



# Hypoport AG

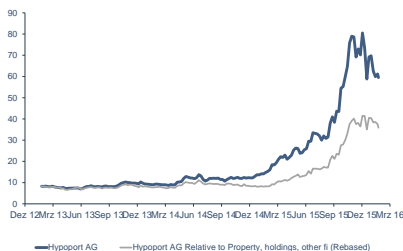
**Buy** ↗ | Target **72.00 EUR** vs **77.00 EUR** ↘

Price : 59.50 EUR | Upside : 21 %

Est. chg	2015e	2016e
EPS	-3.5%	0.0%

## Unjustified underperformance YTD; upgrade to Buy, 21% upside

Tuesday 23 February 2016



Capital			
HYQ GY   HYQGn.DE			
Market Cap (EURm)	365		
Enterprise value (EURm)	199		
Extrema 12 months	15.02	80.50	
Free Float (%)	51.0		
Performance (%)			
	1m	3m	12m
Absolute	-14.0	-21.5	303.0
Perf. rel. Country Index	-12.3	-9.7	364.2
Perf. rel. Property, holding	-11.4	-4.4	353.1
P&L			
	12/15e	12/16e	12/17e
Sales (EURm)	136	160	183
EBITDA (EURm)	25.0	32.2	37.6
Current EBIT (EURm)	19.8	26.0	30.5
Attr. net profit (EURm)	15.7	20.6	24.2
Adjusted EPS (EUR)	2.56	3.35	3.94
Dividend (EUR)	0.00	0.00	0.00
P/E (x)	13.0	17.7	15.1
P/B (x)	3.8	4.9	3.7
Dividend Yield (%)	0.0	0.0	0.0
FCF yield (%)	4.8	3.9	5.4
EV/Sales (x)	1.46	2.16	1.78
EV/EBITDA (x)	8.0	10.8	8.7
EV/Current EBIT (x)	10.0	13.3	10.7
Gearing (%)	-11	-27	-40
Net Debt/EBITDA(x)	ns	ns	ns

**Next Events**

29.03.2016	Q4 Results
02.05.2016	Q1 Results
01.08.2016	Q2 Results
31.10.2016	Q3 Results

### 2015 preview: Record revenue and earnings likely

Hypoport AG will publish its consol. 2015 results on 29 March. We expect record revenues and earnings driven by impressive key operating indicators (KOIs) at EUROPACE and Dr. Klein which have already been released. Both segments gained market share in an overall rising mortgage market (in 2015 new mortgage volumes in Germany jumped 22% yoy to €244bn). We fine-tune our 2015e estimates: revenues up 21.5% to €136.5m (old: €138.1m, 2014: €112.3m); EBIT at €19.8m (old: €20.5, 2014: €7.9m), implying an EBIT margin of 14.5% (old: 14.9%, 2014: 6.5%); EPS of €2.56 (old: 2.65, 2014: €0.96).

### Private clients: brokered lending volume +44% yoy

New lending volume brokered by Dr. Klein rose 44% yoy in 2015 to a record of €9.0bn incl. €2.2bn in Q4 (Q4 14: €1.6bn). Spurred by a mortgage rate hike in early summer and unabated demand for residential property, mortgage finance (Dr. Klein's largest product category) grew almost 47% yoy to €8.6bn in 2015. Building society savings rose almost 6% to €222.2m, while brokered personal loans volume fell 16% yoy to €181.2m on massive competition (Dr. Klein lost customers to competitors with huge marketing budgets). The insurance portfolio managed by Dr. Klein performed well in 2015, growing +11% yoy to €122.6m, another record level.

