

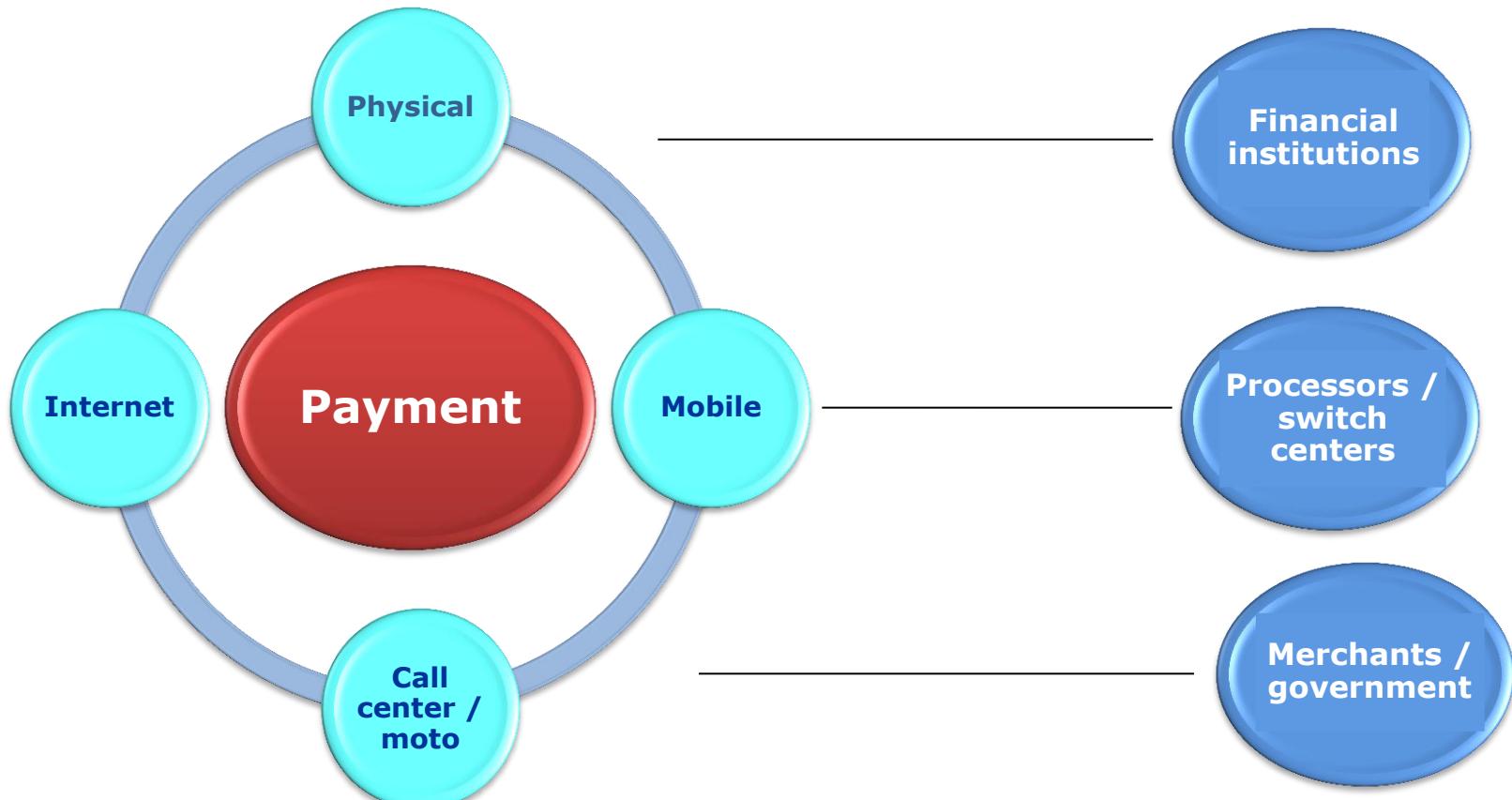


April 26th, 2012  
Hatice Ayas, Milan Malis  
ASEE Board Members

**Payment Solutions  
Strategy for Growth**



## Full range of payment solutions...



Asseco SEE - strategic business partner to its customers,  
covering all payment areas.

