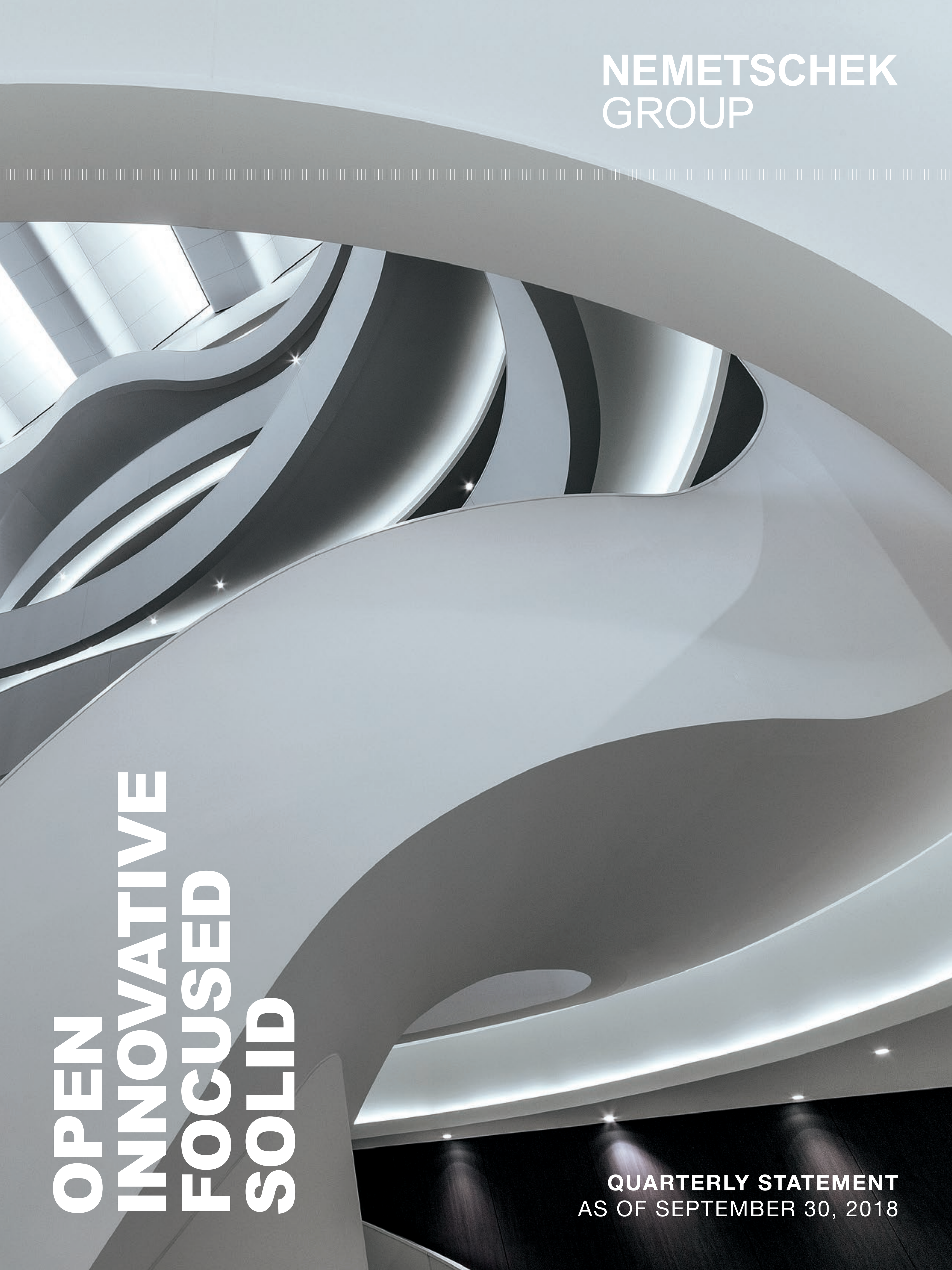


NEMETSCHEK GROUP

OPEN
INNOVATIVE
FOCUSED
SOLID

QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2018

To our shareholders

Patrik Heider,
Spokesman of the Executive Board and CFOO

Dear Shareholders,

The Nemetschek Group has maintained its strong growth in the third quarter and further enhanced its earnings. At the same time, the world's second largest provider of software solutions for the AEC sector invested in strategic projects to be sure of continued double-digit growth in the future.

