

Aroundtown SA

Germany / Real Estate
 Frankfurt Stock Exchange
 Bloomberg: AT1 GR
 ISIN: LU1673108939

2021
 Results

RATING
BUY

PRICE TARGET
€ 8.30

Return Potential 57.5%
 Risk Rating Medium

OPTIMISED PORTFOLIO DRIVES PERFORMANCE

Full year reporting showcased operational performance and the positive impact of cash recycling and share buybacks. Headline figures were in line with FBe and 2021 guidance. Thanks to some €2.3bn in closed disposals, portfolio quality continued to rise with the commercial portfolio value hitting €2,614/m², despite continued pandemic headwinds for hotels. Net rent tallied €1.1bn, and FFOPS 1 climbed 11% Y/Y to €0.30 supported by the share buyback. The hotel sector is again expected to rebound this summer with restrictions lifting. Rent collection rates should top 60% in 2022, while office lettings are helped by pent up demand. We maintain our Buy rating. Our €8.3 price target (old: €8.6) now factors in a covid-provision for 2022.

No need to change course in current environment Last year, AT sold some €2.8bn in properties at 3% above book value (€2.3bn closed). Management said on the earnings call, that the company will continue to recycle cash from non-core / mature property disposals as long as the arbitrage between the AT share price, which trades at a heavy discount to NAV, and the transaction markets prevails. We thus think the buyback program could be topped up again once the current €500m has been exhausted. Non-core properties now make up only 8% of the portfolio (Q1/20: 16%), and the disposal pipeline still tops €1bn. The balance sheet remains a strength with €3.2bn in cash & equivalents at YE21 providing excellent flexibility and a good buffer to macro risks. Management put initial 2022 FFOPS 1 guidance at €0.31 to €0.34 (+3% to 13% Y/Y).

Developments in the hotel sector Following a summer uptick in bookings led by domestic travel, the hotel and hospitality industries again faced pandemic headwinds with the Omicron variant. AT's hotel rent collection rate dipped to 55% in Q4 after peaking at 60% and tallied 48% for the full year. Q1/22 collections dipped to 45%, but restrictions are lifting in Germany and have been fully removed in the UK paving the way for another strong summer. CBRE, a market watcher, expects hotel occupancy rates and performance. . . (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2018	2019	2020	2021	2022E	2023E
Net rent (€m)	633.00	765.70	1,003.00	1,085.70	1,178.82	1,209.25
Adj. EBITDA (€m)	606.0	772.7	944.1	974.9	1017.9	1060.7
Net income (€m)	1,827.80	1,709.10	906.40	1,078.10	1,210.57	1,437.77
EPS (diluted) (€)	1.54	1.12	0.50	0.55	0.76	0.96
EPRA NTA ¹ (€m)	n.a.	10,522.78	11,186.90	11,564.01	12,248.17	13,171.27
NTAPS ¹ (€m)	n.a.	8.59	9.51	10.21	11.09	11.92
DPS (€)	0.25	0.14	0.22	0.23	0.24	0.34
FFO ¹² (€m)	359.64	445.58	357.80	353.20	354.01	496.30
FFOPS ¹² (€)	0.34	0.38	0.27	0.30	0.32	0.45
Liquid assets (€m)	1,613.90	3,074.70	3,287.09	3,276.61	2,631.56	1,714.19

¹ No NTA data reported prior to 2019 ² after perpetual and covid-19 adjustments

RISKS

Risks include, but are not limited to, unfavourable interest rate developments, unfavourable macroeconomic developments, and the departure of key personnel.

COMPANY PROFILE

Aroundtown SA is a specialist real estate company focused on investing in and managing value-add properties primarily located in the German/ Netherlands real estate markets.

