

| | | | |
|---|---|---|---|
| Hold EUR 38.00 Price EUR 33.40 Upside 13.8 % | Value Indicators: EUR | 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: 60.4 No. of shares (m): 1.8 EV: 52.4 Freefloat MC: 10.8 Ø Trad. Vol. (30d): 19.36 th | Shareholders: Freefloat 17.8 % Varex Imaging Deutschland 73.7 % HANSAINVEST 5.5 % Oppenheim Asset Manag. 3.0 % | Risk Profile (WRe): 2018/19e Beta: 1.4 Price / Book: 2.0 x Equity Ratio: 81 % |

Strong results

Stated Figures Q4/2017/18:

| in EUR m | Q4/18 | Q4/18e | Q4/17 | yoy | 2018 | 2018e | 2017 | yoy |
|----------|-------|--------|-------|--------|-------|-------|-------|--------|
| Sales | 4,6 | 4,2 | 4,3 | 6,5% | 16,8 | 16,3 | 18,5 | -9,6% |
| EBITDA | 2,5 | 2,4 | 2,9 | -14,7% | 7,6 | 7,5 | 9,2 | -17,1% |
| margin | 53,3% | 56,6% | 66,5% | | 45,4% | 46,0% | 49,5% | |
| EBIT | 2,3 | 1,6 | 2,6 | -14,3% | 6,7 | 6,0 | 8,0 | -15,9% |
| margin | 48,7% | 37,4% | 60,6% | | 39,9% | 36,8% | 42,9% | |

Comment on Figures:

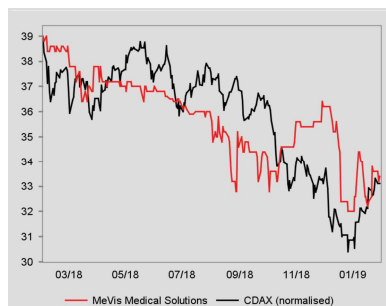
- Also in the reported quarter, the trend of the previous quarters was evident: revenues with Hologic are remaining an important part of the licence revenues for longer than expected with the corresponding positive impact on results.
- On EBIT-level, exchange-rate effects are clearly having a positive impact.

A very good Q3 was followed by a strong Q4. Background: MeVis revenues and earnings are decreasing, as planned. This, however, has been expected for years and is explained by the advancement of main customer Hologic's own developments (see e.g. Comment dated 16.02.18). Owing to the high-margin licence business with Hologic, the earnings power of MeVis continues to essentially depend on the pace of progress in Hologic's own product developments.

Back in 2014, MeVis announced that it would no longer receive any licence revenues from Hologic in 2015. While this did happen, it was far slower than expected. Some 65% of group revenues (Digital Mammography segment) in the reported period are still attributable to Hologic (in Q3, almost 70%). The timing of further significant revenue declines is still associated with considerable uncertainty.

For the valuation of the share, this positive development however remains of minor importance as the price determination continues to be aligned to the minimum dividend guaranteed by the majority shareholder (EUR 0.95, seen as similar to consols, yield 2.5%, price target EUR 38). **The share continues to be rated Hold.**

| | | | | | | | | | | | | | |
|------------------------|----------------|---------|----------------|---------|----------------|-------|--|--|--|--|--|--|--|
| Changes in Estimates: | | | | | | | Comment on Changes: | | | | | | |
| FY End: 30.9. in EUR m | 2018/19e (old) | + / - | 2019/20e (old) | + / - | 2020/21e (old) | + / - | <ul style="list-style-type: none"> In the current business year, a prospective impairment of EUR 4.5m on the enterprise value for the business with Hologic (Digital Mammography) is weighing on the result. While further impairments are possible, they are not assumed in the model. Our assumption of a far slower cessation of licence revenues with Hologic leads, on the contrary, to a very strong FY 2020/21e (WRe). | | | | | | |
| Sales | 13.0 | 24.6 % | 12.0 | 16.7 % | n.a. | n.m. | | | | | | | |
| EBITDA | 3.6 | 99.7 % | 2.5 | 81.7 % | n.a. | n.m. | | | | | | | |
| EBIT | 2.6 | -38.0 % | 1.6 | 127.8 % | n.a. | n.m. | | | | | | | |
| EBT | 2.7 | -36.6 % | 1.7 | 120.2 % | n.a. | n.m. | | | | | | | |
| Net income | 2.7 | -36.6 % | 1.7 | 120.2 % | n.a. | n.m. | | | | | | | |