### Financial service providers: +25% yoy increase in volumes brokered

EUROPACE's brokered volume rose 25% yoy to €45.2bn (2014: €36.2bn) with Q4 contributing €10.9bn (Q4 14: €9.2bn), marginally below the levels of Q1-3 (volumes above €11bn). NB: in terms of transaction volumes Q4 is traditionally the year's weakest quarter. With a market share of 14+%, mortgage finance is the highest-volume business (€35.6bn) and fastest-growing product type on EUROPACE. This biz grew 28% yoy, while building society savings grew 13% yoy to €7.8bn and personal loans were up 20% to €1.9bn.

### New share repurchase program will support stock in weak market

Hypoport AG's Management Board recently announced the repurchase of up to 60,000 shares (~1% of market cap) exclusively on the open market. The maximum repurchase volume has been set at 5,000 shares per day, the maximum purchase price at €65.00/share. The buybacks will be completed by 9 June 2016. The 2015 AGM authorised the buy-back of up to 10% of share capital by 11 June 2020.

### Upgrade from Neutral to Buy; TP of €72 suggests 21% upside

Due in particular to peer multiple compression (down > 10+% ytd on avg.) our FVPs falls to €72.22 and we lower our TP to €72.00 (€77.00). This implies target P/E's of 28.1x and 21.5x for 2015-16e. Since their outstanding performance in 2015, Hypoport shares have fallen disproportionately in an overall weak market environment, by ~26% ytd and by as much as 50% at the trough (profit takings) vs -12.6% ytd for the DAX and -10.2% ytd for the SDAX. We consider this overdone. Fundamentally, our investment case remains unchanged. Backed by ongoing market share gains in individual business segments and an overall growing mortgage market in Germany, we are confident Hypoport AG can deliver double-digit revenue growth in 2015-17e of 17.7% on avg. We are also convinced that its highly scalable business model will enable Hypoport to sustainably elevate its consolidated EBIT margin (EBIT/revenue) from the single digits in 2014 to c.16% and above in 2016e and 2017e (average 2015-17e: 15.8%). Accordingly, we raise our recommendation on the stock from Neutral to Buy. Our TP suggests upside of 21%.

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**Conflict of interests:**

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# VALUATION

## Peer group: Company data in EURm

Company name	Market cap.	EV	Sales			EBITDA			EBIT			EPS (EUR)		
			2015e	2016e	2017e	2015e	2016e	2017e	2015e	2016e	2017e	2015e	2016e	2017e
WIRECARD AG	5,195.9	4,507.1	766.0	986.8	1,195.8	226.2	295.1	366.6	182.8	241.1	306.0	1.24	1.64	2.06
COMDIRECT BANK AG	1,369.6	151.5	394.0	383.3	397.0	138.0	103.0	111.0	136.0	101.0	n.a.	0.55	0.45	0.53
FINTECH GROUP AG	299.1	-387.2	82.1	89.9	99.5	16.3	33.0	41.0	13.8	30.5	41.3	0.60	1.22	1.56
FERRATUM OYJ	554.2	551.3	111.3	172.0	253.7	16.8	29.2	50.3	15.9	28.2	48.7	0.51	1.01	1.81
MONEYSUPERMARKET.COM	2,295.1	2,273.1	362.5	385.8	413.1	142.3	155.7	168.3	118.6	128.6	139.9	0.18	0.20	0.21
PARAGON GROUP COMPANIES PLC	1,142.1	14,348.8	326.9	360.2	360.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.52	0.58	0.64
PAYPAL HOLDINGS INC	39,953.1	36,774.1	9,567.2	11,060.6	11,060.6	2,520.8	2,937.2	3,627.2	2,070.1	2,427.9	2,856.1	1.33	1.58	1.85
E*TRADE FINANCIAL CORP	6,063.1	6,821.8	1,764.7	1,863.6	1,863.6	770.4	892.8	1,037.0	674.1	679.6	762.6	1.40	1.67	1.87
AVANZA BANK HOLDING AB	1,035.8	1,052.1	107.0	120.4	120.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.58	1.87	2.24
NORDNET AB- B SHARES	604.7	650.7	142.4	157.6	157.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.23	0.28	0.33
MLP AG	304.2	249.7	556.3	608.7	608.7	44.6	46.9	50.0	30.8	31.9	34.3	0.22	0.28	0.27
OVH HOLDING AG	197.7	158.9	212.5	214.5	214.5	17.0	17.1	18.0	13.5	13.6	14.5	0.67	0.67	0.71
<b>Average</b>	<b>5,851.3</b>	<b>6,674.3</b>	<b>1,362.4</b>	<b>1,558.0</b>	<b>1,592.1</b>	<b>547.2</b>	<b>635.1</b>	<b>771.6</b>	<b>458.8</b>	<b>519.5</b>	<b>692.4</b>	<b>0.81</b>	<b>1.05</b>	<b>1.31</b>
<b>Median</b>	<b>1,255.8</b>	<b>1,662.6</b>	<b>344.7</b>	<b>371.7</b>	<b>378.6</b>	<b>142.3</b>	<b>155.7</b>	<b>168.3</b>	<b>136.0</b>	<b>128.6</b>	<b>222.9</b>	<b>0.58</b>	<b>1.11</b>	<b>1.69</b>

