

<b>Buy</b>	(old: Buy)
<b>PT EUR 14.00</b>	(old: 14.00)
<b>Price</b>	EUR 10.70
<b>Bloomberg</b>	AOF GR
<b>Reuters</b>	AOFG
<b>Sector</b>	Software/IT

**Software solutions provider for the workforce management with typical sales split between licenses, services, maintenance**



Share data: 22.07.2009 / Closing price

<b>Market cap:</b>	EUR 43.1 m
<b>Enterprise Value (EV):</b>	EUR 28.5 m
<b>Book value:</b>	EUR 14.4 m
<b>No. of shares:</b>	4.0 m
<b>Trading volume Ø:</b>	EUR 0.6 m

<b>Shareholders:</b>	
Founding Family	55.7 %
Free Float	42.6 %
own shares	1.7 %

<b>Calendar:</b>	
Figures Q2	08/14/2009
Figures Q3	11/13/2009

Change	2009E		2010E		2011E	
	old	Δ	old	Δ	old	Δ
<b>Sales</b>	27.5	0	29.4	0	31.5	0
<b>EBIT</b>	5.0	0	5.3	0	5.7	0
<b>EPS</b>	0.89	0	0.95	0	1.02	0

Analysis: SES Research  
Date of publication: 23.07.2009  
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**More successful than ever - despite recession**

On July 23, 2009 ATOSS Software AG released the business figures for H1. The figures **corresponded almost exactly to the expectations** (SES) in terms of earnings. There was only a slight deviation in sales which, however, can be explained by the lower hardware revenues. These low-margin hardware revenues are strategically not important. **It is decisive that ATOSS succeeded in increasing sales and earnings once again despite the recession.**

**ATOSS Software - 6M 2009**

Figures in EUR m	6M/09	6M/09e	6M/08	yoy
<b>Sales</b>	14.2	15.0	13.3	6.3%
<b>EBITDA</b>	3.1	3.1	2.9	6.6%
<i>margin</i>	22.0%	20.7%	21.9%	
<b>EBIT</b>	2.9	2.9	2.7	7.0%
<i>margin</i>	20.7%	19.3%	20.5%	
<b>EPS in EUR</b>	0.52	0.51	0.44	18.2%

Sources: ATOSS Software (historical data), SES Research (estimates)

**The company should be able to retain this development also in future** as the important licence order entry, which is the basis for the business of ATOSS (also for maintenance and services), considerably increased by 48%.

As provider of workforce management solutions ATOSS benefits from the fact that the **optimisation of the personnel deployment** is of significant importance **even in difficult economic times**. Other software companies in part suffer considerably from budget restrictions of software projects as, in the perception of the customers, other topics do not lead to cost savings as rapidly. **ATOSS stands out compared to smaller software providers and competitors** due to its financial stability which competitors often cannot offer in a comparable form. Due to its high positive cash flows (H1: EUR 3.5 m) and the excellent net liquidity position (EUR 15.5 m) ATOSS offers customers the necessary **investment security** in order to get engaged in mutual projects on a long-term basis.

The reported figures confirm the current recommendation of the ATOSS share. The estimates and the PT (EUR 14) remain unchanged.

**Newsflow positive:** If the positive development continues in Q3, the company will possibly increase the estimates.

The **BUY** rating is reiterated.

Fiscal year ending: 31.12.	2005	2006	2007	2008	2009E	2010E	2011E
<b>Sales</b>	20.4	22.0	24.4	26.9	27.5	29.4	31.5
<i>Change Sales yoy</i>	-6.5 %	7.7 %	11.1 %	10.3 %	2.0 %	7.0 %	7.0 %
<b>Gross balance</b>	13.4	14.8	16.5	18.1	18.4	19.7	21.1
<i>Gross margin</i>	65.5 %	67.4 %	67.7 %	67.1 %	67.0 %	67.0 %	67.0 %
<b>EBITDA</b>	1.2	3.2	4.2	5.4	5.4	5.7	6.1
<i>EBITDA-margin</i>	5.8 %	14.6 %	17.2 %	20.1 %	19.6 %	19.3 %	19.3 %
<b>EBIT</b>	0.6	2.8	3.7	5.0	5.0	5.3	5.7
<i>EBIT-margin</i>	2.8 %	12.6 %	15.3 %	18.7 %	18.3 %	18.0 %	18.0 %
<b>Net income</b>	0.5	1.9	2.5	3.5	3.6	3.8	4.1
<b>EPS</b>	0.12	0.48	0.63	0.88	0.89	0.95	1.02
<b>Free Cash Flow per share</b>	0.34	1.02	0.87	0.51	0.88	0.89	0.96
<b>Dividend</b>	5.50	0.24	0.31	0.44	0.45	0.48	0.51
<i>Dividend Yield</i>	51.4 %	2.2 %	2.9 %	4.1 %	4.2 %	4.5 %	4.8 %
<b>EV/Sales</b>	1.5	1.4	1.2	1.1	1.0	0.9	0.8
<b>EV/EBITDA</b>	25.4	9.4	7.2	5.6	5.3	4.7	4.1
<b>EV/EBIT</b>	53.5	10.9	8.1	6.0	5.7	5.1	4.4
<b>PER</b>	89.2	22.3	17.0	12.2	12.0	11.3	10.5
<b>ROCE</b>	1.8 %	12.6 %	26.2 %	31.0 %	28.0 %	26.4 %	25.3 %
<b>Adj. Free Cash Flow Yield</b>	3.0 %	9.6 %	12.7 %	16.8 %	17.5 %	19.6 %	22.7 %

