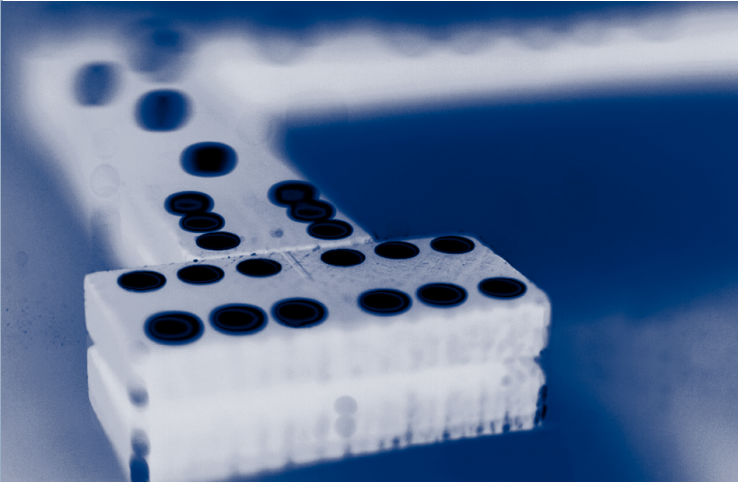


ONLINE MARKETING
THE NEW GROWTH DRIVER ON THE INTERNET
24. April 2007



OnVista

No Rating

Internet

25 April 2007

Applied disclosures can be found in the appendix



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STRONGER NICHE PLAYER

As a pure online marketing provider in the German market, OnVista profits from the enormous sector growth here in the country. OnVista operates the special interest portals OnVista (financial investments) and Onmeda (healthcare) and is also active in performance marketing through its subsidiary Ligatus. With sales of around €14m (2006), OnVista is one of the smaller listed companies in the industry; however, its growth rates (2006: 44%) are greater than proportionate. Until 2009 we expect organic sales growth of 23% on average with rising EBITDA margin. We currently (still) do not cover the company.

EXORBITANT GROWTH IN Q4 2007

With sales growth of 78% and EBITDA increasing from €0.71m to €1.24m, OnVista posted outstanding Q4 2006 figures. Sales rose y-o-y a good 44% to €14.1m. With a good €2.2m in EBITDA, EPS came to €0.24. In our view, growth is mainly stemming from the Display division. Due to increasingly scarce vacant ad space, Ligatus should more likely grow less than proportionately (approx. 20-30%).

DOUBLE-DIGIT GROWTH CONTINUES

Until 2009, we expect average organic growth of around 23% (CAGR 2006-09). Onmeda has meanwhile established itself in the market and should contribute more strongly to growth in the future. On top of that comes the acquisition of Ad2Net (estimated sales effect 2007: about €6m). By 2009, OnVista should thus show sales of around €36m and EBITDA of well above €7.

TAKEOVER APPEARS UNLIKELY

Within the scope of strengthened consolidation tendencies in the online advertising market, OnVista is one of the takeover candidates. Our impression, however, is that management is currently not ready to sell. With nearly 11x EBITDA (2008), the share is presently valued in line with our online marketing peer group.

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SUCCESSFUL PROVIDER OF SPECIAL INTEREST PORTALS

OnVista focuses exclusively on the Germany market

OnVista is a pure provider of online marketing focused on the German market. The company thus profits especially from the double-digit growth of the online advertising market in Germany.

The company was founded in 1998 and headquartered in Cologne. Since 2000, OnVista has been listed on the Frankfurt Stock Exchange. The share is traded in the prime standard.

