

MPH Health Care AG

Germany / Healthcare
 Frankfurt
 Bloomberg: 93M1 GR
 ISIN: DE000A289V03

Update

RATING
BUY

PRICE TARGET
€ 75.00

Return Potential 237.8%
 Risk Rating High

9M PRELIMS AND CAPITAL REDUCTION

MPH announced Q3 prelims with NAVPS of €45.4. This compares to €63.1 at YE19. The decline is traced to 9M/20 net income of minus €77m on the weak share price performance of the listed participations. Q3 net income tallied €-21m as results remain marred by market turbulence. The company also recently completed a reverse stock split at a 10:1 ratio. After withdrawing two no-par value shares and the capital reduction, shares outstanding now total 4.28m (old: 42.81m). The capital reduction aims to improve share price optics. We remain Buy-rated on MPH with a €75 price target.

Operational performance of holdings supports higher share valuations

CR Capital's prospects remain excellent thanks to its position in Germany's affordable housing segment. The residential developer has a full pipeline (around 45k m² across 600 units) and operations have continued largely unhampered during the crisis. Full year reporting was highlighted by a jump in net income to €90m (2018: €12m) M1 Kliniken benefited from a good Q3 with injection and surgical treatments up ~20% Y/Y. Operations continue to be performed despite new covid-19 measures, but clinic expansions are on hold until the pandemic eases. Meanwhile, HAEMATO's parallel import business continues to operate without interruptions. The company recently reported its third successive quarter of +20% annualised growth.

Patrick Brenske joins HAEMATO board Mr Brenske stepped down from the management board of M1 Kliniken to help with the integration of the HAEMATO Group into the beauty and lifestyle specialist. Previously, he helped HAEMATO grow annual turnover from single digit millions to nearly €300m as head of purchasing and sales. M1 wants to increase its product business by leveraging HAEMATO's network and distribution infrastructure (see note of 30 June 2020). (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2017	2018	2019	2020E	2021E	2022E
Pro-forma rev. (€m) ¹	347.50	365.64	315.57	353.70	418.22	477.08
Y/Y growth	5.6%	5.2%	-13.7%	12.1%	18.2%	14.1%
Operating revenue (€m)	34.24	39.53	41.22	17.51	37.74	27.31
EBIT (€m)	32.30	37.64	11.59	-21.99	32.05	21.50
Net income (€m)	31.86	37.03	11.08	-22.02	30.88	20.53
EPS (diluted) (€)	7.44	8.65	2.59	-5.14	7.21	4.80
DPS (€)	2.00	2.00	0.00	1.50	1.58	1.65
NAV (€m)	240.66	269.13	271.64	249.62	274.08	287.86
Net gearing	2.4%	4.8%	6.1%	5.7%	4.1%	3.0%
Liquid assets (€m)	8.29	1.08	2.10	0.83	3.68	6.41

¹ We provide pro-forma revenue of M1 Kliniken and CR Capital as a reference.

RISKS

Regulatory changes in healthcare systems, homogenization of pharmaceutical prices within the EU, and prolonged macro economic downturns that limit private healthcare spend.

COMPANY PROFILE

MPH Health Care AG is a Berlin-based investment company focused on the purchase and further development of companies positioned chiefly in growth segments of the healthcare market. These primarily entail specialty pharmaceuticals for chronic diseases and lifestyle and beauty treatments. The company also holds a stake in a residential property developer.

