

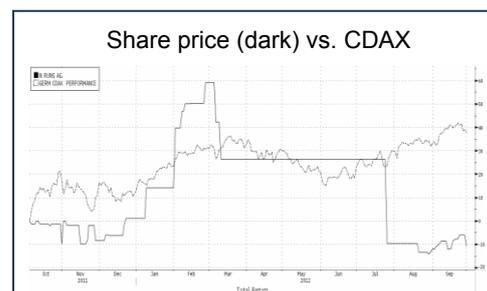
Recommendation:
HOLD (HOLD)

Risk: **HIGH** (HIGH)
Price Target: **EUR 3.70** (3.70)

04 October 2012

1H12 figures in line to achieve guidance

- 1H12 figures:** n.runs AG reported its half-year result for FY12. Worth mentioning is that all figures are solely based on n.runs standalone business (excluding VITEC). The company achieved revenues of EUR 3.5m (1H11: EUR 2.2m, +60% YoY). EBIT before transaction costs stood at EUR 0.4m (1H11: EUR -0.1m). Including special items of EUR 0.5m EBIT was at EUR -0.1m. While adjusted net result was positive at EUR 0.5m (1H11: EUR -0.1m), reported net result came in at EUR -0.1m. Hence, the translating EPS stood at EUR -0.06 (adjusted: EUR +0.32). Overall, the figures are completely in line to achieve company guidance. Previously the management expected the group (excluding VITEC) to achieve revenues of EUR 6.8m for full-year 2012.
- Change in management:** After finalising the integration of VITEC, the management and the supervisory board decided to transfer the n.runs standalone business into a 100% subsidiary (not yet established) of the group, so that n.runs AG will remain a holding company for the n.runs business and newly integrated VITEC business. In the course of that the two board members Mr. Donald Lee and Mr. Stefan Tewes will both be managing director of the aforesaid subsidiary. Furthermore, both will resign of the group management board as of 31 December 2012. As of 1 October already two new members have been elected to the management board. Mr. Charles Barnick is the new CEO of the group, and Mr. Werner Gentzke is the new CFO.
- Capital increase and integration finalised:** End of September both the capital increase and the non-cash capital increase (VITEC integration) was executed. As a result the share capital of the group increased by EUR 4,702,522. After both capital increases VITEC now holds 94.2% of n.runs (as of end of September). The current 5.8% free float is a low figure, hence, a broader share of investors would result in higher acceptance on the market and will help to increase the trading volume.
- Unchanged PT:** Regarding the recent news flow we feel confident that the newly established group is able to achieve its mid-term targets. Since the legal integration is now completed the company can work on generating synergy effects and to achieve a sustain profitability on a much higher level than in the past. For the time being we stick to our previous **PT of EUR 3.70 and confirm our HOLD recommendation.**



Sources: CBS Research AG, Bloomberg

Change	2012E		2013E		2014E	
	new	old	new	old	new	old
Revenues	-	37.0	-	40.9	-	46.5
EBITDA	-	0.0	-	2.2	-	3.5
EPS	-	-0.03	-	0.23	-	0.39

Internet: www.nruns.de
WKN: A0LEFF
Reuters: NXXG.DE

Sector: IT services
ISIN: DE000A0LEFF
Bloomberg: NNX GY

Short company profile:

n.runs AG is a leading information consulting company and offers expertise in the fields of IT-Security, IT-Infrastructure and IT-Business Consulting.

Share data:

Share price (last closing price):	EUR 3.70
Shares outstanding (m):	6.13
Market capitalisation (EURm):	22.7
Enterprise value (EURm):	21.6
Ø daily trading volume (3m, no. of shares):	132

Performance data:

High 52 weeks (EUR):	6.60
Low 52 weeks (EUR):	3.57
Absolute performance (12 months):	-10.8%
Relative performance (vs.CDAX):	
1 month:	-3.4%
3 months:	-33.8%
6 months:	-33.6%
12 months:	-32.2%

Shareholders:

VITEC Holding:	94.2%
Free float, others:	5.8%

Financial calendar:

