

**assecO**  
POLAND



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

**Paris, June 28-29, 2007**

## **AGENDA**

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

## Asseco Poland after the merger – Basic Info

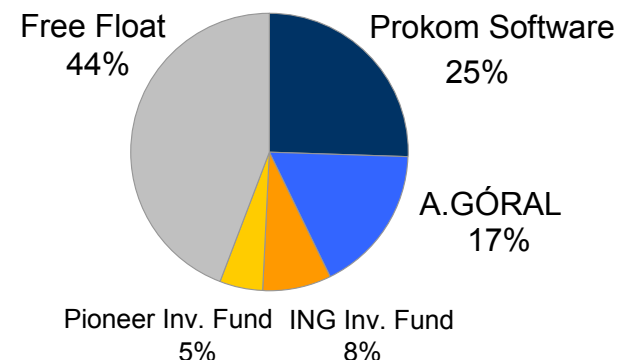
### ASSECO

- ◆ **Leader** in IT solutions to the **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 – **second largest** Slovakian provider of IT solutions
- ◆ **Experience** in implementation of large and sophisticated IT projects (e.g. the largest projects in Poland in the 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 230m net cash position at the end of Q1'07.

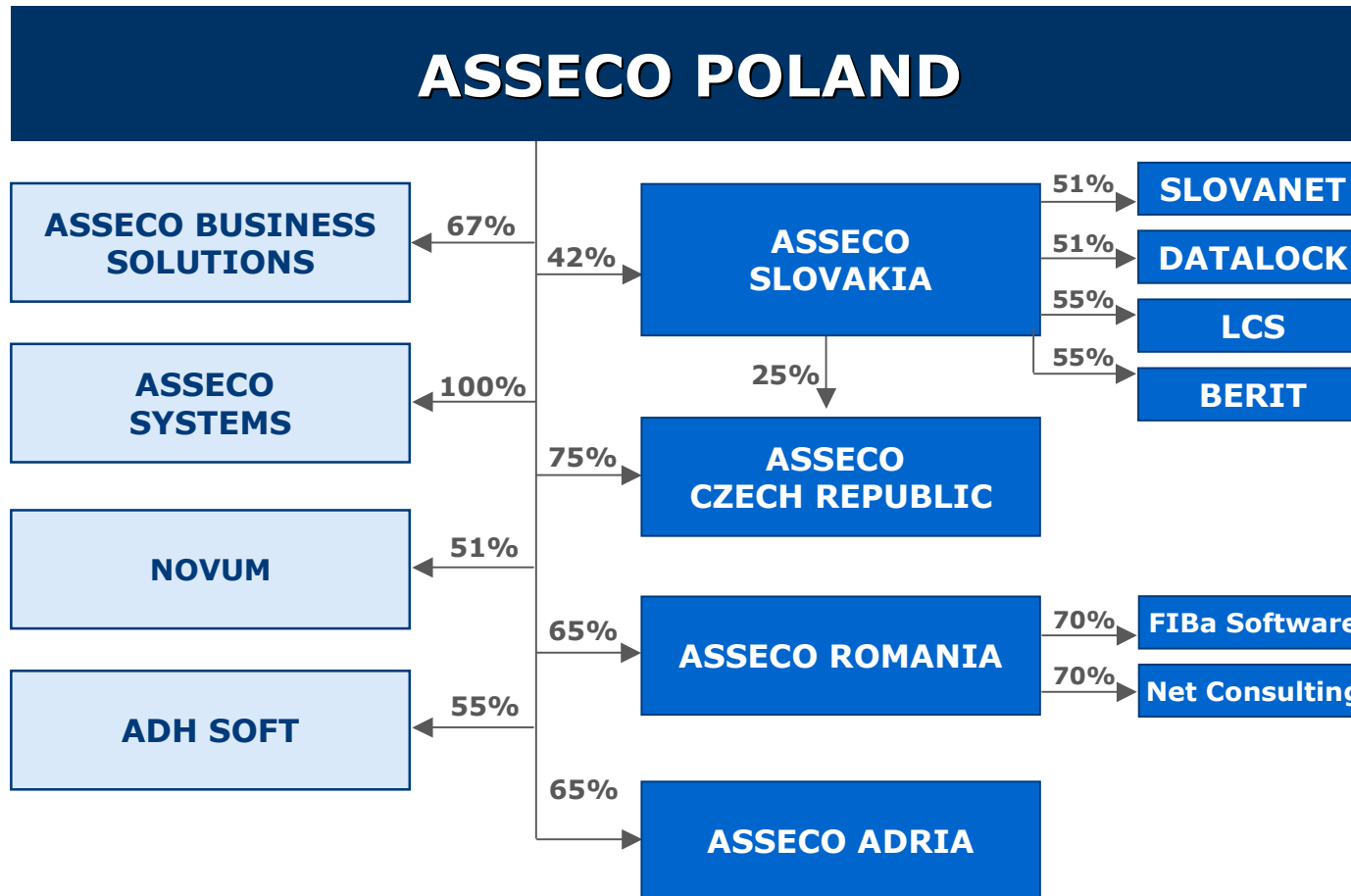
### STOCK FIGURES (June 26, 2007)