Major indicators of the Group's success in Q3 / the first nine months of 2018

» **Group revenue** in Q3 2018 rose to EUR 114.9 million, yet again demonstrating a strong growth rate of 19.8% (currency-adjusted: 19.7%) compared to the previous year. Purely organic growth in Q3 amounted to 17.0%. Cumulative revenues for the first nine months rose by 14.2% (currency-adjusted: 18.0%) to EUR 330.9 million. Organic growth amounted to 12.4%.

» **Recurring revenues** from software service contracts and subscriptions remained growth drivers in Q3, rising by 26.4% to EUR 58.3 million. An increase of 20.5% was recorded for the period January to September. This disproportionate increase reflects the strategic change to the business model of offering subscriptions in addition to licenses. Revenue from **subscriptions** increased considerably in Q3 by 64.7% to EUR 5.6 million. Growth in the first nine months was an impressive 46.9%.

» **Consolidated operating earnings (EBITDA)** increased in Q3 by 17.8% year on year to EUR 29.2 million. In the first nine months, the EBITDA rose by 15.3% to EUR 88.2 million; at 26.7%, the EBITDA margin was slightly up on the previous year (26.4%) and as such at the top end of the target range for 2018 of between 25% and 27%. At the same time, Nemetschek invested as planned in strategic projects, including further internationalization and innovative solutions, so as to ensure it would be able to consistently achieve double-digit growth in the future.

» In Q3, the **net income** (Group shares) rose by a significant 19.9% to EUR 18.2 million, prompting the earnings per share to increase to EUR 0.47. Cumulative net income for the first nine months rose by 22.9% to EUR 52.6 million, which corresponds to earnings per share of EUR 1.37.

Our sustained fast pace of growth shows that our strategic priorities are the right ones. The acquisition of MCS Solutions represents a strategically important investment in the Manage segment. We have also maintained the growth dynamic in licenses and recurring revenues from subscriptions and service contracts. And even with our investments in growth, our profitability is still at a very high level. All of this provides an extremely solid basis for the final quarter of the year and beyond.

Segment development

» The strongest revenue growth, both in Q3 (35.4%) and in the first nine months (25.6%) (currency-adjusted: +32.9%), was in the **Build** segment. At 58.1%, the cumulative EBITDA for the first nine months grew disproportionately compared to revenue growth, resulting in the EBITDA margin reaching an impressive 27.3% in the first nine months. Alongside the US brand Bluebeam, Solibri also achieved strong growth, especially in the Nordic countries and the UK.

» Q3 also saw double-digit revenue growth (11.1%) in the **Design** segment. The cumulative increase after nine months was 8.9% (currency-adjusted: 11.3%). Due to investments in growth in this segment in the first nine months of the year, the EBITDA margin decreased year on year from 27.8% to 25.0%.

» In the third quarter, the **Manage** segment was significantly reinforced through the acquisition of MCS Solutions, headquartered in Antwerp. MCS Solutions offers modular and integrated software solutions for property, facility and workplace management as well as smart building platforms designed to optimize productivity and efficiency for building administrators. The first consolidation began in September, meaning MCS contributed revenues of EUR 1.4 million in Q3. Growth in the Manage segment rose in Q3 by 75%, while organic growth was at 8.3%. Cumulative growth amounted to 32.4% (organic: 8.9%). The EBITDA margin increased from 20.1% to 22.0% in the first nine months.

» The **Media & Entertainment** segment recorded a significantly accelerated revenue growth rate of 18.5% in Q3. Cumulative growth after nine months was 7.9% (currency-adjusted: 11.5%). The EBITDA margin increased significantly from 36.9% to 41.9% in the period from January to September. 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 now expected to leverage its growth potential even further in the key AEC markets.

Outlook for the Group for 2018 is affirmed

We have confirmed the goals we had set itself so far for the whole of 2018 and expects to achieve EUR 447-457 million* in Group-wide sales this year. The EBITDA margin is expected to be in the corridor of 25% and 27%.

Yours

Patrik Heider

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

Nemetschek on the Capital Market

Stock market development

Stock markets have experienced further volatility in the third quarter. Once again, the trade war between the United States and China proved a stress factor. In addition, political developments such as the Brexit negotiations and budget talks in Italy played their part in dampening the mood.

