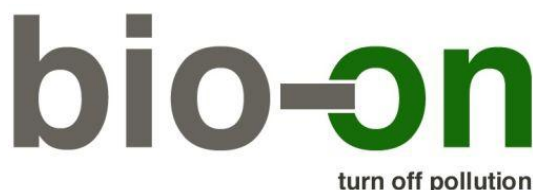


**RECOMMENDATION
BUY**
**Target Price
€22.69**

**Sector: Biotechnologies
Bloomberg negotiation code: ON IM**
**Price as of 24/03/2017
€17.48**
**Market Capitalisation: €463,701,137
Number of shares: 26,527,525 *
Shareholders Equity 2016 E: €13,435,000.64**

(*) fully diluted on the basis of the upcoming exercise of warrants

**Date and time
of production:
27.03.2017 at 12.00**
**Date and time
of first circulation:
31.03.2017 at 11.00**
**Equity Research
Department**
Gian Franco Traverso Guicciardi (AIAF)
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E-mail: ufficio.studi@finnat.it

Bio-On starts its own PHAS production

- Bio-On makes PHA (polyhydroxyalkanoates) bioplastics thanks to a technology it developed from agricultural by-products;
- The biopolymers are made from renewable plant sources, with no competition with food supply chains and are 100% biodegradable;
- The company, which has to date only licensed out the use of its production process, is now starting direct construction of its first production plant, set to be operational by the end of this year; production will focus on special polymers, which have higher margins and are intended for very specific product niches, such as the cosmetics sector;
- A second plant is planned for 2019 that will produce bioplastic for medical and "bioremediation" applications;
- For the period 2016-2021, we estimate an average annual growth for output of 75.03%. The Ebitda should grow to a CAGR of 102.85% while the net operating profit should rise from 1.3 million Euro in 2016 to 45.6 million Euro in 2021.

Year to 31/12 (k €)	2016E	2017E	2018E	2019E	2020E	2021E
Value of Production	8,225	14,160	42,385	68,070	111,105	135,110
Value Added	3,874	9,215	29,320	52,114	82,336	101,172
EBITDA	2,274	7,129	20,576	38,136	63,350	78,112
EBIT	1,964	6,780	18,727	36,287	59,134	73,862
Net profit	1,329	4,086	11,376	22,283	36,494	45,621
Cash flow	1,639	4,435	13,225	24,132	40,710	49,871
PFN	5,323	77,173	79,944	83,441	138,111	151,150
ROE	9.89	4.17	10.37	16.26	20.21	24.04

Estimates: Banca Finnat

Reference Market

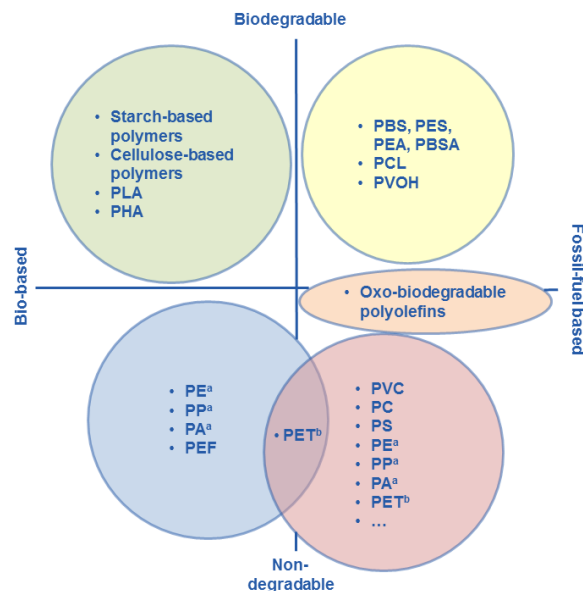
Growing global environmental pollution, caused largely by the use of plastics, is generating increasing attention towards “eco-friendly” products.

According to the “*European Bioplastic Association*”, the term bioplastic should refer solely to a biodegradable plastic made from renewable raw materials (European standard EN1342).

In reality, the term bioplastic is used to define all polymers made from renewable raw materials, whether biodegradable or not, as well as biodegradable ones made from petrochemical materials.

Bio-On is active at global level in the modern biotechnologies sector, focusing on the development and production of “PHA” (*polyhydroxyalkanoates*) bioplastics that are 100% biodegradable and made from “non-food” by-products.

Bioplastics are divided into four segments, including *biodegradable* biobased and *non-biodegradable* biobased bioplastics. Bio-On's PHA is part of the first category.

