

# Kapsch TrafficCom AG

WKN: A0MUZU | ISIN: AT000KAPSCH9 | Bloomberg: KTCG

## Americas region able to expand share of sales

**Q1/22/23: Low revenue growth - personnel costs burden EBIT:** Kapsch achieved moderate revenue growth of +2.9% in Q1, which is roughly in line with expectations. The toll segment achieved a slightly higher revenue share of 73.5% (previous year: 70.7%); accordingly, the more profitable traffic management segment declined to 26.5% (previous year: 29.3%).

EUR m	Kapsch Q1/21/22	Kapsch Q1/22/23	FMR Q1/22/23e	Consensus Q1/22/23e
Group sales	126.8	130.5	131.0	128.0
EBIT	6.6	0.5	0.1	0.1
EBIT-margin, %	5.2%	0.4%	0.1%	0.1%

Source: Kapsch, FMR

EBIT decreased significantly towards zero, but this was expected. This was due to above-average increases in personnel costs caused by exchange rate effects and an adjustment in the compensation structure. Looking at the full year, we believe this effect will "normalize" again.

**Financial targets 2022/23e still apply:** In full-year 22/23e we aim to continue to achieve a stable level of sales and significantly improved profitability. We had not expected an adjustment this early in the fiscal year either. However, we assume that the achievement of the profitability target has now become more ambitious. Instead of a slight decline in sales as previously expected, we now anticipate a 2.0% increase to EUR 530m. We have lowered our EBIT estimate for 22/23e to EUR 12.4m (previously: EUR 15.0m).

Issues such as economic risks or the consequences of the war will continue to cause uncertainty on the capital markets. A renewed increase in new business (three new major orders with a volume of approx. EUR 20-25m were reported) and more clarity regarding compensation from the passenger car toll project could provide more share price fantasy. We have lowered our price target to EUR 15.70 (-1.9%) and confirm our "HOLD" recommendation.

FY End: 31.03.; in EUR m	(21/22-24/25e)	2019/20	2020/21	2021/22	2022/23e	2023/24e	2024/25e
Turnover	4.6%	731.2	505.2	519.8	530.0	562.5	595.0
EBITDA	12.5%	13.6	-67.1	32.6	32.9	39.0	46.5
Margin	1.9%	-13.3%	6.3%	6.2%	6.9%	7.8%	
EBIT	32.1%	-39.2	-123.1	11.0	12.4	17.9	25.4
Margin	-5.4%	-24.4%	2.1%	2.3%	3.2%	4.3%	
Net result	n.m.	-48.1	-102.8	-9.3	4.5	8.8	13.6
EPS, EUR	n.m.	-3.70	-7.91	-0.72	0.35	0.68	1.05
Dividend per share, EUR		0.00	0.00	0.00	0.00	0.30	0.45
EV/Sales		0.82	1.11	0.79	0.73	0.68	0.63
EV/EBITDA		-15.2	-4.6	37.3	31.2	21.3	14.7
P/E		-6.8	-1.9	-20.4	36.6	18.8	12.1
Net debt/EBITDA		15.0	-2.9	5.6	5.6	4.6	3.6

Source: Kapsch, FMR

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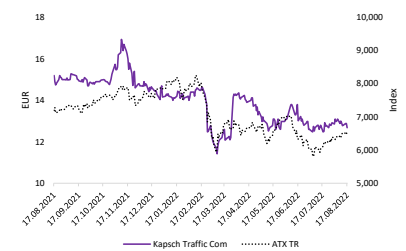
**HOLD**

Before: Hold

Price target EUR **15.70 (16.00)**  
Share price\* EUR 12.68 (+23.8%)

\*last price Vienna Stock Exchange

Update	2022/23e	2023/24e	2024/25e
Turnover	15.0	2.5	New
EBIT	-2.6	-7.1	New
EPS, EUR	-0.07	-0.29	New



Source: Vienna Stock Exchange, FMR

### Basic share data

Number of shares (million)	13.0
Free Float (in %)	36.7
Market cap (EURm)	164.8
Trading volume (30 days Ø)	3,084
High (EUR, 52 weeks)	16.94
Low (EUR, 52 weeks)	11.42

### Shareholder structure

Kapsch Group Beteiligung	63.3%
Free float	36.7%

### Corporate calendar

AGM FY 21/22	07.09.2022
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## Valuation: Update

With regard to the sales trend for 2022/23e, we have become somewhat more confident and now expect 2.0% growth to EUR 530m. By contrast, we have reduced our EBIT estimate by EUR 2.6m and now expect EUR 12.4m. EBIT margin will improve to 2.3% (previous year: 2.1%). We reiterate our expectation that a revival in the new order business will have to be postponed by around six to twelve months into the future.

