Q1 2018 FINANCIAL REVIEW
COPENHAGEN, 18 MAY 2018
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This presentation contains certain forward-looking statements and expectations in respect of the 2018 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 license agreements will determine the impact on the order book and on license income for any specific financial reporting period. Accordingly, license 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.

The slides shown in this presentation is part of the investor presentation and comments are given to the slides adding content that cannot be seen from the slides on a stand alone basis. The slides should thus not be viewed on a stand alone basis but together with the oral presentation given by management.
AGENDA

• Q1 2018 KEY HIGHLIGHTS
• Q1 2018 FINANCIAL REVIEW
• 2018 OUTLOOK
• Q&A
## Q1 2018 AT A GLANCE

**REVENUE GROWTH OF 23% AND EBIT MARGIN OF 26% IN Q1 2018**

<table>
<thead>
<tr>
<th>Order intake</th>
<th>Revenue growth (LC)</th>
<th>EBIT</th>
<th>Free cash flow**</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR 9.9m</td>
<td>28.8%</td>
<td>EUR 23.3m</td>
<td>EUR 23.4m</td>
</tr>
<tr>
<td>Up EUR 4.1m y-o-y. One new SimCorp Dimension as well as a number of add-on contracts signed in Q1 2018</td>
<td>Q1 reported revenue increased by 23.0% compared with Q1 2017, 28.8% measured in local currencies and 18.0% organically</td>
<td>Increase of EUR 10.2m over Q1 last year – SimCorp Italiana acquired in August 2017 accounted for EUR 4.7m</td>
<td>Up EUR 0.9m compared with Q1 2017 – due to lower CAPEX. Impacted by change to subscription</td>
</tr>
</tbody>
</table>

### Order intake

12M rolling software updates & support growth* 6.2%

Increase with completion of new client installations and new functionality to existing clients

### Revenue growth (LC)

**Professional services growth (LC)**

Continues to develop positively and grew 20.9% measured in local currencies compared with Q1 2017

### EBIT

Free cash flow**

Up EUR 0.9m compared with Q1 2017 – due to lower CAPEX. Impacted by change to subscription

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* Previously named maintenance
** Cash flow from operations less CAPEX
## NEW CLIENTS IN 2018

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>COUNTRY</th>
<th>CLIENT</th>
<th>TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SimCorp Dimension</td>
<td>🇫🇷</td>
<td>METROPOLE Gestion</td>
<td>Front- and middle-office</td>
</tr>
</tbody>
</table>
The Alternative Investments Manager offers an automated solution for alternative investments, dispelling the need for niche systems and manual processes.

Users can fully integrate the module with SimCorp Dimension’s IBOR to effectively support multi-asset investment strategies in one highly automated system.

Integrates front office and collateral management workflows, initially enabling portfolio managers to block positions from the collateral pledging process.

Introducing the new ‘what-if’ functionality, the Strategy Manager solution enables users to simulate different strategies and actively manage Solvency Capital Requirements. This analysis is valuable to pension funds and insurers, for steering their strategy and investments and for deciding how to handle large market movements.

Release 6.3 completes SimCorp’s delivery of functionality to support MiFID II compliance. Seamlessly integrated across front office and IBOR, the solution offers the workflows needed to establish automated T+1 Article 26 transaction reporting and real-time trade reporting via FIX.
UPDATE ON STANDARD PLATFORM

USING SIMCORP STANDARD PLATFORMS TO LOWER COST, RISK AND TIME TO MARKET

ASK – CUSTOMIZED SOLUTION

TELL – SIMCORP STANDARD PLATFORMS

CLIENT CUSTOMIZATION

STANDARD PLATFORMS

SIMCORP DIMENSION

SOLUTION
VALUE OF SIMCORP STANDARD PLATFORMS
FROM CUSTOMIZED CONFIGURATION TO STANDARDIZED APPROACH

BUSINESS VALUE DRIVEN
• Simpler to deploy
• SimCorp standard platforms as a base to client implementation projects
• Additional customization based on client needs

KEY BENEFITS
• Reducing Risk and Cost of implementing SimCorp Dimension
• Increase speed and value of benefit realization from SimCorp Dimension
• Delivery of high quality proven solutions
• Post implementation value for upgrades and new solutions adoptions
OVERVIEW

SimCorp Global Delivery Model

• Structured implementation approach achieving:
  • Consistent results
  • In an efficient manner
  • Within time
  • Cost effective delivery
  • Based on standard solutions
Key to the selection was the Standard Platform, which simplifies implementation process with predefined business processes. METROPOLE Gestion will be able to accelerate time to value for their investment, while lowering both cost and risk.

