



Company Flash Note

Reason: Company newsflow

16 November 2018

Buy

Recommendation unchanged

Share price: EUR 4.60

closing price as of 15/11/2018

Target price: EUR 8.90

from Target Price: EUR 11.40

Upside/Downside Potential 93.5%

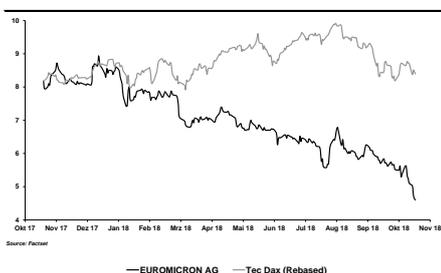
Reuters/Bloomberg EUCG.DE/EUCA.GY

Market capitalisation (EURm)	33
Current N° of shares (m)	7
Free float	100%
Daily avg. no. trad. sh. 12 mth	7
Daily avg. trad. vol. 12 mth (m)	30.38
Price high/low 12 months	4.60 / 8.94
Abs Perfs 1/3/12 mths (%)	-21.23/-20.14/-42.58

Key financials (EUR)	12/17	12/18e	12/19e
Sales (m)	333	319	332
EBITDA (m)	10	3	15
EBITDA margin	2.9%	1.0%	4.5%
EBIT (m)	1	(6)	6
EBIT margin	0.3%	nm	1.9%
Net Profit (adj.)(m)	(1)	(4)	2
ROCE	1.9%	-0.3%	2.4%
Net debt/(cash) (m)	86	89	87
Net Debt/Equity	1.1	1.3	1.2
Net Debt/EBITDA	9.0	27.6	5.8
Int. cover(EBITDA/Fin.int)	2.0	0.7	3.9
EV/Sales	0.4	0.4	0.4
EV/EBITDA	15.4	38.7	8.2
EV/EBITDA (adj.)	10.8	15.2	8.2
EV/EBIT	nm	nm	19.1
P/E (adj.)	nm	nm	19.1
P/BV	0.7	0.5	0.5
OpFCF yield	-21.3%	-11.5%	6.2%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	(0.13)	(0.61)	0.24
BVPS	10.86	9.76	10.00
DPS	0.00	0.00	0.00

Shareholders

Carl Ernst Veit Paas 5%; LAZARD FRERES 3%; Chr. Bischoff 3%;



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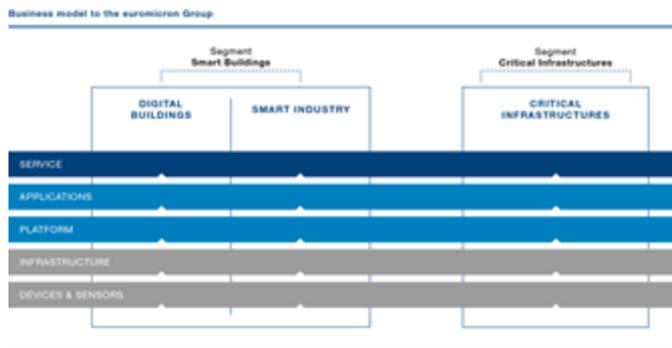
Investors need to have patience again

Three days before the official 9M results publication euromicron surprised the market with a profit warning for FY 2018e. It was related to the network engineering business in the Smart Buildings segment. In a conf. call the management made a clear statement, that from FY 2019e onwards profitability and the operating cash flow clearly will increase due to the finalisation of the transformation process end of FY 2018e. In this context the updated mid-term strategy, which will be presented next spring, will be of particular importance in our view. Taken into account the recent profit warning and our reduced forecasts, our new TP amounted to EUR 8.90 (-22%) per share. Compared to the current share price this offers an upside potential of >90% why we confirm our Buy recommendation. Price / Book value currently at 0.5!

