

# DFV Deutsche Familienversicherung AG

## Germany - Financial Services



HAUCK & AUFHÄUSER  
Investment Banking

**Buy** (old: Buy)

**Price target: EUR 22.00** (old: EUR 17.50)

**Price:** EUR 13.45      **Next result:** Q4/FY19 19.3.20  
**Bloomberg:** DFVA GR      **Market cap:** EUR 178.4 m  
**Reuters:** DFV.DE      **Enterprise Value:** EUR 165.8 m

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**Christian Salis**  
Analyst

christian.salis@ha-ib.de  
Tel.: +49 40 414 3885 96

### Major partnership to double existing business, chg est. & PT

DFV announced a major collaboration with the chemical and pharmaceutical industry. In a consortium with R+V insurance and Barmenia, DFV will offer the supplementary care insurance 'CareFlex Chemie' - the first industry-wide, employer-financed collective long-term care provision in Germany.

This means that DFV gains access to 435k clients from July 2021 that are covered by collective agreements. Additional potential is stemming from 145k non-tariff employees who could come on top if their employer agrees. Given DFV's current client base of around 500k, the partnership effectively has the potential to double DFV's business.

Given DFV's 35% holding in the consortium and assuming its current GWP of € 484 per policy in care insurance, group GWP look set to surge by an additional € 74m p.a. from July 1<sup>st</sup> 2021 (i.e. € 37m incremental sales in FY'21). On top of this, there is seen to be substantial cross-selling potential as close relatives can also be covered. In sum, the growth potential looks massive as currently not even 5% of Germans have a private long-term care insurance in place.

Meanwhile, DFV is seen to be on track executing on its growth strategy. Gross written premiums grew by 38% yoy in Q3. With portfolio premiums of € 95m, the FY'19 target of € 100m PP appears conservative, in our view. At the same time, EBIT came in at € 1.3m despite growth investments rendering the FY'19 target of € -9 to -11m undemanding. Having acquired 70k new customers yoy in 9M to now around 500k, new customer growth looks set to accelerate to 30k in Q4 which should put the company well on track to reach its target of 100k in 2019.

Overall, the investment case is fully intact. DFV looks set to disrupt the German insurance market on the back of its fully digitized insurtech platform. While profitability should be marked by growth investments in the short-term, scalability of the business should become evident in the mid-term with an expected EBIT margin uplift to 4.4% in 2021E.

**Action:** Sales and EBIT estimates are raised from 2021 onwards reflecting the boost from the partnership. **BUY with a new PT of € 22.00 (old: € 17.50), based on DCF.**

Y/E 31.12 (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
Sales	63.2	64.1	70.7	68.5	89.7	139.1	202.5
Sales growth	27 %	1 %	10 %	-3 %	31 %	55 %	46 %
EBITDA	1.9	3.5	3.7	-0.8	-7.2	0.8	12.2
EBIT	0.7	2.0	2.1	-2.5	-9.2	-1.7	8.9
Net income	0.9	1.7	1.5	-1.7	-6.4	-1.1	6.3
Net debt	-8.5	-4.7	-5.5	-44.6	-31.8	-22.8	-27.1
Net gearing	-50.1 %	-25.2 %	-28.3 %	-68.2 %	-56.2 %	-43.3 %	-47.9 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.07	0.13	0.11	-0.13	-0.48	-0.09	0.47
CPS	0.73	1.06	1.18	-0.17	-0.42	-0.13	0.40
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Gross profit margin	44.3 %	44.4 %	44.7 %	53.0 %	53.5 %	54.0 %	54.5 %
EBITDA margin	3.1 %	5.5 %	5.2 %	-1.1 %	-8.0 %	0.6 %	6.0 %
EBIT margin	1.1 %	3.2 %	3.0 %	-3.6 %	-10.2 %	-1.2 %	4.4 %
ROCE	2.0 %	4.1 %	3.5 %	-2.6 %	-7.4 %	-1.3 %	6.6 %
EV/sales	2.9	2.9	2.7	2.2	1.8	1.3	0.9
EV/EBITDA	95.3	53.3	51.1	-198.1	-23.1	210.0	14.4
EV/EBIT	261.7	93.4	89.1	-61.4	-18.0	-106.5	19.6
PER	205.5	105.0	120.4	-107.3	-27.9	-158.0	28.4
Adjusted FCF yield	0.9 %	1.6 %	1.4 %	-1.3 %	-6.0 %	-0.4 %	7.9 %

