

Hold (old: Buy)

Price target: EUR 18.00 (old: EUR 27.00)

Price: EUR 17.15 **Next result:** FY 18 tba
Bloomberg: OSP2@GR **Market cap:** EUR 180.5 m
Reuters: OSPGk.DE **Enterprise Value:** EUR 168.6 m

20-December-18

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Proof of concept needed – Down to Hold; chg. est. & PT

As flagged earlier, USU has been **struggling with its high margin license sales** in Q4 and consequently slashed its adjusted EBIT guidance by more than one half for FY 2018 from € 7.5-10m to € 4-5m. The revenue guidance was cut by a milder 5%.

As customers tend to spend their IT budgets at the end of the year USU usually makes the **largest portion of its annual revenues through large license sales in Q4** (average ticket size € 400-800k). During a conference call management explained that some of these **larger projects, worth € 2-3m were apparently postponed to 2019** thereby causing the short fall versus expectations. This should refer to about four customers for USU's **software asset management product Aspera, which is also sold in the US.**

While **not seeing a lack of general demand for this product**, management admitted that it loses about 10% of its pipeline deals to competitors, especially in the US, leading us to believe that postponement might still turn to cancellations. Here the company is rivaling with local Flexera, which has a broader network and ranks better in popular Gartner recommendations. USU addressed this problem as it **hired local senior sales managers to streamline its sales processes during the year.** Visibility on the outcome of these revenue boosting measures however still appears low given the mentioned scale and network advantages of Flexera.

To provide confidence to investors USU already gave its FY 2019 outlook. The company guides for c € 98-101m sales and € 7.5-10m adj. EBIT next year implying **sales growth of c 8-10% yoy** (vs. 6% for 2018E). While this **does not look inspiring** to us, the outlook also takes an adj. EBIT margin improvement from c 5% to at least 7% into account, which should stem from an improved sales mix towards more high margin license sales (eH&A: € 98m sales, € 7m adj. EBIT).

Action: We adjust our model to reflect ongoing execution uncertainties including a lower terminal year EBIT margin of 8% in our DCF (prior: 11%).

Overall, USU has an attractive product and should be benefitting from structural trends such as digitalization and increased customer service orientation in the long run. Nevertheless, visibility on short term performance is low. Downgrade to **HOLD** (old: Buy), pending a better execution track record. Our DCF based valuation yields a new **PT of € 18 (old: € 27).**

Y/E 31.12 (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	58.9	66.1	72.1	84.4	89.0	97.9	106.7
Sales growth	6 %	12 %	9 %	17 %	5 %	10 %	9 %
EBITDA	8.9	9.9	10.8	6.8	6.3	9.5	11.5
EBIT	6.7	7.6	8.3	3.2	2.7	5.6	8.2
Net income	5.5	8.4	6.8	3.4	2.6	5.4	7.8
Net debt	-18.9	-23.1	-23.2	-14.6	-14.2	-18.1	-21.9
Net gearing	-34.0 %	-38.0 %	-36.4 %	-23.1 %	-23.1 %	-27.7 %	-31.4 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.57	0.84	0.76	0.61	0.41	0.65	0.79
CPS	0.53	1.06	0.39	0.44	0.46	0.52	0.73
DPS	0.30	0.35	0.40	0.40	0.15	0.32	0.37
Dividend yield	1.7 %	2.0 %	2.3 %	2.3 %	0.9 %	1.9 %	2.1 %
Gross profit margin	53.1 %	53.1 %	55.2 %	54.0 %	53.5 %	54.5 %	54.5 %
EBITDA margin	15.1 %	14.9 %	15.0 %	8.1 %	7.0 %	9.7 %	10.7 %
EBIT margin	11.3 %	11.5 %	11.5 %	3.8 %	3.0 %	5.7 %	7.7 %
ROCE	11.4 %	12.0 %	12.4 %	4.6 %	3.8 %	7.8 %	11.2 %
EV/sales	2.8	2.4	2.2	2.0	1.9	1.7	1.5
EV/EBITDA	18.4	16.1	14.8	24.6	26.9	17.3	14.1
EV/EBIT	24.5	21.0	19.2	52.2	63.5	29.4	19.5
PER	30.3	20.5	22.6	28.0	41.9	26.2	21.7
Adjusted FCF yield	3.3 %	5.7 %	5.0 %	3.9 %	2.4 %	4.1 %	5.5 %

