

Buy	Value Indicators:	EUR	Share data:	Description:
		DCF: 249.67		
EUR 250.00	Market Snapshot:	EUR m	Reuters: HYQGn.DE	Risk Profile (WRe): 2018e
		Market cap: 1,131.15		
Price	No. of shares (m): 6.49	EV: 1,169.32	Shareholders:	Price / Book: 7.4 x
				Freefloat MC: 696.79
Upside	Ø Trad. Vol. (30d): 2.53 m	Freefloat: 61.6 %	Revenia (Ronald Slabke): 34.6 %	Net Fin. Debt / EBITDA: 0.9 x
				Treasury shares: 3.8 %
EUR 174.20		43.5 %		

Top-line growth in focus

Hypoport 9M/18										
in EUR m	Q3/18	Q3/18e	Q3/17	Q3/17 adj.	yoy (adj.)	9M/18	9M/18e	9M/17	9M/17 adj.	yoy (adj.)
Private Clients										
Revenue	21.6	23.4	21.7	18.3	18%	65.7	67.5	61.6	55.9	18%
EBIT	2.1	3.6	3.4	2.3	-7%	9.0	10.5	9.4	7.7	17%
margin	9.7%	15.5%	15.6%	12.4%		13.7%	15.6%	15.3%	14%	
Credit Platform										
Revenue	28.3	26.2	19.7	22.4	26%	81.5	79.4	57.5	62.3	31%
EBIT	7.4	6.1	3.9	5.2	43%	18.8	17.5	11.7	14.1	33%
margin	26%	23%	20%	23.0%		23%	22%	20%	23%	
Real estate Platform										
Revenue	9.0	8.7	3.7	4.0	122%	23.5	23.2	14.5	15.4	53%
EBIT	0.6	1.5	0.6	0.5	33%	3.7	4.6	4.1	3.4	9%
margin	7%	18%	16%	11.2%		16%	20%	28%	22%	
Insurance Platform										
Revenue	11.3	10.4	3.5	3.5	198%	21.9	21.0	10.9	10.9	101%
EBIT	0.2	0.6	-0.6	-0.6	n.a.	-1.5	-1.1	-0.9	-0.9	n.a.
margin	2%	6%	-17%	-17.0%		-7%	-5%	-8%	-8%	
Consolidation effects										
Revenue	-0.1	0.7	-0.4	-0.4	n.a.	-0.8	0.0	-0.8	-0.8	n.a.
EBIT	-2.9	-2.1	-2.0	-2.0	5%	-7.8	-7.0	-5.7	-5.7	n.a.
Group										
Revenue	70.1	69.3	48.3	48.3	44%	191.8	191.0	143.7	143.7	33%
EBIT	7.4	9.8	5.3	5.3	85%	22.2	24.6	18.6	18.6	19%
margin	11%	14%	11%	11%	29%	12%	13%	13%	13%	

Comment on Figures:

- Adjusted 2017 figures show the effect of resegmentation
- Revenue growth perfectly in line with our assumptions. EBIT development a bit slower than anticipated due to the impact of ongoing weakness in the environment for the former institutional clients business, high investments in future growth and integration costs for recent acquisitions.
- Higher than expected figures in the credit platform and lower figures in private clients as a result of a transfer of personal loan based revenues from Dr. Klein to the credit platform.
- Lower 9M yoy margins in the real estate platform are due to a stagnant interest rate environment and higher share of recurring revenues currently with low margins.

After publishing preliminary figures on October 24, Hypoport yesterday (05.11.2018) reported final figures for the first nine months of the year. While the top-line development is perfectly in line with our expectations and the EBIT development lagging behind slightly, the general trends clearly support our investment case:

- The credit platform business after 9M grew at 31% yoy, mainly driven by strong development in the savings and cooperative banks sector. 42 out of the largest 50 savings banks are already contractual partners of FINMAS, with only one of the top 25 banks missing. This demonstrates the attractiveness of the platform solution, further supported by the efficiency gains of using FINMAS in the in-house sales process, which amounts to about 100% according to Mr. Slabke. Our investment case is partly based on the continuation of this trend.
- Future developments in the real estate platform and insurance platform are driven by high investments in sales power and engineering resources. Both platforms target massive markets and the outstanding growth rates in the insurance business in particular demonstrate the market acceptance of Hypoport's solutions.

