PAION AG

Germany / Biotechnology
Frankfurt Prime Standard
Bloomberg: PA8 GR
ISIN: DE000A0B65S3

Update

RATING	**BUY**
PRICE TARGET	**€4.70**
Return Potential	118.5%
Risk Rating	High

PHASE III HEADLINES PAVE WAY FOR US PARTNERSHIP, CAPITAL RAISE

Headline data of Paion's U.S. phase III study with remimazolam in procedural sedation broadly confirmed phase IIb results released in 2010. The results suggest the time saving through using remimazolam instead of it's prospective main competing product, midazolam, is likely to exceed six minutes. This is a substantial time saving on a typical colonoscopy procedure time of 30-60 minutes. The US colonoscopy market is currently seeing trends towards lower reimbursement per procedure and "bundling" or a contracted flat fee for the total cost of each colonoscopy. In this environment, physicians are looking for ways to maintain their income. Remimazolam, which has the advantage over midazolam of shorter onset/offset times and over its other main prospective competing product, propofol, of not requiring an anaesthetist is a clear potential answer to this problem. Under the terms of the licensing deal announced on 24 June, Cosmo Pharmaceuticals will make payments of up to €62.5m (milestones of €52.5m, of which €10m are upfront, and an equity raise of €10m) to Paion ahead of remimazolam's US commercialisation. These cash inflows should ensure that Paion is fully financed until remimazolam's launch. We raise our price target from €4.20 to €4.70 and maintain our Buy recommendation.

U.S. phase III results in procedural sedation published on 19 June Paion has published headline data from its U.S. phase III study with remimazolam in procedural sedation. The study enrolled 461 patients at 13 sites and was designed to evaluate efficacy and safety of remimazolam compared to placebo with rescue by midazolam. The study also included a non-comparative open label arm in which midazolam (likely to be the main competing product to remimazolam) was dosed according to its US label.

Primary endpoint met by 91.3% of patients The study's primary endpoint was success of the procedure. This was measured by completion of colonoscopy, no requirement for an alternative sedative and no requirement for more than 5 top-ups of study medication within any 15 minute period.

FINANCIAL HISTORY & PROJECTIONS

	2013	2014	2015	2016E	2017E	2018E
Revenue (€m)	4.23	3.46	0.07	10.00	15.00	40.76
Y-o-y growth	-84.2%	-18.3%	n.a.	n.a.	50.0%	171.7%
EBIT (€m)	-2.81	-11.64	-34.09	-20.25	-4.80	9.03
EBIT margin	-66.5%	-336.8%	-47599.0%	-202.5%	-32.0%	22.1%
Net income (€m)	-2.21	-9.10	-28.21	-14.95	-4.29	9.59
EPS (diluted) (€)	-0.09	-0.23	-0.56	-0.28	-0.08	0.17
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (€m)	-1.75	-12.07	-26.32	-14.86	-4.27	9.13
Net gearing	-99.7%	-94.1%	-91.9%	-90.8%	-89.7%	-91.4%
Liquid assets (€m)	13.29	58.91	32.68	27.42	23.55	32.68

RISKS

Risks to our price target include but are not limited to: drug development, finding development partners with favourable terms, financial, and legal risks.

COMPANY PROFILE

PAION is a specialty pharmaceutical company headquartered in Aachen (Germany) with operations in Cambridge (United Kingdom) and New Jersey (USA). PAION's lead substance, Remimazolam, is an intravenous ultra-short-acting anesthetic that is currently in Phase III clinical development for procedural sedation.

MARKET DATA

As of 04 Jul 2016

Closing Price	€ 2.15
Shares outstanding	55.74m
Market Capitalisation	€ 119.89m
52-week Range	€ 1.14 / 2.70
Avg. Volume (12 Months)	195,592

Multiples	2015	2016E	2017E
P/E	n.a.	n.a.	n.a.
EV/Sales	1318.5	9.4	6.3
EV/EBIT	n.a.	n.a.	n.a.
Div. Yield	0.0%	0.0%	0.0%

STOCK OVERVIEW

COMPANY DATA

As of 31 Mar 2016

Liquid Assets	€ 25.46m
Current Assets	€ 33.40m
Intangible Assets	€ 3.05m
Total Assets	€ 36.67m
Current Liabilities	€ 8.10m
Shareholders' Equity	€ 28.53m

SHAREHOLDERS

Cosmo Pharmaceuticals	9.1%
TIAA-CREF	3.0%
Free Float	87.9%

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The procedure was successful in 91.3% of patients. The success rate was measured on an intention to treat basis and would presumably have been higher had some patients not withdrawn before the start of the procedure.

