

**Buy** (old: Buy)

**Price target: EUR 52.00** (old: EUR 52.00)

<b>Price:</b>	EUR 42.45	<b>Next result:</b>	Q3 19: tba
<b>Bloomberg:</b>	D6H@GR	<b>Market cap:</b>	EUR 354.4 m
<b>Reuters:</b>	D6HG.DE	<b>Enterprise Value:</b>	EUR 435.6 m

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## Conference Call Feedback – Visibility at its finest

- **Datagroup recorded another quarter of strong profitability improvements.** The Q2 EBIT margin rose by 1.7pp yoy to 8.9% benefitting from **sustainable improvements** including efficiency gains (€ 1m cost savings from merging data centres), ongoing process automation through AI (e.g. service desk) and sales mix optimization (i.e. shifting clients to higher-value CORBOX modules like SAP).
- **Outstanding customer wins above expectations.** Datagroup has won 20 new CORBOX clients as of H1'19 and engaged in up-selling with 9, **strongly outpacing internal and our expectations** (eH&A: 20 new clients for the FY). This reflects its dedicated SME focus, its entry into new verticals (e.g. financials) as well as the strong appeal of its modular and standardized CORBOX cloud platform, yielding brisk efficiency gains for clients.
- **Visibility on growth is hence excellent** supported by the high share of recurring revenues (75%+). In fact, recent wins include big tickets like ARD (c. € 8m per year) and NRW Bank (€ 10m per year) which should make an initial contribution only in FY'20E. As a result, our 2020E **growth expectations look increasingly conservative** especially considering that (i) € 10m incremental sales from acquired UBL will come on top next year and (ii) average ticket sizes are increasing (currently € 2m vs. € 1.5m previously), driving stronger sales growth as well as scalability and hence further margin improvements.
- **Expect further positive news flow; reiterate BUY.** Datagroup raises its FY'19E guidance to € 295m sales and € 45m EBITDA (in-line / previously: € 280m; € 43m), which should partly reflect UBL (eH&A: € 10m sales / € 1m EBITDA contribution this year) and partly stronger organic growth. True to its DNA, this new guidance should be conservative and could be outperformed. Meanwhile, we also see upside potential to our next year's estimates, as laid out above, all of which should **continue to support news flow and a positive re-rating**. Valuation looks undemanding trading at 35% discount to Bechtle on EV/EBITDA 2020E despite the much more resilient and predictable business model.



**High/low 52 weeks:** 42.55 / 29.55  
**Price/Book Ratio:** 4.6  
**Relative performance (TecDAX):**  
 3 months -  
 6 months -  
 12 months 11.4 %

### Changes in estimates

		Sales	EBIT	EPS
2019	old:	300.0	24.1	2.33
	Δ	-	-	-
2020	old:	329.4	28.3	2.52
	Δ	-	-	-
2021	old:	351.8	32.6	2.84
	Δ	-	-	-

### Key share data:

Number of shares: (in m pcs) 8.3  
 Authorised capital: (in € m) 3.0  
 Book value per share: (in €) 9.2  
 Ø trading volume: (12 months) 6,500