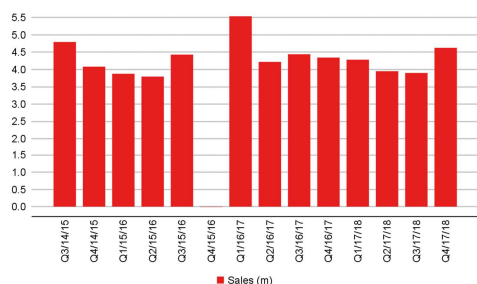


| | |
|----------------------------------|--------|
| Rel. Performance vs CDAX: | |
| 1 month: | -2.9 % |
| 6 months: | 5.0 % |
| Year to date: | -2.9 % |
| Trailing 12 months: | 1.1 % |

| | |
|------------------------|-----|
| Company events: | |
| 26.02.19 | Q1 |
| 21.03.19 | AGM |
| 23.05.19 | Q2 |
| 29.08.19 | Q3 |

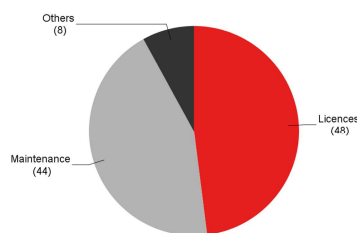
| | | | | | | | | |
|------------------------|--|---------|---------|---------|---------|----------|----------|----------|
| FY End: 30.9. in EUR m | CAGR (17/18-20/21e) | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
| Sales | -8.1 % | 16.0 | 12.1 | 18.5 | 16.8 | 16.2 | 14.0 | 13.0 |
| Change Sales yoy | | 22.3 % | -24.5 % | 53.3 % | -9.6 % | -3.3 % | -13.6 % | -7.1 % |
| Gross profit margin | | 96.2 % | 97.2 % | 102.7 % | 97.2 % | 97.0 % | 97.0 % | 97.0 % |
| EBITDA | -22.7 % | 6.4 | 5.2 | 9.2 | 7.6 | 7.1 | 4.6 | 3.5 |
| Margin | | 40.0 % | 43.4 % | 49.5 % | 45.4 % | 44.1 % | 32.7 % | 27.0 % |
| EBIT | -27.5 % | 4.5 | 3.9 | 8.0 | 6.7 | 1.6 | 3.6 | 2.6 |
| Margin | | 27.9 % | 32.5 % | 42.9 % | 39.9 % | 10.0 % | 25.7 % | 19.6 % |
| Net income | -28.2 % | 6.7 | 3.4 | 5.6 | 7.2 | 1.7 | 3.7 | 2.7 |
| EPS | -28.3 % | 3.76 | 1.86 | 3.05 | 3.90 | 0.94 | 2.01 | 1.44 |
| EPS adj. | -28.3 % | 3.76 | 1.86 | 3.05 | 3.90 | 0.94 | 2.01 | 1.44 |
| DPS | 0.0 % | 0.95 | 0.95 | 0.95 | 0.95 | 0.95 | 0.95 | 0.95 |
| Dividend Yield | | 4.4 % | 3.1 % | 2.5 % | 2.6 % | 2.9 % | 2.9 % | 2.9 % |
| FCF | | 3.61 | 1.79 | 3.84 | 2.88 | 3.58 | 2.17 | 1.55 |
| FCF / Market cap | | 16.8 % | 5.9 % | 10.0 % | 7.9 % | 10.8 % | 6.5 % | 4.7 % |
| EV / Sales | | 0.8 x | 2.7 x | 2.3 x | 3.8 x | 3.3 x | 3.6 x | 3.8 x |
| EV / EBITDA | | 2.1 x | 6.3 x | 4.7 x | 8.4 x | 7.4 x | 11.1 x | 14.2 x |
| EV / EBIT | | 3.0 x | 8.4 x | 5.4 x | 9.5 x | 32.7 x | 14.1 x | 19.5 x |
| P / E | | 5.7 x | 16.3 x | 12.7 x | 9.3 x | 35.3 x | 16.5 x | 23.1 x |
| P / E adj. | | 5.7 x | 16.3 x | 12.7 x | 9.3 x | 35.3 x | 16.5 x | 23.1 x |
| FCF Potential Yield | | 58.9 % | 15.1 % | 17.1 % | 11.4 % | 12.9 % | 8.4 % | 6.5 % |
| Net Debt | | -25.0 | -22.6 | -27.8 | -3.2 | -8.0 | -10.2 | -11.3 |
| ROCE (NOPAT) | | 40.9 % | 41.4 % | 83.4 % | 39.3 % | 6.3 % | 16.3 % | 11.6 % |
| Guidance: | 2019e: Sales EUR 16-16.5m; EBIT EUR 1.5-2m | | | | | | | |

