

Increased
maneuverability



More efficient
IT organization



Optimal
Business Support

Managing Change In IT

TRANSFORMATION – VALUE – SUCCESS

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COO | SNP Schneider-Neureither & Partner AG

Eigenkapitalforum 2017, Frankfurt



Agenda

1	TRANSFORMATION – VALUE – SUCCESS
2	Strategy
3	Financials & Outlook
4	Capital Market Appendix
5	Financial Appendix

HARD TIMES FOR CIO'S

The CIO's Threats

Old Legacy Systems

Rising Maintenance and Integration Costs

Pressure on Time, Cost & Performance

Data Migration

Zero Downtime

Data Security

System Updates

Inhomogenous Landscapes

Business Changes

Basis Changes

Inhomogeneity

Data Integration

Legal Requirements

Some Numbers: **The Market**

> 400,000

M&A Projects next 10 Years

> 50,000

SAP Systems to migrate

> 100 Billion US-Dollar

Transformation Revenues per Year

Some Numbers: **SNP**

> 70,000 TB

Data analyzed by SNP

> 7,000

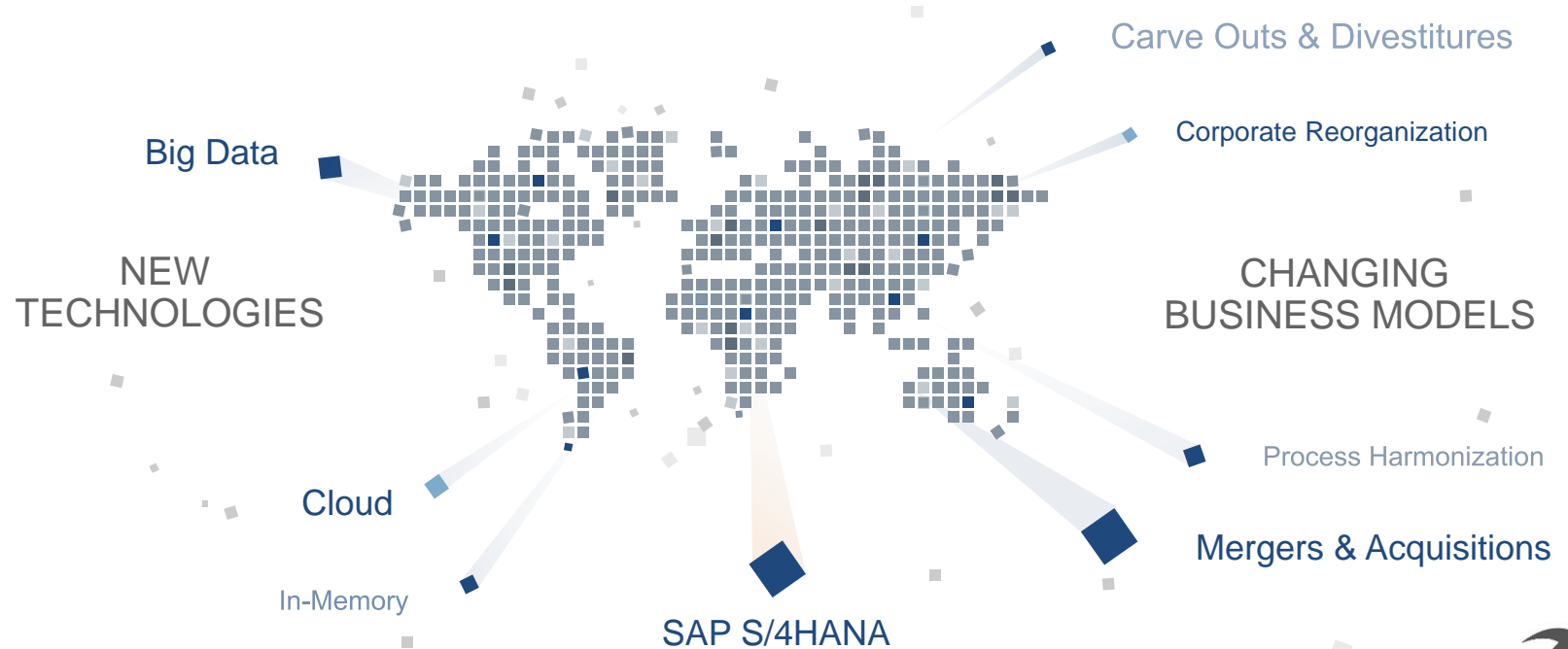
SNP Transformation Projects done

> 70

Countries with SAP Transformations



Transformation – Business and Technology



Selected Clients



Largest System
Split Worldwide



Largest SAP
Workload
Transfer to AWS



Rolls-Royce®



Shortest Carve-
out of \$1bn
Business

Chem 1 // Chem 2

Largest Merger
Worldwide

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SNP Vision

SNP is a Software Company



SNP Mission: Global Industry Standard for Data Transformations

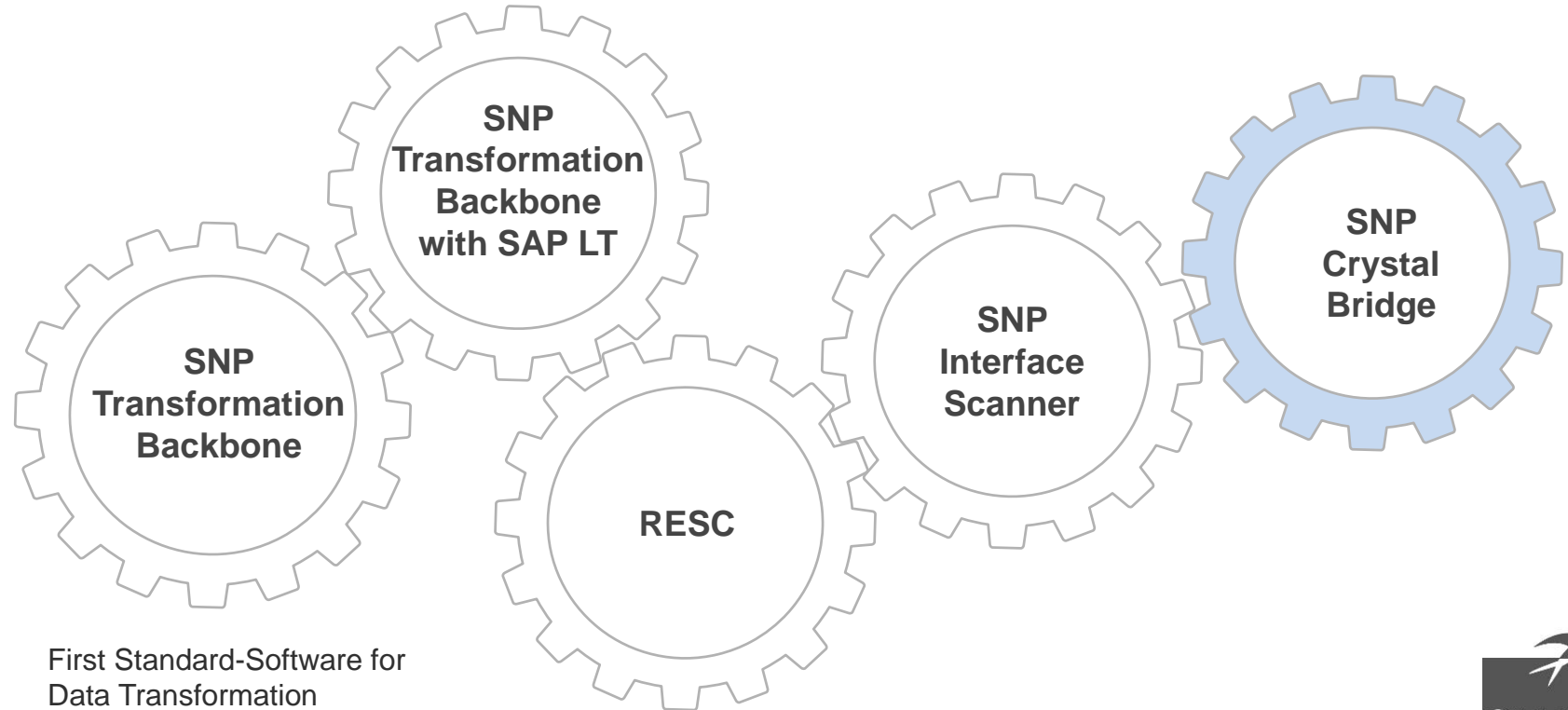
Three Strategic Elements:

- Automation
- Internationalization
- Ability to Execute

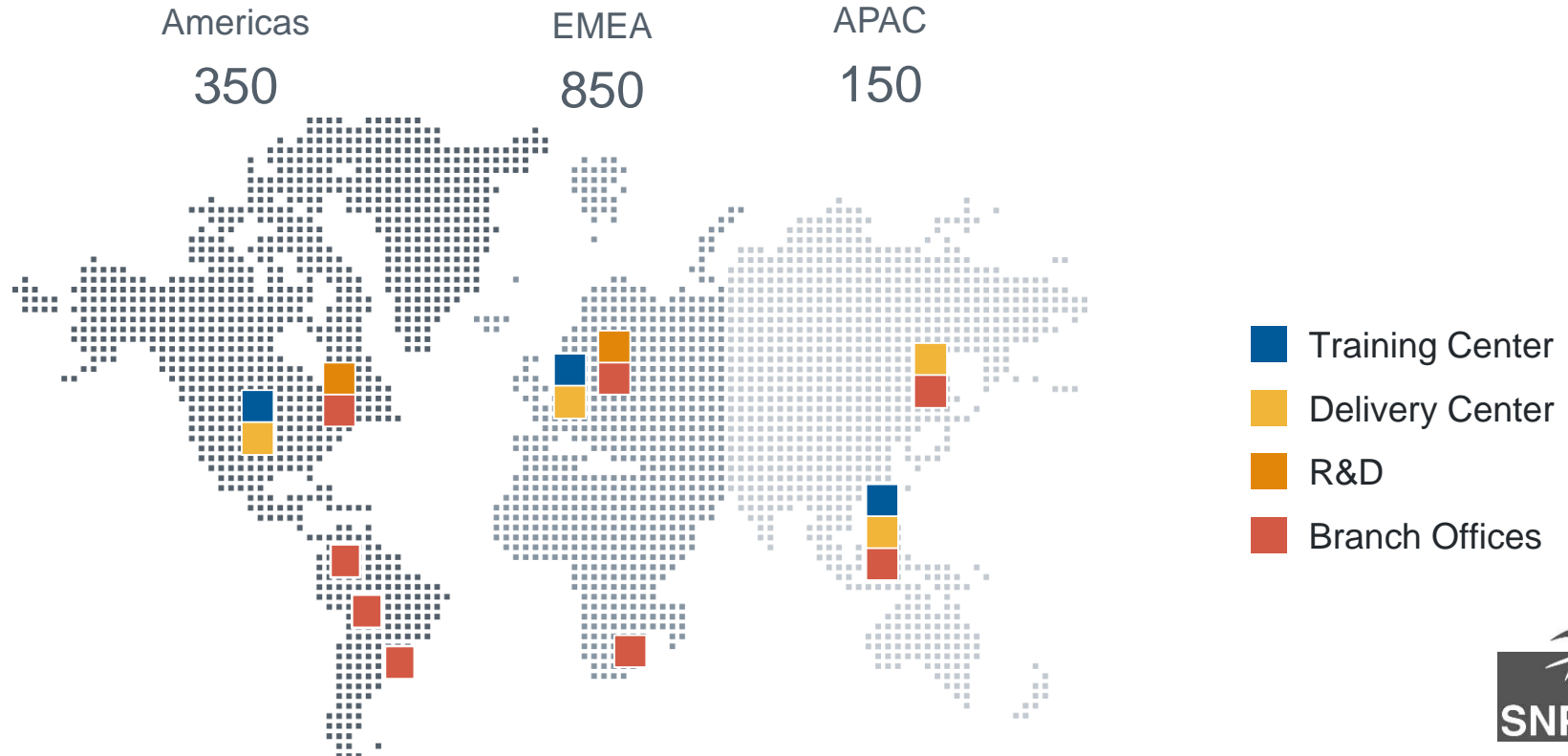
Based on these three principles, SNP is driving the development and growth of SNP's business!



