

# aventron AG

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

Final  
 2018 figures

**RATING**  
**BUY**

**PRICE TARGET**  
**CHF 13.50**

Return Potential 51.7%  
 Risk Rating low

## EARNINGS PER SHARE AND DIVIDEND INCREASE

aventron has reported final 2018 figures which matched the preliminary numbers. A leap in sales of 19% y/y at almost the same EBIT margin as in the previous year (30.7% versus 31.0%) demonstrates aventron's profitable growth. Despite the dilution resulting from the capital increase, earnings per share increased by 8% to CHF 0.27. The administrative board proposes a 9% higher dividend of CHF 0.25. For 2019, management expects sales of approx. CHF 102m at an EBIT margin of over 30%. An updated DCF model still yields a price target of CHF 13.50. Despite increased profitability and a significantly increased green power portfolio the share price has declined. We believe that this decline is fundamentally unjustified and confirm our Buy recommendation.

**Guidance signals continuation of profitable growth** For 2019, management expects sales of approximately CHF 102m at an EBIT margin of over 30%. This would correspond to sales and EBIT growth of approx. 11%. Prerequisites for this are a stable CHF/EUR exchange rate and average weather conditions. Our estimates for 2019 show a similar picture and we therefore regard the guidance as easily achievable. aventron intends to increase its total portfolio capacity to 600 MW by the end of 2020. Given the well-filled project pipeline, we expect the company to meet this target. aventron plans to build up a green power portfolio of 1,000 MW by 2030. Given aventron's successful track record of expanding its portfolio and the EU's evident political will to further increase the share of renewables in total electricity production, we also believe that this expansion target, which amounts to more than a doubling of the current 476 MW portfolio, is realistic.

(p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	2016	2017	2018	2019E	2020E	2021E
Revenue (CHF m)	48.46	77.14	91.79	101.62	109.30	114.97
Y-o-y growth	103.2%	59.2%	19.0%	10.7%	7.6%	5.2%
EBIT (CHF m)	13.77	23.92	28.18	30.97	33.28	34.71
EBIT margin	28.4%	31.0%	30.7%	30.5%	30.5%	30.2%
Net income (CHF m)	2.97	8.34	10.25	12.01	12.80	12.90
EPS (diluted) (CHF)	0.12	0.25	0.27	0.27	0.27	0.27
DPS (CHF)	0.21	0.23	0.25	0.25	0.25	0.25
FCF (CHFm)	7.38	25.35	24.61	-31.09	-38.82	2.84
Net gearing	170.8%	227.5%	172.4%	195.4%	172.6%	181.7%
Liquid assets (CHF m)	33.54	39.43	66.83	48.92	70.73	71.08

### RISKS

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

### COMPANY PROFILE

aventron AG is an owner and operator of small hydro power, wind power, and solar power plants. The portfolio comprises ca. 476 MW and is geographically diversified over Switzerland, France, Italy, Germany, Norway, and Spain. The company is located in Switzerland near Basel and is listed on the BX Berne eXchange.

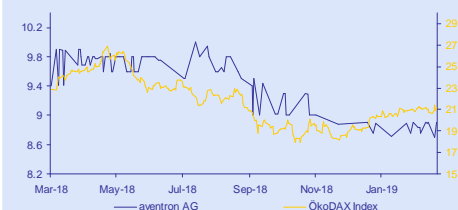
### MARKET DATA

As of 21 Mar 2019

Closing Price	CHF 8.90
Shares outstanding	43.73m
Market Capitalisation	CHF 389.19m
52-week Range	CHF 8.70 / 10.00
Avg. Volume (12 Months)	2,021

Multiples	2018	2019E	2020E
P/E	33.4	32.4	33.4
EV/Sales	8.7	7.8	7.3
EV/EBIT	28.2	25.7	23.9
Div. Yield	2.8%	2.8%	2.8%

### STOCK OVERVIEW



### COMPANY DATA

As of 31 Dec 2018

Liquid Assets	CHF 66.83m
Current Assets	CHF 101.83m
Intangible Assets	CHF 9.44m
Total Assets	CHF 748.87m
Current Liabilities	CHF 55.72m
Shareholders' Equity	CHF 235.22m

### SHAREHOLDERS

aventron Holding AG	61.9%
Stadtwerk Winterthur	7.7%
UBS Clean Energy Infrastructure	6.3%
Other investors	9.6%
Free Float	14.4%

**2018 saw strong and profitable growth** Sales rose by 19% to CHF 91.8m. Three factors were responsible for this. Firstly, the green power plants newly added to the portfolio in 2018 contributed to the growth. Secondly, the plants added in 2017 made a 12 month contribution for the first time. Thirdly, wholesale electricity prices in Europe increased significantly, ranging from 50 to 60 €/MWh in many large EU countries, while in 2017 they were mostly in the range of 40 to 50 €/MWh.

EBIT rose 18% to CHF 28.2m (see figure 1). The EBIT margin fell slightly from 31.0% to 30.7%. The slightly lower margin is attributable to the changed sales mix. The water segment, which has a comparatively lower EBIT margin, has increased its share of total sales by 4 percentage points.

