

Hold EUR 25.00 (EUR 22.00) Price EUR 30.00 Downside -16.7 %	Value Indicators: EUR DCF: 24.81	Share data: Bloomberg: M3V GR Reuters: M3VG ISIN: DE000A0LBFE4	Description: A leading supplier of software for visual-based medical equipment
	Market Snapshot: EUR m Market cap: 54.6 No. of shares (m): 1.8 EV: 27.8 Freefloat MC: 12.8 Ø Trad. Vol. (30d): 7.85 th	Shareholders: Freefloat: 23.5 % Varian Medical Systems: 73.5 % Oppenheim Asset Manag.: 3.0 %	Risk Profile (WRe): 2016e Beta: 1.6 Price / Book: 1.6 x Equity Ratio: 74 %

Profitability enhanced; Guidance increased

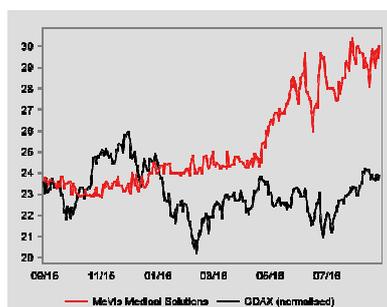
Stated Figures Q2/2016: FY End: 31.12. in EUR m										Comment on Figures: <ul style="list-style-type: none"> Q2 sales and EBIT were reported in line with previous year, however, figures were better than assumed. MeVis shows a stable operating business, despite the expected change of its business model. Nevertheless, an improvement in H1 sales and EBIT was achieved in Q1 already. A tax effect is the main reason for the strong increase in EPS. As the fiscal unity became effective at the beginning of 2016, just capital income taxes in the sum of five thousand euros were charged. 									
	Q2	Q2	Q2		6M	6M	6M												
	16	16e	15	yoy	16	16e	15	yoy											
Sales	3.8	3.6	3.7	2 %	7.7	7.5	7.1	7 %											
EBITDA	1.6	1.3	1.6	0 %	3.2	2.9	2.7	20 %											
Margin	41.1 %	35.7 %	41.8 %		41.6 %	39.0 %	37.4 %												
EBIT	1.1	0.6	1.1	2 %	2.3	1.8	1.6	41 %											
Margin	29.2 %	17.0 %	29.1 %		29.9 %	24.0 %	22.8 %												
EPS	0.88	0.82	0.35	151 %	1.06	1.01	0.72	47 %											

It has actually been expected since 2014 that the changed business model should become visible in the reported figures. This has not happened up to now. However, a generally positive picture was drawn as sales of software and licenses business were reported stable (-2.5% yoy in H1). In addition, the sales split shows an increase in sales (+25% yoy in H1) from maintenance activities based on software service contracts which were closed in the past. Despite Hologic's aim to transform the cooperation, figures do not yet show a meaningful development towards the new business model. For the moment, it is assumed that the transformation will take more time than initially predicted after the announcement in early 2014. Hence, MeVis is expected to remain a profitable company at almost 30% EBIT margins.

The Annual General Meeting voted for a change in the fiscal year to adapt Varian's accounting period. Therefore, MeVis's fiscal years will begin on October 1 and end on September 30. Up until then the fiscal year corresponded to the calendar year. Against this backdrop, 2016 represents a short fiscal year of just nine months (January 1, 2016 until September 30, 2016). Based on the shorter fiscal year, management has already released an updated guidance for this nine month period in 2016. Now sales of EUR 11.5m to 12m and an EBIT of EUR 3.5m to 4m are guided. While sales are expected to remain stable, an increased profitability is expected. As costs which occurred in the context of Varian's take-over will fall away, EBIT margin should improve.

Taking the updated model and smaller adjustments into account, a fair value of EUR 25 per share is derived (DCF-based). Hold.

