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SOUTH EASTERN EUROPE

Financial Results for 2016 And Business Update

February 17th, 2017

Warsaw

2016 results

Q4 2016 highlights

- The best quarter for Banking mostly due to authentication, contract with International banking group for the whole region (including Africa) and banking improvement in Romania
- Higher sales in Payments thanks to revenue from new business lines and hardware deliveries
- Increased interest in ASEE contact center/ticketing propriety solution Live including a contract for Eurasia Tunnel (Turkey)
- Acquiring 25% in E-Mon to take over control and additional 8.1% in ChipCard
- Changes in local management teams continued

Q4 2016: strong quarter, especially for Banking

	mEUR			mPLN		
	Q4 2016	Q4 2015	% Diff	Q4 2016	Q4 2015	% Diff
Revenue	40,9	32,9	+24%	179,4	139,7	+28%
EBITDA	6,9	5,3	+29%	30,3	22,7	+33%
EBIT	4,6	3,4	+37%	20,3	14,4	+41%
NPAT	4,6	2,6	+78%	20,3	11,1	+83%
<i>EBITDA %</i>	<i>16,9%</i>	<i>16,3%</i>				
<i>EBIT %</i>	<i>11,3%</i>	<i>10,3%</i>				

FY 2016: good results after strong Q4

	mEUR			mPLN		
	2016	2015	% Diff	2016	2015	% Diff
Revenue	130,4	116,4	+12%	570,6	487,2	+17%
EBITDA	21,5	19,9	+8%	94,0	83,4	+13%
EBIT	13,0	12,7	+2%	56,8	53,1	+7%
NPAT	11,8	10,4	+13%	51,5	43,5	+18%
<i>EBITDA %</i>	<i>16,5%</i>	<i>17,1%</i>				
<i>EBIT %</i>	<i>10,0%</i>	<i>10,9%</i>				

- 2015 including return of tax on civil law transactions overpaid in 2008-10; positive impact on EBIT=140k EUR, NPAT=260k EUR
- 2016: consolidation of ChipCard and E-Mon increasing Revenues by 1,25m EUR
- 2016: revaluation of ASEE share in E-Mon with positive impact on NPAT = 942k EUR
- 2016: capitalized software development expenses=1,3m EUR, related amortization=2,3m EUR (negative impact on EBIT=1,0m EUR vs. 0,5 mln EUR in 2015)

Significant improvement in Croatia, difficult year for Turkey

mEUR	Revenue				EBIT			
	2016	2015	Diff	% Diff	2016	2015	Diff	% Diff
B&H	4,2	3,7	0,4	+12%	0,6	0,6	0,0	-1%
Cro	20,8	18,7	2,1	+11%	2,3	1,2	1,1	+88%
Mon	2,3	1,9	0,4	+23%	0,7	0,5	0,1	+22%
Mac	14,0	12,7	1,3	+10%	2,9	2,8	0,1	+4%
Rom	28,9	23,8	5,1	+21%	1,1	0,7	0,4	+55%
Ser	37,5	32,2	5,2	+16%	3,5	3,7	-0,2	-5%
Slo	3,6	3,1	0,5	+16%	0,4	0,5	0,0	-10%
Tur	13,4	12,9	0,5	+4%	0,8	1,7	-0,9	-55%
Other*	5,8	7,4	-1,6	-21%	0,6	0,9	-0,2	-25%
GASEE	130,4	116,4	14,0	+12%	13,0	12,7	0,3	+2%

Safe liquidity position before 2017 dividend payment

mEUR	Asseco SEE Group		
	2016 YE	2015 YE	Diff
Cash and cash equivalents	18,3	9,8	8,5
Short term investments	9,5	14,6	-5,1
Short term and long term debt	-10,1	-10,6	0,6
Net Cash	17,6	13,7	3,9
Receivables and Prepayments	35,6	27,2	8,4
Liabilities, Provisions and Deferred Income	-36,5	-26,0	-10,6
Inventory	5,3	3,6	1,7
Operational Balance	22,0	18,5	3,4

