

W U T I S



NXP Semiconductors

Equity Research

Target Price: \$ 148.41
Current Price: \$ 131.62
Upside Potential: + 12.75%

Recommendation: **BUY**

Investment Horizon: 1 Year

Vienna, January 31, 2020

Team Overview

Equity Research



**Sebastian
Hattinger**

**Head of
Equity Research**

- Task distribution
- Story guideline
- Valuation



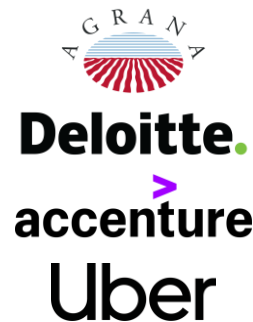
- BSc. (WU) – International Business Administration



**Vincenz
Mautner-Markhof**

Associate

- Company Overview
- KPIs



- BSc. (WU) – International Business Administration



**Lukas
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Analyst

- KPIs
- Valuation



- BSc. (WU) – 7th Semester



**Jakob
Ludescher**

Analyst

- Industry
- Risks
- Valuation

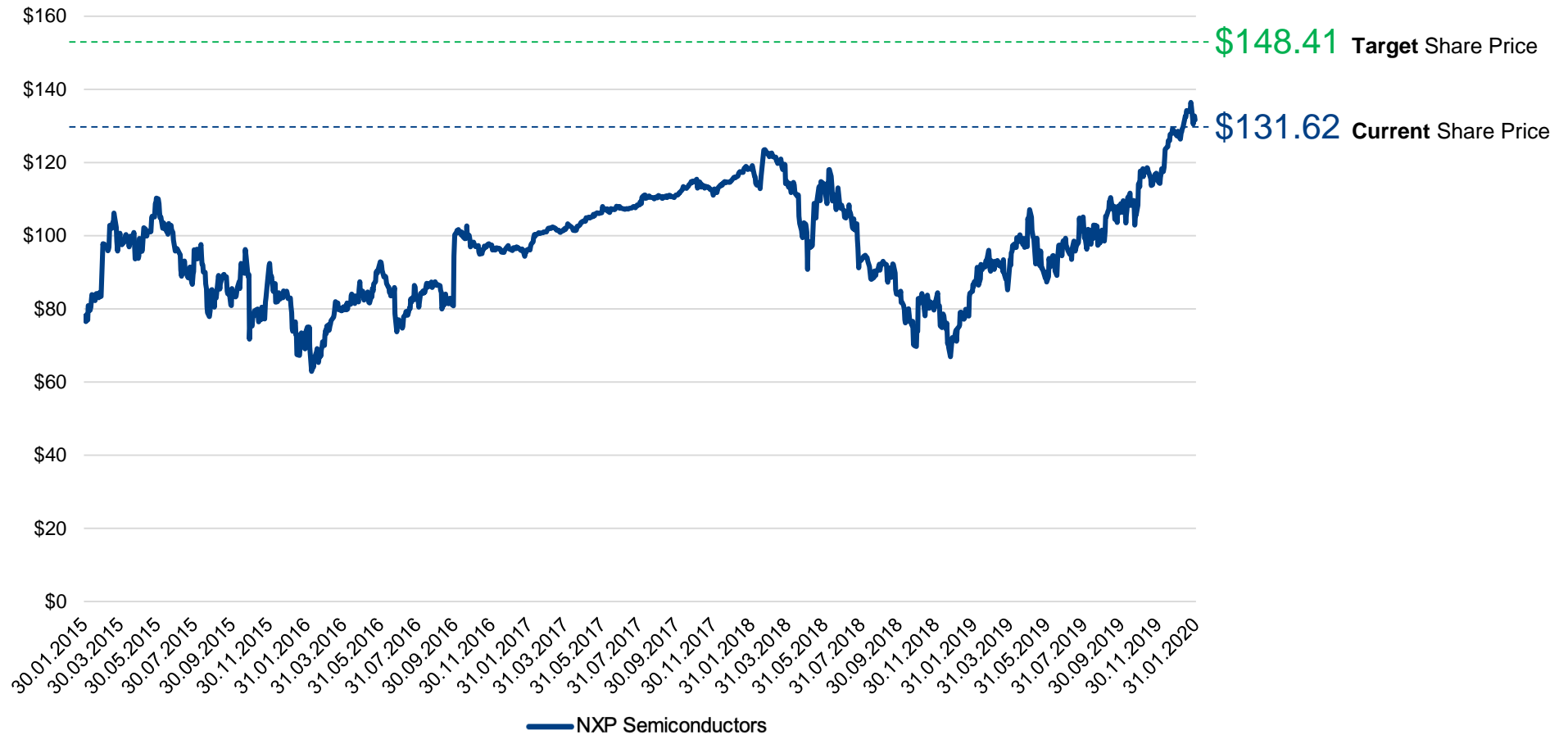


- BSc. (WU) – 7th Semester

NXP Stock Price Performance

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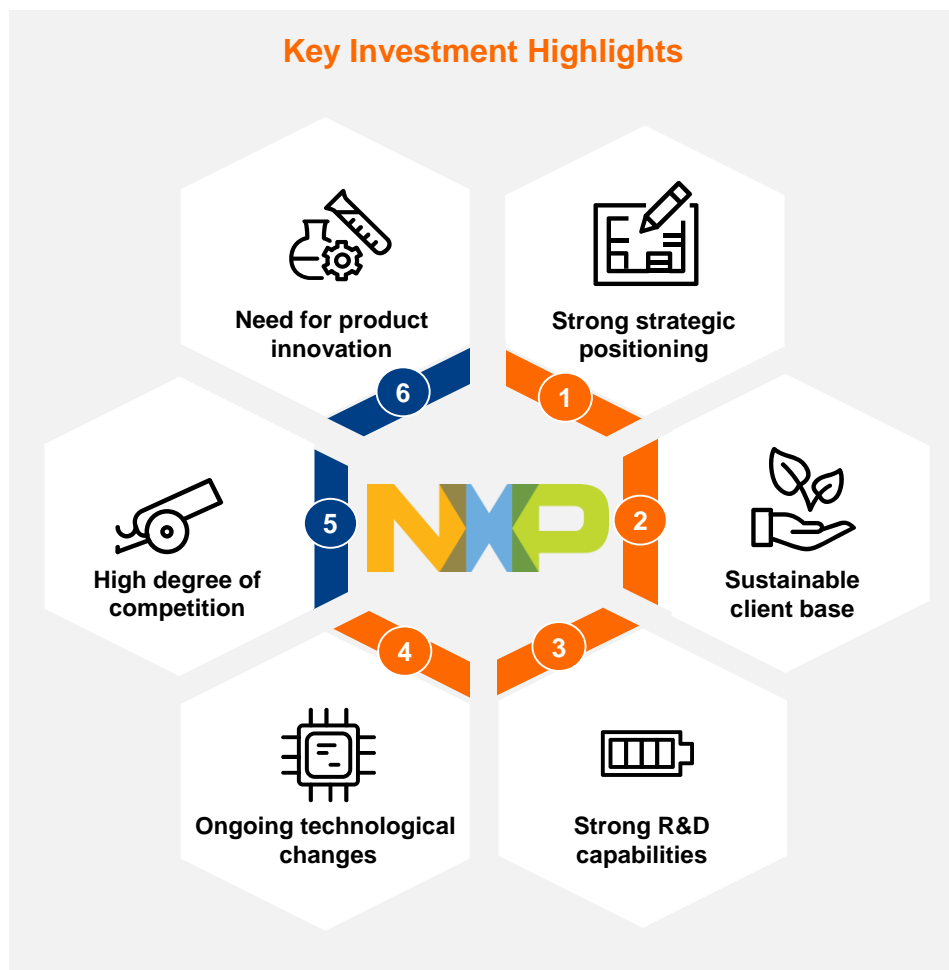
Over the last 12-month period NXP has shown substantial growth



Executive Summary

NXP is well positioned in the semiconductor industry and only faces limited risks

Key Investment Highlights



- 1** Strong strategic positioning within potentially strong growing markets
- 2** Trusted supplier by variety of major original equipment manufacturers, without any of them accounting for a major part of their revenues
- 3** Well known brand due to strong capabilities in research & development
- 4** Major opportunity within already targeted markets due to e.g. digitalization, AI, IoT
- 5** High degree of competition and ongoing consolidation
- 6** Need for constant innovation due to high degree of performance development of products in the market




Business Overview

Company Overview I

NXP is a semiconductor company which was carved-out of Philips in 2006

Business description

- NXP Semiconductors is a Dutch company developing, manufacturing and distributing semiconductors
- Largest semiconductor manufacturer in Europe
- Spin-off from Philips in 2006
- Operating 97 sites in 30+ countries around the world

 **Headquarter:** Eindhoven, Netherlands

 **Employees:** ~ 30,000

 **Foundation:** 1953

 **IPO:** August 2010

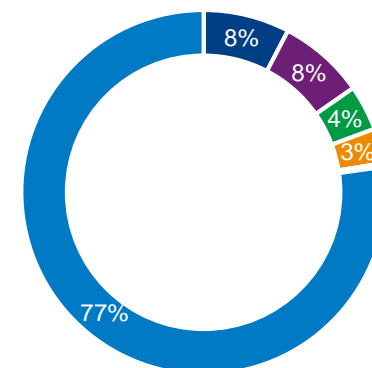
 **Stock Exchange:** NASDAQ

Key financial metrics

In \$ millions	2016	2017	2018	2019F
Revenue	9 498	9256	9407	8 748
% YoY growth		-3%	2%	-7%
COGS	- 5 429	- 4 637	- 4 556	-4 593
% margin	43%	50%	52%	47%
EBITDA, adjusted	2 055	4275	4697	3 755
% EBITDA margin	22%	46%	50%	43%
EBIT, adjusted	- 150	2 102	2 710	2 028
% EBIT margin	-2%	23%	29%	23%
Net Profit	248	2 219	2 199	1 298
% margin	3%	24%	23%	15%
Net debt (BV)	7 293	2 991	4 540	6 659
Equity (BV)	10 926	13 527	10 505	10 031

Shareholder structure

- T. Rowe Price Associates, Inc.
- Fidelity Management & Research Company
- Artisan Partners Limited Partnership
- BlackRock Institutional Trust Company, N.A.
- Insiders (0.32%)
- Others



Management



Rick Clemmer
CEO and executive director since 2009, previously worked for KKR



Kurt Sievers
President since 2018, working for the company since 1995



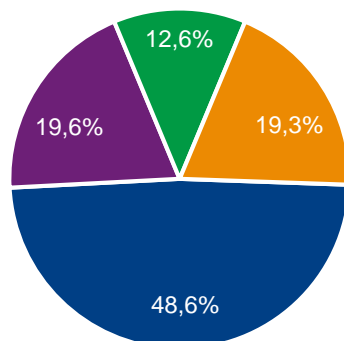
Peter Kelly
Executive VP since 2011 and CFO since 2012, previously worked for UGI

