

<b>Hold</b> <b>EUR 38.00</b>  <b>Price</b> EUR 38.38 <b>Downside</b> -1.0 %	<b>Value Indicators:</b> EUR DCF: 29.61	<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: 69.8 No. of shares (m): 1.8 EV: 41.9 Freefloat MC: 16.4 Ø Trad. Vol. (30d): 6.87 th	<b>Shareholders:</b> Freefloat 23.5 % Varian Medical Systems 73.5 % Oppenheim Asset Manag. 3.0 %	<b>Risk Profile (WRe):</b> 2016/17e Beta: 1.4 Price / Book: 1.9 x Equity Ratio: 77 %

## Strong Q3

<b>Stated Figures Q3/2016/17:</b>									
in Mio. EUR	Q3/17	Q3/17e	Q3/16	yoy	9M/17	9M/17e	9M/16	yoy	
<b>Sales</b>	<b>4.4</b>	4.0	4.4	0.2%	<b>14.2</b>	13.8	12.1	17.3%	
<b>EBITDA</b>	<b>2.0</b>	1.6	2.0	-0.4%	<b>6.3</b>	5.9	5.2	20.9%	
<b>margin</b>	<b>45.0%</b>	40.0%	45.3%		<b>44.3%</b>	42.8%	43.0%		
<b>EBIT</b>	<b>1.7</b>	1.3	1.6	6.8%	<b>5.3</b>	4.9	3.9	36.6%	
<b>margin</b>	<b>38.7%</b>	32.5%	36.3%		<b>37.5%</b>	35.7%	32.2%		

### Comment on Figures:

- The reported Q3 figures give evidence of the change in company towards more services for Hologic.
- While revenues from licenses decreased as expected, revenues from services increased significantly.
- Overall, the forecasts (WRe) were exceeded.

The intention of major customer Hologic to gradually replace MeVis software used in its sold hardware by captive software, which is to be (co-) developed by MeVis, remains the central element of the equity story. It remains unclear when and to which extent this will happen. However, the financial figures already show a trend in this direction: 9M revenues increased by 16% (see table) which was substantially helped by the increase in development support services for Hologic. The revenue growth mainly resulted from the sale of comprehensive rights of use for MeVisLab, a tool for the development of software prototypes, in the amount of EUR 1.8m (Q1). Even without this effect, revenues in the Other Diagnostics segment (include development services for Hologic) grew by 35% to EUR 3.4m (total EUR 5.2m, previous year EUR 2.5m). Revenues in the Digital Mammography segment decreased by 3% to EUR 8.9m (includes 15% decline of new licenses). However, this positive development continues to have minor importance for the share's valuation as the share price appears to be still linked to the minimum dividend guaranteed by the majority shareholder (EUR 0.95, valued as "Consol", yield 2.5%, PT EUR 38). **The share remains a Hold.**

<b>Changes in Estimates:</b>							<b>Comment on Changes:</b>	
FY End: 30.9. in EUR m	2016/17e (old)	+ / -	2017/18e (old)	+ / -	2018/19e (old)	+ / -	<ul style="list-style-type: none"> <li>In light of the good figures, the forecasts for the coming years are being increased.</li> <li>The high relative increase in the estimates for the years from 2017 on is mainly explained by the fact that the scenario of a cessation of license revenues will occur much later than initially anticipated.</li> </ul>	
<b>Sales</b>	17.0	2.4 %	14.5	3.4 %	11.0	4.5 %		
<b>EBITDA</b>	7.0	8.0 %	5.1	12.3 %	2.1	14.1 %		
<b>EBIT</b>	4.9	10.3 %	3.3	16.9 %	0.7	31.5 %		
<b>EBT</b>	5.0	10.1 %	3.4	16.4 %	0.8	27.7 %		
<b>Net income</b>	5.0	10.1 %	3.4	16.4 %	0.8	27.7 %		

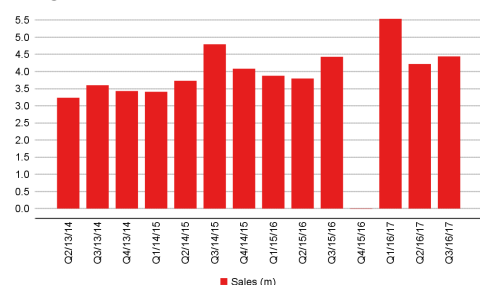


<b>Rel. Performance vs CDAX:</b>	
1 month:	3.0 %
6 months:	-1.9 %
Year to date:	-4.4 %
Trailing 12 months:	14.9 %

