

Joint Report of the Managing Boards of Nemetschek Aktiengesellschaft and Nemetschek Frilo GmbH corresponding to Sec. 295, 293a AktG regarding the Amendment Agreement as of 2 April 2014 to the Profit Transfer Agreement dated 19 November 2002 between Nemetschek Aktiengesellschaft and Nemetschek Frilo GmbH

Note: This English version of the report is for information purposes only. Legally binding is only the German version of this report.

Preamble

- (A) Nemetschek Aktiengesellschaft (hereinafter „**Nemetschek AG**“), Munich, and Nemetschek Frilo GmbH (formerly Friedrich + Lochner GmbH), Stuttgart, entered into an amendment agreement dated 2 April 2014 (hereinafter „**Amendment Agreement**“) to the existing profit transfer agreement dated 19 November 2002.
- (B) The Amendment Agreement will be presented for approval to the annual general meeting of Nemetschek AG on 20 May 2014 pursuant to Sec. 295, 293 AktG (Aktiengesetz / Stock Corporation Act). The general meeting of Nemetschek Frilo GmbH likewise has to approve the Amendment Agreement. For the information of the shareholders of Nemetschek AG and as preliminaries to the shareholders' resolutions the Managing Board of Nemetschek AG and the Managing Board of Nemetschek Frilo GmbH give the following report according to Sec. 295, 293a AktG regarding the Amendment Agreement:

1. Legal and economic rationale for the conclusion of the Amendment Agreement

Between Nemetschek AG as controlling company (Organträgerin) and Nemetschek Frilo GmbH as controlled company (Organgesellschaft) a profit transfer agreement dated 19 November 2002 is in place (hereinafter „**PTA**“). According to Article 2 No. 3 of the Act concerning the Amendment and Simplification of Company Taxation and the Tax Law on Travel Expenses as of 20 February 2013 (Gesetz zur Änderung und Vereinfachung der Unternehmensbesteuerung und des steuerlichen Reisekostenrechts, hereinafter „**Simplification Act**“) Sec. 17 sentence 2 No. 2 KStG (Körperschaftsteuergesetz/ Corporate Tax Act) has been revised. A valid profit tax consolidation now requires that the parties to the profit transfer agreement agree on a loss assumption corresponding to the entire Sec. 302 AktG “as amended from time to time”. Profit transfer agreements that do not contain such a dynamic reference to Sec. 302 AktG must be adapted pursuant to Sec. 34 para. 10b KStG as amended by Article 2 No. 5 lit. c of the Simplification Act until 31 December 2014 at the latest in order to maintain the profit tax consolidation. Therefore, the Amendment Agreement was concluded.

2. Commentaries on the Amendment Agreement

2.1 The PTA substantially provides the following:

- Nemetschek Frilo GmbH has to transfer its profits to Nemetschek AG to the extent permitted by law.
- Nemetschek AG is obliged to compensate every annual net loss of Nemetschek Frilo GmbH occurring under the profit and loss transfer agreement. Sec. 2 of the PTA reads as follows:

“Sec. 2 Loss Assumption

(1) The controlling company shall compensate any annual net loss occurring during the term of the Agreement to the extent that such loss is not compensated by withdrawing amounts from the profit reserves which were transferred to such reserves during the term of the Agreement pursuant to Sec. 1 para. 2. Sec. 302 para. 1 AktG shall apply analogously.

(2) The controlled company may only waive or compromise any claim for compensation after the expiration of three years from the date on which the registration of the cancellation or termination of the agreement in the commercial register shall be deemed to have been announced pursuant to Sec. 10 of the Commercial Code. Sec. 302 para. 3 AktG shall apply analogously.”

2.2 Clause 1 of the Amendment Agreement revises the existing loss assumption clause in Sec. 2 of the PTA. It now contains a reference to the entire Sec. 302 AktG as amended from time to time in order to comply with the amended statutory provisions. The loss assumption clause now reads as follows:

“Sec. 2 Loss Assumption

Regarding the assumption of losses the provisions of Sec. 302 AktG as amended from time to time shall apply analogously.”

2.3 Clause 2 of the Amendment Agreement makes clear that the remainder of the PTA remains unchanged. In addition, reference is made to the joint report of the Managing Board of Nemetschek AG and the Managing Board of Nemetschek Frilo GmbH (formerly Friedrich + Lochner GmbH) regarding the PTA.

2.4 Clause 3 of the Amendment Agreement contains as common final provisions a Severability Clause and a Written Form Requirement. According to the Severability Clause the validity of the other provisions of the Amendment Agreement shall remain unaffected if a provision of the Amendment Agreement becomes invalid or unenforceable or if a gap (Lücke) is found to exist. To the extent per-

mitted by law, any such invalid or unenforceable provision shall be deemed replaced by such valid and enforceable provision as most closely reflects what the parties would have agreed on had they considered that point.

The Written Form Requirement provides that amendments to the Amendment Agreement shall be valid only if made in writing, except when more stringent form requirements must be satisfied under applicable law.

3. Prerequisites for coming into force

The Amendment Agreement requires the approval of the general meeting of Nemetschek AG and of Nemetschek Frilo GmbH in order to come into force. The Amendment Agreement becomes effective with the entry in the commercial register of Nemetschek Frilo GmbH.

4. No Guaranteed Dividends or Compensation Claims; no Audit of the Amendment Agreement

Nemetschek AG is the sole shareholder of Nemetschek Frilo GmbH. Thus, stipulations regarding guaranteed dividends (Sec. 304 AktG) and compensation (Sec. 305 AktG) for outside shareholders of Nemetschek Frilo GmbH are not required, neither in the Amendment Agreement nor in the PTA. An audit of the Amendment Agreement corresponding to Sec. 295, 293b AktG is likewise not required.

Munich, 2 April 2014

Nemetschek AG
The Managing Board

Patrik Heider

Viktor Várkonyi

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Nemetschek Frilo GmbH
The Managing Board

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