

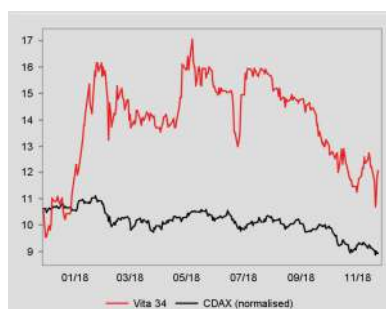
Buy EUR 18.00 Price EUR 12.05 Upside 49.4 %	Value Indicators: EUR DCF: 18.03 FCF-Value Potential 20e: 14.53	Share data: Bloomberg: V3V GR Reuters: V3VGn.DE ISIN: DE000A0BL849	Description: Cell banking
	Market Snapshot: EUR m Market cap: 50.0 No. of shares (m): 4.1 EV: 54.1 Freefloat MC: 38.4 Ø Trad. Vol. (30d): 78.05 th	Shareholders: Freefloat 76.8 % Management 1.4 % MKBV/Köhler Invest 11.6 % Pool Dr. Gerth-PBKM 11.6 %	Risk Profile (WRe): 2018e Beta: 1.4 Price / Book: 1.8 x Equity Ratio: 46 % Net Fin. Debt / EBITDA: 1.0 x Net Debt / EBITDA: 1.0 x

Successful strategy: Very good margin and earnings development

Stated Figures Q3/2018: in Mio. EUR							Comment on Figures:						
	Q3/18	Q3/17	yoy	9M/18	9M/17	yoy	<ul style="list-style-type: none"> Revenue +13% after nine months and +5% in Q3 on an adjusted basis. (Last year's Q3 overstated by the takeover of ca. EUR 0.5m in low-margin inventory). Clear increase in the operative results based on a gross margin improvement of 2.7pp (9M) as a result of economies of scale after the successful business expansion. Lower administrative, and especially sales & marketing costs (9M: -3.3pp) after successful restructuring. 						
Umsatz	5,4	5,6	-4,0%	15,6	13,8	13,1%							
EBITDA	1,3	1,1	14,7%	3,3	0,8	316,4%							
<i>Margin</i>	23,9%	20,0%		21,1%	5,7%								
EPS in EUR	0,12	0,06	100,0%	0,26	-0,28	-							

- Once-in-a-lifetime opportunity:** The number of stem cell applications increased further. Furthermore, scientific studies point to additional areas of application for stem cell therapy (autism). Against this background, there is ongoing interest in storing umbilical cord blood, a unique opportunity at the time of birth. This is also reflected in the positive sales development of +5% on an adjusted basis in Q3 and +13% in the first nine months.
- Very good EBITDA development reflects success of strategic measures:** Earnings development was particularly positive due to the successful expansion of business (higher gross margin) and cost reductions resulting from the reorganisation in Scandinavia. The discontinuation of direct sales activities in Scandinavia, for example, significantly reduced selling expenses. The new approach is already showing first signs of success. In Denmark, for example, a hospital group was gained as a partner and the first storage facilities were set up. The EBITDA margin rose to ~24% in Q3 and ~21% after 9M. In absolute terms, the company generated EUR 3.3m in 9M. Vita 34 is therefore well on track to achieve its FY target of at least EUR 4m, despite one-offs and special charges.
- Buy rating confirmed:** In view of the very good margin and earnings development, we confirm our Buy recommendation. Vita 34 is also well on track for a continued earnings increase in 2019 thanks to the strategic projects implemented.

Changes in Estimates:							Comment on Changes:						
FY End: 31.12. in EUR m	2018e (old)	+ / -	2019e (old)	+ / -	2020e (old)	+ / -	<ul style="list-style-type: none"> The revenue estimates, especially for 2018, were reduced slightly to reflect the slower than expected recovery of the foreign business (Serbia and, mainly, Italy). As a result, the estimates for 2019 and beyond also decrease slightly. Very good margin development arises from the savings in sales & marketing and also from an improved gross margin (scale). However the impact on the result is proportionately smaller. 						
Sales	22.1	-3.1 %	27.1	-2.5 %	31.6	-2.1 %							
EBIT	2.4	-0.5 %	3.4	-1.2 %	5.2	-0.7 %							
EPS	0.36	-2.8 %	0.54	-1.9 %	0.83	0.0 %							



