

COMARCH

Financial Results Q1 2015

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

19th May 2015, Krakow

Agenda

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

Agenda

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

Consolidated Financial Results Q1 2015

Comarch Group	Q1 2015	Q1 2014
Revenue	246 333	208 714
Operating profit	18 929	7 762
Net profit attributable to the company's shareholders	18 771	5 430

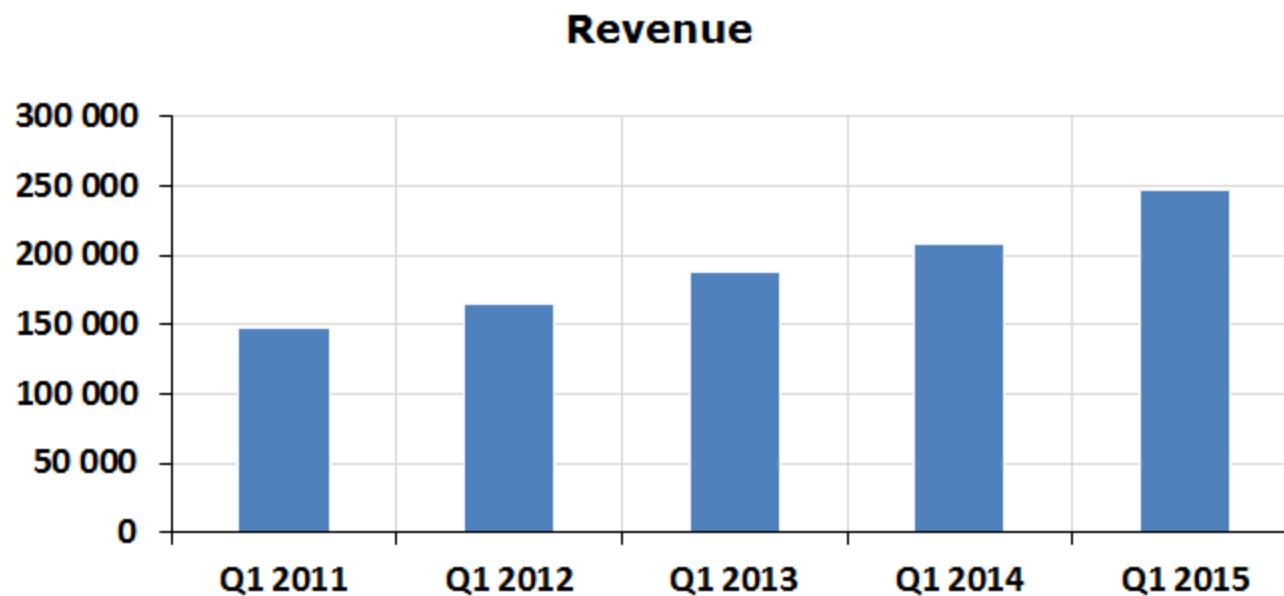
In thousands of PLN

Financial Results Q1 2015

Comarch SA	Q1 2015	Q1 2014
Revenue	182 017	138 202
Operating profit	22 257	7 131
Net profit	24 106	7 055

