

Discovery: unpredictable, cross-functional, team effort

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Activates our brains.

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Compresses data dust into diamonds.

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Is meaningful, motivating

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Interim Report January – September 2019

QPR Software

In Brief

- Software and solution provider specialized in process mining, process and enterprise architecture modeling and performance management.
- Founded in 1991. Listed on NASDAQ Helsinki.
- Customers in over 50 countries.
- Own R&D, located in Helsinki and Oulu, Finland.
- Software product portfolio renewed in recent years, funded from cashflow
 - New process mining software and new User Interface for all software products.
 - Extension of process modeling product to enterprise architecture product.
- Several patents in the US for process mining technology.
- Software accounts for 70%, implementation 10% and consulting 20% of net sales.

January – September 2019

- Net sales amounted to EUR 7,015 thousand (Jan-Sep 2018: 7,376).
 - Process mining software QPR ProcessAnalyzer's net sales growth was strong, +42%
 - Group net sales growth decreased 5% due to decline in modeling and performance management software and consulting net sales.
- Investments and outlays into growth business areas continued
 - EBITDA EUR 838 thousand
 - Operating profit (EBIT) EUR -90 thousand (391)
- Result for January-September EUR -42 thousand (131).

July – September 2019

- Net sales amounted to EUR 1,981 thousand (Jul-Sep 2018: 2,222).
 - Process mining software net sales was strong
 - Group net sales decreased due to decline in performance management and modeling software and consulting net sales.
- Investments and outlays into growth business areas continued
 - EBITDA EUR 188 thousand
 - Operating profit (EBIT) EUR -119 thousand (109)
- Result for the quarter EUR -85 thousand (91).

Outlook

Outlook

Business Outlook, Financial Outlook and Mid-Term Targets



■ Business outlook

- Demand for process mining and analytics software and related services will continue to grow rapidly in 2019.
- Competition in software business for process and enterprise architecture modeling and performance management is expected to remain tight in developed markets.

■ Financial outlook

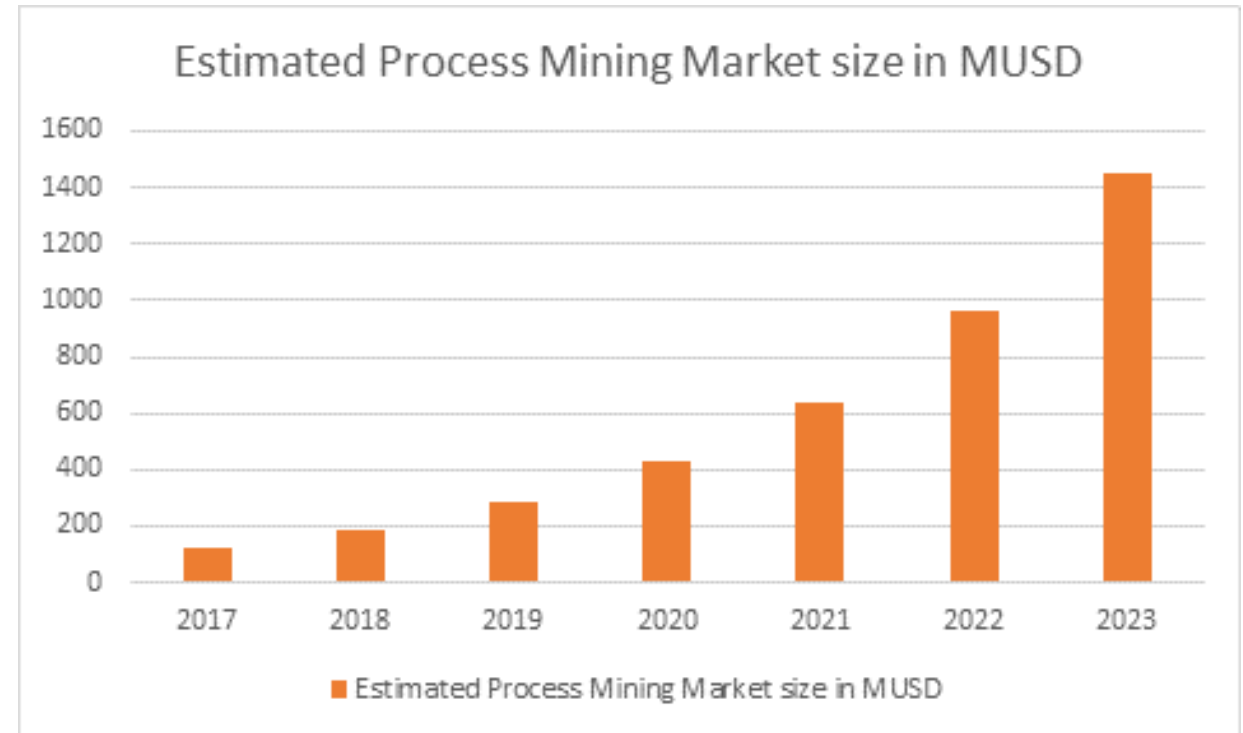
- QPR estimates net sales to decrease in 2019 (2018: EUR 10,047 thousand), and operating result (EBIT) to be slightly negative (0 – 4% of net sales).
- Process mining business is expected to continue its strong growth in the last quarter of the year.
- Mid-term target in 2020 – 2022 is to grow net sales by an average of 15 – 20% per annum.
 - The target is based on international net sales growth in process mining, where we target an annual growth of over 50%.