9M12 report	November 2012
-------------	---------------

Author: **Marcus Silbe** (Analyst)

Close Brothers Seydler Research AG
Phone: +49 (0)69 - 977 84 56 0
E-Mail: research@cbseydlerresearch.ag
www.cbseydlerresearch.ag

Key data

Y/E 31 Dec, EURm	2009	2010	2011	2012E	2013E	2014E
	HGB	HGB	IFRS	IFRS	IFRS	IFRS
	n.runs	n.runs	Pro-Forma	Group	Group	Group
Sales	5.7	5.8	31.3	37.0	40.9	46.5
EBITDA	-0.2	0.6	1.4	0.0	2.2	3.5
EBIT (reported)	-0.3	0.5	1.2	-0.2	2.0	3.3
Net income/loss	-0.3	0.3	0.8	-0.2	1.4	2.4
EPS	-0.27	2.50	0.13	-0.03	0.23	0.39
CPS	0.39	-0.23	0.42	-0.04	0.14	0.25
EBITDA margin	-4.0%	10.2%	4.4%	-0.1%	5.4%	7.6%
EBIT margin	-5.7%	8.9%	3.9%	-0.5%	4.9%	7.1%
EV/EBITDA	n.m.	36.1	15.8	n.m.	9.8	6.1
EV/EBIT	n.m.	41.3	17.6	n.m.	10.8	6.5
P/E	n.m.	1.5	29.2	n.m.	15.8	9.5

Source: CBS Research AG, n.runs AG

Appendix

Profit and loss account

	EURm	2010	2011	2011	2011	2011	2011	2011	2012E	2013E	2014E
		n.runs	n.runs	n.runs	VITEC	VITEC Holding	Combined	Pro-Forma	Group	Group	Group
		HGB	HGB	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Sales		5.84	5.25	5.25	26.22	-0.19	31.28	31.28	37.02	40.89	46.53
YoY growth		3.3%	-10.2%	n.m.	n.m.	n.m.	n.m.	n.m.	18.3%	10.5%	13.8%
Other operating income		0.20	0.13	0.13	0.05	-0.02	0.15	0.15	0.15	0.16	0.19
as % of total output		3.4%	2.4%	2.4%	0.2%	10.2%	0.5%	0.5%	0.4%	0.4%	0.4%
Total output		6.04	5.37	5.37	26.27	-0.21	31.43	31.43	37.17	41.06	46.72
as % of total output		103.4%	102.4%	102.4%	100.2%	110.2%	100.5%	100.5%	100.4%	100.4%	100.4%
Cost of materials		-1.16	-0.77	-0.77	-19.50	0.01	-20.26	-20.26	-23.69	-26.05	-29.32
as % of total output		-19.2%	-14.3%	-14.3%	-74.2%	-5.1%	-64.5%	-64.5%	-63.7%	-63.4%	-62.7%
Personnel costs		-3.24	-3.20	-3.20	-3.02	0.01	-6.20	-6.20	-7.59	-7.77	-8.19
as % of total output		-53.6%	-59.5%	-59.5%	-11.5%	-4.4%	-19.7%	-19.7%	-20.4%	-18.9%	-17.5%
Other operating expenses		-1.05	-1.23	-1.22	-2.60	0.21	-3.61	-3.61	-4.26	-4.83	-5.44
