

moving minds



Allplan

Graphisoft

Vectorworks

Scia

Frilo

Glaser

Auer

Bausoftware

Crem

Maxon

Bim+

Company Presentation Nemetschek Group

November 2013

Agenda

Nemetschek Group: In brief

Strategy

Financial data and Q3 highlights

Nemetschek share

Why invest?

Where we come from

Start







- Company foundation: 50 years ago by Prof. Georg Nemetschek
- Innovation: Computer Aided Design (CAD) software replaced drawing board

Today

- Solutions, innovations and BIM for AECM (Architecture, Engineering, Construction, Management)
- 40 locations around the world
- 11 strong brands
- > 300,000 customers
- In 142 countries
- FY 2012 revenues: 175.1mEUR; EBITDA margin: 23%

➔ Strong position as a leading global provider of BIM* software solutions

What makes us so special

	Design	Build	Manage	Multimedia	
Brands					
					
					
	Revenues*	141.8 mEUR	14.3 mEUR	4.2 mEUR	14.8 mEUR
Growth	6.9%	4.2%	13.2%	6.2%	
EBITDA	28.8 mEUR	5.3 mEUR	0.5 mEUR	6.1 mEUR	
Margin	20.3%	36.7%	12.4%	41.5%	

- ➔ Nemetschek only listed company covering complete value chain in AECM and multimedia
- ➔ Strong, entrepreneurial brands: Close involvement with customers, speed, excellence, innovation
- ➔ Strategic added value: Complementarity, specialization and best in class instead of shared services
- ➔ Attractive for potential targets: Integration of different cultures

What we want

Our Vision

- Inspire a better built environment through a highly collaborative AECM community
- Providing leading software solutions for AECM industries
- The expectation never has been, and nor will it be, anything less

Our Mission

- We provide all stakeholders with a creative & high performing workplace
- We offer the most innovative, best tools, workflows and open-collaboration solutions

Our Objective

- To become worldwide market leader for Open BIM solutions in AECM

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

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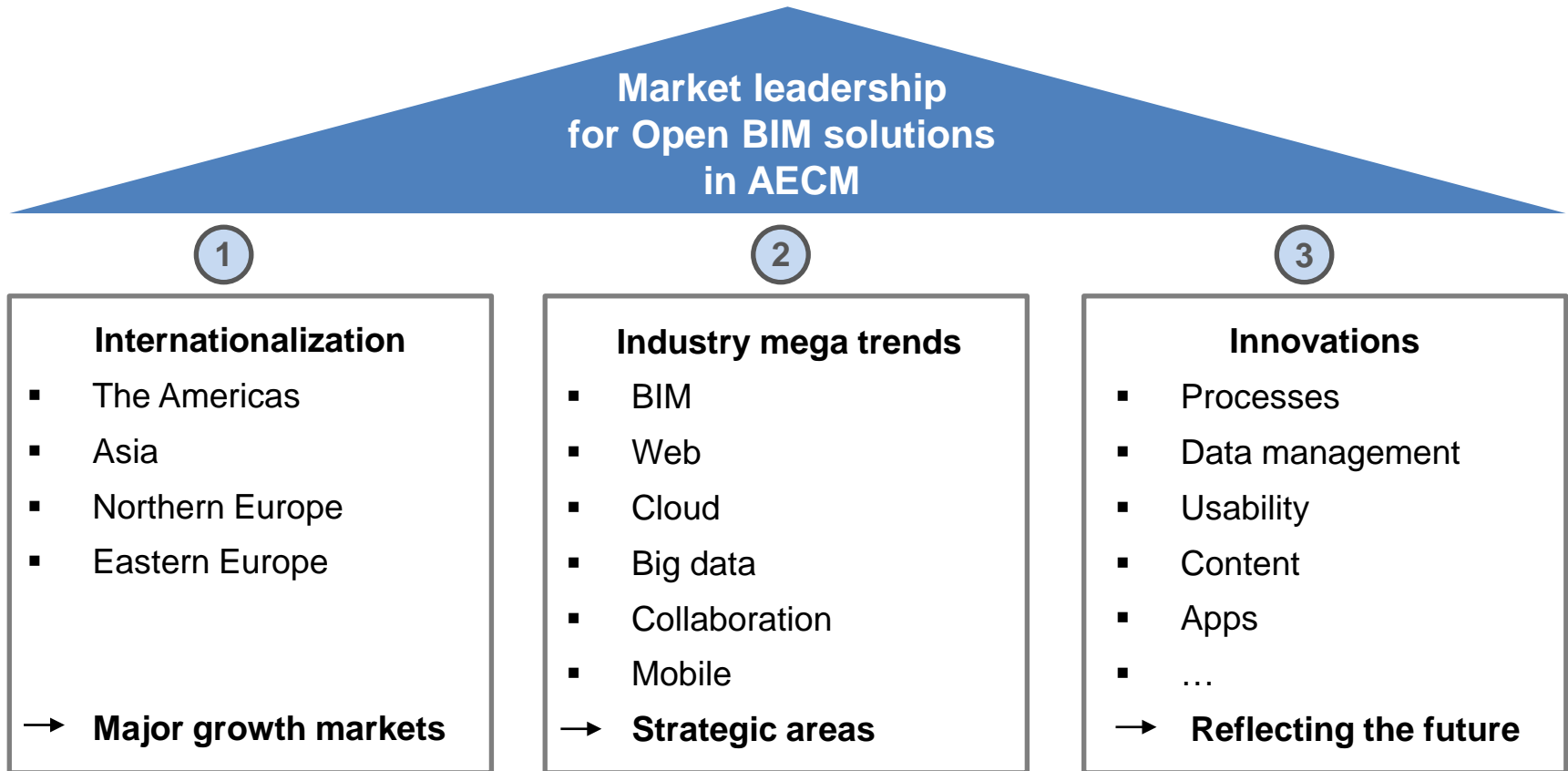
- Internationalization
- Industry mega trends
- Innovations

Financial data and Q3 highlights

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Why invest?

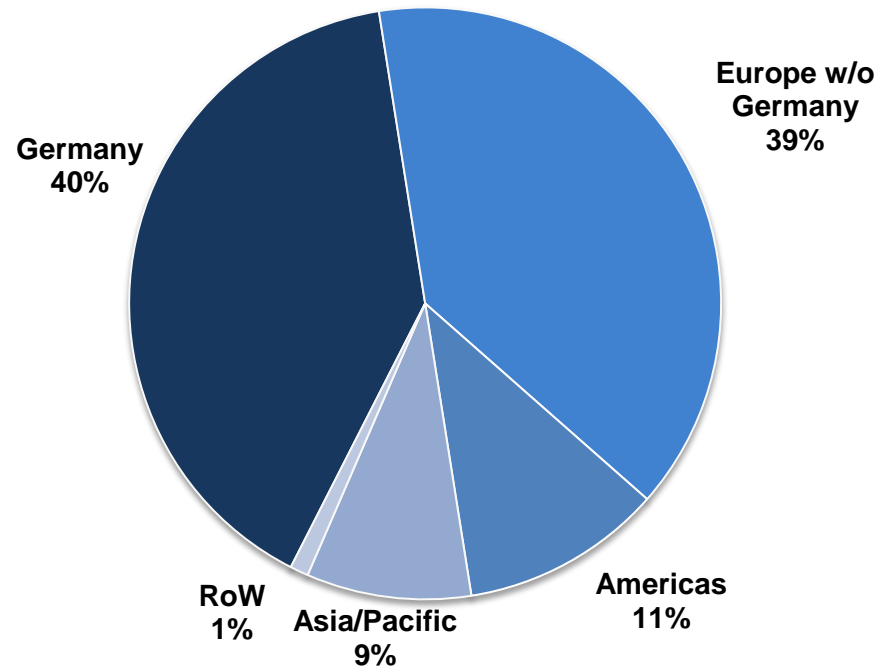
3 pillars for future growth



- ➔ Growth factors: Organic and via acquisitions
- ➔ Acquisition focus: Strategic fit to close regional and technology gaps
- ➔ Currently in process of acquiring a target with strategic technology and solution

