

<b>Buy</b>  <b>EUR 140.00</b> (EUR 110.00)  Price <b>EUR 130.50</b> <b>Upside 7.3 %</b>	<b>Value Indicators:</b> EUR DCF: 139.66	<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: 1,037.9 No. of shares (m): 8.0 EV: 1,008.9 Freefloat MC: 339.4 Ø Trad. Vol. (30d): 463.83 th	<b>Shareholders:</b> Freefloat 32.7 % Founding Family 57.2 % Mainfirst 5.1 % Investment TGV Bonn 5.0 %	<b>Risk Profile (WRe):</b> 2020e Beta: 1.2 Price / Book: 34.7 x Equity Ratio: 47 %

## Cloud and internationalisation offer growth potential

<b>Stated Figures Q3/2020:</b> Figures in EUR m							
	Q3/20	Q3/20e	Q3/19	yoy	9M/20	9M/19	yoy
<b>Sales</b>	20.5	20.0	17.8	15.4%	61.1	51.7	18.3%
<b>EBIT</b>	5.8	5.2	4.8	21.5%	17.4	13.5	29.1%
<b>margin</b>	28.4%	26.0%	27.0%		28.4%	26.0%	
<b>Net income</b>	3.7	3.3	3.2	13.8%	11.9	9.1	30.6%
<b>margin</b>	17.8%	16.5%	18.1%		19.5%	17.6%	

### Comment on Figures:

- ATOSS Software AG announced its business figures for the third quarter on October 23, 2020. These show impressively strong growth, slightly exceed the expectations, and fit seamlessly into a series of record quarters.
- The figures provide scope for a further increase in the forecast (WRe, see below).

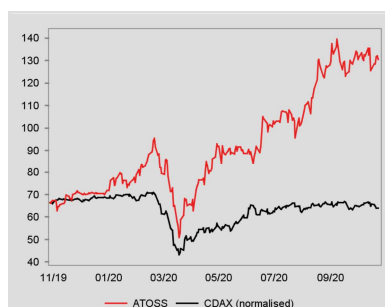
With the presentation of the quarterly figures, the company also commented on important strategic issues: **1. Internationalisation:** In addition to the international activities to date, which mainly relate to the DACH region (97% of sales, 3% NL), the company plans to open further locations in countries with a complex regulatory working environment, where ATOSS can show its relative strengths. Little known so far is that the company already operates software solutions (9 languages) in 42 countries together with existing customers (merely considered as DACH revenue). Today, the share of international sales is around 15% (DACH, NL) and an increase to 25% by 2025 is conceivable. **2. Cloud strategy:** The most important key figure for ATOSS in the cloud area, where Annual Recurring Revenue (ARR), rose by 51% in the first nine months to EUR 11.5m (7.7). This clearly shows the success of the cloud transformation. While previously a value of approximately 40% of new business (Software) was "in the cloud", nearly 90% by 2023 is now a reasonable assumption. Since cloud sales are billed differently over time (no license income at the beginning), this has a negative short-term impact on earnings and cash flow. At the same time, the comparatively aggressive cloud strategy requires a sustained high level of investment in R&D (e.g. preparing ATOSS for Hyperscaler). These aspects are now being incorporated into the DCF model (WRe).

The new modelling results in a price target of EUR 140 and the **share continues to be rated Buy**.

<b>Changes in Estimates:</b> FY End: 31.12. in EUR m						
	2020e (old)	+ / -	2021e (old)	+ / -	2022e (old)	+ / -
<b>Sales</b>	83.5	0.0 %	96.9	0.9 %	111.4	2.6 %
<b>EBITDA</b>	26.0	3.9 %	31.8	-3.1 %	36.9	-2.3 %
<b>EBIT</b>	22.3	4.5 %	27.5	-3.8 %	32.0	-3.1 %
<b>EPS</b>	1.94	4.6 %	2.38	-3.8 %	2.76	-3.3 %
<b>DPS</b>	1.46	4.1 %	1.79	-3.9 %	2.07	-3.4 %

### Comment on Changes:

- In the short term, the forecasts remain largely unchanged. The planned internationalisation should make its mark as soon as in 2021/22 but will be more than offset by the higher costs of the cloud strategy and R&D.
- The main change in the DCF model concerns the achievement of the target margin (EBIT) of now 50% in 2029 (previously 45% in 2033). Because ATOSS has very loyal customers, cloud contracts are more attractive than on-premise business over longer terms. Classic on-premise payment models will probably no longer play an important role for ATOSS by 2025. Internationalisation is also primarily aimed at cloud-related business.

