NEMETSCHEK
GROUP

Building Software – Empowering The Entire AEC Lifecycle

QUARTERLY STATEMENT
AS OF MARCH 31, **2019**

To our shareholders

Patrik Heider,
Spokesman of the Executive Board and CFOO

Dear Shareholders,

After an outstanding fiscal 2018, the Nemetschek Group has now achieved its strongest quarterly growth of the past few years while maintaining high profitability. At the same time, we – as a top player in the global AEC market – are continuing to invest substantially in strategic projects and further internationalization to enable continued double-digit growth in the future.

We've made an outstanding start to the year and achieved an exceptionally strong first quarter. Our strategic investments in next-generation solutions and further internationalization are paying off. In addition to our future-oriented investments, our new management structure enables us to act even more decisively in the market and in our various customer segments, we've set the course for this strong performance to continue into the future.

Major indicators of the Group's success in Q1 2019

- **Group revenue** rose in the first quarter to EUR 129.9 million, which represents growth of 27.1% (currency-adjusted: 23.2%) compared to the same quarter of the previous year (EUR 102.2 million). This increase is a result of both strong organic growth of 21.3% and the recent acquisition of the Spacewell brand.
- Growth drivers were **recurring revenues** from software service contracts and subscriptions, which rose by 33.9% (currency-adjusted: 30.0%) to EUR 67.7 million. Revenue from **subscriptions** increased considerably by 124.8% from EUR 4.3 million to EUR 9.7 million.
- Ongoing **internationalization** remains another major driver of growth. Revenues generated abroad in Q1 grew by 32.7% to EUR 95.0 million. And in Germany, too, Nemetschek achieved double-digit revenue growth of 14.0%.
- Consolidated operating earnings before interest, taxes, depreciation, and amortization **(EBITDA)** increased by 31.4% to EUR 36.7 million. This represents an EBITDA margin of 28.2%. The increase was partly boosted by the first application of the new IFRS 16 standard for the accounting of leasing contracts. Adjusted for this effect, the EBITDA would have increased by 18.5%, which is equivalent to an EBITDA margin of 25.5%. In the first quarter of 2019, Nemetschek also invested as planned in strategic projects. In addition, the growth-related increase in the number of employees up to the end of last year led to a noticeable increase in personnel costs. Furthermore, in the Manage segment, the acquired Spacewell brand's still below-average EBITDA margin (due primarily to the acquisition costs) had an impact on the operating result in Q1.

» **Net income for the quarter** also increased substantially by 19.7% to EUR 19.6 million (same period in previous year: EUR 16.4 million). Earnings per share came to EUR 0.51 (Q1 2018: EUR 0.43).

Segment performance in Q1 2019

In segment reporting, the **Solibri** brand, which had been allocated to the Build segment up to the end of 2018, was reclassified to the Design segment as of 2019. The previous year's values in segment reporting were adjusted accordingly.

» As in the previous quarters, the **Build** segment recorded the strongest revenue growth, increasing by 34.7% (currency adjusted: 27.0%) to EUR 40.2 million. EBITDA rose by 36.0% to EUR 12.8 million, resulting in a high EBITDA margin of 31.8% (previous year: 31.5%). Without the first-ever application of IFRS 16, the EBITDA margin would have been 28.4%.

» The **Design** segment recorded very pleasing revenue growth of 15.1% (currency adjusted: 12.8%) to EUR 74.3 million, due in part to a rise in demand prompted by BAU, the world's leading trade fair for the building sector, which took place in January. At 36.0%, the increase in EBITDA to EUR 21.2 million was notably disproportionate to revenue and equivalent to an EBITDA margin of 28.5% (adjusted for IFRS 16: 26.1%; same period in previous year: 24.1%).

» The **Manage** segment was significantly reinforced through the acquisition of Spacewell. Revenues increased from EUR 2.0 million in the same period the previous year to EUR 8.2 million. Purely organic revenue growth amounted to 11.7%. In this segment, EBITDA was EUR -0.2 million due to acquisition costs (Q1 2018: EUR 0.4 million). Adjusted for approximately EUR 1.5 million in acquisition costs, the EBITDA margin would amount to 15.6%.

» The **Media & Entertainment** segment was able to substantially accelerate its growth compared to the previous year. Revenues climbed by 23.9% (currency-adjusted: 19.9%) to EUR 7.2 million. In spite of high acquisition costs for Redshift, EBITDA increased by 13.7% to EUR 2.9 million, which is equivalent to an EBITDA margin of 40.7% (without IFRS 16: 39.4%).

