

moving minds



Allplan   Graphisoff   Vectorworks   Scia   Frilo   Glaser   Auer   Bausoftware   Crem   Maxon

# Company Presentation

Ernst Homolka, CEO

October 2011

# Contents

---

- **Company Profile and Business Model**
- Market and Growth Drivers
- Business Development
- Outlook
- Background Information

## Nemetschek at a glance

- Nemetschek is the European leader for software solutions in the AEC sector (Architecture – Engineering – Construction)
- Holding structure with ten strong product brands
- Founded in 1963 as an engineering firm by Professor Georg Nemetschek (main shareholder)
- More than 1,000 employees in 16 countries
- More than 300,000 customers in 142 countries
- 150 million euros in revenues, EBITDA margin of 25 percent (2010)

*Nemetschek headquarters, Munich*



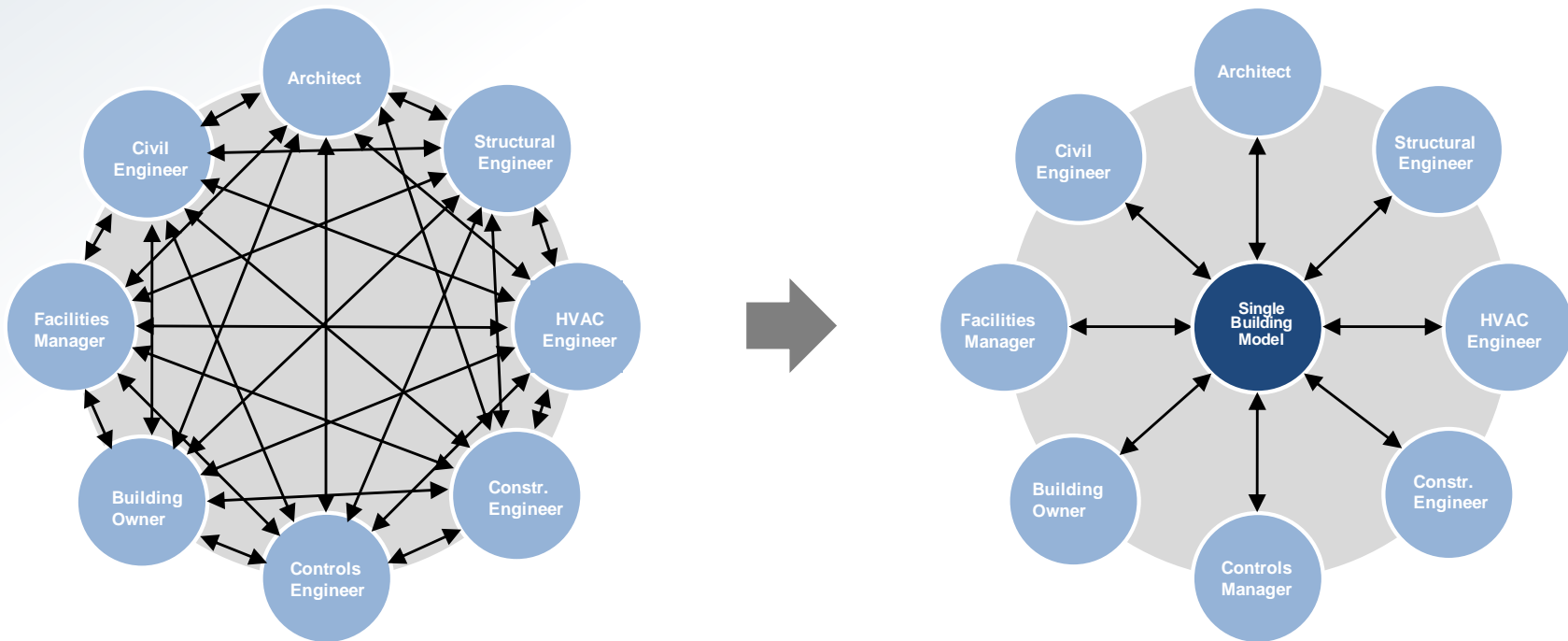
# Solutions for the whole building process

Segments	Software solutions	
<b>Design</b> Architecture Engineering	CAD software for drafting and designing in 2D (2-dimensional) as well as for object-oriented planning in 3D (virtual building model)	Bundled construction know-how under one roof:  Solutions for the whole value chain of designing, creating and managing buildings
<b>Build</b>	Project Management and ERP Software for costing and tendering as well as Building Software to manage building-site operations *	
<b>Manage</b>	ERP software for real estate management *	
<b>Multimedia</b>	3D software for visualization and animation	

\* Available only in German speaking countries (D/A/CH)

