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SOUTH EASTERN EUROPE

# Financial Results for Q2 2017 And Business Update

August 10th, 2017  
Warsaw

# Q2 2017 results

# Q2 2017 highlights

- Strong results thanks to continued recovery in Banking and better performing integration projects
- In Banking strongest growth visible in mobile applications
- Growing Payments as a result of more processing and infrastructure deliveries
- Payment spin-off processes launched in Croatia, Romania, Serbia and Turkey
- ASEEE managers holding 4,3% shares of the company

# Q2 2017: another strong quarter, with growth in all BUs

	mEUR			mPLN		
	Q2 2017	Q2 2016	% Diff	Q2 2017	Q2 2016	% Diff
Revenue	35,5	31,8	+12%	149,6	140,2	+7%
EBITDA	6,6	5,2	+27%	27,7	22,9	+21%
EBIT	4,2	3,1	+36%	17,9	13,7	+30%
NPAT	3,7	2,8	+34%	15,5	12,2	+27%
<i>EBITDA %</i>	<i>18,5%</i>	<i>16,3%</i>				
<i>EBIT %</i>	<i>12,0%</i>	<i>9,8%</i>				

# H1 2017:continued good results

	mEUR			mPLN		
	H1 2017	H1 2016	% Diff	H1 2017	H1 2016	% Diff
Revenue	66,6	59,4	+12%	282,8	260,0	+9%
EBITDA	11,8	9,5	+24%	50,0	41,8	+20%
EBIT	7,2	5,5	+32%	30,7	24,0	+28%
NPAT	6,0	4,6	+31%	25,7	20,3	+26%
<i>EBITDA %</i>	<i>17,7%</i>	<i>16,0%</i>				
<i>EBIT %</i>	<i>10,9%</i>	<i>9,2%</i>				

Consolidation of ChipCard and E-Mon increasing H1'17 Revenues by 0,8m EUR and EBIT by 53k EUR

# Excelent results from Banking and Payments in Croatia, progress in BH, Romania, Serbia

mEUR	Revenue				EBIT			
	H1 2017	H1 2016	Diff	% Diff	H1 2017	H1 2016	Diff	% Diff
B&H	1,9	2,2	-0,3	-13%	0,5	0,4	0,2	+45%
Cro	12,6	8,2	4,4	+54%	1,7	0,2	1,4	+571%
Mon	1,1	1,3	-0,2	-15%	0,3	0,4	-0,1	-23%
Mac	5,7	5,7	-0,1	-1%	1,1	1,2	0,0	-4%
Rom	17,8	12,3	5,5	+45%	0,7	0,3	0,4	+130%
Ser	16,6	17,9	-1,3	-7%	1,8	1,6	0,2	+14%
Slo	2,5	1,9	0,6	+30%	0,2	0,3	-0,1	-18%
Tur	6,0	7,0	-1,0	-14%	0,8	0,8	0,0	+2%
Other*	2,4	2,9	-0,5	-17%	0,0	0,3	-0,2	-83%
<b>GASEE</b>	<b>66,6</b>	<b>59,4</b>	<b>7,2</b>	<b>+12%</b>	<b>7,2</b>	<b>5,5</b>	<b>1,8</b>	<b>+32%</b>

\*Other entities include Kosovo, Albania, Bulgaria and Poland

# Safe liquidity position before 2017 dividend payment

mEUR	Asseco SEE Group		
	H1 2017	2016 YE	Diff
Cash and cash equivalents	13,7	18,3	-4,6
Short term investments	10,9	9,5	1,5
Short term and long term debt	-9,0	-10,1	1,1
<b>Net Cash</b>	<b>15,6</b>	<b>17,6</b>	<b>-2,0</b>
Receivables and Prepayments	31,8	35,6	-3,8
Liabilities, Provisions and Deffered Income	-28,2	-36,5	8,4
Inventory	4,5	5,3	-0,8
<b>Operational Balance</b>	<b>23,8</b>	<b>22,0</b>	<b>1,8</b>

