NEMETSCHEK
BUILDING THE FUTURE

# Competence

Quarterly Statement as of September 30, 2007

Q3

## To the Shareholders, Employees and Friends of the Company

Ernst Homolka
CFO and Board Spokesman

Dear Sir or Madam,

The whole team at Nemetschek has been working extremely hard in recent months. Strategic discussions have focused on three topics: technology, brand profile and internationality.

Our aim is and remains to secure and strengthen Nemetschek's technology leadership. We are the leading international software company in the AEC industry (architecture, engineering and construction). We have an excellent image in this sector at home and abroad, garner respect and recognition, and have a first-class reputation among customers and partners. We will therefore continue to invest in research and development, new products, technologies and services in the future. Our technological expertise, in particular, has also enabled the Nemetschek Group to ride out the negative aspects of the international – particularly US – real estate crisis. Our field of activities is in information technology – this is where the future lies and our core competence in design, construction and management gives us huge potential here. Our top priority is to take advantage of these opportunities, strengthen business with existing customers and win new customers.

A unique and memorable brand profile for the group is extremely important particularly because we are constantly providing our customers with new and innovative products. We will therefore bundle our top products Allplan, Archicad, VectorWorks, CINEMA 4D and all other group products under the Nemetschek umbrella brand and raise its profile further. Our international markets require clear positioning, high brand recognition and a global presence.

The IT industry is international. Our customers come from Europe, North America and Asia, but operate in different countries on all continents. In addition to leading industrialized nations, emerging and developing countries are the focus for marketing and sales managers. We therefore also need a dense and global network of partners. We are working towards this. Thanks to the acquisition of Graphisoft, our existing network is already highly professional. However, we will continue to investigate markets, strive for partnerships and exploit opportunities – be this in Eastern Europe, India or China. Our aim: To establish Nemetschek as a global player with international brands.

We will be working hard to achieve this in the coming months. We will make every effort to reach our target for the year of 140 million euros and an EBITDA margin of over 20 percent.

