



Barco One Campus, Kortrijk, Belgium  
Architects: Jaspers-Eyers Architects | Engineering Office: Establis  
Image: Marc Detiffe | Realized with GRAPHISOFT and SCIA

## Financial Results Q4 / FY 2016 Outlook 2017

March 31<sup>st</sup>, 2017



## Dynamic revenue growth in 2016

- **FY 2016 revenues:** 337.3 mEUR (+18.2%), organic growth: +15.9%
- Inorganic effects: Solibri (4.5 mEUR) and Design Data (4.7 mEUR)
- Growth factors:  
New releases/innovations, strengthened internationalization, stronger sales focus

## Focus on internationalization

- International markets increased by +21.7% to 230.5 mEUR
- **Revenue share abroad:** 68.4%
- Higher footprint in the US with revenues share of around 27%
- Strongest growth in: Nordic, Americas and Asia
- Positive revenue development in Germany with +11.4% to 106.7 mEUR

## Double-digit growth in recurring and license revenues

- **Recurring revenues** up by 19.7% to 146.5 mEUR
- High revenue share of more than 43%
- Software licenses increased by +16.9% to 175.8 mEUR
- New customers and recurring revenues secured

## EBITDA grew stronger than revenues – profitability increased

- **EBITDA** up by 26.6% to 88.0 mEUR
- EBITDA margin increased yoy from 24.4% to 26.1%
- Positive one-off effect in Q2 of 1.9 mEUR
- EBITDA w/o one-off effect up by 23.9% to 86.1 mEUR
- EBITDA margin w/o one-off effect at 25.5%
- No activation of R&D costs

## Significant growth of net income and EPS

- **Net income** increased significantly by 30.7% to 46.9 mEUR
- **EPS** up to 1.22 EUR
- Tax rate slightly below last year at 29.4%

## Strong cash conversion/ solid balance sheet

- **Operating cash flow** up by +22.4% to 79.7 mEUR, conversion rate at high 90.6%
- Cash and cash equivalents at 112.5 mEUR, net liquidity at 16.3 mEUR
- Equity ratio of 44.4% - leeway for further investments (organic and in acquisitions)

## M&A

- Acquisition of **Design Data** (August 2016) increased competence in steel detailing
- Acquisition of **dRofus** (end of 2016) opens up the access to building owners through its unique planning and data management tool

## Dividend

- **Proposal to the AGM:** 0.65 EUR per share, increase of 30% compared to last year

