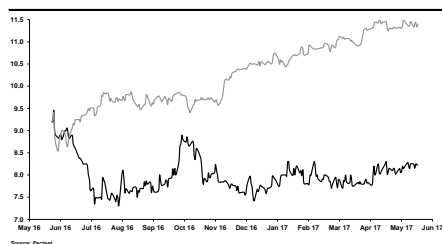


Flash Note

Buy			
Recommendation unchanged			
Share price: EUR	8.23		
closing price as of 16/06/2017			
Target price: EUR	10.10		
from Target Price: EUR 9.50			
Upside/Downside Potential	22.7%		
Reuters/Bloomberg 4DSG.DE/4DS GR			
Market capitalisation (EURm)	45		
Current N° of shares (m)	5		
Free float	35%		
Daily avg. no. trad. sh. 12 mth	2		
Daily avg. trad. vol. 12 mth (m)	0.00		
Price high/low 12 months	7.32 / 9.46		
Abs Perfs 1/3/12 mths (%)	-0.83/2.88/-9.83		
Key financials (EUR)	12/16	12/17e	12/18e
Sales (m)	31	40	48
EBITDA (m)	4	5	5
EBITDA margin	12.6%	12.0%	10.5%
EBIT (m)	1	1	2
EBIT margin	3.2%	3.7%	4.7%
Net Profit (adj.)(m)	0	1	1
ROCE	1.8%	2.6%	4.1%
Net debt/(cash) (m)	8	4	1
Net Debt Equity	0.2	0.1	0.0
Net Debt/EBITDA	2.0	0.9	0.1
Int. cover(EBITDA/Fin.int)	5.0	7.3	11.1
EV/Sales	1.6	1.3	1.0
EV/EBITDA	13.1	10.5	9.1
EV/EBITDA (adj.)	13.1	10.5	9.1
EV/EBIT	51.1	34.4	20.5
P/E (adj.)	nm	nm	33.0
P/BV	0.9	1.0	0.9
OpFCF yield	5.2%	8.1%	8.1%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	0.07	0.12	0.25
BVPS	8.44	8.56	8.81
DPS	0.00	0.00	0.00

Shareholders

DALDRUP Family 65%;



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Reason: Company Newsflow

19 June 2017

Shift in company strategy – favorable order book

Concerning FY2016 Daldrup reached its own financial targets. The current favorable order book of ~EUR 65m gives us confidence that the group will reach a significant margin improvement in the next years to come. This is clearly supporting our investment case for the Daldrup shares. Overall the group will continue its strategic shift to move from being a specialist geothermal drilling project company towards a mid-sized energy supplier. Daldrup will continue to cover the full value-added chain from first feasibility studies up to complete turnkey projects including energy supply.

- ✓ **FY2016:** Group sales were up as expected by 80% to EUR 31.1m compared to our estimate of EUR 31m. Reported EBIT came out at EUR 1.0m compared to our forecast of EUR 0.7m.
- ✓ **Outlook 2017e:** The total operating output should reach EUR 40m (2016: EUR 39m) and thus will keep the high previous year's level. EBIT-margin is guided again between 2%-5%. We expect 3.7% after 3.2% a year earlier.
- ✓ **Project situation:** As of 31 May 2017 Daldrup reported to have an order book of about EUR 65m. With the geothermal project for Geretsried (~EUR 19m) and Stadtwerke München (a double-digit million figure) there are two major contracts included. As stated in a conference call the project pipeline (no fixed orders yet) goes up to more than EUR 100m for projects in Germany and other European countries. Assuming Daldrup will win a material part of this order volume an accelerated growth in the EBIT-margin is likely in our view. It is not yet included in our forecasts and DCF-model.
- ✓ **Power plant projects:** As stated by the company all three projects (Taufkirchen, Landau, Neuried) are making progress towards the start of energy production which is also key for our projections.
- ✓ **EEG 2017:** The updated rules have confirmed the fixed funding rates of EUR 25.2 cents/kW/h for current and planned projects until 2021. It is worth to mention that prices for geothermal energy will not be fixed in a bidding process which gives a much better basis for the entire calculation process and thus makes it more attractive for potential investors.
- ✓ **Buy-rating confirmed:** Updating our DCF-model we arrive at a higher, rounded target price of EUR 10.10 (old: EUR 9.50) per share. On this level we confirm our Buy-rating for the shares with a current upside potential of 22.7%. **Key risks** comprise e.g. 1) General risks coming from the project business. 2) Possible delays in key projects which could negatively affect profitability.
- ✓ **Next event:** 30 August 2017: Annual Shareholder meeting.