Strong Q4 improved 2016 ratios

mEUR	Asseco SEE Group		
	2016	2015	2014
Operating cash flow*	21,6	18,4	18,2
- IT Infrastructure for outsourcing	-6,1	-7,3	-10,4
- Capitalized R&D	-1,2	-1,2	-1,9
- M&A	-2,5	-0,4	0,0
- Other CAPEX	-2,0	-2,0	-2,4
Free cash flow	9,8	7,4	3,4
Debt Increase	2,9	4,3	10,5
Debt Service	-4,0	-4,3	-3,0
Total Cash Flow	8,7	7,5	10,9
Oper CF/EBITDA	101%	92%	110%
FCF/EBIT	75%	59%	30%

* Excluding investment in outsourcing equipment presented in Inventories

Banking regenerated after good Q4, invariably strong Payment

mEUR	Revenue		
	2016	2015	Diff
Banking	33,4	32,1	1,3
Payments	45,6	38,3	7,3
Integration	51,4	46,0	5,4
Asseco SEE Group	130,4	116,4	14,0

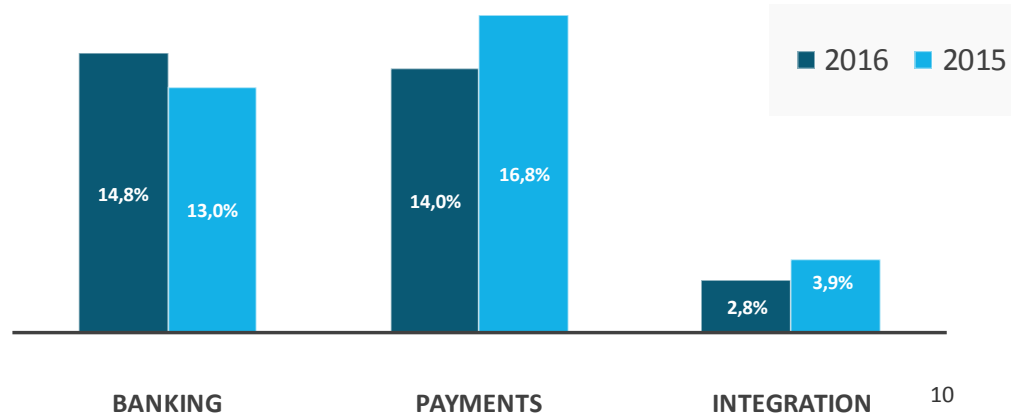
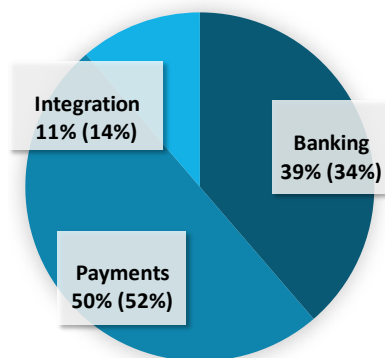
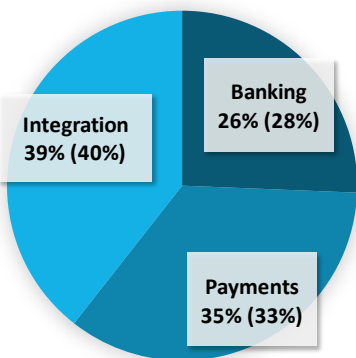
	EBITDA		
	2016	2015	Diff
Banking	6,5	5,6	0,8
Payments	12,2	11,0	1,3
Integration	2,6	2,9	-0,3
Asseco SEE Group	21,5	19,9	1,6

	EBIT		
	2016	2015	Diff
Banking	4,9	4,2	0,8
Payments	6,4	6,4	0,0
Integration	1,4	1,8	-0,3
Asseco SEE Group	13,0	12,7	0,3

Revenue per BUs 2016

EBIT per BUs 2016

Profitability per BU



Q4 2016 Best Deals

Banking

- Extension of **Mobile banking** project for the whole region for one of the international banking groups
- **Mobile banking** for one of the international Italian banks in BiH
- **Digital Edge** for online banking for one of the Italian banks in Romania and another bank in Serbia
- **SxS** at one of the banks in Italy and a regional bank in BiH
- **iBank** at two banks in Belgrade
- **Experience Collateral Management** and **PUB2000** core banking and payment for a bank in Serbia
- **Core banking** for Romanian bank
- **Tezauri** for a bank in Macedonia
- **Treasury** and **Collateral Management** for one of the banks in Macedonia
- **Insurance and factoring** for AOFI (Export Credit and Insurance Agency) in Serbia

