

Buy EUR 18.00 Price EUR 13.60 Upside 32.4 %	Value Indicators: EUR DCF: 18.43 FCF-Value Potential 20e: 14.65	Share data: Bloomberg: V3V GR Reuters: V3VGn.DE ISIN: DE000A0BL849	Description: Cell banking
	Market Snapshot: EUR m Market cap: 56.4 No. of shares (m): 4.1 EV: 57.5 Freefloat MC: 43.3 Ø Trad. Vol. (30d): 96.37 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: 2.0 x Equity Ratio: 46 % Net Fin. Debt / EBITDA: 1.0 x Net Debt / EBITDA: 1.0 x

Preliminary 2018 EBITDA clearly beats company forecast

- Vita 34 achieved **sales of EUR 20.41m** and **EBITDA of EUR 4.75m** in 2018, according to preliminary figures announced this morning. While the sales figure was slightly below the lower end of the given guidance range, EBITDA clearly exceeded the given forecast of EUR 4.0-4.6m.
- Guidance for 2019 was not provided at this point in time. The company will report detailed results on March 28.
- Sales growth of 6.3% slightly below expectations:** Sales of EUR 20.41m represented a rise of 6.3% y-o-y but was slightly below the lower end of the given guidance range of EUR 21.0-23.0m. With business in the DACH regions developing according to plan, the repositioning in some European markets like Italy and Serbia took longer than initially expected. This was already indicated in the Q3 conference call.
- Successful implementation of cost efficiency measures driving operating margin:** However, EBITDA of EUR 4.75m clearly exceeded the given forecast of EUR 4.0-4.6m. This is due to the successful and quicker than initially anticipated optimization of cost structures. The EBITDA margin of 23.3% was clearly above the mid-point of the given guidance range (19.5%) and our expectations (WRe: 20.4%).
- Liquidity position and strategic flexibility strengthened:** Also worth mentioning is the improved liquidity situation of the group. Cash and cash equivalents increased to EUR 7.0m (ultimo 2017: EUR 4.2m). Net debt fell to EUR 0.7m. In our view, this will increase the flexibility for strategic acquisitions.
- Focus on new strategy:** Earlier this month Vita 34 announced a strategic update that foresees the expansion of the business model towards the development of new products, such as e.g. cell preparations as the source material for immune cell therapies. This would allow Vita 34 to become a more broad-based cell bank. The offering of additional products would not only drive top-line growth, but given the leverage of existing infrastructure, this should also result in proportionately higher earnings growth and further margin expansion. The company expects first approvals for the planned offerings as early as next year (2020).
- Buy rating reiterated:** As we expect the cost savings to be sustainable, we see upside potential to our earnings estimates for 2019 and beyond. We will review our estimates in the course of the publication of detailed FY earnings on March 28. Top-line growth from 2020 onwards may also be driven by the new strategy. We expect more details to be published shortly. Buy rating reiterated.

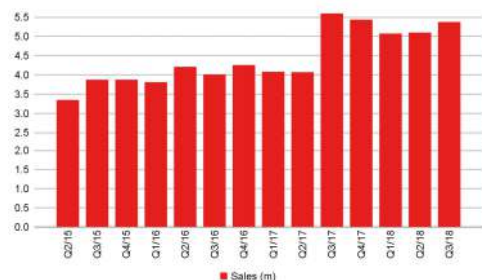


Rel. Performance vs CDAX:	
1 month:	8.8 %
6 months:	1.9 %
Year to date:	15.6 %
Trailing 12 months:	7.3 %

