

# Financial Report

## H1 2011



# Disclaimer

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This presentation contains certain forward-looking statements and expectations in respect of the 2011 financial year. Such forward-looking statements are not guarantees of future performance. They involve risk and uncertainty and the actual performance may deviate materially from that expressed in such forward-looking statements due to a variety of factors. Readers are warned not to rely unduly on such forward-looking statements which apply only as at the date of this announcement. The Group's revenue will continue to be impacted by relatively few, but large system orders, and such orders are expected to be won at relatively irregular intervals. The terms agreed in the individual licence agreements will determine the impact on the order book and on licence income for any specific financial reporting period. Accordingly, licence revenue is likely to vary considerably from one quarter to the next. Unless required by law or corresponding obligations SimCorp A/S is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this document, whether as a result of new information, future events or otherwise.

The turmoil in the global financial markets with significantly increased volatility can potentially impact SimCorp's customers, leading to lower earnings and prolonged decision processes for investments in new software which can have a negative impact on SimCorp's revenue.

# Continued solid performance...

- H1 2011 at a glance
- Financial review of H1 and Q2 2011
- Outlook



## H1 at a glance



- Orders
  - Order inflow (licence) of EUR 14.7m – (reduced EUR 3.1m y/y but 15% up Q2/Q2)
  - Order book EUR 13.4m (EUR 4.2m lower than end of Q2 2010)
- Pipeline developed satisfactorily
- Number of sales cases at advanced stages increased compared to 2010

...materialising in 5 new customers so far in 2011

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**New customers 2011**

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Q1  Marathon Asset Management

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  Partners Capital

Q2   North American Asset Manager (Company Announcement)

 US Asset Manager (Company Announcement)

 Continentale Insurance Group

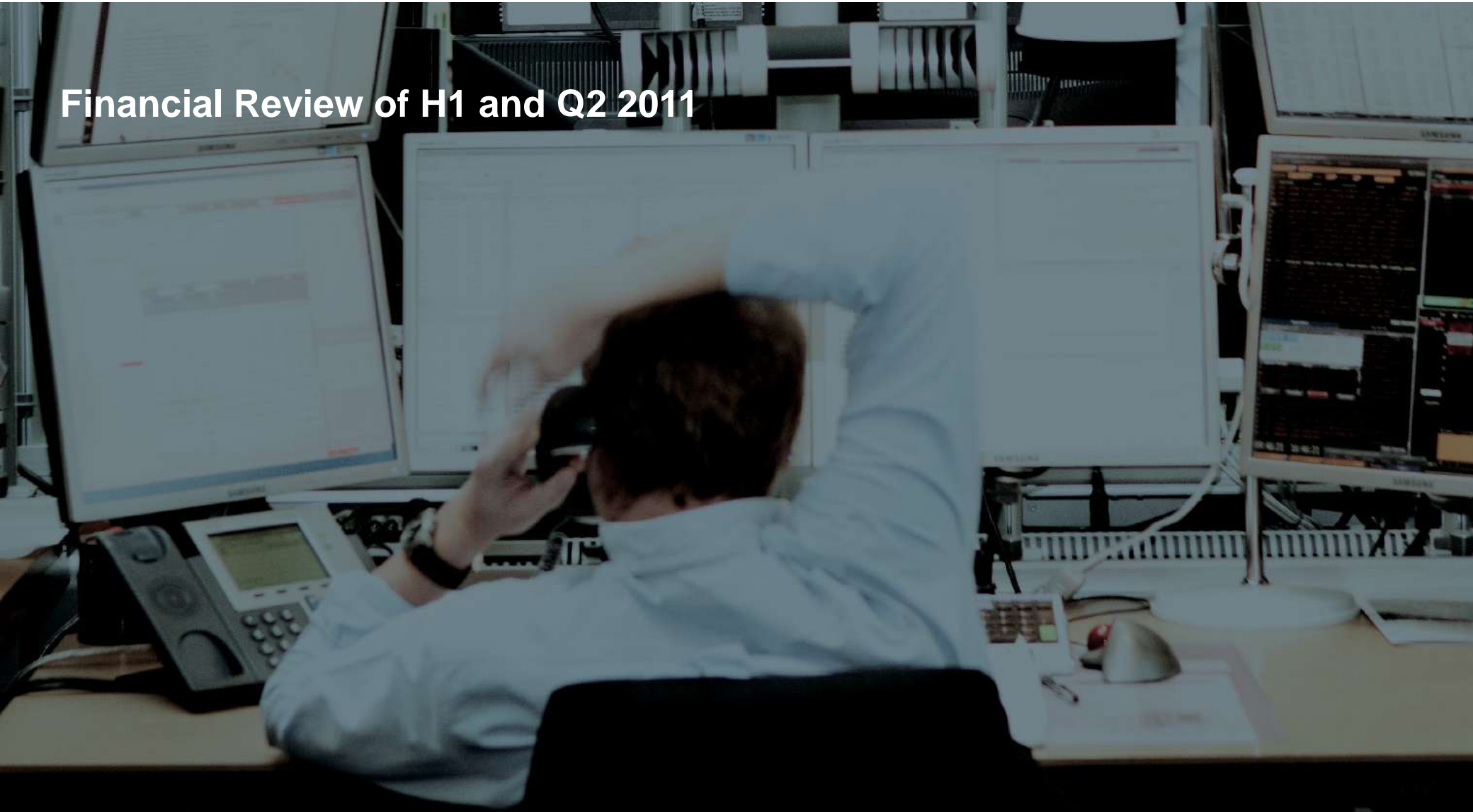
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# Financial highlights

