

<b>Hold</b>  <b>EUR 19.00</b>  Price <b>EUR 16.00</b> <b>Upside 18.8 %</b>	<b>Value Indicators:</b> EUR DCF: 19.22	<b>Share data:</b> Bloomberg: IVX GR Reuters: IVXG ISIN: DE0005859698	<b>Description:</b> InVision is a leading supplier of software for WFM and for online training
	<b>Market Snapshot:</b> EUR m Market cap: 35.8 No. of shares (m): 2.2 EV: 35.0 Freefloat MC: 14.4 Ø Trad. Vol. (30d): 16.73 th	<b>Shareholders:</b> Freefloat: 40.4 % Peter Bollenbeck: 17.0 % InVision Holding GmbH: 13.0 % Matthias Schroer: 11.3 % Armand Zohari: 10.0 %	<b>Risk Profile (WRe):</b> 2019e Beta: 1.9 Price / Book: 3.4 x Equity Ratio: 86 %

## Stable at a low level

<b>Stated Figures Q2/2019:</b>				<b>Comment on Figures:</b>			
in EUR m	Q2/19	Q2/19e	Q2/18	yoy	6M/19	6M/18	yoy
<b>Sales</b>	3.2	3.5	3.3	-2.5%	6.4	6.3	0.9%
<b>EBIT</b>	0.2	0.2	0.0	-	0.4	0.0	688.8%
<i>margin</i>	5.7%	5.7%	0.0%		5.7%	0.7%	

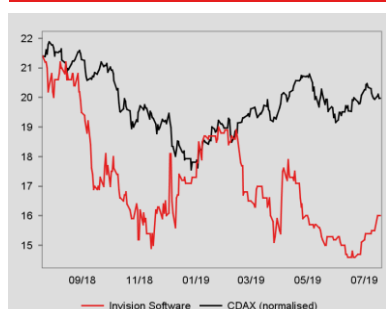
- On 18.7.2019, the company presented its H1/Q2 2019 results.
- These were in line with expectations; only sales did not fully meet the forecast (WRe).
- However, due to strong cost control, a satisfactory earnings figure was achieved.

InVision presented solid figures for the first half of the year. EBIT in the first six months of the current financial year rose significantly compared with the same period of the previous year. This is primarily the result of lower personnel costs, mainly due to the closure of the site in Derry, Northern Ireland, in the fourth quarter of 2018. For the remainder of the year, a slight increase in personnel is now planned – particularly in marketing and sales.

For the full-year earnings forecast (WRe), this means that sales are expected to rise again slightly towards the end of the year. However, costs will increase again as well. From today's point of view, the sales expectation (WRe EUR 13.5m) is still achievable assuming favourable conditions. Earnings expectations (WRe) should be well achieved in light of earnings in the first half of the year.

The key question remains whether the current structural focus will lead to a noticeable increase in new customers in the medium term. So far, this does not appear to be the case.

**The share continues to be rated as Hold with a price target of EUR 19.**

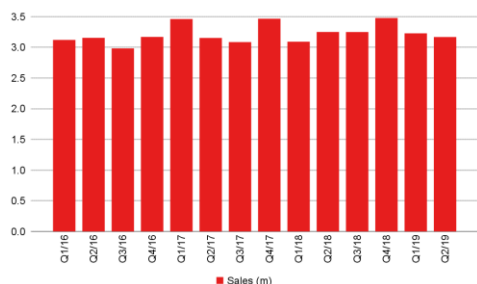


<b>Rel. Performance vs CDAX:</b>	
1 month:	9.3 %
6 months:	-19.5 %
Year to date:	-19.6 %
Trailing 12 months:	-19.8 %

