

<b>Hold</b> (Sell) <b>EUR 57.00</b> Price EUR 58.40 <b>Downside -2.4 %</b>	<b>Value Indicators:</b> EUR DCF: 57.38	<b>Share data:</b> Bloomberg: AOF GR Reuters: AOFG ISIN: DE0005104400	<b>Description:</b> ATOSS supplies software and services for the optimisation of workforce management.
	<b>Market Snapshot:</b> EUR m Market cap: 232.2 No. of shares (m): 4.0 EV: 215.8 Freefloat MC: 75.9 Ø Trad. Vol. (30d): 142.94 th	<b>Shareholders:</b> Freefloat 32.7 % Founding Family 56.4 % Mainfirst 5.1 % Investment TGV Bonn 5.8 %	<b>Risk Profile (WRe):</b> 2016e Beta: 1.2 Price / Book: 14.3 x Equity Ratio: 51 %

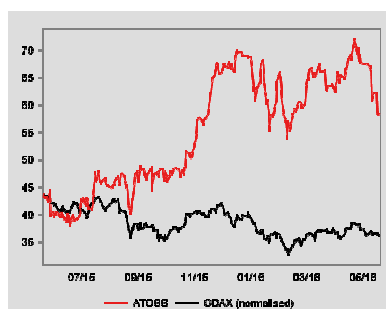
## Share is fairly priced again

There has been a considerable correction of the ATOSS Software AG share price since the downgrade on 24.04.2016. After increasing to more than EUR 75, the share price underwent a strong correction in the last few days and has returned to levels near its fair value (WRe: EUR 57)

The cause of the partly very high share price level could have been in connection with the targeted payout of EUR 2.80 in the context of the annual results. This special payout of 150% of the result (EPS 2015) is far higher than the usual ATOSS payout ratio of ca. 50% of the net result. In 2013, there was a similar share price development in the context of a special payout.

Without fundamental grounds, the overly high valuation of the share gradually normalised again after the payout was made. In 2016 too, the clear reduction in the valuation was seen after completion of the payout.

The rating of the share now returns to **Hold** (previously **Sell**) at a price target of **EUR 57**.

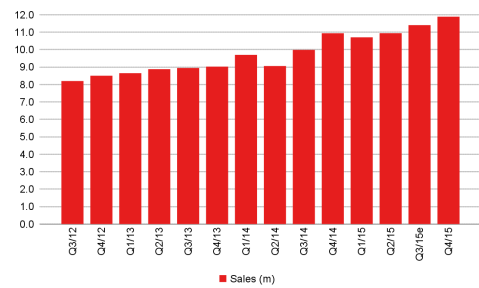


<b>Rel. Performance vs CDAX:</b>	
1 month:	-10.5 %
6 months:	2.2 %
Year to date:	-5.4 %
Trailing 12 months:	49.2 %