Strong growth also affirmed for year 2019 as a whole

After the very strong start to the year, we reaffirm the existing growth targets for the year 2019 as a whole, that is: achieving Group revenue in the region of EUR 540 million to 550 million, which represents growth of 17% to 19% year on year.

In view of renewed high, future-oriented investment and the still below-average EBITDA margin in the Manage segment, the EBITDA margin is expected to stay within the range of 25% to 27%. This range does not reflect the effects from the changeover to the new IFRS 16* leasing standard. Including the positive effects from the application of IFRS 16, we expect an EBITDA margin of between 27% and 29% for 2019.

Yours sincerely

Patrik Heider

* The new IFRS 16 accounting standard, according to which leases of any type (operate leasing and finance leasing) must always be recognized in the balance sheet, must be adopted for the first time as of January 1, 2019. The Nemetschek Group anticipates this change to have a positive effect of around EUR 13 million to 14 million on EBITDA. The Nemetschek Group will present the effects of IFRS 16 on EBITDA in detail in the quarterly reports.

Nemetschek on the Capital Market

Positive share market development

Global share markets got off to a favorable start in 2019 and all in all have developed positively in the first quarter. Despite weaker economic performance – especially in the industrial sector – developments on share markets have been encouraged by the central banks' loose interest and monetary policies and a significant easing of (geo-)political disturbances such as the trade dispute or the Brexit negotiations. Concerns over a cooling down in the global economy put a slight damper on the mood in March. These were triggered in particular by slowing economic data from Germany, the USA and China.

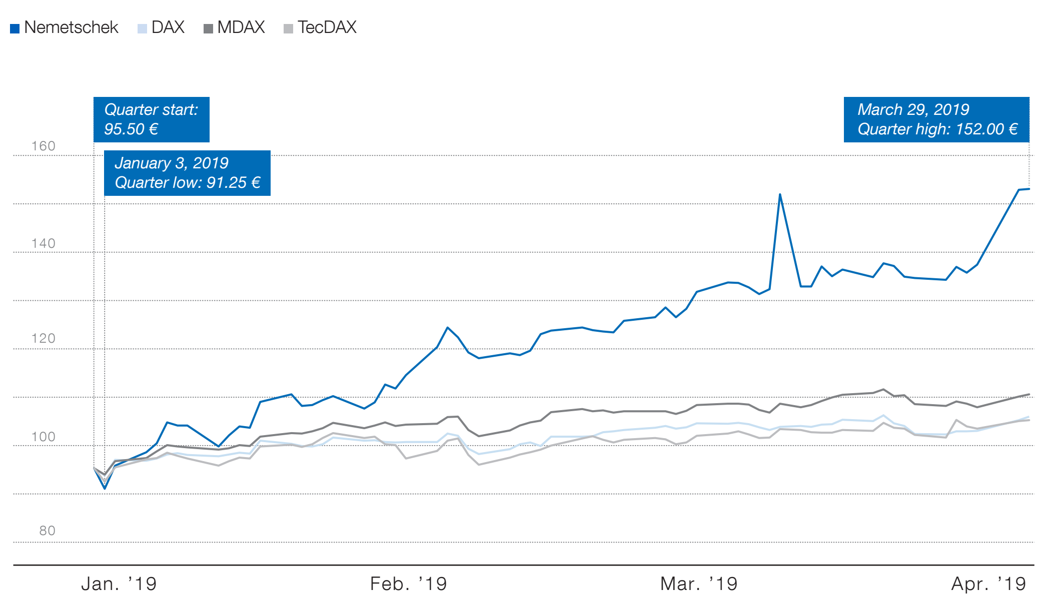
After a strong start to the year, German stock markets, too, showed a sideways trend in March. Both the DAX and the technology companies consolidated in the TecDAX have risen by around 9% in the year so far. The MDAX has even registered just under 15% growth in the same period.

Price development of the Nemetschek share since the start of 2019

On January 02, 2019 the Nemetschek share started the year at a price of EUR 95.50. Immediately afterwards (January 03, 2019), the price fell to a low of EUR 91.25 due to the still volatile market environment. After that, the Nemetschek share developed far more strongly than the German indexes. The pleasing development in the share price was driven by some positive company news, including the acquisition of the Axxerion brand in the Manage segment on January 11, the preliminary annual figures for 2018 on February 6, the announcement of an increased dividend payment on March 21 due for distribution after the annual general meeting at the end of May, plus the overall annual figures on March 29, at which point the Nemetschek Group also published its ambitious forecast for 2019. Publication on March 29 also saw the Nemetschek share price reach a first-quarter high of EUR 152.00.

