

Kapsch TrafficCom AG

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New business showing signs of recovery

9M/22/23: Growth in new business and project pipeline: Kapsch continued to benefit from a reviving new business, which led to the 9.3% increase in revenues. This exceeded both our and consensus expectations. The Tolling business contributed significantly to the growth with an increase of 11.1%. Kapsch also reported an increasing project pipeline.

EUR m	Kapsch 9M/21/22	Kapsch 9M/22/23	FMR 9M/22/23e	Consensus 9M/22/23e*
Group sales	379.2	414.4	385.0	392.2
EBIT reported	5.8	9.8	13.8	11.9
EBIT before SI**	22.0	4.0	8.0	n.v.
EBIT-margin reported, %	1.5%	2.4%	3.6%	3.0%

Source: Kapsch, FMR

*provided by Kapsch

**SI = special items

In terms of EBIT, we underestimated the continuing tight cost situation, with the result that EBIT is below our estimate. At EUR 5.8m, it includes a non-recurring special income from the sale of the Spanish public transport business. A high level of extraordinary expense was incurred in the previous year. Financial debt and equity ratio remain a weak point.

Kapsch more optimistic for revenue growth: Regarding revenue development, Kapsch has become more optimistic and now expects a "slight" (previously "stable") growth. We now expect an increase to EUR 541.0m (+4.1% vs. prior year). We have raised our EBIT estimate from EUR 12.4m to EUR 13.6m. As cautiously indicated in the Highlight Report, we can imagine further cost adjustments to come in order to improve earnings.

FMR: Target price slightly reduced: We have slightly reduced our target price from EUR 16.00 to now EUR 15.80, mainly due to a minor adjustment in working capital.

We continue to take a positive view of the ongoing revival in new business. The further reduction in the cost base will contribute to an improvement in margins. Compensation from the passenger car toll project in Germany may also become a share price driver. We confirm our BUY 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	541.0	565.0	595.0
EBITDA	12.5%	13.6	-67.1	32.6	34.1	39.2	46.5
Margin	1.9%	-13.3%	6.3%	6.3%	6.3%	6.9%	7.8%
EBIT	32.1%	-39.2	-123.1	11.0	13.6	18.1	25.4
Margin	-5.4%	-24.4%	2.1%	2.5%	3.2%	4.3%	
Net result	n.m.	-48.1	-102.8	-9.3	3.7	7.4	13.3
EPS, EUR	n.m.	-3.70	-7.91	-0.72	0.29	0.57	1.02
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	0.69	0.65
EV/EBITDA		-15.2	-4.6	37.3	29.1	21.7	15.1
P/E		-6.8	-1.9	-20.4	45.1	22.7	12.7
Net debt/EBITDA		15.0	-2.9	5.6	5.5	4.7	3.8

Source: Kapsch, FMR

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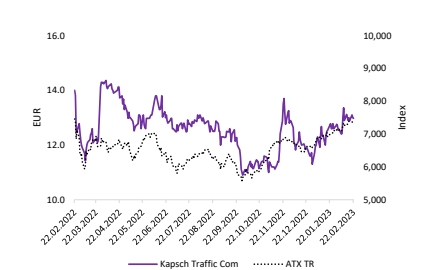
BUY

Before: Buy

Price target EUR **15.80 (16.00)**
Share price* EUR 12.98 (+21.7%)

*last price Vienna Stock Exchange

Update	2022/23e	2023/24e	2024/25e
Turnover	19.5	2.5	0.0
EBIT	1.2	0.2	0.0
EPS, EUR	-0.06	-0.11	-0.03



Source: Vienna Stock Exchange, FMR

Basic share data

Number of shares (million)	13.00
Free Float (in %)	36.7
Market cap (EURm)	168.74
Trading volume (30 days Ø)	6,019
High (EUR, 52 weeks)	14.36
Low (EUR, 52 weeks)	10.90

Shareholder structure

Kapsch Group Beteiligung	63.3%
Free float	36.7%

Corporate calendar

Final results FY 22/23	14.06.2023
Q1 23/24 report	17.08.2023

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Valuation: Update

Taking into account the results in the first nine months of the current year 2022/23e, our fair value falls slightly from previously EUR 16.00 to now EUR 15.80. We see our generally positive view of the company and its strategy confirmed.