# Building process calls for better coordination (BIM)

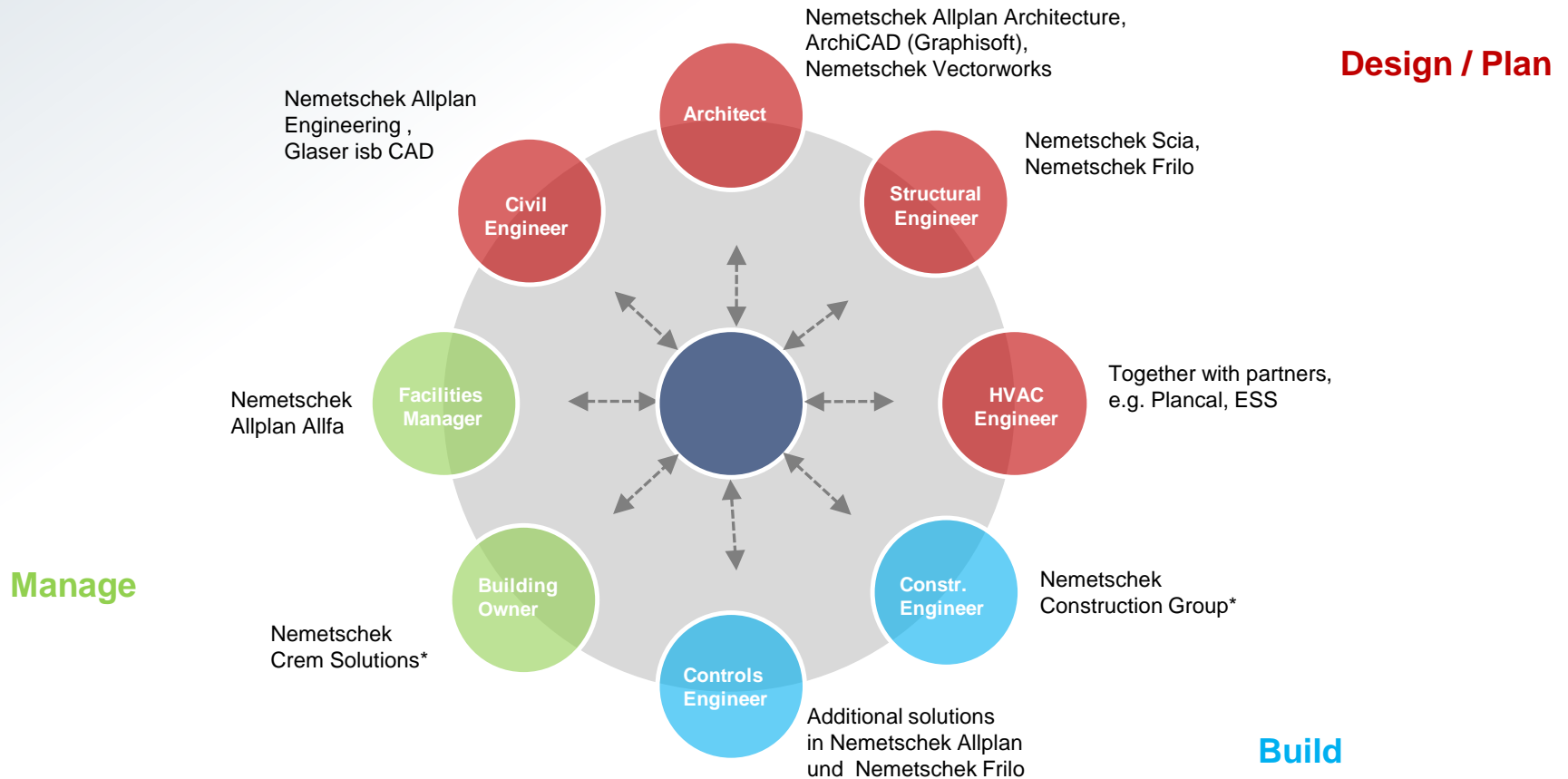
**Building Information Modeling (BIM):** The integrated process of designing, building and managing of buildings – ideally supported by one digital Model accessible to every participant



Source: BuildingSmart Forum Berlin, 2009

# Nemetschek covers main parts of the value chain

Software solutions support communication of all participants



\* Available in German-speaking countries only

# Long-term corporate vision...

From European leader to worldwide leader for integrated AEC software solutions

*Melbourne Convention and Exhibition Centre, Australia*



## ... and how we want to get there

### Grow organically and sustainably

- Developing new solutions – 24 percent of revenues are invested in R&D
- Consolidating the range of solutions – finding and retaining new partners
- Step by step internationalization – stronger presence beyond Europe
- Completing the BIM story – current strong focus on web-based solutions

### Grow through acquisitions

- Broadening the international customer base and product offering

*Inotera company headquarters, Taipeh/Taiwan*

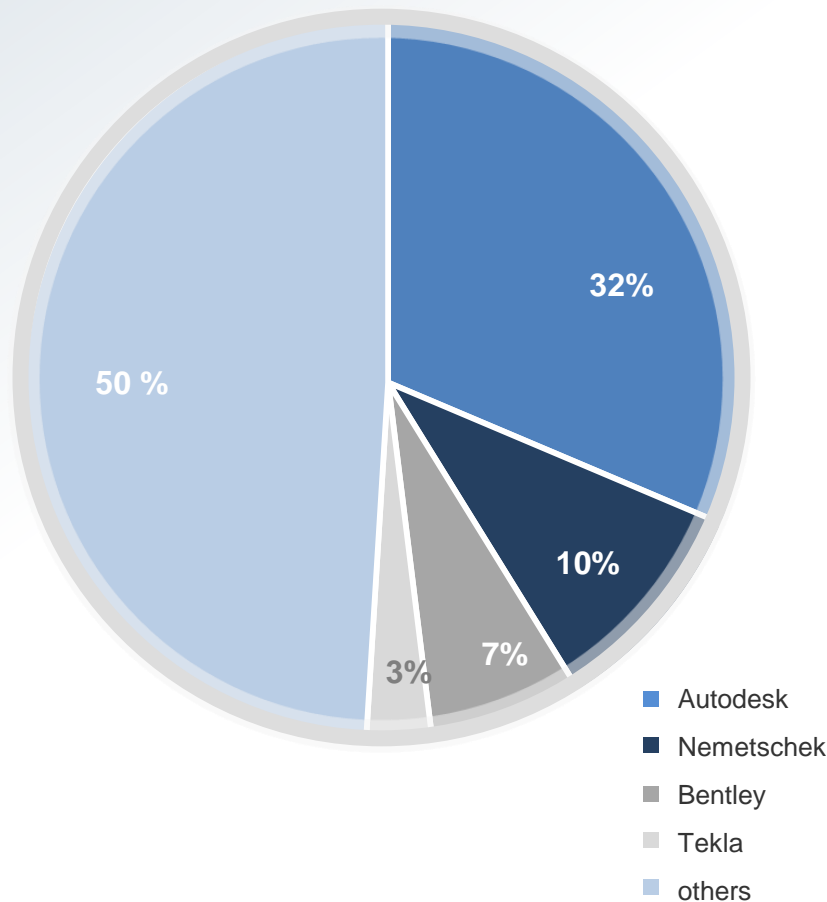


# Contents

---

- **Company Profile and Business Model**
- **Market and Growth Drivers**
- **Business Development**
- **Outlook**
- **Background Information**

