INTERIM STATEMENT
Q1 2018

SNP | The Transformation Company

BUSINESS PERFORMANCE OF SNP SCHNEIDER-NEUREITHER & PARTNER SE IN THE FIRST QUARTER OF 2018

SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2018

New Organizational Structure

To secure further sustainable global growth, the SNP Group streamlined its organizational structure at the turn of the year and established a new management structure. Functions from the individual subsidiaries have mainly been allocated to newly created global managers. The newly created global responsibilities and horizontally shared services should ensure that uniform processes are implemented worldwide and SNP is thus well positioned for further growth. Since March 16, 2018, Dr. Andreas Schneider-Neureither has been the sole Managing Director.

Restructuring of the North America Region

In January 2018, SNP resolved a reorganization and restructuring of its North American subsidiary SNP Transformations, Inc., which it implemented in the first quarter of 2018. As part of this reorganization, around 25 full-time positions were eliminated in the first quarter. SNP expects savings in the lower single-digit million range. These measures related to operating as well as administrative areas. The goal is to achieve a permanent improvement in competitiveness and efficiency throughout this subsidiary. In addition, core functions that were previously based at various locations are to be pooled.

EXECUTIVE MANAGEMENT BOARD

BOARD OF DIRECTORS	SALES, PRESALES AND ALLIANCES	DELIVERY SERVICES	PRODUCT DEVELOPMENT	FINANCES	HUMAN RESOURCES
Chief Executive Officer	Chief Revenue Officer	Global Head of Services	Global Head of Product Development	Chief Financial Officer	Global Head of Human Resources

EMEA	NORTH AMERICA	SOUTH AMERICA	APAC
Sales	Sales	Sales	Sales
Delivery	Delivery	Delivery	Delivery

FINANCIAL POSITION AND FINANCIAL PERFORMANCE

Revenue Development

After strong growth in the 2017 fiscal year, the SNP Group has again started the current fiscal year with renewed revenue growth. In the first three months of 2018, Group revenue amounted to € 31.6 million; this represents an increase of € 10.0 million, or 46.1%, (previous year: € 21.6 million) year over year.

Organic and Inorganic Allocation of Revenue

The initial consolidations of Innoplexia GmbH (May 1, 2017), SNP Poland (previously the BCC Group, May 1, 2017), the Adepcon Group (August 1, 2017) and ERST GmbH (October 1, 2017) had a material impact on revenue growth in the quarterly financial statements. The acquired companies accounted for a total of € 9.6 million. This represents a share of approximately 44% in comparison with the previous year's revenue. Adjusted for this acquisition effect, organic revenue growth was € 0.3 million, or approximately 2%.

Revenue Distribution by Region

In the DACH region (Germany, Austria and Switzerland), the SNP Group generated revenue in the amount of € 15.4 million (previous year: € 14.0 million) in the first quarter of 2018. This corresponds to a share of total revenue of approximately 49% (previous year: 65%). The increasing share of revenue outside of the DACH region is attributable to the continued successful internationalization strategy of the SNP Group.

Through SNP Poland, the Poland region contributed € 4.8 million, or 15%, of total revenue in the first quarter of 2018. Through the Adepcon Group, the South America region provided a revenue contribution of € 4.2 million; this represents a revenue share of approximately 13%. The UK contributed € 2.0 million (previous year: € 1.5 million); this corresponds to a revenue share of approximately 6%. The Asia region contributed 5% of revenue with € 1.6 million (previous year: € 1.5 million).

Only the North America region saw a decline in revenue in the reporting period. Revenue decreased by approximately 22% to € 3.6 million in comparison with the first quarter in the previous year (previous year: € 4.6 million). This has mainly resulted from reduced revenue due to the processing of a large project as scheduled. In addition, contracts were signed with a U.S. customer for two transformation projects with a total value of USD 4.5 million; the software licensing allotment is around USD 1.9 million. In the first quarter of 2018, the USA contributed approximately 11% of total revenue (previous year: 21%).

