DISCLAIMER

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

• Q2 2018 KEY HIGHLIGHTS
• Q2 2018 FINANCIAL REVIEW
• 2018 OUTLOOK
• Q&A
Q2 2018 AT A GLANCE
REVENUE GROWTH IN LOCAL CURRENCIES OF 13.6% IN Q2 2018

**Order intake**

**EUR 16.0m**
Up EUR 5.1m y-o-y. Two new SimCorp Dimension customers as well as a number of add-on contracts signed in Q2 2018

**12M rolling software updates & support growth**

6.2%
Increase with completion of new client installations and new functionality to existing clients

**Revenue growth (LC)**

13.6%
Q2 reported revenue increased by 10.5% compared with Q2 2017, 13.6% measured in local currencies and 8.8% organically

**EBIT**

**EUR 14.0m**
Increase of EUR 0.8m over Q2 last year – EBIT margin of 16.9% in Q2 2018, and measured in local currencies it was 17.6%

**Professional services growth (LC)**

21.0%
Continues to develop positively and grew 21.0% measured in local currencies compared with Q2 2017

**Free cash flow**

**EUR 22.5m**
Up EUR 22.5m compared with Q2 2017 – due to improved cash flow from operating activities and lower CAPEX

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* Previously named maintenance

** Cash flow from operations less CAPEX
# H1 2018 AT A GLANCE

## REVENUE GROWTH IN LOCAL CURRENCIES OF 21.1% IN H1 2018

<table>
<thead>
<tr>
<th>Order intake</th>
<th>Revenue growth (LC)</th>
<th>EBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EUR 25.9m</strong></td>
<td><strong>21.1%</strong></td>
<td><strong>EUR 37.4m</strong></td>
</tr>
<tr>
<td>Up EUR 9.2m y-o-y. Three new SimCorp Dimension customers as well as a number of add-on contracts signed in H1 2018</td>
<td>H1 reported revenue increased by 16.7% compared with H1 2017, 21.1% measured in local currencies and 13.4% organically</td>
<td>Increase of EUR 14.0m over H1 last year – EBIT margin of 21.6% in H1 2018, and measured in local currencies it was 22.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Order book</th>
<th>Professional services growth (LC)</th>
<th>Free cash flow*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>25.8m</strong></td>
<td><strong>20.9%</strong></td>
<td><strong>EUR 45.9m</strong></td>
</tr>
<tr>
<td>At June 30, 2018, the order book amounted to EUR 25.8m – an increase of EUR 12.4m compared to last year</td>
<td>Continues to develop positively and grew 20.9% measured in local currencies compared with H1 2017</td>
<td>Up EUR 23.4m compared with H1 2017 – due to improved cash flow from operating activities and lower CAPEX</td>
</tr>
</tbody>
</table>

* 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>Q1 2018</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SimCorp Dimension</td>
<td>🇫🇷</td>
<td>METROPOLE Gestion</td>
<td>Front- and middle-office</td>
</tr>
<tr>
<td>Q2 2018</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SimCorp Dimension</td>
<td>🇩🇰</td>
<td>Nordea Life &amp; Pension, soon to be Velliv</td>
<td>Front- to back-office</td>
</tr>
<tr>
<td>SimCorp Dimension</td>
<td>🇹🇷</td>
<td>Undisclosed investment manager</td>
<td>Back-office</td>
</tr>
</tbody>
</table>
New functionality that allows for a wide range of analytics, including the ability for asset owners and asset managers to construct their portfolios with a view to targeting P&L at year or period end. Valuable to firms running liability driven and tax sensitive investment strategies in their portfolios.

To meet the recent regulatory variation margin rule changes, which require rounding in favor of the party being collateralized.

Accounting functionality has been further enhanced with accounting for bonds with call options, bought at a premium, in accordance with US-GAAP Accounting Standards Update ASU 2017-08.

