

# PNE AG

Germany / Cleantech  
 Primary exchange: Frankfurt  
 Bloomberg: PNE3 GR  
 ISIN: DE000A0JBPG2

Final  
 2018 figures

## RATING PRICE TARGET

Return Potential  
 Risk Rating

**BUY**  
**€ 3.60**

57.2%  
 High

## STOCK REMAINS ATTRACTIVELY VALUED – BUY REITERATED

PNE reported final 2018 figures and held a conference call. Final EBIT amounted to €7.8m and corresponded to the preliminary number. The net result was slightly negative at €-1.0m. For 2019, PNE is guiding towards EBITDA of €25-30m and EBIT of €15-20m, which is in line with our forecast. We believe that German project development, the expanded service business, and increased power generation will be the main sales and earnings drivers. We have revised our forecasts, which results in minor changes only. An updated DCF model still yields a €3.60 price target. At just 15% above tangible book value, the stock remains attractively valued. We reiterate our Buy recommendation.

**2018 was solid, but unexpected offshore write-down affected earnings**  
 Revenues declined y/y from €114m to €91m due mainly to a higher foreign sales share. In foreign markets, PNE usually sells project rights (low sales and high gross margin), while in Germany, construction work is also executed by the company (high sales and low gross margin). EBIT amounted to €7.8m and was thus below guidance (€10-16m) due solely to a valuation adjustment of €10.8m on three offshore wind farms. Without this adjustment, EBIT would have amounted to €18.5m. PNE was able to offset the weak German onshore business with international projects (France, Poland, Sweden, Italy), and offshore milestone payments. The net result amounted to €-1.0m and EPS of €-0.01.

**Operating activity on par with last year's level** With 236 MW of projects sold, commissioned or under construction, business volume was on par with the previous year's level (234 MW). Two offshore milestone payments totalling ca. €8m supported earnings.

**PNE is guiding towards EBITDA of €25-30m and EBIT of €15-20m**  
 Guidance includes further upfront expenditure in the lower single-digit million range for the strategic expansion of the business model and preparations for the entry into new markets.  
 (p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	2016	2017	2018	2019E	2020E	2021E
Revenue (€m)	248.58	114.08	91.38	118.69	218.10	151.67
Y-o-y growth	127.0%	-54.1%	-19.9%	29.9%	83.8%	-30.5%
EBIT (€m)	97.04	23.13	7.79	15.83	101.97	19.24
EBIT margin	39.0%	20.3%	8.5%	13.3%	46.8%	12.7%
Net income (€m)	68.97	17.08	-1.04	6.79	76.67	11.46
EPS (diluted) (€)	0.88	0.22	-0.01	0.09	1.00	0.15
DPS (€)	0.12	0.04	0.04	0.04	0.13	0.04
FCF (€m)	-44.27	-47.39	-32.80	-54.68	148.99	34.12
Net gearing	-12.6%	-5.8%	14.6%	39.1%	-18.1%	-25.4%
Liquid assets (€m)	147.69	193.98	129.07	115.20	181.13	205.30

### RISKS

Risks to our price target include, but are not limited to: changes in legislation, project financing risks, project delays, and project approval risks.

### COMPANY PROFILE

PNE AG is an international wind energy project developer for on- and offshore wind farms. It has begun to develop into a clean energy solution provider active in wind, PV, storage, power-to-heat, energy supply management, and energy services. The company is based in Cuxhaven, Germany.

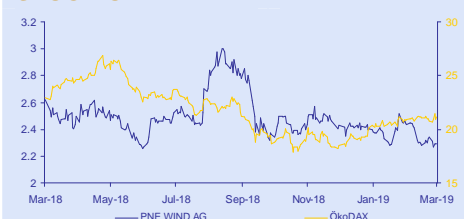
### MARKET DATA

As of 28 Mar 2019

Closing Price	€ 2.29
Shares outstanding	76.56m
Market Capitalisation	€ 175.31m
52-week Range	€ 2.25 / 3.00
Avg. Volume (12 Months)	184,533

Multiples	2018	2019E	2020E
P/E	n.a.	25.8	2.3
EV/Sales	2.3	1.8	1.0
EV/EBIT	26.8	13.2	2.0
Div. Yield	1.7%	1.7%	5.7%

