

TO THE
SHAREHOLDERS

Key Figures at a glance

Unless otherwise specified in € million	1st half-year 2016	1st half-year 2015	2nd quarter 2016	2nd quarter 2015
Backlog (as of 30 June)	29.3	18.2	29.3	18.2
Revenue	37.9	26.9	19.4	14.7
- Software	5.8	4.5	2.9	1.8
- Professional Services	32.1	22.4	16.6	12.9
EBIT	3.4	2.1	1.8	1.1
- Margin (%)	9.0	7.8	9.2	7.4
Consolidated net income	2.2	1.3	1.1	0.6
Earnings per share (€)				
- Undiluted	0.58	0.34	0.30	0.17
- Diluted	0.58	0.34	0.30	0.17
Number of shares (million)*	3.738	3.738		
Equity	18.5	16.0		
- Ratio (%)	37.8	35.4		
Number of employees (as of 30 June)	638	362		
Personnel costs	22.0	15.1	11.4	7.9

* As of July 7, 2016, the company's share capital increased by EUR 1,238,726.00 to a total of EUR 4,976,786.00 divided into 4,976,786 shares. Accordingly, the capital increase has not yet been recognized in the half-year financial statements as of June 30, 2016.

CONTENT

- 04 Letter from the CEO
- 06 SNP's shares

Interim Group Management Report

- 10 The SNP Group
- 10 Significant events in the first half 2016
- 12 Economic report
- 12 Net assets, financial position and results of operations
- 16 Report on risks and opportunities, forecast
- 16 Supplementary report

Consolidated Financial Statements

- 18 Consolidated Balance Sheet
- 19 Consolidated Income Statement
- 20 Consolidated Statement of Comprehensive Income
- 21 Consolidated Cash Flow Statement
- 22 Consolidated Statement of Changes in Equity
- 24 Notes to the Consolidated Financial Statements
- 29 Segment reporting
- 31 Assurance by the Legal Representatives
- 32 Independent Auditors Report

Further Information

- 34 Financial calendar
- 34 Contact
- 35 Legal notice

LETTER FROM THE CEO

Dear Shareholders,

The SNP Group's operating and strategic development is progressing rapidly with great success. The half-year figures strongly confirm the SNP Group's growth momentum. Our company increased revenue by 41% to € 37.9 million year-on-year. The rise in organic growth is approximately 22%. We increased EBIT to € 3.4 million, which corresponds to an EBIT margin of 9.0% in the middle of the year. We continue to anticipate consolidated revenue between € 72 million and € 78 million and an operating result margin between 8% and 10% for the year as a whole. The good order situation and revenue and earnings performance in the first half of 2016 support our forecast for the current fiscal year.

This means that SNP is growing by leaps and bounds. However, we are not losing sight of our objective to achieve profitable growth. For us, size is only of significance if it contributes towards further promoting SNP's success. We are working hard on SNP's success. Rising revenue and profits are the result of hard work and satisfied customers. However, the economies of scale in our business are anything but insignificant. This is why the following applies: The stronger SNP's growth is, the higher our profitability and earnings will be. In this context, we took another significant and strategic step forward in the first six months of the current fiscal year.

The successful capital increase and gross issue proceeds accrued in the amount of around € 31 million are not yet apparent in the statement of financial position as at June 30, 2016. 1,238 million new SNP shares were issued. Despite strains on the capital markets – which were triggered by Brexit – the interest of investors significantly exceeded the placement volume.

Firstly, this result highlights investors' interest in participating in the growth strategy and business performance of the SNP Group. Secondly, the successful issue provides evidence of the attractiveness of our business model and the SNP share on the capital market. Management has made a strong, long-term and, in my opinion, particularly pleasing commitment to the company by acquiring an interest of around 30% of the capital increase. Further details on the capital increase can be found in the "SNP on the Capital Market" section in this semi-annual financial report.

In addition to the capital increase that will allow our equity ratio to increase from a current 38% to above 60%, we have simultaneously promoted the SNP Group's targeted development into a global company, which we have presented to you multiple times. We have strengthened on strongly growing markets in Asia since the start of 2016. Our move to Asia was a success thanks to the acquisition of majority interests in



Dr. Andreas Schneider-Neureither has a PhD in physics and is the CEO of SNP AG. The founder and majority shareholder was appointed and confirmed as CEO for another four years until the end of 2020.

two companies with over two decades of project experience in Malaysia, Singapore, and China.

With our growth strategy, we have already become a provider of sophisticated IT services that is represented on nearly all relevant global markets and that implements transformation projects on an international, national, and regional level. Today, the SNP Group is a provider of end-to-end solutions that covers the entire value chain on the transformation market.

When we started to accelerate growth a few years ago, our aim was to make use of our efficient software and advisory expertise, also in major and highly complex corporate transactions. Now we can say that this has been a success. When major transactions that are relevant to IT transformation take place today, SNP is one of the players involved in strategic considerations. Our prominence has increased dramatically and we are doing everything we can to develop this even further.

Our customers include many companies operating worldwide and are increasingly recognizing the importance and significance of IT transformations. Digital transformation and the ability to quickly respond to changes in the business environment are critical success factors among competitors today. In addition to organizational changes such as spin-offs, carve-outs

and the sale of companies, particular attention is paid to the technical necessity to consolidate previously different and complex IT infrastructures. As a provider of a clearly technologically leading and simultaneously industry-spanning software standard, SNP oversees and supports changes in companies.

My special thanks go to our 638 employees, whose great dedication and sense of identity with SNP help to move the company forward every single day. I would also like to thank our customers and shareholders for the trust they have placed in us. We will keep on working hard to justify this.

Heidelberg, 28 July 2016
SNP Schneider-Neureither & Partner AG

A handwritten signature in blue ink, appearing to read 'ASN', written over a light blue circular stamp.

Dr. Andreas Schneider-Neureither
CEO

SNP on the Capital Market

At the start of this year, the Ifo Business Climate Index hit an intermediate low. After reaching a low of 105.8 points in February, sentiment in the German economy still continued to improve despite various areas of uncertainty on financial markets and in the political sphere. As a result, the Business Climate Index climbed to 108.7 points by June. Companies are also benefiting from a strong demand from private households, which will continue due to the low inflation rate.

As in the case of the Business Climate Index, the DAX index nosedived at the start of the year and recovered over the rest of the year. After the index hit an interim

8,753 points in February, it broke the 10,000-point mark at the end of March and fluctuated above and below the 10,000-point threshold from this moment on. Finally, it fell to 9,267 points in June due to the unexpected Brexit decision reached by British voters. Even if the DAX index managed to recover to 9,860 points from this initial shock by the end of the month, a 9.9% decrease was reported for the first half of the year. The MDAX and TecDAX also ended the first half of the year with a loss. While the MDAX posted a lower loss of 4.5% compared to the DAX, the TecDAX slipped considerably with a 12.5% loss.

Key share data

ISIN	DE0007203705
Securities identification number	720 370
Number of shares as of June 30, 2016	3,738,060
Number of shares from July 7, 2016	4,976,786
Share capital from July 7, 2016	4,976,786 €
Class	No-par value bearer shares
Market segment	Prime Standard
Trading exchanges/stock exchanges	Xetra®, Frankfurt, Berlin, Hamburg, Munich, Stuttgart, Dusseldorf
Ticker symbol	SHF
Bloomberg	SHF:GR
Reuters	SHFG.DE