Valuation update

- New target price increased to rounded EUR 10.10 (old: EUR 9.50) per share
- Upside potential to current share price of 22.7%

Exhibit 1: Daldrup – DCF-model

EUR m	Phase I					Phase II					Phase III
	2017e	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	
Revenues	39.7	48.0	56.0	59.5	63.5	67.3	70.7	73.8	76.5	78.6	
growth rate	27.5%	20.9%	16.7%	6.3%	6.7%	5.9%	5.1%	4.4%	3.6%	2.8%	
EBIT	1.5	2.3	4.0	4.7	5.0	5.1	5.2	5.2	5.2	5.1	
EBIT margin	3.7%	4.7%	7.1%	7.9%	7.9%	7.6%	7.3%	7.0%	6.8%	6.5%	
Tax	-0.4	-0.7	-1.2	-1.4	-1.5	-1.5	-1.6	-1.6	-1.6	-1.5	
Tax rate	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	
Depr. & Amort.	3.3	2.8	2.3	2.5	2.6	2.0	1.7	1.6	1.6	1.5	
% of sales	8.3%	5.8%	4.1%	4.1%	4.0%	3.0%	2.4%	2.2%	2.0%	1.9%	
Capex	-1.6	-1.8	-1.7	-1.5	-1.6	-1.5	-1.5	-1.5	-1.6	-1.6	
% of sales	4.0%	3.8%	3.0%	2.6%	2.5%	2.3%	2.1%	2.1%	2.0%	2.0%	
Change in WC & P	-0.9	-0.8	-0.3	0.0	0.5	0.5	0.6	0.6	0.6	0.6	
% of sales	2.2%	1.6%	0.6%	0.1%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	
Free Cash Flow	1.8	1.8	3.1	4.1	5.0	4.6	4.4	4.3	4.2	4.1	76.6
growth rate	nm	-3.1%	73.6%	33.4%	19.9%	-7.6%	-4.0%	-2.2%	-1.6%	-2.6%	2.0%
Present Value FCF	1.8	1.6	2.6	3.2	3.6	3.1	2.8	2.5	2.3	2.1	38.4

PV Phase I	12.8	Risk free rate	3.50%	Targ. equity ratio	55%		
PV Phase II	12.7	Premium Equity	5.00%	Beta	1.40		
PV Phase III	38.4	Premium Debt	2.00%	WACC	7.51%		
Enterprise value	63.9	Sensitivity	Growth in phase III				
- Net Debt (Cash)	7.9		1.0%	1.5%	2.0%	2.5%	3.0%
- Pension Provisions	0.8	6.76%	10.4	11.1	12.0	13.0	14.4
- Minorities & Peripherals	0.1	7.13%	9.6	10.2	11.0	11.9	13.0
+ MV of financial assets		WACC	9.0	9.5	10.1	10.9	11.8
- Paid-out dividends for last FY	0.0	7.88%	8.4	8.8	9.4	10.0	10.8
+/- Other EV items		8.26%	7.9	8.3	8.7	9.2	9.9
Equity value	55.1						
Number of shares	5.441						
Value per share (€)	10.12						
Current Price (€)	8.23						
Upside	23%						

Source: equinet Research

Exhibit 2: Daldrup: Comparison of estimates

	2017e			2018e			2019e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
Revenues	39.5	39.7	0.5%	47.0	48.0	2.1%	55.5	56.0	0.9%
EBIT	1.3	1.5	11.5%	2.1	2.3	7.1%	4.2	4.0	-4.8%
EPS	0.08	0.12	51.2%	0.20	0.25	22.9%	0.49	0.49	0.0%