### STOCK OVERVIEW



### COMPANY DATA

As of 31 Dec 2018

Liquid Assets	€ 129.07m
Current Assets	€ 272.88m
Intangible Assets	€ 65.05m
Total Assets	€ 452.61m
Current Liabilities	€ 26.13m
Shareholders' Equity	€ 216.27m

### SHAREHOLDERS

Internat. Kapitalanlageges. mbH	10.1%
Active Ownership Fund SCS	5.1%
Axxion S.A.	3.2%
Other investors	6.0%
Free Float	75.6%

**Figure 1: Reported figures versus forecasts**

All figures in €m	Q4-18A	Q4-18E	Delta	Q4-17A	Delta	2018	2017	Delta
Sales	51.52	59.84	-13.9%	32.84	56.9%	91.38	114.08	-19.9%
EBIT	4.07	4.07	0.0%	-0.53	-	7.79	23.13	-66.3%
margin	7.9%	6.8%		-1.6%		8.5%	20.3%	
Net income	0.94	2.64	-64.6%	0.75	24.5%	-1.04	17.08	-
margin	1.8%	4.4%		2.3%		-1.1%	15.0%	
EPS (diluted) in €	0.01	0.03	-65.0%	0.01	25.3%	-0.01	0.22	-

Source: First Berlin Equity Research, PNE AG

**Balance sheet remains strong** The cash position fell y/y from the very high level at the end of 2017 (€194m) to a more normal level of €129m which is still almost 29% of the balance sheet total. Financial debt declined from €180m to €163m. The €14m net cash position at the end of 2017 thus became a €34m net debt position. Equity was down €19m and amounted to €216m. The equity ratio nevertheless remained stable at almost 48% as the balance sheet total declined. Net gearing was a low 15%. PNE thus continues to have a strong balance sheet and sufficient financial means to execute its “scale-up” strategy and to further build up its “wind farm portfolio 2020”.

**Negative operating cash flow** Operating cash outflow was €-28m due mainly to increased inventories (€117m versus €86m at the end of 2017). CAPEX amounted to almost €5m resulting in free cash flow of €-33m. Cash flow from financing was €-33m. PNE repaid the €100m bond (8% coupon) and issued a €50m bond with a 4% coupon. This alone reduces annual interest expenses by €6m. Furthermore, credit lines to finance the expansion of the “wind farm portfolio 2020” have been secured resulting in a €42.5m cash inflow. Net cash flow was €-65m.

**Project pipeline has grown** At the end of 2018, PNE’s onshore project pipeline amounted to 4,883 MW versus 4,741 MW at the end of 2017. Phase III projects, i.e. projects at a late stage of development, rose from 858 MW to 1,096 MW. Phase III projects in Germany more than doubled from 97 to 200 MW. We view this as a good basis for reaching guidance.

**Importance of international business increased** 152 MW of the 236 MW (64%) completed, constructed or sold projects were attributable to foreign markets and made a major contribution to earnings. Two thirds of the project pipeline are projects abroad. The internationalisation of the business is clearly paying off.

**Court may decide on constitutional complaint around the turn of this year** The book value of PNE’s offshore pipeline of five proprietary projects fell from €23.9m at the end of 2017 to €15.1m at the end of 2018. In July 2017, PNE filed a constitutional complaint and hopes to be at least compensated for the costs already incurred. If PNE’s complaint is successful, the company will be able to book a windfall gain of ca. €10.8m.

**Scale-up strategy reached its 2018 targets** The scale-up strategy transforms PNE from a wind farm specialist into a broad-based provider of clean energy solutions. The company is expanding its service business and its technological basis, and is entering new markets. This business model expansion is intended to reduce the volatility of earnings and open up new margin potential. In 2018, PNE acquired a service company (see paragraph “Service business strengthened” below), broadened its global footprint with its market entry in Latin America, and began the development of first solar projects. In the conference call, management stated that PV projects in Germany, the US, and Romania with a total capacity of ca. 80 MW are currently being developed.



**Service business strengthened** PNE has strengthened its service business through the acquisition of two companies. In December 2018, PNE took over MEB Safety Services GmbH (18 employees). MEB has expertise in the field of safety technology for wind energy and industrial plants. Apart from special services for platform access systems, cranes, ascending aids and service lifts, the company offers training courses on personal safety at work.

