

<b>Buy</b>  <b>EUR 395.00</b> (EUR 375.00)  Price <b>EUR 335.50</b> <b>Upside 17.7 %</b>	<b>Value Indicators:</b> EUR DCF: 394.84	<b>Share data:</b> Bloomberg: HYQ GR Reuters: HYQGn.DE ISIN: DE0005493365	<b>Description:</b> Technology-based financial services provider
	<b>Market Snapshot:</b> EUR m Market cap: 2,096.19 No. of shares (m): 6.25 EV: 2,195.80 Freefloat MC: 1,293.35 Ø Trad. Vol. (30d): 4.00 m	<b>Shareholders:</b> Freefloat 61.7 % Revenia (Ronald Slabke) 34.6 % Treasury shares 3.7 %	<b>Risk Profile (WRe):</b> 2020e Beta: 1.1 Price / Book: 10.1 x Equity Ratio: 48 % Net Fin. Debt / EBITDA: 1.8 x Net Debt / EBITDA: 1.8 x

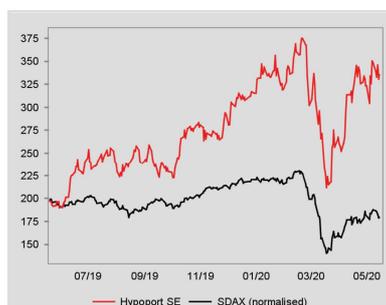
## Strong Q1 and current trading update alleviate concerns of COVID-19 impact

After the publication of the Q1 results last week and a convincing conference call with CEO Ronald Slabke afterwards, we got the impression that COVID-19 might have an even smaller impact on Hypoport than initially expected. While our last publication identified the private clients business and the credit platform as the areas most likely to suffer from the outbreak of the virus, it turned out that this was not the case and both segments performed particularly strong during the first quarter and are likely to continue along this path.

- The private clients segment demonstrated an outstanding yield on the investments made in the last two years. While the segment delivered some strong 31% sales and 127% EBIT growth in Q1, CEO Slabke emphasised the current outperformance of its B2C advisory business, owing to the high digitisation of the advisory process and the offering of video chat solutions.
- Regarding the transaction volume on the credit platform, Mr. Slabke stated that April showed rather normal volumes and contributed no outlier. As no public information on the general market for April is available yet, it remains to be seen whether Hypoport strongly outperformed the market or the market did not decline as severely as expected. However, both scenarios are positive for the company. The focus of REM capital on subsidy advice should further boost the development of this segment in the current environment.
- The growth trend in the real estate platform business is unbroken despite of COVID-19. With regards to marketing and valuation, there is still plenty of market potential and the trend for digitisation and optimisation in banks is still highly intact, resulting in strong demand and therefore growth in the segment. This in turn should drive top-line growth while we expect no significant positive EBIT impact in 2020.
- The insurance business in Q1 appeared slightly disappointing with flat revenues yoy. However, Mr. Slabke stated that this was mainly the result of transferring the payment model from yearly licensing fees to a transaction basis. Revenues should pick up again for the rest of the year, leading to FY growth of expected 19% in this segment with a slightly positive EBIT contribution.

**Assessment:** Even though we already regarded Hypoport as highly resilient when it comes to COVID-19, the actual effect appears to be even more limited. Q1 represents an excellent start to the year and the long-term investment case of ongoing top-line growth and continuous margin expansion appears perfectly intact. Therefore our Buy rating is reiterated and the PT increased to EUR 395.

Changes in Estimates:						Comment on Changes:	
FY End: 31.12. in EUR m	2020e (old)	+ / -	2021e (old)	+ / -	2022e (old)	+ / -	
Sales	402.28	4.9 %	476.73	7.0 %	622.59	-1.9 %	▪ Lower COVID-19 impact than initially anticipated
EBIT	37.22	5.4 %	51.61	8.2 %	76.26	-1.5 %	▪ Change of detailed assumptions
EPS	4.54	5.5 %	6.33	8.2 %	9.40	-1.5 %	

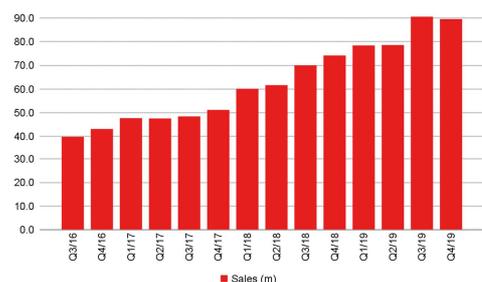


Rel. Performance vs SDAX:	
1 month:	2.8 %
6 months:	38.8 %
Year to date:	25.0 %
Trailing 12 months:	78.6 %

Company events:	
09.06.20	AGM
03.08.20	Q2
19.08.20	RS EDI/DUB
15.09.20	RS CPH/STO

