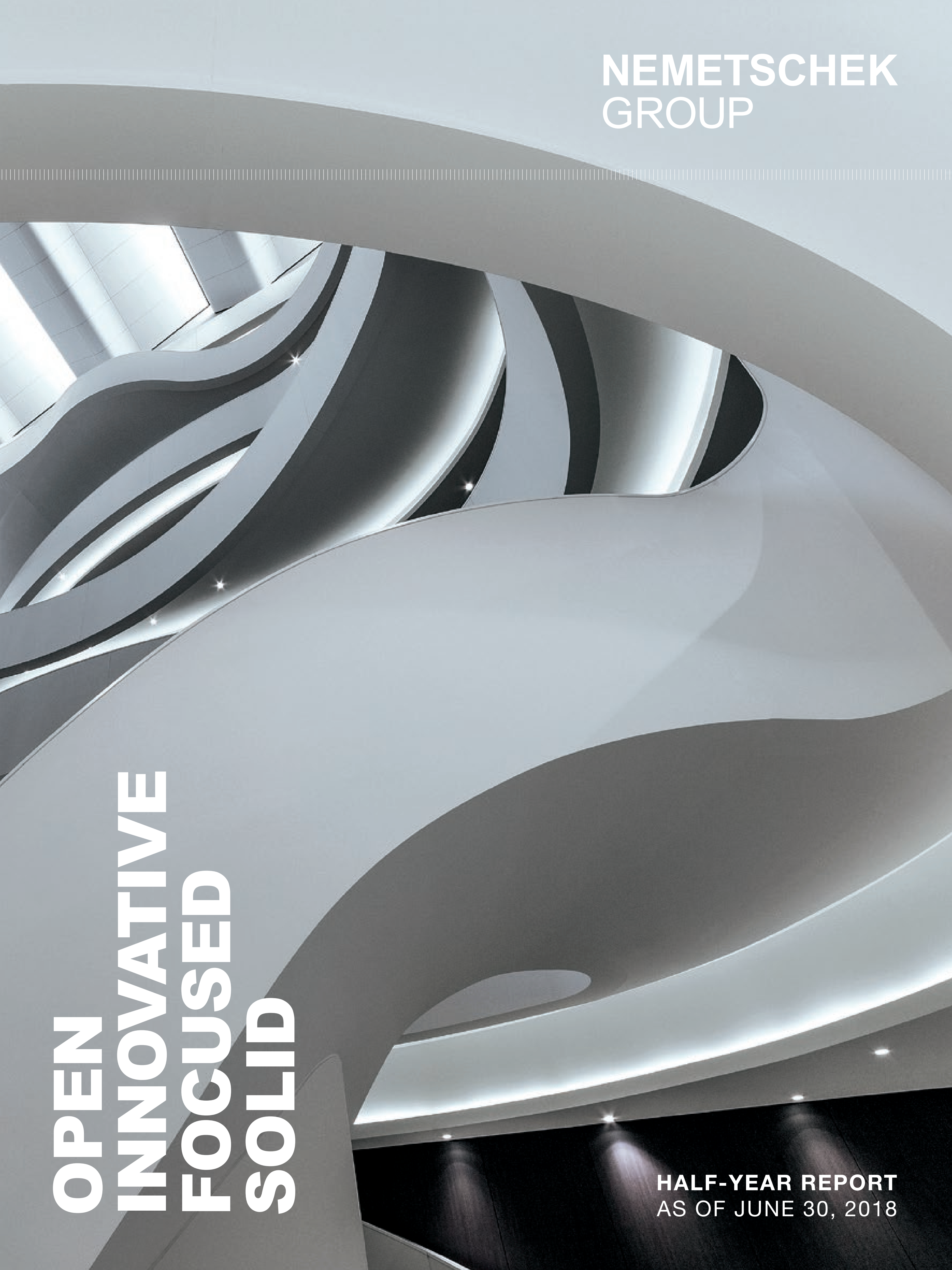


NEMETSCHEK GROUP

OPEN
INNOVATIVE
FOCUSED
SOLID

HALF-YEAR REPORT
AS OF JUNE 30, 2018

To our shareholders

Patrik Heider,
Spokesman of the Executive Board and CFOO

Dear Shareholders,

At the Nemetschek Group business development in the second quarter has accelerated considerably compared to the first three months of 2018, and this despite ongoing negative currency exchange effects. The profitability of the Group continued to remain high in Q2. At the same time, we invested in strategic projects as announced in order to achieve double-digit growth in the future as well.

Major indicators of the Group's success in the second quarter and the first half of 2018

