

01 st August 2006

COMPANY ANALYSIS

Coverage: Since Q1/2004

VALOR

Sector:
Software / Technology

EVENT: Preview Results Q2 on 7th August 2006

Rating (old): BUY
Fair Value (old) € 4,55
Last Price: € 3,80

Rating: BUY
Fair Value (new) € 4,33

Good Q2-Results expected

- Strong Demand on Traceability in Automotive & Medical Markets
- Improvement of Top- & Bottom Line in Q2/2006 expected
- Strengthening of Consultative Selling Approach



SWOT

- + Strong experienced Management
- + Fine Margins with Software Concepts and Tools
- + High Cashreserves (\$ 26 mln)
- - Enterprise 3000 with limited Growth
- - High demand on worldwide sales

ANALYST

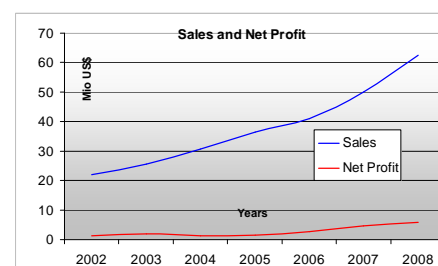
Dr. Norbert Kalliwoda; CEFA
DVFA-Analyst Dipl.-Kfm.
+49 (69) 97205853
nk@kalliwoda.com
www.kalliwoda.com

See also
Kalliwoda Recommendations
on Terminal: Bloomberg
Reuters
Thomson Financials
JCF Factset

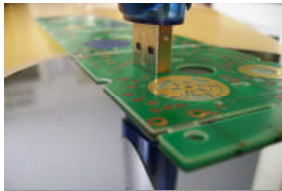
COMPANY DESCRIPTION

VALOR COMPUTERIZED SYSTEMS is one of the leading suppliers of productivity-increasing software solutions for the electronic industry. VALOR's solutions cover the development, production and monitoring. VALOR created an international standard for dataexchange on the highest level. The products help companies to increase their productivity and to minimize mistakes.

HISTORY & ESTIMATES

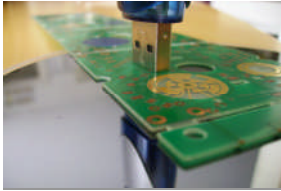


VALOR COMPUTERIZED SYSTEMS					
Figures in EUR	2002	2003	2004	2005	2006e
EPS Dr. Kalliwoda	0,07	0,11	0,07	0,08	0,15
EPS Consensus	-0,04	0,11	0,13	0,12	0,20
Revenues (mln)	22,1	25,6	30,7	36,3	41,0
net Income (adj.)	1,3	1,9	1,2	1,4	2,7
net cash per share	0,7	1,6	1,5	1,7	1,7
net Cash	14,0	29,9	27,6	32,0	32,0
Free Cash Flow	5,1	8,8	11,9	10,4	1,6
P/E	-	37,3	58,4	51,2	26,0
P/S	-	2,8	2,3	2,0	1,7
ROE in %	2,38	3,4	5,5	3,5	7,6
EV/EBITDA	-	32,6	107,5	62,2	29,6
Price (curr)	3,8				18,80
52W high	3,48				16,5
52w low	1,87				39,2%
Market Cap (mln)	71,4				0,005%
Last Dividend	0,07				VCR
Sales CAGR 2001-2010	33%				Bloomberg
Web Page	www.valor.com				WKN
					928731



CONTENT

1.	Q1/2006 RESULTS AND PREVIEW FOR Q2/2006e	3
1.1	Q1/2006 Results	3
1.2	Q2/2006e-Preview	3
1.3	Quarterly Trends.....	4
2.	VALUATION: DCF	6
2.1	Sensitivitätsanalyse.....	6
3.	STATEMENTS OF CASHFLOWS.....	6
4.	PROFIT & LOSS ACCOUNTING UNTIL 2010.....	7
5.	BALANCE & CASH FLOWS.....	8
6.	CONTACT	9
7.	DISCLAIMER.....	10



1. FINANCIALS: Q1/2006 AND FORECAST FOR Q2/2006

1.1 Q1/2006 Results

Revenues in Q1-06 accumulated to US\$ 8,4 mln compared to US\$ 8,7 mln in Q1-06.

