

Buy EUR 6.60 (EUR 6.40) Price EUR 3.15 Upside 109.5 %	Value Indicators: EUR DCF: 6.63	Warburg ESG Risk Score: 2.4 ESG Score (MSCI based): 3.0 Balance Sheet Score: 4.3 Market Liquidity Score: 0.0	Description: Manufacturer of franking machines and provider of mail services.
	Market Snapshot: EUR m Market cap: 48.7 No. of shares (m): 15.5 EV: 80.5 Freefloat MC: 24.7 Ø Trad. Vol. (30d): 22.03 th	Shareholders: Freefloat 50.67 % Obotritia Capital 28.01 % Active Ownership Fund 9.51 % SALTARAX GmbH 5.00 %	Key Figures (WRe): 2022e Beta: 1.4 Price / Book: 2.0 x Equity Ratio: 14 % Net Fin. Debt / EBITDA: 0.5 x Net Debt / EBITDA: 1.1 x

Still on the right track

Stated Figures Q2/2022:							
in EUR m	Q2/22	Q2/22e	Q2/21	yoy	6M/22	6M/21	yoy
Sales	62.4	62.0	48.0	29.9%	127.6	99.5	28.2%
EBITDA	5.9	5.5	3.9	52.3%	16.3	8.8	84.2%
<i>margin</i>	<i>9.5%</i>	<i>8.9%</i>	<i>8.1%</i>		<i>12.8%</i>	<i>8.9%</i>	
EBIT	1.0	0.7	-0.6	-	6.4	-0.1	-
<i>margin</i>	<i>1.6%</i>	<i>1.1%</i>	<i>-1.2%</i>		<i>5.0%</i>	<i>-0.1%</i>	

Comment on Figures:

- On September 1, 2022, Francotyp-Postalia Holding AG announced the figures for the first half of 2022 and the second quarter of 2022. These were slightly above expectations, but Q2 is basically one of the weakest in the financial year.
- Positive currency effects of EUR 2.8m in the first half of the year supported the strong start but are not anticipated for H2.

For the Q2/H1 period, there were strong results in every business area (H1 revenues Digital Business Solutions +32% to EUR 13.4m, FP Mailing, Shipping & Office Solutions +23% to EUR 74.2m, FP Mail Services +39% to EUR 40m). As the first and second quarter were better than planned, also thanks to extraordinary effects, the business is set to normalize in the second half of 2022. The strong revenue development was partly a result of the postage rate change in the Mail Services business unit (effect on normalized revenues EUR 2.9m) and positive currency effects of EUR 2.8m in the business unit Mailing, Shipping & Office Solutions in the first half of the year. On the other hand, costs are expected to rise as sharp increases in energy and raw-material prices are weighing on the economy in general.

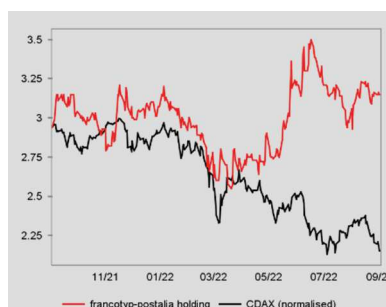
For the valuation of the share, this essentially means a confirmation with slightly improved expectations (WRe, see table below). At the same time, the risk discount in the valuation model (beta) is reduced from 1.5 to 1.4 considering the consistently good results of the company. This is offset by an increase in the risk-free rate (by 0.75% to 2.75%) due to the adjustment of the discount factors in the entire Warburg Research coverage universe in view of the new interest-rate environment. Overall, the WACC increased slightly from 8.6% to 8.8%. In addition, there is a rollover of the model (DCF).

With a derived price target of EUR 6.60 (6.40), the share continues to be rated Buy.

Changes in Estimates:						
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -
Sales	237.0	1.3 %	241.7	1.3 %	249.0	1.3 %
EBITDA	28.0	0.0 %	31.2	2.1 %	32.1	2.1 %
EBIT	9.0	-0.1 %	12.4	5.2 %	12.6	5.2 %
EPS	0.48	2.1 %	0.59	8.5 %	0.61	6.6 %

Comment on Changes:

- With the continuation of the FUTURE@ FP programme, a further improvement in earnings is expected in the midterm (e.g. rightsizing / rightshoring / post-merger integration of Azolver)
- Model: beta reduced from 1.5 to 1.4
- General interest rate increased in WR universe