### Kapsch: Price target lowered to EUR 15.70 (-1.9%)

EUR m	PHASE 1					PHASE 2					PHASE 3
	2022/23e	2023/24e	2024/25e	2025/26e	2026/27e	2027/28e	2028/29e	2029/30e	2030/31e	2031/32e	
Sales	530.0	562.5	595.0	633.5	663.0	701.0	735.9	767.0	793.8	815.6	
Y-o-Y growth	2.0%	6.1%	5.8%	6.5%	4.7%	5.7%	5.0%	4.2%	3.5%	2.7%	
EBIT	12.4	17.9	25.4	35.4	41.8	41.9	44.6	47.4	50.7	55.4	
EBIT-margin	2.3%	3.2%	4.3%	5.6%	6.3%	6.0%	6.1%	6.2%	6.4%	6.8%	
Income tax on EBIT	-3.1	-4.5	-6.4	-8.9	-10.5	-10.5	-11.2	-11.9	-12.7	-13.8	
Depreciation/Amortisation	20.5	21.1	21.1	21.6	21.9	24.0	24.9	25.8	26.9	28.5	
Change other non-cash items	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.1	0.1	0.0	
Change in net working capital	-5.3	-3.9	-2.8	-2.3	-3.1	-5.3	-4.6	-4.2	-3.7	-3.2	
Net capital expenditure	-17.5	-18.7	-19.5	-20.4	-21.3	-22.7	-23.7	-24.7	-25.6	-28.5	
<b>Free cash flow</b>	<b>7.0</b>	<b>12.0</b>	<b>17.8</b>	<b>25.5</b>	<b>28.9</b>	<b>27.6</b>	<b>30.0</b>	<b>32.6</b>	<b>35.7</b>	<b>38.3</b>	
<b>Present values</b>	<b>6.8</b>	<b>10.5</b>	<b>14.3</b>	<b>18.6</b>	<b>19.2</b>	<b>16.7</b>	<b>16.5</b>	<b>16.2</b>	<b>16.2</b>	<b>15.8</b>	<b>231.7</b>
Present value Phase 1	69.4										
Present value Phase 2	81.4										
Present value Phase 3	231.7										
<b>Total present value</b>	<b>382.4</b>										
+ Non-operating assets/Other	-18.4										
- Net financial debt	-159.9										
<b>Fair value of equity</b>	<b>204.1</b>										
- Number of shares (m)	13.000										
<b>Fair value per share (in EUR)</b>	<b>15.70</b>										

Risk free rate	2.0%	Target equity ratio	55.0%
Equity risk premium	8.0%	Beta factor	1.6
Debt risk premium	4.0%	WACC	10.3%
EBIT-margin (PHASE 3)	8.0%	Terminal growth rate	2.0%

		Sensitivity analysis					
		WACC					
		9.3%	9.8%	10.3%	10.8%	11.3%	
Terminal growth rate	3.0%	23.94	20.84	18.17	15.86	13.84	
	2.5%	22.07	19.29	16.88	14.77	12.90	
	2.0%	20.45	17.94	<b>15.70</b>	13.79	12.07	
	1.5%	19.04	16.75	14.72	12.93	11.32	
		1.0%	17.80	15.69	13.82	12.15	10.65

Source: FMR

Our price target drops to a EUR 15.70 (previously EUR 16.00) and we confirm our HOLD recommendation. The Kapsch share will not be able to escape the already known negative factors such as rising economic risks, inflation concerns, negative consequences of the Russia-Ukraine war, all of which remain valid.

## Further highlights in Q1/22/23

**New orders after Q1:** In July and August, the company had reported three new major orders, which we estimate to have a combined volume of EUR 20 to 25m over the term. These are an intelligent traffic management system for the emirate of Sharjah, a smart city concept for the city of Miraflores in Peru (the partner in the project is Cibernos) and one of the largest urban toll projects in the world in Gothenburg. In the latter project, Kapsch is providing the replacement of all toll and control points and the technical operation for the next ten years.