	PLN m	EUR m
<b>Market capitalization</b>	<b>4 040</b>	<b>1 054</b>
Free float	1 762	464
Avg daily turnover	4.9	1.3
Shares outstanding	46 445 804	
WSE Ticker	ACP	
Reuters Ticker	SOBK.WA	
Stock is covered by	<b>10 equity analysts</b>	

### Shareholder structure



## Planned structure of the Asseco Group in 2007



## ASSECO'S COMPANIES - POLAND



### ASSECO POLAND

#### SOFTWARE FOR BANKING & FINANCE SECTOR

No 1 in IT solutions to the banking sector

**Employment:** 1 140

**Consensus for 2007:** revenues PLN 500m  
(standalone) net profit PLN 80m

**IPO on WSE:** Listed since 1998

### ASSECO BUSINESS SOLUTIONS

#### ERP systems, outsourcing, e-learning

No 2 ERP company in Poland

**Employment:** 350

**Target for 2007:** revenues PLN 100m  
net profit PLN 13m

**IPO on WSE:** September 2007

### ASSECO SYSTEMS

#### IT services, networks, hardware, BMS

Top ranked in integration & IT services in Poland

**Employment:** 350

**Target for 2007:** revenues PLN 200m  
net profit PLN 10m

**IPO on WSE:** Q1 2008

### ADH SOFT

#### Software for leasing companies

70% of leasing companies use ADH software

**Employment:** 27

**Target for 2007:** revenues PLN 5m  
net profit PLN 0,8m

3000 license sold, 90% of clients-international corp.

