

# Financial Report

## 9M 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 improved performance...

- 9M 2011 at a glance
- Financial review of 9M 2011 and Q3 2011
- Outlook



9M 2011 at a glance



- Orders
  - Order inflow (licence) of EUR 18.8m – (reduced EUR 2.6m y/y but 17% up Q3/Q3)
  - Order book EUR 11.6m (EUR 4.6m lower than end of Q3 2010)
- Pipeline continues to develop satisfactorily
- Number of sales cases at advanced stages increased compared to 2010

# ...materialising in 7 new customers so far in 2011



## 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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Q3  German Pension Fund

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Q4  German Bank

# Financial highlights

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- Top-line 9M EUR 130.3m (up 5.5 % y/y)
  - Maintenance EUR 66.0m (up 15% y/y)
  - Professional services EUR 41.0m (down 6% y/y – “flattish” from Q2 2011)
  - Licence EUR 22.0m (increased by 10% y/y)
- Total costs EUR 109.1m (reduced by 4.5% y/y)
- EBIT EUR 21.2m (EUR 11.8m higher y/y)
- EBIT margin 16.3% (7.6%)
- Number of employees end of Q3 is 1,088 – (reduced by 41 y/y)
- Share buy back in 9M 2011: EUR 13.2m
- Secured on contract (FY2011) EUR 168.9m (up EUR 9.5m y/y)

Financial Review of 9M 2011 and Q3 2011



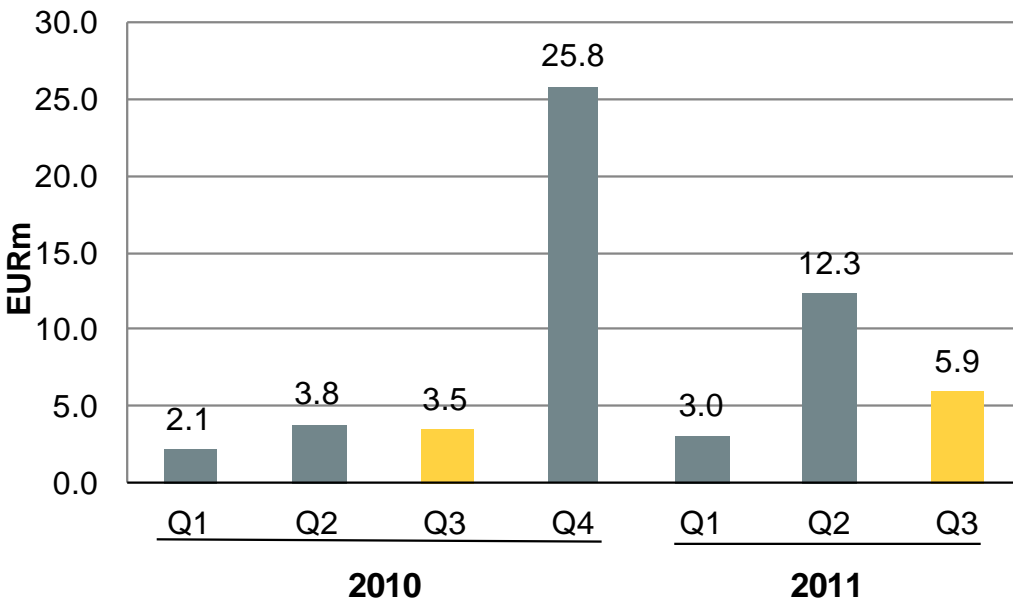


# Financial highlights, 9M 2011 and Q3 2011

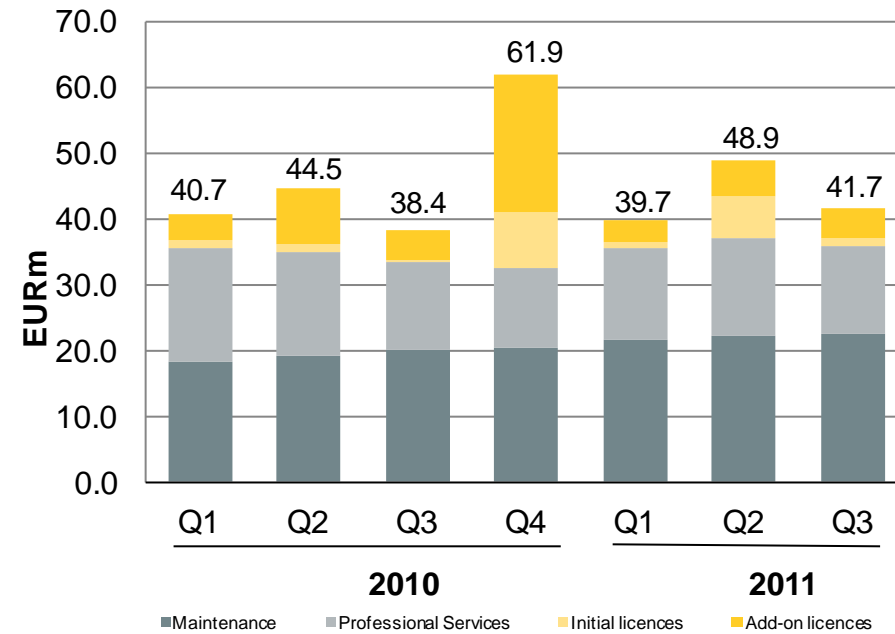
EURm	2011 9M	2010 9M	Change %	2011 Q3	2010 Q3	Change %
Total revenue	130.3	123.5	5.5%	41.7	38.4	8.6%
EBIT	21.2	9.4	125.7%	5.9	3.5	69.4%
Financial items	0.9	(1.8)	(153.5%)	1.6	(0.3)	(629.1%)
Profit before tax	22.1	7.6	190.0%	7.5	3.2	136.3%
Profit for the period	16.0	4.9	226.3%	5.2	2.5	109.8%
Total assets	104.1	101.0	3.1%	104.1	101.0	3.1%
Total equity	64.0	60.2	6.3%	64.0	60.2	6.3%
Basic earnings per share DKK 1 - EPS (EUR)	0.36	0.11		0.12	0.05	
Cash flow per share DKK 1 - CFPS (EUR)	0.67	0.51		0.25	0.20	
EBIT margin (%)	16.3	7.6		14.2	9.0	
Return on equity, ROE (%)	31.2	9.2		32.6	16.1	
Equity ratio (%)	61.5	59.6		61.5	59.6	
Receivables days outstanding	49.0	40.0		51.0	43.0	

