

Buy (old: Buy)

Price target: EUR 14.70 (old: EUR 16.50)

Price:	EUR 13.05	Next result:	Q3 14: 21.11.14
Bloomberg:	OSP2 GR	Market cap:	EUR 137.3 m
Reuters:	OSPGk.DE	Enterprise Value:	EUR 122.0 m

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Prel. Q3 results out: 2014 guidance adjusted – est. & PT

USU Software (USU) reported unscheduled preliminary Q3 results (see next page) which were below our estimates. The final set of numbers will be released on November 21st. Furthermore, company reduced its FY 14 guidance; we reduce our estimates and PT but reiterate our BUY rating.

In Q3, **USU's sales remained flat yoy at € 13.9m (eH&A € 15.8m)** which was mainly due to postponements of projects by German companies in the home loan bank and insurance company sector. Furthermore, the Consulting business should have kept declining as scheduled (eH&A -5% yoy). The USA developed very positively with sales increasing by 63% yoy to € 3.6m which accounts for 25% of group sales (Q3 13: € 2.2m). We expect this trend to continue thanks to the sound product quality and the huge market potential in the US.

Q3 adj. EBIT increased strongly by 51% yoy to € 1.6m, which however is still below our expectation (eH&A € 2.3m) mainly due to the shortfall in sales. The improvement in adj. EBIT comes on the back of a higher utilisation rate of its downsized consulting team, in our view.

To reflect the weaker than expected Q3 results and to take a more conservative view on the roll out of the new software solutions, we lower our sales estimates by 8% which results in a disproportionately cut in earnings estimates.

On the back of the soft Q3 results, the company reduced its 2014 guidance for sales to be around € 60m (old: € 63 – 65m / eH&A € 59m) and an adj. EBIT to be in the range of € 7 – 7.5m (old: € 8 – 8.5m / eH&A € 7.1m). Given that larger orders seem to be postponed into 2015, we are confident to see the company returning to growth in 2015.

Even on our lowered estimates the current valuation looks undemanding, hence offering a good entry point for investors. **USU remains a BUY with a new PT of € 14.70** (old € 16.50) based on FCFY 16E.

- continued -



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	15.52 / 9.25
Price/Book Ratio:	2.2
Relative performance (SDAX):	
3 months	3.3 %
6 months	10.7 %
12 months	33.1 %

Changes in estimates

		Sales	EBIT	EPS
2014	<i>old:</i>	64.2	7.0	0.77
	Δ	-8.1%	-17.7%	-14.5%
2015	<i>old:</i>	75.0	10.4	1.08
	Δ	-8.1%	-10.9%	-9.5%
2016	<i>old:</i>	86.3	12.5	1.14
	Δ	-8.1%	-10.7%	-10.6%

Key share data:

Number of shares: (in m pcs)	10.5
Authorised capital: (in € m)	0.0
Book value per share: (in €)	6.0
Ø trading volume: (12 months)	6,300

Major shareholders:

Udo Strehl	52.4 %
Free Float	31.0 %
Peter Scheufler	10.0 %
Former owner of Aspera	4.8 %
USU Board (excl. Udo Strehl)	1.9 %

Company description:

USU develops and distributes IT software and service solutions to more than 500 customers.

