

**assecO**  
POLAND



## **Becoming a leading Software House in CEE**

### **Prospects for 2007**

**Amsterdam, March 30, 2007**

## **AGENDA**

- Basic Information
- Structure of the Asseco Group
- Planned Expansion in Central and Eastern Europe
- Competences & Customer Landscape
- Financial Results
- Appendix: IT Market in Poland & CEE

## Asseco Poland after the merger – **Basic Info**

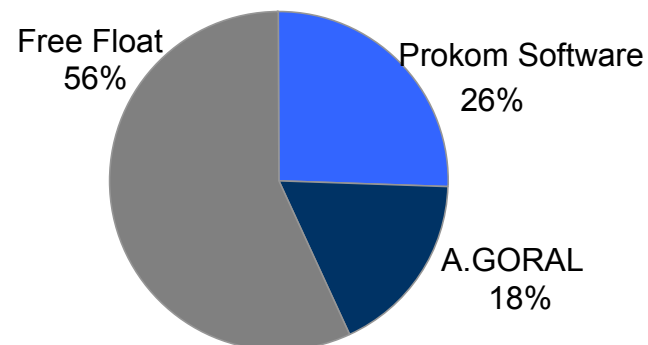
### ASSECO

- ◆ **Leader** in IT solutions to **banking sector** in Poland: the largest revenues from banks and the largest sales of proprietary **banking software** (50% of Polish banks use Asseco software systems)
- ◆ Asseco Slovakia – **No2** Slovakian provider of IT solutions
- ◆ **Experience** in implementation of very large, sophisticated IT projects (e.g. the largest project ever in Poland in banking sector)
- ◆ **Long list of implementations** in large reputable banks & public institutions
- ◆ Projects in several **countries in Europe**
- ◆ Solid **financial position** (stable cash flow from long-term contracts), PLN 80m net cash position, PLN 1 068 m backlog – the largest among IT companies

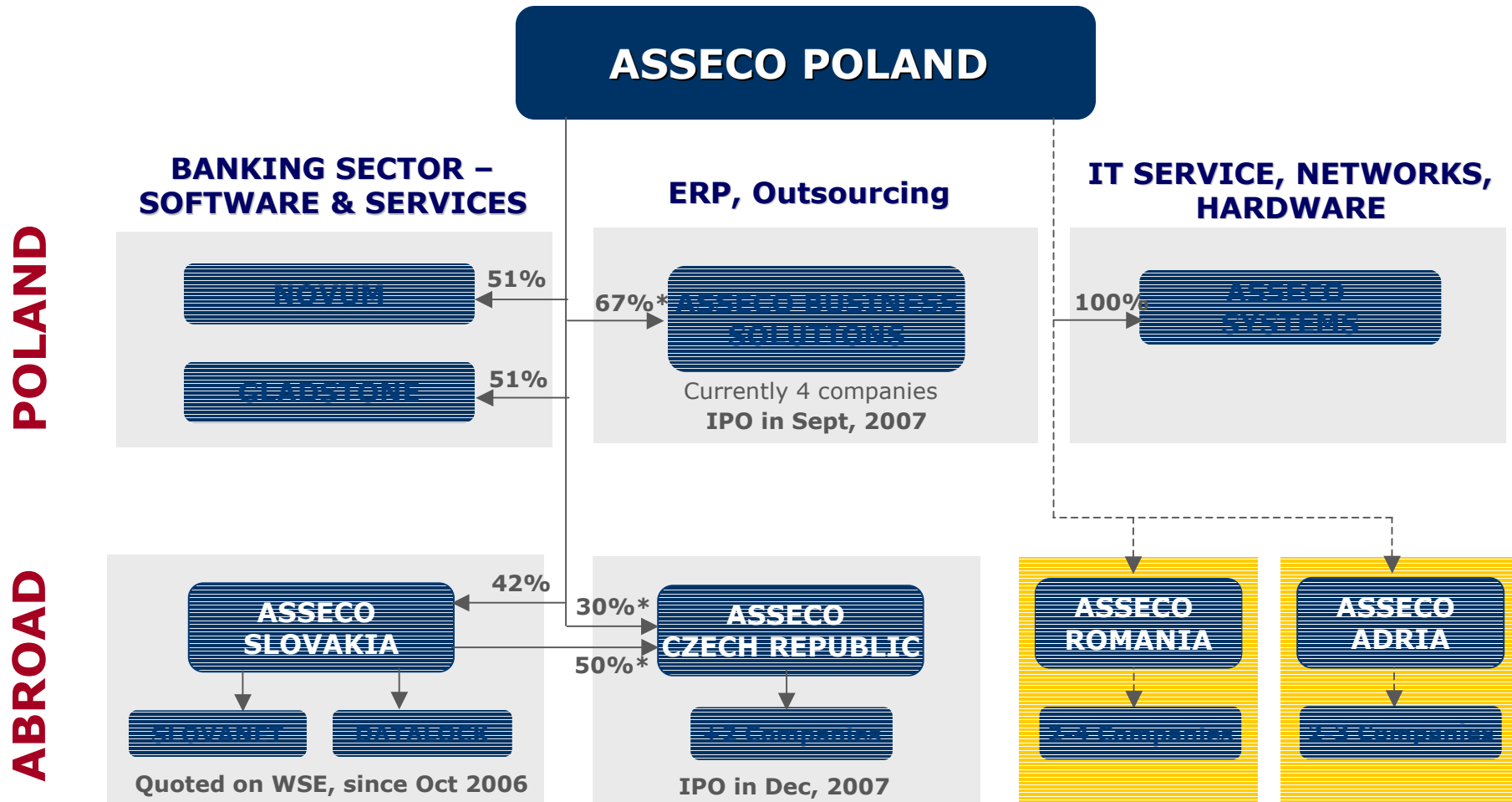
### STOCK FIGURES (March 28, 2007)