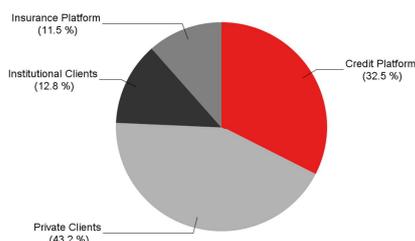
FY End: 31.12. in EUR m	CAGR (19-22e)	2016	2017	2018	2019	2020e	2021e	2022e
Sales	21.9 %	156.64	194.86	265.96	337.24	422.02	510.25	610.54
Change Sales yoy		12.7 %	24.4 %	36.5 %	26.8 %	25.1 %	20.9 %	19.7 %
Gross profit margin		58.0 %	56.1 %	56.7 %	58.9 %	57.8 %	58.6 %	59.2 %
EBITDA	22.7 %	28.24	30.12	39.09	52.22	54.54	74.27	96.57
Margin		18.0 %	15.5 %	14.7 %	15.5 %	12.9 %	14.6 %	15.8 %
EBIT	31.6 %	23.16	23.32	29.29	33.01	39.23	55.84	75.16
Margin		14.8 %	12.0 %	11.0 %	9.8 %	9.3 %	10.9 %	12.3 %
Net income	33.3 %	18.07	18.42	22.47	24.40	29.90	42.82	57.85
EPS	33.4 %	3.00	3.10	3.60	3.90	4.79	6.85	9.26
EPS adj.	33.4 %	3.00	3.10	3.60	3.90	4.79	6.85	9.26
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.
FCFPS		1.78	-0.48	2.75	3.07	0.53	4.59	8.09
FCF / Market cap		2.4 %	-0.4 %	1.7 %	1.4 %	0.2 %	1.4 %	2.4 %
EV / Sales		2.8 x	3.5 x	3.9 x	4.4 x	5.2 x	4.3 x	3.5 x
EV / EBITDA		15.6 x	22.6 x	26.7 x	28.5 x	40.3 x	29.3 x	22.2 x
EV / EBIT		19.0 x	29.1 x	35.6 x	45.0 x	56.0 x	39.0 x	28.5 x
P / E		25.0 x	36.8 x	44.2 x	57.2 x	70.0 x	49.0 x	36.2 x
P / E adj.		25.0 x	36.8 x	44.2 x	57.2 x	70.0 x	49.0 x	36.2 x
FCF Potential Yield		5.3 %	3.8 %	3.2 %	3.0 %	2.1 %	2.8 %	3.7 %
Net Debt		-11.46	2.15	49.26	90.89	99.60	82.96	44.39
ROCE (NOPAT)		39.7 %	27.1 %	16.3 %	10.9 %	10.6 %	13.5 %	17.0 %
Guidance:		2020: Revenue between EUR 400m and 440m and EBIT between EUR 35m and 40m						

## Sales development in EUR m



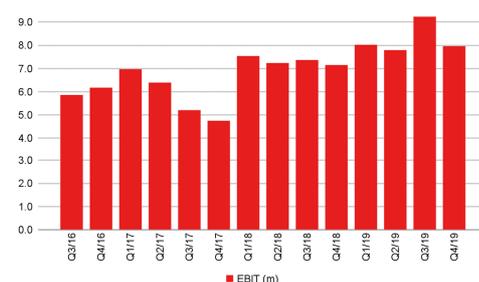
Source: Warburg Research

## Sales by Segments 2018; in %



Source: Warburg Research

## EBIT development in EUR m



Source: Warburg Research

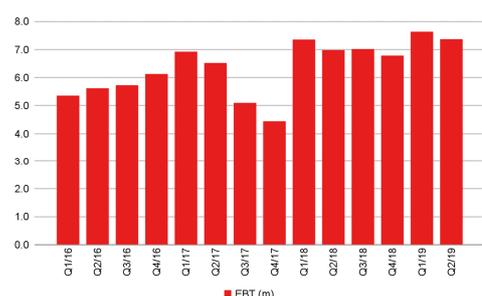
## Company Background

- 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

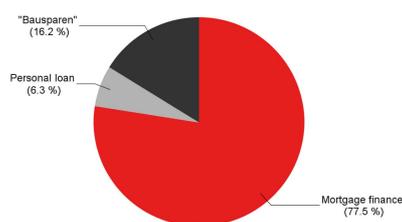
- The online B2B marketplace for property financing (EUROPACE) is the largest of its kind in Germany
- As the number of affiliated suppliers is decisive for marketplaces of this type, this forms a central competitive advantage and a considerable market entry barrier for third parties.
- The Dr. Klein 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



