

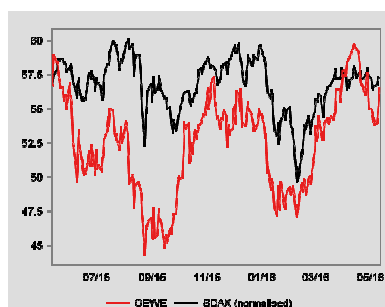
Buy EUR 70.00 Price EUR 56.50 Upside 23.9 %	Value Indicators: EUR DCF: 70.81 FCF-Value Potential 2017e: 73.03	Share data: Bloomberg: CWC GR Reuters: CWCG ISIN: DE0005403901	Description: Europe's leading industrial photofinisher and provider of personalised photo products
	Market Snapshot: EUR m Market cap: 403 No. of shares (m): 7 EV: 394 Freefloat MC: 281	Shareholders: Freefloat 69.8 % Comm. heirs Senator 27.4 % CeWe Stiftung & Co. KGaA 2.8 %	Risk Profile (WRe): 2016e Beta: 1.0 Price / Book: 2.1 x Equity Ratio: 51 %

First Glance: Strong Q1 performance, EBIT improvement better than assumed

- With a double-digit sales growth and a positive Q1 EBIT number Cewe released strong quarterly results above our expectations:

Sales	Q1 2016	Q1 2015	y/y	Q1 WRe	FY 2016e	FY 2015	y/y
Photofinishing	85.5	75.5	13.2%	83.5	424.0	414.9	2.2%
Online Printing	20.4	17.9	14.3%	20.0	87.0	77.8	11.8%
Retail	12.8	13.4	-4.4%	13.5	60.0	60.8	-1.3%
Other	0.5	0.0		0.0	1.0	0.6	61.8%
Group sales	119.2	106.8	11.6%	117.0	572.0	554.2	3.2%
EBIT	Q1 2016	Q1 2015	y/y	Q1 WRe	FY 2016e	FY 2015	y/y
Photofinishing	1.3	-0.8		0.5	43.0	40.4	6.5%
Online Printing	0.5	-1.3		0.2	1.0	-0.9	
Retail	-0.4	-1.1		-0.3	0.0	-0.4	
Other	-0.5	-0.3		-0.3	-2.4	-2.2	8.6%
Group EBIT	0.9	-3.5		0.1	41.6	36.8	13.1%
<i>One offs</i>	<i>0.4</i>	<i>-1.0</i>		<i>0.0</i>			
Operating EBIT	0.5	-2.5		0.1			

- Cewe's positive Q1 performance was mainly supported by a strong performance in the **core Photofinishing segment**, which was above management expectations (Q1 number of photos +3.8% to 482.4m vs. Q1 target range 452-475m). The revenue per photo was again up substantially by 9.0% to 17.72 Eurocents, which illustrates the **success of the strategy to focus on added-value products**. Number of **Photobooks** sold increased by 10.2%.
- As expected, the **FY 2016 outlook was fully confirmed** with an EBIT target range of EUR 38-44m and an EPS target range between EUR 3.53-4.10. This forecast is based on an Photobook growth of 1-2% to 6.10-6.15m units.
- Conclusion:** Cewe's Q1 numbers underpin the convincing strategy and the growth potential in Photofinishing and Online Printing. As always, Q4 is highly relevant for FY results. However, the clear EBIT improvement in all 3 divisions in Q1 is a positive signal that Cewe is well on track and that FY targets are rather conservative. In light of the strong competitive quality and the margin potential (mainly in the Online Printing business) we are confirming our Buy recommendation.

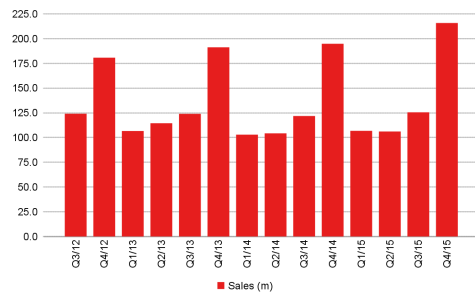


Rel. Performance vs SDAX:	
1 month:	-4.3 %
6 months:	4.0 %
Year to date:	7.4 %
Trailing 12 months:	-2.1 %

