

<b>Sell</b>  <b>EUR 19.50</b>  Price <b>EUR 24.20</b> <b>Downside -19.4 %</b>	<b>Value Indicators:</b> EUR DCF: 19.76	<b>Share data:</b> Bloomberg: M3V GR Reuters: M3VG ISIN: DE000A0LBFE4	<b>Description:</b> A leading supplier of software for visual-based medical equipment
	<b>Market Snapshot:</b> EUR m Market cap: 44.0 No. of shares (m): 1.8 EV: 29.8 Freefloat MC: 11.7 Ø Trad. Vol. (30d): 14.98 th	<b>Shareholders:</b> Freefloat 26.5 % Varian Medical Systems 73.5 %	<b>Risk Profile (WRe):</b> 2015e Beta: 1.8 Price / Book: 1.2 x Equity Ratio: 80 %

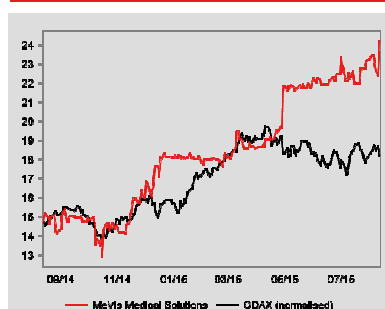
## Q2 figures exceed expectations

Stated Figures Q2/2015:										Comment on Figures:	
FY End: 31.12. in EUR m	Q2 15	Q2 15e	Q2 14	yoy	6M 15	6M 15e	6M 14	yoy			
<b>Sales</b>	3.7	3.6	3.2	15 %	7.1	7.0	6.1	18 %		<ul style="list-style-type: none"> <li>Sales came in slightly ahead of estimates owing to positive currency effects. The company generates more than 90% (FY 2014) of its revenues in USD.</li> <li>As a consequence, operating profits were better than assumed</li> <li>The underlying business showed stable development yoy – currency effects were the main driver in Q2 15</li> </ul>	
<b>EBITDA</b>	1.6	1.5	1.5	4 %	2.7	2.6	2.6	2 %			
<b>Margin</b>	41.8 %	41.3 %	46.5 %		37.4 %	37.0 %	43.0 %				
<b>EBIT</b>	1.1	0.9	1.1	-1 %	1.6	1.5	1.8	-9 %			
<b>Margin</b>	29.1 %	25.8 %	33.9 %		22.8 %	21.0 %	29.5 %				
<b>EPS</b>	0.35	0.34	0.60	-42 %	0.72	0.68	1.00	-28 %			

MeVis released Q2 figures on August 11. In July, MeVis already took the positive development of FX rates into account and updated its guidance. However, currency effects were stronger than assumed and results were slightly ahead of expectations. In H1 15, the positive FX effect totalled EUR 1.1m. Thus, sales growth in the first half-year was fully attributable to the development of the USD exchange rate. The operational business showed a stable performance, with the segment Digital Mammography being the major contributor (sales share c. 78%). As costs increased slightly (mainly personnel costs) and as capitalization of development expenses was stopped (effect of EUR 0.84m yoy), FX gains did not feed through to earnings.

**Newsflow:** In addition to Q2 figures, the company announced the closing of a domination and profit and loss transfer agreement with its controlling company VMS Deutschland Holdings GmbH. The agreement includes a settlement payment of EUR 19.77 per share plus an annual compensation payment of EUR 0.95 net per share (EUR 1.13 gross: representing a dividend yield of 4.6%). This represents an enterprise value of c. EUR 36.0m (WRe EUR 35.9m DCF-based). The agreement requires final approval by the general meeting which is expected on September 29, 2015.

**Valuation:** MeVis further increased its liquid funds by EUR 4.1m to EUR 21.6m (June 30, 2015). Main reason for this clearly positive development was the sale of own shares (total effect: EUR 1.7m). Currently, cash accounts for more than half the market capitalisation. A Sell recommendation for the stock, however, is maintained, considering the successful takeover and the now finalized domination and profit and loss agreement with VMS Deutschland Holdings GmbH, which holds some 73.5% of shares outstanding. In light of the most recent newsflow and the provided settlement payment offer of EUR 19.77 per share, we recommend a sale of the share via the stock exchange as long as the share is trading above the offered price. Sell – price target EUR 19.50.