MARKET DATA

As of 30 Mar 2022

Closing Price	€ 5.27
Shares outstanding	1537.02m
Market Capitalisation	€ 8100.10m
52-week Range	€ 4.67 / 7.08
Avg. Volume (12 Months)	2,793,869

Multiples	2021	2022E	2023E
P/FFO 1	17.4	16.5	11.7
P/NTA	0.5	0.5	0.4
FFO 1 Yield	5.7%	6.0%	8.5%
Div. Yield	4.3%	4.5%	6.4%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2021

Liquid Assets	€ 3,244.10m
Current Assets	€ 5,528.90m
EPRA NTA	€ 11,564.00m
Investment properties	€ 29,115.90m
Current Liabilities	€ 1,606.70m
Total Equity	€ 19,156.40m

SHAREHOLDERS

Treasury shares*	28.0%
Avisco Group	10.0%
Blackrock	5.6%
Free Float	56.4%

* 12% are held through TLG Immobilien AG, voting rights suspended



. . . to improve tangibly in the coming months. The optimism is underpinned by strong domestic tourism, which was evident last summer, combined with increasing demand for more relaxed travel options vs international getaways that still involve airport hassles, testing, and in some cases, sequestering measures. While many market observers still caution that a full travel recovery to pre-pandemic levels may stretch into 2024, we argue that AT hotels can recover from a stronger base, since domestic travel dominates the German (>80%), UK (>80%), and Netherlands (>60%) markets, where AT's hotel tenants operate.

Management expect AT's 2022 hotel performance to improve on last year and look for hotel rent collections to range between 60% to 70%. AT said it will again provision for uncollected rents in 2022, which is also factored into guidance.

Office developments and trends to track in 2022 With the easing of pandemic restrictions, office letting began to pick up in H2/21. AT noted 160k m² in new lettings in 2021, while prolongations topped 350k m² last year. Management remain cautious on the timing of a full recovery to pre-pandemic levels citing the potential impact of complex macro issues (inflation, interest rates, supply chains, resource scarcity, and geopolitics) on economic growth.

Hybrid working and the flex office are quickly becoming the new norm now that the novelty of working from home (WFH) has worn off and occupiers are embracing contemporary concepts. Office vacancy remains close to historical lows, owing to scarce supply, and CBRE says the German office market is off to a good start this year after 2021 office up-take of 2.6m square meters outperformed the prior year metric by 21%. The real estate market watcher expects this trend to continue in top locations helped by backlog effects as occupiers adjust their office footprints and strategies to new paradigms.

Even during the height of the pandemic and peak WFH mania, we argued that the value of physical office would prevail. This view is now playing with shifting demand trends. Occupiers are now eyeing modern and efficient office spaces, while ESG considerations are also taking centre stage—Aroundtown reported that ~30% of its NL portfolio has green building certifications.

AT's office assets comprise centrally located, high quality office buildings located in top tier cities in Germany, and the Netherlands. We thus believe the company is well positioned to capitalise on market dynamics.



HIGHLIGHTS FROM THE 2021 RESULTS

Net rental income like-for-like (LFL) was +0.3%—in-place rent +0.8%; occupancy minus 0.5%—for the period. The office segment led LFL performance with +1.3%. Adjusted for the minus 1.1% LFL performance for hotel assets, the KPI totalled +1.0% including +1.7% for in-place rent and minus 0.7% occupancy LFL. The metrics did not include GCP but will in future reporting.

Table 1: 2021 results vs prior year and FBe

All figures in EURm	Q4/21	Q4/21E	variance	Q4/20	variance	2021	2020	variance
Recurring LT net rental income	307	310	-1.0%	223	37.7%	1,063	953	11.5%
Net rental income	313	318	-1.5%	245	27.8%	1,086	1,003	8.3%
AEBITDA before JV contribution*	246	242	1.7%	173	42.2%	871	777	12.1%
Margin (on NRI)	79%	76%	-	71%	-	80%	77%	-
AEBITDA	259	255	1.6%	221	17.2%	975	944	3.3%
FFO 1 ¹	86	80	7.6%	57	52.1%	353	358	-1.4%
FFOPS 1 ¹ (€)	0.07	0.07	7.4%	0.05	40.0%	0.30	0.27	11.1%
FFOPS 1 before covid adjustment (€)	0.10	0.09	7.4%	0.09	11.1%	0.41	0.37	10.8%

* Previously adj. EBITDA commercial, recurring LT; ¹Previously FFO 1 after perpetuals, covid adjusted

Source: First Berlin Equity Research; Aroundtown

Full year net rental income (NRI) rose 8% on an annualised basis to €1.1bn. The growth owes largely to the GCP consolidation and was partially offset by disposals. Adjusted for GCP, NRI was down 11% Y/Y to €894m. The decline is traced to some €2.3bn in 2021 disposals. Q4 NRI of €313m was also higher Y/Y on the same effects and close to FBe.