**Company events:**  
05.11.19 Q3

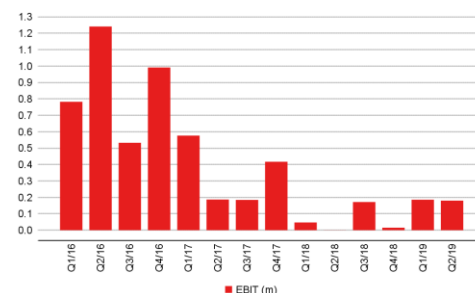
FY End: 31.12. in EUR m	CAGR (18-21e)	2015	2016	2017	2018	2019e	2020e	2021e
<b>Sales</b>	4.4 %	12.7	12.4	13.2	13.1	13.5	14.2	14.9
Change Sales yoy		-5.2 %	-2.2 %	5.9 %	-0.7 %	3.3 %	5.0 %	5.0 %
Gross profit margin		97.1 %	97.7 %	98.9 %	98.6 %	98.5 %	98.5 %	98.5 %
<b>EBITDA</b>	27.9 %	3.2	4.2	1.9	0.8	1.1	1.5	1.7
Margin		25.2 %	33.6 %	14.3 %	6.3 %	8.5 %	10.5 %	11.5 %
<b>EBIT</b>	72.2 %	2.7	3.5	1.4	0.2	0.7	1.0	1.2
Margin		21.1 %	28.5 %	10.4 %	1.8 %	5.0 %	7.0 %	8.0 %
<b>Net income</b>	-	2.1	2.3	0.8	-0.2	0.4	0.7	0.9
<b>EPS</b>	-	0.97	1.04	0.36	-0.09	0.16	0.31	0.40
<b>EPS adj.</b>	-	0.98	1.05	0.36	-0.09	0.16	0.31	0.40
<b>DPS</b>	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>FCFPS</b>		-0.02	1.60	0.03	-0.16	0.16	0.03	0.13
<b>FCF / Market cap</b>		0.0 %	3.8 %	0.1 %	-0.7 %	1.0 %	0.2 %	0.8 %
<b>EV / Sales</b>		8.2 x	7.3 x	5.0 x	3.6 x	2.6 x	2.5 x	2.3 x
<b>EV / EBITDA</b>		32.6 x	21.8 x	35.3 x	57.9 x	30.5 x	23.5 x	20.2 x
<b>EV / EBIT</b>		39.0 x	25.7 x	48.5 x	203.6 x	51.8 x	35.2 x	29.1 x
<b>P / E</b>		47.9 x	40.0 x	83.2 x	n.a.	100.0 x	51.6 x	40.0 x
<b>P / E adj.</b>		47.4 x	39.6 x	83.2 x	n.a.	100.0 x	51.6 x	40.0 x
<b>FCF Potential Yield</b>		0.3 %	2.1 %	1.1 %	0.1 %	-0.8 %	0.2 %	0.8 %
<b>Net Debt</b>		1.8	-1.8	-0.7	-0.4	-0.8	-0.8	-1.1
<b>ROCE (NOPAT)</b>		23.4 %	24.7 %	9.8 %	n.a.	3.8 %	6.8 %	8.3 %
<b>Guidance:</b>	n.a.							

**Sales development**  
in EUR m



Source: Warburg Research

**EBIT development**  
in EUR m



Source: Warburg Research

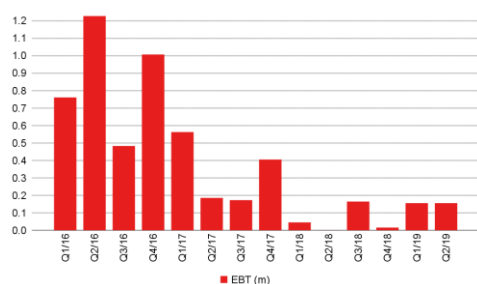
**Company Background**

- InVision supplies call centre employees with workforce management software and e-learning solutions
- Since 2011 InVision has been providing new cloud-based software products (software as a service, SaaS, cloud) which represent an increasingly important source of earnings for the company

**Competitive Quality**

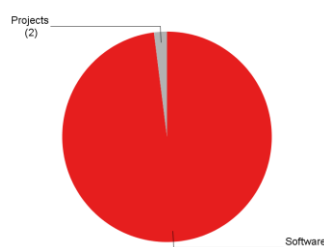
- InVision has many years of experience in the call centre and WFM field
- Cloud-based products were further developed in 2011, making InVision a first mover in the field of cloud-based WFM solutions. This was also the case for the firm's second product range, cloud-based training
- The products in the field of SaaS possesses a very modern software architecture and structure (decentralised approach)
- Significant market entry barriers posed are development costs, acquired customer base and technological lead (first mover)
- The SaaS model is mainly of interest for the huge market of smaller users.