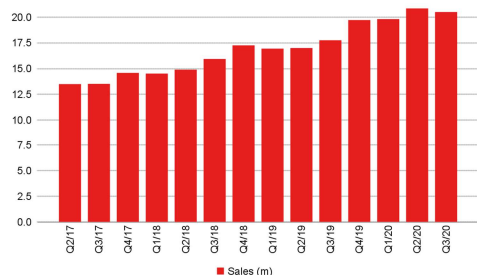


<b>Rel. Performance vs CDAX:</b>	
1 month:	0.5 %
6 months:	32.4 %
Year to date:	88.7 %
Trailing 12 months:	99.1 %

<b>Company events:</b>	
26.11.20	Meet the Future

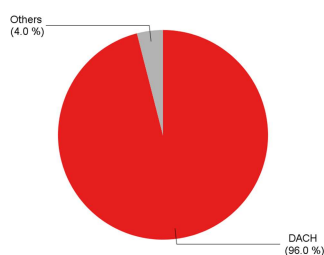
FY End: 31.12. in EUR m	CAGR (19-22e)	2016	2017	2018	2019	2020e	2021e	2022e
<b>Sales</b>	17.0 %	49.5	54.6	62.6	71.4	83.5	97.7	114.3
<b>Change Sales yoy</b>		10.2 %	10.2 %	14.7 %	14.0 %	17.0 %	17.0 %	17.0 %
<b>Gross profit margin</b>		69.9 %	70.3 %	70.5 %	70.3 %	70.7 %	70.7 %	70.7 %
<b>EBITDA</b>	17.0 %	14.3	14.9	18.0	22.5	27.0	30.8	36.0
<b>Margin</b>		28.8 %	27.2 %	28.7 %	31.5 %	32.3 %	31.5 %	31.5 %
<b>EBIT</b>	17.1 %	13.6	14.1	16.9	19.3	23.3	26.5	31.0
<b>Margin</b>		27.4 %	25.9 %	27.0 %	27.0 %	27.9 %	27.1 %	27.1 %
<b>Net income</b>	16.3 %	9.3	9.3	11.2	13.5	16.1	18.2	21.3
<b>EPS</b>	-7.7 %	2.33	2.34	2.81	3.40	2.03	2.29	2.67
<b>EPS adj.</b>	-7.7 %	2.33	2.34	2.81	3.40	2.03	2.29	2.67
<b>DPS</b>	-7.8 %	1.16	1.16	4.00	2.55	1.52	1.72	2.00
<b>Dividend Yield</b>		3.9 %	3.3 %	9.5 %	4.3 %	1.2 %	1.3 %	1.5 %
<b>FCF / Market cap</b>		2.80	1.95	2.74	3.63	2.02	2.22	2.53
		9.4 %	5.5 %	6.5 %	6.1 %	1.5 %	1.7 %	1.9 %
<b>EV / Sales</b>		2.0 x	2.2 x	2.2 x	3.0 x	12.1 x	10.3 x	8.7 x
<b>EV / EBITDA</b>		6.9 x	8.0 x	7.7 x	9.4 x	37.4 x	32.6 x	27.7 x
<b>EV / EBIT</b>		7.3 x	8.4 x	8.2 x	11.0 x	43.3 x	37.9 x	32.2 x
<b>P / E</b>		12.8 x	15.1 x	15.0 x	17.4 x	64.3 x	57.0 x	48.9 x
<b>P / E adj.</b>		12.8 x	15.1 x	15.0 x	17.4 x	64.3 x	57.0 x	48.9 x
<b>FCF Potential Yield</b>		9.5 %	8.2 %	8.6 %	7.4 %	1.8 %	2.1 %	2.5 %
<b>Net Debt</b>		-19.4	-22.3	-28.5	-23.1	-29.0	-34.6	-41.0
<b>ROCE (NOPAT)</b>		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Guidance:</b>	Sales 2020 EUR 82m, EBIT at least 27%							

**Sales development**  
in EUR m



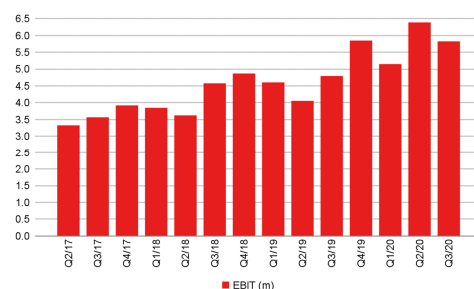
Source: Warburg Research

**Sales by regions**  
2020e; in %



Source: Warburg Research

**EBIT development**  
in EUR m



Source: Warburg Research

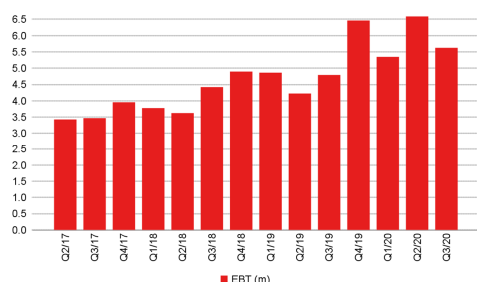
## Company Background

- 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

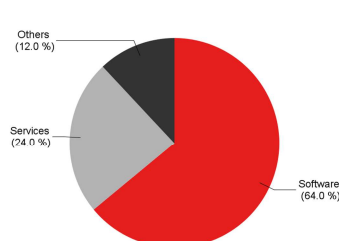
- ATOSS has a leading software product (the most modern Java technology)
- ATOSS specialises in regions and industry sectors (country-specific work conditions in the Germany, Austria, Swiss region and mapping out work processes in core industries)
- ATOSS works independently of producers (no ties to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



