



Buy (old: Buy)

Price target: EUR 10.50 (old: EUR 11.00)

Price:	EUR 8.38	Next result:	Q3 13 11.11.13
Bloomberg:	OSP2 GR	Market cap:	EUR 88.1 m
Reuters:	OSPGK.DE	Enterprise Value:	EUR 82.0 m

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Prel. Q3 out: 2013 to be a transition year – est. & PT adj.

USU Software (USU) reported unscheduled preliminary Q3 results (see next page) which were below our estimates; company adjusted its FY 13 guidance; we adjust our estimates and PT but reiterate to Buy the stock.

In Q3, USU was able to increase sales by 15% yoy to € 13.8m which was mainly driven by a strong **license sales business** (est. +20% yoy) and provides a positive indication for future maintenance revenues. First contributions from its acquisition BIG Social Media of estimated € 0.9m and from its US activities esp. from its partner CA Technologies (USA) of estimated € 2-2.5m (est. +80% yoy) supported this growth.

Beside this solid growth, its **Consulting Business** surprisingly continued to struggle with Q3 sales down 6% yoy to € 3.4m as contracts with third-parties could not be renewed. This weak performance looks set to continue throughout Q4.

Consequently, a low expected consultant utilisation rate, investments into employees (+40 FTE yoy at BIG) and in new product innovations **weigh on group adj. Q3 EBIT** which declined by 30% yoy to € 1.1m. This also triggered down to the adj. Q3 EPS which came in at € 0.1 (Q3 12: € 0.15) vs. our estimates of € 0.14.

Undergoing these structural investments along with a weak consulting business, we see 2013 as a transition year for the company. The strong Q3 license growth (esp. in the USA with +80% yoy) well underpins our opinion and we are optimistic for solid top and bottom line growth from 2014 onwards.

To reflect the weaker than expected Q3 results and to take a more conservative view on the roll out of new businesses, we lower our sales estimates by 3% which results in a disproportionately cut in earnings estimates. Backed by the soft Q3 results, the company reduced its 2013 guidance to 'at least' € 56m in sales (previously: € 58m) and an adj. EBIT of 'more than' € 5m (previously: € 8m). Seeing first traction of its new businesses in Q3, the company is optimistic to return to growth in 2014.

The current valuation level offers a good entry point for long-term investors, in our view. To take the transition phase into account we roll over valuation to 2014/15E from 2014E. **USU remains a BUY with a new PT of € 10.50** (previously: € 11.00) based on FCFY 14/15E.

Y/E 31.12 (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Sales	34.0	38.0	45.6	51.2	56.1	64.5	75.3
Sales growth	0 %	12 %	20 %	12 %	9 %	15 %	17 %
EBITDA	2.5	4.6	6.7	5.3	5.7	9.1	12.7
EBIT	0.5	2.6	4.6	3.5	4.0	7.1	10.5
Net income	1.5	2.3	3.6	4.8	3.7	6.5	9.5
Net debt	-10.9	-11.1	-17.6	-11.4	-7.2	-10.5	-9.1
Net gearing	-23.7 %	-22.8 %	-35.3 %	-21.8 %	-14.9 %	-18.5 %	-16.2 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.15	0.38	0.51	0.69	0.46	0.74	1.02
CPS	0.18	0.04	0.70	0.37	0.28	0.48	0.72
DPS	0.15	0.20	0.20	0.25	0.15	0.27	0.40
Dividend yield	1.8 %	2.4 %	2.4 %	3.0 %	1.8 %	3.2 %	4.7 %
Gross profit margin	48.4 %	50.9 %	50.8 %	49.3 %	51.0 %	51.0 %	51.0 %
EBITDA margin	7.5 %	12.1 %	14.7 %	10.3 %	10.2 %	14.0 %	16.9 %
EBIT margin	1.3 %	6.8 %	10.2 %	6.9 %	7.2 %	11.0 %	14.0 %
ROCE	1.0 %	5.4 %	9.1 %	6.5 %	7.5 %	12.8 %	17.6 %
EV/sales	2.2	2.0	1.6	1.5	1.5	1.2	1.1
EV/EBITDA	28.8	16.3	10.6	14.8	14.4	8.7	6.3
EV/adj. EBIT	161.9	29.2	15.3	22.0	20.4	11.0	7.6
PER	54.3	22.2	16.6	12.2	18.4	11.3	8.2
Adjusted FCF yield	1.7 %	3.0 %	5.2 %	6.3 %	4.3 %	7.8 %	11.6 %

