SimCorp

Annual Report 2014

Mitigate Risk | Reduce Cost | Enable Growth

simcorp.com

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SimCorp's vision

"SimCorp is the most attractive partner to investment managers and the number one provider of investment management solutions globally."

SimCorp facts and figures

SimCorp is a leading provider of software solutions and services to the global buy-side investment management industry.

EBIT margin
24%

+40 years of experience

1 product

Two platforms, SimCorp Dimension and SimCorp Coric

171 SimCorp Dimension Clients
30 SimCorp Coric Clients
= 14 % Market Share

SimCorp 2014 Timeline

January	February	March	April	May	June
	SimCorp releases SimCorp Dimension version 5.5	SimCorp acquires Equipos Ltd.			

The SimCorp equity story

Based on a stable and loyal client base, strong products with a unique value proposition, and profound financial expertise SimCorp continues to create value for its stakeholders.

An investment in SimCorp is an investment in:

- Dedicated focus
- A strong market position
- State of the art solutions
- A solid business model

Sustained focus on shareholder value:

- Sharebuy back program of EUR 24.5m
- Combined payout ratio of 112%

Revenue EURm
241
+7.1%

EBIT EURm
57
+5.6%

CFFO EURm
44
-6.4%

July – SimCorp hires new Head of Global Marketing Communications

August – SimCorp releases SimCorp Dimension version 5.6

September – SimCorp hires new MD for SimCorp in North America

October – SimCorp is named Best OTC Derivatives Technology Platform

November – SimCorp wins Waters award for its IBOR solution

December – SimCorp is named Best Front-to-Back Office provider of the year

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Business potential confirmed

In many ways, 2014 was a rollercoaster year that ended on a satisfactory note. Though, while we are still growing, the order inflow from new clients in North America was not satisfying. Still, our position as a full-service provider was consolidated, further establishing SimCorp as a viable front office supplier. In 2014, we added 12 new clients to our portfolio and increased business with almost two thirds of our existing clients.

These numbers are reflected in our annual results. In 2014, SimCorp achieved revenue of EUR 241.1m – an improvement of 7.1% – and posted an operating profit (EBIT) of EUR 57.3m. The results are in line with the announced, revised expectations and confirm the sustainability of our strategy. Add-on sales to existing SimCorp Dimension clients improved by 4.7% over last year, demonstrating the value of longstanding partnerships with existing clients.

Nevertheless, 2014 was a turbulent ride, where we admittedly had some difficulty predicting the end result, which led to a number of revisions to our expectations for the year. License sales to new clients have always fluctuated significantly quarter by quarter, but in this year it was even more pronounced illustrating the extra diligence new clients are showing before making major decisions. Buying an integrated solution from one vendor requires more due diligence than buying a point solution that is easier to change. Still, there is no evidence that clients are cancelling investments in new software – in fact, as outdated technology is a hindrance to growth, investment managers are compelled to invest in modern and scalable solutions such as SimCorp Dimension. SimCorp continues to invest in R&D, spending some 21% of revenue on its solutions every year. With that in mind, we remain confident about the continued business potential.

Expanding the business

In 2014 SimCorp welcomed a new member to our family when we acquired SimCorp Coric, a market-leading provider of reporting software. While already embedded in SimCorp Dimension, the SimCorp Coric solution is also sold as a stand-alone solution to private wealth and institutional asset management firms. Still, the EUR 10m acquisition of the UK-based company and its subsequent full integration into the SimCorp organization supports SimCorp's strategy of growing the business based on its single product platform SimCorp Dimension. Prior to the acquisition, SimCorp held a 20% stake in the company's share capital. Four out of the twelve new SimCorp orders in 2014 were based on the SimCorp Coric platform.

Growth markets

North America remains the world's largest capital market and, with a market share of 4%, SimCorp has its largest

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growth potential here. However, we did not foresee all the challenges in North America, where our ability to execute in 2014 failed, leading to disappointing results. Nevertheless, the market potential remains intact, and with new management in place in SimCorp's North American unit, we expect sales growth in late 2015, early 2016.

SimCorp's dedicated growth markets, which besides North America include UK and France, are expected to account for more than half of our new license agreements in future as was the case in 2014, with seven of twelve new clients signed in these growth markets. In 2014, UK and France in particular showed very positive results, confirming our potential and strategy in those markets. SimCorp's mature markets – Central Europe and the Benelux – also performed strongly in 2014, thus validating the continued opportunity in these markets.

Front Office and the IBOR

SimCorp's front office solution has now matured even further, and we are seeing new clients adopting SimCorp Dimension primarily because of our front office capabilities combined with the single engine for all position keeping – the Investment Book of Records (IBOR). We expect that gradually more of our existing clients will also see the advantages and adopt our front office solution.

SimCorp's extensive and ongoing investment in research and development ensures that our clients never face the challenge of operating on a legacy platform – and supports reducing risk and cost, while at the same time improving efficiency.

The foundation of our business

Obviously, SimCorp's potential can only be fulfilled by the efforts of our highly qualified employees around the world. They are key to providing the value-generating solutions that move our clients' businesses in successful directions. Once again, I want to thank our employees for pulling out all the stops and yet again doing an outstanding job. I am sure that 2015 will prove to be another demanding year – but I feel confident that SimCorp stands well-prepared to meet any challenge with modern solutions and services as well as exceptional employees with unique industry expertise.

Klaus Holse
Chief Executive Officer

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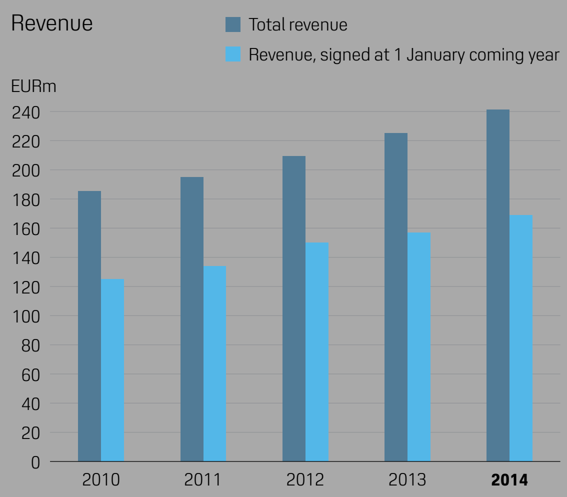
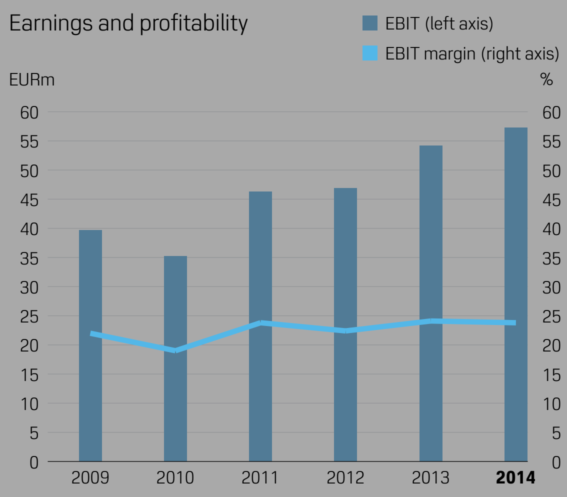
Group financial highlights 2010–2014

	2010	2011	2012	2013	2014
EUR/DKK rate of exchange at 31 December	7.4544	7.4342	7.4604	7.4603	7.4436
Income statement, EUR'000					
Revenue	185,375	194,815	209,190	225,129	241,069
Earnings before interest, tax, depreciation and amortization (EBITDA)	39,923	50,399	50,650	57,085	61,044
Profit from operations (EBIT)	35,199	46,340	46,915	54,236	57,263
Financial items	-1,962	833	81	-230	253
Profit before tax	33,237	47,173	46,996	54,006	57,516
Profit for the year	24,390	33,956	34,474	39,336	41,583
Balance sheet, EUR'000					
Share capital	6,179	6,179	6,045	5,844	5,575
Equity	77,520	83,184	85,864	71,566	73,380
Property, plant and equipment	8,779	7,813	5,213	4,839	4,635
Cash and cash equivalents	42,689	48,149	58,897	47,106	37,995
Total assets	113,011	119,478	125,791	117,469	127,807
Cash flow, EUR'000					
Cash flow from operating activities	28,513	38,396	46,665	47,447	44,390
Cash flow from investing activities, net	-2,945	-2,878	-766	-2,843	-8,908
Cash flow from financing activities	-27,528	-30,044	-35,362	-55,850	-46,524
Net change in cash and cash equivalents	-1,960	5,474	10,537	-11,246	-11,042
Employees					
Average number of employees	1,077	1,048	1,075	1,093	1,187
Financial ratios					
EBIT margin (%)	19.0	23.8	22.4	24.1	23.8
ROIC (return on invested capital) (%)	79.0	108.8	124.0	158.8	146.3
Debtor turnover rate	6.1	7.1	7.8	8.6	7.5
Equity ratio (%)	68.3	69.6	68.3	60.9	57.4
Return on equity (%)	30.0	40.0	38.7	46.8	53.1
Share performance					
Basic earnings per share - EPS (EUR)	0.54	0.77	0.80	0.93	1.02
Diluted earnings per share - EPS-D (EUR)	0.54	0.76	0.79	0.92	1.00
Cash flow per share - CFPS (EUR)	0.63	0.87	1.08	1.13	1.08
Book value per share at year end - BVPS (EUR)	1.81	1.91	2.02	1.73	1.81
Dividend per share - DPS (EUR)	0.40	0.40	0.47	0.54	0.60
Dividend per share - DPS (DKK)	3.00	3.00	3.50	4.00	4.50
Dividend payout ratio (%)	75.9	54.7	61.2	59.3	60.3
Total payout ratio (%)	119.1	91.4	123.9	160.0	112.0
Market value ratios					
Share price per share at year end - EUR	12.01	11.80	16.94	28.62	21.83
Share price per share at year end - DKK	89.50	87.70	126.40	213.50	162.50
Price/book value per share - P/BV (EUR)	6.6	6.2	8.4	16.5	12.0
Diluted Price Earnings (P/E Diluted)	22.2	15.3	20.9	30.3	21.2
Price cash flow - share price/CFPS - P/CF	16.6	13.6	15.6	25.4	20.1
Share Capital (m)	46.0	46.0	45.0	43.5	41.5
Average number of shares (m)	45.0	44.1	43.1	42.1	40.9
Average number of shares - diluted (m)	45.4	44.5	43.6	42.7	41.5
Market capitalization – EURm	527	514	721	1,183	884

Financial highlights and key ratios are defined and calculated in accordance with the Danish Society of Financial Analysts' Recommendations and Financial ratios 2010. Earnings per share (EPS) and Diluted earnings per share (EPS-D) are measured according to IAS 33.

Main conclusions 2014





Financial highlights

23.8% SimCorp posted EBIT of EUR 57.3m (DKK 427m), an increase of EUR 3m relative to 2013. The EBIT margin was 23.8%. The profit for the year was EUR 41.6m.

7.6% SimCorp generated revenue of EUR 241.1m (DKK 1.8bn) in 2014, an increase of EUR 16m compared with last year, or revenue growth of 7.6% measured in local currencies. The currency impact on revenue was a negative EUR 1.2m.

EUR 43.9m The order inflow – representing the license value of new orders plus the license value of add-on licenses to clients was EUR 43.9m compared with EUR 42.8m in 2013.

EUR 47.7m Income recognised from new licenses and add-on licenses amounted to EUR 47.7m, an increase of EUR 5.4m relative to 2013.

EUR 3.5m The revenue from professional services amounted to EUR 79.8m, an increase of EUR 3.5m relative to 2013.

5.9% Recurring maintenance income continued to increase, up 5.9% from 2013 to EUR 110.4m.

EUR 44.4 The Group's operating activities generated a cash inflow of EUR 44.4m, compared with EUR 47.4m in 2013 and cash holdings amounted to EUR 38m at 31 December 2014, which is EUR 9.1m less than in 2013. Cash and cash equivalents equal 29.7% of total assets.

Operational highlights

60% SimCorp won 12 new orders in 2014 – seven of these in the designated growth markets; three in the US, two in the UK and two in France, meaning that more than 60% of the new orders came from growth markets.

5 SimCorp strengthened its position in the European market, winning three new contracts in the mature Central European market as well as two new licenses in the mature Benelux market, while at the same time SimCorp continued to expand its business with existing clients throughout Europe.

1,224 Headcount increased by 61 during 2014 bringing the total number of employees to 1,224 at 31 December 2014.

EUR 169m SimCorp enters 2015 with EUR 169m of the full year's revenue secured on contract – an improvement of more than EUR 12m compared to entering 2014.

EUR 46.6m SimCorp purchased treasury shares for EUR 24.5m in 2014 compared to EUR 42.9m in 2013. Combined with the dividend paid in 2014 of EUR 22.1m SimCorp returned EUR 46.6m to its shareholders in 2014.

DKK 4.50 The Board of Directors intends to recommend to the shareholders at the annual general meeting that dividends be declared at the rate of DKK 4.50 per share of DKK 1 – an increase of 12.5% from 2013.

"When fully implemented, SimCorp Dimension will support all of our front office activities, including IBOR, compliance, risk and performance. We chose SimCorp as a business partner to help us to drive and reinforce our excellence in mastering risks, and because SimCorp Dimension is modern and scalable, and able to grow at the same pace as our business."

– Anne Courrier, Managing Director at Fédéris Gestion d'Actifs

A clear strategy that sets direction

Combining more than 40 years of experience with a clear strategy sets the direction for SimCorp – a strategy that has enabled SimCorp to record persistent organic growth over the past two decades. Going forward, reinforcing SimCorp's profile as a growth company will remain a strategic priority with focus on clearly defined targets.

SimCorp is committed to being the number one provider of investment management solutions globally and, through this, being the most attractive partner to global investment managers. Having established a successful software business targeted at the entire value chain, SimCorp has proved itself an industry leader and a preferred partner for global investment managers.

The ability to quickly adapt to market changes, which include regulatory changes, client requirements and new technologies is a critical success factor for SimCorp, and with strong foundation in the company's three business cornerstones; compelling solutions and services, loyal clients and highly skilled employees, SimCorp is determined to continue to grow.

A sustainable business model

SimCorp's business model is based on three elements: sales of software licenses, maintenance income and fees from professional services. License fees are generated from selling the right to use SimCorp's software. Maintenance income derives from sales of the right to current system upgrades

SimCorp's core strengths

- Recognized industry leader with strong home markets
- Comprehensive standard software product
- In-depth financial expertise
- Skilled and dedicated employees
- A large and prestigious client base

and user assistance, while sales of professional services represents service fees from the implementation, introduction and expansion of software installations.

The business model is highly transparent and builds recurring revenue. Further, the model warrants long-lasting and close client relations, which reduces SimCorp's operational risk.

The flexibility of SimCorp's solutions allows clients to choose from a vast variety of different modules combining core functions in front, middle and back office in one integrated platform. These modules are implemented by SimCorp consultants in close cooperation with the client. More and more clients choose to expand the services rendered from SimCorp to include business process services (packaged solutions) and additional operational services (serviced solutions).

A typical sale of SimCorp's flagship product SimCorp Dimension to a new client includes a purchase of licenses, typically in the range between EUR 1.5m and EUR 3m depending on the functional requirements, number of different asset classes and number of users.

During the first 10 years of a client relationship – which overall typically lasts more than 20 years – the total accumulated revenue for SimCorp is typically four to eight times the initial license revenue. This includes the initial installation, professional services for implementation, additional functionality/modules and users, and ongoing maintenance.

Maintenance is calculated annually and represents roughly 18–22% of the value of the installed license base. SimCorp's installed license base, which is the accumulated total investments made by SimCorp's clients, was at the beginning of 2015 EUR 608m on SimCorp Dimension platform. Approximately 90% of annual revenue is derived from existing clients.

SimCorp Coric, SimCorp's client communication solution, is sold on a subscription basis, typically on a three or four-year term.

Strategy

Continual investment in its software solutions, focus on growth markets and maintaining a solid cashflow that can be returned to shareholders as dividend and used for treasury share buyback are the fundamental basics of SimCorp's strategy. In order for SimCorp to reach its ambitious business objectives delivering double-digit growth, the company has determined five areas of strategic priority for the next three years. The areas reflect how SimCorp sees and understands the key trends in the market that influence SimCorp's continued growth. The five areas are:

- SimCorp's growth markets
- the front office/IBOR solution (IBOR investment book of records)
- the development of an ASP solution (ASP application service provider)
- expanding SimCorp Dimension's functional coverage into alternative investment assets and finally
- maintaining focus on the ability to attract and retain the best talent in the industry.

Growth markets

SimCorp continually aims to add new clients in all markets. However, because of the business potential in especially North America, the UK, and France, SimCorp focuses on these markets, and in 2015 and beyond, SimCorp will continue to build its position in these markets. North America particularly has significant growth opportunity, and following the installement of a new management team in 2014, SimCorp feels well prepared to exploit the market's potential.

Front Office/IBOR

In today's market with increased focus on compliance and risk management, the investment book of records, the so-called IBOR, has become a competitive tool for global investment managers. The IBOR allows investment managers to maintain an overview of all their positions – an important feature when trying to understand one's positions across all asset classes to not only meet compliance demands, and performance requirements but also to manage risk. The front office also relies on this data, as the IBOR keeps history that can be used for investment decisions.

Combining these two – the IBOR and the front office, where SimCorp has made sustained investment to now offer a solution that is comparable to best-of-breed offerings in the market – SimCorp believes it is ahead of other front office suppliers that are not able to provide the IBOR, hence providing SimCorp with a competitive advantage that the company intends to exploit.

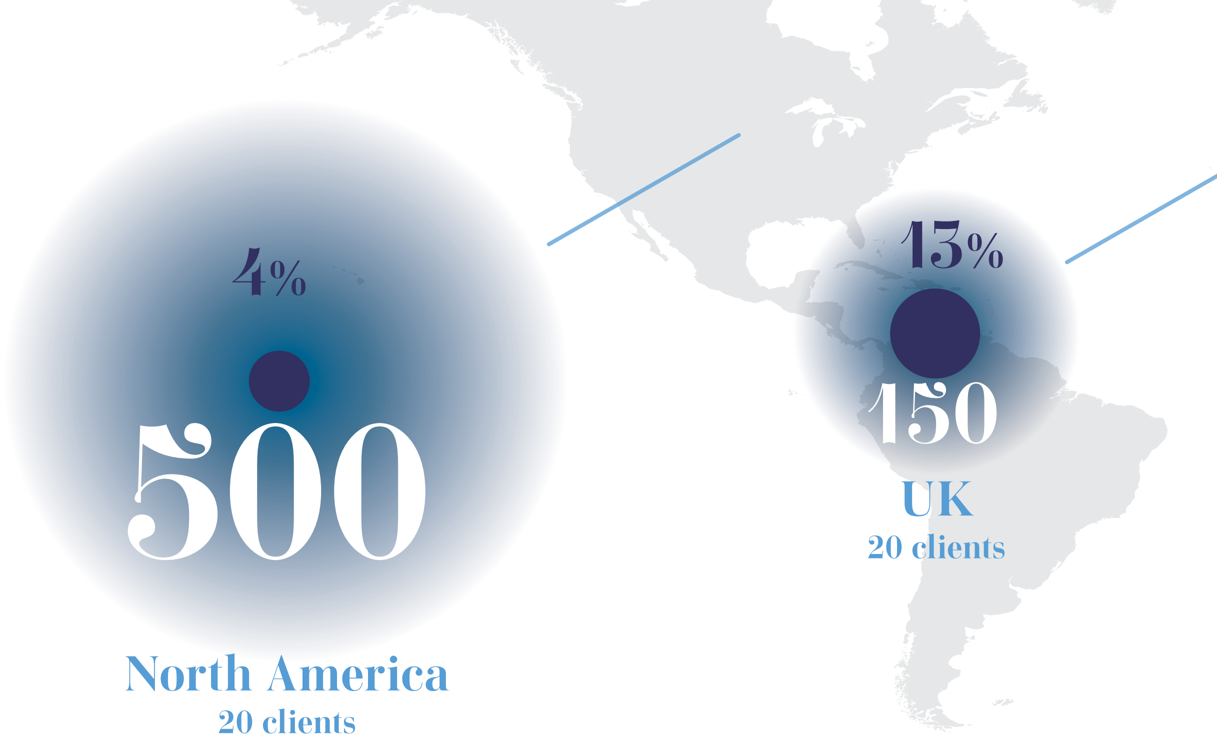
Providing an ASP solution

The investment industry today is increasingly demanding more business related services with the aim of reducing

"The greatest business advantage for BMO is that the IBOR provides the most up-to-date position data to drive better portfolio and trading decisions. At all times, the IBOR contains full, accurate information on which our portfolio managers can make investment decisions and traders can trade. The risk of wrong decision-making based on incorrect data is simply too high to continue being ignored."

– Todd Healy, Head of investment operations at BMO Global Asset Management

SimCorp continuously focuses on adding new clients in all markets, but with a particular focus on the growth markets: North America, the UK and France.



overall cost and making business more scalable. Further, the investment managers tend to outsource their business applications and the related tasks – either partly or in full – in order to focus on their core business, which typically does not include system operations. SimCorp will work actively towards becoming an Application Service Provider, delivering SimCorp Dimension as a fully managed service including hosting of the solution, application operation as well as application management.

Managing all asset classes including alternative investments

As the traditional asset classes are under increasing pressure from investment strategies and declining interest rates, many asset managers, especially pension funds, are progressively looking towards investment in alternatives that typically have a longer horizon. As a consequence SimCorp will put additional efforts into extending SimCorp's solution to also cater for investments in non-liquid assets that include, for example infrastructure, private equity, hedge funds and more.

Best people

As a specialized financial software and services provider, SimCorp is dependent on highly skilled and knowledgeable employees. The war for new talent is intensifying, and so is the need to become even better at attracting and retaining that talent. As the employees constitute the company, the company needs to bring and hold the right people on board in order to secure the success of the business. SimCorp therefore puts additional focus on attracting and maintaining the right staff. Efforts include renewed focus on management competences, management training, determining key positions and implementing a talent management tool.

SimCorp's market and clients

The market in which SimCorp operates, the buy-side investment management industry, is greatly impacted by the global macroeconomic conditions. In recent years, the industry has undergone significant rationalization resulting in only modest growth in the number of new SimCorp clients.

Nevertheless, the global investment managers' ultimate goal is still to provide higher return while at the same time adhering to new regulation, the introduction of new asset classes and increased focus on risk and performance. A significant number of investment managers continue however to oper-

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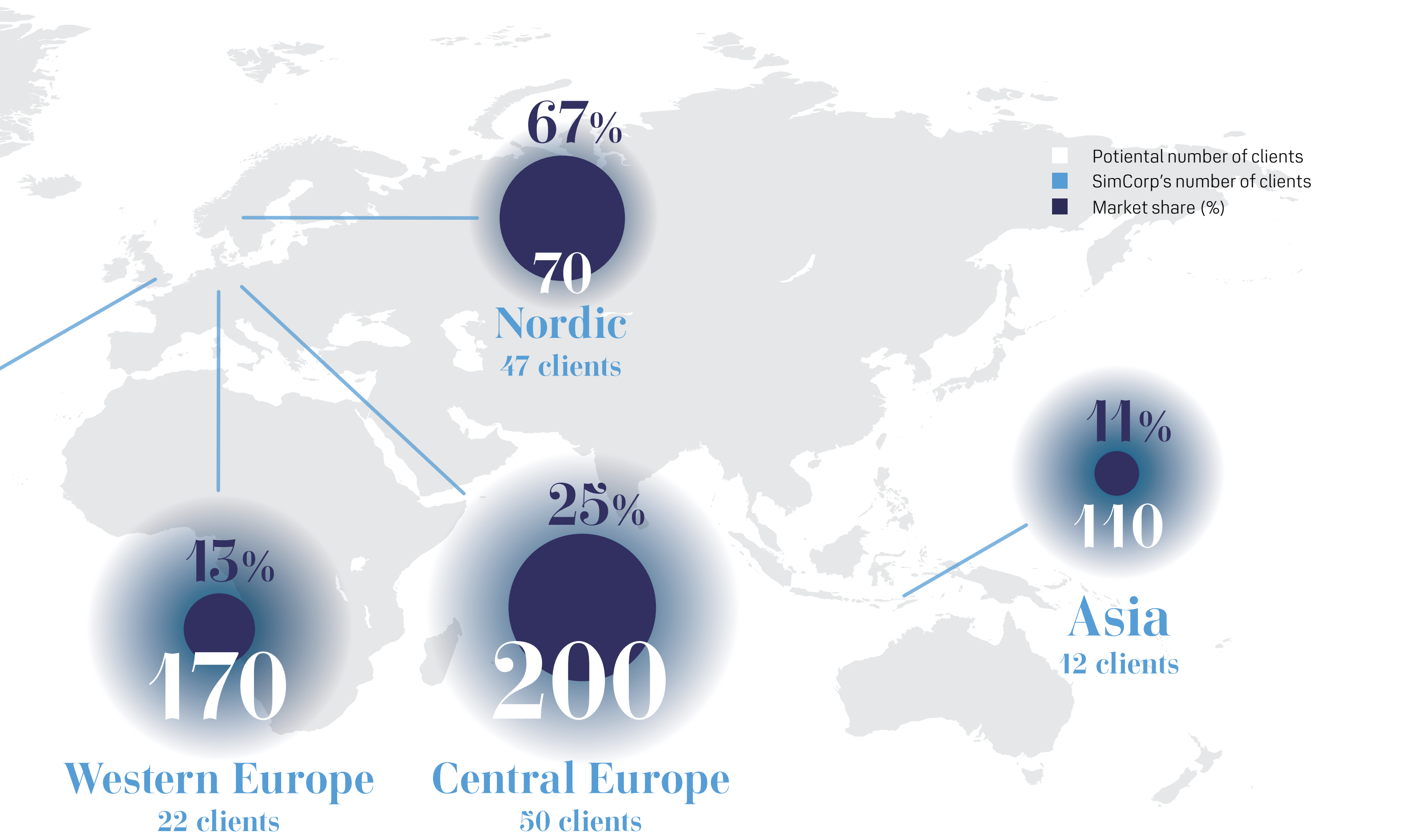

ate on old and outdated system platforms, the so-called legacy systems, that are generally ill-equipped to deal with the current and expected pace of change.

SimCorp remains among the few independent software companies that continues to invest substantial resources in R&D; in fact R&D accounts for approximately 30% of SimCorp's total expenses. In return, SimCorp's clients benefit from two annual system upgrades, which means SimCorp provides a perennial guarantee that clients will never operate on an outdated platform.

SimCorp's market – defined as global buy-side investment management companies with assets under management of more than EUR 10-15bn – comprises approximately 1,200 asset and fund managers, insurance companies, pension funds, mutual funds, sovereign wealth funds, banks, and mortgage lenders. Of the identified potential clients in the market, SimCorp estimates that roughly 10% run on internally developed systems. The remaining 90% run on older legacy systems, various 'best-of-breed' solutions, other modern systems, or via third-party administrators. Every new client that SimCorp has won in the past five years has replaced either a legacy system or an internally developed IT systems platform. It has also been the case that a client has decided to insource otherwise outsourced operations and run its business on SimCorp Dimension. Finally, SimCorp has also won clients in the asset services segment – the so-called "third party administrators". Hence SimCorp views the full 1,200 institutions with more than EUR 10-15bn in assets under management as the targetable market.

SimCorp Dimension clients and market shares 2014*

Market units	Number of clients	Total market	Market share
North America	20	500	4 %
Central Europe	50	200	25 %
Western Europe	22	170	13 %
UK	20	150	13 %
Asia	12	110	11 %
Nordic	47	70	67 %
Total	**171**	**1,200**	**14 %**

** Figures are based on SimCorp estimates.*

SimCorp's clients comprise some of the financially strongest investment managers in the industry. A trusting and loyal co-operation is paramount to SimCorp, and clients need to feel confident about SimCorp's ability to stay at the forefront of developments in the global financial markets and to continue to meet clients' present and future business requirements. Today, SimCorp has 171 SimCorp Dimension clients all over the world covering a total market share of roughly 14%. However, for the market segment constituting the 200 largest asset holders in the world, SimCorp has a leading market share of over 20%.

SimCorp's solutions

SimCorp is a leading provider of investment management solutions and services for the financial sector. SimCorp's solutions support investment managers handling all tasks related to asset management across the enterprise. In addition to its software solutions, SimCorp provides a variety of professional services that are designed to support clients in all aspects of the their software acquisition cycle; from initial implementation, planning, and configuration to maintenance, operations, IT and end-user training programs, and further to optimization of business processes.

The core of SimCorp's solutions is SimCorp Dimension, a multidimensional solution that is completely modular and seamlessly integrated. The individual business solutions can be combined to support the entire investment management process from front to back throughout the enterprise – or any part thereof. The software is released in a new and upgraded version every six months.

In addition to SimCorp Dimension, SimCorp also markets SimCorp Coric as a stand-alone solution. SimCorp Coric is a client communication solution, which is embedded in SimCorp Dimension's Report Book Manager. The SimCorp Coric Client Communications is easily integrated with any investment management platform and enables portfolio managers to present increasingly complex portfolio data – extracted from any source – to their clients.

In 2014 SimCorp gained global recognition for its solutions winning the following industry awards

- Best Buy-Side IBOR (Waters Technology)
- Best OTC Derivatives Technology Platform (Global Custodian)
- European Front-to-Back Office Provider of the Year (Funds Europe)

SimCorp's employees

SimCorp's employees are highly educated and with long and extensive expertise, mostly within finance and software development. More than 90% of the SimCorp staff hold an academic degree, primarily in finance, IT, software engineering, and economics, and as a provider of highly specialized software, SimCorp is dependent on skilled and knowledgeable employees.

Human Resource Management is a key priority in SimCorp – not least because SimCorp has reached a size, organizational maturity, geographical complexity, and level of cross-border employee mobility at which global alignment of key people processes has become critically important. Because of SimCorp's international expansion, sourcing of talent is increasingly important, particularly in SimCorp's growth markets. The demand is being met through local recruitment as well as extensive cross-border mobility of existing and new employees.

