aventron AG

Switzerland / Renewable Energy
Berner Börse
Bloomberg: KKBN SW
ISIN: CH0023777235

2015 figures

RATING	**BUY**
PRICE TARGET	**CHF13.30**
Return Potential	49.4%
Risk Rating	medium

STRONG 2015 EBIT – THE GROWTH STORY CONTINUES

On 2 May, aventron (formerly Kleinkraftwerk Birseck) published its 2015 figures which were slightly above our estimates and significantly higher than the previous year's figures. Thanks to a significant increase in its green power capacity from 104 to 160 MW, sales increased by 62% to CHF 23.8m and EBIT 82% to CHF 7.0m. The main growth drivers were new wind farms in Germany and France as well as additional solar plants in Italy. Management proposes to increase the dividend by 5% y/y to CHF 0.21. aventron sticks to its growth plan of reaching 500 MW by 2020. We reiterate our Buy rating and the price target of CHF 13.30.

Strong growth due to increased capacity Acquisitions of wind farms in Germany and France and photovoltaic (PV) plants in Italy were the main growth drivers. The green power portfolio increased by 56 MW to 160 MW. Sales rose 62% to CHF 23.8m (FBe: CHF 24.1m) and EBIT 82% to CHF 7.0m (FBe: CHF 6.8m). The EBIT margin increased 3 PP to 29%. The net profit almost tripled from CHF 0.7m to CHF 1.9m (FBe: CHF 1.6m). Due to the increased average number of shares EPS only rose to CHF 0.11 from CHF 0.06 (+78% y/y).

Dividend increase proposed Management proposed to increase the dividend by 5% y/y to CHF 0.21. The dividend yield is 2.4%.

Medium-term expansion target reiterated aventron sticks to its 2020 target of a technologically and geographically well-diversified green power capacity of 500 MW producing more than 1,000 GWh. The company aims to become a leading operator of distributed green power plants in Europe. During 2015, aventron increased its 2020 target from 300 to 500 MW as its strategic shareholder EBM announced its plan to gradually transfer all its green power activities including its separately held wind power plants via contributions in kind. The larger portfolio will generate economies of scale and support aventron's financial stability and profitability.

(p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2013	2014	2015	2016E	2017E	2018E
Revenue (CHFm)	11.10	14.75	23.85	41.91	57.94	70.46
Y-o-y growth	n.a.	32.9%	61.7%	75.7%	38.3%	21.6%
EBIT (CHFm)	3.89	3.86	7.01	12.85	17.90	21.98
EBIT margin	35.1%	26.2%	29.4%	30.7%	30.9%	31.2%
Net income (CHFm)	0.93	0.73	1.94	4.20	5.95	7.69
EPS (diluted) (CHF)	0.16	0.06	0.11	0.18	0.20	0.24
DPS (CHF)	0.20	0.20	0.21	0.21	0.21	0.22
FCF (CHFm)	-16.51	-25.69	-27.56	-155.50	-60.11	-52.78
Net gearing	148.1%	107.9%	251.5%	173.4%	164.1%	154.1%
Liquid assets (CHFm)	6.67	16.41	19.29	25.02	32.05	30.66

RISKS

The main risks are technological risks, regulatory risks, financing risks, acquisition risks, and currency risks.

COMPANY PROFILE

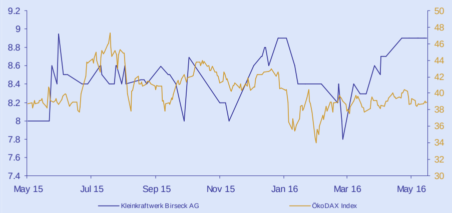
aventron AG is owner and operator of small hydro power, wind power, and solar power plants. The portfolio comprises 160 MW (end 2015) and is geographically diversified over Switzerland, France, Italy, Germany, and Norway. The company is located in Switzerland near Basel and is listed on the BX Berne eXchange.