Net income increased by 23% to CHF 10.2m. As a result of the higher number of shares, earnings per share rose by only 8% to CHF 0.27. The number of shares increased by 9.6m to 43.7m due to the capital increase carried out in the summer of 2018.

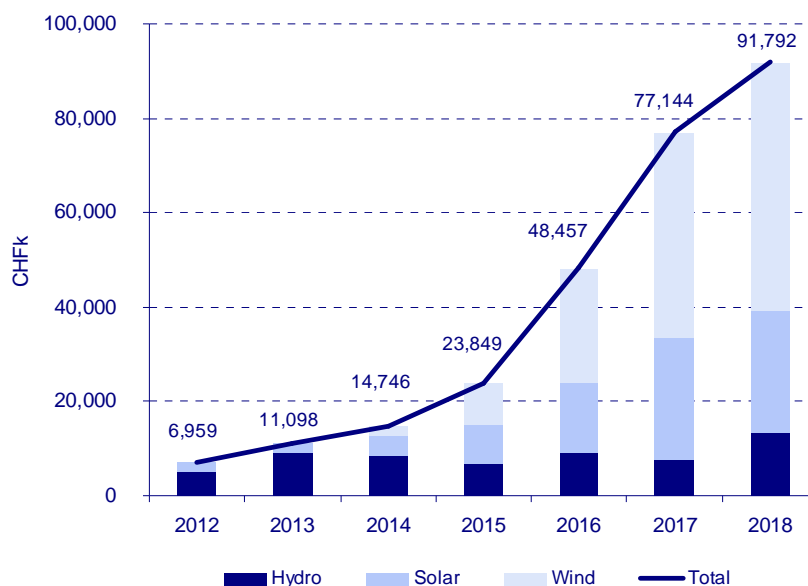
**Figure 1: Reported numbers versus estimates**

All figures in CHF m	2018A	2018E	Delta	2017A	Delta
Sales	91.79	91.80	0.0%	77.14	19.0%
EBIT	28.18	28.20	-0.1%	23.92	17.8%
Margin	30.7%	30.7%	-	31.0%	-
Net result	10.25	11.05	-7.3%	8.34	22.9%
Margin	11.2%	12.0%	-	10.8%	-
EPS (diluted, in CHF)	0.27	0.29	-8.6%	0.25	8.1%

Source: First Berlin Equity Research, aventron AG

A look at the longer-term sales trend shows that aventron has developed from a niche player into one of the largest Swiss green power producers (see figure 2).

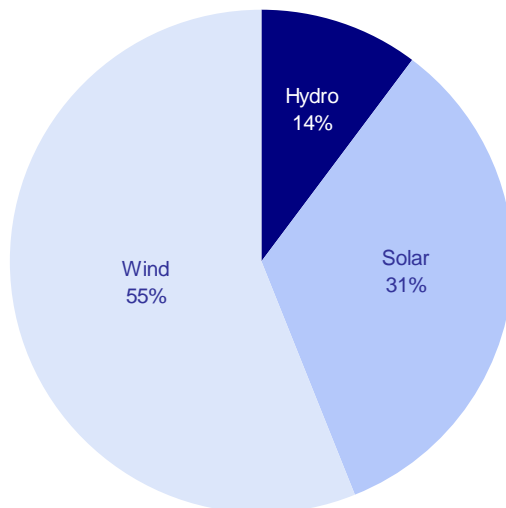
**Figure 2: Sales development 2012-2018 in CHF k**



Source: First Berlin Equity Research, aventron AG

**Sales split shows larger contribution from water segment** Due to the significant expansion of the hydropower portfolio and a rainy first half of the year the segment's sales share increased from 10% in 2017 to 14% in 2018 (see figure 3). The revenue shares of the wind and solar segments declined slightly. The wind segment continues to account for the largest share (55%), followed by solar (31%).

**Figure 3: Segment sales split in percent**



Source: First Berlin Equity Research, aventron AG

**Segment analysis reveals very strong growth in the water segment and strong growth in the wind segment** Sales in the water segment rose by 70% y/y to CHF 13.3m driven by portfolio expansions and high precipitation (see figure 4 overleaf). EBITDA almost doubled from CHF 3.4m to CHF 6.7m. The EBITDA margin increased from 43.5% to 50.5%. Depreciation and amortisation of CHF 2.9m led to EBIT of CHF 3.8m. Compared to the previous year this represents an increase of 168% (!). The EBIT margin increased from 18.2% to 28.7%.

The wind segment increased sales by 21% y/y to CHF 52.3m. Here, too, portfolio expansions were the key revenue driver. EBITDA was 19% y/y higher at CHF 38.8m. The EBITDA margin declined from 75.7% to 74.2%. Due to amortisation of CHF 21.8m, EBIT was CHF 17.0m. Compared to the previous year's figure of CHF 15.6m, this represents an increase of 9%. The EBIT margin fell from 36.3% to 32.5%.