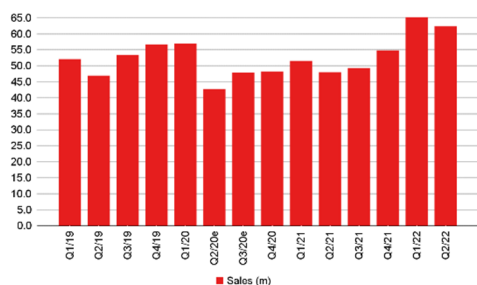


Rel. Performance vs CDAX:	
1 month:	14.3 %
6 months:	32.3 %
Year to date:	28.5 %
Trailing 12 months:	31.7 %

Company events:
24.11.22 Q3

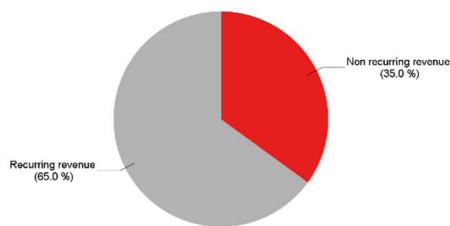
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	7.4 %	204.2	209.1	195.9	203.7	240.0	244.8	252.1
Change Sales yoy		-1.0 %	2.4 %	-6.3 %	4.0 %	17.8 %	2.0 %	3.0 %
Gross profit margin		57.0 %	60.3 %	55.8 %	53.8 %	51.7 %	52.0 %	52.0 %
EBITDA	21.1 %	17.1	33.3	8.0	18.5	28.0	31.8	32.8
Margin		8.4 %	15.9 %	4.1 %	9.1 %	11.7 %	13.0 %	13.0 %
EBIT	-	-0.3	5.9	-14.0	-0.7	9.0	13.0	13.3
Margin		-0.1 %	2.8 %	-7.1 %	-0.3 %	3.8 %	5.3 %	5.3 %
Net income	206.9 %	0.9	1.7	-15.2	0.4	7.9	10.3	10.6
EPS	219.1 %	0.06	0.11	-0.94	0.02	0.49	0.64	0.65
EPS adj.	219.1 %	0.06	0.11	-0.94	0.02	0.49	0.64	0.65
DPS	-	0.03	0.03	0.00	0.00	0.20	0.26	0.26
Dividend Yield		0.8 %	0.9 %	n.a.	n.a.	6.2 %	8.1 %	8.3 %
FCF		0.38	0.17	0.86	0.40	0.10	0.40	0.44
FCF / Market cap		10.1 %	5.0 %	26.3 %	13.0 %	3.2 %	12.8 %	14.1 %
EV / Sales		0.4 x	0.5 x	0.4 x	0.4 x	0.3 x	0.3 x	0.3 x
EV / EBITDA		5.0 x	2.9 x	10.6 x	4.5 x	3.0 x	2.5 x	2.3 x
EV / EBIT		n.a.	16.3 x	n.a.	n.a.	9.2 x	6.1 x	5.7 x
P / E		62.6 x	31.5 x	n.a.	154.2 x	6.4 x	4.9 x	4.8 x
P / E adj.		62.6 x	31.5 x	n.a.	154.2 x	6.4 x	4.9 x	4.8 x
FCF Potential Yield		2.2 %	10.0 %	-1.3 %	11.7 %	20.2 %	24.4 %	26.4 %
Net Debt		24.6	40.3	31.4	33.4	31.8	28.1	24.6
ROCE (NOPAT)		n.a.	2.6 %	n.a.	n.a.	11.9 %	15.4 %	14.8 %
Guidance:	Umsatz EUR 229-237 Mio. without curr. eff., EBITDA EUR 24-28 Mio. (2022)							

