

**Buy** (old: Buy)

**Price target: EUR 37.00** (old: EUR 41.00)

<b>Price:</b>	EUR 16.56	<b>Next result:</b>	FY 2018 04.19
<b>Bloomberg:</b>	FTK@GR	<b>Market cap:</b>	EUR 295.1 m
<b>Reuters:</b>	FTKG.DE	<b>Enterprise Value:</b>	EUR 210.6 m

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## Flatex goes Europe, chg est & PT

Fintech Group released a 2019 guidance reflecting its new focus on expanding the B2C / flatex business to Europe. While this move is putting pressure on profitability in the short term, we see it as the right measure to ensure longer term growth prospects and rising profitability on the back of the highly scalable business model.

**2019 guidance at a glance:** Fintech Group aims to achieve > € 138m revenues (eH&A € 141m, eCons € 142m), which is largely in line with expectations particularly considering that the company is known to outperform its guidance regularly. The EBITDA margin is expected to reach more than 27% including growth investments into the European expansion. Before these investments the margin is seen to reach more than 34% (eH&A old 36%, eH&A new 28%, eCons 37%).

**European expansion of flatex** (c. 80% of sales, 35% EBIT margin): Fintech is expected to start by entering the Netherlands in Q1 '19E. The main hurdle is setting up IT and marketing given that the EU banking license owned by Fintech Bank allows for passporting of products. With a successful pilot in the Netherlands, Spain, France and Italy might follow already in 2019E. This would yield a new market of high active trading customers of c. 1.7m. We expect an additional 35k high profile clients or a market share of 2% until 2020E from this strategy, which should lead to c. € 7m incremental sales on a conservative assumption that two countries are successfully entered. We see upside to our estimates in case more than two countries are successfully entered. Importantly, the entry into new markets is done in cooperation with existing product partners (GS, MS, UBS and DB), which provide the same type of ETP products and pricing models as in Germany. This should increase the likelihood of a successful entry.

**New B2B** (20% of sales, 25% EBIT margin) **contract with Vall Banc:** Additionally, a new B2B contract with Andorran Vall Banc was signed. The revenues should amount to € 20m over five years after which the term could be extended.

**Action:** We include the European expansion with at least two new markets in 2019E.

Overall, we like the highly scalable platform of Fintech Group and see the European expansion an imperative move to secure the mid-term growth opportunities given that the company already achieved a strong market share in its existing markets of close to 30% in Germany and 50% in Austria. Against this backdrop, we **reiterate our BUY recommendation with a new PT of € 37** (Prior € 41) based on FCFY 2020E.

Y/E 31.12 (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	17.1	75.2	95.0	107.0	122.7	141.3	161.8
Sales growth	20 %	339 %	26 %	13 %	15 %	15 %	14 %
EBITDA	3.9	19.7	30.6	32.1	41.9	39.1	55.0
EBIT	3.2	17.2	25.5	26.5	35.9	32.6	47.9
Net income	-7.7	-1.7	8.4	16.8	24.2	21.2	32.0
Net debt	-35.4	-0.6	-26.8	-42.8	-84.5	-100.8	-129.8
Net gearing	-39.3 %	-240.1 %	-59.5 %	-65.6 %	-225.4 %	-207.4 %	-189.3 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.42	0.88	0.97	0.97	1.36	1.13	1.71
CPS	1.70	-3.43	-8.81	-0.25	1.43	1.13	1.71
DPS	0.00	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 %	0.0 %
Gross profit margin	97.1 %	82.0 %	73.2 %	71.0 %	74.2 %	74.0 %	75.0 %
EBITDA margin	22.7 %	26.3 %	32.2 %	30.0 %	34.2 %	27.7 %	34.0 %
EBIT margin	18.8 %	23.0 %	26.8 %	24.8 %	29.2 %	23.0 %	29.6 %
ROCE	5.0 %	10.7 %	11.4 %	12.2 %	15.0 %	12.0 %	16.1 %
EV/sales	11.0	3.5	2.6	2.3	1.7	1.5	1.1
EV/EBITDA	48.2	13.3	8.2	7.7	5.0	5.4	3.3
EV/EBIT	58.3	15.2	9.9	9.3	5.9	6.4	3.8
PER	39.9	18.8	17.0	17.0	12.2	14.6	9.7
Adjusted FCF yield	3.2 %	6.0 %	9.0 %	8.0 %	13.1 %	11.2 %	19.0 %

