

moving minds



Allplan

Graphisoft

Vectorworks

Scia

Frilo

Glaser

Auer

Bausoftware

Crem

Maxon

Bim+

Company Presentation Nemetschek Group

September 2013

Agenda

Nemetschek Group: In brief

Strategy

Financial data

Nemetschek share

Why invest?

Where we come from

Start







- Company foundation: 50 years ago by Prof. Georg Nemetschek
- Innovation: Computer Aided Design (CAD) software replaced drawing board

Today

- Solutions, innovations and BIM for the AEC sector
- 40 locations around the world
- 11 strong brands
- > 300,000 customers
- In 142 countries
- FY 2012 revenues: 175.1mEUR; EBITDA margin: 23%

➔ Strong position as a leading global provider of BIM* software solutions for AEC sector

What makes us so special

	Design	Build	Manage	Multimedia	
Brands					
					
					
	Revenues*	141.8 mEUR	14.3 mEUR	4.2 mEUR	14.8 mEUR
Growth	6.9%	4.2%	13.2%	6.2%	
EBITDA	28.8 mEUR	5.3 mEUR	0.5 mEUR	6.1 mEUR	
Margin	20.3%	36.7%	12.4%	41.5%	

- ➔ Nemetschek is the only listed company covering the complete value chain in AEC and multimedia
- ➔ Strong, entrepreneurial brands: Close involvement with customers, speed, excellence, innovation
- ➔ Strategic added value: Complementarity, specialization and best in class, instead of shared services
- ➔ Attractive for potential targets: Integration of different cultures

What we want

Our Vision

- Inspire a better built environment through a highly collaborative AEC community
- Providing leading software solutions for the AEC industry.
- The expectation never has been, and nor will it be, anything less

Our Mission

- We provide all stakeholders for entire building life cycle with a creative & high performing workplace
- We offer the most innovative, best tools, workflows and open-collaboration solutions

Our Objective

- To become worldwide market leader for Open BIM solutions in the AEC industry

➔ We drive forward innovation to ensure the digitalization in the building process

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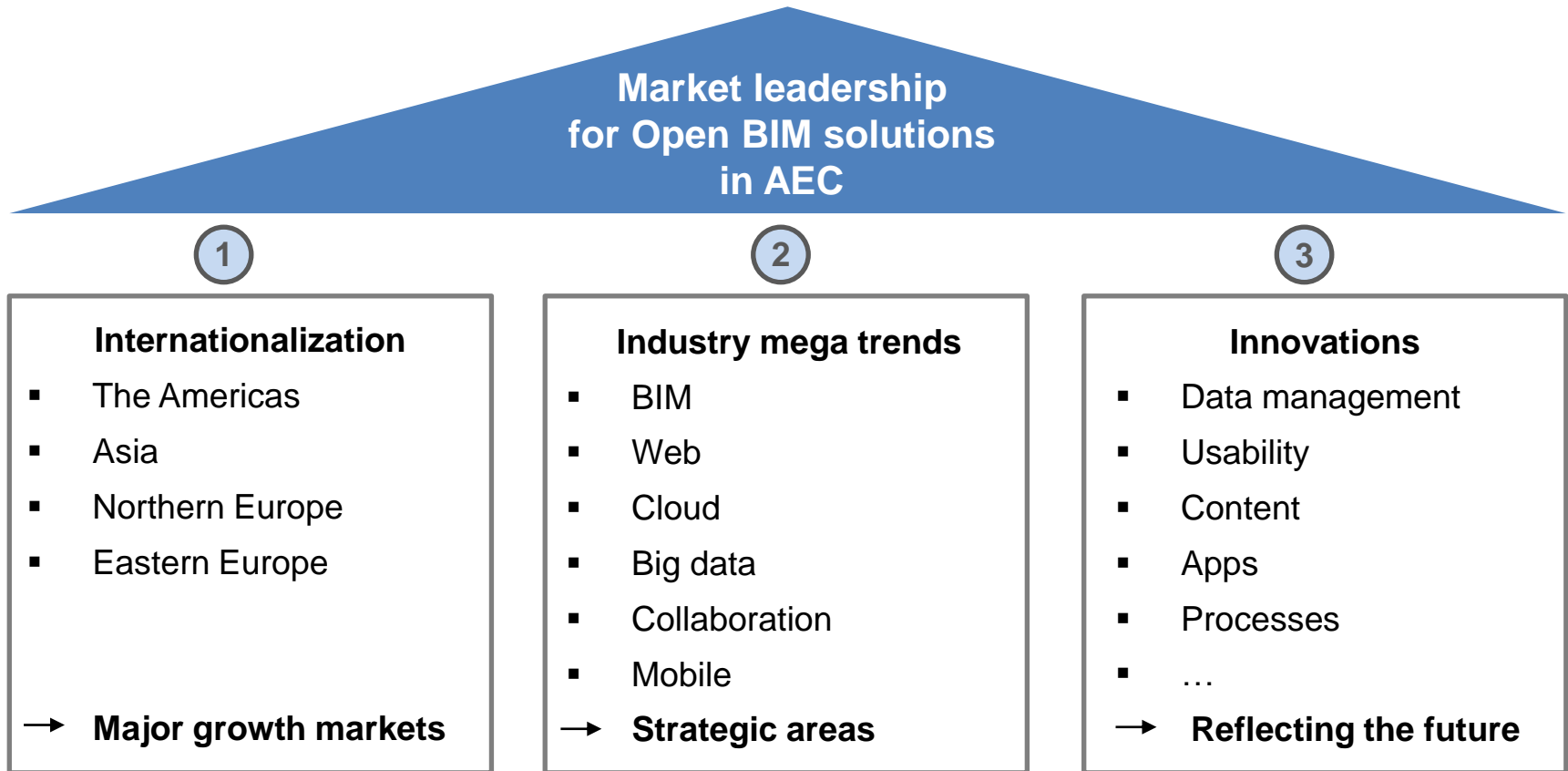
- Internationalization
- Industry mega trends
- Innovations

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Why invest?