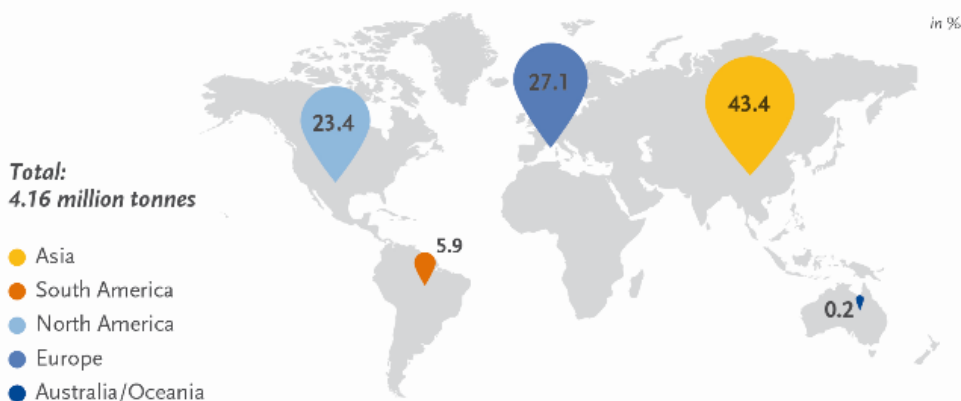


Source: www.foodpackagingforum.org

In 2016 international bioplastic production was equal to 4.16 million tons, 43.4% of which came from Asia, 27.1% from Europe and 23.4% from North America; South America (5.9%) and Australia (0.2%) accounted for marginal bioplastic production.

By 2021 more than 45% of bioplastic production is expected to be based in Asia and approximately one quarter in Europe. There is also expected to be growing specialisation in the sector.

Global production capacities of bioplastics in 2016 (by region)



Source: *European Bioplastics, nova-Institute (2016)*.

More information: www.bio-based.eu/markets and www.european-bioplastics.org/market



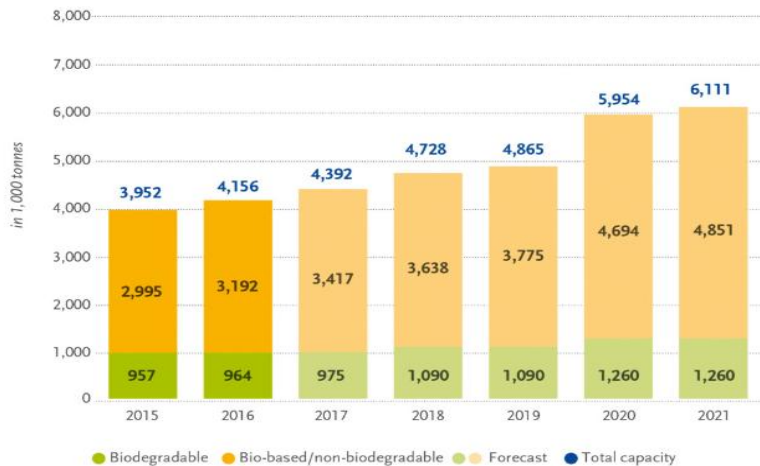
At present, bioplastics represent approximately 1% of total current annual plastic production, confirming the growth potential of this specific niche market. By 2021 the market is expected to grow by 47% (from 4.16 million tons produced in 2016 to 6.11 million tons estimated for 2021).

Bio-based plastics and non-biodegradable plastics are the main drivers of this growth; 76.8% of global bioplastic production, in 2016, was bio-based and this figure is set to rise to 79.4% in 2021.

For biodegradable plastics such as “PLA” (*polylactic acid*) and “PHA” (*polyhydroxyalkanoates*), growth is estimated from approximately 0.9 million tons in 2016 to almost 1.3 million tons in 2021, thanks to boosted production plants in Asia and the United States and to the launch of Europe's first PHA plant, on the back of increasing demand for products that do not harm the environment.

The sectors that use the most bioplastic material are packaging, accounting for 39% and 1.6 million tons, followed by consumables (22% with 0.9 million tons), the automotive sector (14% with 0.6 million tons), construction (13% with 0.5 million tons), textiles (6%, 0.2 million tons), agriculture (3%, 0.2 million tons) and just 2.5% for the electronics sector with 0.1 million tons of bioplastic material.

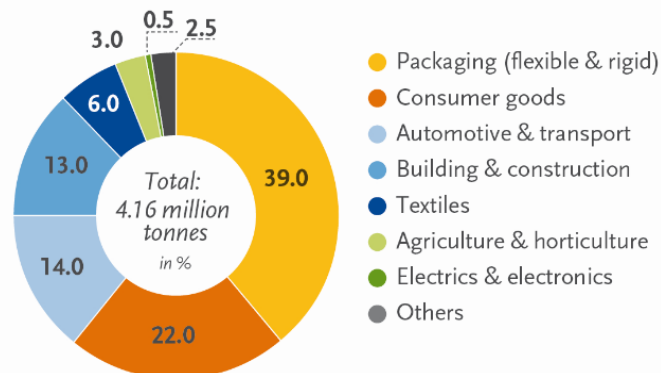
Global production capacities of bioplastics



Source: European Bioplastics, nova-Institute (2016).