# AEC Software: Local heroes and 4 international players

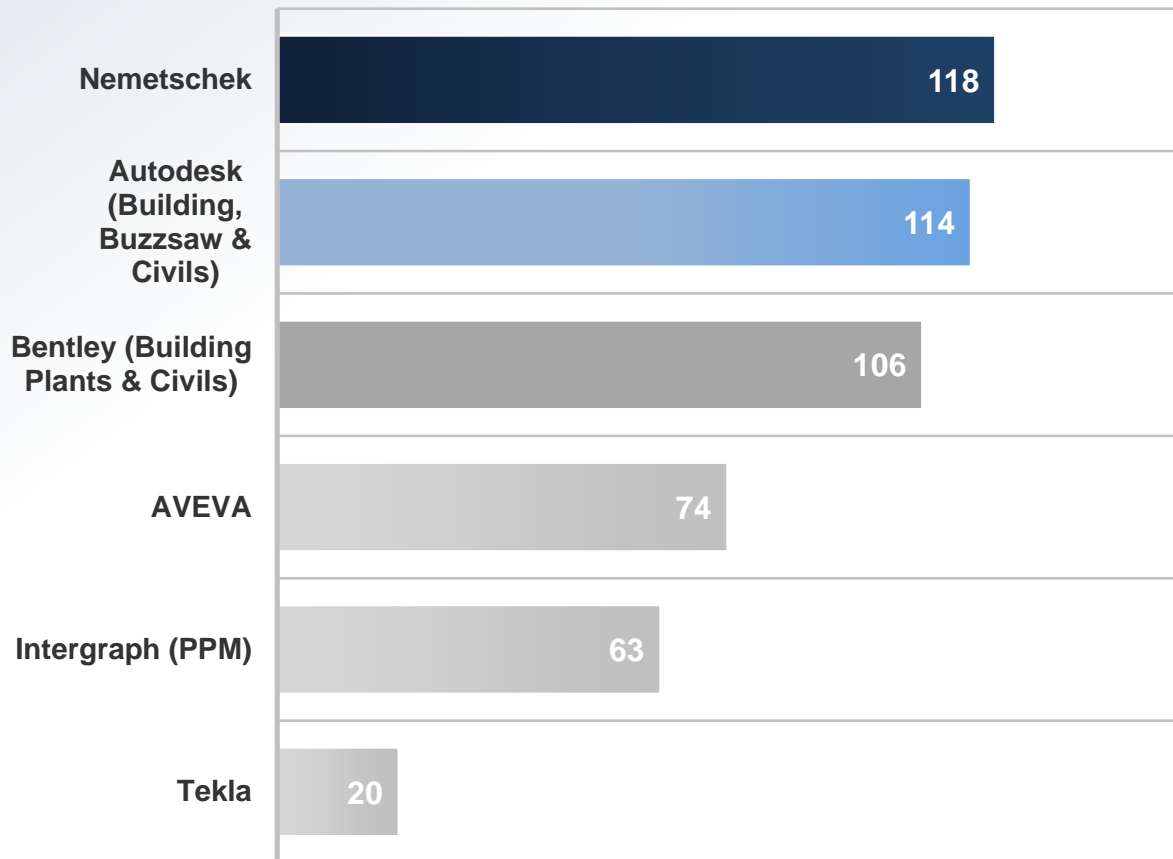


	2010 revenues (million EUR)	Comments
Autodesk	427	Revenue in the AEC segment
Nemetschek	135	Revenue excluding Multimedia and Real Estate Management
Bentley	105	Nemetschek estimate
Tekla*	42	Segment Building & Construction
Others	700	Nemetschek estimate

\*Tekla is now part of Trimble Navigation Ltd.

# Nemetschek is number 1 in Europe

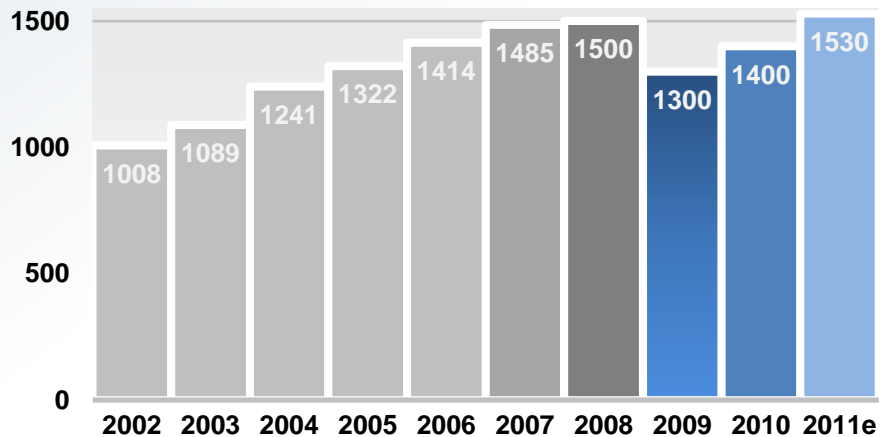
Leading EMEA AEC Providers  
2009 Revenues



