

Supervisory board's report on the 2014 fiscal year of the Nemetschek AG

The Nemetschek AG looks back on a very successful fiscal year. It was able to continue on its profitable growth course and exceed forecast targets in terms of revenue and operating result. In leading the corporate group in the 2014 fiscal year, the supervisory board followed the executive board closely, advised it regularly and monitored it carefully while diligently executing the tasks assigned to it by law and the articles of association.

The executive board instructed the supervisory board regularly, promptly and comprehensively, in both oral and written form, in its corporate planning and corporate strategy, development of revenues, earning and liquidity, planned investments, and the execution of the planning of the Group, the segments and the individual companies, which includes planning for opportunities and risks. Current quarterly development and short- and medium-term prospects as well as the long-term growth and earnings strategy were regularly discussed and, within the scope of regular meetings over the course of the year, controlled and scrutinized. The supervisory board was very involved in decisions of fundamental importance for the company and obtained holistic information on backgrounds and contexts. On the basis of the executive board's reports, the supervisory board supported the executive board's work and made decisions on actions requiring approval. Collaboration in this regard between the supervisory board and the executive board was always marked by openness and trust as well as constructive dialog. Based on the extensive information provided by the executive board, as well as independent audits, the supervisory board was able to completely fulfill its monitoring and advisory role.

Meetings and topics of focus

In the 2014 fiscal year, four regular supervisory board meetings were held – in the months of March (balance sheet meeting for the 2013 financial report), July, October, and December. The supervisory board was completely represented at all meetings. In addition to the meetings, the written circular procedure was used for further resolutions on current topics.

The main topics were the strategic alignment of the Nemetschek Group, further internationalization, segment expansion, and the further development of the solution portfolio. Detailed reports concerning the brand companies in the Nemetschek Group were also requested and discussed. Business performance which deviated from each of the annual targets was openly discussed in detail at the supervisory board meetings and jointly analyzed. Regulatory action was specified as required. Moreover, the committee formed its own picture of the brand companies. The supervisory board was regularly and intensively occupied with the development of the Group and individual brands, as well as with the net assets, financial position and implementation of the corporate strategy. The executive board provided clear insight and explained decisions and developments understandably and comprehensively.

The acquisition strategy and planned projects were presented by the executive board and decided on in close collaboration with the supervisory board. Prior to the acquisition of Bluebeam Software Inc., headquartered in Pasadena, California, USA, the target company was analyzed in

detail and rated. Opportunities and risks were extensively debated and discussed with the committee.

The meetings and further discussions outside of the meetings focused on the following topics, which were the subject of intensive deliberation and verification:

- Annual financial statements and consolidated financial statements for the 2013 fiscal year
- Proposal for the appropriation of profits
- Invitation and agenda items for the regular 2014 annual general meeting with proposed resolutions to the annual general meeting
- Executive board and general managers' specification of targets reached in 2013 and release of payment of variable remuneration shares as well as the definition of target agreements for the 2014 fiscal year. Nomination for Long-Term Incentive Plan (LTIP) participation
- Declaration of Conformity in accordance with the "German Corporate Governance Code"
- Strategic alignment of the Nemetschek Group and brand companies
- Rebranding of the Nemetschek Group

Internationalization and expansion opportunities and risks

- Product developments and innovations of the respective brand companies in areas such as Open BIM, 5D, collaboration, and digitalization
- Formation of the subgroup Allplan
- Acquisition strategy, shareholdings and cooperations
- Acquisition, financing and integration of Bluebeam Software, Inc.

Internal control and early stage risk detection systems, compliance

- Corporate planning and investment projects for 2015

In October respectively December 2014 the supervisory board considered for the first time obtaining information on the subjects of a stock split and the transformation of Nemetschek AG into a Societas Europaea (SE). No final decision was made on these measures in the 2014 fiscal year.