More information: www.bio-based.eu/markets and www.european-bioplastics.org/market

Global production capacities of bioplastics in 2016 (by market segment)



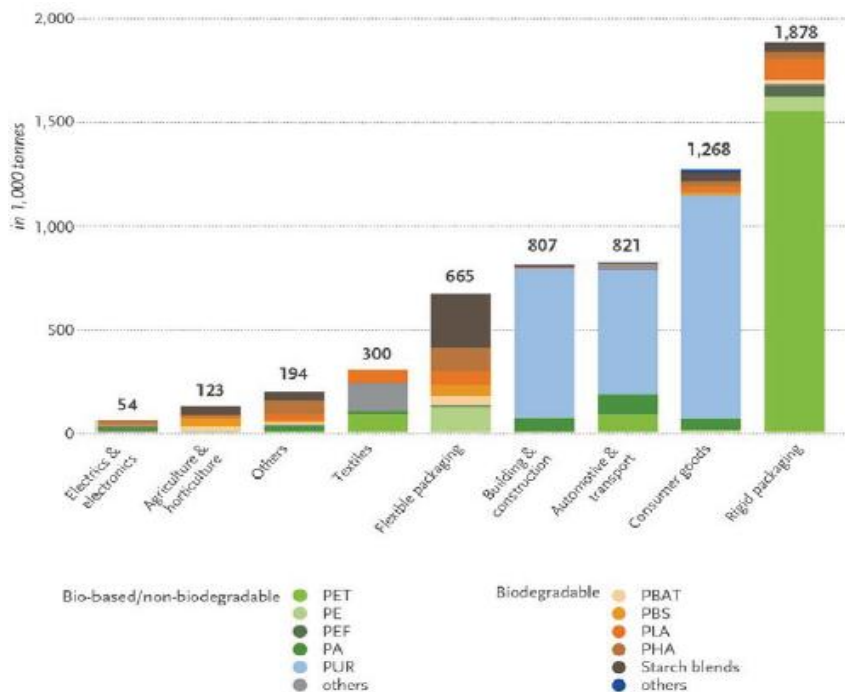
Source: European Bioplastics 2016

At present, the majority of non-biodegradable bioplastic is used in the rigid packaging sector for consumables, in construction and in the automotive sector. Since they are not biodegradable, these biobased polymers generate considerable quantities of waste. Therefore the packaging sector, in particular, is very interested in the biodegradability of its products.

Biodegradable polymers, on the other hand, are widely used in the flexible packaging sector (e.g. carrier bags), in agriculture and to a lesser extent in the rigid packaging sector, gradually gaining new market niches.

The PHA family, for example, developed by Bio-On, is beginning to be used in the automotive, beverage, electronics, packing, textiles and pharmaceutical sectors. Recently the medical and cosmetics sectors have been added thanks to “special” bioplastics.

Global production capacities of bioplastics in 2016 (by market segment)

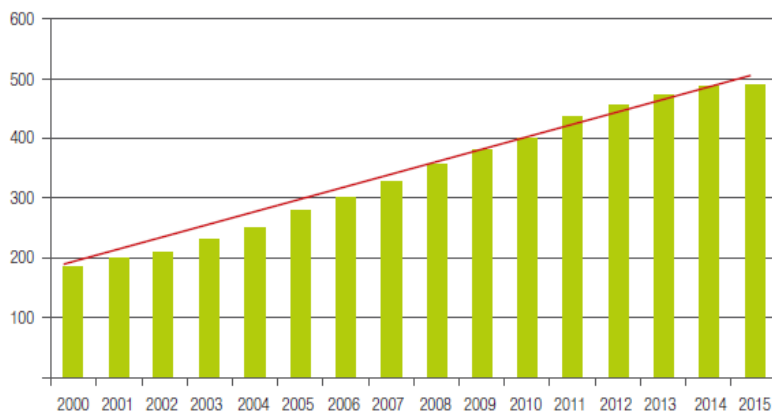


Source: European Bioplastics 2016

In Italy, in 2016, preliminary data from the bioplastic sector report a turnover of 475 million Euro, with 10% higher growth than 2015; the number of companies operating in the sector has risen by 5%, standing at 210 active companies with 2 thousand employees (up 5.5% since 2015). Italian domestic production of bioplastics has risen to 54 thousand tons, which is a 25% increase on the previous year. 73% of total production is accounted for by disposable carrier bags, 17% by organic waste collection bags and the remaining 18% by items for agriculture, catering, food packaging and personal hygiene.

The biotechnologies market ended 2015 with 489 active companies in the sector (240 of which are based on Italian capital and 50% small and medium enterprises) and a turnover of approximately 9.4 million Euro.

