

annual financial statements are thus final within the scope of § 172 of the German Stock Corporation Act (AktG).

### Reporting on sustainability

Nemetschek SE integrated its non-financial declaration into the management report. Auditing firm Ernst & Young GmbH subjected the non-financial Group declaration of the Nemetschek Group to an audit in order to obtain limited assurance. The supervisory board also checked the non-financial declaration and has come to the conclusion that the non-financial declaration provides no grounds for reservations.

### Conflicts of interest

In the reporting year, there were no conflicts of interest on the part of the supervisory or executive board members.

### Corporate governance

The supervisory board was continuously occupied with the principles of good corporate governance in the 2019 financial year. In March and in December 2019, the supervisory board and executive board submitted an updated Declaration of Conformity as per § 161 of the German Stock Corporation Act (AktG) and made it permanently available to shareholders via the website of the Nemetschek Group. Nemetschek SE conforms to the recommendations of the Government Commission of the German Corporate Governance Code as per the version of the code published in the Federal Gazette in April 2017 with the exception of the justified deviations specified in the Declaration of Conformity. For details on this subject, please refer to the Group Management Report 2019 under the section Report on Enterprise Controlling and Declaration on Corporate Management or visit the website <https://ir.nemetschek.com/websites/nemetschek/English/5100/declaration-of-conformity.html>.

### Thanks for dedicated performance

In the 2019 financial year, the Nemetschek Group had another very successful year with revenue growth recorded in the double-digit percentage range together with a simultaneous increase in profitability, and exceeded its set objectives. The supervisory board thanks all employees worldwide for their excellent work and personal commitment. At the same time, the supervisory board would like to express its recognition and high level of appreciation to the executive board and the CEOs of all the brands for their performance.

Munich, March 27, 2020



Kurt Dobitsch  
Chairman of the supervisory board

## Nemetschek on the Capital Market

### Favorable year 2019

In 2019, irrespective of geopolitical risks, such as the prolonged Brexit negotiations and the trade dispute between the USA and China, global stock markets achieved record figures. Impetus came primarily from expansive monetary and fiscal policy. Towards the end of the year, progress made with regard to the US-Chinese trade conflict, the implementation of Brexit and hopes for a continued upward economic trend also had a positive effect on stock markets.

All in all, record levels were reached in stock markets: for the year as a whole, the leading German index DAX rose by about 25% and the MDAX by 31%. The TecDAX, which contains the 30 largest technology values, posted a rise in value of about 23%. The comparative index STOXX Europe Total Market Software & Computer Services posted a positive development and increased by about 32%.

### Nemetschek share developed more strongly than comparative indexes

The value of the Nemetschek share was able to rise faster than the comparative indexes.

On January 2, 2019, the share started the new year at a price of EUR 31.83. Right at the start of the year, it dropped to an all-time low of EUR 30.41 (January 3, 2019) in a market environment that was still very volatile. Thereafter, the share developed with considerably more strength than the German indexes. During this time, Nemetschek posted several positive company news, including the acquisition of Axserion by the brand Spacewell on January 11; the preliminary annual figures for 2018 on February 6; the announcement of an increased dividend payout on March 21; and the publishing of the annual financial statements for 2018 on March 29, at which time the Nemetschek Group also published its ambitious forecast for 2019.

The share price continued to rise in the second quarter as well, also supported by the favorable first quarter, the results of which were published on April 30. After a consolidation phase, the share rose considerably yet again. However, in spite of the favorable half-year figures, which were announced on July 26, the Nemetschek share was unable to remain at this level and again posted a move towards consolidation during late summer and autumn. Then, starting in November, the instrument again increased in value in a very favorable market environment and reached its all-time high of EUR 59.25 on December 23. The Nemetschek share closed the 2019 financial year at a price of EUR 58.80. This corresponds to an increase of 84.7% since the beginning of the year.

All share price and yield data in this section are calculated on the basis of the share split resolved by the Annual General Meeting on 28 May, 2019 in order to ensure comparability of the numbers.

