

ATOSS Software AG: Unabated growth for the twelfth year in succession

ATOSS Software AG generated record sales and earnings figures in the financial year 2017 according to preliminary figures. With revenues of EUR 54.6 million and an EBIT margin of 26 percent, the Munich-based workforce management specialist has now succeeded in sustaining its successful development for the twelfth year in a row. Given the outstanding order situation and particularly strong growth in the cloud business, the management board anticipates that the highly positive sales and earnings development will continue during the current financial year.

Munich, January 31, 2018

ATOSS Software AG can look back on a highly successful financial year 2017. For the twelfth year in succession, the company succeeded in exceeding the record figures of the previous years in terms of orders received, sales and earnings. This business development in itself is unique, and once again proves the long-term success and great stability of the business model.

The strategy of providing the full range of solutions for companies of all sizes both “on premise” and in the cloud has once again paid off for ATOSS. With its full range offering, the Munich-based software producer convinced over 600 companies to select ATOSS as their innovative partner for workforce management in 2017. The demand for ATOSS’ customer-oriented solutions for workforce scheduling has therefore increased considerably. This is highlighted particularly impressively by the orders received for software licenses and the software component of contracted cloud subscriptions during the year, which increased by 19 percent from EUR 12.3 million to EUR 14.6 million overall.

Double-digit growth rates were also achieved in revenues. Software sales within the Group grew by 15 percent to EUR 34.6 million and therefore made up 63 percent of Group sales (previous year: 61 percent). The software licensing business reported particularly strong development, up to 13 percent to EUR 12.7 million. Even stronger was the development of software sales from cloud solutions as sales more than doubled to EUR 2.0 million. The software maintenance business also enjoyed a successful financial year, sustaining the consistent positive development of past periods. Sales in this area rose by 10 percent to EUR 19.9 million. In the field of consulting – supported by the excellent order situation for implementation services following the sale of licenses – ATOSS saw sales increased by 10 percent to EUR 14.7 million. EUR 3.7 (previous year: EUR 4.4) was generated with hardware, while other sales amounted to EUR 1.6 million, some 4 percent higher than the figure of EUR 1.5 million posted in the previous year.

Operating profit came in at EUR 14.1 million, slightly up on the previous year figure of EUR 13.6 million despite significant investment in R&D and the sales organization. ATOSS recorded earnings per share of EUR 2.35, compared with EUR 2.33 in the previous year. The return on sales based on EBIT was recorded at 26 percent, marginally higher than the 25 percent forecast by the Management Board for the financial year 2017.

The financial year 2017 was highly successful and the fourth quarter also yielded strong business development. With sales coming in at EUR 14.6 million (previous year: EUR 13.0 million), ATOSS recorded the highest quarterly sales in the company’s 30-year history. EBIT in the fourth quarter of the financial year amounted to EUR 3.9 million (previous year: EUR 3.8 million).

The Management Board intends to propose that in resolving on the appropriation of net income, the Supervisory Board recommends a dividend of EUR 1.17 per share (previous year: EUR 1.16). This represents a continuation of the policy adopted by ATOSS 15 years ago which foresees year-on-year continuity with the distribution of around 50 percent of earnings per share. The recommendations for the appropriation of net income put forward by the management and supervisory boards will be resolved upon at the annual general meeting on April 26, 2018.

The market for workforce management continues to offer substantial growth potential. In an environment in which business models are changing rapidly, the requirements of businesses themselves are ever rising. Companies face increasing challenges to improve their productivity and boost flexibility, while at the same time reducing operating costs. Consequently, the demand for workforce management solutions is growing. ATOSS is excellently positioned within this market environment. The fact that all its products are now available as cloud solutions has contributed to opening the door to new groups of customers. In the past financial year, the order situation in the cloud business recorded particularly dynamic development and leaves little doubt that the growth potential of ATOSS in the field of cloud solutions is also far from exhausted. On top of doubling sales, the orders received for cloud solutions rose by 56 percent to EUR 5.4 million and orders on hand for cloud solutions grew by 66 percent to EUR 8.7 million.

Against the backdrop of the excellent business situation in all areas of business, the Management Board anticipates that the record development will be sustained in 2018 and an EBIT margin of around 25 percent achieved.

