

Solutions
for demanding
business.

asreco

SOUTH EASTERN EUROPE

Financial Results for Q1 2018 And Business Update

Q1 2018 results

Q1 2018 highlights

- Growing results despite slower quarter in System Integration and NKBM write off
- Impressive results of Payment mainly due to ATM deliveries and new outsourcing contracts
- NKBM contract with negative impact on Q1 EBIT of BU Banking of 650k EUR
- Payten entities established in Serbia and Macedonia

Q1 ASEE Best Deals.

- Banking Business Unit

- **Core banking and payment, Experience branch, iBank, Tezauri** for one of the banks in Serbia due to the acquisition of another bank
- **Bapo Risk** and **Tezauri** for 2 international and 2 local banks in BiH & 1 bank in Montenegro to meet **IFRS 9** standards
- Core banking analysis phase for one of the international banks in Romania due to its merger with another bank

- System Integration

- **Live Virtual Branch** for Hrvatska Postanska Banka
- **Live e-Office** for Croatian national power company
- **Based on Live** solution for registration and reclamation portal for Serbian electric power company EPS
- **BP proprietary solution** together with 3P infrastructure for public administration in Romania

Q1 Payten Best Deals.

ATM and POS Related Services

- **POS outsourcing** for international bank in Serbia and a bank in Macedonia
- **ATM & POS delivery with services** for one of the international banks in Croatia
- **ATM delivery with services** for one of the international banks in Croatia

eCommerce

- **MSU** for car rental and food products selling merchants

Q1 2018: improving results driven by Payment

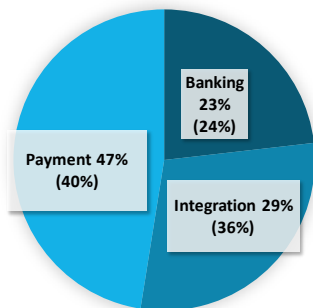
	mEUR		
	Q1 2018	Q1 2017	% Diff
Revenue	33.2	31.1	+7%
EBITDA	5.7	5.2	+10%
EBIT	3.1	3.0	+5%
NPAT	2.7	2.4	+14%
<i>EBITDA %</i>	<i>17.2%</i>	<i>16.7%</i>	
<i>EBIT %</i>	<i>9.4%</i>	<i>9.6%</i>	

	mPLN		
	Q1 2018	Q1 2017	% Diff
Revenue	138.6	133.2	+4%
EBITDA	23.9	22.3	+7%
EBIT	13.1	12.8	+2%
NPAT	11.3	10.2	+11%

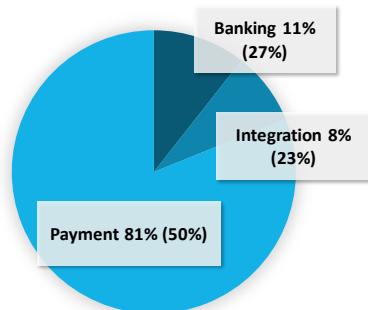
Strong Payment compensating drop in other segments

mEUR	Revenue			EBITDA			EBIT		
	Q1 2018	Q1 2017	Diff	Q1 2018	Q1 2017	Diff	Q1 2018	Q1 2017	Diff
Banking	7.7	7.5	0.2	0.6	1.1	-0.5	0.3	0.8	-0.5
Integration	9.7	11.1	-1.3	0.5	0.9	-0.4	0.3	0.7	-0.4
Non-Payment	17.4	18.6	-1.2	1.1	2.0	-1.0	0.6	1.5	-0.9
Payment	15.7	12.4	3.4	4.6	3.1	1.5	2.5	1.5	1.1
Asseco SEE Group	33.2	31.1	2.1	5.7	5.2	0.5	3.1	3.0	0.1

