

PNE AG

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

Q2 figures

RATING
PRICE TARGET **REDUCE**
€ 5.10
 Return Potential -3.2%
 Risk Rating High

STRONG GERMAN AND FRENCH PROJECT PIPELINE

PNE has reported Q2 figures and held a conference call. Sales amounted to €46.6m, and EBIT was €-1.7m. Sales were driven by milestone payments and EBIT was burdened by investments in the project pipeline and the own plant portfolio. Operating activity remained strong with 294 MW under construction. Management reiterated guidance (EBIT: €5-10m) which takes possible project delays due to the pandemic into account. Given H1 EBIT of €0.6m, the planned sale of project rights and further milestone payments, we see PNE on track to reach guidance and our EBIT forecast. Phase III projects in PNE's core markets France and Germany reached an all-time high at 632 MW. An updated sum-of-the-parts valuation yields a slightly higher price target of €5.10 (previously: €5.00). Since the publication of our last update, the share price has increased ca. 18% and is now slightly above our price target. We thus downgrade the stock from Add to Reduce.

Strong sales, but negative EBIT in Q2 Sales of €46.6m (Q2/19: €37.8m) were above our forecast (€37.2m) due to higher than expected milestone payments for German and foreign projects. EBITDA amounted to €2.6m versus €11.6m in Q2/19 and FBe: €2.9m. In absolute terms, EBIT of €-1.7m (Q2/19: €8.8m) was close to our estimate of €-1.1m. EBIT was lower compared to Q2/19 because PNE sold some projects in the prior year period, but none in H1/20. The net result was €-5.6m versus €1.7m in Q2/19. EPS amounted to €-0.07 (see figure 1 overleaf).

2020 guidance confirmed PNE reiterated its guidance, which takes possible project delays due to the pandemic into account, for EBITDA of €15-20m and EBIT of €5-10m. Given H1 EBITDA of €9.0m and H1 EBIT of €0.6m, the planned sale of project rights and further milestone payments, we believe that the company is on track to reach guidance.

(p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2017	2018	2019	2020E	2021E	2022E
Revenue (€m)	114.08	91.38	132.80	75.47	99.60	164.70
Y-o-y growth	-54.1%	-19.9%	45.3%	-43.2%	32.0%	65.4%
EBIT (€m)	23.13	7.79	18.96	6.33	14.72	28.03
EBIT margin	20.3%	8.5%	14.3%	8.4%	14.8%	17.0%
Net income (€m)	17.08	-1.04	0.69	-7.31	-1.65	7.15
EPS (diluted) (€)	0.22	-0.01	0.01	-0.10	-0.02	0.09
DPS (€)	0.04	0.04	0.04	0.04	0.04	0.04
FCF (€m)	-47.39	-32.80	-42.56	3.84	-69.28	-86.63
Net gearing	-5.8%	14.6%	55.3%	57.5%	91.8%	130.4%
Liquid assets (€m)	193.98	129.07	111.94	115.47	110.40	104.98

RISKS

Risks to our price target include, but are not limited to: changes in legislation, project financing risks, project delays, project approval risks, tender awards, award prices, and interest rate changes.

COMPANY PROFILE

PNE AG is a clean energy solution provider active in wind & PV project development, green power production, and energy services. At the end of 2019, the company had a ca. 5 GW international project pipeline, and a green power plant portfolio of ca. 130 MW. PNE is based in Cuxhaven, Germany.

MARKET DATA

As of 12 Aug 2020

Closing Price	€ 5.27
Shares outstanding	76.60m
Market Capitalisation	€ 403.70m
52-week Range	€ 2.86 / 5.37
Avg. Volume (12 Months)	290,036

Multiples	2019	2020E	2021E
P/E	568.0	n.a.	n.a.
EV/Sales	4.0	7.0	5.3
EV/EBIT	28.0	83.7	36.0
Div. Yield	0.8%	0.8%	0.8%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2020

Liquid Assets	€ 98.13m
Current Assets	€ 240.57m
Intangible Assets	€ 64.54m
Total Assets	€ 562.46m
Current Liabilities	€ 98.10m
Shareholders' Equity	€ 209.98m

SHAREHOLDERS

Morgan Stanley Infrastructure Partners	39.8%
Active Ownership Fund SCS	9.0%
Samson	5.1%
Dimensional Holdings	3.4%
Free Float	42.7%



Balance sheet remains strong Equity amounted to €210m versus €220m at the end of 2019. The equity ratio remained largely stable at 37%. Financial debt (bank loans, bonds, leasing liabilities) amounted to €280m, of which €33m were short-term. At the end of 2019, financial liabilities stood at €241m. The increase is mainly attributable to higher long-term leasing liabilities (+€20m since end 2019) and higher short-term liabilities to banks (+€14m since end 2019). The cash position declined from €112m at the end of 2019 to €98m. Net debt increased from €129m to €182m.