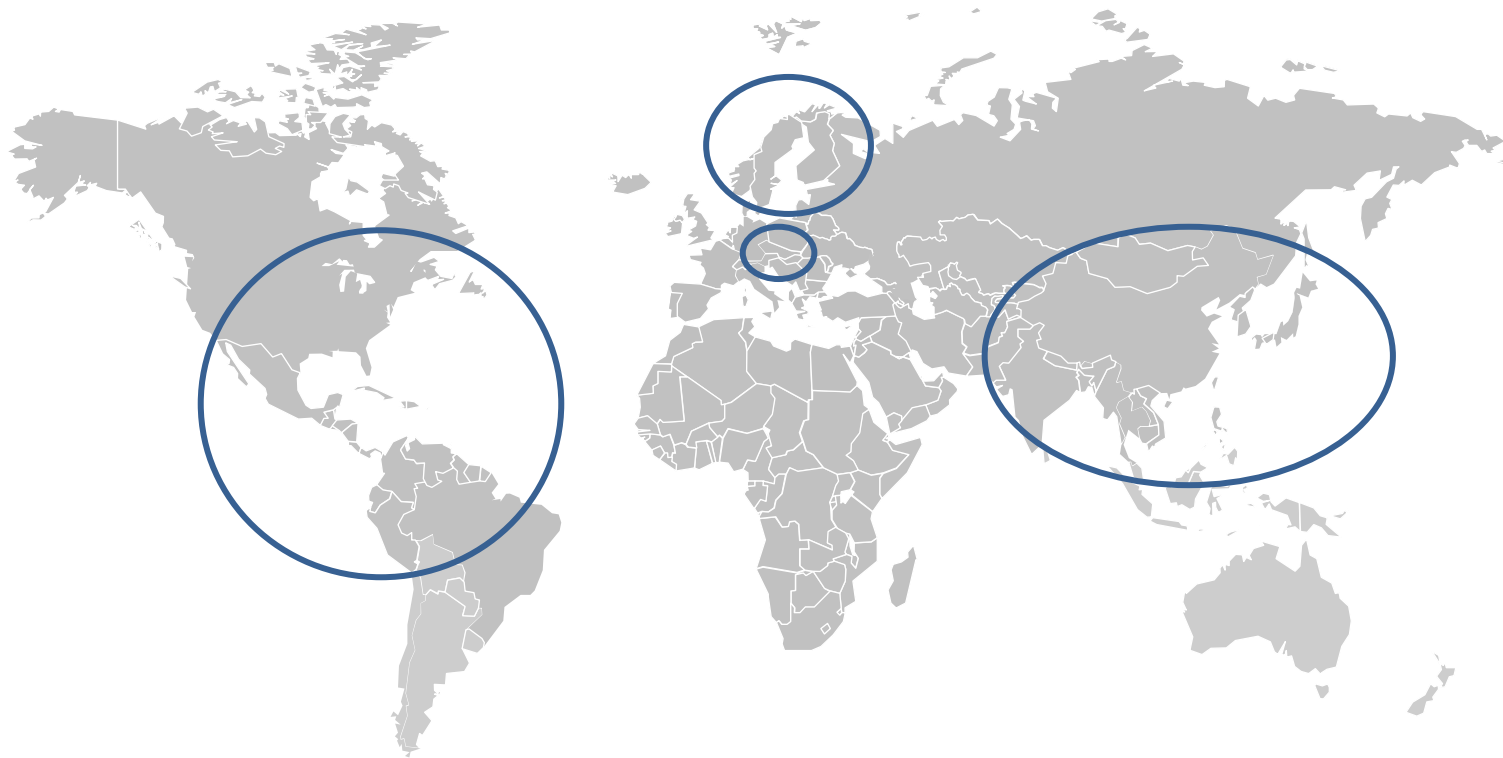
International revenue split

YTD 2013 in % of revenues



- ➔ Market leader in core markets DACH
- ➔ Market position in Americas and Asia established
- ➔ Growth potential abroad

① 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

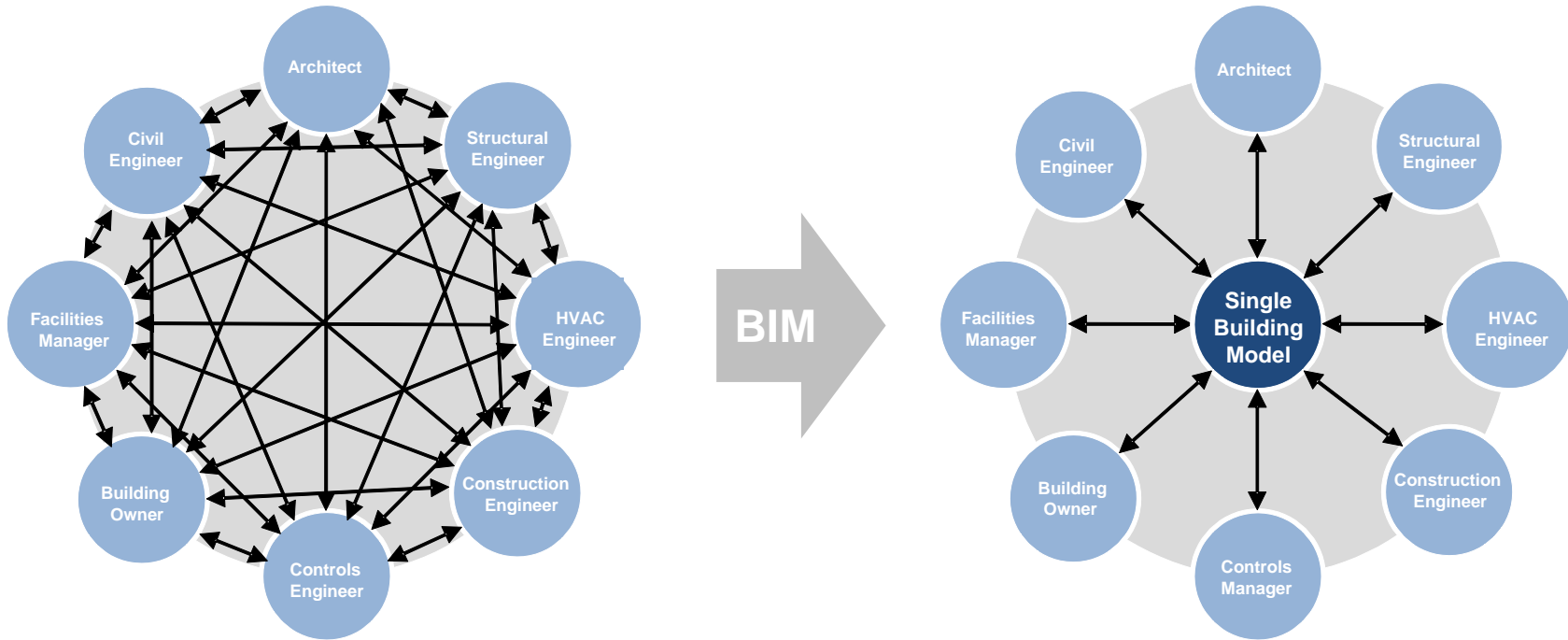
② Mega trends: BIM in detail

- Where it is all going? BIM – Building Information Modeling
- Building Information Modeling Central topic in the entire lifecycle of the building process is today the so-called BIM
- Pioneer of BIM idea Nemetschek has followed this holistic philosophy for almost 30 years and revolutionized the collaboration process in the construction industry
- Capabilities of BIM
 - 3D visualization and building simulation
 - Intelligent elements as digital prototypes
 - Better understanding of building “behavior”
 - Data management (cost, time management etc.)