Process mining - A Growth Business

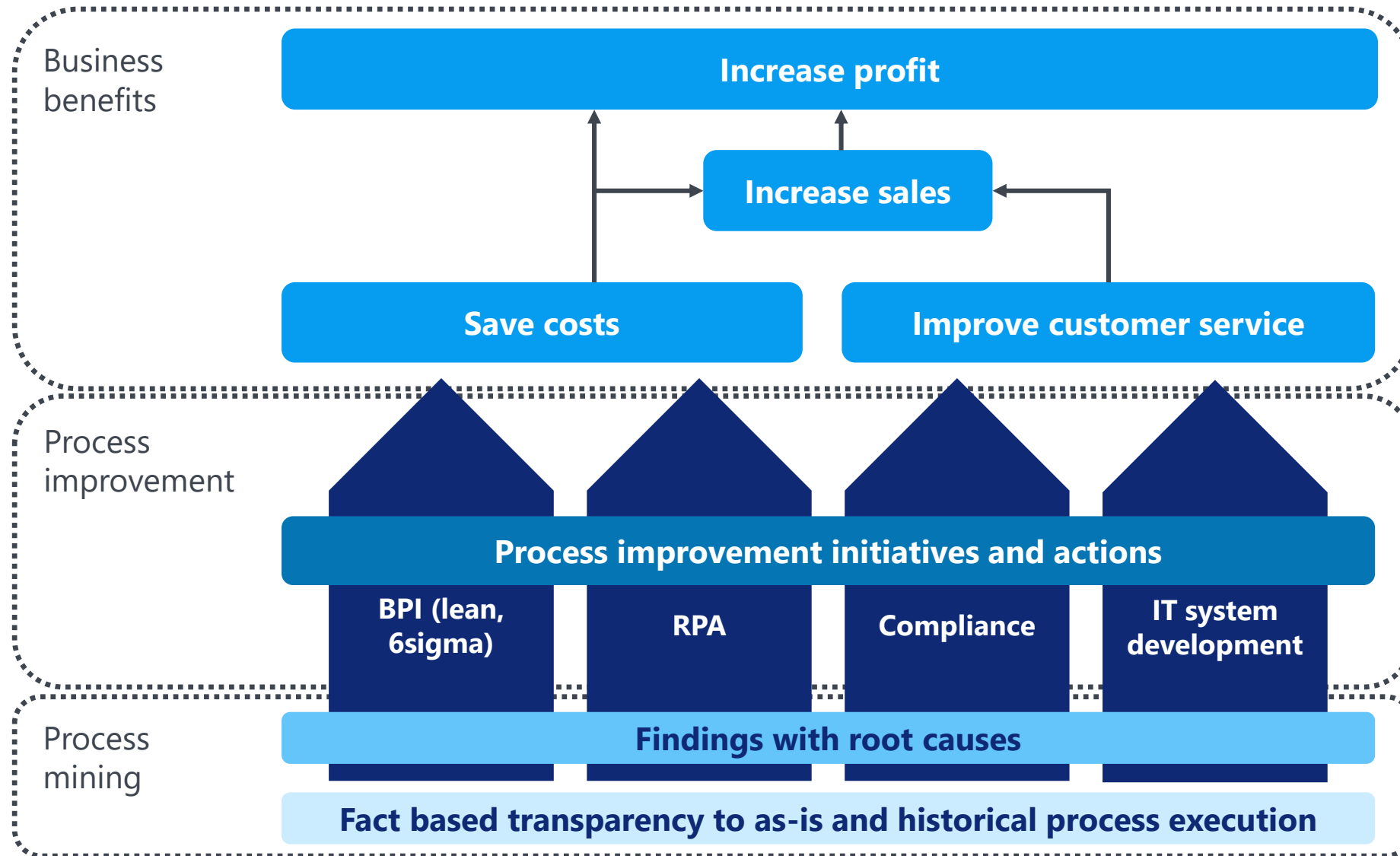
There is a Growing Demand for Automation and Digitalization



