

Buy EUR 34.00 Price EUR 19.25 Upside 76.6 %	Value Indicators: EUR DCF: 34.67 FCF-Value Potential: 35.03 Peer group: 34.61	Share data: Bloomberg: M7U GR Reuters: M7UG ISIN: DE000A0MSN11	Description: Nynomic provides contactless and non-destructive optical metrology systems
	Market Snapshot: EUR m Market cap: 97.6 No. of shares (m): 5.1 EV: 101.1 Freefloat MC: 67.3 Ø Trad. Vol. (30d): 93.81 th	Shareholders: Freefloat: 69.0 % Management*: 2.0 % Founder*: 29.0 %	Risk Profile (WRe): 2018e Beta: 1.2 Price / Book: 6.0 x Equity Ratio: 31 %

Strong profitability more than compensates for higher amortization

Stated Figures Q3/2018: FY End: 31.12. in EUR m										Comment on Figures: <ul style="list-style-type: none"> Q3 growth below expectations, but still well on track to reach the upper end of the guidance EBIT fully in line with expectations, as strong profitability more than compensated for increased amortization of goodwill Order backlog at a record high of EUR 42.4m (+39% yoy) confirms our mid-term growth case 			
	Q3 18	Q3 18e	Q3 17	yoy	9M 18	9M 18e	9M 17	yoy					
Sales	14.7	16.1	14.2	4 %	51.0	52.4	45.6	12 %					
EBIT	1.8	1.8	1.7	6 %	7.6	7.6	7.4	3 %					
Margin	12.5 %	11.4 %	12.3 %		14.9 %	14.5 %	16.2 %						

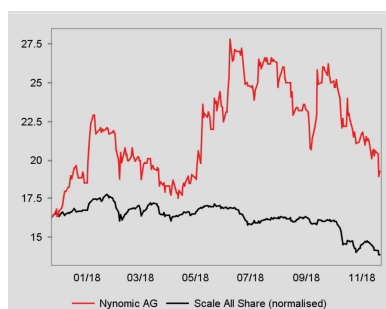
With the release of Q3 earnings, Nynomic confirmed the full-year guidance for a top line of EUR 66-68m and EBIT of EUR 10m.

Q3 sales grew by 4% to EUR 14.7m and therefore missed our estimate by some EUR 1.4m. After nine months, revenues added up to EUR 51.0m (WRe EUR 52.4m), 12% above the previous year's figure of EUR 45.6m. For Q4, the guidance implies yoy growth of -0.8% for the lower end or +12.6% for the upper end. Given the strong growth in the first half of year and the record order backlog of EUR 42.4m (+39% yoy), we still consider the company to be in a comfortable position to slightly surpass the upper end of the guidance range. However, due to slower growth in Q3 we reduced our full-year sales estimate by 1.8%.

The EBIT margin in Q3 came in at 12.5%, 1pp higher than anticipated. Considering that HGB-specific amortization of goodwill should have increased by some EUR 0.3m compared to the previous year, this implies a significant increase in operating profitability. Thus, despite the decrease in our sales expectation, we increased our EBIT estimates for 2018 and 2019.

Although Nynomic missed our Q3 estimate, the strong 9M growth and record order backlog fully confirm our positive view of Nynomic's revenue prospects. Moreover, the company managed to more than compensate for the higher amortization burden resulting from the acquisition of LayTec and Spectral Engines, which was better than anticipated. After some minor changes to our estimate we reiterate our Buy recommendation at an unchanged price target of EUR 34.

Changes in Estimates: FY End: 31.12. in EUR m							Comment on Changes: <ul style="list-style-type: none"> 2018 sales estimate slightly lower after weaker Q3 growth 2019 and beyond remain unchanged due to record level of order backlog Estimates for profitability increase slightly due to strong Q3 			
	2018e (old)	+ / -	2019e (old)	+ / -	2020e (old)	+ / -				
Sales	70.8	-1.8 %	76.8	0.0 %	85.1	0.0 %				
EBITDA	12.2	0.1 %	14.1	1.4 %	16.0	0.0 %				
EBIT	10.2	0.5 %	11.3	1.8 %	13.1	0.0 %				
EPS	1.14	0.9 %	1.25	2.4 %	1.51	0.0 %				