SimCorp measures and analyses employees' satisfaction on an ongoing basis based on a large employee survey conducted every other year, complemented by a number of smaller snapshot surveys every six months. Although SimCorp's general employee satisfaction is high, it remains an area of attention, as employee satisfaction and engagement are key parameters on for instance absence and staff turnover.

Comprehensive knowledge of financial theory and software development combined with thorough experience and insight into clients' business processes are crucial for SimCorp's business activities, and the group therefore provides an extensive training program to all employees in SimCorp. The cornerstone is the SimCorp Academy program, a three-week, full-time course that builds competences in and around the use and implementation of SimCorp's solutions. The course is mandatory for all new employees that work directly with SimCorp Dimension. 101 employees went through the course in 2014 compared to 87 in 2013.

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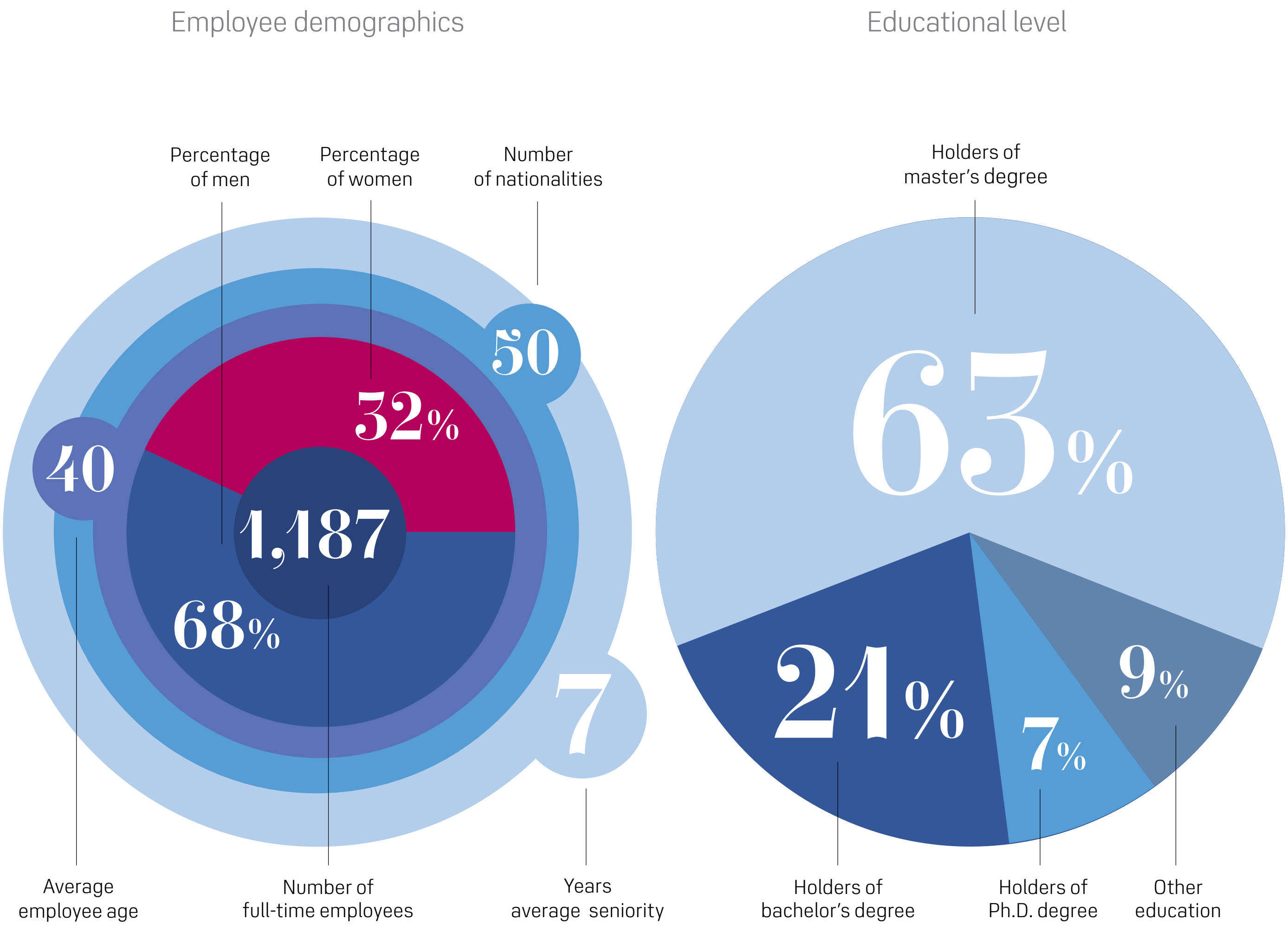
Finally, SimCorp believes that a dedicated effort towards better leadership will help attract and retain highly qualified employees and enhance the overall condition and success of the company. Therefore, the company also operates a comprehensive leadership training program, the SimCorp Leadership Academy, to ensure that SimCorp always has management resources that are among the best in the industry with the ability to develop, challenge and strengthen both employee competences and corporate culture. As with all other training in SimCorp, the elements of the SimCorp Leadership Academy are closely linked to the practical development of experience in the organization in order to fully optimize the benefit derived from training.

SimCorp's employees 2014



SimCorp Coric

In May 2014, SimCorp Coric wins the Top Wealth Management Award for the second running year.

On 1 March 2014, SimCorp acquired the award-winning reporting software developer SimCorp Coric. The acquisition advances SimCorp's product strategy of continually building on SimCorp Dimension's integrated portfolio of technical and business applications, while also providing selected applications as standalone solutions to leading investment managers.

SimCorp Coric's mainstay product is the award-winning Client Communications Suite that empowers investment management firms to improve client service and enrich client experience through effective and informative reporting. At the same time, it reduces operational risk and cost. Business users can create and modify client reports with ease, speed, and accuracy.

SimCorp Coric Client Communications is embedded in the Report Book Manager, the client reporting management solution that is fully integrated with SimCorp Dimension, SimCorp's investment management solution, allowing SimCorp Dimension users to easily create and modify client reports, and present increasingly complex portfolio data quickly and cost-effectively.

While fully integrated with SimCorp Dimension as part of the Report Book Manager, SimCorp Coric is also marketed as a stand-alone solution, which integrates seamlessly with any investment management platform, enabling users to extract data from any source.

In 2014, SimCorp Coric signed four new license agreements; three in North America and one in the UK. SimCorp expects to benefit from the acquisition of SimCorp Coric both in terms of cutting-edge technology and functionality as it represents an opportunity to grow SimCorp's market share in the reporting domain. Further, the acquisition represents an opportunity to eventually cross-sell between SimCorp Dimension and SimCorp Coric.

SimCorp Coric was acquired by SimCorp with effect from 1 March 2014. For the past 10 years SimCorp has held 20% of the shares in the company.

SimCorp Coric review

SimCorp Coric added four new clients in 2014 of which three were in North America. The SimCorp Coric solution is sold as a subscription license typically covering three to four years. The total contract value of license deals that SimCorp Coric was servicing was EUR 7.4m at the end of 2014.

EURm	**2014** (March - December)
Total revenue	5.4
– License fees	2.4
– Professional services	1.5
– Maintenance income	1.4
– Training activities, etc.	0.1
New wins	4
Market share	2%
SimCorp Clients	30
Number of employees	43

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Financial targets 2015

SimCorp expects revenue growth of between 5% and 10% in 2015 (local currencies), with an EBIT margin of between 23% and 26% (local currencies). SimCorp's long-term target is to generate double-digit annual revenue growth, and expand margins year-on-year.

Financial targets 2015

	Annual report 2014 16 February 2015	**Realized** 2014
Revenue (local currencies)	5%-10%	7.6%
EBIT margin (local currencies)	23%-26%	24.1%

Based on the exchange rate prevaling per end of January 2015, SimCorp estimates reported revenue to be positively impacted from currency fluctuations by around 3%. The impact from currency fluctuations on reported EBIT margin is expected to be positively impacted of around 1%.

Market developments

The underlying positive macroeconomic trends seen during 2014 are expected to continue in 2015.

The total number of deals available in 2015 is difficult to predict, but based on the strong market performance that SimCorp has delivered during the last three years – realizing win ratios comfortably above 40% each year – SimCorp expects to continue to gain market share in 2015.

SimCorp believes that investment managers' IT budgets for 2015 will increase slightly compared to the level seen in 2014, due to an increased focus on legacy system replacement. Further SimCorp expects to be able to gain an even stronger position with current as well as new clients in the front office as a result of the continued investment into the front office of SimCorp Dimension in recent years. SimCorp also expects to benefit further from the full ownership of SimCorp Coric by cross selling between SimCorp Dimension and SimCorp Coric.

The most important focus areas in the investment management industry are expected to be:

- Risk management, monitoring and control, as well as additional reporting requirements from regulators
- Cost savings and efficiency enhancement of in-house processes
- Compliance with new legislation and regulation in a cost-effective manner
- Establishing scalable platforms allowing for substantial increases in assets under management
- The ability to offer improved service to clients.

Revenue and profit outlook for 2015

Based on the current business environment and taking the current position of SimCorp into consideration, the expectations for 2015 are to grow revenue in local currencies by between 5% and 10% and to generate an EBIT margin measured in local currencies of between 23% and 26%.

The changes in the SimCorp Dimension management team in North America are expected to have a positive impact on performance in 2015. However, it is not expected that new SimCorp Dimension license deals will materialize in the first half of 2015 in North America, rather in late 2015, early 2016.

Exchange rate

EUR per 100 Currency	**2014 YTD** average rates	**31 January 2015** current rate
USD	75.85	88.46
CAD	67.92	69.82
AUD	68.08	68.80
SGD	59.54	65.39
GBP	124.51	133.14
CHF	82.44	95.53
NOK	11.91	11.32

If foreign exchange rates prevailing on 31 January 2015 persisted for 2015, they would have a positive impact on reported revenue of up to 3 %-points and on reported EBIT of positively 1 %-point compared with 2014.

For 2015, SimCorp expects revenue to be distributed as follows: license fees between 20–30%; fees from professional services between 30–35%; and maintenance income around 45%. Compared to previous years, the estimated distribution of revenue has not changed.

The breakdown of the license fee income is expected to be one third for license fee revenue from new licenses and two thirds from sales of additional licenses to existing clients. The license fee revenue from additional license agreements is expected to grow in EUR from the 2014 level. Although the relative revenue impact of single individual orders is decreasing, growth in the Group's revenue will continue to be impacted by relatively few but large SimCorp Dimension orders expected to be won at relatively irregular intervals.

Estimated revenue distribution 2014

	Annual report 2014 16 February 2015	**Realized** 2014
Distribution of revenue		
– License fees	20–30%	19.8%
– Professional services	30–35%	33.1%
– Maintenance	45%	45.8%
– Training activity, etc.	1–2%	1.3%
Costs (% of total expenses)		
– Staff	75%	74.0%
– Research and development	30%	27.6%

Accordingly, income will vary considerably from one reporting period to the next. Clients who already had business relations with SimCorp on 1 January 2015 are expected to account for around 90% of total revenue in 2015 – unchanged from 2014.

Staff costs are expected to account for around 75% of SimCorp's expenses in 2015. R&D is expected to account for around 30% of total expenses. Administrative expenses are expected to be stable.

Long-term expectations

SimCorp's long-term target is to generate double-digit annual revenue growth, and expand margins year-on-year. SimCorp's long-term expectations are based on the assumption that the level of new deals in the market per year will be between 40 and 50.

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Risk management

It is essential for SimCorp's Board of Directors and management that risk exposure is thoroughly monitored and controlled. As the business environment is ever developing and highly volatile, SimCorp's policies and procedures ensure an efficient management of identified risk.

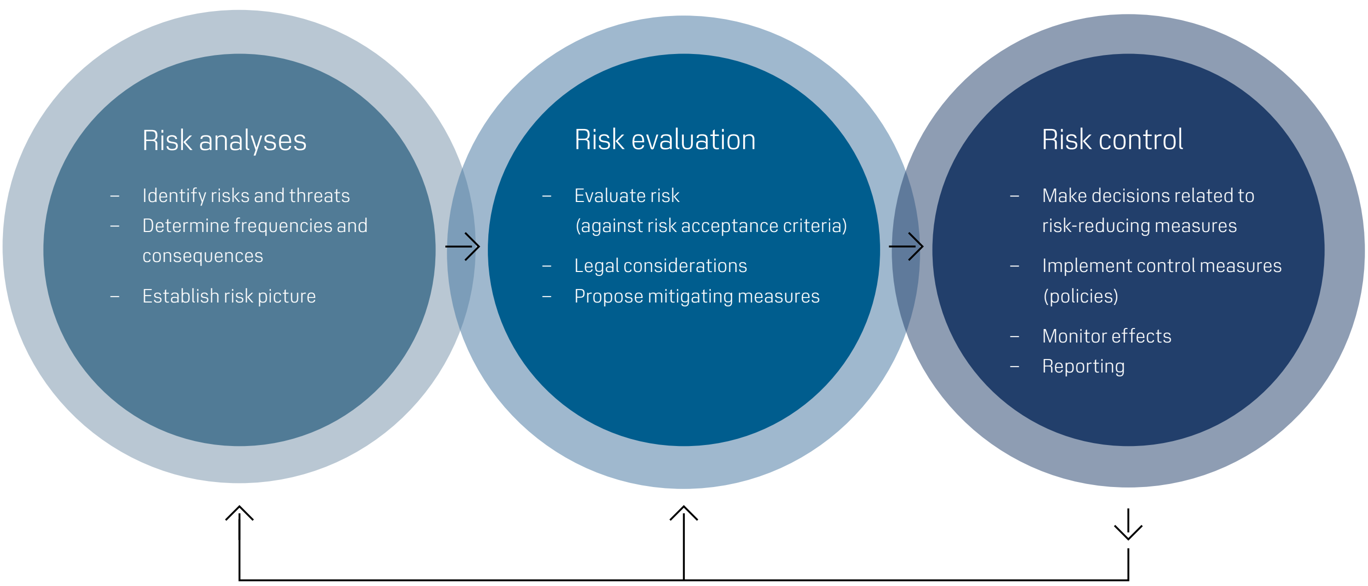
SimCorp's business entails a number of commercial and financial risk elements that potentially have a negative effect on the company's future activities and results. To manage risk to the fullest possible extent, factors which are subject to uncertainty, and hence categorized as potential risk, are systematically monitored, analysed, and managed.

The following section outlines a brief description of the most important risks together with a brief description of the preventive measures implemented to manage and control each risk. A comprehensive description of SimCorp's financial risk is provided in note 29 to the financial statements.

Overall, SimCorp's management believes the company is well prepared to manage the potential risk challenges. On a quarterly basis, the company's main risks are reported to the Board of Directors, including an assessment of the probability of occurrence of each risk and of the likely impact on the company's financial performance, together with mitigation options.

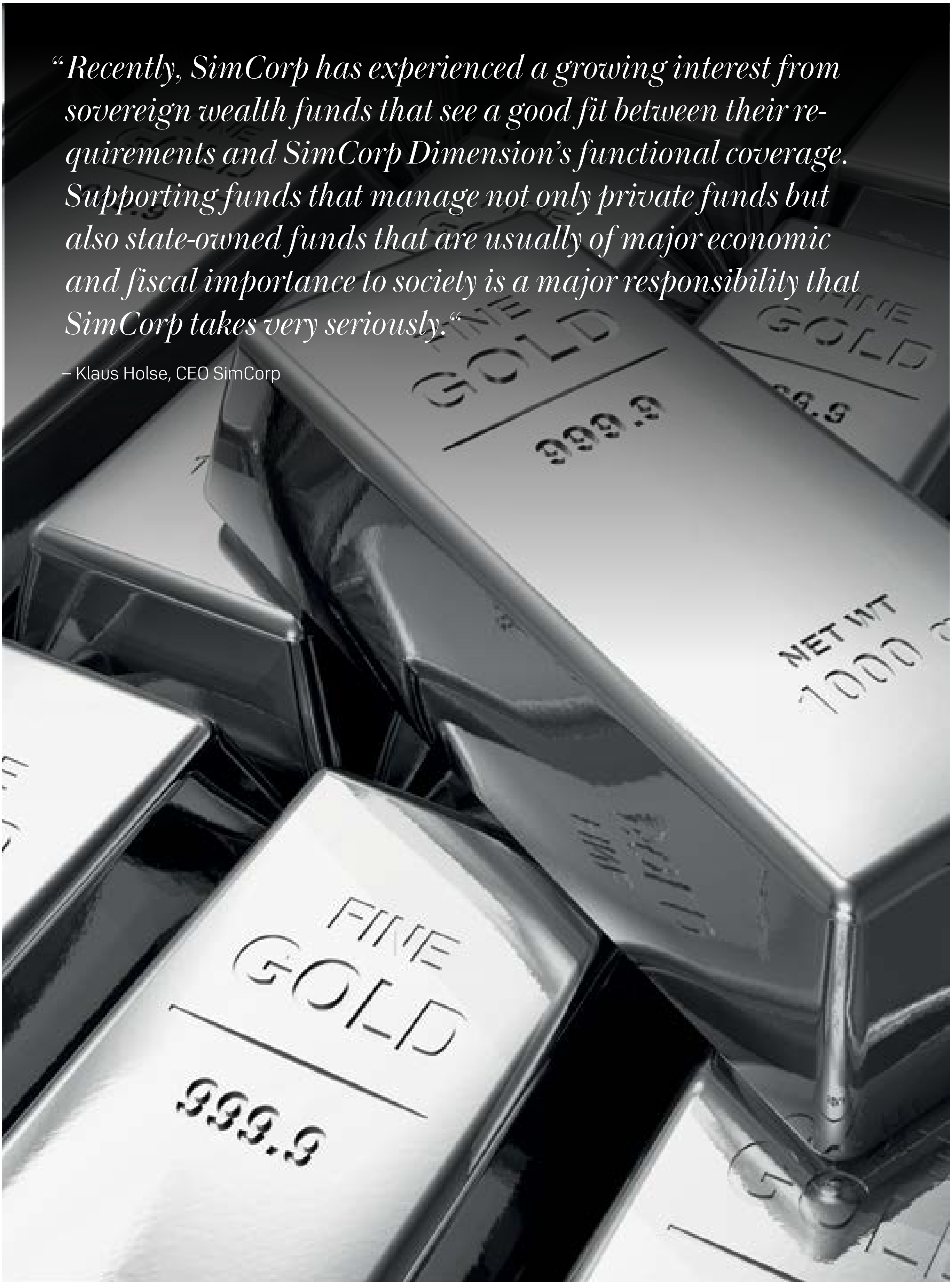
In SimCorp's Corporate Governance Guidelines, the organizational setup of Risk Management is described, see www.simcorp.com/corpgov2014uk

Risk management at SimCorp



"Recently, SimCorp has experienced a growing interest from sovereign wealth funds that see a good fit between their requirements and SimCorp Dimension's functional coverage. Supporting funds that manage not only private funds but also state-owned funds that are usually of major economic and fiscal importance to society is a major responsibility that SimCorp takes very seriously."

– Klaus Holse, CEO SimCorp



Risk category	Risk mitigation
Markets and clients	
Anticipating and responding to important trends in the market for professional investment managers are critical to SimCorp's ability to win market share. Failing to spot these trends naturally represents a risk to SimCorp. Also, competitors' expansion of international service-offerings and distribution could endanger SimCorp's leading market position. In addition, new local requirements or legislation may influence the current demand for SimCorp's product.	Through extensive market research and industry analyses, SimCorp keeps abreast of trends in the global financial markets. Also, the company's close and longstanding relationships with clients allow SimCorp to anticipate and respond to market movements and new requirements.
Corporate culture	
SimCorp's business is based on specialized expertise and innovation. It is imperative that SimCorp continues to attract, develop and retain the most skilled employees and management talent. Failure to do so constitutes a risk to the Group. Moreover, it is considered a genuine risk to SimCorp's long term position if the company's corporate values do not continue to serve as a core basis for business execution and development.	SimCorp allocates substantial resources to internal and external training and development to ensure that professional and personal skills are constantly being maintained and enhanced throughout the organization. To ensure that SimCorp employees possess the relevant competences, training activities to a large extent draw on the experiences of more senior employees, which optimizes the benefits of all employee development initiatives.
Product innovation and quality	
Product innovation, improved technical infrastructure, and enhanced technical capabilities are fundamental elements in meeting new system requirements in the market. Being unable to secure those elements would risk SimCorp Dimension eventually ending up as a legacy offering. SimCorp's ability to offer clients the best software products with the highest possible configurability and flexibility is paramount. Inadequate quality control and testing prior to the release of new software versions increase the risk of reduced client satisfaction and loyalty.	SimCorp offers updated product versions of SimCorp Dimension every six months. Updates include enhanced system functionality and improved technical infrastructure based on a systematic prioritization of client and market requirements. A key element of the product development strategy is extensive quality control and testing prior to the release of new software versions. SimCorp continually raises and follows up on internal quality targets, ensuring alignment with expected market developments.
Solutions and services	
It is key for SimCorp to provide standardized end-to-end serviced solutions, both during implementation and after clients have gone live. Running on SimCorp Dimension entails having to deal with a variety of technical aspects such as technical infrastructure, WAN lines, third-party integration, databases, data interfaces and software applications. Related services are provided by SimCorp and subcontractors engaged by SimCorp. If SimCorp fails to balance the requirements of clients and agreements with these subcontractors, SimCorp risks impairing the clients' businesses as well as its own. During implementation the largest risk is an inadequate implementation of SimCorp Dimension, leading to increased operational risk and costs for SimCorp's clients. Following implementation, the most apparent risk is possible breach of service level agreements and other committed standards.	SimCorp has established various measures to control both external and internal risk to the provision of full-service packages. Externally, a due diligence process is conducted on each subcontractor to ensure it has sufficient strength – financially, organizationally, and product-wise – to meet SimCorp's requirements. Internally, a clear description and overview of each delivery component allows for a clear segregation of duties. Moreover, SimCorp's consultants undergo continual training to maintain and develop the required knowledge and experience in relation to the operational services. Larger complex multi-year implementation contracts are reviewed and scored based on a central model. The score is a reflection of the perceived risk in the implementation project. All projects have to score a certain sum.

Risk category

Risk mitigation

Regulatory issues and fiscal policies

Protecting SimCorp's long term business interests is vital to its continued operations. This includes legal risk that may impact SimCorp's business. SimCorp believes contractual risk as well as legal risk related to regulatory requirements are critical. Failure to meet or implement regulatory requirements in a timely fashion with respect to, for instance data protection, confidentiality agreements, IPR, and fraud constitutes a risk.

SimCorp is subject to tax and fiscal policies in the countries where the company operates. Changes to such local policies may affect SimCorp's tax and fiscal position.

Due to the nature of SimCorp's operations, the company is exposed to changes in currency exchange rates. A detailed analysis and description of financial risk exposure is provided in note 29 to the financial statements.

SimCorp ensures that all contracts entered into are carefully worded. SimCorp monitors and assesses the scope of any new legislation potentially affecting business procedures.

SimCorp's Group Finance department manages the company's currency and financial exposure pursuant to the treasury policy approved by the Board of Directors, just as it keeps the overall currency exposure within defined limits.

Furthermore, Group Finance is diligent in pursuit of securing that, in line with the tax policy, SimCorp is at all times tax compliant in the countries where SimCorp conducts business.

SimCorp has implemented a number of business procedures and controls to enhance transparency of individual activities and provide an improved overview of financial exposure.

Financial Reporting

Generally, financial reporting involves the risk of non-compliance with applicable legislation and potential business risk.

There is also a risk of inadequate internal controls designed to avoid significant errors and omissions in financial reporting.

SimCorp has implemented various business procedures and controls to ensure compliance in relation to financial reporting. These are based on a range of general principles, policies and procedures, which are reviewed by SimCorp's Board of Directors and Executive Management Board on a regular basis. The Danish Financial statements Act requires that an overall description of the Group's internal controls and management of risk with regard to financial reporting is included in the financial statements. The full wording of SimCorp management's statutory responsibilities under section 107 b of the Danish Financial statements Act is available on SimCorp's website: **www.simcorp.com/corpgov2014uk**

The Executive Management Board monitors compliance and provides the Board of Directors with relevant legislation and reports.

IT resources

As a technology company with a core business based on modern information technology, SimCorp's failure to adequately protect itself against IT risk, represents a particular risk. Cyber crime including unauthorized access to SimCorp's network and data could endanger applications as well as the infrastructure and the technical environment stored on SimCorp's network. The same goes for virus attacks and theft of code and know-how which could also entail prolonged system breakdowns impairing productivity and potentially rendering SimCorp unable to service its clients.

SimCorp continuously monitors its global technical infrastructure, aiming to identify and minimize risk to the company's production and operation. Through well-established procedures and solutions, SimCorp is able to quickly restore critical business services.

SimCorp also operates with a high data security level and maintains strict access control to the physical environment as well as to its data network. The controls are monitored and reviewed on a regular basis in order to optimize information security.

Further SimCorp has developed and implemented a disaster recovery plan to restore all critical business services.

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Financial review 2014

SimCorp achieved an EBIT margin of 23.8% in 2014 and EBIT increased by 5.6% compared to 2013. Strong performance in license revenue from new licenses and the performance from the SimCorp Coric product contributed to the positive revenue growth of 7.6% measured in local currencies despite negative growth in the North American market of 8.3%. On balance, and taking the negative growth in the North American market into consideration, SimCorp views the performance in 2014 as satisfactory.

Financial expectations and results 2014

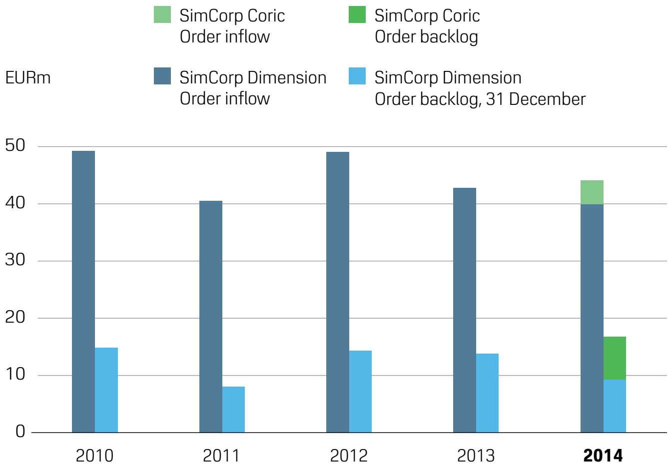
	Annual report 2013 25 February 2014	**H1 2014** 29 August 2014	**9M 2014** 26 November 2014	**Trading update** 18 December 2014	**Trading update** 5 January 2015	
	Original guidance	Revised guidance	Revised guidance	Revised guidance	Revised guidance	**Realized**
Revenue (local currencies)	10%	8%-10%	Around 7%	Around 4%	Above 6%	7.6%
Revenue (reported currency)	8.5%	7%-9%	Around 7%	Around 4%	Above 6%	7.1%
EBIT margin (local currencies)	24%	Around 24.5%	Around 24%	Around 23%	Above 23%	24.1%
EBIT margin (reported currency)	23.8%	Around 24.3%	Around 24%	Around 23%	Above 23%	23.8%

SimCorp's expectations at the beginning of 2014 were a revenue growth measured in local currencies of 10% including the impact from the SimCorp Coric acquisition effective from 1 March 2014 of 2%-points. In reported currency SimCorp expected revenues to grow 8.5% including a 2%-point impact from the SimCorp Coric acquisition. EBIT margin in local currencies was expected to be 24% and in reported currency (EUR) the expectation for the EBIT margin was 23.8%. The impact on EBIT margin from the SimCorp Coric acquisition was expected to be negative by half a percentage point in both local currencies and reported currency.

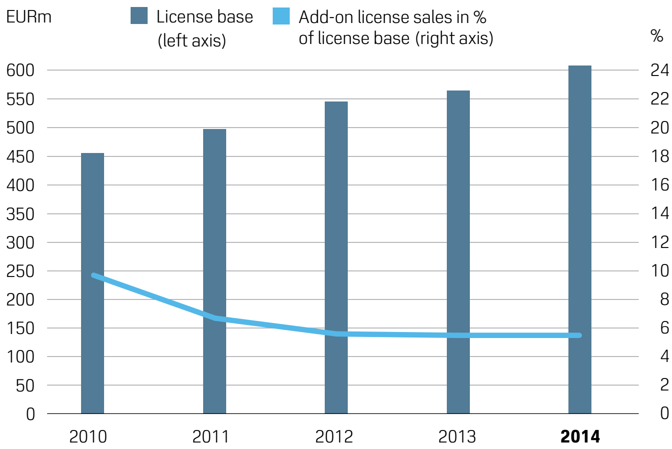
In the half-year report, the expectations for 2014 were revised to a revenue growth in local currencies of between 8% and 10% corresponding to a growth in revenue in reported currency of between 7% and 9%. Expectations for the EBIT margin in local currencies was lifted half a percentage point to around 24.5%, as was the expectation for the reported EBIT margin to around 24.3%. At the same time, SimCorp commented that the developments in North America were unsatisfactory and that the recovery of the market unit would be gradual during 2015 increasing uncertainty about the expected revenue growth.

The Q3 report continued to be negatively impacted by the lack of new license deals from North America and there was increasing uncertainty about the completion of certain sales in 2014. Consequently, SimCorp revised its expectations for revenue growth downwards to around 7% in both local currencies and reported currency. As a result of strong cost management the EBIT margins were only marginally reduced to be around 24% in both local and reported currencies.

Order inflow and order backlog for software licenses



SimCorp Dimension license base and add-on license sales



Conversion rate: Add-on licenses as a percentage of the installed license base beginning of year.
License base: Accumulated license order value.

Despite the further downward revision of revenue growth expectations, the expectations for revenue from both new and additional licenses in Q4 were expected to exceed 2013.

On 18 December, SimCorp made another change to its expectation for revenue growth, as it appeared unlikely that all anticipated sales would complete before year-end. Feedback from clients indicated that – for various reasons – a number of significant additional license deals as well as a number of new license deals would not be signed prior to year-end. SimCorp downgraded revenue expectations to around 4% in both reported and local currencies with a corresponding EBIT margin of around 23% in local and reported currencies. The EBIT margin was maintained at around 23% as the effect of a fall in revenue would be offset by lower corporate bonus and sales commissions.