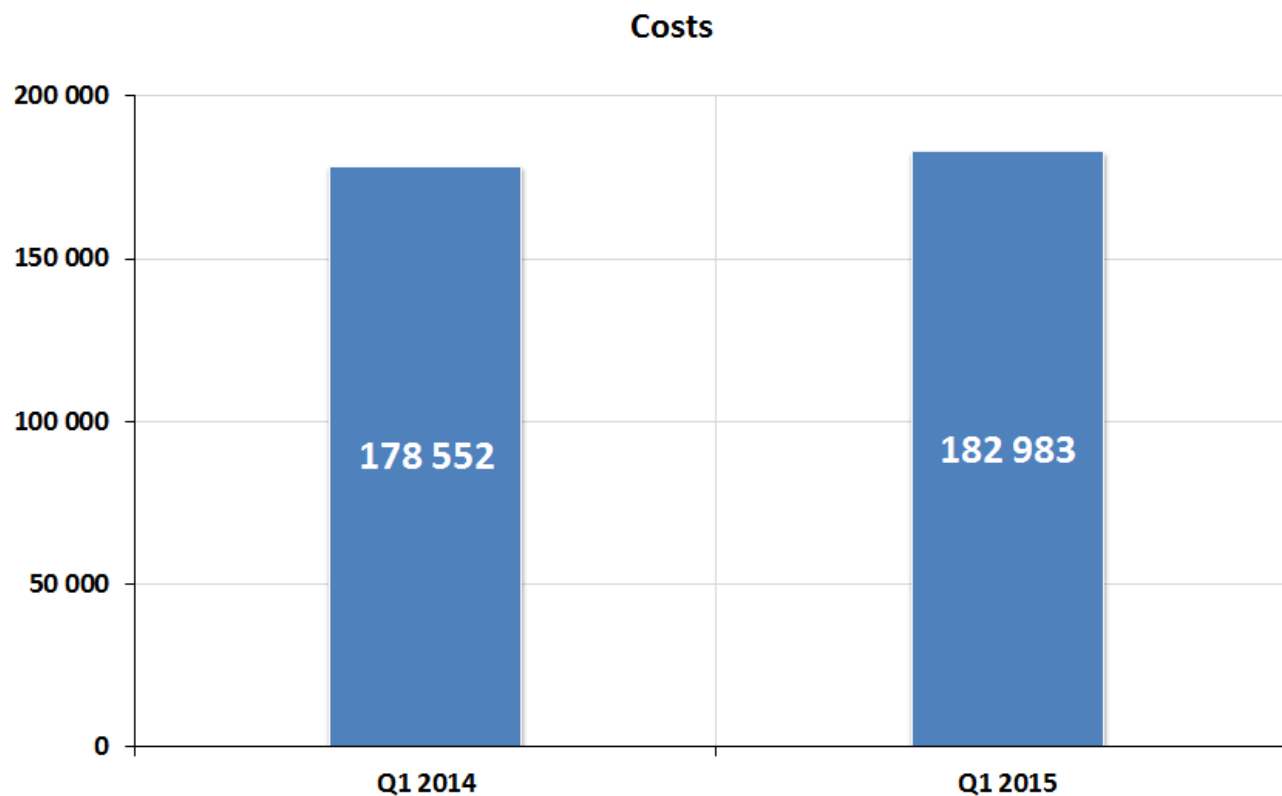
In thousands of PLN

Revenue Q1 2015



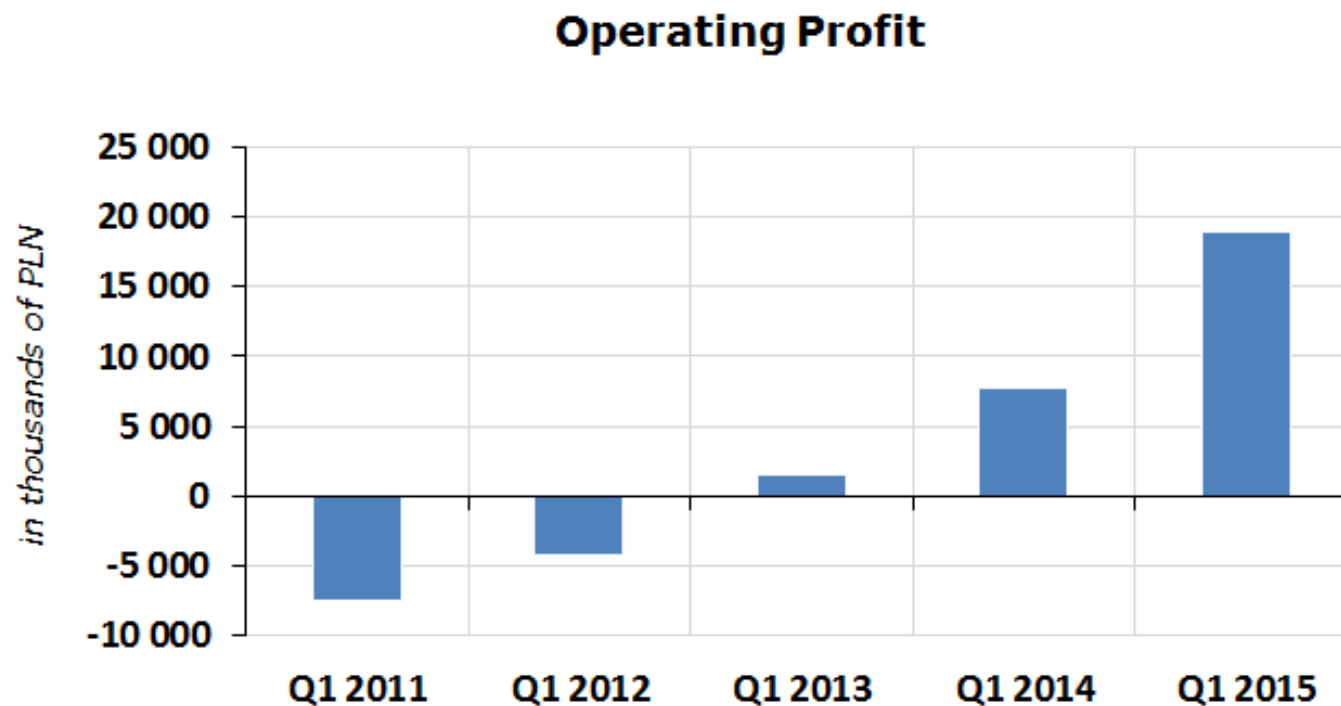