The decreasing sales correspond to the ongoing restructuring process of the business in Asia. A new management team was installed there. Nevertheless the gross margin was still high with 86,7%. The net profit in the first quarter of 2006 increased by 18% to US\$ 0,747 mln compared to the parallel quarter of the previous year. The generated positive cash flow from operating activities of US\$ 3,9 mln in Q1-06 is very impressive. The company-guidance for the FY 06 relates to US\$ 3 mln.

1.2 Q2/2006e-Preview

For Q2/2006e we expect a further increase of operating profitability. In our opinion the progress of the restructuring processes and valor's Consultative Selling Approach should succeed.

Consultative Selling Approach

Since February 2006 Valor offers its clients the so called „consultative selling approach“. That means the tailoring of custom solutions for clients based on Valor-products. If necessary Valor incorporates third party solutions as well. Companies such as IBM, Oracle, SAP and others have reacted to the broader needs of their customers. And Valor implements this approach in the electronic industry.

The biggest advantage of this consultative selling approach should be the engagement in larger IT projects having a positive affect on revenues and profits.

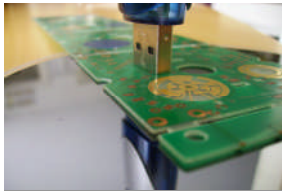
Strengths through completed TraceXpert Purchase

We take the position that the recently completed purchase of the Danish TraceXpert is a further step to achieve an operational integration with the Danish company and its products. The demand for Manufacturing Execution Systems (MES)/Assembly market is growing and Valor has the right product portfolio to adapt clients' needs in that market.

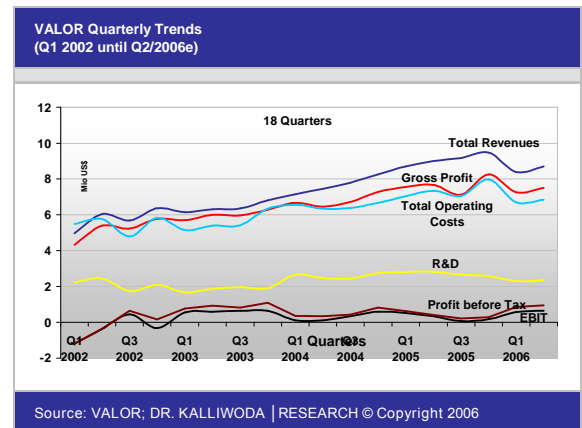
Valor is valued at present with the 1,3 fold turnover-multiple. (Market-capitalisation of EUR 68 mln – EUR 25 mln (net cash) = EUR 42,8 mln, our estimated sales in 2006: EUR 32,5 mln.

Comparable technology enterprises are valued partially with a double or even higher turnover-multiple.

On the basis of our valuation model and our discussion with the management board we maintain our **BUY recommendation**. Our price target is **EURO 4.33 per share** on view of 12 months.



The following graphic shows the business-performance of the last four and a half years (incl. Our estimated Q2-06). The development of revenues and gross-profits as well as earnings before taxes is good news, although an increasing amount of money was invested into the development of the Asian market in the year 2004 and 2005.



2. VALUATION: DCF

On the basis of our discount cash flow model with a weighted cost of capital (WACC) of 10,2% and a beta of 1.3 we calculate a fair value of US\$ 5.45. With a present Euro/US\$ exchange-rate of 1.26 we calculate a fair value of € 4.33 per share (EUR 0,22 lower compared to our calculated fair value in our last publication on 07th March 2006 due to the US\$/EUR exchange rate of 1,26) and recommend the stock to buy.

The valuation of the Valor was done through the three-staged discount-cash-flow model to calculate the inner value of the share. We made the following assumptions: We set the risk free interest rate at 3.7%. This corresponds to a 10 year bond. We calculated the risk premium with 5% and the beta factor in relation to the TecDax30 with 1.3. These parameters applied, we received a weighted average cost of capital (WACC) of 10,2%.

2.1 Sensitivity analysis

The results show a valuation-range of US\$ 4.61 to US\$ 7,03. A long-term growth of 1.5% (Terminal Growth Rate) and a weighted cost of capital of 10,2% is realistic in our eyes. From these numbers, a market-capitalization of US\$ 110 million, corresponding to a fair share price of US\$ 5.45 for Valor Computerized Systems is calculated.