A new add-on is available for the KPI Manager cloud app. Enables operational staff to monitor their trade processing efficiency against peers via an STP rate benchmark.
ENTERING A NEW ERA IN OUR RELEASE CYCLE
PART OF THE AGILE TRANSFORMATION

Comments

• For the past 20 years, SimCorp has had two annual releases.
  • Clients can’t be more than two releases behind

• The agile transformation enables us to deliver quarterly releases

• Times are changing and clients are demanding faster delivery and quicker value for money – as a result, we change our release cycle and introduce quarterly releases

• Clients are not obligated to implement every release, they can choose releases offering the features they want. But a key decision remains – they need to upgrade once a year

• Four releases per year will significantly decrease time-to-market and reduce the need for patching

Advantages for the client

- Functionality in production faster
- Reduce upgrade risk and cost
- Building right things – reducing feedback times
- Better client collaboration
- Better quality

© Copyright 2018
Testament to the value of offering a modern front office solution, designed to mitigate risk and improve efficiency.

Most of the clients are large Tier 1 Asset Managers that have complex and diverse compliance needs.

SimCorp will continue to respond to client needs and further integrate the module with the rest of SimCorp Dimension, maximizing the strengths of the solution.

The ability to scale and broaden SimCorp’s legal services are closely aligned to our Must-Win Battles ‘Enable Cloud’ and ‘Standard Platforms’.

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**Compliance manager**

- Pre-trade order checks
- Post-trade controlling
- Checked orders

**Client mandates**

**Organizational**

**Regulatory**

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Merging Northern Europe and UK (covering UK, Ireland and Middle East) market units

The move is designed to address the changing requirements of the asset management industry, deliver enhanced scale and leverage expertise across units, to better service SimCorp’s rapidly growing global client base.

The move comes at a time when the buy side increasingly recognizes technology and infrastructure as integral to limiting costs, increasing profitability and improving client value.

Following an earlier merger of Benelux and the Nordics into the Northern Europe market unit in January 2017, SimCorp has seen several efficiencies from establishing stronger, larger units, particularly in dealing with global deals and growing the breadth of services offered to existing clients.

The market unit will be headed by Hans Otto Engkilde, the current MD of SimCorp Northern Europe. He will spearhead best practice throughout the merged market unit, with a particular focus on growing SimCorp’s investment management specialisms, from the front office, through to alternatives, data services and client reporting, across its teams in the UK (Ireland, Middle East) Benelux and Nordics.
AGENDA

• Q2 2018 KEY HIGHLIGHTS
• Q2 2018 FINANCIAL REVIEW
• 2018 OUTLOOK
• Q&A
Q2 2018 REVENUE GROWTH AND EBIT MARGIN
ORGANIC GROWTH OF 8.8% Y-O-Y IN Q2 2018

Comments

• Reported revenue up 10.5% in Q2 compared to Q2 2017. FX headwind of 3.1%-points leading to 13.6% increase in local currencies
  • SimCorp Italiana generated EUR 3.5m or 4.8%-points of the increase, with underlying organic revenue growth of 8.8%

• Reported EBIT margin of 16.9% in Q2 2018 compared with 17.6% in Q2 2017. Measured in local currencies, EBIT margin was 17.6%
  • Excluding the impact of SimCorp Italiana, EBIT margin was 17.2%

Q2 2018 revenue growth

<table>
<thead>
<tr>
<th>Organic</th>
<th>M&amp;A impact</th>
<th>Local currencies</th>
<th>FX impact</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.8%</td>
<td>4.8%</td>
<td>13.6%</td>
<td>0.7%</td>
<td>10.5%</td>
</tr>
</tbody>
</table>

Q2 2018 EBIT margin

<table>
<thead>
<tr>
<th>Organic</th>
<th>M&amp;A impact</th>
<th>Local currencies</th>
<th>FX impact</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.2%</td>
<td>-0.4%</td>
<td>17.6%</td>
<td>-0.7%</td>
<td>16.9%</td>
</tr>
</tbody>
</table>
H1 2018 REVENUE GROWTH AND EBIT MARGIN
ORGANIC GROWTH OF 13.4% Y-O-Y IN H1 2018

Comments

- Reported revenue up 16.7% in H1 compared to H1 2017. FX headwind of 4.4%-points leading to 21.1% increase in local currencies
  - SimCorp Italiana generated EUR 11.4m or 7.7%-points of the increase, with underlying organic revenue growth of 13.4%