Secondary time-related endpoints of the study are very important Secondary study endpoints included time to start of procedure after administration of the first dose of medication and time to full alertness after the end of the procedure. These time-related secondary endpoints are very important. During commercialisation the extent to which remimazolam facilitates shorter procedure times will be crucial in persuading physicians to switch from the long-established drugs used in procedural sedation such as midazolam and propofol. The remimazolam arm of the study showed a mean time to start of procedure of 5.10 minutes and a mean time from end of procedure to return to full alertness of 9.25 minutes. Paion has not published data on the phase III performance of midazolam. These numbers will be included in the final peer-reviewed version of the study which will be published in due course. However, management points out that although the study designs are not identical, results of the phase III trial were similar to those of the phase IIb trial published in 2010.

Figure 1: Time-related endpoints of phase III and IIb studies

	remimazolam phase III (remimazolam arm) 5.0mg with 2.5mg top-ups 50-75µg fentanyl or lower	remimazolam phase IIb (remimazolam arm) 5.0mg with 3.0mg top-ups 100µg fentanyl	remimazolam phase IIb (midazolam arm) 2.5mg with 1.0mg top-ups 100µg fentanyl
mean time to start of procedure (minutes)	5.10	2.65	4.80
mean time to full alertness (minutes)	9.25	13.30	15.20

Source: Paion

Phase III study based on remimazolam dose of 5mg with 2.5mg top-ups In the phase IIb trial, which enrolled 160 patients, remimazolam was dosed at 8mg with 3 mg top-ups (40 patients), 7mg with 2mg top-ups (40 patients) and 5mg with 3mg top-ups (40 patients). Midazolam was dosed at 2.5mg with 1mg top-ups (40 patients) - i.e. in line with the recommendation on its US label. The phase IIb test results demonstrated that the 7mg and 5mg doses of remimazolam produced a deeper level of sedation than that required for routine colonoscopies. The phase IIb study also concluded that the 5mg dose group showed the highest efficacy rate and the best safety profile. The phase III study design therefore opted for a remimazolam dose of 5mg with 2.5mg top-ups. We therefore focus on the 5mg dose of remimazolam in our discussion of the phase IIb results and their comparison with the phase III results.

Phase IIb results understated time saving with remimazolam for two reasons… The phase IIb results showed onset of sedation with remimazolam of 2.65 minutes compared with 4.8 minutes for midazolam. Recovery from sedation as measured by the time to fully alert metric was 13.3 minutes compared with 15.2 minutes for midazolam. Based on these numbers remimazolam reduces procedure time by just over four minutes compared with midazolam. However, these results probably understate the true time saving through the use of remimazolam for two reasons.

…Use of propofol as a sedative rescue lowered midazolam recovery time… First, the midazolam recovery time was shortened because 25% of the midazolam patients could not be successfully sedated and were given propofol as a sedative rescue. Recovery time from sedation with propofol is substantially shorter than with midazolam and so the recovery time for these patients is artificially short.

…**Midazolam phase IIb dose based on label, which is lower than dosage used in practice** Second, the FDA stipulated that the phase IIb study dose midazolam at the level of the 2.5mg recommended on the drug's label.

In practice, as the article “Sedation in Gastrointestinal Endoscopy: Current Issues“ in the 28 January 2013 edition of the World Journal of Gastroenterology indicates, physicians generally dose midazolam at <5mg to <6mg. At this dose level, the recovery time with midazolam is generally substantially longer than 15 minutes. Furthemore, one of the main differences between the phase III and phase IIb trials was the lower dose of the painkilling opioid analgesic, fentanyl, given in phase III compared with phase IIb. In phase III 50-75 µg of fentanyl were given compared with 100µg in phase IIb. This helps explain both the increase in mean time to start of procedure with remimazolam from 2.65 minutes in phase IIb to 5.1 minutes in phase III and the decrease in recovery time with remimazolam from 13.3 minutes in phase III to 9.25 minutes in phase II.