Source: Company data, Hauck & Aufhäuser Close price as of: 07.11.2013



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 9.70 / 5.85

Price/Book Ratio: 1.8

Relative performance (SDAX):

3 months -6.1 %

6 months -6.9 %

12 months 4.2 %

Changes in estimates

		Sales	EBIT	EPS
2013	old:	58.0	6.9	0.60
	Δ	-3.4%	-41.8%	-41.2%
2014	old:	66.7	8.9	0.77
	Δ	-3.3%	-19.8%	-19.8%
2015	old:	77.3	10.8	0.93
	Δ	-2.5%	-2.7%	-3.2%

Key share data:

Number of shares: (in m pcs) 10.5

Authorised capital: (in € m) 0.0

Book value per share: (in €) 4.6

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.

USU Software AG

USU Software AG	Q3 13	Q3 13 est	Q3 12	yoy	9M 13	9m 13 est	9m 12	yoy	FY 13 est	FY 12	yoy
Sales	13.8	14.3	12.0	15.3%	38.4	38.9	36.9	4.1%	56.1	51.2	9.4%
rep. EBIT	0.9	0.6	1.1	-23.2%	0.5	0.3	1.4	-61.3%	4.0	3.5	14.0%
EBIT margin	6.2%	4.3%	9.2%	-3.1 pp	1.4%	0.8%	3.7%	-2.3 pp	7.2%	6.9%	+0.3 pp
adj. EBIT	1.1	1.5	1.6	-33.7%	1.3	1.7	4.5	-71.1%	5.1	7.1	-27.5%
EBIT margin	7.6%	10.5%	13.2%	-5.6 pp	3.4%	4.5%	12.1%	-8.7 pp	9.1%	13.8%	-4.7 pp
Net profit	1.1	0.9	2.3	-51.8%	0.5	0.3	1.5	-64.2%	3.7	4.8	-23.4%
Net margin	8.0%	6.0%	19.1%	-11.1 pp	1.4%	0.8%	4.0%	-2.6 pp	6.6%	9.4%	-2.8 pp
rep. EPS	0.10	0.08	0.22	-51.8%	0.05	0.03	0.14	-64.2%	0.35	0.46	-23.4%
adj. EPS	0.10	0.14	0.15	-34.9%	0.09	0.13	0.32	-72.0%	0.46	0.69	-33.5%

Source: Company data; Hauck & Aufhäuser estimates

Financials

Profit and loss (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Sales	34.0	38.0	45.6	51.2	56.1	64.5	75.3
<i>Sales growth</i>	0.2 %	11.7 %	19.9 %	12.4 %	9.4 %	15.1 %	16.8 %
Cost of sales	17.6	18.7	22.4	26.0	27.5	31.6	36.9
Gross profit	16.5	19.4	23.2	25.2	28.6	32.9	38.4
Sales and marketing	5.9	6.3	6.2	6.9	9.0	9.4	10.2
General and administration	2.8	2.7	4.3	4.6	5.3	5.8	6.3
Research and development	5.6	6.0	6.5	7.2	9.5	9.7	10.5
Other operating income	0.0	0.2	0.3	0.4	0.4	0.5	0.6
Other operating expenses	0.1	0.3	0.3	2.2	0.4	0.5	0.5
Unusual or infrequent items	-0.7	-1.1	-1.6	-1.1	-0.8	-1.0	-1.0
EBITDA	2.5	4.6	6.7	5.3	5.7	9.1	12.7
Depreciation	0.3	0.3	0.4	0.5	0.0	0.0	0.0
EBITA	2.3	4.3	6.3	4.8	5.7	9.1	12.7
Amortisation of goodwill	1.0	0.5	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.8	1.2	1.7	1.2	1.7	1.9	2.2
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	0.5	2.6	4.6	3.5	4.0	7.1	10.5
Interest income	0.4	0.3	0.3	0.3	0.2	0.3	0.2
Interest expenses	0.1	0.2	0.4	0.3	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	0.1	-0.1	-0.1	0.2	0.3	0.2
Recurring pretax income from continuing operations	0.8	2.7	4.5	3.4	4.2	7.4	10.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	0.8	2.7	4.5	3.4	4.2	7.4	10.8
Taxes	-0.8	0.4	1.0	-1.4	0.5	0.9	1.3
Net income from continuing operations	1.5	2.3	3.5	4.8	3.7	6.5	9.5
Result from discontinued operations (net of tax)	0.0	1.5	1.8	2.4	1.1	1.3	1.3
Net income	1.5	2.3	3.5	4.8	3.7	6.5	9.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (net of minority interest)	1.5	2.3	3.6	4.8	3.7	6.5	9.5
Average number of shares	10.0	10.3	10.5	10.5	10.5	10.5	10.5
EPS reported	0.15	0.23	0.34	0.46	0.35	0.62	0.90