MARKET DATA

MARKET DATA	As of 20 May 2016
Closing Price	CHF 8.90
Shares outstanding	19.45m
Market Capitalisation	CHF 173.11m
52-week Range	CHF 7.80 / 8.95
Avg. Volume (12 Months)	1,100

Multiples	2015	2016E	2017E
P/E	82.6	49.1	44.3
EV/Sales	11.7	6.7	4.8
EV/EBIT	39.9	21.8	15.6
Div. Yield	2.4%	2.4%	2.4%

STOCK OVERVIEW



COMPANY DATA

COMPANY DATA	As of 31 Dec 2015
Liquid Assets	CHF 19.29m
Current Assets	CHF 39.07m
Intangible Assets	CHF 3.60m
Total Assets	CHF 307.62m
Current Liabilities	CHF 32.07m
Shareholders' Equity	CHF 75.55m

SHAREHOLDERS

EBM Trirhena AG	47.0%
Energie Wasser Bern	17.8%
Stadtwerk Winterthur	11.7%
Other investors	8.5%
Free Float	15.0%

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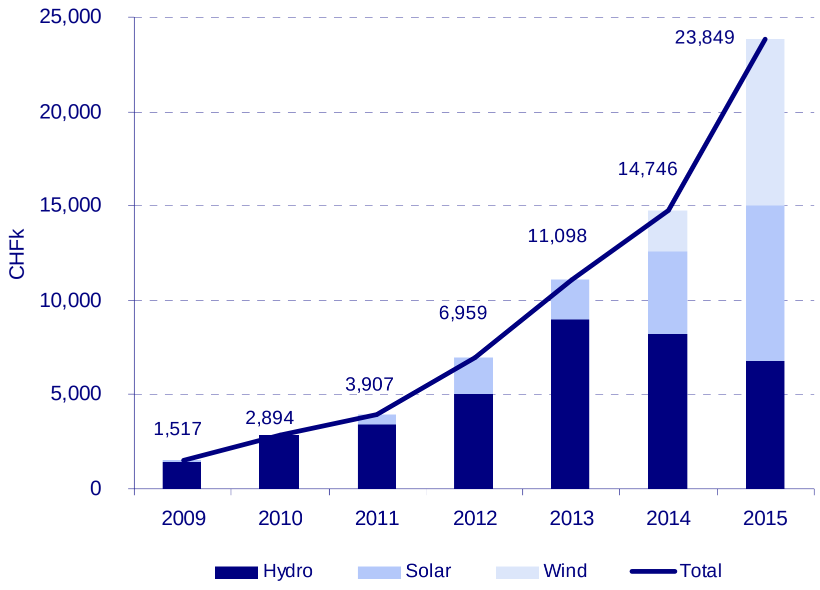
Profit & loss statement characterised by widening margins Sales increased 62% to CHF 23.8m (FBe: CHF 24.1m). This is slightly below our estimate. However, other operating profit amounted to €0.9m and is closely linked to sales as it mainly consists of insurance payments for revenues foregone. Operating expenses (COGS, personnel costs, other operating expenses) rose 37% to CHF 9.8m from CHF 7.2m. Economies of scale and strict cost management resulted in this relatively small increase. EBITDA thus amounted to CHF 14.7m vs. CHF 8.0m in 2014. The larger asset base increased D&A to CHF 7.7m from CHF 4.1m in 2014. EBIT thus amounted to CHF 7.0m vs. CHF 3.9m in 2014. Due to the debt financing of the (additional) power assets, interest expenses increased significantly leading to a financial result of CHF -3.5m (2014: CHF -2.3m). The net result amounted to CHF 1.9m (2014: CHF 0.7m). Because of the increased average number of shares (18.0m vs. 11.6m in 2014) EPS only rose to CHF 0.11 from CHF 0.06.