Per Share figures in EUR, other figures in EUR m., price: EUR 10.70

<b>Consolidated Profit &amp; Loss ATOSS</b>							
in EUR m	2005	2006	2007	2008	2009E	2010E	2011E
<b>Sales</b>	<b>20.4</b>	<b>22.0</b>	<b>24.4</b>	<b>26.9</b>	<b>27.5</b>	<b>29.4</b>	<b>31.5</b>
Cost of sales	7.1	7.2	7.9	8.9	9.1	9.7	10.4
<b>Gross balance</b>	<b>13.4</b>	<b>14.8</b>	<b>16.5</b>	<b>18.1</b>	<b>18.4</b>	<b>19.7</b>	<b>21.1</b>
Research and development	4.1	3.9	4.6	5.1	5.3	5.6	6.0
Sales and marketing	5.5	6.0	5.8	5.6	5.6	6.2	6.6
General and administration	3.3	2.6	2.5	2.7	2.7	2.9	3.1
Other operating income/expenses	0.0	0.5	0.1	0.3	0.3	0.3	0.3
<b>EBITDA</b>	<b>1.2</b>	<b>3.2</b>	<b>4.2</b>	<b>5.4</b>	<b>5.4</b>	<b>5.7</b>	<b>6.1</b>
Depreciation of fixed assets	0.3	0.3	0.3	0.3	0.3	0.3	0.3
<b>EBITA</b>	<b>0.9</b>	<b>2.9</b>	<b>3.9</b>	<b>5.1</b>	<b>5.1</b>	<b>5.4</b>	<b>5.7</b>
Amortisation of intangible fixed assets	0.3	0.2	0.1	0.1	0.1	0.1	0.1
Impairment charges and amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>0.6</b>	<b>2.8</b>	<b>3.7</b>	<b>5.0</b>	<b>5.0</b>	<b>5.3</b>	<b>5.7</b>
Interest income	0.5	0.5	0.5	0.6	0.3	0.4	0.4
Interest expenses	0.0	0.1	0.1	0.5	0.1	0.1	0.1
Financial result	0.5	0.4	0.4	0.1	0.2	0.3	0.3
<b>Recurring pretax income from cont. operations</b>	<b>1.1</b>	<b>3.2</b>	<b>4.2</b>	<b>5.1</b>	<b>5.2</b>	<b>5.6</b>	<b>6.0</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>1.1</b>	<b>3.2</b>	<b>4.2</b>	<b>5.1</b>	<b>5.2</b>	<b>5.6</b>	<b>6.0</b>
Taxes total	0.7	1.3	1.7	1.6	1.7	1.8	1.9
<b>Net income from continuing operations</b>	<b>0.5</b>	<b>1.9</b>	<b>2.5</b>	<b>3.5</b>	<b>3.6</b>	<b>3.8</b>	<b>4.1</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income before minorities</b>	<b>0.5</b>	<b>1.9</b>	<b>2.5</b>	<b>3.5</b>	<b>3.6</b>	<b>3.8</b>	<b>4.1</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>0.5</b>	<b>1.9</b>	<b>2.5</b>	<b>3.5</b>	<b>3.6</b>	<b>3.8</b>	<b>4.1</b>

Sources: ATOSS (historical data), SES Research (forecasts)