- **Group revenue** in Q2 2018 rose to EUR 113.8 million, a strong growth rate of 16.5% compared to the previous year. Currency-adjusted growth was even more significant at 21.2%. In the first half year, revenue increased to EUR 216.0 million, a growth rate of 11.4% (currency-adjusted: +17.2%) compared to the same period in the previous year.
- **Recurring revenue from software service contracts** and **subscriptions** remained growth drivers in Q2, rising by 19.3% (currency-adjusted: +23.6%) to EUR 53.6 million. Revenue in the first half of the year increased by 17.4% (currency-adjusted: +23.0%) to EUR 104.1 million and thus already making up 48.2% of total revenue. The disproportionately large increase reflects the strategic change underlying Nemetschek's business model, which entails offering customers subscriptions for software as well as licenses. In the first six months of the year, revenue from **subscriptions** jumped disproportionately in relation to the Group's growth, rising by 37.6% (currency-adjusted: +48.3%) to EUR 8.9 million.
- Growth from **license sales** also rose considerably faster: revenue from licenses increased to EUR 56.2 million in Q2, a plus of 16.1% (currency-adjusted: +21.4%). In the first six months, licensing revenue increased by 6.7% (currency-adjusted: +13.1%), rising to EUR 103.4 million.
- The **operating results for the Group (EBITDA)** rose by 22.6% (currency-adjusted: +22.0%) to EUR 31.1 million in Q2, which was over-proportional compared to its revenues. In the first six months, cumulative EBITDA increased by 14.1% (currency-adjusted: +17.6%), rising to EUR 59.0 million.
- Lying at 27.3% in Q2 and the first six months of the year, the **EBITDA margin** continued to be at a high level, actually slightly above the range the firm was originally aiming for, which was 25%-27%. At the same time, Nemetschek invested in strategic projects as it had planned so as to ensure it would be able to achieve two-digit growth figures consistently in future.
- In Q2, the **net income for the year** (Group shares) rose over-proportionally in relation to revenue, jumping by 34.2% to EUR 18.1 million and causing the earnings per share to go up to EUR 0.47. The earnings per share figure also rose in clear double-digit terms in the first half of 2018, namely by 24.5%, thereby reaching EUR 0.90.

Nemetschek increased its speed considerably in Q2, so we were able to keep on ploughing ahead over the first six months and achieved double-digit growth as well as being highly profitable. This superb development is proof that we are doing the right thing by making large investments in future growth and to ensure our dynamic. We are well on the way to achieving our overall goals for 2018.

Segment Development

» Looking at the different business segments Nemetschek runs, the one that saw the strongest increase in sales in Q2 – and, indeed, the first six months of the year – was **Build** with 28.2% growth (currency-adjusted: +37.1%). Its EBITDA clearly rose over-proportionally in relation to its revenue, with the EBITDA margin reaching a high 29.6% in the first six months. The positive development in its earnings is particularly due to **Bluebeam**, its US brand. Bluebeam acquired Project Atlas, LLC in mid-June as part of an asset deal. Their product, Project Atlas, is a software application used in the construction industry and is essentially a digital mapping module with which to visually organize and connect documents and data kept at different locations. Using this method, anyone who is involved in a building site project can create and search a digital overview of their project and then make decisions on the spot whenever time is of the essence. Furthermore, **Nevaris** acquired 100% of the shares in 123erfasst.de GmbH on July 2, which is the market leader in mobile building-site management in Germany. 123erfasst.de GmbH offers services such as app-based time recording and building-site documentation, making it an indispensable part of digital building sites.

» Revenue in the **Design** segment grew at a faster rate in Q2, reaching +12.1% (currency-adjusted: +15.1%). In the first half the growth was 7.8% (currency-adjusted: +11.6%). Compared to the same period last year, the EBITDA margin in the first six months dropped slightly from 27.4% to 24.7% due to planned investments in growth in this segment.

» The **Manage** segment continued to grow well in Q2, achieving a plus of 6.5% (or +9.2% in the first six months). The EBITDA margin at the end of Q2 lay one percentage point above the previous year's result, reaching 19.1%.

» The **Media & Entertainment** segment was able to grow faster in Q2, achieving a plus of 7.5% (currency-adjusted: +12.0%), meaning a plus of 3.3% (currency-adjusted: +8.8%) was recorded for the first six months. The EBITDA margin increased from 41.6% to 44.1% in the half-year comparison. Nemetschek SE increased its share of Maxon from 70% to 100% at the beginning of July. Under the leadership of a new CEO, the brand is expected to leverage its growth potential in the key AEC markets even further now.

Outlook for the Group for 2018 is confirmed

Nemetschek has confirmed the goals it has set itself so far for the whole of 2018 and expects to achieve EUR 447-457 million* in sales for the entire Group this year. Its EBITDA margin is forecast to lie in the range of 25-27%, which it has done in the past and is expected to do in future, too. At the same time, Nemetschek is additionally investing around EUR 10 million in strategic projects.

Yours sincerely

Patrik Heider

* The revenue forecast is based on a planned exchange rate of 1.18 EUR/USD.

Nemetschek on the Capital Market

Share market development

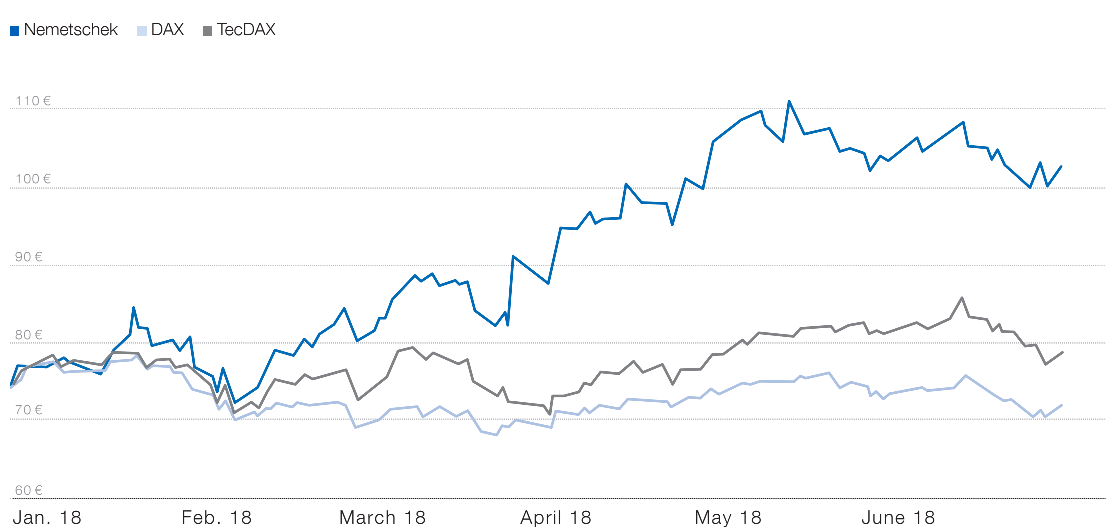
The share market in Germany has been extremely volatile since the beginning of 2018. One look at economic development reveals initial skid marks as of the middle of the year: the ifo business climate index dropped in June. Moreover, the somewhat slower dynamics of the global economy caused managers to assess their current business situation as less positive. While economic framework conditions have remained favorable, the susceptibility of share markets to exogenous disruptions has increased recently. The upcoming change of direction of monetary policy in the Euro area, discussions about introducing further punitive tariffs and other (geo)political developments are likely to keep price fluctuations at high levels.