as % of total output		-101.1%	-120.2%	-119.6%	-259.5%	19.5%	-359.2%	-359.2%	-424.0%	-480.6%	-542.3%
Adjusted EBITDA		0.60	0.18	0.18	1.15	0.03	1.36	1.36	1.48	2.21	3.54
as % of total output		9.9%	3.3%	3.4%	4.4%	-12.6%	4.3%	4.3%	4.0%	5.4%	7.6%
Transaction costs		0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.50	0.00	0.00
as % of total output		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.0%	0.0%	0.0%
EBITDA		0.60	0.18	0.18	1.15	0.03	1.36	1.36	-0.02	2.21	3.54
as % of total output		9.9%	3.3%	3.4%	4.4%	-12.6%	4.3%	4.3%	-0.1%	5.4%	7.6%
Depreciation and amortisation (incl. PPA depreciation)		-0.08	-0.06	-0.06	-0.08	0.01	-0.13	-0.13	-0.15	-0.20	-0.23
as % of total output		-1.3%	-1.1%	-1.1%	-0.3%	-4.6%	-0.4%	-0.4%	-0.4%	-0.5%	-0.5%
EBIT		0.52	0.12	0.13	1.06	0.03	1.23	1.23	-0.17	2.00	3.30
as % of total output		8.9%	2.3%	2.4%	4.1%	-18.4%	3.9%	3.9%	-0.5%	4.9%	7.1%
Adjusted EBIT		0.52	0.12	0.13	1.06	0.03	1.23	1.23	1.33	2.00	3.30
as % of total output		8.6%	2.3%	2.4%	4.1%	-16.7%	3.9%	3.9%	3.6%	4.9%	7.1%
Net financial results		-0.04	-0.01	-0.01	-0.04	0.01	-0.05	-0.05	-0.04	-0.01	0.00
EBT (Earnings before income taxes)		0.48	0.11	0.11	1.02	-0.31	0.83	1.18	-0.21	2.00	3.30
as % of total output		8.3%	2.1%	2.2%	3.9%	163.8%	2.6%	3.8%	-0.6%	4.9%	7.1%
Income taxes (incl. other taxes)		-0.14	-0.04	-0.04	-0.36	0.00	-0.40	-0.40	0.03	-0.56	-0.92
as % of EBT		-29.2%	-40.9%	-38.8%	-34.9%	0.0%	-48.4%	-34.0%	-15.0%	-28.0%	-28.0%
Adjusted income		-	-	-	-	-	-	-	0.99	1.44	2.38
Net income attributable to shareholders		0.34	0.06	0.07	0.52	-0.31	0.28	0.78	-0.18	1.44	2.38
as % of total output		5.7%	1.2%	1.3%	2.0%	148.6%	0.9%	2.5%	-0.5%	3.5%	5.1%
Shares outstanding (in m)		1.3	n.m.	-	-	-	-	6.1	6.1	6.1	6.1
Basic earnings per share (EUR)		0.27	n.m.	-	-	-	-	0.13	-0.03	0.23	0.39
Adjusted earnings per share (EUR)		-	-	-	-	-	-	0.16	-	-	-

