Corporate News

SNP publishes Half-Year Financial Report for 2013

- Consolidated revenue of €10.3 million in the first half of the year (previous year: €13.6 million)
- EBIT of €-2.3 million (previous year: €1.5 million)
- Forecast for year as a whole withdrawn
- Mr. Jörg Vierfuß appointed new CFO of the SNP Group

Heidelberg, 29 July 2013 – SNP Schneider-Neureither & Partner AG (General Standard, ISIN DE0007203705) generated lower revenue in the first half of 2013 as previously reported. Combined with the increased cost base due to investments in the Company’s future, this meant that EBIT for the first six months was negative.

Dr. Andreas Schneider-Neureither, CEO and founder of the Company: “We implemented a range of measures in the first six months. SNP has a fundamentally solid position and is preparing for its next growth phase. This is why SNP has also kept its workforce constant, a step that will have a positive impact in the medium term.”

SNP AG generated consolidated revenue of €10.28 million in the first half of 2013 (previous year: €13.61 million). Revenue in the second quarter of 2013 amounted to €4.89 million (previous year: €6.31 million), down slightly on the figure for the previous quarter. At €8.34 million (previous year: €10.02 million), Professional Services (consultancy) made the largest contribution to SNP AG’s total revenue in the first half of the year, increasing its revenue share from 74% to 81%. Accordingly, the revenue share attributable to Software declined from 26% to 19%. All in all, Software revenue amounted to €1.94 million (previous year: €3.59 million). The expiry of a sales partnership with SAP in the previous year meant that revenue from maintenance services fell by 67% to €0.37 million (previous year: €1.12 million). Licence revenue declined by 37% to €1.57 million (previous year: €2.48 million).

The downturn in revenue combined with the increased cost base due to the continued expansion of in-house development and marketing activities resulted in negative earnings in the first half of 2013. The growth in the number of employees to 226 (previous year: 198) meant that personnel expenses increased to €8.39 million in the period under review.
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(previous year: €7.96 million). Other operating expenses increased to €3.47 million (previous year: €3.11 million), particularly as a result of value adjustments on receivables. The operating result (EBITDA) amounted to €-1.98 million at the end of the first half of 2013 (previous year: €1.86 million). Earnings before interest and taxes (EBIT) amounted to €-2.33 million (previous year: €1.48 million).

The consolidated net loss after minority interests for the period under review amounted to €-1.67 million (previous year: net profit of €0.87 million). In calculating earnings per share, the bonus shares issued as part of the capital increase from Company funds are included for the entire period, and the prior-period figure has been adjusted to enable comparability. Based on the number of shares calculated in this manner – 3.716 million for the first half of 2013 and 3.387 million for the corresponding period of the previous year – earnings per share amounted to €-0.45 in the period under review and €0.26 in the prior-year period.

SNP AG still has an extremely solid balance sheet structure, with no liabilities to banks. As a result of the capital increase in December 2012, the equity ratio as of 30 June 2013 amounted to 76% compared with 68% in the same period of the previous year. Cash and cash equivalents increased by around €2.00 million year-on-year to €7.00 million as of 30 June 2013.

The course of business in the first six months of 2013 meant that SNP AG failed to meet its revenue and earnings forecasts by some way. As the Executive Board is not currently anticipating sufficient revenue and earnings growth in the second half of the year, the original revenue and earnings forecast for 2013 as a whole – double-digit growth and an EBIT margin of 14-18% – was withdrawn by way of an ad hoc disclosure published on 1 July 2013. Due to uncertainties concerning customer behaviour and ongoing economic development in individual European markets, detailed statements on revenue and earnings performance for the financial year as a whole are not possible at present.

However, the Executive Board believes that the organisational and personnel measures initiated with the aim of achieving an operational improvement in the sales structures will lead to measurable results in the next six to nine months. Among other things, the newly concluded service partnership with SAP is expected to strengthen the Company's fundamentally stable consultancy business in the medium term, thereby serving as a basis for future development.
Following close consultation with the Supervisory Board of SNP AG, Jörg Vierfuß (45) has been appointed by the Executive Board as the new Chief Financial Officer. Holding a degree in business administration, Mr. Vierfuß has been with SNP AG since summer 2012. In his role as authorised signatory and commercial director, his responsibilities included the preparation of the quarterly and annual financial statements. Prior to joining SNP, Mr. Vierfuß was employed by the Freudenberg Group as a commercial director. Dr. Andreas Schneider-Neureither will remain the sole member of the Executive Board for the time being and will continue to be responsible for capital market communications.


Heidelberg, 29 July 2013

SNP Schneider-Neureither & Partner AG
The Executive Board
About SNP

With the help and support of SNP AG, companies can increase the speed with which they implement changes and adapt their IT landscapes to ever-changing business conditions in a faster and more economical way. To achieve this, the software company has developed SNP Transformation Backbone, the world’s first standard software for the automated analysis and standardised implementation of changes in IT systems. The transformation platform is based on the experience gathered in over 1,500 projects around the world. The Company, which was formed in 1994, has bundled this with its software-related services for Business Landscape Transformation.

In 2012, more than 200 employees in Europe, South Africa and the USA generated revenue of €27.2 million. SNP AG, whose headquarters are in Heidelberg, went public in 2000 and has been listed in the General Standard of the Frankfurt Stock Exchange since 2003.

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