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- Top-line H1 EUR 88.6m (up 4.0 % y/y)
  - Maintenance EUR 43.6m (up 16% y/y)
  - Professional services EUR 28.2m (down 8% y/y – “flattish” from Q1 2011, however positive trend maintained)
  - Licence EUR 16.0m (increased by 7% y/y)
- EBIT EUR 15.3m (EUR 9.4m higher y/y)
- EBIT margin 17.3% (7.0%)
- Secured on contract (FY2011) EUR 161.3m (up EUR 13.7m y/y)
- Total costs EUR 73.3m (reduced by 7.6% y/y)
- Number of employees is 1,045 – (reduced by 23 y/y)
- Share buy back in H1: EUR 6.9m

Financial Review of H1 and Q2 2011

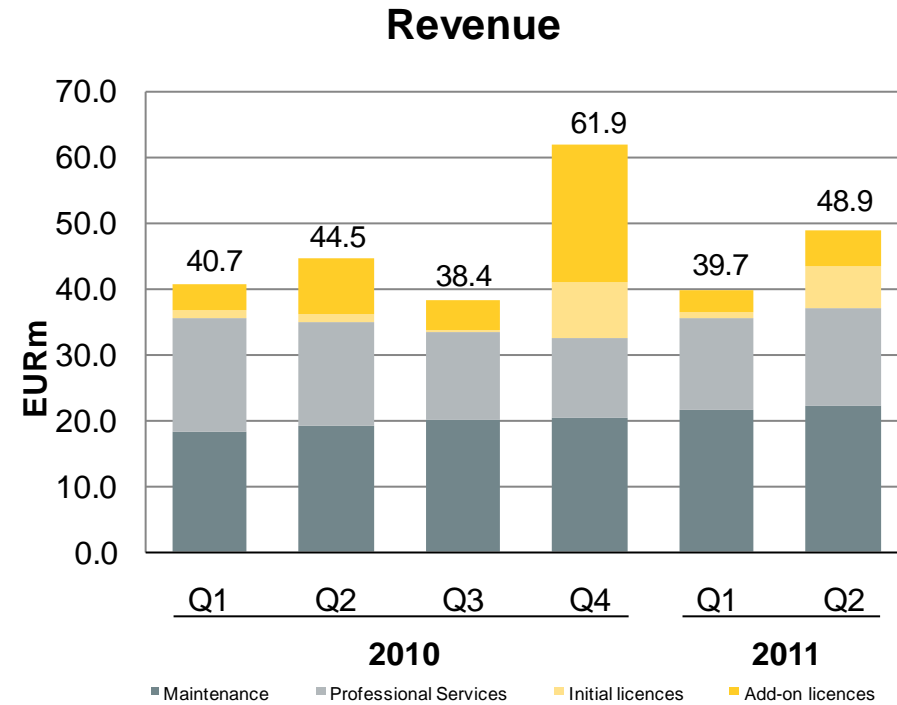
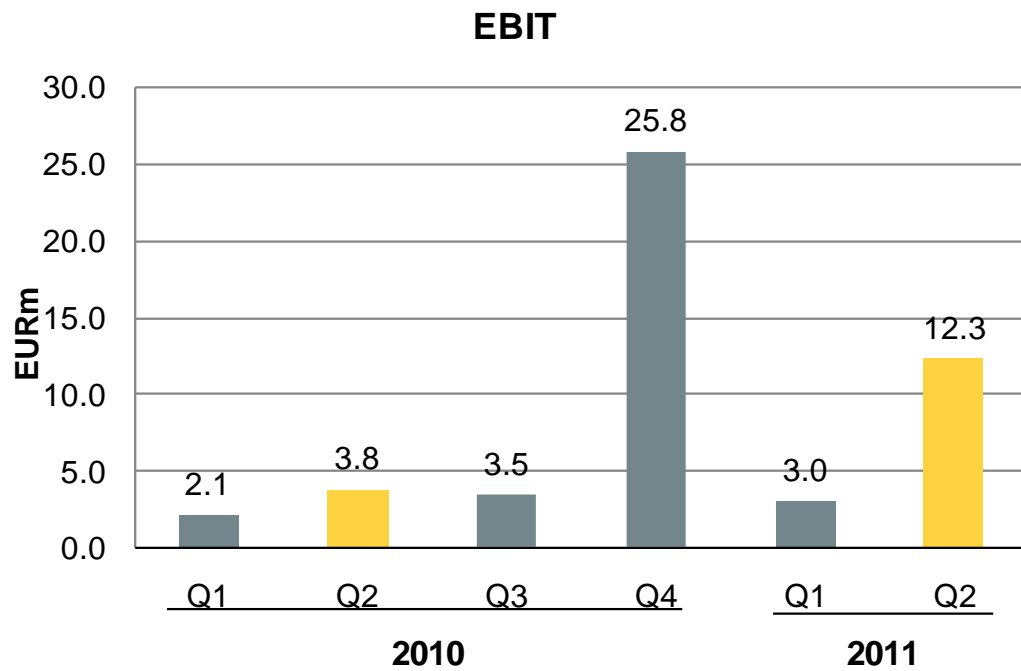