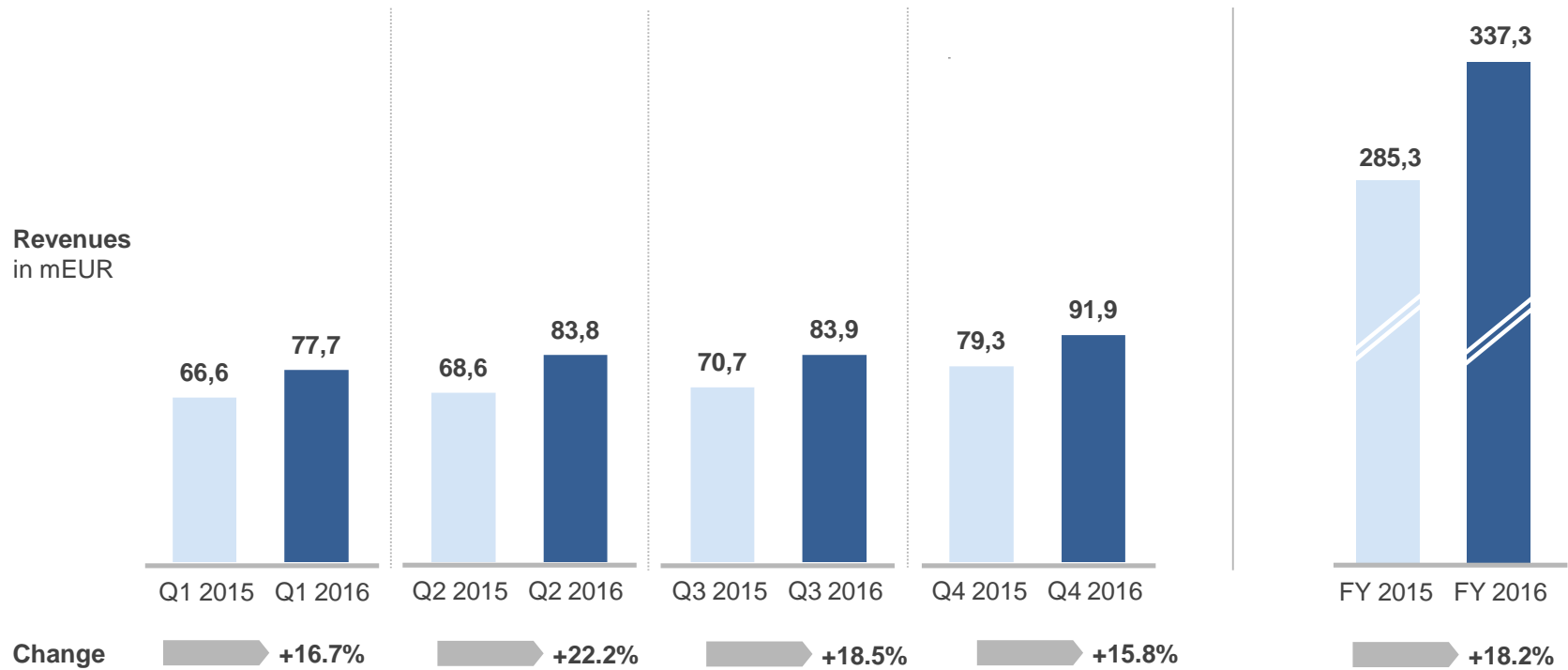
## Strategic projects

- **Strategic projects were kicked off in 2016:**
- Cross-brand developments
- Internal ERP harmonization

## Optimistic Outlook 2017

- **Revenue target range:** 395 - 401 mEUR, up by +17% - +19%
- Thereof organic: +13% - +15%, inorganic effects through dRofus and Design Data
- **EBITDA target range:** 100 - 103 mEUR (+16 - +20%)
- High EBITDA margin of FY 2016 will be maintained despite strategic investment to secure sustained future growth and lower EBITDA margins of strongly expanding acquired brands

# Record revenue level in FY 2016



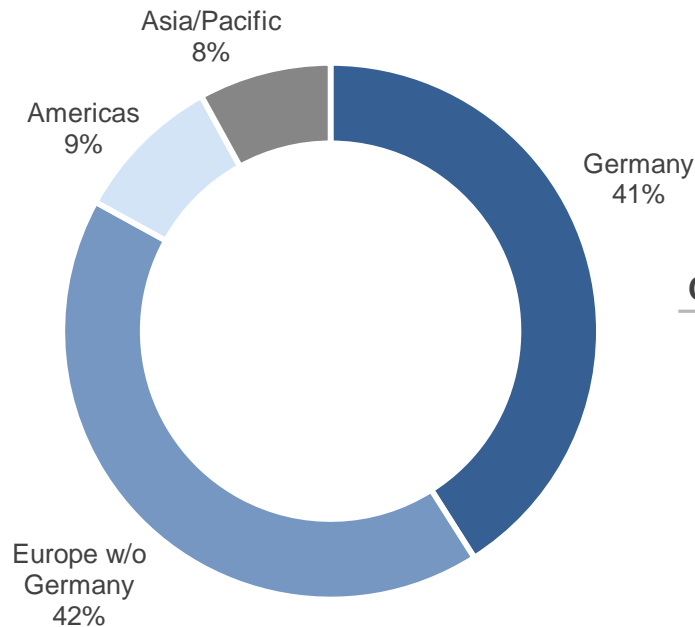
### Q4 2016

- ▶ Revenue in Q4 up by +15.8% to 91.9 mEUR
- ▶ Organic growth of +12.8% yoy

### FY 2016

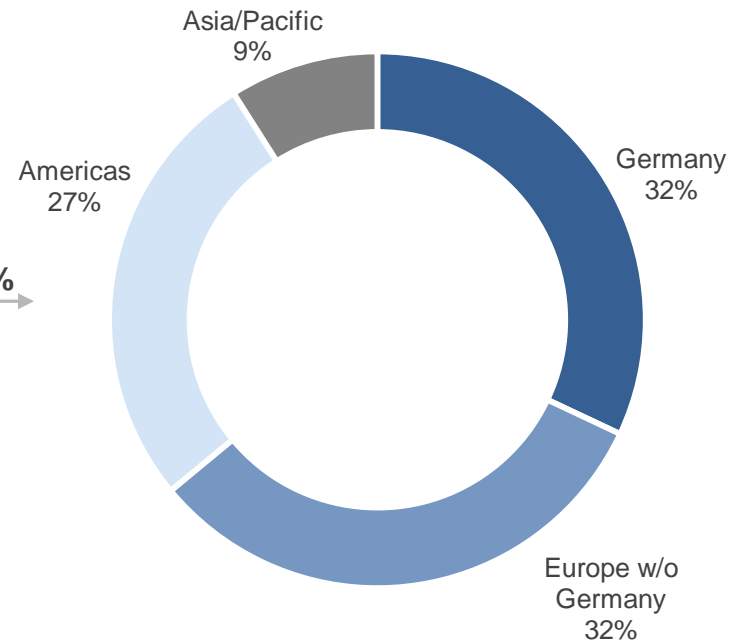
- ▶ Up by 18.2% to 337.3 mEUR
- ▶ Solibri and Design Data contributed around 9.2 mEUR
- ▶ Organic growth of 15.9% yoy