- Reported EBIT margin of 21.6% in H1 2018 compared with 15.8% in H1 2017. Measured in local currencies, EBIT margin was 22.6%
  - Excluding the impact of SimCorp Italiana, EBIT margin was 20.9%

H1 2018 revenue growth

<table>
<thead>
<tr>
<th></th>
<th>Organic</th>
<th>M&amp;A impact</th>
<th>Local currencies</th>
<th>FX impact</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue growth</td>
<td>13.4%</td>
<td>7.7%</td>
<td>21.1%</td>
<td>(4.4)%</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

H1 2018 EBIT margin

<table>
<thead>
<tr>
<th></th>
<th>Organic</th>
<th>M&amp;A impact</th>
<th>Local currencies</th>
<th>FX impact</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>20.9%</td>
<td>1.7%</td>
<td>22.6%</td>
<td>(1.0)%</td>
<td>21.6%</td>
</tr>
</tbody>
</table>
ORDER INTAKE
Q2 2018 ORDER INTAKE UP BY EUR 5.1M COMPARED WITH SAME PERIOD LAST YEAR

Comments

• Q2 2018 total order intake* from new and add-on licenses was EUR 16.0m, an increase of EUR 5.1m compared with same period last year

• Two new SimCorp Dimension contracts were signed in Q2 2018 in Northern Europe

• A number of add-on SimCorp Dimension and Coric license contracts were signed in Q2 2018

• Client driven development (CDD) order intake accounted for EUR 0.5m compared with EUR 0.4m in the same period last year

Quarterly order intake (EURm)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Order intake (EURm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2017</td>
<td>5.8</td>
</tr>
<tr>
<td>Q2 2017</td>
<td>10.9</td>
</tr>
<tr>
<td>Q3 2017</td>
<td>15.9</td>
</tr>
<tr>
<td>Q4 2017</td>
<td>49.3</td>
</tr>
<tr>
<td>Q1 2018</td>
<td>9.9</td>
</tr>
<tr>
<td>Q2 2018</td>
<td>16.0</td>
</tr>
</tbody>
</table>

* SimCorp Italiana (Sofia) not included in the order intake
ORDER BOOK
THE ORDER BOOK INCREASED NET BY EUR 7.3M IN Q2 2018

Comments

• Compared with end-Q1 2018, the order book increased by EUR 7.3m

• Order book of EUR 25.8m end-Q2 2018 – an increase of EUR 12.4m compared to end-Q2 2017
  • EUR 5.4m of order book relates to CDD orders where income will be recognized when delivered

Order book (EURm)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>18.5</td>
<td>16.0</td>
<td>(2.2)</td>
<td>(7.2)</td>
<td>0.7</td>
<td>25.8</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
A LARGE PART OF Q2 2018 ORDER INTAKE NOT YET INCOME RECOGNIZED

Comments

- Total license revenue down by 12% in Q2 2018
  - A large part of Q2 2018 order intake not yet income recognized
- Professional services continues at a high level and is up by 17.4% y-o-y in Q2 2018 - the organic growth was 13.5%
- Total license sale grew by 46% in H1 2018
- Professional services up by 15.9% y-o-y in H1 2018 - the organic growth was 12.6%

Q2 2018 distribution of revenue

<table>
<thead>
<tr>
<th>(EURm)</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>y-o-y</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td>New license</td>
<td>2.2</td>
<td>0.7</td>
<td>225.8%</td>
<td>7.5</td>
<td>6.4</td>
<td>15.6%</td>
</tr>
<tr>
<td>Add-on license</td>
<td>7.2</td>
<td>10.0</td>
<td>(28.3)%</td>
<td>21.5</td>
<td>13.5</td>
<td>58.7%</td>
</tr>
<tr>
<td>Software upd. and support*</td>
<td>36.5</td>
<td>34.2</td>
<td>6.8%</td>
<td>72.8</td>
<td>68.5</td>
<td>6.2%</td>
</tr>
<tr>
<td>Professional services</td>
<td>33.0</td>
<td>28.1</td>
<td>17.4%</td>
<td>64.9</td>
<td>56.0</td>
<td>15.9%</td>
</tr>
<tr>
<td>Training activities etc.</td>
<td>4.1</td>
<td>2.1</td>
<td>97.4%</td>
<td>6.1</td>
<td>3.7</td>
<td>68.0%</td>
</tr>
<tr>
<td>Total revenue</td>
<td>83.0</td>
<td>75.1</td>
<td>10.5%</td>
<td>172.8</td>
<td>148.2</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