Composition of executive board and supervisory board

The executive board team was complete as of March 1, 2014 with the appointment of Patrik Heider. Serving as Spokesman of the Executive Board and CFOO (Chief Financial & Operations Officer), Mr. Heider will make up the 3-man executive board team together with Sean Flaherty, who is also CEO of the Vectorworks brand, and Viktor Várkonyi, who is also CEO of the Graphisoft brand. Patrik Heider contributes many years of operating and strategic experience in incorporating globally active companies into the Nemetschek Group. Mr. Heider possesses

comprehensive expertise in the finance and M&A sectors and excels with a pronounced strength in terms of implementation, experience in international project management, and strategic leadership skills.

The three-man executive board team will continue to pursue the growth course of the Nemetschek Group and its further internationalization. This had already been proven in 2014 by the acquisition of Bluebeam Software, Inc. and the global alignment.

As in the previous year, the supervisory board was made up of three members. There were no changes in personnel. The formation of supervisory board committees is not necessary since the supervisory board comprises just three members.

Audit of the annual financial statements and consolidated financial statements

The audit of the individual financial statements and the consolidated financial statements for 2014 as well as the corresponding management report and the group management report was made as per the resolution of the annual general meeting of May 20, 2014 by the auditing firm Ernst & Young GmbH, Munich. The supervisory board has investigated the independence of the auditors and obtained a written declaration of independence from the auditors.

The annual financial statements prepared by the executive board according to the German Commercial Code (HGB), taking into consideration the accounting principles and annual report of Nemetschek AG for the 2014 fiscal year, the consolidated financial statements prepared according to the International Financial Reporting Standards (IFRS), as applicable in the EU, and also according to § 315a Paragraph 1 of the German Commercial Code (HGB), and the consolidated annual report for the 2014 fiscal year have been audited and approved without qualification by the auditing firm Ernst & Young GmbH, Munich.

The specified final documents of the AG, the Group and the executive board's proposal on the appropriation of profits as well as the auditor's reports were made available to the members of the supervisory board in good time and also during the balance sheet meeting on March 26, 2015. The auditor took part in the meeting, reported extensively on his auditing activities and the main audit results, explained his audit report and provided detailed answers to all of the supervisory board members' questions.

Taking the auditor's reports into consideration, the supervisory board has examined the annual financial statements, the management report, the consolidated financial statements, and the Group's management report and is convinced of the correctness and completeness of the information. The supervisory board concurs with the result of the audit performed by the auditor and has determined, within the scope of its own investigations, that there are no reservations whatsoever to be expressed. The supervisory board approved the 2014 financial statements and consolidated financial statements of Nemetschek AG at the balance sheet meeting of March 26, 2015. The 2014 annual financial statements are thus final within the scope of § 172 of the German Stock Corporation Act (AktG).

Dividend

After conducting its own investigations, the supervisory board concurred with the proposal of the executive board on the use of retained earnings. In accordance with legal rulings and the articles of incorporation, it was decided to propose the following appropriation of profits to the annual general meeting on May 20, 2015:

Of the balance sheet profit amounting to EUR 85,092,477.55, EUR 15,400,000.00 will be paid out to the shareholders. This represents a dividend per share of EUR 1.60 per share (previous year: EUR 1.30). The remaining balance sheet profit of EUR 69,692,477.55 will be carried to a new account.

Conflicts of interest and Corporate Governance

In the reporting year, there were no conflicts of interest on the part of the supervisory or executive board members.

The supervisory and executive boards decided on the principles of good Corporate Governance in the 2014 fiscal year. In March 2015, the supervisory board and executive board submitted an updated Declaration of Conformity as per § 161 of the German Stock Corporation Act (AktG) and made this permanently available to shareholders via the website of the Nemetschek Group. The Nemetschek Group conforms to the re-recommendations of the Government Commission of the German Corporate Governance Code as per the version of the code published in June 2014 with the exception of the justified deviations specified in the Declaration of Conformity. For further details on this subject, please refer to the Corporate Governance section of the annual report or to the website at: www.nemetschek.com/en/investor-relations.

The supervisory board thanks all employees who serve the Nemetschek Group worldwide for their dedicated commitment and successful work in the 2014 fiscal year. Also at this time, the supervisory board would like to thank the executive board and the managing directors and express recognition and great appreciation for their excellent performance.

Munich, March 26, 2015

Kurt Dobitsch
Chairman of the Supervisory Board