## ASSECO'S COMPANIES – CEE



### ASSECO SLOVAKIA

**Software for banking, finance & health sectors**

No 2 Slovakian provider of IT solutions

**Employment:** 700

**Consensus for 2007:** revenues PLN 300 m  
(consolidated) net profit PLN 24 m

**IPO on WSE:** Listed since 2006



### ASSECO CZECH REPUBLIC

**SOFTWARE & INTEGRATION**

Top ranked Czech IT company

**Employment:** 680

**Target for 2007:** revenues PLN 180 - 200m  
net profit PLN 10 - 15m

**IPO on WSE:** Q4 2007



### ASSECO ROMANIA

**FIBa Software:** software for banking sector

**Net Consulting:** integration & IT services

**Employment:** 120-200

**Target for 2007:** revenues PLN 100 - 400 m  
net profit PLN 12 - 25 m

**IPO on WSE:** Q2 2008



### ASSECO ADRIA

**Plan for Q3 2007:** acquisition of 2-3 IT comp.

**Core business:** software for banking sector

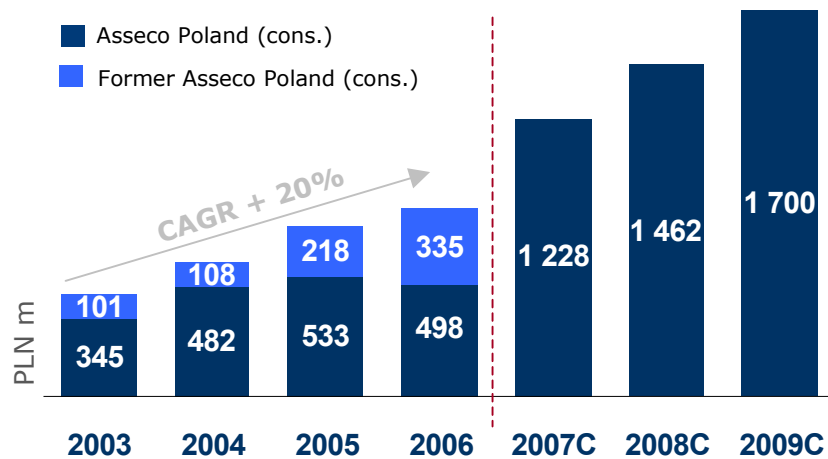
**Employment:** 300 - 400

**Target for 2007:** revenues PLN 100 - 130m  
net profit PLN 18 - 22m

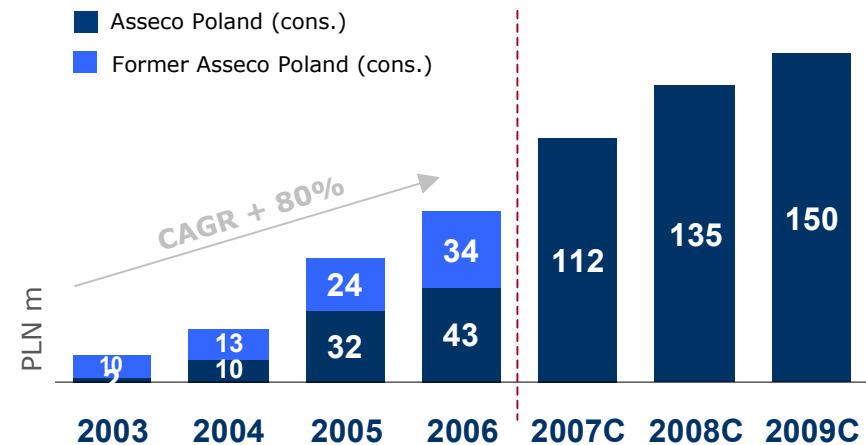
**IPO on WSE:** Q3 2008

# Asseco Capital Group in Figures

## REVENUES



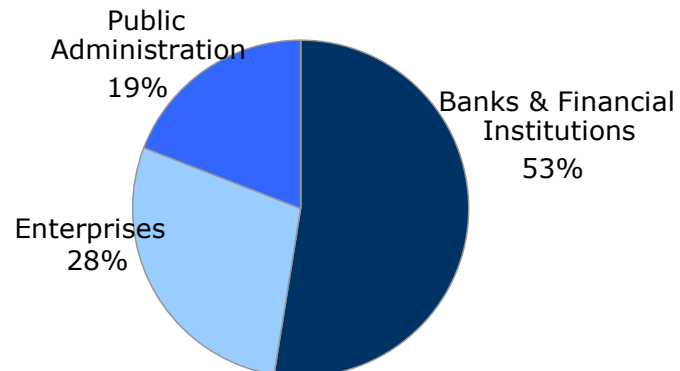
## NET PROFIT



Source: 2003-2006 – former consolidated Softbank and Asseco results adjusted by one-offs; C – Consensus of the market forecast from 10 analysts