**Revenues 2011: 164.0 mEUR**



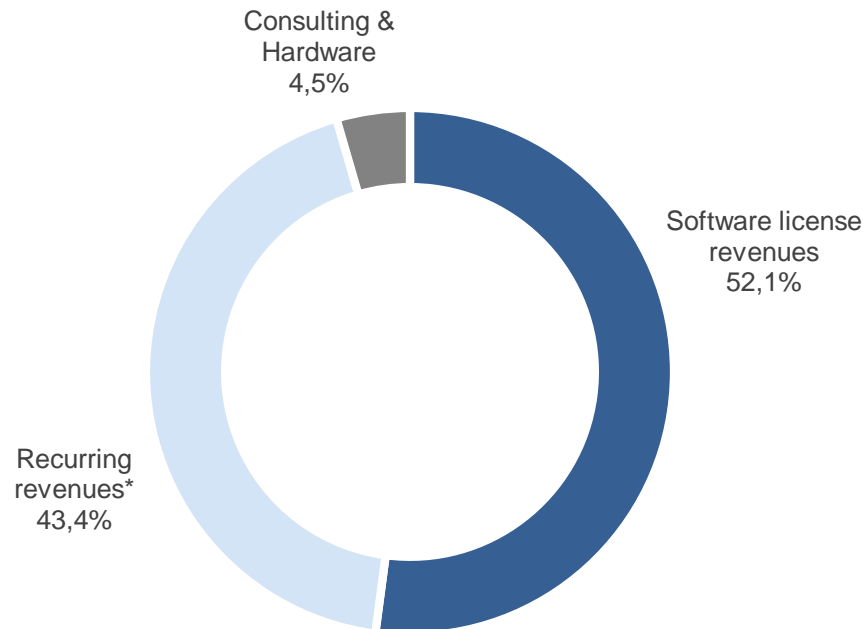
**Revenues 2016: 337.3 mEUR**

**CAGR 15.5%**  
5 years



- ▶ Outstanding success story in the US: biggest and most competitive market worldwide with only few foreign software market players
- ▶ US key figures: Revenues more than tripled since 2014, revenue share in the USA increased to 27%
- ▶ International focus strengthened over the last years (Americas, Europe, Asia)

Revenue split FY 2016 in %



### Recurring revenues\*

- Up by 19.7% to 146.5 mEUR
- High recurring revenue share of 43.4% leads to higher stability

### Software license revenues

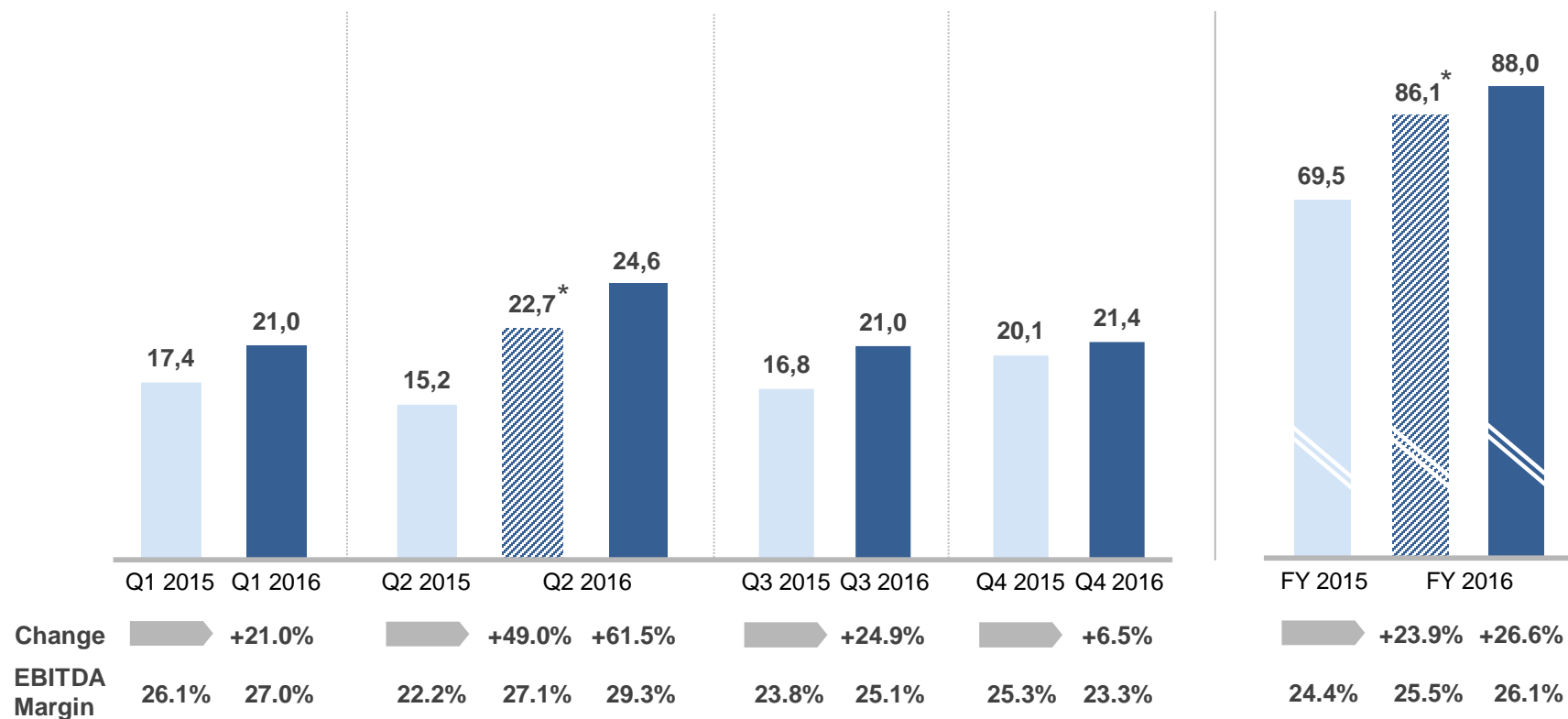
- Up by 16.9% to new record level of 175.8 mEUR
- New customers wins
- Increasing customer base
- Consequently recurring revenues will follow