The firm will integrate SimCorp’s multi-asset class solution across its range of equity, fixed income and diversified funds. This supports METROPOLE Gestion’s strategy by enabling the business to scale and grow, while reducing operational risks and costs.

METROPOLE Gestion was looking for a solution to increase efficiency by automating its business processes and workflows. SimCorp’s ‘out of the box’ delivery approach was selected as the best solution to support METROPOLE Gestion’s current and future strategy and requirements.

“We have selected SimCorp Dimension for its extensive front office functionality, its proven track record in automating asset managers’ operations, and its ability to deliver a faster-to-market standard platform.

The implementation of SimCorp Dimension will enable us to support our growth strategy, by enabling us to scale to increasing volumes and assets under management, while significantly reducing operational risk and maintaining a low cost base.”

—Isabel Levy, Managing Director, Chief Investment Officer, and Founder of METROPOLE Gestion
KAS BANK EXTEND SIMCORP DIMENSION
SIMCORP DIMENSION AS ITS NEW INVESTMENT AND ADMINISTRATION PLATFORM

Administra-

Pursuing a single platform approach, KAS BANK will – as one of the first SimCorp clients – also utilize SimCorp Dimension as an integrated solution for custody services.

Front and middle office

Enables KAS BANK’s investment administration clients to gain access to SimCorp Dimension’s front and middle office functionality in their own environment.

Optimize and automate back-office

KAS BANK will optimize and automate back-office processes to enable scale, while significantly reducing cost.

“The cooperation with SimCorp is an important step in the transformation of our organization into a global administration and custodial bank.

As we continue to deal with increasing demand in the market for our services, this agreement offers us a distinct opportunity to expand our data-driven services and increase client satisfaction, as part of our four strategic priorities.”

Sikko van Katwijk, Chairman of the Managing Board at KAS BANK
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Q1 2018 FINANCIAL HIGHLIGHTS
REVENUE GROWTH OF 23% AND EBIT MARGIN OF 26% IN Q1 2018

Comments

• Q1 2018 revenue of EUR 89.9m was up 23.0% y-o-y

• Conditions for revenue recognition for two significant contracts signed in Q4 2017 were met in Q1 2018

• In Q1, SimCorp Italiana accounted for revenue of EUR 7.9m and EBIT of EUR 4.7m due to the annual renewal of subscription based agreements are predominantly in the first quarter of a year

• EBIT margin increased from 14.0% in Q1 2017 to 26.0%, and measured in local currencies to 27.0%, in Q1 2018 due to strong revenue growth, SimCorp Italiana contribution and cost focus

Q1 2018 financial highlights

<table>
<thead>
<tr>
<th>(EURm)</th>
<th>Q1 2018</th>
<th>Q1 2017</th>
<th>y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>89.9</td>
<td>73.1</td>
<td>23.0%</td>
</tr>
<tr>
<td>Opr. costs &amp; other inc.</td>
<td>(66.5)</td>
<td>(62.9)</td>
<td>5.8%</td>
</tr>
<tr>
<td>EBIT</td>
<td>23.3</td>
<td>10.2</td>
<td>128.8%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>26.0%</td>
<td>14.0%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Net financials</td>
<td>(1.7)</td>
<td>(0.2)</td>
<td>n.m.</td>
</tr>
<tr>
<td>Pre-tax profit</td>
<td>21.6</td>
<td>10.0</td>
<td>116.4%</td>
</tr>
<tr>
<td>Pre-tax profit margin</td>
<td>24.1%</td>
<td>13.7%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Tax</td>
<td>(5.4)</td>
<td>(2.5)</td>
<td>118.6%</td>
</tr>
<tr>
<td>Net profit</td>
<td>16.3</td>
<td>7.5</td>
<td>115.7%</td>
</tr>
<tr>
<td>Net profit margin</td>
<td>18.1%</td>
<td>10.3%</td>
<td>7.8%</td>
</tr>
</tbody>
</table>
ORGANIC GROWTH AND EBIT MARGIN

ORGANIC GROWTH OF 18.0% Y-O-Y IN Q1 2018

Comments

• Reported revenue up 23.0% compared to Q1 2017. FX headwind of 5.8%-points leading to 28.8% increase in local currencies
  • SimCorp Italiana generated EUR 7.9m or 10.8%-points of the increase, with underlying organic revenue growth of 18.0%

