

Buy EUR 215.00 Price EUR 188.20 Upside 14.2 %	Value Indicators: EUR DCF: 215.45	Warburg ESG Risk Score: 3.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 5.0 Market Liquidity Score: 1.0	Description: ATOSS supplies software and services for the optimisation of workforce management.
	Market Snapshot: EUR m Market cap: 1,496.8 No. of shares (m): 8.0 EV: 1,458.8 Freefloat MC: 661.6 Ø Trad. Vol. (30d): 1.19 m	Shareholders: Freefloat 44.2 % Andreas Obereder 50.0 % Mainfirst 5.8 %	Key Figures (WRe): 2021e Beta: 1.0 Price / Book: 42.1 x Equity Ratio: 50 %

Full speed into the cloud

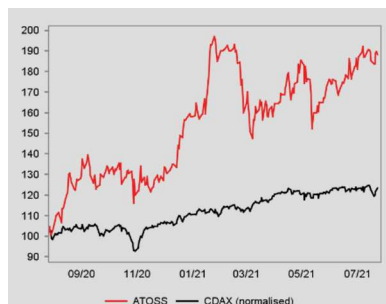
Figures Q2/2021: Figures in EUR m								Comment on Figures:							
	Q2/21	Q2/21e	Q2/20	yoy	6M/21	6M/20	yoy								
Sales	22.8	25.5	20.8	9.3%	45.7	40.6	12.5%	<ul style="list-style-type: none"> According to preliminary figures, ATOSS Software AG continued its dynamic development of the first three months in the second quarter and achieved new records in sales and earnings. The expectations (WRe) were not met, however, as the transformation towards the cloud gained significant momentum in Q2, despite a very strong sales performance in general (in terms of projects). This burdens the margin in the short term. 							
EBIT	5.8	6.5	6.4	-8.9%	12.0	11.5	3.8%								
margin	25.5%	25.5%	30.7%		26.2%	28.4%									
Net income	4.1	4.5	4.8	-14.4%	8.3	8.3	0.0%								
margin	18.1%	17.6%	23.1%		18.1%	20.3%									

In addition to the announcement of the key figures, the decisive aspect of the quarterly report is the very significant increase in the share of incoming orders for cloud & subscriptions of the total incoming orders for software to over 70% (WRe: 50-60%). In the 2020 financial year, the share of incoming cloud orders was still around 42%. ATOSS is thus showing impressive progress in the cloud transformation of its business model. The double-digit increase in Annual Recurring Revenue (ARR for short) by 74% to around EUR 18.5m (10.6m) underlines the strong sales performance in general. The proportion of recurring revenues (maintenance and cloud) of the group is now an impressive 50% (46%).

Since there is no license payment at the beginning of projects for cloud-based software solutions, the reported sales are lower in the short term. This approach pays off in the long term, since regular payments are usually more attractive in the long-term customer relationships that are typical for ATOSS. For the model (DCF, WRe), however, the high rate of incoming cloud orders means a reduction in sales and earnings expectations in the short-term period. In the long-term (DCF) the assumption is now more optimistic.

With a price target of EUR 215, the rating for the ATOSS share remains Buy.

Changes in Estimates: FY End: 31.12. in EUR m								Comment on Changes:							
	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -									
Sales	100.6	-5.1 %	117.7	-7.5 %	137.7	-7.5 %		<ul style="list-style-type: none"> For the current year and the coming years, it is now assumed that the major part of incoming orders will be in the cloud area (WRe: 80% vs. previously 50-60%). This leads to lower earnings in the short term, despite identical sales performance, since billing is in monthly instalments and no license payment is made at the beginning. This burdens the results in the period under review, but leads to higher margins (DCF) in the long term. 							
EBITDA	33.0	-8.9 %	38.6	-12.9 %	45.2	-7.5 %									
EBIT	28.6	-9.4 %	33.4	-13.7 %	39.1	-7.5 %									
EPS	2.41	-9.5 %	2.82	-13.8 %	3.30	-7.6 %									
DPS	1.81	-9.4 %	2.12	-14.2 %	2.48	-7.7 %									