## Peer Group: Multiples

Company name	EV / Sales			EV / EBITDA			EV / EBIT			P / E		
	2015e	2016e	2017e	2015e	2016e	2017e	2015e	2016e	2017e	2015e	2016e	2017e
WIRECARD AG	5.9	4.6	3.8	19.9	15.3	12.3	24.7	18.7	14.7	34.6	26.0	20.8
COMDIRECT BANK AG	0.4	0.4	0.4	1.1	1.5	1.4	1.1	1.5	n.a.	17.6	21.5	18.3
FINTECH GROUP AG	-4.7	-4.3	-3.9	-23.8	-11.8	-9.4	-28.1	-12.7	-9.4	30.0	14.8	11.5
FERRATUM OYJ	5.0	3.2	2.2	32.9	18.9	11.0	34.7	19.6	11.3	48.1	24.1	13.5
MONEYSUPERMARKET.COM	6.3	5.9	5.5	16.0	14.6	13.5	19.2	17.7	16.3	22.9	21.4	19.8
PARAGON GROUP COMPANIES PLC	43.9	39.8	39.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	7.4	6.7	6.1
PAYPAL HOLDINGS INC	3.8	3.3	3.3	14.6	12.5	10.1	17.8	15.1	12.9	24.5	20.7	17.6
E*TRADE FINANCIAL CORP	3.9	3.7	3.7	8.9	7.6	6.6	10.1	10.0	8.9	14.8	12.4	11.0
AVANZA BANK HOLDING AB	9.8	8.7	8.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	22.4	19.0	15.8
NORDNET AB- B SHARES	4.6	4.1	4.1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	15.1	12.6	10.4
MLP AG	0.4	0.4	0.4	5.6	5.3	5.0	8.1	7.8	7.3	12.6	10.2	10.4
OVH HOLDING AG	0.7	0.7	0.7	9.3	9.3	8.9	11.8	11.7	11.0	21.1	21.0	19.9
<b>Average</b>	<b>7.9</b>	<b>6.9</b>	<b>6.8</b>	<b>9.9</b>	<b>8.4</b>	<b>6.5</b>	<b>11.3</b>	<b>10.0</b>	<b>9.1</b>	<b>23.7</b>	<b>17.9</b>	<b>14.5</b>
<b>Median</b>	<b>4.8</b>	<b>3.9</b>	<b>3.7</b>	<b>14.6</b>	<b>12.5</b>	<b>10.1</b>	<b>17.8</b>	<b>15.1</b>	<b>12.1</b>	<b>22.6</b>	<b>19.8</b>	<b>14.6</b>