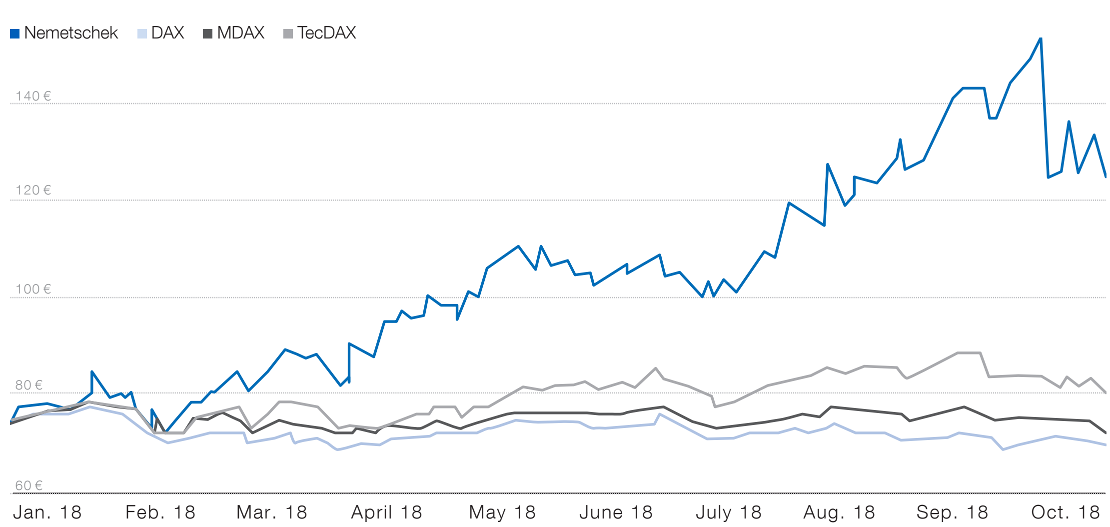
In the first nine months of 2018, the DAX dropped by 5%, whereas the technology company stocks consolidated in the TecDAX were able to rise by some 11%. The MDAX was at much the same level as at the beginning of the year (–1%).

Price development of the Nemetschek share since the start of 2018

Since the reorganization of the German stock index on September 24, 2018, the Nemetschek share has been noted in the MDAX as well as in the TecDAX.

On January 2, 2018 the Nemetschek share started at a price of EUR 74.50. At the beginning of February, the share dropped to its lowest price for the year of EUR 72.40 (February 9, 2018), primarily as a result of the overall market environment. Then the share price experienced a considerable rise, but this came to a halt in mid-March in the wake of discussions concerning punitive US tariffs and the consequent slide in share prices on stock markets. The publication of Nemetschek's 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 strongly at the end of March. Thereafter the share continued on its upward course until mid-May, at which point it plateaued in keeping with general market development. Following the release of second-quarter results at the end of July 2018, the Nemetschek share began to rise again, a trend continued through the acquisition of MCS Solutions at the end of August. The Nemetschek share achieved its high for the year to date, EUR 153.40, on September 18, 2018. There followed a period of correction, resulting in the Nemetschek share closing significantly under its high at EUR 126.00 at the end of September. All in all, the share has risen by some 69% since the beginning of the year. Nemetschek SE's market capitalization increased accordingly to around EUR 4.85 billion as of the end of September, 2018.

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

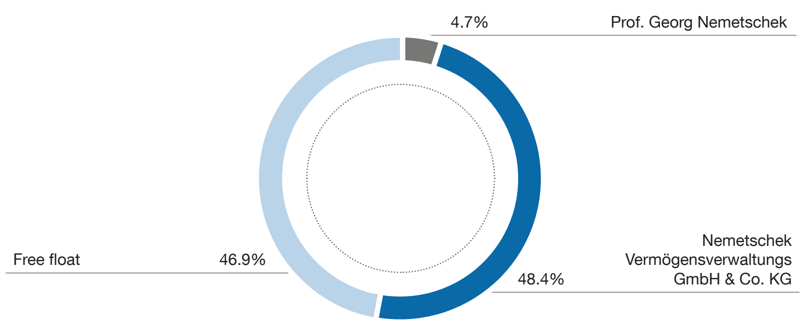


Shareholder structure

Nemetschek SE's share capital as of September 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 September 30, 2018 was 46.9 percent.

SHAREHOLDER STRUCTURE*



* Direct shareholdings as of September 30, 2018.

Managers' Transactions

Members of the Executive Board and the Supervisory Board or related parties must report reportable transactions in Nemetschek SE shares if the value of the transactions within a calendar year reaches or exceeds EUR 5,000.

