

# PNE AG

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

Q1 figures

**RATING**  
**PRICE TARGET**  
 Return Potential  
 Risk Rating

**BUY**  
**€ 3.60**  
 47.5%  
 High

## STRONGEST Q1 EBIT FOR MANY YEARS

PNE had a very good start to the year with Q1 EBIT amounting to €4.3m versus €-0.2m in Q1/18. The company benefited from strong onshore construction activity and milestone payments for wind farms sold in 2018. All three segments, Project Development, Electricity Generation, and the new Services segment generated positive EBIT contributions. International project rights' sales, new permits (31 MW) & two awards (FBe: 24 MW) in the May tender in Germany bode well for the remainder of the year. Management reiterated 2019 guidance (EBITDA: €25-30m, EBIT €15-20m). We confirm our Buy rating and €3.60 price target.

**Q1 stronger than expected** Sales of €28m exceeded the previous year's figure (€11m) and our forecast (€19m). The main reason was higher than expected milestone payments for wind farm projects sold in 2018. As a result, EBIT improved from €-0.2m in Q1/18 to €4.3m (FBe: €3.0m). The financial result almost halved y/y from €-3.7m to €1.9m due to much lower interest expenses. Here, the effects of last year's refinancing measures (repayment of €100m bond with an 8% coupon and placement of €50m bond with a 4% coupon) are clearly visible. The improved EBIT and financial result led to a much better net result (€1.6m versus €-3.0m in Q1/18, FBe: €0.8m). EPS rose from €-0.04 to €0.02 (see figure 1 overleaf).

**Balance sheet impacted by IFRS changes** PNE has adjusted its accounting to the new IFRS 16 rule (rights and duties under leases by the lessee). The balance sheet total increased by €37m due to the initial recognition of right of use assets and corresponding lease liabilities to the same amount. As a result, the equity ratio fell from 48% at the end of 2018 to 44%, although total equity rose slightly from €216m to €218m.

Financial debt rose from €163m at the end of 2018 to €213m. The main reason for the increase is the addition of liabilities from leases (ca. €37m) to financial liabilities under IFRS 16. The net debt position climbed from €34m to €87m and the cash position declined from €129m to €125m. (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 14 May 2019

Closing Price	€ 2.44
Shares outstanding	76.56m
Market Capitalisation	€ 186.80m
52-week Range	€ 2.25 / 3.00
Avg. Volume (12 Months)	140,277

Multiples	2018	2019E	2020E
P/E	n.a.	27.5	2.4
EV/Sales	2.4	1.9	1.0
EV/EBIT	28.3	13.9	2.2
Div. Yield	1.6%	1.6%	5.3%

### STOCK OVERVIEW



### COMPANY DATA

As of 31 Mar 2019

Liquid Assets	€ 125.45m
Current Assets	€ 255.90m
Intangible Assets	€ 64.95m
Total Assets	€ 495.77m
Current Liabilities	€ 96.39m
Shareholders' Equity	€ 218.24m

### 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%



Property, plant and equipment increased from €96m to €118m. This change is mainly attributable to the reclassification of inventories to PP&E, as the Gerdau-Repowering project (21.6 MW), which is part of the 200 MW portfolio, was commissioned in Q1.

**Negative operating cash flow** Operating cash outflow of €15.0m was mainly attributed to a decrease in trade receivables (€10m) and an increase in trade and other liabilities (€9m). CAPEX of €0.7m resulted in free cash flow of €-15.7m. Cash flow from financing activities was €12.0m due chiefly to a net inflow of funds from financial loans of €12.6m.