Sales development in EUR m



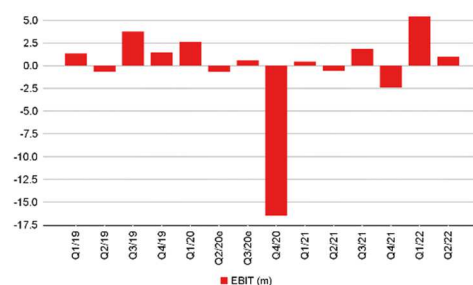
Source: Warburg Research

Recurring revenue proportion 2022e; in %



Source: Warburg Research

EBIT development in EUR m



Source: Warburg Research

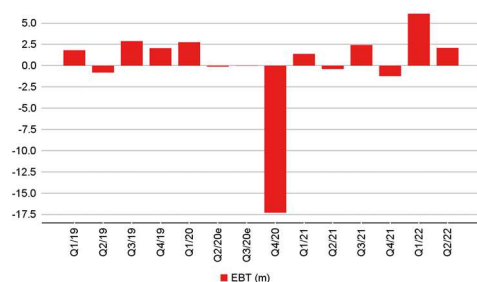
Company Background

- Francotyp-Postalia Holding AG, headquartered in Berlin, is a globally-active supplier of products and services for the postal market.
- The company was formed in 1983 with the merger of Francotyp (founded 1923) and Postalia (founded 1938) and has thus more than 80 years of experience in the postal market.
- Franking and inserting machines are still the core business activity.
- With new solutions e.g. in the field of IoT and electronic signature, the company strategically expanded its portfolio.

Competitive Quality

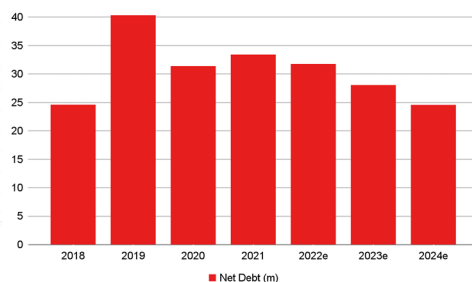
- Focusing on customers with low to medium postal needs, Francotyp Postalia caters for two stable segments in the generally difficult market for franking machines.
- The 45% market share in the German market for franking machines demonstrates its reputation as the market leader in Germany based on the following distinguishing characteristics:
 - established customer relationships and 80 years of experience in the German market with knowledge of customer demands and an efficient service network with rapid reaction times.
- The high proportion (about three-quarters) of recurring revenues as a share of total revenue underlines the successful transformation of the competitive quality into a high company quality.
- For new market entrants, Francotyp Postalia's existing customer base is an unachievable target and the franking machines niche is unattractive.

EBT development in EUR m



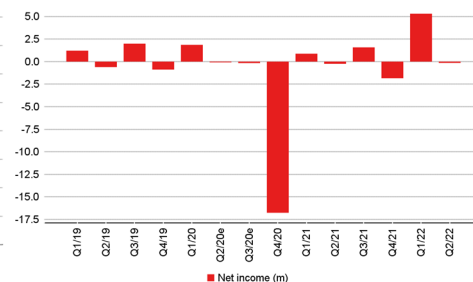
Source: Warburg Research

Net debt in EURm



Source: Warburg Research

Net income development in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	240.0	244.8	252.1	259.7	267.5	275.5	283.8	292.3	301.1	310.1	319.4	329.0	338.9	1.0 %
Sales change	17.8 %	2.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	
EBIT	9.0	13.0	13.3	15.6	16.0	16.5	17.0	17.5	18.1	18.6	19.2	19.7	20.3	6.0 %
EBIT-margin	3.8 %	5.3 %	5.3 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	
Tax rate (EBT)	30.0 %	30.0 %	30.0 %	31.0 %	31.0 %	31.0 %	33.0 %	33.0 %	33.0 %	33.0 %	33.0 %	33.0 %	33.0 %	12.8
NOPAT	6.3	9.1	9.3	10.8	11.1	11.4	11.4	11.8	12.1	12.5	12.8	13.2	13.6	
Depreciation	19.0	18.8	19.5	23.4	24.1	22.0	22.7	20.5	21.1	21.7	22.4	23.0	23.7	7.0 %
in % of Sales	7.9 %	7.7 %	7.7 %	9.0 %	9.0 %	8.0 %	8.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	1.1
Change in Liquidity from														
- Working Capital	6.2	0.6	0.9	-2.3	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.1	1.1	23.7
- Capex	21.0	24.0	24.0	28.6	26.7	24.8	19.9	20.5	21.1	21.7	22.4	23.0	23.7	
Capex in % of Sales	8.8 %	9.8 %	9.5 %	11.0 %	10.0 %	9.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %	0.0
- Other	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	
Free Cash Flow (WACC Model)	-1.9	3.3	3.9	7.9	7.6	7.8	13.3	10.8	11.1	11.4	11.7	12.1	12.4	22
PV of FCF	-1.9	3.0	3.2	6.0	5.3	5.0	7.9	5.9	5.5	5.2	5.0	4.7	4.4	102
share of PVs	2.69 %			34.13 %										63.17 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	20.00 %	Financial Strength	1.40
Cost of debt (after tax)	2.1 %	Liquidity (share)	1.40
Market return	8.25 %	Cyclicality	1.40
Risk free rate	2.75 %	Transparency	1.40
		Others	1.40
WACC	8.78 %	Beta	1.40

