



Company Flash Note

Reason: Company newsflow

24 October 2018

Buy

Recommendation unchanged

Share price: EUR 15.30

closing price as of 23/10/2018

Target price: EUR 27.40

Target Price unchanged

Upside/Downside Potential 79.1%

Reuters/Bloomberg SIGS.DE/SIS GR

Market capitalisation (EURm) 156

Current N° of shares (m) 10

Free float 53%

Daily avg. no. trad. sh. 12 mth 26

Daily avg. trad. vol. 12 mth (m) 374.35

Price high/low 12 months 15.30 / 30.50

Abs Perfs 1/3/12 mths (%) -18.18/-31.39/-21.42

Key financials (EUR)

	12/17	12/18e	12/19e
Sales (m)	148	157	168
EBITDA (m)	20	23	23
EBITDA margin	13.3%	14.4%	13.9%
EBIT (m)	11	12	14
EBIT margin	7.2%	7.9%	8.0%
Net Profit (adj.)(m)	4	7	8
ROCE	6.0%	7.0%	7.6%
Net debt/(cash) (m)	23	20	15
Net Debt Equity	0.3	0.2	0.2
Net Debt/EBITDA	1.2	0.9	0.6
Int. cover(EBITDA/Fin.int)	10.6	10.5	10.8
EV/Sales	1.7	1.1	1.0
EV/EBITDA	12.6	7.9	7.4
EV/EBITDA (adj.)	14.2	8.7	8.2
EV/EBIT	23.4	14.4	12.8
P/E (adj.)	nm	22.8	20.4
P/BV	2.8	1.8	1.7
OpFCF yield	1.2%	2.7%	4.5%
Dividend yield	1.0%	1.2%	1.3%
EPS (adj.)	0.40	0.67	0.75
BVPS	7.91	8.42	8.99
DPS	0.16	0.18	0.20

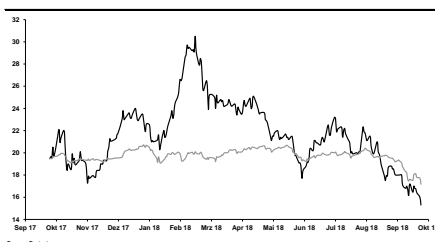
Q3 '18 prelims see First Sensor on track

Q3 '18 preliminary key figures signal that First Sensor (FIS) is on track and so far it is no surprise that the company confirmed their full-year financial guidance. Mid- to long-term we confirm our view that the group will benefit from various megatrends related to FIS's three target markets. We argue for more differentiation within the peers and confirm our Buy recommendation and target price.

- ✓ **Q3' 18 profit in line:** First Sensor unexpected yesterday published some first key data for Q3/9M 2018. Q3 '18 group sales amounted to EUR 40.8m and compares to our estimate of EUR 41.5m. The preliminary Q3 EBIT amounted to EUR 4.6m (equinet: EUR 4.3m). 9M '18 group sales of EUR 115.1m compare to our forecast of EUR 115.9m.
- ✓ **Q3 with strong EBIT-margin:** The EBIT-margin in Q3 reached a favourable level of 11.3% (Q1: 3.1%; Q2: 7.5%) and beat our estimate of 10.4%. It seems that, among other factors, First Sensor's strategy to focus on higher volumes with key customers and key products bears fruits.
- ✓ **On track for FY 2018:** The company again confirmed the full-year 2018 guidance. Group sales should reach EUR 150-160m while we are expecting EUR 157m. Therefore in Q4 a figure of EUR 41.1m (again > EUR 40m!) is necessary. The EBIT-margin is expected to reach a corridor between 7-9%, and that compares to our estimate of 7.9%.
- ✓ **Key risks** comprise among other factors: 1) FIS might not keep the speed with regard to new, innovative products and as a result could lose market share over time. 2) FIS will not meet timely all defined milestones of their overall strategy plan, what can result in a lower than expected profitability. 3) Hiring of new and skilled employees could become more challenging.
- ✓ **9M/Q3 results: 12 November 2018**

