Company Analysis

DR. KALLIWODA | RESEARCH GmbH

Equity Research

July 22th, 2019

Europe | Switzerland | Alternative Energy

DR. KALLIWODA
RESEARCH GmbH

Review

BUY

Price Target: CHF 14,80

Industry:	Alternative Energy
Country:	Switzerland
ISIN:	CH0023777235
Bloomberg:	AVEN SW
Reuters:	AVENT.BN
Website:	www.aventron.com

Last Price:		CHF 9,25
	High	**Low**
Price 52 W.:	10,40	8,70
Market Cap. (CHF m)		404,49
No. of Shares (in m)		43,73

Shareholders	
Aventron Holding AG	61,90%
Stadtwerk Winterthur	7,70%
UBS CES II	6,30%
Reichmuth Infrastruktur	6,10%
Gebäudeversich. Bern	3,40%
Free Float	14,40%

Performance	
4 Weeks	3,93%
13 Weeks	4,04%
52 Weeks	-4,54%

Dividend	**in CHF**	**in %**
2015	0,20	2,25%
2016	0,21	2,40%
2017	0,21	2,36%
2018	0,23	2,27%

3-year Chart

Analyst

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aventron AG

Strong results, positive outlook, new business deals

- aventron results in 2018 were solid and stable. Moreover, Sales stood at CHF 91,8 million which beat estimates last revised up following mid-year results to CHF 90,0 million, up 19% vs. 2017. Earnings equally beat estimates as EBIT at CHF 28,2 million was up 17.8% vs. 2017 and earnings per share were up 8% to CHF 0,265 taking into account a higher number of shares outstanding following the capital increase mid-year.

- The Swiss company completed the debt financing for its Bargas solar park in Spain with a capacity of (50MW). The completion of this project will be the largest in the company's history. Following the completion of this project, which is planned by 2020, the group overall green power portfolio capacity will be set around 500 MW.

- aventron continues to capitalize on several strategic business deals in its homeland. The company will construct the second largest solar power plant in the country. The 6.5 MW power plant will be constructed on the roof tops of Aldi Swiss in Perlen.

- The strong operating results in 2018 were recorded despite mediocre operating environment, which proves the efficacy of the group well-functioning diversification policy and, at the same time, reflects economies of scale and positive contributions from operational optimisations such as the introduction of digital asset management instruments.

- Significant increases in earnings and cash flow lead to proposal of a 9% higher dividend to CHF 0,23. aventron has been profitable since its inception in 2005 and has been paying a dividend since its listing providing a 2.3% dividend yield in recent years.

- The strategic new business deals as well as our DCF model both confirm our buy rating. We raise our price target to CHF 14,80. Against this backdrop, and considering the consistent execution by management, the stock appears attractively valued.

Key Figures

EURm	2014	2015	2016	2017	2018	2019E	2020I
Net sales	14,7	23,8	48,5	77,1	91,8	102,1	112,3
EBITDA	8,1	15,0	32,1	54,8	64,5	71,3	78,2
EBIT	3,9	7,0	13,8	23,9	28,2	31,9	34,9
Net income	0,7	1,9	3,0	8,3	10,2	11,0	12,0
EPS	0,1	0,1	0,1	0,2	0,3	0,3	0,3
BVPS	5,9	3,8	6,6	5,5	6,1	5,6	5,8
RoE	1,7%	2,8%	2,6%	4,8%	4,9%	4,6%	4,8%
EBIT margin	26,2 %	29,4 %	28,4 %	31,0 %	30,7 %	31,2 %	31,1
P/E	151,0x	88,2x	79,7x	38,8x	35,8x	37,8x	34,5x
P/BVPS	1,6x	2,5x	1,4x	1,7x	1,6x	1,7x	1,6x
EV/EBITDA	80,2x	43,7x	20,4x	19,7x	16,8x	15,2x	13,8x

