

Development plans and changes in the Asseco Group

Adam Góral

President of the Management Board of Asseco Poland S.A.

Development plans and changes in the Asseco Group

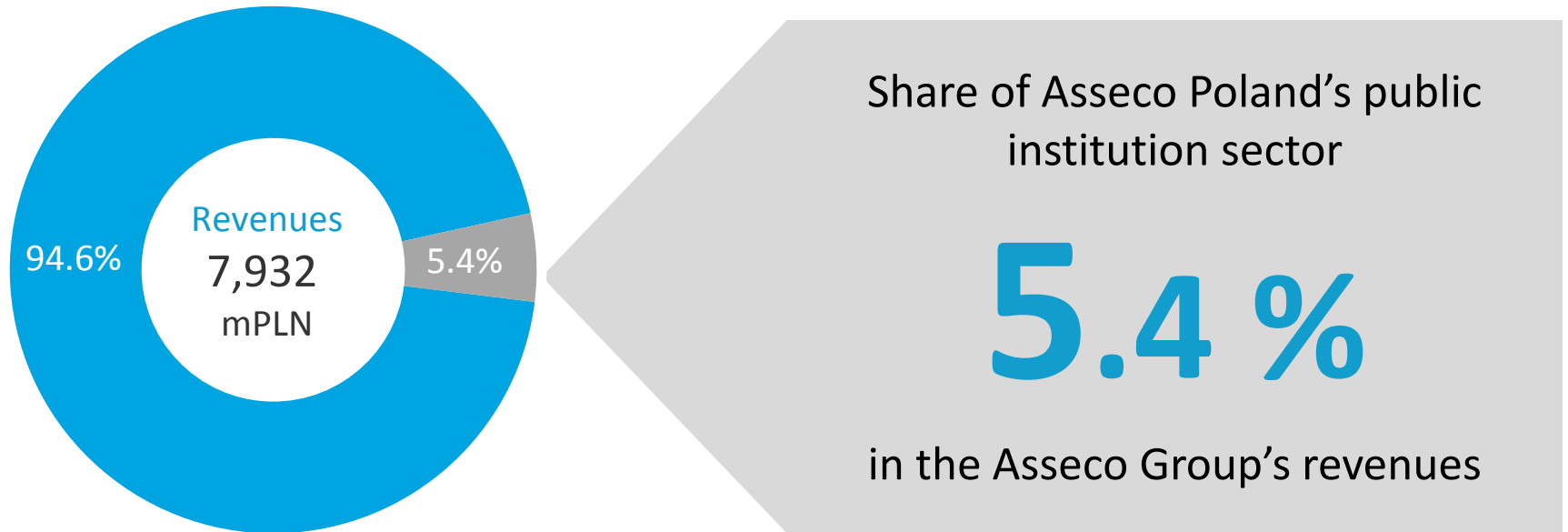
1. Situation in the Polish IT market.
2. Changes in the management board of Asseco Poland.
3. Taking control over Formula Systems.
4. Establishment of a new holding company – Asseco International.
5. Impact of these events on the results in Q3.

Situation in the Polish IT market.