Balance sheet reflects green power asset growth The balance sheet total rose 57% to CHF 308m. The asset side is dominated by PP&E, which consists of the green power assets and rose to CHF 232m from CHF 135m at the end of 2014. The split of the power assets' book value is PV CHF 98m, wind CHF 94m, and hydro CHF 41m. The other significant assets are financial assets of CHF 33m (2014: CHF 28m), and liquid funds of CHF 19m (2014: CHF 16m).
Equity was burdened by the change in the Swiss Central Bank's policy from a fixed to a flexible CHF/EUR exchange rate. As a consequence, the Swiss Franc appreciated from 1.20 to 1.09. The lower Euro value of the subsidiaries in the Euro area caused a valuation difference of CHF 6.0m, lowering equity. Furthermore, acquired goodwill of CHF 12.5m lowered equity. Despite these effects, equity slightly increased to CHF 75.6m from CHF 75.1m in 2014. The equity share fell to 25% from 38% in the previous year. On 5 August 2015 aventron concluded its fifth capital increase amounting to CHF 21.3m. The increase consisted of contributions in kind, a debt to equity swap, and additional liquid funds of CHF 6.4m.
The debt financing of the green power assets increased long-term financial debt to CHF 194m from CHF 95m in 2014. Short-term financial debt rose from CHF 2m to CHF 15m. Financial debt thus equals CHF 208m and net debt was CHF 189m (31/12/2014: CHF 81m).

Increased operating cash flow A higher net result (CHF 1.9m) and higher depreciation (CHF 7.9m) were the main drivers of the increased operating cash flow of CHF 9.9m (2014: 5.7m). Due mainly to high CAPEX on PP&E of CHF 36.8m and the purchase of consolidated stakes of CHF 13.7m, the cash outflow from financing amounted to CHF 56.2m (2014: CHF 38m). This outflow was financed by additional long and short-term debt (CHF 37.4m and CHF 8.8m) as well as funds from the capital increase of CHF 5.9m (net). The financial cash flow amounted to CHF 49.9m (2014: CHF 42.7m).

Strong growth in wind and PV revenues For the first time, wind power contributed significantly (36%) to sales. Solar's sales share was 34% and hydropower contributed 30%. In 2014, the picture was completely different. The 2014 sales share of hydro power was 56%, wind contributed 14%, and solar 30% (see figure 1 overleaf). In the medium term, aventron aims to have a revenue split of ca. 40/40/20 for hydro/wind/solar.

Figure 1: Total and segment revenues 2009 - 2015



Source: First Berlin Equity Research, aventron AG

The wind segment contributed the largest portion of revenues and EBIT. Wind revenues increased more than fourfold to CHF 8.9m (2014: CHF 2.1m) thanks to the additional wind farms. EBIT rose more than fivefold to CHF 3.6m (2014: CHF 0.7m). The EBIT margin increased to 41% from 34% in 2014. The solar segment was also strong with revenues of CHF 8.2m (2014: CHF 4.4m, +88% y/y) and EBIT of CHF 2.8m vs. CHF 1.1m in the previous year (+155% y/y). The EBIT margin rose to 34% from 25% in 2014. Hydropower revenues suffered from the drought and damage to one plant, which caused a decline to CHF 6.8m (2014: CHF 8.2m, -18% y/y). Segment EBIT fell 30% to CHF 2.2m from CHF 3.2m in 2014. The Corporate segment, which contains the holding costs, had an EBIT of CHF -1.6m (2014: CHF -1.2m).

Figure 2: Capacity, production, revenues and specific revenue per segment in 2015

	Capacity in MW	Production in GWh	Revenues in CHF m	Specific revenue in CHF/MWh
Hydro	55	133.5	6.8	50.94
Wind	68	93.0	8.9	95.70
Solar	37	24.1	8.2	340.25
Sum	**160**	**250.6**	**23.8**	**94.97**

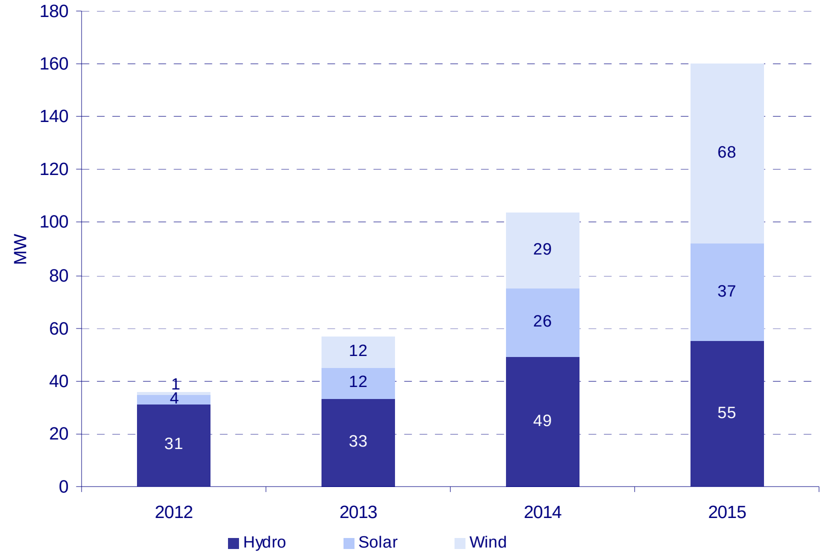
Source: First Berlin Equity Research, aventron AG