Source: Company data, Hauck & Aufhäuser Close price as of: 03.01.2019



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 35.80 / 15.22

**Price/Book Ratio:** 1.9

**Relative performance (SDAX):**

3 months	-
6 months	-
12 months	-

### Changes in estimates

		Sales	EBIT	EPS
2018	old:	124.0	36.3	1.38
	Δ	-1.1%	-1.2%	-1.3%
2019	old:	139.7	46.4	1.65
	Δ	1.1%	-29.8%	-31.3%
2020	old:	155.0	54.2	1.94
	Δ	4.3%	-11.5%	-12.0%

### Key share data:

Number of shares: (in m pcs)	17.8
Authorised capital: (in € m)	14.0
Book value per share: (in €)	8.6
Ø trading volume: (12 months)	20,000

### Major shareholders:

GfBk mbH	25.3 %
Heliad Equity Partners	11.2 %
Oesterr. Post (Austria Post)	6.5 %
Morgan Stanley	3.7 %

### Company description:

FinTech is a German-based financial technology company and a leader in the German brokerage market.

## Financials

Profit and loss (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
<b>Sales</b>	<b>17.1</b>	<b>75.2</b>	<b>95.0</b>	<b>107.0</b>	<b>122.7</b>	<b>141.3</b>	<b>161.8</b>
<i>Sales growth</i>	20.0 %	338.7 %	26.4 %	12.6 %	14.6 %	15.2 %	14.5 %
Cost of sales	0.5	13.6	25.5	31.0	31.6	36.7	40.4
<b>Gross profit</b>	<b>16.6</b>	<b>61.6</b>	<b>69.5</b>	<b>76.0</b>	<b>91.0</b>	<b>104.6</b>	<b>121.3</b>
Sales and marketing	0.8	2.9	0.0	0.0	0.0	0.0	0.0
General and administration	3.7	23.8	19.5	23.1	23.9	34.3	33.2
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	8.5	15.2	19.4	20.8	25.1	31.1	33.2
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>3.9</b>	<b>19.7</b>	<b>30.6</b>	<b>32.1</b>	<b>41.9</b>	<b>39.1</b>	<b>55.0</b>
Depreciation	0.3	2.5	5.2	0.0	0.0	0.0	0.0
<b>EBITA</b>	<b>3.6</b>	<b>17.2</b>	<b>25.5</b>	<b>32.1</b>	<b>41.9</b>	<b>39.1</b>	<b>55.0</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.4	0.0	0.0	5.6	6.1	6.6	7.1
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>3.2</b>	<b>17.2</b>	<b>25.5</b>	<b>26.5</b>	<b>35.9</b>	<b>32.6</b>	<b>47.9</b>
Interest income	0.0	0.0	0.0	0.4	0.0	0.0	0.0
Interest expenses	0.1	2.7	1.2	1.7	2.2	2.2	2.2
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.1	-2.7	-1.2	-1.3	-2.2	-2.2	-2.2
<b>Recurring pretax income from continuing operations</b>	<b>3.1</b>	<b>14.6</b>	<b>24.2</b>	<b>25.2</b>	<b>33.7</b>	<b>30.4</b>	<b>45.7</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>3.1</b>	<b>14.6</b>	<b>24.2</b>	<b>25.2</b>	<b>33.7</b>	<b>30.4</b>	<b>45.7</b>
Taxes	-2.5	1.0	4.0	8.2	9.4	9.1	13.7
<b>Net income from continuing operations</b>	<b>5.6</b>	<b>13.6</b>	<b>20.3</b>	<b>17.0</b>	<b>24.2</b>	<b>21.2</b>	<b>32.0</b>
Result from discontinued operations (net of tax)	13.3	15.8	8.0	0.2	0.0	0.0	0.0
<b>Net income</b>	<b>-7.7</b>	<b>-2.2</b>	<b>8.4</b>	<b>16.8</b>	<b>24.2</b>	<b>21.2</b>	<b>32.0</b>
Minority interest	0.0	-0.4	3.9	0.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>-7.7</b>	<b>-1.7</b>	<b>8.4</b>	<b>16.8</b>	<b>24.2</b>	<b>21.2</b>	<b>32.0</b>
Average number of shares	13.5	15.9	16.8	17.5	17.8	18.7	18.7
<b>EPS reported</b>	<b>-0.58</b>	<b>-0.11</b>	<b>0.50</b>	<b>0.96</b>	<b>1.36</b>	<b>1.13</b>	<b>1.71</b>