Profit and loss (common size)	2009	2010	2011	2012	2013E	2014E	2015E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	51.6 %	49.1 %	49.2 %	50.7 %	49.0 %	49.0 %	49.0 %
Gross profit	48.4 %	50.9 %	50.8 %	49.3 %	51.0 %	51.0 %	51.0 %
Sales and marketing	17.3 %	16.7 %	13.5 %	13.5 %	16.0 %	14.5 %	13.5 %
General and administration	8.1 %	7.1 %	9.4 %	9.1 %	9.5 %	9.0 %	8.3 %
Research and development	16.6 %	15.8 %	14.2 %	14.1 %	17.0 %	15.0 %	14.0 %
Other operating income	0.1 %	0.6 %	0.6 %	0.8 %	0.8 %	0.8 %	0.8 %
Other operating expenses	0.2 %	0.9 %	0.7 %	4.3 %	0.7 %	0.7 %	0.7 %
Unusual or infrequent items	-2.1 %	-3.0 %	-3.4 %	-2.2 %	-1.4 %	-1.6 %	-1.3 %
EBITDA	7.5 %	12.1 %	14.7 %	10.3 %	10.2 %	14.0 %	16.9 %
Depreciation	0.8 %	0.8 %	0.9 %	1.0 %	0.0 %	0.0 %	0.0 %
EBITA	6.7 %	11.3 %	13.8 %	9.3 %	10.2 %	14.0 %	16.9 %
Amortisation of goodwill	2.9 %	1.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.4 %	3.3 %	3.6 %	2.4 %	3.0 %	3.0 %	2.9 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	1.3 %	6.8 %	10.2 %	6.9 %	7.2 %	11.0 %	14.0 %
Interest income	1.3 %	0.9 %	0.6 %	0.5 %	0.3 %	0.4 %	0.3 %
Interest expenses	0.3 %	0.6 %	0.9 %	0.7 %	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	0.9 %	0.3 %	-0.3 %	-0.2 %	0.3 %	0.4 %	0.3 %
Recurring pretax income from continuing operations	2.3 %	7.1 %	9.9 %	6.7 %	7.5 %	11.5 %	14.3 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	2.3 %	7.1 %	9.9 %	6.7 %	7.5 %	11.5 %	14.3 %
Tax rate	-99.7 %	13.4 %	21.3 %	-40.2 %	12.0 %	12.0 %	12.0 %
Net income from continuing operations	4.5 %	6.2 %	7.8 %	9.4 %	6.6 %	10.1 %	12.6 %
Result from discontinued operations (net of tax)	0.0 %	4.0 %	3.9 %	4.7 %	2.0 %	2.0 %	1.7 %
Net income	4.5 %	6.2 %	7.8 %	9.4 %	6.6 %	10.1 %	12.6 %
Minority interest	0.0 %	0.0 %	-0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	4.5 %	6.2 %	7.8 %	9.4 %	6.6 %	10.1 %	12.6 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	30.6	41.1	39.2	38.0	42.4	42.3	48.1
Property, plant and equipment	0.6	0.9	1.0	1.2	1.4	1.6	1.8
Financial assets	0.4	0.8	0.1	0.0	0.0	0.0	0.0
FIXED ASSETS	31.6	42.8	40.3	39.2	43.8	43.9	49.9
Inventories	2.4	2.3	2.2	3.1	3.3	3.8	4.4
Accounts receivable	5.7	7.7	6.2	7.9	8.7	10.0	11.7
Other current assets	0.8	0.8	1.4	1.2	1.2	1.2	1.2
Liquid assets	10.9	11.1	17.6	11.4	7.2	10.5	9.1
Deferred taxes	1.9	2.0	1.8	3.2	2.0	2.0	2.0
Deferred charges and prepaid expenses	0.2	0.3	0.5	0.6	0.6	0.6	0.6
CURRENT ASSETS	21.9	24.1	29.8	27.5	23.0	28.0	29.0
TOTAL ASSETS	53.5	66.9	70.1	66.7	66.7	71.9	78.9
SHAREHOLDERS EQUITY	45.9	48.5	49.9	52.3	48.3	56.5	56.4
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	0.3	0.4	0.5	1.0	1.0	1.1	1.1
Other provisions	0.0	0.6	2.5	2.4	2.4	2.4	2.4
Non-current liabilities	0.4	1.0	3.0	3.4	3.4	3.5	3.5
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.7	1.2	1.3	1.7	1.8	2.1	2.4
Advance payments received on orders	0.2	0.6	1.9	2.5	2.5	2.5	2.5
Other liabilities (incl. from lease and rental contracts)	5.2	12.5	10.9	4.5	8.4	5.0	11.8
Deferred taxes	0.0	1.4	1.1	0.0	0.0	0.0	0.0
Deferred income	1.2	1.7	2.0	2.4	2.4	2.4	2.4
Current liabilities	7.3	17.4	17.2	11.1	15.1	11.9	19.1
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	53.5	66.9	70.1	66.7	66.7	71.9	78.9

