x	7.6 x	6.3 x
Book value per share ex intangibles	3.40	3.72	4.41	-6.00	-3.84	0.13	5.98
EV / Sales	1.4 x	2.8 x	3.5 x	3.9 x	5.0 x	4.1 x	3.5 x
EV / EBITDA	7.8 x	15.6 x	22.6 x	26.7 x	35.4 x	26.6 x	21.0 x
EV / EBIT	10.2 x	19.0 x	29.1 x	35.6 x	48.3 x	35.1 x	27.2 x
EV / EBIT adj.*	10.2 x	19.0 x	29.1 x	35.6 x	48.3 x	35.1 x	27.2 x
P / FCF	9.8 x	45.6 x	n.a.	40.4 x	90.5 x	52.8 x	37.1 x
P / E	13.2 x	25.0 x	36.8 x	44.2 x	61.6 x	45.3 x	35.6 x
P / E adj.*	13.2 x	25.0 x	36.8 x	44.2 x	61.6 x	45.3 x	35.6 x
Dividend Yield	n.a.						
FCF Potential Yield (on market EV)	11.2 %	5.3 %	3.8 %	3.2 %	2.4 %	3.1 %	3.9 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
Sales	138.98	156.64	194.86	265.96	336.85	411.72	474.71
Change Sales yoy	23.7 %	12.7 %	24.4 %	36.5 %	26.7 %	22.2 %	15.3 %
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own work capitalised	4.66	5.66	6.99	10.71	10.11	14.16	15.19
Total Sales	143.65	162.30	201.84	276.67	346.95	425.88	489.90
Material expenses	67.31	71.44	92.57	125.78	158.82	193.10	220.74
Gross profit	76.34	90.86	109.27	150.89	188.13	232.79	269.16
<i>Gross profit margin</i>	<i>54.9 %</i>	<i>58.0 %</i>	<i>56.1 %</i>	<i>56.7 %</i>	<i>55.9 %</i>	<i>56.5 %</i>	<i>56.7 %</i>
Personnel expenses	38.22	46.36	58.56	81.75	104.09	125.35	143.36
Other operating income	2.18	3.07	4.52	3.95	7.41	8.23	9.49
Other operating expenses	15.25	19.33	25.35	34.27	43.72	52.78	57.44
Unfrequent items	0.03	0.00	0.26	0.26	0.00	0.00	0.00
EBITDA	25.08	28.24	30.12	39.09	47.73	62.89	77.85
<i>Margin</i>	<i>18.0 %</i>	<i>18.0 %</i>	<i>15.5 %</i>	<i>14.7 %</i>	<i>14.2 %</i>	<i>15.3 %</i>	<i>16.4 %</i>
Depreciation of fixed assets	1.12	1.24	1.69	2.89	3.03	2.88	3.32
EBITA	23.96	27.00	28.44	36.20	44.70	60.01	74.53
Amortisation of intangible assets	4.70	3.84	5.12	6.91	9.73	12.43	14.24
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBIT	19.26	23.16	23.32	29.29	34.96	47.57	60.29
<i>Margin</i>	<i>13.9 %</i>	<i>14.8 %</i>	<i>12.0 %</i>	<i>11.0 %</i>	<i>10.4 %</i>	<i>11.6 %</i>	<i>12.7 %</i>
EBIT adj.	19.26	23.16	23.32	29.29	34.96	47.57	60.29
Interest income	0.37	0.23	0.55	0.58	0.80	0.80	0.80
Interest expenses	0.52	0.63	0.88	1.74	1.60	1.80	1.80
Other financial income (loss)	0.00	0.08	0.00	0.00	0.20	0.20	0.20
EBT	19.10	22.84	22.99	28.13	34.36	46.77	59.49
<i>Margin</i>	<i>13.7 %</i>	<i>14.6 %</i>	<i>11.8 %</i>	<i>10.6 %</i>	<i>10.2 %</i>	<i>11.4 %</i>	<i>12.5 %</i>
Total taxes	3.24	4.76	4.56	5.67	7.63	10.38	13.21
Net income from continuing operations	15.87	18.07	18.43	22.47	26.74	36.39	46.28
Income from discontinued operations (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income before minorities	15.87	18.07	18.43	22.47	26.74	36.39	46.28
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	15.87	18.07	18.42	22.47	26.74	36.39	46.28
<i>Margin</i>	<i>11.4 %</i>	<i>11.5 %</i>	<i>9.5 %</i>	<i>8.4 %</i>	<i>7.9 %</i>	<i>8.8 %</i>	<i>9.7 %</i>
Number of shares, average	6.19	6.01	5.94	6.25	6.25	6.25	6.25
EPS	2.56	3.00	3.10	3.60	4.28	5.82	7.41
EPS adj.	2.56	3.00	3.10	3.60	4.28	5.82	7.41