3 pillars for future growth

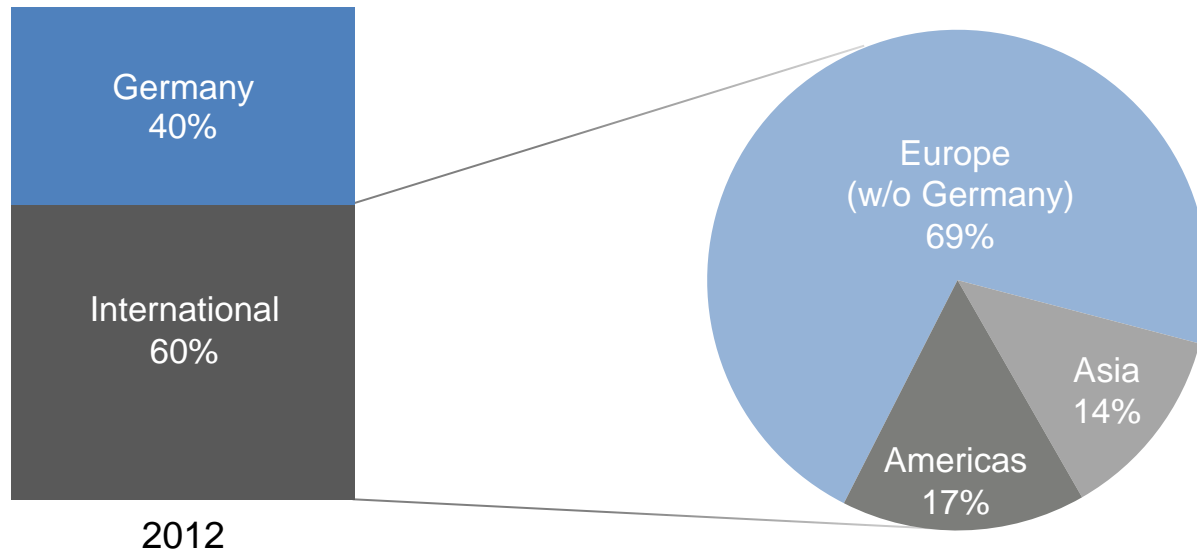


→ Growth factors: Organic and via acquisitions

→ Acquisition focus: Strategic fit to close regional and technology gaps

1 Internationalization: Today

- 60% of revenues outside of Germany
- Stable business in DACH region as a solid base
- Market position in Asia and the Americas established



- ➔ Market leader in core markets DACH
- ➔ Growth potential abroad

① Internationalization: Regions on the agenda



- ➔ Strengthening our position in the Americas, Asia, Northern and Eastern Europe
- ➔ Markets with strong growth prospects and increasing demand
- ➔ Leverage via co-operations, acquisitions and early-stage occupation

② Mega trends: BIM in detail

- Where it is all going? BIM – Building Information Modeling

- Building Information Modeling Central topic in the entire lifecycle of the building process is today the so-called BIM