<b>Company events:</b>	
12.08.16	Q2
25.10.16	Q3

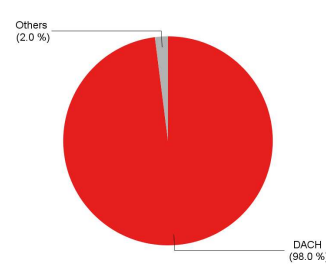
FY End: 31.12. in EUR m	CAGR (15-18e)	2012	2013	2014	2015	2016e	2017e	2018e
<b>Sales</b>	12.0 %	33.0	35.5	39.7	44.9	50.3	56.4	63.1
Change Sales yoy		4.5 %	7.6 %	11.8 %	13.2 %	12.0 %	12.0 %	12.0 %
Gross profit margin		70.8 %	71.0 %	68.8 %	68.5 %	71.0 %	71.0 %	71.0 %
<b>EBITDA</b>	12.3 %	8.2	9.0	10.3	12.0	13.6	15.2	17.0
Margin		24.8 %	25.4 %	26.0 %	26.8 %	27.0 %	27.0 %	27.0 %
<b>EBIT</b>	12.4 %	7.6	8.4	9.8	11.3	12.8	14.4	16.1
Margin		23.1 %	23.7 %	24.7 %	25.2 %	25.5 %	25.5 %	25.5 %
<b>Net income</b>	12.5 %	5.8	2.9	7.0	7.6	8.6	9.6	10.8
<b>EPS</b>	12.4 %	1.45	0.72	1.77	1.91	2.16	2.42	2.71
EPS adj.	12.4 %	1.45	0.72	1.77	1.91	2.16	2.42	2.71
<b>DPS</b>	-21.4 %	3.62	0.72	0.88	2.80	1.08	1.21	1.36
Dividend Yield		17.9 %	2.7 %	3.0 %	6.0 %	1.8 %	2.1 %	2.3 %
<b>FCFPS</b>		0.75	1.02	1.94	1.84	2.02	2.31	2.60
<b>FCF / Market cap</b>		3.7 %	3.8 %	6.6 %	4.0 %	3.5 %	4.0 %	4.4 %
<b>EV / Sales</b>		1.7 x	2.7 x	2.6 x	3.7 x	4.3 x	3.7 x	3.3 x
<b>EV / EBITDA</b>		7.0 x	10.5 x	9.9 x	13.7 x	15.9 x	13.9 x	12.1 x
<b>EV / EBIT</b>		7.5 x	11.3 x	10.4 x	14.5 x	16.8 x	14.7 x	12.8 x
<b>P / E</b>		14.0 x	37.3 x	16.8 x	24.3 x	27.0 x	24.1 x	21.6 x
<b>P / E adj.</b>		14.0 x	37.3 x	16.8 x	24.3 x	27.0 x	24.1 x	21.6 x
<b>FCF Yield Potential</b>		8.7 %	7.7 %	6.5 %	4.8 %	4.1 %	4.8 %	5.5 %
<b>Net Debt</b>		-23.2	-11.9	-15.9	-19.6	-16.5	-21.4	-26.9
<b>ROCE (NOPAT)</b>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Guidance:</b>	Continued positive development of the company, EBIT margin 25 %							

**Sales development**  
in EUR m



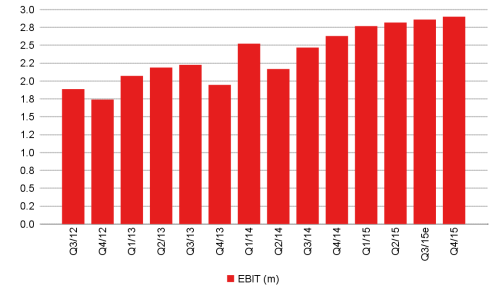
Source: Warburg Research

**Sales by regions**  
2016e; in %



Source: Warburg Research

**EBIT development**  
in EUR m



Source: Warburg Research

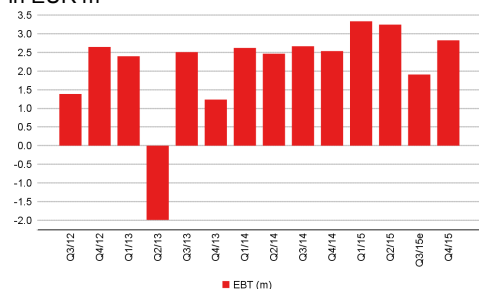
## Company Background

- 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

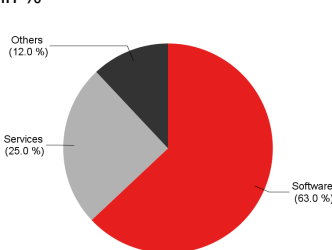
- ATOSS has a leading software product (the most modern Java technology)
- ATOSS specialises in regions and industry sectors (country-specific work conditions in the Germany, Austria, Swiss region and mapping out work processes in core industries)
- ATOSS works independently of producers (no ties to 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



