

Schloss Wachenheim AG

Germany / Food & beverages
 Primary exchange: Frankfurt
 Bloomberg: SWA GR
 ISIN: DE0007229007

2022/23 Annual
 Report

RATING
BUY

PRICE TARGET
€ 22.00

Return Potential 34.1%
 Risk Rating Medium

FULL-YEAR RESULTS ABOVE OUR FORECAST

Final results for the year ending 30 June showed a 10.9% increase in sales to €425.8m (2021/22: €384.0m) and a 6.2% decline in EBIT to €27.4m (2021/22: €29.2m). Both sales and EBIT were slightly above the upward revision in guidance (sales +10%; EBIT of €25m-€27m) given by the company following the Q3 results in May. Sales and EBIT were also respectively 0.4% and 4.2% above our forecasts. Restructuring of the French business reduced group EBIT by €4.4m. Adjusted for this item, EBIT would have been €31.8m - 8.9% above the 2021/22 figure. Due mainly to a reduced restructuring charge in France, management is guiding towards EBIT of €28-€30m for the current financial year. Management will propose an unchanged dividend of €0.60 to the AGM on 16 November. SWA's past two business years have been dominated by the adverse impact of cost inflation. Inflation is now subsiding and during the remainder of 2023/24 we expect this to feed through to lower interest rates and improving consumer sentiment. We maintain our Buy recommendation and price target of €22.00.

Sales and underlying EBIT growth outpaced volume Group volume fell 0.5% (2021/22: +6.7%) as rising inflation and interest rates depressed consumer sentiment. However sales rose 4.6% in Germany, by 17.4% in France and by 11.6% in East Central Europe as SWA implemented price rises to compensate for higher raw material and energy costs. As we have seen above, underlying EBIT also rose 8.9%.

Germany segment EBIT up 52% despite 7.5% volume decline The Germany segment's volume fell 7.5% to 82.2m bottles (2021/22: 88.9m bottles). The decline was occasioned by price rises which SWA implemented to cover rising raw material and energy costs. Volume of sparkling wine, which accounts for over half of segment volume, retreated 4.3% due to weaker export business. The domestic sparkling wine market was more or less stable.

(p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E
Revenue (€m)	338.21	354.58	383.98	425.75	453.79	486.37
Y-o-y growth	0.3%	4.8%	8.3%	10.9%	6.6%	7.2%
EBIT (€m)	18.97	24.42	29.19	27.38	28.40	34.79
EBIT margin	5.6%	6.9%	7.6%	6.4%	6.3%	7.2%
Net income (€m)	7.62	10.43	13.73	10.90	11.19	14.54
EPS (diluted) (€)	0.96	1.32	1.73	1.38	1.41	1.84
DPS (€)	0.40	0.50	0.60	0.60	0.60	0.60
FCF (€m)	0.23	27.35	4.03	12.59	0.22	11.72
Net gearing	35.9%	26.8%	29.2%	29.4%	31.0%	28.3%
Liquid assets (€m)	6.02	7.68	7.13	7.46	9.08	9.73

RISKS

Risks to our price target include, but are not limited to: intensification of price pressure in Germany; currency volatility on the group's East Central Europe markets.

COMPANY PROFILE

Schloss Wachenheim AG is one of the world's largest producers of sparkling wine. The company is the number three producer in its home market of Germany (32% of 2022/23 group sales) and number one in France with a 40% market share. Some 44% of group sales are generated in East Central Europe through the 61%-owned subsidiary, Ambra.

MARKET DATA

As of 25 Sep 2023

Closing Price	€ 16.40
Shares outstanding	7.92m
Market Capitalisation	€ 129.89m
52-week Range	€ 14.80 / 16.80
Avg. Volume (12 Months)	1,363

Multiples	2022/23	2023/24E	2024/25E
P/E	11.9	11.6	8.9
EV/Sales	0.5	0.4	0.4
EV/EBIT	7.3	7.1	5.8
Div. Yield	3.7%	3.7%	3.7%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2023

Liquid Assets	€ 7.46m
Current Assets	€ 232.29m
Intangible Assets	€ 95.70m
Total Assets	€ 444.72m
Current Liabilities	€ 152.18m
Shareholders' Equity	€ 241.18m