Challenging environment prevented even better results Lower wholesale prices for power acted as a drag on revenues. The effect was however limited, as 80-90% of sales is based on fixed feed-in tariffs. The Euro depreciation in 2015 burdened the margin somewhat as headquarters costs are in Swiss Francs. This could, however, partly be compensated by project financing in Euro.

Diversification has already shown its positive impact The very dry and sunny second half of 2015 resulted in lower hydropower production. This could however be compensated by extra revenues from solar and wind. Especially aventron's new solar plant in southern France generated significantly higher revenues than expected.

Capacity expansion mainly in wind and solar The main capacity additions came from wind (from 29 to 68 MW, of which 12 MW are under construction) and solar (from 26 to 37 MW). But hydro power capacity also increased by more than 10% to 55 MW (see figure 3).

Figure 3: Capacity of hydro, wind and solar power in MW 2012 - 2015

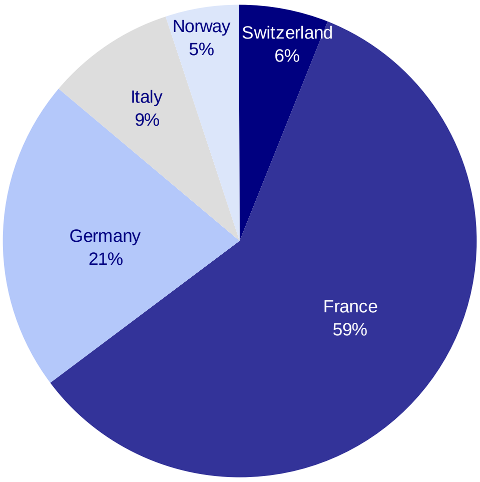


Source: First Berlin Equity Research, aventron AG

Regional capacity expansions in France, Germany, Italy, Norway and Switzerland aventron added the German wind farms Wölkisch (12 MW) and Frehne (6 MW). In France, aventron took over the Ger wind farm (8 MW) in Normandy and recently commissioned the Tassillé wind farm (8 MW) with plans for a 4 MW follow-up project with the same developer. In Norway, aventron purchased stakes in five hydropower plants from Alpiq Ecopower Scandinavia (see our comment from 18 December 2015). In Italy, solar capacity increased from 4.2 MW to 14.2 MW. In Switzerland, the company started operation of six new PV plants with a capacity of 3.2 MW.

France still dominates the regional capacity split. In 2015, French capacity contributed 58.5% to the total, followed by Germany (21.3%) and Italy (8.9%, see figure 4 overleaf). The 2020 target portfolio aims at 30% of total capacity in France, 12% in Germany and 14% in Italy. Future growth looks set to come from Norway (2020 target: 16% of total capacity vs. 5.1% in 2015), and Spain (2020 target: 20% of total capacity vs. 0% in 2015). aventron plans to enter the Spanish market this year.

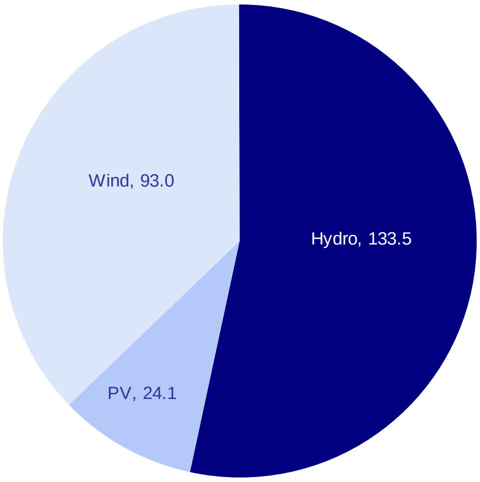
Figure 4: Regional capacity split 2015 in percent