Source: Company data, Hauck & Aufhäuser Close price as of: 19.12.2018



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 27.00 / 16.70

Price/Book Ratio: 2.9

Relative performance (SDAX):

3 months -
6 months -
12 months -

Changes in estimates

		Sales	EBIT	EPS
2018	old:	92.0	4.9	0.60
	Δ	-3.2%	-45.2%	-31.8%
2019	old:	103.9	10.1	1.04
	Δ	-5.8%	-44.4%	-37.3%
2020	old:	117.9	13.9	1.28
	Δ	-9.5%	-40.8%	-38.6%

Key share data:

Number of shares: (in m pcs) 10.5
Authorised capital: (in € m) 0.0
Book value per share: (in €) 5.8
Ø trading volume: (12 months) 6,300

Major shareholders:

AUSUM GmbH (Udo Strehl) 51.1 %
Free Float 34.2 %
Peter Scheufler 5.3 %
USU Board (excl. Udo Strehl) 4.9 %
MainFirst SICAV 4.6 %

Company description:

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

Financials

Profit and loss (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	58.9	66.1	72.1	84.4	89.0	97.9	106.7
Sales growth	5.8 %	12.1 %	9.1 %	17.0 %	5.5 %	10.0 %	9.0 %
Cost of sales	27.7	31.0	32.3	38.8	41.4	44.5	48.6
Gross profit	31.3	35.1	39.8	45.5	47.6	53.4	58.2
Sales and marketing	8.6	9.3	13.3	17.2	18.2	19.4	20.3
General and administration	6.5	7.1	6.7	9.3	10.0	10.6	11.2
Research and development	9.6	10.5	11.3	13.8	14.8	15.7	16.0
Other operating income	1.5	1.0	1.3	1.0	1.0	1.0	0.9
Other operating expenses	0.2	0.2	0.2	0.7	0.7	0.7	0.6
Unusual or infrequent items	-1.3	-1.3	-1.2	-2.2	-2.2	-2.4	-2.6
EBITDA	8.9	9.9	10.8	6.8	6.3	9.5	11.5
Depreciation	0.0	0.8	1.0	1.2	1.5	1.4	1.2
EBITA	8.9	9.1	9.7	5.7	4.8	8.2	10.2
Amortisation of goodwill	0.0	0.0	0.0	0.8	0.0	0.0	0.0
Amortisation of intangible assets	2.2	1.5	1.4	1.6	2.1	2.6	2.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	6.7	7.6	8.3	3.2	2.7	5.6	8.2
Interest income	0.5	0.3	0.3	0.1	0.5	0.6	0.6
Interest expenses	0.6	0.1	0.3	0.2	0.2	0.2	0.2
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.1	0.3	0.0	-0.1	0.3	0.4	0.4
Recurring pretax income from continuing operations	6.6	7.9	8.3	3.1	2.9	6.0	8.7
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	6.6	7.9	8.3	3.1	2.9	6.0	8.7
Taxes	1.1	-0.5	1.5	-0.3	0.3	0.6	0.9
Net income from continuing operations	5.5	8.4	6.8	3.4	2.6	5.4	7.8
Result from discontinued operations (net of tax)	0.5	0.4	1.2	3.1	1.7	1.5	0.5
Net income	5.5	8.4	6.8	3.4	2.6	5.4	7.8
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	5.5	8.4	6.8	3.4	2.6	5.4	7.8
Average number of shares	10.5	10.5	10.5	10.5	10.5	10.5	10.5
EPS reported	0.52	0.80	0.64	0.32	0.25	0.51	0.74