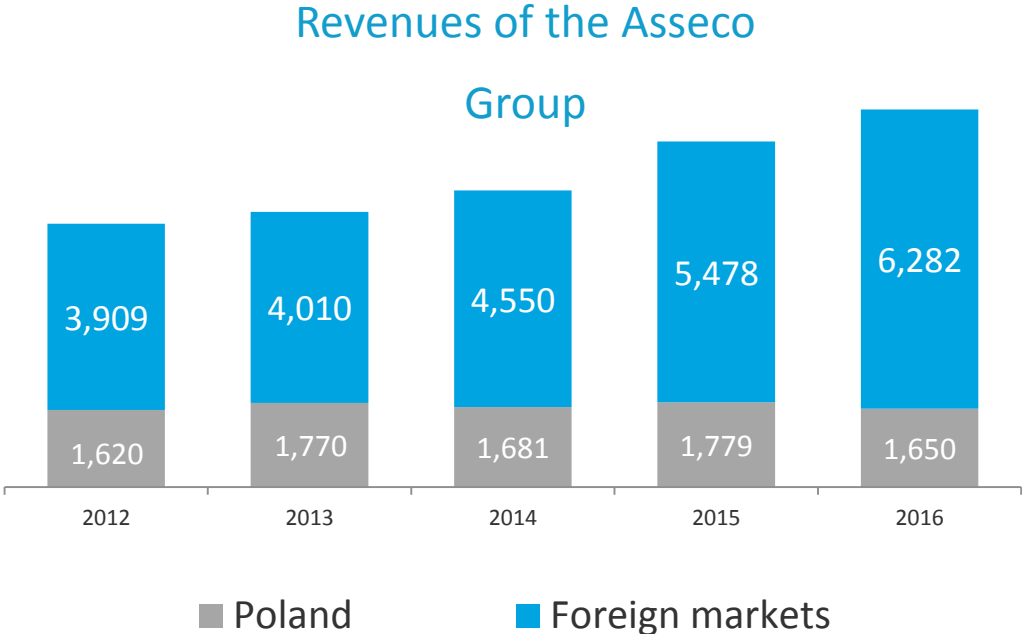
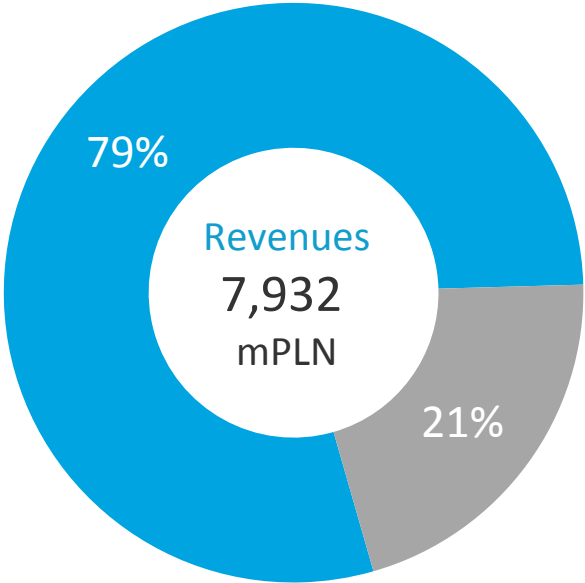
Major causes of the Polish IT sector's problems

1. Investment slow-down in large companies.
2. Decrease in the number of public sector tenders.
3. Shifting orders towards "body leasing".
4. Specificity of public tenders - the lowest price criterion.
5. High pressure and rising labor costs.
6. Lack of proprietary IT products.

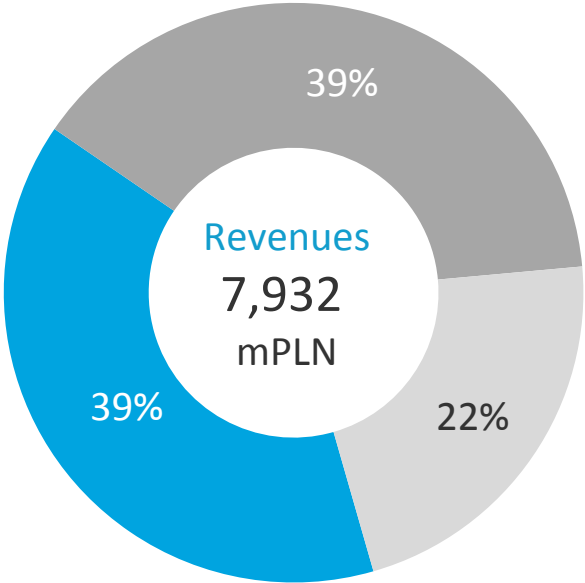
Asseco in the public institution sector in Poland