- ✓ **New guidance for 2018e:** The group now wants to achieve a sales corridor of EUR 310-330m (equinet: EUR 319m), while the operating EBITDA-margin should reach 2.0 - 4.0% (equinet: 2.6%). In this context it is worth to mention that based on the nature of the business the dominant part of the result normally will be achieved in the last quarter.
- ✓ **Updated mid-term strategy next spring:** Management stated during the 9M conf. call that an updated mid-term strategy will be presented in spring 2019. We can imagine that it would become more transparent that there are tremendous opportunities for all three segments Smart Buildings, Critical Infrastructures and Distribution. Another part could apply to portfolio optimisation in our view. With regard to the group's profitability we expect a discussion of the current mid-term profitability target of >8% for the operating EBITDA.
- ✓ **Net financial debt burden:** End of September the net financial debt amounted to EUR -105.1m compared to EUR -103,7m end of September 2017. The net debt / EBITDA ratio reached 64.4x and based on the operating EBITDA it amounted to 22.0x. In particular two rates of repayment of financial debt are fixed: EUR 2.5m due 31 March 2019 and EUR 25.0m due 31 January 2020.
- ✓ **Attractive Valuation:** Reflecting euromicron's latest profit warning and new guidance we have reduced our forecasts for 2018e and beyond. This resulted in a lower DCF-based target price of EUR 8.90 from EUR 11.40 per share. Compared to the current share price level there is a substantial upside potential of >90% which is why we keep our Buy recommendation. The current share price is clearly below the company's book value (P/BV at 0.5!).
- ✓ **Key risks** comprise e.g. 1) General risks coming from the long-term project business like for example cost overruns or penalty payments. 2) Goodwill-to-equity ratio of >100% is unusual high; inherent potential risk of impairments. 3) The need to hire skilled employees could become more difficult. 4) General risk of an economic downturn, in particular in the Buildings/Construction industry could lower profitability.

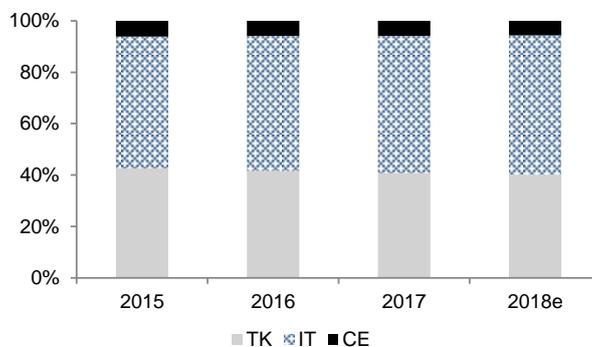
Investment Case in Charts

Exhibit 1: Offering integrated solutions



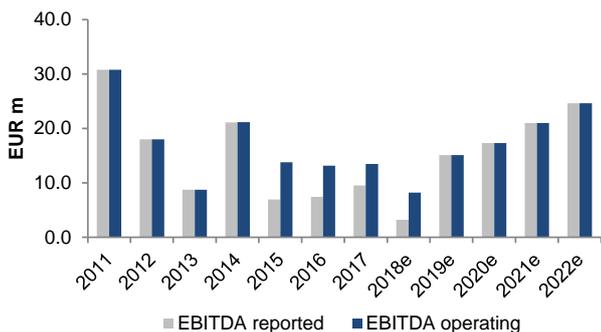
Source: Company data

Exhibit 2: German ICT-market will continue to grow 2018e



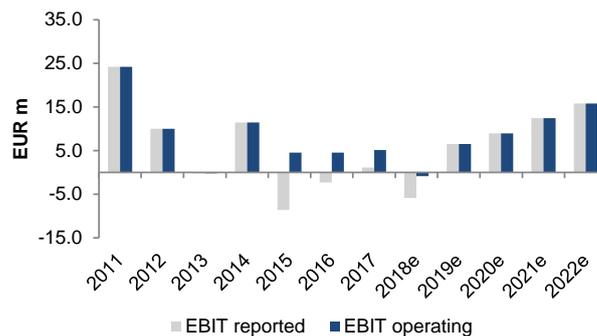
Source: Bitkom

Exhibit 3: Margin improvement on EBITDA level...