Company Overview II

W U T I S

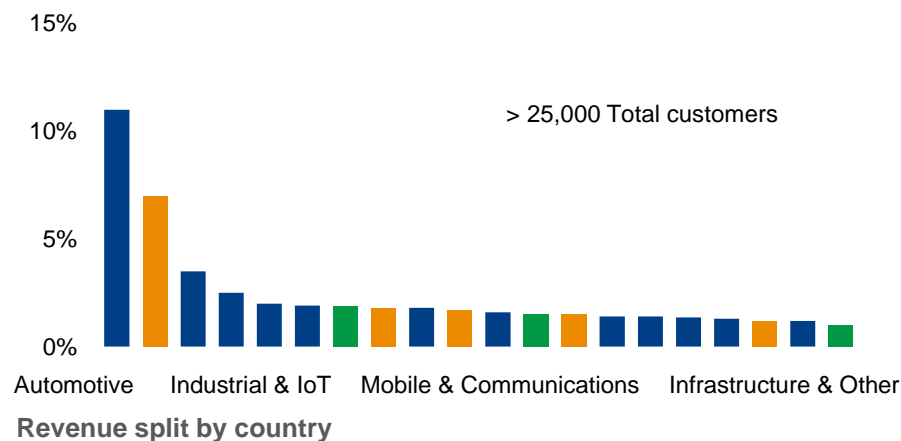
The automotive segment and Asian markets are key focus areas

Revenue split by segment

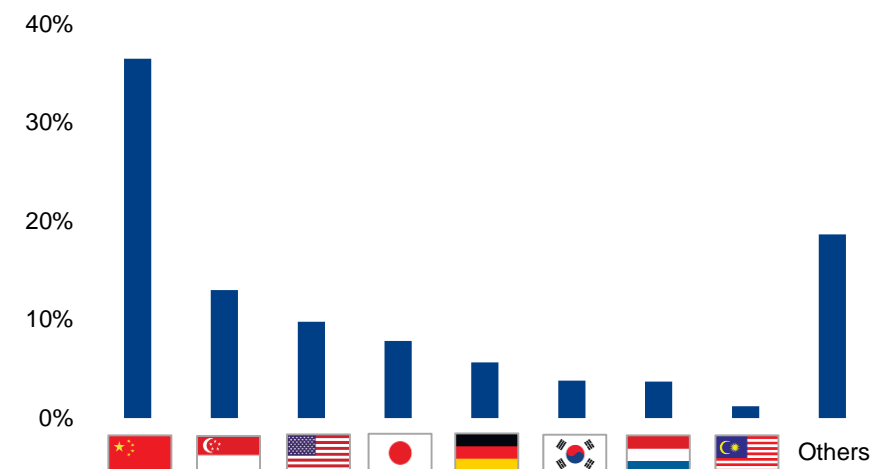


■ Automotive ■ Industrial & IoT ■ Mobile & Communications ■ Infrastructure & Other

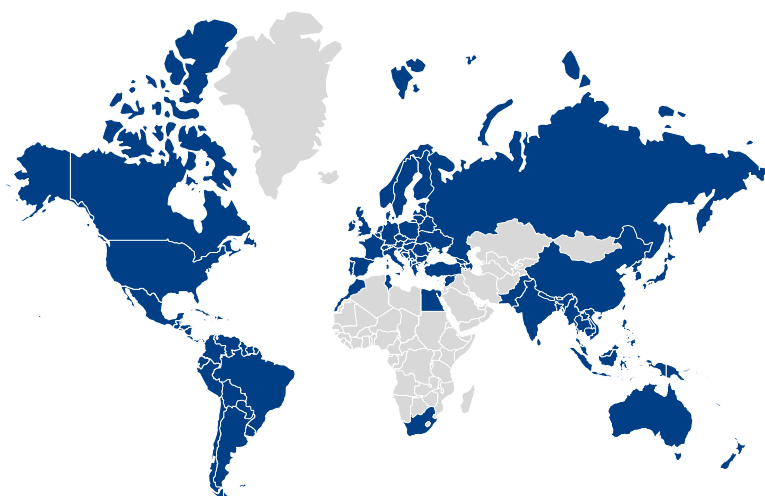
Diverse customer base – Revenue share of top 20 customers

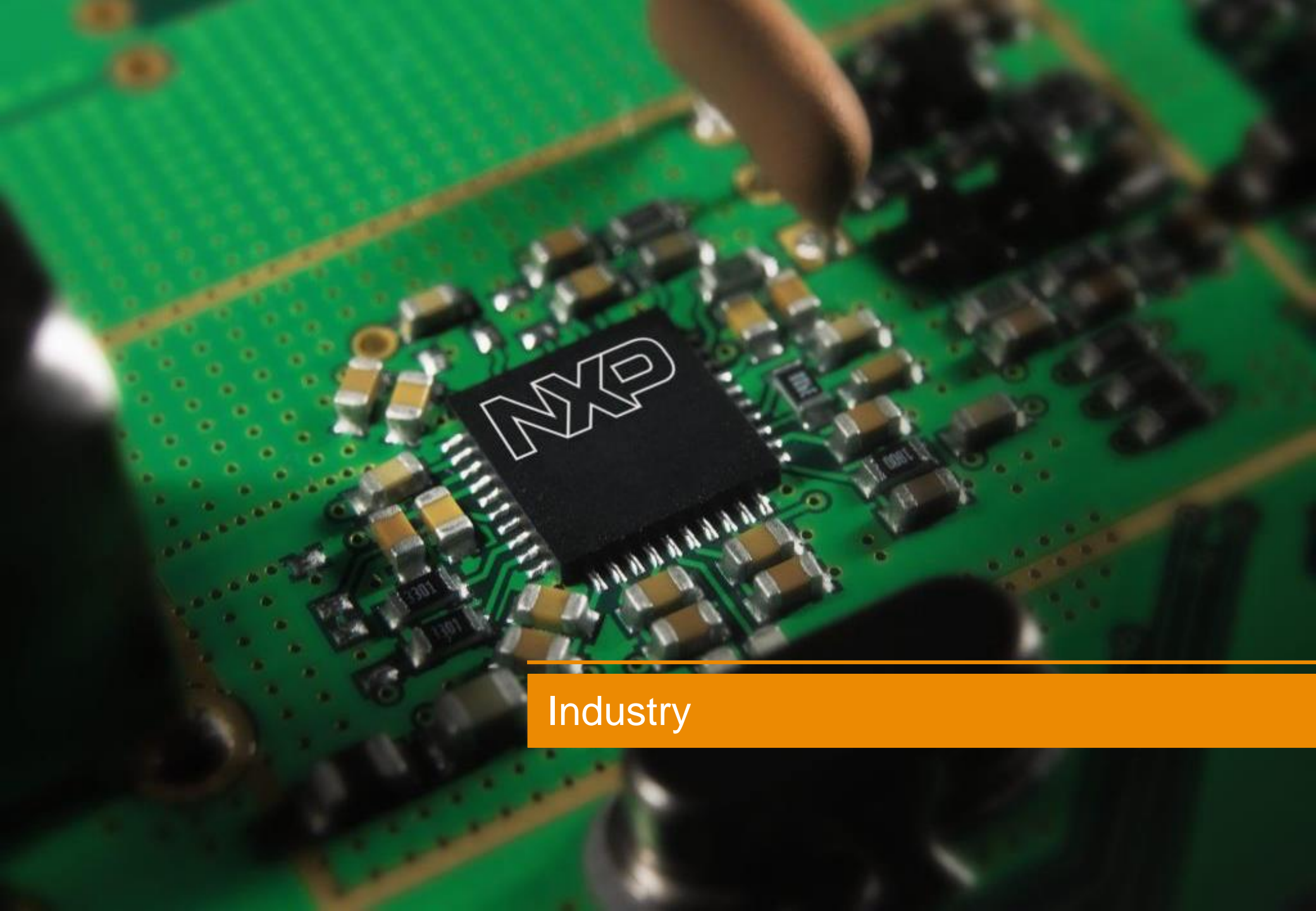


Revenue split by country



Geography – NXP's distribution network



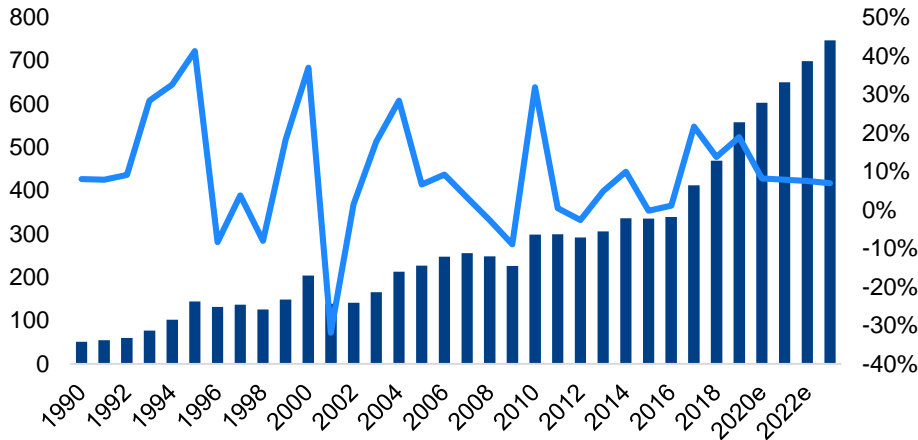


Industry

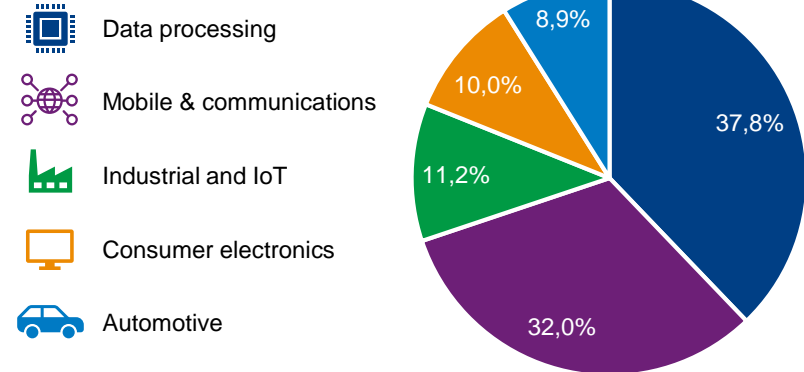
Industry I

The global semiconductor market is cyclical and attracts with high growth rates

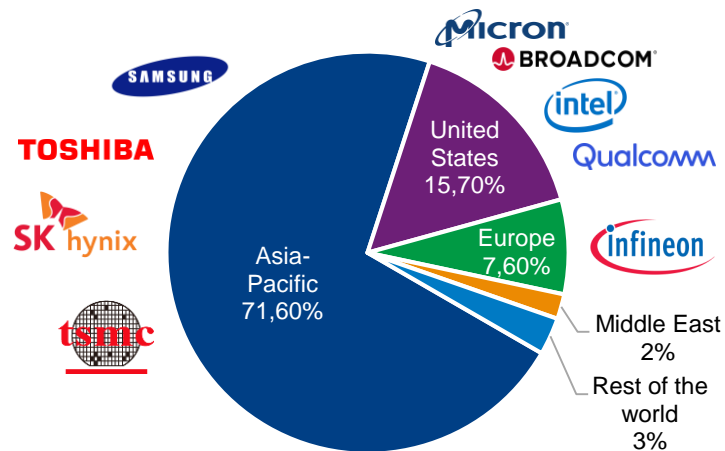
Global semiconductor market value (bn USD)