Due to low capacity growth the solar segment only recorded a revenue increase of just below 1% to CHF 26.0m. EBITDA increased by 2% to CHF 20.7m. The EBITDA margin rose from 78.8% to 79.6%. Depreciation and amortisation in the solar segment amounted to CHF 11.7m. This resulted in EBIT of CHF 9.1m which corresponds to an increase of 6% compared to the previous year's figure of CHF 8.6m. The EBIT margin climbed from 33.3% to 34.8%.



Figure 4: Reported segment figures versus forecasts

All figures in CHFm	2018A	2018E	delta	2017A	delta
<b>Hydropower</b>					
Sales	13.28	12.87	3.2%	7.81	70.2%
EBITDA	6.70	7.09	-5.5%	3.40	97.2%
margin	50.5%	55.1%	-	43.5%	-
<b>Wind</b>					
Sales	52.28	51.18	2.1%	43.10	21.3%
EBITDA	38.78	38.74	0.1%	32.63	18.9%
margin	74.2%	75.7%	-	75.7%	-
<b>Solar</b>					
Sales	26.01	27.57	-5.6%	25.80	0.8%
EBITDA	20.71	20.78	-0.3%	20.33	1.9%
margin	79.6%	75.4%	-	78.8%	-
<b>Holding</b>					
Sales	2.86	2.58	10.7%	2.82	1.4%
EBITDA	-1.67	-2.41	n.m.	-1.57	n.m.
margin	n.m.	n.m.	-	n.m.	-
<b>Consolidation</b>					
Sales	-2.64	-2.40	-	-2.37	-
EBITDA	0.00	0.00	-	0.00	-
margin	-	-	-	-	-
<b>Group</b>					
Sales	91.79	91.80	0.0%	77.14	19.0%
EBITDA	64.52	64.20	0.5%	54.79	17.8%
margin	70.3%	69.9%	-	71.0%	-

Source: First Berlin Equity Research, aventron AG

**Balance sheet strengthened by capital increase** The capital increase of CHF 94.3m carried out in 2018 generated a cash inflow of CHF 35.4m and contributions in kind (wind farms and solar plants) worth CHF 58.9m. Property, plant and equipment rose from CHF 545m to CHF 606m (see figure 5 overleaf). Cash and cash equivalents amounted to CHF 67m at the end of the year (end of 2017: CHF 39m).

Equity increased from CHF 186m to CHF 235m and the equity ratio rose from 27.1% to 31.4%. While long-term financial debt increased by just below CHF 21m to CHF 441m, short-term financial debt fell by nearly CHF 11m to CHF 31m. Net debt even declined by 4% to almost CHF 406m. Net gearing fell from 228% to 172%. Overall, despite the extensive portfolio expansion, aventron has significantly improved its balance sheet metrics compared to the previous year and is well prepared for further acquisitions thanks to an ample cash position.

**Figure 5: Selected balance sheet figures**

in CHFm	2017A	2018A	Delta
Property, plant & equipment	544.5	605.8	11%
<b>Non-current assets, total</b>	<b>607.6</b>	<b>647.0</b>	<b>6%</b>
Cash and cash equivalents	39.4	66.8	69%
Inventories	0.1	0.1	-28%
Receivables	11.0	12.0	9%
<b>Current assets, total</b>	<b>79.4</b>	<b>101.8</b>	<b>28%</b>
Equity	186.0	235.2	26%
<i>Equity ratio</i>	<i>27.1%</i>	<i>31.4%</i>	<b>16%</b>
Payables	7.8	9.1	17%
Financial debt (long-term)	420.5	441.2	5%
Financial debt (short-term)	42.0	31.2	-26%
Net debt	423.0	405.5	-4%
<i>Net gearing</i>	<i>227.5%</i>	<i>172.4%</i>	-24%
<b>Balance sheet total</b>	<b>686.9</b>	<b>748.9</b>	<b>9%</b>

Source: First Berlin Equity Research, aventron AG

**High operating cash flow** aventron increased its cash flow from operating activities by 34% to CHF 68m and has once again demonstrated that its business is strongly cash generative (see figure 6). Despite extensive investments in property, plant and equipment (CHF 43m) and in the acquisition of consolidated holdings (CHF 16m), cash outflow from investing activities was only CHF 15m. This was due largely to divestment of financial assets (CHF 20m) and acquired cash through acquisitions and contributions in kind (CHF 25m). The high level of operating cash flow, the comparatively low cash outflow from investing activities and the funds from the capital increase (CHF 34.6m) enabled aventron to repay net financial debt of CHF 33m. Interest and dividend payments of CHF 16m and CHF 8m respectively resulted in cash outflow from financial activities of CHF 24m.

