



**Independent Research**

Unabhängige Finanzmarktanalyse GmbH

## **Investment Research**

# **MOLOGEN AG**

**Update**

**04/01/2008**

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## Goals for 2007 largely attained

### Publication of annual accounts for 2007

- ⇒ In 2007, MOLOGEN's operational development was characterised by intensive R&D activity but was on the whole convincing.
- ⇒ As expected, the company failed to repeat the preceding year's successes in licensing out so that sales declined to EURO.2m (year-ago: 4.3; thereof one-off licence proceeds: 4.2), although this corresponded to our forecast (EURO.2m).
- ⇒ Costs filtered through completely to EBIT and net income so that negative results of EUR-6.3m (0.2; our forecast: -5.7) and, respectively, EUR-6.0m (0.4; our forecast: -5.5) were reported.
- ⇒ MOLOGEN came out of 2007 with a further developed R&D pipeline, an improved balance sheet structure, and a higher cash position.
- ⇒ In our opinion, the operational development of 2008 will be characterised by the company's R&D activity. The most important news we expect this year are the launch of clinical trials of dSLIM, the application for approval of clinical trials of the cell-based gene therapy (dSLIM/MIDGE), and achievement of several milestones with an impact on cash (development of a vaccine against animal leishmaniasis, authorisation of the cell-based gene therapy in some regions of China).
- ⇒ We expect the deal flow from dSLIM (licensing out of individual indications after Phase IIa) to start in 2009.
- ⇒ The MOLOGEN share proved surprisingly robust despite the capital market crisis and even increased against the negative trend in the past three months.
- ⇒ The company has found two new large shareholders in exchange to former large shareholder Absolute Capital Management, which has strengthened and substantially stabilised the shareholder structure, in our opinion.
- ⇒ With an adjusted price target of EUR13.00 (before: 13.80), we reaffirm our Buy recommendation.

AP	FY	Sales	EBIT	EBT	EAT	EPS
IFRS	2006	5,227	417	617	611	0.07
IFRS	2007	150	-6,290	-5,986	-5,986	-0.65
IFRS	2008E	1,520	-7,976	-7,816	-7,820	-0.84
IFRS	2009E	10,660	-8,279	-8,329	-8,333	-0.89
IFRS	2010E	12,122	-14,213	-14,313	-14,317	-1.54

CAGR 2006 - 2010E      23.4%      -      -      -

Figures in EURk except EpS, hist. PERs based on averaged share prices

## MOLOGEN AG 4)

**Recommendation: Buy**

**before:**

as of

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-

<b>Price target</b> (in EUR) (6 months)	<b>13.80</b>
Share price(Xetra) (in EUR)	7.45
03/31/08 5:28 PM	
Share price potential	85.23%

### Company date

Country	GE
Sector	Biotechnology
Market segment	General Standard
ISIN	DE0006637200
Reuters	MGNG.DE
Bloomberg	MGN
Internet	www.molgen.com

### Data shares

Shares (m)	9.307
Freefloat	57.4%
Market cap. (EURm)	69.8
∅ Trading Volume	10,416
52W High 08/08/07	EUR9.49
52W Low 01/21/08	EUR2.35
Beta	1.5
Volatility (60 days)	55.45

### Multiples

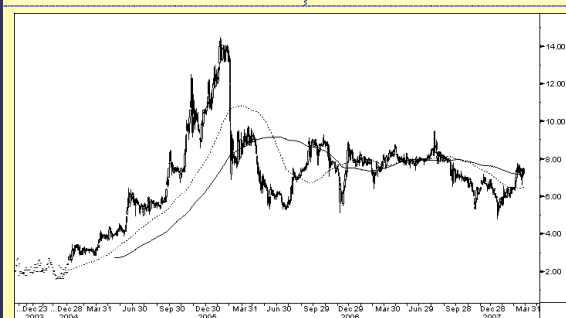
	EV/Sales	EV/EBIT	P/E ratio	Dividend yield
2006	12.9	162.2	77.3	0.0%
2007	413.9	neg.	neg.	0.0%
2008E	40.6	neg.	neg.	0.0%
2009E	5.8	neg.	neg.	0.0%
2010E	5.1	neg.	neg.	0.0%

### Performance (in %)

	1 month	3 months	6 months	12 months
absolut	15.6	11.9	3.6	-6.8
related to:				
DAX	18.6	37.4	24.8	-2.0
CDAX	18.6	37.4	24.8	-2.0