Valuation (m)

Present values 2034e	59		
Terminal Value	102		
Financial liabilities	48		
Pension liabilities	19		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	8	No. of shares (m)	15.5
Equity Value	102	Value per share (EUR)	6.63

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	0.25 %	0.50 %	0.75 %	1.00 %	1.25 %	1.50 %	1.75 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.63	9.8 %	4.61	4.74	4.88	5.02	5.17	5.33	5.51	1.63	9.8 %	2.83	3.56	4.29	5.02	5.75	6.48	7.21
1.51	9.3 %	5.28	5.44	5.60	5.77	5.95	6.15	6.35	1.51	9.3 %	3.45	4.22	5.00	5.77	6.54	7.32	8.09
1.46	9.0 %	5.65	5.82	6.00	6.18	6.38	6.59	6.82	1.46	9.0 %	3.79	4.59	5.39	6.18	6.98	7.78	8.58
1.40	8.8 %	6.05	6.23	6.42	6.63	6.85	7.08	7.33	1.40	8.8 %	4.16	4.98	5.80	6.63	7.45	8.27	9.10
1.34	8.5 %	6.47	6.67	6.88	7.10	7.34	7.60	7.88	1.34	8.5 %	4.55	5.40	6.25	7.10	7.95	8.80	9.65
1.29	8.3 %	6.92	7.14	7.37	7.61	7.88	8.16	8.47	1.29	8.3 %	4.98	5.86	6.74	7.61	8.49	9.37	10.25
1.17	7.8 %	7.92	8.18	8.46	8.76	9.09	9.44	9.81	1.17	7.8 %	5.94	6.88	7.82	8.76	9.71	10.65	11.59

- Francotyp generates high steady cash flows in a normal business year.

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	1.8 x	1.7 x	3.9 x	3.2 x	2.0 x	1.5 x	1.3 x
Book value per share ex intangibles	-0.46	-0.42	-1.60	-0.89	-0.59	-0.57	-0.58
EV / Sales	0.4 x	0.5 x	0.4 x	0.4 x	0.3 x	0.3 x	0.3 x
EV / EBITDA	5.0 x	2.9 x	10.6 x	4.5 x	3.0 x	2.5 x	2.3 x
EV / EBIT	n.a.	16.3 x	n.a.	n.a.	9.2 x	6.1 x	5.7 x
EV / EBIT adj.*	n.a.	16.3 x	n.a.	n.a.	9.2 x	6.1 x	5.7 x
P / FCF	9.9 x	20.1 x	3.8 x	7.7 x	30.8 x	7.8 x	7.1 x
P / E	62.6 x	31.5 x	n.a.	154.2 x	6.4 x	4.9 x	4.8 x
P / E adj.*	62.6 x	31.5 x	n.a.	154.2 x	6.4 x	4.9 x	4.8 x
Dividend Yield	0.8 %	0.9 %	n.a.	n.a.	6.2 %	8.1 %	8.3 %
FCF Potential Yield (on market EV)	2.2 %	10.0 %	-1.3 %	11.7 %	20.2 %	24.4 %	26.4 %
*Adjustments made for: -							