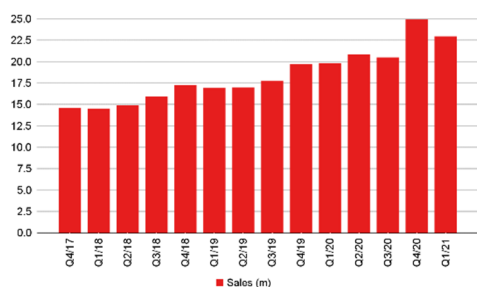


Rel. Performance vs CDAX:	
1 month:	5.6 %
6 months:	-13.3 %
Year to date:	7.4 %
Trailing 12 months:	76.2 %

Company events:	
13.08.21	Q2
25.10.21	Q3

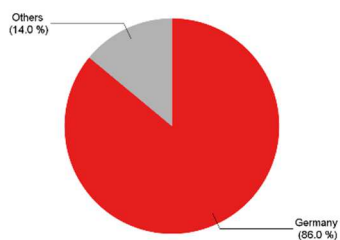
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	14.0 %	54.6	62.6	71.4	86.1	95.5	108.9	127.4
Change Sales yoy		10.2 %	14.7 %	14.0 %	20.5 %	11.0 %	14.0 %	17.0 %
Gross profit margin		70.3 %	70.5 %	70.3 %	72.4 %	70.0 %	69.3 %	71.0 %
EBITDA	12.0 %	14.9	18.0	22.5	29.8	30.1	33.6	41.8
Margin		27.2 %	28.7 %	31.5 %	34.6 %	31.5 %	30.9 %	32.8 %
EBIT	11.4 %	14.1	16.9	19.3	26.2	25.9	28.9	36.2
Margin		25.9 %	27.0 %	27.0 %	30.4 %	27.1 %	26.5 %	28.4 %
Net income	11.0 %	9.3	11.2	13.5	17.7	17.3	19.3	24.2
EPS	11.0 %	2.34	2.81	3.40	2.23	2.18	2.43	3.05
EPS adj.	11.0 %	2.34	2.81	3.40	2.23	2.18	2.43	3.05
DPS	11.1 %	1.16	4.00	2.55	1.67	1.64	1.82	2.29
Dividend Yield		3.3 %	9.5 %	4.3 %	1.6 %	0.9 %	1.0 %	1.2 %
FCF / Market cap		1.95	2.74	3.63	2.82	2.13	2.29	2.91
		5.5 %	6.5 %	6.1 %	2.7 %	1.1 %	1.2 %	1.5 %
EV / Sales		2.2 x	2.2 x	3.0 x	9.2 x	15.3 x	13.4 x	11.3 x
EV / EBITDA		8.0 x	7.7 x	9.4 x	26.6 x	48.5 x	43.2 x	34.6 x
EV / EBIT		8.4 x	8.2 x	11.0 x	30.2 x	56.4 x	50.4 x	39.9 x
P / E		15.1 x	15.0 x	17.4 x	46.6 x	86.3 x	77.4 x	61.7 x
P / E adj.		15.1 x	15.0 x	17.4 x	46.6 x	86.3 x	77.4 x	61.7 x
FCF Potential Yield		8.2 %	8.6 %	7.4 %	2.6 %	1.4 %	1.6 %	2.0 %
Net Debt		-22.3	-28.5	-23.1	-34.3	-38.0	-43.2	-51.8
ROCE (NOPAT)		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Guidance:	Sales 2021 EUR at least 95m EBIT at least 27%							