Kapsch: DCF-model – fair value slightly down

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	541.0	565.0	595.0	630.0	658.0	692.4	724.2	752.8	777.6	798.1	
Y-o-Y growth	4.1%	4.4%	5.3%	5.9%	4.4%	5.2%	4.6%	3.9%	3.3%	2.6%	
EBIT	13.6	18.1	25.4	32.6	40.0	39.0	41.5	44.2	47.5	52.5	
EBIT-margin	2.5%	3.2%	4.3%	5.2%	6.1%	5.6%	5.7%	5.9%	6.1%	6.6%	
Income tax on EBIT	-3.4	-4.5	-6.4	-8.1	-10.0	-9.7	-10.4	-11.0	-11.9	-13.1	
Depreciation/Amortisation	20.5	21.1	21.1	21.6	21.9	23.8	24.6	25.5	26.5	27.9	
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	-9.3	-4.0	-3.1	-2.6	-3.3	-4.4	-4.3	-3.8	-3.2	-2.3	
Net capital expenditure	-17.5	-18.7	-19.5	-20.4	-21.3	-22.5	-23.5	-24.4	-25.2	-27.9	
Free cash flow	4.0	11.9	17.5	23.0	27.3	26.3	28.0	30.5	33.8	37.1	
Present values	3.9	10.7	14.4	17.2	18.5	16.3	15.7	15.6	15.7	15.7	
Present value Phase 1	64.8										
Present value Phase 2	79.0										
Present value Phase 3	245.6										
Total present value	389.4										
+ Non-operating assets/Other	-17.7										
- Net financial debt	-165.9										
Fair value of equity	205.8										
- Number of shares (m)	13.000										
Fair value per share (in EUR)	15.83										

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%	24.47	21.21	18.41	15.99	13.87
	2.5%	22.49	19.57	17.04	14.83	12.88
	2.0%	20.77	18.14	15.83	13.80	12.00
	1.5%	19.28	16.88	14.76	12.88	11.20
1.0%	17.97	15.76	13.80	12.05	10.49	

Source: FMR

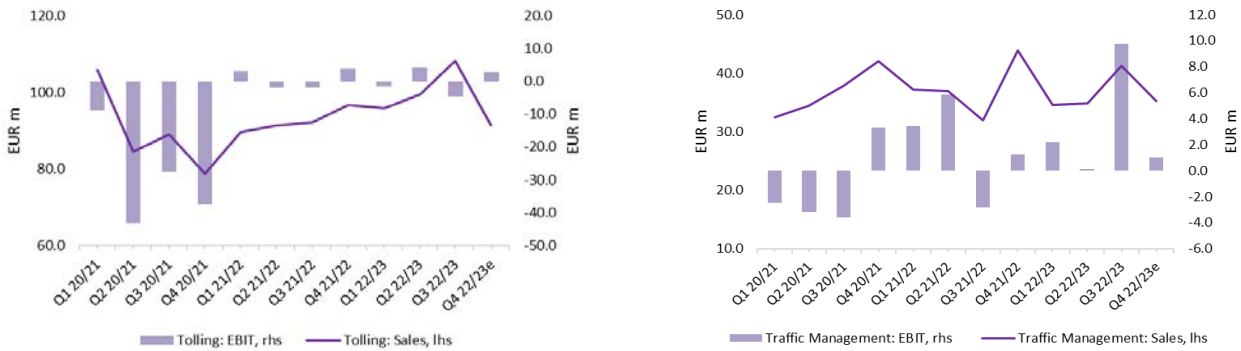
Our confidence in the expected improvement in EBIT margins in the future is mainly based on renewed growth in new business and a further reduction in the cost level. In line with the margin improvement the P/E valuation will become more attractive. In our view, the path taken will also make Kapsch capable of paying dividends again. We expect dividend payments to resume in fiscal year 2023/24e at EUR 0.30 per share.