Source: n.runs AG, CBS Research AG

Balance Sheet

	EURm										
	2010	2011	2011	2011	2011	2011	2011	2011	2012E	2013E	2014E
	n.runs	n.runs	n.runs	VITEC	VITEC Holding	Combined	Pro-Forma	Group	Group	Group	
	HGB	HGB	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	
Assets											
Non-current assets	0.68	0.62	0.62	3.67	-4.14	-0.47	0.92	1.08	1.21	1.34	
as % of total assets	34.6%	30.1%	30.1%	28.0%	90.9%	-5.5%	9.2%	10.0%	9.4%	8.6%	
Intangible assets	0.02	0.01	0.01	0.95	0.00	2.97	0.04	0.09	0.14	0.19	
Goodwill	0.00	0.00	0.00	2.02	0.00	0.00	0.00	0.00	0.00	0.00	
Property, plant and equipment	0.13	0.12	0.12	0.34	-0.01	0.34	0.34	0.45	0.53	0.61	
Deferred tax assets	0.53	0.48	0.48	0.36	0.00	0.36	0.54	0.54	0.54	0.54	
Income tax claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Other assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Financial assets	0.00	0.00	0.00	0.00	-4.14	-4.14	0.00	0.00	0.00	0.00	
Current assets	1.27	1.43	1.44	9.46	-0.42	9.05	9.05	9.68	11.69	14.24	
as % of total assets	64.9%	69.3%	69.9%	72.0%	9.1%	105.5%	90.8%	90.0%	90.6%	91.4%	
Inventories	0.00	0.00	0.00	2.13	0.00	2.13	2.13	2.59	2.86	3.26	
Accounts receivable, other receivables and other assets	1.22	1.09	1.10	5.92	-0.33	5.60	5.60	6.31	7.50	8.51	
Cash and cash equivalents	0.06	0.34	0.34	1.41	-0.09	1.32	1.32	0.78	1.32	2.47	
Accrued items	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Deficit not covered by equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total assets	1.96	2.06	2.06	13.14	-4.56	8.58	9.97	10.76	12.89	15.58	
Shareholders' equity and liabilities											
Shareholders' equity	0.93	1.34	1.34	2.84	-0.23	2.61	4.00	3.82	5.26	7.64	
as % of total equity and liabilities	47.3%	65.2%	65.2%	21.6%	5.1%	30.4%	40.2%	35.6%	40.8%	49.0%	
Subscribed capital	1.25	1.43	1.43	0.22	-0.22	0.00	6.13	6.13	6.13	6.13	
Capital contribution from convertible bonds	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Capital reserve	0.57	1.25	1.24	0.91	0.00	0.91	-1.52	-1.52	-1.52	-1.52	
Retained profits	0.67	0.67	0.67	0.00	0.00	0.00	0.67	0.67	0.67	0.67	
Net retained earnings	-2.06	-2.00	-1.99	0.94	-0.02	0.92	-1.28	-1.46	-0.02	2.36	
Other equity + hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Other reserves (incl. currency effects)	0.00	0.00	0.00	0.04	0.00	0.04	0.01	0.01	0.01	0.01	
Equity attributable to shareholders	0.93	1.34	1.34	2.10	-0.23	1.87	4.00	3.82	5.26	7.64	
Deficit not covered by equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Minorities	0.00	0.00	0.00	0.74	0.00	0.74	0.00	0.00	0.00	0.00	
Provisions and liabilities	1.03	0.72	0.72	10.29	-4.33	5.96	5.96	6.93	7.63	7.94	
as % of total equity and liabilities	52.7%	34.8%	34.8%	78.4%	94.9%	69.6%	59.8%	64.4%	59.2%	51.0%	
Financial lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Financial liabilities	0.00	0.00	0.00	0.20	0.00	0.20	0.20	0.20	0.21	0.22	
Provisions	0.16	0.35	0.01	0.29	-0.01	0.28	0.28	0.29	0.30	0.31	
Advance payments received	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Accounts payable	0.22	0.18	0.34	4.45	-0.21	4.24	4.24	5.07	5.83	6.12	
Current income tax liabilities	0.00	0.00	0.00	0.16	0.00	0.16	0.16	0.17	0.18	0.20	
Other current liabilities	0.65	0.18	0.37	5.20	-4.11	1.09	1.09	1.19	1.11	1.09	
Debts related to assets held for sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total equity and liabilities	1.96	2.06	2.06	13.14	-4.56	8.58	9.97	10.76	12.89	15.58	

Source: n.runs AG, CBS Research AG

Cash flow statement

	EURm	2012E	2013E	2014E
EBT (Earnings before income taxes)		-0.21	2.00	3.30
Depreciation and amortisation		0.15	0.20	0.23
Other transactions incl. non-cash		0.05	-0.55	-0.91
Change in Working Capital		-0.22	-0.79	-1.12
Cash flow from operating activities		-0.24	0.87	1.50
CAPEX		-0.31	-0.34	-0.36
Other investing activities		-	-	-
Cash flow from investing activities		-0.31	-0.34	-0.36
Change in debt		0.01	0.01	0.02
Paid interests		-	-	-
Net proceeds from capital increase & right capital		-	-	-
Dividend payments		-	-	-
Cash flow from financing activities		0.01	0.01	0.02
Total change in cash and cash equivalents		-0.54	0.54	1.16
Changes in cash due to changes in consolidation		-	-	-
Cash and cash equivalents at the start of the period		1.32	0.78	1.32
Cash and cash equivalents at year's end		0.78	1.32	2.47