Best regards,

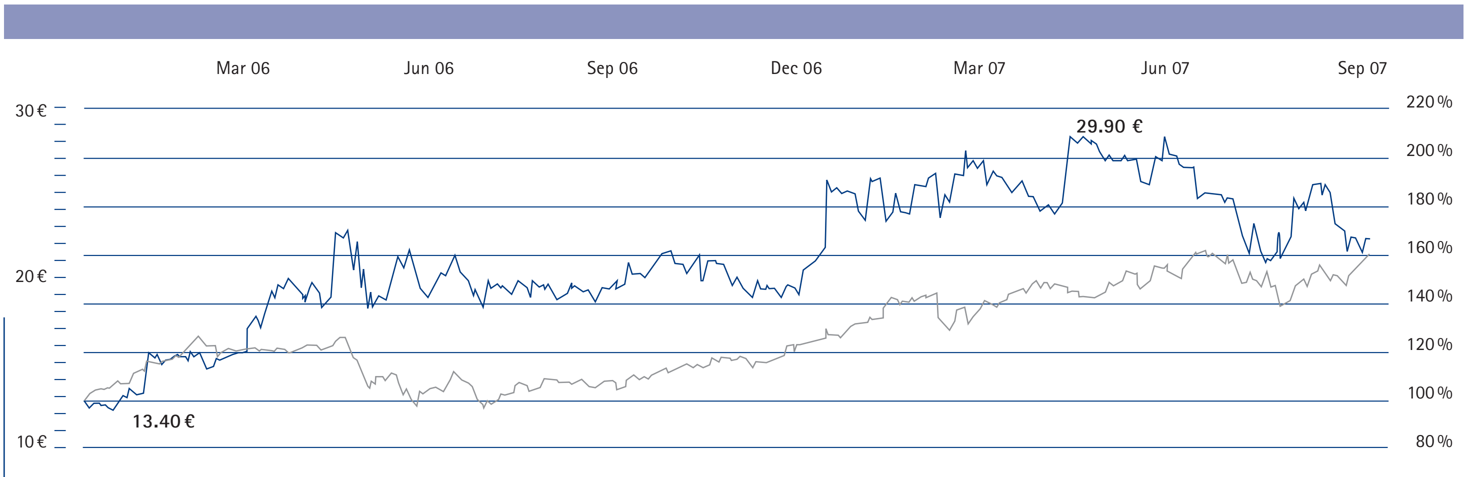
Ernst Homolka
CFO and Board Spokesman

# The Share

**Nemetschek – shares strong in volatile capital market environment**
It is not just the company and its products that are strong in international business, the Nemetschek share price is also stable. On July 2, the shares reached the quarterly high of 27.73 euros, an increase of 25% since the start of the year. In September, though, they were not able to withstand the adverse effects of the US mortgage crisis and came under more pressure. This should not have been the case, though, as Nemetschek AG continued to perform well. In October, however, the shares recovered again with a sustained positive development. Investors' interest in Nemetschek also continues to be strong. In the reporting period, the managing board presented the company in Paris, Vienna and Frankfurt. Further meetings will also be held in Frankfurt, Milan and London up to the end of the year.

Four banks continue to cover Nemetschek. All recommend purchase of the shares in their updates with a share price target of between 31 and 33 euros. On September 20, Börsen-Zeitung followed up an analyst report from the BHF Bank and wrote: “Purchase of Nemetschek shares recommended.” The good business development and shareholder-oriented policy were underlined at the end of the third quarter with a rise in earnings per share from 0.80 euros in the previous year to the current value of 0.93 euros.

## Development of the Nemetschek share from January 1, 2006 to September 30, 2007



Development of the Nemetschek share compared to the TecDAX (indexed)

## Nemetschek Group at a Glance

| In millions of € | Sep. 30, 2007 | Sep. 30, 2006 | Change |
|---|---|---|---|
| Revenue | 102.8 | 74.8 | 37.5% |
| Operating income | 104.7 | 76.2 | 37.4% |
| Gross profit | 97.6 | 70.6 | 38.2% |
| as % of Revenue | 94.9% | 94.4% | |
| EBITDA | 21.3 | 11.8 | 80.5% |
| as % of Revenue | 20.8% | 15.8% | |
| per share in € | 2.22 | 1.23 | |
| EBIT | 14.0 | 9.6 | 45.4% |
| as % of Revenue | 13.6% | 12.9% | |
| per share in € | 1.46 | 1.00 | |
| Net income (consolidated shares) | 9.0 | 7.7 | 15.9% |
| per share in € | 0.93 | 0.80 | |
| Net income | 9.3 | 7.9 | 18.5% |
| Cash flow for the period | 19.2 | 11.9 | 61.3% |
| Cash and cash equivalents | 26.9 | 26.7 | 0.6% |
| Equity | 56.1 | 48.8 | 14.9% |
| Average number of outstanding shares (basic) | 9,625,000 | 9,625,000 | 0.0% |

## A new software generation at Nemetschek

During the third quarter of this year, the Nemetschek Group again proved its claim to market leadership by launching a product and sales campaign.

In September, after two years of development work, Nemetschek North America presented VectorWorks 2008, a comprehensive upgrade of its award-winning CAD software. VectorWorks 2008 offers designers, architects and mechanical engineers a revised user interface, numerous color profiles for presentations and a new technology to improve teamwork, among other features. The latter innovation facilitates usage of the software in large offices and for complex projects.

Projects can be subdivided among the parties in charge and results can be re-combined later without data loss. The new version thus permits the implementation of "Building Information Modeling" in VectorWorks. VectorWorks 2008 is launching a new line of products with an annual update cycle. The software is available in seven languages in addition to the English version.

With CINEMA 4D R10.5, Nemetschek subsidiary MAXON has brought to market a new, highly expanded version of its successful 3D software. The upgrade includes more than 120 new features. Core program functions as well as modules were enhanced again. MOCCA and MoGraph now feature new tools, an improved workflow and substantial acceleration of HAIR rendering. DWG import is a highlight of the new version, as users now have the option to enter files directly in the widely used CAD exchange format. Even layers, blocks and references are translated completely into CINEMA 4D during the import process. Another new feature is the improved interface with Nemetschek Allplan that can be used to transfer CINEMA 4D data into the new Allplan version without data loss.