All in all, the share has thus risen by some 59% since the beginning of the year. Market capitalization of Nemetschek SE increased accordingly to around EUR 5.9 billion as of March 29, 2019.

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

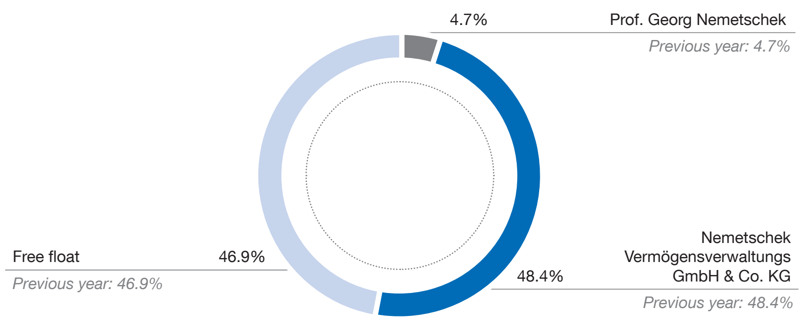


Shareholder structure

Nemetschek SE's share capital as of March 31, 2019 was unchanged at EUR 38,500,000 and was divided into 38,500,000 no-par value bearer shares.

The free float as of March 31, 2019 was 46.9 percent.

SHAREHOLDER STRUCTURE*



* Direct shareholdings as of March 31, 2019.

Annual general meeting

The annual general meeting of Nemetschek SE will be held in Munich on May 28, 2019. The agenda for the annual general meeting was published in the Federal Gazette on April 15, 2019 and is accessible on the website of the Nemetschek Group https://ir.nemetschek.com/agm together with all the other documents for the annual general meeting. The items on the agenda include inter alia the distribution of dividends. The company is therefore continuing its dividend policy in the long term by paying out a dividend for the tenth year running. This includes the sixth consecutive dividend increase. For the 2019 financial year, the supervisory board and executive board propose a dividend in the amount of EUR 0.81 per share, an increase of about 8% compared to the previous year (EUR 0.75 per share). With 38.5 million shares entitled to a dividend, the total amount of dividends to be distributed should increase to EUR 31.19 million (previous year: EUR 28.88 million). The dividend payout ratio for the 2018 financial year is therefore approximately 31% in relation to the operating cash flow.

Furthermore, the supervisory board and executive board are to put forward to the annual general meeting a stock split in a ratio of 1:3. For each Nemetschek share held, shareholders are to receive two additional Nemetschek shares at no further charge. Technically, this is achieved by means of a capital increase from company funds. While the overall value for shareholders remains the same, the price level per share will correspondingly be divided by three. The planned share split aims to further boost trade in Nemetschek shares and make them more attractive to investors. As a result of the split, Nemetschek SE's share capital would triple from the current 38,500,000 to 115,500,000 no-par-value shares.

Key Figures

NEMETSCHEK GROUP

in EUR million	**1st Quarter 2019**	1st Quarter 2018	Change
Operative figures			
Revenues	**129.9**	**102.2**	**27.1 %**
- thereof software licenses	55.0	47.3	16.4 %
- thereof recurring revenues	67.7	50.6	33.9 %
- subscription (as part of the recurring revenues)	9.7	4.3	124.8 %
EBITDA	**36.7**	**27.9**	**31.4 %**
as % of revenue	28.2 %	27.3 %	
EBITA	**30.9**	**26.0**	**18.9 %**
as % of revenue	23.8 %	25.4 %	
EBIT	**26.8**	**22.6**	**18.7 %**
as % of revenue	20.7 %	22.1 %	
Net income (group shares)	**19.6**	**16.4**	**19.7 %**
per share in €	0.51	0.43	
Net income (group shares) before purchase price allocation	**22.9**	**19.1**	**20.0 %**
per share in €	0.59	0.50	
Cash flow figures			
Cash flow from operating activities	34.5	26.6	30.0 %
Cash flow from investing activities	–78.8	–1.9	
Cash flow from financing activities	66.8	–6.7	
Free cash flow	–44.3	24.7	
Free cash flow before M&A investments	29.0	24.7	17.4 %
Balance sheet figures			
Cash and cash equivalents*	144.7	120.7	19.9 %
Net liquidity/net debt*	–55.7	–9.9	
Balance sheet total*	771.1	580.6	32.8 %
Equity ratio in %*	35.4 %	43.0 %	9.3 %
Headcount as of balance sheet date	2,587	2,227	18.9 %
Share figures			
Closing price (Xetra) in €	152.00	74.84	
Market Capitalization	5,852.00	2,881.34	
Dividend per share in €	0,81**	0.75	

* Presentation of previous year as of December 31, 2018.
** Proposal to the annual general meeting on May 28, 2019.

