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SOUTH EASTERN EUROPE

Financial Results for 2017 And Business Update

January 20th, 2018

Warsaw

2017 results

Q4 2017 highlights

- Very strong quarter leading to historic record-high annual financial result for ASEE Group
- Continued improvement at System Integration thanks to better project management and cost reductions
- Payment growing in all business lines
- Master Distribution Agreement for the region signed with Diebold Nixdorf
- Lower results in Banking because of revenue recognition and capitalized software written off

Q4 ASEE Best Deals.

- Banking Business Unit

- New functionalities (Core banking, digital channels, **Experience**) to a digital bank in Serbia
- Management risk, collateral, **Experience**, **Tesauri** for 3 banks in Serbia
- Core banking system to international bank in Romania
- **Digital Edge** to one of the banks in Romania
- **iBank** to one of the banks in Montenegro
- **Jimba** for a bank in Croatia
- **PFM** for one of the banking outsourcing group in Italy
- **SEPA direct debit** to one of the banks in Croatia
- **IFRS 9** solution to 2 banks in Romania
- **AML** for an international bank in Macedonia
- **SxS** to a bank in Romania and in Croatia
- **PKI** to one of the banks in Croatia

- System Integration

- **Live** to a telco operator in Croatia
- Development of incident management system in the field of security for the Ministry of Trade, Tourism and Telco in Serbia
- Sale of **Dynatrace APM** 3P solution to 4 clients in Turkey
- Sale of **Leasflex** to 2 clients in Turkey
- Sale of **Fidelity** modules to 2 clients in Turkey

Q4 Payten Best Deals.

ATM and POS Related Services

- Replacing 2.500 **POS terminals** in 5 years at Erste Card Club
- **ATM delivery** for Societe General group in Romania
- **POS outsourcing** and **ATMs delivery** to one of the banks in Macedonia
- ATM delivery to a Romanian bank

eCommerce

- **NestPay** to one of the banks in Kosovo
- KomBank Ecosystem - e/m Commerce Instant Payment for one of the banks in Serbia

Q4 2017: improving results driven by Integration and Payments

	mEUR			mPLN		
	Q4 2017	Q4 2016	% Diff	Q4 2017	Q4 2016	% Diff
Revenue	38,0	40,9	-7%	160,2	179,4	-11%
EBITDA	7,8	6,9	+13%	32,9	30,3	+8%
EBIT	5,2	4,6	+12%	21,8	20,3	+7%
NPAT*	4,3	4,6	-7%	18,1	20,3	-11%
<i>EBITDA %</i>	<i>20,5%</i>	<i>16,9%</i>				
<i>EBIT %</i>	<i>13,6%</i>	<i>11,3%</i>				

* 2016 NPAT including revaluation of ASEE share in Emon +942k EUR

FY 2017: another year of growing results

	mEUR			mPLN		
	2017	2016	% Diff	2017	2016	% Diff
Revenue	134,5	130,4	+3%	570,9	570,6	+0%
EBITDA	25,1	21,5	+17%	106,5	94,0	+13%
EBIT	15,5	13,0	+20%	65,9	56,8	+16%
NPAT	13,0	11,8	+10%	55,0	51,5	+7%
<i>EBITDA %</i>	<i>18,7%</i>	<i>16,5%</i>				
<i>EBIT %</i>	<i>11,5%</i>	<i>10,0%</i>				
Normalized EBIT*	15,7	13,0	+21%	66,8	56,8	+18%
Normalized NPAT*	13,2	10,8	+22%	55,9	47,4	+18%

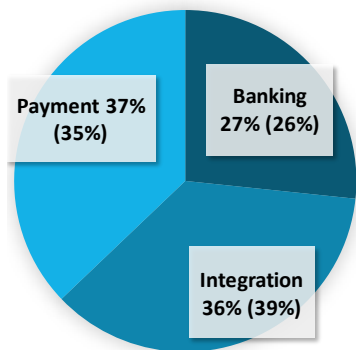
* 2017 adjustments: Chipcard&Emon consolidation effect 55kEUR, Share Based Payment programme costs 270k eur

