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Company reg. no: 15 50 52 81

Company Announcement no. 15/2016

10 May 2016

# Company Announcement

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## Interim report for Q1 2016: Three North American Orders and Improved Outlook for The Year

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### Summary

Q1 reported revenue was EUR 59.6m, an increase of 5.5% and an increase of 6.9% when measured in local currencies. Adjusted non-GAAP<sup>1</sup> revenue was EUR 64.4m, an increase of 13.9% and an increase of 15.4% when measured in local currencies.

EBIT for the three-month period was EUR 5.9m, compared with EUR 6.6m in the year-earlier period. Adjusted non-GAAP EBIT increased by 61% to EUR 10.6m.

Net profit for Q1 2016 was EUR 4.5m compared with EUR 4.3m in Q1 2015.

SimCorp maintains its expectations for reported revenue growth and EBIT margin measured in local currency for 2016. Revenue growth measured in local currencies is still expected to be between 3% and 8%, and the expectation for EBIT margin measured in local currencies remains between 21% and 24%. However, SimCorp updates its expectations for the adjusted non-GAAP revenue growth in local currencies to be between 8% and 15% (previously between 8% and 13%) and the expectation for adjusted non-GAAP EBIT margin measured in local currencies to be between 24% and 28% (previously between 24% and 27%).

SimCorp will initiate a share buy back program of EUR 40m to be executed in the period from 10 May 2016 to 20 February 2017.

At 31 March 2016, contracts equalling EUR 202m of the projected 2016 reported revenue had been secured. This is EUR 5m more than at the same point in time last year.

Klaus Holse, SimCorp CEO, comments: "With three new SimCorp Dimension contracts in the important North American market and a new SimCorp Coric contract in the UK, we are off to a good start in 2016. Our pipeline continues to develop, we see more new sales cases coming to the market and we experience an increasing demand for our professional services supported by our continued new service offerings. All in all, we are confident about our improved financial outlook for the year."

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<sup>1</sup> SimCorp changed from perpetual software licencing to subscription-based software licencing for SimCorp Dimension as of 2016. Adjusted non-GAAP figures are presented as if the SimCorp Dimension orders were still made on perpetual license terms and consequently income recognized when signed.

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SimCorp's Board of Directors today reviewed and approved the Group's interim report for the three months ended 31 March 2016. Highlights of the report are:

- Total order intake from new licenses and add-on licenses for the first three months of the year was EUR 10.9m, which was EUR 2.2m lower than in the year-earlier period. The order book increased by EUR 4.9m compared with the order book at 31 December 2015 to EUR 29.0m at 31 March 2016. *Page 5*
- Revenue for the first three months of the year increased 6.9% y/y measured in local currencies and EUR 59.6m in reported currency, an increase of 5.5% y/y. *Page 6*
- Adjusted non-GAAP revenue for the first three months of the year was up 15.4% y/y measured in local currencies and EUR 64.4m in reported currency, an increase of 13.9% y/y. *Page 6*
- Recurring revenue was EUR 37.7m compared with EUR 36.6m in the same period of 2015. Currency fluctuations impacted the revenue negatively by EUR 0.4m. *Page 7*
- Non-recurring revenue was EUR 21.9m compared with EUR 19.9m in the same period of 2015. Currency fluctuations impacted the revenue negatively by EUR 0.4m. *Page 7*
- Total cost for the three months ending 31 March 2016 was EUR 53.8m, an increase of 7.9% compared with the same period last year, of which currency fluctuations reduced costs by EUR 0.5m (0.9%-points). *Page 7*
- EBIT for the first three months of the year was EUR 5.9m, a decrease of EUR 0.7m compared with the same period last year. *Page 9*
- Adjusted non-GAAP EBIT for the first three months of the year increased by 61% to EUR 10.6m. *Page 9*
- Cash flow from operating activities before financial items was EUR 24.2m compared with EUR 22.0m in the same period of 2015. *Page 10*
- SimCorp maintains its expectations for full-year revenue growth measured in local currencies of 3-8% and an EBIT margin measured in local currencies of between 21% and 24%. Expectations for adjusted non-GAAP revenue growth in local currency is updated to be expected to be between 8% and 15% (previously between 8% and 13%) and the expectation for adjusted non-GAAP EBIT margin measured in local currencies is updated to be expected to be between 24% and 28% (previously between 24% and 27%). Based on currency rates prevailing at the end of April 2016, SimCorp expects a negative impact from currency fluctuations on full-year revenue growth of around 2% (unchanged) and a negative currency impact on EBIT margin of around 0.2% (previously around 0.5%). *Page 11*
- At 31 March 2016, contracts equalling EUR 202m of the projected 2016 reported revenue had been secured, EUR 5m more than at the same time last year. The Group's pipeline of potential license contracts supports the expected growth in revenue. *Page 11*

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**Investor meeting**

SimCorp's Executive Management Board will present this interim report at an investor meeting on Tuesday 10 May 2016 at 2:00 PM (CEST) at the company's headquarters, Weidekampsgade 16, 2300 Copenhagen S. The meeting will be open to the public, and a live webcast of the presentation can be followed via this link, where it will be possible to ask questions online:

<http://edge.media-server.com/m/p/hcp4taoj>.

The presentation will be available afterwards via SimCorp's website [www.simcorp.com](http://www.simcorp.com).