**EBT development**  
in EUR m



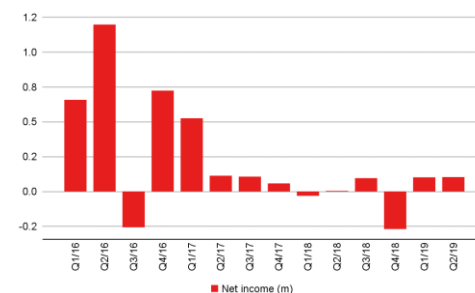
Source: Warburg Research

**Sales by segments**  
2019e; in %



Source: Warburg Research

**Net income development**  
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	
Sales	13.5	14.2	14.9	15.8	16.9	18.2	19.9	21.7	23.6	25.7	28.1	30.6	33.3	
Sales change	3.3 %	5.0 %	5.0 %	6.0 %	7.0 %	8.0 %	9.0 %	9.0 %	9.0 %	9.0 %	9.0 %	9.0 %	9.0 %	3.0 %
EBIT	0.7	1.0	1.2	1.6	2.5	3.6	5.0	6.5	8.3	9.0	9.8	10.7	11.7	
EBIT-margin	5.0 %	7.0 %	8.0 %	10.0 %	15.0 %	20.0 %	25.0 %	30.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	
Tax rate (EBT)	45.0 %	30.5 %	25.4 %	30.0 %	25.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	
NOPAT	0.4	0.7	0.9	1.1	1.9	2.9	4.0	5.2	6.6	7.2	7.9	8.6	9.3	
Depreciation in % of Sales	0.5 3.5 %	0.5 3.5 %	0.5 3.5 %	0.3 2.0 %	0.3 2.0 %	0.4 2.0 %	0.4 2.0 %	0.4 2.0 %	0.5 2.0 %	0.5 2.0 %	0.6 2.0 %	0.6 2.0 %	0.7 2.0 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Change in Liquidity from														
- Working Capital	-0.6	0.0	1.7	-0.2	-0.2	-0.2	0.1	0.2	0.2	0.2	0.2	0.5	-0.1	
- Capex	1.1	1.1	1.1	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.6	0.6	0.7	
Capex in % of Sales	8.3 %	7.9 %	7.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	0.4	0.1	-1.4	1.3	2.1	3.1	3.8	5.0	6.4	7.0	7.6	8.0	9.4	10
PV of FCF	0.3	0.1	-1.1	0.9	1.2	1.7	1.8	2.1	2.4	2.4	2.3	2.1	2.2	25
share of PVs	-1.59 %			43.98 %										57.61 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.80
Cost of debt (after tax)	4.2 %	Liquidity (share)	2.00
Market return	7.00 %	Cyclicality	1.80
Risk free rate	1.50 %	Transparency	2.00
		Others	2.00
<b>WACC</b>	<b>12.06 %</b>	<b>Beta</b>	<b>1.92</b>

Valuation (m)

Present values 2031e	18		
Terminal Value	25		
Financial liabilities	0		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	0	No. of shares (m)	2.2
<b>Equity Value</b>	<b>43</b>	<b>Value per share (EUR)</b>	<b>19.22</b>

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	3.50 %	3.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
2.10	13.1 %	15.78	15.98	16.19	16.41	16.64	16.88	17.14	2.10	13.1 %	15.42	15.75	16.08	16.41	16.74	17.07	17.40
2.01	12.6 %	17.00	17.23	17.48	17.73	18.00	18.29	18.59	2.01	12.6 %	16.68	17.03	17.38	17.73	18.08	18.43	18.78
1.97	12.3 %	17.66	17.91	18.18	18.45	18.75	19.06	19.38	1.97	12.3 %	17.37	17.73	18.09	18.45	18.82	19.18	19.54
1.92	12.1 %	18.36	18.63	18.92	19.22	19.54	19.87	20.23	1.92	12.1 %	18.10	18.47	18.85	19.22	19.59	19.97	20.34
1.87	11.8 %	19.10	19.39	19.70	20.03	20.38	20.75	21.14	1.87	11.8 %	18.88	19.26	19.65	20.03	20.42	20.80	21.19
1.83	11.6 %	19.89	20.20	20.54	20.90	21.28	21.68	22.10	1.83	11.6 %	19.70	20.10	20.50	20.90	21.30	21.70	22.09
1.74	11.1 %	21.60	21.98	22.38	22.81	23.26	23.74	24.25	1.74	11.1 %	21.52	21.95	22.38	22.81	23.23	23.66	24.09

- Moderate demand for cloud solutions are the basis for the revenue and earnings expectations.
- Potential is expected in the SaaS/Cloud area, which should continually increase its share of revenues.
- A tax-optimised company structure and high loss carry-forwards have an additional positive effect.

