

Recommendation: Buy

Price target: 1.30 Euro

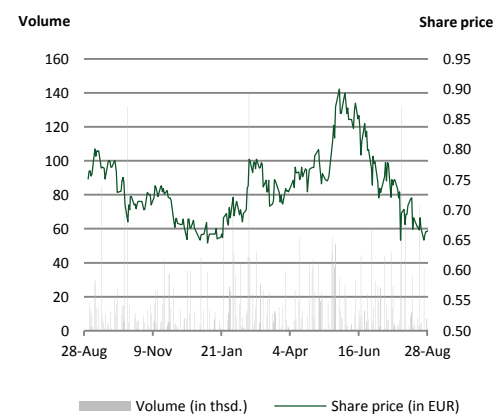
Upside potential: +96 percent

Share data

Share price	0.66 Euro (Xetra)
Number of shares (in m)	20.70
Market cap. (in EUR m)	13.7
Enterprise value (in EUR m)	12.8
Code	BTBA
ISIN	DE0003304200

Performance

52 week high (in EUR)	0.90
52 week low (in EUR)	0.62
3 m relative to CDAX	-15.0%
6 m relative to CDAX	-5.2%



Shareholder structure

Free float	64.2%
Oliver Borrmann	15.3%
Carin Pepper	10.0%
Roland Berger SC	7.5%
Peter R. Ackermann	3.0%

Calendar

Analyst meeting	01. September 2015
Q3 figures	30. November 2015

Changes in estimates

	2015e	2016e	2017e
Sales (old)	n.a.	n.a.	n.a.
Δ in %	-	-	-
EBIT (old)	n.a.	n.a.	n.a.
Δ in %	-	-	-
EPS (old)	n.a.	n.a.	n.a.
Δ in %	-	-	-

Analyst

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Publication

Comment 28. August 2015

sleepz contributes to revenues for the first time – Foundation of own mattress brand “Grafenfels”

bmp yesterday reported key figures for Q2 2015. Following the company's transformation into an industrial holding focusing on living/sleeping worlds, revenues of stock holding sleepz were consolidated for the first time. The company generated Q2 revenues of almost EUR 1m while the consolidation took place only two months ago on May 1st.

Income after minorities improved notably in H1 and was in positive territory with EUR 0.7m (previous year EUR -0.1m). Fast-growing sleepz GmbH, in which bmp holds a stake of 52.7%, reported a loss of c. EUR 0.3m. However, the company is expected to break even in 2016 already. The discontinued operation (legacy portfolio bmp media investors) had a major impact on the positive earnings trend. Thanks to the stock holdings' increases in value bmp generated a profit of some EUR 0.9m.

As part of the reporting, bmp announced the foundation of **Grafenfels Manufaktur GmbH**. This company is planned to sell the in-house developed own mattress brand „Grafenfels“ from Q4 2015, which is to be established as a second revenue pillar. bmp thus launches an equivalent to Casper Sleep, Inc., which enjoys considerable success in the USA by selling mattresses via the internet. Only recently, the company has secured itself a financing of USD 55m (Enterprise value: USD 555m). Similar to Casper, Grafenfels is likely to address an internet-oriented target group with high design requirements, while focusing on product characteristics that are easy to understand. There is hardly any brand awareness in the field of mattresses, so Grafenfels will likely be interested in closing this gap.

We expect a significant **pick-up in news flow** over the next few months. Alongside the product launch of Grafenfels and a corresponding marketing campaign, bmp will likely succeed in acquiring another online retailer in the field of living/sleeping worlds. bmp already announced its intentions to do so and we assume that the company is in advanced negotiations. In view of the disposals of investments and the substantial value of the remaining portfolio, bmp should have no problems at all in financing the acquisition.

We also expect to see positive news flow from sleepz. The company is to generate revenue of some EUR 6m in the current financial year (taking into account a consolidation from May onwards). In 2016, revenues are expected to jump to EUR 15m. Income from operations should still be slightly negative in 2015 and amount to between EUR -0.5 and -1m.

Conclusion: bmp entered a new era today. Going forward, the capital markets will value the company based on its revenue and earnings development. This should make bmp more attractive for new groups of investors. The current price level does not reflect at all the value of the remaining portfolio and the growth prospects in the living/sleeping worlds segment. We confirm our buy rating and the PT of EUR 1.30.