Source: CBS Research AG Since the company did not provide its cash flow on pro-forma basis, we only show the cash flow statements for 2012E-2014E

Research



Schillerstrasse 27 - 29
60313 Frankfurt am Main

Phone: +49 (0)69 – 977 8456-0

Roger Peeters Member of the Board	+49 (0)69 -977 8456- 12 Roger.Peeters@cbseydlerresearch.ag	Igor Kim	+49 (0)69 -977 8456- 15 Igor.Kim@cbseydlerresearch.ag
Martin Decot	+49 (0)69 -977 8456- 13 Martin.Decot@cbseydlerresearch.ag	Gennadij Kremer	+49 (0)69 – 977 8456- 23 Gennadij.Kremer@cbseydlerresearch.ag
Anna von Klopmann	+49 (0)69 -977 8456- 10 Anna.Klopmann@cbseydlerresearch.ag	Ralf Marinoni	+49 (0)69 -977 8456- 17 Ralf.Marinoni@cbseydlerresearch.ag
Daniel Kukalj	+49 (0)69 – 977 8456- 21 Daniel.Kukalj@cbseydlerresearch.ag	Felix Parmantier	+49 (0)69 -977 8456- 22 Felix.Parmantier@cbseydlerresearch.ag
Manuel Martin	+49 (0)69 -977 8456- 16 Manuel.Martin@cbseydlerresearch.ag	Veysel Taze	+49 (0)69 -977 8456- 18 Veysel.Taze@cbseydlerresearch.ag
Marcus Silbe	+49 (0)69 -977 8456- 14 Marcus.Silbe@cbseydlerresearch.ag		
Ivo Višić	+49 (0)69 -977 8456- 19 Ivo.Visic@cbseydlerresearch.ag		

Institutional Sales



Schillerstrasse 27 – 29
60313 Frankfurt am Main

Phone: +49 (0)69 – 9 20 54-400

Raimar Bock Head of Sales	+49 (0)69 -9 20 54-115 Raimar.Bock@cbseydler.com	Sule Erkan (Sales-Support)	+49 (0)69 -9 20 54-107 Sule.Erkan@cbseydler.com
Rüdiger Eich (Germany, Switzerland)	+49 (0)69 -9 20 54-119 Ruediger.Eich@cbseydler.com	Klaus Korzilius (Benelux, Germany)	+49 (0)69 -9 20 54-114 Klaus.Korzilius@cbseydler.com
Dr. James Jackson (UK)	+49 (0)69 -9 20 54-113 James.Jackson@cbseydler.com	Markus Laifle (Execution)	+49 (0)69 -9 20 54-120 Markus.Laifle@cbseydler.com
Stefan Krewinkel (Execution, UK)	+49 (0)69 -9 20 54-118 Stefan.Krewinkel@cbseydler.com	Bruno de Lencquesaing (Benelux, France)	+49 (0)69 -9 20 54-116 Bruno.deLencquesaing@cbseydler.com
Michael Laufenberg (Germany)	+49 (0)69 -9 20 54-112 Michael.Laufenberg@cbseydler.com	Carsten Pfersdorf (Sales Trading)	+49 (0)69 -9 20 54-168 Carsten.Pfersdorf@cbseydler.com
Angela Leser (Fixed Income)	+49 (0)69 -9 20 54-111 Angela.Leser@cbseydler.com	Janine Theobald (Austria, Germany)	+49 (0)69 -9 20 54-106 Janine.Theobald@cbseydler.com
Christopher Seedorf (Sales-Support)	+49 (0)69 -9 20 54-110 Christopher.Seedorf@cbseydler.com		
Bas-Jan Walhof (Benelux)	+49 (0)69 -9 20 54-105 Bas-Jan.Walhof@cbseydler.com		

Disclaimer and statement according to § 34b German Securities Trading Act (“Wertpapierhandelsgesetz”) in combination with the provisions on financial analysis (“Finanzanalyseverordnung” FinAnV)

This report has been prepared independently of the company analysed by Close Brothers Seydler Research AG and/ or its cooperation partners and the analyst(s) mentioned on the front page (hereafter all are jointly and/or individually called the ‘author’). None of Close Brothers Seydler Research AG, Close Brothers Seydler Bank AG or its cooperation partners, the Company or its shareholders has independently verified any of the information given in this document.

