

**Buy** (old: Buy)

**Price target: EUR 29.00** (old: EUR 20.90)

<b>Price:</b>	EUR 21.90	<b>Next result:</b>	Q2 18: 28.09.18
<b>Bloomberg:</b>	A7A@GR	<b>Market cap:</b>	EUR 113.4 m
<b>Reuters:</b>	A7AGN.DE	<b>Enterprise Value:</b>	EUR 109.2 m

29-Mai-18

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## Strong performance to continue / chg. / PT up

FinLab AG (FinLab) is a German listed investment company active in buy-and-build mainly in the FinTech Sector. Here, the company is focused on incubating German-based fintech start-ups. Strong value performance of the portfolio and new investments in promising growth areas look set to bode well for FinLab. Additionally, we expect positive newsflow related to its participations. Hence, we lift our fair NAV by 39%.

**Deposit Solutions** (11% stake; 23% of our fair NAV): DS operates a unique Open Banking platform for deposits that allows banks either to source retail deposits or offer their own clients attractive third-party deposit products under existing account relationships. Bank clients gain access to attractive deposit products offered by various banks without having to switch or open new bank accounts. DS also operates independent proprietary PoS channels (ZINSPILOT and SAVEDO). Recently the company reported to have reached **transmitted retail deposits exceeding € 6bn through its proprietary PoS channels alone (while it announced the first billion in October 2016 and € 2bn in June 2017)**. In our view, this positive development clearly underpins the attractive market position of DS making it a **highly value-accretive investment for FinLab**. In light of this sound growth, we now see a stronger business development for DS compared to our initial assumptions. Hence, we **increase our implied fair value to € 300m (old: € 150m)** for DS yielding a new implied fair NAV/ share of € 6.31 for FinLab.

**Heliad** (45.20% stake; 43% of our fair NAV): The stock listed company experienced a share increase of > 60% in 2017 benefitting esp. from a sound performance of its major holding FinTech Group. Seeing FinTech Group well positioned to gain further market share, value for Heliad and hence FinLab looks set to rise further in 2018E. Consequently, we lift our implied fair value for Heliad to € 137m (old: € 123m) resulting in a new fair NAV/ share of € 11.84 for FinLab.

**New technologies** (potential to our fair NAV): With Iconiq Lab and Vaultoro, FinLab entered the crypto-currency and Blockchain segment in 2017. In Q1, Vaultoro launched a new product called Bar9 which is an online gold savings account. The product has a simple structure and is a safe way to invest into gold as well as to use it as a payment solution. As of today, Vaultoro has already traded more than 1.5 tons of gold (with a current value of USD 55 millions) via their platform. Thanks to Bar9, Vaultoro looks set to significantly increase its traction in the highly attractive market for crypto-currencies and both investments look set to be well on track, in our view.

Y/E 31.12 (EUR m)	2012	2013	2014	2015	2016	2017
Sales	4.4	1.5	2.9	4.2	1.7	1.5
Sales growth	n/a	-65 %	87 %	46 %	-59 %	-12 %
EBITDA	-6.9	-4.3	0.5	4.0	2.3	1.5
EBIT	-6.9	-4.3	0.5	4.0	2.3	1.5
Net income	-9.0	-1.2	1.6	6.5	14.0	14.2
Net debt	-7.4	-2.8	-4.6	-1.8	-1.4	-4.2
Net gearing	-24.6 %	-9.5 %	-11.7 %	-3.2 %	-2.1 %	-4.0 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	-1.98	-0.27	0.36	1.44	3.08	2.97
CPS	-0.60	-0.87	-0.01	0.58	0.18	0.37
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Gross profit margin	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
EBITDA margin	-157.7 %	-283.0 %	17.1 %	96.4 %	132.3 %	96.1 %
EBIT margin	-157.7 %	-283.0 %	17.1 %	96.4 %	132.3 %	96.1 %
ROCE	-21.2 %	-13.4 %	1.3 %	8.2 %	3.6 %	1.7 %
EV/sales	21.3	64.0	33.5	23.6	63.4	70.1
EV/EBITDA	-13.5	-22.6	195.7	24.5	47.9	72.9
EV/EBIT	-13.5	-22.6	195.7	24.5	47.9	72.9
PER	-11.2	-80.4	61.0	15.3	7.2	7.4
Adjusted FCF yield	-9.9 %	-6.1 %	0.8 %	7.4 %	5.3 %	16.9 %

Source: Company data, Hauck & Aufhäuser Close price as of: 28.05.2018



Source: Company data, Hauck & Aufhäuser

<b>High/low 52 weeks:</b>	28.29 / 15.04
<b>Price/Book Ratio:</b>	1.1
<b>Relative performance (SDAX):</b>	
3 months	-11.9 %
6 months	-24.6 %
12 months	34.5 %

### Key share data:

Number of shares: (in m pcs)	5.23
Authorised capital: (in € m)	0.0
Book value per share: (in €)	20.8
Ø trading volume: (12 months)	800

### Major shareholders:

BF Holding	43.0 %
Apeiron Investment Group	35.0 %
Free Float	22.0 %

### Company description:

FinLab is a German investment company active as a company builder for FinTech companies.

