

PNE AG

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

Preliminary
 2018 figures

RATING PRICE TARGET

Return Potential
 Risk Rating

BUY
€ 3.60

56.5%
 High

OFFSHORE WRITE-OFF BURDENS 2018 EBIT

PNE reported preliminary EBIT of €7.8m. This is below our forecast (€12.6m) and guidance (€10-16m). The reason for this is a €10.8m valuation adjustment on three offshore wind farm projects. However, disregarding this non-cash one-off, PNE exceeded its guidance with EBITDA of €27.2m and EBIT of €18.5m. We expect a weak German onshore wind market this year due to slow approval procedures. However, we expect this to change later in 2019 and envisage a much stronger German market in 2020E, supported by the first supplementary onshore wind tenders in September and December 2019. As the German coal commission has decided to exit coal by 2038 we see additional medium and long-term potential for onshore and offshore wind. PNE has further internationalised its business with its market entry in Latin America and strengthened its service segment through two acquisitions in Germany. The company has a strong balance sheet, enormous global business opportunities in the renewable energy market, and is attractively valued. We expect the current negative sentiment to change soon and see the current share price level as a very good investment opportunity. Our rating remains Buy at an unchanged price target of €3.60.

EBITDA of €16.5m and EBIT of €7.8m Preliminary 2018 earnings figures were below our forecasts and guidance due solely to a valuation adjustment of €10.8m on three offshore wind farms. Without this adjustment, EBITDA and EBIT would have amounted to €27.2m and €18.5m, respectively. The operating business was thus very successful despite the weak German onshore wind market and exceeded guidance of €20-26m EBITDA and €10-16m EBIT. PNE was able to offset the weak German onshore business with international projects (France, Poland, Sweden, Italy), and offshore milestone payments.

Offshore wind situation is better than it looks The write-off of the three zone 4 offshore wind projects Jules Verne, Nautilus, and Nemo was caused by... (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2015	2016	2017	2018E	2019E	2020E
Revenue (€m)	109.52	248.58	114.08	99.70	118.69	218.10
Y-o-y growth	-48.2%	127.0%	-54.1%	-12.6%	19.0%	83.8%
EBIT (€m)	9.77	97.04	23.13	7.79	15.74	104.24
EBIT margin	8.9%	39.0%	20.3%	7.8%	13.3%	47.8%
Net income (€m)	3.47	68.97	17.08	0.66	6.81	78.44
EPS (diluted) (€)	0.05	0.88	0.22	0.01	0.09	1.00
DPS (€)	0.04	0.12	0.04	0.04	0.04	0.13
FCF (€m)	-105.38	-44.27	-47.39	-24.08	-69.10	154.53
Net gearing	98.1%	-12.6%	-5.8%	5.4%	34.9%	-21.2%
Liquid assets (€m)	86.08	147.69	193.98	139.73	127.57	189.04

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 12 Mar 2019

Closing Price	€ 2.30
Shares outstanding	76.56m
Market Capitalisation	€ 176.08m
52-week Range	€ 2.25 / 3.04
Avg. Volume (12 Months)	197,871

Multiples	2017	2018E	2019E
P/E	10.5	274.7	26.6
EV/Sales	1.4	1.6	1.4
EV/EBIT	7.0	20.8	10.3
Div. Yield	1.7%	1.7%	1.7%

STOCK OVERVIEW



COMPANY DATA

As of 30 Sep 2018

Liquid Assets	€ 117.30m
Current Assets	€ 268.12m
Intangible Assets	€ 65.20m
Total Assets	€ 442.86m
Current Liabilities	€ 92.66m
Shareholders' Equity	€ 221.73m

SHAREHOLDERS

Internat. Kapitalanlageges. mbH	10.1%
Active Ownership Fund SCS	5.1%
Axxion S.A.	3.2%
Other investors	6.1%
Free Float	75.6%

...the latest discussion of the area development plan for offshore wind at the end of January. This discussion was held by the German Federal Maritime and Hydrographic Agency (BSH), industry and environmental associations and resulted in an agreement that there is a perspective to develop an extra 2 GW in zone 3. Furthermore, additional developments should also primarily take place in zone 3. The good news is that this plan increases the likelihood that PNE's zone 3 offshore wind projects Atlantis II and III will be realised. The bad news is that realisation of PNE's zone 4 projects is less likely, thus causing the write-off. In 2015, the BSH suspended plan approval procedures for offshore projects in zones 3-5 in the North Sea as the German government slowed down the offshore expansion path. The Offshore Wind Energy Act (WindSeeG) and the EEG 2017 significantly increased the risks for projects in zones 3-5. PNE's pipeline of 5 proprietary projects in these zones had a total book value of €24.7m at the end of H1/18. In July 2017, PNE filed a constitutional complaint and hopes to be at least compensated for the costs already incurred. If PNE's complaint is successful, the company will be able to book a windfall gain.