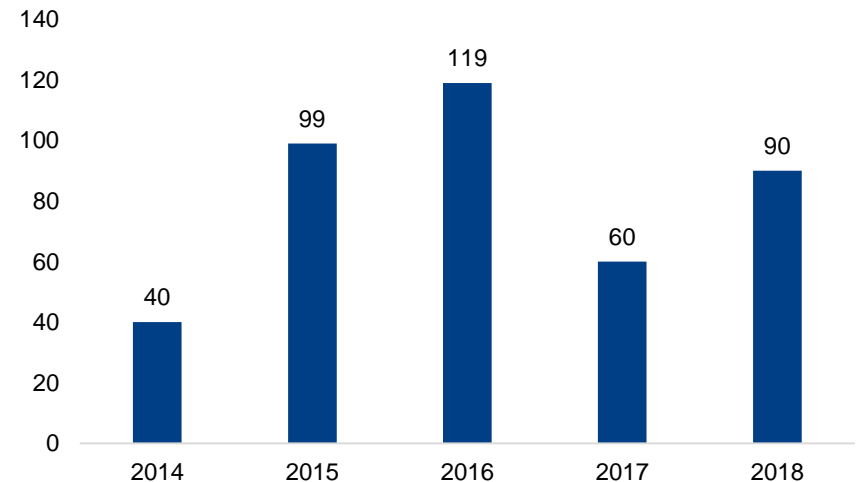
Global semiconductor market by application



Worldwide semiconductor landscape (by value)



Global semiconductor M&A transactions (bn USD)



Company segmentation by listed stock exchange

Source: Annual Reports, Statista, PwC, MarketLine

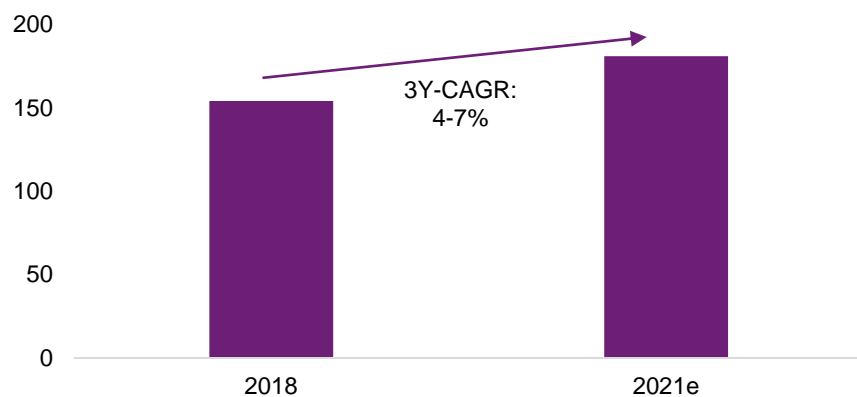
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Industry II

Growth drivers push growth rates in NXPs core business segments

Mobile & communications semiconductor market (USD bn)



Growth drivers



Mobile payment adoption

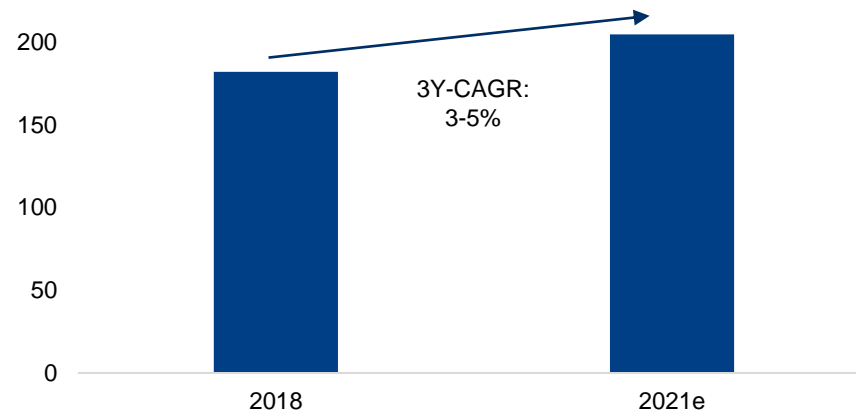


New use cases (transit, access, etc.)



High-speed mixed-signal interface

Data processing semiconductor market (USD bn)



Growth drivers



5G base-station deployment

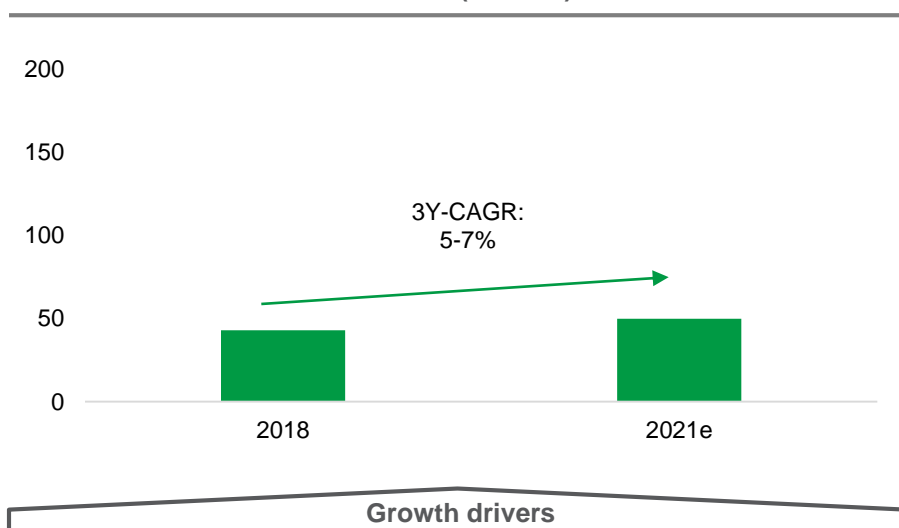


Innovation in transit, access and retail

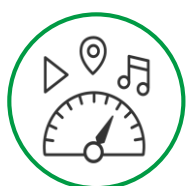
Industry III

Growth drivers push growth rates in NXPs core business segments

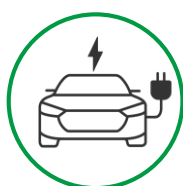
Automotive semiconductor market (USD bn)



ADAS, vehicle networks



Connected infotainment

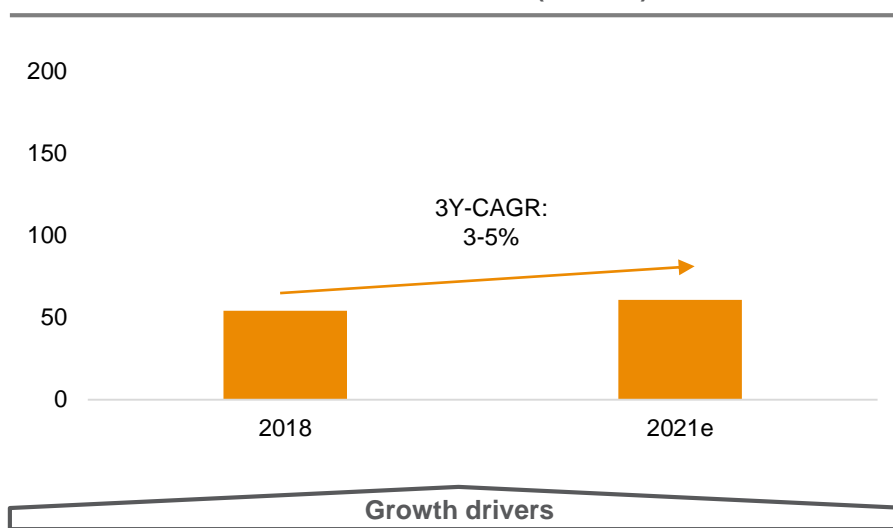


Electrification

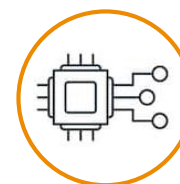


Radar-systems

Industrial and IoT semiconductor market (USD bn)