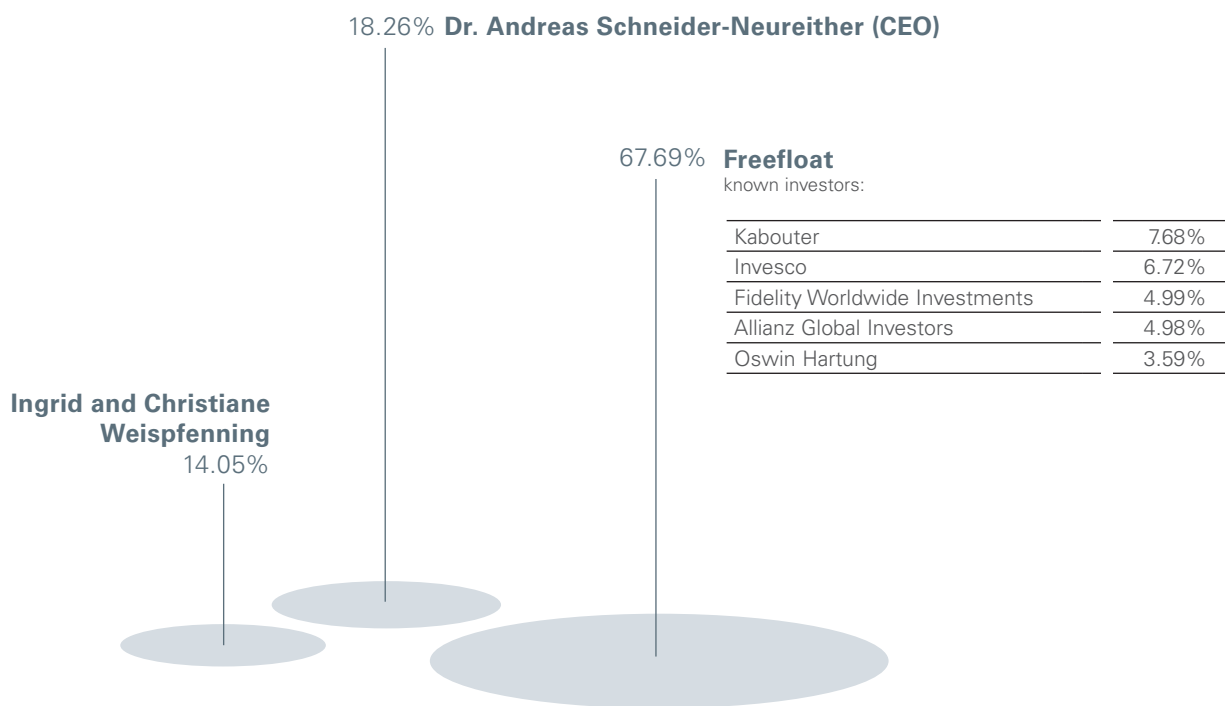
Share performance indicators*

		2016	2015
Earnings per share as of June 30	(in €)	0.58	0.34
Market capitalization as of June 30	(in € million)	105.41	49.45
Price as of June 30	(in €)	28.20	13.23
High in the first half of the year	(in €)	32.55	14.98
Low in the first half of the year	(in €)	22.60	12.11

* Adjusted data based on closing prices (XETRA), source: Bloomberg

Shareholder structure

As of July 22, 2016 (after the capital increase)



SNP share reaches historic high at € 33.10

Boosted by its price performance of around 108% in 2015, the SNP share continued its upward trend in the first quarter of 2016. With the publication of its Annual Report, the SNP share reached an interim high of € 33.10 at the end of March, which corresponds to a market capitalization of around € 124 million.

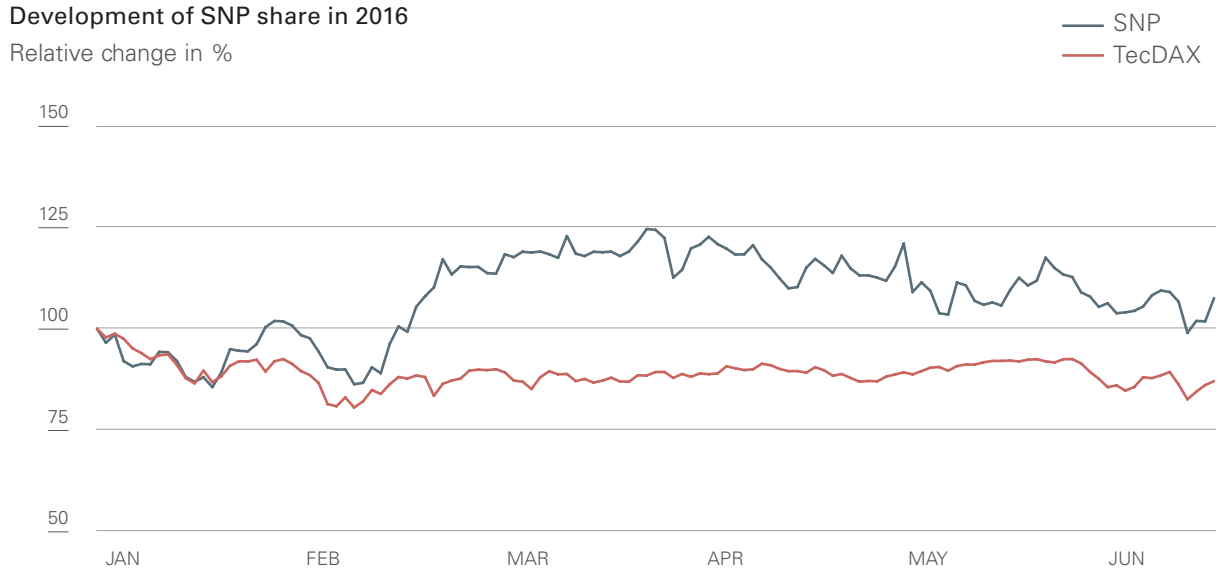
On May 17, the Executive Board and Supervisory Board announced that they wanted to make use of authorized capital while granting subscription rights in order to finance further growth. The SNP share then fell below the € 28 mark for the first time since February, but rose again to more than € 30 at the beginning of June. The

SNP share saw price losses in the turbulent phase after the Brexit decision, but still managed to climb to € 28.20 by the end of the first half of the year. Compared to the start of the year, the share saw an increase of around 7% and a market capitalization of approximately € 105 million.

The SNP share’s trading volume substantially increased across various stock exchanges. In the first half of the year, a monthly average of 8,393 shares were traded each day. For the year 2015 as a whole, this figure was 5,043 shares per day. When provisional figures for fiscal year 2015 and the revenue and earnings forecast for fiscal year 2016 were announced at the end of January, daily trade reached a record volume of 47,916 shares.

Development of SNP share in 2016

Relative change in %



Capital increase significantly oversubscribed

On June 13, 2016, SNP AG announced a cash capital increase. As a result, the company's share capital increased by € 1,238,726.00 divided into 1,238,726 ordinary bearer shares to a total of € 4,976,786.00 divided into 4,976,786 shares. The new shares were issued at a price of € 25.00 per share and are entitled to a share in profits for fiscal year 2016 from January 1, 2016. Overall, the interest of investors significantly exceeded the placement volume, which is why not all subscription requests could be met. Thanks to the successful

cash capital increase, the company achieved gross issue proceeds of € 30.97 million. The capital increase was entered into the commercial register on July 7, 2016. New shares were issued on July 11, 2016.

Further information on SNP's share can be found at: <http://www.snp-ag.com/Investor-Relations/stock-information/>

Further information on investor relations can be found at: <http://www.snp-ag.com/eng/Investor-Relations/>

SNP's bond

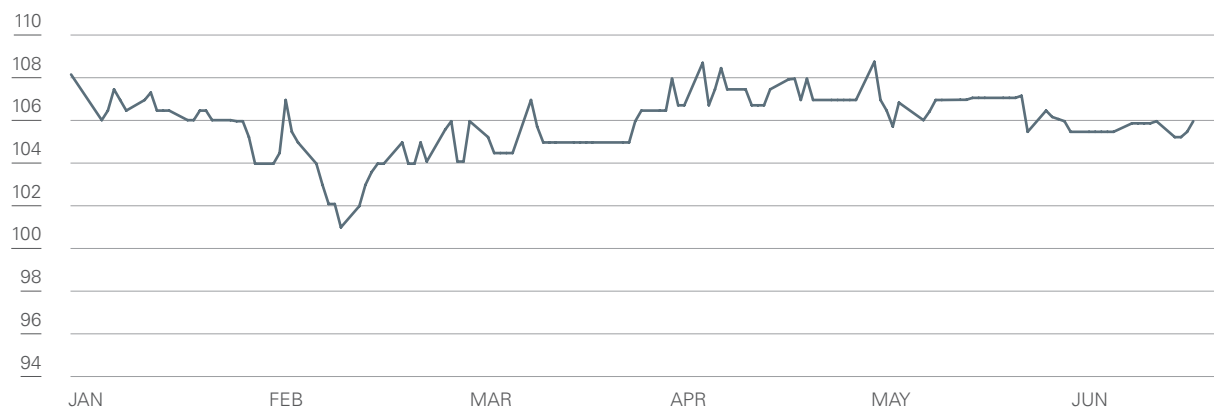
SNP Schneider-Neureither & Partner AG issued a bond in the form of a partial bearer bond with an aggregate principal amount of up to € 20 million. The total amount issued was € 10.0 million. The bond was issued on March 9, 2015 and it will mature on March 9, 2020. The corporate bond was exclusively signed by qualifying investors in Germany and abroad as part of a private placement. It has a nominal interest rate of 6.25% p.a.

Bond reference data

ISIN	DE000A14J6N4
Securities identification number	A14J6N
Issue volume	€ 10.0 mn
Issue date	March 9, 2015
Coupon	6.250%

Development of SNP bond in 2016

In %



Interim Group Management Report

for the period from January 1 to June 30, 2016

The SNP Group

Business activities

The SNP Group is a software-related business consulting company specialized in the field of data processing, while its own software developments are used in the field of digital transformation management especially.