# Financial highlights

EURm	2011 H1	2010 H1	Change %	2011 Q2	2010 Q2	Change %
Total revenue	88.6	85.2	4.0%	48.9	44.5	9.9%
EBIT	15.3	5.9	158.4%	12.3	3.8	222.8%
Financial items	(0.6)	(1.5)	(61.8%)	(0.4)	(1.1)	(66.1%)
Profit before tax	14.7	4.5	227.8%	11.9	2.8	330.2%
Profit for the period	10.8	2.4	343.6%	8.8	1.4	520.0%
Total assets	105.4	103.4	1.9%	105.4	103.4	1.9%
Total equity	64.1	62.0	3.4%	64.1	62.0	3.4%
Basic earnings per share of DKK 1 - EPS (EUR)	0.24	0.05		0.20	0.03	
Cash flow per share of DKK 1 – CFPS (EUR)	0.41	0.31		0.09	0.14	
EBIT margin (%)	17.3	7.0		25.1	8.6	
Return on equity, ROE (%)	30.5	6.7		57.5	9.3	
Equity ratio (%)	60.8	60.0		60.8	60.0	

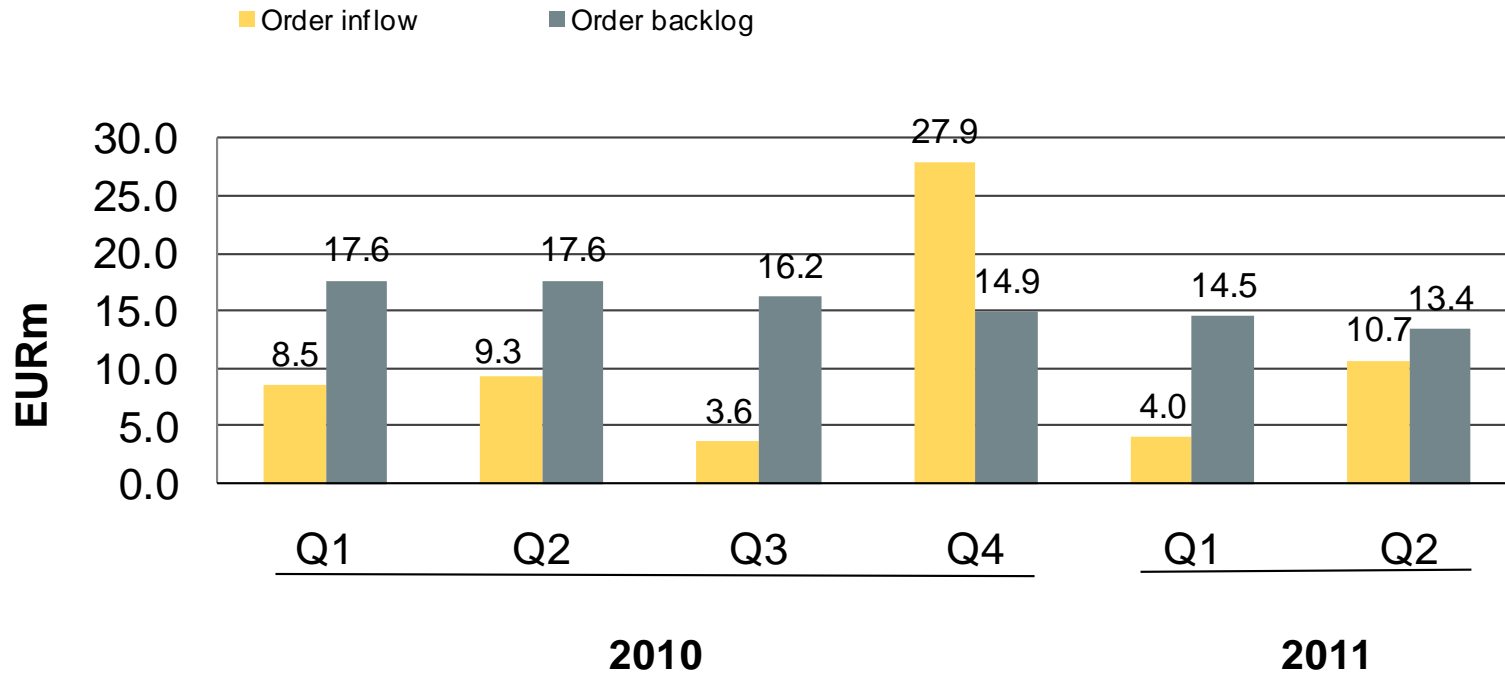
# EBIT and revenue per quarter



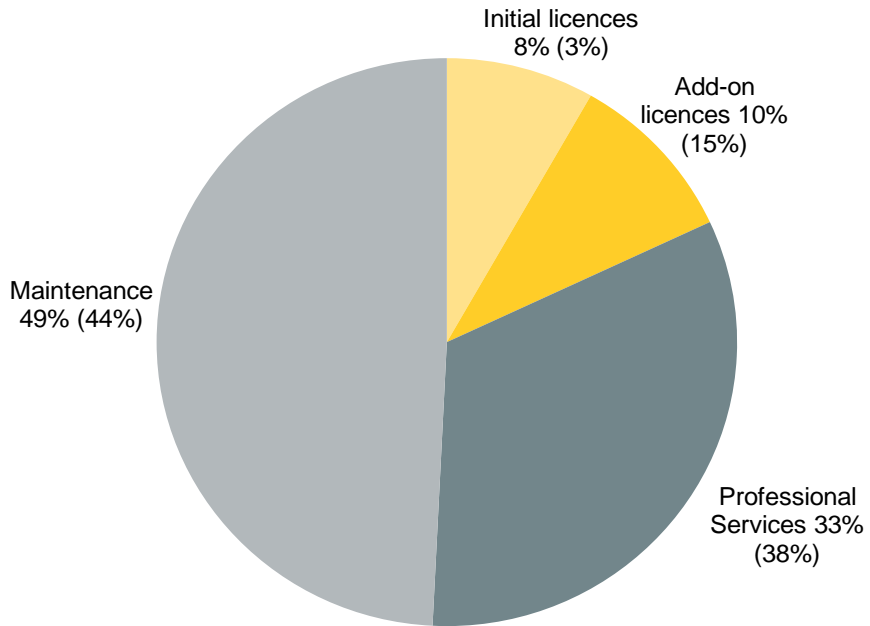