9M/22/23: Further highlights

Project status: The status of the toll project in Belarus is unchanged (contract term until 2032) and Kapsch continues to monitor it closely. As a result of the Russia-Ukraine war, traffic volumes are declining. The expiry of the toll project in Gauteng Province, South Africa was averted and the contract was extended again, now initially until June 2023. There may be further extensions. There is no news regarding the toll dispute with the German government. As before, we continue to assume that compensation of between EUR 100 and 120m is conceivable for Kapsch.

The increase in **Group sales** was primarily driven by the MAUT segment with +11.1%, while the TRANSPORT MANAGEMENT segment was able to grow by "only" 4.5%. In regional terms, APAC posted the strongest growth of +44%; however, with absolute sales of EUR 24.0m, it is the smallest segment. The Americas region developed very positively with +26% to EUR 190.0m. In contrast to the first two regions, sales in EMEA fell by 5% to EUR 201.0m.

Kapsch: Tolling with stronger sales growth than Traffic Management



Source: Kapsch, FMR; rhs = right hand scale; lhs = left hand scale

With the "slight sales growth" forecast for the full year 2022/23e, sales momentum in both segments is expected to slow again in the final quarter.

Group EBIT jumped from EUR 5.8m to EUR 9.8m. The margin improved accordingly to 2.4% (1.5%). EBIT includes a one-time special income of EUR 5.8m from the sale of the Spanish public transport business; the income is attributable to the Traffic Management segment. Adjusted for special items, EBIT decreased from EUR 22.0m to EUR 4.0m, due to high special expense items of EUR 16.0m in the prior-year period. As a result of the corresponding allocation of the special items to the cashflow from investing activities, this is positive after nine months at EUR +1.7m, which is unusual; in the same period of the previous year, the figure was EUR -6.7m. The special items will also have a corresponding impact on the full-year comparison.

Appendix

Profit and loss statement

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23e	2023/24e	2024/25e
Revenues	731.2	505.2	519.8	541.0	565.0	595.0
YoY growth	-0.9%	-30.9%	2.9%	4.1%	4.4%	5.3%
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%
Total Operating Output	725.1	499.0	517.1	541.5	566.1	596.2
YoY growth	-4.4%	-31.2%	3.6%	4.7%	4.5%	5.3%
Cost of Materials	-334.9	-243.5	-202.8	-211.7	-221.4	-231.3
as % of revenues	-45.8%	-48.2%	-39.0%	-39.1%	-39.2%	-38.9%
Gross Profit	390.1	255.6	314.3	329.8	344.8	364.9
as % of revenues	53.4%	50.6%	60.5%	61.0%	61.0%	61.3%
Personnel expenses	-269.2	-243.8	-227.1	-233.4	-237.8	-249.2
as % of revenues	-36.8%	-48.3%	-43.7%	-43.1%	-42.1%	-41.9%
Other operating expenses	-118.7	-84.7	-69.1	-73.1	-74.6	-76.3
as % of revenues	-16.2%	-16.8%	-13.3%	-13.5%	-13.2%	-12.8%
Other operating income	11.3	5.8	14.5	10.8	6.8	7.2
as % of revenues	1.6%	1.2%	2.8%	2.0%	1.2%	1.2%
EBITDA reported	13.6	-67.1	32.6	34.1	39.2	46.5
as % of revenues	1.9%	-13.3%	6.3%	6.3%	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%	-3.8%	-3.7%	-3.5%
EBIT reported	-39.2	-123.1	11.0	13.6	18.1	25.4
as % of revenues	-5.4%	-24.4%	2.1%	2.5%	3.2%	4.3%
Financial result (net)	-24.3	-9.9	-5.7	-6.0	-5.4	-4.8
EBT (Earnings before taxes)	-63.4	-133.1	5.3	7.7	12.7	20.6
as % of revenues	-8.7%	-26.3%	1.0%	1.4%	2.2%	3.5%
Income taxes	7.7	27.8	-11.5	-1.9	-3.2	-5.2
as % of EBT	-12.2%	-20.9%	-215.1%	-25.0%	-25.0%	-25.0%
Net income	-55.7	-105.2	-6.2	5.7	9.5	15.5
as % of revenues	-7.6%	-20.8%	-1.2%	1.1%	1.7%	2.6%
Minority interests	7.6	2.4	-3.1	-2.0	-2.1	-2.2
Net income attributable to shareholders	-48.1	-102.8	-9.3	3.7	7.4	13.3
as % of revenues	-6.6%	-20.3%	-1.8%	0.7%	1.3%	2.2%
Shares outstanding (in m), weighted	13.00	13.00	13.00	13.00	13.00	13.00
Basic earnings per share (EUR)	-3.70	-7.91	-0.72	0.29	0.57	1.02

