

Buy EUR 490.00 (EUR 395.00) Price EUR 418.50 Upside 17.1 %	Value Indicators: EUR DCF: 489.31	Share data: Bloomberg: HYQ GR Reuters: HYQGn.DE ISIN: DE0005493365	Description: Technology-based financial services provider
	Market Snapshot: EUR m Market cap: 2,614.78 No. of shares (m): 6.25 EV: 2,714.68 Freefloat MC: 1,613.32 Ø Trad. Vol. (30d): 3.55 m	Shareholders: Freefloat 61.7 % Revenia (Ronald Slabke) 34.6 % Treasury shares 3.7 %	Risk Profile (WRe): 2020e Beta: 1.1 Price / Book: 12.6 x Equity Ratio: 48 % Net Fin. Debt / EBITDA: 1.8 x Net Debt / EBITDA: 1.8 x

Long-term growth story remains unaffected by COVID-19; PT up

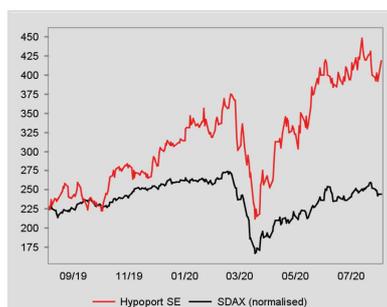
Hypoport reported half-year figures and held a conference call yesterday (03.08.2020). Afterwards, we updated our financial model to reflect the recent developments and our impressions. Final figures for Q2 were roughly in line with expectations (see yesterday's first glance) and, given the outbreak of the COVID-19 pandemic and the economic downturn, it was still a successful quarter. This was especially reflected in comparably weak figures in the real estate platform segment, which is most severely affected by the crisis. Nevertheless with sales growth of some 21% and 8% EBIT growth, the impact of the crisis on Hypoport was limited, which proves the robustness of its business model.

In the conference call, Hypoport's CEO Ronald Slabke once again made a convincing impression and pointed out that, besides the current negative effects of the COVID-19 environment, the situation could also have a positive effect on the company by increasing the general need for digitisation of business processes in the customer industries. Further noteworthy points were:

- Credit platform growth rates should be expected at H1 levels (+21%) rather than Q2 levels (+12%), resulting from a continuation of strong growth in the real estate financing area but also recent requests at REM capital to become revenue effective in H2.
- The real estate platform, and especially valuation services, suffered significantly from the shutdown and contact restrictions. However, the permission of digital inspection in the valuation process represented a big step towards greater efficiency and the digitisation of the whole process. Furthermore, the CEO pointed to the segment's considerable growth opportunities and growth rates should pick up significantly as soon as in H2. High double-digit growth rates seem possible over the next years.
- While the insurance platform showed only a low level top-line growth of +10% and an EBIT loss of EUR -0.8m in H1, the target for the full year remains breakeven. However, the long-term story of the segment is intact and it should only be a matter of time before signings with larger insurance brokerage companies are announced and growth momentum starts to increase.

Assessment: Assuming there is no second pandemic-related shut-down in Germany, Q2 should clearly have constituted the weakest quarter for the company. The strong impression we gained, was also underlined by the confirmation of the guidance for 2020. While only minor adjustments were made in our assumptions for the current year, our mid to long-term estimates for the top and bottom lines were lifted based on the excellent growth prospects. Building on our new PT of EUR 490, Buy rating is reiterated.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2020e (old)	+ / -	2021e (old)	+ / -	2022e (old)	+ / -	
Sales	422.02	-0.3 %	510.25	1.2 %	610.54	0.7 %	<ul style="list-style-type: none"> ▪ Short-term adjustments include higher profitability in the private clients segment and a lower margin assumption for the real estate platform ▪ Increase in mid to long-term assumptions is based on the clearer growth path in the real estate platform and continued growth in the credit platform and private clients segments
EBIT	39.23	-0.5 %	55.84	3.5 %	75.16	4.3 %	
EPS	4.79	-1.7 %	6.85	2.9 %	9.26	3.8 %	