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Content

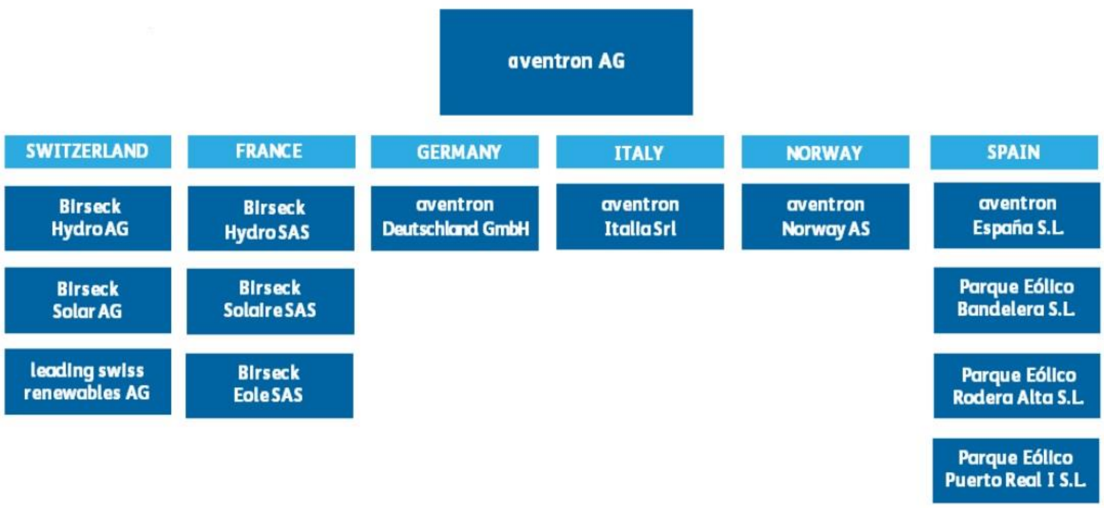
1 Company Profile

Aventron AG is a European, independent energy producer that produces electricity from renewable energies. The company was founded in 2005 by the Swiss company Electra Birseck Münchenstein (EBM) as Kleinkraftwerk Birseck (KKB) and consisted initially of a small hydroelectric power station. Since inception, the company has been profitable every year and has paid dividends to its shareholders On April 3rd, 2018, EBM Greenpower AG and ewb Natur Energie GmbH founded aventron Holding AG and bundled their 20.927.203 shares representing 61,4% of outstanding shares. 90% of the share capital is held by Swiss energy utilities and Swiss institutional investors.

Aventron AG pursues a profitable, diversified growth strategy and is today active in 6 European countries operating hydro, wind and solar power plants: Switzerland, Norway, Germany, France, Spain and Italy. As at 31.12.2018, the installed capacity is 476 MW, making Aventron one of the three largest independent energy producers in the renewable energy sector in Switzerland.

1.1 Company Structure

Aventron manages 167 power plants via 85 fully consolidated operating companies from its headquarters in Münchenstein, Switzerland, having 6 asset managers with country responsibility. The asset managers are in close contact with over 30 external service companies. In addition, one legal and one tax advisor are available per country. In France, the operational and project management in small hydropower is carried out via 13 own employees in the subsidiary Birseck Hydro SAS. Aventron currently has 24 employees.



1.2 Diversified Production Base

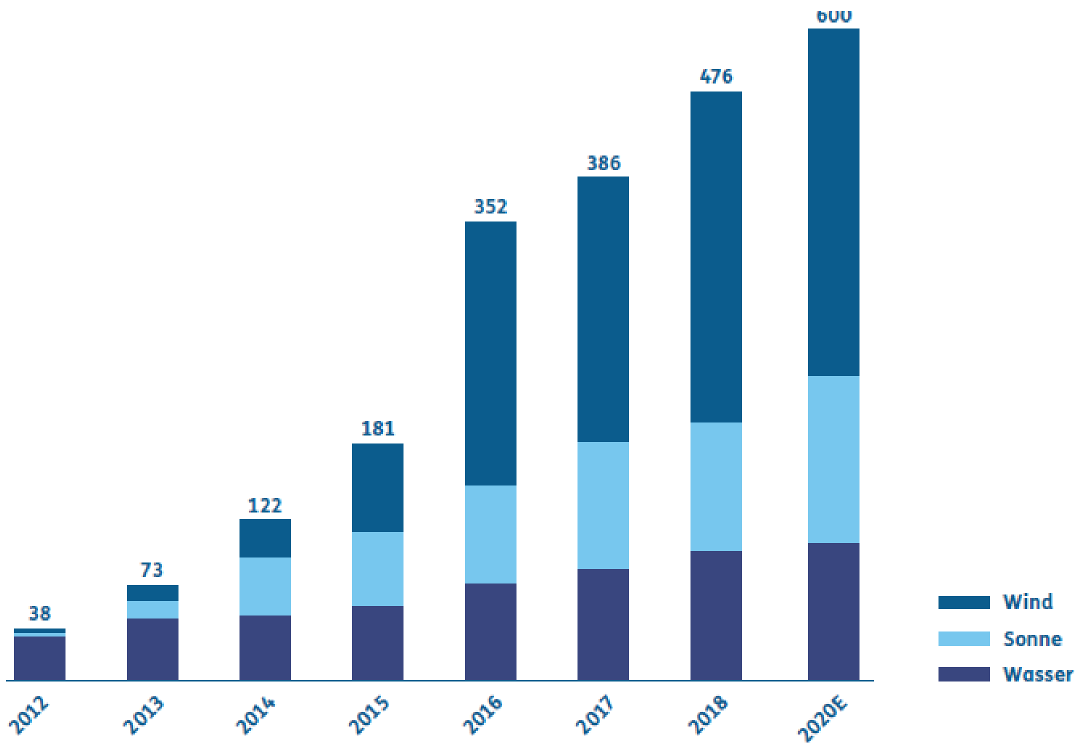
In 2016, the investment portfolio was substantially expanded through the acquisition of wind farms in Spain and the expansion of capacity in France. The installed capacity was almost doubled from 181 MW to 351 MW. Wind power capacity more than tripled from 68 MW to 200 MW and solar capacity more than doubled from 37 MW to 80 MW. In 2017, total capacity was further expanded by around 10% to 386 MW, primarily through the acquisition of solar power plants in Switzerland and Italy. At the end of 2018, total capacity reached 476 MW, up another 23% and within reach of the medium term goal to reach 500 MW. The company has now set a new 2020 goal to reach 600 MW production capacity

