



Allplan

Graphisoft

Vectorworks

Scia

Frilo

Glaser

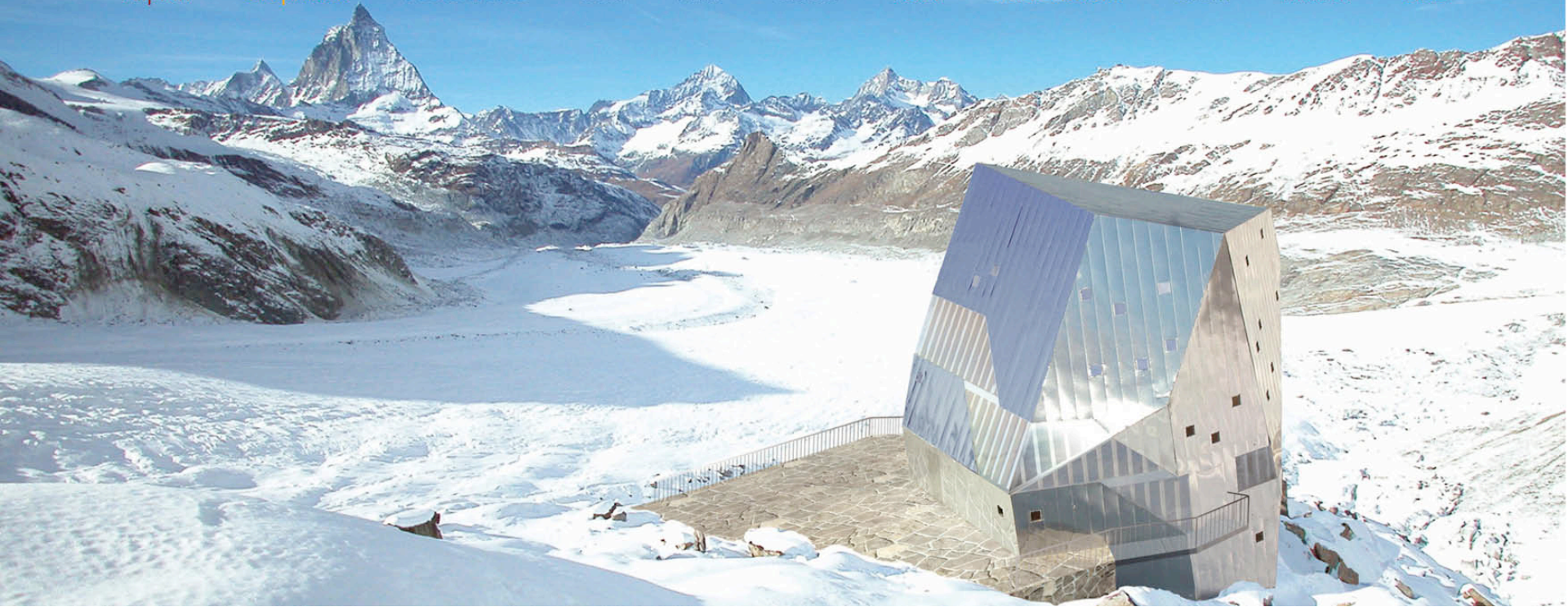
Auer

Bausoftware

Crem

Maxon

DDS



# Nemetschek Group – Company Presentation

November 2014

# Agenda

## Nemetschek Group: In brief

### Strategy

- Internationalization
- Industry mega trends
- Innovations

### Financial data 9-month 2014

### Nemetschek share

### Why invest?

# A success story of more than 50 years



# Unique DNA

## Positioning

- Nemetschek Group with 12 strong brands
- Software solutions, innovations, 5D and BIM for the AEC industry (Architecture, Engineering, Construction)
- More than 1.8 million users
- Globally present with more than 40 locations in 142 countries

## Mission & Vision

- Our claim: Innovative, customer-oriented software solution throughout the lifecycle of buildings
- Our benchmark: Highest quality, user-friendliness and user benefits
- Focus on customers
- Worldwide presence: Intensive sales and service secure customer access, customer proximity and customer satisfaction

➔ We drive innovation and digitalization for the entire building life cycle

# What makes us so special

	Design	Build	Manage	Multimedia
Brands	Graphisoft	Vectorworks	Auer	Maxon
	Scia	Friilo	Bausoftware	
	DDS	Glaser	Bluebeam	
	Allplan			
FY 2013 Revenues	149.5 mEUR	15.4 mEUR	5.0 mEUR	16.0 mEUR
EBITDA margin	22.1%	36.0%	22.5%	40.7%

**Nemetschek covers complete value chain in AEC + Multimedia**

- ➔ Strong, entrepreneurial brands: Close involvement with customers, speed, excellence, innovation
- ➔ Value added: Complementarity, specialization, best in class instead of shared services
- ➔ Attractive for potential targets: Integration of different cultures

# A clear fit between Bluebeam and Nemetschek

## Highlights

- More than 650,000 customers worldwide
- Strong growing: Among the 500 fastest growing technology companies in North America (Deloitte)
- Young and innovative: Leading provider of PDF-based workflow solutions for digital processes and collaboration
- Accessible via desktop, cloud and mobile
- Committed to Open BIM philosophy
- Stronger international footprint in the US for Nemetschek and in Europa and Asia for Bluebeam
- Highly experienced and dedicated employees

## Status of the deal

- Very confident to close the deal soon – communication will follow

➔ Bluebeam will drive and accelerate our growth

# Agenda

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## **Strategy**

- **Internationalization**
- **Industry mega trends**
- **Innovations**

**Financial data 9-month 2014**

**Nemetschek share**

**Why invest?**



# Challenges of the AEC industry

Time and costs are the critical parameters in the building process, e.g. Airport Berlin, Plan: 2012 completion, 1.7bn EUR, Status: 2017 completion, 5.7bn EUR

Further projects: Elbphilharmonie, San Francisco Bay Bridge, Soccer stadium Berlin and many others



- Industry in transition
- Digitalization far behind other industries
- Increasing complexity
- Less time, less budget
- More team players
- New regulations (BIM, 5D)
- Increasing demands for sustainable building
- Management of the complete value chain in the building process



# What drives our growth

## Internationalization

- The Americas
- Asia
- Northern Europe
- Eastern Europe



**Major growth markets**

## Technology trends

- BIM
- 5D
- Cloud
- Collaboration
- Mobile, Web



**Strategic areas**

## Innovations

- Processes
- Data management
- Usability
- Content
- Apps
- ...