Additionally, FinLab engaged with Galaxy Digital to touch on an additional crypto-topic. Galaxy Digital is a crypto-asset merchant bank that recently raised USD 250 million to launch its business. The bank aims to offer services for handling digital assets such as principal investment, consultancy, distinct trading and asset management. As FinLab shares the same investment focus, the investment into Galaxy Digital should allow for synergies through a strategic partnership, sharing deal flow and doing co-investments. An IPO of Galaxy Digital in the near future should further materialise the early investment of FinLab.

Overall, FinLabs new technology investments looks set to be well on track with a promising future development, in our view.

Backed by the overall sound expected development of FinLabs investments, we derive a new total fair NAV of € 29 offering investors > 30% upside to the current share price level. **BUY with a new PT of € 29.00 (previously € 20.90).**

Valuation	Implied FV	FinLab share*	Implied fair NAV	Implied fair NAV/share
<b>Listed holdings</b>				
Heliad	137	45.20%	61.9	11.84
<b>Other portfolio</b>				
nextmarkets	20.0	37.00%	7.4	1.41
Kapilendo	45.0	17.00%	7.7	1.46
Deposit Solutions	300.0	11.00%	33.0	6.31
FinLab Fonds	5.0	100.00%	5.0	0.96
New Technologies	12.4	n.a.	1.5	0.29
Authada	5.9	26.61%	1.6	0.30
Heliad Mngmt, Patriarch				
VCH Investmentgroup	20.2	100.00%	20.2	3.86
other assets&liabilities			4.7	0.90
Cash & equivalents			8.5	1.63
<b>Total fair NAV</b>			<b>142.9</b>	<b>29.0</b>
<i>upside potential</i>				32%

Source: company data; Hauck & Aufhäuser estimates / \*anticipated percentage after expected dilution.

## Financials

Profit and loss (EUR m)	2012	2013	2014	2015	2016	2017
<b>Net sales</b>	<b>4.4</b>	<b>1.5</b>	<b>2.9</b>	<b>4.2</b>	<b>1.7</b>	<b>1.5</b>
<i>Sales growth</i>	<i>n/a</i>	<i>-65.1 %</i>	<i>87.1 %</i>	<i>46.3 %</i>	<i>-58.9 %</i>	<i>-11.8 %</i>
Increase/decrease in finished goods and work-in-process	1.2	0.6	1.9	2.3	3.2	2.8
<b>Total sales</b>	<b>5.6</b>	<b>2.1</b>	<b>4.8</b>	<b>6.5</b>	<b>4.9</b>	<b>4.4</b>
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0
Material expenses	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	3.5	3.0	2.1	1.6	1.6	1.8
Other operating expenses	8.9	3.4	2.2	0.9	1.0	1.1
Total operating expenses	12.5	6.4	4.3	2.4	2.7	2.9
<b>EBITDA</b>	<b>-6.9</b>	<b>-4.3</b>	<b>0.5</b>	<b>4.0</b>	<b>2.3</b>	<b>1.5</b>
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITA</b>	<b>-6.9</b>	<b>-4.3</b>	<b>0.5</b>	<b>4.0</b>	<b>2.3</b>	<b>1.5</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>-6.9</b>	<b>-4.3</b>	<b>0.5</b>	<b>4.0</b>	<b>2.3</b>	<b>1.5</b>
Interest income	0.0	0.0	0.0	0.0	0.0	0.1
Interest expenses	0.0	0.0	0.0	0.0	0.0	0.0
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-1.9	3.1	1.2	3.1	11.8	13.0
<b>Recurring pretax income from continuing operations</b>	<b>-8.8</b>	<b>-1.2</b>	<b>1.7</b>	<b>7.1</b>	<b>14.0</b>	<b>14.5</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>-8.8</b>	<b>-1.2</b>	<b>1.7</b>	<b>7.1</b>	<b>14.0</b>	<b>14.5</b>
Taxes	0.2	0.0	0.0	0.6	0.0	0.2
<b>Net income from continuing operations</b>	<b>-9.0</b>	<b>-1.2</b>	<b>1.6</b>	<b>6.5</b>	<b>14.0</b>	<b>14.2</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>-9.0</b>	<b>-1.2</b>	<b>1.6</b>	<b>6.5</b>	<b>14.0</b>	<b>14.2</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>-9.0</b>	<b>-1.2</b>	<b>1.6</b>	<b>6.5</b>	<b>14.0</b>	<b>14.2</b>
Average number of shares	4.5	4.5	4.5	4.5	5.0	5.0
<b>EPS reported</b>	<b>-1.98</b>	<b>-0.27</b>	<b>0.36</b>	<b>1.44</b>	<b>3.08</b>	<b>2.97</b>