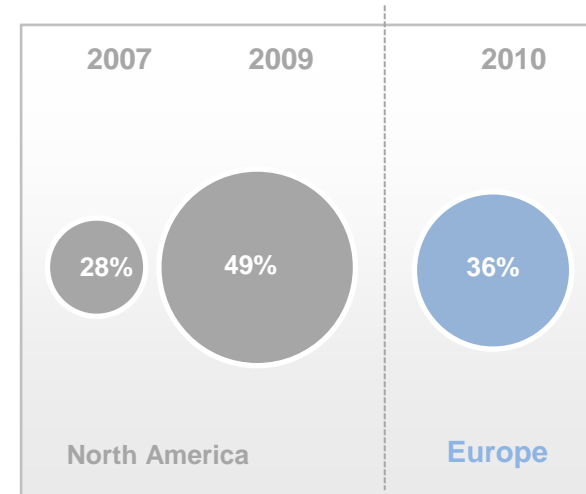
Source: Cambashi

# Steady growth of AEC Software market

Market used to grow by 6 percent p.a. (2002-08)\*



Growing adoption of BIM-solutions\*\*



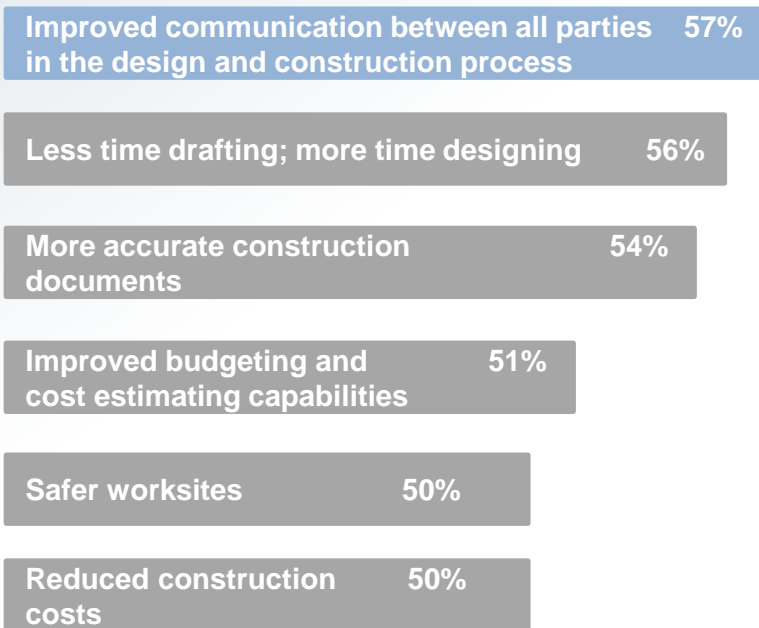
\*Revenue development estimated by GartnerGroup and Nemetschek

\*\*Internet survey of 948 industry professionals on the acceptance of BIM working methods and solutions, McGraw-Hill Construction, 2010 (no historical figures for Europe available)

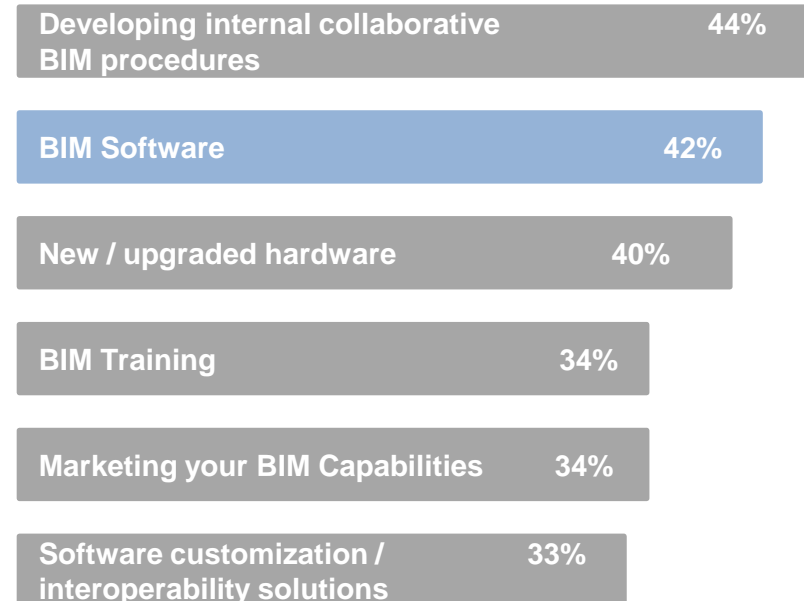
# Growth driver for BIM solutions: Cost pressure

The construction industry wants to increase productivity – and is ready to invest in software

## Potential Adoption Drivers in Western Europe



## Current BIM Investment Priorities



Source: Internet survey of industry professionals on the acceptance of BIM working methods and solutions, McGraw-Hill Construction, 2010

# Growth driver for BIM solutions: Green building

## Construction industry needs to deliver sustainable buildings

- Buildings account for almost 40 percent of all CO2 emissions
- Energy standards for buildings are being tightened, energy pass mandatory in Europe
- Economic stimulus packages all over the world have a strong focus on energy efficient building and renovation
- Planners have to deliver energy consultancy to owners – which is facilitated to a high degree by working with BIM solutions



## Nemetschek is benefiting from these trends

- Clear Focus on AEC – Architects and Engineers develop solutions for architects and engineers
- Realized BIM workflow between Nemetschek software products
- Strong support for open data exchange and non-proprietary exchange formats
- Broad range of solutions for the planning of sustainable buildings

*German pavilion EXPO 2010, Shanghai*



# Contents

---

- **Company Profile and Business Model**
- **Market and Growth Drivers**
- **Business Development**
- **Outlook**
- **Background Information**