Revenue Distribution by Business Segment

On the segment side, the **Professional Services division**, which primarily includes consulting services, contributed € 25.4 million (previous year: € 19.1 million) to revenue in the first three months of the current fiscal year. This corresponds to an overall revenue share of 80.6% and represents a year-over-year increase of € 6.4 million, or 33.3%. The acquired companies accounted for a total of € 7.4 million. This corresponds to a share of approximately 39% over the previous year's revenue. Adjusted for this acquisition effect, organic revenue declined by € 1.1 million or approximately 6%. This trend is attributable to a decrease in the revenue contributions provided by the North America region. In contrast, the other regions have increased their revenue.

Revenue of € 5.7 million (previous year: € 2.5 million) came from the **Software division** (incl. maintenance). This corresponds to a year-over-year increase of € 3.2 million, or approximately 126%. In this business segment, licensing fees have increased by € 2.0 million, or approximately 113%, to € 3.7 million (previous year: € 1.7 million); maintenance fees have increased disproportionately strongly, by € 1.2 million, or approximately 157% (previous year: € 0.8 million).

In the first quarter of 2018, revenue from SNP's in-house products amounted to € 3.8 million (previous year: € 2.5 million). In the same period, revenue in the amount of € 1.9 million (previous year: € 0.0 million) was registered with third-party products. The acquired companies accounted for a total of € 1.8 million. This represents a share of approximately 70% in comparison with the previous year's revenue. Adjusted for acquisitions, revenue in the Software division overall has thus increased organically by € 1.4 million, or around 56%.

For the first time, SNP is also reporting revenue generated through cloud services; in the period under review, this amounts to € 0.4 million (previous year: € 0.0 million).

The SNP Transformation Backbone® with SAP LT remained the largest revenue driver in the in-house products division in the period under review. Including maintenance, this product contributed € 1.9 million (previous year: € 1.6 million) to business segment revenue. This corresponds to a share of total software revenue of approximately 34% (previous year: 62%). The share also amounts to approximately 51% of total software revenue from in-house products.

The standard software SNP Data Provisioning and Masking generated revenue of € 1.0 million (previous year: € 0.3 million) during the reporting period. The percentage share of total software revenue is approximately 17%. The share amounts to 26% of total software revenue from in-house products.

The SNP Interface Scanner contributed revenue in the amount of € 0.6 million in the period under review (previous year: € 0.0 million); this represents approximately 10% (previous year: 0%) of overall software revenue. The share amounts to 15% of total software revenue from in-house products.

Revenue Recognition According to IFRS 15

In the period up to December 31, 2017, revenue from project licenses within the scope of multi-component contracts was recognized on the basis of a specific date, as of the conclusion of the contract and delivery of the software. Upon the application of IFRS 15, from January 1, 2018, this revenue will be realized in accordance with the progress of the project, over the duration of the project.

In the first quarter of 2018, € 1.2 million was generated as a result of this changeover through projects that began before January 1, 2018. At the same time, projects that began after January 1, 2018, only generated € 0.3 million in accordance with IFRS 15 – according to IAS 18 (old standard), this € 1.8 million amount would have been fully recognized in the revenue figure. The changeover to IFRS 15 in the first quarter of 2018 has thus resulted in a net effect of € -0.3 million.

For further information, please see the notes to the consolidated financial statements 2017 on pages 89 ff. of the 2017 Annual Report.

Order Backlog and Order Entry

Order entry as of March 31, 2018, totaled € 40.9 million, approximately 68% above the comparable amount in the previous year (€ 24.4 million). The order backlog as of March 31, 2018, was € 70.2 million; this corresponds to an increase of approximately 72% over the previous year's comparable figure of € 40.8 million.

Earnings Position

The operating earnings performance in the first three months of 2018 was negatively affected project delays on the customers' side and an associated delay in processing the order backlog. This resulted in a lower level of capacity utilization in the Professional Services division as well as software license revenue from SNP's in-house products that fell short of expectations, particularly in the SNP Applications segment.