### Yield, market capitalization and rating

Including the Nemetschek SE dividend in the amount of EUR 0.27 per share paid out in June 2019, a total yield (price performance and dividend) for the share of 85.2% (previous year: 28.9%) is the result for 2019. The pure dividend yield amounted to 0.5% (previous year: 0.8%).

In keeping with the very positive share price development, the market capitalization of Nemetschek SE increased from EUR 3.69 billion as of December 31, 2018 to EUR 6.79 billion as of the end of the reporting year. This corresponds to a rise in value of more than EUR 3.10 billion.

For Nemetschek SE, there is currently no rating issued by a rating agency which assesses creditworthiness or credit rating.

### Market development in the current financial year

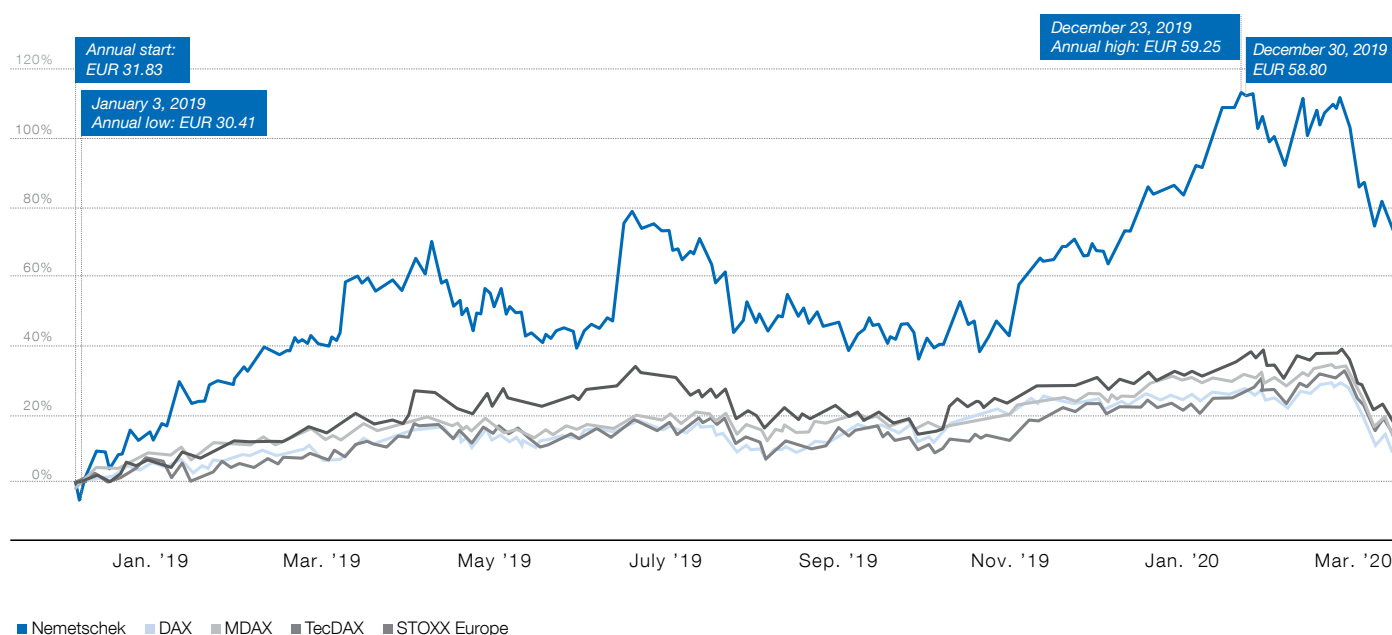
At the beginning of 2020, the Nemetschek share increased considerably in value once again in an as-yet favorable market environment, and on January 22 reached an all-time high to date in

2020 of EUR 68.40. Following this, the increasing spread of the coronavirus worldwide led to great uncertainty and massive declines in share prices on global stock markets. In keeping with the market as a whole, the Nemetschek share also lost considerable value.