* Previously named maintenance
ADD-ON LICENSE REVENUE SPLIT
NO CONVERSIONS IN Q2 2018

Comments

- Add-on licenses consist of:
  - Additional regular license sales
  - Renewals of subscription licenses
    - Renewals of SimCorp Dimension
    - Renewals of SimCorp Coric
    - Renewals of SimCorp Sofia/Italiana
  - Conversion of perpetual licenses to subscription licenses

- There were no conversions from perpetual license to subscription license in Q2 2018

Add-on license revenue split

- Q2 2018:
  - Additional regular license sales: ~85%
  - Renewals of SimCorp Sofia/Italiana: ~15%
  - Renewals of SimCorp Dimension and Coric: <5%
  - Conversions: >5%

  - Total revenue: EUR 7.2m

- H1 2018:
  - Additional regular license sales: ~70%
  - Renewals of SimCorp Sofia/Italiana: 20%
  - Renewals of SimCorp Dimension and Coric: >5%
  - Conversions: ~15%

  - Total revenue: EUR 21.5m
**COST DEVELOPMENT**

ADJUSTED FOR SIMCORP ITALIANA AND FX, THE Q2 COST GROWTH WAS 9.4% Y-O-Y

### Comments

- Total operating costs increased by 11.4% y-o-y in Q2 2018
  - SimCorp Italiana increased costs with EUR 2.5m (4.1%-points)
  - FX reduced costs by EUR 1.3m (2.1%-points)
- Organic cost increase was therefore 9.4% y-o-y in Q2 2018

- Total operating costs increased by 8.5% y-o-y in H1 2018
  - SimCorp Italiana increased costs with EUR 6.0m (4.8%-points)
  - FX reduced costs by EUR 3.5m (2.8%-points)
- Organic cost increase was therefore 6.5% y-o-y in H1 2018

### Q2 2018 costs split

<table>
<thead>
<tr>
<th>(EURm)</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>y-o-y</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>36.8</td>
<td>32.7</td>
<td>12.3%</td>
<td>71.8</td>
<td>64.4</td>
<td>11.4%</td>
</tr>
<tr>
<td>R&amp;D costs</td>
<td>17.6</td>
<td>15.6</td>
<td>12.8%</td>
<td>34.5</td>
<td>31.9</td>
<td>8.2%</td>
</tr>
<tr>
<td>Sales and dist. costs</td>
<td>9.5</td>
<td>8.8</td>
<td>8.5%</td>
<td>18.9</td>
<td>18.1</td>
<td>4.5%</td>
</tr>
<tr>
<td>Administrative costs</td>
<td>5.1</td>
<td>4.8</td>
<td>6.2%</td>
<td>10.4</td>
<td>10.5</td>
<td>(1.1)%</td>
</tr>
<tr>
<td><strong>Total operational costs</strong></td>
<td><strong>69.0</strong></td>
<td><strong>61.9</strong></td>
<td><strong>11.4%</strong></td>
<td><strong>135.6</strong></td>
<td><strong>124.9</strong></td>
<td><strong>8.5%</strong></td>
</tr>
</tbody>
</table>
FREE CASH FLOW OF EUR 22.5M IN Q2 2018

Comments

• Free cash flow (cash flow from operations less CAPEX) in Q2 2018 of EUR 22.5m – up from zero free cash flow last year
  • Working capital improvement due to positive development in receivables and prepayments from clients, however, partly impacted by some delayed incoming payments, due in Q2 2018
  • Lower CAPEX
  • Impacted negatively by change to subscription in both 2017 and 2018
• For H1 2018, the free cash flow was EUR 45.9m – up from EUR 22.5m in H1 2017
AGENDA

• Q2 2018 KEY HIGHLIGHTS
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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 July 31, 2018, SimCorp estimates currency fluctuations to have a negative impact on revenue growth of around 2% (3% in previous reporting) and to have a negative impact on EBIT margin of around 0.5%-points (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
Q2 2018 FINANCIAL HIGHLIGHTS
REVENUE GROWTH OF 10.5% AND EBIT MARGIN OF 16.9% IN Q2 2018