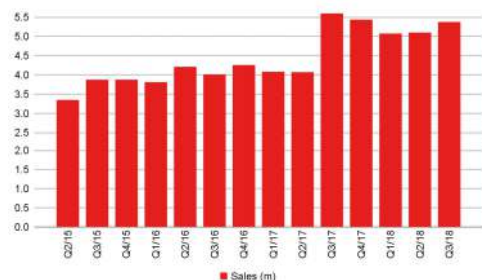
Rel. Performance vs CDAX:

1 month:	5.7 %
6 months:	-10.6 %
Year to date:	22.5 %
Trailing 12 months:	25.6 %

Company events:
27.11.18 ECF

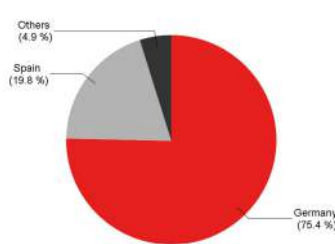
FY End: 31.12. in EUR m	CAGR (17-20e)	2014	2015	2016	2017	2018e	2019e	2020e
Sales	17.2 %	13.8	14.2	16.3	19.2	21.4	26.5	30.9
Change Sales yoy		n.a.	2.8 %	15.0 %	17.8 %	11.6 %	23.6 %	16.8 %
Gross profit margin		57.1 %	45.8 %	52.9 %	56.3 %	58.2 %	59.0 %	59.6 %
EBITDA	55.8 %	2.8	3.9	2.3	1.8	4.2	5.2	7.0
Margin		20.1 %	27.5 %	14.1 %	9.6 %	19.6 %	19.6 %	22.5 %
EBIT	236.8 %	1.7	1.6	0.8	0.1	2.4	3.4	5.2
Margin		12.3 %	11.4 %	4.8 %	0.7 %	11.2 %	12.8 %	16.7 %
Net income		1.1	2.0	0.4	-0.3	1.5	2.2	3.4
EPS		0.37	0.67	0.14	-0.09	0.35	0.53	0.83
EPS adj.		0.37	0.67	0.14	-0.09	0.35	0.53	0.83
DPS		0.00	0.00	0.16	0.16	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	3.6 %	2.0 %	n.a.	n.a.	n.a.
FCFPS		0.21	0.66	0.71	0.36	0.59	0.68	1.02
FCF / Market cap		4.4 %	12.6 %	15.9 %	4.5 %	4.9 %	5.6 %	8.5 %
EV / Sales		0.8 x	1.2 x	0.8 x	1.8 x	2.5 x	1.9 x	1.5 x
EV / EBITDA		4.1 x	4.4 x	5.9 x	18.7 x	12.9 x	9.9 x	6.8 x
EV / EBIT		6.7 x	10.7 x	17.4 x	254.3 x	22.6 x	15.1 x	9.1 x
P / E		12.8 x	7.9 x	32.0 x	n.a.	34.4 x	22.7 x	14.5 x
P / E adj.		12.8 x	7.9 x	32.0 x	n.a.	34.4 x	22.7 x	14.5 x
FCF Potential Yield		12.0 %	19.2 %	11.2 %	2.8 %	5.4 %	7.1 %	10.5 %
Net Debt		-2.5	1.6	0.3	5.9	4.2	1.3	-2.9
ROCE (NOPAT)		n.a.	7.7 %	2.8 %	1.0 %	5.0 %	7.6 %	12.0 %
Guidance:	Sales EUR 21.0m to EUR 23.0m (more at lower end), EBITDA EUR 4.0m to EUR 4.6m							