Valuation	2015	2016	2017	2018	2019e	2020e	2021e
Price / Book	12.3 x	8.7 x	6.4 x	4.7 x	3.4 x	3.2 x	3.0 x
Book value per share ex intangibles	3.49	4.60	4.49	4.41	4.52	4.77	5.11
EV / Sales	8.2 x	7.3 x	5.0 x	3.6 x	2.6 x	2.5 x	2.3 x
EV / EBITDA	32.6 x	21.8 x	35.3 x	57.9 x	30.5 x	23.5 x	20.2 x
EV / EBIT	39.0 x	25.7 x	48.5 x	203.6 x	51.8 x	35.2 x	29.1 x
EV / EBIT adj.*	39.0 x	25.7 x	48.5 x	203.6 x	51.8 x	35.2 x	29.1 x
P / FCF	n.a.	26.0 x	909.7 x	n.a.	102.7 x	600.3 x	126.4 x
P / E	47.9 x	40.0 x	83.2 x	n.a.	100.0 x	51.6 x	40.0 x
P / E adj.*	47.4 x	39.6 x	83.2 x	n.a.	100.0 x	51.6 x	40.0 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	0.3 %	2.1 %	1.1 %	0.1 %	-0.8 %	0.2 %	0.8 %

\*Adjustments made for: -

Company Specific Items	2015	2016	2017	2018	2019e	2020e	2021e
Market Potential Cloud Computing (Gartner)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Market Potential Cloud Computing (Forrester)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

**Consolidated profit & loss**

In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
<b>Sales</b>	<b>12.7</b>	<b>12.4</b>	<b>13.2</b>	<b>13.1</b>	<b>13.5</b>	<b>14.2</b>	<b>14.9</b>
Change Sales yoy	-5.2 %	-2.2 %	5.9 %	-0.7 %	3.3 %	5.0 %	5.0 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Sales</b>	<b>12.7</b>	<b>12.4</b>	<b>13.2</b>	<b>13.1</b>	<b>13.5</b>	<b>14.2</b>	<b>14.9</b>
Material expenses	0.4	0.3	0.1	0.2	0.2	0.2	0.2
<b>Gross profit</b>	<b>12.3</b>	<b>12.1</b>	<b>13.0</b>	<b>12.9</b>	<b>13.3</b>	<b>14.0</b>	<b>14.7</b>
<i>Gross profit margin</i>	<i>97.1 %</i>	<i>97.7 %</i>	<i>98.9 %</i>	<i>98.6 %</i>	<i>98.5 %</i>	<i>98.5 %</i>	<i>98.5 %</i>
Personnel expenses	6.3	6.1	8.1	8.7	9.2	9.6	10.0
Other operating income	0.1	0.4	0.1	0.1	0.1	0.1	0.1
Other operating expenses	2.9	2.3	3.1	3.5	3.1	3.0	3.1
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>3.2</b>	<b>4.2</b>	<b>1.9</b>	<b>0.8</b>	<b>1.1</b>	<b>1.5</b>	<b>1.7</b>
<i>Margin</i>	<i>25.2 %</i>	<i>33.6 %</i>	<i>14.3 %</i>	<i>6.3 %</i>	<i>8.5 %</i>	<i>10.5 %</i>	<i>11.5 %</i>
Depreciation of fixed assets	0.5	0.6	0.5	0.6	0.5	0.5	0.5
<b>EBITA</b>	<b>2.7</b>	<b>3.5</b>	<b>1.4</b>	<b>0.2</b>	<b>0.7</b>	<b>1.0</b>	<b>1.2</b>
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>2.7</b>	<b>3.5</b>	<b>1.4</b>	<b>0.2</b>	<b>0.7</b>	<b>1.0</b>	<b>1.2</b>
<i>Margin</i>	<i>21.1 %</i>	<i>28.5 %</i>	<i>10.4 %</i>	<i>1.8 %</i>	<i>5.0 %</i>	<i>7.0 %</i>	<i>8.0 %</i>
<b>EBIT adj.</b>	<b>2.7</b>	<b>3.5</b>	<b>1.4</b>	<b>0.2</b>	<b>0.7</b>	<b>1.0</b>	<b>1.2</b>
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>2.7</b>	<b>3.5</b>	<b>1.3</b>	<b>0.2</b>	<b>0.7</b>	<b>1.0</b>	<b>1.2</b>
<i>Margin</i>	<i>21.0 %</i>	<i>28.0 %</i>	<i>10.1 %</i>	<i>1.7 %</i>	<i>4.9 %</i>	<i>6.9 %</i>	<i>7.9 %</i>
Total taxes	0.5	1.2	0.4	0.5	0.3	0.3	0.3
<b>Net income from continuing operations</b>	<b>2.1</b>	<b>2.3</b>	<b>0.9</b>	<b>-0.2</b>	<b>0.4</b>	<b>0.7</b>	<b>0.9</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income before minorities</b>	<b>2.1</b>	<b>2.3</b>	<b>0.8</b>	<b>-0.2</b>	<b>0.4</b>	<b>0.7</b>	<b>0.9</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>2.1</b>	<b>2.3</b>	<b>0.8</b>	<b>-0.2</b>	<b>0.4</b>	<b>0.7</b>	<b>0.9</b>
<i>Margin</i>	<i>16.8 %</i>	<i>18.7 %</i>	<i>6.1 %</i>	<i>-1.5 %</i>	<i>2.7 %</i>	<i>4.8 %</i>	<i>5.9 %</i>
Number of shares, average	2.2	2.2	2.2	2.2	2.2	2.2	2.2
<b>EPS</b>	<b>0.97</b>	<b>1.04</b>	<b>0.36</b>	<b>-0.09</b>	<b>0.16</b>	<b>0.31</b>	<b>0.40</b>
EPS adj.	0.98	1.05	0.36	-0.09	0.16	0.31	0.40