Shareholders

FS Technology Holding S.à.r.l. 36%; Midlin NV 6%; Gerlin NV 5%;



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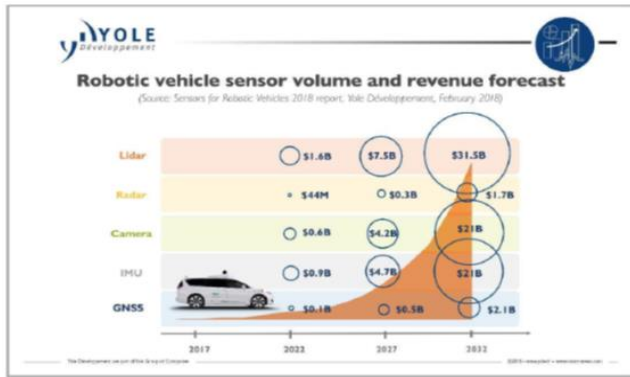
Exhibit 1: First Sensor at a glance

Business Units	Industrial	Medical	Mobility	
Products/ applications	A wide range of standardized and customized sensors in such applications as length measurement, radiation and security, Smart Building, industrial process control and aerospace	First Sensor offers solutions measuring pressure, flow, liquid level, oxygen, light, radiation and acceleration for such areas as breathing and respiration, dialysis, endoscopy, and diagnostics.	In the segment Mobility, First Sensor develops and manufactures sensor devices in such applications as advanced driver assistance systems (ADAS) and OEM pressure sensors and camera solutions	
Customers	A broad range of industrial end-markets	OEMs for medical devices	Automotive OEMs and large suppliers, retrofitters	
	A broad customer base of c. 2.000 business clients	Roche, Fresenius, Siemens, Draegerwerke	Daimler Trucks, VW, FUSO, Volvo, Renault, Paccar, Hella, Delphi, Velodyne, Autoliv, Kenworth, DAF, Navistar, Western Star	
Market share/ positioning	No concrete figures disclosed; most likely strong position in industrial pressure sensors and optical sensor solutions	Most likely strong position in pressure and flow	No concrete figures disclosed; most likely above average position pressure sensors; optical sensors (e.g. LIDAR systems) with strong growth in upcoming years	
Drivers	A) Development of Industry 4.0, B) Demand for process automation	A) Miniaturization of medical technology, B) increasing demand for intelligent solutions, which analyse and communicate the measured data, C) general e-health trend	A) Autonomous driving, B) Green mobility	
Main competitors	Hamamatsu, Amphenol Advanced Sensors, Excelitas, Detection Technology, Smi Pressure Sensors	Honeywell, all sensors, Merit Sensor, OSI Systems, Sensirion	Bosch, Hamamatsu, Excelitas, Sensata Technologies	
Entry barriers/ competitive advantage	Positioned in strategic target markets which are of limited interest for large players; FIS covers the entire value chain for sensor solution systems; focus on individual solutions for specific customer needs; higher pricing power for sensor system solutions due to high complexity; lower pricing power in the direction of suppliers;			
Strategy & Guidance	<p>Strategy: Higher profitability</p> <p>(I) Targets and Markets (II) Key Customer & Products (III) Forward integration (IV) Internationalization</p> <p>Guidance 2018e (First Sensor): Revenue: EUR 150-160m y/y 1.7% - 8.5% EBIT 7.0% - 9.0%</p> <p>equinet Estimates Revenue: EUR 157m y/y 6.4% EBIT 7.9%</p> <p>Consensus n.a. n.a.</p>			
2017	Sales (EURm) 147.5	EBITDA (EURm) 19.6 Margin 13.3%	EBIT adj. (EURm) 10.6 Margin 7.2%	Sales 5Y hist CAGR 5.7% Organic growth y/y n.a.
Sales & EBIT Split	<p>Sales split by region</p> <p>Sales split by division</p>		<p>Group sales development</p>	
Shareholder structure & management	<p>CEO Dr. Dirk Rothweiler CEO (appointed until end of 2019)</p> <ul style="list-style-type: none"> • Background in physics • EVP Optical Systems at Jenoptik • Vice President Sales & Service at TCZ • MD Asia-Pacific for Süss Microtec AG 	<p>CFO Dr. Mathias Gollwitzer CFO (appointed until 2022)</p> <ul style="list-style-type: none"> • Head of group controlling, EnBW • CFO Mercedes-Benz France SAS • Head of Corporate Controlling, DaimlerChrysler AG 	<p>Shareholder structure</p>	
# of employees FY 2017	798 (FTE)			