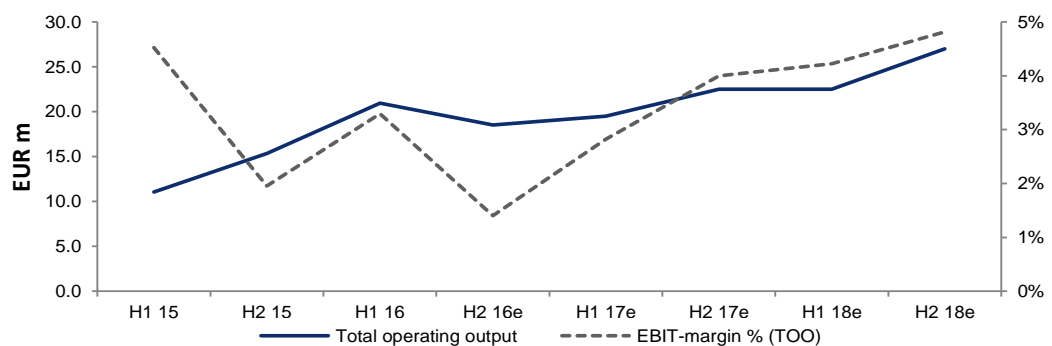
Source: equinet Research

After the results publication 2016 and providing the first financial guidance for FY2017e we have updated our model. Most important in our view is the very favorable order book level of EUR 65m as 31 May 2017. With a time-lag this will translate into higher revenues and EBIT numbers in particular for FY2017e and FY2018e. As a result our equity value now came out at EUR 55.1m (old: EUR 51.8m) or rounded EUR 10.10 (old: EUR 9.50) per share. Our base assumptions have not changed and can be seen in Exhibit 1. The perpetual growth rate is unchanged at 2.0%.

Earnings outlook improved

In FY 2016 Daldrup reached its own financial targets. Group sales were up 80.4% to EUR 31.1m, while the EBIT-margin (based on turnover) reached 2.8% which was at the lower end of the guided corridor of 2-5%.

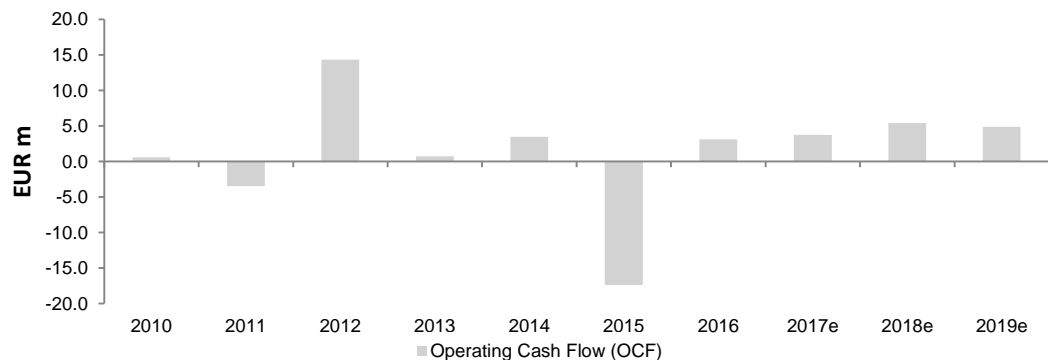
Exhibit 3: Total operating output and EBIT-margin



Source: Company data, equinet Research

A key point which is clearly supporting our investment case is the high order book of EUR 65m as of 31 May 2017. Major orders included are e.g. the geothermal drilling project in Geretsried (Germany) of about EUR 19m and another one for the Stadtwerke München (a double-digit million figure). Furthermore it was indicated by the company that the potential project pipeline (no signed orders yet) goes up to more than EUR100m for further geothermal drilling projects in Germany and some European countries. In this context it is worth to mention that the company currently is working at its capacity limit related to its workforce. This potential order volume is not yet included in our P&L and CF-forecasts as well as in our DCF-model.

Exhibit 4: Daldrup's OCF expected to stay positive



Source: Company data, equinet Research

With regard to the existing projects in **Taufkirchen** (Daldrup share: 38.6%) the replacement of heat exchangers is on track according to Daldrup and electricity production is expected to start in late summer. The same is the case for the **Landau** project (Daldrup share: 40%). The main operation plan already has been prolonged and after some final technical checks regular energy production could start too in the 2nd half of 2017. Concerning the **Neuried** project in March 2017 the administrative court of Freiburg dismissed the law suit of the town of Kehl against the existing drill permit and now the project continues as planned. The start of the regular electricity production generally will deliver a more steadily revenue and cash-flow stream.

