

# QPR Software

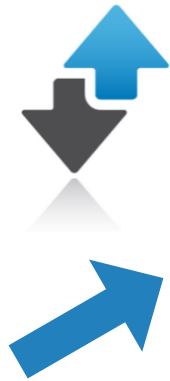
A renewing international software vendor

Annual General Meeting, 14 March, 2013  
Jari Jaakkola, Chief Executive Officer

# Financial year 2013

Challenging business environment, significant reform in business.

# Development in 2013



Challenging business environment throughout the year. Competition increased especially in performance monitoring and technical SAP consulting.

New software products and businesses, launched after 2010, continued rapid and organic growth (over +20%). The share of these new businesses rose to half of QPR's net sales.

Net sales declined in channel sales focused on performance management, and in technical consulting.

- Net sales EUR 8,688 thousand (9,321)

- Net profit (after taxes) for the period 521 thousand (662)



We estimate to be back on growth path in 2014, based on new business growth.

# Consolidated Income Statement

(EUR 1,000)	2013	2012
<b>Net sales</b>	<b>8,688</b>	9,321
Other operating income	32	158
Materials and services	292	402
Employee benefit expenses	5,703	5,491
Depreciation and amortization	707	681
Other operating expenses	1,439	2,031
	8,141	8,605
<b>Operating profit</b>	<b>578</b>	<b>874</b>
Financial income	11	21
Financial expenses	-36	-62
	-25	-41
<b>Profit before taxes</b>	<b>554</b>	<b>833</b>
Income taxes	-33	-171
<b>Profit for the period</b>	<b>521</b>	<b>662</b>
<b>Earnings per share, EUR</b>	<b>0.043</b>	0.054

# Consolidated Balance Sheet – Assets

(EUR 1,000)

**Dec 31, 2013**

Dec 31, 2012

## **ASSETS**

### **Non-current assets**

Intangible assets	1,628	1,556
Goodwill	513	513
Tangible assets	207	140
Other investments	5	5
Long-term receivables	49	96
Deferred tax assets	29	19
	<b>2,431</b>	<b>2,329</b>

### **Current assets**

Trade and other receivables	4,365	3,111
Cash and cash equivalents	1,365	1,404
	<b>5,730</b>	<b>4,515</b>

<b>Total assets</b>	<b>8,161</b>	<b>6,845</b>
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# Consolidated Balance Sheet – Equity and Liabilities

(EUR 1,000)

Dec 31, 2013

Dec 31, 2012

## Equity

Share capital	1,359	1,359
Other funds	21	21
Treasury shares	-395	-261
Translation difference	-181	-169
Invested non-restricted equity fund	5	5
Retained earnings	2,061	2,026
<b>Equity attributable to shareholders of the parent company</b>	<b>2,871</b>	<b>2,981</b>

## Non-current liabilities

Deferred tax liabilities	42	71
Interest-bearing liabilities	-	113
	<b>42</b>	<b>184</b>

## Current liabilities

Advances received	1,406	1,044
Prepaid income and accrued expenses	2,976	1,908
Trade and other payables	753	501
Interest-bearing liabilities	113	226
	<b>5,248</b>	<b>3,679</b>

## Total liabilities

**5,290**      **3,863**

## Total equity and liabilities

**8,161**      **6,845**

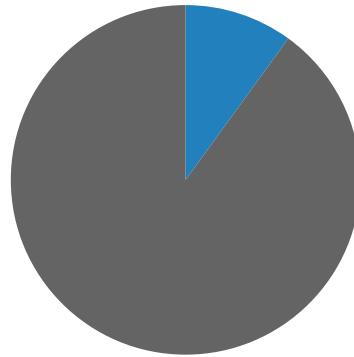
# Targets and strategy

Growth from new software products and expanding consulting business

# Business highlights in 2009 - 2013



Net sales  
**increased by a  
third**



**Operating profit** level  
averaged at approx.  
**10%** of net sales

Annual effective  
**dividend yield**  
**approx. 4%.**  
Furthermore, **two**  
distributions of assets to  
shareholders.