\* Software services, rental models (Subscriptions, SaaS)

# EBITDA increased stronger than revenues

EBITDA in mEUR

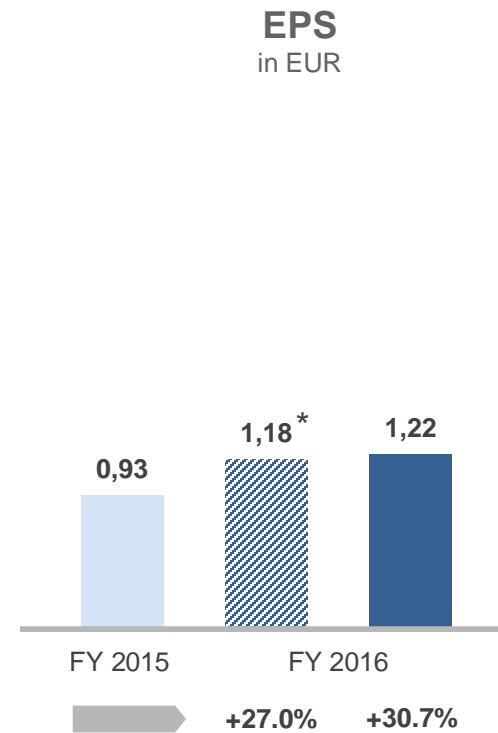
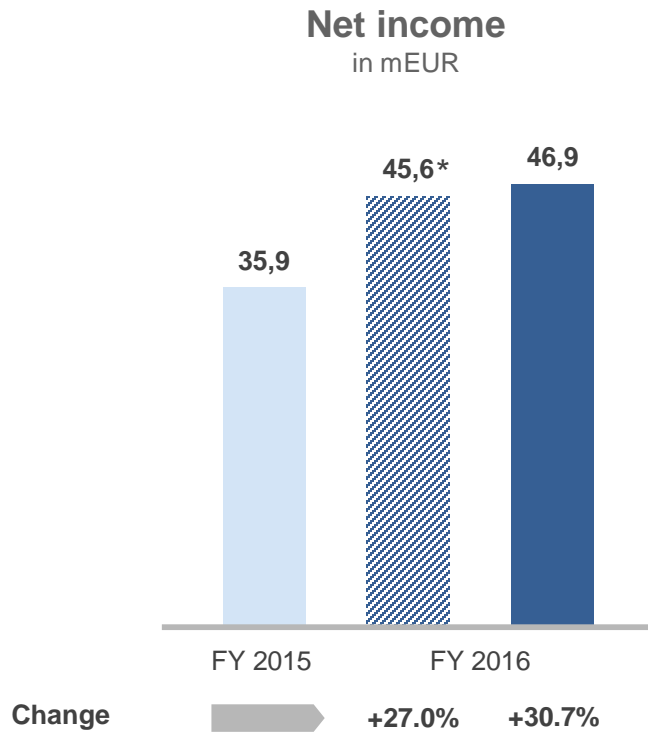
\* EBITDA w/o 1.9 mEUR positive one-off effect



- ▶ EBITDA is shown with and w/o the positive one-off effect of 1.9 mEUR in Q2
- ▶ EBITDA margin improved from 24.4% to 26.1% (25.5% w/o one-off effect)
- ▶ Q4 EBITDA burdened by special effects (1.4 mEUR sales tax amongst others)