Profit and loss (common size)	2014	2015	2016	2017	2018E	2019E	2020E
<b>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>	<b>100.0 %</b>
Cost of sales	2.9 %	18.0 %	26.8 %	29.0 %	25.8 %	26.0 %	25.0 %
<b>Gross profit</b>	<b>97.1 %</b>	<b>82.0 %</b>	<b>73.2 %</b>	<b>71.0 %</b>	<b>74.2 %</b>	<b>74.0 %</b>	<b>75.0 %</b>
Sales and marketing	4.8 %	3.8 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
General and administration	21.4 %	31.6 %	20.5 %	21.6 %	19.5 %	24.3 %	20.5 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating expenses	49.7 %	20.2 %	20.4 %	19.5 %	20.5 %	22.0 %	20.5 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITDA</b>	<b>22.7 %</b>	<b>26.3 %</b>	<b>32.2 %</b>	<b>30.0 %</b>	<b>34.2 %</b>	<b>27.7 %</b>	<b>34.0 %</b>
Depreciation	1.7 %	3.3 %	5.4 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITA</b>	<b>21.1 %</b>	<b>22.9 %</b>	<b>26.8 %</b>	<b>30.0 %</b>	<b>34.2 %</b>	<b>27.7 %</b>	<b>34.0 %</b>
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.3 %	0.0 %	0.0 %	5.2 %	5.0 %	4.7 %	4.4 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>18.8 %</b>	<b>22.9 %</b>	<b>26.8 %</b>	<b>24.8 %</b>	<b>29.2 %</b>	<b>23.0 %</b>	<b>29.6 %</b>
Interest income	0.0 %	0.0 %	0.0 %	0.4 %	0.0 %	0.0 %	0.0 %
Interest expenses	0.7 %	3.6 %	1.3 %	1.6 %	1.8 %	1.6 %	1.4 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>18.1 %</b>	<b>19.4 %</b>	<b>25.5 %</b>	<b>23.5 %</b>	<b>27.4 %</b>	<b>21.5 %</b>	<b>28.3 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>18.1 %</b>	<b>19.4 %</b>	<b>25.5 %</b>	<b>23.5 %</b>	<b>27.4 %</b>	<b>21.5 %</b>	<b>28.3 %</b>
Tax rate	-80.1 %	6.7 %	16.3 %	32.5 %	28.0 %	30.0 %	30.0 %
<b>Net income from continuing operations</b>	<b>32.6 %</b>	<b>18.1 %</b>	<b>21.3 %</b>	<b>15.9 %</b>	<b>19.8 %</b>	<b>15.0 %</b>	<b>19.8 %</b>
Result from discontinued operations (net of tax)	77.8 %	21.0 %	8.4 %	0.2 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>neg.</b>	<b>neg.</b>	<b>8.9 %</b>	<b>15.7 %</b>	<b>19.8 %</b>	<b>15.0 %</b>	<b>19.8 %</b>
Minority interest	0.0 %	neg.	4.1 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>neg.</b>	<b>neg.</b>	<b>8.9 %</b>	<b>15.7 %</b>	<b>19.8 %</b>	<b>15.0 %</b>	<b>19.8 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
<b>Intangible assets</b>	<b>5.1</b>	<b>54.3</b>	<b>57.3</b>	<b>63.0</b>	<b>61.8</b>	<b>62.2</b>	<b>60.0</b>
Property, plant and equipment	1.0	5.4	5.6	7.0	9.4	12.3	15.5
Financial assets	0.0	131.8	0.8	1.0	1.0	1.0	1.0
<b>FIXED ASSETS</b>	<b>6.1</b>	<b>191.4</b>	<b>63.7</b>	<b>70.9</b>	<b>72.2</b>	<b>75.5</b>	<b>76.5</b>
Inventories	0.0	1.1	0.3	0.1	0.1	0.1	0.1
Accounts receivable	5.3	30.0	8.5	7.6	7.6	7.6	7.6
Other current assets	18.5	437.8	1,060.7	631.8	631.8	631.8	631.8
Liquid assets	61.5	541.3	389.2	397.0	438.7	455.0	484.0
Deferred taxes	3.2	4.9	6.5	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.6	1.7	5.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>89.1</b>	<b>1,016.8</b>	<b>1,470.3</b>	<b>1,036.6</b>	<b>1,078.3</b>	<b>1,094.6</b>	<b>1,123.6</b>
<b>TOTAL ASSETS</b>	<b>95.3</b>	<b>1,208.2</b>	<b>1,534.0</b>	<b>1,107.4</b>	<b>1,150.4</b>	<b>1,170.0</b>	<b>1,200.0</b>
<b>SHAREHOLDERS EQUITY</b>	<b>50.1</b>	<b>73.2</b>	<b>75.6</b>	<b>112.7</b>	<b>153.8</b>	<b>175.0</b>	<b>207.0</b>
MINORITY INTEREST	0.0	12.7	15.1	0.0	0.0	0.0	0.0
Long-term debt	0.0	7.2	110.4	31.1	31.1	31.1	31.1
Provisions for pensions and similar obligations	0.0	4.3	7.5	7.2	7.2	7.2	7.2
Other provisions	0.0	4.8	4.4	6.6	6.6	6.6	6.6
<b>Non-current liabilities</b>	<b>0.0</b>	<b>16.3</b>	<b>122.3</b>	<b>44.8</b>	<b>44.8</b>	<b>44.8</b>	<b>44.8</b>
short-term liabilities to banks	41.8	127.4	2.9	61.0	61.0	61.0	61.0
Accounts payable	1.6	13.4	5.8	1.0	1.0	1.0	1.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	1.2	956.8	1,296.7	885.1	885.1	885.1	885.1
Deferred taxes	0.5	8.5	15.6	2.8	2.8	2.8	2.8
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>45.2</b>	<b>1,106.1</b>	<b>1,321.0</b>	<b>949.9</b>	<b>949.9</b>	<b>949.9</b>	<b>949.9</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>95.3</b>	<b>1,208.2</b>	<b>1,534.0</b>	<b>1,107.4</b>	<b>1,148.5</b>	<b>1,169.7</b>	<b>1,201.7</b>

