

NEMETSCHKEK
GROUP

Nemetschek Group

Company Presentation

June 2020 | Dr. Axel Kaufmann, Spokesman & CFOO

01

Company Overview

Nemetschek's Key Figures: 5 Years - 5 Achievements



We generate high shareholder returns¹

5-year TSR¹:

- | Nemetschek: ~600%
- | Peer group²: ~95%
- | TecDAX : ~90%



We outperform our peers in terms of growth²

5-year revenue CAGR:

- | Total growth: 21%
- | Organic growth: 13%
- | Peer group²: <10%



We have become a truly global player

5-year US revenue CAGR:

- | >40% in the world's largest and most competitive AEC market



Strong EPS development

5-year EPS CAGR:

- | 26%



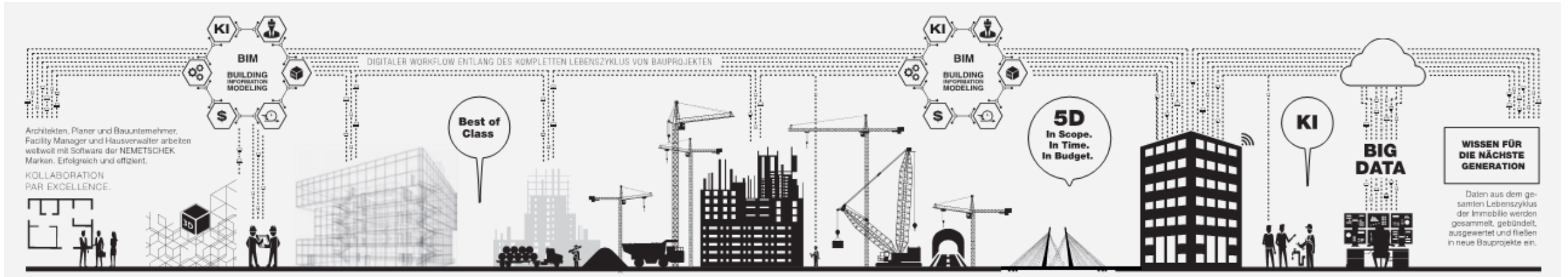
Sustainable dividend policy with continuous growth

5-year CAGR:

- | 21%

¹ TSR: Total shareholder return: Share price performance + dividend | 2014–2019 | ² Peer group: International software companies

NEMETSCHKE GROUP Provides Expertise Along the Complete AEC Value Chain



Planning & Design



Build & Construct



Operate & Manage

Program Management, Planning

Modeling & Design Development

Structural Design & Analysis

Detailing, Engineering Consultants, Fabrication

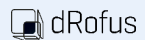
Quality Control, Clash Detection,

Estimation & Scheduling

Collaboration, Documentation

Property Management

IWMS/ Smart Buildings



GRAPHISOFT.



ALLPLAN

SOLIBRI



CREM SOLUTIONS



PRECAST SOFTWARE engineering



Media: AEC Renderings, Animation & Visual Effects for Gaming, Movies

MAXON

Nemetschek Is Well Positioned!

Nemetschek SE

Attractive End-markets

- | Huge growth potential
- | Structural long-term growth drivers (low degree of digitalization)
- | Growth supported by regulation

Unique market position

- | Best in class products
- | Product offering along the complete AEC value chain
- | Leader in Open BM
- | Close proximity to customers within our 4 divisions

Attractive business model

- | Highly profitable
- | Strong Cash conversion (> 80%)
- | High share of recurring revenues (approx.60%)
- | High returns (ROCE>20%)

Strong financial position

- | Very healthy balance sheet
- | Net cash position
- | Equity ratio: 43%
- | No major refinancing needs
- | Long-term anchor shareholder

Value accretive M&A

- | Strong track record of bolt-on acquisitions (e.g. Bluebeam)
- | Disciplined approach
- | Substantial financial fire power
- | Focus on long-term value generation

Operating mode via four strong divisions with leading global brands

Sustainability: Gaining a Greater Importance for Our Customers

The FOOTPRINT of the Building Industry



Buildings and construction account for

- | **36%** of global final energy use and
- | **39%** of energy-related CO2 emissions



During the construction phase

- | **10%** of materials are wasted
- | **30%** of construction is rework

In **90%** of all projects, time or cost overruns occur.

The HANDPRINT of our Customers

Sustainable Building

Working with solutions from the Nemetschek Group, improves efficiency and productivity along the entire value chain



Planning & Design

- | Less errors and rework through cross-functional planning
- | Exact calculation of materials



Build & Construct

- | Optimized usage of resources and materials (incl paper)



Operate & Manage

- | More efficient usage of office spaces and energy



Rebuild & Demolition

- | Easier reconstruction of buildings
- | Reusage of raw materials after demolition

Sources: Global Status Report 2019, UN Environment and the International Energy Agency, Engineering-News Record 2018/2019

An aerial photograph of a city construction site. In the foreground, a large, modern building with a glass facade is under construction. Several red tower cranes are positioned around the site. To the left, a river flows through the city, with a bridge visible in the background. The surrounding urban area includes various residential and commercial buildings.

02

AEC Market Opportunities
BIM Market Potential

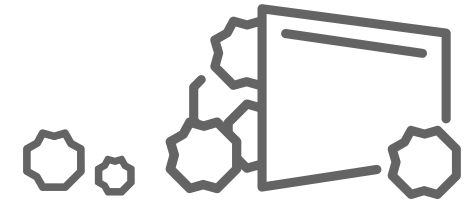
Challenges in the Construction Industry

The worldwide construction market is estimated at

€10 trillion

(€3.5 trillion exc. residential)

However at least **20%** is waste



~10%

materials are wasted



~30%

of construction is rework



~40%

of projects are over budget



~90%

of projects are late



~40%

of jobsite work is unproductive

▶ Mostly due to **Ineffective Communication, Planning and Collaboration**

Source: Engineering-News Record 2017

What is BIM? There Are Different BIM Levels

Level 0:

CAD is used as a drawing board, no collaboration

Level 1:

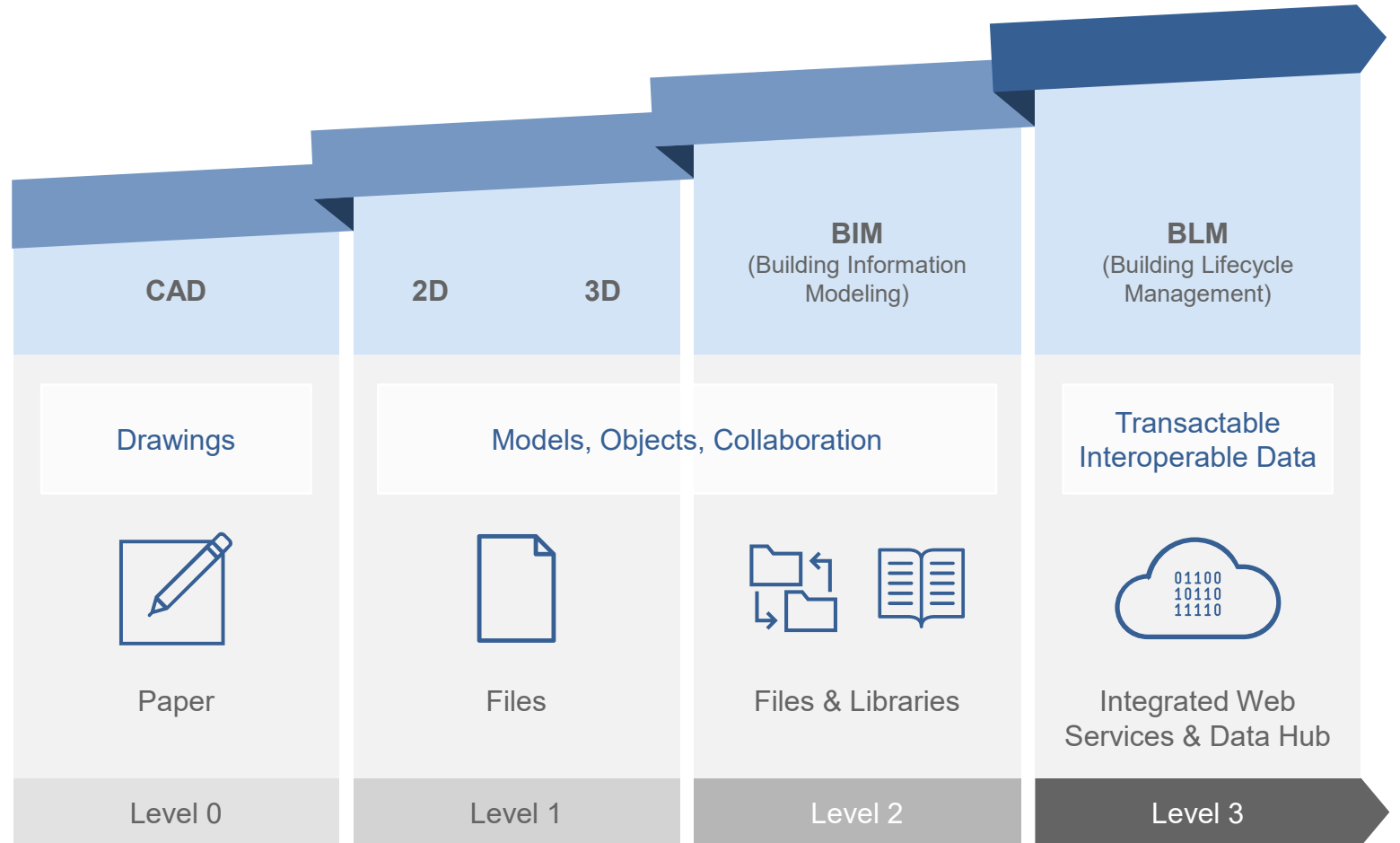
Mix of 2D and 3D work principles, no exchange of models

Level 2:

All planning partners work in 3D, but do not work on a shared model

Level 3:

Full collaboration between all disciplines using a shared model

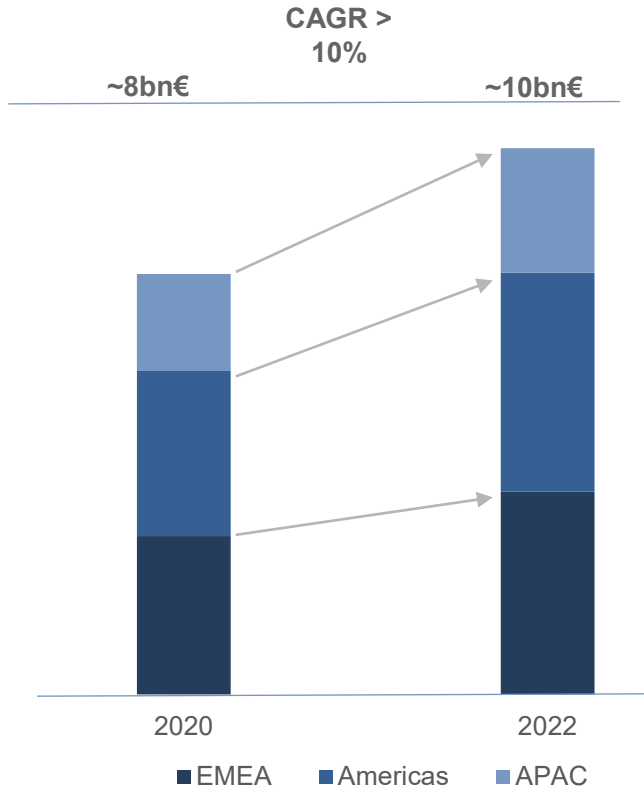


Source: Based on "The BIM Maturity Model by Mark Bew and Mervyn Richards adapted to reflect BLM's relationship to Level 3"