Payment

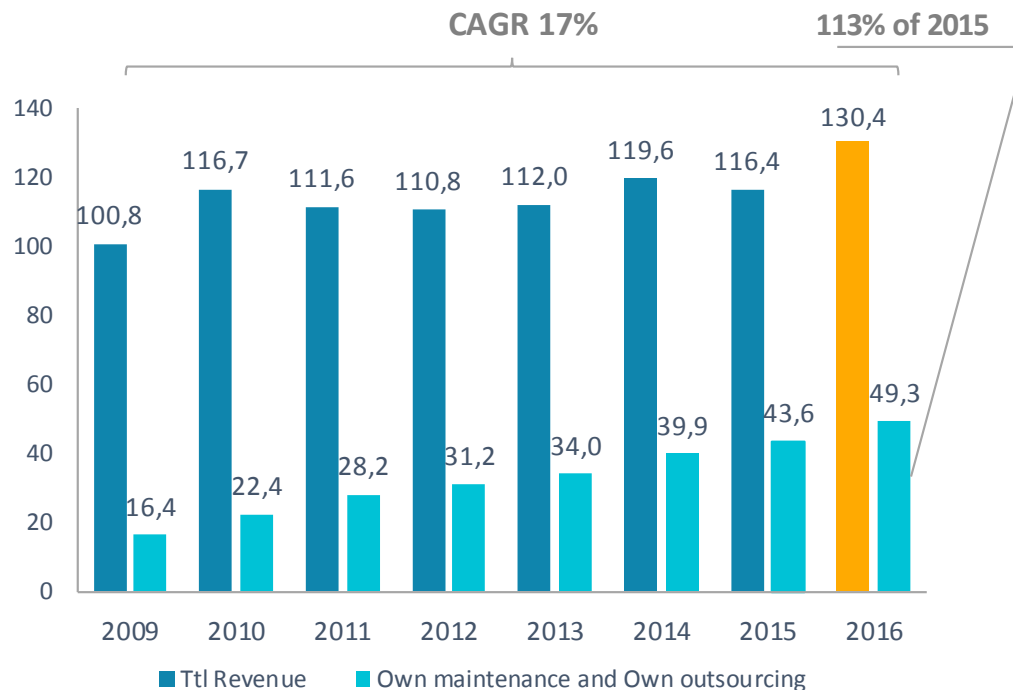
- **Paperless Branch - Electronic signature solution** for UniCredit Bank in Serbia.
- **MSU** implementations at Eurasia Tunnel in Istanbul, the largest Turkish bank and an oil company in Turkey
- Delivery of **ATMs** to Zagrebačka banka in Croatia, UniCredit bank in BiH and one of the banks in Macedonia

System Integration

- **Live** contact center solution for Eurasia Tunnel in Istanbul, for Water Supply Company in Macedonia, Ministry of Trade, Tourism and Telecommunications and one bank in Serbia
- Various **Leaseflex** modules implemented at 2 leasing companies and a consumer finance company in Turkey
- Dynatrace APM for a large local customer in Turkey
- Plant Facility Management Solution (EPFM) for Electric Power Industry of Serbia
- Cisco solutions for Makedonski Telekom
- Infrastructure delivery for 2 international banks in Romania