**Enquiries regarding this announcement should be addressed to:**

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**Financial highlights and key ratios for the SimCorp Group**

	2016 Q1	2015 Q1	2015 FY
DKK/EUR rate of exchange end of period	7.4512	7.4697	7.4625
<b>Income statement, EUR'000</b>			
Revenue	59,608	56,488	277,927
Earnings bef. interest, tax, depreciation and amortization (EBITDA)	6,679	7,347	74,227
Profit from operations (EBIT)	5,866	6,597	71,038
Financial items	51	-717	-1,938
Profit before tax	5,917	5,880	69,100
Profit for the period	4,513	4,299	52,584
<b>Balance sheet, EUR'000</b>			
Share capital	5,575	5,575	5,575
Equity	91,098	54,223	89,820
Property, plant and equipment	4,597	4,316	4,333
Cash and cash equivalents	60,125	26,923	43,344
Total assets	160,409	122,557	149,529
<b>Cash flows, EUR'000</b>			
Cash flow from operating activities	21,542	14,003	54,206
Cash flow from investing activities	-265	-183	-2,625
Cash flow from financing activities	-4,347	-25,323	-46,422
Net change in cash and cash equivalents	16,930	-11,503	5,159
Average number of employees	1,242	1,182	1,205
<b>Key ratios</b>			
EBIT margin (%)	9.8	11.7	25.6
ROIC (return on invested capital) (%)	37.3	65.5	197.3
Debtor turnover rate	7.2	7.0	10.8
Equity ratio (%)	56.8	44.2	60.1
Return on equity (%)	20.0	22.9	61.7
<b>Per share data</b>			
Basic earnings per share - EPS (EUR)	0.11	0.11	1.31
Diluted earnings per share - EPS-D (EUR)	0.11	0.10	1.29
Operating cash flow per share - CFPS (EUR)	0.54	0.35	1.35
Average number of shares (m)	40.2	40.5	40.2
Average number of diluted shares (m)	40.7	41.0	40.9
	2016 Q1	2015 Q1	2015 FY
<b>Adjusted non-GAAP statement, EUR'000</b>			
Adjusted non-GAAP revenue	64,366	56,488	277,927
Adjusted non-GAAP profit from operations (EBIT)	10,624	6,597	71,038
Adjusted non-GAAP EBIT margin (%)	16.5	11.7	25.6

The key ratios have been calculated in accordance with IAS 33 and "Recommendations and Ratios 2015" issued by the Danish Finance Society. Please refer to the definition of ratios on page 60 of the Annual Report 2015. The interim report is unaudited and has not been reviewed by external auditors.

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## Management's report – the three months ended 31 March 2016

### Development in sales and orders

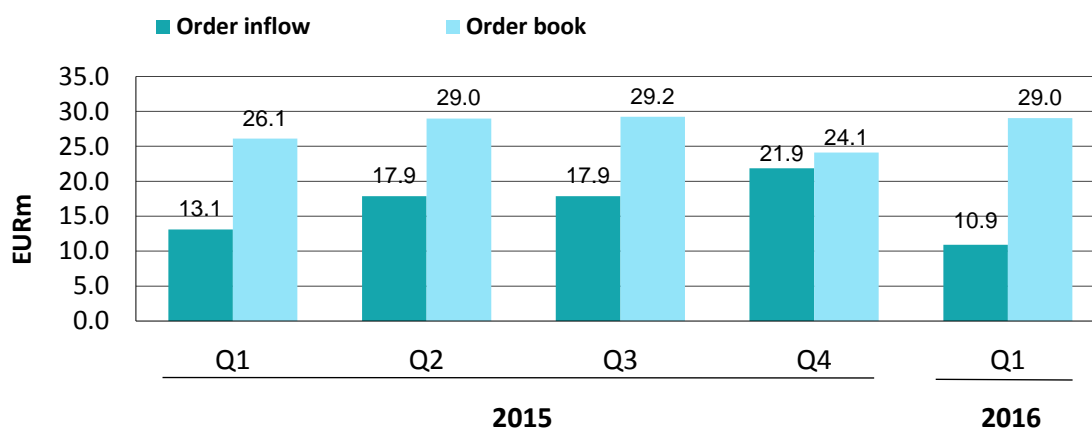
Three new SimCorp Dimension contracts were signed in North America in Q1 - two on subscription-based terms and one on perpetual terms. One of the subscription based contracts contains defined functionality to be delivered during 2017 and 2018, and the revenue will be income recognized when delivered. All three contracts are to be delivered as ASP contracts. Additionally, a large add-on license contract was signed in Nordic and one new SimCorp Coric contract was signed in the UK.

Q1 total order intake was EUR 10.9m compared with EUR 13.1m in the same period last year. Q1 income recognized from subscription based licenses and from perpetual new licenses and add-on licenses totalled EUR 6.5m, EUR 0.7 more than in Q1 2015.

The order book increased by EUR 4.9m in Q1. The order book represents the difference between actual order intake and income recognized from software licenses adjusted for the effect of exchange rate changes. The order book was EUR 29.0m at 31 March 2016.

*SimCorp Dimension and SimCorp Coric, quarterly order intake and order book*

*(aggregate new subscription licenses, perpetual new licenses and add-on licenses)\*, 2015-2016*



\* Order intake and order book include licenses to new clients as well as add-on licenses to existing clients. The order book is the total license value of signed license agreements that has not yet been recognized in income.

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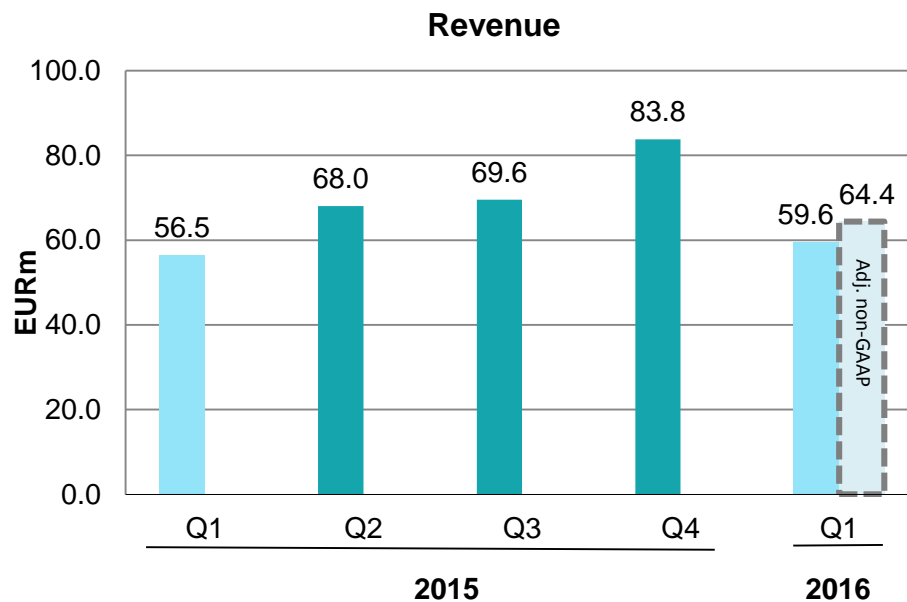
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### Revenue

Q1 revenue was up 5.5% relative to Q1 2015 and increased to EUR 59.6m. Measured in local currencies the increase was 6.9%.