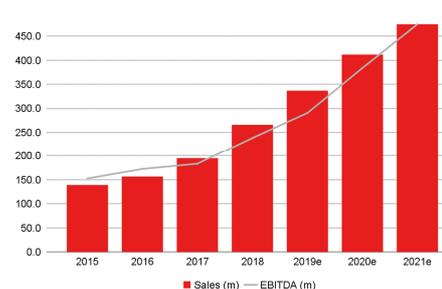
*Adjustments made for:

Guidance: 2019: Revenue between EUR 310m and 340m and EBIT between EUR 32m and 40m
Financial Ratios

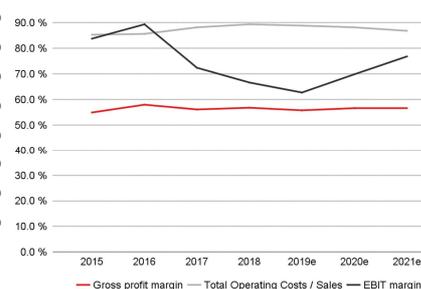
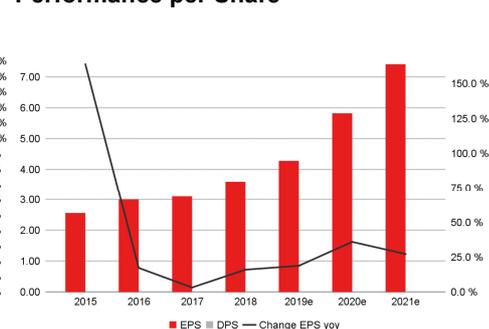
	2015	2016	2017	2018	2019e	2020e	2021e
Total Operating Costs / Sales	85.3 %	85.6 %	88.3 %	89.4 %	88.8 %	88.2 %	86.8 %
Operating Leverage	6.0 x	1.6 x	0.0 x	0.7 x	0.7 x	1.6 x	1.7 x
EBITDA / Interest expenses	48.0 x	45.0 x	34.3 x	22.5 x	29.8 x	34.9 x	43.3 x
Tax rate (EBT)	16.9 %	20.8 %	19.9 %	20.1 %	22.2 %	22.2 %	22.2 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.						

Sales, EBITDA

in EUR m


Operating Performance

in %


Performance per Share


Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

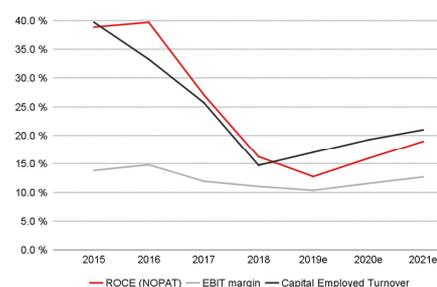
Consolidated balance sheet

In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
Assets							
Goodwill and other intangible assets	31.89	41.66	55.97	190.64	203.90	215.47	225.23
thereof other intangible assets	0.00	3.83	6.77	25.74	39.00	50.57	60.33
thereof Goodwill	0.00	0.00	24.77	140.46	140.46	140.46	140.46
Property, plant and equipment	3.04	2.63	4.45	10.33	8.82	7.46	5.66
Financial assets	0.03	1.09	1.43	0.29	0.29	0.29	0.29
Other long-term assets	1.42	3.01	4.09	12.15	12.15	12.15	12.15
Fixed assets	36.38	48.39	65.93	213.41	225.16	235.37	243.32
Inventories	0.00	0.00	0.00	0.78	0.00	0.00	0.00
Accounts receivable	32.85	38.09	49.14	54.22	68.70	83.90	96.80
Liquid assets	24.76	22.41	14.33	31.76	41.55	64.34	100.26
Other short-term assets	2.09	3.21	11.57	5.45	5.45	5.45	5.45
Current assets	59.70	63.71	75.05	92.21	115.70	153.68	202.51
Total Assets	96.10	112.10	141.00	305.60	340.90	389.10	445.80
Liabilities and shareholders' equity							
Subscribed capital	6.20	6.20	6.20	6.49	6.49	6.49	6.49
Capital reserve	2.35	2.35	2.91	50.59	50.59	50.59	50.59
Retained earnings	44.01	55.54	73.75	96.34	123.07	159.46	205.75
Other equity components	-0.16	0.05	-0.25	-0.25	-0.25	-0.25	-0.25
Shareholders' equity	52.39	64.13	82.60	153.17	179.91	216.30	262.58
Minority interest	0.27	0.27	0.31	0.31	0.31	0.31	0.31
Total equity	52.66	64.40	82.91	153.48	180.22	216.61	262.89
Provisions	0.21	0.25	0.18	0.28	0.28	0.28	0.28
thereof provisions for pensions and similar obligations	0.21	0.24	0.18	0.28	0.28	0.28	0.28
Financial liabilities (total)	11.26	10.71	16.30	80.74	84.34	87.94	91.54
thereof short-term financial liabilities	4.34	4.44	2.94	9.78	9.78	9.78	9.78
Accounts payable	20.39	18.71	23.06	31.99	36.90	45.10	52.00
Other liabilities	11.55	18.07	18.53	39.12	39.12	39.12	39.12
Liabilities	43.42	47.74	58.07	152.13	160.64	172.44	182.94
Total liabilities and shareholders' equity	96.10	112.10	141.00	305.60	340.90	389.10	445.80