MARKET DATA

As of 04 Dec 2020

Closing Price	€ 22.20
Shares outstanding	4.28m
Market Capitalisation	€ 95.04m
52-week Range	€ 18.66 / 42.10
Avg. Volume (12 Months)	2,733

Multiples	2019	2020E	2021E
P/E	8.6	n.a.	3.1
EV/EBIT	9.2	n.a.	3.3
P/NAV	0.3	0.4	0.3
Div. Yield	0.0%	6.8%	7.1%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2020

Liquid Assets	€ 0.40m
Current Assets	€ 2.44m
Intangible Assets	€ 250.84m
Total Assets	€ 253.33m
Current Liabilities	€ 9.09m
Shareholders' Equity	€ 238.99m

SHAREHOLDERS

Magnum	60.0%
Baring Fund Managers	1.7%
KBC Asset Management SA	1.3%
Free Float	37.0%



Adjusting fair value per share to new share count MPH completed a reverse stock split at a 10:1 ratio. The 22 July 2020 AGM resolved to reduce the MPH share capital from €42,813,842 to €42,813,840 by withdrawing 2 no-parvalue shares. This paved the way for a smooth reverse split ratio, whereby MPH shareholders received one new converted share (ISIN DE000A289V03) with a proportionate amount of €1.00 in the share capital for every 10 old shares (ISIN DE000A0L1H32). The converted shares have a 23 September 2020 record date and participate in profits as of 1 January 2020.

Unit	Shareholdings '000	SO '000	MPH stake %	Share price* €	Fair value per share ¹ €	Projected value €m
M1 Kliniken AG	13,155	19,643	67%	9.2	20.5	270
CR Capital Real Estate AG	2,150	3,756	57%	32.2	37.0	80
Projected value of listed holdings						349

* Source: Bloomberg (Previous day's closing price)

Fair value of listed portfolio	€m	349
Non-listed investment (book value)	€m	27
Net debt	€m	16
Present value of holding costs	€m	-41
Total fair value	€m	319
MPH shares outstanding	m	4
Fair value per share	€	75

¹ First Berlin Equity Research currently covers CR Capital (Buy / PT: €37); M1 fair value is based on a DCF



INCOME STATEMENT

All figures in EUR '000	2017	2018	2019	2020E	2021E	2022E
Pro-forma revenues¹	347,504	365,638	315,567	353,698	418,221	477,077
Fair value gains on financial assets	25,583	31,019	33,747	15,615	27,100	16,563
Income from participations	848	170	780	350	400	400
Investment income	7,380	8,317	6,651	1,500	10,199	10,302
Other operating income	425	28	43	43	45	47
Operating revenue	34,236	39,534	41,221	17,508	37,744	27,312
SG&A	-1,177	-1,146	-934	-981	-1,030	-1,081
Other OpEx	-360	-703	-1,494	-1,569	-1,647	-1,729
Fair value loss on financial assets	-392	0	-27,207	-36,933	-3,000	-3,000
Depreciation & amortisation	-21	-45	-11	-12	-20	-12
EBIT	32,286	37,640	11,575	-21,986	32,047	21,488
Interest expense	-499	-507	-540	-540	-540	-540
Interest income	332	209	15	55	0	0
EBT	32,119	37,342	11,050	-22,471	31,507	20,948
Income taxes	-264	-317	27	449	-630	-419
Net income / loss	31,855	37,025	11,076	-22,022	30,877	20,530
Minority interests	0	0	0	0	0	0
Net income after minorities	31,855	37,025	11,076	-22,022	30,877	20,530
EPS (in €)	7.44	8.65	2.59	-5.14	7.21	4.80

¹Pro-forma revenue of M1 Kliniken, HAEMATO and CR Capital as a reference.