In thousands of PLN

Operating Costs Q1 2015

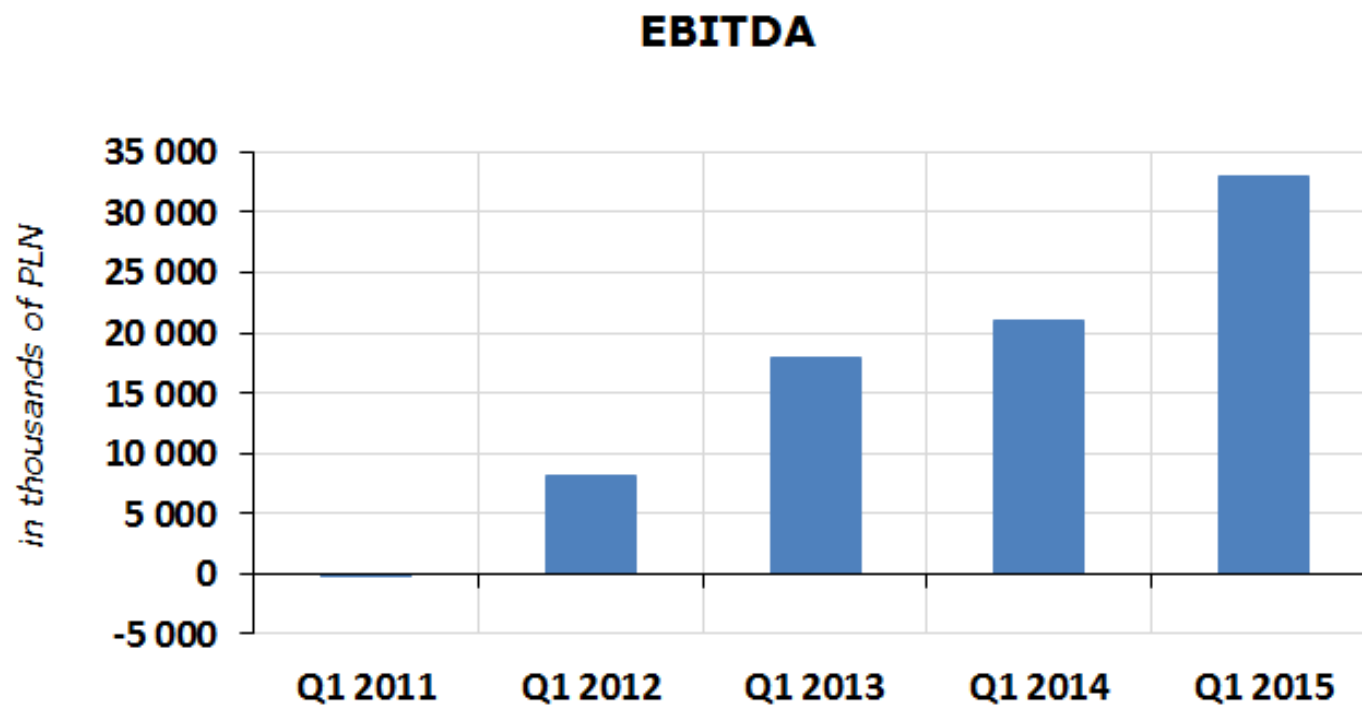


In thousands of PLN

