

Results 1st Quarter 2019

(IFRS, unaudited)

April 18, 2019

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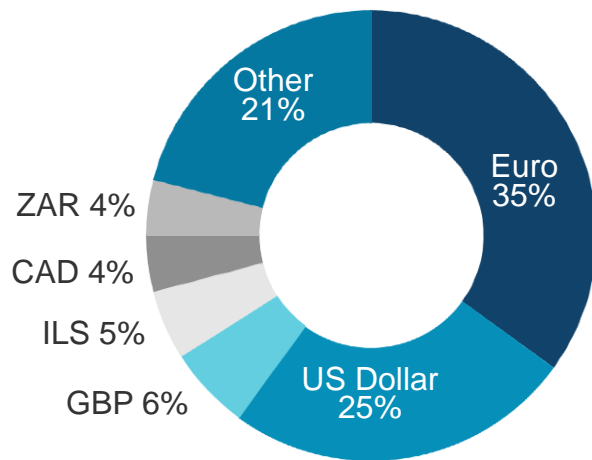
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Currency Impact on Revenue

Q1 2019

⇒ 35% revenue in Euro

⇒ 65% revenue in foreign currency



Currency split Q1 2019

Currency impact on revenue

<i>(in €m; yoy)</i>	Q1 2019	Q1 in %
Licenses	0.0	0%
Maintenance	2.4	2%
SaaS	0.1	3%
Professional Services & Other	0.6	1%
Total	3.1	2%

Digital Business Platform (including DBP Cloud & IoT)

SEGMENT REPORT Q1 2019

(in €m)

	Q1 2019	Q1 2018	Δ%	Δ% acc
DBP (excl. Cloud & IoT)	90.5	89.4	1%	-1%
- thereof Licenses	21.7	23.4	-7%	-8%
- thereof Maintenance	68.7	66.0	4%	1%
DBP Cloud & IoT	9.5	6.4	49%	47%
Total revenue	100.0	95.8	4%	2%
Cost of sales	-9.3	-8.6	9%	8%
Gross profit	90.6	87.2	4%	1%
Sales & Marketing	-45.8	-37.8	21%	18%
Research & Development	-27.4	-22.8	20%	19%
Segment result	17.5	26.7	-35%	-38%
<i>Margin in %</i>	<i>17.5%</i>	<i>27.8%</i>		
Annual Recurring Revenue as of March 31	308.6	276.5	12%	10%

DBP Cloud & IoT

SEGMENT REPORT Q1 2019

<i>(in €m)</i>	Q1 2019	Q1 2018	Δ%	Δ% acc
Licenses	3.1	1.8	71%	70%
Maintenance	1.6	0.8	91%	89%
SaaS / Usage based	4.9	3.8	30%	26%
Total revenue	9.5	6.4	49%	47%
Annual Recurring Revenue as of March 31	36.2	18.7	94%	91%

Adabas & Natural

SEGMENT REPORT Q1 2019

<i>(in €m)</i>	Q1 2019	Q1 2018	Δ%	Δ% acc
Licenses	17.8	9.0	98%	102%
Maintenance	36.8	35.7	3%	2%
Product revenue	54.6	44.6	22%	22%
Other	0.2	0.2		
Total revenue	54.7	44.8	22%	22%
Cost of sales	-2.2	-1.4	54%	53%
Gross profit	52.5	43.4	21%	21%
Sales & Marketing	-7.4	-6.6	11%	11%
Research & Development	-5.9	-5.6	7%	8%
Segment result	39.3	31.2	26%	25%
<i>Margin in %</i>	<i>71.7%</i>	<i>69.7%</i>		

Professional Services

SEGMENT REPORT Q1 2019

<i>(in €m)</i>	Q1 2019	Q1 2018	Δ%	Δ% acc
Total revenue	46.7	46.1	1%	0%
Cost of sales	-35.7	-37.5	-5%	-6%
Gross profit	11.0	8.5	29%	28%
Sales & Marketing	-4.3	-4.4	-3%	-4%
Segment result	6.7	4.2	62%	61%
<i>Margin in %</i>	<i>14.4%</i>	<i>9.0%</i>		

Results

Q1 2019

<i>(in €m)</i>	Q1 2019	Q1 2018	Δ%	Δ% acc
Total revenue	201.4	186.6	8%	6%
Cost of sales	-49.5	-49.5	0%	-1%
Gross profit	152.0	137.1	11%	9%
<i>Margin in %</i>	<i>75.4%</i>	<i>73.5%</i>		
Research & Development	-33.3	-28.3	17%	15%
Sales & Marketing	-60.8	-52.0	17%	15%
Administration	-17.6	-17.0	3%	3%
Other income / expense	2.0	2.4		
EBIT	42.2	42.1	0%	-
<i>Margin in %</i>	<i>21.0%</i>	<i>22.5%</i>		