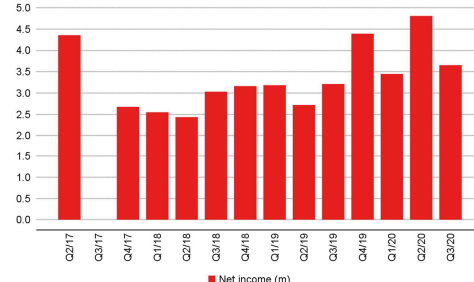
Source: Warburg Research

**Sales by segments**  
2020e; 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
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	
Sales	83.5	97.7	114.3	133.8	155.2	178.5	203.4	225.8	248.4	268.3	284.4	295.8	304.6	2.5 %
Sales change	17.0 %	17.0 %	17.0 %	17.0 %	16.0 %	15.0 %	14.0 %	11.0 %	10.0 %	8.0 %	6.0 %	4.0 %	3.0 %	
EBIT	23.3	26.5	31.0	38.1	45.0	60.7	77.3	94.8	114.3	134.1	142.2	147.9	152.3	50.0 %
EBIT-margin	27.9 %	27.1 %	27.1 %	28.5 %	29.0 %	34.0 %	38.0 %	42.0 %	46.0 %	50.0 %	50.0 %	50.0 %	50.0 %	
Tax rate (EBT)	33.0 %	33.0 %	33.0 %	34.0 %	34.0 %	34.0 %	34.0 %	34.0 %	34.0 %	34.0 %	34.0 %	34.0 %	34.0 %	50.0 %
NOPAT	15.6	17.7	20.8	25.2	29.7	40.0	51.0	62.6	75.4	88.5	93.8	97.6	100.5	
Depreciation	3.7	4.3	5.0	6.0	7.0	8.0	9.2	10.2	11.2	12.1	12.8	13.3	13.7	4.5 %
in % of Sales	4.4 %	4.4 %	4.4 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	
Changes in provisions	0.0	0.0	0.0	0.7	0.7	0.9	0.8	0.6	0.5	0.3	0.4	0.2	0.1	4.5 %
Change in Liquidity from														
- Working Capital	0.7	0.9	1.2	1.2	1.3	1.3	1.3	0.9	0.8	0.5	0.2	-0.2	-1.6	4.5 %
- Capex	3.0	4.0	5.0	6.0	7.0	8.0	9.2	10.2	11.2	12.1	12.8	13.3	13.7	
Capex in % of Sales	3.6 %	4.1 %	4.4 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %
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)	15.6	17.1	19.6	24.7	29.1	39.6	50.6	62.3	75.1	88.4	94.1	98.0	102.2	100
PV of FCF	15.5	15.8	16.7	19.4	21.2	26.7	31.5	35.9	40.0	43.6	42.9	41.3	39.9	697
share of PVs	4.40 %			31.47 %										64.12 %

**Model parameter**

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.20
Cost of debt (after tax)	3.9 %	Liquidity (share)	1.20
Market return	7.00 %	Cyclicality	1.20
Risk free rate	1.50 %	Transparency	1.20
		Others	1.20
<b>WACC</b>	<b>8.10 %</b>	<b>Beta</b>	<b>1.20</b>

**Valuation (m)**

Present values 2032e	390		
Terminal Value	697		
Financial liabilities	0		
Pension liabilities	7		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	30	No. of shares (m)	8.0
<b>Equity Value</b>	<b>1,111</b>	<b>Value per share (EUR)</b>	<b>139.66</b>

**Sensitivity Value per Share (EUR)**

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.38	9.1 %	108.55	110.66	112.91	115.34	117.97	120.80	123.88	1.38	9.1 %	111.52	112.80	114.07	115.34	116.62	117.89	119.17
1.29	8.6 %	118.14	120.70	123.47	126.47	129.73	133.27	137.15	1.29	8.6 %	122.30	123.69	125.08	126.47	127.86	129.25	130.64
1.25	8.4 %	123.50	126.35	129.43	132.77	136.42	140.40	144.78	1.25	8.4 %	128.41	129.86	131.32	132.77	134.23	135.69	137.14
1.20	8.1 %	129.30	132.47	135.91	139.66	143.76	148.26	153.22	1.20	8.1 %	135.08	136.60	138.13	139.66	141.19	142.72	144.24
1.15	7.9 %	135.60	139.14	142.99	147.21	151.83	156.94	162.60	1.15	7.9 %	142.39	143.99	145.60	147.21	148.81	150.42	152.03
1.11	7.6 %	142.46	146.42	150.76	155.51	160.76	166.58	173.07	1.11	7.6 %	150.44	152.13	153.82	155.51	157.21	158.90	160.59
1.02	7.1 %	158.17	163.20	168.76	174.91	181.78	189.48	198.18	1.02	7.1 %	169.23	171.12	173.02	174.91	176.81	178.70	180.59

