

Software AG

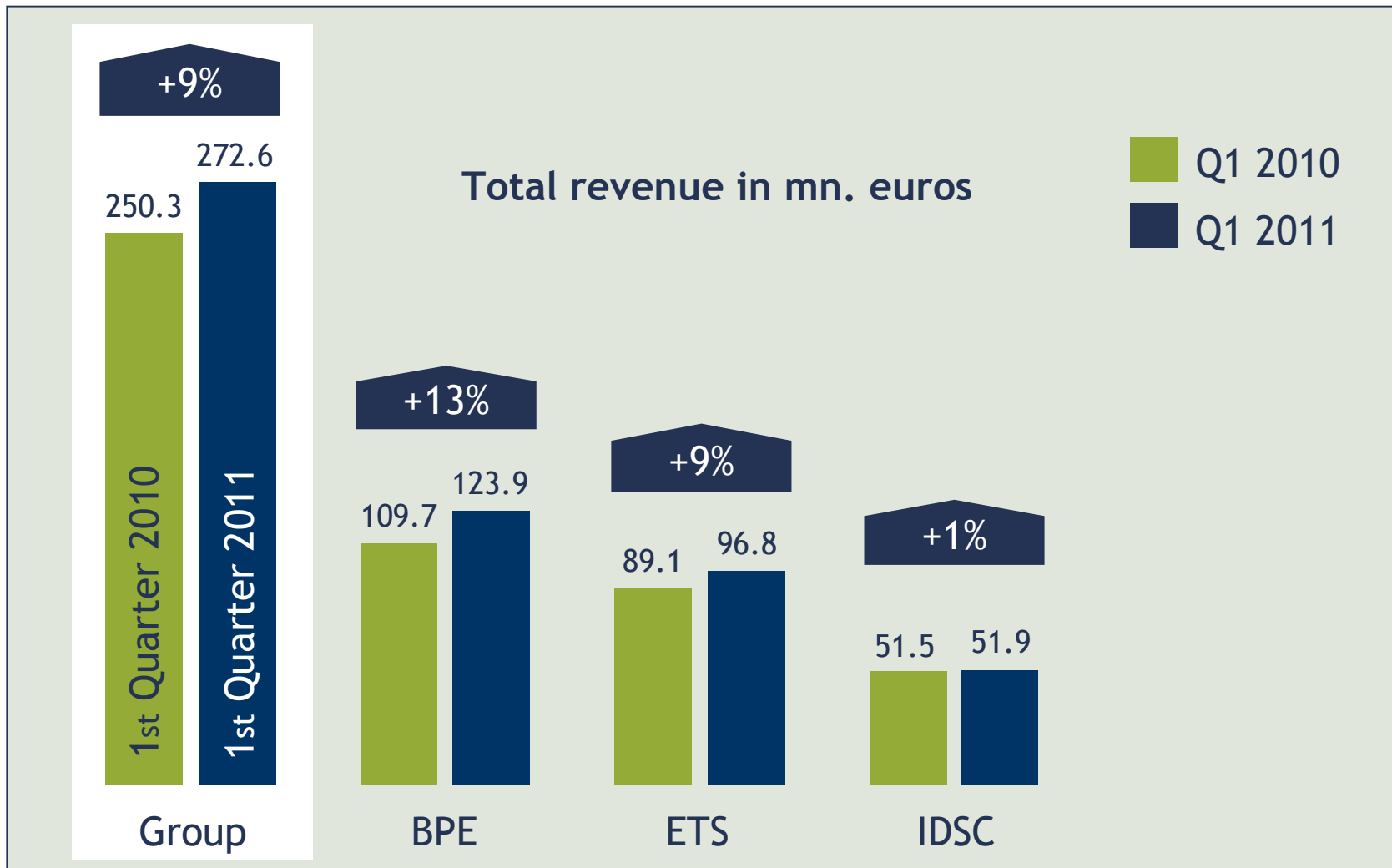
1st Quarter 2011 Results (IFRS, unaudited)