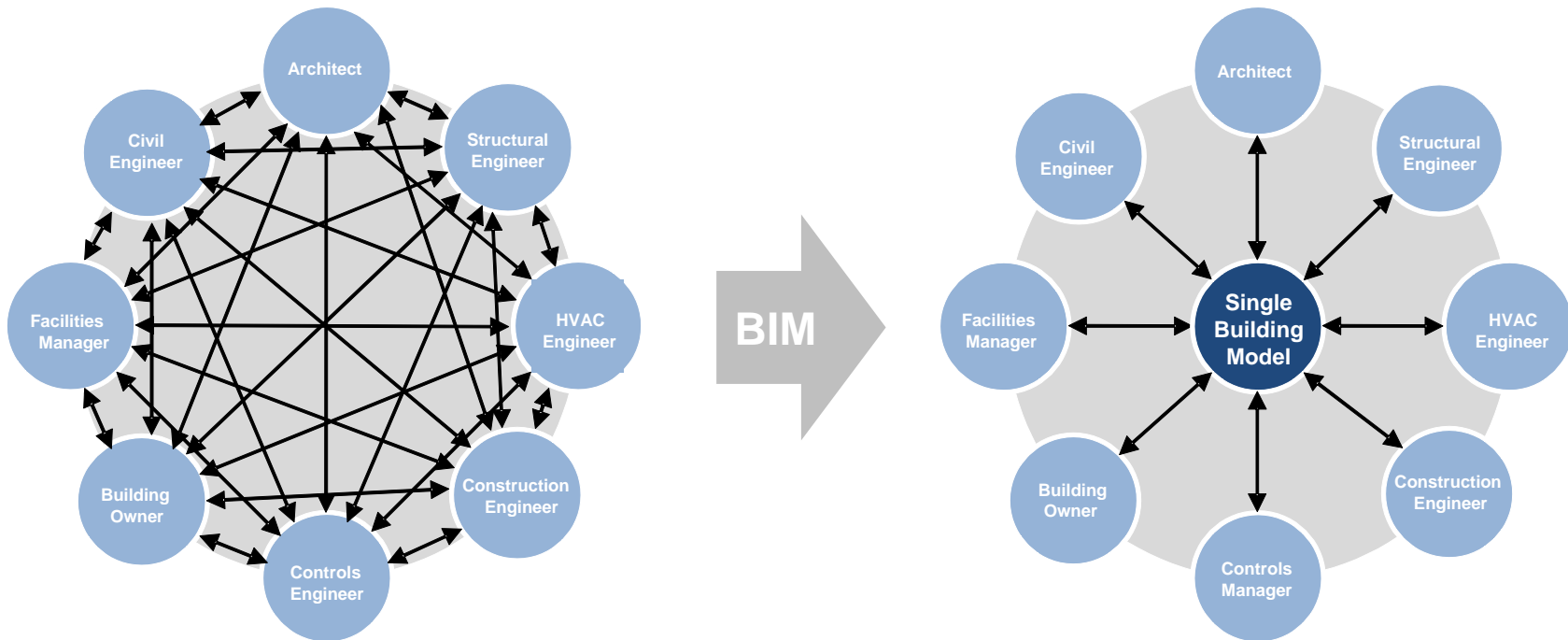
- Pioneer of the BIM idea Nemetschek has followed this holistic philosophy for almost 30 years, and revolutionized the collaboration process in the construction industry

- Capabilities of BIM
 - 3D visualization and building simulation
 - Intelligent elements as digital prototypes
 - Better understanding of building “behavior”
 - Data management (cost, time management etc.)

➔ Nemetschek: Pioneer of the BIM idea

② Mega trends: Clear focus on BIM

BIM → universal approach to collaborative design, realization and operation of buildings



→ Numerous advantages through BIM for all stakeholders in the building life cycle

② Mega trends: Why Open BIM?

Creates globalized, interdisciplinary collaboration +

Secures data access at anytime, anywhere +

Ensures efficient and error-free data exchange +



+ Sets new standards in the building process

+ Improves workflows, offers new applications (apps etc.)