DCF PARAMETER	
PARAMETERS	
Risk-free rate	3,7%
Risk premium	5,0%
Beta	1,30
Longterm growth rate	1,5%
Cost of equity	10,2%
Cost of debt (after Tax)	4,2%
WACC	10,2%
NET PRESENT VALUE OF FREE CASH FLOWS (Mio. US-DOLLAR)	
Phase 1 (2005-2006)	20,4
Phase 2 (2007-2009)	29,5
Phase 3 (2010...terminal value)	30,0
Net debt	30,3
Value of total equity	110,1
DCF value per share	5,45

Source: DR.KALLIWODA | RESEARCH 2005

SENSITIVITY ANALYSIS per Share

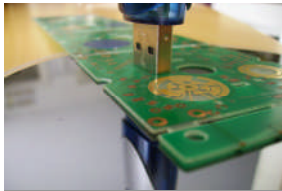
(US-DOLLAR)	Discount factor					
	$\beta = 1,3$	0,08	0,09	0,102	0,11	0,12
0,0%	6,17	5,65	5,23	4,89	4,61	
0,5%	6,30	5,74	5,29	4,94	4,64	
1,0%	6,44	5,84	5,37	4,99	4,68	
1,5%	6,61	5,95	5,45	5,05	4,73	
2,0%	6,80	6,08	5,54	5,11	4,77	
2,5%	7,03	6,23	5,64	5,19	4,83	

Source: Dr. Kalliwoda Research

SENSITIVITY ANALYSIS (Market-Capitalization)

(Mio. US-DOLLAR)	Discount factor				
	$\beta = 1,3$	8,2%	9,2%	10,2%	11,2%
0,0%	125	114	106	99	93
0,5%	127	116	107	100	94
1,0%	130	118	108	101	95
1,5%	134	120	110	102	96
2,0%	138	123	112	103	97
2,5%	142	126	114	105	98

Source: Dr. Kalliwoda Research



3. STATEMENT OF CASHFLOWS

The following table shows the high level of cash and cash equivalents of US\$ 26 million (Q1/2006) as well as the positive development of the operational cash flows. Therefore Valor has very good possibilities to invest into new products

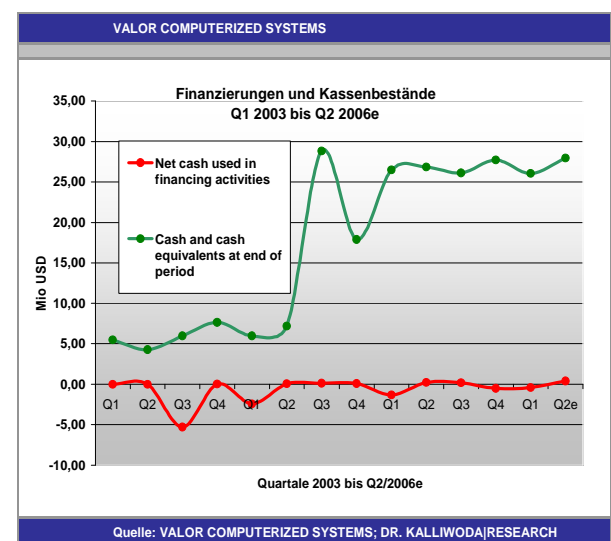
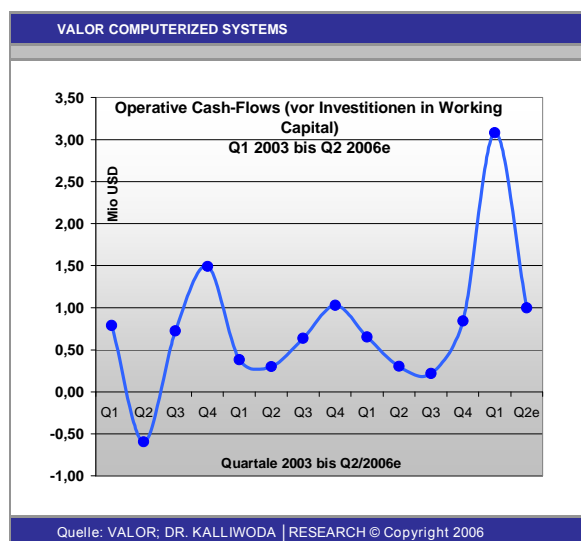
which can strengthen the technological leadership. In addition the high cash reserves should make acquisitions possible, which would strengthen Valors operational business altogether. We assume that Valor will take over further small