EURm, except EPS (EUR)	Sales			EBITDA			EBIT			EPS		
	2015e	2016e	2017e	2015e	2016e	2017e	2015e	2016e	2017e	2015e	2016e	2017e
Hypoport AG: Financial estimates Oddo Seydler Bank AG	136.5	160.3	183.1	25.0	32.2	37.6	19.8	26.0	30.5	2.56	3.35	3.94
Applied multiples: Peer group median	4.8	3.9	3.7	14.6	12.5	10.1	17.8	15.1	12.1	22.6	19.8	14.6
<b>Enterprise value (derived)</b>	<b>649.7</b>	<b>624.4</b>	<b>680.3</b>	<b>365.2</b>	<b>402.6</b>	<b>380.9</b>	<b>352.4</b>	<b>393.2</b>	<b>368.5</b>	-	-	-
+ Excess cash and marketable securities	11.1											
- Financial debt	-12.5											
- Minority interest (estimated market value)	-0.2											
<b>Market capitalization (derived)</b>	<b>648.3</b>	<b>623.0</b>	<b>678.9</b>	<b>363.8</b>	<b>401.2</b>	<b>379.5</b>	<b>351.0</b>	<b>391.8</b>	<b>367.2</b>	<b>355.5</b>	<b>408.7</b>	<b>354.3</b>
<b>Median</b>	<b>385.6</b>											
Premium (discount) vs. Peer Group	0%											
<b>Fair market capitalization (after discount)</b>	<b>385.6</b>											
Number of shares (m)	6.1											
<b>Fair value per share (EUR)</b>	<b>62.83</b>											

## Discounted Cash Flow Model

EURm	PHASE 1			PHASE 2							PHASE 3
	2015e	2016e	2017e	2018e	2019e	2020e	2021e	2022e	2023e	2024e	∞
Sales	136.5	160.3	183.1	207.8	232.5	256.9	280.5	303.2	324.8	345.2	
YoY growth	21.5%	17.5%	14.2%	13.5%	11.9%	10.5%	9.2%	8.1%	7.1%	6.3%	
EBIT	19.8	26.0	30.5	35.3	39.9	44.5	49.1	53.6	58.0	62.3	
EBIT margin	14.5%	16.2%	16.6%	17.0%	17.2%	17.3%	17.5%	17.7%	17.9%	18.0%	
Income tax on EBIT (cash tax rate)	-6.0	-7.8	-9.1	-10.6	-12.0	-13.4	-14.7	-16.1	-17.4	-18.7	
Depreciation and amortisation	5.2	6.2	7.1	6.3	7.2	5.2	5.7	6.0	6.6	6.8	
Change in net working capital	-4.5	-8.0	-7.4	-4.7	-4.7	-4.6	-4.5	-4.3	-4.1	-3.9	
Net capital expenditure	-6.5	-4.5	-4.1	-4.9	-5.4	-5.9	-6.5	-7.2	-7.5	-6.8	
<b>Free cash flow</b>	<b>8.1</b>	<b>11.9</b>	<b>17.0</b>	<b>21.4</b>	<b>25.0</b>	<b>25.8</b>	<b>29.1</b>	<b>32.1</b>	<b>35.5</b>	<b>39.7</b>	
<b>Present values</b>	<b>8.2</b>	<b>11.1</b>	<b>14.7</b>	<b>17.1</b>	<b>18.5</b>	<b>17.6</b>	<b>18.3</b>	<b>18.7</b>	<b>19.1</b>	<b>19.7</b>	<b>339.6</b>
Present value Phase 1	33.9										
Present value Phase 2	128.9										
Present value Phase 3	339.6										
<b>Total present value</b>	<b>502.4</b>										
+ Excess cash	11.1										
- Financial debt	-12.5										
- Minority interest (estimated market value)	-0.2										
<b>Fair value of equity</b>	<b>500.9</b>										
Number of shares (m)	6.138										
<b>Fair value per share (EUR)</b>	<b>81.60</b>										