<b>Consolidated Profit &amp; Loss ATOSS</b>							
in % of Sales	2005	2006	2007	2008	2009E	2010E	2011E
<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	34.5 %	32.6 %	32.3 %	32.9 %	33.0 %	33.0 %	33.0 %
<b>Gross balance</b>	<b>65.5 %</b>	<b>67.4 %</b>	<b>67.7 %</b>	<b>67.1 %</b>	<b>67.0 %</b>	<b>67.0 %</b>	<b>67.0 %</b>
Research and development	19.9 %	17.9 %	19.0 %	19.0 %	19.2 %	19.0 %	19.0 %
Sales and marketing	26.8 %	27.4 %	23.6 %	20.7 %	20.5 %	21.0 %	21.0 %
General and administration	16.0 %	11.9 %	10.4 %	9.8 %	10.0 %	10.0 %	10.0 %
Other operating income/expenses	0.0 %	2.4 %	0.5 %	1.2 %	1.0 %	1.0 %	1.0 %
<b>EBITDA</b>	<b>5.8 %</b>	<b>14.6 %</b>	<b>17.2 %</b>	<b>20.2 %</b>	<b>19.6 %</b>	<b>19.3 %</b>	<b>19.3 %</b>
Depreciation of fixed assets	1.5 %	1.2 %	1.4 %	1.1 %	1.1 %	1.1 %	1.1 %
<b>EBITA</b>	<b>4.4 %</b>	<b>13.4 %</b>	<b>15.9 %</b>	<b>19.1 %</b>	<b>18.5 %</b>	<b>18.2 %</b>	<b>18.2 %</b>
Amortisation of intangible fixed assets	1.6 %	0.7 %	0.6 %	0.3 %	0.2 %	0.2 %	0.2 %
Impairment charges and amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT</b>	<b>2.8 %</b>	<b>12.6 %</b>	<b>15.3 %</b>	<b>18.7 %</b>	<b>18.3 %</b>	<b>18.0 %</b>	<b>18.0 %</b>
Interest income	2.7 %	2.2 %	2.0 %	2.3 %	1.1 %	1.4 %	1.3 %
Interest expenses	0.0 %	0.3 %	0.2 %	2.0 %	0.4 %	0.3 %	0.3 %
Financial result	2.7 %	1.9 %	1.8 %	0.3 %	0.7 %	1.0 %	1.0 %
<b>Recurring pretax income from cont. operations</b>	<b>5.5 %</b>	<b>14.5 %</b>	<b>17.1 %</b>	<b>19.0 %</b>	<b>19.0 %</b>	<b>19.0 %</b>	<b>19.0 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBT</b>	<b>5.5 %</b>	<b>14.5 %</b>	<b>17.1 %</b>	<b>19.0 %</b>	<b>19.0 %</b>	<b>19.0 %</b>	<b>19.0 %</b>
Taxes total	3.2 %	6.0 %	6.8 %	6.0 %	6.1 %	6.1 %	6.1 %
<b>Net income from continuing operations</b>	<b>2.2 %</b>	<b>8.6 %</b>	<b>10.2 %</b>	<b>13.0 %</b>	<b>12.9 %</b>	<b>12.9 %</b>	<b>12.9 %</b>
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income before minorities</b>	<b>2.2 %</b>	<b>8.6 %</b>	<b>10.2 %</b>	<b>13.0 %</b>	<b>12.9 %</b>	<b>12.9 %</b>	<b>12.9 %</b>
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>2.2 %</b>	<b>8.6 %</b>	<b>10.2 %</b>	<b>13.0 %</b>	<b>12.9 %</b>	<b>12.9 %</b>	<b>12.9 %</b>

Sources: ATOSS (historical data), SES Research (forecasts)

## Balance sheet ATOSS

in EUR m

	2005	2006	2007	2008	2009E	2010E	2011E
<b>Assets</b>							
Intangible assets	0.3	0.1	0.2	0.1	0.2	0.1	0.1
thereof other intangible assets	0.3	0.1	0.2	0.1	0.2	0.1	0.1
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.4	0.4	0.5	0.6	0.7	0.8	0.9
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>0.6</b>	<b>0.5</b>	<b>0.7</b>	<b>0.7</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	3.8	3.7	2.8	3.5	3.3	3.5	3.8
Other Assets	0.8	0.8	0.6	1.3	1.6	2.0	2.2
Liquid assets	27.8	10.8	13.5	14.0	15.7	17.5	19.4
<b>Current assets</b>	<b>32.5</b>	<b>15.2</b>	<b>17.0</b>	<b>18.7</b>	<b>20.6</b>	<b>23.0</b>	<b>25.4</b>
<b>Total assets</b>	<b>33.1</b>	<b>15.7</b>	<b>17.6</b>	<b>19.4</b>	<b>21.5</b>	<b>23.9</b>	<b>26.4</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Additional paid-in capital	0.5	0.4	-0.1	-0.2	-0.2	-0.2	-0.2
Surplus capital	0.0	0.0	0.0	0.0	7.0	8.9	11.0
Other equity components	23.3	4.3	6.6	8.7	3.6	3.8	4.1
Book value	27.8	8.7	10.5	12.5	14.4	16.5	18.8
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total equity</b>	<b>27.8</b>	<b>8.7</b>	<b>10.5</b>	<b>12.5</b>	<b>14.4</b>	<b>16.5</b>	<b>18.8</b>
Provision for pensions and similar obligations	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Provisions	3.1	4.1	5.0	4.5	4.6	4.7	4.8
Financial liabilities	0.2	0.1	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.7	0.5	0.4	0.2	0.2	0.2	0.3
Other liabilities	1.3	2.3	1.7	2.2	2.3	2.5	2.5
<b>Liabilities</b>	<b>5.3</b>	<b>7.0</b>	<b>7.2</b>	<b>7.0</b>	<b>7.1</b>	<b>7.4</b>	<b>7.6</b>
<b>Total liabilities and shareholders equity</b>	<b>33.1</b>	<b>15.7</b>	<b>17.6</b>	<b>19.4</b>	<b>21.5</b>	<b>23.9</b>	<b>26.4</b>

Sources: ATOSS (historical data), SES Research (forecasts)