Sales development
in EUR m



Source: Warburg Research

Sales by regions
2017; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

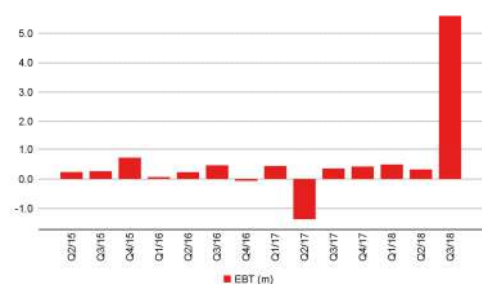
Company Background

- Founded in 1997, Vita 34 AG is the market leader among private stem cell banks in the German-speaking countries.
- As a full-service provider for cryo-preservation, Vita 34 offers the collection, preparation, storage, and use of stem cells from umbilical cord blood and umbilical cord tissue.
- The company expands its reach through the utilization of subsidiaries and sales partners and provides services in more than 20 countries worldwide.
- Through successful M&A activities, Vita 34 raised its stem cell deposits above the level of 215,000 making it the second-largest player in Europe.

Competitive Quality

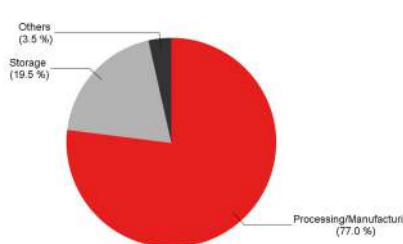
- Vita 34 derives its competitive edge from the combination of its leadership in the "DACH"-region, its extensive network of sales partners in Europe, and its 96% market coverage of German maternity clinics.
- Barriers to entry are high in the stem cell banking market. Vita 34 has successfully overcome the necessary laborious approval processes in its core markets.
- The company has strong presence in the European countries which offer high growth potential due to low penetration rates and higher realizable margins compared to other major markets.
- Consolidation in the European stem cell banking market is very likely. Economies of scale and local market knowledge are important. Vita 34 has a proven capability of completing M&A transactions.

EBT development
in EUR m



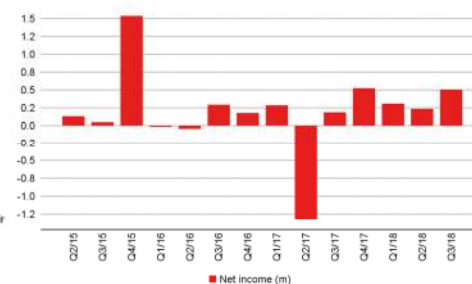
Source: Warburg Research

Sales by segments
2017; 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
	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	
Sales	21.4	26.5	30.9	35.4	36.4	37.5	38.5	39.4	40.4	41.4	42.3	43.3	44.1	
Sales change	11.6 %	23.6 %	16.8 %	14.5 %	3.0 %	2.8 %	2.7 %	2.6 %	2.5 %	2.4 %	2.3 %	2.2 %	2.0 %	2.0 %
EBIT	2.4	3.4	5.2	6.9	7.3	7.5	7.7	7.9	8.1	8.3	8.5	8.7	8.8	
EBIT-margin	11.2 %	12.8 %	16.7 %	19.4 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	
Tax rate (EBT)	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	
NOPAT	1.7	2.4	3.7	4.9	5.2	5.4	5.5	5.7	5.8	6.0	6.1	6.2	6.4	
Depreciation	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.7	1.7	1.5	1.2	
in % of Sales	8.4 %	6.8 %	5.8 %	5.2 %	5.0 %	4.9 %	4.8 %	4.6 %	4.4 %	4.2 %	4.0 %	3.4 %	2.8 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Change in Liquidity from														
- Working Capital	0.2	0.5	0.3	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
- Capex	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9	0.9	
Capex in % of Sales	3.2 %	2.6 %	2.2 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	
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)	2.7	3.1	4.5	5.7	6.3	6.4	6.5	6.6	6.7	6.8	6.9	6.8	6.6	6
PV of FCF	2.7	2.8	3.8	4.5	4.5	4.2	4.0	3.7	3.4	3.2	3.0	2.7	2.5	36
share of PVs	11.51 %			44.05 %										44.44 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	25.00 %	Financial Strength	1.00
Cost of debt (after tax)	6.1 %	Liquidity (share)	2.00
Market return	7.00 %	Cyclicality	1.00
Risk free rate	1.50 %	Transparency	1.20
		Others	2.00
WACC	8.60 %	Beta	1.44

Valuation (m)