Breakdown by generation technology (installed capacity)

As at end of 2018 (2017): Wind 270 MW (201 MW), Solar 102MW (97 MW), Hydro power 104 MW (88 MW).

The current structure of assets by energy source has a wind share of over 50%, while sun and water each reach somewhat less than 25%. The following graph illustrates the development of installed capacity in the years 2011 thru 2020 (based on company estimates).

Installed Capacity at the end of 2018



Source: aventron AG

1.3 Company Strategy

Aventron acquires construction-ready or existing power plants up to 50 MW and operates them. Due to the very successful expansion of the power plant portfolio the company has increased its long-term growth targets to an installed capacity of 1000 MW by the year 2030. By 2020, the intermediate goal of 500 MW has now been expanded to 600 MW. In addition to these quantitative targets, the company also sets qualitative goals such as geographic and technological diversification of the asset portfolio and leveraging asset management and operational synergies. For example, electricity production from wind power should not exceed 50% of total corporate revenue, while solar and hydro power should each account for 25% of sales. In order to minimize country risks, none of the 6 countries that are the current focus of investment should generate more than 40% of sales.

At the level of financing, aventron seeks debt financing of around two thirds of the project costs. Financing should be raised in local currency. The financing structure should provide for amortization within two-thirds of the funding period.

1.4 Business 2018

Following the strong capacity expansion in 2016 with an increase in installed capacity from 181 MW to 351 MW and a period of consolidation in 2017 during which nevertheless the company increased production capacity by a further 10% or 35 MW to 386 MW, 2018 saw an acceleration of growth. An addition of 23% of energy generating assets particularly in wind and hydropower allowed aventron to reach 476 MW of production capacity, closing in on its intermediate target of 500 MW that had originally been set for the year 2020.

Financially, aventron added strength to its balance sheet, successfully completing a capital increase in July, 2018, that increased cash by CHF 35,4 million and assets by CHF 58,9 million. While adding assets from the core shareholders that in April founded Aventron Holding AG to pool their equity holdings in aventron AG, the company sold its minority holding in the French UNITe SA and now basically holds all energy generating assets directly. Financial assets were thereby reduced from CHF 53,0 million to CHF 31,8 million, shareholders equity increased to CHF 235,2 million, or 31% of total assets, from CHF 186,0 million. Liquid funds amounted to CHF 66,8 million as of yearend.

Positive sales, earnings and margin development

in CHFm	2016	2017	2018
Net sales	**48,46**	**77,14**	**91,79**
EBITDA	**32,05**	**54,79**	**64,52**
EBITDA margin	*66,1%*	*71,0%*	*70,3%*
EBIT	**13,77**	**23,92**	**28,18**
EBIT margin	*28,4%*	*31,0%*	*30,7%*
Net income	**2,97**	**8,34**	**10,25**
Net margin	*6,1%*	*10,8%*	*11,2%*

Source: Dr. Kalliwoda Research 2019

Despite a somewhat challenging operating environment that saw a stronger first half particularly in wind and hydro but lower wind and hydro results driven by a very hot and dry summer in Northern

Europe that on the other hand led to positive solar production results, aventron generated sales of almost CHF 92 million, beating our estimates, up 19 % vs. 2017, and achieved an EBIT of CHF 28,2 million, up 17.8% vs. 2017. Despite a higher number of shares outstanding following the capital increase, earnings per share were up 8% to CHF 0,265. EBIT margins at 30.7% were stable vs. last year despite operating expenses that were 22% higher vs. 2017, reflecting the addition of new assets and somewhat higher personnel expenses.