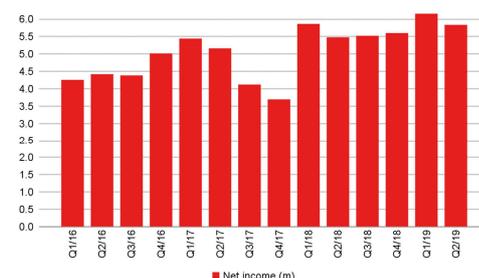
Source: Warburg Research

## 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
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	
Sales	420.07	507.89	607.72	688.23	772.92	867.07	950.31	1,027.69	1,094.49	1,149.21	1,183.69	1,207.36	1,231.51	
Sales change	24.6 %	20.9 %	19.7 %	13.2 %	12.3 %	12.2 %	9.6 %	8.1 %	6.5 %	5.0 %	3.0 %	2.0 %	2.0 %	2.0 %
EBIT	32.99	39.12	56.12	94.72	115.22	154.19	185.11	212.03	240.79	275.81	295.92	301.84	307.88	
EBIT-margin	9.3 %	11.1 %	12.4 %	13.8 %	14.9 %	17.8 %	19.5 %	20.6 %	22.0 %	24.0 %	25.0 %	25.0 %	25.0 %	
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	25.66	30.44	43.66	73.88	89.88	120.27	144.39	165.39	187.81	215.13	230.82	235.44	240.14	
Depreciation	21.56	35.14	40.45	27.53	30.92	34.68	38.01	41.11	43.78	45.97	47.35	48.29	49.26	
in % of Sales	5.1 %	6.9 %	6.7 %	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	-0.23	0.08	0.09	0.08	0.08	0.07	0.05	0.03	0.02	0.02	
Change in Liquidity from														
- Working Capital	11.92	7.60	8.70	16.02	8.47	9.42	8.32	7.74	6.68	5.47	3.45	2.37	2.41	
- Capex	30.00	25.00	20.00	27.53	30.92	34.68	38.01	41.11	43.78	45.97	47.35	48.29	49.26	
Capex in % of Sales	7.1 %	4.9 %	3.3 %	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)	5.30	32.98	55.41	57.63	81.49	110.94	136.14	157.73	181.20	209.71	227.41	233.09	237.75	243
PV of FCF	5.07	29.30	45.67	44.08	57.83	73.06	83.19	89.43	95.33	102.37	103.01	97.97	92.72	1,639
share of PVs	3.13 %			32.80 %										64.08 %

## Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.3 %	Liquidity (share)	1.20
Market return	7.00 %	Cyclicality	1.40
Risk free rate	1.50 %	Transparency	1.00
		Others	1.10
<b>WACC</b>	<b>7.77 %</b>	<b>Beta</b>	<b>1.14</b>

## Valuation (m)

Present values 2032e	919		
Terminal Value	1,639		
Financial liabilities	115		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	25	No. of shares (m)	6.2
<b>Equity Value</b>	<b>2,467</b>	<b>Value per share (EUR)</b>	<b>394.84</b>

## Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.32	8.8 %	301.19	307.36	313.96	321.05	328.68	336.92	345.85	1.32	8.8 %	301.46	309.49	317.51	325.54	333.56	341.58	349.61
1.23	8.3 %	330.55	338.06	346.15	354.88	364.34	374.62	385.83	1.23	8.3 %	333.22	341.95	350.68	359.41	368.14	376.86	385.59
1.19	8.0 %	346.94	355.27	364.26	374.00	384.58	396.12	408.75	1.19	8.0 %	351.17	360.29	369.42	378.54	387.67	396.79	405.92
1.14	7.8 %	364.66	373.92	383.94	394.84	406.72	419.73	434.03	1.14	7.8 %	370.73	380.29	389.85	399.40	408.96	418.52	428.08
1.09	7.5 %	383.86	394.19	405.40	417.64	431.03	445.76	462.04	1.09	7.5 %	392.14	402.17	412.20	422.22	432.25	442.28	452.31
1.05	7.3 %	404.74	416.29	428.89	442.68	457.85	474.60	493.21	1.05	7.3 %	415.65	426.19	436.74	447.28	457.83	468.38	478.92
0.96	6.8 %	452.41	467.04	483.12	500.90	520.63	542.68	567.47	0.96	6.8 %	470.31	482.05	493.80	505.54	517.29	529.03	540.78

- 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	2016	2017	2018	2019	2020e	2021e	2022e
Price / Book	7.0 x	8.2 x	6.5 x	7.8 x	10.1 x	8.4 x	6.8 x
Book value per share ex intangibles	3.72	4.41	-6.00	-11.24	-11.34	-8.18	-1.47
EV / Sales	2.8 x	3.5 x	3.9 x	4.4 x	5.2 x	4.3 x	3.5 x
EV / EBITDA	15.6 x	22.6 x	26.7 x	28.5 x	40.3 x	29.3 x	22.2 x
EV / EBIT	19.0 x	29.1 x	35.6 x	45.0 x	56.0 x	39.0 x	28.5 x
EV / EBIT adj.*	19.0 x	29.1 x	35.6 x	45.0 x	56.0 x	39.0 x	28.5 x
P / FCF	42.2 x	n.a.	57.8 x	72.7 x	637.4 x	73.2 x	41.5 x
P / E	25.0 x	36.8 x	44.2 x	57.2 x	70.0 x	49.0 x	36.2 x
P / E adj.*	25.0 x	36.8 x	44.2 x	57.2 x	70.0 x	49.0 x	36.2 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	5.3 %	3.8 %	3.2 %	3.0 %	2.1 %	2.8 %	3.7 %