Sales development
in EUR m



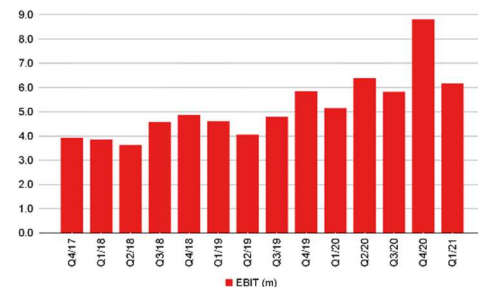
Source: Warburg Research

Sales by regions
2020; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

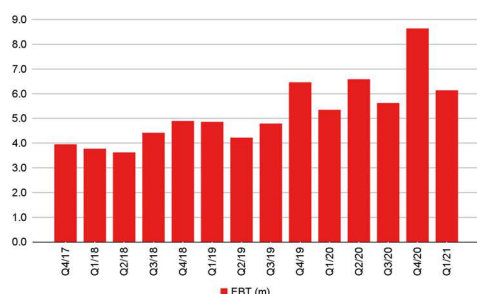
Company Background

- 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

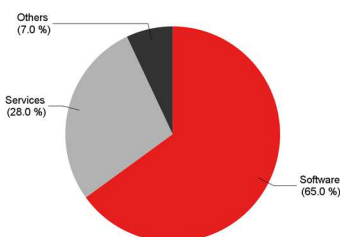
- ATOSS has a leading software product (the most modern Java technology)
- ATOSS specialises in regions and industry sectors (country-specific work conditions in the Germany, Austria, Swiss region and mapping out work processes in core industries)
- ATOSS works independently of producers (no ties to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



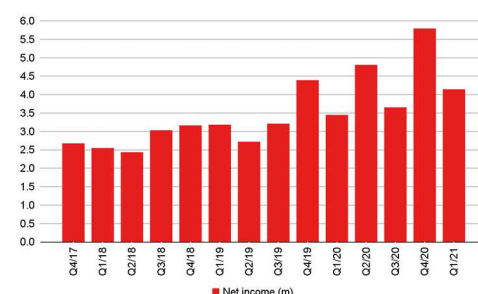
Source: Warburg Research

Sales by segments
2020; 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
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	95.5	108.9	127.4	149.0	172.9	198.8	226.6	256.1	286.8	318.4	343.9	361.1	371.9	2.5 %
Sales change	11.0 %	14.0 %	17.0 %	17.0 %	16.0 %	15.0 %	14.0 %	13.0 %	12.0 %	11.0 %	8.0 %	5.0 %	3.0 %	
EBIT	25.9	28.9	36.2	44.7	57.0	71.6	88.4	107.6	129.1	152.8	171.9	180.5	185.9	
EBIT-margin	27.1 %	26.5 %	28.4 %	30.0 %	33.0 %	36.0 %	39.0 %	42.0 %	45.0 %	48.0 %	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 %	
NOPAT	17.3	19.3	24.2	29.5	37.7	47.2	58.3	71.0	85.2	100.9	113.5	119.1	122.7	
Depreciation	4.2	4.8	5.6	6.7	7.8	8.9	10.2	11.5	12.9	14.3	15.5	16.2	16.7	
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	0.8	0.8	0.8	0.7	0.6	0.6	0.3	0.0	
Change in Liquidity from														
- Working Capital	0.6	0.9	1.7	1.5	1.6	1.6	1.6	1.5	1.5	1.3	0.7	0.1	-4.3	
- Capex	4.0	5.0	5.0	6.7	7.8	8.9	10.2	11.5	12.9	14.3	15.5	16.2	16.7	
Capex in % of Sales	4.2 %	4.6 %	3.9 %	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)	17.0	18.2	23.1	28.7	36.8	46.5	57.6	70.2	84.4	100.2	113.4	119.4	127.0	124
PV of FCF	16.6	16.6	19.8	22.9	27.4	32.4	37.5	42.8	48.1	53.3	56.3	55.4	55.1	1,195
share of PVs	3.16 %			25.68 %										71.16 %

Model parameter

Derivation of WACC:

Debt ratio	0.00 %
Cost of debt (after tax)	3.9 %
Market return	7.00 %
Risk free rate	1.50 %

WACC 7.00 %

Derivation of Beta:

Financial Strength	1.00
Liquidity (share)	1.00
Cyclicality	1.00
Transparency	1.00
Others	1.00

Beta 1.00

Valuation (m)

Present values 2033e

Terminal Value	1,195
Financial liabilities	0
Pension liabilities	7
Hybrid capital	0
Minority interest	0
Market val. of investments	0
Liquidity	41

Equity Value 1,714

No. of shares (m) 8.0

Value per share (EUR) 215.45

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
1.18	8.0 %	157.42	161.44	165.81	170.58	175.79	181.54	187.88	1.18	8.0 %	165.10	166.93	168.75	170.58	172.40	174.22	176.05
1.09	7.5 %	174.05	179.10	184.63	190.70	197.42	204.89	213.23	1.09	7.5 %	184.61	186.64	188.67	190.70	192.74	194.77	196.80
1.05	7.3 %	183.55	189.24	195.50	202.41	210.09	218.68	228.34	1.05	7.3 %	195.96	198.11	200.26	202.41	204.56	206.71	208.86
1.00	7.0 %	193.99	200.43	207.55	215.45	224.29	234.23	245.50	1.00	7.0 %	208.60	210.88	213.17	215.45	217.74	220.02	222.31
0.95	6.8 %	205.51	212.84	220.98	230.07	240.31	251.90	265.16	0.95	6.8 %	222.77	225.20	227.64	230.07	232.51	234.94	237.38
0.91	6.5 %	218.29	226.67	236.03	246.56	258.50	272.14	287.89	0.91	6.5 %	238.75	241.36	243.96	246.56	249.17	251.77	254.37
0.82	6.0 %	248.49	259.65	272.30	286.76	303.45	322.91	345.92	0.82	6.0 %	277.72	280.74	283.75	286.76	289.78	292.79	295.80

- 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	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	6.4 x	5.9 x	9.5 x	25.5 x	42.1 x	35.6 x	28.8 x
Book value per share ex intangibles	5.40	7.07	3.42	2.82	3.24	4.08	5.35
EV / Sales	2.2 x	2.2 x	3.0 x	9.2 x	15.3 x	13.4 x	11.3 x
EV / EBITDA	8.0 x	7.7 x	9.4 x	26.6 x	48.5 x	43.2 x	34.6 x
EV / EBIT	8.4 x	8.2 x	11.0 x	30.2 x	56.4 x	50.4 x	39.9 x
EV / EBIT adj.*	8.4 x	8.2 x	11.0 x	30.2 x	56.4 x	50.4 x	39.9 x
P / FCF	18.2 x	15.3 x	16.3 x	36.8 x	88.2 x	82.1 x	64.7 x
P / E	15.1 x	15.0 x	17.4 x	46.6 x	86.3 x	77.4 x	61.7 x
P / E adj.*	15.1 x	15.0 x	17.4 x	46.6 x	86.3 x	77.4 x	61.7 x
Dividend Yield	3.3 %	9.5 %	4.3 %	1.6 %	0.9 %	1.0 %	1.2 %
FCF Potential Yield (on market EV)	8.2 %	8.6 %	7.4 %	2.6 %	1.4 %	1.6 %	2.0 %
*Adjustments made for: -							