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	38.0	45.6	51.2	55.7	59.0	69.0	79.3
Sales growth	12 %	20 %	12 %	9 %	6 %	17 %	15 %
EBITDA	4.6	6.7	5.3	5.5	7.6	11.3	13.4
EBIT	2.6	4.6	3.5	3.4	5.8	9.3	11.1
Net income	2.3	3.6	4.8	3.6	5.7	8.9	10.8
Net debt	-11.1	-17.6	-11.4	-14.2	-16.5	-14.4	-18.1
Net gearing	-22.8 %	-35.3 %	-21.8 %	-26.7 %	-26.3 %	-23.0 %	-26.3 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.38	0.51	0.69	0.49	0.66	0.97	1.02
CPS	0.04	0.70	0.37	0.74	0.48	0.61	0.78
DPS	0.20	0.20	0.25	0.25	0.25	0.40	0.46
Dividend yield	1.5 %	1.5 %	1.9 %	1.9 %	1.9 %	3.1 %	3.5 %
Gross profit margin	50.9 %	50.8 %	49.3 %	51.7 %	52.0 %	52.0 %	52.0 %
EBITDA margin	12.1 %	14.7 %	10.3 %	9.9 %	12.8 %	16.3 %	17.0 %
EBIT margin	6.8 %	10.2 %	6.9 %	6.1 %	9.8 %	13.4 %	14.1 %
ROCE	5.4 %	9.1 %	6.5 %	6.1 %	9.4 %	14.0 %	16.0 %
EV/sales	3.2	2.6	2.5	2.2	2.1	1.8	1.5
EV/EBITDA	26.8	17.9	24.1	22.6	16.1	11.0	9.0
EV/EBIT	47.8	25.9	36.0	36.4	21.1	13.4	10.8
PER	34.6	25.8	19.0	26.6	19.8	13.4	12.8
Adjusted FCF yield	1.8 %	3.1 %	3.8 %	3.2 %	4.3 %	6.9 %	8.6 %

Source: Company data, Hauck & Aufhäuser Close price as of: 18.11.2014

USU Software AG

USU Software AG	Q3 2014	Q3 2014 est	Q3 2013	yoy	Q2 2014	qoq	9M 2014	9M 2014 est	9M 2013
Total Sales	13.9	15.8	13.8	0.7%	14.3	-2.7%	41.5	43.4	38.4
adj. EBIT	1.6	2.3	1.1	51.5%	1.5	6.9%	3.6	5.9	1.3
<i>adjusted EBIT margin</i>	<i>11.6%</i>	<i>14.6%</i>	<i>7.7%</i>	<i>+ 3.9 pp</i>	<i>10.6%</i>	<i>+ 1.1 pp</i>	<i>8.7%</i>	<i>13.6%</i>	<i>3.4%</i>
EPS	0.13	0.21	0.05	157.7%	0.10	36.6%	0.22	0.30	0.00

Source: Company data; Hauck & Aufhäuser estimates

Financials