Company events:	
11.08.16	Q2
10.11.16	Q3

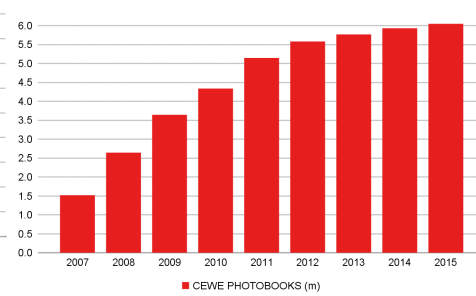
FY End: 31.12. in EUR m	CAGR (15-18e)	2012	2013	2014	2015	2016e	2017e	2018e
Sales	3.0 %	507	536	524	554	572	587	605
Change Sales yoy		8.1 %	5.7 %	-2.3 %	5.8 %	3.2 %	2.6 %	3.1 %
Gross profit margin		63.6 %	64.8 %	69.2 %	71.0 %	70.6 %	70.6 %	70.5 %
EBITDA	4.6 %	66	67	66	75	80	83	86
Margin		13.0 %	12.5 %	12.6 %	13.6 %	13.9 %	14.2 %	14.2 %
EBIT	10.1 %	29	29	33	37	42	46	49
Margin		5.7 %	5.4 %	6.2 %	6.6 %	7.3 %	7.9 %	8.1 %
Net income	13.3 %	19	22	21	23	28	32	34
EPS	13.2 %	2.88	3.39	3.07	3.24	3.90	4.41	4.70
EPS adj.	13.2 %	2.88	3.51	3.00	3.24	3.90	4.41	4.70
DPS	5.9 %	1.45	1.50	1.55	1.60	1.70	1.80	1.90
Dividend Yield		4.6 %	4.2 %	3.0 %	3.0 %	3.0 %	3.2 %	3.5 %
FCFPS		2.69	1.98	5.14	1.38	4.02	2.55	3.13
FCF / Market cap		8.6 %	5.5 %	10.0 %	2.6 %	7.1 %	4.5 %	5.8 %
EV / Sales		0.5 x	0.5 x	0.7 x	0.7 x	0.7 x	0.7 x	0.6 x
EV / EBITDA		3.6 x	4.1 x	5.4 x	5.2 x	5.0 x	4.7 x	4.2 x
EV / EBIT		8.3 x	9.5 x	11.0 x	10.6 x	9.5 x	8.4 x	7.5 x
P / E		10.9 x	10.6 x	16.7 x	16.6 x	14.5 x	12.8 x	11.6 x
P / E adj.		10.9 x	10.2 x	17.1 x	16.6 x	14.5 x	12.8 x	11.6 x
FCF Yield Potential		12.2 %	8.7 %	5.2 %	5.4 %	7.9 %	8.7 %	9.8 %
Net Debt		36	41	2	8	-9	-14	-23
ROCE (NOPAT)		13.9 %	13.6 %	12.3 %	12.4 %	14.8 %	17.1 %	17.7 %
Guidance:		2016: sales EUR 555-575m; EBIT EUR 38-44m; EPS EUR 3.53-4.10						

Sales development
in EUR m



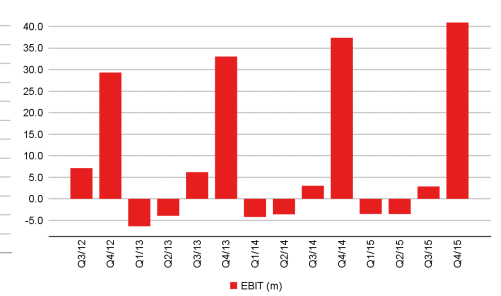
Source: Warburg Research

Number of CEWE PHOTOBOOKS
2015; in million units



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

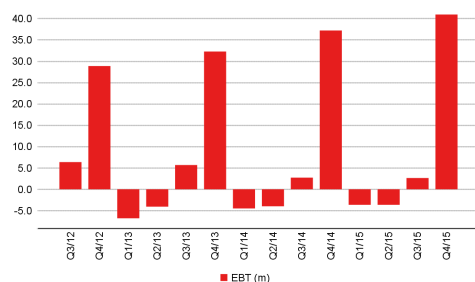
Company Background

- CEWE is Europe's largest industrial photofinisher with a market share of ca. 40%. The company mainly develops digital photographs in 11 photo labs across Europe.
- The company also sells personalised photo products and, with the CEWE PHOTOBOOK, is the best-known and most successful producer of photobooks.
- In online printing the company is expected to generate c. EUR 100m of sales by FY 2016 and contribute to CEWE's earnings after a ramp-up phase of several years
- With more than 30,000 trade customers (drug stores, photographic retailers, internet partners) CEWE has the broadest base of outlets of all photo finishers, supplying a total of 24 European countries.
- The products are distributed via trading partners and over the internet.