Balance sheet (common size)	2014	2015	2016	2017	2018E	2019E	2020E
<b>Intangible assets</b>	<b>5.4 %</b>	<b>4.5 %</b>	<b>3.7 %</b>	<b>5.7 %</b>	<b>5.4 %</b>	<b>5.3 %</b>	<b>5.0 %</b>
Property, plant and equipment	1.1 %	0.4 %	0.4 %	0.6 %	0.8 %	1.0 %	1.3 %
Financial assets	0.0 %	10.9 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
<b>FIXED ASSETS</b>	<b>6.5 %</b>	<b>15.8 %</b>	<b>4.2 %</b>	<b>6.4 %</b>	<b>6.3 %</b>	<b>6.5 %</b>	<b>6.4 %</b>
Inventories	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts receivable	5.5 %	2.5 %	0.6 %	0.7 %	0.7 %	0.6 %	0.6 %
Other current assets	19.5 %	36.2 %	69.1 %	57.1 %	55.0 %	54.0 %	52.6 %
Liquid assets	64.5 %	44.8 %	25.4 %	35.8 %	38.2 %	38.9 %	40.3 %
Deferred taxes	3.4 %	0.4 %	0.4 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.7 %	0.1 %	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>93.5 %</b>	<b>84.2 %</b>	<b>95.8 %</b>	<b>93.6 %</b>	<b>93.9 %</b>	<b>93.6 %</b>	<b>93.5 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.2 %</b>	<b>100.0 %</b>	<b>99.9 %</b>
<b>SHAREHOLDERS EQUITY</b>	<b>52.6 %</b>	<b>6.1 %</b>	<b>4.9 %</b>	<b>10.2 %</b>	<b>13.4 %</b>	<b>15.0 %</b>	<b>17.2 %</b>
MINORITY INTEREST	0.0 %	1.1 %	1.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.6 %	7.2 %	2.8 %	2.7 %	2.7 %	2.6 %
Provisions for pensions and similar obligations	0.0 %	0.4 %	0.5 %	0.7 %	0.6 %	0.6 %	0.6 %
Other provisions	0.0 %	0.4 %	0.3 %	0.6 %	0.6 %	0.6 %	0.5 %
<b>Non-current liabilities</b>	<b>0.0 %</b>	<b>1.4 %</b>	<b>8.0 %</b>	<b>4.0 %</b>	<b>3.9 %</b>	<b>3.8 %</b>	<b>3.7 %</b>
short-term liabilities to banks	43.9 %	10.5 %	0.2 %	5.5 %	5.3 %	5.2 %	5.1 %
Accounts payable	1.7 %	1.1 %	0.4 %	0.1 %	0.1 %	0.1 %	0.1 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	1.3 %	79.2 %	84.5 %	79.9 %	77.1 %	75.7 %	73.7 %
Deferred taxes	0.5 %	0.7 %	1.0 %	0.3 %	0.2 %	0.2 %	0.2 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>47.4 %</b>	<b>91.5 %</b>	<b>86.1 %</b>	<b>85.8 %</b>	<b>82.7 %</b>	<b>81.2 %</b>	<b>79.0 %</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>	<b>100.0 %</b>

