

# ad pepper media International N.V.

The Netherlands / Internet Services  
 Frankfurt  
 Bloomberg: APM GR  
 ISIN: NL0000238145

Preliminary  
 2018 figures

**RATING**  
**BUY**

**PRICE TARGET**  
**€ 3.00**

Return Potential 33.9%  
 Risk Rating High

## MACROECONOMIC RISKS BURDEN GROWTH PROSPECTS IN 2019E

ad pepper media has reported preliminary figures. Despite revenue and gross profit growth, EBITDA & EBIT were below the previous year's figures and our forecasts. The main reasons are higher OPEX and one-off costs for restructuring the ad agents subsidiary. Net revenue grew 8% y/y to €20.3m, but EBITDA declined 39% y/y to €1.4m. Given the increased macroeconomic risks (Brexit, weaker growth in Europe), and lowered growth forecasts for the advertising sector, we reduce our estimates for 2019E and the following years. An updated DCF model yields a new price target of €3.00 (previously: €4.00). The rating remains Buy.

**Lower EBITDA despite higher revenues** Gross sales, i.e. the total amount billed to clients, net of discounts and VAT, increased 9% y/y to €82.7m. Net revenue, which, pursuant to IFRS 15, shows gross sales less media costs, rose 8% y/y to €20.3m. In the future, ad pepper will report gross sales and net revenue for the group and the subsidiaries. In recent quarters, it applied the net revenue calculation to the Webgains segment only. We appreciate the new reporting structure as it increases transparency and comparability of the segments.

Gross profit rose 7% to €19.5m (FBe: €20.3m). The gross profit margin (gross profit/net revenues) declined to 96.4% from 98.0% (see figure 1 overleaf). Higher OPEX and one-offs resulted in a 39% decline in EBITDA to €1.4m (2017: €2.2m FBe: €1.8m). The EBITDA margin (EBITDA/net revenues) amounted to 6.7%, down from 11.8% in 2017. D&A of €327k led to EBIT of €1.0m (2017: €1.8m -44% y/y, FBe: €1.5m). EBT was down 54% to €0.8m versus €1.8m in 2017 (FBe: €1.5m). The main reasons for the lower earnings are weaker results both in the Webgains and ad agents segments.

**High equity and strong net cash position** Equity remained unchanged at €16.5m. The cash position including securities declined by ca. €2.1m to €20.5m. As ad pepper has no financial debt, the net cash position remains strong.

(p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	2015	2016	2017	2018E	2019E	2020E
Revenue (€m)	56.01	61.16	18.72	20.27	20.93	23.13
Y-o-y growth	n.a.	9.2%	-69.4%	8.3%	3.2%	10.5%
EBIT (€m)	0.24	1.61	1.82	1.03	1.71	2.67
EBIT margin	0.4%	2.6%	9.7%	5.1%	8.2%	11.5%
Net income (€m)	-0.03	0.63	0.58	0.27	0.49	1.09
EPS (diluted) (€)	0.00	0.03	0.03	0.01	0.02	0.05
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (€m)	1.60	-0.54	2.67	0.38	1.68	2.35
Net gearing	-107.6%	-126.0%	-128.1%	-128.3%	-134.6%	-139.6%
Liquid assets (€m)	16.93	17.86	20.13	20.51	22.19	24.53

\* Please note that the lower revenue figure in 2017 is due mainly to a change in the IFRS reporting standard.

### RISKS

The main risks are regulatory changes, technological innovations, dependence on key customers, and intense competition.

### COMPANY PROFILE

ad pepper media International N.V. is an international digital performance marketing company, which acts as a holding for its three operating units ad pepper media (lead generation & audience targeting), Webgains (affiliate network), and ad agents (full service agency). The company is headquartered in Nuremberg, Germany.