Rel. Performance vs SDAX:	
1 month:	3.6 %
6 months:	30.2 %
Year to date:	39.8 %
Trailing 12 months:	76.0 %

Company events:	
19.08.20	RS Call
15.09.20	RS CPH/STO
02.11.20	Q3

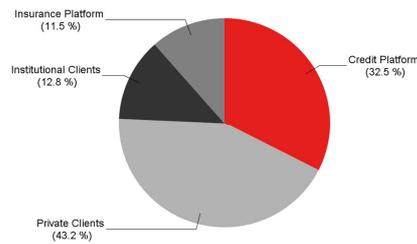
FY End: 31.12. in EUR m	CAGR (19-22e)	2016	2017	2018	2019	2020e	2021e	2022e
Sales	22.1 %	156.64	194.86	265.96	337.24	420.59	516.16	614.57
Change Sales yoy		12.7 %	24.4 %	36.5 %	26.8 %	24.7 %	22.7 %	19.1 %
Gross profit margin		58.0 %	56.1 %	56.7 %	58.9 %	57.8 %	58.7 %	59.4 %
EBITDA	24.1 %	28.24	30.12	39.09	52.22	54.31	76.15	99.81
Margin		18.0 %	15.5 %	14.7 %	15.5 %	12.9 %	14.8 %	16.2 %
EBIT	33.4 %	23.16	23.32	29.29	33.01	39.04	57.81	78.36
Margin		14.8 %	12.0 %	11.0 %	9.8 %	9.3 %	11.2 %	12.8 %
Net income	35.0 %	18.07	18.42	22.47	24.40	29.44	44.04	60.03
EPS	35.1 %	3.00	3.10	3.60	3.90	4.71	7.05	9.61
EPS adj.	35.1 %	3.00	3.10	3.60	3.90	4.71	7.05	9.61
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.						
FCF / Market cap		2.4 %	-0.4 %	1.7 %	1.4 %	0.1 %	1.1 %	2.0 %
EV / Sales		2.8 x	3.5 x	3.9 x	4.4 x	6.5 x	5.2 x	4.3 x
EV / EBITDA		15.6 x	22.6 x	26.7 x	28.5 x	50.0 x	35.4 x	26.6 x
EV / EBIT		19.0 x	29.1 x	35.6 x	45.0 x	69.5 x	46.7 x	33.9 x
P / E		25.0 x	36.8 x	44.2 x	57.2 x	88.9 x	59.4 x	43.5 x
P / E adj.		25.0 x	36.8 x	44.2 x	57.2 x	88.9 x	59.4 x	43.5 x
FCF Potential Yield		5.3 %	3.8 %	3.2 %	3.0 %	1.7 %	2.4 %	3.1 %
Net Debt		-11.46	2.15	49.26	90.89	99.91	82.83	41.95
ROCE (NOPAT)		39.7 %	27.1 %	16.3 %	10.9 %	10.5 %	14.0 %	17.7 %
Guidance:	2020: Revenue between EUR 400m and 440m and EBIT between EUR 35m and 40m							