# Highlights in the first nine months 2011

## Strong growth

- Group revenues up by 9 percent
- Maintenance revenues up by 13 percent

## High profitability

- EBITDA margin at 24 percent
- Net income of more than 14 million euros, EPS at 1.38 euros

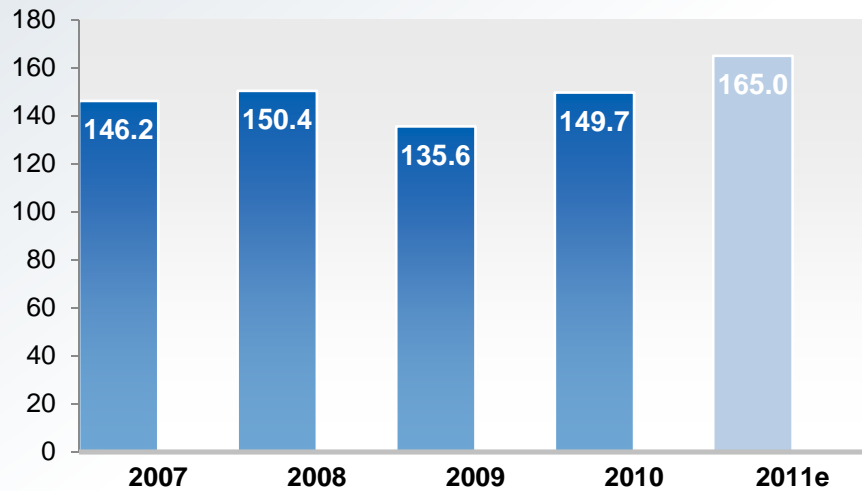
## New products

- New Allplan version launched throughout Europe in October
- New versions of Vectorworks, Scia and Maxon since September on the market

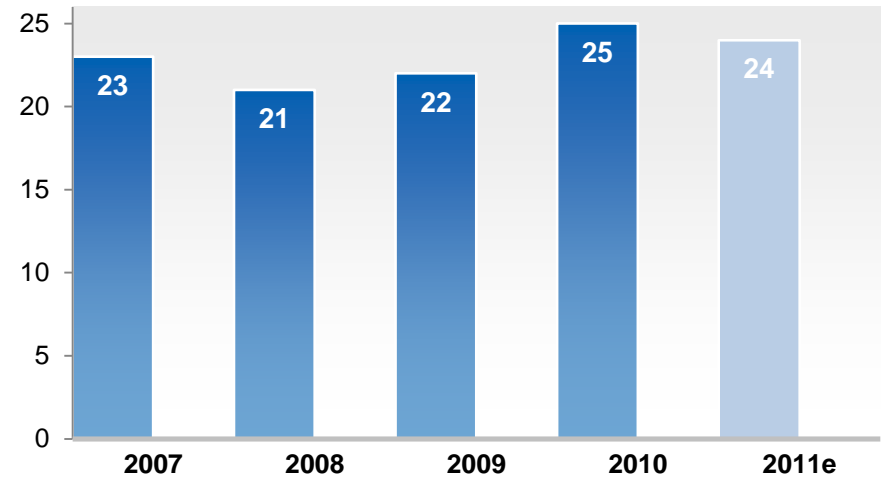
## Growing international presence

- New Graphisoft office in Hongkong since September
- Maxon ASEAN Competence Center opened in Singapore

# Back on the growth path



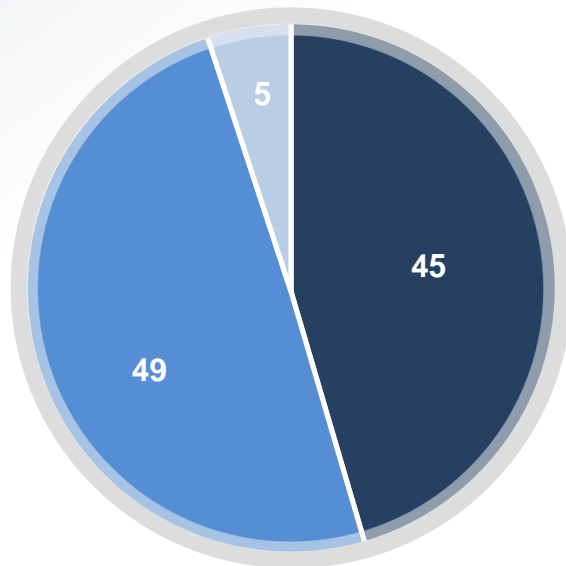
Revenues in EUR millions



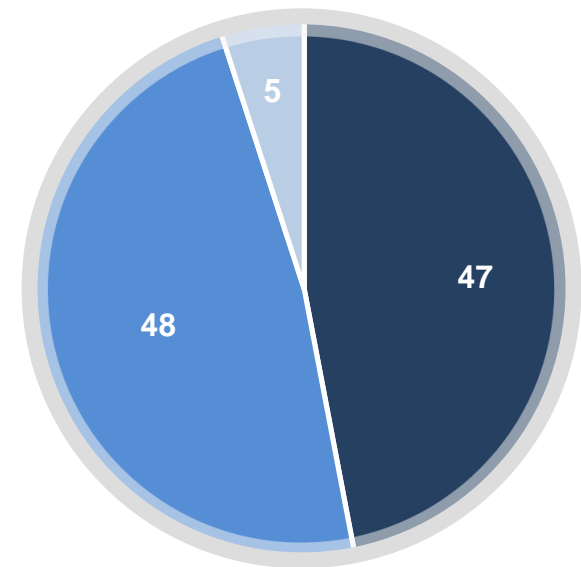
EBITDA margin in %

# High rate of maintenance contracts

- Software and licenses: 48 percent - New licenses sold, update and upgrade business
- Maintenance: 47 percent - Software service contracts running from 12 to 36 months
- Services & Hardware: 5 percent - Training, consulting, customizing in projects