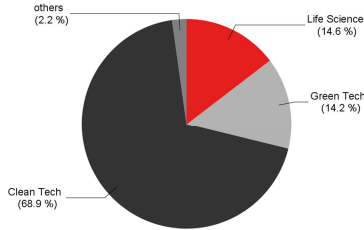


Rel. Performance vs Scale All	
1 month:	-6.6 %
6 months:	-0.8 %
Year to date:	21.1 %
Trailing 12 months:	30.2 %

Company events:	
30.11.18	Q3
29.03.19	Prel. FY 18
31.05.19	Q1

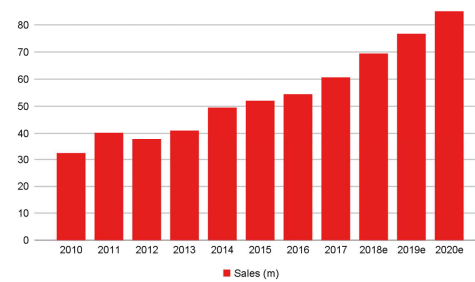
FY End: 31.12. in EUR m	CAGR (17-20e)	2014	2015	2016	2017	2018e	2019e	2020e
Sales	11.9 %	49.5	52.1	54.5	60.7	69.5	76.8	85.1
Change Sales yoy		20.8 %	5.1 %	4.6 %	11.4 %	14.5 %	10.5 %	10.8 %
Gross profit margin		51.9 %	56.3 %	54.3 %	58.2 %	59.2 %	60.2 %	59.8 %
EBITDA	16.2 %	4.6	6.8	7.9	10.2	12.2	14.3	16.0
Margin		9.3 %	13.2 %	14.5 %	16.8 %	17.6 %	18.6 %	18.7 %
EBIT	12.7 %	3.0	5.9	6.8	9.1	10.2	11.5	13.1
Margin		6.1 %	11.4 %	12.6 %	15.0 %	14.7 %	14.9 %	15.3 %
Net income	18.2 %	1.1	3.0	3.7	4.6	5.8	6.5	7.6
EPS	15.9 %	0.23	0.64	0.76	0.97	1.15	1.28	1.51
EPS adj.	21.4 %	0.27	0.67	0.80	1.00	1.34	1.55	1.79
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		0.17	0.76	1.13	1.74	0.94	1.78	1.98
FCF / Market cap		3.9 %	18.0 %	17.1 %	12.8 %	4.8 %	9.3 %	10.3 %
EV / Sales		0.5 x	0.3 x	0.5 x	0.8 x	1.5 x	1.2 x	1.0 x
EV / EBITDA		5.0 x	2.7 x	3.4 x	4.9 x	8.3 x	6.3 x	5.1 x
EV / EBIT		7.5 x	3.1 x	3.9 x	5.4 x	9.9 x	7.9 x	6.2 x
EV / EBIT adj.		7.0 x	2.9 x	3.8 x	5.3 x	8.7 x	6.7 x	5.4 x
P / E		18.8 x	6.6 x	8.7 x	14.1 x	16.7 x	15.0 x	12.7 x
P / E adj.		16.1 x	6.3 x	8.3 x	13.6 x	14.4 x	12.4 x	10.8 x
Net Debt		2.1	-2.1	-5.2	-15.8	-0.2	-7.7	-16.2
adj. ROCE		27.0 %	49.0 %	58.2 %	51.9 %	33.1 %	30.7 %	37.8 %
Guidance:		Sales EUR 66.0-68.0m, EBIT EUR 10.0m						