• Reported EBIT margin of 26.0%. Measured in local currencies, the EBIT margin was 27.0%
  • Excluding the impact of SimCorp Italiana, EBIT margin was 24.4%
ORDER INTAKE

ORDER INTAKE UP EUR 4.1M COMPARED WITH SAME PERIOD LAST YEAR

Comments

- Total order intake* from new and add-on licenses was EUR 9.9m, an increase of EUR 4.1m compared with same period last year

- One new SimCorp Dimension contract was signed in Q1 2018 in France

- A number of add-on SimCorp Dimension and Coric license contracts were signed in Q1 2018, including:
  - One perpetual license that was converted to a subscription based license (around EUR 0.5m)
  - A number of SimCorp Coric subscription agreements were renewed in Q1 2018

- Client driven development (CDD) order intake accounted for EUR 1.6m compared with EUR 0.2m in the same period last year.

Quarterly order intake (EURm)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Order Intake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2017</td>
<td>5.8</td>
</tr>
<tr>
<td>Q2 2017</td>
<td>11.0</td>
</tr>
<tr>
<td>Q3 2017</td>
<td>15.7</td>
</tr>
<tr>
<td>Q4 2017</td>
<td>49.3</td>
</tr>
<tr>
<td>Q1 2018</td>
<td>9.9</td>
</tr>
</tbody>
</table>

* SimCorp Italiana (Sofia) not included in the order intake
THE ORDER BOOK DECREASED NET BY EUR 6.2M IN Q1 2018

**Comments**

- Compared with end-2017, the order book decreased by EUR 6.2m as the conditions for revenue recognition for two significant contracts signed in Q4 2017 were met in Q1 2018
- Order book of EUR 18.6m end-Q1 2018 – an increase of EUR 5.1m compared to end-Q1 2017
  - EUR 5.1m related to CDD orders where income will be recognized when delivered compared with EUR 0.7m at 31 March 2017

Order book (EURm)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>24.8</td>
<td>9.9</td>
<td>(5.3)</td>
<td>(10.2)</td>
<td>(0.6)</td>
<td>18.6</td>
</tr>
</tbody>
</table>

*SimCorp Italiana (Sofia) not included in the order intake, but income recognized directly as add-on license income
REVENUE DEVELOPMENT ON REVENUE TYPE
STRONG GROWTH IN ADD-ON LICENSE SALES AND PROFESSIONAL SERVICES

Comments

- Total license sale (new and add-on) increased 111% y-o-y and 66% organically
  - EUR 4.1m is related to SimCorp Italiana - booked as add-on license
  - Conditions for revenue recognition for two significant contracts signed in Q4 2017 were met in Q1 2018

- Software updates and support* revenue continues to increase with the completion and implementation of new client installations and new functionality to existing clients

- Professional services continues at a high level and is up 14.3% y-o-y. FX impacted negatively by 6.6%-points and M&A positively by 9.3%-points, resulting in organic growth of 11.6%

* Previously named maintenance

Q1 2018 distribution of revenue

<table>
<thead>
<tr>
<th>(EURm)</th>
<th>Q1 2018</th>
<th>Q1 2017</th>
<th>y-o-y</th>
<th>y-o-y (LC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New license</td>
<td>5.3</td>
<td>5.8</td>
<td>(8.6)%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Add-on license</td>
<td>14.3</td>
<td>3.5</td>
<td>308.6%</td>
<td>314.2%</td>
</tr>
<tr>
<td>Software updates and support</td>
<td>36.3</td>
<td>34.4</td>
<td>5.5%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Professional services</td>
<td>31.9</td>
<td>27.9</td>
<td>14.3%</td>
<td>20.9%</td>
</tr>
<tr>
<td>Training activities etc.</td>
<td>2.1</td>
<td>1.6</td>
<td>31.3%</td>
<td>39.9%</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>89.9</strong></td>
<td><strong>73.1</strong></td>
<td><strong>23.0%</strong></td>
<td><strong>28.8%</strong></td>
</tr>
</tbody>
</table>
COSTS DEVELOPMENT
ADJUSTED FOR SIMCORP ITALIANA AND FX Q1 COST GROWTH WAS 3.7% Y-O-Y