However, sales of additional licenses to existing clients were ultimately significantly higher than anticipated on 18 December 2014, and one of two new license deals signed in the last two weeks of December was not anticipated. This led SimCorp on 5 January 2015 to upgrade its expectations for the full year revenue growth to be above 6% in both local and reported currencies with an EBIT margin above 23% in local and reported currency.

The strong close resulted in revenue growth for the year of 7.6% in local currencies of which 2.3%-points can be attributed to the SimCorp Coric acquisition. In reported currency, revenue grew 7.1% of which 2.4%-points can be attributed to the SimCorp Coric acquisition. EBIT margin was 24.1% in local currencies including the negative impact from the SimCorp Coric acquisition of one percentage point against expectations of half a negative percentage point. In reported currency EBIT margin was 23.8% including a negative impact from the SimCorp Coric acquisition of one percentage point. The deviation from the expected EBIT margin impact from the SimCorp Coric acquisition is attributed to an adjustment to acquisition accounting.

Business targets for 2014

In 2014, SimCorp continued to focus on growing the company while at the same time maintaining sustainable profitability, ensuring that SimCorp will be able to deliver superior software and services in the long term. The focus areas for 2014 can be summed up with the following headlines:

- Further position SimCorp Dimension's front office offering => **met**
- Continue to support SimCorp growth markets – North America, France and the UK => **partly met**
- Continue to focus on effective use of resources => **partly met**

Further position SimCorp Dimension's front office offering

In 2014 SimCorp signed 8 new clients on the SimCorp Dimension platform. Six of the eight new orders were driven either by SimCorp's front office solution alone or in combination with an IBOR solution, or the front office solution was part of the total new order. In addition, the number of existing clients using the front office solution increased by 20, and several existing clients decided to change their current "best-of-breed" front office solution to SimCorp Dimension.

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Support SimCorp growth markets
While growth from new clients in SimCorp North America was clearly a disappointment in 2014, SimCorp did see increased usage of the SimCorp Dimension platform by existing clients. SimCorp noted a considerable demand for continued support and services, which led to continued high activity levels in the professional services business in North America. Because of the lack of progress in signing new clients, the North American management team, including the managing director and the sales director, was replaced during 2014.

New sales also disappointed in the UK – the second of SimCorp's three designated growth markets, where only one new SimCorp Dimension client was signed. However, the sale of additional software and services to existing clients was at a satisfactory level. On balance though, the performance in the UK was disappointing. A new managing director was appointed in the UK on 1 April 2014. SimCorp has confidence in the new leadership and expects growth to pick up in 2015.

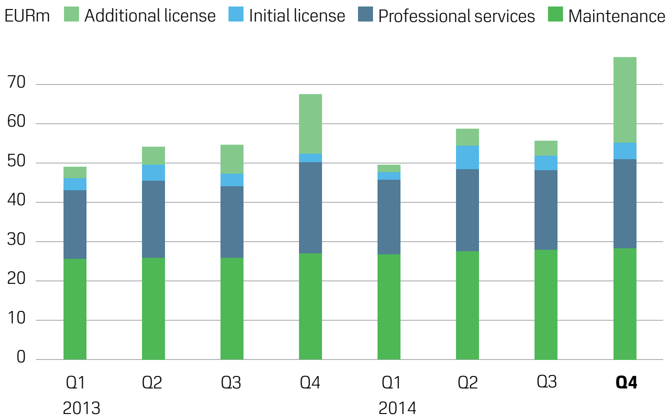
Activity in SimCorp's French market unit was high resulting in two new clients and significantly more services being sold during 2014 than in 2013. Also, existing clients in France bought additional user licenses and functionality bringing the total revenue growth in the French market to more than 60% compared to 2013.

Continued rigid focus on effective use of resources
Throughout the year, SimCorp has remained focused on usage of resources to preserve a satisfactory earnings margin despite lower-than-expected sales. SimCorp finds it important to ensure that an appropriate balance is maintained between topline growth and resource spend. SimCorp still believes that it will reach its target of double-digit growth rates within the foreseeable future.

Income statement

Orderbook
The total license order inflow increased by 2.5% to EUR 43.9m in 2014 including SimCorp Coric orders. The order inflow for SimCorp Dimension decreased by 6.9% to EUR 39.9m. Eight new SimCorp Dimension solutions were sold, totaling EUR 9.1m and four new SimCorp Coric solutions were sold totaling EUR 3.5m. The total order book increased from EUR 13.8m at 1 January 2014 to EUR 16.7m at 31 December 2014 including the order book value of SimCorp Coric contracts of EUR 7.4m. The order book value of SimCorp Dimension orders thus decreased from EUR 13.8m to EUR 9.3m as a result of various implementation projects being completed in 2014.

Quarterly income

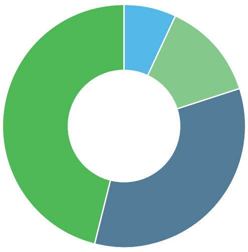


While SimCorp did not sign any new SimCorp Dimension clients in North America in 2014, three of the top 100 global asset managers acquired the SimCorp Coric platform. A new North American management team has been put in place and the pipeline for 2015 and onwards is beginning to emerge. The lack of performance is a sales execution issue rather than a function of market conditions or lack of functionality in the SimCorp Dimension platform. The SimCorp Coric unit in North America will continue to execute sales in the market as a separate unit, sharing market intelligence and client leads with the SimCorp Dimension unit.

SimCorp signed three new SimCorp Dimension license orders in the other designated growth markets – one in the UK market unit and two in the French market unit, of which one was in Switzerland but driven by the French office. Another SimCorp Coric order was also signed in the UK. In addition, SimCorp made three new license sales for SimCorp Dimension in the mature central European market, as well as two in the Benelux market unit bringing the total number of new SimCorp Dimension license orders to eight and the total of new SimCorp Coric license orders to four.

Order inflow of additional licenses for SimCorp Dimension was the highest since 2010 at EUR 31.4m – an increase over 2013 of 6%. Measured as a percentage of the total value of the installed SimCorp Dimension license base the conversion rate for additional licenses was 5.6% in 2014 compared to 5.5% in 2013. In 2014, SimCorp saw an increase in existing clients adopting the new Front Office suite. This was both the

2014 Revenue per type



	2014	2013
Initial licenses	7%	6%
Add-on licenses	13%	13%
Professional Service	34%	35%
Maintenance	46%	46%

2014 Revenue per country

	2014	2013
Germany, Austria, Switzerland	30%	30%
Denmark, Sweden, Norway, Finland	23%	24%
USA, Canada	16%	17%
Belgium, Netherlands, France, Luxemburg	15%	12%
Australia, Singapore, Hong Kong	7%	7%
UK, Ireland	5%	6%
Other	4%	4%

case for clients using the old SimCorp Dimension Front Office suite and clients who had previously used a non-SimCorp solution for front office operations.

On the SimCorp Coric platform, SimCorp also saw existing clients expanding their usage of the platform, both in terms of functionality and in number of users.

Revenue

SimCorp derives revenue from three sources: license fees, fees from professional services, and maintenance income. SimCorp generated total revenue of EUR 241.1m in 2014 compared to EUR 225.1m last year, an increase of 7.1% compared to 2013. SimCorp Coric contributed EUR 5.4m of the revenue growth in 2014. Exchange rate fluctuations for the year had a negative impact of EUR 1.2m on revenue, equal to 0.5%. In local currencies revenue thus increased by 7.6%.

SimCorp's total license fee revenue in 2014 was EUR 47.7m, which was EUR 5.4m higher than last year. Of the increase EUR 2.4m can be attributed to the inclusion of SimCorp Coric. License fee revenue from new licenses on the SimCorp Dimension platform increased by EUR1.6m. Also, orders released from the order book and income recognized in 2014 impacted license revenue positively by EUR 5m in 2014. In total, license fee revenue accounted for 19.8% of the Group's total revenue compared to 18.8% last year. Revenue recognized from the sale of initial licenses, including the impact of SimCorp Coric of EUR 2m accounted for EUR 15.8m compared to EUR 12.2m in 2013. Revenue recognized from add-on licenses to clients, including the impact of SimCorp Coric of EUR 0.4m, was EUR 31.9m compared to EUR 30.1m last year.

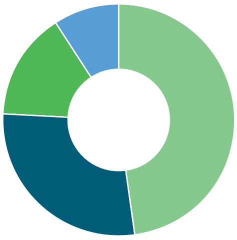
As in 2013, more than 100 clients have expanded their use of SimCorp Dimension during 2014. This includes the 15 largest clients who on average generated add-on license revenue of EUR 1.3m each compared to last year's level of EUR 1m. SimCorp's existing clients made additional investments in SimCorp Dimension in 2014, and the number of clients with a license base of more than EUR 2m has increased by 4%-points to 64% of all clients at 31 December 2014. The accumulated value of the installed license base for clients that have an installed license base above EUR 2m accounted for 88% of the value of the total installed license base, 3%-points higher than the level last year. The license base is the contract value of all software licenses sold.

The ten largest clients generated around 22% of SimCorp's total revenue, which is an increase from last year's level of 19%. Again, no single client accounted for more than 4% of the revenue.

Estimated distribution of revenue and realized 2014

	Annual report 2013 25 February 2014	**Realized** 2014
Distribution of revenue		
– License fees	20–30%	19.8%
– Professional services	30–35%	33.1%
– Maintenance	45%	45.8%
– Training activity, etc.	1–2%	1.3%
Costs (% of total expenses)		
– Staff	75%	74.0%
– Research and development	30%	27.6%

Cost structure 2014



	2014	2013
Cost of sales	48%	47%
Research and development	28%	29%
Sales and distribution	15%	16%
Administration	9%	8%

EURm	Costs 2014	Share of consoli-dated costs 2014	Share of revenue 2014	Change relative to 2013
Sales and distribution cost	27.5	15%	11%	2%
Cost of sales	89.3	48%	37%	10%
Research and development costs	50.8	28%	21%	3%
Administrative expenses	16.4	9%	7%	21%
Total	184.0	100%	76%	8%

Fees from **professional services** were EUR 79.8m including the impact of SimCorp Coric of EUR 1.5m compared to EUR 76.3m in 2013, equal to a 4.5% increase. Fees from professional services accounted for 33.1% of total revenue in 2014 compared to 33.9% in 2013.

Maintenance income increased with the completion and implementation of new client installations and new functionality to existing clients. It increased by 5.9% from last year's EUR 104.3m to EUR 110.4m. Of the increase, EUR 1.4m can be attributed to SimCorp Coric. Maintenance income accounted for 45.8% of total revenue compared to 46.3% in 2013. License agreements won in 2014 will increase annual maintenance income by around EUR 8.5m once implemented.

SimCorp entered 2015 with signed revenue for the full year of EUR 168.8m – an increase of EUR 11.8m compared to the beginning of 2014, and higher than ever before.

SimCorp saw strong top-line growth in one of the designated growth markets in 2014, France, while some of the more mature markets also enjoyed relatively high growth, taking SimCorp's position in these mature markets into consideration.

Total revenue (Market)

EURm	**2014**	**2013**	**Change %**
Central Europe	70.6	68.5	3.1
Nordic	56.1	53.9	4.6
North America	35.5	38.0	-6.6
Western Europe	36.9	27.5	34.2
UK	19.7	21.3	-7.5
Asia	16.9	15.9	6.3
Coric	5.4		-
Total	**241.1**	**225.1**	**7.1**

Costs

SimCorp's total **operating expenses** (including amortization and depreciation) increased by 7.7% to EUR 184.0m in 2014 compared to EUR 170.9m in 2013. Of this increase, SimCorp Coric accounted for EUR 6.7m or 3.9%-points. The total costs were marginally reduced by currency fluctuations of EUR 0.8m.

In 2014, 74.0% of SimCorp's total costs were directly **related to employees** compared to 73.4% in 2013. The cost increase in 2014 was driven by an 8.6% increase in the average number of full-time employees from 1,093 to 1,187, of which 35 FTE´s can be attributed to SimCorp Coric, and a general salary increase of 2.5%. The number of employees was 1,224 at the end of 2014, representing an increase of 61 compared to 2013 of which 43 can be attributed to SimCorp Coric.

Salary costs for implementation consultants are included in **costs of sales** and account for a significant part of the total cost of sales. As a result of the increased activity level in 2013, which continued throughout 2014, total cost of sales increased by 10.4% to EUR 89.3m.

R&D costs increased by 2.4% from EUR 49.5m to EUR 50.8m. The increase was mainly driven by the general salary increase of 2.5%. Management maintains focus on the ongoing improvement of efficiency and effectiveness within the R&D division.

The Group's **sales and marketing** capacity was at the level of last year reflecting an unchanged level of activity. Focus on increasing awareness particularly in North America has been maintained throughout the year. For the more established markets, focus in 2014 has been on ongoing marketing efforts to safeguard SimCorp's market leading position.

SimCorp's total **sales and distribution costs** increased by 1.8% from EUR 27.0m to EUR 27.5m in 2014.

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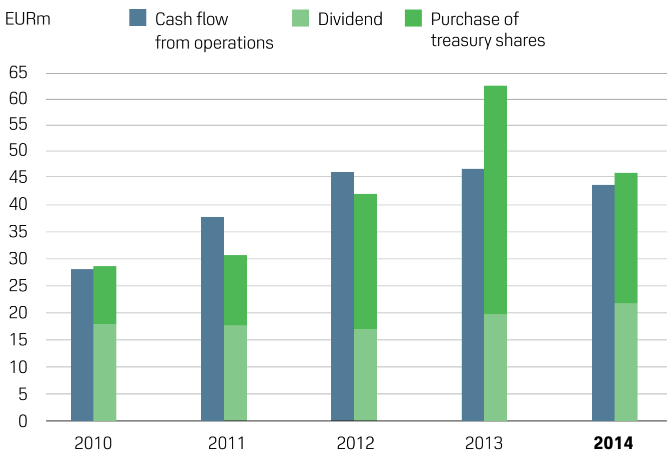
Cash flow from operations/cash flow to shareholders



Administrative expenses increased by 21.5% or EUR 2.9m to EUR 16.4m. The increase is mainly due to redundancy costs of EUR 1m, the inclusion of the salary part from the cost of the SimCorp Coric acquisition, and other non-recurring transaction costs totaling EUR 1.2m.

Group performance

SimCorp generated EBIT of EUR 57.3m in 2014 compared to EUR 54.3m in 2013, an increase of EUR 3.0m. This was the result of an increased focus on efficiency gains and increased revenue from both new and additional licenses and professional services. The EBIT margin was negatively impacted by 1%-point by the inclusion of SimCorp Coric and fell from 24.1% in 2013 to 23.8% in 2014. The negative EBIT margin impact of the SimCorp Coric acquisition is of a non-recurring character. Exchange rate fluctuations for the year had a negative net impact of 0.3%-points on the EBIT margin.

Cash holdings and foreign exchange adjustments generated financial income of EUR 1.8m. Financial expenses, primarily relating to foreign exchange adjustments, amounted to EUR 1.6m.

Continuing operations thus generated a before tax profit for the year of EUR 57.5m against EUR 54.0m in 2013.

The tax charge for 2014 amounted to EUR 15.9m against EUR 14.7m in 2013. The effective tax rate was 27.7% compared to 27.2% in 2013.

The Group profit after tax for the year was thus EUR 41.6m against EUR 39.3m in 2013. After EUR 1.0m of foreign currency translation differences and other items, total comprehensive income for the year amounted to EUR 42.5m against EUR 37.8m in 2013.

Balance sheet

SimCorp had total assets of EUR 127.8m at 31 December 2014 compared to total assets of EUR 117.5m at 31 December 2013. Cash holdings amounted to EUR 38.0m, or EUR 9.1m less than at the year-earlier date. Total receivables stood at EUR 58.0m at 31 December 2014 against EUR 49.3m at 31 December 2013. SimCorp has not recorded any provisions for bad debts in either 2014 or 2013.

The Group's non-current assets were EUR 9.5m higher compared to 2013 to stand at EUR 25.5m at 31 December 2014. Goodwill was EUR 4.3m at 31 December 2014, which was an increase of EUR 3.5m from last year. The carrying amount of acquired software increased from EUR 0.4m to EUR 3.9m and the value of customer contracts was EUR 3.4m at the end of 2014 against a carrying value of nil at the same time in 2013. Deferred tax assets increased by EUR 0.8m to EUR 7.0m. Property, plant, and equipment amounted to EUR 4.6m against EUR 4.8m in 2013.

Changes in equity

The Group's equity increased during the year from EUR 71.6m to EUR 73.4m. Comprehensive income amounted to EUR 42.5m against EUR 37.8m last year. The net effect from the sale of employee shares and share-based payments related to stock options was EUR 5.9m, compared to EUR 10.9m in 2013, and increased equity by EUR 5.9m. Dividend payments of EUR 22.1m against EUR 20.1m last year and purchases of treasury shares of EUR 24.5m against EUR 42.9m in 2013 reduced equity by EUR 46.6m in 2014 compared to EUR 63.0m in 2013.

Cash flow statement

Operating activities generated a net cash inflow of EUR 44.4m against EUR 47.5m last year and there was a net cash outflow of EUR 8.9m from investing activities compared to EUR 2.8m in 2013 reflecting the investment made on the acquisition of SimCorp Coric in March 2014. SimCorp thus generated a net cash inflow from operations and investments of EUR 35.5m against EUR 44.6m in 2013.

Investment activities in improved technological infrastructure comprised purchases of computing and communication equipment of EUR 2.4. Another EUR 6.9m was paid as part of the cost of SimCorp Coric.

SimCorp purchased 968,910 treasury shares with a nominal value of DKK 1 in 2014 at an average price of DKK 187,88 per share of DKK 1. SimCorp delivered 101,326 treasury shares with a nominal value of DKK 1 on the exercise of employee stock options and the vesting of restricted stock units. Further, 5,835 treasury shares were delivered as remuneration to the Board of Directors in accordance with a resolution adopted by shareholders at the annual general meeting 2014.

At 31 December 2014 SimCorp held 1,002,252 treasury shares with a nominal value of DKK 1 each (2,4% of the total share capital) at a cost of EUR 25.3m and a market value of EUR 21.9m. At 31 December 2013, SimCorp held 2,147,241 treasury shares with a nominal value of DKK 1 each equivalent to 4.9% of total share capital, with a purchase cost of EUR 47.4m and a market value of EUR 61.4m.

The parent company SimCorp A/S

In 2014, the parent company generated revenue of EUR 100.5m, an increase of EUR 7.5m compared to 2013. The parent company received dividends totaling EUR 30.0m from subsidiaries in 2014 compared to EUR 25.7m in 2013. Profit after tax for the year was EUR 46.2m against EUR 37.5m in 2013. Equity increased by EUR 5.7m to EUR 62.7, including share capital of EUR 5.6m, retained earnings of EUR 32.5m, and a proposed dividend of EUR 24.6m.

Profit allocation
The Board of Directors intends to recommend to shareholders at the annual general meeting that, of the total recognized comprehensive income of EUR 46.4m, dividends of EUR 24.6m be declared, representing DKK 4.50 per share of DKK 1, and that EUR 21.7m be transferred to retained earnings.

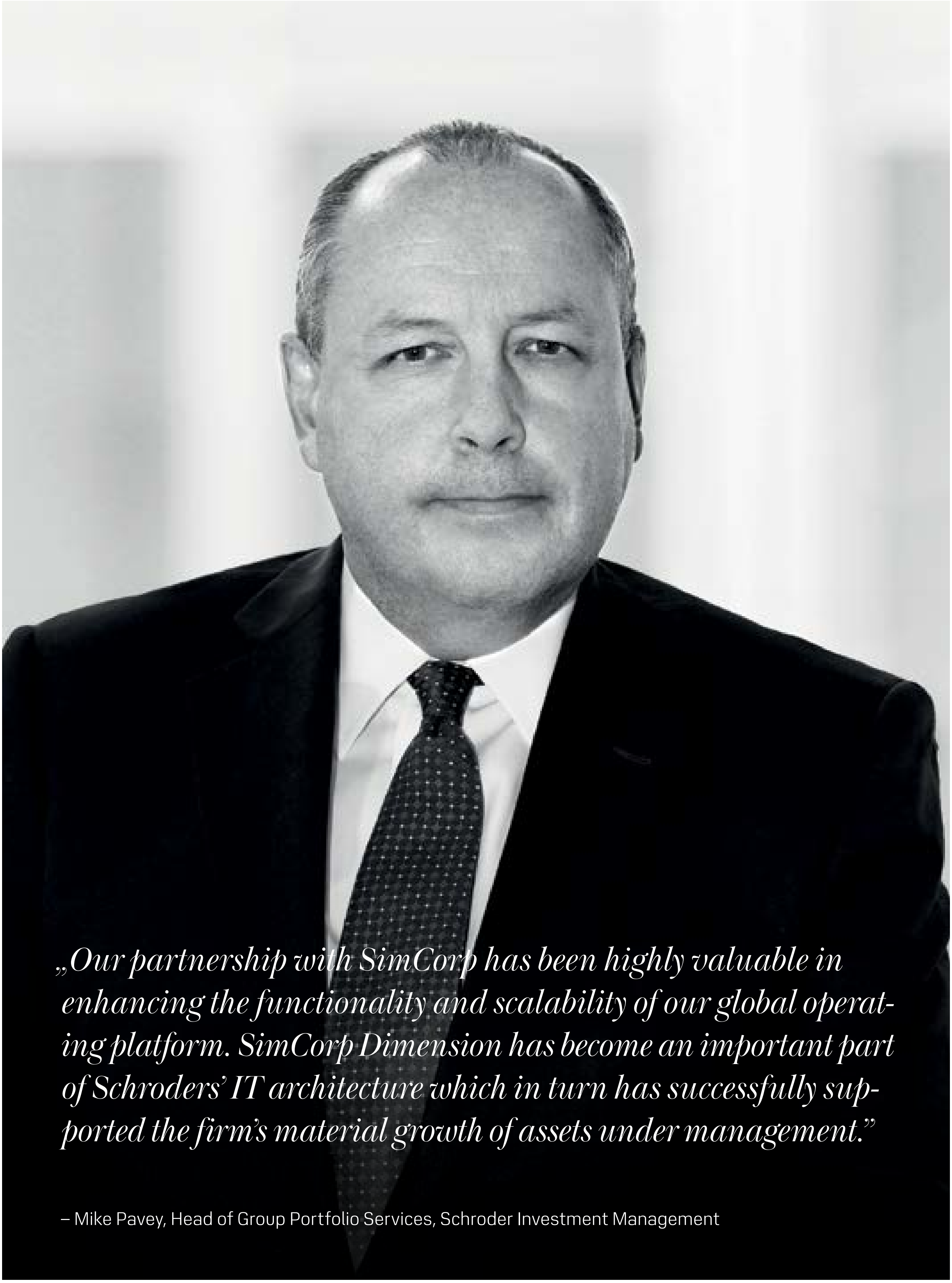
Q4 performance

Q4 2014 turned out to be a 'better-than-expected' quarter with revenue of EUR 76.9m – EUR 9.4m higher than Q4 2013 and the highest quarterly revenue in SimCorp's history, while EBIT of EUR 28.4m, an increase of EUR 5.9m, also represents the best quarter ever for SimCorp.

In particular, revenue from additional licenses was strong in Q4 2014 with a total revenue of EUR 21.7m up 43% compared with last year. Revenue from new licenses also increased significantly in Q4 2014 to EUR 4.3m – an increase of EUR 2.1m compared to Q4 2013. Professional services was slightly lower in Q4 2014 at EUR 21.5m compared to EUR 22.7m in Q4 2013. Maintenance increased as expected by 5% from EUR 27m in Q4 2013 to EUR 28.3m in Q4 2014.

Q4 profit and loss

EURm	Q4 2014	Q4 2013	Change
License revenue	4.3	2.1	104%
Extra sales	21.7	15.2	43%
Professional services	21.5	22.7	-5%
Maintenance	28.3	27.0	5%
Other	1.1	0.5	120%
Total revenues	76.9	67.5	14%
Total costs	48.5	45.0	8%
EBIT	28.4	22.5	26%



„Our partnership with SimCorp has been highly valuable in enhancing the functionality and scalability of our global operating platform. SimCorp Dimension has become an important part of Schroders' IT architecture which in turn has successfully supported the firm's material growth of assets under management."

– Mike Pavey, Head of Group Portfolio Services, Schroder Investment Management

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Market unit review

Most units experienced high activity levels, which resulted in eight new SimCorp Dimension clients in 2014 and a satisfactory pipeline for 2015.

Jamie Corrigan
Executive Vice President, SimCorp North America
Present position since 2014

North America

North America decreased total revenue by 8.3% in 2014. The negative development is the result of not signing new clients. Professional services fell by 6.5%, which is acceptable taking into consideration that no new clients were signed in 2014. Maintenance income grew by 14.7%. The value of the total installed license base increased by USD 2m to USD 79m at the end of 2014.

USDm	2014	2013	Change
Total revenue	46.6	50.5	-8%
– License fees	9.1	12.5	-27%
– Professional services	25.7	27.7	-7%
– Maintenance income	11.7	10.2	15%
– Training activities etc	0.1	0.2	-44%
New wins	0	2	
Market share	4%	4%	Unchanged
SimCorp clients	20	20	Unchanged
Number of employees	101	106	-5%

Peter Hill
Senior Vice President, SimCorp Ltd.
Present position since 2014

UK

UK delivered a weak performance in 2014 compared to the year prior. Total license revenue fell by 51.7% compared to 2013. Professional services grew modestly by 4.7% – which in light of the reduced license fee revenue constitutes a satisfactory performance. The total installed license base grew by GBP 2m to GBP 39m at the end of 2014.

GBPm	2014	2013	Change
Total revenue	14.1	17.1	-15%
– License fees	2.9	6.0	-52%
– Professional services	4.5	4.3	4%
– Maintenance income	6.9	6.6	5%
– Training activities etc	0.3	0.2	66%
New wins	1	2	
Market share	13%	13%	Unchanged
SimCorp clients	20	20	Unchanged
Number of employees	54	53	2%

Arnt Eilertsen
Senior Vice President, SimCorp Nordic
Present position since 2001

Nordic

Nordic – SimCorp's most mature market – grew by 4.3% in 2014, primarily driven by additional software licenses sold to existing customers and a continued strong demand for professional services with existing clients. The installed license base grew by DKK 29m to DKK 1.052m at the end of 2014.

DKKm	2014	2013	Change
Total revenue	418.3	400.9	4%
– License fees	63.3	59.2	7%
– Professional services	141.9	134.8	5%
– Maintenance income	211.5	205.6	3%
– Training activities etc	1.6	1.3	23%
New wins	0	1	
Market share	67%	70%	-3%
SimCorp clients	47	48	-2%
Number of employees	89	87	2%

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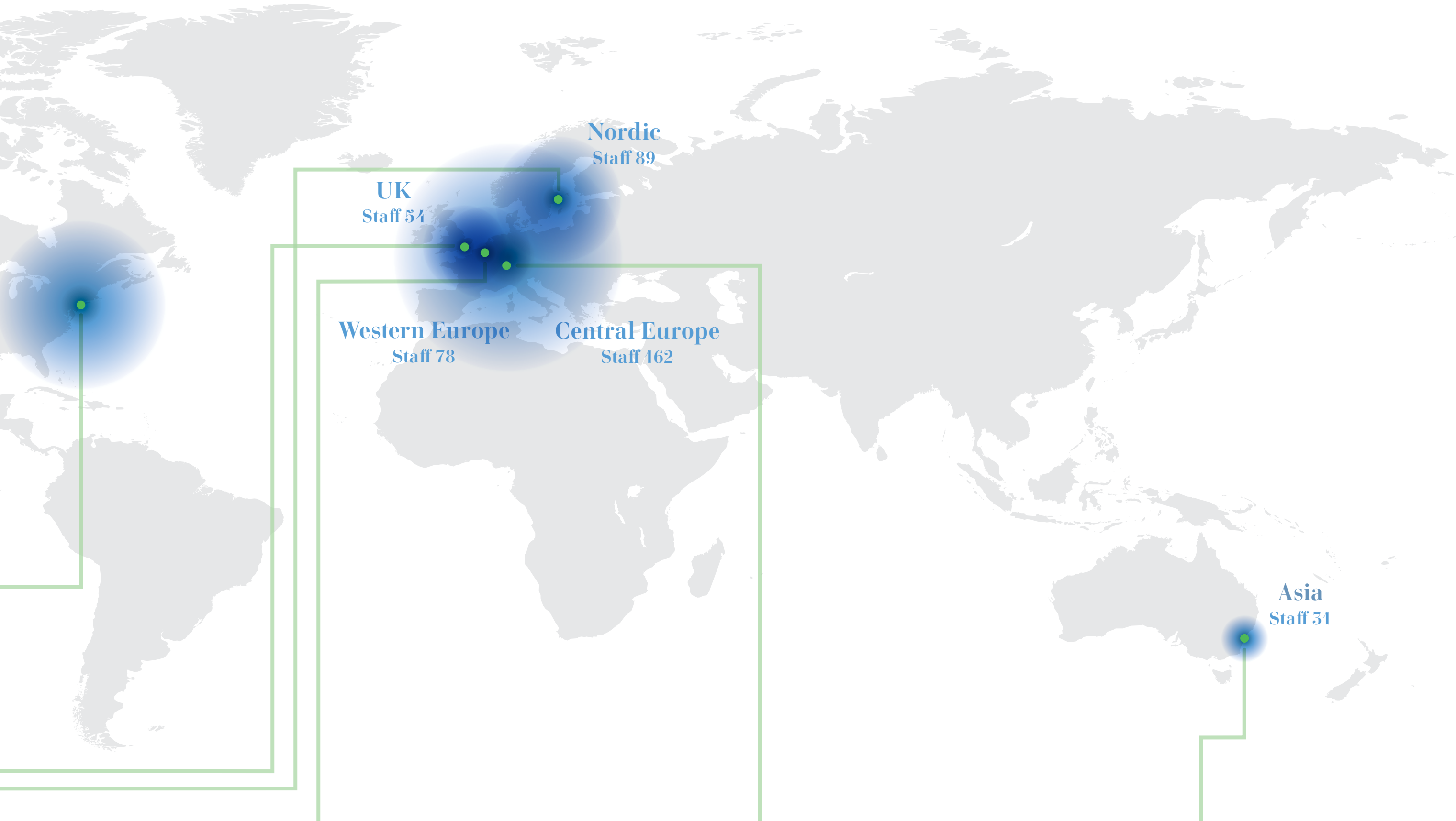



Hans Otto Engkilde **Emanuell Colson**
Senior Vice Presidents, SimCorp Western Europe
Present positions since 2013

Ralf Schmücker
Senior Vice President, SimCorp Central Europe
Present position since 2012

Nick Quin
Senior Vice President, SimCorp Asia
Present position since 2014

Western Europe

Performance in Western Europe was strong in 2014 with total revenue growing 34.2%. One new client was signed in the French market, while the Dutch and the Luxembourg market also both signed one new client each. Sales to existing clients was strong in 2014 lifting total license revenue almost three times. Professional service revenue mirrored the increased activity in license sales and grew by 21.1%. Maintenance income fell 5% compared to 2013 as a result of a client cancel-lation in 2013 (EUR 0.8m). The total installed license base grew by EUR 14m to EUR 90m at the end of 2014.