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	204.2	209.1	195.9	203.7	240.0	244.8	252.1
Change Sales yoy	-1.0 %	2.4 %	-6.3 %	4.0 %	17.8 %	2.0 %	3.0 %
Increase / decrease in inventory	-0.3	0.0	-0.4	3.1	0.0	0.0	0.0
Own work capitalised	14.1	18.6	7.8	6.2	7.2	7.3	7.6
Total Sales	218.0	227.6	203.2	213.0	247.2	252.1	259.7
Material expenses	101.6	101.6	93.9	103.3	123.2	124.8	128.6
Gross profit	116.3	126.0	109.3	109.6	124.0	127.3	131.1
<i>Gross profit margin</i>	<i>57.0 %</i>	<i>60.3 %</i>	<i>55.8 %</i>	<i>53.8 %</i>	<i>51.7 %</i>	<i>52.0 %</i>	<i>52.0 %</i>
Personnel expenses	64.7	60.2	67.8	57.6	60.0	61.2	63.0
Other operating income	1.9	2.9	4.5	1.7	2.4	2.4	2.5
Other operating expenses	36.4	35.4	36.8	33.8	38.4	36.7	37.8
Unfrequent items	0.0	0.0	-1.2	-1.5	0.0	0.0	0.0
EBITDA	17.1	33.3	8.0	18.5	28.0	31.8	32.8
<i>Margin</i>	<i>8.4 %</i>	<i>15.9 %</i>	<i>4.1 %</i>	<i>9.1 %</i>	<i>11.7 %</i>	<i>13.0 %</i>	<i>13.0 %</i>
Depreciation of fixed assets	17.3	24.7	18.9	19.1	19.0	18.8	19.5
EBITA	-0.3	8.6	-11.0	-0.7	9.0	13.0	13.3
Amortisation of intangible assets	0.0	2.7	3.0	0.0	0.0	0.0	0.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-0.3	5.9	-14.0	-0.7	9.0	13.0	13.3
<i>Margin</i>	<i>-0.1 %</i>	<i>2.8 %</i>	<i>-7.1 %</i>	<i>-0.3 %</i>	<i>3.8 %</i>	<i>5.3 %</i>	<i>5.3 %</i>
EBIT adj.	-0.3	5.9	-14.0	-0.7	9.0	13.0	13.3
Interest income	2.8	2.2	2.5	2.6	3.1	2.7	2.8
Interest expenses	1.4	1.8	2.6	1.4	0.9	1.0	1.0
Other financial income (loss)	0.1	-0.3	-0.6	1.6	0.0	0.0	0.0
EBT	1.3	5.9	-14.7	2.2	11.3	14.7	15.1
<i>Margin</i>	<i>0.6 %</i>	<i>2.8 %</i>	<i>-7.5 %</i>	<i>1.1 %</i>	<i>4.7 %</i>	<i>6.0 %</i>	<i>6.0 %</i>
Total taxes	0.4	4.2	0.4	1.8	3.4	4.4	4.5
Net income from continuing operations	0.9	1.7	-15.1	0.4	7.9	10.3	10.6
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	0.9	1.7	-15.1	0.4	7.9	10.3	10.6
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.9	1.7	-15.2	0.4	7.9	10.3	10.6
<i>Margin</i>	<i>0.4 %</i>	<i>0.8 %</i>	<i>-7.7 %</i>	<i>0.2 %</i>	<i>3.3 %</i>	<i>4.2 %</i>	<i>4.2 %</i>
Number of shares, average	16.2	16.2	16.2	16.2	16.2	16.2	16.2
EPS	0.06	0.11	-0.94	0.02	0.49	0.64	0.65
EPS adj.	0.06	0.11	-0.94	0.02	0.49	0.64	0.65

*Adjustments made for:

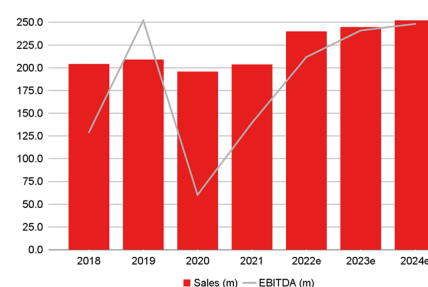
Guidance: Umsatz EUR 229-237 Mio. without curr. eff., EBITDA EUR 24-28 Mio. (2022)

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	98.4 %	92.9 %	99.1 %	94.8 %	91.3 %	90.0 %	90.0 %
Operating Leverage	n.a.	n.a.	n.a.	-23.8 x	n.a.	22.3 x	0.7 x
EBITDA / Interest expenses	12.3 x	18.5 x	3.1 x	13.2 x	31.1 x	31.8 x	32.8 x
Tax rate (EBT)	28.4 %	71.3 %	-3.0 %	83.1 %	30.0 %	30.0 %	30.0 %
Dividend Payout Ratio	54.1 %	28.4 %	0.0 %	0.0 %	40.2 %	40.1 %	39.8 %
Sales per Employee	165,358	165,992	152,436	155,434	179,543	179,543	181,303

