

Buy (Hold) EUR 33.60 (EUR 31.00) Price EUR 29.91 Upside 12.3 %	Value Indicators: EUR DCF: 33.60	Share data: Bloomberg: AOF GR Reuters: AOFG ISIN: DE0005104400	Description: ATOSS supplies software and services for the optimisation of workforce management.
	Market Snapshot: EUR m Market cap: 118.9 No. of shares (m): 4.0 EV: 104.3 Freefloat MC: 38.9 Ø Trad. Vol. (30d; EUR): 44.26 th	Shareholders: Freefloat: 32.7 % Founding Family: 56.4 % Mainfirst: 5.1 % Investment TGV Bonn: 5.8 %	Risk Profile (WRe): 2014e Beta: 1.3 Price / Book: 7.7 x Equity Ratio: 57 %

Strong new licences

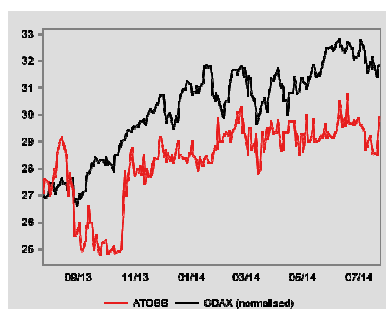
Stated Figures Q2/2014: Figures in EUR m	Comment on Figures: <ul style="list-style-type: none"> On July 22, 2014, ATOSS Software AG reported business figures for the 2nd quarter of 2014. The figures were slightly above expectations and marked a new record level. The high order intake for software licences, however, was a particularly critical indicator for further business development. 																																
<table border="1"> <thead> <tr> <th></th> <th>Q2/14</th> <th>Q2/14e</th> <th>Q2/13</th> <th>yoy</th> <th>6M/14</th> <th>6M/13</th> <th>yoy</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>9.1</td> <td>8.8</td> <td>8.9</td> <td>2.0%</td> <td>18.8</td> <td>17.5</td> <td>7.0%</td> </tr> <tr> <td>EBT margin</td> <td>27.2%</td> <td>26.1%</td> <td>-22.4%</td> <td>-</td> <td>27.1%</td> <td>2.3%</td> <td>1152.7%</td> </tr> <tr> <td>EPS in EUR</td> <td>0.38</td> <td>0.35</td> <td>-0.34</td> <td>n.a.</td> <td>0.88</td> <td>0.10</td> <td>n.a.</td> </tr> </tbody> </table>		Q2/14	Q2/14e	Q2/13	yoy	6M/14	6M/13	yoy	Sales	9.1	8.8	8.9	2.0%	18.8	17.5	7.0%	EBT margin	27.2%	26.1%	-22.4%	-	27.1%	2.3%	1152.7%	EPS in EUR	0.38	0.35	-0.34	n.a.	0.88	0.10	n.a.	
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Sources: ATOSS Software (historical data), Warburg Research (estimates)																																	

Figures reported by ATOSS Software AG have hit a new record level. The order intake for software licences was particularly strong (+52% EUR 5.4m). The figures provide a good indication for business development in the upcoming quarters as orders for software licences, followed by licence revenue, then project revenue (Services) and finally maintenance revenue all take place downstream. The reported highly significant increase in software licence revenue also allows for the possibility of an increase in estimates for the coming years (WRe) through better visibility.

The most important reason for the high software licence order intake is the successful verticalisation of the business in recent years. ATOSS was able to secure new important reference customers particularly within the fields retail and medical and it was thus able to further improve its positioning and customer perceptions within these sectors. Among the new customers are Toys“R“us (Retail), as well as the Augsburg Medical Centre and Median Kliniken – a German medical centre company.

Against the backdrop of the strong figures and a raising of estimates, we increase the price target to EUR 33.60. **Shares now rated Buy.**