Based on the updated project situation it seems reasonable to us that for FY2017e a total operating output of EUR 40m will be achieved and it is our assumption that the EBIT-margin will improve further from 3.2% to 3.7%. Mid-term we expect more and more an operational leverage to become visible so that the EBIT-margin will increase further. Our estimate for FY2019e is 7.1%.

Daldrup & Soehne : Summary tables

PROFIT & LOSS (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Sales	52.3	17.3	31.1	39.7	48.0	56.0
Cost of Sales & Operating Costs	-57.1	-17.3	-27.2	-35.0	-43.0	-49.7
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	-4.8	-0.1	3.9	4.8	5.1	6.3
EBITDA (adj.)*	-4.8	-0.1	3.9	4.8	5.1	6.3
Depreciation	-13.5	0.8	-2.9	-3.3	-2.8	-2.3
EBITA	-18.3	0.7	1.0	1.5	2.3	4.0
EBITA (adj)*	-18.3	0.7	1.0	1.5	2.3	4.0
Amortisations and Write Downs <i>of which PPA amortisation</i>	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-18.3	0.7	1.0	1.5	2.3	4.0
EBIT (adj.)*	-18.3	0.7	1.0	1.5	2.3	4.0
Net Financial Interest	-0.6	-0.7	-0.8	-0.7	-0.5	-0.3
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	-18.9	0.0	0.2	0.8	1.8	3.7
Tax	-0.1	0.1	-0.1	-0.2	-0.5	-1.1
<i>Tax rate</i>	<i>n.m.</i>	<i>n.m.</i>	<i>32.1%</i>	<i>30.0%</i>	<i>30.0%</i>	<i>30.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	2.7	0.2	0.2	0.1	0.1	0.1
Net Profit (reported)	-16.3	0.4	0.4	0.7	1.4	2.7
Net Profit (adj.)	-16.3	0.4	0.4	0.7	1.4	2.7
CASH FLOW (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Cash Flow from Operations before change in NWC	1.1	-7.0	3.1	6.1	6.2	5.2
Change in Net Working Capital	2.4	-10.4	0.0	-0.9	-0.8	-0.3
Cash Flow from Operations	3.5	-17.4	3.1	5.2	5.4	4.9
Capex	-1.3	-0.6	-0.9	-1.6	-1.8	-1.7
Net Financial Investments	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow	2.2	-18.0	2.2	3.6	3.6	3.2
Dividends	-0.6	0.0	0.0	0.0	0.0	0.0
Other (incl. Capital Increase & share buy backs)	0.0	0.0	0.0	0.0	0.0	0.0
Change in Net Debt	1.6	-18.0	2.2	3.6	3.6	3.2
NOPLAT	-12.8	0.5	0.7	1.0	1.6	2.8
BALANCE SHEET & OTHER ITEMS (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Net Tangible Assets	28.9	26.5	24.6	23.0	22.0	21.4
Net Intangible Assets (incl. Goodwill)	2.7	2.0	1.3	1.3	1.2	1.2
Net Financial Assets & Other	24.4	22.7	21.9	21.9	21.9	21.9
Total Fixed Assets	55.9	51.3	47.9	46.1	45.2	44.5
Inventories	2.1	12.5	17.0	18.1	19.0	19.4
Trade receivables	6.5	5.7	4.9	5.2	5.5	5.6
Other current assets	10.0	16.2	20.9	15.5	15.5	15.7
Cash (-)	-4.5	-3.2	-0.8	-3.8	-6.6	-9.3
Total Current Assets	23.1	37.6	43.5	42.5	46.6	49.9
Total Assets	79.0	88.9	91.4	88.7	91.7	94.5
Shareholders Equity	45.6	45.9	45.9	46.6	47.9	50.6
Minority	0.8	0.5	0.1	0.0	-0.1	-0.2
Total Equity	46.4	46.5	46.1	46.6	47.9	50.4
Long term interest bearing debt	-0.6	0.9	-3.4	-5.0	-6.8	-8.3
Provisions	3.8	3.1	3.2	3.6	3.4	3.2
Other long term liabilities	13.7	22.6	23.8	20.2	22.6	23.3
Total Long Term Liabilities	16.9	26.6	23.6	18.8	19.2	18.2
Short term interest bearing debt	10.0	11.0	12.0	13.0	14.0	15.0
Trade payables	5.0	4.2	7.9	8.4	8.8	9.0
Other current liabilities	0.8	0.6	1.8	1.8	1.8	1.8
Total Current Liabilities	15.7	15.8	21.7	23.2	24.6	25.8
Total Liabilities and Shareholders' Equity	79.0	88.9	91.4	88.7	91.7	94.5
Net Capital Employed	68.7	80.9	80.9	74.7	74.5	74.4
Net Working Capital	3.6	14.0	14.0	14.9	15.6	16.0
GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
<i>Sales growth</i>	<i>-14.0%</i>	<i>-67.0%</i>	<i>80.4%</i>	<i>27.5%</i>	<i>20.9%</i>	<i>16.7%</i>
EBITDA (adj.)* growth	n.m.	n.m.	n.m.	21.5%	6.3%	24.8%
<i>EBITA (adj.)* growth</i>	<i>n.m.</i>	<i>n.m.</i>	<i>42.9%</i>	<i>45.0%</i>	<i>55.2%</i>	<i>77.8%</i>
<i>EBIT (adj)* growth</i>	<i>n.m.</i>	<i>n.m.</i>	<i>42.9%</i>	<i>45.0%</i>	<i>55.2%</i>	<i>77.8%</i>