Source: Company data, Hauck & Aufhäuser Close price as of: 27.11.2019



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 12.75 / 9.85

**Price/Book Ratio:** 3.0

**Relative performance (-):**

3 months -  
6 months -  
12 months -

#### Changes in estimates

		Sales	EBIT	EPS
2019	old:	89.7	-9.2	-0.48
	Δ	-	-	-
2020	old:	139.1	-1.7	-0.09
	Δ	-	-	-
2021	old:	165.5	7.1	0.38
	Δ	22.4%	25.3%	25.1%

#### Key share data:

Number of shares: (in m pcs) 13.3  
 Authorised capital: (in € m) -  
 Book value per share: (in €) 4.3  
 Ø trading volume: (12 months) 2,400

#### Major shareholders:

Luca Pesarini 22.9 %  
 Dr. Stefan Knoll (CEO) 21.3 %  
 Vogel Family & Heir 21.0 %  
 VPV Versicherungen 15.7 %  
 Free Float 12.3 %  
 Ethenea 6.8 %

#### Company description:

The DFV is an early mover in the insurtech field being the first fully digital insurance company in Europe and among the healthiest worldwide.

## Financials

Profit and loss (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
<b>Sales</b>	<b>63.2</b>	<b>64.1</b>	<b>70.7</b>	<b>68.5</b>	<b>89.7</b>	<b>139.1</b>	<b>202.5</b>
Sales growth	26.7 %	1.4 %	10.3 %	-3.0 %	31.0 %	55.0 %	45.6 %
Cost of sales	35.2	35.6	39.1	32.2	41.7	64.0	92.1
<b>Gross profit</b>	<b>28.0</b>	<b>28.4</b>	<b>31.6</b>	<b>36.3</b>	<b>48.0</b>	<b>75.1</b>	<b>110.4</b>
Sales and marketing	0.4	-0.4	1.5	0.3	0.8	1.3	2.0
General and administration	19.3	16.8	18.0	22.3	26.5	49.8	67.8
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	7.7	7.9	11.4	13.0	29.9	26.5	33.4
Other operating expenses	0.6	1.4	1.6	3.8	1.7	1.7	2.2
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>1.9</b>	<b>3.5</b>	<b>3.7</b>	<b>-0.8</b>	<b>-7.2</b>	<b>0.8</b>	<b>12.2</b>
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITA</b>	<b>1.9</b>	<b>3.5</b>	<b>3.7</b>	<b>-0.8</b>	<b>-7.2</b>	<b>0.8</b>	<b>12.2</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.2	1.5	1.6	1.7	2.0	2.5	3.2
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>0.7</b>	<b>2.0</b>	<b>2.1</b>	<b>-2.5</b>	<b>-9.2</b>	<b>-1.7</b>	<b>8.9</b>
Interest income	0.0	0.0	0.0	0.1	0.1	0.0	0.1
Interest expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	0.0	0.0	0.0	0.1	0.1	0.0	0.1
<b>Recurring pretax income from continuing operations</b>	<b>0.7</b>	<b>2.0</b>	<b>2.1</b>	<b>-2.4</b>	<b>-9.1</b>	<b>-1.6</b>	<b>9.0</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>0.7</b>	<b>2.0</b>	<b>2.1</b>	<b>-2.4</b>	<b>-9.1</b>	<b>-1.6</b>	<b>9.0</b>
Taxes	-0.2	0.3	0.6	-0.7	-2.7	-0.5	2.7
<b>Net income from continuing operations</b>	<b>0.9</b>	<b>1.7</b>	<b>1.5</b>	<b>-1.7</b>	<b>-6.4</b>	<b>-1.1</b>	<b>6.3</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>0.9</b>	<b>1.7</b>	<b>1.5</b>	<b>-1.7</b>	<b>-6.4</b>	<b>-1.1</b>	<b>6.3</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>0.9</b>	<b>1.7</b>	<b>1.5</b>	<b>-1.7</b>	<b>-6.4</b>	<b>-1.1</b>	<b>6.3</b>
Average number of shares	13.3	13.3	13.3	13.3	13.3	13.3	13.3
<b>EPS reported</b>	<b>0.07</b>	<b>0.13</b>	<b>0.11</b>	<b>-0.13</b>	<b>-0.48</b>	<b>-0.09</b>	<b>0.47</b>