BALANCE SHEET

All figures in EUR '000	2017	2018	2019	2020E	2021E	2022E
Assets						
Current assets, total	8,288	1,152	2,238	973	3,845	6,587
Cash and equivalents	1,239	1,018	1,798	514	3,365	6,085
ST financial assets	7,046	64	305	311	317	324
Trade receivables	0	3	4	4	4	4
Inventories	0	7	0	0	0	0
Other ST assets	3	60	131	144	159	174
Non-current assets, total	249,069	285,101	290,908	266,590	288,192	299,256
Property, plant & equipment	4	2	56	57	58	59
Goodwill & other intangibles	18	1	1	1	1	1
Financial assets	249,047	285,098	290,851	266,533	288,133	299,196
Total assets	257,357	286,253	293,145	267,564	292,037	305,842
Shareholders' equity & debt						
Current liabilities, total	229	327	15,724	150	155	159
Trade payables	37	28	24	24	24	24
Provisions	70	99	91	94	97	99
Other ST financial liabilities	90	87	15,578	0	0	0
Other current liabilities	32	113	31	33	34	36
Long-term liabilities, total	16,483	16,798	5,779	17,793	17,807	17,821
Long-term debt	14,000	14,000	3,000	15,000	15,000	15,000
Deferred tax liabilities & others	2,483	2,798	2,779	2,793	2,807	2,821
Shareholders' equity	240,665	269,127	271,642	249,621	274,076	287,862
Minority interests	0	0	0	0	0	0
Total equity	240,665	269,128	271,642	249,621	274,076	287,862
Total consolidated equity and debt	257,377	286,253	293,145	267,564	292,037	305,842
NAV	240,665	269,128	271,642	249,621	274,076	287,862
NAVPS (€)	56.2	62.9	63.5	58.3	64.0	67.2



CASH FLOW STATEMENT

All figures in EUR '000	2017	2018	2019	2020E	2021E	2022E
Net income	31,855	37,025	11,076	-22,022	30,877	20,530
Depreciation and amortisation	21	45	11	12	20	12
Revaluation gains	-25,946	-30,360	-6,540	21,312	-24,107	-13,569
Changes in working capital	2,485	7,058	-93	5	4	3
Other adjustments	-457	-830	384	0	0	0
Net financial result	167	299	526	485	540	540
Tax expense	264	317	-26	-449	630	419
Operating cash flow	8,389	13,554	5,337	-657	7,965	7,935
Investment income	-7,380	-8,317	-6,651	-1,500	-10,199	-10,302
Tax paid	0	-41	-38	449	-630	-419
Net operating cash flow	1,009	5,196	-1,352	-1,708	-2,864	-2,786
CapEx	-11	-11	-52	-12	-22	-13
Payments from acquisitions of consolidated companies & other business units	-15,978	0	1,856	0	0	0
Proceeds from disposal of fixed assets	13,160	11,783	17,661	3,000	2,500	2,500
Payments for investment in financial assets	0	-16,644	-19,116	0	0	0
Investment income	7,380	8,317	6,378	1,500	10,199	10,302
Interest income	332	208	15	55	0	0
Cash flow from investing	4,883	3,653	6,742	4,543	12,677	12,788
Equity inflow, net	0	0	0	0	0	0
Debt inflow, net	0	0	4,492	-3,578	0	0
Dividend paid to shareholders	-5,137	-8,563	-8,562	0	-6,422	-6,743
Interest expense	-499	-507	-540	-540	-540	-540
Cash flow from financing	-5,636	-9,070	-4,611	-4,118	-6,962	-7,283
Net cash flows	256	-221	780	-1,284	2,851	2,719
Cash, start of the year	983	1,239	1,018	1,798	514	3,365
Cash, end of the year	1,239	1,018	1,798	514	3,365	6,085
Free cash flow (FCF)	5,892	8,849	5,390	2,834	9,813	10,002
Y-Y Growth						
Operating cash flow	n.a.	415.0%	n.m.	n.m.	n.m.	n.m.
Free cash flow	n.a.	50.2%	-39.1%	-47.4%	246.2%	1.9%

Imprint / Disclaimer

First Berlin Equity Research

First Berlin Equity Research GmbH ist ein von der BaFin betreffend die Einhaltung der Pflichten des §85 Abs. 1 S. 1 WpHG, des Art. 20 Abs. 1 Marktmissbrauchsverordnung (MAR) und der Markets Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Durchführungsverordnung und der Markets in Financial Instruments Regulations (MiFIR) beaufsichtigtes Unternehmen.

First Berlin Equity Research GmbH is one of the companies monitored by BaFin with regard to its compliance with the requirements of Section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) Market Abuse Regulation (MAR) and Markets in Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Commission Delegated Regulation and Markets in Financial Instruments Regulations (MiFIR).