Profit and loss (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	38.0	45.6	51.2	55.7	59.0	69.0	79.3
<i>Sales growth</i>	11.7 %	19.9 %	12.4 %	8.8 %	5.9 %	16.9 %	15.0 %
Cost of sales	18.7	22.4	26.0	26.9	28.3	33.1	38.1
Gross profit	19.4	23.2	25.2	28.8	30.7	35.9	41.2
Sales and marketing	6.3	6.2	6.9	9.1	10.0	10.7	12.3
General and administration	2.7	4.3	4.6	5.9	5.4	5.7	6.3
Research and development	6.0	6.5	7.2	9.4	8.9	9.7	10.9
Other operating income	0.2	0.3	0.4	0.6	0.6	0.8	0.8
Other operating expenses	0.3	0.3	2.2	0.2	0.2	0.3	0.3
Unusual or infrequent items	-1.1	-1.6	-1.1	-1.4	-1.0	-1.0	-1.2
EBITDA	4.6	6.7	5.3	5.5	7.6	11.3	13.4
Depreciation	0.3	0.4	0.5	0.6	0.0	0.0	0.0
EBITA	4.3	6.3	4.8	4.9	7.6	11.3	13.4
Amortisation of goodwill	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.2	1.7	1.2	1.5	1.8	2.0	2.3
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	2.6	4.6	3.5	3.4	5.8	9.3	11.1
Interest income	0.3	0.3	0.3	0.1	0.2	0.1	0.2
Interest expenses	0.2	0.4	0.3	0.6	0.0	0.0	0.0
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	0.1	-0.1	-0.1	-0.5	0.2	0.1	0.2
Recurring pretax income from continuing operations	2.7	4.5	3.4	2.9	6.0	9.4	11.3
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	2.7	4.5	3.4	2.9	6.0	9.4	11.3
Taxes	0.4	1.0	-1.4	-0.8	0.3	0.5	0.6
Net income from continuing operations	2.3	3.5	4.8	3.6	5.7	8.9	10.8
Result from discontinued operations (net of tax)	1.5	1.8	2.4	1.5	1.3	1.3	0.0
Net income	2.3	3.5	4.8	3.6	5.7	8.9	10.8
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (net of minority interest)	2.3	3.6	4.8	3.6	5.7	8.9	10.8
Average number of shares	10.3	10.5	10.5	10.5	10.5	10.5	10.5
EPS reported	0.23	0.34	0.46	0.35	0.54	0.85	1.02