SOTP-Valuation

+ Book value of the remaining holdings	18.2
- Carried Interest (15%)	1.0
+ DCF valuation sleepz	8.7
+ Stock Holdings (Heliocentris, K2)	1.0
+ Cash (MONE)	0.9
= Enterprise value	27.7
/ Shares (in m)	20.7
= Value per share	1.34

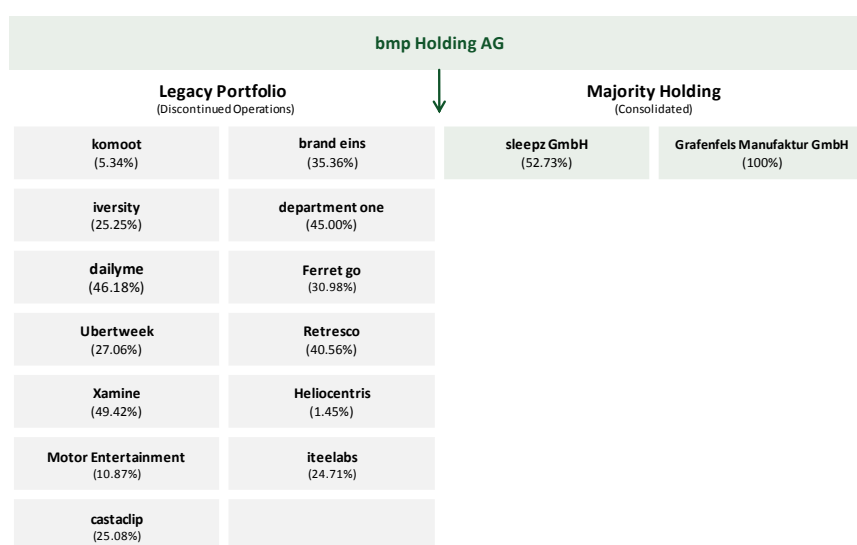
figures in EUR m, per share in EUR

COMPANY BACKGROUND

bmp Holding AG is an industrial holding based in Berlin, Germany. The company has a majority stake in sleepz GmbH and fully owns Grafenfels Manufaktur GmbH, which was founded in June 2015.

Previously bmp was an investment company (bmp media investors) but had to give up its business because of regulatory changes. For this reason, the legacy portfolio has been reported as discontinued operation since Q1 2015. Majority holding sleepz is fully consolidated since May 1st. The company currently has 30 employees and is expected to generate revenues of some EUR 8m in 2015.

Corporate structure



Sources: Company, Montega

Experienced management

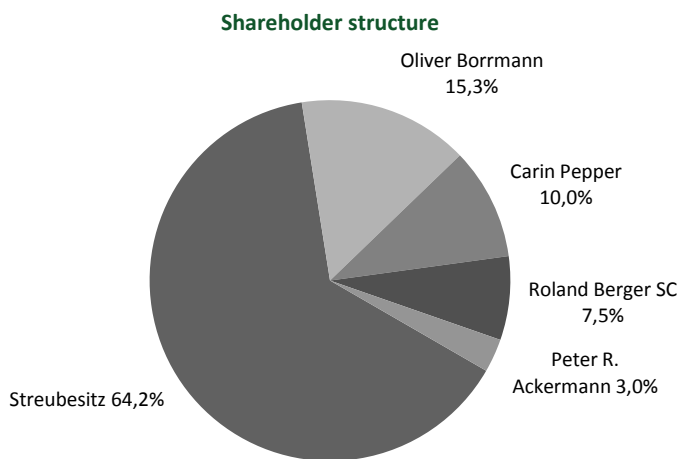
bmp Holding AG has an experienced management team. The company's Executive Board is made up of Oliver Borrmann and Jens Spyrka.

Oliver Borrmann founded bmp Holding AG in 1997 as an investment company. He has been an active member of the Executive Board since 1999 and is responsible for the corporate development of the company. At bmp, he managed a parallel fund for the KfW (German Reconstruction Loan Corporation) and accompanied more than 100 investments. He also collected relevant experience as a corporate consultant for HBS Consulting Partners GmbH in Munich. Oliver Borrmann earned his degree in economics at the University of St. Gallen (Switzerland) with honours. In addition to his post on the Executive Board, he also holds several Supervisory Board mandates, including at Heliocentris Energy Solutions AG and brand eins Medien AG.

Jens Spyrka has been a member of the Executive Board of bmp Holding AG since 1 July 2011. He has worked for the company since 1999 and has been responsible for a total of 30 different investments in the Media & Marketing segment. In addition to his position at bmp Holding, he was also the managing director of a EUR 10m fund of DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH from 2000 to 2007. Mr Spyrka graduated from the Institute of International Relations in Potsdam-Babelsberg with a degree in political science.