# EBIT and revenue per quarter, 2010-2011

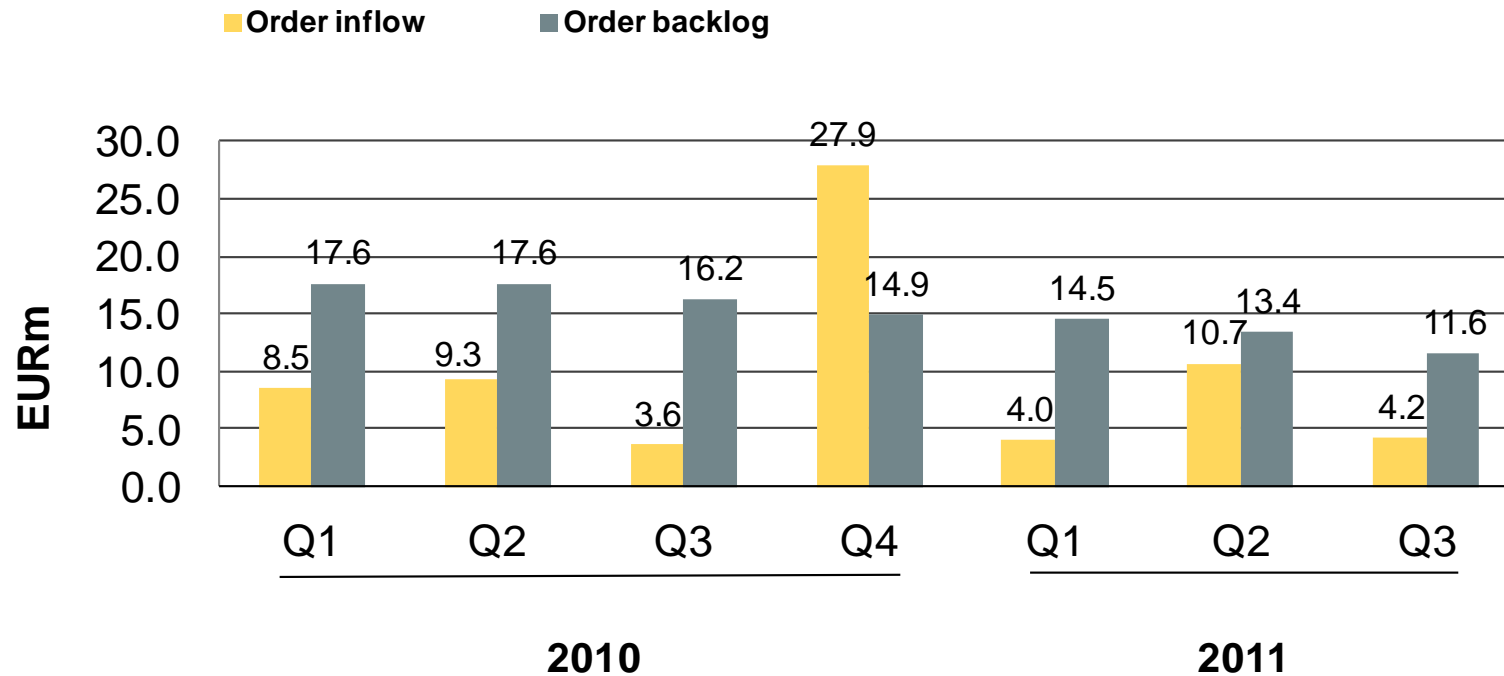
## EBIT



## Revenue



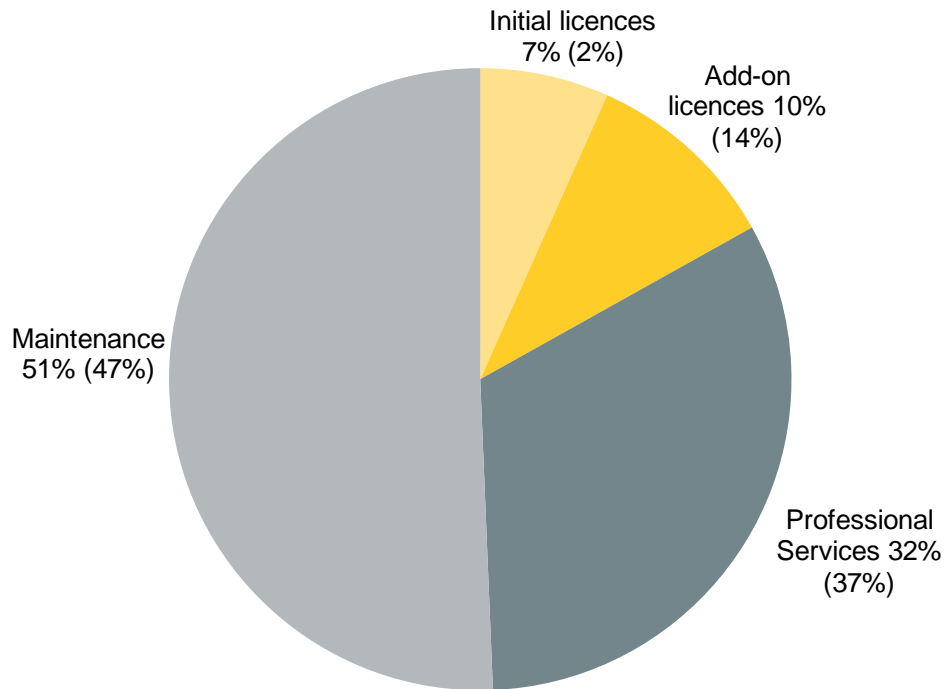
# Licence, order inflow and order backlog



# Financial result 9M 2011

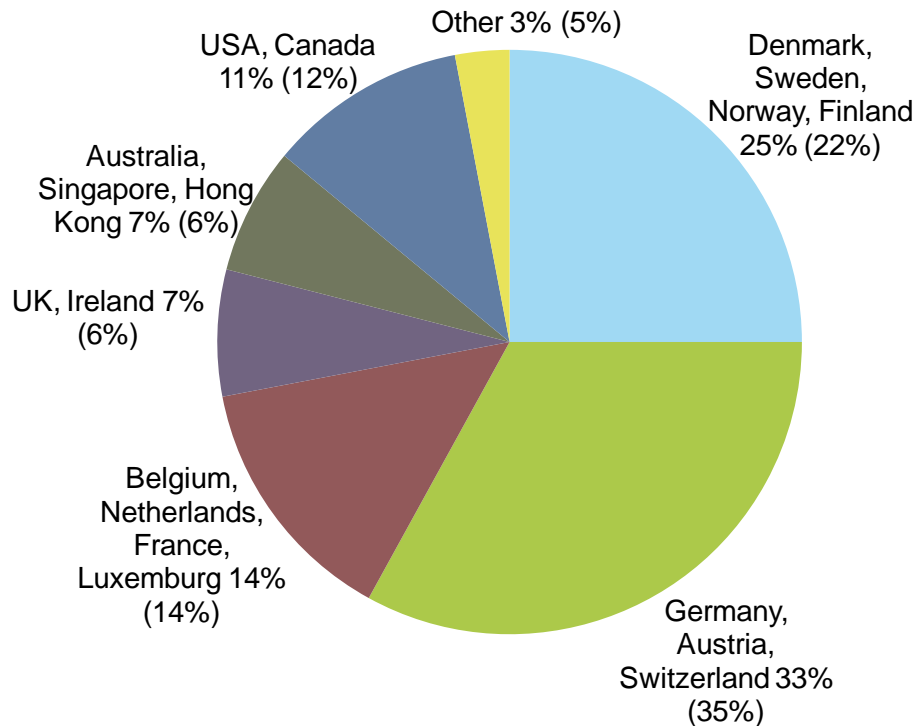
(EURm)	<b>2011 9M</b>	2010 9M	Change %	<b>2011 Q3</b>	2010 Q3	Change %
Licence	8.7	2.9	199.9%	1.4	0.2	485.0%
Extra Sale	13.3	17.0	(21.8%)	4.6	4.7	(0.8%)
Professional Services	41.0	43.7	(6.2%)	12.8	13.0	(1.1%)
Maintenance	66.0	57.5	14.9%	22.4	20.0	12.2%
Revenue	130.3	123.5	5.5%	41.7	38.4	8.8%
Costs	109.1	114.2	(4.4%)	35.8	34.9	2.6%
EBIT	21.2	9.4	125.4%	5.9	3.5	71.2%
EBIT %	16.3	7.6	113.7%	14.2	9.0	57.4%

# Revenue distribution, 9M 2011 (9M 2010)



- Licence revenue share of total revenues marginally increased
- Add on licences lower than 2010 due to sales deferred to Q4 and relatively high add-on sales in 2010
- Professional services expected to maintain positive solid track in remaining part of 2011