Overall, we notice the slightly lower than expected EBIT development, but this money should be well invested in future growth. The strong development in the credit and insurance platforms support our long-term investment case of market share expansion with margin expansion at a later stage. Therefore we reiterate our Buy rating and our PT of EUR 250.

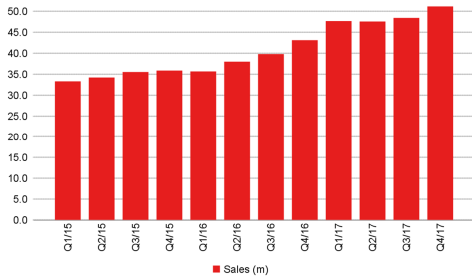


Rel. Performance vs SDAX:	
1 month:	-9.6 %
6 months:	20.0 %
Year to date:	26.1 %
Trailing 12 months:	34.8 %

Company events:	
20.11.18	RS STO
21.11.18	RS CPH

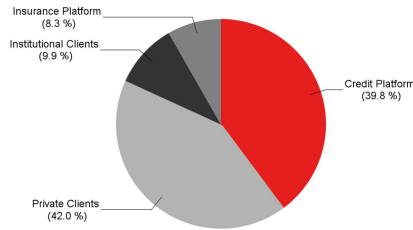
FY End: 31.12. in EUR m	CAGR (17-20e)	2014	2015	2016	2017	2018e	2019e	2020e
Sales	21.5 %	112.33	138.98	156.64	194.86	253.96	304.27	349.76
Change Sales yoy		14.5 %	23.7 %	12.7 %	24.4 %	30.3 %	19.8 %	15.0 %
Gross profit margin		53.9 %	54.9 %	58.0 %	56.1 %	57.6 %	57.6 %	57.8 %
EBITDA	26.0 %	12.70	25.08	28.24	30.12	42.79	51.73	60.23
Margin		11.3 %	18.0 %	18.0 %	15.5 %	16.9 %	17.0 %	17.2 %
EBIT	26.6 %	7.94	19.26	23.16	23.32	33.02	40.16	47.29
Margin		7.1 %	13.9 %	14.8 %	12.0 %	13.0 %	13.2 %	13.5 %
Net income	25.4 %	5.92	15.87	18.07	18.42	25.82	31.16	36.29
EPS	21.7 %	0.97	2.56	3.00	3.10	3.98	4.80	5.59
EPS adj.	21.7 %	0.97	2.56	3.00	3.10	3.98	4.80	5.59
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		0.37	3.16	1.78	-0.48	2.15	3.47	4.42
FCF / Market cap		3.3 %	10.2 %	2.2 %	-0.3 %	1.2 %	2.0 %	2.5 %
EV / Sales		0.6 x	1.4 x	2.8 x	3.5 x	4.6 x	3.8 x	3.3 x
EV / EBITDA		5.6 x	7.8 x	15.6 x	22.6 x	27.3 x	22.4 x	19.0 x
EV / EBIT		9.0 x	10.2 x	19.0 x	29.1 x	35.4 x	28.9 x	24.2 x
P / E		11.3 x	13.2 x	25.0 x	36.8 x	43.8 x	36.3 x	31.2 x
P / E adj.		11.3 x	13.2 x	25.0 x	36.8 x	43.8 x	36.3 x	31.2 x
FCF Potential Yield		15.9 %	11.2 %	5.3 %	3.8 %	3.1 %	3.7 %	4.4 %
Net Debt		4.08	-13.29	-11.46	2.15	38.18	27.65	10.92
ROCE (NOPAT)		15.8 %	38.9 %	39.7 %	27.1 %	18.9 %	15.6 %	16.6 %
Guidance:	2018: Revenue between EUR 240m and 260m and EBIT between EUR 29m and 34m							