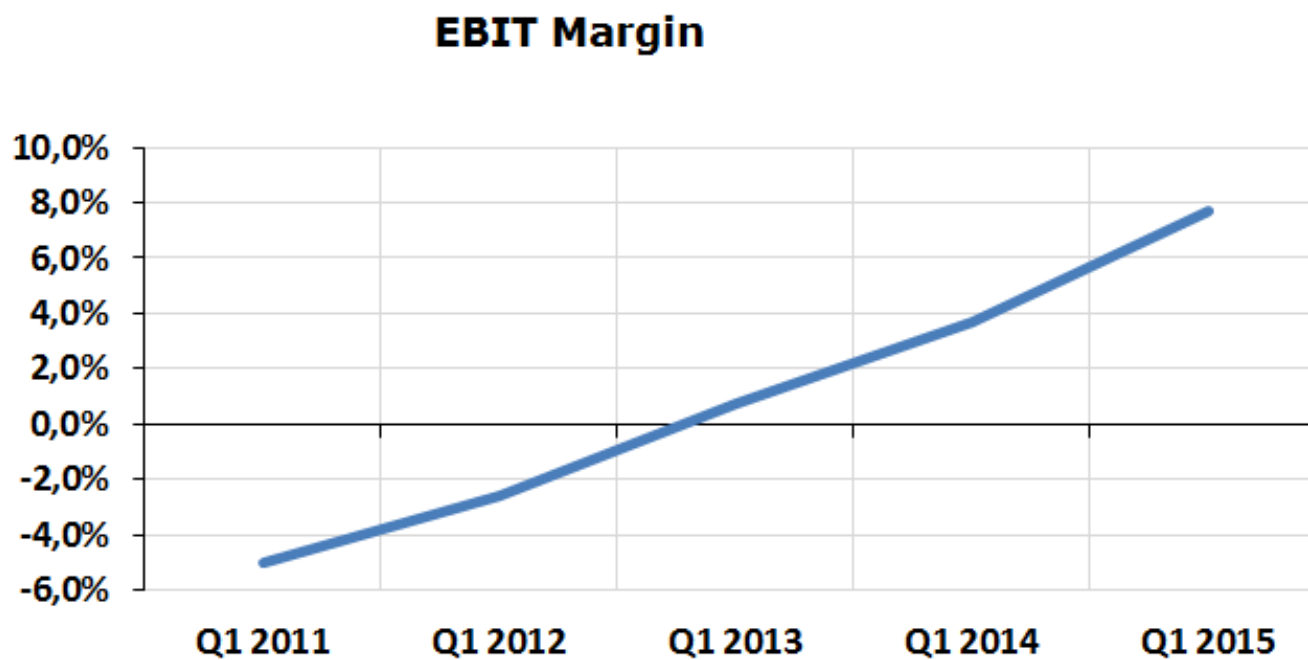
Operating Profit Q1 2015



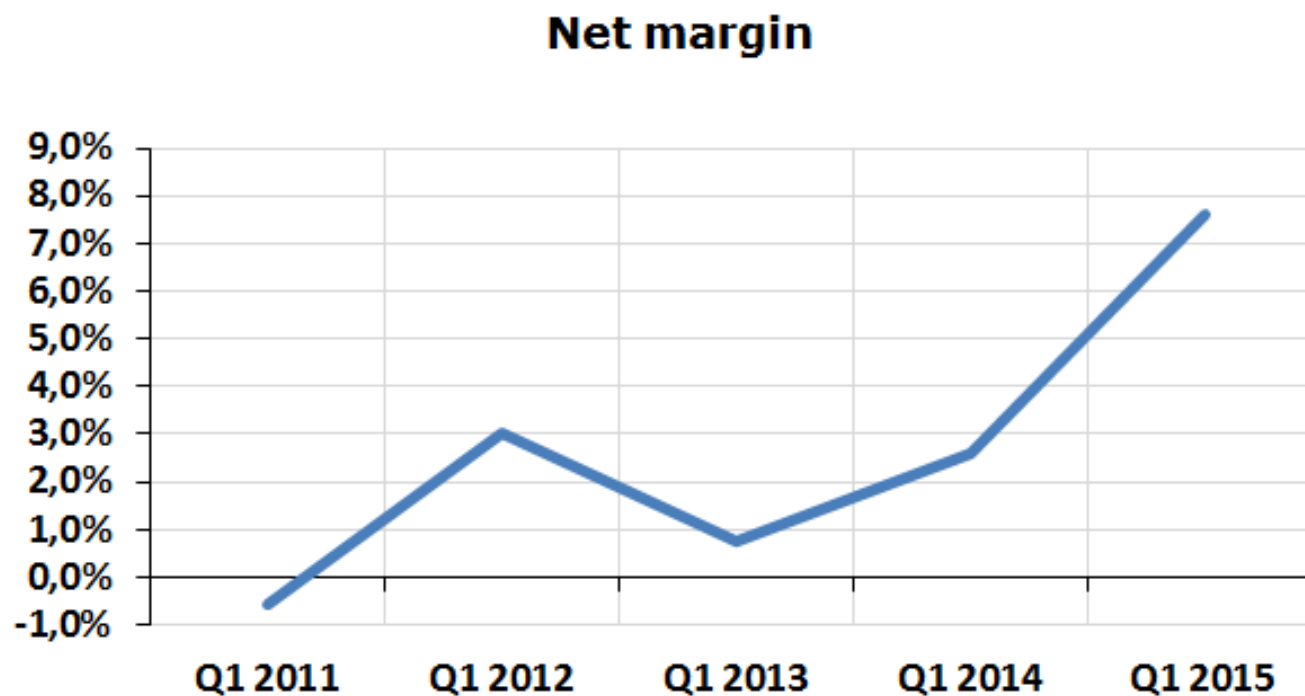