**Sales analysis:** From a regional perspective, business in Europe was not very dynamic; the share of sales decreased to 48% compared to 56% in the prior year period. The Americas region, on the other hand, increased its share of sales by 6 percentage points to 46%. The APAC region recorded a slight increase. Despite growth in the toll segment, the new order business declined overall. By contrast, components sales increased by 20%.

**Group EBIT:** The tolling segment fell back into the red at EUR-1.6m, compared with EUR +3.1m in the prior-year period. Traffic Management, on the other hand, was solidly positive at EUR 2.2m (previous year: EUR 3.4m).

**Belarus toll project:** Kapsch TrafficCom operates the nationwide passenger car and commercial vehicle toll system for Belarus with a contract term until 2032. Due to the sanctions also imposed on Belarus, the project, for which a risk assessment was already carried out shortly after the outbreak of the war, continues to be under close observation.

**Developments in the toll dispute:** There is no news to report on the toll dispute issue. We continue to assume that, as things stand at present, compensation of between EUR 100 and 120m is conceivable for Kapsch. This would be EUR 7.7 to 9.2 per Kapsch share. The possible compensation payment is not yet included in our forecasts. If a corresponding compensation payment were to be made, it would make a significant contribution to the financial debt reduction and accordingly also significantly improve the equity ratio. The target figure is >30%. In our view, a corresponding cash inflow could also be reflected in a subsequent dividend payment.

## Appendix

### Profit and loss statement

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23e	2023/24e	2024/25e
<b>Revenues</b>	<b>731.2</b>	<b>505.2</b>	<b>519.8</b>	<b>530.0</b>	<b>562.5</b>	<b>595.0</b>
YoY growth	-0.9%	-30.9%	2.9%	2.0%	6.1%	5.8%
Increase/Decrease in inventories of finished goods and work in progress	-6.1	-6.2	-2.7	0.5	1.1	1.2
as % of revenues	-0.8%	-1.2%	-0.5%	0.1%	0.2%	0.2%
<b>Total Operating Output</b>	<b>725.1</b>	<b>499.0</b>	<b>517.1</b>	<b>530.5</b>	<b>563.6</b>	<b>596.2</b>
YoY growth	-4.4%	-31.2%	3.6%	2.6%	6.2%	5.8%
Cost of Materials	-334.9	-243.5	-202.8	-208.0	-220.4	-231.3
as % of revenues	-45.8%	-48.2%	-39.0%	-39.2%	-39.2%	-38.9%
<b>Gross Profit</b>	<b>390.1</b>	<b>255.6</b>	<b>314.3</b>	<b>322.6</b>	<b>343.2</b>	<b>364.9</b>
as % of revenues	53.4%	50.6%	60.5%	60.9%	61.0%	61.3%
Personnel expenses	-269.2	-243.8	-227.1	-225.5	-236.7	-249.2
as % of revenues	-36.8%	-48.3%	-43.7%	-42.5%	-42.1%	-41.9%
Other operating expenses	-118.7	-84.7	-69.1	-69.5	-74.3	-76.3
as % of revenues	-16.2%	-16.8%	-13.3%	-13.1%	-13.2%	-12.8%
Other operating income	11.3	5.8	14.5	5.3	6.8	7.2
as % of revenues	1.6%	1.2%	2.8%	1.0%	1.2%	1.2%
<b>EBITDA reported</b>	<b>13.6</b>	<b>-67.1</b>	<b>32.6</b>	<b>32.9</b>	<b>39.0</b>	<b>46.5</b>
as % of revenues	1.9%	-13.3%	6.3%	6.2%	6.9%	7.8%
Depreciation of property, plant and equipment, and amortisation of intangible assets	-52.8	-56.0	-21.6	-20.5	-21.1	-21.1
as % of revenues	-7.2%	-11.1%	-4.2%	-3.9%	-3.8%	-3.5%
<b>EBIT reported</b>	<b>-39.2</b>	<b>-123.1</b>	<b>11.0</b>	<b>12.4</b>	<b>17.9</b>	<b>25.4</b>
as % of revenues	-5.4%	-24.4%	2.1%	2.3%	3.2%	4.3%
Financial result (net)	-24.3	-9.9	-5.7	-3.7	-3.4	-4.3
<b>EBT (Earnings before taxes)</b>	<b>-63.4</b>	<b>-133.1</b>	<b>5.3</b>	<b>8.7</b>	<b>14.5</b>	<b>21.1</b>
as % of revenues	-8.7%	-26.3%	1.0%	1.6%	2.6%	3.5%
Income taxes	7.7	27.8	-11.5	-2.2	-3.6	-5.3
as % of EBT	-12.2%	-20.9%	-215.1%	-25.0%	-25.0%	-25.0%
<b>Net income</b>	<b>-55.7</b>	<b>-105.2</b>	<b>-6.2</b>	<b>6.5</b>	<b>10.9</b>	<b>15.8</b>
as % of revenues	-7.6%	-20.8%	-1.2%	1.2%	1.9%	2.7%
Minority interests	7.6	2.4	-3.1	-2.0	-2.1	-2.2
<b>Net income attributable to shareholders</b>	<b>-48.1</b>	<b>-102.8</b>	<b>-9.3</b>	<b>4.5</b>	<b>8.8</b>	<b>13.6</b>
as % of revenues	-6.6%	-20.3%	-1.8%	0.9%	1.6%	2.3%
Shares outstanding (in m), weighted	13.00	13.00	13.00	13.00	13.00	13.00
<b>Basic earnings per share (EUR)</b>	<b>-3.70</b>	<b>-7.91</b>	<b>-0.72</b>	<b>0.35</b>	<b>0.68</b>	<b>1.05</b>