Net income amounted to CHF 10,25 million after CHF 8,34 million in the previous year.

Segment analysis reveals strong EBIT growth in Hydro while Wind stagnates at high levels

Segment Sales and EBIT margins according to segments

	2017	2018
Hydro		
Sales CHF m	8.026	13.476
% of net sales	10,2%	14,3%
EBIT CHF m	1422	3811
EBIT margin	17,7%	28,3%
Wind		
Sales CHF m	44.167	53.050
% of net sales	55,9%	56,3%
EBIT CHF m	15.624	16.996
EBIT margin	35,4%	32,0%

	2017	2018
Solar		
Sales CHF m	26.193	27.372
% of net sales	33,1%	29,1%
EBIT CHF m	8.580	9.061
EBIT margin	32,8%	33,1%
Corporate		
Sales CHF m	638	307
% of net sales	0,8%	0,3%
EBIT CHF m	-1.708	-1.688
EBIT margin	-267,7%	-549,8%

Source: Dr. Kalliwoda Research GmbH © 2019

The segment analysis shows that while the wind sector was the dominating source of revenue and earnings, as in the previous years, Hydro has caught up substantially both in terms of revenues and profits.

Wind segment slightly below expectations

In wind, electricity production was slightly below expectations due to another relatively weak wind year, with very uneven results in the 4 wind production countries. However, due to further acquisition activity in 2018, wind power production increased from 390 GWh to 475 GWh (+22%). Segment sales increased by 20% to CHF 53,1 million. EBIT in the wind sector was up 8.8% to CHF 17,0 million. The EBIT margin was down to 32.0% from 35.4% in 2017.

Solar segment revenues up maintaining high EBIT margin

In the Solar segment, electricity production increased from 107.1 GWh to 110.3 GWh (+3%) due to the addition of another 5 production sites. Segment sales increased by 4.5% to CHF 27,4 million. Thanks to the above-average level of solar irradiation in the Northern European countries, EBIT reached CHF 9,1 million, up 5.6% on the previous year, allowing an expansion of the EBIT margin to 33.1% after 32.8% in the previous year.

Hydro power significantly expanding production and margins

Electricity production from hydropower was up significantly, reaching 200.5 GWh vs. 159.7 GWh in the previous year, mostly due to new production sites. After a very humid first half of the year, the second half was characterized by pronounced dryness. As electricity prices were generally somewhat higher, segment sales were up significantly by 68% reaching CHF 13,5 million. EBIT expanded even more, almost tripling to CHF 3,8 million, with EBIT margins expanding from 17.7% to 28.3%.

2018 results again confirmed the benefits of diversification in terms of geography and source of energy.

2 SWOT

Strength	Weaknesses
• Broad regional and technological diversification of investments reduces operational risks. • Slim cost structure. Outsourcing of technical management and project-related consulting competencies • Conservative accounting and financing practices, sound capital structure. Immediate amortization of the good will on acquisitions. • High visibility of the project pipeline secures growth strategy. • Experienced management with many years of track record in project business. Disciplined investment approach with clearly defined purchase criteria. Competent supervisory body with extensive industry knowledge. • Loyal, long-term oriented anchor shareholders from the energy and financial sectors.	• Limited free float and low market capitalization could make access to the capital market more difficult and make it difficult to achieve the growth targets. • Dependence on major shareholders • High dependency on feed-in tariffs harbors regulatory risks
Opportunities	**Risks**
• Active investment approach to portfolio optimization • Use of economies of scale • Optimization of plant operation and plant monitoring	• Competition for projects, especially from the financial sector, could continue to increase. • Regulatory risks • Currency risks • Individual project risks • Dependence on key personnel and international partners. Very small staffing • Strong structural changes in the energy market

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3 Valuation

Our DCF model for Aventron AG arrives at a 12-month fair value of CHF 15.20 per share. A fair value discounted discounted cash flow model was used to calculate the fair value. The discount rate was calculated by deriving the weighted cost of capital. We assumed that the target capital structure will not change in the following fiscal years. The presentation of a risk premium follows the CAPM model and in particular includes the systemic risks (market risk, Company-specific risk). The consolidated financial statements of aventron AG were used as the data base for the valuations. The year-end valuation date was taken into account by discounting the operating free cash flows to the valuation date. Insofar as non-operating assets were available; their value was determined separately and allocated to the cash value of the distributions.