\*Adjustments made for: -

**Consolidated profit & loss**

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
<b>Sales</b>	<b>156.64</b>	<b>194.86</b>	<b>265.96</b>	<b>337.24</b>	<b>422.02</b>	<b>510.25</b>	<b>610.54</b>
Change Sales yoy	12.7 %	24.4 %	36.5 %	26.8 %	25.1 %	20.9 %	19.7 %
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own work capitalised	5.66	6.99	10.71	16.58	13.50	16.33	19.54
<b>Total Sales</b>	<b>162.30</b>	<b>201.84</b>	<b>276.67</b>	<b>353.82</b>	<b>435.52</b>	<b>526.58</b>	<b>630.07</b>
Material expenses	71.44	92.57	125.78	155.32	191.45	227.52	268.49
<b>Gross profit</b>	<b>90.86</b>	<b>109.27</b>	<b>150.89</b>	<b>198.50</b>	<b>244.08</b>	<b>299.06</b>	<b>361.58</b>
<i>Gross profit margin</i>	<i>58.0 %</i>	<i>56.1 %</i>	<i>56.7 %</i>	<i>58.9 %</i>	<i>57.8 %</i>	<i>58.6 %</i>	<i>59.2 %</i>
Personnel expenses	46.36	58.56	81.75	106.64	141.67	168.03	198.09
Other operating income	3.07	4.52	3.95	3.03	5.74	6.81	8.03
Other operating expenses	19.33	25.35	34.27	42.06	53.61	63.58	74.95
Unfrequent items	0.00	0.26	0.26	-0.62	0.00	0.00	0.00
<b>EBITDA</b>	<b>28.24</b>	<b>30.12</b>	<b>39.09</b>	<b>52.22</b>	<b>54.54</b>	<b>74.27</b>	<b>96.57</b>
<i>Margin</i>	<i>18.0 %</i>	<i>15.5 %</i>	<i>14.7 %</i>	<i>15.5 %</i>	<i>12.9 %</i>	<i>14.6 %</i>	<i>15.8 %</i>
Depreciation of fixed assets	1.24	1.69	2.89	9.69	3.83	4.54	5.35
<b>EBITA</b>	<b>27.00</b>	<b>28.44</b>	<b>36.20</b>	<b>42.52</b>	<b>50.71</b>	<b>69.73</b>	<b>91.22</b>
Amortisation of intangible assets	3.84	5.12	6.91	9.52	11.49	13.89	16.06
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBIT</b>	<b>23.16</b>	<b>23.32</b>	<b>29.29</b>	<b>33.01</b>	<b>39.23</b>	<b>55.84</b>	<b>75.16</b>
<i>Margin</i>	<i>14.8 %</i>	<i>12.0 %</i>	<i>11.0 %</i>	<i>9.8 %</i>	<i>9.3 %</i>	<i>10.9 %</i>	<i>12.3 %</i>
<b>EBIT adj.</b>	<b>23.16</b>	<b>23.32</b>	<b>29.29</b>	<b>33.01</b>	<b>39.23</b>	<b>55.84</b>	<b>75.16</b>
Interest income	0.23	0.55	0.58	0.51	0.80	0.80	0.80
Interest expenses	0.63	0.88	1.74	2.07	1.80	1.80	1.80
Other financial income (loss)	0.08	0.00	0.00	0.00	0.20	0.20	0.20
<b>EBT</b>	<b>22.84</b>	<b>22.99</b>	<b>28.13</b>	<b>31.44</b>	<b>38.43</b>	<b>55.04</b>	<b>74.36</b>
<i>Margin</i>	<i>14.6 %</i>	<i>11.8 %</i>	<i>10.6 %</i>	<i>9.3 %</i>	<i>9.1 %</i>	<i>10.8 %</i>	<i>12.2 %</i>
Total taxes	4.76	4.56	5.67	7.04	8.53	12.22	16.51
<b>Net income from continuing operations</b>	<b>18.07</b>	<b>18.43</b>	<b>22.47</b>	<b>24.40</b>	<b>29.90</b>	<b>42.82</b>	<b>57.85</b>
Income from discontinued operations (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net income before minorities</b>	<b>18.07</b>	<b>18.43</b>	<b>22.47</b>	<b>24.40</b>	<b>29.90</b>	<b>42.82</b>	<b>57.85</b>
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net income</b>	<b>18.07</b>	<b>18.42</b>	<b>22.47</b>	<b>24.40</b>	<b>29.90</b>	<b>42.82</b>	<b>57.85</b>
<i>Margin</i>	<i>11.5 %</i>	<i>9.5 %</i>	<i>8.4 %</i>	<i>7.2 %</i>	<i>7.1 %</i>	<i>8.4 %</i>	<i>9.5 %</i>
Number of shares, average	6.01	5.94	6.25	6.25	6.25	6.25	6.25
<b>EPS</b>	<b>3.00</b>	<b>3.10</b>	<b>3.60</b>	<b>3.90</b>	<b>4.79</b>	<b>6.85</b>	<b>9.26</b>
EPS adj.	3.00	3.10	3.60	3.90	4.79	6.85	9.26