Source: Company data, equinet Research

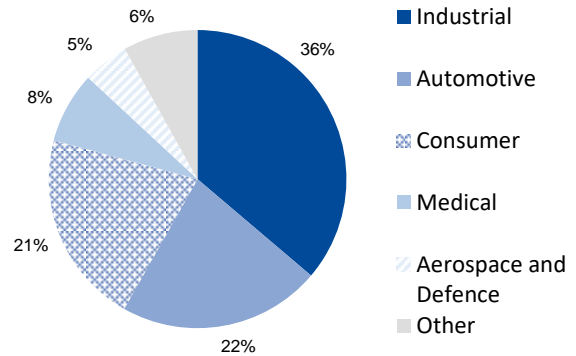
Investment Case in Charts

Exhibit 2: Tremendous growth expected in Automotive



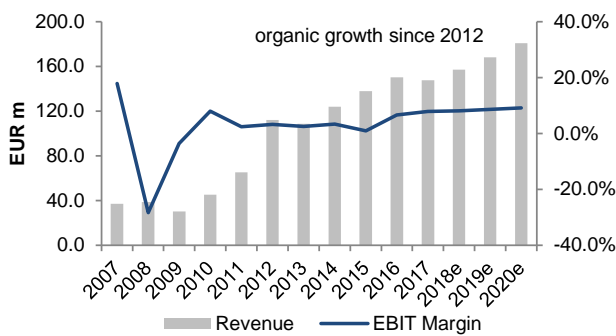
Source: Yole Développement

Exhibit 3: FIS active in 4-5 sensor market segments



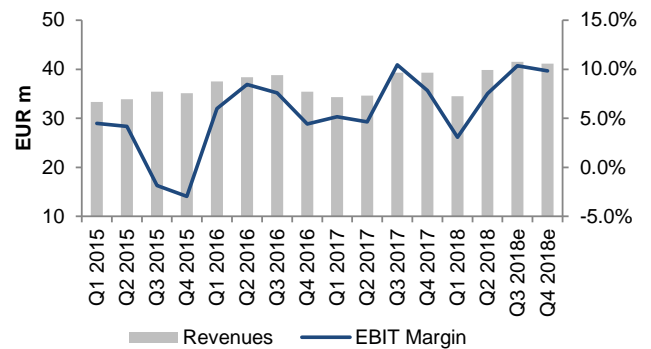
Source: AMR, BCC, R&M, equinet Research

Exhibit 4: EBIT-margin improvement long-term . . .