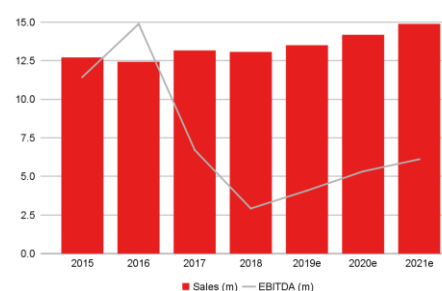
\*Adjustments made for:

**Guidance: n.a.**

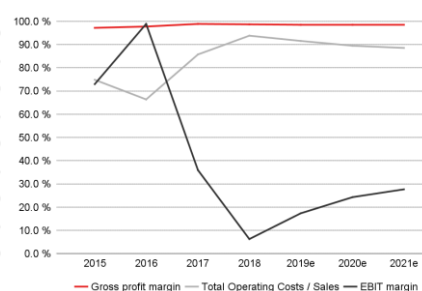
**Financial Ratios**

	2015	2016	2017	2018	2019e	2020e	2021e
Total Operating Costs / Sales	74.8 %	66.4 %	85.7 %	93.7 %	91.5 %	89.5 %	88.5 %
Operating Leverage	6.7 x	-14.6 x	-10.4 x	113.2 x	57.2 x	9.4 x	4.0 x
EBITDA / Interest expenses	n.a.	176.8 x	46.9 x	105.0 x	147.1 x	190.8 x	219.4 x
Tax rate (EBT)	20.1 %	33.2 %	33.0 %	205.4 %	45.0 %	30.5 %	25.4 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	139,644	136,538	106,153	107,988	111,570	117,149	123,006