We enable companies to successfully manage their digital transformation processes, thereby helping them to achieve their market goals on the basis of highly adaptive information technology. Our solutions and software serve to integrate previously separate IT environments, to support M&A projects and spin-offs, and to tap new markets beyond domestic ones. We use the SNP Transformation Backbone, our proprietary standard software, to automatically analyze and carry out transformations of IT systems. With our integrated range of software products in conjunction with our software consulting services, we have created solutions that assist companies in processing their IT transformations.

Since the start of 2016, the SNP Group has employed around 600 people in Europe, Asia, South Africa, and the United States, around 300 of whom in Germany. Following the majority takeover of Hartung Consult GmbH (hereinafter referred to as Hartung Consult) and Astrums Consulting (S) Pte. Ltd. (hereinafter referred to as Astrums Consulting) as of the start of 2016, these acquisitions account for around 180 employees. The SNP Group, Heidelberg, generated revenue of € 56.2 million (not including Hartung Consult and Astrums

Consulting) in 2015. Its customers are global corporations operating in industry and the finance and service sectors. SNP AG was founded in 1994 and has been listed since 2000. It was admitted to the Prime Standard of the Frankfurt Stock Exchange (ISIN DE0007203705) in August 2014.

Group structure

In addition to the parent company SNP Schneider-Neureither & Partner AG ("SNP AG" for short) based in Heidelberg, Germany, the consolidated group includes the following subsidiaries in which SNP Schneider-Neureither & Partner AG directly and indirectly holds the majority of voting rights as of June 30, 2016 (see page 11 in this report).

Significant events in the first half of 2016

Successful company acquisitions

Effective January 1, 2016, SNP AG acquired 51% of shares in Hartung Consult GmbH, Berlin, including the majority-owned subsidiary Hartung Informational Systems Co. Ltd., Shanghai. SNP has a call option to acquire the remaining 49% in Hartung Consult as of January 1, 2018.

Also effective January 1, 2016, the SNP Group acquired 51% of shares in Astrums Consulting (S) Pte. Ltd., Singapore, including the majority-owned subsidiary Astrums Consulting Sdn. Bhd., Malaysia. The SNP Group has a call option to acquire another 19% in Astrums Consulting as of January 1, 2018. The two purchase ag-

Name	Registered office	Shareholding in %
SNP Consulting GmbH	Thale, Germany	100
RSP Reinhard Salaske & Partner Unternehmensberatung GmbH	Wiehl, Germany	100
SNP Business Landscape Management GmbH	Heidelberg, Germany	100
SNP Applications GmbH	Heidelberg, Germany	100
SNP GmbH*	Heidelberg, Germany	100
SNP Austria GmbH	Pasching, Austria	100
SNP (Schweiz) AG	Steinhausen, Switzerland	100
Schneider-Neureither & Partner Iberica, S.L.	Madrid, Spain	100
SNP America, Inc.	Jersey City, NJ, USA	100
SNP Labs, Inc.	Irving, TX, USA	100
SNP Schneider-Neureither & Partner ZA (Pty) Limited	Johannesburg, South Africa	100
Hartung Consult GmbH **	Berlin, Germany	51
Hartung Informational System Co., Ltd. **	Shanghai, China	51
Astrums Consulting (S) Pte. Ltd. ***	Singapore	51
Astrums Consulting SDN. BHD.***	Kuala Lumpur, Malaysia	51

* In May 2016, SNP AG acquired the remaining shares in SNP Axxiome GmbH and renamed the company SNP GmbH.

** In January 2016, SNP AG acquired 51% of shares in Hartung Consult GmbH in a share deal. Hartung Informational System Co., Ltd is a wholly owned subsidiary of Hartung Consult GmbH

*** In January 2016, the SNP Group acquired 51% of shares in Astrums Consulting (S) Pte. Ltd. in a share deal. Astrums Consulting (S) Pte. Ltd. holds 99.9992% of shares in Astrums Consulting SDN. BHD.

reements were concluded on December 22, 2015 and communicated with the capital market by way of ad hoc disclosure.

Executive Board

At its meeting on March 10, 2016, the Supervisory Board resolved to renew the contract of Mr. Henry Göttler, which was to end as of December 31, 2016, and to appoint him as a member of the Executive Board for a further three years from January 1, 2017 to December 31, 2019. The contract with Mr. Jörg Vierfuß, also expiring as of December 31, 2016, was not renewed. He will continue to hold the management position of Chief Financial Officer (CFO), which he has held since the middle of 2013. The contract with Dr. Andreas Schneider-Neureither runs until December 31, 2020.

Acquisition of a non-controlling interest

SNP AG has acquired 20% of shares in Innoplexia GmbH, Heidelberg, effective April 18, 2016. The purpose of the business is to develop, sell, and provide consulting services for IT solutions. Among other things, Innoplexia operates a data collection system, which uses intelligent analytics from Internet platforms (Google, comparison sites, shops, etc.) to gather market-specific information. This allows information on the market and competition to be generated on a daily basis in the form of customer-specific reports.

Annual General Meeting 2016

The Annual General Meeting of SNP AG, which took place in Leimen on May 12, 2016, approved all items on the agenda by a substantial majority. Among other things, the shareholders accepted the proposal by the Executive Board and the Supervisory Board on the appropriation of net profit, and resolved to pay a dividend of € 0.34 per share (previous year: € 0.13 per share). This marks a dividend increase of around 162% as against the previous year and a distribution ratio of around 49%. The total distribution therefore amounted to € 1,264 million (previous year: € 0.483 million).

Major order for transformation software from German industrial group

An agreement on a long-term collaboration with a German-based, globally operating industrial group was entered into in May. The contract has a total value in the low seven figures. The industrial group, which is listed in the DAX, is streamlining its processes and harmonizing its data in order to leverage the opportunities of digitization quickly. The goal is for efficient IT support of its business processes. A key requirement for this is the implementation of standardized data definitions. This is where SNP Transformation Backbone comes in: The standard software guarantees the risk-free and efficient transformation of very large data volumes to new definitions. The partnership highlights SNP AG's impressive capabilities in global IT projects.

Capital increase

SNP AG announced a cash capital increase on June 13, 2016. As a result, the company's share capital was increased by € 1,238,726, divided into 1,238,726 ordinary bearer shares, to a total of € 4,976,786, divided into 4,976,786 shares. The new shares were issued at a price of € 25 per share and share in profits for fiscal year 2016 from January 1, 2016. Investor interest significantly exceeded the placement volume overall, hence it was not possible to satisfy all subscription requests. The company generated gross issue proceeds of € 30.97 million from its successful cash capital increase.

The capital increase was entered in the commercial register on July 7, 2016. The new shares were issued on July 11, 2016. Accordingly, the capital increase has not yet been recognized in the half-year financial statements as of June 30, 2016.

Economic report

According to the Kiel Institute for the World Economy (IfW), the weak phase observed on the global economy during the winter months gave way to a slight recovery in the spring. However, global economic momentum can still be described as modest. For the current year, the IfW is forecasting that the growth rate of the global economy will be unchanged compared to the previous year, and therefore a slow 3.1%. One reason for a slight recovery in recent months has been the better prospects for emerging economies, resulting from somewhat higher commodity prices. According to the IfW, the merely moderate rate of expansion in the developed economies, which has been lingering for some time, points to structural barriers that cannot be overcome by monetary and fiscal policy.

Looking at the German economy, the IfW is projecting a good growth rate of 1.9% for 2016. This growth will be driven by the domestic economy. Despite a further rise in the price of oil, the rate of inflation is expected to be muted, which will have a positive impact on the purchasing power of private households. Together with employment-friendly wages, this development will lead to a further improvement in the labor market situation.

The German ICT market will expand by 1.7% in 2016 and therefore generate revenue of € 160.2 billion, according to a forecast by the ICT association Bitkom. A factor of growing significance on the ICT market is cloud computing. At 54%, for the first time more than half of German companies with a minimum size of at least 20 employees used cloud computing in 2015. The figure had been just 44% one year previously. A further 18% of those companies surveyed were planning or discussing its use last year.

Net assets, financial position, and results of operations

After strong growth in fiscal year 2015, the SNP Group enjoyed a successful start to fiscal year 2016: Having already increased by 51.7% year-on-year in the first quarter of the current fiscal year to € 18.5 million, consolidated revenue rose by 32.4% compared to the second quarter of 2015 to € 19.4 million in the second quarter of 2016. After the end of the first six months of the fiscal year, the company can therefore report consolidated revenue of € 37.9 million, an increase of 41.1% as against the same period of the previous year.