<b>Company events:</b>	

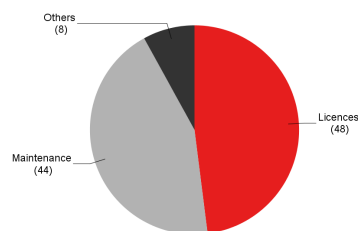
FY End: 30.9. in EUR m	CAGR (15/16-18/19e)	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
<b>Sales</b>	-1.7 %	14.6	13.1	16.0	12.1	17.4	15.0	11.5
Change Sales yoy		9.4 %	-10.3 %	22.3 %	-24.5 %	43.9 %	-13.8 %	-23.3 %
Gross profit margin		104.9 %	104.3 %	96.2 %	97.2 %	96.0 %	96.0 %	96.0 %
<b>EBITDA</b>	-23.6 %	6.1	5.6	6.4	5.2	7.5	5.7	2.3
Margin		41.8 %	42.7 %	40.0 %	43.4 %	43.1 %	38.0 %	20.3 %
<b>EBIT</b>	-37.5 %	4.1	3.9	4.5	3.9	5.4	3.9	1.0
Margin		27.8 %	29.7 %	27.9 %	32.5 %	31.1 %	26.0 %	8.3 %
<b>Net income</b>	-32.4 %	3.7	3.7	6.7	3.4	5.5	4.0	1.1
<b>EPS</b>	-32.2 %	2.15	2.16	3.76	1.86	3.00	2.17	0.58
<b>EPS adj.</b>	-32.2 %	2.15	2.16	3.76	1.86	3.00	2.17	0.58
<b>DPS</b>	0.0 %	0.00	0.04	0.95	0.95	0.95	0.95	0.95
Dividend Yield		n.a.	0.3 %	4.4 %	3.1 %	2.5 %	2.5 %	2.5 %
<b>FCFPS</b>		3.39	1.90	3.61	1.79	4.02	2.83	1.20
<b>FCF / Market cap</b>		26.4 %	12.2 %	16.8 %	5.9 %	10.5 %	7.4 %	3.1 %
<b>EV / Sales</b>		0.8 x	1.3 x	0.8 x	2.7 x	2.5 x	2.6 x	3.2 x
<b>EV / EBITDA</b>		2.0 x	3.1 x	2.1 x	6.3 x	5.7 x	6.9 x	15.8 x
<b>EV / EBIT</b>		3.0 x	4.5 x	3.0 x	8.5 x	7.9 x	10.1 x	38.5 x
<b>P / E</b>		6.0 x	7.2 x	5.7 x	16.3 x	12.8 x	17.7 x	66.2 x
<b>P / E adj.</b>		6.0 x	7.2 x	5.7 x	16.3 x	12.8 x	17.7 x	66.2 x
<b>FCF Potential Yield</b>		35.5 %	15.2 %	58.9 %	15.0 %	17.4 %	14.0 %	6.1 %
<b>Net Debt</b>		-9.8	-9.3	-25.0	-22.5	-27.9	-31.4	-33.7
<b>ROCE (NOPAT)</b>		25.4 %	15.5 %	40.9 %	41.1 %	56.7 %	48.0 %	15.9 %
<b>Guidance:</b>	2017e: Sales EUR 17-17.5m; EBIT EUR 5-5.5m							