# Good cash conversion despite growing capex

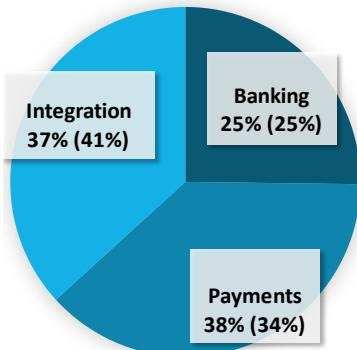
mEUR	Asseco SEE Group		
	H1 2017 LTM	2016	2015
Operating cash flow*	22,1	21,6	18,4
- IT Infrastructure for outsourcing	-9,2	-6,1	-7,3
- Capitalized R&D	-1,1	-1,2	-1,2
- M&A	-1,3	-2,5	-0,4
- Other CAPEX	-2,3	-2,0	-2,0
Free cash flow	8,2	9,8	7,4
Debt Increase	3,2	2,9	4,3
Debt Service	-3,9	-4,0	-4,3
Total Cash Flow	7,5	8,7	7,5
Oper CF/EBITDA	93%	101%	92%
FCF/EBIT	55%	75%	59%

\* Excluding investment in outsourcing equipment presented in Inventory

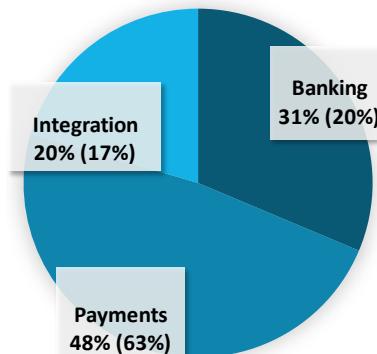
# Improving results in all three business lines

mEUR	Revenue			EBITDA			EBIT		
	H1 2017	H1 2016	Diff	H1 2017	H1 2016	Diff	H1 2017	H1 2016	Diff
Banking	16,8	15,0	1,8	3,0	1,9	1,1	2,3	1,0	1,2
Payments	25,3	19,9	5,4	6,9	6,1	0,7	3,5	3,3	0,2
Integration	24,5	24,4	0,0	1,9	1,6	0,4	1,5	0,9	0,6
<b>Asseco SEE Group</b>	<b>66,6</b>	<b>59,4</b>	<b>7,2</b>	<b>11,8</b>	<b>9,5</b>	<b>2,2</b>	<b>7,2</b>	<b>5,5</b>	<b>1,8</b>

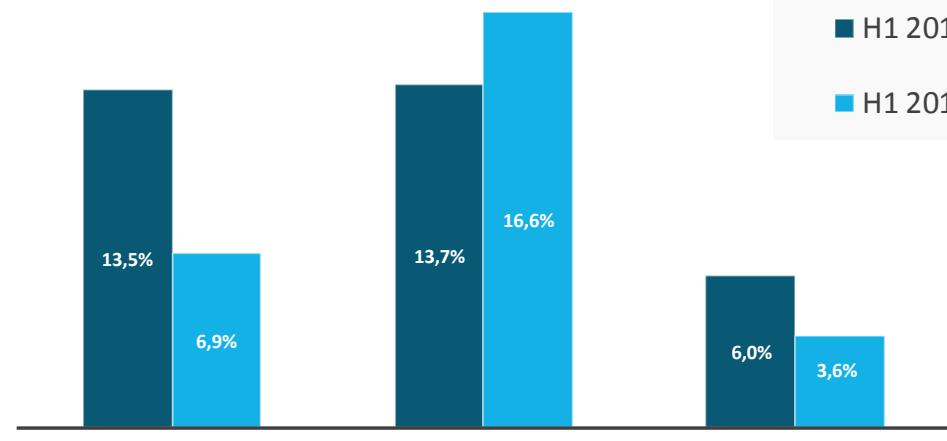
Revenue per BUs H1 2017



EBIT per BUs H1 2017



■ H1 2017  
■ H1 2016



# Q2 2017 Best Deals

## Banking

- **AML** solution in one of the international banks in Croatia
- **SxS & mToken** in the national bank of Kazakhstan
- **PKI VAS** to one of the Croatian banks
- **Jimba** mobile solution in one of the service centers of an international banking group
- **Solution for regulatory reporting** and **InCorso** in one of the banks in Serbia
- **BAPO Payment** module for payment services company