Extraordinary one-time expenses in connection with restructuring measures, predominantly in the USA, in the amount of € 0.3 million, acquisition-related expenses (amortization of identified intangible assets acquired through company acquisitions) of € 0.4 million and the earnings-diminishing effect of the changeover to recognizing revenue according to IFRS 15 in the amount of € 0.3 million were other factors that diminished earnings in the first quarter of 2018.

In the first three months of 2018, SNP SE achieved an EBITDA figure (IFRS) of € -1.4 million (previous year: € -1.8 million) and an EBITDA figure (non-IFRS) of € -1.2 million (previous year: € -1.6 million). This corresponds to a slight year-over-year EBITDA improvement of € 0.4 million (IFRS and non-IFRS).

The EBITDA margin (IFRS) is thus -4.5% (previous year: -8.4%); the EBITDA margin (non-IFRS) is -3.7% (previous year: -7.2%). In the same period, the EBIT figure (IFRS) amounted to € -2.6 million (previous year: € -2.4 million) and the EBIT figure (non-IFRS) to € -2.0 million (previous year: € -2.1 million).

Expenses (IFRS) increased in the reporting period in line with the largely inorganic revenue growth.

Personnel expenses increased during the first quarter of 2018 by € 6.7 million to € 21.4 million. Of this amount, € 5.3 million is attributable to the companies that underwent initial consolidation. € 0.3 million is attributable to restructuring measures mostly implemented in North America. The remaining cost increases reflect the organic growth in the Group's workforce as well as salary increases. As of March 31, 2018, the Group had 1,363 employees (previous year: 722). Of this figure, the initially consolidated companies account for 589 employees.

Depreciation and amortization increased by € 0.6 million year-over-year to € 1.2 million. Of this amount, € 0.4 million is attributable to intangible assets capitalized for the first time within the scope of the initial consolidation of acquired companies, while a further € 0.2 million relates to the initially consolidated companies.

Other operating expenses increased by € 0.5 million to € 7.2 million, of which € 1.5 million relates to acquisitions. Adjusted for acquisition effects, cost savings of € 1.0 million have thus been realized.

Other operating income increased by € 0.6 million to € 0.8 million. The increase in other operating income is mainly attributable to higher exchange rate gains.

Since the other financial expenses of € 0.3 million were only offset by immaterial other financial income in the period under review, there were net finance costs of € -0.3 million (previous year: € -0.6 million), which constitutes earnings before taxes of € -2.9 million (previous year: € -3.0 million). With income tax income of € 0.6 million (previous year provision: € 0.6 million), the quarter recorded a net loss of € -2.3 million in the first three months of the 2018 fiscal year. This corresponds to a net margin of -7.4% (previous year: -10.7%). Accordingly, diluted and basic earnings per share amounted to €-0.43 (previous year: €-0.47).

Net Assets

In accordance with the adopted transition options under IFRS 15, prior periods have not been adjusted in line with the new accounting and measurement method. The following comments on the net asset position therefore separately indicate the effect that would have resulted if the prior periods had been adjusted.

In comparison with December 31, 2017, the balance sheet total has mainly decreased by € 14.1 million (by € 13.5 million if the prior periods had been adjusted) to € 141.7 million due to the payment of short-term purchase price installments in connection with the previous company acquisitions as well as the settlement of employee-related other nonfinancial liabilities.

The decline on the asset side of the balance sheet is mainly attributable to current assets. Current assets decreased by € 14.8 million (by € 14.3 million if the prior periods had been adjusted) to € 63.8 million. This decline is primarily attributable to the € 9.6 million decrease in cash and cash equivalents due to the settlement of current liabilities. Trade receivables and other receivables decreased by € 5.4 million (by € 4.9 million if the prior periods had been adjusted) to € 36.5 million. Noncurrent assets increased in comparison with December 31, 2017, by € 0.8 million to € 75.9 million. Goodwill, which has not changed compared with the previous year, accounts for an amount of € 56.1 million.