**Sales development**  
in EUR m



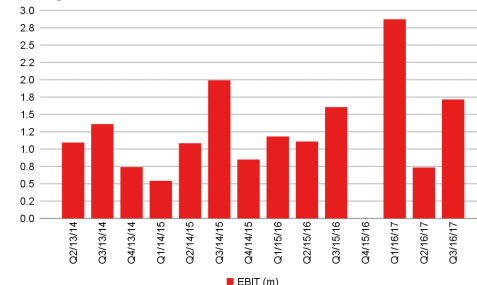
Source: Warburg Research

**Sales by types**  
2017e; in %



Source: Warburg Research

**EBIT development**  
in EUR m



Source: Warburg Research

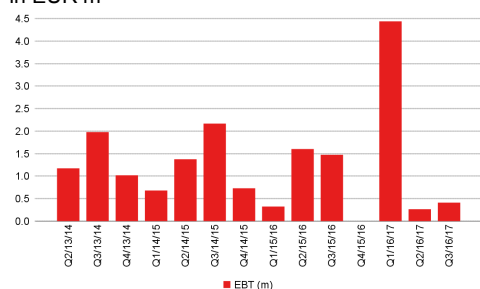
## Company Background

- 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

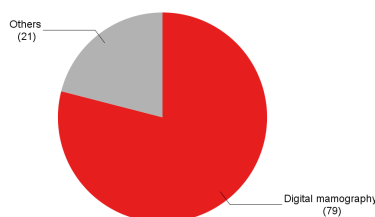
- MeVis follows a strategy of early market presence in the new areas of image-based medical technology. In focus here are mass market products.
- The ability to be an early market entrant differentiates MeVis from competitors.
- MeVis maintains long-term and interdisciplinary cooperation agreements with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



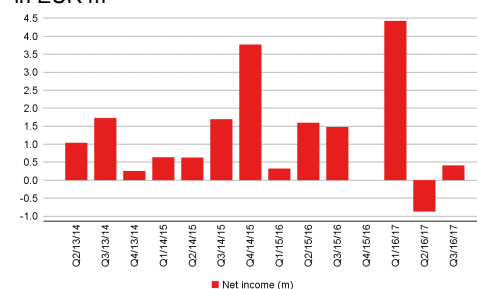
Source: Warburg Research

**Sales by segments**  
2017e; 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
	16/17e	17/18e	18/19e	19/20e	20/21e	21/22e	22/23e	23/24e	24/25e	25/26e	26/27e	27/28e	28/29e	
Sales	17.4	15.0	11.5	9.8	8.3	8.5	8.7	8.9	9.2	9.4	9.6	9.9	10.1	
Sales change	43.9 %	-13.8 %	-23.3 %	-15.0 %	-15.0 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
EBIT	5.4	3.9	1.0	0.7	0.5	0.6	0.7	0.8	0.9	1.0	1.2	1.3	1.4	
EBIT-margin	31.1 %	26.0 %	8.3 %	7.0 %	6.0 %	7.0 %	8.0 %	9.0 %	10.0 %	11.0 %	12.0 %	13.0 %	14.0 %	
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 %	0.0 %	
NOPAT	5.4	3.9	1.0	0.7	0.5	0.6	0.7	0.8	0.9	1.0	1.2	1.3	1.4	
Depreciation	2.1	1.8	1.4	1.2	1.0	1.0	1.0	1.1	1.0	1.0	1.0	0.9	0.8	
in % of Sales	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	11.0 %	11.0 %	10.0 %	9.0 %	8.0 %	
Changes in provisions	0.0	0.0	0.0	-0.3	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	-0.3	-0.5	-0.1	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Capex	0.8	0.9	0.7	0.8	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	
Capex in % of Sales	4.9 %	6.0 %	6.3 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
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)	7.3	5.1	2.1	0.9	1.0	0.9	1.0	1.1	1.2	1.3	1.3	1.3	1.4	1
PV of FCF	7.1	4.6	1.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	7
share of PVs	51.29 %			22.04 %										26.66 %

**Model parameter**

Derivation of WACC:

Debt ratio	0.00 %
Cost of debt (after tax)	6.0 %
Market return	7.00 %
Risk free rate	1.50 %

Derivation of Beta:

Financial Strength	1.00
Liquidity (share)	1.80
Cyclicality	1.50
Transparency	1.50
Others	1.30

**WACC** 9.31 %**Beta** 1.42**Valuation (m)**

Present values 2028/29e

Terminal Value	7
Financial liabilities	0
Pension liabilities	1
Hybrid capital	0
Minority interest	0
Market val. of investments	0
Liquidity	28
No. of shares (m)	1.8
<b>Equity Value</b>	<b>54</b>
<b>Value per share (EUR)</b>	<b>29.61</b>