The initial consolidation of Hartung Consult and Astrums Consulting in the half-year financial statements also had a significant effect on revenue growth. The acquisitions of Hartung Consult and Astrums Consulting contributed around 19% in total to the rise in revenue. Adjusted for

Overview Consolidated Income Statement

€ million	1st half-year 2016	1st half-year 2015	Δ in %
Revenue	37.914	26.861	41.1
Professional Services	32.074	22.404	43.2
Licenses	4.641	3.226	43.9
Maintenance	1.199	1.231	-2.6
Other operating income	0.348	0.543	-35.9
Cost of material	-3.965	-3.357	18.1
Personnel costs	-21.986	-15.144	45.2
Other operating expenses	-8.160	-6.199	31.6
Other taxes	-0.049	-0.026	88.5
EBITDA	4.102	2.678	53.2
EBIT	3.407	2.095	62.6
Net financial income	-0.460	-0.313	47.0
EBT	2.947	1.782	65.4
Income taxes	-0.748	-0.521	43.6
Consolidated net income	2.199	1.261	74.4

this effect, the rise in organic growth was around 22%. With the acquisition of Hartung Consult and Astrums Consulting, SNP has gained greater access to the South-east Asian market, and is now also assisting customers in international roll-out projects.

EBITDA amounted to € 4.1 million (previous year: € 2.7 million) and EBIT to € 3.4 million (previous year: € 2.1 million) in the period under review. This corresponds to an EBITDA margin of 10.8% (previous year: 10.0%) and an EBIT margin of 9.0% (previous year: 7.8%).

The company's financial situation remains positive: Cash and cash equivalents amounted to € 7.1 million as of June 30, 2016 (December 31, 2015: € 13.8 million). The decline of € 6.6 million is essentially attributable to cash used in investing activities of € -3.9 million (previous year: € -4.0 million) and cash used in financing activities of € -2.3 million (previous year: cash flow of € 13.0 million generated). In addition to investments in property, plant and equipment (€ 0.8 million) and intangible assets (€ 0.6 million), the negative cash flow from investing activities was mainly due to the acquisition of the majority interests in Hartung Consult and Astrums Consulting (€ 2.1 million) and the purchase of the 20% of shares in Innoplexia GmbH (€ 0.4 million). The cash flow used in financing activities results from the dividend payments for fiscal year 2015 of € 1.3 million and loan repayments of € 1.1 million. The cash flow used in operating activities amounted to € -0.4 million (previous year € -3.8 million). Earnings after taxes (€ 2.2 million) and depreciation and amortization (€ 0.7 million) were essentially offset by higher trade receivables in connection with the expanded business volume (€ 2.8 million).

Overall, the figures for the quarter show that SNP Schneider-Neureither & Partner AG is well on its way to achieving its goals for 2016 as a whole.

Revenue performance

In the first half of fiscal year 2016, SNP AG generated consolidated revenue of € 37.9 million, a substantial increase of € 11.1 million or 41.1% on the previous year's level. The excellent capacity utilization with a clear increase in the order backlog made a significant contribution to this revenue development. Revenue amounted to € 19.4 million in the second quarter of 2016 (previous year: € 14.7 million), up 32.4% on the same quarter of the previous year.

After the first six months of the fiscal year, Hartung Consult and Astrums Consulting, both included in consolidation for the first time in the reporting period, contributed around 19% to this revenue growth. After adjustment for acquisitions, organic revenue growth therefore amounted to around 22% as against the first half of 2015. Organic revenue growth was roughly 15% in the second quarter.

In terms of segment performance, the Professional Services segment, which provides consulting services in particular, generated revenue of € 32.1 million in the first six months of the current fiscal year (previous year: € 22.4 million). This represents an increase of 43.2% as against the same period of the previous year. Adjusted for acquisitions, growth was still around 17%. The Professional Services segment contributed € 16.6 million to revenue in the second quarter of 2016 (previous year: € 12.9 million). This marks an increase of 28.3% compared to the second quarter of 2015. Adjusted for acquisitions, growth was still around 11%.

The Software segment (including maintenance) accounted for revenue of € 5.8 million in the first six months of the fiscal year (previous year: € 4.5 million). This corresponds to an increase of 31.0% as against the first half of 2015. Within this segment, license revenue increa-

€ million	H1 2016	H1 2015	Q2 2016	Q2 2015
Incoming orders	46.1	29.3	19.9	12.7
Order backlog	29.3	18.2	29.3	18.2
Revenue	37.9	26.8	19.4	14.7
EBITDA	4.1	2.7	2.2	1.4
EBIT	3.4	2.1	1.8	1.1
Number of employees	638	362	638	362

sed by 43.9% compared to the first half of the previous year; this is essentially due to the sale of a group license for the SNP Transformation Backbone software (see page 11 in this report). Maintenance revenue was on a par with the previous year at € 1.2 million. The Software segment contributed € 2.9 million to revenue in the second quarter of 2016 (previous year: € 1.8 million).

The biggest revenue driver in the Software segment was again SNP Transformation Backbone in the first six months of the fiscal year. Including maintenance, the product contributed € 3.0 million (previous year: € 2.7 million) to segment revenue. At around 63%, its share of total software revenue was thus around three percentage points below the level of the previous year. By contrast, there was an increase in both revenue from and the percentage share of revenue attributable to the standard software SNP Data Provisioning and Masking. The second-strongest product in the Software segment in terms of revenue contributed € 1.1 million in the period under review (previous year: € 0.5 million), with the Software segment's share of revenue increasing to around 19% (previous year: around 12%). The third-strongest product, SNP Dragoman, contributed € 0.4 million to revenue, up 46% on the same period of the previous year.

The order backlog of € 29.3 million as of June 30, 2016 was around 61% higher than the previous year's figure of € 18.2 million. Incoming orders were around 57% higher year-on-year at € 46.1 million as of the same date.

Results of operations

The excellent revenue performance in the first half of the year was also reflected in earnings: Despite the not inconsiderable extraordinary costs of further growth, the positive trend in the result of operations continued and EBITDA climbed to € 4.1 million (previous year: € 2.7 million). EBIT amounted to € 3.4 million as against € 2.1

million in the same period of the previous year, corresponding to margins of 10.8% (EBITDA) and 9.0% (EBIT).

This performance was achieved despite ongoing investments in organic growth and growth through acquisitions. Staff costs rose by € 6.8 million to € 22.0 million in the reporting period. € 3.2 million of this is due to Hartung Consult and Astrums Consulting, which were included in consolidation for the first time. The rise in purchased services of € 0.6 million to € 4.0 million is essentially due to the initial consolidation of Hartung Consult and Astrums Consulting. Other operating expenses increased by € 2.0 million to € 8.2 million, with Hartung Consult and Astrums Consulting accounting for € 1.0 million. Other operating income dropped slightly from € 0.5 million to € 0.3 million, primarily as a result of currency effects.

As other financial expenses amounted to € -0.5 million in the period under review while other financial income was only immaterial, net financial income was negative at € -0.5 million (previous year: € -0.3 million), resulting in EBT of € 2.9 million (previous year: € 1.8 million). With income taxes of € -0.7 million (previous year: € -0.5 million) there was a net profit for the first six months of fiscal year 2016 of € 2.2 million after € 1.3 million in the same period of the previous year. This corresponds to a net margin of 5.8% (previous year: 4.7%). Earnings per share therefore amounted to € 0.58 (previous year: € 0.34).

Net assets

Total assets rose significantly by € 3.6 million to € 48.8 million as against December 31, 2015, mainly as a result of the acquisition of majority interests in Hartung Consult and Astrums Consulting.

Current assets decreased by € 2.0 million to € 28.0 million. Cash and cash equivalents fell by € 6.6 million

to € 7.1 million, due in particular to payments in connection with the two acquisitions. By contrast, trade receivables were up by € 3.8 million to € 19.3 million. The higher trade receivables are as a result of the initial consolidation of Hartung Consult and Astrums Consulting (€ 2.0 million) and the generally higher business volume.

Non-current assets climbed in the reporting period, from € 15.2 million as of December 31, 2015 to € 20.8 million as of June 30, 2016. The increase was essentially caused by the rise in recognized goodwill from € 10.2 million to € 14.8 million as a result of the acquisition of majority interests in Hartung Consult and Astrums Consulting.

Financial position

In the period under review, current liabilities increased from € 13.7 million as of December 31, 2015 to € 15.8 million as of June 30, 2016. This rise is predominantly on account of the increase in other current liabilities by € 2.0 million to € 10.3 million. € 1.9 million of this is due to outstanding payments in connection with the acquisition of majority interests in the two companies. Trade payables rose by € 0.3 million to € 2.6 million on account of the higher business volume and the companies included in consolidation for the first time. By contrast, the short-term portion of the bond was reduced by € 0.3 million to € 0.2 million as a result of interest payments.