Profit and loss (common size)	2012	2013	2014	2015	2016	2017
<b>Net sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Increase/decrease in finished goods and work-in-process	27.7 %	37.4 %	66.7 %	54.8 %	187.7 %	187.5 %
<b>Total sales</b>	<b>127.7 %</b>	<b>137.4 %</b>	<b>166.7 %</b>	<b>154.8 %</b>	<b>287.7 %</b>	<b>287.5 %</b>
Other operating income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Material expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Personnel expenses	80.9 %	199.7 %	73.2 %	37.3 %	95.7 %	116.2 %
Other operating expenses	204.6 %	220.7 %	76.3 %	21.1 %	59.6 %	75.2 %
Total operating expenses	285.5 %	420.4 %	149.5 %	58.4 %	155.3 %	191.4 %
<b>EBITDA</b>	<b>-157.7 %</b>	<b>-283.0 %</b>	<b>17.1 %</b>	<b>96.4 %</b>	<b>132.3 %</b>	<b>96.1 %</b>
Depreciation	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITA</b>	<b>-157.7 %</b>	<b>-283.0 %</b>	<b>17.1 %</b>	<b>96.4 %</b>	<b>132.3 %</b>	<b>96.1 %</b>
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>-157.7 %</b>	<b>-283.0 %</b>	<b>17.1 %</b>	<b>96.4 %</b>	<b>132.3 %</b>	<b>96.1 %</b>
Interest income	0.0 %	0.0 %	0.0 %	0.0 %	2.0 %	6.9 %
Interest expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-43.5 %	201.5 %	41.1 %	74.6 %	685.6 %	858.2 %
<b>Recurring pretax income from continuing operations</b>	<b>-201.2 %</b>	<b>-81.4 %</b>	<b>58.2 %</b>	<b>171.0 %</b>	<b>817.9 %</b>	<b>954.3 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>-201.2 %</b>	<b>-81.4 %</b>	<b>58.2 %</b>	<b>171.0 %</b>	<b>817.9 %</b>	<b>954.3 %</b>
Tax rate	-2.1 %	-0.5 %	1.0 %	8.3 %	0.3 %	1.7 %
<b>Net income from continuing operations</b>	<b>-205.4 %</b>	<b>-81.8 %</b>	<b>57.6 %</b>	<b>156.8 %</b>	<b>815.4 %</b>	<b>938.2 %</b>
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>-205.4 %</b>	<b>-81.8 %</b>	<b>57.6 %</b>	<b>156.8 %</b>	<b>815.4 %</b>	<b>938.2 %</b>
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>-205.4 %</b>	<b>-81.8 %</b>	<b>57.6 %</b>	<b>156.8 %</b>	<b>815.4 %</b>	<b>938.2 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2012	2013	2014	2015	2016	2017
<b>Intangible assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Property, plant and equipment	0.4	0.3	0.2	0.1	0.1	0.1
Financial assets	21.6	26.9	36.0	52.4	66.6	99.0
<b>FIXED ASSETS</b>	<b>22.1</b>	<b>27.2</b>	<b>36.2</b>	<b>52.5</b>	<b>66.7</b>	<b>99.1</b>
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.7	0.2	0.0	0.0	0.0	0.0
Other current assets	5.5	3.7	0.9	2.5	2.6	1.6
Liquid assets	8.5	3.8	5.6	1.8	1.0	4.2
Deferred taxes	0.0	0.0	0.1	0.5	1.1	1.2
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>14.6</b>	<b>7.7</b>	<b>6.7</b>	<b>4.7</b>	<b>4.7</b>	<b>7.1</b>
<b>TOTAL ASSETS</b>	<b>36.7</b>	<b>34.9</b>	<b>42.9</b>	<b>57.3</b>	<b>71.4</b>	<b>106.2</b>
SHAREHOLDERS EQUITY	29.9	29.0	39.5	55.0	67.1	103.9
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	1.0	1.0	1.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	1.5	1.8	1.4	1.5	0.5	1.2
<b>Non-current liabilities</b>	<b>2.5</b>	<b>2.8</b>	<b>2.4</b>	<b>1.5</b>	<b>0.5</b>	<b>1.2</b>
short-term liabilities to banks	0.2	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.9	0.1	0.1	0.1	0.0	0.1
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	3.0	2.8	0.7	0.3	3.3	0.1
Deferred taxes	0.2	0.2	0.2	0.4	0.3	0.9
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>4.3</b>	<b>3.1</b>	<b>1.0</b>	<b>0.7</b>	<b>3.7</b>	<b>1.0</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>36.7</b>	<b>34.9</b>	<b>42.9</b>	<b>57.3</b>	<b>71.4</b>	<b>106.1</b>