Company events:	
28.03.19	FY 2018
15.05.19	Q1
04.06.19	AGM
29.08.19	Q2

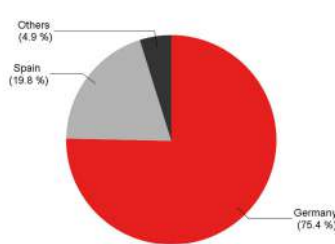
FY End: 31.12. in EUR m	CAGR (17-20e)	2014	2015	2016	2017	2018e	2019e	2020e
Sales	17.2 %	13.8	14.2	16.3	19.2	21.0	25.2	30.9
Change Sales yoy		n.a.	2.8 %	15.0 %	17.8 %	9.3 %	20.3 %	22.3 %
Gross profit margin		57.1 %	45.8 %	52.9 %	56.3 %	58.6 %	59.2 %	59.6 %
EBITDA	56.1 %	2.8	3.9	2.3	1.8	4.3	5.3	7.0
Margin		20.1 %	27.5 %	14.1 %	9.6 %	20.4 %	21.0 %	22.7 %
EBIT	237.8 %	1.7	1.6	0.8	0.1	2.5	3.5	5.2
Margin		12.3 %	11.4 %	4.8 %	0.7 %	11.8 %	13.9 %	16.9 %
Net income	-	1.1	2.0	0.4	-0.3	1.5	2.3	3.5
EPS	-	0.37	0.67	0.14	-0.09	0.37	0.55	0.83
EPS adj.	-	0.37	0.67	0.14	-0.09	0.37	0.55	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	0.58	0.75	1.01
FCF / Market cap		4.4 %	12.6 %	15.9 %	4.5 %	4.3 %	5.5 %	7.4 %
EV / Sales		0.8 x	1.2 x	0.8 x	1.8 x	2.9 x	2.3 x	1.7 x
EV / EBITDA		4.1 x	4.4 x	5.9 x	18.7 x	14.2 x	10.8 x	7.6 x
EV / EBIT		6.7 x	10.7 x	17.4 x	254.3 x	24.5 x	16.4 x	10.2 x
P / E		12.8 x	7.9 x	32.0 x	n.a.	36.8 x	24.7 x	16.4 x
P / E adj.		12.8 x	7.9 x	32.0 x	n.a.	36.8 x	24.7 x	16.4 x
FCF Potential Yield		12.0 %	19.2 %	11.2 %	2.8 %	4.9 %	6.5 %	9.3 %
Net Debt		-2.5	1.6	0.3	5.9	4.2	1.1	-3.1
ROCE (NOPAT)		n.a.	7.7 %	2.8 %	1.0 %	5.2 %	7.9 %	12.1 %
Guidance:		2018: Sales EUR 21.0-23.0m (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

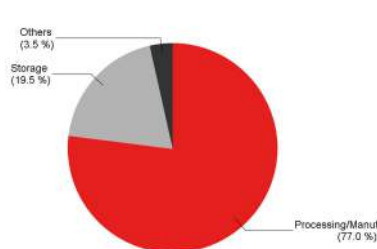
- Vita 34 derives its competitive edge from the combination of its leadership in the "DACH"-region, its extensive network of sales partners in Europe, and its 96% market coverage of German maternity clinics.
- Barriers to entry are high in the stem cell banking market. Vita 34 has successfully overcome 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	21.0	25.2	30.9	35.3	36.4	37.4	38.4	39.4	40.4	41.3	42.3	43.2	44.1	
Sales change	9.3 %	20.3 %	22.3 %	14.5 %	3.0 %	2.8 %	2.7 %	2.6 %	2.5 %	2.4 %	2.3 %	2.2 %	2.0 %	2.0 %
EBIT	2.5	3.5	5.2	6.9	7.3	7.5	7.7	7.9	8.1	8.3	8.5	8.6	8.8	
EBIT-margin	11.8 %	13.9 %	16.9 %	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	1.8	2.5	3.7	4.9	5.2	5.4	5.5	5.7	5.8	6.0	6.1	6.2	6.3	
Depreciation in % of Sales	1.8 8.6 %	1.8 7.1 %	1.8 5.8 %	1.8 5.2 %	1.8 5.0 %	1.8 4.9 %	1.8 4.8 %	1.8 4.6 %	1.8 4.4 %	1.7 4.2 %	1.7 4.0 %	1.5 3.4 %	1.2 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	0.3	0.3	0.4	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	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.8	0.9	0.9	
Capex in % of Sales	3.2 %	2.7 %	2.2 %	2.2 %	2.1 %	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	3.3	4.5	5.7	6.2	6.4	6.5	6.6	6.7	6.8	6.9	6.8	6.6	6
PV of FCF	2.7	3.1	3.8	4.5	4.5	4.3	4.0	3.8	3.5	3.3	3.0	2.8	2.5	37
share of PVs	11.70 %			43.91 %										44.39 %

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	46		
Terminal Value	37		
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	76	Value per share (EUR)	18.43