Sales development
in EUR m



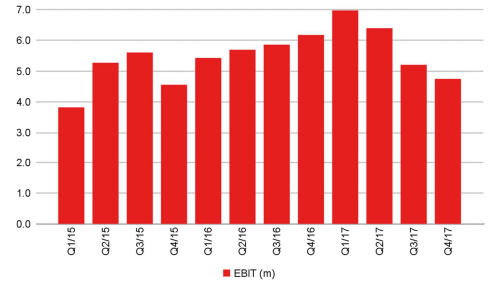
Source: Warburg Research

Sales by Segments
2017; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

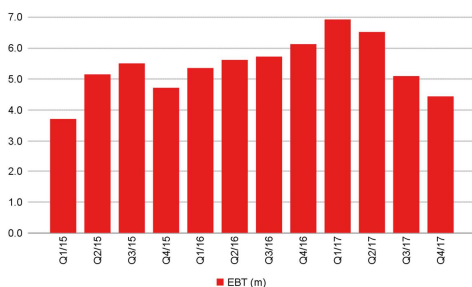
Company Background

- 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

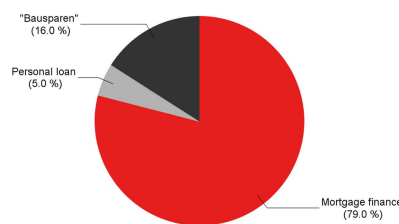
- The online B2B marketplace for property financing (EUROPACE) is the largest of its kind in Germany
- As the number of affiliated suppliers is decisive for marketplaces of this type, this forms a central competitive advantage and a considerable market entry barrier for third parties.
- The Dr. Klein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



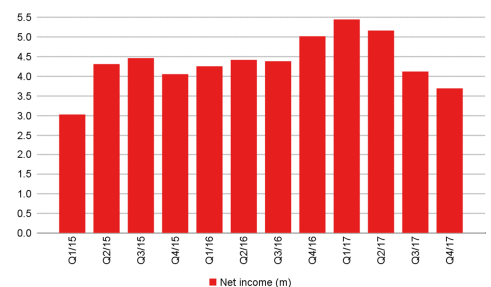
Source: Warburg Research

EUROPACE by product segments
2017; 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
	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	
Sales	253.90	304.20	349.68	391.82	433.94	474.76	513.86	561.28	599.63	637.42	666.11	686.09	706.67	
Sales change	30.3 %	19.8 %	15.0 %	12.1 %	10.7 %	9.4 %	8.2 %	9.2 %	6.8 %	6.3 %	4.5 %	3.0 %	3.0 %	3.0 %
EBIT	33.10	40.18	47.26	55.38	66.04	78.33	98.46	128.17	143.24	157.46	169.86	178.38	187.27	
EBIT-margin	13.0 %	13.2 %	13.5 %	14.1 %	15.2 %	16.5 %	19.2 %	22.8 %	23.9 %	24.7 %	25.5 %	26.0 %	26.5 %	
Tax rate (EBT)	20.6 %	21.2 %	21.9 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	
NOPAT	26.28	31.65	36.89	43.20	51.51	61.09	76.80	99.97	111.73	122.82	132.49	139.14	146.07	
Depreciation	9.69	11.55	12.97	15.67	17.36	18.99	20.55	22.45	23.99	25.50	26.64	27.44	28.27	
in % of Sales	3.8 %	3.8 %	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	0.21	0.04	0.04	0.04	0.05	0.04	0.04	0.03	0.02	0.02	
Change in Liquidity from														
- Working Capital	10.12	7.20	6.50	4.96	5.90	5.71	5.47	6.64	5.37	5.29	4.02	2.80	2.88	
- Capex	11.50	13.00	14.00	15.67	17.36	18.99	20.55	22.45	23.99	25.50	26.64	27.44	28.27	
Capex in % of Sales	4.5 %	4.3 %	4.0 %	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)	14.35	22.99	29.36	38.45	45.66	55.42	71.36	93.38	106.40	117.57	128.50	136.36	143.21	150
PV of FCF	14.35	21.23	25.02	30.25	33.16	37.16	44.17	53.36	56.13	57.26	57.77	56.60	54.87	1,082
share of PVs	3.73 %			29.61 %										66.66 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	5.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.1 %	Liquidity (share)	1.20
Market return	7.00 %	Cyclicality	1.60
Risk free rate	1.50 %	Transparency	1.40
		Others	1.30
WACC	8.32 %	Beta	1.30