Sales development
in EUR m



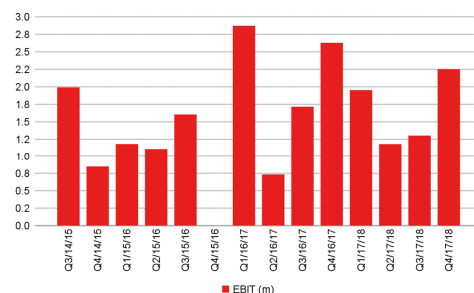
Source: Warburg Research

Sales by types
2017e; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

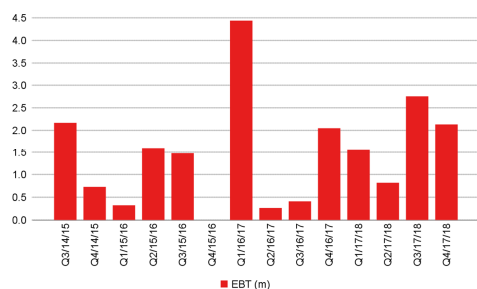
Company Background

- 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

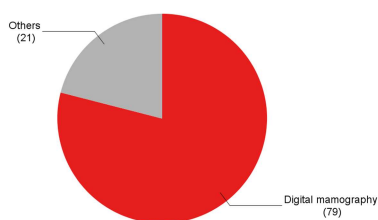
- MeVis follows a strategy of early market presence in the new areas of image-based medical technology. In focus here are mass market products.
- The ability to be an early market entrant differentiates MeVis from competitors.
- MeVis maintains long-term and interdisciplinary cooperation agreements with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



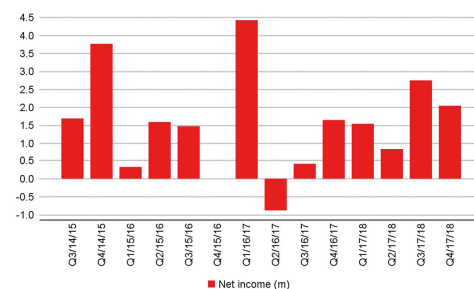
Source: Warburg Research

Sales by segments
2017e; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

| Valuation | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
|-------------------------------------|---------|---------|---------|---------|----------|----------|----------|
| Price / Book | 1.1 x | 1.7 x | 2.2 x | 2.1 x | 2.0 x | 1.9 x | 1.8 x |
| Book value per share ex intangibles | 10.92 | 10.96 | 11.30 | 11.38 | 12.90 | 14.02 | 14.51 |
| EV / Sales | 0.8 x | 2.7 x | 2.3 x | 3.8 x | 3.3 x | 3.6 x | 3.8 x |
| EV / EBITDA | 2.1 x | 6.3 x | 4.7 x | 8.4 x | 7.4 x | 11.1 x | 14.2 x |
| EV / EBIT | 3.0 x | 8.4 x | 5.4 x | 9.5 x | 32.7 x | 14.1 x | 19.5 x |
| EV / EBIT adj.* | 3.0 x | 8.4 x | 5.4 x | 9.5 x | 32.7 x | 14.1 x | 19.5 x |
| P / FCF | 6.0 x | 16.9 x | 10.0 x | 12.6 x | 9.3 x | 15.3 x | 21.4 x |
| P / E | 5.7 x | 16.3 x | 12.7 x | 9.3 x | 35.3 x | 16.5 x | 23.1 x |
| P / E adj.* | 5.7 x | 16.3 x | 12.7 x | 9.3 x | 35.3 x | 16.5 x | 23.1 x |
| Dividend Yield | 4.4 % | 3.1 % | 2.5 % | 2.6 % | 2.9 % | 2.9 % | 2.9 % |
| FCF Potential Yield (on market EV) | 58.9 % | 15.1 % | 17.1 % | 11.4 % | 12.9 % | 8.4 % | 6.5 % |
| *Adjustments made for: - | | | | | | | |