Changes in Estimates: FY End: 31.12. in EUR m							Comment on Changes: <ul style="list-style-type: none"> In accordance with the AGM's approval, we changed our assumptions for 2016. The period from January to September is a short fiscal year in order to adapt Varian's accounting period. 												
	2016e	+ / -	2017e	+ / -	2018e	+ / -													
	(old)		(old)		(old)														
Sales	14.4	-20.3 %	13.9	0.0 %	10.7	0.0 %													
EBITDA	4.6	3.7 %	4.0	0.0 %	1.5	0.0 %													
EBIT	2.5	39.7 %	2.3	0.0 %	0.2	0.0 %													
EBT	2.6	38.1 %	2.4	0.0 %	0.3	0.0 %													
Net income	2.6	38.1 %	2.4	0.0 %	0.3	0.0 %													

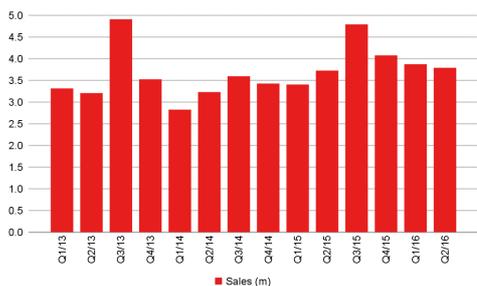


Rel. Performance vs CDAX:	
1 month:	-1.2 %
6 months:	11.3 %
Year to date:	28.4 %
Trailing 12 months:	25.2 %

Company events:
17.11.16 Q3

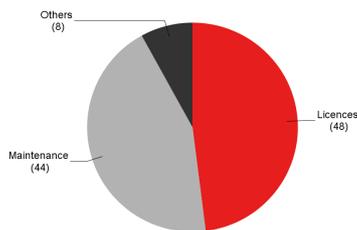
FY End: 31.12. in EUR m CAGR (15-18e)																					
	2012	2013	2014	2015	2016e	2017e	2018e														
Sales	13.3	14.6	13.1	16.0	11.5	13.9	10.7														
Change Sales yoy	-2.4 %	9.4 %	-10.3 %	22.3 %	-28.2 %	20.6 %	-22.9 %														
Gross profit margin	114.1 %	104.9 %	104.3 %	96.2 %	97.0 %	95.0 %	95.0 %														
EBITDA	6.0	6.1	5.6	6.4	4.8	4.0	1.5														
Margin	44.6 %	41.8 %	42.7 %	40.0 %	41.6 %	28.7 %	13.7 %														
EBIT	3.0	4.1	3.9	4.5	3.5	2.3	0.2														
Margin	22.3 %	27.8 %	29.7 %	27.9 %	30.6 %	16.7 %	1.7 %														
Net income	2.2	3.7	3.7	6.7	3.6	2.4	0.3														
EPS	1.26	2.15	2.16	3.76	2.02	1.35	0.16														
EPS adj.	1.26	2.15	2.16	3.76	2.02	1.35	0.16														
DPS	0.00	0.00	0.04	0.95	0.95	0.95	0.95														
Dividend Yield	n.a.	n.a.	0.3 %	4.4 %	3.2 %	3.2 %	3.2 %														
FCFPS	1.56	3.39	1.90	3.61	2.85	1.73	0.64														
FCF / Market cap	23.9 %	26.4 %	12.2 %	16.8 %	9.3 %	5.7 %	2.1 %														
EV / Sales	0.2 x	0.8 x	1.3 x	0.8 x	2.4 x	1.9 x	2.5 x														
EV / EBITDA	0.4 x	2.0 x	3.1 x	2.1 x	5.8 x	6.7 x	18.4 x														
EV / EBIT	0.9 x	3.0 x	4.5 x	3.0 x	7.9 x	11.5 x	148.3 x														
P / E	5.2 x	6.0 x	7.2 x	5.7 x	14.9 x	22.2 x	186.8 x														
P / E adj.	5.2 x	6.0 x	7.2 x	5.7 x	14.9 x	22.2 x	186.8 x														
FCF Yield Potential	123.0 %	35.5 %	15.2 %	58.9 %	17.2 %	15.0 %	4.7 %														
Net Debt	-8.7	-9.8	-9.3	-25.0	-26.8	-28.0	-27.5														
ROCE (NOPAT)	17.0 %	25.4 %	15.5 %	40.9 %	42.2 %	30.1 %	2.6 %														
Guidance:	2016e: Sales EUR 14.5-15m; EBIT EUR 2.5-3m																				