The new premium product Allplan BIM 2008 is also ready for launch. Architects, construction engineers, engineering professionals and manufacturers of pre-fabricated units can use the new 3D planning software to decide freely which work method they want to use without having to switch back and forth between different applications. Allplan BIM 2008 covers all levels of a modern CAD system – from 2D drawing and 3D planning to component-oriented building modeling for quantity takeoff and cost determination. The intelligent software increases value for users and is the basis for the integrated overall Building Information Modeling (BIM) process. The sophisticated interoperability of Allplan BIM 2008 leads to shorter coordination and release processes and supports interdisciplinary collaboration across offices. For the customers, this means shorter project cycles and lower costs. Allplan BIM 2008 will be available in 16 languages at authorized retailers in January 2008.

Nemetschek is following the integrated planning trend in the area of industrial and commercial construction as well, and the IBD family (IntelligentBuildingData) was supplemented with CAD planning data and components specifically for this industry. Allplan IBD Industriebau is part of the Design2Cost solution for integrated, TÜV-certified cost determination and quantity takeoff. As early as the planning process, users can precisely control quantities and costs and create convincing presentations. This is how Nemetschek shows planners a simple way to switch from familiar 2D design to 3D planning, which is considerably more efficient. At the same time, Nemetschek also creates for this target group the prerequisite for the Building Information Modeling process.

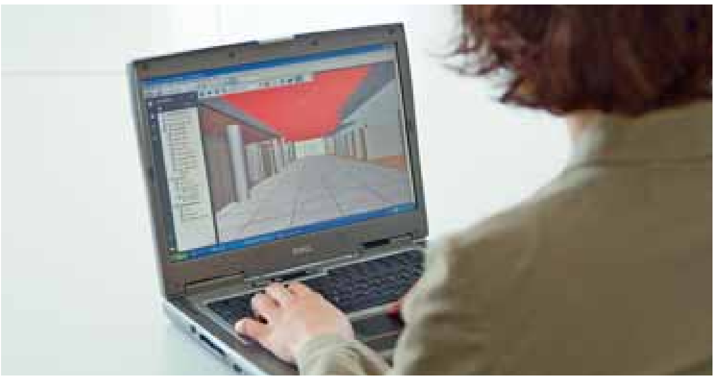
## Building Information Modeling – the Holy Grail

As in other branches of industry where products are designed, produced, sold and finally used, the building industry, too, is looking for ways to improve the efficiency of the design and construction process and to lower costs.

"Building Information Modeling" (BIM) is considered to be the answer. BIM is the computer-aided, three-dimensional process of planning, executing and managing buildings. All the relevant building data is networked and made available to all those involved in the planning and design process. Modern BIM technology ensures that information is exchanged and guarantees ongoing data reconciliation over the entire life cycle of a building.

In this integrated process, architects, civil engineers, design professionals and the parties issuing bid invitations work within a single system. Separate solutions for bid invitations / awarding or for costing are not required. With the help of modern CAD solutions like the products offered by Nemetschek, all parties access the same 2D documents or the same 3D model. Plans are enhanced step-by-step with information and are then available for various reports and analyses. Changes are automatically updated. The efficiency of a plan is in no small part dependent on the ability to precisely determine quantities and costs. The intelligent software helps here, too: It provides architects and designers with sound features including a quantity structure for cost calculation and invitations to bid.

The first pilot projects have shown that with the help of BIM, the time for planning and execution can be reduced by up to 25 percent. Planning errors occur less frequently, material consumption is optimized and costs are lowered.



# Business Development

**Revenue of the Nemetschek Group amounts to 103 million euros**

The Nemetschek Group was once again able to strengthen its market position at home and abroad in recent months of the 2007 financial year. As a technology group specializing in the design, construction and management of buildings and real estate, Nemetschek offers modern, innovative software solutions for architects, engineers and designers. The group's products are in use in all industrialized nations and many cities of the world. This success is borne out by facts and figures. After just nine months of the 2007 financial year, the Nemetschek Group's revenues of 102.8 million euros have almost equaled the total revenue of 2006. Graphisoft revenues are at 23.0 million euros, in terms of architecture business without the Constructor division, which was deinvested in a spin-off at the start of 2007, the increase was 14.7 %.

Compared to the same period of the previous year, group revenues increased by 37.5 % to 102.8 million euros with all business units reporting an increase in revenues.