EBITDA Q1 2015



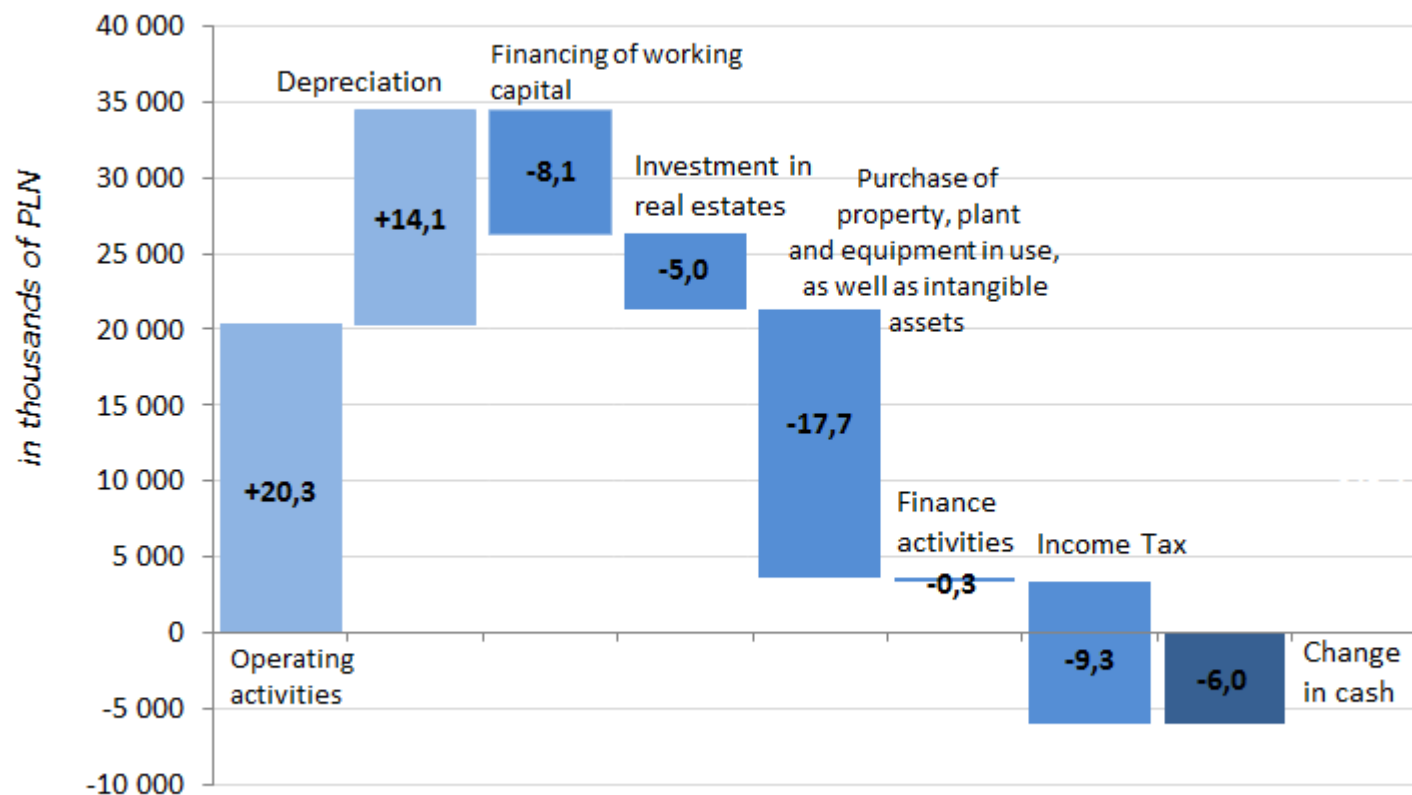
EBIT Margin Q1 2015



Net Margin Q1 2015