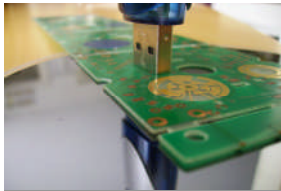
VALOR CONSOLIDATED STATEMENTS OF CASHFLOWS													
	Change to Q2 2004	Q3 2005	Q3 2004	Change to Q3 2004	Q4 2005	Q4 2004	Change to Q4 2004	Q1 2006	Q1 2005	Change to Q1 2005	Q2 2006e	Q2 2005	Change to Q2 2005
Cash flows from operating activities													
Net profit	36%	0,10	0,301	-66%	0,25	0,301	-16%	0,63	0,631	0%	0,80	0,408	95%
Operating cash flows before working capital changes	1%	0,22	0,301	-28%	0,84	0,301	180%	0,65	-0,653	-200%	1,00	0,303	230%
Net cash provided by (used in) operating activities	-75%	-0,16	0,958	-117%	0,37	0,958	-61%	0,00	0,190	-101%	2,00	0,241	730%
Cash flows from investing activities													
Net cash provided by (used in) investing activities	-149%	-0,77	0,222	-445%	-0,09	0,222	-141%	9,97	9,965	0%	-3,00	-0,108	2678%
Cash flows from financing activities													
Net cash used in financing activities	285%	0,21	0,062	234%	-0,49	0,062	-895%	-1,30	-1,491	-13%	0,40	0,239	67%
Increase (decrease) in cash and cash equivalents	-70,05%	0,37	1,242	-70,05%	-9,41	1,242	-857,49%	8,664	8,664	0,00%	-1,00	0,372	-368,82%
Effect of exchange rate changes on opening cash	-90,91%	-0,002	-0,022	-90,91%	0,05	-0,022	-345,45%	-0,050	-0,050	0,00%	0,01	-0,002	-600,00%
Cash and cash equivalents at beginning of period	344%	26,85	5,965	350%	26,10	5,965	338%	17,87	17,869	0%	26,03	26,483	-2%
Cash and cash equivalents at end of period	274%	26,10	7,185	263%	27,73	7,185	286%	26,48	26,483	0%	25,03	26,853	-7%

Source: VALOR; DR.KALLIWODA | RESEARCH © Copyright 2006

The following graph (below) clarifies that the gross cash flows (operating cash flows before working capital changes) improved since Q2/2004 and vary afterwards between US\$ 0,2 million and US\$ 3.1 million.

The graph (below) "investments, financings and cash" shows the financing loads e.g. dividend payments. Here again the high cash position of Valor as an important basis for the further enterprise expansion becomes clear.





4. PROFIT & LOSS ACCOUNTING UNTIL 2010

The following graph shows the profit-and-loss-accounts with estimates up to 2010.

Our sales and earnings estimates are based on a conservative scenario 1 (estimates without acquisitions, see following table).