IoT application processors



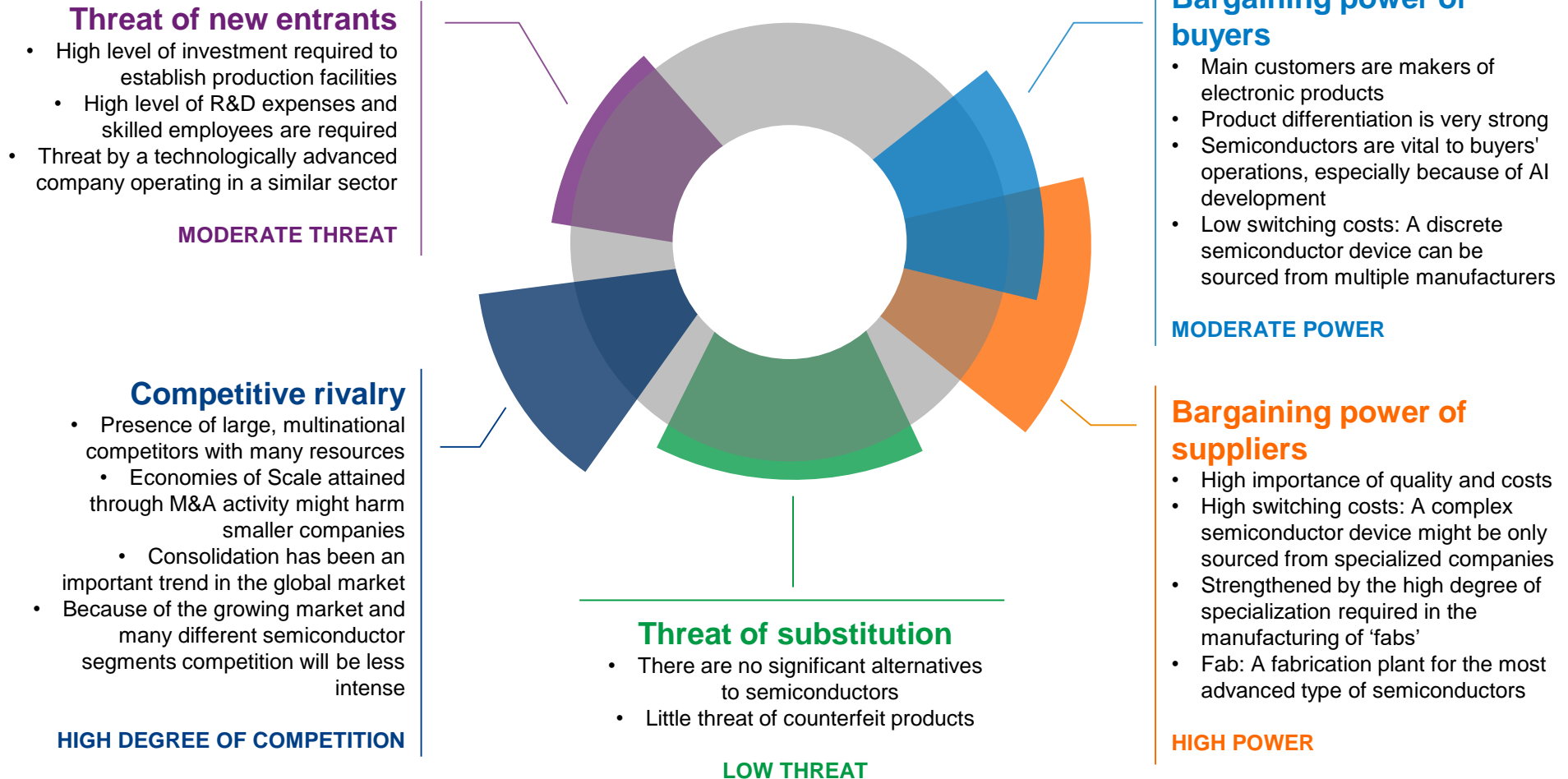
Microcontrollers & cross-overs



Analog mixed-signal & connectivity

Industry IV

The industry shows a high degree of competition and a low threat of substitution





KPI's & Risk Analysis

SWOT Analysis

Strengths and opportunities outweigh weaknesses and threats

Strengths

Leading market position

- in-vehicle networking products, NFC and radio frequency identification

Leading supplier to major original equipment manufacturers (OEMs)

- Including Apple, Bosch, Cisco and Amazon

Strong focus on R&D

- 8,452 employees for its R&D activities (1.7 bn USD)

Opportunities

Growth drivers in already targeted industries

- e.g. mobile payment adoption, 5G base-station deployment, IoT application processors and automotive

Other opportunities

- Positive outlook for global IT services market
- Global enterprise IT security market



Weaknesses

Decline in liquidity position

- At the end of FY2018 the current ratio was 1.5 compared to 2.2 the year before
- Current liabilities grew from 2.7bn USD to 3.4 bn USD from FY2017 to FY2018
- Current ratio from closest competitors were higher (mostly significantly over 2)

Threats

Cybersecurity risks

- There is always the risk of criminal activity targeting big international companies

Rapid technological changes

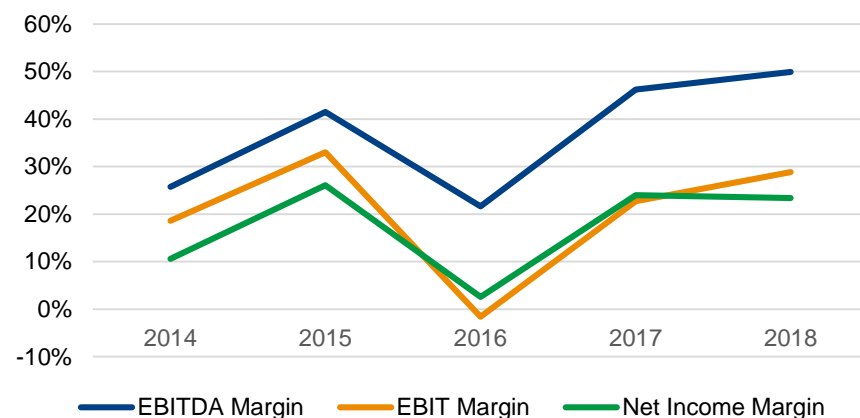
- The semiconductors industry is rapidly changing. However NXP is spending a significant part of their revenues on R&D in order to prevent this threat

Key Performance Indicators

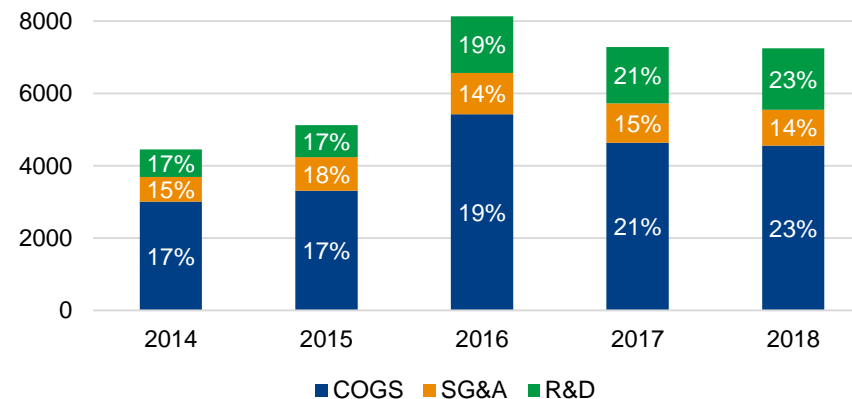
W U T I S

Increasing EBIT(DA) margins as well as sustainable growth within operating activities

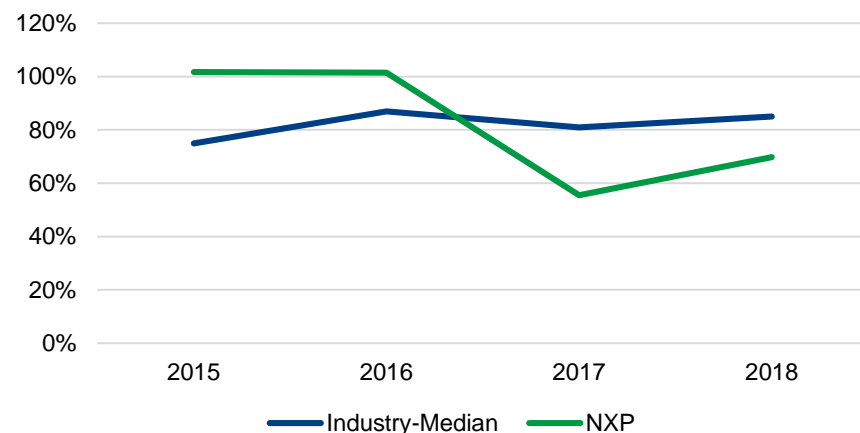
Reinvigorated profitability margins after 2016 consolidation



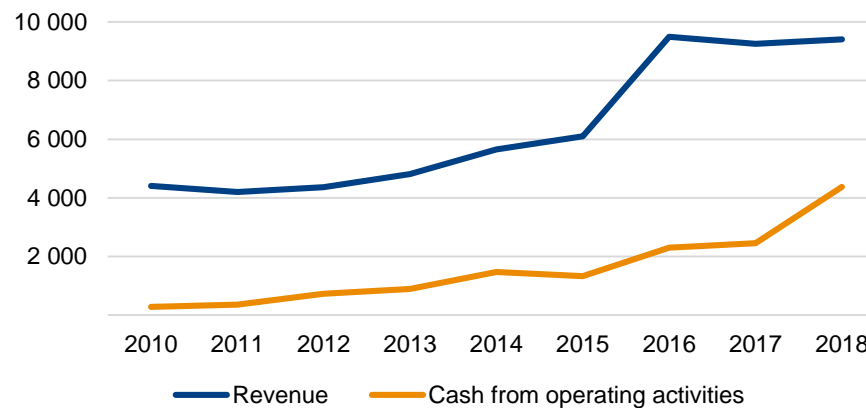
Cost split (in USD mn)