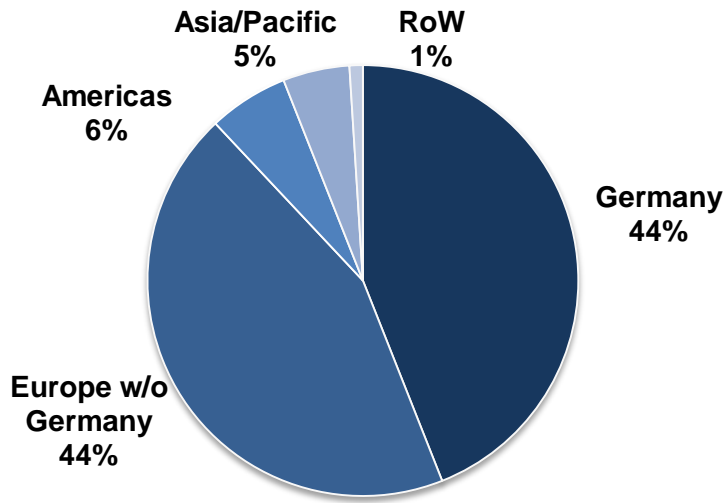
**Focus on customers**

➔ Growth: Organic and via acquisitions

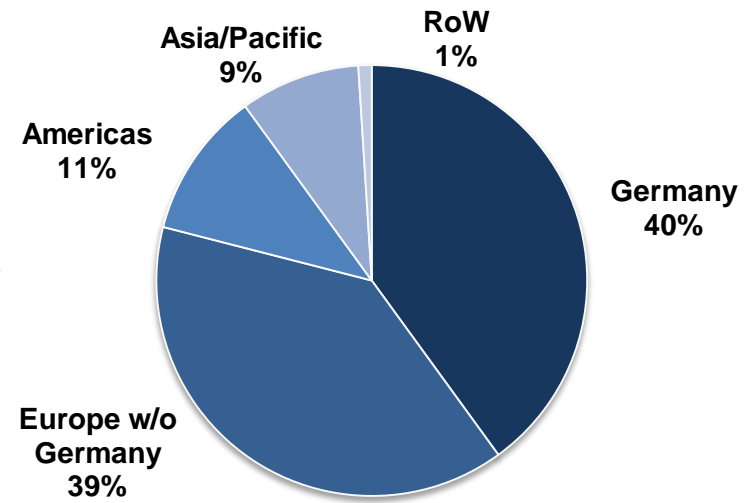
➔ Acquisition focus: Strategic fit to close regional and technology gaps

# International revenue split

Revenues 2009: 135.6m EUR



Revenues 2013: 185.9m EUR



- ➔ DACH: Market leading position, solid base, increasing revenues
- ➔ Market position in Americas and Asia strengthened
- ➔ Growth potential abroad

## 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

# AEC industry in transition

- 2D drawings
- Slow internet
- Poor hardware



since 1985

- 3D drawings
- Fast internet
- Powerful hardware
- BIM
- Cloud computing



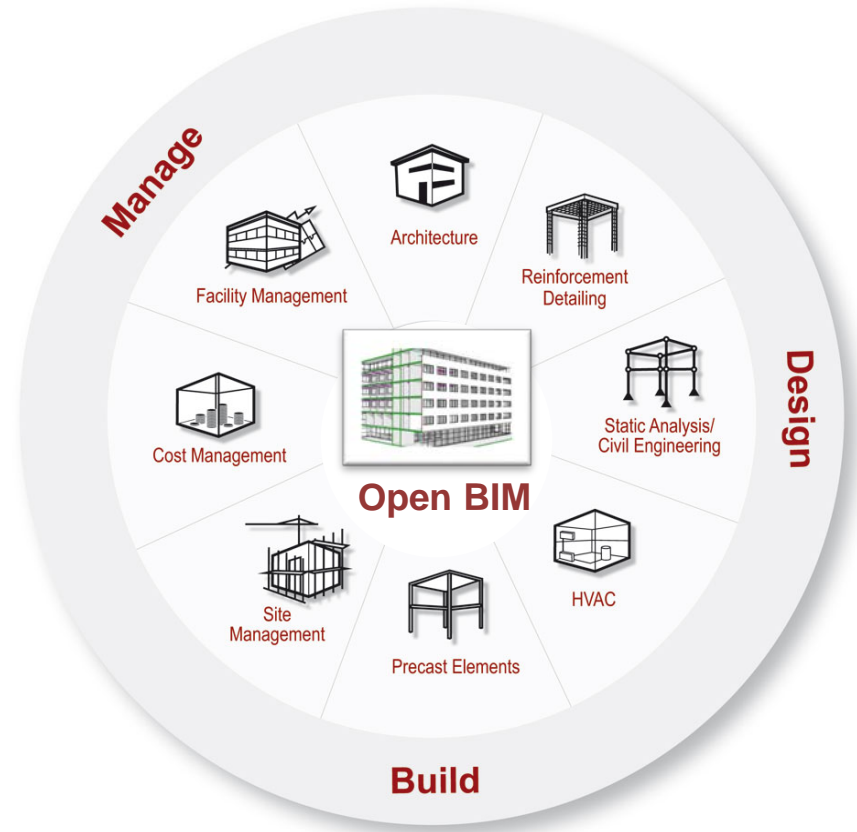
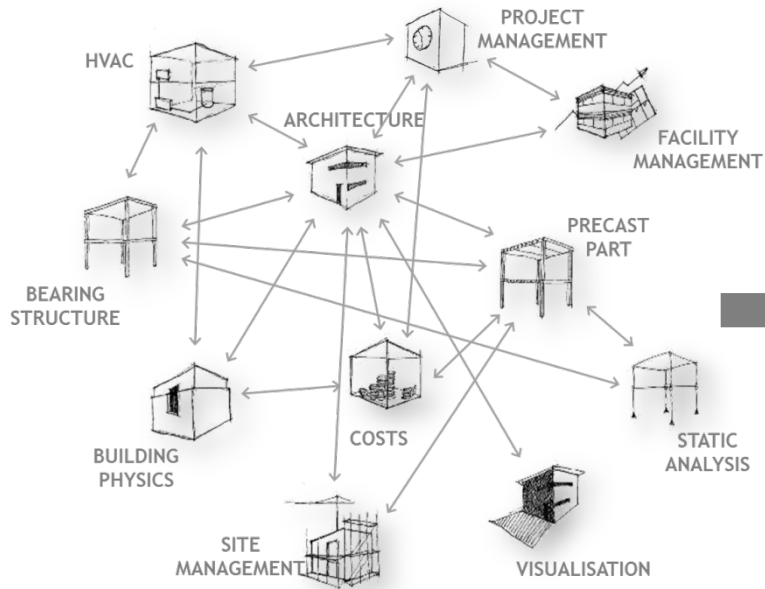
Today