Interim Group Management Report

Report on the Earnings, Financial and Asset Situation

Stable revenue growth of 27.1%, with continued high EBITDA margin of 28.2%

The Nemetschek Group increased its revenues in the first three months by 27.1% to EUR 129.9 million (previous year: EUR 102.2 million). Purely organic growth amounted to 21.3%. Adjusted for currency fluctuations on the basis of constant currency translation rates, this would result in 23.2% revenue growth, or 17.3% purely organic growth.

EBITDA rose to EUR 36.7 million (previous year: EUR 27.9 million). The increase in the EBITDA margin of 27.3% in the previous year to 28.2% is the result of the application for the first time of IFRS 16 "Leasing". Adjusted for the effect of the application of IFRS 16, an EBITDA margin of 25.5% would be the result. The disproportionately low increase in the adjusted EBITDA compared to revenue is the result of acquisition costs, costs for the biennial architecture trade fair, BAU 2019, as well as investments in strategic projects.

Marked rise in recurring revenue

During the first three months, the Nemetschek Group's revenue from software licenses increased by 16.4% to EUR 55.0 million (previous year: EUR 47.3 million). Adjusted for currency fluctuations, it was possible to achieve a slight increase of 12.3%. During the same period, recurring revenue with 33.9% rose considerably more strongly than software licenses to EUR 67.7 million (previous year: EUR 50.6 million). The share of revenue from software licenses amounts to 42.4% (previous year: 46.2%); it was possible to increase the share of recurring revenue from 49.5% to 52.1%.

In terms of region, the growth impulses came from within Germany as well as from international markets. Revenues within Germany increased by 14.0% to EUR 34.9 million (previous year: EUR 30.6 million). In markets abroad, the Nemetschek Group achieved revenues amounting to EUR 95.0 million, a plus of 32.7% compared to the previous year. The share of revenues from abroad amounted to 73.2% (previous year: 70.1%).

Summary of segments

Due to the Group's new executive board structure and the associated stronger focus on the segments, the reporting structure has been adjusted in accordance with IFRS 8. The Solibri brand was transferred from the Build segment to the Design segment. The comparative figures were modified in the interim management report. Please refer to the segment tables in the notes to the interim financial statements for the values originally reported from the previous year.

In the Design segment, with EUR 74.3 million (previous year: EUR 64.6 million), the Nemetschek Group generated revenue growth of 15.1%. EBITDA rose by 36.0% to EUR 21.2 million (previous year: EUR 15.6 million). This is equivalent to an operating margin of 28.5% following 24.1% in the previous year. In the Build segment, revenues rose due to the continuously strong growth of Bluebeam Software, Inc., with a plus of 34.7% to EUR 40.2 million, a considerable increase compared to the previous year's level (previous year: EUR 29.8 million). The EBITDA margin rose slightly to 31.8% (previous year: 31.5%). The Manage segment rose by EUR 6.2 million to EUR 8.2 million, largely due to the acquisition of Spacewell. The EBITDA margin fell to -2.6% due to the acquisition costs (previous year: 17.6%). Revenues in the Media & Entertainment segment amounted to EUR 7.2 million at the end of the first quarter, clearly exceeding the level of the previous year (EUR 5.8 million). The EBITDA margin with 40.7% fell slightly compared to the previous year due to acquisition costs (previous year: 44.3%).

Earnings per share at EUR 0.51

Operating expenses rose by 29.9% from EUR 80.6 million to EUR 104.7 million. This includes material expenses, which grew to EUR 4.3 million (previous year: EUR 3.3 million). Personnel expenses rose by 26.9% from EUR 45.1 million to EUR 57.3 million. The amortization of assets rose mainly as a result of first-time application of IFRS 16 by 85.5% from EUR 5.3 million to EUR 9.8 million. Other operating expenses rose by 23.6% from EUR 26.9 million to EUR 33.2 million.

The Group's tax rate in the first quarter of 2019 amounted to 25.4% (previous year: 24.5%). The net income for the year (Group shares) of EUR 19.6 million thus exceeded the value of the previous year of EUR 16.4 million by 19.7%. Consequently, the earnings per share amounted to EUR 0.51 (value of the previous year for comparison: EUR 0.43 per share). Adjusted for the amortization from purchase price allocation, the net income for the year increased by 20.0% to EUR 22.9 million (previous year: EUR 19.1 million), which resulted in an increase in earnings per share to EUR 0.59 (value of the previous year for comparison: EUR 0.50 per share).