In the first half of 2018, the DAX dropped by 4.7%, whereas the technology companies consolidated in the TecDAX were able to rise by 6.4%.

Price development of the Nemetschek share since the start of 2018

On January 2, 2018 the Nemetschek share started at a price of EUR 74.50. In January the share was subject to price fluctuations. At the beginning of February the share dropped to an all-time low for the year of EUR 72.40 (February 9, 2018), primarily as a result of the overall market environment. Thereafter, the share experienced a considerable rise, which came to a halt in mid-March, however, in the wake of discussions concerning US punitive tariffs and the consequent decrease in share prices on share markets. The publication of the annual figures for 2017, the positive outlook for the 2018 financial year and the first-time publication of mid-term targets for the year 2020 were conducive to the share price rising again considerably at the end of March. This was followed by the share continuing on its upward course until mid-May. This upward course plateaued, which was in keeping with general market development. The Nemetschek share closed the first half of the year at a price of EUR 103.10 as of June 29, 2018. Thus, the share has rose by some 38% since the beginning of the year. The market capitalization of Nemetschek SE increased accordingly to around EUR 3.97 billion as of June 29, 2018.

DEVELOPMENT OF THE NEMETSCHEK SHARE AS WELL AS OF THE TECDAX AND DAX INDEXED

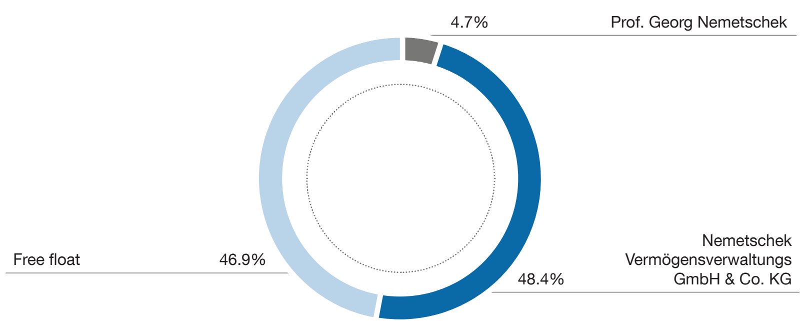


Shareholder structure

Nemetschek SE's share capital as of June 30, 2018 was unchanged at EUR 38,500,000 and was divided into 38,500,000 no-par value bearer shares.

The free float as of June 30, 2018 was 46.9 percent.

SHAREHOLDER STRUCTURE*



* Direct shareholdings as of June 30, 2018

Annual general meeting approved all items on the agenda

On May 30, 2018, the executive board and supervisory board of the Nemetschek Group welcomed 120 shareholders to the annual general meeting in Munich. Shareholders were informed about the past financial year 2017 and about the prospects for the current financial year 2018. Then resolutions from the agenda were presented for approval. The company's shareholders approved all agenda items with a large majority.

US top manager Bill Krouch joins supervisory board

One agenda item was the selection of a fourth supervisory board member. Bill Krouch, a consultant based in the USA, was the first non-European to be appointed to the supervisory board with a high level of consensus of 99.72%. Bill Krouch is an internationally experienced leadership personality. His solid background in the industry, his in-depth understanding of the market for the USA and his extensive M&A experience make him an outstanding addition to the existing supervisory board, especially in view of making even greater use of the market potential in the USA.

Dividend payment of EUR 0.75 per share

The agenda items also included the distribution of dividends. For the 2017 financial year, the supervisory board and executive board proposed a dividend in the amount of EUR 0.75 per share, an increase of about 15% compared to the previous year (EUR 0.65 per share). The considerable dividend increase was in keeping with the very positive business development in 2017. With 38.5 million shares entitled to a dividend, the total dividends to be distributed rose to EUR 28.88 million (previous year: EUR 25.03 million).

Key figures

NEMETSCHEK GROUP

in EUR million	2nd Quarter 2018	2nd Quarter 2017	Change	6 month 2018	6 month 2017	Change
Revenues	**113.8**	**97.7**	**16.5 %**	**216.0**	**194.0**	**11.4 %**
EBITDA	**31.1**	**25.3**	**22.6 %**	**59.0**	**51.7**	**14.1 %**
as % of revenue	27.3 %	25.9 %		27.3 %	26.6 %	
EBITA	**29.0**	**23.3**	**24.2 %**	**55.0**	**47.7**	**15.2 %**
as % of revenue	25.5 %	23.9 %		25.4 %	24.6 %	
EBIT	**25.6**	**19.9**	**28.3 %**	**48.2**	**40.8**	**18.0 %**
as % of revenue	22.5 %	20.4 %		22.3 %	21.0 %	
Net income (group shares)	**18.1**	**13.5**	**34.2 %**	**34.5**	**27.7**	**24.5 %**
per share in €	0.47	0.35		0.90	0.72	
Net income (group shares) before purchase price allocation	**20.8**	**15.9**	**31.1 %**	**39.9**	**32.6**	**22.5 %**
per share in €	0.54	0.41		1.04	0.85	
Cash flow from operating activities				**43.4**	**44.5**	**–2.5 %**
Free cash flow				**35.1**	**15.7**	
Net liquidity/net debt*				**28.3**	**24.0**	
Equity ratio*				**51.0 %**	**49.5 %**	
Headcount as of balance sheet date				**2,305**	**2,055**	**12.2 %**

* Presentation of previous year as of December 31, 2017.