## Balance sheet ATOSS

in % of Balance Sheet Total

	2005	2006	2007	2008	2009E	2010E	2011E
<b>Assets</b>							
Intangible assets	0.8 %	0.8 %	0.9 %	0.7 %	0.9 %	0.5 %	0.2 %
thereof other intangible assets	0.8 %	0.8 %	0.9 %	0.7 %	0.9 %	0.5 %	0.2 %
thereof Goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Property, plant and equipment	1.1 %	2.4 %	3.0 %	2.9 %	3.3 %	3.4 %	3.5 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Fixed assets</b>	<b>1.9 %</b>	<b>3.2 %</b>	<b>3.9 %</b>	<b>3.6 %</b>	<b>4.1 %</b>	<b>4.0 %</b>	<b>3.8 %</b>
Inventories	0.0 %	0.1 %	0.2 %	0.1 %	0.0 %	0.0 %	0.0 %
Accounts receivable	11.4 %	23.4 %	16.1 %	17.8 %	15.4 %	14.6 %	14.4 %
Other Assets	2.5 %	4.9 %	3.6 %	6.6 %	7.3 %	8.3 %	8.3 %
Liquid assets	84.1 %	68.7 %	76.5 %	72.2 %	73.2 %	73.2 %	73.4 %
<b>Current assets</b>	<b>98.1 %</b>	<b>97.1 %</b>	<b>96.4 %</b>	<b>96.6 %</b>	<b>95.9 %</b>	<b>96.1 %</b>	<b>96.1 %</b>
<b>Total assets</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>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	12.2 %	25.6 %	22.9 %	20.8 %	18.7 %	16.9 %	15.3 %
Additional paid-in capital	1.4 %	2.3 %	-0.8 %	-1.3 %	-1.2 %	-1.0 %	-0.9 %
Surplus capital	0.0 %	0.0 %	0.0 %	0.0 %	32.7 %	37.2 %	41.6 %
Other equity components	70.5 %	27.6 %	37.4 %	44.8 %	16.5 %	15.9 %	15.4 %
Book value	84.1 %	55.5 %	59.5 %	64.3 %	66.8 %	68.9 %	71.3 %
Minority Interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Total equity</b>	<b>84.1 %</b>	<b>55.5 %</b>	<b>59.5 %</b>	<b>64.3 %</b>	<b>66.8 %</b>	<b>68.9 %</b>	<b>71.3 %</b>
Provision for pensions and similar obligations	3.7 %	7.8 %	6.9 %	6.1 %	5.5 %	4.9 %	4.5 %
Provisions	9.2 %	26.2 %	28.5 %	23.2 %	21.4 %	19.6 %	18.2 %
Financial liabilities	0.5 %	0.5 %	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %
Accounts payable	2.2 %	3.4 %	2.5 %	1.2 %	0.9 %	0.8 %	1.1 %
Other liabilities	4.1 %	14.7 %	9.5 %	11.5 %	10.8 %	10.5 %	9.5 %
<b>Liabilities</b>	<b>15.9 %</b>	<b>44.7 %</b>	<b>40.8 %</b>	<b>36.0 %</b>	<b>33.2 %</b>	<b>31.1 %</b>	<b>28.9 %</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>

Sources: ATOSS (historical data), SES Research (forecasts)

**Statement of Cash Flows ATOSS**

in EUR m

	2005	2006	2007	2008	2009E	2010E	2011E
Net income	0.5	1.9	2.5	3.5	3.6	3.8	4.1
Depreciation of fixed assets	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.3	0.2	0.1	0.1	0.1	0.1	0.1
Increase/decrease in long-term provisions	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	0.4	0.4	0.0	0.1	0.0	0.0	0.0
<b>Cash Flow</b>	<b>1.3</b>	<b>2.8</b>	<b>2.9</b>	<b>4.0</b>	<b>3.9</b>	<b>4.2</b>	<b>4.5</b>
Increase / decrease in inventory	0.1	0.0	0.0	-0.6	0.0	0.0	0.0
Increase / decrease in accounts receivable	-0.4	0.0	0.8	-0.6	0.2	-0.2	-0.3
Increase / decrease in accounts payable	0.3	-0.2	-0.1	-0.2	0.0	0.0	0.1
Increase / decrease in other working capital positions	0.3	1.8	0.4	-0.1	0.0	0.0	0.0
Increase / decrease in working capital	0.4	1.6	1.2	-1.5	0.1	-0.2	-0.2
<b>Cash flow from operating activities</b>	<b>1.7</b>	<b>4.3</b>	<b>4.2</b>	<b>2.5</b>	<b>4.1</b>	<b>4.0</b>	<b>4.3</b>
CAPEX	-0.4	-0.3	-0.7	-0.4	-0.5	-0.4	-0.4
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.1	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-0.4</b>	<b>-0.2</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-0.5</b>	<b>-0.4</b>	<b>-0.4</b>
Change in financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-0.4	-21.5	-1.0	-1.2	-1.8	-1.8	-1.9
Purchase of own shares	0.0	0.0	0.0	-0.3	0.0	0.0	0.0
Capital measures	0.4	0.2	0.1	0.1	0.0	0.0	0.0
Others	0.0	0.1	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-0.1</b>	<b>-21.2</b>	<b>-0.8</b>	<b>-1.5</b>	<b>-1.8</b>	<b>-1.8</b>	<b>-1.9</b>
Change in liquid funds	1.2	-17.1	2.7	0.6	1.7	1.7	1.9
<b>Effects of exchange rate changes on cash</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Liquid assets at end of period</b>	<b>27.8</b>	<b>10.8</b>	<b>13.5</b>	<b>14.0</b>	<b>15.7</b>	<b>17.5</b>	<b>19.4</b>

Sources: ATOSS (historical data), SES Research (forecasts)

