



## Supervisory Board Report on Nemetschek AG's 2009 Fiscal Year

Ladies and gentlemen,  
Dear shareholders,

The past fiscal year saw the full impact of the global economic slump. In the largest economic crisis in decades, Nemetschek AG performed well. The fall in sales was largely balanced out by strict cost management, and the operating result was kept at almost the previous year's level. In connection with this, it must be stressed that this did not occur at the expense of safeguarding the future – expenditure for research and development even increased. As a result, Nemetschek AG must have further strengthened its market position as Europe's leading vendor of software for building design, construction and management.

### Supervisory board and managing board in ongoing dialog

During the year under report, Nemetschek AG's supervisory board fulfilled the tasks and duties it is legally mandated to perform. It advised the managing board on directing the company and monitored the managing board's activities. The supervisory board was directly involved in all decisions of fundamental importance for the company. In a total of four meetings during the course of the year the supervisory board provided advice both on the company's strategic orientation and the development underway at the time.

Nemetschek AG's managing board presented the supervisory board with comprehensive quarterly reports about the business situation, including sales, revenue and liquidity developments, as well as the company's overall situation. In this context, there were also regular reports on the consequences of the economic crisis and preventive measures. These reports were supplemented by monthly reporting on sales development and contribution margins for the group as a whole and for the individual subsidiaries. In addition, the managing board kept the supervisory board informed about important business processes and current business plans.

The managing board also informed the supervisory board about all issues relating to risk and risk management as well as the work of the compliance team. The respective reports were presented to all supervisory board members and were debated in joint sessions of the managing board and the supervisory board. On the basis of Nemetschek AG's reports, the supervisory board supported the managing board's work and endorsed actions requiring approval. It did not form any committees. The full supervisory board and managing board attended all supervisory board meetings. In addition, the

chairman of the supervisory board was in regular contact with the managing board outside the supervisory board meetings, and was continuously informed about the company's developments and the effects of the economic crisis.

### Broad range of topics in the supervisory board meetings

Meeting in March 2009: During this meeting, the supervisory board reviewed in detail the annual financial statement presented by the managing board, Nemetschek AG's annual report, consolidated financial statements and group management report, as well as the auditor's reports and audit results. The appointed auditor also took part in this meeting. The supervisory board established the audited financial statements of Nemetschek AG for 2008, approved the consolidated statement for 2008, which had also been audited, and a decision was made on the appropriation of profits.

In addition, the proposed agenda for the Annual General Meeting, the supervisory board report and the Declaration of Conformity in accordance with the German Corporate Governance Code (see page 18) were advised on, approved and conclusively decided on. The supervisory board also concerned itself with the business progress in the first quarter and the forecast for 2009 as a whole.

Meeting in July 2009: This supervisory board meeting dealt with the managing board's report on business developments during the second quarter and additional business prospects. The effects of the economic crisis on business development and the associated plan of measures were deliberated intensively. Besides the supervisory board renewed the contract of CEO Ernst Homolka for another three years. A further topic of concern was the results and lessons learned from the market launch of the new software version of Allplan. The managing board also reported on planned cooperations and on activities in the area of financial communication.

Meeting in October 2009: This supervisory board meeting dealt with the business results for the third quarter and the outlook for the end of the year. The managing board also reported in detail on the development of sales and the implementation of cost savings in the most important subsidiaries. The managing board and supervisory board also reported in detail on the subject of compliance and the risk management report. This report is submitted to the supervi-

sory board every six months and is shared with the internal auditor and director of controlling. With a view to corporate management over the long term, the supervisory board also deliberated on and approved the underlying conditions for a long-term incentive plan for the managing board and executive officers in the group in its meeting in October 2009.

Meeting in December 2009: This supervisory board meeting focused on the managing board's report on the result of the first 11 months of 2009 and planning for fiscal 2010. The managing board provided the supervisory board with a detailed overview of strategy and planning for the individual business units, including the business plan for the Build business unit. The managing board also presented initial thoughts about the new business and sales models in the context of the increasing importance of the internet.

#### **Financial statement audit explained in detail**

The annual financial statement prepared by the managing board according to the German Commercial Code, taking into consideration the accounting principles and annual report of Nemetschek AG for the 2009 fiscal year, the consolidated financial statement prepared according to the International Financial Reporting Standards (IFRS), as applicable in the EU, and also according to §315a Paragraph 1 of the German Civil Code, and the consolidated annual report for the 2009 fiscal year have been audited and approved without qualification by the auditing firm KPMG AG Berlin, Munich branch. The supervisory board has satisfied itself as to the independence of the auditors.

The final documents and managing board's proposal on the appropriation of profits as well as the auditor's audit reports were made available to the supervisory board in good time. The meeting of the supervisory board held on March 17, 2010 to discuss, on the basis of the auditor's reports, Nemetschek AG's annual financial statements and management report as well as the consolidated financial statements and consolidated management report was attended by the auditor, who answered all questions thoroughly.

Taking the auditor's reports into consideration, the supervisory board has examined the annual financial statements, the management report, the consolidated financial statements and the group's

management report and is convinced of the correctness and completeness of the actual information. The supervisory board approved the result of the auditor's examinations based on its own examinations. The supervisory board raised no objections. The supervisory board explicitly endorsed the financial statement and consolidated statement of Nemetschek AG for 2009 in the balance sheet meeting on March 17, 2010. The annual financial statements of Nemetschek AG for fiscal year 2009 are thus final.

The supervisory board and managing board debated the dividend policy and agreed to the managing board's proposal on the appropriation of profits in view of the company's financial situation and the expectations of shareholders and the capital market. In accordance with legal rulings and the company articles, it was decided to propose the following appropriation of profits to the Annual General Meeting in May 2010:

Of the balance sheet profit amounting to 13,941,209.13 euros, 4,812,500.00 euros will be paid out to the shareholders. This represents a dividend per share of 0.50 euros (previous year: 0 euros). Of the remaining balance sheet profit of 9,128,709.13 euros, 3,000,000.00 will be transferred to revenue reserves and 6,128,709.13 will be carried to a new account.

#### **Managing board and supervisory board unchanged**

There were no changes to the managing board of Nemetschek AG. The number of members and composition of the supervisory board also remained unchanged in 2009.

The supervisory board would like to thank the managing board and all Nemetschek Group employees for the good performance they achieved in 2009 under very difficult conditions.

Munich, March 17, 2010

The Supervisory Board

Kurt Dobitsch  
Chairman