Operating cash flow at EUR 34.5 million

The Nemetschek Group generated an operating cash flow of EUR 34.5 million in the first three months of 2019 (previous year: EUR 26.6 million). The cash flow from investing activities amounted to EUR -78.8 million (previous year: EUR -1.9 million) and comprises with EUR 73.3 million the payout for the acquisition of the Axxerion Group. The cash flow from financing activities of EUR 66.8 million (previous year: EUR -6.7 million) primarily includes the taking out of new bank loans amounting to EUR 80.4 million as well as the repayment of bank loans amounting to EUR 10.5 million.

High balance of cash and cash equivalents of EUR 144.7 million

Compared to December 31, 2018, the balance sheet total increased considerably from EUR 580.6 million to EUR 771.1 million. The main reason for the increase was the application of IFRS 16 which had an impact of EUR 68.3 million on assets and EUR 69.9 million on leasing liabilities as of March 31, 2019. Furthermore, the acquisition of the Axxerion Group also contributed to the increase in the balance sheet total.

At the end of the quarter, the Nemetschek Group held cash and cash equivalents amounting to EUR 144.7 million (December 31, 2018: EUR 120.8 million). The increase is as a result of ordinary operations in the first quarter of 2019. Trade receivables rose due to revenue growth and the acquisition of the Axxerion Group from EUR 55.8 million to EUR 63.2 million. Non-current assets rose to EUR 535.5 million (December 31, 2018: EUR 378.3 million) mainly due to the application of IFRS 16 as well as the acquisition of the Axxerion Group.

Equity ratio at 35.4%

Deferred revenues increased by EUR 29.2 million to EUR 124.3 million in line with software service contracts invoiced. Non-current liabilities increased by EUR 132.5 million to EUR 241.2 million primarily as a result of acquisitions and the first-time application of IFRS 16. Equity amounted to EUR 272.9 million (December 31, 2018: EUR 249.6 million), thus the equity ratio was 35.4% after 43.0% as of December 31, 2018.

Dividend at EUR 0.81 per share

Against the backdrop of the current liquidity position, the Nemetschek Group has a solid basis for the proposed dividend distribution of EUR 31.19 million (previous year: EUR 28.88 million). This represents EUR 0.81 per share (previous year: EUR 0.75 per share) and will be presented to the annual general meeting on May 28, 2019 for approval.

Events after the end of the interim reporting period

With a purchase contract signed on April 5, 2019, Maxon Computer, Inc, Newbury Park, USA acquired 100% of shares in Redshift Rendering Technologies, Inc., Newport Beach, USA for a price of USD 27,000k (cash and debt free). Furthermore, subsequent purchase price payments of up to USD 8,500k were agreed. The subsequent purchase price payments are mainly dependent on revenue and earnings targets as well as technical milestones. More detailed information pursuant to IFRS 3.B66 was not available at the time of preparation of the Group interim financial statement.

Employees

As of the reporting date, March 31, 2019, the Nemetschek Group employed a staff of 2,648 (March 31, 2018: 2,227). The increase is mainly attributable to recruitment in several Group companies as well as to the acquisition of Axxerion Group B.V.

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, 2018.

Opportunity and risk report

Please see the opportunities and risks described in the Group management report for the year ended December 31, 2018 for details on significant opportunities and risks for the prospective development of the Nemetschek Group. In the interim period there were no material changes.

Report on forecasts and other statements on prospective development

The development in the first three months confirms the expectations for the 2019 financial year. Therefore, the Nemetschek Group firmly maintains its objective of achieving organic revenue growth of between 13% and 15% compared to the previous year. Despite investments, as was the case in the past, the Group EBITDA margin is forecast to remain in the corridor of 25% and 27% in the future.