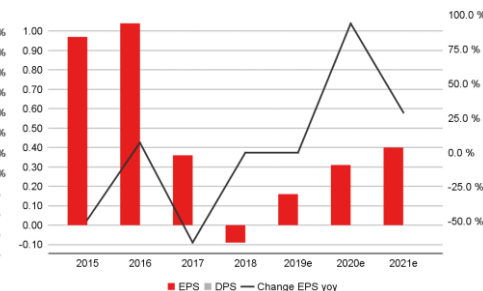
**Sales, EBITDA**  
in EUR m



**Operating Performance**  
in %



**Performance per Share**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

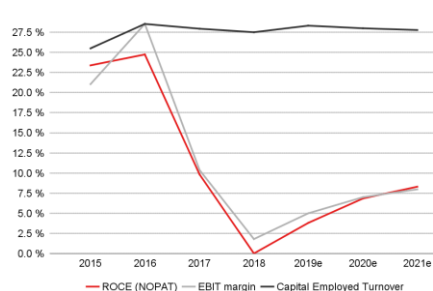
**Consolidated balance sheet**

In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
<b>Assets</b>							
Goodwill and other intangible assets	0.6	0.4	0.3	0.3	0.5	0.6	0.7
thereof other intangible assets	0.6	0.4	0.3	0.3	0.5	0.6	0.7
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	8.8	9.5	9.6	9.3	9.8	10.3	10.8
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>9.4</b>	<b>9.9</b>	<b>9.9</b>	<b>9.6</b>	<b>10.3</b>	<b>10.9</b>	<b>11.5</b>
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	2.8	1.4	1.3	1.4	0.6	0.6	0.6
Liquid assets	1.4	4.0	2.2	0.7	1.0	1.1	1.4
Other short-term assets	0.7	0.5	0.2	0.4	0.4	0.4	0.4
<b>Current assets</b>	<b>4.8</b>	<b>5.9</b>	<b>3.7</b>	<b>2.4</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>
<b>Total Assets</b>	<b>14.2</b>	<b>15.8</b>	<b>13.7</b>	<b>12.1</b>	<b>12.3</b>	<b>13.0</b>	<b>13.8</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Capital reserve	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Retained earnings	0.0	0.0	0.0	0.0	0.4	1.1	1.9
Other equity components	4.9	7.3	7.0	6.8	6.8	6.8	6.8
Shareholders' equity	8.4	10.7	10.4	10.2	10.5	11.2	12.1
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total equity</b>	<b>8.4</b>	<b>10.7</b>	<b>10.4</b>	<b>10.2</b>	<b>10.5</b>	<b>11.2</b>	<b>12.1</b>
Provisions	0.6	0.2	0.3	0.4	0.4	0.4	0.4
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	3.3	2.3	1.5	0.3	0.3	0.3	0.3
thereof short-term financial liabilities	0.0	0.0	0.0	0.3	0.3	0.3	0.3
Accounts payable	0.1	0.1	0.1	0.3	0.1	0.1	0.1
Other liabilities	1.9	2.6	1.4	1.0	1.0	1.0	1.0
<b>Liabilities</b>	<b>5.9</b>	<b>5.2</b>	<b>3.3</b>	<b>1.9</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>14.2</b>	<b>15.8</b>	<b>13.7</b>	<b>12.1</b>	<b>12.3</b>	<b>13.0</b>	<b>13.8</b>

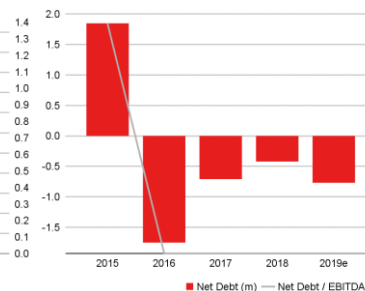
**Financial Ratios**

	2015	2016	2017	2018	2019e	2020e	2021e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	1.1 x	1.2 x	1.2 x	1.3 x	1.3 x	1.3 x	1.3 x
Capital Employed Turnover	1.2 x	1.4 x	1.4 x	1.3 x	1.4 x	1.4 x	1.4 x
ROA	22.6 %	23.4 %	8.1 %	-2.1 %	3.6 %	6.3 %	7.7 %
<b>Return on Capital</b>							
ROCE (NOPAT)	23.4 %	24.7 %	9.8 %	n.a.	3.8 %	6.8 %	8.3 %
ROE	25.3 %	24.3 %	7.6 %	-1.9 %	3.5 %	6.3 %	7.6 %
Adj. ROE	25.6 %	24.6 %	7.6 %	-1.9 %	3.5 %	6.3 %	7.6 %
<b>Balance sheet quality</b>							
Net Debt	1.8	-1.8	-0.7	-0.4	-0.8	-0.8	-1.1
Net Financial Debt	1.8	-1.8	-0.7	-0.4	-0.8	-0.8	-1.1
Net Gearing	22.0 %	-16.4 %	-6.8 %	-4.1 %	-7.3 %	-7.4 %	-9.2 %
Net Fin. Debt / EBITDA	57.6 %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	3.7	4.8	4.6	4.6	4.7	5.0	5.4
Book value per share ex intangibles	3.5	4.6	4.5	4.4	4.5	4.8	5.1