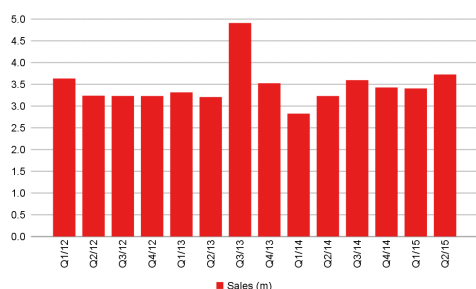


Rel. Performance vs CDAX:	
1 month:	8.6 %
6 months:	30.2 %
Year to date:	17.7 %
Trailing 12 months:	37.4 %

**Company events:**  
19.11.15 Q3

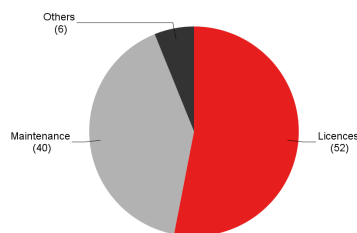
FY End: 31.12. in EUR m	CAGR (14-17e)	2011	2012	2013	2014	2015e	2016e	2017e
<b>Sales</b>	-9.6 %	13.7	13.3	14.6	13.1	14.2	12.0	9.7
Change Sales yoy		-4.3 %	-2.4 %	9.4 %	-10.3 %	8.5 %	-15.5 %	-19.5 %
Gross profit margin		112.3 %	114.1 %	104.9 %	104.3 %	102.0 %	103.3 %	105.4 %
<b>EBITDA</b>	-31.7 %	4.4	6.0	6.1	5.6	5.3	4.0	1.8
Margin		32.3 %	44.6 %	41.8 %	42.7 %	37.3 %	33.3 %	18.4 %
<b>EBIT</b>	-52.2 %	-1.6	3.0	4.1	3.9	3.3	2.3	0.4
Margin		-12.0 %	22.3 %	27.8 %	29.7 %	23.3 %	19.3 %	4.4 %
<b>Net income</b>	-50.1 %	-4.1	2.2	3.7	3.7	3.0	2.1	0.5
<b>EPS</b>	-51.3 %	-2.38	1.26	2.15	2.16	1.64	1.17	0.25
<b>EPS adj.</b>	-51.3 %	-2.38	1.26	2.15	2.16	1.64	1.17	0.25
<b>DPS</b>	0.0 %	0.00	0.00	0.00	0.04	0.04	0.04	0.04
Dividend Yield		0.0 %	0.0 %	0.0 %	0.3 %	0.2 %	0.2 %	0.2 %
<b>FCFPS</b>		1.34	1.56	3.39	1.90	1.85	1.31	0.29
<b>FCF / Market cap</b>		18.6 %	23.9 %	26.4 %	12.2 %	7.6 %	5.4 %	1.2 %
<b>EV / Sales</b>		0.7 x	0.2 x	0.8 x	1.3 x	2.1 x	2.3 x	2.8 x
<b>EV / EBITDA</b>		2.2 x	0.4 x	2.0 x	3.1 x	5.6 x	6.9 x	15.2 x
<b>EV / EBIT</b>		n.a.	0.9 x	3.0 x	4.5 x	9.0 x	11.8 x	63.7 x
<b>P / E</b>		n.a.	5.2 x	6.0 x	7.2 x	14.8 x	20.7 x	96.8 x
<b>P / E adj.</b>		n.a.	5.2 x	6.0 x	7.2 x	14.8 x	20.7 x	96.8 x
<b>FCF Yield Potential</b>		3.2 %	123.0 %	35.5 %	15.2 %	12.7 %	9.5 %	2.3 %
<b>Net Debt</b>		-2.8	-8.7	-9.8	-9.3	-14.3	-16.6	-17.0
<b>ROCE (NOPAT)</b>		-11.0 %	17.0 %	25.4 %	15.5 %	13.8 %	9.7 %	1.8 %
<b>Guidance:</b>		2015e: Sales EUR 14-14.5m; EBIT EUR 3-3.5m						

**Sales development**  
in EUR m



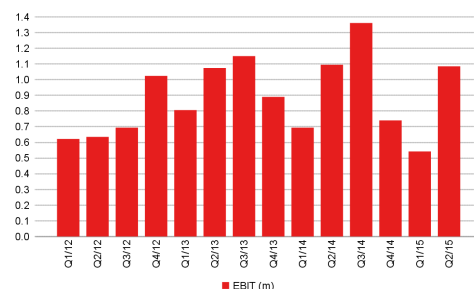
Source: Warburg Research

**Sales by types**  
2013; in %



Source: Warburg Research

**EBIT development**  
in EUR m



Source: Warburg Research

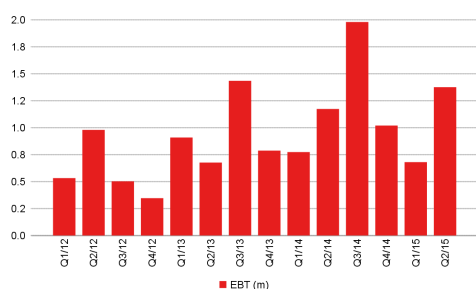
## Company Background

- The origin of MeVis Medical Solutions AG, which was set up in 1998, dates back to 1992, when the CeVis (Center for Complex Systems and Visualization) was founded at the University of Bremen.
- The public company was founded with the aim of developing commercially successful disease-oriented products based on successes in scientific research and to market these.
- Since its foundation, MeVis has been active in the area of computer-aided, image-based medical diagnostics and therapy.
- MeVis has successfully risen to become a globally-leading provider of software solutions for medical imaging. This development is mainly based on the success in the area of digital mammography.
- Together with products by Hologic and Siemens, MeVis's solutions dominate this segment today. Furthermore, MeVis has a broad portfolio of new products.

