



RESULTS 2nd QUARTER 2018

(IFRS, UNAUDITED)

July 18, 2018

SAFE HARBOR

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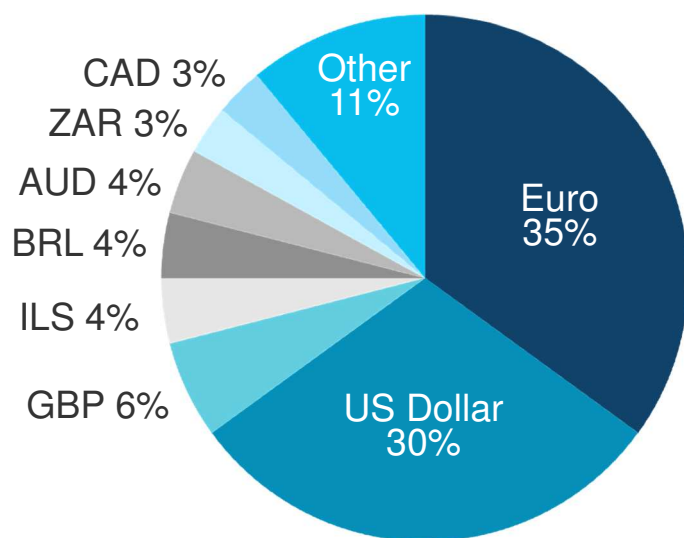
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CURRENCY IMPACT ON REVENUE

Q2 2018 / YTD 2018 (6 MONTHS)

⇒ 35% revenue in Euro

⇒ 65% revenue in foreign currency



Currency split YTD 2018

Currency impact on revenue

<i>(in €m; yoy)</i>	Q2 2018	Q2 in %	YTD 2018	YTD in %
Licenses	-1.9	-3%	-5.1	-6%
Maintenance	-6.0	-6%	-14.9	-7%
SaaS	-0.1	-3%	-0.4	-4%
Consulting & Other	-1.6	-3%	-3.6	-4%
Total	-9.5	-4%	-23.9	-6%

DIGITAL BUSINESS PLATFORM (INCLUDING DBP CLOUD & IoT) SEGMENT REPORT Q2 2018 / YTD 2018 (6 MONTHS)

<i>(in €m)</i>	Q2 2018	Q2 2017	Δ%	Δ% acc	YTD 2018	YTD 2017	Δ%	Δ% acc
DBP (excl. Cloud & IoT)	101.8	100.9	1%	6%	191.2	203.9	-6%	0%
- thereof Licenses	35.7	33.4	7%	11%	59.1	69.9	-15%	-10%
- thereof Maintenance	66.1	67.5	-2%	3%	132.1	134.0	-1%	5%
DBP Cloud & IoT	5.3	3.5	52%	56%	11.6	6.4	81%	88%
Total revenue	107.1	104.4	3%	7%	202.9	210.3	-4%	3%
Cost of sales	-9.1	-7.0	31%	35%	-17.7	-14.4	23%	29%
Gross profit	98.0	97.4	1%	5%	185.2	195.9	-5%	1%
Sales & Marketing	-43.1	-41.8	3%	8%	-80.8	-86.7	-7%	-1%
Research & Development	-24.1	-25.0	-3%	0%	-46.9	-48.6	-4%	0%
Segment result	30.8	30.6	1%	6%	57.5	60.6	-5%	4%
<i>Margin in %</i>	<i>28.8%</i>	<i>29.3%</i>			<i>28.3%</i>	<i>28.8%</i>		

DBP CLOUD & IoT

SEGMENT REPORT Q2 2018 / YTD 2018 (6 MONTHS)

<i>(in €m)</i>	Q2 2018	Q2 2017	Δ%	Δ% acc	YTD 2018	YTD 2017	Δ%	Δ% acc
Licenses	0.2	0.7	-70%	-69%	2.0	1.3	50%	53%
Maintenance	0.8	0.6	24%	27%	1.6	1.0	52%	55%
SaaS / Usage Based	4.3	2.2	97%	103%	8.1	4.1	98%	108%
Total revenue	5.3	3.5	52%	56%	11.6	6.4	81%	88%