Profit and loss (common size)	2015	2016	2017	2018	2019E	2020E	2021E
<b>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>
Cost of sales	55.7 %	55.6 %	55.3 %	47.0 %	46.5 %	46.0 %	45.5 %
<b>Gross profit</b>	<b>44.3 %</b>	<b>44.4 %</b>	<b>44.7 %</b>	<b>53.0 %</b>	<b>53.5 %</b>	<b>54.0 %</b>	<b>54.5 %</b>
Sales and marketing	0.7 %	neg.	2.2 %	0.5 %	0.9 %	0.9 %	1.0 %
General and administration	30.6 %	26.2 %	25.5 %	32.5 %	29.5 %	35.8 %	33.5 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	12.2 %	12.3 %	16.2 %	19.0 %	33.3 %	19.1 %	16.5 %
Other operating expenses	1.0 %	2.1 %	2.2 %	5.6 %	1.8 %	1.2 %	1.1 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITDA</b>	<b>3.1 %</b>	<b>5.5 %</b>	<b>5.2 %</b>	<b>neg.</b>	<b>neg.</b>	<b>0.6 %</b>	<b>6.0 %</b>
Depreciation	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITA</b>	<b>3.1 %</b>	<b>5.5 %</b>	<b>5.2 %</b>	<b>neg.</b>	<b>neg.</b>	<b>0.6 %</b>	<b>6.0 %</b>
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.0 %	2.4 %	2.2 %	2.5 %	2.2 %	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>1.1 %</b>	<b>3.2 %</b>	<b>3.0 %</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>4.4 %</b>
Interest income	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.0 %	0.0 %
Interest expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.0 %	0.0 %
<b>Recurring pretax income from continuing operations</b>	<b>1.1 %</b>	<b>3.2 %</b>	<b>3.0 %</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>4.4 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>1.1 %</b>	<b>3.2 %</b>	<b>3.0 %</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>4.4 %</b>
Tax rate	-22.7 %	16.0 %	30.1 %	30.0 %	30.0 %	30.0 %	30.0 %
<b>Net income from continuing operations</b>	<b>1.4 %</b>	<b>2.7 %</b>	<b>2.1 %</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>3.1 %</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>1.4 %</b>	<b>2.7 %</b>	<b>2.1 %</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>3.1 %</b>
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>1.4 %</b>	<b>2.7 %</b>	<b>2.1 %</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>3.1 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
<b>Intangible assets</b>	<b>9.3</b>	<b>9.6</b>	<b>9.3</b>	<b>7.8</b>	<b>6.1</b>	<b>4.1</b>	<b>1.6</b>
Property, plant and equipment	1.6	2.1	1.4	1.7	2.0	2.3	2.7
Financial assets	15.6	31.7	46.4	56.4	66.4	76.4	80.2
<b>FIXED ASSETS</b>	<b>26.5</b>	<b>43.4</b>	<b>57.1</b>	<b>65.9</b>	<b>74.5</b>	<b>82.8</b>	<b>84.5</b>
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	6.5	3.4	1.9	4.6	6.1	9.4	13.7
Other current assets	13.6	20.7	29.4	38.0	46.2	54.5	57.6
Liquid assets	8.5	4.7	5.5	44.6	31.8	22.8	27.1
Deferred taxes	0.3	0.5	0.4	0.4	0.4	0.4	0.4
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>28.9</b>	<b>29.2</b>	<b>37.2</b>	<b>87.7</b>	<b>84.4</b>	<b>87.1</b>	<b>98.8</b>
<b>TOTAL ASSETS</b>	<b>55.4</b>	<b>72.6</b>	<b>94.3</b>	<b>153.6</b>	<b>158.9</b>	<b>169.9</b>	<b>183.2</b>
SHAREHOLDERS EQUITY	17.0	18.5	19.5	65.5	56.5	52.7	56.5
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	15.3	15.1	15.9	17.5	19.2	21.1	23.2
Other provisions	11.4	20.9	31.4	40.5	50.5	60.5	63.5
<b>Non-current liabilities</b>	<b>26.7</b>	<b>36.1</b>	<b>47.3</b>	<b>57.9</b>	<b>69.7</b>	<b>81.6</b>	<b>86.7</b>
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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)	10.6	16.8	26.0	28.6	31.5	34.6	38.1
Deferred taxes	1.1	1.3	1.5	1.5	1.5	1.5	1.5
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>11.7</b>	<b>18.0</b>	<b>27.5</b>	<b>30.1</b>	<b>33.0</b>	<b>36.1</b>	<b>39.6</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>55.4</b>	<b>72.6</b>	<b>94.3</b>	<b>153.6</b>	<b>159.2</b>	<b>170.4</b>	<b>182.9</b>