Figure 1: Reported figures versus forecasts

All figures in €m	Q2-20A	Q2-20E	Delta	Q2-19A	Delta	H1 2020	H1 2019	Delta
Sales	46.61	37.19	25.3%	37.67	23.7%	62.35	65.64	-5.0%
EBITDA	2.65	2.88	-8.1%	11.62	-77.2%	9.05	18.48	-51.0%
margin	5.7%	7.7%		30.8%		14.5%	28.2%	
EBIT	-1.68	-1.12	-	8.62	-	0.62	12.88	-95.2%
margin	-3.6%	-3.0%		22.9%		1.0%	19.6%	
Net income	-5.55	-4.33	-	1.74	-	-5.33	3.35	-
margin	-11.9%	-11.6%		4.6%		-8.5%	5.1%	
EPS (diluted) in €	-0.07	-0.06	-	0.02	-	-0.07	0.04	-

Source: First Berlin Equity Research, PNE AG

Negative free cash flow Operating cash flow amounted to €-20.6m due mainly to a decrease in trade and other liabilities (€-37.0m). CAPEX of €4.4m resulted in negative free cash flow of €-25.0m. Financing cash flow amounted to €11.3m due mainly to a net inflow of funds from financial loans of €16.0m. Net cash outflow was €13.8m.

Project development segment on track Operating activity was strong in Q2. Segment sales were above expectations (€39.0m versus FBe: €29.1m, see figure 2 overleaf) due to higher milestone payments for projects in Germany and abroad. Segment EBIT was below our forecast (€1.0m versus FBe: €1.9m) due mainly to higher investments in the own plant portfolio. We expect ca. 45 MW of the 49 MW under construction in Germany to be transferred to the Electricity Generation segment after commissioning. Total Q2 construction activity remained at a high level at 294 MW (Germany: five projects – 49 MW, Poland: Jasna wind farm – 132 MW, Sweden: Malarberget wind farm – 113 MW).

In Q2, PNE expanded its pipeline of onshore wind projects to 5,176 MW (Q1: 5,125 MW). The project volume in phase III (approval phase) in Germany and France, PNE's two most important markets, reached an all-time high at 632 MW because of an additional 26 MW q/q in Germany. German phase III projects now add up to 371 MW. The phase III volume in both countries is a strong basis for generating growing sales and EBIT in coming years. Progress was also made in the development of photovoltaic projects. The PV project pipeline was expanded to 232 MWp versus 132 MW at the end of Q1 due to a 100 MW addition in the US.

PNE was successful in the German tenders. In July, the company was awarded a 25 MW project in Lower Saxony. In total, PNE has been awarded three projects (39 MW) this year.

Service business burdened by pandemic In Q2, both segment sales (€3.6m) and segment EBIT (€-0.2m) were below our forecasts and the prior year figures (see figure 2 overleaf). Due to the pandemic, certain services such as safety training could not be offered for some time.

Electricity Generation segment with seasonally lower sales and EBIT Wind power generation is typically strong in winter (Q1 and Q4) and weak in summer (Q2 and Q3). Sales of €4.0m were in line with our forecast (€4.1m) and increased 36% y/y mainly because of the sales contribution of the wind farms added in Q4/19 (+24.4 MW). EBITDA rose from



€1.8m in Q2/19 to €2.8m (+56% y/y). Higher depreciation (€3.0m versus €1.7m in Q2/19) resulted in a small operating loss (€-0.2m) versus €+0.2m in Q2/19 (see figure 2).

PNE plans to increase the own plant portfolio from 130 MW currently to up to 500 MW by 2023. Given the 45 MW earmarked for the portfolio currently under construction in Germany and 371 MW of German projects in the approval phase, we believe that PNE is on track with its portfolio expansion.