Changes in Estimates: FY End: 31.12. in EUR m	Comment on Changes: <ul style="list-style-type: none"> As a result of the Q2 figures, estimates for the current year have been raised slightly. For the subsequent years, the increase is stronger, in particular with regard to margins. Drivers for this development are the high-margin software licence revenues. 																																			
<table border="1"> <thead> <tr> <th></th> <th>2014e (old)</th> <th>+ / -</th> <th>2015e (old)</th> <th>+ / -</th> <th>2016e (old)</th> <th>+ / -</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>38.0</td> <td>0.8 %</td> <td>40.6</td> <td>1.8 %</td> <td>43.5</td> <td>2.7 %</td> </tr> <tr> <td>EBIT</td> <td>9.0</td> <td>2.7 %</td> <td>10.1</td> <td>4.4 %</td> <td>10.9</td> <td>4.8 %</td> </tr> <tr> <td>EPS</td> <td>1.58</td> <td>2.5 %</td> <td>1.75</td> <td>4.6 %</td> <td>1.89</td> <td>4.8 %</td> </tr> <tr> <td>DPS</td> <td>0.79</td> <td>2.5 %</td> <td>0.88</td> <td>4.5 %</td> <td>0.95</td> <td>4.2 %</td> </tr> </tbody> </table>		2014e (old)	+ / -	2015e (old)	+ / -	2016e (old)	+ / -	Sales	38.0	0.8 %	40.6	1.8 %	43.5	2.7 %	EBIT	9.0	2.7 %	10.1	4.4 %	10.9	4.8 %	EPS	1.58	2.5 %	1.75	4.6 %	1.89	4.8 %	DPS	0.79	2.5 %	0.88	4.5 %	0.95	4.2 %	
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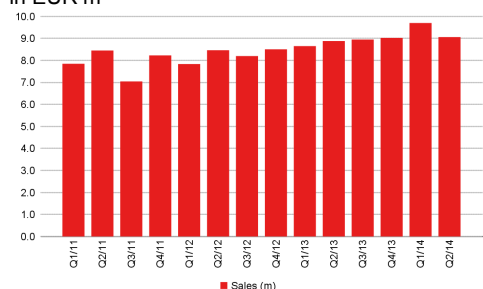


Rel. Performance vs CDAX:	
1 month:	2.9 %
6 months:	1.3 %
Year to date:	2.5 %
Trailing 12 months:	-5.2 %

Company events:	
12.08.14	Q2
14.11.14	Q3

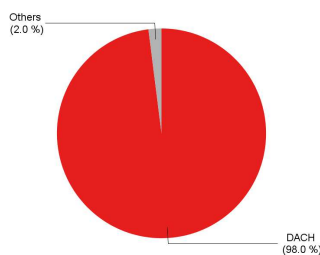
FY End: 31.12. in EUR m CAGR (13-16e)	2010	2011	2012	2013	2014e	2015e	2016e
Sales	29.3	31.6	33.0	35.5	38.3	41.4	44.7
Change Sales yoy	0.8 %	7.7 %	4.5 %	7.6 %	7.9 %	8.0 %	8.0 %
Gross profit margin	68.1 %	70.4 %	70.8 %	71.0 %	70.0 %	70.0 %	70.0 %
EBITDA	7.3	7.8	8.2	9.0	9.9	11.2	12.1
Margin	24.9 %	24.7 %	24.8 %	25.4 %	25.8 %	27.0 %	27.1 %
EBIT	6.8	7.3	7.6	8.4	9.3	10.5	11.4
Margin	23.3 %	23.1 %	23.1 %	23.7 %	24.2 %	25.4 %	25.5 %
Net income	4.8	5.7	5.8	2.9	6.4	7.3	7.9
EPS	40.1 %	1.21	1.43	1.45	0.72	1.62	1.83
EPS adj.	40.1 %	1.21	1.43	1.45	0.72	1.62	1.83
DPS	11.2 %	0.60	0.71	3.62	0.72	0.81	0.92
Dividend Yield		4.0 %	4.2 %	17.9 %	2.7 %	2.7 %	3.1 %
FCFPS		0.83	1.17	0.75	1.02	1.42	1.95
EV / Sales		1.4 x	1.4 x	1.7 x	2.7 x	2.4 x	2.2 x
EV / EBITDA		5.6 x	5.7 x	7.0 x	10.5 x	10.5 x	8.0 x
EV / EBIT		5.9 x	6.1 x	7.5 x	11.3 x	11.3 x	8.5 x
P / E		12.4 x	11.8 x	14.0 x	37.3 x	18.5 x	15.1 x
P / E adj.		12.4 x	11.8 x	14.0 x	37.3 x	18.5 x	15.1 x
FCF Yield Potential		11.6 %	10.4 %	8.7 %	7.7 %	6.2 %	8.3 %
Net Debt		-18.9	-22.6	-23.2	-11.9	-14.6	-18.4
ROE		29.7 %	29.3 %	25.7 %	16.1 %	47.3 %	36.1 %
ROCE (NOPAT)		-234.8 %	-354.9 %	-1024.3 %	2925.4 %	1663.0 %	573.3 %
Guidance:	Continued positive development of the company						