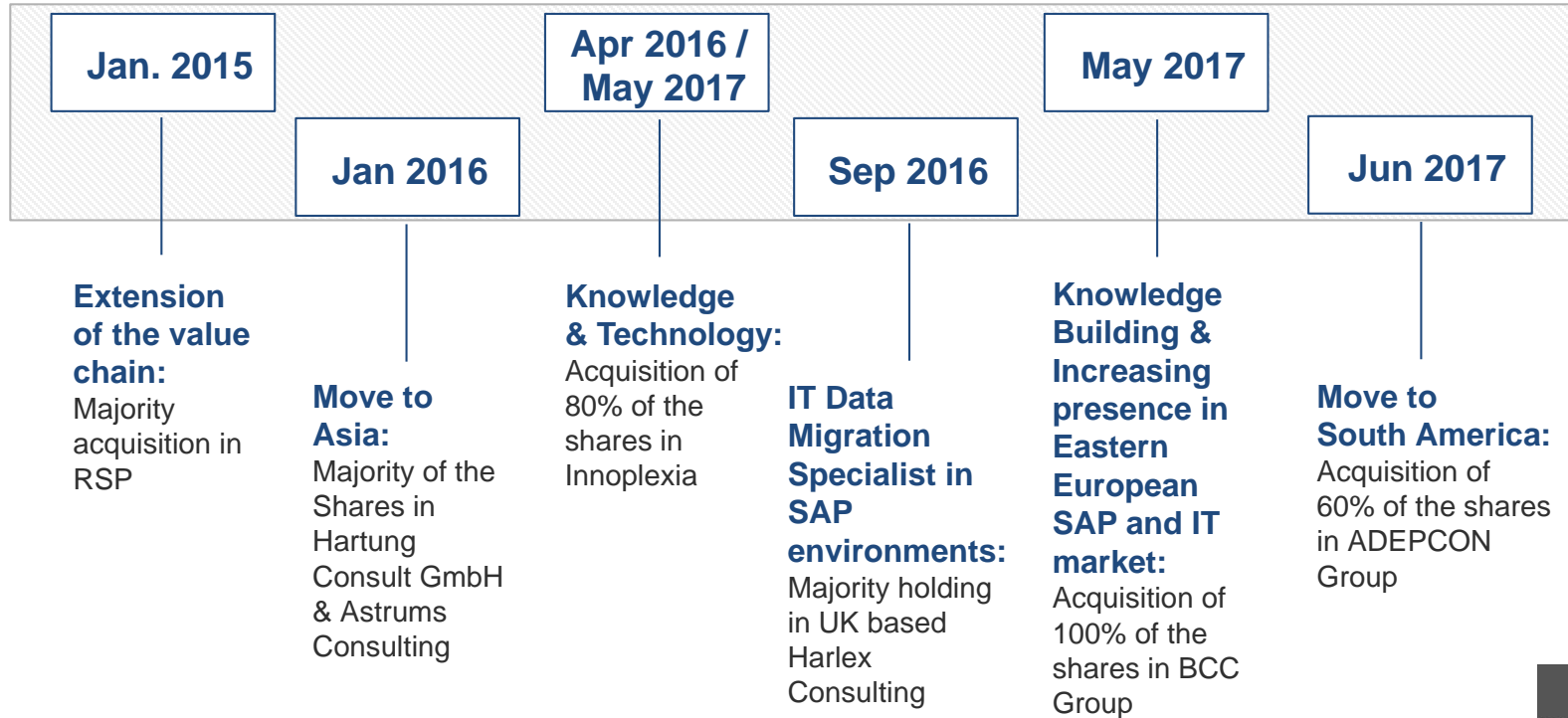
Automation through constantly expanded Software Portfolio