**Sensitivity Value per Share (EUR)**

		Terminal Growth									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
<b>Beta</b>	<b>WACC</b>								<b>Beta</b>	<b>WACC</b>							
1.60	10.3 %	28.24	28.32	28.41	28.50	28.60	28.70	28.82	1.60	10.3 %	27.48	27.82	28.16	28.50	28.84	29.18	29.52
1.51	9.8 %	28.70	28.80	28.90	29.02	29.14	29.26	29.40	1.51	9.8 %	27.94	28.30	28.66	29.02	29.37	29.73	30.09
1.47	9.6 %	28.95	29.06	29.18	29.30	29.43	29.57	29.73	1.47	9.6 %	28.19	28.56	28.93	29.30	29.67	30.04	30.41
1.42	9.3 %	29.23	29.34	29.47	29.61	29.75	29.91	30.08	1.42	9.3 %	28.46	28.84	29.23	29.61	29.99	30.37	30.75
1.37	9.1 %	29.51	29.64	29.78	29.93	30.10	30.27	30.46	1.37	9.1 %	28.76	29.15	29.54	29.93	30.33	30.72	31.11
1.33	8.8 %	29.82	29.97	30.12	30.29	30.47	30.66	30.88	1.33	8.8 %	29.07	29.48	29.88	30.29	30.69	31.10	31.50
1.24	8.3 %	30.51	30.69	30.88	31.08	31.31	31.56	31.83	1.24	8.3 %	29.78	30.22	30.65	31.08	31.52	31.95	32.39

- 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	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
Price / Book	0.8 x	0.9 x	1.1 x	1.7 x	1.9 x	1.8 x	1.8 x
Book value per share ex intangibles	5.92	8.05	10.92	10.96	13.68	15.40	15.38
EV / Sales	0.8 x	1.3 x	0.8 x	2.7 x	2.5 x	2.6 x	3.2 x
EV / EBITDA	2.0 x	3.1 x	2.1 x	6.3 x	5.7 x	6.9 x	15.8 x
EV / EBIT	3.0 x	4.5 x	3.0 x	8.5 x	7.9 x	10.1 x	38.5 x
EV / EBIT adj.*	3.0 x	4.5 x	3.0 x	8.5 x	7.9 x	10.1 x	38.5 x
P / FCF	3.8 x	8.2 x	6.0 x	16.9 x	9.5 x	13.6 x	32.0 x
P / E	6.0 x	7.2 x	5.7 x	16.3 x	12.8 x	17.7 x	66.2 x
P / E adj.*	6.0 x	7.2 x	5.7 x	16.3 x	12.8 x	17.7 x	66.2 x
Dividend Yield	n.a.	0.3 %	4.4 %	3.1 %	2.5 %	2.5 %	2.5 %
FCF Potential Yield (on market EV)	35.5 %	15.2 %	58.9 %	15.0 %	17.4 %	14.0 %	6.1 %
*Adjustments made for: -							