Comments

• Q2 2018 revenue of EUR 83.0m was up 10.5% y-o-y

• In Q2 SimCorp Italiana accounted for revenue of EUR 3.5m or 4.8%-points of the increase, while FX adj. reduced revenue by 3.1%-points, giving an underlying organic revenue growth of 8.8% in Q2 2018

• EBIT margin declined slightly from 17.6% in Q1 2017 to 16.9% in Q2 2018. However, measured in local currencies EBIT margin was 17.6% in Q2 2017

Q2 2018 financial highlights

<table>
<thead>
<tr>
<th>(EURm)</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>y-o-y</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>83.0</td>
<td>75.1</td>
<td>10.5%</td>
<td>172.8</td>
<td>148.2</td>
<td>16.7%</td>
</tr>
<tr>
<td>Opr. costs &amp; other inc.</td>
<td>(68.9)</td>
<td>(61.9)</td>
<td>11.4%</td>
<td>(135.5)</td>
<td>(124.8)</td>
<td>8.6%</td>
</tr>
<tr>
<td>EBIT</td>
<td>14.0</td>
<td>13.2</td>
<td>6.3%</td>
<td>37.4</td>
<td>23.4</td>
<td>59.7%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>16.9%</td>
<td>17.6%</td>
<td>(0.7)%</td>
<td>21.6%</td>
<td>15.8%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Net financials</td>
<td>1.2</td>
<td>(0.7)</td>
<td>n.m.</td>
<td>(0.5)</td>
<td>(0.9)</td>
<td>n.m.</td>
</tr>
<tr>
<td>Pre-tax profit</td>
<td>15.2</td>
<td>12.5</td>
<td>21.4%</td>
<td>36.8</td>
<td>22.5</td>
<td>63.6%</td>
</tr>
<tr>
<td>Pre-tax profit margin</td>
<td>18.3%</td>
<td>16.7%</td>
<td>1.6%</td>
<td>21.3%</td>
<td>15.2%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Tax</td>
<td>(4.0)</td>
<td>(3.2)</td>
<td>25.5%</td>
<td>(9.3)</td>
<td>(5.6)</td>
<td>66.3%</td>
</tr>
<tr>
<td>Net profit</td>
<td>11.2</td>
<td>9.4</td>
<td>20.0%</td>
<td>27.5</td>
<td>16.9</td>
<td>62.7%</td>
</tr>
<tr>
<td>Net profit margin</td>
<td>13.6%</td>
<td>12.5%</td>
<td>1.1%</td>
<td>15.9%</td>
<td>11.4%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>
“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
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 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

- LONG-TERM PERSPECTIVE
- CLEAR STRATEGY
- FINANCIALLY SOUND
- GLOBAL PRESENCE
- FULLY INTEGRATED
- DEPLOY AS YOU WANT
- A TRUSTED, STRATEGIC PARTNER
- BEST-IN-CLASS
- IBOR AT THE CORE
- MONITOR INDUSTRY TRENDS
SIMCORP DIMENSION (1/4)
ONE SYSTEM FOR A COMPLEX WORLD

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
INVESTMENT BOOK OF RECORDS (IBOR)
A COMPETITIVE ADVANTAGE

Comments

- 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 opr. models
- IBOR’s central function use events to calculate positions across 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

<table>
<thead>
<tr>
<th>Logical system infrastructure and its main data flows</th>
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<tbody>
<tr>
<td><strong>Middle office</strong></td>
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<td>- Risk</td>
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<td>- Performance</td>
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<td>- Attribution</td>
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<td><strong>Portfolio management and trading</strong></td>
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<td><strong>Investment processing</strong></td>
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<td>- Confirmation, settlement</td>
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<td>- Corporate actions</td>
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<td>- Collateral</td>
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<td>- Lending, FX</td>
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<td><strong>Accounting</strong></td>
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<td>- Valuation, accruals, amr.</td>
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<td>- General ledger</td>
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IBOR → ABOR
**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**
- Low Yield Environment
- Pressure on Fees
- Client Service Expectations
- Data Management Challenge
- Regulatory Burden
- New Technology Opportunities