On September 21, 2018, the following transactions were reported to Nemetschek SE in the context of managers' transactions:

MANAGERS‘ TRANACTIONS

Buyer/Seller	Patrik Heider
Name of finance instrument	Nemetschek SE Aktie, ISIN DE0006452907
Type of transaction	Aquisition
Date of transaction	September 21, 2018
Place of transaction	Xetra
Average share price in EUR	125.620
Total value in EUR	62,991.53

Key figures

NEMETSCHEK GROUP

in EUR million	3rd Quarter 2018	3rd Quarter 2017	Change	9 month 2018	9 month 2017	Change
Revenues	**114.9**	**95.8**	**19.8%**	**330.9**	**289.8**	**14.2%**
EBITDA	**29.2**	**24.8**	**17.8%**	**88.2**	**76.5**	**15.3%**
as % of revenue	25.5%	25.9%		26.7%	26.4%	
EBITA	**27.0**	**22.8**	**18.4%**	**82.0**	**70.5**	**16.2%**
as % of revenue	23.5%	23.8%		24.8%	24.3%	
EBIT	**23.2**	**19.5**	**18.8%**	**71.4**	**60.3**	**18.3%**
as % of revenue	20.2%	20.4%		21.6%	20.8%	
Net income (group shares)	**18.2**	**15.1**	**19.9%**	**52.6**	**42.8**	**22.9%**
per share in €	0.47	0.39		1.37	1.11	
Net income (group shares) before purchase price allocation	**21.1**	**17.4**	**20.7%**	**61.1**	**50.0**	**22.2%**
per share in €	0.55	0.45		1.59	1.30	
Cash flow from operating activities				**72.1**	**68.2**	**5.8%**
Free cash flow				**1.1**	**36.3**	
Free cash flow (w/o acquisition effects)				**64.4**	**61.1**	**5.2%**
Net liquidity/net debt*				**–32.5**	**24.0**	
Equity ratio*				**40.7%**	**49.5%**	
Headcount as of balance sheet date				**2,529**	**2,094**	**20.8%**

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

Interim Management Report

Report on the earnings, financial and asset situation

Revenue growth of 14.2%, with continued high EBITDA margin of 26.7%

The Nemetschek Group increased its revenues in the first nine months by 14.2% to EUR 330.9 million (previous year: EUR 289.8 million). Purely organic growth amounted to 12.4%. Currency-adjusted on the basis of constant currency translation rates, this would result in 18.0% revenue growth, or 16.1% purely organic growth.

EBITDA rose disproportionally compared to revenue growth. With a plus of 15.3%, EBITDA rose to EUR 88.2 million (previous year: EUR 76.5 million), which corresponds to an operating margin of 26.7% (previous year: 26.4%).

Significant rise in recurring revenue

During the first nine months, the Nemetschek Group's revenue from software licenses increased by 9.1%, rising to EUR 155.8 million (previous year: EUR 142.8 million). Adjusted for currency fluctuations, the increase amounted to 13.2%. During the same period, recurring revenues rose by 20.5% to EUR 162.4 million (previous year: EUR 134.8 million) – a considerably stronger rise than was achieved in revenue from software licenses. The share of revenue from software licenses amounts to 47.1% (previous year: 49.3%); the share of recurring revenues rose from 46.5% to 49.1%.

Growth impulses by region came particularly from international markets. Revenues within Germany increased by 7.4% to EUR 94.3 million (previous year: EUR 87.8 million). In international markets, the Nemetschek Group achieved revenues of EUR 236.6 million (previous year: EUR 202.0 million), an increase of 17.1% year on year. The share of revenues from international markets amounted to 71.5% (previous year: 69.7%).

Summary of segments

In the Design segment, the Nemetschek Group generated revenue growth of 8.9%, which is equivalent to EUR 198.1 million (previous year: EUR 181.9 million). As a result of planned investments, EBITDA decreased slightly by 1.9% to EUR 49.6 million (previous year: EUR 50.5 million). This is equivalent to an operating margin of 25.0%, following 27.8% in the previous year. In the Build segment, continuously strong growth of Bluebeam Software, Inc. brought a 25.6% rise in revenues to EUR 106.2 million, a considerable increase compared to the previous year (EUR 84.6 million). The EBITDA margin also rose considerably, growing to 27.3% (previous year: 21.7%). The Manage segment maintained the previous year's positive development and increased revenues by 32.4%, achieving EUR 7.7 million. Organic growth was 8.9% and the EBITDA margin rose to 22.0% (previous year: 20.1%). At the end of the first nine months, revenues from the Media & Entertainment segment had increased by 7.9% to EUR 18.9 million (previous year: EUR 17.5 million). The EBITDA margin remained at the very high level of 41.9% (previous year: 36.9%).