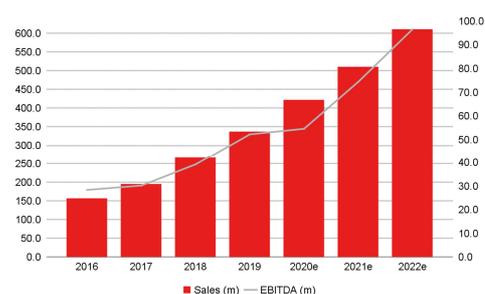
\*Adjustments made for:

**Guidance: 2020: Revenue between EUR 400m and 440m and EBIT between EUR 35m and 40m**
**Financial Ratios**

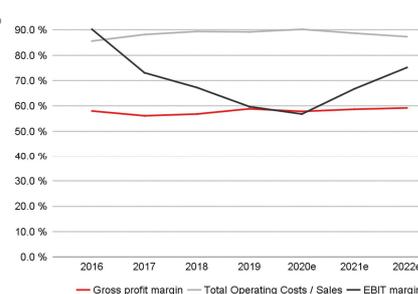
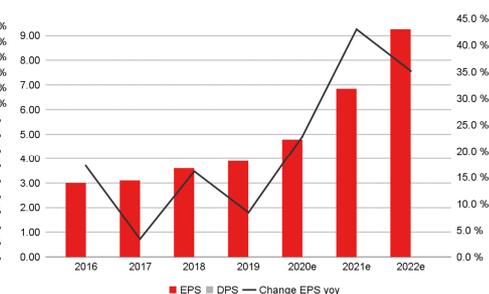
	2016	2017	2018	2019	2020e	2021e	2022e
Total Operating Costs / Sales	85.6 %	88.3 %	89.4 %	89.2 %	90.3 %	88.6 %	87.4 %
Operating Leverage	1.6 x	0.0 x	0.7 x	0.5 x	0.7 x	2.0 x	1.8 x
EBITDA / Interest expenses	45.0 x	34.3 x	22.5 x	25.2 x	30.3 x	41.3 x	53.7 x
Tax rate (EBT)	20.8 %	19.9 %	20.1 %	22.4 %	22.2 %	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

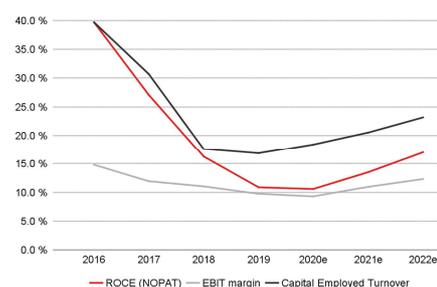
## Consolidated balance sheet

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
<b>Assets</b>							
Goodwill and other intangible assets	41.66	55.97	190.64	248.24	278.75	301.87	317.80
thereof other intangible assets	3.83	6.77	25.74	14.64	45.15	68.27	84.20
thereof Goodwill	0.00	24.77	140.46	186.40	186.40	186.40	186.40
Property, plant and equipment	2.63	4.45	10.33	34.99	31.16	26.62	21.26
Financial assets	1.09	1.43	0.29	0.19	0.19	0.19	0.19
Other long-term assets	3.01	4.09	12.15	14.14	14.14	14.14	14.14
<b>Fixed assets</b>	<b>48.39</b>	<b>65.93</b>	<b>213.41</b>	<b>297.56</b>	<b>324.25</b>	<b>342.82</b>	<b>353.40</b>
Inventories	0.00	0.00	0.78	1.09	0.00	0.00	0.00
Accounts receivable	38.09	49.14	54.22	63.07	86.00	104.00	124.50
Liquid assets	22.41	14.33	31.76	24.89	19.78	40.03	82.19
Other short-term assets	3.21	11.57	5.45	4.97	4.97	4.97	4.97
<b>Current assets</b>	<b>63.71</b>	<b>75.05</b>	<b>92.21</b>	<b>94.02</b>	<b>110.75</b>	<b>149.00</b>	<b>211.66</b>
<b>Total Assets</b>	<b>112.10</b>	<b>141.00</b>	<b>305.60</b>	<b>391.60</b>	<b>435.00</b>	<b>491.80</b>	<b>565.10</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	6.20	6.20	6.49	6.49	6.49	6.49	6.49
Capital reserve	2.35	2.91	50.59	51.11	51.11	51.11	51.11
Retained earnings	55.54	73.75	96.34	120.67	150.57	193.39	251.24
Other equity components	0.05	-0.25	-0.25	-0.24	-0.24	-0.24	-0.24
Shareholders' equity	64.13	82.60	153.17	178.03	207.93	250.75	308.60
Minority interest	0.27	0.31	0.31	0.34	0.34	0.34	0.34
<b>Total equity</b>	<b>64.40</b>	<b>82.91</b>	<b>153.48</b>	<b>178.38</b>	<b>208.27</b>	<b>251.09</b>	<b>308.94</b>
Provisions	0.25	0.18	0.28	0.92	0.92	0.92	0.92
thereof provisions for pensions and similar obligations	0.24	0.18	0.28	0.92	0.92	0.92	0.92
Financial liabilities (total)	10.71	16.30	80.74	114.87	118.47	122.07	125.67
thereof short-term financial liabilities	4.44	2.94	9.78	16.41	16.41	16.41	16.41
Accounts payable	18.71	23.06	31.99	39.58	49.50	59.90	71.70
Other liabilities	18.07	18.53	39.12	57.84	57.84	57.84	57.84
<b>Liabilities</b>	<b>47.74</b>	<b>58.07</b>	<b>152.13</b>	<b>213.20</b>	<b>226.72</b>	<b>240.72</b>	<b>256.12</b>
<b>Total liabilities and shareholders' equity</b>	<b>112.10</b>	<b>141.00</b>	<b>305.60</b>	<b>391.60</b>	<b>435.00</b>	<b>491.80</b>	<b>565.10</b>