Consolidated profit and loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	54.6	62.6	71.4	86.1	95.5	108.9	127.4
Change Sales yoy	10.2 %	14.7 %	14.0 %	20.5 %	11.0 %	14.0 %	17.0 %
COGS	16.2	18.4	21.2	23.8	28.7	33.4	36.9
Gross profit	38.4	44.2	50.2	62.3	66.9	75.4	90.4
<i>Gross margin</i>	<i>70.3 %</i>	<i>70.5 %</i>	<i>70.3 %</i>	<i>72.4 %</i>	<i>70.0 %</i>	<i>69.3 %</i>	<i>71.0 %</i>
Research and development	10.3	11.2	11.9	14.4	16.5	18.7	21.7
Sales and marketing	9.7	10.9	12.9	13.9	16.2	18.5	21.7
Administration expenses	4.3	5.2	5.8	7.6	8.6	9.8	11.5
Other operating expenses	0.2	0.2	0.5	0.4	0.0	0.0	0.0
Other operating income	0.2	0.3	0.3	0.2	0.4	0.4	0.5
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	14.9	18.0	22.5	29.8	30.1	33.6	41.8
<i>Margin</i>	<i>27.2 %</i>	<i>28.7 %</i>	<i>31.5 %</i>	<i>34.6 %</i>	<i>31.5 %</i>	<i>30.9 %</i>	<i>32.8 %</i>
Depreciation of fixed assets	0.6	0.9	3.0	3.2	4.0	4.6	5.3
EBITA	14.2	17.1	19.5	26.5	26.1	29.1	36.4
Amortisation of intangible assets	0.1	0.2	0.2	0.3	0.2	0.2	0.3
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	14.1	16.9	19.3	26.2	25.9	28.9	36.2
<i>Margin</i>	<i>25.9 %</i>	<i>27.0 %</i>	<i>27.0 %</i>	<i>30.4 %</i>	<i>27.1 %</i>	<i>26.5 %</i>	<i>28.4 %</i>
EBIT adj.	14.1	16.9	19.3	26.2	25.9	28.9	36.2
Interest income	0.1	0.1	0.8	0.4	0.1	0.1	0.1
Interest expenses	0.1	0.2	0.2	0.4	0.1	0.1	0.1
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	14.1	16.8	19.9	26.2	25.9	28.9	36.2
<i>Margin</i>	<i>25.7 %</i>	<i>26.8 %</i>	<i>27.9 %</i>	<i>30.4 %</i>	<i>27.1 %</i>	<i>26.5 %</i>	<i>28.4 %</i>
Total taxes	4.7	5.6	6.4	8.5	8.5	9.5	11.9
Net income from continuing operations	9.3	11.2	13.5	17.7	17.3	19.3	24.2
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	9.3	11.2	13.5	17.7	17.3	19.3	24.2
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	9.3	11.2	13.5	17.7	17.3	19.3	24.2
<i>Margin</i>	<i>17.1 %</i>	<i>17.9 %</i>	<i>18.9 %</i>	<i>20.6 %</i>	<i>18.2 %</i>	<i>17.8 %</i>	<i>19.0 %</i>
Number of shares, average	4.0	4.0	4.0	8.0	8.0	8.0	8.0
EPS	2.34	2.81	3.40	2.23	2.18	2.43	3.05
EPS adj.	2.34	2.81	3.40	2.23	2.18	2.43	3.05

*Adjustments made for:

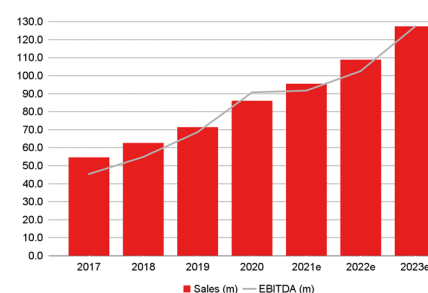
Guidance: Sales 2021 EUR at least 95m EBIT at least 27%

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	44.4 %	43.5 %	43.2 %	42.0 %	42.9 %	42.8 %	42.6 %
Operating Leverage	0.4 x	1.3 x	1.0 x	1.7 x	-0.1 x	0.8 x	1.5 x
EBITDA / Interest expenses	122.0 x	72.1 x	100.5 x	75.9 x	300.8 x	336.4 x	417.8 x
Tax rate (EBT)	33.6 %	33.3 %	32.1 %	32.4 %	33.0 %	33.0 %	33.0 %
Dividend Payout Ratio	49.4 %	142.1 %	75.0 %	75.0 %	75.2 %	74.9 %	75.1 %
Sales per Employee	161,023	175,832	190,943	219,198	231,678	251,536	280,283