Comments

- Total operating costs increased 5.7% y-o-y
  - SimCorp Italiana increased costs with EUR 3.5m (5.5%-points)
  - FX reduced costs by EUR 2.2m (3.5%-points)
- Organic cost increase was therefore 3.7% y-o-y - increase primarily related to:
  - Annual salary increase of around 3%
  - Increased activity leading to increase in the number of full time employees
- Cost of sales up 10.4% y-o-y. Excluding FX and M&A the organic increase was 10.0%
- R&D costs up 4.3% y-o-y, SimCorp Italiana added 8.3%-point to the costs and FX impact reduced costs by 0.6%
- Adm. costs down by EUR 0.4m y-o-y and with EUR 0.7m excl. SimCorp Italiana

Q1 2018 costs split

<table>
<thead>
<tr>
<th>(EURm)</th>
<th>Q1 2018</th>
<th>Q1 2017</th>
<th>y-o-y</th>
<th>y-o-y (LC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>35.0</td>
<td>31.7</td>
<td>10.4%</td>
<td>15.1%</td>
</tr>
<tr>
<td>R&amp;D costs</td>
<td>16.9</td>
<td>16.2</td>
<td>4.3%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Sales and dist. costs</td>
<td>9.4</td>
<td>9.3</td>
<td>1.1%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Administrative costs</td>
<td>5.3</td>
<td>5.7</td>
<td>(7.0)%</td>
<td>(7.0)%</td>
</tr>
<tr>
<td>Total operational costs</td>
<td>66.6</td>
<td>63.0</td>
<td>5.7%</td>
<td>9.2%</td>
</tr>
</tbody>
</table>
CASH FLOW DEVELOPMENT
FREE CASH FLOW OF EUR 23.4M IN Q1 2018

Comments

- Free cash flow (cash flow from operations less CAPEX) in Q1 2018 of EUR 23.4m – up from EUR 22.5m last year
  - Due to lower CAPEX
  - Impacted negatively by change to subscription in both 2017 and 2018

- Cash flow from operating and investing activities in Q1 2017 was impacted by a deferred payment of EUR 2.9m related to the acquisition of SimCorp Coric

Cash flow development for Q1 2018

<table>
<thead>
<tr>
<th>EURm</th>
<th>Q1 2017</th>
<th>Q1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities before financial items</td>
<td>29.1</td>
<td>29.4</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>25.6</td>
<td>23.5</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>22.5</td>
<td>23.4</td>
</tr>
<tr>
<td>Cash flow from operating and investing activities</td>
<td>19.6</td>
<td>23.5</td>
</tr>
</tbody>
</table>
AGENDA

• Q1 2018 KEY HIGHLIGHTS
• Q1 2018 FINANCIAL REVIEW
• 2018 OUTLOOK
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2018 FULL YEAR GUIDANCE MAINTAINED
REVENUE GROWTH OF 10-15% AND EBIT MARGIN OF 24.5-27.5% IN LOCAL CURRENCIES

Comments

- SimCorp maintains its expectations to revenue growth in local currencies of between 10% and 15%, of which around 3% is related to the acquisition of SimCorp Italiana, and an EBIT margin measured in local currencies of between 24.5% and 27.5%

- Based on exchange rates prevailing at April 30, 2018, SimCorp estimates reported revenue to be negatively impacted from currency fluctuations on revenue growth of around 3.0% and around 0.5%-points negative impact on EBIT margin, which is unchanged from previous reporting

2018 guidance

<table>
<thead>
<tr>
<th></th>
<th>2018 guidance</th>
<th>2017 realized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (local currencies)</td>
<td>10% - 15%</td>
<td>12.5%</td>
</tr>
<tr>
<td>EBIT margin (local currencies)</td>
<td>24.5% - 27.5%</td>
<td>26.0%</td>
</tr>
</tbody>
</table>
INVITATION!
SIMCORP’S CAPITAL MARKET DAY
SEPTEMBER 20, 2018
IN LONDON
APPENDIX
SIMCORP’S VISION!

