

2019

QUARTERLY STATEMENT Q1

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Key Developments in the First Quarter

Software AG adopts new strategic direction:

Software AG announced on January 31, 2019 its 2018 fourth quarter and fiscal year financial figures as well as its outlook for 2019. The company also released key data regarding its new strategy (Helix), which is geared toward profitable growth. The goal of the refreshed strategy is to accelerate revenue growth while achieving higher recurring revenue and maintaining high profitability. As part of this strategy, Software AG will hone its product portfolio to focus on high-growth segments and expand sales and marketing activities in core markets.

Capital Markets Day: Software AG hosted its Capital Markets Day 2019 on Feb 5, 2019. The event took place in London to position Helix on a broader stage and to specifically cater to the investor base as well as London-based financial analysts. Due to London's standing as a financial hotspot, the destination also attracted Frankfurt, Paris and Zürich-based analysts. The event was extremely well received by on-premise attendees, but also by guests worldwide dialing in via webcast.

Partner and Sales Kick-Offs: From February 6 to 7, 2019, Software AG hosted the fifth edition of its partner kick-off in the DACH region in Hamburg, Germany. The event was attended by 55 representatives from 34 partner companies. The partners met with Software AG employees for detailed presentations on the Group's future strategic direction and to coordinate joint projects in the year ahead.

One week later, from February 11 to 15, 2019, more than 1,000 Software AG employees gathered in the Spanish capital of Madrid for a global Sales Kick-Off. This year's event focused on the new mission "Freedom as a Service" and development of the Company's business model in the context of the Helix strategy project. After the strategic general session, more than 80 enablement sessions on various topics, from product innovations to customer showcases, were offered.

Software AG ranked a "leader": Software AG was recognized as a "leader" for its webMethods Hybrid Integration Platform in a recent report published by leading independent research firm Forrester Research, Inc. titled, "The Forrester Wave™: Strategic iPaaS and Hybrid Integration Platforms, Q1 2019."¹ Software AG was also named a "leader" for Alfabet in the report titled, "The Forrester Wave™: Enterprise Architecture Management Suites, Q1 2019."²

Water management solution in Australia: Software AG and Telstra, Australia's largest telecommunications company, partnered to create a solution for digital automated water management. The solution will enable digital interconnectivity between water meters in [x Mio] households not only to measure water consumption but also quickly detect leaks in a utility's distribution system. After the trial, the solution will be offered to other utility companies. Tony Drewitt, Head of IoT (Australia) for Software AG, explained: "Water conservation and management is a top priority for many countries, cities and remote areas and we are excited to be helping create a solution that will address this. In partnership with Telstra, we are trialing a Cumulocity IoT-based solution at Western Australia's Busselton Water. Combining digital meters, dedicated pressure sensors and Telstra's NB-IoT network with our IoT analytics solution, we are able to deliver true water management-as-a-service."

Coca-Cola European Partners chooses Software AG as strategic partner to support digital strategy: Coca-Cola European Partners (CCEP) is the world's largest independent Coca-Cola bottler. CCEP opted for Software AG's hybrid integration platform to implement its technology and business transformation program. CCEP was looking for a single integration platform to meet current and future requirements in alignment with its API-LED architecture and Cloud First strategy. Software AG CEO Sanjay Brahmawar commented, "Total integration is fundamental to successful digitalization." Mark Raphael, Vice President, Business Process and Technology for CCEP, added, "We see use of a holistic integration platform as a way to deliver new capability to our business and support our focus to deliver outstanding customer service."

¹ The Forrester Wave™: Strategic iPaaS and Hybrid Integration Platforms, Q1 2019, by Henry Peyret, Gene Leganza, Elizabeth Hoberman, Sara Sjoblom. January 3, 2019.

² The Forrester Wave™: Enterprise Architecture Management Suites, Q1 2019, by Gordon Barnett, Gene Leganza, Audrey Hecht, Ian McPherson. March 5, 2019.

Management's Assessment of First-Quarter Results

In the first quarter since the announcement of the Helix transformation strategy, our business delivered strong Group-level performance, slightly ahead of expectations for revenue and comfortably ahead of expectations for EBIT.

We see Group revenue for the first quarter in the amount of €201.4 million, 8 percent higher than Q1 last year. Total product revenue is up 10 percent year-on-year at €154.5 million; and total license revenue is well above the previous year's figure at €42.6 million (Q1 2018: €34.2 million). Q1 Group EBIT was €42.2 million, which is in line with our prior year. Non-IFRS EBITA margin for the quarter came in at 25.6 percent.