### Consolidated Income Statement for the Period from January 1 to September 30, 2007 and 2006

| Thousands of € | 3rd quarter 2007 | 3rd quarter 2006 | 9 month 2007 | 9 month 2006 |
|---|---|---|---|---|
| **Revenue** | **33,063** | **24,136** | **102,834** | **74,789** |
| Own work capitalized | 149 | 0 | 381 | 0 |
| Other operating income | 425 | 193 | 1,528 | 1,445 |
| **Operating income** | **33,637** | **24,329** | **104,743** | **76,234** |
| Cost of materials / cost of purchased services | – 2,240 | – 2,393 | – 7,110 | – 5,612 |
| Personnel expenses | – 14,035 | – 11,367 | – 44,347 | – 34,411 |
| Depreciation of property, plant and equipment and amortization of intangible assets | – 585 | – 756 | – 1,783 | – 2,183 |
| Depreciation of property, plant and equipment and amortization of intangible assets due to purchase price allocation | – 1,845 | 0 | – 5,537 | 0 |
| Other operating expenses | – 10,143 | – 7,329 | – 31,937 | – 24,382 |
| **Operating expenses** | **– 28,848** | **– 21,845** | **– 90,714** | **– 66,588** |
| **Operating result** | **4,789** | **2,484** | **14,029** | **9,646** |
| Interest income | 301 | 134 | 1,686 | 387 |
| Interest expenses | – 1,510 | – 44 | – 3,962 | – 112 |
| Income from associates | 54 | 16 | 121 | 70 |
| **Earnings before taxes** | **3,634** | **2,590** | **11,874** | **9,991** |
| Income taxes | – 303 | – 466 | – 2,391 | – 2,107 |
| **Earnings from continued operations** | **3,331** | **2,124** | **9,483** | **7,884** |
| **Discontinued operations** | | | | |
| Losses from discontinued operations | 90 | 0 | – 139 | 0 |
| **Net income for the period** | **3,421** | **2,124** | **9,344** | **7,884** |
| Of this amount: | | | | |
| Equity of the parent company | 3,326 | 2,075 | 8,957 | 7,725 |
| Minority interests | 95 | 49 | 387 | 159 |
| | **3,421** | **2,124** | **9,344** | **7,884** |
| Earnings per share (basic) in € | 0.35 | 0.22 | 0.93 | 0.80 |
| Earnings per share (diluted) in € | 0.35 | 0.22 | 0.92 | 0.80 |
| EBITDA per share (basic) in € | 0.75 | 0.34 | 2.22 | 1.23 |
| EBITDA per share (diluted) in € | 0.75 | 0.34 | 2.20 | 1.23 |
| EBIT per share (basic) in € | 0.50 | 0.26 | 1.46 | 1.00 |
| EBIT per share (diluted) in € | 0.50 | 0.26 | 1.45 | 1.00 |
| Average number of outstanding shares (basic) | 9,625,000 | 9,625,000 | 9,625,000 | 9,625,000 |
| Average number of outstanding shares (diluted) | 9,625,000 | 9,625,000 | 9,683,333 | 9,625,000 |

**EBITDA increases by 80.5 %**

The group EBITDA increased by 80.5 % to 21.3 million euros (previous year: 11.8 million euros). This results in an EBITDA margin of 20.8 % (previous year: 15.8 %). The group EBITDA without Graphisoft, of 13.8 million euros (previous year: 11.8 million euros), increased by 16.5 %. This corresponds to an EBITDA margin of 17.3 % (previous year: 15.8 %). With an EBITDA of 7.6 million euros, Graphisoft achieved an EBITDA margin of 32.9 %.

**High-level growth at home and abroad**

The Nemetschek Group grew at home from 31.2 million euros to 38.2 million euros, corresponding to a growth rate of 22.2 %. Abroad, growth is at 48.5 %, with revenues at 64.6 million euros. For the first nine months, the relationship between domestic and foreign revenue was 37.1 % (previous year: 41.7 %) to 62.9 % (previous year: 58.3 %). The managing board expects the proportion of foreign business to reach two thirds in the near future.

**New impetus in all segments after nine months**

Compared to the same period of the previous year, all business units saw a double-digit increase. The Design business unit grew from 57.1 million euros to 82.8 million euros, and the EBITDA margin is 20.0 % (previous year: 15.4 %). In addition to Graphisoft, the main reason for this growth is the increase in license revenues due to new customers.