# Geographical distribution of revenue 9M 2011 (9M 2010)



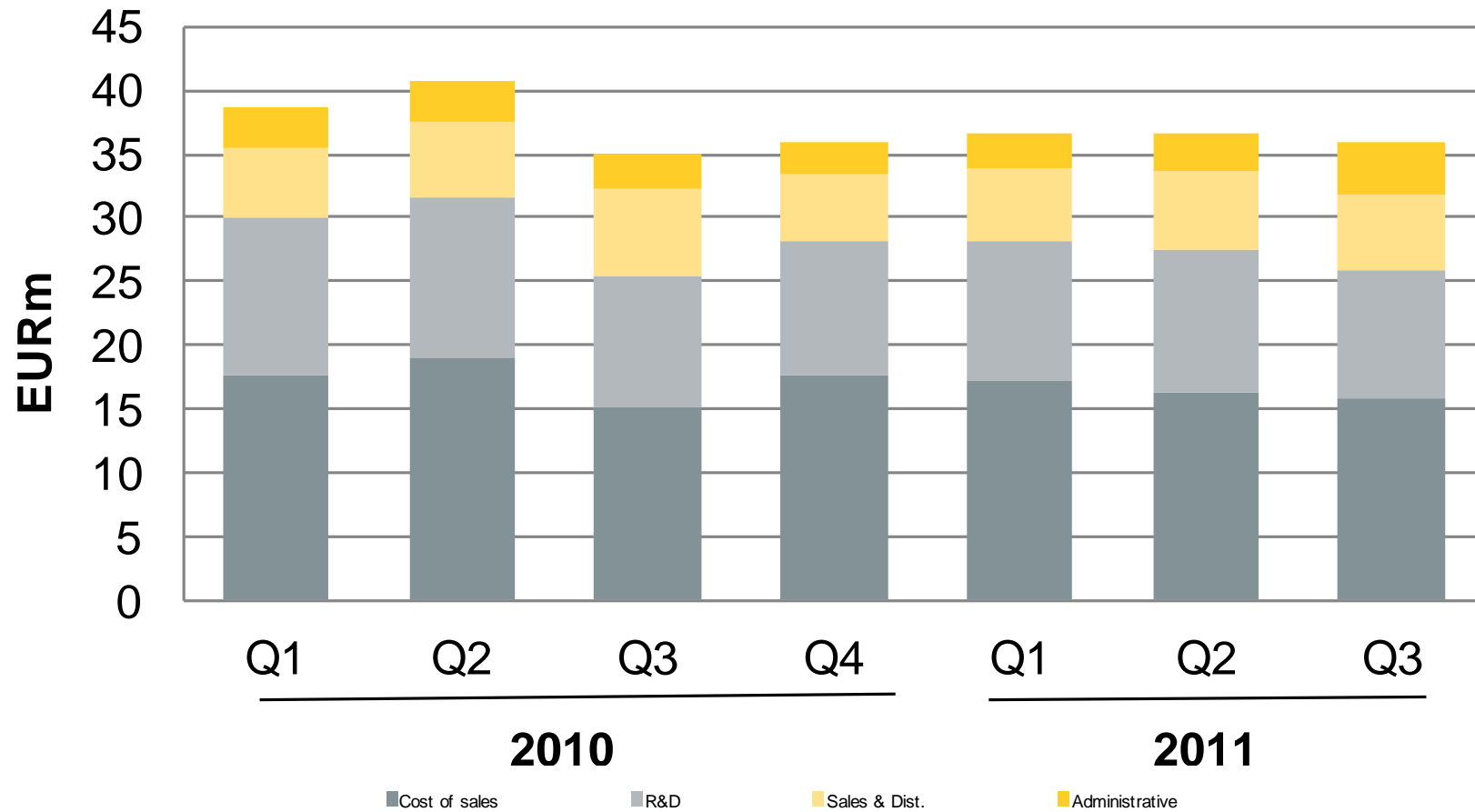
- Stable geographical coverage
- Main growth areas remain the US, Canada, France and the UK
- The growth areas represent less than 25% of current revenues
- The Nordic region experiences increased demand for professional services

# Costs 9M 2011

(EURm)	<b>Costs 2011 9M</b>	Costs 2010 9M	Change %	<b>Costs 2011 Q3</b>	Costs 2010 Q3	Change %
Sales and distribution cost	17.8	18.2	(2.5%)	6.1	6.8	(10.6%)
Cost of sales	49.2	51.9	(5.1%)	15.9	15.2	4.2%
Research and development costs	32.3	35.0	(7.6%)	9.9	10.2	(3.0%)
Administrative expenses	9.8	9.1	7.6%	4.0	2.7	46.3%
<b>Total</b>	<b>109.1</b>	<b>114.2</b>	<b>(4.5%)</b>	<b>35.8</b>	<b>34.9</b>	<b>2.5%</b>