Risk free rate	2.50%	Target equity ratio	65.0%
Equity risk premium	6.00%	Beta (fundamental)	1.30
Debt risk premium	2.50%	<b>WACC</b>	<b>7.92%</b>
Tax shield	30.0%	<b>Terminal growth</b>	<b>2.0%</b>

Sensitivity analysis						
Terminal growth (Phase 3)						
		1.0%	1.5%	2.0%	2.5%	3.0%
<b>WACC</b>	<b>6.9%</b>	87.48	93.32	100.36	108.98	119.81
	<b>7.4%</b>	79.74	84.48	90.10	96.86	105.15
	<b>7.9%</b>	73.14	77.04	<b>81.60</b>	87.00	93.50
	<b>8.4%</b>	67.45	70.69	74.44	78.82	84.02
	<b>8.9%</b>	62.49	65.22	68.33	71.94	76.15

## Consolidation of valuation methods

	Weighting factor	Fair value per share (EUR)
Peer group valuation	50.0%	62.83
DCF valuation	50.0%	81.60
<b>Fair value per share (EUR)</b>		<b>72.22</b>

Source: Company data, Bloomberg, Oddo Seydler Bank AG

**HYQGN.DE | HYQ GY**  
**Financial Services | Germany**

	Buy				Price	59.50EUR			
	Upside	21.01%			TP	72.00EUR			
<b>PER SHARE DATA (EUR)</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15e</b>	<b>12/16e</b>	<b>12/17e</b>	
Adjusted EPS	0.53	0.60	-0.13	0.51	0.96	2.56	3.35	3.94	
<b>Reported EPS</b>	<b>0.53</b>	<b>0.60</b>	<b>-0.13</b>	<b>0.51</b>	<b>0.96</b>	<b>2.56</b>	<b>3.35</b>	<b>3.94</b>	
Growth in EPS(%)	ns	13.2%	ns	ns	88.0%	ns	31.2%	17.4%	
Net dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FCF to equity per share	0.39	-0.10	0.20	0.67	0.37	1.61	2.33	3.23	
Book value per share	4.43	5.01	4.81	5.34	6.29	8.84	12.20	16.14	
Number of shares market cap	6.15	6.19	6.16	6.14	6.14	6.14	6.14	6.14	
Number of diluted shares	6.18	6.19	6.16	6.14	6.14	6.14	6.14	6.14	
<b>VALUATION</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15e</b>	<b>12/16e</b>	<b>12/17e</b>	
12m highest price	9.90	11.95	12.15	10.46	13.78	80.50	78.35		
12m lowest price	5.90	6.95	6.95	7.03	8.67	12.16	53.59		
(*) Reference price	7.88	9.42	8.94	8.27	11.01	33.28	59.50	59.50	
Capitalization	48	58	55	51	68	204	365	365	
Restated Net debt	9.4	11	9.7	5.9	3.9	-6.0	-20.3	-40.1	
Minorities (fair value)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Financial fixed assets (fair value)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Provisions	2.6	2.5	1.9	0.5	1.0	1.0	1.0	1.0	
<b>Enterprise Value</b>	<b>60</b>	<b>72</b>	<b>67</b>	<b>57</b>	<b>72</b>	<b>199</b>	<b>346</b>	<b>326</b>	
P/E (x)	15	16	ns	16	11	13	18	15	
P/CF (x)	6.1	6.4	59	5.2	4.4	6.2	11	12	
Net Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
FCF yield (%)	5.0%	ns	2.3%	8.1%	3.3%	4.8%	3.9%	5.4%	
P/B incl. GW (x)	1.78	1.88	1.86	1.55	1.75	3.76	4.88	3.69	