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Net profit/loss	-7.8	-2.2	20.3	17.0	24.2	21.2	32.0
Depreciation of fixed assets (incl. leases)	0.8	7.5	5.2	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	5.6	6.1	6.6	7.1
Others	0.8	3.0	-159.5	-18.8	0.0	0.0	0.0
Cash flow from operations before changes in w/c	-6.2	8.3	-134.1	3.8	30.3	27.8	39.1
Increase/decrease in inventory	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Increase/decrease in accounts receivable	1.6	15.8	17.9	0.9	0.0	0.0	0.0
Increase/decrease in accounts payable	27.9	-75.6	-13.0	-4.9	0.0	0.0	0.0
Increase/decrease in other working capital positions	0.0	0.0	-14.8	0.0	0.0	0.0	0.0
Increase/decrease in working capital	29.4	-59.8	-9.9	-3.7	0.0	0.0	0.0
<b>Cash flow from operating activities</b>	<b>23.2</b>	<b>-51.5</b>	<b>-144.0</b>	<b>0.1</b>	<b>30.3</b>	<b>27.8</b>	<b>39.1</b>
CAPEX	0.3	3.7	8.0	12.6	7.4	9.9	8.1
Payments for acquisitions	0.0	43.6	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	1.1	0.0	0.0	0.0	35.0	12.5
Income from asset disposals	0.0	0.0	-1.2	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-0.3</b>	<b>-48.3</b>	<b>-9.2</b>	<b>-12.6</b>	<b>-7.4</b>	<b>-44.9</b>	<b>-20.6</b>
Cash flow before financing	22.9	-99.8	-153.2	-12.5	23.0	-17.1	18.5
Increase/decrease in debt position	0.0	0.0	-1.8	15.5	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	21.8	20.1	0.0	4.8	35.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.1	2.9	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	559.4	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>21.8</b>	<b>20.2</b>	<b>1.1</b>	<b>20.3</b>	<b>35.0</b>	<b>0.0</b>	<b>0.0</b>
Increase/decrease in liquid assets	44.7	479.8	-152.1	7.8	58.0	-17.1	18.5
<b>Liquid assets at end of period</b>	<b>61.5</b>	<b>541.3</b>	<b>389.2</b>	<b>397.0</b>	<b>454.9</b>	<b>437.9</b>	<b>456.4</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of Europe	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NAFTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>TTL</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>	<b>0.0</b>
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
<b>P&amp;L growth analysis</b>							
Sales growth	20.0 %	338.7 %	26.4 %	12.6 %	14.6 %	15.2 %	14.5 %
EBITDA growth	-	406.2 %	55.2 %	4.7 %	30.8 %	-6.7 %	40.5 %
EBIT growth	-396.1 %	435.4 %	47.7 %	4.0 %	35.4 %	-9.2 %	47.2 %