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 %	15.32	15.51	15.72	15.94	16.17	16.42	16.69	1.68	9.6 %	14.69	15.11	15.52	15.94	16.35	16.77	17.18
1.56	9.1 %	16.35	16.59	16.83	17.10	17.38	17.69	18.02	1.56	9.1 %	15.77	16.21	16.65	17.10	17.54	17.98	18.43
1.50	8.8 %	16.92	17.18	17.45	17.74	18.06	18.39	18.76	1.50	8.8 %	16.36	16.82	17.28	17.74	18.20	18.66	19.12
1.44	8.6 %	17.53	17.81	18.11	18.43	18.78	19.16	19.57	1.44	8.6 %	17.00	17.48	17.96	18.43	18.91	19.39	19.86
1.38	8.3 %	18.18	18.49	18.82	19.18	19.56	19.98	20.44	1.38	8.3 %	17.69	18.19	18.68	19.18	19.67	20.17	20.66
1.32	8.1 %	18.88	19.22	19.59	19.98	20.41	20.88	21.40	1.32	8.1 %	18.44	18.95	19.47	19.98	20.50	21.01	21.53
1.20	7.6 %	20.43	20.85	21.31	21.81	22.35	22.95	23.60	1.20	7.6 %	20.13	20.69	21.25	21.81	22.37	22.93	23.48

- 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	2.0 x	1.9 x	1.7 x
Book value per share ex intangibles	0.52	-0.83	-0.49	-2.49	-2.50	-1.86	-0.85
EV / Sales	0.8 x	1.2 x	0.8 x	1.8 x	2.9 x	2.3 x	1.7 x
EV / EBITDA	4.1 x	4.4 x	5.9 x	18.7 x	14.2 x	10.8 x	7.6 x
EV / EBIT	6.7 x	10.7 x	17.4 x	254.3 x	24.5 x	16.4 x	10.2 x
EV / EBIT adj.*	6.7 x	10.7 x	17.4 x	254.3 x	24.5 x	16.4 x	10.2 x
P / FCF	22.7 x	7.9 x	6.3 x	22.4 x	23.5 x	18.2 x	13.5 x
P / E	12.8 x	7.9 x	32.0 x	n.a.	36.8 x	24.7 x	16.4 x
P / E adj.*	12.8 x	7.9 x	32.0 x	n.a.	36.8 x	24.7 x	16.4 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 %	4.9 %	6.5 %	9.3 %

*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	21.0	25.2	30.9
Change Sales yoy	n.a.	2.8 %	15.0 %	17.8 %	9.3 %	20.3 %	22.3 %
COGS	5.9	7.7	7.7	8.4	8.7	10.3	12.5
Gross profit	7.9	6.5	8.6	10.8	12.3	14.9	18.4
<i>Gross margin</i>	<i>57.1 %</i>	<i>45.8 %</i>	<i>52.9 %</i>	<i>56.3 %</i>	<i>58.6 %</i>	<i>59.2 %</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	5.1	5.7	6.4
Administration expenses	3.3	4.0	3.9	5.0	5.0	6.0	6.5
Other operating expenses	0.1	0.3	0.4	1.0	0.3	0.3	0.7
Other operating income	1.7	4.3	1.6	0.7	0.6	0.6	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	4.3	5.3	7.0
<i>Margin</i>	<i>20.1 %</i>	<i>27.5 %</i>	<i>14.1 %</i>	<i>9.6 %</i>	<i>20.4 %</i>	<i>21.0 %</i>	<i>22.7 %</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	3.5	4.5	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	2.5	3.5	5.2
<i>Margin</i>	<i>12.3 %</i>	<i>11.4 %</i>	<i>4.8 %</i>	<i>0.7 %</i>	<i>11.8 %</i>	<i>13.9 %</i>	<i>16.9 %</i>
EBIT adj.	1.7	1.6	0.8	0.1	2.5	3.5	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	2.1	3.2	4.8
<i>Margin</i>	<i>12.3 %</i>	<i>11.2 %</i>	<i>4.2 %</i>	<i>-0.8 %</i>	<i>10.1 %</i>	<i>12.5 %</i>	<i>15.6 %</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	2.3	3.5
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	2.3	3.5
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	2.3	3.5
<i>Margin</i>	<i>8.0 %</i>	<i>14.0 %</i>	<i>2.5 %</i>	<i>-1.7 %</i>	<i>7.3 %</i>	<i>9.0 %</i>	<i>11.2 %</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	0.37	0.55	0.83
EPS adj.	0.37	0.67	0.14	-0.09	0.37	0.55	0.83