In February 2019, PNE acquired argus GmbH which has expertise particularly in the area of wind turbine obstruction marking and on-demand night-time marking, and is based in Bautzen in Saxony. We very much welcome the timing of the acquisition, as new regulation makes on-demand night-time marking in Germany mandatory from July 2020 on. This regulation is obligatory for both existing and newly erected wind turbines and affects up to 20,000 wind turbines. Assuming an average sales price of ca. €10,000 per marking system, the market volume could be as high as €200m. At the end of 2017, argus' balance sheet total amounted to more than €0.9m.

As the second largest operational management company for wind farms in Germany, PNE has already a strong position in the service business. In Germany, PNE is responsible for operating plants with a total capacity of over 1,500 MW for third parties.

Given the increased significance of the service business, PNE will adjust its segment reporting from Q1/19 on and create a service segment. This will increase sales and earnings transparency.

**WKN fully acquired** PNE acquired the remaining 10.9% of WKN for ca. €8m in July 2018. The complete takeover should increase synergies and lower costs (FBe: €0.5-1.0m). PNE has already optimised both companies' internal structures. In 2018, WKN generated sales of €62.9m which largely corresponds to the previous year's level of €63.5m. But net income more than doubled to €10.7m from €4.7m in 2017.

**Development of 200 MW wind farm portfolio postpones profits into 2020E** PNE has been developing a 200 MW onshore wind portfolio which is to be sold in 2020E. Since 2017, EBT accrued in this portfolio has amounted to ca. €20.9m, of which ca. €8.7m were generated in 2018. Profits will be realised when the portfolio is sold. Currently, the portfolio comprises the operating Kührstedt-Alfstedt (43.2 MW) and Gerdau-Repowering (21.6 MW) wind farms; in total 64.8 MW. The Schlenzer wind farm (6.5 MW) will be added after commissioning, which we expect in the coming weeks. This would increase the portfolio to 71.3 MW or more than one third of the planned total size.

**Electricity generation segment significantly increased sales and EBIT** In 2018, segment sales increased by 61% to €12.2m as the Kührstedt-Alfstedt wind farm made a 12 month contribution for the first time. Segment EBITDA more than tripled from €4.2m to €13.2m. Segment EBIT amounted to €7.4m versus €1.1m in 2017. Figure 2 shows the contribution of PNE's own wind farms to the segment results.

**Figure 2: PNE's portfolio of own wind farms**

Wind farm	MW	Location	Status
Kührstedt-Alfstedt	43.2	Lower Saxony	in operation since 2017
Gerdau-Repowering	21.6	Lower Saxony	in operation since 2018/19
Laubuseschbach	3.0	Hesse	in operation since 2002
Pülfringen	6.5	Baden-Württemberg	in operation since 2001/02
Erfeld	2.6	Baden-Württemberg	in operation since 2002
<b>Sum</b>	<b>76.9</b>		

Source: First Berlin Equity Research, PNE AG



**Share buyback completed in November** In November 2018, PNE AG acquired 2,189,853 own shares (ca. 2.9% of the current share capital). The acquisition was carried out in the context of a voluntary public share buy-back offer. The shares are largely intended to redeem PNE's 2014/2019 convertible bonds, which are due in 2019. This means that a conversion will not increase the share count.

**Stable dividend proposed** The Management and Supervisory Board will propose an unchanged dividend of €0.04 per share. The dividend yield is below 2%.

**PNE prepared for a market revival in Germany** PNE hopes to be awarded ca. 27 MW in the May tender and ca. 80-100 MW in the 2019 tenders in total. We expect further earnings contributions from the French, Polish, Swedish, and US market.

**Forecasts revised resulting in minor changes only** We have revised our forecasts resulting in minor changes only (see figure 3). We expect EPS to rise from €-0.01 in 2018 to €0.09 in 2019E and €1.00 in 2020E, when the 200 MW portfolio is slated to be sold.