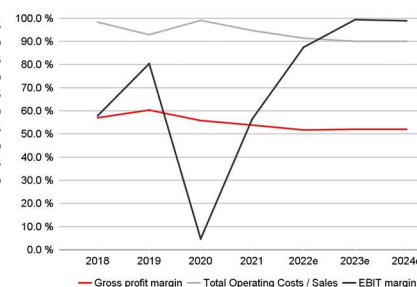
Sales, EBITDA

in EUR m

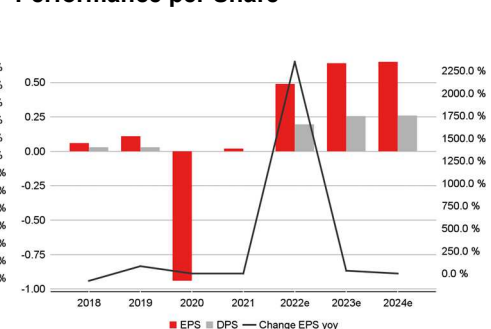


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

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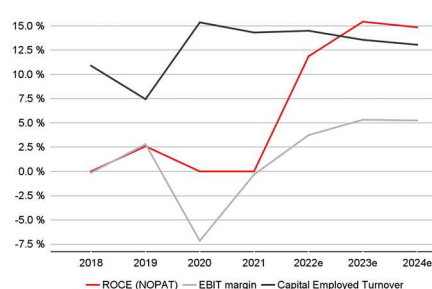
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	40.8	38.8	39.5	30.1	35.1	42.1	49.1
thereof other intangible assets	30.3	34.1	35.6	30.1	35.1	42.1	49.1
thereof Goodwill	10.4	4.6	3.8	0.0	0.0	0.0	0.0
Property, plant and equipment	29.9	29.2	24.9	25.9	22.9	21.1	18.6
Financial assets	13.4	18.1	16.3	16.8	16.8	16.8	16.8
Other long-term assets	0.0	11.2	0.0	0.0	0.0	0.0	0.0
Fixed assets	84.1	97.3	80.7	72.8	74.8	80.0	84.5
Inventories	11.2	12.4	11.5	16.5	19.5	19.9	20.5
Accounts receivable	19.0	18.1	18.1	19.5	23.7	24.1	24.9
Liquid assets	30.9	30.5	36.1	33.3	35.0	38.7	42.2
Other short-term assets	21.6	28.0	27.6	24.8	24.8	24.8	24.8
Current assets	82.7	89.0	93.3	94.1	102.9	107.5	112.3
Total Assets	166.7	186.3	174.0	166.9	177.7	187.5	196.8
Liabilities and shareholders' equity							
Subscribed capital	16.3	16.3	16.3	15.7	15.7	15.7	15.7
Capital reserve	34.7	34.7	34.3	34.3	34.3	34.3	34.3
Retained earnings	0.0	0.0	0.0	-29.6	-32.4	-27.4	-20.9
Other equity components	-17.7	-19.0	-36.9	-4.8	7.9	10.3	10.6
Shareholders' equity	33.3	32.0	13.7	15.7	25.5	32.9	39.7
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	33.3	32.0	13.7	15.7	25.5	32.9	39.7
Provisions	17.6	24.0	25.9	36.8	36.8	36.8	36.8
thereof provisions for pensions and similar obligations	16.2	20.6	20.5	19.0	19.0	19.0	19.0
Financial liabilities (total)	39.3	50.2	47.0	47.8	47.8	47.8	47.8
Short-term financial liabilities	0.2	4.1	3.7	11.1	11.1	11.1	11.1
Accounts payable	14.0	14.6	14.1	12.9	13.8	14.1	14.5
Other liabilities	62.6	65.5	73.3	53.8	53.8	55.9	58.0
Liabilities	133.4	154.3	160.3	151.3	152.2	154.6	157.1
Total liabilities and shareholders' equity	166.7	186.3	174.0	166.9	177.7	187.5	196.8