Q1 adjusted non-GAAP revenue was, after the adjustment of EUR 4.8m for the impact of selling SimCorp Dimension licenses as subscription based contracts instead of as perpetual licenses, EUR 64.4m up 13.9% relative to reported revenue in Q1 2015. Measured in local currencies the increase was 15.4%.

The distribution of Q1 revenue is shown in the table below:



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EURm	Revenue Q1 2016	Share of revenue Q1 2016	Revenue Q1 2015	Share of revenue Q1 2015	Growth relative to Q1 2015	Growth local currency relative to Q1 2015
<b>Recurring Revenue</b>						
Subscription - new sales	1.7	2.9 %	1.4	2.5%	21.4%	21.4%
Subscription - additional sales	1.0	1.7 %	0.3	0.5%	233.3%	233.3%
Professional services *	4.2	7.0 %	5.3	9.4%	-20.8%	-20.8%
Maintenance	30.6	51.3 %	29.4	52.0%	4.1%	5.1%
Hosting and other	0.2	0.4 %	0.2	0.4%	0.0%	50.0%
Total recurring revenue	37.7	63.3 %	36.6	64.7%	3.0%	4.1%
<b>Non-Recurring Revenue</b>						
Perpetual licences - new sales	0.9	1.5 %	2.3	4.1%	-60.9%	-60.9%
Perpetual licences - additional sales	2.9	4.9 %	1.8	3.2%	61.1%	66.7%
Professional services **	17.0	28.5 %	14.6	25.8%	16.4%	17.8%
Other	1.1	1.8 %	1.2	2.1%	-8.3%	0.0%
Total non-recurring revenue	21.9	36.7 %	19.9	35.2%	10.1%	12.1%
<b>Total revenue</b>	<b>59.6</b>	<b>100.0 %</b>	<b>56.5</b>	<b>100.0%</b>	<b>5.5%</b>	<b>6.9%</b>
<b>Adjusted non-GAAP</b>						
Subscription - new sales - adj. Order ***	4.8					
<b>Adjusted non-GAAP revenue</b>	<b>64.4</b>		<b>56.5</b>		<b>13.9%</b>	<b>15.4%</b>

\* Ongoing support and services \*\* Implementation services related to the initial and add-on license sales

\*\*\* See page 6

Income recognized from recurring revenue consisting of subscription fees, perpetual maintenance fees, recurring professional services and ASP hosting fees was up 3.0% to EUR 37.7m compared with EUR 36.6m in the same period of 2015. The increase is driven by additional license revenue from SimCorp Coric clients and a few SimCorp Dimension clients as well as higher maintenance income that continues to increase with the completion and implementation of new client installations and new functionality to existing clients. Currency fluctuations impacted the revenue negatively by EUR 0.4m (1.1%-points).

Income recognized from non-recurring revenue consisting of perpetual new license and add-on license fees, professional fees from implementation services and other activities such as training was EUR 21.9m compared with EUR 19.9m in Q1 2015. The increase is related to add-on license fees and professional services. Currency fluctuations impacted the revenue negatively with EUR 0.4m (2.0%-points).

## Costs

SimCorp's total operating expenses (including depreciation and amortization) were EUR 53.8m in Q1 compared with EUR 49.9m in Q1 2015, an increase of 7.9%. Currency fluctuations reduced the total expenses by EUR 0.5m. The increase in costs is mainly related to increased business activity leading to a 5% increase in the number of full time employees from 1,182 in Q1 2015 to 1,242 in Q1 2016.

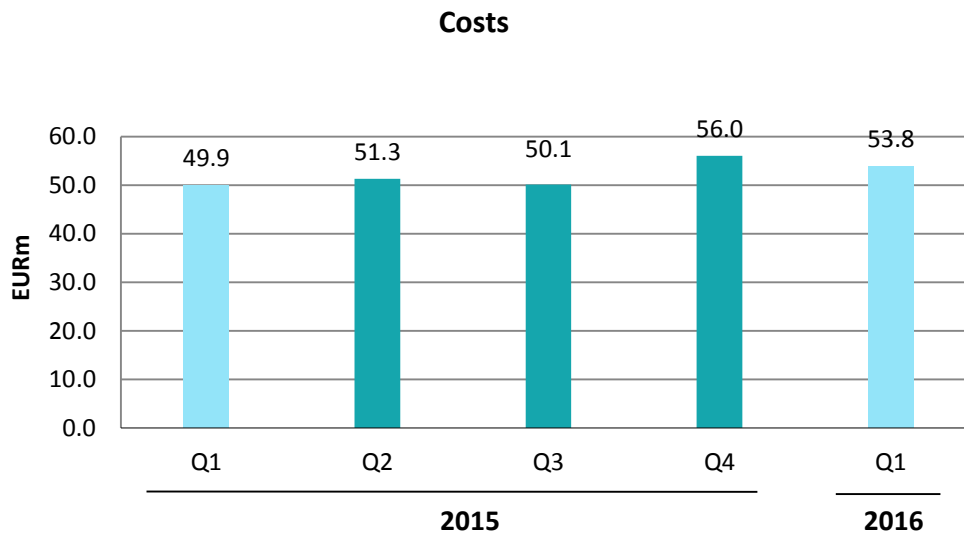
41 FTE's were added in the cost of sales category and are primarily additional professional service implementation consultants in France and the UK, and 16 FTE's were added in the research and development category. Salaries increased in general by 2%. Salaries and staff related costs accounted for 75% of total costs compared with 76% in Q1 2015.

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The distribution of Q1 costs is shown in the table below:

EURm	Costs		Costs		Growth	Growth
	Q1 2016	Share of costs Q1 2016	Q1 2015	Share of costs Q1 2015	relative to Q1 2015	local currency relative to Q1 2015
Cost of sales	26.7	49.6 %	24.4	49.0%	9.2%	10.5%
Research and development costs	14.3	26.6 %	13.4	26.9%	6.5%	7.1%
Sales and distribution costs	8.3	15.4 %	7.6	15.2%	9.3%	10.1%
Administrative expenses	4.6	8.5 %	4.5	9.0%	2.4%	2.6%
Total	53.8	100.0 %	49.9	100.0%	7.9%	8.8%

Cost of sales, including costs for implementation consultants, increased by 9.2% in Q1. The increase was primarily related to the addition of 41 FTE's compared to Q1 2015 and the general salary increase.