Present values 2030e	45		
Terminal Value	36		
Financial liabilities	10		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	4	No. of shares (m)	4.1
Equity Value	75	Value per share (EUR)	18.03

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.68	9.6 %	14.94	15.13	15.33	15.54	15.77	16.02	16.28	1.68	9.6 %	14.32	14.73	15.14	15.54	15.95	16.36	16.76
1.56	9.1 %	15.97	16.20	16.44	16.70	16.98	17.28	17.60	1.56	9.1 %	15.39	15.83	16.26	16.70	17.14	17.57	18.01
1.50	8.8 %	16.54	16.79	17.05	17.34	17.65	17.98	18.34	1.50	8.8 %	15.99	16.44	16.89	17.34	17.79	18.24	18.70
1.44	8.6 %	17.15	17.42	17.71	18.03	18.37	18.74	19.14	1.44	8.6 %	16.62	17.09	17.56	18.03	18.50	18.97	19.43
1.38	8.3 %	17.79	18.10	18.42	18.77	19.15	19.56	20.01	1.38	8.3 %	17.31	17.80	18.29	18.77	19.26	19.75	20.23
1.32	8.1 %	18.49	18.82	19.18	19.57	20.00	20.46	20.96	1.32	8.1 %	18.05	18.56	19.07	19.57	20.08	20.59	21.09
1.20	7.6 %	20.04	20.45	20.90	21.39	21.92	22.51	23.16	1.20	7.6 %	19.74	20.29	20.84	21.39	21.94	22.49	23.05

- Long-term sales growth slightly above organic market growth to reflect continued market share gains
- Long-term operating margin does not fully reflect potential of "Vision 2021" as no further acquisitions are included
- Low maintenance capex requirements

Valuation	2014	2015	2016	2017	2018e	2019e	2020e
Price / Book	0.6 x	0.7 x	0.6 x	1.0 x	1.8 x	1.7 x	1.5 x
Book value per share ex intangibles	0.52	-0.83	-0.49	-2.49	-2.49	-1.86	-0.92
EV / Sales	0.8 x	1.2 x	0.8 x	1.8 x	2.5 x	1.9 x	1.5 x
EV / EBITDA	4.1 x	4.4 x	5.9 x	18.7 x	12.9 x	9.9 x	6.8 x
EV / EBIT	6.7 x	10.7 x	17.4 x	254.3 x	22.6 x	15.1 x	9.1 x
EV / EBIT adj.*	6.7 x	10.7 x	17.4 x	254.3 x	22.6 x	15.1 x	9.1 x
P / FCF	22.7 x	7.9 x	6.3 x	22.4 x	20.5 x	17.7 x	11.8 x
P / E	12.8 x	7.9 x	32.0 x	n.a.	34.4 x	22.7 x	14.5 x
P / E adj.*	12.8 x	7.9 x	32.0 x	n.a.	34.4 x	22.7 x	14.5 x
Dividend Yield	n.a.	n.a.	3.6 %	2.0 %	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	12.0 %	19.2 %	11.2 %	2.8 %	5.4 %	7.1 %	10.5 %