Balance sheet (common size)	2009	2010	2011	2012	2013E	2014E	2015E
Intangible assets	57.2 %	61.5 %	55.9 %	57.0 %	63.5 %	58.8 %	60.9 %
Property, plant and equipment	1.1 %	1.3 %	1.4 %	1.8 %	2.1 %	2.2 %	2.3 %
Financial assets	0.7 %	1.2 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	59.1 %	64.0 %	57.5 %	58.8 %	65.6 %	61.0 %	63.2 %
Inventories	4.5 %	3.4 %	3.1 %	4.7 %	4.9 %	5.3 %	5.6 %
Accounts receivable	10.7 %	11.4 %	8.8 %	11.9 %	13.0 %	13.9 %	14.8 %
Other current assets	1.5 %	1.2 %	2.0 %	1.8 %	1.8 %	1.6 %	1.5 %
Liquid assets	20.3 %	16.5 %	25.2 %	17.1 %	10.8 %	14.5 %	11.6 %
Deferred taxes	3.5 %	3.0 %	2.6 %	4.8 %	3.0 %	2.8 %	2.5 %
Deferred charges and prepaid expenses	0.3 %	0.4 %	0.7 %	0.9 %	0.9 %	0.9 %	0.8 %
CURRENT ASSETS	40.9 %	36.0 %	42.5 %	41.2 %	34.4 %	39.0 %	36.8 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	85.7 %	72.5 %	71.2 %	78.4 %	72.3 %	78.6 %	71.4 %
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	0.6 %	0.6 %	0.7 %	1.5 %	1.6 %	1.5 %	1.5 %
Other provisions	0.1 %	0.9 %	3.5 %	3.6 %	3.6 %	3.3 %	3.0 %
Non-current liabilities	0.7 %	1.6 %	4.2 %	5.0 %	5.1 %	4.8 %	4.5 %
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	1.4 %	1.9 %	1.9 %	2.5 %	2.7 %	2.9 %	3.0 %
Advance payments received on orders	0.4 %	0.9 %	2.7 %	3.7 %	3.7 %	3.4 %	3.1 %
Other liabilities (incl. from lease and rental contracts)	9.7 %	18.6 %	15.5 %	6.7 %	12.6 %	7.0 %	14.9 %
Deferred taxes	0.0 %	2.1 %	1.6 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred income	2.2 %	2.5 %	2.8 %	3.6 %	3.6 %	3.3 %	3.0 %
Current liabilities	13.6 %	26.0 %	24.5 %	16.6 %	22.6 %	16.6 %	24.2 %
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)	2009	2010	2011	2012	2013E	2014E	2015E
Net profit/loss	1.5	2.3	3.5	4.8	3.7	6.5	9.5
Depreciation of fixed assets (incl. leases)	0.3	0.3	0.4	0.5	0.0	0.0	0.0
Amortisation of goodwill	1.0	0.5	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.8	1.2	1.7	1.2	1.7	1.9	2.2
Others	0.1	-0.2	0.7	-1.7	0.0	0.1	0.1
Cash flow from operations before changes in w/c	3.8	4.2	6.3	4.8	5.4	8.5	11.7
Increase/decrease in inventory	0.0	0.0	-0.2	0.2	-0.2	-0.5	-0.6
Increase/decrease in accounts receivable	0.1	-2.4	1.6	-1.3	-0.7	-1.3	-1.7
Increase/decrease in accounts payable	0.0	0.5	0.0	0.4	0.1	0.3	0.3
Increase/decrease in other working capital positions	0.0	0.2	1.7	1.5	0.0	0.0	0.0
Increase/decrease in working capital	0.1	-1.8	3.1	0.8	-0.8	-1.5	-2.0
Cash flow from operating activities	3.9	2.4	9.4	5.6	4.6	7.0	9.7
CAPEX	0.4	0.5	0.8	0.8	1.8	2.1	2.4
Payments for acquisitions	0.0	0.3	0.4	0.0	4.4	0.0	5.8
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	1.5	0.4	0.6	0.0	0.0	0.0
Cash flow from investing activities	-0.4	0.8	-0.8	-0.2	-6.2	-2.1	-8.2
Cash flow before financing	3.5	3.2	8.7	5.4	-1.6	4.9	1.5
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	1.5	2.1	2.1	2.6	1.6	2.9
Others	0.0	0.0	0.0	-9.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-1.5	-1.5	-2.1	-11.1	-2.6	-1.6	-2.9
Increase/decrease in liquid assets	2.0	1.7	6.6	-5.7	-4.2	3.3	-1.3
Liquid assets at end of period	2.0	10.6	17.1	11.4	7.2	10.5	9.1