Interim management report

Report on the Earnings, Financial and Asset Situation

Revenue growth of 11.4%, with continued high EBITDA margin of 27.3%

The Nemetschek Group increased its revenues in the first six months by 11.4% to EUR 216.0 million (previous year: EUR 194.0 million). Purely organic growth amounted to 10.6%. Currency-adjusted on the basis of constant currency translation rates, this would result in 17.2% revenue growth, or 16.2% purely organic growth.

EBITDA rose over-proportionally compared to revenue growth. With a plus of 14.1%, EBITDA rose to EUR 59.0 million (previous year: EUR 51.7 million), which corresponds to an operating margin of 27.3% (previous year: 26.6%).

Significant rise in recurring revenue

During the first six months, the Nemetschek Group's revenue from software licenses increased by 6.7%, rising to EUR 103.4 million (previous year: EUR 96.9 million). Adjusted for currency fluctuations, it was possible to achieve an increase of 13.1%. During the same period, recurring revenue at 17.4% rose much more strongly than software licenses to EUR 104.1 million (previous year: EUR 88.7 million). The share of revenue from software licenses amounts to 47.9% (previous year: 50.0%); it was possible to increase the share of recurring revenue from 45.7% to 48.2%.

Growth impulses by region came from within Germany as well as from international markets. Revenues within Germany increased by 8.7% to EUR 62.3 million (previous year: EUR 57.3 million). In markets abroad, the Nemetschek Group achieved revenues amounting to EUR 153.8 million (previous year: EUR 136.7 million), a plus of 12.5% compared to the previous year. The share of revenues from abroad amounted to 71.2% (previous year: 70.5%).

Summary of segments

In the Design segment, with EUR 130.2 million (previous year: EUR 120.9 million), the Nemetschek Group generated revenue growth of 7.8%. EBITDA decreased by 2.8% as a result of planned investments, falling to EUR 32.2 million (previous year: EUR 33.1 million). This is equivalent to an operating margin of 24.7%, following 27.4% in the previous year. In the Build segment revenues rose due to the continuously strong growth of Bluebeam Software, Inc. with a plus of 20.8% to EUR 69.0 million, a considerable increase compared to the previous year's level (previous year: EUR 57.1 million). The EBITDA margin also rose considerably, growing to 29.6% (previous year: 22.4%). The Manage segment maintained the positive development of the previous year and increased revenue by 9.2%, achieving EUR 4.1 million. It was possible to raise the EBITDA margin to 19.1% (previous year: 18.1%). Revenues in the Media & Entertainment segment amounted to EUR 12.7 million at the end of the first half of the year, slightly exceeding the level of the previous year (EUR 12.3 million). The EBITDA margin remained at a very high 44.1% (previous year: 41.6%).

Earnings per share at EUR 0.90

Operating expenses rose by 10.1% from EUR 155.3 million to EUR 171.0 million. This includes material expenses, which grew to EUR 6.6 million (previous year: EUR 6.3 million). Personnel expenses rose by 10.0% mainly as a result of increased numbers of employees, increasing from EUR 85.5 million to EUR 94.1 million. The amortization of assets amounting to EUR 10.8 million was slightly below the previous year's value of EUR 10.9 million. Other operating expenses rose by 13.0% from EUR 52.7 million to EUR 59.5 million.

In the first half of 2018, the tax rate of the Group amounted to 25.9% (previous year: 28.4%). The decrease in the tax rate compared to the previous year was mainly as a result of lower taxes on earnings for the US subsidiaries. The net income for the year (Group shares) of EUR 34.5 million thus exceeded the value of the previous year of EUR 27.7 million by 24.5%. Consequently, the earnings per share amounted to EUR 0.90 (value of the previous year for comparison: EUR 0.72 per share). Adjusted for the amortization from the purchase price allocation, net income for the year climbed by 22.5% to EUR 39.9 million (previous year: EUR 32.6 million), and thus the earnings per share reached EUR 1.04 (value of the previous year for comparison: EUR 0.85 per share).

Operating cash flow at EUR 43.4 million

The Nemetschek Group generated an operating cash flow of EUR 43.4 million in the first six months of 2018 (previous year: EUR 44.5 million). In particular, the considerable rise in revenues in June 2018 and the corresponding increase in trade receivables, as well as the comparatively high taxes which were paid in the first half of 2018, contributed to a slight decline in operating cash flow compared to the previous year. The cash flow from investing activities amounted to EUR –8.2 million (previous year: EUR –28.7 million). The cash flow from financing activities of EUR –54.0 million (previous year: EUR –39.9 million) primarily includes dividends paid out amounting to EUR 28.9 million as well as the repayment of bank loans amounting to EUR 23.0 million.

High balance of cash and cash equivalents of EUR 85.3 million

Compared to December 31, 2017, the balance sheet total increased slightly from EUR 460.8 million to EUR 463.4 million.