**Figure 3: Changes to forecasts**

All figures in €m	2019E			2020E			2021E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	118.69	118.69	0.0%	218.10	218.10	0.0%	151.67	151.67	0.0%
EBIT	15.74	15.83	0.6%	104.24	101.97	-2.2%	17.64	19.24	9.1%
margin	13.3%	13.3%		47.8%	46.8%		11.6%	12.7%	
Net income	6.81	6.79	-0.2%	78.44	76.67	-2.3%	10.37	11.46	10.5%
margin	5.7%	5.7%		36.0%	35.2%		6.8%	7.6%	
EPS (diluted) in €	0.09	0.09	2.6%	1.00	1.00	0.5%	0.13	0.15	13.7%

Source: First Berlin Equity Research

**Buy reiterated at unchanged price target** An updated DCF model yields an unchanged price target of €3.60. At the current share price level, the stock remains attractively valued. At the end of 2018, equity book value per share amounted to ca. €2.83 and tangible book value (equity minus goodwill) per share to ca. €2.00. We reiterate our Buy rating.



## VALUATION MODEL

DCF valuation model								
All figures in EUR '000								
	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E
Net sales	118,686	218,095	151,667	157,127	162,555	167,934	173,247	178,476
<b>NOPLAT</b>	<b>14,331</b>	<b>82,999</b>	<b>16,578</b>	<b>16,260</b>	<b>16,734</b>	<b>16,671</b>	<b>16,813</b>	<b>17,515</b>
+ depreciation & amortisation	9,937	14,885	7,657	7,773	7,894	8,021	8,154	8,290
Net operating cash flow	24,268	97,885	24,235	24,033	24,628	24,693	24,967	25,806
- total investments (CAPEX, WC, other)	-70,609	59,231	16,805	-11,699	-11,423	-11,575	-11,704	-11,811
Capital expenditures	-75,959	65,429	-8,948	-9,113	-9,310	-9,496	-9,670	-9,832
Working capital	5,350	-7,198	24,753	-3,586	-3,113	-3,079	-3,034	-2,979
Free cash flows (FCF)	-46,342	157,115	41,040	12,334	13,205	13,118	13,262	13,995
<b>PV of FCF's</b>	<b>-43,907</b>	<b>138,603</b>	<b>33,716</b>	<b>9,437</b>	<b>9,408</b>	<b>8,702</b>	<b>8,193</b>	<b>8,051</b>

All figures in thousands	
PV of FCFs in explicit period (2019E-2033E)	220,160
PV of FCFs in terminal period	103,230
Enterprise value (EV)	323,390
+ Net cash / - net debt	-33,716
+ Investments / minority interests	-13,938
Shareholder value	275,736
Number of diluted shares	76,558
<b>Fair value per share in EUR</b>	<b>3.60</b>

WACC		Terminal growth rate								
	7.4%		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	
Cost of equity	11.8%	WACC	4.4%	6.00	6.31	6.74	7.35	8.27	9.87	13.28
Pre-tax cost of debt	7.0%		5.4%	4.81	4.96	5.14	5.38	5.70	6.15	6.85
Tax rate	21.8%		6.4%	4.03	4.10	4.19	4.30	4.43	4.60	4.84
After-tax cost of debt	5.5%		7.4%	3.47	3.51	3.55	3.60	3.66	3.74	3.83
Share of equity capital	30.0%		8.4%	3.05	3.25	3.09	3.12	3.14	3.18	3.22
Share of debt capital	70.0%		9.4%	2.72	2.73	2.74	2.75	2.77	2.78	2.80
Price target in EUR	3.60		10.4%	2.46	2.46	2.47	2.47	2.48	2.48	2.49