Milestones of OnVista AG

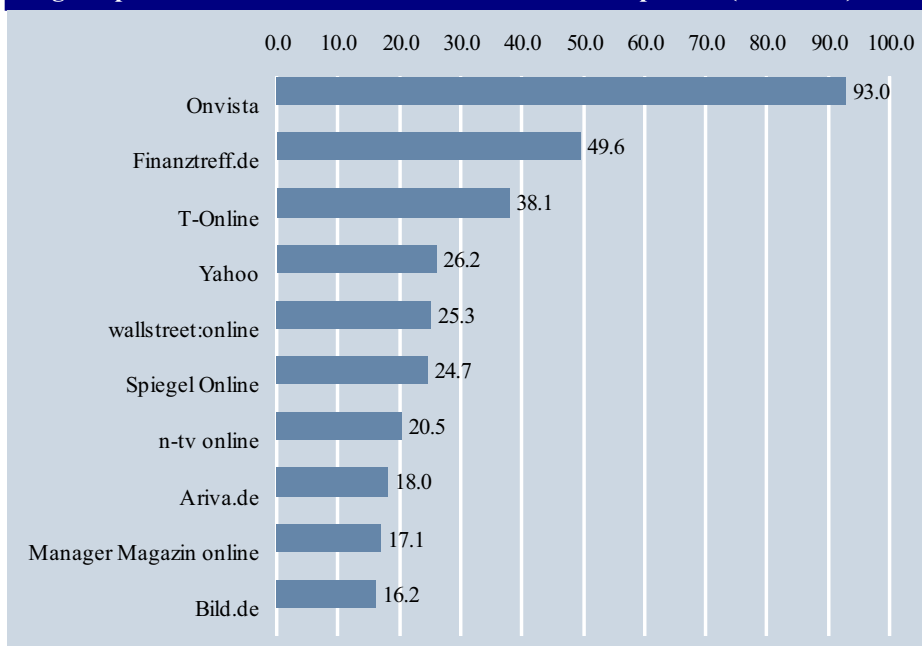
Year	Event
1998	Establishment of OnVista, launch of finance portal
2000	IPO of OnVista AG
2002	Divestment of OnVista Media GmbH und OnVista Technologies GmbH
2003	Merger of OnVista Technologies GmbH and IS Innovative Software AG into IS.Teledata AG
2004	Acquisition of health portal
2005	Expansion of performance marketing, divestment of Ligatus GmbH, disposal of shareholding (36%) in IS.Teledata
2007	Distribution of special dividend, takeover of Ad2Net

Source: OnVista AG

Finance portal is market leader in Germany

OnVista achieves the majority of sales by marketing its own financial portal OnVista.de. This special interest portal is the market leader in Germany with over 90m monthly page impressions (see the chart below). In addition to the current share prices of all types of securities and markets, the portal offers current and historical share data, key figures and news, as well as various analysis possibilities. Because of their great affinity to the target group, particularly financial service providers such as banks and insurers (mainly issuers of derivative products and mutual funds) take advantage of the company's products and services and pay above-average TCPs (thousand-contact prices). In addition, OnVista increasingly manages to acquire new advertising customers from the consumer goods industry. The direct monetization of its own user basis by gradually introducing additional, pay-for-use services (e.g. real time offers, letters to investors) already began last year. Mid-term, the sale of certificates and the offer to handle transactions should achieve a 10% share of sales. Still in Q2 2007 OnVista will realize its Partnership with E*Trade, an international online broker

Page impressions of editorial economic and financial portals (as of 3/07)

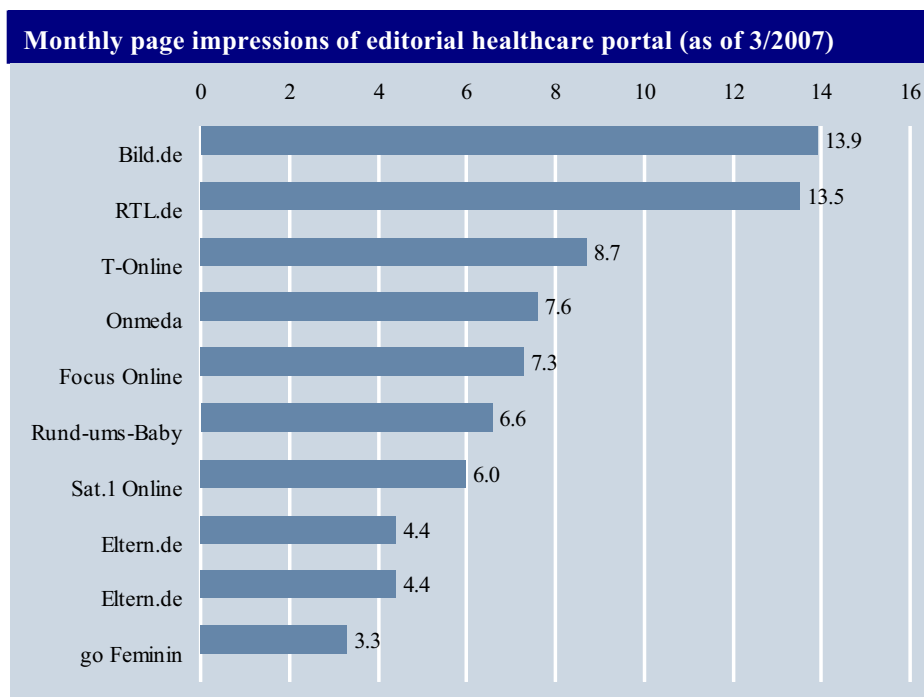


Source: IVW, OnVista AG, figures in millions per month

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Onmeda should carry the growth of the OnVista Group in the next years