Daldrup & Soehne : Summary tables

GROWTH & MARGINS	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Net Profit growth	n.m.	n.m.	2.3%	72.6%	106.2%	96.4%
EPS adj. growth	n.m.	n.m.	2.3%	72.6%	106.2%	96.4%
DPS adj. growth	n.m.					n.m.
EBITDA (adj)* margin	n.m.	n.m.	12.6%	12.0%	10.5%	11.3%
EBITA (adj)* margin	-35.0%	4.1%	3.2%	3.7%	4.7%	7.1%
EBIT (adj)* margin	n.m.	4.1%	3.2%	3.7%	4.7%	7.1%
RATIOS	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Net Debt/Equity	0.1	0.2	0.2	0.1	0.0	-0.1
Net Debt/EBITDA	-1.0	-142.1	2.0	0.9	0.1	-0.4
Interest cover (EBITDA/Fin.interest)	n.m.	n.m.	5.0	7.3	11.1	18.8
Capex/D&A	9.5%	-80.7%	30.7%	48.1%	65.1%	73.0%
Capex/Sales	2.5%	3.6%	2.9%	4.0%	3.8%	3.0%
NWC/Sales	7.0%	81.1%	45.0%	37.5%	32.6%	28.5%
ROE (average)	-30.1%	0.8%	0.8%	1.4%	2.9%	5.4%
ROCE (adj.)	-36.4%	1.2%	1.8%	2.6%	4.1%	7.3%
WACC	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
ROCE (adj.)/WACC	-4.8	0.2	0.2	0.3	0.5	1.0
PER SHARE DATA (EUR)***	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Average diluted number of shares	5.4	5.4	5.4	5.4	5.4	5.4
EPS (reported)	-2.99	0.07	0.07	0.12	0.25	0.49
EPS (adj.)	-2.99	0.07	0.07	0.12	0.25	0.49
BVPS	8.38	8.44	8.44	8.56	8.81	9.30
DPS	0.00	0.00	0.00	0.00	0.00	0.10
VALUATION	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
EV/Sales	1.4	3.2	1.6	1.3	1.0	0.8
EV/EBITDA	n.m.	n.m.	13.1	10.5	9.1	6.8
EV/EBITDA (adj.)*	n.m.	n.m.	13.1	10.5	9.1	6.8
EV/EBITA	-3.9	78.8	51.1	34.4	20.5	10.7
EV/EBITA (adj.)*	-3.9	78.8	51.1	34.4	20.5	10.7
EV/EBIT	n.m.	78.8	51.1	34.4	20.5	10.7
EV/EBIT (adj.)*	n.m.	78.8	51.1	34.4	20.5	10.7
P/E (adj.)	n.m.	n.m.	n.m.	n.m.	33.0	16.8
P/BV	1.4	1.0	0.9	1.0	0.9	0.9
Total Yield Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%
EV/CE	2.0	1.3	1.3	1.3	1.2	1.1
OpFCF yield	3.4%	-39.9%	5.2%	8.1%	8.1%	7.2%
OpFCF/EV	3.1%	-32.7%	4.3%	7.3%	7.9%	7.5%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	20.4%
Dividend yield (gross)	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%
EV AND MKT CAP (EURm)	12/2014	12/2015	12/2016	12/2017e	12/2018e	12/2019e
Price** (EUR)	12.05	8.29	7.77	8.23	8.23	8.23
Outstanding number of shares for main stock	5.4	5.4	5.4	5.4	5.4	5.4
Total Market Cap	66	45	42	45	45	45
Net Debt	5	9	8	4	1	-3
<i>o/w Cash & Marketable Securities (-)</i>	-5	-3	-1	-4	-7	-9
<i>o/w Gross Debt (+)</i>	9	12	9	8	7	7
Other EV components	1	1	1	1	1	1
Enterprise Value (EV adj.)	72	55	51	50	46	43