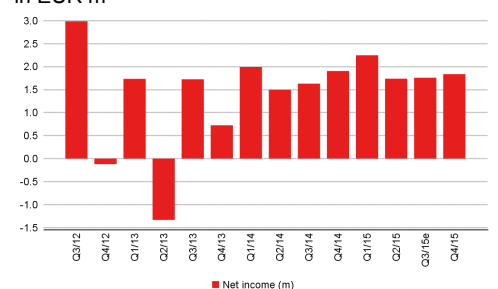
Source: Warburg Research

**Sales by segments**  
2016e; 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
	2016e	2017e	2018e	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	
Sales	50.3	56.4	63.1	69.5	76.4	84.0	90.8	98.0	105.9	112.2	116.7	121.4	126.2	
Sales change	12.0 %	12.0 %	12.0 %	10.0 %	10.0 %	10.0 %	8.0 %	8.0 %	8.0 %	6.0 %	4.0 %	4.0 %	4.0 %	2.5 %
EBIT	12.8	14.4	16.1	18.1	20.6	23.1	25.0	27.4	29.6	31.4	32.7	34.0	35.3	
EBIT-margin	25.5 %	25.5 %	25.5 %	26.0 %	27.0 %	27.5 %	27.5 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	
Tax rate (EBT)	33.0 %	33.0 %	33.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	
NOPAT	8.6	9.6	10.8	11.7	13.4	15.0	16.2	17.8	19.3	20.4	21.2	22.1	23.0	
Depreciation	0.7	0.8	0.9	1.4	1.3	1.3	1.4	1.5	1.6	1.7	1.8	1.8	1.9	
in % of Sales	1.5 %	1.5 %	1.5 %	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	0.2	0.2	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	
Change in Liquidity from														
- Working Capital	0.6	0.6	0.7	0.8	0.7	0.8	0.7	0.7	0.8	0.6	0.4	0.5	0.5	
- Capex	0.7	0.7	0.7	1.0	1.1	1.3	1.4	1.5	1.6	1.7	1.8	1.8	1.9	
Capex in % of Sales	1.4 %	1.2 %	1.1 %	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)	8.0	9.2	10.3	11.5	13.1	14.6	15.8	17.3	18.7	19.9	20.9	21.7	22.6	21
PV of FCF	7.5	7.9	8.2	8.3	8.7	8.9	8.8	8.9	8.8	8.5	8.2	7.8	7.5	104
share of PVs	11.12 %			39.73 %										49.15 %

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)	1.50
Market return	8.00 %	Cyclicality	1.50
Risk free rate	2.50 %	Transparency	1.00
		Others	1.00
<b>WACC</b>	<b>9.10 %</b>	<b>Beta</b>	<b>1.20</b>

Valuation (m)

Present values 2028e	108		
Terminal Value	104		
Financial liabilities	0		
Pension liabilities	4		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	20	No. of shares (m)	4.0
<b>Equity Value</b>	<b>228</b>	<b>Value per share (EUR)</b>	<b>57.38</b>

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
1.38	10.1 %	48.01	48.58	49.18	49.83	50.52	51.26	52.05	1.38	10.1 %	47.14	48.04	48.93	49.83	50.73	51.62	52.52
1.29	9.6 %	51.14	51.82	52.55	53.33	54.18	55.08	56.05	1.29	9.6 %	50.44	51.40	52.37	53.33	54.30	55.27	56.23
1.25	9.4 %	52.86	53.61	54.42	55.28	56.21	57.22	58.30	1.25	9.4 %	52.27	53.27	54.28	55.28	56.29	57.29	58.30
1.20	9.1 %	54.70	55.53	56.42	57.38	58.41	59.53	60.74	1.20	9.1 %	54.24	55.29	56.33	57.38	58.42	59.47	60.52
1.15	8.9 %	56.67	57.59	58.58	59.64	60.79	62.04	63.40	1.15	8.9 %	56.37	57.46	58.55	59.64	60.73	61.82	62.91
1.11	8.6 %	58.79	59.81	60.91	62.09	63.38	64.78	66.31	1.11	8.6 %	58.67	59.81	60.95	62.09	63.23	64.37	65.51
1.02	8.1 %	63.55	64.80	66.17	67.65	69.28	71.06	73.03	1.02	8.1 %	63.90	65.15	66.40	67.65	68.90	70.16	71.41