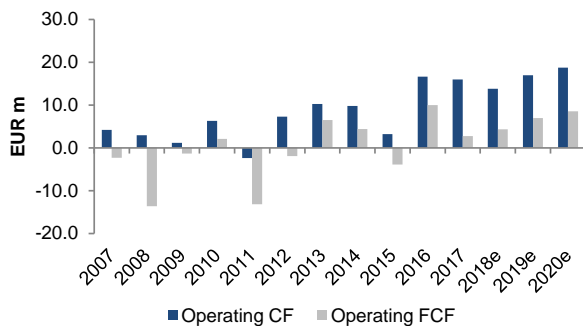
Source: Company data, equinet Research

Exhibit 5: and short-term



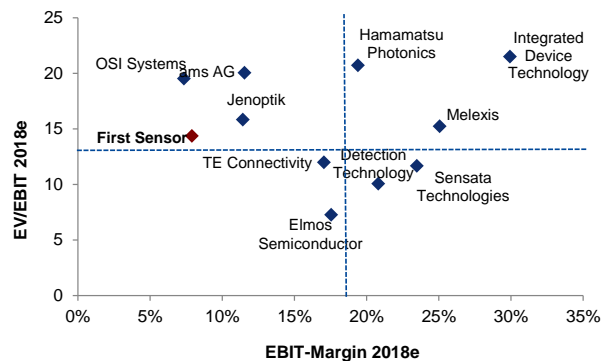
Source: Company data, equinet Research

Exhibit 6: FIS a strong cash flow generator



Source: Company data, equinet Research

Exhibit 7: EBIT-margin and multiple landscape



Source: FactSet, equinet Research

First Sensor AG : Summary tables

PROFIT & LOSS (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Sales	124	138	150	148	157	168
Cost of Sales & Operating Costs	-113	-129	-131	-130	-137	-147
Non Recurrent Expenses/Income	2.5	3.2	0.2	2.3	2.2	2.2
EBITDA	13.1	11.5	19.4	19.6	22.6	23.3
EBITDA (adj.)*	10.6	8.4	19.3	17.3	20.4	21.1
Depreciation	-6.5	-7.2	-7.1	-6.8	-8.0	-7.6
EBITA	6.6	4.4	12.4	12.8	14.6	15.7
EBITA (adj)*	4.1	1.2	12.2	10.6	12.4	13.5
Amortisations and Write Downs <i>of which PPA amortisation</i>	-2.5	-3.2	-2.4	-2.3	-2.2	-2.2
EBIT	4.1	1.2	10.0	10.6	12.4	13.5
EBIT (adj.)*	4.1	1.2	12.2	10.6	12.4	13.5
Net Financial Interest	-2.4	-2.4	-1.8	-1.9	-2.1	-2.2
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.5	-1.5	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	1.7	-1.2	8.7	7.2	10.2	11.4
Tax	-1.3	-0.4	-2.6	-2.8	-3.1	-3.4
<i>Tax rate</i>	<i>76.3%</i>	<i>n.m.</i>	<i>30.2%</i>	<i>38.9%</i>	<i>30.0%</i>	<i>30.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	-0.2	-0.2	-0.3	-0.2	-0.3	-0.3
Net Profit (reported)	0.2	-1.7	5.7	4.1	6.9	7.7
Net Profit (adj.)	0.2	-1.7	5.8	4.1	6.9	7.7
CASH FLOW (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Cash Flow from Operations before change in NWC	11.4	9.5	15.8	17.8	15.8	17.5
Change in Net Working Capital	-1.6	-6.3	0.8	-1.8	-2.0	-0.5
Cash Flow from Operations	9.8	3.2	16.6	16.0	13.8	17.0
Capex	-5.4	-7.1	-6.6	-13.2	-9.5	-10.0
Net Financial Investments	1.1	2.0	0.1	0.7	0.0	0.0
Free Cash Flow	5.5	-1.9	10.1	3.5	4.3	7.0
Dividends	0.0	0.0	0.0	0.0	-1.6	-1.8
Other (incl. Capital Increase & share buy backs)	0.0	0.0	0.0	0.0	0.0	0.0
Change in Net Debt	5.5	-1.9	10.1	3.5	2.7	5.1
NOPLAT	2.9	0.8	8.5	7.4	8.7	9.5
BALANCE SHEET & OTHER ITEMS (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Net Tangible Assets	36.4	35.0	33.0	36.4	36.7	36.4
Net Intangible Assets (incl. Goodwill)	52.2	49.6	49.1	48.9	47.9	48.4
Net Financial Assets & Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Fixed Assets	88.7	84.6	82.1	85.3	84.6	84.8
Inventories	29.9	27.1	25.9	24.6	25.8	26.3
Trade receivables	8.6	17.0	18.4	20.8	21.8	22.1
Other current assets	4.8	4.7	3.8	3.4	3.7	3.8
Cash (-)	-14.5	-21.5	-23.8	-25.5	-29.1	-34.6
Total Current Assets	57.8	70.4	71.9	74.3	80.5	86.8
Total Assets	146	155	154	160	165	172
Shareholders Equity	71.6	70.7	76.5	80.8	86.0	91.8
Minority	0.4	0.6	0.9	1.2	1.2	1.2
Total Equity	72.0	71.3	77.4	82.0	87.2	93.0
Long term interest bearing debt	35.3	44.5	37.2	36.3	36.3	35.6
Provisions	0.5	0.7	0.3	0.3	0.3	0.3
Other long term liabilities	13.0	11.8	8.1	7.4	7.5	7.6
Total Long Term Liabilities	48.8	57.0	45.6	44.0	44.1	43.5
Short term interest bearing debt	9.0	10.0	11.0	12.0	13.0	14.0
Trade payables	8.2	7.6	8.6	7.9	8.1	8.3
Other current liabilities	8.5	9.1	11.4	13.7	12.7	12.7
Total Current Liabilities	25.7	26.7	31.0	33.6	33.8	35.0
Total Liabilities and Shareholders' Equity	146	155	154	160	165	172
Net Capital Employed	115	117	110	113	115	116
Net Working Capital	30.3	36.5	35.7	37.5	39.5	40.1
GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
<i>Sales growth</i>	<i>14.2%</i>	<i>11.1%</i>	<i>9.0%</i>	<i>-1.7%</i>	<i>6.4%</i>	<i>7.0%</i>
EBITDA (adj.)* growth	-32.3%	-20.9%	129.5%	-9.9%	17.6%	3.6%
<i>EBITA (adj.)* growth</i>	<i>-43.8%</i>	<i>-70.7%</i>	<i>916.7%</i>	<i>-13.5%</i>	<i>17.4%</i>	<i>9.2%</i>
<i>EBIT (adj)* growth</i>	<i>-43.8%</i>	<i>-70.7%</i>	<i>916.7%</i>	<i>-13.5%</i>	<i>17.4%</i>	<i>9.2%</i>