**Financial Ratios ATOSS**

	2005	2006	2007	2008	2009E	2010E	2011E
<b>Operational Efficiency</b>							
Total Operating Costs / Sales	62.7 %	54.7 %	52.5 %	48.4 %	48.7 %	49.0 %	49.0 %
Sales per Employee	115,345	130,124	125,241	125,902	128,420	134,888	141,730
EBITDA per Employee	6,729	18,988	21,569	25,369	25,170	26,033	27,354
EBIT-margin	2.8 %	12.6 %	15.3 %	18.7 %	18.3 %	18.0 %	18.0 %
EBITDA / Operating Assets	34.5 %	90.8 %	142.9 %	143.2 %	141.8 %	137.6 %	137.2 %
ROA	72.8 %	378.1 %	367.8 %	505.8 %	401.9 %	400.1 %	409.9 %
<b>Efficiency of Capital Employment</b>							
Plant Turnover	55.2	59.0	46.1	48.7	39.3	35.7	34.0
Operating Assets Turnover	5.9	6.2	8.3	7.1	7.2	7.1	7.1
Capital Employed Turnover	0.7	1.7	1.6	1.6	1.4	1.4	1.3
<b>Return on Capital</b>							
ROCE	1.8 %	12.6 %	26.2 %	31.0 %	28.0 %	26.4 %	25.3 %
EBITDA / Avg. Capital Employed	3.9 %	14.6 %	29.6 %	33.4 %	30.0 %	28.3 %	27.1 %
ROE	1.6 %	21.6 %	23.9 %	28.2 %	24.7 %	23.1 %	21.6 %
Net Profit / Avg. Equity	1.7 %	10.3 %	26.1 %	30.6 %	26.5 %	24.7 %	23.0 %
Recurring Net Profit / Avg. Equity	1.7 %	10.3 %	26.1 %	30.6 %	26.5 %	24.7 %	23.0 %
ROIC	1.4 %	12.9 %	15.1 %	18.8 %	17.2 %	16.6 %	16.0 %
<b>Solvency</b>							
Net Debt	-27.7	-10.7	-13.4	-14.0	-15.7	-17.5	-19.4
Net Gearing	-99.5 %	-122.8 %	-128.3 %	-112.1 %	-109.4 %	-106.0 %	-102.9 %
Current ratio	15.7	5.4	8.0	7.6	8.2	8.5	9.0
Acid Test Ratio	6.3	2.2	2.4	2.7	2.9	3.1	3.3
EBITDA / Interest Paid	n.a.	55.3	79.4	10.0	53.9	56.8	60.7
Interest Cover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Cash Flow</b>							
Free Cash Flow	1.3	4.0	3.5	2.1	3.5	3.5	3.8
Free Cash Flow / Sales	6.5 %	18.1 %	14.2 %	7.6 %	12.7 %	12.0 %	12.1 %
Adj. Free Cash Flow	0.9	2.9	3.9	5.1	5.0	5.2	5.6
Adj. Free Cash Flow / Sales	1.2 %	8.5 %	8.5 %	10.9 %	11.7 %	11.4 %	11.6 %
Free Cash Flow / Net Profit	291.9 %	211.3 %	139.0 %	58.5 %	98.5 %	93.0 %	94.1 %
Interest Received / Avg. Cash	2.0 %	2.4 %	4.1 %	4.5 %	2.0 %	2.4 %	2.2 %
Interest Paid / Avg. Debt	0.0 %	49.2 %	90.6 %	1816.7 %	416.7 %	416.7 %	416.7 %
Dividend Payout Ratio	4664.9 %	49.9 %	49.3 %	50.0 %	50.5 %	50.4 %	50.2 %
<b>Fund Management</b>							
Investment ratio	1.8 %	1.5 %	2.8 %	1.7 %	2.0 %	1.5 %	1.4 %
Maint. Capex / Sales	1.4 %	1.4 %	1.4 %	1.3 %	1.5 %	1.5 %	1.4 %
Capex / Dep	58.9 %	74.7 %	141.6 %	117.0 %	153.4 %	117.2 %	109.5 %
Avg. Working Capital / Sales	14.8 %	14.2 %	11.4 %	10.5 %	11.5 %	10.9 %	10.8 %
Trade Creditors / Trade Debtors	526.1 %	697.3 %	635.2 %	1528.8 %	1650.0 %	1750.0 %	1266.7 %
Inventory turnover (days)	0.2	0.2	0.4	0.1	0.3	0.3	0.3
Receivables collection period (DSOs)	67.7	61.0	42.3	46.8	44.0	44.0	44.0
Payables collection period (days)	12.9	8.7	6.7	3.1	3.1	3.1	3.1
Cash conversion cycle (days)	55.1	52.4	36.1	43.9	41.2	41.2	41.2
<b>Valuation</b>							
P/B	1.5	4.9	4.1	3.5	3.0	2.6	2.3
EV/sales	1.5	1.4	1.2	1.1	1.0	0.9	0.8
EV/EBITDA	25.4	9.4	7.2	5.6	5.3	4.7	4.1
EV/EBIT	53.5	10.9	8.1	6.0	5.7	5.1	4.4
EV/FCF	22.8	7.6	8.7	14.7	8.1	7.6	6.5
P/E	89.2	22.3	17.0	12.2	12.0	11.3	10.5
P/CF	32.1	15.7	14.7	10.8	11.0	10.3	9.6

