

Buy (old: Hold)

Price target: EUR 18.50 (old: EUR 16.50)

Price: EUR 15.55 **Next result:** FY'19: tba
Bloomberg: OSP2 GR **Market cap:** EUR 163.6 m
Reuters: OSPGk.DE **Enterprise Value:** EUR 152.1 m

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Bad news is out. Up to Buy // Chg. est. & PT

USU reported **Q3 results in-line with our expectations**. Nevertheless, the company reduced its FY'19 guidance as it is expecting to close a higher share of SaaS contracts in Q4. On the back of this, shares dropped 13% yesterday, which we see as an attractive entry opportunity.

USU Software AG	Q3 2019	Q3 2019 est.	Q3 2018	yoy	9M 2019	9M 2019 est.	9M 2018	yoy
Total Sales	23.8	23.4	22.5	5.9%	68.7	68.3	64.3	6.9%
EBIT	1.8	1.4	1.2	51.4%	1.8	1.4	0.7	146.7%
EBIT margin	7.8%	6.1%	5.4%	+2.3 pp	2.7%	2.1%	1.2%	+1.5 pp
adj. EBIT	2.2	1.8	1.6	40.1%	2.9	2.5	1.8	58.4%
adjusted EBIT margin	9.2%	7.6%	7.0%	+2.2 pp	4.2%	3.6%	2.8%	+1.4 pp

Q3 results in-line: Sales were up 6% yoy to € 24m (eH&A € 23m) against a high comparable base. While consulting sales increased by only 1% yoy, high margin license sales soared by 44% yoy, driven by strong demand in the US, where changes of the sales management are starting to pay off. Consequently, Q3 adj. EBIT increased significantly by 40% yoy to € 2.2m (eH&A € 1.8m).

Guidance adjusted: Despite the solid Q3, management trimmed its FY'19 guidance taking a higher share of recurring SaaS sales as well as temporarily lower utilization of its service segment in Q4 into account. For FY'19 USU now expects sales of € 93-95m (old: € 98-101m, eH&A € 96m) and an adjusted EBIT of € 5-8m (old: € 7.5-10m, eH&A € 5.7m). Importantly, while SaaS contracts weigh on sales and EBIT in the short run, the recurring nature of these contracts is seen as long term positive.

Action: We adjust our sales and EBIT estimates through 2021E to reflect a higher share of SaaS contracts, while at the same time acknowledging the strong momentum especially in the US by increasing our longer term margin estimates.

Well positioned in the market: With Valuation and Aspera, USU has two attractive software products in the market. Gartner and Forrester ranking USU a global leader as well as several large deals that were announced throughout the year underpin this view. Meanwhile, SaaS contributions from past years should become more meaningful going forward, while structural trends such as digitization remain unbroken. With the guidance adjustment, news flow should have reached the trough and we expect sequential improvements from Q1'20 onwards. Hence, we upgrade to **Buy** (old: Hold) with a new **PT of € 18.50** (old: € 16.50) based on DCF (1.5% LT growth, 13% TY EBIT margin).

Y/E 31.12 (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
Sales	66.1	72.1	84.4	90.5	96.4	105.0	114.5
Sales growth	12 %	9 %	17 %	7 %	6 %	9 %	9 %
EBITDA	9.9	10.8	6.8	5.5	9.6	13.3	15.0
EBIT	7.6	8.3	3.2	2.7	4.3	7.8	9.4
Net income	8.4	6.8	3.4	1.0	4.2	7.4	9.0
Net debt	-23.1	-23.2	-14.6	-8.3	-13.9	-20.2	-26.1
Net gearing	-38.0 %	-36.4 %	-23.1 %	-14.0 %	-22.0 %	-29.7 %	-35.2 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.84	0.76	0.68	0.24	0.53	0.75	0.85
CPS	1.06	0.39	0.44	0.06	0.52	0.78	0.91
DPS	0.35	0.40	0.40	0.06	0.25	0.30	0.40
Dividend yield	2.3 %	2.6 %	2.6 %	0.4 %	1.6 %	1.9 %	2.6 %
Gross profit margin	53.1 %	55.2 %	54.0 %	51.9 %	53.0 %	53.5 %	54.0 %
EBITDA margin	14.9 %	15.0 %	8.1 %	6.1 %	9.9 %	12.7 %	13.1 %
EBIT margin	11.5 %	11.5 %	3.8 %	3.0 %	4.4 %	7.4 %	8.2 %
ROCE	12.0 %	12.4 %	4.6 %	3.9 %	6.2 %	10.9 %	12.3 %
EV/sales	2.2	2.0	1.8	1.7	1.6	1.4	1.2
EV/EBITDA	14.4	13.2	22.1	28.6	15.9	10.9	9.4
EV/EBIT	18.8	17.2	47.0	58.2	35.5	18.8	14.9
PER	18.6	20.5	22.9	63.7	29.3	20.6	18.2
Adjusted FCF yield	6.3 %	5.6 %	4.3 %	1.4 %	4.1 %	6.5 %	7.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 21.11.2019