# Financial result

(EURm)	<b>2011 H1</b>	2010 H1	Change %	<b>2011 Q2</b>	2010 Q2	Change %
Licence	7.3	2.7	174.3%	6.2	1.3	378.2%
Extra Sale	8.7	12.3	(29.8%)	5.5	8.4	(34.4%)
Professional Services	28.2	30.7	(8.4%)	14.6	14.6	(0.4%)
Maintenance	43.6	37.5	16.3%	22.0	19.2	14.6%
Revenue	88.6	85.2	4.0%	48.9	44.5	9.8%
Costs	73.3	79.2	(7.5%)	36.6	40.7	(10.0%)
EBIT	15.3	6.0	156.9%	12.3	3.8	220.8%
EBIT %	17.3	7.0	146.9%	25.1	8.6	192.1%

# Licence, order inflow and order backlog

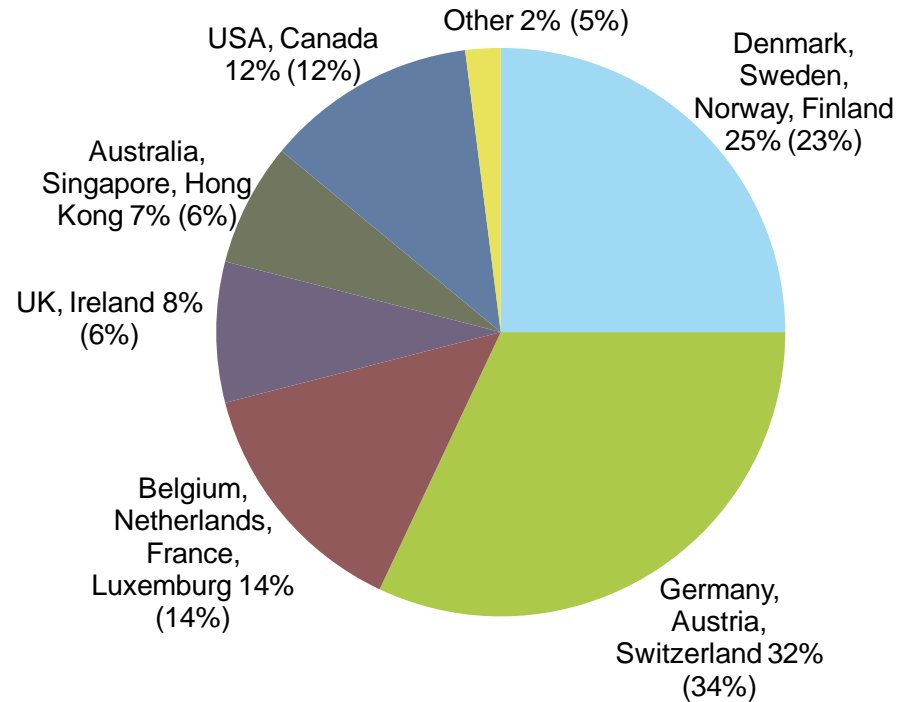


# Revenue distribution, H1 2011 (H1 2010)



- Licence revenue share of total revenues remains unchanged
- Add on licences lower than 2010 due to sales deferred to Q3 and Q4
- Professional services expected to maintain positive solid track from H1 into H2