In the first six months of fiscal year 2016, non-current liabilities decreased by € 0.9 million to € 14.6 million as of June 30, 2016 (December 31, 2015: € 15.5 million). This is predominantly a result of a decline in non-current liabilities to banks of € 1.1 million to € 1.5 million. The company's equity increased from € 16.0 million to € 18.5 million in the first six months of 2016. Issued capital, capital reserves, the other components of equity and treasury shares were unchanged. Retained earnings increased by a total of € 0.9 million as a result of the net

income generated (€ 2.2 million) and the dividend payment (€ -1.3 million). Non-controlling interests increased by € 1.6 million on account of the shares in Hartung Consult and Astrums Consulting. The rise in equity, coupled with the increase in total assets to € 48.8 million as of June 30, 2016 (December 31, 2015: € 45.2 million), resulted in a slight improvement in the equity ratio from 35.4% to 37.8%.

The cash flow used in operating activities amounted to € -0.4 million (previous year € -3.8 million). Earnings after taxes (€ 2.2 million) and depreciation and amortization (€ 0.7 million) were essentially offset by higher trade receivables in connection with the expanded business volume (€ 2.8 million).

The negative cash flow from investing activities of € -3.9 million (previous year: € -4.0 million) was essentially due to payments for the acquisition of majority interests in Hartung Consult and Astrums Consulting. In addition, payments for investments in property, plant and equipment amounted to € 0.8 million in the first half of 2016, € 0.6 million in intangible assets, and € 0.4 million for acquiring 20% of the shares in Innoplexia GmbH.

The cash outflow from financing activities of € -2.3 million (previous year: cash inflow of € 13.0 million) relates to dividend payments for fiscal year 2015 and the repayment of bank loans.

Total cash flow amounted to € -6.6 million (previous year: € 5.3 million) in the reporting period. Taking into account the changes shown, cash and cash equivalents decreased to € 7.1 million as of June 30, 2016. Cash and cash equivalents amounted to € 13.8 million as of December 31, 2015. SNP AG's financial position remains very solid overall.

Employees

The number of employees increased in the reporting period from 401 as of December 31, 2015 to 638 as of June 30, 2016. The significant increase in the number of employees is attributable to the majority takeovers of Hartung Consult and Astrums Consulting at the start of 2016. In addition, new staff were hired in the period under review in order to handle the excellent order situation and to selectively develop and expand resources for further corporate growth.

These figures include three members of the Executive Board (December 31, 2015: three), 18 managing directors (December 31, 2015: ten) and 43 students and trainees (June 30, 2015: 42). The average number of employees in the reporting period was 607.

Report on risks and opportunities, forecast

Risks and opportunities

The operating and financial risks are explained in detail under "Risk management and risk report" in the 2015 annual report within the Group management report. Business potential is also reported on under "Opportunities and forecast". There were no material changes in the risk and opportunities profile of SNP AG in the reporting period.

Forecast

With revenue and earnings performance in line with expectations and the consistently positive order situation, the Executive Board is confirming its forecast for fiscal year 2016 and is still projecting consolidated revenue of between € 72 million and € 78 million with an EBIT margin between 8% and 10%.

Supplementary report

Broader range of services

SNP AG has further expanded its range of standardized transformation software. The SNP Interface Scanner is a new software with which customers can analyze the interfaces between SAP systems and their surrounding landscapes. The SNP Interface Scanner provides a database and infrastructure to visually illustrate the systems involved and their connections. Moreover, the new solution enables companies to continuously document the interfaces they are using, for example for SAP Audit. This means advantages for users in the management of their SAP systems.

Strategic partnership between HUAWEI and SNP

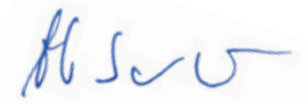
A strategic partnership between SNP and HUAWEI, a leading global provider of solutions in information and communications technology based in Shenzhen, China,

was agreed in July. The goal of the strategic alliance is to be able to offer companies an end-to-end range – comprising hardware and software in addition to launch and migration consulting – from a single source for their digital transformation. Together, HUAWEI and SNP will therefore offer a unique service moving ahead to make HANA technology available to companies quickly and efficiently in their digital transformation.

There were no further significant events after June 30, 2016.

Heidelberg, July 28, 2016

The Executive Board



Dr. Andreas Schneider-Neureither



Henry Göttler



Jörg Vierfuß

Consolidated Financial Statements

Consolidated Balance Sheet as at 30 June 2016

ASSETS			
€ k	30/06/2016	31/12/2015	30/06/2015
Current assets			
Cash and cash equivalents	7,143	13,769	10,948
Trade receivables	19,328	15,498	14,875
Current tax assets	141	142	1,418
Other current assets	1,410	587	656
	28,022	29,996	27,897
Non-current assets			
Goodwill	14,820	10,162	10,104
Intangible assets	1,930	1,513	1,676
Property, plant and equipment	2,451	1,999	1,471
Participations accounted for in accordance with the equity method	413	22	25
Other non-current assets	289	204	149
Non-current tax assets	5	5	10
Deferred taxes	907	1,338	1,674
	20,815	15,243	15,109
	48,837	45,239	43,006
EQUITY AND LIABILITIES			
€ k	30/06/2016	31/12/2015	30/06/2015
Current liabilities			
Corporate bond	189	502	0
Liabilities due to banks	2,100	2,100	2,100
Trade payables	2,648	2,311	2,045
Provisions	120	120	471
Tax liabilities	479	417	258
Other current liabilities	10,269	8,254	5,439
	15,805	13,703	10,313
Non-current liabilities			
Corporate bond	9,822	9,811	9,975
Liabilities due to banks	1,467	2,533	3,591
Provisions for pensions	1,359	1,234	1,076
Deferred taxes	8	13	129
Other non-current liabilities	1,922	1,922	3,199
	14,578	15,513	17,970
Equity			
Subscribed capital	3,738	3,738	3,738
Capital reserves	7,189	7,189	7,189
Retained earnings	6,398	5,497	4,207
Other reserves	-16	14	4
Treasury shares	-415	-415	-415
Equity attributable to shareholders	16,894	16,024	14,723
Non-controlling interests	1,560	0	0
	18,454	16,024	14,723
	48,837	45,239	43,006

The following notes are an integral part of the consolidated financial statements.

Consolidated Income Statement

for the period from 1 January to 30 June 2016

€ k	1st half-year 2016	1st half-year 2015	2nd quarter 2016	2nd quarter 2015
Revenue	37,914	26,861	19,440	14,683
Professional Services	32,074	22,404	16,558	12,909
Licenses	4,641	3,226	2,425	1,406
Maintenance	1,199	1,231	457	368
Other operating income	348	543	148	-95
Cost of material	-3,965	-3,357	-2,037	-1,929
Personnel costs	-21,986	-15,144	-11,382	-7,887
Other operating expenses	-8,160	-6,199	-3,986	-3,344
Other taxes	-49	-26	-27	-13
EBITDA	4,102	2,678	2,156	1,415
Depreciation and impairments on intangible assets and property, plant and equipment	-695	-583	-372	-334
EBIT	3,407	2,095	1,784	1,081
Income from participations accounted for in accordance with the equity method	-1	0	-1	0
Other financial income	1	2	1	2
Other financial expenses	-460	-315	-269	-206
Net financial income	-460	-313	-269	-204
EBT	2,947	1,782	1,515	877
Income taxes	-748	-521	-370	-264
Consolidated net income	2,199	1,261	1,145	613
Of which:				
Profit attributable to non-controlling shareholders	35	0	-108	0
Profit attributable to shareholders of SNP Schneider-Neureither & Partner AG	2,164	1,261	1,253	613
Earnings per share	€	€	€	€
- Undiluted	0.58	0.34	0.30	0.17
- Diluted	0.58	0.34	0.30	0.17
Weighted average number of shares	in thousands	in thousands	in thousands	in thousands
- Undiluted	3,716	3,716	3,716	3,716
- Diluted	3,716	3,716	3,716	3,716

The following notes are an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the period from 1 January to 30 June 2016

€ k	1st half-year 2016	1st half-year 2015	2nd quarter 2016	2nd quarter 2015
Net income for the period	2,199	1,261	1,145	613
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	-30	55	-40	-5
Deffered taxes on differences from currency conversion	0	0	0	0
	-30	55	-40	-5
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	0	0	0	0
Deferred taxes on remeasurements of defined benefit pension plans	0	0	0	0
	0	0	0	0
Income and expenses directly recognised in equity	-30	55	-40	-5
Total comprehensive income	2,169	1,316	1,105	608
Profit attributable to non-controlling interests	35	0	-108	0
Profit attributable to shareholders of SNP Schneider-Neureither & Partner AG in total comprehensive income	2,134	1,316	1,213	608

The following notes are an integral part of the consolidated financial statements.

