

PRESS RELEASE

Software AG and Kneipp Group achieve a strategic milestone in process-driven IT transformation

- Software AG achieves a milestone in a strategic project involving process-driven IT transformation with the Kneipp Group, a German manufacturer of health products and cosmetics
- Kneipp is already enjoying cost savings of up to 35 percent from the successful automation of an initial subprocess in the main Product Launch business process
- Kneipp's transition to automated process control has led to improved innovation expertise, shorter time-to-market, and therefore to increased customer satisfaction and loyalty

Darmstadt and Wuerzburg, Germany, January 12, 2011 - Software AG and the Kneipp Group have reached the next milestone in their long-term collaboration on a strategic project for implementing process-driven IT transformation. The Product Launch segment of Kneipp's main business processes that was modeled using ARIS has been migrated into webMethods Suite, Software AG's product line for business process management, and is now automated. ARIS is a modeling software for business processes from IDS Scheer AG, and Software AG has been working on integrating ARIS and webMethods since acquiring that company last year. Thus the project with the Kneipp Group represents an important milestone in the integration of both product lines.

A company with a long tradition, Kneipp began collaborating with Software AG back in 2006 on a phased transition to become a business process-driven organization. This midsized enterprise aims to improve its agility and competitive performance in the global consumer market with the help of Software AG. Three main business processes modeled with the ARIS platform offer the health products manufacturer transparency and end-to-end business control, from the initial idea for a product throughout its entire lifecycle, from the supply chain through distribution. The first segment of the business process for handling product launches has already been transitioned from the ARIS model to the webMethods suite and is now automated.

"The successful automation of this first process segment was very important for us from a number of different perspectives," explains Christian Schulze, CIO and member of the executive board at Kneipp. Specifically, it deals with the destruction process, which previously required a great deal of effort because many signatures had to be gathered, reports prepared and value adjustments for all raw materials taken into account. "Now we have the necessary transparency at the push of a button - a complete overview of all costs, status information and the remaining value of a raw material," noted the CIO. "Thanks to the automation, we are achieving a solid cost savings of 35 percent. And no less valuable is the experience we have gained in 'thinking in processes,' which has replaced strictly departmental thinking at Kneipp." Software AG and Kneipp are currently in the process of implementing the ARIS platform and webMethods scenario for all the main business processes.

"We are very pleased with the success of our transformation project with the Kneipp Group and that our approach to achieving excellent business processes is making a crucial contribution to optimizing the company's IT infrastructure," states Dr. Wolfram Jost, Chief Technology Officer at Software AG. "Nowadays the quality of business processes plays a key role in the competitiveness of a business. Only lean, flexible processes lead to improved innovation expertise, shorter time-to-market and therefore to increased customer satisfaction and loyalty."

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About Software AG

Software AG is the global leader in Business Process Excellence. Our 40 years of innovation include the invention of the first high-performance transactional database, Adabas; the first business process analysis platform, ARIS; and the first B2B server and SOA-based integration platform, webMethods.

We offer our customers end-to-end <u>business process management (BPM)</u> solutions delivering low Total-Cost-of-Ownership and high ease of use. Our industry-leading brands, ARIS, webMethods, Adabas, Natural, Centrasite and IDS Scheer Consulting, represent a unique portfolio encompassing: process strategy, design, integration and control; SOA-based integration and data management; process-driven SAP implementation; and strategic process consulting and services.

Software AG had revenues of \in 847 million in 2009 and has more than 5,700 employees serving 10,000 enterprise and public institution customers across 70 countries. Our comprehensive software and services solutions allow companies to continuously achieve their business results faster. The company is headquartered in Germany and listed on the Frankfurt Stock Exchange (TecDAX, ISIN DE 0003304002 / SOW).

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