EURm	2014	2013	Change
Total revenue	36.9	27.6	34%
– License fees	12.0	4.1	191%
– Professional services	10.0	9.0	21%
– Maintenance income	13.3	14.0	-5%
– Training activities etc	0.7	0.4	75%
New wins	4	1	
Market share	13%	11%	18%
SimCorp clients	22	18	22%
Number of employees	78	65	20%

Central Europe

Central Europe increased its total revenue by 3.1% and the total value of the installed license base increased by EUR 16m to EUR215m. License fee revenue was un-changed as was revenue from professional services. Maintenance income continued to grow as a result of clients going live and taking functionality into use.

EURm	2014	2013	Change
Total revenue	70.6	68.5	3%
– License fees	12.3	12.3	0%
– Professional services	18.8	18.9	-0.5%
– Maintenance income	37.8	36.0	5%
– Training activities etc	1.7	1.3	31%
New wins	3	1	
Market share	25%	24%	4%
SimCorp clients	50	48	4%
Number of employees	162	148	9%

Asia

In Asia total revenue increased by 13.7% mainly as a result of a weak comparison year in 2013. No new clients were signed in 2014. Professional services grew 6.5% and maintenance revenue grew by 15% as a result of clients going live in 2014. The total value of the installed license base increased by AUD 5m to AUD 72m at the end of 2014.

AUDm	2014	2013	Change
Total revenue	24.9	21.9	14%
– License fees	2.2	1.7	33%
– Professional services	6.6	6.2	6%
– Maintenance income	16.1	14.0	15%
– Training activities etc	0.0	0.0	
New wins	0	0	
Market share	11%	11%	Unchanged
SimCorp clients	12	12	Unchanged
Number of employees	31	34	-9%

Corporate Governance

SimCorp's Board of Directors has reviewed and discussed each of the recommendations for corporate governance issued by NASDAQ OMX Copenhagen A/S and has concluded that with a few exceptions SimCorp is in full compliance with the recommendations.

SimCorp's corporate governance guidelines provide the overall direction for SimCorp's Board of Directors and executive management team in their definition of working procedures and principles. The guidelines are intended to ensure an efficient and adequate management of SimCorp within the framework defined by applicable legislation, rules, and recommendations for listed companies in Denmark and by SimCorp's articles of association, mission, corporate vision, and values.

In a limited number of areas, SimCorp has decided not to comply with the Corporate Governance recommendations issued by NASDAQ OMX Copenhagen A/S. In these cases SimCorp considers that the limited size and/or complexity of its business do not warrant full compliance with the recommendations. Consequently, SimCorp is not in full compliance on the matters of separate nomination and remuneration committees.

On the subject of nomination, the Chairman, the Vice Chairman, and the CEO are asked by the Board of Directors to identify new, potential Board members. The Board of Directors discusses and decides collectively who are to be nominated by the Board of Directors for election by the shareholders in Annual General Meeting.

SimCorp's Corporate Governance guidelines and the statutory corporate governance statement pursuant to section 107 b of the Danish Financial statements Act for the financial year 2014 are available on the company's website at www.simcorp.com/corpgov2014uk

SimCorp's remuneration policy, which is available on the company's website, lays out a clear description of SimCorp's remuneration principles and procedures and as such, SimCorp has decided that a remuneration committee is not required in SimCorp as this would add unneccessary cost and complexity to the current operating model.

SimCorp's stakeholder relationships

SimCorp's management objective is, in all respects, to promote the long-term interests of the company, and thus of all stakeholders. The objective of creating long-term value assumes, among other things, that SimCorp establishes lasting and constructive relationships with the Group's primary stakeholders: shareholders, clients, employees, and suppliers.

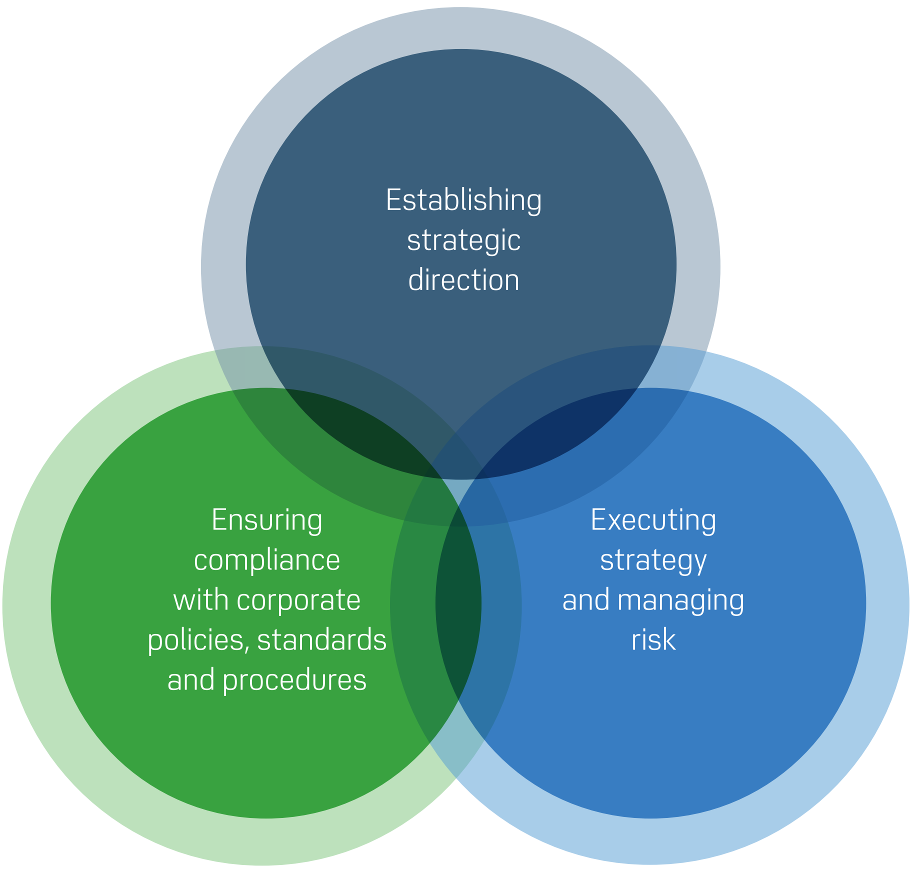
The work of the Board of Directors and the Executive Management Board

The Board of Directors is a collective body for promoting the long-term interests of the company in all respects. The Board of Directors is responsible for ensuring that the overall strategic management and the financial and managerial control of the Group are conducted adequately in all respects. Thus, the Board of Directors acts as a sparring partner to the Executive Management Board in relation to strategic initiatives and monitors the Group's financial condition, risk management, and business activities on an ongoing basis.

Composition and qualifications of the Board of Directors
The Board of Directors is constituted so as to ensure its independence of any special interests. Thus, the Board of Directors consists of a number of members sufficient to enable an appropriate distribution of tasks among them, as well as to ensure an effective and rapid decision-making process.

As provided in the company's articles of association, SimCorp's Board of Directors consists of between three and six members elected by the company's shareholders in addition to members elected by and among the company's employees. The Board currently consists of five members elected by

SimCorp Corporate Governance



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the shareholders and two members elected by the employees. Independent members of SimCorp's Board of Directors are elected for one year at a time and employee-elected members for three years. In terms of gender diversity in the Board of Directors, the company has set a target to have at least one female director elected by the general meeting to the Board of Directors.

Self Assesment

Annually the Board of Directors carries out a self-assesment. In 2014 the self-assessment process took place in December and comprises an evaluation of the work and contribution of the Executive Management Board and the Board of Directors within the areas of strategy, finance, risk management, sales, organization and management and operations. Based on the self-assesment it was concluded that the Board's collective work is efficient and that the competences described in the ideal profile are represented by the aggregate competences of the Board of Directors.

Risk management

The Board of Directors has the overall responsibility for ensuring that SimCorp maintains appropriate procedures to monitor, measure, and manage the company's risks and that such procedures are firmly embedded in the company's organization. A general description of risks is provided in the section 'Risk management' on page 20. As part of its risk management, the Executive Management Board and the Board have defined a risk statement outlining the most critical risks to SimCorp and the proposed mitigation actions. Further, the company has established a whistleblower body, authorized by the Danish Data Protection Agency, which, in addition to usual control functions, is intended to provide access to reporting on suspected irregularities in the business.

Corporate Social Responsibility

Corporate Social Responsibility in SimCorp is firmly based on the Group's core values and SimCorp's 'Corporate Governance Guidelines' as adopted by SimCorp's Board of Directors. SimCorp's commitment to sustainable development of the company is based on combining financial performance with socially responsible behavior and environmental awareness. SimCorp does not have an explicit, separate CSR policy, but aims to maintain and enhance its professional and commercial relations with internal and external stakeholders based on mutual respect. The company's approach to Corporate Social Responsibility is described in more detail in the document entitled Corporate Social Responsibility posted on the company's website.

Diversity

On the subject of diversity, SimCorp's approach is described in SimCorp's Diversity Policy, which is included in SimCorp's Corporate Governance guidelines and the Diversity Activity Plan, both available on the company's website.

In 2014 SimCorp's total management team took part in a diversity workshop, reviewing diversity and inclusion in the SimCorp workplace. In addition, focus groups were held in all units to further discuss the topic. Based on the feedback from these sessions, SimCorp's Human Resource Department has defined a number of areas to work with in the future.

The statutory corporate social responsibility statement pursuant to section 99 a of the Danish Financial Statements Act for the financial year 2014 is available on the company's website at www.simcorp.com/csr2014uk

SimCorps Diversity Activity Plan is available on the company's website at www.simcorp.com/diversity2014

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Board of Directors

31 December

Raymond John
Business address: SimCorp A/S, Weidekampsgade 16, 2300 Copenhagen S, Denmark

Personal and educational background
Born 1965, US citizen, B.S. Industrial Engineering, MSc. (Applied Economics and Finance)

Directorships
Employee-elected member of SimCorp A/S' Board of Directors since 2009.

Independence
Documentation Consultant in SimCorp A/S.
Is not regarded as independent due to employment with SimCorp A/S.

Simon Jeffreys
Business address: Wellcome Trust, 215 Euston Road, London NW1 2BE, United Kingdom

Personal and educational background
Born 1952, British citizen, B.Com (Hons) from University of Cape Town, CA(SA), FCA, CPA.

Directorships
Member of SimCorp A/S' Board of Directors since 2011. Chairman of the Audit Committee of SimCorp A/S since 2013. Director and Chairman of the Audit Committee of the Board of Directors of Henderson International Income Trust. Member of the Board of Directors of Aon Limited, Wellcome Trust Finance plc. and St. James's Place plc.

Independence
Chief Operating Officer of the Wellcome Trust.
Is regarded as independent.

Peter Schütze
Business address: Skovshovedvej 27B, 2920 Charlottenlund, Denmark

Personal and educational background
Born 1948, Danish citizen, MSc (Econ.)

Directorships
Vice Chairman of SimCorp A/S' Board of Directors since 2012. Chairman of the Board of Directors of DSB SOV and Copenhagen Business School. Vice chairman of the Board of Directors of Nordea-fonden. Member of the Board of Directors of Bestyrelsesforeningen, Gösta Enboms Fond and Dronning Margrethe den II's Arkæologiske Fond. Member of the Industrial Board of Axcel and member of The Systemic Risk Council. Chairman of the investment committee of the Danish Climate Investment Fund.

Independence
Is regarded as independent.

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Jacob Goltermann
Business address: SimCorp A/S, Weidekampsgade 16, 2300 Copenhagen S, Denmark

Personal and educational background
Born 1970, Danish citizen, MSc (Math. and Econ.).

Directorships
Employee-elected member of SimCorp A/S' Board of Directors since 2007.

Independence
Chief Business Consultant in SimCorp A/S. Is not regarded as independent due to employment with SimCorp A/S.

Patrice McDonald
Business address: 24, The Crescent, London SW13 0NN

Personal and educational background
Born 1969, Irish citizen, B.Com (Hons) from University College, Cork, MBA from Harvard Business School

Directorships
Member of SimCorp A/S' Board of Directors since 2014.

Independence
Adviser to Ernst & Young on risk and regulation Is regarded as independent.

Jesper Brandgaard
Business address: Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark

Personal and educational background
Born 1963, Danish citizen, MSc (Econ. and Audit.) and MBA from Copenhagen Business School.

Directorships
Chairman of SimCorp A/S' Board of Directors since 2008 and Vice Chairman from 2007 to 2008. Also Chairman of the Board of Directors of NNIT A/S.

Independence
Executive Vice President and CFO of Novo Nordisk A/S. Is regarded as independent.

Hervé Couturier
Business address: AMADEUS S.A.S, 485 Route du Pin Montard, 06902 Sophia Antipolis Cedex, France

Personal and educational background
Born 1958, French citizen, MSc (Industrial Engineering) from École Centrale de Paris.

Directorships
Member of SimCorp A/S' Board of Directors since 2008.

Independence
Executive Vice President in Amadeus S.A.S.
Is regarded as independent

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Group Management Committee

31 december

Jens Olivarius
Born 1969
Senior Vice President, Group Marketing & Communications
Present position held since 2014

Elise Hauge
Born 1967
Senior Vice President, Group Human Resources
Present position held since 2014

James Corrigan
Born 1976
Managing Director, SimCorp North America
Present position held since 2014

Klaus Holse
Born 1961
Chief Executive Officer
Present position held since 2012
Member of SimCorp A/S' Executive Management Board
Chairman of the Board of Directors of EG A/S
Member of the supervisory Board of Industriens Arbejdsgivere i København and The Scandinavian Golf Club

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Thomas Johansen
Born 1970
Chief Financial Officer
Present position held since 2011
Member of SimCorp A/S' Executive Management Board

Henrik Schlægel
Born 1958
Executive Vice President, SimCorp Global Services
Present position held since 2013

Jochen Müller
Born 1966
Executive Vice President, SimCorp EMEA
Present position held since 2012

Georg Hetrodt
Born 1966
Chief Technology Officer
Present position held 2009
Member of SimCorp A/S' Executive Management Board
Chairman of the Board of Directors of Dyalog Ltd.

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Shareholder information

In 2014 liquidity as measured by average daily trading volume was up by 24% to EUR 1.7m and the average daily number of trades increased by 15% to 374. SimCorp's share price decreased by 24%

The SimCorp share

The share price at 31 December 2014 was DKK 162.50 per share, equal to a market capitalization of EUR 0.9bn (DKK 6.7bn). The share price decreased by 24% in 2014. By comparison, the NASDAQ OMX Copenhagen A/S blue chip index (OMXC20 CAP) rose by 18%, while the index for medium-sized companies (OMXC Mid Cap), of which the SimCorp share is a component, rose by 5%.

Relative to 2013, the average daily turnover of SimCorp shares on NASDAQ OMX Copenhagen A/S rose by 24% to EUR 1.7m and the average number of trades per day increased by 15% to 374.

Share Capital

SimCorp's nominal share capital is DKK 41,500,000 divided into 41,500,000 shares of DKK 1 following a capital reduction of DKK 2,000,000, 13 June 2014.

Shareholder structure

At 31 December 2014, SimCorp had around 6,800 registered shareholders representing more than 91% of the company's share capital, a decrease of approximately 400 registered shareholders during the year.

Approximately 54% of the share capital was held or managed by the 25 largest shareholders and more than 57% of the registered share capital was held by shareholders based outside Denmark, unchanged from 31 December 2013.

At 31 December 2014, around 6% of the company's share capital was held by the company's management and by approximately 600 employees. Furthermore, SimCorp estimates that Danish and foreign institutional investors held some 65% of the company's shares, a slight decrease from approximately 66% at year-end 2013.

Around 26% of SimCorp shares were managed by investors who are also clients of SimCorp. The company held 2.4% of the shares as treasury shares at year-end 2014.

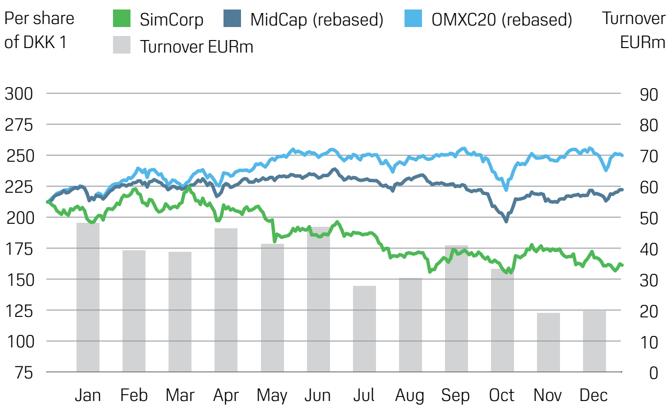
In accordance with section 55 of the Danish Companies Act, the following investors have reported holding more than 5% of SimCorp's share capital:

- The Danish Labor Market Supplementary Pension Fund (ATP), Denmark, 5.56%
- Allianz Global Investors Funds, Luxembourg, 5.20%
- Ameriprise Financial Inc. group, USA, 5.77% of which the subsidiary Columbia Wanger Asset Management LLC holds 5.02%.

Share-based incentive schemes

In accordance with the remuneration policy, approved by the shareholders at the annual general meeting on 1 April 2014, the Board of Directors approved a share based incentive program based on restricted stock units. The fair value of the

Share price development and trading activity, 2014



Share Data

Stock exchange:	NASDAQ OMX Copenhagen
Index:	OMXC MidCap
Sector:	Technology
ISIN code:	DK0060495240
Short code:	SIM
Share capital	DKK 41,500,000
Nominal size	DKK 1
Number of shares	41,500,000
Negotiable papers	Yes
Restriction in voting rights	No

restricted stock units amounted to EUR 2.4m at the time of allotment and a total of 83,325 restricted stock units of DKK 1 have been granted, including 24,456 restricted stock units of DKK 1 to the Executive Management Board. In February 9,170 restricted stock units were granted in connection with the appointment of a Senior Vice President in SimCorp Ltd., in March 8,341 restricted stock units were granted to management and key employees in Equipos Ltd. (now Sim-Corp Coric). In September 9,493 restricted stock units were granted in connection with the appointment of a new Senior Vice President in SimCorp North America. The restricted stock units will vest after three years, subject to continuing employment, and an additional 15,000 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 2015-2017. If the two latter conditions are only partially met, the number of shares transferred after three years will be reduced, potentially to zero.

In addition, 144,718 restricted stock units of DKK 1 relating to the corporate bonus program for 2013 were granted in 2014 and distributed among employees in the Group, including 6,179 restricted stock units to the Executive Management Board and 1,084 restricted stock units to employee-elected members of the Board of Directors. The 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 vesting conditions.

The share-based incentive program based on restricted stock units will continue in 2015 and comprises restricted stock units with a market value of approximately EUR 2.6m on the date of grant. Treasury shares will be acquired to cover the program obligations. SimCorp's share based incentive schemes are further detailed in note 6 to the financial statements. In accordance with SimCorp's remuneration policy, which is available on the company's website, members of the Board of Directors will in 2015 continue to receive SimCorp shares with a total value equal to one third of their total remuneration.

It is the assessment of the Board of Directors that these remuneration principles ensure an appropriate alignment of the interests of the Board of Directors with SimCorp's shareholders in general.

Management shares/restricted stock units

As at 31 December 2014, the seven members of the company's Board of Directors held a total of 126,079 SimCorp shares and 1,084 restricted stock units. The three members of the Group's Executive Management Board held a total of 186,300 SimCorp shares and 189,123 restricted stock units.

Additional information on the holdings of SimCorp shares and restricted stock units by members of the Board of Directors, the Executive Management Board, and other related parties is disclosed in note 28 to the financial statements.

Annual general meeting

The annual general meeting of SimCorp A/S will be held on: Monday, 23 March 2015, at 15:00 at SimCorp's headquarters, Weidekampsgade 16, Copenhagen, Denmark.

To ensure continuity in the composition of the Board of

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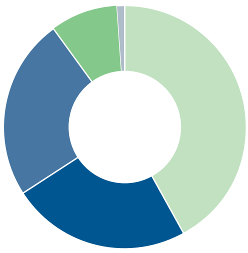
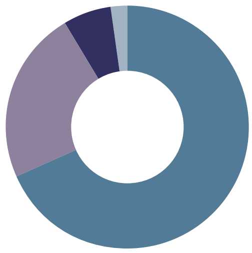
Shareholder structure by geography



Denmark	42%
North America	24%
UK	24%
Europe	9%
Rest of the world	1%

at 31 December 2014

Shareholder structure by category



Institutional investors	65%
Private investors	27%
Employees and management	6%
Treasury Shares	2%

at 31 December 2014

Directors, the five members elected by the shareholders who are currently serving on the Board of Directors will stand for re-election at SimCorp's annual general meeting. Brief biographies of the current members of the Board of Directors are found on pages 38–39.

The Board of Directors intends to propose that the total remuneration to the Board of Directors for the financial year 2015 remains unchanged from 2014. The remuneration comprises cash of EUR 0.34m (DKK 2.5m), representing two thirds of the total remuneration, and SimCorp shares with a market value of around EUR 0.17m (DKK 1.25m), representing one third of the remuneration, totalling EUR 0.50m (DKK 3.75m). See 'Remuneration of Board of Directors, Executive Management and Employees' on the company's website.

The Board of Directors further intends to propose that the shareholders authorize the company to acquire treasury shares of up to 10% of the company's share capital. See section 198 of the Danish Companies Act.

The agenda for the annual general meeting including proposed resolutions will be published on Friday, 27 February 2015, on which date the notice convening the meeting will be sent by email to all registered shareholders.

Dividends and share buyback

Maintaining a composition of assets that does not raise questions about the company's financial stability is vital to SimCorp's continued international expansion. Management believes this objective will be achieved when the cash holdings and committed credit lines exceed 10% of the projected costs for the coming year. On this assumption, the company intends to pay dividends of at least 50% of the profit on ordinary activities after tax. Additionally, cash will be used to buy treasury shares provided the company does not anticipate specific cash requirements. The purchase of treasury shares will be executed in terms of safe harbour programs.

The Board of Directors has considered SimCorp's cash position and liquidity forecast, and on the basis thereof, the Board of Directors intends to recommend to the shareholders at the annual general meeting that dividends of EUR 24.6m, equal to DKK 4.50 per share of DKK 1, be distributed for the financial year 2014, corresponding to a payout ratio of 59%. In order to be eligible for dividends, shares must be registered on or before 23 March 2015. The ex-dividend date is 24 March 2015.

Dividends for the financial year 2014 are expected to be paid on 26 March 2015. Based on the current business outlook and the cash position, SimCorp will continue with its share buyback program during 2015 for an expected EUR 20m and will initiate a new "Safe Harbour" program and acquire treasury shares for an amount of EUR 10m before the release of the half-year report 2015.

Investor relations

SimCorp pursues an open dialogue with investors and analysts about the company's business and financial performance. In order to ensure that all SimCorp's stakeholders have equal access to corporate information, news is released to NASDAQ OMX Copenhagen A/S, the media, and on SimCorp's website, where users can also subscribe to SimCorp's news service. SimCorp's Investor Relations team handles all contact with investors and the press on issues relating to the company's shares.

Please contact: Thomas Johansen, Chief Financial Officer, Telephone: +45 35 44 88 00, investor@simcorp.com, www.simcorp.com

Announcements to NASDAQ OMX Copenhagen in 2014, can be found at www.simcorp.com/investors

Financial calendar 2015

23	Mar	2015	Annual General Meeting
26	Mar	2015	Expected date for payout of dividend
8	May	2015	Publication of interim financial report Q1 2015
18	Aug	2015	Publication of interim financial report H1 2015
6	Nov	2015	Publication of interim financial report for the first nine months of 2015

Statements and signatures

Statement by the Board of Directors and the Executive Management Board

The Board of Directors and the Executive Management Board have today considered and approved the annual report for 2014 of SimCorp A/S.

The annual report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies. In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position as of 31 December 2014 and of the results of the parent company's and the Group's operations and cash flows for the financial year 1 January to 31 December 2014.

In our opinion the Management report gives a true and fair view of developments in the activities and financial position of the Group and the parent company, the results for the year and the financial position of the Group and the parent company, as well as a description of the significant risk and uncertainty factors that may affect the Group and the parent company.

We recommend that the annual report be adopted by the shareholders at the annual general meeting.

Copenhagen, 16 February 2015

Executive Management Board

Klaus Holse
Chief Executive Officer

Georg Hetrodt
Chief Technology Officer

Thomas Johansen
Chief Financial Officer

Board of Directors

Jesper Brandgaard
Chairman

Peter Schütze
Vice chairman

Hervé Couturier

Simon Jeffreys

Patrice McDonald

Jacob Goltermann
Employee-elected

Raymond John
Employee-elected

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Independent Auditors' Report

To the Shareholders of SimCorp A/S

Report on Consolidated Financial Statements and Parent Company Financial Statements

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of SimCorp A/S for the financial year 1 January to 31 December 2014, pp 48-95, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies, for the Group as well as for the Parent Company. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements
Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements and the Parent Company Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements and the Parent Company Financial Statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2014 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2014 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on Management's Review
We have read Management's Review, pp 1-45, in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Consolidated Financial Statements and the Parent Company Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Consolidated Financial Statements and the Parent Company Financial Statements.

Copenhagen, 16 February 2015

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Fin T. Nielsen
State Authorized Public Accountant

Mikkel Sthyr
State Authorized Public Accountant

Financial statements

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DISCLAIMER
The forward-looking statements regarding the Group's future financial situation involve factors of uncertainty and risk, which could cause actual developments to deviate from the expectations indicated. Such forward-looking statements are not guarantee of future performance. They involve risk and uncertainty, and the actual performance may deviate materially from that expressed in such forward-looking statements due to a variety of factors. The principal factors of uncertainty and risk are dealt with in further detail under the heading "risk management" on page 20 and in note 29, "Financial instruments and risk" in this annual report. Readers are warned not to rely unduly on the forward-looking statements. 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 revenue recognized 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 in under no duty and undertakes no obligation to update or revise forward-looking statements after the distribution of this document, whether as a result of new information, future events or otherwise.

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Income statement and statement of comprehensive income

PARENT COMPANY 2013	PARENT COMPANY 2014	Note		GROUP 2013	GROUP 2014
EUR '000	EUR '000	Note		EUR '000	EUR '000
			INCOME STATEMENT		
92,983	100,533	2, 3, 4	Revenue	225,129	241,069
27,774	28,862	5, 6, 7	Cost of sales	80,883	89,327
65,209	71,671		**Gross profit**	144,246	151,742
18,403	21,457		Other operating income	52	176
45,407	44,267	5, 6, 7	Research and development costs	49,548	50,803
7,586	8,205	5, 6, 7	Sales and distribution costs	26,980	27,453
14,467	17,329	5, 6, 7, 8	Administrative expenses	13,534	16,399
16,152	23,327		**Profit from operations (EBIT)**	54,236	57,263
-	-	9	Share of profit after tax in associates	-111	50
27,798	30,841	10	Financial income	2,375	1,819
2,151	1,257	11	Financial expenses	2,494	1,616
41,799	52,911		**Profit before tax**	54,006	57,516
4,258	6,731	12	Tax on the profit for the year	14,670	15,933
37,541	46,180		**Profit for the year**	39,336	41,583
			Earnings per share		
		13	Basic earnings per share of DKK 1 - EPS (EUR)	0.93	1.02
		13	Diluted earnings per share of DKK 1 - EPS-D (EUR)	0.92	1.00

PARENT COMPANY 2013	PARENT COMPANY 2014	Note		GROUP 2013	GROUP 2014
EUR '000	EUR '000	Note		EUR '000	EUR '000
			STATEMENT OF COMPREHENSIVE INCOME		
37,541	46,180		**Profit for the year**	39,336	41,583
			Other comprehensive income		
			Items that will not be reclassified subsequently to the income statement:		
–	–		Actuarial gain/loss on defined benefit pension plans	-487	-520
–	–		Tax	127	139
			Items that will be reclassified subsequently to the income statement, when specific conditions are met:		
-18	192		Foreign currency translation differences for foreign operations	-1,212	1,339
-18	192		Other comprehensive income after tax	-1,572	958
37,523	46,372		**Total comprehensive income**	37,764	42,541
			Proposed distribution		
22,174	24,648		Dividend		
15,349	21,724		Transferred to retained earnings		
37,523	46,372				

Cash flow statement

PARENT COMPANY 2013	2014	Note		GROUP 2013	2014
EUR '000	EUR '000	Note		EUR '000	EUR '000
37,541	46,180		Profit for the year	39,336	41,583
-16,067	-16,997	32	Adjustments	20,789	23,165
5,380	-6,083		Changes in working capital	1,186	-4,912
26,854	23,100		**Cash from operating activities before financial items**	61,311	59,836
1,003	265		Financial income received	973	187
-524	-599		Financial expenses paid	-449	-615
-2,404	-5,350	12	Income tax paid	-14,388	-15,018
24,929	17,416		**Net cash from operating activities**	47,447	44,390
0	-6,943	16	Purchase of subsidiaries	-	-6,943
-2,032	-1,769		Share capital to subsidiaries	-	-
2,391	0	15	Repayment of loan, subsidiaries	-	-
-422	0	15	Loan, associates	-422	0
0	422	15	Repayment of loan, associates	0	422
-76	-377	14	Purchase of intangible fixed assets	-76	-377
-2,020	-1,589	14	Purchase of property, plant and equipment	-2,331	-2,054
0	9	14	Proceeds from sale of property, plant and equipment	0	34
-15	-45	17	Purchase of financial assets	-64	-63
4	0	17	Proceeds from sale of financial assets	30	53
20	20	10	Dividends from associates	20	20
25,709	30,016	10	Dividends from subsidiaries	-	-
23,559	19,744		**Net cash from/used in investment activities**	-2,843	-8,908
48,488	37,160		**Net cash from operating and investment activities**	44,604	35,482
498	0		Sale of employee shares	498	0
6,580	62		Exercise of options	6,580	62
-20,078	-22,131		Dividends paid	-20,078	-22,131
-42,850	-24,455	20	Purchase of treasury shares	-42,850	-24,455
-55,850	-46,524		**Net cash used in financing activities**	-55,850	-46,524
-7,362	-9,364		**Change in cash and cash equivalents**	-11,246	-11,042
			Total cash flows for the year		
43,556	36,193		Cash and cash equivalents at 1 January	58,897	47,106
0	0		Cash and cash equivalents acquired	0	1,885
-1	-81		Foreign exchange adjustment of cash and cash equivalents	-545	46
36,193	26,748		**Cash and cash equivalents at 31 December**	47,106	37,995

The Group has credit facilities with banks for EUR 10.0m (2013: EUR 10.0m).