This is followed by the residual value phase, where we have calculated a growth rate of 2% p.a.

3.1. WACC & DCF

WACC assumptions	
Equity	
Long-term risk free rate	2.5%
Market risk premium	5.8%
Beta	0.75
Equity costs	**6.8%**
Debt	
Debt costs (before tax)	2.4%
Taxe rate on debt interest	20.0%
Debt costs (after tax)	**1.9%**
Equity value	33.0%
Debt Value	67.0%
Gearing	203.0%
WACC	**3.5%**

Discounted-Cash-Flow-Modell (Basis 12/2018)

in CHF m	2018	2019E	2020E	2021E	2022E	2023E	2024E	2025E
Net sales	**91,8**	**102,1**	**112,3**	**117,9**	**123,8**	**130,0**	**136,5**	**143,3**
(y-o-y change)	19,0%	11,2%	10,0%	5,0%	5,0%	5,0%	5,0%	5,0%
EBIT	**28,2**	**31,9**	**34,9**	**36,6**	**38,3**	**40,2**	**42,1**	**44,1**
(EBIT margin)	29,9%	30,6%	30,5%	30,4%	30,4%	30,4%	30,3%	30,3%
NOPLAT	**22,5**	**25,5**	**27,9**	**29,3**	**30,7**	**32,1**	**29,5**	**30,9**
+ Depreciation and Amortization	36,3	39,4	43,3	45,5	47,7	50,1	52,6	55,3
= Net operating cash flow	58,9	64,9	71,2	74,7	78,4	82,3	82,1	86,2
- Total investments (Capex and WC)	-97,3	-100,5	-77,3	-52,0	-54,3	-56,7	-59,3	-61,9
Capital expenditure	-97,6	-99,9	-76,6	-52,5	-54,8	-57,3	-59,8	-62,5
Working capital	0,4	-0,6	-0,6	0,4	0,5	0,5	0,6	0,6
= Free cash flow (FCF)	-38,4	-35,7	-6,0	22,7	24,1	25,5	22,8	24,2
PV of FCF's	**-38,4**	**-34,6**	**-5,7**	**20,7**	**21,3**	**21,9**	**19,0**	**19,5**

PV of FCFs in explicit period	43,7
PV of FCFs in terminal period	1.037,3
Enterprise value (EV)	**1.081,0**
+ Net cash / - net debt	-405,5
+ Investitionen / - Minderheiten	-105,4
Shareholder value	**570,1**
Number of shares outstanding (m)	**38,6**
WACC Assumptions	
WACC	3,2%
Cost of equity	7,8%
Pre-tax cost of debt	2,3%
Normal tax rate	30,0%
After-tax cost of debt	1,6%
Share of equity	25,0%
Share of debt	75,0%
Fair value per share in € (today)	**14,8**
Fair value per share in € (in 12 months)	**15,2**

4 Review of Financial Results

4.1. Financial Result 12M/2018

The financial results for 2018 reflect the capital increase that was carried out in July, 2018, and the resulting dilution effect. While sales rose 19% to CHF 91,8 million, reflecting the build out of the asset portfolio, EBITDA increased by 18% to CHF 64,5 million and EBIT by 18% to CHF 28,2 million. Net profit rose 23% to CHF 10.2 million. Earnings per share increased to CHF 0,265 (previous year: CHF 0.245).

The balance sheet total expanded to CHF 749 million from CHF 686,9 million, mainly due to the acquisition of solar power plants in Switzerland, new wind projects in Norway and Germany and the addition of assets from hydro construction projects in France and Norway. Property, plant and equipment increased by 11% or CHF 118,5 million to CHF 606 million. Liquidity increased from CHF 39,4 million to CHF 66.8 million. On the liabilities side, short-term financial liabilities were lower at CHF 31,2 million vs. CHF 42 million. Non-current financial liabilities increased from CHF 420 million to CHF 441 million. Overall, financial debt rose to CHF 472 million. Net financial debt amounted to CHF 403 million (2016: CHF 423 million).

Equity increased following the capital increase from CHF 186,0 million to CHF 235,2 million. The equity ratio improved from 27% to 31%.