Earnings per share at EUR 1.37

Operating expenses rose by 13.3% from EUR 233.0 million to EUR 263.9 million. As a result, material expenses grew to EUR 10.2 million (previous year: EUR 9.7 million). Mainly as a result of a larger workforce, personnel expenses rose by 13.9%, increasing from EUR 127.6 million to EUR 145.3 million. The amortization of assets amounting to EUR 16.8 million was slightly above the previous year's value of EUR 16.2 million. Other operating expenses rose by 15.0% from EUR 79.6 million to EUR 91.5 million.

As of September 30, 2018, the Group's tax rate amounted to 26.0% (previous year: 25.7%).

The year's net income (Group shares) of EUR 52.6 million thus exceeded the previous year's value of EUR 42.8 million by 22.9%. Consequently, the earnings per share amounted to EUR 1.37 (value of the previous year for comparison: EUR 1.11 per share.) Adjusted for the amortization from the purchase price allocation, net income for the year climbed by 22.2% to EUR 61.1 million (previous year: EUR 50.0 million), and thus the earnings per share reached EUR 1.59 (value of the previous year for comparison: EUR 1.30 per share).

Operating cash flow at EUR 72.1 million

The Nemetschek Group generated an operating cash flow of EUR 72.1 million in the first nine months of 2018 (previous year: EUR 68.2 million). The cash flow from investing activities amounted to EUR –71.1 million (previous year: EUR –31.9 million). The main causes of this rise were the acquisitions of the MCS Solutions Group and 123erfasst.de GmbH in the third quarter of 2018. The cash flow from financing activities of –0.2 million (previous year: EUR –46.7 million) primarily includes the payout of dividends to the value of EUR 28.9 million, the repayment of bank loans amounting to EUR 29.5 million, the procurement of loans of EUR 86.0 million to finance acquisitions, and the payout of EUR 25.5 million in connection with the acquisition of non-controlling interests in Maxon GmbH.

High balance of cash and cash equivalents of EUR 106.8 million

Compared to December 31, 2017, acquisitions meant that the balance sheet total increased from EUR 460.8 million to EUR 558.2 million.

As of September 30, 2018, the Nemetschek Group held cash and cash equivalents amounting to EUR 106.8 million (December 31, 2017: EUR 104.0 million). Similarly, trade receivables rose considerably from EUR 41.0 million to EUR 51.6 million, owing to acquisitions as well as to revenue growth in the third quarter of 2018. Due to the acquisitions of the MSC Solutions Group and 123erfasst.de GmbH, non-current assets increased considerably to EUR 377.0 million (December 31, 2017: EUR 301.7 million).

Equity ratio at 40.7%

Deferred revenues increased by EUR 27.5 million to EUR 95.6 million in line with software service contracts invoiced. Current and non-current loans increased by EUR 59.4 million as a result of new borrowings for acquisitions. Equity amounted to EUR 226.9 million (December 31, 2017: EUR 227.9 million). As a result of the acquisition of the non-controlling interests in Maxon GmbH in July 2018, the difference was EUR 27.7 million taking profit carried forward into account. Thus the equity ratio was 40.7%, after 49.5% as of December 31, 2017.

Employees

As of the reporting date, September 30, 2018, the Nemetschek Group employed a staff of 2,529 (September 30, 2017: 2,094). The increase is mainly attributable to recruitment in several Group companies and as a result of acquisitions in the past 12 months.

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

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

Report on forecasts and other statements on prospective development

The development in the first nine months confirms the expectations for the 2018 financial year. As a result, the Nemetschek Group reaffirms its objective of achieving revenues in the EUR 447 million to EUR 457 million* range. As was the case in the past, the Group EBITDA margin is forecast to remain in the corridor of 25% to 27%. At the same time, the Nemetschek Group is also investing EUR 10 million in strategic projects in order to secure future growth.

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 (IFRSs), 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 September 30, 2018 have not been audited and have not undergone an audit review. 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, materials, site photos and drone pictures in highly detailed, zoomable levels.

The purchase price was EUR 3.1 million; a preliminary purchase price allocation identified non-material assets worth EUR 0.6 million. This is in addition to a goodwill or transaction value of EUR 2.5 million.

Effective July 2, 2018, NEVARIS Bausoftware GmbH, Bremen, acquired 100% of the shares in 123erfasst.de GmbH. The latter sells software products for time recording as well as construction diary administration and project management. In addition to the purchase price consisting of a fixed component of EUR 14.5 million, 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 2.7 million. As part of a preliminary purchase price allocation, EUR 9.2 million was allocated to non-material assets (technology, customer base, brand name), resulting in a goodwill or transaction value of EUR 11.5 million.