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. €20.9m, of which ca. €8.5m were generated in 9M/18. Profits will be realised when the portfolio is sold. Currently, the portfolio comprises the operating Kührstedt-Alfstedt (43.2 MW) and Gerdau-Schwienau (21.6 MW) wind farms; in total 64.8 MW. The Schlenzer wind farm (6.5 MW) will be added after commissioning, which we expect in the coming weeks. This would increase the portfolio to 71.3 MW or more than one third of the planned total size. Due to the slow approval procedures in Germany, the portfolio build-up is not proceeding as quickly as previously expected. We now forecast 56 MW to be added this year and 79 MW next year. We however still believe that PNE will be able to complete and sell the 200 MW portfolio by the end of 2020E.

Operating business in 2018 better than expected The total capacity of wind farms commissioned was 45 MW, and the rights for six projects in France, Poland, and Italy (total capacity: 97.5 MW) were sold. Further projects with a planned total capacity of 93.2 MW were under construction in Germany, Sweden and France at the end of 2018. This resulted in EBIT from operations of €18.5m. However, the offshore asset write-off (€10.8m) lowered group EBIT to €7.8m. On the one hand, the offshore business was hit by this write-off, on the other hand, it benefitted from two milestone payments amounting to ca. €8m. PNE received a €4m milestone payment for Gode Wind 3 and a €4.1m milestone payment for Borkum Riffgrund II from Oersted.

Service offering expanded PNE has expanded its service offering through the acquisition of two companies. In December 2018, PNE took over MEB Safety Services GmbH (18 employees). MEB has expertise in the field of safety technology for wind energy and industrial plants. Apart from special services for platform access systems, cranes, ascending aids and service lifts, the company offers training courses on personal safety at work. In February 2019, PNE acquired argus GmbH which has expertise particularly in the area of wind turbine obstruction marking and on-demand night-time marking, and is based in Bautzen in Saxony. We very much welcome the timing of the acquisition, as new regulation makes on-demand night-time marking in Germany mandatory from July 2020 on. This regulation is obligatory for both existing and newly erected wind turbines and affects up to 20,000 wind turbines. Assuming an average sales price of ca. €10,000 per marking system, the market volume could be as high as €200m. At the end of 2017, argus' balance sheet total amounted to more than €0.9m.

Stake in subsidiary WKN increased to 100% In July 2018, PNE increased its stake in WKN from 89.1% to 100%. The complete takeover of WKN looks set to increase synergies and lower costs (FBe: €0.5-1.0m p.a.). The costs for purchasing the remaining 10.9% amounted to ca. €6m.

Market entry in Latin America in February 2019 PNE has acquired five projects in Panama. 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.

One project awarded in the first 2019E German onshore tender In February 2019, PNE was awarded one project (ca. 5 MW). In 2018, the company was awarded three projects with a total capacity of 49 MW in the first two German tenders. However, PNE did not take part in the last two tenders of 2018 in August and October due to a lack of approved projects. The company needs approvals and awards in the 2019 tenders and the first two 2020 tenders to complete the 200 MW portfolio by the end of 2020. Assuming that German wind farms comprise ca. 70% (=140 MW) of the portfolio capacity and given that German wind farms totalling 71 MW have already been added to the portfolio, the remainder is 69 MW. Given PNE's pipeline of 142 MW phase III projects in Germany at the end of September 2018, we believe that PNE has a good chance of being awarded projects with an even higher total capacity in the mentioned tenders.

Weak 2019 outlook for German onshore wind market Low German tender prices in 2017 and slow permission procedures look set to result in a weak German market in 2019E. The German wind association (BWE) and the German engineering industry association (VDMA Power Systems) expect new installations of below 2 GW. This is even lower than the meagre 2.4 GW in 2018. According to an analysis by the "Fachagentur Windenergie an Land", monthly approval volumes have on average remained significantly below pre-2017 levels (ca. 120 MW versus 350 MW in 2014-2016). Fewer approvals resulted in the last three tenders being undersubscribed (see figure 1).