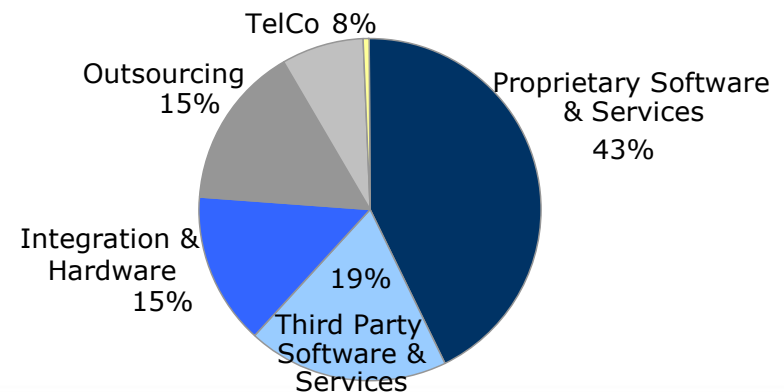
## SALES STRUCTURE BY SECTORS

Q1 2007



## SALES STRUCTURE BY PRODUCTS

Q1 2007



## Detailed Figures & Ratios

PLN m	2003	2004	2005	2006	Q1'07	2007C
<b>Revenues</b>	<b>446</b>	<b>590</b>	<b>751</b>	<b>833</b>	<b>210</b>	<b>1 228</b>
EBITDA	43	52	96	116	44	183
EBIT	17	39	82	92	37	155
<b>Adj Net Profit</b>	<b>12</b>	<b>14</b>	<b>55</b>	<b>78</b>	<b>24</b>	<b>112</b>
<i>EBITDA margin</i>	<i>10%</i>	<i>9%</i>	<i>13%</i>	<i>14%</i>	<i>21%</i>	<i>15%</i>
<i>Net margin</i>	<i>3%</i>	<i>2%</i>	<i>7%</i>	<i>9%</i>	<i>12%</i>	<i>9%</i>
<b>EPS x</b>	<b>0.57</b>	<b>0.66</b>	<b>2.63</b>	<b>3.10</b>	<b>-</b>	<b>2.42</b>
BVPS x	6.41	9.13	17.44	18.38	33.42	35.57
CAPEX	13	11	22	22	5	40
Acquisitions	33	39	67	65	6	200
<b>Net Cash</b>	<b>71</b>	<b>11</b>	<b>89</b>	<b>173</b>	<b>229</b>	<b>30</b>
CFO	12	-23	68	71	45	120
FCF	16	-28	211	219	-	280
Depreciation	26	14	14	24	7	30
Debt / (debt + equity)	4%	29%	16%	8%	2%	8%
EBITDA / debt	605%	60%	122%	265%	-	122%

Source: 2003 – 2006 pro-forma former Softbank and former Asseco consolidated results; 2007C – market consensus



# Expansion in Central and Eastern Europe

## ACQUISITIONS COMPLETED

2004	Asseco Slovakia	
2005	Incenti*	
	Koma**	
	Gladstone**	
2006	WA-PRO*	
	Softlab*	
	Slovanet	
2007	PVT-Asseco Czech R.	
	Datalock	
	LCS International	
	FIBa Software	
	Net Consulting	
	SAFO*	
	ADH Soft	
	BERIT	

## PLANNED ACQUISITIONS

Czech	
Serbia	
Romania	
Lithuania	
Croatia	
Poland	
Austria	



**Foreign companies will bring about 40% of Asseco Capital Group revenues in 2007**

\* Companies merged becoming Asseco Business Solutions; \*\* To be merged with Asseco Systems

## EXECUTIVE SUMMARY

- ◆ **The largest Polish IT company** present in foreign markets, selling proprietary software for banking & finance sector
- ◆ Outstanding **Q1 financial results**
- ◆ **Comprehensive offer** for: banks, public administration, enterprises and utilities
- ◆ Asseco Group has about **3500 employees**
- ◆ **Consolidation of companies** within the Capital Group
- ◆ In 2007 **purchase of stakes in companies** from Poland, Czech Rep., Slovakia, Romania
- ◆ **Planned acquisitions** in Austria, Romania, Serbia, Lithuania, Slovakia and the Czech Republic