With Onmeda, a portal centered on the topic of health, the OnVista Group is one of the market leaders in Germany. The website contains medical information prepared for the lay reader, a database of physicians and features such as interactive self-examinations and discussion forums. Aside from marketing the user traffic (around 7.6m page impressions per month), Onmeda delivers content to third parties. Last year, AOL and msn were among the licensees won. The OnVista Group does not publicize any concrete figures to individual portals. Nevertheless, Onmeda sales should have contributed €1m in 2006 in any case. Due to a base effect and the fact that the healthcare sector in Germany has not yet been dominated by any one portal provider, growth rates in the next years should hardly lose momentum. The growth rates of Onmeda should thus exceed those of the finance portal in the next years and could be one of the growth drivers of OnVista. Onmeda operating earnings in 2006 should still have been slightly negative.



Source: IVW, OnVista AG, figures in millions per month

LIGATUS SALES SMOOTH GROWTH CYCLES

Growth rates at Ligatus impaired by lack of vacant space and increasing base prices

Aside from display marketing at TCP, OnVista operates performance-based online marketing. In this regard, Ligatus, a performance-based online advertising company, was spun off into its own, independent limited liability company in 2005. We estimate that, due to the strong growth of display marketing at the time, Ligatus contributed nearly 40% of group sales in 2006. This figure has since shrunk to a good 30% because of the strong demand for advertising space that has increasingly eaten into the inventory of vacant space and increased the price of acquiring it. Growth rates at Ligatus should currently be in the area of 20-30%.

Different growth cycles at display and Ligatus smooth OnVista's growth rates

Display marketing and performance marketing have different growth cycles in our view. Display marketing profits especially from economic upswings of the advertising market. When advertising budgets increase, branding campaigns are usually seen to be pumped up. When advertising budgets shrink in economic slumps, advertising companies place far more value on advertising campaigns that lead to concrete sales. Against this background, performance marketing as an innovative form of distribution gains importance. OnVista Group's offering of display and performance marketing campaigns grant it the advantage that the growth cycles tend to smooth each other out and reduce forecast risks considerably.

STRONG GROWTH SHOULD CONTINUE

Excellent sales growth of 78% in Q4 2006

The most recently published figures underpin the company's growth potential. Particularly Q4 2006 was unquestionably strong. OnVista posted a sales leap by 78% (!). At the same time, EBITDA grew from €0.71m to €1.24m. In FY 2006, sales rose y-o-y a good 44% to €14.1m. With EBITDA of a good €2.2m, EPS was €0.24.

High double-digit growth should continue

The high double-digit growth should continue. For 2007, we expect sales of €24.5m (incl. Ad2Net). This is equivalent to growth of around 74%, and contains a growth effect from the recent takeover of Ad2Net in the amount of a about €6m (we assume consolidation as of April 1, 2007). We estimate organic growth for 2007 at around 26%. The EBITDA margin should again grow somewhat in the coming year (2007: a good 17 % after nearly 16% in 2006), despite the weaker gross margin in marketing for third party websites by the Ad2Net business. The financial results, however, have fallen considerably in 2007 after the special distribution of funds in January (around €25m) and the payment for Ad2Net (€4.5m plus a performance-dependent component payable in 2008) and is now around €0.4m (2006: €1.2m). Nevertheless, we assume a significant increase in EPS from €0.24 to €0.33, partly because of the acquisition.

Average organic sales growth of 23% (CAGR 2006-09) expected

Until 2009, we expect average organic growth of around 23% (CAGR 2006-09). Onmeda is now established in the market and should contribute greater than proportionately to growth. On top of that comes the growth effect of the Ad2Net acquisition. Until 2009, OnVista should therefore manage sales of around €36 and EBITDA of about €6m.