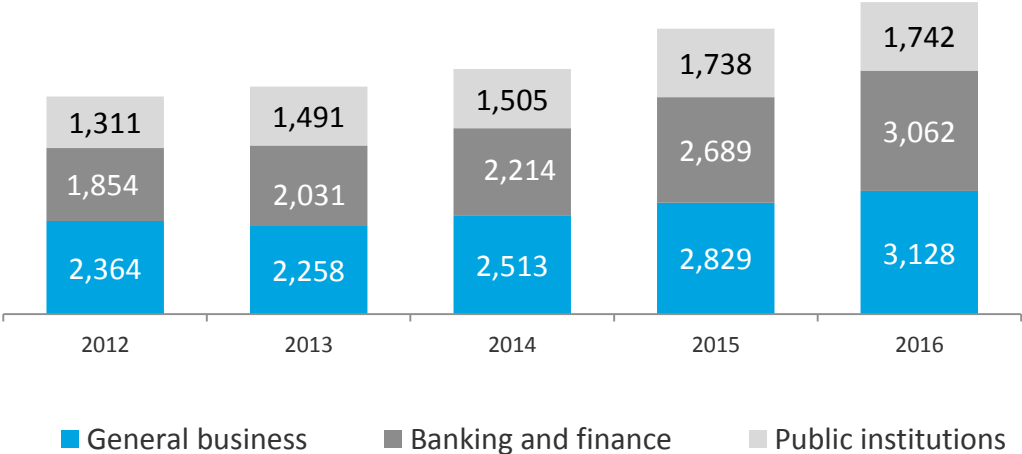
Rising share of foreign markets



Revenue structure – strong diversification into sectors



Revenues of the Asseco Group

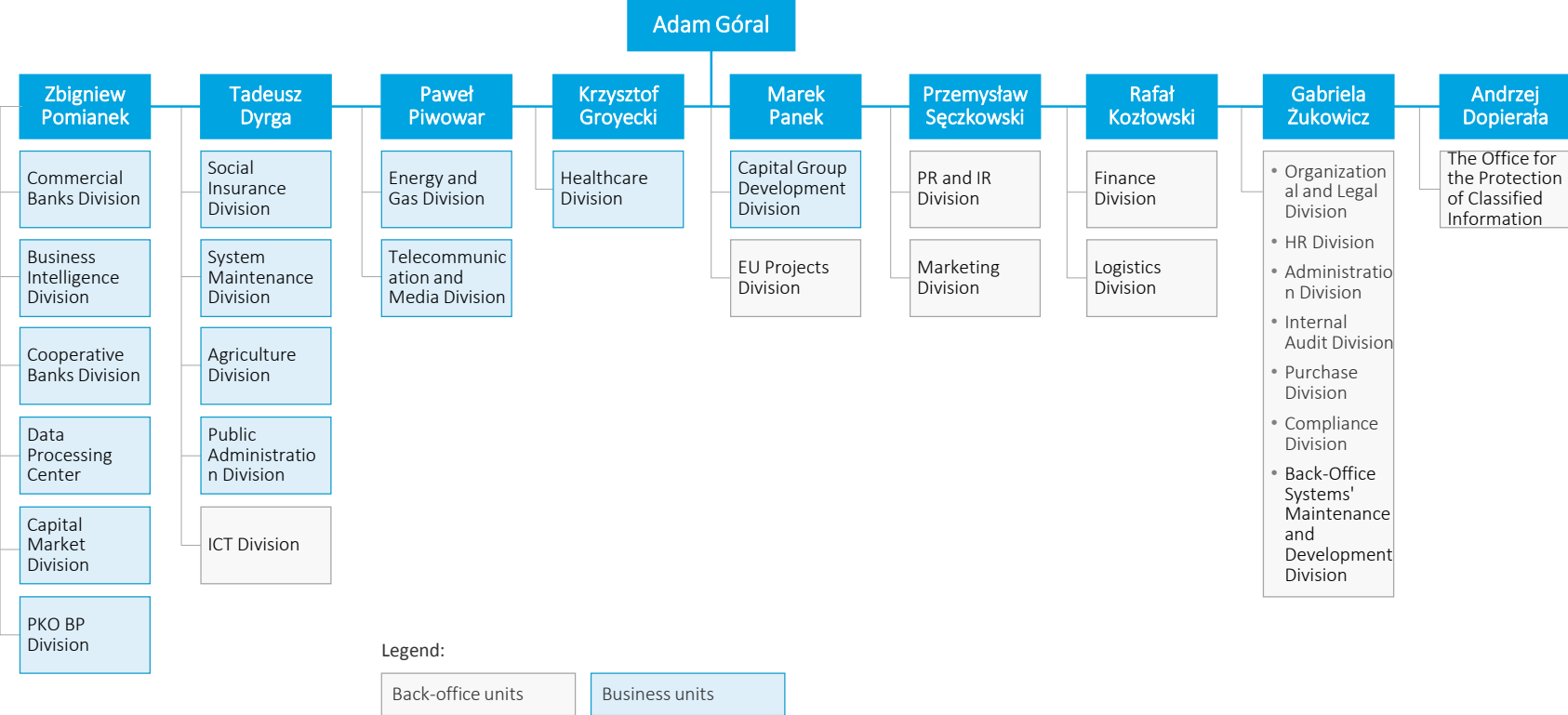


Changes in Asseco Poland.