Sales development
in EUR m



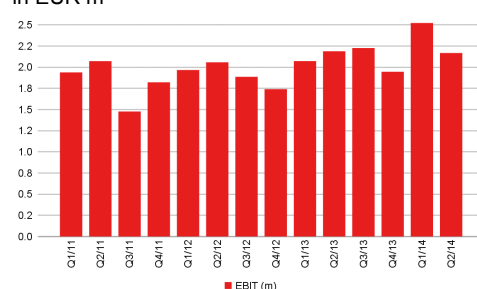
Source: Warburg Research

Sales by regions
2014e; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

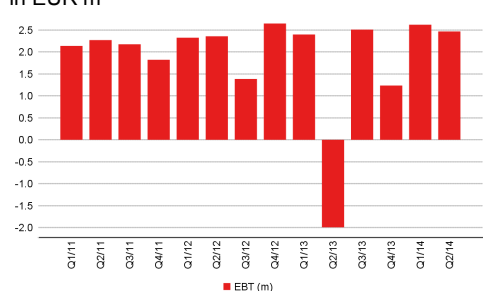
Company Background

- ATOSS Software AG is a supplier of software and services for the optimisation of workforce management.
- ATOSS solutions optimises companies' personnel procedures, improving the level of service and efficiency of the employees and improving customer satisfaction
- The company has achieved a leading market position, particularly in the German speaking countries.
- From medium-sized companies (Mittelstand) to blue-chip firms, several million employees use ATOSS solutions.

Competitive Quality

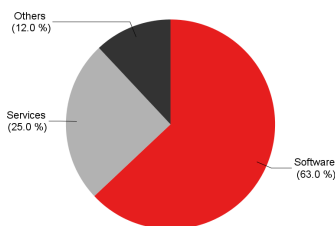
- ATOSS has a leading software product (the most modern Java technology)
- ATOSS specialises in regions and industry sectors (country-specific work conditions in the Germany, Austria, Swiss region and mapping out work processes in core industries)
- ATOSS works independently of producers (no ties to hardware or large software producers) and the ATOSS solutions have a high level of compatibility (e.g. seamless integration in the ERP systems possible)
- Financial stability and balance sheet quality is excellent, which can be regarded as a competitive advantage in the software industry.
- ATOSS is a relatively large supplier (in comparison to the competition) among many much smaller suppliers, which still pose stiff competition for ATOSS.

EBT development
in EUR m



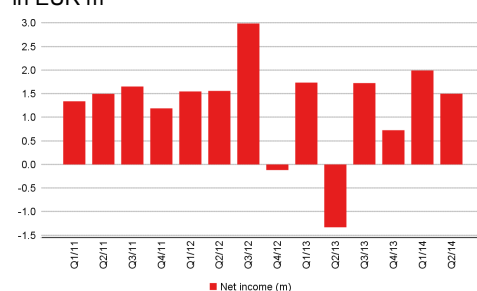
Source: Warburg Research

Sales by segments
2014e; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2014e	2015e	2016e	2017e	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	
Sales	38.3	41.4	44.7	47.8	51.1	54.7	58.0	61.5	65.2	69.1	71.2	73.3	75.5	
Sales change	7.9 %	8.0 %	8.0 %	7.0 %	7.0 %	7.0 %	6.0 %	6.0 %	6.0 %	6.0 %	3.0 %	3.0 %	3.0 %	2.5 %
EBIT	9.3	10.5	11.4	12.4	13.3	14.2	15.7	16.6	17.6	18.7	19.2	19.8	20.4	
EBIT-margin	24.2 %	25.4 %	25.5 %	26.0 %	26.0 %	26.0 %	27.0 %	27.0 %	27.0 %	27.0 %	27.0 %	27.0 %	27.0 %	
Tax rate (EBT)	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 %	
NOPAT	6.3	7.1	7.7	8.1	8.6	9.2	10.2	10.8	11.4	12.1	12.5	12.9	13.2	
Depreciation	0.6	0.7	0.7	1.0	0.9	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.1	
in % of Sales	1.6 %	1.6 %	1.6 %	2.0 %	1.7 %	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	
Change in Liquidity from														
- Working Capital	0.9	0.4	0.3	0.5	0.3	0.4	0.3	0.3	0.4	0.4	0.2	0.2	0.2	
- Capex	0.5	0.5	0.5	0.7	0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.1	
Capex in % of Sales	1.4 %	1.3 %	1.2 %	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	
Free Cash Flow (WACC Model)	5.5	6.9	7.6	7.9	8.4	9.0	9.9	10.5	11.1	11.8	12.3	12.7	13.0	13
PV of FCF	5.3	6.1	6.2	5.8	5.7	5.5	5.5	5.3	5.2	5.0	4.7	4.5	4.2	57
share of PVs	14.00 %			40.91 %										45.09 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.00
Cost of debt (after tax)	3.9 %	Liquidity (share)	2.00
Market return	8.00 %	Cyclicality	1.50
Risk free rate	2.50 %	Transparency	1.00
		Others	1.00
WACC	9.65 %	Beta	1.30