\* for layout purposes the model shows numbers only to 2026, but runs until 2033



## INCOME STATEMENT

All figures in EUR '000	2015A	2016A	2017A	2018A	2019E	2020E	2021E
<b>Revenues</b>	<b>109,524</b>	<b>248,577</b>	<b>114,076</b>	<b>91,379</b>	<b>118,686</b>	<b>218,095</b>	<b>151,667</b>
Change in inventories	116,096	1,591	63,331	15,056	0	0	0
Other operating income	7,707	9,075	9,483	5,348	6,961	7,210	4,550
<b>Total aggregate output</b>	<b>233,327</b>	<b>259,244</b>	<b>186,890</b>	<b>111,782</b>	<b>125,647</b>	<b>225,305</b>	<b>156,217</b>
Cost of goods sold	-154,934	-96,951	-108,381	-36,696	-45,575	-51,252	-74,317
<b>Gross profit</b>	<b>70,686</b>	<b>153,218</b>	<b>5,695</b>	<b>54,683</b>	<b>73,111</b>	<b>166,843</b>	<b>77,350</b>
Personnel costs	-29,254	-25,423	-25,789	-27,780	-29,504	-31,000	-32,500
Other operating expenses	-29,504	-26,946	-24,125	-30,837	-24,802	-26,200	-22,500
<b>EBITDA</b>	<b>19,635</b>	<b>109,924</b>	<b>28,595</b>	<b>16,469</b>	<b>25,766</b>	<b>116,853</b>	<b>26,900</b>
Depreciation and amortisation	-9,870	-12,884	-5,466	-8,680	-9,937	-14,885	-7,657
<b>Operating income (EBIT)</b>	<b>9,765</b>	<b>97,040</b>	<b>23,129</b>	<b>7,789</b>	<b>15,829</b>	<b>101,967</b>	<b>19,243</b>
Interest Expense	-16,381	-17,331	-10,709	-10,593	-9,790	-8,999	-7,599
Interest Income	1,743	1,111	619	787	451	872	683
Income from participations & ass. companies	-86	736	1,022	15	1,000	1,000	1,000
<b>Pre-tax income (EBT)</b>	<b>-4,959</b>	<b>81,556</b>	<b>14,061</b>	<b>-2,002</b>	<b>7,489</b>	<b>94,840</b>	<b>13,326</b>
Income taxes	3,570	-14,476	174	-403	-1,498	-18,968	-2,665
Minority interests	4,863	1,893	2,840	1,361	800	800	800
<b>Net income / loss</b>	<b>3,474</b>	<b>68,973</b>	<b>17,075</b>	<b>-1,044</b>	<b>6,792</b>	<b>76,672</b>	<b>11,461</b>
<b>Diluted EPS (in €)</b>	<b>0.05</b>	<b>0.88</b>	<b>0.22</b>	<b>-0.01</b>	<b>0.09</b>	<b>1.00</b>	<b>0.15</b>

### Ratios

Gross margin	64.5%	61.6%	5.0%	59.8%	61.6%	76.5%	51.0%
EBITDA margin on revenues	17.9%	44.2%	25.1%	18.0%	21.7%	53.6%	17.7%
EBIT margin on revenues	8.9%	39.0%	20.3%	8.5%	13.3%	46.8%	12.7%
Net margin on revenues	3.2%	27.7%	15.0%	-1.1%	5.7%	35.2%	7.6%
Tax rate	72.0%	17.7%	-1.2%	-20.1%	20.0%	20.0%	20.0%

### Expenses as % of revenues

Personnel costs	26.7%	10.2%	22.6%	30.4%	24.9%	14.2%	21.4%
Depreciation and amortisation	9.0%	5.2%	4.8%	9.5%	8.4%	6.8%	5.0%
Other operating expenses	26.9%	10.8%	21.1%	33.7%	20.9%	12.0%	14.8%

### Y-Y Growth

Revenues	-48.2%	127.0%	-54.1%	-19.9%	29.9%	83.8%	-30.5%
Operating income	264.4%	893.7%	-76.2%	-66.3%	103.2%	544.2%	-81.1%
Net income/ loss	n.m.	1885.4%	-75.2%	n.m.	n.m.	1028.9%	-85.1%