Sources: ATOSS (historical data), SES Research (forecasts)

## Free Cash Flow Yield - ATOSS Software

Figures in EUR m	2005	2006	2007	2008	2009e	2010e	2011e	
Net Income	0.5	1.9	2.5	3.5	3.6	3.8	4.1	
+ Depreciation + Amortisation	0.6	0.4	0.5	0.4	0.4	0.4	0.4	
- Net Interest Income	0.5	0.4	0.4	0.1	0.2	0.3	0.3	
+ Taxes	0.7	1.3	1.7	1.6	1.7	1.8	1.9	
- Maintenance Capex	0.3	0.3	0.4	0.4	0.4	0.4	0.4	
+ Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>= Adjusted Free Cash Flow</b>	<b>0.9</b>	<b>2.9</b>	<b>3.9</b>	<b>5.1</b>	<b>5.0</b>	<b>5.2</b>	<b>5.6</b>	
Adjusted Free Cash Flow Yield	3.0%	9.6%	12.7%	16.8%	17.5%	19.6%	22.7%	
Hurdle rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
<b>= Enterprise Value</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>30.3</b>	<b>28.5</b>	<b>26.8</b>	<b>24.9</b>	
<b>= Fair Enterprise Value</b>	<b>9.0</b>	<b>29.0</b>	<b>38.6</b>	<b>50.8</b>	<b>49.8</b>	<b>52.5</b>	<b>56.4</b>	
- Net Debt (Cash)	-14.0	-14.0	-14.0	-14.0	-15.7	-17.5	-19.4	
- Pension Liabilities	1.2	1.2	1.2	1.2	1.2	1.2	1.2	
- Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>= Fair Market Capitalisation</b>	<b>21.8</b>	<b>41.8</b>	<b>51.4</b>	<b>63.6</b>	<b>64.3</b>	<b>68.7</b>	<b>74.6</b>	
No. of shares (m)	4.0	4.0	4.0	4.0	4.0	4.0	4.0	
<b>= Fair value per share (EUR)</b>	<b>5.42</b>	<b>10.39</b>	<b>12.77</b>	<b>15.81</b>	<b>15.98</b>	<b>17.09</b>	<b>18.55</b>	
premium (-) / discount (+) in %	-49.3%	-2.9%	19.3%	47.7%	49.4%	59.7%	73.3%	
<b>Sensitivity Fair value per Share (EUR)</b>								
	13.0%	4.90	8.72	10.55	12.89	13.13	14.08	15.31
	12.0%	5.05	9.19	11.17	13.70	13.92	14.91	16.21
	11.0%	5.22	9.73	11.89	14.66	14.86	15.90	17.27
Hurdle rate	<b>10.0%</b>	<b>5.42</b>	<b>10.39</b>	<b>12.77</b>	<b>15.81</b>	<b>15.98</b>	<b>17.09</b>	<b>18.55</b>
	9.0%	5.67	11.19	13.83	17.21	17.36	18.53	20.10
	8.0%	5.98	12.19	15.16	18.96	19.08	20.34	22.05
	7.0%	6.38	13.47	16.87	21.22	21.29	22.67	24.56

Sources: ATOSS Software (historical data), SES Research (estimates)

**DCF Model - ATOSS Software**

Figures in EUR m	2009e	2010e	2011e	2012e	2013e	2014e	2015e	2016e	2017e	2018e	2019e	2020e	2021e	2022e
Sales	27.5	29.4	31.5	32.7	34.0	35.4	36.5	37.5	38.7	39.8	41.0	42.3	43.5	44.8
Change	2.0%	7.0%	7.0%	4.0%	4.0%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
EBIT	5.0	5.3	5.7	5.9	6.1	6.4	6.6	6.8	7.0	7.2	7.4	7.6	7.8	8.1
EBIT-Margin	18.3%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%
Tax rate	32.0%	32.0%	32.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
NOPAT	3.4	3.6	3.9	3.8	4.0	4.1	4.3	4.4	4.5	4.7	4.8	4.9	5.1	5.2
Depreciation	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.7	0.7
in % of Sales	1.3%	1.3%	1.3%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Change in Liquidity from														
- Working Capital	0.1	-0.2	-0.2	0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
- Capex	-0.5	-0.4	-0.4	-0.5	-0.5	-0.5	-0.5	-0.6	-0.6	-0.6	-0.6	-0.6	-0.7	-0.7
Capex in % of Sales	2.0%	1.5%	1.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow (WACC-Model)	3.4	3.3	3.6	4.1	3.8	4.0	4.1	4.3	4.4	4.5	4.7	4.8	5.0	5.1

**Model parameter**

Debt ratio	0.00%	Beta	1.35
Costs of Debt	n.a.	WACC	10.66%
Market return	9.00%		
Risk free rate	4.25%	Terminal Growth	2.00%

**Valuation (mln)**

Present values 2022e	29.0		
Terminal Value	14.7		
Liabilities	-1.2		
Liquidity	14.0	No. of shares (mln)	4.02
<b>Equity Value</b>	<b>56.5</b>	<b>Value per share (EUR)</b>	<b>14.04</b>