Figure 1: Onshore wind tender results in Germany

	May-17	Aug-17	Nov-17	Feb-18	May-18	Aug-18	Oct-18	Feb-19
Tendered volume (MW)	800	1,000	1,000	700	670	670	670	700
Cap in grid expansion area (MW)	258	322	431	197	232	314	410	155
Number of offers	256	281	210	132	111	91	62	72
Offered volume (MW)	2,137	2,927	2,591	989	604	709	388	499
Awarded projects	70	67	61	83	111	86	57	67
Awarded volume (MW)	807	1,013	1,000	709	604	667	363	476
Highest permissible value (€/kWh)	7.00	7.00	7.00	6.30	6.30	6.30	6.30	6.20
Average volume-weighted awarded value (€/kWh)	5.71	4.28	3.82	4.73	5.73	6.16	6.26	6.11
Lowest awarded value (€/kWh)	4.20	3.50	2.20	3.80	4.65	4.00	6.12	5.24
Highest awarded value (€/kWh)	5.78	4.29	3.82	5.28	6.28	6.30	6.30	6.20

Source: First Berlin Equity Research, Bundesnetzagentur

Supplementary onshore wind tenders in Germany The supplementary onshore wind tenders (4 GW) are distributed over three years: 1.0 GW in 2019, 1.4 GW in 2020, and 1.6 GW in 2021. These supplementary tenders come on top of the normal tenders (2.8 GW in 2019 and 2.9 GW both in 2020 & 2021). Total tender volume will thus amount to 3.8 GW in 2019, 4.3 GW in 2020, and 4.5 GW in 2021. The 2019 supplementary tenders will take place

on 2 September (500 MW) and 2 December (500 MW). The higher overall tender volume should give the German market a push in coming years provided that approval procedures are accelerated again, and enough projects receive approval.

German coal exit and hydrogen are important medium/long-term growth drivers The German coal commission has decided to phase out coal by 2038. We assume that the federal government will codify the coal compromise in a similar form. This means that more than 40 GW of power capacity will gradually be withdrawn from the market. Additional renewable power plants are an instrument to close the emerging electricity gap in the short term. By 2022 coal capacity is to be lowered by at least 12.5 GW.

We also expect Germany's entry into hydrogen-based electricity and heat production in the medium term. The German state of Mecklenburg-West Pomerania asked IKEM (Institute for Climate Protection, Energy, and Mobility) to give an expert opinion on how to improve the regulatory framework for Power-to-X-projects (PtX) and sector coupling. The institute suggests some regulatory improvements such as so-called experiment clauses, virtual connection of renewable energy plants, storage and electrolyzers, and compensation for the power tax and EEG contribution to give PtX a short-term economic perspective. We have observed mounting pressure from the wind industry to improve regulation for sector coupling. In the political arena, improving regulation for PtX has developed into an important topic. In 2018, the German states with a strong wind industry (Bremen, Hamburg, Lower Saxony, Schleswig-Holstein, Mecklenburg-West Pomerania) initiated the "Cuxhaven appeal" to support the wind industry. We expect that the German government will decide on regulatory improvements still in 2019E.

EBIT forecasts slightly adjusted We have incorporated the preliminary 2018 figures and updated our forecasts, which resulted in minor EBIT changes only. We continue to expect 2019E to be a challenging year, but believe that PNE is on track to deliver an excellent 2020E result due to the planned sale of the 200 MW portfolio. We have lowered our sales forecasts and increased our gross margin assumptions as PNE looks set to sell more project rights and conduct less own construction of wind farms in the future. Construction for the company's own account should be restricted to the German market.