## **APPENDIX**

- **Competences & Customer Landscape**
- **Major ongoing projects**
- **IT Market in Poland & CEE**

## Major competences

### Proprietary software

- Software for banks
  - Core systems
  - Analytical systems
  - Internet banking
  - Clearings/settlements
  - Add-ons
- Software for capital markets institutions
- Software for the public sector
- Software for enterprises
  - Enterprise Resource Planning (ERP) software for large, medium and small companies
  - Analytical systems
  - GIS/NIS

### Third party software

- Databases
- Security software
- CRM

### Outsourcing services

- Internet banking for retail customers
- Internet banking for corpo customers
- Telephone banking
- SMS based banking
- Outsourcing of the core system

### Integration services

- Security audit
- Security of the services
- Security of the network systems
- Intelligent building
- Data processing
- Services and tech-support
- IT structure management

## Customer Landscape - **POLAND**

### Universal and retail banks

- PKO BP
- BGŻ Bank (Rabobank subsidiary)
- Deutsche Bank PBC
- Euro Bank (Societe Generale)
- Getin Bank
- Noble Bank
- Dominet Bank
- Bank Pocztowy (Post Bank)
- Bank Gospodarstwa Krajowego
- Bank Ochrony Środowiska

### Co-operative banks

- Bank Polskiej Spółdzielczości
- Gospodarczy Bank Wielkopolski
- Mazowiecki Bank Regionalny
- 453 cooperative banks (75% of the market)

### Automotive banks

- Volkswagen Bank Polska
- RCI Bank Polska
- Toyota Bank Polska
- Daimler-Chrysler Bank Polska

### Mortgage banks

- BRE Mortgage Bank
- Śląski Mortgage Bank
- BPH Mortgage Bank
- Nykredit Realkredit A/S

### Public Administration

- Ministry of Internal Affairs
- Agency for Restructuring and Modernization of Agriculture
- National Clearing House
- Ministry of Finance
- Ministry of Education
- Social Welfare Institution

### General Business

- Power Supplier in Rzeszów
- McDonalds Poland
- PLL LOT
- Poczta Polska
- ...and 60 000 more

## Customer Landscape - CEE

### Slovakia

- Slovenská sporiteľňa (Erste Bank Group)
- GE Money (GE Money Group)
- Poštová banka (Post Bank Bratislava)
- Exportno-importná banka SR (Export-Import Bank of the Slovak Republic)
- Dôvera (Health Insurance Company)
- Všeobecná zdravotná poisťovňa (biggest public health insurance company)
- Union (Eureko Group)
- Ministry of Health of Slovak Republic
- Allianz -Slovenská poisťovňa (Allianz Group)
- Tax Authority Office of the Slovak Republic
- UniCredit Bank (Unicredit Group)
- VÚB bank (Intesa Group)
- Slovak Telekom
- Hypo Stavební sporiteľna (Unicredit Group)
- DDP Stabilita
- Slovak Tourist Board
- The self-governing region of Tarnava
- Stredoslovenská energetika (Le Groupe EDF)

### Romania

- HVB Banca pentru Locuinte (UniCredit Group)
- Porsche Bank Romania
- Sanpaolo IMI Romania
- Banca Românească
- Banca Italo-Romana
- Citibank Romania
- Millennium BCP
- LBS München