➔ Nemetschek: Pioneer of BIM idea

② Mega trends: Clear focus on BIM

BIM → universal approach to collaborative design, realization and operation of buildings



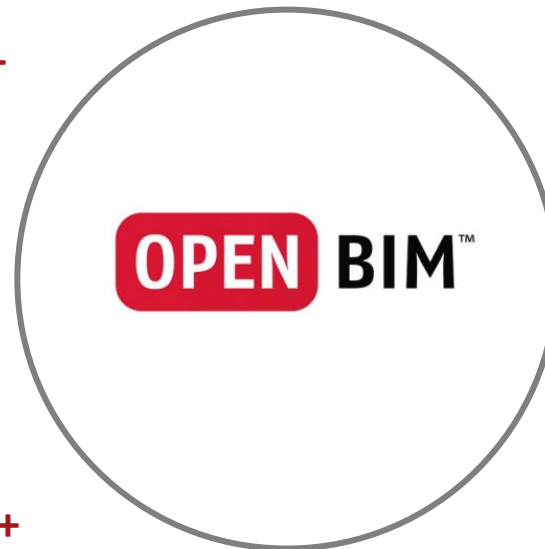
→ Numerous advantages through BIM for all stakeholders in the building life cycle

② Mega trends: Why Open BIM?

Enables interdisciplinary, globalized, collaboration +

Secures data access anytime, anywhere +

Ensures efficient and error-free data exchange +



+ Sets new standards in the building process

+ Improves workflows, offers new applications (apps etc.)

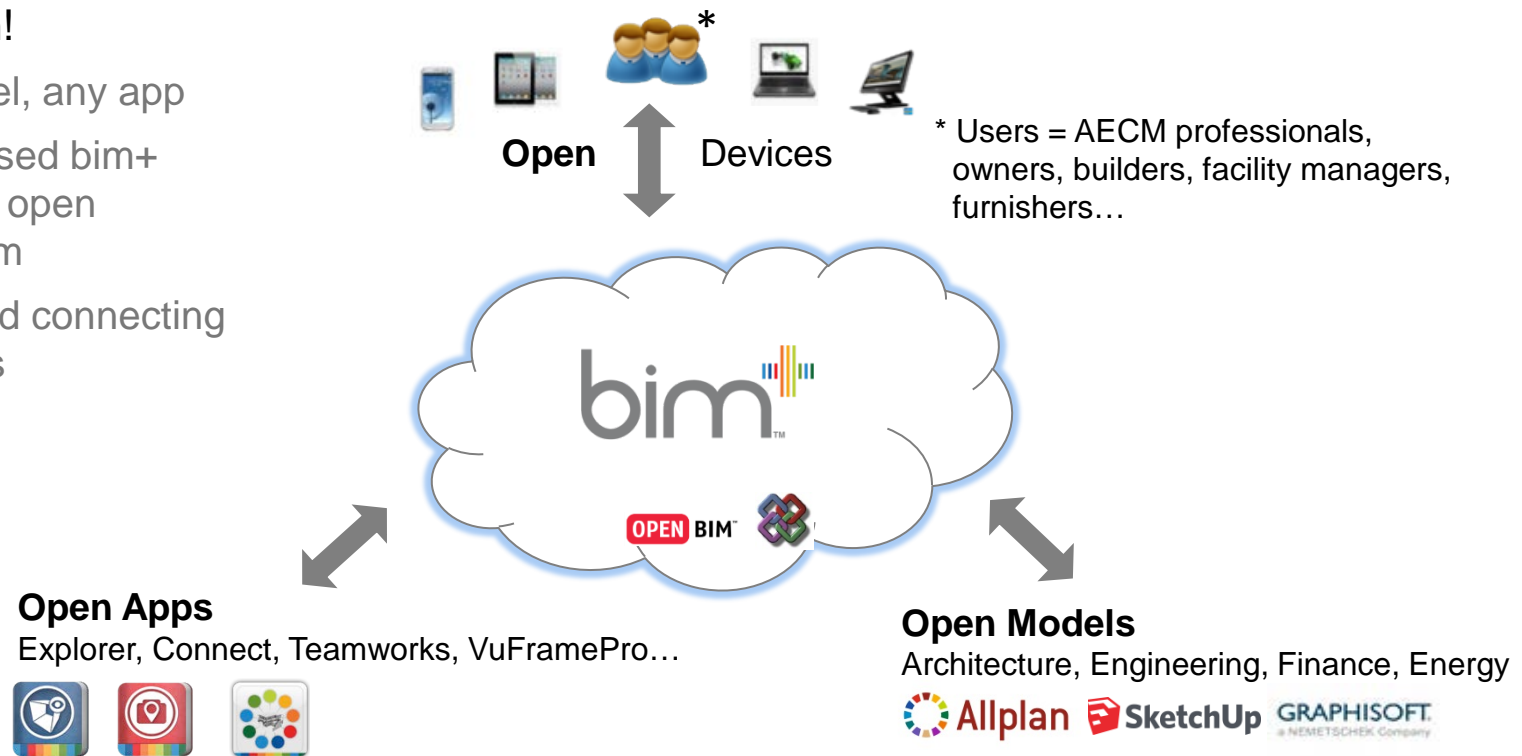
+ Provides centralized data management

- ➔ Open BIM allows real collaboration in contrast to a closed platform
- ➔ No one excluded, bigger market, more business
- ➔ Reflects modern way of working and thinking in the connected world today

3 Innovations: Example **bim**[™]

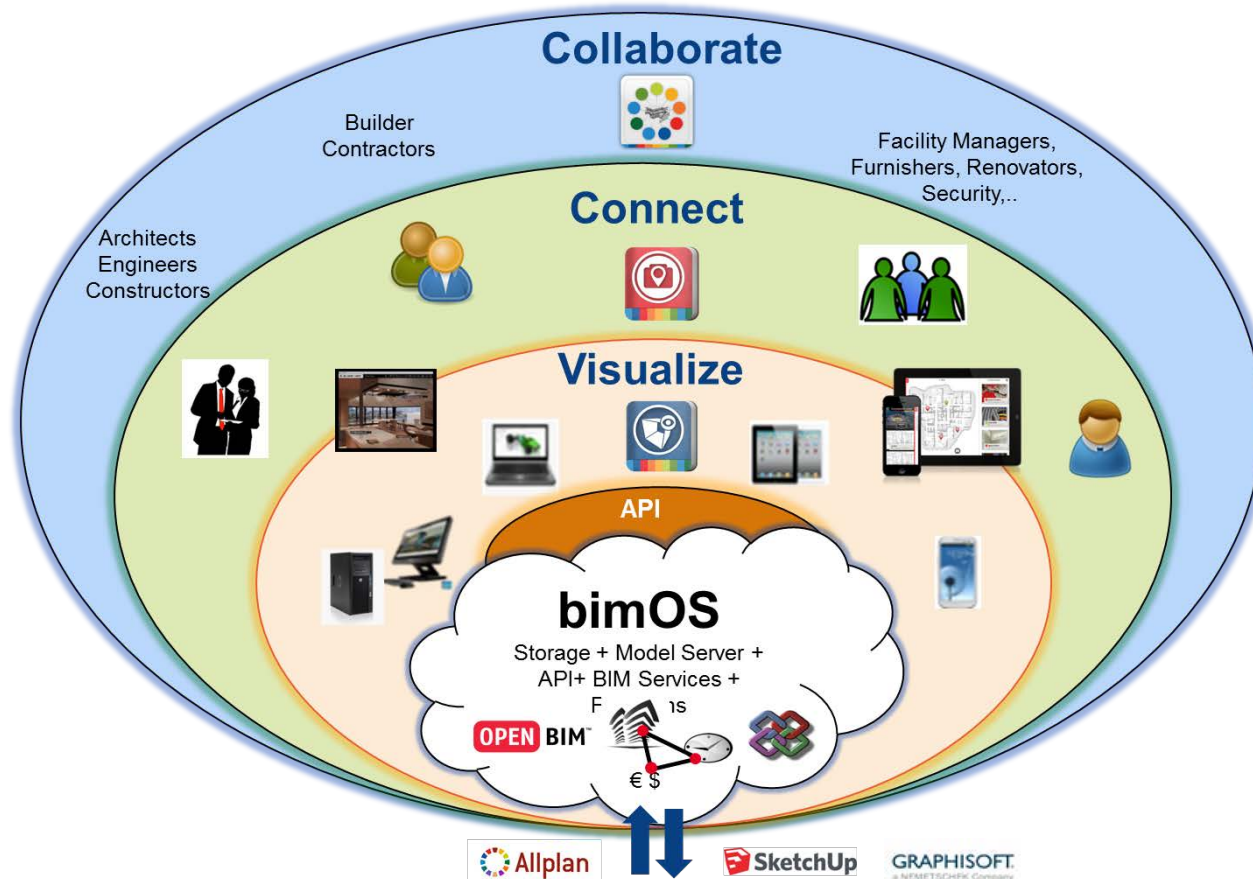
We are open!