We expect time saving of remimazolam vs. midazolam use to exceed six minutes As we have already seen, headline phase III data does not include results for the midazolam arm. These will be published in due course as part of the final peer-reviewed study. We assume that the lower fentanyl dose will have the same effect on the phase III/IIb comparison for midazolam as for remimazolam i.e. raising time to start of procedure (onset) and lowering time to full alertness (offset). For this reason, we have not taken into account the lower fentanyl dose when assessing the likely difference between total onset/offset time for the two drugs. We only adjust for the impact of the lower dose of midazolam used in the two studies in comparison with practice and the use of propofol as a rescue sedative in phase IIb. The phase IIb study showed a 4.05 minute advantage for remimazolam in total onset/offset time over midazolam. Adjusting for the higher dosage of midazolam used in practice and the use of propofol in phase IIb, we think this advantage is likely to exceed six minutes. This is a substantial time saving on a typical colonoscopy procedure time of 30-60 minutes.

Two main prospective rival products are midazolam and propofol Around 20 million colonoscopy procedures are performed outside hospitals in the US every year. Paion and its new partner, Cosmo Pharmaceuticals, are seeking to position remimazolam with physicians who carry out these procedures. Sedatives are reimbursed as part of the cost of the procedure. Two sedatives - midazolam and propofol - currently dominate the non-hospital (clinic) colonoscopy market. Both of these drugs were introduced during the late 1970s. Propofol is used predominantly in the north eastern and eastern US while midazolam is mainly used in the west, midwest and south. Procedures carried out with Propofol require the assistance of an anaesthetist due to the drug’s propensity to lower patients’ blood pressure. The need for an anaesthetist increases revenues for providers but also raises costs for insurers and centres for medicare and medicaid services. Midazolam does not require the presence of an anaesthetist but has the disadvantage of longer onset and offset times relative to propofol.

Remimazolam suits lower reimbursement environment The US colonoscopy market is currently seeing trends towards lower reimbursement per procedure and “bundling” or a contracted flat fee for the total cost of each colonoscopy. In this environment, physicians are looking for ways to maintain their income. Remimazolam, which has the advantage over midazolam of shorter onset/offset times and over its other main prospective competing product, propofol, of not requiring an anaesthetist is a clear potential answer to this problem.

Pre-commercialisation cash flows from Cosmo could reach €62.5m On 24 June Paion announced a US license agreement for remimazolam with the Irish-headquartered company, Cosmo Pharmaceuticals N.V. (Cosmo). Cosmo is a specialty pharmaceutical company that aims to become a global leader in therapies for gastro-intestinal diseases. The company’s shares are listed in Switzerland. 2015 sales were €61m while the market capitalisation is currently c. €2bn. Cosmo’s business model has historically been based on licensing out its products to distribution partners. However, the company is now looking to set up its own commercial infrastructure in the US.

Cosmo's in-licensing of remimazolam for the US market is part of its strategy to grow the volume of endoscopy/gastrointestinal products it will sell through its future US distribution network. Cosmo will make a €10m upfront license fee payment to Paion. Paion will also receive up to €42.5m in payments contingent on milestones related to the U.S. regulatory approval process. Following regulatory approval and once commercialisation gets underway, Paion will receive tiered royalties on net sales in the U.S, ranging from 20% to 25%, which may be adjusted under certain conditions, but not to below 15% of net sales. In addition Paion will issue 5,064,194 new shares (entailing a 10% increase in its share capital) to a subsidiary of Cosmo, Granell Strategic Investment Fund (Granell), for proceeds of €9.6m. Granell has undertaken to invest a further €0.4m at a later date.

Immediate €19.6m injection from Cosmo should leave Paion with cash cushion

Under the terms of the license agreement, Cosmo has the right to further develop and commercialize remimazolam in the U.S. and will bear all future associated costs for market authorisation and distribution. Paion will carry the cost of the ongoing U.S. trials in procedural sedation. Paion had cash and cash equivalents of €25.5m on its balance sheet at the end of March 2016. At the time of the Q1 results release in mid-May, management indicated that the company's cash reach extended until the end of Q1/17 and that funds would be sufficient to complete the US phase III clinical trials in colonoscopy and bronchoscopy. The company also stated that additional funds of €10m would be required until filing in the US and a further €10m until market approval. The €10m milestone payment from Cosmo and the €9.6m share issue to Granell should ensure that Paion is financed until remimazolam is approved in the US as Cosmo will finance the filing and approval process. Given that Cosmo will be covering all regulatory costs ahead of approval, the immediate €19.6m cash injection should leave Paion with a cushion of at least €10m to pursue the development of other projects - for example the resumption of the phase III trial with remimazolam with cardiac surgery patients in Europe which was discontinued in February. This cash cushion will of course grow larger, if, as we expect, milestones from filing and approval are paid.