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

**DATA MANAGEMENT & REPORTING**
- DataCare, IBOR, Data Warehouse, Client Communications

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

**OPERATIONAL EFFICIENCY**
- Collateral, reconciliation, alerts for exception management, operational KPIs
MUST-WIN BATTLES

2018

- FRONT OFFICE MARKET LEADERSHIP
- ENABLE CLOUD
- ALTERNATIVE INVESTMENTS EXCELLENCE
- GROW NORTH AMERICA
- ESTABLISH STANDARD PLATFORM

PEOPLE
SIMCORP CLOUD

SimCorp Dimension
AS A SERVICE (ASP)

CLOUD-ENABLED

SimCorp EVOLUTION

SIMCORP CONNECT
SIMCORP CLOUD
OPEN PLATFORM APIS

SimCorp Dimension
AS A SERVICE (ASP)

CLOUD-ENABLED

DATA RETRIEVAL API
COMPLIANCE API
ORDER ENTRY API
EXT. VALUATION API
EXT. OMS API
EXT. EMS API
TRANSACTION API
## NEW CLIENTS IN 2016

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<td>The Texas Treasury Safekeeping Trust Company</td>
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<td>SimCorp Dimension</td>
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**IFRS 15: THE NEW REVENUE RECOGNITION STANDARD**

**REVENUE FROM CONTRACTS WITH CUSTOMERS**

**Comments**

- The IASB and the FASB have jointly issued a new revenue standard, *IFRS 15 “Revenue from Contracts with Customers”*.
  - 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
   - Contract

2. Identify the separate performance obligations (PO) in the contract
   - Performance obligation (PO #1)
   - Performance obligation (PO #2)

3. Determine the transaction price
   - Transaction price

4. Allocate the transaction price to the separate POs
   - Allocated transaction price to PO #1
   - Allocated transaction price to PO #2

5. Recognize revenue when the entity satisfies a PO
   - Recognize revenue PO #1
   - Recognize revenue PO #2

* Source: EY
NEW IFRS 15 REPORTING IMPACT
CHANGE OF SUBSCRIPTION BASED DEALS

Subscription order: IAS 18

Income recognition

- Initial license fee (ILF)
- Maintenance

Cash flow

- Year 1: 2
- Year 2: 2
- Year 3: 2
- Year 4: 2
- Year 5: 2
- Year 6: 2
- Year 7: 2

Subscription order: New IFRS 15

- Year 1: 5
- Year 2: 1
- Year 3: 1
- Year 4: 1
- Year 5: 1
- Year 6: 1
- Year 7: 1

Contract renewal

- Year 1: 1
- Year 2: 1
- Year 3: 1
- Year 4: 1
- Year 5: 1
- Year 6: 1
- Year 7: 1

Cash flow

- Year 1: 2
- Year 2: 2
- Year 3: 2
- Year 4: 2
- Year 5: 2
- Year 6: 2
- Year 7: 2
NEW IFRS REPORTING
NO CHANGE TO PERPETUAL ORDERS FOLLOWING IFRS 15

Subscription order: New IFRS 15

- Year 1: Maintenance
- Year 2: Initial license fee (ILF)
- Year 3: Contract renewal
- Year 4: Initial license fee (ILF)
- Year 5: Contract renewal
- Year 6: Initial license fee (ILF)
- Year 7: Contract renewal

Income recognition

Perpetual order: New IFRS 15

- Year 1: Initial license fee (ILF)
- Year 2: Maintenance
- Year 3: Maintenance
- Year 4: Maintenance
- Year 5: Maintenance
- Year 6: Maintenance
- Year 7: Maintenance

Ongoing if not terminated

Cash flow

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 subscription
- 1st time renewals
- 2nd time renewals
- Total revenue recognition
- Total cash flow
- Difference (cash lag)
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):

- Denmark: 38%
- North America: 22%
- UK: 14%
- Europe (ex. DK and UK): 1%

Shareholder structure by category (2017):

- Institutional investors: 73%
- Private investors: 18%
- Employees and management: 6%
- Treasury shares: 3%
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

Phone: +45 35 44 88 00
Fax: +45 35 44 88 11
www.Simcorp.com