SHAREHOLDERS

Günther Reh AG	70.1%
Free float	29.9%



Figure 1: FY 22/23 results versus our forecasts

€m	FY 22/23A	FY 22/23E	Δ	FY 21/22A	Δ
Sales	425.75	424.06	0.4%	383.98	10.9%
by region:					
Germany	142.42	144.32	-1.3%	136.17	4.6%
France	105.24	103.68	1.5%	89.66	17.4%
East Central Europe	187.25	186.68	0.3%	167.77	11.6%
Eliminations	-9.15	-10.62	n.a.	-9.63	n.a.
EBIT	27.38	26.26	4.2%	29.19	-6.2%
<i>margin (%)</i>	6.4%	6.2%	-	7.6%	-
by region					
Germany	6.08	6.16	-1.3%	4.00	52.1%
<i>margin (%)</i>	4.3%	4.3%	-	n.a.	-
France	0.23	-0.70	n.a.	6.76	-96.6%
<i>margin (%)</i>	0.2%	-0.7%	-	n.a.	-
East Central Europe	21.23	20.94	1.4%	18.58	14.2%
<i>margin (%)</i>	11.3%	11.2%	-	11.1%	-
Other/eliminations	-0.16	-0.15	n.a.	-0.16	n.a.
Net profit before non-controlling interests	19.02	18.15	4.8%	21.22	-10.3%
Net profit after non-controlling interests	10.91	9.65	13.0%	13.73	-20.6%
EPS (€)	1.38	1.22	13.0%	1.73	-20.4%

Source: SWA; First Berlin Equity Research estimates

The second largest product area in the Germany segment is de-alcoholised drinks, in which the most important products are the alcohol-free wines, Light Live and Eisberg. Light Live is available in still and sparkling variants while Eisberg is a leading alcohol-free wine brand in the UK. Volume of de-alcoholised drinks was stable in 2022/23. Volume in the segment's other categories - wine containing drinks, still wine and the children's party drink, Robby Bubble, was adversely affected by an inflation related-decline in consumer spending. Price rises implemented by SWA pushed segment sales 4.6% ahead to €142.4m (2021/22: €136.2m) while segment gross profit climbed 6.3% to €62.2m (2021/22: €58.6m) equivalent to a margin of 43.7% (2021/22:43.0%). Segment EBIT also outpaced sales, climbing 52% to €6.1m (2021/22: €4.0m) as a volume-related decline in freight and logistics costs as well as the insourcing of the inventory and logistics function in the wine retail business countered higher personnel, maintenance, IT and energy costs.

Export and domestic business both contributed to volume growth in France Volume in the France segment climbed 9.5% to 62.5m bottles (2021/22: 57.1m bottles). About 65% of the volume increase was attributable to exports, which account for about one third of segment volume. Volume growth in Russia, the US and Japan was particularly strong. Private label business was the main driver of the volume increase on the domestic market, but volume of SWA's own brands also moved ahead slightly.

Charles Volner remains clear market leader in its category on French sparkling wine market SWA's most important French own-brand product, Charles Volner, is the undisputed leader in its category. Volume of this product rose slightly in 2022/23 following a resumption of the nationwide December advertising campaign with 9,000 placards which had been suspended in the two preceding years. SWA's two other most important French sparkling wine brands are Opéra and Muscador. Opéra's volume rose 5.4% and it retained its no. 3 ranking in the "Blancs de Blancs" segment. In volume terms Muscador is one of the leading sparkling wines in France. The number of bottles sold fell 1.3% due mainly to a decline in exports, which account for around 20% of the product's volume. Volume in France was flat.

**Underlying France segment EBIT impacted by higher advertising/energy costs**

France segment sales growth of 17.4% outpaced volume growth of 9.5% due to price rises made by SWA to cover higher costs as well as changes in the product mix. However gross profit rose only 3.7% to €38.9m (2021/22: €37.6m) due to high raw material prices and changes in the product mix. EBIT fell to €0.2m (2021/22: €6.8m). The biggest factor in the decline was a €4.4m restructuring charge taken in connection with the transfer of production capacity from Wissembourg to Tournan-en-Brie. Clean of the restructuring charge, the EBIT comparison would have been €4.6m vs €6.8m. 2022/23 EBIT was also impacted by higher advertising expenditure (+€1.4m) as well as higher energy costs (+€1.1m).