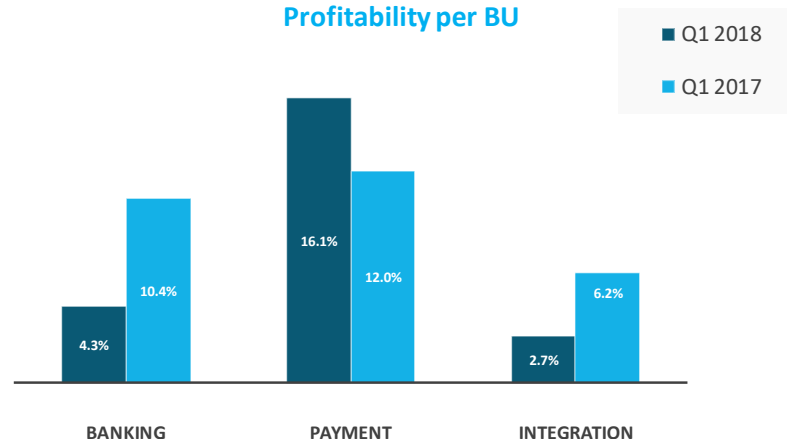
Revenue per BUs Q1 2018



EBIT per BUs Q1 2018



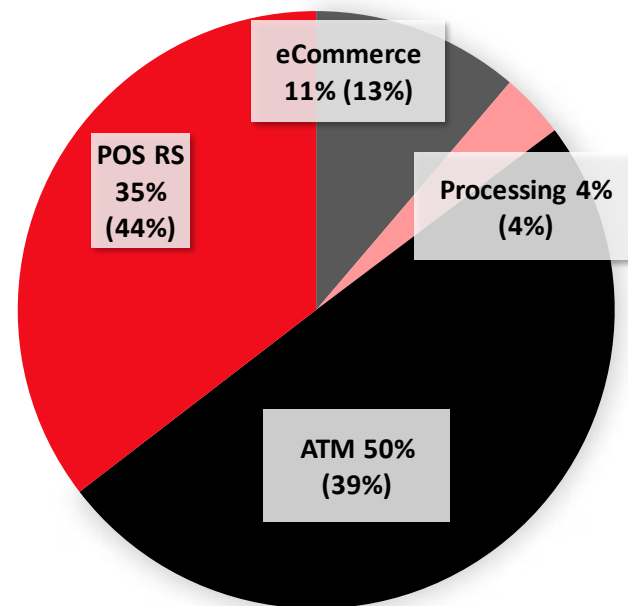
Profitability per BU



Payment: very good quarter in ATM business

mEUR	Revenue		
	Q1 2018	Q1 2017	Diff
eCommerce	1.8	1.7	0.1
Processing	0.6	0.4	0.1
ATM	7.8	4.8	3.1
POS RS	5.6	5.5	0.1
Payment	15.7	12.4	3.4

Revenue per BUs Q1 2018



Excellent results from Croatia

mEUR	Revenue				EBIT			
	Q1 2018	Q1 2017	Diff	% Diff	Q1 2018	Q1 2017	Diff	% Diff
B&H	1.4	1.2	0.2	+18%	0.3	0.2	0.1	+35%
Cro	8.7	5.5	3.2	+57%	1.1	0.4	0.7	+161%
Mon	0.6	0.6	0.0	-2%	0.2	0.1	0.0	+13%
Mac	2.9	2.9	0.0	+1%	0.2	0.5	-0.3	-55%
Rom	6.2	9.0	-2.8	-31%	0.0	0.3	-0.3	-96%
Ser	9.1	7.8	1.3	+16%	0.7	0.7	0.0	-2%
Slo	0.8	0.9	-0.1	-15%	0.1	0.1	0.0	-18%
Tur	3.0	3.1	-0.1	-2%	0.3	0.5	-0.1	-31%
Other*	1.8	1.5	0.3	+22%	0.2	0.1	0.2	+270%
Eliminations	-1.4	-1.5	0.2		-0.1	0.0	-0.1	
GASEE	33.2	31.1	2.1	+7%	3.1	3.0	0.1	+5%

*Other entities include Kosovo, Albania, Bulgaria and Poland

Good overall cash position

	mEUR	Asseco SEE Group		
		1Q 2018	2017	Diff
Cash and cash equivalents		17.2	16.4	0.8
Short term investments		10.2	11.5	-1.3
Short term and long term debt		-11.0	-10.8	-0.2
Net Cash		16.4	17.1	-0.7
Receivables and Prepayments		30.4	35.1	-4.7
Liabilities, Provisions and Deferred Income		-27.2	-35.2	8.0
Inventory		6.1	5.9	0.2
Operational Balance		25.7	23.0	2.7

PLN 27m dividend to be distributed on July 12th (PLN 0.52 per share)

Good cash conversion despite high capex

mEUR	Asseco SEE Group		
	Q1 2018 LTM	2017	2016
Operating cash flow*	23.4	22.7	21.6
- IT Infrastructure for outsourcing	-13.2	-13.7	-6.1
- Capitalized R&D	-0.8	-0.8	-1.2
- M&A	-0.2	-0.2	-2.5
- Other CAPEX	-1.8	-1.9	-2.0
Free cash flow	7.4	6.1	9.8
Debt Increase	5.7	5.2	2.9
Debt Service	-3.9	-4.7	-4.0
Total Cash Flow	9.2	6.5	8.7
Oper CF/EBITDA	106%	90%	101%
FCF/EBIT	56%	39%	75%