## Competitive Quality

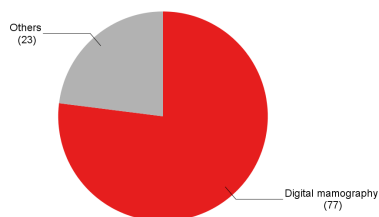
- MeVis follows a strategy of early market presence in the new areas of image-based medical technology. In focus here are mass market products.
- The ability to be an early market entrant differentiates MeVis from competitors.
- MeVis maintains long-term and interdisciplinary cooperation agreements with more than 100 hospitals and leading R&D centres in Germany, Europe, the US and Asia.
- MeVis fosters partnerships with the globally leading medical technology OEMs, for instance Siemens and Hologic.

**EBT development**  
in EUR m



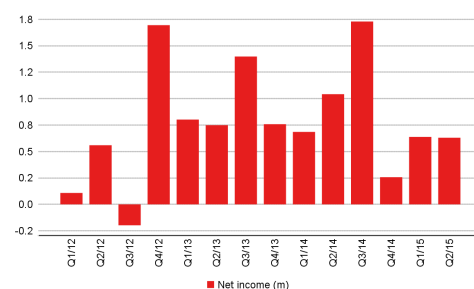
Source: Warburg Research

**Sales by segments**  
2013; 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
	2015e	2016e	2017e	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	
Sales	14.2	12.0	9.7	7.8	7.5	7.3	7.2	7.2	7.3	7.5	7.7	7.9	8.1	2.5 %
Sales change	8.5 %	-15.5 %	-19.5 %	-19.5 %	-3.2 %	-3.1 %	-1.1 %	-0.7 %	2.3 %	2.5 %	2.5 %	2.5 %	2.5 %	
EBIT	3.3	2.3	0.4	0.3	0.4	0.8	0.9	1.1	1.4	1.5	1.7	1.7	1.8	2.5 %
EBIT-margin	23.3 %	19.3 %	4.4 %	4.4 %	5.1 %	10.4 %	13.0 %	15.8 %	19.1 %	20.0 %	22.0 %	22.0 %	22.0 %	
Tax rate (EBT)	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	2.5 %
NOPAT	2.9	2.0	0.4	0.3	0.3	0.7	0.7	0.8	1.0	1.1	1.2	1.3	1.3	
Depreciation	2.0	1.7	1.4	1.1	1.0	0.9	0.9	0.9	0.8	0.8	0.8	0.7	0.6	2.5 %
in % of Sales	14.0 %	14.0 %	14.0 %	14.0 %	13.0 %	13.0 %	12.0 %	12.0 %	11.0 %	11.0 %	10.0 %	9.0 %	8.0 %	
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	2.5 %
Change in Liquidity from														
- Working Capital	-0.2	-0.3	-0.4	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5 %
- Capex	1.8	1.7	1.7	1.2	1.0	0.8	0.7	0.7	0.7	0.8	0.6	0.6	0.6	
Capex in % of Sales	12.5 %	14.4 %	17.4 %	15.0 %	13.0 %	11.0 %	10.0 %	10.0 %	10.0 %	10.0 %	8.0 %	8.0 %	8.0 %	2.5 %
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)	3.3	2.3	0.4	0.4	0.4	0.8	0.8	1.0	1.1	1.1	1.3	1.3	1.3	2.5 %
PV of FCF	3.2	2.0	0.3	0.3	0.2	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.3	
share of PVs	41.87 %			29.09 %										29.04 %

**Model parameter**

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.00
Cost of debt (after tax)	4.2 %	Liquidity (share)	2.00
Market return	7.00 %	Cyclicality	2.00
Risk free rate	1.50 %	Transparency	2.00
		Others	2.00
<b>WACC</b>	<b>11.40 %</b>	<b>Beta</b>	<b>1.80</b>

**Valuation (m)**

Present values 2027e	9		
Terminal Value	4		
Financial liabilities	0		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	24	No. of shares (m)	1.8
<b>Equity Value</b>	<b>36</b>	<b>Value per share (EUR)</b>	<b>19.76</b>