Annual Recurring Revenue – June 30, 2018

<i>(in €m)</i>	2018	2017	Δ%	Δ% acc
DBP Cloud & IoT	24.8	12.2	103%	106%
Digital Business Platform (incl. DBP Cloud & IoT)	287.5	262.8	9%	13%

ADABAS & NATURAL

SEGMENT REPORT Q2 2018 / YTD 2018 (6 MONTHS)

<i>(in €m)</i>	Q2 2018	Q2 2017	Δ%	Δ% acc	YTD 2018	YTD 2017	Δ%	Δ% acc
Licenses	17.6	13.2	33%	38%	26.5	21.1	26%	32%
Maintenance	34.8	39.0	-11%	-4%	70.5	78.9	-11%	-3%
Product revenue	52.4	52.2	0%	7%	97.0	100.0	-3%	4%
Other	0.2	0.1	-	-	0.3	0.3	-	-
Total revenue	52.6	52.3	0%	7%	97.3	100.3	-3%	4%
Cost of sales	-1.3	-1.9	-37%	-31%	-2.7	-4.8	-44%	-39%
Gross profit	51.3	50.4	2%	8%	94.7	95.5	-1%	6%
Sales & Marketing	-7.8	-8.0	-2%	2%	-14.5	-16.1	-10%	-7%
Research & Development	-6.0	-6.0	1%	1%	-11.5	-12.0	-4%	-3%
Segment result	37.5	36.4	3%	10%	68.7	67.4	2%	11%
<i>Margin in %</i>	<i>71.3%</i>	<i>69.6%</i>			<i>70.6%</i>	<i>67.2%</i>		

CONSULTING

SEGMENT REPORT Q2 2018 / YTD 2018 (6 MONTHS)

<i>(in €m)</i>	Q2 2018	Q2 2017	Δ%	Δ% acc	YTD 2018	YTD 2017	Δ%	Δ% acc
Total revenue	46.0	50.7	-9%	-6%	92.1	102.7	-10%	-7%
Cost of sales	-36.0	-38.7	-7%	-4%	-73.5	-80.3	-8%	-5%
Gross profit	10.1	12.0	-16%	-13%	18.6	22.4	-17%	-14%
Sales & Marketing	-4.3	-4.9	-13%	-9%	-8.6	-9.9	-13%	-8%
Segment result	5.8	7.1	-18%	-15%	10.0	12.5	-21%	-18%
<i>Margin in %</i>	<i>12.6%</i>	<i>14.0%</i>			<i>10.8%</i>	<i>12.2%</i>		

RESULTS

Q2 2018 / YTD 2018 (6 MONTHS)

(in €m)	Q2 2018	Q2 2017	Δ%	Δ% acc	YTD 2018	YTD 2017	Δ%	Δ% acc
Total revenue	205.7	207.4	-1%	4%	392.3	413.3	-5%	1%
Cost of sales	-48.4	-51.6	-6%	-3%	-97.9	-106.6	-8%	-5%
Gross profit	157.3	155.8	1%	6%	294.5	306.7	-4%	3%
<i>Margin in %</i>	<i>76.5%</i>	<i>75.1%</i>			<i>75.1%</i>	<i>74.2%</i>		
Research & Development	-30.0	-30.9	-3%	0%	-58.4	-60.7	-4%	0%
Sales & Marketing	-58.4	-59.3	-1%	3%	-110.5	-121.7	-9%	-4%
Administration	-18.0	-19.5	-8%	-4%	-35.0	-38.0	-8%	-4%
Other income / expense	1.3	2.0	-34%	-	3.7	3.3	11%	-
EBIT	52.2	48.1	9%		94.3	89.6	5%	
<i>Margin in %</i>	<i>25.4%</i>	<i>23.2%</i>			<i>24.0%</i>	<i>21.7%</i>		

