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SOUTH EASTERN EUROPE

Financial Results for Q2 2016 And Business Update

August 8th, 2016

Warsaw

Q2 2016 results

Q2 2016 highlights

- Continued **investments in Production and Sales** accompanied by **growing Revenues**
- Stable results from **Payment**. WN **preferred banking partner** status for ASEE Romania
- Better quarter for **Banking** with chances for further improvement towards the end of 2016
- **System Integration** constantly beating last year results. Strong quarter in Romania
- **Political tension in Turkey** without direct impact on ASEE business

Group Performance Q2 2016

	mEUR			mPLN		
	Q2 2016	Q2 2015	% Diff	Q2 2016	Q2 2015	% Diff
Revenue	31,8	29,5	+8%	140,2	121,8	+15%
EBITDA	5,2	5,2	+0%	22,9	21,4	+7%
EBIT	3,1	3,4	-9%	13,7	14,2	-3%
NPAT	2,8	2,8	-2%	12,2	11,6	+5%
EBITDA %	16,3%	17,6%				
EBIT %	9,8%	11,6%				

Group Performance H1 2016

	mEUR			mPLN		
	H1 2016	H1 2015	% Diff	H1 2016	H1 2015	% Diff
Revenue	59,4	53,3	+11%	260,0	220,4	+18%
EBITDA	9,5	9,2	+3%	41,8	38,2	+9%
EBIT	5,5	5,8	-6%	24,0	24,0	-0%
NPAT	4,6	4,8	-3%	20,3	19,8	+3%
<i>EBITDA %</i>	<i>16,1%</i>	<i>17,3%</i>				
<i>EBIT %</i>	<i>9,2%</i>	<i>10,9%</i>				
Normalized EBIT*	5,5	5,7	-4%	24,0	23,5	+2%
Normalized NPAT*	4,6	4,5	+2%	20,3	18,8	+8%

* Excluding return of tax on civil law transactions overpaid in 2008-10

Growing sales offset by higher expenses

mEUR	Revenue				EBIT			
	H1 2016	H1 2015	Diff	% Diff	H1 2016	H1 2015	Diff	% Diff
B&H	2,2	1,8	0,4	+21%	0,4	0,3	0,1	+29%
Cro	8,2	8,4	-0,1	-1%	0,2	0,3	-0,1	-28%
Mon	1,3	1,2	0,1	+12%	0,4	0,3	0,1	+43%
Mac	5,7	7,0	-1,3	-19%	1,2	1,3	-0,2	-13%
Rom	12,3	9,3	3,0	+32%	0,3	0,3	0,0	-10%
Ser	17,9	14,7	3,1	+21%	1,6	1,7	-0,1	-5%
Slo	1,9	1,6	0,3	+18%	0,3	0,3	0,0	+11%
Tur	7,0	6,0	1,0	+16%	0,8	0,8	0,0	-4%
Other*	2,9	3,3	-0,4	-12%	0,3	0,4	-0,2	-35%
GASEE	59,4	53,3	6,1	+11%	5,5	5,8	-0,3	-6%

Comparable net cash and higher operational balance

mEUR	Asseco SEE Group		
	Q2 2016	2015 YE	Diff
Cash and cash equivalents	8,3	9,8	-1,5
Short term investments	14,9	14,6	0,3
Short term and long term debt	-9,7	-10,6	1,0
Net Cash	13,5	13,7	-0,2
Receivables and Prepayments	29,2	27,2	2,0
Liabilities, Provisions and Deffered Income	-27,3	-26,0	-1,3
Inventory	6,7	3,6	3,0
Operational Balance	22,1	18,5	3,5