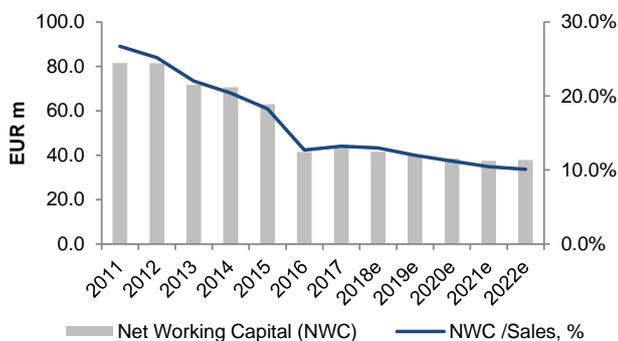
Source: Company data, equinet Research

Exhibit 4: ...and on EBIT level too



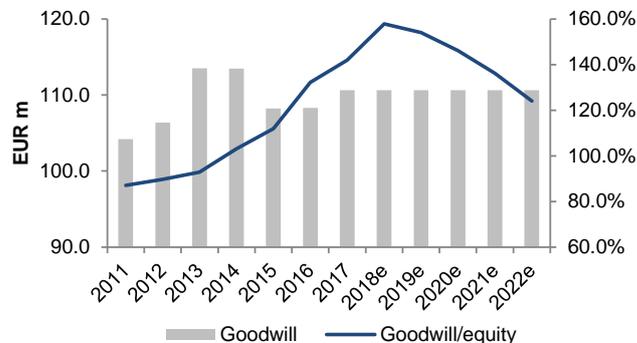
Source: Company data, equinet Research

Exhibit 5: Working capital control with high priority



Source: Company data, equinet Research

Exhibit 6: euromicron with high goodwill exposure



Source: Company data, equinet Research

Valuation update

- TP reduced to EUR 8.90 (-22%) per share
- Keeping our BUY recommendation
- Base parameters in our DCF-model have not changed

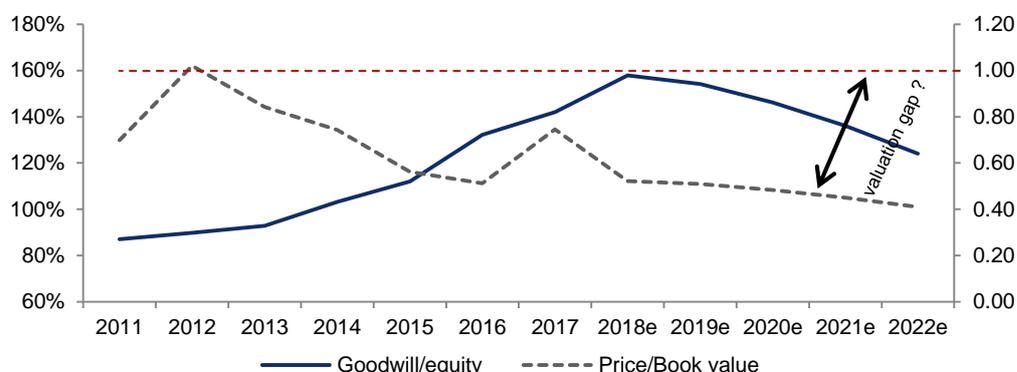
Exhibit 7: euromicron: DCF-valuation

EUR m	Phase I					Phase II					Phase III	
	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e		
Revenues	319	332	345	359	376	391	406	419	431	442		
growth rate	-4.1%	3.9%	3.8%	4.2%	4.6%	4.2%	3.7%	3.3%	2.9%	2.4%		
EBIT	-5.9	6.5	8.9	12.4	15.8	17.8	20.0	22.1	24.3	26.5		
EBIT margin	-18%	19%	2.6%	3.4%	4.2%	4.6%	4.9%	5.3%	5.6%	6.0%		
Tax	0.1	-0.1	-2.7	-3.7	-4.7	-5.4	-6.0	-6.6	-7.3	-8.0		
Tax rate	1%	1%	30%	30%	30%	30%	30%	30%	30%	30%		
Depr. & Amort.	9.1	8.6	8.4	8.6	8.8	10.2	11.1	11.7	12.2	12.6		
% of sales	2.8%	2.6%	2.4%	2.4%	2.3%	2.6%	2.7%	2.8%	2.8%	2.9%		
Capex	-11.0	-11.4	-11.6	-11.6	-12.1	-12.2	-12.4	-12.7	-13.0	-13.3		
% of sales	3.4%	3.4%	3.4%	3.2%	3.2%	3.1%	3.1%	3.0%	3.0%	3.0%		
Change in WC & P	2.5	1.7	1.2	1.1	-0.4	-0.4	-0.3	-0.3	-0.3	-0.2		
% of sales	-0.8%	-0.5%	-0.4%	-0.3%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%		
Free Cash Flow	-5.2	5.3	4.2	6.7	7.4	10.1	12.3	14.2	15.9	17.7	237.0	
growth rate	nm	nm	-19.7%	58.8%	9.6%	37.5%	215%	15.3%	12.2%	10.9%	2.0%	
Present Value FCF	-5.1	4.8	3.5	5.1	5.1	6.3	7.0	7.4	7.6	7.7	102.6	
PV Phase I		13.2				Risk free rate	3.50%		Targ. equity ratio	80%		
PV Phase II		36.0				Premium Equity	5.00%		Beta	1.5		
PV Phase III		102.6				Premium Debt	2.00%		WACC	9.61%		
Enterprise value		151.8				Sensitivity		Growth in phase III				
- Net Debt (Cash)		85.6						1.0%	1.5%	2.0%	2.5%	3.0%
- Pension Provisions		1.4				8.65%	10.3	11.4	12.8	14.3	16.1	
- Minorities & Peripherals		0.6				9.13%	8.6	9.6	10.7	12.0	13.5	
+ MV of financial assets						WACC	9.61%	7.2	8.0	8.9	10.0	11.3
- Paid-out dividends for last FY		0.0					10.09%	5.8	6.6	7.4	8.3	9.3
+/- Other EV items							10.57%	4.7	5.3	6.0	6.8	7.7
Equity value		64.2										
Number of shares		7.2										
Value per share (€)		8.9										
Current Price (€)		4.6										
Upside		94%										