|                              | PLN m                     | EUR m      |
|------------------------------|---------------------------|------------|
| <b>Market capitalization</b> | <b>2 997</b>              | <b>772</b> |
| Free float NEW Asseco        | 1 678                     | 432        |
| Avg daily turnover           | 13.1                      | 3.3        |
| Shares outstanding           | 46 120 528                |            |
| WSE Ticker                   | ACP                       |            |
| Reuters Ticker               | SOBK.WA                   |            |
| Stock is covered by          | <b>10 equity analysts</b> |            |

### Shareholder structure



# Structure of the Asseco Capital Group



\* Target structure, currently Asseco Poland holds 100% of Asseco Business Solutions and Asseco Czech Republic

## Planned Expansion in Central and Eastern Europe

### ROMANIA

2-4 companies

- **2007 forecast:**
  - sales PLN 110-380 million
  - net profit PLN 12-21 million
- **110-250 employees**
- **Operations: production of software, integration, distribution of hardware**

### CZECH REP.

2-3 companies

- **2007 forecast:**
  - sales PLN 180-200 million
  - net profit PLN 10-15 million
- **800-900 employees**
- **Operations: integration, ERP systems, passporting**

### BALKANS

2-3 companies

- **2007 forecast:**
  - sales PLN 90-130 million
  - net profit PLN 14-18 million
- **205-350 employees**
- **Operations: production of software, integration**



## Major Competences & Clients

### Banking & Finance Sector

- Core banking systems
- Analytical systems
- Internet banking
- Clearing / settlements
- Risk management
- Business Intelligence systems

### Public Administration

- Dedicated, „tailor-made” projects
- References areas: national registries, security, workflow
- Comprehensive technology services (from hardware to complex software projects)

### General Business

- Enterprise Resource Planning (ERP) software for large, medium and small companies
- OEM systems for SME

### E-learning i outsourcing

- Business Process Outsourcing, Applications outsourcing
- Hosting and implementation of e-learning platforms and lessons

### Banks

- PKO BP
- Pekao SA
- BZ WBK
- Bank Gospodarki Żywnościowej
- Deutsche Bank PBC
- Getin Bank
- Bank Pocztowy
- Bank Gospodarstwa Krajowego
- Volkswagen Bank Polska
- RCI Bank Polska

### Public Administration

- Ministry of Internal Affairs
- National Clearing House
- Ministry of Finance
- Ministry of Education
- Social Welfare Institution