# Geographical distribution of revenue H1 2011 (H1 2010)

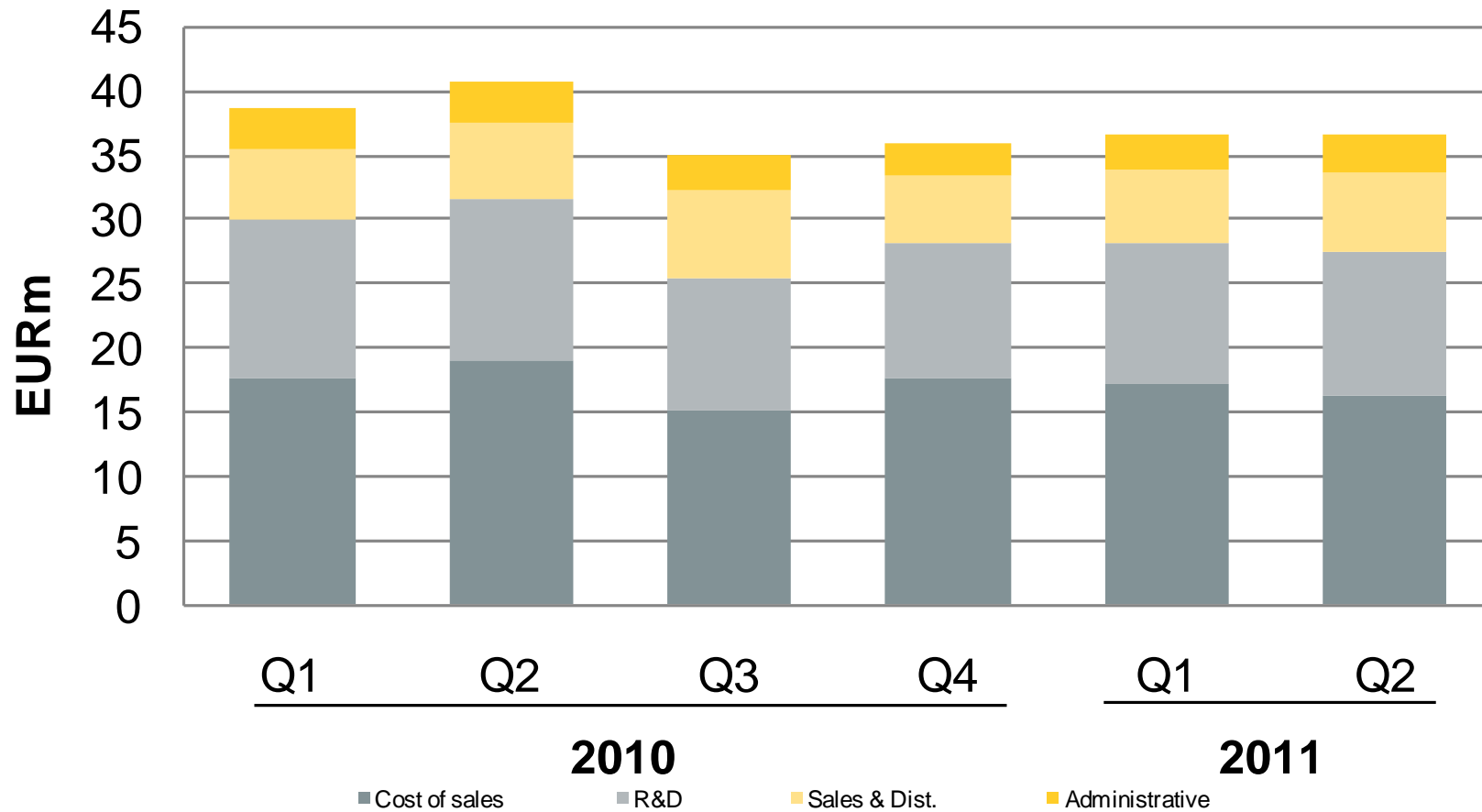


- Stable geographical coverage
- Main growth areas remain the US, Canada, France and the UK
- The growth areas represent less than 25% of current revenues
- The Nordic region experiences increased demand for professional services