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Balance sheet 31 December

PARENT COMPANY				GROUP	
2013	**2014**			**2013**	**2014**
EUR '000	EUR '000	Note		EUR '000	EUR '000
			ASSETS		
			Non-current assets		
		14	**Intangible assets**		
0	0		Goodwill	792	4,331
312	374		Software	386	3,920
0	0		Customer contracts	0	3,426
312	374		**Total intangible assets**	1,178	11,677
		14	**Property, plant and equipment**		
1,642	1,213		Leasehold improvements	2,224	1,721
2,254	2,444		Technical equipment	2,431	2,722
18	6		Other equipment, fixtures and fittings	184	192
3,914	3,663		**Total property, plant and equipment**	4,839	4,635
			Other non-current assets		
26,492	36,950	15	Investments in subsidiaries	-	-
855	24	15	Investments in associates	1,221	338
1,778	1,560	17	Deposits	2,111	1,873
2,139	1,970	18	Deferred tax	6,219	6,984
31,264	40,504		**Total other non-current assets**	9,551	9,195
35,490	44,541		**Total non-current assets**	15,568	25,507
			Current assets		
16,610	22,360	19	Receivables	49,336	57,994
422	0	15	Receivables from associates	422	0
0	0	24	Income tax receivable	1,223	1,667
2,089	2,070		Prepayments	3,814	4,644
36,193	26,748		Cash and cash equivalents	47,106	37,995
55,314	51,178		**Total current assets**	101,901	102,300
90,804	95,719		**Total assets**	117,469	127,807

PARENT COMPANY				GROUP	
2013	**2014**			**2013**	**2014**
EUR '000	EUR '000	Note		EUR '000	EUR '000
			LIABILITIES AND EQUITY		
			Equity		
5,844	5,575		Share capital	5,844	5,575
0	0		Exchange adjustment reserve	-2,394	-1,055
29,020	32,456		Retained earnings	45,942	44,208
22,174	24,652		Proposed dividend	22,174	24,652
57,038	62,683		**Total equity**	71,566	73,380
			Liabilities		
			Non-current liabilities		
0	0	18	Deferred tax	213	513
1,218	1,219	21, 22	Provisions	3,177	4,179
0	832		Other debt	0	1,480
1,218	2,051		**Total non-current liabilities**	3,390	6,172
			Current liabilities		
152	176		Prepayments from clients	5,490	9,084
30,990	29,692	23	Trade payables and other payables	33,498	35,539
647	984	24	Income tax	2,640	3,424
14	133	21	Provisions	140	208
745	0		Employee bonds	745	0
32,548	30,985		**Total current liabilities**	42,513	48,255
33,766	33,036		**Total liabilities**	45,903	54,427
90,804	95,719		**Total liabilities and equity**	117,469	127,807

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Statement of changes in equity

PARENT COMPANY

EUR '000

	Note	Share capital	Retained earnings	Proposed dividends for the year	Total
Equity at 1 January 2013	20	6,045	45,567	19,965	71,577
Comprehensive income for the year*					
Total comprehensive income for the year		0	37,523	0	37,523
Transactions with owners					
Cancellation of treasury shares		-201	201	0	0
Dividends paid to shareholders		0	-108	-19,965	-20,073
Share-based payment, employee shares		0	1,244	0	1,244
Share-based payment, options and shares		0	8,918	0	8,918
Tax, share-based payment		0	699	0	699
Purchase of treasury shares		0	-42,850	0	-42,850
Proposed dividends to shareholders		0	-22,174	22,174	0
Equity at 31 December 2013		5,844	29,020	22,174	57,038
Equity at 1 January 2014		5,844	29,020	22,174	57,038
Comprehensive income for the year*					
Total comprehensive income for the year		0	46,372	0	46,372
Transactions with owners					
Cancellation of treasury shares		-269	269	0	0
Dividends paid to shareholders		0	43	-22,174	-22,131
Share-based payment and shares		0	4,986	0	4,986
Tax, share-based payment		0	873	0	873
Purchase of treasury shares		0	-24,455	0	-24,455
Proposed dividends to shareholders		0	-24,652	24,652	0
Equity at 31 December 2014		5,575	32,456	24,652	62,683

* Please refer to Statement of comprehensive income on page 50.

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GROUP

EUR '000

	Note	Share capital	Exchange adjustment reserve	Retained earnings	Proposed dividends for the year	Total
Equity at 1 January 2013	20	6,045	-1,182	61,036	19,965	85,864
Comprehensive income for the year*						
Total comprehensive income for the year		0	-1,212	38,976	0	37,764
Transactions with owners						
Cancellation of treasury shares		-201	0	201	0	0
Dividends paid to shareholders		0	0	-108	-19,965	-20,073
Share-based payment, employee shares		0	0	1,244	0	1,244
Share-based payment, options and shares		0	0	8,918	0	8,918
Tax, share-based payment		0	0	699	0	699
Purchase of treasury shares		0	0	-42,850	0	-42,850
Proposed dividends to shareholders		0	0	-22,174	22,174	0
Equity at 31 December 2013		5,844	-2,394	45,942	22,174	71,566
Equity at 1 January 2014		5,844	-2,394	45,942	22,174	71,566
Comprehensive income for the year*						
Total comprehensive income for the year		0	1,339	41,202	0	42,541
Transactions with owners						
Cancellation of treasury shares		-269	0	269	0	0
Dividends paid to shareholders		0	0	43	-22,174	-22,131
Share-based payment, options and shares		0	0	4,986	0	4,986
Tax, share-based payment		0	0	873	0	873
Purchase of treasury shares		0	0	-24,455	0	-24,455
Proposed dividends to shareholders		0	0	-24,652	24,652	0
Equity at 31 December 2014		5,575	-1,055	44,208	24,652	73,380

* Please refer to Statement of comprehensive income on page 50.

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BASIS OF PREPARATION

Changes to the structure of the financial statements have been implemented in 2014 with the aim of ensuring a more comprehensible report and enhance the reader's experience. The notes have been divided into sections based on the order and item where they appear in the statements. In addition, the notes to the financial statements have been redesigned to facilitate interpretation. Finally, the Group's accounting policies that relate to the financial statements as a whole are set out in Note 1. Accounting policies which relate to a specific note or section have been included at the beginning of each section or note following definitions and policies relevant to each note.

Note

1 **ACCOUNTING POLICIES, ESTIMATES AND ASSESSMENTS**

ACCOUNTING POLICIES

General

SimCorp A/S is a public limited company based in Denmark. The annual report for the period 1 January to 31 December 2014 includes the consolidate financial statements of SimCorp A/S and its subsidiary undertakings (the Group) as well as the financial statements of the parent company.

Statement of compliance

The annual report of the parent company SimCorp A/S and the Group is presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for the annual reports of listed companies.

On 16 February 2015 the Board of Directors and the Executive Management Board considered and approved the annual report for 2014 of SimCorp A/S. The annual report will be presented to the shareholders for approval at the annual general meeting to be held on 23 March 2015.

Reporting currency

The financial statements are presented in EUR which is the reporting currency of the activities of the Group, rounded to the nearest EUR 1,000. The EUR is the reporting currency because most of the Group's transactions are in this currency.

Functional currency

The functional currency of the parent company SimCorp A/S is DKK.

Basis of measurement

The annual report has been prepared in accordance with the historical cost convention, except where IFRS explicitly requires use of other values.

The accounting policies, except as described below, have been applied consistently during the financial year and for the comparative figures. For standards implemented prospectively, the comparative figures are not restated.

New financial reporting standards

The Annual Report for 2014 is presented in conformity with the new and revised IFRS/IAS standards and new IFRIC interpretations approved by the EU, which apply to financial years beginning on 1 January 2014 or later.

In addition, a number of new accounting standards and interpretations have been implemented which do not have monetary effect on the parent company and the SimCorp Group's result, assets, liabilities or equity.

Basis of consolidation

The consolidated financial statements comprise the parent company SimCorp A/S and subsidiaries. Subsidiaries are entities controlled by the parent. Control is established when SimCorp A/S is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Companies in which the Group holds between 20% and 50% of the voting rights and/or otherwise exercises a significant, but not a controlling influence are considered associates.

The consolidated financial statements have been prepared by including the financial statements of the parent company and the subsidiaries, which have all been prepared in accordance with the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, balances, dividends and realized and unrealized gains and losses on intra-group transactions are eliminated.

Unrealized gains and losses on transactions with associates are eliminated in proportion to the Group's shares in the associates. .

Foreign currency translation

For each of the reporting entities in the Group, a functional currency is determined. The functional currency is the currency in the primary economic environment in which the individual reporting entity operates. Transactions in currencies other than the functional currency are denominated in foreign currencies.

On initial recognition, transactions denominated in foreign currencies are translated into the functional currency at the exchange rates effective at the transaction dates. The average rate of exchange for the month is used to approximate the transaction dates' exchange rates. Exchange differences arising between the exchange rates at the transaction dates and the exchange rates at the dates of actual payments are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rates effective at the balance sheet date. The differences between the exchange rates effective at the balance sheet date and the exchange rates effective at the dates when the receivables or payables arose, or the exchange rate applied in the most recent annual report, are recognized in the income statement under financial income or financial expenses.

Foreign exchange adjustments of intra-group accounts between SimCorp A/S and subsidiaries that are considered as part of the net investment in the subsidiaries concerned are recognized in the consolidated financial statements in other comprehensive income in a separate exchange adjustment under equity. Corresponding foreign exchange adjustments are recognized in the income statement in SimCorp A/S' financial statements.

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On consolidation of foreign subsidiaries and associates with functional currencies differing from SimCorp A/S' reporting currency, the income statements are translated at the exchange rates effective at the transaction dates, and the balance sheets are translated at the exchange rates effective at the balance sheet date. The average exchange rate for each individual month is used as the transaction date's exchange rate. Exchange differences arising on the translation of foreign subsidiaries' opening equity at the exchange rates effective at the prior balance sheet date, and on the translation of the income statements from the exchange rates effective at the transaction dates to the exchange rates effective at the balance sheet date, are taken directly to other comprehensive income in a separate exchange adjustment under equity.

Settlement of intra-group balances considered part of the net investment are not per se considered a partial divestment of a subsidiary.

Statement of comprehensive income
Other comprehensive income consists of income and costs not included in the income statement, including exchange rate adjustments arising from the translation of consolidated companies' financial statements into reporting currency, and actuarial gains or losses on defined benefit plans.

Cash flow statement
The cash flow statement shows the parent company's and the Group's cash flows divided into operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from investing activities comprise receipts and payments in connection with acquisitions and disposals of companies and operations, intangible assets and property, plant and equipment as well as other non-current assets and liabilities.

Cash flows from financing activities comprise changes in share capital and related costs, purchase or sale of treasury shares and distributions of dividends to shareholders.

Cash and cash equivalents comprise cash and bank deposits.

Accounting estimates and judgment
In applying the Group's accounting policies, in addition to estimations, management makes other judgments that may impact the amounts recognized in the annual accounts.

Such judgments include, the timing of income recognition, impairment review, whether leases should be treated as operating or finance leases, if deferred tax assets and liabilities should be recognized as well as provisions.

Estimation uncertainty
The calculation of carrying amounts of certain assets and liabilities requires an estimate of how future events will affect the value of such assets and liabilities on the balance sheet date. Estimates of significance to the financial statements are made in relation to expensing or capitalizing development costs, recognition of, inter alia, revenue, sales value of contracts in progress relating to professional services and deferred tax.

The estimates and judgments applied are based on assumptions which management believes to be reasonable, but which are inherently uncertain and unpredictable. Such assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. In addition, the company is subject to risks and uncertainties encountered in the ordinary course of business that may cause actual results to deviate from the estimates.

The notes to the financial statements contain information about the assumptions and the uncertainty of estimates at the balance sheet date involving the risk of changes that could lead to adjustments to the carrying amounts of assets or liabilities within the upcoming financial year.

For the SimCorp Group, the measurement of intangible assets, including goodwill, could be affected by significant changes in judgment and assumptions underlying their calculation. See note 14 for a more detailed description of impairment tests for intangible assets.

In addition to goodwill, the most significant assets acquired include customer contracts and software. As active markets for the majority of acquired assets and liabilities do not exist, management has made estimates of their fair values. Fair values were estimated as the present value of future cash flows calculated based on churn rates or other expected cash flows related to each asset. Estimates of fair value are associated with uncertainty and may be subsequently adjusted.

The fair value of customer contracts acquired in business combinations is based on an evaluation of the conditions relating to the acquired customer contract portfolio and related customer relationships. Measurement is based on a discounted cash flow model based on key assumptions about the related churn rates and profitability at the time of acquisition. In addition, management estimates Weighted Average Cost of Capital and a risk premium for the assumed risk inherent in customer contracts. See note 16 for additional information on purchase price allocation.

Risk factors specific to the SimCorp Group are described in the management report on page 22 and in the financial instruments and risks (note 29).

Group financial highlights
Financial highlights and key ratios are defined and calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2010". Earnings per share (EPS) and diluted earnings per share (EPS-D) are measured according to IAS 33.

RATIO DEFINITIONS

Financial ratios

EBIT margin (%)	Operating profit / Revenue x 100
ROIC (return on invested capital) (%)	Operating profit / Average operating assets x 100
Debtor turnover ratio	Revenue / Receivables at year-end
Equity ratio (%)	Equity at year-end / Total assets at year-end x 100
Return on equity (ROE) (%)	Profit for the year / Average equity x 100

Share performance

Basic earnings per share (EPS)	Profit for the year / Average number of shares
Diluted earnings per share (EPS-D)	Profit for the year / Average number of diluted shares
Cash flow per share (CFPS)	Cash flow from operating activities / Average number of diluted shares
Book value per share (BVPS)	Equity at year-end / Average number of shares
Dividend per share (DPS)	Dividends paid / Number of shares at year-end
Dividend payout ratio (%)	Dividends paid / Profit for the year x 100
Total payout ratio (%)	Dividends paid plus value of share buybacks / Profit for the year x 100

Market value ratios

Price / Book value per share (P/BV)	Price / Book Value (BVPS)
Price / Diluted price earnings (P/E Diluted)	Price / EPS Diluted shares
Price / Cash flow (P/CF)	Price / Cash flow (CFPS)

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INCOME STATEMENT

Notes to the income statement provide specifications to the Group's and parent company's profit for the year. Specifications include disclosures on revenue, segment information, cost of sales, share based remuneration, board of directors and executive management remuneration, result in investments, tax and other expenses.

Accounting policies that do not relate exclusively to a specific income statement note are set out below. Accounting policies which relate to a particular note to the income statement have been included with each individual note.

Accounting Policy

Cost of sales comprises costs incurred to achieve the year's revenue, including costs of delivering and implementing systems, training courses and support. Cost of sales primarily comprises salaries, share-based payments, other staff-related costs, depreciation and amortization, and indirect costs, such as rent and technological infrastructure.

Research and development costs comprise salaries, share-based payments, other staff-related costs, depreciation and amortization, and other costs directly or indirectly attributable to the Group's research and development activities.

Research and development costs are expensed in the year in which they are incurred when they do not qualify for capitalization, for capitalization criteria see note 14.

Sales and distribution costs primarily comprise salaries, share-based payments and other sales staff-related costs, travel and meeting expenses, marketing expenses, depreciation and amortization, and indirect costs such as rent and technological infrastructure.

Administrative expenses comprise salaries, share-based payments and other staff costs and expenses related to management, administrative staff, office costs, depreciation, amortization and indirect costs such as rent and technological infrastructure.

Other operating income comprises income of a secondary nature relative to the activities of the Group, including gains on the sale of intangible assets and property, plant and equipment, and for the parent company, invoicing to subsidiaries of costs incurred.

Note

2 REVENUE BY TYPE OF SERVICE

Accounting policy

Revenue from sales of standard software licenses is recognized at the time of delivery provided the delivery of standard software does not depend on acceptance of its functionality. If there is a requirement for customer acceptance of functionality, the license revenue is recognized at the time of acceptance.

The total contract sum is allocated to the separate components of those standard software contracts which comprise several components. The individual allocations are recognized according to the principles herein described.

License revenue under fixed term license agreements and revenue from subscription agreements are recognized on a straight-line basis over the terms of the related agreements.

Professional service fees sold on Time and Material are recognized as and when the work is performed.

Revenue from fixed fee professional services projects is determined by applying the percentage-of-completion method. The percentage-of-completion method requires estimation of total revenue and the stage of completion. The assumptions, estimates, and uncertainties inherent in determining the stage of completion affect the timing and amounts of revenue recognized. If there is no sufficient basis to measure the progress of completion, or to estimate the total contract revenue, revenue recognition is limited to the amount of contract costs incurred. The determination of whether a sufficient basis to measure the progress of completion exists is judgmental. Changes in estimates of progress towards completion and of contract revenue and contract costs are accounted for as cumulative catch-up adjustments to the reported revenue for the applicable contract.

Revenue from maintenance agreements is recognized on a straight-line basis over the contract period.

Other revenue, such as revenue from training courses and hosting activities, is recognized when the services have been delivered.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
6,098	7,906	Licenses - new sales	12,196	15,811
16,604	15,974	Licenses - additional sales	30,064	31,861
11,945	13,944	Professional services	76,335	79,800
58,160	62,504	Maintenance	104,297	110,431
176	205	Training activities etc,	2,237	3,166
92,983	100,533	**Total**	225,129	241,069

The SimCorp Group has no customers with revenue of more than 4% (2013: 4%) of total revenue.

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Note

3 SEGMENT ALLOCATION

The Group develops and sells standard software and related services. The operation is managed and organized in respectively a product division that is responsible for the development of the software, and in a sales organization. The sales organization is based on a geographical structure, in which the countries are grouped into six market units. The market units have been identified based on countries that share the same market conditions and cultures.

Accounting Policy

The accounting policies of the reported segments are the same as the Group's accounting policies described throughout the notes. Segment reporting shows revenue and operating profit together with total assets that can be directly related to the individual segments. Unallocated assets are headquarter assets, cash, taxes and investments in associates.

Segment reporting is prepared in accordance with the Group's internal management reporting structure for performance management and resource allocation. The segments reflect the geographical market unit structure for the sale of the SimCorp Dimension software and related services as well as the product division being responsible for the development and technical support of the SimCorp Dimension software. The SimCorp Coric segment relates to the development and sale of the SimCorp Coric software. Additionally the Group reports on corporate functions which include shared services regarding administration, marketing and internal systems, which are allocated based on an allocation key for the segments. Segment income and costs consist of transactions between the segments. Such transactions are made on market terms.

SEGMENT ALLOCATION
EUR '000

GROUP 2014	Nordic region	Central Europe	UK	Benelux and France	Asia	North America	Product division*	SimCorp Coric**	Corporate functions	Total	Elimination/ Unallocated	Group
Revenue	56,122	70,615	18,317	36,928	16,928	35,352	1,396	5,410	1	241,069	0	241,069
Revenue between segments	9,025	2,681	722	3,730	2,239	3,225	77,723	89	1,045	100,479	-100,479	0
Total segment revenue	65,147	73,296	19,039	40,658	19,167	38,577	79,119	5,499	1,046	341,548	-100,479	241,069
Segment profit from operations (EBIT)	16,255	16,973	438	5,957	2,788	-538	20,041	-820	-3,169	57,925	-662	57,263
Total assets	15,793	21,136	7,011	22,045	6,581	16,721	1,107	14,416	4,291	109,101	18,706	127,807
2013												
Revenue	53,749	68,506	20,166	27,457	15,931	38,011	1,108	-	201	225,129	0	225,129
Revenue between segments	8,156	4,820	2,493	3,663	1,535	2,455	72,384	-	333	95,839	-95,839	0
Total segment revenue	61,905	73,326	22,659	31,120	17,466	40,466	73,492	-	534	320,968	-95,839	225,129
Segment profit from operations (EBIT)	15,713	17,696	3,248	4,486	1,787	1,107	14,109	-	-3,910	54,236	0	54,236
Total assets	14,518	22,169	6,480	17,009	5,784	14,209	2,788	-	4,202	87,159	30,310	117,469

* Product Division includes all development costs for SimCorp Dimension. **From 1 March 2014 to 31 December 2014.

Unallocated profit from operations comprises the impairment of goodwill related to FIX.Net, for additional information refer to Note 14.

Refer note 33 for reconciliation to income statement.

Geographical segmentation is presented for revenue and non-current assets for the most important countries for the Group:

GEOGRAPHICAL ALLOCATION

GROUP	**2013**	**2013**	**2014**	**2014**
	EUR '000	Allocation	EUR '000	Allocation
Revenue allocation by country (significant)				
Germany	42,338	19%	44,230	18%
USA	18,494	8%	24,299	10%
Netherlands	16,619	7%	21,369	9%
Switzerland	19,140	9%	20,800	9%
Denmark	20,334	9%	20,746	9%
Norway	14,189	6%	17,439	7%
Canada	20,231	9%	14,049	6%
England	13,095	6%	12,624	5%
France	8,413	4%	12,003	5%
Sweden	12,194	5%	11,379	5%
Non-current assets allocation by country (significant)				
Denmark	4,226	55%	4,037	24%
England	2,531	33%	11,485	69%

Significant countries are defined as countries representing 4% or more of the Group's revenue.

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Note

4 FUTURE REVENUE, RENTAL OF SOFTWARE

Revenue from rental of software and subscription agreements are based on agreements giving customers the right to use the SimCorp Dimension standard software and/or the SimCorp Coric standard software over a limited period of time. The term of these agreements is typically between three and five years. Customers subsequently have an option to extend the rental or subscription period.

Accounting Policy

Rental revenue is recognized straight-line over the contract period.

PARENT COMPANY 2013	PARENT COMPANY 2014		GROUP 2013	GROUP 2014
EUR '000	EUR '000		EUR '000	EUR '000
		Rental of software		
716	628	Future revenue within 1 year	1,432	3,874
1,441	884	Future revenue within 2-5 years	2,881	6,142
0	0	Future revenue after 5 years	0	296
2,157	1,512	**Total rental of software**	4,313	10,312

Year 2014 includes subscriptions from SimCorp Coric.

Note

5 STAFF, BOARD AND EXECUTIVE MANAGEMENT REMUNERATION

Staff expenses cover salaries, share-based payments, sales commission, holiday pay, bonuses, pensions and social costs and other benefits for all employees.

The Board of Directors is a collective body for promoting the long-term interests of the company. The Board of Directors is assisted in realizing its goals by the Executive Management Board.

Accounting policy

Obligations related to contributions-based pension schemes are recognised in the income statement under staff costs in the period for which the related service is provided. The accounting treatment for defined benefit plans is described in note 22. The accounting policy for share-based remuneration is described in note 6.

PARENT COMPANY 2013	PARENT COMPANY 2014		GROUP 2013	GROUP 2014
EUR '000	EUR '000		EUR '000	EUR '000
		Staff costs		
50,135	51,608	Wages and salaries	105,011	114,011
0	0	Defined contribution pension plans	1,044	1,409
0	0	Defined benefit pension plans	613	613
3,039	3,535	Share-based payments	3,039	3,535
134	136	Social security costs	7,901	8,845
53,308	55,279	**Total staff cost**	117,608	128,413
460	463	**Average number of employees**	1,093	1,187

BOARD OF DIRECTORS
EUR '000
PARENT COMPANY

	Board fees		Fees for committee work		Travel allowance		Share-based payment		Total	
	2013	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**
Remuneration										
Jesper Brandgaard	67	84	-	-	3	3	45	34	115	121
Peter Schütze	40	50	-	-	3	3	27	20	70	73
Herve Couturier	27	34	-	-	9	9	18	13	54	56
Simon Jeffreys	27	34	13	16	13	15	27	20	80	85
Patrice McDonald	-	34	-	8	-	20	-	17	-	79
Jacob Goltermann	27	34	-	8	3	3	25	17	55	62
Raymond John	27	34	-	-	3	3	20	13	50	50
Total remuneration to members of the Board of Directors:	215	304	13	32	34	56	162	134	424	526

EXECUTIVE MANAGEMENT BOARD
EUR'000

PARENT COMPANY	Salary		Other benefits		Share-based payment		Performance-related bonus		Total	
	2013	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**
Remuneration										
Klaus Holse	550	605	44	38	481	555	201	154	1,276	1,352
Georg Hetrodt	323	349	19	19	187	117	118	89	647	574
Thomas Johansen	316	326	19	17	141	113	116	83	592	539
Total Remuneration to members of the Executive Management Board:	1,189	1,280	82	74	809	785	435	326	2,515	2,465

RESTRICTED STOCKS UNITS AWARDED TO MANAGEMENT
NUMBER OF SHARES

PARENT COMPANY	**2013** Shares	**2014** Shares
Total long-term program restricted stocks awarded to Executive Management Board	33,300	24,456
Corporate Bonus program restricted stocks awarded to parent company management:	-	
Board of Directors*		1,084
Executive Management Board	-	6,179
Total Corporate Bonus program restricted stocks awarded to parent company management	-	7,263
Employee shares acquired by parent company management:		
Board of Directors*	530	-
Executive Management Board	2,660	-
Total number of employee shares acquired by management	3,190	-
Total number of shares allotted to the Board of Directors**	5,810	5,835

* Restricted stocks units and employee shares acquired in capacity as employees of SimCorp A/S. Further details refer note 6.
** Allotted as part of the remuneration of the Board of Directors.

Board of Directors remuneration policy

Remuneration to the Board of Directors is composed of a cash element and a number of SimCorp shares. The value of the shares allotted was determined immediately prior to the annual general meeting at which the shareholders approved the remuneration, and it represents one third of the total remuneration. The remuneration is paid on a quarterly basis.

Executive Management Board remuneration policy for 2014

The aggregate remuneration of the Executive Management Board consists of a fixed salary and a bonus component subject to the financial results achieved in a given financial year, as well as eligibility for the share-based incentive program. The bonus component will generally make up about 45% of the fixed remuneration. The value of the long-term share-based incentive program, defined as the aggregate theoretical value at the time of grant, will represent up to around 55% of the fixed salary and the value of the corporate bonus restricted stock (2013: employee shares) will make up about 6% of the fixed salary. Each year, the Board of Directors determines the fixed remuneration and the size of the performance-related bonus for the Executive Management Board and the specific targets that will trigger a bonus.

Members of the Executive Management Board can terminate their service contracts giving six months' notice. The company can terminate the service contracts giving 12 months' notice. Termination on the part of the company triggers a severance pay of 6-9 months' salary subject to the term of employment. In case of very material changes to the company's ownership, the company's term of notice to members of the Executive Management Board is prolonged for a two-year period up to 24 months.

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Note

6 SHARE-BASED REMUNERATION

SimCorp's Board of Directors has adopted an overall policy for remuneration and incentive programs and the policy has been approved by shareholders at the annual general meeting. The overall objective being to promote awareness of profitable growth and the Group's long-term goals. The Board of Directors wishes the company to offer share-based remuneration. The Board of Directors also believes that it is a natural decision for a company like SimCorp to offer shares to its Board members as a minor part of their overall remuneration. Shares are granted to members of the Board of Directors subject to approval at the annual general meeting.

On 3 June 2013 the trade denomination of the SimCorp shares was changed from DKK 10 to DKK 1 per share. The tables below showing stock options, employee shares and restricted stock units have been adjusted to shares of DKK 1.

In the 2014 financial year EUR 3.7m (2013: EUR 3.0m) was charged to the income statement in respect of share-based remuneration.

Accounting Policy

For equity-settled stock options, the fair value is measured at the grant date and recognized in the income statement under staff expenses over the vesting period. The counter entry is recognized directly in equity.

On initial recognition of stock options, the number of options expected to vest is estimated. Subsequently, adjustment is made only for changes in the number of employees estimated to become entitled to options. Adjustments are recognized in the income statement under staff expenses.

For restricted stock units, fair value is measured at the grant dates and recognized in the income statement as staff expenses over the vesting period. The counter entry is recognized directly in equity.

On initial recognition of restricted stock units, the number of restricted stock units expected to vest is estimated. Subsequently, adjustment is made for changes in the number of employees estimated to become entitled to restricted stock units and the numbers of the restricted units are adjusted when performance conditions are only partly met and the adjustment is recognized in the income statement as staff expenses.

When the SimCorp Group's employees are given the opportunity to acquire or subscribe for shares at a price below the market price, the discount is recognized as an expense in staff expenses. The counter entry is recognized directly in equity. The discount is calculated at the acquisition date as the difference between fair value and the acquisition price of the shares acquired or subscribed.

STOCK OPTIONS

Stock options granted 2008

A total of 711,800 options of DKK 1 were granted to members of the Executive Management Board and key employees in April 2008 and an additional 8,000 options of DKK 1 were granted in July 2008 to an employee. When issued, the stock options had terms of between one and five years. The subscription price was fixed subject to the terms of the stock options at a minimum of 5, 10 or 15%, respectively, above the market price at the time of issue for options with minimum terms of 1, 2 and 3 years, respectively. 2013: EUR 12 thousand was reversed to the income statement in respect of this program in the 2014 financial year. This program was completed during 2013.