Competitive Quality

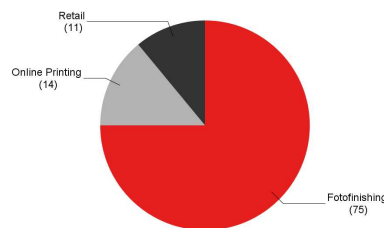
- CEWE has the broadest distribution base of all industrial photofinishers. The dense regional presence facilitates rapid market-share gains.
- CEWE's distribution base of more than 34,000 trade partners represents a significant competitive advantage in the digital market, as it enables broad market coverage.
- The company has a clear competitive advantage with its high brand awareness in Europe (mainly thanks to the CEWE PHOTOBOOK).
- The broad range of products and the resulting higher revenues per photo secure CEWE's strong market position in a highly competitive market.
- The digital online printing business broadens the company's customer base and offers synergies with the company's ancestral business

EBT development
in EUR m



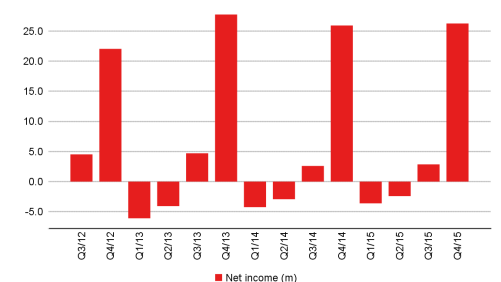
Source: Warburg Research

Sales by segments
2015; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2016e	2017e	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	
Sales	572	587	605	623	641	657	673	688	702	716	730	745	759	
Sales change	3.2 %	2.6 %	3.1 %	3.0 %	2.8 %	2.6 %	2.4 %	2.2 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	1.5 %
EBIT	42	46	49	50	51	53	54	55	53	54	55	52	49	
EBIT-margin	7.3 %	7.9 %	8.1 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	7.5 %	7.5 %	7.5 %	7.0 %	6.5 %	
Tax rate (EBT)	32.5 %	31.0 %	31.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	
NOPAT	28	32	34	35	36	37	38	39	37	38	38	36	35	
Depreciation	38	37	37	38	39	40	41	41	42	43	44	45	46	
in % of Sales	6.6 %	6.3 %	6.1 %	6.1 %	6.1 %	6.1 %	6.1 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	
Changes in provisions	1	1	1	0	1	1	1	1	1	1	1	1	1	
Change in Liquidity from														
- Working Capital	-12	4	2	3	3	3	1	1	1	1	1	1	1	
- Capex	40	40	40	40	40	41	41	41	42	43	44	45	46	
Capex in % of Sales	7.0 %	6.8 %	6.6 %	6.4 %	6.3 %	6.2 %	6.1 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
Free Cash Flow (WACC Model)	39	26	30	30	32	34	37	38	36	37	38	36	34	26
PV of FCF	38	23	25	24	24	24	24	23	21	20	19	17	15	217
share of PVs	16.70 %			40.98 %										42.32 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	7.50 %	Financial Strength	1.00
Cost of debt (after tax)	3.4 %	Liquidity (share)	1.00
Market return	7.00 %	Cyclicality	1.00
Risk free rate	1.50 %	Transparency	1.00
		Others	1.00
WACC	6.73 %	Beta	1.00

Valuation (m)

Present values 2028e	296		
Terminal Value	217		
Financial liabilities	7		
Pension liabilities	23		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	22	No. of shares (m)	7.1
Equity Value	505	Value per share (EUR)	70.81

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		0.75 %	1.00 %	1.25 %	1.50 %	1.75 %	2.00 %	2.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.20	7.7 %	58.47	59.22	60.03	60.91	61.86	62.89	64.02	1.20	7.7 %	45.87	50.88	55.90	60.91	65.92	70.94	75.95
1.10	7.2 %	62.42	63.35	64.35	65.45	66.64	67.95	69.39	1.10	7.2 %	49.10	54.55	60.00	65.45	70.90	76.35	81.80
1.05	7.0 %	64.62	65.65	66.78	68.01	69.36	70.84	72.48	1.05	7.0 %	50.91	56.61	62.31	68.01	73.71	79.41	85.11
1.00	6.7 %	66.99	68.15	69.42	70.81	72.33	74.02	75.90	1.00	6.7 %	52.89	58.86	64.83	70.81	76.78	82.75	88.72
0.95	6.5 %	69.56	70.86	72.29	73.87	75.60	77.54	79.70	0.95	6.5 %	55.05	61.32	67.59	73.87	80.14	86.41	92.68
0.90	6.2 %	72.35	73.82	75.44	77.23	79.22	81.45	83.96	0.90	6.2 %	57.42	64.03	70.63	77.23	83.84	90.44	97.04
0.80	5.7 %	78.73	80.63	82.75	85.11	87.77	90.78	94.23	0.80	5.7 %	62.95	70.34	77.72	85.11	92.49	99.88	107.26