Sales development in EUR m



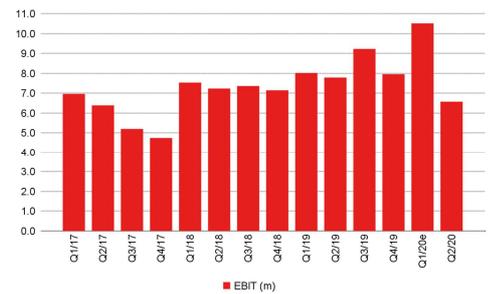
Source: Warburg Research

Sales by Segments 2018; in %



Source: Warburg Research

EBIT development in EUR m



Source: Warburg Research

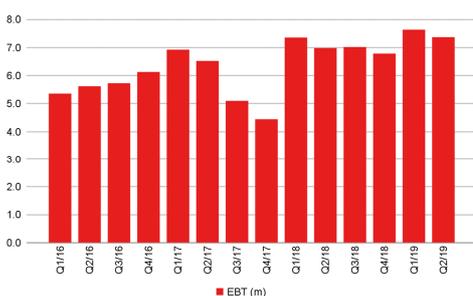
Company Background

- 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

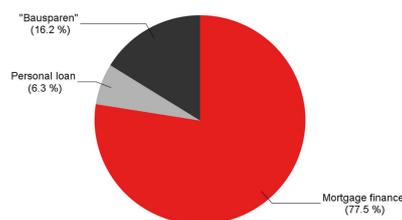
- The online B2B marketplace for property financing (EUROPACE) is the largest of its kind in Germany
- As the number of affiliated suppliers is decisive for marketplaces of this type, this forms a central competitive advantage and a considerable market entry barrier for third parties.
- The Dr. Klein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



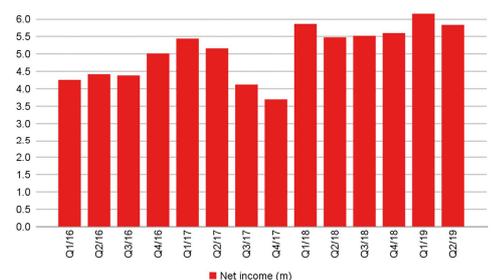
Source: Warburg Research

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	418.64	513.77	611.73	702.13	789.53	887.16	973.77	1,054.26	1,122.78	1,167.69	1,202.72	1,226.78	1,251.31	
Sales change	24.1 %	22.7 %	19.1 %	14.8 %	12.4 %	12.4 %	9.8 %	8.3 %	6.5 %	4.0 %	3.0 %	2.0 %	2.0 %	2.0 %
EBIT	32.99	38.94	57.79	102.64	126.44	165.75	195.06	225.07	247.01	280.25	300.68	306.69	312.83	
EBIT-margin	9.3 %	11.2 %	12.7 %	14.6 %	16.0 %	18.7 %	20.0 %	21.3 %	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	30.30	44.96	80.06	98.63	129.29	152.15	175.55	192.67	218.59	234.53	239.22	244.01	
Depreciation	21.32	37.20	42.02	28.09	31.58	35.49	38.95	42.17	44.91	46.71	48.11	49.07	50.05	
in % of Sales	5.1 %	7.2 %	6.9 %	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	-0.21	0.09	0.10	0.09	0.08	0.07	0.04	0.04	0.02	0.02	
Change in Liquidity from														
- Working Capital	11.72	8.30	8.60	17.01	8.74	9.76	8.66	8.05	6.85	4.49	3.50	2.41	2.45	
- Capex	30.00	25.00	20.00	28.09	31.58	35.49	38.95	42.17	44.91	46.71	48.11	49.07	50.05	
Capex in % of Sales	7.2 %	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)	5.26	34.20	58.38	62.83	89.97	119.62	143.57	167.59	185.89	214.15	231.06	236.84	241.58	246
PV of FCF	5.15	31.24	49.82	50.10	67.03	83.26	93.37	101.82	105.52	113.58	114.50	109.66	104.50	2,119
share of PVs	2.74 %			29.96 %										67.30 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	6.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.3 %	Liquidity (share)	1.20
Market return	7.00 %	Cyclicality	1.00
Risk free rate	1.50 %	Transparency	1.00
		Others	1.10
WACC	7.03 %	Beta	1.06

Valuation (m)

Present values 2032e	1,030		
Terminal Value	2,119		
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
Equity Value	3,057	Value per share (EUR)	489.31