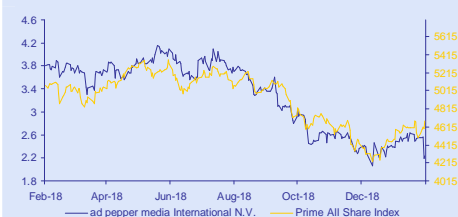
### MARKET DATA

As of 15 Feb 2019

Closing Price	€ 2.24
Shares outstanding	21.00m
Market Capitalisation	€ 47.04m
52-week Range	€ 2.06 / 4.15
Avg. Volume (12 Months)	8,410

Multiples	2017	2018E	2019E
P/E	81.0	174.3	95.2
EV/Sales	1.4	1.3	1.3
EV/EBIT	14.8	26.2	15.8
Div. Yield	0.0%	0.0%	0.0%

### STOCK OVERVIEW



### COMPANY DATA

As of 30 Sep 2018

Liquid Assets	€ 16.39m
Current Assets	€ 31.22m
Intangible Assets	€ 0.24m
Total Assets	€ 34.72m
Current Liabilities	€ 17.54m
Shareholders' Equity	€ 16.82m

### SHAREHOLDERS

EMA B.V.	41.2%
Treasury Stock	8.7%
Axxion S.A.	5.1%
Dieter Koppitz	3.0%
Free Float	42.0%

**Figure 1: Reported group figures versus estimates**

All figures in €m	2018A	2018E	Delta	2017	Delta
Gross sales	82.65	84.67	-2.4%	75.56	9.4%
Net revenues	20.27	20.90	-3.0%	18.72	8.3%
Gross profit	19.55	20.27	-3.6%	18.35	6.5%
margin	96.4%	97.0%	-	98.0%	-
EBITDA	1.35	1.83	-25.8%	2.21	-38.7%
margin	6.7%	8.7%	-	11.8%	-
EBIT	1.03	1.48	-30.7%	1.82	-43.5%
margin	5.1%	7.1%	-	9.7%	-
EBT	0.84	1.54	-45.7%	1.80	-53.4%
margin	4.1%	7.4%	-	9.6%	-

Source: First Berlin Equity Research, ad pepper media International N.V.

**ad pepper media segment with very strong performance** The segment's gross sales increased 56% y/y to €10.6m. Net revenues were 44% higher at €5.1m. EBITDA amounted to €1.6m (+66% y/y). However, Q4 was weaker than expected. Q4 gross sales amounted to €2.6m (FBe: €3.2m), and EBITDA came in at break-even versus FBe: €0.3m.

**Figure 2: Reported segment figures versus forecasts**

All figures in €m	2018A	2018E	Delta	2017	Delta
<b>ad pepper media</b>					
Gross sales	10.62	11.20	-5.2%	6.81	55.9%
Net revenue	5.11	5.39	-5.1%	3.55	43.8%
EBITDA	1.62	1.93	-16.1%	0.97	66.1%
margin	31.6%	35.8%	-	27.4%	-
<b>Webgains</b>					
Gross sales	54.94	55.54	-1.1%	51.40	6.9%
Net revenue	10.15	10.25	-1.0%	9.75	4.1%
EBITDA	0.63	1.10	-42.6%	1.31	-51.8%
margin	6.2%	10.7%	-	13.4%	-
<b>ad agents</b>					
Gross sales	17.10	17.93	-4.6%	17.35	-1.5%
Net revenue	5.01	5.26	-4.7%	5.42	-7.6%
EBITDA	0.04	-0.14	-	1.26	-96.8%
margin	0.8%	-2.6%	-	23.2%	-
<b>Admin &amp; Consolidation</b>					
Net revenue	0.00	0.00	-	0.00	-
EBITDA	-0.93	-1.06	-	-1.23	-
<b>Group</b>					
Gross sales	82.65	84.67	-2.4%	75.56	9.4%
Net revenue	20.27	20.90	-3.0%	18.72	8.3%
EBITDA	1.35	1.83	-25.8%	2.21	-38.7%
margin	6.7%	8.7%	-	11.8%	-

Source: First Berlin Equity Research, ad pepper media International N.V.



**Webgains with strong Q4, but lower than expected** The Christmas quarter is by far the most important quarter of the year. Although Q4 gross sales increased 12.1%, EBITDA was only €0.4m, which is much lower than the almost €0.8m reached in Q4/17. On an annual basis, gross sales increased 6.9% y/y to €54.9m, and net revenue was up 4% at €10.2m. However, higher OPEX including one-offs burdened full year EBITDA resulting in a decline of 52% to €0.6m.

**ad agents with disappointing 2018 performance** Gross sales declined 1.5% to €17.1m, and net revenues were down 8% at €5.0m. EBITDA amounted to just €40k versus €1.3m in 2017. We believe that clients such as Saturn and Gerry Weber, which face economic difficulties, caused the weak performance.