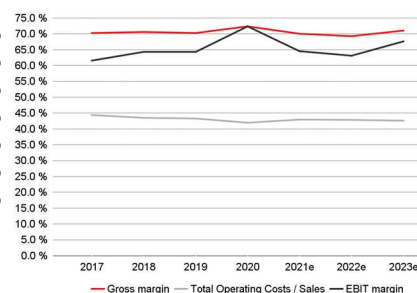
Sales, EBITDA

in EUR m

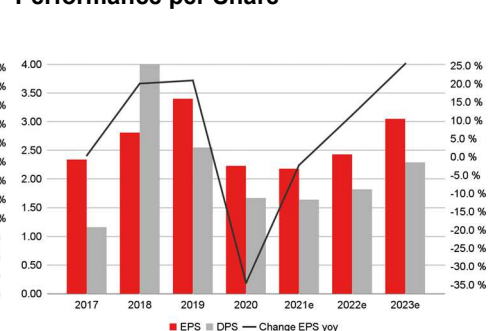


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

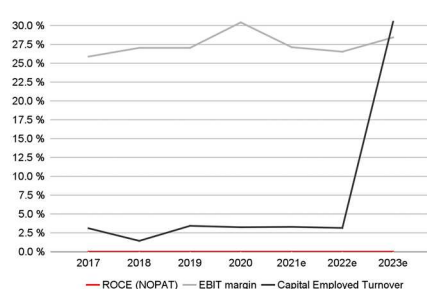
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	0.4	0.4	11.2	10.0	9.8	9.6	9.3
thereof other intangible assets	0.4	0.4	11.2	10.0	9.8	9.6	9.3
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	3.7	4.3	4.1	3.8	3.8	4.2	3.8
Financial assets	0.5	0.5	1.3	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
Fixed assets	4.6	5.2	16.6	15.0	14.8	15.0	14.4
Inventories	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Accounts receivable	5.1	6.3	7.7	8.9	9.4	10.4	12.2
Liquid assets	27.1	33.3	29.7	41.1	44.8	50.0	58.7
Other short-term assets	1.8	2.4	4.1	3.0	2.3	2.5	2.7
Current assets	34.0	42.0	41.6	53.0	56.6	63.0	73.7
Total Assets	38.5	47.2	58.1	68.0	71.4	78.0	88.1
Liabilities and shareholders' equity							
Subscribed capital	4.0	4.0	4.0	8.0	8.0	8.0	8.0
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	18.5	25.2	21.5	25.1	28.3	34.7	44.6
Shareholders' equity	21.8	28.5	24.8	32.4	35.6	42.0	51.9
Minority interest	0.0	0.0	0.1	-0.1	-0.1	-0.1	-0.1
Total equity	21.8	28.5	24.9	32.3	35.5	42.0	51.8
Provisions	5.0	4.9	7.3	8.6	8.7	8.8	8.9
thereof provisions for pensions and similar obligations	4.8	4.8	6.6	6.8	6.8	6.8	6.8
Financial liabilities (total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.4	0.5	0.9	0.5	0.6	0.7	0.8
Other liabilities	11.3	13.3	25.1	26.6	26.6	26.6	26.6
Liabilities	16.7	18.7	33.3	35.7	35.9	36.1	36.3
Total liabilities and shareholders' equity	38.5	47.2	58.1	68.0	71.4	78.0	88.1