Goal: long-term and stable development

1. We put emphasis on our proprietary software and related services.
2. We focus on the business needs of our customers.
3. We develop high sectoral competences.
4. We cooperate with global suppliers of IT technologies and solutions.
5. We build value for shareholders and share successes in the form of a dividend.
6. We are a socially committed company, which supports the development of the Polish economy.

Organizational structure of Asseco Poland S.A.



Changes in the Asseco Group.

Formula Systems.

Sales of part of stake in Formula Systems

- Asseco Poland **has sold 20% stake** in Formula Systems, including :
 - 16% stake to 11 financial institutions from Israel;
 - 4% stake to CEO of Formula Systems – Guy Bernstein.
- From the initial investment amounting to PLN 427 million, Asseco Poland has already guaranteed itself a **return of PLN 457 million**, and still holds stake worth over **PLN 590 million***.
- Return on sales of 20% stake reached **119.5%**, which is equal to rate of return at **12.5%**.
- After the transaction, Asseco Poland **holds 26%** stake and is **the largest** shareholder of Formula Systems.
- Guy Bernstein **holds 13.39% stake** and is **the second-largest** shareholder of Formula Systems.

Regaining control in Formula Systems

- On October 11, 2017, Asseco Poland signed an agreement with Guy Bernstein, according to which Guy Bernstein grants Asseco Poland a power of attorney to vote at the General Meeting of Shareholders of Formula Systems for his stake. The power of attorney remains in force as long as :
 - Adam Góral remains President of the Management Board or Chairman of the Supervisory Board of Asseco Poland;
 - Asseco Poland holds over 20% of shares in Formula Systems.
- If one of the above conditions is not met, Asseco Poland will grant Guy Bernstein a power of attorney to vote at the General Meeting of Shareholders of Formula Systems for the stake held by Asseco Poland.

Regaining control in Formula Systems

Main terms of the agreement:

- The agreement has been concluded for a period of 36 months and is automatically renewed for further 12-month periods.
- The parties may terminate the contract with six months' notice.
- Guy Bernstein may terminate the agreement when Adam Góral stops holding the position of the President of the Management Board or the Chairman of the Supervisory Board of Asseco Poland.
- Asseco Poland may terminate the agreement when Guy Bernstein's stake in Formula Systems falls below 8%.
- Guy Bernstein is entitled to join the sale of shares by Asseco Poland on the same rights as Asseco Poland.
- The parties have the pre-emptive right to acquire the shares.

Asseco International.

Asseco Group

Board of Directors



ADAM GÓRAL
ASSECO GROUP PRESIDENT

Responsibility: Asseco Group Strategy
President & CEO of Asseco Poland



JOZEF KLEIN
ASSECO GROUP CEO

Responsibility: Asseco Group Strategy and BoD Management
President of Asseco Central Europe



GUY BERNSTEIN
ASSECO GROUP VICE-CEO

Responsibility: Israel and USA
CEO of Formula Systems



JOZEF KLEIN
ASSECO GROUP VICE-PRESIDENT

Responsibility: Central European Region
President of Asseco Central Europe



PIOTR JELEŃSKI
ASSECO GROUP VICE-PRESIDENT

Responsibility: South Eastern European Region
President of Asseco South Eastern Europe



JOSÉ ANTONIO PINILLA
ASSECO GROUP VICE-PRESIDENT

Responsibility: Western European Region



TORBEN FALHOLT
Asseco Group Vice-President

Responsibility: Northern European Region
President of Asseco Denmark



DANIEL ARAUJO
ASSECO GROUP VICE-PRESIDENT

Responsibility: Portuguese Speaking Territories
President of Exictos



ZBIGNIEW POMIANEK
ASSECO GROUP VICE-PRESIDENT

Responsibility: Polish Region
Vice-President of Asseco Poland



RAFAŁ KOZŁOWSKI
ASSECO GROUP VICE-PRESIDENT

Responsibility: Asseco Group Finance
Vice-President of Asseco Poland



PRZEMYSŁAW SĘCZKOWSKI
ASSECO GROUP VICE-PRESIDENT

Responsibility: Sales Coordination, PR and Marketing
Vice-President of Asseco Poland



MAREK PANEK
ASSECO GROUP VICE-PRESIDENT

Responsibility: International Development
Vice-President of Asseco Poland

Purpose of Asseco International's establishment

1. Building the value of the Asseco Group based on international assets.
2. More effective management of the Group's international development.
3. Separation of Asseco Poland's operating activities from its activities aimed at supporting the Group's development.
4. Creation of a holding company with the prospect of dynamic development and going public on international markets.