Debt to equity ratio

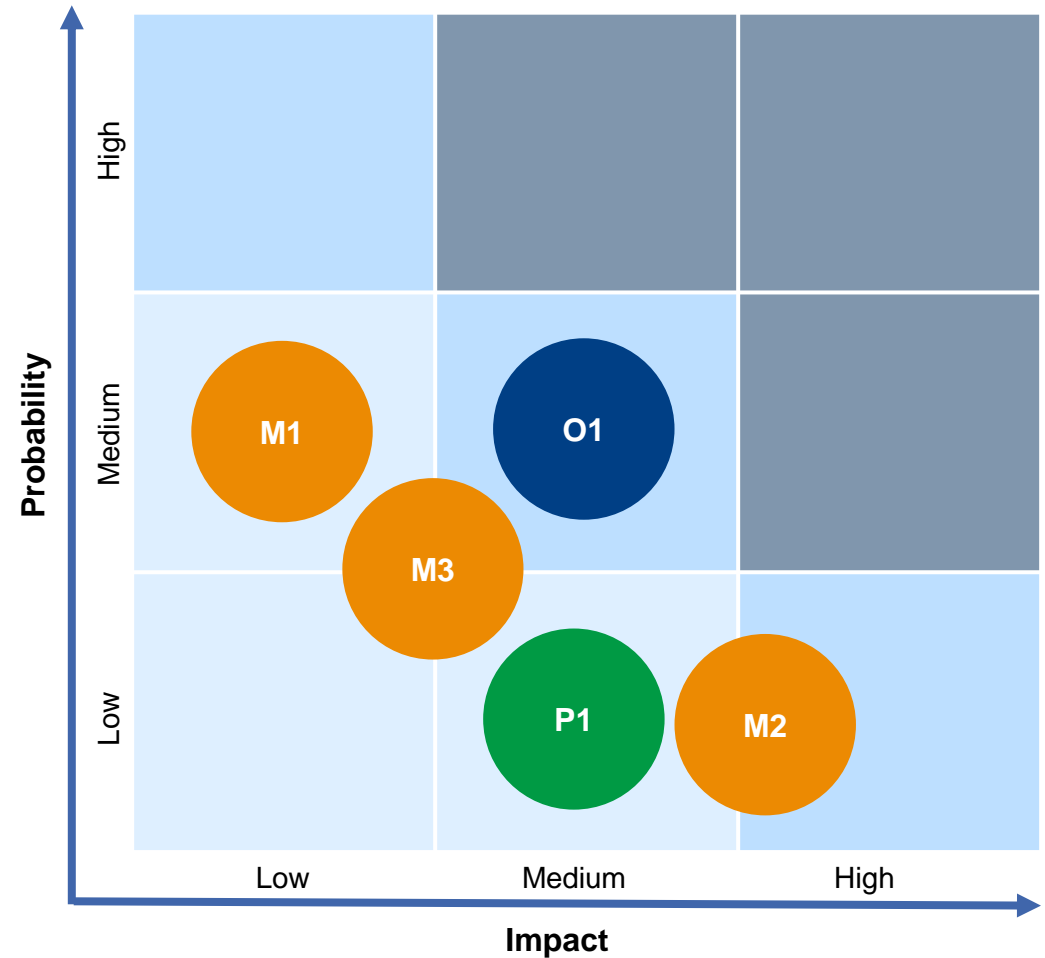
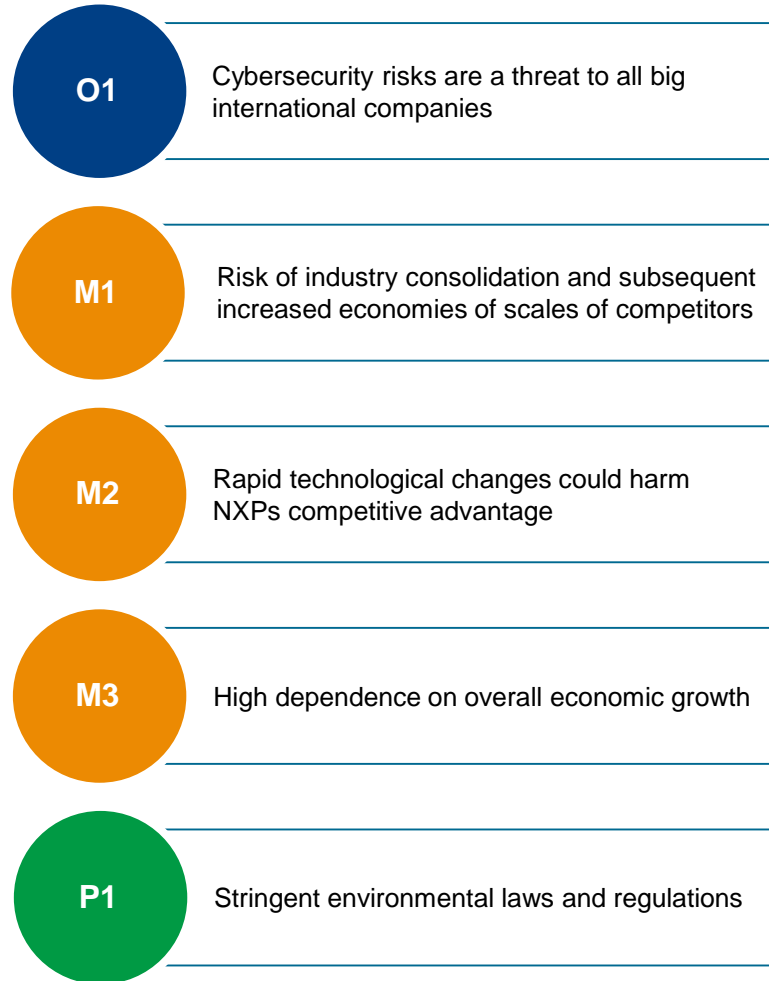


Significant revenue increase in 2016 due to merger (in USD mn)



Risk Analysis

Main risk categories: *Operational (O) – Market (M) – Economic (E) – Political (P)*



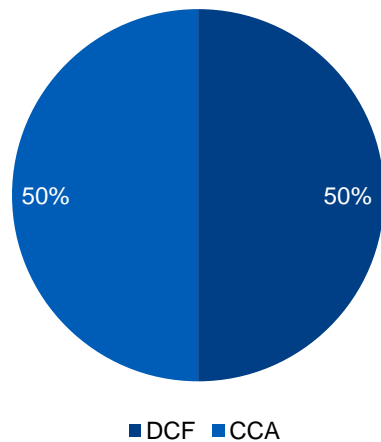


Valuation

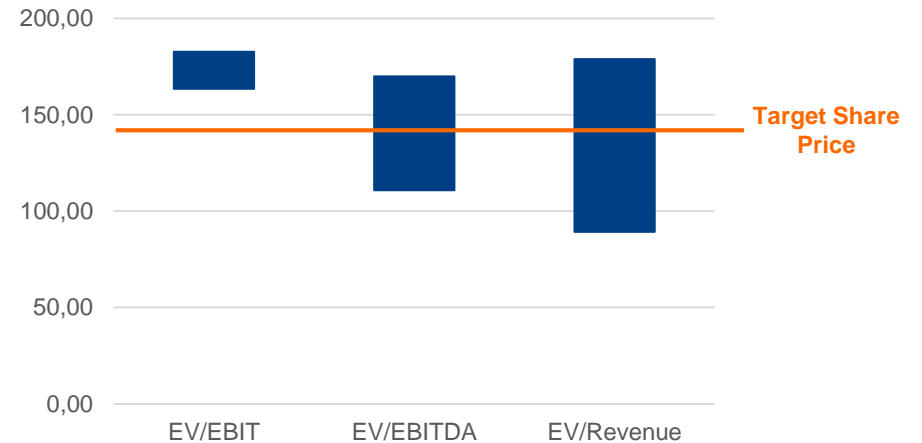
Valuation Summary

NXP's fair value is in the range of \$125.85 to \$163.48

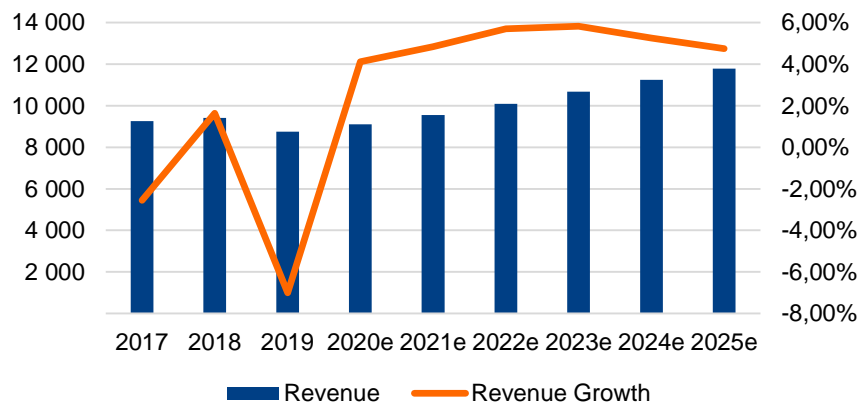
Valuation distribution



Sensitivity analysis trading multiples



Revenue development



Sensitivity analysis DCF

		WACC [%]						
		4.3%	5.3%	6.3%	7.3%	8.3%	9.3%	10.3%
Exit Multiple [EV/EBIT]	18.66x	185.3	168.6	153.7	140.3	128.3	117.5	107.7
	19.66x	193.9	176.3	160.7	146.6	133.9	122.6	112.4
	20.66x	202.4	184.1	167.6	152.9	139.6	127.7	117.0
	21.66x	211.0	191.8	174.6	159.1	145.3	132.8	121.6
	22.66x	219.6	199.5	181.5	165.4	150.9	137.9	126.3
	23.66x	228.1	207.2	188.5	171.7	156.6	143.1	130.9
	24.66x	236.7	214.9	195.4	177.9	162.3	148.2	135.5

Valuation I

After a decline in revenues in 2019, NXP shows further growth in the coming years

Key assumptions detailed planning period (2019-2023)

Revenue development:

- Revenue decline of 7% in 2019 due to unfavorable industry environment
- Subsector split due to substantially different growth rates for subsectors
- Estimation based on industry reports and management guidance

Cost development:

- Higher cost due to recent acquisition, further decrease as result of ongoing integration

Capex:

- Slightly increasing due to growing competition and need for higher expenditures for innovation

Key assumptions valuation

WACC (7,34%):

- Cost of Debt: 2.4% ³
- Cost of Equity: 12.8% ³
- Debt to equity ratio of 0.97 ²

Exit Multiple:

- According to Damodaran, the average EV/EBIT multiple for semiconductor companies is at 21.66 ³

Net Cash:

- As of 31/12/2019, NXP has a net debt of 4 540 mn USD

Free cashflow calculations

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Revenue	5 647.00	6 101.00	9 498.00	9 256.00	9 407.00	8 748.51	9 107.74	9 548.19	10 092.24	10 680.42	11 242.02	11 775.23	12 278.90	12 765.62	13 234.49	13 684.83
EBITDA	1 454.00	2 532.00	2 055.00	4 275.00	4 697.00	3 755.12	3 648.72	3 957.68	4 140.84	4 377.64	4 526.59	4 706.91	4 869.61	5 019.54	5 154.59	5 285.44
D&A	405.00	517.00	2 205.00	2 173.00	1 987.00	2 031.00	1 658.16	1 642.68	1 609.68	1 592.99	1 490.13	1 444.20	1 384.68	1 320.26	1 247.72	1 177.58
EBIT	1 049.00	2 015.00	- 150.00	2 102.00	2 710.00	2 028.77	2 239.29	2 561.40	2 772.61	3 023.60	3 259.99	3 479.34	3 692.64	3 897.32	4 094.03	4 284.50
Tax expenses	- 65.67	141.02	211.69	584.83	- 200.83	- 426.04	- 470.25	- 537.89	- 582.25	- 634.96	- 684.60	- 730.66	- 775.45	- 818.44	- 859.75	- 899.74
NOPAT	983.33	2 156.02	61.69	2 686.83	2 509.17	1 602.73	1 769.04	2 023.50	2 190.36	2 388.64	2 575.39	2 748.68	2 917.18	3 078.88	3 234.28	3 384.75
Contribution NWC	96.00	161.00	361.00	- 661.00	- 218.00	- 781.46	- 243.04	- 278.91	- 427.68	- 302.64	- 334.81	- 359.13	- 331.19	- 363.26	- 366.40	- 361.00
D&A	405.00	517.00	2 205.00	2 173.00	1 987.00	2 031.00	1 658.16	1 642.68	1 609.68	1 592.99	1 490.13	1 444.20	1 384.68	1 320.26	1 247.72	1 177.58
Other non-cash	133.00	216.00	333.00	281.00	314.00	292.02	304.01	318.71	336.87	356.51	375.25	393.05	409.86	426.11	441.76	456.79
Additions to property, plant and equipment	- 329.00	- 341.00	- 389.00	- 552.00	- 611.00	- 521.73	- 613.77	- 700.79	- 768.53	- 885.80	- 967.38	- 1 013.26	- 1 056.60	- 1 098.48	- 1 138.83	- 1 177.58
Additions to intangibles assets	- 36.00	- 12.00	- 59.00	- 66.00	- 50.00	- 131.23	- 136.62	- 143.22	- 151.38	- 160.21	- 168.63	- 176.63	- 184.18	- 191.48	- 198.52	- 205.27
FCFF	1 252.33	2 697.02	2 512.69	3 861.83	3 931.17	2 491.33	2 737.78	2 861.97	2 789.32	2 989.50	2 969.95	3 036.91	3 139.75	3 172.02	3 220.02	3 275.28
Discount factor						1.00	1.07	1.15	1.24	1.33	1.42	1.53	1.64	1.76	1.89	2.03
Discounted FCF						2 491.33	2 550.66	2 484.13	2 255.60	2 252.25	2 084.60	1 985.91	1 912.83	1 800.42	1 702.74	1 613.59