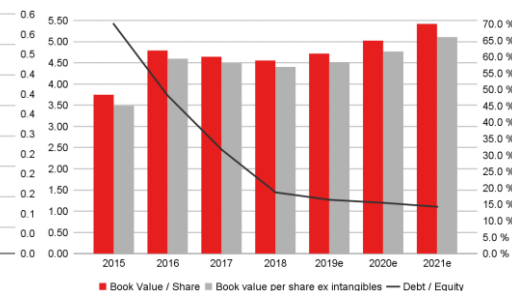
**ROCE Development**



**Net debt in EUR m**



**Book Value per Share in EUR**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

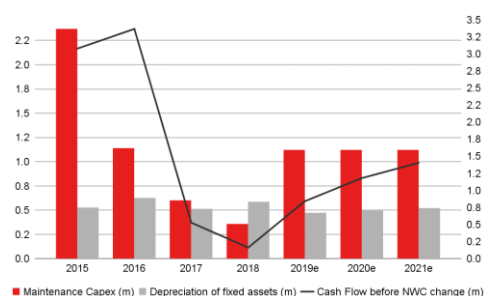
**Consolidated cash flow statement**

In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
Net income	2.1	2.3	0.8	-0.2	0.4	0.7	0.9
Depreciation of fixed assets	0.5	0.6	0.5	0.6	0.5	0.5	0.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions	-0.3	-0.3	-0.3	0.1	0.0	0.0	0.0
Other non-cash income and expenses	0.7	0.7	-0.5	-0.3	0.0	0.0	0.0
<b>Cash Flow before NWC change</b>	<b>3.1</b>	<b>3.4</b>	<b>0.5</b>	<b>0.2</b>	<b>0.8</b>	<b>1.2</b>	<b>1.4</b>
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	-0.7	1.3	0.1	-0.1	0.8	0.0	0.0
Increase / decrease in accounts payable	0.0	0.0	0.0	0.1	-0.2	0.0	0.0
Increase / decrease in other working capital positions	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Increase / decrease in working capital (total)	-0.7	1.3	0.1	-0.1	0.6	0.0	0.0
<b>Net cash provided by operating activities [1]</b>	<b>2.3</b>	<b>4.7</b>	<b>0.7</b>	<b>0.0</b>	<b>1.5</b>	<b>1.2</b>	<b>1.4</b>
Investments in intangible assets	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Investments in property, plant and equipment	2.4	1.1	0.6	0.3	1.0	1.0	1.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	-1.0	0.0	0.0	0.0	0.0	0.0
<b>Net cash provided by investing activities [2]</b>	<b>-1.4</b>	<b>-1.1</b>	<b>-0.6</b>	<b>-0.3</b>	<b>-1.1</b>	<b>-1.1</b>	<b>-1.1</b>
Change in financial liabilities	-0.8	-1.0	-0.8	-1.3	0.0	0.0	0.0
Dividends paid	0.0	0.0	-1.1	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	-2.2	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net cash provided by financing activities [3]</b>	<b>-3.0</b>	<b>-1.0</b>	<b>-1.9</b>	<b>-1.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-2.0</b>	<b>2.6</b>	<b>-1.8</b>	<b>-1.6</b>	<b>0.3</b>	<b>0.1</b>	<b>0.3</b>
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash and cash equivalent at end of period</b>	<b>1.4</b>	<b>4.0</b>	<b>2.2</b>	<b>0.7</b>	<b>1.0</b>	<b>1.1</b>	<b>1.4</b>