Balance sheet (common size)	2015	2016	2017	2018	2019E	2020E	2021E
<b>Intangible assets</b>	<b>16.8 %</b>	<b>13.2 %</b>	<b>9.9 %</b>	<b>5.1 %</b>	<b>3.8 %</b>	<b>2.4 %</b>	<b>0.9 %</b>
Property, plant and equipment	2.9 %	2.9 %	1.5 %	1.1 %	1.3 %	1.4 %	1.5 %
Financial assets	28.2 %	43.7 %	49.2 %	36.7 %	41.7 %	44.8 %	43.8 %
<b>FIXED ASSETS</b>	<b>47.9 %</b>	<b>59.8 %</b>	<b>60.5 %</b>	<b>42.9 %</b>	<b>46.8 %</b>	<b>48.6 %</b>	<b>46.2 %</b>
Inventories	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts receivable	11.7 %	4.7 %	2.0 %	3.0 %	3.8 %	5.5 %	7.5 %
Other current assets	24.5 %	28.4 %	31.2 %	24.8 %	29.0 %	32.0 %	31.5 %
Liquid assets	15.4 %	6.4 %	5.8 %	29.1 %	20.0 %	13.4 %	14.8 %
Deferred taxes	0.5 %	0.6 %	0.4 %	0.3 %	0.3 %	0.2 %	0.2 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>52.1 %</b>	<b>40.2 %</b>	<b>39.5 %</b>	<b>57.1 %</b>	<b>53.1 %</b>	<b>51.1 %</b>	<b>54.0 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>99.8 %</b>	<b>99.7 %</b>	<b>100.2 %</b>
SHAREHOLDERS EQUITY	30.8 %	25.5 %	20.6 %	42.6 %	35.5 %	30.9 %	30.9 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	27.6 %	20.8 %	16.8 %	11.4 %	12.1 %	12.4 %	12.7 %
Other provisions	20.5 %	28.8 %	33.3 %	26.4 %	31.7 %	35.5 %	34.7 %
<b>Non-current liabilities</b>	<b>48.1 %</b>	<b>49.7 %</b>	<b>50.2 %</b>	<b>37.7 %</b>	<b>43.8 %</b>	<b>47.9 %</b>	<b>47.4 %</b>
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
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)	19.2 %	23.1 %	27.6 %	18.6 %	19.8 %	20.3 %	20.8 %
Deferred taxes	2.0 %	1.8 %	1.6 %	1.0 %	1.0 %	0.9 %	0.8 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>21.1 %</b>	<b>24.8 %</b>	<b>29.2 %</b>	<b>19.6 %</b>	<b>20.7 %</b>	<b>21.2 %</b>	<b>21.7 %</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)	2015	2016	2017	2018	2019E	2020E	2021E
Net profit/loss	0.9	1.7	1.5	-1.7	-6.4	-1.1	6.3
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.2	1.5	1.6	1.7	2.0	2.5	3.2
Others	6.6	2.3	2.8	1.6	1.7	1.9	2.1
Cash flow from operations before changes in w/c	8.7	5.6	5.9	1.6	-2.6	3.3	11.6
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	1.5	9.2	10.8	-2.7	-1.4	-3.3	-4.3
Increase/decrease in accounts payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	1.5	9.2	10.8	-2.7	-1.4	-3.3	-4.3
<b>Cash flow from operating activities</b>	<b>10.1</b>	<b>14.8</b>	<b>16.6</b>	<b>-1.1</b>	<b>-4.1</b>	<b>0.0</b>	<b>7.3</b>
CAPEX	0.0	0.0	0.0	0.3	0.3	0.3	0.3
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	2.9	17.0	14.8	10.0	10.0	10.0	3.8
Income from asset disposals	-2.5	-1.7	-1.0	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-5.3</b>	<b>-18.7</b>	<b>-15.8</b>	<b>-10.3</b>	<b>-10.3</b>	<b>-10.3</b>	<b>-4.2</b>
Cash flow before financing	4.8	-3.9	0.9	-11.4	-14.4	-10.4	3.2
Increase/decrease in debt position	0.0	0.0	0.0	0.0	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	2.0	0.0	0.0	50.5	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	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>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>50.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Increase/decrease in liquid assets	6.8	-3.9	0.9	39.1	-14.4	-10.4	3.2