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 20.80 / 13.35

Price/Book Ratio: 3.0

Relative performance (SDAX):

3 months -7.3 %

6 months 26.7 %

12 months -

Changes in estimates

		Sales	EBIT	EPS
2019	old:	97.7	5.5	0.63
	Δ	-1.4%	-21.6%	-15.8%
2020	old:	106.5	7.9	0.76
	Δ	-1.4%	-1.4%	-0.1%
2021	old:	116.1	9.5	0.85
	Δ	-1.4%	-1.4%	0.1%

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:

AUSUM GmbH (Udo Strehl) 51.2 %

Free Float 34.8 %

Peter Scheuffler 5.4 %

MainFirst SICAV 4.6 %

USU Board (excl. Udo Strehl) 4.1 %

Company description:

USU develops and distributes IT software and service solutions to more than 1000 customers.

Financials

Profit and loss (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
Sales	66.1	72.1	84.4	90.5	96.4	105.0	114.5
<i>Sales growth</i>	12.1 %	9.1 %	17.0 %	7.3 %	6.5 %	9.0 %	9.0 %
Cost of sales	31.0	32.3	38.8	43.6	45.3	48.8	52.7
Gross profit	35.1	39.8	45.5	46.9	51.1	56.2	61.8
Sales and marketing	9.3	13.3	17.2	18.8	19.1	20.5	22.3
General and administration	7.1	6.7	9.3	10.6	12.0	11.3	12.0
Research and development	10.5	11.3	13.8	15.3	15.9	16.8	18.3
Other operating income	1.0	1.3	1.0	1.2	1.0	0.8	0.9
Other operating expenses	0.2	0.2	0.7	0.7	0.7	0.6	0.7
Unusual or infrequent items	-1.3	-1.2	-2.2	0.0	0.0	0.0	0.0
EBITDA	9.9	10.8	6.8	5.5	9.6	13.3	15.0
Depreciation	0.8	1.0	1.2	1.5	1.4	1.2	1.1
EBITA	9.1	9.7	5.7	4.0	8.2	12.1	13.9
Amortisation of goodwill	0.0	0.0	0.8	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.5	1.4	1.6	1.3	4.0	4.4	4.5
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	7.6	8.3	3.2	2.7	4.3	7.8	9.4
Interest income	0.3	0.3	0.1	0.2	0.5	0.6	0.7
Interest expenses	0.1	0.3	0.2	0.1	0.1	0.1	0.1
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	0.3	0.0	-0.1	0.1	0.4	0.5	0.6
Recurring pretax income from continuing operations	7.9	8.3	3.1	2.8	4.7	8.3	10.0
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	7.9	8.3	3.1	2.8	4.7	8.3	10.0
Taxes	-0.5	1.5	-0.3	1.9	0.5	0.8	1.0
Net income from continuing operations	8.4	6.8	3.4	1.0	4.2	7.4	9.0
Result from discontinued operations (net of tax)	0.4	1.2	3.8	1.6	1.4	0.5	0.0
Net income	8.4	6.8	3.4	1.0	4.2	7.4	9.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	8.4	6.8	3.4	1.0	4.2	7.4	9.0
Average number of shares	10.5	10.5	10.5	10.5	10.5	10.5	10.5
EPS reported	0.80	0.64	0.32	0.09	0.40	0.71	0.85