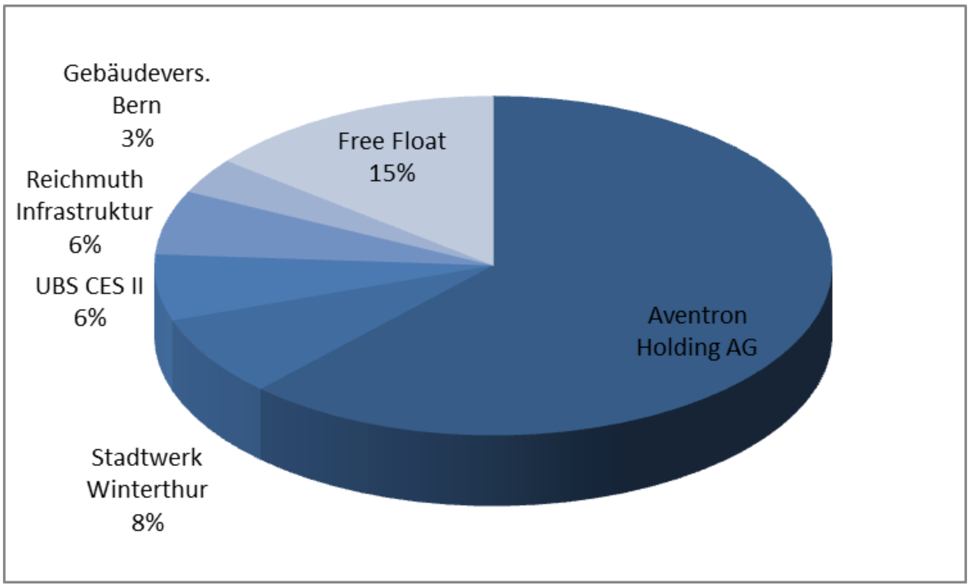
Higher operating cash flow

Operating cash flow amounted to CHF 67,8 million after CHF 50,6 million in 2017. Investments in property, plant and equipment and the acquisition of consolidated participations totaled CHF 59,2 million. Total investment outflow amounted to CHF 14,7 million after CHF 67,7 million in 2017. Cash flow from financing activities amounted to CHF 23,9 after CHF 20,7 million in 2017. Aventron received CHF 32,8 million (CHF 37,4 million) from borrowings, paying CHF 7,8 million in dividends and CHF 16,3 million (CHF 12,0 million) in interest.

5 Outlook

Management proposes a 9% increase in the dividend to CHF 0.23. This corresponds to a dividend yield of 2.3%. For 2019, aventron plans sales of approximately CHF 102 million with an EBIT margin of approximately 30%. The plant portfolio is to be expanded further. Looking at the company's existing project pipeline, it seems likely that aventron will succeed in reaching its revised 2020 capacity target of 600 MW.