Stock options granted 2009

A total of 813,990 options at DKK 1 were granted to members of the Executive Management Board and the key employees in April 2009. When issued, the stock options had terms of between one and five years. The subscription price was fixed subject to the term of the stock options at a minimum of 5, 10 or 15%, respectively, above the market price at the time of issue for options with minimum terms of 1, 2 and 3 years, respectively. This program was fully charged in previous years. This program was completed during 2014 and no further stock options are outstanding.

STOCK OPTIONS

PARENT COMPANY		**1 January 2013**			**31 December 2013**			**31 December 2014**
Purchase price (DKK)	Exercise period	**Outstanding**	2013 Cancelled	2013 Exercised	**Outstanding**	Avg. remaining term	2014 Exercised	**Outstanding**
Other employees								
105.80	Aug.09-Aug.13	**55,240**	-1,000	-54,240	**0**	0		
110.80	Aug.10-Aug.13	**102,900**	-4,500	-98,400	**0**	0		
115.90	Aug.11-Aug.13	**206,500**	-16,500	-190,000	**0**	0		
57.40	Aug.10-Aug.14	**22,660**	0	-21,660	**1,000**	0.31	-1,000	**0**
60.10	Aug.11-Aug.14	**40,000**	0	-38,500	**1,500**	0.31	-1,500	**0**
62.90	Aug.12-Aug.14	**114,170**	0	-109,170	**5,000**	0.31	-5,000	**0**
Total Stock Options		**541,470**	-22,000	-511,970	**7,500**	0.31	-7,500	**0**

The average market price at the time of exercise was DKK 214.42 (2013: DKK 154.73) per share.

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RESTRICTED STOCK UNITS

Long-term incentive program

Restricted stock units are granted annually in April to members of the Executive Management Board and key employees as part of the long-term incentive program. These restricted stock units vest three years after being granted 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 three consecutive financial years including the year of grant. If the two last conditions are only partially satisfied, the undertaking with respect to the number of shares transferred after three years is reduced, and may possibly lapse completely.

In addition, restricted stock units with particular vesting conditions are occasionally granted to key personnel upon hiring as a part of a sign-on agreement, special performance incentives or similar incentives. When such particular vesting conditions apply they are specifically described below.

In April 2011, a total of 162,140 restricted stock units were granted to members of the Executive Management Board and key employees, and an additional 1,220 restricted stock units were granted in connection with the employment of a Senior Vice President in the second half of 2011. These restricted stock units vested in 2014. EUR 78 thousand (2013: EUR 330 thousand) was charged to the income statement in respect of this program in the 2014 financial year. In the 2014 financial year 101,326 shares were transferred to the Executive Management Board and key employees, who participated in the long-term incentive program in 2011 and have fulfilled the program's criteria. The number of shares was reduced by 21,3% compared to the maximum under the program.

In April 2012 a total of 154,710 restricted stock units were granted to members of the Executive Management Board and key employees. In September 2012 an additional 1,250 restricted stock units were granted in connection with the appointment of an Executive Vice President and a further 5,000 restricted stock units were granted to the CEO in January 2013. EUR 283 thousand (2013: EUR 448 thousand) was charged to the income statement in respect of this program in the 2014 financial year. The number of shares was reduced by 17.4% compared to the maximum under the program.

In addition, on 1 April 2012, 15,000 restricted stock units were granted to a senior employee in North America. Fifty percent of these restricted stock units vest after four years, and fifty percent after five years subject to continuing employment, and furthermore, the restricted stock units are subject to conditions with respect to the average annual EBIT result for the market unit for the financial years 2012-2014. The charges for this program has been reversed EUR -38 thousand (2013: EUR 7 thousand). All restricted stock units granted under this program have been cancelled.

In connection with Klaus Holse's appointment as CEO 107,220 restricted stock units were granted to him on 1 September 2012, as Klaus Holse has completed his personal investment of DKK 5m in SimCorp shares. Sixty percent of these restricted stock units vest after three years, further twenty percent after four years, and the remaining twenty percent after five years subject to continuing employment. EUR 388 thousand (2013: EUR 387 thousand) was charged to the income statement in respect of this program in the 2014 financial year.

In April 2013 a total of 117,950 restricted stock units were granted to members of the Executive Management Board and key employees, and additional 1,230 restricted stock units were granted in connection with the appointment of a Senior Vice President in July 2013. Furthermore 610 restricted stock units were granted to a newly appointed Senior Vice President in October 2013. EUR 477 thousand (2013: EUR 466 thousand) was charged to the income statement in respect of this program in the 2014 financial year including provisions related to staff redundancy. The number of shares is currently reduced by 27,6% compared to the maximum under the program.

In April 2014 a total of 83,325 restricted stock units were granted to members of the Executive Management Board and key employees. EUR 665 thousand was charged to the income statement in respect of this program in the 2014 financial year including provisions related to staff redundancy. The number of shares is currently reduced by 17,3% compared to the maximum under the program.

Additional 9,170 restricted stock units were granted in connection with the appointment of a senior management employee in the UK. These vest after three years, subject to continuing employment and are subject to conditions with respect to average annual revenue growth for the financial years 2014 to 2016. If the conditions are only partially satisfied, the number of shares transferred after three years will be reduced, and may possibly lapse completely. EUR 35 thousand was charged to the income statement in respect of this program in the 2014 financial year.

Furthermore, in connection with the acquisition of Equipos Ltd. (SimCorp Coric Ltd.) 8,431 restricted stock units have been granted to management and key employees of SimCorp Coric Ltd. These restricted stock units will vest after three years subject to continuing employment. At 31 December 2014 7,166 remained outstanding. EUR 50 thousand was charged to the income statement in respect of this program in the 2014 financial year.

Finally, in connection with the appointment of new head of North America the Company has granted 9.493 restricted stock units equivalent to EUR 200 thousand. These will vest after three years, subject to continuing employment as part of the sign-on agreement. Additionally the Company has granted 15,000 restricted stock units, which will vest end of February 2018, subject to continuing employment. Furthermore, these restricted stock units are subject to conditions with respect to annual revenue growth in North America for the financial years 2015 to 2017. If the conditions are only partially satisfied, the number of shares transferred after three years will be reduced, and may possibly lapse completely. EUR 48 thousand was charged to the income statement in respect of these programs in the 2014 financial year.

Corporate bonus program

As part of the annual corporate bonus program the employees have had the option to use or waive their corporate bonus and instead select to purchase employee shares (discontinued after 2012) with a discount of 60% or to receive restricted stock units with a discount of 67%. Based on the waived bonus amount the company grants restricted stock units to employees of the parent company and its foreign subsidiaries. The restricted stock units vest after 3 years subject to continuing employment.

Employee shares related to corporate bonus program 2012 granted in 2013

On 6 March 2013 the company sold 63,350 treasury shares to 279 employees of the parent company and its foreign subsidiaries as part of its corporate bonus program. The price was DKK 58.60 per share, corresponding to 40% of the average market price from 28 February to 4 March 2013. EUR 89 thousand was charged to the income statement in connection with the program in the 2013 financial year. The employee shares are held in restricted accounts until 15 March 2016. Employees cannot sell or otherwise dispose of the shares during the period in which they are subject to selling restrictions.

Restricted stock units granted related to corporate bonus programs 2011 to 2013

On 20 March 2012 the company granted 35,700 restricted stock units in connection with the 2011 corporate bonus program. EUR 59 thousand (2013: EUR 62 thousand) was charged to the income statement in respect of this program in the 2014 financial year.

On 6 March 2013 the company granted 14,350 restricted stock units as part of its 2012 corporate bonus program. EUR 42 thousand (2013:83 thousand) was charged to the income statement in respect of this program in the 2014 financial year.

On 1 April 2014 the company granted 144,718 restricted stock units in connection with the 2013 corporate bonus program. EUR 851 thousand was charged to the income statement in respect of this program in the 2014 financial year.

In March 2015 the company will grant restricted stock units as part of its corporate bonus program for 2014. EUR 631 thousand (2013: 905 thousand) was charged to the income statement in respect of this program in the 2014 financial year.

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RESTRICTED STOCK UNITS

2013

Type	Grant Year	Vesting period	FairValue EUR million**	**1 January Out-standing**	Granted 2013	Vested and transferred	Cancelled	Perfor-mance Adjustment	**31 December Outstanding**	Avg. remain-ing term
Board of Directors *										
Long-term incentive program	2010	Apr-13		**700**	0	-700	0	0	**0**	
Long-term incentive program	2011	Apr-14		**750**	0	0	0	-160	**590**	0.25
Executive Management Board										
Long-term incentive program	2010	Apr-13		**15,080**	0	-12,360	0	-2,720	**0**	
Long-term incentive program	2011	Apr-14		**30,060**	0	0	0	-6,403	**23,657**	0.25
Long-term incentive program	2012	Apr-15		**34,600**	0	0	0	0	**34,600**	1.25
Long-term incentive program	2013	Feb-16		**0**	33,300	0	0	0	**33,300**	2.17
Corporate Bonus 2011	2012	Mar-15		**7,380**	0	0	-4,570	-	**2,810**	1.25
CEO - Klaus Holse	2012	Sep-15/16/17		**107,220**	0	0	0	-	**107,220**	2.27
Other employees										
Long-term incentive program	2010	Apr-13		**87,740**	0	-83,550	-4,190	0	**0**	
Long-term incentive program	2011	Apr-14		**102,490**	0	0	-4,550	-20,861	**77,079**	0.25
Long-term incentive program	2012	Apr-15		**99,340**	0	0	-4,460	0	**94,880**	1.25
Long-term incentive program	2013	Feb-16		**0**	86,490	0	-2,900	0	**83,590**	2.17
Corporate Bonus 2011	2012	Mar-15		**28,320**	0	0	-310	-	**28,010**	1.25
Corporate Bonus 2012	2013	Mar-16		**0**	14,350	0	0	-	**14,350**	2.25
Senior Employee North America	2012	Apr-16/17		**15,000**	0	0	0	0	**15,000**	2.75
Total										
Long-term incentive program	2010	Apr-13	2.0	**100,800**	0	-96,610	-4,190	0	**0**	
Long-term incentive program	2011	Apr-14	1.9	**133,300**	0	0	-4,550	-27,424	**101,326**	0.25
Long-term incentive program	2012	Apr-15	2.1	**133,940**	0	0	-4,460	0	**129,480**	1.25
Long-term incentive program	2013	Feb-16	2.5	**0**	119,790	0	-2,900	0	**116,890**	2.17
Corporate Bonus 2011	2012	Mar-15	0.3	**35,700**	0	0	-4,880	-	**30,820**	1.25
Corporate Bonus 2012	2013	Mar-16	0.3	**0**	14,350	0	0	-	**14,350**	2.25
Senior Employee North America	2012	Apr-16/17	0.2	**15,000**	0	0	0	0	**15,000**	2.75
CEO - Klaus Holse	2012	Sep-15/16/17	1.4	**107,220**	0	0	0	-	**107,220**	2.27
Total Restricted Stock Units				**525,960**	134,140	-96,610	-20,980	-27,424	**515,086**	1.55

* Restricted stock units acquired in capacity as employees of SimCorp A/S

** At time of grant.

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RESTRICTED STOCK UNITS

2014

Type	Grant Year	Vesting period	Fair Value EUR million**	**1 January Out-standing**	Granted 2014	Vested and transferred	Cancelled	Performance Adjustment	**31 December Outstanding**	Avg, remain-ing term
Board of Directors *										
Long-term incentive program	2011	Apr-14		**590**	0	-590	0	0	**0**	
Corporate bonus 2013	2014	Mar-15/16/17		**0**	1,084	0	0	-	**1,084**	2.25
Executive Management Board										
Long-term incentive program	2011	Apr-14		**23,657**	0	-23,657	0	0	**0**	
Long-term incentive program	2012	Apr-15		**34,600**	0	0	0	-6,020	**28,580**	0.25
Long-term incentive program	2013	Feb-16		**33,300**	0	0	0	-9,191	**24,109**	1.17
Long-term incentive program	2014	Feb-17		**0**	24,456	0	0	-4,231	**20,225**	2.17
Corporate bonus 2011	2012	Mar-15		**2,810**	0	0	0	-	**2,810**	0.25
Corporate bonus 2013	2014	Mar-15/16/17		**0**	6,179	0	0	-	**6,179**	1.25
CEO - Klaus Holse	2012	Sep-15/16/17		**107,220**	0	0	0	-	**107,220**	1.35
Other employees										
Long-term incentive program	2011	Apr-14		**77,079**	0	-77,079	0	0	**0**	
Long-term incentive program	2012	Apr-15		**94,880**	0	0	-710	-16,386	**77,784**	0.25
Long-term incentive program	2013	Feb-16		**83,590**	0	0	-450	-22,947	**60,193**	1.17
Long-term incentive program	2014	Feb-17		**0**	58,869	0	-1,565	-9,914	**47,390**	2.17
Corporate bonus 2011	2012	Mar-15		**28,010**	0	0	0	-	**28,010**	0.25
Corporate bonus 2012	2013	Mar-16		**14,350**	0	0	0	-	**14,350**	1.25
Corporate bonus 2013	2014	Mar-15/16/17		**0**	137,455	0	-5,160	-	**132,295**	1.25
Senior Employee North America	2012	Apr-16/17		**15,000**	0	0	0	-15,000	**0**	0
Senior Employee United Kingdom	2014	Mar-17		**0**	9,170	0	0	0	**9,170**	2.25
Key Employees SimCorp Coric	2014	Mar-17		**0**	8,431	0	-1,265	-	**7,166**	2.25
Senior Empl. North America, sign on	2014	Sep-17		**0**	9,493	0	0	-	**9,493**	2.75
Senior Empl. North America	2014	Feb-18		**0**	15,000	0	0	0	**15,000**	3.17
Total										
Long-term incentive program	2011	Apr-14	1.9	**101,326**	0	-101,326	0	0	**0**	-
Long-term incentive program	2012	Apr-15	2.1	**129,480**	0	0	-710	-22,406	**106,364**	0.25
Long-term incentive program	2013	Feb-16	2.5	**116,890**	0	0	-450	-32,137	**84,303**	1.17
Long-term incentive program	2014	Feb-17	2.4	**0**	83,325	0	-1,565	-14,144	**67,616**	2.17
Corporate bonus 2011	2012	Mar-15	0.3	**30,820**	0	0	0	-	**30,820**	0.25
Corporate bonus 2012	2013	Mar-16	0.3	**14,350**	0	0	0	-	**14,350**	1.25
Corporate bonus 2013	2014	Mar-15/16/17	4.2	**0**	144,718	0	-5,160	-	**139,558**	1.25
Senior Employee North America	2012	Apr-16/17	0.2	**15,000**	0	0	0	-15,000	**0**	0
CEO - Klaus Holse	2012	Sep-15/16/17	1.4	**107,220**	0	0	0	-	**107,220**	1.35
Senior Employee United Kingdom	2014	Mar-17	0.3	**0**	9,170	0	0	0	**9,170**	2.25
Key Employees SimCorp Coric	2014	Mar-17	0.2	**0**	8,431	0	-1,265	-	**7,166**	2.25
Senior Empl. North America, sign on	2014	Sep-17	0.2	**0**	9,493	0	0	-	**9,493**	2.75
Senior Empl. North America	2014	Feb-18	0.3	**0**	15,000	0	0	0	**15,000**	3.17
Total Restricted Stock Units				**515,086**	270,137	-101,326	-9,150	-83,688	**591,059**	1.23

* Restricted stock units acquired in capacity as employees of SimCorp A/S

** At time of grant.

SHARES

Shares to the Board of Directors in 2014 and 2013

In 2014 the company allotted 5.835 (2013: 5.810) treasury shares to members of SimCorp's Board of Directors. In the financial year 1 January to 31 December 2014 EUR 134 thousand (2013: EUR 160 thousand) was charged to the income statement in respect of this program.

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Note

7 IMPAIRMENT, AMORTIZATION AND DEPRECIATION

Accounting Policy

Amortization is provided on a straight-line basis over the estimated useful lives of the assets, which are as follows:

Software up to 10 years

Customer contracts up to 20 years

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, which are as follows:

Leasehold improvements over the lease term up to 10 years

Technical equipment up to 3 years

Other fixtures and fittings, tools and equipment up to 5 years

The basis of depreciation is calculated with due consideration to scrap value and any prior impairment write down. The estimated useful life and scrap value is determined at the date of acquisition and reassessed annually. Where the scrap value exceeds the carrying amount of the asset, the asset ceases to be depreciated. Any change in depreciation period or scrap value is recognized as a change in accounting estimate.

Impairment, depreciation and amortization are recognized in the income statement as production costs, research and development costs, sales and distribution costs or administrative expenses.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
0	0	Impairment, goodwill	0	662
413	398	Amortization and depreciation, cost of sales	669	847
1.215	1,094	Amortization and depreciation, research and development costs	1,330	1,354
132	131	Amortization and depreciation, sales and distribution costs	278	285
524	528	Amortization and depreciation, administrative expenses	574	632
2.284	2,151	**Total impairment, amortization and depreciation**	2.851	3,780
		Of which intangible assets:		
0	0	Impairment, cost of sales	0	662
52	76	Amortization, cost of sales	52	76
157	149	Amortization, research and development costs	157	149
17	18	Amortization, sales and distribution costs	19	19
66	72	Amortization, administrative expenses	84	552
292	315	**Total intangible assets**	312	1,458

For additional information on impairment please refer to note 14.

Note

8 AUDITORS' REMUNERATION

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
		Audit fees		
-	78	PricewaterhouseCoopers	-	195
138	-	KPMG	355	-
138	78	**Total audit fees**	355	195
		Other service with assurance fees		
0	0	KPMG	4	0
0	0	**Total other service with assurance fees**	4	0
		Tax and VAT advice fees		
0	175	PricewaterhouseCoopers	0	267
7	0	KPMG	48	0
7	175	**Total Tax and VAT advice fees**	48	267
		Other service fees		
0	12	PricewaterhouseCoopers	0	106
2	0	KPMG	79	0
2	12	**Total other service fees**	79	106

After a tender process for audit services in October 2013, SimCorp has, at the Annual General Meeting, selected PricewaterhouseCoopers as its auditors for 2014.
Audit fees include the audit of the consolidated and local financial statements.
Tax fees primarily relate to assistance with transfer pricing audits in Denmark and Canada and fees related to preparation of Advanced Pricing Agreements with USA and Germany.

Note

9 SHARE OF PROFIT AFTER TAX IN ASSOCIATES

Accounting Policy
The Group's proportionate shares of the profit or loss of associates after tax and elimination of the proportionate shares of intra-group gains or losses are recognized in the consolidated income statement.

The share of profit after tax in associates was in 2014 EUR 50.000 (2013: EUR -111.000)

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Note

10 FINANCIAL INCOME

Accounting Policy
Financial income include interest income, realized and unrealized exchange gains on foreign currency and refunds under the Danish tax prepayment scheme. Dividends on investments in subsidiaries and associates are recognized in the parent company's income statement in the financial year in which the dividend is declared.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
25,709	30,016	Dividend from subsidiaries	-	-
20	20	Dividend from associates	20	20
0	0	Gain, share in associates	-	651
153	96	Interest income, subsidiaries	-	-
226	88	Interest income, cash etc,	349	160
7	0	Interest income, associates	7	0
676	0	Foreign exchange gains	676	0
1,007	621	Foreign exchange adjustments	1,323	988
27,798	30,841	**Total financial income**	2,375	1,819

Note

11 FINANCIAL EXPENSES

Accounting Policy
Financial expenses include interest expenses, realized and unrealized exchange losses on foreign currency, amortization of financial assets and liabilities as well as surcharges under the Danish tax prepayment scheme.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
238	174	Interest expenses, subsidiaries	-	-
-32	30	Interest expenses, financial assets carried at amortized cost	-16	44
0	13	Interest expenses, deferred payment acquisition	0	13
0	0	Interest expenses, pension	25	36
286	425	Other financial expenses	449	615
1,659	615	Foreign exchange adjustments	2,036	908
2,151	1,257	**Total financial expenses**	2,494	1,616

Interest expense, financial assets carried at amortized cost for 2013 is negative due to a change in the estimated costs of restoring leasehold premises.

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Note

12 TAX

Accounting Policy

The tax charge on taxable income for the year is recognized in the income statement, the year's change in deferred tax and any changes in prior-year taxable income are recognized in profit for the year, in other comprehensive income or directly in equity for any part relating to amounts recognized directly in equity.

The tax deduction on share-based remuneration for the year is recognized in taxable income in the income statement. If the total tax deduction exceed the total expenses then tax for the excess is deducted directly in equity.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
		Tax for the period:		
4,258	6,731	Tax on profit	14,670	15,933
0	0	Tax on total comprehensive income	127	139
4,258	6,731	**Total tax**	14,797	16,072
		Tax on profit for the year breaks down as follows:		
3,928	5,963	Current tax	14,722	15,651
-101	753	Deferred tax	-553	364
219	-1	Prior-year adjustment	271	-138
212	16	Adjustment of tax rate	230	56
4,258	6,731	**Total tax on profit for the year**	14,670	15,933
2,404	5,350	**Tax paid during the year**	14,388	15,018
		Tax on profit for the year breaks down as follows:		
10,450	12,963	Tax calculated on the year's pre-tax profit, 24.5%	13,501	14,091
-	-	Difference in tax in subsidiaries relative to 24.5%	757	538
212	16	Change in tax rate	230	56
-6,430	-7,375	Dividend and value adjustment, subsidiaries	-	-
		Tax effect:		
-898	-515	Non-taxable income	-1,061	-699
533	590	Non-deductible expenses	799	1,032
391	1,052	Other, including prior-year adjustments	444	915
4,258	6,731	**Total tax on profit for the year**	14,670	15,933
10.2%	12.7%	**Effective tax rate**	27.2%	27.7%

Note

13 EARNINGS PER SHARE

Accounting Policy

Earnings per share (EPS) and diluted earnings per share (EPS-D) are measured according to IAS 33.

GROUP	**2013**	**2014**
Profit for the year (EUR'000)	39,336	41,583
Average number of shares	44,058,904	42,404,110
Average number of treasury shares	-1,920,251	-1,457,619
Average number of shares in circulation	42,138,653	40,946,491
Average dilutive impact of outstanding stock options	4,744	-
Average dilutive impact of outstanding restricted stock units	516,428	598,555
Average number of diluted shares in circulation	42,659,825	41,545,046
Basic earnings per share - EPS (EUR)	0.93	1.02
Diluted earnings per share - EPS-D (EUR)	0.92	1.00

The dilutive effect of 46.282 restricted stock units (2013: 34,840 restricted stock units), was not included as the conditions stipulated in note 6 are only expected to be partly met. They could potentially dilute earnings per share in the future. See also the Management report concerning share-based remuneration on pages 42-45.

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Note

14 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Goodwill
On initial recognition, goodwill is recognized in the balance sheet at cost as described in 'Business combinations' in note 16 . Subsequently, goodwill is measured at cost less accumulated impairment. Goodwill is not amortized.

The carrying amount of goodwill is tested for impairment at least annually. Any impairment losses are recognized directly in profit for the year and are not subsequently reversed.

Other Intangible Assets
Intangible assets with limited economic lives are measured at cost less accumulated amortization and impairment losses. Intangible assets include proprietary and acquired software. Amortization is provided on a straight-line basis over the estimated useful lives of the assets.

Proprietary software for resale
Costs of development projects for software for resale are recognized as intangible assets where they are clearly defined and identifiable, where there are sufficient resources to implement the projects, and where it is certain that identifiable future income or cost reductions will cover the development and future operating costs.

Capitalized development costs comprise salaries plus overheads. Overheads comprise staff costs, rent, IT and communications.

Development costs comprise costs attributable to the Group's development functions, including salaries, and other staff costs, amortization and other indirect costs. To the extent that the development costs are not capitalized, they are recognized as research and development costs in the income statement.

Acquired software
Software acquired by the Group that has finite useful life is measured at cost less accumulated amortization and accumulated impairment losses.

Customer Contracts
Acquisitions related customer contracts are initially recognized at fair value at the acquisition date and subsequently carried at cost less accumulated amortization and any accumulated impairment losses. The churn rate is calculated on a contract by contract basis and has averaged around 5% on renewal. The value of customer contracts is amortized on a straight line basis, e.g. based on the estimated duration of the acquired contract or other relevant period if deemed appropriate.

The carrying values of other intangible assets are reviewed annually for impairment to assess if there is an indication of impairment beyond what is expressed through normal amortization. If the carrying amount of a non-current asset exceeds its recoverable amount, the carrying amount of the asset is written down to the recoverable amount.

Property, plant and equipment
Property, plant and equipment are measured at historic cost less accumulated depreciation and accumulated impairment.

For additional information on amortization and depreciation refer to note 7.

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INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

EUR '000 PARENT COMPANY	Software	Intangible total	Leasehold improvement	Technical equipment	Equipment, fixtures and fittings	Property, plant and equipment total
Cost at 1 January 2013	6,851	6,851	3,796	6,341	3,317	13,454
Foreign exchange adjustment	0	0	1	0	1	2
Additions	76	76	-117	2,020	0	1,903
Disposals	-104	-104	0	-1,113	-6	-1,119
Cost at 31 December 2013	6,823	6,823	3,680	7,248	3,312	14,240
Depreciation at 1 January 2013	6,324	6,324	1,755	4,948	2,747	9,450
Foreign exchange adjustment	-1	-1	0	0	2	2
Depreciation	292	292	283	1,159	550	1,992
Disposals	-104	-104	0	-1,113	-5	-1,118
Depreciation at 31 December 2013	6,511	6,511	2,038	4,994	3,294	10,326
Carrying amount at 31 December 2013	312	312	1,642	2,254	18	3,914
Cost at 1 January 2014	6,823	6,823	3,680	7,248	3,312	14,240
Foreign exchange adjustment	15	15	8	16	7	31
Additions	377	377	11	1,578	0	1,589
Disposals	-26	-26	0	-2,372	0	-2,372
Cost at 31 December 2014	7,189	7,189	3,699	6,470	3,319	13,488
Depreciation at 1 January 2014	6,511	6,511	2,038	4,994	3,294	10,326
Foreign exchange adjustment	15	15	5	13	8	26
Depreciation	315	315	443	1,382	11	1,836
Disposals	-26	-26	0	-2,363	0	-2,363
Depreciation at 31 December 2014	6,815	6,815	2,486	4,026	3,313	9,825
Carrying amount at 31 December 2014	374	374	1,213	2,444	6	3,663
Depreciation period	Up to 10 years		Up to 10 years	3 years	5 years	

INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

EUR '000 GROUP	Goodwill	Software	Customer Contracts	Intangible total	Leasehold improvement	Technical equipment	Equipment, fixtures and fittings	Property, plant and equipment total
Cost at 1 January 2013	875	6,337	0	7,212	6,571	7,168	5,037	18,776
Foreign exchange adjustment	-83	-3	0	-86	-128	-58	-64	-250
Additions	0	76	0	76	13	2,166	35	2,214
Disposals	0	-104	0	-104	-112	-1,179	-491	-1,782
Cost at 31 December 2013	792	6,306	0	7,098	6,344	8,097	4,517	18,958
Amortization/depreciation at 1 January 2013	0	5,714	0	5,714	3,854	5,508	4,201	13,563
Foreign exchange adjustment	0	-2	0	-2	-126	-40	-57	-223
Amortization/depreciation	0	312	0	312	504	1,356	679	2,539
Disposals	0	-104	0	-104	-112	-1,158	-490	-1,760
Amortization/depreciation at 31 December 2013	0	5,920	0	5,920	4,120	5,666	4,333	14,119
Carrying amount at 31 December 2013	792	386	0	1,178	2,224	2,431	184	4,839
Cost at 1 January 2014	792	6,306	0	7,098	6,344	8,097	4,517	18,958
Foreign exchange adjustment	276	232	198	706	78	-40	-89	-51
Additions	0	377	0	377	189	1,721	144	2,054
Addition on acquisition of subsidiaries	3,925	3,594	3,377	10,896	17	139	7	163
Disposals	0	-26	0	-26	0	-2,383	-128	-2,511
Cost at 31 December 2014	4,993	10,483	3,575	19,051	6,628	7,534	4,451	18,613
Amortization/depreciation at 1 January 2014	0	5,920	0	5,920	4,120	5,666	4,333	14,119
Foreign exchange adjustment	0	22	0	22	65	15	-66	14
Amortization/depreciation	0	647	149	796	722	1,505	95	2,322
Impairment	662	0	0	662	0	0	0	0
Disposals	0	-26	0	-26	0	-2,374	-103	-2,477
Amortization/depreciation and impairment at 31 December 2014	662	6,563	149	7,374	4,907	4,812	4,259	13,978
Carrying amount at 31 December 2014	4,331	3,920	3,426	11,677	1,721	2,722	192	4,635
Amortization/depreciation period		Up to 10 years	Up to 20 years		Up to 10 years	3 years	5 years	

Negative additions in 2013 on leasehold improvements for parent company is a changed estimate of costs to restore premises when lease agreements expire.

Significant estimates for intangible assets and for property, plant and equipment have not been changed.

All intangible assets apart from goodwill are considered to have limited useful economic lives.

Determination of the useful life of customer contracts at up to 20 years and software at up to 10 years is based on estimates regarding the period over which such assets are expected to produce economic benefits to the Group.

Goodwill

The additions in 2014 relate to the acquisition of Equipos Ltd. (now SimCorp Coric Ltd.). Impairment of goodwill relates to the FIX.Net software that SimCorp acquired in 2005.

Software

The additions in 2014 mainly relate to the acquisition of Equipos Ltd. (now SimCorp Coric Ltd.) and the additions in 2013 are primarily related to purchase for use in operation.

Customer Contracts

The additions in 2014 relate to the acquisition of Equipos Ltd. (now SimCorp Coric Ltd.)

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Impairment test

If there is indication of impairment the recoverable amount of intangible assets is determined. The recoverable amount is the value in use calculated as the present value of expected future cash flows based on the companies' plans and forecasts from 2015 to 2019 (5 years). The expected revenue and cost performance for the future related to SimCorp Dimension for SimCorp Asia Pty. Ltd. and Coric for SimCorp Coric Ltd. were assessed in order to verify if sufficient to offset the carrying amount of goodwill as at 31 December 2014. No indication of impairment was perceived in relation to the goodwill for those cash generating units.