### Index Weighting

CDAX	0.007%
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### Company profile

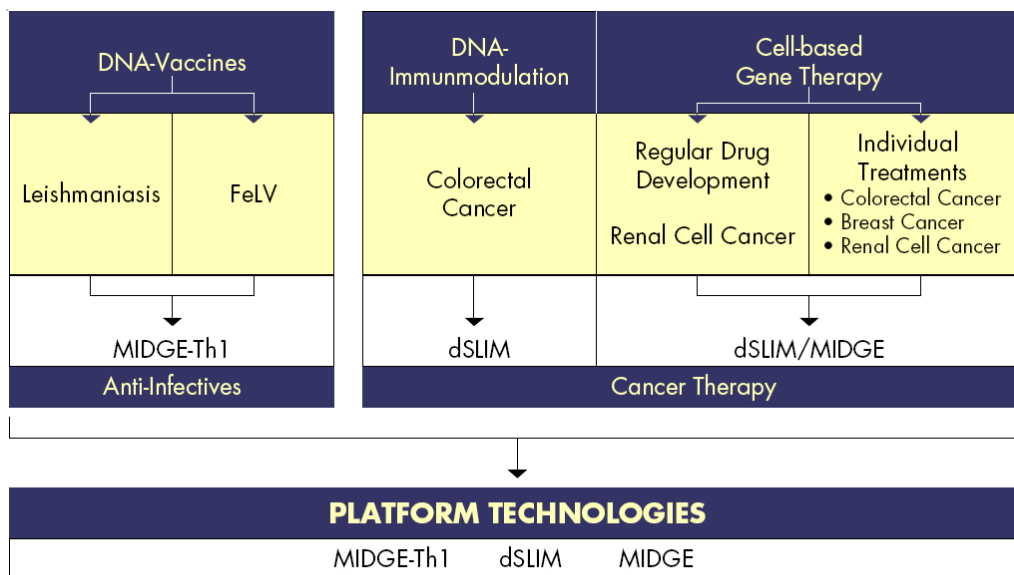
*Development of novel products to treat cancer and infectives*

MOLOGEN is a Berlin-based biotechnology company specialising in the treatment of diseases previously untreatable or insufficiently treatable of the indication areas cancer and infectives (animal and human being). In particular, MOLOGEN develops DNA-based vaccines and therapeutics aimed at prophylaxis and treatment. The therapies are based on two patented technologies developed by MOLOGEN itself: MIDGE (Minimalistic Immunologically Defined Gene Expression) and dSLIM (double Stem Loop Immuno Modulator).

Both technologies have in common that they make use of DNA structures (desoxyribosenucleic acid, which contains genetic information of all creatures), which are used as a drug in the therapy. MIDGE works as gene transfer, which differs from other vectors (viral vector, plasmid vectors, amongst others) due to its small size and a very high specificity of genetic information and which shows a very high safety and efficacy as was proved by studies. In the Anti-Infectives segment, MIDGE is a basis for a DNA vaccine (MIDGE-TH1), producing a specific cellular and humoral immune reaction against viruses, bacteria or parasites and destroying those. dSLIM is a DNA-based immune modifier and TLR9 agonist developed by MOLOGEN which activates the immune system and thus causes a natural defence reaction to cancer cells. The use of dSLIM and MIDGE takes place individually or in a combined way depending on the field of therapy.

Currently, 43 people are employed in the group, 29 of them in Research & Development, 9 in administration as well as five apprentices and temporary personnel.

### Platform technologies



Source: MOLOGEN AG

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## Business development in 2007 (December 31, 2007)

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### *Intensive R&D activity in 2007*

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In 2007, MOLOGEN's operational development was characterised by intensive R&D activity. The company conducted numerous pre-clinical trials in order to meet admission requirements for clinical trials of the dSLIM technology as a cancer therapy. MOLOGEN filed the corresponding application for admission to clinical trials of dSLIM with the relevant authority in Q4 2007 and expects to receive approval in the course of Q2 2008. In addition, the company pressed ahead with the preparation of admission-relevant clinical trials of the cell-based gene therapy against kidney cancer (dSLIM/MIDGE RCC) in order to be able to file for approval of clinical trials (Phase I/II) in 2008.