SNP: The Transformation Company with Global Presence

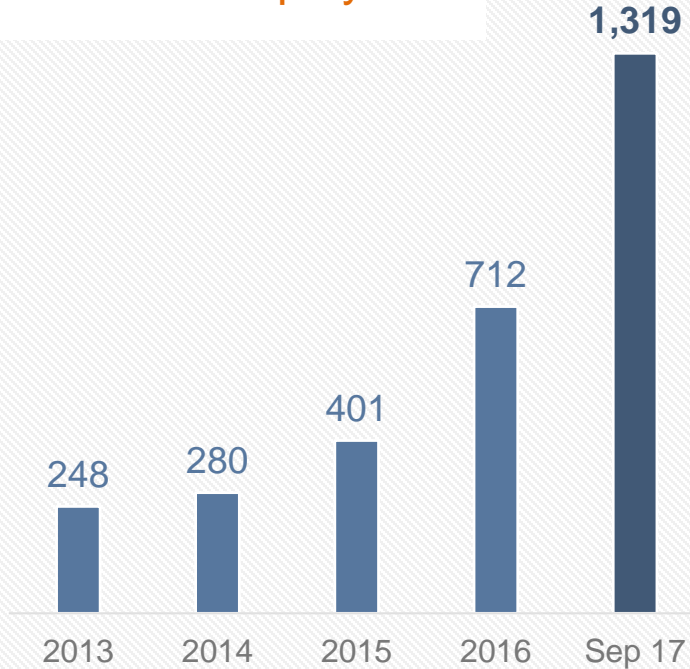


Recent Inorganic Growth Steps

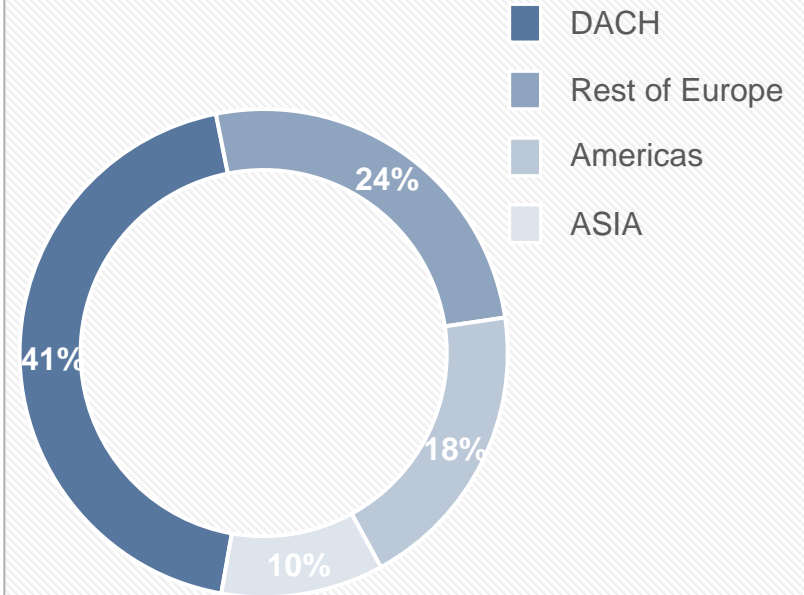


International Ability to Execute

Number of Employees



Employees by Country



SNP - Extending the Partner Network

Proven approach

Our **software** and our **consulting approach** were examined by two leading auditors.



Global Alliances with SAP



Cooperation's



Strengthened SAP Partnership by SAP Certification

SNP Transformation Bone® with SAP® LT

is certified by SAP as powered by SAP NetWeaver®

An application that is powered by SAP NetWeaver is certified by SAP to run on the SAP NetWeaver technology platform or is developed using SAP NetWeaver.

SNP is entitled to use the following logo:

SAP® Certified
Powered by SAP NetWeaver®



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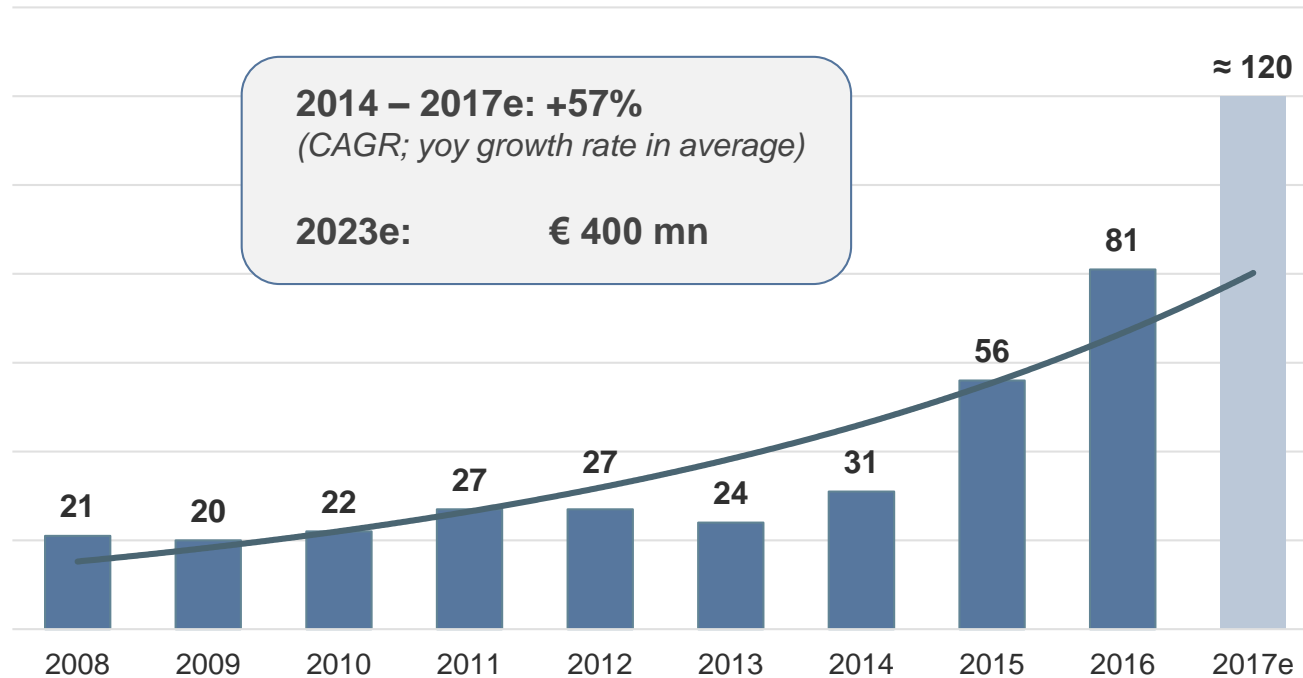
9M Figures at a Glance