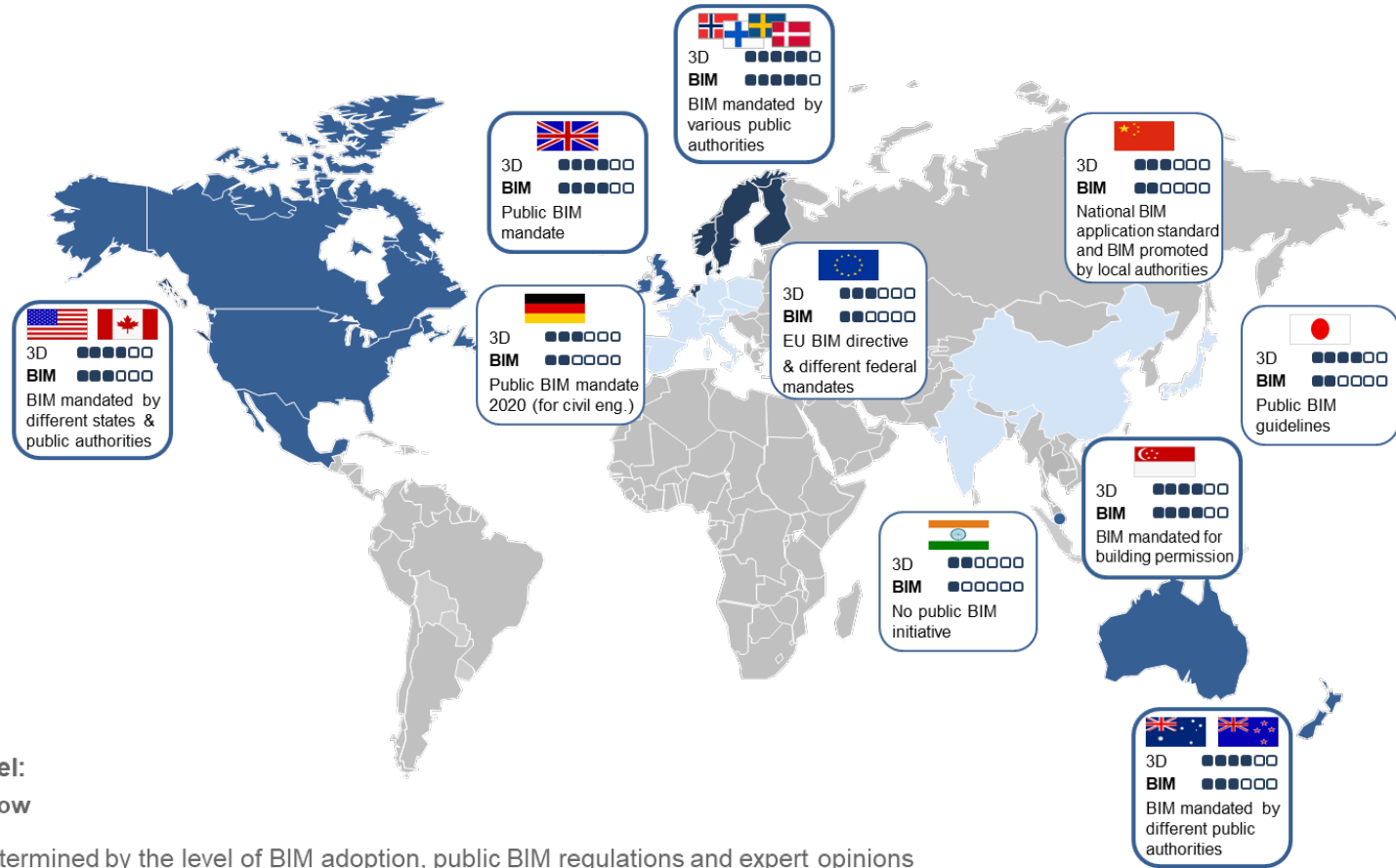
Our markets: AEC BIM Software Market offers huge potential

AEC Software Market

End-user expenditure in bn €



BIM Maturity Map



Source: Cambashi BIM Design Observatory 2020, internal research

03

Financial Results Q1-2020

Key Business Highlights Q1-2020: Solid Start of the Year



Strong Financial Performance



Revenues:
**+12.8% (FX adj.: +11.4%) to
€ 146.6m**



EBITDA margin:
28.5% (FX adj.: 27.8%)



Recurring revenues:
+27.1% (FX adj.: +25.5%)
Subscription revenues:
+102.5% (FX adj.: +100.3%)



EPS:
+9.3% to € 0.19



Revenues abroad:
+14.7%



High cash conversion:
103.0%

M&A Transactions, Divestitures



Media & Entertainment Division:

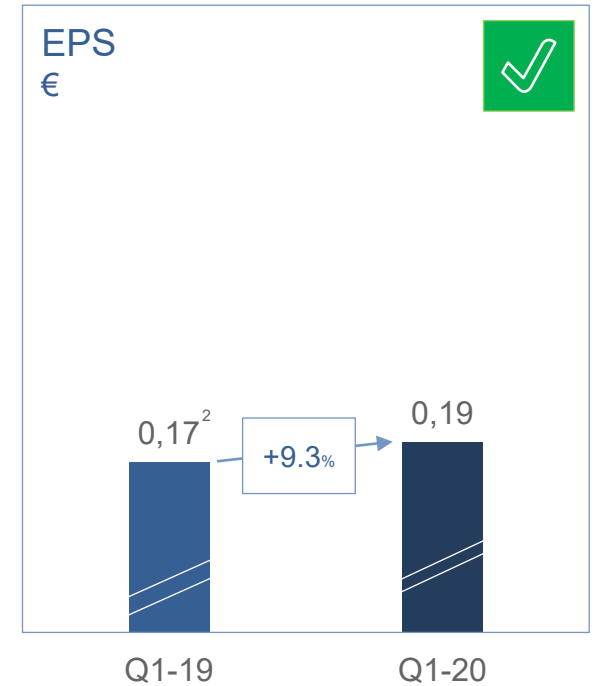
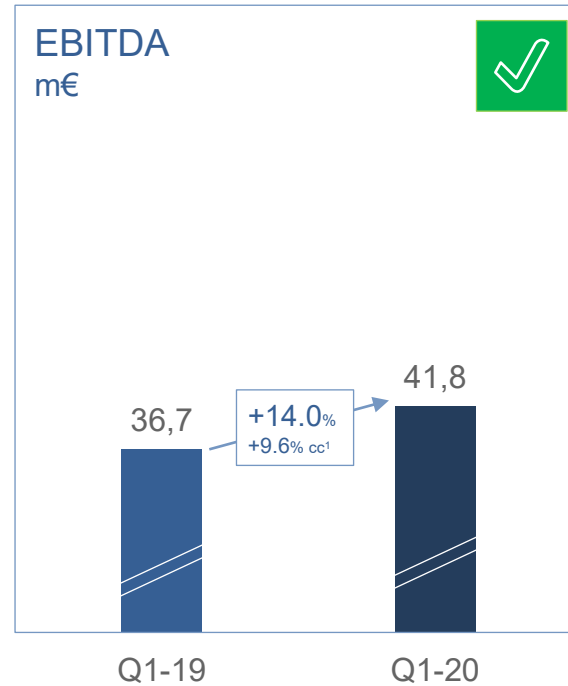
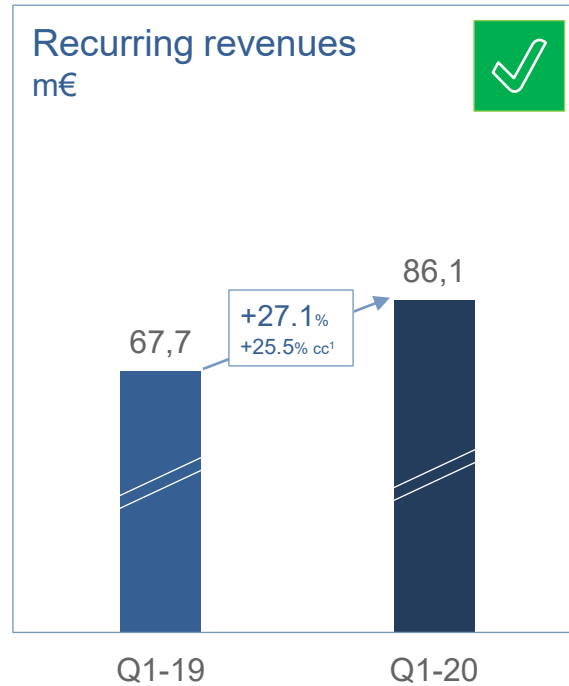
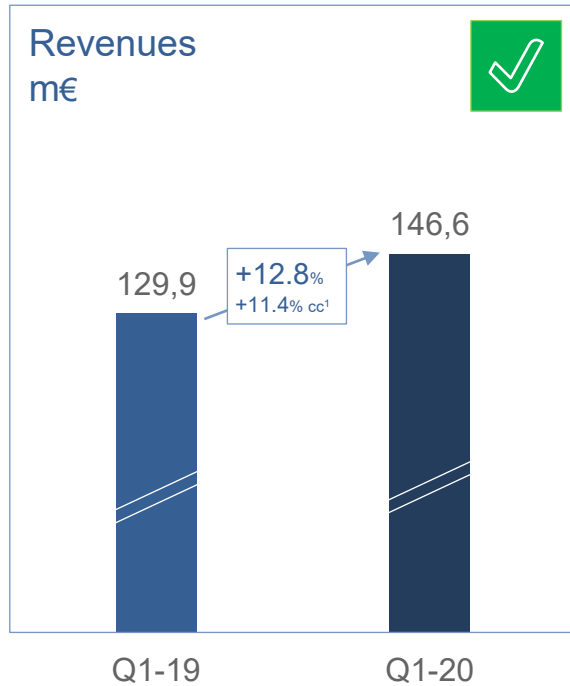
01/2020: Red Giant by Maxon
01/2020: Integration of Red Giant and Redshift
progressing as planned



Planning & Design Division:

04/2020: ADAPT by RISA. Strengthens structural
engineering competence in the US

Top Key Figures Q1-2020: Solid Growth with High Profitability



Organic growth: +8.5% cc¹

Continued high organic growth: +21.9% cc¹

Subscription again important growth driver: +100.3% cc¹

Increase in EBITDA margin to 28.5% (FX adj.: 27.8%) vs. Q1-19: 28.2%

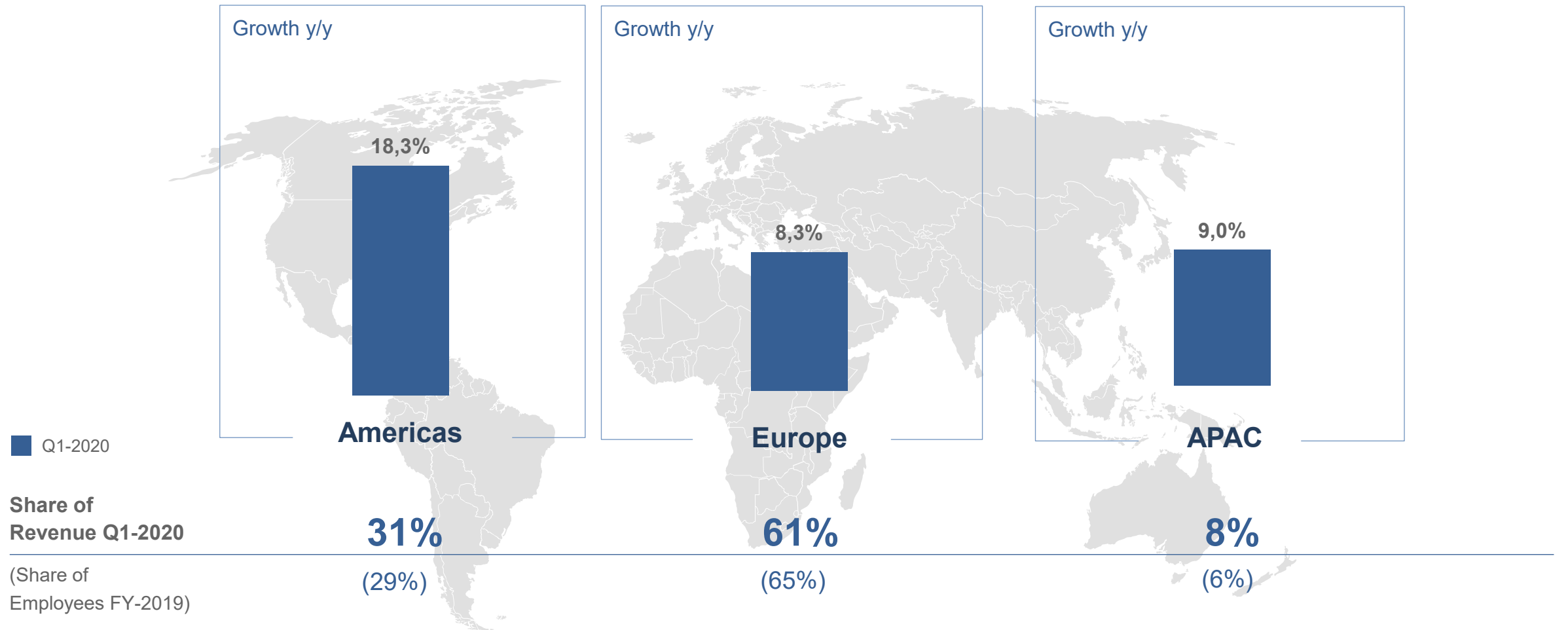
Focus on cost control

Tax rate: 25.2% vs. 25.4% in previous year

¹ Constant currency | ² for better comparability, EPS considers stock split

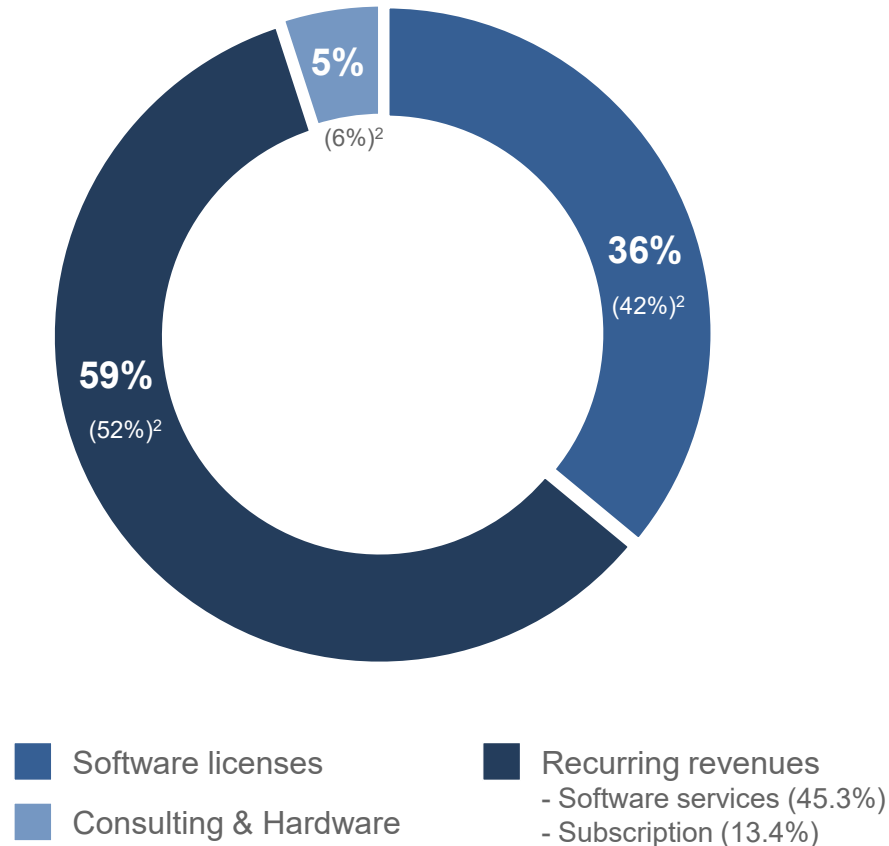
Globally Positioned: Continued Growth in all Regions

Q1-2020: Over-proportional growth in the United States



Strong Growth in Recurring Revenues: Subscription Is Key Driver

Revenue distribution Q1-2020



Q1-2020

Recurring revenues y/y



Subscription y/y



Software licenses y/y



Comments

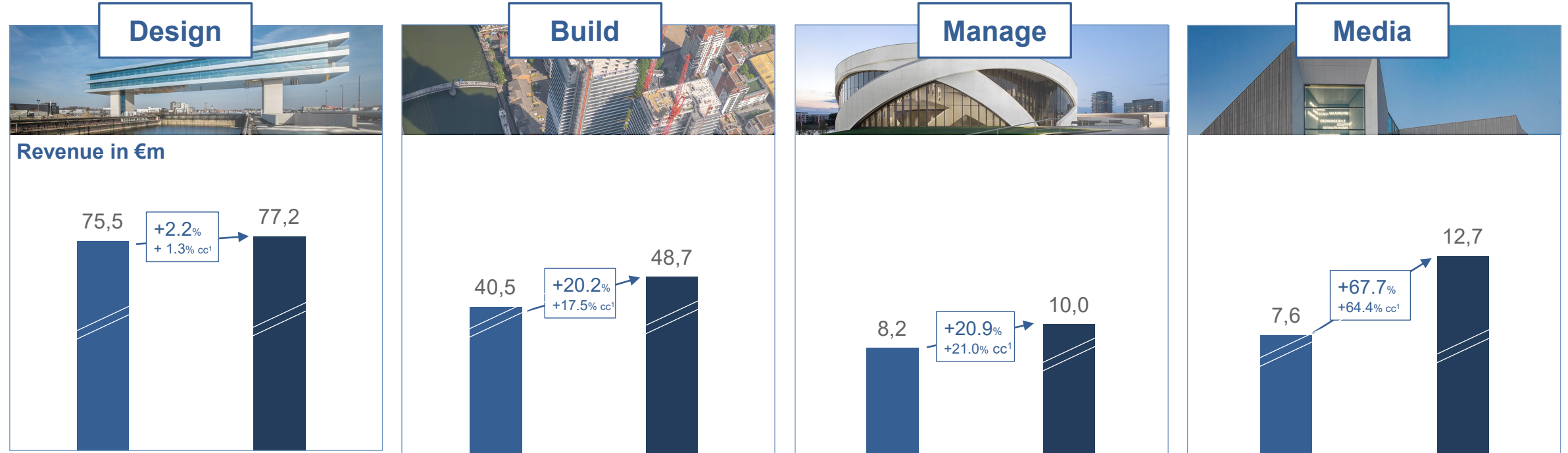
- | Above average growth to € 86.1m
- | Organic growth: 23.4% (21.9% cc¹)
- | Share of recurring revenues by 7pp y/y