## Payment

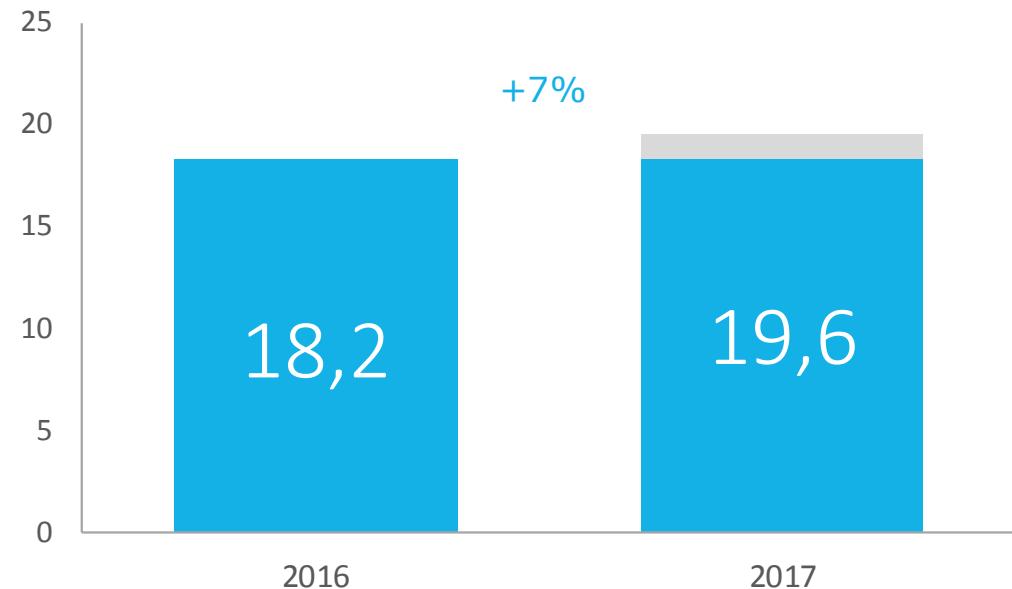
- Long-term agreement with Addiko bank for **ATM outsourcing** in 5 countries (SER, CRO, MNE, BiH, SLO)
- **MSU** for technology wholesale distributor and nail cosmetics company in Turkey
- Delivery of more **ATMs** to Erste bank in Croatia
- Sale of **POS** to NLB bank in Slovenia

## System Integration

- **Live** Contact Center for electric company in Macedonia
- **Leaseflex** for a leasing company in Turkey
- Custom made solution with equipment for Electric Power Industry of Serbia
- **Dynatrace** third party solution for insurance company
- IT equipment for Tax Administration of Republic of Serbia
- Microsoft licences and Microsoft Subscription for various companies in Romania

# Outlook for 2017

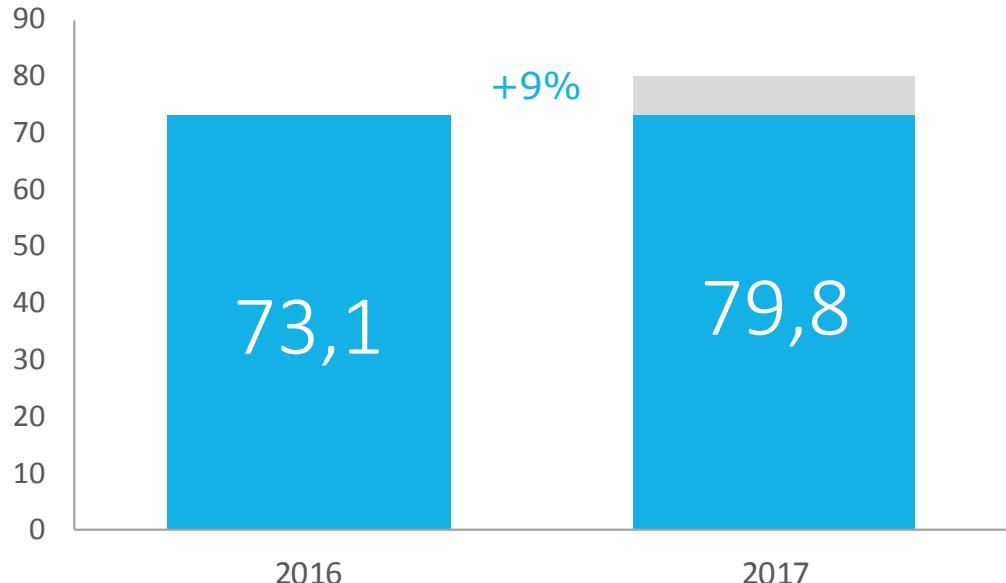
# Increase in backlog for Q3 2017



\* 2016 as at 12-Jul-2016, 2017 as at 12-Jul-2017

# Increase in backlog for 2017

	<b>mEUR</b>	<b>2016</b>	<b>2017</b>	<b>% Diff</b>
Revenues BL		108,1	112,9	+4%
Margin1 BL		73,1	79,8	+9%



\* 2016 as at 12-Jul-2016, 2017 as at 12-Jul-2017

# Thank you

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