Profit and loss (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	49.1 %	49.2 %	50.7 %	48.3 %	48.0 %	48.0 %	48.0 %
Gross profit	50.9 %	50.8 %	49.3 %	51.7 %	52.0 %	52.0 %	52.0 %
Sales and marketing	16.7 %	13.5 %	13.5 %	16.3 %	17.0 %	15.5 %	15.5 %
General and administration	7.1 %	9.4 %	9.1 %	10.5 %	9.2 %	8.3 %	7.9 %
Research and development	15.8 %	14.2 %	14.1 %	16.9 %	15.0 %	14.0 %	13.7 %
Other operating income	0.6 %	0.6 %	0.8 %	1.1 %	1.1 %	1.1 %	1.0 %
Other operating expenses	0.9 %	0.7 %	4.3 %	0.4 %	0.4 %	0.4 %	0.3 %
Unusual or infrequent items	-3.0 %	-3.4 %	-2.2 %	-2.4 %	-1.7 %	-1.5 %	-1.5 %
EBITDA	12.1 %	14.7 %	10.3 %	9.9 %	12.8 %	16.3 %	17.0 %
Depreciation	0.8 %	0.9 %	1.0 %	1.1 %	0.0 %	0.0 %	0.0 %
EBITA	11.3 %	13.8 %	9.3 %	8.8 %	12.8 %	16.3 %	17.0 %
Amortisation of goodwill	1.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	3.3 %	3.6 %	2.4 %	2.6 %	3.0 %	2.9 %	2.9 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	6.8 %	10.2 %	6.9 %	6.1 %	9.8 %	13.4 %	14.1 %
Interest income	0.9 %	0.6 %	0.5 %	0.2 %	0.3 %	0.2 %	0.2 %
Interest expenses	0.6 %	0.9 %	0.7 %	1.2 %	0.0 %	0.0 %	0.0 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	0.3 %	-0.3 %	-0.2 %	-1.0 %	0.3 %	0.2 %	0.2 %
Recurring pretax income from continuing operations	7.1 %	9.9 %	6.7 %	5.2 %	10.1 %	13.7 %	14.3 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	7.1 %	9.9 %	6.7 %	5.2 %	10.1 %	13.7 %	14.3 %
Tax rate	13.4 %	21.3 %	-40.2 %	-27.0 %	5.0 %	5.0 %	5.0 %
Net income from continuing operations	6.2 %	7.8 %	9.4 %	6.5 %	9.6 %	13.0 %	13.6 %
Result from discontinued operations (net of tax)	4.0 %	3.9 %	4.7 %	2.7 %	2.2 %	1.9 %	0.0 %
Net income	6.2 %	7.8 %	9.4 %	6.5 %	9.6 %	13.0 %	13.6 %
Minority interest	0.0 %	-0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	6.2 %	7.8 %	9.4 %	6.5 %	9.6 %	13.0 %	13.6 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	41.1	39.2	38.0	42.7	42.7	48.5	48.4
Property, plant and equipment	0.9	1.0	1.2	2.1	2.3	2.5	2.8
Financial assets	0.8	0.1	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	42.8	40.3	39.2	44.9	45.0	51.0	51.2
Inventories	2.3	2.2	3.1	3.9	3.9	4.6	5.3
Accounts receivable	7.7	6.2	7.9	12.2	12.9	15.1	17.4
Other current assets	0.8	1.4	1.2	1.1	1.1	1.1	1.1
Liquid assets	11.1	17.6	11.4	14.2	16.5	14.4	18.1
Deferred taxes	2.0	1.8	3.2	4.1	4.1	4.1	4.1
Deferred charges and prepaid expenses	0.3	0.5	0.6	1.1	1.1	1.1	1.1
CURRENT ASSETS	24.1	29.8	27.5	36.6	39.6	40.3	47.0
TOTAL ASSETS	66.9	70.1	66.7	81.4	84.6	91.3	98.3
SHAREHOLDERS EQUITY	48.5	49.9	52.3	53.3	62.9	62.5	69.0
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.4	0.5	1.0	1.1	1.1	1.2	1.3
Other provisions	0.6	2.5	2.4	2.6	2.6	2.6	2.6
Non-current liabilities	1.0	3.0	3.4	3.7	3.8	3.8	3.9
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	1.2	1.3	1.7	1.7	1.8	2.1	2.5
Advance payments received on orders	0.6	1.9	2.5	11.2	7.0	7.0	7.0
Other liabilities (incl. from lease and rental contracts)	12.5	10.9	4.5	7.4	5.0	11.8	11.8
Deferred taxes	1.4	1.1	0.0	0.9	0.9	0.9	0.9
Deferred income	1.7	2.0	2.4	3.2	3.2	3.2	3.2
Current liabilities	17.4	17.2	11.1	24.5	18.0	25.1	25.4
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	66.9	70.1	66.7	81.4	84.6	91.3	98.3