Anschrift:

First Berlin Equity Research GmbH
Mohrenstr. 34
10117 Berlin
Germany

Vertreten durch den Geschäftsführer: Martin Bailey

Telefon: +49 (0) 30-80 93 9 680

Fax: +49 (0) 30-80 93 9 687

E-Mail: info@firstberlin.com

Amtsgericht Berlin Charlottenburg HR B 103329 B

UST-Id.: 251601797

Ggf. Inhaltlich Verantwortlicher gem. § 6 MDStV

First Berlin Equity Research GmbH

Authored by: Ellis Acklin, Senior Analyst

All publications of the last 12 months were authored by Ellis Acklin.

Company responsible for preparation: First Berlin Equity Research GmbH, Mohrenstraße 34, 10117 Berlin

The production of this recommendation was completed on 7 December 2020 at 15:25

Person responsible for forwarding or distributing this financial analysis: Martin Bailey

Copyright© 2020 First Berlin Equity Research GmbH No part of this financial analysis may be copied, photocopied, duplicated or distributed in any form or media whatsoever without prior written permission from First Berlin Equity Research GmbH. First Berlin Equity Research GmbH shall be identified as the source in the case of quotations. Further information is available on request.

INFORMATION PURSUANT TO SECTION 85 (1) SENTENCE 1 OF THE GERMAN SECURITIES TRADING ACT [WPHG], TO ART. 20 (1) OF REGULATION (EU) NO 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF APRIL 16, 2014, ON MARKET ABUSE (MARKET ABUSE REGULATION) AND TO ART. 37 OF COMMISSION DELEGATED REGULATION (EU) NO 2017/565 (MIFID) II.

First Berlin Equity Research GmbH (hereinafter referred to as: "First Berlin") prepares financial analyses while taking the relevant regulatory provisions, in particular section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) and art. 37 of Commission Delegated Regulation (EU) no. 2017/565 (MiFID II) into consideration. In the following First Berlin provides investors with information about the statutory provisions that are to be observed in the preparation of financial analyses.

CONFLICTS OF INTEREST

In accordance with art. 37 (1) of Commission Delegated Regulation (EU) no. 2017/565 (MiFID) II and art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) investment firms which produce, or arrange for the production of, investment research that is intended or likely to be subsequently disseminated to clients of the firm or to the public, under their own responsibility or that of a member of their group, shall ensure the implementation of all the measures set out in Article 34 (3) of Regulation (EU) 2017/565 in relation to the financial analysts involved in the production of the investment research and other relevant persons whose responsibilities or business interests may conflict with the interests of the persons to whom the investment research is disseminated. In accordance with art. 34 (3) of Regulation (EU) 2017/565 the procedures and measures referred to in paragraph 2 (b) shall be designed to ensure that relevant persons engaged in different business activities involving a conflict of interests carry on those activities at a level of independence appropriate to the size and activities of the investment firm and of the group to which it belongs, and to the risk of damage to the interests of clients.

First Berlin offers a range of services that go beyond the preparation of financial analyses. Although First Berlin strives to avoid conflicts of interest wherever possible, First Berlin may maintain the following relations with the analysed company, which in particular may constitute a potential conflict of interest (further information and data may be provided on request):

- The author, First Berlin, or a company associated with First Berlin holds an interest of more than five percent in the share capital of the analysed company;
- The author, First Berlin, or a company associated with First Berlin provided investment banking or consulting services for the analysed company within the past twelve months for which remuneration was or was to be paid;
- The author, First Berlin, or a company associated with First Berlin reached an agreement with the analysed company for preparation of a financial analysis for which remuneration is owed;
- The author, First Berlin, or a company associated with First Berlin has other significant financial interests in the analysed company;

In order to avoid and, if necessary, manage possible conflicts of interest both the author of the financial analysis and First Berlin shall be obliged to neither hold nor in any way trade the securities of the company analyzed. The remuneration of the author of the financial analysis stands in no direct or indirect connection with the recommendations or opinions represented in the financial analysis. Furthermore, the remuneration of the author of the financial analysis is neither coupled directly to financial transactions nor to stock exchange trading volume or asset management fees.