Non-IFRS Earnings

Q1 2019

<i>(in €m)</i>	Q1 2019	Q1 2018	Δ%
EBIT (before all taxes)	42.2	42.1	0%
Amortization on acquisition related intangible assets	5.6	5.3	6%
Share based payments	2.5	2.9	-14%
Restructuring / severances / legal case	1.1	0.8	27%
Other impacts / impacts from M&A activities	0.2	0.1	128%
EBITA (Non-IFRS)	51.6	51.2	1%
<i>in % of revenue (Non-IFRS)</i>	<i>25.6%</i>	<i>27.4%</i>	
Net income (Non-IFRS)	36.3	36.5	-1%
EPS in € (Non-IFRS)*	0.49	0.49	-1%

* Weighted average shares outstanding (basic) Q1 2019: 74.0m/ Q1 2018: 74.0m

Cash Flow

Q1 2019

<i>(in €m)</i>	Q1 2019	Q1 2018	Δ%
Operating cash flow	60.0	61.6	-3%
./. CapEx* (long-term, non-current)	-2.2	-1.5	
./. Repayment of lease liabilities**	-3.3	0.0	
Free cash flow	54.5	60.1	-9%
Payment adjustments for			
- Share based compensation	3.9		
- Restructuring/ severances/ legal cases	7.2		
- Other payments/ M&A impacts	0.0		
Adjusted operational Free Cash flow	65.6		
<i>in % of revenue</i>	<i>32,6%</i>		
Adjusted operational Free Cash flow per share***	0,89		

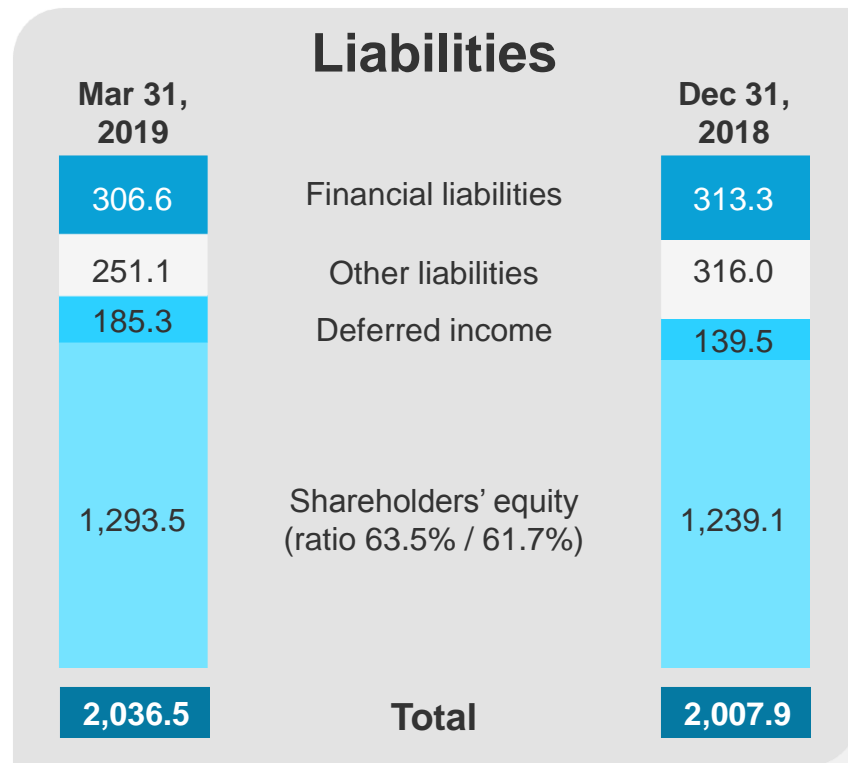
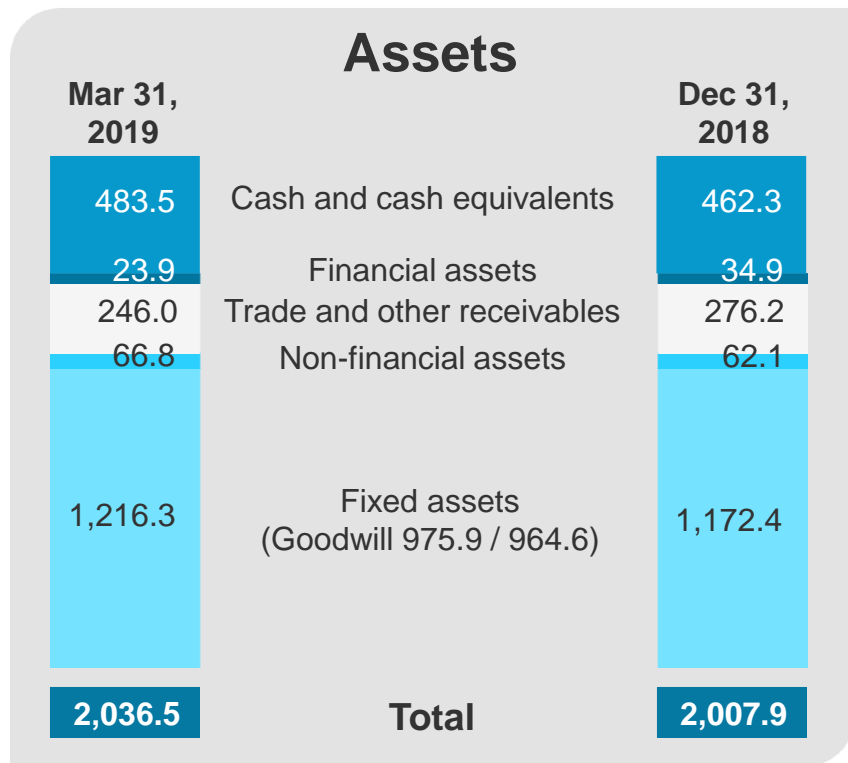
* Cash flow from investing activities except acquisitions and except investments in debt instruments