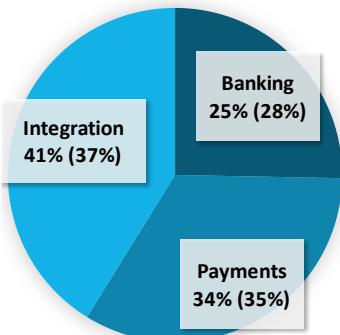
Cash conversion ratio improved after Q2 2016

mEUR	Asseco SEE Group		
	Q2 2016 LTM	2015	2014
Operating cash flow	19,7	20,1	18,3
Debt increase	-0,3	0,6	8,0
- CAPEX - IT Infrastructure for outsourcing	-7,0	-7,2	-10,1
- Other CAPEX	-1,8	-2,0	-2,4
- Capitalized R&D	-1,1	-1,2	-1,9
Free cash flow	9,7	10,3	11,9
Cash conversion ratio*	78%	81%	108%

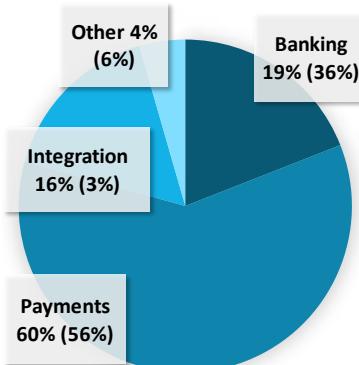
Improving Integration and strong Payment compensate for slower Banking

mEUR	Revenue			EBITDA			EBIT		
	H1 2016	H1 2015	Diff	H1 2016	H1 2015	Diff	H1 2016	H1 2015	Diff
Banking	15.0	14.7	0.3	1.8	2.8	-1.0	1.0	2.1	-1.1
Payments	19.9	18.7	1.2	6.0	5.4	0.7	3.3	3.2	0.1
Integration	24.4	19.9	4.6	1.5	0.7	0.8	0.9	0.2	0.7
Other	0.0	0.0	0.0	0.2	0.4	-0.1	0.2	0.3	-0.1
Asseco SEE Group	59.4	53.3	6.1	9.5	9.2	0.3	5.5	5.8	-0.3

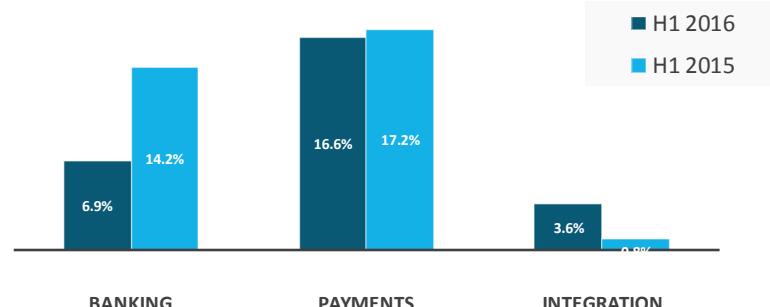
Revenue per BUs H1 2016



EBIT per BUs H1 2016



Profitability per BU



Q2 2016 Best Deals

Banking



- Implementation of **complete retail banking solution** in one of the international banks in Serbia
- **Absolut loans module** extension at one of the banks in Romania
- **Bapo Payment** – first implementation of **payment institution** in Serbia in a **SaaS** model
- Implementations of **PUB2000 Payment** solution in two banks in Croatia
- **BI** solution for an international banking group in Serbia

Payment



- New **MSU** implementations in a real estate company and in a holding
- Deliveries and installation of new **ATMs** to Zagrebačka and Ernste banks in Croatia
- Outsourcing of **ATMs** to Privredna banka (Intesa) in Croatia