If despite these measures one or more of the aforementioned conflicts of interest cannot be avoided on the part of the author or First Berlin, then reference shall be made to such conflict of interest.

INFORMATION PURSUANT TO SECTION 64 OF THE GERMAN SECURITIES TRADING ACT [WPHG], DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 ON MARKETS IN FINANCIAL INSTRUMENTS AND AMENDING DIRECTIVE 2002/92/EC AND DIRECTIVE 2011/61/EU, ACCOMPANIED BY THE MARKETS IN FINANCIAL INSTRUMENTS REGULATION (MIFIR, REG. EU NO. 600/2014).

First Berlin notes that it has concluded a contract with the issuer to prepare financial analyses and is paid for that by the issuer. First Berlin makes the financial analysis simultaneously available for all interested security financial services companies. First Berlin thus believes that it fulfils the requirements of section 64 WpHG for minor non-monetary benefits.

PRICE TARGET DATES

Unless otherwise indicated, current prices refer to the closing prices of the previous trading day.

AGREEMENT WITH THE ANALYSED COMPANY AND MAINTENANCE OF OBJECTIVITY

The present financial analysis is based on the author's own knowledge and research. The author prepared this study without any direct or indirect influence exerted on the part of the analysed company. Parts of the financial analysis were possibly provided to the analysed company prior to publication in order to avoid inaccuracies in the representation of facts. However, no substantial changes were made at the request of the analysed company following any such provision.

ASSET VALUATION SYSTEM

First Berlin's system for asset valuation is divided into an asset recommendation and a risk assessment.

ASSET RECOMMENDATION

The recommendations determined in accordance with the share price trend anticipated by First Berlin in the respectively indicated investment period are as follows:

Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy ¹	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

¹ The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

RISK ASSESSMENT

The First Berlin categories for risk assessment are low, average, high and speculative. They are determined by ten factors: Corporate governance, quality of earnings, management strength, balance sheet and financial risk, competitive position, standard of financial disclosure, regulatory and political uncertainty, strength of brandname, market capitalisation and free float. These risk factors are incorporated into the First Berlin valuation models and are thus included in the target prices. First Berlin customers may request the models.

RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	29 October 2012	€24.55	Buy	€55.00
2...16	↓	↓	↓	↓
17	23 November 2017	€35.41	Buy	€69.00
18	13 June 2018	€50.63	Buy	€71.00
19	15 August 2019	€37.62	Buy	€75.00
20	30 June 2020	€27.94	Buy	€75.00
21	16 September 2020	€26.00	Buy	€75.00
22	Today	€22.20	Buy	€75.00

INVESTMENT HORIZON

Unless otherwise stated in the financial analysis, the ratings refer to an investment period of twelve months.

UPDATES

At the time of publication of this financial analysis it is not certain whether, when and on what occasion an update will be provided. In general First Berlin strives to review the financial analysis for its topicality and, if required, to update it in a very timely manner in connection with the reporting obligations of the analysed company or on the occasion of ad hoc notifications.

SUBJECT TO CHANGE

The opinions contained in the financial analysis reflect the assessment of the author on the day of publication of the financial analysis. The author of the financial analysis reserves the right to change such opinion without prior notification.

Legally required information regarding

- key sources of information in the preparation of this research report
- valuation methods and principles
- sensitivity of valuation parameters

can be accessed through the following internet link: <https://firstberlin.com/disclaimer-english-link/>

SUPERVISORY AUTHORITY: Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority) [BaFin], Graurheindorferstraße 108, 53117 Bonn and Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

EXCLUSION OF LIABILITY (DISCLAIMER)**RELIABILITY OF INFORMATION AND SOURCES OF INFORMATION**

The information contained in this study is based on sources considered by the author to be reliable. Comprehensive verification of the accuracy and completeness of information and the reliability of sources of information has neither been carried out by the author nor by First Berlin. As a result no warranty of any kind whatsoever shall be assumed for the accuracy and completeness of information and the reliability of sources of information, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the accuracy and completeness of information and the reliability of sources of information.