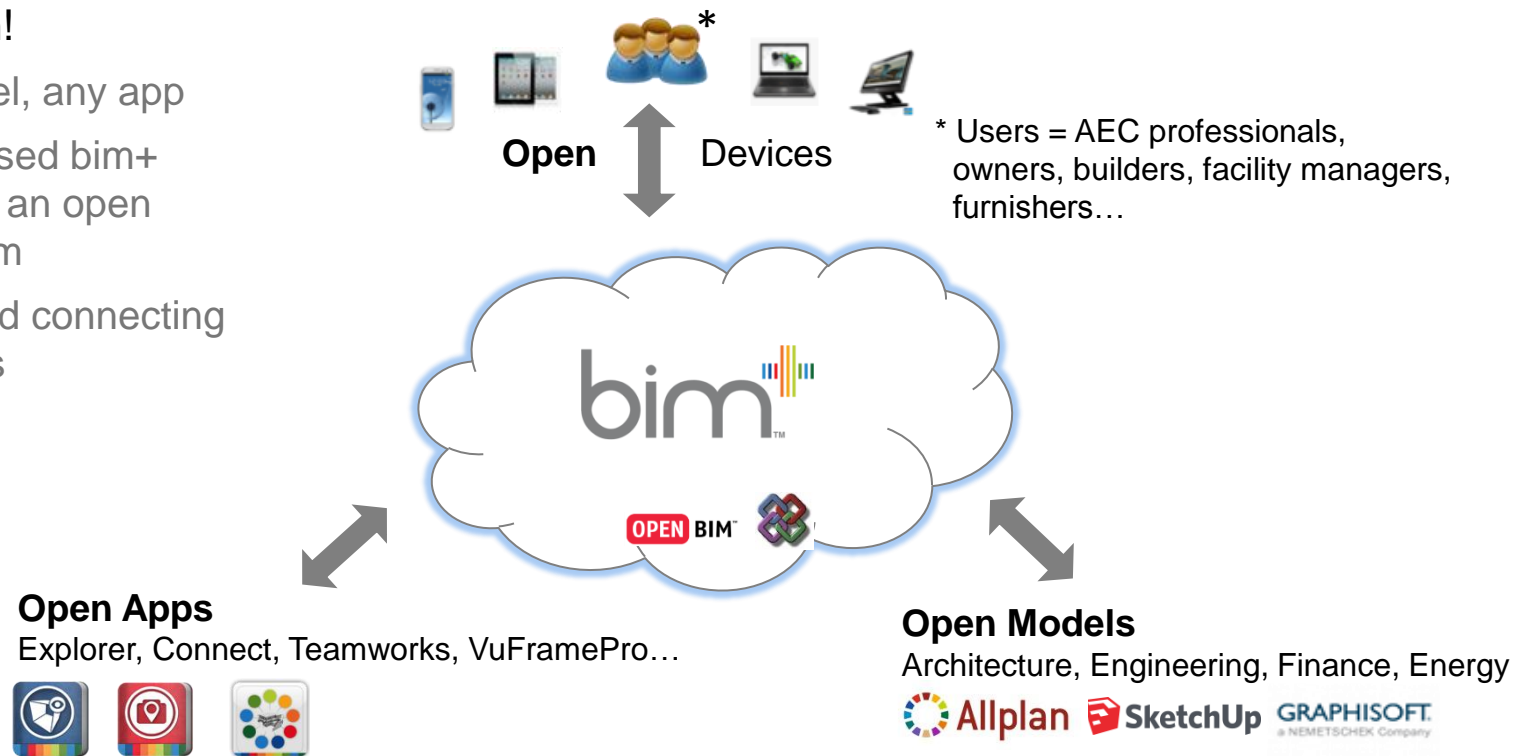
+ Provides centralized data management

- ➔ Open BIM allows real collaboration in contrast to a closed platform
- ➔ No one excluded, bigger market, more business
- ➔ Reflects modern way of working and thinking in the networked world today

3 Innovations: Example **bim**[™]

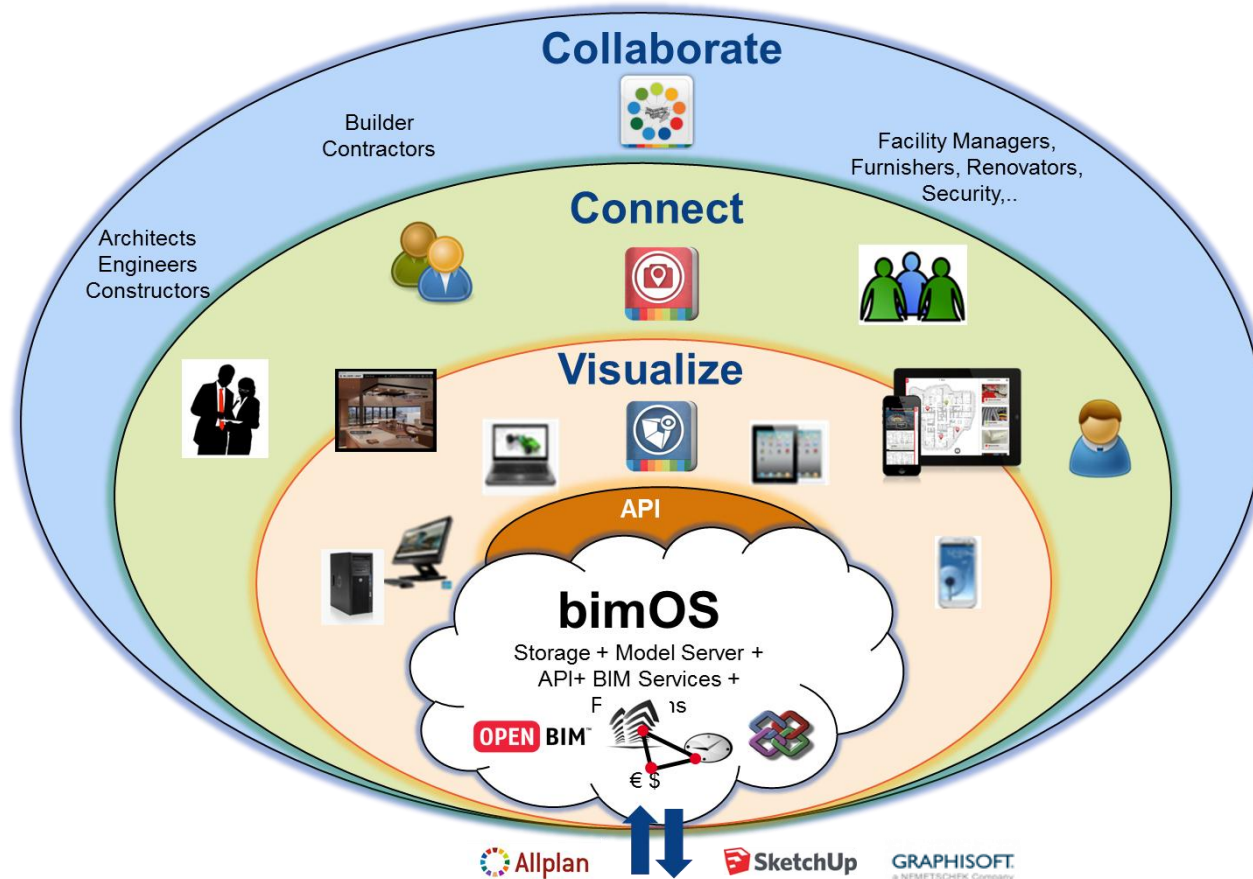
We are open!

- Any model, any app
- Cloud-based bim+ server as an open ecosystem
- 11th brand connecting all brands



➔ Goal: primary online cloud-based platform for building projects along the value chain

3 Innovations: Example **bim**



IFC, SketchUp, Allplan, Scia, Vectorworks, Graphisoft, Revit ...

- ➔ The simplest way to store, share, visualize and connect building information
- ➔ Version 1.0 will start now

③ Innovations: Example Cineware by Maxon

In new dimensions!