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### *High EBIT loss and net deficit due to high R&D costs ...*

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As expected, the company was not able to repeat the preceding year's successes in licensing out in 2007. Accordingly, the profit and loss account was characterised very much by the required R&D expenses. Compared to the high year-earlier basis, sales were low in 2007 with a reported EURO.2m (4.3; thereof one-off licence proceeds: 4.2), although this was in line with our forecast (EURO.2m). We were only disappointed by the fact that revenue generated from the sale of the components of the cell-based gene therapy to the company's Indian business partner has been extremely sluggish since authorisation was given in India on August 8, 2007. In view of that development we had already adjusted our sales forecast on November 16, 2007 (from EURO.8m to EURO.2m). Costs filtered through completely to EBIT so that a negative result of EUR-6.3m (0.2; our forecast: -5.7) was reported. The difference between actual EBIT and our forecast is mainly due to higher-than-expected personnel costs, which exceeded our forecast (EUR2.1m) by EURO.4m. The net deficit for the year totalled EUR-6.0m (0.4; our forecast: -5.5).

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### *... was in line with our expectations*

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### *Cash burn remains below our expectations*

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In spite of the high operating costs, operating cash burn fortunately was lower than we had expected, reaching EURO.4m (our estimate: 0.6). Thanks to the inflow of funds (EUR1.1m) from the sale of the company's Spanish subsidiary Vivotecnia and the successful capital increase (gross issue proceeds: EUR5.8m), MOLOGEN still has an attractive cash position of EUR8.0m (6.4) and a solid capital structure (capital ratio: 93% (year-ago: 92%)).

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### *Conclusion 2007*

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Altogether, we were convinced by MOLOGEN's development in the past year. Thanks to the consistent further development of the R&D pipeline, the company has created for itself a promising starting position for the launch of clinical trials this year. While successful research traditionally is not reflected positively in the profit and loss account of young biotech companies, MOLOGEN managed to improve its balance sheet structure and cash position in a convincing way.

## Forecast

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### *Newsflow of 2008 should be driven by R&D*

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In our opinion, the operational development of 2008 will be characterised by the company's R&D activity like in the year 2007. The most important news we expect this year are the launch of clinical trials of dSLIM, the application for approval of clinical trials of the cell-based gene therapy (dSLIM/MIDGE), achievement of the next milestone in the development of a vaccine against animal leishmaniasis, and authorisation of the cell-based gene therapy in the first regions of China.

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Increase in costs expected

We expect that costs (primarily R&D and personnel costs) will mainly be driven this year by the clinical Phase Ib trial (and afterwards the Phase IIa trial) of the immune modifier dSLIM for cancer treatment, which is expected to be launched in Q2 following authorisation, and the ongoing pre-clinical trials of the cell-based gene therapy (dSLIM/MIDGE). As the deal flow of 2006 will likely continue only to a limited extent in 2008, we predict losses again both on the EBIT and the net income side.

Achievement of further milestones with impact on cash

The sales proceeds that we predict come from the sale of components of the cell-based gene therapy to the company's Indian and Chinese business partners. For the time being, the local authorisation has not yet been granted in China. However, we expect that the company will receive authorisation and thus the corresponding milestone payment (estimate: EUR1m) in H2 2008. This would make first minor sales proceeds possible in China already in 2008. In addition, the company's US partner ought to achieve the next milestone (estimate: low six figure EUR sum) in H2 2008 for successful completion of laboratory research on the vaccine against animal leishmaniasis.

Sources of sales proceedsCash position sufficient for 2008

We assume that the operating cash burn will reach an average EUR0.6m per month in 2008 so that the company's cash position (December 31, 2007: EUR8.0m) ought to cover business operations this year. In order to secure sufficient liquid funds for further operations, the company will have to conclude new licensing deals and/or carry out refinance transactions on the equity or credit market, in our opinion.

Deal flow expected to start in 2009

We assume that the deal flow from dSLIM will start following publication of the results of the Phase IIa trial in 2009 at the earliest. Calculating conservatively, we predict an up-front payment of EUR10m for the colorectal cancer (CRC) indication. The up-front payments of comparable deals show that payments can exceed our estimate significantly, which might lead to a valuation upside we have not accounted for (Idera/Merck KGaA, December 2007; Dynavax/Merck&Co, November 2007). On the other hand, any unexpected delays or poor trial results would require an adjustment of our forecasts. Despite the anticipated high one-off gain, we predict high losses on the EBIT and net income side even for 2009 as a result of the expansion of the clinical trials of dSLIM to the indication of non-small cell lung cancer (NSCLC) and the scheduled clinical trials on the cell-based gene therapy (Phase I/II).