- | Highest growth to € 19.6m
- | Strong impact from Red Giant and Maxon move to subscription
- | Organic growth: 76.5% (75.1% cc¹)

- | Decline to € 53.4m
- | Organic growth: -5.3% (-6.8% cc¹)
- | Negative impact from Covid-19 (esp. Design) and Maxon move to subscription

¹ Constant currency | ² Previous year

Segment Overview: Build Remains strong, C-19 impact not yet visible



Margin 30.0% 30.0%

34.7% 38.3%

-0.4% 10.2%

40.8% 23.9%

| FX adjusted EBITDA margin: 28.7%

| FX adjusted EBITDA margin: 38.2%
| Bluebeam with largest contribution to revenue and margin increase

| Negative Q1-19 EBITDA margin due to Axserion acquisition costs

| Organic revenue growth: 14.9% cc¹
| Organic growth and margin negatively impacted by Maxon's move to subscription

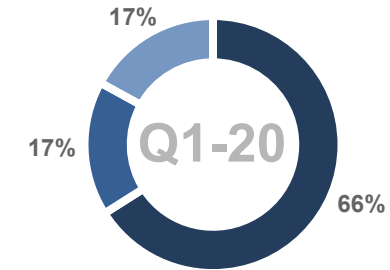
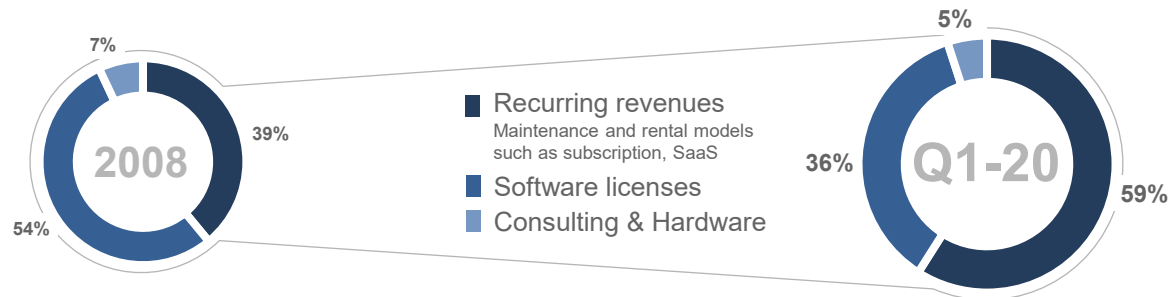
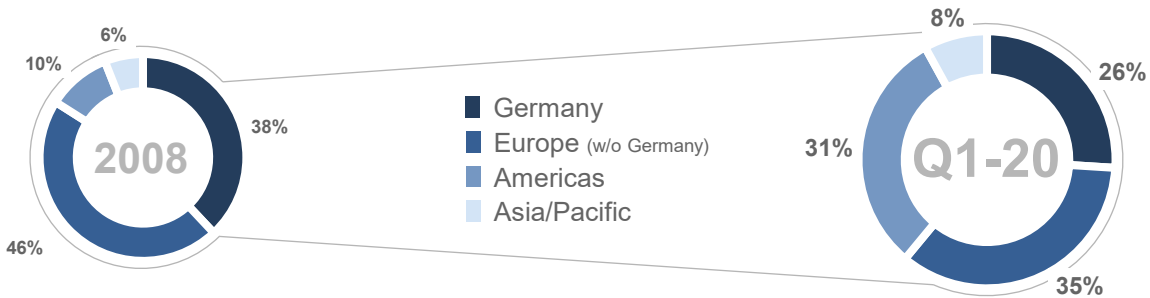
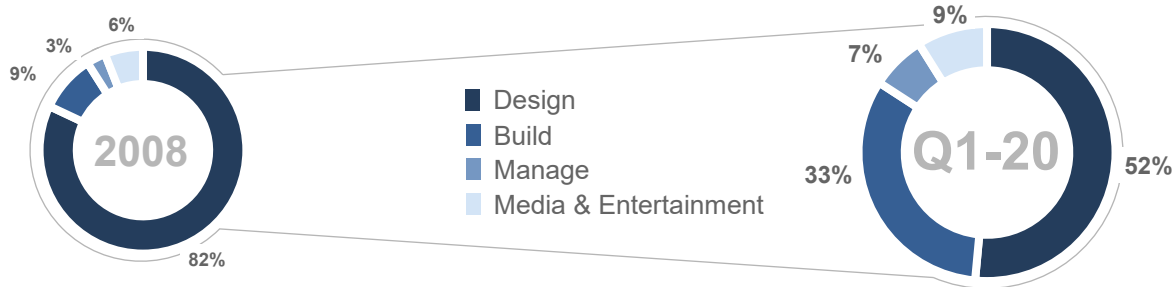
¹ Constant currency

Our Business Model in Light of a Crisis Scenario

Situation 2008/09

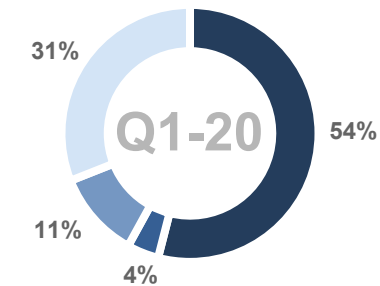


2020: We further diversified our business and are better prepared for a macro downturn