in € mn	9M 2017	9M 2016	Δ
Incoming Orders <i>(as of Sep. 30)</i>	95.0	72.3	+31%
Order Backlog <i>(as of Sep. 30)</i>	62.2	36.2	+72%
Revenue	81.0	57.5	+41%
EBIT	-2.6	5.2	n/a
<i>EBIT Margin (%)</i>	-3.2	9.0	-12.2 pp
Equity	60.4	49.7	+22%
<i>Equity Ratio (%)</i>	40.8	62.5	-21.7 pp

SNP Raises its Revenue Forecast with Generally Balanced Operating Result (EBIT) for the 2017 Fiscal Year

- Increased forecast for Group revenue to around € 120 mn for 2017
(previous revenue forecast: € 110 mn)
- Generally balanced operating result (EBIT) for 2017
(previous earnings forecast: EBIT margin of 7% to 12%)
 - **Principle objective:**
Consistent revenue growth for the Group as a whole
 - **Corporate objective:**
Establishing the global standard for software-based data transformation

Taking Market Share to Become Industry Standard



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Key Share Data

ISIN	720 370 / DE0007203705 / SHF
Segment	Prime Standard
Stock Exchanges	Xetra, Frankfurt, Hamburg, Berlin, Munich, Stuttgart, Dusseldorf
Indices	CDAX, DAXsector All Software, DAXsubsector All IT-Services, Prime All-Share, Prime Standard Index
Designated Sponsor	Oddo Seydler
Research Coverage	Berenberg, Edison, H&A, NordLB, Mainfirst, Oddo Seydler
Number of Shares	5,474,463
Share Price (November 15, 2017)	€ 31.00
Market Capitalization	~ € 170 mn

Development of the SNP Share since January 2016 (Xetra)



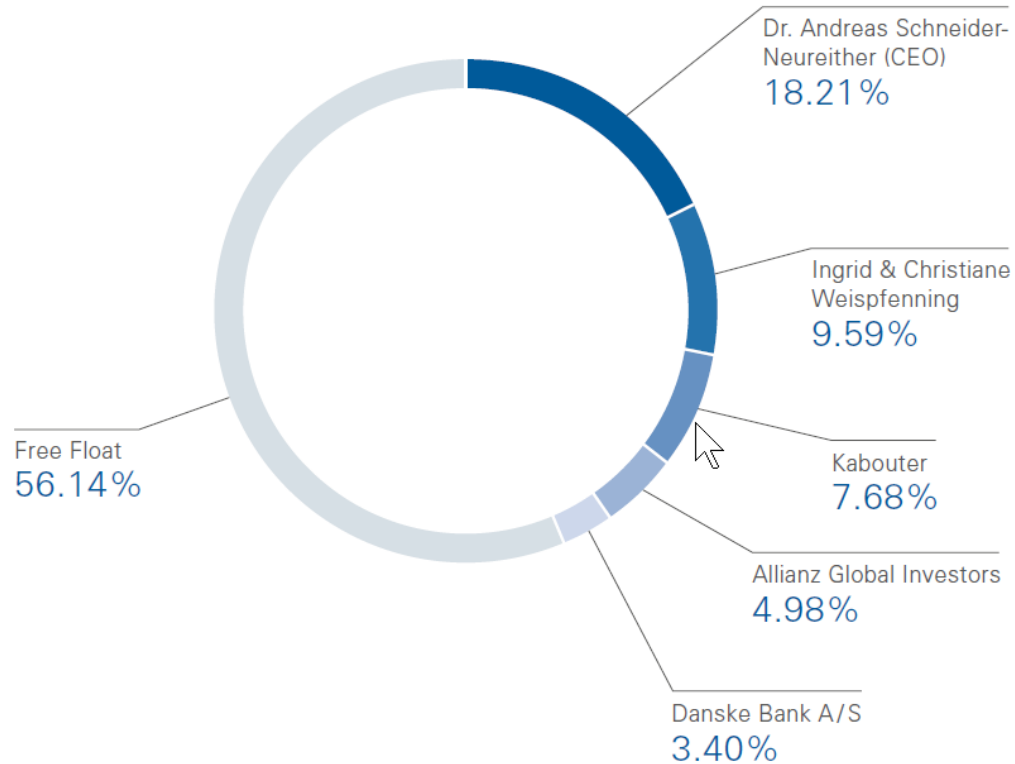
Development of the SNP Trading Volume

	Average daily turnover per month (Pieces, All Stock Exchanges)	Number of shares	Free Float	Average daily turnover in relation to Free Float
2017	17,032	5,474,463	53.04%	0.59%
2016	10,104	4,297,691	44.69%	0.53%
2015	5,043	3,716,000	34.76%	0.39%
2014	1,559	3,716,000	27.26%	0.15%