**Figure 6: Cash flow statement**

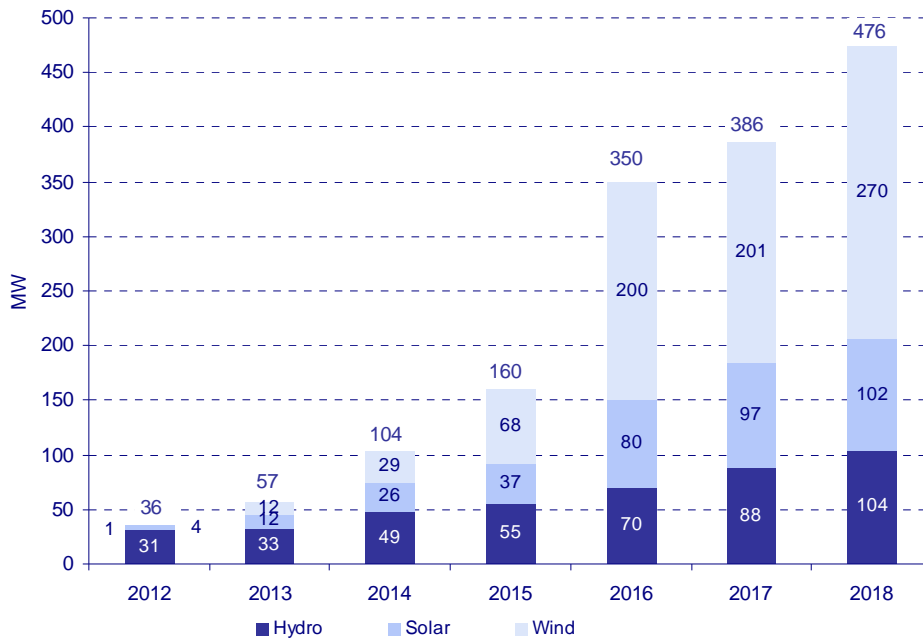
in CHFm	2017A	2018A
Operating cash flow	50.58	67.85
Investing cash flow	-67.75	-14.67
Cash flow financing activities	20.70	-23.93
FOREX & other effects	2.36	-1.85
Net cash flow	5.90	27.40

Source: First Berlin Equity Research, aventron AG

**Portfolio capacity significantly increased** In 2018, aventron increased its portfolio by 90 MW or 23% to 476 MW (see figure 7 overleaf). In addition to acquisitions in the hydropower segment, whose capacity rose from 88 MW to 104 MW, two contributions in kind as part of the capital increase in 2018 contributed in particular to this increase. Firstly, the remaining 35% stake in leading swiss renewables AG from the ewb Group and secondly the Spanish wind farm Puerto Real (42 MW) from the EBM Group. Following the sale of the 21.8% stake in UNITE SA in France, aventron now holds majority interests only.



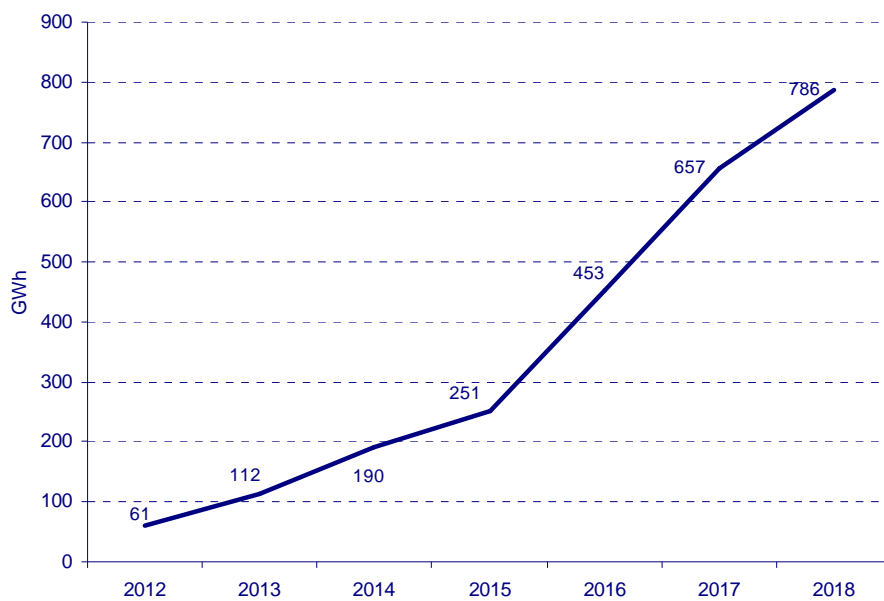
**Figure 7: Portfolio capacity development 2012-2018**



Source: First Berlin Equity Research, aventron AG

**Power production increased by 20%** The portfolio expansion led to an increase in power production by 20% to 786 GWh (see figure 8). The hydropower segment contributed 200.5 GWh (just under 26%) and the solar segment 110.3 GWh (14%). The largest contributor was the wind segment with 475 GWh (just over 60%). The geographical diversification of the portfolio across six countries contributed to the stabilisation of the results. While hours of sunshine in northern Europe were above the long-term average, the south had a below-average solar year.