'Adj. EBITDA before JV contribution' which reflects recurring operational profit excluding capital gains and revaluation effects, climbed 12% Y/Y to €871m in 2021 owing chiefly to the GCP contribution. Excluding the Grand City effects, the KPI was 7% lower on an annualised basis at €720m, due to the aforementioned disposals. Including the JV contributions, AEBITDA tallied €975m (+3.3%).

Table 2: 2021 performance vs guidance and FBe

	Unit	2021 Guidance	2021 Actual	FBe 2021
FFO 1 ¹	€m	340 - 370	353	341
FFOPS 1 ¹	€	0.29 - 0.31	0.30	0.29
DPS	€	0.22 - 0.24	0.23	0.22

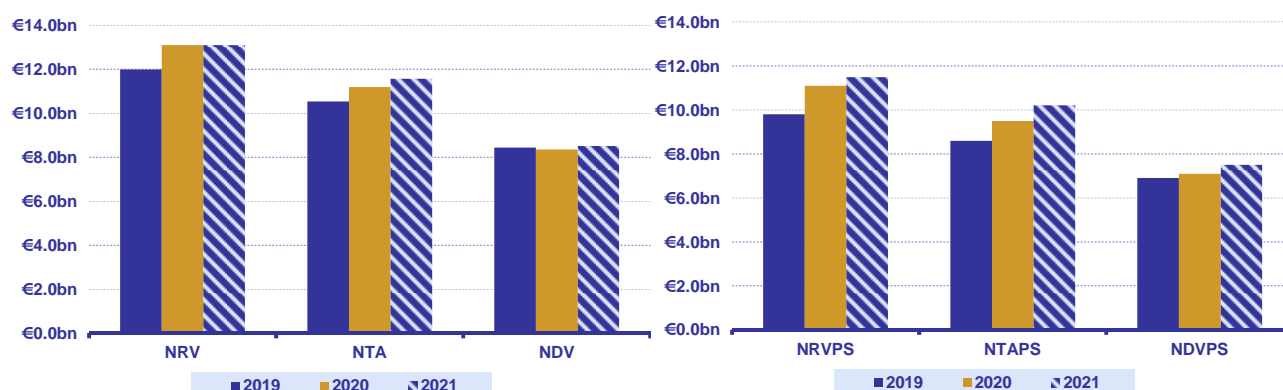
¹Previously FFO 1 after perpetuals, covid adjusted

Source: First Berlin Equity Research; Aroundtown

FFO 1 metrics in line with guidance Full year FFO 1 was down 1.4% Y/Y, due chiefly to the €125m Covid-19 provision (2020: €100m) and disposals. The GCP consolidation had no material impact on FFO calculations since AT's share of GCP FFO was already included in the old accounting. On a non-adjusted basis, FFO 1 totalled €478m matching the prior year period. The calculation now includes AT's share of FFO in JV positions and excludes minorities' operating profits. FFO KPIs benefitted from LFL growth, the increased stake in GCP, and lower financing costs stemming from debt optimisation activities, which helped counter disposal effects.

FFOPS 1 rose 11% Y/Y to €0.30, thanks to the impact of the share buyback, while 'FFOPS 1 before covid-19 adjustments' was up strongly (+11%) to €0.41. FFO 2 hit €969m (2020: €933m), thanks to the €615m result from property disposals for the period.