Revenues in the Maxon Group increased by 16.6 % in the Multimedia business unit, with an EBITDA margin of 29.6 % (previous year: 19.2 %) contributing to the consolidated results. This is mainly due to the current version of the CINEMA4D product and strong revenues in the United States. In the Manage business unit, CREM Solutions reported a growth in revenues of 10.6 % to 4.7 million euros with a positive EBITDA of 0.4 million euros (previous year: – 0.3 million euros).

In the Build business unit, revenues saw an increase of 11.6 %. At 27.5 %, the EBITDA margin is almost at the previous year's level (28.8 %).

**Consolidated Balance Sheet as of September 30, 2007 and December 31, 2006**

| Assets (Thousands of €) | Sep. 30, 2007 | Dec. 31, 2006 |
|---|---|---|
| **Current assets** | | |
| Cash and cash equivalents | 26,871 | 32,033 |
| Securities | 2,637 | 3,820 |
| Trade receivables, net | 21,224 | 24,680 |
| Inventories | 978 | 814 |
| Tax refunded claims from income taxes | 2,288 | 2,139 |
| Prepaid expenses and other current assets | 5,447 | 19,509 |
| Assets classified as held for sale | 560 | 560 |
| **Current assets, total** | **60,005** | **83,555** |
| **Non-current assets** | | |
| Property, plant and equipment | 4,122 | 4,508 |
| Intangible assets | 61,864 | 67,043 |
| Goodwill | 51,037 | 43,560 |
| Shares in associates / financial assets | 420 | 484 |
| Deferred taxes | 3,287 | 3,354 |
| Other non-current assets | 1,458 | 1,628 |
| **Non-current assets, total** | **122,188** | **120,577** |
| **Total Assets** | **182,193** | **204,132** |

**Good result raises cash flow for the period**

The higher EBITDA in the first nine months of the financial year also had a positive effect on cash flow. The cash flow for the period increased to 19.2 million euros (previous year: 11.9 million euros). The cash flow from operating activities rose by 3.6 million euros to 19.4 million euros.

Cash flow from investing activities is – 99.2 million euros, with a total of 97.2 million euros of this figure paid for 100 % of the shares in Graphisoft SE. On September 30, 2007 the group had already repaid 27.0 million euros of the bank loan taken out for financing purposes. Cash flow from financing activities contains the dividend payout of 0.56 euros per share, paid on May 24, 2007.

After repayment of the bank loan and payment of the dividend, the liquid assets on the balance sheet date were 29.5 million euros (on December 31, 2006: 32.0 million euros).

**Equity ratio above 30 %**

The current assets were reduced by 23.6 million euros primarily as a result of the repayment of the loan by Graphisoft Park Kft. (14.5 million euros) to Graphisoft SE and the rapid reduction of debt.

The value of non-current assets increased by 1.6 million euros. On the one hand, the goodwill of Graphisoft SE and SCIA International rose after acquisition of the remaining shares. On the other, the group amortized assets due to the purchase price allocation as planned with 5.5 million euros.

18.5 million euros of the current liabilities relate to the current portion of the bank loan from the Graphisoft acquisition including interest. 55.5 million euros of the non-current liabilities relate to the long-term portion of the bank loan.

| Equity and liabilities (Thousands of €) | Sep. 30, 2007 | Dec. 31, 2006 |
|---|---|---|
| **Current liabilities** | | |
| Short-term loans and current portion of long-term loans | 18,540 | 797 |
| Trade payables | 3,586 | 5,986 |
| Payments on account | 20 | 310 |
| Provisions and accrued liabilities | 13,914 | 12,087 |
| Deferred income | 15,713 | 10,322 |
| Income taxes | 117 | 3,692 |
| Other current liabilities | 5,193 | 101,408 |
| **Current liabilities, total** | **57,083** | **134,602** |
| **Non-current liabilities** | | |
| Long-term loans without current portion | 55,620 | 242 |
| Deferred taxes | 11,897 | 12,956 |
| Pension provisions | 608 | 590 |
| Other non-current liabilities | 904 | 636 |
| **Non-current liabilities, total** | **69,029** | **14,424** |
| **Equity** | | |
| Subscribed capital | 9,625 | 9,625 |
| Capital reserves | 39,769 | 41,640 |
| Revenue reserve | 52 | 52 |
| Currency translation | – 3,325 | – 2,810 |
| Retained earnings / accumulated loss | 8,765 | 5,242 |
| Minority interests | 1,195 | 1,357 |
| **Equity, total** | **56,081** | **55,106** |
| **Total equity and liabilities** | **182,193** | **204,132** |