Software AG's revenue mix continues to reflect trends seen in Q4 2018, with a higher proportion of revenue than expected in the **Adabas & Natural** (A&N) segment. Adabas & Natural was the major driver of growth in Q1 with a higher number of key deals leading to better-than-expected license revenue performance. The work we have done on our Adabas & Natural 2050+ innovation program continues to resonate with customers, enabling them to protect their A&N investments and benefit from everything A&N offers in today's digital age. Adabas & Natural's strong performance was reflected in revenue growth of 22 percent to €54.7 million, an outperformance which led us to raise our 2019 guidance for that segment. We now expect it to deliver -3 to +3 percent revenue growth at constant currency (previously -5 to 0 percent). The guidance ranges for DBP, Cloud & IoT and operating margin (EBITA non-IFRS) remain unchanged.

The Group's **Digital Business Platform** (DBP, excluding Cloud & IoT) and Cloud & IoT segments performed below expectations in Q1. License sales in DBP excluding Cloud & IoT were down 7 percent year-on-year because certain deal signings slipped beyond the end of the quarter, and the reorganization of the salesforce in North America impacted execution in the period. External factors, including the government shutdown in the U.S., which lasted for 25 days in January, also played their part. Importantly, we do expect a good part of the slipped Q1 deals to close in Q2. The first quarter therefore serves as a confirmatory reminder of why we are right to drive this transition towards a higher-quality, more predictable revenue stream. Following our reorganization and a range of other proactive measures, we expect to see the financial benefits of our Helix strategy come through in the remainder of 2019 and beyond.

DBP (excluding Cloud & IoT) delivered 1 percent year-on-year revenue growth to €90.5 million, while our **Cloud & IoT** business generated €9.5 million in revenue. This represents a solid increase of 49 percent year-on-year, but is short of the 75 to 125 percent growth rate range we believe we can achieve. While we are not satisfied with this performance, our belief in our growth potential in these segments is undiminished.

Taking a look at DBP and Cloud & IoT together, the slower start is largely due to important and decisive actions we have taken across our business to drive operational change. The later date slowed our Q1 sales momentum somewhat, but it was absolutely the right note on which to start our 2019.

The Management Board's many customer and partner interactions week-to-week give us confidence the market has not stopped moving in our favor. The market continues to see our product offering as best-in-class and aligned with the major market trends driving transformation in our customers' businesses. That winning formula, however, can only continue to be translated into tangible results if we make changes to how we operate. In Q1 we focused on one particularly important initiative, which was a major reorganization of our salesforce in North America. This is the first of many areas we are committed to reshape.

In Q1 we saw slower execution because of these changes. While we are still early in our transformation process, we are already seeing progress. For example, our Q1 performance in EMEA was at a record level. Considering our progress through the lens of customer wins—such as Telstra, Novo Nordisk and Russian Railways—the first quarter of 2019 gave us many exciting proof-points to reflect on.

Our Helix strategy is designed to deliver sustainable, profitable growth in the medium term. In February, we presented details of our strategy and we are making good early progress with implementation: in our product focus, in our operating model, in our hiring efforts and in the ground work we are doing on our subscription shift. It underscores our confidence in the ability of our team to execute and get us to our Helix goals.

We made a similar commitment to focus all our considerable R&D energies on areas best able to deliver growth. During Q1, around 200 highly skilled R&D colleagues have transitioned their focus to "accelerate" product areas. They are clear in the technologies they now aim to develop; and they are each beginning to grow in their new roles.

As we enter Q2, it is clear to us that good progress is being made in these areas and in many others, in line with our timeframes and plan. We look forward to a promising quarter and the remainder of a transformative year for our business to come.

"This quarter has been a significant one for Software AG. We announced our new Helix strategy, implemented key operational changes across our business and delivered strong results at Group level top and bottom line. It is clear that our revenue mix, and particularly the performance in our digital business, is not yet where we want it to be. Therefore, we have implemented operational changes to set us up for long-term growth. The market appetite for our best-in-class products has not diminished. This reaffirms our belief that our Helix strategy is the right one, and we expect to see the benefit of the changes we've made to our go-to-market and execution capability start to come through during the remainder of the year."