Balance sheet (common size)	2012	2013	2014	2015	2016	2017
<b>Intangible assets</b>	<b>0.1 %</b>	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>
Property, plant and equipment	1.0 %	0.8 %	0.5 %	0.2 %	0.1 %	0.1 %
Financial assets	59.0 %	77.2 %	84.0 %	91.5 %	93.3 %	93.3 %
<b>FIXED ASSETS</b>	<b>60.1 %</b>	<b>78.0 %</b>	<b>84.5 %</b>	<b>91.7 %</b>	<b>93.4 %</b>	<b>93.4 %</b>
Inventories	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %
Accounts receivable	1.8 %	0.4 %	0.0 %	0.0 %	0.0 %	0.0 %
Other current assets	14.9 %	10.6 %	2.1 %	4.3 %	3.0 %	1.5 %
Liquid assets	23.2 %	10.8 %	13.1 %	3.1 %	2.0 %	3.9 %
Deferred taxes	0.0 %	0.1 %	0.3 %	0.9 %	1.6 %	1.2 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>39.9 %</b>	<b>22.0 %</b>	<b>15.5 %</b>	<b>8.3 %</b>	<b>6.6 %</b>	<b>6.7 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
SHAREHOLDERS EQUITY	81.5 %	83.1 %	92.1 %	96.1 %	94.1 %	97.9 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	2.7 %	2.9 %	2.3 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	4.0 %	5.0 %	3.3 %	2.6 %	1.4 %	0.6 %
<b>Non-current liabilities</b>	<b>6.7 %</b>	<b>7.9 %</b>	<b>5.6 %</b>	<b>2.6 %</b>	<b>1.4 %</b>	<b>0.6 %</b>
short-term liabilities to banks	0.4 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	2.6 %	0.4 %	0.3 %	0.1 %	0.0 %	0.1 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	8.3 %	8.0 %	1.6 %	0.5 %	3.8 %	0.5 %
Deferred taxes	0.5 %	0.5 %	0.5 %	0.7 %	0.7 %	0.9 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>11.8 %</b>	<b>9.0 %</b>	<b>2.3 %</b>	<b>1.3 %</b>	<b>4.5 %</b>	<b>1.5 %</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2012	2013	2014	2015	2016	2017
Net profit/loss	-9.0	-1.2	1.6	6.5	14.0	14.2
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Others	6.3	-2.7	-1.7	-3.9	-13.1	-12.4
Cash flow from operations before changes in w/c	-2.7	-4.0	-0.1	2.6	0.9	1.8
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from operating activities</b>	<b>-2.7</b>	<b>-4.0</b>	<b>-0.1</b>	<b>2.6</b>	<b>0.9</b>	<b>1.8</b>
CAPEX	-0.3	0.1	0.0	0.0	0.0	0.1
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-2.5	-1.9	-2.6	6.9	1.8	5.3
Income from asset disposals	0.0	0.0	0.0	3.3	0.5	1.0
<b>Cash flow from investing activities</b>	<b>2.9</b>	<b>1.8</b>	<b>2.6</b>	<b>-3.7</b>	<b>-1.2</b>	<b>-4.4</b>
Cash flow before financing	0.2	-2.2	2.5	-1.0	-0.3	-2.5
Increase/decrease in debt position	2.9	-0.2	-1.4	-1.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	5.6
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>2.9</b>	<b>-0.2</b>	<b>-1.4</b>	<b>-1.0</b>	<b>0.0</b>	<b>5.6</b>
Increase/decrease in liquid assets	3.1	-2.4	1.1	-2.0	-0.3	3.1
<b>Liquid assets at end of period</b>	<b>4.5</b>	<b>2.1</b>	<b>3.3</b>	<b>1.3</b>	<b>1.0</b>	<b>4.1</b>