Source: FactSet (closing price as of 15 Nov 2018), equinet Research

Including the latest profit warning and euromicron's lowered 2018e financial guidance we have reduced our forecasts 2018e as well as our mid- to long-term outlook. The base parameters for our DCF-model were left unchanged, e.g. our beta at 1.5, the risk free rate at 3.5% or the sustainable margin at 6.0%. On this basis our new equity value amounted to EUR 64.2m or EUR 8.90 per share. This currently offers an upside potential for the euromicron shares of >90% and we maintain our Buy rating.

Exhibit 8: Valuation gap not justified



Source: Company data, equinet Research

Since several years the price/book value ratio is below “1”, what is unusual in our view. On one hand it could be interpreted as a clear undervaluation. On the other hand it could be interpreted in that way, that investors expect more risks to come. At this front we have identified in particular two potential risk factors. The one is the high goodwill / equity ratio of 142% (equinet) for FY2017. In an absolute number the goodwill end of December 2017 amounted to EUR 110.6m (2016: EUR 108.3m) and the company made no impairments. That was also the case after the latest profit warning. The overall goodwill can be separated as follows: Smart Buildings segment: EUR 68.2m; Critical Infrastructures segment: EUR 37.2m; Distribution segment: EUR 5.2m.

The other potential risk factor in our view is that investors might expect that euromicron might fail to pay back their financial debt as planned. Up to now the group always repaid its financial debt in due form and in time.

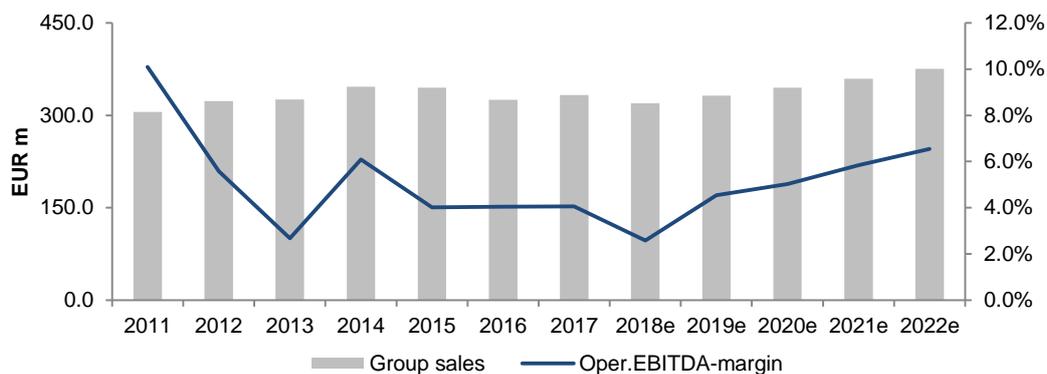
Based on these thoughts we take more the position, that a share price discount in the current range is not justified. Nevertheless, also our new TP of EUR 8.90 currently is below the book value of EUR 9.76 (see summary table).

Selected 9M 2018 report highlights

- Order intake of continuing operations declined by 6% to EUR 243.4m. The order book amounted to EUR 140.6m (+0.8% yoy) and is a solid level in our view to reach the reduced sales guidance. 9M book-to-bill ratio amounted to 1.04 (0.99)
- The operating EBITDA amounted to EUR 4.8m compared to EUR 7.2m a year earlier. That resulted in a margin decline to 2.0% from 2.9%. Extraordinary costs came out at EUR 3.1m; for the full year we estimate now EUR 5.0m
- The adjusted operating cash flow showed a strong improvement to EUR -3.9m from EUR -15.6m a year earlier and benefitted from a positive working capital management
- New framework contract from DB Station&Service AG received: euromicron Deutschland GmbH again has been selected by DB Station&Service AG in an open tender procedure for a framework contract to equip and optimize the existing video surveillance system at German long-distance train stations. The contract covers delivery, installation configuration and system integration of these systems. Contract length is about three years with the possibility to extend by one year. A contract value was not disclosed but is significant in our view. Given the contract profile, euromicron will support Deutsche Bahn’s overall security concept.

euromicron already equipped several long distance train stations like e.g. Bremen, Hamburg, Hanover, Cologne or Nuremberg with full-HD IP video surveillance systems.