As of June 30, 2018, the Nemetschek Group held cash and cash equivalents amounting to EUR 85.3 million (December 31, 2017: EUR 104.0 million). The drop was mainly as a result of the payment of dividends and the repayment of loans in the first half of 2018. Trade receivables rose considerably from EUR 41.0 million to EUR 53.3 million as a result of the high levels of revenue growth in June 2018. Due to the asset deal of Project Atlas and currency translation in particular, non-current assets rose slightly to EUR 303.3 million (December 31, 2017: EUR 301.7 million).

Equity ratio at 51.0%

Deferred revenues increased by EUR 23.2 million to EUR 91.3 million in line with software service contracts invoiced. Current and non-current loans decreased by EUR 23.0 million as a result of the repayment of borrowings. Equity amounted to EUR 236.2 million (December 31, 2017: EUR 227.9 million), thus the equity ratio was 51.0% after 49.5% as of December 31, 2017.

Events after the end of the interim reporting period

Effective as of July 2, 2018 NEVARIS Bausoftware GmbH, Bremen, acquired 100% of the shares of 123erfasst.de GmbH. This company sells software products for time recording as well as construction diary administration and project management. The purchase price consists of a fixed component of EUR 14.5 million. In addition, there is a subsequent purchase price obligation (earn-out component) based on the achievement of revenue targets in the 2020 financial year. Within the scope of a preliminary estimate, this obligation was estimated at EUR 2.5 million.

In July 2018 the remaining 30% of the minority interests in Maxon GmbH were acquired by Nemetschek SE. The purchase price consists of a fixed component of EUR 25.5 million as well as a variable purchase price of EUR 3.0 million, which is dependent on the revenue targets agreed upon in the years 2018 and 2019.

Employees

As of the reporting date, June 30, 2018, the Nemetschek Group employed a staff of 2,305 (June 30, 2017: 2,055). The increase is mainly attributable to recruitment in several Group companies as well as to the acquisition of RISA Tech, Inc.

Report on significant transactions with related parties

There are no significant changes compared to the information provided in the consolidated financial statements as of December 31, 2017.

Opportunity and risk report

Please see the opportunities and risks described in the Group management report for the year ended December 31, 2017 for details on significant opportunities and risks for the prospective development of the Nemetschek Group. In the interim period there were no material changes.

Report on forecasts and other statements on prospective development

The development in the first six months confirms the expectations for the 2018 financial year. Therefore, the Nemetschek Group firmly maintains its objective of achieving revenues ranging from EUR 447 million to EUR 457 million*. As was the case in the past, the Group EBITDA margin is forecast to remain in the corridor of 25% to 27% in the future. At the same time, Nemetschek Group is additionally investing EUR 10 million in strategic projects in order to secure future growth.

* The revenue forecast is based on a planned exchange rate of 1.18 EUR/USD.

Notes to the interim financial statements based on IFRS

The interim financial statements of the Nemetschek Group have been prepared in accordance with the International Financial Reporting Standards (IFRS), as required to be applied in the European Union, and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and of the Standing Interpretations Committee (SIC).These interim financial statements have been prepared in accordance with the requirements of IAS 34.

The interim financial statements as of June 30, 2018 have not been audited and have not undergone an audit. With the exception of the changes resulting from the initial application of IFRS 15/IFRS 9 specified below, the same accounting policies and calculation methods are applied to the interim financial statements as for the consolidated financial statements as of December 31, 2017. Significant changes to the consolidated statement of financial position, the consolidated statement of comprehensive income and the consolidated cash flow statement are detailed in the report on the earnings, financial and asset situation.

On June 13, 2018, within the scope of an asset deal, Bluebeam, Inc. acquired all material assets of the private company Project Atlas, LLC.

Project Atlas developed a digital mapping module that organizes and visualizes 2D plans and construction data using site data instead of traditional folder structures. This location-based approach makes it possible for experts from the architecture and building sectors to create and search through a flawless digital overview of their project – with plans, people, material, site photos and drone pictures in highly detailed, zoomable levels.

The purchase price amounted to EUR 3.1 million, and has been initially recorded in the quarterly statements as goodwill as of June 30, 2018.

Information on the quarterly statement

The accounting and valuation principles described in the notes to the consolidated financial statements as of December 31, 2017 apply. Changes resulted from IFRS 15 “Revenue from contracts with customers” effective as of January 1, 2018 in the area of revenue recognition as well as IFRS 9 in the area of financial instruments.

Revenue recognition

IFRS 15 introduces a 5-step model for recognizing revenue resulting from customer contracts. The standard went into effect as of January 1, 2018 and replaces IAS 18 “Revenue”, IAS 11 “Construction Contracts” and their interpretations. IFRS 15 is to be applied to all revenue resulting from customer contracts unless these are subject to the application of a different standard.

Details on IFRS 15 Revenue from contracts with customers:

Revenue is recognized in an amount that reflects the consideration which the company receives in return for the transfer of goods to the customer.

The Nemetschek Group generally distinguishes between the recognition of revenue from the sale of goods and merchandise, revenue from the provision of services and revenue from licenses. Revenue may only be recognized after complete fulfillment of all 5 steps of IFRS 15. These 5 steps are:

- 1. Identification of the contract with the customer
- 2. Identification of the performance obligations in the contract
- 3. Determination of the transaction price for the contract
- 4. Allocation of the transaction price to the individual performance obligations
- 5. Recognition of revenue upon fulfillment of the performance obligation

The Nemetschek Group's revenue recognition for the various product categories breaks down as follows:

1. Software and licenses

1.1 Standard software

Standard software only includes the Software performance obligation. After completion of the 5 steps, revenue from standard software is recognized when control of the software passes on to the customer. Control of the software passes on to the customer after the hardware is shipped to the customer or a link for downloading the software is sent to the customer.