*Adjustments made for: No adjustments of earnings

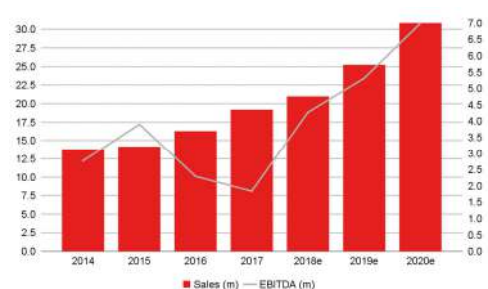
Guidance: Sales EUR 21.0m to EUR 23.0m (more at lower end), EBITDA EUR 4.0m to EUR 4.6m

Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Total Operating Costs / Sales	44.9 %	34.4 %	48.1 %	55.6 %	46.8 %	45.3 %	42.7 %
Operating Leverage	n.a.	-1.6 x	-3.4 x	-4.7 x	186.3 x	2.1 x	2.2 x
EBITDA / Interest expenses	28.9 x	35.4 x	19.0 x	9.2 x	12.2 x	15.2 x	17.5 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	169,098	203,391	248,847

Sales, EBITDA

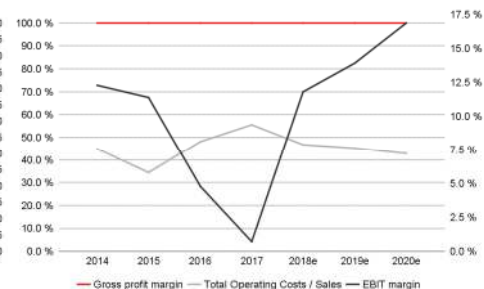
in EUR m



Source: Warburg Research

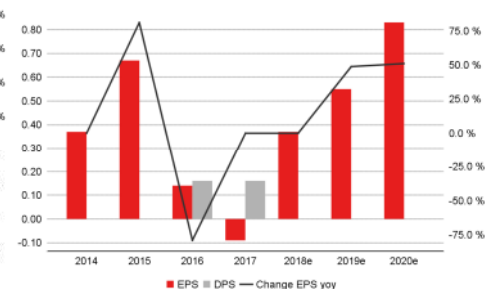
Operating Performance

in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

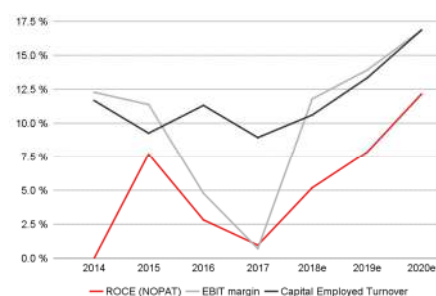
Consolidated balance sheet

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	5.0	6.1
Liquid assets	3.7	2.1	2.8	4.2	5.0	8.1	12.2
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	15.1	20.5
Total Assets	37.1	43.8	43.4	62.0	62.1	65.0	69.3
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	2.8	5.1	8.5
Other equity components	-0.5	-0.4	-0.5	-0.5	-2.4	-3.0	-3.3
Shareholders' equity	22.2	23.8	23.6	29.5	28.5	30.2	33.3
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	28.6	30.3	33.4
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	3.0	3.6	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	33.5	34.7	35.9
Total liabilities and shareholders' equity	37.1	43.8	43.4	62.0	62.1	65.0	69.3