**QPR**  
**SUITE** 2014

**Strong cashflow from operations**, derived from established software products: QPR Metrics and QPR ProcessDesigner. **In average 17% of net sales.**



# Business highlights in 2009 - 2013

## 2

Significant investments into new, growing software products.

**Two new software products** launched in 2010 - 2011.



Expanding consulting business in home market. Highly synergistic with new software products developed by QPR.

# Value proposition, offering and benefits



**QPR provides insight to your business operations.**



With our tools and services, the business operations of our customer organizations are modeled, analyzed, planned and measured.



Also dependencies between various dimensions can be modeled

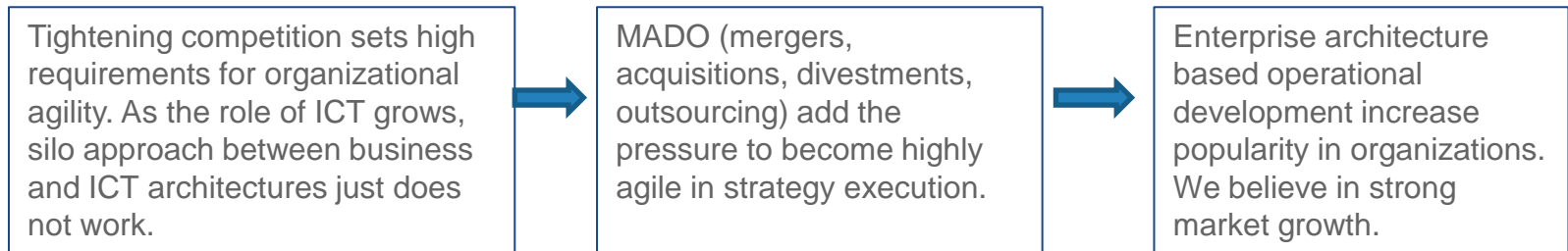
- Business architecture
- Information architecture
- Applications and technologies



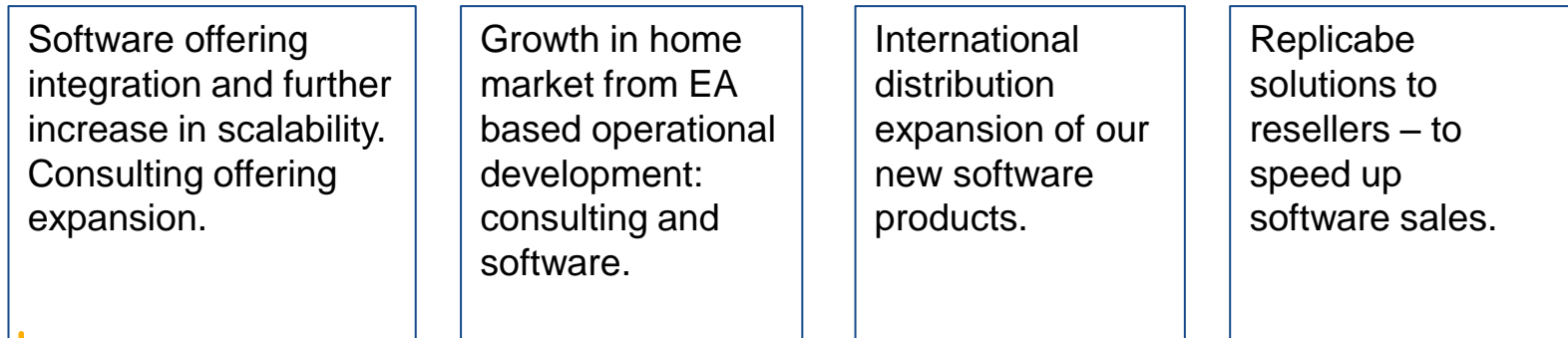
Organizations need this insight to successfully execute strategies and develop business operations. Changes can be implemented effectively throughout the organisation – and in line with chosen strategy.

