

# ULTRASONIC AG

October 23, 2014

## Information Analysis

### Analysts

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### Evaluation Result

**N.A.**

(prev.: N.A.)

### Fair Value

**N.A.**

(prev.: N.A.)



BankM Research on Bloomberg,  
Thomson/Reuters, Factset, CapitalIQ  
and www.BankM.de

## BankM's visit at the Company's Premises

On October 16, a team of BankM was able

- to visit the production site of Ultrasonic
- to meet the authorized local government officials as well as
- to personally talk to the former CEO Mr. Quingyong Wu.

The factory is evidently operating, while - in our view - not at its full capacity utilization. Mr. Wu, who was back on the company premises, was resolute in expressing his willingness to rebuild the company and the reputation of Ultrasonic in the capital market as well as his personal standing. The proof of the cash on the Company's accounts, however, was not possible according to Mr. Wu, because the seal which is mandatory for the legal representative's, i.e. Mr. Wu's, authorization vis-à-vis officials and banks had been confiscated by the local government.

The authorized local Ministry of Finance of the City of Quanzhou offered to discuss the case with the BankM team. They informed us that a task force is currently investigating the case on the city level, in particular if any of the Company's financial assets have been used for purposes not related to the business. The Ministry's investigation shall be finalized by the end of November; we did not receive a commitment for the publication of the report but will continue to seek cooperation with the Quanzhou Ministry.

With effect of Oct 27, 2014, the supervisory board appointed Dr. Harald Zender to the management board of the German holding. This step enables the AG to continue its efforts in supporting the clarification of the case. Concurrently, Mr. Clifford Chan, resigned as CFO of the Company.

**In light of the current evidences, we continue to suspend our valuation.**

Sector	Clothing and Footwear		
WKN	A1KREX		
ISIN	DE000A1KREX3		
Bloomberg/Reuters	US5 GY/US5G.DE		
Accounting standard	IFRS		
Financial year	Dec 31		
Financial reporting 3Q14	n.a.		
Market segment	Regulated Market		
Transparency standard	Prime Standard		
<b>Financial ratios</b>	<b>2014e</b>	<b>2015e</b>	<b>2016e</b>
EV/Sales	n.a.	n.a.	n.a.
EV/EBITDA	n.a.	n.a.	n.a.
EV/EBIT	n.a.	n.a.	n.a.
P/E adj.	n.a.	n.a.	n.a.
Price/Bookvalue	n.a.	n.a.	n.a.
Price/FCF	n.a.	n.a.	n.a.
ROE (in %)	n.a.	n.a.	n.a.
Dividend yield (in %)	n.a.	n.a.	n.a.
<b>Number of shares outs.</b> (in '000)	12,596		
<b>MarketCap / EV</b> (in € m)	n.a.		
<b>Free float</b> (in %)	12.9		
<b>Ø daily trading vol.</b> (3M, in €)	n.a.		
<b>12M high/low</b> (in €; XETRA-close)	n.a.		
<b>Price Oct 22, 2014</b> (in €; XETRA-close)	2.92		
<b>Performance</b>	<b>1M</b>	<b>6M</b>	<b>12M</b>
absolute (in %)	n.a.	n.a.	n.a.
relative (in %)	n.a.	n.a.	n.a.
<b>Benchmark index</b>	DAXSubsector Clothing and Footwear		

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**Authors: Dr. Roger Becker, CEFA and David Szabadvari, CIAA, Analysts**

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Issuer of the analysed instruments is ULTRASONIC AG.

**Notice according to sec. 4 §. 4 No 4 FinAnV (previous publications regarding the issuer within the last 12 months):**

Analysts	Date	Evaluation result	Fair value
Dr. Roger Becker, David Szabadvari	September 5, 2013	Buy	€20.84
Dr. Roger Becker, David Szabadvari	December 11, 2013	Buy	€20.20
Dr. Roger Becker, David Szabadvari	May 16, 2014	Buy	€21.53
Dr. Roger Becker, David Szabadvari	June 23, 2014	Buy	€22.23
David Szabadvari, Dr Roger Becker	September 09, 2014	Buy	€22.44
David Szabadvari, Dr Roger Becker	September 16, 2014	n.a.	n.a.

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**October 23, 2014**

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**October 22, 2014**

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