MAXON



Red Bull Media House visualized by Cinema 4D

- Leading developer of 3D software for the creative industries
 - Top customers: BMW, CNN, Sony Pictures, Disney, Vitra, many more
 - Well known for powerful features, rock-solid stability, ease-of-use and fast workflow
 - Supported by over 150 distributors and resellers in over 80 countries
- ➔ Cutting edge software solution for visual effects, motion graphics and 3D visualization

3 Innovations: Example Cineware by Maxon

 **Adobe**[®]



MAXON



- Strategic partnership since March 2013
 - Marketing and development cooperation
 - 1st product: CINEWARE – Live 3D-Pipeline between After Effects and CINEMA 4D
 - Reducing file import and export by 90% – huge time savings
- ➔ Mega brand Adobe has chosen Maxon as exclusive partner
 - ➔ Promising cooperation
 - ➔ Access to new customers and international markets

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Why to invest?

Group P+L: H1 profitability in line with expectations

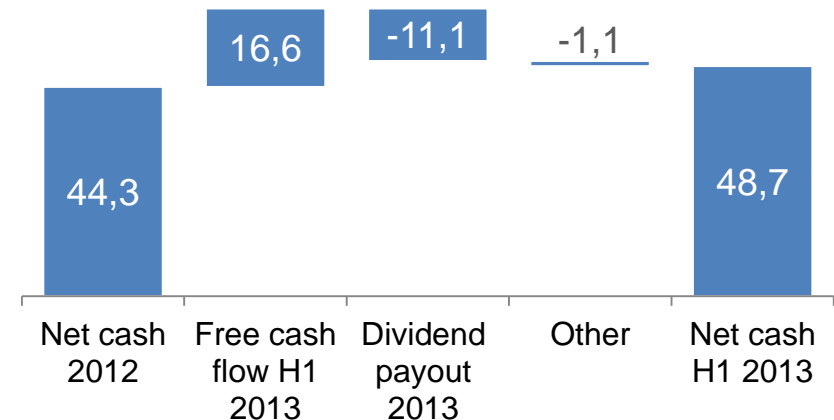
- H1 Revenues increased by 5%
- Revenues from maintenance with over-proportional growth of 9%
- EBITDA well above previous year (+12%) due to high cost awareness
- Net income increased to 10.0 mEUR (+21%)
- EPS 1.04 EUR
- EPS (without PPA) 1.37 EUR

mEUR	H1 2012	H1 2013	% YoY
Revenues	84.4	88.5	+5%
t/o Licences	41.0	41.3	+1%
t/o Maintenance	38.8	42.3	+9%
EBITDA	18.2	20.4	+12%
Margin	21.5%	23.0%	
Net income (group shares)	8.3	10.0	+21%
EPS in EUR	0.86	1.04	+21%

Net cash development

- Operating cash flow increased by 13% to 19.1 mEUR
- CapEx 2.5 mEUR in line with forecast (~6 mEUR in FY 2013)
- Dividend payment 11.1 mEUR in Q2
- Cash position 48.7 mEUR (+10% YTD)
- Financial debt fully repaid

mEUR	H1 2012	H1 2013	% YoY
EBITDA	18.2	20.4	+12%
Operating cash flow	16.9	19.1	+13%
Conversion rate*	93%	94%	
Investing cash flow	-3.0	-2.5	-18%
Free cash flow	13.8	16.6	+20%



Divisional performance

mEUR	H1 2012	H1 2013	% YoY
Revenues			
Design	68.3	70.9	+4%
Build	7.0	7.5	+8%
Manage	2.0	2.2	+11%
Multimedia	7.1	7.8	+9%
EBITDA			
Design	12.2	14.2	+16%
Build	2.5	2.6	+4%
Manage	0.2	0.4	+63%
Multimedia	3.2	3.2	+1%
EBITDA margin			
Design	18%	20%	
Build	35%	34%	
Manage	12%	18%	
Multimedia	45%	42%	

Revenues

- Design: Continued moderate growth in first half 2013
- Build: Positive service business and customer expenditure
- Manage: Large customer wins
- Multimedia: Adobe cooperation creates positive momentum

EBITDA

- Design: Improved margin situation due to cost control
- Build: Planned investments in market and sales due to new Nevaris version
- Manage: Strong margin because of higher revenue and lower cost base
- Multimedia: Still high margin situation

Outlook 2013 and market environment

- EuroConstruct* reduced the estimated growth rates in June 2013 vs. Dec. 2012
- Overall a decline in investments (-2.8%) is expected in 2013; in 2014 an increase of 0.5% is estimated
- Construction output will grow in most Nemetschek markets in 2014 and 2015 (esp. DACH)
- Highest growth rates are expected for Brazil, US, Japan, Russia and Norway
- For the Southern part of Europe a decline or a flat development is forecasted
- Pike Research: BIM products & services solutions will grow from \$1.8 billion in 2012 to almost \$6.5 billion in 2020