Compared with Q1 last year, research and development costs increased by 6.5%, the increase was related to the addition of 16 FTE's compared to Q1 2015 and the general salary increase.

Sales and distribution costs increased by 9.3%. The increase was due to an increase of 8 FTE's compared to Q1 2015 and the general salary increase.

Administrative expenses increased by EUR 0.1m. FTE's decreased by 6 compared to Q1 2015.



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### Employees

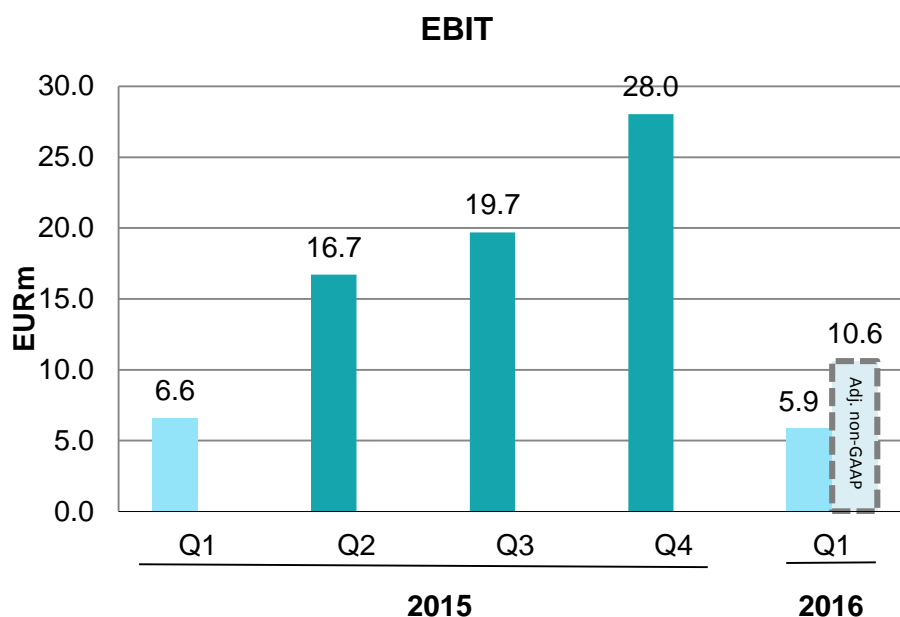
At 31 March 2016, the Group had 1,292 employees, 59 employees more than at 31 March 2015.

The Group had on average 1,242 full time equivalent employees in the first three months of 2016 compared with 1,182 in the same period last year.

### Group performance

For the first three months of 2016, the Group posted EBIT of EUR 5.9m compared with EUR 6.6m in Q1 2015.

Adjusted non-GAAP EBIT for the first three months of the year increased by 61% to EUR 10.6m reflecting the impact of SimCorp Dimension software license agreements being made on subscription based terms rather than perpetual.



### Profit before tax

Foreign exchange adjustments generated financial income of EUR 0.8m, and financial expenses related to foreign exchange adjustments totalled EUR 0.8m. Financial items for Q1 thus netted to an income of EUR 0.05m compared with a net expense of EUR 0.7m in same period last year.

The Group posted a pre-tax profit of EUR 5.9m similar to the profit of EUR 5.9m in Q1 2015. The estimated tax charge of EUR 1.4m is equivalent to a tax rate of 23.7% compared with 26.9% in Q1 2015 reflecting the reduced corporate tax rate in Denmark. Thus, the Group's net profit for Q1 2016 amounted to EUR 4.5m against a profit of EUR 4.3m for the same period last year.

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**Comprehensive income**

Exchange rate adjustments on translation of foreign assets and liabilities amounted to a net expense of EUR 1.1m in Q1, which is included in other comprehensive income compared with a net income of EUR 3.7m in the year-earlier period. This is primarily attributed to the decrease in the exchange rates for GBP and USD compared with DKK and EUR.

Total comprehensive income for Q1 was thus EUR 3.4m against EUR 8.0m in Q1 of last year.

**Balance sheet items and cash flow**

SimCorp's total assets were EUR 160.4m at 31 March 2016, of which cash holdings amounted to EUR 60.1m, EUR 33.2m more than a year earlier. This is mainly due to dividend for 2015 of EUR 28.4m being paid in Q2 compared with dividend payment for 2014 which took place in Q1 2015. Total receivables amounted to EUR 62.4m at 31 March 2016, representing an increase of EUR 5.9m compared with 31 March 2015, however, EUR 5.7m lower than at 31 December 2015.

Operating activities before financial items in Q1 generated a cash inflow of EUR 24.2m compared with EUR 22.0m in Q1 last year. Payment of income taxes amounted to EUR 2.5m, against EUR 8.0m in Q1 2015. The lower amount of income taxes paid relates to lower prepayment of income taxes for the parent company. Net cash flow from operating activities was EUR 21.5m compared with EUR 14.0m in Q1 2015.

EUR 0.3m were spent on investing activities in Q1 compared with EUR 0.2m in Q1 2015.

Financial activities generated a cash outflow of EUR 4.3m compared with EUR 25.3m in Q1 2015. The difference is caused by timing difference in the payment of dividend and dividend taxes. Purchase of treasury shares reduced liquidity by EUR 4.3m against EUR 5.1m in Q1 2015.

**Changes in equity**

The company's equity amounted to EUR 91.1m at 31 March 2016. This was an increase of EUR 1.3m from 31 December 2015. The equity at 31 March 2016 includes proposed dividend of EUR 28.4m. The payment of dividend was approved by the shareholders at the AGM 1 April, 2016 and has been paid in Q2 2016. Purchase of treasury shares amounted to EUR 4.3m against EUR 5.1m in Q1 2015.

Comprehensive income for Q1 of EUR 3.4m against EUR 8.0m in Q1 2015 as well as adjustments to share based remuneration of EUR 2.2m increased equity.