Profit and loss (common size)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	46.9 %	46.9 %	44.8 %	46.0 %	46.5 %	45.5 %	45.5 %
Gross profit	53.1 %	53.1 %	55.2 %	54.0 %	53.5 %	54.5 %	54.5 %
Sales and marketing	14.5 %	14.0 %	18.5 %	20.4 %	20.5 %	19.8 %	19.0 %
General and administration	10.9 %	10.8 %	9.3 %	11.1 %	11.2 %	10.8 %	10.5 %
Research and development	16.4 %	15.9 %	15.6 %	16.4 %	16.6 %	16.0 %	15.0 %
Other operating income	2.6 %	1.4 %	1.7 %	1.2 %	1.1 %	1.0 %	0.8 %
Other operating expenses	0.3 %	0.4 %	0.3 %	0.9 %	0.8 %	0.7 %	0.6 %
Unusual or infrequent items	neg.	neg.	neg.	neg.	neg.	neg.	neg.
EBITDA	15.1 %	14.9 %	15.0 %	8.1 %	7.0 %	9.7 %	10.7 %
Depreciation	0.0 %	1.2 %	1.4 %	1.4 %	1.7 %	1.4 %	1.1 %
EBITA	15.1 %	13.7 %	13.5 %	6.7 %	5.3 %	8.4 %	9.6 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.9 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	3.8 %	2.2 %	2.0 %	2.0 %	2.4 %	2.6 %	1.9 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	11.3 %	11.5 %	11.5 %	3.8 %	3.0 %	5.7 %	7.7 %
Interest income	0.8 %	0.5 %	0.4 %	0.1 %	0.5 %	0.6 %	0.6 %
Interest expenses	1.0 %	0.1 %	0.4 %	0.2 %	0.2 %	0.2 %	0.2 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	0.4 %	0.0 %	neg.	0.3 %	0.4 %	0.4 %
Recurring pretax income from continuing operations	11.2 %	11.9 %	11.5 %	3.7 %	3.3 %	6.1 %	8.1 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	11.2 %	11.9 %	11.5 %	3.7 %	3.3 %	6.1 %	8.1 %
Tax rate	16.4 %	-6.4 %	18.4 %	-8.2 %	10.0 %	10.0 %	10.0 %
Net income from continuing operations	9.4 %	12.7 %	9.4 %	4.0 %	3.0 %	5.5 %	7.3 %
Result from discontinued operations (net of tax)	0.8 %	0.6 %	1.7 %	3.7 %	1.9 %	1.5 %	0.5 %
Net income	9.4 %	12.7 %	9.4 %	4.0 %	3.0 %	5.5 %	7.3 %
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net profit (reported)	9.4 %	12.7 %	9.4 %	4.0 %	3.0 %	5.5 %	7.3 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Intangible assets	41.4	42.3	41.0	49.7	49.5	47.9	47.0
Property, plant and equipment	2.1	2.1	2.1	2.2	1.6	1.2	1.1
Financial assets	0.0	0.0	0.0	0.7	0.7	0.7	0.7
FIXED ASSETS	43.6	44.4	43.1	52.6	51.8	49.8	48.7
Inventories	4.8	3.1	4.4	4.0	4.2	4.6	5.0
Accounts receivable	11.3	11.9	14.8	18.5	18.2	20.0	21.8
Other current assets	1.1	1.3	1.6	1.5	1.5	1.5	1.5
Liquid assets	18.9	23.1	23.2	15.7	15.3	19.2	23.0
Deferred taxes	4.1	4.2	3.8	5.9	5.9	5.9	5.9
Deferred charges and prepaid expenses	1.4	1.1	1.0	1.3	1.3	1.3	1.3
CURRENT ASSETS	41.7	44.8	48.8	46.8	46.4	52.5	58.5
TOTAL ASSETS	85.2	89.2	91.9	99.4	98.1	102.3	107.3
SHAREHOLDERS EQUITY	55.6	60.8	63.6	63.0	61.4	65.2	69.6
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	0.3	0.3	0.3	0.3
Provisions for pensions and similar obligations	1.9	1.9	2.3	2.2	2.3	2.4	2.6
Other provisions	3.1	2.9	2.7	4.6	4.6	4.6	4.6
Non-current liabilities	4.9	4.8	5.0	7.1	7.2	7.3	7.4
short-term liabilities to banks	0.0	0.0	0.0	0.9	0.9	0.9	0.9
Accounts payable	1.4	1.6	1.9	3.6	3.8	4.1	4.5
Advance payments received on orders	11.0	9.9	9.3	7.5	7.5	7.5	7.5
Other liabilities (incl. from lease and rental contracts)	7.1	6.7	6.2	7.4	7.4	7.4	7.4
Deferred taxes	0.8	0.1	0.0	2.5	2.5	2.5	2.5
Deferred income	4.4	5.3	6.0	7.5	7.5	7.5	7.5
Current liabilities	24.6	23.6	23.3	29.3	29.5	29.8	30.2
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	85.2	89.2	91.9	99.4	98.1	102.3	107.3