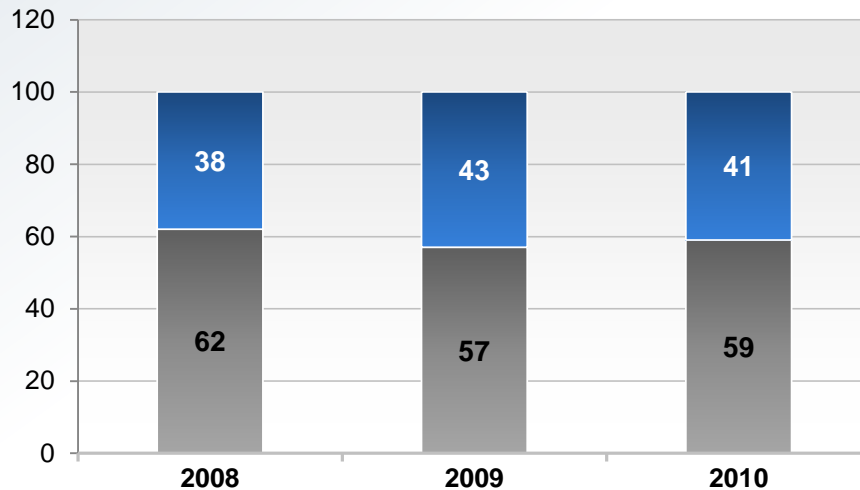
YTD 2010  
in %



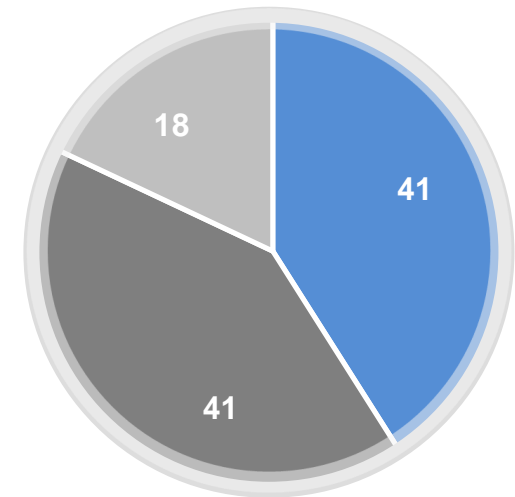
YTD 2011  
in %

# Global business recovered

- Stable business in Germany served as a solid basis in times of crisis
- Nemetschek again generates more than 60 percent of its revenues outside its domestic market