PROFIT & LOSS VALOR COMPUTERIZED SYSTEMS											
€ mln											
	2001	2002	2003	2004	2005e	2006e	2007e	2008e	2009e	2010e	CAGR 2001 bis 2010
Revenues (Scenario 1*)	24,8	22,1	25,6	30,7	36,3	41,0	50,0	62,5	69,5	78,0	33,2%
Revenues (Scenario 2*)	24,8	22,1	25,6	30,7	36,5	46,0	63,0	74,0	82,0	91,0	38,4%
% change	-15,4%	-11,0%	16,0%	19,7%	18,5%	12,8%	22,0%	25,0%	11,2%	12,2%	
COGS	-3,3	-2,2	-1,7	-3,5	-5,5	-5,5	-6,7	-8,4	-9,3	-10,4	
% of revenues	13%	10%	7%	12%	16%	13%	13%	-13%	-13%	-13%	
Gross income	21,5	19,8	23,9	27,1	30,6	35,5	43,3	54,1	60,2	67,6	27,4%
% change	-16,3%	-7,7%	20,7%	13,3%	12,8%	16,1%	22,0%	25,0%	11,2%	12,2%	
Gross margin	87%	90%	93%	88%	84%	87%	87%	87%	87%	87%	88%
R & D	-8,0	-6,8	-7,4	-10,4	-10,9	-11,1	-13,1	-16,0	-17,8	-20,0	
% of revenues	-32%	-29%	-29%	-34%	-27%	-26%	-26%	-26%	-26%	-26%	
S, S&A (Distr./Mark.)	-12,9	-10,5	-12,4	-13,9	-16,2	-19,2	-21,5	-26,8	-28,6	-32,1	
% of revenues	52%	47%	49%	45%	47%	43%	43%	43%	41%	41%	
Other op. income	-1,8	-1,9	-1,7	-2,1	-2,4	-2,7	-3,2	-4,1	-4,5	-5,1	
EBITDA	-1,2	0,7	2,4	0,8	1,2	2,5	5,5	7,0	8,3	9,4	34,0%
% of revenues	-5%	3%	9%	3%	3%	6%	11%	11%	12%	12%	
EBITDA margin	-4,7%	3,0%	9,4%	2,5%	3,3%	6,1%	10,9%	11,2%	11,9%	12,1%	
EBIT	-1,2	0,7	2,4	0,8	1,2	2,4	5,6	7,1	7,3	8,4	30,3%
% of revenues	-5%	3%	9%	3%	3%	6%	11%	11%	10%	11%	
EBIT margin	-4,7%	3,0%	9,4%	2,5%	3,3%	6,0%	11,1%	11,3%	10,5%	10,8%	
Financial result	2,1	0,7	1,2	0,8	0,4	0,8	0,7	0,8	0,7	0,6	
Pre tax income	0,9	1,3	3,6	1,54	1,6	3,2	6,2	7,8	8,0	9,0	37,9%
% of revenues	3,8%	6,1%	14,2%	5,0%	4,5%	7,9%	12,4%	12,5%	11,5%	11,5%	
Taxes	0,0	0,0	-1,7	-0,3	-0,2	-0,5	-1,6	-2,0	-2,0	-2,3	
Tax rate	1,7%	1,2%	47,3%	20,7%	15,0%	15,4%	25,0%	25,0%	25,0%	25,0%	
Minorities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
Net income (Ex adj.)	0,9	1,3	1,9	1,22	1,4	2,7	4,7	5,9	6,0	6,8	21,5%
% of revenues	4%	6%	7%	4%	4%	7%	9%	9%	9%	9%	
Net margin	4%	6%	7%	4%	4%	7%	9%	9,4%	8,6%	8,7%	
# shares out (mln)	18,54	18,07	18,05	18,27	18,40	18,40	18,40	18,40	18,40	18,40	
EPS	0,05	0,07	0,11	0,07	0,08	0,15	0,25	0,32	0,32	0,36	21,5%

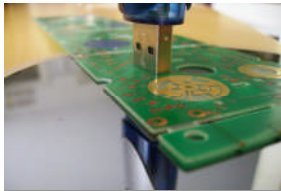
Scenario 1*) Schätzungen ohne Firmenakquisitionen; Unsere DCF-Analyse basiert auf diesem Szenario; Fairer Wert: US\$ 5,27 je Aktie.
Scenario 2*) Schätzungen mit Firmenakquisitionen (Gewinn-Reihe ist etwas höher verglichen mit Szenario 1); 2006: US\$ 0,21; 2007: US\$ 0,30; 2008: US\$ 0,36; 2009: US\$ 0,37; 2010: US\$ 0,41).
 Fairer Wert: US\$ 5,47 je Aktie.

Source: DR. KALLIWODA | RESEARCH © Copyright 2006; VALOR

The P&L shows a strong sales development from 2001 to 2005 from US\$ 24,9 million to US\$ 36,34 million. In 2010 you see our estimates of US\$ 78 million having calculated an average sales growth for the years 2005 to 2010 of 33,2% (CAGR)¹ from this. For the EBIT we expect US\$ 2,4 million in 2006, US\$ 5,6 million in 2007, US\$ 7,1 million in 2008, US\$ 7,3 million in 2009, and US\$ 8,4 million in 2010., which equals an average EBIT-margin of 9,9%.