- 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

<b>Valuation</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016e</b>	<b>2017e</b>	<b>2018e</b>
Price / Book	3.4 x	9.1 x	7.9 x	9.7 x	14.3 x	10.7 x	8.4 x
Book value per share ex intangibles	5.92	2.93	3.72	4.72	4.06	5.48	7.02
EV / Sales	1.7 x	2.7 x	2.6 x	3.7 x	4.3 x	3.7 x	3.3 x
EV / EBITDA	7.0 x	10.5 x	9.9 x	13.7 x	15.9 x	13.9 x	12.1 x
EV / EBIT	7.5 x	11.3 x	10.4 x	14.5 x	16.8 x	14.7 x	12.8 x
EV / EBIT adj.*	7.5 x	11.3 x	10.4 x	14.5 x	16.8 x	14.7 x	12.8 x
P / FCF	26.9 x	26.2 x	15.3 x	25.2 x	28.9 x	25.3 x	22.6 x
P / E	14.0 x	37.3 x	16.8 x	24.3 x	27.0 x	24.1 x	21.6 x
P / E adj.*	14.0 x	37.3 x	16.8 x	24.3 x	27.0 x	24.1 x	21.6 x
Dividend Yield	17.9 %	2.7 %	3.0 %	6.0 %	1.8 %	2.1 %	2.3 %
Free Cash Flow Yield Potential	8.7 %	7.7 %	6.5 %	4.8 %	4.1 %	4.8 %	5.5 %

\*Adjustments made for: -

**Consolidated profit and loss**

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
<b>Sales</b>	<b>33.0</b>	<b>35.5</b>	<b>39.7</b>	<b>44.9</b>	<b>50.3</b>	<b>56.4</b>	<b>63.1</b>
Change Sales yoy	4.5 %	7.6 %	11.8 %	13.2 %	12.0 %	12.0 %	12.0 %
COGS	9.7	10.3	12.4	14.1	14.6	16.3	18.3
<b>Gross profit</b>	<b>23.4</b>	<b>25.2</b>	<b>27.3</b>	<b>30.8</b>	<b>35.7</b>	<b>40.0</b>	<b>44.8</b>
<i>Gross margin</i>	<i>70.8 %</i>	<i>71.0 %</i>	<i>68.8 %</i>	<i>68.5 %</i>	<i>71.0 %</i>	<i>71.0 %</i>	<i>71.0 %</i>
Research and development	7.1	7.5	8.0	8.7	11.1	12.4	13.9
Sales and marketing	5.7	6.2	6.4	7.4	8.6	9.6	10.7
Administration expenses	2.9	3.1	3.3	3.5	3.8	4.2	4.7
Other operating expenses	0.1	0.1	0.0	0.2	0.0	0.0	0.0
Other operating income	0.0	0.1	0.3	0.3	0.5	0.6	0.6
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>8.2</b>	<b>9.0</b>	<b>10.3</b>	<b>12.0</b>	<b>13.6</b>	<b>15.2</b>	<b>17.0</b>
<i>Margin</i>	<i>24.8 %</i>	<i>25.4 %</i>	<i>26.0 %</i>	<i>26.8 %</i>	<i>27.0 %</i>	<i>27.0 %</i>	<i>27.0 %</i>
Depreciation of fixed assets	0.6	0.4	0.4	0.6	0.6	0.7	0.8
<b>EBITA</b>	<b>7.6</b>	<b>8.6</b>	<b>9.9</b>	<b>11.5</b>	<b>12.9</b>	<b>14.5</b>	<b>16.2</b>
Amortisation of intangible fixed assets	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Goodwill amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>7.6</b>	<b>8.4</b>	<b>9.8</b>	<b>11.3</b>	<b>12.8</b>	<b>14.4</b>	<b>16.1</b>
<i>Margin</i>	<i>23.1 %</i>	<i>23.7 %</i>	<i>24.7 %</i>	<i>25.2 %</i>	<i>25.5 %</i>	<i>25.5 %</i>	<i>25.5 %</i>
<b>EBIT adj.</b>	<b>7.6</b>	<b>8.4</b>	<b>9.8</b>	<b>11.3</b>	<b>12.8</b>	<b>14.4</b>	<b>16.1</b>
Interest income	1.2	0.4	0.6	0.1	0.1	0.1	0.1
Interest expenses	0.3	4.6	0.1	0.1	0.1	0.1	0.1
Other financial income (loss)	0.0	0.2	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>8.5</b>	<b>4.2</b>	<b>10.3</b>	<b>11.3</b>	<b>12.8</b>	<b>14.4</b>	<b>16.1</b>
<i>Margin</i>	<i>25.8 %</i>	<i>11.7 %</i>	<i>25.9 %</i>	<i>25.2 %</i>	<i>25.5 %</i>	<i>25.5 %</i>	<i>25.5 %</i>
Total taxes	2.8	1.3	3.3	3.7	4.2	4.7	5.3
<b>Net income from continuing operations</b>	<b>5.8</b>	<b>2.9</b>	<b>7.0</b>	<b>7.6</b>	<b>8.6</b>	<b>9.6</b>	<b>10.8</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>5.8</b>	<b>2.9</b>	<b>7.0</b>	<b>7.6</b>	<b>8.6</b>	<b>9.6</b>	<b>10.8</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>5.8</b>	<b>2.9</b>	<b>7.0</b>	<b>7.6</b>	<b>8.6</b>	<b>9.6</b>	<b>10.8</b>
<i>Margin</i>	<i>17.5 %</i>	<i>8.0 %</i>	<i>17.7 %</i>	<i>16.9 %</i>	<i>17.1 %</i>	<i>17.1 %</i>	<i>17.1 %</i>
Number of shares, average	4.0	4.0	4.0	4.0	4.0	4.0	4.0
<b>EPS</b>	<b>1.45</b>	<b>0.72</b>	<b>1.77</b>	<b>1.91</b>	<b>2.16</b>	<b>2.42</b>	<b>2.71</b>
EPS adj.	1.45	0.72	1.77	1.91	2.16	2.42	2.71