## Consolidated Cash Flow Statement for the Period from January 1 to September 30, 2007 und 2006

| Thousands of € | 2007 | 2006 |
|---|---|---|
| Earnings (before taxes) | 11,874 | 9,990 |
| Amortization and depreciation of non-current assets | 1,783 | 2,183 |
| Amortization and depreciation due to purchase price allocation | 5,537 | 0 |
| Change in pension provision | 18 | 26 |
| Non-cash transactions | 163 | 97 |
| Expense / income from associates | – 121 | – 210 |
| Expense / income from disposal of property, plant and equipment | – 17 | – 157 |
| **Cash flow for the period** | **19,237** | **11,929** |
| Interest income | – 1,686 | – 387 |
| Interest expenses | 3,962 | 112 |
| Change in other provisions and accruals | 1,827 | 1,229 |
| Change in trade receivables | 3,456 | 1,862 |
| Change in inventories, other assets | 3,338 | – 540 |
| Change in trade payables | – 2,400 | – 1,097 |
| Change in other liabilities | – 8,170 | 3,609 |
| Cash received from distributions from associates | 134 | 141 |
| Interest received | 1,460 | 387 |
| Income taxes received | 711 | 655 |
| Income taxes paid | – 2,517 | – 2,143 |
| **Cash flow from operating activities** | **19,352** | **15,757** |
| Capital expenditure | – 1,954 | – 2,313 |
| Acquisition of entities after deduction of acquired cash and cash equivalents | 0 | – 3,341 |
| Change in liabilities from acquisitions | – 97,197 | – 5,295 |
| Cash received from the disposal of non-current assets | 26 | 4 |
| Disposal of cash and cash equivalents assets from deconsolidation | – 41 | 0 |
| **Cash flow from investing activities** | **– 99,166** | **– 10,945** |
| Dividend payment | – 5,390 | – 6,256 |
| Minority interests paid | – 545 | – 387 |
| Proceeds from borrowings | 100,000 | 0 |
| Repayment of borrowings | – 27,000 | 0 |
| Change in liabilities to banks due to acquisition | – 1,000 | 0 |
| Interest paid | – 3,484 | – 78 |
| Payment received from loan receivables | 14,514 | 0 |
| Payments for redemption of own shares | – 1,981 | 0 |
| **Cash flow from financing activities** | **75,114** | **– 6,721** |
| **Changes in cash and cash equivalents** | **– 4,700** | **– 1,909** |
| **Effects of exchange rate differences on cash and cash equivalents** | **– 303** | **– 320** |
| **Cash and cash equivalents at the beginning of the period** | **34,511** | **28,966** |
| **Cash and cash equivalents at the end of the period** | **29,508** | **26,737** |

### Consolidated Segment Reporting for the Period from January 1 to September 30, 2007 und 2006

| Thousands of € | 2007 Revenue | 2007 Amortization and depreciation | 2007 EBIT | 2006 Revenue | 2006 Amortization and depreciation | 2006 EBIT |
|---|---|---|---|---|---|---|
| Design | 82,831 | 7,020 | 9,574 | 57,058 | 1,862 | 6,908 |
| Build | 9,272 | 124 | 2,427 | 8,308 | 121 | 2,273 |
| Manage | 4,733 | 45 | 385 | 4,279 | 47 | – 370 |
| Multimedia | 5,998 | 131 | 1,643 | 5,144 | 153 | 835 |
| **Total** | **102,834** | **7,320** | **14,029** | **74,789** | **2,183** | **9,646** |