Figure 2: Changes to our forecasts

	2016E			2017E			2018E		
in EURm	Old	New	Δ	Old	New	Δ	Old	New	Δ
Sales*	5.09	10.00	96.5%	3.52	15.00	326.3%	21.58	40.76	88.9%
EBIT	-25.16	-20.25	-	-19.78	-4.80	-	-10.16	9.03	-
margin	*neg.*	*neg.*	-	*neg.*	*neg.*	-	*neg.*	*22.1%*	-
Net income	-19.56	-14.95	-	-18.79	-4.29	-	-9.46	9.59	-
margin	*neg.*	*neg.*	-	*neg.*	*neg.*	-	*neg.*	*23.5%*	-
EPS (dil., in EUR)	-0.39	-0.28	-	-0.25	-0.08	-	-0.12	0.17	-

* including other operating income such as milestone payments

Source: Paion

We raise price target to €4.70 (previously: €4.20) and maintain Buy recommendation

We have adjusted our forecasts to account for the US licensing deal with Cosmo. We had previously assumed that Paion would opt to commercialise remimazolam in the US itself. Under this scenario we had modelled a PACME margin (profit after costs and marketing expenses) of 30% as well as a share issue of €50m in 2016 and a convertible issue of €50m in 2018. We now model the US licensing agreement with Cosmo under which we assume a lower PACME margin at 22% but pre-commercialisation cash inflows totalling €62.5m (milestones of €52.5m and an equity raise of €10m). Figure 2 shows changes to our forecasts. The increases in sales and profitability are a function of the higher milestone payments we now model. The milestone payments in our forecasts to 2018 now stem solely from the Cosmo partnership. Other milestone payments may come from the partnership agreements with R-Pharm, Pendopharm etc. but we have removed these from our forecasts to 2018 because we are uncertain as to their timing.

As figure 3 shows, lowering the PACME margin for the US contributes to a reduction in our pipeline NPV estimate by 18.5% to €182.7m (€224.1m). The substitution of milestones for a large part of the capital raises we had previously modelled lowers the diluted share count by 28.3% to 55.88m (77.885m). In consequence, our price target now rises by 12% to €4.70 (previously: €4.20). We maintain our Buy recommendation.

Figure 3: Pipeline valuation model

Compound	Project (1)	Present Value	Patient Pop	Treatment Cost	Market Size	Market Share	Peak Sales	PACME Margin (2)	Discount Factor	Patent Life (3)	Time to Market
Remimazolam	PS EU	€51.7M	25,300K	€15	€387.2M	25%	€108.0M	30%	15%	9	4 Years
Remimazolam	PS US	€105.7M	15,950K	€20	€319.0M	50%	€185.2M	22%	15%	14	3 Years
Remimazolam	PS CAN	€3.4M	1,056K	€20	€21.1M	50%	€11.8M	15%	15%	9	5 Years
Remimazolam	GA EU	€159.4M	37,800K	€40	€1,512.0M	20%	€337.4M	30%	15%	9	4 Years
Remimazolam	GA US	€127.5M	23,925K	€40	€957.0M	20%	€222.2M	30%	15%	12	5 Years
Remimazolam	GA JAP	€79.2M	26,000K	€40	€1,040.0M	25%	€290.1M	10%	15%	11	2 Years
Remimazolam	GA CHN	€33.4M	51,000K	€31	€1,561.1M	10%	€188.6M	10%	15%	14	4 Years
Remimazolam	GA KOR	€5.0M	3,750K	€31	€114.8M	25%	€32.0M	10%	15%	8	4 Years
Remimazolam	GA CIS/MENA/TUR	€45.9M	55,247K	€32	€1,740.7M	10%	€194.2M	15%	15%	9	4 Years
Remimazolam	ICU US	€14.4M	3,988K	€184	€733.7M	10%	€85.2M	15%	15%	9	4 Years
Remimazolam	ICU EU	€10.7M	3,988K	€120	€478.5M	10%	€53.4M	30%	15%	6	5 Years
Other	HF/HPH	€12.1M	1,333K	€926	€1,234.3M	20%	€292.3M	5%	15%	10	8 Years
PACME PV		€648.4M									
Costs PV (4)		€465.7M									
NPV		€182.7M									
Milestones PV		€47.0M									
Pro forma net cash		€35.4M									
Fair Value		€265.1M									
Share Count		55,878K									
Price Target		€4.74									