RELIABILITY OF ESTIMATES AND FORECASTS

The author of the financial analysis made estimates and forecasts to the best of the author's knowledge. These estimates and forecasts reflect the author's personal opinion and judgement. The premises for estimates and forecasts as well as the author's perspective on such premises are subject to constant change. Expectations with regard to the future performance of a financial instrument are the result of a measurement at a single point in time and may change at any time. The result of a financial analysis always describes only one possible future development – the one that is most probable from the perspective of the author – of a number of possible future developments.

Any and all market values or target prices indicated for the company analysed in this financial analysis may not be achieved due to various risk factors, including but not limited to market volatility, sector volatility, the actions of the analysed company, economic climate, failure to achieve earnings and/or sales forecasts, unavailability of complete and precise information and/or a subsequently occurring event which affects the underlying assumptions of the author and/or other sources on which the author relies in this document. Past performance is not an indicator of future results; past values cannot be carried over into the future.

Consequently, no warranty of any kind whatsoever shall be assumed for the accuracy of estimates and forecasts, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the correctness of estimates and forecasts.

INFORMATION PURPOSES, NO RECOMMENDATION, SOLICITATION, NO OFFER FOR THE PURCHASE OF SECURITIES

The present financial analysis serves information purposes. It is intended to support institutional investors in making their own investment decisions; however in no way provide the investor with investment advice. Neither the author, nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be considered to be acting as an investment advisor or portfolio manager vis-à-vis an investor. Each investor must form his own independent opinion with regard to the suitability of an investment in view of his own investment objectives, experience, tax situation, financial position and other circumstances.

The financial analysis does not represent a recommendation or solicitation and is not an offer for the purchase of the security specified in this financial analysis. Consequently, neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall as a result be liable for losses incurred through direct or indirect employment or use of any kind whatsoever of information or statements arising out of this financial analysis.

A decision concerning an investment in securities should take place on the basis of independent investment analyses and procedures as well as other studies including, but not limited to, information memoranda, sales or issuing prospectuses and not on the basis of this document.

NO ESTABLISHMENT OF CONTRACTUAL OBLIGATIONS

By taking note of this financial analysis the recipient neither becomes a customer of First Berlin, nor does First Berlin incur any contractual, quasi-contractual or pre-contractual obligations and/or responsibilities toward the recipient. In particular no information contract shall be established between First Berlin and the recipient of this information.

NO OBLIGATION TO UPDATE

First Berlin, the author and/or the person responsible for passing on or distributing the financial analysis shall not be obliged to update the financial analysis. Investors must keep themselves informed about the current course of business and any changes in the current course of business of the analysed company.

DUPLICATION

Dispatch or duplication of this document is not permitted without the prior written consent of First Berlin.

SEVERABILITY

Should any provision of this disclaimer prove to be illegal, invalid or unenforceable under the respectively applicable law, then such provision shall be treated as if it were not an integral component of this disclaimer; in no way shall it affect the legality, validity or enforceability of the remaining provisions.

APPLICABLE LAW, PLACE OF JURISDICTION

The preparation of this financial analysis shall be subject to the law obtaining in the Federal Republic of Germany. The place of jurisdiction for any disputes shall be Berlin (Germany).

NOTICE OF DISCLAIMER

By taking note of this financial analysis the recipient confirms the binding nature of the above explanations.

By using this document or relying on it in any manner whatsoever the recipient accepts the above restrictions as binding for the recipient.

QUALIFIED INSTITUTIONAL INVESTORS

First Berlin financial analyses are intended exclusively for qualified institutional investors.

This report is not intended for distribution in the USA and/or Canada.