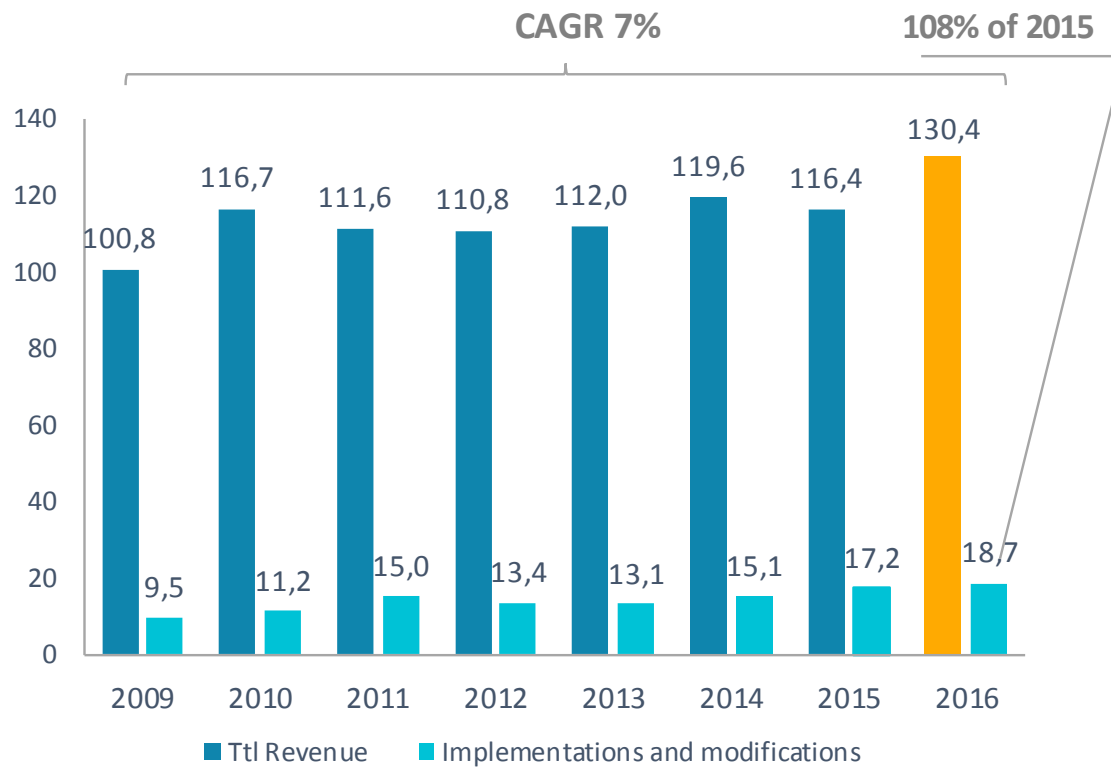
Strategic KPIs

Maintenance and Outsourcing

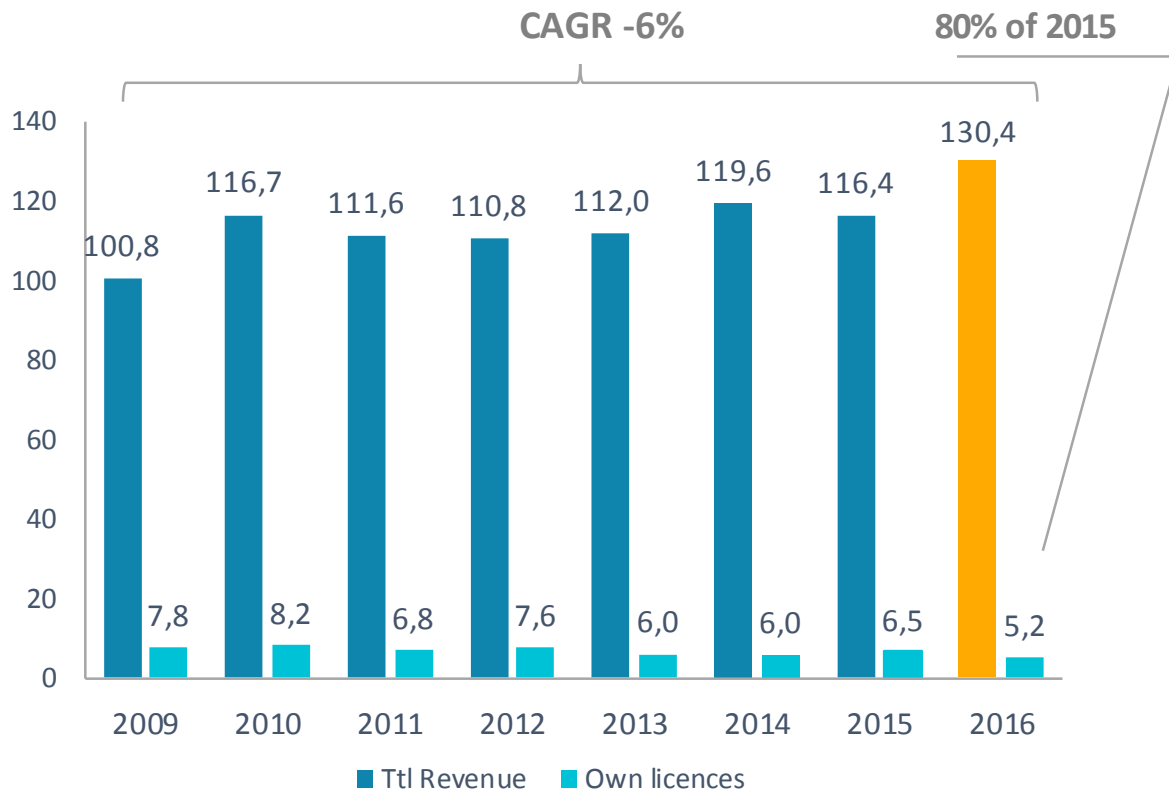


	2009	2010	2011	2012	2013	2014	2015	2016
Cost Coverage	53%	56%	60%	61%	60%	66%	67%	70%