<b>Liquid assets at end of period</b>	<b>8.5</b>	<b>4.7</b>	<b>5.5</b>	<b>44.6</b>	<b>30.3</b>	<b>19.9</b>	<b>23.1</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
Domestic	63.2	64.1	70.7	68.5	89.7	139.1	202.5
yoy change	26.7 %	1.4 %	10.3 %	-3.0 %	31.0 %	55.0 %	45.6 %
Rest of Europe	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
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>63.2</b>	<b>64.1</b>	<b>70.7</b>	<b>68.5</b>	<b>89.7</b>	<b>139.1</b>	<b>202.5</b>
yoy change	26.7 %	1.4 %	10.3 %	-3.0 %	31.0 %	55.0 %	45.6 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
<b>P&amp;L growth analysis</b>							
Sales growth	26.7 %	1.4 %	10.3 %	-3.0 %	31.0 %	55.0 %	45.6 %
EBITDA growth	-507.9 %	82.3 %	4.3 %	-120.7 %	842.1 %	-210.3 %	-269.1 %
EBIT growth	-153.3 %	185.8 %	4.8 %	-216.3 %	273.0 %	-32.7 %	-197.0 %
EPS growth	-103.6 %	95.7 %	-12.8 %	-212.2 %	284.4 %	-32.0 %	-198.3 %
<b>Efficiency</b>							
Total operating costs / sales	43.1 %	41.2 %	41.7 %	56.6 %	63.7 %	55.2 %	50.1 %
Sales per employee	308.1	481.8	593.7	600.9	811.1	1,238.3	1,750.5
EBITDA per employee	9.5	26.6	31.0	-6.7	-65.0	7.5	105.0
<b>Balance sheet analysis</b>							
Avg. working capital / sales	8.6 %	7.7 %	3.8 %	4.8 %	6.0 %	5.0 %	4.9 %
Inventory turnover (sales/inventory)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade debtors in days of sales	37.5	19.4	9.8	24.7	24.7	24.7	24.7
A/P turnover [(A/P*365)/sales]	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash conversion cycle (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Cash flow analysis</b>							
Free cash flow	10.1	14.8	16.6	-1.4	-4.4	-0.4	7.0
Free cash flow/sales	16.1 %	23.1 %	23.5 %	-2.0 %	-4.9 %	-0.3 %	3.5 %
FCF / net profit	1169.3 %	870.1 %	1122.1 %	neg.	neg.	neg.	111.4 %
Capex / deprn	233.6 %	1118.1 %	937.6 %	605.9 %	515.8 %	413.2 %	128.5 %
Capex / maintenance capex	0.0 %	0.0 %	0.0 %	25.0 %	21.0 %	19.5 %	17.4 %
Capex / sales	4.6 %	26.5 %	20.9 %	15.0 %	11.5 %	7.4 %	2.1 %
<b>Security</b>							
Net debt	-8.5	-4.7	-5.5	-44.6	-31.8	-22.8	-27.1
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Interest cover	999.0	999.0	999.0	999.0	999.0	999.0	999.0
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Asset utilisation</b>							
Capital employed turnover	1.4	1.2	1.1	0.6	0.7	1.0	1.4
Operating assets turnover	7.8	11.6	21.5	10.9	11.1	11.9	12.4
Plant turnover	39.9	30.5	51.3	40.9	45.1	59.9	75.9
Inventory turnover (sales/inventory)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Returns</b>							
ROCE	2.0 %	4.1 %	3.5 %	-2.6 %	-7.4 %	-1.3 %	6.6 %
ROE	5.1 %	9.2 %	7.6 %	-2.5 %	-11.3 %	-2.1 %	11.1 %
<b>Other</b>							
Interest paid / avg. debt	n/a	n/a	n/a	n/a	n/a	n/a	n/a
No. employees (average)	205	133	119	114	111	112	116
Number of shares	13.3	13.3	13.3	13.3	13.3	13.3	13.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	0.07	0.13	0.11	-0.13	-0.48	-0.09	0.47
<b>Valuation ratios</b>							
P/BV	10.5	9.6	9.2	2.7	3.2	3.4	3.2
EV/sales	2.9	2.9	2.7	2.2	1.8	1.3	0.9
EV/EBITDA	95.3	53.3	51.1	-198.1	-23.1	210.0	14.4
EV/EBITA	95.3	53.3	51.1	-198.1	-23.1	210.0	14.4
EV/EBIT	261.7	93.4	89.1	-61.4	-18.0	-106.5	19.6
EV/FCF	18.2	12.8	11.4	-107.9	-37.8	-470.1	25.0
Adjusted FCF yield	0.9 %	1.6 %	1.4 %	-1.3 %	-6.0 %	-0.4 %	7.9 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

