

**We invest in winners.** That means we invest in strong companies that create value for their shareholders with sustainable business models, solid balance sheets and high margins. We keep the risks low and invest when our position is fuelled by a positive event. We refer to that as the combination of value and event.

#### **ATOSS Software AG**

The software firm, founded in 1987 by its present CEO Andreas Obereder and specializing in workforce management, again achieved record earnings in the 2009 financial year despite the economic and financial crisis. The reason for this achievement is customer focus. The company creates value for its customers and fosters close, partnership-based relationships with them. The subject of workforce management and the related possibilities for optimizing the deployment of human resources provide opportunities that no longer exist in the areas of purchasing and production where the rationalization potential is in many cases largely exhausted.

On average, 22% of working time at German companies is wasted. Tapping this potential, i.e. increasing workforce productivity, is the main focus of workforce management.

ATOSS Software AG has 234 employees and about 4,000 customer firms from all sectors and of all sizes. Despite the bias of its revenue base toward the German-speaking markets (D-A-CH), the software, implemented and distributed through 50 partners, is in use in 23 countries and in eight different languages. It manages approximately 2.5 million employees.

As a result of the technology migration completed in 2005 (Java J2EE), ATOSS was able to

realize a competitive edge that began back in the year 2001. Since then it invested, and expensed, almost EUR 40 million, equivalent to about 75% of its current market capitalization, in research and the further development of its software technology.

The success is reflected in the figures for the 2009 financial year. ATOSS generated revenues of EUR 29 million and a cash flow margin of 26% (the EBIT margin is 19%). The company has a strikingly solid balance sheet. Cash and cash equivalents cover about 36% of the company's current market capitalization. Stripping out net cash and assuming constant cash flows from operating activities, ATOSS could generate its own market capitalization within the next five years.

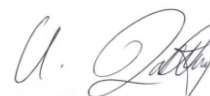
This is based on recurring maintenance revenues, which currently account for about 37% of total revenues. Given the high order backlog and the growing success with international companies we expect the successful performance to continue and foreign business to grow.

Given a targeted payout ratio of up to 50% of net income based on the commercial accounting shareholders should benefit commensurately from a positive company development.

Sincerely yours



J. Henrik Muhle



Dr. Uwe Rathausky