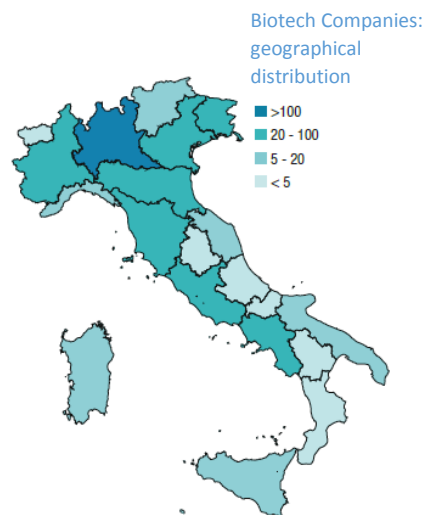
Number of biotech industries in Italy



Source: ENEA - Industry and Entrepreneurial Associations Service

This growth has been assisted by the considerable increase in Research & Development investments, which for 2015 accounted for 75% of total investment.

The Italian regions with the most biotech companies are Lombardy, accounting for 28.83% of the total, followed by Piedmont (11.66%), Lazio (9.20%), Emilia Romagna (9%) and Tuscany (7.98%).



Source: Assobiotech – biotech companies in Italy, 2016

To support innovation, the Italian government has adopted several measures including:

- Recognition of "innovative start-up" status.
- Introduction of tax credits for research.
- Adoption of tax cuts on income from intellectual property (Patent Box).
- Recognition of innovative SME status.

Activities & Strategies

Bio-On is active in the biotechnologies sector. In particular, it finds solutions for the production of 100% biodegradable bioplastic made using “non-food” products such as agricultural waste from sugar cane, sugar beet, crude glycerol (biodiesel waste) and potato processing waste. In the near future, raw materials such as wood waste, wet waste, domestic waste, and agro-industrial production waste carbon sources in general could be used.

The company has created a “PHA” (*polyhydroxyalkanoates*) bioplastic using its own in-house technology. In addition to researching and developing increasingly innovative methodologies for the production of completely biodegradable material, the company also grants licenses and offers ancillary services for the production of “*MinerPHA*” for applications in the following sectors: automotive, beverages, electronics, packing, textiles, medical, pharmaceutical and cosmetics.

The end of the sugar quotas, envisaged in Europe by the end of September 2017, should have a positive effect on the granting of licenses, as the sugar business will be less remunerative and therefore sugar factories will need to diversify by adding new segments, such as PHA bioplastic production.

The competitiveness of PHA on the market will also increase thanks to a possible lower price for sugar and its by-products.

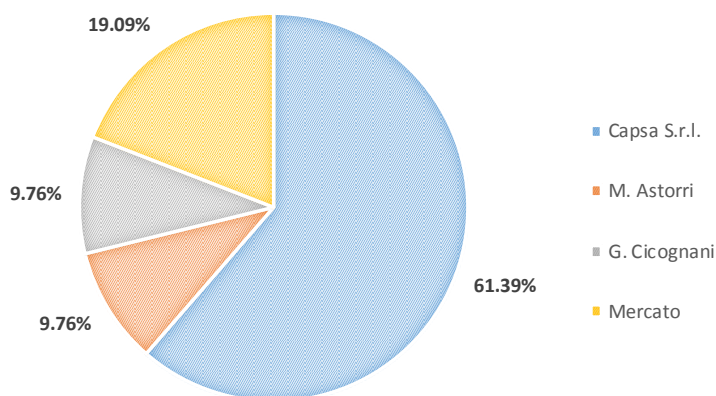
Bio-On has now decided to enter directly into polyhydroxyalkanoates production, in addition to its licensing business. The production will make “*special*” bioplastics, particularly for the cosmetics, medical and “*bioremediation*” sectors (using bioplastic to remediate hydrocarbon leaks in the sea or on land).

The first plant, for cosmetics, should be finished by the end of this year and begin production in 2018. Construction will take place in Castel San Pietro Terme, outside Bologna. A second plant will be built adjacent to the first, in 2019, which will be for the “*theranostics*” sector (bioplastic microcapsules for use in diagnostic examinations or antitumor therapies) and “*bioremediation*”.

Group Structure

Reference shareholders are represented by “Capsa s.r.l.” (the company holding the controlling interest, led by Messrs Astorri and Cicognani) with 61.39% and, directly, by Marco Astorri and Guido Cicognani, both with 9.76%. 19.09% of the company goes to market.

The stock capital is currently made up of 14,661,253 shares. Between first and 15th May of this year, the third and final period for exercising warrants will take place at a strike price of 6.655 Euro. The conversion envisaged by the regulation is in the ratio of one share for each warrant owned.



Source: Bio-On

The outstanding warrants amount to 11,866,272, of which only 1,667,069 are held by the market. We hypothesise a complete conversion, which will take the total number of shares to 26,527,525. The exercise of warrants should bring 78,970,040 Euro to the company, 118,663 of which is intended for increasing the stock capital and the remaining 78,851,377 Euro to a share premium reserve, giving Bio-On a very solid capital for future investments.

Bio-On Group includes “Bio-On Plants S.r.l.” (100% owned) and two joint ventures “Sebiplast S.r.l.” (49.9%) and the French “B-Plastic s.a.s.” (50%).