Consolidated profit & loss

| In EUR m | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
|--|---------------|---------------|----------------|---------------|---------------|---------------|---------------|
| Sales | 16.0 | 12.1 | 18.5 | 16.8 | 16.2 | 14.0 | 13.0 |
| Change Sales yoy | 22.3 % | -24.5 % | 53.3 % | -9.6 % | -3.3 % | -13.6 % | -7.1 % |
| 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 |
| Total Sales | 16.0 | 12.1 | 18.5 | 16.8 | 16.2 | 14.0 | 13.0 |
| Material expenses | 0.6 | 0.3 | -0.5 | 0.5 | 0.5 | 0.4 | 0.4 |
| Gross profit | 15.4 | 11.8 | 19.0 | 16.3 | 15.7 | 13.6 | 12.6 |
| Gross profit margin | 96.2 % | 97.2 % | 102.7 % | 97.2 % | 97.0 % | 97.0 % | 97.0 % |
| Personnel expenses | 7.4 | 5.6 | 7.9 | 7.8 | 7.7 | 7.6 | 7.5 |
| Other operating income | 1.1 | 0.6 | 0.0 | 1.2 | 1.1 | 0.6 | 0.4 |
| Other operating expenses | 2.7 | 1.6 | 1.9 | 2.1 | 2.0 | 2.0 | 2.0 |
| Unfrequent items | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| EBITDA | 6.4 | 5.2 | 9.2 | 7.6 | 7.1 | 4.6 | 3.5 |
| Margin | 40.0 % | 43.4 % | 49.5 % | 45.4 % | 44.1 % | 32.7 % | 27.0 % |
| Depreciation of fixed assets | 0.1 | 0.2 | 0.1 | 0.2 | 0.3 | 0.3 | 0.3 |
| EBITA | 6.3 | 5.0 | 9.1 | 7.4 | 6.8 | 4.3 | 3.3 |
| Amortisation of intangible assets | 1.8 | 1.1 | 1.1 | 0.7 | 0.7 | 0.7 | 0.7 |
| Goodwill amortisation | 0.0 | 0.0 | 0.0 | 0.0 | 4.5 | 0.0 | 0.0 |
| EBIT | 4.5 | 3.9 | 8.0 | 6.7 | 1.6 | 3.6 | 2.6 |
| Margin | 27.9 % | 32.5 % | 42.9 % | 39.9 % | 10.0 % | 25.7 % | 19.6 % |
| EBIT adj. | 4.5 | 3.9 | 8.0 | 6.7 | 1.6 | 3.6 | 2.6 |
| Interest income | 0.2 | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 |
| Interest expenses | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 |
| Other financial income (loss) | 0.3 | -0.6 | -0.9 | 0.5 | 0.0 | 0.0 | 0.0 |
| EBT | 5.0 | 3.4 | 7.2 | 7.3 | 1.7 | 3.7 | 2.7 |
| Margin | 30.9 % | 28.3 % | 38.6 % | 43.3 % | 10.6 % | 26.4 % | 20.4 % |
| Total taxes | -1.8 | 0.0 | 1.5 | 0.1 | 0.0 | 0.0 | 0.0 |
| Net income from continuing operations | 6.7 | 3.4 | 5.6 | 7.2 | 1.7 | 3.7 | 2.7 |
| 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 | 6.7 | 3.4 | 5.6 | 7.2 | 1.7 | 3.7 | 2.7 |
| Minority interest | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net income | 6.7 | 3.4 | 5.6 | 7.2 | 1.7 | 3.7 | 2.7 |
| Margin | 42.1 % | 28.3 % | 30.3 % | 42.8 % | 10.6 % | 26.4 % | 20.4 % |
| Number of shares, average | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 |
| EPS | 3.76 | 1.86 | 3.05 | 3.90 | 0.94 | 2.01 | 1.44 |
| EPS adj. | 3.76 | 1.86 | 3.05 | 3.90 | 0.94 | 2.01 | 1.44 |

*Adjustments made for:

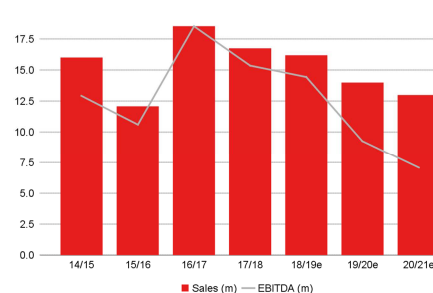
Guidance: 2019e: Sales EUR 16-16.5m; EBIT EUR 1.5-2m

Financial Ratios

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
|-------------------------------|---------|---------|----------|---------|----------|----------|----------|
| Total Operating Costs / Sales | 60.0 % | 56.6 % | 50.5 % | 54.6 % | 55.9 % | 67.3 % | 73.0 % |
| Operating Leverage | 0.7 x | 0.5 x | 1.9 x | 1.7 x | 22.7 x | -9.0 x | 4.1 x |
| EBITDA / Interest expenses | 291.3 x | 437.2 x | 1146.9 x | 143.5 x | n.a. | n.a. | n.a. |
| Tax rate (EBT) | -36.0 % | 0.0 % | 21.6 % | 1.2 % | 0.0 % | 0.0 % | 0.0 % |
| Dividend Payout Ratio | 25.3 % | 51.0 % | 31.1 % | 24.4 % | 101.4 % | 47.2 % | 66.0 % |
| Sales per Employee | 142,982 | 107,955 | 165,536 | 149,625 | 144,643 | 125,000 | 116,071 |

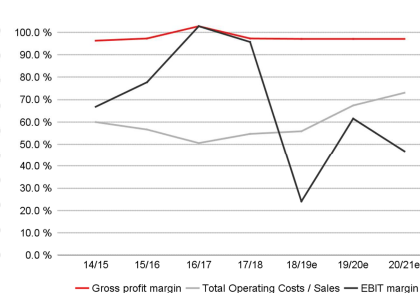
Sales, EBITDA

in EUR m

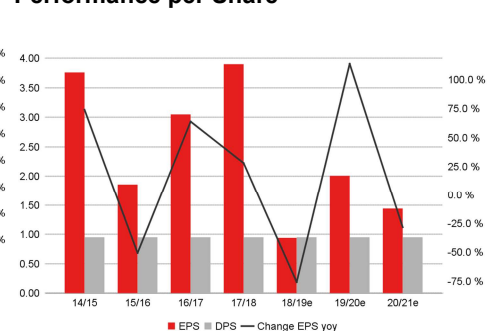


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

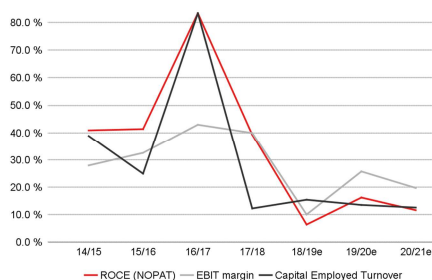
Consolidated balance sheet

| In EUR m | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Assets | | | | | | | |
| Goodwill and other intangible assets | 13.9 | 12.7 | 11.7 | 11.1 | 6.5 | 6.5 | 6.5 |
| thereof other intangible assets | 3.2 | 2.1 | 1.0 | 0.4 | 0.4 | 0.4 | 0.4 |
| thereof Goodwill | 10.6 | 10.6 | 10.6 | 10.6 | 6.1 | 6.1 | 6.1 |
| Property, plant and equipment | 0.3 | 0.3 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 |
| Financial assets | 1.7 | 1.6 | 2.0 | 18.3 | 18.3 | 18.3 | 18.3 |
| Other long-term assets | 0.9 | 1.5 | 1.6 | 1.6 | 0.0 | 0.0 | 0.0 |
| Fixed assets | 16.8 | 16.1 | 15.7 | 31.3 | 25.0 | 25.0 | 25.0 |
| Inventories | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 |
| Accounts receivable | 2.8 | 3.7 | 5.0 | 3.3 | 3.6 | 3.1 | 2.8 |
| Liquid assets | 25.6 | 22.9 | 28.1 | 3.5 | 8.3 | 10.6 | 11.7 |
| Other short-term assets | 0.2 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 |
| Current assets | 28.7 | 26.9 | 33.4 | 7.2 | 12.4 | 14.2 | 15.0 |
| Total Assets | 45.5 | 43.0 | 49.1 | 38.4 | 37.4 | 39.2 | 40.0 |
| Liabilities and shareholders' equity | | | | | | | |
| Subscribed capital | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 |
| Capital reserve | 8.2 | 8.2 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 |
| Retained earnings | 0.4 | 0.3 | 0.2 | 0.1 | 1.9 | 5.6 | 8.2 |
| Other equity components | 23.3 | 22.5 | 23.0 | 22.6 | 19.1 | 17.4 | 15.7 |
| Shareholders' equity | 33.7 | 32.9 | 32.5 | 32.1 | 30.2 | 32.3 | 33.2 |
| Minority interest | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total equity | 33.7 | 32.9 | 32.5 | 32.1 | 30.2 | 32.3 | 33.2 |
| Provisions | 0.6 | 0.3 | 0.3 | 0.5 | 0.5 | 0.5 | 0.5 |
| thereof provisions for pensions and similar obligations | 0.6 | 0.3 | 0.3 | 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 | 0.6 | 0.6 | 0.6 | 0.6 | 1.4 | 1.2 | 1.1 |
| Other liabilities | 10.6 | 9.3 | 15.6 | 5.2 | 5.2 | 5.2 | 5.2 |
| Liabilities | 11.8 | 10.1 | 16.6 | 6.3 | 7.1 | 6.9 | 6.8 |
| Total liabilities and shareholders' equity | 45.5 | 43.0 | 49.1 | 38.4 | 37.4 | 39.2 | 40.0 |