**Sensitivity Value per Share (EUR)**

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.98	12.4 %	19.07	19.11	19.15	19.19	19.23	19.28	19.33	1.98	12.4 %	18.64	18.82	19.00	19.19	19.37	19.56	19.74
1.89	11.9 %	19.32	19.37	19.41	19.46	19.51	19.57	19.62	1.89	11.9 %	18.89	19.08	19.27	19.46	19.65	19.84	20.03
1.85	11.7 %	19.46	19.50	19.55	19.61	19.66	19.72	19.78	1.85	11.7 %	19.02	19.22	19.41	19.61	19.80	20.00	20.19
1.80	11.4 %	19.60	19.65	19.71	19.76	19.82	19.89	19.96	1.80	11.4 %	19.17	19.37	19.56	19.76	19.96	20.16	20.36
1.75	11.2 %	19.75	19.81	19.87	19.93	19.99	20.06	20.14	1.75	11.2 %	19.32	19.52	19.73	19.93	20.13	20.33	20.53
1.71	10.9 %	19.91	19.97	20.03	20.10	20.17	20.25	20.33	1.71	10.9 %	19.48	19.69	19.90	20.10	20.31	20.52	20.72
1.62	10.4 %	20.26	20.33	20.40	20.49	20.57	20.66	20.76	1.62	10.4 %	19.84	20.05	20.27	20.49	20.70	20.92	21.13

- The DCF model bases on the assumption of declining revenues and earnings in the years to come.
- Operating leverage is expected to be burdened by lower sales volumes.
- Main aspect is the changed business model with Hologic (2016 onwards).
- Revenues with clients beside Hologic are not impacted by the transformation process.

<b>Valuation</b>							
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015e</b>	<b>2016e</b>	<b>2017e</b>
Price / Book	0.6 x	0.5 x	0.8 x	0.9 x	1.2 x	1.2 x	1.2 x
Book value per share ex intangibles	1.05	3.44	6.26	8.50	11.02	12.18	12.22
EV / Sales	0.7 x	0.2 x	0.8 x	1.3 x	2.1 x	2.3 x	2.8 x
EV / EBITDA	2.2 x	0.4 x	2.0 x	3.1 x	5.6 x	6.9 x	15.2 x
EV / EBIT	n.a.	0.9 x	3.0 x	4.5 x	9.0 x	11.8 x	63.7 x
EV / EBIT adj.*	n.a.	0.9 x	3.0 x	4.5 x	9.0 x	11.8 x	63.7 x
P / FCF	5.4 x	4.2 x	3.8 x	8.2 x	13.1 x	18.5 x	82.8 x
P / E	n.a.	5.2 x	6.0 x	7.2 x	14.8 x	20.7 x	96.8 x
P / E adj.*	n.a.	5.2 x	6.0 x	7.2 x	14.8 x	20.7 x	96.8 x
Dividend Yield	0.0 %	0.0 %	0.0 %	0.3 %	0.2 %	0.2 %	0.2 %
Free Cash Flow Yield Potential	3.2 %	123.0 %	35.5 %	15.2 %	12.7 %	9.5 %	2.3 %
*Adjustments made for: -							