** New reporting line due to IFRS 16

*** Based on weighted average shares outstanding (basic) Q1 2019: 74.0m/ Q1 2018: 74.0m

Balance Sheet

(in €m)



Outlook

FULL YEAR 2019

	FY 2018 <i>(in €m)</i>	FY 2019 Outlook <i>(as of January 31, 2019)</i>	FY 2019 Outlook <i>(as of April 11, 2019)</i>
DBP Total Revenue	464.7	N/A	N/A
- DBP (excl. Cloud & IoT)	434.4	+3% to +7%¹⁾	+3% to +7%¹⁾
- DBP Cloud & IoT	30.3	+75% to +125%¹⁾	+75% to +125%¹⁾
Adabas & Natural	218.3	-5% to -0%¹⁾	-3% to +3%¹⁾
Operating Margin Group (EBITA non-IFRS)²⁾	31.5%	28% to 30%	28% to 30%

1) At constant currency rates

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

Appendix

Headcount

BY FUNCTIONAL AREAS* AND GEOGRAPHY

<i>(in FTE)</i>	Mar 31, 2019	Dec 31, 2018	Δ%	Mar 31, 2018	Δ% yoy
Total	4,737	4,763	-1%	4,610	3%
Professional Services	1,843	1,901	-3%	1,938	-5%
Research & Development	1,339	1,310	2%	1,197	12%
Sales & Marketing	936	926	1%	868	8%
Administration	619	626	-1%	607	2%
Germany	1,240	1,243	0%	1,210	2%
USA	570	580	-2%	575	-1%
India	886	895	-1%	813	9%
Rest of world	2,041	2,044	0%	2,011	1%

* According to P+L structure

Earnings

Q1 2019

(in €m)

	Q1 2019	Q1 2018	Δ%
EBIT (before all taxes)	42.2	42.1	0%
Financial result	1.4	1.4	2%
Profit before taxes	43.6	43.4	0%
Other taxes	-1.5	-1.8	-19%
Income taxes	-12.5	-11.7	7%
<i>Tax rate in %</i>	<i>32.0%</i>	<i>31.0%</i>	
Net income	29.7	29.9	-1%
EPS in €*	0.40	0.40	-1%

* Weighted average shares outstanding (basic) Q1 2019: 74.0m/ Q1 2018: 74.0m

Amortization / Depreciation Impact (PRELIMINARY)

<i>(in €m)</i>	Q1 2019	FY 2019*	FY 2020*	FY 2021*
Amortization	-5.6	-21.8	-14.1	-13.7
Depreciation	-6.0	-24.6	-24.0	-24.0

* Estimated

Revenue

Q1 2019

(in €m)	Q1 2019	Q1 2018	Δ%	Δ% acc
Product revenue	154.5	140.4	10%	8%
Licenses	42.6	34.2	25%	25%
Maintenance	107.1	102.5	5%	2%
SaaS / Usage based	4.9	3.8	30%	26%
Services	46.7	46.1	1%	0%
Other	0.2	0.2		
Total	201.4	186.6	8%	6%



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