1.2 Software rental models (subscriptions)

The Nemetschek Group's software rental models usually include the performance obligations "Software" and "User support". The performance obligation "User support" is a "stand-ready obligation" which is recognized straight-line over the period during which the service is rendered. For recognition of the performance obligation "Software", the Nemetschek Group distinguishes between two different models:

- Most of the software rental models include access to the most recent version of the corresponding application via servers provided by Nemetschek Group companies. The revenue for this form of provision is recognized straight-line over the term of the contract.
- In a very few instances, the customer runs the application directly on the customer's own system. With this model, the part of the revenue allocated to the performance obligation "Software" using the residual value method is recognized at the point in time of the first download of the software by the customer.

1.3 Sales transactions via sales representatives/agents

In the case of sales transactions with end customers via sales representatives, the income from the sale is recorded as of the point in time that ownership is transferred to the end customer. The sales representative serves only in the function of a broker in such transactions, for which he/she receives a commission. The Nemetschek Group acts as the principal; Nemetschek has primary responsibility for fulfillment of the contract and influence on pricing of such.

2. Maintenance/Software maintenance contracts

The performance obligations in the case of software service contracts can be subdivided into two material obligations. On the one hand, user support, which is available to the customer for the entire term of the contract. On the other hand, with software service contracts, customers receive the respectively most recent version of the corresponding Nemetschek software. However, it is at the discretion of the Group to decide the intervals at which new versions of the software will be provided and what functionalities and/or modules of the corresponding software will be changed, modified, reduced or extended. In the case of demand for software versions and user support which are not further defined, these are so-called "stand-ready obligations" according to IFRS 15, for which revenue is recognized straight-line beyond the term of the contract. Advance payments received from customers for software maintenance contracts are carried as deferred revenue (contract liability) and normally lead to revenue within the next six months.

3. Consulting

In the case of consulting services, inasmuch as such constitute a separate performance obligation, revenue is recognized in the period in which they were rendered. In the case that they do not constitute separate performance obligations, consulting services are combined with other contract components to form a separate performance obligation and recognized in accordance with the provisions of IFRS 15.

4. Hardware

Revenue from hardware sales is usually recognized at the point in time of the transfer of risk to the customer. Hardware revenue is of minor significance to the Nemetschek Group.

5. Training

Revenue from training is recognized after the service has been rendered.

Effect as a result of the application of IFRS as of January 1, 2018:

As of the transition date January 1, 2018, the Nemetschek Group applies the modified retrospective method to contracts whose terms have not expired.

As a result of the earlier revenue recognition within the scope of the IFRS 15 transition, in the case of the "Download" variation for software rental models, the revenue reserves of the Nemetschek Group rose by EUR 538 k as of January 1, 2018.

On the one hand, the change resulted from the release of deferred expenses which were restructured to revenue reserves due to the earlier (partial) recognition of revenue.

On the other hand, as of January 1, 2018, additional revenue which had not yet been invoiced was recognized. Consequently, a contract asset in the same amount was recorded. This is recorded in other current assets and successively released in the subsequent periods.

The transition effect as a result of IFRS 15 as of June 30, 2018 is disclosed as follows:

IFRS 15 TRANSITION EFFECT

Thousands of €	**Balance Sheet as of January 1, 2018**	Balance sheet as of December 31, 2017	Transition effect
ASSETS			
Contract assets	399	0	399
LIABILITIES			
Deferred revenue	67,745	68,097	–352
Deferred tax liabilities	13,740	13,527	213
EQUITY			
Retained earnings	193,717	193,179	538

The additional revenue from IFRS 15 compared to IAS 18 is disclosed as follows for the first half of 2018:

TRANSITION EFFECT ON REVENUES FOR THE FIRST HALF YEAR

Thousands of €	**P&L as of June 30, 2018**	P&L as of June 30, 2018 without adoption of IFRS 15	Transition effect
P&L			
Subscription revenues	9,033	8,891	142

Disaggregation of revenue:

The Nemetschek Group's revenue as of June 30, 2018 is disclosed as follows:

REVENUES

Thousands of €	**June 30, 2018**	June 30, 2017
Software and licenses	103,441	96,915
Recurring revenues (software service contracts and rental models)	104,144	88,675
Services (consulting and training)	8,399	8,370
Hardware	58	36
	216,042	**193,996**

Revenue from previous periods is disclosed as per IAS 18 or IAS 11.

In the first half of 2018, recurring revenue includes revenue from software rental models in the amount of EUR 9,033k (previous year: EUR 6,567k).

The products of the Nemetschek Group are sold via direct and indirect distribution channels, whereby the majority are sold by means of direct distribution.

The Nemetschek Group's revenue by region for the second quarter of 2018 is disclosed as follows:

REVENUES BY REGION

Thousands of €	**June 30, 2018**	June 30, 2017
Germany	62,253	57,279
Non-Germany	153,789	136,717
Total	**216,042**	**193,996**

IFRS 9 Financial instruments

The Nemetschek Group has been applying IFRS 9 since January 1, 2018; previous periods continue to be disclosed as per IAS 39. As of January 1, 2018, the transition had no effect on equity.

Declaration of the legal representatives

"We hereby confirm that to the best of our knowledge, the interim consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group and the interim Group management report gives a true and fair view of the business performance, including the results of operations and the situation of the Group, and describes the main opportunities and risks and anticipated development of the Group in the remaining financial year, in accordance with the applicable framework for interim financial reporting."