Source: First Berlin Equity Research, aventron AG

Power production significantly increased In 2015, aventron produced 250.6 GWh of green power, an increase of 32% compared to the 2014 figure of 190.3 GWh. Hydropower contributed the largest portion (133.5 GWh), followed by wind (93.0 GWh), and solar (24.1 GWh, see figure 5). Due to the drought in Central Europe, hydropower production was 13% below the previous year's value (154 GWh). Wind power production was 3% above budget. The new wind farms (e.g. Wölkisch, Frehne, and Ger) increased the segment's production significantly to 93.0 GWh (2014: 17.8 GWh, +422% y/y). Solar's contribution was slightly higher than budgeted and reached 24.1 GWh (2014: 18.3 GWh, +32%).

Figure 5: Power production per segment in GWh in 2015



Source: First Berlin Equity Research, aventron AG

From 2 to 160 MW in 10 years In December 2015, aventron celebrated its 10th anniversary. In 2005, the company started with two small Swiss hydro power plants with a capacity of 2 MW. In the meantime, the company has developed into a diversified European green power operator which is active in five countries and covers three different green power technologies.

Further acquisitions concluded in Q1 2016 aventron purchased the hydropower plant Stolsdalselva (8% of 5.2 MW) and the hydro power project companies Botnen Kraftverk (38%) and Geitani (90%). In January and March 2016, aventron closed two deals with French wind farm IEL Exploitation 25 SARL, and Norwegian hydro power plant Kupe Kraftverk AS. In April, the company signed the contract for the EWE European Wind Energy S.r.l. in Italy.

Management team now complete At the beginning of 2016, aventron welcomed Mr Bernhard Furrer as the CFO of the company. Together with CEO Antoine Millioud and COO Eric Wagner, aventron now has a complete management team.

Capital increase planned To finance the planned growth, aventron plans further capital increases. The company aims at 2/3 strategic investors (utilities) and 1/3 financial investors. Given the very good track record of five successful capital increases, the commitment of the strategic investors, and the increased market capitalisation (end 215: CHF 173m vs. end 2014: CHF 128m) we remain confident that aventron will continue on its growth path.

Estimates The strong growth in 2015 and the acquisition activities in Q1 2016 show that aventron is on track to reach its 2020 target of 500 MW green power capacity. We largely stick to our forecasts for 2016E and the following years. We have slightly increased interest expenses resulting in lower net results (see figure 7).

Buy reiterated at CHF 13.30 price target An updated DCF model still yields a price target of CHF 13.30. We confirm our Buy rating.

Figure 6: Reported figures vs. forecasts

All figures in CHF m	2015A	2015E	delta	2014	delta
Sales	23.85	24.12	-1.1%	14.75	61.7%
EBIT	7.01	6.81	2.9%	3.86	81.6%
margin	*29.4%*	*28.2%*		*26.2%*	
Net profit	1.94	1.64	18.3%	0.73	165.8%
margin	*8.1%*	*6.8%*		*5.0%*	
EPS (diluted in CHF)	0.11	0.09	18.9%	0.06	78.3%

Source: First Berlin Equity Research, aventron AG

Figure 7: Revisions to forecasts

		2016E			2017E			2018E	
Alle Zahlen in CHF Mio.	Alt	Neu	Delta	Alt	Neu	Delta	Alt	Neu	Delta
Umsatz	41.91	41.91	0.0%	57.94	57.94	0.0%	70.46	70.46	0.0%
EBIT	12.85	12.85	0.0%	17.90	17.90	0.0%	21.98	21.98	0.0%
Marge	*30.7%*	*30.7%*		*30.9%*	*30.9%*		*31.2%*	*31.2%*	
Jahresübers.	4.53	4.20	-7.3%	5.98	5.95	-0.5%	7.77	7.69	-1.1%
Marge	*10.8%*	*10.0%*		*10.3%*	*10.3%*		*11.0%*	*10.9%*	
EPS (verwässert, in CHF)	0.20	0.18	-7.3%	0.20	0.20	-0.5%	0.24	0.24	-1.1%