Cost-intensive clinical trial programme

<b>MOLOGEN AG</b>							
<b>Estimates of selected profit &amp; loss account figures</b>							
<b>Unit:</b>	EUR 1,000						
<b>End of fiscal year:</b>	Dec 31	<b>2007</b>	<b>2007</b>	<b>2008E</b>	<b>2008E</b>	<b>2009E</b>	<b>2009E</b>
<b>Reporting standard:</b>	IFRS	reported	estimated	old	new	old	new
<b>Revenue</b>		<b>150</b>	<b>160</b>	<b>840</b>	<b>1.520</b>	<b>10.980</b>	<b>10.660</b>
yoy in %		-97%	-97%	460%	850%	1207%	601%
<b>EBIT</b>		<b>-6.290</b>	<b>-5.647</b>	<b>-9.167</b>	<b>-7.976</b>	<b>-10.135</b>	<b>-8.279</b>
in % of revenues		-	-	-	-	-92%	-78%
<b>Net profit/loss for the year</b>		<b>-5.986</b>	<b>-5.476</b>	<b>-9.111</b>	<b>-7.820</b>	<b>-10.189</b>	<b>-8.333</b>
in % of revenues		-	-	-	-	-93%	-78%
<b>EPS</b>		<b>-0,65</b>	<b>-0,59</b>	<b>-0,98</b>	<b>-0,84</b>	<b>-1,09</b>	<b>-0,89</b>

Source: Independent Research

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*MOLOGEN share surprisingly robust despite capital market crisis*

*New large shareholder takes pressure from the share price*

Despite the burdened capital market environment and the (partially extremely) negative newsflow in the German biotech sector, the MOLOGEN share has proven surprisingly robust. Since the beginning of 2008, it even detached itself from the downtrend of the market as a whole and managed to increase by 37% over the CDAX index. Furthermore, the stake of Absolute Capital Management has been sold to BASLER Versicherung Beteiligungs-GmbH (12.5%) and Deutscher Ring Krankenversicherungsverein aG (10.0%) providing market protection. In our view, this has relieved the share substantially, as Absolute Capital Management's stake had been up for sale since the end of last year, according to market speculation. Basler Versicherung Beteiligungs-GmbH, which increased its stake of MOLOGEN to 15,0% in the course of March 2008, is a subsidiary of Bâloise Group (Switzerland), a traditional insurance company. Deutscher Ring Krankenversicherungsverein aG - although legally independent - is integrated in the Deutsche Ring Group, which is part of Basler Versicherung Group. Since the new large shareholders are (in our view) economically linked, we assume they share the same interest in the stake, which could practically be used as a blocking minority (combined stake: above 25%). We consider both new large shareholder pursuing a long-term investment strategy, which strengthens and stabilises MOLOGEN's shareholder structure.

### Shareholder Structure

Shareholder	as of 03/28/08
BASLER Versicherung Beteiligungs-GmbH	15.0%
SALVATOR Vermögensverwaltungs GmbH	12.3%
Deutscher Ring Krankenversicherungsverein aG	10.0%
BUCHRI Verwaltungs GmbH (Prof. Dr. Wittig and wife)	5.3%
<b>Free Float</b>	<b>57.4%</b>

Source: MOLOGEN AG

### Valuation

*Model parameters*

To establish a fair value of MOLOGEN, we have used a DCF model (see also initial coverage, May 21, 2007). Within the framework of this model we have applied a two-stage valuation. Stage I covers our detailed forecasts for the profit and loss account until 2017. Our forecast for stage II (after 2017) is conservative in that we do not assume any further growth of the free cash flow (FCF). Apart from the sales and profit contributions generated by the dSLIM technology, the DCF model also includes royalties from the licensing out of the leishmaniasis vaccine (vet) and our estimate for proceeds from cell-based gene therapy treatment (premise: treatment permission in China). Our model is based on the assumption that MOLOGEN will out-license all 4 dSLIM-indications (CRC, NSCLC, BC and RCC) after Phase II. We estimate the up-front payment at EUR10m, the milestone-payments for Phase III at EUR5m and for approval at EUR15m respectively and the royalty rate at 10% (exception dSLIM CRC: 12.5%). We resigned to take any other possible licence deals into account for our valuation given the great uncertainty regarding the actual realisation of such deals.