First Sensor AG : Summary tables

GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Net Profit growth	-93.5%	n.m.	n.m.	-28.2%	66.3%	11.4%
EPS adj. growth	-93.6%	n.m.	n.m.	-28.3%	66.3%	11.4%
DPS adj. growth				n.m.	12.5%	11.1%
EBITDA (adj)* margin	8.6%	6.1%	12.8%	11.8%	13.0%	12.6%
EBITA (adj)* margin	3.3%	0.9%	8.1%	7.2%	7.9%	8.0%
EBIT (adj)* margin	3.3%	0.9%	8.1%	7.2%	7.9%	8.0%
RATIOS	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Net Debt/Equity	0.4	0.5	0.3	0.3	0.2	0.2
Net Debt/EBITDA	2.3	2.9	1.3	1.2	0.9	0.6
Interest cover (EBITDA/Fin.interest)	5.4	4.9	10.8	10.6	10.5	10.8
Capex/D&A	60.2%	68.5%	70.1%	145.4%	93.1%	102.0%
Capex/Sales	4.4%	5.1%	4.4%	8.9%	6.1%	6.0%
NWC/Sales	24.4%	26.5%	23.8%	25.4%	25.2%	23.8%
ROE (average)	0.2%	-2.4%	7.8%	5.3%	8.2%	8.6%
ROCE (adj.)	2.4%	0.7%	7.2%	6.0%	7.0%	7.6%
WACC	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%
ROCE (adj.)/WACC	0.3	0.1	1.0	0.9	1.0	1.1
PER SHARE DATA (EUR)***	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Average diluted number of shares	10.0	10.2	10.2	10.2	10.2	10.2
EPS (reported)	0.02	-0.17	0.56	0.40	0.67	0.75
EPS (adj.)	0.02	-0.17	0.56	0.40	0.67	0.75
BVPS	7.12	6.96	7.49	7.91	8.42	8.99
DPS	0.00	0.00	0.00	0.16	0.18	0.20
VALUATION	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
EV/Sales	1.0	1.2	1.2	1.7	1.1	1.0
EV/EBITDA	9.8	13.9	8.9	12.6	7.9	7.4
EV/EBITDA (adj.)*	12.1	19.1	9.0	14.2	8.7	8.2
EV/EBITA	19.5	36.8	14.1	19.2	12.2	11.0
EV/EBITA (adj.)*	31.3	133.5	14.2	23.4	14.4	12.8
EV/EBIT	31.3	n.m.	17.4	23.4	14.4	12.8
EV/EBIT (adj.)*	31.3	n.m.	14.2	23.4	14.4	12.8
P/E (adj.)	n.m.	n.m.	25.7	n.m.	22.8	20.4
P/BV	1.4	1.8	1.9	2.8	1.8	1.7
Total Yield Ratio	0.0%	0.0%	0.0%	1.0%	1.2%	1.3%
EV/CE	1.1	1.3	1.5	2.0	1.4	1.4
OpFCF yield	4.5%	-3.1%	6.8%	1.2%	2.7%	4.5%
OpFCF/EV	3.4%	-2.4%	5.8%	1.1%	2.4%	4.0%
Payout ratio	0.0%	0.0%	0.0%	39.6%	26.8%	26.7%
Dividend yield (gross)	0.0%	0.0%	0.0%	1.0%	1.2%	1.3%
EV AND MKT CAP (EURm)	12/2014	12/2015	12/2016	12/2017	12/2018e	12/2019e
Price** (EUR)	9.75	12.44	14.50	21.76	15.30	15.30
Outstanding number of shares for main stock	10.0	10.2	10.2	10.2	10.2	10.2
Total Market Cap	98	126	148	222	156	156
Net Debt	30	33	24	23	20	15
<i>o/w Cash & Marketable Securities (-)</i>	<i>-15</i>	<i>-22</i>	<i>-24</i>	<i>-26</i>	<i>-29</i>	<i>-35</i>
<i>o/w Gross Debt (+)</i>	<i>44</i>	<i>55</i>	<i>48</i>	<i>48</i>	<i>49</i>	<i>50</i>
Other EV components	1	1	1	2	1	1
Enterprise Value (EV adj.)	128	160	174	247	178	173

Source: Company, equinet Bank estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) -/+ Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT -/+ Non Recurrent Expenses/Income - PPA amortisation

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

Sector: Technology Hardware & Equipment/Technology Hardware & Equipment

Company Description: First Sensor engages in the development and manufacture of sensors, components and sensor solutions. The company serves the target markets Industrial, Medical and Mobility. The product portfolio include, among others, pressure, optical, radiation, flow, level and inertial sensors, cameras and power semiconductors. The company was founded in 1991 and is located in Berlin, Germany.