### General Business

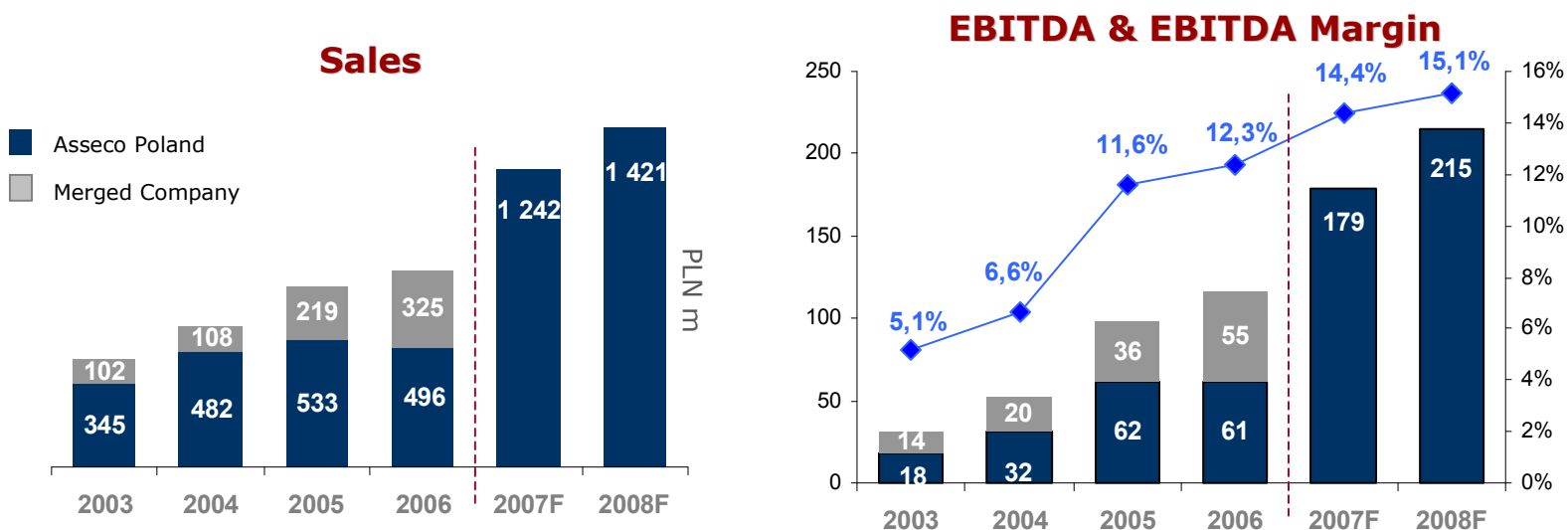
- McDonalds Poland
- PLL LOT
- Poczta Polska
- ...and 100000 more

# Asseco Poland in Figures

## Consolidated

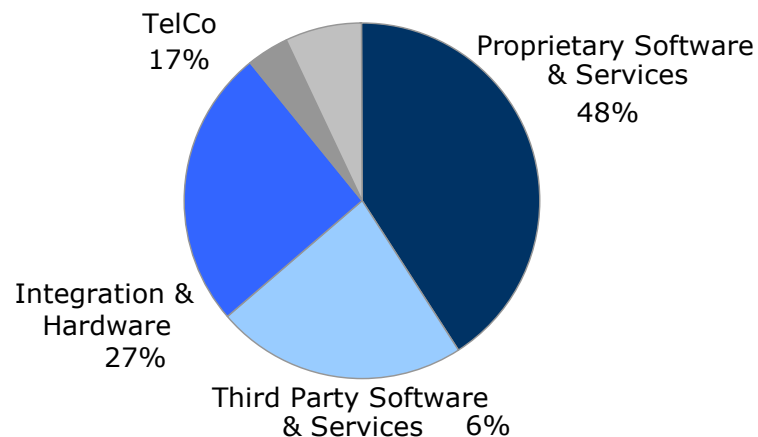
| PLN m                | 2003 | 2004 | 2005  | 2006  | 2007C | 2008C |
|----------------------|------|------|-------|-------|-------|-------|
| Sales                | 345  | 482  | 533   | 496   | 1 242 | 1 421 |
| EBITDA               | 18   | 32   | 62    | 61    | 179   | 215   |
| EBIT                 | 6    | 22   | 52    | 48    | 151   | 184   |
| Net Profit           | 2    | 1    | 44    | 76    | 114   | 132   |
| <i>EBITDA margin</i> | 5.1% | 6.6% | 11.6% | 12.3% | 14.4% | 15.1% |
| <i>Net Margin</i>    | 0.6% | 0.1% | 8.2%  | 15.3% | 9.2%  | 9.3%  |