### Nemetschek's ranking on the MDAX and TecDAX

As of December 31, 2019, the ranking of Deutsche Börse listed Nemetschek 60th (previous year: 78th) for market capitalization (in terms of free float) on the MDAX, and 12th on the TecDAX (previous year's ranking: 16th). During the 2019 financial year, an average of 224,215 shares were traded daily via the electronic trading platform Xetra, which was more than in the previous year (220,922 shares). The average daily volume on Xetra increased accordingly from EUR 7.99 million in 2018 to EUR 10.58 million in 2019. Nemetschek ranked 69th on the MDAX (previous year: 85th) and 17th on the TecDAX (previous year's ranking: 19th) for the volume of shares traded.

### PRICE DEVELOPMENT OF NEMETSCHKEK SHARES IN THE YEAR 2019/BEGINNING OF 2020 COMPARED TO SELECTED INDEXES (INDEXED)



### Annual general meeting approved all items on the agenda

At the regular annual general meeting of Nemetschek SE held in Munich on May 28, 2019, a large majority of the company's shareholders approved all agenda items.

### Dividend

For the 2018 financial year, the shareholders resolved on a dividend in the amount of EUR 0.27 per share, an increase of about 8% compared to the previous year (EUR 0.25 per share). Nemetschek SE thus continued with its sustainable dividend policy and paid out a dividend for the tenth time in a row, this year being the

sixth consecutive increase. The total dividends to be distributed amounted to EUR 31.2 million (previous year: EUR 28.9 million). The dividend payout ratio for the 2018 financial year is therefore approximately 31% – in relation to the operating cash flow.

### Stock split

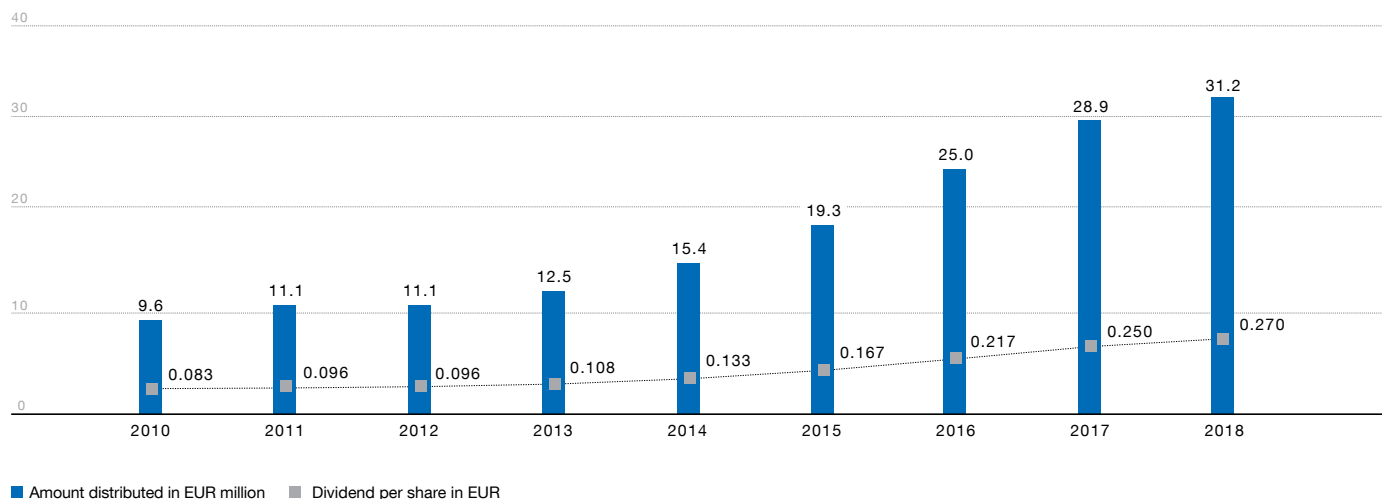
Moreover, the annual general meeting approved the stock split at a ratio of 1:3 proposed by the executive board and the supervisory board, which will be implemented as of June 28, 2019. Every shareholder received two shares for every Nemetschek share

held at no further charge by means of a corresponding depot credit. The stock split was technically carried out by means of a capital increase of the company's funds, as a result of which the nominal capital of Nemetschek SE rose by EUR 77 million from EUR 38.5 million to EUR 115.5 million, divided into 115,500,000 no-par value bearer shares. Given that the overall value remained the same, the estimated price level of the Nemetschek share for the shareholders was accordingly divided by three.