■ Germany  
■ International

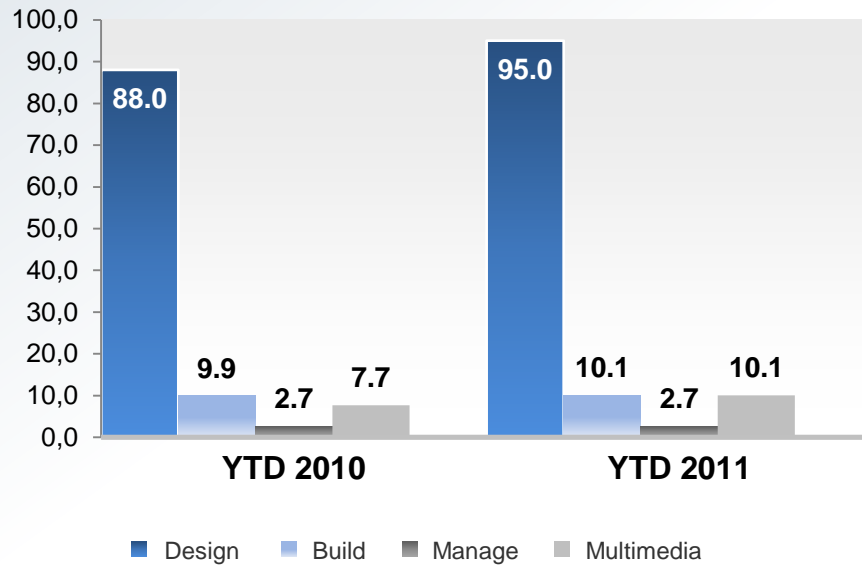


■ Germany  
■ Europe excl. Germany  
■ RoW

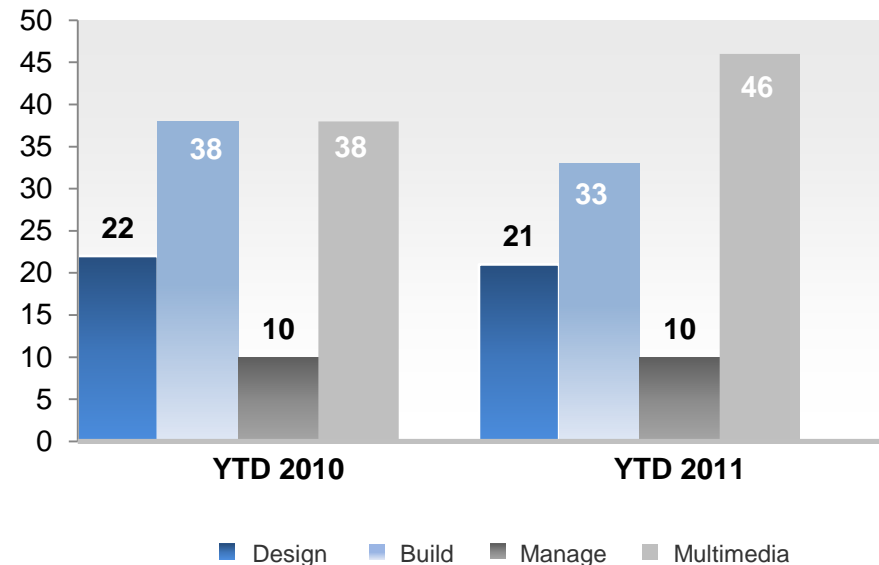
**YTD 2011**

Revenue development by region in %

# High margins in the relevant business units

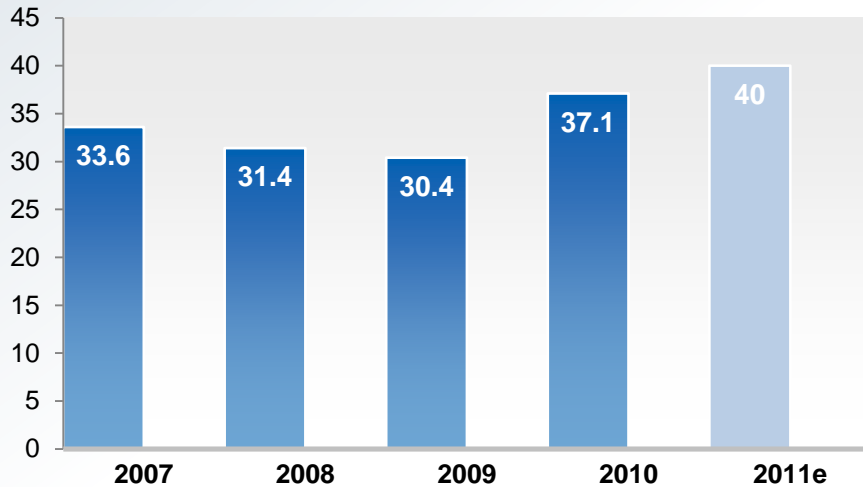


Revenue development in EUR millions

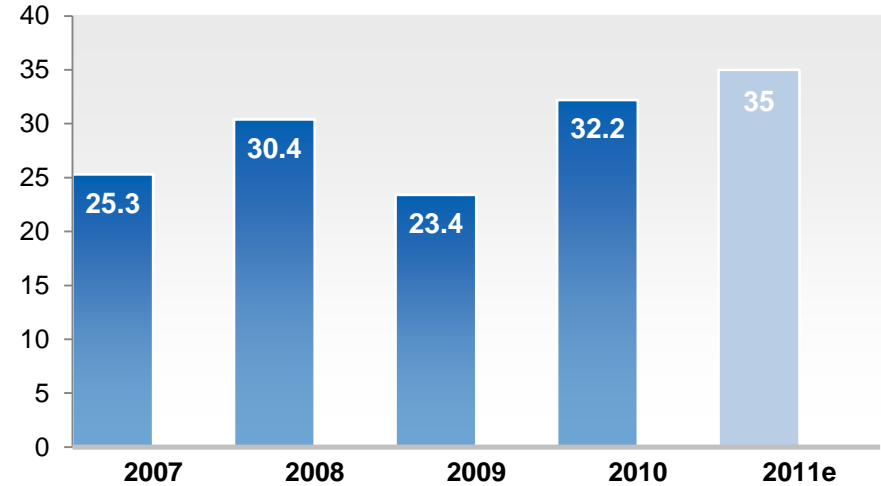


EBITDA margin in %

# Strong operating result and strong cash flow



Operating result (EBITDA)  
in EUR millions



Cash flow from operating activities  
in EUR millions

# Key Figures

	2010 in EUR millions	2009 in EUR millions	YTD 2011 in EUR millions	YTD 2010 in EUR millions
<b>Revenues</b>	149.7	135.6	117.9	108.3
<b>EBITDA</b>	37.1	30.4	27.9	26.5
<b>EBITDA margin</b>	25%	22%	24%**)	25%**)
<b>EBIT</b>	27.5	20.9	20.3	19.4
<b>Cash flow from operating activities</b>	32.3	23.4	24.8	27.6
<b>Cash flow from investing activities</b>	-3.8	-3.6	-4.0	-2.0
<b>Equity *)</b>	93.5	79.6	98.5	93.5
<b>Equity ratio *)</b>	57%	50%	57%	57%
<b>Net income (group shares)</b>	18.9	12.2	13.3	13.2
<b>Earnings per share in EUR</b>	1.97	1.27	1.38	1.37

\*) Presentation of previous year as of December 31, 2010

\*\*\*) 24% Foreign currency adjusted

# Contents

---

- **Company Profile and Business Model**
- **Market and Growth Drivers**
- **Business Development**
- **Outlook**
- **Background Information**

# Outlook

## Market conditions are still positive...

- Main association of the German construction industry now expects 7 percent market growth in 2011 – instead of 4.5 percent
- German architects and engineers are very satisfied with their current business development\*
- International markets show a mixed picture – no actual forecasts available

## ...but there is less visibility

- German architects and engineers are starting to lose confidence in their future business\*
- Construction industry worldwide is expected to suffer from a potential economic downturn

## Nemetschek confirms its forecasts

- Revenue growth in the region of 10 percent, if market conditions remain stable
- EBITDA margin of around 24 percent
- Net income above 20 million euros

\* Ifo economic climate index, September 2011

## Key takeaways

### Reliable basis of business

- Strong profitability – EBITDA margin of around 24 percent
- High cash flows – operating result is reflected in a corresponding cash flow
- Strong earnings basis – almost 50 percent maintenance contracts (recurring revenues)

### Strong growth drivers

- Growing demand for BIM software solutions
- Relevant growth expected thanks to new products and services