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: Alternative Energy/Renewable Energy Equipment

Company Description: Daldrup & Soehne AG engages in the provision of drilling and environmental services. It operates through the following business areas: Geothermics, Water Procurement, Environment, Development, and Services and Raw Materials and Exploration. The Geothermics business area provides drilling services for near-surface and deep geothermics. The Water Procurement business area processes dry, direct circulation, airlift, and hammer drilling of wells for the procurement of drinking, service, medicinal, mineral, boiler-feed, and cooling water. The Environment, Development, and Services business area comprises of hydraulic clean-up of contaminated sites, gas extraction wells for recovering waste dump gas, groundwater quality measuring points and water cleansing plants, and mobile environmental analysis. The Raw Materials and Exploration business area includes exploratory and test drilling to discover deposits of fossil fuels, set-up of gas extraction wells for recovering...

Recommendations and Disclosures

Coverage	Analyst	Target	Rating	Disc.	Coverage	Analyst	Target	Rating	Disc.
2GEnergy	Rüzgar	22.50	Neutral	2/3/5	Procredit Holding	Häßler	15.60	Accumulate	2
4SC	Miemietz	3.50	Buy	7	PSI	Droste	13.00	Accumulate	2/3
Aareal Bank	Häßler	38.00	Neutral		PWO	Schuldt	53.00	Accumulate	2/3
Adpepper	Heilmann	2.20	Neutral	2/3	RIB Software	Droste	16.50	Buy	2/3
adidas	Josefson	180.00	Buy		RTL Group	Josefson	81.00	Accumulate	
Adler Modemaerkte	Josefson	7.50	Buy	7	SAF-Holland	Schuldt	17.00	Accumulate	7
ADLER Real Estate	Häßler	17.00	Buy		Siegfried Holding AG	Miemietz	220.00	Accumulate	
Aixtron	Sen	4.00	Neutral	2/3	SLM Solutions	Sen	27.50	Reduce	
Allianz	Häßler	185.00	Accumulate		SMT Scharf AG	Rüzgar	14.50	Neutral	2/3
Axel Springer	Josefson	51.00	Neutral		Software AG	Droste	30.00	Sell	
Bayer	Miemietz	118.00	Buy		Stabilus	Tanzer	71.00	Accumulate	
BB Biotech	Miemietz	60.00	Buy	7	Suedzucker	Bruns	20.00	Neutral	
Biotest	Miemietz	19.00	Neutral	2/3	SuessMicroTec	Sen	11.00	Accumulate	2/3
BMW	Schuldt	98.00	Accumulate		Surteco	Mildner	26.10	Accumulate	2/3
Cenit	Droste	22.50	Buy		Symrise	Hinkel	67.00	Neutral	
comdirect	Häßler	8.00	Sell		Syzygy AG	Heilmann	11.50	Neutral	2/3
Commerzbank	Häßler	9.50	Neutral		Talanx Group	Häßler	34.00	Neutral	
Continental	Schuldt	240.00	Buy		Technotrans	Becker	38.00	Neutral	2/3
CORESTATE Capital Holding S.A.	Mayer	39.00	Accumulate	2/5	TELECOLUMBUS	Sen	12.00	Buy	
CTS Eventim	Heilmann	40.00	Buy		Telefonica Deutschland	Sen	3.70	Sell	
Daimler AG	Schuldt	84.00	Buy		United Internet	Sen	55.00	Buy	
Daldrup & Soehne	Becker	10.10	Buy	2/3/5	va-Q-tec	Sen	17.00	Neutral	2/3/5
Demire	Mayer	4.20	Accumulate		Viscom	Rüzgar	18.00	Accumulate	2/3
Deutsche Bank	Häßler	19.00	Buy		Volkswagen	Schuldt	166.00	Buy	
