

Software AG

1st Quarter 2012 Results (IFRS, unaudited)

April 27, 2012

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CFO

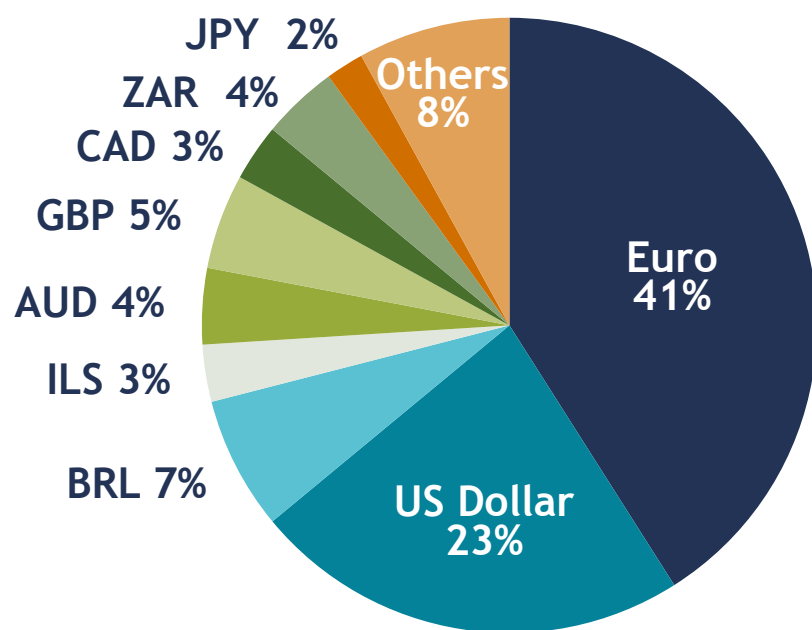


Safe harbor

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

Currency impact on revenue

- ➔ 41% revenue in Euro
- ➔ 59% revenue in foreign currency



(in €m)

Currency impact on revenue	Q1 2012	Q1 2011
Licenses	1.3	2.1
Maintenance	1.8	3.1
Consulting & other	0.8	1.8
Total	3.9	7.0
Δ% (yoy)	1.6%	2.6%

Segment report Q1 2012 - Business Process Excellence

<i>(in €m)</i>	Q1 2012	Q1 2011	Δ%	Δ% acc	FY 2011
Licenses	35.7	39.1	-9%	-11%	168.6
Maintenance	44.9	40.3	11%	9%	169.2
Product revenue	80.6	79.4	2%	-1%	337.8
Services & other	43.7	44.5	-2%	-3%	190.1
Total revenue	124.3	123.9	0%	-2%	527.9
Cost of sales	-43.4	-45.2	-4%	-6%	-187.1
Gross profit	80.9	78.7	3%	1%	340.8
Sales & marketing	-34.4	-30.4	13%	11%	-125.3
R & D	-17.6	-14.6	20%	18%	-61.3
Segment result	28.9	33.7	-14%	-15%	154.2

Segment report Q1 2012 - Enterprise Transaction Systems

<i>(in €m)</i>	Q1 2012	Q1 2011	Δ%	Δ% acc	FY 2011
Licenses	28.7	30.4	-6%	-7%	120.1
Maintenance	47.6	48.6	-2%	-4%	192.8
Product revenue	76.3	79.0	-3%	-5%	312.9
Services & other	18.1	17.8	2%	1%	68.4
Total revenue	94.4	96.8	-2%	-4%	381.3
Cost of sales	-19.1	-20.0	-5%	-8%	-72.3
Gross profit	75.3	76.8	-2%	-3%	309.0
Sales & marketing	-16.2	-16.7	-3%	-4%	-66.8
R & D	-6.7	-6.8	-2%	-2%	-26.4
Segment result	52.4	53.3	-2%	-3%	215.8

Segment report Q1 2012 - IDS Scheer Consulting

<i>(in €m)</i>	Q1 2012	Q1 2011	Δ%	Δ% acc	FY 2011
External product revenue	4.6	5.9	-22%	-21%	23.2
Services & other	31.2	46.0	-32%	-32%	166.0
Total revenue	35.8	51.9	-31%	-31%	189.2
Cost of sales	-33.4	-45.4	-26%	-27%	-162.3
Gross profit	2.4	6.5	-63%	-63%	26.9
Sales & marketing	-5.2	-6.5	-20%	-20%	-25.7
R & D	0.0	-0.1	-	-	-0.4
Segment result	-2.8	-0.1	-	-	0.8