The cash generating unit FIX.Net is part of SimCorp Ltd. and its assets are not segment allocated. The impairment test for goodwill as per December 31 2014 resulted in the recognition of an impairment loss of EUR 662 thousand in relation to goodwill. No impairment loss had previously been recognized for this cash generating unit. The impairment loss was attributable to updated assumptions in the business plan which relate to future income from the FIX.Net software. Following the recognition of the impairment, the carrying amount of FIX.Net goodwill is EUR 0.

No indication of impairment beyond what is expressed through normal amortization has been perceived in relation to Software and Customer contracts.

A sensitivity analysis has been made to identify the highest discount rate which can be applied without resulting in impairment of goodwill.

The carrying amount of intangibles, the key assumptions used in the impairment testing and sensitivity analysis result as per 31 December are presented below.

CARRYING AMOUNTS, ASSUMPTIONS AND SENSITIVITY ANALYSIS

EUR '000 **GROUP**	Goodwill	Software	Customer Contracts	Total Intangibles		Discount rate after tax*		Annual average growth		Maximum discount rate	
				2014	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
SimCorp Coric Ltd	4,155	3,488	3,426	11,069	-	7.0%	-	5%	-	12%	-
SimCorp A/S	0	374	0	374	312	n/a	n/a	n/a	n/a	n/a	n/a
SimCorp Ltd.	0	58	0	58	698	7.0%	7.5%	neg.	5%	7%	12.5%
SimCorp Asia Pty Ltd	176	0	0	176	168	7.0%	7.5%	5%	5%	12%	12.5%
Total carrying amount	4,331	3,920	3,426	11,677	1,178						

*The discount rate after tax is equivalent to a discount rate before tax of 9.1% (2013: 9.9%)

The estimated growth rate in revenue during the forecast period is based on the expectation that many more SimCorp Dimension clients as well as new clients will adopt the Coric reporting functionality under SimCorp's full ownership.

The operating margin in the forecast period and the terminal period are estimated based on historical levels for the Group taking into account expected effects of efficiency initiatives implemented after acquisition.

The discount rate used in determining the value in use is based on the weighted average cost of capital (WACC) formula. The WACC is determined based on a risk free rate of 3.5% (2013: 4%) and a risk premium of 3.5% (2013: 3.5%) assuming a Beta of 1 (2013: 1).

The sensitivity analyses show that discount rates can be increased by up to 5% (2013: 5%), without resulting in impairment of goodwill.

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Note

15 INVESTMENTS IN, AND RECEIVABLES FROM, ASSOCIATES AND SUBSIDIARIES

Accounting Policy

Group

Investments in associates in the consolidated financial statements

Investments in associates are recognized according to the equity method and measured in the balance sheet at the proportionate share of the associates' net asset values calculated in accordance with the Group's accounting policies less or plus the proportionate share of any unrealized intra-group gains and losses and plus the carrying amount of goodwill.

Associates with a negative equity value are measured at nil. A provision is made if SimCorp A/S has a legal obligation to cover the negative balance of any associate.

Parent Company

Investments in subsidiaries and associates in the parent company's financial statements

Investments in subsidiaries and associates are measured at cost in the parent company's financial statements. Where the recoverable amount is lower than cost, the investment is written down to the lower value.

INVESTMENTS IN ASSOCIATES

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
		Investment		
855	855	Cost at 1 January	855	855
0	-831	Disposals	0	-831
855	24	Cost at 31 December	855	24
0	0	Adjustments at 1 January	509	366
0	0	Foreign exchange adjustment	-32	26
0	0	Share of profit for the year	-111	50
0	0	Disposals and other adjustments	0	-128
0	0	Adjustments at 31 December	366	314
855	24	**Carrying amount at 31 December**	1.221	338
		Receivables from associates		
0	422	Cost at 1 January	0	422
422	0	Additions	422	0
0	-422	Disposals	0	-422
422	0	Cost at 31 December	422	0
422	0	**Carrying amount at 31 December**	422	0

ASSOCIATES EUR '000	Country of incorporation	Ownership interest	Revenue	Profit for the year	Total assets	Liabilities	Share attributable to the SimCorp Group: Equity	Share attributable to the SimCorp Group: Profit for the year
2013								
Dyalog Ltd.	England	19.9%	2,325	116	2,642	504		22
Equipos Ltd.	England	20.0%	8,520	-411	3,054	1,930		-132
							1,221	-111
2014								
Dyalog Ltd.	England	19.9%	2,518	250	2,827	417	338	50

SimCorp's investment in Dyalog Ltd. is a strategic investment as the company is an important supplier. SimCorp purchases APL licenses from Dyalog Ltd. Please refer note 28.

The disposals from receivables, associates in 2014 is related to repayment of loan from Equipos Ltd. before the acquisition.

On 1 March 2014 SimCorp completed the acquisition of the remaining 80% of the shares in Equipos Ltd.

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INVESTMENTS IN SUBSIDIARIES

PARENT COMPANY

2013	2014	
EUR '000	EUR '000	
		Investment
24,459	26,492	Cost at 1 January
1	59	Foreign exchange adjustment
2,032	10,399	Additions
26,492	36,950	Cost at 31 December
26,492	36,950	**Carrying amount at 31 December**
25,709	30,016	Dividends received
		Receivables from subsidiaries
2,448	0	Cost at 1 January
-57	0	Foreign exchange adjustment
-2,391	0	Disposals
0	0	**Carrying amount at 31 December**

The addition to investments in subsidiaries in 2014 relates to Equipos Ltd. (now SimCorp Coric Ltd.) and SimCorp Canada Inc.
The addition to investments in subsidiaries in 2013 relates to SimCorp Canada Inc.

The disposals from receivables, subsidiaries in 2013 are related to repayment of loan from SimCorp Ltd.

The Group's subsidiaries are at 31 December 2014:

There are no ownership changes during 2014 in the Group's subsidiaries except for the acquition of SimCorp Coric Ltd.

Name	Registered office	Ownership interest in 2014	Share capital	
SimCorp Ltd.*	London, United Kingdom	100%	100,000	GBP
SimCorp GmbH	Bad Homburg, Germany	100%	102,000	EUR
SimCorp Österreich GmbH	Vienna, Austria	100%	17,500	EUR
SimCorp Norge AS	Oslo, Norway	100%	1,000,000	NOK
SimCorp Sverige AB	Stockholm, Sweden	100%	100,000	SEK
SimCorp Benelux SA/NV	Brussels, Belgium	100%	62,000	EUR
SimCorp USA Inc.	New York, USA	100%	7,010,000	USD
SimCorp Schweiz AG	Zurich, Switzerland	100%	100,000	CHF
SimCorp Asia Pty. Ltd.	Sydney, Australia	100%	1,000,000	AUD
SimCorp Singapore Pte. Ltd.	Singapore, Singapore	100%	1	SGD
SimCorp Ukraine LLC	Kiev, Ukraine	100%	2,968,000	UAH
SimCorp Canada Inc.	Vancouver, Canada	100%	9,000,000	CAD
SimCorp France S.A.S	Paris, France	100%	500,000	EUR
SimCorp Hong Kong Ltd.	Hong Kong, China	100%	14,000,000	HKD
SimCorp Luxembourg S.A.	Luxembourg, Luxembourg	100%	31,000	EUR
SimCorp Coric Ltd.**	Wolverhampton, United Kingdom	100%	722,342	GBP

SimCorp Benelux SA/NV has branches in the Netherlands, Luxembourg and France.
SimCorp Ltd. has a branch in the United Arab Emirates.
SimCorp Sverige AB has a branch in Finland.
SimCorp USA Inc. has a branch in Canada.

*SimCorp Ltd. and SimCorp Development UK Limited were merged effective 31 December 2013.
** SimCorp Coric Ltd. and its subsidiary SimCorp Coric Inc., formerly Equipos Ltd. and Equipos Inc., acquired on 1 March 2014

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Note

16 ACQUISITION OF ENTERPRISES

Accounting Policy

Business combinations

Newly acquired or newly established enterprises are recognized in the consolidated financial statements from the dates of acquisition. Companies divested or wound up are consolidated in the income statement until the dates that they are divested or wound up.

The takeover method is applied on acquisitions, if the parent company gains control of the companies acquired. Identifiable assets, liabilities and contingent liabilities in companies acquired are measured at their fair values at the dates of acquisition. Identifiable intangible assets are recognized, if they can be separated or arise from a contractual right. Deferred tax is recognized on fair value adjustments.

Any excess of the cost of acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill under intangible assets. Goodwill is not amortized, but is tested for impairment at least once a year.

Acquisition cost and contingent consideration

Acquisition cost consists of the fair value of the purchase price of the enterprise acquired. The net aggregate value of identifiable assets and liabilities is measured in accordance with IFRS 3. Where the final determination of the acquisition price is dependent on future events or fulfillment of agreed terms, recognition of the arising financial liability will be at fair value at the date of acquisition. Contingent considerations are continually remeasured at fair value and adjusted directly in the income statement.

Costs related to acquisitions are charged to the income statement as administration cost at the time of occurrence.

Provisional values are used for initial recognition where there is uncertainty regarding the identification and measurement of acquired assets, liabilities and contingent liabilities at the date of acquisition. Such provisional values can be adjusted or additional assets or liabilities included until 12 months after the acquisition date if new information is available regarding circumstances that existed at the time of acquisition and which would have affected the fair value at the time of acquisition had the information been known. Thereafter no adjustments are made to goodwill, and changes in estimates of contingent consideration relating to business combinations are recognized in the income statement.

The group made one acquisition during 2014 (2013: none). At the end of 2014 the allocation of the purchase price has been finalized for the assets and liabilities acquired in the acquisition of Equipos Ltd. and had the following effect on the Group's consolidated financial statements at the reporting date:

FAIR VALUE AT ACQUISITION

EUR '000 **PARENT COMPANY**	Preliminary fair value at acquisition	Adjustment to fair value in 2014	Reclassification in 2014	Fair value at acquisition
Intangible assets - customer contracts	3,377			3,377
Intangible assets - software	3,594			3,594
Property, plant and equipment	148		15	163
Deposits	72		-15	57
Deferred tax, asset	1,436	-92	-1,344	0
Receivables	505			505
Income tax receivable	0		62	62
Cash and cash equivalents	1,885			1,885
Deferred tax, liability	-1,418		1,282	-136
Prepayments from clients	-2,943	50		-2,893
Trade and other payables	-1,180	-50		-1,230
Identifiable net assets	5,476	-92		5,384
Goodwill	3,833	92		3,925
Total consideration	9,309			9,309
Value of the equity in Equipos Ltd. already owned	1,551			1,551
Cash consideration	6,943			6,943
Deferred cash consideration payable in 2017	815			815
Acquisition cost	9,309			9,309
Net cash outflow on acquisition completed in 2017	7,758			7,758
Cash and cash equivalents balance acquired	-1,885			-1,885
Net cash outflow on acquisition	5,873			5,873

On February 25, 2014, SimCorp announced the acquisition of the remaining 80% shares for a consideration of GBP 8.3m (EUR 10m) in reporting software developer Equipos Ltd. and its flagship product Coric™ Client Communications Suite. Equipos Ltd. is a leading provider of reporting software capabilities; its main product – Coric – is already utilized by some of SimCorp's clients. It is SimCorp's expectation that many more SimCorp Dimension clients as well as new clients will adopt the Coric reporting functionality under SimCorp's full ownership.

Prior to the acquisition SimCorp held 20% ownership in Equipos Ltd. The fair value of the equity interest previously owned in Equipos Ltd. was determined to GBP 1.3m (EUR 1.5m). The acquisition resulted in an accounting gain of EUR 0.7m recorded under financial income.

The most significant assets acquired comprise goodwill, customer contracts, software and trade receivables and the most significant liabilities relates to prepayments from clients and trade and other payables.

As no active market exits for the assets and liabilities acquired, especially in regards to intangible assets, management has estimated the fair value. The methods applied are based on present value of future cash flows calulated based on customer contracts and other expected cash flows related to the assets. Trade receivables has been recognised at the contractual amounts and no adjustments has been required.

Had SimCorp Coric been owned for the entire reporting period, recognized revenue would have been around EUR 6.4m and profit from operations EUR -1.4m. These estimates are based on unaudited financial information and presented for informational purposes only. This information does not represent the results the Group would have achieved had the acquisition occurred on 1 January. In addition, the information should not be used as the basis for or prediction of any annualized calculation.

The deferred purchase price that is conditioned on the continued employment of the founders is in accordance with IFRS 3 treated as compensation for post acquisition services and included in wages and salaries rather than part of the consideration for an acquisition and will be expensed over three years.

The goodwill is attributable to a well positioned business for reporting software capabilities, a highly skilled workforce, buyer synergies and potential for significantly more clients will adopt the reporting functionality from Equipos Ltd. under SimCorp's full ownership.

The goodwill cannot be deducted for tax purposes.

Note

17 DEPOSITS

Deposits are primarily related to leasing of offices.

Accounting Policy

Security deposits which will not be returned within one year of the balance sheet date are recognized as non-current assets. Commitments, which require a deposit, will initially be recorded to the deposit asset account, if the deposit is not recovered it is charged to the income statement.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
1,767	1,778	Cost at 1 January	2,095	2,111
0	4	Foreign exchange adjustment	-18	-4
15	45	Additions	64	63
0	0	Addition on acquisition of subsidiaries	0	57
-4	-267	Disposals*	-30	-354
1,778	1,560	Carrying amount at 31 December	2,111	1,873

* Disposals include reclassifications to current receivables.

Note

18 DEFERRED TAX AND CHANGES IN TEMPORARY DIFFERENCES DURING THE YEAR

Accounting Policy
Deferred tax is calculated using the liability method on all temporary differences between the accounting value and the tax value of assets and liabilities, excluding temporary differences relating to goodwill which is not amortizable for tax purposes.

Tax assets are assessed yearly and only recognised to the extent that it is more likely than not that they can be utilized. Deferred tax assets, including the tax value of tax losses carried forward, are recognized in other non-current assets and measured at the amount at which they are expected to be realized, either by setting off tax on future earnings or by setting off deferred tax liabilities within the same legal entity.

Deferred tax is measured based on the tax rules and rates in the respective countries that will apply under the legislation in force on the balance sheet date when the deferred tax asset is expected to crystallize as current tax. Changes in deferred tax resulting from changes in tax rates are recognized in the income statement.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
1,700	2,139	Deferred tax at 1 January	5,272	6,006
0	3	Foreign exchange adjustment	-233	70
0	0	Prior-year adjustment, profit and loss	-33	215
101	-753	Adjustment of deferred tax, profit and loss	553	-364
0	0	Adjustment of deferred tax, other comprehensive income	127	139
550	597	Adjustment of deferred tax, equity	550	597
0	0	Addition on acquisition of subsidiaries	0	-136
-212	-16	Adjustment of tax rate	-230	-56
2,139	1,970	**Net deferred tax at 31 December**	6,006	6,471
		Deferred tax recognized in the balance sheet as follows:		
2,139	1,970	Deferred tax assets	6,219	6,984
0	0	Deferred tax liabilities	-213	-513
2,139	1,970	**Net deferred tax at 31 December**	6,006	6,471
		Deferred tax consists of:		
-77	-85	Intangible assets	-77	-1,468
435	446	Property, plant and equipment	736	738
0	0	Current assets	17	-270
245	268	Provisions	363	707
44	72	Current liabilities	295	380
1,492	1,269	Share-based payment	1,492	1,269
0	0	Tax losses carry-forward	3,180	5,115
2,139	1,970	**Net deferred tax at 31 December**	6,006	6,471

Tax value of the capitalized tax losses are expected to be realized within 3 to 5 years, as the affected subsidiaries expect a positive taxable income going forward. In 2015 EUR 0.6m (2013: 2014 EUR 0.7m) of the deferred tax assets is expected to be utilized.

In 2013 the deferred tax value of tax losses carried forward in SimCorp Luxembourg S.A of EUR 0.2m were not expected to be utilized within a few years and, therefore, were not recognized. However, in 2014 SimCorp Luxembourg S. A. signed an agreement and the tax loss is expect to be utilized.

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CHANGES IN TEMPORARY DIFFERENCES DURING THE YEAR

EUR '000 GROUP	Balance 1 January	Foreign exchange adjustment	Addition on acquisition of subsidiaries	Recognized in profit and loss	Recognized in other comprehensive income	Recognized in equity	Balance 31 December
2013							
Intangible assets	-132	0	0	55	0	0	-77
Property, plant and equipment	727	-31	0	40	0	0	736
Current assets	-53	4	0	66	0	0	17
Provisions	355	-38	0	-81	127	0	363
Current liabilities	354	-24	0	-35	0	0	295
Share-based payment	1,037	0	0	-95	0	550	1,492
Tax losses carry-forward	2,984	-144	0	340	0	0	3,180
	5,272	-233	0	290	127	550	6,006
2014							
Intangible assets	-77	-111	-1,397	117	0	0	-1,468
Property, plant and equipment	736	1	-30	31	0	0	738
Current assets	17	0	0	-287	0	0	-270
Provisions	363	-43	18	230	139	0	707
Current liabilities	295	15	0	70	0	0	380
Share-based payment	1,492	3	0	-823	0	597	1,269
Tax losses carry-forward	3,180	205	1,273	457	0	0	5,115
	6,006	70	-136	-205	139	597	6,471

Note

19 RECEIVABLES

Accounting Policy

Receivables are measured at cost. If there is objective evidence of impairment of a receivable, it is written down. Write-downs are made individually. The write-down is recognized in the income statement under administrative expenses.

PARENT COMPANY 2013	PARENT COMPANY 2014		GROUP 2013	GROUP 2014
EUR '000	EUR '000		EUR '000	EUR '000
2,239	2,480	Receivables from clients	26,095	32,152
12,259	17,366	Receivables from subsidiaries	-	-
1,576	1,928	Accrued revenue	22,007	24,682
536	586	Other receivables	1,234	1,160
16,610	22,360	**Total receivables at 31 December**	49,336	57,994
		The aging of trade receivables from clients was at 31 December:		
1,294	2,153	Not due	22,608	21,039
937	255	Not more than 30 days	2,229	4,507
8	72	More than 30 days but not more than 90 days	871	3,466
0	0	More than 90 days	387	3,140
2,239	2,480	**Total**	26,095	32,152

Accrued revenue consists mainly of revenue from sale of software licenses and receivables from contracts in progress, see note 25.

No security has been received with respect to trade receivables.

The need for impairment was based on an individual assessment of each receivable.

No write-down has been made in 2014 and 2013 for trade receivables.

The Group's exposure to currency and credit risk for trade receivables is disclosed in note 29.

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Note

20 EQUITY, TREASURY SHARES AND DIVIDEND

Accounting Policy

Dividend
Dividends are recognized as a liability when declared by the shareholders in general meeting. Dividends recommended to be paid for the year are stated as a separate line item under equity until approved at the Annual General Meeting.

Treasury shares
Treasury shares acquired by the parent company are recognized in the balance sheet at zero value. Proceeds on the purchase and sale of treasury shares and dividends from such shares are recognized in equity, including proceeds from the disposal of treasury shares in connection with the exercise of share options and sale of employee shares.

Exchange adjustment reserve
The exchange adjustment reserve in the consolidated financial statements comprises foreign exchange differences arising on the translation of the financial statements of enterprises from their functional currencies to the SimCorp Group's presentation currency (EUR).

On full or partial realization of a net investment, foreign exchange adjustments are recognized in the income statement.

SHARE CAPITAL	Number of shares 2013	Number of shares 2014	Nominal value EUR '000 2013	Nominal value EUR '000 2014
At 1 January	45,000,000	43,500,000	6,045	5,844
Cancellation of treasury shares	-1,500,000	-2,000,000	-201	-269
At 31 December	43,500,000	41,500,000	5,844	5,575

At 31 December 2014, the share capital amounted to DKK 41,500,000 divided into 41,500,000 shares of DKK 1 nominal value (2013: DKK 43,500.000 divided into 43,500,000 shares of DKK 1 nominal) after cancelling of 2.000.000 (2013: 1.500.000) treasury shares of DKK 1 nominal value. The company's shares are traded on NASDAQ OMX Copenhagen in denominations of DKK 1. Until 3 June 2013 the trading denominations was DKK 10. No shares confer any special rights upon any shareholder. No shares are subject to restrictions on transferability or voting rights.

The share capital may be increased in one or more issues by a total nominal amount of up to DKK 5,000,000 (5,000,000 shares of DKK 1 nominal value) as directed by the Board of Directors with respect to time and terms. This authority is valid for a period of five years, expiring on 1 March 2018, and may be extended by the shareholders for one or more periods of up to five years at a time. The capital increase may be effected by cash payment or otherwise. The capital increase may be effected without pre-emption rights to the company's existing shareholders, if the shares are issued at market price or as consideration for the company's acquisition of an existing operation or specific assets of a value that equals the value of the shares issued. Except for the cases specified in the preceding period, the company's existing shareholders shall have a right to subscribe new shares proportionately to their existing holdings. The new shares shall be negotiable instruments, and no restrictions shall apply to the transferability of the shares. No shareholders shall be under an obligation to have their shares redeemed in full or in part by the company or any other party.

Unless Danish legislation provides for a greater majority or unanimity, the adoption of resolutions regarding amendments to the company's articles of association and the company's dissolution or merger with another company requires a majority of not less than two thirds of all the votes cast as well as of the voting share capital represented at the relevant general meeting, and that not less than 50% of the share capital is represented at the general meeting. In case less than 50% of the share capital is represented at the general meeting, and the resolution is adopted by not less than two thirds of the votes cast as well as of the voting share capital represented at the general meeting, another general meeting may be called within 14 days after the preceding general meeting. At the new general meeting, the resolution can be adopted by not less than two thirds of the votes cast as well as of the voting share capital represented at the general meeting.

Refer to pages 42 to 45 for additional information.

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TREASURY SHARES	Number of shares 2013	Number of shares 2014	Acquisition value EUR '000 2013	Acquisition value EUR '000 2014	Percent of share capital 2013	Percent of share capital 2014
At 1 January	2,444,020	2,147,241	33,448	47,356	5.4	4.9
Foreign exchange adjustment			1	96	-	-
Purchases	1,881,651	968,910	42,850	24,455	4.3	2.3
Cancellation	-1,500,000	-2,000,000	-20,693	-43,989	-3.3	-4.6
Restricted stock units program	-103,110	-106,399	-1,459	-2,385	-0.2	-0.3
Options exercised	-511,970	-7,500	-5,954	-198	-1.2	0.0
Sold to employees	-63,350	0	-837	0	-0.1	0.0
At 31 December	2,147,241	1,002,252	47,356	25,335	4.9	2.3

The market value of treasury shares at 31 December 2014 was EUR 21.9m (2013: EUR 61.4m). The shares are carried at EUR 0.0m in the financial statements. The Board of Directors has been authorized to let the company acquire treasury shares of up to a total nominal value of 10% of the company's share capital including the company's current holding of treasury shares.

In 2014, SimCorp A/S acquired 968,910 treasury shares at an average price of DKK 187,88 per share equal to a purchase price of EUR 24.6m (2013: 1,881,651 treasury shares at an average price of DKK 169.89 per share equal to a purchase price of EUR 42.9m).

In 2014, SimCorp A/S delivered 106,399 treasury shares as part of the share based remuneration program for a nominal value of DKK 106,399 (2013: DKK 103,110 shares) calculated at an average market price of DKK 218.99 per share (2013: DKK 153.67 per share of DKK 1), equal to a calculated price of EUR 3.1m (2013: EUR 2.1m).

In 2014, SimCorp A/S sold 7,500 shares in connection with the exercise of share options as part of the employee share program (2013: 511,970 exercised share options and 63,350 shares sold to employees) at a calculated market price of DKK 214,42, equal to a calculated selling price of EUR 10.6m.

The company acquires treasury shares for the purpose of covering the Group's incentive programs, among other things.

Capital management and dividend policy

The Board of Directors regularly assesses the need for adjusting the capital structure, including the requirement for cash, credit facilities and equity.

SimCorp pursues a dividend policy to the effect that, when cash resources exceed 10% of an upcoming year's projected costs, the company will pay minimum 50% of the profit for the year by way of dividend. In addition, the company will buy treasury shares provided that it does not anticipate specific cash requirements.

Distribution of dividends to shareholders has no tax consequences for the company.

The Board of Directors intends to recommend to the shareholders at the annual general meeting that dividends of EUR 24.6m (2013: EUR 22.2m), equal to DKK 4.50 (2013: DKK 4.00) per 1 share, be distributed and that the company be authorized to acquire treasury shares for up to 10% of the company's share capital.

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21 PROVISIONS

Accounting Policy
A provision is recognized when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of the Group's resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The Group has an obligation to re-establish and refurbish leased offices when the premises are vacated, a provision is recognized corresponding to the present value of expected future costs. The present value of the obligation is included in the cost of the tangible asset and depreciated accordingly.

In valuing provisions, the costs estimated to settle the liability are discounted if such discounting would have a material effect on the measurement of the liability. A pre-tax discount rate is used that reflects the level of interest rates and risks associated with the liability. Changes in the discounting element during the year are recognized as financial expenses.

PROVISIONS EUR '000 **PARENT COMPANY**	Re-establisment costs for rented premises	Anniversary bonuses	Total
2013			
Liability at 1 January	834	511	1,345
Used during the year	0	-50	-50
Reversal of unused liabilities	-204	-24	-228
Provisions for the year	37	128	165
Total provisions	667	565	1,232
Expected due dates for provisions:			
Falling due within 1 year	0	14	14
Falling due within 2 to 5 years	667	53	720
Falling due after 5 years	0	498	498
Total provisions	667	565	1,232
2014			
Liability at 1 January	667	565	1,232
Foreign exchange adjustment	0	2	2
Used during the year	-93	-15	-108
Reversal of unused liabilities	0	-49	-49
Provisions for the year	134	141	275
Total provisions	708	644	1,352
Expected due dates for provisions:			
Falling due within 1 year	109	24	133
Falling due within 2 to 5 years	599	50	649
Falling due after 5 years	0	570	570
Total provisions	708	644	1,352

Provisions cover the costs of restoring leasehold premises and provisions for anniversary bonuses. The latter resulting from the Group's commitment of one month's pay in connection with employees' 25th and 40th anniversary.

PROVISIONS EUR '000 **GROUP**	Re-establisment costs for rented premises	Anniversary bonuses	Pension	Other	Total
2013					
Liability at 1 January	1,278	1,042	679	0	2,999
Foreign exchange adjustment	-21	-47	-18	0	-86
Used during the year	0	-109	0	0	-109
Reversal of unused liabilities	-204	-258	0	0	-462
Provisions for the year	49	433	489	4	975
Total provisions	1,102	1,061	1,150	4	3,317
Expected due dates for provisions:					
Falling due within 1 year	74	66	0	0	140
Falling due within 2 to 5 years	825	445	0	0	1,270
Falling due after 5 years	203	550	1,150	4	1,907
Total provisions	1,102	1,061	1,150	4	3,317
2014					
Liability at 1 January	1,102	1,061	1,150	4	3,317
Foreign exchange adjustment	19	13	-16	0	16
Used during the year	-93	-21	0	0	-114
Reversal of unused liabilities	0	-49	0	0	-49
Provisions for the year	148	186	818	65	1,217
Total provisions	1,176	1,190	1,952	69	4,387
Expected due dates for provisions:					
Falling due within 1 year	184	24	0	0	208
Falling due within 2 to 5 years	765	537	0	69	1,371
Falling due after 5 years	227	629	1,952	0	2,808
Total provisions	1,176	1,190	1,952	69	4,387

Provisions cover the costs of restoring leasehold premises and provisions for anniversary bonuses. The latter resulting from the Group's commitment of one month's pay in connection with employees' 25th and 40th anniversary.

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22 PENSIONS AND SIMILAR LIABILITIES

Accounting Policy
The Group has entered into pension and similar agreements with most employees.

Obligations relating to defined contribution plans are recognized in the income statement in the period in which they are earned, and payments due are recognized in the balance sheet under other payables. For defined benefit plans, annual actuarial calculations are made of the net present value of future benefits to be paid under the plan. The net present value is calculated based on assumptions of the future developments of salary, interest, inflation and mortality rates.

The net present value is only calculated for those benefits earned to date by employees. The present value of future pension payments is estimated actuarially and shown net of the fair value of any plan assets in the balance sheet as pension obligations.

Differences between calculated pension assets and liabilities and their realized values are termed actuarial gains and losses. Actuarial gains and losses are recognized in the statement of comprehensive income.

Any change in benefits earned to date are actuarially calculated and expensed immediately when the employees have already earned the right to the changed benefits. Otherwise, they are recognized in the income statement over the period during which the employees earn the right to the benefits.

PENSIONS AND SIMILAR LIABILITIES EUR '000 **GROUP**	**2013**	**2014**
Pension liabilities		
At 1 January	4,861	5,773
Foreign exchange adjustment and other adjustments	-464	-73
Employee contributions	167	147
Expensed in the income statement	375	391
Calculated interest	116	161
Actuarial loss/(gain) change in demographic assumptions	319	332
Actuarial loss/(gain) change in financial assumptions	9	273
Payroll taxes	-24	-35
Benefits paid	414	-145
Present value of pension liabilities at 31 December	5,773	6,824
Fair value of plan assets		
At 1 January	3,703	4,623
Foreign exchange adjustment	-225	-57
Calculated interest	85	105
Return on plan assets in addition to calculated interest	155	-187
Employee contributions	167	147
Employer contributions	335	396
Benefits paid	403	-155
Fair value of plan assets at 31 December	4,623	4,872
Net liability included in the balance sheet	1,150	1,952

		Switzerland		**Norway**
ASSET ALLOCATION AT 31 DECEMBER	**2013**	**2014**	**2013**	**2014**
Shares			9%	13%
Bonds/mortgage bonds			62%	72%
Property			11%	12%
Other financial assets			18%	3%
Assets held at Allianz Suisse collective foundation	100%	100%		
Total	100%	100%	100%	100%

MOST IMPORTANT ASSUMPTIONS FOR ACTUARIAL CALCULATIONS		**Switzerland**		**Norway**
	2013	**2014**	**2013**	**2014**
Discount rate	2.3%	1.6%	4.0%	3.0%
Future salary increases	2.0%	2.0%	3.8%	3.3%

Sensitivity analysis:

Significant actuarial assumptions for the determination of the pension benefit liability are discount rate and expected future remuneration increases. The sensitivity analysis below have been determined based on reasonable likely changes in assumptions occurring at the end of the period.