**Consolidated profit & loss**

In EUR m	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
<b>Sales</b>	<b>14.6</b>	<b>13.1</b>	<b>16.0</b>	<b>12.1</b>	<b>17.4</b>	<b>15.0</b>	<b>11.5</b>
Change Sales yoy	9.4 %	-10.3 %	22.3 %	-24.5 %	43.9 %	-13.8 %	-23.3 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	1.4	1.2	0.0	0.0	0.0	0.0	0.0
<b>Total Sales</b>	<b>16.0</b>	<b>14.3</b>	<b>16.0</b>	<b>12.1</b>	<b>17.4</b>	<b>15.0</b>	<b>11.5</b>
Material expenses	0.7	0.6	0.6	0.3	0.7	0.6	0.5
<b>Gross profit</b>	<b>15.3</b>	<b>13.7</b>	<b>15.4</b>	<b>11.8</b>	<b>16.7</b>	<b>14.4</b>	<b>11.0</b>
<i>Gross profit margin</i>	<i>104.9 %</i>	<i>104.3 %</i>	<i>96.2 %</i>	<i>97.2 %</i>	<i>96.0 %</i>	<i>96.0 %</i>	<i>96.0 %</i>
Personnel expenses	7.9	7.0	7.4	5.6	7.5	7.3	7.3
Other operating income	0.5	1.0	1.1	0.6	0.4	0.4	0.4
Other operating expenses	1.9	2.0	2.7	1.6	2.1	1.8	1.8
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>6.1</b>	<b>5.6</b>	<b>6.4</b>	<b>5.2</b>	<b>7.5</b>	<b>5.7</b>	<b>2.3</b>
<i>Margin</i>	<i>41.8 %</i>	<i>42.7 %</i>	<i>40.0 %</i>	<i>43.4 %</i>	<i>43.1 %</i>	<i>38.0 %</i>	<i>20.3 %</i>
Depreciation of fixed assets	0.4	0.2	0.1	0.2	0.3	0.3	0.2
<b>EBITA</b>	<b>5.7</b>	<b>5.4</b>	<b>6.3</b>	<b>5.0</b>	<b>7.2</b>	<b>5.4</b>	<b>2.1</b>
Amortisation of intangible assets	1.9	1.5	1.8	1.1	1.7	1.5	1.2
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>4.1</b>	<b>3.9</b>	<b>4.5</b>	<b>3.9</b>	<b>5.4</b>	<b>3.9</b>	<b>1.0</b>
<i>Margin</i>	<i>27.8 %</i>	<i>29.7 %</i>	<i>27.9 %</i>	<i>32.5 %</i>	<i>31.1 %</i>	<i>26.0 %</i>	<i>8.3 %</i>
<b>EBIT adj.</b>	<b>4.1</b>	<b>3.9</b>	<b>4.5</b>	<b>3.9</b>	<b>5.4</b>	<b>3.9</b>	<b>1.0</b>
Interest income	0.1	0.2	0.2	0.1	0.1	0.1	0.1
Interest expenses	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other financial income (loss)	-0.2	0.9	0.3	-0.6	0.0	0.0	0.0
<b>EBT</b>	<b>3.8</b>	<b>4.9</b>	<b>5.0</b>	<b>3.4</b>	<b>5.5</b>	<b>4.0</b>	<b>1.1</b>
<i>Margin</i>	<i>26.3 %</i>	<i>37.8 %</i>	<i>30.9 %</i>	<i>28.3 %</i>	<i>31.7 %</i>	<i>26.7 %</i>	<i>9.2 %</i>
Total taxes	0.1	1.2	-1.8	0.0	0.0	0.0	0.0
<b>Net income from continuing operations</b>	<b>3.7</b>	<b>3.7</b>	<b>6.7</b>	<b>3.4</b>	<b>5.5</b>	<b>4.0</b>	<b>1.1</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>3.7</b>	<b>3.7</b>	<b>6.7</b>	<b>3.4</b>	<b>5.5</b>	<b>4.0</b>	<b>1.1</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>3.7</b>	<b>3.7</b>	<b>6.7</b>	<b>3.4</b>	<b>5.5</b>	<b>4.0</b>	<b>1.1</b>
<i>Margin</i>	<i>25.4 %</i>	<i>28.4 %</i>	<i>42.1 %</i>	<i>28.3 %</i>	<i>31.7 %</i>	<i>26.7 %</i>	<i>9.2 %</i>
Number of shares, average	1.7	1.7	1.8	1.8	1.8	1.8	1.8
<b>EPS</b>	<b>2.15</b>	<b>2.16</b>	<b>3.76</b>	<b>1.86</b>	<b>3.00</b>	<b>2.17</b>	<b>0.58</b>
EPS adj.	2.15	2.16	3.76	1.86	3.00	2.17	0.58

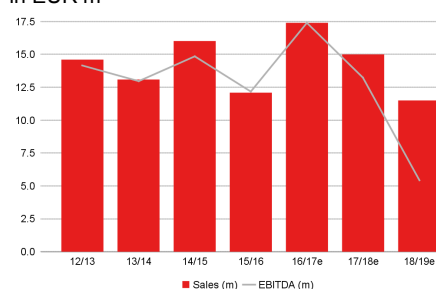
\*Adjustments made for:

**Guidance: 2017e: Sales EUR 17-17.5m; EBIT EUR 5-5.5m****Financial Ratios**

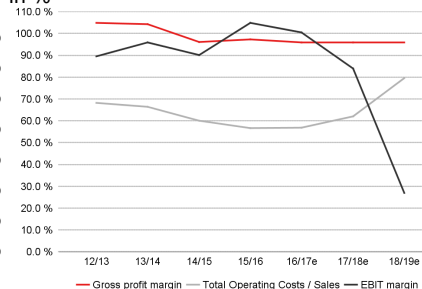
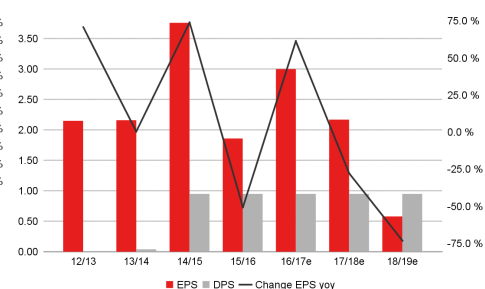
	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
Total Operating Costs / Sales	68.1 %	66.5 %	60.0 %	56.6 %	56.9 %	62.0 %	79.7 %
Operating Leverage	3.9 x	0.4 x	0.7 x	0.5 x	0.9 x	2.0 x	3.2 x
EBITDA / Interest expenses	57.5 x	253.9 x	291.3 x	437.2 x	n.a.	n.a.	n.a.
Tax rate (EBT)	3.5 %	24.9 %	-36.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Dividend Payout Ratio	0.0 %	1.9 %	25.3 %	51.0 %	31.7 %	43.7 %	164.9 %
Sales per Employee	135,185	116,884	142,982	107,955	155,357	133,929	102,679