Financial Position

In accordance with the adopted transition options under IFRS 15, prior periods have not been adjusted in line with the new accounting and measurement method. The following comments on the financial position therefore separately indicate the effect that would have resulted if the prior periods had been adjusted.

On the equity and liabilities side, current liabilities decreased from € 40.5 million as of December 31, 2017, (€ 43.9 million if the prior periods had been adjusted) to € 32.9 million as of March 31, 2018. This change is mainly attributable to the decrease in financial liabilities by € 3.8 million, other nonfinancial liabilities by € 2.9 million and trade payables as well as other liabilities by € 1.8 million (by € 5.2 million if the prior periods had been adjusted). Financial liabilities mainly decreased due to the payment of purchase price installments in connection with company acquisitions; other nonfinancial liabilities decreased, in particular, due to the settlement of employee-related liabilities.

In contrast, noncurrent liabilities changed only slightly. They amounted to € 53.0 million on March 31, 2018, compared with € 53.2 million on December 31, 2017. Financial liabilities continued to account for the largest share, in the amount of € 49.5 million. Of this amount, € 39.6 million relates to liabilities in connection with the issuance of borrower’s note loans and € 9.1 million to purchase price liabilities in connection with company acquisitions.

The equity of the Group declined in the first three months of 2017 from € 60.1 million (€ 56.2 million if the prior periods had been adjusted) to € 53.7 million. Subscribed capital, capital reserves and treasury shares remained unchanged. Retained earnings decreased by € 6.3 million (by € 2.3 million if the prior periods had been adjusted) to € -4.1 million. Of this amount, € -2.3 million resulted from the loss for the year and € -3.9 million from the first-time application of IFRS 15 as of January 1, 2018. Due to the decrease in equity combined with a simultaneous reduction in total assets to € 139.7 million as of March 31, 2017 (December 31, 2017: € 153.8 million; € 153.3 million if the prior periods had been adjusted), the equity ratio declined from 39.1% (with a 36.5% increase if the prior periods had been adjusted) to 38.4%.

Aside from the loss for the year (€ -2.3 million) and other noncash expenses/revenues (€ -0.9 million), the negative operating cash flow of € -4.7 million (previous year:

€ -2.0 million) in the first three months of 2018 can essentially be traced back to the reduction in the total volume of trade payables, other provisions, tax liabilities and other current liabilities by € 7.4 million (including the utilization of personnel provisions). In contrast, trade receivables and other current and noncurrent assets decreased (€ 4.7 million).

The negative cash flow from investing activities in the amount of € -4.6 million (previous year: € -5.1 million) is mainly attributable to payments for purchase price installments in connection with company acquisitions in previous years (€ 3.2 million) and for investments in property, plant and equipment (€ 1.4 million).

Negative cash flow from financing activities of € 0.2 million (previous year: positive cash flow of € 29.1 million) resulted from the repayment of loans.

The effects of changes in foreign exchange rates on cash and bank balances have resulted in an impact of € -0.1 million (previous year: € -0.0 million).

Overall cash flow during the reporting period came to € -9.6 million (previous year: € 22.0 million). Taking into account the changes presented here, the level of cash and cash equivalents decreased to € 24.3 million as of March 31, 2017. As of December 31, 2017, cash and cash equivalents amounted to € 33.9 million. Overall, SNP AG remains very solidly positioned financially.

Employees

As of March 31, 2018, the number of employees of the SNP Group increased to 1,363; as of December 31, 2017, they totaled 1,341 employees. The employees included 1 Managing Director (as of December 31, 2017: 2), 23 managers (as of December 31, 2017: 23) and 76 trainees, students and interns (as of December 31, 2017: 92). There were no employees in partial early retirement in the 2017 fiscal year (previous year: 0). The average number of employees during the reporting period, excluding the aforementioned group of individuals, was 1,312 (previous year: 690).