Valuation (m)

Present values 2026e	69		
Terminal Value	57		
Financial liabilities	0		
Pension liabilities	3		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	11	No. of shares (m)	4.0
Equity Value	134	Value per share (EUR)	33.60

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.48	10.7 %	28.68	28.98	29.29	29.62	29.98	30.35	30.75	1.48	10.7 %	27.98	28.53	29.08	29.62	30.17	30.72	31.26
1.39	10.2 %	30.36	30.71	31.08	31.48	31.90	32.36	32.85	1.39	10.2 %	29.73	30.31	30.90	31.48	32.06	32.65	33.23
1.35	9.9 %	31.27	31.66	32.07	32.50	32.97	33.47	34.01	1.35	9.9 %	30.69	31.30	31.90	32.50	33.11	33.71	34.32
1.30	9.7 %	32.25	32.67	33.12	33.60	34.12	34.67	35.27	1.30	9.7 %	31.72	32.35	32.97	33.60	34.23	34.85	35.48
1.25	9.4 %	33.29	33.75	34.24	34.78	35.35	35.96	36.63	1.25	9.4 %	32.83	33.48	34.13	34.78	35.42	36.07	36.72
1.21	9.2 %	34.40	34.91	35.45	36.04	36.67	37.36	38.10	1.21	9.2 %	34.02	34.69	35.37	36.04	36.71	37.39	38.06
1.12	8.7 %	36.87	37.49	38.16	38.88	39.67	40.52	41.45	1.12	8.7 %	36.69	37.42	38.15	38.88	39.61	40.34	41.07

■ In the DCF model, a moderate continuation of the constant growth of the past years is anticipated.

■ A margin improvement due to economies of scale is not assumed.

■ The long-term margin remains at a high level

■

Valuation	2010	2011	2012	2013	2014e	2015e	2016e
Price / Book	3.4 x	3.2 x	3.4 x	9.1 x	7.7 x	6.0 x	5.0 x
Book value per share ex intangibles	4.40	5.26	5.92	2.93	3.87	4.96	6.05
EV / Sales	1.4 x	1.4 x	1.7 x	2.7 x	2.7 x	2.4 x	2.2 x
EV / EBITDA	5.6 x	5.7 x	7.0 x	10.5 x	10.5 x	9.0 x	8.0 x
EV / EBIT	5.9 x	6.1 x	7.5 x	11.3 x	11.3 x	9.6 x	8.5 x
EV / EBIT adj.*	5.9 x	6.1 x	7.5 x	11.3 x	11.3 x	9.6 x	8.5 x
P / FCF	18.0 x	14.5 x	26.9 x	26.2 x	21.1 x	17.0 x	15.3 x
P / E	12.4 x	11.8 x	14.0 x	37.3 x	18.5 x	16.3 x	15.1 x
P / E adj.*	12.4 x	11.8 x	14.0 x	37.3 x	18.5 x	16.3 x	15.1 x
Dividend Yield	4.0 %	4.2 %	17.9 %	2.7 %	2.7 %	3.1 %	3.3 %
Free Cash Flow Yield Potential	11.6 %	10.4 %	8.7 %	7.7 %	6.2 %	7.3 %	8.3 %