## Consolidated profit & loss

In EUR m	2011	2012	2013	2014	2015e	2016e	2017e
<b>Sales</b>	<b>13.7</b>	<b>13.3</b>	<b>14.6</b>	<b>13.1</b>	<b>14.2</b>	<b>12.0</b>	<b>9.7</b>
Change Sales yoy	-4.3 %	-2.4 %	9.4 %	-10.3 %	8.5 %	-15.5 %	-19.5 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	2.4	2.4	1.4	1.2	1.0	1.0	1.0
<b>Total Sales</b>	<b>16.1</b>	<b>15.8</b>	<b>16.0</b>	<b>14.3</b>	<b>15.2</b>	<b>13.0</b>	<b>10.7</b>
Material Expenses	0.7	0.5	0.7	0.6	0.7	0.6	0.5
<b>Gross profit</b>	<b>15.4</b>	<b>15.2</b>	<b>15.3</b>	<b>13.7</b>	<b>14.5</b>	<b>12.4</b>	<b>10.2</b>
<b>Gross profit margin</b>	<b>112.3 %</b>	<b>114.1 %</b>	<b>104.9 %</b>	<b>104.3 %</b>	<b>102.0 %</b>	<b>103.3 %</b>	<b>105.4 %</b>
Personnel expenses	9.2	8.1	7.9	7.0	7.5	7.2	7.2
Other operating income	1.1	1.1	0.5	1.0	0.4	0.4	0.4
Other operating expenses	2.9	2.3	1.9	2.0	2.1	1.6	1.6
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>4.4</b>	<b>6.0</b>	<b>6.1</b>	<b>5.6</b>	<b>5.3</b>	<b>4.0</b>	<b>1.8</b>
<b>Margin</b>	<b>32.3 %</b>	<b>44.6 %</b>	<b>41.8 %</b>	<b>42.7 %</b>	<b>37.3 %</b>	<b>33.3 %</b>	<b>18.4 %</b>
Depreciation of fixed assets	3.0	0.5	0.4	0.2	0.3	0.2	0.2
<b>EBITA</b>	<b>1.5</b>	<b>5.5</b>	<b>5.7</b>	<b>5.4</b>	<b>5.0</b>	<b>3.8</b>	<b>1.6</b>
Amortisation of intangible assets	3.1	2.5	1.9	1.5	1.7	1.4	1.2
Goodwill amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>-1.6</b>	<b>3.0</b>	<b>4.1</b>	<b>3.9</b>	<b>3.3</b>	<b>2.3</b>	<b>0.4</b>
<b>Margin</b>	<b>-12.0 %</b>	<b>22.3 %</b>	<b>27.8 %</b>	<b>29.7 %</b>	<b>23.3 %</b>	<b>19.3 %</b>	<b>4.4 %</b>
<b>EBIT adj.</b>	<b>-1.6</b>	<b>3.0</b>	<b>4.1</b>	<b>3.9</b>	<b>3.3</b>	<b>2.3</b>	<b>0.4</b>
Interest income	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Interest expenses	0.3	0.3	0.1	0.0	0.0	0.0	0.0
Other financial income (loss)	-1.0	-0.3	-0.2	0.9	0.0	0.0	0.0
<b>EBT</b>	<b>-2.9</b>	<b>2.4</b>	<b>3.8</b>	<b>4.9</b>	<b>3.4</b>	<b>2.4</b>	<b>0.5</b>
<b>Margin</b>	<b>-21.3 %</b>	<b>17.7 %</b>	<b>26.3 %</b>	<b>37.8 %</b>	<b>24.0 %</b>	<b>20.2 %</b>	<b>5.4 %</b>
Total taxes	1.2	0.2	0.1	1.2	0.4	0.3	0.1
<b>Net income from continuing operations</b>	<b>-4.1</b>	<b>2.2</b>	<b>3.7</b>	<b>3.7</b>	<b>3.0</b>	<b>2.1</b>	<b>0.5</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>-4.1</b>	<b>2.2</b>	<b>3.7</b>	<b>3.7</b>	<b>3.0</b>	<b>2.1</b>	<b>0.5</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>-4.1</b>	<b>2.2</b>	<b>3.7</b>	<b>3.7</b>	<b>3.0</b>	<b>2.1</b>	<b>0.5</b>
<b>Margin</b>	<b>-29.9 %</b>	<b>16.2 %</b>	<b>25.4 %</b>	<b>28.4 %</b>	<b>21.1 %</b>	<b>17.7 %</b>	<b>4.8 %</b>
Number of shares, average	1.7	1.7	1.7	1.7	1.8	1.8	1.8
<b>EPS</b>	<b>-2.38</b>	<b>1.26</b>	<b>2.15</b>	<b>2.16</b>	<b>1.64</b>	<b>1.17</b>	<b>0.25</b>
EPS adj.	-2.38	1.26	2.15	2.16	1.64	1.17	0.25

\*Adjustments made for:

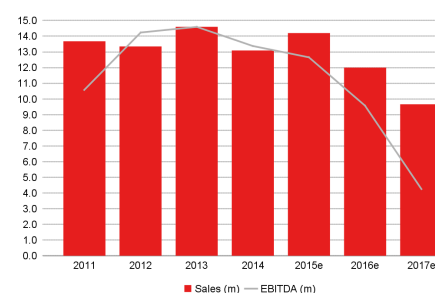
**Guidance: 2015e: Sales EUR 14-14.5m; EBIT EUR 3-3.5m**

## Financial Ratios

	2011	2012	2013	2014	2015e	2016e	2017e
Total Operating Costs / Sales	85.2 %	73.5 %	68.1 %	66.5 %	69.8 %	75.0 %	92.0 %
Operating Leverage	16.3 x	n.a.	3.9 x	0.4 x	-1.8 x	1.9 x	4.2 x
EBITDA / Interest expenses	12.8 x	17.2 x	57.5 x	253.9 x	n.a.	n.a.	n.a.
Tax rate (EBT)	-40.4 %	8.3 %	3.5 %	24.9 %	12.0 %	12.0 %	12.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	1.9 %	2.4 %	3.4 %	15.8 %
Sales per Employee	102,075	113,110	135,185	116,884	126,786	107,143	86,245