### Czech Republic

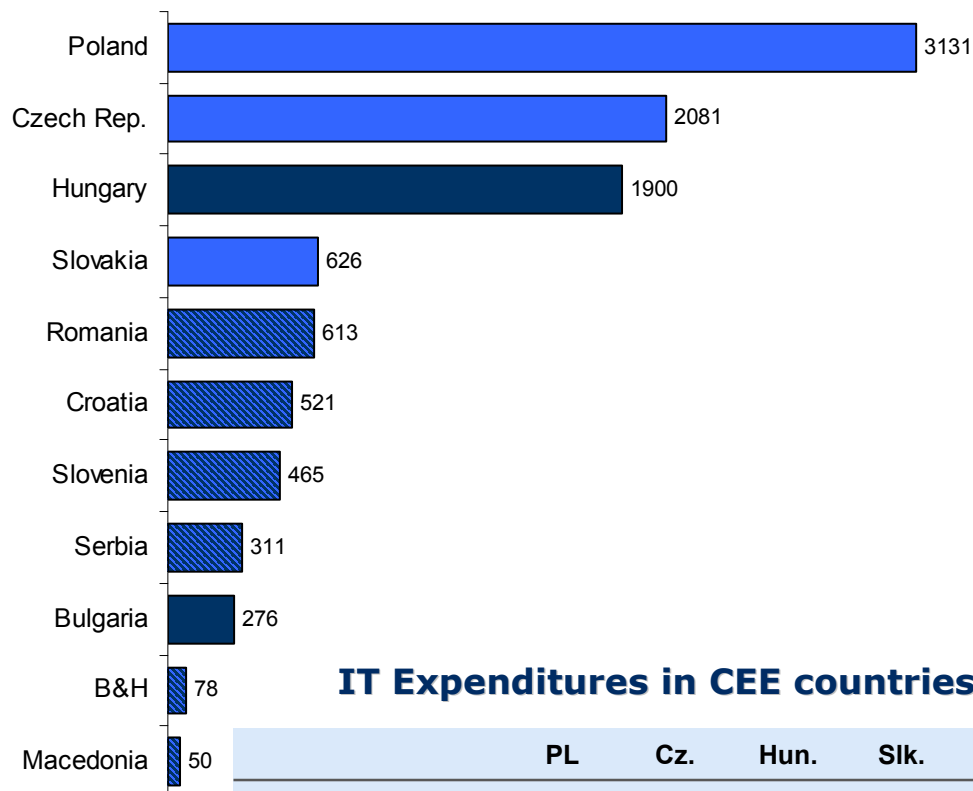
- Česká spořitelna (Erste Bank Group)
- HYPO stavební spořitelna (UniCredit Group)
- Modra pyramida stav. sporitelna (Societe Generale Group)
- CCS (Czech Company for Payment Cards)
- GE Capital Bank (GE Money Group)
- HYPO Stavební spořitelna (Czech Building Society)
- Živnostenská banka Prague
- Pojistovna VZP

## Major Ongoing Projects

- **Bank PKO BP** – implementation of Integrated Banking System (ZSI) in the largest retail bank in Poland
- **Gospodarczy Bank Wielkopolski SA (GBW)** – implementation of the main IT system for the Co-operative Banking Group (SGB).
- **BOŚ** – centralization of core-banking system
- **Deutsche Bank PBC SA** – agreement for the supply of the license and implementation of the IT system for handling of consumer credits
- **PKO BP Bank** – Central Support IT System
- **Pekao SA Bank** – extension of work related to the Cash Circulation Monitoring System and implementation of the document management system *Documentum*
- **Toyota Bank** – supply of the license and implementation of comprehensive IT system
- **BGŻ Bank** – development of the core-banking system
- **Ministry of Internal Affairs** - IT system of National Central Register of Vehicles and Drivers (CEPiK)