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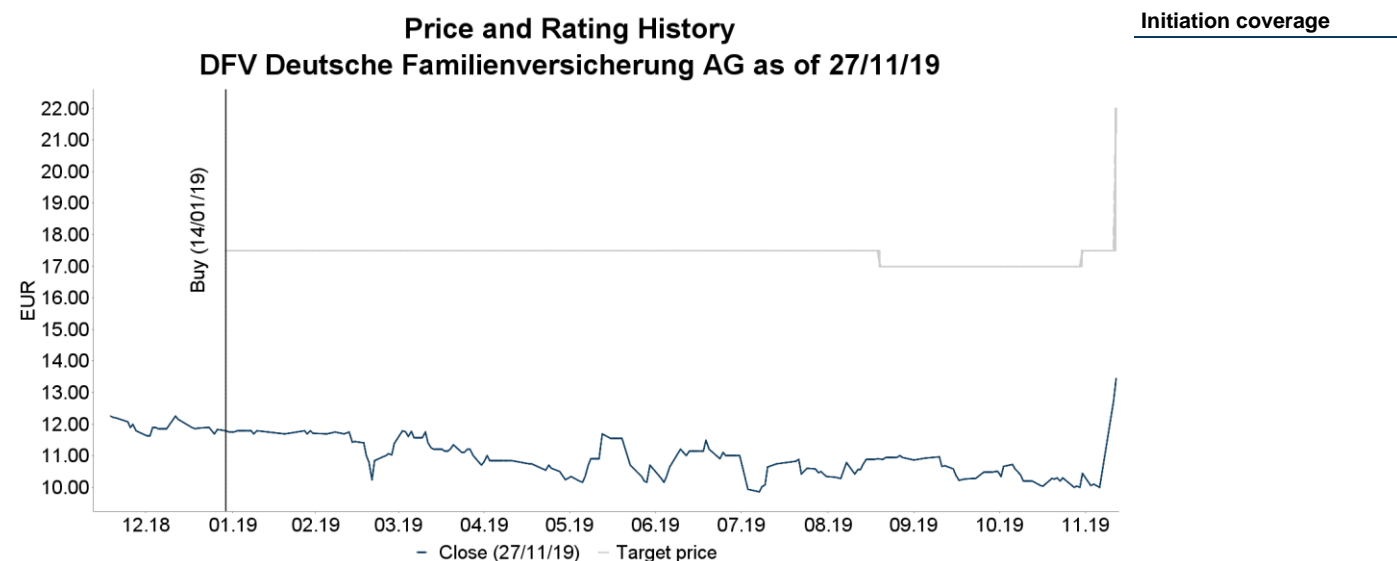
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Company	Disclosure
DFV Deutsche Familienversicherung AG	