The EBT-series is stronger. We expect pre-tax results from 2006 to 2010 to be US\$ 3,2 million, US\$ 5,2 million, US\$ 6,2 million, US\$ 7,8 million, US\$ 8 million and US\$ 9 million which results in an EBT-margin of 11,2% on average with continuous growth. These result-series are positively influenced by a high stock of financial investments of US\$ 26 million (Q1-2006), even though this stock and the interest obtainable through it could be reduced by the acquisition of smaller companies.

¹ Compound Average Growthrate: Here the turnover growth rates were settled. From 2005 to 2010 on the year 2005 with the capital cost set of 10,2 % (WACC).



5. BALANCE & CASH FLOWS

Our balance estimations consider continuous enterprise growth supported by stable cashflow growth. The balance grows, although we subordinated high

declarations of dividend in our cashflow analysis. See for this the also following cashflow statement in the connection of the following balance estimation.

BALANCE SHEET VALOR COMPUTERIZED SYSTEMS																				
US\$ Millionen																				
	2001	in %	2002	in %	2003e	in %	2004e	in %	2005e	in %	2006e	in %	2007e	in %	2008e	in %	2009e	in %	2010e	in %
Intangible assets	0,8	2	0,4	1	0,3	0,64477	0,5	1,237589	0,5	1,16	0,5	1,0870052	0,5	0,971	0,5	1	0,5	1	0,5	1
(thereof goodwill)	0,8	2	0,4	1	0,3	4	0,4	4	0,4	0,94	0,4	0,8971999	0,4	0,815	0,4	1	0,4	1	0,4	1
Tangible assets	2,8	6	2,2	5	1,8	4	1,6	4	2,3	5	3,0	6	3,8	7	-6,2	9	-6,2	12	-6,2	12
Financial assets	1,7	4	18,5	42	1,8	4	3,2	7	-6,2	-14	-6,2	-13	-6,2	-12	-6,2	-11	-6,2	-10	-6,2	-9
Fixed assets	6,0	11	21,6	48	4,1	9	5,8	12	-3,0	-8	-2,3	-6	-1,5	-4	-11,6	-1	-11,6	2	-11,6	3
Inventories	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0
Trade debtors	3,9	9	4,9	11	4,6	11	5,5	13	6,1	14	6,7	14	7,6	15	8,9	15	9,6	16	15,9	23
Other current assets	0,8	2	3,2	7	2,0	5	2,3	5	2,5	6	2,8	6	3,2	6	3,7	6	4,0	6	6,6	10
Cash & marketable sec.	35,7	78	14,9	34	30,8	75	30,4	70	39,9	88	40,6	86	43,3	83	45,6	79	46,7	76	43,3	63
Current assets	40,4	89	23,1	52	37,4	91	38,1	88	48,6	108	50,0	106	54,1	104	58,2	101	60,3	98	65,9	97
Total assets	45,59	100	44,24	100	41,26	100	43,31	100	45,16	100	47,37	100	52,12	100	57,59	100	61,65	100	68,26	100
Share capital	35,6	76	38,7	87	35,4	86	34,9	81	34,9	77	34,9	74	34,9	67	34,9	61	34,9	57	34,9	51
Reserves	3,6	8	0,0	0	0,0	0	0,4	1	1,0	2	2,4	5	5,7	11	9,3	16	12,3	20	9,3	14
Minority interests	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0	0,0	0
Provisions	2,5	5	1,8	4	2,2	5	2,3	5	2,6	6	2,8	6	3,2	6	3,7	6	4,0	6	6,6	10
Financial liabilities	1,6	4	0,9	2	0,9	2	2,8	6	3,1	7	3,4	7	3,9	7	4,5	8	4,9	8	8,1	12
Other liabilities	0,8	2	0,6	1	0,4	1	0,4	8	0,3	1	0,3	1	0,4	1	5,2	1	5,6	1	9,3	1
Total liabilities	7,4	16	5,5	13	5,8	14	-0,7	20	9,2	20	10,0	21	11,5	22	13,4	23	14,4	23	24,0	35
Total equity + liabilities	46,59	100	44,23	100	41,26	100	42,92	100	45,16	100	47,37	100	52,12	100	57,59	100	61,65	62	68,26	100
Working capital	4,7		5		5		5,5		6,1		7		7,6		9		10		16	
Net debt *)	-33,1		-14		-29		-26,8		-35,5		-36		-37,0		-38		-39		-32	
Gearing **)	-0,8		-0,4		-0,8		-0,8		-1,0		-1,0		-1,0		-0,9		-0,9		-0,8	