## BALANCE SHEET

All figures in EUR '000	2015A	2016A	2017A	2018A	2019E	2020E	2021E
<b>Assets</b>							
<b>Current assets, total</b>	<b>236,033</b>	<b>289,776</b>	<b>308,379</b>	<b>272,882</b>	<b>251,204</b>	<b>324,479</b>	<b>323,475</b>
Cash and cash equivalents	86,075	147,686	193,984	129,071	115,201	181,127	205,298
Short-term investments	0	0	0	0	0	0	0
Receivables	7,969	13,187	5,119	6,355	9,755	17,926	16,621
Inventories	121,177	112,946	86,361	117,343	106,135	105,313	81,443
Other current assets	20,812	15,957	22,915	20,113	20,113	20,113	20,113
<b>Non-current assets, total</b>	<b>252,231</b>	<b>142,218</b>	<b>184,905</b>	<b>179,724</b>	<b>251,332</b>	<b>171,018</b>	<b>172,310</b>
Property, plant & equipment	167,347	39,230	103,872	96,130	165,391	85,077	86,369
Goodwill & other intangibles	63,105	67,400	66,825	65,053	67,400	67,400	67,400
Long-term investments / ass. companies	0	0	0	0	0	0	0
Other assets	21,779	35,588	14,208	18,541	18,541	18,541	18,541
<b>Total assets</b>	<b>488,264</b>	<b>431,994</b>	<b>493,285</b>	<b>452,606</b>	<b>502,536</b>	<b>495,497</b>	<b>495,784</b>
<b>Shareholders' equity &amp; debt</b>							
<b>Current liabilities, total</b>	<b>84,858</b>	<b>73,922</b>	<b>179,150</b>	<b>94,344</b>	<b>95,759</b>	<b>92,800</b>	<b>85,489</b>
Short-term debt	35,857	2,163	107,109	26,131	30,000	20,000	20,000
Accounts payable	16,852	15,692	25,295	14,945	12,486	12,638	12,216
Current provisions	6,291	3,968	4,858	8,134	8,134	8,134	8,134
Other current liabilities	25,858	52,099	41,888	45,134	45,138	52,028	45,138
<b>Long-term liabilities, total</b>	<b>237,478</b>	<b>128,685</b>	<b>78,915</b>	<b>141,988</b>	<b>187,574</b>	<b>117,574</b>	<b>117,574</b>
Long-term debt	215,975	115,860	72,751	136,656	176,656	106,656	106,656
Deferred revenue	0	0	0	0	0	0	0
Other liabilities	21,503	12,825	6,163	5,332	10,918	10,918	10,918
<b>Minority interests</b>	<b>-3,102</b>	<b>-5,393</b>	<b>-7,679</b>	<b>-13,938</b>	<b>-14,738</b>	<b>-15,538</b>	<b>-16,338</b>
<b>Shareholders' equity</b>	<b>169,030</b>	<b>234,781</b>	<b>242,899</b>	<b>230,212</b>	<b>233,941</b>	<b>300,661</b>	<b>309,060</b>
Share capital	76,555	76,556	76,556	76,558	76,558	76,558	76,558
Capital reserve	82,287	82,288	82,288	82,292	82,292	82,292	82,292
Other reserves	-724	-997	-908	-385	-385	-385	-385
Treasury stock	0	0	0	-5,803	-5,803	-5,803	-5,803
Retained earnings	10,912	76,934	84,962	77,550	81,279	147,999	156,398
<b>Total consolidated equity and debt</b>	<b>488,264</b>	<b>431,994</b>	<b>493,285</b>	<b>452,606</b>	<b>502,536</b>	<b>495,497</b>	<b>495,784</b>
<b>Ratios</b>							
Current ratio (x)	2.78	3.92	1.72	2.89	2.62	3.50	3.78
Quick ratio (x)	1.35	2.39	1.24	1.65	1.51	2.36	2.83
Net cash	-165,757	29,663	14,124	-33,716	-91,455	54,471	78,642
Net gearing	98.1%	-12.6%	-5.8%	14.6%	39.1%	-18.1%	-25.4%
Book value per share (€)	2.16	2.92	2.99	2.83	2.86	3.72	3.82
Tangible book value per share (€)	1.37	2.11	2.18	2.00	2.03	2.90	3.00
Equity ratio (incl. minorities)	34.0%	53.1%	47.7%	47.8%	43.6%	57.5%	59.0%
Return on equity (ROE)	2.1%	29.4%	7.0%	-0.5%	2.9%	25.5%	3.7%
Return on assets (ROA)	4.1%	20.0%	5.6%	2.1%	3.3%	17.3%	3.8%
Return on investment (ROI)	0.7%	16.0%	3.5%	-0.2%	1.4%	15.5%	2.3%
Return on capital employed (ROCE)	3.1%	34.3%	10.5%	3.2%	5.5%	36.2%	8.2%
Days sales outstanding (DSO)	26.6	19.4	16.4	25.4	30.0	30.0	40.0
Days inventory outstanding (DIO)	285.5	425.2	290.8	1,167.2	850.0	750.0	400.0
Days payables outstanding (DPO)	39.7	59.1	85.2	148.7	100.0	90.0	60.0