- Process mining market is growing strongly, driven by synergies with process automation
 - Recent forecast (by Markets&Markets) sees over 50% compound market growth 2019-2023 to over USD 1.4 billion
 - According to Gartner Market Guide for Process Mining, QPR has “one of the leading offerings” in the market
 - The market size in 2018 was approaching USD 200 million
- Investments in digital optimization and transformation are strongly increasing



Process mining value realization

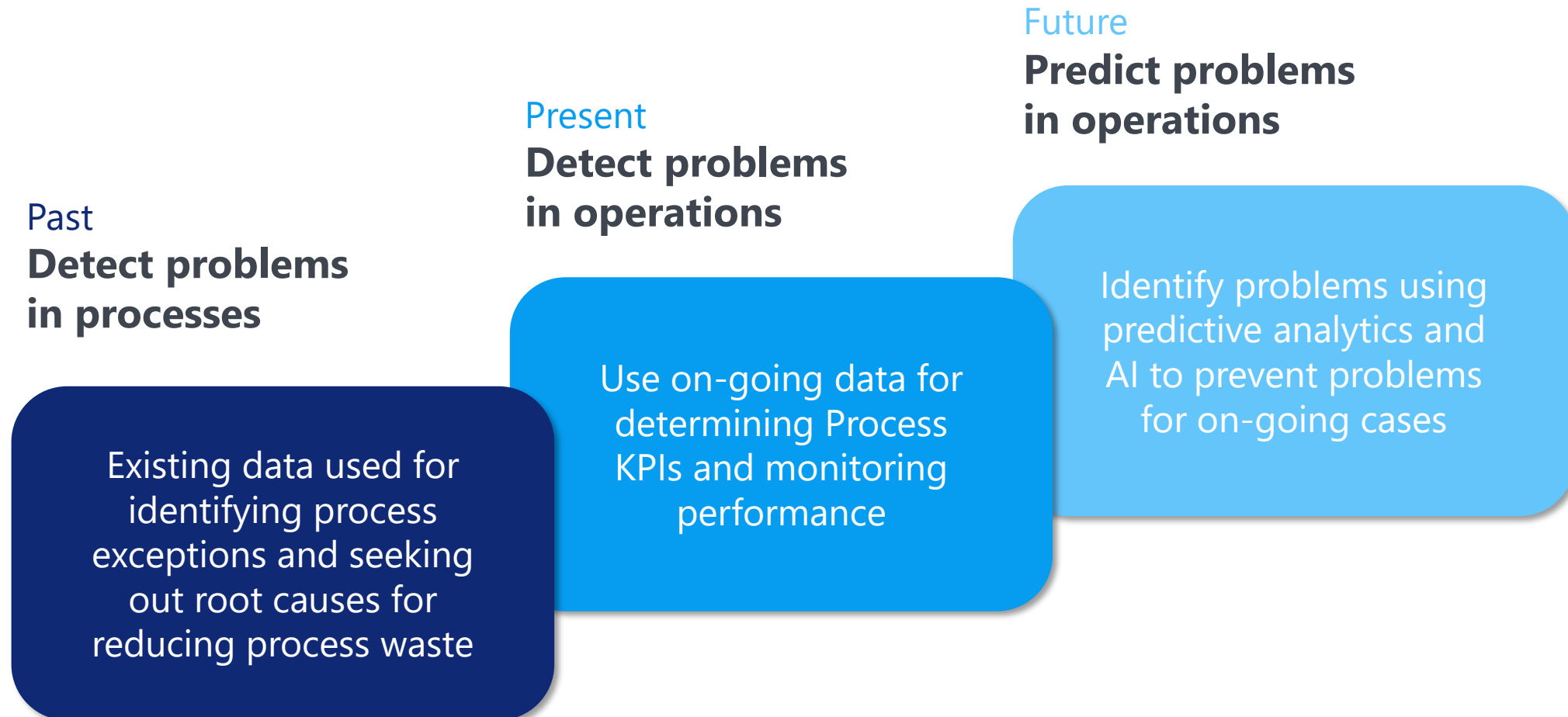


What are the business benefits?

How to utilize process mining to create business value?

What does process mining deliver?

From detecting the problems to preventing them



Customers

A Sample of our Customers





Dare to improve.

Founded

1991

Stock symbol

QPR1V: Nasdaq, Helsinki

Customers

Over 2000

Corporate headquarters

Helsinki, Finland

Sold licenses

Over 1 million worldwide

Industry recognitions

Gartner, Ventana Research,
Palladium, Forrester Research

Products

QPR ProcessAnalyzer
QPR Metrics
QPR ProcessDesigner
QPR EnterpriseArchitect