6 Shareholders Structure



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7. Financial Statements

7.1. Profit & loss Statement

Profit and Loss statement - Aventron AG							
	Fiscal year						
in mCHF	2014	2015	2016	2017	2018	2019E	2020E
Net sales	**14,75**	**23,85**	**48,46**	**77,14**	**91,79**	**102,07**	**112,28**
Change in inventories	*0,00*	*0,00*	*0,00*	*0,00*	*0,00*	*0,00*	*0,00*
Capitalised assets	*0,00*	*0,00*	*0,00*	*0,23*	*0,26*	*0,00*	*0,00*
other operating income	0,54	0,90	1,00	1,65	2,16	2,19	2,23
Total Output	**15,29**	**24,75**	**49,46**	**79,02**	**94,21**	**104,27**	**114,51**
Cost of goods sold	-3,24	-4,60	-9,18	-11,76	-15,15	-16,84	-18,53
Gross profit	**12,05**	**20,14**	**40,27**	**67,27**	**79,06**	**87,43**	**95,99**
Personnel costs	-0,68	-1,15	-1,75	-2,16	-2,89	-3,21	-3,53
Depreciation & Amortization	-4,27	-7,95	-18,29	-30,87	-36,34	-39,37	-43,30
Write-downs	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other operating expenses	-3,23	-4,05	-6,47	-10,32	-11,65	-12,96	-14,25
EBIT	**3,86**	**7,01**	**13,77**	**23,92**	**28,18**	**31,89**	**34,90**
Net financial results	-2,03	-3,38	-9,04	-13,07	-15,62	-17,18	-18,90
EBT	**1,84**	**3,62**	**4,73**	**10,84**	**12,56**	**14,71**	**16,00**
Income taxes	-0,82	-1,05	-0,76	-1,94	-1,81	-2,94	-3,20
Minority interests	-0,42	-0,96	-0,98	-0,34	-0,92	-0,80	-0,76
Net income / loss	**0,60**	**1,62**	**2,99**	**8,57**	**9,83**	**10,97**	**12,04**
EPS	0,06	0,11	0,12	0,25	0,27	0,25	0,28
Change y-o-y							
Net sales	#DIV/0!	61,73%	103,18%	59,20%	18,99%	11,20%	10,00%
Total Output	404,59%	61,85%	99,86%	59,78%	19,21%	10,68%	9,83%
Cost of goods sold	#DIV/0!	41,94%	99,52%	28,04%	28,80%	11,20%	10,00%
Gross profit	297,56%	67,22%	99,94%	67,02%	17,53%	10,58%	9,79%
Personnel costs	-96,53%	68,14%	52,84%	23,49%	33,55%	11,20%	10,00%
Depreciation & Amortization	-0,84%	85,96%	130,17%	68,78%	17,73%	8,32%	10,00%
Other operating expenses	-62,18%	25,33%	59,85%	59,48%	12,93%	11,20%	10,00%
EBIT	-113,01%	81,34%	96,50%	73,76%	17,82%	13,18%	9,44%
Net financial results	35,97%	66,88%	167,26%	44,69%	19,49%	10,00%	10,00%
EBT	-105,89%	97,28%	30,49%	129,31%	15,81%	17,13%	8,78%
Income taxes	-67,12%	28,76%	-27,85%	155,20%	-6,40%	62,26%	8,78%
Net income / loss	-101,79%	168,27%	85,39%	na	na	11,63%	9,78%
EPS	-100,77%	71,24%	10,72%	na	na	-5,36%	9,78%
Share in total revenues							
Net sales	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %	101,00 %
Total Output	103,68 %	103,76 %	102,06 %	102,44 %	102,63 %	102,15 %	101,99 %
Cost of goods sold	-21,99 %	-19,30 %	-18,95 %	-15,24 %	-16,50 %	-16,50 %	-16,50 %
Gross profit	81,69 %	84,46 %	83,11 %	87,19 %	86,13 %	85,65 %	85,49 %
Personnel costs	-4,62 %	-4,80 %	-3,61 %	-2,80 %	-3,14 %	-3,14 %	-3,14 %
Depreciation & Amortization	-28,98 %	-33,32 %	-37,74 %	-40,01 %	-39,59 %	-38,57 %	-38,57 %
Write-downs	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Other operating expenses	-21,90 %	-16,97 %	-13,35 %	-13,37 %	-12,69 %	-12,69 %	-12,69 %
EBIT	26,20 %	29,37 %	28,41 %	31,00 %	30,70 %	31,25 %	31,08 %
Net financial results	-13,74 %	-14,18 %	-18,65 %	-16,95 %	-17,02 %	-16,84 %	-16,84 %
EBT	12,46 %	15,20 %	9,76 %	14,06 %	13,68 %	14,41 %	14,25 %
Income taxes	-5,54 %	-4,41 %	-1,57 %	-2,51 %	-1,98 %	-2,88 %	-2,85 %
Minority interests	-2,83 %	-4,01 %	-2,01 %	-0,44 %	-1,00 %	-0,78 %	-0,68 %
Net income / loss	4,08 %	6,77 %	6,18 %	11,10 %	10,70 %	10,75 %	10,72 %

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7.2. Balance Sheet

Balance Sheet - Aventron AG

in mCHF	Fiscal year						
	2014	2015	2016	2017	2018	2019E	2020E
Assets							
Cash and cash equivalents	16,41	19,29	33,54	39,43	66,83	41,43	38,38
Inventories	0,07	0,09	0,08	0,11	0,08	0,10	0,11
Trade accounts and notes receivables	3,29	2,40	9,10	11,00	11,98	13,18	14,50
Other current assets	10,28	17,29	20,28	16,06	11,62	12,78	13,04
Current assets	**30,06**	**39,07**	**62,99**	**66,60**	**90,51**	**67,50**	**66,03**
Property, plant and equipment	134,83	232,39	461,40	544,54	605,82	666,40	699,72
Goodwill + intangible assets	3,12	3,60	6,05	10,02	9,44	9,91	10,41
Firmenwert	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other assets	28,18	32,55	46,94	53,00	31,79	33,38	35,04
Deferred tax assets	0,00	0,00	0,00	12,29	10,87	0,00	0,00
Non-current assets	**166,122**	**268,546**	**514,393**	**619,849**	**657,911**	**709,684**	**745,168**
Total assets	**196,18**	**307,62**	**577,39**	**686,45**	**748,42**	**777,18**	**811,20**
Liabilities							
Trade payables	6,91	4,49	6,60	7,77	9,08	9,71	10,39
Other liabilities	11,04	8,52	9,14	10,93	9,47	10,13	10,84
Short-term financial debt	2,16	15,00	20,21	41,97	31,19	33,38	35,71
Provisions	1,80	4,06	4,72	6,38	5,98	6,40	6,85
Current liabilities	**21,91**	**32,07**	**40,68**	**67,04**	**55,72**	**59,62**	**63,79**
Long-term financial debt	95,29	194,33	336,41	420,48	441,17	460,00	480,00
Special benefits	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Pension obligations	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Deferred tax liabilities	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other non-current liabilities	3,89	5,66	11,19	13,43	16,77	13,43	13,43
Non-current liabilities	**95,29**	**199,99**	**347,60**	**433,91**	**457,94**	**473,43**	**493,43**
Total liabilities	**117,20**	**232,06**	**388,27**	**500,95**	**513,65**	**533,04**	**557,22**
Shareholders equity	**68,62**	**68,57**	**163,11**	**185,97**	**235,22**	**244,14**	**253,98**
Minority interests	6,47	6,98	26,01	29,67	7,75	8,14	8,54
Total equity and liabilities	**192,28**	**307,62**	**577,39**	**716,59**	**756,62**	**785,32**	**819,74**