Financial Ratios

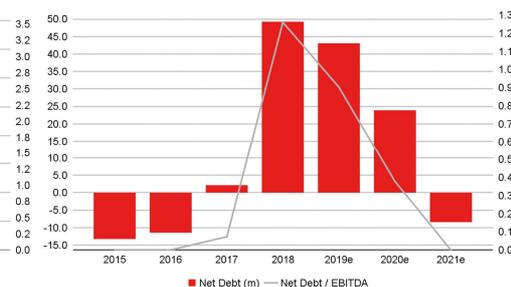
	2015	2016	2017	2018	2019e	2020e	2021e
Efficiency of Capital Employment							
Operating Assets Turnover	9.0 x	7.1 x	6.4 x	8.0 x	8.3 x	8.9 x	9.4 x
Capital Employed Turnover	3.5 x	3.0 x	2.3 x	1.3 x	1.5 x	1.7 x	1.9 x
ROA	43.6 %	37.3 %	27.9 %	10.5 %	11.9 %	15.5 %	19.0 %
Return on Capital							
ROCE (NOPAT)	38.9 %	39.7 %	27.1 %	16.3 %	12.8 %	16.0 %	19.0 %
ROE	34.9 %	31.0 %	25.1 %	19.1 %	16.1 %	18.4 %	19.3 %
Adj. ROE	34.9 %	31.0 %	25.1 %	19.1 %	16.1 %	18.4 %	19.3 %
Balance sheet quality							
Net Debt	-13.29	-11.46	2.15	49.26	43.07	23.88	-8.44
Net Financial Debt	-13.50	-11.70	1.97	48.98	42.78	23.60	-8.73
Net Gearing	-25.2 %	-17.8 %	2.6 %	32.1 %	23.9 %	11.0 %	-3.2 %
Net Fin. Debt / EBITDA	n.a.	n.a.	6.5 %	125.3 %	89.6 %	37.5 %	n.a.
Book Value / Share	8.7	10.6	13.7	24.5	28.8	34.6	42.0
Book value per share ex intangibles	3.4	3.7	4.4	-6.0	-3.8	0.1	6.0