**Sales, EBITDA**

in EUR m

**Operating Performance**

in %

**Performance per Share**

Source: Warburg Research

Source: Warburg Research

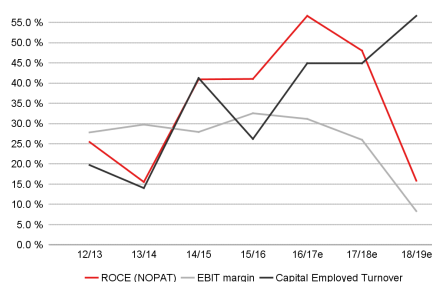
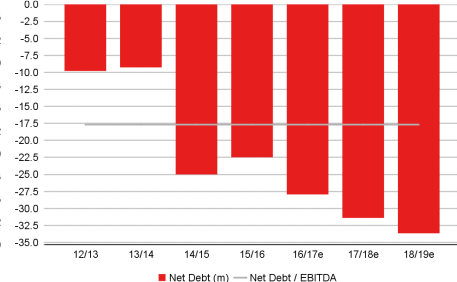
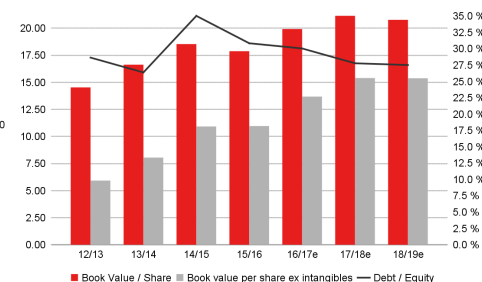
Source: Warburg Research

**Consolidated balance sheet**

In EUR m	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
<b>Assets</b>							
Goodwill and other intangible assets	15.7	15.6	13.9	12.7	11.5	10.6	9.9
thereof other intangible assets	5.0	5.0	3.2	2.1	0.9	0.0	-0.7
thereof Goodwill	10.6	10.6	10.6	10.6	10.6	10.6	10.6
Property, plant and equipment	0.5	0.4	0.3	0.3	0.3	0.3	0.3
Financial assets	1.2	1.6	1.7	1.6	1.6	1.6	1.6
Other long-term assets	0.0	0.0	0.9	1.6	1.8	1.8	0.0
<b>Fixed assets</b>	<b>17.4</b>	<b>17.6</b>	<b>16.8</b>	<b>16.2</b>	<b>15.2</b>	<b>14.3</b>	<b>11.9</b>
Inventories	0.0	0.0	0.1	0.0	0.1	0.1	0.1
Accounts receivable	2.0	2.7	2.8	3.7	3.8	3.3	2.5
Liquid assets	9.8	9.3	25.6	22.8	28.2	31.7	33.9
Other short-term assets	4.8	8.7	0.2	0.3	0.3	0.3	0.3
<b>Current assets</b>	<b>16.6</b>	<b>20.7</b>	<b>28.7</b>	<b>26.8</b>	<b>32.5</b>	<b>35.4</b>	<b>36.9</b>
<b>Total Assets</b>	<b>34.0</b>	<b>38.3</b>	<b>45.5</b>	<b>43.0</b>	<b>47.7</b>	<b>49.7</b>	<b>48.7</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	9.8	9.8	8.2	8.2	8.2	8.2	8.2
Retained earnings	0.0	0.0	0.4	0.3	5.8	9.8	10.9
Other equity components	14.9	18.7	23.3	22.5	20.8	19.0	17.3
Shareholders' equity	26.4	30.3	33.7	32.9	36.7	38.9	38.2
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total equity</b>	<b>26.4</b>	<b>30.3</b>	<b>33.7</b>	<b>32.9</b>	<b>36.7</b>	<b>38.9</b>	<b>38.2</b>
Provisions	0.4	0.5	0.6	0.3	0.3	0.3	0.3
thereof provisions for pensions and similar obligations	0.0	0.0	0.6	0.3	0.3	0.3	0.3
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	0.8	0.6	0.6	0.6	1.5	1.3	1.0
Other liabilities	6.3	6.9	10.6	9.3	9.3	9.3	9.3
<b>Liabilities</b>	<b>7.6</b>	<b>8.0</b>	<b>11.8</b>	<b>10.1</b>	<b>11.0</b>	<b>10.8</b>	<b>10.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>34.0</b>	<b>38.3</b>	<b>45.5</b>	<b>43.0</b>	<b>47.7</b>	<b>49.7</b>	<b>48.7</b>