# Net income and EPS showed significant growth

\* Net income and EPS w/o 1.9 mEUR positive one-off effect

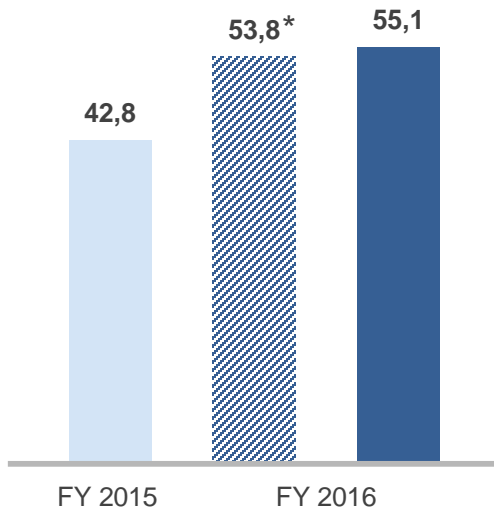




\* Net income and EPS w/o 1.9 mEUR positive one-off effect

### Net income w/o PPA

in mEUR

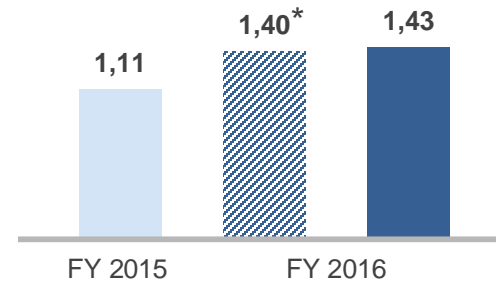


Change



### EPS w/o PPA

in EUR



## Design

- Design segment showed double-digit revenue growth rates
- Sale of Glaser end of 2015 influenced growth rate in Q4 2016
- EBITDA margin improved significantly

## Build

- Inorganic revenue effects of Solibri and Design Data (in total ~9.2 mEUR)
- Organic growth of 31% yoy
- Further investments

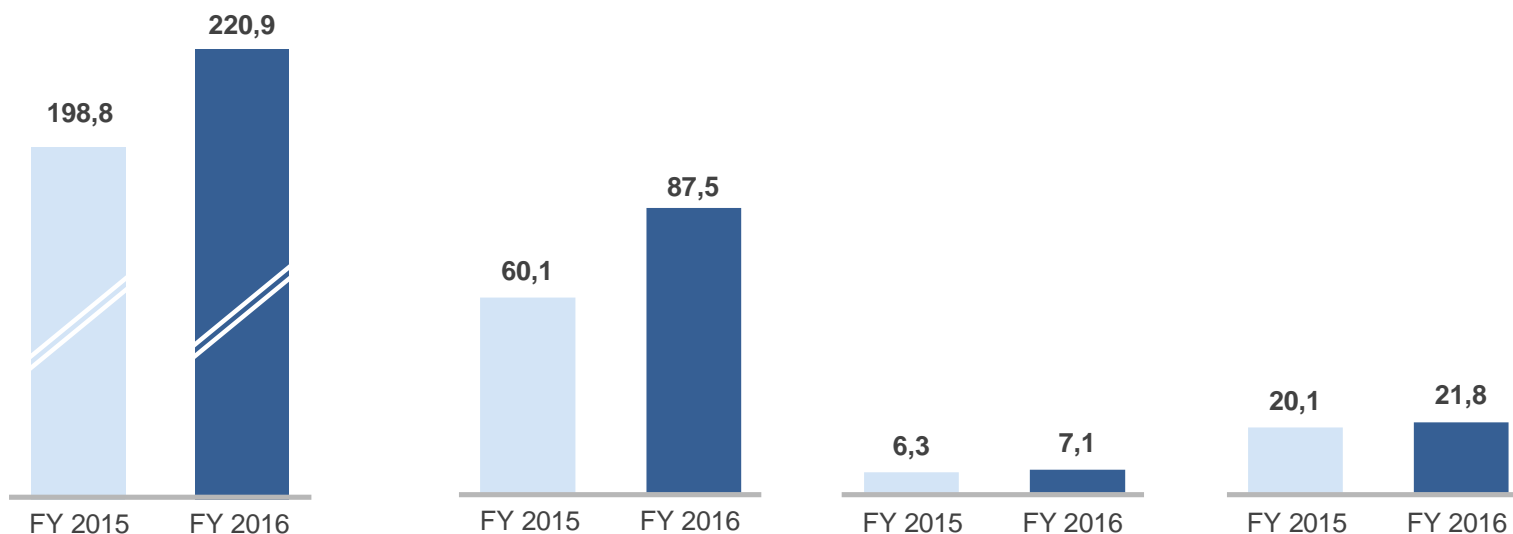
## Manage

- Very positive revenue development over the FY 2016
- Slight improvement of the EBITDA margin

## Media & Entertainment

- Solid revenue development
- Investments in new customer segments etc. have impact on margins