* 2016 adjustments: revaluation of ASEE share in Emon 942k EUR

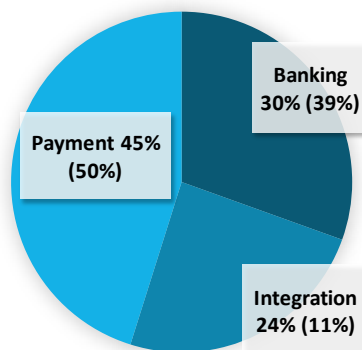
Significant improvement in Integration, strong Payment

mEUR	Revenue			EBITDA			EBIT		
	2017	2016	Diff	2017	2016	Diff	2017	2016	Diff
Banking	35,9	33,4	2,4	6,2	6,6	-0,4	4,7	5,0	-0,2
Integration	48,7	51,4	-2,7	4,7	2,7	2,0	3,8	1,4	2,4
Non-Payment	84,6	84,8	-0,3	10,9	9,3	1,6	8,5	6,4	2,1
Payment	49,9	45,6	4,4	14,2	12,2	2,0	7,0	6,4	0,6
Asseco SEE Group	134,5	130,4	4,1	25,1	21,5	3,6	15,5	13,0	2,5

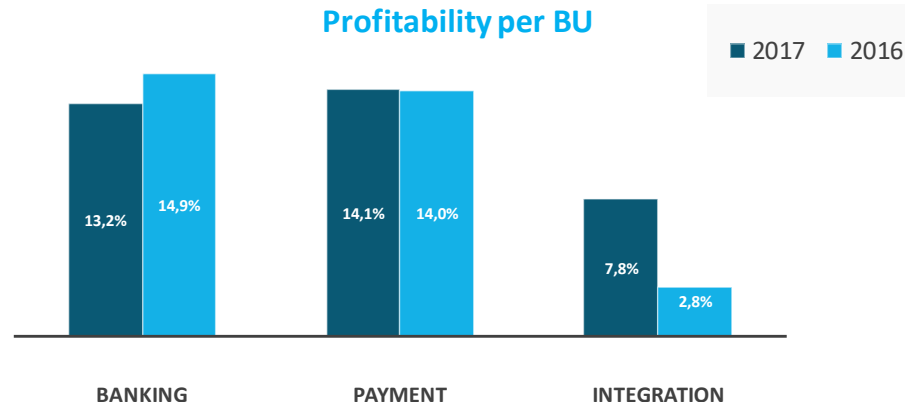
Revenue per BUs 2017



EBIT per BUs 2017



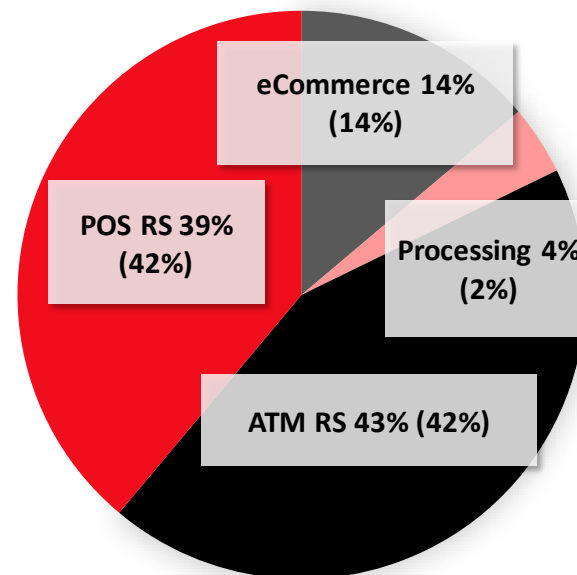
Profitability per BU



Payment: improving results in all lines of business

mEUR	Revenue		
	2017	2016	Diff
eCommerce	6,9	6,5	0,4
Processing	2,0	1,1	0,9
ATM RS	21,6	19,0	2,6
POS RS	19,4	19,0	0,4
Payment	49,9	45,6	4,4