- 5D end-to-end solution
- Smart/Mobile/Apps
- Collaboration along the value chain

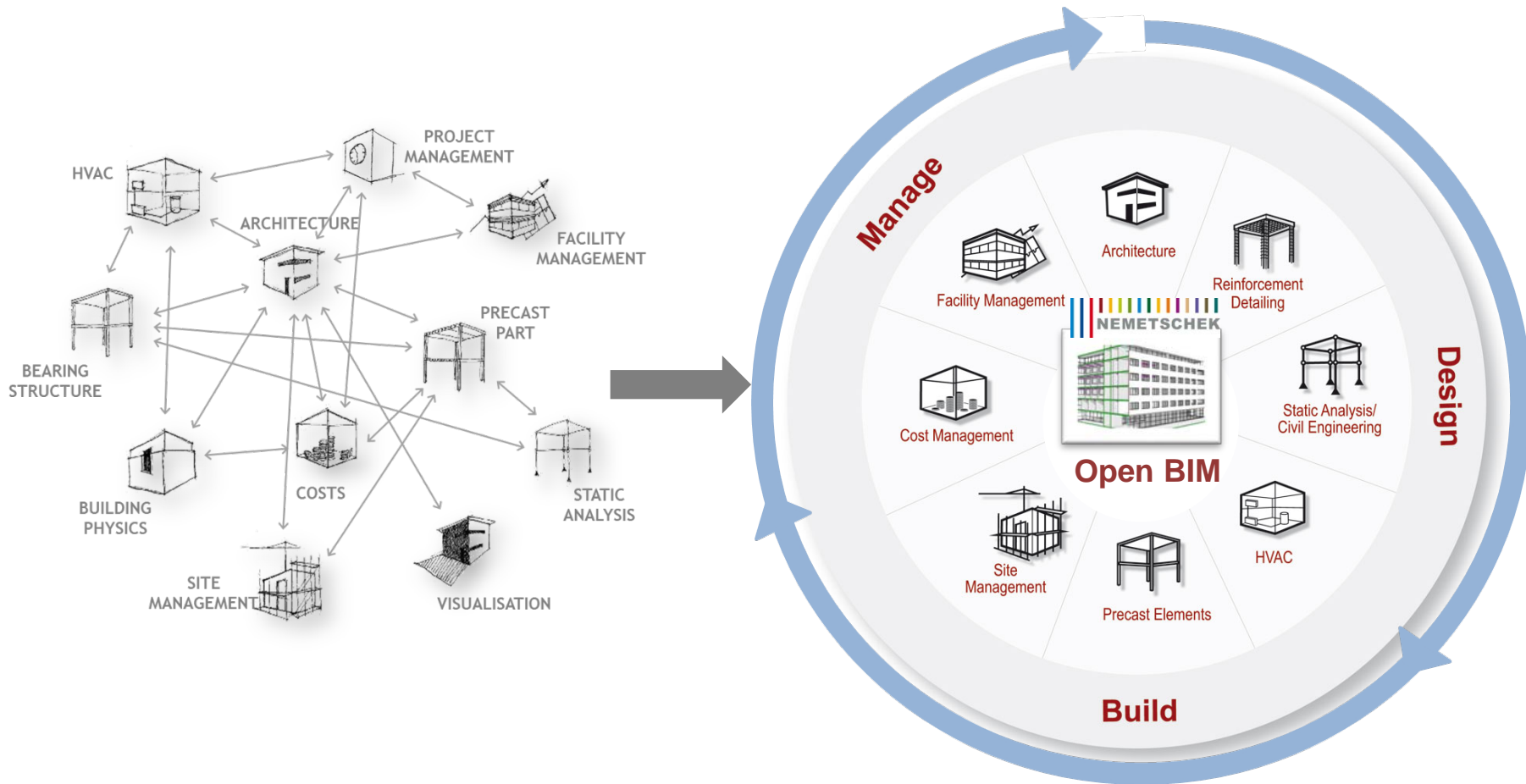


Tomorrow

# Open BIM is one of the growth drivers for AEC



# Nemetschek Group focus on Open BIM



- ➔ Innovations along the value chain
- ➔ Focus on customer needs



# Agenda

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**Nemetschek Group: In brief**

