

COMARCH

Financial Results Q1-Q3 2014

Konrad Tarański – Vice-President of the Management Board, CFO

17th of November, 2014, Krakow

Agenda

- Financial Results
- Sales Structure
- Human Resources
- Investment
- Summary

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Financial Results Q1-Q3 2014

	Q1-Q3 2014	Q1-Q3 2013
Revenue	674 435	625 183
Operating profit	53 854	83
Net profit attributable to the company's shareholders	34 780	2 617

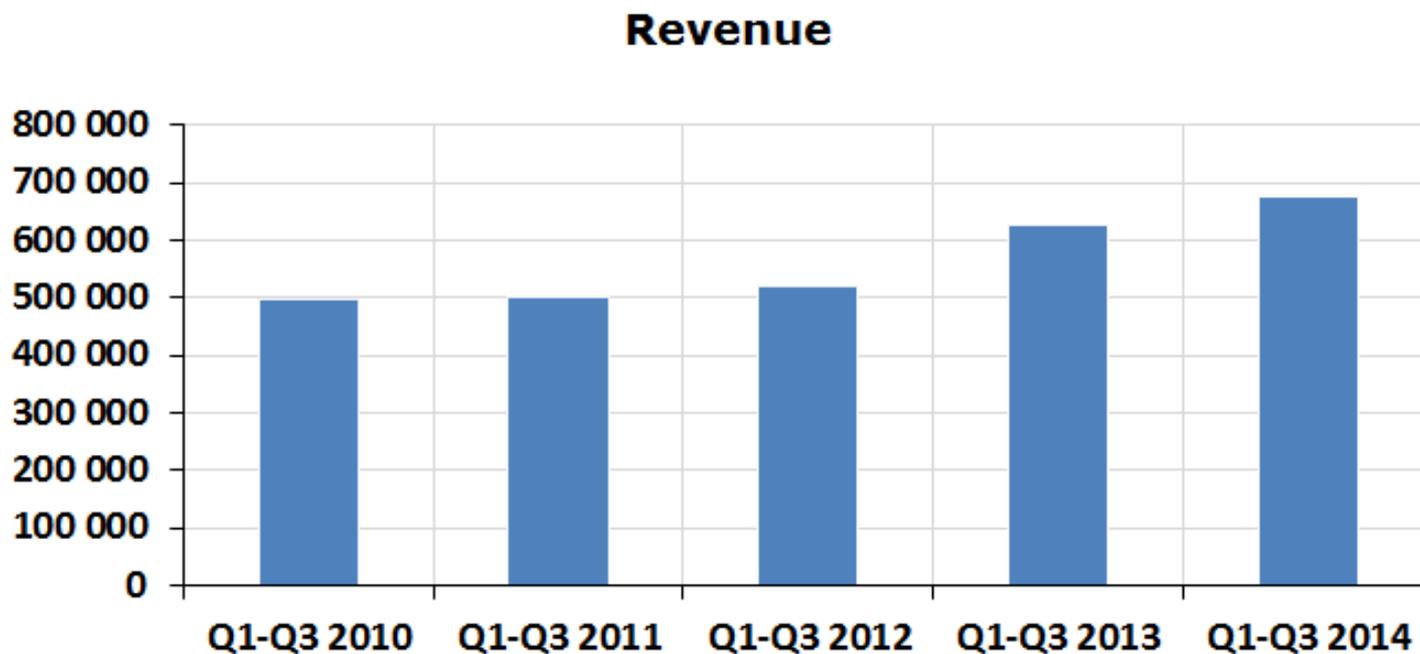
In thousands of PLN

Financial Results Q3 2014

	Q3 2014	Q3 2013
Revenue	244 758	233 482
Operating profit	33 031	-2 845
Net profit attributable to the company's shareholders	21 427	220