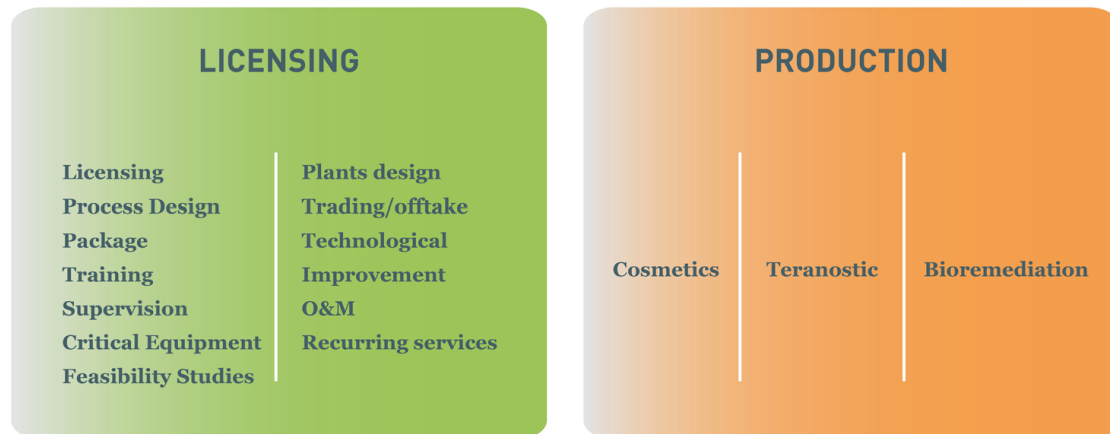
Both joint ventures are set to produce PHA for subsequent sale on the market. “Sebiplast s.r.l.” was founded with the “Maccaferri Group” in September 2015 to set up an integrated PHA plant on the industrial site owned by “Eridania S.p.A.”. Bio On's contribution to the joint venture focuses mainly on technological development and product marketing support.

As for the “B-Plastic s.a.s.” joint venture, a company originally owned by French group “Cristal Union” and under joint control since 31 December 2015, Bio On's contribution consists in technological development and the creation of new product applications for the French market.

- The Group currently has 4 research laboratories: Hawaii, Minerbio, Bentivoglio and University of Bologna. 2 others are planned, one in Castel San Pietro Terme (BO), adjacent to the production plant under construction and one at a location to be defined.
- Collaborations continue with “Flos”, the lighting market leader, for the production of biodegradable plastic items; with “Magna” in the automotive sector and with “Akzo Nobel/Solvay” in the marine paints sector. All three contracts are ongoing and long-term, for the development of various types of biopolymers.
- At the end of 2016 (22 December), Bio-On signed a new “multi-licence” agreement with a multinational leader in its sector, for a value of 55 million Euro over the next three years. The agreement aims to replace conventional plastic with biopolymers made from agro-industrial waste. An initial license has already been activated on signing the contract, while a second will be activated within the first semester of 2017. Two further agreements have been signed to design and develop new applications for materials (value 1 million Euro).
- Bio-On has signed an agreement with the British company “Greenergy International Limited” for a technical collaboration, the first in the United Kingdom, to verify the possibility of producing PHAs from biodiesel co-product glycerol. The collaboration aims to build, in the United Kingdom, a 5 thousand ton per year plant expandable to 10 thousand tons per year.
- Construction of the first Bio-On-owned production plant began during the current financial year. The subsidiary “Bio-on Plants” should run the PHAs production plant for special applications at Castel San Pietro Terme (BO). The Castel San Pietro Terme laboratory, currently under construction, will conduct research regarding cosmetics and biomedical products, which is currently carried out in Bentivoglio and at the University of Bologna. The overall investment is 15 million Euro. The new plant will have a capacity of 1,000 tons/year. Production is expected to be operational by the first quarter of 2018. “Special” bioplastics will be produced, which have high margins and high technological content, with a range of products for cosmetics such as microbeads, aiming to replace the polluting microplastics currently used in cosmetics and now banned by law in many countries.
- A second plant is set to be built in 2019, adjacent to the first, extending production into the “theranostics” sector (bioplastic microcapsules for use in diagnostic examinations or antitumor therapies) and “bioremediation” or “biorecovery”. The investment will be approximately 25 million Euro.



The future business model therefore envisages licensing and direct production of PHAs for the following sectors: cosmetics, theranostics and bioremediation.



Source: Bio-ON

With regard to the new production segments, “Memoranda of Understanding” are being negotiated, which could be finalised in the coming months. The company intends to sign the “MoU” only close to the start of production at the plant (end of 2017).