TAKEOVER LESS THAN LIKELY – VALUATION AT PEER GROUP LEVEL

Management is aiming for more takeovers

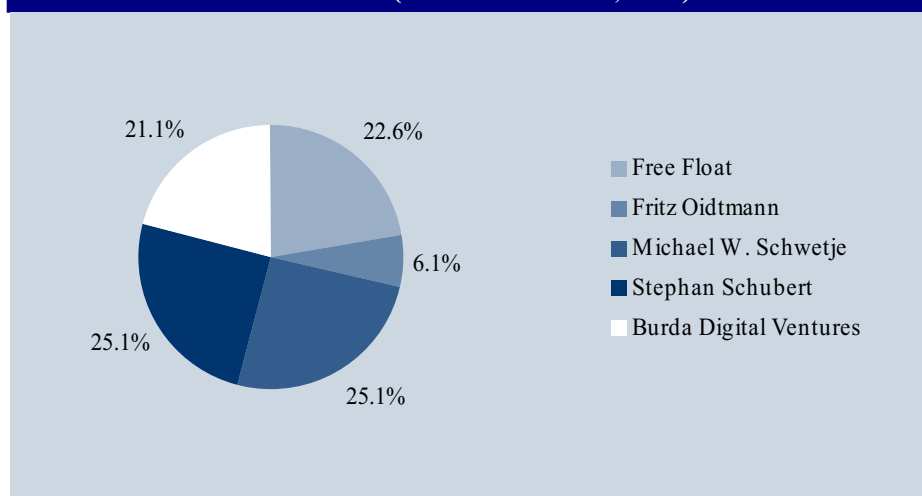
Despite the special distribution and the most recent takeover, and aside from the conception of original business ideas, OnVista management plans further acquisitions particularly in the Portal business. Fundamentally, we consider this the right step. Large bidders enjoy marketing advantages in the acquisition of campaigns, especially at large advertisers and agencies. In addition, a disproportionately high company growth is necessary to raise awareness of the company among financial investors. We have therefore only begun to look at OnVista and have not yet started any official coverage (for that reason, no rating is to be seen).

Takeover of OnVista presently seems less than likely

Given the rising tendency to consolidate, OnVista Group is a potential takeover candidate because of the size of the company. Still, we presently do not have the impression that one or more major shareholders – among them CEO Schwetje (25.1%) and Burda Digital Ventures (21.1%) – is planning to give up their share. A takeover of OnVista thus seems unlikely in the short term.

Shares traded at 11x EBITDA 2008

With a valuation of about 11x EBITDA and a PER of 22 for financial year 2008 (figures based on our estimates), the OnVista shares are basically valued at the peer group level.

Shareholder structure OnVista (as of December 31, 2006)


Source: OnVista AG

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P&L

	2004	2005	2006	2007e	2008e	2009e	CAGR 2006-09
Sales	6.95	9.74	14.06	24.46	29.95	35.84	37%
% change		40%	44%	74%	22%	20%	
Cost of sales	2.81	3.62	4.18	10.46	12.95	16.04	57%
Gross profit	4.14	6.12	9.88	14.00	17.00	19.80	26%
Gross margin	60%	63%	70%	57%	57%	55%	
Other costs	3.6	4.76	7.65	9.75	11.20	12.45	18%
EBITDA (Earnings before Interest, Tax and Depreciation)	0.54	1.36	2.24	4.25	5.80	7.35	49%
% change		152%	64%	90%	36%	27%	
EBITDA-margin	8%	14%	16%	17%	19%	21%	
Depreciation	0.52	0.53	0.71	0.95	1.10	1.20	19%
EBIT (Earnings before Interest and Tax)	0.02	0.83	1.53	3.30	4.70	6.15	59%
EBIT-margin	0%	9%	11%	13%	16%	17%	
Net income from participations		-0.04	0.00	0.00	0.00	0.00	
Financial result	0.9	0.81	1.20	0.39	0.38	0.43	-29%
Other							
EBT (Earnings before Tax)	0.92	1.6	2.72	3.69	5.08	6.58	34%
Taxes	-0.5	-2.1	-1.14	-1.48	-1.52	-1.97	20%
Taxation as % of pre-tax profit	-54%	-131%	-42%	-40%	-30%	-30%	
Net Income	0.42	-0.5	1.58	2.21	3.56	4.61	43%
% change		-219%	-416%	40%	61%	30%	
Minorities							
Group net income	0.42	-0.5	1.58	2.21	3.56	4.61	43%
Adjustments							
adjusted net income							
Number of shares	6.68	6.65	6.68	6.68	6.68	6.68	
Earnings per share	0.06	-0.08	0.24	0.33	0.53	0.69	

Source: OnVista AG, Oppenheim Research estimates