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Fair value based on DCF-model: EUR 13,04 (13.72) per share

We hold on to our model parameters used in our initial valuation. Given these model parameters, the WACC (Weighted Average Cost of Capital) remains at 17.5%. Based on the assumptions mentioned above, the company's equity has a market value of EUR 121.5m (before: 127.8). With 9.317m shares, this corresponds to a new fair value of EUR 13.04 (before: 13.72) per share.

DCF model MOLOGEN AG										
in EURm	2008E	2009E	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E
Sales	1,5	10,7	12,1	27,9	35,8	62,8	101,0	103,9	137,2	146,2
Sales growth	10%	601%	14%	130%	28%	75%	61%	3%	32%	7%
EBIT margin	neg.	neg.	neg.	21,1%	56,4%	66,1%	72,0%	71,0%	73,2%	72,8%
<b>EBIT</b>	<b>-8,0</b>	<b>-8,3</b>	<b>-14,2</b>	<b>5,9</b>	<b>20,2</b>	<b>41,5</b>	<b>72,7</b>	<b>73,8</b>	<b>100,5</b>	<b>106,4</b>
- Income tax	0,0	0,0	0,0	0,0	-3,2	-8,3	-21,8	-22,1	-30,1	-31,9
+ Depreciation	0,5	0,6	0,6	0,6	0,6	0,7	0,7	0,7	0,8	0,8
+/- Change in long-term provisions	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
+/- Other	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Operating cash flow</b>	<b>-7,4</b>	<b>-7,7</b>	<b>-13,6</b>	<b>6,5</b>	<b>17,6</b>	<b>33,9</b>	<b>51,6</b>	<b>52,4</b>	<b>71,1</b>	<b>75,3</b>
-/+ Change in working capital	-1,0	-1,0	-1,0	-1,2	-1,1	-1,9	-3,0	-3,1	-4,1	-4,4
-/+ Net capital expenditure	-0,8	-0,8	-1,0	-1,0	-1,3	-2,2	-3,5	-3,6	-4,8	-5,1
<b>Free cash flow</b>	<b>-9,2</b>	<b>-9,5</b>	<b>-15,6</b>	<b>4,3</b>	<b>15,3</b>	<b>29,8</b>	<b>45,1</b>	<b>45,6</b>	<b>62,2</b>	<b>65,8</b>
<b>Present values</b>	<b>-8,0</b>	<b>-7,0</b>	<b>-9,6</b>	<b>2,2</b>	<b>6,6</b>	<b>10,8</b>	<b>13,8</b>	<b>11,7</b>	<b>13,4</b>	<b>11,9</b>
Sum of present values	45,8									
Terminal value	67,7									
				in % of total value:	60%					
Value of operative business (EURm)	113,5									
+ Excess cash (EURm)	8,0									
- Financial debt (EURm)	0,0									
<b>Fair value of equity (EURm)</b>	<b>121,5</b>									
<b>Number of shares (m)</b>	9,317									
<b>Fair value per share in EUR</b>	<b>13,04</b>									

**Model parameters / Entity DCF model:**

Long-term capital structure ->	Equity:	70%	Financial debt:	30%	
Risk free rate of return:	4,5%	Beta:	1,5	Risk premium debt:	8,0%
		Risk premium:	10,0%	Tax shield:	0%
		Cost of equity:	19,7%	Cost of debt:	12,5%
<b>Growth rate FCF:</b>	<b>0,0%</b>	<b>WACC :</b>	<b>17,5%</b>	<b>Date:</b>	<b>03/31/08</b>

Source: Independent Research

### Sensitivity analysis

In order to illustrate how the equity value per share responds to changes in the growth rate of the FCF in stage II and changes of the WACC, we have supplemented the DCF model by a sensitivity analysis.