**Figure 1: Reported figures versus forecasts**

All figures in €m	Q1-19A	Q1-19E	Delta	Q1-18A	Delta
Sales	27.97	19.10	46.4%	10.94	155.5%
EBIT	4.26	3.02	41.1%	-0.19	-
margin	15.2%	15.8%		-1.7%	
Net income	1.61	0.77	108.7%	-2.97	-
margin	5.7%	4.0%		-27.2%	
EPS (diluted) in €	0.02	0.01	107.9%	-0.04	-

Source: First Berlin Equity Research, PNE AG

**High project business activity in usually weak quarter** PNE completed three projects in Germany, Sweden, and France with a total capacity of 66 MW and sold 44 MW in project rights in Italy. Furthermore, two wind farms totalling 27 MW were under construction in Germany. In the first German tender in February 2019, PNE was awarded a 4.7 MW project. Project segment sales climbed from €4.6m to €20.0m and segment EBIT rose from €1.4m to €4.6m (see figure 2).

**Figure 2: Segment figures**

All figures in €m	Q1-19A	Q1-18A	Delta
<b>Project development</b>			
External sales	19.97	4.59	334.8%
EBIT	4.64	1.39	233.9%
margin	23.2%	30.2%	-
<b>Services</b>			
External sales	3.29	2.42	36.1%
EBIT	0.47	1.14	-59.2%
margin	14.1%	47.2%	-
<b>Electricity generation</b>			
External sales	4.71	3.94	19.8%
EBIT	2.75	1.24	122.3%
margin	58.4%	31.5%	-
<b>Consolidation</b>			
External sales	0.00	0.00	-
EBIT	-3.60	-3.96	-
margin	n.m.	n.m.	-
<b>Group</b>			
Sales	27.97	10.94	155.6%
EBIT	4.26	-0.19	-
margin	15.2%	-1.7%	-

Source: First Berlin Equity Research, PNE AG



**Electricity generation segment significantly increased sales and EBIT** In Q1/19, external segment sales increased by 20% to €4.7m (Q1/18: €3.9m). Segment EBITDA was €4.1m (Q1/18: €2.9m). Segment EBIT more than doubled y/y from €1.2m to €2.8m.

**Revised reporting includes new Services segment** The significant increase in the service share is reflected in a new segment reporting structure which from Q1/19 on includes “Services” as a new segment. Services include technical and commercial management, construction management, transformer station services, wind measurements, electricity marketing management, and similar services. In Q1/19, the segment revenue rose 36% y/y from €2.4m to €3.3m. Segment EBIT however declined from €1.1m to €0.5m (see figure 2 on page 2) due mainly to costs associated with the takeover of material stocks and personnel from argus GmbH.

**Market entry in Latin America in February 2019** PNE has acquired five projects in Panama with a planned total capacity of 352 MW. Some of the projects are already at a very advanced stage of development. The country will be PNE's hub for business development in this region. We welcome the market entry as Latin America offers huge potential for both wind and solar due to very good wind conditions and high irradiation. Furthermore, increasing power demand looks set to support pricing. As the electricity generated in the projects after commissioning will be marketed via direct power purchase agreements (PPAs) under private law, PNE will not be restricted by regulations such as tenders. We expect first revenue contributions in 2020E.

**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. €24.6m. Profits will be realised when the portfolio is sold. Currently, the portfolio comprises the operating wind farms Kührstedt-Alfstedt (43.2 MW), and Gerdau-Repowering (21.6 MW), and the Schlenzer (6.5 MW) wind farm, which is still under construction; in total 71.3 MW.

**Positive newsflow in Q2** In Q2, PNE reported that it received approval for two German projects totalling 30.6 MW. In the second tender in May, PNE was awarded two projects totalling ca. 24 MW. This is an important success guaranteeing continued wind farm construction in Germany.

In April, PNE sold the Polish “Jasna” wind farm project (132 MW), which is ready for construction, to Stadtwerke München. PNE will be involved in the construction phase and will provide technical services to the owner after commissioning. The completion of the wind farm is scheduled for 2020. The “Jasna” project was awarded a contract in tenders for wind energy projects in November 2018.

**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. Management expects the megawatt figures of the project pipeline to remain at least constant throughout the Group in 2019 (end 2018: 4,883 MW).