**Financial Ratios**

	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	8.4 x	5.2 x	6.1 x	3.6 x	6.4 x	6.2 x	6.0 x
Capital Employed Turnover	0.9 x	0.6 x	1.8 x	1.2 x	2.0 x	2.0 x	2.5 x
ROA	21.3 %	21.1 %	40.0 %	21.1 %	36.3 %	28.0 %	8.9 %
<b>Return on Capital</b>							
ROCE (NOPAT)	25.4 %	15.5 %	40.9 %	41.1 %	56.7 %	48.0 %	15.9 %
ROE	15.1 %	13.1 %	21.0 %	10.3 %	15.9 %	10.6 %	2.7 %
Adj. ROE	15.1 %	13.1 %	21.0 %	10.3 %	15.9 %	10.6 %	2.7 %
<b>Balance sheet quality</b>							
Net Debt	-9.8	-9.3	-25.0	-22.5	-27.9	-31.4	-33.7
Net Financial Debt	-9.8	-9.3	-25.6	-22.8	-28.2	-31.7	-33.9
Net Gearing	-37.0 %	-30.6 %	-74.1 %	-68.4 %	-76.2 %	-80.7 %	-88.0 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	14.5	16.6	18.5	17.9	19.9	21.1	20.8
Book value per share ex intangibles	5.9	8.0	10.9	11.0	13.7	15.4	15.4

**ROCE Development****Net debt in EUR m****Book Value per Share in EUR**

Source: Warburg Research

Source: Warburg Research

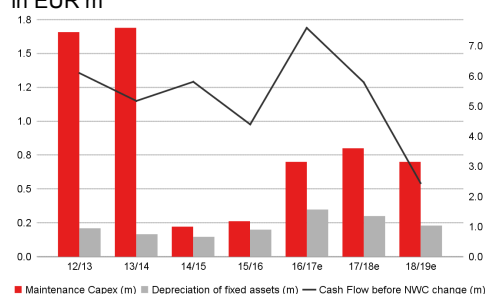
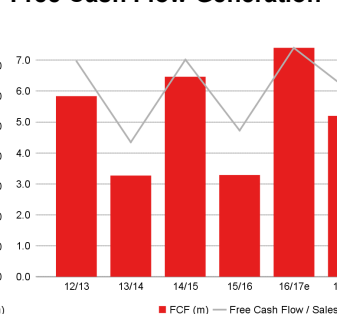
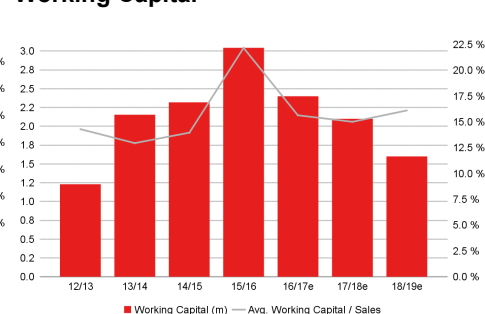
Source: Warburg Research