### Change in Group Equity for the Period from December 31, 2005 to September 30, 2007

| Thousands of € | Equity applicable to the parent company's shareholders | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Subscribed capital | Capital reserve | Revenue reserve | Currency translation | Retained earnings / accumulated loss | Total | Minority interests | Total Equity |
| **As of December 31, 2005** | **9,625** | **41,354** | **52** | **– 1,851** | **– 2,084** | **47,097** | **1,037** | **48,134** |
| Additional share purchases | | | | | | 0 | – 51 | – 51 |
| Share-based compensation | | 194 | | | | 194 | | 194 |
| Issuance costs prior years | | 92 | | | | 92 | | 92 |
| Income payment from minority interests | | | | | – 10 | – 10 | – 387 | – 397 |
| Difference from currency translation | | | | – 960 | | – 960 | | – 960 |
| Dividend payments | | | | | – 6,256 | – 6,256 | | – 6,256 |
| Net income for the year | | | | | 13,592 | 13,592 | 758 | 14,350 |
| **As of December 31, 2006** | **9,625** | **41,640** | **52** | **– 2,811** | **5,242** | **53,748** | **1,357** | **55,106** |
| Minority share purchases | | | | | | 0 | 6 | 6 |
| Additional share purchases | | | | | | 0 | – 20 | – 20 |
| Redemption of own shares | | – 1,981 | | | | – 1,981 | | – 1,981 |
| Share-based compensation | | 110 | | | | 110 | | 110 |
| Income payment from minority interests | | | | | – 43 | – 43 | – 502 | – 545 |
| Changes from currency translation | | | | – 514 | | – 514 | – 33 | – 547 |
| Dividend payments | | | | | – 5,390 | – 5,390 | | – 5,390 |
| Net income for the period | | | | | 8,957 | 8,957 | 387 | 9,344 |
| **As of September 30, 2007** | **9,625** | **39,769** | **52** | **– 3,325** | **8,765** | **54,886** | **1,195** | **56,081** |

### Shares Owned by the Board Members on September 30, 2007

| | Number of shares | Subscription rights |
|---|---|---|
| **Managing board** | | |
| Ernst Homolka | 225 | 50,000 |
| Michael Westfahl | 0 | 50,000 |
| **Supervisory board** | | |
| Kurt Dobitsch | 0 | 0 |
| Prof. Georg Nemetschek | 2,411,322 | 0 |
| Rüdiger Herzog | 0 | 0 |

The equity capital is 56.1 million euros (December 31, 2006: 55.1 million euros). This is equivalent to an equity ratio of 30.8 % (December 31, 2006: 27.0 %).

**Earnings per share increased to 0.93 euros**
The Nemetschek Group increased its net income to 9.3 million euros despite depreciation from purchase price allocation of – 5.5 million euros (previous year: 0 million euros), and interest of – 4.0 million euros (previous year: – 0.1 million euros). The earnings per share (basic) improved by 15.9 % to 0.93 euros (previous year: 0.80 euros).

**Special events**
On August 15, 2007, Nemetschek AG launched a share redemption program for 81,360 of its own shares, which was completed on September 28, 2007. The purchased shares served as acquisition currency for the full purchase of SCIA Group International NV, Belgium. With the acquisition of the remaining 21.16 % of SCIA shares, the SCIA Group became a 100 % group company of Nemetschek AG.

**Outlook**
Experts expect continued stable growth rates and therefore positive impetus for the technology sector in the AEC division. Despite the less dynamic economy, the upturn in Germany is robust and set to last.

With the good operational figures for the first nine months of this year, which are again marked by sustained growth and improved margins, Nemetschek believes there is a very good chance of meeting all the forecast targets for the 2007 financial year. In the fourth quarter, Nemetschek is already seeing higher demand for the new software generations launched in the fall. This impetus will continue beyond the end of the year and sustain dynamic business developments in 2008. For the current financial year, management expects total sales of more than 140 million euros and an EBITDA margin of over 20 percent.

## Quarterly statement based on IAS / IFRS

The Nemetschek Group's quarterly statement is compiled in accordance with the International Accounting Standards Board's (IASB) International Financial Reporting Standards. The consolidated financial statement on September 30, 2007 is unaudited. It is based on the same accounting, appraisal and calculation methods as the annual financial statement dated December 31, 2006, with the following changes:

After the resolution of the Business Tax Reform Act 2008 by the Lower House of German Parliament in May 2007, the Upper House of German Parliament adopted it on July 6, 2007. As the Business Tax Reform Act goes into effect on January 1, 2008, applicable tax rates in Germany for corporate income tax and trade tax will decrease. The resulting tax rate change from the current 40.5 % rate to approximately 33.0 % affects the assessment of deferred taxes for the current quarterly statement. The assessment change was presented as a "discrete item" in accordance with the IAS 34 requirement. The tax rate change adjustment led to a one-time effect amounting to 0.2 million euros income from deferred taxes.