EPS growth	551.8 %	-80.9 %	-555.0 %	91.6 %	41.7 %	-16.6 %	50.6 %
<b>Efficiency</b>							
Total operating costs / sales	76.0 %	55.7 %	41.0 %	41.1 %	40.0 %	46.3 %	41.0 %
Sales per employee	326.5	275.9	380.1	486.4	n/a	n/a	n/a
EBITDA per employee	74.3	72.4	122.5	145.8	n/a	n/a	n/a
<b>Balance sheet analysis</b>							
Avg. working capital / sales	67.6 %	15.0 %	11.8 %	5.5 %	6.8 %	5.9 %	5.2 %
Inventory turnover (sales/inventory)	n/a	69.3	284.5	946.9	946.9	946.9	946.9
Trade debtors in days of sales	112.1	145.6	32.8	25.9	22.6	19.6	17.1
A/P turnover [(A/P*365)/sales]	1,190.3	359.3	83.7	11.3	11.3	11.3	11.3
Cash conversion cycle (days)	n/a	-184.1	-46.1	15.9	12.8	11.2	9.5
<b>Cash flow analysis</b>							
Free cash flow	22.9	-55.2	-152.0	-12.5	23.0	17.9	31.0
Free cash flow/sales	133.7 %	-73.5 %	-159.9 %	-11.7 %	18.7 %	12.7 %	19.2 %
FCF / net profit	neg.	neg.	neg.	neg.	94.8 %	84.5 %	96.9 %
Capex / depn	42.5 %	63.5 %	155.5 %	225.3 %	120.9 %	681.2 %	290.4 %
Capex / maintenance capex	26.7 %	60.4 %	46.0 %	72.5 %	50.3 %	42.9 %	45.6 %
Capex / sales	1.9 %	6.3 %	8.4 %	11.8 %	6.0 %	31.8 %	12.7 %
<b>Security</b>							
Net debt	-35.4	-0.6	-26.8	-42.8	-84.5	-100.8	-129.8
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Interest cover	28.0	6.5	20.8	15.9	16.3	14.8	21.8
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Asset utilisation</b>							
Capital employed turnover	0.2	0.3	0.4	0.5	0.5	0.5	0.5
Operating assets turnover	3.7	3.3	11.0	7.8	7.6	7.4	7.3
Plant turnover	16.4	14.0	17.0	15.3	13.0	11.5	10.4
Inventory turnover (sales/inventory)	n/a	69.3	284.5	946.9	946.9	946.9	946.9
<b>Returns</b>							
ROCE	5.0 %	10.7 %	11.4 %	12.2 %	15.0 %	12.0 %	16.1 %
ROE	-15.5 %	-2.4 %	11.1 %	14.9 %	15.8 %	12.1 %	15.5 %
<b>Other</b>							
Interest paid / avg. debt	0.5 %	3.0 %	1.0 %	1.6 %	2.4 %	2.4 %	2.4 %
No. employees (average)	53	273	250	220	n/a	0	0
Number of shares	15.9	15.9	16.8	17.5	17.8	18.7	18.7
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-0.58	-0.11	0.50	0.96	1.36	1.13	1.71
<b>Valuation ratios</b>							
P/BV	4.5	3.6	3.7	2.6	1.9	1.8	1.5
EV/sales	11.0	3.5	2.6	2.3	1.7	1.5	1.1
EV/EBITDA	48.2	13.3	8.2	7.7	5.0	5.4	3.3
EV/EBITA	52.0	15.2	9.9	7.7	5.0	5.4	3.3
EV/EBIT	58.3	15.2	9.9	9.3	5.9	6.4	3.8
EV/FCF	8.2	-4.7	-1.7	-19.8	9.2	11.7	5.8
Adjusted FCF yield	3.2 %	6.0 %	9.0 %	8.0 %	13.1 %	11.2 %	19.0 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