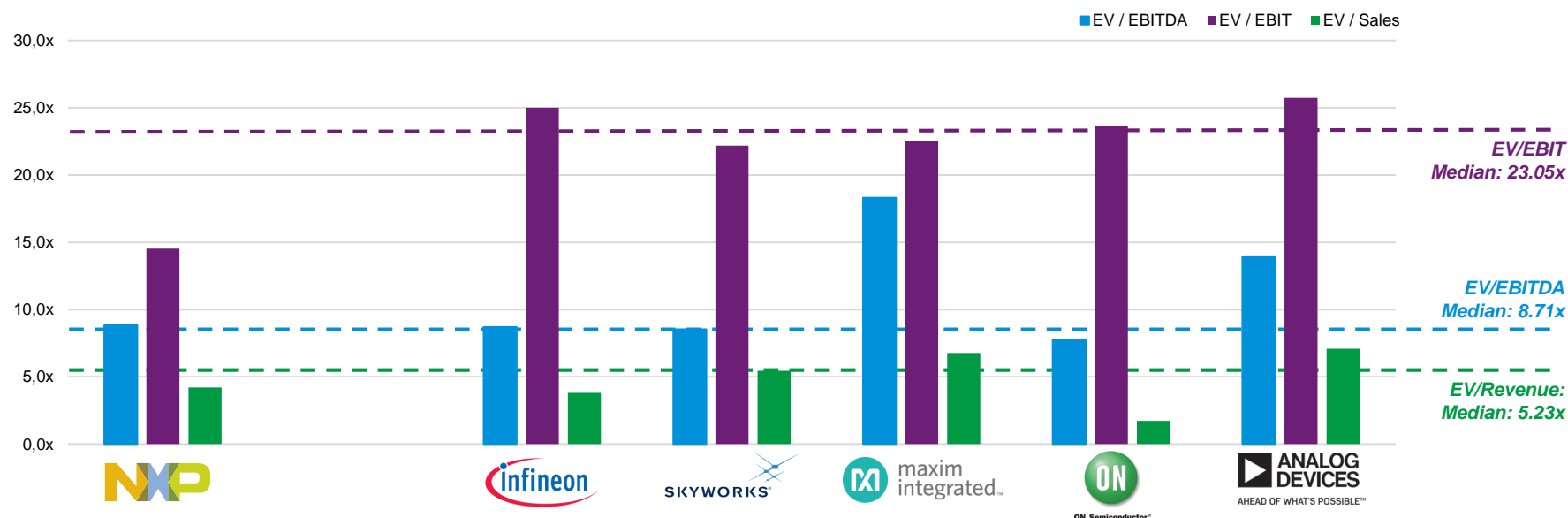
¹Source: Statista and WUTIS research

²Source: Annual report

³Source: Aswath Damodaran

Valuation II

CCA – comparable company analysis



USD mn						
Peer Companies	Country	Description	Enterprise Value	EV / EBITDA	EV / EBIT	EV / Revenue
NXP SEMICONDUCTORS NV	NL	Semiconductor manufacturer	37,376	8.83x	14.53x	4.21x
INFINEON TECHNOLOGIES AG	DE	Semiconductor manufacturer	29,020	8.71x	25.00x	3.61x
SKYWORKS SOLUTIONS INC	US	Semiconductor manufacturer	21,113	8.54x	22.18x	6.25x
MAXIM INTEGRATED PRODUCTS	US	Semiconductor manufacturer	16,799	18.31x	22.49x	7.26x
ON SEMICONDUCTOR CORP	US	Semiconductor manufacturer	10,202	7.77x	23.62x	1.85x
ANALOG DEVICES INC	US	Semiconductor manufacturer	43,997	13.91x	25.73x	7.34x
Median			21,113	8.71x	23.05x	5.23x
Average			24,127	11.45x	22.26x	5.09x

Valuation II

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A trading multiple valuation set the target price for NXP at \$ 137.71

Core Peer Group



SEMTECH

Extended Peer Group

Implied Share price for NXP using Core Peer Group¹

NXP EV calculated with	EV/EBIT	Equity Value	# of Shares	Price per Share
25%-Percentile	57 263 060 646	52 538 060 646	321 380 000	163.48
Median	59 314 999 754	54 589 999 754	321 380 000	169.86
Mean	57 263 996 387	52 538 996 387	321 380 000	163.48
75%-Percentile	63 426 796 489	58 701 796 489	321 380 000	182.66

NXP EV calculated with	EV/EBITDA	Equity Value	Number of Sh	Price per Share
25%-Percentile	40 322 303 669	35 597 303 669	321 380 000	110.76
Median	41 183 916 510	36 458 916 510	321 380 000	113.44
Mean	51 721 305 530	46 996 305 530	321 380 000	146.23
75%-Percentile	59 360 899 638	54 635 899 638	321 380 000	170.00

NXP EV calculated with	EV/Revenue	Equity Value	Number of Sh	Price per Share
25%-Percentile	33 407 662 746	28 682 662 746	321 380 000	89.25
Median	46 445 380 852	41 720 380 852	321 380 000	129.82
Mean	45 171 626 998	40 446 626 998	321 380 000	125.85
75%-Percentile	62 213 445 812	57 488 445 812	321 380 000	178.88

Weighted Stock Price

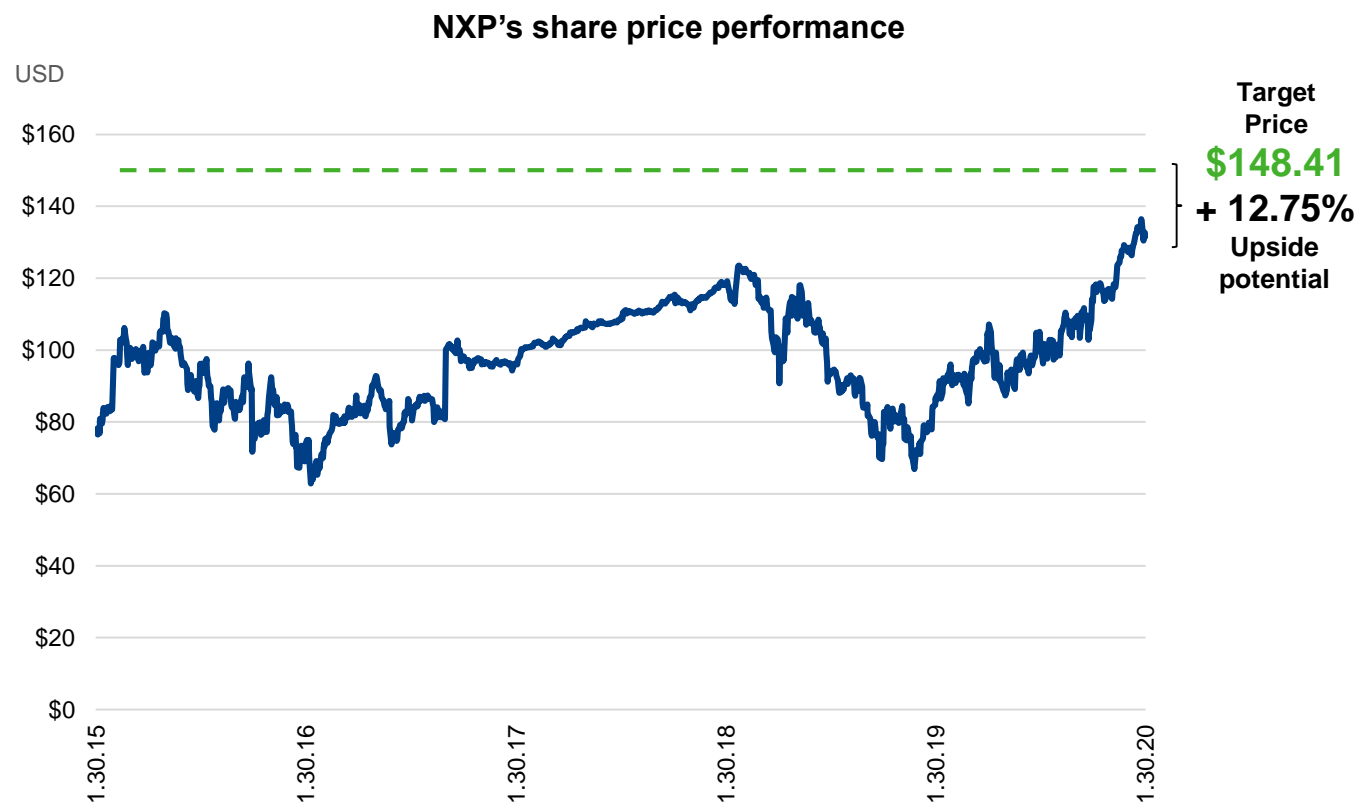
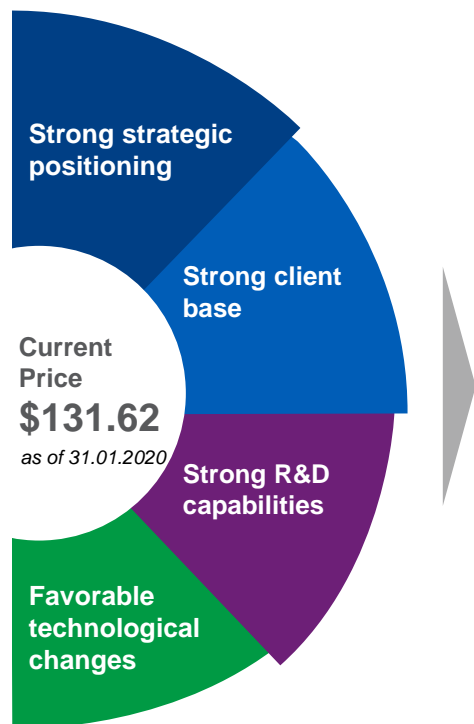
137.71