SENSITIVITY ANALYSIS ON REPORTED PENSION LIABILITES		**Switzerland**		**Norway**
EUR '000	**2013**	**2014**	**2013**	**2014**
Discount rate +1%	-424	-532	-38	-41
Discount rate -1%	605	754	51	56
Future remuneration +1%	94	115	28	30
Future remuneration -1%	-82	-102	-24	-25

The sensitivities consider the single change shown with the other assumptions assumed to be unchanged. In practice, changes in one assumption may be accompanied by offsetting changes in another assumption (although this is not always the case).

The Group expects to pay EUR 394 thousand to the defined benefit pension plans in 2015 (2013: EUR 314 thousand for the year 2014). For defined contribution plans, the employer is obliged to pay a defined contribution (for example a fixed percentage of an employee's salary) to independent insurance companies. For a defined contribution plan, the Group runs no risk in respect of future developments in interest rates, inflation, mortality or disability.

The pension obligations of the Parent company and the majority of foreign subsidiaries are covered by insurance (defined contribution plans).

For a few foreign subsidiaries the pension obligations are not or only partly covered by insurance (defined benefit plans).

Under defined benefit plans, the employer is obliged to pay a defined benefit (for example a fixed percentage of an employee's final salary) to the employee after retirement. Under a defined benefit plan, the Group carries the risk in respect of future developments in interest rates, inflation, mortality or disability.

The Group's Norwegian and Swiss subsidiaries have defined benefits pension plans comprising a total of 32 employees (2013: 32). The plans entitle the employees to defined future benefits. These primarily depend on number of years of service, salary level at retirement age and the size of the national pension.

The actuarial assessments of assets and liabilities in the Norwegian defined benefit plan have been done by Storebrand Pensjonstjenester AS (Norway) on basis of standardized assumptions, prepared by Forsikringsnæringens Hovedorganisasjon (Norway), regarding life expectancy and other demographic factors. Specifically the tariff K2013BE has been applied. For the Swiss defined benefit plan the actuarial assessments of assets and liabilities have been done by Allea Ltd (Switzerland) on basis of standardized assumptions, prepared by Swiss Association of Actuaries, regarding life expectancy and other demographic factors.

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Note

23 TRADE PAYABLES AND OTHER PAYABLES

Accounting Policy

Other payables include vacation pay obligations, payroll taxes and VAT. Payables are measured at cost.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
4,035	3,143	Trade payables	6,864	6,929
14,619	14,293	Debt to subsidiaries	-	-
7,718	7,566	Accrued vacation payable	9,858	9,834
4,563	4,593	Bonus and commissions payable	11,612	12,530
55	97	Payroll taxes, VAT etc., payable	5,164	6,246
30,990	29,692	**Total trade payables and other payables**	33,498	35,539

The Group's exposure to currency and liquidity risk for trade payables and other payables is disclosed in note 29.

Note

24 INCOME TAX

Accounting Policy

Estimated tax payable or receivable on the taxable income for the year is recognized in the balance sheet as current tax liabilities and receivables adjusted for tax on prior years' taxable income and payments on account.

Tax on profit for the year comprises current tax and movements in the financial year in deferred tax made up in accordance with the liability method.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
-946	647	Payable at 1 January	1,380	1,417
-1	1	Foreign exchange adjustment	-386	-32
219	-1	Prior-year adjustments	238	77
3,928	5,963	Current tax on profit for the year	14,722	15,651
-149	-276	Tax on equity items	-149	-276
0	0	Addition on acquisition of subsidiaries	0	-62
-2,404	-5,350	Income tax paid	-14,388	-15,018
647	984	**Total payable income tax, net**	1,417	1,757
		Which is distributed as follows:		
0	0	Income tax receivable	-1,223	-1,667
647	984	Income tax payable	2,640	3,424
647	984	**Total payable income tax, net**	1,417	1,757

Note

25 CONTRACTS IN PROGRESS RELATING TO PROFESSIONAL SERVICES

Accounting Policy

Contracts in progress relating to professional services are measured at the estimated sales value of the proportion of the contract completed at the balance sheet date. Amounts invoiced on account in excess of work completed are included in prepayments under current liabilities.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
0	966	Income recognized sales value of contracts in progress	9,117	10,509
0	-917	Payments received on account	-6,807	-10,390
0	49	**Contracts in progress**	2,310	119
		Which are recognised as follows:		
0	76	Contracts in progress relating to professional services (assets)	3,115	1,123
0	-27	Contracts in progress relating to professional services (liabilities)	-805	-1,004
0	49	**Contracts in progress**	2,310	119

Contracts in progress relating to professional services are recognized in accrued revenue, see note 19.

Note

26 OPERATING LEASES

Accounting Policy

For operating leases, the lease payments are recognized in the income statement on a straight line basis over the lease period.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
		Rent commitments		
5,602	5,692	Payable within 1 year	9,241	9,689
19,470	12,575	Payable within 2 to 5 years	29,376	21,343
0	0	Payable after 5 years	2,136	1,532
25,072	18,267	**Rent commitments until expiry of minimum term of tenancy**	40,753	32,564
		Other commitments		
53	132	Payable within 1 year	506	682
13	165	Payable within 2 to 5 years	552	820
66	297	**Total other commitments**	1,058	1,502
		Total commitments		
5,655	5,824	Payable within 1 year	9,747	10,371
19,483	12,740	Payable within 2 to 5 years	29,928	22,163
0	0	Payable after 5 years	2,136	1,532
25,138	18,564	**Total commitments**	41,811	34,066

Amounts of EUR 10.8m (2013: EUR 9.8m) relating to operating leases in the Group and EUR 5.8m (2013: EUR 5.4m) in the parent company have been recognized in the income statement for 2014. The Group's other liabilities comprise operating leases for operating equipment, generally with a lease period of between two and five years.

In November 2008 SimCorp moved into the headquarters at Weidekampsgade 16, Copenhagen. The lease has been entered into on market terms and with normal rent adjustment clauses. SimCorp has served notice on around 2000 m² which will be vacated latest mid October 2015. The initial lease is for a period of ten years, with an option to extend for up to 20 years from the commencement of the lease.

All the Group's leases are with an option to extend and are made on market terms with normal rent adjustment clauses and no right of first refusal.

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Note

27 CONTINGENT LIABILITIES AND OTHER FINANCIAL LIABILITIES

In some contracts, as part of building long-term client relationships, the company has made a commitment to provide SimCorp Dimension product support for up to eight years from the date of the contract.

SimCorp A/S has issued guarantees for its subsidiaries' delivery commitments to clients for a total of EUR 21.0m (2013: EUR 20.6m).

The parent company expects to issue letters of support to certain subsidiaries.

Bank guarantees have been provided for rent commitments in Austria, Australia, Belgium, France, Germany, Luxembourg, Sweden and USA.

The Group is a party to inquiries from authorities when investigating various issues. The outcome of such is not expected to have a significant effect on profit for the year and the assessment of the Group's financial position.

On 13 March 2014, the Court of Justice of the European Union ("ECJ") published its judgment in the case C-464/12 ATP PensionService A/S determining that services provided to certain pension funds are covered by the VAT exemption in section 13, subsection 1, no. 11, litra c and f of the Danish VAT Act.

As a consequence of the ECJ ruling, 11 of SimCorp's Danish customers have filed a claim against SimCorp for recovery of the VAT levied on SimCorp's products and services. Pursuant to the Danish Tax Administration act, SimCorp has claimed a refund from the Danish Tax Authorithies ("SKAT") of the VAT collected on services provided to its Danish customers.

SKAT has communicated that they will await the final ruling from the Danish High Court before providing guidance on the consequences of the ECJ ruling, and thus it is unclear whether the affected SimCorp's customers will be entitled to a refund of the VAT, either fully or in part. However, based on previous practice in similar cases, SimCorp does not expect the outcome to significantly have an effect on profit for the year and the assessment of the Group's financial position and accordingly, SimCorp has not made a provision for this in its annual accounts 2014.

Note

28 RELATED PARTY TRANSACTIONS

SimCorp's related parties exercising a significant influence comprise the company's Board of Directors and Executive Management Board as well as relatives of these persons. Related parties also comprise companies in which the individuals mentioned above have material interests.

For the parent company, related parties also comprise subsidiaries and associates, see notes 9 and 15, in which SimCorp A/S has a controlling or significant influence.

The Group did not enter into any agreements, deals or other transactions in 2014 in which the parent company's Board of Directors or Executive Management Board had a financial interest, except for transactions following from the employment relationship. See note 5 and 6.

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
		Trading with subsidiaries and associates has involved the following:		
17,717	18,907	Purchases of services from subsidiaries	-	-
625	589	Purchases of services from associates	655	589
86,141	96,099	Sale of services to subsidiaries	-	-

Transactions with subsidiaries have been eliminated in the consolidated financial statement in accordance with the accounting policies applied.

The parent company's outstanding balance with subsidiaries and associates is specified in note 15. There are no outstanding loan accounts with subsidiaries in 2014 (2013: none) and with associates no outstanding loan accounts in 2014 (2013: EUR 0.4m). The loans fall due for payment when the companies have excess liquidity.

In addition, balances with subsidiaries and associates comprise ordinary trade balances relating to the purchase and sale of services. Outstanding balances carry interest and are subject to terms and conditions identical to those made with the parent company's and the Group's clients and suppliers.

Trading with subsidiaries and associates of the SimCorp Group is conducted on arm's length terms. Ownership interests are shown in note 15.

Interest on outstanding balances with subsidiaries and associates is specified in notes 10 and 11.

The parent company has in 2014 received dividends of EUR 30.0m (2013: EUR 25.7m) from subsidiaries. The parent company has in 2014 received 0.02m dividends (2013: 0.02m) from associates.

The parent company has provided delivery bonds to certain clients of its subsidiaries, and the parent company has issued letters of support to certain subsidiaries, see note 27.

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INTERESTS IN THE COMPANY OF MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT BOARD	**2013** Number of Shares	**2014** Number of Shares
Shareholdings:		
Board of Directors:		
Jesper Brandgaard	81,140	84,915
Peter Schütze	7,790	8,697
Herve Couturier	6,490	7,098
Simon Jeffreys	7,930	8,837
Patrice McDonald	-	547
Jacob Goltermann	11,510	12,827
Raymond John	2,930	3,158
Board of Directors, total	117,790	126,079
Executive Management Board:		
Klaus Holse	50,000	50,000
Georg Hetrodt	113,540	125,370
Thomas Johansen	4,000	10,930
Executive Management Board, total	167,540	186,300
Total shareholdings by members of the Board of Directors and the Executive Management Board	285,330	312,379
Restricted stock units:		
Board of Directors:		
Raymond John	0	422
Jacob Goltermann	590	662
Board of Directors, total	590	1,084
Executive Management Board:		
Klaus Holse	127,610	134,904
Georg Hetrodt	35,679	25,977
Thomas Johansen	38,298	28,242
Executive Management Board, total	201,587	189,123
Total restricted stock units granted to members of the Board of Directors and the Executive Management Board	202,177	190,207

Key Management Personnel (cf. IAS 24) consists of the Board of Directors and the Executive Management Board.

Remuneration to members of the Board of Directors and the Executive Management Board is disclosed in note 5.

Members of the Board of Directors are elected by the shareholders at the annual general meeting for terms of one year. Members of the Board of Directors elected by the employees are elected among all SimCorp Group employees every third year. Election was held in February/March 2013. Refer to pages 38 and 39 for additional information on Board of Directors members.

Candidates for Board membership may not have turned 70 years of age on the date of the general meeting at which the election takes place.

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Note

29 FINANCIAL INSTRUMENTS AND RISK

Risk

Due to the nature of its operations, investments and financing, the Group is exposed to changes in exchange rates and interest rates. The Group's policy is to direct financial management towards the management of financial risks related to operations and finance. The Group's financial risks are managed centrally by the Group Finance department according to policies committed to writing and approved by the Board of Directors. The purpose is to ensure efficient liquidity management. Excess liquidity is transferred to SimCorp A/S which operates as the internal bank for the Group.

The scope and nature of the Group's financial instruments appear from the income statement and the balance sheet in accordance with the accounting policies applied. Provided below is information about factors that may influence amounts, time of payment or reliability of future payments, where such information is not provided directly in the financial statements or is subject to customary practice.

This note addresses only financial risks directly related to the Group's financial instruments. The Group's most important operational and commercial risk factors are described in more detail on pages 20 to 23 of the report.

Currency risk

Currency risk is the risk that arises from changes in exchange rates and affects the Group's result. The Group's foreign subsidiaries are not severely impacted by foreign exchange fluctuations, as both income and costs are generally settled in the functional (local) currency of the individual entity.

The consolidated income statement is impacted by changes in exchange rates. The results of foreign subsidiaries are translated from their functional currency to EUR at the exchange rate ruling on the transaction date. The average exchange rate for the month is used to reflect the transaction date's exchange rate.

The Group's foreign exchange policy is to balance incoming and outgoing payments in local currency as much as possible and generally seek to ensure that an increasing number of contracts entered into are EUR-denominated. When placing surplus funds, the Group generally seeks to minimize its net exposure in individual currencies. At the balance sheet date, SimCorp A/S had no financial hedges (2013: none).

Currency exposures of investments in subsidiaries have not been hedged. The related exchange rate adjustments are recognized in other comprehensive income.

The table below shows currency exposure to each currency as at the balance sheet date based on the functional currencies of the individual Group companies.

CURRENCY EXPOSURE

EUR '000				**2013**				**2014**
PARENT COMPANY	Cash/ equivalents	Receivables	Debt	Net position	Cash/ equivalents	Receivables	Debt	Net position
DKK	35,468	8,930	18,459	25,939	23,225	8,649	16,620	15,254
SEK	0	3	856	-853	0	7	965	-958
NOK	0	0	1,061	-1,061	0	0	617	-617
EUR	693	8,969	7,983	1,679	3,496	14,346	6,686	11,156
GBP	32	2,743	1,510	1,265	4	889	923	-30
CHF	0	0	713	-713	0	0	2,313	-2,313
USD	0	0	647	-647	20	647	162	505
AUD	0	0	853	-853	1	0	1,447	-1,446
SGD	0	0	693	-693	0	0	1,540	-1,540
CAD	0	1,965	0	1,965	0	3,422	0	3,422
HKD	0	428	0	428	0	0	215	-215
UAH	0	0	344	-344	0	0	564	-564
Total	36,193	23,038	33,119	26,112	26,746	27,960	32,052	22,654

CURRENCY EXPOSURE

EUR '000				**2013**				**2014**
GROUP	Cash/ equivalents	Receivables	Debt	Net position	Cash/ equivalents	Receivables	Debt	Net position
EUR/DKK	693	1,417	41	2,069	3,496	1,882	202	5,176
EUR/CHF	261	0	0	261	71	1,195	0	1,266
EUR/GBP	0	331	0	331	32	570	0	602
USD/SGD	0	174	0	174	196	299	0	495
USD/GBP	0	475	6	469	79	1,821	0	1,900
CAD/USD	123	1,028	0	1,151	187	1,274	155	1,306

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Sensitivity analysis of the Group's currency exposure

Based on the net exposure of the parent company and the Group, the hypothetical impact on the profit before tax for the year and equity, of exchange rate fluctuations is as follows:

		2013		**2014**
PARENT COMPANY	Change in exchange rate	Impact on net position EUR '000	Change in exchange rate	Impact on net position EUR '000
SEK	10%	-85	10%	-96
NOK	10%	-106	10%	-62
GBP	10%	127	10%	-3
CHF	5%	-36	15%	-347
USD	10%	-65	10%	51
AUD	10%	-85	10%	-145
SGD	10%	-69	10%	-154
CAD	10%	197	10%	342
HKD	10%	43	10%	-22
UAH	10%	-34	30%	-169
GROUP	Change in cross rate	EUR '000	Change in cross rate	EUR '000
EUR/CHF	5%	13	15%	190
EUR/GBP	5%	17	10%	60
USD/SGD	10%	17	10%	50
USD/GBP	5%	23	10%	190
CAD/USD	5%	58	5%	65

A corresponding fall in the cross rate would have an equivalent opposite effect on profit after tax and equity.

The sensitivity analysis has been prepared at the balance sheet date based on the exposure towards the listed currencies at the balance sheet date, without taking in to account potential effects on interest rate levels, effect on other currencies etc.

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Interest risk

The Group's and the parent company's interest rate risks are generally related to its bank deposits.

SimCorp A/S had bank deposits of EUR 26.8m at 31 December 2014 (2013: EUR 36.2m) carrying a variable rate of interest based on the money market rate. The effective rate of interest varies with the currency and, made up at the balance sheet date, fluctuated between -0.3-0.6% in 2014 (2013: 0.0-0.6%) for significant deposits.

The Group had bank deposits of EUR 38.0m at 31 December 2014 (2013: EUR 47.1m) carrying a variable rate of interest based on the money market rate. The effective rate of interest varies with the currency and, made up at the balance sheet date, fluctuated between 0.0-0.2% in 2014 (2013: 0.0-0.6%) for significant deposits.

The Group had no long-term loans. SimCorp A/S held EUR 0.7m in bonds issued to the employees of SimCorp A/S which mature on 1 January 2015 and carry a fixed interest rate of 2% p.a.

Accordingly, a change in interest rate levels as at the balance sheet date would have no impact on profit before tax or equity.

If interest rates increased by one percentage point, the interest rate sensitivity as calculated based on quarterly cash deposits at the end of the quarters in 2014 and 2013, respectively, would have a positive profit impact of EUR 0.27m (2013: EUR 0.36m) in the parent company and of EUR 0.38m (2013: EUR 0.47m) in the Group. A corresponding fall in interest rates would have an opposite impact.

The impact of change in interest levels on the equity of the parent company and the Group does not deviate significantly from the impact on the profit and loss for the year.

Liquidity risk

It is SimCorp's policy that cash reserves must exceed 10% of the coming year's expected costs.

The Group's cash reserve comprises cash and cash equivalents and unutilized credit facilities. The Group aims to have sufficient cash resources to allow it to continue to operate adequately in case of unforeseen fluctuations in cash. The Group has unused credit facilities in banks of EUR 7.4m (2013: EUR 7.4m). The current cash position and expected cash flow for 2015 are considered to be adequate to meet the obligations of the Group as they fall due.

The following table indicates when the current and non-current liabilities including interest per 31.12.2014 and 31.12.2013, respectively, are expected to fall due:

LIABILITIES AT 31 DECEMBER

				Current				**Non-current**
EUR '000 **PARENT COMPANY**	1 to 6 months 2013	1 to 6 months 2014	7 to 12 months 2013	7 to 12 months 2014	1 to 5 years 2013	1 to 5 years 2014	Later than 5 years 2013	Later than 5 years 2014
Prepayments from clients	151	100	1	0	0	76	0	0
Trade payables	4,020	3,143	15	0	0	0	0	0
Provisions	6	0	9	134	719	650	498	568
Other payables	7,847	7,744	2,763	2,778	1,726	1,734	0	0
Income tax and deferred tax	0	0	647	984	0	0	0	0
Other debts	0	0	760	0	0	841	0	0
Payables to subsidiaries	14,765	14,436	0	0	0	0	0	0
Total	26,789	25,423	4,195	3,896	2,445	3,301	498	568
GROUP								
Prepayments from clients	2,747	6,175	489	1,752	2,254	1,157	0	0
Trade payables	6,594	6,521	115	130	144	258	11	20
Provisions	97	144	43	134	1,271	1,301	1,906	2,808
Other payables	21,770	23,871	2,893	3,005	1,971	1,734	0	0
Income tax and deferred tax	1,906	2,315	734	1,507	213	115	0	0
Other debts	0	0	760	0	0	1,493	0	0
Total	33,114	39,026	5,034	6,528	5,853	6,058	1,917	2,828

Financial liabilities are classified as 'Financial liabilities measured at amortized cost' in the balance sheet.

Interest payments are estimated based on current market conditions.

The maturity profile of the Group's operational leasing obligations appears from note 26.

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Credit risk

The Group is not exposed to significant risks concerning individual clients or business partners. Clients are generally major investment managers in the financial sector. Under the Group's policy for assuming credit risk all major clients and other business partners are assessed prior to any contract being signed and a substantial amount is paid on entering into license agreements.

The maximum exposure to credit risk equals the carrying amounts:

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
36,193	26,748	Cash and cash equivalents	47,106	37,995
16,610	22,360	Receivables	49,336	57,994
52,803	49,108	**Maximum credit exposure**	96,442	95,989

Financial assets are classified as 'Loans and receivables'.

Credit risk relating to cash funds comprising current account deposits and fixed term deposits is deemed to be immaterial as the accounts are held with selected recognized international banks with high credit ratings. No security has been received.

The table shows trade receivables by credit quality categorized by geographic regions:

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
2,234	2,464	Europe	19,551	20,642
3	4	North America	5,812	10,293
0	0	Asia	241	645
2	12	Australia	87	151
0	0	Other	404	421
2,239	2,480	**Total**	26,095	32,152

The Group's trade receivables at 31 December 2014 include no impairments (2013: no impairments), see note 19. Impairments are based on individual assessments and result from objective indication of impairment. The impairments will be charged to administrative expenses. Maturity dates for receivables are specified in note 19. No single client represent more than 12.4% (2013: 8.5%) of total trade receivables.

Categories of financial instruments

The parent company and Group have the following financial instruments:

PARENT COMPANY			GROUP	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
51,649	47,180	Loan and receivables	74,857	71,307
-19,399	-18,268	Financial obligations measured at amortized cost	-7,609	-8,409

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Note

30 EVENTS AFTER THE BALANCE SHEET DATE

Group

No material events have occurred after 31 December 2014, that have consequences for the annual report 2014.

Note

31 NEW ACCOUNTING REGULATIONS

In May 2014, the IASB issued IFRS 15 (Revenue from Contracts with Customers). It currently awaits EU endorsement. The standard becomes effective from 1 January 2017 with earlier application permitted. Preliminary analysis of the impact of the standard on SimCorp's Consolidated Financial Statements indicates that the standard will not have significant impact on the revenue recognition.

In addition a number of other new standards and interpretations not applicable/mandatory for the preparation of the 2014 Annual Report have been published. The SimCorp Group expects to implement the new applicable and approved, not yet effective accounting standards and interpretations, as they take effect.

None of the changed standards or interpretations are expected to have any significant monetary effect on the statements of the SimCorp Group's results, assets and liabilities or the equity.

Note

32 ADJUSTMENTS, CASH FLOW

This note provides details to cashflow statement reported on page 51.

PARENT COMPANY			**GROUP**	
2013	**2014**		**2013**	**2014**
EUR '000	EUR '000		EUR '000	EUR '000
		Adjustments		
2,284	2,151	Depreciation	2,851	3,780
-	-	Share of profit after tax in associates	111	-50
-27,798	-30,841	Financial income	-2,375	-1,819
2,151	1,257	Financial expenses	2,494	1,616
4,258	6,731	Tax on profit for the year	14,670	15,933
3,038	3,705	Adjustment sharebased remuneration	3,038	3,705
-16,067	-16,997	**Total adjustments**	20,789	23,165

Note

33 SEGMENT ALLOCATION RECONCILIATION OF THE PROFIT BEFORE TAX

This note provides a reconciliation to reported segment profit from operations in note 3, Segment information.

RECONCILIATION OF THE PROFIT BEFORE TAX EUR'000 **GROUP**	**2013**	**2014**
Total segment profit reported (EBIT)	54,236	57,263
Share of profit after tax in associates	-111	50
Financial income	2,375	1,819
Financial expenses	2,494	1,616
Profit before tax	54,006	57,516

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Group quarterly data 2013 and 2014*

	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
EUR/DKK rate of exchange at end of quarter	7.4528	7.4588	7.4580	7.4603	7.4659	7.4557	7.4580	7.4436
Profit, EUR '000								
Licenses – new sales	2,963	3,997	3,096	2,140	1,914	6,017	3,586	4,294
Licenses – additional sales	2,916	4,568	7,423	15,157	1,933	4,333	3,908	21,687
Professional services	16,716	18,998	17,883	22,738	18,229	20,176	19,889	21,506
Maintenance	25,639	25,897	25,780	26,981	26,704	27,465	27,919	28,343
Training activities etc.	735	644	405	453	834	759	460	1,113
Revenue	48,969	54,104	54,587	67,469	49,614	58,751	55,762	76,943
Costs of sales	19,279	20,795	19,411	21,398	21,315	21,949	21,625	24,438
Gross Profit	29,690	33,309	35,176	46,071	28,299	36,802	34,137	52,504
Other operating income	3	3	29	17	5	36	105	30
Research and development costs	12,219	12,296	11,313	13,720	12,904	13,265	11,768	12,866
Sales and distribution costs	6,804	6,218	7,037	6,921	6,405	7,232	6,740	7,076
Administrative expenses	3,706	3,477	3,380	2,971	4,109	4,452	3,690	4,148
Profit from operations (EBIT)	6,964	11,321	13,475	22,476	4,886	11,889	12,044	28,444
Financial items	4	-78	-240	84	66	-29	50	166
Profit before tax	6,968	11,243	13,235	22,560	4,952	11,860	12,094	28,610
Tax	1,990	3,351	3,255	6,074	1,328	2,740	3,599	8,266
Profit for the period	4,978	7,892	9,980	16,486	3,624	9,120	8,495	20,344
Earnings before interest, tax, depreciation and amortization (EBITDA)	7,768	12,055	14,226	23,036	5,496	12,708	12,875	29,965
Balance sheet, EUR '000								
Share capital	6,045	5,844	5,844	5,844	5,844	5,576	5,575	5,575
Equity	71,318	65,722	65,507	71,566	47,773	51,376	58,895	73,380
Property, plant and equipment	4,658	4,429	4,382	4,839	5,263	5,411	5,183	4,635
Cash and cash equivalents	58,609	46,277	42,401	47,106	51,781	19,518	28,209	37,995
Total assets	120,641	109,245	108,818	117,469	127,511	100,736	112,398	127,807
Cash flows, EUR '000								
Cash flow from operating activities	16,397	6,042	8,072	16,936	18,217	-2,435	12,100	16,508
Cash flow from investing activities, net	-188	-489	-1,044	-1,122	-7,614	-757	-409	-128
Cash flow from financing activities	-16,489	-17,550	-10,881	-10,930	-7,821	-29,087	-3,181	-6,435
Net change in cash and cash equivalents	-280	-11,997	-3,853	4,884	2,782	-32,279	8,510	9,945
Employees								
Average number of employees	1,083	1,081	1,091	1,116	1,163	1,195	1,193	1,192

* Group quarterly data is unaudited

	Q1	Q2	Q3	2013 Q4	Q1	Q2	Q3	2014 Q4
Financial ratios								
EBIT margin (%)	14.2	20.9	24.7	33.3	9.8	20.2	21.6	37.0
ROIC (return on invested capital) (%)	106.7	193.9	210.0	325.0	77.0	147.7	132.5	311.5
Debtor turnover rate	9.9	10.6	10.4	10.3	10.0	8.8	7.4	9.6
Equity ratio (%)	59.1	60.2	60.2	60.9	37.5	51.0	52.4	57.4
Return on equity (%)	22.8	46.1	60.8	96.0	24.3	72.9	61.6	123.0
Share performance								
Basic earnings per share – EPS (EUR)	0.12	0.19	0.24	0.40	0.09	0.22	0.21	0.89
Diluted earnings per share – EPS-D (EUR)	0.12	0.18	0.23	0.39	0.09	0.22	0.20	0.88
Cash flow per share – CFPS (EUR)	0.39	0.14	0.19	0.41	0.44	-0.06	0.30	0.41
Average number of shares (m)	42.6	42.5	42.0	41.5	41.3	41.0	40.9	40.5
Average number of shares - diluted (m)	43.9	43.4	43.2	44.2	43.0	43.1	42.6	42.9

Segment Data	Q1	Q2	Q3	2013 Q4	Q1	Q2	Q3	2014 Q4
Segment revenue								
Nordic Region	13,950	15,437	14,067	18,451	16,058	16,247	13,574	19,268
Central Europe	15,456	16,403	18,681	22,786	15,557	16,973	17,384	23,382
UK and Ireland	6,281	4,117	6,427	5,834	3,941	4,243	4,261	6,594
Benelux and France	6,561	7,092	6,930	10,537	7,607	9,827	9,963	13,261
Asia and Australia	4,697	4,474	4,088	4,207	4,330	4,950	4,783	5,104
North America	8,704	13,828	10,348	7,586	6,759	10,986	9,215	11,617
Product division	17,204	15,780	18,230	22,278	15,191	18,591	17,303	28,034
Coric	-	-	-	-	437	2,010	1,890	1,162
Corporate functions	29	27	58	420	37	654	335	21
Total	72,882	77,158	78,829	92,099	69,917	84,481	78,708	108,443
Elimination/not allocated	-23,913	-23,054	-24,242	-24,630	-20,303	-25,730	-22,946	-31,500
Group total revenue	48,969	54,104	54,587	67,469	49,614	58,751	55,762	76,943
Segment profit from operations (EBIT)								
Nordic Region	2,089	5,731	2,306	5,587	3,842	3,580	3,209	5,624
Central Europe	2,957	3,207	4,791	6,741	2,419	3,446	4,078	7,030
UK and Ireland	1,510	59	1,128	551	-36	77	-67	464
Benelux and France	703	545	857	2,381	600	1,252	1,580	2,525
Asia and Australia	480	397	461	449	386	840	563	999
North America	-1,081	1,039	-17	1,166	-1,810	380	941	-49
Product division	1,857	1,433	4,387	6,432	-294	2,216	4,523	13,596
Coric	-	-	-	-	-118	-455	-252	5
Corporate functions	-1,551	-1,090	-438	-831	-103	553	-2,531	-1088
Elimination/not allocated	0	0	0	0	0	0	0	-662
Total segment profit from operations (EBIT)	6,964	11,321	13,475	22,476	4,886	11,889	12,044	28,444

* Group quarterly data is unaudited

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SimCorp Coric

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Average seniority: 7 years

SimCorp

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