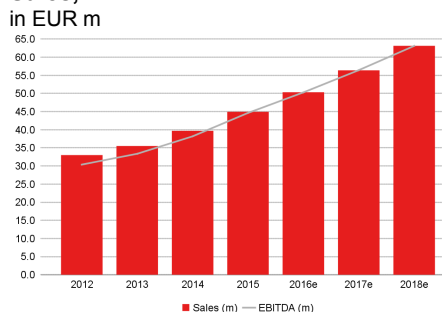
\*Adjustments made for:

**Guidance: Continued positive development of the company, EBIT margin 25 %**

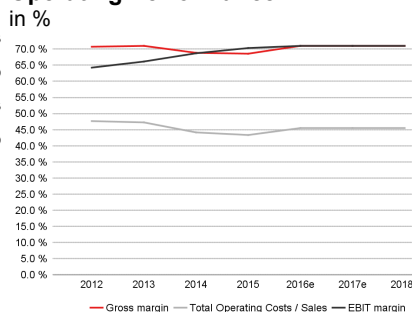
**Financial Ratios**

	2012	2013	2014	2015	2016e	2017e	2018e
Total Operating Costs / Sales	47.7 %	47.3 %	44.2 %	43.3 %	45.5 %	45.5 %	45.5 %
Operating Leverage	0.9 x	1.4 x	1.4 x	1.2 x	1.1 x	1.0 x	1.0 x
EBITDA / Interest expenses	27.9 x	2.0 x	105.8 x	100.6 x	135.7 x	152.0 x	170.3 x
Tax rate (EBT)	32.5 %	31.3 %	31.7 %	33.0 %	33.0 %	33.0 %	33.0 %
Dividend Payout Ratio	249.9 %	100.4 %	49.8 %	146.7 %	49.9 %	50.0 %	50.1 %
Sales per Employee	121,364	127,258	135,460	146,103	155,843	166,233	177,315