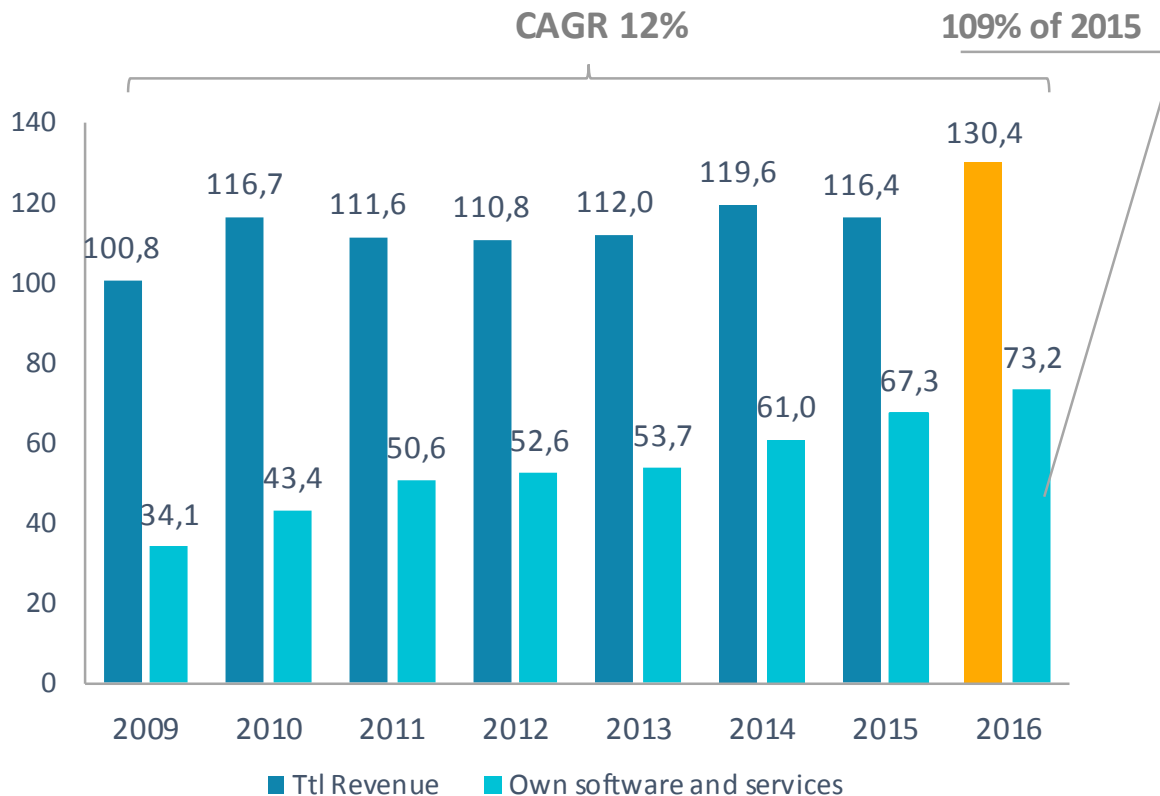
Implementations and Modifications



Licences

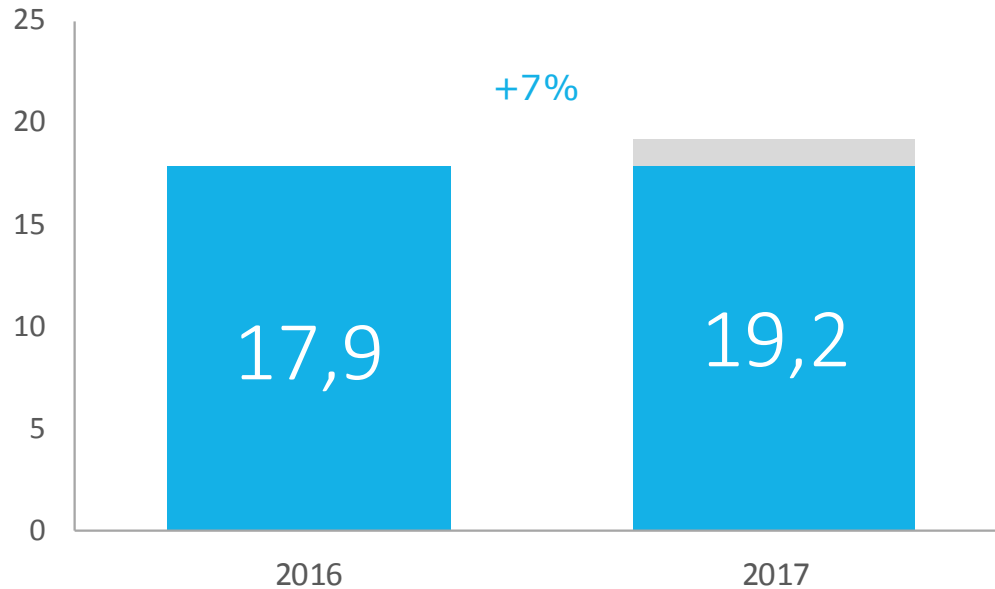


Own software and services



Outlook for 2017

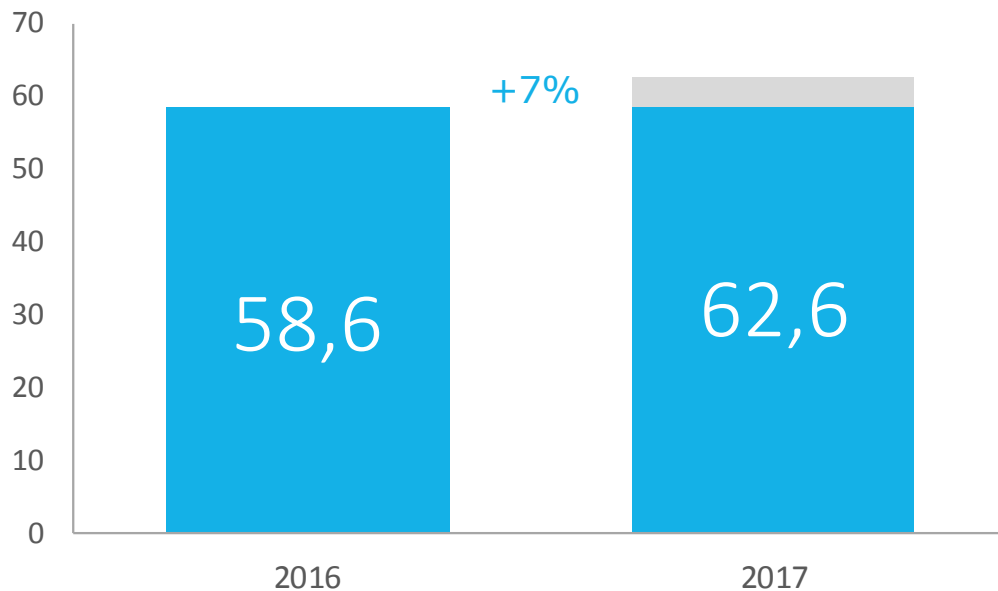
Increase in backlog for Q1 2017



	mEUR	2016*	2017*	% Diff
Revenues BL		27,0	29,0	+7%
Margin1 BL		17,9	19,2	+7%

* 2016 as at 12-Feb-2016, 2017 as at 12-Feb-2017

Increase in backlog for 2017



mEUR	2016*	2017*	% Diff
Revenues BL	77,5	79,1	+2%
Margin1 BL	58,6	62,6	+7%


* 2016 as at 12-Feb-2016, 2017 as at 12-Feb-2017

Thank you

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