**Sensitivity Value per Share (EUR)**

**Terminal Growth**

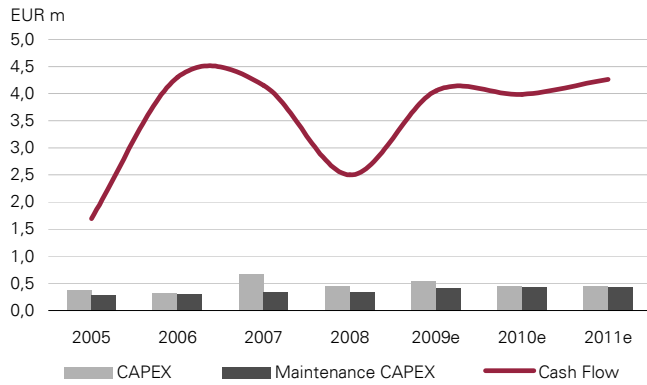
WACC	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%
11.66%	12.68	12.75	12.82	12.89	12.97	13.05	13.13
11.16%	13.19	13.27	13.35	13.43	13.52	13.62	13.72
10.91%	13.46	13.54	13.63	13.73	13.83	13.93	14.04
<b>10.66%</b>	13.75	13.84	13.94	<b>14.04</b>	14.15	14.26	14.38
10.41%	14.05	14.15	14.26	14.37	14.49	14.61	14.75
10.16%	14.37	14.48	14.59	14.72	14.85	14.99	15.13
9.66%	15.07	15.20	15.34	15.49	15.64	15.81	15.99

**Delta EBIT-margin**

WACC	-1.5 pp	-1.0 pp	-0.5 pp	0.0	+0.5 pp	+1.0 pp	+1.5 pp
11.66%	12.06	12.34	12.61	12.89	13.17	13.44	13.72
11.16%	12.56	12.85	13.14	13.43	13.72	14.02	14.31
10.91%	12.83	13.13	13.43	13.73	14.03	14.33	14.63
<b>10.66%</b>	13.11	13.42	13.73	<b>14.04</b>	14.35	14.66	14.96
10.41%	13.41	13.73	14.05	14.37	14.69	15.00	15.32
10.16%	13.73	14.06	14.39	14.72	15.05	15.37	15.70
9.66%	14.44	14.79	15.14	15.49	15.84	16.19	16.54

Source: SES Research

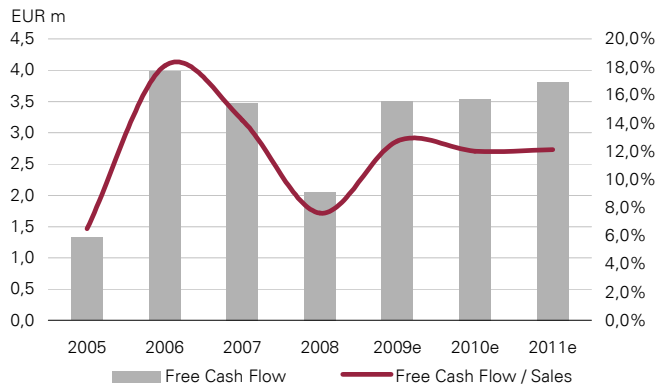
**CAPEX and Cash Flow - ATOSS Software**



Sources: ATOSS Software (historical data), SES Research (forecasts)

- CAPEX and maintenance capex play a subordinate role
- Software business has low investments
- Cash flow develops solidly

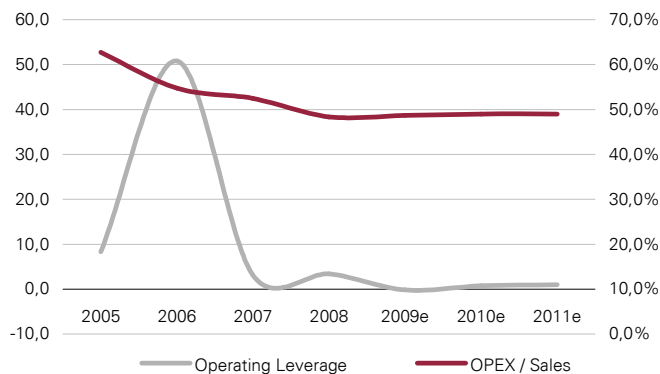
**Free Cash Flow Generation - ATOSS Software**



Sources: ATOSS Software (historical data), SES Research (forecasts)

- ATOSS generates solid and stable FCF
- FCF high as measured by sales
- Long-term upward trend intact

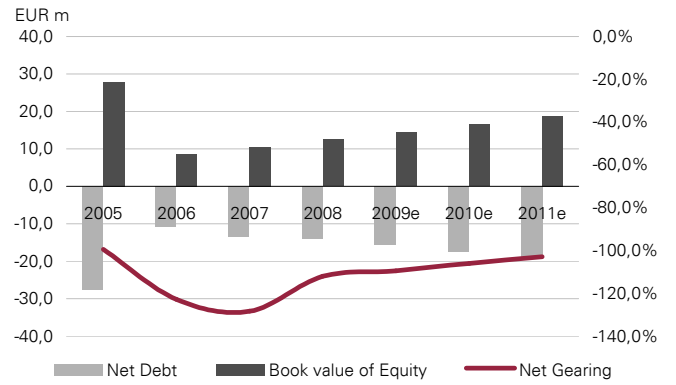
**Operating Leverage - ATOSS Software**



Sources: ATOSS Software (historical data), SES Research (forecasts)