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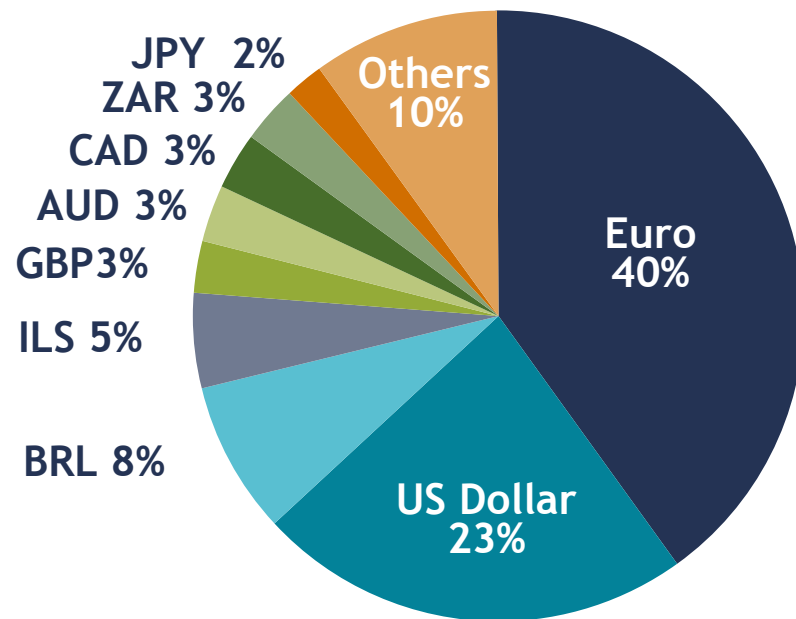
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Solid start in 2011 - Business Lines on track



Currency impact on revenue Q1 2011

- 40% revenue in Euro
- 60% revenue in foreign currency



(in mn. euros)

Currency impact on revenue	Q1 2011	Q1 2010
Licenses	2.1	2.1
Maintenance	3.1	1.0
Consulting & other	1.8	0.5
Total	7.0	3.6
$\Delta\%$	2.6%	1.4%

Regional development Q1 2011

<i>Product Revenue Q1 2011</i>	Above previous year +	Below previous year -
Larger regions/countries (> €10 mn. revenue)	Brazil, Germany, USA	Australia
Smaller regions/countries (< €10 mn. revenue)	Benelux, Netherlands, Turkey	Nordic, Italy, Canada

Segment report Q1 2011 – Business Process Excellence (webMethods + ARIS)

<i>(in mn. euros)</i>	Q1 2011	Q1 2010	Δ%	Δ% acc
Licenses	39.1	34.0	+15%	+12%
Maintenance	40.3	35.5	+14%	+10%
Product revenue	79.4	69.5	+14%	+11%
Services & other	44.5	40.2	+11%	+8%
Total revenue	123.9	109.7	+13%	+10%
Cost of sales	-45.2	-38.3	+18%	
Gross profit	78.7	71.4	+10%	
Sales & marketing	-30.4	-29.3	+4%	
R & D	-14.6	-14.1	+4%	
Segment result	33.7	28.0	+20%	

Segment report Q1 2011 – Enterprise Transaction Systems

<i>(in mn. euros)</i>	Q1 2011	Q1 2010	Δ%	Δ% acc
Licenses	30.4	25.6	+19%	+15%
Maintenance	48.6	46.5	+5%	+1%
Product revenue	79.0	72.1	+10%	+6%
Services & other	17.8	17.0	+5%	+3%
Total revenue	96.8	89.1	+9%	+5%
Cost of sales	-20.0	-18.5	+8%	
Gross profit	76.8	70.6	+9%	
Sales & marketing	-16.7	-16.7	0%	
R & D	-6.8	-7.6	-11%	
Segment result	53.3	46.3	+15%	

Segment report Q1 2011 – IDS Scheer Consulting

<i>(in mn. euros)</i>	Q1 2011	Q1 2010	Δ%	Δ% acc
External product revenue	5.9	5.1	+16%	+12%
Services & other	46.0	46.4	-1%	-2%
Total revenue	51.9	51.5	+1%	-1%
Cost of sales	-45.4	-44.8	+1%	
Gross profit	6.5	6.7	-3%	
Sales & marketing	-6.5	-7.8	-17%	
R & D	-0.1	-0.3	-67%	
Segment result	-0.1	-1.4	n.a.	