Profit and loss (common size)	2015	2016	2017	2018	2019E	2020E	2021E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	46.9 %	44.8 %	46.0 %	48.1 %	47.0 %	46.5 %	46.0 %
Gross profit	53.1 %	55.2 %	54.0 %	51.9 %	53.0 %	53.5 %	54.0 %
Sales and marketing	14.0 %	18.5 %	20.4 %	20.8 %	19.8 %	19.5 %	19.5 %
General and administration	10.8 %	9.3 %	11.1 %	11.7 %	12.5 %	10.8 %	10.5 %
Research and development	15.9 %	15.6 %	16.4 %	16.9 %	16.6 %	16.0 %	16.0 %
Other operating income	1.4 %	1.7 %	1.2 %	1.3 %	1.0 %	0.8 %	0.8 %
Other operating expenses	0.4 %	0.3 %	0.9 %	0.7 %	0.7 %	0.6 %	0.6 %
Unusual or infrequent items	neg.	neg.	neg.	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	14.9 %	15.0 %	8.1 %	6.1 %	9.9 %	12.7 %	13.1 %
Depreciation	1.2 %	1.4 %	1.4 %	1.7 %	1.4 %	1.2 %	1.0 %
EBITA	13.7 %	13.5 %	6.7 %	4.4 %	8.5 %	11.5 %	12.1 %
Amortisation of goodwill	0.0 %	0.0 %	0.9 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.2 %	2.0 %	2.0 %	1.4 %	4.1 %	4.1 %	3.9 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	11.5 %	11.5 %	3.8 %	3.0 %	4.4 %	7.4 %	8.2 %
Interest income	0.5 %	0.4 %	0.1 %	0.2 %	0.5 %	0.5 %	0.6 %
Interest expenses	0.1 %	0.4 %	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	0.4 %	0.0 %	neg.	0.1 %	0.4 %	0.5 %	0.5 %
Recurring pretax income from continuing operations	11.9 %	11.5 %	3.7 %	3.1 %	4.8 %	7.9 %	8.7 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	11.9 %	11.5 %	3.7 %	3.1 %	4.8 %	7.9 %	8.7 %
Tax rate	-6.4 %	18.4 %	-8.2 %	65.8 %	10.0 %	10.0 %	10.0 %
Net income from continuing operations	12.7 %	9.4 %	4.0 %	1.1 %	4.4 %	7.1 %	7.9 %
Result from discontinued operations (net of tax)	0.6 %	1.7 %	4.5 %	1.8 %	1.5 %	0.5 %	0.0 %
Net income	12.7 %	9.4 %	4.0 %	1.1 %	4.4 %	7.1 %	7.9 %
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net profit (reported)	12.7 %	9.4 %	4.0 %	1.1 %	4.4 %	7.1 %	7.9 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
Intangible assets	42.3	41.0	49.7	48.1	45.1	41.8	39.0
Property, plant and equipment	2.1	2.1	2.2	2.2	1.8	1.6	2.2
Financial assets	0.0	0.0	0.7	0.8	0.8	0.8	0.8
FIXED ASSETS	44.4	43.1	52.6	51.0	47.6	44.2	42.0
Inventories	3.1	4.4	4.0	5.0	5.3	5.8	6.3
Accounts receivable	11.9	14.8	18.5	20.4	21.7	23.7	25.8
Other current assets	1.3	1.6	1.5	1.9	1.9	1.9	1.9
Liquid assets	23.1	23.2	15.7	9.5	15.0	21.3	27.2
Deferred taxes	4.2	3.8	5.9	5.9	5.9	5.9	5.9
Deferred charges and prepaid expenses	1.1	1.0	1.3	1.4	1.4	1.4	1.4
CURRENT ASSETS	44.8	48.8	46.8	44.1	51.4	60.1	68.6
TOTAL ASSETS	89.2	91.9	99.4	95.1	99.0	104.3	110.6
SHAREHOLDERS EQUITY	60.8	63.6	63.0	59.7	63.3	68.1	74.0
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.3	0.3	0.3	0.3	0.3
Provisions for pensions and similar obligations	1.9	2.3	2.2	2.3	2.4	2.5	2.7
Other provisions	2.9	2.7	4.6	4.0	4.0	4.0	4.0
Non-current liabilities	4.8	5.0	7.1	6.6	6.7	6.8	6.9
short-term liabilities to banks	0.0	0.0	0.9	0.9	0.9	0.9	0.9
Accounts payable	1.6	1.9	3.6	3.7	3.8	4.1	4.5
Advance payments received on orders	9.9	9.3	7.5	6.6	6.6	6.6	6.6
Other liabilities (incl. from lease and rental contracts)	6.7	6.2	7.4	7.6	7.6	7.6	7.6
Deferred taxes	0.1	0.0	2.5	2.2	2.2	2.2	2.2
Deferred income	5.3	6.0	7.5	8.0	8.0	8.0	8.0
Current liabilities	23.6	23.3	29.3	28.9	29.1	29.4	29.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	89.2	91.9	99.4	95.1	99.0	104.3	110.6