Source: Kapsch, FMR

## Balance sheet

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23e	2023/24e	2024/25e
<b>Assets</b>						
<b>Non-current assets</b>	<b>227.3</b>	<b>205.0</b>	<b>195.6</b>	<b>194.0</b>	<b>192.9</b>	<b>190.2</b>
as % of total assets	31.3%	34.6%	38.2%	37.1%	37.8%	37.6%
Intangible assets	15.2	13.4	13.0	13.0	13.4	14.3
Goodwill	44.7	22.8	22.7	22.7	22.7	22.7
Property, plant and equipment	82.3	55.2	49.0	45.5	41.7	38.2
Non-current financial assets	43.5	42.0	42.8	43.3	44.3	45.3
Real Estate held as financial investment	0.0	0.0	0.0	0.0	0.0	0.0
Leasing and rental assets	1.2	0.0	0.0	0.0	0.0	0.0
Other non-current assets	13.8	5.2	3.7	3.9	4.0	4.1
Deferred tax assets, long-term	26.3	62.0	60.2	61.4	62.6	61.4
Other non-current financial assets	0.3	4.4	4.1	4.1	4.1	4.1
<b>Current assets</b>	<b>499.9</b>	<b>388.2</b>	<b>316.6</b>	<b>328.6</b>	<b>317.4</b>	<b>315.6</b>
as % of total assets	68.7%	65.4%	61.8%	62.9%	62.2%	62.4%
Inventories	55.7	41.7	35.6	36.6	37.4	38.5
Trade accounts receivable	177.0	130.0	131.4	134.0	138.0	139.4
Current prepayments made	0.0	0.0	0.0	0.0	0.0	0.0
Other current non-financial assets	138.6	106.6	83.9	87.2	88.1	89.0
Deferred tax assets, short-term	4.7	6.8	4.4	4.8	5.0	5.2
Current financial assets	1.4	1.0	1.6	1.7	1.8	1.9
Cash and cash equivalents	122.6	102.0	59.8	64.1	47.1	41.5
Assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0
as % of total assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total assets</b>	<b>727.2</b>	<b>593.2</b>	<b>512.1</b>	<b>522.5</b>	<b>510.3</b>	<b>505.8</b>
<b>Shareholders' equity and liabilities</b>						
<b>Shareholders' equity</b>	<b>182.5</b>	<b>84.8</b>	<b>77.9</b>	<b>82.4</b>	<b>91.2</b>	<b>100.9</b>
as % of total equity and liabilities	25.1%	14.3%	15.2%	15.8%	17.9%	20.0%
Subscribed capital	13.0	13.0	13.0	13.0	13.0	13.0
Capital reserves	117.5	117.5	117.5	117.5	117.5	117.5
Retained earnings	57.7	-39.3	-47.3	-47.3	-47.3	-47.3
Treasury stocks	0.0	0.0	0.0	0.0	0.0	0.0
Other equity items	0.0	0.0	0.0	4.5	13.3	23.0
Minority interest on equity	-5.7	-6.5	-5.3	-5.3	-5.3	-5.3
<b>Non-current provisions/liabilities</b>	<b>273.2</b>	<b>198.3</b>	<b>194.0</b>	<b>195.3</b>	<b>178.5</b>	<b>166.3</b>
as % of total equity and liabilities	37.6%	33.4%	37.9%	37.4%	35.0%	32.9%
Non-current pension provisions	27.6	27.3	24.2	23.7	23.2	22.8
Other non-current provisions	4.3	3.3	1.7	1.7	1.7	1.7
Non-current financial liabilities	235.3	156.6	163.6	165.2	148.7	136.8
Non-current prepayments received	0.0	0.0	0.0	0.0	0.0	0.0
Non-current deferred tax liabilities	1.7	1.0	2.9	3.0	3.1	3.1
Other non-current liabilities	4.3	10.0	1.6	1.7	1.8	1.9
<b>Current liabilities and provisions</b>	<b>271.5</b>	<b>310.2</b>	<b>240.2</b>	<b>244.7</b>	<b>240.6</b>	<b>238.5</b>
as % of total equity and liabilities	37.3%	52.3%	46.9%	46.8%	47.2%	47.2%
Current provisions	23.4	42.5	28.6	29.2	29.8	30.4
Current financial liabilities	64.3	115.9	55.9	58.7	52.9	50.2
Trade accounts payable	92.4	59.4	71.5	71.9	72.2	72.6
Current prepayments received	0.0	0.0	0.0	0.0	0.0	0.0
Current tax liabilities	4.0	1.8	2.3	2.3	2.3	2.3
Current deferred tax liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Other current liabilities	87.4	90.6	81.8	82.6	83.5	83.0
Liabilities held for sale	0.0	0.0	0.0	0.0	0.0	0.0
as % of total equity and liabilities						
<b>Total equity and liabilities</b>	<b>727.2</b>	<b>593.2</b>	<b>512.1</b>	<b>522.5</b>	<b>510.3</b>	<b>505.8</b>