**Strategy**

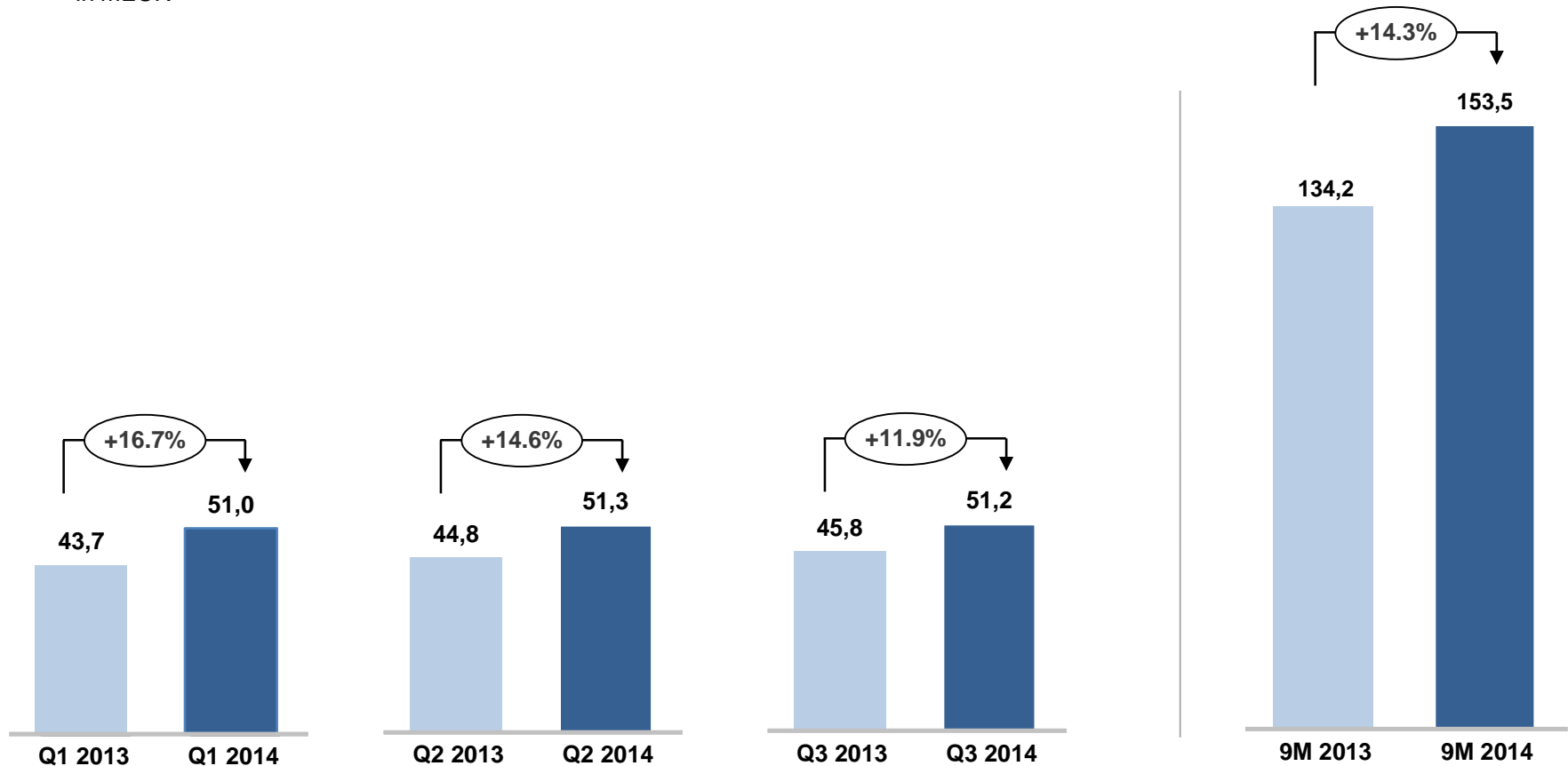
**Financial data 9-month 2014**

**Nemetschek share**

**Why invest?**

# Continued growth in revenues in the third quarter

in mEUR

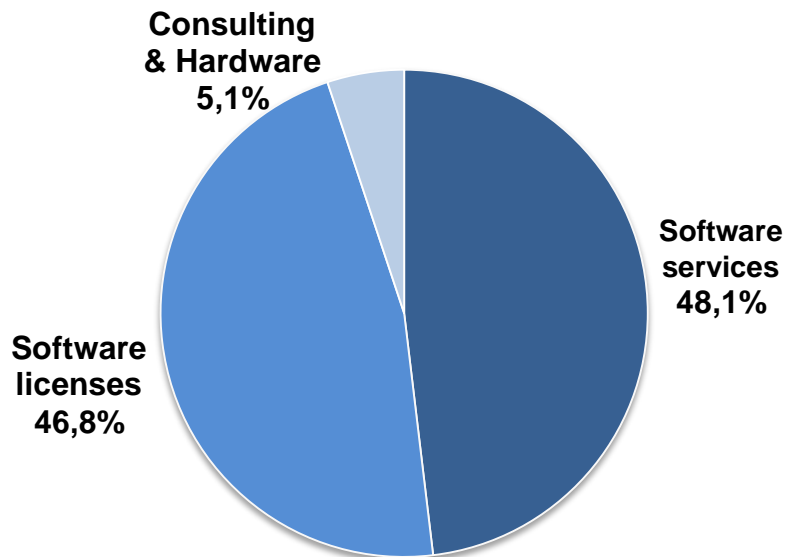


➔ Strong home market (+15.8%)

➔ International markets also in growth mode (+13.4%)

# Well-balanced growth of license and service contracts

% of revenues



Software services:

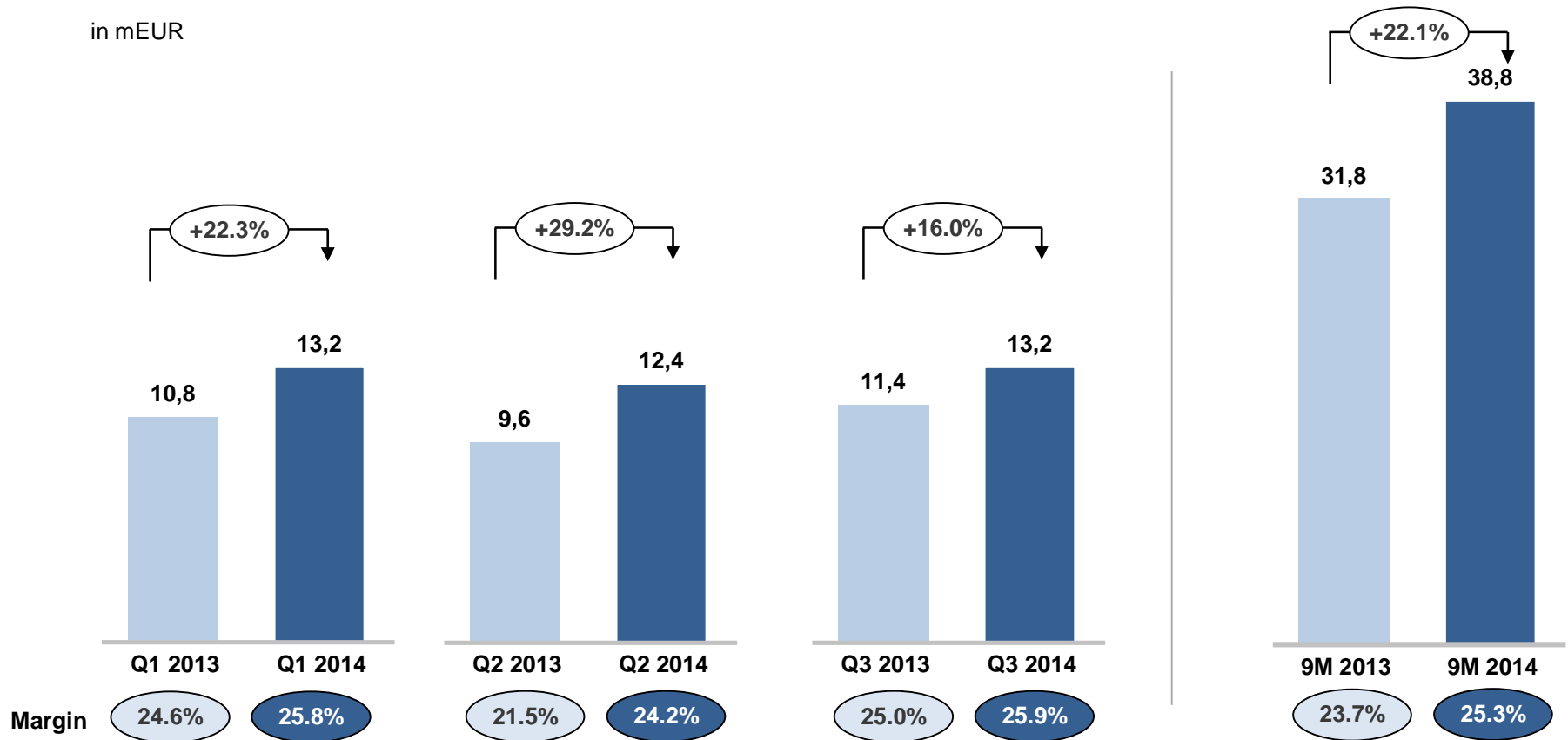
➔ Up by 14.7% to 73.8 mEUR:  
Recurring revenues secured