Consolidated Cash Flow Statement

for the period from 1 January to 30 June 2016

€ k	1st half-year 2016	1st half-year 2015
Profit after tax	2,199	1,261
Depreciation	695	583
Change in provisions for pensions	27	19
Other non-cash income/expenses	154	-209
Change in trade receivables, other current assets, other non-current assets	-2,768	-2,612
Changes in trade payables, other provisions, tax liabilities, other current liabilities	-710	-2,835
Cash flow from operating activities (1)	-403	-3,793
Payments for investments in property, plant and equipment	-773	-332
Payments for investments in intangible assets	-642	-474
Payments for investments in at-equity participations	-400	-25
Payments for the acquisition of business operations	-2,105	-3,203
Proceeds from disposal of tangible fixed assets	30	39
Cash flow used in investing activities (2)	-3,890	-3,995
Dividend payments	-1,264	-483
Dividend payments to non-controlling shareholders	0	0
Payments for purchase of shares in non-controlling shareholders	0	0
Proceeds from the issue of corporate bonds	0	10,000
Proceeds from loans	0	4,500
Payments on loans received	-1,050	-1,050
Cash flow used in financing activities (3)	-2,314	12,967
Effects of exchange rate changes on cash and bank balances (4)	-19	88
Cash change in cash and cash equivalents (1) + (2) + (3) + (4)	-6,626	5,267
Cash and cash equivalents at the beginning of the fiscal year	13,769	5,681
Cash and cash equivalents at 30 June	7,143	10,948
Composition of cash and cash equivalents:		
Cash and cash equivalents	7,143	10,948
Cash and cash equivalents at 30 June	7,143	10,948

The following notes are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

for the period from 1 January 2015 to 30 June 2016

€ k	Subscribed capital	Capital reserve	Retained earnings
As of 01/01/2015	3,738	7,189	3,429
Dividend payment			-483
Total comprehensive income			1,261
As of 30/06/2015	3,738	7,189	4,207
Total comprehensive income			1,291
As of 31/12/2015	3,738	7,189	5,498
Dividend payment			-1,264
Change in companies consolidated			
Total comprehensive income			2,164
As of 30/06/2016	3,738	7,189	6,398

The following notes are an integral part of the consolidated financial statements.

Other components of equity						
Currency conversion	Revaluation of performance-oriented obligations	Other components of equity Total	Treasury shares	Shareholders of SNP AG attributable capital	Non-controlling shares	Total equity
120	-171	-51	-415	13,890	0	13,890
				-483		-483
55		55		1,316		1,316
175	-171	4	-415	14,723	0	14,723
95	-85	10		1,301		1,301
270	-256	14	-415	16,024	0	16,024
		0		-1,264		-1,264
		0		0	1,525	1,525
-30	0	-30		2,134	35	2,169
240	-256	-16	-415	16,894	1,560	18,454

Notes to the interim consolidated financial statements for the period from January 1 to June 30, 2016

Company information

SNP Schneider-Neureither & Partner AG (SNP AG or the "company") is a listed corporation domiciled in Heidelberg, Germany. These interim consolidated financial statements for the period January 1 to June 30, 2016 were approved for publication by way of a resolution of the Executive Board on July 28, 2016.

Basis of reporting

These condensed interim consolidated financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting". Accordingly, this interim report does not contain all the information and disclosures required in accordance with IFRS for consolidated financial statements as of the end of a fiscal year. The accounting policies applied in these interim financial statements are essentially the same as those applied in the consolidated financial statements as of the end of fiscal year 2015. A detailed description of the accounting principles is published in the notes to the consoli-

dated financial statements in the 2015 annual report, which can be viewed at www.snp-ag.com under Investor Relations/Financial Publications.

The application of the standards effective for the first time from January 1, 2016 did not have a material effect on the interim consolidated financial statements.

There are no seasonal influences.

Consolidated group

In addition to the parent company SNP Schneider-Neureither & Partner AG, Dossenheimer Landstrasse 100, 69121 Heidelberg, Germany, the consolidated group includes the following subsidiaries in which SNP Schneider-Neureither & Partner AG indirectly and directly holds the majority of voting rights.

Name	Registered office	Shareholding in %
SNP Consulting GmbH	Thale, Germany	100
RSP Reinhard Salaske & Partner Unternehmensberatung GmbH	Wiehl, Germany	100
SNP Business Landscape Management GmbH	Heidelberg, Germany	100
SNP Applications GmbH	Heidelberg, Germany	100
SNP GmbH*	Heidelberg, Germany	100
SNP Austria GmbH	Pasching, Austria	100
SNP (Schweiz) AG	Steinhausen, Switzerland	100
Schneider-Neureither & Partner Iberica, S.L.	Madrid, Spain	100
SNP America, Inc.	Jersey City, NJ, USA	100
SNP Labs, Inc.	Irving, TX, USA	100
SNP Schneider-Neureither & Partner ZA (Pty) Limited	Johannesburg, South Africa	100
Hartung Consult GmbH **	Berlin, Germany	51
Hartung Information System Co., Ltd. **	Shanghai, China	51
Astrums Consulting (S) Pte. Ltd. ***	Singapore	51
Astrums Consulting SDN. BHD.***	Kuala Lumpur, Malaysia	51

* In May 2016, SNP AG acquired the remaining shares in SNP Axxiome GmbH and renamed the company SNP GmbH.

** In January 2016, SNP AG acquired 51% of shares in Hartung Consult GmbH in a share deal. Hartung Information System Co., Ltd is a wholly owned subsidiary of Hartung Consult GmbH.

*** In January 2016, the SNP Group acquired 51% of shares in Astrums Consulting (S) Pte. Ltd. in a share deal. Astrums Consulting (S) Pte. Ltd. holds 99.9992% in Astrums Consulting SDN. BHD.

Associates

The Group's investments in associates are accounted for using the equity method. An associate is a company over which the Group has significant influence.

Under the equity method, investments in associates are recognized in the statement of financial position at cost plus the changes in the Group's share of the net assets of the associate that have occurred since the acquisition. The goodwill relating to associates is included in the carrying amount of the equity interest and is neither amortized nor subject to a separate impairment test.

The Group's share of the associate's profit or loss for the period is reported in the income statement. Changes reported directly in the equity of associates are recognized by the Group in the amount of its interest and, where necessary, shown in the statement of changes in equity. Unrealized profits and losses from transactions between the Group and the associates are eliminated in accordance with the equity interest in the associates.

The Group's share of an associate's profit is reported in the income statement. This is the profit attributable to the shareholders of the associate, and hence the profit after taxes and non-controlling interests in the subsidiaries of the associate.

The financial statements of associates are prepared as of the same date as the consolidated financial statements. Adjustments in line with the Group's uniform accounting methods are made as necessary.

Under the equity method, the Group determines whether an additional impairment loss must be recognized for its shares in an associate. At the end of each reporting period, the Group determines whether there are objective indications that the equity interest in an associate could have become impaired. If this is the case, the difference between the recoverable amount of the interest in the associate and the carrying amount of the "Share in the profit/loss of associates" is recognized as an impairment loss in profit or loss.

Mergers and acquisitions

In January 2015, SNP AG acquired 74.9% of shares in RSP Reinhard Salaske & Partner Unternehmensberatung GmbH (RSP GmbH) in a share deal. SNP AG will acquire the remaining 25.1% of shares effective January 1, 2018. From a Group accounting perspective, all shares are already allocable to SNP AG as of January 1, 2015. RSP GmbH advises and supports companies across all industries in SAP launch projects and in the optimization of their business processes with the use of suitable IT systems and applications. The investment has allowed SNP AG to expand its strategy- and process-oriented consulting range while significantly extending its value chain on the market for company transformations.

The acquisition was closed effective January 1, 2015 and business operations were included in the 2015 consolidated financial statements from this date. In accordance with IFRS 3 "Business Combinations" the company was consolidated for the first time using the purchase method. The goodwill resulting from the acquisition of € 5,961 thousand comprises the value of the anticipated synergies. The goodwill resulting from the acquisition is assigned to the Professional Services segment.

Consideration transferred

The fair values of each major class of consideration as of the acquisition date are shown below:

	€ k
Cash and cash equivalents	4,494
Second purchase price installment	1,382
Contingent consideration	1,817
Total consideration transferred	7,693

Costs in connection with the business combination

The Group incurred costs of € 284 thousand for legal and consulting fees in connection with the business combination. These costs are reported in other operating expenses.