Outsourcing focused, providing solution not only technology;  
covering all payment business processes of our customers.



# **E - PAYMENT**



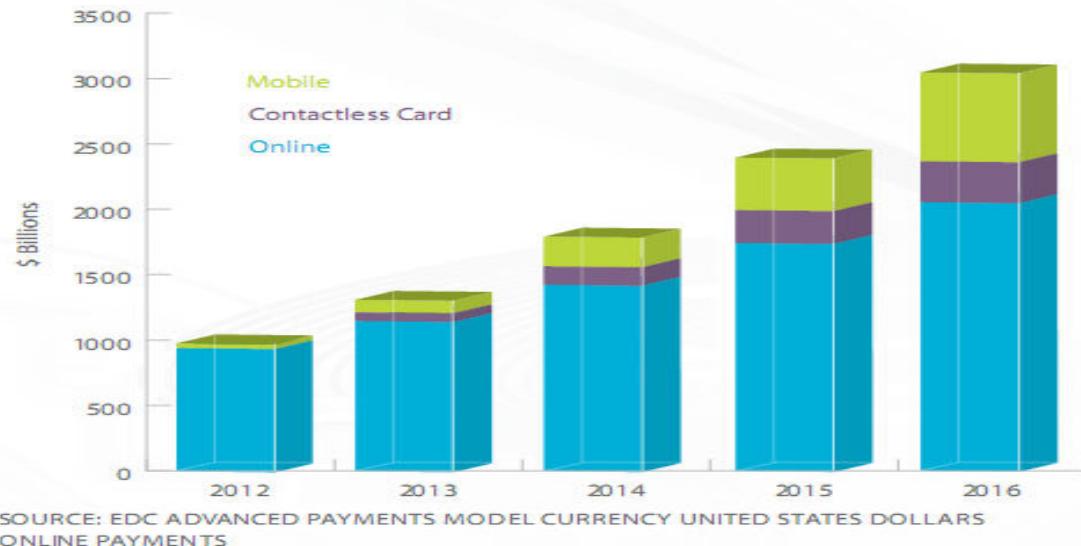
## As of today, we have:

- 15 banks with more than 25.000 merchants in 8 countries
- 26 million virtual POS transactions per quarter
- 90% of 3D secure transactions are being processed in Turkey
- 41% of market share in terms of transaction volume in Turkey
- Average 60% increase in Asseco SEE transaction volume annually



# E-COMMERCE TRENDS

## ADVANCED PAYMENTS – GLOBAL MARKET SIZE



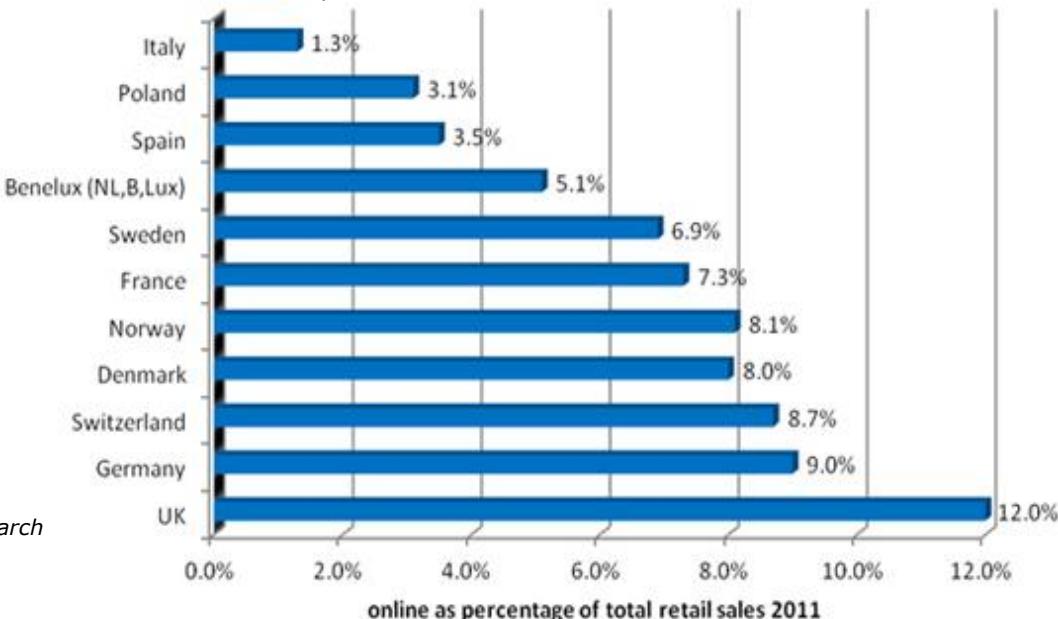
E-commerce is expected to increase its share rapidly in all ASEEE target markets.