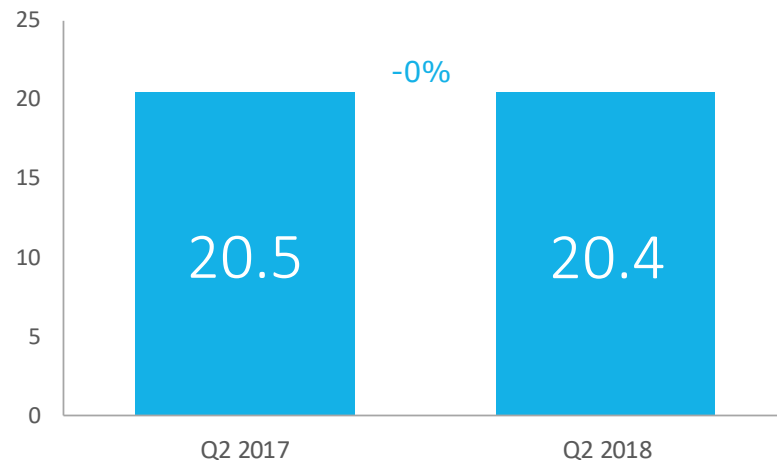
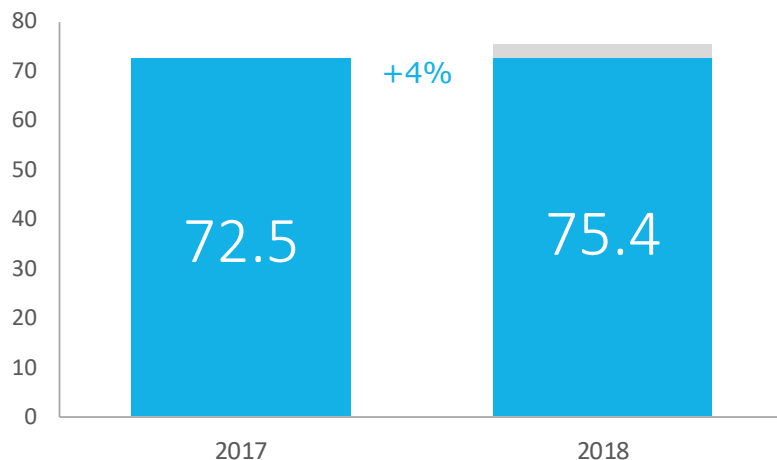
* Excluding investment in outsourcing equipment presented in Inventory

Outlook for 2018

Total ASEE Group

mEUR	2017	2018	% Diff
Revenues BL	94.6	100.5	+6%
Margin1 BL	72.5	75.4	+4%

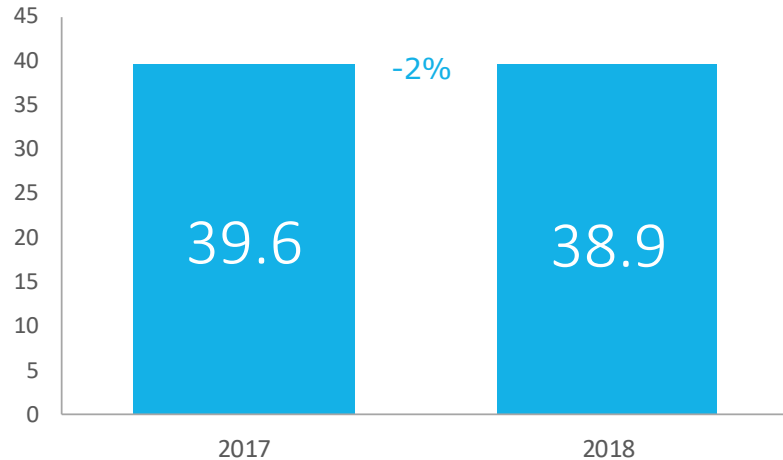
mEUR	Q2 2017	Q2 2018	% Diff
Revenues BL	27.3	27.5	+1%
Margin1 BL	20.5	20.4	-0%