Source: First Berlin Equity Research, aventron AG

Figure 8: Reported segment figures vs. forecasts

All figures in CHFm	2015A	2015E	delta	2014	delta
Hydropower					
Sales	6.76	7.96	-15.1%	8.23	-17.9%
EBITDA	3.70	3.60	2.7%	4.61	-19.8%
margin	*54.7%*	*45.2%*		*56.0%*	
Wind					
Sales	8.86	8.51	4.1%	2.14	314.7%
EBITDA	6.65	6.01	10.7%	1.62	311.3%
margin	*75.0%*	*70.5%*		*75.6%*	
Solar					
Sales	8.23	7.65	7.6%	4.38	88.0%
EBITDA	6.24	5.74	8.7%	3.06	104.0%
margin	*75.8%*	*75.1%*		*69.9%*	
Holding					
Sales	0.00	0.00	n.m.	0.00	n.m.
EBITDA	-1.63	-2.20	n.m.	-1.15	n.m.
margin	*n.m.*	*n.m.*		*n.m.*	
Group					
Sales	23.85	24.12	-1.1%	14.75	61.7%
EBITDA	14.95	13.15	13.7%	8.14	83.8%
margin	*62.7%*	*54.5%*		*55.2%*	

Source: First Berlin Equity Research, aventron AG

VALUATION MODEL

DCF valuation model All figures in CHF '000	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E
Net sales	**41,907**	**57,939**	**70,459**	**83,722**	**96,231**	**97,193**	**98,165**	**99,147**
NOPLAT	**10,878**	**15,180**	**18,512**	**22,315**	**25,369**	**25,990**	**26,262**	**26,429**
+ depreciation & amortisation	12,782	18,415	22,454	26,439	30,364	30,670	30,726	30,783
Net operating cash flow	23,660	33,595	40,966	48,754	55,733	56,660	56,988	57,211
- total investments (CAPEX and WC)	-172,879	-84,875	-83,320	-81,450	-79,727	-30,506	-30,560	-30,613
Capital expenditures	-172,200	-84,840	-82,630	-80,940	-79,900	-30,670	-30,726	-30,783
Working capital	-679	-35	-690	-510	173	163	167	170
Free cash flows (FCF)	-149,219	-51,280	-42,354	-32,695	-23,994	26,153	26,429	26,598
PV of FCF's	**-146,119**	**-48,529**	**-38,736**	**-28,899**	**-20,494**	**21,588**	**21,083**	**20,506**

All figures in thousands	
PV of FCFs in explicit period (2016E-2029E)	-107,193
PV of FCFs in terminal period	609,149
Enterprise value (EV)	501,956
+ Net cash / - net debt (pro forma)	-36,425
+ Investments / minority interests	6,983
Shareholder value	472,514

Fair value per share in EUR	13.30

WACC	3.5%
Cost of equity	5.7%
Pre-tax cost of debt	3.5%
Tax rate	30.0%
After-tax cost of debt	2.5%
Share of equity capital	31.5%
Share of debt capital	68.5%
Fair value per share in EUR	13.30

Terminal growth rate

WACC	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%
2.7%	17.04	19.08	21.55	24.61	28.50	33.62	40.64
2.9%	14.81	16.47	18.46	20.68	23.86	27.66	32.65
3.1%	12.91	14.29	15.92	17.86	20.21	23.13	26.84
3.3%	11.28	12.44	13.79	15.38	17.27	19.57	22.42
3.5%	9.87	10.86	11.99	13.31	14.86	16.70	18.95
3.7%	8.63	9.48	10.44	11.55	12.83	14.35	16.15
3.9%	7.54	8.27	9.10	10.04	11.12	12.37	13.85
4.1%	6.57	7.21	7.92	8.73	9.64	10.70	11.92