### Major shareholders:

HHS Beteiligung (CEO) 51.0 %  
 Free Float 45.0 %  
 Executive Board 4.0 %

### Company description:

Leading cloud / IT outsourcing provider in Germany

Y/E 30.9 (EUR m)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
Sales	157.6	174.9	223.1	272.1	300.0	329.4	351.8
Sales growth	3 %	11 %	28 %	22 %	10 %	10 %	7 %
EBITDA	15.3	19.1	27.0	34.5	45.2	49.9	54.0
EBIT	9.6	12.7	18.6	20.4	24.1	28.3	32.6
Net income	4.9	5.7	11.2	12.9	14.2	16.7	19.7
Net debt	37.0	31.0	10.6	16.2	45.6	27.0	5.5
Net gearing	153.6 %	109.1 %	17.9 %	24.1 %	59.7 %	30.8 %	5.4 %
Net Debt/EBITDA	2.4	1.6	0.4	0.5	1.0	0.5	0.1
EPS pro forma	1.14	1.19	1.83	2.03	2.33	2.52	2.84
CPS	0.94	0.92	3.53	1.82	3.24	3.62	3.99
DPS	0.25	0.30	0.45	0.60	0.65	0.70	0.75
Dividend yield	0.7 %	0.8 %	1.3 %	1.7 %	1.8 %	2.0 %	2.1 %
Gross profit margin	66.3 %	66.8 %	71.3 %	70.5 %	70.4 %	70.4 %	70.4 %
EBITDA margin	9.7 %	10.9 %	12.1 %	12.7 %	15.1 %	15.1 %	15.3 %
EBIT margin	6.1 %	7.2 %	8.3 %	7.5 %	8.0 %	8.6 %	9.3 %
ROCE	12.1 %	11.9 %	12.2 %	11.6 %	12.7 %	14.7 %	15.5 %
EV/sales	2.0	2.0	1.5	1.3	1.3	1.1	0.9
EV/EBITDA	20.9	18.0	12.8	10.3	8.4	7.1	6.2
EV/EBIT	33.4	27.1	18.6	17.4	15.7	12.5	10.2
PER	31.2	29.9	19.4	17.5	15.2	14.1	12.5
Adjusted FCF yield	3.3 %	3.6 %	5.5 %	7.2 %	9.2 %	10.7 %	12.1 %

Source: Company data, Hauck & Aufhäuser Close price as of: 23.05.2019

## Financials

Profit and loss (EUR m)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
<b>Net sales</b>	<b>157.6</b>	<b>174.9</b>	<b>223.1</b>	<b>272.1</b>	<b>300.0</b>	<b>329.4</b>	<b>351.8</b>
<i>Sales growth</i>	3.4 %	11.0 %	27.6 %	21.9 %	10.3 %	9.8 %	6.8 %
Increase/decrease in finished goods and work-in-process	0.3	0.5	0.6	0.7	0.6	0.7	0.7
<b>Total sales</b>	<b>157.9</b>	<b>175.4</b>	<b>223.8</b>	<b>272.8</b>	<b>300.6</b>	<b>330.1</b>	<b>352.5</b>
Other operating income	4.6	8.4	9.1	5.7	6.0	6.3	6.3
Material expenses	53.2	58.2	64.2	80.4	88.9	97.8	104.5
Personnel expenses	77.1	85.7	119.9	134.7	146.7	160.3	170.5
Other operating expenses	16.9	20.8	21.7	28.8	25.8	28.3	29.9
Total operating expenses	142.6	156.3	196.7	238.3	255.4	280.2	298.5
<b>EBITDA</b>	<b>15.3</b>	<b>19.1</b>	<b>27.0</b>	<b>34.5</b>	<b>45.2</b>	<b>49.9</b>	<b>54.0</b>
Depreciation	2.1	2.8	4.1	8.1	15.2	15.7	15.9
<b>EBITA</b>	<b>13.3</b>	<b>16.3</b>	<b>23.0</b>	<b>26.3</b>	<b>30.0</b>	<b>34.2</b>	<b>38.1</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	3.7	3.6	4.4	5.9	5.9	5.9	5.5
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>9.6</b>	<b>12.7</b>	<b>18.6</b>	<b>20.4</b>	<b>24.1</b>	<b>28.3</b>	<b>32.6</b>
Interest income	0.6	0.9	0.8	0.5	0.3	0.4	0.6
Interest expenses	2.4	3.5	2.8	2.4	3.6	4.1	4.1
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-1.8	-2.6	-2.0	-1.9	-3.2	-3.7	-3.5
<b>Recurring pretax income from continuing operations</b>	<b>7.8</b>	<b>10.1</b>	<b>16.6</b>	<b>18.5</b>	<b>20.9</b>	<b>24.5</b>	<b>29.0</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>7.8</b>	<b>10.1</b>	<b>16.6</b>	<b>18.5</b>	<b>20.9</b>	<b>24.5</b>	<b>29.0</b>
Taxes	2.9	4.4	5.4	5.6	6.7	7.9	9.3
<b>Net income from continuing operations</b>	<b>4.9</b>	<b>5.7</b>	<b>11.2</b>	<b>12.9</b>	<b>14.2</b>	<b>16.7</b>	<b>19.7</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>4.9</b>	<b>5.7</b>	<b>11.2</b>	<b>12.9</b>	<b>14.2</b>	<b>16.7</b>	<b>19.7</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>4.9</b>	<b>5.7</b>	<b>11.2</b>	<b>12.9</b>	<b>14.2</b>	<b>16.7</b>	<b>19.7</b>
Average number of shares	7.6	7.6	8.0	8.3	8.3	8.3	8.3
<b>EPS reported</b>	<b>0.65</b>	<b>0.75</b>	<b>1.41</b>	<b>1.54</b>	<b>1.70</b>	<b>2.00</b>	<b>2.36</b>