NON-IFRS EARNINGS

Q2 2018 / YTD 2018 (6 MONTHS)

<i>(in €m)</i>	Q2 2018	Q2 2017	Δ%	YTD 2018	YTD 2017	Δ%
EBIT (before all taxes)	52.2	48.1	9%	94.3	89.6	5%
Amortization on acquisition related intangible assets	5.2	8.5	-38%	10.5	16.3	-35%
Share based payments	3.1	3.7	-16%	6.0	8.7	-31%
Restructuring / severances / legal case	0.6	0.7	-14%	1.5	2.3	-35%
Other impacts / impacts from M&A activities	0.3	0.3	-	0.4	0.7	-
EBITA (Non-IFRS)	61.5	61.3	-	112.7	117.6	-4%
<i>in % of revenue (Non-IFRS)</i>	<i>29.9%</i>	<i>29.5%</i>		<i>28.7%</i>	<i>28.4%</i>	
Net income (Non-IFRS)	42.2	40.2	5%	78.7	77.5	1%
EPS in € (Non-IFRS)*	0.57	0.54	6%	1.06	1.03	3%

* Weighted average shares outstanding (basic) Q2 2018: 74.0m / Q2 2017: 74.8m / H1 2018: 74.0m / H1 2017: 75.3m

CASH FLOW

Q2 2018 / YTD 2018 (6 MONTHS)

<i>(in €m)</i>	Q2 2018	Q2 2017	Δ%	YTD 2018	YTD 2017	Δ%
Operating cash flow	33.5	46.6	-28%	95.1	108.4	-12%
<i>./. CapEx*</i>	-5.0	-4.1		-6.5	-22.6**	
Free cash flow	28.5	42.5	-33%	88.6	85.8	3%
<i>in % of revenue</i>	<i>13.9%</i>	<i>20.5%</i>		<i>22.6%</i>	<i>20.8%</i>	
Free cash flow per share***	0.39€	0.57€	-32%	1.20€	1.14€	5%