Figure 1: EPRA NAV developments



Source: First Berlin Equity Research; Aroundtown

EPRA NTA totalled €11.6bn (€10.2 / share) compared to €11.2bn at year-end 2020 (€9.5 / share, +7.4%). Adjusted for dividends, NTA grew 10% Y/Y. Per share growth was positively impacted by the share buyback, and the figures reflect the GCP consolidation. Profits generated during the period were slightly mitigated by the share buyback (~€444m).

Table 3: Financial highlights

All figures in EURm	2021	2020	variance
Cash and liquid assets	3,244	3,263	-1%
Investment property	29,116	21,172	38%
Total assets	39,383	31,022	27%
Net debt	12,344	8,598	44%
Total equity	19,156	15,583	23%
Equity ratio	49%	50%	-
EPRA NTA	11,564	11,187	3%
Unencumbered asset ratio	83%	76%	-
Loan-to-Value (LTV)	39%	34%	-

Source: First Berlin Equity Research; Aroundtown

Balance sheet metrics remain solid The debt structure includes an LTV of 39% alongside a historically low 1.2% average cost of debt with a 5.7 year maturity. AT repaid some €2.3bn in more expensive (~1.8%) debt in 2021, and issued new debt totalling €1.3bn at 0.4%, while also consolidating ~€4.5bn in GCP debt.

The interest coverage ratio (ICR) and unencumbered asset ratio stood at 4.9x and 83% respectively at the end of YE21. The cash coverage ratio stood at 6.8x of debt maturing the next two years.



PORTFOLIO BREAKDOWN

Lucrative disposals provide excellent financial flexibility AT continued to cull the portfolio of non-core / mature commercial assets in secondary locations and closed €2.3bn in disposals last year at a 21x rental income multiple and 3% margin over BV. The company noted YTD disposals of €0.1bn in addition to the €0.5bn signed in 2021. The disposal pipeline remains ~€1bn.

Aroundtown purchased ~€669m in properties last year, and funnelled proceeds into share buyback programs. The company has repurchased some €575m in AT stock since the start of 2021, and will consider topping up the buyback program once the current €1bn budget has been exhausted. Given that the tight market environment currently limits acquisition growth, we see this as a prudent course for future disposal proceeds.

Portfolio value up to €2,614/m² Following the portfolio reshuffle, office now constitutes 44% of investment properties vs 51% at YE20. The hotel component has been reduced to 18% compared to 24% last year, while residential accounts for 30% of the portfolio (2021: 14%). Logistics & retail continue to be de-emphasized in the current market environment.

Table 4: Portfolio segmentation by asset type and KPIs

	Investment properties (€m)	Rentable area ('000 m ²)	EPRA vacancy	Annualised net rent (€m)	In-place rent (€/m ²)	Value (€/m ²)	Rental yield	WALT
Office	11,857	3,798	10.5%	480	11.2	3,122	4.0%	4.6
Residential	8,073	3,714	5.2%	347	8.1	2,174	4.3%	n.a.
Hotel	4,819	1,565	4.1%	242	13.3	3,079	5.0%	15.3
Retail	1,825	778	11.1%	84	10.0	2,346	4.6%	4.9
Logistics/Other	469	492	6.6%	24	4.3	953	5.1%	4.8
Land for development & rights	2,073							
Total	29,116	10,347	7.7%	1,177	10.0	2,614	4.4%	7.8
Total (GCP at relative consolidation)	24,264	8,252	8.2%	981	10.5	2,718	4.4%	7.9

Source: First Berlin Equity Research; Aroundtown



OUTLOOK

Table 5: Initial 2022 guidance vs prior year and FBe

	Unit	2022 Guidance	2021 Actual	FBe 2022
FFO 1 ¹	€m	350 - 375	353	354
FFOPS 1 ¹	€	0.31 - 0.34	0.30	0.32
DPS	€	0.23 - 0.25	0.23	0.24

¹Previously FFO 1 after perpetuals, covid adjusted

Source: First Berlin Equity Research; Aroundtown

Guidance and updated FBe Management gave 2022 guidance calling for FFOPS 1 of €0.31 to €0.34 with a continued 75% dividend payout ratio. Revisions to our forecasts include: (1) full synchronisation with the newly consolidated capital structure; (2) updated assumptions for minority adjustments and JV contributions impacting FFO 1; and (3) the adoption of an extraordinary RI provision for 2022 after hotel collections in Q1/22 again declined with the Omicron wave. We had previously assumed a portion of uncollected rents would be recovered this year.