Profit and loss (common size)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
<b>Net sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Increase/decrease in finished goods and work-in-process	0.2 %	0.3 %	0.3 %	0.3 %	0.2 %	0.2 %	0.2 %
<b>Total sales</b>	<b>100.2 %</b>	<b>100.3 %</b>	<b>100.3 %</b>	<b>100.3 %</b>	<b>100.2 %</b>	<b>100.2 %</b>	<b>100.2 %</b>
Other operating income	2.9 %	4.8 %	4.1 %	2.1 %	2.0 %	1.9 %	1.8 %
Material expenses	33.7 %	33.3 %	28.8 %	29.5 %	29.6 %	29.7 %	29.7 %
Personnel expenses	48.9 %	49.0 %	53.7 %	49.5 %	48.9 %	48.7 %	48.5 %
Other operating expenses	10.7 %	11.9 %	9.7 %	10.6 %	8.6 %	8.6 %	8.5 %
Total operating expenses	90.5 %	89.4 %	88.2 %	87.6 %	85.1 %	85.1 %	84.9 %
<b>EBITDA</b>	<b>9.7 %</b>	<b>10.9 %</b>	<b>12.1 %</b>	<b>12.7 %</b>	<b>15.1 %</b>	<b>15.1 %</b>	<b>15.3 %</b>
Depreciation	1.3 %	1.6 %	1.8 %	3.0 %	5.1 %	4.8 %	4.5 %
<b>EBITA</b>	<b>8.4 %</b>	<b>9.3 %</b>	<b>10.3 %</b>	<b>9.7 %</b>	<b>10.0 %</b>	<b>10.4 %</b>	<b>10.8 %</b>
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.3 %	2.1 %	2.0 %	2.2 %	2.0 %	1.8 %	1.6 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>6.1 %</b>	<b>7.2 %</b>	<b>8.3 %</b>	<b>7.5 %</b>	<b>8.0 %</b>	<b>8.6 %</b>	<b>9.3 %</b>
Interest income	0.4 %	0.5 %	0.4 %	0.2 %	0.1 %	0.1 %	0.2 %
Interest expenses	1.5 %	2.0 %	1.3 %	0.9 %	1.2 %	1.3 %	1.2 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>4.9 %</b>	<b>5.8 %</b>	<b>7.4 %</b>	<b>6.8 %</b>	<b>7.0 %</b>	<b>7.4 %</b>	<b>8.3 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>4.9 %</b>	<b>5.8 %</b>	<b>7.4 %</b>	<b>6.8 %</b>	<b>7.0 %</b>	<b>7.4 %</b>	<b>8.3 %</b>
Tax rate	36.7 %	43.4 %	32.5 %	30.3 %	32.0 %	32.0 %	32.0 %
<b>Net income from continuing operations</b>	<b>3.1 %</b>	<b>3.3 %</b>	<b>5.0 %</b>	<b>4.7 %</b>	<b>4.7 %</b>	<b>5.1 %</b>	<b>5.6 %</b>
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>3.1 %</b>	<b>3.3 %</b>	<b>5.0 %</b>	<b>4.7 %</b>	<b>4.7 %</b>	<b>5.1 %</b>	<b>5.6 %</b>
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>3.1 %</b>	<b>3.3 %</b>	<b>5.0 %</b>	<b>4.7 %</b>	<b>4.7 %</b>	<b>5.1 %</b>	<b>5.6 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
<b>Intangible assets</b>	<b>50.0</b>	<b>48.3</b>	<b>55.6</b>	<b>61.8</b>	<b>79.9</b>	<b>76.3</b>	<b>73.1</b>
Property, plant and equipment	7.3	7.3	19.3	22.4	19.2	12.3	5.6
Financial assets	9.3	5.6	2.6	3.1	3.1	3.1	3.1
<b>FIXED ASSETS</b>	<b>66.6</b>	<b>61.2</b>	<b>77.5</b>	<b>87.3</b>	<b>102.2</b>	<b>91.8</b>	<b>81.8</b>
Inventories	1.5	1.4	3.5	2.0	3.0	3.3	3.6
Accounts receivable	16.7	16.1	26.8	31.2	34.4	37.8	40.4
Other current assets	14.8	52.0	47.9	51.6	66.0	66.0	66.0
Liquid assets	2.3	24.4	53.2	38.7	29.3	47.9	69.4
Deferred taxes	1.5	4.7	4.6	4.6	4.6	4.6	4.6
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>36.8</b>	<b>98.6</b>	<b>135.9</b>	<b>128.2</b>	<b>137.4</b>	<b>159.7</b>	<b>184.0</b>
<b>TOTAL ASSETS</b>	<b>103.3</b>	<b>159.7</b>	<b>213.4</b>	<b>215.5</b>	<b>239.6</b>	<b>251.5</b>	<b>265.8</b>
SHAREHOLDERS EQUITY	24.1	28.4	59.6	67.3	76.4	87.7	101.6
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	24.6	51.8	52.7	42.6	62.6	62.6	62.6
Provisions for pensions and similar obligations	13.6	42.6	37.6	41.6	35.6	29.6	29.6
Other provisions	5.5	4.8	13.8	14.0	14.0	14.0	14.0
<b>Non-current liabilities</b>	<b>43.8</b>	<b>99.3</b>	<b>104.1</b>	<b>98.2</b>	<b>112.2</b>	<b>106.2</b>	<b>106.2</b>
short-term liabilities to banks	14.6	3.5	11.1	12.3	12.3	12.3	12.3
Accounts payable	4.7	2.6	4.5	5.4	6.0	6.6	7.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	15.4	23.0	32.2	31.1	31.5	37.6	37.6
Deferred taxes	0.8	2.9	1.9	0.9	0.9	0.9	0.9
Deferred income	0.0	0.0	0.0	0.2	0.2	0.2	0.2
<b>Current liabilities</b>	<b>35.5</b>	<b>32.1</b>	<b>49.7</b>	<b>50.0</b>	<b>50.9</b>	<b>57.6</b>	<b>58.0</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>103.3</b>	<b>159.7</b>	<b>213.4</b>	<b>215.5</b>	<b>239.6</b>	<b>251.5</b>	<b>265.8</b>