Figure 2: Revisions to forecasts

All figures in €m	2018E			2019E			2020E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	125.70	99.70	-20.7%	198.69	118.69	-40.3%	268.10	218.10	-18.7%
EBIT	15.53	7.79	-49.9%	15.76	15.74	-0.1%	104.32	104.24	-0.1%
margin	12.4%	7.8%		7.9%	13.3%		38.9%	47.8%	
Net income	9.37	0.66	-93.0%	5.94	6.81	14.6%	76.94	78.44	2.0%
margin	7.5%	0.7%		3.0%	5.7%		28.7%	36.0%	
EPS (diluted) in €	0.12	0.01	-93.0%	0.08	0.09	14.5%	0.98	1.00	1.9%

Source: First Berlin Equity Research

Buy reiterated at unchanged price target An updated DCF model yields an unchanged price target of €3.60. At the current share price level, the stock remains attractively valued. At the end of September, equity book value per share amounted to €2.90 and tangible book value (equity minus goodwill) per share to ca. €2.07. We reiterate our Buy rating.



VALUATION MODEL

DCF valuation model								
All figures in EUR '000								
	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E
Net sales	99,700	118,686	218,095	151,667	157,182	162,612	167,934	173,125
NOPLAT	7,787	14,241	84,830	15,250	15,920	16,565	16,585	16,504
+ depreciation & amortisation	8,719	11,124	17,084	9,658	9,594	9,553	9,533	9,530
Net operating cash flow	16,505	25,364	101,914	24,908	25,514	26,118	26,118	26,034
- total investments (CAPEX, WC, other)	-32,258	-86,233	60,806	-14,311	-11,434	-11,539	-11,613	-11,655
Capital expenditures	-29,910	-75,959	65,429	-8,948	-9,145	-9,328	-9,496	-9,648
Working capital	-2,348	-10,274	-5,622	-6,363	-3,289	-3,211	-3,118	-3,008
Free cash flows (FCF)	-15,753	-60,869	162,720	10,597	14,079	14,579	14,504	14,379
PV of FCF's	-15,753	-57,607	143,773	8,743	10,847	10,488	9,741	9,017

All figures in thousands	
PV of FCFs in explicit period (2018E-2032E)	171,368
PV of FCFs in terminal period	102,167
Enterprise value (EV)	273,535
+ Net cash / - net debt	14,125
+ Investments / minority interests	-7,679
Shareholder value	279,981

Fair value per share in EUR	3.56
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WACC				Terminal growth rate						
	7.1%			0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
Cost of equity	11.8%	WACC	4.1%	5.72	6.09	6.59	7.34	8.55	10.88	17.12
Pre-tax cost of debt	7.0%		5.1%	4.62	4.79	5.00	5.29	5.69	6.28	7.24
Tax rate	25.0%		6.1%	3.89	3.98	4.09	4.22	4.39	4.62	4.93
After-tax cost of debt	5.3%		7.1%	3.39	3.43	3.49	3.56	3.64	3.74	3.87
Share of equity capital	28.0%		8.1%	3.01	3.13	3.06	3.10	3.14	3.19	3.25
Share of debt capital	72.0%		9.1%	2.71	2.72	2.74	2.76	2.78	2.81	2.84
Price target in EUR	3.60		10.1%	2.47	2.48	2.49	2.50	2.51	2.53	2.54