CONSOLIDATED OVERVIEW AS PER IFRS: YEAR ON YEAR COMPARISON IN KEUR

	01.01.2017 - 31.12.2017	Proportion of Total sales	01.01.2016 - 31.12.2016	Proportion of Total sales	Change 2017 / 2016
Total sales	54,607	100%	49,544	100%	10%
Software	34,590	63%	30,195	61%	15%
Licenses	12,682	23%	11,206	23%	13%
Maintenance	19,888	36%	18,101	37%	10%
Cloud	2,020	4%	888	2%	127%
Consulting	14,712	27%	13,379	27%	10%
Hardware	3,718	7%	4,444	9%	-16%
Others	1,587	3%	1,526	3%	4%
EBITDA	14,879	27%	14,277	29%	4%
EBIT	14,126	26%	13,569	27%	4%
EBT	14,060	26%	13,677	28%	3%
Net profit	9,330	17%	9,278	19%	1%
Cash flow	8,857	16%	12,240	25%	-28%
Liquidity ^(1/2)	27,122		24,785		9%
EPS in euro	2.35		2.33		1%
Employees ⁽³⁾	417		367		14%

CONSOLIDATED OVERVIEW AS PER IFRS: QUARTERLY COMPARISON IN KEUR

	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16
Total sales	14,585	13,510	13,521	12,991	13,003
Software	10,542	8,213	8,083	7,672	7,790
Licenses	3,455	3,177	3,174	2,876	3,134
Maintenance	5,147	5,036	4,909	4,796	4,656
Cloud	650	520	449	401	310
Consulting	3,922	3,686	3,469	3,635	3,528
Hardware	1,024	756	995	943	969
Others	387	335	525	340	406
EBITDA	4,114	3,756	3,518	3,491	3,974
EBIT	3,920	3,563	3,329	3,314	3,778
EBIT margin in %	27%	26%	25%	26%	29%
EBT	3,950	3,530	3,210	3,370	3,670
Net profit	2,691	2,263	2,120	2,256	2,409
Cash flow	-797	5,612	-873	4,915	83
Liquidity ^(1/2)	27,122	28,715	23,735	29,619	24,785
EPS in euro	0.68	0.57	0.53	0.57	0.60
Employees ⁽³⁾	417	408	388	373	367

(1) Cash and cash equivalents, other current and non-current financial assets (sight deposits, investment funds, gold) as of the qualifying date, adjusted to exclude borrowings (loans)

(2) Dividend of EUR 1.16 per share on 04.05.2017 (kEUR 4.613) and dividend of EUR 2.80 per share on 27.04.2016 (kEUR 11.134)

(3) at the end of the quarter/year

Upcoming dates:

March 9, 2018	Publication of the annual report for 2017
March 9, 2018	Balance sheet press conference
April 23, 2018	Publication of the 3-monthly financial statements
April 26, 2018	Annual General Meeting
July 24, 2018	Press release announcing the 6-monthly financial statements
August 10, 2018	Publication of the 6-monthly financial statements
October 24, 2018	Publication of the 9-monthly financial statements
November 26-28, 2018	ATOSS at the German Equity Forum

Background information

ATOSS Software AG is a provider of consulting, software and services focusing on professional workforce management and demand optimized personnel deployment. From conventional working time management to mobile apps, detailed workforce forecasting, sophisticated workforce scheduling or strategic capacity and demand scheduling, ATOSS has the right solution – in-the-cloud or on-premises. The modular product families are distinguished by maximum functionality and state-of-the-art technology and are entirely platform-independent. Established in 1987, the stock market listed company generated sales of around EUR 54,6 million in financial year 2017. ATOSS workforce management solutions are now delivering measurable contributions to greater value creation and competitive strengths for around 5,500 customers in over 42 countries, while at the same time enhancing fair planning and job satisfaction. Customers include enterprises such as Coca Cola, Deutsche Bahn, Edeka, Leverkusen Clinical Center, Lufthansa, Meyer Werft, Schmitz Cargobull, Sixt, the municipality of Regensburg and W.L. Gore & Associates. More information is available at: www.atoss.com

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