In thousands of PLN

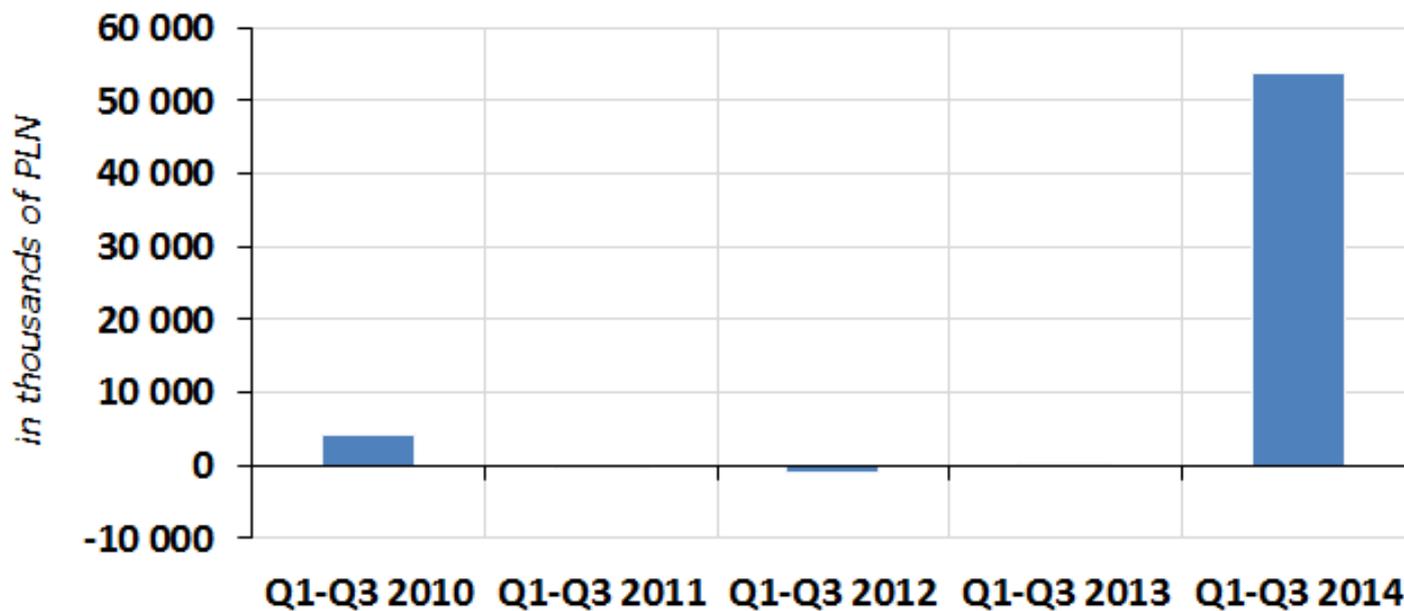
Revenue Q1-Q3 2014



In thousands of PLN

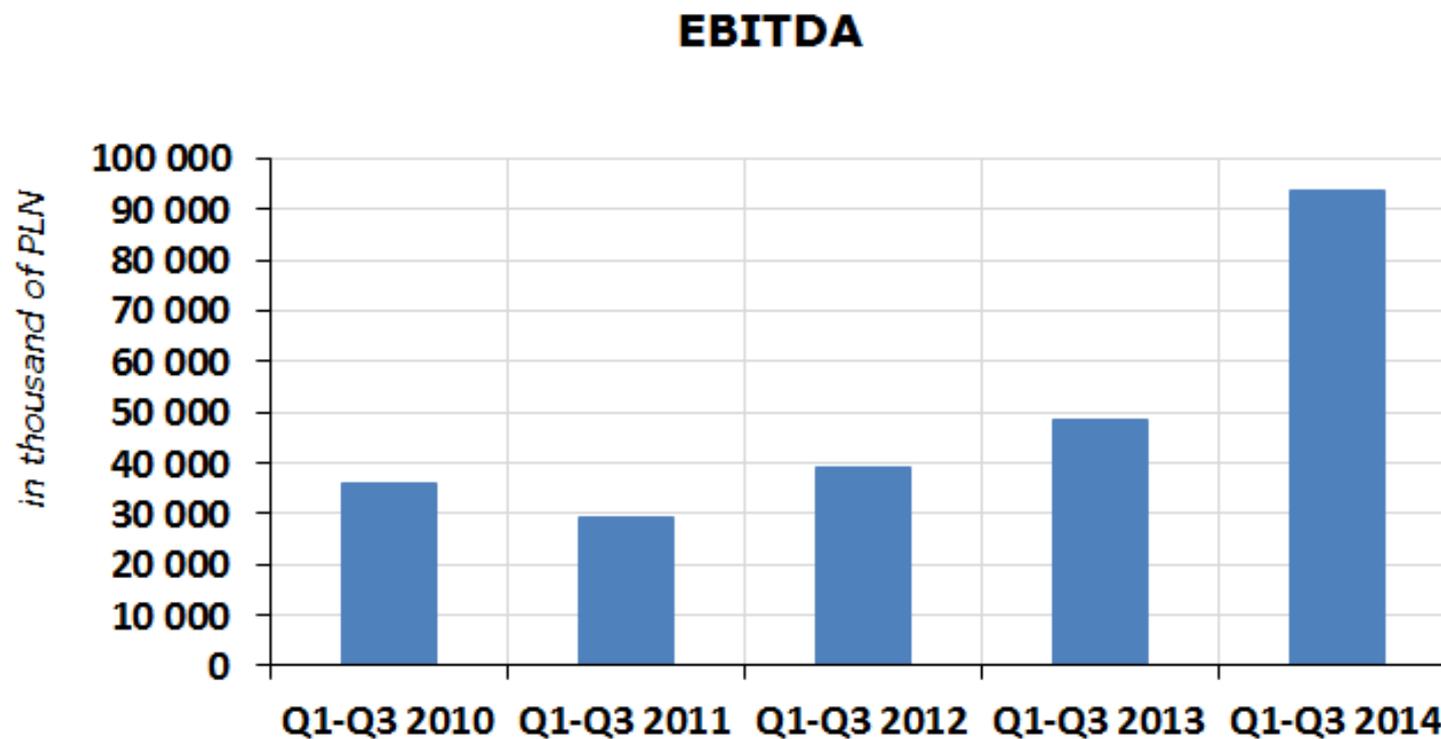