Sales by segment 2017; in %



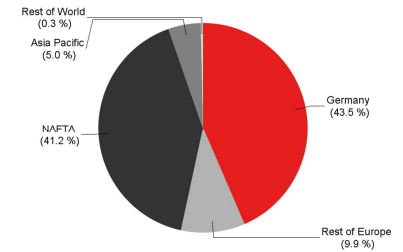
Source: Warburg Research

Sales development in EUR m



Source: Warburg Research

Sales by regions 2017; in %



Source: Warburg Research

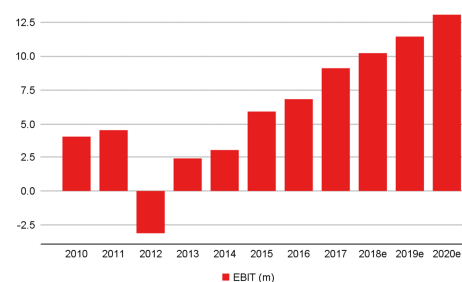
Company Background

- Founded in 1995 Nynomic has become an international supplier for in line optical metrology systems. With a buy-and-build strategy, the company achieved 10% CAGR 14-17 and increased the EBIT margin to 15% from 6%.
- Nynomic operates three divisions, Clean Tech (68.9% of group sales in 2017), Life Science (14.6%) and Green Tech (14.2%).
- The Clean Tech division targets a wide range of industries including chemicals, semiconductors and LED & Lighting, the timber industry, food and beverages, and logistics.
- The segment Green Tech comprises Nynomic's smart farming sensor systems (e.g. soil fertility or plant assessment) as well as its environmental technology (e.g. solar module inspection).
- Life Science focuses on applications for medical technology such as spectral analysis solutions, systems for process control for medical instruments, and laboratory automation.

Competitive Quality

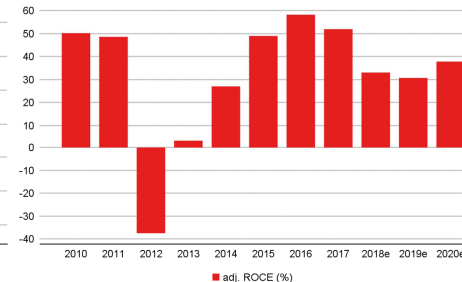
- High expertise in strongly growing niche technologies of optical metrology, which has been transferred to a wide range of industrial applications as a first mover.
- Long-standing customer relationships with deep integration in its clients' development processes and a strong reputation for critical systems in demanding end-markets like biotech or semiconductor.
- Diversified end-markets including non-cyclical industries like food and beverages, medtech, pharma, agriculture, railway as well as growth markets like semiconductor, LED and the chemical industry.
- Asset-light business model focused on system integration, with large part of the production outsourced to a network of more than 100 suppliers, using several sources for all critical components to avoid cluster risks.
- Access to the capital market allows for new market entries and adoption of new technologies via buy-and-build.

EBIT development in EUR m



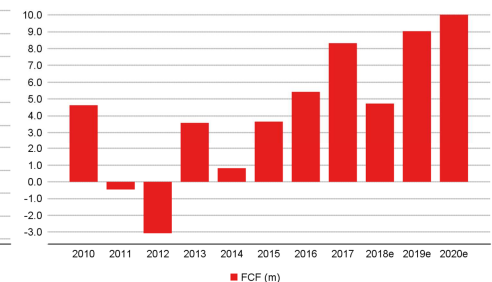
Source: Warburg Research

Adj. ROCE Development in %



Source: Warburg Research

FCF 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	69.5	76.8	85.1	93.7	102.7	110.7	117.9	124.4	130.0	134.5	138.6	142.0	144.9	
Sales change	14.5 %	10.5 %	10.8 %	10.1 %	9.6 %	7.8 %	6.5 %	5.5 %	4.5 %	3.5 %	3.0 %	2.5 %	2.0 %	2.0 %
EBIT	10.2	11.5	13.1	14.5	16.0	17.2	18.0	18.8	19.5	20.0	21.2	22.7	23.2	
EBIT-margin	14.7 %	14.9 %	15.3 %	15.5 %	15.6 %	15.5 %	15.3 %	15.1 %	15.0 %	14.9 %	15.3 %	16.0 %	16.0 %	
Tax rate (EBT)	32.2 %	30.8 %	28.9 %	28.6 %	29.1 %	29.5 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	
NOPAT	6.9	7.9	9.3	10.4	11.4	12.1	12.6	13.1	13.6	14.0	14.8	15.9	16.2	
Depreciation	2.0	2.8	2.9	3.0	3.1	3.2	3.3	3.4	3.4	3.4	2.2	1.6	1.7	
in % of Sales	2.9 %	3.7 %	3.4 %	3.2 %	3.0 %	2.9 %	2.8 %	2.7 %	2.6 %	2.5 %	1.6 %	1.1 %	1.2 %	
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	1.3	0.6	1.0	1.5	1.5	1.3	1.3	1.1	1.0	0.8	0.7	0.6	0.5	
- Capex	1.6	0.8	0.8	0.9	1.1	1.2	1.4	1.5	1.6	1.6	1.7	1.7	1.7	
Capex in % of Sales	2.2 %	1.0 %	1.0 %	1.0 %	1.1 %	1.1 %	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %	
Other	19.4	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)	-13.3	9.4	10.4	10.9	11.8	12.8	13.3	13.9	14.5	15.0	14.7	15.2	15.7	15
PV of FCF	-13.3	8.6	8.7	8.5	8.5	8.4	8.1	7.8	7.5	7.1	6.4	6.1	5.8	85
share of PVs	2.47 %			45.35 %										52.17 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	15.00 %	Financial Strength	1.20
Cost of debt (after tax)	4.2 %	Liquidity (share)	1.00
Market return	8.00 %	Cyclicality	1.10
Risk free rate	1.50 %	Transparency	1.40
		Others	1.30
WACC	8.54 %	Beta	1.20