Revenue growth:
Lower end of the range
of 6 – 9%

EBITDA margin:
22 – 24%

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Nemetschek Group: In brief

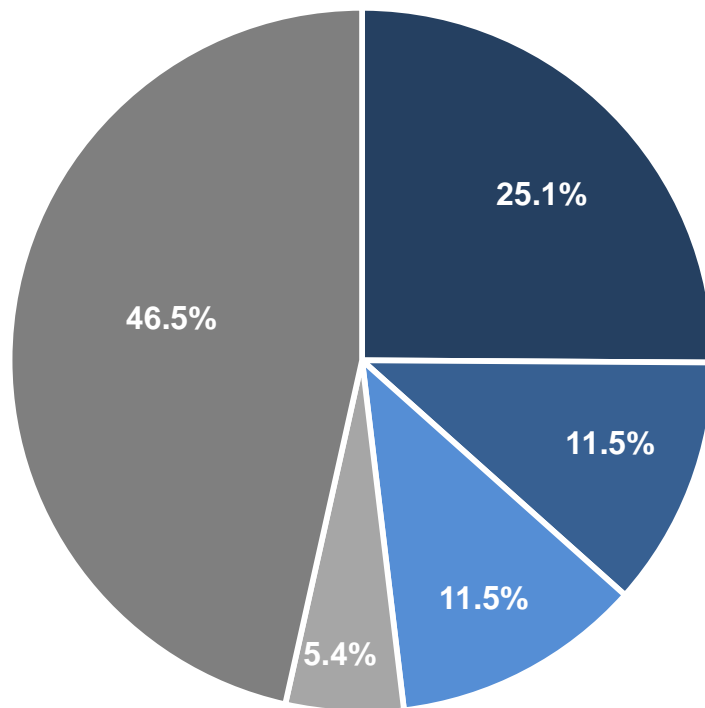
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Why invest?

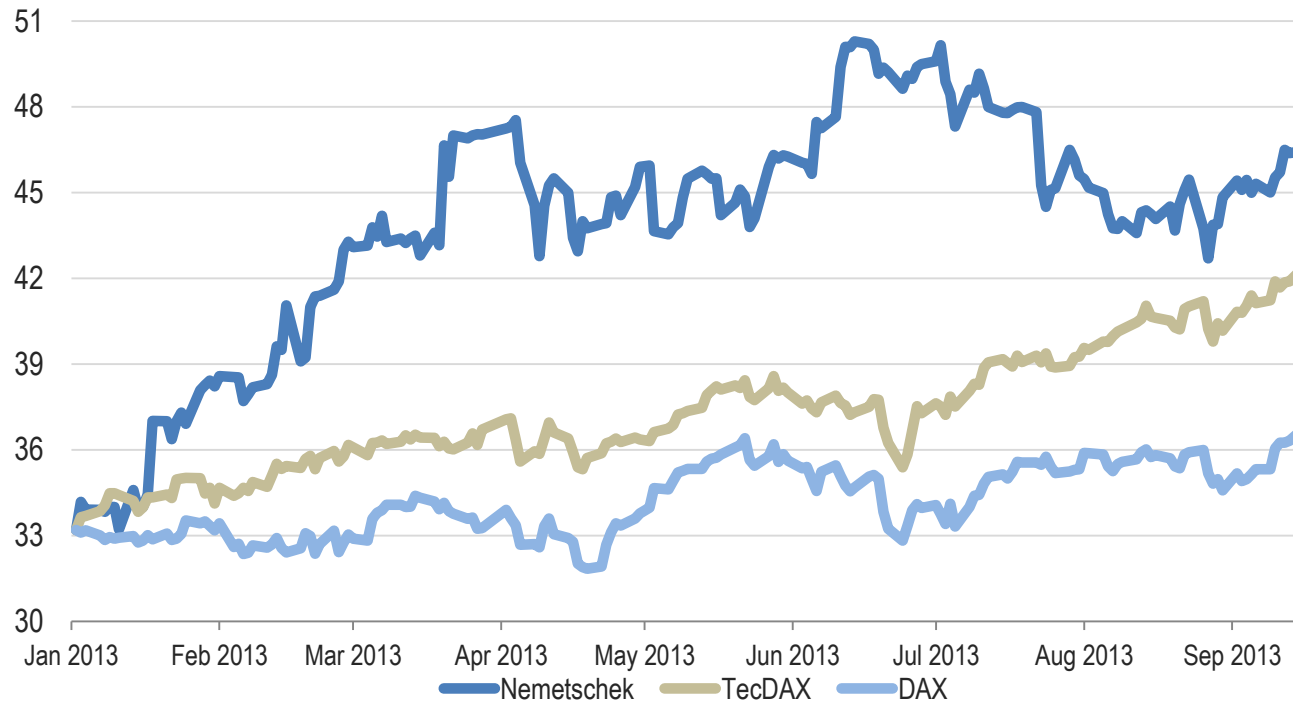
Shareholder structure



- Founded: in 1963
- IPO: March 10, 1999
- Number of shares: 9,625,000
- Frankfurt Stock Exchange, Prime Standard
- Bloomberg: NEM GY, Reuters: NEKG.DE
- Shares Nemetschek family: 53.5%
- Freefloat: 46.5 percent
- Current MarketCap: ~ 425 mEUR
- Current TecDAX Ranking: 26/28

- Prof. Georg Nemetschek
- Dr. Ralf Nemetschek
- Alexander Nemetschek
- Ingrid Nemetschek
- Free float

Nemetschek share price performed better than indices



Time	Nemetschek	TecDAX	DAX
Year 2012	+29%	+18%	+25%
In 2013*	+38%	+27%	+11%

➔ Inclusion in the TecDAX improves visibility

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Why invest?