Valuation (m)

Present values 2030e	541		
Terminal Value	1,082		
Financial liabilities	16		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	14	No. of shares (m)	6.5
Equity Value	1,621	Value per share (EUR)	249.67

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	3.50 %	3.75 %			-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 %	189.97	194.08	198.51	203.29	208.47	214.09	220.21	1.49	9.3 %	189.52	194.11	198.70	203.29	207.89	212.48	217.07
1.40	8.8 %	207.97	213.02	218.49	224.42	230.89	237.96	245.74	1.40	8.8 %	209.41	214.42	219.42	224.42	229.42	234.43	239.43
1.35	8.6 %	218.09	223.71	229.81	236.46	243.73	251.72	260.54	1.35	8.6 %	220.75	225.99	231.22	236.46	241.69	246.93	252.17
1.30	8.3 %	229.08	235.35	242.19	249.67	257.88	266.95	277.00	1.30	8.3 %	233.19	238.68	244.17	249.67	255.16	260.65	266.14
1.25	8.1 %	241.05	248.08	255.77	264.21	273.54	283.88	295.41	1.25	8.1 %	246.90	252.67	258.44	264.21	269.99	275.76	281.53
1.20	7.8 %	254.14	262.05	270.73	280.32	290.95	302.81	316.13	1.20	7.8 %	262.07	268.15	274.23	280.32	286.40	292.48	298.56
1.11	7.3 %	284.34	294.47	305.71	318.26	332.34	348.26	366.41	1.11	7.3 %	297.82	304.63	311.44	318.26	325.07	331.88	338.69