SWOT Analysis

- **Strengths**

- High barriers to entry
- Use of “non-food” by-products
- GMO free
- No use of organic solvents
- Low logistics costs
- Lower energy costs than competitors

- **Weaknesses**

- Regulations not stringent in Europe or the Americas
- Still a considerable “gap” between cost of producing conventional plastics and bioplastics
- Greater diffusion of bioplastic expected only in the mid-long term
- Bioplastic also requires collection at end of life cycle
- Geographic dependency - bioplastic production depends on availability of raw material

- **Opportunities**

- The technology developed has potential applications in all industrial sectors
- Exclusive agreements with industrial partners for the development of new “characterisations”
- The bioplastic market is a niche market but has high growth potential
- More regulation favourable to bioplastics nationally and internationally
- Growing focus on the environment

- **Threats**

- Increasing competition in the bioplastics sector
- Drop in oil price, making conventional plastics increasingly competitive

Estimates FY 2016

EUR (K)	FY2015A	FY2016E	VAR %
Sales revenue	8,011	8,225	2.67
Licensing Total	8,011	8,225	
<i>Licensing</i>	6,500	5,000	-23.08
<i>PDP</i>	511	1,075	110.37
Market studies	-	680	
<i>Plant Design</i>	1,000	1,470	47
Other income and proceeds	435	-	
Value of production	8,446	8,225	-2.62
Services	2,344	35	-98.51
%	27.75	0.43	
Shares to retrocede	-	520	
%	-	6.32	
Equipment cost	-	62	
%	-	0.75	
External personnel and services	-	225	
%	-	2.74	
Administrators	-	719	
%	-	8.74	
G&A	-	1,850	
%	-	22.49	
Commercial costs	-	890	
%	-	10.82	
Other commercial costs	-	50	
%	-	0.61	
Value added	6,102	3,874	-36.51
%	72.25	47.10	
In-house staff	1,093	1,250	14.36
%	12.94	15.20	
Other operating expenses	103	350	
%	1.22	4.26	
EBITDA	4,906	2,274	-53.65
%	58.09	27.65	
Depreciation & Write downs	1,400	310	-77.86
EBIT	3,506	1,964	-43.98
%	41.51	23.88	
Financial expenses (income)	28	(180)	
Pre-Tax Profit	3,478	2,144	-38.36
%	41.18	26.07	
Taxes	469	815	
<i>Tax rate (%)</i>	13.48	38	
NET RESULT	3,009	1,329	-55.82
%	35.63	16.16	
Cash Flow	4,409	1,639	-62.82
%	52.20	19.93	
PFN	7,645	5,323	

For 2016, we estimate sales revenue growth of 2.67%. On 22 December, a multi-license contract was signed with an international partner for a value of 55 million Euro.

We have forecast higher income than that in 2015 (+110.37%) deriving from ancillary services such as PDP "Process Design Package" (basic plant engineering) and "plant design" (+47%).

Rising costs, particularly relating to personnel and commercial activities, in line with business development, should have a negative effect on the Ebitda (-53.65%) and the respective profit margin should drop from 58.09% in 2015 to 27.65% in 2016.

Despite lower provisions, operating profits should drop by 43.98% and the ROS drop from 41.51% to 23.88%.

We have estimated a fall in net profit of 55.82%, from 3 million Euro in 2015 to 1.33 million Euro in 2016. The net margin should drop from 35.63% to 16.16%.

We envisage a 62.82% fall in cash flow.

The net financial position should fall from 7.6 million Euro in 2015 to 5.3 million Euro at the end of 2016.