*Adjustments made for: -

Consolidated profit and loss

In EUR m	2010	2011	2012	2013	2014e	2015e	2016e
Sales	29.3	31.6	33.0	35.5	38.3	41.4	44.7
Change Sales yoy	0.8 %	7.7 %	4.5 %	7.6 %	7.9 %	8.0 %	8.0 %
COGS	9.4	9.3	9.7	10.3	11.5	12.4	13.4
Gross profit	20.0	22.2	23.4	25.2	26.8	29.0	31.3
<i>Gross margin</i>	<i>68.1 %</i>	<i>70.4 %</i>	<i>70.8 %</i>	<i>71.0 %</i>	<i>70.0 %</i>	<i>70.0 %</i>	<i>70.0 %</i>
Research and development	6.0	6.7	7.1	7.5	8.4	8.7	9.4
Sales and marketing	4.8	5.5	5.7	6.2	6.5	7.0	7.6
Administration expenses	2.5	2.7	2.9	3.1	3.0	3.1	3.4
Other operating expenses	0.0	0.1	0.1	0.1	0.0	0.0	0.0
Other operating income	0.2	0.1	0.0	0.1	0.4	0.4	0.4
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	7.3	7.8	8.2	9.0	9.9	11.2	12.1
<i>Margin</i>	<i>24.9 %</i>	<i>24.7 %</i>	<i>24.8 %</i>	<i>25.4 %</i>	<i>25.8 %</i>	<i>27.0 %</i>	<i>27.1 %</i>
Depreciation of fixed assets	0.4	0.4	0.6	0.6	0.6	0.6	0.6
EBITA	6.9	7.4	7.6	8.4	9.3	10.6	11.5
Amortisation of intangible fixed assets	0.1	0.1	0.0	0.0	0.1	0.1	0.1
Goodwill amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	6.8	7.3	7.6	8.4	9.3	10.5	11.4
<i>Margin</i>	<i>23.3 %</i>	<i>23.1 %</i>	<i>23.1 %</i>	<i>23.7 %</i>	<i>24.2 %</i>	<i>25.4 %</i>	<i>25.5 %</i>
EBIT adj.	6.8	7.3	7.6	8.4	9.3	10.5	11.4
Interest income	0.2	2.1	1.2	0.4	0.3	0.3	0.3
Interest expenses	0.1	1.0	0.3	4.6	0.1	0.1	0.1
Other financial income (loss)	0.0	0.0	0.0	0.2	0.0	0.0	0.0
EBT	7.0	8.4	8.5	4.2	9.5	10.7	11.6
<i>Margin</i>	<i>23.7 %</i>	<i>26.6 %</i>	<i>25.8 %</i>	<i>11.7 %</i>	<i>24.7 %</i>	<i>25.9 %</i>	<i>25.9 %</i>
Total taxes	2.2	2.7	2.8	1.3	3.0	3.4	3.7
Net income from continuing operations	4.8	5.7	5.8	2.9	6.4	7.3	7.9
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	4.8	5.7	5.8	2.9	6.4	7.3	7.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	4.8	5.7	5.8	2.9	6.4	7.3	7.9
<i>Margin</i>	<i>16.4 %</i>	<i>18.0 %</i>	<i>17.5 %</i>	<i>8.0 %</i>	<i>16.8 %</i>	<i>17.6 %</i>	<i>17.6 %</i>
Number of shares, average	4.0	4.0	4.0	4.0	4.0	4.0	4.0
EPS	1.21	1.43	1.45	0.72	1.62	1.83	1.98
EPS adj.	1.21	1.43	1.45	0.72	1.62	1.83	1.98

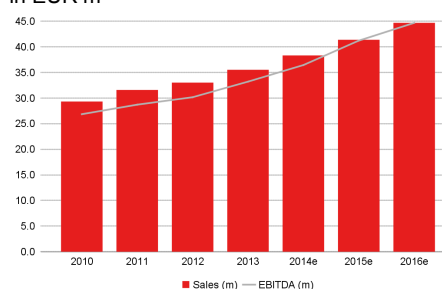
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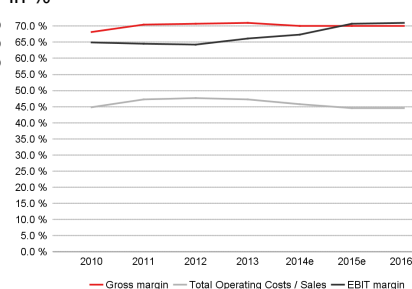
Financial Ratios