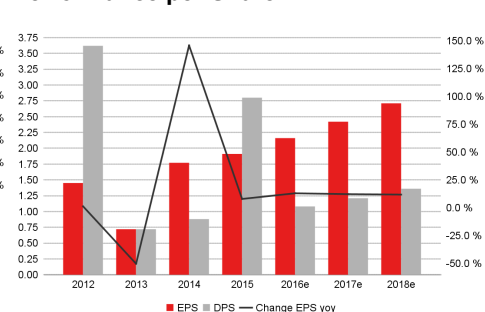
**Sales, EBITDA**



**Operating Performance**



**Performance per Share**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

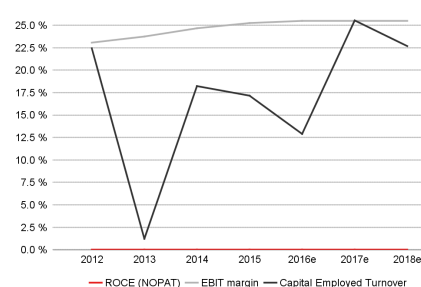
**Consolidated balance sheet**

In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
<b>Assets</b>							
Goodwill and other intangible assets	0.1	0.1	0.1	0.2	0.1	-0.1	-0.2
thereof other intangible assets	0.1	0.1	0.1	0.2	0.1	-0.1	-0.2
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	2.8	2.7	2.7	2.7	2.7	2.7	2.6
Financial assets	0.6	0.4	0.5	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
<b>Fixed assets</b>	<b>3.5</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.2</b>	<b>3.1</b>	<b>2.8</b>
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Accounts receivable	3.2	3.0	3.8	4.5	6.1	6.8	7.6
Liquid assets	24.9	14.5	20.1	23.9	20.8	25.7	31.2
Other short-term assets	1.6	1.8	1.5	1.6	1.6	1.8	2.0
<b>Current assets</b>	<b>29.7</b>	<b>19.4</b>	<b>25.5</b>	<b>30.0</b>	<b>28.5</b>	<b>34.3</b>	<b>40.9</b>
<b>Total Assets</b>	<b>33.2</b>	<b>22.7</b>	<b>28.9</b>	<b>33.3</b>	<b>31.7</b>	<b>37.4</b>	<b>43.7</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Capital reserve	-0.7	-0.7	-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	20.3	8.4	11.6	15.6	12.9	18.4	24.4
Shareholders' equity	23.7	11.8	14.9	18.9	16.2	21.7	27.7
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total equity</b>	<b>23.7</b>	<b>11.8</b>	<b>14.9</b>	<b>18.9</b>	<b>16.2</b>	<b>21.7</b>	<b>27.7</b>
Provisions	2.2	2.9	5.6	5.1	5.2	5.3	5.4
thereof provisions for pensions and similar obligations	1.7	2.7	4.2	4.3	4.3	4.3	4.3
Financial liabilities (total)	0.0	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	0.4	0.3	0.3	0.3	1.3	1.4	1.6
Other liabilities	7.0	7.7	8.0	9.0	9.0	9.0	9.0
<b>Liabilities</b>	<b>9.5</b>	<b>10.9</b>	<b>13.9</b>	<b>14.4</b>	<b>15.5</b>	<b>15.7</b>	<b>16.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>33.2</b>	<b>22.7</b>	<b>28.9</b>	<b>33.3</b>	<b>31.7</b>	<b>37.4</b>	<b>43.7</b>

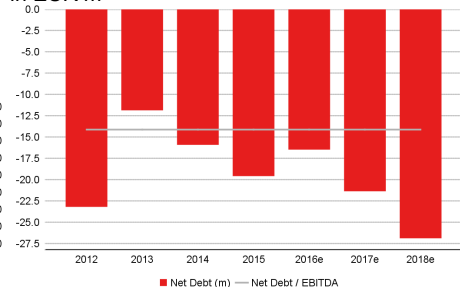
**Financial Ratios**

	2012	2013	2014	2015	2016e	2017e	2018e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	5.8 x	6.5 x	6.3 x	6.6 x	6.7 x	7.0 x	7.3 x
Capital Employed Turnover	70.4 x	-486.2 x	-40.4 x	-69.1 x	-180.0 x	151.5 x	76.6 x
ROA	165.5 %	87.0 %	210.9 %	230.4 %	266.1 %	312.4 %	380.4 %
<b>Return on Capital</b>							
ROCE (NOPAT)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ROE	25.7 %	16.1 %	52.6 %	44.8 %	48.9 %	50.7 %	43.6 %
Adj. ROE	25.7 %	16.1 %	52.6 %	44.8 %	48.9 %	50.7 %	43.6 %
<b>Balance sheet quality</b>							
Net Debt	-23.2	-11.9	-15.9	-19.6	-16.5	-21.4	-26.9
Net Financial Debt	-24.9	-14.5	-20.1	-23.9	-20.8	-25.7	-31.2
Net Gearing	-98.0 %	-100.6 %	-106.6 %	-103.4 %	-101.7 %	-98.3 %	-97.0 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	6.0	3.0	3.8	4.8	4.1	5.5	7.0
Book value per share ex intangibles	5.9	2.9	3.7	4.7	4.1	5.5	7.0