Analyst Assessments

Institute	Date	Rating	Price Target
Berenberg	Oct 31, 2017	Buy	€ 43.00
Oddo Seydler	Oct 26, 2017	Buy	€ 45.00
Hauck & Aufhäuser	Oct 25, 2017	Sell	€ 25.00
MainFirst	Sep 20, 2017	Outperform	€ 45.00
NORD/LB	Aug 15, 2017	Buy	€ 44.00

Shareholder Structure



Dividend Payouts for the Years 2014 – 2016

		2016	2015	2014
Total Payout	(€ mn)	2.0	1.3	0.5
Payout Ratio	(%)	48	49	48
Eligible Shares	(mn)	5.0	3.7	3.7
Dividend per Share	(€)	0.39	0.34	0.13
Earnings per Share	(€)	0.95	0.69	0.27

Capital Increase 2017



- Significant increase of the share capital by € 497,677 to a total of € 5,474,463 as of July 7, 2017.
- The new shares were issued at a price of € 37.65 per share to selected institutional investors by means of an accelerated book building process under exclusion of subscription rights.
- The company has seen a gross inflow of new funds of € 18.7mn.
- Financing the inorganic growth strategy.

Capital Increase 2016



- Significant increase of the share capital by € 1,238,726 to a total of € 4,976,786 as of July 7, 2016.
- The new shares were issued at a price of € 25.00 per share.
- Management members and other employees have purchased new shares for a total amount of around € 10.6 mn.
- The company has seen a gross inflow of new funds of around € 31mn.
- Financing the organic and inorganic growth strategy.

Promissary Note Loan. **Favorable Financing Conditions**

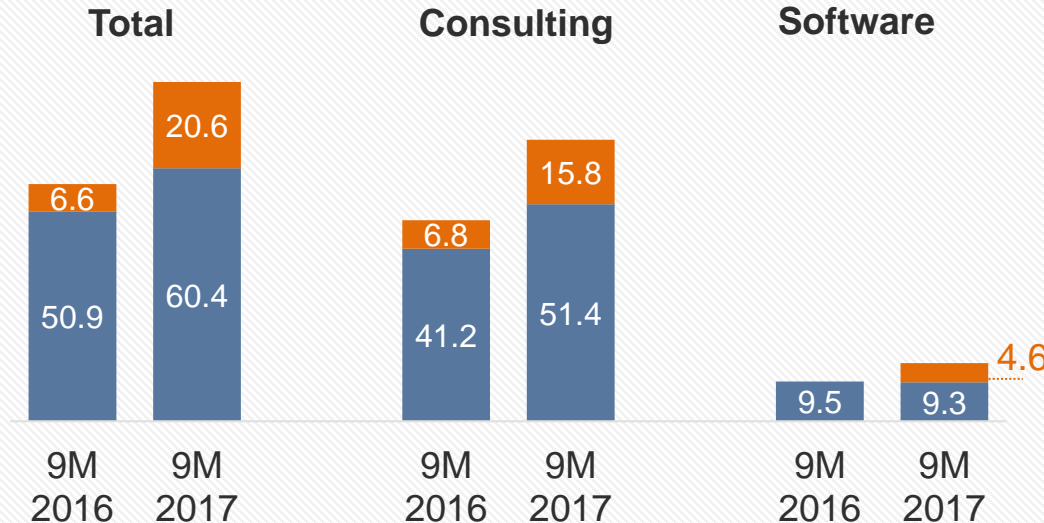
- Main objective: Early repayment of the corporate bond.
- The original target volume was increased from € 30 mn to € 40 mn (high level of investor interest + favorable financing conditions).
- Volume is spread across fixed and variable tranches in terms of three to seven years.
- Current average yield across all tranches: 1.41% p.a.