	2010	2011	2012	2013	2014e	2015e	2016e
Total Operating Costs / Sales	44.8 %	47.3 %	47.7 %	47.3 %	45.8 %	44.6 %	44.5 %
Operating Leverage	30.6 x	0.9 x	0.9 x	1.4 x	1.3 x	1.7 x	1.1 x
EBITDA / Interest expenses	81.0 x	8.0 x	27.9 x	2.0 x	99.0 x	111.8 x	121.2 x
Tax rate (EBT)	31.0 %	32.5 %	32.5 %	31.3 %	32.0 %	32.0 %	32.0 %
Dividend Payout Ratio	49.6 %	49.7 %	249.9 %	100.4 %	50.0 %	50.2 %	49.9 %
Sales per Employee	120,634	121,911	121,364	127,258	130,739	134,474	138,317

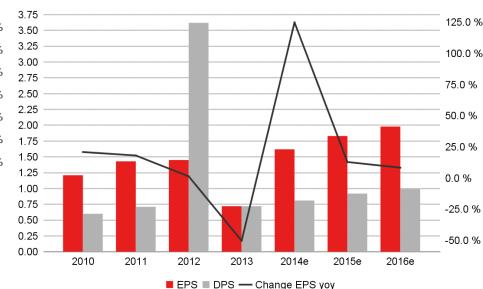
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

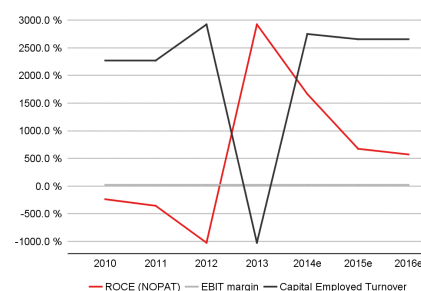
Consolidated balance sheet

In EUR m	2010	2011	2012	2013	2014e	2015e	2016e
Assets							
Goodwill and other intangible assets	0.1	0.2	0.1	0.1	0.1	0.0	-0.1
thereof other intangible assets	0.1	0.2	0.1	0.1	0.1	0.0	-0.1
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	2.8	2.9	2.8	2.7	2.7	2.7	2.6
Financial assets	0.0	0.0	0.6	0.4	0.4	0.4	0.4
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	2.9	3.1	3.5	3.3	3.2	3.1	2.9
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	3.1	2.6	3.2	3.0	4.6	5.0	5.4
Liquid assets	20.7	24.3	24.9	14.5	17.3	21.1	25.2
Other short-term assets	1.1	1.3	1.6	1.8	2.1	2.3	2.5
Current assets	24.8	28.3	29.7	19.4	24.0	28.4	33.1
Total Assets	27.8	31.4	33.2	22.7	27.2	31.5	36.0
Liabilities and shareholders' equity							
Subscribed capital	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Capital reserve	-0.4	-0.4	-0.7	-0.7	-0.7	-0.7	-0.7
Retained earnings	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other equity components	13.9	17.5	20.3	8.4	12.1	16.4	20.6
Shareholder's equity	17.6	21.1	23.7	11.8	15.5	19.7	23.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	17.6	21.1	23.7	11.8	15.5	19.7	23.9
Provisions	2.8	2.8	2.2	2.9	3.0	3.1	3.2
thereof provisions for pensions and similar obligations	1.7	1.7	1.7	2.7	2.7	2.7	2.7
Financial liabilities (total)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
thereof short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.8	0.8	0.4	0.3	1.0	1.0	1.1
Other liabilities	6.6	6.6	7.0	7.7	7.7	7.7	7.7
Liabilities	10.3	10.3	9.5	10.9	11.7	11.8	12.0
Total liabilities and shareholders' equity	27.8	31.4	33.2	22.7	27.2	31.5	36.0