Figure 2: Changes to FBe and target price

	old	new	revision	upside	dividend yield	total upside
Price target (€)	8.6	8.3	-3.5%	57.5%	4.5%	62.0%
in €m	Old	2022E New	variance	Old	2023E New	variance
Net rent (NRI)	1,201	1,179	-1.8%	1,224	1,209	-1.2%
Revaluations	592	594	0.3%	673	686	1.9%
AEBITDA, commercial	957	969	1.3%	991	1,009	1.9%
margin	80%	82%	-	81%	83%	-
FFO 1 ¹	385	354	-8.0%	605	496	-18.0%
Margin	32%	30%	-	49%	41%	-
FFOPS 1 ¹ (€)	0.45	0.32	-8.0%	0.65	0.45	-18.0%

¹Previously FFO 1 after perpetuals, covid adjusted

Source: First Berlin Equity Research estimates



VALUATION MODEL

The AT stock has been volatile lately against the macro-economic headwinds, geopolitical uncertainty, and the recent upswing in bond yields. However, our view that Aroundtown, with its robust capital structure and diversified portfolio—that now includes a 30% residential component—is an excellent investment with an attractive dividend yield (2022E: 4.5%), remains unchanged. We confirm our Buy rating. Our price target moves to €8.3 on updated estimates (old: €8.6).

in €m	2022E	2023E	2024E	2025E	TV
EBITDA	1,018	1,061	1,133	1,200	1,218
(+) Revaluations	594	686	825	968	436
(+) Investment income (GCP)	22	22	26	27	27
(-) Tax expense	99	103	110	117	118
NOPAT	1,535	1,665	1,874	2,078	1,563
Total assets	38,723	39,969	41,167	42,651	42,651
(-) Current liabilities	1,183	1,123	1,163	1,198	1,198
(+) Current financial debt	56	56	56	56	56
(-) Cash	2,227	1,309	388	15	15
(-) Deferred taxes	2,764	2,860	2,977	3,115	3,115
Capital employed (CE)	32,606	34,733	36,696	38,379	38,379
Average CE	32,442	33,670	35,715	37,537	38,379
ROCE	4.7%	4.9%	5.2%	5.5%	4.1%
WACC	4.1%	4.1%	4.1%	4.1%	4.1%
ROCE-WACC	0.7%	0.9%	1.2%	1.5%	0.0%
Economic profit	218	298	424	554	5
NPV	211	278	380	477	172

Fair value calculation	
Total return	1,519
(+) NTA ¹ (2021)	11,564
(-) Dividend to be paid	250
Equity value	12,832
Fair value per share (€)	8.30
¹ net tangible assets	
Target price (€)	8.30
Share price (€)	5.27
Return potential	57.5%
Dividend yield	4.3%
Total return potential	61.8%