* for layout purposes the model shows numbers only to 2025, but runs until 2032



INCOME STATEMENT

All figures in EUR '000	2014A	2015A	2016A	2017A	2018E	2019E	2020E
Revenues	211,268	109,524	248,577	114,076	99,700	118,686	218,095
Change in inventories	19,078	116,096	1,591	63,331	0	0	0
Other operating income	3,603	7,707	9,075	9,483	5,419	6,961	7,210
Total aggregate output	233,949	233,327	259,244	186,890	105,119	125,647	225,305
Cost of goods sold	-170,496	-154,934	-96,951	-108,381	-31,655	-45,575	-45,800
Gross profit	59,850	70,686	153,218	5,695	68,045	73,111	172,295
Personnel costs	-27,041	-29,254	-25,423	-25,789	-26,821	-29,104	-29,980
Other operating expenses	-25,206	-29,504	-26,946	-24,125	-30,138	-24,102	-28,200
EBITDA	11,206	19,635	109,924	28,595	16,505	26,866	121,325
Depreciation and amortisation	-8,526	-9,870	-12,884	-5,466	-8,719	-11,124	-17,084
Operating income (EBIT)	2,680	9,765	97,040	23,129	7,787	15,742	104,241
Interest Expense	-14,934	-16,381	-17,331	-10,709	-9,812	-9,686	-9,059
Interest Income	2,422	1,743	1,111	619	349	451	872
Income from participations & ass. companies	-5,334	-86	736	1,022	1,000	1,000	1,000
Pre-tax income (EBT)	-15,166	-4,959	81,556	14,061	-676	7,507	97,055
Income taxes	-3,131	3,570	-14,476	174	135	-1,501	-19,411
Minority interests	5,305	4,863	1,893	2,840	1,200	800	800
Net income / loss	-12,992	3,474	68,973	17,075	659	6,806	78,444
Diluted EPS (in €)	-0.21	0.05	0.88	0.22	0.01	0.09	1.00
Ratios							
Gross margin	28.3%	64.5%	61.6%	5.0%	68.3%	61.6%	79.0%
EBITDA margin on revenues	5.3%	17.9%	44.2%	25.1%	16.6%	22.6%	55.6%
EBIT margin on revenues	1.3%	8.9%	39.0%	20.3%	7.8%	13.3%	47.8%
Net margin on revenues	-6.1%	3.2%	27.7%	15.0%	0.7%	5.7%	36.0%
Tax rate	-20.6%	72.0%	17.7%	-1.2%	20.0%	20.0%	20.0%
Expenses as % of revenues							
Personnel costs	12.8%	26.7%	10.2%	22.6%	26.9%	24.5%	13.7%
Depreciation and amortisation	4.0%	9.0%	5.2%	4.8%	8.7%	9.4%	7.8%
Other operating expenses	11.9%	26.9%	10.8%	21.1%	30.2%	20.3%	12.9%
Y-Y Growth							
Revenues	46.7%	-48.2%	127.0%	-54.1%	-12.6%	19.0%	83.8%
Operating income	-93.8%	264.4%	893.7%	-76.2%	-66.3%	102.2%	562.2%
Net income/ loss	n.m.	n.m.	1885.4%	-75.2%	-96.1%	932.9%	1052.6%



BALANCE SHEET

All figures in EUR '000	2014A	2015A	2016A	2017A	2018E	2019E	2020E
Assets							
Current assets, total	265,935	236,033	289,776	308,379	241,587	236,780	305,166
Cash and cash equivalents	72,175	86,075	147,686	193,984	139,732	127,566	189,038
Short-term investments	0	0	0	0	0	0	0
Receivables	20,098	7,969	13,187	5,119	9,560	11,381	17,926
Inventories	152,389	121,177	112,946	86,361	69,380	74,919	75,288
Other current assets	21,273	20,812	15,957	22,915	22,915	22,915	22,915
Non-current assets, total	150,900	252,231	142,218	184,905	206,592	271,427	188,915
Property, plant & equipment	73,655	167,347	39,230	103,872	124,983	189,819	107,307
Goodwill & other intangibles	63,926	63,105	67,400	66,825	67,400	67,400	67,400
Long-term investments / ass. companies	0	0	0	0	0	0	0
Other assets	13,319	21,779	35,588	14,208	14,208	14,208	14,208
Total assets	416,835	488,264	431,994	493,285	448,179	508,208	494,081
Shareholders' equity & debt							
Current liabilities, total	95,034	84,858	73,922	179,150	87,153	94,238	82,420
Short-term debt	34,940	35,857	2,163	107,109	30,000	40,000	20,000
Accounts payable	21,476	16,852	15,692	25,295	10,407	7,492	8,784
Current provisions	3,908	6,291	3,968	4,858	4,858	4,858	4,858
Other current liabilities	34,710	25,858	52,099	41,888	41,888	41,888	48,778
Long-term liabilities, total	161,606	237,478	128,685	78,915	129,410	179,410	109,410
Long-term debt	141,207	215,975	115,860	72,751	122,751	172,751	102,751
Deferred revenue	0	0	0	0	0	0	0
Other liabilities	20,399	21,503	12,825	6,163	6,658	6,658	6,658
Minority interests	33	-3,102	-5,393	-7,679	-8,879	-9,679	-10,479
Shareholders' equity	160,162	169,030	234,781	242,899	240,495	244,239	312,731
Share capital	71,975	76,555	76,556	76,556	76,556	76,556	76,556
Capital reserve	77,803	82,287	82,288	82,288	82,288	82,288	82,288
Other reserves	-296	-724	-997	-908	-908	-908	-908
Treasury stock	0	0	0	0	0	0	0
Retained earnings	10,680	10,912	76,934	84,962	82,559	86,302	154,794
Total consolidated equity and debt	416,835	488,264	431,994	493,285	448,179	508,208	494,081
Ratios							
Current ratio (x)	2.80	2.78	3.92	1.72	2.77	2.51	3.70
Quick ratio (x)	1.19	1.35	2.39	1.24	1.98	1.72	2.79
Net cash	-103,972	-165,757	29,663	14,124	-13,019	-85,185	66,287
Net gearing	64.9%	98.1%	-12.6%	-5.8%	5.4%	34.9%	-21.2%
Book value per share (€)	2.60	2.16	2.92	2.99	2.94	2.98	3.84
Tangible book value per share (€)	1.62	1.37	2.11	2.18	2.14	2.17	3.03
Equity ratio (incl. minorities)	38.4%	34.0%	53.1%	47.7%	51.7%	46.2%	61.2%
Return on equity (ROE)	-8.1%	2.1%	29.4%	7.0%	0.3%	2.8%	25.1%
Return on assets (ROA)	0.5%	4.1%	20.0%	5.6%	2.3%	3.2%	17.7%
Return on investment (ROI)	-3.1%	0.7%	16.0%	3.5%	0.1%	1.3%	15.9%
Return on capital employed (ROCE)	0.9%	3.1%	34.3%	10.5%	3.3%	5.4%	36.6%
Days sales outstanding (DSO)	34.7	26.6	19.4	16.4	35.0	35.0	30.0
Days inventory outstanding (DIO)	326.2	285.5	425.2	290.8	800.0	600.0	600.0
Days payables outstanding (DPO)	46.0	39.7	59.1	85.2	120.0	60.0	70.0