Financial Ratios

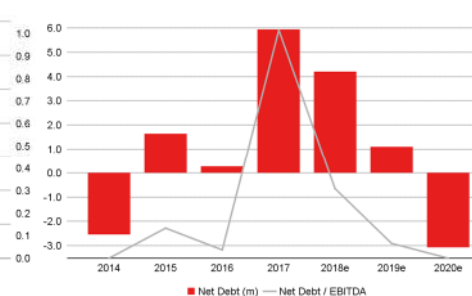
	2014	2015	2016	2017	2018e	2019e	2020e
Efficiency of Capital Employment							
Operating Assets Turnover	1.7 x	1.9 x	2.2 x	2.3 x	2.5 x	3.0 x	3.5 x
Capital Employed Turnover	0.7 x	0.6 x	0.7 x	0.5 x	0.6 x	0.8 x	1.0 x
ROA	4.1 %	5.4 %	1.1 %	-0.6 %	3.0 %	4.6 %	7.1 %
Return on Capital							
ROCE (NOPAT)	n.a.	7.7 %	2.8 %	1.0 %	5.2 %	7.9 %	12.1 %
ROE	n.a.	8.6 %	1.7 %	-1.2 %	5.3 %	7.7 %	10.9 %
Adj. ROE	n.a.	8.6 %	1.7 %	-1.2 %	5.3 %	7.7 %	10.9 %
Balance sheet quality							
Net Debt	-2.5	1.6	0.3	5.9	4.2	1.1	-3.1
Net Financial Debt	-2.5	1.6	0.3	5.9	4.2	1.1	-3.1
Net Gearing	-11.5 %	6.9 %	1.1 %	20.0 %	14.7 %	3.7 %	-9.2 %
Net Fin. Debt / EBITDA	n.a.	42.3 %	11.8 %	322.7 %	98.4 %	20.9 %	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



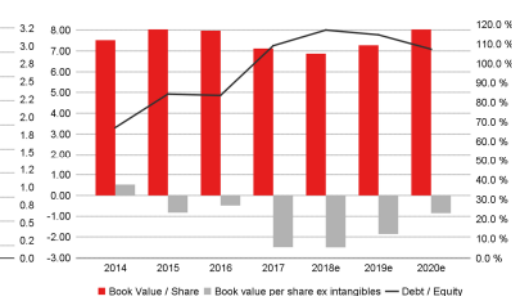
Source: Warburg Research

Net debt in EUR m



Source: Warburg Research

Book Value per Share in EUR



Source: Warburg Research

Consolidated cash flow statement

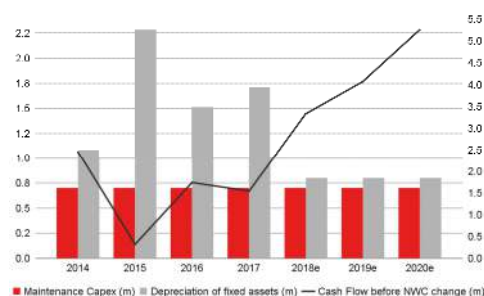
In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Net income	1.7	1.6	0.7	-0.2	1.5	2.3	3.5
Depreciation of fixed assets	1.1	2.3	1.5	1.7	0.8	0.8	0.8
Amortisation of goodwill	0.0	-3.1	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.3	0.5	1.0	1.0	1.0
Increase/decrease in long-term provisions	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	4.1	5.3
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	-0.8	-1.1
Increase / decrease in accounts payable	0.0	0.0	0.0	0.0	0.2	0.6	0.8
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	-0.3	-0.3	-0.4
Net cash provided by operating activities [1]	1.1	2.6	2.6	2.0	3.1	3.8	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	3.1	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	8.1	12.2

Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Cash Flow							
FCF	0.6	2.0	2.1	1.3	2.4	3.1	4.2
Free Cash Flow / Sales	4.5 %	13.9 %	12.9 %	6.6 %	11.4 %	12.3 %	13.5 %
Free Cash Flow Potential	1.4	3.3	1.5	1.0	3.0	3.7	5.0
Free Cash Flow / Net Profit	55.9 %	99.2 %	516.4 %	-393.2 %	157.0 %	136.2 %	120.9 %
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 %	2.7 %	2.2 %
Maint. Capex / Sales	5.1 %	4.9 %	4.3 %	3.6 %	3.3 %	2.8 %	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 %	8.0 %	7.7 %	7.5 %
Trade Debtors / Trade Creditors	558.0 %	198.1 %	224.0 %	138.0 %	140.0 %	138.9 %	138.6 %
Inventory Turnover	19.9 x	18.2 x	26.4 x	16.8 x	14.5 x	14.7 x	15.6 x
Receivables collection period (days)	103	97	80	72	73	72	72
Payables payment period (days)	43	90	76	120	126	128	129
Cash conversion cycle (Days)	78	27	18	-26	-28	-31	-33