As the result of changes, 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 March 31, 2019 and 2018

STATEMENT OF COMPREHENSIVE INCOME

Thousands of €	1st Quarter 2019	1st Quarter 2018
Revenues	**129,929**	**102,223**
Other operating income	1,566	951
Operating income	**131,495**	**103,174**
Cost of materials / cost of purchased services	–4,321	–3,254
Personnel expenses	–57,264	–45,137
Depreciation of property, plant and equipment and amortization of intangible assets	–9,843	–5,305
thereof depreciation of right-of-use assets	*–3,426*	*0*
thereof amortization of intangible assets due to purchase price allocation	*–4,041*	*–3,370*
Other operating expenses	–33,232	–26,876
Operating expenses	**–104,660**	**–80,572**
Operating results (EBIT)	**26,835**	**22,602**
Interest income	155	70
Interest expenses	–703	–189
thereof right-of-use assets	*–357*	*0*
Earnings before taxes (EBT)	**26,287**	**22,483**
Income taxes	–6,677	–5,498
Net income for the year	**19,610**	**16,985**
Other comprehensive income:		
Difference from currency translation	3,750	–3,802
Subtotal of items of other comprehensive income that will be reclassified to income in future periods:	**3,750**	**–3,802**
Gains/losses on revaluation of defined benefit pension plans	–97	95
Tax effect	27	–27
Subtotal of items of other comprehensive income that will not be reclassified to income in future periods:	**–70**	**68**
Subtotal other comprehensive income	**3,680**	**–3,734**
Total comprehensive income for the year	**23,290**	**13,251**
Net profit or loss for the period attributable to:		
Equity holders of the parent	19,589	16,368
Non-controlling interests	21	617
Net income for the year	**19,610**	**16,985**
Total comprehensive income for the year attributable to:		
Equity holders of the parent	23,268	12,631
Non-controlling interests	22	620
Total comprehensive income for the year	**23,290**	**13,251**
Earnings per share (undiluted) in euros	0.51	0.43
Earnings per share (diluted) in euros	0.51	0.43
Average number of shares outstanding (undiluted)	38,500,000	38,500,000
Average number of shares outstanding (diluted)	38,500,000	38,500,000

Consolidated statement of financial position

as of March 31, 2019 and December 31, 2018

STATEMENT OF FINANCIAL POSITION

ASSETS Thousands of €	**March 31, 2019**	December 31, 2018
Current assets		
Cash and cash equivalents	144,738	120,747
Trade receivables, net	63,248	55,758
Inventories	1,357	1,156
Tax refunded claims for income taxes	3,402	4,239
Other current financial assets	3,174	4,209
Other current assets	19,646	16,140
Current assets, total	**235,565**	**202,249**
Non-current assets		
Property, plant and equipment	21,011	17,574
Right-of-use assets	68,302	0
Intangible assets	133,187	102,085
Goodwill	299,329	244,349
Investments in associates	3,964	3,964
Deferred tax assets	3,245	3,157
Non-current financial assets	5,415	5,315
Other non-current assets	1,060	1,865
Non-current assets, total	**535,513**	**378,309**
Total assets	**771,078**	**580,558**

EQUITY AND LIABILITIES	Thousands of €	March 31, 2019	December 31, 2018
Current liabilities			
Short-term borrowings and current portion of long-term loans		59,411	56,348
Trade payables		8,998	12,878
Provisions and accrued liabilities		31,771	40,647
Deferred revenue		124,292	95,113
Income tax liabilities		7,083	5,441
Other current financial obligations		1,643	1,698
Current lease liability		10,957	0
Other current liabilities		12,875	10,180
Current liabilities, total		**257,030**	**222,305**
Non-current liabilities			
Long-term borrowings without current portion		141,005	74,280
Deferred tax liabilities		24,482	17,198
Pensions and related obligations		1,794	1,677
Non-current deferred revenue		112	262
Non-current financial obligations		4,115	4,115
Non-current lease liability		58,932	0
Other non-current liabilities		10,721	11,124
Non-current liabilities, total		**241,161**	**108,656**
Equity			
Subscribed capital		38,500	38,500
Capital reserve		12,485	12,485
Retained earnings		231,603	212,084
Other comprehensive income		−9,817	−13,566
Equity (Group shares)		**272,771**	**249,503**
Non-controlling interests		116	94
Equity, total		**272,887**	**249,597**
Total equity and liabilities		**771,078**	**580,558**