# Costs

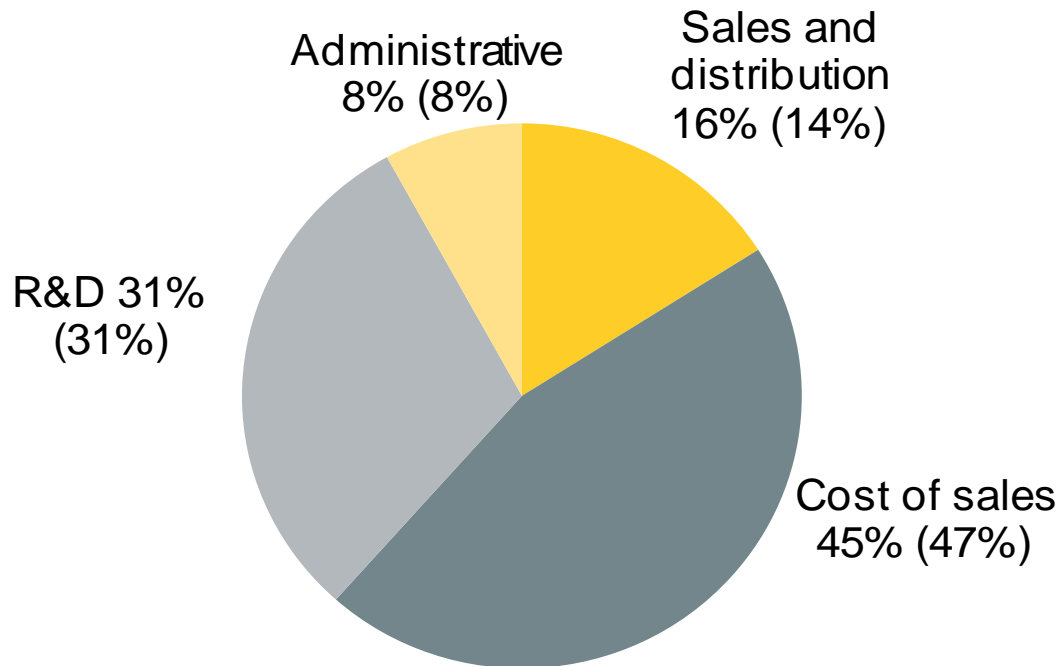
(EURm)	<b>Costs 2011 H1</b>	Costs 2010 H1	Change %	<b>Costs 2011 Q2</b>	Costs 2010 Q2	Change %
Sales and distribution cost	11.7	11.5	1.8%	6.1	5.9	3.4%
Cost of sales	33.4	36.7	(9.0%)	16.3	19.0	(14.0%)
Research and development costs	22.4	24.7	(9.6%)	11.3	12.6	(10.5%)
Administrative expenses	5.8	6.4	(8.7%)	2.9	3.3	(10.1%)
<b>Total</b>	<b>73.3</b>	<b>79.3</b>	<b>(7.6%)</b>	<b>36.6</b>	<b>40.7</b>	<b>(10.1%)</b>

# Costs





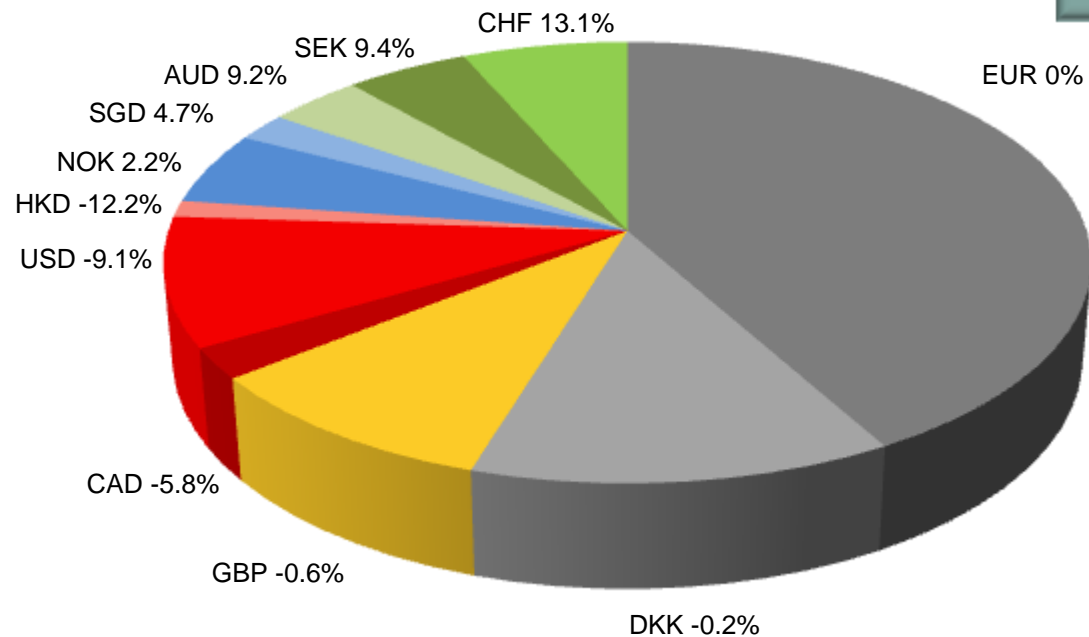
# Cost structure, 6M 2011 (2010)