## 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

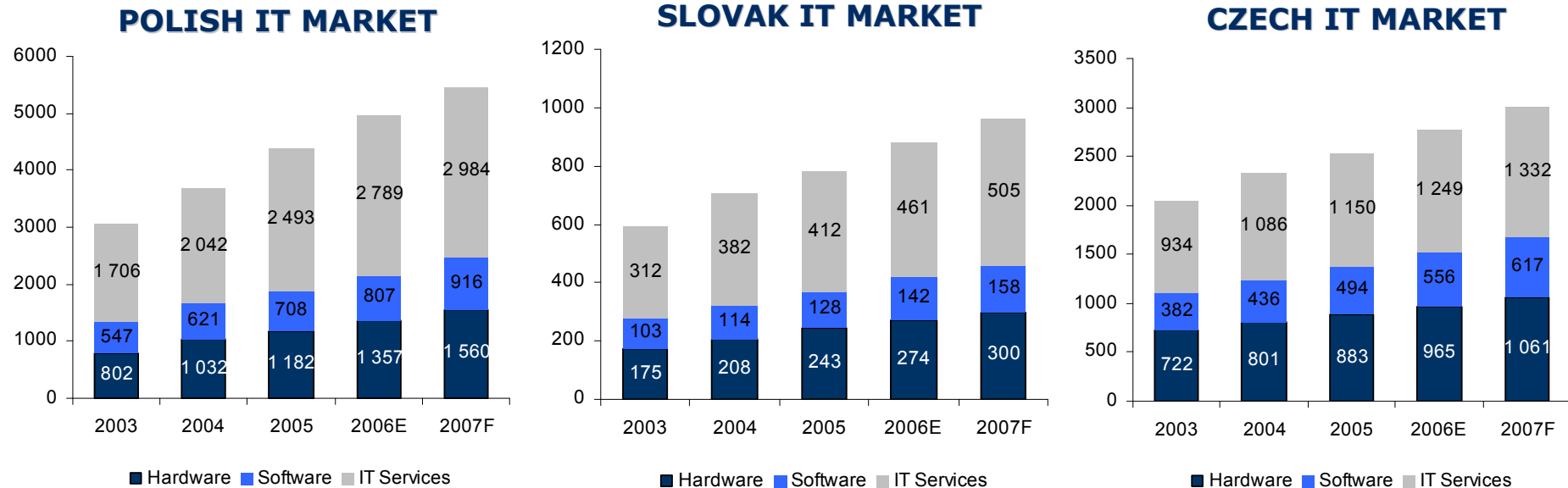
**IT Expenditures in CEE countries**

	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

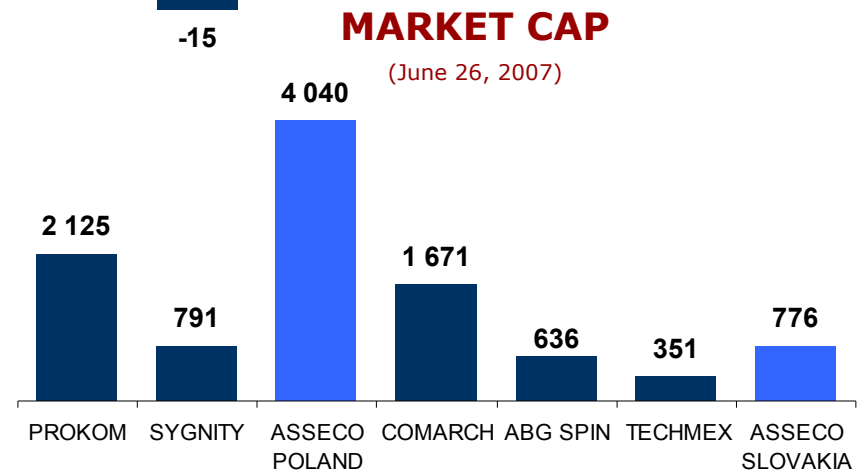
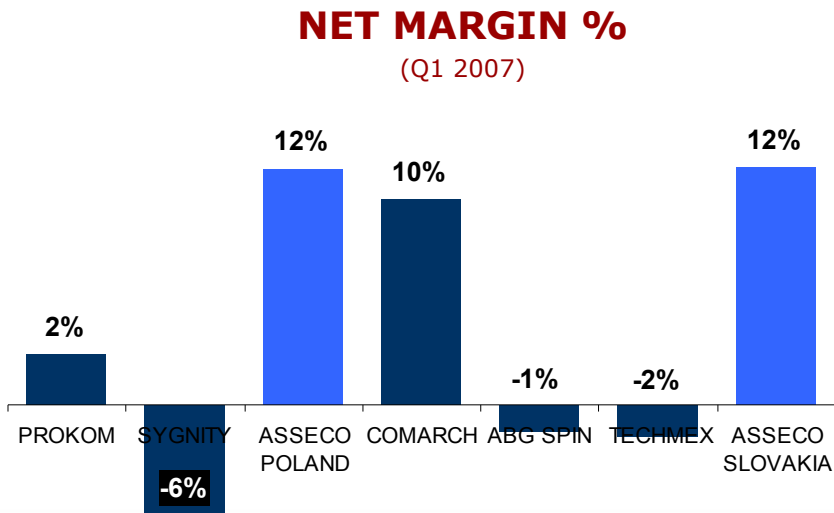
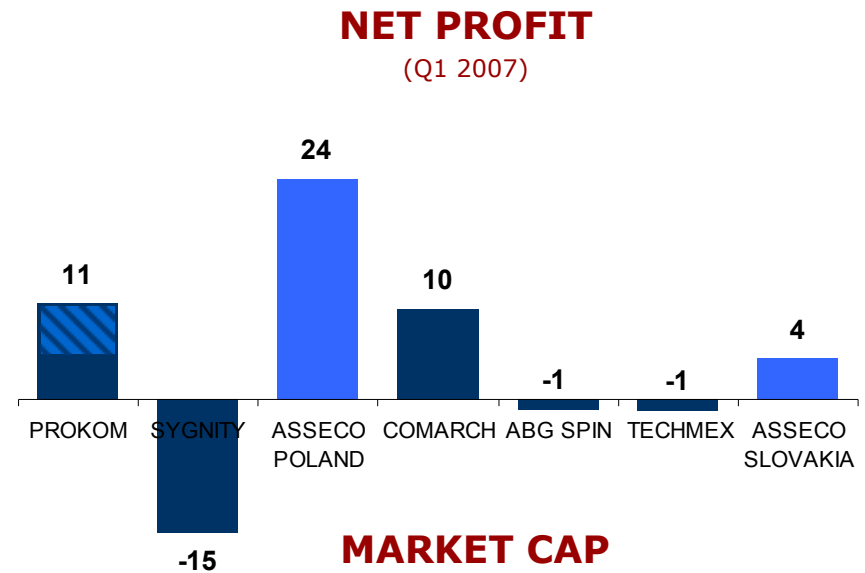