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
1.25	8.0 %	363.02	371.61	380.88	390.92	401.83	413.73	426.75	1.25	8.0 %	367.48	376.92	386.36	395.80	405.24	414.68	424.13
1.16	7.5 %	400.76	411.39	422.94	435.53	449.32	464.48	481.23	1.16	7.5 %	409.36	419.73	430.09	440.45	450.81	461.18	471.54
1.11	7.3 %	422.07	433.96	446.92	461.11	476.71	493.94	513.08	1.11	7.3 %	433.38	444.27	455.16	466.05	476.94	487.83	498.72
1.06	7.0 %	445.31	458.65	473.25	489.31	507.04	526.73	548.73	1.06	7.0 %	459.85	471.32	482.79	494.26	505.73	517.20	528.67
1.01	6.8 %	470.72	485.75	502.28	520.53	540.80	563.43	588.88	1.01	6.8 %	489.17	501.28	513.39	525.50	537.61	549.72	561.83
0.96	6.5 %	498.62	515.63	534.42	555.29	578.59	604.78	634.43	0.96	6.5 %	521.81	534.63	547.46	560.28	573.10	585.92	598.75
0.87	6.0 %	563.48	585.58	610.28	638.03	669.46	705.33	746.67	0.87	6.0 %	599.51	614.03	628.55	643.06	657.58	672.09	686.61

- 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	12.6 x	10.4 x	8.4 x
Book value per share ex intangibles	3.72	4.41	-6.00	-11.24	-11.41	-8.09	-1.02
EV / Sales	2.8 x	3.5 x	3.9 x	4.4 x	6.5 x	5.2 x	4.3 x
EV / EBITDA	15.6 x	22.6 x	26.7 x	28.5 x	50.0 x	35.4 x	26.6 x
EV / EBIT	19.0 x	29.1 x	35.6 x	45.0 x	69.5 x	46.7 x	33.9 x
EV / EBIT adj.*	19.0 x	29.1 x	35.6 x	45.0 x	69.5 x	46.7 x	33.9 x
P / FCF	42.2 x	n.a.	57.8 x	72.7 x	875.9 x	89.9 x	49.4 x
P / E	25.0 x	36.8 x	44.2 x	57.2 x	88.9 x	59.4 x	43.5 x
P / E adj.*	25.0 x	36.8 x	44.2 x	57.2 x	88.9 x	59.4 x	43.5 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 %	1.7 %	2.4 %	3.1 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Sales	156.64	194.86	265.96	337.24	420.59	516.16	614.57
Change Sales yoy	12.7 %	24.4 %	36.5 %	26.8 %	24.7 %	22.7 %	19.1 %
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	13.46	16.52	19.67
Total Sales	162.30	201.84	276.67	353.82	434.05	532.68	634.24
Material expenses	71.44	92.57	125.78	155.32	190.82	229.64	268.96
Gross profit	90.86	109.27	150.89	198.50	243.23	303.04	365.28
<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>58.7 %</i>	<i>59.4 %</i>
Personnel expenses	46.36	58.56	81.75	106.64	141.21	169.59	198.43
Other operating income	3.07	4.52	3.95	3.03	5.72	6.88	8.04
Other operating expenses	19.33	25.35	34.27	42.06	53.43	64.17	75.08
Unfrequent items	0.00	0.26	0.26	-0.62	0.00	0.00	0.00
EBITDA	28.24	30.12	39.09	52.22	54.31	76.15	99.81
<i>Margin</i>	<i>18.0 %</i>	<i>15.5 %</i>	<i>14.7 %</i>	<i>15.5 %</i>	<i>12.9 %</i>	<i>14.8 %</i>	<i>16.2 %</i>
Depreciation of fixed assets	1.24	1.69	2.89	9.69	3.82	4.58	5.36
EBITA	27.00	28.44	36.20	42.52	50.49	71.56	94.45
Amortisation of intangible assets	3.84	5.12	6.91	9.52	11.45	13.75	16.09
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBIT	23.16	23.32	29.29	33.01	39.04	57.81	78.36
<i>Margin</i>	<i>14.8 %</i>	<i>12.0 %</i>	<i>11.0 %</i>	<i>9.8 %</i>	<i>9.3 %</i>	<i>11.2 %</i>	<i>12.8 %</i>
EBIT adj.	23.16	23.32	29.29	33.01	39.04	57.81	78.36
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	2.20	2.20	2.20
Other financial income (loss)	0.08	0.00	0.00	0.00	0.20	0.20	0.20
EBT	22.84	22.99	28.13	31.44	37.84	56.61	77.16
<i>Margin</i>	<i>14.6 %</i>	<i>11.8 %</i>	<i>10.6 %</i>	<i>9.3 %</i>	<i>9.0 %</i>	<i>11.0 %</i>	<i>12.6 %</i>
Total taxes	4.76	4.56	5.67	7.04	8.40	12.57	17.13
Net income from continuing operations	18.07	18.43	22.47	24.40	29.44	44.04	60.03
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	18.07	18.43	22.47	24.40	29.44	44.04	60.03
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	18.07	18.42	22.47	24.40	29.44	44.04	60.03
<i>Margin</i>	<i>11.5 %</i>	<i>9.5 %</i>	<i>8.4 %</i>	<i>7.2 %</i>	<i>7.0 %</i>	<i>8.5 %</i>	<i>9.8 %</i>
Number of shares, average	6.01	5.94	6.25	6.25	6.25	6.25	6.25
EPS	3.00	3.10	3.60	3.90	4.71	7.05	9.61
EPS adj.	3.00	3.10	3.60	3.90	4.71	7.05	9.61

