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SOUTH EASTERN EUROPE

Financial Results for Q3 2018

And Business Update

October 25th, 2018

Warsaw

Q3 2018 results

Q3 2018 highlights

- Q3 results above expectations mainly thanks to improving Banking and System Integration, Payment still shows most dynamic growth year to date
- Increasing business sustainability - growing revenues from maintenance and outsourcing bring Cost Coverage KPI up to 80%
- ASEE listed as a Representative Vendor in Gartner's Market Guide for digital banking platforms
- Another quarter of growing results in Payment thanks to POS operations and processing
- NPAT unusually increased by unrealized fx gains in Turkey

Q3 ASEE Best Deals.

Banking Business Unit

- **PSD2 Enabler Package** for a bank in Malta
- **Digital Edge** (Internet banking) for international bank in Romania
- **Instant payment** solutions for 3 banks in Serbia
- **Mobile Banking** solution for an international bank in Croatia
- **PKI** security solution for a bank and financial agency in Croatia
- **SxS** for a regional bank in Croatia
- **InAct External Fraud Management** Solution with PSD2 features for a bank in Romania

System Integration

- **Fidelity** propriety asset management solution for a bank in Turkey
- **Dynatrace** third party solution for Home improvement retailing
- **Microsoft licenses** for a number of clients in Romania
- **Storage** for a power distribution and supply company in Macedonia
- **Storage & servers** for a bank in Serbia
- **IT equipment** for Republic Geodetic Authority in Serbia
- Extension of **vEPC DataPlane Ericsson Cloud** solution for a telecom in Serbia

Q3 Payten Best Deals.

ATM and POS Related Services

- **ATM delivery & related services** to Hrvatska Poštanska Banka, Raiffeisenbank Austria in Croatia and a bank in BiH
- **POS outsourcing** for PBZ Card
- **Tetra terminals** delivery to BRD

Q3 2018: extremely strong results additionally increased by fx gains

	mEUR		
	Q3 2018	Q3 2017	% Diff
Revenue	35,4	29,9	+18%
EBITDA	7,1	5,5	+28%
EBIT	4,4	3,1	+39%
NPAT	4,3	2,6	+64%
<i>EBITDA %</i>	<i>20,0%</i>	<i>18,5%</i>	
<i>EBIT %</i>	<i>12,4%</i>	<i>12,0%</i>	

	mPLN		
	Q3 2018	Q3 2017	% Diff
	151,5	127,8	+19%
	30,3	23,7	+28%
	18,8	13,3	+41%
	18,3	11,2	+64%

Q1-3 2018: improving results driven by Payment

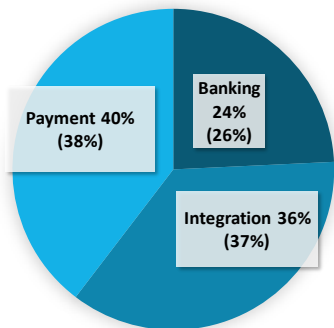
	mEUR		
	Q1-3 2018	Q1-3 2017	% Diff
Revenue	105,5	96,5	+9%
EBITDA	19,6	17,3	+13%
EBIT	11,7	10,3	+13%
NPAT	10,6	8,7	+22%
<i>EBITDA %</i>	<i>18,6%</i>	<i>18,0%</i>	
<i>EBIT %</i>	<i>11,1%</i>	<i>10,9%</i>	

	mPLN		
	Q1-3 2018	Q1-3 2017	% Diff
	448,9	410,6	+9%
	83,4	73,6	+13%
	49,6	44,1	+13%
	45,1	36,9	+22%

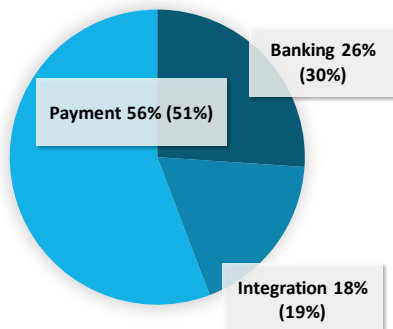
Strong Payment but other segments catching up

mEUR	Revenue			EBITDA			EBIT		
	Q1-3 2018	Q1-3 2017	Diff	Q1-3 2018	Q1-3 2017	Diff	Q1-3 2018	Q1-3 2017	Diff
Banking	25,6	24,7	0,9	3,8	4,2	-0,4	3,0	3,1	-0,1
Integration	38,1	35,2	2,9	2,8	2,6	0,2	2,1	2,0	0,2
Non-Payment	63,7	60,0	3,7	6,6	6,8	-0,2	5,2	5,1	0,1
Payment	41,8	36,5	5,4	13,0	10,5	2,5	6,5	5,3	1,2
Asseco SEE Group	105,5	96,5	9,1	19,6	17,3	2,3	11,7	10,3	1,3