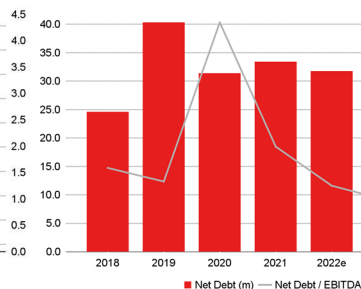
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	4.4 x	4.6 x	4.8 x	4.2 x	4.6 x	4.8 x	5.1 x
Capital Employed Turnover	3.5 x	2.9 x	4.3 x	4.2 x	4.2 x	4.0 x	3.9 x
ROA	1.1 %	1.8 %	-18.8 %	0.5 %	10.5 %	12.9 %	12.5 %
Return on Capital							
ROCE (NOPAT)	n.a.	2.6 %	n.a.	n.a.	11.9 %	15.4 %	14.8 %
ROE	2.7 %	5.2 %	-66.3 %	2.5 %	38.3 %	35.3 %	29.1 %
Adj. ROE	2.7 %	5.2 %	-66.3 %	2.5 %	38.3 %	35.3 %	29.1 %
Balance sheet quality							
Net Debt	24.6	40.3	31.4	33.4	31.8	28.1	24.6
Net Financial Debt	8.4	19.7	10.9	14.5	12.8	9.1	5.6
Net Gearing	73.9 %	125.9 %	229.7 %	213.5 %	124.4 %	85.2 %	61.8 %
Net Fin. Debt / EBITDA	49.1 %	59.3 %	136.5 %	78.3 %	45.7 %	28.6 %	17.1 %
Book Value / Share	2.1	2.0	0.8	1.0	1.6	2.0	2.5
Book value per share ex intangibles	-0.5	-0.4	-1.6	-0.9	-0.6	-0.6	-0.6

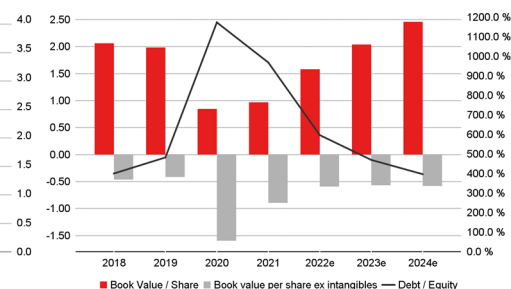
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

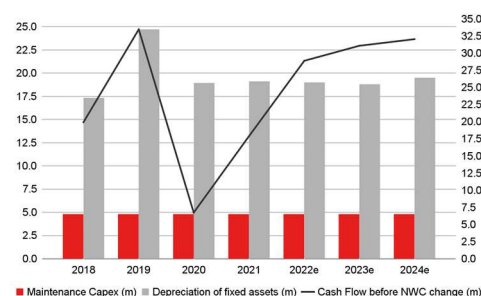
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	0.9	1.7	-15.2	0.4	7.9	10.3	10.6
Depreciation of fixed assets	17.3	24.7	18.9	19.1	19.0	18.8	19.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	2.7	3.0	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions	-0.3	4.4	-0.1	-1.6	0.0	0.0	0.0
Other non-cash income and expenses	2.0	0.0	0.0	0.0	2.0	2.0	2.0
Cash Flow before NWC change	19.9	33.5	6.7	17.9	28.9	31.1	32.1
Increase / decrease in inventory	-0.6	-1.2	0.8	-5.0	-2.9	-0.4	-0.6
Increase / decrease in accounts receivable	0.6	0.8	0.0	-1.3	-4.2	-0.5	-0.7
Increase / decrease in accounts payable	2.8	0.6	-0.4	-1.2	0.9	0.3	0.4
Increase / decrease in other working capital positions	1.5	-10.7	15.6	4.8	0.0	0.0	0.0
Increase / decrease in working capital (total)	4.3	-10.4	16.0	-2.8	-6.2	-0.6	-0.9
Net cash provided by operating activities [1]	24.2	23.1	22.8	15.1	22.7	30.5	31.2
Investments in intangible assets	-9.0	-13.8	-4.0	-1.0	-5.0	-7.0	-7.0
Investments in property, plant and equipment	-9.0	-6.5	-4.8	-7.6	-16.0	-17.0	-17.0
Payments for acquisitions	-3.5	0.0	-2.2	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.3	-1.1	-0.3	0.1	0.0	0.0	0.0
Net cash provided by investing activities [2]	-21.2	-21.4	-11.4	-8.5	-21.0	-24.0	-24.0
Change in financial liabilities	-4.3	11.0	-3.3	0.8	0.0	0.0	0.0
Dividends paid	-1.9	-0.5	-0.5	0.0	0.0	-2.8	-3.7
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	-0.2	-15.2	-1.9	-4.1	0.0	0.0	0.0
Net cash provided by financing activities [3]	-6.4	-4.7	-5.7	-3.2	0.0	-2.8	-3.7
Change in liquid funds [1]+[2]+[3]	-3.5	-3.0	5.1	3.3	1.7	3.7	3.5
Effects of exchange-rate changes on cash	0.5	0.0	-1.0	0.9	0.0	0.0	0.0
Cash and cash equivalent at end of period	21.2	18.1	22.2	27.3	29.0	32.7	36.2