Consolidated cash flow statement

for the period from January 1 to March 31, 2019 and 2018

CONSOLIDATED CASH FLOW STATEMENT

Thousands of €	**1st Quarter 2019**	1st Quarter 2018
Profit (before tax)	26,287	22,483
Depreciation and amortization of fixed assets	9,843	5,305
Change in pension provision	20	23
Other non-cash transactions	−49	116
Result from disposal of fixed assets	3	11
Cash flow for the period	**36,104**	**27,938**
Interest income	−155	−70
Interest expenses	703	189
Change in other provisions	−11,101	−6,629
Change in trade receivables	−4,494	−4,146
Change in other assets	−14	−5,114
Change in trade payables	−4,274	−130
Change in other liabilities	21,716	21,372
Interest received	155	70
Income taxes received	801	301
Income taxes paid	−4,911	−7,219
Cash flow from operating activities	**34,530**	**26,562**
Capital expenditure	−5,557	−1,868
Cash received from disposal of fixed assets	23	3
Cash paid for acquisition of subsidiaries, net of cash acquired	−73,289	0
Cash flow from investing activities	**−78,823**	**−1,865**
Interest paid	−664	−180
Repayment of borrowings	−10,500	−6,500
Principal elements of lease payments	−2,421	0
Changes in bank liabilities due to company acquisitions	80,350	0
Cash flow from financing activities	**66,765**	**−6,680**
Changes in cash and cash equivalents	**22,473**	**18,017**
Effect of exchange rate differences on cash and cash equivalents	**1,518**	**−1,092**
Cash and cash equivalents at the beginning of the period	**120,747**	**103,957**
Cash and cash equivalents at the end of the period	**144,738**	**120,882**

Consolidated statement of changes in equity

for the period from January 1 to March 31, 2019 and 2018

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, 2018	**38,500**	**12,485**	**193,179**	**–18,691**	**225,473**	**2,472**	**227,945**
Difference from currency translation	–	–	–	–3,785	–3,785	–17	–3,802
Remeasurement gains/losses from pensions and related obligations	–	–	48	–	48	20	68
Net income for the year	–	–	16,368	–	16,368	617	16,985
Total comprehensive income for the year	**0**	**0**	**16,416**	**–3,785**	**12,631**	**620**	**13,251**
Transactions with non-controlling interests	–	–	–	–	0	–	0
Transition effects of new International Financial Reporting Standards (IFRS)	–	–	539	–	539	0	539
Dividend payment	–	–	–	–	0	0	0
As of March 31, 2018	**38,500**	**12,485**	**210,134**	**–22,476**	**238,643**	**3,092**	**241,735**
As of January 1, 2019	**38,500**	**12,485**	**212,084**	**–13,566**	**249,503**	**94**	**249,597**
Difference from currency translation	–	–	–	3,749	3,749	1	3,750
Remeasurement gains/losses from pensions and related obligations	–	–	–70	–	–70	0	–70
Net income for the year	–	–	19,589	–	19,589	21	19,610
Total comprehensive income for the year	**0**	**0**	**19,519**	**3,749**	**23,268**	**22**	**23,290**
Transition effects of new International Financial Reporting Standards (IFRS)	–	–	–	–	0	–	0
Transactions with non-controlling interests	–	–	0	–	0	–	0
Dividend payments to non-controlling interests	–	–	0	–	0	0	0
Dividend payment	–	–	0	–	0	0	0
As of March 31, 2019	**38,500**	**12,485**	**231,603**	**–9,817**	**272,771**	**116**	**272,887**

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 (IFRS), 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 the IAS 34.

The interim financial statements as of March 31, 2019 have not been audited and have not undergone an audit review. 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.

Disclosures on quarterly report

The same accounting policies are applied to the Group interim financial statements as for the consolidated financial statements for the 2018 financial year. An exception to this is IFRS 16 "Leasing" which has been applied by the Group since January 1, 2019.

Leasing

The requirements of IFRS 16 are modified and applied retrospectively by the Group, i.e. no adjustment is made for the comparative period.

The leasing liabilities from leases classified as operating leases in accordance with IAS 17 as of January 1, 2019 were measured at the present value of the remaining lease payments discounted at the borrowing rate applicable at that date. The weighted average discount rate as of January 1, 2019 amounted to 2.13%.

The following table reconciles the operating lease obligations as of December 31, 2018 to the leasing liabilities as of January 1, 2019:

RECONCILIATION

Millions of €	Balance Sheet as of January 1, 2019
Operating lease obligations at December 31, 2018	**78.4**
Relief option for short-term leases	−0.5
Relief option for leases of low-value assets	−0.1
FX-Effects	0.2
Other	−2.9
Gross lease liabilities at January 1, 2019	75.1
Discounting	−6.8
Lease liabilities at January 1, 2019	**68.3**

There were no existing finance leases as per IAS 17 in the Group as of December 31, 2018.