Operating Result Q1-Q3 2014

Operating profit

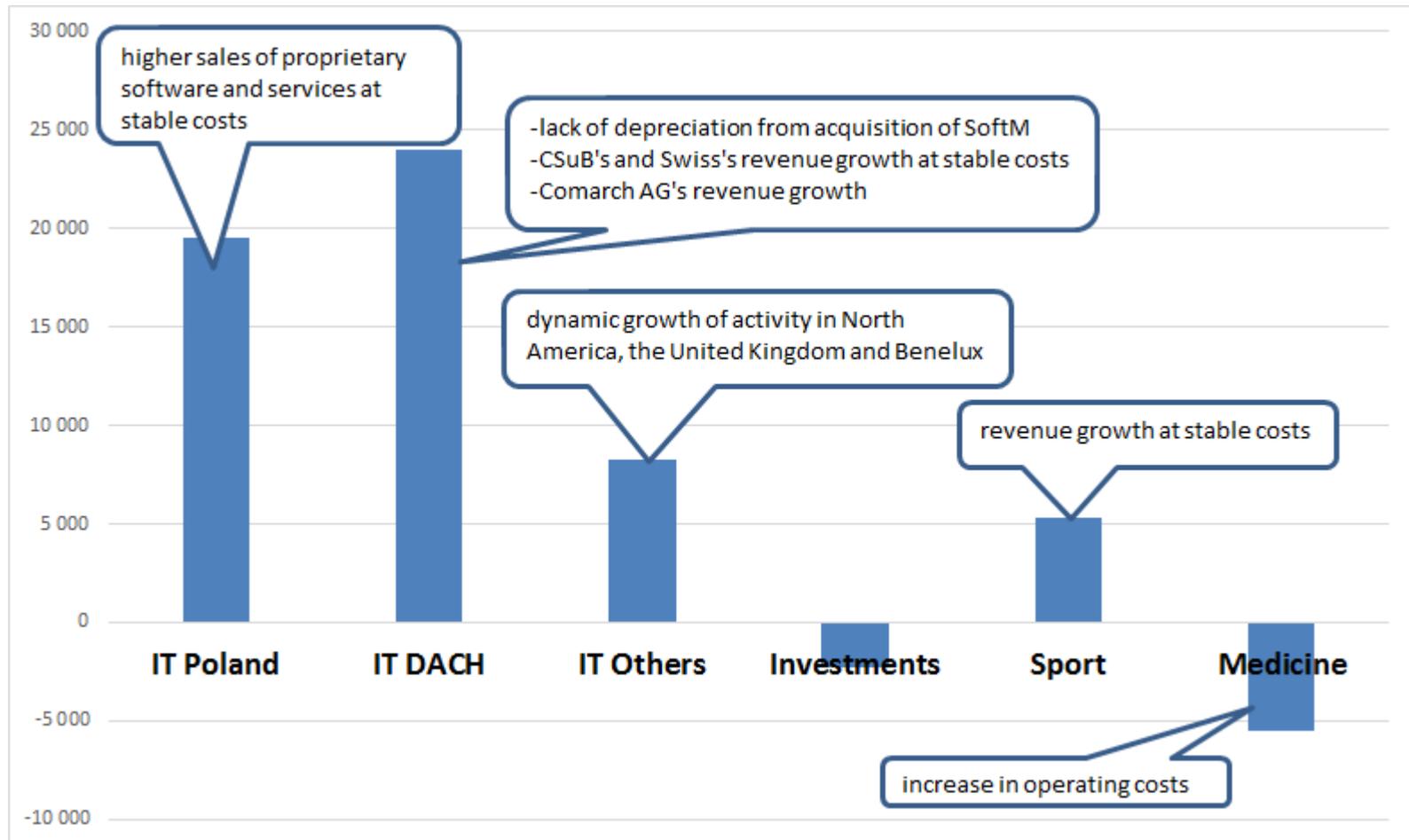


In thousands of PLN

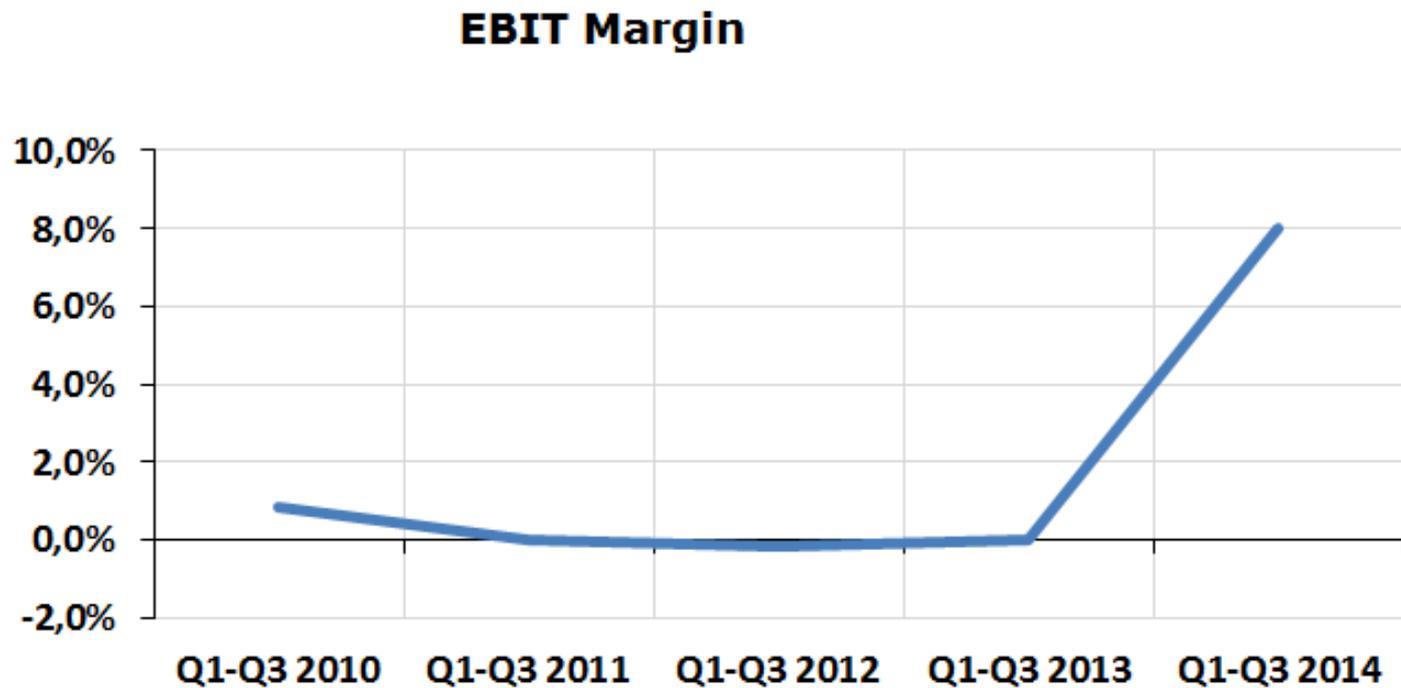