Software licenses:

➔ Up by 14.3% to 71.8 mEUR:  
New customers wins and increasing customer base

# High EBITDA margin

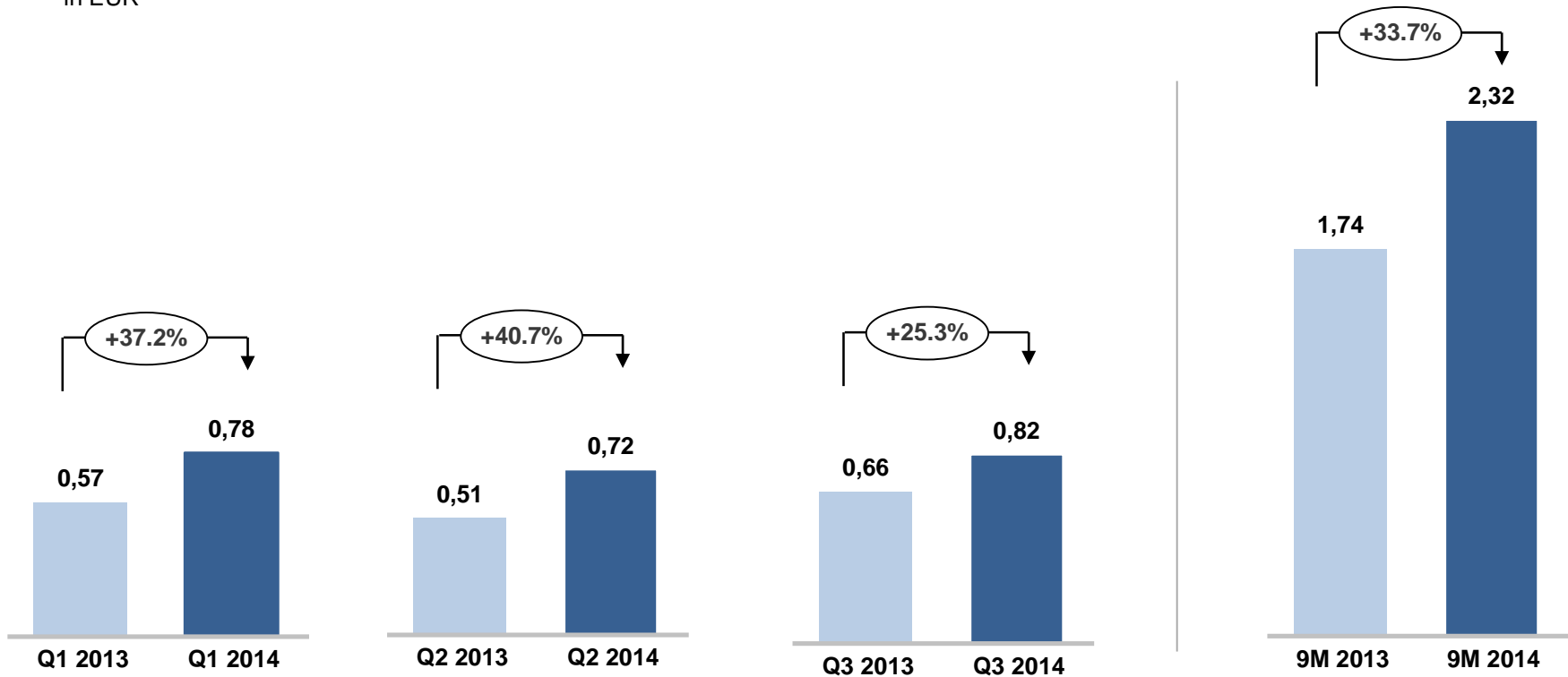
in mEUR



- ➔ EBITDA increased over proportional compared to revenues despite Bluebeam acquisition costs
- ➔ EBITDA margin up by 1.6 percentage points to 25.3%