Ticker	Name	Current Mkt. Cap	Price/ Earnings (TTM)	Price/Sales (TTM)	Price/Book	Price/Cash Flow (TTM)	Enterprise Value/EBITDA (TTM)	EV/EBIT	EV/Revenue
IFX GR Equity	INFINEON TECHNOLOGIES AG	29 020 017 414	27.16	3.03	3.02	15.42	8.71	25.00	3.61
SWKS US Equity	SKYWORKS SOLUTIONS INC	21 112 910 150	22.24	6.37	5.11	15.76	8.54	22.18	6.25
MXIM US Equity	MAXIM INTEGRATED PRODUCTS	16 799 425 096	20.01	7.68	9.44	20.96	18.31	22.49	7.26
ON US Equity	ON SEMICONDUCTOR CORP	10 202 337 833	18.67	1.82	3.17	10.03	7.77	23.62	1.85
ADI US Equity	ANALOG DEVICES INC	43 997 401 001	23.12	7.36	3.76	19.57	13.91	25.73	7.34
	Min	10 202 337 833	18.67	1.82	3.02	10.03	7.77	14.53	1.85
	25%-Percentile	17 877 796 359	20.57	3.33	3.32	15.51	8.58	22.26	3.76
	Median	25 066 463 782	22.45	5.31	3.86	16.20	8.77	23.05	5.23
	Mean	26 417 942 782	22.31	5.09	4.74	16.40	11.01	22.26	5.09
	75%-Percentile	35 286 678 252	23.01	7.11	4.83	18.84	12.64	24.65	7.01
	Max	43 997 401 001	27.16	7.68	9.44	20.96	18.31	25.73	7.34

Conclusion

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Favorable strategic positioning and strong market growth provide upside potential





Appendix

Appendix I: Income Statement

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In USD mn

Income Statement	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Revenue	4,358.00	4,815.00	5,647.00	6,101.00	9,498.00	9,256.00	9,407.00	8,748.51	9,107.74	9,548.19	10,092.24	10,680.42	11,242.02	11,775.23	12,278.90	12,765.62	13,234.49	13,684.83
revenue growth	4%	10%	17%	8%	56%	-3%	2%	-7%	4%	5%	6%	6%	5%	5%	4%	4%	4%	3%
Cost of Revenue	- 2,370.00	- 2,638.00	- 3,007.00	- 3,314.00	- 5,429.00	- 4,637.00	- 4,556.00	- 4,593.13	- 4,740.36	- 4,847.59	- 5,123.80	- 5,422.42	- 5,707.54	- 5,978.25	- 6,233.96	- 6,481.07	- 6,719.11	- 6,947.75
in % of revenue	-54%	-55%	-53%	-54%	-57%	-50%	-48%	-53%	-52%	-51%	-51%	-51%	-51%	-51%	-51%	-51%	-51%	-51%
Gross Profit	1,988.00	2,177.00	2,640.00	2,787.00	4,069.00	4,619.00	4,851.00	4,155.38	4,367.37	4,700.60	4,968.44	5,258.00	5,534.48	5,796.98	6,044.94	6,284.55	6,515.38	6,737.08
in % of revenue	46%	45%	47%	46%	43%	50%	52%	47%	48%	49%	49%	49%	49%	49%	49%	49%	49%	49%
SG&A	- 977.00	- 896.00	- 686.00	- 922.00	- 1,141.00	- 1,090.00	- 993.00	- 1,001.56	- 1,025.55	- 1,058.72	- 1,136.95	- 1,196.70	- 1,257.55	- 1,321.04	- 1,375.63	- 1,430.09	- 1,483.35	- 1,533.34
in % of revenue	-22%	-19%	-12%	-15%	-12%	-12%	-11%	-11%	-11%	-11%	-11%	-11%	-11%	-11%	-11%	-11%	-11%	-11%
Other Expenses (-)/Income (+)	- 599.00	- 630.00	- 905.00	- 150.00	- 3,078.00	- 1,427.00	- 1,148.00	- 1,125.04	- 1,102.54	- 1,080.49	- 1,058.88	- 1,037.70	- 1,016.95	- 996.61	- 976.68	- 957.14	- 938.00	- 919.24
EBIT	412.00	651.00	1,049.00	2,015.00	150.00	2,102.00	2,710.00	2,028.77	2,239.29	2,561.40	2,772.61	3,023.60	3,259.99	3,479.34	3,692.64	3,897.32	4,094.03	4,284.50
EBIT - margin	9.5%	13.5%	18.6%	33.0%	-1.6%	22.7%	28.8%	23.2%	24.6%	26.8%	27.5%	28.3%	29.0%	29.5%	30.1%	30.5%	30.9%	31.3%
Financial income(-)/expense(+)	437.00	274.00	410.00	529.00	453.00	366.00	335.00	384.67	361.89	360.52	369.02	363.81	364.45	365.76	364.67	364.96	365.13	364.92
EBT	- 25.00	377.00	639.00	1,486.00	603.00	1,736.00	2,375.00	1,644.11	1,877.40	2,200.88	2,403.59	2,659.79	2,895.54	3,113.57	3,327.96	3,532.35	3,728.89	3,919.57
Taxes expenses	1.00	20.00	40.00	-104.00	-851.00	-483.00	176.00	345.26	394.25	462.18	504.75	558.56	608.06	653.85	698.87	741.79	783.07	823.11
effective tax rate	-4%	5%	6%	-7%	141%	-28%	7%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
Net income	- 26.00	357.00	599.00	1,590.00	248.00	2,219.00	2,199.00	1,298.84	1,483.15	1,738.69	1,898.84	2,101.23	2,287.47	2,459.72	2,629.09	2,790.56	2,945.83	3,096.46
Net income margin	-0.6%	7.4%	10.6%	26.1%	2.6%	24.0%	23.4%	14.8%	16.3%	18.2%	18.8%	19.7%	20.3%	20.9%	21.4%	21.9%	22.3%	22.6%
(Income) Loss from Affiliates	27.00	- 58.00	- 8.00	- 9.00	- 11.00	- 53.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00	- 59.00
Non-controlling interest	63.00	67.00	68.00	73.00	59.00	57.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Net income to shareholders	- 115.00	348.00	539.00	1,526.00	200.00	2,215.00	2,208.00	1,307.84	1,492.15	1,747.69	1,907.84	2,110.23	2,296.47	2,468.72	2,638.09	2,799.56	2,954.83	3,105.46
Diluted shares outstanding	248.06	255.05	248.61	250.12	347.61	345.80	328.61	313.35	295.69	279.77	265.32	253.09	242.62	233.53	225.53	218.38	211.88	205.89
Earnings per Share	-0.46	1.36	2.17	6.10	0.58	6.41	6.72	4.17	5.05	6.25	7.19	8.34	9.47	10.57	11.70	12.82	13.95	15.08
EBITDA	945.00	1,165.00	1,454.00	2,532.00	2,055.00	4,275.00	4,697.00	3,755.12	3,648.72	3,957.68	4,140.84	4,377.64	4,526.59	4,706.91	4,869.61	5,019.54	5,154.59	5,285.44

Appendix II: Balance Sheet



In USD mn

Balance Sheet	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Cash&Cash equivalents	617.00	670.00	1,185.00	1,614.00	1,894.00	3,547.00	2,789.00	69.58	-	69.22	267.46	989.15	1,875.66	2,891.03	4,063.28	5,408.44	6,824.51	8,305.14	9,851.85
ST investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivables	510.00	542.00	593.00	1,130.00	1,033.00	879.00	792.00	839.62	835.27	865.31	912.45	951.00	1,001.00	1,048.48	1,093.33	1,136.66	1,178.41	1,218.51	1,218.51
Inventories	715.00	740.00	755.00	1,879.00	1,113.00	1,236.00	1,279.00	1,289.42	1,310.79	1,320.34	1,374.64	1,432.93	1,485.65	1,532.77	1,574.36	1,636.77	1,696.88	1,754.63	1,754.63
Other	112.00	140.00	107.00	189.00	1,358.00	382.00	365.00	365.00	365.00	365.00	365.00	365.00	365.00	365.00	365.00	365.00	365.00	365.00	365.00
Total current assets	1,954.00	2,092.00	2,640.00	4,812.00	5,398.00	6,044.00	5,225.00	2,563.62	2,441.85	2,818.11	3,641.23	4,624.58	5,742.68	7,009.53	8,441.13	9,962.94	11,545.43	13,189.99	13,189.99
Goodwill	2,277.00	2,364.00	2,121.00	9,228.00	8,834.00	8,866.00	8,857.00	9,385.00	9,505.00	9,670.00	9,850.00	10,052.50	10,255.00	10,457.50	10,660.00	10,862.50	11,065.00	11,267.50	11,267.50
Intangible Assets	965.00	755.00	573.00	8,790.00	7,343.00	5,863.00	4,467.00	4,598.23	4,734.84	4,878.07	5,029.45	5,189.66	5,358.29	5,534.92	5,719.10	5,910.58	6,109.10	6,314.37	6,314.37
PPE	1,070.00	1,048.00	1,123.00	2,922.00	2,352.00	2,295.00	2,436.00	2,991.38	2,595.72	2,450.23	2,450.54	2,657.29	3,033.06	3,493.75	4,048.38	4,699.64	5,452.90	6,304.54	6,304.54
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	173.00	196.00	436.00	602.00	962.00	981.00	545.00	545.00	545.00	545.00	545.00	545.00	545.00	545.00	545.00	545.00	545.00	545.00	545.00
Total non-current assets	4,485.00	4,363.00	4,253.00	21,542.00	19,491.00	18,005.00	16,305.00	17,519.61	17,380.56	17,543.30	17,874.99	18,444.45	19,191.35	20,031.17	20,972.48	22,017.72	23,172.00	24,431.41	24,431.41
Total Assets	6,439.00	6,455.00	6,893.00	26,354.00	24,889.00	24,049.00	21,530.00	20,083.23	19,822.41	20,361.40	21,516.22	23,069.03	24,934.04	27,040.70	29,413.60	31,980.66	34,717.44	37,621.40	37,621.40
Accounts payable & Accruals	1,051.00	789.00	968.00	1,795.00	1,685.00	1,893.00	2,218.00	1,845.58	2,049.23	2,134.45	2,176.62	2,345.04	2,468.68	2,570.26	2,690.86	2,795.74	2,895.83	2,996.79	2,996.79
Short term debt	307.00	40.00	20.00	556.00	421.00	751.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00	1,107.00
Other	138.00	364.00	332.00	197.00	327.00	74.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00
Total current liability	1,496.00	1,193.00	1,320.00	2,548.00	2,433.00	2,718.00	3,385.00	3,012.58	3,216.23	3,301.45	3,343.62	3,512.04	3,635.68	3,737.26	3,857.86	3,962.74	4,062.83	4,163.79	4,163.79
Long-term Financial Debt	3,185.00	3,281.00	3,979.00	8,656.00	8,766.00	5,787.00	6,222.00	5,622.00	5,222.00	5,022.00	4,862.00	4,734.00	4,631.60	4,549.68	4,637.19	4,734.93	4,867.54	5,030.87	5,030.87
Leasing Liabilities	-	-	-	-	-	27.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Deferred tax liabilities	84.00	88.00	76.00	2,293.00	1,659.00	701.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00
Other LT (excl. tax)	390.00	341.00	717.00	1,054.00	884.00	1,100.00	758.00	758.00	758.00	758.00	758.00	758.00	758.00	758.00	758.00	758.00	758.00	758.00	758.00
Total non-current liability	3,659.00	3,710.00	4,772.00	12,003.00	11,309.00	7,615.00	7,455.00	6,855.00	6,455.00	6,255.00	6,095.00	5,967.00	5,864.60	5,782.68	5,870.19	5,967.93	6,100.54	6,263.87	6,263.87
Equity	1,049.00	1,301.00	538.00	11,515.00	10,926.00	13,527.00	10,505.00	10,030.65	9,966.18	10,619.95	11,892.59	13,405.00	15,248.76	17,335.75	19,500.55	21,865.00	24,369.06	27,008.74	27,008.74
Non-Controlling Interest	235.00	245.00	263.00	288.00	221.00	189.00	185.00	185.00	185.00	185.00	185.00	185.00	185.00	185.00	185.00	185.00	185.00	185.00	185.00
Total Equity	1,284.00	1,546.00	801.00	11,803.00	11,147.00	13,716.00	10,690.00	10,215.65	10,151.18	10,804.95	12,077.59	13,590.00	15,433.76	17,520.75	19,685.55	22,050.00	24,554.06	27,193.74	27,193.74
Total Equity and Liabilities	6,439.00	6,449.00	6,893.00	26,354.00	24,889.00	24,049.00	21,530.00	20,083.23	19,822.41	20,361.40	21,516.22	23,069.03	24,934.04	27,040.70	29,413.60	31,980.66	34,717.44	37,621.40	37,621.40
check	-	-	6.00	-	-	-	-	0.00	-	0.00	-	0.01	0.00	0.00	0.00	0.00	0.01	-	0.00
Equity Ratio	20%	24%	12%	45%	45%	57%	50%	51%	51%	53%	56%	59%	62%	65%	67%	69%	71%	72%	72%
								-1.30%	2.72%	5.67%	7.22%	8.08%	8.45%	8.78%	8.73%	8.56%	8.36%	-100.00%	-100.00%
								-1.30%	2.72%	5.67%	7.22%	8.08%	8.45%	8.78%	8.73%	8.56%	8.36%	-100.00%	-100.00%