Very good reasons

- **Strategic market positioning**
 - Clear focus on AEC Market
 - Leading in Open BIM solutions

- **Healthy financial**
 - High margin business
 - Strong cash generation
 - Healthy balance sheet

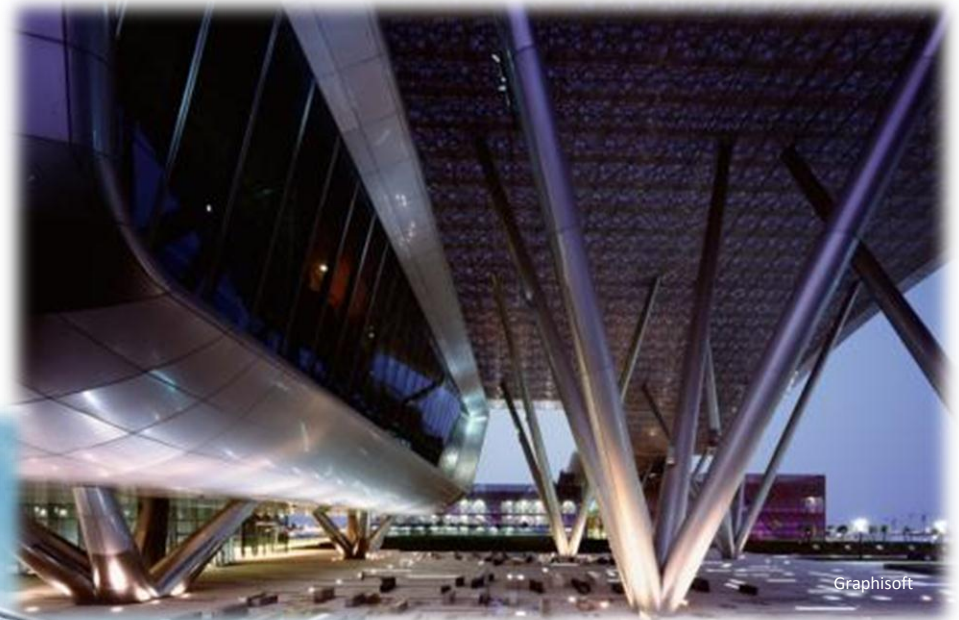
- **Growth potential**
 - Integrated process of designing, building and managing buildings
 - Foster collaboration within group and with strategic partners
 - Strengthen Nemetschek's position abroad
 - Capable of investing in inorganic growth
 - Driving innovations for an industry whose transformation has just begun

Disclaimer

This presentation contains forward-looking statements based on the beliefs of Nemetschek AG management. Such statements reflect current views of Nemetschek AG with respect to future events and results and are subject to risks and uncertainties. Actual results may vary materially from those projected here, due to factors including changes in general economic and business conditions, changes in currency exchange, the introduction of competing products, lack of market acceptance of new products, services or technologies and changes in business strategy. Nemetschek AG does not intend or assume any obligation to update these forward-looking statements.

Leading in the AEC industry...

Science & Technology Park,
Doha (Qatar)



Big Palette Fukushima,
Koriyama (Japan)

... always at the cutting edge ...



Havenhuis,
Antwerpen (Belgium)

U2 Stage – 360° Tour,
worldwide



...in projects worldwide...



Centre Pompidou,
Metz (France)

The Faith Lutheran College Secondary School,
West of Brisbane (Australia)



...via Open BIM realized projects...



Arboleda Building,
Santo Domingo (Dominican Republic)

Fraunhofer Institut,
Saarbrücken (Germany)



...via Open BIM realized projects ...



InterContinental Davos
Resort & Spa, Switzerland

The Nuclear Advanced Manufacturing
Research Centre (NAMRC),
Sheffield (UK)



...in completely new dimensions...

Maxon
Cinema 4D

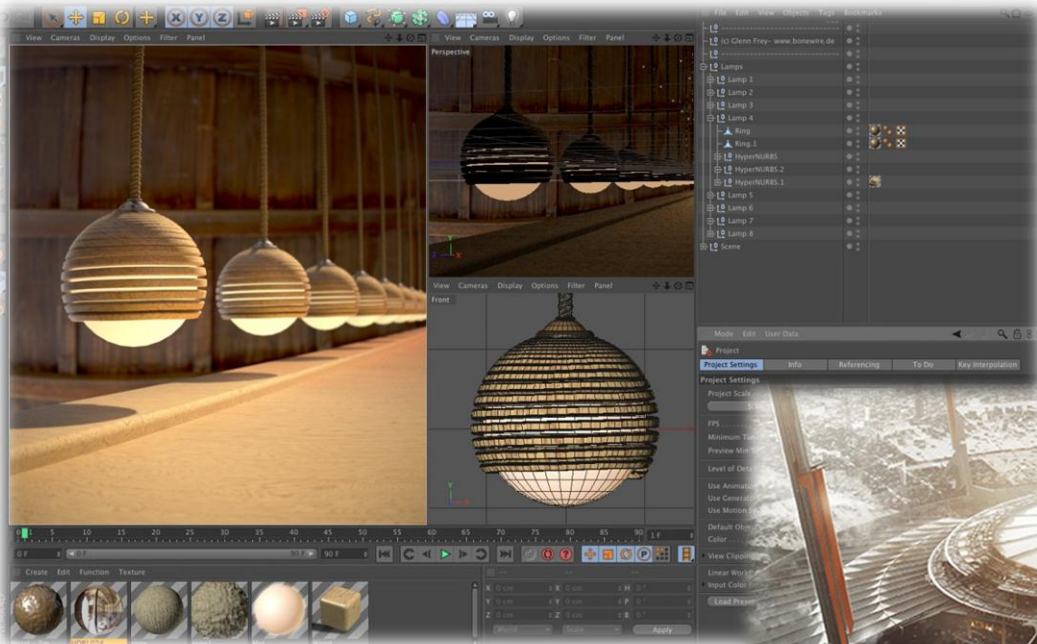
Leading 3D software solution for visual
effects and motion graphics