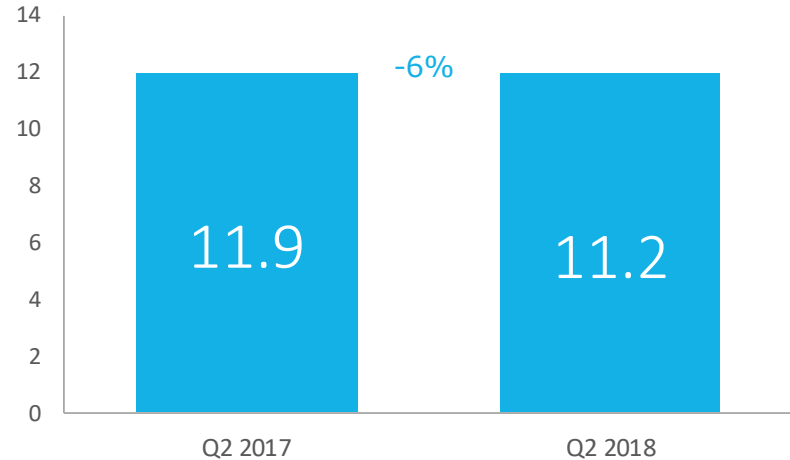
* Backlog data as at 12. April

Banking and System Integration

mEUR	2017	2018	% Diff
Revenues BL	55.5	56.2	+1%
Margin1 BL	39.6	38.9	-2%



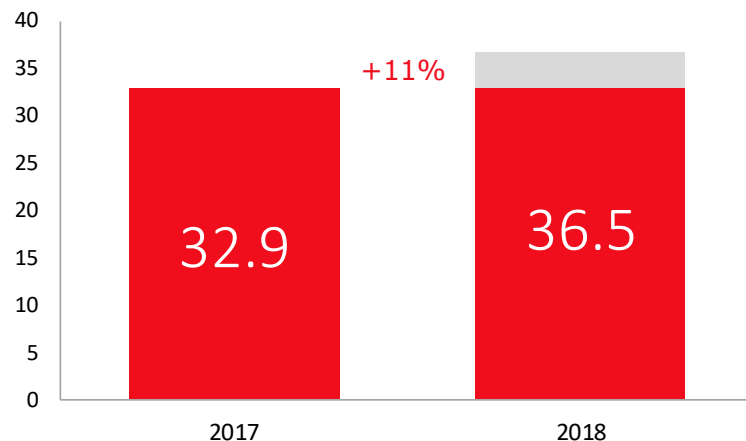
mEUR	Q2 2017	Q2 2018	% Diff
Revenues BL	17.0	16.6	-2%
Margin1 BL	11.9	11.2	-6%



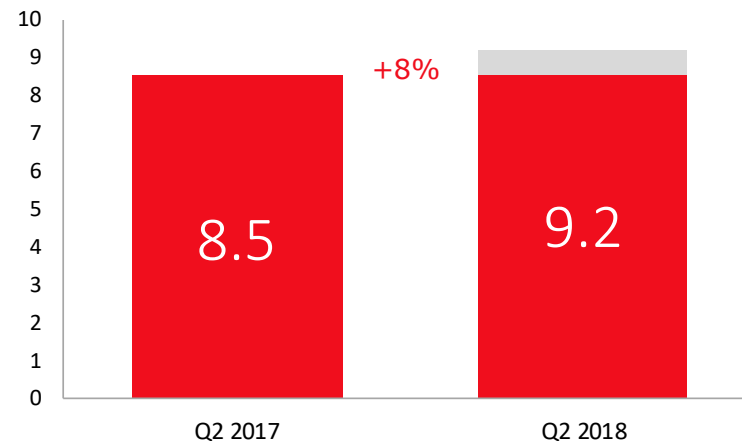
* Backlog data as at 12. April

Payment

mEUR	2017	2018	% Diff
Revenues BL	39.1	44.4	+14%
Margin1 BL	32.9	36.5	+11%



mEUR	Q2 2017	Q2 2018	% Diff
Revenues BL	10.3	10.8	+5%
Margin1 BL	8.5	9.2	+8%




* Backlog data as at 12. April

Thank you

<http://asseco.com/see/>

Legal disclaimer

The content presented in this presentation is subject to copyright protection and has the ownership title. Texts, graphics, photographs, sound, animations and videos as well as their distribution in the presentation are protected under the Copyright and related rights Law. Unauthorized use of any material contained in the presentation herein may constitute an infringement of copyright, trademark or other laws. The materials in this presentation may not be modified, copied, publicly presented, executed, distributed or used for any other public or commercial purposes, unless the Board of Asseco South Eastern Europe S.A. gives consent in writing. Copying for any purpose, including commercial use, distribution, modification or acquisition of the contents of this presentation by third parties is prohibited. Moreover, this presentation may contain reference to third-party offers and services. Terms of use for such offers and services are defined by these entities.

Asseco South Eastern Europe S.A. assumes no responsibility for the conditions, contents and effects of the use of offers and services of these entities. The data and information contained in this presentation are for information purposes only. Presentation was prepared with the use of  company products.

The name and logo of Asseco are registered trademarks by Asseco South Eastern Europe S.A. parent company – Asseco Poland S.A. and cannot be used without prior express consent.