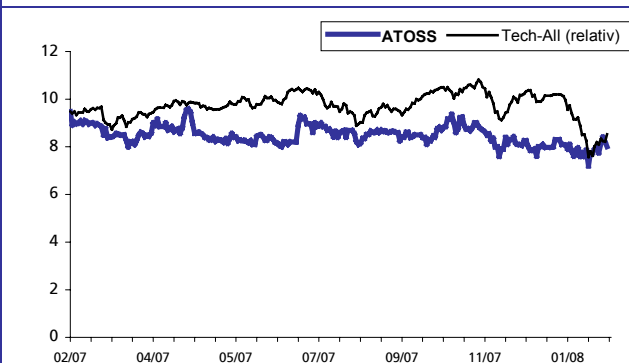


**Buy** Risk: Price target: **EUR 12.50**  
(old: Buy) medium

## Adjustment of estimates after good figures

Bloomberg: DE0005104400 Price: EUR 8.00  
Reuters: AOFG.DE Tech-AS: 955,86  
ISIN: AOF  
Internet: www.ATOSS.com  
Segment: Prime Standard  
Sector: Software/IT



Share data: Bloomberg 01.02.2008/ Closing price

High / Low 52 W: EUR 9.70/ EUR 6.61  
Market cap.: EUR 32.21 m.  
No of shares: 4.03 m.

Sharehol- Free Float 43.4%  
Founder's family 55.7%  
Own shares 0.9%

Termine: Annual report 2007 13.03.2008  
Figures Q1/08 27.05.2008

### Analysis: SES Research

Date of publication: 04.02.2008  
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On January 31, 2008 ATOSS Software announced the business figures for 2007. The figures were excellent. The preliminary figures, reported on January 16, 2008 already indicated a very good result. The net income of the final figures was especially positive.

The better financial result and a lower tax rate resulted in EpS of EUR 0.63 (SES estimate EUR 0.57). At EUR 0.31 the dividend will also be slightly higher than expected (EUR 0.28 per share).

(continued on page 2)

	Fiscal year 2007			Prev. year value
	reported	estimate	Delta	
<b>Sales</b>	<b>24.42</b>	<b>24.2</b>	0.9%	22.0
<b>EBITDA</b>	<b>4.21</b>	<b>4.08</b>	3.1%	3.2
<i>Margin</i>	17.2	16.9		14.6
<b>EBIT</b>	<b>3.73</b>	<b>3.60</b>	3.6%	2.8
<i>Margin</i>	15.3	14.9		12.6
<b>EBT</b>	<b>4.17</b>	<b>3.85</b>	8.4%	3.2
<i>Margin</i>	17.1	15.9		14.5
<b>EpS</b>	<b>0.63</b>	<b>0.57</b>	10.5	0.48
EpS in EUR, all other in m. EUR				

Fiscal year ending	12/06	12/07	12/08e	12/09e	12/010e
Per Share figures in EUR, other figures in EURm, price: € 8.00					
<b>Sales</b>	22.0	24.4	26.8	29.0	31.1
Sales (old)			26.3	28.4	30.4
Delta			1.8%	2.1%	2.3%
<b>EBITDA</b>	3.2	4.2	4.8	5.3	5.6
<i>EBITDA-margin</i>	14.6%	17.3%	18.0%	18.1%	18.1%
EBITDA (old)			4.5	4.9	5.3
Delta			6.5%	6.8%	7.0%
<b>EBIT</b>	2.8	3.7	4.3	4.7	5.0
<i>EBIT-margin</i>	12.6%	15.3%	16.0%	16.1%	16.1%
EBIT (old)			4.0	4.4	4.6
Delta			7.2%	7.4%	7.6%
<b>Net Income</b>	1.9	2.5	3.1	3.3	3.5
<i>Margin</i>	8.6%	10.2%	11.5%	11.4%	11.4%
Net Income (old)			2.8	3.0	3.3
Delta			10.4%	9.4%	8.6%
<b>EpS</b>	0.46	0.62	0.76	0.83	0.88
EpS (old)			0.68	0.74	0.79
Delta			11.8%	12.2%	11.4%
<b>DPS</b>	0.24	0.31	0.32	0.34	0.44
<i>Dividend Yield</i>	3.00%	3.88%	4.00%	4.25%	5.50%
DPS (old)			0.30	0.32	0.40
Delta			6.7%	6.3%	10.0%
<b>EV/Sales</b>	0.84	0.76	0.69	0.64	0.60
<b>EV/EBITDA</b>	5.77	4.39	3.84	3.53	3.30
<b>EV/EBIT</b>	6.66	4.96	4.32	3.96	3.70
<b>PER</b>	17.39	12.90	10.53	9.64	9.09
<b>ROCE</b>	12.7%	27.6%	28.7%	28.3%	27.4%
<b>Adj. Free Cash Flow Yield</b>	13.1%	20.2%	24.5%	26.8%	28.6%



ATOSS starts the year optimistically and has full order books. Order entry as well as order backlog increased considerably. Order entry of software licenses rose to EUR 6.1 m (previous year 5.4), order backlog increased to EUR 1.9 (previous year: 1.3 m) per December 31, 2007. On this basis the company's management board expects a continuation of the profitable growth trend.

Due to the good figures for 2007 we adjust the estimates slightly and consider the better financial result and the lower taxes. Overall, this results in a slight increase of the PT to EUR 12.50.