Sanjay Brahmawar, CEO

"Software AG grew well at Group level during Q1 and continues to generate strong profit while we invest in our business to deliver sustainable long-term growth. In addition, we are fully focused on delivering Helix operational changes to prepare Software AG for its future, leveraging the underlying strength of our financial position." Arnd Zinnhardt, CFO

Business Line Development

Software AG's **Adabas & Natural** (A&N) business had a better-than-expected start to the year, generating revenue of €54.7 million (Q1 2018: €44.8 million) as a result of strong license development driven by a higher number of major deals. The continued strong performance in A&N demonstrates the logic of the Adabas & Natural 2050+ innovation program, which ensures customers can protect their investments and continue benefiting from A&N in the digital age. A&N license sales grew by 98 percent compared to the prior year to total €17.8 million (Q1 2018: €9.0 million). A&N maintenance reached €36.8 million in Q1 2019, up 3 percent year-on-year from €35.7 million in Q1 2018.

Following the announcement of Helix, Software AG's **Digital Business Platform** (DBP) excluding Cloud & IoT delivered 1 percent year-on-year revenue growth to €90.5 million (Q1 2018: €89.4 million). License sales were down 7 percent at €21.7 million (Q1 2018: €23.4 million). This performance was below the Company's expectations; however, it was caused primarily by a major reorganization of the salesforce in North America.

At €9.5 million (Q1 2018: €6.4 Million), Software AG's **Cloud & IoT** business posted 49 percent growth in Q1 2019.

Professional Services revenue was €46.7 million (Q1 2018: €46.1 million) in Q1 2019.

Total Revenue and Earnings Development

In the quarter under review, Software AG recorded €201.4 million (Q1 2018: €186.6 million) in **total revenue**. Group **maintenance revenue** reached €107.1 million (Q1 2018: €102.5 million), an increase of 5 percent. Group **license revenue** in the amount of €42.6 million (Q1 2018: €34.2 million) was 25 percent above the previous year's figure in the quarter under review. The Company's **product revenue** (licenses + maintenance) totaled €154.5 million (Q1 2018: €140.4 million) in the first quarter.

The Company's earnings before interest and taxes (**EBIT**) amounted to €42.2 million (Q1 2018: €42.1 million) in the first quarter. The **operating EBITA** (non-IFRS) reached €51.6 million (Q1 2018: €51.2 million). The respective **operating margin** (EBITA, non-IFRS) of 25.6 percent (Q1 2018: 27.4 percent) continued at a very high level.

Employees

As of March 31, 2019, Software AG had 4,737 (March 31, 2018: 4,610) employees worldwide (full-time equivalents). Of that total, 1,843 (March 31, 2018: 1,938) worked in Consulting and Services, 1,339 (March 31, 2018: 1,197) in Research and Development, 936 (March 31, 2018: 868) in Sales and Marketing and 619 (March 31, 2018: 607) in Administration.

2019 Outlook

As the business embarks on its long-term strategy to deliver sustainable growth, Software AG remains confident in its outlook for the year and in the Helix strategy. The Company confirms its confidence in its 2019 revenue outlook for Digital Business Platform (excluding Cloud & IoT), Cloud & IoT and operating margin (EBITA, non-IFRS), while raising its 2019 guidance for Adabas & Natural, with the expectation of -3 to +3 percent revenue growth at constant currency (previously -5 to 0 percent).

The table below shows the full forecast for the 2019 fiscal year:

Outlook for Fiscal Year 2019

	FY 2018 in € mn	FY 2019 Outlook as of Jan. 31, 2019 as %	FY 2019 Outlook as of April 11, 2019 as %
DBP revenue	464.7	—	—
DBP excl. DBP Cloud & IoT	434.4	+3 to +7 ¹	+3 to +7 ¹
DBP Cloud & IoT	30.3	+75 to +125 ¹	+75 to +125 ¹
A&N revenue	218.3	-5 to 0 ¹	-3 to +3 ¹
Operating margin (EBITA, non-IFRS) ²	31.5%	28.0 to 30.0	28.0 to 30.0

¹ At constant currency

² Adjusted for non-operating factors (see non-IFRS earnings definition in the 2018 Annual Report on p. 48)