Turkey positioned between Spain & Benelux with 4.9% in online as % of total retail sales.

*Source: The Centre for Retail Research*

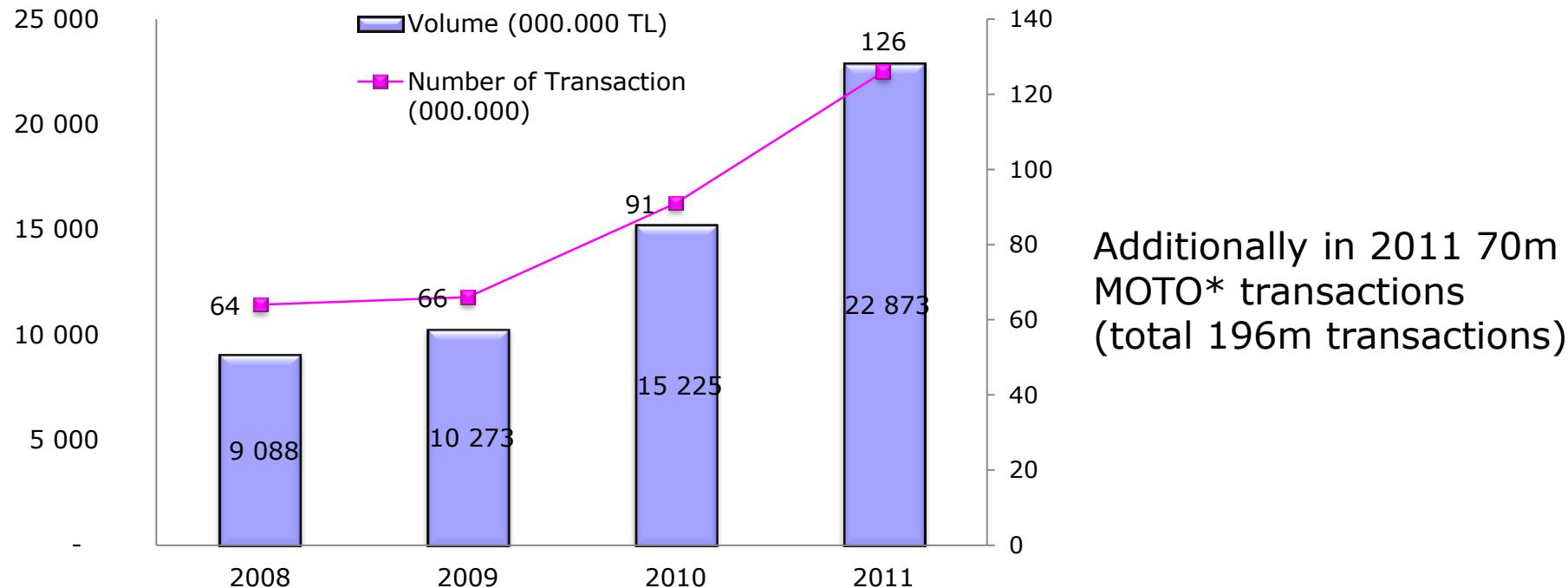
E-commerce expected top grow:

- Above 20% yoy emerging markets
- Above 12% yoy on mature markets



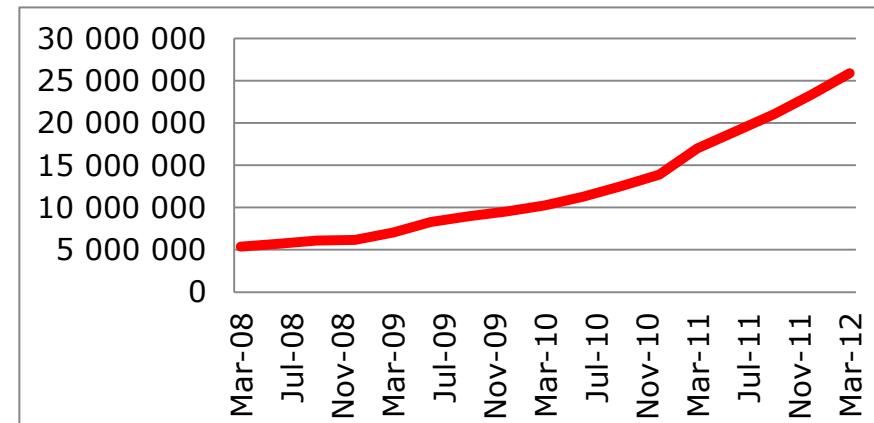


## E-Commerce in Turkey



Source: Turkish National Switch (BKM)

ASEE processed 80m - 41% market share in terms of no of transactions



\*MOTO – mail order telephone order – automatic transactions done with usage of previously stored card data



## E-commerce dynamics

We are observing increasing trust in e-commerce in the region shown by:

- Increasing number of transactions and
- Increase transaction volume

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<b>Years</b>	<b>Growth in num. of transactions</b>	<b>Growth in transaction volume</b>
2009 - 2010	43%	58%
2010 - 2011	40%	57%



## Full range of e-payment business processes

**We enable the banks  
fast market entry & transaction based pricing  
allowing them to focus on their core business**

- E-payment transaction processing
- E-merchant integration
- Help desk for e-merchants & banks
- Security & reporting



## CURRENT CUSTOMER BASE AND NEW FOCUS MARKETS

1. Turkey
2. Russia
3. Poland
4. Romania
5. Croatia
6. Other (Kyrgyzstan, Macedonia, Cyprus, Serbia)

- **Turkey is today base market for our Internet Payment business;**
- **We focus on markets with higher population and lower e-commerce saturation**
- **We have taken first steps to develop new markets for our Internet Payment business**

## Strategic Markets for Payment Gateway Growth

1. Russia
2. Spain
3. Other high potential emerging markets



## PAYMENT INTERNET – GROWTH AREAS

- ◆ New markets (new geographies)
- ◆ New solutions
- ◆ Existing market growth (e-commerce market growth)
- ◆ Emerging new customer segments (telco, government & municipalities)