- Any model, any app
- Cloud-based bim+ server as open ecosystem
- 11th brand connecting all brands



➔ Goal: primary online cloud-based platform for building projects

3 Innovations: Example **bim**



IFC, SketchUp, Allplan, Scia, Vectorworks, Graphisoft, Revit ...

- ➔ The simplest way to store, share, visualize and connect building information
- ➔ Version 1.0 has started in November 2013

③ Innovations: Example Cineware by Maxon

In new dimensions!

MAXON



Red Bull Media House visualized by Cinema 4D

- Leading developer of 3D software for creative industries
 - Top customers: BMW, CNN, Sony Pictures, Disney, Vitra, many more
 - Well known for powerful features, rock-solid stability, ease-of-use and fast workflow
 - Supported by over 150 distributors and resellers in over 80 countries
- ➔ Cutting edge software solution for visual effects, motion graphics and 3D visualization

3 Innovations: Example Cineware by Maxon



MAXON



- Strategic partnership since March 2013
 - Marketing and development cooperation
 - 1st product: CINEWARE – Live 3D-Pipeline between After Effects and CINEMA 4D
 - Reducing file import and export by 90% – huge time savings
- ➔ Mega brand Adobe has chosen Maxon as exclusive partner
 - ➔ Promising cooperation
 - ➔ Access to new customers and international markets

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Highlights in the first nine months 2013

Growth factors

- Group revenues up by 5.1%
- Maintenance revenues up by 8.9%
- International markets gained momentum

High profitability

- EBITDA increased by 12.1% to 31.8 mEUR; high EBITDA margin at 23.7%
- Net income (group shares) with strong growth (+24.5%) at 16.2 mEUR
- EPS at 1.68 EUR, EPS w/o PPA at 2.17 EUR

New executive board

- Dr. Tobias Wagner, Interim, as of 29/08/2013
- Viktor Varkonyi (CEO Graphisoft) and Sean Flaherty (CEO Vectorworks) as of 01/11/2013
- New Financial and Operational Executive Manager (CFOO) will be announced soon

➔ New management will drive internationalization, innovations, growth and profitability

Brands and projects (excerpt)



- New management team completed to implement future growth strategy
- Release of Allplan version 2014 in November: Better 3D modeling, comprehensive collaboration and usability, direct connection to cloud-based bim+ platform
- Focus: Planning and development of new releases, expand solution portfolio, strengthening agile development processes, integration of SaaS solutions (Nevaris, bim+), stronger international positioning



- Open cloud based platform for the building industry, providing the simplest way to store, share, visualize and connect building information
- bim+ uses best technologies for web, cloud, apps and mobile devices to help all participants in building processes to build faster and better
- Go-live in November

Brands and projects (excerpt)



- New release of BIM software ArchiCAD 17 (26 country-specific versions)
- Foundation of Graphisoft Mexico as South & Central American regional hub
- New versions: BIMx Hyper-Model mobile app, EcoDesigner STAR, BIM Cloud Enterprise solution



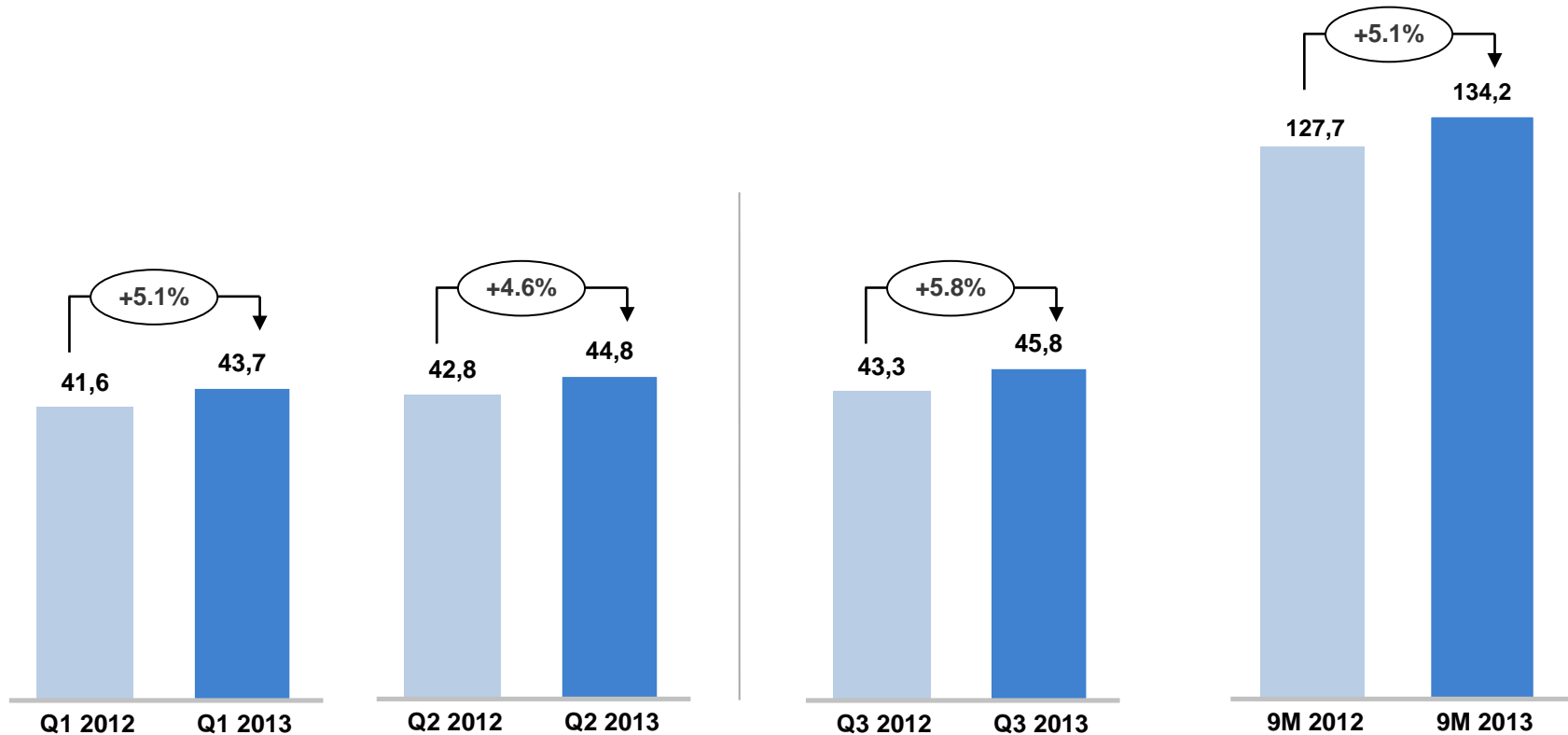
- New release CAD software Vectorworks 2014: more than 130 improvements, e.g. new BIM tools for architects, increased site design capabilities, better documentation, graphic tools