Revenue per BUs 2017



Excellent results from Croatia, Serbia and BH

mEUR	Revenue				EBIT			
	2017	2016	Diff	% Diff	2017	2016	Diff	% Diff
B&H	4,1	4,2	0,0	-1%	1,1	0,6	0,4	+72%
Cro	23,4	20,8	2,6	+12%	3,6	2,3	1,3	+58%
Mon	2,5	2,3	0,1	+6%	0,8	0,6	0,2	+26%
Mac	10,9	14,0	-3,0	-22%	2,8	2,9	-0,1	-5%
Rom	31,2	28,9	2,3	+8%	1,5	1,1	0,4	+31%
Ser	38,5	37,5	1,0	+3%	4,4	3,5	1,0	+28%
Slo	5,6	3,6	2,1	+57%	0,5	0,4	0,1	+16%
Tur	12,4	13,4	-1,0	-7%	0,4	0,8	-0,4	-50%
Other*	5,9	5,8	0,1	+2%	0,4	0,7	-0,2	-34%
GASEE	134,5	130,4	4,1	+3%	15,5	13,0	2,5	+20%

*Other entities include Kosovo, Albania, Bulgaria and Poland

Good overall cash position

mEUR	Asseco SEE Group		
	2017 YE	2016 YE	Diff
Cash and cash equivalents	16,4	18,3	-1,9
Short term investments	11,5	9,5	2,1
Short term and long term debt	-10,8	-10,1	-0,7
Net Cash	17,1	17,6	-0,5
Receivables and Prepayments	35,1	35,6	-0,5
Liabilities, Provisions and Deferred Income	-35,2	-36,5	1,3
Inventory	5,9	5,3	0,6
Operational Balance	23,0	22,0	1,0

Good cash conversion despite growing capex

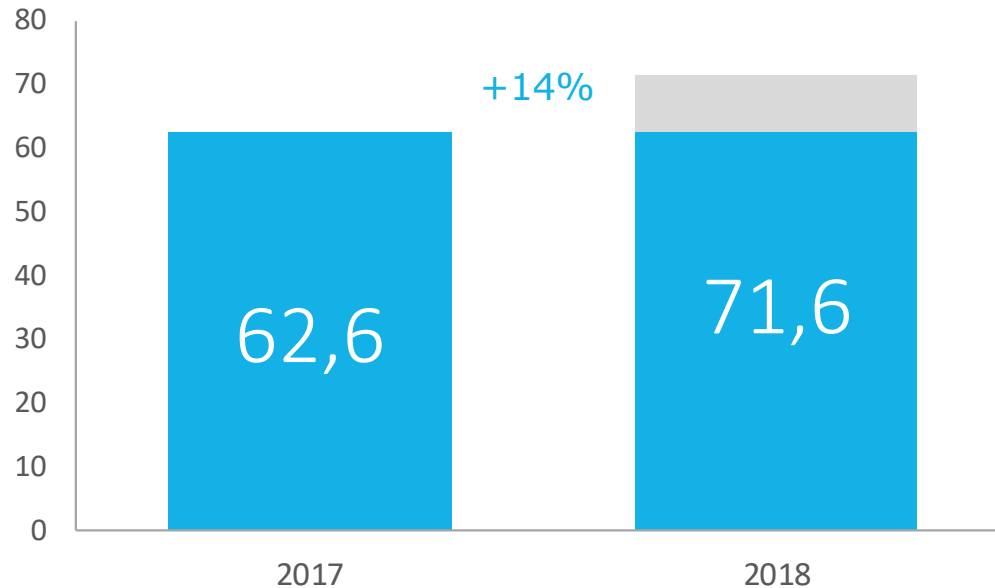
mEUR	Asseco SEE Group		
	2017	2016	2015
Operating cash flow*	22,7	21,6	18,4
- IT Infrastructure for outsourcing	-13,7	-6,1	-7,3
- Capitalized R&D	-0,8	-1,2	-1,2
- M&A	-0,2	-2,5	-0,4
- Other CAPEX	-1,9	-2,0	-2,0
Free cash flow	6,1	9,8	7,4
Debt Increase	5,2	2,9	4,3
Debt Service	-4,7	-4,0	-4,3
Total Cash Flow	6,5	8,7	7,5
Oper CF/EBITDA	90%	101%	92%
FCF/EBIT	39%	75%	59%