**Taken all sources of growth, we expect average annual growth to exceed 24% for next 5 years.**



## **PAYMENT – PHYSICAL AREA (POS, ATM)**



# KEY MARKET PLAYERS

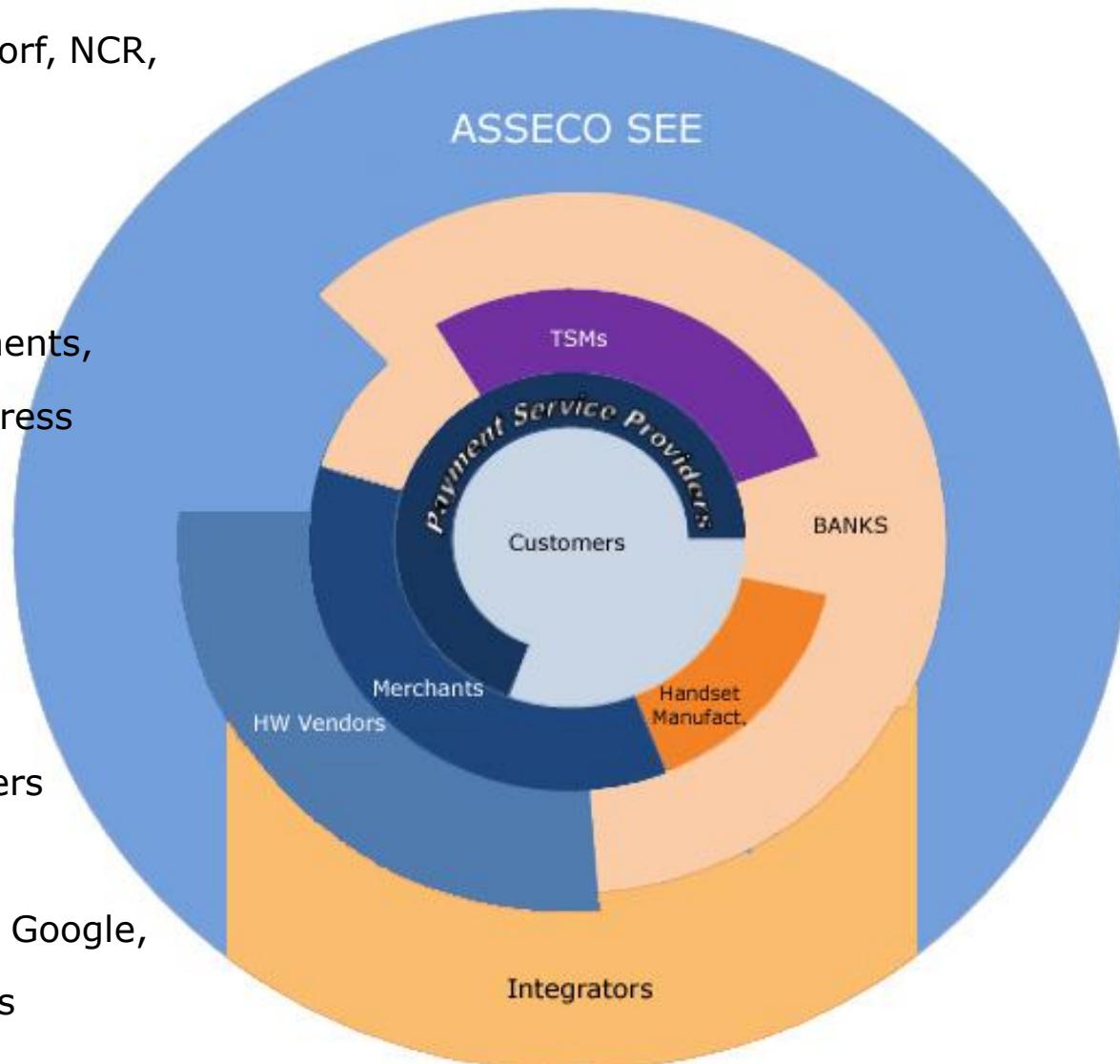
**Terminal Vendors** Wincor Nixdorf, NCR, Verifone, Ingenico

## Payment Service Providers

First Data, Euronet, Global Payments, VISA, Mastercard, American Express Giesecke & Devrient, Oberthur...