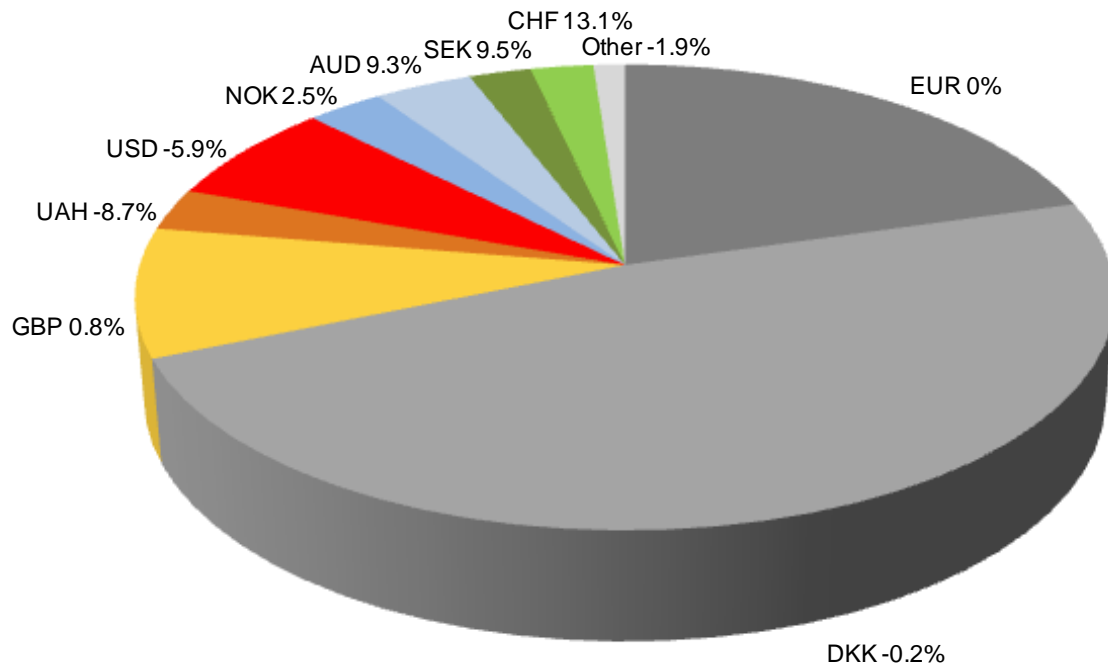
- Overall continued focus on costs
- R&D expenses expected to remain "flattish" in absolute terms
- Sales costs expected to increase

# Revenue per currency and FX impact H1 2011

- Despite high volatility in exchange rates net impact on SimCorp revenue is limited



# Cost per currency and FX impact H1 2011



- Net impact on SimCorp's costs is limited further as a result of HQ being placed in DK
- Continuous focus on "natural hedging" against revenue streams

# Balance sheet

(EUR'000)	<b>30.06.11</b>	30.06.10	31.12.10
Intangible assets	1,783	2,465	2,018
Property, plant and equipment	8,430	9,580	8,779
Other non-current assets	8,628	9,664	8,410
Current assets	86,567	81,663	93,804
<b>Total assets</b>	<b>105,408</b>	<b>103,372</b>	<b>113,011</b>
Equity	64,140	61,962	77,520
Non-current liabilities	3,123	2,731	3,013
Current liabilities	38,145	38,679	32,478
<b>Total liabilities and equity</b>	<b>105,408</b>	<b>103,372</b>	<b>113,011</b>
Number of treasury shares at DKK 10 each	200,865	94,840	148,360
Treasury shares market value	27,334	12,401	17,830

# Outlook

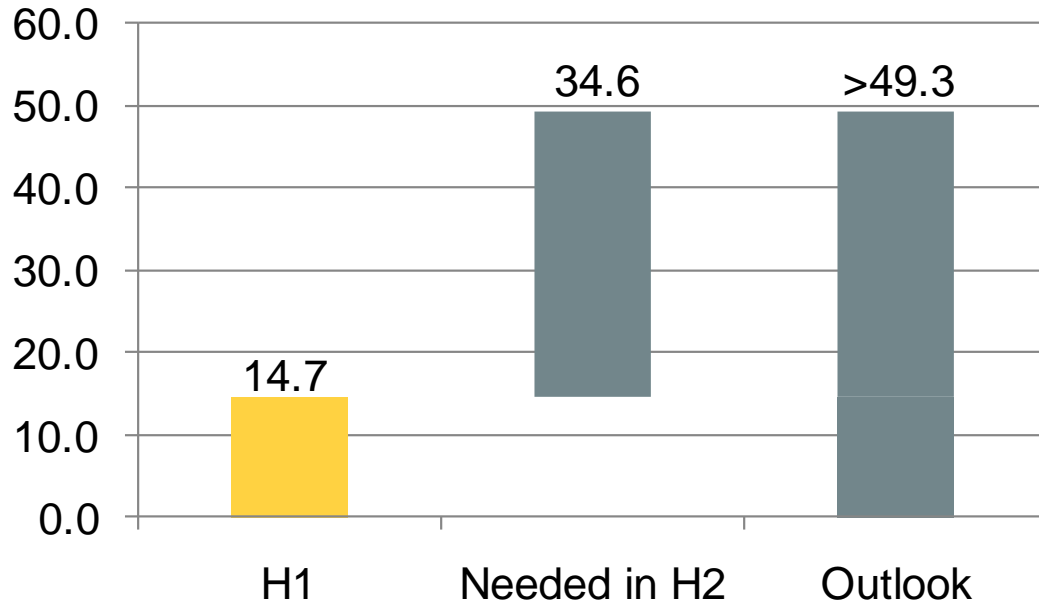


## Outlook 2011 – guidance maintained

	Q2 outlook	Q1 outlook	Initial outlook
Revenue growth, local currency	>5%	>5%	>5%
Business growth, local currency	>5%	>5%	>5%
Total license order inflow	Above 2010 level	Above 2010 level	Same level as 2010
EBIT margin	>20%	>20%	>20%