- In the DCF model, a moderate continuation of the constant growth of the past years is anticipated.
- In the long term, a margin improvement due to the cloud transformation is assumed.
- The long-term margin remains at a high level

Valuation	2016	2017	2018	2019	2020e	2021e	2022e
Price / Book	7.0 x	6.4 x	5.9 x	9.5 x	34.7 x	28.7 x	23.7 x
Book value per share ex intangibles	4.19	5.40	7.07	3.42	2.37	3.18	4.17
EV / Sales	2.0 x	2.2 x	2.2 x	3.0 x	12.1 x	10.3 x	8.7 x
EV / EBITDA	6.9 x	8.0 x	7.7 x	9.4 x	37.4 x	32.6 x	27.7 x
EV / EBIT	7.3 x	8.4 x	8.2 x	11.0 x	43.3 x	37.9 x	32.2 x
EV / EBIT adj.*	7.3 x	8.4 x	8.2 x	11.0 x	43.3 x	37.9 x	32.2 x
P / FCF	10.7 x	18.2 x	15.3 x	16.3 x	64.5 x	58.8 x	51.7 x
P / E	12.8 x	15.1 x	15.0 x	17.4 x	64.3 x	57.0 x	48.9 x
P / E adj.*	12.8 x	15.1 x	15.0 x	17.4 x	64.3 x	57.0 x	48.9 x
Dividend Yield	3.9 %	3.3 %	9.5 %	4.3 %	1.2 %	1.3 %	1.5 %
FCF Potential Yield (on market EV)	9.5 %	8.2 %	8.6 %	7.4 %	1.8 %	2.1 %	2.5 %
*Adjustments made for: -							

## Consolidated profit and loss

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
<b>Sales</b>	<b>49.5</b>	<b>54.6</b>	<b>62.6</b>	<b>71.4</b>	<b>83.5</b>	<b>97.7</b>	<b>114.3</b>
Change Sales yoy	10.2 %	10.2 %	14.7 %	14.0 %	17.0 %	17.0 %	17.0 %
COGS	14.9	16.2	18.4	21.2	24.5	28.6	33.5
<b>Gross profit</b>	<b>34.6</b>	<b>38.4</b>	<b>44.2</b>	<b>50.2</b>	<b>59.1</b>	<b>69.1</b>	<b>80.8</b>
<i>Gross margin</i>	<i>69.9 %</i>	<i>70.3 %</i>	<i>70.5 %</i>	<i>70.3 %</i>	<i>70.7 %</i>	<i>70.7 %</i>	<i>70.7 %</i>
Research and development	9.5	10.3	11.2	11.9	13.8	16.6	19.4
Sales and marketing	8.0	9.7	10.9	12.9	15.0	17.6	20.6
Administration expenses	3.8	4.3	5.2	5.8	7.1	8.8	10.3
Other operating expenses	0.1	0.2	0.2	0.5	0.0	0.0	0.0
Other operating income	0.4	0.2	0.3	0.3	0.2	0.4	0.5
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>14.3</b>	<b>14.9</b>	<b>18.0</b>	<b>22.5</b>	<b>27.0</b>	<b>30.8</b>	<b>36.0</b>
<i>Margin</i>	<i>28.8 %</i>	<i>27.2 %</i>	<i>28.7 %</i>	<i>31.5 %</i>	<i>32.3 %</i>	<i>31.5 %</i>	<i>31.5 %</i>
Depreciation of fixed assets	0.6	0.6	0.9	3.0	3.5	4.1	4.8
<b>EBITA</b>	<b>13.7</b>	<b>14.2</b>	<b>17.1</b>	<b>19.5</b>	<b>23.5</b>	<b>26.7</b>	<b>31.2</b>
Amortisation of intangible assets	0.1	0.1	0.2	0.2	0.2	0.2	0.2
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>13.6</b>	<b>14.1</b>	<b>16.9</b>	<b>19.3</b>	<b>23.3</b>	<b>26.5</b>	<b>31.0</b>
<i>Margin</i>	<i>27.4 %</i>	<i>25.9 %</i>	<i>27.0 %</i>	<i>27.0 %</i>	<i>27.9 %</i>	<i>27.1 %</i>	<i>27.1 %</i>
<b>EBIT adj.</b>	<b>13.6</b>	<b>14.1</b>	<b>16.9</b>	<b>19.3</b>	<b>23.3</b>	<b>26.5</b>	<b>31.0</b>
Interest income	0.2	0.1	0.1	0.8	0.8	0.8	0.8
Interest expenses	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>13.7</b>	<b>14.1</b>	<b>16.8</b>	<b>19.9</b>	<b>24.0</b>	<b>27.2</b>	<b>31.7</b>
<i>Margin</i>	<i>27.6 %</i>	<i>25.7 %</i>	<i>26.8 %</i>	<i>27.9 %</i>	<i>28.8 %</i>	<i>27.9 %</i>	<i>27.7 %</i>
Total taxes	4.4	4.7	5.6	6.4	7.9	9.0	10.5
<b>Net income from continuing operations</b>	<b>9.3</b>	<b>9.3</b>	<b>11.2</b>	<b>13.5</b>	<b>16.1</b>	<b>18.2</b>	<b>21.3</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>9.3</b>	<b>9.3</b>	<b>11.2</b>	<b>13.5</b>	<b>16.1</b>	<b>18.2</b>	<b>21.3</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>9.3</b>	<b>9.3</b>	<b>11.2</b>	<b>13.5</b>	<b>16.1</b>	<b>18.2</b>	<b>21.3</b>
<i>Margin</i>	<i>18.7 %</i>	<i>17.1 %</i>	<i>17.9 %</i>	<i>18.9 %</i>	<i>19.3 %</i>	<i>18.7 %</i>	<i>18.6 %</i>
Number of shares, average	4.0	4.0	4.0	4.0	8.0	8.0	8.0
<b>EPS</b>	<b>2.33</b>	<b>2.34</b>	<b>2.81</b>	<b>3.40</b>	<b>2.03</b>	<b>2.29</b>	<b>2.67</b>
EPS adj.	2.33	2.34	2.81	3.40	2.03	2.29	2.67