East Central Europe EBIT margin widened slightly As in SWA's other segments, business in East Central Europe was influenced by a difficult economic backdrop and the need to implement price rises to cover rising costs. Overall segment volume fell 2.6% but higher price rises and product mix shifts pushed sales 11.6% higher to €187.2m (2021/22: €167.8m). Negative currency effects reduced segment sales by €1.3m. In Poland, which accounts for ca. 70% of segment sales, overall volume fell by 3.4%. However, SWA succeeded in growing still wine volume by 2.6% in a Polish wine market which failed to grow for the first time in many years. Rising wine consumption in Poland has been a major growth driver for the East Central Europe segment in recent years, but at 5-6 liters, Polish annual per head consumption remains well below west European levels. In Germany for example, annual wine consumption per head is 20 liters. We expect the growth of the Polish wine market to resume once consumer sentiment improves. Romania generated over 17% of segment volume and sales in 2022/23. Volume climbed 4% due to growing business in sparklings, cocktail drinks, cider and spirits. Sales in local currency climbed 17.4%. In SWA's business year 2022/23, the average exchange rate of the Euro against the Romanian Leu was broadly unchanged on 2021/22. In the Czech Republic and Slovakia, which together account for 12% of segment sales, volume fell 7.1%, but sales climbed 2.8% thanks to price rises. Overall segment EBIT slightly outpaced sales growth - rising 14.2% to €21.2m (2021/22: €18.6m). The margin was 11.3% (2021/22: 11.1%).

Net gearing is manageable 29.4% Cashflow before changes in net working capital climbed 19.4% to €43.3m (2021/22: €36.3m). Workingcapital consumption rose slightly less - by 17.6% to €17.0m (2021/22: €14.4m) - and so operating cashflow increased 20.6% to €26.4m (2021/22: €21.9m). The main cause of the higher working capital requirement in 2022/23 was a €25.5m increase in inventories. The rise was accentuated by higher raw wine prices. Investment in tangible, intangible assets and acquisitions retreated to €13.4m (2021/22: €17.9m). Dividends to Schloss Wachenheim shareholders and minority shareholders in SWA's group companies in East Central Europe consumed €7.9m of cash (2021/22: €8.3m). The reason for the decline was a lower payout to non-controlling interests. The payout to Schloss Wachenheim shareholders rose 20% in line with the increase in the dividend from €0.50 to €0.60. Cashflow after investing and dividend payments was €5.1m (2021/22: €-4.3m). Net debt including lease and pension liabilities rose during the year by €4.8m to €70.9m, equivalent to net gearing of 29.4% (2020/21: net debt including leasing and pension liabilities of €66.1m and net gearing of 29.2%).

SWA guiding towards higher EBIT in 2023/24 based on reduced French restructuring charge

SWA expect group sales to increase 6-9% for 2023/24, driven mainly by price increases, as volume is seen stable to lower. Management expect Germany segment volume to rise slightly due to increases in both own brand and private label business. The segment's most important brands – including Light Live, Eisberg, Robby Bubble and Schloss Wachenheim - will again be well supported by advertising. SWA see the development on export markets as leading to an overall decrease in France segment volume. Domestic volume is expected to be stable as growth in own brands (also again supported by extensive marketing campaigns) counters a decline in private label business.



SWA are looking for stable organic volume development from the East Central Europe segment in 2023/24, with a slight rise in volume in Poland and slight falls elsewhere. Segment volume will be boosted by the acquisition of two Romanian wine producers, which were consolidated in early August and are expected to contribute sales of €5-6m in 2023/24. Management is guiding for group EBIT of €28-€30m for 2023/24 (2022/23: €27.4m). The increase is expected to derive chiefly from a much lower restructuring charge at the France segment. The transfer of production capacity from Wissembourg to Tournan-en-Brie will be completed during the current financial year and the associated restructuring charge is expected to be €1.2m compared with €4.4m in 2022/23. For the Germany segment higher material, personnel and other costs are expected to outweigh improved performance in the wine retail business and EBIT is expected to be lower than in 2022/23. Management is guiding towards stable EBIT in East Central Europe.