Valuation (m)

Present values 2030e	78		
Terminal Value	85		
Financial liabilities	4		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	4		
Market val. of investments	0		
Liquidity	20	No. of shares (m)	5.1
Equity Value	176	Value per share (EUR)	34.67

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
1.38	9.5 %	28.74	29.11	29.50	29.92	30.37	30.85	31.37	1.38	9.5 %	26.85	27.87	28.90	29.92	30.94	31.97	32.99
1.29	9.0 %	30.70	31.14	31.62	32.13	32.67	33.26	33.89	1.29	9.0 %	28.83	29.93	31.03	32.13	33.22	34.32	35.42
1.25	8.8 %	31.78	32.27	32.79	33.35	33.95	34.60	35.31	1.25	8.8 %	29.93	31.07	32.21	33.35	34.49	35.63	36.77
1.20	8.5 %	32.93	33.47	34.05	34.67	35.34	36.06	36.85	1.20	8.5 %	31.11	32.30	33.48	34.67	35.85	37.04	38.22
1.15	8.3 %	34.17	34.76	35.40	36.09	36.84	37.65	38.53	1.15	8.3 %	32.39	33.62	34.86	36.09	37.32	38.56	39.79
1.11	8.0 %	35.50	36.16	36.86	37.63	38.46	39.37	40.37	1.11	8.0 %	33.78	35.06	36.35	37.63	38.92	40.20	41.49
1.02	7.5 %	38.48	39.29	40.17	41.13	42.18	43.34	44.61	1.02	7.5 %	36.92	38.32	39.72	41.13	42.53	43.94	45.34

- Spectral Engines minorities are valued at EUR 3.7m, consistent with our est. purchase price of EUR 12m for a 75% stake
- The cash outflow of EUR 19.4m for the acquisition of LayTec, Spectral Engines and Avantes is found in the "Other" line
- In the course of 2028 goodwill will be completely amortized, leading to increase in EBIT in 2028 and 2029

Valuation							
	2014	2015	2016	2017	2018e	2019e	2020e
Price / Book	6.3 x	3.1 x	3.3 x	4.9 x	6.0 x	4.4 x	3.3 x
Book value per share ex intangibles	-0.01	0.69	1.17	0.57	-0.91	0.70	2.60
EV / Sales	0.5 x	0.3 x	0.5 x	0.8 x	1.5 x	1.2 x	1.0 x
EV / EBITDA	5.0 x	2.7 x	3.4 x	4.9 x	8.3 x	6.3 x	5.1 x
EV / EBIT	7.5 x	3.1 x	3.9 x	5.4 x	9.9 x	7.9 x	6.2 x
EV / EBIT adj.*	7.0 x	2.9 x	3.8 x	5.3 x	8.7 x	6.7 x	5.4 x
P / FCF	25.4 x	5.5 x	5.9 x	7.8 x	20.4 x	10.8 x	9.7 x
P / E	18.8 x	6.6 x	8.7 x	14.1 x	16.7 x	15.0 x	12.7 x
P / E adj.*	16.1 x	6.3 x	8.3 x	13.6 x	14.4 x	12.4 x	10.8 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	13.6 %	27.8 %	20.6 %	13.4 %	7.4 %	11.3 %	14.1 %