- The growth anticipated for Hypoport is based on robust business development in all segments
- Financial Services (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	2014	2015	2016	2017	2018e	2019e	2020e
Price / Book	1.7 x	4.0 x	7.0 x	8.2 x	7.4 x	6.1 x	5.1 x
Book value per share ex intangibles	1.25	3.40	3.72	4.41	0.14	2.85	6.34
EV / Sales	0.6 x	1.4 x	2.8 x	3.5 x	4.6 x	3.8 x	3.3 x
EV / EBITDA	5.6 x	7.8 x	15.6 x	22.6 x	27.3 x	22.4 x	19.0 x
EV / EBIT	9.0 x	10.2 x	19.0 x	29.1 x	35.4 x	28.9 x	24.2 x
EV / EBIT adj.*	9.0 x	10.2 x	19.0 x	29.1 x	35.4 x	28.9 x	24.2 x
P / FCF	29.9 x	9.8 x	45.6 x	n.a.	80.9 x	50.2 x	39.4 x
P / E	11.3 x	13.2 x	25.0 x	36.8 x	43.8 x	36.3 x	31.2 x
P / E adj.*	11.3 x	13.2 x	25.0 x	36.8 x	43.8 x	36.3 x	31.2 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	15.9 %	11.2 %	5.3 %	3.8 %	3.1 %	3.7 %	4.4 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Sales	112.33	138.98	156.64	194.86	253.96	304.27	349.76
Change Sales yoy	14.5 %	23.7 %	12.7 %	24.4 %	30.3 %	19.8 %	15.0 %
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own work capitalised	4.18	4.66	5.66	6.99	9.14	10.95	12.59
Total Sales	116.50	143.65	162.30	201.84	263.11	315.22	362.35
Material expenses	55.95	67.31	71.44	92.57	116.95	139.96	160.30
Gross profit	60.55	76.34	90.86	109.27	146.16	175.26	202.06
<i>Gross profit margin</i>	<i>53.9 %</i>	<i>54.9 %</i>	<i>58.0 %</i>	<i>56.1 %</i>	<i>57.6 %</i>	<i>57.6 %</i>	<i>57.8 %</i>
Personnel expenses	35.33	38.22	46.36	58.56	76.19	91.28	104.75
Other operating income	1.83	2.18	3.07	4.52	5.84	6.69	7.00
Other operating expenses	14.50	15.25	19.33	25.35	33.02	38.95	44.07
Unfrequent items	0.15	0.03	0.00	0.26	0.00	0.00	0.00
EBITDA	12.70	25.08	28.24	30.12	42.79	51.73	60.23
<i>Margin</i>	<i>11.3 %</i>	<i>18.0 %</i>	<i>18.0 %</i>	<i>15.5 %</i>	<i>16.9 %</i>	<i>17.0 %</i>	<i>17.2 %</i>
Depreciation of fixed assets	0.97	1.12	1.24	1.69	1.90	2.13	2.45
EBITA	11.73	23.96	27.00	28.44	40.89	49.60	57.78
Amortisation of intangible assets	3.80	4.70	3.84	5.12	7.87	9.43	10.49
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBIT	7.94	19.26	23.16	23.32	33.02	40.16	47.29
<i>Margin</i>	<i>7.1 %</i>	<i>13.9 %</i>	<i>14.8 %</i>	<i>12.0 %</i>	<i>13.0 %</i>	<i>13.2 %</i>	<i>13.5 %</i>
EBIT adj.	7.94	19.26	23.16	23.32	33.02	40.16	47.29
Interest income	0.14	0.37	0.23	0.55	0.80	0.80	0.80
Interest expenses	0.82	0.52	0.63	0.88	1.40	1.60	1.80
Other financial income (loss)	0.00	0.00	0.08	0.00	0.10	0.20	0.20
EBT	7.25	19.10	22.84	22.99	32.52	39.56	46.49
<i>Margin</i>	<i>6.5 %</i>	<i>13.7 %</i>	<i>14.6 %</i>	<i>11.8 %</i>	<i>12.8 %</i>	<i>13.0 %</i>	<i>13.3 %</i>
Total taxes	1.32	3.24	4.76	4.56	6.70	8.40	10.20
Net income from continuing operations	5.93	15.87	18.07	18.43	25.82	31.16	36.29
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	5.93	15.87	18.07	18.43	25.82	31.16	36.29
Minority interest	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Net income	5.92	15.87	18.07	18.42	25.82	31.16	36.29
<i>Margin</i>	<i>5.3 %</i>	<i>11.4 %</i>	<i>11.5 %</i>	<i>9.5 %</i>	<i>10.2 %</i>	<i>10.2 %</i>	<i>10.4 %</i>
Number of shares, average	6.12	6.19	6.01	5.94	6.49	6.49	6.49
EPS	0.97	2.56	3.00	3.10	3.98	4.80	5.59
EPS adj.	0.97	2.56	3.00	3.10	3.98	4.80	5.59

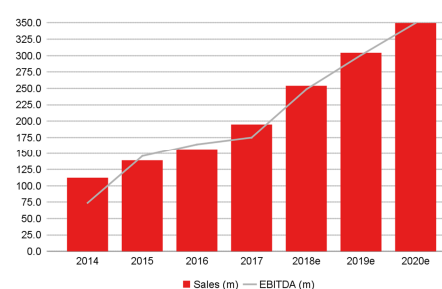
*Adjustments made for:

Guidance: 2018: Revenue between EUR 240m and 260m and EBIT between EUR 29m and 34m
Financial Ratios