Sales development in EUR m



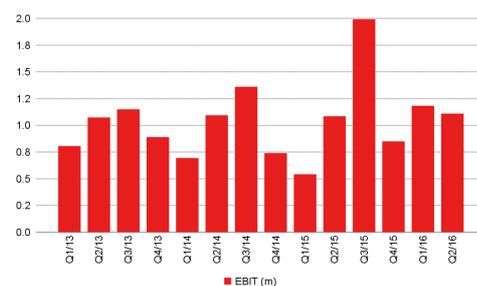
Source: Warburg Research

Sales by types 2015; in %



Source: Warburg Research

EBIT development in EUR m



Source: Warburg Research

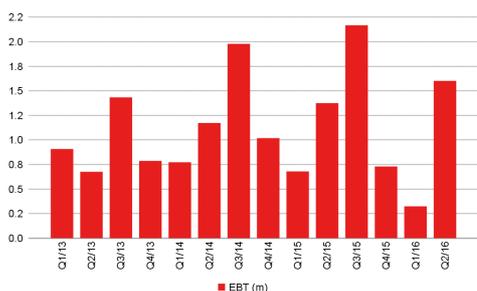
Company Background

- 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

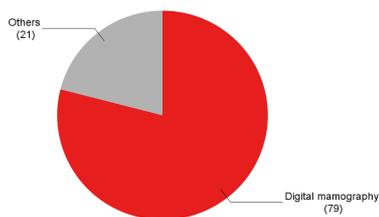
- MeVis follows a strategy of early market presence in the new areas of image-based medical technology. In focus here are mass market products.
- The ability to be an early market entrant differentiates MeVis from competitors.
- MeVis maintains long-term and interdisciplinary cooperation agreements with 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



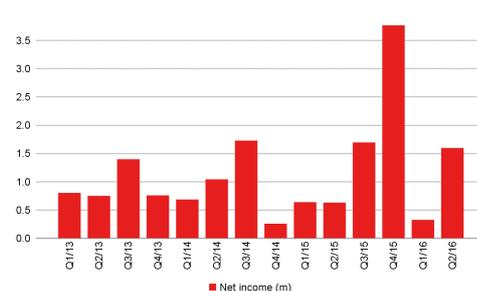
Source: Warburg Research

Sales by segments 2015; 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
	2016e	2017e	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	
Sales	11.5	13.9	10.7	12.9	10.0	9.0	8.5	8.3	8.5	8.7	8.9	9.1	n.a.	2.5 %
Sales change	-28.2 %	20.6 %	-22.9 %	20.6 %	-22.9 %	-9.5 %	-5.5 %	-3.0 %	2.3 %	2.5 %	2.5 %	2.5 %	n.a.	
EBIT	3.5	2.3	0.2	2.2	0.2	-0.3	-0.3	-0.2	0.3	1.7	2.0	2.0	n.a.	
EBIT-margin	30.6 %	16.7 %	1.7 %	16.7 %	1.7 %	-3.7 %	-3.3 %	-2.6 %	3.3 %	20.0 %	22.0 %	22.0 %	n.a.	
Tax rate (EBT)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	n.a.	
NOPAT	3.5	2.3	0.2	2.2	0.2	-0.3	-0.3	-0.2	0.3	1.7	2.0	2.0	n.a.	
Depreciation	1.3	1.7	1.3	1.5	1.2	1.1	1.0	1.0	0.9	1.0	0.9	0.8	n.a.	
in % of Sales	11.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	11.0 %	11.0 %	10.0 %	9.0 %	n.a.	
Changes in provisions	0.0	0.0	0.0	-0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	n.a.	
Change in Liquidity from														
- Working Capital	-0.7	0.3	-0.4	0.4	-0.4	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	n.a.	
- Capex	0.5	0.7	0.8	1.0	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	n.a.	
Capex in % of Sales	4.3 %	4.9 %	7.6 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	n.a.	
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	n.a.	
Free Cash Flow (WACC Model)	5.0	3.0	1.1	1.6	1.0	0.2	0.1	0.2	0.5	2.0	2.1	2.1	n.a.	
PV of FCF	4.8	2.6	0.8	1.2	0.6	0.1	0.1	0.1	0.2	0.8	0.7	0.7	n.a.	8
share of PVs	39.80 %			24.18 %										36.02 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.00
Cost of debt (after tax)	6.0 %	Liquidity (share)	1.80
Market return	7.00 %	Cyclicality	1.80
Risk free rate	1.50 %	Transparency	1.80
		Others	1.80
WACC	10.52 %	Beta	1.64