#### Lower advertising spending growth forecast bodes ill for 2019 growth perspective

The Dentsu Aegis Network (DAN), which published its semi-annual Ad Spend Forecast in January 2019, lowered its 2019 advertising spending growth forecast for Germany from +2.6% to +0.5%. Only the digital advertising market still shows solid growth (2018E: 9.0%, 2019E: +6.5%, 2020E: 6.1%), but growth is expected to be slower compared to the previous report. For 2019, the report also forecasts declining ad spending growth rates also for ad pepper's other core markets (UK: 2019E: +6.1% versus +6.5% in 2018E, Spain: 2019E: +1.2% versus +1.8% in 2018E). We believe that Brexit uncertainty may result in much lower UK growth rates, especially if a no deal-Brexit is the ultimate result.

**Value drivers intact** Despite the disappointing 2018 performance, we believe that the main value drivers are intact. Digital advertising remains a growth market. Net revenue growth should translate into rising EBITDA margins due to the high operating leverage. Negative working capital means that growth can be financed externally without additional costs. The potential to generate strong free cash flows thus remains high. Furthermore, the net cash position of €20.5m offers high financial flexibility.

**Forecasts lowered** Given the weaker economic environment and Brexit uncertainty, we have lowered our forecasts for every segment and thus the group. Due to the changed reporting regarding gross sales and net revenue, our old sales figures are not comparable with the new ones. We now exhibit net revenues for all segments and the group resulting in much lower figures. EBIT figures are however still comparable.

For 2019E, we forecast 3% net revenue growth y/y. In 2020E, growth should accelerate to almost 11% y/y. Preliminary 2018 EBIT was 31% below our forecast. Despite the lowered forecasts we expect strong EBIT growth (2019E: +36% to €1.7m, 2020E: +56% to €2.7m).

**Figure 3: Revisions to forecasts**

All figures in €m	2018E			2019E			2020E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	39.38	20.27	-48.5%	43.62	20.93	-52.0%	48.99	23.13	-52.8%
EBIT	1.48	1.03	-30.7%	3.42	1.71	-50.1%	5.00	2.67	-46.6%
margin	3.8%	5.1%		7.8%	8.2%		10.2%	11.5%	
Net income	0.55	0.27	-50.8%	1.70	0.49	-70.9%	2.74	1.09	-60.4%
margin	1.4%	1.3%		3.9%	2.4%		5.6%	4.7%	
EPS (diluted)	0.03	0.01	-50.8%	0.08	0.02	-70.9%	0.13	0.05	-60.4%

Source: First Berlin Equity Research

**ad agents segment main margin driver** The main 2019E EBITDA growth driver should be ad agents. We believe that the segment will successfully turn around and generate segment EBITDA of €0.6m (2017: €0.0m). We are convinced that ad agents' Amazon SEA/SEO products are in high demand and that successful pitches will more than compensate for the loss of weak clients.



In 2018, the ad pepper media segment showed spectacular growth. However, given the deteriorating ad spending forecasts we remain cautious for the current year, and project only 4% net revenue and 7% EBITDA growth. We apply the same caution to the Webgains segment. The British subsidiary has to cope with the consequences of Brexit. Currently, it is still unclear, how Brexit (orderly or no-deal Brexit) will play out. We therefore forecast growth in net revenue and EBITDA of only 2% and 7% respectively.

**Figure 4: Segment forecasts**

All figures in €m	2018A	2019E	Delta
<b>ad pepper media</b>			
Gross sales	10.62	11.04	4.0%
Net revenue	5.11	5.31	4.0%
EBITDA	1.62	1.72	6.6%
margin	31.6%	32.4%	-
<b>Webgains</b>			
Gross sales	54.94	56.04	2.0%
Net revenue	10.15	10.36	2.0%
EBITDA	0.63	0.67	6.7%
margin	6.2%	6.5%	-
<b>ad agents</b>			
Gross sales	17.10	17.95	5.0%
Net revenue	5.01	5.26	5.0%
EBITDA	0.04	0.63	1470%
margin	0.8%	11.9%	-
<b>Admin &amp; Consolidation</b>			
Net revenue	0.00	0.00	-
EBITDA	-0.93	-0.99	-
<b>Group</b>			
Gross sales	82.65	85.03	2.9%
Net revenue	20.27	20.93	3.2%
EBITDA	1.35	2.04	50.3%
margin	6.7%	9.7%	-

Source: First Berlin Equity Research

**Buy reiterated at lower price target** An updated DCF model, which takes into account our lower forecasts, results in a new price target of €3.00 (previously: €4.00). Following the strong share price decline, the upside potential is high (+34%). Our rating is Buy.