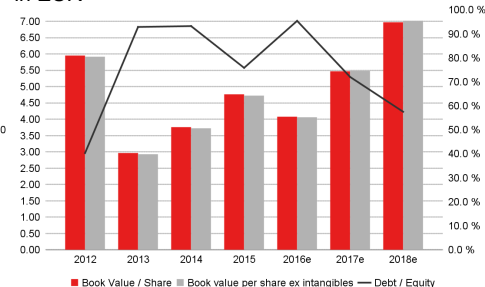
**ROCE Development**



**Net debt in EUR m**



**Book Value per Share in EUR**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

**Consolidated cash flow statement**

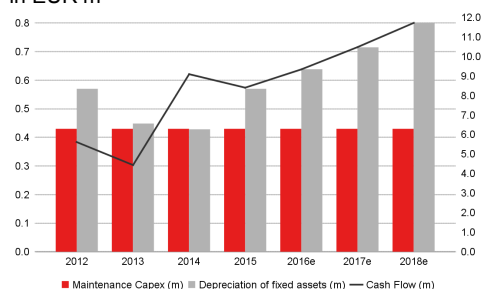
In EUR m	2012	2013	2014	2015	2016e	2017e	2018e
Net income	5.8	2.9	7.0	7.6	8.6	9.6	10.8
Depreciation of fixed assets	0.6	0.4	0.4	0.6	0.6	0.7	0.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Increase/decrease in long-term provisions	0.0	1.0	1.5	0.1	0.0	0.0	0.0
Other non-cash income and expenses	-0.7	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash Flow</b>	<b>5.6</b>	<b>4.4</b>	<b>9.1</b>	<b>8.4</b>	<b>9.3</b>	<b>10.5</b>	<b>11.7</b>
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	-0.1
Increase / decrease in accounts receivable	-0.6	0.2	-0.8	-0.6	-1.6	-0.7	-0.8
Increase / decrease in accounts payable	-0.4	0.0	0.0	0.0	1.0	0.1	0.2
Increase / decrease in other working capital positions	-1.2	0.0	0.0	0.2	0.0	0.0	0.0
Increase / decrease in working capital (total)	-2.3	0.2	-0.8	-0.4	-0.6	-0.6	-0.7
<b>Net cash provided by operating activities</b>	<b>3.4</b>	<b>4.6</b>	<b>8.3</b>	<b>8.0</b>	<b>8.7</b>	<b>9.9</b>	<b>11.0</b>
Investments in intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments in property, plant and equipment	-0.4	-0.5	-0.5	-0.7	-0.7	-0.7	-0.7
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-6.4	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	-1.1	0.0	0.0	0.0
<b>Net cash provided by investing activities</b>	<b>-6.8</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-1.8</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-0.7</b>
Change in financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-2.8	-14.4	-2.9	-3.5	-11.1	-4.3	-4.8
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
<b>Net cash provided by financing activities</b>	<b>-2.8</b>	<b>-14.4</b>	<b>-2.9</b>	<b>-3.5</b>	<b>-11.1</b>	<b>-4.3</b>	<b>-4.8</b>
Change in liquid funds	-6.3	-10.3	4.9	2.7	-3.1	4.9	5.5
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash and cash equivalent at end of period</b>	<b>18.0</b>	<b>14.5</b>	<b>19.4</b>	<b>22.8</b>	<b>20.8</b>	<b>25.7</b>	<b>31.2</b>