- EBIT margin potential in online printing. Mid-term margin decline assumed due to highly competitive market

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2012	2013	2014	2015	2016e	2017e	2018e	
Net Income before minorities	19	22	21	23	28	31	34	
+ Depreciation + Amortisation	37	38	33	38	38	37	37	
- Net Interest Income	-2	-2	-1	0	-1	-1	0	
- Maintenance Capex	29	38	38	41	35	35	35	
+ Other	0	0	0	0	0	0	0	
= Free Cash Flow Potential	29	24	19	21	31	34	36	
Free Cash Flow Yield Potential	12.2 %	8.7 %	5.2 %	5.4 %	7.9 %	8.7 %	9.8 %	
WACC	6.73 %	6.73 %	6.73 %	6.73 %	6.73 %	6.73 %	6.73 %	
= Enterprise Value (EV)	241	276	359	391	395	390	365	
= Fair Enterprise Value	436	359	275	311	466	507	534	
- Net Debt (Cash)	-15	-15	-15	-15	-32	-38	-48	
- Pension Liabilities	23	23	23	23	24	24	25	
- Other	0	0	0	0	0	0	0	
- Market value of minorities	0	0	0	0	0	0	0	
+ Market value of investments	0	0	0	0	0	0	0	
= Fair Market Capitalisation	428	351	267	303	475	521	557	
No. of shares (total) (m)	7	7	7	7	7	7	7	
= Fair value per share (EUR)	65.38	53.57	38.42	42.52	66.53	73.03	78.03	
premium (-) / discount (+) in %					17.7 %	29.3 %	43.7 %	
Sensitivity Fair value per Share (EUR)								
	9.73 %	41.19	33.68	25.55	29.07	46.39	51.12	54.96
	8.73 %	46.03	37.67	28.60	32.52	51.57	56.75	60.89
	7.73 %	52.13	42.69	32.45	36.87	58.08	63.84	68.35
WACC	6.73 %	60.04	49.19	37.44	42.52	66.53	73.03	78.03
	5.73 %	70.71	57.97	44.16	50.13	77.92	85.43	91.09
	4.73 %	85.90	70.47	53.73	60.97	94.14	103.07	109.67
	3.73 %	109.23	89.66	68.44	77.61	119.05	130.18	138.22

- After transition from analog to digital high cash flow can be expected in the future
- Significant upside potential despite high investments in particular for the online printing business

Valuation							
	2012	2013	2014	2015	2016e	2017e	2018e
Price / Book	1.6 x	1.6 x	2.1 x	2.0 x	2.1 x	2.0 x	1.8 x
Book value per share ex intangibles	12.27	14.84	18.56	18.64	19.31	20.85	22.58
EV / Sales	0.5 x	0.5 x	0.7 x	0.7 x	0.7 x	0.7 x	0.6 x
EV / EBITDA	3.6 x	4.1 x	5.4 x	5.2 x	5.0 x	4.7 x	4.2 x
EV / EBIT	8.3 x	9.5 x	11.0 x	10.6 x	9.5 x	8.4 x	7.5 x
EV / EBIT adj.*	8.3 x	9.5 x	11.0 x	10.6 x	9.5 x	8.4 x	7.5 x
P / FCF	11.7 x	18.1 x	10.0 x	38.7 x	14.0 x	22.2 x	17.4 x
P / E	10.9 x	10.6 x	16.7 x	16.6 x	14.5 x	12.8 x	11.6 x
P / E adj.*	10.9 x	10.2 x	17.1 x	16.6 x	14.5 x	12.8 x	11.6 x
Dividend Yield	4.6 %	4.2 %	3.0 %	3.0 %	3.0 %	3.2 %	3.5 %
Free Cash Flow Yield Potential	12.2 %	8.7 %	5.2 %	5.4 %	7.9 %	8.7 %	9.8 %

*Adjustments made for: -

Company Specific Items							
	2012	2013	2014	2015	2016e	2017e	2018e
CEWE PHOTOBOOKS	5,581,000	5,768,000	5,929,000	6,048,000	6,150,000	6,250,000	6,300,000