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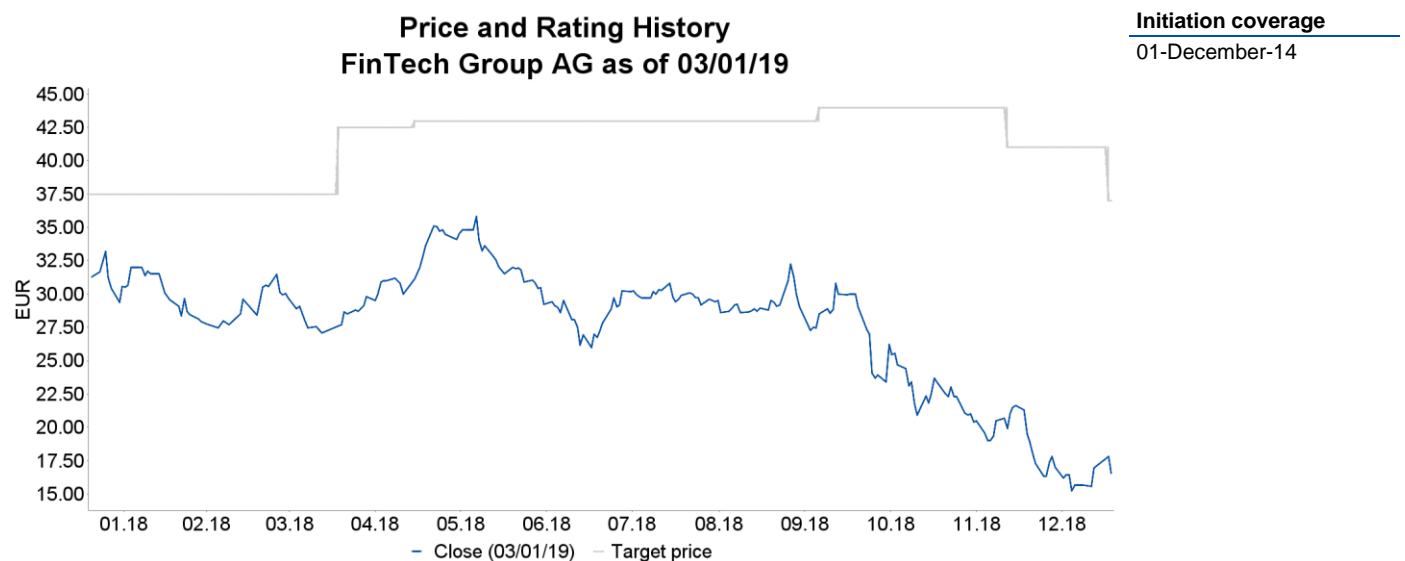
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Company	Disclosure
FinTech Group AG	

### Historical target price and rating changes for FinTech Group AG in the last 12 months



Company	Date	Analyst	Rating	Target price	Close
FinTech Group AG	29.11.2018	Brass, CFA, Robin	Buy	EUR 41,00	EUR 21,50
	22.10.2018	Brass, CFA, Robin	Buy	EUR 44,00	EUR 24,40
	21.09.2018	Brass, CFA, Robin	Buy	EUR 44,00	EUR 28,50
	28.08.2018	Brass, CFA, Robin	Buy	EUR 43,00	EUR 28,75
	29.06.2018	Brass, CFA, Robin	Buy	EUR 43,00	EUR 26,95
	02.05.2018	Brass, CFA, Robin	Buy	EUR 43,00	EUR 32,00

23.04.2018	Brass, CFA, Robin	Buy	EUR 42,50	EUR 31,20
04.04.2018	Brass, CFA, Robin	Buy	EUR 42,50	EUR 27,70
04.04.2018	Brass, CFA, Robin	Buy	EUR 42,50	EUR 27,70

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