*Dornier Museum, Friedrichshafen*

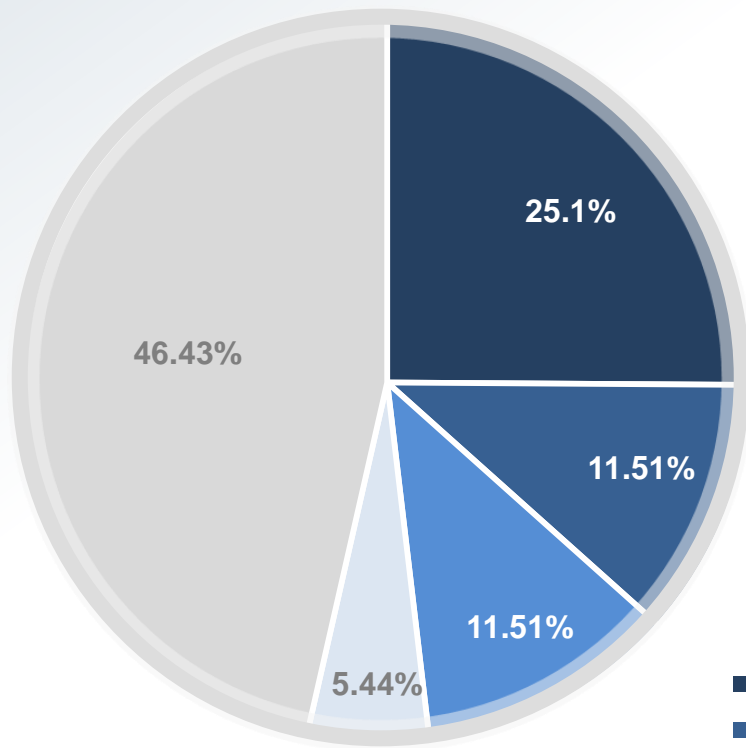


# Contents

---

- **Company Profile and Business Model**
- **Market and Growth Drivers**
- **Business Development**
- **Latest Developments and Outlook**
- **Background Information**

# Current shareholder structure



- Number of shares: 9,625,000
- IPO: March 10, 1999
- Frankfurt Stock Exchange, Prime Standard
- Market capitalization: approx. 254 million euros\*
- Shares held by the Nemetschek family: 54 percent

\*as of 2011/10/27

- Prof. Georg Nemetschek
- Dr. Ralf Nemetschek
- Alexander Nemetschek
- Ingrid Nemetschek
- Free float

# Share price development



## Coverage

DZ-Bank  
 Goldman Sachs  
 Macquarie  
 WestLB

# Calendar and contact

## Calendar 2011

- 3/28/2011 Annual Report 2010
- 4/29/2011 Q1 Report 2011
- 5/24/2011 Annual General Meeting
- 7/29/2011 Half Year Report 2011
- 10/28/2011 Q 3 Report 2011

### Contact

Regine Petzsch

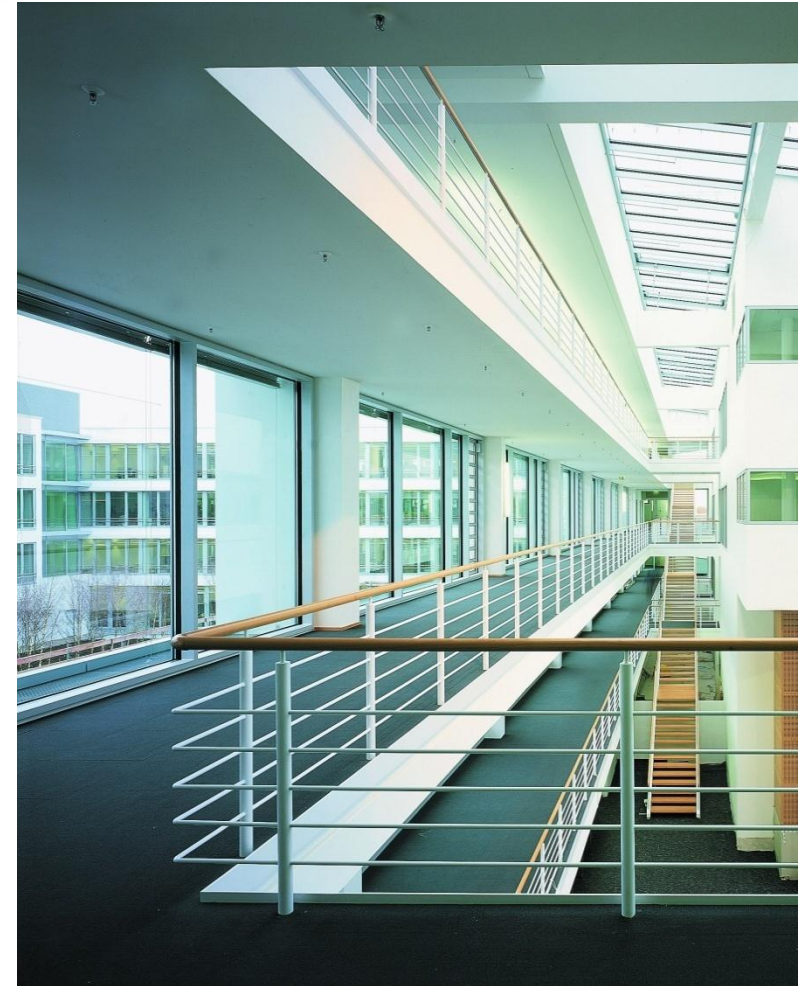
Head of Investor Relations

Phone: +49 89 92793 – 1219

Fax: +49 89 92793 – 4219

[rpetzsch@nemetschek.com](mailto:rpetzsch@nemetschek.com)

[www.nemetschek.com](http://www.nemetschek.com)



## Disclaimer

- This presentation contains forward-looking statements based on beliefs of Nemetschek AG management. Such statements reflect current views of Nemetschek AG 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 AG does not intend or assume any obligation to update these forward-looking statements.

Nemetschek AG, October 2011