**Consolidated cash flow statement**

In EUR m	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
Net income	3.7	3.7	6.7	3.4	5.5	4.0	1.1
Depreciation of fixed assets	0.2	0.2	0.1	0.2	0.3	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	1.9	1.5	1.8	1.1	1.7	1.5	1.2
Increase/decrease in long-term provisions	-0.3	0.0	0.6	-0.4	0.0	0.0	0.0
Other non-cash income and expenses	0.6	-0.3	-3.5	0.0	0.0	0.0	0.0
<b>Cash Flow before NWC change</b>	<b>6.1</b>	<b>5.2</b>	<b>5.8</b>	<b>4.4</b>	<b>7.6</b>	<b>5.8</b>	<b>2.4</b>
Increase / decrease in inventory	0.2	0.0	0.0	0.1	-0.1	0.0	0.0
Increase / decrease in accounts receivable	1.0	-0.2	-0.5	-0.9	-0.1	0.5	0.8
Increase / decrease in accounts payable	0.4	-0.1	1.2	0.1	0.9	-0.2	-0.3
Increase / decrease in other working capital positions	0.0	0.0	0.0	-0.2	0.0	0.0	0.0
Increase / decrease in working capital (total)	1.6	-0.3	0.8	-0.9	0.6	0.3	0.5
<b>Net cash provided by operating activities [1]</b>	<b>7.7</b>	<b>4.8</b>	<b>6.6</b>	<b>3.5</b>	<b>8.2</b>	<b>6.1</b>	<b>2.9</b>
Investments in intangible assets	-1.5	-1.5	0.0	-0.1	-0.5	-0.6	-0.5
Investments in property, plant and equipment	-0.4	-0.1	-0.1	-0.1	-0.3	-0.3	-0.2
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	-3.7	-3.5	8.0	0.0	0.0	0.0	0.0
<b>Net cash provided by investing activities [2]</b>	<b>-5.6</b>	<b>-5.0</b>	<b>7.9</b>	<b>-0.2</b>	<b>-0.8</b>	<b>-0.9</b>	<b>-0.7</b>
Change in financial liabilities	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	-0.1	0.0	-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	1.7	-4.6	0.0	0.0	0.0
<b>Net cash provided by financing activities [3]</b>	<b>-0.1</b>	<b>0.0</b>	<b>1.6</b>	<b>-4.6</b>	<b>-1.7</b>	<b>-1.7</b>	<b>-1.7</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>2.1</b>	<b>-0.2</b>	<b>16.1</b>	<b>-1.4</b>	<b>5.7</b>	<b>3.5</b>	<b>0.5</b>
Effects of exchange-rate changes on cash	-0.1	0.2	0.2	0.0	0.0	0.0	0.0
<b>Cash and cash equivalent at end of period</b>	<b>10.1</b>	<b>9.3</b>	<b>25.6</b>	<b>24.3</b>	<b>30.0</b>	<b>33.5</b>	<b>33.9</b>

**Financial Ratios**

	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18e	2018/19e
<b>Cash Flow</b>							
FCF	5.8	3.3	6.5	3.3	7.4	5.2	2.2
Free Cash Flow / Sales	40.0 %	25.0 %	40.4 %	27.2 %	42.5 %	34.7 %	19.2 %
Free Cash Flow Potential	4.4	2.7	8.0	5.0	7.4	5.5	2.2
Free Cash Flow / Net Profit	157.5 %	88.1 %	96.0 %	96.0 %	134.2 %	130.0 %	208.5 %
Interest Received / Avg. Cash	1.1 %	2.2 %	0.9 %	0.2 %	0.4 %	0.3 %	0.3 %
Interest Paid / Avg. Debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Management of Funds</b>							
Investment ratio	12.7 %	11.9 %	0.7 %	1.5 %	4.9 %	6.0 %	6.3 %
Maint. Capex / Sales	11.3 %	12.9 %	1.4 %	2.2 %	4.0 %	5.3 %	6.1 %
Capex / Dep	92.8 %	92.1 %	6.0 %	13.6 %	40.6 %	50.0 %	52.9 %
Avg. Working Capital / Sales	14.3 %	12.9 %	14.0 %	22.2 %	15.6 %	15.0 %	16.1 %
Trade Debtors / Trade Creditors	255.9 %	472.0 %	501.3 %	596.6 %	253.3 %	253.8 %	250.0 %
Inventory Turnover	n.a.	n.a.	6.1 x	n.a.	7.0 x	6.0 x	4.6 x
Receivables collection period (days)	50	76	63	110	80	80	79
Payables payment period (days)	422	333	330	664	787	791	793
Cash conversion cycle (Days)	n.a.	n.a.	-260	n.a.	-723	-717	-697

**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.

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Rating	Number of stocks	% of Universe
Buy	107	52
Hold	89	44
Sell	7	3
Rating suspended	1	0
<b>Total</b>	<b>204</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	28	68
Hold	11	27
Sell	1	2
Rating suspended	1	2
<b>Total</b>	<b>41</b>	<b>100</b>

**PRICE AND RATING HISTORY MEVIS MEDICAL SOLUTIONS AS OF 28.08.2017**

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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