**Figure 8: Power production development 2012-2018**

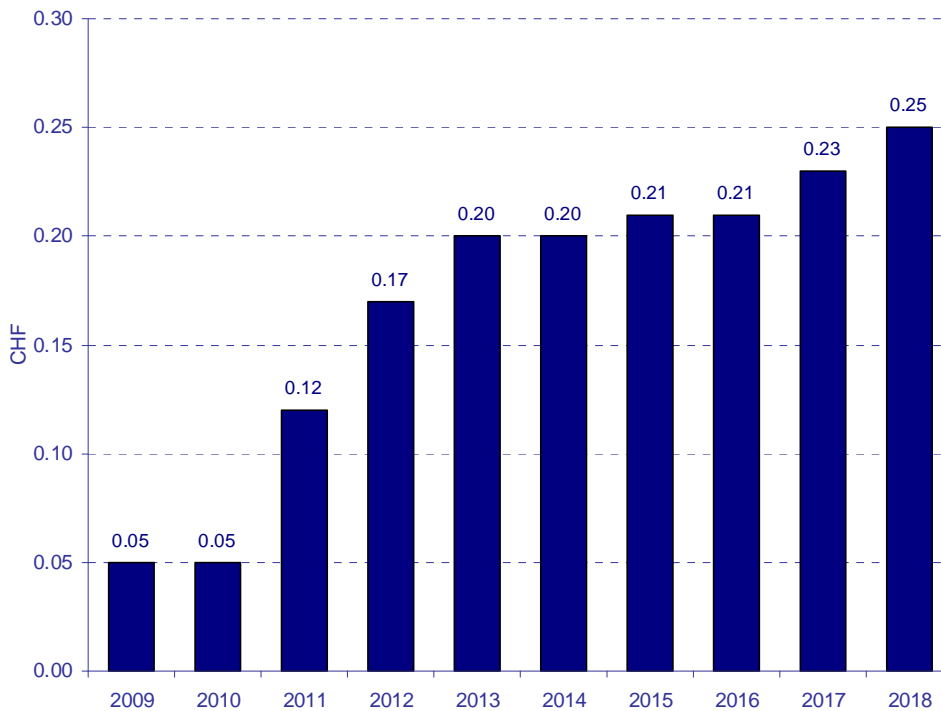


Source: First Berlin Equity Research, aventron AG



**Dividend increases by 9% to CHF 0.25** The dividend proposal by the administrative board amounts to CHF 0.25 after CHF 0.23 last year. This would represent an increase of almost 9% and a dividend yield of just under 3%. aventron is thus continuing its flawless dividend history (see figure 9).

**Figure 9: Dividend development 2009-2018**



Source: First Berlin Equity Research, aventron AG

**Significant increase in number of employees from 11 to 24** aventron is continuously expanding its team to monitor its growing portfolio. At the beginning of 2019, 24 staff worked directly for the company. In France in particular, aventron has built up extensive in-house skills. The team there is involved in the technical management of hydropower plants and also handles the planning and project development of replacement investment measures internally. We see the strengthening of existing in-house skills and structures as well as the associated increase in personnel as an important building block for further profitable growth.

**Large expansion of the solar portfolio planned** In Spain, aventron is developing two PV projects whose electricity will be sold directly via long-term private power purchase agreements (PPA). These projects will thus not need any direct government support. Each of the two solar parks is slated to have a capacity of 50 MW and feed-in approx. 95m kWh. As aventron already has many years of experience in commercial power sales in the water segment, we believe that the company will also successfully apply this principle in the solar segment.

**Estimates only slightly adjusted** Company guidance for 2019 largely corresponds to our previous forecast. We have accounted for the increased level of wholesale electricity prices in our estimates for 2019E and the following years and therefore slightly increased them. For 2020E we have integrated a 10% capital increase into our model. This explains the slight decline in our EPS estimate (see figure 10 overleaf).

**Figure 10: Revisions to forecasts**

All figures in CHFm	2019E			2020E			2021E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	100.52	101.62	1.1%	108.14	109.30	1.1%	113.71	114.97	1.1%
EBIT	30.35	30.97	2.0%	32.77	33.28	1.6%	33.68	34.71	3.1%
margin	30.2%	30.5%		30.3%	30.5%		29.6%	30.2%	
Net income	11.49	12.01	4.5%	12.28	12.80	4.2%	11.98	12.90	7.7%
margin	11.4%	11.8%		11.4%	11.7%		10.5%	11.2%	
EPS (diluted, in CHF)	0.26	0.27	4.6%	0.28	0.27	-5.3%	0.27	0.27	-2.1%

Source: First Berlin Equity Research

**Equity story still intact** The arguments for the aventron share remain valid:

- aventron pursues a conservative and solid business model whose risks are limited.
- The company has a clean track record and has been growing profitably for years.
- The increasing size of the green power portfolio which is excellently diversified across six countries and three technologies, increases the stability of returns.
- About 80% of sales are hedged over the long term via feed-in tariffs.
- The company is pursuing a clearly defined growth strategy with the aim of expanding the total capacity of the green power portfolio to around 1,000 MW by 2030.
- In view of the ever more noticeable effects of climate change, the EU will continue to pursue an ambitious climate policy in the coming years and continue the expansion of renewable energies.

After the coal compromise in Germany, more than 40,000 MW of coal capacity will be removed from the grid by 2038. The emerging electricity gap has to be largely closed by additional renewable energy capacity and increases market opportunities for green power portfolio operators such as aventron.

**Buy reiterated at unchanged price target** An updated DCF model still yields a CHF 13.50 price target. After the share price decline in recent months, we believe the stock is attractively valued and confirm our Buy recommendation. The upside is currently 52%.