Source: Kapsch, FMR

Balance sheet

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23e	2023/24e	2024/25e
Assets						
Non-current assets	227.3	205.0	195.6	194.0	192.9	190.2
as % of total assets	31.3%	34.6%	38.2%	36.5%	37.3%	37.0%
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
Current assets	499.9	388.2	316.6	337.6	324.6	323.7
as % of total assets	68.7%	65.4%	61.8%	63.5%	62.7%	63.0%
Inventories	55.7	41.7	35.6	46.2	47.2	48.6
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	63.5	44.4	39.6
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%
Total assets	727.2	593.2	512.1	531.5	517.5	513.9
Shareholders' equity and liabilities						
Shareholders' equity	182.5	84.8	77.9	81.6	89.1	98.4
as % of total equity and liabilities	25.1%	14.3%	15.2%	15.4%	17.2%	19.2%
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	3.7	11.2	20.5
Minority interest on equity	-5.7	-6.5	-5.3	-5.3	-5.3	-5.3
Non-current provisions/liabilities	273.2	198.3	194.0	135.2	124.2	116.2
as % of total equity and liabilities	37.6%	33.4%	37.9%	25.4%	24.0%	22.6%
Non-current pension provisions	27.6	27.3	24.2	23.0	22.5	22.1
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	106.3	95.7	88.0
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	1.1	1.2	1.2
Current liabilities and provisions	271.5	310.2	240.2	314.7	304.2	299.2
as % of total equity and liabilities	37.3%	52.3%	46.9%	59.2%	58.8%	58.2%
Current provisions	23.4	42.5	28.6	28.1	28.6	29.2
Current financial liabilities	64.3	115.9	55.9	123.1	110.8	105.2
Trade accounts payable	92.4	59.4	71.5	78.7	79.0	79.4
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						
Total equity and liabilities	727.2	593.2	512.1	531.5	517.5	513.9

Source: Kapsch, FMR

Cash flow statement

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23e	2023/24e	2024/25e
EBIT	-39.2	-123.1	11.0	13.6	18.1	25.4
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	-1.2	-0.5	-0.5
Other non-cash expenses/income	7.4	15.3	-3.7	-2.9	-2.2	-2.3
Change in Working Capital	31.3	82.9	16.6	-9.3	-4.0	-3.1
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	-1.8	-3.1	-5.1
Cash effects from extraordinary items						
Cashflow from Operations	33.4	11.1	25.5	18.9	29.3	35.5
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
Cashflow from investing activities	-31.0	-6.8	-8.7	-18.9	-20.0	-18.4
Cash changes in financial debt	66.6	-11.4	-45.6	9.9	-22.9	-13.2
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	-6.1	-5.5	-4.9
Cashflow from financing activities	31.4	-26.8	-61.1	3.8	-28.4	-22.0
Total change in cash and cash equivalents	33.8	-22.5	-44.3	3.8	-19.1	-4.8
Effect of exchange rate changes on cash	-5.8	1.9	2.1	-0.1	0.1	0.0
Other changes in cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents: Beginning of period	94.7	122.6	102.0	59.8	63.5	44.4
Cash and cash equivalents: End of period	122.6	102.0	59.8	63.5	44.4	39.6

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: 23.02.2023

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.