* Excluding investment in outsourcing equipment presented in Inventory

Outlook for 2018

Increase in backlog for 2018 – total Group

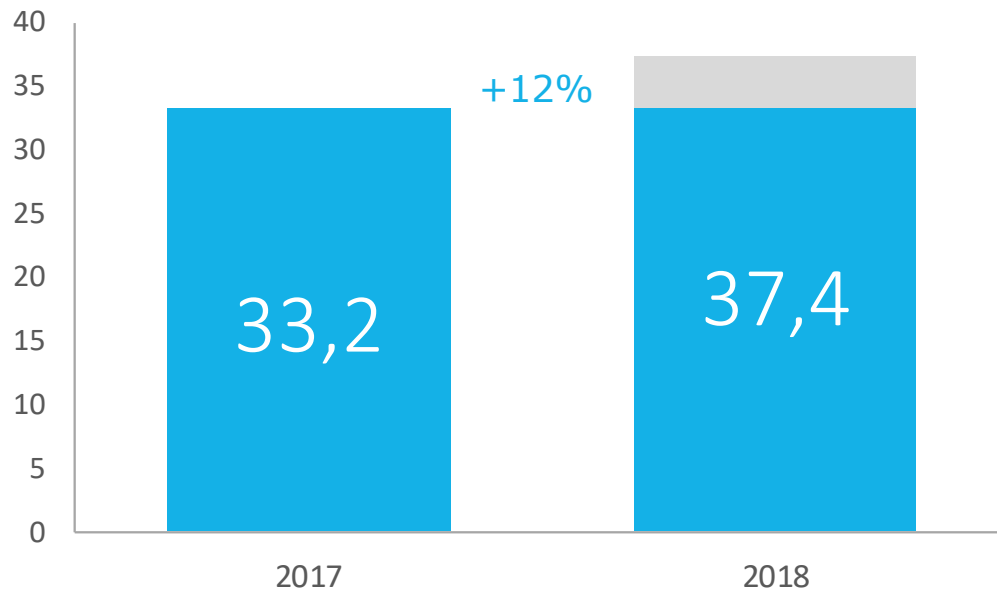
mEUR	2017	2018	% Diff
Revenues BL	79,1	95,1	+20%
Margin1 BL	62,6	71,6	+14%