In July 2018, Nemetschek SE acquired the remaining 30% non-controlling interests in Maxon GmbH. 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 for the years 2018 and 2019. The difference between the purchase price (including earn-out component) and the carrying value of the non-controlling interests at the time of purchase took profit carried forward into account.

On August 28, 2018, the MCS Solutions Group, headquartered in Antwerp, became a wholly owned subsidiary. MCS Solutions offers modular and integrated software solutions for property, facility and workplace management for large private and public organizations. In addition, MCS Solutions developed the COBUNDU™ smart building platform, which uses Internet of Things (IoT) sensors and big data analysis to optimize productivity and efficiency for building administrators.

The preliminary purchase price is EUR 46.1 million. As part of a preliminary purchase price allocation, EUR 17.3 million was allocated to non-material assets (technology, customer base, brand name, non-competes). In addition, the goodwill or transaction value was set at EUR 37.0 million.

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

Disclosures on the quarterly report

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” going into effect 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 that 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 be recognized only 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 includes only 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 “Software” and “User support” performance obligations. The “User support” performance obligation is a stand-ready obligation that is recognized straight-line over the period during which the service is rendered. For recognition of the “Software” performance obligation, 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 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 “Software” performance obligation using the residual value method is recognized at the point at which to customer first downloads the software.

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 as broker in such transactions, for which he/she receives a commission. The Nemetschek Group acts as the principal; Nemetschek has primary responsibility for fulfilment of the contract and influence on the pricing of such.

2. Maintenance / software service contracts

In the case of software service contracts, the performance obligations can be subdivided into two material obligations. First, there is user support, which is available to the customer for the entire term of the contract. Second, customers with software service contracts get the most recent version of the Nemetschek software in question. 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 that are not further defined, IFRS 15 defines these as “stand-ready obligations” for which revenue recognition is straight-line over the term of the contract. Advance payments received from customers for software maintenance contracts are carried as deferred revenue (contract liability) and generally lead to revenue within the next six months.

3. Consulting

In the case of consulting services, inasmuch as these constitute a separate performance obligation, revenue is recognized in the period in which they were rendered. Should they 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 538k as of January 1, 2018.

The change resulted from the release of deferred expenses that were restructured to revenue reserves due to the earlier (partial) recognition of revenue.

Moreover, as of January 1, 2018, additional revenue that 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 September 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 third quarter of 2018:

TRANSITION EFFECT ON REVENUES FOR THE FIRST 9 MONTHS

Thousands of €	**P&L as of September 30, 2018**	P&L as of September 30, 2018 without adoption of IFRS 15	Transition effect
P&L			
Subscription revenues	15,008	14,554	454

Disaggregation of revenue

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

REVENUES BY TYPE

Thousands of €	**September 30, 2018**	September 30, 2017
Software and licenses	155,764	142,790
Recurring revenues (software service contracts and rental models)	162,417	134,787
Services (consulting and training)	12,659	12,059
Hardware	64	199
	330,904	**289,835**

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

In the third quarter of 2018, recurring revenue includes revenue from software rental models in the amount of EUR 15,008k (previous year: EUR 9,993k).

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 third quarter of 2018 is disclosed as follows:

REVENUES BY REGION

Thousands of €	**September 30, 2018**	September 30, 2017
Germany	94,308	87,834
Abroad	236,596	202,001
Total	**330,904**	**289,835**

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.

Munich, October 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 September 30, 2018 and 2017