- New version of Adobe After Effects with “lite” version of CINEMA 4D
- New CINEMA 4D Release 15 with improved 3D motion graphics, visual effects, painting and rendering software workflow

Solid revenue development

in mEUR

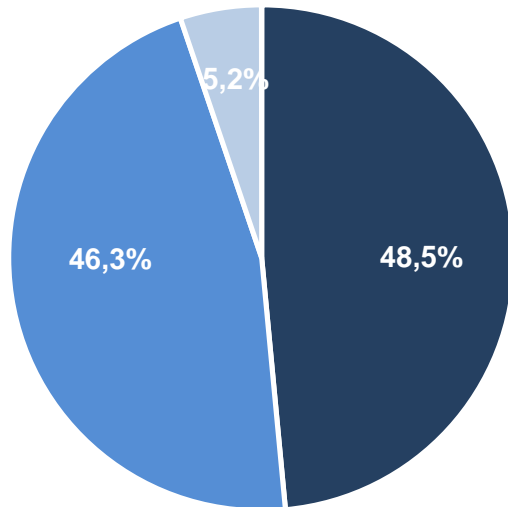


➔ Q3 2013 shows stronger growth with 5.8% than previous quarters

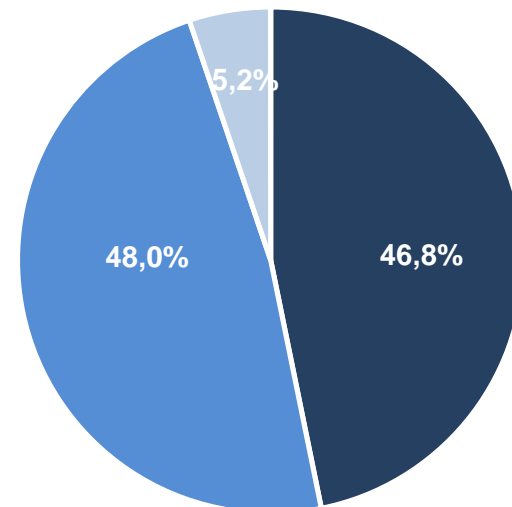
➔ YTD 2013 with 5.1% in range of expectations

Strong growth of maintenance contracts

YTD 2012 in % of revenues



YTD 2013 in % of revenues

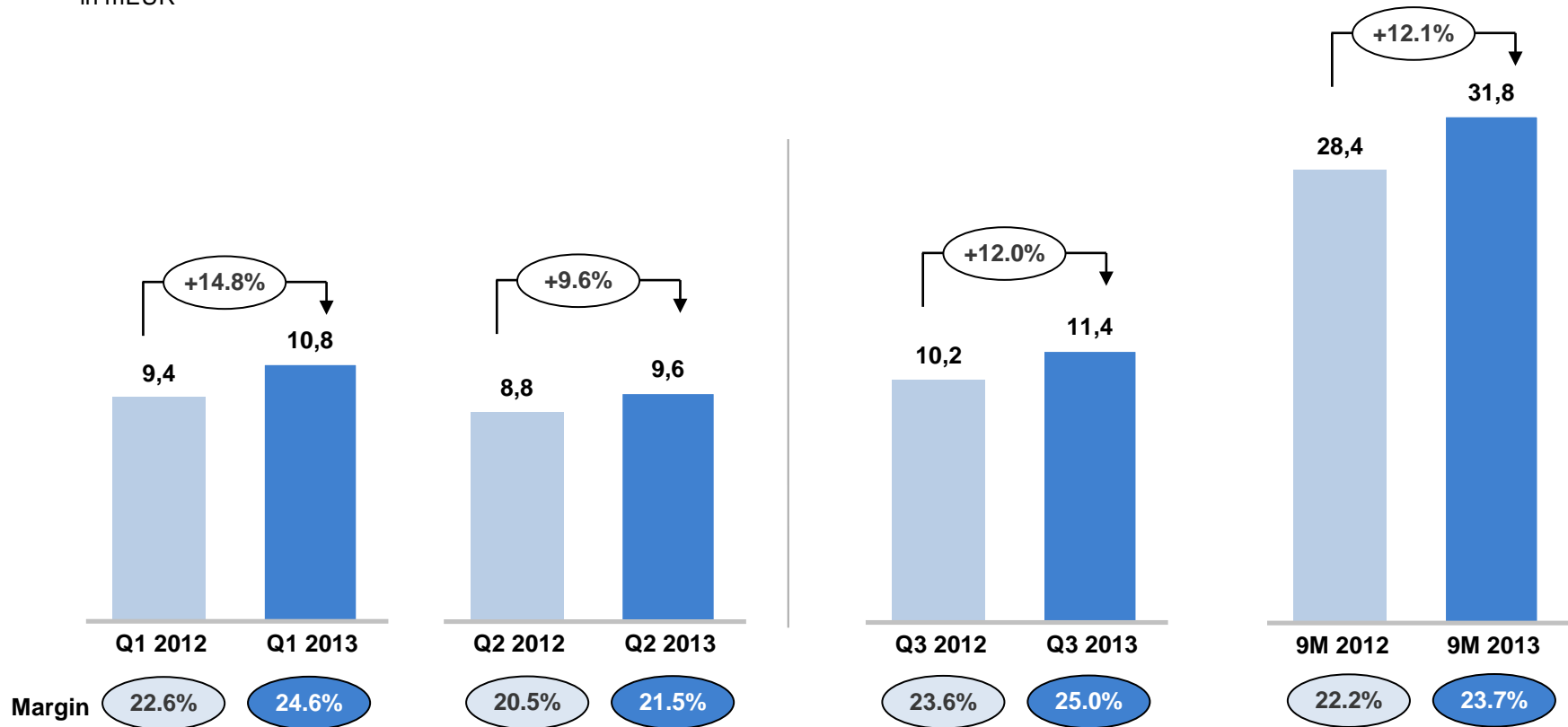


- Software & Licences
- Maintenance
- Service & Hardware

- ➔ Maintenance up by 8.9% yoy leads to higher recurring revenues
- ➔ Stable licenses business, up by 1.5% yoy