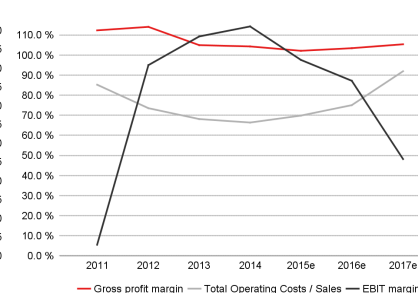
## Sales, EBITDA

in EUR m

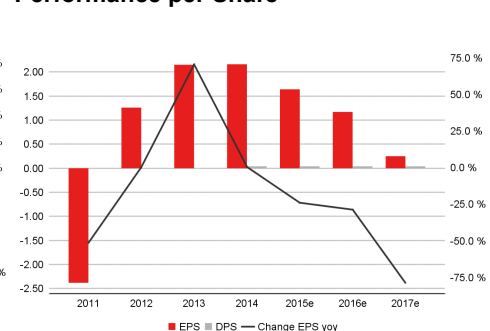


## Operating Performance

in %



## Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

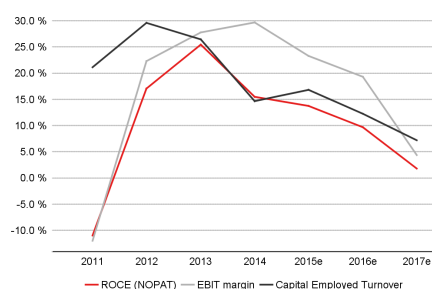
## Consolidated balance sheet

In EUR m	2011	2012	2013	2014	2015e	2016e	2017e
<b>Assets</b>							
Goodwill and other intangible assets	18.9	16.8	15.7	15.6	15.4	15.5	15.8
thereof other intangible assets	6.3	6.2	5.0	5.0	4.8	4.8	5.2
thereof Goodwill	12.6	10.6	10.6	10.6	10.6	10.6	10.6
Property, plant and equipment	0.7	0.3	0.5	0.4	0.4	0.4	0.4
Financial assets	0.3	0.3	1.2	1.6	1.6	1.6	1.6
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>19.9</b>	<b>17.5</b>	<b>17.4</b>	<b>17.6</b>	<b>17.4</b>	<b>17.4</b>	<b>17.7</b>
Inventories	0.3	0.2	0.0	0.0	0.1	0.1	0.0
Accounts receivable	4.4	3.9	2.0	2.7	3.1	2.6	2.1
Liquid assets	7.5	8.7	9.8	9.3	14.3	16.6	17.0
Other short-term assets	0.5	0.7	4.8	8.7	9.3	9.3	9.3
<b>Current assets</b>	<b>12.7</b>	<b>13.4</b>	<b>16.6</b>	<b>20.7</b>	<b>26.8</b>	<b>28.6</b>	<b>28.4</b>
<b>Total Assets</b>	<b>32.5</b>	<b>30.9</b>	<b>34.0</b>	<b>38.3</b>	<b>44.1</b>	<b>46.0</b>	<b>46.2</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Capital reserve	28.1	28.1	9.8	9.8	9.8	9.8	9.8
Retained earnings	0.0	0.0	0.0	0.0	0.0	2.1	2.6
Other equity components	-9.2	-7.1	14.9	18.7	23.9	23.9	23.8
Shareholders' equity	20.7	22.8	26.4	30.3	35.5	37.6	38.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total equity</b>	<b>20.7</b>	<b>22.8</b>	<b>26.4</b>	<b>30.3</b>	<b>35.5</b>	<b>37.6</b>	<b>38.0</b>
Provisions	1.1	0.8	0.4	0.5	0.5	0.5	0.5
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	4.7	0.0	0.0	0.0	0.0	0.0	0.0
thereof short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	1.2	1.1	0.8	0.6	1.2	1.0	0.8
Other liabilities	4.8	6.2	6.3	6.9	6.9	6.9	6.9
<b>Liabilities</b>	<b>11.8</b>	<b>8.1</b>	<b>7.6</b>	<b>8.0</b>	<b>8.6</b>	<b>8.4</b>	<b>8.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>32.5</b>	<b>30.9</b>	<b>34.0</b>	<b>38.3</b>	<b>44.1</b>	<b>46.0</b>	<b>46.2</b>