*Adjustments made for: No adjustments of earnings

Consolidated profit and loss

In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Sales	13.8	14.2	16.3	19.2	21.4	26.5	30.9
Change Sales yoy	n.a.	2.8 %	15.0 %	17.8 %	11.6 %	23.6 %	16.8 %
COGS	5.9	7.7	7.7	8.4	9.0	10.9	12.5
Gross profit	7.9	6.5	8.6	10.8	12.5	15.6	18.4
<i>Gross margin</i>	<i>57.1 %</i>	<i>45.8 %</i>	<i>52.9 %</i>	<i>56.3 %</i>	<i>58.2 %</i>	<i>59.0 %</i>	<i>59.6 %</i>
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sales and marketing	4.4	4.8	5.1	5.4	5.2	5.9	6.4
Administration expenses	3.3	4.0	3.9	5.0	5.0	6.1	6.6
Other operating expenses	0.1	0.3	0.4	1.0	0.3	0.6	0.7
Other operating income	1.7	4.3	1.6	0.7	0.4	0.4	0.4
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	2.8	3.9	2.3	1.8	4.2	5.2	7.0
<i>Margin</i>	<i>20.1 %</i>	<i>27.5 %</i>	<i>14.1 %</i>	<i>9.6 %</i>	<i>19.6 %</i>	<i>19.6 %</i>	<i>22.5 %</i>
Depreciation of fixed assets	0.0	0.0	1.2	1.2	0.8	0.8	0.8
EBITA	1.7	1.6	1.1	0.6	3.4	4.4	6.2
Amortisation of intangible assets	0.0	0.0	0.3	0.5	1.0	1.0	1.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.7	1.6	0.8	0.1	2.4	3.4	5.2
<i>Margin</i>	<i>12.3 %</i>	<i>11.4 %</i>	<i>4.8 %</i>	<i>0.7 %</i>	<i>11.2 %</i>	<i>12.8 %</i>	<i>16.7 %</i>
EBIT adj.	1.7	1.6	0.8	0.1	2.4	3.4	5.2
Interest income	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Interest expenses	0.1	0.1	0.1	0.2	0.4	0.4	0.4
Other financial income (loss)	0.0	0.0	-0.1	-0.1	0.0	0.0	0.0
EBT	1.7	1.6	0.7	-0.2	2.0	3.1	4.8
<i>Margin</i>	<i>12.3 %</i>	<i>11.2 %</i>	<i>4.2 %</i>	<i>-0.8 %</i>	<i>9.5 %</i>	<i>11.5 %</i>	<i>15.4 %</i>
Total taxes	0.7	-0.1	0.1	0.2	0.6	0.9	1.3
Net income from continuing operations	1.0	1.7	0.6	-0.3	1.5	2.2	3.4
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	1.0	1.7	0.6	-0.3	1.5	2.2	3.4
Minority interest	-0.1	-0.3	0.2	0.0	0.0	0.0	0.0
Net income	1.1	2.0	0.4	-0.3	1.5	2.2	3.4
<i>Margin</i>	<i>8.0 %</i>	<i>14.0 %</i>	<i>2.5 %</i>	<i>-1.7 %</i>	<i>6.9 %</i>	<i>8.3 %</i>	<i>11.1 %</i>
Number of shares, average	2.9	3.0	3.0	3.5	4.1	4.1	4.1
EPS	0.37	0.67	0.14	-0.09	0.35	0.53	0.83
EPS adj.	0.37	0.67	0.14	-0.09	0.35	0.53	0.83

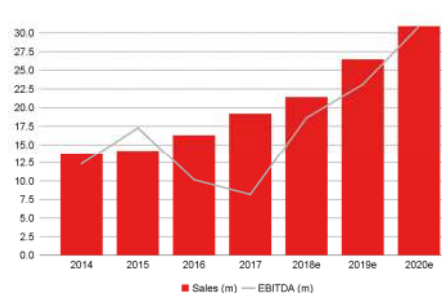
*Adjustments made for: No adjustments of earnings

Guidance: Sales EUR 21.0m to EUR 23.0m (more at lower end), EBITDA EUR 4.0m to EUR 4.6m

Financial Ratios

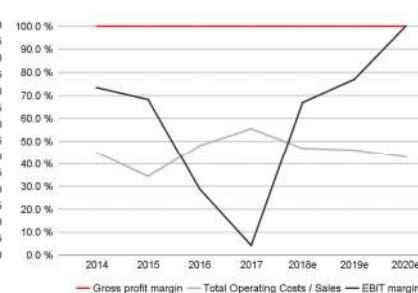
	2014	2015	2016	2017	2018e	2019e	2020e
Total Operating Costs / Sales	44.9 %	34.4 %	48.1 %	55.6 %	47.0 %	46.2 %	42.9 %
Operating Leverage	n.a.	-1.6 x	-3.4 x	-4.7 x	144.1 x	1.8 x	3.1 x
EBITDA / Interest expenses	28.9 x	35.4 x	19.0 x	9.2 x	12.0 x	14.9 x	17.4 x
Tax rate (EBT)	41.7 %	-7.2 %	10.3 %	-112.4 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	0.0 %	0.0 %	76.9 %	n.m.	0.0 %	0.0 %	0.0 %
Sales per Employee	131,295	101,207	122,481	154,726	172,679	213,456	249,234