**Historical target price and rating changes for DFV Deutsche Familienversicherung AG in the last 12 months**



Company	Date	Analyst	Rating	Target price	Close
DFV Deutsche Familienversicherung AG	18.11.2019	Salis, Christian	Buy	EUR 17,50	EUR 10,07
	06.09.2019	Salis, Christian	Buy	EUR 17,00	EUR 10,95
	24.05.2019	Becke, Carlos	Buy	EUR 17,50	EUR 10,90
	09.04.2019	Becke, Carlos	Buy	EUR 17,50	EUR 11,10
	29.03.2019	Becke, Carlos	Buy	EUR 17,50	EUR 11,21

07.03.2019	Becke, Carlos	Buy	EUR 17,50	EUR 10,25
22.01.2019	Becke, Carlos	Buy	EUR 17,50	EUR 11,80
14.01.2019	Becke, Carlos	Buy	EUR 17,50	EUR 11,80
14.01.2019	Becke, Carlos	Buy	EUR 17,50	EUR 11,80

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## Contacts: Hauck & Aufhäuser Privatbankiers AG

### Hauck & Aufhäuser Research

Hauck & Aufhäuser  
Privatbankiers AG  
Mittelweg 16/17  
20148 Hamburg  
Germany

Tel.: +49 (0) 40 414 3885 91  
Fax: +49 (0) 40 414 3885 71  
Email: research@ha-ib.de  
www.ha-research.de

**Tim Wunderlich, CFA**  
Head of Transactional Research  
Tel.: +49 40 414 3885 81  
E-Mail: tim.wunderlich@ha-ib.de

**Henning Breiter**  
Head of Research  
Tel.: +49 40 414 3885 73  
E-Mail: henning.breiter@ha-ib.de

**Marie-Thérèse Grübner**  
Head of Corporate Brokerage  
Tel.: +49 40 450 6342 3097  
E-Mail: marie-therese.gruebner@ha-ib.de