Estimates: Banca Finnat

Outlook 2017-2021

EUR (K)	FY2016E	FY2017E	FY2018E	FY2019E	FY2020E	FY2021E	CAGR 16/21
Value of production	8,225	14,160	42,385	68,070	111,105	135,110	75.03
Total Licensing Income	8,225	14,160	33,110	57,470	79,020	85,500	59.72
Licensing	5,000	10,500	20,000	35,000	45,000	48,000	
PDP	1,075	1,500	2,000	3,500	4,500	5,000	
Training	-	240	620	860	1,440	1,650	
Supervision	-	750	2,250	3,000	5,250	5,850	
Critical equipment	-	-	4,800	8,400	10,800	11,750	
Market studies	680	-	-	-	-	-	
Feasibility studies	-	750	1,000	1,250	1,250	1,250	
Plant Design	1,470	-	1,000	1,000	1,000	1,000	
Trading/offtake	-	-	-	3,000	4,000	5,000	
Technological improvements	-	-	1,000	1,000	2,000	2,000	
O&M	-	-	-	-	3,300	3,500	
Recurring	-	420	440	460	480	500	
Production Income	-	-	9,275	10,600	32,085	49,610	
Raw materials	-	76	1,505	1,707	5,966	6,950	
%	-	0.54	3.55	2.51	5.37	5.14	
Services	35	38	705	827	2,487	2,860	141.25
%	0.43	0.27	1.66	1.21	2.24	2.12	
Shares to retrocede	520	628	1,200	2,100	2,700	2,800	40.03
%	6.32	4.44	2.83	3.09	2.43	2.07	
Equipment cost	62	76	80	82	86	90	7.74
%	0.75	0.54	0.19	0.12	0.08	0.07	
External personnel and services	225	538	2,756	4,351	7,848	9,350	110.73
%	2.74	3.80	6.50	6.39	7.06	6.92	
Administrators	719	719	719	719	1,061	1,200	10.79
%	8.74	5.08	1.70	1.06	0.95	0.89	
Maintenance	-	-	225	225	600	800	
%	-	-	0.53	0.33	0.54	0.59	
G&A	1,850	1,920	3,140	3,140	3,596	4,388	18.86
%	22.49	13.56	7.41	4.61	3.24	3.25	
Commercial costs	890	890	2,510	2,510	3,820	4,750	39.79
%	10.82	6.29	5.92	3.69	3.44	3.52	
Other commercial costs	50	60	225	295	605	750	71.88
%	0.61	0.42	0.53	0.43	0.54	0.56	
Value added	3,874	9,215	29,320	52,114	82,336	101,172	92.03
%	47.10	65.08	69.18	76.56	74.11	74.88	
In-house staff	1,250	1,637	7,959	12,600	17,211	20,910	75.67
%	15.20	11.56	18.78	18.51	15.49	15.48	
Other operating expenses	350	449	785	1,378	1,775	2,150	43.77
%	4.26	3.17	1.85	2.02	1.60	1.59	
EBITDA	2,274	7,129	20,576	38,136	63,350	78,112	102.85
%	27.65	50.35	48.55	56.02	57.02	57.81	
Depreciation & Write downs	310	349	1,849	1,849	4,216	4,250	68.81
EBIT	1,964	6,780	18,727	36,287	59,134	73,862	106.56
%	23.88	47.88	44.18	53.31	53.22	54.67	
Financial expenses (income)	(180)	189	378	346	273	280	
Pre-Tax Profit	2,144	6,591	18,349	35,941	58,861	73,582	102.82
%	26.07	46.55	43.29	52.80	52.98	54.46	
Taxes	815	2,505	6,973	13,658	22,367	27,961	
Tax rate (%)	38	38	38	38	38	38	
NET RESULT	1,329	4,086	11,376	22,283	36,494	45,621	102.82
%	16.16	28.86	26.84	32.74	32.85	33.77	
Cash Flow	1,639	4,435	13,225	24,132	40,710	49,871	
%	19.93	31.32	31.20	35.45	36.64	36.91	
PFN	5,323	77,173	79,944	83,441	138,111	151,150	
Equity	13,436	98,064	109,736	137,085	180,610	189,737	
CIN	8,113	20,891	29,792	53,644	42,499	38,587	
ROI	24.21	32.45	62.86	67.64	139.14	191.42	
ROE	9.89	4.17	10.37	16.26	20.21	24.04	

Estimates: Banca Finnat

For the period 2016-2021, we estimate an average annual growth for value of production of 75.03%. Average annual growth in the “licensing” segment should be 59.72%, while the new production segment, starting in 2018, should record average annual growth of 74.88% (2018-2021).

In its “licensing” segment, Bio On expects to sell 33 licenses by 2021. To this can be added ancillary services such as PDP “Process Design Package”, training, supervision, critical equipment (equipment specially designed by Bio On and essential for setting up production plants according to the quality standards laid down in the license contracts), feasibility studies and plant design.

Trading/off-take envisages the growing involvement of Bio On in finished product trading, as an intermediary between its manufacturer clients and its user clients. Post-production and sale services, such as “technological improvements” and “O&M” (Operation & Maintenance), should also grow.

Production at the first plant, intended for cosmetics, should start in 2018. Production of special PHAs at the second plant should start in 2020.

Growing sales, particularly of licenses, and the addition of production, from 2018, should allow the EBITDA to record average annual growth of 102.85%, with margin growing from 27.65% in 2016 to 57.81% in 2021.

Growing depreciation (+68.81% over the period) should not prevent the operating earnings from seeing average annual growth of 106.56% with a ROS rising from 23.88% in 2016 to 54.67% by the end of the forecast period.

With a tax rate estimated to be constant at 38%, profits should rise to a CAGR 2016-2021 of 102.82% with a net margin rising from 16.16% to 33.77% by the end of the forecast period.

The net financial position should remain positive, starting from 5.323 million Euro in 2016, benefiting in 2017 from the complete conversion of warrants to 77.17 million Euro, before reaching 151.15 million Euro in 2021.

Valuation

For the purposes of valuation, we apply the Discounted Cash Flow methodology with the explicit forecast of cash flows generated in the five-year period 2017/2021.

We set a perpetual growth rate of 4% and calculate a 10.95% WACC as a result of a 2.2% Free Risk Rate, a Beta Coefficient equal to the unit and Market Risk Premium of 8.75%.

We obtain an Enterprise Value of 524.82 million Euro and an **Equity Value** of **22.69 Euro** per share.