## VALUATION MODEL

DCF valuation model									
All figures in EUR '000									
	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	
Net revenue	20,273	20,931	23,129	25,673	28,496	31,622	35,063	38,812	
<b>NOPLAT</b>	<b>759</b>	<b>1,171</b>	<b>1,861</b>	<b>2,113</b>	<b>2,367</b>	<b>2,651</b>	<b>2,966</b>	<b>3,313</b>	
+ depreciation & amortisation	327	328	271	237	234	244	261	281	
Net operating cash flow	1,086	1,498	2,131	2,350	2,601	2,895	3,227	3,594	
- total investments (CAPEX and WC)	-516	159	190	-131	213	241	269	295	
Capital expenditures	-182	-188	-208	-231	-251	-273	-296	-321	
Working capital	-334	347	398	100	464	514	566	616	
Free cash flows (FCF)	569	1,657	2,321	2,219	2,814	3,136	3,496	3,889	
<b>PV of FCF's</b>	<b>569</b>	<b>1,514</b>	<b>1,910</b>	<b>1,645</b>	<b>1,880</b>	<b>1,887</b>	<b>1,895</b>	<b>1,899</b>	

All figures in thousands	
PV of FCFs in explicit period (2018E-2032E)	25,187
PV of FCFs in terminal period	15,715
Enterprise value (EV)	40,903
+ Net cash / - net debt	20,127
+ Investments / minority interests	3,294
Shareholder value	64,324
Number of shares (diluted)	21,640
<b>Fair value per share in EUR</b>	<b>2.97</b>

WACC		Terminal growth rate						
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
7.0%	Cost of equity	4.22	4.37	4.56	4.78	5.06	5.40	5.84
8.0%	Pre-tax cost of debt	3.73	3.83	3.96	4.10	4.26	4.47	4.71
9.0%	Tax rate	3.36	3.43	3.52	3.61	3.72	3.85	4.00
10.0%	After-tax cost of debt	3.07	3.13	3.18	3.25	3.32	3.41	3.51
11.0%	Share of equity capital	2.84	2.88	2.93	2.97	3.03	3.08	3.15
12.0%	Share of debt capital	2.66	2.69	2.72	2.75	2.79	2.83	2.88
13.0%		2.50	2.52	2.55	2.57	2.60	2.63	2.67
14.0%		2.37	2.39	2.41	2.43	2.45	2.47	2.50

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



## INCOME STATEMENT

All figures in EUR '000	2015A	2016A	2017A	2018E	2019E	2020E
<b>Gross sales</b>	<b>56,009</b>	<b>61,164</b>	<b>75,563</b>	<b>82,653</b>	<b>85,031</b>	<b>93,893</b>
Media costs	n.a.	n.a.	56,839	62,380	64,100	70,764
<b>Net revenues</b>	<b>n.a.</b>	<b>n.a.</b>	<b>18,724</b>	<b>20,273</b>	<b>20,931</b>	<b>23,129</b>
Other cost of goods sold	40,165	45,076	376	727	805	911
<b>Gross profit</b>	<b>15,844</b>	<b>16,088</b>	<b>18,348</b>	<b>19,546</b>	<b>20,126</b>	<b>22,218</b>
S&M	10,575	9,055	10,771	12,603	12,580	13,466
G&A	6,382	6,155	6,087	6,095	6,009	6,306
Other operating income	1,406	1,059	723	580	623	704
Other operating expenses	49	329	396	401	453	481
<b>EBITDA</b>	<b>540</b>	<b>1,748</b>	<b>2,209</b>	<b>1,354</b>	<b>2,035</b>	<b>2,939</b>
Depreciation and amortisation	296	140	391	327	328	271
<b>Operating income (EBIT)</b>	<b>244</b>	<b>1,608</b>	<b>1,818</b>	<b>1,027</b>	<b>1,707</b>	<b>2,669</b>
Net financial result	199	82	-17	-189	23	25
Non-operating expenses	0	0	0	0	0	0
<b>Pre-tax income (EBT)</b>	<b>443</b>	<b>1,690</b>	<b>1,801</b>	<b>838</b>	<b>1,730</b>	<b>2,694</b>
Income taxes	308	594	664	268	536	808
Minority interests	-168	-467	-556	-300	-700	-800
<b>Net income / loss</b>	<b>-33</b>	<b>629</b>	<b>581</b>	<b>270</b>	<b>494</b>	<b>1,086</b>
<b>Diluted EPS (in €)</b>	<b>0.00</b>	<b>0.03</b>	<b>0.03</b>	<b>0.01</b>	<b>0.02</b>	<b>0.05</b>
<b>Ratios</b>						
Gross margin	28.3%	26.3%	98.0%	96.4%	96.2%	96.1%
EBITDA margin	1.0%	2.9%	11.8%	6.7%	9.7%	12.7%
EBIT margin	0.4%	2.6%	9.7%	5.1%	8.2%	11.5%
Net margin	-0.1%	1.0%	3.1%	1.3%	2.4%	4.7%
Tax rate	69.5%	35.1%	36.9%	32.0%	31.0%	30.0%
<b>Expenses as % of sales or revenues</b>						
Media costs (as % of gross sales)	n.a.	n.a.	75.2%	75.5%	75.4%	75.4%
S&M (as % of net revenues)	18.9%	14.8%	57.5%	62.2%	60.1%	58.2%
G&A (as % of net revenues)	11.4%	10.1%	32.5%	30.1%	28.7%	27.3%
Depreciation and amortisation	0.5%	0.2%	2.1%	1.6%	1.6%	1.2%
Other operating expenses	0.1%	0.5%	2.1%	2.0%	2.2%	2.1%
<b>Y-Y Growth</b>						
Gross sales	n.a.	9.2%	23.5%	9.4%	2.9%	10.4%
Net revenues	n.a.	n.a.	n.a.	8.3%	3.2%	10.5%
Operating income	n.a.	559.0%	13.0%	-43.5%	66.2%	56.3%
Net income/ loss	n.a.	n.m.	-7.7%	-53.5%	83.0%	119.8%