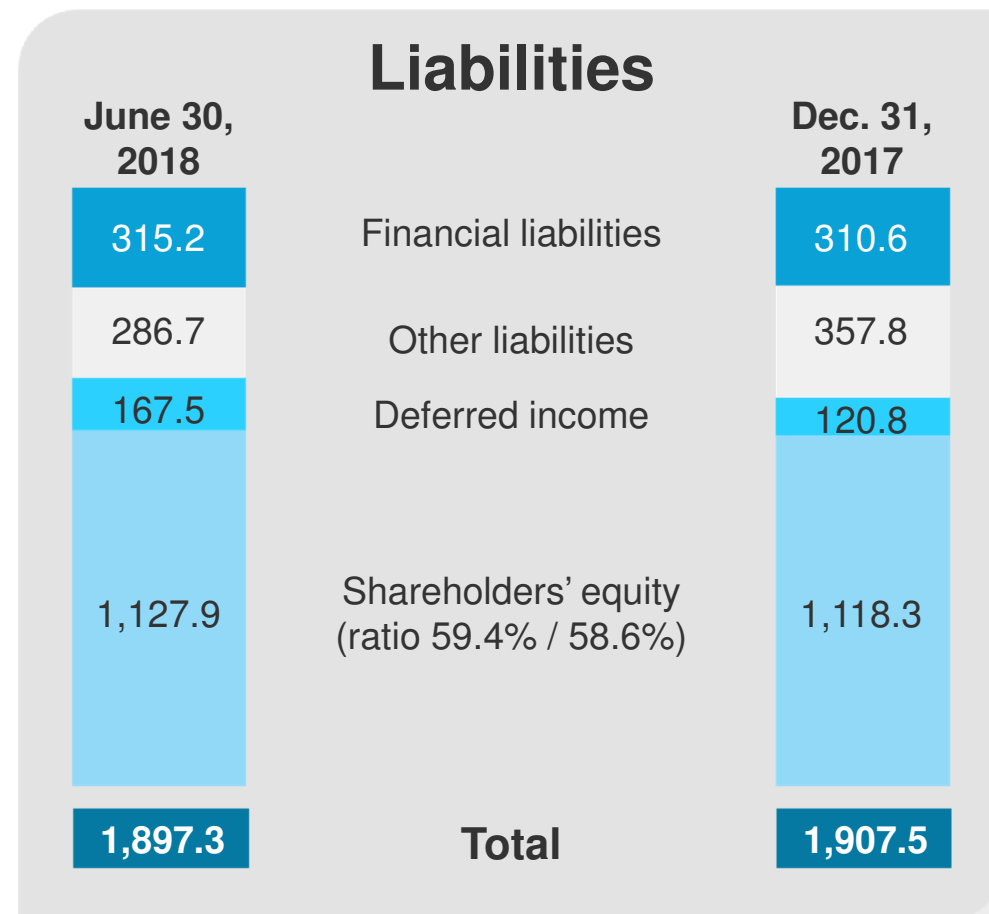
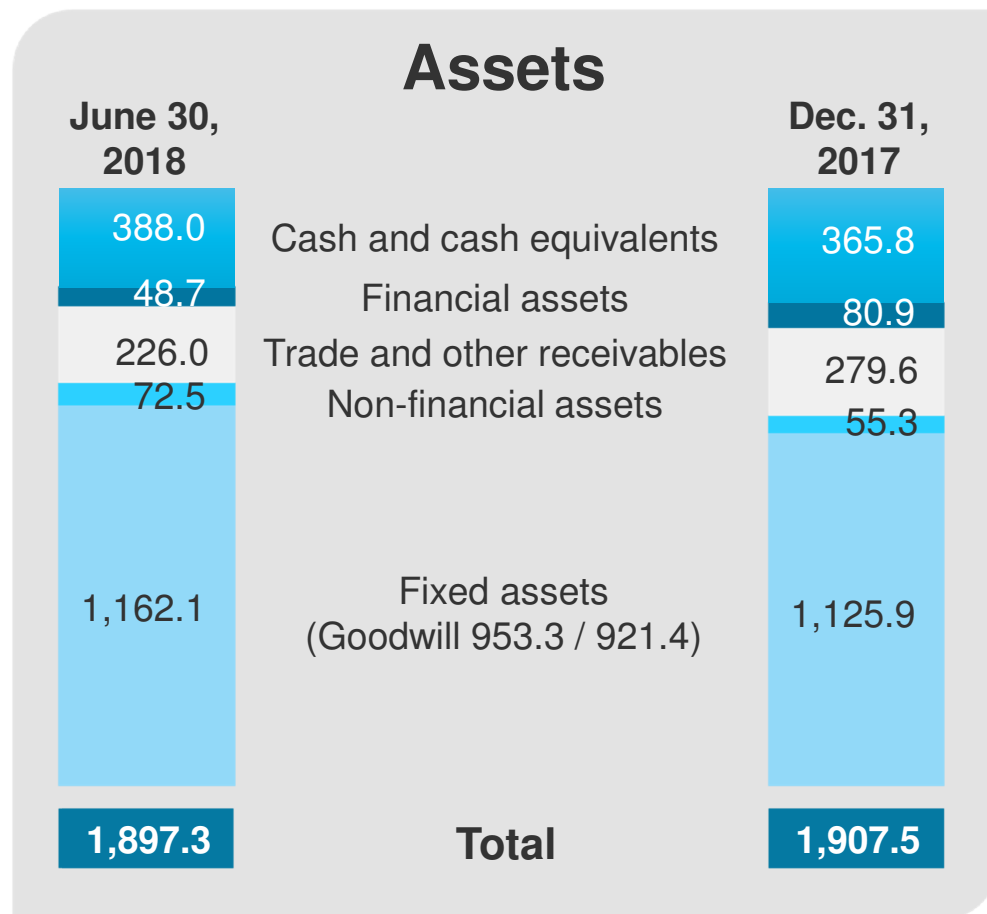
* Cash flow from investing activities except acquisitions and except investments in debt instruments