EBITDA well above previous year

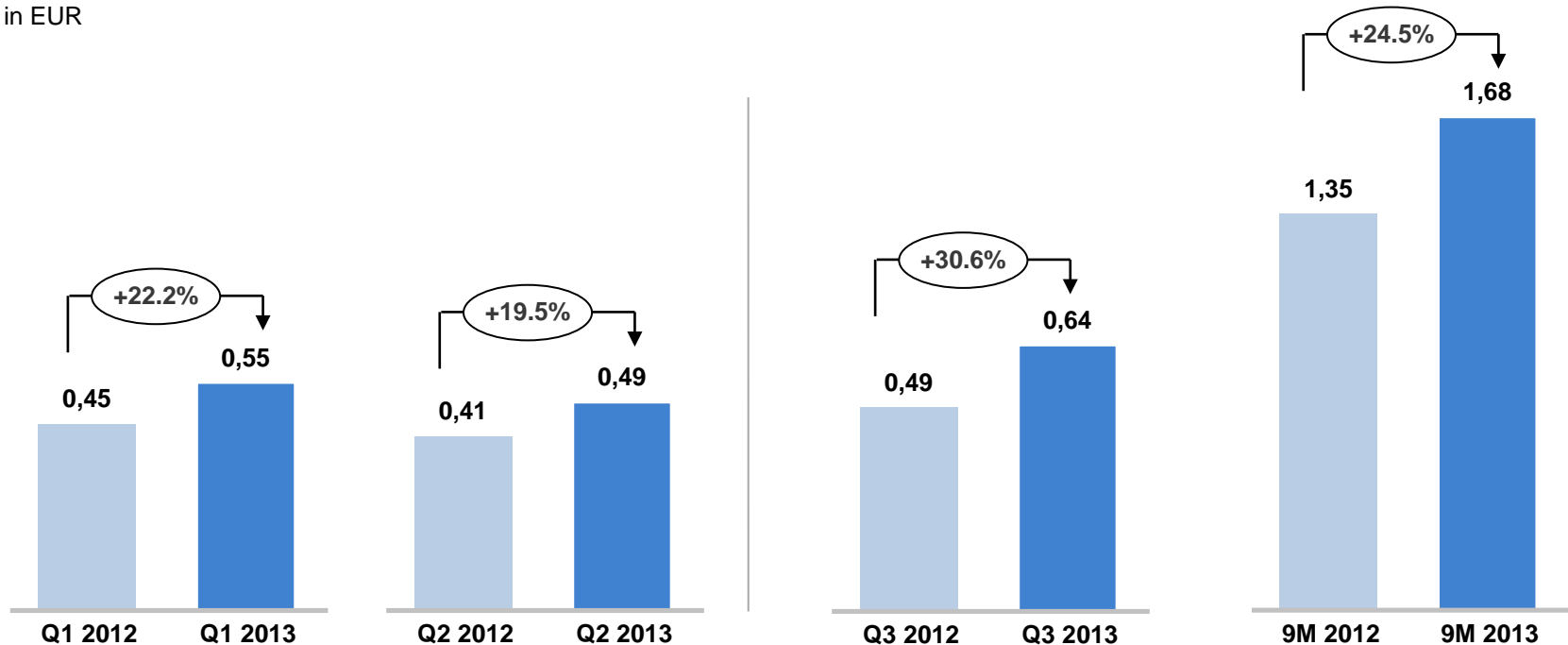
in mEUR



- ➔ EBITDA increased over proportional compared with revenues
- ➔ EBITDA margin with 23.7% on high level

Strong EPS development

in EUR

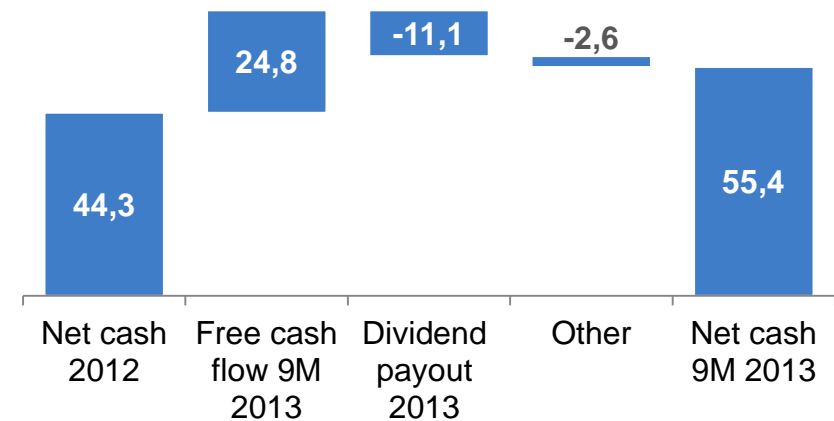


- ➔ Strong increase in earnings
- ➔ Net result up by 24.5% to 16.2 mEUR
- ➔ EPS at 1.68 EUR (24.5% yoy)
- ➔ EPS w/o PPA up by 17.9% at 2.17 EUR

Net cash development

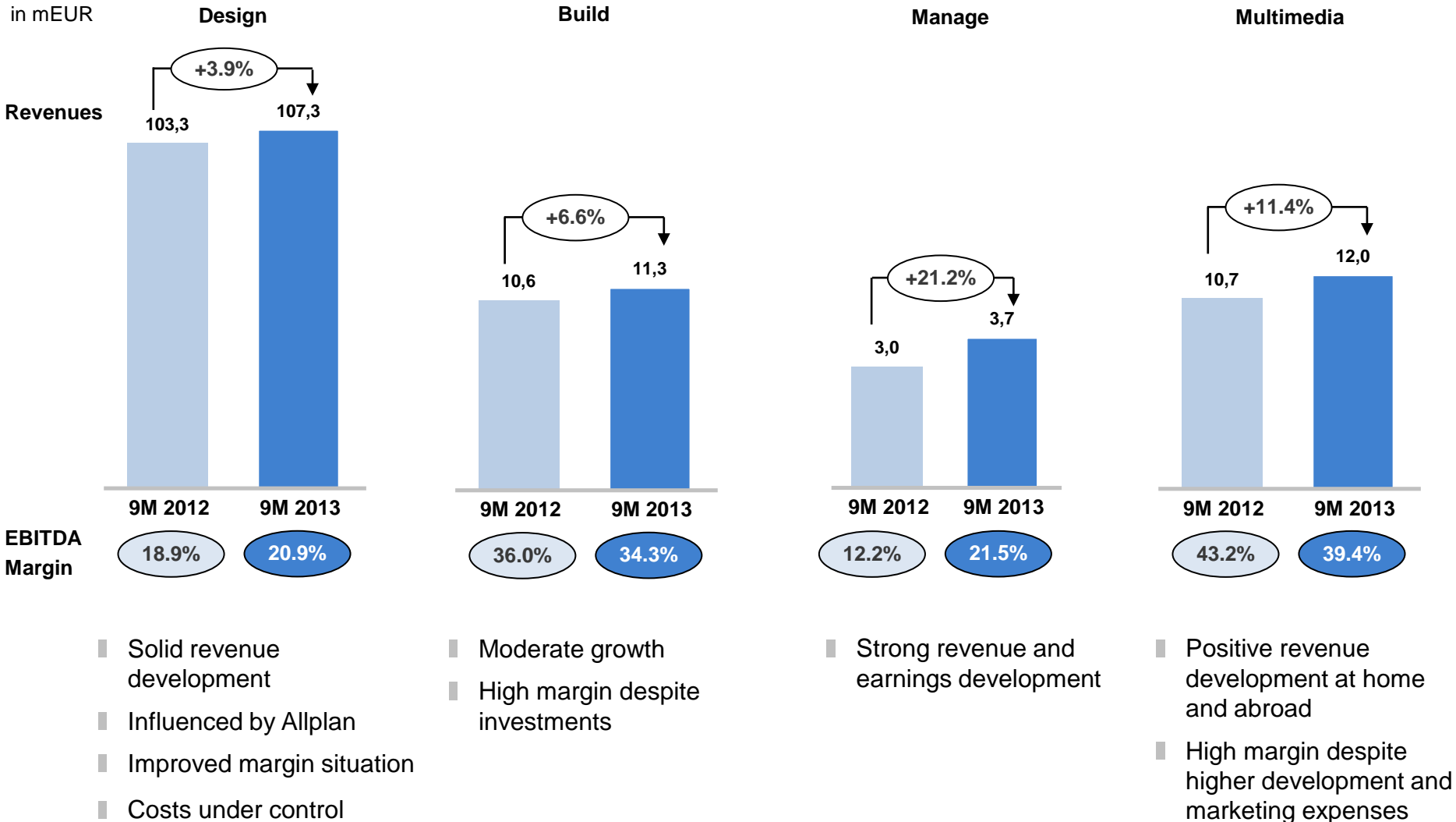
- Operating cash flow increased by 8.9% to 28.7 mEUR
- CapEx 3.9 mEUR in line with forecast (~6 mEUR in FY 2013)
- Dividend payment 11.1 mEUR in Q2
- Cash position 55.4 mEUR (+25.2% YTD)

mEUR	9M 2012	9M 2013	% YoY
EBITDA	28.4	31.8	+12.1%
Operating cash flow	26.3	28.7	+8.9%
Conversion rate*	93%	90%	
Investing cash flow	-4.4	-3.9	-11.4%
Free cash flow	22.0	24.8	+13.0%