**Integration:** Printec, local players

**Newcomers:** Telco Providers, Google, Facebook, Apple, Social networks





## MARKET GROWTH DRIVERS

### Global trends:

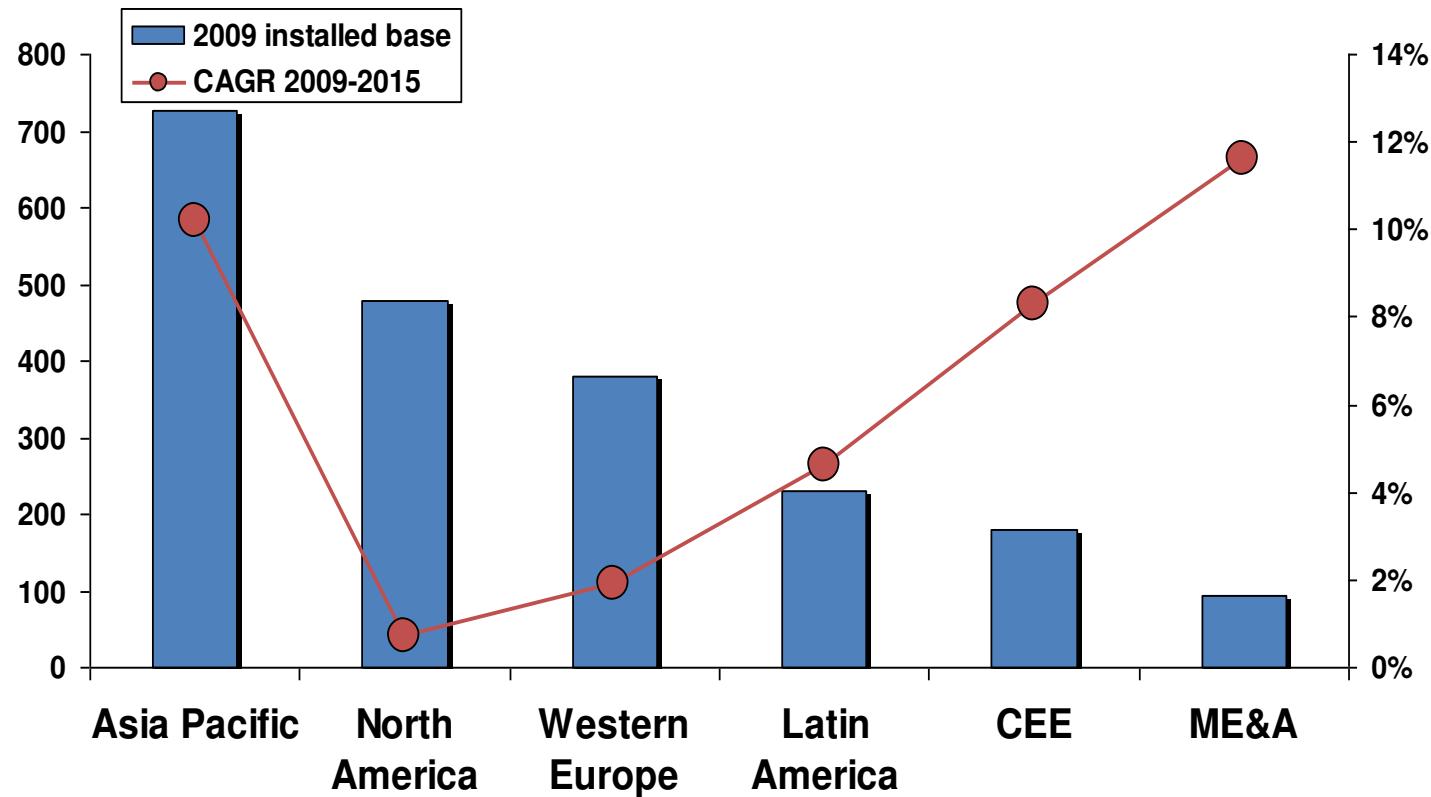
- 8% year on year growth of number of card transactions
- 2.2 millions ATM installed in the world estimated to increase to above 3.2 in 2016
- ATM shipments forecasted to grow CAGR 13.6% by 2010-2015 in CEE
- Growing demand for service availability
- Cash deposit automation and new transactions
- Cost reduction (automation)

### SEE market outlook:

- EU 850 ATM/million of inhabitants, SEE region 472
- EU 17 POS/thousand of inhabitants, SEE region 12