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Stable Growth – 9M

Revenue Split by Revenue Stream in € mn



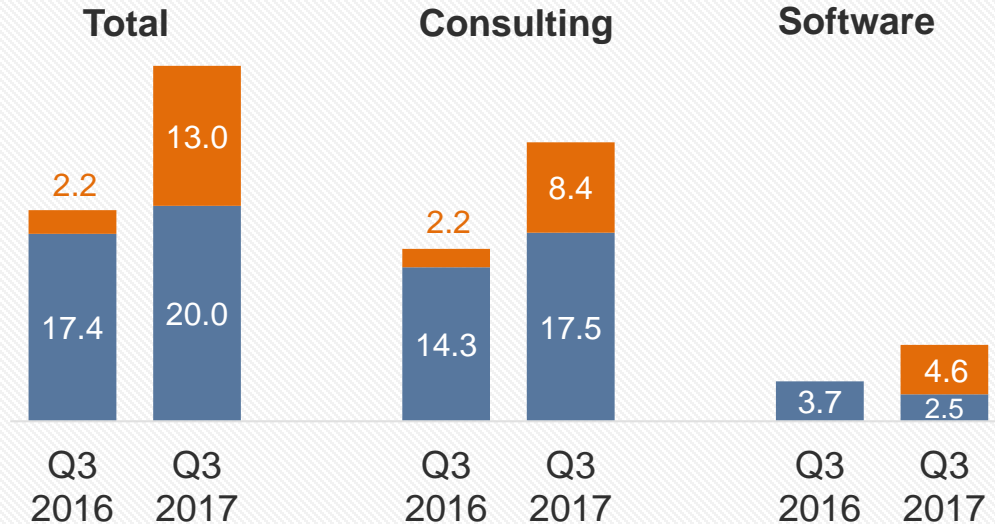
- Inorganic Revenue**
 - Harlex Consulting (Oct. 1, 2016)
 - Innoplexia (May 1, 2017)
 - BCC Group (May 1, 2017)
 - ADEPCON Group (Aug. 1, 2017)

Organic Revenue



Stable Growth – Q3

Revenue Split by Revenue Stream in € mn

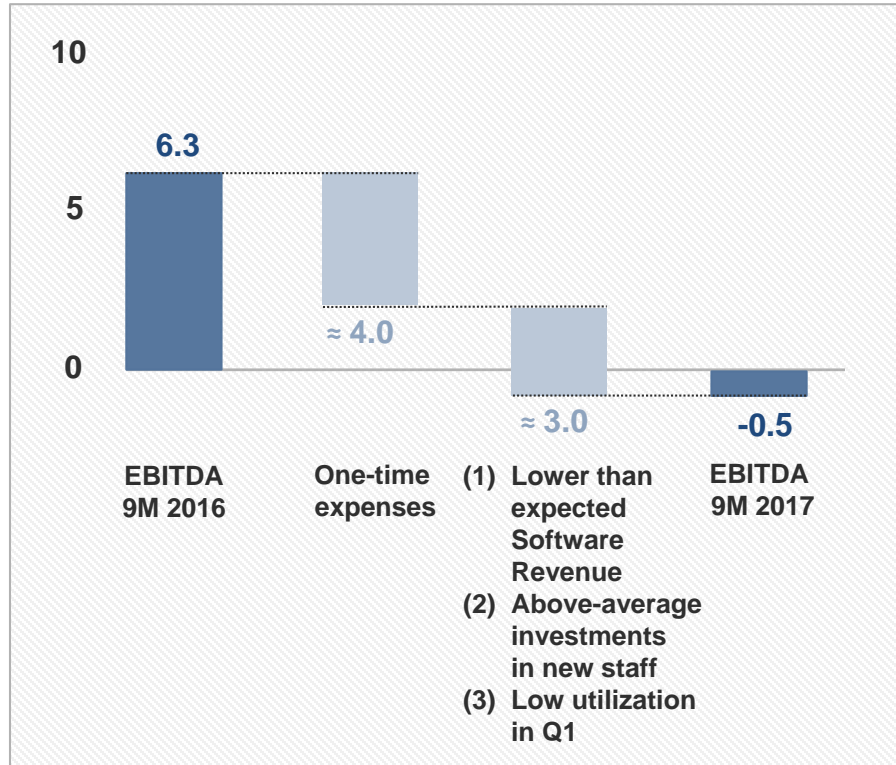


- Inorganic Revenue**
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Organic Revenue



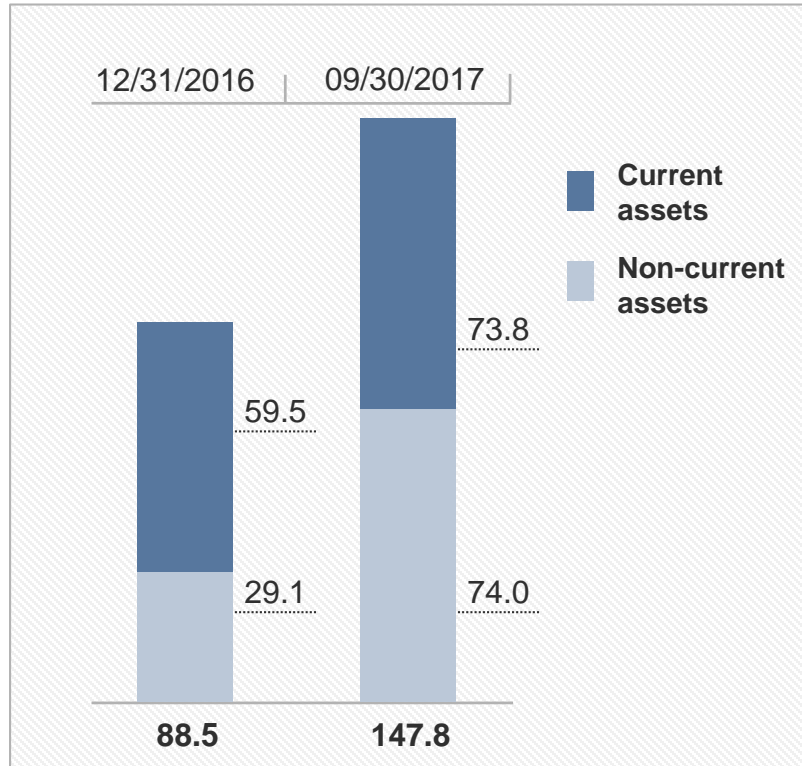
EBITDA. (in € mn)



One-time expenses / extraordinary growth investments:

- Group restructurings in the U.S. and Germany
- New Training academy in Germany
- Legal conversion into SE
- Intensified international sales strategy
- Internationalized Applications strategy
- Legal/Consulting expenses related to inorganic growth strategy
- Research & Development (SNP CrystalBridge, SNP Interface Scanner)

Balance Sheet. Assets (in € mn)



Increased total assets primarily as a result of the issuance of additional equity and borrowed capital (promissory note loan).