Unchanged Forecast

As in previous years, it is assumed that, in the current fiscal year, revenue will not be evenly distributed over the quarters and that the second half of the year will be much stronger. Overall, the management expects Group revenue of between € 150 million and € 155 million in the 2018 fiscal year and plans on an operating earnings margin (EBIT margin) in the mid-single-digit percentage range. According to the Group's planning, the Software business segment accounts for around 23% of this target revenue and the Professional Services business segment for approximately 76%. While the EBIT margin excluding non-segment-related expenses is expected to fall within the mid-single-digit percentage range in the Professional Services business segment, for the Software business segment the management expects an EBIT margin in the lower- to mid-double-digit percentage range. Apart from acquisition-related expenses (amortization of identified intangible assets acquired in previous years through company acquisitions) in the amount of € 1.6 million, the current budget planning for the 2018 fiscal year does not envisage any significant operating expenses according to non-IFRS indicators. The expected IFRS and non-IFRS EBIT margins therefore differ by around 1%.

The SNP Group is sticking to the prioritized mid-term goal of a structural increase in its profitability.

Heidelberg, April 26, 2018

CEO

Dr. Andreas Schneider-Neureither

CONSOLIDATED BALANCE SHEET

AS OF MARCH 31, 2018

ASSETS

In € thousand	Mar. 31, 2018	Dec. 31, 2017	Mar. 31, 2017
Current assets			
Cash and cash equivalents	24,264	33,877	53,886
Other current assets	324	403	136
Trade receivables and other receivables	36,475	41,904	24,723
Inventories	371	371	371
Other non-financial assets	2,030	1,877	451
Tax receivables	304	183	365
	63,768	**78,614**	**79,932**
Non-current assets			
Goodwill	56,074	56,126	21,532
Intangible assets	10,310	10,887	2,619
Property, plant and equipment	5,870	5,187	3,387
Other financial assets	827	809	383
Investments accounted for under the equity method	0	0	422
Trade receivables and other receivables	270	270	1,012
Other non-financial assets	74	86	41
Deferred taxes	2,514	1,807	1,949
	75,939	**75,171**	**31,345**
	139,707	**153,785**	**111,277**

EQUITY AND LIABILITIES

In € thousand	Mar. 31, 2018	Dec. 31, 2017	Mar. 31, 2017
Current liabilities			
Trade payables and other liabilities	9,976	11,767	3,228
Tax liabilities	428	388	96
Financial liabilities	7,393	11,236	3,136
Other non-financial liabilities	13,502	16,448	10,897
Provisions	106	105	98
Deferred income	1,531	587	820
	32,936	**40,531**	**18,275**
Non-current liabilities			
Trade payables and other liabilities	580	580	149
Financial liabilities	49,471	49,487	44,707
Provisions for pensions	1,555	1,531	1,524
Deferred taxes	1,406	1,525	242
Deferred income	18	34	69
	53,030	**53,157**	**46,691**
Equity			
Subscribed capital	5,474	5,474	4,977
Capital reserve	54,260	54,260	36,331
Retained earnings	-4,079	2,180	4,682
Other components of the equity	-1,714	-1,679	-290
Treasury shares	-415	-415	-415
Equity attributable to shareholders	**53,526**	**59,822**	**45,285**
Non-controlling interests	215	275	1,026
	53,741	**60,097**	**46,311**
	139,707	**153,785**	**111,277**

CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2018

In € thousand	Q1 2018	Q1 2017
Revenue	**31,553**	**21,598**
Professional Services	25,441	19,089
Cloud	424	0
Licenses	3,697	1,733
Maintenance	1,991	776
Capitalized own services	0	0
Other operating income	833	235
Cost of material	-5,135	-2,260
Personnel costs	-21,363	-14,657
Other operating expenses	-7,183	-6,692
Other taxes	-118	-28
EBITDA	**-1,413**	**-1,804**
Depreciation and impairments on intangible assets and property, plant and equipment	-1,208	-594
EBIT	**-2,621**	**-2,398**
Income from investments accounted for using the equity method	0	0
Other financial income	23	2
Other financial expenses	-310	-579
Net financial income	**-287**	**-577**
EBT	**-2,908**	**-2,975**
Income taxes	582	657
Consolidated net loss / income	**-2,326**	**-2,318**
Thereof:		
Profit attributable to non-controlling shareholders	-61	-29
Profit attributable to shareholders of SNP Schneider-Neureither & Partner SE	-2,265	-2,289
Earnings per share	**€**	**€**
- Undiluted	-0.41	-0.47
- Diluted	-0.41	-0.47
Weighted average number of shares	**in thousand**	**in thousand**
- Undiluted	5,474	4,955
- Diluted	5,474	4,955

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2018

in € thousand	Q1 2018	Q1 2017
Profit after tax	**-2,326**	**-2,318**
Depreciation	1,208	594
Change in provisions for pensions	24	5
Other non-cash income/expenses	-904	-1,288
Changes in trade receivables, other current assets, other non-current assets	4,692	374
Changes in trade payables, other provisions, tax liabilities, other current liabilities	-7,417	622
Cash flow from operating activities (1)	**-4,723**	**-2,011**
Payments for investments in property, plant and equipment	-1,351	-644
Payments for investments in intangible assets	-95	-294
Proceeds from disposals of tangible fixed assets	67	102
Payments for the acquisition of consolidated companies and other business units	-3,222	-4,240
Cash flow from investing activities (2)	**-4,601**	**-5,076**
Dividend payments	0	0
Proceeds from capital increase	0	0
Proceeds from loans	0	39,606
Payments on loans	-150	-10,525
Cash flow from financing activities (3)	**-150**	**29,081**
Changes in cash and cash equivalents due to foreign exchange rates (4)	-139	-22
Cash change in cash and cash equivalents (1)+(2)+(3)+(4)	**-9,613**	**21,972**
Cash and cash equivalents at the beginning of the fiscal year	33,877	53,886
Cash and cash equivalents as of December 31	**24,264**	**31,914**
Composition of cash and cash equivalents:		
Cash and cash equivalents	24,264	53,886
Cash and cash equivalents as of March 31	**24,264**	**53,886**

SEGMENT REPORTING

FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2018

in € thousand	PROFESSIONAL SERVICES	SOFTWARE	TOTAL
EBIT of the business segments			
Q1 2018	-1,561	792	-770
Margin	-6.0%	13.9%	-2.4%
Q1 2017	-1,301	-59	-1,360
Margin	-6.8%	-2.4%	-6.3%
External revenue			
Q1 2018	25,865	5,688	31,553
Q1 2017	19,089	2,509	21,598

RECONCILIATION

in € thousand	**Q1 2018**	**Q1 2017**
Result		
Total reportable segment	-770	-1,360
Expenses not allocated to the segments	-1,852	-1,038
EBIT	**-2,621**	**-2,398**

FINANCIAL CALENDER

April 27, 2018	Publication of the Interim Statement for Quarter I
May 30, 2018	Annual General Meeting 2018
August 2, 2018	Publication of Half Year Figures 2018
October 30, 2018	Publication of the Interim Statement for Quarter III

All dates are provisional only.
The current financial calendar can be sonsulted at: www.snpgroup.com/eng/Investor-Relations/Financial-calendar.

CONTACT

Do you have questions or need more information? We are at your disposal:

SNP Schneider-Neureither & Partner SE
Dossenheimer Landstraße 100
69121 Heidelberg
Tel.: +49 6221 6425-0
Fax: +49 6221 6425-20
E-Mail: info@snpgroup.com
Internet: www.snpgroup.com

Kontakt Investor Relations
Marcel Wiskow
Tel.: +49 6221 6425-637
E-Mail: investor.relations@snpgroup.com

This Interim Statement is also available in German. The legally binding document is the original German version, which shall prevail in any case of doubt.