### Revenues in mEUR



### Change

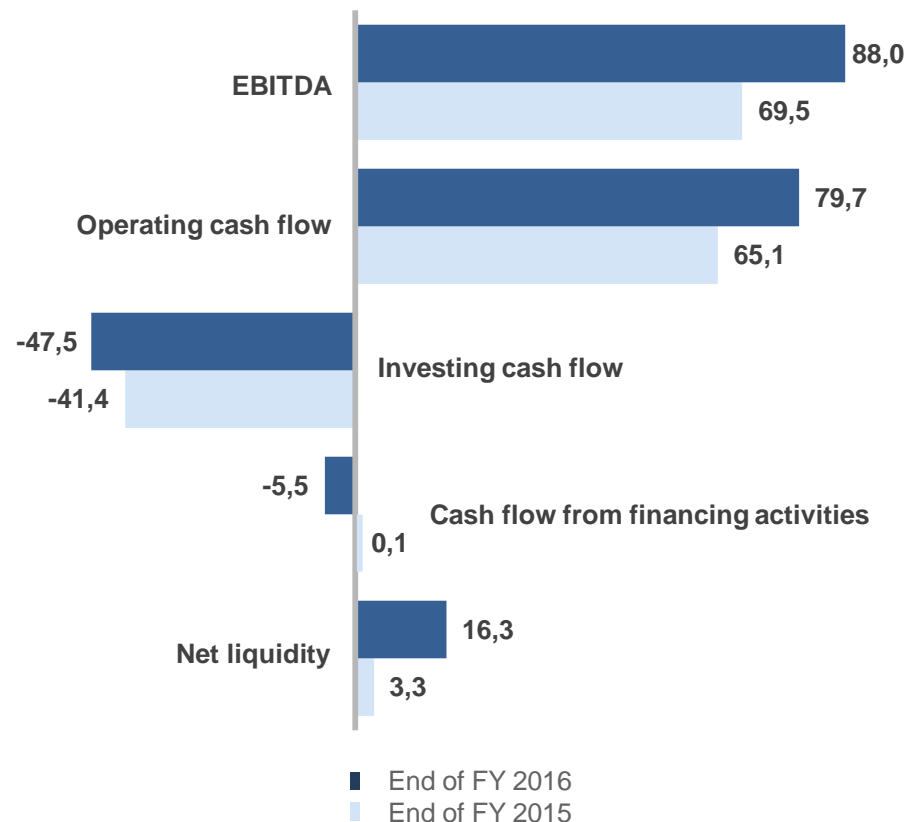


### EBITDA Margin\*



\* EBITDA of the segments is shown w/o the positive one-off effect of 1.9 mEUR

in mEUR



### EBITDA

- +26.6% yoy

### Operating cash flow

- +22.4% yoy

### Investing cash flow

- Capex of 7.4 on previous year level
- Investment in Design Data (40.4 mEUR)

### Cash flow from financing activities

- Repayment of bank loan (-22.2 mEUR)
- Dividend payments (-19.25 mEUR)
- Bank loan for Design Data (+38.0 mEUR)

### Net liquidity situation

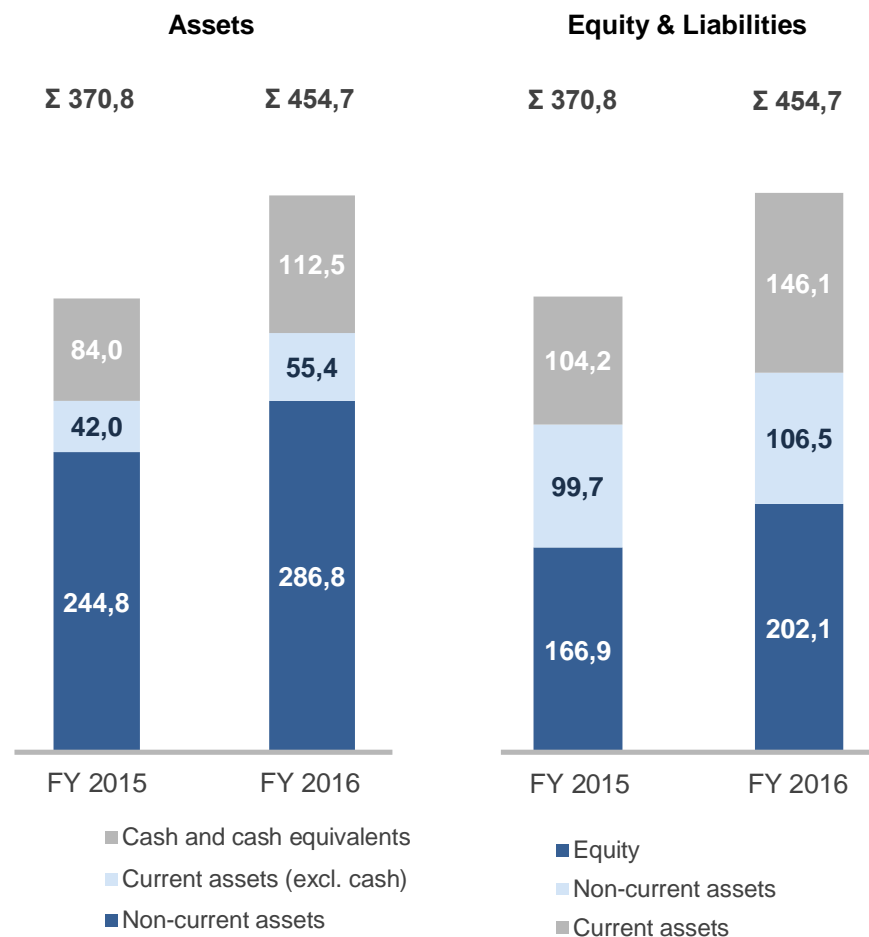
- Leeway to grow organically and via acquisitions