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## Outlook for the financial year 2016<sup>\*)</sup>

SimCorp generated a satisfactory financial result in the first three months of 2016 in line with SimCorp's own expectations. SimCorp's intake of license contract orders varies considerably from one period to the next. The Q1 2016 intake of orders was EUR 10.9m compared with EUR 13.1m for the same period last year.

During Q1 revenue of EUR 22m was secured, against EUR 28m in the same period last year, and SimCorp enters Q2 with secured revenue for EUR 202m of the projected reported revenue for 2016, EUR 5m more than at the same time last year.

SimCorp continues to experience a satisfactory, geographically diversified demand for its products and services and continues to see the value of the pipeline increase. The introduction of subscription based licencing terms for SimCorp Dimension contracts impacts reported revenue, as contracts signed towards the end of the year will only have a marginal impact on reported revenue and reported EBIT.

Thus, SimCorp maintains its expectations for the full year of between 3% and 8% revenue growth measured in local currencies and an EBIT margin of between 21% to 24% measured in local currencies. For adjusted non-GAAP revenue SimCorp updates its expectations for the full year growth measured in local currencies to be between 8% and 15% (previously between 8% and 13%) and updates its expectation to the adjusted non-GAAP EBIT margin to be between 24% to 28% (previously between 24 % and 27%) measured in local currencies.

Based on exchange rates prevailing at 30 April 2016, SimCorp expects a negative impact from currency fluctuations on revenue growth of around 2% (unchanged) and a negative impact on EBIT margin of around 0.2% (previously around 0.5%).

<b>FINANCIAL GUIDANCE 2016</b>	<b>Q1 2016</b>	<b>Annual Report 2015</b>	
All guidance given in local currency	<b>10-May-16</b>	22-Feb-16	Realized 2015
Revenue	<b>3%-8%</b>	3%-8%	10.1%
Adjusted non-GAAP revenue	<b>8%-15%</b>	8%-13%	
EBIT margin	<b>21%-24%</b>	21%-24%	24.4%
Adjusted non-GAAP EBIT margin	<b>24%-28%</b>	24%-27%	

<sup>\*)</sup> This announcement contains certain forward-looking statements and expectations in respect of the 2016 financial year. Such forward-looking statements are not guarantees of future performance, and involve risk and uncertainty, and 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.

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## **Other information**

### **Significant risk and uncertainty factors**

SimCorp operates in a dynamic and complex business environment, where performance relies heavily on the ongoing achievement of a number of success criteria. Page 24-25 of SimCorp's Annual Report 2015 describes the most important general risk factors and the risk management measures utilized in everyday operations. Management believes that the description of these potential risks still applies.

### **Shareholder information**

#### **Transferred shares in relation to restricted stock units programs**

##### **Long-term restricted stock units incentive plan allotted in 2013**

In Q1 100,188 shares were transferred to the Executive Management Board and key employees, who participated in the long-term incentive program in 2013 and who have fulfilled the program's criteria, including 30,002 shares to the Executive Management Board. The actual number of shares transferred was determined based on the achieved average annual revenue growth and annual average net operating profit after tax for the financial years 2013 to 2015. The total number of shares allotted was reduced by 9.9% compared to the potential maximum under the program.

##### **Corporate bonus restricted stock units programs 2012, 2013 and 2014**

In Q1 95,891 shares were transferred to the Group's employees related to the corporate bonus restricted stock units programs for 2012, 2013 and 2014 including 4,278 shares to the Executive Management Board and 315 shares to employee elected members of the Board of Directors.

### **Issue of restricted stock units**

In accordance with the remuneration policy approved by the shareholders at the AGM, the Board of Directors undertook to grant restricted stock units. A total of 69,773 restricted stock units have been granted, including 19,726 restricted stock units to the Executive Management Board. The fair value of these restricted stock units amounted to EUR 2.8m at the time of allotment. The value adjusted for dividends will be included in the income statement over the vesting period of three years. The restricted stock units will vest after three years, subject to continuing employment. Furthermore, the restricted stock units are subject to conditions with respect to average annual minimum revenue growth and annual average net operating profit after tax for the financial years 2016 to 2018. If the two last conditions are only partially satisfied, the number of shares transferred after three years will be reduced, and may possibly lapse completely.

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In addition 93,396 restricted stock units relating to the corporate bonus program for 2015 have been granted to Group employees, including 5,151 restricted stock units to the Executive Management Board and 823 restricted stock units to employee elected members of the Board of Directors. These restricted stock units will vest one third after one year, a further one third after two years and the last third after three years subject to continuing employment.

In Q1, in connection with the appointment of a new MD for SimCorp Coric Ltd., a total of 481 restricted stock units have been granted as part of his sign-on agreement. The restricted stock units will vest after three years, subject to continuing employment. Furthermore, 652 restricted stock units have been granted as a stay-on agreement with a key employee in SimCorp A/S. The restricted stock units will vest after three years, subject to continuing employment.

468,917 restricted stock units were outstanding 31 March 2016, and 69,773 restricted stock units have been granted after the AGM, bringing the total restricted stock units outstanding to 538,690. These will be transferred in whole or in part between 2016 and 2019 to program participants still employed when the stock units vest subject to performance conditions.

**Vesting of restricted stock units granted to the CEO, Klaus Holse**

As part of the executive service agreement entered into with Klaus Holse, CEO, restricted stock units with a total market value of DKK 10m was granted the CEO under the condition that the CEO would make an investment in SimCorp shares with a total market value of DKK 5m and that the restricted stock units would vest 60% after 3 years' service and 20% after 4 and the remaining 20% after 5 years' service. The allotment was made with original vesting date 1 September 2016 for the vesting of 20% of the restricted stock units. In order to allow for Klaus Holse to cover his personal tax liability arising when the 20% restricted stock units vest the Board of Directors has decided to bring forward the vesting date to 25 August 2016 for the 20% restricted stock units allotment enabling Klaus Holse to sell shares after the release of the Q2 2016 financial results to cover for his personal income tax liability.

**Holding of treasury shares**

In Q1 the Company transferred a total of 196,079 treasury shares in relation to the restricted stock unit programs as mentioned on page 12, and in accordance with the approved remuneration policy for the Board of Directors, Executive Management and employees transferred 5,856 treasury shares to the Board of Directors equivalent to one third of their total remuneration for 2015.