\*Adjustments made for:

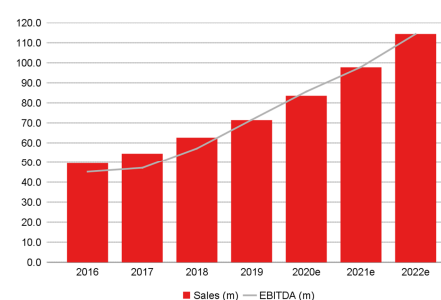
**Guidance: Sales 2020 EUR 82m, EBIT at least 27%**

## Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Total Operating Costs / Sales	42.5 %	44.4 %	43.5 %	43.2 %	42.8 %	43.6 %	43.6 %
Operating Leverage	1.9 x	0.4 x	1.3 x	1.0 x	1.2 x	0.8 x	1.0 x
EBITDA / Interest expenses	122.0 x	122.0 x	72.1 x	100.5 x	269.8 x	307.8 x	360.2 x
Tax rate (EBT)	32.2 %	33.6 %	33.3 %	32.1 %	33.0 %	33.0 %	33.0 %
Dividend Payout Ratio	49.7 %	49.4 %	142.1 %	75.0 %	75.0 %	75.0 %	74.8 %
Sales per Employee	153,395	161,023	175,832	190,943	212,765	237,081	264,176