ROCE Development



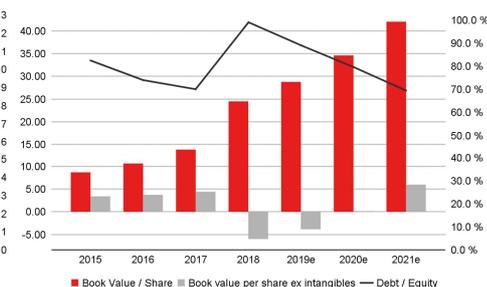
Source: Warburg Research

Net debt in EUR m



Source: Warburg Research

Book Value per Share in EUR



Source: Warburg Research

Consolidated cash flow statement

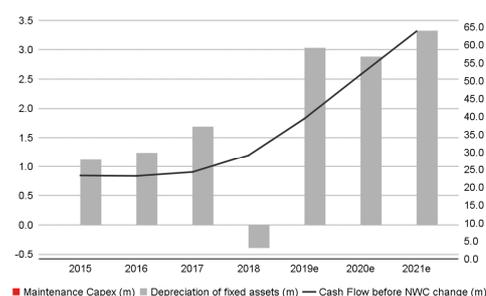
In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
Net income	15.87	18.07	18.43	22.47	26.74	36.39	46.28
Depreciation of fixed assets	1.12	1.24	1.69	-0.39	3.03	2.88	3.32
Amortisation of goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortisation of intangible assets	4.70	3.84	5.12	6.91	9.73	12.43	14.24
Increase/decrease in long-term provisions	0.00	0.03	0.00	0.10	0.00	0.00	0.00
Other non-cash income and expenses	1.60	0.00	-0.92	0.00	0.00	0.00	0.00
Cash Flow before NWC change	23.28	23.19	24.31	29.09	39.50	51.71	63.85
Increase / decrease in inventory	-1.66	0.00	0.00	-0.78	0.78	0.00	0.00
Increase / decrease in accounts receivable	0.00	-5.24	-11.05	-5.08	-14.48	-15.20	-12.90
Increase / decrease in accounts payable	4.60	-1.69	4.35	8.93	4.91	8.20	6.90
Increase / decrease in other working capital positions	0.47	2.10	-9.36	7.67	0.00	0.00	0.00
Increase / decrease in working capital (total)	3.41	-4.83	-16.06	10.75	-8.79	-7.00	-6.00
Net cash provided by operating activities [1]	26.69	18.36	8.26	39.83	30.71	44.71	57.85
Investments in intangible assets	-4.70	-7.67	-8.00	-13.70	-11.00	-12.00	-12.00
Investments in property, plant and equipment	-0.62	-0.80	-2.00	-1.52	-1.52	-1.52	-1.52
Payments for acquisitions	0.00	-5.56	-9.56	-63.26	-12.00	-12.00	-12.00
Financial investments	0.01	0.03	0.55	0.00	0.00	0.00	0.00
Income from asset disposals	0.05	0.01	0.02	0.24	0.00	0.00	0.00
Net cash provided by investing activities [2]	-7.06	-13.25	-21.19	-85.64	-24.52	-25.52	-25.52
Change in financial liabilities	-4.60	-0.50	4.85	70.51	3.60	3.60	3.60
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares	-2.30	-6.91	0.00	0.00	0.00	0.00	0.00
Capital measures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	-7.27	0.00	0.00	0.00
Net cash provided by financing activities [3]	-6.90	-7.41	4.85	63.23	3.60	3.60	3.60
Change in liquid funds [1]+[2]+[3]	12.73	-2.29	-8.08	17.43	9.79	22.79	35.93
Effects of exchange-rate changes on cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and cash equivalent at end of period	24.76	22.46	14.33	31.76	41.55	64.34	100.26

Financial Ratios

	2015	2016	2017	2018	2019e	2020e	2021e
Cash Flow							
FCF	19.59	10.69	-2.84	17.21	18.19	31.19	44.33
Free Cash Flow / Sales	15.4 %	6.3 %	-0.9 %	9.3 %	5.4 %	7.6 %	9.3 %
Free Cash Flow Potential	21.84	23.48	25.56	33.42	40.10	52.51	64.65
Free Cash Flow / Net Profit	134.7 %	54.7 %	-9.5 %	109.5 %	68.0 %	85.7 %	95.8 %
Interest Received / Avg. Cash	2.0 %	1.0 %	3.0 %	2.5 %	2.2 %	1.5 %	1.0 %
Interest Paid / Avg. Debt	3.8 %	5.7 %	6.5 %	3.6 %	1.9 %	2.1 %	2.0 %
Management of Funds							
Investment ratio	3.8 %	5.4 %	5.1 %	5.7 %	3.7 %	3.3 %	2.8 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	91.4 %	166.6 %	146.9 %	155.4 %	98.1 %	88.3 %	77.0 %
Avg. Working Capital / Sales	9.2 %	10.2 %	11.7 %	9.2 %	8.1 %	8.6 %	8.8 %
Trade Debtors / Trade Creditors	161.1 %	203.6 %	213.1 %	169.5 %	186.2 %	186.0 %	186.2 %
Inventory Turnover	n.a.	n.a.	n.a.	161.3 x	n.a.	n.a.	n.a.
Receivables collection period (days)	86	89	92	74	74	74	74
Payables payment period (days)	111	96	91	93	85	85	86
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	-16	n.a.	n.a.	n.a.

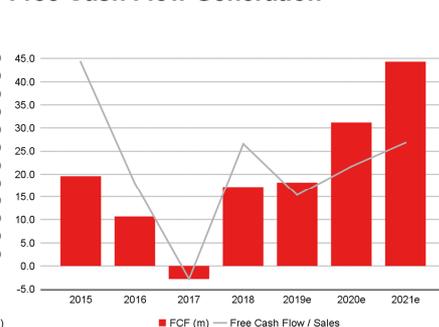
CAPEX and Cash Flow

in EUR m



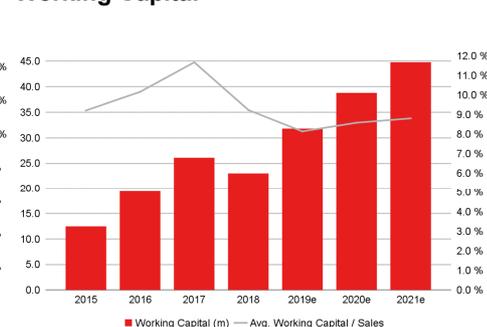
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
HYPOPORT	5, 6	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005493365.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
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“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	120	60
Hold	71	35
Sell	6	3
Rating suspended	4	2
Total	201	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	34	79
Hold	7	16
Sell	0	0
Rating suspended	2	5
Total	43	100

PRICE AND RATING HISTORY HYPOPORT AS OF 06.11.2019



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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