Deutsche EuroShop	Mayer	42.00	Accumulate		WCM AG	Mayer	3.25	Neutral	2/3
Deutsche Pfandbriefbank	Häßler	12.00	Accumulate		Wllex	Miemietz	4.00	Buy	2/3
Deutsche Telekom	Sen	15.50	Neutral		Wincor Nixdorf	Sen	50.00	Accumulate	
Drillisch	Sen	66.00	Buy		windeln.de	Josefson	5.00	Buy	2
EringKlinger	Schuldt	17.00	Reduce						
elumeo SE	Josefson	9.60	Buy						
Epigenomics AG	Miemietz	7.52	Neutral	2/3					
Euromicron AG	Droste	13.00	Buy	2/3/5					
Ferratum	Häßler	25.00	Buy						
Fielmann	Heilmann	58.00	Sell						
Freenet	Sen	36.00	Buy	2					
FuchsPetrolub	Hinkel	47.00	Neutral						
Gerry Weber	Josefson	10.00	Reduce						
Gesco	Becker	25.40	Accumulate	2/3/5					
GFT Technologies	Droste	28.00	Buy	2/3					
Gigaset	Sen	0.85	Accumulate	2/3					
Grenke	Häßler	200.00	Buy						
Hannover Re	Häßler	100.00	Neutral						
Hornbach Holding	Bruns	89.00	Buy						
Hugo Boss	Josefson	78.00	Buy						
Hypoport AG	Häßler	114.00	Accumulate	7					
Kontron	Sen	3.60	Buy						
KWS	Hinkel	346.00	Neutral						
Leoni	Schuldt	40.00	Neutral						
Linde	Hinkel	174.00	Accumulate						
Logwin	Mildner	145.00	Neutral	2/3/5					
Manz AG	Rüzgar	42.50	Accumulate	2/3					
MAXAutomation AG	Becker	8.65	Buy	2/3/5					
Merck	Miemietz	91.00	Neutral						
Merkur Bank	Häßler	9.30	Buy	2/7					
Metro	Bruns	38.00	Buy						
MLP	Häßler	6.00	Neutral	2/3					
MTU Aero Engines	Rüzgar	135.00	Accumulate	2					
Munich Re	Häßler	180.00	Neutral						
Nemetschek SE	Droste	47.00	Reduce	5					
Nexus AG	Droste	20.00	Buy						
Norma Group	Schuldt	56.00	Buy						
OHB SE	Rüzgar	25.00	Neutral	7					
OVB Holding AG	Häßler	20.00	Accumulate	2/5/7					
Patrizia	Häßler	22.00	Buy						
Pfeiffer Vacuum	Sen	124.00	Accumulate	5					

* =Coverage suspended

Source: equinet Recommendations

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Recommendation System

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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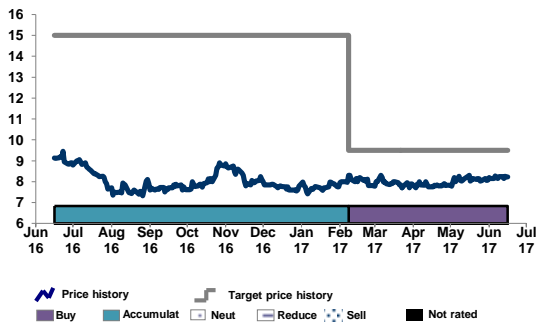


Recommendation history for DALDRUP & SOEHNE

Date	Recommendation	Target price	Price at change date
19-Jun-17	Buy	10.10	8.23
08-Feb-17	Buy	9.50	8.30

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 11/01/2017)



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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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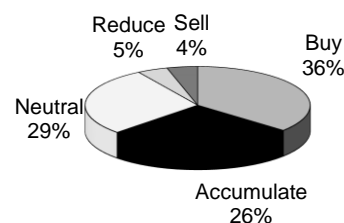
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Meaning of each recommendation or rating:

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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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Certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

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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