EBITDA Q1-Q3 2014



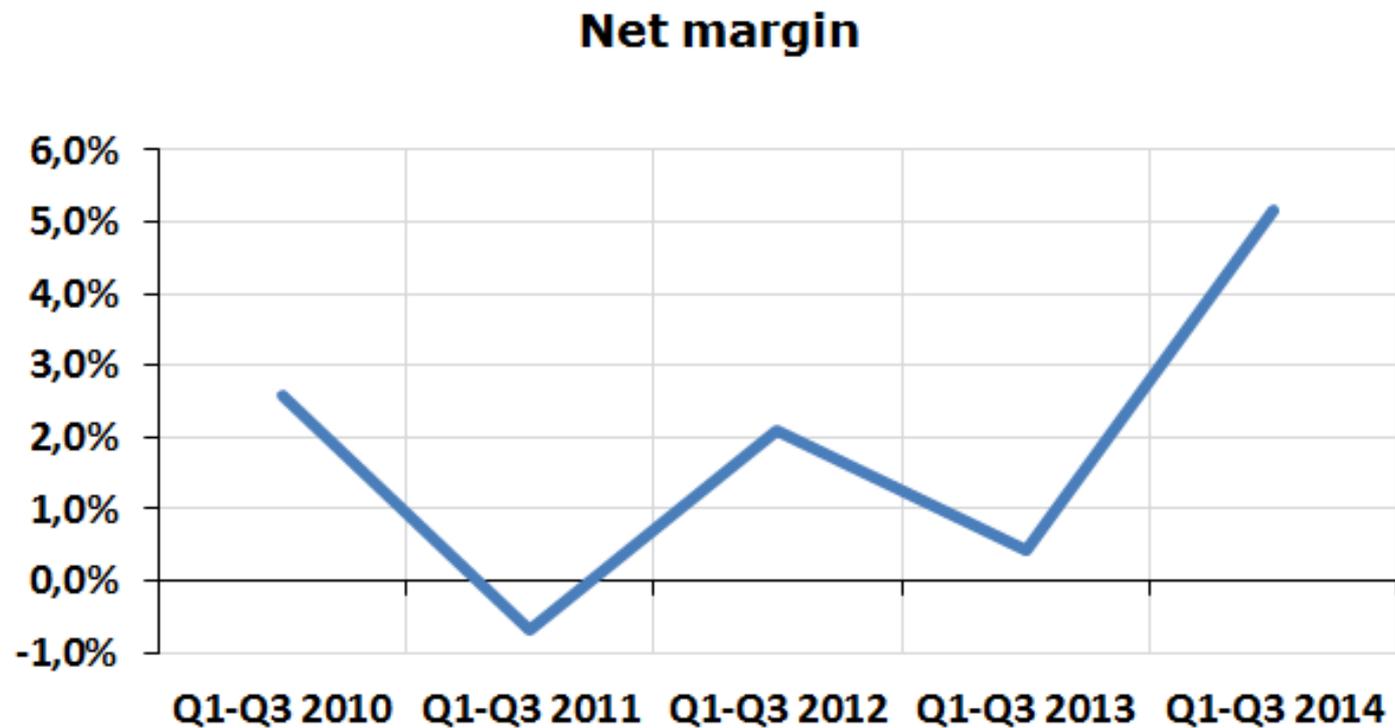
Changing of the Operating Results in Segments Q1-Q3 2014 vs. Q1-Q3 2013