Balance sheet (common size)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
<b>Intangible assets</b>	<b>48.3 %</b>	<b>30.2 %</b>	<b>26.0 %</b>	<b>28.7 %</b>	<b>33.4 %</b>	<b>30.3 %</b>	<b>27.5 %</b>
Property, plant and equipment	7.1 %	4.6 %	9.0 %	10.4 %	8.0 %	4.9 %	2.1 %
Financial assets	9.0 %	3.5 %	1.2 %	1.4 %	1.3 %	1.2 %	1.2 %
<b>FIXED ASSETS</b>	<b>64.4 %</b>	<b>38.3 %</b>	<b>36.3 %</b>	<b>40.5 %</b>	<b>42.7 %</b>	<b>36.5 %</b>	<b>30.8 %</b>
Inventories	1.5 %	0.9 %	1.6 %	0.9 %	1.3 %	1.3 %	1.3 %
Accounts receivable	16.1 %	10.1 %	12.5 %	14.5 %	14.4 %	15.0 %	15.2 %
Other current assets	14.4 %	32.5 %	22.5 %	24.0 %	27.6 %	26.3 %	24.8 %
Liquid assets	2.2 %	15.3 %	24.9 %	18.0 %	12.2 %	19.0 %	26.1 %
Deferred taxes	1.4 %	2.9 %	2.1 %	2.1 %	1.9 %	1.8 %	1.7 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>35.6 %</b>	<b>61.7 %</b>	<b>63.7 %</b>	<b>59.5 %</b>	<b>57.4 %</b>	<b>63.5 %</b>	<b>69.2 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
SHAREHOLDERS EQUITY	23.3 %	17.8 %	27.9 %	31.2 %	31.9 %	34.9 %	38.2 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	23.8 %	32.4 %	24.7 %	19.8 %	26.1 %	24.9 %	23.5 %
Provisions for pensions and similar obligations	13.2 %	26.7 %	17.6 %	19.3 %	14.9 %	11.8 %	11.1 %
Other provisions	5.3 %	3.0 %	6.5 %	6.5 %	5.9 %	5.6 %	5.3 %
<b>Non-current liabilities</b>	<b>42.3 %</b>	<b>62.1 %</b>	<b>48.8 %</b>	<b>45.6 %</b>	<b>46.8 %</b>	<b>42.2 %</b>	<b>40.0 %</b>
short-term liabilities to banks	14.1 %	2.2 %	5.2 %	5.7 %	5.1 %	4.9 %	4.6 %
Accounts payable	4.6 %	1.7 %	2.1 %	2.5 %	2.5 %	2.6 %	2.6 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	14.9 %	14.4 %	15.1 %	14.4 %	13.2 %	15.0 %	14.1 %
Deferred taxes	0.8 %	1.8 %	0.9 %	0.4 %	0.4 %	0.4 %	0.4 %
Deferred income	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %	0.1 %
<b>Current liabilities</b>	<b>34.4 %</b>	<b>20.1 %</b>	<b>23.3 %</b>	<b>23.2 %</b>	<b>21.3 %</b>	<b>22.9 %</b>	<b>21.8 %</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
Net profit/loss	4.9	5.7	11.2	12.9	14.2	16.7	19.7
Depreciation of fixed assets (incl. leases)	2.1	6.4	8.5	10.1	15.2	15.7	15.9
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	3.7	0.0	0.0	4.0	5.9	5.9	5.5
Others	1.3	-3.7	-9.9	-5.9	0.0	0.0	0.0
Cash flow from operations before changes in w/c	11.9	8.4	9.7	21.0	35.3	38.3	41.1