Valuation (m)

Present values 2028e	13		
Terminal Value	8		
Financial liabilities	0		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	25	No. of shares (m)	1.8
Equity Value	45	Value per share (EUR)	24.81

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.82	11.5 %	23.49	23.57	23.65	23.74	23.84	23.94	24.04	1.82	11.5 %	22.91	23.18	23.46	23.74	24.02	24.30	24.58
1.73	11.0 %	23.95	24.04	24.14	24.24	24.35	24.47	24.60	1.73	11.0 %	23.37	23.66	23.95	24.24	24.54	24.83	25.12
1.69	10.8 %	24.19	24.30	24.40	24.52	24.64	24.77	24.91	1.69	10.8 %	23.62	23.92	24.22	24.52	24.82	25.12	25.42
1.64	10.5 %	24.46	24.57	24.69	24.81	24.94	25.08	25.24	1.64	10.5 %	23.89	24.20	24.50	24.81	25.12	25.42	25.73
1.59	10.3 %	24.74	24.86	24.99	25.12	25.27	25.42	25.59	1.59	10.3 %	24.18	24.49	24.81	25.12	25.44	25.75	26.07
1.55	10.0 %	25.03	25.17	25.31	25.46	25.62	25.79	25.97	1.55	10.0 %	24.49	24.81	25.13	25.46	25.78	26.10	26.43
1.46	9.5 %	25.69	25.85	26.02	26.20	26.39	26.60	26.83	1.46	9.5 %	25.17	25.51	25.86	26.20	26.54	26.89	27.23

- 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 (2018 onwards).
- Revenues with clients beside Hologic are not impacted by the transformation process.

Valuation	2012	2013	2014	2015	2016e	2017e	2018e
Price / Book	0.5 x	0.8 x	0.9 x	1.1 x	1.6 x	1.5 x	1.6 x
Book value per share ex intangibles	3.44	6.26	8.50	11.10	12.02	12.97	12.44
EV / Sales	0.2 x	0.8 x	1.3 x	0.8 x	2.4 x	1.9 x	2.5 x
EV / EBITDA	0.4 x	2.0 x	3.1 x	2.1 x	5.8 x	6.7 x	18.4 x
EV / EBIT	0.9 x	3.0 x	4.5 x	3.0 x	7.9 x	11.5 x	148.3 x
EV / EBIT adj.*	0.9 x	3.0 x	4.5 x	3.0 x	7.9 x	11.5 x	148.3 x
P / FCF	4.2 x	3.8 x	8.2 x	6.0 x	10.6 x	17.5 x	46.9 x
P / E	5.2 x	6.0 x	7.2 x	5.7 x	14.9 x	22.2 x	186.8 x
P / E adj.*	5.2 x	6.0 x	7.2 x	5.7 x	14.9 x	22.2 x	186.8 x
Dividend Yield	n.a.	n.a.	0.3 %	4.4 %	3.2 %	3.2 %	3.2 %
Free Cash Flow Yield Potential	123.0 %	35.5 %	15.2 %	58.9 %	17.2 %	15.0 %	4.7 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
Sales	13.3	14.6	13.1	16.0	11.5	13.9	10.7
Change Sales yoy	-2.4 %	9.4 %	-10.3 %	22.3 %	-28.2 %	20.6 %	-22.9 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	2.4	1.4	1.2	0.0	0.0	0.0	0.0
Total Sales	15.8	16.0	14.3	16.0	11.5	13.9	10.7
Material Expenses	0.5	0.7	0.6	0.6	0.3	0.7	0.5
Gross profit	15.2	15.3	13.7	15.4	11.2	13.2	10.2
<i>Gross profit margin</i>	<i>114.1 %</i>	<i>104.9 %</i>	<i>104.3 %</i>	<i>96.2 %</i>	<i>97.0 %</i>	<i>95.0 %</i>	<i>95.0 %</i>
Personnel expenses	8.1	7.9	7.0	7.4	5.3	7.5	7.3
Other operating income	1.1	0.5	1.0	1.1	0.4	0.4	0.4
Other operating expenses	2.3	1.9	2.0	2.7	1.5	2.1	1.8
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	6.0	6.1	5.6	6.4	4.8	4.0	1.5
<i>Margin</i>	<i>44.6 %</i>	<i>41.8 %</i>	<i>42.7 %</i>	<i>40.0 %</i>	<i>41.6 %</i>	<i>28.7 %</i>	<i>13.7 %</i>
Depreciation of fixed assets	0.5	0.4	0.2	0.1	0.2	0.3	0.2
EBITA	5.5	5.7	5.4	6.3	4.6	3.7	1.3
Amortisation of intangible assets	2.5	1.9	1.5	1.8	1.0	1.4	1.1
Goodwill amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	3.0	4.1	3.9	4.5	3.5	2.3	0.2
<i>Margin</i>	<i>22.3 %</i>	<i>27.8 %</i>	<i>29.7 %</i>	<i>27.9 %</i>	<i>30.6 %</i>	<i>16.7 %</i>	<i>1.7 %</i>
EBIT adj.	3.0	4.1	3.9	4.5	3.5	2.3	0.2
Interest income	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Interest expenses	0.3	0.1	0.0	0.0	0.0	0.0	0.0
Other financial income (loss)	-0.3	-0.2	0.9	0.3	0.0	0.0	0.0
EBT	2.4	3.8	4.9	5.0	3.6	2.4	0.3
<i>Margin</i>	<i>17.7 %</i>	<i>26.3 %</i>	<i>37.8 %</i>	<i>30.9 %</i>	<i>31.4 %</i>	<i>17.4 %</i>	<i>2.6 %</i>
Total taxes	0.2	0.1	1.2	-1.8	0.0	0.0	0.0
Net income from continuing operations	2.2	3.7	3.7	6.7	3.6	2.4	0.3
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	2.2	3.7	3.7	6.7	3.6	2.4	0.3
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	2.2	3.7	3.7	6.7	3.6	2.4	0.3
<i>Margin</i>	<i>16.2 %</i>	<i>25.4 %</i>	<i>28.4 %</i>	<i>42.1 %</i>	<i>31.4 %</i>	<i>17.4 %</i>	<i>2.6 %</i>
Number of shares, average	1.7	1.7	1.7	1.8	1.8	1.8	1.8
EPS	1.26	2.15	2.16	3.76	2.02	1.35	0.16
EPS adj.	1.26	2.15	2.16	3.76	2.02	1.35	0.16