** yoy change because of one time property investment at Darmstadt

*** Based on weighted average shares outstanding (basic) Q2 2018: 74.0m / Q2 2017: 74.8m / H1 2018: 74.0m / H1 2017: 75.3m

BALANCE SHEET

(in €m)



OUTLOOK

FULL YEAR 2018

	FY 2017 <i>(in €m)</i>	FY 2018 Outlook <i>(as of April 13, 2018)</i>
DBP Total Revenue	456.4	N/A
- DBP (excl. Cloud & IoT)	441.5	+3% to +7%¹⁾
- DBP Cloud & IoT	14.9	+100% to +135%¹⁾
Adabas & Natural	223.7	-6% to -2%¹⁾
Operating Margin Group (EBITA non-IFRS)²⁾	31.8%	30% to 32%
EPS non-IFRS³⁾	€2.38	+5% to +15%

1) At constant currency rates

2) Adjusted for non-operating items (see non-IFRS earnings results)

3) Weighted average shares outstanding (basic/IAS 33.19) FY 2017: 74.6m / H1 2018: 74.0m; based on new US-Federal-Tax and Euro/US-Dollar exchange rate of 1/1.18

APPENDIX



HEADCOUNT

BY FUNCTIONAL AREAS* AND GEOGRAPHY

<i>(in FTE)</i>	June 30, 2018	Dec. 31, 2017	Δ%	June 30, 2017	Δ% yoy
Total	4,655	4,596	1%	4,570	2%
Consulting & Services	1,910	1,935	-1%	1,920	-1%
Research & Development	1,205	1,176	2%	1,158	4%
Sales & Marketing	936	862	9%	888	5%
Administration	604	623	-3%	604	0%
Germany	1,218	1,201	1%	1,183	3%
USA	574	575	0%	597	-4%
India	803	823	-2%	785	2%
Rest of world	2,060	1,997	3%	2,005	3%

* According to P+L structure

EARNINGS

Q2 2018 / YTD 2018 (6 MONTHS)

(in €m)	Q2 2018	Q2 2017	Δ%	YTD 2018	YTD 2017	Δ%
EBIT (before all taxes)	52.2	48.1	9%	94.3	89.6	5%
Financial result	0.7	0.2	-	2.1	0.0	-
Profit before taxes	52.9	48.3	10%	96.4	89.6	8%
Other taxes	-1.4	-1.8	-20%	-3.2	-3.7	-14%
Income taxes	-15.7	-15.2	3%	-27.4	-27.3	-
<i>Tax rate in %</i>	<i>32.3%</i>	<i>35.2%</i>		<i>31.7%</i>	<i>34.6%</i>	
Net income	35.8	31.3	14%	65.8	58.6	12%
EPS in €* 	0.48€	0.42€	14%	0.89€	0.78€	14%

* Weighted average shares outstanding (basic) Q2 2018: 74.0m / Q2 2017: 74.8m / H1 2018: 74.0m / H1 2017: 75.3m

AMORTIZATION / DEPRECIATION IMPACT (PRELIMINARY)

(in €m)

	Q1 2018	Q2 2018	FY 2018*	FY 2019*	FY 2020*
Amortization	5.3	5.2	21.0	20.0	13.0
Depreciation	2.7	2.7	11.1	11.2	11.2