Exhibit 9: euromicron with margin recovery



Source: Company data, equinet Research

euromicron AG : Summary tables

PROFIT & LOSS (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Sales	346	345	325	333	319	332
Cost of Sales & Operating Costs	-323	-325	-312	-319	-311	-317
Non Recurrent Expenses/Income	0.0	-13.1	-5.8	-4.0	-5.0	0.0
EBITDA	23.5	6.9	7.4	9.5	3.2	15.1
EBITDA (adj.)*	23.5	20.1	13.2	13.5	8.2	15.1
Depreciation	-12.0	-15.6	-8.7	-8.4	-9.1	-8.6
EBITA	11.5	-8.6	-1.3	1.1	-5.9	6.5
EBITA (adj)*	11.5	4.5	4.5	5.1	-0.9	6.5
Amortisations and Write Downs <i>of which PPA amortisation</i>	0.0	0.0	-1.0	0.0	0.0	0.0
EBIT	11.5	-8.6	-2.3	1.1	-5.9	6.5
EBIT (adj.)*	11.5	4.5	4.5	5.1	-0.9	6.5
Net Financial Interest	-3.7	-4.1	-5.4	-4.7	-4.3	-3.8
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	7.8	-12.7	-7.6	-3.6	-10.2	2.6
Tax	-4.9	-0.4	-4.9	0.1	2.6	-0.8
<i>Tax rate</i>	<i>63.4%</i>	<i>n.m.</i>	<i>n.m.</i>	<i>1.4%</i>	<i>25.0%</i>	<i>30.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	-0.3	-0.1	-0.2	-0.3	-0.2	-0.1
Net Profit (reported)	2.6	-13.2	-12.7	-3.8	-7.9	1.7
Net Profit (adj.)	2.6	-4.1	-7.9	-1.0	-4.4	1.7
CASH FLOW (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Cash Flow from Operations before change in NWC	-3.0	-3.0	-28.8	1.1	4.7	11.7
Change in Net Working Capital	1.1	7.5	21.7	-2.6	2.5	1.7
Cash Flow from Operations	-1.9	4.5	-7.1	-1.6	7.2	13.4
Capex	-6.3	-6.5	-7.2	-10.8	-11.0	-11.4
Net Financial Investments	3.4	-2.6	-0.5	-2.7	0.0	0.0
Free Cash Flow	-4.9	-4.6	-14.8	-15.0	-3.8	2.0
Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Other (incl. Capital Increase & share buy backs)	0.0	0.0	0.0	0.0	0.0	0.0
Change in Net Debt	-4.9	-4.6	-14.8	-15.0	-3.8	2.0
NOPLAT	8.0	3.2	3.2	3.6	-0.6	4.5
BALANCE SHEET & OTHER ITEMS (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Net Tangible Assets	14.1	15.3	15.6	19.1	21.5	24.6
Net Intangible Assets (incl. Goodwill)	134	126	125	127	127	126
Net Financial Assets & Other	0.9	1.0	0.9	0.5	0.6	0.7
Total Fixed Assets	149	142	141	147	149	152
Inventories	29.0	30.8	28.4	31.5	31.8	31.5
Trade receivables	85.8	80.7	58.9	61.5	61.6	61.0
Other current assets	7.6	6.7	9.3	7.4	6.8	7.1
Cash (-)	-15.7	-10.7	-6.8	-5.0	-1.4	-1.9
Total Current Assets	138	129	103	105	102	102
Total Assets	287	271	245	252	250	253
Shareholders Equity	110	96.6	81.9	77.9	70.1	71.8
Minority	0.4	0.4	0.5	0.6	0.6	0.6
Total Equity	110	97.0	82.4	78.5	70.7	72.4
Long term interest bearing debt	55.8	54.8	65.5	78.6	77.5	75.4
Provisions	3.1	3.1	3.1	3.2	3.4	3.4
Other long term liabilities	13.1	7.5	6.7	7.5	8.6	8.9
Total Long Term Liabilities	72.0	65.3	75.2	89.2	89.4	87.8
Short term interest bearing debt	9.0	10.0	11.0	12.0	13.0	14.0
Trade payables	44.2	48.4	45.9	49.0	52.0	52.7
Other current liabilities	51.8	50.1	30.1	23.4	25.3	26.3
Total Current Liabilities	105	108	87.0	84.4	90.2	93.0
Total Liabilities and Shareholders' Equity	287	271	245	252	250	253
Net Capital Employed	176	162	162	175	172	172
Net Working Capital	70.6	63.0	41.4	44.0	41.5	39.8
GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
<i>Sales growth</i>	<i>5.2%</i>	<i>-0.4%</i>	<i>-5.7%</i>	<i>2.3%</i>	<i>-4.1%</i>	<i>3.9%</i>
EBITDA (adj.)* growth	84.7%	-14.5%	-34.5%	2.7%	-39.1%	83.1%
<i>EBITA (adj.)* growth</i>	<i>108.0%</i>	<i>-60.7%</i>	<i>0.0%</i>	<i>13.3%</i>	<i>n.m.</i>	<i>n.m.</i>
<i>EBIT (adj.)* growth</i>	<i>108.0%</i>	<i>-60.7%</i>	<i>0.0%</i>	<i>13.3%</i>	<i>n.m.</i>	<i>n.m.</i>