Result Q1 2012

<i>(in €m)</i>	Q1 2012	Q1 2011	Δ%	FY 2011
Total revenue	254.6	272.6	-7%	1,098.3
Cost of sales	-101.7	-115.1	-12%	-442.1
Gross profit	152.9	157.5	-3%	656.2
<i>Margin in %</i>	<i>60.1%</i>	<i>57.8%</i>		<i>59.7%</i>
R & D	-24.2	-21.5	13%	-88.0
Sales & marketing	-59.3	-56.5	5%	-230.2
Administration	-15.5	-18.1	-14%	-75.1
Other income/expense	0.9	-1.2	-	6.3
EBIT	54.8	60.2	-9%	269.2
<i>Margin in %</i>	<i>21.5%</i>	<i>22.1%</i>		<i>24.5%</i>
EBITDA (pro-forma*)	67.3	71.2	-6%	315.5
	<i>26.4%</i>	<i>26.1%</i>		<i>28.7%</i>

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

Net result Q1 2012

<i>(in €m)</i>	Q1 2012	Q1 2011	Δ%	FY 2011
EBIT	54.8	60.2	-9%	269.2
<i>Margin in %</i>	<i>21.5%</i>	<i>22.1%</i>		<i>24.5%</i>
Financial income	-2.0	-1.4	42%	-9.9
Profit before tax	52.8	58.8	-10%	259.3
Taxes	-16.9	-18.7	-10%	-82.1
<i>Tax rate in %</i>	<i>32.0%</i>	<i>31.8%</i>		<i>31.7%</i>
Net income	35.9	40.0	-10%	177.2
EPS in €* 	0.41	0.47	-13%	2.05

* Weighted average shares outstanding (basic) Q1 2012: 86.8m / Q1 2011: 85.3m (incl. share split)

Cash flow Q1 2012

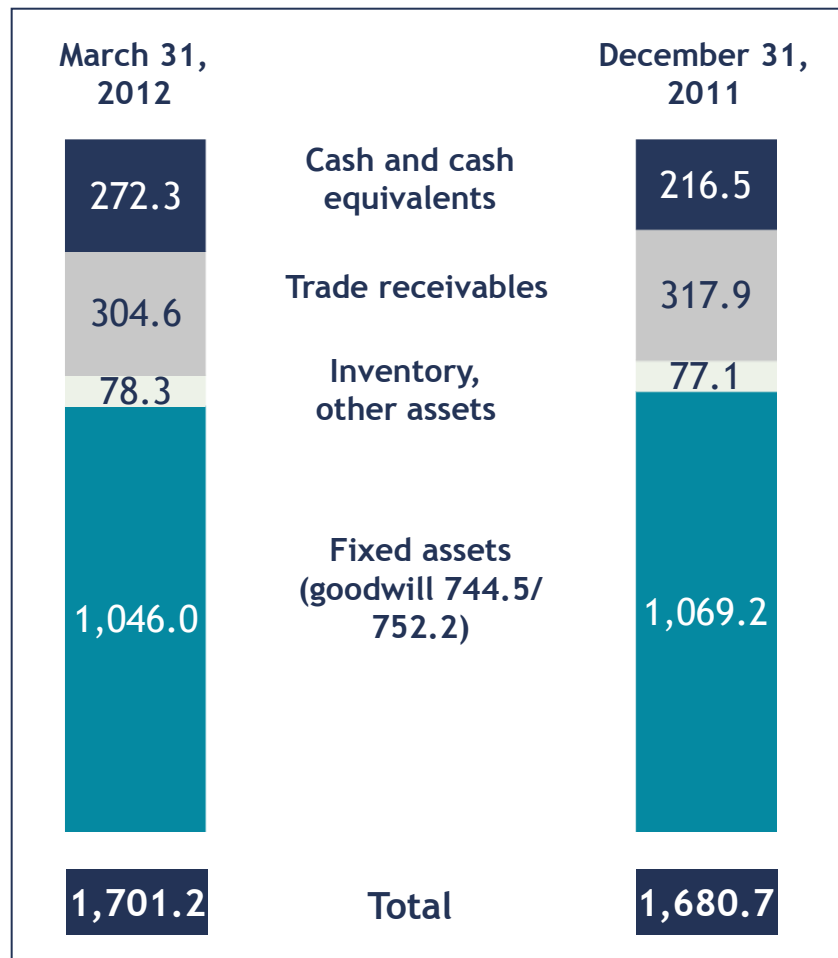
<i>(in €m)</i>	Q1 2012	Q1 2011	Δ%	FY 2011
Operating cash flow	61.0	51.0	20%	198.6
./. CapEx*	-1.9	-1.9		-10.9
Free cash flow	59.1	49.1	20%	187.7
<i>as % of revenue</i>	23.2%	18.0%		17.1%
Free cash flow per share in €**	0.68	0.58	17%	2.18
Weighted average number of shares (in m)**	86.8	85.3		86.2