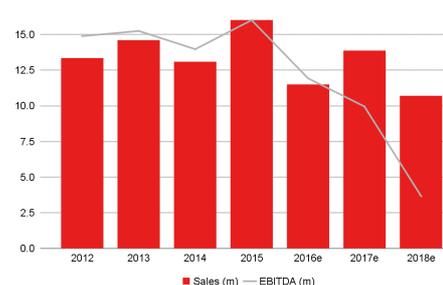
*Adjustments made for:

Guidance: 2016e: Sales EUR 14.5-15m; EBIT EUR 2.5-3m

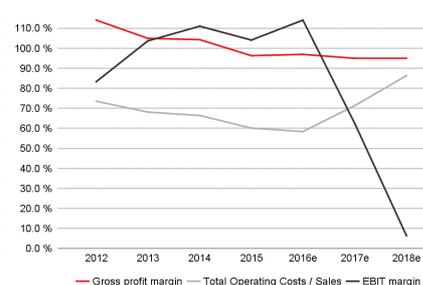
Financial Ratios

	2012	2013	2014	2015	2016e	2017e	2018e
Total Operating Costs / Sales	73.5 %	68.1 %	66.5 %	60.0 %	58.4 %	71.3 %	86.3 %
Operating Leverage	n.a.	3.9 x	0.4 x	0.7 x	0.8 x	-1.7 x	4.0 x
EBITDA / Interest expenses	17.2 x	57.5 x	253.9 x	291.3 x	n.a.	n.a.	n.a.
Tax rate (EBT)	8.3 %	3.5 %	24.9 %	-36.0 %	0.0 %	0.0 %	0.0 %
Dividend Payout Ratio	0.0 %	0.0 %	1.9 %	25.3 %	47.1 %	70.5 %	603.8 %
Sales per Employee	113,110	135,185	116,884	142,982	102,679	123,856	95,544