Buy recommendation maintained at unchanged €22.00 price target We have moved our 2023/24 forecast into line with SWA's guidance. As figure 2 shows, the France segment accounts for the biggest change to our forecasts. We have reduced our sales and EBIT numbers for the France segment to account for the decline in export sales flagged in the annual report as well as the €1.2m restructuring charge in 2023/24, which we had previously not modelled. Our EPS forecasts for 2023/24E and 2024/25E fall further than our EBIT forecasts because our forecasts for East Central Europe and its non-controlling interests are now both higher. We have raised our WACC estimate from 10.4% to 10.7% to take into account the increase in the German government 10-year bond yield from 2.35% to 2.79% since our last study of 11 May. Management is guiding towards CAPEX for the current financial year of €25m, but we gather that average CAPEX over the following five years is likely to be below €20m. We have reworked our CAPEX estimates for the period 2023/24-2034/35 and now forecast an average of €23m (previously: €25m). The net effect of these changes is an unchanged price target of €22.00. We maintain our Buy recommendation.

Figure 2: Changes to our forecasts

All figures in €m	2023/24E			2024/25E		
	old	new	Δ	old	new	Δ
Sales	448.72	453.79	1.1%	472.65	486.37	2.9%
by region:						
Germany	148.65	152.91	2.9%	151.63	159.02	4.9%
France	107.83	99.98	-7.3%	111.06	103.98	-6.4%
East Central Europe	203.48	210.65	3.5%	221.80	233.82	5.4%
Eliminations	-11.24	-9.75	-	-11.84	-10.45	-
EBIT	32.45	28.40	-12.5%	34.66	34.79	0.4%
Margin	7.2%	6.3%	-	7.3%	7.2%	-
by region:						
Germany	3.72	3.55	-4.4%	3.79	3.98	4.9%
margin (%)	2.5%	2.3%	-	2.5%	2.5%	-
France	7.55	2.78	-63.1%	7.77	5.20	-33.1%
margin (%)	7.0%	2.8%	-	7.0%	5.0%	-
East Central Europe	21.37	22.14	3.6%	23.29	25.72	10.4%
margin (%)	10.5%	10.5%	-	10.5%	11.0%	-
Eliminations	-0.19	-0.09	n.a.	-0.19	-0.11	n.a.
Net profit before non-controlling interests	22.84	19.66	-13.9%	25.54	24.38	-4.6%
Net profit after non-controlling interests	14.17	11.19	-21.0%	16.10	14.54	-9.7%
EPS €	1.79	1.41	-21.0%	2.03	1.84	-9.7%

Source: First Berlin Equity Research estimates



VALUATION MODEL

All figures in EUR 000s	2023/24E	2024/25E	2025/26E	2026/27E	2027/28E	2028/29E	2029/30E	2030/31E	2031/32E	2032/33E	2033/34E	2034/35E
Net sales	453,786	486,372	513,141	541,918	572,873	603,230	635,649	670,288	707,315	742,878	776,287	811,437
NOPLAT	22,277	27,289	30,115	32,298	32,300	34,415	36,688	39,131	40,149	42,538	44,756	46,906
+ depreciation & amortisation	-17,065	-17,804	-18,655	-19,566	-20,541	-21,478	-22,474	-23,531	-24,654	-25,708	-26,670	-27,674
Net operating cash flow	39,341	45,093	48,770	51,864	52,840	55,894	59,162	62,662	64,803	68,246	71,426	74,581
- total investments (CAPEX and WC)	-36,448	-30,388	-30,710	-27,120	-27,613	-26,690	-30,392	-34,441	-35,191	-37,214	-36,913	-38,449
Capital expenditures	-25,402	-18,621	-18,988	-19,524	-19,484	-20,069	-23,670	-24,422	-24,482	-26,929	-27,251	-27,958
Working capital	-11,046	-11,767	-11,722	-7,596	-8,129	-6,622	-6,722	-10,018	-10,709	-10,286	-9,662	-10,491
Free cash flow s (FCF)	2,893	14,705	18,060	24,744	25,227	29,203	28,770	28,221	29,612	31,031	34,513	36,132
PV of FCFs	2,678	12,290	13,632	16,867	15,529	16,234	14,443	12,794	12,123	11,473	11,523	10,894

All figures in EUR 000s	
PV of FCFs in explicit period (2023/24-2034/35)	150,480
PV of FCFs in terminal period	152,305
Enterprise value (EV)	302,785
Average net debt (most recent four quarters)	-67,978
Investments / minority interests	-60,572
Shareholder value	174,236
Fair value per share in EUR	22.00

WACC	10.7%
Cost of equity	13.0%
Pre-tax cost of debt	5.0%
Tax rate	23.0%
After-tax cost of debt	3.9%
Share of equity capital	75.0%
Share of debt capital	25.0%
Price target in EUR	22.00