**Financial Ratios**

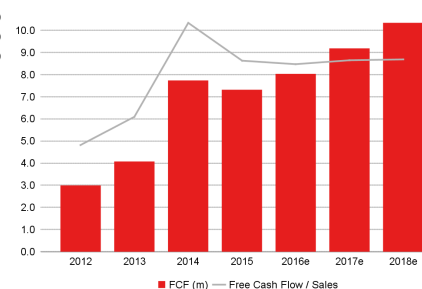
	2012	2013	2014	2015	2016e	2017e	2018e
<b>Cash Flow</b>							
FCF	3.0	4.1	7.7	7.3	8.0	9.2	10.3
Free Cash Flow / Sales	9.1 %	11.5 %	19.5 %	16.3 %	16.0 %	16.3 %	16.4 %
Free Cash Flow Potential	5.0	7.3	6.6	7.9	8.9	10.0	11.3
Free Cash Flow / Net Profit	52.0 %	142.8 %	110.1 %	96.5 %	93.4 %	95.3 %	95.8 %
Interest Received / Avg. Cash	4.9 %	2.2 %	3.5 %	0.4 %	0.4 %	0.4 %	0.4 %
Interest Paid / Avg. Debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Management of Funds</b>							
Investment ratio	1.1 %	1.5 %	1.3 %	1.5 %	1.4 %	1.2 %	1.1 %
Maint. Capex / Sales	1.3 %	1.2 %	1.1 %	1.0 %	0.9 %	0.8 %	0.7 %
Capex / Dep	63.2 %	94.3 %	101.5 %	98.7 %	91.9 %	82.1 %	73.3 %
Avg. Working Capital / Sales	7.1 %	7.9 %	7.9 %	8.6 %	8.9 %	9.0 %	9.1 %
Trade Debtors / Trade Creditors	910.1 %	926.6 %	1199.2 %	1487.0 %	469.2 %	485.7 %	475.0 %
Inventory Turnover	1206.6 x	1286.3 x	1802.9 x	1707.9 x	n.a.	n.a.	183.1 x
Receivables collection period (days)	36	31	35	36	44	44	44
Payables payment period (days)	13	12	9	8	33	31	32
Cash conversion cycle (Days)	-13	-11	-9	-8	n.a.	n.a.	-30

**CAPEX and Cash Flow**

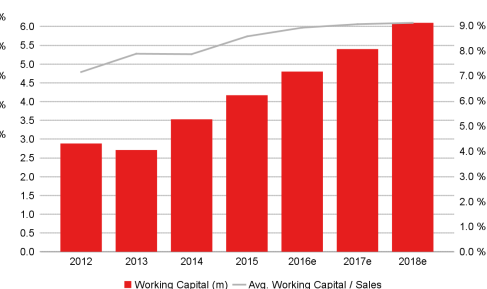
in EUR m



**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	<a href="http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005104400.htm">http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005104400.htm</a>

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

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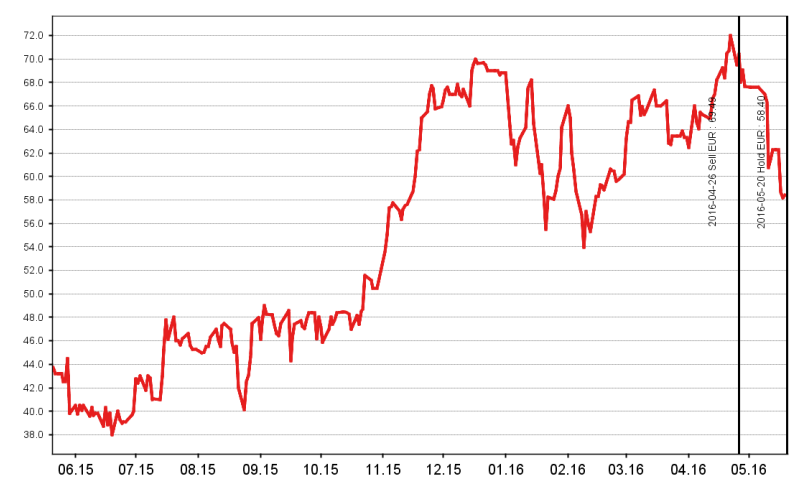
Rating	Number of stocks	% of Universe
Buy	119	64
Hold	61	33
Sell	4	2
Rating suspended	1	1
<b>Total</b>	<b>185</b>	<b>100</b>

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

... taking into account only those companies which were provided with major investment banking services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	23	77
Hold	7	23
Sell	0	0
Rating suspended	0	0
<b>Total</b>	<b>30</b>	<b>100</b>

**PRICE AND RATING HISTORY ATOSS AS OF 20.05.2016**



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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