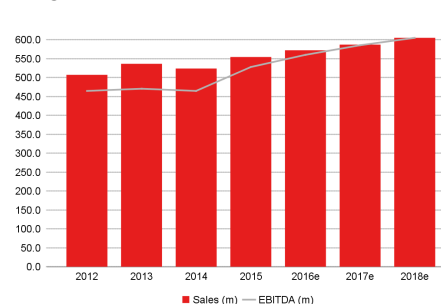
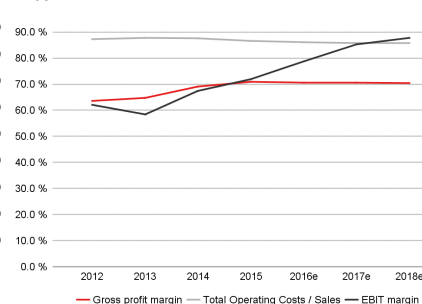
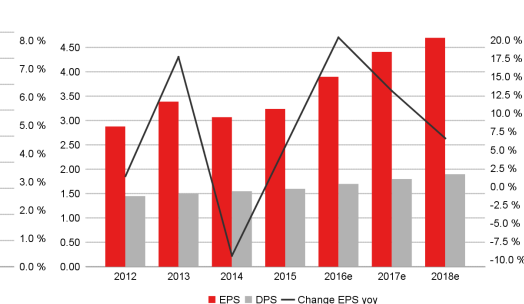
Consolidated profit & loss

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
Sales	507	536	524	554	572	587	605
Change Sales yoy	8.1 %	5.7 %	-2.3 %	5.8 %	3.2 %	2.6 %	3.1 %
Increase / decrease in inventory	0	0	0	0	0	0	0
Own work capitalised	1	1	1	1	0	0	0
Total Sales	508	538	525	555	572	587	605
Material Expenses	186	190	163	162	168	173	178
Gross profit	323	348	362	393	404	414	427
<i>Gross profit margin</i>	<i>63.6 %</i>	<i>64.8 %</i>	<i>69.2 %</i>	<i>71.0 %</i>	<i>70.6 %</i>	<i>70.6 %</i>	<i>70.5 %</i>
Personnel expenses	122	130	136	144	147	150	154
Other operating income	30	25	21	20	21	21	22
Other operating expenses	164	175	182	194	198	203	208
Unfrequent items	0	0	0	0	0	0	0
EBITDA	66	67	66	75	80	83	86
<i>Margin</i>	<i>13.0 %</i>	<i>12.5 %</i>	<i>12.6 %</i>	<i>13.6 %</i>	<i>13.9 %</i>	<i>14.2 %</i>	<i>14.2 %</i>
Depreciation of fixed assets	37	38	33	38	38	37	37
EBITA	29	29	33	37	42	46	49
Amortisation of intangible assets	0	0	0	0	0	0	0
Goodwill amortization	0	0	0	0	0	0	0
EBIT	29	29	33	37	42	46	49
<i>Margin</i>	<i>5.7 %</i>	<i>5.4 %</i>	<i>6.2 %</i>	<i>6.6 %</i>	<i>7.3 %</i>	<i>7.9 %</i>	<i>8.1 %</i>
EBIT adj.	29	29	33	37	42	46	49
Interest income	0	0	0	0	0	0	0
Interest expenses	3	2	1	1	1	1	1
Other financial income (loss)	0	0	0	0	0	0	0
EBT	27	27	31	36	41	45	49
<i>Margin</i>	<i>5.3 %</i>	<i>5.1 %</i>	<i>6.0 %</i>	<i>6.6 %</i>	<i>7.1 %</i>	<i>7.7 %</i>	<i>8.1 %</i>
Total taxes	8	5	10	14	13	14	15
Net income from continuing operations	19	22	21	23	28	31	34
Income from discontinued operations (net of tax)	0	0	0	0	0	0	0
Net income before minorities	19	22	21	23	28	31	34
Minority interest	0	0	0	0	0	0	0
Net income	19	22	21	23	28	32	34
<i>Margin</i>	<i>3.7 %</i>	<i>4.2 %</i>	<i>4.1 %</i>	<i>4.2 %</i>	<i>4.9 %</i>	<i>5.4 %</i>	<i>5.6 %</i>
Number of shares, average	7	7	7	7	7	7	7
EPS	2.88	3.39	3.07	3.24	3.90	4.41	4.70
EPS adj.	2.88	3.51	3.00	3.24	3.90	4.41	4.70

*Adjustments made for:

Guidance: 2016: sales EUR 555-575m; EBIT EUR 38-44m; EPS EUR 3.53-4.10
Financial Ratios