Figure 2: Reported segment figures

All figures in €m	Q2-20A	Q2-20E	Delta	Q2-19A	Delta	H1-20A	H1-19A	Delta
Project development								
External sales	38.99	29.07	34.1%	30.61	27.4%	44.02	50.58	-13.0%
EBIT	0.99	1.91	-47.8%	7.51	-86.8%	5.29	12.15	-56.5%
margin	2.5%	6.6%	-	24.5%	-	12.0%	24.0%	-
Services								
External sales	3.60	4.00	-9.9%	4.10	-12.2%	6.63	7.39	-10.3%
EBIT	-0.22	0.15	-	0.19	-	0.11	0.66	-83.5%
margin	-6.2%	3.8%	-	4.7%	-	1.6%	8.9%	-
Electricity generation								
External sales	4.02	4.12	-2.5%	2.95	36.1%	11.70	7.67	52.7%
EBIT	-0.20	0.20	-	0.19	-	4.10	2.94	39.2%
margin	-5.0%	4.9%	-	6.4%	-	35.0%	38.4%	-
Consolidation								
External sales	0.00	0.00	-	0.00	-	0.00	0.00	-
EBIT	-2.25	-3.38	-	0.73	-	-8.87	-2.87	-
margin	n.m.	n.m.	-	n.m.	-	n.m.	n.m.	-
Group								
Sales	46.61	37.19	25.3%	37.67	23.7%	62.35	65.64	-5.0%
EBIT	-1.68	-1.12	-	8.62	-	0.62	12.88	-95.2%
margin	-3.6%	-3.0%	-	22.9%	-	1.0%	19.6%	-

Source: First Berlin Equity Research, PNE AG

German wind market remains weak in H1 In the first half-year 2020, new installations amounted to 591 MW. Although this is more than twice as high as in the prior year period (287 MW), installation activity remains at a low level. However, there is some hope for improvement next year as the German government is deciding on legislation to speed up wind farm approval processes (“Investitionsbeschleunigungsgesetz”).

Stock downgraded from Add to Reduce following 18% share price increase An updated sum-of-the-parts valuation yields a slightly higher price target of €5.10 (previously: €5.00). Following the share price increase of 18% since the publication of our last update, the share price is now slightly above our price target. Based on unchanged forecasts, we therefore downgrade the stock from Add to Reduce.



VALUATION MODEL

SUM-OF-THE-PARTS VALUATION

Following PNE's announcement in March 2020 that it plans to build a wind farm portfolio of up to 500 MW by 2023, we have decided to model PNE's fair value using a sum-of-the-parts (SotP) analysis. Each of the three segments Project Development, Electricity Generation, and Services is valued individually by a discounted cash flow (DCF) model. We believe that a SotP valuation is superior to our previous approach – a DCF model based on group cash flows.

In the past, a simple DCF model for PNE was adequate as the Electricity Generation segment was small, and Services segment numbers were not reported separately. The decision not to sell the "2020 wind farm portfolio", but to add it to the own plant portfolio and to expand this portfolio to up to 500 MW makes the Electricity Generation segment an important cash flow contributor in the present and increasingly in the future. This justifies a separate segment valuation. Since Q1/19, PNE has reported separate Services segment figures, and the company plans to further expand this segment. This allows us to value this segment separately from the other segments.

In the segment report, PNE offers a rough segment profit & loss account containing sales, total aggregate output, EBITDA, and EBIT. Furthermore, a few key segment balance sheet data such as segment assets, liabilities and equity are given. In addition, segment investments are displayed. Since Q2/20, PNE has provided segment cash positions, financial debt, and lease liabilities.

Sum-of-the-parts Valuation

SotP valuation	Fair value in €m	Fair value per share in €	old
Project Development	156.75	2.05	2.01
Electricity Generation	164.40	2.15	2.10
Services	71.53	0.93	0.91
Sum of the parts	392.69	5.13	5.02



PROJECT DEVELOPMENT

The Project Development segment includes onshore and offshore wind farm and solar plant development on an international scale. Projects that are not sold but added to the own plant portfolio produce development and construction costs but no external segment sales. PNE accounts for this in its Consolidation segment. For simplicity, we integrate Consolidation into the Project Development segment. Our DCF model thus only shows external sales.