Israeli market



26.33%

Polish market



96.55%

Foreign markets



Israeli market

Formula Systems

Sapiens	48.67%
Matrix IT	49.50%
Magic Software	47.15%
Michpal	100.00%
TSG	50.00%

26.33%

Polish market

Asseco Poland

Asseco Data Systems	100.00%
Dahliamatic	100.00%
ZUI Novum	51.00%
SKG	60.00%
Asseco Business Solutions	

96.55%

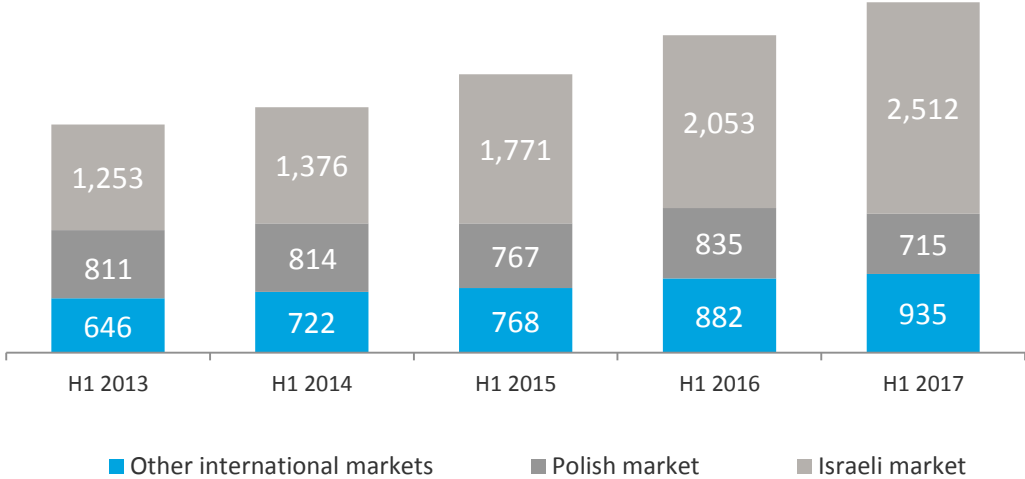
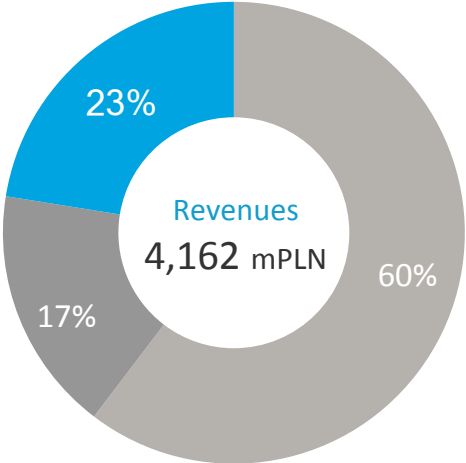
Foreign markets