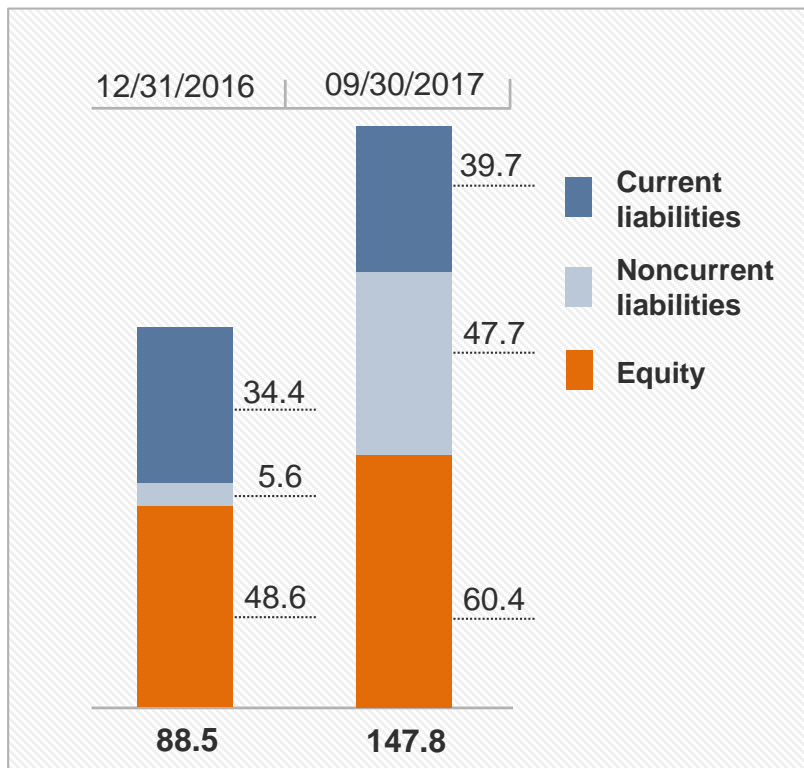
Current assets:

- Increased *Trade receivables* (+ € 10.8 mn) and *Other assets* (+ € 1.9 mn); both driven by acquisitions.
- *Cash and cash equivalents* increased to € 33.3 mn (+ € 1.4 mn).

Non-current assets:

- Increase in *Goodwill* (+ € 29.1 mn to € 74.0 mn) as a result of several acquisitions (ADEPCON Group, BCC Group & majority stake in Innoplexia GmbH).
- *Intangible Assets* (+ € 3.9 mn) & *PPP* (+ € 1.7 mn) due to acquisitions and anticipation of further replacements of capital assets and new investments.

Balance Sheet. Equity and Liabilities (in € mn)



Current liabilities:

- Decrease by the decline in bond-related liabilities (early termination / repayment in March 2017).
- *Other current liabilities* increased to € 29.5 mn (+ € 11.3 mn) due to entering of purchase price liabilities related to acquisitions on the liabilities side.

Non-current liabilities:

- *Noncurrent liabilities to banks* rose to € 39.7 mn due to the issuance of the promissory note loan.

Equity:

- Issuance of 497,666 no-par-value shares in July 2017; *Capital reserves* increased to € 54.3 mn (+ € 18 mn)
- *Retained earnings* declined to € 1.6 mn as a result of the net loss for the period.

Cash flow. First nine month period 2017

- **Cash flow from operating activities: € -10.9 mn**
 - Negative Net income of € -3.1 mn
 - Increase in receivables of € 4.6 mn
 - Reduction in other liabilities of € 3.7 mn (including utilization of personnel provisions + M&A payments)
- **Cash flow from investing activities: € -31.7 mn**
 - Payments for property, plant and equipment (€ 1.9 mn) and for intangible assets (€ 2.1 mn)
 - Cash flow related to the acquisition of the majority interest in the ADEPCON Group, BCC Group, the acquisition of an additional 60% of the shares in Innoplexia GmbH and the increased investment in SNP Transformations SEA Pte. Ltd. (total: € 27.8 mn)
- **Cash flow from financing activities: € 44.4 mn**
 - Assumption of the promissory note loan (€ 39.6 mn)
 - Issuance of a capital increase (€18.3 mn)
 - Offset by the bond redemption + repayment of loans (€ 11.1 mn) and dividend payments (€ 1.9 mn)
- **Overall cash flow: € 1.4 mn / Cash: € 33.3 mn**

Financial Calendar

January 31, 2018	Publication of the Preliminary Figures 2017
March 28, 2018	Publication of the Annual Report 2017
April 27, 2018	Publication of the Interim Statement for Q1
May 30, 2018	Annual General Meeting 2018
August 2, 2018	Publication of the Half-Year Financial Report
October 31, 2018	Publication of the Interim Statement for Q3

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