DCF model for Project Development segment

All figures in EUR '000	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E
Net sales	36,000	48,700	103,200	133,000	144,245	155,509	166,649	177,511
NOPLAT	-3,835	610	9,031	10,165	11,493	12,290	13,065	13,809
+ depreciation & amortisation	2,035	1,920	1,807	1,714	1,668	1,641	1,631	1,635
Net operating cash flow	-1,800	2,530	10,838	11,879	13,161	13,931	14,696	15,444
- total investments (CAPEX and WC)	6,715	-941	-17,025	-4,187	-8,999	-8,879	-8,643	-8,289
Capital expenditures	-1,080	-974	-1,032	-1,330	-1,442	-1,555	-1,666	-1,775
Working capital	7,795	33	-15,993	-2,857	-7,557	-7,324	-6,977	-6,514
Free cash flows (FCF)	4,915	1,589	-6,186	7,692	4,162	5,052	6,052	7,155
PV of FCF's	4,753	1,408	-5,025	5,725	2,839	3,158	3,467	3,756

All figures in thousands	
PV of FCFs in explicit period (2020E-2034E)	51,863
PV of FCFs in terminal period	66,557
Enterprise value (EV)	118,420
+ Net cash / - net debt	37,678
+ Investments / minority interests	655
Shareholder value	156,753
Number of shares (diluted)	76,603
Fair value per share in EUR	2.05

WACC		Terminal growth rate						
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
5.1%	Cost of equity	3.81	4.08	4.41	4.85	5.46	6.35	7.80
6.1%	Pre-tax cost of debt	3.07	3.21	3.39	3.62	3.90	4.28	4.79
7.1%	Tax rate	2.55	2.64	2.74	2.87	3.02	3.21	3.45
8.1%	After-tax cost of debt	2.19	2.25	2.31	2.39	2.48	2.59	2.72
9.1%	Share of equity capital	1.92	1.95	2.00	2.05	2.10	2.17	2.24
10.1%	Share of debt capital	1.71	1.73	1.76	1.79	1.83	1.87	1.92
11.1%		1.54	1.56	1.58	1.60	1.63	1.65	1.68
12.1%	Fair value per share in EUR	1.40	1.40	1.40	1.40	1.40	1.40	1.40

* for layout purposes the model shows numbers only to 2027, but runs until 2034



ELECTRICITY GENERATION

The Electricity Generation segment includes power production from green power plants. The portfolio combines nine own wind farms with a total capacity of 130.1 MW, and the Silbitz biomass power plant with capacity of 5.6 MW. Furthermore, the segment includes interests in limited partnerships, in which wind farm projects will be realised in the future. At the end of 2019, the book value of the green power plant portfolio amounted to €146.3m.

PNE plans to build up a wind power production portfolio of up to 500 MW by 2023. The following table shows our portfolio expansion assumptions.

Forecasted portfolio expansion

Wind farm portfolio	2019	2020E	2021E	2022E	2023E	2024E
Wind power capacity (MW), year start	55.3	130.1	143.5	213.5	303.5	413.5
Additional capacity (MW)	74.8	13.4	70.0	90.0	110.0	86.5
Wind power capacity (MW), year end	130.1	143.5	213.5	303.5	413.5	500.0

DCF model for Electricity Generation segment

All figures in EUR '000	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E
Net sales	22,878	31,825	38,603	59,625	74,435	92,285	92,285	92,285
NOPLAT	7,605	10,711	11,856	20,744	23,666	32,695	32,158	31,680
+ depreciation & amortisation	11,704	13,985	18,873	25,683	33,140	32,961	32,783	32,605
Net operating cash flow	19,309	24,696	30,728	46,428	56,806	65,656	64,942	64,285
- total investments (CAPEX and WC)	-18,558	-85,716	-100,300	-119,532	-35,980	-36,385	-32,783	-32,605
Capital expenditures	-17,420	-84,000	-99,000	-115,500	-33,140	-32,961	-32,783	-32,605
Working capital	-1,138	-1,716	-1,300	-4,032	-2,840	-3,423	0	0
Free cash flows (FCF)	752	-61,019	-69,572	-73,104	20,826	29,272	32,158	31,680
PV of FCF's	740	-57,593	-62,981	-63,473	17,341	23,377	24,633	23,275

All figures in thousands	
PV of FCFs in explicit period (2020E-2034E)	30,484
PV of FCFs in terminal period	288,617
Enterprise value (EV)	319,100
+ Net cash / - net debt	-154,698
+ Investments / minority interests	0
Shareholder value	164,402
Number of shares (diluted)	76,603
Fair value per share in EUR	2.15