Shareholder structure

The share capital of the joint-stock company is divided into 20,701,174 no-par value shares. With a share of 15.3%, founder and CEO Oliver Borrman is the largest single shareholder of the company. Other significant investors are Carin Pepper (10.4%), Roland Berger Strategy Consultants GmbH (7.5%) and Peter R. Ackermann. The free float should be around 64.2%. The following diagram shows the current shareholder structure:



Source: bmp media investors AG

APPENDIX

P&L (in Euro m) bmp Holding AG	2010	2011	2012	2013	2014
Sales	7.1	5.3	1.3	1.0	0.1
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0
Total sales	7.1	5.3	1.3	1.0	0.1
book value of disposed investments and securities	4.9	4.6	1.0	0.5	0.1
Gross profit	2.2	0.7	0.3	0.6	0.0
Personnel expenses	1.3	0.6	0.1	0.1	0.1
Other operating expenses	3.9	2.8	4.4	4.2	4.3
Other operating income	4.5	2.7	2.3	4.9	3.9
EBITDA	1.6	-0.1	-1.9	1.1	-0.4
Depreciation on fixed assets	0.0	0.0	0.0	0.0	0.0
EBITA	1.6	-0.1	-1.9	1.1	-0.4
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0
EBIT	1.6	-0.1	-1.9	1.1	-0.4
Financial result	0.7	0.3	0.2	0.2	0.1
EBT	2.2	0.2	-1.7	1.3	-0.3
Taxes	0.0	0.0	0.0	0.0	0.0
Net Profit of continued operations	2.2	0.2	-1.7	1.3	-0.3
Net Profit of discontinued operations	0.0	0.2	0.0	0.0	0.0
Net profit before minorities	2.2	0.4	-1.7	1.3	-0.3
Minority interests	0.0	0.0	0.0	0.0	0.0
Net profit	2.2	0.3	-1.7	1.3	-0.3

Source: Company (reported results), Montega (forecast)

P&L (in % of Sales) bmp Holding AG	2010	2011	2012	2013	2014
Sales	100.0%	100.0%	100.0%	100.0%	100.0%
Increase / decrease in inventory	0.0%	0.0%	0.0%	0.0%	0.0%
Own work capitalised	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%
book value of disposed investments and securities	68.4%	87.3%	76.0%	44.4%	108.1%
Gross profit	31.6%	12.7%	24.0%	55.6%	-8.1%
Personnel expenses	18.1%	11.9%	5.1%	6.2%	68.1%
Other operating expenses	54.7%	52.4%	352.2%	408.5%	4680.2%
Other operating income	63.6%	50.3%	183.0%	469.5%	4299.9%
EBITDA	22.3%	-1.3%	-150.2%	110.4%	-456.6%
Depreciation on fixed assets	0.2%	0.1%	0.8%	0.2%	3.3%
EBITA	22.2%	-1.4%	-151.0%	110.3%	-459.9%
Amortisation of intangible assets	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT	22.2%	-1.4%	-151.0%	110.3%	-459.9%
Financial result	9.5%	5.1%	15.0%	17.5%	142.9%
EBT	31.7%	3.7%	-136.0%	127.8%	-317.0%
Taxes	0.0%	0.0%	0.0%	0.0%	0.0%
Net Profit of continued operations	31.7%	3.7%	-136.0%	127.8%	-317.0%
Net Profit of discontinued operations	0.0%	3.3%	0.0%	0.0%	0.0%
Net profit before minorities	31.7%	7.0%	-136.0%	127.8%	-317.0%
Minority interests	0.0%	0.9%	0.0%	0.0%	0.0%
Net profit	31.7%	6.1%	-136.0%	127.8%	-317.0%

Source: Company (reported results), Montega (forecast)

Balance sheet (in Euro m) bmp Holding AG	2010	2011	2012	2013	2014
ASSETS					
Intangible assets	0.0	0.0	0.0	0.0	0.0
Property, plant & equipment	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.0	0.0	0.0	0.0
Fixed assets	4.6	10.4	10.2	15.2	18.4
Inventories	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.2	0.0	0.2	0.0	0.0
Liquid assets	5.7	5.5	4.0	0.8	0.1
Other Assets	7.4	4.8	3.9	2.9	2.6
Current assets	13.4	10.4	8.1	3.8	2.6
Total assets	18.0	20.8	18.3	19.0	21.1
LIABILITIES AND SHAREHOLDERS' EQUITY					
Shareholders' equity	16.3	18.4	17.0	18.3	19.9
Minority Interest	0.0	0.7	0.0	0.0	0.0
Provisions	0.1	0.0	0.0	0.5	0.9
Financial liabilities	1.2	1.3	1.0	0.0	0.2
Accounts payable	0.1	0.1	0.0	0.0	0.0
Other liabilities	0.3	0.2	0.3	0.1	0.1
Liabilities	1.8	1.7	1.3	0.7	1.2
Total liabilities and shareholders' equity	18.0	20.8	18.3	19.0	21.1