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
Domestic	31.2	34.6	40.2	42.1	44.8	49.4	56.5
yoy change	-1.6 %	10.9 %	16.1 %	4.7 %	6.6 %	10.1 %	14.5 %
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	2.9	3.4	5.4	9.2	11.2	15.2	18.8
yoy change	25.6 %	19.7 %	58.6 %	69.0 %	22.3 %	35.2 %	24.3 %
TTL	34.0	38.0	45.6	51.2	56.1	64.5	75.3
yoy change	0.2 %	11.7 %	19.9 %	12.4 %	9.4 %	15.1 %	16.8 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2009	2010	2011	2012	2013E	2014E	2015E
P&L growth analysis							
Sales growth	0.2 %	11.7 %	19.9 %	12.4 %	9.4 %	15.1 %	16.8 %
EBITDA growth	11.3 %	81.2 %	45.2 %	-21.4 %	8.3 %	58.9 %	40.3 %
EBIT growth	-53.2 %	470.0 %	79.9 %	-24.0 %	14.0 %	77.3 %	47.7 %
EPS growth	21.4 %	48.2 %	48.3 %	34.6 %	-23.0 %	75.9 %	45.6 %
Efficiency							
Total operating costs / sales	42.0 %	39.9 %	37.2 %	40.2 %	42.4 %	38.4 %	35.7 %
Sales per employee	129.0	129.8	147.6	154.3	143.9	150.6	166.9
EBITDA per employee	9.6	15.7	21.7	15.9	14.6	21.2	28.2
Balance sheet analysis							
Avg. working capital / sales	21.7 %	20.1 %	14.6 %	11.8 %	13.0 %	13.2 %	13.6 %
Inventory turnover (sales/inventory)	14.1	16.6	20.8	16.3	17.0	17.0	17.0
Trade debtors in days of sales	61.5	73.5	49.5	56.6	56.6	56.6	56.6
A/P turnover [(A/P*365)/sales]	15.1	24.4	21.2	23.7	23.7	23.7	23.7
Cash conversion cycle (days)	96.6	93.8	64.0	76.9	76.6	76.6	76.6
Cash flow analysis							
Free cash flow	3.5	1.9	8.7	4.8	2.8	4.9	7.3
Free cash flow/sales	10.3 %	5.1 %	19.0 %	9.4 %	5.0 %	7.6 %	9.7 %
FCF / net profit	225.8 %	82.4 %	242.8 %	99.9 %	76.5 %	75.2 %	77.4 %
FCF yield	4.2 %	2.2 %	9.8 %	5.4 %	3.2 %	5.5 %	8.3 %
Capex / depn	21.1 %	24.6 %	37.3 %	45.8 %	106.7 %	106.7 %	110.3 %
Capex / maintenance capex	16.2 %	21.8 %	27.1 %	40.9 %	10.7 %	10.7 %	11.0 %
Capex / sales	1.3 %	1.3 %	1.7 %	1.6 %	3.2 %	3.2 %	3.2 %
Security							
Net debt	-10.9	-11.1	-17.6	-11.4	-7.2	-10.5	-9.1
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.2	-0.2	-0.4	-0.2	-0.1	-0.2	-0.2
Interest cover	3.9	12.1	11.0	10.2	999.0	999.0	999.0
Dividend payout ratio	97.2 %	87.5 %	59.0 %	54.8 %	44.0 %	44.0 %	44.0 %
Asset utilisation							
Capital employed turnover	0.7	0.8	0.9	0.9	1.1	1.1	1.3
Operating assets turnover	4.4	4.2	7.3	6.3	6.2	6.0	5.8
Plant turnover	56.0	43.3	45.3	42.9	40.8	40.8	41.4
Inventory turnover (sales/inventory)	14.1	16.6	20.8	16.3	17.0	17.0	17.0
Returns							
ROCE	1.0 %	5.4 %	9.1 %	6.5 %	7.5 %	12.8 %	17.6 %
ROE	3.4 %	4.8 %	7.1 %	9.2 %	7.7 %	11.5 %	16.8 %
Other							
Interest paid / avg. debt	n/a	n/a	n/a	n/a	n/a	n/a	n/a
No. employees (average)	264	293	309	332	390	429	452
Number of shares	10.0	10.3	10.5	10.5	10.5	10.5	10.5
DPS	0.2	0.2	0.2	0.3	0.2	0.3	0.4
EPS reported	0.15	0.23	0.34	0.46	0.35	0.62	0.90
Valuation ratios							
P/BV	1.8	1.8	1.8	1.7	1.8	1.6	1.6
EV/sales	2.2	2.0	1.6	1.5	1.5	1.2	1.1
EV/EBITDA	28.8	16.3	10.6	14.8	14.4	8.7	6.3
EV/EBITA	32.3	17.5	11.3	16.3	14.4	8.7	6.3
EV/EBIT	161.9	29.2	15.3	22.0	20.4	11.0	7.6
EV/FCF	21.0	39.0	8.2	16.2	29.0	16.1	10.9
Dividend yield	1.8 %	2.4 %	2.4 %	3.0 %	1.8 %	3.2 %	4.7 %