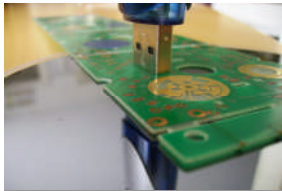
*) Net dept = *) Net dept = negative value means positive "net debt": ----> Positive assets in the range of US-\$ 26.8 million and US-\$ 32 million in 2010e
 Def: Net dept = Bank loans (shortterm and longterm) - Cash and marketable securities.

***) Gearing: The further in positives, the more unfavorably the indebtedness quotient "Gearing" (net indebtedness/ capital funds);
 With Valor below 0; very positive balance strength.

Source: DR.KALLIWODA | RESEARCH © Copyright 2006, VALOR.

CASH FLOW STATEMENT VALOR COMPUTERIZED SYSTEMS										
US\$ Millionen										
	2001e	2002e	2003e	2004	2005e	2006e	2007e	2008e	2009e	2010e
Operating cash flow	0,5	2,5	3,5	3,0	1,6	2,3	3,9	5,2	6,7	5,2
Cash flow from investments	5,8	2,4	5,3	8,8	8,8	-0,7	-0,7	-1,0	-1,0	-1,0
Dividend payments	0,0	0,0	-5,3	-2,6	-1,6	-1,2	-2,1	-2,6	-2,8	-2,8
Cash flow Financ. (e.g. buy b)	-4,7	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Free cash flow	6,4	4,9	8,8	11,9	10,4	1,6	3,2	4,2	5,7	4,2

Source: DR.KALLIWODA | RESEARCH © Copyright 2006, VALOR. CAGR 2005 bis 2010 : 25,3%



6. CONTACT



VALOR COMPUTERIZED SYSTEMS LTD.

P.O. BOX 152, Yavne 70600, Israel

Tel.: (+972) 89432430

Fax: (+972) 89432429

Email:

Dan Hoz (Finanzvorstand) danh@valor.com

Alon Ehrlich (Global Marketing Communications & Investor Relations Manager)

alone@valor.com

Web: www.valor.com

DR. KALLIWODA RESEARCH		Unterlindau 22 60323 Frankfurt Tel.: 069-97 20 58 53 Fax.: 069-13 30 38 52 26 2 www.kalliwoda.com
Head: Dr. Norbert Kalliwoda E-Mail: nk@kalliwoda.com	CEFA-Analyst; University of Frankfurt Economics; Dipl.-Kfm.	<u>Sectors:</u> IT, Software, Electricals & Electronics, Mechanical Engineering, Logistics, Laser, Technology, Raw Materials
Dr. Christoph Piechaczek E-Mail: cp@kalliwoda.com	Dipl.-Biologist; Technical University Darmstadt; Univ. Witten-Herdecke	<u>Sectors:</u> Biotech & Healthcare; Medical Technology Pharmaceutical
David Schreindorfer E-Mail: ds@kalliwoda.com	MBA, Investment Management (Candidate 2006); Univ. Frankfurt/ Univ. Iowa (US).	<u>Sectors:</u> IT/Logistics; Quantitative Modelling
Hellmut Schaarschmidt; E-Mail: hs@kalliwoda.com	Dipl.-Geophysicists; University of Frankfurt.	<u>Sectors:</u> Oil, Regenerative Energies, Specialities Chemicals, Utilities
Nele Rave E-Mail: nr@kalliwoda.com	Lawyer; Native Speaker, German School London	<u>Translations English</u>

Also view Sales and Earnings Estimates:

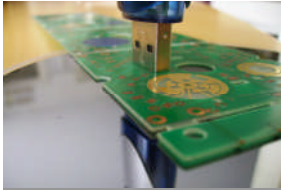
DR. KALLIWODA | RESEARCH on Terminals of