*Adjustments made for: -

Company Specific Items							
	2014	2015	2016	2017	2018e	2019e	2020e
adj. ROCE	27.0 %	49.0 %	58.2 %	51.9 %	33.1 %	30.7 %	37.8 %

Consolidated profit & loss

In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Sales	49.5	52.1	54.5	60.7	69.5	76.8	85.1
Change Sales yoy	20.8 %	5.1 %	4.6 %	11.4 %	14.5 %	10.5 %	10.8 %
Increase / decrease in inventory	1.6	-0.4	0.3	1.7	1.1	0.9	0.6
Own work capitalised	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Total Sales	51.2	51.8	54.8	62.4	70.6	77.7	85.7
Material expenses	25.5	22.4	25.2	27.1	29.5	31.5	34.8
Gross profit	25.7	29.3	29.6	35.3	41.1	46.2	50.9
<i>Gross profit margin</i>	<i>51.9 %</i>	<i>56.3 %</i>	<i>54.3 %</i>	<i>58.2 %</i>	<i>59.2 %</i>	<i>60.2 %</i>	<i>59.8 %</i>
Personnel expenses	14.3	15.7	16.2	17.8	22.4	24.3	26.2
Other operating income	1.0	1.2	1.3	1.3	2.4	2.4	2.3
Other operating expenses	7.8	8.0	6.8	8.6	8.9	10.1	11.1
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	4.6	6.8	7.9	10.2	12.2	14.3	16.0
<i>Margin</i>	<i>9.3 %</i>	<i>13.2 %</i>	<i>14.5 %</i>	<i>16.8 %</i>	<i>17.6 %</i>	<i>18.6 %</i>	<i>18.7 %</i>
Depreciation of fixed assets	1.3	0.5	0.5	0.5	0.5	0.5	0.6
EBITA	3.3	6.3	7.4	9.7	11.8	13.8	15.4
Amortisation of intangible assets	0.3	0.4	0.6	0.5	1.5	2.3	2.3
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	3.0	5.9	6.8	9.1	10.2	11.5	13.1
<i>Margin</i>	<i>6.1 %</i>	<i>11.4 %</i>	<i>12.6 %</i>	<i>15.0 %</i>	<i>14.7 %</i>	<i>14.9 %</i>	<i>15.3 %</i>
EBIT adj.	3.2	6.2	7.1	9.4	11.7	13.5	15.1
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.5	0.4	0.3	0.2	0.4	0.5	0.5
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	2.3	6.4	6.5	9.0	9.8	11.0	12.6
<i>Margin</i>	<i>4.7 %</i>	<i>12.3 %</i>	<i>12.0 %</i>	<i>14.7 %</i>	<i>14.1 %</i>	<i>14.3 %</i>	<i>14.8 %</i>
Total taxes	0.5	1.7	1.7	2.9	3.2	3.4	3.6
Net income from continuing operations	1.8	4.7	4.8	6.1	6.7	7.6	8.9
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	1.8	4.7	4.8	6.1	6.7	7.6	8.9
Minority interest	0.7	1.6	1.1	1.4	0.9	1.1	1.3
Net income	1.1	3.0	3.7	4.6	5.8	6.5	7.6
<i>Margin</i>	<i>2.3 %</i>	<i>5.8 %</i>	<i>6.7 %</i>	<i>7.6 %</i>	<i>8.3 %</i>	<i>8.4 %</i>	<i>9.0 %</i>
Number of shares, average	4.8	4.8	4.8	4.8	5.0	5.1	5.1
EPS	0.23	0.64	0.76	0.97	1.15	1.28	1.51
EPS adj.	0.27	0.67	0.80	1.00	1.34	1.55	1.79

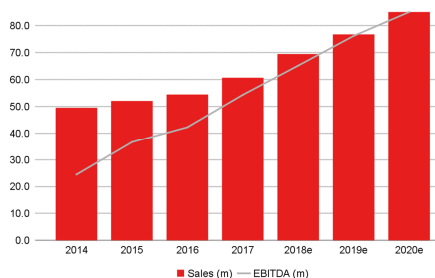
*Adjustments made for:

Guidance: Sales EUR 66.0-68.0m, EBIT EUR 10.0m

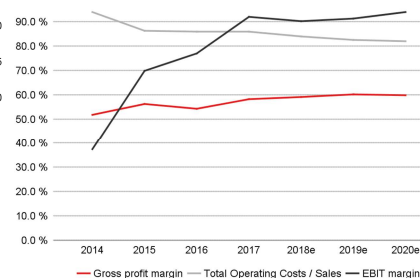
Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Total Operating Costs / Sales	94.0 %	86.3 %	86.0 %	86.0 %	84.0 %	82.6 %	82.0 %
Operating Leverage	1.2 x	18.8 x	3.3 x	2.9 x	0.8 x	1.1 x	1.3 x
EBITDA / Interest expenses	8.8 x	16.4 x	24.1 x	50.0 x	30.7 x	29.4 x	32.9 x
Tax rate (EBT)	23.0 %	26.9 %	26.5 %	32.2 %	32.2 %	30.8 %	28.9 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

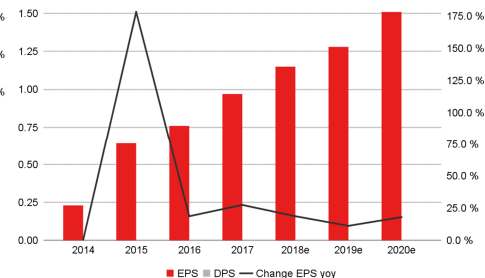
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

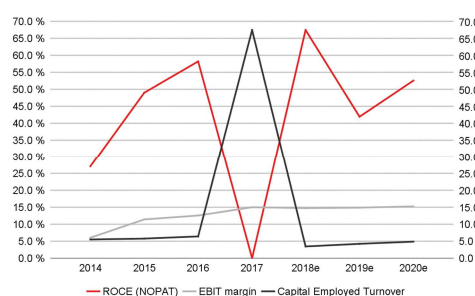
Consolidated balance sheet

In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Assets							
Goodwill and other intangible assets	3.3	3.2	3.9	10.7	21.0	18.8	16.6
thereof other intangible assets	0.7	0.5	1.4	1.2	1.7	1.6	1.7
thereof Goodwill	2.6	2.7	2.4	9.3	19.2	17.0	14.8
Property, plant and equipment	1.5	1.4	1.5	2.0	2.2	2.4	2.5
Financial assets	0.0	0.0	0.0	0.7	0.0	0.0	0.0
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	4.9	4.6	5.4	13.4	23.2	21.2	19.1
Inventories	7.4	6.4	6.7	8.4	9.5	10.4	10.9
Accounts receivable	4.2	6.0	4.6	6.2	6.7	6.9	7.7
Liquid assets	6.4	8.3	10.6	19.6	22.3	29.8	38.2
Other short-term assets	1.3	0.9	1.4	1.6	1.6	1.6	1.6
Current assets	19.3	21.6	23.3	35.8	40.1	48.6	58.4
Total Assets	24.1	26.2	28.7	49.1	63.3	69.8	77.5
Liabilities and shareholders' equity							
Subscribed capital	4.8	4.8	4.8	4.8	5.1	5.1	5.1
Capital reserve	0.6	0.6	0.0	0.0	4.3	4.3	4.3
Retained earnings	0.0	0.0	4.2	4.0	6.7	12.7	20.1
Other equity components	-2.1	1.1	0.5	4.6	0.3	0.3	0.3
Shareholders' equity	3.3	6.5	9.5	13.4	16.3	22.3	29.8
Minority interest	3.5	4.4	4.1	3.3	3.5	3.5	3.5
Total equity	6.8	10.9	13.6	16.7	19.9	25.9	33.3
Provisions	2.8	5.0	5.9	23.3	15.7	15.7	15.7
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	8.5	6.2	5.3	3.7	22.1	22.1	22.1
thereof short-term financial liabilities	3.2	1.5	5.3	3.7	2.3	2.3	2.3
Accounts payable	2.2	1.3	1.8	2.4	2.7	3.2	3.5
Other liabilities	3.8	2.8	2.0	3.0	3.0	3.0	3.0
Liabilities	17.4	15.3	15.1	32.4	43.4	43.9	44.2
Total liabilities and shareholders' equity	24.1	26.2	28.7	49.1	63.3	69.8	77.5