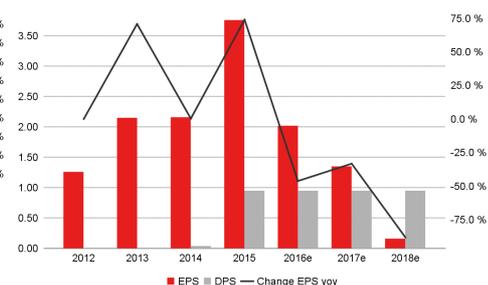
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

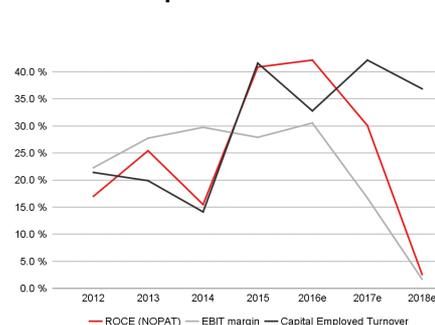
Consolidated balance sheet

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
Assets							
Goodwill and other intangible assets	16.8	15.7	15.6	13.9	13.2	12.2	11.8
thereof other intangible assets	6.2	5.0	5.0	3.2	2.6	1.6	1.1
thereof Goodwill	10.6	10.6	10.6	10.6	10.6	10.6	10.6
Property, plant and equipment	0.3	0.5	0.4	0.3	0.2	0.2	0.2
Financial assets	0.3	1.2	1.6	1.7	1.7	1.7	1.7
Other long-term assets	0.0	0.0	0.0	0.9	1.6	1.8	1.8
Fixed assets	17.5	17.4	17.6	16.8	16.7	15.9	15.5
Inventories	0.2	0.0	0.0	0.1	0.1	0.1	0.1
Accounts receivable	3.9	2.0	2.7	2.8	2.5	3.0	2.3
Liquid assets	8.7	9.8	9.3	25.6	27.4	28.6	28.1
Other short-term assets	0.7	4.8	8.7	0.2	0.2	0.2	0.2
Current assets	13.4	16.6	20.7	28.7	30.3	32.0	30.7
Total Assets	30.9	34.0	38.3	45.5	47.0	47.9	46.2
Liabilities and shareholders' equity							
Subscribed capital	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Capital reserve	28.1	9.8	9.8	8.2	8.2	8.2	8.2
Retained earnings	0.0	0.0	0.0	0.4	4.0	6.4	6.7
Other equity components	-7.1	14.9	18.7	23.3	20.7	19.0	17.3
Shareholders' equity	22.8	26.4	30.3	33.7	34.7	35.5	34.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	22.8	26.4	30.3	33.7	34.7	35.5	34.0
Provisions	0.8	0.4	0.5	0.6	0.6	0.6	0.6
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.6	0.6	0.6	0.6
Financial liabilities (total)	0.0	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	1.1	0.8	0.6	0.6	1.0	1.2	0.9
Other liabilities	6.2	6.3	6.9	10.6	10.6	10.6	10.6
Liabilities	8.1	7.6	8.0	11.8	12.3	12.5	12.2
Total liabilities and shareholders' equity	30.9	34.0	38.3	45.5	47.0	47.9	46.2