INCOME STATEMENT

All figures in EURm	2018	2019	2020	2021	2022E	2023E
Net rent	633	766	1,003	1,086	1,179	1,209
Operating and other income	114	129	177	238	276	283
Rental and operating income (RI)	747	895	1,180	1,323	1,455	1,492
Capital gains, property revaluations & other	1,536	1,218	769	810	594	686
Result from equity-accounted investees	252	299	196	193	127	132
Property OpEx	-219	-228	-443	-533	-535	-433
Other income	0	0	0	0	0	0
Administration & other OpEx	-23	-27	-51	-57	-62	-61
Operating income (EBIT)	2,294	2,156	1,652	1,737	1,580	1,816
Net financial result	-115	-142	-201	-180	-178	-169
Other financial expenses	-94	46	-168	-162	0	0
Pre-tax income (EBT)	2,085	2,060	1,283	1,394	1,401	1,647
Tax expense	-44	-71	-89	-100	-102	-106
Deferred tax	-213	-280	-287	-216	-89	-103
Tax result	-257	-351	-377	-316	-191	-209
Comprehensive net income	1,828	1,709	906	1,078	1,211	1,438
Minority interests	161	343	165	330	251	262
Perpetual notes	46	58	90	106	119	119
Net income to owners	1,620	1,308	652	642	840	1,057
Basic EPS (€)	1.54	1.12	0.50	0.55	0.76	0.96
AEBITDA	606	773	944	975	1,018	1,061
Ratios						
Adj EBITDA before JV contributions	81.1%	86.4%	80.0%	73.7%	70.0%	71.1%
Tax rate	7.3%	9.1%	9.5%	10.3%	10.0%	10.0%
Expenses as % of revenues						
Property OpEx	29.3%	25.5%	37.5%	40.3%	36.8%	29.0%
Administration & other OpEx	3.0%	3.1%	4.3%	4.3%	4.2%	4.1%
Y/Y Growth						
Revenues	41.7%	19.8%	31.9%	12.1%	10.0%	2.6%
Operating income	19.4%	-6.0%	-23.4%	5.1%	-9.1%	14.9%
Adjusted EBITDA	78.8%	27.5%	22.2%	3.3%	4.4%	4.2%
Net income/ loss	26.3%	-19.3%	-50.2%	-1.5%	30.8%	25.8%
Funds from Operations (FFO)						
AEBITDA before JV contribution	497	641	777	871	969	1,009
Finance expense	-115	-142	-201	-180	-178	-169
Tax expense	-44	-71	-89	-100	-102	-106
Minority adjustment	-7	-17	-36	-82	-146	-149
Other adjustments	8	3	9	7	8	8
Perpetual attribution	-46	-58	-90	-106	-119	-119
FFO 1 before JV contribution	293	357	371	409	432	474
JV FFO 1 contributions	67	89	107	69	22	22
FFO 1 before Covid adjustment	360	446	478	478	454	496
Extraordinary provision for uncollected rents	0	0	-120	-125	-100	0
FFO 1¹	360	446	358	353	354	496

¹ Previously FFO 1 after perpetuals, covid adjusted



BALANCE SHEET

All figures in EURm	2018	2019	2020	2021	2022E	2023E
Assets						
Current assets, total	2,102	3,743	4,781	5,529	3,947	3,064
Cash and cash equivalents	1,243	2,192	2,692	2,873	2,227	1,309
Short-term investments	366	878	454	376	376	376
Receivables	277	454	617	1,219	1,315	1,349
Other current assets	5	5	141	28	28	29
Assets held for sale	211	214	877	1,033	0	0
Non-current assets, total	16,939	21,702	26,241	33,854	34,776	36,906
Property, plant & equipment	33	20	877	1,849	1,855	1,860
Investment properties	14,174	18,127	21,172	29,116	29,962	32,026
Equity accounted investees	2,215	2,506	3,177	1,223	1,263	1,304
Other LT assets	517	1,049	1,014	1,667	1,696	1,715
Total assets	19,041	25,445	31,022	39,383	38,723	39,969
Shareholders' equity & debt						
Current liabilities, total	606	857	1,074	1,607	1,183	1,123
Short-term debt	27	246	181	544	56	56
Accounts payable	451	343	435	621	667	589
Provisions & other current liabilities	128	268	458	442	460	478
Long-term liabilities, total	8,491	11,209	14,364	18,620	17,529	17,774
Long-term debt	7,444	9,759	11,680	15,026	13,818	13,930
Deferred tax liabilities	882	1,107	2,026	2,766	2,855	2,958
Other LT liabilities	164	342	659	828	856	886
Minority interests	567	1,309	2,025	3,875	4,127	4,389
Shareholders' equity	9,377	12,070	13,558	15,281	15,884	16,684
Total consolidated equity and debt	19,041	25,445	31,022	39,383	38,723	39,969
Ratios						
ICR (x)	4.7	4.8	4.3	4.9	5.1	5.6
Net debt / adj. EBITDA (x)	11.8	10.9	11.1	14.2	11.6	12.2
Equity ratio	52.2%	52.6%	50.2%	48.6%	51.7%	52.7%
Financial leverage	62.6%	57.9%	63.4%	80.8%	70.8%	73.6%
EPRA NTA	n.a.	10,523	11,187	11,564	12,248	13,171
EPRA NTAPS (€)	n.a.	8.6	9.5	10.2	11.1	11.9
Net debt	5,871	6,985	8,598	12,344	11,243	12,272
Return on equity (ROE)	19.5%	14.2%	6.7%	7.1%	7.6%	8.6%
Loan-to-value (LTV)	35%	34%	34%	39%	36%	37%