Balance sheet (common size)	2015	2016	2017	2018	2019E	2020E	2021E
Intangible assets	47.4 %	44.6 %	50.0 %	50.5 %	45.6 %	40.1 %	35.3 %
Property, plant and equipment	2.4 %	2.3 %	2.2 %	2.3 %	1.8 %	1.5 %	2.0 %
Financial assets	0.0 %	0.0 %	0.7 %	0.8 %	0.8 %	0.7 %	0.7 %
FIXED ASSETS	49.8 %	46.9 %	52.9 %	53.6 %	48.1 %	42.4 %	38.0 %
Inventories	3.5 %	4.8 %	4.0 %	5.2 %	5.4 %	5.6 %	5.7 %
Accounts receivable	13.3 %	16.1 %	18.6 %	21.4 %	21.9 %	22.7 %	23.3 %
Other current assets	1.5 %	1.8 %	1.5 %	2.0 %	1.9 %	1.8 %	1.7 %
Liquid assets	25.9 %	25.2 %	15.8 %	9.9 %	15.2 %	20.5 %	24.6 %
Deferred taxes	4.7 %	4.1 %	5.9 %	6.2 %	6.0 %	5.7 %	5.4 %
Deferred charges and prepaid expenses	1.3 %	1.1 %	1.3 %	1.5 %	1.5 %	1.4 %	1.3 %
CURRENT ASSETS	50.2 %	53.1 %	47.1 %	46.4 %	51.9 %	57.6 %	62.0 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	68.2 %	69.2 %	63.4 %	62.7 %	63.9 %	65.3 %	66.9 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	0.3 %	0.3 %	0.3 %	0.2 %	0.2 %
Provisions for pensions and similar obligations	2.1 %	2.5 %	2.2 %	2.4 %	2.5 %	2.4 %	2.4 %
Other provisions	3.3 %	2.9 %	4.7 %	4.2 %	4.0 %	3.8 %	3.6 %
Non-current liabilities	5.4 %	5.4 %	7.1 %	6.9 %	6.7 %	6.5 %	6.3 %
short-term liabilities to banks	0.0 %	0.0 %	0.9 %	0.9 %	0.9 %	0.8 %	0.8 %
Accounts payable	1.8 %	2.0 %	3.6 %	3.9 %	3.9 %	4.0 %	4.0 %
Advance payments received on orders	11.1 %	10.1 %	7.5 %	6.9 %	6.6 %	6.3 %	5.9 %
Other liabilities (incl. from lease and rental contracts)	7.5 %	6.8 %	7.5 %	8.0 %	7.7 %	7.3 %	6.9 %
Deferred taxes	0.1 %	0.0 %	2.5 %	2.3 %	2.2 %	2.1 %	2.0 %
Deferred income	5.9 %	6.5 %	7.5 %	8.5 %	8.1 %	7.7 %	7.3 %
Current liabilities	26.4 %	25.4 %	29.5 %	30.4 %	29.4 %	28.2 %	26.8 %
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)	2015	2016	2017	2018	2019E	2020E	2021E
Net profit/loss	8.4	6.8	3.4	1.0	4.2	7.4	9.0
Depreciation of fixed assets (incl. leases)	0.8	1.0	1.2	1.5	1.4	1.2	1.1
Amortisation of goodwill	0.0	0.0	0.8	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.5	1.4	1.6	1.3	4.0	4.4	4.5
Others	0.2	-0.2	-0.2	1.1	0.1	0.1	0.1
Cash flow from operations before changes in w/c	10.8	9.0	6.7	4.8	9.6	13.1	14.7
Increase/decrease in inventory	1.7	-1.3	0.4	-1.0	-0.3	-0.5	-0.5
Increase/decrease in accounts receivable	-0.6	-2.9	-3.7	-1.9	-1.3	-2.0	-2.1
Increase/decrease in accounts payable	0.2	0.3	1.7	0.1	0.1	0.3	0.3
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	1.3	-3.9	-1.6	-2.8	-1.5	-2.1	-2.3
Cash flow from operating activities	12.2	5.1	5.2	2.0	8.1	11.0	12.4
CAPEX	1.0	1.2	1.3	1.1	1.9	2.1	3.4
Payments for acquisitions	0.6	0.0	7.1	0.0	0.0	0.0	0.0
Financial investments	3.3	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.3	0.0	0.0	0.0	0.0
Cash flow from investing activities	-4.9	-1.2	-8.2	-1.1	-1.9	-2.1	-3.4
Cash flow before financing	7.3	4.0	-3.1	0.9	6.2	8.9	9.0
Increase/decrease in debt position	-0.6	0.0	0.0	-0.1	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	3.2	3.7	4.2	4.2	0.6	2.6	3.1
Others	-2.6	-0.2	0.0	0.1	0.0	0.0	0.0
Effects of exchange rate changes on cash	3.3	0.0	-0.2	0.1	0.0	0.0	0.0
Cash flow from financing activities	-6.4	-3.9	-4.2	-4.2	-0.6	-2.6	-3.1
Increase/decrease in liquid assets	4.2	0.1	-7.5	-3.3	5.6	6.3	5.8
Liquid assets at end of period	23.1	23.2	15.7	9.5	15.0	21.3	27.2