Source: Kapsch, FMR

## Cash flow statement

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23e	2023/24e	2024/25e
<b>EBIT</b>	<b>-39.2</b>	<b>-123.1</b>	<b>11.0</b>	<b>12.4</b>	<b>17.9</b>	<b>25.4</b>
Depreciation/impairments	52.8	56.0	21.6	20.5	21.1	21.1
Change in pension and similar provisions	-4.7	-2.0	-2.6	-0.5	-0.5	-0.5
Other non-cash expenses/income	7.4	15.3	-3.7	-2.4	-2.2	-2.3
Change in Working Capital	31.3	82.9	16.6	-5.3	-3.9	-2.8
Cash effects from divestment of fixed assets						
Cash effect from interests	-4.0	-4.3	-5.0	0.0	0.0	0.0
Cash effect from other participation result	0.0	0.0	0.0	0.0	0.0	0.0
Cash tax adjustments	-10.2	-13.7	-12.6	-2.1	-3.6	-5.2
Cash effects from extraordinary items						
<b>Cashflow from Operations</b>	<b>33.4</b>	<b>11.1</b>	<b>25.5</b>	<b>22.7</b>	<b>28.9</b>	<b>35.7</b>
Investments in Fixed assets	-33.6	-14.1	-16.0	-17.5	-18.7	-19.5
Payments received: Disposal of non-current assets	0.0	1.3	0.8	0.0	0.0	0.0
Change in consolidation: Disposals/Acquisitions	2.2	-0.8	1.2	0.0	0.0	0.0
Interest and other financial income	0.4	6.8	5.3	0.0	0.0	0.0
Cash changes from extraordinary items	0.0	0.0	0.0	0.0	0.0	0.0
Other changes from investing activities	0.0	0.0	0.0	-1.4	-1.3	1.1
<b>Cashflow from investing activities</b>	<b>-31.0</b>	<b>-6.8</b>	<b>-8.7</b>	<b>-18.9</b>	<b>-20.0</b>	<b>-18.4</b>
Cash changes in financial debt	66.6	-11.4	-45.6	4.4	-22.4	-14.5
Changes in shareholders equity	0.0	0.0	0.0	0.0	0.0	0.0
Dividend payments	-19.5	0.0	0.0	0.0	0.0	-3.9
Cash changes from own shares	0.0	0.0	0.0	0.0	0.0	0.0
Interest and other financial expenses	0.0	0.0	0.0	0.0	0.0	0.0
Other changes from financing activities	-15.6	-15.5	-15.4	-3.9	-3.5	-4.4
<b>Cashflow from financing activities</b>	<b>31.4</b>	<b>-26.8</b>	<b>-61.1</b>	<b>0.6</b>	<b>-25.9</b>	<b>-22.8</b>
<b>Total change in cash and cash equivalents</b>	<b>33.8</b>	<b>-22.5</b>	<b>-44.3</b>	<b>4.4</b>	<b>-17.0</b>	<b>-5.5</b>
Effect of exchange rate changes on cash	-5.8	1.9	2.1	0.0	0.0	-0.1
Other changes in cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash and cash equivalents: Beginning of period</b>	<b>94.7</b>	<b>122.6</b>	<b>102.0</b>	<b>59.8</b>	<b>64.1</b>	<b>47.1</b>
<b>Cash and cash equivalents: End of period</b>	<b>122.6</b>	<b>102.0</b>	<b>59.8</b>	<b>64.1</b>	<b>47.1</b>	<b>41.5</b>