euromicron AG : Summary tables

GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Net Profit growth	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EPS adj. growth	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
DPS adj. growth						
EBITDA (adj)* margin	6.8%	5.8%	4.0%	4.1%	2.6%	4.5%
EBITA (adj)* margin	3.3%	1.3%	1.4%	1.5%	-0.3%	1.9%
EBIT (adj)* margin	3.3%	1.3%	1.4%	1.5%	n.m.	1.9%
RATIOS	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Net Debt/Equity	0.4	0.6	0.8	1.1	1.3	1.2
Net Debt/EBITDA	2.1	7.8	9.5	9.0	27.6	5.8
Interest cover (EBITDA/Fin.interest)	6.4	1.7	1.4	2.0	0.7	3.9
Capex/D&A	52.6%	41.6%	75.0%	128.3%	120.9%	132.6%
Capex/Sales	1.8%	1.9%	2.2%	3.2%	3.4%	3.4%
NWC/Sales	20.4%	18.3%	12.7%	13.2%	13.0%	12.0%
ROE (average)	2.2%	-3.9%	-8.9%	-1.2%	-5.9%	2.4%
ROCE (adj.)	3.7%	1.5%	1.7%	1.9%	-0.3%	2.4%
WACC	9.6%	9.6%	9.6%	9.6%	9.6%	9.6%
ROCE (adj.)/WACC	0.4	0.2	0.2	0.2	0.0	0.2
PER SHARE DATA (EUR)***	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Average diluted number of shares	7.2	7.2	7.2	7.2	7.2	7.2
EPS (reported)	0.36	-1.85	-1.76	-0.53	-1.10	0.24
EPS (adj.)	0.36	-0.57	-1.10	-0.13	-0.61	0.24
BVPS	15.33	13.46	11.41	10.86	9.76	10.00
DPS	0.00	0.00	0.00	0.00	0.00	0.00
VALUATION	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
EV/Sales	0.4	0.3	0.4	0.4	0.4	0.4
EV/EBITDA	5.7	16.0	15.5	15.4	38.7	8.2
EV/EBITDA (adj.)*	5.7	5.5	8.7	10.8	15.2	8.2
EV/EBITA	11.6	-12.8	-89.2	134.3	-21.2	19.1
EV/EBITA (adj.)*	11.6	24.6	25.4	28.7	-142.2	19.1
EV/EBIT	11.6	n.m.	n.m.	n.m.	n.m.	19.1
EV/EBIT (adj.)*	11.6	24.6	25.4	28.7	n.m.	19.1
P/E (adj.)	31.7	n.m.	n.m.	n.m.	n.m.	19.1
P/BV	0.7	0.6	0.5	0.7	0.5	0.5
Total Yield Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/CE	0.6	0.5	0.6	0.8	0.7	0.6
OpFCF yield	-10.1%	-3.6%	-34.1%	-21.3%	-11.5%	6.2%
OpFCF/EV	-6.2%	-1.8%	-12.5%	-8.4%	-3.1%	1.7%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend yield (gross)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV AND MKT CAP (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Price** (EUR)	11.39	7.57	5.85	8.09	4.60	4.60
Outstanding number of shares for main stock	7.2	7.2	7.2	7.2	7.2	7.2
Total Market Cap	82	54	42	58	33	33
Net Debt	49	54	70	86	89	87
<i>o/w Cash & Marketable Securities (-)</i>	<i>-16</i>	<i>-11</i>	<i>-7</i>	<i>-5</i>	<i>-1</i>	<i>-2</i>
<i>o/w Gross Debt (+)</i>	<i>65</i>	<i>65</i>	<i>77</i>	<i>91</i>	<i>90</i>	<i>89</i>
Other EV components	2	2	3	3	3	3
Enterprise Value (EV adj.)	133	111	114	146	125	123