Identifiable assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities as of the acquisition date break down as follows:

	€ k
Intangible assets	186
Property, plant and equipment	233
Cash and cash equivalents	1,291
Trade receivables	1,938
Other assets	280
Trade payables	-599
Other liabilities	-1,267
Pension provisions	-330
Total identifiable net assets acquired	1,732

The trade receivables include contractual receivables due for which there was no credit risk at the time the consolidated financial statements were prepared, and hence for which no impairment loss was recognized.

Goodwill

Goodwill was recognized as follows as a result of the acquisition:

	€ k
Consideration transferred	7,693
Fair value of identifiable net assets	-1,732
Goodwill as of acquisition date	5,961

The purchase price for the acquisition of RSP GmbH is divided into a fixed price and a variable component (contingent consideration) as of the date of initial consolidation. The fixed price is payable partially as of the acquisition date and partially when the remaining 25.1% of the shares are acquired by SNP AG as of January 1, 2018. The amount of the contingent consideration was originally dependent on contractually agreed key performance indicators defined within 36 months of the acquisition date. As of the acquisition date, the Group recognized a variable component of € 1,817 thousand, corresponding to the fair value as of the acquisition date.

Taking into account the development of contractually agreed performance indicators and discussions between both parties, the contingent consideration was changed to a fixed amount of € 1,469 thousand at the beginning of the fourth quarter of 2015. € 500 thousand of this was paid in fiscal year 2015. In accordance with contractual regulations, the remaining amounts will be settled in the next two years. Income resulting from the change to a fixed amount was reported under other in-

come in 2015. The remaining obligations are reported under other non-current or current liabilities.

The consideration of € 4,494 thousand represents the initial, fixed portion of the purchase price that was paid in full in the first quarter of 2015 and therefore the cash outflow. No equity instruments were issued to acquire the shares. The transaction resulted in a cash inflow of € 1,291 thousand, increasing the Group's cash and cash equivalents by a net amount of € 3,203 thousand.

Fair values still measured provisionally as of date of initial consolidation

The cash and cash equivalents, receivables, deferred income, prepaid expenses and liabilities were measured provisionally on the basis of contractual agreements at the beginning of 2015. The carrying amounts were reviewed on an ongoing basis using information and facts that became known after the acquisition date and adjusted in line with the contractual arrangements. If new information on facts and circumstances that existed at the acquisition date and resulted in adjustments to the above amounts or additional provisions became apparent within a year of the acquisition date, the accounting for the acquisition would have been adjusted. There were no changes by the end of the measurement period.

The contractually agreed non-compete clause and the order backlog as of December 31, 2014 were classified as substantial and capitalized as intangible assets. The non-compete clause was reported at a fair value of € 110 thousand. The non-compete clause is to be amortized over a three-year period as of the date on which the remaining shares were acquired. The order backlog has a carrying amount of € 60 thousand and was written down in fiscal year 2015 based on the processing status.

In January 2016, SNP AG acquired 51% of shares in Hartung Consult GmbH, Berlin, in a share deal under civil law. This includes its wholly owned subsidiary Hartung Informational System Co., Ltd. in Shanghai, China. Hartung Consult advises and assists global companies in launching and harmonizing transnational IT processes and procedures in the SAP product and service environment. The company, which has been operating on the market for 27 years, employed around 90 people worldwide as of June 30, 2016.

Also in January 2016, the SNP Group acquired 51% of shares in Astrums Consulting (S) Pte. Ltd, Singapore, in a share deal under civil law. This also includes its subsi-

diary Astrums Consulting SDN. BHD. in Kuala Lumpur, Malaysia, in which it holds 99.9992%. Astrums is a fast-growing consulting and services company in the product and services environment of various ERP systems. Its core competencies comprise implementation projects based on SAP, including process analyses, design and implementation in addition to maintenance and support. The company employed 80 people in Singapore and Malaysia as of June 30, 2016.

The acquisitions were closed effective January 1, 2016 and business operations were included in the 2016 consolidated financial statements from this date. In ac-

€ k
Cash and cash equivalents
Contingent consideration
Total consideration transferred

cordance with IFRS 3 "Business Combinations" the company was consolidated for the first time using the purchase method. The goodwill resulting from the acquisitions of € 4,700 thousand comprises the value of the anticipated synergies. The goodwill resulting from these acquisitions is assigned to the Professional Services segment.

Consideration transferred

The fair values of each major class of consideration as of the acquisition date are shown below:

	Hartung	Astrums	Total
Cash and cash equivalents	1,440	3,000	4,440
Contingent consideration	600	1,300	1,900
Total consideration transferred	2,040	4,300	6,340

Costs in connection with the business combination

The Group incurred costs of € 99 thousand for legal and consulting fees in connection with the business combination. These costs are reported in other operating expenses.

€ k
Intangible assets
Property, plant and equipment
Cash and cash equivalents
Trade receivables
Other assets
Trade payables
Other liabilities
Pension provisions
Total identifiable net assets acquired
Of which attributable to SNP AG (51%)
Of which attributable to non-controlling interests

Identifiable assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities as of the acquisition date break down as follows:

	Hartung	Astrums	Total
Intangible assets	28	26	54
Property, plant and equipment	62	78	140
Cash and cash equivalents	1,151	1,193	2,344
Trade receivables	919	875	1,794
Other assets	117	37	153
Trade payables	-280	-4	-284
Other liabilities	-795	-144	-939
Pension provisions	-98	0	-98
Total identifiable net assets acquired	1,104	2,061	3,165
Of which attributable to SNP AG (51%)			1,640
Of which attributable to non-controlling interests			1,525

The trade receivables include contractual receivables due for which there was no credit risk at the time the consolidated financial statements were prepared, and hence for which no impairment loss was recognized.

Goodwill

Goodwill was recognized as follows as a result of the acquisition:

	€ k
Consideration transferred	6,340
Fair value of identifiable net assets	-1,640
Goodwill as of acquisition date	4,700

As of the time of initial consolidation, the purchase price for the acquisition of Hartung Consult GmbH consisted of a fixed price and an amount dependent on the achievement of contractually agreed performance indicators (contingent consideration). This is partially due at the acquisition date and partially due after the 2016 consolidated annual financial statements for Hartung Germany and Hartung China have been approved. This amount is reported in other liabilities.

As of the time of initial consolidation, the purchase price for the acquisition of Astrums Consulting (S) Pte. Ltd. consisted of a fixed price and an amount dependent on the achievement of contractually agreed performance indicators (contingent consideration). This is partially due at the acquisition date and partially due after the 2016 consolidated annual financial statements for Astrums Singapore and Astrums Malaysia have been approved. This amount is reported in other liabilities.

The consideration of € 4,440 thousand represents the initial, fixed portion of the purchase price that was paid in full in the first quarter of 2016 and therefore the cash outflow. No equity instruments were issued to acquire the shares. The transaction resulted in a cash inflow of € 2,344 thousand, increasing the Group's cash and cash equivalents by a net amount of € 2,096 thousand.

The amount of the contingent consideration was determined by contractually agreed key performance indicators defined within one year of the acquisition date. The Group recognized the liability for contingent consideration in full as of the acquisition date; this corresponds to the fair value as of June 30, 2016.

Fair values still measured provisionally as of date of initial consolidation

The cash and cash equivalents, receivables, deferred income, prepaid expenses and liabilities were measured provisionally on the basis of contractual agreements.

The carrying amounts are reviewed on an ongoing basis using information and facts that became known after the acquisition date and adjusted in line with the contractual arrangements. If new information on facts and circumstances that existed at the acquisition date and would have resulted in adjustments to the above amounts or additional provisions becomes apparent within a year of the acquisition date, the accounting for the acquisition is adjusted.

Non-compete clauses agreed with the seller were classified as substantial and capitalized separately. The non-compete clause was reported at a fair value of € 53 thousand.

SNP AG has acquired 20% of shares in Innoplexia GmbH, Heidelberg, effective April 18, 2016. The purpose of the business is to develop, sell, and provide consulting services for IT solutions. Among other things, Innoplexia operates a data collection system, which uses intelligent analytics from Internet platforms (Google, comparison sites, shops, etc.) to gather market-specific information. This allows information on the market and competition to be generated on a daily basis in the form of customer-specific reports.

SNP AG acquired the remaining shares in the joint venture SNP Axxiome GmbH effective May 4, 2016. The company was then renamed SNP GmbH. The company, which was founded in February 2015 and so far accounted for using the equity method, is now recognized as a consolidated company of the SNP Group. The purchase price of the remaining shares was € 22 thousand. The equity investment is not considered significant.

Corporate bond issue

SNP AG successfully placed a corporate bond with a volume of € 10 million in March 2015. The corporate bond is divided into 10,000 partial bonds each with a nominal value of € 1,000. The bonds have a term of five years and a coupon of 6.25% p.a.

The corporate bond, less brokerage commission and plus deferred interest, was recognized in the statement of financial position in the amount of € 9,810 thousand as of the bond's issue date.