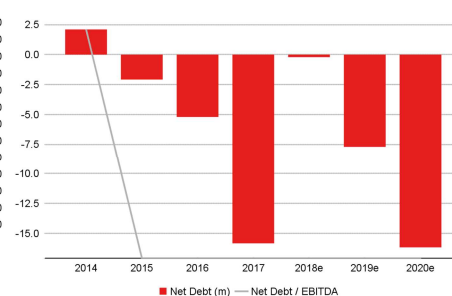
Financial Ratios

	2014	2015	2016	2017	2018e	2019e	2020e
Efficiency of Capital Employment							
Operating Assets Turnover	4.6 x	4.2 x	4.9 x	4.3 x	4.4 x	4.7 x	4.8 x
Capital Employed Turnover	5.6 x	5.9 x	6.5 x	67.8 x	3.5 x	4.2 x	5.0 x
ROA	23.1 %	66.3 %	67.3 %	34.7 %	24.8 %	30.6 %	40.0 %
Return on Capital							
ROCE (NOPAT)	27.0 %	49.0 %	58.2 %	n.a.	67.4 %	41.9 %	52.6 %
ROE	43.4 %	62.4 %	45.7 %	40.4 %	38.8 %	33.5 %	29.3 %
Adj. ROE	50.0 %	66.1 %	48.0 %	41.9 %	45.4 %	40.7 %	34.8 %
Balance sheet quality							
Net Debt	2.1	-2.1	-5.2	-15.8	-0.2	-7.7	-16.2
Net Financial Debt	2.1	-2.1	-5.2	-15.8	-0.2	-7.7	-16.2
Net Gearing	31.0 %	-19.1 %	-38.1 %	-94.6 %	-1.1 %	-29.8 %	-48.5 %
Net Fin. Debt / EBITDA	45.8 %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	0.7	1.4	2.0	2.8	3.2	4.4	5.9
Book value per share ex intangibles	0.0	0.7	1.2	0.6	-0.9	0.7	2.6

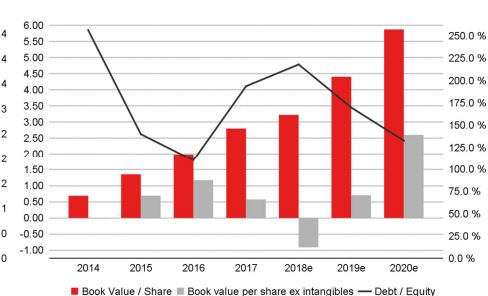
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

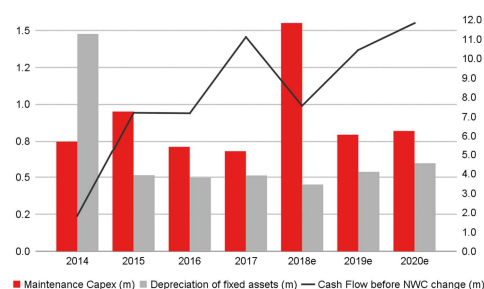
In EUR m	2014	2015	2016	2017	2018e	2019e	2020e
Net income	1.8	4.7	4.8	6.1	6.7	7.6	8.9
Depreciation of fixed assets	1.5	0.5	0.5	0.5	0.5	0.5	0.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.3	0.4	0.6	0.5	1.5	2.3	2.3
Increase/decrease in long-term provisions	-1.2	2.2	0.4	2.1	0.0	0.0	0.0
Other non-cash income and expenses	-0.5	-0.6	0.9	1.9	-1.1	0.0	0.0
Cash Flow before NWC change	1.8	7.2	7.2	11.1	7.5	10.4	11.8
Increase / decrease in inventory	-1.5	1.0	-0.4	-1.7	-1.1	-0.9	-0.5
Increase / decrease in accounts receivable	0.0	-1.9	1.4	-1.7	-0.5	-0.2	-0.8
Increase / decrease in accounts payable	1.2	-1.0	0.5	0.6	0.3	0.5	0.3
Increase / decrease in other working capital positions	0.0	-0.8	-2.6	0.6	0.0	0.0	0.0
Increase / decrease in working capital (total)	-0.3	-2.6	-1.0	-2.1	-1.3	-0.6	-1.0
Net cash provided by operating activities [1]	1.6	4.6	6.1	9.0	6.3	9.8	10.8
Investments in intangible assets	-0.2	-0.4	-0.1	-0.1	-0.9	-0.1	-0.1
Investments in property, plant and equipment	-0.6	-0.5	-0.6	-0.6	-0.7	-0.7	-0.7
Payments for acquisitions	0.0	0.0	-1.1	0.0	-19.4	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	-0.6	0.0	0.0
Income from asset disposals	0.0	1.4	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-0.7	0.5	-1.8	-0.6	-20.4	-0.8	-0.8
Change in financial liabilities	-2.2	-3.1	-0.8	-1.5	18.3	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	-1.0	-1.5	-1.5	-1.5	-1.5	-1.5
Net cash provided by financing activities [3]	-2.2	-4.0	-2.3	-3.1	16.8	-1.5	-1.5
Change in liquid funds [1]+[2]+[3]	-1.4	1.1	2.0	5.3	2.7	7.5	8.5
Effects of exchange-rate changes on cash	0.5	0.4	0.6	-0.7	0.0	0.0	0.0
Cash and cash equivalent at end of period	6.3	7.9	10.4	19.5	22.3	29.8	38.2