“SimCorp is the most attractive partner to investment managers and the number one provider of investment management solutions globally.”
Description of SimCorp Dimension

- Leading provider of investment management solutions and services for the financial sector
- Support investment managers handling all tasks related to asset management across the enterprise - from front- to back-office in one integrated solution
- 1 system and more than 40 years of experience
GLOBAL MARKET SHARE OF 15% AS OF END-2017

- Market defined as global buy-side investment management companies with assets under management of more than USD 10-20bn comprises approximately 1,250* potential clients

- SimCorp has 186 SimCorp Dimension clients all over the world covering a total market share of roughly 15%. However, for the market segment constituting the 200 largest asset holders in the world, SimCorp has a leading market share of over 35%

* Figures are based on SimCorp estimates and the total market numbers have been updated to reflect an update of the asset under management thresholds deciding the size of SimCorp’s potential market.
SIMCORP’S EQUITY STORY

- Stable and loyal client base
- Strong cash generation and ROIC*
- Committed focus on shareholder value**
- Strong market position
- Solid business model
- State of the art solution
- Dedicated focus

* ROIC of 107.4% in 2017
** Total payout ratio of 87.7% in 2017
SERVICE THE GLOBAL BUY-SIDE INDUSTRY
OVERCOME INDUSTRY-SPECIFIC CHALLENGES WITH SIMCORP

ASSET MANAGEMENT
Helping asset managers make informed investment decisions and capture growth

FUND MANAGEMENT
Enabling fund managers to grow their business and manage complexity

WEALTH MANAGEMENT
Enabling wealth managers to create automated and customized client communications

SOVEREIGN WEALTH
Helping sovereign wealth funds secure their national savings for future generations

ASSET SERVICING
Helping asset servicers improve operational excellence and efficiency

INSURANCE
Supporting insurance firms manage their investments cost effectively

PENSION
Helping pension funds make the most of their customers’ savings

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SimCorp
SIMCORP’S CORE STRENGTHS
A SUSTAINABLE BUSINESS MODEL

- Fully integrated platform (front-to-back) based on the same standard code base for all clients
- Comprehensive standard software product
- A large and prestigious client base
- In-depth financial expertise
- Recognized industry leader with strong home markets
- Skilled and dedicated employees
- Perennial guarantee – two annual upgrades. Clients not allowed to lack more than one version
REGULATION
REGULATION AS A DRIVER FOR REPLACEMENT OF LEGACY SYSTEMS

Selected important regulation

- Dodd-Frank and EMIR
- UCITS
- IFRS 9
- EU short selling directive
- EU financial transaction tax
- Mifid II
- ESMA collateral guidelines, Solvency, FATCA, AIFMD, MiFIR…
WHY SIMCORP?
ONE SYSTEM FOR A COMPLEX WORLD

- **IBOR AT THE CORE**
- **CLEAR STRATEGY**
- **GLOBAL PRESENCE**
- **FINANCially SOUND**
- **LONG-TERM PERSPECTIVE**

- **BEST-IN-CLASS**
- **A TRUSTED, STRATEGIC PARTNER**
- **FULLY INTEGRATED**
- **DEPLOY AS YOU WANT**
- **MONITOR INDUSTRY TRENDS**

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Description of SimCorp Dimension

• Support investment managers handling all tasks related to asset management across the enterprise on a seamlessly integrated platform
  • From front- to back-office in one integrated solution

• Include comprehensive functionality and asset-class coverage throughout the investment process combined with value-added services

• Unique enterprise solution – truly modular straight-through processing solution based on a single integrated database
SIMCORP DIMENSION (2/4)

CHOOSE THE COMBINATION THAT FITS THE NEEDS

DATA COMPONENTS
Deliver data excellence to your operations

FRONT OFFICE COMPONENTS
Give you overview of your trading activities and enable maneuverability

MIDDLE OFFICE COMPONENTS
Map and measure performance and risk with ease

BACK OFFICE COMPONENTS
Provide maximum control and performance of your post trading

REPORTING COMPONENTS
Let you automate, personalize and scale reporting
Description of SimCorp Dimension

- Best of both worlds: best-of-breed functionality, within a fully integrated set of best-in-class solutions
- Highly scalable – SimCorp’s solutions allow to grow by entering new markets, supporting new asset classes, taking on more client mandates without a corresponding increase in cost
- Highly flexible – new capabilities or asset classes can be deployed simply by adding new functionality, all of which is seamlessly integrated within the same single database
# SIMCORP DIMENSION (4/4)