The Company has purchased 95,316 treasury shares in Q1 at an average price of DKK 339.79 per share, totalling EUR 4.3m. At 31 March 2016, the Group's holding of treasury shares amounted to 1,210,856 treasury shares, equal to 2.9% of the Company's issued share capital.

Based on the current business outlook and the cash position, SimCorp expects to continue its share buyback program during the period from 10 May 2016 to 20 February 2017 and expects to be acquiring treasury shares in a new initiated "Safe Harbour" program for a forecasted amount of EUR 40m.

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## Signatures

The Board of Directors and the Executive Management Board have today considered and adopted the interim report for the period 1 January - 31 March 2016.

The interim report which is unaudited and has not been reviewed by the Company's auditors is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for interim reports for listed companies.

In our opinion, the interim financial statements give a true and fair view of the Group's assets, liabilities and financial position as of 31 March 2016 and of the profit of the Group's operations and cash flow for the period 1 January - 31 March 2016.

Furthermore, in our opinion the management's report gives a true and fair view of developments in the activities and financial position of the Group, the results for the period and of the Group's financial position in general, and outlines the significant risk and uncertainty factors that may affect the Group.

Copenhagen, 10 May 2016

Executive Management Board:

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Klaus Holse  
Chief Executive Officer

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Georg Hetrodt  
Chief Technology Officer

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Thomas Johansen  
Chief Financial Officer

Board of Directors:

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Jesper Brandgaard  
Chairman

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Peter Schütze  
Vice Chairman

---

Hervé Couturier

---

Simon Jeffreys

---

Patrice McDonald

---

Franck Cohen

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Else Braathen

---

Vera Bergforth

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Ulrik Elstrup Hansen

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**Company Announcement**Interim report for Q1 2016: Three North American Orders and Improved Outlook for The Year

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**Consolidated income statement**

EUR'000	2016 Q1	2015 Q1	2015 FY
Revenue	59,608	56,488	277,927
Cost of sales	26,676	24,429	100,086
<b>Gross profit</b>	<b>32,932</b>	<b>32,059</b>	<b>177,841</b>
Other operating income	84	9	492
Research and development costs	14,296	13,427	53,917
Sales and distribution costs	8,274	7,573	35,337
Administrative expenses	4,580	4,471	18,041
<b>Profit from operations (EBIT)</b>	<b>5,866</b>	<b>6,597</b>	<b>71,038</b>
Share of profit after tax in associates	-11	59	126
Financial income	837	997	1,796
Financial expenses	775	1,773	3,860
<b>Profit before tax</b>	<b>5,917</b>	<b>5,880</b>	<b>69,100</b>
Tax on profit	1,404	1,581	16,516
<b>Net profit for the period</b>	<b>4,513</b>	<b>4,299</b>	<b>52,584</b>
<b>Earnings per share</b>			
Basic earnings per share - EPS (EUR)	0.11	0.11	1.31
Diluted earnings per share - EPS-D (EUR)	0.11	0.10	1.29

**Statement of comprehensive income**

EUR'000	2016 Q1	2015 Q1	2015 FY
Net profit for the period	4,513	4,299	52,584
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to the income statement:</b>			
Remeasurements of defined benefit pension plans	0	0	-279
Tax	0	0	49
<b>Items that will be reclassified subsequently to the income statement, when specific conditions are met:</b>			
Foreign currency translation differences for foreign operations	-1,103	3,678	2,066
Other comprehensive income after tax for the period	-1,103	3,678	1,836
<b>Total comprehensive income for the period</b>	<b>3,410</b>	<b>7,977</b>	<b>54,420</b>

## Company Announcement

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### Consolidated balance sheet

EUR'000	2016 31 March	2015 31 March	2015 31 December
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Goodwill	4,283	4,654	4,579
Software	3,378	4,024	3,749
Customer contracts	3,165	3,637	3,442
<b>Total intangible assets</b>	<b>10,826</b>	<b>12,315</b>	<b>11,770</b>
<b>Property, plant and equipment</b>			
Leasehold improvements	1,756	1,590	1,700
Technical equipment	1,963	2,543	2,383
Other equipment, fixtures, fittings and prepayments	878	183	250
<b>Total property, plant and equipment</b>	<b>4,597</b>	<b>4,316</b>	<b>4,333</b>
<b>Other non-current assets</b>			
Investments in associates	629	397	628
Deposits	1,876	1,888	2,102
Deferred tax	8,403	7,427	9,078
<b>Total other non-current assets</b>	<b>10,908</b>	<b>9,712</b>	<b>11,808</b>
<b>Total non-current assets</b>	<b>26,331</b>	<b>26,343</b>	<b>27,911</b>
<b>Current assets</b>			
Receivables	62,422	56,543	68,144
Income tax receivable	4,088	6,121	4,276
Prepayments	7,443	6,627	5,854
Cash and cash equivalents	60,125	26,923	43,344
<b>Total current assets</b>	<b>134,078</b>	<b>96,214</b>	<b>121,618</b>
<b>Total assets</b>	<b>160,409</b>	<b>122,557</b>	<b>149,529</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Equity</b>			
Share capital	5,575	5,575	5,575
Exchange adjustment reserve	-92	2,623	1,011
Retained earnings	57,206	46,025	54,825
Proposed dividend	28,409	0	28,409
<b>Total equity</b>	<b>91,098</b>	<b>54,223</b>	<b>89,820</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax	874	530	973
Provisions	4,724	4,418	4,687
Other debt	2,453	1,736	2,343
<b>Total non-current liabilities</b>	<b>8,051</b>	<b>6,684</b>	<b>8,003</b>
<b>Current liabilities</b>			
Prepayments from clients	22,571	19,110	7,678
Trade payables and other payables	38,361	35,836	42,215
Income tax	325	1,515	1,810
Provisions	3	210	3
Dividend payable/dividend tax	0	4,979	0
<b>Total current liabilities</b>	<b>61,260</b>	<b>61,650</b>	<b>51,706</b>
<b>Total liabilities</b>	<b>69,311</b>	<b>68,334</b>	<b>59,709</b>
<b>Total liabilities and equity</b>	<b>160,409</b>	<b>122,557</b>	<b>149,529</b>