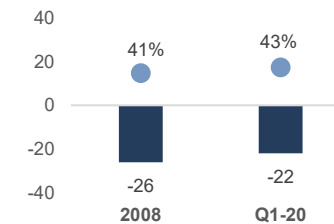
Fixed vs. variable costs

- Fixed
- Variable (discretionary)
- Revenue-related (variable)



Main operating expenses

- Personnel
- COGS
- D&A
- Other



Financial position

- Net cash (- debt) in €m
- Equity ratio (%)

Covid-19 Impact: Status Quo after Q1-2020

Status quo after Q1-2020

First negative effects in Q1:

- Deceleration in pockets of growth in Asia and Europe
- Customer demand muted in Design division in March

First measures quickly implemented:

- Sales & support activities adapted to new environment
- Cost saving measures initiated

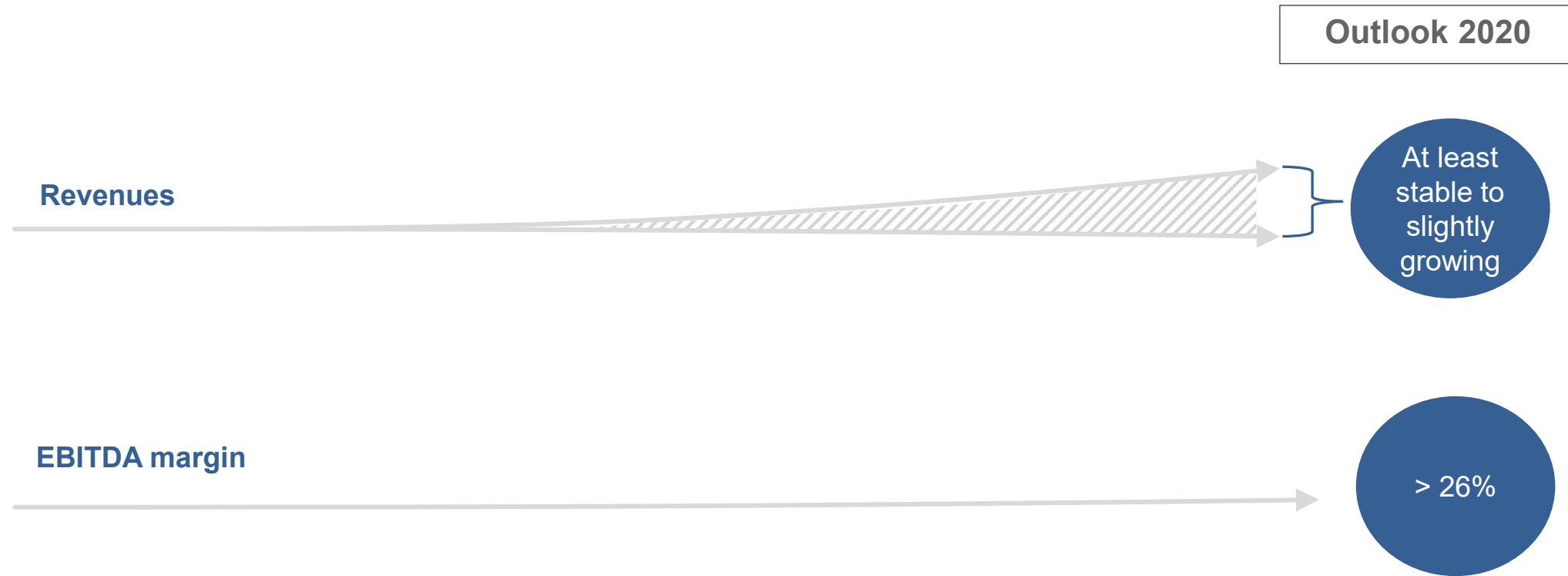
Our working assumptions

- Significant deceleration in global GDP in Q2 followed by gradual recovery in Q3 and Q4
- **Timing** of Covid-19 impact on our business:
By division:
Design ▶ M&E ▶ Manage ▶ Build
By geography:
APAC ▶ Europe ▶ Americas
- Strong decline in **new licences**
- Solid growth in **recurring revenues**

Our response to the challenges

- Our **first priority** is the safety of our employees and customers
- We ensure business continuity and **support our customers and the society** in this difficult situation.
- **We will continue to...:**
 - monitor the situation closely and steer the business on sight
 - be flexible and quick to react to new developments (e.g. Spacewell workplace solutions)
 - stay opportunistic

Outlook 2020: Confirmed after the First Quarter

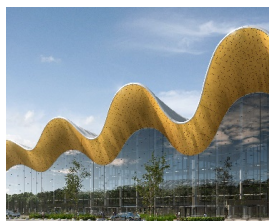


Outlook 2020:	
Revenues:	At least stable to slightly growing
EBITDA margin:	> 26%
Please note:	Guidance reflects the currently extremely high degree of uncertainty regarding the macroeconomic outlook