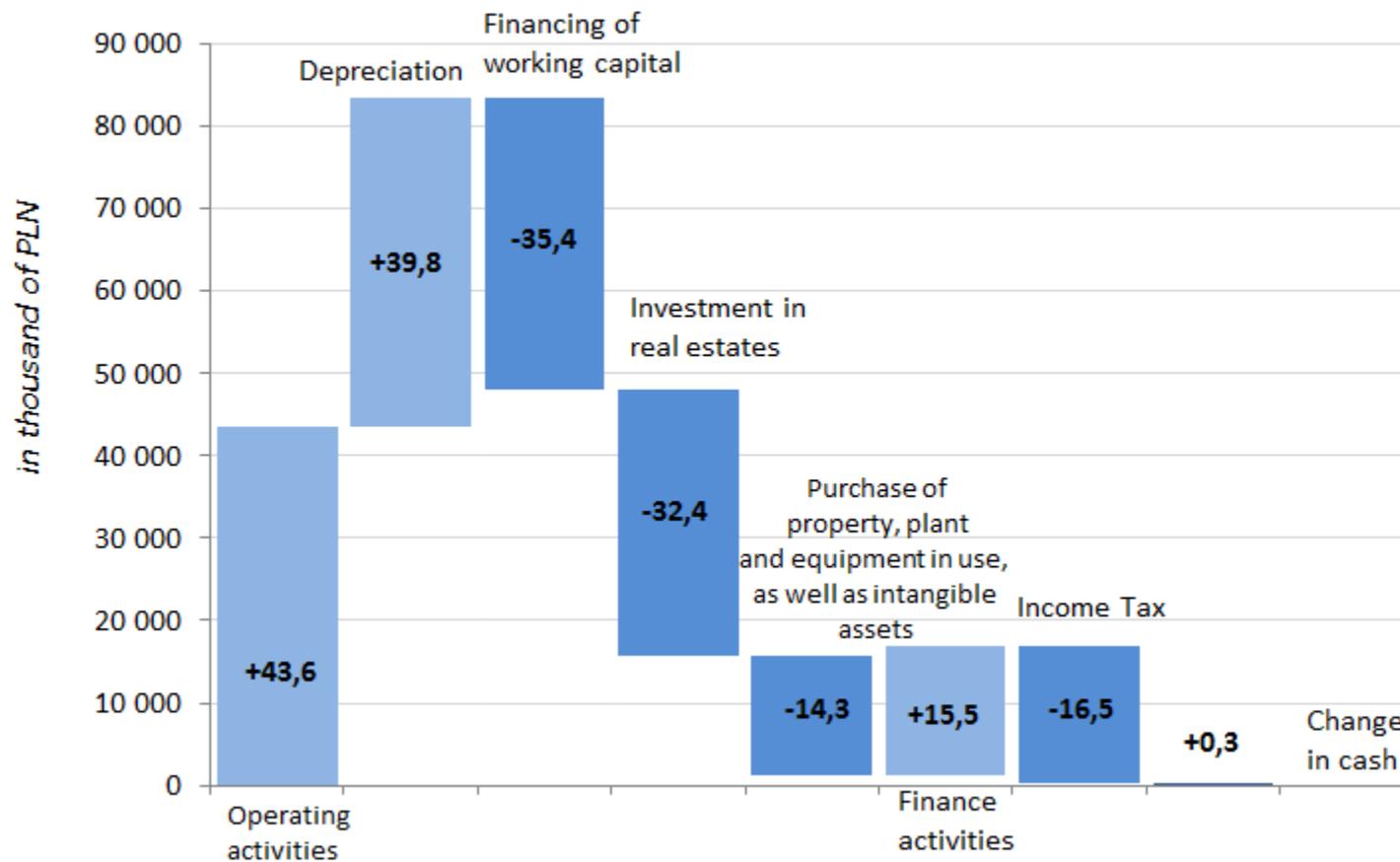
EBIT Margin Q1-Q3 2014



Net Margin Q1-Q3 2014



Cash Flow Q1-Q3 2014

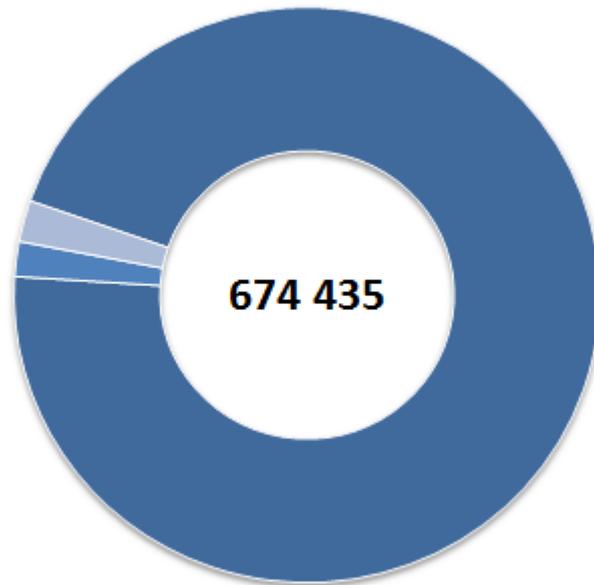


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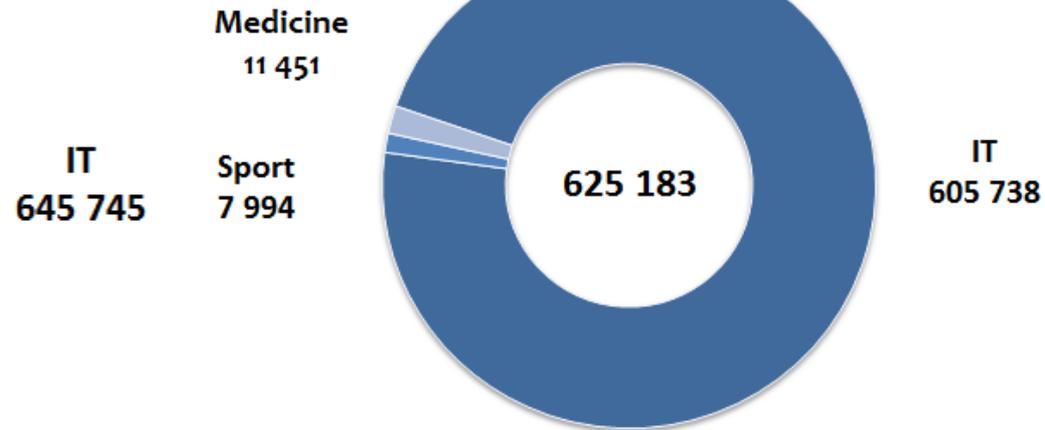
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Market Sales Structure Q1-Q3 2014