Red Bull Media House. Production: Peter Clausen Film Production, Animation Studio: AixSponza

Stratos, Red Bull Media House

...with innovative technology



Maxon
Cinema 4D

Release 14
September 2012



Appendix: P+L statement – quarterly comparison

mEUR	Q2 2013	Q2 2012	% YoY
Revenues	44.8	42.8	+5%
Own work capitalized/ Other operating income	0.7	1.0	-36%
Operating income	45.4	43.9	+4%
Cost of materials/ purchased services	-2.2	-1.9	+14%
Personnel expenses	-19.2	-19.3	0%
Other operating expenses	-14.4	-13.8	+4%
Operating costs	-35.8	-35.1	+2%
EBITDA	9.6	8.8	+10%
Margin	21.5%	20.5%	
Depreciation of PPE and amortization	-2.8	-3.1	-7%
Thereof PPA	-1.8	-1.8	
EBIT	6.8	5.7	+18%
Financial result	0.0	-0.3	
EBT	6.8	5.4	+26%
Income taxes	-2.0	-1.2	+68%
Minorities	-0.1	-0.3	
Net income (group shares)	4.7	3.9	+20%
EPS in EUR	0.49	0.41	

Appendix: P+L statement – half-year comparison

mEUR	H1 2013	H1 2012	% YoY
Revenues	88.5	84.4	+5%
Own work capitalized/ Other operating income	2.0	2.2	-9%
Operating income	90.4	86.6	+4%
Cost of materials/ purchased services	-4.3	-3.6	+18%
Personnel expenses	-38.4	-37.8	+2%
Other operating expenses	-27.4	-27.0	+1%
Operating costs	-70.1	-68.4	+2%
EBITDA	20.4	18.2	+12%
Margin	23.0%	21.5%	
Depreciation of PPE and amortization	-5.6	-5.6	0%
Thereof PPA	-3.5	-3.5	
EBIT	14.8	12.6	+17%
Financial result	0.0	-0.6	
EBT	14.8	12.0	+23%
Income taxes	-4.2	-3.1	+35%
Minorities	-0.6	-0.7	
Net income (group shares)	10.0	8.3	+21%
EPS in EUR	1.04	0.86	

Appendix: Balance sheet - Assets

mEUR	June 30, 2013	Dec 31, 2012
ASSETS		
Cash and cash equivalents	48.7	44.3
Trade receivables, net	22.8	21.4
Other current assets	10.5	8.7
Total current assets	81.9	74.4
Tangible assets	4.9	5.0
Intangible assets	28.0	31.4
Goodwill	52.9	52.6
Other non-current assets	1.8	1.6
Total non-current assets	87.6	90.6
Total assets	169.6	165.0

Appendix: Balance sheet – Equity and liabilities

mEUR	June 30, 2013	Dec 31, 2012
EQUITY AND LIABILITIES		
Short-term loans	0.0	0.0
Trade payables & accrued liabilities	16.9	19.0
Deferred revenue	28.9	21.6
Other current liabilities	6.9	6.3
Total current liabilities	52.7	46.9
Deferred tax liabilities	1.7	1.7
Other non-current liabilities	3.8	4.4
Total non-current liabilities	5.5	6.1
Subscribed capital and capital reserve	51.0	51.0
Other comprehensive income	-3.8	-3.9
Retained earnings	62.6	63.6
Minority interests	1.5	1.3
Total equity	111.4	112.0
Total equity and liabilities	169.6	165.0

Appendix: Cash flow statement

mEUR	H1 2013	H1 2012	% YoY
Cash at beginning of period	44.3	33.5	+32%
Operating cash flow	19.1	16.9	+13%
Investing cash flow	-2.5	-3.0	-18%
t/o CapEx	-2.5	-2.5	
Financing cash flow	-12.1	-17.0	-28%
FX-effects	-0.2	0.5	
Cash at end of period	48.7	31.0	+57%
Free cash flow*	16.6	13.8	+20%

IR-calendar 2013 and contact

- 23/09 Berenberg and Goldman Sachs German Corporate Conference, Munich
- 24/09 Baader Investment Conference in Munich, Munich
- 25/09 UniCredit and Kepler Chevreux German Investment Conference, Munich
- 31/10 Publication of Q3 Report
- 11-13/11 Equity Forum, Frankfurt
- 20-22/11 Morgan Stanley TMT Conference, Barcelona
- 05/12 Berenberg European Conference, London

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