➔ High cash position enables further growth organically and via acquisitions

Segment overview



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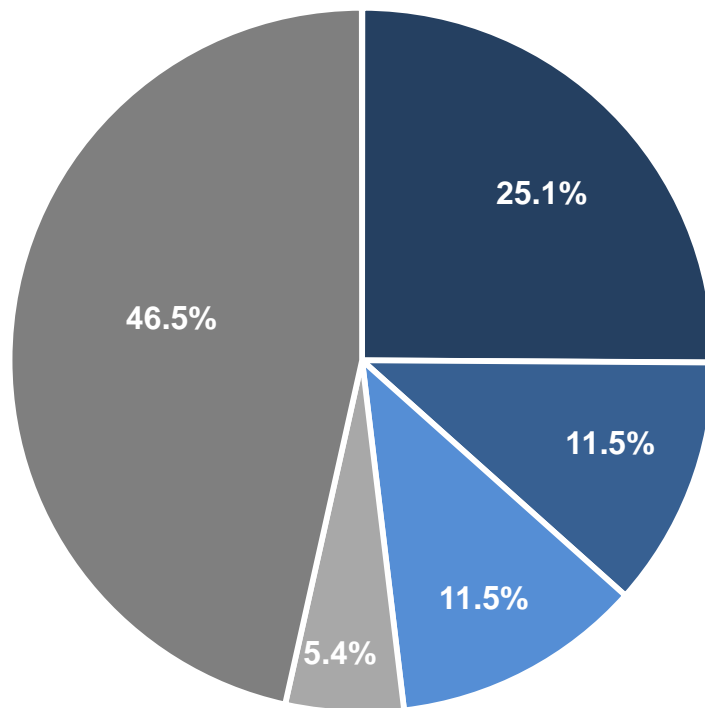
Strategy

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Why invest?

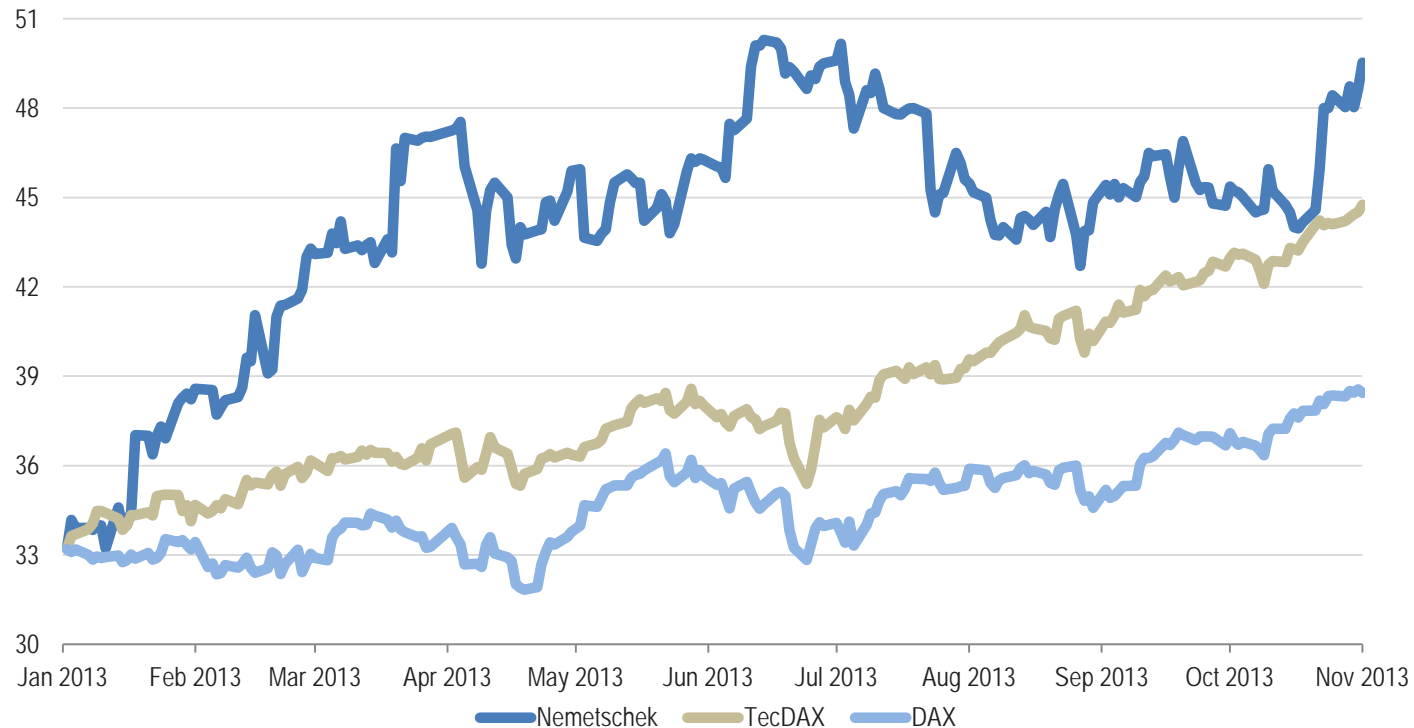
Shareholder structure



- 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: 53.5%
- Freefloat: 46.5 percent
- Current MarketCap: ~ 465 mEUR
- Current TecDAX Ranking: 28/31

- Prof. Georg Nemetschek
- Dr. Ralf Nemetschek
- Alexander Nemetschek
- Ingrid Nemetschek
- Free float

Nemetschek share price performed better than indices



Time	Nemetschek	TecDAX	DAX
Year 2012	+29%	+18%	+25%
In 2013*	+49%	+35%	+16%

➔ Inclusion in the TecDAX improves visibility

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Why invest?

Very good reasons

- **Market conditions**
 - Robust development of construction markets
 - Strong growth expected for BIM products and solutions

- **Strategic market positioning**
 - Clear focus on AECM market
 - Leading in Open BIM solutions
 - Strong global brands

- **Healthy financial**
 - High margin business
 - Strong cash generation
 - Healthy balance sheet

- **Growth potential**
 - Integrated process: Design, build and manage buildings, infrastructure
 - Strengthen Nemetschek's position abroad
 - Capable of investing in inorganic growth
 - Driving innovations for an industry whose transformation has just begun

➔ FY 2013(e): Revenue growth of ~ 6%, EBITDA margin 22 – 24%

moving minds



Allplan

Graphisoft

Vectorworks

Scia

Frilo

Glaser

Auer

Bausoftware

Crem

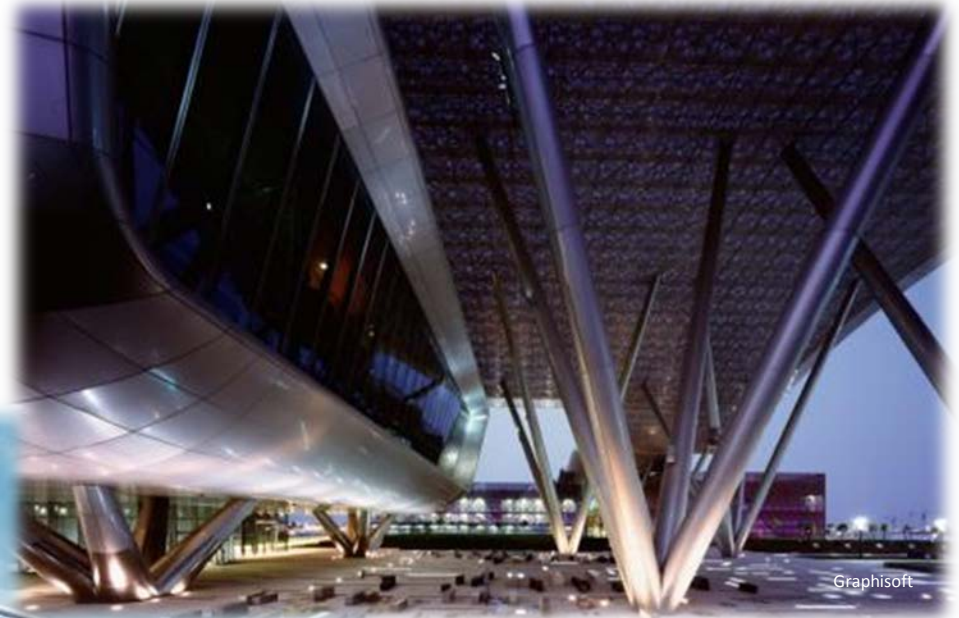
Maxon

Bim+

Appendix

Leading in the AEC industry...