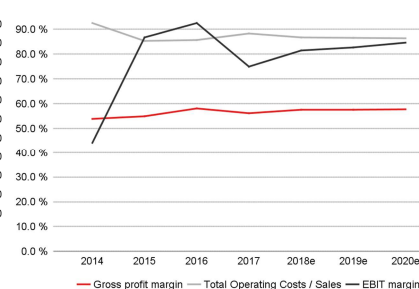
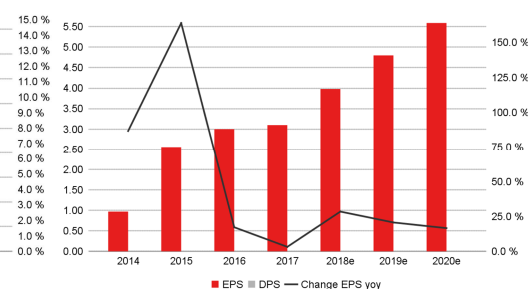
	2014	2015	2016	2017	2018e	2019e	2020e
Total Operating Costs / Sales	92.5 %	85.3 %	85.6 %	88.3 %	86.8 %	86.6 %	86.4 %
Operating Leverage	7.0 x	6.0 x	1.6 x	0.0 x	1.4 x	1.1 x	1.2 x
EBITDA / Interest expenses	15.4 x	48.0 x	45.0 x	34.3 x	30.6 x	32.3 x	33.5 x
Tax rate (EBT)	18.2 %	16.9 %	20.8 %	19.9 %	20.6 %	21.2 %	21.9 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Sales, EBITDA

in EUR m


Operating Performance

in %


Performance per Share


Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

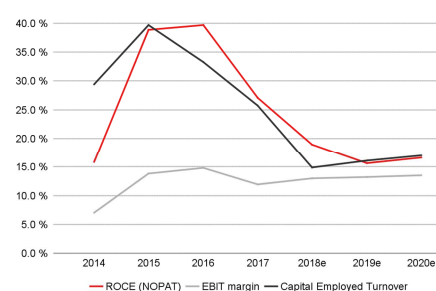
Consolidated balance sheet

In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Assets							
Goodwill and other intangible assets	30.95	31.89	41.66	55.97	152.60	166.17	179.67
thereof other intangible assets	0.00	0.00	3.83	6.77	103.40	116.96	130.47
thereof Goodwill	0.00	0.00	0.00	24.77	24.77	24.77	24.77
Property, plant and equipment	2.66	3.04	2.63	4.45	4.54	4.41	3.96
Financial assets	0.08	0.03	1.09	1.43	1.43	1.43	1.43
Other long-term assets	1.12	1.42	3.01	4.09	4.09	4.09	4.09
Fixed assets	34.82	36.38	48.39	65.93	162.66	176.09	189.15
Inventories	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts receivable	29.62	32.85	38.09	49.14	64.00	76.70	88.20
Liquid assets	12.02	24.76	22.41	14.33	30.56	44.68	65.01
Other short-term assets	3.94	2.09	3.21	11.57	11.57	11.57	11.57
Current assets	45.59	59.70	63.71	75.05	106.13	132.96	164.79
Total Assets	80.40	96.10	112.10	141.00	268.80	309.10	353.90
Liabilities and shareholders' equity							
Subscribed capital	6.20	6.20	6.20	6.20	6.49	6.49	6.49
Capital reserve	2.21	2.35	2.35	2.91	47.67	47.67	47.67
Retained earnings	30.26	44.01	55.54	73.75	99.56	130.73	167.01
Other equity components	-0.08	-0.16	0.05	-0.25	-0.25	-0.25	-0.35
Shareholders' equity	38.59	52.39	64.13	82.60	153.48	184.64	220.83
Minority interest	0.26	0.27	0.27	0.31	0.31	0.31	0.31
Total equity	38.85	52.66	64.40	82.91	153.78	184.95	221.13
Provisions	0.20	0.21	0.25	0.18	0.18	0.18	0.18
thereof provisions for pensions and similar obligations	0.20	0.21	0.24	0.18	0.18	0.18	0.18
Financial liabilities (total)	15.90	11.26	10.71	16.30	68.55	72.15	75.75
thereof short-term financial liabilities	4.64	4.34	4.44	2.94	2.94	2.94	2.94
Accounts payable	16.49	20.39	18.71	23.06	27.80	33.30	38.30
Other liabilities	8.96	11.55	18.07	18.53	18.53	18.53	18.53
Liabilities	41.56	43.42	47.74	58.07	115.07	124.17	132.77
Total liabilities and shareholders' equity	80.40	96.10	112.10	141.00	268.80	309.10	353.90