Sales, EBITDA in EUR m



Source: Warburg Research

Operating Performance in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

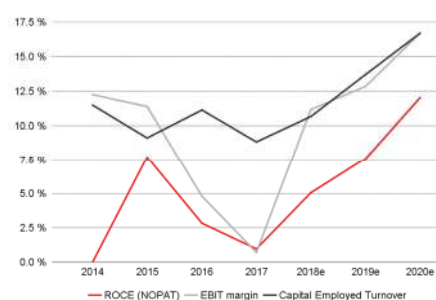
Consolidated balance sheet

In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Assets							
Goodwill and other intangible assets	20.6	26.2	25.1	39.9	38.9	37.9	36.9
thereof other intangible assets	6.7	12.5	11.7	21.5	20.5	19.5	18.5
thereof Goodwill	13.9	13.7	13.4	18.3	18.3	18.3	18.3
Property, plant and equipment	4.6	5.1	5.0	6.6	6.5	6.4	6.3
Financial assets	0.6	4.0	3.9	3.8	3.8	3.8	3.8
Other long-term assets	1.3	1.1	1.7	1.9	1.9	1.9	1.9
Fixed assets	27.1	36.5	35.7	52.2	51.0	49.9	48.8
Inventories	0.3	0.4	0.3	0.5	0.6	0.7	0.8
Accounts receivable	3.9	3.7	3.6	3.8	4.2	5.3	6.1
Liquid assets	3.7	2.1	2.8	4.2	5.0	7.8	12.1
Other short-term assets	2.1	1.1	1.1	1.3	1.3	1.3	1.3
Current assets	10.0	7.3	7.7	9.8	11.1	15.2	20.3
Total Assets	37.1	43.8	43.4	62.0	62.2	65.1	69.1
Liabilities and shareholders' equity							
Subscribed capital	3.0	3.0	3.0	4.1	4.1	4.1	4.1
Capital reserve	18.2	18.2	18.2	23.9	23.9	23.9	23.9
Retained earnings	1.4	2.9	2.9	1.9	2.7	4.9	8.4
Other equity components	-0.5	-0.4	-0.5	-0.5	-2.3	-2.9	-3.4
Shareholders' equity	22.2	23.8	23.6	29.5	28.5	30.1	33.1
Minority interest	0.0	0.0	0.0	0.1	0.1	0.1	0.1
Total equity	22.2	23.8	23.6	29.6	28.7	30.2	33.2
Provisions	0.3	0.2	0.0	0.0	0.0	0.0	0.0
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	1.2	3.7	3.1	10.1	9.2	9.2	9.2
thereof short-term financial liabilities	0.1	0.6	0.6	1.1	1.1	1.1	1.1
Accounts payable	0.7	1.9	1.6	2.8	3.1	3.8	4.4
Other liabilities	12.7	14.2	15.1	19.4	21.3	21.9	22.3
Liabilities	14.9	20.0	19.8	32.3	33.6	34.9	35.9
Total liabilities and shareholders' equity	37.1	43.8	43.4	62.0	62.2	65.1	69.1

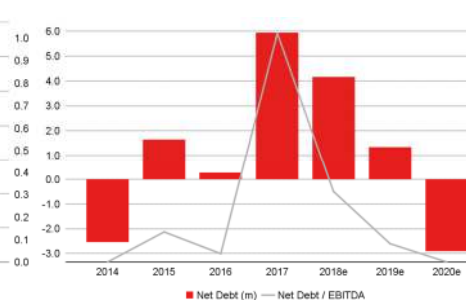
Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Efficiency of Capital Employment							
Operating Assets Turnover	1.7 x	1.9 x	2.2 x	2.3 x	2.6 x	3.1 x	3.5 x
Capital Employed Turnover	0.7 x	0.6 x	0.7 x	0.5 x	0.7 x	0.8 x	1.0 x
ROA	4.1 %	5.4 %	1.1 %	-0.6 %	2.9 %	4.4 %	7.0 %
Return on Capital							
ROCE (NOPAT)	n.a.	7.7 %	2.8 %	1.0 %	5.0 %	7.6 %	12.0 %
ROE	n.a.	8.6 %	1.7 %	-1.2 %	5.1 %	7.5 %	10.8 %
Adj. ROE	n.a.	8.6 %	1.7 %	-1.2 %	5.1 %	7.5 %	10.8 %
Balance sheet quality							
Net Debt	-2.5	1.6	0.3	5.9	4.2	1.3	-2.9
Net Financial Debt	-2.5	1.6	0.3	5.9	4.2	1.3	-2.9
Net Gearing	-11.5 %	6.9 %	1.1 %	20.0 %	14.5 %	4.4 %	-8.8 %
Net Fin. Debt / EBITDA	n.a.	42.3 %	11.8 %	322.7 %	99.2 %	25.8 %	n.a.
Book Value / Share	7.5	8.0	8.0	7.1	6.9	7.3	8.0
Book value per share ex intangibles	0.5	-0.8	-0.5	-2.5	-2.5	-1.9	-0.9