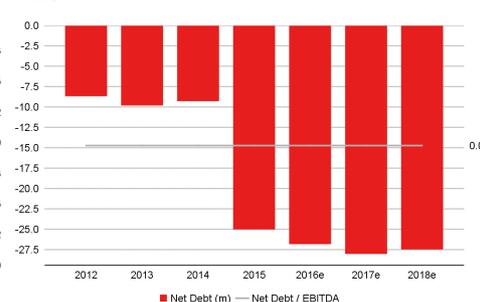
Financial Ratios

	2012	2013	2014	2015	2016e	2017e	2018e
Efficiency of Capital Employment							
Operating Assets Turnover	4.1 x	8.4 x	5.2 x	6.1 x	6.4 x	6.7 x	6.4 x
Capital Employed Turnover	0.9 x	0.9 x	0.6 x	1.8 x	1.4 x	1.9 x	1.6 x
ROA	12.4 %	21.3 %	21.1 %	40.0 %	21.6 %	15.1 %	1.8 %
Return on Capital							
ROCE (NOPAT)	17.0 %	25.4 %	15.5 %	40.9 %	42.2 %	30.1 %	2.6 %
ROE	9.9 %	15.1 %	13.1 %	21.0 %	10.6 %	6.9 %	0.8 %
Adj. ROE	9.9 %	15.1 %	13.1 %	21.0 %	10.6 %	6.9 %	0.8 %
Balance sheet quality							
Net Debt	-8.7	-9.8	-9.3	-25.0	-26.8	-28.0	-27.5
Net Financial Debt	-8.7	-9.8	-9.3	-25.6	-27.4	-28.6	-28.1
Net Gearing	-38.1 %	-37.0 %	-30.6 %	-74.1 %	-77.2 %	-79.0 %	-80.7 %
Net Fin. Debt / EBITDA	n.a.						
Book Value / Share	13.2	15.4	17.6	18.8	19.4	19.8	19.0
Book value per share ex intangibles	3.4	6.3	8.5	11.1	12.0	13.0	12.4

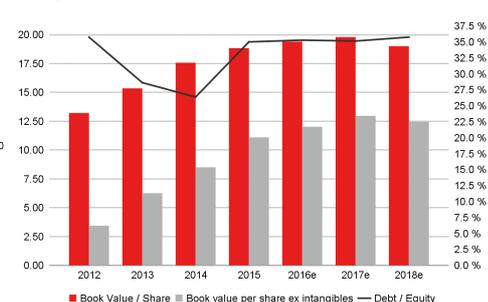
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

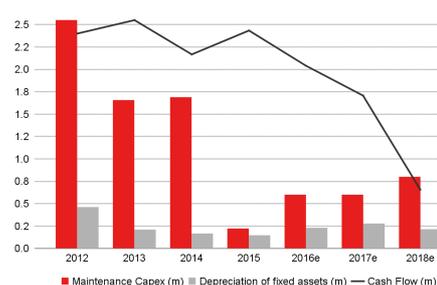
Consolidated cash flow statement

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
Net income	3.1	3.7	3.7	6.7	3.6	2.4	0.3
Depreciation of fixed assets	0.5	0.2	0.2	0.1	0.2	0.3	0.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.5	1.9	1.5	1.8	1.0	1.4	1.1
Increase/decrease in long-term provisions	-0.4	-0.3	0.0	0.6	0.0	0.0	0.0
Other non-cash income and expenses	0.1	0.6	-0.3	-3.5	0.0	0.0	0.0
Cash Flow	5.7	6.1	5.2	5.8	4.9	4.1	1.6
Increase / decrease in inventory	0.1	0.2	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	0.1	1.0	-0.2	-0.5	0.3	-0.5	0.7
Increase / decrease in accounts payable	-0.6	0.4	-0.1	1.2	0.4	0.2	-0.3
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	1.6	-0.3	0.8	0.7	-0.3	0.4
Net cash provided by operating activities	5.3	7.7	4.8	6.6	5.6	3.8	2.0
Investments in intangible assets	-2.5	-1.5	-1.5	0.0	-0.4	-0.4	-0.6
Investments in property, plant and equipment	-0.1	-0.4	-0.1	-0.1	-0.1	-0.3	-0.2
Payments for acquisitions	-1.4	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.9	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	-3.7	-3.5	8.0	0.0	0.0	0.0
Net cash provided by investing activities	-3.1	-5.6	-5.0	7.9	-0.5	-0.7	-0.8
Change in financial liabilities	0.0	-0.1	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	-0.1	-1.7	-1.7	-1.7
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	1.7	0.0	0.0	0.0
Net cash provided by financing activities	0.0	-0.1	0.0	1.6	-1.7	-1.7	-1.7
Change in liquid funds	2.1	2.1	-0.2	16.1	3.4	1.4	-0.5
Effects of exchange-rate changes on cash	-0.1	-0.1	0.2	0.2	0.0	0.0	0.0
Cash and cash equivalent at end of period	8.1	10.1	9.3	25.6	29.0	30.4	29.9