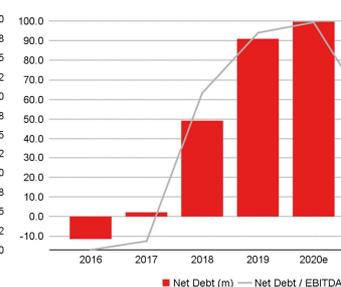
## Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	7.1 x	6.4 x	8.0 x	5.7 x	6.2 x	7.2 x	8.2 x
Capital Employed Turnover	3.0 x	2.3 x	1.3 x	1.3 x	1.4 x	1.5 x	1.7 x
ROA	37.3 %	27.9 %	10.5 %	8.2 %	9.2 %	12.5 %	16.4 %
<b>Return on Capital</b>							
ROCE (NOPAT)	39.7 %	27.1 %	16.3 %	10.9 %	10.6 %	13.5 %	17.0 %
ROE	31.0 %	25.1 %	19.1 %	14.7 %	15.5 %	18.7 %	20.7 %
Adj. ROE	31.0 %	25.1 %	19.1 %	14.7 %	15.5 %	18.7 %	20.7 %
<b>Balance sheet quality</b>							
Net Debt	-11.46	2.15	49.26	90.89	99.60	82.96	44.39
Net Financial Debt	-11.70	1.97	48.98	89.98	98.69	82.04	43.47
Net Gearing	-17.8 %	2.6 %	32.1 %	51.0 %	47.8 %	33.0 %	14.4 %
Net Fin. Debt / EBITDA	n.a.	6.5 %	125.3 %	172.3 %	180.9 %	110.5 %	45.0 %
Book Value / Share	10.6	13.7	24.5	28.5	33.3	40.1	49.4
Book value per share ex intangibles	3.7	4.4	-6.0	-11.2	-11.3	-8.2	-1.5

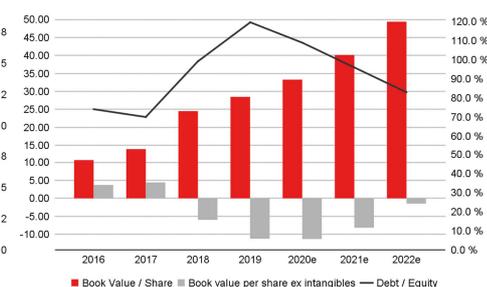
### ROCE Development



### Net debt in EUR m



### Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

### Consolidated cash flow statement

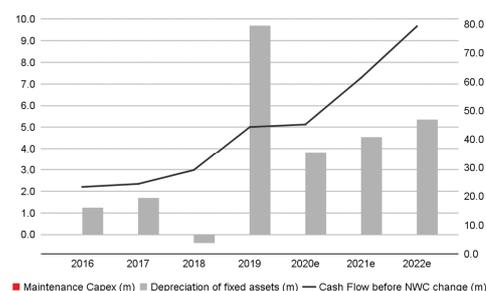
In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Net income	18.07	18.43	22.47	24.40	29.90	42.82	57.85
Depreciation of fixed assets	1.24	1.69	-0.39	9.69	3.83	4.54	5.35
Amortisation of goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortisation of intangible assets	3.84	5.12	6.91	9.52	11.49	13.89	16.06
Increase/decrease in long-term provisions	0.03	0.00	0.10	0.63	0.00	0.00	0.00
Other non-cash income and expenses	0.00	-0.92	0.00	0.00	0.00	0.00	0.00
<b>Cash Flow before NWC change</b>	<b>23.19</b>	<b>24.31</b>	<b>29.09</b>	<b>44.24</b>	<b>45.21</b>	<b>61.25</b>	<b>79.27</b>
Increase / decrease in inventory	0.00	0.00	-0.78	-0.31	1.09	0.00	0.00
Increase / decrease in accounts receivable	-5.24	-11.05	-5.08	-8.85	-22.93	-18.00	-20.50
Increase / decrease in accounts payable	-1.69	4.35	8.93	7.59	9.92	10.40	11.80
Increase / decrease in other working capital positions	2.10	-9.36	7.67	3.53	0.00	0.00	0.00
Increase / decrease in working capital (total)	-4.83	-16.06	10.75	1.97	-11.92	-7.60	-8.70
<b>Net cash provided by operating activities [1]</b>	<b>18.36</b>	<b>8.26</b>	<b>39.83</b>	<b>46.21</b>	<b>33.29</b>	<b>53.65</b>	<b>70.57</b>
Investments in intangible assets	-7.67	-8.00	-13.70	-27.02	-30.00	-25.00	-20.00
Investments in property, plant and equipment	-0.80	-2.00	-1.52	0.00	0.00	0.00	0.00
Payments for acquisitions	-5.56	-9.56	-63.26	-33.04	-12.00	-12.00	-12.00
Financial investments	0.03	0.55	0.00	0.02	0.00	0.00	0.00
Income from asset disposals	0.01	0.02	0.24	0.20	0.00	0.00	0.00
<b>Net cash provided by investing activities [2]</b>	<b>-13.25</b>	<b>-21.19</b>	<b>-85.64</b>	<b>-59.88</b>	<b>-42.00</b>	<b>-37.00</b>	<b>-32.00</b>
Change in financial liabilities	-0.50	4.85	70.51	23.50	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	-6.91	0.00	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	-7.27	-16.72	0.00	0.00	0.00
<b>Net cash provided by financing activities [3]</b>	<b>-7.41</b>	<b>4.85</b>	<b>63.23</b>	<b>6.78</b>	<b>3.60</b>	<b>3.60</b>	<b>3.60</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-2.29</b>	<b>-8.08</b>	<b>17.43</b>	<b>-6.90</b>	<b>-5.11</b>	<b>20.25</b>	<b>42.17</b>
Effects of exchange-rate changes on cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash and cash equivalent at end of period</b>	<b>22.46</b>	<b>14.33</b>	<b>31.76</b>	<b>24.86</b>	<b>19.78</b>	<b>40.03</b>	<b>82.19</b>