## CASH FLOW STATEMENT

All figures in EUR '000	2015A	2016A	2017A	2018A	2019E	2020E	2021E
<b>EBIT</b>	<b>9,765</b>	<b>97,040</b>	<b>23,129</b>	<b>7,789</b>	<b>15,829</b>	<b>101,967</b>	<b>19,243</b>
Depreciation and amortisation	9,898	12,884	5,466	8,680	9,937	14,885	7,657
<b>EBITDA</b>	<b>19,663</b>	<b>109,924</b>	<b>28,595</b>	<b>16,469</b>	<b>25,766</b>	<b>116,853</b>	<b>26,900</b>
Changes in working capital	-74,556	58,583	12,292	-49,523	5,350	-7,198	24,753
Other adjustments	-47,582	-104,081	-18,257	4,817	-9,837	-26,095	-8,582
<b>Operating cash flow</b>	<b>-102,475</b>	<b>64,426</b>	<b>22,630</b>	<b>-28,237</b>	<b>21,278</b>	<b>83,560</b>	<b>43,071</b>
Investments in PP&E	-2,903	-108,699	-70,015	-4,564	-75,959	65,429	-8,948
Investments in intangibles	0	0	0	0	0	0	0
<b>Free cash flow</b>	<b>-105,378</b>	<b>-44,273</b>	<b>-47,385</b>	<b>-32,801</b>	<b>-54,681</b>	<b>148,988</b>	<b>34,123</b>
Acquisitions & disposals, net	23,258	106,876	51,300	756	0	0	0
Other investments	-255	-418	-7,535	0	0	0	0
<b>Cash flow from investing</b>	<b>20,100</b>	<b>-2,241</b>	<b>-26,250</b>	<b>-3,808</b>	<b>-75,959</b>	<b>65,429</b>	<b>-8,948</b>
Debt financing, net	97,715	23,171	59,106	-13,859	43,869	-80,000	0
Equity financing, net	9,454	0	0	-5,803	0	0	0
Dividends paid	-3,062	-3,062	-9,187	-3,062	-3,058	-3,062	-9,953
Other financing	-2,221	0	0	-9,871	0	0	0
<b>Cash flow from financing</b>	<b>101,886</b>	<b>20,109</b>	<b>49,919</b>	<b>-32,595</b>	<b>40,811</b>	<b>-83,062</b>	<b>-9,953</b>
Forex and other changes in cash	-5,611	-20,684	-1	-274	0	0	0
<b>Net cash flows</b>	<b>13,900</b>	<b>61,609</b>	<b>46,298</b>	<b>-64,913</b>	<b>-13,870</b>	<b>65,926</b>	<b>24,171</b>
Cash, start of the year	72,175	86,076	147,686	193,984	129,071	115,201	181,127
<b>Cash, end of the year</b>	<b>86,075</b>	<b>147,686</b>	<b>193,984</b>	<b>129,071</b>	<b>115,201</b>	<b>181,127</b>	<b>205,298</b>
<b>EBITDA/share (in €)</b>	<b>0.26</b>	<b>1.40</b>	<b>0.36</b>	<b>0.21</b>	<b>0.34</b>	<b>1.53</b>	<b>0.35</b>
<b>Operating cashflow/share (in €)</b>	<b>-1.33</b>	<b>0.82</b>	<b>0.29</b>	<b>-0.36</b>	<b>0.28</b>	<b>1.09</b>	<b>0.56</b>
<b>Y-Y Growth</b>							
Operating cash flow	n.m.	n.m.	-64.9%	n.m.	n.m.	292.7%	-48.5%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	-77.1%
EBITDA/share	40.4%	447.5%	-74.0%	-42.4%	60.7%	353.5%	-77.0%



**FIRST BERLIN RECOMMENDATION & PRICE TARGET HISTORY**

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	31 March 2008	€2.38	Buy	€4.50
2...94	↓	↓	↓	↓
95	9 November 2018	€2.50	Buy	€3.60
96	3 December 2018	€2.51	Buy	€3.60
97	13 March 2019	€2.30	Buy	€3.60
98	Today	€2.29	Buy	€3.60

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy <sup>1</sup>	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%

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

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