Source: Company, equinet Bank estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) -/+ Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT -/+ Non Recurrent Expenses/Income - PPA amortisation

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

Sector: Electronic & Electrical Equipment/Electrical Components & Equipment

Company Description: euromicron went public in 1998 and is organized as a strategic management holding, while the operating business is done by currently 16 operating companies. The group operates in the target markets of Digital Buildings, Smart Industry and Critical Infrastructures. 2017 the group generates sales of EUR 333m with some 1,800 employees. Currently the group is in a transformation process and from 2019 onwards wants to enter the "innovation & growth" phase.

Recommendation and Disclosures

Coverage	Analyst	Target	Rating	Disc.	Coverage	Analyst	Target	Rating	Disc.
1&1DRILLISCHAG	Sen	66.00	Buy		Logwin	Mildner	150.00	Accumulate	2/3
2GEnergy	Rüzgar	23.50	Accumulate	2/3/5	Manz AG	Rüzgar	35.00	Buy	2/3
Aareal Bank	Häßler	41.00	Buy		MAXAutomation SE	Becker	6.70	Buy	2/3
adidas	Josefson	228.00	Accumulate		Merck	Berzhanin	112.00	Buy	
Adler Modemaerkte	Josefson	4.15	Buy	7	Merkur Bank	Häßler	10.00	Buy	2/7
ADLER Real Estate	Mayer	20.00	Buy		Metro AG	Bruns	17.00	Buy	
Aixtron	Sen	14.00	Buy	2/3	MLP	Häßler	7.50	Buy	2/3
Allianz	Häßler	220.00	Buy		MTU Aero Engines	Rüzgar	155.00	Reduce	2
Axel Springer	Josefson	67.00	Accumulate		MunichRe	Häßler	210.00	Accumulate	
Bayer	Berzhanin	96.00	Buy		Nemetschek SE	Mildner	47.00	Reduce	5
Baywa	Bruns	32.00	Buy	2/7	Norma Group	Schuldt	51.00	Neutral	
BB Biotech	Berzhanin	73.00	Buy	7	OHB SE	Rüzgar	40.00	Buy	7
Biotest	Berzhanin	22.10	Neutral	2/3	OVB Holding AG	Häßler	20.00	Buy	2/5/7
BMW	Schuldt	100.00	Buy		Patrizia	Mayer	20.00	Accumulate	
Brenntag	Hinkel	53.00	Buy	2	Pfeiffer Vacuum	Sen	162.00	Buy	5
Ceconomy AG	Bruns	5.00	Neutral		Procredit Holding	Häßler	15.00	Buy	2/3/5
comdirect	Häßler	12.30	Buy	7	PSISOFTWAREAG	Mildner	20.60	Buy	2/3
Commerzbank	Häßler	9.20	Neutral		Puma	Josefson	565.00	Buy	
Continental	Schuldt	195.00	Buy		PWO	Schuldt	36.00	Buy	2/3
CORESTATE Capital Holding S.A.	Mayer	66.00	Buy	2/5	Rheinmetall	Rüzgar	80.00	Neutral	
CTS Eventim	Heilmann	40.00	Buy		RIB Software	Mildner	21.00	Buy	2/3
Daimler AG	Schuldt	63.00	Buy		RTL Group	Josefson	72.00	Accumulate	
Daldrup & Soehne	Becker	13.20	Buy	2/3/5	S&TAG	Sen	27.00	Buy	2/3
Demire	Mayer	4.80	Accumulate	2/5	SAF-Holland	Schuldt	13.80	Accumulate	
Deutsche Bank	Häßler	14.00	Buy		Schaeffler	Tanzer	13.00	Buy	
Deutsche EuroShop	Mayer	30.00	Neutral		Schaltbau Holding AG	Becker	32.50	Buy	2/7
Deutsche Pfandbriefbank	Häßler	14.50	Accumulate		SCOUT24	Heilmann	44.00	Neutral	2
Deutsche Telekom	Sen	13.30	Neutral		Siegfried Holding AG	Berzhanin	399.00	Neutral	7
Duerr	Augustin	30.00	Neutral		SiemensHealthineersAG	Rüzgar	39.00	Neutral	2
DWS	Häßler	30.00	Buy		SLM Solutions	Sen	15.00	Sell	
EringKlinger	Schuldt	5.50	Sell		SMT Scharf AG	Rüzgar	14.50	Neutral	2/3
elumeo SE	Josefson	10.90	Accumulate		Software AG	Mildner	30.00	Sell	
Epigenomics AG	Berzhanin	3.80	Buy	2/3	Stabilus	Tanzer	91.00	Buy	
Euromicron AG	Becker	8.90	Buy	2/3/5	Suedzucker	Bruns	11.70	Reduce	
Evonik	Hinkel	37.00	Buy		SuessMicroTec	Sen	13.80	Accumulate	
Eyemaxx Real Estate	Mayer	18.00	Buy	2/5/7	Surteco Group	Mildner	22.00	Neutral	2/3