Increase/decrease in inventory	0.6	0.1	4.7	1.5	-1.1	-0.3	-0.2
Increase/decrease in accounts receivable	-1.5	-5.1	16.2	-4.5	-3.2	-3.4	-2.6
Increase/decrease in accounts payable	-1.1	5.7	1.8	1.0	0.6	0.6	0.4
Increase/decrease in other working capital positions	-0.5	0.4	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-2.5	1.1	22.7	-2.0	-3.7	-3.1	-2.4
<b>Cash flow from operating activities</b>	<b>9.4</b>	<b>9.5</b>	<b>32.5</b>	<b>19.0</b>	<b>31.6</b>	<b>35.2</b>	<b>38.8</b>
CAPEX	3.7	3.3	10.5	14.8	15.0	11.2	11.4
Payments for acquisitions	4.5	2.0	10.5	4.8	21.0	0.0	0.0
Financial investments	1.6	-1.2	-0.8	-0.1	0.0	0.0	0.0
Income from asset disposals	0.5	0.4	0.4	0.4	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-9.3</b>	<b>-3.7</b>	<b>-19.7</b>	<b>-19.1</b>	<b>-36.0</b>	<b>-11.2</b>	<b>-11.4</b>
Cash flow before financing	0.1	5.8	12.7	-0.1	-4.4	24.0	27.4
Increase/decrease in debt position	-4.3	19.6	-1.3	-9.2	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	21.1	0.0	0.0	0.0	0.0
Dividends paid	1.5	1.9	2.3	3.7	5.0	5.4	5.8
Others	-1.7	-1.2	-1.5	-1.4	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-7.5</b>	<b>16.5</b>	<b>16.0</b>	<b>-14.4</b>	<b>-5.0</b>	<b>-5.4</b>	<b>-5.8</b>
Increase/decrease in liquid assets	-7.4	22.4	28.8	-14.5	-9.4	18.6	21.5
<b>Liquid assets at end of period</b>	<b>2.1</b>	<b>24.4</b>	<b>53.2</b>	<b>38.7</b>	<b>29.3</b>	<b>47.8</b>	<b>69.3</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
Domestic	156.0	172.1	220.2	268.8	296.7	326.1	348.3
yoy change	3.2 %	10.3 %	28.0 %	22.1 %	10.4 %	9.9 %	6.8 %
Rest of Europe	1.6	2.8	2.9	3.3	3.3	3.3	3.5
yoy change	29.3 %	77.6 %	3.6 %	12.6 %	1.1 %	-0.2 %	6.8 %
NAFTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>TTL</b>	<b>157.6</b>	<b>174.9</b>	<b>223.1</b>	<b>272.1</b>	<b>300.0</b>	<b>329.4</b>	<b>351.8</b>
yoy change	3.4 %	11.0 %	27.6 %	21.9 %	10.3 %	9.8 %	6.8 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2014/15	2015/16	2016/17	2017/18	2018/19E	2019/20E	2020/21E
<b>P&amp;L growth analysis</b>							
Sales growth	3.4 %	11.0 %	27.6 %	21.9 %	10.3 %	9.8 %	6.8 %
EBITDA growth	49.1 %	24.5 %	41.6 %	27.4 %	31.1 %	44.7 %	19.4 %
EBIT growth	99.5 %	32.0 %	46.7 %	9.9 %	17.9 %	38.4 %	35.2 %
EPS growth	351.3 %	16.1 %	86.6 %	9.7 %	10.1 %	29.6 %	39.2 %
<b>Efficiency</b>							