Source: 2003-2006 – former Softbank results, 2007-2008 forecast for merged companies; C – Market consensus forecast



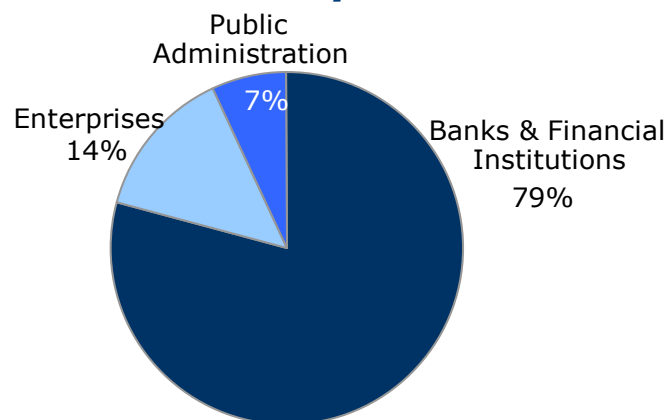
## Sales Structure – better product mix

### SALES STRUCTURE BY PRODUCTS



| PLN m, 2006                     | Asseco     | Softbank   | SUM        |
|---------------------------------|------------|------------|------------|
| Proprietary Software & Services | 162        | 178        | 340        |
| Third Party Software & Services | 19         | 170        | 189        |
| Integration & Hardware          | 92         | 119        | 211        |
| Outsourcing                     | 5          | 29         | 34         |
| TelCo                           | 57         | 0          | 57         |
| <b>TOTAL:</b>                   | <b>336</b> | <b>496</b> | <b>832</b> |

### Sales Structure of Proprietary Software & Services by SECTORS



| PLN m, 2006                    | Asseco     | Softbank   | SUM        |
|--------------------------------|------------|------------|------------|
| Banks & Financial Institutions | 126        | 143        | 269        |
| Enterprises                    | 31         | 17         | 47         |
| Public Administration          | 5          | 18         | 24         |
| <b>TOTAL:</b>                  | <b>162</b> | <b>178</b> | <b>340</b> |



## EXECUTIVE SUMMARY

- ◆ **The largest Polish IT company**, being present on foreign markets, selling proprietary software for banking & finance sector
- ◆ **Comprehensive offer** for: banks, public administration, enterprises and utilities.
- ◆ **Stable financial position:**
  - Orders portfolio of the **Asseco Group** ca. **PLN 676 million** for 2007 and **PLN 1 068 million** for years 2007-2010
  - Net cash ca. **PLN 80 m**
- ◆ Asseco Group have **3000 employees**; after acquisitions about 4000
- ◆ **Planned acquisitions** in Poland, Romania, Serbia, and the Czech Republic