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
Domestic	45.9	51.7	60.5	62.4	65.0	68.3	73.3
yoy change	6.0 %	12.5 %	17.0 %	3.2 %	4.2 %	5.0 %	7.3 %
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	20.2	20.4	23.9	28.1	31.3	36.8	40.1
yoy change	29.1 %	1.2 %	17.0 %	17.5 %	11.7 %	17.4 %	9.0 %
TTL	66.1	72.1	84.4	90.5	96.4	105.0	114.5
yoy change	12.1 %	9.1 %	17.0 %	7.3 %	6.5 %	9.0 %	9.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2015	2016	2017	2018	2019E	2020E	2021E
P&L growth analysis							
Sales growth	12.1 %	9.1 %	17.0 %	7.3 %	6.5 %	9.0 %	9.0 %
EBITDA growth	11.2 %	9.2 %	-36.6 %	-19.5 %	74.1 %	142.3 %	56.4 %
EBIT growth	13.7 %	9.3 %	-61.2 %	-16.0 %	58.4 %	187.1 %	118.9 %
EPS growth	52.1 %	-19.1 %	-50.4 %	-71.5 %	336.4 %	674.4 %	114.4 %
Efficiency							
Total operating costs / sales	39.7 %	42.0 %	47.5 %	48.9 %	48.6 %	46.1 %	45.8 %
Sales per employee	136.8	138.4	148.9	148.0	146.8	149.7	153.4
EBITDA per employee	20.5	20.7	12.1	9.0	14.6	19.0	20.1
Balance sheet analysis							
Avg. working capital / sales	5.5 %	8.0 %	11.5 %	14.7 %	16.5 %	16.1 %	16.5 %
Inventory turnover (sales/inventory)	21.3	16.4	21.2	18.1	18.1	18.1	18.1
Trade debtors in days of sales	65.5	74.7	79.8	82.2	82.2	82.2	82.2
A/P turnover [(A/P*365)/sales]	18.7	20.9	33.5	30.9	30.9	30.9	30.9
Cash conversion cycle (days)	83.3	103.4	83.7	93.2	94.2	94.6	95.1
Cash flow analysis							
Free cash flow	11.1	3.9	3.8	0.9	6.2	8.9	9.0
Free cash flow/sales	16.9 %	5.4 %	4.5 %	0.9 %	6.4 %	8.5 %	7.8 %
FCF / net profit	132.9 %	57.8 %	113.6 %	88.6 %	147.4 %	119.6 %	99.7 %
Capex / depre	190.3 %	48.8 %	37.2 %	40.9 %	36.4 %	37.7 %	61.2 %
Capex / maintenance capex	83.5 %	101.4 %	236.2 %	77.7 %	36.4 %	37.7 %	61.2 %
Capex / sales	6.6 %	1.7 %	1.6 %	1.3 %	2.0 %	2.0 %	3.0 %
Security							
Net debt	-23.1	-23.2	-14.6	-8.3	-13.9	-20.2	-26.1