### Dividend policy

The Nemetschek Group pursues a sustainable dividend policy that provides for a distribution of around 25% of the operating cash flow. The dividend policy always takes into account the overall economic development and the economic and financial situation of the company.

#### DIVIDEND PER SHARE AND TOTAL AMOUNT OF DIVIDENDS DISTRIBUTED BASED ON YEAR-OVER-YEAR COMPARISON

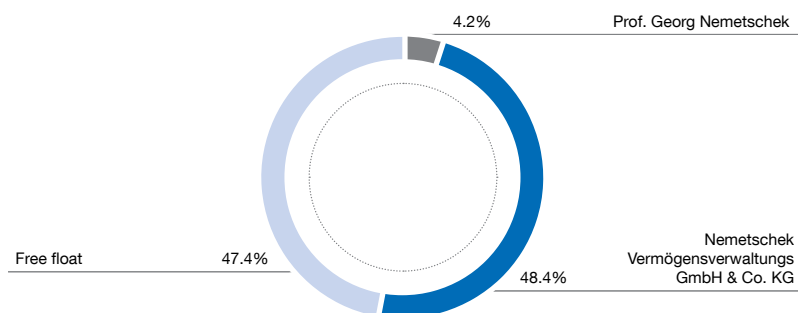


### Shareholder structure

The free float amounted to 47.4 percent as of December 31, 2019. It was spread across a regionally widely diversified shareholder structure with a high proportion of international investors, primarily from the USA, France, Great Britain, Switzerland and Scandinavia.

Nemetschek Vermögensverwaltungs GmbH & Co. KG continues to be the biggest shareholder in the company, with a share of 48.4% (55,868,784 shares). Furthermore, 4.2% (4,830,000 shares) are held directly by Prof. Georg Nemetschek. For the shares held by Nemetschek Vermögensverwaltungs GmbH & Co. KG and the shares held directly by Prof. Georg Nemetschek, there continues to be a pooling agreement, which serves to ensure a shareholder structure that is permanently stable.

#### SHAREHOLDER STRUCTURE\*



\* Direct shareholdings as of December 31, 2019.

### Research coverage

At present, the Nemetschek Group is covered by 14 analysts from various banks and research enterprises that regularly publish studies and commentaries on the current development of the company.

Nemetschek is in regular and constructive communication with all institutes, which in the past financial year was intensified by visits by analysts to company headquarters, various conferences and jointly conducted road shows.

The current price targets of the corresponding analysts can be found on the company website under <https://ir.nemetschek.com/websites/nemetschek/English/1400/analyst-coverage.html>.

### Extensive communication with the capital market

The objective of Nemetschek SE is to maintain open and reliable communication with all stakeholders. An ongoing and timely dialog is maintained in order to increase transparency and reinforce trust in the Nemetschek Group.

In the 2019 financial year as well, numerous contacts to existing and potential investors were made. The executive board provided information on the economic situation, corporate strategy and future prospects of the Group within the scope of individual dialogs, road shows and investor conferences, held primarily in financial centers in Europe and North America. Moreover, many investors took advantage of the opportunity to familiarize themselves with the company within the scope of a visit to the Group's headquarters in Munich.

On the occasion of the publication of the statements for the year, half year and quarter, telephone conferences were held during which the board reported on past and future business development and responded to questions from analysts and investors. In addition, Nemetschek SE maintained a close dialog with relevant business media.

### KEY FIGURES ON SHARES

	2019	2018
Earnings per share in €	1.10	0.66
Annual performance	84.7	28.1
High in €	59.25	51.13
Low in €	30.41	23.96
Closing price in €	58.80	31.92
Price/earnings ratio	53.45	48.36
Market capitalization in € million	6,791.40	3,686.38
Average number of shares traded per day (Xetra)	224,215	220,922
Average number of outstanding shares	115,500,000	115,500,000