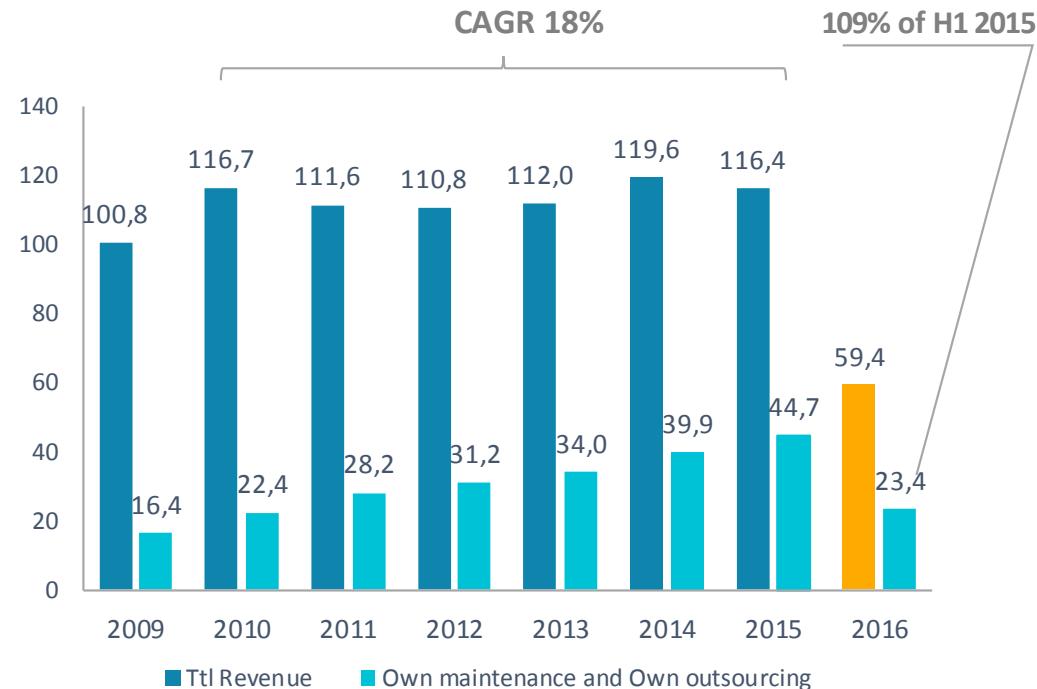
System Integration



- Implementation of **E-invoice** and **E-book** in one of the Turkish holdings
- **Dynatrace** solution sale to an IT services company
- Implementation of **Security F5** solution in a Romanian bank
- Delivery of 3rd party security solutions to one of the ministries in Serbia
- Centralized information system for **National Agency for Employment** in Serbia
- Delivery and implementation of Telex solution to the **Airport in Belgrade**
- HW delivery to **Pension Insurance Fund** of Republic of Macedonia and to **City of Skopje**