Science & Technology Park,
Doha (Qatar)



Big Palette Fukushima,
Koriyama (Japan)

... always at the cutting edge ...



Havenhuis,
Antwerpen (Belgium)

U2 Stage – 360° Tour,
worldwide



...in projects worldwide...



Centre Pompidou,
Metz (France)

The Faith Lutheran College Secondary School,
West of Brisbane (Australia)



...via Open BIM realized projects...



Arboleda Building,
Santo Domingo (Dominican Republic)

Fraunhofer Institut,
Saarbrücken (Germany)



...via Open BIM realized projects ...



InterContinental Davos
Resort & Spa, Switzerland



The Nuclear Advanced Manufacturing
Research Centre (NAMRC),
Sheffield (UK)

Graphisoft

...in completely new dimensions...

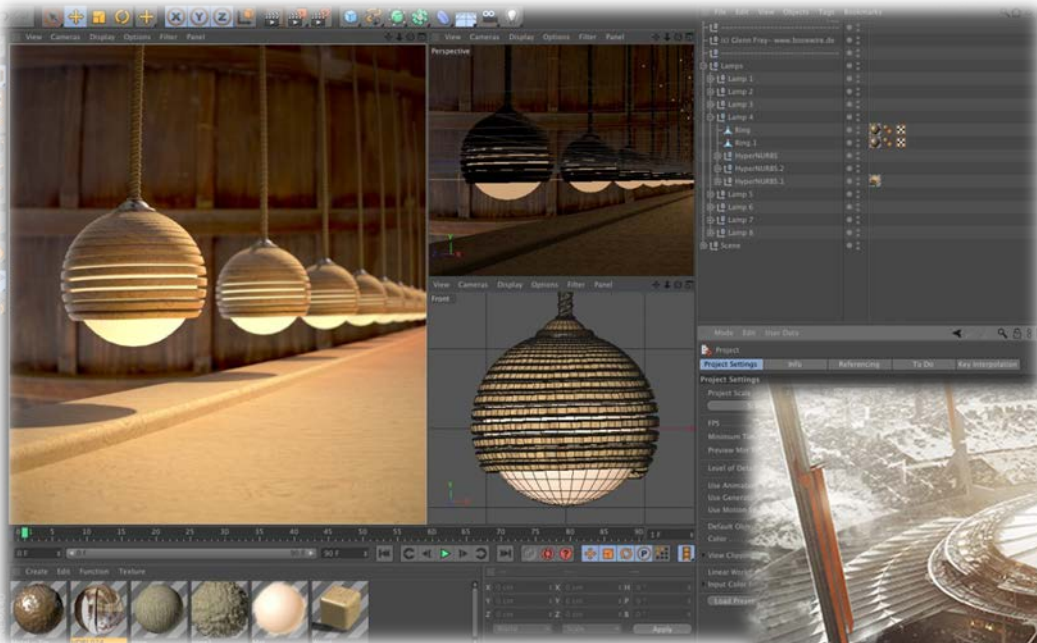
Maxon
Cinema 4D

Leading 3D software solution for visual
effects and motion graphics



Stratos, Red Bull Media House

...with innovative technology



Maxon
Cinema 4D

Release 14
September 2012



P+L statement – quarterly comparison

mEUR	Q3 2013	Q3 2012	% YoY
Revenues	45.8	43.3	+5.8%
Own work capitalized/ Other operating income	0.7	0.8	-13.6%
Operating income	46.5	44.1	+5.4%
Cost of materials/ purchased services	-2.0	-1.9	+6.9%
Personnel expenses	-19.3	-19.1	+1.4%
Other operating expenses	-13.7	-12.9	+6%
Operating costs	-35.1	-33.9	+3.5%
EBITDA	11.4	10.2	+12%
Margin	25.0%	23.6%	
Depreciation of PPE and amortization	-2.8	-3.1	-9%
Thereof PPA	-1.8	-1.8	
EBIT	8.6	7.1	+21.1%
Financial result	0.0	-0.1	
EBT	8.6	7.0	+22.5%
Income taxes	-2.2	-2.0	+9.1%
Minorities	-0.3	-0.3	
Net income (group shares)	6.1	4.7	+30.3%
EPS in EUR	0.64	0.49	

P+L statement – 9 months comparison

mEUR	9M 2013	9M 2012	% YoY
Revenues	134.2	127.7	+5.1%
Own work capitalized/ Other operating income	2.7	3.0	-10.6%
Operating income	136.9	130.7	+4.8%
Cost of materials/ purchased services	-6.3	-5.5	+14.2%
Personnel expenses	-57.7	-56.8	+1.6%
Other operating expenses	-41.1	-40.0	+2.8%
Operating costs	-105.1	-102.3	+2.7%
EBITDA	31.8	28.4	+12.1%
Margin	23.7%	22.2%	
Depreciation of PPE and amortization	-8.4	-8.7	-2.6%
Thereof PPA	-5.3	-5.3	
EBIT	23.4	19.7	+18.6%
Financial result	0.0	-0.6	
EBT	23.4	19.1	+22.7%
Income taxes	-6.4	-5.1	+24.9%
Minorities	-0.8	-0.9	
Net income (group shares)	16.2	13.0	+24.5%
EPS in EUR	1.68	1.35	

Balance sheet – Assets

mEUR	Sep 30, 2013	Dec 31, 2012
Assets		
Cash and cash equivalents	55.4	44.3
Trade receivables, net	21.7	21.4
Other current assets	10.2	8.7
Total current assets	87.4	74.4
Tangible assets	4.9	5.0
Intangible assets	26.7	31.4
Goodwill	52.8	52.6
Other non-current assets	2.2	1.6
Total non-current assets	86.5	90.6
Total assets	173.9	165.0

Balance sheet – Equity and liabilities

mEUR	Sep 30, 2013	Dec 31, 2012
Equity and liabilities		
Short-term loans	0.0	0.0
Trade payables & accrued liabilities	17.3	19.0
Deferred revenue	28.8	21.6
Other current liabilities	7.6	6.3
Total current liabilities	53.7	46.9
Deferred tax liabilities	1.6	1.7
Other non-current liabilities	2.0	4.4
Total non-current liabilities	3.5	6.1
Subscribed capital and capital reserve	51.0	51.0
Other comprehensive income	-4.2	-3.9
Retained earnings	68.7	63.6
Minority interests	1.2	1.3
Total equity	116.7	112.0
Total equity and liabilities	173.9	165.0

Cash flow statement

mEUR	30/09/2013	30/09/2012	% YoY
Cash at beginning of period	44.3	33.5	+32.2%
Operating cash flow	28.7	26.3	+8.9%
Investing cash flow	-3.9	-4.4	-11.4%
t/o CapEx	-3.9	-3.9	
Financing cash flow	-13.1	-18.0	-27.2%
FX-effects	-0.5	0.4	
Cash at end of period	55.4	37.8	+46.8%
Free cash flow⁽¹⁾	24.8	22.0	+13.0%

⁽¹⁾ Operating cash flow – Investing cash flow

IR calendar 2013 and contact

- 31/10 Publication of Q3 Report
- 11-12/11 Equity Forum Frankfurt
- 05/12 Berenberg European Conference, London



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