Right-of-use assets were recognized at the amount of the leasing liability, adjusted for lease payments made or accrued in advance. The right- of-use assets relate to the following classes of assets:

RIGHT-OF-USE ASSETS

Millions of €	March 31, 2019	January 1, 2019
Right-of-use assets - Property	64.1	63.9
Right-of-use assets - Office Equipment	0.3	0.4
Right-of-use assets - Vehicles	3.9	3.5

Within the scope of the first-time application of IFRS 16, the Group exercised the following exemptions:

» No new evaluation of existing contracts regarding whether or not the definition of a lease is fulfilled

» No accounting of leases with a residual term of less than 12 months as of January 1, 2019. The practical remedy was exercised in accordance with the transitional provisions on a lease-by-lease basis.

» No accounting of leases for which the underlying asset is of low value

» Initial direct costs are not taken into account in the valuation of the right-of-use asset

» Use of hindsight

The effect on diluted and undiluted earnings per share burdens with EUR 0.005 as of March 31, 2019.

Company acquisitions

Under the purchase agreement of January 11, 2019, Spacewell (formerly FASEAS/MCS Solutions Group) acquired 100 % of the shares in Axxerion Group B.V., MR Heteren, the Netherlands, for a price of EUR 77,500k (cash and debt free). The transfer of benefits and encumbrances was completed as of January 19, 2019. As part of preliminary purchase-price allocation, EUR 34.0 million were recognized as intangible assets (technology, customer relationship, brand name, non-compete agreement) Furthermore, EUR 52.1 million were recorded as goodwill. Since joining the Group, revenues of EUR 2.4 million have been generated.

Axxerion Group B.V. is one of the leading providers of cloud-based software solutions for facility management and property management. The company develops products for the optimization of operations in facility, systems and maintenance management as well as property and contract management.

Revenues

REVENUES

Thousands of €	**March 31, 2019**	March 31, 2018
Software and licenses	55,030	47,261
Recurring revenues (software service contracts and rental models)	67,713	50,568
Services (consulting and training)	7,004	4,368
Hardware	182	26
	129,929	**102,223**

REVENUES BY REGION

Thousands of €	**March 31, 2019**	March 31, 2018
Germany	34,884	30,594
Non-Germany	95,045	71,629
Total	**129,929**	**102,223**

Consolidated segment reporting

for the period from January 1 to March 31, 2019 and 2018

SEGMENT REPORTING

2019 Thousands of €	Total	Elimination	Design	Build	Manage	Media & Entertainment
Revenue, external	129,929	–	74,341	40,175	8,242	7,171
Intersegment revenue	–	−719	0	320	0	399
Total revenue	**129,929**	**−719**	**74,341**	**40,495**	**8,242**	**7,570**
EBITDA	**36,678**	**–**	**21,204**	**12,777**	**−218**	**2,915**
Depreciation/amortization	−9,843		−4,362	−3,966	−1,309	−206
Segment operating result (EBIT)	**26,835**	**–**	**16,842**	**8,811**	**−1,527**	**2,709**

The following table shows the adjusted values of previously published information due to the segment reclassification of the brand Solibri:

SEGMENT REPORTING

2018 Thousands of €	Total	Elimination	Design	Build	Manage	Media & Entertainment
Revenue, external	102,223	–	64,566	29,823	2,046	5,788
Intersegment revenue	–	−636	0	269	0	367
Total revenue	**102,223**	**−636**	**64,566**	**30,092**	**2,046**	**6,155**
EBITDA	**27,907**	**–**	**15,592**	**9,392**	**359**	**2,564**
Depreciation/amortization	−5,305	–	−2,517	−2,664	−16	−108
Segment operating result (EBIT)	**22,602**	**–**	**13,075**	**6,728**	**343**	**2,456**

The following table shows segment reporting before segment reclassification for the brand Solibri (reported version Q1 2018):

SEGMENT REPORTING

2018 Thousands of €	Total	Elimination	Design	Build	Manage	Media & Entertainment
Revenue, external	102,223	–	62,797	31,592	2,046	5,788
Intersegment revenue	–	−867	0	500	0	367
Total revenue	**102,223**	**−867**	**62,797**	**32,092**	**2,046**	**6,155**
EBITDA	**27,907**	**–**	**15,178**	**9,806**	**359**	**2,564**
Depreciation/amortization	−5,305	–	−2,234	−2,947	−16	−108
Segment operating result (EBIT)	**22,602**	**–**	**12,944**	**6,859**	**343**	**2,456**

Munich, April 2019

Patrik Heider | Viktor Várkonyi | Jon Elliott

Financial calendar 2019

May 28, 2019 Annual General Meeting, Munich	July 26, 2019 Publication Quarterly Statement 2nd Quarter 2019
October 31, 2019 Publication Quarterly Statement 3rd Quarter 2019	November 25.–27, 2019 German Equity Forum, Frankfurt am Main

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