**Buy reiterated at unchanged price target** Based on unchanged forecasts, an updated DCF model still yields a €3.60 price target. 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>14,330</b>	<b>83,000</b>	<b>16,577</b>	<b>16,492</b>	<b>16,944</b>	<b>16,861</b>	<b>16,985</b>	<b>17,671</b>
+ depreciation & amortisation	9,938	14,884	7,658	7,482	7,629	7,780	7,934	8,091
Net operating cash flow	24,268	97,884	24,235	23,974	24,572	24,641	24,919	25,761
- 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)	-46,341	157,115	41,040	12,275	13,150	13,067	13,215	13,950
<b>PV of FCF's</b>	<b>-44,297</b>	<b>139,836</b>	<b>34,016</b>	<b>9,475</b>	<b>9,453</b>	<b>8,746</b>	<b>8,237</b>	<b>8,098</b>

All figures in thousands	
PV of FCFs in explicit period (2019E-2033E)	221,846
PV of FCFs in terminal period	103,995
Enterprise value (EV)	325,841
+ Net cash / - net debt	-33,716
+ Investments / minority interests	-13,938
Shareholder value	278,187
Number of diluted shares	76,558
<b>Fair value per share in EUR</b>	<b>3.63</b>

WACC		WACC	Terminal growth rate						
			0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
Cost of equity	11.8%	4.4%	6.04	6.35	6.78	7.38	8.30	9.89	13.29
Pre-tax cost of debt	7.0%	5.4%	4.85	5.00	5.18	5.41	5.73	6.17	6.86
Tax rate	21.8%	6.4%	4.07	4.14	4.22	4.33	4.46	4.63	4.86
After-tax cost of debt	5.5%	7.4%	3.51	3.54	3.58	3.63	3.69	3.76	3.86
Share of equity capital	30.0%	8.4%	3.09	3.29	3.13	3.15	3.18	3.21	3.25
Share of debt capital	70.0%	9.4%	2.76	2.77	2.78	2.79	2.80	2.81	2.83
<b>Price target in EUR</b>	<b>3.60</b>	10.4%	2.50	2.50	2.50	2.50	2.51	2.51	2.52

\* 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	-9,938	-14,884	-7,658
<b>Operating income (EBIT)</b>	<b>9,765</b>	<b>97,040</b>	<b>23,129</b>	<b>7,789</b>	<b>15,828</b>	<b>101,969</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>7,488</b>	<b>94,842</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>6,791</b>	<b>76,673</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.	1029.1%	-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>324,478</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>245,745</b>	<b>165,432</b>	<b>166,723</b>
Property, plant & equipment	167,347	39,230	103,872	96,130	162,151	81,839	83,129
Goodwill & other intangibles	63,105	67,400	66,825	65,053	65,053	65,053	65,053
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>496,949</b>	<b>489,911</b>	<b>490,198</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>181,988</b>	<b>111,988</b>	<b>111,988</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	5,332	5,332	5,332
<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>233,940</b>	<b>300,661</b>	<b>309,059</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	81,278	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>496,949</b>	<b>489,911</b>	<b>490,198</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	-91,454	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	2.04	2.90	3.00
Equity ratio (incl. minorities)	34.0%	53.1%	47.7%	47.8%	44.1%	58.2%	59.7%
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%	17.5%	3.9%
Return on investment (ROI)	0.7%	16.0%	3.5%	-0.2%	1.4%	15.7%	2.3%
Return on capital employed (ROCE)	3.1%	34.3%	10.5%	3.2%	5.5%	36.9%	8.5%
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>15,828</b>	<b>101,969</b>	<b>19,243</b>
Depreciation and amortisation	9,898	12,884	5,466	8,680	9,938	14,884	7,658
<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>21,279</b>	<b>83,559</b>	<b>43,072</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...95	↓	↓	↓	↓
96	3 December 2018	€2.51	Buy	€3.60
97	13 March 2019	€2.30	Buy	€3.60
98	1 April 2019	€2.29	Buy	€3.60
99	Today	€2.44	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.

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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- sensitivity of valuation parameters

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