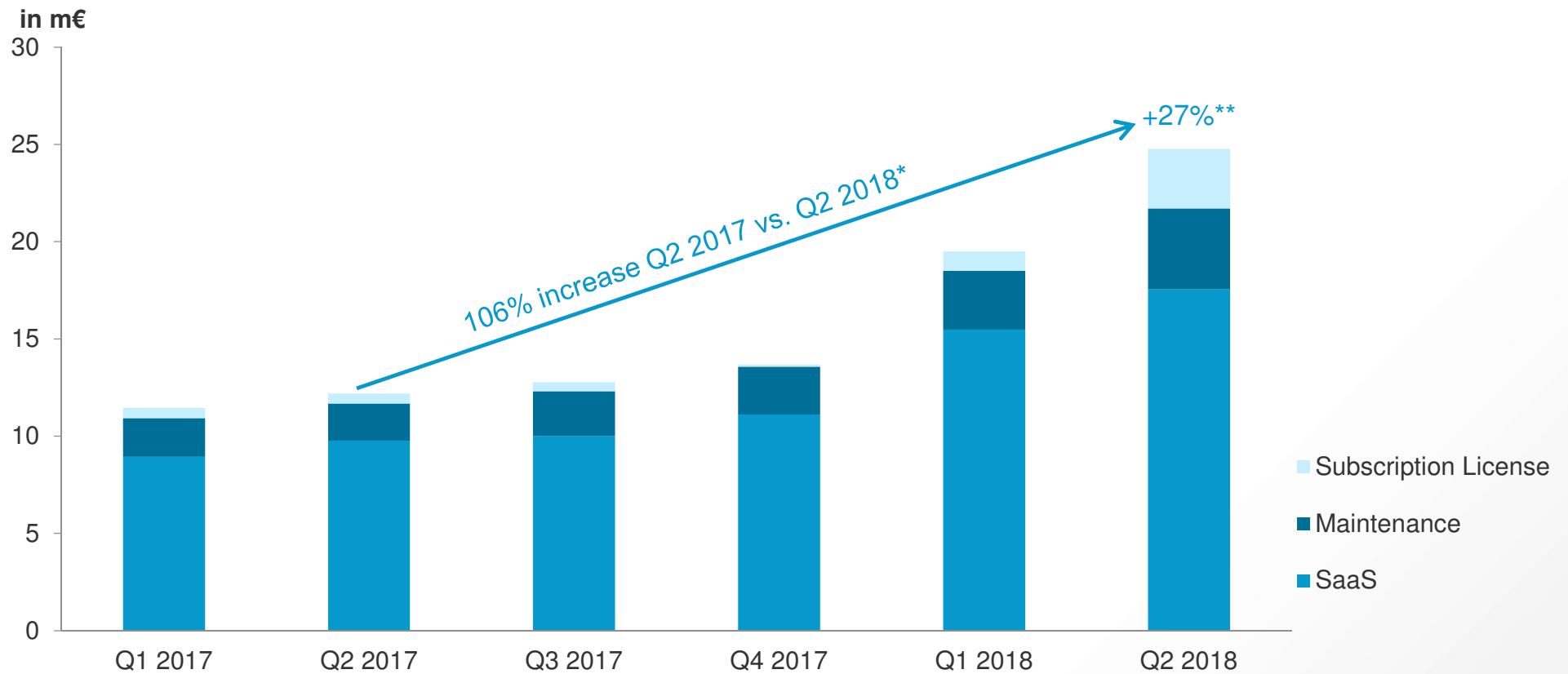
* Estimated

REVENUE

Q2 2018 / FY 2018 (6 MONTHS)

(in €m)	Q2 2018	Q2 2017	Δ%	Δ% acc	YTD 2018	YTD 2017	Δ%	Δ% acc
Product revenue	159.5	156.5	2%	7%	299.9	310.2	-3%	3%
Licenses	53.5	47.3	13%	17%	87.6	92.2	-5%	1%
Maintenance	101.7	107.0	-5%	1%	204.2	214.0	-5%	2%
SaaS / Usage Based	4.3	2.2	97%	103%	8.1	4.1	98%	107%
Services	46.0	50.6	-9%	-6%	92.1	102.7	-10%	-7%
Other	0.2	0.2	-	-	0.4	0.4	-	-
Total	205.7	207.4	-1%	4%	392.3	413.3	-5%	1%

ARR – DBP CLOUD & IoT DEVELOPMENT STATUS Q2 2018



* Net of currency (based on prior year rates)

** vs. previous quarter

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