*Adjustments made for:

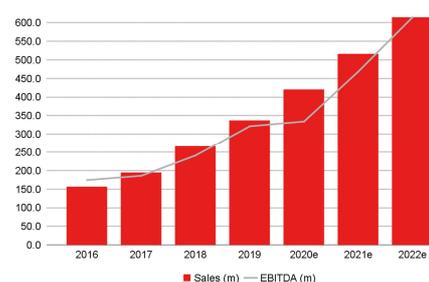
Guidance: 2020: Revenue between EUR 400m and 440m and EBIT between EUR 35m and 40m

Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Total Operating Costs / Sales	85.6 %	88.3 %	89.4 %	89.2 %	90.3 %	88.4 %	87.0 %
Operating Leverage	1.6 x	0.0 x	0.7 x	0.5 x	0.7 x	2.1 x	1.9 x
EBITDA / Interest expenses	45.0 x	34.3 x	22.5 x	25.2 x	24.7 x	34.6 x	45.4 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.						

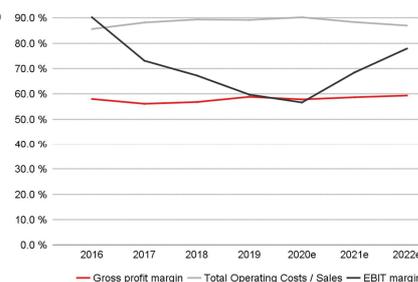
Sales, EBITDA

in EUR m

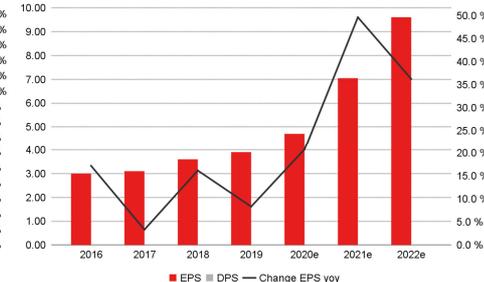


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

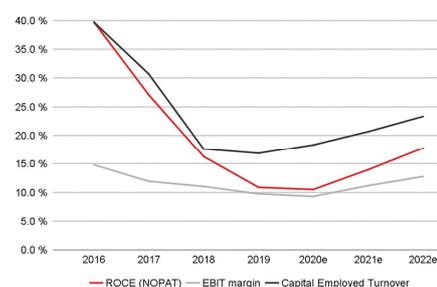
Consolidated balance sheet

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Assets							
Goodwill and other intangible assets	41.66	55.97	190.64	248.24	278.79	302.04	317.95
thereof other intangible assets	3.83	6.77	25.74	14.64	45.19	68.44	84.35
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	31.17	26.59	21.22
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
Fixed assets	48.39	65.93	213.41	297.56	324.30	342.96	353.51
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	85.70	105.20	125.30
Liquid assets	22.41	14.33	31.76	24.89	19.48	40.15	84.64
Other short-term assets	3.21	11.57	5.45	4.97	4.97	4.97	4.97
Current assets	63.71	75.05	92.21	94.02	110.15	150.32	214.91
Total Assets	112.10	141.00	305.60	391.60	434.40	493.30	568.40
Liabilities and shareholders' equity							