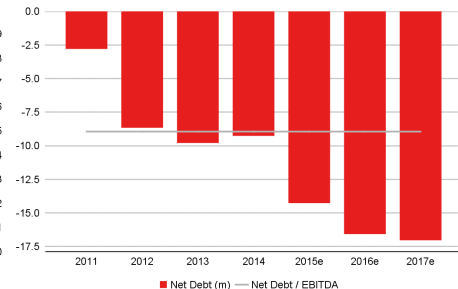
## Financial Ratios

	2011	2012	2013	2014	2015e	2016e	2017e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	3.3 x	4.1 x	8.4 x	5.2 x	6.0 x	5.8 x	5.8 x
Capital Employed Turnover	0.8 x	0.9 x	0.9 x	0.6 x	0.7 x	0.6 x	0.5 x
ROA	-20.6 %	12.4 %	21.3 %	21.1 %	17.3 %	12.2 %	2.6 %
<b>Return on Capital</b>							
ROCE (NOPAT)	-11.0 %	17.0 %	25.4 %	15.5 %	13.8 %	9.7 %	1.8 %
ROE	-18.0 %	9.9 %	15.1 %	13.1 %	9.1 %	5.8 %	1.2 %
Adj. ROE	-18.0 %	9.9 %	15.1 %	13.1 %	9.1 %	5.8 %	1.2 %
<b>Balance sheet quality</b>							
Net Debt	-2.8	-8.7	-9.8	-9.3	-14.3	-16.6	-17.0
Net Financial Debt	-2.8	-8.7	-9.8	-9.3	-14.3	-16.6	-17.0
Net Gearing	-13.5 %	-38.1 %	-37.0 %	-30.6 %	-40.2 %	-44.1 %	-44.8 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	12.0	13.2	15.4	17.6	19.5	20.7	20.9
Book value per share ex intangibles	1.1	3.4	6.3	8.5	11.0	12.2	12.2

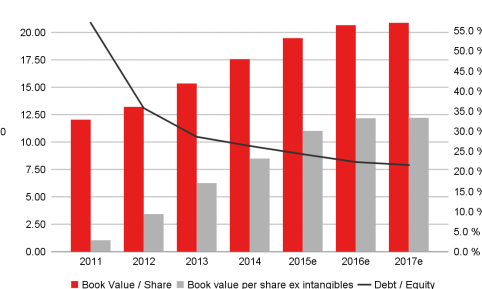
## ROCE Development



Source: Warburg Research

Net debt  
in EUR m

Source: Warburg Research

Book Value per Share  
in EUR

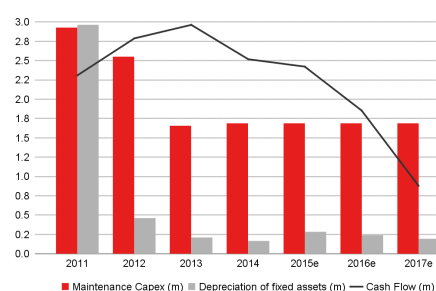
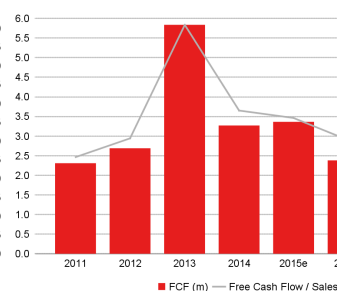
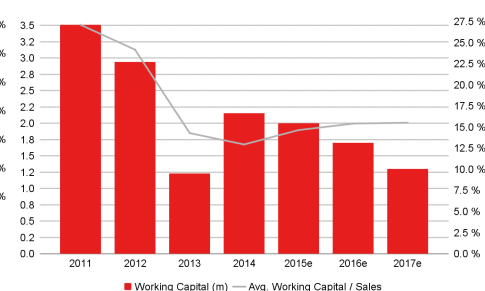
Source: Warburg Research

**Consolidated cash flow statement**

In EUR m	2011	2012	2013	2014	2015e	2016e	2017e
Net income	-1.3	3.1	3.7	3.7	3.0	2.1	0.5
Depreciation of fixed assets	3.0	0.5	0.2	0.2	0.3	0.2	0.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	3.1	2.5	1.9	1.5	1.7	1.4	1.2
Increase/decrease in long-term provisions	0.0	-0.4	-0.3	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.0	0.1	0.6	-0.3	0.0	0.0	0.0
<b>Cash Flow</b>	<b>4.8</b>	<b>5.7</b>	<b>6.1</b>	<b>5.2</b>	<b>5.0</b>	<b>3.8</b>	<b>1.8</b>
Increase / decrease in inventory	-0.2	0.1	0.2	0.0	-0.1	0.0	0.1
Increase / decrease in accounts receivable	1.0	0.1	1.0	-0.2	-0.4	0.5	0.5
Increase / decrease in accounts payable	-0.5	-0.6	0.4	-0.1	0.6	-0.2	-0.2
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	0.4	-0.4	1.6	-0.3	0.2	0.3	0.4
<b>Net cash provided by operating activities</b>	<b>5.1</b>	<b>5.3</b>	<b>7.7</b>	<b>4.8</b>	<b>5.1</b>	<b>4.1</b>	<b>2.2</b>
Investments in intangible assets	-2.7	-2.5	-1.5	-1.5	-1.5	-1.5	-1.5
Investments in property, plant and equipment	-0.1	-0.1	-0.4	-0.1	-0.3	-0.2	-0.2
Payments for acquisitions	-3.0	-1.4	0.0	0.0	0.0	0.0	0.0
Financial investments	1.1	0.9	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	-3.7	-3.5	0.0	0.0	0.0
<b>Net cash provided by investing activities</b>	<b>-4.7</b>	<b>-3.1</b>	<b>-5.6</b>	<b>-5.0</b>	<b>-1.8</b>	<b>-1.7</b>	<b>-1.7</b>
Change in financial liabilities	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	1.7	0.0	0.0
<b>Net cash provided by financing activities</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>	<b>1.6</b>	<b>-0.1</b>	<b>-0.1</b>
Change in liquid funds	0.4	2.1	2.1	-0.2	5.0	2.3	0.5
Effects of exchange-rate changes on cash	0.1	-0.1	-0.1	0.2	0.0	0.0	0.0
<b>Cash and cash equivalent at end of period</b>	<b>6.1</b>	<b>8.1</b>	<b>10.1</b>	<b>9.3</b>	<b>14.3</b>	<b>16.6</b>	<b>17.0</b>