Recommendation and Disclosures

Coverage	Analyst	Target	Rating	Disc.	Coverage	Analyst	Target	Rating	Disc.
1&1DRILLISCHAG	Sen	66.00	Buy		Logwin	Mildner	165.00	Accumulate	2/3
2GEnergy	Rüzgar	23.50	Accumulate	2/3/5	Manz AG	Rüzgar	37.00	Neutral	2/3
Aareal Bank	Häßler	41.00	Buy		MAXAutomation SE	Becker	6.70	Buy	2/3
adidas	Josefson	228.00	Accumulate		Merck	Berzhanin	112.00	Buy	
Adler Modemaerkte	Josefson	6.35	Buy	7	Merkur Bank	Häßler	10.00	Buy	2/7
ADLER Real Estate	Mayer	20.00	Buy		MetroAG	Bruns	17.00	Buy	
Aixtron	Sen	14.00	Buy	2/3	MLP	Häßler	7.50	Buy	2/3
Allianz	Häßler	220.00	Buy		MTU Aero Engines	Rüzgar	155.00	Reduce	2
Axel Springer	Josefson	67.00	Accumulate		Munich Re	Häßler	210.00	Accumulate	
Bayer	Berzhanin	96.00	Buy		Nemetschek SE	Mildner	47.00	Reduce	5
Baywa	Bruns	33.00	Buy	2/7	Norma Group	Schuldt	54.00	Neutral	
BB Biotech	Berzhanin	73.00	Buy	7	OHB SE	Rüzgar	40.00	Buy	7
Biotest	Berzhanin	24.10	Neutral	2/3	OVB Holding AG	Häßler	20.00	Buy	2/5/7
BMW	Schuldt	91.00	Buy		Patrizia	Mayer	20.00	Accumulate	
Brenntag	Hinkel	59.80	Buy	2	Pfeiffer Vacuum	Sen	162.00	Buy	5
Ceconomy AG	Bruns	5.00	Neutral		Procredit Holding	Häßler	15.00	Buy	2/3/5
comdirect	Häßler	13.50	Buy	7	PSI SOFTWARE AG	Mildner	20.00	Buy	2/3
Commerzbank	Häßler	9.20	Neutral		Puma	Josefson	565.00	Buy	
Continental	Schuldt	230.00	Buy		PWO	Schuldt	50.00	Buy	2/3
CORESTATE Capital Holding S.A.	Mayer	66.00	Buy	2/5	Rheinmetall	Rüzgar	80.00	Neutral	
CTS Eventim	Heilmann	37.50	Reduce		RIB Software	Mildner	25.00	Buy	2/3
Daimler AG	Schuldt	64.00	Buy		RTL Group	Josefson	72.00	Accumulate	
Daldrup & Soehne	Becker	13.20	Buy	2/3/5	S&TAG	Sen	27.00	Buy	2/3
Demire	Mayer	4.80	Accumulate	2/5	SAF-Holland	Schuldt	13.80	Accumulate	
Deutsche Bank	Häßler	14.00	Buy		Schaeffler	Tanzer	14.30	Buy	
Deutsche EuroShop	Mayer	30.00	Neutral		Schaltbau Holding AG	Becker	32.90	Buy	2/7
Deutsche Pfandbriefbank	Häßler	14.50	Accumulate		SCOUT24	Heilmann	44.00	Neutral	2
Deutsche Telekom	Sen	13.30	Neutral		Siegfried Holding AG	Berzhanin	399.00	Neutral	7
Duerr	Augustin	30.00	Neutral		Siemens Healthineers AG	Rüzgar	39.00	Neutral	2