* for layout purposes the model shows numbers only to 2023, but runs until 2029

INCOME STATEMENT

All figures in CHF '000	2013A	2014A	2015A	2016E	2017E	2018E
Revenues	**11,098**	**14,746**	**23,849**	**41,907**	**57,939**	**70,459**
Cost of goods sold	3,149	3,243	4,603	7,543	9,850	11,273
Gross profit	**7,949**	**11,503**	**19,246**	**34,364**	**48,089**	**59,186**
Personnel costs	90	681	1,145	2,238	3,140	4,256
Depreciation and amortisation	2,189	4,272	7,946	12,782	18,415	22,454
Other operating income	199	543	897	419	579	705
Other operating expenses	1,979	3,229	4,047	6,915	9,212	11,203
Operating income (EBIT)	**3,890**	**3,864**	**7,005**	**12,849**	**17,901**	**21,978**
Net financial result	-1,803	-2,026	-3,381	-6,280	-8,830	-10,426
Non-operating expenses	-94	129	321	0	0	0
Pre-tax income (EBT)	**1,993**	**1,967**	**3,945**	**6,569**	**9,071**	**11,552**
Income taxes	-56	817	1,052	1,971	2,721	3,465
Minority interests	-1,116	-418	-957	-400	-400	-400
Net income / loss	**933**	**732**	**1,936**	**4,198**	**5,950**	**7,686**
EPS (diluted, in CHF)	**0.16**	**0.06**	**0.11**	**0.18**	**0.20**	**0.24**
EBITDA	**6,079**	**8,136**	**14,951**	**25,630**	**36,316**	**44,431**
Ratios						
Gross margin	71.6%	78.0%	80.7%	82.0%	83.0%	84.0%
EBITDA margin on revenues	54.8%	55.2%	62.7%	61.2%	62.7%	63.1%
EBIT margin on revenues	35.1%	26.2%	29.4%	30.7%	30.9%	31.2%
Net margin on revenues	8.4%	5.0%	8.1%	10.0%	10.3%	10.9%
Tax rate	-2.8%	41.5%	26.7%	30.0%	30.0%	30.0%
Expenses as % of revenues						
Personnel costs	0.8%	4.6%	4.8%	5.3%	5.4%	6.0%
Depreciation and amortisation	19.7%	29.0%	33.3%	30.5%	31.8%	31.9%
Other operating expenses	17.8%	21.9%	17.0%	16.5%	15.9%	15.9%
Y-Y Growth						
Revenues	n.a.	32.9%	61.7%	75.7%	38.3%	21.6%
Operating income	n.a.	-0.7%	81.3%	83.4%	39.3%	22.8%
Net income/ loss	n.a.	-21.5%	164.5%	116.9%	41.7%	29.2%

BALANCE SHEET

All figures in CHF '000	2013A	2014A	2015A	2016E	2017E	2018E
Assets						
Current assets, total	**14,112**	**30,056**	**39,070**	**48,220**	**57,494**	**57,846**
Cash and cash equivalents	6,673	16,413	19,293	25,024	32,051	30,657
Short-term investments	949	1,177	845	845	845	845
Receivables	1,506	3,294	2,400	5,741	7,937	9,652
Inventories	73	72	87	165	216	247
Other current assets	4,911	9,100	16,445	16,445	16,445	16,445
Non-current assets, total	**93,885**	**166,122**	**268,546**	**427,964**	**494,389**	**554,566**
Property, plant & equipment	65,646	134,825	232,392	391,810	458,235	518,412
Goodwill & other intangibles	1,001	3,117	3,602	3,602	3,602	3,602
Other assets	27,238	28,180	32,552	32,552	32,552	32,552
Total assets	**107,997**	**196,178**	**307,616**	**476,185**	**551,883**	**612,412**
Shareholders' equity & debt						
Current liabilities, total	**11,002**	**21,907**	**32,068**	**25,901**	**31,464**	**35,476**
Short-term debt	66	2,162	14,996	5,000	7,000	9,000
Accounts payable	6,215	6,908	4,493	7,233	9,445	10,501
Current provisions	0	0	0	0	0	0
Other current liabilities	4,721	12,837	12,579	13,667	15,019	15,975
Long-term liabilities, total	**61,363**	**99,186**	**199,994**	**294,994**	**334,994**	**360,594**
Long-term debt	59,392	95,292	194,333	289,333	329,333	354,933
Deferred revenue	0	0	0	0	0	0
Other liabilities	1,971	3,894	5,661	5,661	5,661	5,661
Minority interests	**11,529**	**6,466**	**6,983**	**7,383**	**7,783**	**8,183**
Shareholders' equity	**24,103**	**68,619**	**68,571**	**147,907**	**177,643**	**208,159**
Share capital	7,889	17,082	19,451	28,340	31,340	34,340
Capital reserve	55,661	106,174	120,015	191,126	218,126	245,126
Other reserves	0	0	0	0	0	0
Treasury stock	0	-56	-100	-100	-100	-100
Loss carryforward / retained earnings	-39,447	-54,581	-70,795	-71,459	-71,723	-71,207
Total consolidated equity and debt	**107,997**	**196,178**	**307,616**	**476,185**	**551,883**	**612,412**