CAPEX and Cash Flow

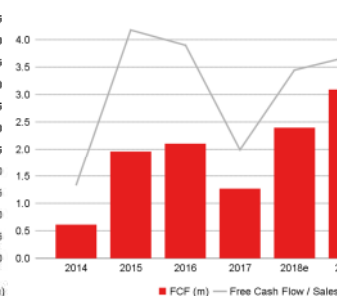
in EUR m



Source: Warburg Research

Free Cash Flow Generation

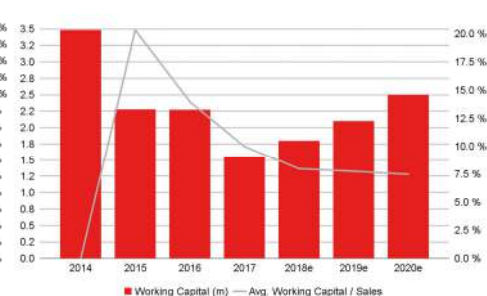
in EUR m



Source: Warburg Research

Working Capital

in EUR m



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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-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.

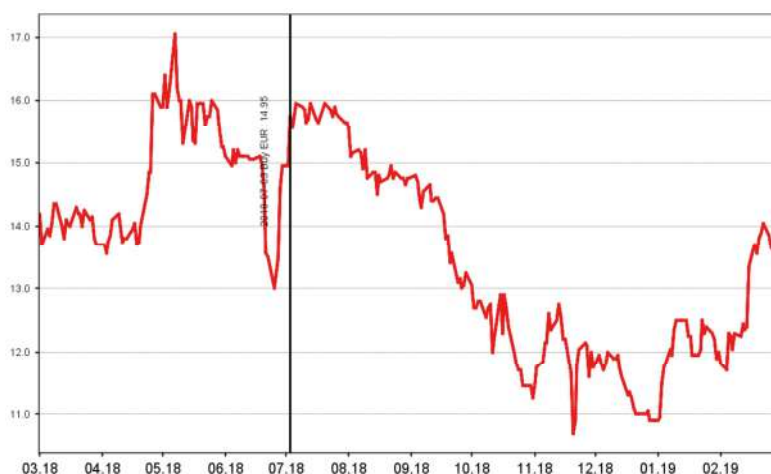
WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	129	65
Hold	57	29
Sell	6	3
Rating suspended	8	4
Total	200	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	29	73
Hold	9	23
Sell	0	0
Rating suspended	2	5
Total	40	100

PRICE AND RATING HISTORY VITA 34 AS OF 28.02.2019


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.

EQUITIES

Roland Rapelius +49 40 3282-2673
Head of Equities rrapelius@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemeyer +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Jonas Blum +40 40 309537-240
Small/Mid Cap Research jblum@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Ulrich Huwald +49 40 309537-255
Health Care, Pharma uhuwald@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Eggert Kuls +49 40 309537-256
Engineering ekuls@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Franz Schall +40 40 309537-230
Automobiles, Car Suppliers fschall@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Patrick Schmidt +49 40 309537-125
Leisure, Internet pschmidt@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Cansu Tatar +49 40 309537-248
Cap. Goods ctatar@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Klaus Schilling +49 40 3282-2664
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Lyubka Bogdanova +49 69 5050-7411
Ireland, Poland, Australia lbogdanova@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Alexander Eschweiler +49 40 3282-2669
Germany aeschweiler@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom mfritsch@mmwarburg.com

Michael Kriszun +49 40 3282-2695
United Kingdom mkriszun@mmwarburg.com

Sanjay Oberoi +49 69 5050-7410
United Kingdom, USA soberoi@mmwarburg.com

Simon Pallhuber +49 69 5050-7414
Switzerland, France spallhuber@mmwarburg.com

Julia Fesenberg +49 69 5050-7417
Roadshow/Marketing jfesenberg@mmwarburg.com

Juliane Willenbruch +49 40 3282-2694
Roadshow/Marketing jwillenbruch@mmwarburg.com

SALES TRADING

Oliver Merckel +49 40 3282-2634
Head of Sales Trading omerckel@mmwarburg.com

Elyaz Dust +49 40 3282-2702
Sales Trading edust@mmwarburg.com

Michael Ilgenstein +49 40 3282-2700
Sales Trading milgenstein@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Sales Trading jtreptow@mmwarburg.com

Jan Walter +49 40 3282-2662
Sales Trading jwalter@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

Our research can be found under:

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For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com