Balance sheet (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	61.5 %	55.9 %	57.0 %	52.5 %	50.4 %	53.1 %	49.3 %
Property, plant and equipment	1.3 %	1.4 %	1.8 %	2.6 %	2.7 %	2.7 %	2.8 %
Financial assets	1.2 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	64.0 %	57.5 %	58.8 %	55.1 %	53.2 %	55.8 %	52.1 %
Inventories	3.4 %	3.1 %	4.7 %	4.8 %	4.6 %	5.0 %	5.4 %
Accounts receivable	11.4 %	8.8 %	11.9 %	15.0 %	15.3 %	16.5 %	17.7 %
Other current assets	1.2 %	2.0 %	1.8 %	1.3 %	1.3 %	1.2 %	1.1 %
Liquid assets	16.5 %	25.2 %	17.1 %	17.5 %	19.5 %	15.8 %	18.5 %
Deferred taxes	3.0 %	2.6 %	4.8 %	5.0 %	4.8 %	4.5 %	4.2 %
Deferred charges and prepaid expenses	0.4 %	0.7 %	0.9 %	1.3 %	1.3 %	1.2 %	1.1 %
CURRENT ASSETS	36.0 %	42.5 %	41.2 %	44.9 %	46.8 %	44.2 %	47.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	72.5 %	71.2 %	78.4 %	65.4 %	74.4 %	68.4 %	70.3 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	-0.1 %	-0.1 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	0.6 %	0.7 %	1.5 %	1.3 %	1.4 %	1.3 %	1.3 %
Other provisions	0.9 %	3.5 %	3.6 %	3.2 %	3.1 %	2.9 %	2.7 %
Non-current liabilities	1.6 %	4.2 %	5.0 %	4.5 %	4.4 %	4.2 %	3.9 %
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	1.9 %	1.9 %	2.5 %	2.1 %	2.2 %	2.3 %	2.5 %
Advance payments received on orders	0.9 %	2.7 %	3.7 %	13.8 %	8.3 %	7.7 %	7.1 %
Other liabilities (incl. from lease and rental contracts)	18.6 %	15.5 %	6.7 %	9.1 %	5.9 %	12.9 %	12.0 %
Deferred taxes	2.1 %	1.6 %	0.0 %	1.1 %	1.1 %	1.0 %	0.9 %
Deferred income	2.5 %	2.8 %	3.6 %	4.0 %	3.8 %	3.5 %	3.3 %
Current liabilities	26.0 %	24.5 %	16.6 %	30.1 %	21.2 %	27.5 %	25.8 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Net profit/loss	2.3	3.5	4.8	3.6	5.7	8.9	10.8
Depreciation of fixed assets (incl. leases)	0.3	0.4	0.5	0.6	0.0	0.0	0.0
Amortisation of goodwill	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.2	1.7	1.2	1.5	1.8	2.0	2.3
Others	-0.2	0.7	-1.7	-0.7	0.1	0.1	0.1
Cash flow from operations before changes in w/c	4.2	6.3	4.8	5.0	7.5	11.0	13.1
Increase/decrease in inventory	0.0	-0.2	0.2	0.0	0.0	-0.7	-0.7
Increase/decrease in accounts receivable	-2.4	1.6	-1.3	-2.8	-0.7	-2.2	-2.3
Increase/decrease in accounts payable	0.5	0.0	0.4	0.1	0.1	0.3	0.3
Increase/decrease in other working capital positions	0.2	1.7	1.5	7.6	0.0	0.0	0.0
Increase/decrease in working capital	-1.8	3.1	0.8	4.8	-0.7	-2.5	-2.6
Cash flow from operating activities	2.4	9.4	5.6	9.9	6.8	8.5	10.5
CAPEX	0.5	0.8	0.8	1.5	1.9	2.2	2.5
Payments for acquisitions	0.3	0.4	0.0	2.8	0.0	5.8	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	1.5	0.4	0.6	0.0	0.0	0.0	0.0
Cash flow from investing activities	0.8	-0.8	-0.2	-4.3	-1.9	-8.0	-2.5
Cash flow before financing	3.2	8.7	5.4	5.6	4.9	0.5	7.9
Increase/decrease in debt position	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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
Dividends paid	1.5	2.1	2.1	2.6	2.6	2.6	4.2
Others	0.0	0.0	-9.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Cash flow from financing activities	-1.5	-2.1	-11.1	-2.6	-2.6	-2.6	-4.2
Increase/decrease in liquid assets	1.7	6.6	-5.7	2.8	2.3	-2.1	3.7
Liquid assets at end of period	10.6	17.1	11.4	14.2	16.5	14.4	18.1