Asseco International

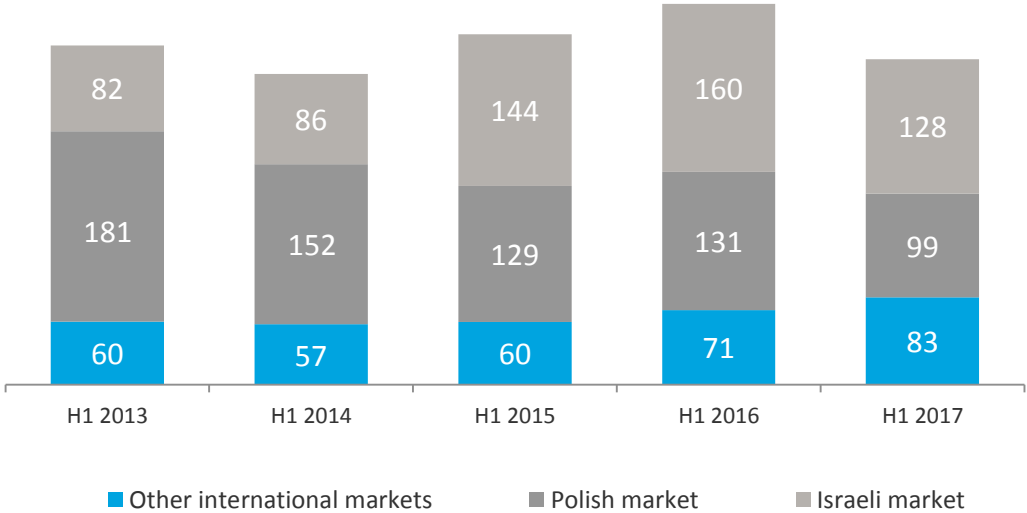
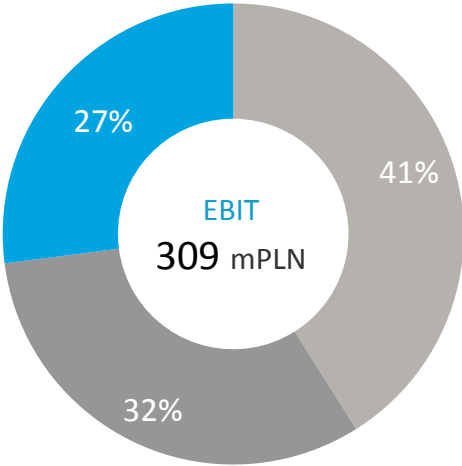
Asseco South Eastern Europe	51.06%	Asseco Central Europe	92.81%	Exictos	69.40%
R-Style Softlab	49.00%	Asseco Spain	70.32%	Asseco Denmark	55.00%
Asseco Kazakhstan	51.00%	Necomplus	65.00%	Peak Consulting	70.00%
Asseco Georgia	51.00%	Asseco Nigeria	51.00%	Asseco Lithuania	96.94%
60.27% (ACP)/39.73%		Asseco Enterprise Solutions			

46.47%

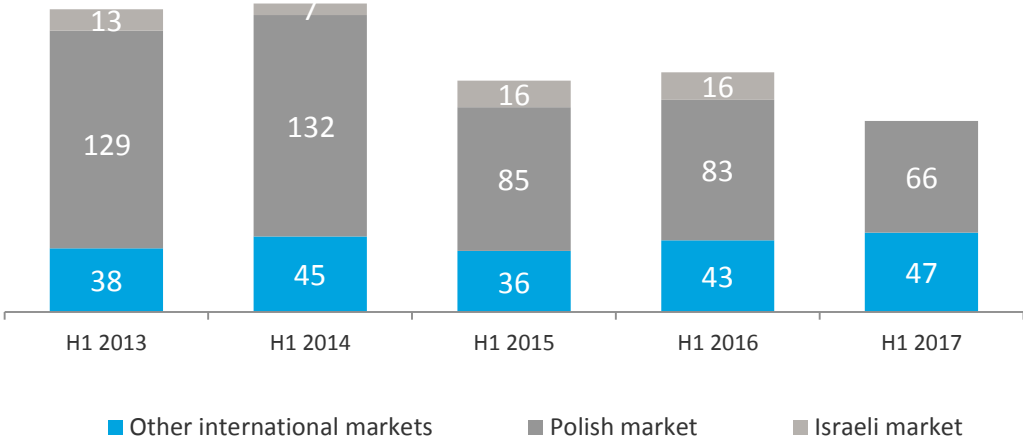
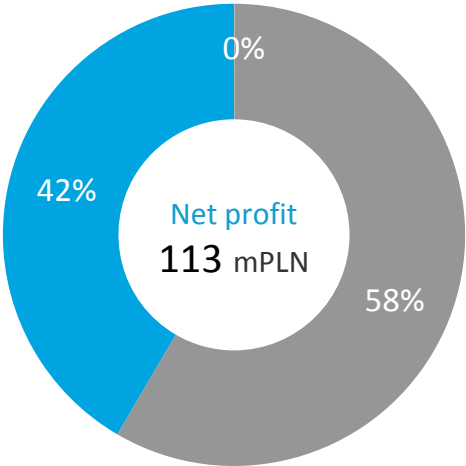
Rising share of foreign markets in the Group's sales



Share of foreign markets in the Group's operating result



Share of foreign markets in the Group's net result



Impact of the changes on the Q3 result

Impact of the changes on the Group's Q3 result

Positive

- Sales of shares in Formula Systems
 - +PLN148m PLN on the stand-alone statement
 - +PLN330m-+PLN360m on the consolidated statement

Negative

- Write-downs associated with international reorganization:
 - -PLN116m on the stand-alone statement
 - -PLN106m on the consolidated statement

- Estimated total impact on the stand-alone financial statement: **+PLN 32m**
- Estimated total impact on the consolidated financial statement : **+PLN 224m - +PLN254 m**

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