WACC		Terminal growth rate						
		-0.6%	-0.4%	-0.2%	0.0%	0.2%	0.4%	0.6%
Cost of equity	6.8%							
Pre-tax cost of debt	5.2%							
Tax rate	30.0%							
After-tax cost of debt	3.6%							
Share of equity capital	20.0%							
Share of debt capital	80.0%							
Fair value per share in EUR	2.15							

* for layout purposes the model shows numbers only to 2027, but runs until 2034



SERVICE SEGMENT

The Services segment includes technical and commercial operations management of green power plants, construction management, transformer station services, wind measurements, financing, and electricity marketing services.

Services segment DCF model

DCF valuation model								
All figures in EUR '000	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E
Net sales	16,589	19,077	22,893	25,022	27,183	29,350	31,495	33,588
NOPLAT	2,435	3,195	4,037	4,466	4,884	5,292	5,685	6,059
+ depreciation & amortisation	2,164	2,229	2,318	2,449	2,590	2,739	2,893	3,046
Net operating cash flow	4,600	5,424	6,354	6,915	7,474	8,031	8,577	9,105
- total investments (CAPEX and WC)	-2,514	-2,753	-3,101	-3,217	-3,402	-3,571	-3,723	-3,854
Capital expenditures	-2,488	-2,671	-2,976	-3,153	-3,336	-3,506	-3,659	-3,792
Working capital	-26	-82	-125	-65	-66	-65	-64	-61
Free cash flows (FCF)	2,086	2,671	3,253	3,698	4,072	4,460	4,854	5,251
PV of FCF's	2,022	2,387	2,680	2,809	2,851	2,879	2,889	2,881

All figures in thousands	
PV of FCFs in explicit period (2020E-2034E)	39,909
PV of FCFs in terminal period	37,255
Enterprise value (EV)	77,164
+ Net cash / - net debt	-5,630
+ Investments / minority interests	0
Shareholder value	71,534
Number of shares (diluted)	76,603
Fair value per share in EUR	0.93

WACC		Terminal growth rate							
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	
Cost of equity	9.8%	4.5%	1.99	2.18	2.45	2.82	3.37	4.31	6.22
Pre-tax cost of debt	6.0%	5.5%	1.52	1.63	1.76	1.93	2.16	2.48	2.96
Tax rate	9.0%	6.5%	1.22	1.28	1.36	1.45	1.56	1.71	1.91
After-tax cost of debt	5.5%	7.5%	1.00	1.04	1.09	1.14	1.21	1.29	1.39
Share of equity capital	70.0%	8.5%	0.84	0.87	0.90	0.93	0.97	1.02	1.08
Share of debt capital	30.0%	9.5%	0.72	0.74	0.76	0.78	0.81	0.84	0.87
		10.5%	0.63	0.64	0.65	0.67	0.69	0.71	0.73
Fair value per share in EUR	0.93	11.5%	0.55	0.56	0.57	0.58	0.59	0.61	0.62