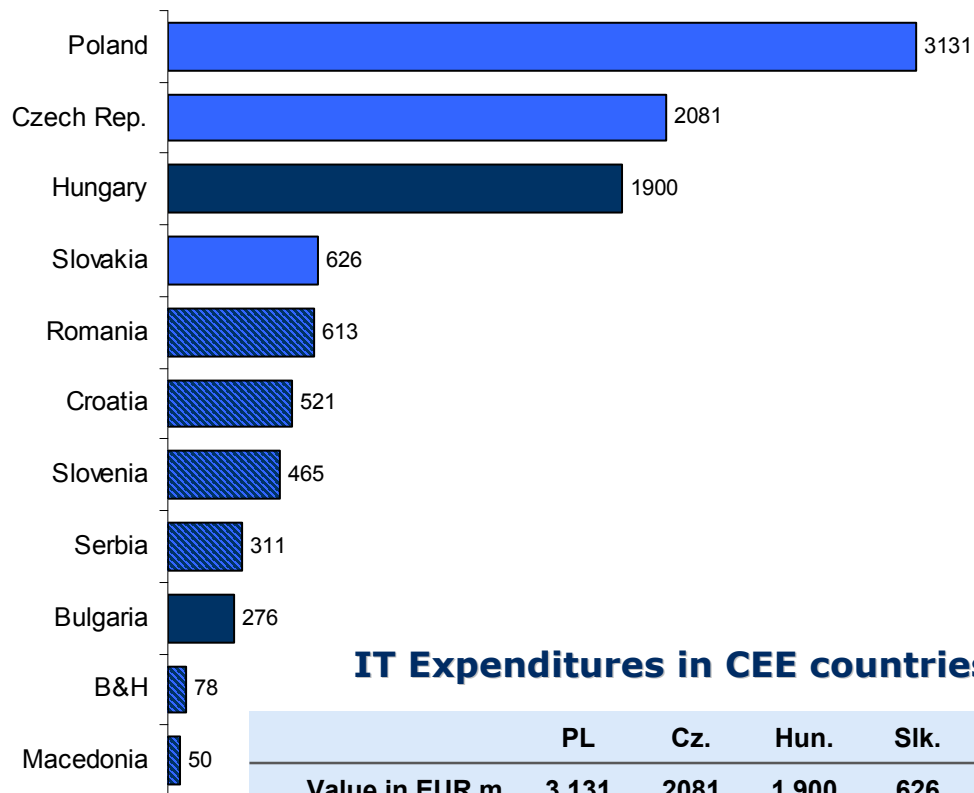


## **APPENDIX**

- IT Market in Poland & CEE

## IT Market in CEE – underdeveloped vs EU15

**IT Market in EUR m**



### FASTEST GROWING IN 2007

**Poland +10.2%**

**Slovakia +8.6%**

**Czech Rep. +6.6%**

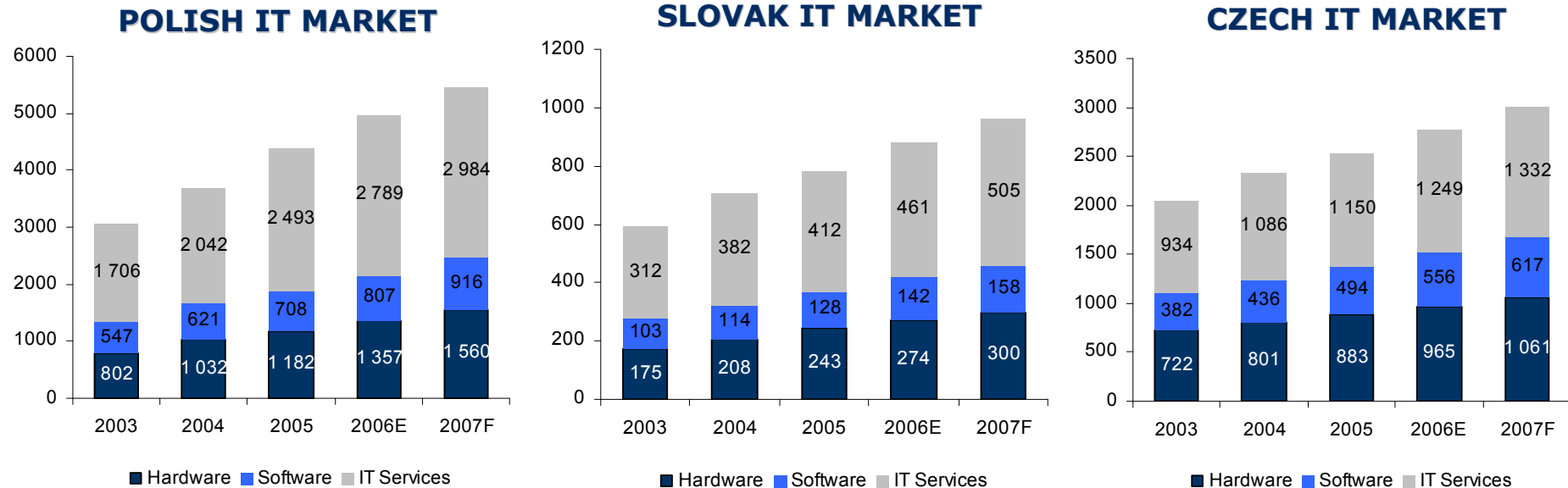
Source: EITO 2006

**IT Expenditures in CEE countries**

|                          | PL    | Cz.  | Hun.  | Slk. | Rom. | Cro. | Slo. | Ser. | Bul  | B&H  | Mac. | EU 15 |
|--------------------------|-------|------|-------|------|------|------|------|------|------|------|------|-------|
| <b>Value in EUR m</b>    | 3 131 | 2081 | 1 900 | 626  | 613  | 521  | 465  | 311  | 276  | 78   | 50   |       |
| <b>Per capita in EUR</b> | 100   | 238  | 189   | 137  | 35   | 130  | 228  | 37   | 41   | 28   | 31   | 719   |
| <b>As % of GDB</b>       | 1,9%  | 2,7% | 2,4%  | 2,2% | 1,5% | 1,4% | 2,2% | 1,5% | 1,8% | 1,6% | 1,3% | 3,2%  |