Financial Ratios

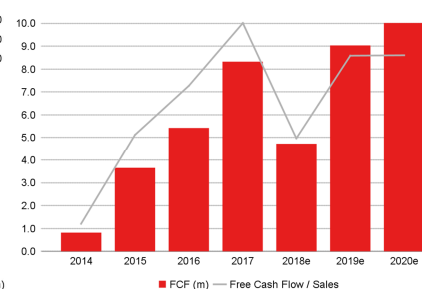
	2014	2015	2016	2017	2018e	2019e	2020e
Cash Flow							
FCF	0.8	3.7	5.4	8.3	4.7	9.0	10.0
Free Cash Flow / Sales	1.7 %	7.0 %	10.0 %	13.7 %	6.8 %	11.8 %	11.8 %
Free Cash Flow Potential	3.1	5.0	5.5	6.6	7.5	10.1	11.5
Free Cash Flow / Net Profit	72.8 %	120.0 %	148.3 %	179.7 %	82.0 %	139.2 %	131.1 %
Interest Received / Avg. Cash	0.2 %	0.4 %	0.3 %	0.2 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	5.4 %	5.7 %	5.7 %	4.5 %	3.1 %	2.2 %	2.2 %
Management of Funds							
Investment ratio	1.5 %	1.8 %	1.3 %	1.1 %	2.2 %	1.0 %	1.0 %
Maint. Capex / Sales	1.5 %	1.8 %	1.3 %	1.1 %	2.2 %	1.0 %	1.0 %
Capex / Dep	47.9 %	103.9 %	66.4 %	64.1 %	78.3 %	28.0 %	28.3 %
Avg. Working Capital / Sales	17.6 %	19.6 %	18.9 %	17.9 %	18.5 %	18.0 %	17.2 %
Trade Debtors / Trade Creditors	187.1 %	471.3 %	255.4 %	256.4 %	248.1 %	215.6 %	220.0 %
Inventory Turnover	3.5 x	3.5 x	3.7 x	3.2 x	3.1 x	3.0 x	3.2 x
Receivables collection period (days)	31	42	31	37	35	33	33
Payables payment period (days)	32	21	26	33	33	37	37
Cash conversion cycle (Days)	104	125	102	119	119	116	111

CAPEX and Cash Flow

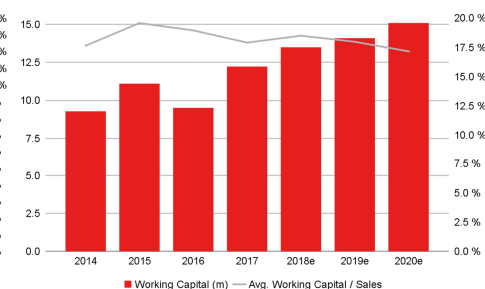
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Nynomic	2, 3, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A0MSN11.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.

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Rating	Number of stocks	% of Universe
Buy	128	62
Hold	67	33
Sell	3	1
Rating suspended	7	3
Total	205	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	34	72
Hold	11	23
Sell	0	0
Rating suspended	2	4
Total	47	100

PRICE AND RATING HISTORY NYNOMIC AS OF 22.11.2018



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.

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