Section 34b of the German Securities Trading Act in combination with the FinAnV requires an enterprise preparing a security analysis to point out possible conflicts of interest with respect to the company that is the subject of the analysis.

Close Brothers Seydler Research AG is a majority owned subsidiary of Close Brothers Seydler Bank AG (hereafter ‘CBS’). However, Close Brothers Seydler Research AG (hereafter ‘CBSR’) provides its research work independent from CBS. CBS is offering a wide range of Services not only including investment banking services and liquidity providing services (designated sponsoring). CBS or CBSR may possess relations to the covered companies as follows (additional information and disclosures will be made available upon request):

- a. CBS holds more than 5% interest in the capital stock of the company that is subject of the analysis.
- b. CBS was a participant in the management of a (co)consortium in a selling agent function for the issuance of financial instruments, which themselves or their issuer is the subject of this financial analysis within the last twelve months.
- c. CBS has provided investment banking and/or consulting services during the last 12 months for the company analysed for which compensation has been or will be paid for.
- d. CBS acts as designated sponsor for the company’s securities on the basis of an existing designated sponsorship contract. The services include the provision of bid and ask offers. Due to the designated sponsoring service agreement CBS may regularly possess shares of the company and receives a compensation and/ or provision for its services.
- e. The designated sponsor service agreement includes a contractually agreed provision for research services.
- f. CBSR and the analysed company have a contractual agreement about the preparation of research reports. CBSR receives a compensation in return.
- g. CBS has a significant financial interest in relation to the company that is subject of this analysis.

In this report, the following conflicts of interests are given at the time, when the report has been published: b,c,d,f

CBS and/or its employees or clients may take positions in, and may make purchases and/ or sales as principal or agent in the securities or related financial instruments discussed in this analysis. CBS may provide investment banking, consulting, and/ or other services to and/ or serve as directors of the companies referred to in this analysis. No part of the authors compensation was, is or will be directly or indirectly related to the recommendations or views expressed.

Recommendation System:

Close Brothers Seydler Research AG uses a 3-level absolute share rating system. The ratings pertain to a time horizon of up to 12 months:

BUY: The expected performance of the share price is above +10%.

HOLD: The expected performance of the share price is between 0% and +10%.

SELL: The expected performance of the share price is below 0%.

Recommendation history over the last 12 months for the company analysed in this report:

Date	Recommendation	Price at change date	Price target
31 July 2012	HOLD (Initiating Coverage)	EUR 3.70	EUR 3.70
04 October 2012	HOLD	EUR 3.70	EUR 3.70

Risk-scaling System:

Close Brothers Seydler Research AG uses a 3-level risk-scaling system. The ratings pertain to a time horizon of up to 12 months:

LOW: The volatility is expected to be lower than the volatility of the benchmark

MEDIUM: The volatility is expected to be equal to the volatility of the benchmark

HIGH: The volatility is expected to be higher than the volatility of the benchmark

The following valuation methods are used when valuing companies: Multiplier models (price/earnings, price/cash

flow, price/book value, EV/Sales, EV/EBIT, EV/EBITA, EV/EBITDA), peer group comparisons, historical valuation approaches, discounting models (DCF, DDM), break-up value approaches or asset valuation approaches. The valuation models are dependent upon macroeconomic measures such as interest, currencies, raw materials and assumptions concerning the economy. In addition, market moods influence the valuation of companies.

The figures taken from the income statement, the cash flow statement and the balance sheet upon which the evaluation of companies is based are estimates referring to given dates and therefore subject to risks.

These may change at any time without prior notice.