## VALUATION MODEL

DCF valuation model								
All figures in CHF '000	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E
Net sales	101,616	109,300	114,970	119,910	124,368	127,578	130,795	138,687
<b>NOPLAT</b>	<b>28,276</b>	<b>30,222</b>	<b>31,623</b>	<b>33,263</b>	<b>34,160</b>	<b>34,480</b>	<b>34,830</b>	<b>37,668</b>
+ depreciation & amortisation	38,733	41,761	44,168	45,449	46,633	47,586	48,415	49,123
Net operating cash flow	67,009	71,982	75,790	78,712	80,793	82,066	83,245	86,791
- total investments (CAPEX and WC)	-98,102	-110,799	-72,945	-73,012	-70,544	-69,731	-68,849	-67,624
Capital expenditures	-97,348	-110,120	-72,086	-72,786	-70,494	-69,739	-68,858	-67,440
Working capital	-754	-679	-859	-227	-50	8	9	-184
Free cash flows (FCF)	-31,093	-38,817	2,845	5,700	10,249	12,335	14,396	19,167
<b>PV of FCF's</b>	<b>-30,233</b>	<b>-36,400</b>	<b>2,573</b>	<b>4,972</b>	<b>8,623</b>	<b>10,009</b>	<b>11,267</b>	<b>14,468</b>

All figures in thousands	
PV of FCFs in explicit period (2019E-2033E)	140,025
PV of FCFs in terminal period	904,040
Enterprise value (EV)	1,044,065
+ Net cash / - net debt (pro forma)	-405,533
+ Investments / minority interests	8,195
Shareholder value	646,727
Diluted number of shares	47,829
<b>Fair value per share in CHF</b>	<b>13.52</b>

<b>WACC</b>	<b>3.7%</b>
Cost of equity	6.4%
Pre-tax cost of debt	3.0%
Tax rate	19.0%
After-tax cost of debt	2.4%
Share of equity capital	31.5%
Share of debt capital	68.5%
<b>Price target in CHF</b>	<b>13.50</b>

		Terminal growth rate						
		0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%
WACC	2.9%	17.76	19.80	22.24	25.19	28.84	33.49	39.58
	3.1%	15.37	17.06	19.05	21.25	24.29	27.85	32.37
	3.3%	13.32	14.74	16.38	18.32	20.62	23.42	26.88
	3.5%	11.54	12.74	14.12	15.72	17.61	19.85	22.57
	3.7%	9.98	11.01	12.18	13.52	15.08	16.91	19.10
	3.9%	8.61	9.49	10.49	11.63	12.94	14.46	16.24
	4.1%	7.39	8.16	9.02	9.99	11.10	12.37	13.85
	4.3%	5.79	6.46	7.21	8.05	9.00	10.07	11.31

\* for layout purposes the model shows numbers only to 2026, but runs until 2033



## INCOME STATEMENT

All figures in CHF '000	2015A	2016A	2017A	2018A	2019E	2020E	2021E
<b>Revenues</b>	<b>23,849</b>	<b>48,457</b>	<b>77,144</b>	<b>91,792</b>	<b>101,616</b>	<b>109,300</b>	<b>114,970</b>
Cost of goods sold	4,603	9,184	11,759	15,146	16,970	18,581	19,545
<b>Gross profit</b>	<b>19,246</b>	<b>39,273</b>	<b>65,385</b>	<b>76,646</b>	<b>84,646</b>	<b>90,719</b>	<b>95,425</b>
Personnel costs	1,145	1,750	2,161	2,886	3,560	3,788	4,053
Other operating income	897	1,000	1,653	2,156	2,032	2,186	2,299
Other operating expenses	4,047	6,469	10,317	11,651	13,418	14,074	14,796
<b>EBITDA</b>	<b>14,951</b>	<b>32,054</b>	<b>54,787</b>	<b>64,522</b>	<b>69,701</b>	<b>75,043</b>	<b>78,876</b>
Depreciation and amortisation	7,946	18,289	30,869	36,342	38,733	41,761	44,168
<b>Operating income (EBIT)</b>	<b>7,005</b>	<b>13,765</b>	<b>23,918</b>	<b>28,180</b>	<b>30,968</b>	<b>33,283</b>	<b>34,708</b>
Net financial result	-3,381	-9,036	-12,937	-15,643	-16,015	-17,171	-18,469
Non-operating expenses	321	-25	-361	442	0	0	0
<b>Pre-tax income (EBT)</b>	<b>3,945</b>	<b>4,704</b>	<b>10,620</b>	<b>12,979</b>	<b>14,953</b>	<b>16,111</b>	<b>16,239</b>
Income taxes	1,052	759	1,937	1,813	2,691	3,061	3,085
Minority interests	-957	-976	-342	-919	-250	-250	-250
<b>Net income / loss</b>	<b>1,936</b>	<b>2,969</b>	<b>8,341</b>	<b>10,247</b>	<b>12,011</b>	<b>12,800</b>	<b>12,904</b>
<b>EPS (diluted, in CHF)</b>	<b>0.11</b>	<b>0.12</b>	<b>0.25</b>	<b>0.27</b>	<b>0.27</b>	<b>0.27</b>	<b>0.27</b>
<b>Ratios</b>							
Gross margin on revenues	80.7%	81.0%	84.8%	83.5%	83.3%	83.0%	83.0%
EBITDA margin on revenues	62.7%	66.1%	71.0%	70.3%	68.6%	68.7%	68.6%
EBIT margin on revenues	29.4%	28.4%	31.0%	30.7%	30.5%	30.5%	30.2%
Net margin on revenues	8.1%	6.1%	10.8%	11.2%	11.8%	11.7%	11.2%
Tax rate	26.7%	16.1%	18.2%	14.0%	18.0%	19.0%	19.0%
<b>Expenses as % of revenues</b>							
Personnel costs	4.8%	3.6%	2.8%	3.1%	3.5%	3.5%	3.5%
Depreciation and amortisation	33.3%	37.7%	40.0%	39.6%	38.1%	38.2%	38.4%
Other operating expenses	17.0%	13.3%	13.4%	12.7%	13.2%	12.9%	12.9%
<b>Y-Y Growth</b>							
Revenues	61.7%	103.2%	59.2%	19.0%	10.7%	7.6%	5.2%
Operating income	81.3%	96.5%	73.8%	17.8%	9.9%	7.5%	4.3%
Net income/ loss	164.5%	53.4%	180.9%	22.9%	17.2%	6.6%	0.8%