Munich, July 2018

Patrik Heider | Sean Flaherty | Viktor Várkonyi

As the result of rounding, it is possible that the individual figures in this quarterly report do not exactly add up to the totals given and that the percentage disclosures do not reflect the absolute values from which they are derived.

Consolidated Statement of Comprehensive Income

for the period from January 1 to June 30, 2018 and 2017

STATEMENT OF COMPREHENSIVE INCOME

Thousands of €	2nd Quarter 2018	2nd Quarter 2017	6 month 2018	6 month 2017
Revenues	**113,819**	**97,698**	**216,042**	**193,996**
Other operating income	2,192	1,148	3,143	2,136
Operating Income	**116,011**	**98,846**	**219,185**	**196,132**
Cost of materials/cost of purchased services	−3,376	−3,544	−6,630	−6,280
Personnel expenses	−48,922	−42,061	−94,059	−85,472
Depreciation of property, plant and equipment and amortization of intangible assets	−5,511	−5,412	−10,816	−10,892
thereof amortization of intangible assets due to purchase price allocation	*−3,433*	*−3,417*	*−6,803*	*−6,926*
Other operating expenses	−32,642	−27,900	−59,518	−52,690
Operating expenses	**−90,451**	**−78,917**	**−171,023**	**−155,334**
Operating results (EBIT)	**25,560**	**19,929**	**48,162**	**40,798**
Interest income	88	67	158	121
Interest expenses	−163	−238	−352	−478
Share of results of associated companies	0	−49	0	−67
Other financial expenses/income	332	−10	332	−13
Earnings before taxes (EBT)	**25,817**	**19,699**	**48,300**	**40,361**
Income taxes	−6,990	−5,609	−12,488	−11,476
Net income for the year	**18,827**	**14,090**	**35,812**	**28,885**
Other comprehensive income:				
Difference from currency translation	6,217	−11,480	2,415	−13,922
Subtotal of items of other comprehensive income that will be reclassified to income in future periods:	**6,217**	**−11,480**	**2,415**	**−13,922**
Gains/losses on revaluation of defined benefit pension plans	−24	112	71	66
Tax effect	7	−31	−20	−19
Subtotal of items of other comprehensive income that will not be reclassified to income in future periods:	**−17**	**81**	**51**	**47**
Subtotal other comprehensive income	**6,200**	**−11,399**	**2,466**	**−13,875**
Total comprehensive income for the year	**25,027**	**2,691**	**38,278**	**15,010**
Net profit or loss for the period attributable to:				
Equity holders of the parent	18,092	13,484	34,460	27,689
Non-controlling interests	735	606	1,352	1,196
Net income for the year	**18,827**	**14,090**	**35,812**	**28,885**
Total comprehensive income for the year attributable to:				
Equity holders of the parent	24,256	2,112	36,887	13,861
Non-controlling interests	771	579	1,391	1,149
Total comprehensive income for the year	**25,027**	**2,691**	**38,278**	**15,010**
Earnings per share (undiluted) in euros	0.47	0.35	0.90	0.72
Earnings per share (diluted) in euros	0.47	0.35	0.90	0.72
Average number of shares outstanding (undiluted)	38,500,000	38,500,000	38,500,000	38,500,000
Average number of shares outstanding (diluted)	38,500,000	38,500,000	38,500,000	38,500,000

Consolidated Statement of Financial Position

as of June 30, 2018 and December 31, 2017

STATEMENT OF FINANCIAL POSITION

ASSETS Thousands of €	**June 30, 2018**	December 31, 2017
Current assets		
Cash and cash equivalents	85,254	103,957
Trade receivables, net	53,319	41,011
Inventories	563	561
Tax refunded claims for income taxes	3,169	908
Other current financial assets	156	116
Other current assets	17,639	12,514
Current assets, total	**160,100**	**159,067**
Non-current assets		
Property, plant and equipment	15,872	14,852
Intangible assets	81,319	86,857
Goodwill	198,591	192,736
Investments in associates and non-current available-for-sale assets	3,553	3,553
Deferred tax assets	2,956	2,569
Non-current financial assets	25	34
Other non-current assets	970	1,114
Non-current assets, total	**303,286**	**301,715**
Total assets	**463,386**	**460,782**

EQUITY AND LIABILITIES Thousands of €	June 30, 2018	December 31, 2017
Current liabilities		
Short-term borrowings and current portion of long-term loans	26,003	36,003
Trade payables	7,317	8,189
Provisions and accrued liabilities	32,957	35,465
Deferred revenue	91,335	68,097
Income tax liabilities	4,767	7,715
Other current financial obligations	2,026	601
Other current liabilities	11,157	9,677
Current liabilities, total	**175,562**	**165,747**
Non-current liabilities		
Long-term borrowings without current portion	30,944	43,944
Deferred tax liabilities	12,861	13,527
Pensions and related obligations	1,668	1,703
Non-current deferred revenue	373	738
Non-current financial obligations	37	1,738
Other non-current liabilities	5,764	5,440
Non-current liabilities, total	**51,647**	**67,090**
Equity		
Subscribed capital	38,500	38,500
Capital reserve	12,485	12,485
Retained earnings	199,338	193,179
Other comprehensive income	−16,298	−18,691
Equity (Group shares)	**234,025**	**225,473**
Non-controlling interests	2,152	2,472
Equity, total	**236,177**	**227,945**
Total equity and liabilities	**463,386**	**460,782**