* 2017 as at 12-Feb-2017, 2018 as at 12-Feb-2018

Increase in backlog for 2018 – Non-Payment

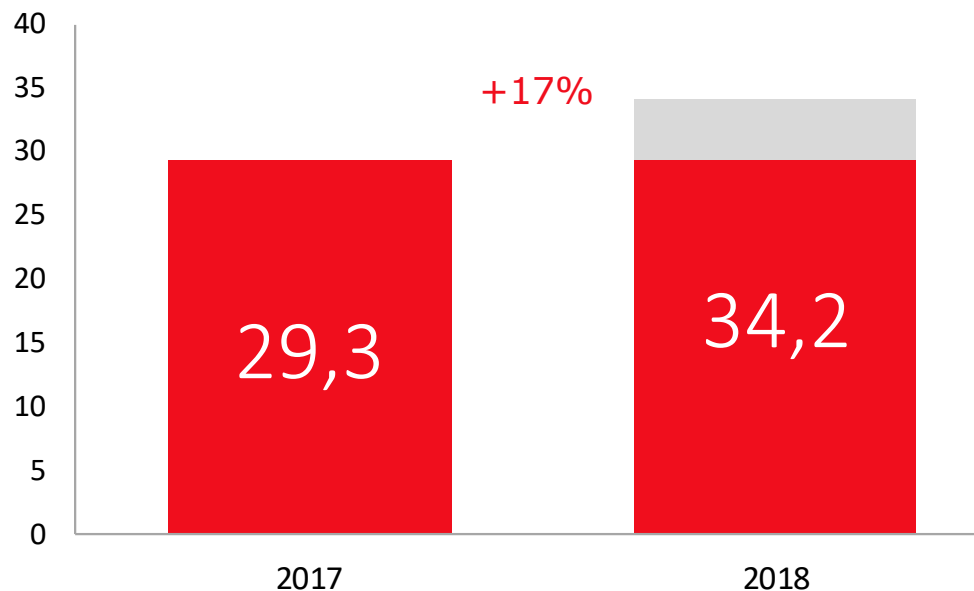
mEUR	2017	2018	% Diff
Revenues BL	45,7	55,1	+21%
Margin1 BL	33,2	37,4	+12%



* 2017 as at 12-Feb-2017, 2018 as at 12-Feb-2018

Increase in backlog for 2018 – Payment

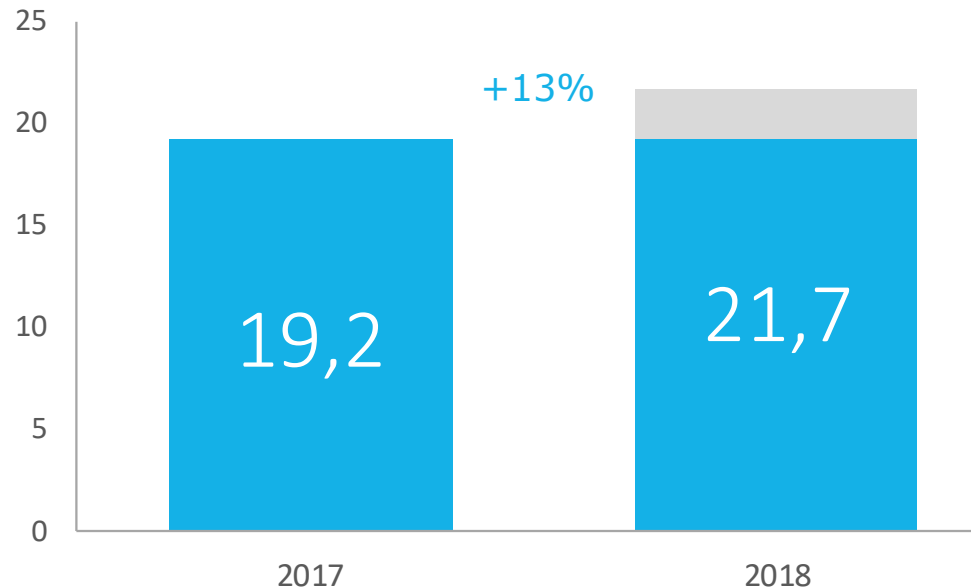
mEUR	2017	2018	% Diff
Revenues BL	33,3	40,0	+20%
Margin1 BL	29,3	34,2	+17%