# Strong EPS development

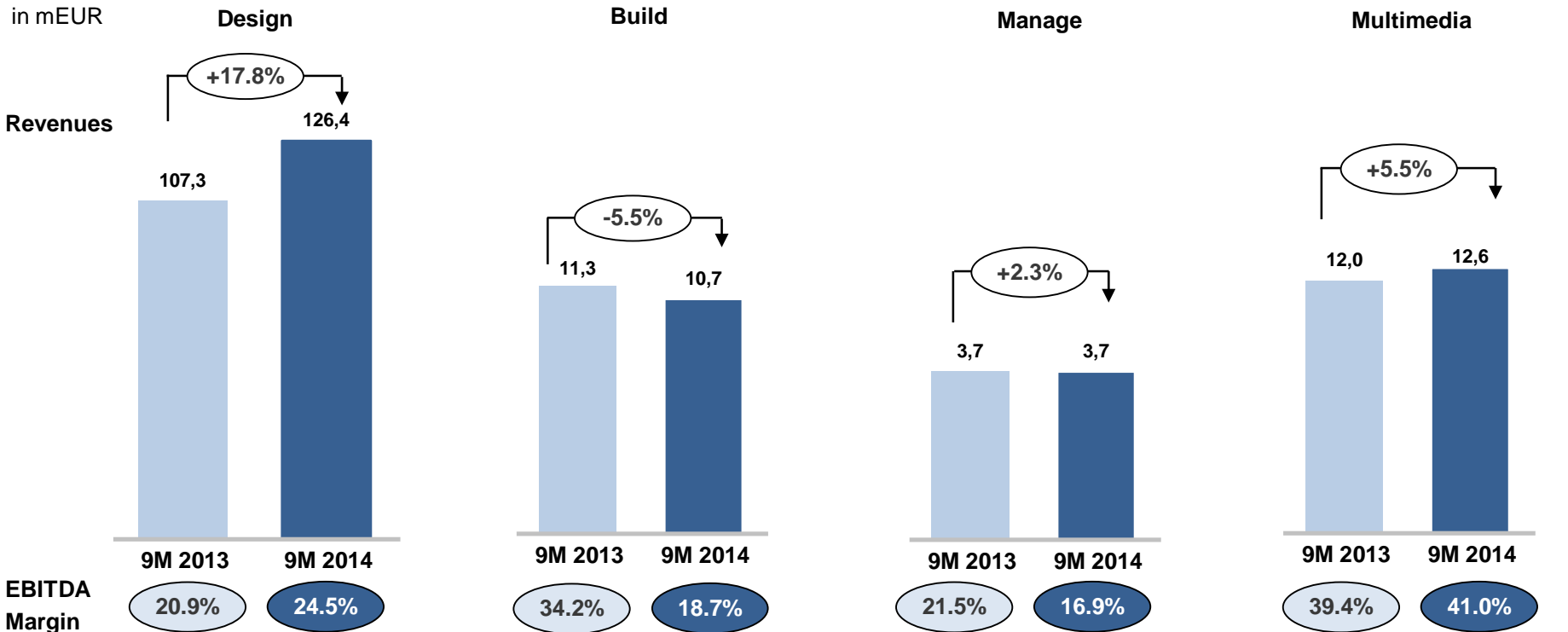
in EUR



➔ Net result up by 33.7% to 22.3 mEUR, EPS at 2.32 EUR

➔ Net result w/o PPA at 24.8 mEUR (+19.0%); EPS w/o PPA at 2.58 EUR

# Segment overview



- Design segment is growth driver, esp. Graphisoft and Vectorworks are doing very well
- Growth in all main focus regions
- Margin situation improved significantly

- Project postponements
- Delay in product developments
- Lower margin situation: no more activation of own worked capitalized

- Revenue growth slowed down because of cautious customers
- EBITDA below last year because of investments

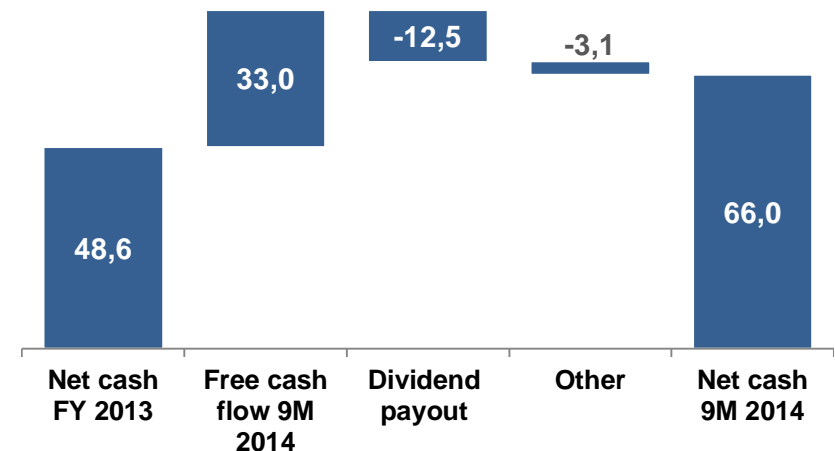
- Solid revenues development
- Still very high EBITDA margin



# Net cash development

- Operating cash flow      Increased by 27.4% yoy to 36.5 mEUR
- CapEx                      2.5 mEUR as expected and below last year  
End of activation period of own worked capitalized
- Free cash flow            High at 33.0 mEUR (+32.8%)
- Dividend payment        12.5 mEUR after AGM in May
- Net cash                    66.0 mEUR (+35.9% compared to year-end 2013)

mEUR	9M 2013	9M 2014	% YoY
EBITDA	31.8	38.8	+22.1%
Operating cash flow	28.7	36.5	+27.4%
Conversion rate*	90%	94%	
Investing cash flow	-3.9	-3.6	
Free cash flow	24.8	33.0	+32.8%



➔ Acquisition of Bluebeam will be financed via our high cash reserves and taking out a loan

# Agenda

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**Nemetschek Group: In brief**

