

ATOSS Software AG: Strong half-year figures – Sales growth continues to expand in Q2

ATOSS Software AG has continued to experience the dynamic development seen in the first quarter, with sales growth expanding further in the second quarter of 2016. Provisional figures show that the Munich-based specialist in workforce management recorded double-digit growth in the first six months of 2016 with sales rising 10 percent to EUR 23.9 million. With operating profits (EBIT) up 12 percent at EUR 6.2 million and an EBIT margin of 26 percent, ATOSS has once again demonstrated its profitability. With an excellent order book on hand, the Management Board has confirmed its sales and earnings outlook first forecast at the beginning of the year.

Munich, July 22, 2016

ATOSS Software AG remains on course for continued growth and is now recording sustained success for the eleventh year in succession. The robust development in business is not only proof of the pioneer role played by ATOSS in the market for demand-oriented personnel resource planning. It also confirms the continuously increasing importance of workforce management as a corporate instrument.

Software sales in the first two quarters of 2016 came in at EUR 14.1 million, up 9 percent on the year before (EUR 12.9 million). This equates to 59 percent of the Group's overall turnover. Software licensing developed particularly strongly, climbing 12 percent to EUR 5.2 million (previous year: EUR 4.7 million). Turnover in consulting, too, at EUR 6.7 million (previous year: EUR 5.8 million) was up by 14 percent, well above the figure for the same period last year and continuing a trend that has been evident for some years. Other income profited above all from the start-up and expansion of the Cloud business, rising to EUR 0.9 million (previous year: EUR 0.7 million).

There was also a further significant improvement in the order situation relative to the previous year's high level. In the first half of 2016 ATOSS booked orders for software licenses and the software component of contracted Cloud solutions together amounting to EUR 6.4 million (previous year: EUR 4.7 million), an increase of 36 percent. Overall as of June 30, 2016 orders on hand for software licenses were up 17 percent over the year before at EUR 6.3 million. The growth in Cloud solutions was particularly significant, with orders on hand climbing 300 percent from EUR 1.0 million last year to EUR 4.0 million.

Despite the sustained high level of investment in development activities and the expansion of sales and marketing, the earnings power of ATOSS is clearly demonstrated by the operating profit (EBIT) which rose by 12 percent to EUR 6.2 million coupled with the continuing attractive EBIT margin. With positive financial earnings of EUR 0.2 million (previous year: EUR 0.3 million), net earnings after tax amounted to EUR 4.5 million (previous year: EUR 4.0 million). Earnings per share in the first half came in at EUR 1.12, compared with EUR 1.00 last year.

Liquidity at the end of the first half stood at EUR 18.1 million (previous year: EUR 21.8 million). Even after paying a dividend totaling EUR 11.1 million on April 27, 2016 (regular dividend EUR 0.95 /special dividend EUR 1.85 per share), ATOSS still has substantial funds at its disposal, with an extremely sound balance sheet.

The sustained stability and profitability – coupled with an extremely positive market outlook – offer clear proof that the growth potential of ATOSS is still far from being exhausted. Looking ahead to the rest of this year, the Management Board therefore stands by its forecast for a continuing increase in sales and earnings on a par with the rate seen in 2015, within a corridor of +/- 3 percent.

CONSOLIDATED OVERVIEW AS PER IFRS: HALF-YEARLY COMPARISON IN KEUR

	01.01.2016 - 30.06.2016	Proportion of Total sales	01.01.2015 - 30.06.2015	Proportion of Total sales	Change 2016 / 2015
Total sales	23,929	100%	21,663	100%	10%
Software	14,126	59%	12,949	60%	9%
Software licenses	5,214	22%	4,665	22%	12%
Software maintenance	8,912	37%	8,284	38%	8%
Consulting	6,656	28%	5,816	27%	14%
Hardware	2,208	9%	2,154	10%	3%
Others	939	4%	744	3%	26%
EBITDA	6,595	28%	5,850	27%	13%
EBIT	6,247	26%	5,577	26%	12%
EBT	6,489	27%	5,880	27%	10%
Net profit	4,454	19%	3,974	18%	12%
Cash flow	4,856	20%	4,596	21%	6%
Liquidity ^(1/2)	18,065		21,820		-17%
EPS in euro	1.12		1.00		12%
Employees ⁽³⁾	348		318		9%

CONSOLIDATED OVERVIEW AS PER IFRS: QUARTERLY COMPARISON IN KEUR

	Q2/16	Q1/16	Q4/15	Q3/15	Q2/15
Total sales	12,233	11,696	11,888	11,390	10,956
Software	7,242	6,884	7,125	6,640	6,624
Software licenses	2,747	2,467	2,782	2,391	2,436
Software maintenance	4,495	4,417	4,343	4,249	4,188
Consulting	3,355	3,301	3,125	2,965	3,022
Hardware	1,173	1,035	1,094	1,363	838
Others	463	476	544	423	472
EBITDA	3,225	3,370	3,182	3,000	2,952
EBIT	3,050	3,197	2,909	2,858	2,809
EBIT margin in %	25%	27%	25%	25%	26%
EBT	3,149	3,340	2,855	2,587	2,545
Net profit	2,170	2,284	1,867	1,750	1,717
Cash flow	608	4,248	7,980	5,692	-550
Liquidity ^(1/2)	18,065	28,657	24,368	27,041	21,820
EPS in euro	0.55	0.57	0.47	0.44	0.43
Employees ⁽³⁾	348	354	340	330	318

(1) Cash and cash equivalents, other current and non-current financial assets (sight deposits, gold) as of the qualifying date, adjusted to exclude borrowings (loans)

(2) Dividend of EUR 2.80 per share on 27.04.2016 (kEUR 11,134) and dividend of EUR 0.88 per share on 29.04.2015 (kEUR 3,499)

(3) at the end of the quarter/year

Upcoming dates:

August 12, 2016	Publication of the 6-monthly financial statements
October 25, 2016	Publication of the 9-monthly financial statements
Nov. 23-25, 2016	ATOSS at the German Equity Forum

Background information

ATOSS Software AG is a provider of software, consulting and professional services in the field of demand-oriented deployment of staff, and ranks as a forward-thinking pioneer in the workforce management sector. The company offers solutions for enterprises of all sizes, whatever their requirement scenarios. ATOSS solutions are renowned for maximum functionality and modern JAVA technology, offering users the benefits of total platform independence. Established in 1987 and meanwhile listed on the stock market, the company generated sales of around 44.9 million EUR in financial year 2015. Currently the deployments of around 3 million workers employed by more than 4,500 customers are managed with ATOSS solutions. The company's software products are in use in more than 40 countries and eight languages. Customers include enterprises such as ALDI SÜD, Coca-Cola, Deutsche Bahn, Douglas, EDEKA, Clinical Center Ingolstadt, Clinical Center Rosenheim, Lufthansa, MEYER WERFT, Schmitz Cargobull, Sixt, Municipal of Regensburg, ThyssenKrupp Rasselstein and W.L. Gore & Associates.

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