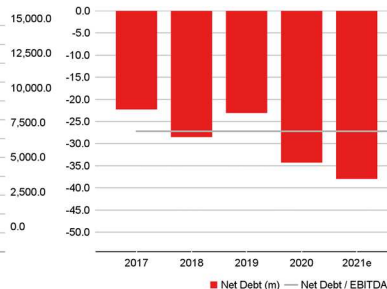
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	6.6 x	6.2 x	6.6 x	7.1 x	7.5 x	7.8 x	8.3 x
Capital Employed Turnover	-115.7 x	-1024.3 x	39.7 x	-43.7 x	-38.3 x	-91.7 x	14762.6 x
ROA	204.6 %	216.2 %	81.5 %	117.8 %	117.0 %	128.6 %	168.0 %
Return on Capital							
ROCE (NOPAT)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ROE	48.1 %	44.4 %	50.7 %	61.9 %	51.0 %	49.8 %	51.6 %
Adj. ROE	48.1 %	44.4 %	50.7 %	61.9 %	51.0 %	49.8 %	51.6 %
Balance sheet quality							
Net Debt	-22.3	-28.5	-23.1	-34.3	-38.0	-43.2	-51.8
Net Financial Debt	-27.1	-33.3	-29.7	-41.1	-44.8	-50.0	-58.7
Net Gearing	-102.2 %	-100.2 %	-92.8 %	-106.1 %	-107.0 %	-102.8 %	-100.0 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	5.5	7.2	6.2	4.1	4.5	5.3	6.5
Book value per share ex intangibles	5.4	7.1	3.4	2.8	3.2	4.1	5.4

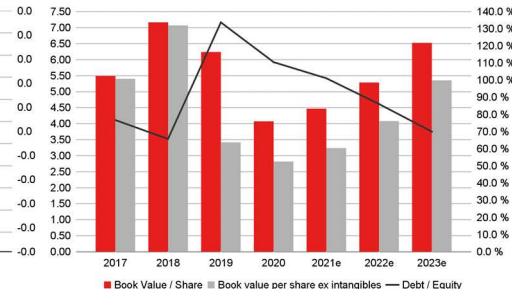
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

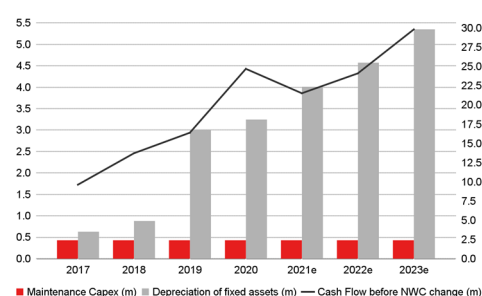
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	9.3	11.2	13.5	17.7	17.3	19.3	24.2
Depreciation of fixed assets	0.6	0.9	3.0	3.2	4.0	4.6	5.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.1	0.2	0.2	0.3	0.2	0.2	0.3
Increase/decrease in long-term provisions	-0.1	0.0	1.9	0.2	0.0	0.0	0.0
Other non-cash income and expenses	-0.4	1.5	-2.2	3.2	0.0	0.0	0.0
Cash Flow before NWC change	9.6	13.7	16.4	24.7	21.5	24.1	29.8
Increase / decrease in inventory	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
Increase / decrease in accounts receivable	-0.6	-1.2	-1.5	-1.1	-0.5	-1.0	-1.8
Increase / decrease in accounts payable	-0.2	0.1	0.4	-0.4	0.1	0.1	0.1
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	-0.8	-1.1	-1.1	-1.5	-0.6	-0.9	-1.7
Net cash provided by operating activities [1]	8.9	12.6	15.3	23.2	21.0	23.2	28.1
Investments in intangible assets	-0.1	-0.2	0.0	0.0	0.0	0.0	0.0
Investments in property, plant and equipment	-1.0	-1.5	-0.9	-0.7	-4.0	-5.0	-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	-3.9	0.0	0.0	0.0
Income from asset disposals	-2.5	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-3.6	-1.7	-0.9	-4.6	-4.0	-5.0	-5.0
Change in financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-4.6	-4.7	-15.9	-10.1	-13.3	-13.0	-14.5
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	-2.2	-2.6	0.0	0.0	0.0
Net cash provided by financing activities [3]	-4.6	-4.7	-18.1	-12.7	-13.3	-13.0	-14.5
Change in liquid funds [1]+[2]+[3]	0.7	6.2	-3.7	5.9	3.7	5.2	8.7
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	24.9	33.4	29.6	23.4	44.8	50.0	58.7