Balance sheet (common size)	2014	2015	2016	2017	2018E	2019E	2020E
Intangible assets	48.7 %	47.4 %	44.6 %	50.0 %	50.4 %	46.8 %	43.8 %
Property, plant and equipment	2.4 %	2.4 %	2.3 %	2.2 %	1.7 %	1.2 %	1.0 %
Financial assets	0.0 %	0.0 %	0.0 %	0.7 %	0.7 %	0.7 %	0.6 %
FIXED ASSETS	51.1 %	49.8 %	46.9 %	52.9 %	52.7 %	48.7 %	45.4 %
Inventories	5.6 %	3.5 %	4.8 %	4.0 %	4.3 %	4.5 %	4.7 %
Accounts receivable	13.3 %	13.3 %	16.1 %	18.6 %	18.6 %	19.6 %	20.4 %
Other current assets	1.3 %	1.5 %	1.8 %	1.5 %	1.5 %	1.5 %	1.4 %
Liquid assets	22.2 %	25.9 %	25.2 %	15.8 %	15.6 %	18.8 %	21.5 %
Deferred taxes	4.8 %	4.7 %	4.1 %	5.9 %	6.0 %	5.8 %	5.5 %
Deferred charges and prepaid expenses	1.6 %	1.3 %	1.1 %	1.3 %	1.3 %	1.2 %	1.2 %
CURRENT ASSETS	48.9 %	50.2 %	53.1 %	47.1 %	47.3 %	51.3 %	54.6 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	65.3 %	68.2 %	69.2 %	63.4 %	62.6 %	63.7 %	64.9 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	0.0 %	0.3 %	0.3 %	0.2 %	0.2 %
Provisions for pensions and similar obligations	2.2 %	2.1 %	2.5 %	2.2 %	2.4 %	2.4 %	2.4 %
Other provisions	3.6 %	3.3 %	2.9 %	4.7 %	4.7 %	4.5 %	4.3 %
Non-current liabilities	5.8 %	5.4 %	5.4 %	7.1 %	7.3 %	7.1 %	6.9 %
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	0.9 %	0.9 %	0.9 %	0.9 %
Accounts payable	1.6 %	1.8 %	2.0 %	3.6 %	3.9 %	4.0 %	4.2 %
Advance payments received on orders	12.9 %	11.1 %	10.1 %	7.5 %	7.6 %	7.3 %	7.0 %
Other liabilities (incl. from lease and rental contracts)	8.3 %	7.5 %	6.8 %	7.5 %	7.6 %	7.3 %	6.9 %
Deferred taxes	0.9 %	0.1 %	0.0 %	2.5 %	2.5 %	2.4 %	2.3 %
Deferred income	5.2 %	5.9 %	6.5 %	7.5 %	7.6 %	7.3 %	7.0 %
Current liabilities	28.9 %	26.4 %	25.4 %	29.5 %	30.1 %	29.1 %	28.1 %
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)	2014	2015	2016	2017	2018E	2019E	2020E
Net profit/loss	5.5	8.4	6.8	3.4	2.6	5.4	7.8
Depreciation of fixed assets (incl. leases)	0.0	0.8	1.0	1.2	1.5	1.4	1.2
Amortisation of goodwill	0.0	0.0	0.0	0.8	0.0	0.0	0.0
Amortisation of intangible assets	2.2	1.5	1.4	1.6	2.1	2.6	2.0
Others	0.4	0.2	-0.2	-0.2	0.1	0.1	0.1
Cash flow from operations before changes in w/c	8.1	10.8	9.0	6.7	6.3	9.4	11.1
Increase/decrease in inventory	-0.9	1.7	-1.3	0.4	-0.2	-0.4	-0.4
Increase/decrease in accounts receivable	0.9	-0.6	-2.9	-3.7	0.2	-1.8	-1.8
Increase/decrease in accounts payable	-0.3	0.2	0.3	1.7	0.2	0.3	0.4
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	-0.4	1.3	-3.9	-1.6	0.3	-2.0	-1.9
Cash flow from operating activities	7.7	12.2	5.1	5.2	6.6	7.5	9.3
CAPEX	1.1	1.0	1.2	1.3	1.8	2.0	2.1
Payments for acquisitions	0.0	0.6	0.0	7.1	1.0	0.0	0.0
Financial investments	0.0	3.3	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.3	0.0	0.0	0.0
Cash flow from investing activities	-1.1	-4.9	-1.2	-8.2	-2.8	-2.0	-2.1
Cash flow before financing	6.6	7.3	4.0	-3.1	3.8	5.5	7.1
Increase/decrease in debt position	0.0	-0.6	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	2.6	3.2	3.7	4.2	4.2	1.6	3.3
Others	0.0	-2.6	-0.2	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.7	3.3	0.0	-0.2	0.0	0.0	0.0
Cash flow from financing activities	-2.6	-6.4	-3.9	-4.2	-4.2	-1.6	-3.3
Increase/decrease in liquid assets	4.7	4.2	0.1	-7.5	-0.4	3.9	3.8
Liquid assets at end of period	18.9	23.1	23.2	15.7	15.3	19.2	23.0