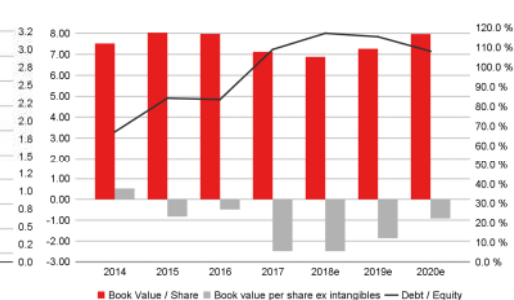
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

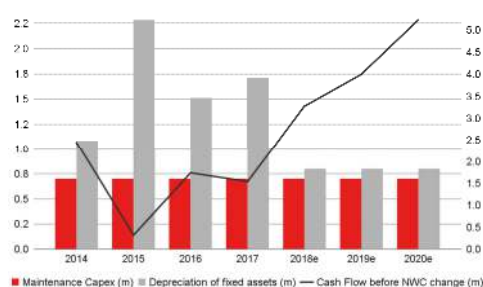
In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Net income	1.7	1.6	0.7	-0.2	1.5	2.2	3.4
Depreciation of fixed assets	1.1	2.3	1.5	1.7	0.8	0.8	0.8
Amortisation of goodwill	0.0	-3.1	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.3	0.5	1.0	1.0	1.0
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	-0.3	-0.4	-0.7	-0.5	0.0	0.0	0.0
Cash Flow before NWC change	2.5	0.3	1.7	1.5	3.3	4.0	5.2
Increase / decrease in inventory	0.3	-0.1	0.1	0.1	-0.1	-0.1	-0.1
Increase / decrease in accounts receivable	-1.5	2.5	0.0	0.1	-0.4	-1.1	-0.8
Increase / decrease in accounts payable	0.0	0.0	0.0	0.0	0.3	0.7	0.6
Increase / decrease in other working capital positions	-0.1	-0.2	0.7	0.3	0.0	0.0	0.0
Increase / decrease in working capital (total)	-1.4	2.3	0.8	0.5	-0.2	-0.5	-0.3
Net cash provided by operating activities [1]	1.1	2.6	2.6	2.0	3.1	3.5	4.9
Investments in intangible assets	-0.3	-0.1	-0.1	-0.1	0.0	0.0	0.0
Investments in property, plant and equipment	-0.2	-0.5	-0.4	-0.7	-0.7	-0.7	-0.7
Payments for acquisitions	0.0	-1.1	0.0	-12.4	0.0	0.0	0.0
Financial investments	0.0	2.9	0.1	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-0.4	-4.7	-0.6	-13.1	-0.7	-0.7	-0.7
Change in financial liabilities	-0.1	0.9	-0.5	6.7	-0.9	0.0	0.0
Dividends paid	0.0	-0.4	-0.5	-0.5	-0.7	0.0	0.0
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	6.7	0.0	0.0	0.0
Other	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	0.2	0.4	-1.0	13.0	-1.6	0.0	0.0
Change in liquid funds [1]+[2]+[3]	0.8	-1.6	1.0	1.9	0.8	2.8	4.2
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	3.7	2.1	3.1	4.7	5.0	7.8	12.1

Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Cash Flow							
FCF	0.6	2.0	2.1	1.3	2.4	2.8	4.2
Free Cash Flow / Sales	4.5 %	13.9 %	12.9 %	6.6 %	11.4 %	10.6 %	13.7 %
Free Cash Flow Potential	1.4	3.3	1.5	1.0	2.9	3.6	4.9
Free Cash Flow / Net Profit	55.9 %	99.2 %	516.4 %	-393.2 %	166.0 %	128.3 %	124.0 %
Interest Received / Avg. Cash	n.a.	3.4 %	3.7 %	0.9 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	n.a.	4.5 %	3.6 %	3.0 %	3.6 %	3.8 %	4.4 %
Management of Funds							
Investment ratio	3.2 %	4.4 %	2.8 %	3.9 %	3.2 %	2.6 %	2.2 %
Maint. Capex / Sales	5.1 %	4.9 %	4.3 %	3.6 %	3.3 %	2.6 %	2.3 %
Capex / Dep	n.a.	n.a.	30.0 %	44.1 %	37.7 %	37.7 %	37.7 %
Avg. Working Capital / Sales	n.a.	20.3 %	14.0 %	10.0 %	7.6 %	7.4 %	7.6 %
Trade Debtors / Trade Creditors	558.0 %	198.1 %	224.0 %	138.0 %	135.5 %	139.5 %	138.6 %
Inventory Turnover	19.9 x	18.2 x	26.4 x	16.8 x	14.9 x	15.5 x	15.6 x
Receivables collection period (days)	103	97	80	72	72	73	72
Payables payment period (days)	43	90	76	120	126	128	129
Cash conversion cycle (Days)	78	27	18	-26	-30	-31	-33

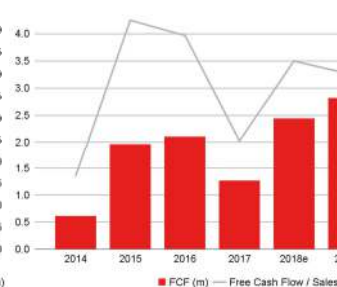
CAPEX and Cash Flow

in EUR m



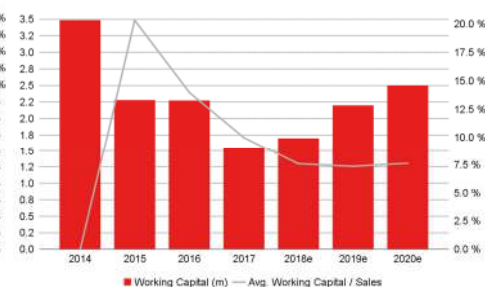
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Vita 34	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A0BL849.htm

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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.

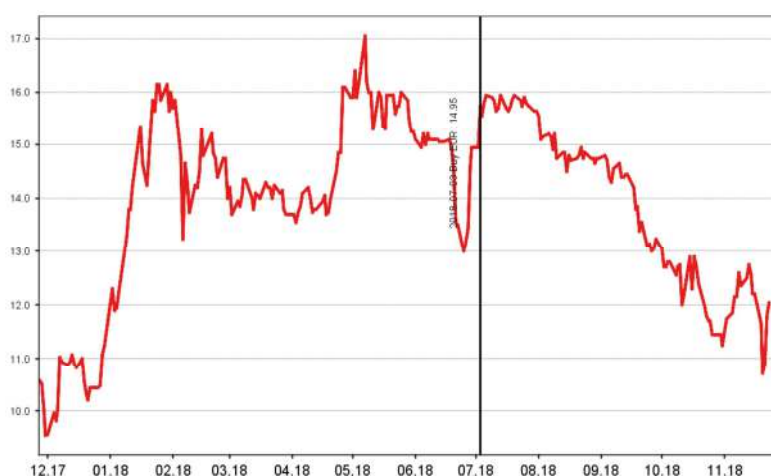
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Rating	Number of stocks	% of Universe
Buy	129	63
Hold	66	32
Sell	3	1
Rating suspended	7	3
Total	205	100

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	34	72
Hold	11	23
Sell	0	0
Rating suspended	2	4
Total	47	100

PRICE AND RATING HISTORY VITA 34 AS OF 26.11.2018


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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