## BALANCE SHEET

All figures in CHF '000	2015A	2016A	2017A	2018A	2019E	2020E	2021E
<b>Assets</b>							
<b>Current assets, total</b>	<b>39,070</b>	<b>62,993</b>	<b>79,354</b>	<b>101,827</b>	<b>86,287</b>	<b>109,791</b>	<b>111,608</b>
Cash and cash equivalents	19,293	33,538	39,433	66,829	48,918	70,727	71,078
Short-term investments	845	663	463	446	446	446	446
Receivables	2,400	9,096	10,998	11,982	14,198	15,871	17,324
Inventories	87	83	109	78	232	255	268
Other current assets	16,445	19,613	28,351	22,492	22,492	22,492	22,492
<b>Non-current assets, total</b>	<b>268,546</b>	<b>514,393</b>	<b>607,562</b>	<b>647,041</b>	<b>705,656</b>	<b>774,016</b>	<b>801,935</b>
Property, plant & equipment	232,392	461,399	544,538	605,816	664,185	732,306	760,015
Goodwill & other intangibles	3,602	6,052	10,024	9,439	9,686	9,924	10,134
Other assets	32,552	46,942	53,000	31,786	31,786	31,786	31,786
<b>Total assets</b>	<b>307,616</b>	<b>577,386</b>	<b>686,916</b>	<b>748,868</b>	<b>791,944</b>	<b>883,807</b>	<b>913,543</b>
<b>Shareholders' equity &amp; debt</b>							
<b>Current liabilities, total</b>	<b>32,068</b>	<b>40,676</b>	<b>67,040</b>	<b>55,715</b>	<b>57,462</b>	<b>69,570</b>	<b>70,177</b>
Short-term debt	14,996	20,211	41,972	31,193	30,000	40,000	40,000
Accounts payable	4,493	6,603	7,766	9,076	10,693	11,709	12,316
Current provisions	0	0	0	0	0	0	0
Other current liabilities	12,579	13,862	17,302	15,446	16,768	17,861	17,861
<b>Long-term liabilities, total</b>	<b>199,994</b>	<b>347,595</b>	<b>433,908</b>	<b>457,935</b>	<b>497,935</b>	<b>532,935</b>	<b>560,935</b>
Long-term debt	194,333	336,408	420,479	441,169	481,169	516,169	544,169
Deferred revenue	0	0	0	0	0	0	0
Other liabilities	5,661	11,187	13,429	16,766	16,766	16,766	16,766
<b>Minority interests</b>	<b>6,983</b>	<b>26,008</b>	<b>29,671</b>	<b>7,749</b>	<b>7,999</b>	<b>8,249</b>	<b>8,499</b>
<b>Shareholders' equity</b>	<b>68,571</b>	<b>163,107</b>	<b>156,297</b>	<b>227,469</b>	<b>228,548</b>	<b>273,053</b>	<b>273,931</b>
Share capital	19,451	34,105	34,105	43,729	43,729	48,102	48,102
Capital reserve	120,015	229,732	216,912	286,277	286,277	325,634	325,634
Other reserves	0	0	0	0	0	0	0
Treasury stock	-100	-204	-622	-2,122	-2,122	-2,122	-2,122
Loss carryforward / retained earnings	-70,795	-100,526	-94,098	-100,415	-99,336	-98,561	-97,683
<b>Total consolidated equity and debt</b>	<b>307,616</b>	<b>577,386</b>	<b>686,916</b>	<b>748,868</b>	<b>791,944</b>	<b>883,807</b>	<b>913,543</b>
<b>Ratios</b>							
Current ratio (x)	1.22	1.55	1.18	1.83	1.50	1.58	1.59
Quick ratio (x)	1.22	1.55	1.18	1.83	1.50	1.57	1.59
Net debt	190,036	323,081	423,018	405,533	462,251	485,442	513,091
Net gearing	251.5%	170.8%	227.5%	172.4%	195.4%	172.6%	181.7%
Net debt/EBITDA	12.7	10.1	7.7	6.3	6.6	6.5	6.5
Book value per share (in CHF)	3.53	4.78	4.58	5.20	5.23	5.68	5.69
Return on equity (ROE)	2.8%	1.8%	5.3%	4.5%	5.3%	4.7%	4.7%
Return on investment (ROI)	0.6%	0.5%	1.2%	1.4%	1.5%	1.4%	1.4%
Return on assets (ROA)	2.1%	2.2%	3.3%	3.6%	3.6%	3.5%	3.5%
Return on capital employed (ROCE)	3.3%	3.5%	4.2%	4.4%	4.5%	4.4%	4.4%
Days sales outstanding (DSO)	36.7	68.5	52.0	47.6	51.0	53.0	55.0
Days inventory outstanding (DIO)	6.9	3.3	3.4	1.9	5.0	5.0	5.0
Days payables outstanding (DPO)	356.3	262.4	241.1	218.7	230.0	230.0	230.0