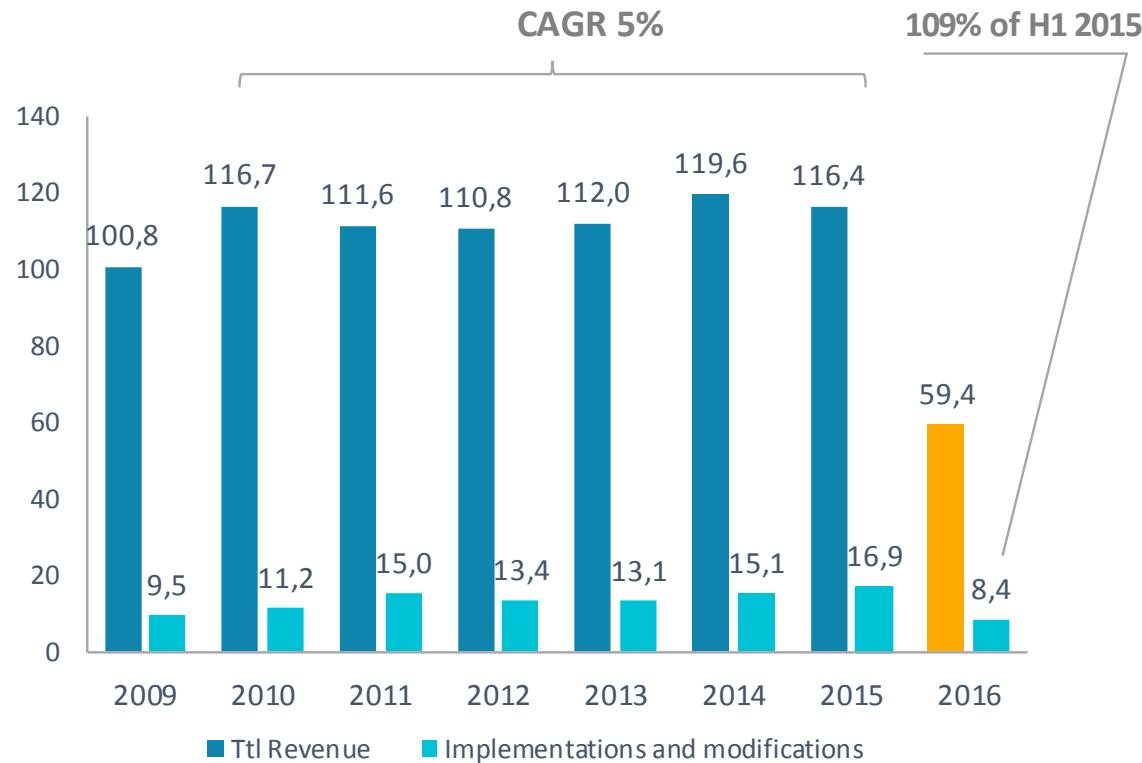
Strategic KPIs

Maintenance and Outsourcing

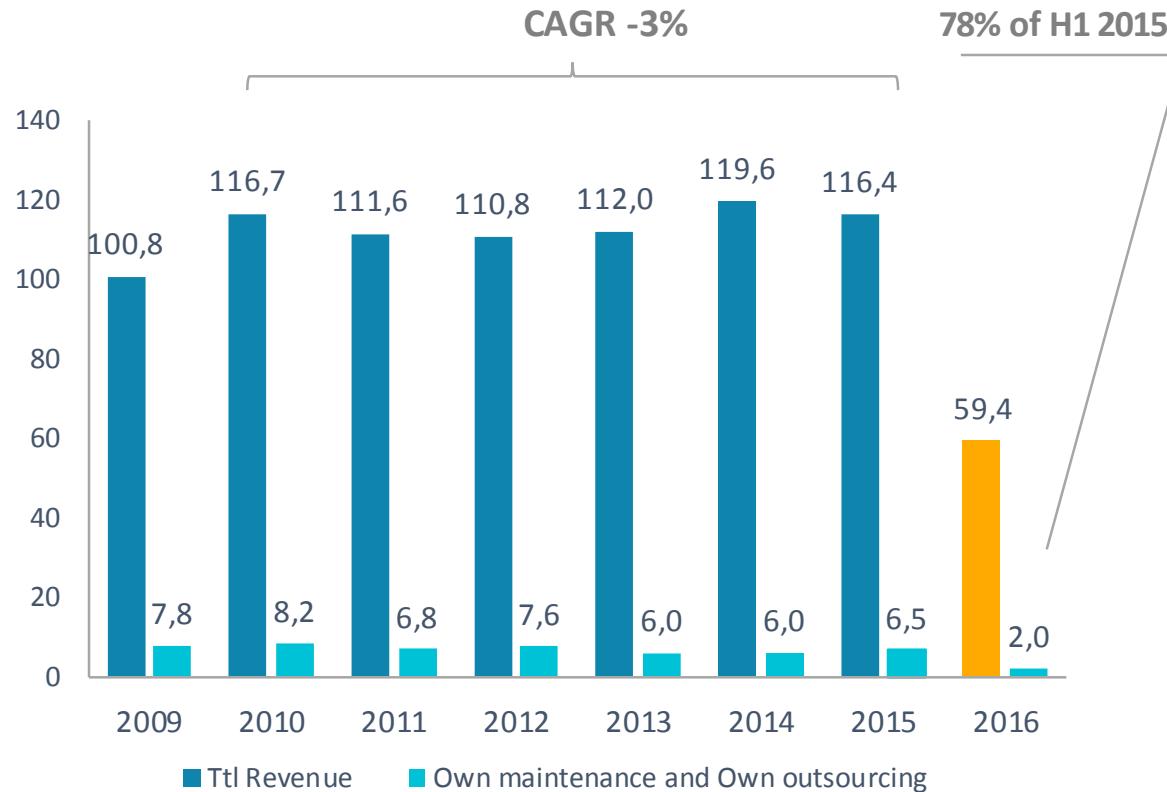


	2009	2010	2011	2012	2013	2014	2015	2016
Cost Coverage	53%	56%	60%	61%	60%	66%	68%	70%