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	150.11	194.16	254.19
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	207.48	251.52	311.55
Minority interest	0.27	0.31	0.31	0.34	0.34	0.34	0.34
Total equity	64.40	82.91	153.48	178.38	207.82	251.86	311.89
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	49.40	60.60	72.10
Other liabilities	18.07	18.53	39.12	57.84	57.84	57.84	57.84
Liabilities	47.74	58.07	152.13	213.20	226.62	241.42	256.52
Total liabilities and shareholders' equity	112.10	141.00	305.60	391.60	434.40	493.30	568.40

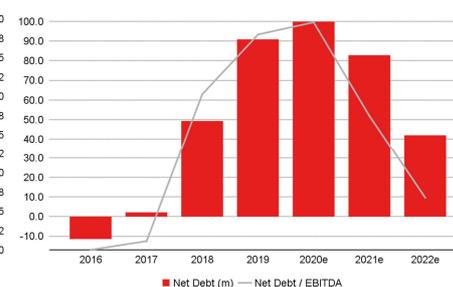
Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Efficiency of Capital Employment							
Operating Assets Turnover	7.1 x	6.4 x	8.0 x	5.7 x	6.2 x	7.3 x	8.3 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 %	9.1 %	12.8 %	17.0 %
Return on Capital							
ROCE (NOPAT)	39.7 %	27.1 %	16.3 %	10.9 %	10.5 %	14.0 %	17.7 %
ROE	31.0 %	25.1 %	19.1 %	14.7 %	15.3 %	19.2 %	21.3 %
Adj. ROE	31.0 %	25.1 %	19.1 %	14.7 %	15.3 %	19.2 %	21.3 %
Balance sheet quality							
Net Debt	-11.46	2.15	49.26	90.89	99.91	82.83	41.95
Net Financial Debt	-11.70	1.97	48.98	89.98	98.99	81.91	41.03
Net Gearing	-17.8 %	2.6 %	32.1 %	51.0 %	48.1 %	32.9 %	13.4 %
Net Fin. Debt / EBITDA	n.a.	6.5 %	125.3 %	172.3 %	182.3 %	107.6 %	41.1 %
Book Value / Share	10.6	13.7	24.5	28.5	33.2	40.3	49.9
Book value per share ex intangibles	3.7	4.4	-6.0	-11.2	-11.4	-8.1	-1.0

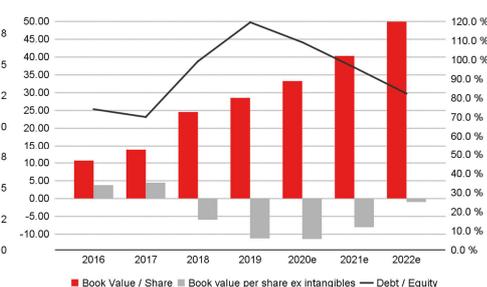
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