### Conversion rate\* / net liquidity situation

- Strong conversion rate of 90.6%
- Net cash situation of 16.3 mEUR

\* Operating cash flow / EBITDA

in mEUR



## Assets

- Cash increased by 28.5 mEUR
- Goodwill up by 33.4 mEUR mainly due to Design Data

## Liabilities

- 96 mEUR bank loan
- Deferred revenues up by 13.3 mEUR due to growth in software services
- Equity ratio with 44.4% on solid level

## Further leeway

- To finance growth organically and via acquisitions

## Market conditions

- Digitalization and IT spending will drive the use of software solutions in the AEC market
- BIM market is expected to grow at a remarkable rate owing to supportive government regulations mandating the adoption of BIM software for construction projects

## Strategic market positioning

- Clear focus on AEC market
- Leading player of Open BIM solutions
- Network of industry leaders

## Growth potential/ Investments

- Focus on internationalization (North America, Asia, Europe)
- Investments in cross-brand strategic projects, new regional markets and customer segments, sales & marketing and innovation
- Strategically co-operations & acquisitions
- Healthy balance sheet - capable of investing in organic and in inorganic growth

## Guidance 2017

- **Revenues:** Focus on topline with double digit growth rates in the mid-teens
- **EBITDA:** Double digit growth
- High **EBITDA margin** of FY 2016 will be maintained despite strategic investment to secure sustained future growth and lower EBITDA margins of strongly expanding acquired brands

in mEUR	FY 2016	Forecast 2017*	Organic
Revenues	337.3	395 – 401 (+17% - +19%)	+13% - +15%
EBITDA	86.1**	100 – 103 (+16 - +20%)	

\*USD/EUR plan rate: 1.09

\*\* EBITDA w/o positive one-off effect of 1.9 mEUR



# Appendix

## P+L statement Q4 / FY comparison

mEUR	Q4 2016	Q4 2015	% YoY	12M 2016	12M 2015	% YoY
<b>Revenues</b>	<b>91.9</b>	<b>79.3</b>	<b>+15.8%</b>	<b>337.3</b>	<b>285.3</b>	<b>+18.2%</b>
Own work capitalized/other operating income	1.4	2.3	-41.5%	7.0	5.9	+17.6%
<b>Operating income</b>	<b>93.3</b>	<b>81.7</b>	<b>+14.2%</b>	<b>344.3</b>	<b>291.2</b>	<b>+18.2%</b>
Cost of materials/purchased services	-3.0	-2.8	+6.6%	-10.9	-9.7	+12.3%
Personnel expenses	-41.5	-33.9	+22.4%	-151.2	-127.1	+19.0%
Other operating expenses	-27.4	-24.9	+10.0%	-94.1	-84.9	+10.9%
<b>Operating costs</b>	<b>-71.9</b>	<b>-61.6</b>	<b>+16.7%</b>	<b>-256.3</b>	<b>-221.7</b>	<b>+15.6%</b>
<b>EBITDA</b>	<b>21.4</b>	<b>20.1</b>	<b>+6.5%</b>	<b>88.0</b>	<b>69.5</b>	<b>+26.6%</b>
<b>Margin</b>	<b>23.3%</b>	<b>25.3%</b>		<b>26.1%</b>	<b>24.4%</b>	
<b>EBITDA (w/o one-off effect)</b>	<b>21.4</b>	<b>20.1</b>	<b>+6,5%</b>	<b>86.1</b>	<b>69.5</b>	<b>+23.9%</b>
<b>Margin (w/o one-off effect)</b>	<b>23.3%</b>	<b>25.3%</b>		<b>25.5%</b>	<b>24.4%</b>	
Depreciation of PPA and amortization	-4.8	-4.3	+10.6%	-18.3	-16.8	+9.1%
<i>t/o PPA</i>	-2.8	-2.5	+10.7%	-11.1	-10.1	+9.1%
<b>EBITA (normalized EBIT)</b>	<b>19.4</b>	<b>18.3</b>	<b>+6.1%</b>	<b>80.7</b>	<b>62.8</b>	<b>+28.5%</b>
<b>EBIT</b>	<b>16.6</b>	<b>15.8</b>	<b>+5.4%</b>	<b>69.7</b>	<b>52.7</b>	<b>+32.2%</b>
Financial result	0.2	1.7		-0.5	1.5	
<b>EBT</b>	<b>16.8</b>	<b>17.5</b>	<b>-3.8%</b>	<b>69.2</b>	<b>54.2</b>	<b>+27.7%</b>
Income taxes	-5.7	-5.0	+12.4%	-20.3	-16.4	+23.9%
Non-controlling interests	-0.5	-0.7		-1.9	-1.9	
<b>Net income (group shares)</b>	<b>10.7</b>	<b>11.7</b>	<b>-8.9%</b>	<b>46.9</b>	<b>35.9</b>	<b>+30.7%</b>
<b>EPS in EUR</b>	<b>0.28</b>	<b>0.30</b>	<b>-8.9%</b>	<b>1.22</b>	<b>0.93</b>	<b>+30.7%</b>
<b>Net income (group shares w/o one-off effect)</b>	<b>10.7</b>	<b>11.7</b>	<b>-8.9%</b>	<b>45.6</b>	<b>35.9</b>	<b>+27.0%</b>
<b>EPS in EUR (w/o one-off effect)</b>	<b>0.28</b>	<b>0.30</b>	<b>-8.9%</b>	<b>1.18</b>	<b>0.93</b>	<b>+27.0%</b>