# Market development and strategic focus

## Market development and customer needs



## Strategic focus



# Mid-term targets

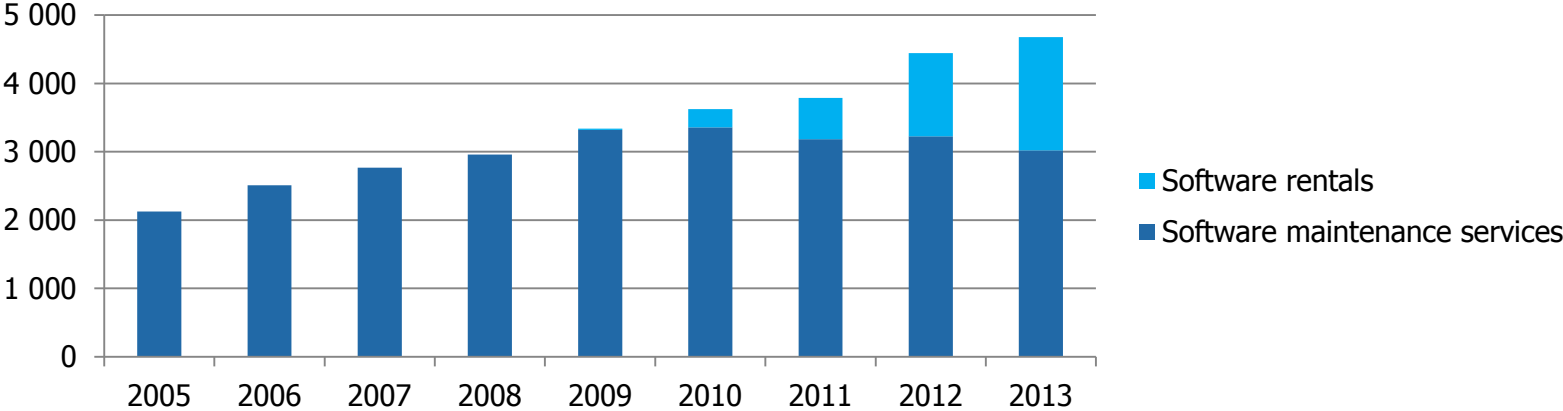
**2014 - 2016**  
**+15%**

Mid-term annual growth target set at 15%, through organic and profitable growth.

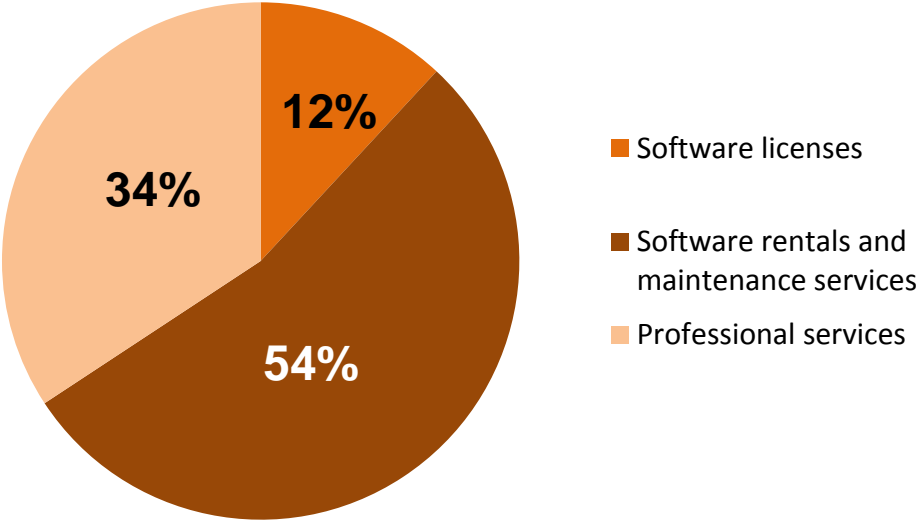
The sources for growth are new software products QPR EnterpriseArchitect and QPR ProcessAnalyzer, as well as expanding consulting business at home market.

# Recurring revenue – a solid foundation for growth

Recurring revenue (software rentals and maintenance services), EUR 1,000



Recurring revenue was 54% of Group net sales in 2013.





## **QPR Software**

We provide insight to your business operations.

# Some of customers



# Some of our customers (cntd)