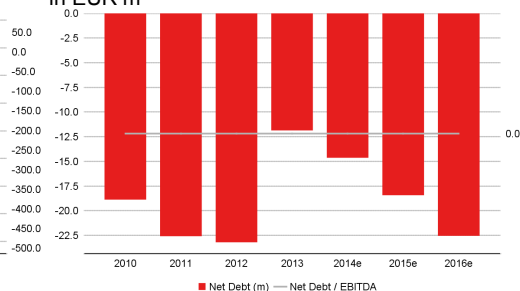
Financial Ratios

	2010	2011	2012	2013	2014e	2015e	2016e
Efficiency of Capital Employment							
Operating Assets Turnover	5.8 x	6.6 x	5.8 x	6.5 x	6.1 x	6.2 x	6.5 x
Capital Employed Turnover	-22.5 x	-21.4 x	70.4 x	-486.2 x	46.1 x	31.9 x	31.8 x
ROA	162.7 %	181.5 %	165.5 %	87.0 %	201.6 %	238.0 %	274.7 %
Return on Capital							
ROCE (NOPAT)	-234.8 %	-354.9 %	-1024.3 %	2925.4 %	1663.0 %	671.8 %	573.3 %
ROE	29.7 %	29.3 %	25.7 %	16.1 %	47.3 %	41.4 %	36.1 %
Adj. ROE	29.7 %	29.3 %	25.7 %	16.1 %	47.3 %	41.4 %	36.1 %
Balance sheet quality							
Net Debt	-18.9	-22.6	-23.2	-11.9	-14.6	-18.4	-22.5
Net Financial Debt	-20.6	-24.3	-24.9	-14.5	-17.3	-21.1	-25.2
Net Gearing	-107.4 %	-107.0 %	-98.0 %	-100.6 %	-94.6 %	-93.4 %	-94.1 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	4.4	5.3	6.0	3.0	3.9	5.0	6.0
Book value per share ex intangibles	4.4	5.3	5.9	2.9	3.9	5.0	6.0

ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

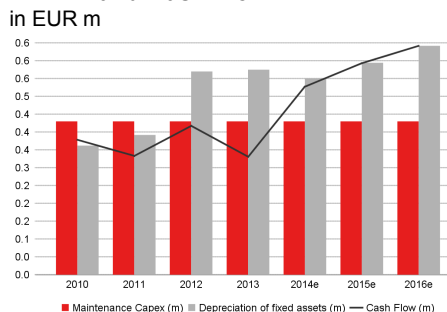
Consolidated cash flow statement

In EUR m	2010	2011	2012	2013	2014e	2015e	2016e
Net income	4.8	5.7	5.8	2.9	6.4	7.3	7.9
Depreciation of fixed assets	0.4	0.4	0.6	0.6	0.6	0.6	0.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.1	0.1	0.0	0.0	0.1	0.1	0.1
Increase/decrease in long-term provisions	-0.1	0.0	0.0	1.0	0.0	0.0	0.0
Other non-cash income and expenses	0.0	-1.7	-0.7	0.0	0.0	0.0	0.0
Cash Flow	5.1	4.5	5.6	4.4	7.1	8.0	8.6
Increase / decrease in inventory	0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	1.2	0.5	-0.6	0.2	-1.6	-0.4	-0.4
Increase / decrease in accounts payable	0.1	0.0	-0.4	0.0	0.7	0.0	0.1
Increase / decrease in other working capital positions	-0.7	0.5	-1.2	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	0.7	0.9	-2.3	0.2	-0.9	-0.4	-0.3
Net cash provided by operating activities	5.8	5.3	3.4	4.6	6.2	7.6	8.3
Investments in intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments in property, plant and equipment	-2.5	-0.7	-0.4	-0.5	-0.5	-0.5	-0.5
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	-7.9	-6.4	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities	-2.5	-8.5	-6.8	-0.5	-0.5	-0.5	-0.5
Change in financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-2.0	-2.4	-2.8	-14.4	-2.9	-3.2	-3.7
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities	-1.9	-2.3	-2.8	-14.4	-2.9	-3.2	-3.7
Change in liquid funds	1.4	-5.6	-6.3	-10.3	2.8	3.8	4.1
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	20.7	15.1	18.0	14.5	17.3	21.1	25.2