CASH FLOW STATEMENT

All figures in EURm	2018	2019	2020	2021	2022E	2023E
Net income	1,828	1,709	906	1,078	1,211	1,438
Depreciation & amortisation	2	2	4	16	15	15
Capital gains, property revaluations & other	-1,536	-1,218	-769	-810	-594	-686
Profit share from equity accounted investees	-252	-299	-196	-193	-127	-132
Shared based payment in a subsidiary	3	5	3	6	0	0
Net finance expenses	208	96	369	343	178	169
Tax result	257	351	377	316	191	209
Operating cash flow	510	646	694	755	873	1,013
Changes in working capital	-39	-34	-36	-57	-75	-125
Provisions for other liabilities	-3	-3	-3	-4	20	21
Dividend received	51	61	43	24	87	90
Tax paid	-46	-57	-83	-93	-102	-106
Net operating cash flow	473	614	616	626	804	893
CapEx/ intangibles	-5	-3	-36	23	-20	-20
Disposal/ investment in investment properties, net	-915	-2,311	1,427	1,179	757	-1,378
Acquisition/disposals of subsidiaries	-1,829	0	0	0	0	0
Proceeds from investments in financial assets	-175	-576	-377	-124	20	21
Cash flow from investing	-2,924	-2,890	1,014	1,078	757	-1,378
Debt financing, net	2,588	2,148	-493	-1,320	-1,696	112
Equity financing, net	601	596	0	0	0	0
Payments for own shares	0	0	-1,001	-444	0	0
Share buy-back in a subsidiary	0	0	0	-270	0	0
Dividends paid	-226	-209	-22	-252	-250	-257
Other financing activities	87	854	94	-120	-82	-119
Net paid financing expenses	-97	-161	-212	-201	-178	-169
Cash flow from financing	2,953	3,228	-1,634	-2,607	-2,206	-433
Net cash flows	501	952	-5	-903	-646	-918
Assets held for sale - cash	6	-4	-3	-2	0	0
Fx effects	-1	1	-1	16	0	0
Cash & equivalents from TLG	0	0	509	1070	0	0
Cash, start of the year	736	1,243	2,192	2,692	2,873	2,227
Cash, end of the year	1,243	2,192	2,692	2,873	2,227	1,309
FFO 1 before covid adjustment	360	446	478	478	454	496
FFO 1 ¹	360	446	358	353	354	496
FFOPS 1 before covid adjustment (€)	0.34	0.38	0.37	0.41	0.41	0.45
FFOPS 1 ¹ (€)	0.34	0.38	0.27	0.30	0.32	0.45

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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.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	29 September 2015	€3.40	Buy	€5.70
2...42	↓	↓	↓	↓
43	27 November 2020	€5.97	Buy	€8.60
44	28 January 2021	€5.67	Buy	€8.60
45	31 March 2021	€6.07	Buy	€8.60
46	15 April 2021	€6.34	Buy	€8.60
47	31 May 2021	€6.89	Buy	€8.60
48	30 August 2021	€6.47	Buy	€8.60
49	23 September 2021	€6.06	Buy	€8.60
50	25 November 2021	€5.91	Buy	€8.60
51	Today	€5.27	Buy	€8.30

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