## CASH FLOW STATEMENT

All figures in CHF '000	2015A	2016A	2017A	2018A	2019E	2020E	2021E
<b>EBIT</b>	<b>7,326</b>	<b>13,765</b>	<b>23,918</b>	<b>28,180</b>	<b>30,968</b>	<b>33,283</b>	<b>34,708</b>
Depreciation and amortisation	7,946	18,289	30,869	36,342	38,733	41,761	44,168
<b>EBITDA</b>	<b>15,272</b>	<b>32,054</b>	<b>54,787</b>	<b>64,522</b>	<b>69,701</b>	<b>75,043</b>	<b>78,876</b>
Changes in working capital	-1,392	-1,928	-3,461	5,049	-754	-679	-859
Other adjustments	-3,982	-350	-742	-1,726	-2,691	-3,061	-3,085
<b>Operating cash flow</b>	<b>9,898</b>	<b>29,776</b>	<b>50,584</b>	<b>67,845</b>	<b>66,256</b>	<b>71,303</b>	<b>74,931</b>
CAPEX	-36,838	-20,854	-25,216	-43,081	-96,535	-109,300	-71,282
Investments in intangibles	-619	-1,542	-19	-155	-813	-820	-805
<b>Free cash flow</b>	<b>-27,558</b>	<b>7,380</b>	<b>25,349</b>	<b>24,609</b>	<b>-31,093</b>	<b>-38,817</b>	<b>2,845</b>
Acquisitions & Disposals, net	-13,539	-31,348	-40,511	29,684	0	0	0
Other Investments	-5,203	110	-1,999	-1,116	0	0	0
<b>Cash flow from investing</b>	<b>-56,198</b>	<b>-53,634</b>	<b>-67,745</b>	<b>-14,668</b>	<b>-97,348</b>	<b>-110,120</b>	<b>-72,086</b>
Debt financing, net	46,118	-2,742	37,428	-32,792	38,807	45,000	28,000
Equity financing, net	5,837	55,004	2,463	33,090	0	43,730	0
Other financing	-2,089	-4,790	-7,185	-7,827	-9,610	-10,932	-12,025
<b>Cash flow from financing</b>	<b>49,866</b>	<b>38,420</b>	<b>20,696</b>	<b>-23,927</b>	<b>13,182</b>	<b>60,627</b>	<b>-2,494</b>
Forex & other effects	-686	-317	2,360	-1,854	0	0	0
<b>Net cash flows</b>	<b>2,880</b>	<b>14,245</b>	<b>5,895</b>	<b>27,396</b>	<b>-17,911</b>	<b>21,809</b>	<b>351</b>
Cash, start of the year	16,413	19,293	33,538	39,433	66,829	48,918	70,727
<b>Cash, end of the year</b>	<b>19,293</b>	<b>33,538</b>	<b>39,433</b>	<b>66,829</b>	<b>48,918</b>	<b>70,727</b>	<b>71,078</b>
<b>EBITDA/share (in CHF)</b>	<b>0.83</b>	<b>1.29</b>	<b>1.61</b>	<b>1.68</b>	<b>1.59</b>	<b>1.56</b>	<b>1.64</b>
<b>Y-Y Growth</b>							
Operating cash flow	769.8%	200.8%	69.9%	34.1%	-2.3%	7.6%	5.1%
Free cash flow	n.m.	n.m.	243.5%	-2.9%	n.m.	n.m.	n.m.
EBITDA/share	19.8%	54.8%	25.0%	4.3%	-5.0%	-2.1%	5.1%

**FIRST BERLIN RECOMMENDATION & PRICE TARGET HISTORY**

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	20 May 2015	CHF8.00	Buy	CHF10.50
2...15	↓	↓	↓	↓
16	18 September 2018	CHF9.80	Buy	CHF13.50
17	16 January 2019	CHF8.88	Buy	CHF13.50
18	20 February 2019	CHF8.71	Buy	CHF13.50
19	Today	CHF8.90	Buy	CHF13.50

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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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