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**Consolidated cash flow statement**

EUR'.000	2016 Q1	2015 Q1	2015 FY
Profit for the period	4,513	4,299	52,584
Adjustments for non cash operating items	1,956	5,736	26,990
Changes in working capital	17,709	11,947	-3,870
<b>Cash from operating activities before financial items</b>	<b>24,178</b>	<b>21,982</b>	<b>75,704</b>
Financial income received	10	11	63
Financial expenses paid	-105	-11	-387
Income taxes paid	-2,541	-7,979	-21,174
<b>Net cash from operating activities</b>	<b>21,542</b>	<b>14,003</b>	<b>54,206</b>
Purchase of associates	0	0	-138
Purchase of intangible fixed assets	-14	0	-277
Purchase of property, plant and equipment	-363	-200	-2,029
Proceeds from sale of property, plant and equipment	3	0	32
Purchase of financial assets	-5	-9	-311
Proceeds from sale of financial assets	23	26	88
Dividends from associates	91	0	10
<b>Net cash from/(used) in investing activities</b>	<b>-265</b>	<b>-183</b>	<b>-2,625</b>
<b>Net cash from operating and investing activities</b>	<b>21,277</b>	<b>13,820</b>	<b>51,581</b>
Employee bonds	0	-744	-744
Dividends paid	0	-19,454	-24,457
Acquisition of treasury shares	-4,347	-5,125	-21,221
<b>Net cash from/(used) in financing activities</b>	<b>-4,347</b>	<b>-25,323</b>	<b>-46,422</b>
<b>Change in cash and cash equivalents</b>	<b>16,930</b>	<b>-11,503</b>	<b>5,159</b>
<b>Total cash for the period</b>			
Cash and cash equivalents at beginning of period	43,344	37,995	37,995
Foreign exchange adjustment of cash and cash equivalents	-149	431	190
<b>Cash and cash equivalents at 31 March</b>	<b>60,125</b>	<b>26,923</b>	<b>43,344</b>

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## Statement of changes in equity

EUR'000	Share capital	Exchange adjustment reserve	Retained earnings	Proposed dividend	Total
<b>Group</b>					
Equity at 1 January 2015	5,575	-1,055	44,208	24,652	73,380
<b>Comprehensive income for the period *</b>					
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>3,678</b>	<b>4,299</b>	<b>0</b>	<b>7,977</b>
<b>Transactions with owners</b>					
Dividends paid to shareholders	0	0	219	-24,652	-24,433
Share-based payment	0	0	2,688	0	2,688
Tax, share-based payment	0	0	-264	0	-264
Purchase of treasury shares	0	0	-5,125	0	-5,125
<b>Equity at 31 March 2015</b>	<b>5,575</b>	<b>2,623</b>	<b>46,025</b>	<b>0</b>	<b>54,223</b>
Equity at 1 April 2015	5,575	2,623	46,025	0	54,223
<b>Comprehensive income for the period *</b>					
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>-1,612</b>	<b>48,055</b>	<b>0</b>	<b>46,443</b>
<b>Transactions with owners</b>					
Dividends paid to shareholders	0	0	-24	0	-24
Share-based payment	0	0	3,795	0	3,795
Tax, share-based payment	0	0	1,479	0	1,479
Purchase of treasury shares	0	0	-16,096	0	-16,096
Proposed dividend to shareholders	0	0	-28,409	28,409	0
<b>Equity at 31 December 2015</b>	<b>5,575</b>	<b>1,011</b>	<b>54,825</b>	<b>28,409</b>	<b>89,820</b>
Equity at 1 January 2016	5,575	1,011	54,825	28,409	89,820
<b>Comprehensive income for the period *</b>					
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>-1,103</b>	<b>4,513</b>	<b>0</b>	<b>3,410</b>
<b>Transactions with owners</b>					
Share-based payment	0	0	2,644	0	2,644
Tax, share-based payment	0	0	-429	0	-429
Purchase of treasury shares	0	0	-4,347	0	-4,347
<b>Equity at 31 March 2016</b>	<b>5,575</b>	<b>-92</b>	<b>57,206</b>	<b>28,409</b>	<b>91,098</b>

\* Please refer to Statement of comprehensive income page 16

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## Company Announcement

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## Notes

### Accounting policies

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for interim reports of listed companies.

The accounting policies applied are consistent with those of the Annual Report 2015. See the Annual Report 2015 for a comprehensive description of the accounting policies applied.

### Change in accounting policies

Effective 1 January 2016, a number of new accounting standards and interpretations have been implemented which do not have any monetary effect on the SimCorp Group's result, assets, liabilities or equity.

### Judgments and estimates

The preparation of interim reports requires management to make accounting judgments and estimates that affect the use of accounting policies and recognized assets, liabilities, income and expenses. Actual results may differ from these estimates.

The most significant estimates made by management when using the Group's accounting policies and the most significant judgment uncertainties attached hereto are the same for the preparation of the interim report as for the preparation of the Annual Report 2015.