Share buy back programme to be continued in H2 – similar level as in H1

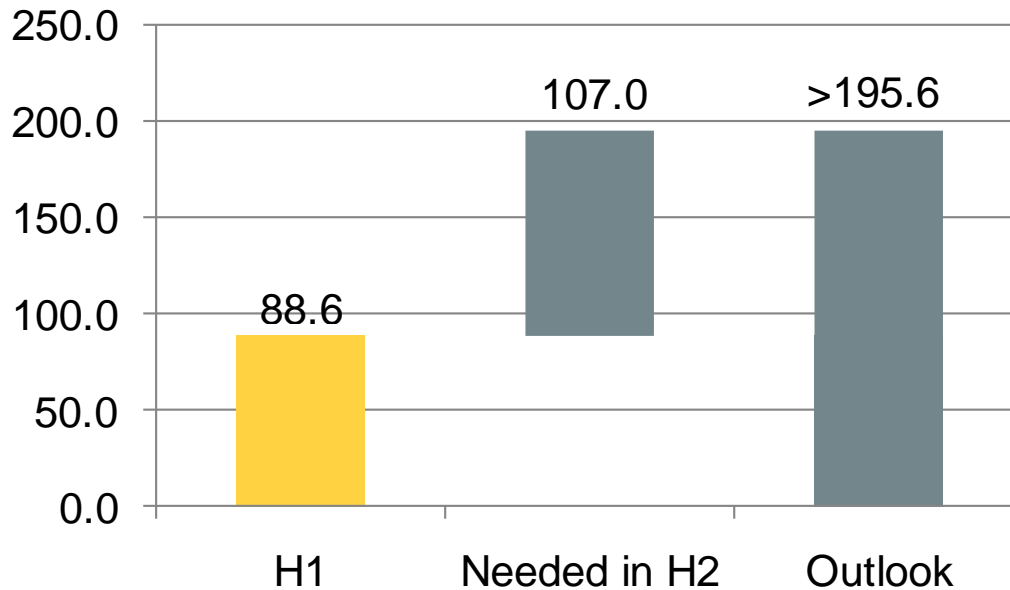
# Walk to target - order inflow



- Strong pipeline
- Sales cases progressed further in the cycle this year than 2010

\* Assuming a neutral impact from changes in currency exchange rates from 2010 to 2011

# Walk to target - revenue outlook

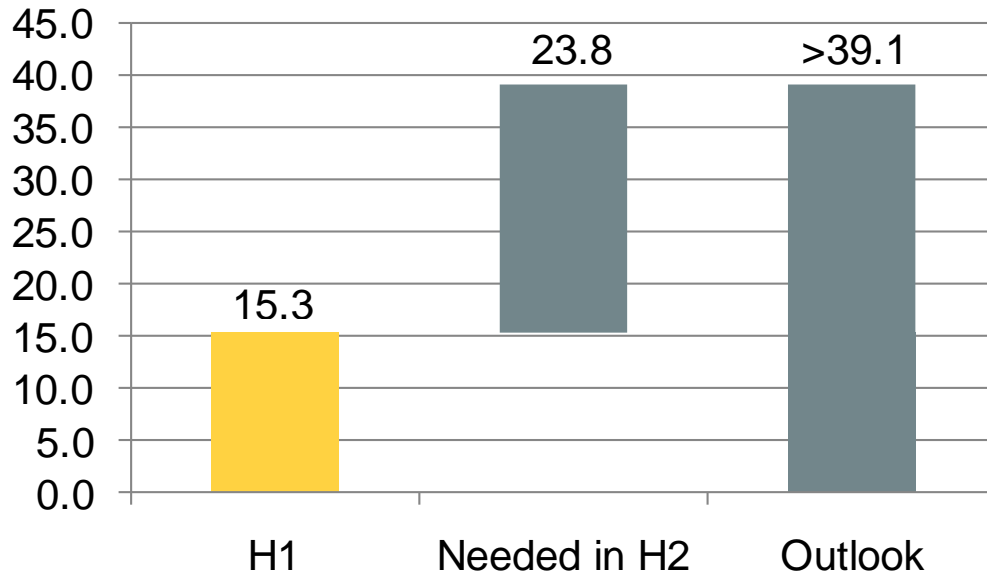


- Steady maintenance income
- Solid trend in professional services
- Order inflow pipeline satisfactory

\* Assuming a neutral impact from changes in currency exchange rates from 2010 to 2011



# Walk to target - EBIT outlook



- Leverage in cost base in H2
- Headcount under control
- Efficiency in R&D increased

## Activities in Q3



SimCorp to ring the closing bell at NASDAQ in New York on 6 September 2011



SimCorp's international user meeting will be held in Stockholm from 28 – 30 September 2011



Capital Markets Day on 13 October 2011 - main focus will be on operating model, markets and sales activities



[simcorp.com](http://simcorp.com)