- Operating expenses are high with over 50% of sales
- Reason: High personal costs
- Operating leverage atypically high in 2005/2006 due to structures

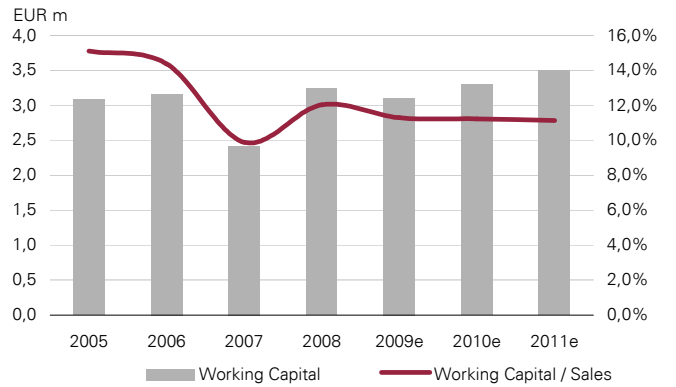
**Balance Sheet Quality - ATOSS Software**



Sources: ATOSS Software (historical data), SES Research (forecasts)

- ATOSS has high net cash
- This results in a negative net gearing
- Slightly reduced liquidity in 2006 due to high distribution

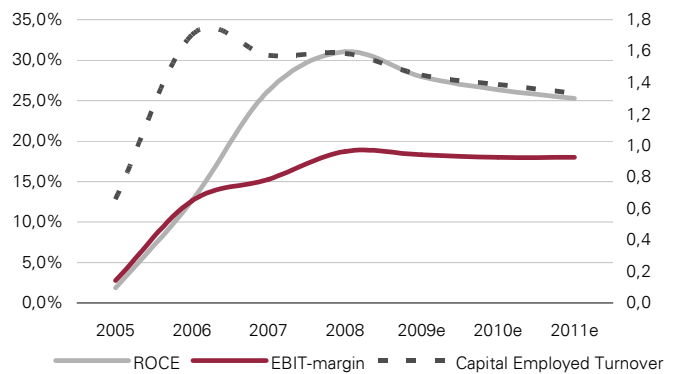
**Working Capital - ATOSS Software**



Sources: ATOSS Software (historical data), SES Research (forecasts)

- Working Capital is relatively constant
- Working Capital is between EUR 2.5 and EUR 3 m.
- the low capital intensity of the software business also becomes apparent here

**ROCE Development - ATOSS Software**



Sources: ATOSS Software (historical data), SES Research (forecasts)

- EBIT margin develops positively in a long-term upward trend
- ROCE develops even better due to low capital employed
- Good earnings development is generally reflected



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- B **Buy**: The price of the analysed equity security is expected to rise over the next 12 months.
- H **Hold**: The price of the analysed equity security is expected to remain mostly flat over the next 12 months.
- S **Sell**: The price of the analysed equity security is expected to fall over the next 12 months.
- “-“ **Rating suspended**: The available information does not currently permit an evaluation of the company.

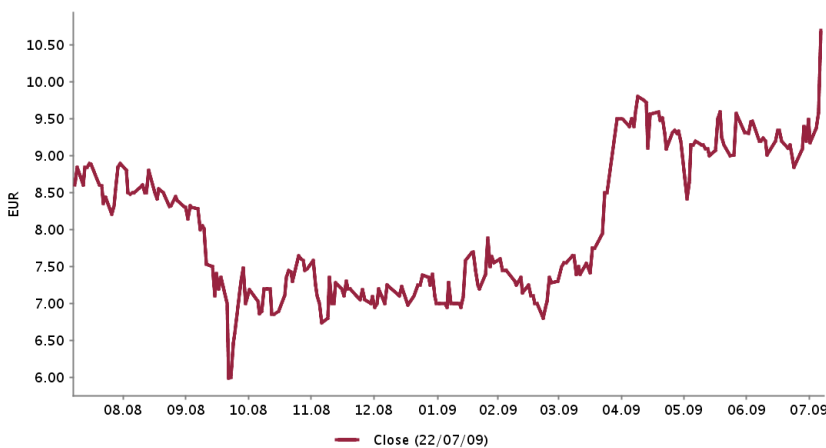
M.M.Warburg & CO KGaA and SES Research GmbH research universe by rating:

Rating	Number of stocks	% of Universe
Buy	109	53%
Hold	62	30%
Sell	25	12%
Rating suspended	10	5%
<b>Total</b>	<b>206</b>	

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Rating	Number of stocks	% of Universe
Buy	77	61%
Hold	39	31%
Sell	4	3%
Rating suspended	6	5%
<b>Total</b>	<b>126</b>	

**Price and Rating History**  
ATOSS Software AG as of 23/07/09



The charts have markings if SES Research GmbH changed its rating in the last 12 months. Every marking represents the date and closing price on the day of the rating change.

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