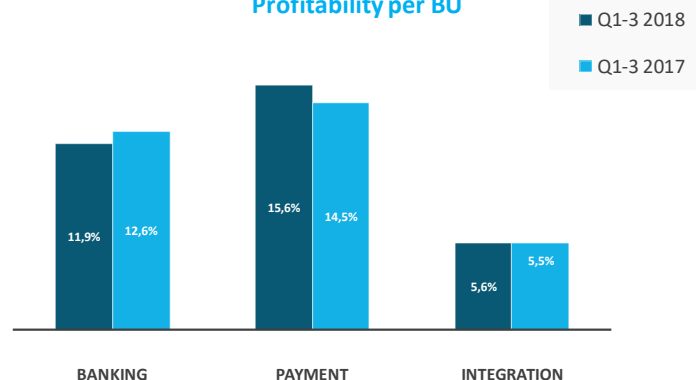
Revenue per BUs Q1-3 2018



EBIT per BUs Q1-3 2018

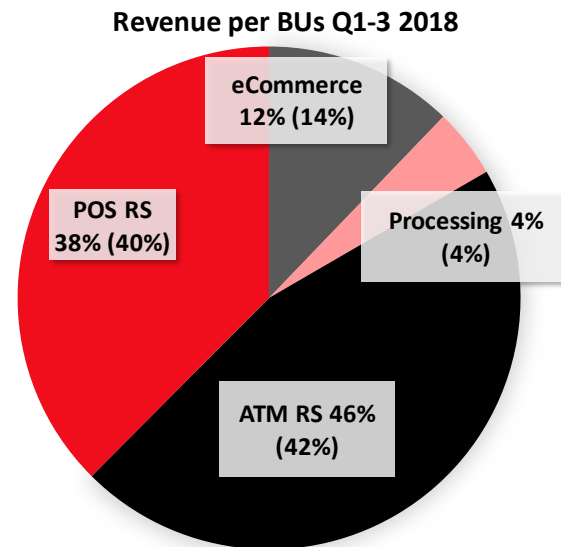


Profitability per BU



Payment: good performance in ATM RS business

mEUR	Revenue		
	Q1-3 2018	Q1-3 2017	Diff
eCommerce	5,1	4,9	0,1
Processing	1,9	1,4	0,4
ATM RS	19,2	15,4	3,8
POS RS	15,7	14,7	1,0
Payment	41,8	36,5	5,4



Outstanding Croatia, improvement in Serbia and Turkey

mEUR	Revenue				EBIT			
	Q1-3 2018	Q1-3 2017	Diff	% Diff	Q1-3 2018	Q1-3 2017	Diff	% Diff
B&H	4,7	3,8	0,9	+24%	0,8	0,8	0,0	-2%
Cro	22,7	18,1	4,6	+26%	3,7	2,5	1,2	+49%
Mon	1,9	2,2	-0,3	-13%	0,4	0,5	-0,1	-20%
Mac	9,1	8,5	0,6	+8%	1,3	1,7	-0,4	-25%
Rom	21,6	23,9	-2,3	-10%	0,3	0,8	-0,5	-63%
Ser	33,8	27,9	5,9	+21%	3,3	2,8	0,4	+16%
Slo	2,8	3,4	-0,6	-19%	0,4	0,4	0,0	+9%
Tur	8,6	9,0	-0,4	-4%	1,2	0,8	0,4	+47%
Other*	5,3	4,6	0,7	+15%	0,6	0,1	0,5	+350%
Eliminations	-5,0	-4,9	-0,1		-0,2	0,0	-0,2	
GASEE	105,5	96,5	9,1	+9%	11,7	10,3	1,3	+13%

*Other entities include Kosovo, Albania, Bulgaria and Poland

Good cash position after dividend payment

mEUR	Asseco SEE Group		
	Q3 2018	2017 YE	Diff
Cash and cash equivalents	17,0	16,4	0,6
Short term investments	10,7	11,5	-0,9
Short term and long term debt	-12,1	-10,8	-1,3
Net Cash	15,6	17,1	-1,6
Receivables and Prepayments	33,0	35,1	-2,1
Liabilities, Provisions and Deffered Income	-28,4	-35,2	6,8
Inventory	5,7	5,9	-0,2
Operational Balance	25,9	23,0	2,9

PLN 27m (EUR 6,2m) dividend was distributed on July 12th (PLN 0.52 per share)