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Domestic	34.6	40.2	42.1	47.0	45.1	51.7	59.5
yoy change	10.9 %	16.1 %	4.7 %	11.7 %	-3.9 %	14.6 %	15.0 %
Rest of Europe	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NAFTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	3.4	5.4	9.2	8.7	13.9	17.2	19.8
yoy change	19.7 %	58.6 %	69.0 %	-4.7 %	58.7 %	24.3 %	15.0 %
TTL	38.0	45.6	51.2	55.7	59.0	69.0	79.3
yoy change	11.7 %	19.9 %	12.4 %	8.8 %	5.9 %	16.9 %	15.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
P&L growth analysis							
Sales growth	11.7 %	19.9 %	12.4 %	8.8 %	5.9 %	16.9 %	15.0 %
EBITDA growth	81.2 %	45.2 %	-21.4 %	4.3 %	37.6 %	49.2 %	19.2 %
EBIT growth	470.0 %	79.9 %	-24.0 %	-3.4 %	69.7 %	60.3 %	20.2 %
EPS growth	48.2 %	48.3 %	34.6 %	-24.1 %	55.0 %	58.3 %	20.3 %
Efficiency							
Total operating costs / sales	39.9 %	37.2 %	40.2 %	43.1 %	40.5 %	37.1 %	36.5 %
Sales per employee	129.8	147.6	154.3	127.5	128.8	146.4	163.7
EBITDA per employee	15.7	21.7	15.9	12.6	16.5	23.9	27.7
Balance sheet analysis							
Avg. working capital / sales	20.1 %	14.6 %	11.8 %	9.0 %	9.5 %	13.5 %	15.0 %
Inventory turnover (sales/inventory)	16.6	20.8	16.3	14.3	15.0	15.0	15.0
Trade debtors in days of sales	73.5	49.5	56.6	79.9	79.9	79.9	79.9
A/P turnover [(A/P*365)/sales]	24.4	21.2	23.7	23.6	23.6	23.6	23.6
Cash conversion cycle (days)	93.8	64.0	76.9	109.2	107.0	107.0	107.0
Cash flow analysis							
Free cash flow	1.9	8.7	4.8	8.3	4.9	6.3	7.9
Free cash flow/sales	5.1 %	19.0 %	9.4 %	14.9 %	8.4 %	9.1 %	10.0 %
FCF / net profit	82.4 %	242.8 %	99.9 %	227.9 %	87.2 %	70.0 %	73.9 %
Capex / depre	24.6 %	37.3 %	45.8 %	74.3 %	106.7 %	110.3 %	110.3 %
Capex / maintenance capex	21.8 %	27.1 %	40.9 %	56.6 %	10.7 %	11.0 %	11.0 %
Capex / sales	1.3 %	1.7 %	1.6 %	2.8 %	3.2 %	3.2 %	3.2 %
Security							
Net debt	-11.1	-17.6	-11.4	-14.2	-16.5	-14.4	-18.1
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.2	-0.4	-0.2	-0.3	-0.3	-0.2	-0.3
Interest cover	12.1	11.0	10.2	5.3	999.0	999.0	999.0
Dividend payout ratio	87.5 %	59.0 %	54.8 %	72.2 %	46.0 %	47.0 %	45.0 %
Asset utilisation							
Capital employed turnover	0.8	0.9	0.9	1.0	0.9	1.0	1.1
Operating assets turnover	4.2	7.3	6.3	10.6	5.7	5.3	5.0
Plant turnover	43.3	45.3	42.9	26.5	25.8	27.5	28.7
Inventory turnover (sales/inventory)	16.6	20.8	16.3	14.3	15.0	15.0	15.0
Returns							
ROCE	5.4 %	9.1 %	6.5 %	6.1 %	9.4 %	14.0 %	16.0 %
ROE	4.8 %	7.1 %	9.2 %	6.8 %	9.0 %	14.3 %	15.6 %
Other							
Interest paid / avg. debt	n/a	n/a	n/a	n/a	n/a	n/a	n/a
No. employees (average)	293	309	332	437	458	471	485
Number of shares	10.3	10.5	10.5	10.5	10.5	10.5	10.5
DPS	0.2	0.2	0.3	0.3	0.2	0.4	0.5
EPS reported	0.23	0.34	0.46	0.35	0.54	0.85	1.02
Valuation ratios							
P/BV	2.8	2.8	2.6	2.6	2.2	2.2	2.0
EV/sales	3.2	2.6	2.5	2.2	2.1	1.8	1.5
EV/EBITDA	26.8	17.9	24.1	22.6	16.1	11.0	9.0
EV/EBITA	28.7	19.1	26.6	25.4	16.1	11.0	9.0
EV/EBIT	47.8	25.9	36.0	36.4	21.1	13.4	10.8
EV/FCF	63.8	13.9	26.5	14.9	24.7	19.8	15.2
Adjusted FCF yield	1.8 %	3.1 %	3.8 %	3.2 %	4.3 %	6.9 %	8.6 %
Dividend yield	1.5 %	1.5 %	1.9 %	1.9 %	1.9 %	3.1 %	3.5 %

Source: Company data, Hauck & Aufhäuser

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Historical target price and rating changes for USU Software AG in the last 12 months

Price and Rating History
USU Software AG as of 19/11/14

Initiation coverage
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