Financial Ratios

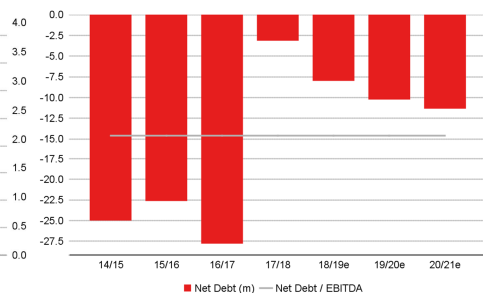
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
|---|---------|---------|---------|---------|----------|----------|----------|
| Efficiency of Capital Employment | | | | | | | |
| Operating Assets Turnover | 6.1 x | 3.6 x | 4.0 x | 5.8 x | 6.4 x | 6.3 x | 6.5 x |
| Capital Employed Turnover | 1.8 x | 1.2 x | 3.9 x | 0.6 x | 0.7 x | 0.6 x | 0.6 x |
| ROA | 40.0 % | 21.3 % | 35.9 % | 22.9 % | 6.9 % | 14.8 % | 10.6 % |
| Return on Capital | | | | | | | |
| ROCE (NOPAT) | 40.9 % | 41.4 % | 83.4 % | 39.3 % | 6.3 % | 16.3 % | 11.6 % |
| ROE | 21.0 % | 10.3 % | 17.2 % | 22.2 % | 5.5 % | 11.8 % | 8.1 % |
| Adj. ROE | 21.0 % | 10.3 % | 17.2 % | 22.2 % | 5.5 % | 11.8 % | 8.1 % |
| Balance sheet quality | | | | | | | |
| Net Debt | -25.0 | -22.6 | -27.8 | -3.2 | -8.0 | -10.2 | -11.3 |
| Net Financial Debt | -25.6 | -22.9 | -28.1 | -3.5 | -8.3 | -10.6 | -11.7 |
| Net Gearing | -74.1 % | -68.8 % | -85.5 % | -9.8 % | -26.4 % | -31.7 % | -34.2 % |
| Net Fin. Debt / EBITDA | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Book Value / Share | 18.5 | 17.9 | 17.7 | 17.4 | 16.4 | 17.5 | 18.0 |
| Book value per share ex intangibles | 10.9 | 11.0 | 11.3 | 11.4 | 12.9 | 14.0 | 14.5 |