DWS	Häßler	34.00	Buy		SLM Solutions	Sen	15.00	Sell	
EringKlinger	Schuldt	7.00	Sell		SMT Scharf AG	Rüzgar	18.00	Neutral	2/3
elumeo SE	Josefson	10.90	Accumulate		Software AG	Mildner	30.00	Sell	
Epigenomics AG	Berzhanin	3.70	Buy	2/3	Stabilus	Tanzer	91.00	Buy	
Euroimicon AG	Becker	11.40	Buy	2/3/5	Suedzucker	Bruns	11.70	Reduce	
Evonik	Hinkel	41.00	Buy		SuessMicroTec	Sen	13.80	Accumulate	
Eyemax Real Estate	Mayer	18.00	Buy	2/5/7	Surteco Group	Mildner	26.50	Buy	2/3
Ferratum	Häßler	23.00	Buy		Symrise AG	Hinkel	67.00	Neutral	
Fielmann	Heilmann	55.00	Neutral		Szygy AG	Heilmann	11.50	Accumulate	2/3
First Sensor AG	Becker	27.40	Buy	7	TAKKTAG	Bruns	18.50	Neutral	2
Freetec	Sen	36.00	Buy	2	Talanx Group	Häßler	39.00	Buy	
FuchsPetrolub	Hinkel	48.00	Neutral		Technotrans	Becker	43.00	Accumulate	2/3
Gea Group	Augustin	33.00	Neutral		TELECOLUMBUS	Sen	4.80	Buy	
Gerresheimer AG	Rüzgar	69.00	Neutral		Telefonica Deutschland	Sen	3.40	Sell	
Gerry Weber	Josefson	3.80	Reduce		United Internet	Sen	63.00	Buy	
Gesco	Becker	35.60	Buy	2/3	Vapiano	Bruns	20.00	Buy	2/7
GFT Technologies	Mildner	15.50	Buy	2/3	va-Q-tec	Sen	12.00	Buy	2/3
Gigaset	Sen	0.85	Accumulate	2/3	Viscom	Rüzgar	28.00	Buy	2/3
Grenke	Häßler	90.00	Neutral		Volkswagen	Schuldt	154.00	Neutral	
Hannover Re	Häßler	110.00	Neutral		Wacker Neuson SE	Becker	24.10	Neutral	
Heidelberg Pharma	Berzhanin	3.50	Accumulate	2/3	windeln.de	Josefson	3.10	Buy	2
Heidelberg Druck	Augustin	2.90	Buy		XING SE	Heilmann	305.00	Accumulate	
HELLA GmbH & Co. KGaA	Tanzer	51.00	Accumulate		Zalando	Josefson	44.50	Neutral	
Hornbach Holding	Bruns	89.00	Buy						
Hugo Boss	Josefson	80.00	Buy						
Hypoport AG	Häßler	190.00	Neutral	2/7					
INDUS Holding AG	Becker	55.70	Neutral						
Intershop Communications AG	Mildner	1.85	Accumulate	2/7					
K+S AG	Hinkel	24.00	Buy						
Koenig & Bauer	Augustin	48.00	Neutral						
Krones AG	Augustin	118.00	Accumulate						
KWS SAAT	Hinkel	348.00	Buy						
Lanxess	Hinkel	83.00	Buy						
LEG Immobilien AG	Mayer	104.00	Accumulate						
Leoni	Schuldt	34.00	Accumulate						
Linde	Hinkel	176.00	Neutral						