Cash flow improved as expected

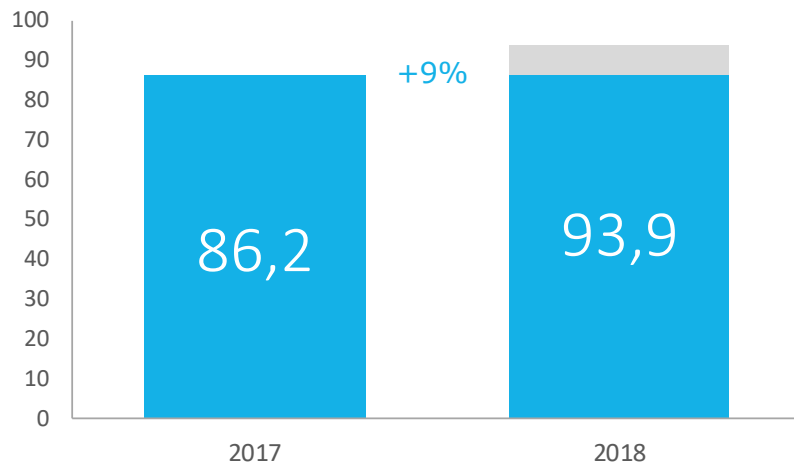
mEUR	Asseco SEE Group		
	Q1-3 2018 LTM	2017	2016
Operating cash flow*	27,9	22,7	21,6
- IT Infrastructure for outsourcing	-9,8	-13,7	-6,1
- infrastructure for IAD	-1,4	0,0	0,0
- Capitalized R&D	-0,7	-0,8	-1,2
- M&A	0,0	-0,2	-2,5
- Other CAPEX	-1,8	-1,9	-2,0
Free cash flow	14,3	6,1	9,8
Debt Increase	6,6	5,2	2,9
Debt Service	-5,2	-4,7	-4,0
Total Cash Flow	15,6	6,5	8,7
Oper CF/EBITDA	118%	90%	101%
FCF/EBIT	100%	39%	75%

* Excluding investment in outsourcing equipment presented in Inventory

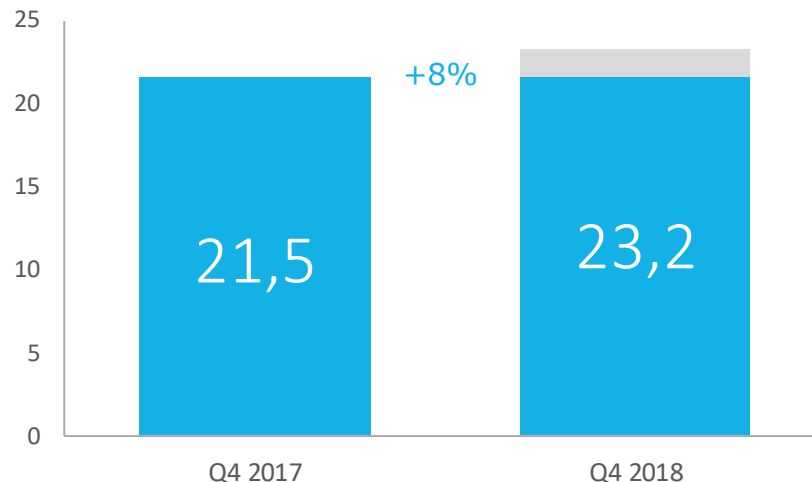
Outlook for 2018

Total ASEE Group

mEUR	2017	2018	% Diff
Revenues BL	124,9	139,9	+12%
Margin1 BL	86,2	93,9	+9%



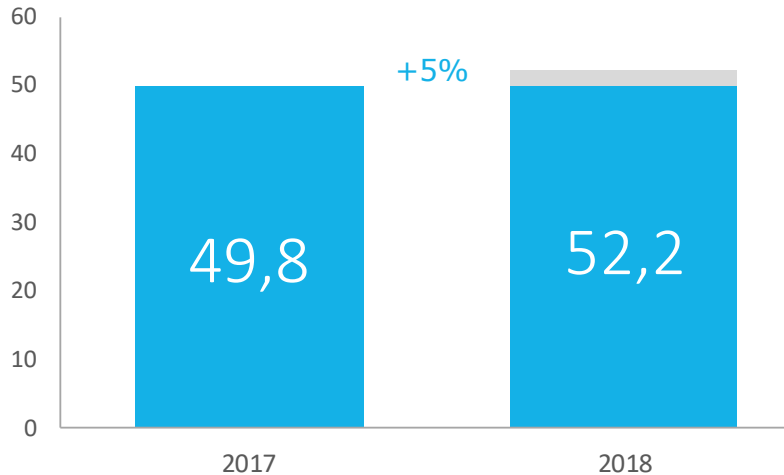
mEUR	Q4 2017	Q4 2018	% Diff
Revenues BL	28,4	34,3	+21%
Margin1 BL	21,5	23,2	+8%