Source: EITO 2006

## IT Market in Selected Countries



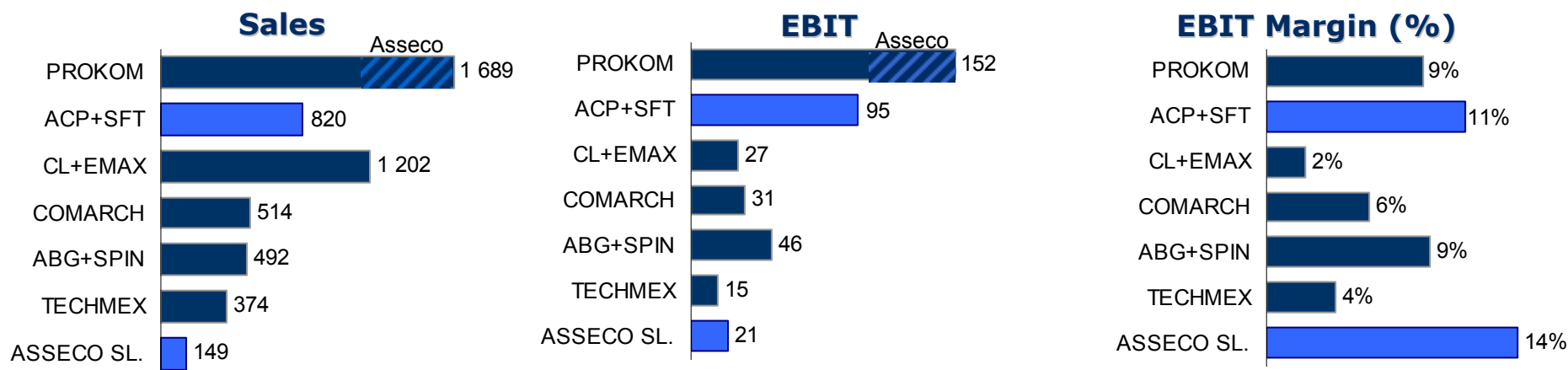
Source: EITO 2006

### MAJOR TRENDS:

- ◆ **Attractive growth** - +9,6% in 2007 in CEE (based on EITO) fuelled by EU subsidies, influencing public administration and SMEs, as well as, structural changes in the industry.
- ◆ **Proprietary software** and orientation towards the most attractive customer segments. Higher-value added products are the key to avoid the fierce price competition and margin erosion.
- ◆ **Foreign sales** offer the possibility to gain further economies of scale. Niche software, after translating, can generate strong margins.
- ◆ **Adjustment to EU rules&regulations** forces investments in IT (e.g. E-Government Systems, Risk Management systems in banks)

# Asseco Poland on the Polish IT Market

## Financial results for listed IT companies for 2006 (PLN m)

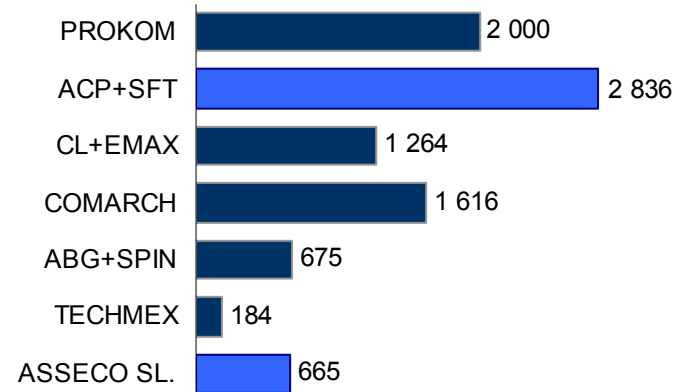


### Position on IT Market in Poland

- ◆ Sales to banking sector – No 1
- ◆ Value of net profit – No 1
- ◆ Value of EBIT – No 2
- ◆ Value of equity – No 2

### Market Capitalization

PLN m, 6.03.2007



**Thank you for your attention**

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