Source: Company data, Hauck & Aufhäuser

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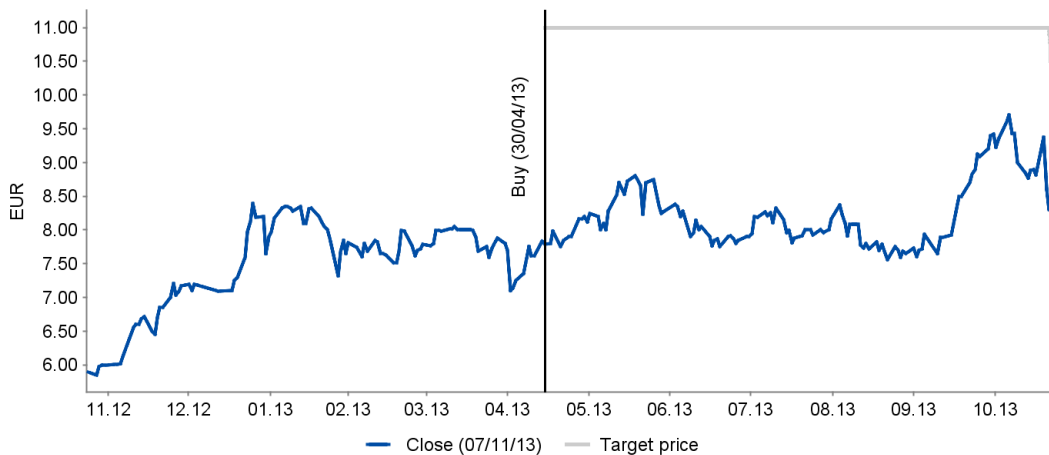
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Company	Disclosure
USU Software AG	2, 5

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

Price and Rating History
USU Software AG as of 08/11/13

Initiation coverage
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