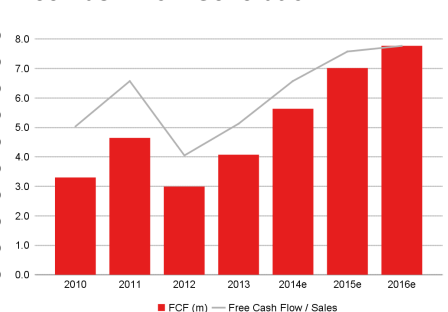
Financial Ratios

	2010	2011	2012	2013	2014e	2015e	2016e
Cash Flow							
FCF	3.3	4.6	3.0	4.1	5.6	7.0	7.8
Free Cash Flow / Sales	11.3 %	14.7 %	9.1 %	11.5 %	14.7 %	17.0 %	17.4 %
Free Cash Flow Potential	4.7	4.6	5.0	7.3	6.4	7.3	8.0
Free Cash Flow / Sales	11.3 %	14.7 %	9.1 %	11.5 %	14.7 %	17.0 %	17.4 %
Free Cash Flow / Net Profit	68.8 %	81.9 %	52.0 %	142.8 %	87.5 %	96.4 %	98.6 %
Interest Received / Avg. Cash	1.0 %	9.2 %	4.9 %	2.2 %	1.9 %	1.6 %	1.3 %
Interest Paid / Avg. Debt	191.5 %	2788.6 %	n.a.	n.a.	n.a.	n.a.	n.a.
Management of Funds							
Investment ratio	8.5 %	2.1 %	1.1 %	1.5 %	1.4 %	1.3 %	1.2 %
Maint. Capex / Sales	1.5 %	1.4 %	1.3 %	1.2 %	1.1 %	1.0 %	1.0 %
Capex / Dep	553.6 %	138.3 %	63.2 %	94.3 %	86.4 %	80.0 %	74.1 %
Avg. Working Capital / Sales	10.0 %	6.5 %	7.1 %	7.9 %	8.2 %	9.2 %	9.3 %
Trade Debtors / Trade Creditors	388.8 %	330.6 %	910.1 %	926.6 %	460.0 %	500.0 %	490.9 %
Inventory Turnover	1039.2 x	1168.3 x	1206.6 x	1286.3 x	n.a.	n.a.	n.a.
Receivables collection period (days)	38	30	36	31	44	44	44
Payables payment period (days)	31	31	13	12	32	29	30
Cash conversion cycle (Days)	-30	-31	-13	-11	n.a.	n.a.	n.a.

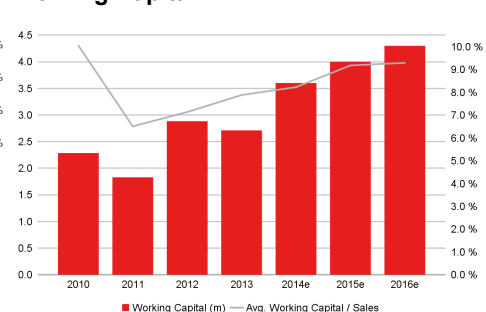
CAPEX and Cash Flow



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
ATOSS	5, 6	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005104400.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

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

WARBURG RESEARCH GMBH – RESEARCH UNIVERSE BY RATING

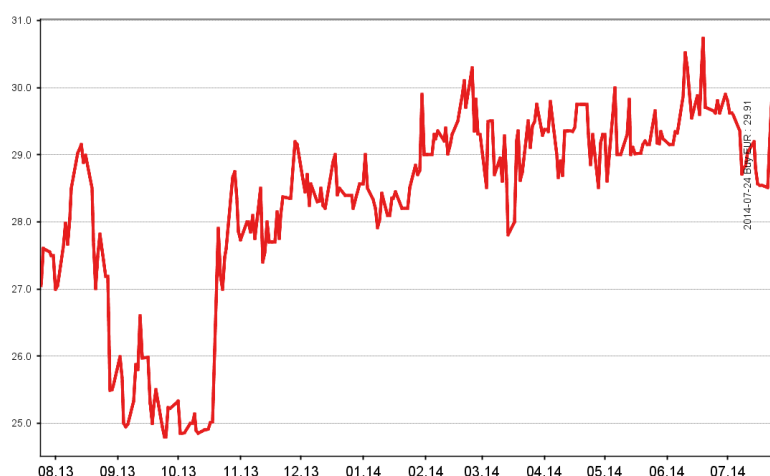
Rating	Number of stocks	% of Universe
Buy	101	51
Hold	80	40
Sell	13	7
Rating suspended	4	2
Total	198	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

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Rating	Number of stocks	% of Universe
Buy	78	54
Hold	56	39
Sell	7	5
Rating suspended	3	2
Total	144	100

PRICE AND RATING HISTORY ATOSS AS OF 24.07.2014



The chart has markings if Warburg 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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