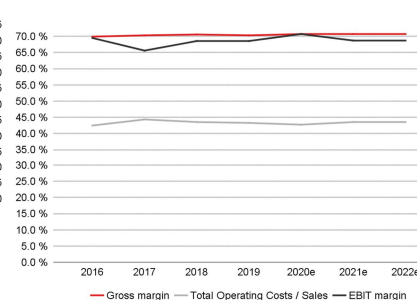
### Sales, EBITDA

in EUR m

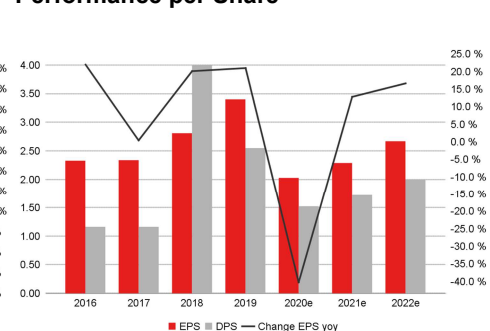


### Operating Performance

in %



### Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

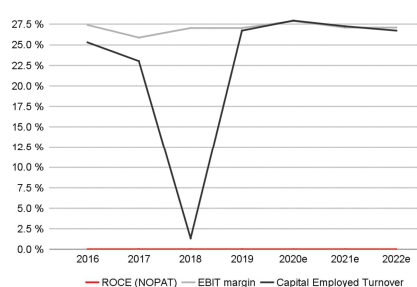
## Consolidated balance sheet

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
<b>Assets</b>							
Goodwill and other intangible assets	0.2	0.4	0.4	11.2	11.1	10.9	10.6
thereof other intangible assets	0.2	0.4	0.4	11.2	11.1	10.9	10.6
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	3.0	3.7	4.3	4.1	3.6	3.5	3.7
Financial assets	0.5	0.5	0.5	1.3	1.3	1.3	1.3
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>3.8</b>	<b>4.6</b>	<b>5.2</b>	<b>16.6</b>	<b>15.9</b>	<b>15.6</b>	<b>15.6</b>
Inventories	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Accounts receivable	4.5	5.1	6.3	7.7	8.5	9.6	11.0
Liquid assets	24.3	27.1	33.3	29.7	35.7	41.2	47.6
Other short-term assets	1.5	1.8	2.4	4.1	3.3	3.5	3.7
<b>Current assets</b>	<b>30.3</b>	<b>34.0</b>	<b>42.0</b>	<b>41.6</b>	<b>47.6</b>	<b>54.4</b>	<b>62.4</b>
<b>Total Assets</b>	<b>34.0</b>	<b>38.5</b>	<b>47.2</b>	<b>58.1</b>	<b>63.5</b>	<b>70.0</b>	<b>78.0</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	13.6	18.5	25.2	21.5	26.6	32.8	40.5
Shareholders' equity	16.9	21.8	28.5	24.8	29.9	36.1	43.8
Minority interest	0.0	0.0	0.0	0.1	0.1	0.1	0.1
<b>Total equity</b>	<b>16.9</b>	<b>21.8</b>	<b>28.5</b>	<b>24.9</b>	<b>30.0</b>	<b>36.2</b>	<b>43.9</b>
Provisions	4.9	5.0	4.9	7.3	7.4	7.5	7.6
thereof provisions for pensions and similar obligations	4.9	4.8	4.8	6.6	6.6	6.6	6.6
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	0.6	0.4	0.5	0.9	1.1	1.3	1.5
Other liabilities	11.5	11.3	13.3	25.1	25.1	25.1	25.1
<b>Liabilities</b>	<b>17.1</b>	<b>16.7</b>	<b>18.7</b>	<b>33.3</b>	<b>33.5</b>	<b>33.8</b>	<b>34.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>34.0</b>	<b>38.5</b>	<b>47.2</b>	<b>58.1</b>	<b>63.5</b>	<b>70.0</b>	<b>78.0</b>

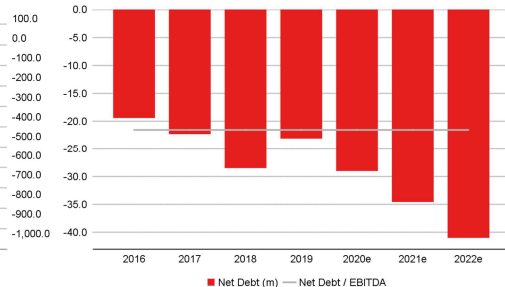
## Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	7.2 x	6.6 x	6.2 x	6.6 x	7.5 x	8.2 x	8.6 x
Capital Employed Turnover	-20.1 x	-115.7 x	-1024.3 x	39.7 x	90.7 x	60.3 x	39.6 x
ROA	247.0 %	204.6 %	216.2 %	81.5 %	101.3 %	116.9 %	136.5 %
<b>Return on Capital</b>							
ROCE (NOPAT)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ROE	51.8 %	48.1 %	44.4 %	50.7 %	58.9 %	55.3 %	53.2 %
Adj. ROE	51.8 %	48.1 %	44.4 %	50.7 %	58.9 %	55.3 %	53.2 %
<b>Balance sheet quality</b>							
Net Debt	-19.4	-22.3	-28.5	-23.1	-29.0	-34.6	-41.0
Net Financial Debt	-24.3	-27.1	-33.3	-29.7	-35.7	-41.2	-47.6
Net Gearing	-114.6 %	-102.2 %	-100.2 %	-92.8 %	-96.9 %	-95.5 %	-93.4 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	4.2	5.5	7.2	6.2	3.8	4.5	5.5
Book value per share ex intangibles	4.2	5.4	7.1	3.4	2.4	3.2	4.2