CASH FLOW STATEMENT

All figures in EUR '000	2014A	2015A	2016A	2017A	2018E	2019E	2020E
EBIT	2,681	9,765	97,040	23,129	7,787	15,742	104,241
Depreciation and amortisation	8,554	9,898	12,884	5,466	8,719	11,124	17,084
EBITDA	11,235	19,663	109,924	28,595	16,505	26,866	121,325
Changes in working capital	-28,886	-74,556	58,583	12,292	-2,348	-10,274	-5,622
Other adjustments	-11,845	-47,582	-104,081	-18,257	-8,328	-9,736	-26,597
Operating cash flow	-29,496	-102,475	64,426	22,630	5,829	6,855	89,106
Investments in PP&E	-4,829	-2,903	-108,699	-70,015	-29,910	-75,959	65,429
Investments in intangibles	0	0	0	0	0	0	0
Free cash flow	-34,325	-105,378	-44,273	-47,385	-24,081	-69,104	154,534
Acquisitions & disposals, net	-81	23,258	106,876	51,300	0	0	0
Other investments	0	-255	-418	-7,535	0	0	0
Cash flow from investing	-4,910	20,100	-2,241	-26,250	-29,910	-75,959	65,429
Debt financing, net	11,137	97,715	23,171	59,106	-27,109	60,000	-90,000
Equity financing, net	33,435	9,454	0	0	0	0	0
Dividends paid	-8,229	-3,062	-3,062	-9,187	-3,062	-3,062	-3,062
Other financing	-2,302	-2,221	0	0	0	0	0
Cash flow from financing	34,041	101,886	20,109	49,919	-30,171	56,938	-93,062
Forex and other changes in cash	-4,862	-5,611	-20,684	-1	0	0	0
Net cash flows	-5,227	13,900	61,609	46,298	-54,252	-12,166	61,472
Cash, start of the year	77,402	72,175	86,076	147,686	193,984	139,732	127,566
Cash, end of the year	72,175	86,075	147,686	193,984	139,732	127,566	189,038
EBITDA/share (in €)	0.18	0.26	1.40	0.36	0.21	0.34	1.54
Operating cashflow/share (in €)	-0.48	-1.33	0.82	0.29	0.07	0.09	1.13
Y-Y Growth							
Operating cash flow	n.m.	n.m.	n.m.	-64.9%	-74.2%	17.6%	1199.8%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EBITDA/share	-81.2%	40.4%	447.5%	-74.0%	-42.3%	62.8%	351.6%

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...93	↓	↓	↓	↓
94	10 August 2018	€2.50	Buy	€3.80
95	9 November 2018	€2.50	Buy	€3.60
96	3 December 2018	€2.51	Buy	€3.60
97	Today	€2.30	Buy	€3.60

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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.

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