	2012	2013	2014	2015	2016e	2017e	2018e
Total Operating Costs / Sales	87.2 %	87.8 %	87.6 %	86.7 %	86.1 %	85.8 %	85.8 %
Operating Leverage	-0.4 x	-0.1 x	-5.5 x	2.2 x	4.1 x	4.2 x	2.0 x
EBITDA / Interest expenses	26.2 x	30.9 x	46.6 x	86.3 x	79.6 x	83.2 x	172.1 x
Tax rate (EBT)	29.9 %	17.7 %	32.1 %	37.4 %	32.5 %	31.0 %	31.0 %
Dividend Payout Ratio	50.3 %	44.2 %	50.4 %	50.2 %	44.1 %	41.1 %	40.4 %
Sales per Employee	153,461	166,123	162,715	162,044	163,172	163,367	164,270

Sales, EBITDA
in EUR m

Operating Performance
in %

Performance per Share


Source: Warburg Research

Source: Warburg Research

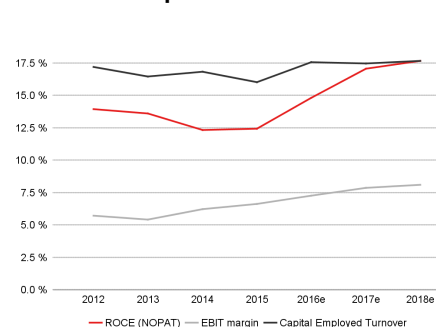
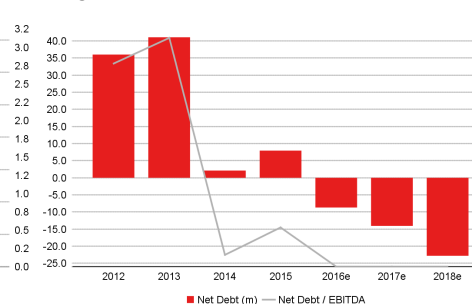
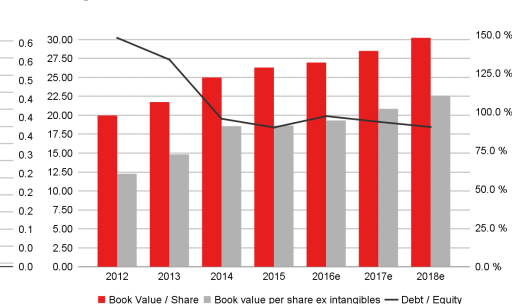
Source: Warburg Research

Consolidated balance sheet

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
Assets							
Goodwill and other intangible assets	50	45	45	55	55	55	55
thereof other intangible assets	22	20	19	17	17	17	17
thereof Goodwill	29	25	25	37	37	37	37
Property, plant and equipment	101	99	103	109	111	114	117
Financial assets	5	5	8	9	9	9	9
Other long-term assets	0	0	0	0	0	0	0
Fixed assets	156	149	155	173	175	178	181
Inventories	63	59	49	51	54	59	61
Accounts receivable	72	89	84	90	94	96	99
Liquid assets	13	14	28	22	38	43	52
Other short-term assets	19	23	23	20	20	19	19
Current assets	167	185	184	183	206	217	231
Total Assets	324	334	340	356	380	395	412
Liabilities and shareholders' equity							
Subscribed capital	19	19	19	19	19	19	19
Capital reserve	56	57	69	70	70	70	70
Retained earnings	79	90	94	106	111	122	135
Other equity components	-24	-23	-9	-7	-8	-8	-8
Shareholders' equity	130	143	174	188	193	204	216
Minority interest	0	0	0	0	0	0	0
Total equity	130	143	174	187	193	204	216
Provisions	27	27	30	33	34	35	36
thereof provisions for pensions and similar obligations	18	18	22	23	24	24	25
Financial liabilities (total)	31	37	8	7	6	5	5
thereof short-term financial liabilities	8	26	2	5	4	3	3
Accounts payable	102	101	96	91	110	113	116
Other liabilities	32	26	32	38	38	39	39
Liabilities	193	191	166	168	188	191	195
Total liabilities and shareholders' equity	324	334	340	356	380	395	412