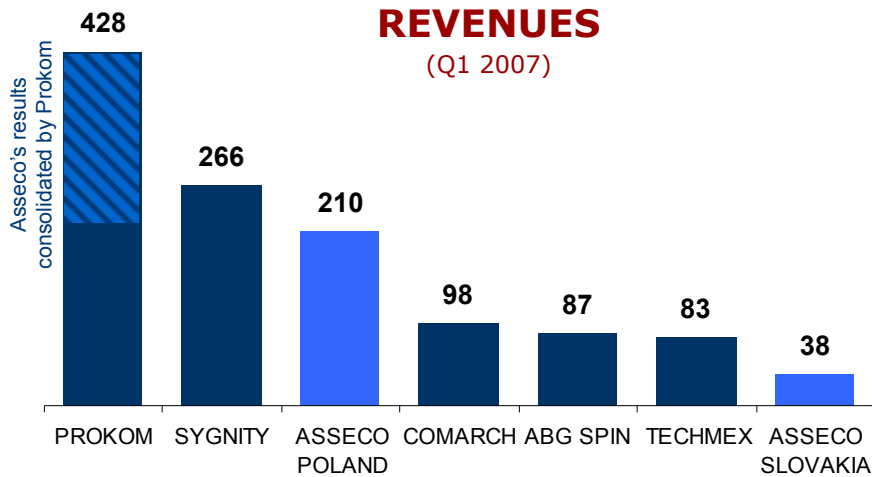


Source: EITO 2006

### 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



**Thank you for your attention.**

**Contact for investors:**

Katarzyna Perzak

Tel: +48 (22) 87 86 333

Kom: +48 660 433 080

E-mail: [Katarzyna.Perzak@asseco.pl](mailto:Katarzyna.Perzak@asseco.pl)