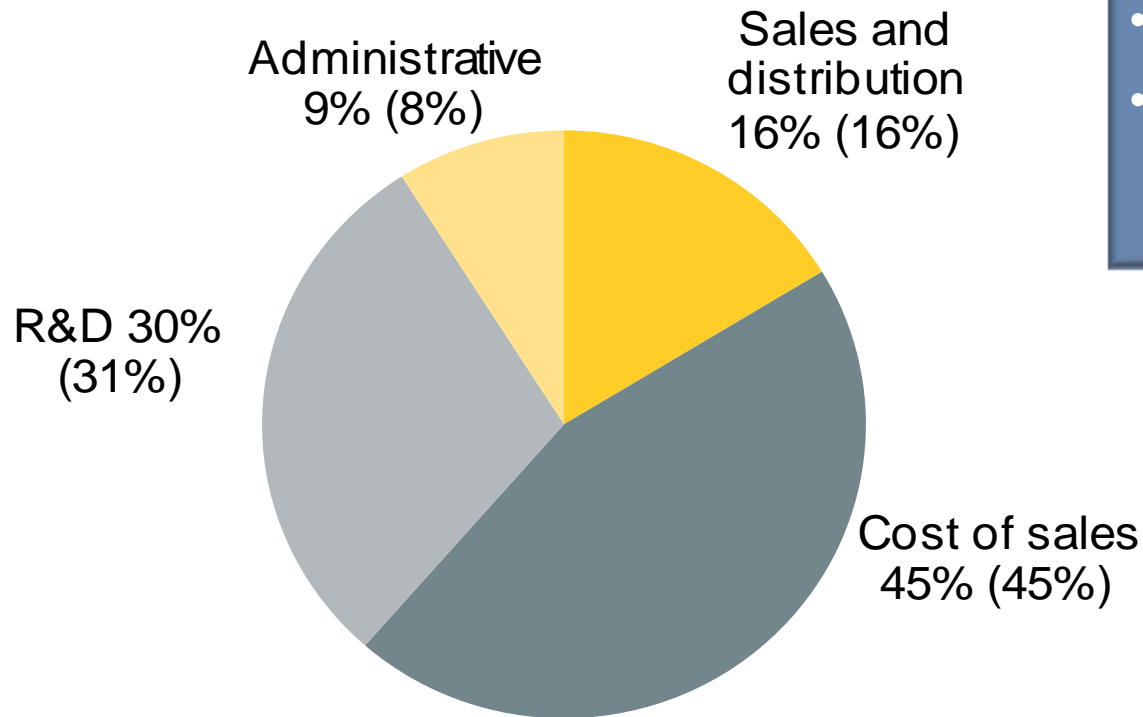
- Q3 admin expenses impacted by costs for external consultants of non-recurring character

# Costs per quarter, 2010-2011





## Cost structure, 9M 2011 (2010)



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

## Headcount end of quarter 2010-2011

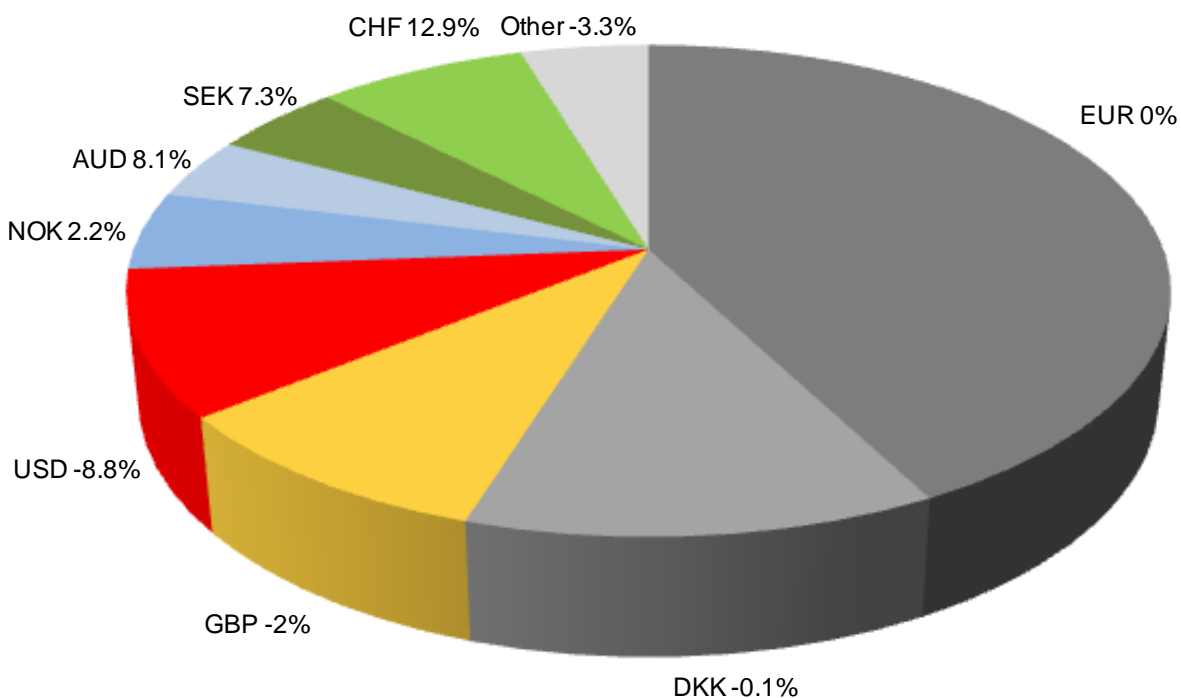
Headcount	2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Group total	1,113	1,119	1,129	1,111	1,084	1,061	1,088
Market Support	101	112	110	101	99	99	98
Development	426	417	421	417	408	395	414
Nordic	77	76	83	88	89	93	96
UK	72	69	67	64	63	63	64
Western Europe	66	66	72	76	78	76	75
Central Europe	160	159	161	159	153	146	145
North America	56	61	58	55	51	48	52
Asia	39	40	38	33	32	31	31
Corporate Units	116	119	119	118	111	110	113