**Bloomberg,
 Thomson Financials ,
 Reuters,
 JCF Factset and
 Multex.net**

Analyst of this analysis :

Dr. Norbert Kalliwoda; CEFA





7. CONTACT

Rating Key/Anlage-Rating-System:

BUY	On a basis of our prognoses the stock should have a performance of at least 20% in the following 12 months.	
ACCUMULATE	On a basis of our prognoses the stock should have a performance of between 10% and 20% in the following 12 months.	
HOLD	On a basis of our prognoses the stock should have a performance of between minus 10% and plus 10% in the following 12 months.	
REDUCE	On a basis of our prognoses the stock should have an underperformance of between minus 10% and minus 20%.	
SELL	On a basis of our prognoses the stock should have an underperformance of at least minus 20%	

Additional Disclosure/Erklärung

DR. KALLIWODA | RESEARCH prepared this analysis on the basis of broadly accessible sources, which are regarded as reliable. We work as precisely as possible. We cannot however guarantee for the balance, precision, correctness and wholeness of the information and opinions.

This study does not replace personal advice. This study is not regarded as invitation to the purchase or sale of the installation-instruments discussed in this study. Therefore, DR. KALLIWODA | RESEARCH advises to turn to your bank-advisor or trustees before an investment-disposition.

In the United Kingdom this document is only intended for distribution to persons described in Section 11(3) of the Financial Services Act 1986 (Investments Advertisements) (Exemptions) Order 1996 (in the latest amended version), and may not be passed on either directly nor indirectly to another group of persons. Neither this document nor a copy thereof may be sent or taken to or distributed in the United States of America, Canada or Japan or their territories or possessions nor may it be distributed to a US person as defined by the terms of the US Securities Act 1933 or to persons resident in Canada or Japan. Distribution of this document in other jurisdictions may be limited by law and persons in possession of this document should inform themselves of any restrictions and comply with these. Any failure to comply with these restrictions may represent a breach of a current securities act.

DR. KALLIWODA | RESEARCH as well as co-workers may hold positions in any securities mentioned in this study or in connected investments and may increase or sell their holdings in these securities or connected investments.

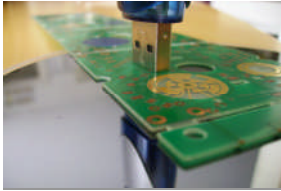
Possible conflicts of interest

Neither DR. KALLIWODA | RESEARCH nor any affiliated company

- a) hold an interest of 1 percent or more of the equity capital of the company being covered in this report;
- b) were involved in an emission of investments that is object of this study;
- c) hold a net-sale position of the shares of the analyzed business of at least 1 percent of the share capital;
- d) have serviced the analyzed investments based on any contract with the emitter on the stock exchange or in the market.

There is a contractual relationship only with the business of Valor Computerized Systems Inc. with DR. KALLIWODA | RESEARCH for the preparation of research studies.

Through the assumption of this document, the reader / recipient accepts the obligations in these disclaimers.



Global Disclaimer

The information and opinions in this analysis were prepared by DR. KALLIWODA | RESEARCH. The information herein is believed by DR. KALLIWODA | RESEARCH to be reliable and has been obtained from public sources believed to be reliable. With the exception of information about DR. KALLIWODA | RESEARCH, DR. KALLIWODA | RESEARCH makes no representation as to the accuracy or completeness of such information.

Opinions, estimates and projections in this report constitute the current judgement of the author as of the date of this analysis. They do not necessarily reflect the opinions, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, except if research on the subject company is withdrawn. Prices and availability of financial instruments also are subject to change without notice. This report is provided for informational purposes only. It is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The financial instruments discussed in this report may not be suitable for all investors and investors must make their own investment decision using their own independent advisors as they believe necessary and based upon their specific financial situations and investment objectives. If a financial instrument is denominated in a currency other than an investor's currency, a change in exchange rates may adversely affect the price or value of, or the income derived from, the financial instrument, and such investor effectively assumes currency risk. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Furthermore, past performance is not necessarily indicative of future results.

This report may not be reproduced, distributed or published by any person for any purpose without DR. KALLIWODA | RESEARCH's prior written consent. Please cite source when quoting.