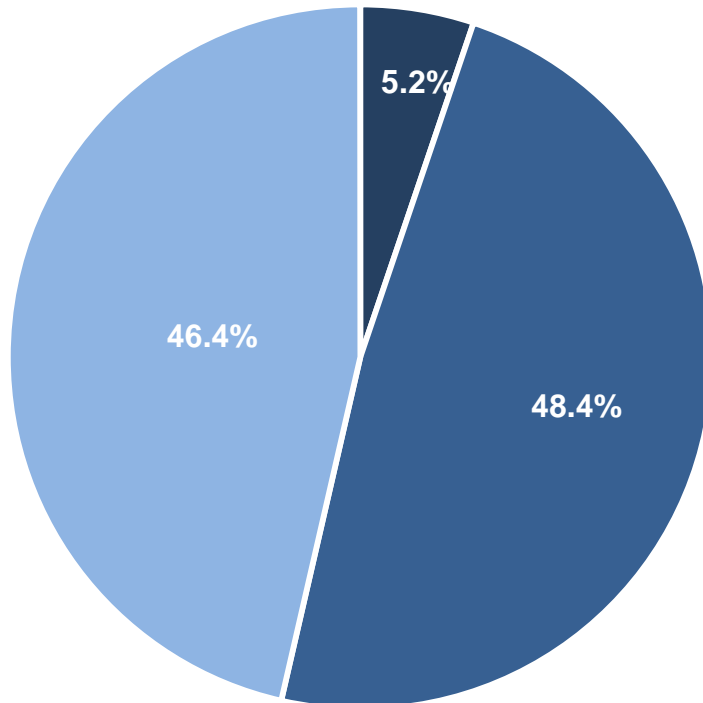
**Strategy**

**Financial data 9-month 2014**

**Nemetschek share**

**Why invest?**

## Stable shareholder structure



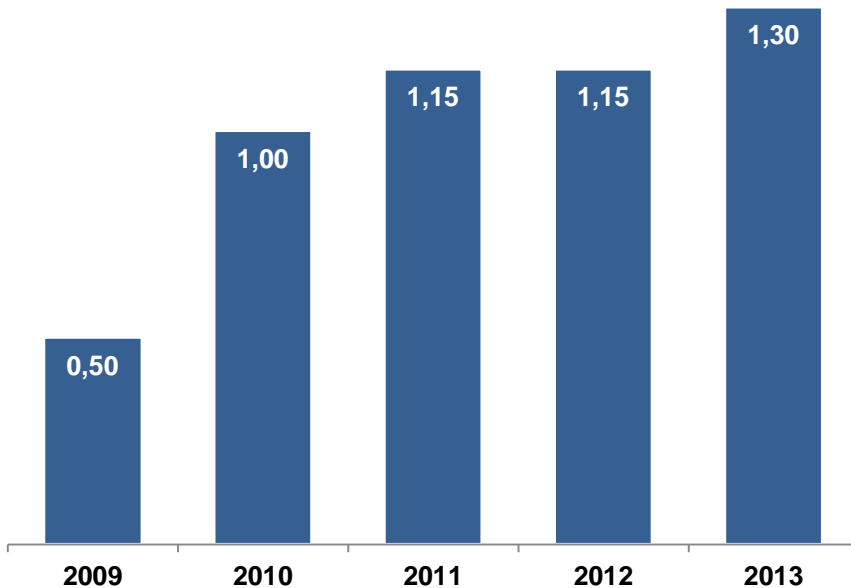
- Founded: in 1963
- IPO: March 10, 1999
- Number of shares: 9,625,000
- Frankfurt Stock Exchange, Prime Standard
- Bloomberg: NEM GY, Reuters: NEKG.DE
- Shares Nemetschek family: 53.57%
- Freefloat: 46.43 percent
- Current MarketCap: ~ 770 mEUR
- Current TecDAX Ranking: 23/31

- Prof. Georg Nemetschek
- Nemetschek Vermögensverwaltungs GmbH & Co KG
- Free float

➔ Shares of Nemetschek family pooled: secures stable shareholder structure for well-being of Nemetschek Group in the future

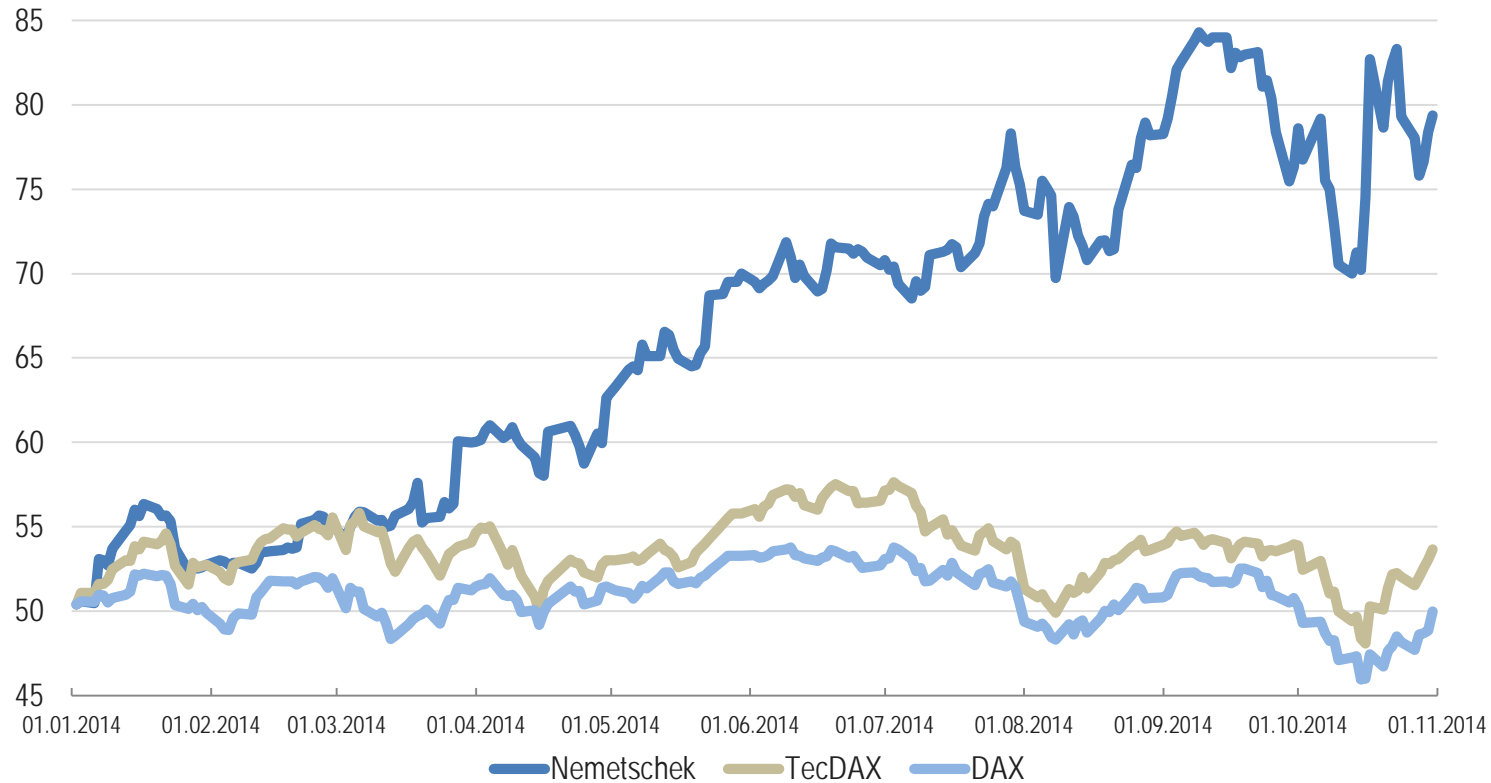
# Dividend payment of 1.30 EUR

## Dividend per share in EUR



- Dividend increased by 13% to 1.30 EUR per share
- In total 12.5 mEUR was paid out to the shareholders in May 2014
- Since 2009, we paid 49m EUR in total in the last 5 years

# Share price increase and higher visibility through TecDAX



Time	Nemetschek	TecDAX	DAX
Year 2012	+29%	+18%	+25%
Year 2013	+52%	+38%	+23%
YTD 2014	+56%	+6%	+/-0%

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## Investment highlights

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- **Strategic market positioning**
  - Clear focus on AEC market
  - Leading in Open BIM solutions and 5D
  - Strong global brands
  - Focus on customer needs
  - Very good reputation at renowned customers
  