## Key figures (ATOSS Software)

<b>P&amp;L (EUR m)</b>	<b>2006</b>	<b>2007e</b>	<b>2008e</b>	<b>2009e</b>	<b>Price Data</b>	
Sales	22.0	24.4	26.8	29.0	Share Price (EUR)	8.00
Cost of Sales	7.2	7.6	8.6	9.3	Market Cap. (EUR m)	32
Gross Profit	14.8	16.8	18.2	19.8	Enterprise Value (EUR m)	19
Marketing and Administrative exp.	6.0	5.6	6.1	6.6		
R&D	3.9	4.6	4.8	5.1	<b>Share Key Data</b>	<b>2006 2007e 2008e 2009e</b>
Other Operating Income	-0.5	0.0	0.0	0.0	Earnings per Share (EUR)	0.46 0.62 0.76 0.83
EBITDA	3.2	4.2	4.8	5.3	Sales per Share (EUR)	5.40 6.07 6.65 7.21
Depreciation and Amortisation	0.4	0.5	0.5	0.6	Free Cash Flow per Share (EUR)	0.98 1.09 0.77 0.83
- thereof Goodwill Amortisation	0.0	0.0	0.0	0.0	Dividend per Share (EUR)	0.24 0.31 0.32 0.34
EBIT	2.8	3.7	4.3	4.7	<b>Valuation Key Data</b>	<b>2006 2007e 2008e 2009e</b>
Financial Result	0.4	0.4	0.4	0.4	P/E	17.39 12.90 10.53 9.64
Extraordinary Result	0.0	0.0	0.0	0.0	P/Sales	1.48 1.32 1.20 1.11
EBT	3.2	4.2	4.7	5.1	EV/Sales	0.84 0.76 0.69 0.64
Taxes	1.3	1.7	1.7	1.8	EV/EBITDA	5.77 4.39 3.84 3.53
Net Profit before Minorities	1.9	2.5	3.1	3.3	EV/EBIT	6.66 4.96 4.32 3.96
Net Profit	1.9	2.5	3.1	3.3	P/Book	3.71 3.24 2.81 2.45
Dividend Payout	1.0	1.2	1.3	1.4	Dividend Yield	3.0% 3.9% 4.0% 4.3%
<b>Cash-Flow</b>	<b>2006</b>	<b>2007e</b>	<b>2008e</b>	<b>2009e</b>	<b>No. of shares (million)</b>	<b>2006 2007e 2008e 2009e</b>
Cash Flow from Operations	2.3	3.0	3.6	3.9	Ordinary shares out	4.07 4.03 4.03 4.03
Free Cash Flow	4.0	4.4	3.1	3.4		
Capex	0.3	0.4	0.4	0.4		
<b>Balance sheet (EUR m)</b>	<b>2006</b>	<b>2007e</b>	<b>2008e</b>	<b>2009e</b>	<b>Profitability</b>	<b>2006 2007e 2008e 2009e</b>
Fixed Assets	0.4	0.4	0.5	0.5	EBITDA-margin	14.6% 17.3% 18.0% 18.1%
Intangible Assets	0.1	-0.1	-0.3	-0.5	EBIT-margin	12.6% 15.3% 16.0% 16.1%
Net Working Capital	3.2	1.4	1.5	1.6	EBT-margin	14.5% 17.1% 17.6% 17.6%
Current Assets	15.2	18.8	20.7	22.8	Net Profit-margin	8.6% 10.2% 11.5% 11.4%
Cash and Cash Equivalents	10.8	13.9	15.5	17.2	ROE	21.6% 25.1% 26.7% 25.2%
Equity	8.7	10.0	11.5	13.2	ROA	12.0% 13.1% 14.7% 14.6%
Provisions	4.1	4.1	4.1	4.1	ROCE	12.7% 27.6% 28.7% 28.3%
Financial Liabilities	0.1	0.1	0.1	0.1		
Net Cash	10.7	13.9	15.4	17.1	<b>Company profile</b>	
Total	15.7	19.1	20.9	22.8	The ATOSS Software AG is one of the leading providers of time management in Germany. The software of the company founded in 1987 was introduced to the market in 1991 and covers with its mature products all demands of a professional personnel management. ATOSS has the typical formation of a IT product company (sales of software, maintenance and service, hardware) and has currently roughly 200 employees.	
Reporting standard	IFRS	IFRS	IFRS	IFRS		
Fiscal year end	31.12.2006	31.12.2007	31.12.2008	31.12.2009		
<b>Growth rates</b>	<b>2006</b>	<b>2007e</b>	<b>2008e</b>	<b>2009e</b>		
Sales	7.7%	11.0%	9.7%	8.4%		
EBITDA	169.7%	31.5%	14.2%	9.0%		
EBIT	391.8%	34.3%	14.8%	9.0%		
EBT	186.6%	30.6%	13.3%	8.2%		
Net Profit	314.0%	32.8%	22.7%	8.2%		
Dividend	-95.6%	29.5%	2.9%	6.3%		
<b>Cost intensities</b>	<b>2006</b>	<b>2007e</b>	<b>2008e</b>	<b>2009e</b>	<b>Management</b>	
COGS	32.6%	31.2%	31.9%	32.0%	Andreas Obereder, Christof Leiber	
Marketing & Administrative / Sales	27.4%	22.9%	22.7%	22.7%		
R&D / Sales	17.9%	18.7%	17.9%	17.7%		
					<b>Shareholders</b>	
					Free float	43,4%
					Founder's family	55,50%
					Own shares	3,0%

Source: Company (reported figures), SES Research (estimates and key figures), Bloomberg (share data)

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