Key Figures

As of March 31, 2019 (IFRS, unaudited)

in € millions (unless otherwise stated)	Q1 2019 (as stated)	Q1 2019 (acc ¹)	Q1 2018 (as stated)	+/- as %	+/- as % acc ¹
Revenue	201.4	198.3	186.6	8	6
DBP (incl. Cloud & IoT)	100.0	97.6	95.8	4	2
Thereof DBP (excl. Cloud & IoT)	90.5	88.3	89.4	1	-1
Thereof DBP (Cloud & IoT)	9.5	9.3	6.4	49	47
A&N	54.7	54.6	44.8	22	22
Licenses	42.6	42.6	34.2	25	25
Maintenance	107.1	104.7	102.5	5	2
SaaS	4.9	4.7	3.8	30	26
ARR DBP (incl. Cloud & IoT) ⁴	308.6		276.5		
Thereof ARR DBP (Cloud & IoT) ⁴	36.2		18.7		
Recurring revenue portion DBP (incl. Cloud & IoT)	85.0%				
Bookings DBP (incl. Cloud & IoT)	43.2				
Operating EBITA (non-IFRS)	51.6		51.2	1	
as % of revenue	25.6%		27.4%		
DBP segment earnings	17.5		26.7	-35	
Segment margin	17.5%		27.8%		
A&N segment earnings	39.3		31.2	26	
Segment margin	71.7%		69.7%		
Net income (non-IFRS)	36.3		36.5	-1	
Earnings per share (non-IFRS)²	0.49		0.49	-1	
Operating cash flow	60.0		61.6	-3	
CapEx ³	2.2		1.5		
Repayment of lease liabilities	3.3		0.0		
Free cash flow	54.5		60.1	-9	
Adjusted operational free cash flow	65.6				
as % of revenue	32.6%				
Adjusted operational free cash flow per share	0.89				

Balance sheet	Mar. 31, 2019	Dec. 31, 2018		
Total assets	2,036.5	2,007.9	1	
Cash and cash equivalents	483.5	462.3	5	
Net cash	176.9	149.0	19	
Employees (FTE)	4,737	4,763	-1	

¹ acc = At constant currency

² Based on weighted average shares outstanding (basic) Q1 2019: 74.0 mn/Q1 2018: 74.0 mn

³ Cash flow from investing activities adjusted for acquisitions and investments in debt instruments

⁴ Annual recurring revenue

Because the figures in this report are stated in accordance with commercial rounding principles, totals and percentages may not always be exact.

Consolidated Income Statement

For the First Quarter of 2019 (IFRS, unaudited)

in € thousands	Q1 2019	Q1 2018	+/- as %
Licenses	42,579	34,165	25
Maintenance	107,092	102,458	5
SaaS	4,866	3,750	30
Professional Services	46,707	46,061	1
Other	173	200	-14
Total revenue	201,417	186,634	8
Cost of sales	-49,459	-49,507	0
Gross profit	151,958	137,127	11
Research and development expenses	-33,301	-28,344	17
Sales, marketing and distribution expenses	-60,811	-52,037	17
General and administrative expenses	-17,620	-17,048	3
Other taxes	-1,461	-1,795	-19
Operating earnings	38,765	37,903	2
Other income/expenses, net	1,983	2,361	-16
Financing expenses, net	1,393	1,365	2
Earnings before income taxes	42,141	41,629	1
Income taxes	-12,471	-11,680	7
Net income	29,670	29,949	-1
Thereof attributable to shareholders of Software AG	29,567	29,912	-1
Thereof attributable to non-controlling interests	103	37	
Earnings per share (€, basic)	0.40	0.40	0
Earnings per share (€, diluted)	0.40	0.40	0
Weighted average number of shares outstanding (basic)	73,979,889	73,976,239	—
Weighted average number of shares outstanding (diluted)	73,981,320	73,981,881	—

Consolidated Balance Sheet

As of March 31, 2019 (IFRS, unaudited)

Assets

in € thousands	Mar. 31, 2019	Dec. 31, 2018
Current assets		
Cash and cash equivalents	483,531	462,362
Other financial assets	5,969	15,302
Trade and other receivables	180,678	207,494
Other non-financial assets	25,856	20,109
Income tax receivables	17,315	19,680
	713,349	724,947
Non-current assets		
Intangible assets	132,605	136,972
Goodwill	975,919	964,377
Property, plant and equipment	107,779	71,023
Other financial assets	17,959	19,563
Trade and other receivables	65,317	68,675
Other non-financial assets	2,917	2,924
Income tax receivables	10,083	9,416
Deferred tax receivables	10,570	10,007
	1,323,149	1,282,957
Total Assets	2,036,498	2,007,904