Source: Company (reported results), Montega (forecast)

Balance sheet (in %) bmp Holding AG	2010	2011	2012	2013	2014
ASSETS					
Intangible assets	0.0%	0.1%	0.1%	0.1%	0.0%
Property, plant & equipment	0.2%	0.0%	0.0%	0.0%	0.0%
Financial assets	0.0%	0.0%	0.0%	0.0%	0.0%
Fixed assets	25.8%	50.0%	55.8%	79.9%	87.4%
Inventories	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts receivable	1.4%	0.0%	1.1%	0.0%	0.0%
Liquid assets	31.7%	26.5%	21.7%	4.3%	0.3%
Other Assets	41.3%	23.3%	21.5%	15.5%	12.2%
Current assets	74.4%	49.8%	44.2%	19.8%	12.5%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%
LIABILITIES AND SHAREHOLDERS' EQUITY					
Shareholders' equity	90.3%	88.6%	92.9%	96.5%	94.2%
Minority Interest	0.0%	3.3%	0.0%	0.0%	0.0%
Provisions	0.6%	0.0%	0.0%	2.8%	4.1%
Financial liabilities	6.8%	6.4%	5.3%	0.0%	0.9%
Accounts payable	1.8%	1.0%	1.5%	0.5%	0.6%
Other liabilities	9.9%	8.0%	7.1%	3.5%	5.9%
Total Liabilities	9.9%	8.0%	7.1%	3.5%	5.9%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company (reported results), Montega (forecast)

Statement of cash flows (in Euro m) bmp Holding AG	2010	2011	2012	2013	2014
Net income	2.2	0.4	-1.7	1.3	-0.3
Depreciation of fixed assets	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	-0.5	-0.9	1.5	-1.8	-0.9
Increase/decrease in long-term accruals	-2.2	-0.7	-0.3	0.0	0.0
Other non-cash related payments	-0.8	0.3	-0.4	-1.0	0.2
Cash flow	-1.3	-1.0	-0.9	-1.5	-0.9
Increase / decrease in working capital	0.6	3.4	0.9	1.1	0.1
Cash flow from operating activities	-0.7	2.4	0.0	-0.4	-0.8
CAPEX	0.0	0.0	0.0	0.0	0.0
Other	3.7	-1.9	-1.3	-2.3	-2.0
Cash flow from investing activities	3.6	-1.9	-1.3	-2.3	-2.0
Dividends paid	0.0	0.0	0.0	0.0	0.0
Change in financial liabilities	-0.4	0.0	-0.2	-0.4	0.2
Other	0.0	-0.7	0.0	0.0	1.8
Cash flow from financing activities	-0.4	-0.7	-0.2	-0.4	2.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0
Change in liquid funds	2.5	-0.2	-1.5	-3.2	-0.8
Liquid assets at end of period	5.7	5.5	4.0	0.8	0.0

Source: Company (reported results), Montega (forecast)

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Buy: The analysts at Montega AG believe the share price will rise during the next twelve months.
Hold: Upside/downside potential limited. No immediate catalyst visible.
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Share price and recommendation history

Recommendation	Date	Price (EUR)	Price target (EUR)	Potential
Initial Coverage (Buy)	18.11.2011	0.66	1.60	+142%
Buy	20.02.2012	0.63	1.60	+154%
Buy	13.03.2012	0.73	1.60	+120%
Buy	30.04.2012	0.75	1.60	+113%
Buy	20.08.2012	0.75	1.25	+67%
Buy	08.11.2012	0.66	1.15	+74%
Buy	17.01.2013	0.62	1.20	+94%
Buy	14.03.2013	0.83	1.20	+44%
Buy	20.08.2013	0.67	1.10	+64%
Buy	30.08.2013	0.71	1.10	+56%
Buy	24.10.2013	0.75	1.10	+48%
Buy	02.12.2013	0.78	1.35	+73%
Buy	03.02.2014	0.98	1.35	+38%
Buy	15.05.2014	0.83	1.30	+56%
Buy	30.07.2014	0.79	1.30	+65%
Buy	20.10.2014	0.72	1.30	+80%
n.a.	05.02.2015	0.70	n.a.	n.a.
n.a.	27.04.2015	0.77	n.a.	n.a.
Buy	19.05.2015	0.80	1.30	+63%
Buy	28.08.2015	0.66	1.30	+96%