## BALANCE SHEET

All figures in EUR '000	2015A	2016A	2017A	2018E	2019E	2020E
<b>Assets</b>						
<b>Current assets, total</b>	<b>27,726</b>	<b>28,672</b>	<b>34,896</b>	<b>35,698</b>	<b>37,852</b>	<b>41,776</b>
Cash and cash equivalents	16,932	17,859	20,127	20,507	22,188	24,534
Short-term investments	297	138	27	27	27	27
Receivables	9,983	10,116	14,129	14,551	15,024	16,602
Inventories	0	0	0	0	0	0
Other current assets	514	559	613	613	613	613
<b>Non-current assets, total</b>	<b>6,314</b>	<b>2,706</b>	<b>3,719</b>	<b>3,558</b>	<b>3,419</b>	<b>3,357</b>
Property, plant & equipment	150	212	424	355	275	249
Goodwill & other intangibles	349	572	362	271	212	175
Other assets	5,815	1,922	2,933	2,933	2,933	2,933
<b>Total assets</b>	<b>34,040</b>	<b>31,378</b>	<b>38,615</b>	<b>39,257</b>	<b>41,272</b>	<b>45,133</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>17,436</b>	<b>16,282</b>	<b>21,696</b>	<b>21,784</b>	<b>22,605</b>	<b>24,580</b>
Short-term debt	0	0	0	0	0	0
Accounts payable	13,618	12,357	17,838	17,926	18,747	20,722
Current provisions	0	0	0	0	0	0
Other current liabilities	3,818	3,925	3,858	3,858	3,858	3,858
<b>Long-term liabilities, total</b>	<b>96</b>	<b>117</b>	<b>402</b>	<b>386</b>	<b>386</b>	<b>386</b>
Long-term debt	0	0	0	0	0	0
Deferred revenue	0	0	0	0	0	0
Other liabilities	96	117	402	386	386	386
<b>Minority interests</b>	<b>503</b>	<b>690</b>	<b>779</b>	<b>1,079</b>	<b>1,779</b>	<b>2,579</b>
<b>Shareholders' equity</b>	<b>16,005</b>	<b>14,289</b>	<b>15,738</b>	<b>16,008</b>	<b>16,502</b>	<b>17,588</b>
Share capital	1,150	1,150	1,150	1,150	1,150	1,150
Capital reserve	63,305	61,116	61,312	61,312	61,312	61,312
Other reserves	-2,199	-2,356	-1,683	-1,683	-1,683	-1,683
Loss carryforward / retained earnings	-46,250	-45,621	-45,041	-44,771	-44,277	-43,191
<b>Total consolidated equity and debt</b>	<b>34,040</b>	<b>31,378</b>	<b>38,615</b>	<b>39,257</b>	<b>41,272</b>	<b>45,133</b>
<b>Ratios</b>						
Current ratio (x)	1.59	1.76	1.61	1.64	1.67	1.70
Quick ratio (x)	1.59	1.76	1.61	1.64	1.67	1.70
Net debt	-17,229	-17,997	-20,154	-20,534	-22,215	-24,561
Net gearing	-107.6%	-126.0%	-128.1%	-128.3%	-134.6%	-139.6%
Equity ratio	48.5%	47.7%	42.8%	43.5%	44.3%	44.7%
Book value per share (in €)	0.75	0.67	0.74	0.75	0.77	0.82
Return on equity (ROE)	-0.2%	4.4%	3.7%	1.7%	3.0%	6.2%
Return on investment (ROI)	-0.1%	2.0%	1.5%	0.7%	1.2%	2.4%
Return on assets (ROA)	0.1%	2.2%	1.5%	0.7%	1.2%	2.4%