- The headcount does not include any secondments between the units

## Employees (FTE) per function per quarter 2010-2011

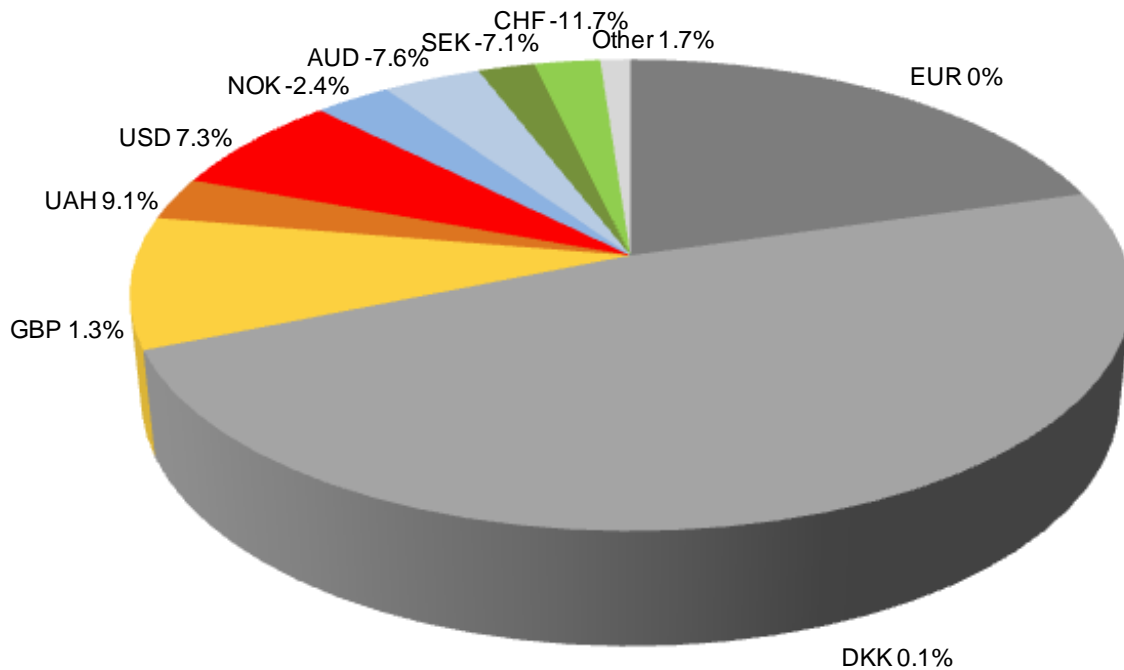
FTE	2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
R&D	409	403	398	394	382	372	386
Cost of sales	391	396	391	405	396	389	387
Sales and distribution	103	105	124	105	104	101	101
Administration	170	172	175	176	167	165	171

# Revenue per currency and FX impact 9M 2011



- Despite high volatility in exchange rates net impact on SimCorp revenue is limited
- SimCorp has entered into a forward sale of CHF 15m based on committed cash flows the next two years at 6.79 DKK/CHF. The impact here is shown under “financial items”

# Cost per currency and FX impact 9M 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>30.09.11</b>	30.09.10	31.12.10
Intangible assets	1,769	2,093	2,018
Property, plant and equipment	8,075	9,012	8,779
Other non-current assets	8,732	10,850	8,410
Current assets	85,497	79,088	93,804
<b>Total assets</b>	<b>104,073</b>	<b>101,043</b>	<b>113,011</b>
Equity	63,958	60,227	77,520
Non-current liabilities	3,222	2,800	3,013
Current liabilities	36,893	38,016	32,478
<b>Total liabilities and equity</b>	<b>104,073</b>	<b>101,043</b>	<b>113,011</b>
Number of treasury shares at DKK 10 each	247,229	131,777	148,360
Treasury shares market value	26,544	15,402	17,830