ROCE Development



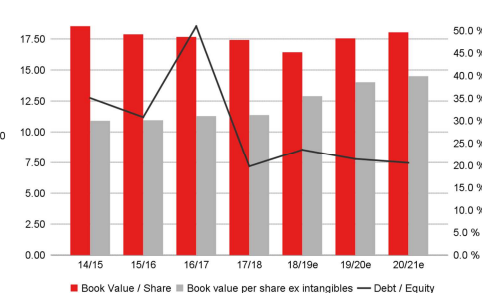
Source: Warburg Research

Net debt in EUR m



Source: Warburg Research

Book Value per Share in EUR



Source: Warburg Research

Consolidated cash flow statement

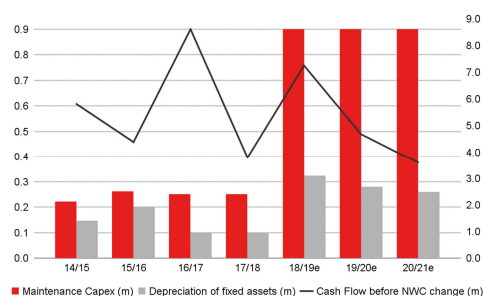
| In EUR m | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
|--|-------------|-------------|-------------|--------------|-------------|-------------|-------------|
| Net income | 6.7 | 3.4 | 5.6 | 7.2 | 1.7 | 3.7 | 2.7 |
| Depreciation of fixed assets | 0.1 | 0.2 | 0.1 | 0.1 | 0.3 | 0.3 | 0.3 |
| Amortisation of goodwill | 0.0 | 0.0 | 0.0 | 0.0 | 4.5 | 0.0 | 0.0 |
| Amortisation of intangible assets | 1.8 | 1.1 | 1.1 | 0.7 | 0.7 | 0.7 | 0.7 |
| Increase/decrease in long-term provisions | 0.6 | -0.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other non-cash income and expenses | -3.5 | 0.0 | 1.7 | -4.2 | 0.0 | 0.0 | 0.0 |
| Cash Flow before NWC change | 5.8 | 4.4 | 8.6 | 3.8 | 7.2 | 4.7 | 3.6 |
| Increase / decrease in inventory | 0.0 | 0.1 | 0.0 | 0.0 | -0.1 | 0.0 | 0.0 |
| Increase / decrease in accounts receivable | -0.5 | -0.9 | -1.3 | 1.7 | -0.3 | 0.5 | 0.3 |
| Increase / decrease in accounts payable | 1.2 | 0.1 | 0.0 | 0.0 | 0.8 | -0.2 | -0.1 |
| Increase / decrease in other working capital positions | 0.0 | -0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Increase / decrease in working capital (total) | 0.8 | -0.9 | -1.3 | 1.7 | 0.4 | 0.3 | 0.2 |
| Net cash provided by operating activities [1] | 6.6 | 3.5 | 7.3 | 5.5 | 7.6 | 5.0 | 3.8 |
| Investments in intangible assets | 0.0 | -0.1 | -0.1 | -0.1 | -0.7 | -0.7 | -0.7 |
| Investments in property, plant and equipment | -0.1 | -0.1 | -0.2 | -0.2 | -0.3 | -0.3 | -0.3 |
| 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 | 8.0 | 0.0 | 0.0 | -22.2 | 0.0 | 0.0 | 0.0 |
| Net cash provided by investing activities [2] | 7.9 | -0.2 | -0.2 | -22.4 | -1.0 | -1.0 | -1.0 |
| Change in financial liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Dividends paid | -0.1 | 0.0 | 0.0 | 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 | 1.7 | -4.6 | 0.0 | -9.4 | 0.0 | 0.0 | 0.0 |
| Net cash provided by financing activities [3] | 1.6 | -4.6 | 0.0 | -9.4 | -1.7 | -1.7 | -1.7 |
| Change in liquid funds [1]+[2]+[3] | 16.1 | -1.4 | 7.1 | -26.3 | 4.8 | 2.3 | 1.1 |
| Effects of exchange-rate changes on cash | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cash and cash equivalent at end of period | 25.6 | 24.3 | 31.4 | 3.5 | 8.3 | 10.6 | 11.7 |