WACC	Terminal growth rate						
	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
9.2%	28.14	29.20	30.40	31.77	33.34	35.16	37.30
9.7%	25.09	25.97	26.96	28.07	29.34	30.80	32.49
10.2%	22.37	23.11	23.92	24.84	25.88	27.05	28.41
10.7%	19.95	20.56	21.24	22.00	22.85	23.81	24.90
11.2%	17.76	18.28	18.85	19.48	20.19	20.98	21.87
11.7%	15.80	16.23	16.71	17.24	17.83	18.48	19.21
12.2%	14.01	14.38	14.79	15.23	15.72	16.27	16.87



INCOME STATEMENT

All figures in €000s	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24E	FY 24/25E
Revenues	338,212	354,584	383,975	425,753	453,786	486,372
Change in inventories	240	-1,959	3,307	12,856	0	0
Cost of materials	-192,653	-198,789	-220,798	-259,676	-263,196	-279,664
Gross Profit	145,799	153,836	166,484	178,933	190,590	206,708
Other operating income	5,117	4,323	4,027	5,065	4,992	5,350
Personnel expenses	-56,274	-60,225	-61,505	-64,801	-72,606	-77,820
Depreciation	-14,401	-15,151	-15,841	-17,087	-17,065	-17,804
Restructuring France	0	0	0	-4,446	-1,200	0
Other operating expenses	-61,272	-58,359	-63,980	-70,288	-76,316	-81,645
Operating Income (EBIT)	18,969	24,424	29,185	27,376	28,395	34,790
Associates	0	77	317	236	175	200
Net interest income	-1,818	-1,509	-1,807	-3,156	-3,507	-3,911
Pretax profit (EBT)	17,151	22,992	27,695	24,456	25,063	31,078
Taxes	-4,160	-5,339	-6,480	-5,432	-5,401	-6,701
Net profit before minorities	12,991	17,653	21,215	19,024	19,662	24,378
Minorities	-5,376	-7,227	-7,484	-8,119	-8,469	-9,837
Net attributable profit	7,615	10,426	13,731	10,905	11,193	14,541
EPS (€)	0.96	1.32	1.73	1.38	1.41	1.84
EBITDA	33,370	39,575	45,026	44,463	45,460	52,593
Ratios						
Gross margin	43.1%	43.4%	43.4%	42.0%	42.0%	42.5%
EBITDA margin on revenues	9.9%	11.2%	11.7%	10.4%	10.0%	10.8%
EBIT margin on revenues	5.6%	6.9%	7.6%	6.4%	6.3%	7.2%
Net margin on revenues	3.8%	5.0%	5.5%	4.5%	4.3%	5.0%
Tax rate	24.3%	23.2%	23.4%	22.2%	21.5%	21.6%
Expenses as % of revenues						
Personnel costs	-16.6%	-17.0%	-16.0%	-15.2%	-16.0%	-16.0%
Depreciation	-4.3%	-4.3%	-4.1%	-4.0%	-3.8%	-3.7%
Other operating expenses	-18.1%	-16.5%	-16.7%	-16.5%	-16.8%	-16.8%
Y-Y Growth						
Revenues	0.3%	4.8%	8.3%	10.9%	6.6%	7.2%
Operating income	-17.4%	28.8%	19.5%	-6.2%	3.7%	22.5%
Net profit before minorities	-18.8%	35.9%	20.2%	-10.3%	3.4%	24.0%