**Aliaksandr Halitsa**  
Analyst  
Tel.: +49 40 414 3885 83  
E-Mail: aliaksandr.halitsa@ha-ib.de

**Alina Köhler**  
Analyst  
Tel.: +49 40 450 6342 3095  
E-Mail: alina.koehler@ha-ib.de

**Catharina Claes**  
Analyst  
Tel.: +49 40 450 6342 3092  
E-Mail: catharina.claes@ha-ib.de

**Christian Glowa**  
Analyst  
Tel.: +49 40 414 3885 95  
E-Mail: christian.glowa@ha-ib.de

**Christian Salis**  
Analyst  
Tel.: +49 40 414 3885 96  
E-Mail: christian.salis@ha-ib.de

**Christian Sandherr**  
Analyst  
Tel.: +49 40 414 3885 79  
E-Mail: christian.sandherr@ha-ib.de

**Frederik Bitter**  
Analyst  
Tel.: +49 40 450 6342 3091  
E-Mail: frederik.bitter@ha-ib.de

**Julius Stinauer**  
Analyst  
Tel.: +49 40 414 3885 84  
E-Mail: julius.stinauer@ha-ib.de

**Simon Bentlage**  
Analyst  
Tel.: +49 40 450 6342 3096  
E-Mail: simon.bentlage@ha-ib.de

### Hauck & Aufhäuser Sales

**Alexander Lachmann**  
Equity Sales  
Tel.: +41 43 497 30 23  
E-Mail: alexander.lachmann@ha-ib.de

**Carlos Becke**  
Equity Sales  
Tel.: +44 203 9473 245  
E-Mail: carlos.becke@ha-ib.de

**Christian Alisch**  
Equity Sales  
Tel.: +49 40 414 3885 99  
E-Mail: christian.alisch@ha-ib.de

**Christian Schwenkenbecher**  
Equity Sales  
Tel.: +44 203 9473 246  
E-Mail: christian.schwenkenbecher@ha-ib.de

**Christian Bybjerg**  
Equity Sales  
Tel.: +49 414 3885 74  
E-Mail: christian.bybjerg@ha-ib.de

**Hugues Madelin**  
Equity Sales  
Tel.: +33 1 78 41 40 62  
E-Mail: hugues.madelin@ha-ib.de

**Vincent Bischoff**  
Equity Sales  
Tel.: +49 40 414 3885 88  
E-Mail: vincent.bischoff@ha-ib.de

**Imogen Voorspuy**  
Equity Junior Sales  
Tel.: +44 203 9473 244  
E-Mail: imogen.voorspuy@ha-ib.de

### Hauck & Aufhäuser Sales Trading

Hauck & Aufhäuser  
Privatbankiers AG  
Mittelweg 16/17  
20148 Hamburg  
Germany

Tel.: +49 40 414 3885 78  
Fax: +49 40 414 3885 71  
Email: info@hauck-aufhaeuser.com  
www.hauck-aufhaeuser.com

**Mirko Brueggemann**  
Trading  
Tel.: +49 40 414 3885 78  
E-Mail: mirko.brueggemann@hauck-aufhaeuser.com

**Christian von Schuler**  
Trading  
Tel.: +49 40 414 3885 77  
E-Mail: christian.schuler@hauck-aufhaeuser.com

**Fin Schaffer**  
Trading  
Tel.: +49 40 414 3885 98  
E-Mail: fin.schaffer@hauck-aufhaeuser.com

**Kathleen Jonas**  
Middle-Office  
Tel.: +49 40 414 3885 97  
E-Mail: kathleen.jonas@hauck-aufhaeuser.com

**Alexander Hanisch**  
Middle-Office  
Tel.: +49 40 414 3885 87  
E-Mail: alexander.hanisch@hauck-aufhaeuser.com