P/B excl. GW (x)	1.78	1.88	1.86	1.55	1.75	3.76	4.88	3.69	
EV/Sales (x)	0.90	0.85	0.76	0.58	0.65	1.46	2.16	1.78	
EV/EBITDA (x)	5.4	6.3	8.2	7.0	5.7	8.0	11	8.7	
<b>EV/EBIT (x)</b>	<b>9.4</b>	<b>11</b>	<b>21</b>	<b>14</b>	<b>9.1</b>	<b>10</b>	<b>13</b>	<b>11</b>	
(*) historical average price									
<b>PROFIT AND LOSS (EURm)</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15e</b>	<b>12/16e</b>	<b>12/17e</b>	
Sales	67	84	88	98	112	136	160	183	
EBITDA	11.1	11.5	8.1	8.1	12.7	25.0	32.2	37.6	
Depreciations	-4.7	-4.7	-4.9	-4.2	-4.8	-5.2	-6.2	-7.1	
<b>Current EBIT</b>	<b>6.4</b>	<b>6.8</b>	<b>3.2</b>	<b>3.9</b>	<b>7.9</b>	<b>19.8</b>	<b>26.0</b>	<b>30.5</b>	
Published EBIT	6.4	6.8	3.2	3.9	7.9	19.8	26.0	30.5	
Net financial income	-1.6	-0.7	-0.9	-0.9	-0.7	-0.5	-0.5	-0.6	
Corporate Tax	-1.6	-1.6	-0.4	0.1	-1.3	-3.7	-4.8	-5.7	
Net income of equity-accounted companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Profit/loss of discontinued activities (after tax)	0.0	-0.7	-2.8	0.0	0.0	0.0	0.0	0.0	
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Attributable net profit	3.3	3.7	-0.8	3.1	5.9	15.7	20.6	24.2	
<b>Adjusted attributable net profit</b>	<b>3.3</b>	<b>3.7</b>	<b>-0.8</b>	<b>3.1</b>	<b>5.9</b>	<b>15.7</b>	<b>20.6</b>	<b>24.2</b>	
<b>BALANCE SHEET (EURm)</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15e</b>	<b>12/16e</b>	<b>12/17e</b>	
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other intangible assets	28	28	28	30	31	32	30	28	
Tangible fixed assets	2.4	2.5	2.6	2.2	2.2	2.6	2.5	2.3	
WCR	7.4	12	11	6.9	9.0	13	21	29	
Financial assets	1.8	2.2	0.5	0.8	1.6	1.6	1.6	1.6	
Ordinary shareholders equity	27	31	30	33	39	54	75	99	
Minority interests	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	
Shareholders equity	27	31	30	33	39	55	75	99	
Non-current provisions	2.6	2.5	1.9	0.5	1.0	1.0	1.0	1.0	
<b>Net debt</b>	<b>9.4</b>	<b>11</b>	<b>9.7</b>	<b>5.9</b>	<b>3.9</b>	<b>-6.0</b>	<b>-20.3</b>	<b>-40.1</b>	
<b>CASH FLOW STATEMENT (EURm)</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15e</b>	<b>12/16e</b>	<b>12/17e</b>	
<b>EBITDA</b>	<b>11.1</b>	<b>11.5</b>	<b>8.1</b>	<b>8.1</b>	<b>12.7</b>	<b>25.0</b>	<b>32.2</b>	<b>37.6</b>	
Change in WCR	2.0	-4.4	1.2	3.7	-3.0	-4.5	-8.0	-7.4	
Interests & taxes	-1.6	-1.4	-1.5	-1.5	-1.3	-4.1	-5.4	-6.3	
Others	-1.5	-1.0	-0.1	-0.5	0.0	0.0	0.0	0.0	
Operating Cash flow	10.0	4.7	7.8	9.9	8.4	16.3	18.8	23.9	
CAPEX	-7.6	-5.3	-6.5	-5.7	-6.2	-6.5	-4.5	-4.1	
