

## **Shareholders' Meeting 2015**

### **Conversion of Nemetschek Aktiengesellschaft into Nemetschek SE**

#### **Frequently Asked Questions**

##### **What is an SE?**

The SE (Societas Europaea – European Company) is a supranational European legal form for companies in the area of the European Union or the European Economic Area.

##### **What are the reasons for the conversion of Nemetschek Aktiengesellschaft into an SE?**

By means of the change of legal form from a German stock corporation into a European Company (SE), the international self-evidence of the Nemetschek Group as a globally active Company with European roots is particularly intended to be expressed. Nemetschek AG already owes the majority of its success over the past years to its business activity and its growth in the European and international environment, so that the conversion is only a further logical step in the consistent and advancing international orientation of the entire Group.

##### **What are the steps of the conversion?**

It is a key criterion for the conversion that the Shareholder's Meeting consents to the Conversion Plan prepared by the Executive Board of Nemetschek AG with a majority of the votes cast and a majority of at least three-quarters of the share capital represented at the time the resolution is adopted and approves the articles of association of Nemetschek SE. Subsequently, the procedure regarding the involvement of the employees in Nemetschek SE – initiated in March 2015 – has to be completed. The conversion of Nemetschek AG into Nemetschek SE will take effect upon registration in the commercial register at the Local Court of Munich.

##### **Which employees are included in the decision making process in the SE and how is this participation organised?**

All European employees of the entire Group must participate in the course of the conversion. For this purpose, a negotiation procedure is to be carried out between a so-called Specific Negotiation Body of employee representatives and the Executive Board of the Company. The aim of the negotiations is the conclusion of an agreement regarding the participation of employees in Nemetschek SE, in which on the one hand Employee participation in the Supervisory Board of SE and on the other hand procedures for notifying and hearing, i.e. by creating an SE works council, are to be regulated. In this context, at least the same extent of employees' rights as in Nemetschek AG shall be ensured. If an agreement is not concluded, the statutory fallback provision shall apply, according to which an SE works council would have to be formed in the Nemetschek SE, whereas the Supervisory Board of Nemetschek SE would remain free of co-determination. It is a prerequisite for the entry of the SE in the commercial register to complete the participation procedure.

The procedure regarding the participation of the employees in the future SE was initiated in March 2015 by the Executive Board of Nemetschek AG. At present, the representatives of the Special Negotiation Body are elected by the employees in the countries of the European Union and the European Economic Area and it can be expected that the negotiations between the employee representatives and the Executive Board will begin no later than the middle of June 2015.

## **What are the corporate law, accounting and tax effects of the conversion?**

The conversion of Nemetschek AG into the legal form of the SE does neither lead to a winding up of the Company nor to the foundation of a new legal entity. The legal and economic identity of the Company will be maintained by the conversion. The law applicable to the future Nemetschek SE largely corresponds to the German Stock Corporation law previously applicable to the Nemetschek AG.

The preparation and other regulations regarding the annual accounts and the management report and the consolidated accounts and the group management report of the SE shall be governed by the rules that apply to a German stock corporation. Therefore, the conversion does not have any accounting effects.

We assume that the conversion of Nemetschek AG into Nemetschek SE under German tax law will be tax-neutral. Future dividend payments of the Company, as well as transfers of Company shares have, in principle, the same taxation consequences for the shareholders of the Company, for the purposes of German income taxation, as dividend payments and transfers prior to the conversion, unless there is a change of the applicable laws or of the factual circumstances. The conversion of Nemetschek AG into Nemetschek SE should not trigger any significant German capital investment tax, sales tax or stamp duty.

## **What are the effects of the conversion on the shareholders?**

The participations held in the Company by the shareholders of Nemetschek AG continue to exist unchanged after the conversion comes into effect because of the identity of the legal entity. When the conversion comes into effect, the shareholders of Nemetschek AG will become shareholders of Nemetschek SE. They will participate in the share capital of Nemetschek SE with the same type and number of shares as in Nemetschek AG directly prior to the time of conversion. The arithmetical proportionate amount of share capital allocated to each no-par value share remains the same as it was immediately before the conversion becoming effective.

## **What is the impact on the shares and stock exchange listing?**

When the conversion comes into effect, the shareholders of Nemetschek AG will become shareholders of Nemetschek SE, with the same ownership ratio. The share certificates that are issued in the name of Nemetschek AG will be exchanged for share certificates issued in the name of Nemetschek SE after the conversion comes into effect. The shares of Nemetschek SE will be securitised in global certificates, as the shares of Nemetschek currently are. The conversion has no impact on the stock exchange trading of the shares. With regard to the change of name of the Company, however, the listing must be amended to the new name "SE".