Result Q1 2011

<i>(in mn. euros)</i>	Q1 2011	Q1 2010	Δ%	FY 2010
Total revenue	272.6	250.3	+9%	1,119.5
Cost of sales	-115.1	-106.4	+8%	-442.0
Gross profit	157.5	143.9	+9%	677.5
<i>Margin in %</i>	<i>57.8%</i>	<i>57.5%</i>		<i>60.5%</i>
R & D	-21.5	-22.0	-2%	-92.0
Sales & marketing	-56.5	-56.7	0%	-238.9
Administration	-18.1	-19.8	-9%	-85.3
Other income/expense	-1.2	+1.2	n/a	+7.3
EBIT	60.2	46.6	+29%	268.6
<i>Margin in %</i>	<i>22.1%</i>	<i>18.6%</i>		<i>24.0%</i>
<i>EBITDA (pro-forma*)</i>	<i>71.2</i>	<i>57.1</i>	<i>+25%</i>	<i>315.0</i>
<i>Margin in %</i>	<i>26.1%</i>	<i>22.8%</i>		<i>28.1%</i>

* Depreciation & amortization is included in functional areas according to IFRS

Net results Q1 2011

<i>(in mn. euros)</i>	Q1 2011	Q1 2010	Δ%	FY 2010
EBIT	60.2	46.6	+29%	268.6
<i>Margin in %</i>	22.1%	18.6%		24.0%
Financial result	-1.4	-4.6	+70%	-14.2
Profit before tax	58.8	42.0	+40%	254.4
Taxes	-18.7	-14.0	+34%	-78.8
<i>Tax rate in %</i>	31.8%	33.3%		31.0%
Net income	40.0	28.0	+43%	175.6
EPS*	€ 1.41	€ 0.98	+44%	€6.18

* Weighted average shares outstanding (basic) Q1 2011: 28.4 mn. / Q1 2010: 28.5 mn.

Cash flow Q1 2011

<i>(in mn. euros)</i>	Q1 2011	Q1 2010	Δ%	FY 2010
Operating cash flow	51.0	62.5	-18%	227.4
./. CapEx*	-1.9	-2.7		-9.6
Free cash flow	49.1	59.8	-18%	217.8
<i>as % of revenue</i>	<i>18.0%</i>	<i>23.9%</i>		<i>19.5%</i>
Free cash flow per share (in €)	1.73	2.10	-18%	7.67
Weighted average number of shares (in mn.)	28.4	28.5		28.4

* Cash flow from investing activities except acquisitions

Balance sheet

(in mn. euros)

Assets

March 31, 2011		March 31, 2010	Dec 31, 2010
144.2	Cash and cash equivalents	160.6	102.5
350.2	Trade receivables	309.9	350.8
132.1	Invent. & other assets	120.0	124.8
989.5	Fixed assets (goodwill 702.1 / 704.9 / 717.3)	1,016.4	1,021.5
1,616.0	Total	1,606.9	1,599.6

Liabilities

March 31, 2011		March 31, 2010	Dec 31, 2010
265.9	Financial liabilities	408.3	269.7
373.5	Other liabilities	401.3	430.7
176.6	Deferred income	161.6	129.9
800.0	Shareholders' equity (ratio 49.5% / 39.6% / 48.1%)	635.7	769.3
1,616.0	Total	1,606.9	1,599.6

Outlook 2011

(IFRS, in € mn.)	2010	Forecast 2011 (as of January 27, 2011)	Q1 2011 (yoy, acc)
Product revenue			
- BPE	319.4	Growth: +10% to +15%*	11%
- ETS	354.6	Flat: -2% to +2%*	6%
Total revenue	1,119.5	Growth: +5% to +7%*	6%
Net income	175.6	Growth: +10% to +15%	34%

* At constant currency

Thank you!



Amortization / depreciation impact 2011ff (preliminary)

(in mn. euros)

	Q1 2011	FY 2011	FY 2012*ff
Amortization IDS	2.7	11.0	11.0
Amortization other	4.7	18.8	18.8
Depreciation	3.5	14.0	14.0

* Estimated

Headcount by functional areas* and geography

<i>in FTE</i>	March 31, 2011	Dec 31, 2010	Δ% qoq	March 31, 2010	Δ% yoy
Total	5,534	5,644	-2%	5,936	-7%
Consulting / Services / Support	2,957	3,039	-3%	3,183	-7%
R & D	822	850	-3%	849	-3%
Sales & marketing	1,025	1,022	-	1,084	-5%
Administration	730	733	-	820	-11%
USA	693	685	+1%	711	-3%
Germany	1,990	2,051	-3%	2,185	-9%
Rest of world	2,851	2,908	-2%	3,040	-6%

* According to P+L structure