The opinions and forecasts contained in this report are those of the author alone. Material sources of information for preparing this report are publications in domestic and foreign media such as information services (including but not limited to Reuters, VWD, Bloomberg, DPA-AFX), business press (including but not limited to *Börsenzeitung*, *Handelsblatt*, *Frankfurter Allgemeine Zeitung*, *Financial Times*), professional publications, published statistics, rating agencies as well as publications of the analysed issuers. Furthermore, discussions were held with the management for the purpose of preparing the analysis. Potentially parts of the analysis have been provided to the issuer prior to going to press; no significant changes were made afterwards, however. Any information in this report is based on data considered to be reliable, but no representations or guarantees are made by the author with regard to the accuracy or completeness of the data. The opinions and estimates contained herein constitute our best judgment at this date and time, and are subject to change without notice. Possible errors or incompleteness of the information do not constitute grounds for liability, neither with regard to indirect nor to direct or consequential damages. The views presented on the covered company accurately reflect the personal views of the author. All employees of the author's company who are involved with the preparation and/or the offering of financial analyzes are subject to internal compliance regulations.

The report is for information purposes, it is not intended to be and should not be construed as a recommendation, offer or solicitation to acquire, or dispose of, any of the securities mentioned in this report. Any reference to past performance should not be taken as indication of future performance. The author does not accept any liability whatsoever for any direct or consequential loss arising from any use of material contained in this report. The report is confidential and it is submitted to selected recipients only. The report is prepared for professional investors only and it is not intended for private investors. Consequently, it should not be distributed to any such persons. Also, the report may be communicated electronically before physical copies are available. It may not be reproduced (in whole or in part) to any other investment firm or any other individual person without the prior written approval from the author. The author is not registered in the United Kingdom nor with any U.S. regulatory body.

It has not been determined in advance whether and in what intervals this report will be updated. Unless otherwise stated current prices refer to the closing price of the previous trading day. Any reference to past performance should not be taken as indication of future performance. The author maintains the right to change his opinions without notice, i.e. the opinions given reflect the author's judgment on the date of this report.

This analysis is intended to provide information to assist institutional investors in making their own investment decisions, not to provide investment advice to any specific investor.

By accepting this report the recipient accepts that the above restrictions are binding. German law shall be applicable and court of jurisdiction for all disputes shall be Frankfurt am Main (Germany).

This report should be made available in the United States solely to investors that are (i) "major US institutional investors" (within the meaning of SEC Rule 15a-6 and applicable interpretations relating thereto) that are also "qualified institutional buyers" (QIBs) within the meaning of SEC Rule 144A promulgated by the United States Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Securities Act") or (ii) investors that are not "US Persons" within the meaning of Regulation S under the Securities Act and applicable interpretations relating thereto. The offer or sale of certain securities in the United States may be made to QIBs in reliance on Rule 144A. Such securities may include those offered and sold outside the United States in transactions intended to be exempt from registration pursuant to Regulation S. This report does not constitute in any way an offer or a solicitation of interest in any securities to be offered or sold pursuant to Regulation S. Any such securities may not be offered or sold to US Persons at this time and may be resold to US Persons only if such securities are registered under the Securities Act of 1933, as amended, and applicable state securities laws, or pursuant to an exemption from registration.

This publication is for distribution in or from the United Kingdom only to persons who are authorised persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 of the United Kingdom or any order made there under or to investment professionals as defined in Section 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and is not intended to be distributed or passed on, directly or indirectly, to any other class of persons.

This publication is for distribution in Canada only to pension funds, mutual funds, banks, asset managers and insurance companies.

The distribution of this publication in other jurisdictions may be restricted by law, and persons into whose possession this publication comes should inform themselves about, and observe, any such restrictions. In particular this publication may not be sent into or distributed, directly or indirectly, in Japan or to any resident thereof.

Responsible Supervisory Authority:

Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, Federal Financial Supervisory Authority)
Graurheindorferstraße 108
53117 Bonn
and
Lurgiallee 12
60439 Frankfurt

 **Close Brothers Seydler**
Research AG
Schillerstrasse 27 - 29
60313 Frankfurt am Main
www.cbseydlerresearch.ag
Tel.: 0049 - (0)69 - 97 78 45 60