04

Factsheet

NEMETSCHKE GROUP



Unique DNA & Dynamic Markets

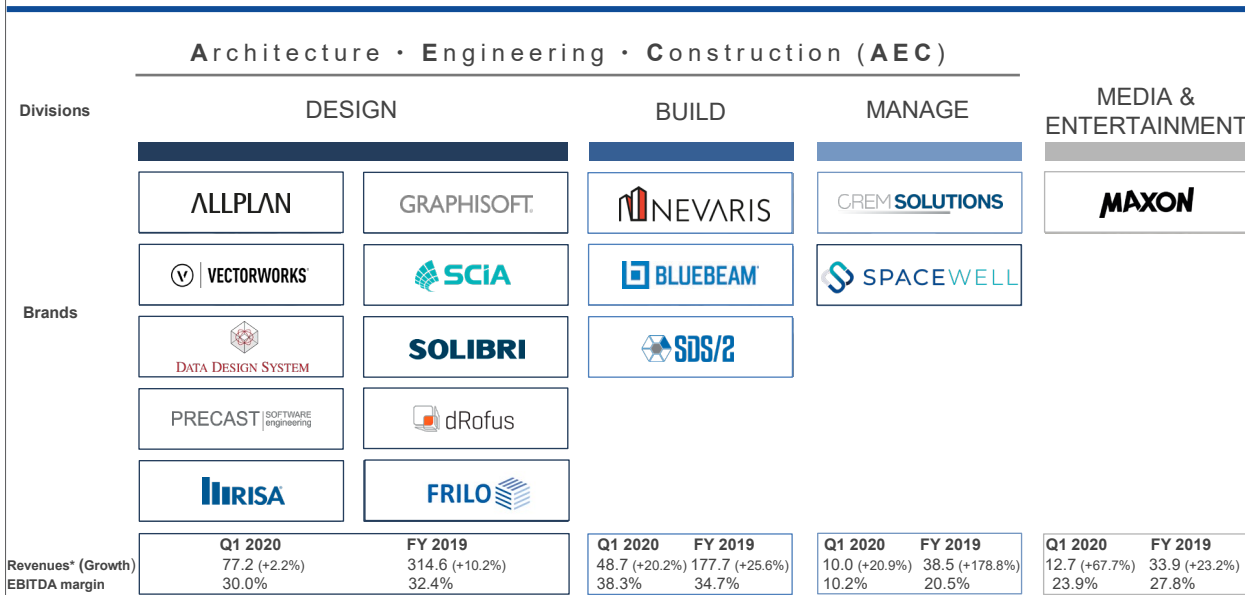
- Founded 1963 by Prof. Georg Nemetschek
- Leading global Open BIM software provider in AEC
- 4 customer-oriented divisions with 16 strong brands
- ~6.0 million users around the world
- Highest quality, user-friendly, innovative
- Growth drivers:** Digitalization in AEC far behind other industries, BIM regulations worldwide, switch from 2D to integrated digital 3D workflow solutions

Investment Highlights

- Positioning**
 - Focus on AEC, leading in Open BIM
 - Focus on customer needs
- Financials**
 - Stable margins, healthy balance sheet
 - Strong cash generation
- Growth factors**
 - Focus on internationalization
 - Driving innovations: Open BIM, digital workflows, collaboration
 - Organic, acquisitions

Key Figures mEUR	Q1 2020	Q1 2019	%YoY	%YoYcc*	FY 2019
Revenues	146.6	129.9	+12.8%	+11.4%	556.9
EBITDA	41.8	36.7	+14.0%	+9.6%	165.7
EBITDA margin	28.5%	28.2%	-	-	29.7%
EBIT	29.2	26.8	+8.9%	-	150.5
EBIT margin	19.9%	20.7%	-	-	27.0%
Net income	21.4	19.6	+9.3%	-	127.2
EPS	0.19	0.17	+9.3%	-	1.10
Operating cash flow	43.1	34.5	+24.8%	-	160.4
Free cash flow	-38.6	-44.3	+12.9%	-	76.6
Free cash flow**	40.5	29.0	+39.7%	-	174.5
Equity ratio in %	43.3%	35.4%	-	-	40.7%
Net debt/ liquidity	-21.8	-55.7	-	-	21.0
Headcount	2,935	2,648	+10.8%	-	2,875

Business Overview – Covering complete value chain in AEC + Media



*constant currency **without M&A investments

Guidance	FY 2020
Revenue	At least stable to slight increase
EBITDA margin	> 26%

Management Team

Dr. Axel Kaufmann	Spokesman, CFOO & CDO Media & Ent.
Viktor Várkonyi	Chief Division Officer, Planning & Design
Jon Elliott	Chief Division Officer, Build & Construct
Koen Matthijs	Chief Division Officer, Manage & Operate

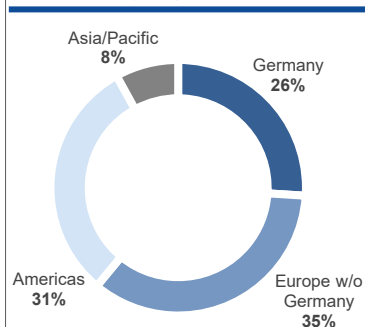
Supervisory Board

Kurt Dobitsch	Chairman
Prof. Georg Nemetschek	Deputy Chairman
Rüdiger Herzog, Bill Krouch	Board Members

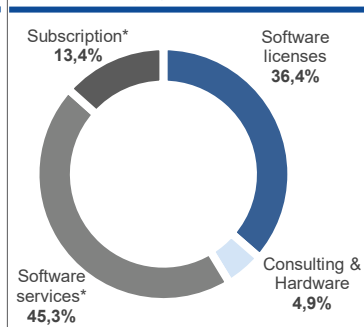
Key Stock Figures

Number of shares / IPO	115,500,000 / March 10, 1999
Indices / Ticker symbol	MDAX, TecDAX / NEM GY, NEKG, DE
Current market cap	EUR 6.2 billion

Revenues by Regions (Q1 2020)



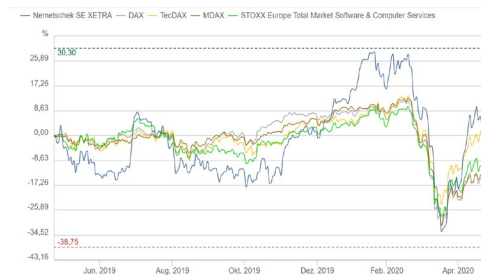
Revenues by Type (Q1 2020)



* = Recurring revenues in total: 58.7%

Shareholder Structure & Share Price Development

52.6% by Family Nemetschek; 47.4% Free float



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Thank You!

Et quidam ipsam cumque esse etiam, autem voluptas
apud nobis ex parte ea, ut quibusdam

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Al-Jaouhri-Stadion, Al Wakrah, Katar
Ingenieurbüro: AECOM | Umgesetzt mit SOA