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Equity Research

7.3. Cash Flow Statement

Cash Flow statement - Aventron AG

in mCHF	Fiscal year 2014	2015	2016	2017	2018	2019E	2020E
Net income	0,7	1,9	3,0	8,3	10,2	11,0	12,0
Depreciation & Amortisation	4,3	7,9	18,3	30,9	36,3	39,4	43,3
Others	0,3	1,4	8,5	11,4	-0,6	0,9	-0,4
Net operating cash flow	**5,3**	**11,3**	**29,8**	**50,6**	**46,0**	**51,2**	**54,9**
Cash flow from investing	**-38,5**	**-56,2**	**-53,6**	**-65,4**	**-114,5**	**-97,6**	**-80,3**
Free cash flow	-33,2	-44,9	-23,9	-14,8	-68,5	-46,4	-25,4
Cash flow from financing	**42,7**	**49,9**	**38,4**	**20,7**	**95,9**	**21,0**	**22,3**
Change in cash	9,5	5,0	14,2	5,9	27,4	-25,4	-3,0
Cash, start of the year	-	16,4	19,3	33,5	39,4	66,8	41,4
Cash, end of the year	16,4	19,3	33,5	39,4	66,8	41,4	38,4

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7.4. Ratios

Fiscal year	2014	2015	2016	2017	2018	2019E	2020E
Gross margin	78,8%	81,4%	81,4%	85,1%	83,9%	83,8%	83,8%
EBITDA margin	53,2%	60,4%	64,8%	69,3%	68,5%	68,3%	68,3%
EBIT margin	25,3%	28,3%	27,8%	30,3%	29,9%	30,6%	30,5%
Net margin	4,8%	7,8%	6,0%	10,6%	10,9%	10,5%	10,5%
Return on equity (ROE)	1,7%	2,8%	2,6%	4,8%	4,9%	4,6%	4,8%
Return on assets (ROA)	2,2%	2,1%	2,7%	3,4%	3,6%	3,7%	3,9%
Return on capital employed (ROCE)	1,3%	1,9%	1,6%	3,2%	3,3%	3,6%	3,7%
Net debt (in EURm)	81,0	190,0	323,1	423,0	405,5	451,9	477,3
Net gearing	118,1%	277,1%	198,1%	227,5%	172,4%	185,1%	187,9%
Equity ratio	35,0%	22,3%	28,2%	27,1%	31,4%	31,4%	31,3%
Current ratio	137,2%	121,8%	154,9%	118,4%	182,0%	113,2%	103,5%
Quick ratio	90,0%	67,6%	104,8%	75,2%	141,5%	91,6%	82,9%
Net interest cover	1,9	2,1	1,5	1,8	1,8	1,9	1,8
Net debt/EBITDA	9,96	12,71	10,08	7,72	6,29	6,34	6,10
CAPEX/Sales	817,3%	442,4%	510,3%	147,8%	106,3%	97,9%	68,2%
Working capital/Sales	-29,2%	28,4%	28,3%	11,0%	5,6%	6,1%	5,7%
EV/Sales	73,3	45,3	22,3	14,0	11,8	10,6	9,6
EV/EBITDA	132,9	72,3	33,7	19,7	16,8	15,2	13,8
EV/EBIT	279,8	154,3	78,5	45,2	38,4	33,9	31,0
P/BVPS	1,6	2,4	1,4	1,7	1,5	1,7	1,6
P/E	147,0	85,9	77,6	37,7	34,9	36,9	33,6
P/FCF	-1,1	-0,8	-1,6	-2,6	-0,6	-0,8	-1,5

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