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Interest cover	138.0	31.8	16.2	33.8	53.6	97.2	117.4
Dividend payout ratio	43.9 %	62.1 %	125.0 %	62.1 %	62.1 %	42.0 %	46.5 %
Asset utilisation							
Capital employed turnover	1.0	1.1	1.2	1.3	1.4	1.4	1.4
Operating assets turnover	11.7	7.1	6.2	5.2	5.2	5.2	4.9
Plant turnover	30.9	33.8	37.8	42.0	54.4	65.4	51.3
Inventory turnover (sales/inventory)	21.3	16.4	21.2	18.1	18.1	18.1	18.1
Returns							
ROCE	12.0 %	12.4 %	4.6 %	3.9 %	6.2 %	10.9 %	12.3 %
ROE	13.8 %	10.7 %	5.3 %	1.6 %	6.6 %	10.9 %	12.2 %
Other							
Interest paid / avg. debt	n/a	n/a	17.0 %	7.0 %	7.2 %	7.2 %	7.2 %
No. employees (average)	483	521	567	612	657	702	747
Number of shares	10.5	10.5	10.5	10.5	10.5	10.5	10.5
DPS	0.4	0.4	0.4	0.1	0.2	0.3	0.4
EPS reported	0.80	0.64	0.32	0.09	0.40	0.71	0.85
Valuation ratios							
P/BV	2.7	2.6	2.6	2.7	2.6	2.4	2.2
EV/sales	2.2	2.0	1.8	1.7	1.6	1.4	1.2
EV/EBITDA	14.4	13.2	22.1	28.6	15.9	10.9	9.4
EV/EBITA	15.7	14.7	26.7	39.3	18.5	12.0	10.1
EV/EBIT	18.8	17.2	47.0	58.2	35.5	18.8	14.9
EV/FCF	12.8	36.4	39.6	185.2	24.6	16.4	15.6
Adjusted FCF yield	6.3 %	5.6 %	4.3 %	1.4 %	4.1 %	6.5 %	7.8 %
Dividend yield	2.3 %	2.6 %	2.6 %	0.4 %	1.6 %	1.9 %	2.6 %

Source: Company data, Hauck & Aufhäuser

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Company	Disclosure
USU Software AG	2

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

**Price and Rating History
USU Software AG as of 21/11/19**

Initiation coverage
30-April-13



Company	Date	Analyst	Rating	Target price	Close
USU Software AG	30.08.2019	Bentlage, Simon	Hold	EUR 16,50	EUR 17,10
	27.08.2019	Bentlage, Simon	Hold	EUR 16,50	EUR 15,90
	03.04.2019	Bentlage, Simon	Hold	EUR 16,50	EUR 14,85
	20.12.2018	Bentlage, Simon	Hold	EUR 18,00	EUR 17,15
	23.11.2018	Bentlage, Simon	Buy	EUR 27,00	EUR 18,00

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