Financial Ratios

	2012	2013	2014	2015	2016e	2017e	2018e
Efficiency of Capital Employment							
Operating Assets Turnover	3.8 x	3.7 x	3.8 x	3.5 x	3.8 x	3.8 x	3.8 x
Capital Employed Turnover	3.0 x	2.9 x	3.0 x	2.8 x	3.1 x	3.1 x	3.1 x
ROA	12.1 %	14.9 %	13.7 %	13.4 %	15.9 %	17.7 %	18.6 %
Return on Capital							
ROCE (NOPAT)	13.9 %	13.6 %	12.3 %	12.4 %	14.8 %	17.1 %	17.7 %
ROE	15.0 %	16.3 %	13.5 %	12.8 %	14.6 %	15.9 %	16.0 %
Adj. ROE	15.0 %	16.9 %	13.2 %	12.8 %	14.6 %	15.9 %	16.0 %
Balance sheet quality							
Net Debt	36	41	2	8	-9	-14	-23
Net Financial Debt	18	23	-20	-15	-32	-38	-48
Net Gearing	27.6 %	28.8 %	1.2 %	4.2 %	-4.5 %	-6.9 %	-10.6 %
Net Fin. Debt / EBITDA	27.4 %	34.6 %	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	20.0	21.7	25.0	26.3	27.0	28.5	30.2
Book value per share ex intangibles	12.3	14.8	18.6	18.6	19.3	20.8	22.6

ROCE Development

Net debt in EUR m

Book Value per Share in EUR


Source: Warburg Research

Source: Warburg Research

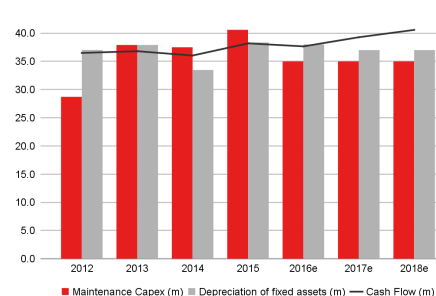
Source: Warburg Research

Consolidated cash flow statement

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
Net income	19	22	21	23	28	32	34
Depreciation of fixed assets	37	38	33	38	38	37	37
Amortisation of goodwill	0	0	0	0	0	0	0
Amortisation of intangible assets	0	0	0	0	0	0	0
Increase/decrease in long-term provisions	6	0	4	1	1	1	1
Other non-cash income and expenses	-3	0	0	0	-5	-5	-5
Cash Flow	60	60	59	62	62	64	66
Increase / decrease in inventory	-15	4	10	-2	-3	-5	-2
Increase / decrease in accounts receivable	6	-17	4	-6	-4	-2	-3
Increase / decrease in accounts payable	12	-1	-5	-5	19	3	3
Increase / decrease in other working capital positions	-11	2	3	0	-5	-2	-2
Increase / decrease in working capital (total)	-8	-12	12	-13	7	-6	-4
Net cash provided by operating activities	51	48	71	49	69	58	62
Investments in intangible assets	0	0	0	0	0	0	0
Investments in property, plant and equipment	-34	-35	-35	-39	-40	-40	-40
Payments for acquisitions	-24	0	0	-5	0	0	0
Financial investments	0	-1	-2	0	0	0	0
Income from asset disposals	12	1	-6	0	0	0	0
Net cash provided by investing activities	-46	-35	-43	-44	-40	-40	-40
Change in financial liabilities	-14	-3	-26	-1	-1	-1	0
Dividends paid	-9	-9	-11	-11	-11	-12	-13
Purchase of own shares	0	0	0	0	0	0	0
Capital measures	0	0	-3	0	0	0	0
Other	0	0	25	0	0	0	0
Net cash provided by financing activities	-23	-12	-14	-12	-12	-13	-13
Change in liquid funds	-18	1	14	-7	16	5	9
Effects of exchange-rate changes on cash	0	0	0	0	0	0	0
Cash and cash equivalent at end of period	13	14	28	20	38	43	52