Appendix III: Cash Flow Statement

In USD mn

Cashflow Statement	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023							
Net income	-	115.00	348.00	539.00	1,526.00	200.00	2,215.00	2,208.00	1,307.84	1,492.15	1,747.69	1,907.84	2,110.23	2,296.47	2,468.72	2,638.09	2,799.56	2,954.83	3,105.46
Share based compensation		52.00	88.00	133.00	216.00	333.00	281.00	314.00	292.02	304.01	318.71	336.87	356.51	375.25	393.05	409.86	426.11	441.76	456.79
Depreciation and amortization PPE		533.00	514.00	405.00	517.00	2,205.00	2,173.00	1,987.00	1,726.35	1,409.43	1,396.28	1,368.22	1,354.04	1,266.61	1,227.57	1,176.97	1,122.22	1,060.56	1,000.94
Depreciation and amortization Intangible assets									304.65	248.72	246.40	241.45	238.95	223.52	216.63	207.70	198.04	187.16	176.64
Other non-cash		257.00	134.00	295.00	1,090.00	796.00	1,561.00	78.00	842.25	780.31	776.39	580.24	744.80	720.43	705.47	687.73	714.61	707.06	703.72
Sources of Funds		727.00	1,084.00	1,372.00	1,169.00	1,942.00	3,108.00	4,587.00	2,788.62	2,674.00	2,932.70	3,274.15	3,314.93	3,441.42	3,600.51	3,744.89	3,831.32	3,937.24	4,036.12
Change in Accounts receivables		2.00	- 35.00	- 109.00	- 78.00	- 51.00	31.00	187.00	- 47.62	4.34	- 30.03	- 47.14	- 38.55	- 50.01	- 47.48	- 44.85	- 43.34	- 41.75	- 40.10
Change in Inventories	-	61.00	- 22.00	- 42.00	82.00	568.00	- 120.00	65.00	- 10.42	- 21.37	- 9.54	- 54.30	- 58.29	- 52.72	- 47.12	- 41.59	- 62.41	- 60.12	- 57.74
Change in Payables		107.00	- 18.00	185.00	285.00	41.00	173.00	- 147.00	372.42	203.65	85.22	42.17	168.41	123.64	101.58	120.60	104.88	100.09	100.97
Change in Other	-	52.00	- 118.00	62.00	- 128.00	- 115.00	- 745.00	- 193.00	351.00	- 429.67	- 324.56	- 368.41	- 374.21	- 355.72	- 366.11	- 365.35	- 362.40	- 364.62	- 364.12
Change NWC	-	4.00	- 193.00	96.00	161.00	361.00	- 661.00	- 218.00	- 781.46	- 243.04	- 278.91	- 427.68	- 302.64	- 334.81	- 359.13	- 331.19	- 363.26	- 366.40	- 361.00
Cash from operating activities		723.00	891.00	1,468.00	1,330.00	2,303.00	2,447.00	4,369.00	2,007.16	2,430.96	2,653.79	2,846.47	3,012.29	3,106.61	3,241.38	3,413.71	3,468.06	3,570.85	3,675.12
Additions to PPE & Intangible assets	-	249.00	- 215.00	- 329.00	- 341.00	- 389.00	- 552.00	- 611.00	- 521.73	- 613.77	- 700.79	- 768.53	- 885.80	- 967.38	- 1,013.26	- 1,056.60	- 1,098.48	- 1,138.83	- 1,177.58
in % of Sales		-5.7%	-4.5%	-5.8%	-5.6%	-4.1%	-5.96%	-6.50%	-5.96%	-6.74%	-7.34%	-7.62%	-8.29%	-8.61%	-8.61%	-8.61%	-8.61%	-8.61%	-8.61%
Additions to intangible assets	-	29.00	- 35.00	- 36.00	- 12.00	- 59.00	- 66.00	- 50.00	- 131.23	- 136.62	- 143.22	- 151.38	- 160.21	- 168.63	- 176.63	- 184.18	- 191.48	- 198.52	- 205.27
Net M&A		26.00	-	1.00	1,605.00	20.00	2,682.00	141.00	1,760.00	400.00	550.00	600.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00
NetCash from Dic. Ops	-	45.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Investing Activities		9.00	4.00	33.00	1,689.00	200.00	6.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Cash from investing activities	-	288.00	- 246.00	- 397.00	- 437.00	628.00	2,070.00	517.00	- 2,409.96	- 1,147.38	- 1,391.02	- 1,516.91	- 1,718.01	- 1,808.01	- 1,861.89	- 1,912.78	- 1,961.97	- 2,009.35	- 2,054.85
Dividends paid	-	40.00	- 48.00	-	-	-	- 74.00	-	-	-	-	-	-	-	-	-	-	-	-
Cash from (repayment) of Debt	-	508.00	- 310.00	876.00	60.00	80.00	2,744.00	723.00	- 600.00	- 400.00	- 200.00	- 160.00	- 128.00	- 102.40	- 81.92	- 65.54	- 52.43	- 41.94	- 33.55
Increase of Share Capital		14.00	177.00	145.00	51.00	120.00	233.00	39.00	35.10	31.59	28.43	25.59	23.03	20.73	18.65	16.79	15.11	13.60	12.24
Share Buybacks	-	40.00	- 405.00	- 1,435.00	- 475.00	- 1,280.00	- 286.00	- 5,006.00	- 1,700.00	- 1,000.00	- 700.00	- 420.00	- 252.00	- 151.20	- 90.72	- 54.43	-	-	-
Other Financing Activities	-	-	12.00	- 140.00	- 85.00	- 152.00	- 89.00	- 279.00	- 50.00	- 50.00	- 50.00	- 50.00	- 50.00	- 50.00	- 50.00	- 50.00	- 50.00	- 50.00	- 50.00
Cash from financing activities	-	574.00	- 598.00	- 554.00	- 449.00	- 1,392.00	- 2,886.00	- 4,597.00	- 2,314.90	- 1,418.41	- 921.57	- 604.41	- 406.97	- 282.87	- 203.99	- 153.18	- 87.32	- 78.34	- 71.32
Cash Beginning		743.00	617.00	670.00	1,185.00	1,614.00	1,894.00	3,547.00	2,789.00	69.58	- 69.22	267.46	989.15	1,875.66	2,891.03	4,063.28	5,408.44	6,824.51	8,305.14
OCF		723.00	891.00	1,468.00	1,330.00	2,303.00	2,447.00	4,369.00	2,007.16	2,430.96	2,653.79	2,846.47	3,012.29	3,106.61	3,241.38	3,413.71	3,468.06	3,570.85	3,675.12
ICF	-	288.00	- 246.00	- 397.00	- 437.00	628.00	2,070.00	517.00	- 2,409.96	- 1,147.38	- 1,391.02	- 1,516.91	- 1,718.01	- 1,808.01	- 1,861.89	- 1,912.78	- 1,961.97	- 2,009.35	- 2,054.85
FCF	-	574.00	- 598.00	- 554.00	- 449.00	- 1,392.00	- 2,886.00	- 4,597.00	- 2,314.90	- 1,418.41	- 921.57	- 604.41	- 406.97	- 282.87	- 203.99	- 153.18	- 87.32	- 78.34	- 71.32
Tax expense (+)		1.00	20.00	40.00	104.00	851.00	483.00	176.00	345.26	394.25	462.18	504.75	558.56	608.06	653.85	698.87	741.79	783.07	823.11
Cash paid for taxes	-	28.00	- 34.00	- 24.00	- 40.00	- 67.00	- 356.00	- 188.00	-	-	-	-	-	-	-	-	-	-	-
Effect of foreign exchange rates		14.00	-	- 12.00	- 22.00	4.00	20.00	8.00	1.71	3.96	4.52	3.46	0.81	0.35	3.26	2.58	2.71	2.53	2.24
Net change in Cash	-	124.00	53.00	515.00	429.00	280.00	1,653.00	758.00	2,719.42	- 138.80	336.68	721.68	886.51	1,015.38	1,172.25	1,345.16	1,416.07	1,480.63	1,546.71
Cash End		619.00	670.00	1,185.00	1,614.00	1,894.00	3,547.00	2,789.00	69.58	- 69.22	267.46	989.15	1,875.66	2,891.03	4,063.28	5,408.44	6,824.51	8,305.14	9,851.85

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