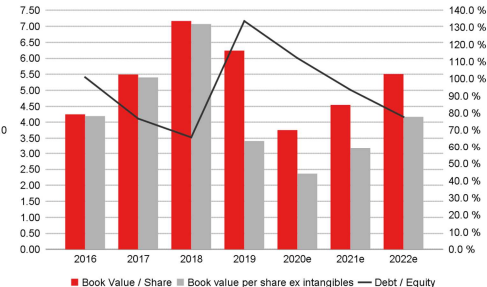
### ROCE Development



### Net debt in EUR m



### Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

## Consolidated cash flow statement

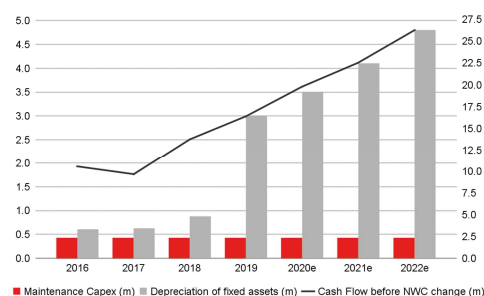
In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Net income	9.3	9.3	11.2	13.5	16.1	18.2	21.3
Depreciation of fixed assets	0.6	0.6	0.9	3.0	3.5	4.1	4.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.1	0.1	0.2	0.2	0.2	0.2	0.2
Increase/decrease in long-term provisions	0.5	-0.1	0.0	1.9	0.0	0.0	0.0
Other non-cash income and expenses	0.0	-0.4	1.5	-2.2	0.0	0.0	0.0
<b>Cash Flow before NWC change</b>	<b>10.5</b>	<b>9.6</b>	<b>13.7</b>	<b>16.4</b>	<b>19.8</b>	<b>22.5</b>	<b>26.3</b>
Increase / decrease in inventory	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
Increase / decrease in accounts receivable	0.0	-0.6	-1.2	-1.5	-0.8	-1.1	-1.4
Increase / decrease in accounts payable	0.3	-0.2	0.1	0.4	0.2	0.2	0.2
Increase / decrease in other working capital positions	1.4	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	1.7	-0.8	-1.1	-1.1	-0.7	-0.9	-1.2
<b>Net cash provided by operating activities [1]</b>	<b>12.2</b>	<b>8.9</b>	<b>12.6</b>	<b>15.3</b>	<b>19.1</b>	<b>21.6</b>	<b>25.1</b>
Investments in intangible assets	-0.1	-0.1	-0.2	0.0	0.0	0.0	0.0
Investments in property, plant and equipment	-1.0	-1.0	-1.5	-0.9	-3.0	-4.0	-5.0
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	-3.0	-2.5	0.0	0.0	0.0	0.0	0.0
<b>Net cash provided by investing activities [2]</b>	<b>-4.1</b>	<b>-3.6</b>	<b>-1.7</b>	<b>-0.9</b>	<b>-3.0</b>	<b>-4.0</b>	<b>-5.0</b>
Change in financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-11.1	-4.6	-4.7	-15.9	-10.1	-12.1	-13.7
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	-2.2	0.0	0.0	0.0
<b>Net cash provided by financing activities [3]</b>	<b>-11.1</b>	<b>-4.6</b>	<b>-4.7</b>	<b>-18.1</b>	<b>-10.1</b>	<b>-12.1</b>	<b>-13.7</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-3.0</b>	<b>0.7</b>	<b>6.2</b>	<b>-3.7</b>	<b>5.9</b>	<b>5.6</b>	<b>6.4</b>
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	20.9	24.9	33.4	29.6	35.7	41.2	47.6

## Financial Ratios

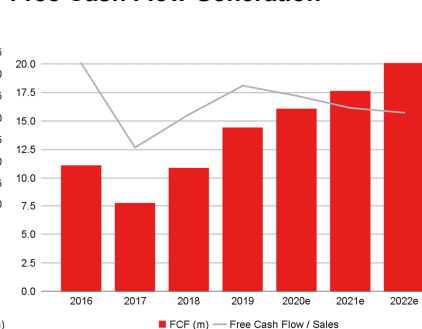
	2016	2017	2018	2019	2020e	2021e	2022e
<b>Cash Flow</b>							
FCF	11.1	7.7	10.9	14.4	16.1	17.6	20.1
Free Cash Flow / Sales	22.4 %	14.2 %	17.4 %	20.2 %	19.3 %	18.0 %	17.6 %
Free Cash Flow Potential	9.4	9.7	12.0	15.7	18.6	21.4	25.1
Free Cash Flow / Net Profit	119.8 %	83.1 %	97.5 %	106.9 %	99.9 %	96.7 %	94.5 %
Interest Received / Avg. Cash	0.9 %	0.2 %	0.4 %	2.7 %	2.6 %	2.2 %	1.9 %
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	2.3 %	2.0 %	2.7 %	1.3 %	3.6 %	4.1 %	4.4 %
Maint. Capex / Sales	0.9 %	0.8 %	0.7 %	0.6 %	0.5 %	0.4 %	0.4 %
Capex / Dep	157.8 %	148.3 %	158.8 %	28.2 %	81.6 %	93.0 %	99.4 %
Avg. Working Capital / Sales	8.1 %	7.8 %	8.3 %	8.8 %	8.6 %	8.1 %	7.9 %
Trade Debtors / Trade Creditors	720.6 %	1138.3 %	1226.3 %	840.4 %	772.7 %	738.5 %	733.3 %
Inventory Turnover	1803.3 x	4056.0 x	4131.1 x	4755.4 x	244.7 x	286.3 x	335.0 x
Receivables collection period (days)	33	34	36	39	37	36	35
Payables payment period (days)	15	10	10	16	16	17	16
Cash conversion cycle (Days)	18	24	26	24	22	21	20

## CAPEX and Cash Flow

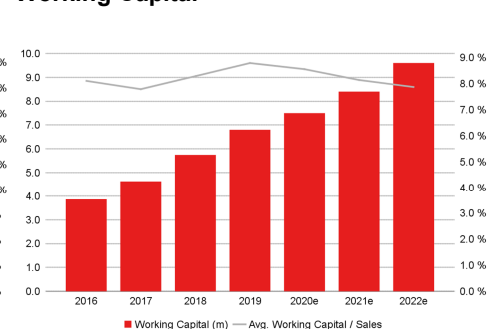
in EUR m



## 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)
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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	133	66
Hold	53	26
Sell	11	5
Rating suspended	6	3
<b>Total</b>	<b>203</b>	<b>100</b>

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

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

Rating	Number of stocks	% of Universe
Buy	34	83
Hold	5	12
Sell	0	0
Rating suspended	2	5
<b>Total</b>	<b>41</b>	<b>100</b>