The group of companies corresponds to the situation on December 31, 2006, with the following changes:

- Acquisition on May 23, 2007: A 70 % participation via SCIA Group NV, Herk-de-Stad, Belgium, in the newly founded Online Projects bvba, Herk-de-Stad, Belgium.

- Disposal on June 30, 2007 of 100 % of shares in NEMETSCHEK kft., Budapest, Hungary.

- Acquisition on September 28, 2007: Acquisition of an additional 4.67 % in Nemetschek Fides & Partner AG, Wallisellen, Switzerland.

- With the entry in the share register of SCIA International NV, Herk-de-Stad, Belgium, on October 5, 2007, Nemetschek AG acquired the remaining 21.16 % SCIA Group shares through a share exchange transaction. 81,360 of the company's own shares served as the acquisition currency. Those shares were bought back from the market up until September 28, 2007 for a total price of 2.0 million euros.

## STEFFNER DACH + WAND goes with AUER Success

Renovated rooftop of a mansion in Linz (copper strip)

AUER Success is the leading software package for the main construction trade in Austria. Now, more and more businesses in the ancillary construction trade – woodworking shops, roofers, drywallers and roof plumbers – are discovering the advantages offered by Auer's building software.

The successful implementation of AUER Success in master roofer Johann Steffner's company sets an example for an entire industry: STEFFNER DACH + WAND from Bad Goisern has been in business since 1959 and, depending on the season, employs up to 35 people. Johann Steffner and Hermann Oberfrank are the company's managing partners. The range of services vary from small roof and façade repair orders to orders with a volume of several thousand euros. Both private clients and architects, master builders, general contractors and public offices are among STEFFNER DACH + WAND's customers. The firm processes up to 2,500 projects per year.
Enthusiastic users of AUER Success

Since the early days of IT in the late seventies, STEFFNER DACH + WAND has been using the opportunities offered by IT-based costing and order processing and has constantly modernized and stayed up-to-date in this domain. In 2006, Johann Steffner and his team decided to install Auer Bausoftware. In the meantime, the staff at STEFFNER DACH + WAND are avid users of many of the software modules, ranging from tendering to costing and controlling.

Johann Steffner knows very well why he – as a roofer, roof plumber and wall claddings contractor – can no longer imagine his daily workflow without AUER Bausoftware: "One of the main reasons for choosing AUER Bausoftware was the fact that the software has a broad installation base among general contractors, planners and tenderers. The possibility of seamlessly exchanging data with them means that I save around 400 hours per year that would otherwise be spent submitting offers and planning. We can spend the time saved here on more important tasks such as customer service. Another important advantage is the fact that the software integrates very well with Microsoft Windows. The high degree of industry expertise, excellent support and the innovative force of software company AUER confirm my decision to go with the program AUER Success."

Renovated rooftop of a mansion in the Salzkammergut, Austria (eternit shingles and copper)

New building of a technology centre in the Salzkammergut, Austria (aluminium coated strip)

Nemetschek Aktiengesellschaft
Konrad-Zuse-Platz 1
81829 Munich
Germany
Phone: +49 (0) 89-9 27 93 – 1219
Fax: +49 (0) 89-9 27 93 – 5404
E-mail: investorrelations@nemetschek.de
www.nemetschek.com

**Imprint**


**Concept and Editorial Office**
Investor Relations
Nemetschek AG

**Design and Realization**
FIRST RABBIT GmbH, Cologne

**Pre Press**
FIRST RABBIT GmbH, Cologne

**Producer**
Mediahaus Biering GmbH, Munich

**Pictures**
cover: PFP Architekten BDA, Hamburg, copyright: Ralf Buscher
page 2: copyright: Nemetschek AG
page 4: Nemetschek AG, copyright: Wilhelm Zedler
page 11: copyright: STEFFNER DACH + WAND