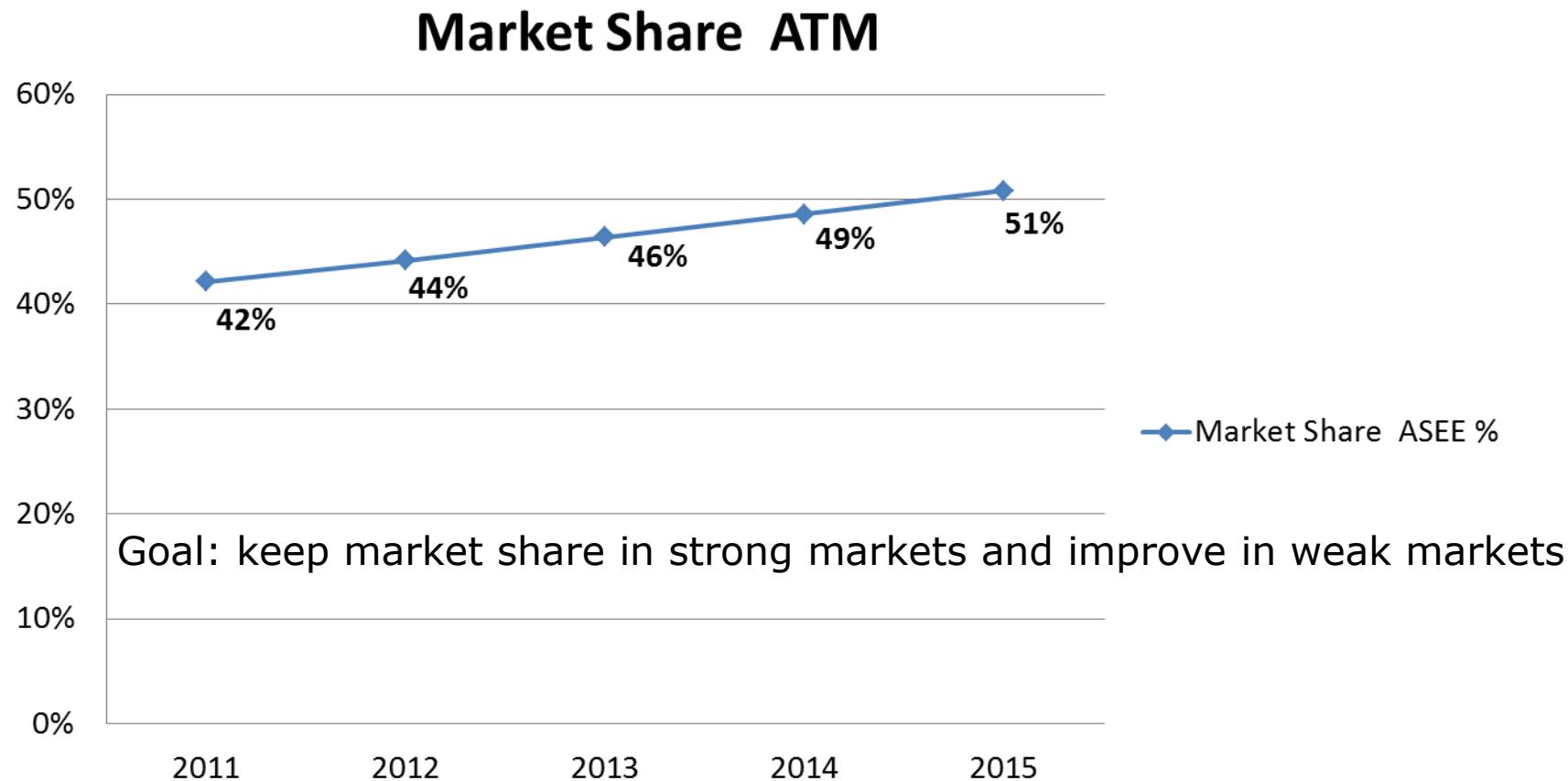
## ATM INSTALLED BASE (000S) AND GROWTH BY REGION 2009 TO 2015\*