## PRICE AND RATING HISTORY ATOSS AS OF 26.10.2020



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

**EQUITIES**

**Matthias Rode** +49 40 3282-2678  
Head of Equities mrode@mmwarburg.com

**RESEARCH**

**Michael Heider** +49 40 309537-280  
Head of Research mheider@warburg-research.com

**Henner Rüschemeyer** +49 40 309537-270  
Head of Research hrueschmeier@warburg-research.com

**Stefan Augustin** +49 40 309537-168  
Cap. Goods, Engineering saugustin@warburg-research.com

**Jan Bauer** +49 40 309537-155  
Renewables jbauer@warburg-research.com

**Jonas Blum** +49 40 309537-240  
Telco, Media, Construction jblum@warburg-research.com

**Christian Cohrs** +49 40 309537-175  
Industrials & Transportation ccohrs@warburg-research.com

**Felix Ellmann** +49 40 309537-120  
Software, IT fellmann@warburg-research.com

**Jörg Philipp Frey** +49 40 309537-258  
Retail, Consumer Goods jfrey@warburg-research.com

**Marius Fuhrberg** +49 40 309537-185  
Financial Services mfuhrberg@warburg-research.com

**Mustafa Hidir** +49 40 309537-230  
Automobiles, Car Suppliers mhidir@warburg-research.com

**Ulrich Huwald** +49 40 309537-255  
Health Care, Pharma uhuwald@warburg-research.com

**Philipp Kaiser** +49 40 309537-260  
Real Estate pkaiser@warburg-research.com

**Thilo Kleibauer** +49 40 309537-257  
Retail, Consumer Goods tkleibauer@warburg-research.com

**Eggert Kuls** +49 40 309537-256  
Engineering ekuls@warburg-research.com

**Andreas Pläsier** +49 40 309537-246  
Banks, Financial Services aplaesier@warburg-research.com

**Malte Schaumann** +49 40 309537-170  
Technology mschaumann@warburg-research.com

**Oliver Schwarz** +49 40 309537-250  
Chemicals, Agriculture oschwarz@warburg-research.com

**Simon Stippig** +49 40 309537-265  
Real Estate sstippig@warburg-research.com

**Cansu Tatar** +49 40 309537-248  
Cap. Goods, Engineering ctatar@warburg-research.com

**Marc-René Tonn** +49 40 309537-259  
Automobiles, Car Suppliers mtonn@warburg-research.com

**Robert-Jan van der Horst** +49 40 309537-290  
Technology rvanderhorst@warburg-research.com

**Andreas Wolf** +49 40 309537-140  
Software, IT awolf@warburg-research.com

**INSTITUTIONAL EQUITY SALES**

**Marc Niemann** +49 40 3282-2660  
Head of Equity Sales, Germany mniemann@mmwarburg.com

**Klaus Schilling** +49 40 3282-2664  
Head of Equity Sales, Germany kschilling@mmwarburg.com

**Tim Beckmann** +49 40 3282-2665  
United Kingdom tbeckmann@mmwarburg.com

**Lea Bogdanova** +49 69 5050-7411  
United Kingdom, Ireland lbogdanova@mmwarburg.com

**Jens Buchmüller** +49 69 5050-7415  
Scandinavia, Austria jbuchmueller@mmwarburg.com

**Alexander Eschweiler** +49 40 3282-2669  
Germany, Luxembourg aeschweiler@mmwarburg.com

**Matthias Fritsch** +49 40 3282-2696  
United Kingdom mfritsch@mmwarburg.com

**Maximilian Martin** +49 69 5050-7413  
Austria, Poland mmartin@mmwarburg.com

**Christopher Seedorf** +49 69 5050-7414  
Switzerland cseedorf@mmwarburg.com

**Sophie Hauer** +49 69 5050-7417  
Roadshow/Marketing shauer@mmwarburg.com

**Juliane Niemann** +49 40 3282-2694  
Roadshow/Marketing jniemann@mmwarburg.com

**SALES TRADING**

**Oliver Merckel** +49 40 3282-2634  
Head of Sales Trading omerckel@mmwarburg.com

**Elyaz Dust** +49 40 3282-2702  
Sales Trading edust@mmwarburg.com

**Michael Ilgenstein** +49 40 3282-2700  
Sales Trading milgenstein@mmwarburg.com

**Marcel Magiera** +49 40 3282-2662  
Sales Trading mmagiera@mmwarburg.com

**Bastian Quast** +49 40 3282-2701  
Sales Trading bquast@mmwarburg.com

**Jörg Treptow** +49 40 3282-2658  
Sales Trading jtreptow@mmwarburg.com

**MACRO RESEARCH**

**Carsten Klude** +49 40 3282-2572  
Macro Research cklude@mmwarburg.com

**Dr. Christian Jasperneite** +49 40 3282-2439  
Investment Strategy cjasperneite@mmwarburg.com

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**For access please contact:**

**Andrea Schaper** +49 40 3282-2632  
Sales Assistance aschaper@mmwarburg.com

**Kerstin Muthig** +49 40 3282-2703  
Sales Assistance kmuthig@mmwarburg.com