The price quoted for the bond at the end of June 2016 was 106% (fair value).

Segment Reporting

for the period from 1 January to 30 June 2016

Segment reporting was prepared in accordance with IFRS 8. Based on the Group's internal reporting and organizational structure, individual Group financial data are presented below according to business area:

€ k	Professional Services	Software	Total
Segment result			
1st half-year 2016	3,215	1,447	4,662
Margin	10.0%	24.8%	12.3%
1st half-year 2015	2,196	1,253	3,449
Margin	9.8%	28.1%	15.6%
External revenue			
1st half-year 2016	32,074	5,840	37,914
1st half-year 2015	22,404	4,457	26,861
Depreciation included in the segment result			
1st half-year 2016	416	279	695
1st half-year 2015	362	221	583
Segment assets			
30 June 2016	43,583	4,206	47,789
30 June 2015	36,425	3,489	39,914
Segment investments			
30 June 2016	6,120	602	6,722
30 June 2015	6,757	457	7,214

€ k	1st half-year 2016	1st half-year 2015
Reconciliation		
Net earnings		
Total reportable segments	4,662	3,449
Non-segment-related expenses	-1,406	-1,455
Non-segment-related amounts:		
- Other operating income	200	127
- Other taxes	-49	-26
EBIT	3,408	2,095
Assets		
Total reportable segments	47,789	39,914
Assets not allocated to the segments	1,048	3,092
Group assets	48,837	43,006
Assets not allocated to the segments		
- Deferred tax assets	907	1,674
- Income tax claims	141	1,418
Total	1,048	3,092

Additional information on segment reporting

The year-on-year increase in segment revenue in the first half of 2016 and the increase in segment assets are attributable to the significant improvement in the order situation and the acquisition of shares in Hartung Consult GmbH and Astrums Consulting (S) Pte. Ltd.

Segment revenue contains the effects of realized and unrealized exchange rate differences due to the pronounced fluctuation in the US dollar and the Swiss franc in the first half of 2016.

Additional information on the consolidated statement of cash flows and the consolidated statement of changes in equity

The payment for the acquisition of business operations mostly consists of the initial purchase price installment for Hartung Consult GmbH and Astrums Consulting (S) Pte. Ltd. in the amount of € 4,440 thousand, less the cash and cash equivalents of the newly acquired companies of € 2,344 thousand.

Significant actuarial gains/losses from the actuarial measurement of pensions and other post-employment benefits are not expected either as of the end of the first half of 2016 or the end of 2016. Currency translation effects reported in equity amounted to € -30 thousand in the first half of 2016.

SNP AG did not acquire any additional treasury shares in the period under review.

Related party disclosures

There has been a lease agreement between a member of the Executive Board and SNP AG for office premises and parking spaces since December 1, 2010. Effective September 1, 2015, two separate agreements (office premises and parking spaces) were concluded for these at unchanged terms. These services are charged at arm's length conditions. Expenses of € 114 thousand (previous year: € 114 thousand) were incurred for this as of June 30, 2016. There were no outstanding liabilities as of June 30, 2016. There have also been five rental agreements between a company controlled by a member of the Executive Board and SNP AG for office premises and parking spaces since September 1, 2014 and

November 1, 2014. These services are charged at arm's length conditions. Expenses of € 78 thousand (previous year: € 78 thousand) were incurred for this by March 31, 2016. There were no outstanding liabilities as of June 30, 2016. Since February 1, 2016 there have also been two new rental agreements between a company controlled by a member of the Executive Board and SNP AG for office premises and parking spaces. These services are charged at arm's length conditions. Expenses of € 11 thousand (previous year: € 0 thousand) were incurred for this as of June 30, 2016. There were no outstanding liabilities as of June 30, 2016.

In the first half of the year a car owned by the company and a commodity were sold to a member of the Executive Board at prices of € 46 thousand and € 2 thousand respectively. The sales prices were based strictly on arm's length prices in line with the market.

Furthermore, a member of the Executive Board was granted an advance on travel expenses of € 1 thousand in 2016 (previous year: € 11 thousand). No other loans, credits, or advances were granted to members of the Executive Board.

Treasury shares

SNP AG did not acquire any additional treasury shares in the period under review.

Capital increase

SNP AG announced a cash capital increase on June 13, 2016. As a result, the company's share capital was increased by € 1,238,726, divided into 1,238,726 ordinary bearer shares, to a total of € 4,976,786, divided into 4,976,786 shares. The new shares were issued at a price of € 25 per share and share in profits for fiscal year 2016 from January 1, 2016. Investor interest significantly exceeded the placement volume overall, hence it was not possible to satisfy all subscription requests. The company generated gross issue proceeds of € 30.97 million from its successful cash capital increase.

The capital increase was entered in the commercial register on July 7, 2016. The new shares were issued on July 11, 2016. Accordingly, the capital increase has not yet been recognized in the half-year financial statements as of June 30, 2016.

Events after the end of the interim reporting periode

There were no further significant events after June 30, 2016.

Other disclosures

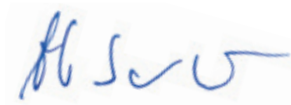
The Executive Board and the Supervisory Board do not have any pre-emptive subscription rights to shares in accordance with section 160(1) nos. 2 and 5 of the Aktiengesetz (AktG – German Stock Corporation Act). In the 2016 reporting period, there have been only insignificant changes in the contingent liabilities and other financial obligations presented as of December 31, 2015.

Pending legal disputes and claims for compensation

The companies included in the consolidated financial statements are not involved in court proceedings, legal disputes, or claims for compensation that could have a material influence on the economic situation of the Group.

Heidelberg, July 28, 2016

The Executive Board



Dr. Andreas Schneider-Neureither



Henry Göttler



Jörg Vierfuß

Responsibility statement

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the consolidated interim financial statements, in compliance with the generally accepted accounting principles, give a true and fair view of the net assets, financial position, and results of operations of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Heidelberg, July 28, 2016

The Executive Board



Dr. Andreas Schneider-Neureither



Henry Göttler



Jörg Vierfuß

Auditor's opinion

To SNP Schneider-Neureither & Partner AG, Heidelberg:

We have conducted an audit review of the condensed interim consolidated financial statements – consisting of the consolidated balance sheet, consolidated profit and loss statement, consolidated statement of comprehensive income, consolidated cash flow statement and group statement of changes in equity as well as selected notes to the financial statements – and the interim group management report of SNP Schneider-Neureither & Partner AG, Heidelberg, for the period from 1 January to 30 June 2016, which are part of the consolidated interim financial statements in accordance with section 37w WpHG (German Securities Trading Act). The company's Executive Board is responsible for preparing the condensed interim consolidated financial statements according to IFRS principles for interim reporting as they apply to the EU, and the interim group management report in accordance with the applicable regulations of the WpHG as they apply to interim group management reports. Our task is to issue an opinion on the condensed interim consolidated financial statements and the interim group management report based on our audit review.

We conducted our audit review of the condensed interim consolidated financial statements and the interim group management report based on German principles for audit reviews of financial statements established by the IDW ("Institut der Wirtschaftsprüfer", German Institute of Auditors). According to these principles, an audit review must be planned and carried out so that, based on a critical appraisal, we can rule out with reasonable certainty that the condensed interim consolidated financial statements do not comply with the IFRS principles for interim reporting as they apply to the EU in all material respects and that the interim group management report does not comply with the WpHG regulations as they apply to interim group management reports in all material respects. An audit review is limited mainly to interviews with company employees and an analytical evaluation, which means it does not result in the same level of certainty attained by an audit. Since we were not engaged to conduct an audit, we are unable to issue an audit opinion.

During our audit review, we did not become aware of any information that would indicate that the condensed interim consolidated financial statements do not comply with the IFRS principles for interim reporting as they apply to the EU in all material respects or that the interim group management report does not comply with the WpHG regulations as they apply to interim group management reports in all material respects.

Mannheim, July 28, 2016

MOORE STEPHENS TREUHAND KURPFALZ GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Dr. Matthias Ritzki
Auditor

Stefan Hamsch
Auditor

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Financial calendar

29 July 2016	Publication of Half Year Figures
28 October 2016	Publication of the Interim Statement for Quarter III
November 2016	German Equity Forum 2016

All dates are provisional only.

The current financial calendar can be consulted at: www.snp-ag.com/eng/Investor-Relations/Financial-calendar

Contact

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

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This Half-year financial report is also available in German.

The legally binding document is the original German version, which shall prevail in any case of doubt.

Legal notice

Contents

Dr. Andreas Schneider-Neureither (CEO)

Jörg Vierfuß (CFO)

Henry Göttler (COO)

SNP Investor Relations

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