### Segment information

<b>EUR '000</b>											Elimination/ not allocated		Group
<b>1 January - 31 March 2016</b>	Nordic region	Central Europe	UK and Middle East	Benelux and France	Asia	North America	Dimension	Coric	Corporate functions	Total			
Revenue external clients	11,791	16,341	5,609	10,818	3,755	8,677	357	2,188	72	59,608	0		59,608
Revenue between segments	2,711	823	105	867	432	1,192	23,646	459	269	30,504	-30,504		0
<b>Total segment revenue</b>	<b>14,502</b>	<b>17,164</b>	<b>5,714</b>	<b>11,685</b>	<b>4,187</b>	<b>9,869</b>	<b>24,003</b>	<b>2,647</b>	<b>341</b>	<b>90,112</b>	<b>-30,504</b>		<b>59,608</b>
<b>Segment profit from operations (EBIT)</b>	<b>1,705</b>	<b>404</b>	<b>-379</b>	<b>731</b>	<b>121</b>	<b>-1,930</b>	<b>7,310</b>	<b>36</b>	<b>-2,132</b>	<b>5,866</b>	<b>0</b>		<b>5,866</b>
<b>Total assets</b>	<b>14,949</b>	<b>18,327</b>	<b>8,501</b>	<b>34,950</b>	<b>5,291</b>	<b>21,551</b>	<b>1,211</b>	<b>12,416</b>	<b>4,577</b>	<b>121,773</b>	<b>38,636</b>		<b>160,409</b>
<b>1 January - 31 March 2015</b>													
Revenue external clients	12,170	15,950	4,899	9,185	3,846	8,220	390	1,767	61	56,488	0		56,488
Revenue between segments	1,910	414	16	1,166	446	1,079	23,483	36	97	28,647	-28,647		0
<b>Total segment revenue</b>	<b>14,080</b>	<b>16,364</b>	<b>4,915</b>	<b>10,351</b>	<b>4,292</b>	<b>9,299</b>	<b>23,873</b>	<b>1,803</b>	<b>158</b>	<b>85,135</b>	<b>-28,647</b>		<b>56,488</b>
<b>Segment profit from operations (EBIT)</b>	<b>581</b>	<b>1,314</b>	<b>-247</b>	<b>247</b>	<b>-383</b>	<b>-505</b>	<b>8,197</b>	<b>-455</b>	<b>-2,152</b>	<b>6,597</b>	<b>0</b>		<b>6,597</b>
<b>Total assets</b>	<b>19,787</b>	<b>26,007</b>	<b>6,752</b>	<b>20,864</b>	<b>6,605</b>	<b>16,048</b>	<b>1,115</b>	<b>10,508</b>	<b>5,202</b>	<b>112,888</b>	<b>9,669</b>		<b>122,557</b>

Revenue disclosures are based on SimCorp's market units and development activities while asset allocation is based on the physical location of the assets. Unallocated assets relate to headquarter assets, cash, tax and investments in associates.

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Reconciliation of the profit before	2016 Q1	2015 Q1
<b>EUR'000</b>		
Total segment profit reported (EBIT)	5,866	6,597
Share of profit after tax on associates	-11	59
Financial income	837	997
Financial expenses	775	1,773
<b>Profit for the period before tax, see income statement</b>	<b>5,917</b>	<b>5,880</b>

## Property, plant and equipment and investment obligations

The SimCorp Group does not hold assets under finance leases and has not provided assets as security.

## Board of Directors and Executive Management Board

The Group has prepared general guidelines for incentive pay to members of the company's Board of Directors and Executive Management Board which were approved by the shareholders at the AGM and posted on the company's website.

The shareholders approved the total remuneration to the Board of Directors for 2016 of DKK 4.125m, comprising DKK 2.750m in cash and SimCorp shares with a market value of DKK 1.375m. In addition, the audit committee receives a separate remuneration for 2016 of DKK 0.375m comprising DKK 0.250m in cash and SimCorp shares with a market value of DKK 0.125m.

In accordance with the remuneration policy approved by the shareholders at the AGM, the Board of Directors on 1 April 2016 undertook to grant restricted stock units. The Group's Executive Management Board has been granted 19,726 restricted stock units. The restricted stock units will vest after three years, subject to continuing employment. Furthermore, the restricted stock units are subject to conditions with respect to average annual minimum revenue growth and annual average net operating profit after tax for the financial years 2016 to 2018. If the two last conditions are only partially satisfied, the undertaking with respect to the number of shares transferred after three years will be reduced, and may possibly lapse completely.

## Contingent liabilities

No material changes have occurred to the contingent liabilities referred to in the Annual Report 2015.

## Events after 31 March 2016

No significant events have occurred after the balance sheet date that affect the interim report.

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Interim report for Q1 2016: Three North American Orders and Improved Outlook for The Year

## Appendix

The distribution of Q1 revenue per type (2015 segmentation):

EURm	Revenue Q1 2016	Share of revenue Q1 2016	Revenue Q1 2015	Share of revenue Q1 2015	Growth relative to Q1 2015	Growth local currency relative to Q1 2015
Licenses - new sales	1.7	2.9 %	3.2	5.7%	-46.9%	-46.9%
Licenses - additional sales	3.9	6.5 %	2.1	3.7%	85.7%	90.5%
Professional services	21.3	35.7 %	20.1	35.6%	6.0%	7.5%
Maintenance	31.3	52.5 %	29.9	52.9%	4.7%	6.0%
Other	1.4	2.4 %	1.2	2.1%	16.7%	16.7%
<b>Total</b>	<b>59.6</b>	<b>100.0 %</b>	<b>56.5</b>	<b>100.0%</b>	<b>5.5%</b>	<b>6.9%</b>
<b>Adjusted non-GAAP</b>						
Subscription - new sales - adj. order	4.8					
<b>Adjusted non-GAAP revenue</b>	<b>64.4</b>		<b>56.5</b>		<b>13.9%</b>	<b>15.4%</b>

The quarterly distribution of revenue per type for 2015 (new segmentation):

EURm	Revenue Q1 2015	Revenue Q2 2015	Revenue Q3 2015	Revenue Q4 2015	Revenue 2015
<b>Recurring Revenue</b>					
Subscription - new sales	1.4	1.6	1.5	1.4	5.9
Subscription - additional sales	0.3	0.5	0.6	0.7	2.1
Professional services	5.3	7.4	5.6	6.0	24.3
Maintenance	29.4	30.1	30.1	30.5	120.1
Hosting and other	0.2	0.1	0.1	0.2	0.6
<b>Total recurring revenue</b>	<b>36.6</b>	<b>39.7</b>	<b>37.9</b>	<b>38.8</b>	<b>153.0</b>
<b>Non-Recurring Revenue</b>					
Perpetual licences - new sales	2.3	4.2	12.6	10.3	29.4
Perpetual licences - additional sales	1.8	9.2	3.4	15.8	30.2
Professional services	14.6	14.0	14.3	17.2	60.1
Other	1.2	1.0	1.3	1.7	5.2
<b>Total non-recurring revenue</b>	<b>19.9</b>	<b>28.4</b>	<b>31.6</b>	<b>45.0</b>	<b>124.9</b>
<b>Total revenue</b>	<b>56.5</b>	<b>68.1</b>	<b>69.5</b>	<b>83.8</b>	<b>277.9</b>