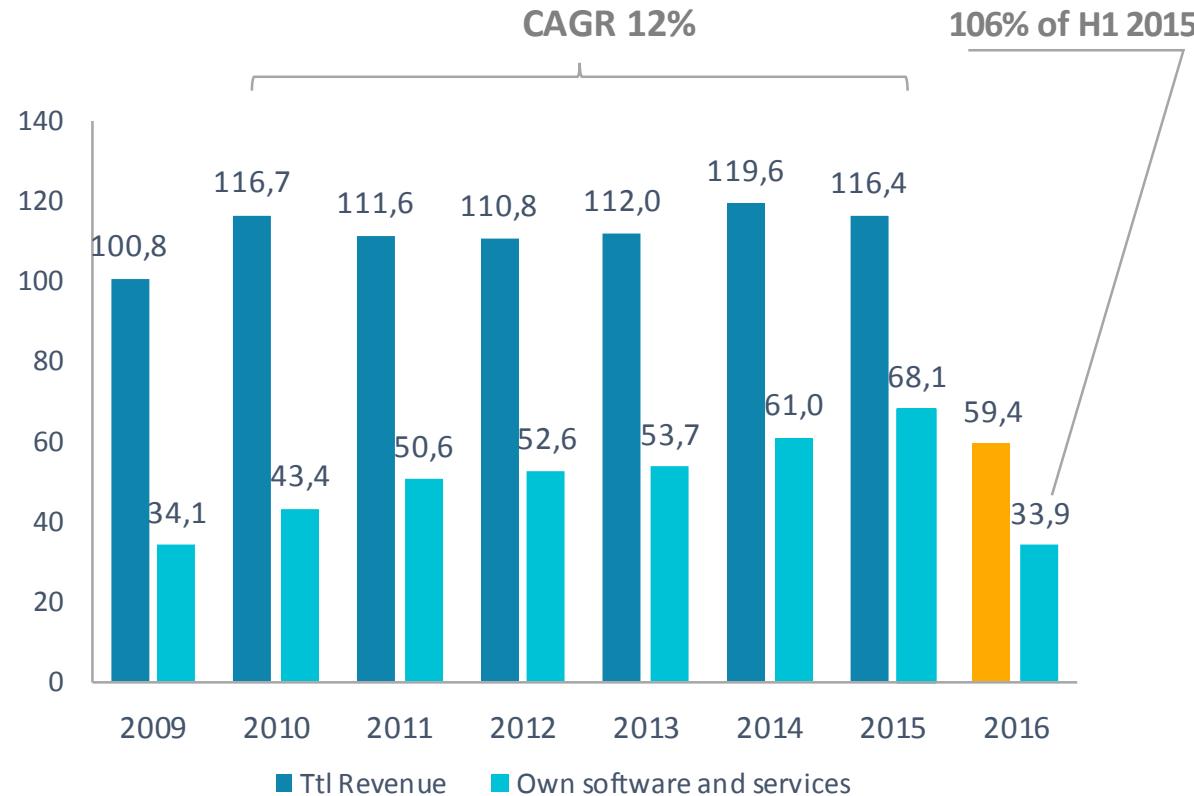
Implementations and Modifications



Licences



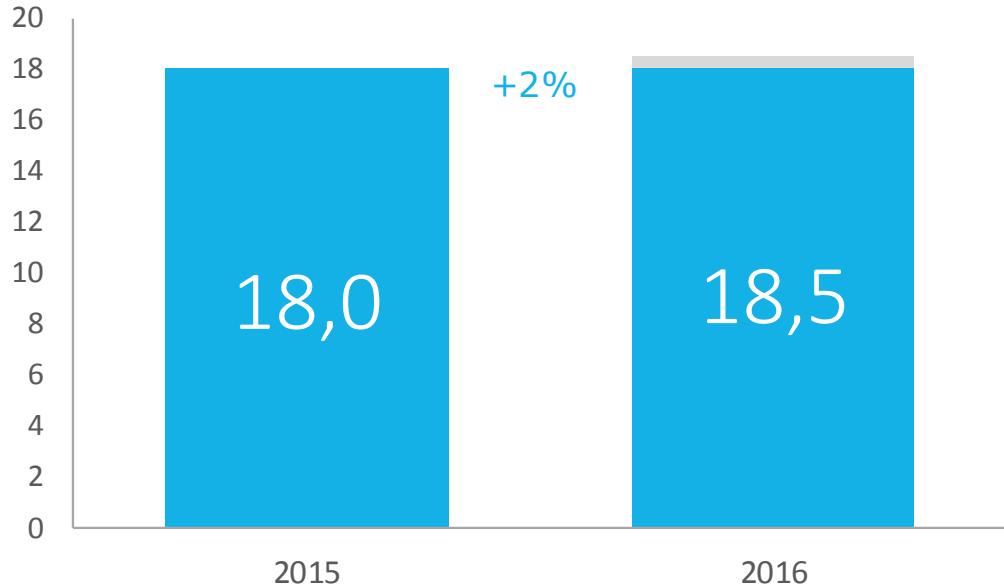
Own software and services



Outlook for 2016

Increase in backlog for Q3 2016

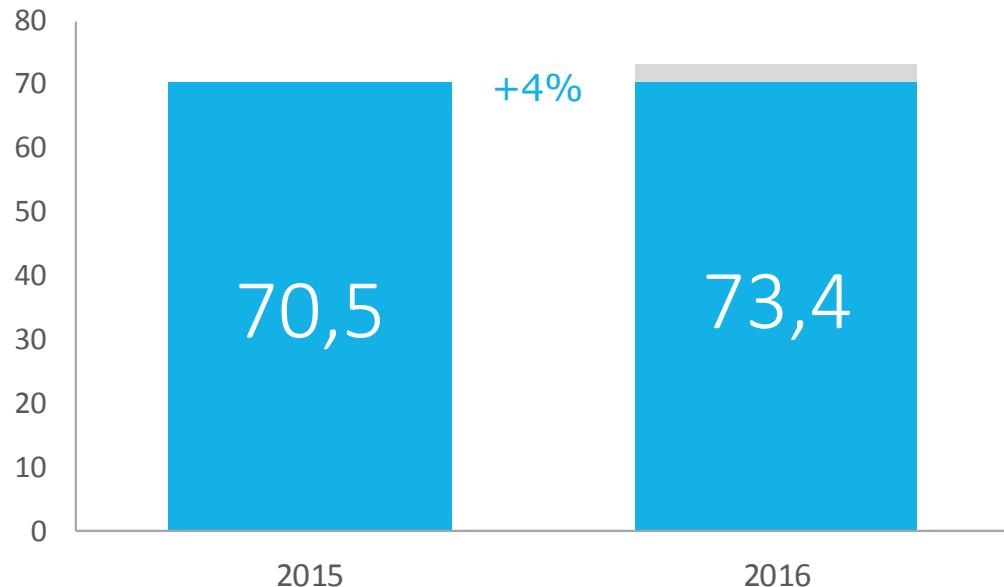
	mEUR	2015*	2016*	% Diff
Revenues BL		24,8	26,3	+6%
Margin1 BL		18,0	18,5	+2%



* 2015 as at 12-Jul-2015, 2016 as at 12-Jul-2016

Increase in backlog for 2016

	mEUR	2015*	2016*	% Diff
Revenues BL		96,2	108,4	+13%
Margin1 BL		70,5	73,4	+4%



* 2015 as at 12-Jul-2015, 2016 as at 12-Jul-2016

Thank you

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