## CASH FLOW STATEMENT

All figures in EUR '000	2015A	2016A	2017A	2018E	2019E	2020E
<b>EBIT</b>	<b>244</b>	<b>1,608</b>	<b>1,818</b>	<b>1,027</b>	<b>1,707</b>	<b>2,669</b>
Depreciation and amortisation	296	140	391	327	328	271
<b>EBITDA</b>	<b>540</b>	<b>1,748</b>	<b>2,209</b>	<b>1,354</b>	<b>2,035</b>	<b>2,939</b>
Changes in working capital	2,257	-1,164	3,095	-334	347	398
Other adjustments	-1,014	-561	-2,203	-457	-513	-783
<b>Operating cash flow</b>	<b>1,783</b>	<b>23</b>	<b>3,101</b>	<b>563</b>	<b>1,869</b>	<b>2,554</b>
Investments in PP&E	-67	-144	-378	-122	-126	-139
Investments in intangibles	-118	-417	-55	-61	-63	-69
<b>Free cash flow</b>	<b>1,598</b>	<b>-538</b>	<b>2,667</b>	<b>380</b>	<b>1,680</b>	<b>2,346</b>
Acquisitions & disposals, net	3,363	3,920	3	0	0	0
Other investments	16	209	0	0	0	0
<b>Investment cash flow</b>	<b>3,194</b>	<b>3,568</b>	<b>-431</b>	<b>-182</b>	<b>-188</b>	<b>-208</b>
Debt financing, net	0	0	0	0	0	0
Equity financing, net	176	-2,217	105	0	0	0
Dividends paid	0	0	0	0	0	0
Other financing	0	-280	-467	0	0	0
<b>Financing cash flow</b>	<b>176</b>	<b>-2,497</b>	<b>-362</b>	<b>0</b>	<b>0</b>	<b>0</b>
FOREX & other effects	8	-167	-39	0	0	0
<b>Net cash flows</b>	<b>5,162</b>	<b>927</b>	<b>2,269</b>	<b>380</b>	<b>1,680</b>	<b>2,346</b>
Cash, start of the year	11,926	16,932	17,859	20,127	20,507	22,188
<b>Cash, end of the year</b>	<b>17,088</b>	<b>17,859</b>	<b>20,128</b>	<b>20,507</b>	<b>22,188</b>	<b>24,534</b>
<b>EBITDA/share (in €)</b>	<b>0.03</b>	<b>0.08</b>	<b>0.10</b>	<b>0.06</b>	<b>0.10</b>	<b>0.14</b>
<b>Y-Y Growth</b>						
Operating cash flow	n.a.	-98.7%	13381.7%	-81.8%	232.0%	36.7%
Free cash flow	n.a.	n.m.	n.m.	-85.7%	341.8%	39.6%
EBITDA/share	n.a.	227.8%	26.3%	-39.1%	50.3%	44.5%



**FIRST BERLIN RECOMMENDATION & PRICE TARGET HISTORY**

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	9 January 2018	€4.06	Add	€4.30
2...6	↓	↓	↓	↓
7	23 August 2018	€3.72	Buy	€4.90
8	16 October 2018	€2.91	Buy	€4.00
9	16 November 2018	€2.62	Buy	€4.00
10	Today	€2.24	Buy	€3.00

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy <sup>1</sup>	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%

<sup>1</sup> The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

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