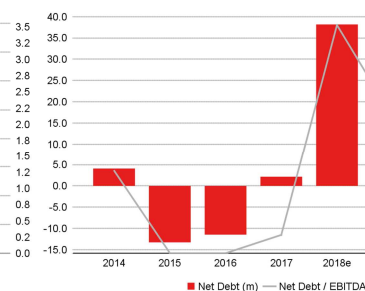
Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Efficiency of Capital Employment							
Operating Assets Turnover	7.1 x	9.0 x	7.1 x	6.4 x	6.2 x	6.4 x	6.5 x
Capital Employed Turnover	2.6 x	3.5 x	3.0 x	2.3 x	1.3 x	1.4 x	1.5 x
ROA	17.0 %	43.6 %	37.3 %	27.9 %	15.9 %	17.7 %	19.2 %
Return on Capital							
ROCE (NOPAT)	15.8 %	38.9 %	39.7 %	27.1 %	18.9 %	15.6 %	16.6 %
ROE	16.6 %	34.9 %	31.0 %	25.1 %	21.9 %	18.4 %	17.9 %
Adj. ROE	16.6 %	34.9 %	31.0 %	25.1 %	21.9 %	18.4 %	17.9 %
Balance sheet quality							
Net Debt	4.08	-13.29	-11.46	2.15	38.18	27.65	10.92
Net Financial Debt	3.88	-13.50	-11.70	1.97	37.99	27.47	10.74
Net Gearing	10.5 %	-25.2 %	-17.8 %	2.6 %	24.8 %	15.0 %	4.9 %
Net Fin. Debt / EBITDA	30.5 %	n.a.	n.a.	6.5 %	88.8 %	53.1 %	17.8 %
Book Value / Share	6.3	8.7	10.6	13.7	23.6	28.4	34.0
Book value per share ex intangibles	1.2	3.4	3.7	4.4	0.1	2.8	6.3

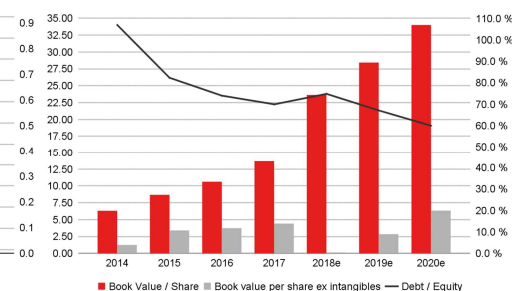
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

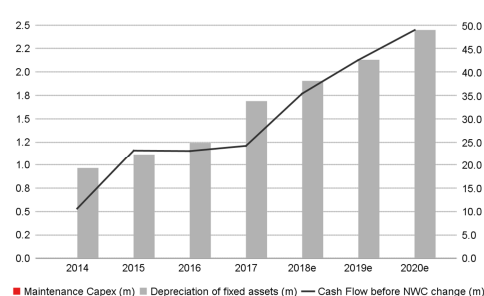
In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Net income	5.93	15.87	18.07	18.43	25.82	31.16	36.29
Depreciation of fixed assets	0.97	1.12	1.24	1.69	1.90	2.13	2.45
Amortisation of goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortisation of intangible assets	3.80	4.70	3.84	5.12	7.87	9.43	10.49
Increase/decrease in long-term provisions	0.00	0.00	0.03	0.00	0.00	0.00	0.00
Other non-cash income and expenses	0.03	1.60	0.00	-0.92	0.00	0.00	0.00
Cash Flow before NWC change	10.72	23.28	23.19	24.31	35.59	42.73	49.23
Increase / decrease in inventory	-4.13	-1.66	0.00	0.00	0.00	0.00	0.00
Increase / decrease in accounts receivable	0.00	0.00	-5.24	-11.05	-14.86	-12.70	-11.50
Increase / decrease in accounts payable	1.77	4.60	-1.69	4.35	4.74	5.50	5.00
Increase / decrease in other working capital positions	0.05	0.47	2.10	-9.36	0.00	0.00	0.00
Increase / decrease in working capital (total)	-2.31	3.41	-4.83	-16.06	-10.12	-7.20	-6.50
Net cash provided by operating activities [1]	8.42	26.69	18.36	8.26	25.47	35.53	42.73
Investments in intangible assets	-5.55	-4.70	-7.67	-8.00	-9.50	-11.00	-12.00
Investments in property, plant and equipment	-0.62	-0.62	-0.80	-2.00	-2.00	-2.00	-2.00
Payments for acquisitions	0.00	0.00	-5.56	-9.56	-95.00	-12.00	-12.00
Financial investments	0.02	0.01	0.03	0.55	0.00	0.00	0.00
Income from asset disposals	0.00	0.05	0.01	0.02	0.00	0.00	0.00
Net cash provided by investing activities [2]	-6.18	-7.06	-13.25	-21.19	-106.50	-25.00	-26.00
Change in financial liabilities	-0.85	-4.60	-0.50	4.85	52.25	3.60	3.60
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares	-0.31	-2.30	-6.91	0.00	0.00	0.00	0.00
Capital measures	0.00	0.00	0.00	0.00	45.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided by financing activities [3]	-1.16	-6.90	-7.41	4.85	97.25	3.60	3.60
Change in liquid funds [1]+[2]+[3]	1.07	12.73	-2.29	-8.08	16.22	14.13	20.33
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	12.02	24.76	22.46	14.33	30.56	44.68	65.01

Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Cash Flow							
FCF	2.25	19.59	10.69	-2.84	13.97	22.53	28.73
Free Cash Flow / Sales	2.0 %	15.4 %	6.3 %	-0.9 %	5.5 %	7.4 %	8.2 %
Free Cash Flow Potential	11.38	21.84	23.48	25.56	36.09	43.33	50.03
Free Cash Flow / Net Profit	38.0 %	134.7 %	54.7 %	-9.5 %	54.1 %	72.3 %	79.2 %
Interest Received / Avg. Cash	1.2 %	2.0 %	1.0 %	3.0 %	3.6 %	2.1 %	1.5 %
Interest Paid / Avg. Debt	5.0 %	3.8 %	5.7 %	6.5 %	3.3 %	2.3 %	2.4 %
Management of Funds							
Investment ratio	5.5 %	3.8 %	5.4 %	5.1 %	4.5 %	4.3 %	4.0 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	129.5 %	91.4 %	166.6 %	146.9 %	117.6 %	112.4 %	108.2 %
Avg. Working Capital / Sales	10.0 %	9.2 %	10.2 %	11.7 %	12.3 %	13.1 %	13.3 %
Trade Debtors / Trade Creditors	179.6 %	161.1 %	203.6 %	213.1 %	230.2 %	230.3 %	230.3 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	96	86	89	92	92	92	92
Payables payment period (days)	108	111	96	91	87	87	87
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

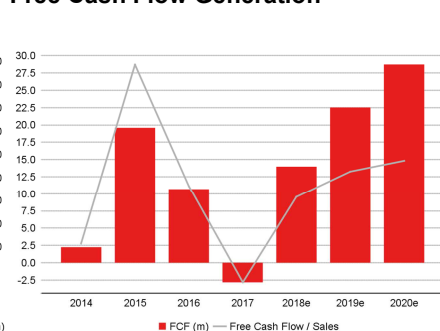
CAPEX and Cash Flow

in EUR m



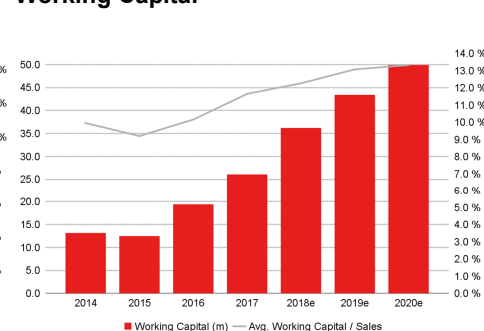
Source: Warburg Research

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	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005493365.htm

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-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
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-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	124	60
Hold	71	35
Sell	3	1
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	72
Hold	11	23
Sell	0	0
Rating suspended	2	4
Total	47	100

PRICE AND RATING HISTORY HYPOPORT AS OF 06.11.2018



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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