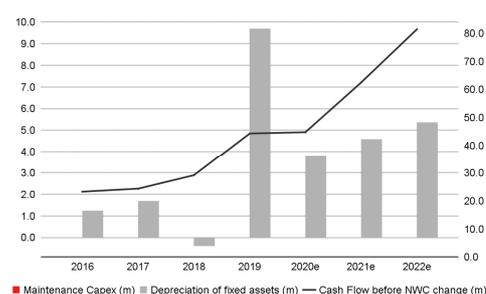
In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Net income	18.07	18.43	22.47	24.40	29.44	44.04	60.03
Depreciation of fixed assets	1.24	1.69	-0.39	9.69	3.82	4.58	5.36
Amortisation of goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortisation of intangible assets	3.84	5.12	6.91	9.52	11.45	13.75	16.09
Increase/decrease 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
Cash Flow before NWC change	23.19	24.31	29.09	44.24	44.71	62.38	81.48
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	-22.63	-19.50	-20.10
Increase / decrease in accounts payable	-1.69	4.35	8.93	7.59	9.82	11.20	11.50
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	-11.72	-8.30	-8.60
Net cash provided by operating activities [1]	18.36	8.26	39.83	46.21	32.99	54.08	72.88
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
Net cash provided by investing activities [2]	-13.25	-21.19	-85.64	-59.88	-42.00	-37.00	-32.00
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
Net cash provided by financing activities [3]	-7.41	4.85	63.23	6.78	3.60	3.60	3.60
Change in liquid funds [1]+[2]+[3]	-2.29	-8.08	17.43	-6.90	-5.41	20.68	44.48
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	22.46	14.33	31.76	24.86	19.48	40.15	84.64

Financial Ratios

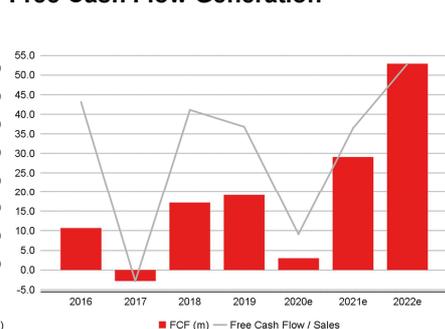
	2016	2017	2018	2019	2020e	2021e	2022e
Cash Flow							
FCF	10.69	-2.84	17.21	19.19	2.99	29.08	52.88
Free Cash Flow / Sales	6.8 %	-1.5 %	6.5 %	5.7 %	0.7 %	5.6 %	8.6 %
Free Cash Flow Potential	23.48	25.56	33.42	45.18	45.91	63.58	82.68
Free Cash Flow / Net Profit	59.2 %	-15.4 %	76.6 %	78.6 %	10.1 %	66.0 %	88.1 %
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 %	1.9 %	1.8 %	1.8 %
Management of Funds							
Investment ratio	5.4 %	5.1 %	5.7 %	8.0 %	7.1 %	4.8 %	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 %	196.5 %	136.4 %	93.2 %
Avg. Working Capital / Sales	10.2 %	11.7 %	9.2 %	7.1 %	7.2 %	7.8 %	8.0 %
Trade Debtors / Trade Creditors	203.6 %	213.1 %	169.5 %	159.3 %	173.5 %	173.6 %	173.8 %
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	98
Cash conversion cycle (Days)	n.a.	n.a.	-16	-22	n.a.	n.a.	n.a.

CAPEX and Cash Flow

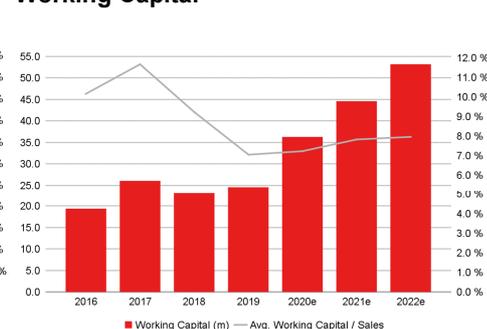
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
HYPOPORT	5	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.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	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	130	63
Hold	57	28
Sell	11	5
Rating suspended	7	3
Total	205	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	85
Hold	4	10
Sell	0	0
Rating suspended	2	5
Total	40	100

PRICE AND RATING HISTORY HYPOPORT AS OF 04.08.2020



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.

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