BALANCE SHEET

All figures in €000s	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24E	FY 24/25E
Assets						
Current assets, total	179,512	179,147	203,784	232,287	243,132	260,499
Cash and cash equivalents	6,015	7,680	7,133	7,457	9,076	9,727
Other receivables and short-term assets	6,854	9,093	8,610	6,214	6,623	7,099
Trade accounts and notes receivables	51,427	53,753	59,335	64,370	68,608	73,442
Inventories	115,216	108,621	128,706	154,246	158,825	170,230
Non-Current Assets, total	193,261	198,884	204,833	212,434	220,209	221,325
Property, plant and equipment	92,659	97,513	103,845	110,405	119,346	114,298
Goodwill + intangible assets	93,469	96,082	95,225	95,701	95,097	100,963
Other financial assets	3,795	3,709	3,889	4,230	4,405	4,605
Deferred taxes + prepaid expenses	1,822	1,580	1,874	2,098	1,361	1,459
Long term assets for sale	1,516	0	0	0	0	0
Total Assets	372,773	378,031	408,617	444,721	463,341	481,823
Shareholders' equity & debt						
Current Liabilities, total	117,850	115,034	132,501	152,177	163,260	166,713
Current provisions	5,661	7,422	6,562	8,333	9,216	9,779
Short-term financial debt	40,319	28,849	36,238	44,543	52,673	50,715
Trade payables	41,498	44,734	55,158	61,953	61,261	63,228
Prepayments, deferred charges & other liabilities	30,372	34,029	34,543	37,348	40,110	42,990
Long term liabilities, total	50,704	48,003	49,715	51,360	44,979	45,342
Long-term financial debt	36,705	34,121	34,849	31,832	33,368	33,097
Pension accruals and similar liabilities	2,396	2,405	2,150	1,936	2,052	2,175
Other long-term debt	1,590	1,095	1,138	5,291	1,401	1,502
Deferred taxes	10,013	10,382	11,578	12,301	8,157	8,568
Shareholders' equity	167,773	174,547	183,479	191,718	197,167	201,997
Minority interests	36,446	40,447	42,922	49,466	57,935	67,772
Total shareholders' equity & debt	372,773	378,031	408,617	444,721	463,341	481,823
Ratios						
Current ratio (x)	1.52	1.56	1.54	1.53	1.49	1.56
Quick ratio (x)	0.55	0.61	0.57	0.51	0.52	0.54
Financial leverage (including pension liabilities)	35.9%	26.8%	29.2%	29.4%	31.0%	28.3%
Book value per share (€)	21.18	22.04	23.16	24.20	24.89	25.49
Net debt (including pension liabilities)	73,405	57,695	66,104	70,854	79,018	76,260
Return on equity (ROE)	3.7%	5.0%	6.2%	4.7%	4.5%	5.5%



CASH FLOW STATEMENT

All figures in €000s	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24E	FY 24/25E
Net profit before minorities	12,991	17,653	21,215	19,024	19,662	24,378
Depreciation and amortisation	14,401	15,151	15,841	17,087	17,065	17,804
Change in working capital	-13,229	10,867	-14,422	-16,962	-11,046	-11,767
Other	-1,204	-1,015	-716	7,276	-59	-77
Operating cash flow	12,959	42,656	21,918	26,425	25,622	30,338
CAPEX	-13,183	-18,165	-18,389	-14,314	-25,402	-18,621
Fixed asset sales	458	2,862	500	930	0	0
Investing cash flow	-12,725	-15,303	-17,889	-13,834	-25,402	-18,621
Free cash flow	234	27,353	4,029	12,591	220	11,717
Change in financial liabilities	2,883	-19,377	3,603	-4,414	9,666	-2,230
Dividends to shareholders	-3,960	-3,168	-3,960	-4,752	-4,752	-4,752
Dividends to subsidiaries of minorities	-2,950	-3,048	-4,382	-3,152	-3,516	-4,083
Other	0	0	0	0	0	0
Financing cash flow	-4,027	-25,593	-4,739	-12,318	1,399	-11,065
Change in cash	-3,793	1,760	-710	723	1,619	652
Consolidation; exchange rate effects	277	-95	163	-399	0	0
Liquid funds, start of the year	9,531	6,015	7,680	7,133	7,457	9,076
Liquid funds, end of the year	6,015	7,680	7,133	7,457	9,076	9,727
Free cash flow per share (€)	0.03	3.45	0.51	1.59	0.03	1.48
<hr/>						
Y-Y growth						
Operating cash flow	-52.0%	229.2%	-48.6%	20.6%	-3.0%	18.4%
Free cash flow	-97.5%	11589.3%	-85.3%	212.5%	-98.3%	5222.8%
Financial cash flow	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

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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	19 July 2007	€10.00	Hold	€10.75
2...52	↓	↓	↓	↓
53	28 September 2021	€19.40	Buy	€25.00
54	15 November 2021	€20.20	Buy	€26.00
55	25 February 2022	€18.80	Buy	€27.00
56	17 May 2022	€18.50	Buy	€25.00
57	28 September 2022	€16.50	Buy	€22.00
58	15 November 2022	€15.40	Buy	€22.00
59	27 February 2022	€15.50	Buy	€21.00
60	11 May 2023	€15.80	Buy	€22.00
61	Today	€16.40	Buy	€22.00

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- key sources of information in the preparation of this research report
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