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	7.7	10.9	14.4	22.4	17.0	18.2	23.1
Free Cash Flow / Sales	14.2 %	17.4 %	20.2 %	26.1 %	17.8 %	16.7 %	18.2 %
Free Cash Flow Potential	9.7	12.0	15.7	20.8	21.1	23.7	29.4
Free Cash Flow / Net Profit	83.1 %	97.5 %	106.9 %	126.8 %	97.9 %	94.3 %	95.5 %
Interest Received / Avg. Cash	0.2 %	0.4 %	2.7 %	1.2 %	0.2 %	0.2 %	0.2 %
Interest Paid / Avg. Debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Management of Funds							
Investment ratio	2.0 %	2.7 %	1.3 %	0.8 %	4.2 %	4.6 %	3.9 %
Maint. Capex / Sales	0.8 %	0.7 %	0.6 %	0.5 %	0.5 %	0.4 %	0.3 %
Capex / Dep	148.3 %	158.8 %	28.2 %	20.3 %	95.2 %	104.4 %	89.2 %
Avg. Working Capital / Sales	7.8 %	8.3 %	8.8 %	8.8 %	9.0 %	8.6 %	8.4 %
Trade Debtors / Trade Creditors	1138.3 %	1226.3 %	840.4 %	1647.0 %	1566.7 %	1485.7 %	1525.0 %
Inventory Turnover	4056.0 x	4131.1 x	4755.4 x	5327.7 x	286.5 x	334.2 x	369.4 x
Receivables collection period (days)	34	36	39	38	36	35	35
Payables payment period (days)	10	10	16	8	8	8	8
Cash conversion cycle (Days)	24	26	24	29	30	28	28

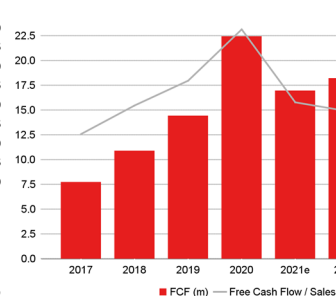
CAPEX and Cash Flow

in EUR m



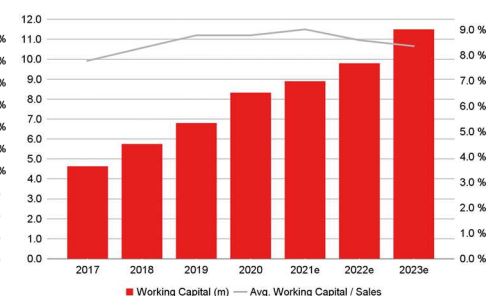
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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

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-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.

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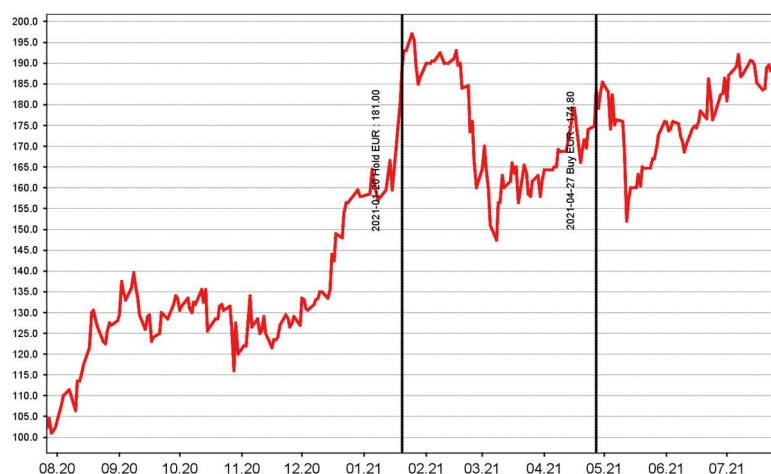
Rating	Number of stocks	% of Universe
Buy	152	71
Hold	54	25
Sell	5	2
Rating suspended	2	1
Total	213	100

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	42	82
Hold	7	14
Sell	0	0
Rating suspended	2	4
Total	51	100

PRICE AND RATING HISTORY ATOSS AS OF 26.07.2021



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