Source: Kapsch, FMR

**Declaration of liability (disclaimer) and mandatory details pursuant to Section 85 Securities Trading Act (WpHG), EU Market Abuse Regulation (EU Regulation No. 596/2014), Delegated Regulation 2016/958 and Delegated Regulation 2017/565 including details of possible conflicts of interest (disclosures), the author and the responsible supervisory authority**

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a) First publication: 18.08.2022

b) Time conditions of expected updates: quarterly

c) Supervisory authority: Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

d) Previous analyses: No analysis was published in the 12 months before publication of this analysis that contains a recommendation for a specific investment decision which contradicts this analysis.

e) The analysis was made available to the issuer, to the extent that is legally permissible, before publication and was not amended thereafter.

f) All prices and price developments listed in the analysis are based on closing prices insofar as no contradictory details were provided about prices and price developments.

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**Company** **Disclosure(s)**

**Kapsch TrafficCom**

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(iii.) managed financial instruments of the issuer on a market by means of concluding purchase or sale agreements:

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**Company** **Disclosure(s)**

**Kapsch TrafficCom**

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Recommendation history over last 12 months:

Date	Recommendation	Share price at publishing date	Target price
23.02.2021	HOLD	15.15	18.00
19.04.2021	HOLD	15.10	18.00
24.06.2021	HOLD	15.00	18.00
16.08.2021	HOLD	15.30	18.00
22.11.2021	HOLD	15.80	17.30
28.02.2022	HOLD	12.50	16.70
17.06.2022	HOLD	13.80	16.00
18.08.2022	HOLD	12.68	15.70

#### 4. Creation and distribution

a) Responsibility for creation and distribution

FMR Frankfurt Main Research AG

Registered office: Frankfurt am Main; Commercial Register No. HRB 113537, Frankfurt am Main district court; Chairman: Marcus Silbe

b) Issuer

Winfried Becker, Senior Equity Analyst

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## 5. Investment recommendation details

Investment recommendation details - stocks:

**BUY:** In our opinion, the stock will demonstrate an absolute price gain of at least 10 % in a 12-month period.

**HOLD:** In our opinion, the stock will not exceed or fall below an absolute price gain or loss of 10% in a 12-month period.

**Sell:** In our opinion, the stock will demonstrate an absolute price loss of at least 10 % in a 12-month period.

## 6. Sensitivity of the evaluation parameters

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## 8. Summary of the basis for evaluation

Individual issuers: Current and recognised evaluation methods (e.g. DCF method and Peer Group Analysis) are used for company analysis purposes. The DCF method calculates the value of the issuer based on the sum of the discounted cash flows, i.e. the cash value of the future cash flows of the issuer. The value is therefore determined on the basis of expected future cash flows and the applied discount rate. In Peer Group Analysis, issuers listed on the stock exchange are evaluated by comparing ratios (e.g. price/profit ratio, Enterprise Value/turnover, Enterprise Value/EBITDA, Enterprise Value/EBIT). The comparability of the ratios is primarily determined with reference to the business activity and economic prospects.

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