

SimCorp Q1 2023 Trading Update

Accelerating growth momentum in the first quarter of 2023

Q1 2023 financial highlights

- In Q1 2023, SimCorp accelerated its growth momentum across all revenue metrics. The growth was driven by the signing of two new customers as well as expansions with current customers, including signed conversions from on-premise to SaaS for two clients.
- SimCorp generated reported revenue of EUR 136.3 million in Q1 2023 (Q1 2022: EUR 114.7 million), equivalent to an increase of 18.8% in reported terms and 18.6% when measured in local currencies. The reported growth was driven by 84% SaaS revenue growth. Ratable revenue amounted to EUR 142.3 million in Q1 2023, reflecting local currency growth of 11.8%. Forward-looking Annual Recurring Revenue (ARR) grew by approximately 12.6% in local currency compared to the ARR by the end of Q1 2022.
- In Q1 2023, EBIT excluding special items was EUR 28.3 million (EUR 16.3 million in Q1 2022), corresponding to an EBIT-margin of 20.8%. The execution of the cost efficiency program FuEL is on track, and restructuring costs related to the execution (special items) amounted to EUR 5.4 million (special items of EUR 0.8 million in Q1 2022).
- In Q1 2023, SimCorp generated Free Cash Flow of EUR 45.6 million representing a significant improvement compared to EUR 20.1 million in Q1 2022. The improvement was driven by stronger underlying profitability and enhanced working capital management.
- In Q1 2023, SimCorp signed two new clients: i) a US-based insurance company for Dimension SaaS solution as well as Investment Operation Solution and Data Management Services and ii) a large asset manager in Singapore for client reporting.
- A number of expansionary SimCorp Dimension license contracts were signed in Q1 2023, including two migrations from on-premise to SaaS solutions. In addition, three customers went successfully live on their SaaS solution during the quarter.
- Based on the performance in Q1 2023, SimCorp confirms the overall financial guidance for 2023 as announced in its Annual Report 2022, i.e. ARR growth of 12-17%, ratable revenue growth of 6-11% and EBIT margin of 21-24% excluding special items (costs related to the execution of Programme FuEL and potential M&A-related transaction costs).
- All numbers are preliminary and unaudited. The audited Interim Financial Report Q1 2023 is planned to be released on 16 May 2023 as previously announced in SimCorp's financial calendar.

Enquiries regarding this announcement should be addressed to

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