* Cash flow from investing activities except acquisitions / ** incl. share split 2011

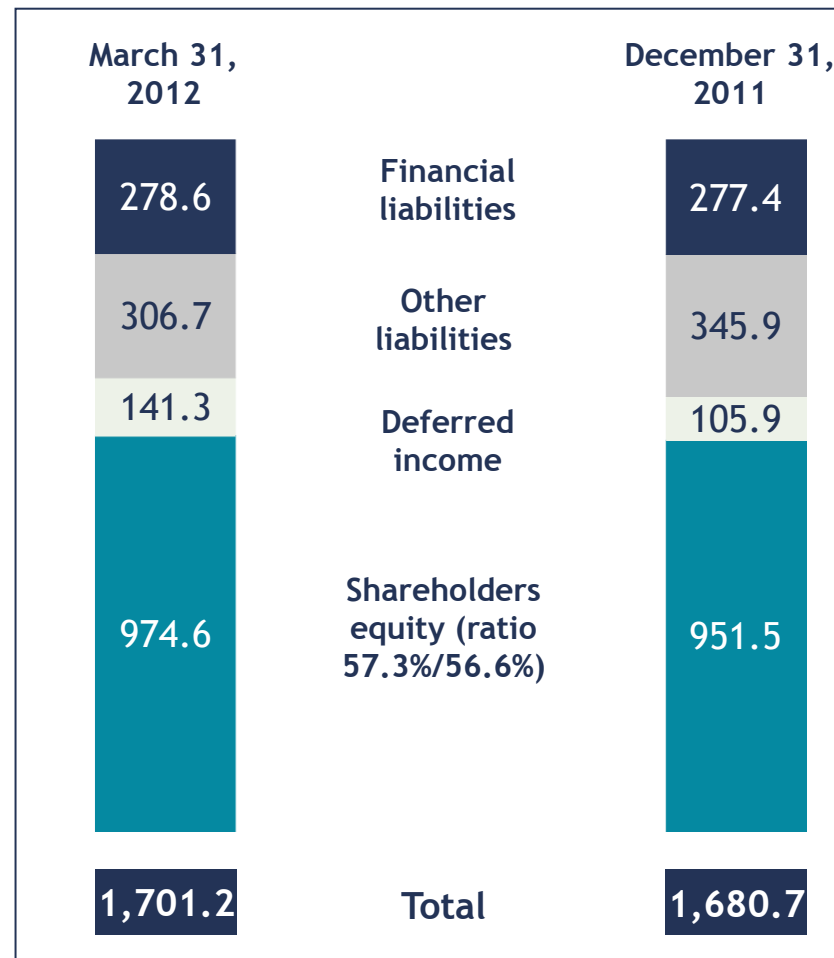
Balance sheet

(in €m)

Assets



Liabilities



Outlook FY 2012 confirmed

<i>(in €m)</i>	2011	Outlook 2012 (as of January 24, 2012)	Q1 2012
Total Revenue Group	1,098.3	-3% to +3%*	-8.1%*
- thereof BPE	527.9	+5% to +15%*	-1.6%*
- thereof ETS	381.3	-12% to -7%*	-3.9%*
EBIT Margin	24.5%	23.0% to 24.5%	21.5%

Thank you!

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Amortization / depreciation impact 2012ff (preliminary)

<i>(in €m)</i>	Q1 2012	FY 2012*	FY 2013ff*
Amortization IDS	2.7	11.0	11.0
Amortization other	6.4	24.5	24.5
Depreciation	3.3	13.1	13.1

* Estimated, impact of acquisition my-Channels in Q2 2012 not included

Headcount by functional areas* and geography

<i>(in FTE)</i>	March 31, 2012	Dec 31, 2011	Δ% qoq	March 31, 2011	Δ% yoy
Total	5,498	5,535	-1%	5,534	-1%
Consulting & Services	2,864	2,894	-1%	2,957	-3%
R & D	884	887	-	822	8%
Sales & marketing	1,019	1,023	-	1,025	-1%
Administration	731	731	-	730	-
USA	715	714	-	693	3%
Germany	1,835	1,881	-2%	1,990	-8%
Rest of world	2,948	2,940	-	2,851	3%

* According to P+L structure

Revenue Q1 2012

<i>(in €m)</i>	Q1 2012	Q1 2011	Δ%	Δ% acc	FY 2011
Product	161.5	164.2	-2%	-4%	673.9
Licenses	65.2	71.2	-8%	-10%	295.2
Maintenance	96.3	93.0	+4%	+2%	378.7
Consulting & Services	92.7	106.4	-13%	-14%	419.8
Other	0.4	2.0			4.6
Total	254.6	272.6	-7%	-8%	1,098.3

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