* 2017 as at 12-Feb-2017, 2018 as at 12-Feb-2018

Increase in backlog for Q1 2018 – total Group

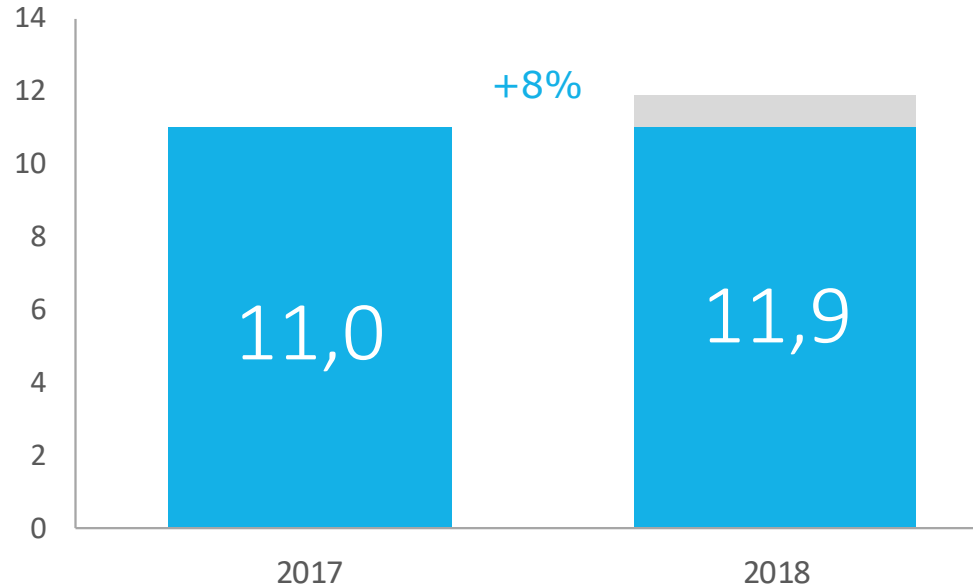
mEUR	2017	2018	% Diff
Revenues BL	29,0	33,6	+16%
Margin1 BL	19,2	21,7	+13%



* 2017 as at 12-Feb-2017, 2018 as at 12-Feb-2018

Increase in backlog for Q1 2018 – Non-Payment

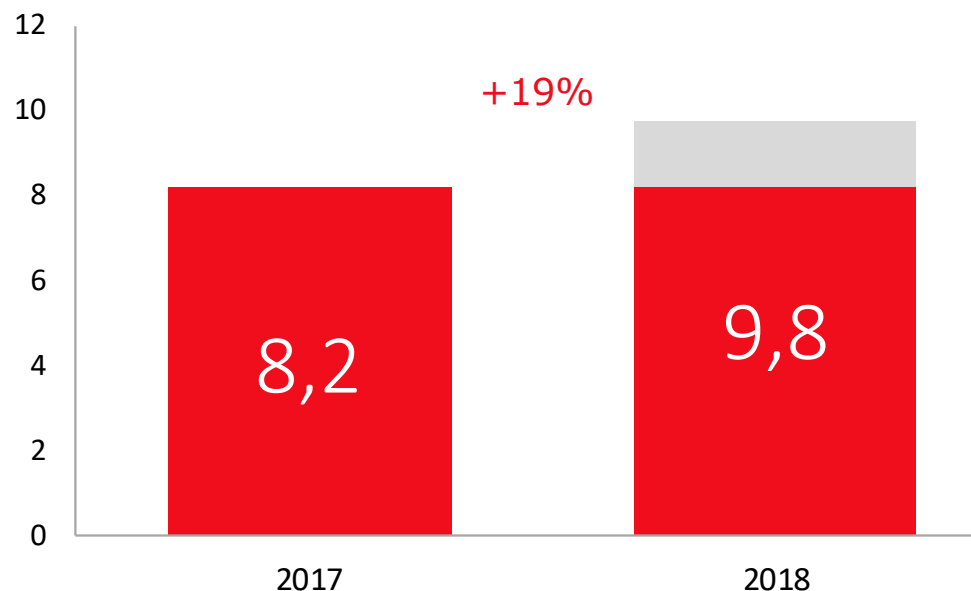
mEUR	2017	2018	% Diff
Revenues BL	17,8	19,0	+6%
Margin1 BL	11,0	11,9	+8%



* 2017 as at 12-Feb-2017, 2018 as at 12-Feb-2018

Increase in backlog for Q1 2018 – Payment

mEUR	2017	2018	% Diff
Revenues BL	11,1	14,6	+31%
Margin1 BL	8,2	9,8	+19%




* 2017 as at 12-Feb-2017, 2018 as at 12-Feb-2018

Thank you

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