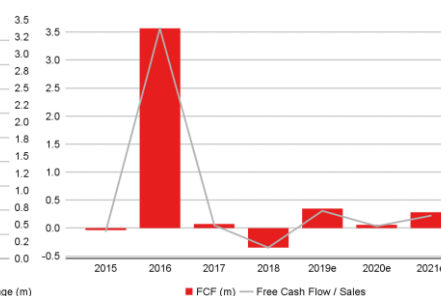
**Financial Ratios**

	2015	2016	2017	2018	2019e	2020e	2021e
<b>Cash Flow</b>							
FCF	0.0	3.6	0.1	-0.3	0.3	0.1	0.3
Free Cash Flow / Sales	-0.3 %	28.7 %	0.6 %	-2.7 %	2.6 %	0.4 %	1.9 %
Free Cash Flow Potential	0.3	1.9	0.8	0.0	-0.3	0.1	0.3
Free Cash Flow / Net Profit	-1.7 %	153.7 %	9.2 %	174.8 %	94.8 %	8.7 %	32.0 %
Interest Received / Avg. Cash	-1.4 %	-1.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	0.0 %	0.9 %	2.1 %	0.9 %	3.1 %	3.1 %	3.1 %
<b>Management of Funds</b>							
Investment ratio	18.6 %	9.2 %	4.6 %	2.7 %	8.3 %	7.9 %	7.5 %
Maint. Capex / Sales	18.6 %	9.2 %	4.6 %	2.7 %	8.3 %	7.9 %	7.5 %
Capex / Dep	450.1 %	181.9 %	117.1 %	61.0 %	237.2 %	226.0 %	215.2 %
Avg. Working Capital / Sales	17.8 %	15.9 %	9.3 %	8.7 %	6.0 %	3.5 %	3.4 %
Trade Debtors / Trade Creditors	2370.9 %	1217.8 %	1090.9 %	520.8 %	600.0 %	600.0 %	600.0 %
Inventory Turnover	373738.0 x	280700.0 x	149682.0 x	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	79	42	35	39	16	15	15
Payables payment period (days)	114	151	283	551	180	172	163
Cash conversion cycle (Days)	-34	-110	-248	n.a.	n.a.	n.a.	n.a.

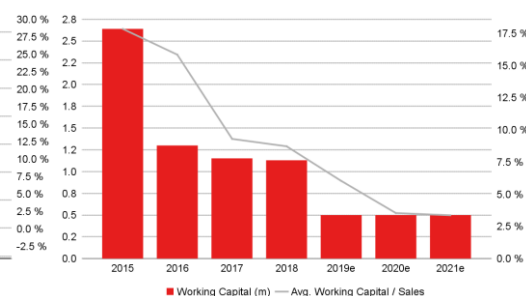
**CAPEX and Cash Flow**  
in EUR m



**Free Cash Flow Generation**



**Working Capital**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	The available information currently does not permit an evaluation of the company.

**WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING**

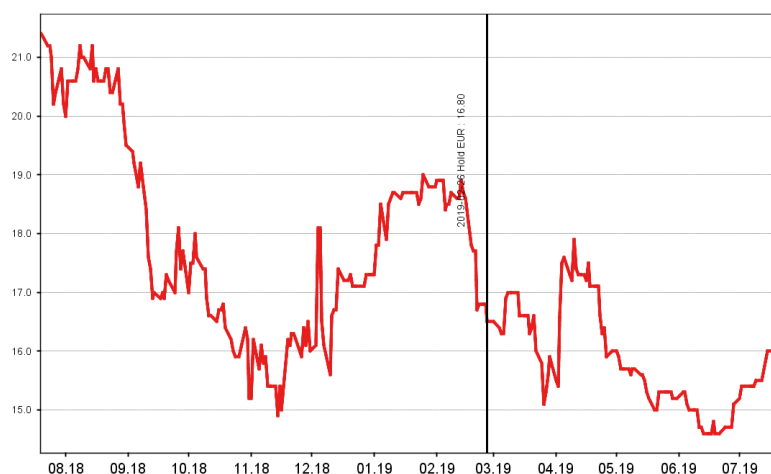
Rating	Number of stocks	% of Universe
Buy	120	60
Hold	70	35
Sell	4	2
Rating suspended	6	3
<b>Total</b>	<b>200</b>	<b>100</b>

**WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...**

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	32	78
Hold	7	17
Sell	0	0
Rating suspended	2	5
<b>Total</b>	<b>41</b>	<b>100</b>

**PRICE AND RATING HISTORY INVISION AS OF 19.07.2019**



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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### Our research can be found under:

Warburg Research [research.mmwarburg.com/en/index.html](http://research.mmwarburg.com/en/index.html)  
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