**SIGNIFICANT CLIENT BENEFITS**

| **Unique enterprise solution** | A truly modular STP solution based on a single integrated database  
|                               | Best-in-class business solutions for every phase of buy-side investment processing  
|                               | Consistent data model across all solutions  
|                               | Comprehensive support for all relevant asset classes |
| **Perennial guarantee**        | Continued intensive investment in further development of SimCorp solutions and the SimCorp Dimension platform  
|                               | Two new versions every year (Feb 1, Aug 1)  
|                               | Commitment to enhance system in accordance with the technical and functional demands of our target segments |
| **Standard software**          | One code base  
|                               | Based on proven technology  
|                               | Flexible solution configurable to match specific demands |
| **Professional services as a business driver** | Implementation services based on a well-tested project model  
|                                             | Lifecycle support and services based on ITIL  
|                                             | Based on IPR |
SIMCORP DIMENSION FRONT OFFICE
TAKING FRONT OFFICE TO THE NEXT LEVEL

Comments
• More than 100 of the world’s largest asset managers have chosen a SimCorp Front Office solution
• The only Front Office Suite with best-of-breed capabilities as an enterprise or stand-alone solution
• Highest degree of automated front office workflows
• Real-time intraday positions whenever needed with a built-in IBOR
• Support for an array of asset classes
• Integrated risk/performance analytics

Solutions
SimCorp Dimension is uniquely positioned with best and most advanced IBOR solution.

IBOR allows investment managers to maintain an overview of all their positions in real-time.

IBOR safeguards investment managers against deficiencies of their current operational models.

IBOR’s central function uses events to calculate positions across the full lifecycle of all asset classes.

SimCorp IBOR solution can be implemented as:
- part of front office infrastructure
- part of accounting infrastructure
- stand-alone component
- part of integrated front-to-back office system

Logical system infrastructure and its main data flows:

- **Middle office**
  - Risk
  - Performance
  - Attribution
  - Compliance

- **Portfolio management and trading**
  - Equities
  - Fixed income
  - Derivatives
  - FX/MM
  - Alternatives

- **Investment processing**
  - Confirmation, settlement
  - Corporate actions
  - Collateral
  - Lending, FX
  - Fees…

- **Accounting**
  - NAV
  - Valuation, accruals, amr.
  - General ledger

**ABOR**

**IBOR**
SIMCORP CORIC
BEST-IN-CLASS CLIENT COMMUNICATIONS PLATFORM

Description of SimCorp Coric

• SimCorp Coric is a best-in-class client communications platform that is built to help wealth and institutional asset managers address client reporting and communication challenges.

• SimCorp Coric is system-independent, and integrates seamlessly with any investment management platform, enabling users to extract data from any source.

• Client benefits include:
  • Significantly less manpower is required to complete each reporting cycle
  • Enhanced client service through automation
  • Flexibility to respond rapidly to the needs of clients, producing or adjusting client reports on demand without involving technical staff
  • Increased transparency across the entire client reporting process and promotes a single client view
MARKET DRIVERS AND PRODUCT PRIORITIES

**MARKET DRIVERS**
- Regulatory Burden
- Low Yield Environment
- Pressure on Fees
- Data Management Challenge
- New Technology Opportunities
- Client Service Expectations

**PRODUCT PRIORITIES**
- Regulatory Solutions
  - IOSCO, MiFID, SOLVENCY, IFRS9, US-GAAP, NAIC, IT GAAP
- Alternative Investments
  - IBOR & ABOR for Private Equity, Real Estate, Infrastructure & Private Debt
- Product Priorities
  - SIMCORP Cloud
    - Platform as a Service, Native Cloud Platform, Open APIs, Mobile Enablement
- Data Management & Reporting
  - DataCare, IBOR, Data Warehouse, Client Communications
- Operational Efficiency
  - Collateral, reconciliation, alerts for exception management, operational KPIs

**INTEGRATED FRONT OFFICE**
- Cross-asset portfolio construction, execution & compliance based on IBOR, embedded middle and back office analytics & workflows
MUST-WIN BATTLES

2018

FRONT OFFICE MARKET LEADERSHIP

ENABLE CLOUD

ALTERNATIVE INVESTMENTS EXCELLENCE

GROW NORTH AMERICA

ESTABLISH STANDARD PLATFORM
# NEW CLIENTS IN 2016

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>COUNTRY</th>
<th>CLIENT</th>
<th>TYPE</th>
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<tbody>
<tr>
<td><strong>Q1</strong></td>
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<tr>
<td>SimCorp Dimension</td>
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<td>The Texas Treasury Safekeeping Trust Company</td>
<td>Back-office</td>
</tr>
<tr>
<td>SimCorp Dimension</td>
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<td>Middle- and back-office</td>
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<tr>
<td>SimCorp Dimension</td>
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<td>Front-to-back/IBOR</td>
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<td>SimCorp Dimension</td>
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### NEW CLIENTS IN 2017

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## NEW CLIENTS IN 2017

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<td>SOKA-BAU</td>
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The IASB and the FASB have jointly issued a new revenue standard, *IFRS 15 “Revenue from Contracts with Customers”*. This standard will replace the existing IFRS and US GAAP revenue guidance.