1) A project typically refers to a specific indication or, where necessary or relevant, a combination between indication and geographic market
PS EU = Procedural Sedation in the EU
PS US = Procedural Sedation in the US
PS CAN = Procedural Sedation in Canada
GA EU = General Anaesthesia in the EU
GA US = General Anaesthesia in the US
GA JAP = General Anaesthesia in Japan
GA CHN = General Anaesthesia in China
GA KOR = General Anaesthesia in South Korea
GA CIS/MENA/TUR = General Anaesthesia in the Commonwealth of Independent States, Middle East & North Africa, and Turkey
ICU US = General Anaesthesia in Intensive Care Units in the US
ICU EU = General Anaesthesia in Intensive Care Units in the EU
Other projects: GGF2 (HF) and Solulin (HPH)
HF = Heart Failure
HPH = Haemophilia
2) PACME (Profit After Costs and Marketing Expenses) reflects the company's profit share on future revenues.
This share may be derived in the form of royalties (outsourced marketing/manufacturing) or operating EBITDA margin (in-house model), or some mix of both (depending on the specific parameters of partnership agreements)
3) Remaining patent life after the point of approval
4) Includes company-level R&D, G&A, Financing Costs, CapEx and working capital; COGS and S&M are factored into the PACME margin for each project

Source: First Berlin Equity Research

Figure 4: Changes to pipeline valuation model

	Old	New	Delta
PACME PV	**€716.8M**	**€648.4M**	**-9.5%**
Costs PV (4)	€492.7M	€465.7M	-5.5%
NPV	**€224.1M**	**€182.7M**	**-18.5%**
Milestones PV	€11.3M	€47.0M	315.5%
Pro Forma Net Cash	€88.5M	€35.4M	-60.0%
Fair Value	€324.0M	€265.1M	-18.2%
Diluted Share Count	77,885K	55,878K	-28.3%
Fair Value Per Share	**€4.16**	**€4.74**	**14.0%**

Source: First Berlin Equity Research

INCOME STATEMENT

All figures in EUR '000	2013	2014	2015	2016E	2017E	2018E
Net revenues	**0**	**4**	**0**	**0**	**0**	**13,261**
Other op. inc. (including milestones)	**4,228**	**3,452**	**72**	**10,000**	**15,000**	**27,500**
Total revenue	**4,228**	**3,456**	**72**	**10,000**	**15,000**	**40,761**
Cost of goods sold	**0**	**4**	**11**	**0**	**0**	**11,935**
Gross profit	**0**	**0**	**61**	**0**	**0**	**1,326**
PACME	**4,228**	**3,452**	**132**	**10,000**	**15,000**	**28,826**
G&A	3,314	3,702	5,729	4,750	4,800	4,800
R&D	4,583	11,799	29,385	25,500	15,000	15,000
Other operating income (expense)	860	411	965	0	0	0
Operating income (EBIT)	**-2,810**	**-11,639**	**-34,088**	**-20,250**	**-4,800**	**9,026**
Net financial result	-170	66	42	553	510	562
Pre-tax income (EBT)	**-2,980**	**-11,573**	**-34,046**	**-19,697**	**-4,290**	**9,588**
Income taxes	768	2,468	5,834	4,750	0	0
Net income / loss	**-2,212**	**-9,105**	**-28,212**	**-14,947**	**-4,290**	**9,588**
Diluted EPS	**-0.09**	**-0.23**	**-0.56**	**-0.28**	**-0.08**	**0.17**
EBITDA	**-2,505**	**-11,327**	**-33,742**	**-19,660**	**-3,540**	**9,678**
Ratios						
EBIT margin on PACME	-66.5%	-337%	-25768%	-202.5%	-32.0%	31.3%
EBITDA margin on PACME	-59.3%	-328%	-25507%	-196.6%	-23.6%	33.6%
Net margin on PACME	-52.3%	-264%	-21326%	-149.5%	-28.6%	33.3%
Cash Coverage of Expenses						
Cash / G&A	4.0x	15.9x	5.7x	5.8x	4.9x	6.8x
Cash / R&D	2.9x	5.0x	1.1x	1.1x	1.6x	2.2x
Y-Y Growth						
Total revenue	-84.2%	-18.3%	-97.9%	13863.6%	50.0%	171.7%
Operating income	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Net income/ loss	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