### Financial Ratios

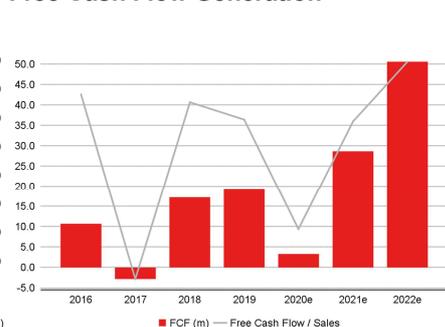
	2016	2017	2018	2019	2020e	2021e	2022e
<b>Cash Flow</b>							
FCF	10.69	-2.84	17.21	19.19	3.29	28.65	50.57
Free Cash Flow / Sales	6.8 %	-1.5 %	6.5 %	5.7 %	0.8 %	5.6 %	8.3 %
Free Cash Flow Potential	23.48	25.56	33.42	45.18	46.01	62.05	80.07
Free Cash Flow / Net Profit	59.2 %	-15.4 %	76.6 %	78.6 %	11.0 %	66.9 %	87.4 %
Interest Received / Avg. Cash	1.0 %	3.0 %	2.5 %	1.8 %	3.6 %	2.7 %	1.3 %
Interest Paid / Avg. Debt	5.7 %	6.5 %	3.6 %	2.1 %	1.5 %	1.5 %	1.5 %
<b>Management of Funds</b>							
Investment ratio	5.4 %	5.1 %	5.7 %	8.0 %	7.1 %	4.9 %	3.3 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	166.6 %	146.9 %	155.4 %	140.7 %	195.9 %	135.7 %	93.4 %
Avg. Working Capital / Sales	10.2 %	11.7 %	9.2 %	7.1 %	7.2 %	7.9 %	7.9 %
Trade Debtors / Trade Creditors	203.6 %	213.1 %	169.5 %	159.3 %	173.7 %	173.6 %	173.6 %
Inventory Turnover	n.a.	n.a.	161.3 x	142.9 x	n.a.	n.a.	n.a.
Receivables collection period (days)	89	92	74	68	74	74	74
Payables payment period (days)	96	91	93	93	94	96	97
Cash conversion cycle (Days)	n.a.	n.a.	-16	-22	n.a.	n.a.	n.a.

### CAPEX and Cash Flow

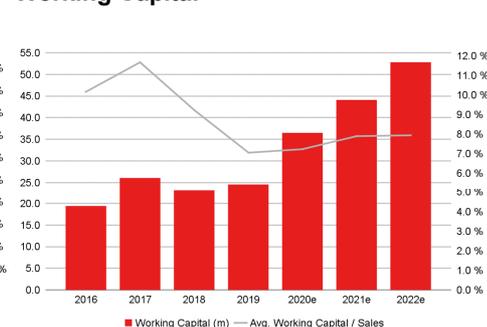
in EUR m



### Free Cash Flow Generation



### Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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

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

Rating	Number of stocks	% of Universe
Buy	130	63
Hold	60	29
Sell	9	4
Rating suspended	6	3
<b>Total</b>	<b>205</b>	<b>100</b>

**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	81
Hold	5	12
Sell	0	0
Rating suspended	3	7
<b>Total</b>	<b>42</b>	<b>100</b>

**PRICE AND RATING HISTORY HYPOPORT AS OF 18.05.2020**


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.