* for layout purposes the model shows numbers only to 2027, but runs until 2034



INCOME STATEMENT

All figures in EUR '000	2017A	2018A	2019A	2020E	2021E	2022E
Revenues	114,076	91,379	132,796	75,467	99,603	164,696
Change in inventories	63,331	15,056	36,577	9,000	12,000	3,000
Own work	0	0	0	39,000	105,210	113,560
Other operating income	9,483	5,348	4,659	5,051	5,714	6,003
Total aggregate output	186,890	111,782	174,032	128,519	222,526	287,260
Cost of goods sold	-108,381	-36,696	-92,961	-60,409	-137,023	-178,149
Gross profit (revenues ./ COGS)	5,695	54,683	39,835	15,058	-37,420	-13,453
Personnel costs	-25,789	-27,780	-30,600	-31,600	-33,550	-36,369
Other operating expenses	-24,125	-30,837	-18,911	-14,272	-19,099	-21,716
EBITDA	28,595	16,469	31,561	22,237	32,854	51,026
Depreciation and amortisation	-5,466	-8,680	-12,597	-15,903	-18,135	-22,997
Operating income (EBIT)	23,129	7,789	18,964	6,334	14,719	28,029
Interest Expense	-10,709	-10,593	-12,267	-12,863	-15,509	-18,215
Interest Income	619	787	582	0	0	0
Other financial income / expenses	1,022	15	32	0	0	0
Pre-tax income (EBT)	14,061	-2,002	7,312	-6,529	-790	9,814
Income taxes	174	-403	-5,965	-128	-204	-2,013
Minority interests	2,840	1,361	-655	-655	-655	-655
Net income / loss	17,075	-1,044	692	-7,312	-1,649	7,146
Diluted EPS (in €)	0.22	-0.01	0.01	-0.10	-0.02	0.09
Ratios						
Gross margin (COGS/revenues)	5.0%	59.8%	30.0%	20.0%	-37.6%	-8.2%
EBITDA margin on revenues	25.1%	18.0%	23.8%	29.5%	33.0%	31.0%
EBIT margin on revenues	20.3%	8.5%	14.3%	8.4%	14.8%	17.0%
Net margin on revenues	15.0%	-1.1%	0.5%	-9.7%	-1.7%	4.3%
Tax rate	-1.2%	-20.1%	81.6%	-2.0%	-25.8%	20.5%
Expenses as % of revenues						
Personnel costs	22.6%	30.4%	23.0%	41.9%	33.7%	22.1%
Depreciation and amortisation	4.8%	9.5%	9.5%	21.1%	18.2%	14.0%
Other operating expenses	21.1%	33.7%	14.2%	18.9%	19.2%	13.2%
Y-Y Growth						
Revenues	-54.1%	-19.9%	45.3%	-43.2%	32.0%	65.4%
Operating income	-76.2%	-66.3%	143.5%	-66.6%	132.4%	90.4%
Net income/ loss	-75.2%	n.m.	n.m.	n.m.	n.m.	n.m.



BALANCE SHEET

All figures in EUR '000	2017A	2018A	2019A	2020E	2021E	2022E
Assets						
Current assets, total	308,379	272,882	266,995	248,713	248,645	278,809
Cash and cash equivalents	193,984	129,071	111,935	115,471	110,403	104,975
Short-term investments	0	0	0	0	0	0
Receivables	5,119	6,355	34,251	25,023	27,162	51,069
Inventories	86,361	117,343	101,357	88,767	91,627	103,313
Other current assets	22,915	20,113	19,452	19,452	19,452	19,452
Non-current assets, total	184,905	179,724	300,603	305,688	375,198	455,209
Property, plant & equipment	103,872	96,130	174,081	179,166	248,676	328,687
Goodwill & other intangibles	66,825	65,053	64,719	64,719	64,719	64,719
Rights of use	0	0	39,376	39,376	39,376	39,376
Other assets	14,208	18,541	61,803	61,803	61,803	61,803
Total assets	493,285	452,606	567,598	554,401	623,842	734,017
Shareholders' equity & debt						
Current liabilities, total	179,150	94,344	113,636	100,770	106,998	133,166
Short-term financial debt	107,109	26,131	11,705	5,000	5,000	10,000
Liabilities from leases (ST)	0	0	3,057	3,057	3,057	3,057
Accounts payable	25,295	14,945	35,276	20,090	23,325	41,499
Current provisions	4,858	8,134	8,381	8,381	8,381	8,381
Other current liabilities	41,888	45,134	58,274	67,299	70,292	73,286
Long-term liabilities, total	78,915	141,988	233,948	243,339	310,539	389,739
Long-term financial debt	72,751	136,656	188,953	198,344	265,544	344,744
Liabilities from leases (LT)	0	0	37,207	37,207	37,207	37,207
Other liabilities	6,163	5,332	7,787	7,787	7,787	7,787
Minority interests	-7,679	-13,938	-13,283	-12,628	-11,973	-11,318
Shareholders' equity	242,899	230,212	233,297	222,920	218,278	222,430
Share capital	76,556	76,558	76,603	76,603	76,603	76,603
Capital reserve	82,288	82,292	82,953	82,953	82,953	82,953
Other reserves	-908	-385	-819	-819	-819	-819
Treasury stock	0	-5,803	-707	-707	-707	-707
Retained earnings	84,962	77,550	75,267	64,891	60,178	64,260
Total consolidated equity and debt	493,285	452,606	567,598	554,401	623,842	734,017
Ratios						
Current ratio (x)	1.72	2.89	2.35	2.47	2.32	2.09
Quick ratio (x)	1.24	1.65	1.46	1.59	1.47	1.32
Net cash	14,124	-33,716	-128,987	-128,137	-200,405	-290,033
Net gearing	-5.8%	14.6%	55.3%	57.5%	91.8%	130.4%
Book value per share (€)	2.99	2.83	2.94	2.75	2.69	2.76
Tangible book value per share (€)	2.18	2.00	2.09	1.92	1.87	1.93
Equity ratio (incl. minorities)	47.7%	47.8%	38.8%	37.9%	33.1%	28.8%
Return on equity (ROE)	7.0%	-0.5%	0.3%	-3.3%	-0.8%	3.2%
Return on assets (ROA)	5.6%	2.1%	2.3%	1.0%	2.2%	3.5%
Return on investment (ROI)	3.5%	-0.2%	0.1%	-1.3%	-0.3%	1.0%
Return on capital employed (ROCE)	10.5%	3.2%	6.2%	1.8%	3.9%	6.1%