Financial Ratios

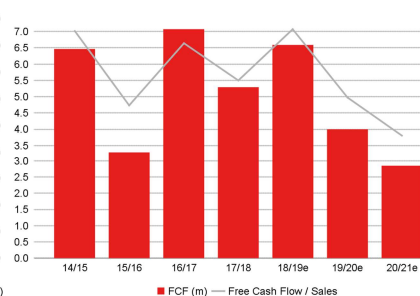
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19e | 2019/20e | 2020/21e |
|--------------------------------------|---------|---------|---------|---------|----------|----------|----------|
| Cash Flow | | | | | | | |
| FCF | 6.5 | 3.3 | 7.1 | 5.3 | 6.6 | 4.0 | 2.9 |
| Free Cash Flow / Sales | 40.4 % | 27.2 % | 38.1 % | 31.6 % | 40.7 % | 28.6 % | 21.9 % |
| Free Cash Flow Potential | 8.0 | 5.0 | 7.4 | 7.3 | 6.8 | 4.3 | 3.2 |
| Free Cash Flow / Net Profit | 96.0 % | 96.0 % | 125.9 % | 73.8 % | 382.2 % | 108.1 % | 107.5 % |
| Interest Received / Avg. Cash | 0.9 % | 0.2 % | 0.6 % | 1.0 % | 1.7 % | 1.1 % | 0.9 % |
| Interest Paid / Avg. Debt | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Management of Funds | | | | | | | |
| Investment ratio | 0.7 % | 1.5 % | 1.2 % | 1.3 % | 6.3 % | 7.0 % | 7.4 % |
| Maint. Capex / Sales | 1.4 % | 2.2 % | 1.4 % | 1.5 % | 5.6 % | 6.4 % | 6.9 % |
| Capex / Dep | 6.0 % | 13.6 % | 18.2 % | 24.3 % | 18.5 % | 100.0 % | 100.0 % |
| Avg. Working Capital / Sales | 14.0 % | 22.2 % | 20.0 % | 21.0 % | 15.3 % | 15.4 % | 14.6 % |
| Trade Debtors / Trade Creditors | 501.3 % | 596.6 % | 803.2 % | 529.1 % | 257.1 % | 258.3 % | 254.5 % |
| Inventory Turnover | 6.1 x | n.a. | n.a. | n.a. | 4.9 x | 4.2 x | 3.9 x |
| Receivables collection period (days) | 63 | 110 | 98 | 72 | 81 | 81 | 79 |
| Payables payment period (days) | 330 | 664 | -448 | 478 | 1,051 | 1,043 | 1,029 |
| Cash conversion cycle (Days) | -207 | n.a. | n.a. | n.a. | -895 | -875 | -857 |

CAPEX and Cash Flow

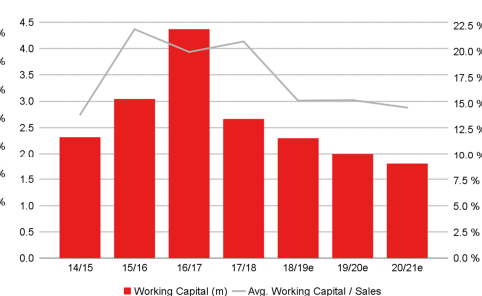
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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|-------------------------|------------|---|
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| | | |
|-----|--------------------------|---|
| -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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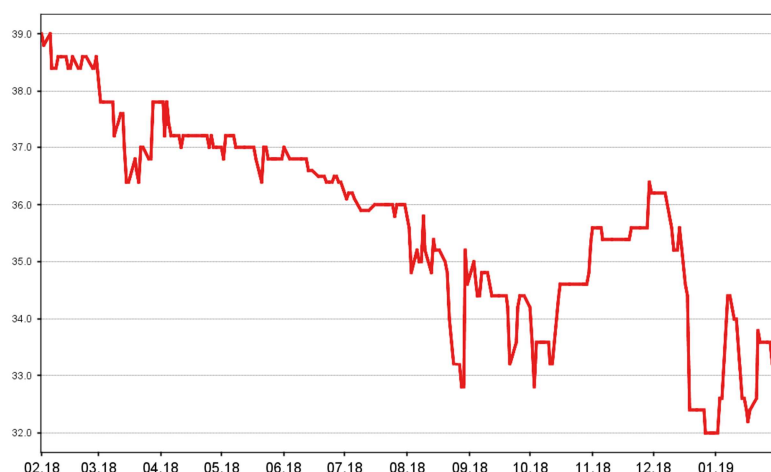
| Rating | Number of stocks | % of Universe |
|------------------|------------------|---------------|
| Buy | 132 | 65 |
| Hold | 61 | 30 |
| Sell | 5 | 2 |
| Rating suspended | 6 | 3 |
| Total | 204 | 100 |

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 | 31 | 74 |
| Hold | 9 | 21 |
| Sell | 0 | 0 |
| Rating suspended | 2 | 5 |
| Total | 42 | 100 |

PRICE AND RATING HISTORY MEVIS MEDICAL SOLUTIONS AS OF 31.01.2019



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