Financial Ratios

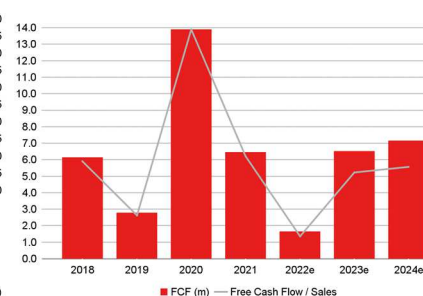
	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	6.1	2.8	13.9	6.5	1.7	6.5	7.2
Free Cash Flow / Sales	3.0 %	1.3 %	7.1 %	3.2 %	0.7 %	2.7 %	2.8 %
Free Cash Flow Potential	1.8	9.7	-1.1	9.7	16.7	19.3	19.9
Free Cash Flow / Net Profit	685.7 %	163.8 %	-91.7 %	1769.9 %	21.0 %	63.3 %	67.8 %
Interest Received / Avg. Cash	8.7 %	7.2 %	7.4 %	7.4 %	9.1 %	7.3 %	6.9 %
Interest Paid / Avg. Debt	3.4 %	4.0 %	5.2 %	2.9 %	1.9 %	2.1 %	2.1 %
Management of Funds							
Investment ratio	8.8 %	9.7 %	4.5 %	4.2 %	8.8 %	9.8 %	9.5 %
Maint. Capex / Sales	2.4 %	2.3 %	2.5 %	2.4 %	2.0 %	2.0 %	1.9 %
Capex / Dep	104.2 %	73.9 %	40.4 %	45.0 %	110.5 %	127.7 %	123.1 %
Avg. Working Capital / Sales	8.6 %	7.7 %	8.0 %	9.5 %	10.9 %	12.1 %	12.0 %
Trade Debtors / Trade Creditors	135.7 %	124.4 %	128.3 %	150.9 %	171.4 %	171.4 %	171.4 %
Inventory Turnover	9.1 x	8.2 x	8.2 x	6.3 x	6.3 x	6.3 x	6.3 x
Receivables collection period (days)	34	32	34	35	36	36	36
Payables payment period (days)	50	52	55	46	41	41	41
Cash conversion cycle (Days)	24	24	24	48	53	53	53

CAPEX and Cash Flow

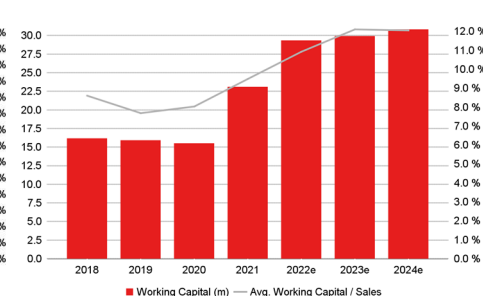
in EUR m



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)
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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-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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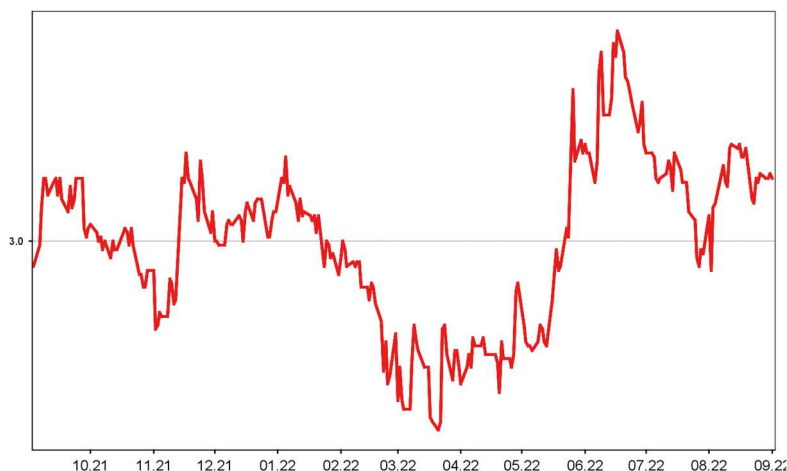
Rating	Number of stocks	% of Universe
Buy	161	75
Hold	46	21
Sell	4	2
Rating suspended	4	2
Total	215	100

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	48	83
Hold	8	14
Sell	0	0
Rating suspended	2	3
Total	58	100

PRICE AND RATING HISTORY FRANCO-TYP-POSTALIA AS OF 02.09.2022



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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