## Balance sheet - Assets

mEUR	December 31, 2016	December 31, 2015
<b>ASSETS</b>		
Cash and cash equivalents	112.5	84.0
Trade receivables, net	38.8	29.6
Inventories	0.6	0.5
Other current assets	16.0	11.8
<b>Current assets, total</b>	<b>167.9</b>	<b>125.9</b>
Property, plant and equipment	14.3	13.8
Intangible assets	89.7	83.2*
Goodwill	177.2	143.8*
Other non-current assets	5.7	4.1
<b>Non-current assets, total</b>	<b>286.8</b>	<b>244.8</b>
<b>Total assets</b>	<b>454.7</b>	<b>370.8</b>

\* Previous year values adjusted to final purchase price allocation of Solibri Group.



# Balance sheet – Equity and liabilities

mEUR	December 31, 2016	December 31, 2015
<b>EQUITY AND LIABILITIES</b>		
Short-term borrowings and current portion of long-term loans	26.0	18.6
Trade payables & accrued liabilities	40.7	32.2
Deferred revenue	55.3	42.0
Other current assets	24.1	11.4
<b>Current liabilities, total</b>	<b>146.1</b>	<b>104.1</b>
Long-term borrowings without current portion	70.2	62.1
Deferred tax liabilities	20.6	20.8*
Other non-current liabilities	15.7	16.9*
<b>Non-current liabilities, total</b>	<b>106.5</b>	<b>99.7</b>
Subscribed capital and capital reserve	51.0	51.0
Retained earnings	144.0	116.3
Other comprehensive income	4.4	-2.5
Non-controlling interests	2.8	2.1
<b>Equity, total</b>	<b>202.1</b>	<b>166.9</b>
<b>Total equity and liabilities</b>	<b>454.7</b>	<b>370.8</b>

\* Previous year values adjusted to final purchase price allocation of Solibri Group.

# Cash flow statement

mEUR	December 31, 2016	December 31, 2015	% YoY
<b>Cash and cash equivalents at the beginning of the period</b>	<b>84.0</b>	<b>57.0</b>	<b>+47.4%</b>
<b>Cash flow from operating activities</b>	<b>79.7</b>	<b>65.1</b>	<b>+22.4%</b>
<b>Cash flow from investing activities</b>	<b>-47.5</b>	<b>-41.4</b>	<b>+14.8%</b>
t/o CapEX	-7.4	-7.6	-3.4%
t/o Cash paid for business combinations	-40.4	-35.1	+15.0%
<b>Cash flow from financing activities</b>	<b>-5.5</b>	<b>0.1</b>	
t/o Dividend payments	-19.3	-15.4	+25.0%
t/o Repayments of borrowings	-22.2	-12.0	
t/o Cash received from bank loans	38.0	32.0	
FX-effects	1.9	3.2	
<b>Cash and cash equivalents at the end of the period</b>	<b>112.5</b>	<b>84.0</b>	<b>+34.0%</b>
<b>Free cash flow<sup>(1)</sup></b>	<b>32.1</b>	<b>23.7</b>	<b>+35.5%</b>

<sup>(1)</sup> Operating cash flow – Investing cash flow



## Contact

**NEMETSCHKE SE**  
Investor Relations  
Konrad-Zuse-Platz 1  
D-81829 Munich  
Germany  
[investorrelations@nemetschek.com](mailto:investorrelations@nemetschek.com)  
[www.nemetschek.com](http://www.nemetschek.com)

## Disclaimer

This presentation contains forward-looking statements based on the beliefs of Nemetschek SE management. Such statements reflect current views of Nemetschek SE with respect to future events and results and are subject to risks and uncertainties. Actual results may vary materially from those projected here, due to factors including changes in general economic and business conditions, changes in currency exchange, the introduction of competing products, lack of market acceptance of new products, services or technologies and changes in business strategy. Nemetschek SE does not intend or assume any obligation to update these forward-looking statements.