**EQUITIES**

**Matthias Rode** +49 40 3282-2678  
Head of Equities mrode@mmwarburg.com

**RESEARCH**

**Michael Heider** +49 40 309537-280  
Head of Research mheider@warburg-research.com

**Henner Rüschemeyer** +49 40 309537-270  
Head of Research hrueschmeier@warburg-research.com

**Jan Bauer** +49 40 309537-155  
Renewables jbauer@warburg-research.com

**Jonas Blum** +49 40 309537-240  
Telco, Construction jblum@warburg-research.com

**Christian Cohrs** +49 40 309537-175  
Industrials & Transportation ccohrs@warburg-research.com

**Felix Ellmann** +49 40 309537-120  
Software, IT fellmann@warburg-research.com

**Jörg Philipp Frey** +49 40 309537-258  
Retail, Consumer Goods jfrey@warburg-research.com

**Marius Fuhrberg** +49 40 309537-185  
Financial Services mfuhrberg@warburg-research.com

**Mustafa Hidir** +49 40 309537-230  
Automobiles, Car Suppliers mhidir@warburg-research.com

**Ulrich Huwald** +49 40 309537-255  
Health Care, Pharma uhuwald@warburg-research.com

**Philipp Kaiser** +49 40 309537-260  
Real Estate pkaiser@warburg-research.com

**Thilo Kleibauer** +49 40 309537-257  
Retail, Consumer Goods tkleibauer@warburg-research.com

**Eggert Kuls** +49 40 309537-256  
Engineering ekuls@warburg-research.com

**Andreas Pläsier** +49 40 309537-246  
Banks, Financial Services aplaesier@warburg-research.com

**Malte Schaumann** +49 40 309537-170  
Technology mschaumann@warburg-research.com

**Patrick Schmidt** +49 40 309537-125  
Leisure, Internet pschmidt@warburg-research.com

**Oliver Schwarz** +49 40 309537-250  
Chemicals, Agriculture oschwarz@warburg-research.com

**Simon Stippig** +49 40 309537-265  
Real Estate sstippig@warburg-research.com

**Cansu Tatar** +49 40 309537-248  
Cap. Goods, Engineering ctatar@warburg-research.com

**Marc-René Tonn** +49 40 309537-259  
Automobiles, Car Suppliers mtonn@warburg-research.com

**Robert-Jan van der Horst** +49 40 309537-290  
Technology rvanderhorst@warburg-research.com

**Andreas Wolf** +49 40 309537-140  
Software, IT awolf@warburg-research.com

**INSTITUTIONAL EQUITY SALES**

**Marc Niemann** +49 40 3282-2660  
Head of Equity Sales, Germany mniemann@mmwarburg.com

**Klaus Schilling** +49 40 3282-2664  
Head of Equity Sales, Germany kschilling@mmwarburg.com

**Tim Beckmann** +49 40 3282-2665  
United Kingdom tbeckmann@mmwarburg.com

**Lyubka Bogdanova** +49 69 5050-7411  
Ireland, Poland, Australia lbogdanova@mmwarburg.com

**Jens Buchmüller** +49 69 5050-7415  
Scandinavia, Austria jbuchmueller@mmwarburg.com

**Alexander Eschweiler** +49 40 3282-2669  
Germany, Luxembourg aeschweiler@mmwarburg.com

**Matthias Fritsch** +49 40 3282-2696  
United Kingdom mfritsch@mmwarburg.com

**Tobias Hald** +49 40 3282-2695  
United Kingdom thald@mmwarburg.com

**Maximilian Martin** +49 69 5050-7413  
Austria, Poland mmartin@mmwarburg.com

**Christopher Seedorf** +49 69 5050-7414  
Switzerland cseedorf@mmwarburg.com

**Sophie Hauer** +49 69 5050-7417  
Roadshow/Marketing shauer@mmwarburg.com

**Juliane Niemann** +49 40 3282-2694  
Roadshow/Marketing jniemann@mmwarburg.com

**SALES TRADING**

**Oliver Merckel** +49 40 3282-2634  
Head of Sales Trading omerckel@mmwarburg.com

**Elyaz Dust** +49 40 3282-2702  
Sales Trading edust@mmwarburg.com

**Michael Ilgenstein** +49 40 3282-2700  
Sales Trading milgenstein@mmwarburg.com

**Marcel Magiera** +49 40 3282-2662  
Sales Trading mmagiera@mmwarburg.com

**Bastian Quast** +49 40 3282-2701  
Sales Trading bquast@mmwarburg.com

**Jörg Treptow** +49 40 3282-2658  
Sales Trading jtreptow@mmwarburg.com

**MACRO RESEARCH**

**Carsten Klude** +49 40 3282-2572  
Macro Research cklude@mmwarburg.com

**Dr. Christian Jasperneite** +49 40 3282-2439  
Investment Strategy cjasperneite@mmwarburg.com

**Our research can be found under:**

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Capital IQ [www.capitaliq.com](https://www.capitaliq.com)

**For access please contact:**

**Andrea Schaper** +49 40 3282-2632  
Sales Assistance aschaper@mmwarburg.com

**Kerstin Muthig** +49 40 3282-2703  
Sales Assistance kmuthig@mmwarburg.com