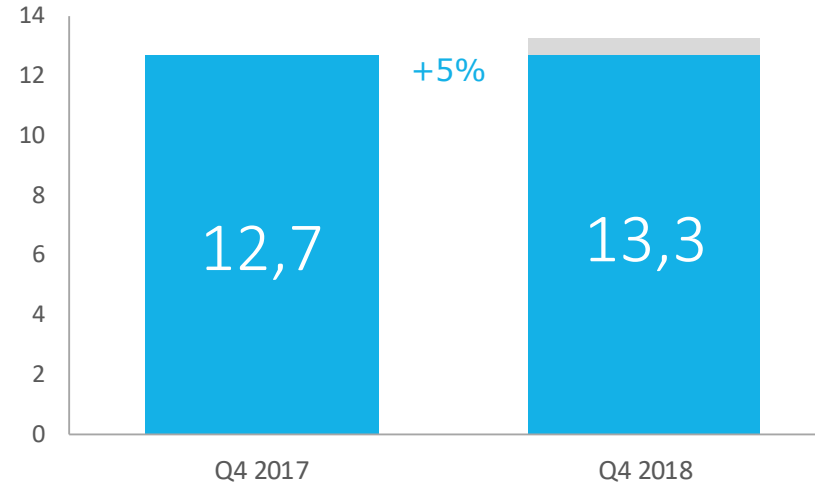
* Backlog data as at 12. October

Banking and System Integration

mEUR	2017	2018	% Diff
Revenues BL	78,7	85,6	+9%
Margin1 BL	49,8	52,2	+5%



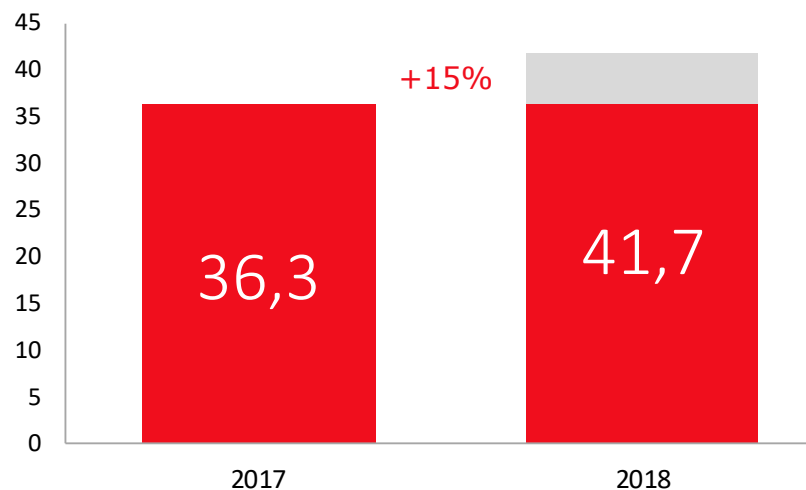
mEUR	Q4 2017	Q4 2018	% Diff
Revenues BL	18,7	21,9	+17%
Margin1 BL	12,7	13,3	+5%



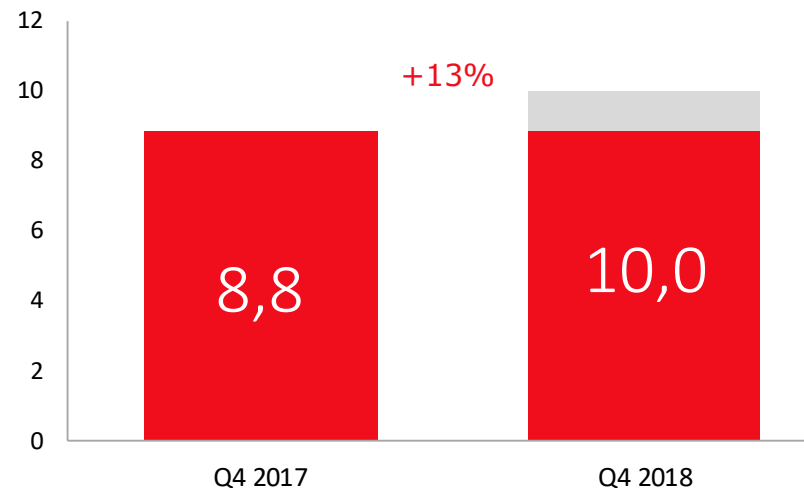
* Backlog data as at 12. October

Payment

mEUR	2017	2018	% Diff
Revenues BL	46,3	54,3	+17%
Margin1 BL	36,3	41,7	+15%



mEUR	Q4 2017	Q4 2018	% Diff
Revenues BL	9,8	12,5	+27%
Margin1 BL	8,8	10,0	+13%



* Backlog data as at 12. October

Thank you

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