Equity and Liabilities

in € thousands	Mar. 31, 2019	Dec. 31, 2018
Current liabilities		
Financial liabilities	80,133	111,888
Trade and other payables	32,787	38,831
Other non-financial liabilities	95,395	145,839
Other provisions	28,178	30,630
Income tax liabilities	35,303	37,953
Deferred income	168,350	123,276
	440,146	488,417
Non-current liabilities		
Financial liabilities	226,517	201,432
Trade and other payables	3,221	3,245
Other non-financial liabilities	292	266
Other provisions	6,378	10,320
Provisions for pensions and similar obligations	34,703	34,621
Income tax liabilities	2,954	2,898
Deferred tax liabilities	11,847	11,398
Deferred income	16,934	16,245
	302,846	280,425
Equity		
Share capital	74,000	74,000
Capital reserves	22,612	22,612
Retained earnings	1,230,684	1,201,689
Other reserves	-33,472	-59,138
Treasury shares	-757	-757
Attributable to shareholders of Software AG	1,293,067	1,238,406
Non-controlling interests	439	656
	1,293,506	1,239,062
Total Equity and Liabilities	2,036,498	2,007,904

Consolidated Statement of Cash Flows

For the First Quarter of 2019 (IFRS, unaudited)

in € thousands	Q1 2019	Q1 2018
Net income	29,670	29,949
Income taxes	12,471	11,680
Net financial income/expense	-1,394	-1,365
Amortization/depreciation of non-current assets	11,588	7,990
Other non-cash income/expense	41	-1,907
Changes in receivables and other assets	37,126	51,943
Changes in payables and other liabilities	-17,533	-26,546
Income taxes paid/received	-13,482	-10,965
Interest paid	-1,382	-1,811
Interest received	2,857	2,640
Net cash flow from operating activities	59,962	61,608
Proceeds from the sale of property, plant and equipment/intangible assets	162	111
Purchase of property, plant and equipment/intangible assets	-2,444	-1,852
Proceeds from the sale of non-current financial assets	171	250
Purchase of non-current financial assets	-116	-6
Proceeds from the sale of current financial assets	70	3
Purchase of current financial assets	-569	-368
Payments for acquisitions, net	-5,000	0
Net cash flow from investing activities	-7,726	-1,862
Dividends paid	-320	-263
Payments from changes in other current financial liabilities	-38,241	-44,558
Repayment of lease liabilities	-3,240	0
Proceeds from non-current financial liabilities	0	100,013
Repayment of non-current financial liabilities	0	-100,000
Net cash flow from financing activities	-41,801	-44,808
Change in cash and cash equivalents due to business activities	10,435	14,938
Change in cash and cash equivalents from currency translation	10,734	-8,605
Net change in cash and cash equivalents	21,169	6,333
Cash and cash equivalents at beginning of period	462,362	365,815
Cash and cash equivalents at end of period	483,531	372,148
Free cash flow	54,495	60,111

Segment Report

For the First Quarter of 2019 (IFRS, unaudited)

in € thousands	DBP (incl. Cloud & IoT)			A&N			Professional Services ¹			Reconciliation		Total		
	Q1 2019	Q1 2019	Q1 2018	Q1 2019	Q1 2019	Q1 2018	Q1 2019	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2019	Q1 2018
	as stated	at constant currency	as stated	as stated	at constant currency	as stated	as stated	at constant currency	as stated	as stated	as stated	as stated	at constant currency	as stated
Licenses	24,802	24,495	25,198	17,777	18,081	8,967	0	0	0	0	0	42,579	42,576	34,165
Maintenance	70,300	68,395	66,803	36,792	36,305	35,655	0	0	0	0	0	107,092	104,700	102,458
SaaS	4,866	4,742	3,750	0	0	0	0	0	0	0	0	4,866	4,742	3,750
Product revenue	99,968	97,632	95,751	54,569	54,386	44,622	0	0	0	0	0	154,537	152,018	140,373
Professional Services	2	2	0	0	0	0	46,705	46,075	46,061	0	0	46,707	46,077	46,061
Other	0	0	40	173	173	156	0	0	4	0	0	173	173	200
Total revenue	99,970	97,634	95,791	54,742	54,559	44,778	46,705	46,075	46,065	0	0	201,417	198,268	186,634
Cost of sales	-9,336	-9,228	-8,560	-2,203	-2,187	-1,428	-35,710	-35,164	-37,523	-2,210	-1,996	-49,459		-49,507
Gross profit	90,634	88,406	87,231	52,539	52,372	43,350	10,995	10,911	8,542	-2,210	-1,996	151,958		137,127
Sales, marketing and distribution expenses	-45,790	-44,739	-37,770	-7,365	-7,367	-6,614	-4,270	-4,211	-4,382	-3,386	-3,271	-60,811		-52,037
Segment contribution	44,844	43,667	49,461	45,174	45,005	36,736	6,725	6,700	4,160	-5,596	-5,267	91,147		85,090
Research and development expenses	-27,385	-27,214	-22,807	-5,916	-5,962	-5,537	0	0	0	0	0	-33,301		-28,344
Segment earnings	17,459	16,453	26,654	39,258	39,043	31,199	6,725	6,700	4,160	-5,596	-5,267	57,846		56,746
General and administrative expenses												-17,620		-17,048
Other taxes												-1,461		-1,795
Operating earnings												38,765		37,903
Other income/expense, net												1,983		2,361
Net financial income/expense												1,393		1,365
Earnings before income taxes												42,141		41,629
Income taxes												-12,471		-11,680
Net income												29,670		29,949