* = Coverage suspended

Source: equinet Recommendations

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Buy - The stock is expected to generate a total return of over 20% during the next 12 months time horizon.

Accumulate - The stock is expected to generate a total return of 10% to 20% during the next 12 months time horizon.

Hold - The stock is expected to generate a total return of 0% to 10% during the next 12 months time horizon

Reduce - The stock is expected to generate a total return of 0 to -10% during the next 12 months time horizon

Sell - The stock is expected to generate a total return below -10% during the next 12 months time horizon

Basis of Valuation

Equinet Bank uses for valuation purposes primarily DCF-Valuations and Sum-Of-The-Parts-Valuations as well as peer group comparisons.

Share prices

Share prices in this analysis are the German closing prices of the last trading day before the publication.

Sources

Equinet Bank has made any effort to carefully research all information contained in the analysis. The information on which the analysis is based has been obtained from sources which we believe to be reliable such as, for example, Reuters, Bloomberg and the relevant press as well as the company which is the subject of the analysis. Only that part of the research note is made available to the issuer, who is the subject of the analysis, which is necessary to properly reconcile with the facts. Should this result in considerable changes a reference is made in the research note.

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-BaFin- (Federal Financial Supervisory Authority)
Graurheindorfer Straße 108, 53117 Bonn and
Marie-Curie-Str. 24-28, 60439 Frankfurt am Main

Recommendation history for FIRST SENSOR AG

Date	Recommendation	Target price	Price at change date
23. Aug 18	Buy	27.40	20.10
26. Jul 18	Buy	27.30	21.60
17. Mai 18	Accumulate	27.00	23.50

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows equinet Bank continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Winfried Becker (since 25/04/2018)



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The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.



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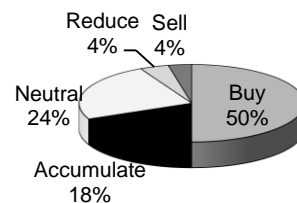
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- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months time horizon
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months time horizon
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Equinet Bank Ratings Breakdown



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website [Link](#)

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