BALANCE SHEET

All figures in EUR '000	2013	2014	2015	2016E	2017E	2018E
Assets						
Current assets, total	**14,433**	**63,032**	**40,051**	**33,794**	**27,302**	**36,641**
Cash and cash equivalents	13,292	58,912	32,680	27,419	23,552	32,679
Short-Term Investments	0	0	0	0	0	0
Receivables	0	467	0	0	0	212
Inventories	0	0	0	0	0	0
Other current assets	1,141	3,653	7,371	6,375	3,750	3,750
Non-current assets, total	**3,583**	**3,516**	**3,417**	**3,462**	**3,512**	**3,769**
Property, plant & equipment	89	76	56	100	150	408
Goodwill & other intangibles	3,494	3,440	3,362	3,362	3,362	3,362
Other Assets	0	0	0	0	0	0
Total assets	**18,016**	**66,548**	**43,468**	**37,256**	**30,814**	**40,410**
Shareholders' equity & debt						
Current Liabilities, Total	**4,659**	**3,924**	**7,901**	**7,064**	**4,560**	**4,658**
Convertible bond	0	0	0	0	0	0
Short-term debt	0	0	0	0	0	0
Accounts payable	1,914	3,338	7,332	6,375	3,750	3,750
Provisions	2,508	306	224	255	300	398
Other current liabilities	236	280	344	434	510	510
Longterm liabilities, total	**28**	**17**	**6**	**8**	**5**	**12**
Convertible bond	0	0	0	0	0	0
Long-term debt	0	0	0	0	0	0
Provisions	0	0	0	0	0	0
Deferred revenue	28	17	6	8	5	12
Shareholders' equity	**13,329**	**62,607**	**35,562**	**30,185**	**26,249**	**35,740**
Total consolidated equity and debt	**18,016**	**66,548**	**43,468**	**37,256**	**30,814**	**40,410**
Ratios						
Current ratio (x)	3.10	16.06	5.07	4.78	5.99	7.87
Quick ratio (x)	3.10	16.06	5.07	4.78	5.99	7.87
Net gearing	-99.7%	-94.1%	-91.9%	-90.8%	-89.7%	-91.4%
Book value per share (€)	0.53	1.24	0.70	0.54	0.47	0.64
Net cash	13,292	58,912	32,680	27,419	23,552	32,679
Return on equity (ROE)	-15.3%	-24.0%	-57.5%	-45.5%	-15.2%	30.9%

CASH FLOW STATEMENT

All figures in EUR '000	2013	2014	2015	2016E	2017E	2018E
Net result	**-2,212**	**-9,105**	**-28,212**	**-14,947**	**-4,290**	**9,588**
Depreciation and amortization	390	93	125	590	1,260	652
Changes in working capital	457	284	3,999	130	73	-204
Other adjustments	-381	-3,316	-2,198	0	0	0
Operating cash flow	**-1,746**	**-12,044**	**-26,287**	**-14,226**	**-2,957**	**10,036**
CAPEX	-5	-26	-33	-634	-1,310	-910
Free cash flow	**-1,751**	**-12,070**	**-26,320**	**-14,860**	**-4,267**	**9,126**
Debt financing, net	**-7,000**	**0**	**0**	**0**	**0**	**0**
Convertible bond financing, net	**0**	**0**	**0**	**0**	**0**	**0**
Equity financing, net	**0**	**57,618**	**22**	**9,600**	**400**	**0**
Other changes in cash	**-293**	**72**	**66**	**0**	**0**	**0**
Net cash flows	**-9,044**	**45,620**	**-26,232**	**-5,260**	**-3,867**	**9,126**
Cash, start of the year	22,336	13,292	58,912	32,680	27,419	23,552
Cash, end of the year	**13,292**	**58,912**	**32,680**	**27,419**	**23,552**	**32,679**

Y-Y Growth						
Operating cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EBITDA/share	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

FIRST BERLIN RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	2 April 2012	€0.79	Buy	€2.00
2...28	↓	↓	↓	↓
29	9 March 2016	€2.32	Buy	€4.60
30	31 March 2016	€2.18	Buy	€4.20
31	18 May 2016	€1.98	Buy	€4.20
32	Today	€2.15	Buy	€4.70

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