¹ Consulting until 2018; realigned for solution implementation in cooperation with customers and partners as of 2019.

DBP Segment with Revenue Split

For the First Quarter of 2019 (IFRS, unaudited)

in € thousands	DBP (Cloud & IoT)			DBP (excl. Cloud & IoT)			DBP (incl. Cloud & IoT)		
	Q1 2019	Q1 2019	Q1 2018	Q1 2019	Q1 2019	Q1 2018	Q1 2019	Q1 2019	Q1 2018
	as stated	at constant currency	as stated	as stated	at constant currency	as stated	as stated	at constant currency	as stated
Licenses	3,059	3,041	1,787	21,743	21,454	23,411	24,802	24,495	25,198
Maintenance	1,576	1,553	824	68,724	66,842	65,979	70,300	68,395	66,803
SaaS	4,866	4,742	3,750	0	0	0	4,866	4,742	3,750
Product revenue	9,501	9,336	6,361	90,467	88,296	89,390	99,968	97,632	95,751
Professional Services	2	2	0	0	0	0	2	2	0
Other	0	0	0	0	0	40	0	0	40
Total revenue	9,503	9,338	6,361	90,467	88,296	89,430	99,970	97,634	95,791
Cost of sales							-9,336	-9,228	-8,560
Gross profit							90,634	88,406	87,231
Sales, marketing and distribution expenses							-45,790	-44,739	-37,770
Segment contribution							44,844	43,667	49,461
Research and development expenses							-27,385	-27,214	-22,807
Segment earnings							17,459	16,453	26,654

Statement of Comprehensive Income

For the First Quarter of 2019 (IFRS, unaudited)

in € thousands	Q1 2019	Q1 2018
Net income	29,670	29,949
Currency translation differences from foreign operations	25,807	-22,682
Net gain/loss on remeasuring financial assets	-8	-7,900
Currency translation gain/loss from net investments in foreign operations	747	-992
Items to be reclassified to the income statement if certain conditions are met	26,546	-31,574
Net actuarial gain/loss on pension obligations	-880	-439
Items not to be reclassified to the income statement	-880	-439
Other comprehensive income	25,666	-32,013
Total comprehensive income	55,336	-2,064
Thereof attributable to shareholders of Software AG	55,233	-2,101
Thereof attributable to non-controlling interests	103	37

Safe Harbor Statement

This document includes forward-looking statements based on the beliefs of Software AG management. Such statements reflect current views of Software AG with respect to future events and results and are subject to risks and uncertainties. Actual results may vary materially from those projected here, due to factors including changes in general economic and business conditions, changes in currency exchange, the introduction of competing products, lack of market acceptance of new products, services or technologies and changes in business strategy. Software AG does not intend or assume any obligation to update these forward-looking statements.

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About Software AG

Software AG offers Freedom as a Service. We reimagine integration, spark business transformation and enable fast innovation on the Internet of Things so you can pioneer differentiating business models. We give you the freedom to connect and integrate any technology—from app to edge. We help you free data from silos so it's shareable, usable and powerful—enabling you to make the best decisions and unlock entirely new possibilities for growth.

Software AG has more than 4,700 employees, is active in 70 countries and had revenues of €866 million in 2018.

To learn more about Software AG and Freedom as a Service, visit [SoftwareAG.com](https://www.softwareag.com)