Financial Ratios

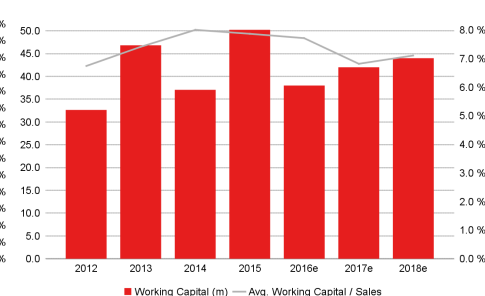
	2012	2013	2014	2015	2016e	2017e	2018e
Cash Flow							
FCF	18	13	36	10	29	18	22
Free Cash Flow / Sales	3.5 %	2.4 %	6.8 %	1.8 %	5.0 %	3.1 %	3.7 %
Free Cash Flow Potential	29	24	19	21	31	34	36
Free Cash Flow / Net Profit	93.3 %	58.3 %	167.3 %	42.8 %	103.3 %	57.8 %	66.5 %
Interest Received / Avg. Cash	1.5 %	2.2 %	1.2 %	1.7 %	0.7 %	0.5 %	0.4 %
Interest Paid / Avg. Debt	9.1 %	6.3 %	6.3 %	12.0 %	16.1 %	19.4 %	11.0 %
Management of Funds							
Investment ratio	6.7 %	6.6 %	6.8 %	7.1 %	7.0 %	6.8 %	6.6 %
Maint. Capex / Sales	5.7 %	7.1 %	7.2 %	7.3 %	6.1 %	6.0 %	5.8 %
Capex / Dep	91.2 %	93.0 %	105.9 %	102.7 %	105.3 %	108.1 %	108.1 %
Avg. Working Capital / Sales	6.7 %	7.4 %	8.0 %	7.9 %	7.7 %	6.8 %	7.1 %
Trade Debtors / Trade Creditors	70.6 %	87.8 %	87.7 %	99.5 %	85.5 %	85.0 %	85.3 %
Inventory Turnover	3.0 x	3.2 x	3.3 x	3.2 x	3.1 x	2.9 x	2.9 x
Receivables collection period (days)	52	60	59	60	60	60	60
Payables payment period (days)	201	194	216	205	239	239	237
Cash conversion cycle (Days)	-60	-62	-88	-72	-102	-94	-92

CAPEX and Cash Flow
in EUR m


Source: Warburg Research

Free Cash Flow Generation


Source: Warburg Research

Working Capital


Source: Warburg Research

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Rating	Number of stocks	% of Universe
Buy	118	64
Hold	61	33
Sell	4	2
Rating suspended	1	1
Total	184	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment banking services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	23	77
Hold	7	23
Sell	0	0
Rating suspended	0	0
Total	30	100

PRICE AND RATING HISTORY CEWE AS OF 12.05.2016


The chart has markings if Warburg Research GmbH changed its rating in the last 12 months. Every marking represents the date and closing price on the day of the rating change.

EQUITIES

Roland Rapelius +49 40 3282-2673
Head of Equities rrapelius@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemeyer +49 40 309537-270
Head of Research hrueschemeyer@warburg-research.com

Lucas Boventer +49 40 309537-290
Renewables, Internet, Media lboventer@warburg-research.com

Christian Cohrs +49 40 309537-175
Engineering, Logistics ccohrs@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Harald Hof +49 40 309537-125
Medtech hhof@warburg-research.com

Ulrich Huwald +49 40 309537-255
Health Care, Pharma uhuwald@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Eggert Kuls +49 40 309537-256
Engineering ekuls@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Jochen Reichert +49 40 309537-130
Telco, Internet, Media jreichert@warburg-research.com

J. Moritz Rieser +49 40 309537-260
Real Estate mrieser@warburg-research.com

Arash Roshan Zamir +49 40 309537-155
Cap. Goods, Renewables aroshanzamir@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Björn Voss +49 40 309537-254
Steel, Car Suppliers bvoss@warburg-research.com

Alexander Wahl +49 40 309537-230
Other awahl@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Holger Nass +49 40 3282-2669
Head of Equity Sales, USA hnass@mmwarburg.com

Klaus Schilling +49 40 3282-2664
Dep. Head of Equity Sales, GER kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Lyubka Bogdanova +49 69 5050-7411
United Kingdom, Australia lbogdanova@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Paul Dontenwill +49 40 3282-2666
USA pdontenwill@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom mfritsch@mmwarburg.com

Marie-Therese Grübner +49 40 3282-2630
France, Switzerland mgruebner@mmwarburg.com

Michael Kriszun +49 40 3282-2695
United Kingdom mkriszun@mmwarburg.com

Marc Niemann +49 40 3282-2660
Germany mniemann@mmwarburg.com

Fabian Roggemann +49 40 3282-2667
USA froggemann@mmwarburg.com

Sanjay Oberoi +49 69 5050-7410
United Kingdom soberoi@mmwarburg.com

Juliane Willenbruch +49 40 3282-2694
Roadshow/Marketing jwillenbruch@mmwarburg.com

SALES TRADING

Oliver Merkel +49 40 3282-2634
Head of Sales Trading omerkel@mmwarburg.com

Michael Ilgenstein +49 40 3282-2700
Sales Trading milgenstein@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

Jörg Treptow +49 40 3262-2658
Sales Trading jtreptow@mmwarburg.com

Jan Walter +49 40 3262-2662
Sales Trading jwalter@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

Our research can be found under:

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For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com