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Domestic	43.3	45.9	51.7	60.5	61.4	66.1	69.4
yoy change	-7.8 %	6.0 %	12.5 %	17.0 %	1.5 %	7.6 %	5.0 %
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	15.6	20.2	20.4	23.9	27.6	31.8	37.3
yoy change	78.7 %	29.1 %	1.2 %	17.0 %	15.6 %	15.3 %	17.4 %
TTL	58.9	66.1	72.1	84.4	89.0	97.9	106.7
yoy change	5.8 %	12.1 %	9.1 %	17.0 %	5.5 %	10.0 %	9.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
P&L growth analysis							
Sales growth	5.8 %	12.1 %	9.1 %	17.0 %	5.5 %	10.0 %	9.0 %
EBITDA growth	61.8 %	11.2 %	9.2 %	-36.6 %	-8.5 %	52.2 %	83.0 %
EBIT growth	95.8 %	13.7 %	9.3 %	-61.2 %	-17.5 %	111.1 %	210.4 %
EPS growth	51.2 %	52.1 %	-19.1 %	-50.4 %	-22.0 %	105.2 %	197.1 %
Efficiency							
Total operating costs / sales	39.6 %	39.7 %	42.0 %	47.5 %	48.0 %	46.3 %	44.3 %
Sales per employee	130.4	136.8	138.4	148.9	145.5	149.1	152.1
EBITDA per employee	19.7	20.5	20.7	12.1	10.2	14.5	16.3
Balance sheet analysis							
Avg. working capital / sales	5.8 %	5.5 %	8.0 %	11.5 %	12.7 %	12.4 %	12.2 %
Inventory turnover (sales/inventory)	12.3	21.3	16.4	21.2	21.2	21.2	21.2
Trade debtors in days of sales	70.0	65.5	74.7	74.7	74.7	74.7	74.7
A/P turnover [(A/P*365)/sales]	18.4	18.7	20.9	33.5	33.5	33.5	33.5
Cash conversion cycle (days)	115.0	83.3	103.4	83.7	78.2	79.0	79.0
Cash flow analysis							
Free cash flow	6.6	11.1	3.9	3.8	4.8	5.5	7.1
Free cash flow/sales	11.2 %	16.9 %	5.4 %	4.5 %	5.4 %	5.6 %	6.7 %
FCF / net profit	120.2 %	132.9 %	57.8 %	113.6 %	183.4 %	102.3 %	91.5 %
Capex / depn	50.5 %	190.3 %	48.8 %	37.2 %	49.4 %	50.0 %	66.7 %
Capex / maintenance capex	43.6 %	83.5 %	101.4 %	236.2 %	49.4 %	50.0 %	66.7 %
Capex / sales	1.9 %	6.6 %	1.7 %	1.6 %	2.0 %	2.0 %	2.0 %
Security							
Net debt	-18.9	-23.1	-23.2	-14.6	-14.2	-18.1	-21.9
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	11.7	138.0	31.8	16.2	13.4	28.2	41.5
Dividend payout ratio	57.3 %	43.9 %	62.1 %	125.0 %	62.1 %	62.1 %	49.6 %
Asset utilisation							
Capital employed turnover	1.0	1.0	1.1	1.2	1.3	1.3	1.4
Operating assets turnover	10.2	11.7	7.1	6.2	7.0	6.8	6.6
Plant turnover	28.4	30.9	33.8	37.8	54.9	78.4	96.9
Inventory turnover (sales/inventory)	12.3	21.3	16.4	21.2	21.2	21.2	21.2
Returns							
ROCE	11.4 %	12.0 %	12.4 %	4.6 %	3.8 %	7.8 %	11.2 %
ROE	9.9 %	13.8 %	10.7 %	5.3 %	4.3 %	8.3 %	11.2 %
Other							
Interest paid / avg. debt	n/a	n/a	n/a	17.0 %	17.0 %	17.0 %	17.0 %
No. employees (average)	452	483	521	567	612	657	702
Number of shares	10.5	10.5	10.5	10.5	10.5	10.5	10.5
DPS	0.3	0.4	0.4	0.4	0.2	0.3	0.4
EPS reported	0.52	0.80	0.64	0.32	0.25	0.51	0.74
Valuation ratios							
P/BV	3.2	3.0	2.8	2.9	2.9	2.8	2.6
EV/sales	2.8	2.4	2.2	2.0	1.9	1.7	1.5
EV/EBITDA	18.4	16.1	14.8	24.6	26.9	17.3	14.1
EV/EBITA	18.4	17.6	16.4	29.7	35.4	20.2	15.7
EV/EBIT	24.5	21.0	19.2	52.2	63.5	29.4	19.5
EV/FCF	24.7	14.3	40.7	44.0	35.0	29.9	22.6
Adjusted FCF yield	3.3 %	5.7 %	5.0 %	3.9 %	2.4 %	4.1 %	5.5 %
Dividend yield	1.7 %	2.0 %	2.3 %	2.3 %	0.9 %	1.9 %	2.1 %