<b>Free cash-flow</b>	<b>2.4</b>	<b>-0.6</b>	<b>1.2</b>	<b>4.1</b>	<b>2.2</b>	<b>9.9</b>	<b>14.3</b>	<b>19.8</b>	
Acquisitions / disposals	-0.1	-0.5	0.1	0.0	0.0	0.0	0.0	0.0	
Dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Net capital increase	0.0	0.0	-0.6	0.0	0.0	0.0	0.0	0.0	
Others	1.7	-2.6	0.4	-1.4	-1.2	-1.1	-1.1	-1.1	
Change in net debt	2.5	-1.1	0.7	4.2	1.9	9.9	14.3	19.8	
<b>GROWTH MARGINS PRODUCTIVITY</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15e</b>	<b>12/16e</b>	<b>12/17e</b>	
Sales growth	32.6%	26.1%	4.0%	11.8%	14.5%	21.5%	17.5%	14.2%	
<b>Lfl sales growth</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>	<b>0.0%</b>	
Current EBIT growth	ns	5.1%	-52.7%	23.5%	ns	ns	30.8%	17.4%	
Growth in EPS(%)	ns	13.2%	ns	ns	88.0%	ns	31.2%	17.4%	
Net margin	4.9%	4.4%	-0.9%	3.2%	5.3%	11.5%	12.8%	13.2%	
<b>EBITDA margin</b>	<b>16.7%</b>	<b>13.6%</b>	<b>9.3%</b>	<b>8.3%</b>	<b>11.3%</b>	<b>18.3%</b>	<b>20.1%</b>	<b>20.5%</b>	
<b>Current EBIT margin</b>	<b>9.6%</b>	<b>8.0%</b>	<b>3.6%</b>	<b>4.0%</b>	<b>7.1%</b>	<b>14.5%</b>	<b>16.2%</b>	<b>16.6%</b>	
CAPEX / Sales	-11.3%	-6.2%	-7.4%	-5.8%	-5.5%	-4.7%	-2.8%	-2.2%	
WCR / Sales	11.1%	14.7%	12.2%	7.0%	8.0%	9.9%	13.4%	15.7%	
Tax Rate	32.4%	25.8%	16.9%	-3.3%	18.2%	19.0%	19.0%	19.0%	
Normative tax rate	-32.4%	-23.8%	-53.2%	-31.1%	-20.1%	-28.3%	-30.3%	-25.8%	
Asset Turnover	1.8	2.1	2.1	2.5	2.8	3.0	3.1	3.2	
<b>ROCE post-tax (normative tax rate)</b>	<b>23.5%</b>	<b>20.8%</b>	<b>11.7%</b>	<b>13.0%</b>	<b>23.6%</b>	<b>56.5%</b>	<b>66.2%</b>	<b>67.9%</b>	
ROCE post-tax hors GW (normative tax rate)	23.5%	20.8%	11.7%	13.0%	23.6%	56.5%	66.2%	67.9%	
ROE	12.9%	12.8%	-2.7%	10.1%	16.6%	33.8%	31.9%	27.8%	
<b>DEBT RATIOS</b>	<b>12/10</b>	<b>12/11</b>	<b>12/12</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15e</b>	<b>12/16e</b>	<b>12/17e</b>	
Gearing	34%	36%	33%	18%	10%	-11%	-27%	-40%	
Net Debt / Market Cap	0.19	0.19	0.18	0.12	0.06	-0.03	-0.06	-0.11	
<b>Net debt / EBITDA</b>	<b>0.84</b>	<b>0.97</b>	<b>1.20</b>	<b>0.72</b>	<b>0.31</b>	<b>ns</b>	<b>ns</b>	<b>ns</b>	
EBITDA / net financial charges	ns	ns	ns	ns	ns	ns	ns	ns	

**Recommendation and target price changes history over the last 12 months for the company analysed in this report**

Date	Reco	Price Target (EUR)	Price (EUR)
23.02.16	Buy	72.00	59.50
11.01.16	Neutral	77.00	73.68
02.11.15	Buy	64.00	56.00
21.10.15	Buy	57.00	49.99
22.07.15	Buy	41.00	32.09
04.05.15	Buy	26.00	21.32

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