- Treasury shares valued at zero in the balance sheet

# Outlook

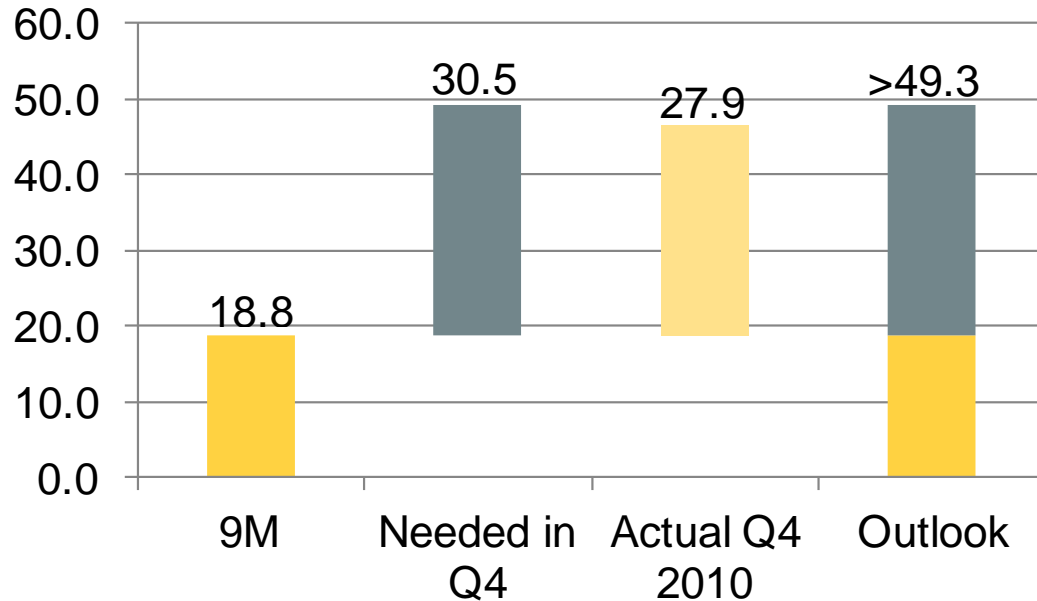


## Outlook 2011 – guidance maintained

	Q3 outlook	Q2 outlook	Q1 outlook	Initial outlook
Revenue growth, local currency	>5%	>5%	>5%	>5%
Business growth, local currency	>5%	>5%	>5%	>5%
Total license order inflow	Above 2010 level	Above 2010 level	Above 2010 level	Same level as 2010
EBIT margin	>20%	>20%	>20%	>20%



# Walk to target - order inflow



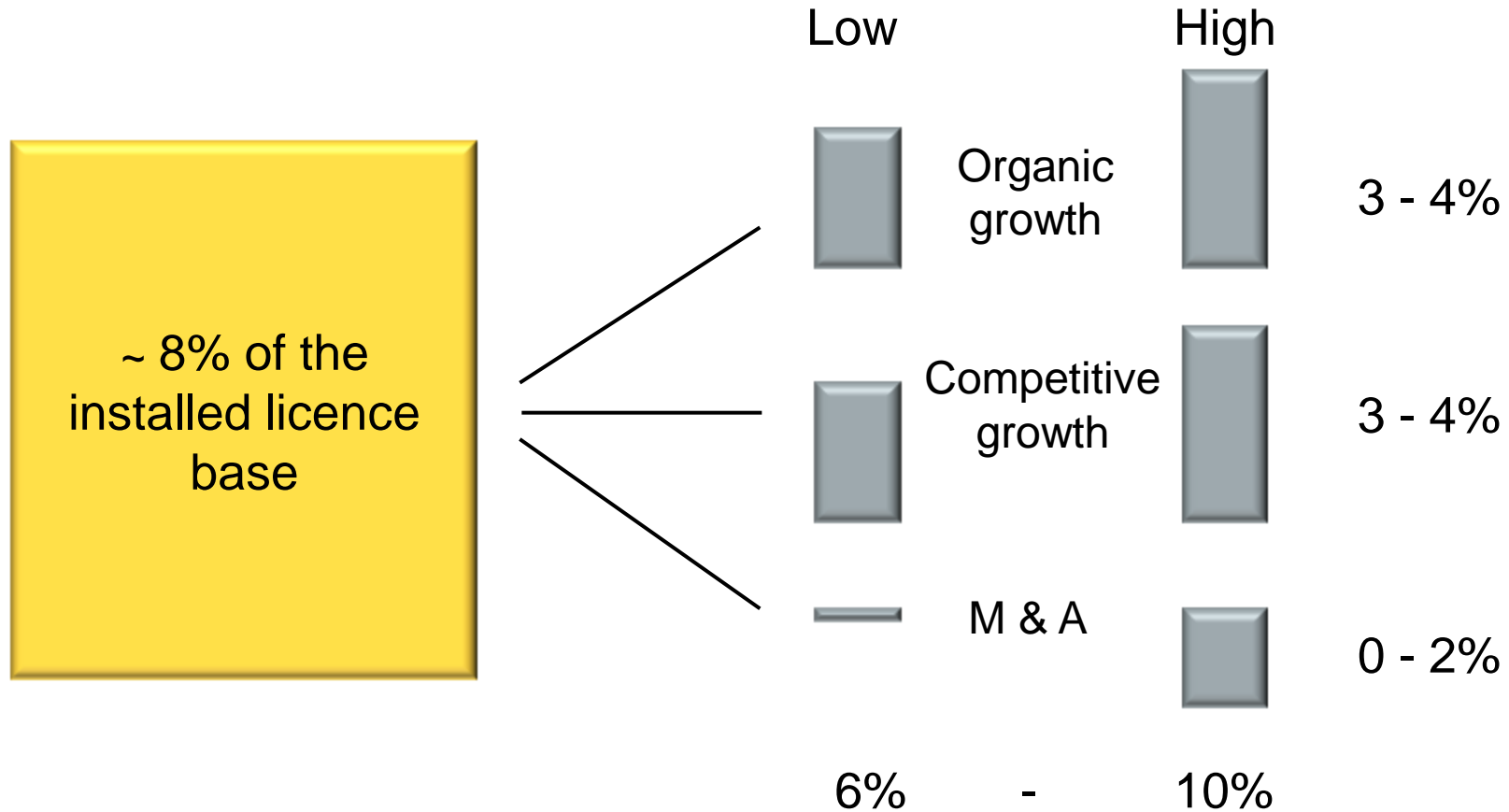
- Strong pipeline
- Sales cases progressed further in the cycle this year than 2010