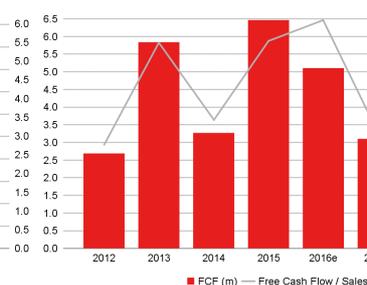
Financial Ratios

	2012	2013	2014	2015	2016e	2017e	2018e
Cash Flow							
FCF	2.7	5.8	3.3	6.5	5.1	3.1	1.2
Free Cash Flow / Sales	20.1 %	40.0 %	25.0 %	40.4 %	44.4 %	22.4 %	10.8 %
Free Cash Flow Potential	3.2	4.4	2.7	8.0	4.8	4.0	1.3
Free Cash Flow / Net Profit	124.3 %	157.5 %	88.1 %	96.0 %	141.2 %	128.5 %	408.8 %
Interest Received / Avg. Cash	0.8 %	1.1 %	2.2 %	0.9 %	0.4 %	0.4 %	0.4 %
Interest Paid / Avg. Debt	14.7 %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Management of Funds							
Investment ratio	19.5 %	12.7 %	11.9 %	0.7 %	4.3 %	4.9 %	7.6 %
Maint. Capex / Sales	19.1 %	11.3 %	12.9 %	1.4 %	5.2 %	4.3 %	7.5 %
Capex / Dep	87.3 %	92.8 %	92.1 %	6.0 %	39.1 %	40.7 %	63.4 %
Avg. Working Capital / Sales	24.2 %	14.3 %	12.9 %	14.0 %	17.0 %	12.6 %	15.9 %
Trade Debtors / Trade Creditors	341.2 %	255.9 %	472.0 %	501.3 %	250.0 %	250.0 %	255.6 %
Inventory Turnover	3.0 x	n.a.	n.a.	6.1 x	3.5 x	6.9 x	5.4 x
Receivables collection period (days)	107	50	76	63	79	79	78
Payables payment period (days)	780	422	333	330	1,058	631	614
Cash conversion cycle (Days)	-621	n.a.	n.a.	-260	-929	-567	-531

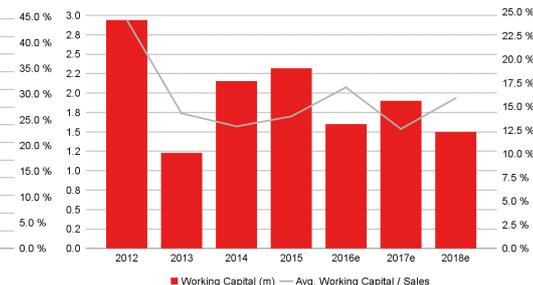
CAPEX and Cash Flow
in EUR m



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

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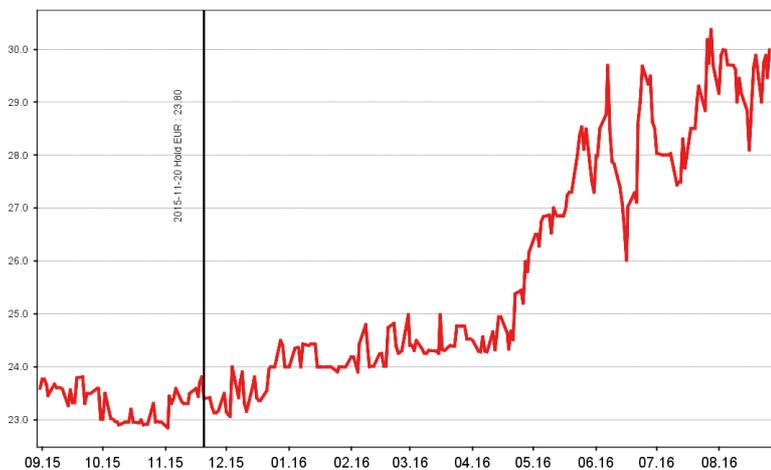
Rating	Number of stocks	% of Universe
Buy	116	61
Hold	66	35
Sell	7	4
Rating suspended	1	1
Total	190	100

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	25	69
Hold	10	28
Sell	1	3
Rating suspended	0	0
Total	36	100

PRICE AND RATING HISTORY MEVIS MEDICAL SOLUTIONS AS OF 29.08.2016



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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