		Sensitivity analysis (in EUR)			
		discount rate			
growth		17,0%	17,5%	18,0%	18,5%
	0,0%	13,89	<b>13,04</b>	12,26	11,52
	0,5%	14,17	13,29	12,48	11,73
	1,0%	14,46	13,56	12,72	11,94
	1,5%	14,78	13,84	12,98	12,17

Source: Independent Research

<sup>1)2)3)4)</sup> Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document

<b>MOLOGEN AG</b>												
<b>Profit and loss account</b>												
Unit: EUR1,000												
End of fiscal year: Dec 31												
Reporting standard: IFRS												
	2006	2007	2008E	2009E	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E
<b>Revenue</b>	<b>5,227</b>	<b>150</b>	<b>1,520</b>	<b>10,660</b>	<b>12,122</b>	<b>27,906</b>	<b>35,797</b>	<b>62,816</b>	<b>101,050</b>	<b>103,922</b>	<b>137,204</b>	<b>146,216</b>
yoyn %	57%	-97%	93%	60%	14%	130%	28%	75%	6%	3%	32%	7%
Others (e.g. cell-based gene therapy)	5,227	150	1,320	560	1,280	1,408	1,549	1,704	1,874	2,061	2,268	2,494
dSLIM CRC	0	0	0	10,000	0	5,000	26,978	24,099	36,366	48,779	61,339	49,366
dSLIM NSCLC	0	0	0	0	10,000	0	5,000	23,956	18,019	27,191	36,472	45,864
dSLIM BC	0	0	0	0	0	10,000	0	5,000	24,048	18,204	27,470	36,846
dSLIM RCC	0	0	0	0	0	10,000	0	5,000	16,883	3,789	5,717	7,669
Leishmaniasis (vet)	0	0	200	100	842	1,498	2,270	3,057	3,860	3,898	3,937	3,977
Other operating income	465	737	200	200	200	200	200	200	200	200	200	200
Increase/decrease in stocks finished products	80	0	100	100	100	100	100	100	100	100	100	100
<b>Cost of Goods Sold</b>	<b>-667</b>	<b>-30</b>	<b>-56</b>	<b>-175</b>	<b>-384</b>	<b>-422</b>	<b>-465</b>	<b>-511</b>	<b>-562</b>	<b>-618</b>	<b>-680</b>	<b>-748</b>
Others (e.g. cell-based gene therapy)	-667	-30	-56	-175	-384	-422	-465	-511	-562	-618	-680	-748
dSLIM CRC	0	0	0	0	0	0	0	0	0	0	0	0
dSLIM NSCLC	0	0	0	0	0	0	0	0	0	0	0	0
dSLIM BC	0	0	0	0	0	0	0	0	0	0	0	0
dSLIM RCC	0	0	0	0	0	0	0	0	0	0	0	0
Leishmaniasis (vet)	0	0	0	0	0	0	0	0	0	0	0	0
<b>Gross profit</b>	<b>5,105</b>	<b>857</b>	<b>1,764</b>	<b>10,785</b>	<b>12,038</b>	<b>27,784</b>	<b>35,632</b>	<b>62,605</b>	<b>100,788</b>	<b>103,604</b>	<b>136,823</b>	<b>145,768</b>
<b>Research &amp; Development</b>	<b>0</b>	<b>-1,567</b>	<b>-3,463</b>	<b>-11,995</b>	<b>-18,355</b>	<b>-12,983</b>	<b>-5,370</b>	<b>-9,422</b>	<b>-15,157</b>	<b>-15,588</b>	<b>-20,581</b>	<b>-21,932</b>
Others (e.g. cell-based gene therapy)	0	-150	-650	-1,500	-2,500	-2,500	-5,370	-9,422	-15,157	-15,588	-20,581	-21,932
dSLIM CRC	0	-1,420	-2,663	-5,460	0	0	0	0	0	0	0	0
dSLIM NSCLC	0	-50	-50	-4,935	-5,460	0	0	0	0	0	0	0
dSLIM BC	0	-50	-50	-50	-5,985	-6,510	0	0	0	0	0	0
dSLIM RCC	0	-50	-50	-50	-4,410	-3,973	0	0	0	0	0	0
Leishmaniasis (vet)	0	0	0	0	0	0	0	0	0	0	0	0
<b>General &amp; Administrative</b>	<b>-4,688</b>	<b>-5,580</b>	<b>-6,277</b>	<b>-7,069</b>	<b>-7,895</b>	<b>-8,922</b>	<b>-10,088</b>	<b>-11,676</b>	<b>-12,903</b>	<b>-14,262</b>	<b>-15,767</b>	<b>-17,435</b>
Salaries	-2,339	-2,810	-3,161	-3,556	-4,001	-4,601	-5,291	-6,350	-6,984	-7,683	-8,451	-9,296
Amortization	-486	-536	-547	-558	-586	-615	-646	-678	-712	-747	-785	-824
Other operating expenses	-1,863	-2,234	-2,569	-2,954	-3,309	-3,706	-4,151	-4,649	-5,207	-5,832	-6,531	-7,315