Total operating costs / sales	90.5 %	89.4 %	88.2 %	87.6 %	85.1 %	85.1 %	84.9 %
Sales per employee	124.4	124.6	125.6	142.1	150.7	163.8	171.5
EBITDA per employee	12.1	13.6	15.2	18.0	22.7	24.8	26.3
<b>Balance sheet analysis</b>							
Avg. working capital / sales	7.6 %	8.1 %	9.1 %	9.8 %	9.9 %	9.5 %	9.7 %
Inventory turnover (sales/inventory)	102.8	125.6	64.4	138.0	99.0	99.0	99.0
Trade debtors in days of sales	38.6	33.5	43.8	41.9	41.9	41.9	41.9
A/P turnover [(A/P*365)/sales]	11.0	5.5	7.3	7.3	7.3	7.3	7.3
Cash conversion cycle (days)	16.5	25.7	38.1	26.3	29.8	29.8	29.8
<b>Cash flow analysis</b>							
Free cash flow	5.8	6.2	22.0	4.2	16.6	24.0	27.4
Free cash flow/sales	3.7 %	3.5 %	9.9 %	1.5 %	5.5 %	7.3 %	7.8 %
FCF / net profit	117.0 %	108.4 %	196.6 %	32.5 %	116.9 %	143.8 %	138.6 %
Capex / depre	91.4 %	32.6 %	113.7 %	104.4 %	71.1 %	51.9 %	53.4 %
Capex / maintenance capex	91.9 %	115.5 %	284.8 %	297.0 %	266.7 %	177.9 %	166.3 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Security</b>							
Net debt	37.0	31.0	10.6	16.2	45.6	27.0	5.5
Net Debt/EBITDA	2.4	1.6	0.4	0.5	1.0	0.5	0.1
Net debt / equity	1.5	1.1	0.2	0.2	0.6	0.3	0.1
Interest cover	4.0	3.6	6.6	8.4	6.7	6.9	7.9
Dividend payout ratio	38.5 %	39.8 %	33.5 %	38.9 %	38.3 %	35.0 %	31.7 %
<b>Asset utilisation</b>							
Capital employed turnover	1.9	1.3	1.3	1.5	1.5	1.6	1.6
Operating assets turnover	7.6	7.9	5.0	5.4	5.9	7.0	8.3
Plant turnover	21.5	23.9	11.6	12.2	15.7	26.7	62.9
Inventory turnover (sales/inventory)	102.8	125.6	64.4	138.0	99.0	99.0	99.0
<b>Returns</b>							
ROCE	12.1 %	11.9 %	12.2 %	11.6 %	12.7 %	14.7 %	15.5 %
ROE	20.5 %	20.1 %	18.8 %	19.1 %	18.6 %	19.0 %	19.4 %
<b>Other</b>							
Interest paid / avg. debt	6.2 %	7.3 %	4.7 %	4.1 %	5.5 %	6.3 %	5.5 %
No. employees (average)	1267	1404	1776	1915	1991	2011	2051
Number of shares	7.6	7.6	8.0	8.3	8.3	8.3	8.3
DPS	0.3	0.3	0.5	0.6	0.7	0.7	0.8
EPS reported	0.65	0.75	1.41	1.54	1.70	2.00	2.36
<b>Valuation ratios</b>							
P/BV	11.2	9.5	5.0	4.4	3.9	3.4	2.9
EV/sales	2.0	2.0	1.5	1.3	1.3	1.1	0.9
EV/EBITDA	20.9	18.0	12.8	10.3	8.4	7.1	6.2
EV/EBITA	24.2	21.1	15.0	13.5	12.6	10.3	8.7
EV/EBIT	33.4	27.1	18.6	17.4	15.7	12.5	10.2
EV/FCF	55.6	55.4	15.7	84.8	22.8	14.7	12.1
Adjusted FCF yield	3.3 %	3.6 %	5.5 %	7.2 %	9.2 %	10.7 %	12.1 %
Dividend yield	0.7 %	0.8 %	1.3 %	1.7 %	1.8 %	2.0 %	2.1 %