Consolidated Cash Flow Statement

for the period from January 1 to June 30, 2018 and 2017

CONSOLIDATED CASH FLOW STATEMENT

Thousands of €	**6 month 2018**	6 month 2017
Profit (before tax)	48,300	40,361
Depreciation and amortization of fixed assets	10,816	10,892
Change in pension provision	36	59
Other non-cash transactions	–198	256
Portion of the result of non-controlling interests	0	67
Result from disposal of fixed assets	38	33
Cash flow for the period	**58,992**	**51,668**
Interest income	–158	–121
Interest expenses	352	478
Change in other provisions	–2,723	–4,244
Change in trade receivables	–12,225	–6,724
Change in other assets	–6,368	–59
Change in trade payables	–873	–1,005
Change in other liabilities	21,988	13,157*
Interest received	127	118
Income taxes received	631	1,685
Income taxes paid	–16,379	–10,470*
Cash flow from operating activities	**43,364**	**44,484**
Capital expenditure	–5,193	–4,048
Changes in liabilities from acquistions	0	–275
Cash received from disposal of fixed assets	4	68
Cash paid for acquisition of subsidiaries, net of cash acquired	–3,058	–24,489
Cash flow from investing activities	**–8,247**	**–28,744**
Dividend payments	–28,875	–25,025
Dividend payments to non-controlling interests	–1,711	–1,424
Interest paid	–377	–458
Repayment of borrowings	–23,000	–13,000
Payments for acquisition of non-controlling interests	0	–40
Cash flow from financing activities	**–53,963**	**–39,947**
Changes in cash and cash equivalents	**–18,846**	**–24,208**
Effect of exchange rate differences on cash and cash equivalents	**143**	**–4,855**
Cash and cash equivalents at the beginning of the period	**103,957**	**112,482**
Cash and cash equivalents at the end of the period	**85,254**	**83,419**

* Previous year values adjusted.

Consolidated Segment Reporting

for the period from January 1 to June 30, 2018 and 2017

SEGMENT REPORTING

2018 Thousands of €	**Total**	Elimination	Design	Build	Manage	Media & Entertainment
Revenue, external	216,042	–	130,242	68,979	4,140	12,682
Intersegment revenue	–	−1,866	4	1,101	0	760
Total revenue	**216,042**	**−1,866**	**130,246**	**70,080**	**4,140**	**13,442**
EBITDA	**58,978**	**–**	**32,185**	**20,410**	**792**	**5,591**
Depreciation / amortization	−10,816	–	−4,557	−6,006	−33	−220
Segment operating result (EBIT)	**48,162**	**–**	**27,628**	**14,404**	**759**	**5,371**

SEGMENT REPORTING

2017 Thousands of €	**Total**	Elimination	Design	Build	Manage	Media & Entertainment
Revenue, external	193,996	–	120,855	57,078	3,789	12,274
Intersegment revenue	–	−1,205	0	456	0	749
Total revenue	**193,996**	**−1,205**	**120,855**	**57,534**	**3,789**	**13,023**
EBITDA	**51,690**	**–**	**33,103**	**12,799**	**685**	**5,103**
Depreciation / amortization	−10,892	–	−3,898	−6,711	−33	−250
Segment operating result (EBIT)	**40,798**	**–**	**29,205**	**6,088**	**652**	**4,853**

Consolidated Statement of Changes in Equity

for the period from January 1 to June 30, 2018 and 2017

STATEMENT OF CHANGES IN EQUITY

	Equity attributable to the parent company's shareholders						
Thousands of €	Subscribed capital	Capital reserve	Retained earnings	Currency conversion	**Total**	Non-controlling interests	**Total equity**
As of January 1, 2017	**38,500**	**12,485**	**143,954**	**4,363**	**199,302**	**2,816**	**202,118**
Difference from currency translation	–	–	–	–13,861	–13,861	–61	–13,922
Remeasurement gains/ losses from pensions and related obligations	–	–	33	–	33	14	47
Net income for the year	–	–	27,689	–	27,689	1,196	28,885
Total comprehensive income for the year	**0**	**0**	**27,722**	**–13,861**	**13,861**	**1,149**	**15,010**
Transactions with non-controlling interests	–	–	–359	–	–359	319	–40
Dividend payments to non-controlling interests	–	–	–	–	0	–1,424	–1,424
Dividend payment	–	–	–25,025	–	–25,025	–	–25,025
As of June 30, 2017	**38,500**	**12,485**	**146,292**	**–9,498**	**187,779**	**2,860**	**190,639**
As of January 1, 2018	**38,500**	**12,485**	**193,179**	**–18,691**	**225,473**	**2,472**	**227,945**
Difference from currency translation	–	–	–	2,393	2,393	23	2,416
Remeasurement gains/ losses from pensions and related obligations	–	–	36	–	36	16	52
Net income for the year	–	–	34,460	–	34,460	1,352	35,812
Total comprehensive income for the year	**0**	**0**	**34,496**	**2,393**	**36,889**	**1,391**	**38,280**
Transition effects of new International Financial Reporting Standards (IFRS)	–	–	538	–	538	–	538
Dividend payments to non-controlling interests	–	–	–	–	0	–	0
Dividend payment	–	–	–28,875	–	–28,875	–1,711	–30,586
As of June 30, 2018	**38,500**	**12,485**	**199,338**	**–16,298**	**234,025**	**2,152**	**236,177**

Financial calendar 2018

October 30, 2018	November 13, 2018	November 27–29, 2018
Publication 3rd Quarter 2018	Capital Market Day Frankfurt / Main	German Equity Forum Frankfurt / Main

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