Q1-Q3 2014

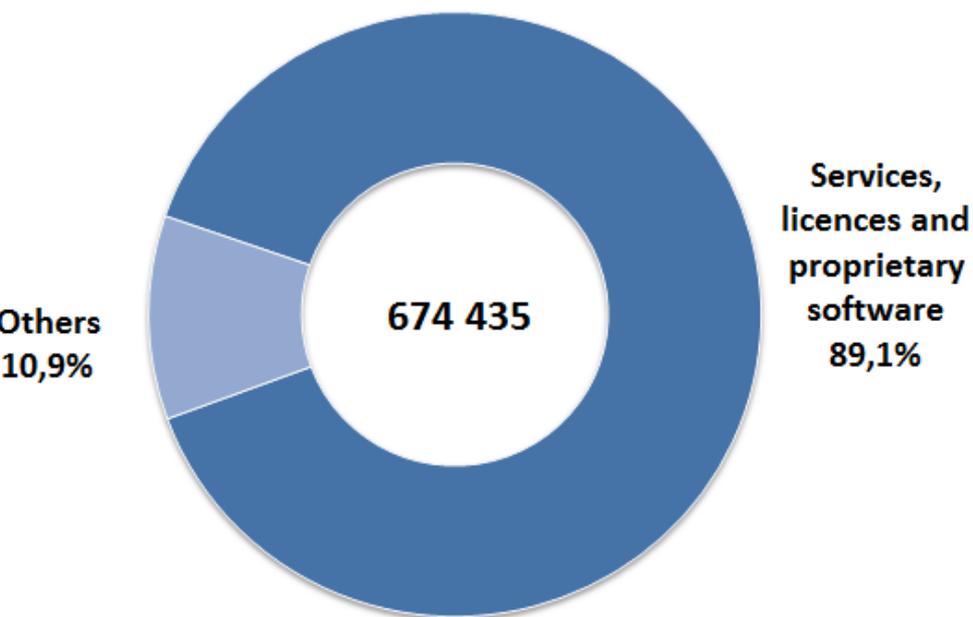


Q1-Q3 2013

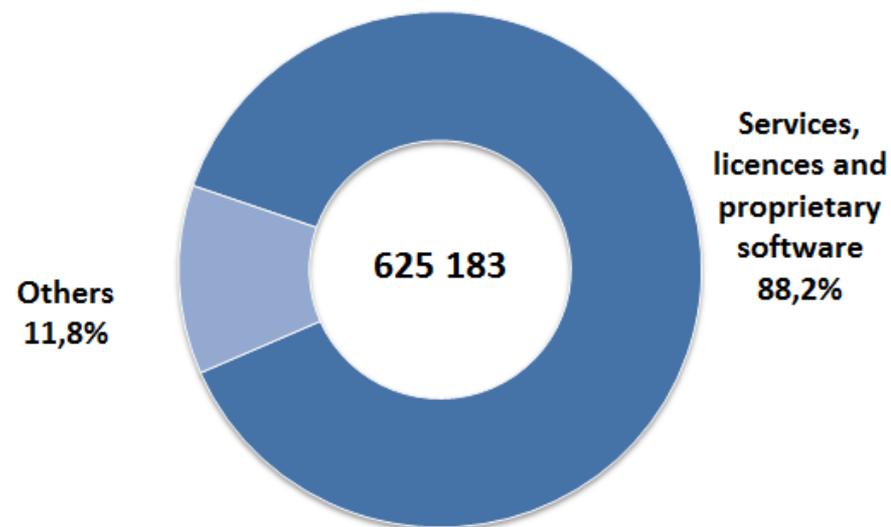


Products Sales Structure Q1-Q3 2014

Q1-Q3 2014



Q1-Q3 2013



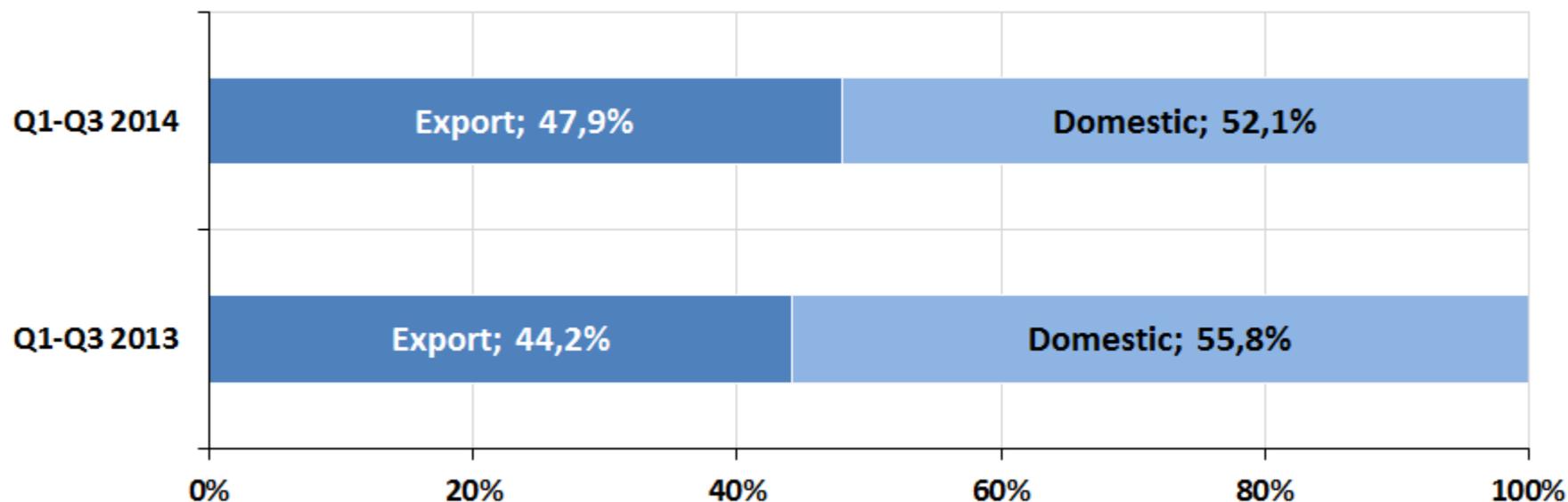
Products Sales Structure Q1-Q3 2014

Comarch Group	Q1-Q3 2014	%	Q1-Q3 2013	%
Services	506 787	75,1%	465 201	74,4%
Proprietary software	66 961	9,9%	53 077	8,5%
Third party software	28 352	4,2%	42 551	6,8%
Hardware	48 145	7,2%	46 206	7,4%
Other	24 190	3,6%	18 148	2,9%
Total	674 435	100,0%	625 183	100,0%