Source: Company data, Hauck & Aufhäuser

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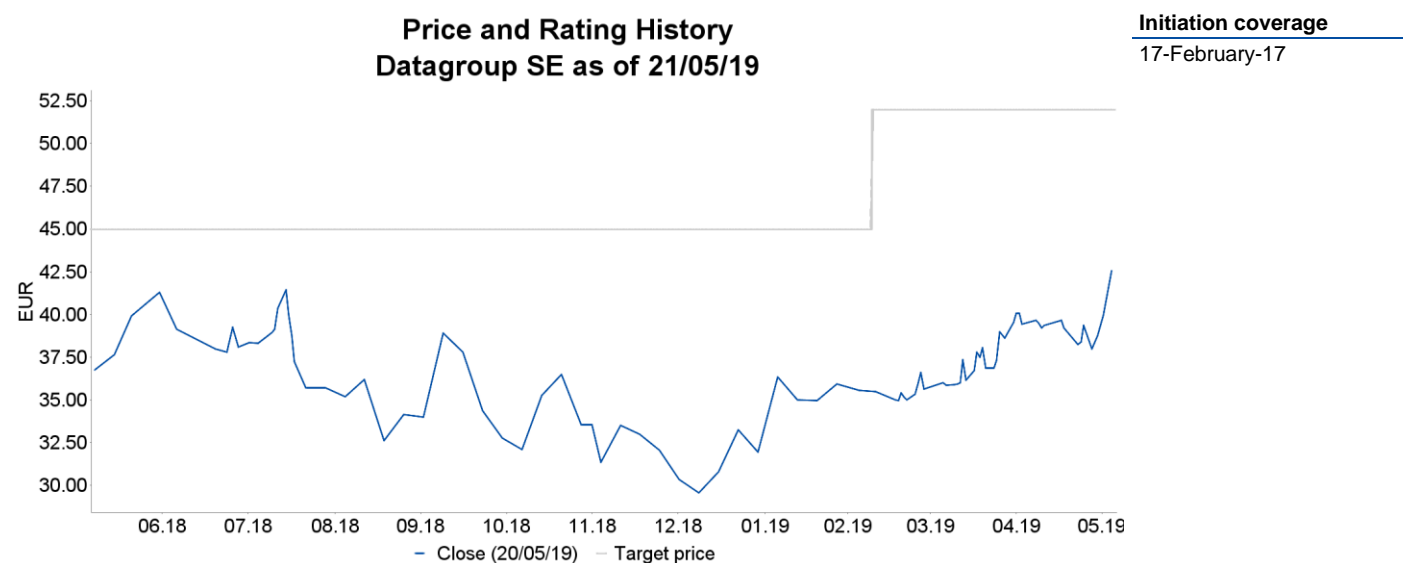
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Company	Disclosure
Datagroup SE	3, 6

### Historical target price and rating changes for Datagroup SE in the last 12 months



Company	Date	Analyst	Rating	Target price	Close
Datagroup SE	12.04.2019	Wunderlich, CFA, Tim	Buy	EUR 52,00	EUR 38,60
	15.03.2019	Wunderlich, CFA, Tim	Buy	EUR 52,00	EUR 35,65
	25.02.2019	Wunderlich, CFA, Tim	Buy	EUR 52,00	EUR 35,50

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