STATEMENT OF COMPREHENSIVE INCOME

Thousands of €	3rd Quarter 2018	3rd Quarter 2017	9 month 2018	9 month 2017
Revenues	**114,862**	**95,839**	**330,904**	**289,835**
Other operating income	1,203	1,342	4,346	3,478
Operating Income	**116,065**	**97,181**	**335,250**	**293,313**
Cost of materials/cost of purchased services	−3,571	−3,373	−10,201	−9,653
Personnel expenses	−51,247	−42,082	−145,306	−127,554
Depreciation of property, plant and equipment and amortization of intangible assets	−6,022	−5,267	−16,838	−16,159
thereof amortization of intangible assets due to purchase price allocation	*−3,783*	*−3,266*	*−10,586*	*−10,192*
Other operating expenses	−32,012	−26,915	−91,530	−79,605
Operating expenses	**−92,852**	**−77,637**	**−263,875**	**−232,971**
Operating results (EBIT)	**23,213**	**19,544**	**71,375**	**60,342**
Interest income	122	67	280	188
Interest expenses	−269	−255	−621	−733
Share of results of associated companies	0	−23	0	−90
Other financial expenses/income	4	1	336	−12
Earnings before taxes (EBT)	**23,070**	**19,334**	**71,370**	**59,695**
Income taxes	−6,065	−3,851	−18,553	−15,327
Net income for the year	**17,005**	**15,483**	**52,817**	**44,368**
Other comprehensive income:				
Difference from currency translation	2,218	−5,277	4,633	−19,199
Subtotal of items of other comprehensive income that will be reclassified to income in future periods:	**2,218**	**−5,277**	**4,633**	**−19,199**
Gains/losses on revaluation of defined benefit pension plans	47	−44	118	22
Tax effect	−14	13	−34	−6
Subtotal of items of other comprehensive income that will not be reclassified to income in future periods:	**33**	**−31**	**84**	**16**
Subtotal other comprehensive income	**2,251**	**−5,308**	**4,717**	**−19,183**
Total comprehensive income for the year	**19,256**	**10,175**	**57,534**	**25,185**
Net profit or loss for the period attributable to:				
Equity holders of the parent	18,163	15,145	52,623	42,834
Non-controlling interests	−1,158	338	194	1,534
Net income for the year	**17,005**	**15,483**	**52,817**	**44,368**
Total comprehensive income for the year attributable to:				
Equity holders of the parent	20,366	9,872	57,253	23,733
Non-controlling interests	−1,110	303	281	1,452
Total comprehensive income for the year	**19,256**	**10,175**	**57,534**	**25,185**
Earnings per share (undiluted) in euros	0.47	0.39	1.37	1.11
Earnings per share (diluted) in euros	0.47	0.39	1.37	1.11
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 September 30, 2018 and December 31, 2017

STATEMENT OF FINANCIAL POSITION

ASSETS Thousands of €	**September 30, 2018**	December 31, 2017
Current assets		
Cash and cash equivalents	106,761	103,957
Trade receivables, net	51,590	41,011
Inventories	1,414	561
Tax refunded claims for income taxes	3,027	908
Other current financial assets	207	116
Other current assets	18,216	12,514
Current assets, total	**181,215**	**159,067**
Non-current assets		
Property, plant and equipment	16,638	14,852
Intangible assets	104,610	86,857
Goodwill	248,069	192,736
Investments in associates and non-current available-for-sale assets	3,525	3,553
Deferred tax assets	3,172	2,569
Non-current financial assets	34	34
Other non-current assets	963	1,114
Non-current assets, total	**377,011**	**301,715**
Total assets	**558,226**	**460,782**

EQUITY AND LIABILITIES Thousands of €	September 30, 2018	December 31, 2017
Current liabilities		
Short-term borrowings and current portion of long-term loans	52,103	36,003
Trade payables	6,671	8,189
Provisions and accrued liabilities	37,889	35,465
Deferred revenue	95,583	68,097
Income tax liabilities	5,790	7,715
Other current financial obligations	4,150	601
Other current liabilities	9,675	9,677
Current liabilities, total	**211,861**	**165,747**
Non-current liabilities		
Long-term borrowings without current portion	87,204	43,944
Deferred tax liabilities	20,055	13,527
Pensions and related obligations	1,641	1,703
Non-current deferred revenue	217	738
Non-current financial obligations	4,195	1,738
Other non-current liabilities	6,120	5,440
Non-current liabilities, total	**119,432**	**67,090**
Equity		
Subscribed capital	38,500	38,500
Capital reserve	12,485	12,485
Retained earnings	189,683	193,179
Other comprehensive income	–13,964	–18,691
Equity (Group shares)	**226,704**	**225,473**
Non-controlling interests	229	2,472
Equity, total	**226,933**	**227,945**
Total equity and liabilities	**558,226**	**460,782**