- **Healthy financial**
  - High margin business
  - Strong cash generation
  - Healthy balance sheet
  
- **Growth potential**
  - Attractive, innovative solution portfolio for the AEC industry
  - Strengthen Nemetschek's position abroad
  - Capable of investing in inorganic growth
  - Driving innovations for an industry whose transformation has just begun

## Outlook 2014 confirmed

- **Market conditions**
  - Macroeconomic indicators slowed down
  - Solid growth in the AEC market worldwide
  - General trends (BIM, 5D etc.) are growth drivers
  
- **Growth factors**
  - Acquisition of innovative, strong growing US software provider Bluebeam
  - Two investments in the promising BIM 5D market
  - Trends such as BIM, 5D, collaboration, digitalization, cloud, mobile drive the market
  
- **Guidance**
  - 9-month figures are strong basis for further growth
  - Additional growth through Bluebeam (consolidation starts in Nov.)
  - Revenue forecast increased

### Revenues:

**211 - 216 mEUR**  
(formerly 207 – 212 mEUR)

### EBITDA margin:

**23 - 25%**

## IR calendar 2014 and contact

- 30/10/2014 Publication Q3 2014
- 
- 25-26/11/2014 Equity Forum in Frankfurt

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## P+L statement – Q3 / 9-month comparison

mEUR	Q3 2014	Q3 2013	% YoY	9M 2014	9M 2013	% YoY
<b>Revenues</b>	<b>51.2</b>	<b>45.8</b>	<b>+11.9%</b>	<b>153.5</b>	<b>134.2</b>	<b>+14.3%</b>
Own work capitalized/ other operating income	1.0	0.7	+41.0%	2.7	2.7	-0.5%
<b>Operating income</b>	<b>52.2</b>	<b>46.5</b>	<b>+12.3%</b>	<b>156.1</b>	<b>136.9</b>	<b>+14.0%</b>
Cost of materials/ purchased services	-2.1	-2.0	+5.1%	-5.9	-6.3	-5.9%
Personnel expenses	-21.7	-19.3	+12.2%	-66.2	-57.7	+14.6%
Other operating expenses	-15.2	-13.7	+10.5%	-45.2	-41.1	+10.1%
<b>Operating costs</b>	<b>-39.0</b>	<b>-35.0</b>	<b>+11.1%</b>	<b>-117.3</b>	<b>-105.1</b>	<b>+11.6%</b>
<b>EBITDA</b>	<b>13.2</b>	<b>11.4</b>	<b>+16.0%</b>	<b>38.8</b>	<b>31.8</b>	<b>+22.1%</b>
<b>Margin</b>	<b>25.9%</b>	<b>25.0%</b>		<b>25.3%</b>	<b>23.7%</b>	
Depreciation of PPE and amortization	-2.4	-2.6	-9.0%	-6.6	-7.8	-15.2%
Thereof PPA	-1.0	-1.6		-3.0	-4.7	
<b>EBITA (normalized EBIT)</b>	<b>11.9</b>	<b>10.4</b>	<b>+14.6%</b>	<b>35.2</b>	<b>28.6</b>	<b>+22.8%</b>
<b>EBIT</b>	<b>10.9</b>	<b>8.8</b>	<b>+23.4%</b>	<b>32.2</b>	<b>24.0</b>	<b>+34.3%</b>
Financial result	0	0		0	0	
<b>EBT</b>	<b>10.9</b>	<b>8.8</b>	<b>+23.5%</b>	<b>32.2</b>	<b>24.0</b>	<b>+34.3%</b>
Income taxes	-2.6	-2.2	+16.3%	-8.7	-6.5	+34.3%
Minorities	0.4	0.3		1.2	0.8	
<b>Net income (group shares)</b>	<b>7.9</b>	<b>6.3</b>	<b>+25.3%</b>	<b>22.3</b>	<b>16.7</b>	<b>+33.7%</b>
<b>EPS in EUR</b>	<b>0.82</b>	<b>0.66</b>	<b>+25.3%</b>	<b>2.32</b>	<b>1.74</b>	<b>+33.7%</b>

## Balance sheet – Assets

mEUR	September 30, 2014	Dec 31, 2013
<b>Assets</b>		
Cash and cash equivalents	66.0	48.6
Trade receivables, net	21.9	21.9
Other current assets	10.2	9.2
<b>Total current assets</b>	<b>98.1</b>	<b>79.6</b>
Property, plant and equipment	5.4	5.3
Intangible assets	28.6	30.9
Goodwill	61.8	60.1
Other non-current assets	3.8	2.5
<b>Total non-current assets</b>	<b>99.6</b>	<b>98.9</b>
<b>Total assets</b>	<b>197.7</b>	<b>178.5</b>

## Balance sheet – Equity and liabilities

mEUR	September 30, 2014	Dec 31, 2013
<b>Equity and liabilities</b>		
Trade payables & accrued liabilities	19.7	20.1
Deferred revenue	32.6	23.5
Other current liabilities	11.0	10.4
<b>Total current liabilities</b>	<b>63.3</b>	<b>54.0</b>
Deferred tax liabilities	4.1	4.1
Other non-current liabilities	4.0	2.3
<b>Total non-current liabilities</b>	<b>8.1</b>	<b>6.4</b>
Subscribed capital and capital reserve	51.0	51.0
Other comprehensive income	-13.2	-12.8
Retained earnings	87.6	78.3
Minority interests	1.0	1.6
<b>Total equity</b>	<b>126.4</b>	<b>118.2</b>
<b>Total equity and liabilities</b>	<b>197.7</b>	<b>178.5</b>

# Cash flow statement

mEUR	September 30, 2014	September 30, 2013	% YoY
Cash at beginning of period	48.6	44.3	+9.6%
<b>Operating cash flow</b>	<b>36.5</b>	<b>28.7</b>	<b>+27.4%</b>
<b>Investing cash flow</b>	<b>-3.6</b>	<b>-3.9</b>	<b>-7.2%</b>
t/o CapEx	-2.5	-3.9	
<b>Financing cash flow</b>	<b>-16.4</b>	<b>-13.1</b>	<b>25.1%</b>
FX-effects	0.9	-0.2	
<b>Cash at end of period</b>	<b>66.0</b>	<b>48.7</b>	<b>+21.0%</b>
<b>Free cash flow<sup>(1)</sup></b>	<b>33.0</b>	<b>24.8</b>	<b>+32.8%</b>

<sup>(1)</sup> Operating cash flow - Investing cash flow

## Disclaimer

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