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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.

3. Disclosures

a) Neither FMR Frankfurt Main Research AG nor an affiliated company, nor any person who contributed to the compilation

(i.) has an involvement in the share capital of the issuer of at least 5 per cent;

(ii.) was involved in the management of a syndicate within the past five months that issued financial instruments of the issuer in the context of a public tender;

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

(iv.) has, within the past twelve months, concluded an agreement regarding services in connection with investment banking business or received a service or performance promise from such agreement, with issuers which either themselves or the financial instruments thereof, are the subject of the financial analysis;

(v.) is in possession of a net sales or purchase position which exceeds the threshold of 0.5% of the total issued share capital of the issuer;

(vi.) has concluded an agreement regarding the preparation of investment recommendations with the issuer.

(vii.) has other significant interests with regard to the company being analysed, for example clients with the company being analysed.

Company **Disclosure(s)**

Kapsch TrafficCom

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b) FMR Frankfurt Main Research AG has been commissioned by ODDO BHF Corporates & Markets AG to prepare this financial analysis. ODDO BHF Corporates & Markets AG in turn acts on behalf of the issuers who are themselves or whose financial instruments are the subject of this financial analysis.

Neither ODDO BHF Corporates & Markets AG nor an affiliated company, nor any person who contributed to the compilation

(i.) has an involvement in the share capital of the issuer of at least 5 per cent;

(ii.) was involved in the management of a syndicate within the past five months that issued financial instruments of the issuer in the context of a public tender;

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

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(vii.) has other significant interests with regard to the company being analysed, for example clients with the company being analysed.

Company **Disclosure(s)**

Kapsch TrafficCom

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Recommendation history over last 12 months:

Date	Recommendation	Share price at publishing date	Target price
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
17.11.2022	BUY	11.38	16.00
23.02.2023	BUY	12.98	15.80

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

c) This study may only be used for the internal purposes of the addressee within the EEA or Switzerland.

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

The figures from profit and loss calculations, cash flow statements and balance sheets which form the basis of the company evaluation are date-related estimates and therefore subject to risks. These may change at any time without prior notice. Regardless of the evaluation methods used, there are significant risks that the price goal/trend will not be achieved within the expected time frame. The risks include unforeseeable changes with regard to competition pressure, demand for the products of an issuer and the offer situation with respect to materials required for production as well as non-occurrence of the assumed development. Such deviations may be the result of changes relating to technology and changes relating to the economy, legal situation and exchange rates. No claim is made that this statement of evaluation methods and risk factors is complete.

7. Key sources of information

We have acquired the information upon which this document is based from sources that we consider in principle to be reliable. However, we have not verified all this information. Therefore, we cannot guarantee or ensure the accuracy, completeness or correctness of the information or opinions contained in this document. National and international media and information services (e.g. Factset, Bloomberg etc.), the financial press (e.g. BörsenZeitung, FAZ, Handelsblatt, Wallstreet Journal, etc.), specialist press, published statistics, the internet, as well as publications, details and information of the issuer that is the subject of the analysis.

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.

9. Internal organisational and regulatory measures for the prevention or management of conflicts of interest

Employees of FMR Frankfurt Main Research AG who are involved with the compilation and/or presentation of financial analyses are subject to the internal compliance regulations. The internal compliance regulations correspond to the provisions of the directive for the substantiation of the organisational obligations of investment service companies pursuant to Section 80 Securities Trading Act and EU/ESMA legislation on the basis of the Market Abuse Regulation.

The analysts of FMR Frankfurt Main Research AG do not receive any direct or indirect remuneration from the investment banking business of FMR Frankfurt Main Research AG.

On acceptance of the financial analysis, the recipient accepts that the above restrictions are binding.