The core principle is that an entity will need to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

**IFRS 15 five steps**

1. **Identify the contract(s) with a customer**
2. **Identify the separate performance obligations (PO) in the contract**
3. **Determine the transaction price**
4. **Allocate the transaction price to the separate POs**
5. **Recognize revenue when the entity satisfies a PO**

*Source: EY*
CHANGE OF SUBSCRIPTION BASED DEALS

Subscription order: IAS 18

<table>
<thead>
<tr>
<th>Year</th>
<th>Initial license fee (ILF)</th>
<th>Maintenance</th>
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Subscription order: New IFRS 15

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<th>Year</th>
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NEW IFRS REPORTING
NO CHANGE TO PERPETUAL ORDERS FOLLOWING IFRS 15

Subscription order: New IFRS 15

- Initial license fee (ILF)
- Maintenance

Perpetual order: New IFRS 15

- Initial license fee (ILF)
- Maintenance

Cash flow

- Cash flow

Ongoing if not terminated

Usually SimCorp does not receive the entire cash amount for the license up-front but rather over 2 years.
In a scenario with no license growth, the revenue recognition and the cash flow may be equal in year 5, BUT the accumulated cash flow will never catch up.

At the end of year 15, the accumulated difference between revenue and cash flow amounts to EUR 300m, which will be recognized on the balance sheet as "contract assets".
CASH FLOW IMPACT OF SUBSCRIPTION AND IFRS15
GROWTH IN THE FIRST 5 YEARS – ACCUMULATED CASH FLOW WILL NEVER CATCH UP

Revenue recognition (IFRS 15) - (license only)

- In a scenario of license growth in the first year, the revenue recognition will be higher than cash flow each year, and the accumulated cash flow will never catch up.

- At the end of year 15, the accumulated difference between revenue and cash flow amounts to EUR 280m, which will be recognized on the balance sheet as "contract assets".

Revenue recognition vs. cash flow

- New subscriptions
- 1st time renewals
- 2nd time renewals

Dummy numbers
THE SIMCORP SHARE

Comments

- SimCorp is listed on NASDAQ Copenhagen under the ticker symbol SIM and is traded as part of the NASDAQ Copenhagen Large Cap index

- Share capital amounts to DKK 40,690,767 divided into 40,690,767 shares of DKK 1 each

- 100% free float

- The shares are freely negotiable and confer equal rights on their holders

- Major shareholders with more than 5% as end-2017:
  - Ameriprise Financial Inc. (Columbia Wanger)
  - Allianz Global Investors Luxembourg S.A.
  - The Danish Labor Market Supplementary Pension Fund (ATP), Denmark

Shareholder structure by geography (2017)

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>38%</td>
</tr>
<tr>
<td>North America</td>
<td>22%</td>
</tr>
<tr>
<td>UK</td>
<td>25%</td>
</tr>
<tr>
<td>Europe (ex. DK and UK)</td>
<td>14%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
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</table>

Shareholder structure by category (2017)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional investors</td>
<td>73%</td>
</tr>
<tr>
<td>Private investors</td>
<td>18%</td>
</tr>
<tr>
<td>Employees and management</td>
<td>6%</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>3%</td>
</tr>
</tbody>
</table>
THE EXECUTIVE MANAGEMENT BOARD

Klaus Holse  
Chief Executive Officer  
In SimCorp since September 2012

Georg Hetrodt  
Chief Technology Officer  
In SimCorp since February 1998

Michael Rosenvold  
Chief Financial Officer  
In SimCorp since October 2017
INVESTOR RELATIONS CONTACT

Anders Hjort
Head of Investor Relations
Direct: +45 35 44 88 22
Mobile: +45 28 92 88 81
Anders.Hjort@simcorp.com

SimCorp’s Global Headquarters in Copenhagen
Weidekampsgade 16
2300 Copenhagen S
Denmark

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Fax: +45 35 44 88 11
www.Simcorp.com