Source: Company data, Hauck & Aufhäuser

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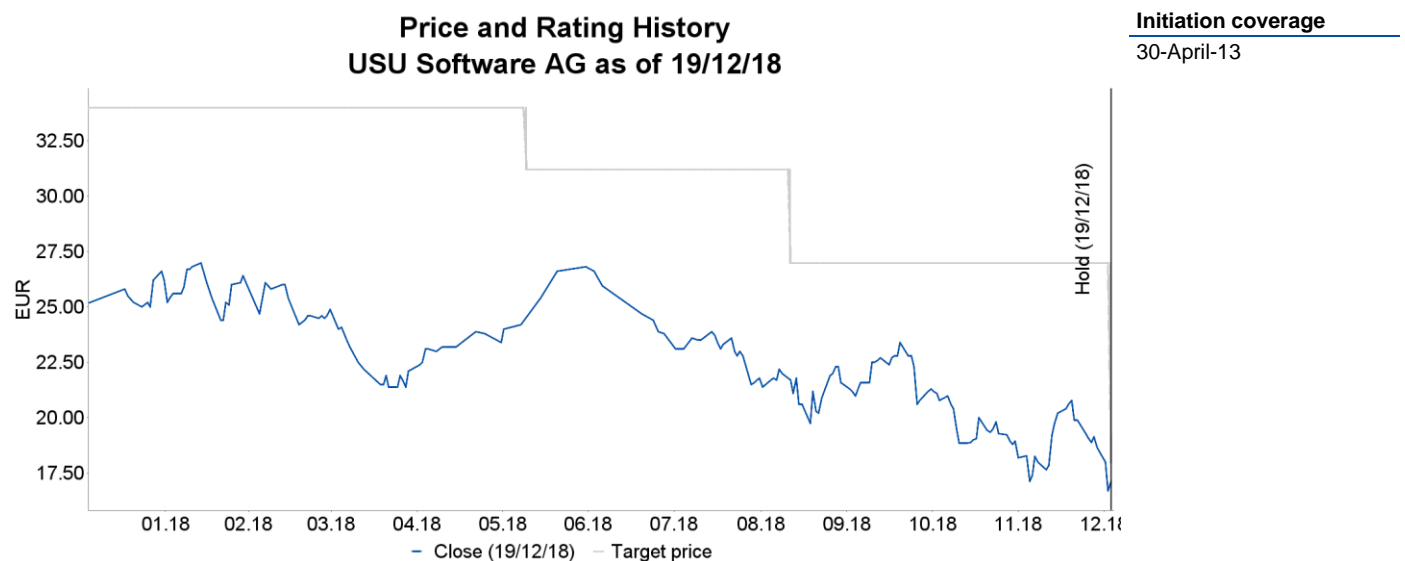
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Company	Disclosure
USU Software AG	2

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



Company	Date	Analyst	Rating	Target price	Close
USU Software AG	23.11.2018	Bentlage, Simon	Buy	EUR 27,00	EUR 18,00
	19.10.2018	Bentlage, Simon	Buy	EUR 27,00	EUR 20,80
	07.09.2018	Bentlage, Simon	Buy	EUR 27,00	EUR 20,90
	27.08.2018	Bentlage, Simon	Buy	EUR 27,00	EUR 21,70
	28.05.2018	Bentlage, Simon	Buy	EUR 31,20	EUR 24,20

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Date of publication creation: 20/12/2018 07:54 AM

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