CASH FLOW STATEMENT

All figures in EUR '000	2017A	2018A	2019A	2020E	2021E	2022E
EBIT	23,129	7,789	18,964	6,334	14,719	28,029
Depreciation and amortisation	5,466	8,680	12,597	15,903	18,135	22,997
EBITDA	28,595	16,469	31,561	22,237	32,854	51,026
Changes in working capital	12,292	-49,523	17,440	15,587	1,228	-14,424
Other adjustments	-18,257	4,817	-13,594	-12,991	-15,713	-20,228
Operating cash flow	22,630	-28,237	35,407	24,833	18,370	16,374
Investments in PP&E	-70,015	-4,564	-77,966	-20,988	-87,645	-103,008
Investments in intangibles	0	0	0	0	0	0
Free cash flow	-47,385	-32,801	-42,560	3,844	-69,275	-86,634
Acquisitions & disposals, net	51,300	756	85	0	0	0
Other investments	-7,535	0	0	0	0	0
Cash flow from investing	-26,250	-3,808	-77,882	-20,988	-87,645	-103,008
Debt financing, net	59,106	-13,859	37,555	7,231	67,200	84,200
Equity financing, net	0	-5,803	5,669	0	0	0
Dividends paid	-9,187	-3,062	-2,975	-2,994	-3,064	-3,064
Other financing	0	-9,871	0	0	0	0
Cash flow from financing	49,919	-32,595	40,249	4,237	64,136	81,136
Forex and other changes in cash	-1	-274	-14,911	-4,546	1	0
Net cash flows	46,298	-64,913	-17,136	3,536	-5,138	-5,498
Cash, start of the year	147,686	193,984	129,071	111,935	115,471	110,403
Cash, end of the year	193,984	129,071	111,935	115,471	110,333	104,905
EBITDA/share (in €)	0.36	0.21	0.42	0.29	0.43	0.67
Operating cashflow/share (in €)	0.29	-0.36	0.47	0.32	0.24	0.21

Y-Y Growth

Operating cash flow	-64.9%	n.m.	n.m.	-29.9%	-26.0%	-10.9%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EBITDA/share	-74.0%	-42.4%	101.4%	-31.2%	47.7%	55.3%

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Anschrift:

First Berlin Equity Research GmbH
Mohrenstr. 34
10117 Berlin
Germany

Vertreten durch den Geschäftsführer: Martin Bailey

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

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

E-Mail: info@firstberlin.com

Amtsgericht Berlin Charlottenburg HR B 103329 B

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First Berlin Equity Research GmbH

Authored by: Dr. Karsten von Blumenthal, Analyst

All publications of the last 12 months were authored by Dr. Karsten von Blumenthal.

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

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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	31 March 2008	€2.38	Buy	€4.50
2...98	↓	↓	↓	↓
99	15 May 2019	€2.44	Buy	€3.60
100	9 August 2019	€3.02	Buy	€3.80
101	29 August 2019	€3.50	Add	€3.80
102	14 October 2019	€3.98	Add	€4.00
103	8 November 2019	€3.95	Add	€4.00
104	13 December 2019	€4.01	Add	€4.00
105	15 April 2020	€4.47	Add	€5.00
106	14 May 2020	€4.45	Add	€5.00
107	Today	€5.27	Reduce	€5.10

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