Sales & Marketing												
<b>EBIT</b>	<b>417</b>	<b>-6,290</b>	<b>-7,976</b>	<b>-8,279</b>	<b>-14,213</b>	<b>5,880</b>	<b>20,175</b>	<b>41,506</b>	<b>72,727</b>	<b>73,754</b>	<b>100,476</b>	<b>106,400</b>
in % of revenues	8.0%	-483.3%	-524.7%	-77.7%	-117.2%	21%	56.4%	66.1%	72.0%	71.0%	73.2%	72.8%
Financial result	200	304	160	-50	-100	-100	-100	-100	-100	-100	-100	-100
<b>EBT (and minority interests)</b>	<b>617</b>	<b>-5,986</b>	<b>-7,816</b>	<b>-8,329</b>	<b>-14,313</b>	<b>5,780</b>	<b>20,075</b>	<b>41,406</b>	<b>72,627</b>	<b>73,654</b>	<b>100,376</b>	<b>106,300</b>
in % of revenues	11.8%	-3990.7%	-514.2%	-78.1%	-118.1%	20.7%	56.1%	65.9%	71.9%	70.9%	73.2%	72.7%
Income taxes	-4	0	-4	-4	-4	-4	-3,228	-8,301	-21,818	-22,126	-30,143	-31,920
in % of EBT	-1%	0%	0%	0%	0%	0%	-16%	-20%	-30%	-30%	-30%	-30%
<b>Earnings before minority interests</b>	<b>613</b>	<b>-5,986</b>	<b>-7,820</b>	<b>-8,333</b>	<b>-14,317</b>	<b>5,776</b>	<b>16,847</b>	<b>33,105</b>	<b>50,809</b>	<b>51,528</b>	<b>70,233</b>	<b>74,380</b>
in % of revenues	11.7%	-3990.7%	-514.4%	-78.2%	-118.1%	20.7%	47.1%	52.7%	50.3%	49.6%	51.2%	50.9%
Minority interests	-2	0	0	0	0	0	0	0	0	0	0	0
Change of the accounting method	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net profit/loss for the year</b>	<b>611</b>	<b>-5,986</b>	<b>-7,820</b>	<b>-8,333</b>	<b>-14,317</b>	<b>5,776</b>	<b>16,847</b>	<b>33,105</b>	<b>50,809</b>	<b>51,528</b>	<b>70,233</b>	<b>74,380</b>
in % of revenues	11.7%	-3990.7%	-514.4%	-78.2%	-118.1%	20.7%	47.1%	52.7%	50.3%	49.6%	51.2%	50.9%
Weighted average number of shares (in 1,000)	8,402	9,163	9,317	9,317	9,317	9,317	9,317	9,317	9,317	9,317	9,317	9,317
<b>EPS</b>	<b>0.07</b>	<b>-0.65</b>	<b>-0.84</b>	<b>-0.89</b>	<b>-1.54</b>	<b>0.62</b>	<b>1.81</b>	<b>3.55</b>	<b>5.45</b>	<b>5.53</b>	<b>7.54</b>	<b>7.98</b>

Source: Independent Research, MOLOGEN AG

1|2|3|4 Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document

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## Summary of the evaluation principles used:

### Analyses of shares:

In valuing companies standard and accepted valuation methods (amongst others the Discounted Cash Flow Method (DCF Method), Peer Group Analysis) are applied. Under the DCF Method the capitalised value of the issuers is calculated which shows the sum of the discounted company results, i.e. the current value of the issuer's future net distributions. The capitalised value is therefore determined with reference to the anticipated future company results and the capitalisation yield applied. Under the Peer Group Analysis Method issuers quoted on the Stock Exchange are valued with reference to the comparison of ratio indices (e.g. price earnings ratio, price to book ratio, enterprise value / sales, enterprise value / EBITDA, enterprise value / EBIT). The comparability of the ratio indices is determined above all by business activity and commercial prospects.

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The figures taken from the statement of income, 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.

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