Cash Flow Model (K €)

	FY2017E	FY2018E	FY2019E	FY2020E	FY2021E
EBIT	6,780	18,727	36,287	59,134	73,862
Tax rate	38	38	38	38	38
NOPAT	4,204	11,611	22,498	36,663	45,794
D&A	349	1,849	1,849	4,216	4,250
Capex	15,444	1,000	25,000	1,000	1,000
CNWC	7,200	6,237	1,035	-6,578	-2,916
FOCF	-18,091	6,223	-1,688	46,457	51,960

Estimates: Banca Finnat

DCF Model Valuation (k €)

Perpetual Growth Rate (%)	4
WACC (%)	10.95
Discounted Terminal Value	474,474
Cum. Disc. Free Operating Cash Flow	50,350
Enterprise Value	524,824
Net financial position as of 31/12/2017	77,173
Equity Value	601,997
No. shares (k)	26,527.525
Value per share	22.69

Estimates: Banca Finnat

WACC Calculation (%)

Risk free rate	2.2
Market risk premium	8.75
Beta (x)	1
Cost of Equity	10.95
WACC	10.95

Estimates: Banca Finnat

Key to Investment Rankings (12 Month Horizon)

BUY: Upside potential at least 15%

HOLD: Expected to perform +/- 10%

REDUCE: Target achieved but fundamentals disappoint

SELL: Downside potential at least 15%

INCOME STATEMENT (Eur k)	2016E	2017E	2018E	2019E	2020E	2021E
Value of production	8,225	14,160	42,385	68,070	111,105	135,110
Materials	-	76	1,505	1,707	5,966	6,950
Services	35	38	705	827	2,487	2,860
Shares to retrocede	520	628	1,200	2,100	2,700	2,800
Equipment cost	62	76	80	82	86	90
External personnel and services	225	538	2,756	4,351	7,848	9,350
Administrators	719	719	719	719	1,061	1,200
Maintenance	-	-	225	225	600	800
G&A	1,850	1,920	3,140	3,140	3,596	4,388
Commercial costs	890	890	2,510	2,510	3,820	4,750
Other commercial costs	50	60	225	295	605	750
Value added	3,874	9,215	29,320	52,114	82,336	101,172
In-house staff	1,250	1,637	7,959	12,600	17,211	20,910
Other operating expenses	350	449	785	1,378	1,775	2,150
EBITDA	2,274	7,129	20,576	38,136	63,350	78,112
Depreciation & Write downs	310	349	1,849	1,849	4,216	4,250
EBIT	1,964	6,780	18,727	36,287	59,134	73,862
Financial expenses (income)	(180)	189	378	346	273	280
Pre-Tax Profit	2,144	6,591	18,349	35,941	58,861	73,582
Taxes	815	2,505	6,973	13,658	22,367	27,961
<i>Tax rate (%)</i>	38	38	38	38	38	38
Net Result	1,329	4,086	11,376	22,283	36,494	45,621
Cash Flow	1,639	4,435	13,225	24,132	40,710	49,871
BALANCE SHEET (Eur k)	2016E	2017E	2018E	2019E	2020E	2021E
Total Shareholders Equity	13,436	98,064	109,736	137,085	180,610	189,737
PFN	5,323	77,173	79,944	83,441	138,111	151,150
Net Invested Capital	8,113	20,891	29,792	53,644	42,499	38,587
FINANCIAL RATIOS (%)	2016E	2017E	2018E	2019E	2020E	2021E
EBITDA margin	27.65	50.35	48.55	56.02	57.02	57.81
EBIT margin	23.88	47.88	44.18	53.31	53.22	54.67
Net margin	16.16	28.86	26.84	32.74	32.85	33.77
ROI	24.21	32.45	62.86	67.64	139.14	191.42
ROE	9.89	4.17	10.37	16.26	20.21	24.04
GROWTH (%)	2016E	2017E	2018E	2019E	2020E	2021E
Value of production	-	72.16	199.33	60.60	63.22	21.61
EBITDA	-	213.50	188.62	85.34	66.12	23.30
EBIT	-	245.21	176.21	93.77	62.96	24.91
Net Profit	-	207.45	178.41	95.88	63.77	25.01
Cash Flow	-	170.59	198.20	82.47	68.70	22.50
VALUATION METRICS	2016E	2017E	2018E	2019E	2020E	2021E
P/E	348.82	113.47	40.76	20.81	12.71	10.16
P/CF	282.86	104.54	35.06	19.21	11.39	9.30
P/BV	34.51	4.73	4.23	3.38	2.57	2.44
EV/SALES	55.73	27.30	9.05	5.59	2.93	2.31
EV/EBITDA	201.57	54.22	18.65	9.97	5.14	4.00
EV/EBIT	233.38	57.01	20.49	10.48	5.51	4.23

Estimates: Banca Finnat

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THE RESEARCH, COMMISSIONED BY THE COMPANY BEING ANALYSED, WAS CONDUCTED BY ANALYST TATJANA EIFRIG AT THE BANCA FINNAT STUDIES AND RESEARCH DEPARTMENT. THE VALUATION MODELS ARE AVAILABLE AT THE BANK'S STUDIES AND RESEARCH DEPARTMENT.

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