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2012	2013	2014	2015	2016	2017
<b>P&amp;L growth analysis</b>						
Sales growth	n/a	-65.1 %	87.1 %	46.3 %	-58.9 %	-11.8 %
EBITDA growth	n/a	-37.3 %	-111.3 %	722.9 %	-43.5 %	-35.9 %
EBIT growth	n/a	-37.3 %	-111.3 %	722.9 %	-43.5 %	-35.9 %
EPS growth	n/a	-86.1 %	-231.7 %	297.9 %	94.7 %	1.4 %
<b>Efficiency</b>						
Total operating costs / sales	285.5 %	420.4 %	149.5 %	58.4 %	155.3 %	191.4 %
Sales per employee	n/a	n/a	n/a	n/a	n/a	n/a
EBITDA per employee	n/a	n/a	n/a	n/a	n/a	n/a
<b>Balance sheet analysis</b>						
Avg. working capital / sales	33.7 %	94.5 %	30.0 %	16.3 %	89.8 %	115.9 %
Inventory turnover (sales/inventory)	n/a	n/a	n/a	n/a	0.0	0.0
Trade debtors in days of sales	n/a	n/a	0.0	0.0	0.0	0.0
A/P turnover [(A/P*365)/sales]	n/a	n/a	n/a	n/a	n/a	n/a
Cash conversion cycle (days)	n/a	n/a	n/a	n/a	n/a	n/a
<b>Cash flow analysis</b>						
Free cash flow	-2.4	-4.0	-0.1	2.6	0.9	1.8
Free cash flow/sales	-54.2 %	-263.1 %	-2.8 %	62.4 %	52.1 %	117.2 %
FCF / net profit	26.4 %	321.6 %	-4.8 %	39.8 %	6.4 %	12.5 %
Capex / depon	n/a	n/a	n/a	n/a	n/a	n/a
Capex / maintenance capex	n/a	n/a	n/a	n/a	n/a	n/a
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a
<b>Security</b>						
Net debt	-7.4	-2.8	-4.6	-1.8	-1.4	-4.2
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.2	-0.1	-0.1	0.0	0.0	0.0
Interest cover	999.0	999.0	999.0	999.0	999.0	999.0
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Asset utilisation</b>						
Capital employed turnover	0.1	0.0	0.1	0.1	0.0	0.0
Operating assets turnover	42.4	5.1	24.4	69.6	41.9	84.2
Plant turnover	11.4	5.2	13.8	36.3	26.8	17.2
Inventory turnover (sales/inventory)	n/a	n/a	n/a	n/a	0.0	0.0
<b>Returns</b>						
ROCE	-21.2 %	-13.4 %	1.3 %	8.2 %	3.6 %	1.7 %
ROE	-30.0 %	-4.3 %	4.2 %	11.9 %	20.9 %	13.7 %
<b>Other</b>						
Interest paid / avg. debt	0.0 %	0.0 %	0.0 %	0.0 %	n/a	n/a
No. employees (average)	0	0	0	0	0	0
Number of shares	4.5	4.5	4.5	4.5	5.0	5.0
DPS	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-1.98	-0.27	0.36	1.44	2.81	2.85
<b>Valuation ratios</b>						
P/BV	3.4	3.5	2.5	1.8	1.6	1.1
EV/sales	21.3	64.0	33.5	23.6	63.4	70.1
EV/EBITDA	-13.5	-22.6	195.7	24.5	47.9	72.9
EV/EBITA	-13.5	-22.6	195.7	24.5	47.9	72.9
EV/EBIT	-13.5	-22.6	195.7	24.5	47.9	72.9
EV/FCF	-39.3	-24.3	-1211.2	37.9	121.8	59.8
Adjusted FCF yield	-9.9 %	-6.1 %	0.8 %	7.4 %	5.3 %	16.9 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

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Company	Disclosure
FinLab AG	6

**Historical target price and rating changes for FinLab AG in the last 12 months**

**Price and Rating History  
FinLab AG as of 29/05/18**

**Initiation coverage**  
08-June-17



Company	Date	Analyst	Rating	Target price	Close
FinLab AG	01.09.2017	Dannenberg, Lars	Buy	EUR 20.90	EUR 16.85
	30.06.2017	Dannenberg, Lars	Buy	EUR 20.90	EUR 16.60
	08.06.2017	Dannenberg, Lars	Buy	EUR 19.20	EUR 15.27

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