In thousands of PLN

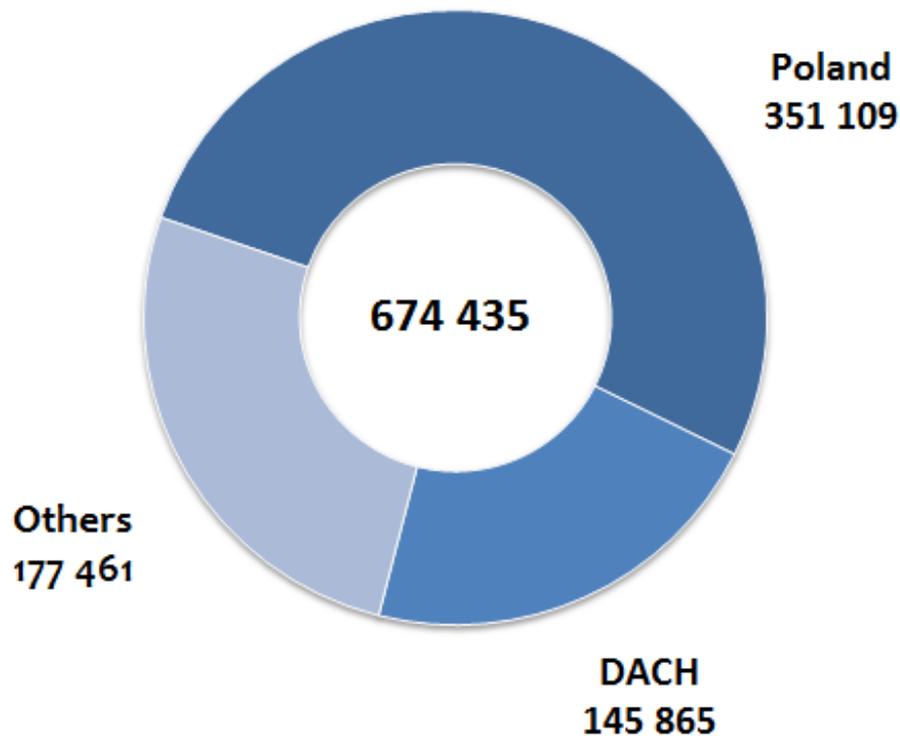
Geographical Sales Structure Q1-Q3 2014

Sales Structure Q1-Q3 2014 vs Q1-Q3 2013

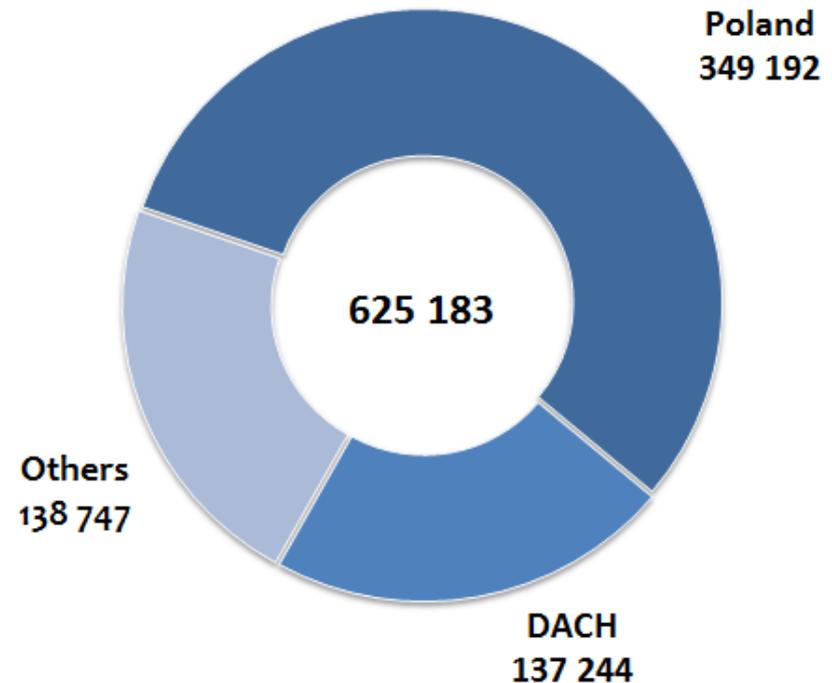


Geographical Sales Structure Q1-Q3 2014

Q1-Q3 2014



Q1-Q3 2013

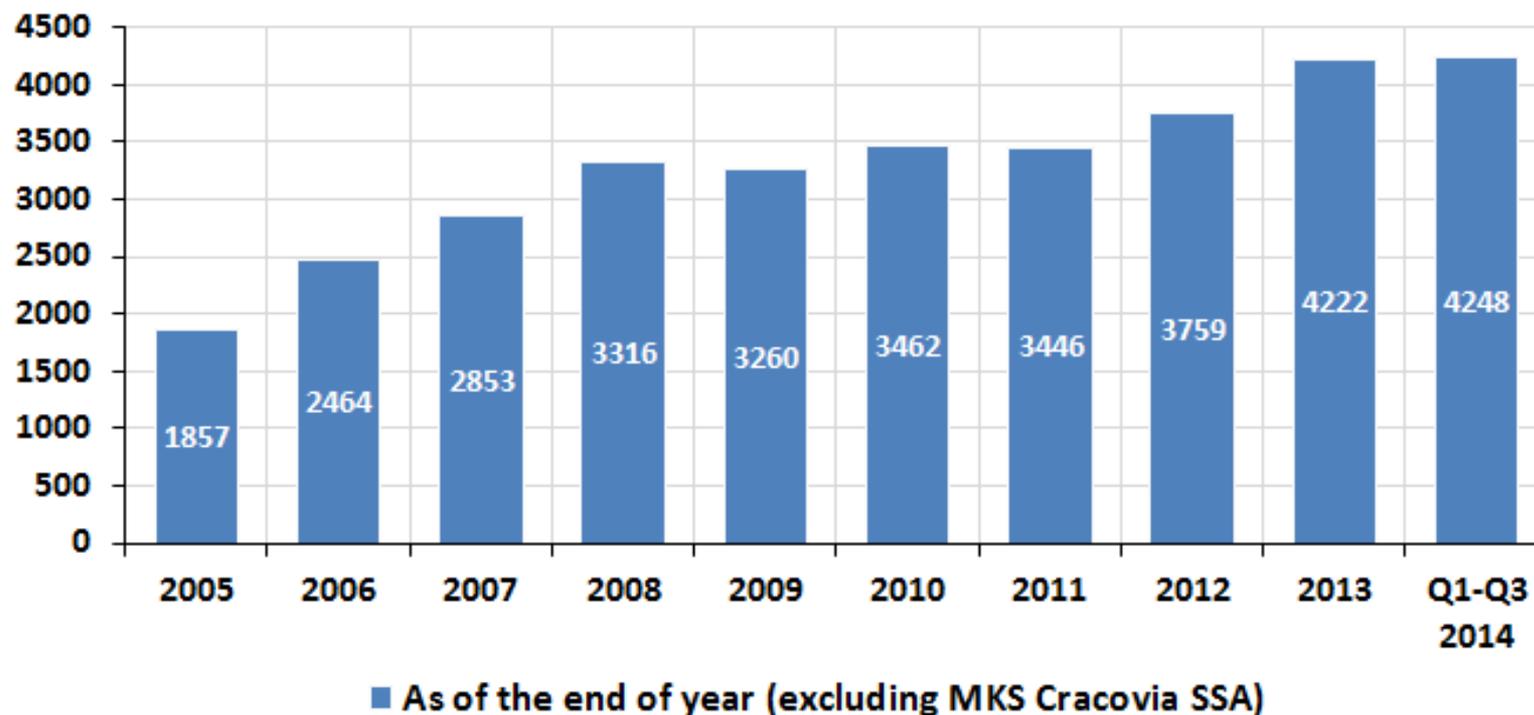


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Employment in Comarch Group (excluding employees in MKS Cracovia SSA)

Human Resources



Employment Level

- As of **30th of September, 2014**, Comarch Group had 4,248 employees (excluding employees in MKS Cracovia SSA), i.e. 26 persons more than at the end of 2013 (an increase of 0.6%)
- Comarch Group increased the number of employees at the end of the annual program of summer internships for students
- Continuous pressure on an increase in remuneration in IT sector
- Payroll in Q1-Q3 2014 was approx. 5% higher than in Q1-Q3 2013

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Investment in H1 2014

- Continuous high expenditures for R&D, especially within the frame of e-Health
- Continuation of SSE6 investment in Krakow
 - PLN Capital expenditures of 60 million, incurred about PLN 37.4 million
 - Completion of investment in Q2 2015
 - Workplaces for 350 employees
 - New Comarch Data Center
 - The production line Comarch IoT Lab



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Q1-Q3 2014 Situation Summary

- Growth in sales on foreign market (of 17.2%) faster than on domestic market (of 0.5%)
- Substantial increase in sales of services and proprietary software of PLN 55.5 million, i.e. 10.7%
- Stabilization of operating costs, reduced level of depreciation
- Improved profitability on the core activity, EBITDA growth
- Increase of 351 persons in the number of employees in Q3 2014, up to the level at the end of 2013

Plans for Q4 2014

- Backlog's value for the Q4 2014 makes sales growth probable in 2014 compared to those in 2013
- Continuous development of foreign activity, especially in South America
- Commencement of operations in Comarch Technologies sector
- Continuation of SSE6 investment in Krakow, ongoing preparatory activities associated with investment in Łódź

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Thank you