Consolidated Cash Flow Statement

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

CONSOLIDATED CASH FLOW STATEMENT

Thousands of €	**9 month 2018**	9 month 2017
Profit (before tax)	71,370	59,695
Depreciation and amortization of fixed assets	16,838	16,159
Change in pension provision	56	88
Other non-cash transactions	4	899
Portion of the result of non-controlling interests	0	90
Result from disposal of fixed assets	46	75
Cash flow for the period	**88,314**	**77,006**
Interest income	–280	–188
Interest expenses	621	733
Change in other provisions	962	3,513
Change in trade receivables	–6,102	–8,575
Change in other assets	–6,663	1,113
Change in trade payables	–1,658	–1,206
Change in other liabilities	16,900	10,345
Dividend received from associated companies	28	0
Interest received	278	185
Income taxes received	844	1,975
Income taxes paid	–21,102	–16,699
Cash flow from operating activities	**72,142**	**68,202**
Capital expenditure	–7,755	–6,917
Changes in liabilities from acquistions	–40	–275
Cash received from disposal of fixed assets	5	139
Cash paid for acquisition of subsidiaries, net of cash acquired	–63,264	–24,862
Cash flow from investing activities	**–71,054**	**–31,915**
Dividend payments	–28,875	–25,025
Dividend payments to non-controlling interests	–1,711	–1,424
Interest paid	–572	–607
Repayment of borrowings	–29,500	–19,500
Changes in bank liabilities due to company acquisitions	86,000	0
Payments for acquisition of non-controlling interests	–25,500	–151
Cash flow from financing activities	**–158**	**–46,707**
Changes in cash and cash equivalents	**930**	**–10,420**
Effect of exchange rate differences on cash and cash equivalents	**1,874**	**–5,903**
Cash and cash equivalents at the beginning of the period	**103,957**	**112,482**
Cash and cash equivalents at the end of the period	**106,761**	**96,159**

Consolidated Segment Reporting

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

SEGMENT REPORTING

2018 Thousands of €	**Total**	Elimination	Design	Build	Manage	Media & Entertainment
Revenue, external	330,904	–	198,052	106,202	7,737	18,913
Intersegment revenue	–	−2,894	33	1,700	0	1,160
Total revenue	**330,904**	**−2,894**	**198,085**	**107,902**	**7,737**	**20,074**
EBITDA	**88,213**	**–**	**49,572**	**29,011**	**1,699**	**7,930**
Depreciation/amortization	−16,838	–	−7,016	−9,312	−173	−338
Segment operating result (EBIT)	**71,375**	**–**	**42,556**	**19,700**	**1,526**	**7,593**

SEGMENT REPORTING

2017 Thousands of €	**Total**	Elimination	Design	Build	Manage	Media & Entertainment
Revenue, external	289,835	–	181,886	84,573	5,845	17,531
Intersegment revenue	–	−1,786	12	654	0	1,120
Total revenue	**289,835**	**−1,786**	**181,898**	**85,227**	**5,845**	**18,651**
EBITDA	**76,501**	**–**	**50,513**	**18,351**	**1,174**	**6,463**
Depreciation/amortization	−16,159	–	−5,873	−9,864	−48	−374
Segment operating result (EBIT)	**60,342**	**–**	**44,640**	**8,487**	**1,126**	**6,089**

Consolidated Statement of Changes in Equity

for the period from January 1 to September 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	–	–	–	–19,113	–19,113	–87	–19,200
Remeasurement gains/losses from pensions and related obligations	–	–	11	–	11	5	16
Net income for the year	–	–	42,834	–	42,834	1,534	44,368
Total comprehensive income for the year	**0**	**0**	**42,845**	**–19,113**	**23,732**	**1,452**	**25,184**
Transactions with non-controlling interests	–	–	–358	–	–358	319	–39
Dividend payments to non-controlling interests	–	–	–	–	0	–1,424	–1,424
Dividend payment	–	–	–25,025	–	–25,025	–	–25,025
As of September 30, 2017	**38,500**	**12,485**	**161,416**	**–14,750**	**197,651**	**3,163**	**200,814**
As of January 1, 2018	**38,500**	**12,485**	**193,179**	**–18,691**	**225,473**	**2,472**	**227,945**
Difference from currency translation	–	–	–	4,727	4,727	–94	4,633
Remeasurement gains/losses from pensions and related obligations	–	–	–96	–	–96	181	85
Net income for the year	–	–	52,623	–	52,623	194	52,817
Total comprehensive income for the year	**0**	**0**	**52,527**	**4,727**	**57,254**	**281**	**57,535**
Transition effects of new International Financial Reporting Standards (IFRS)	–	–	538	–	538	–	538
Transactions with non-controlling interests	–	–	–27,686	–	–27,686	–813	–28,499
Dividend payments to non-controlling interests	–	–	–	–	0	–1,711	–1,711
Dividend payment	–	–	–28,875	–	–28,875	–	–28,875
As of September 30, 2018	**38,500**	**12,485**	**189,683**	**–13,964**	**226,704**	**229**	**226,933**

Financial Calendar 2018

November 13, 2018	November 26. – 28, 2018	December 06, 2018
Capital Markets Day, Frankfurt / Main	German Equity Forum, Frankfurt / Main	Berenberg European Conference 2018 Pennyhill Park

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