\* Expected new shipment growth excluding replacement

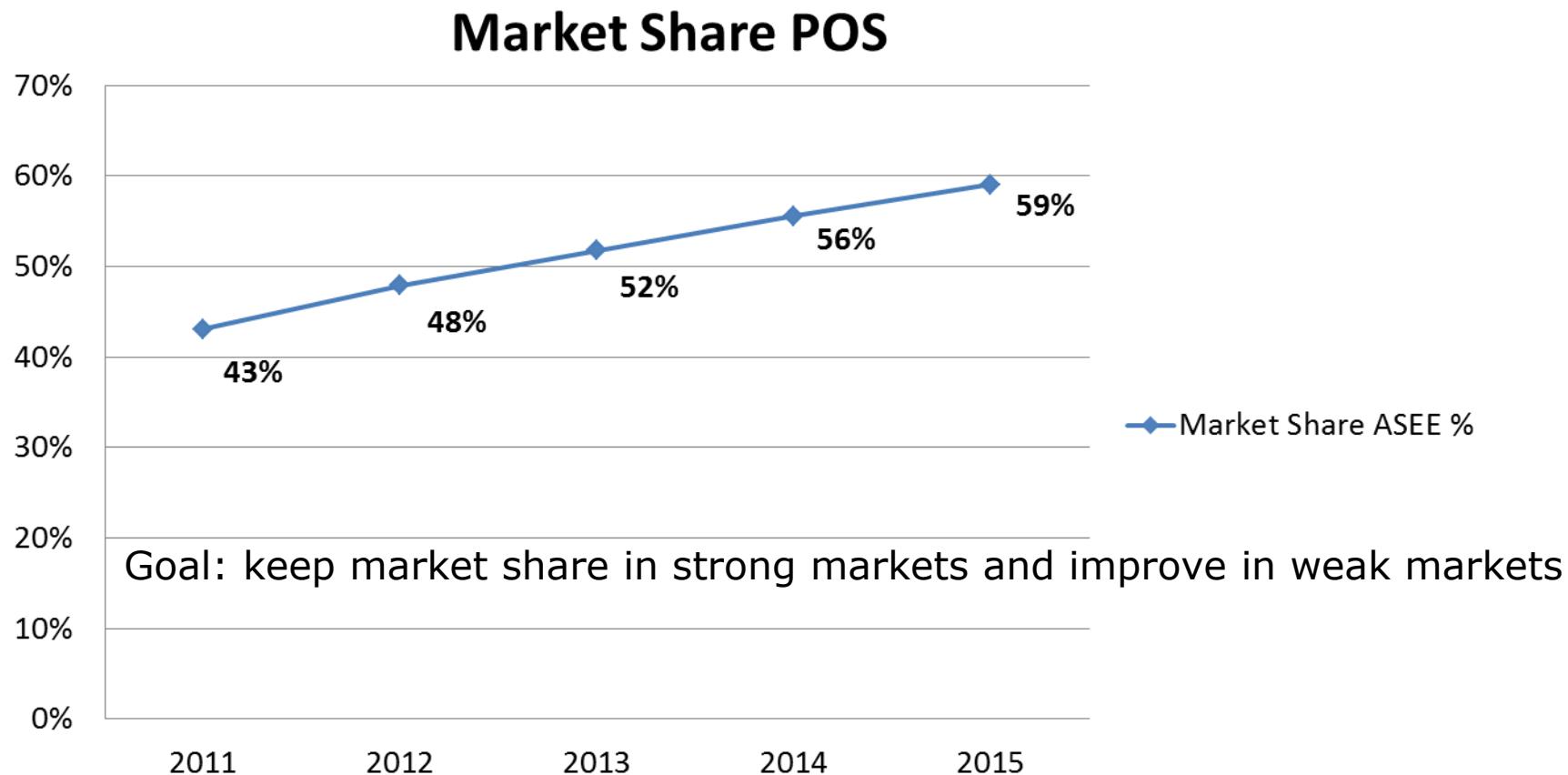


## GROWTH FORECAST UNTIL 2015:





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## PAYMENT PHYSICAL AREA - SOURCE OF GROWTH

- Market growth
- Increase market share
  
- New geographies (to double the existing market)
  - Czech Republic, Slovakia, Hungary
  - Ukraine
  
- New solutions and services
  - Outsourcing
  - Loyalty and direct marketing
  - Deposit automation

**Average expected growth for next five years >15% in EBIT**



## ASEE PAYMENT AREA – WHAT CAN BE EXPECTED

- Payment segment market growth – both natural growth and convergence effect
- Introduction of new solutions
- Introduction of new business models (outsourcing)
- Entry on new markets (focus on emerging markets)

**CAGR for Payment area exceeding 15% for next 5 years**

<b>CAGR 2011-2016</b>	<b>Internet</b>	<b>Physical</b>	<b>Total</b>
Revenue	24,9%	13,9%	15,5%
EBIT	26,2%	14,5%	16,0%



# Thank you...