## 2010 Order inflow

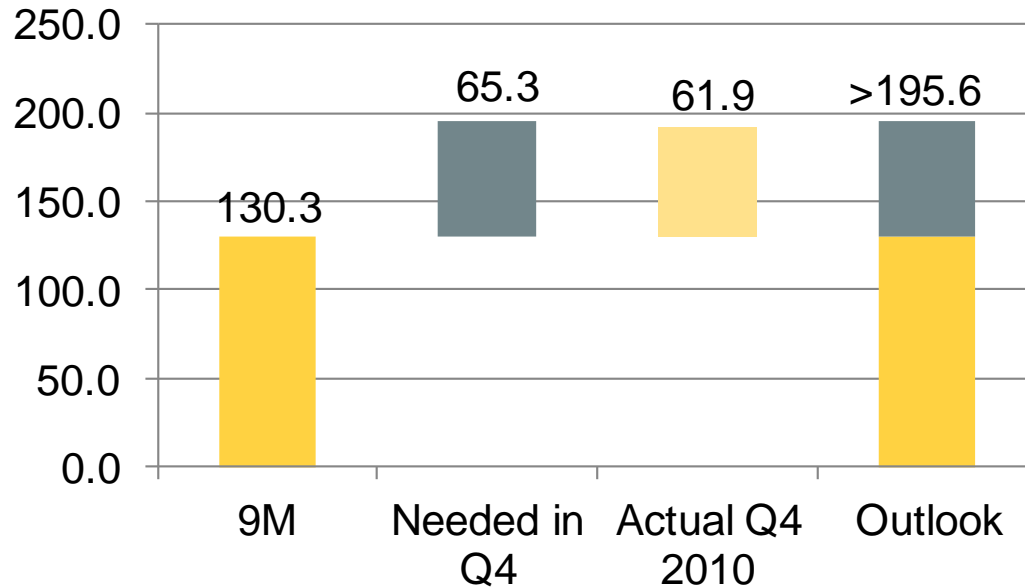
ILF	14.0
ALF	<u>35.3</u>
	<u>49.3</u>

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

# The historical nature of ALF



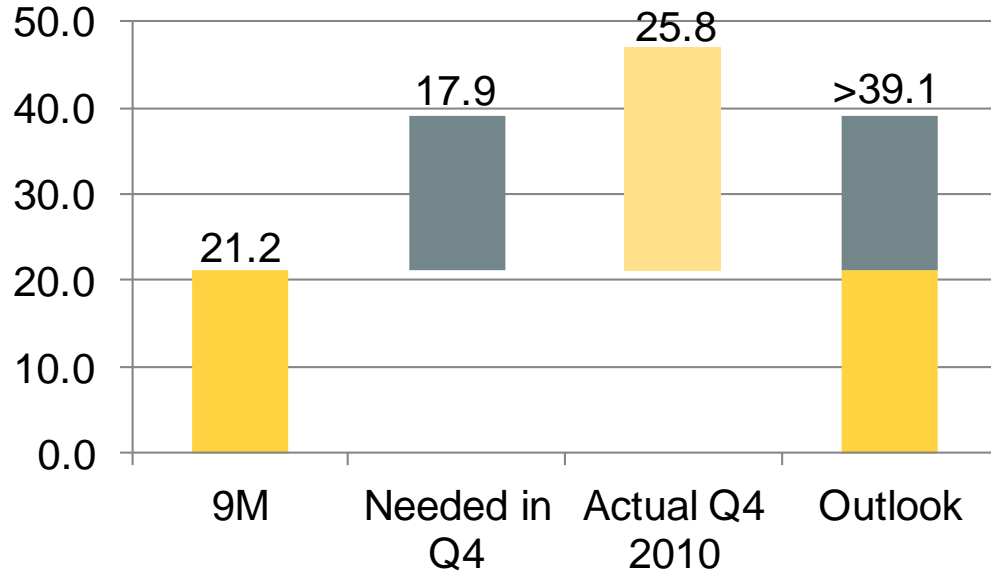
## Walk to target - revenue outlook



- Steady maintenance income
- Solid trend in professional services
- Order inflow pipeline satisfactory
- Secured revenue on contract Q3: EUR 169m

\* 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 improved

# SimCorp

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- SimCorp is well positioned to meet market demands
- SimCorp has positive expectations to the long-term performance of the company



simcorp.com