Ferratum	Häßler	23.00	Buy		Symrise AG	Hinkel	67.00	Neutral	
Fielmann	Heilmann	55.00	Neutral		Szygy AG	Heilmann	10.70	Buy	2/3
First Sensor AG	Becker	27.50	Buy	7	TAKKTAG	Bruns	20.00	Buy	2
Freenet	Sen	36.00	Buy	2	Talanx Group	Häßler	37.00	Buy	
FuchsPetrolub	Hinkel	50.00	Buy		Technotrans	Becker	39.60	Buy	2/3
Gea Group	Augustin	25.00	Neutral		TELECOLUMBUS	Sen	4.80	Buy	
Gerrresheimer AG	Rüzgar	69.00	Neutral		Telefonica Deutschland	Sen	3.40	Sell	
Gerry Weber	Josefson	2.18	Neutral		United Internet	Sen	63.00	Buy	
Gesco	Becker	35.60	Buy	2/3	Vapiano	Bruns	20.00	Buy	2/7
GFT Technologies	Mildner	13.40	Buy	2/3	va-Q-tec	Sen	12.00	Buy	2/3
Gigaset	Sen	0.85	Accumulate	2/3	Viscom	Rüzgar	22.00	Buy	2/3
Grenke	Häßler	90.00	Neutral		Volkswagen	Schuldt	154.00	Neutral	
Hannover Re	Häßler	110.00	Neutral		Wacker Neuson SE	Becker	24.10	Neutral	
Heidelberg Pharma	Berzhanin	3.50	Accumulate	2/3	windeln.de	Josefson	3.10	Buy	2
Heidelberger Druck	Augustin	2.90	Buy		XINGSE	Heilmann	305.00	Accumulate	
HELLA GmbH & Co. KGaA	Tanzer	51.00	Accumulate		Zalando	Josefson	44.50	Neutral	
Hornbach Holding	Bruns	89.00	Buy						
Hugo Boss	Josefson	80.00	Buy						
Hypoport AG	Häßler	190.00	Neutral	2/7					
INDUS Holding AG	Becker	55.70	Neutral						
Intershop Communications AG	Mildner	1.85	Buy	2/7					
K+S AG	Hinkel	24.00	Buy						
Koenig & Bauer	Augustin	44.00	Neutral						
Krones AG	Augustin	90.00	Accumulate						
KWSSAAT	Hinkel	353.00	Buy						
Lanxess	Hinkel	83.00	Buy						
LEG Immobilien AG	Mayer	105.00	Neutral						
Leoni	Schuldt	34.00	Accumulate						
Linde	Hinkel	176.00	Neutral						

* =Coverage suspended

Source: equinet Recommendations

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Buy - The stock is expected to generate a total return of over 20% during the next 12 months time horizon.

Accumulate - The stock is expected to generate a total return of 10% to 20% during the next 12 months time horizon.

Hold - The stock is expected to generate a total return of 0% to 10% during the next 12 months time horizon

Reduce - The stock is expected to generate a total return of 0 to -10% during the next 12 months time horizon

Sell - The stock is expected to generate a total return below -10% during the next 12 months time horizon

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Share prices

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Sources

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Marie-Curie-Str. 24-28, 60439 Frankfurt am Main

Recommendation history for EUROMICRON AG

Date	Recommendation	Target price	Price at change date
16. Nov 18	Buy	8.90	4.60
02. Jul 18	Buy	11.40	6.60

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows equinet Bank continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Winfried Becker (since 30/01/2018)



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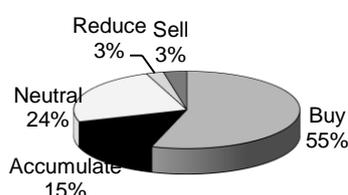
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- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months time horizon
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months time horizon
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months time horizon
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Equinet Bank Ratings Breakdown



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