**Financial Ratios**

	2011	2012	2013	2014	2015e	2016e	2017e
<b>Cash Flow</b>							
FCF	2.3	2.7	5.8	3.3	3.4	2.4	0.5
Free Cash Flow / Sales	16.9 %	20.1 %	40.0 %	25.0 %	23.7 %	19.8 %	5.5 %
Free Cash Flow Potential	0.3	3.2	4.4	2.7	3.8	2.6	0.6
Free Cash Flow / Net Profit	-56.4 %	124.3 %	157.5 %	88.1 %	112.3 %	111.8 %	115.3 %
Interest Received / Avg. Cash	1.4 %	0.8 %	1.1 %	2.2 %	0.8 %	0.6 %	0.6 %
Interest Paid / Avg. Debt	5.7 %	14.7 %	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Management of Funds</b>							
Investment ratio	20.5 %	19.5 %	12.7 %	11.9 %	12.5 %	14.4 %	17.4 %
Maint. Capex / Sales	21.4 %	19.1 %	11.3 %	12.9 %	11.9 %	14.1 %	17.5 %
Capex / Dep	46.2 %	87.3 %	92.8 %	92.1 %	89.2 %	102.9 %	124.4 %
Avg. Working Capital / Sales	27.1 %	24.2 %	14.3 %	12.9 %	14.6 %	15.4 %	15.5 %
Trade Debtors / Trade Creditors	378.4 %	341.2 %	255.9 %	472.0 %	258.3 %	260.0 %	262.5 %
Inventory Turnover	2.8 x	3.0 x	n.a.	n.a.	7.1 x	6.0 x	n.a.
Receivables collection period (days)	118	107	50	76	80	79	79
Payables payment period (days)	599	780	422	333	617	608	605
Cash conversion cycle (Days)	-424	-621	n.a.	n.a.	-554	-534	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)
MeVis Medical Solutions	3, 4, 5, 6, 7	<a href="http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A0LBFE4.htm">http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A0LBFE4.htm</a>

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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.

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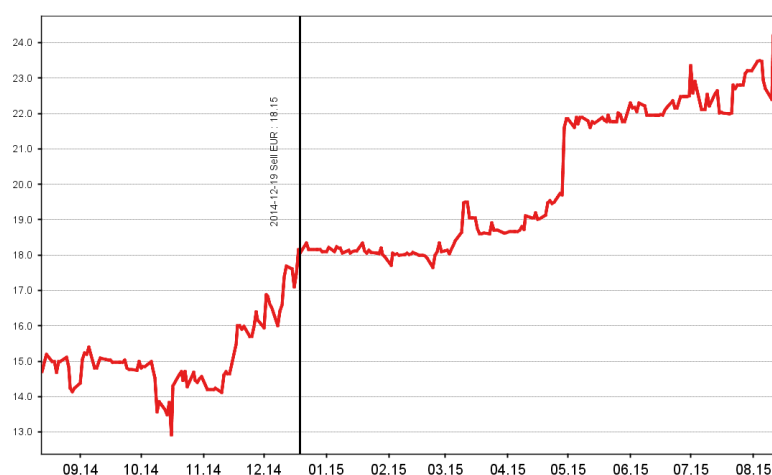
Rating	Number of stocks	% of Universe
Buy	114	62
Hold	61	33
Sell	7	4
Rating suspended	3	2
<b>Total</b>	<b>185</b>	<b>100</b>

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

... Looking only at companies for which a disclosure according to § 34b of the Germany Securities Trading Act and the FinAnV has to be made.

Rating	Number of stocks	% of Universe
Buy	96	68
Hold	41	29
Sell	2	1
Rating suspended	2	1
<b>Total</b>	<b>141</b>	<b>100</b>

# PRICE AND RATING HISTORY MEVIS MEDICAL SOLUTIONS AS OF 12.08.2015



The chart has markings if Warburg Research GmbH changed its rating in the last 12 months. Every marking represents the date and closing price on the day of the rating change.

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