Ratios						
Current ratio (x)	1.28	1.37	1.22	1.86	1.83	1.63
Quick ratio (x)	1.28	1.37	1.22	1.86	1.82	1.62
Net debt	52,785	81,041	190,036	269,309	304,282	333,276
Net gearing	148.1%	107.9%	251.5%	173.4%	164.1%	154.1%
Nebt debt/EBITDA	8.7	10.0	12.7	10.5	8.4	7.5
Book value per share (in CHF)	4.18	5.86	3.82	6.39	6.00	6.39
Return on equity (ROE)	3.9%	1.1%	2.8%	2.8%	3.3%	3.7%
Days sales outstanding (DSO)	49.5	81.5	36.7	50.0	50.0	50.0
Days inventory outstanding (DIO)	8.5	8.1	6.9	8.0	8.0	8.0
Days payables outstanding (DPO)	720.4	777.5	356.3	350.0	350.0	340.0

CASH FLOW STATEMENT

All figures in CHF '000	2013A	2014A	2015A	2016E	2017E	2018E
EBIT	**3,890**	**3,864**	**7,326**	**12,849**	**17,901**	**21,978**
Depreciation and amortisation	2,189	4,272	7,946	12,782	18,415	22,454
EBITDA	**6,079**	**8,136**	**15,272**	**25,630**	**36,316**	**44,431**
Changes in working capital	3,610	-4,170	-1,392	-679	-35	-690
Other adjustments	-2,049	-2,828	-3,982	-8,251	-11,551	-13,892
Operating cash flow	**7,640**	**1,138**	**9,898**	**16,701**	**24,730**	**29,850**
CAPEX	-23,152	-25,965	-36,838	-172,200	-84,840	-82,630
Investments in intangibles	-1,000	-861	-619	0	0	0
Free cash flow	**-16,512**	**-25,688**	**-27,558**	**-155,499**	**-60,110**	**-52,780**
Acquisitions & Disposals, net	864	464	-13,539	0	0	0
Other Investments	-5,054	-7,579	-5,203	0	0	0
Cash flow from investing	**-28,342**	**-33,941**	**-56,198**	**-172,200**	**-84,840**	**-82,630**
Debt financing, net	8,173	27,937	46,118	85,004	42,000	27,600
Equity financing, net	15,048	16,371	5,837	80,000	30,000	30,000
Other financing	-797	-1,624	-2,089	-3,774	-4,862	-6,214
Cash flow from financing	**22,424**	**42,684**	**49,866**	**161,230**	**67,138**	**51,386**
Forex & other effects	78	-141	-686	0	0	0
Net cash flows	**1,800**	**9,740**	**2,880**	**5,731**	**7,027**	**-1,394**
Cash, start of the year	4,873	6,673	16,413	19,293	25,024	32,051
Cash, end of the year	**6,673**	**16,413**	**19,293**	**25,024**	**32,051**	**30,657**
EBITDA/share (in CHF)	**1.06**	**0.69**	**0.83**	**1.11**	**1.23**	**1.36**

Y-Y Growth						
Operating cash flow	n.a.	-85.1%	769.8%	68.7%	48.1%	20.7%
Free cash flow	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.
EBITDA/share	n.a.	-34.2%	19.8%	33.1%	10.9%	11.1%

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	20 May 2015	CHF8.00	Buy	CHF10.50
2...2	↓	↓	↓	↓
3	24 August 2015	CHF8.45	Buy	CHF10.70
4	6 October 2015	CHF8.00	Buy	CHF10.70
5	18 December 2015	CHF8.70	Buy	CHF13.30
6	Today	CHF8.90	Buy	CHF13.30

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- **sensitivity of valuation parameters**

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