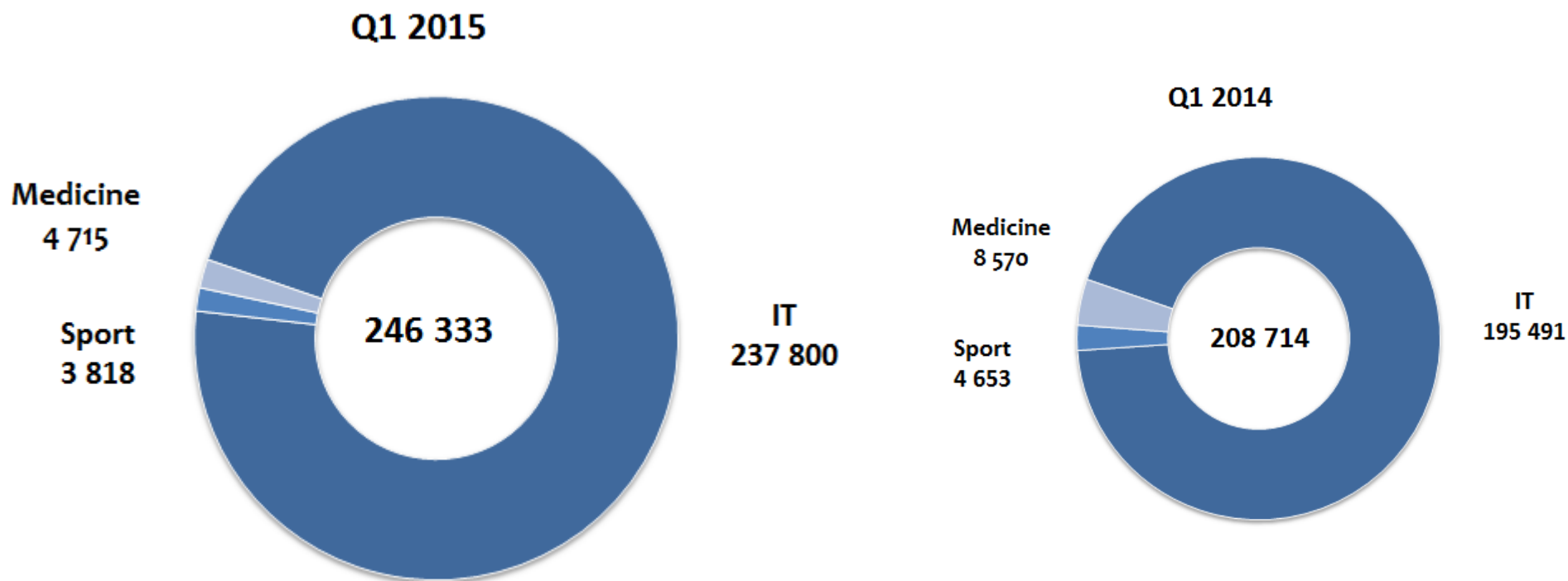
Cash Flow Q1 2015



Agenda

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

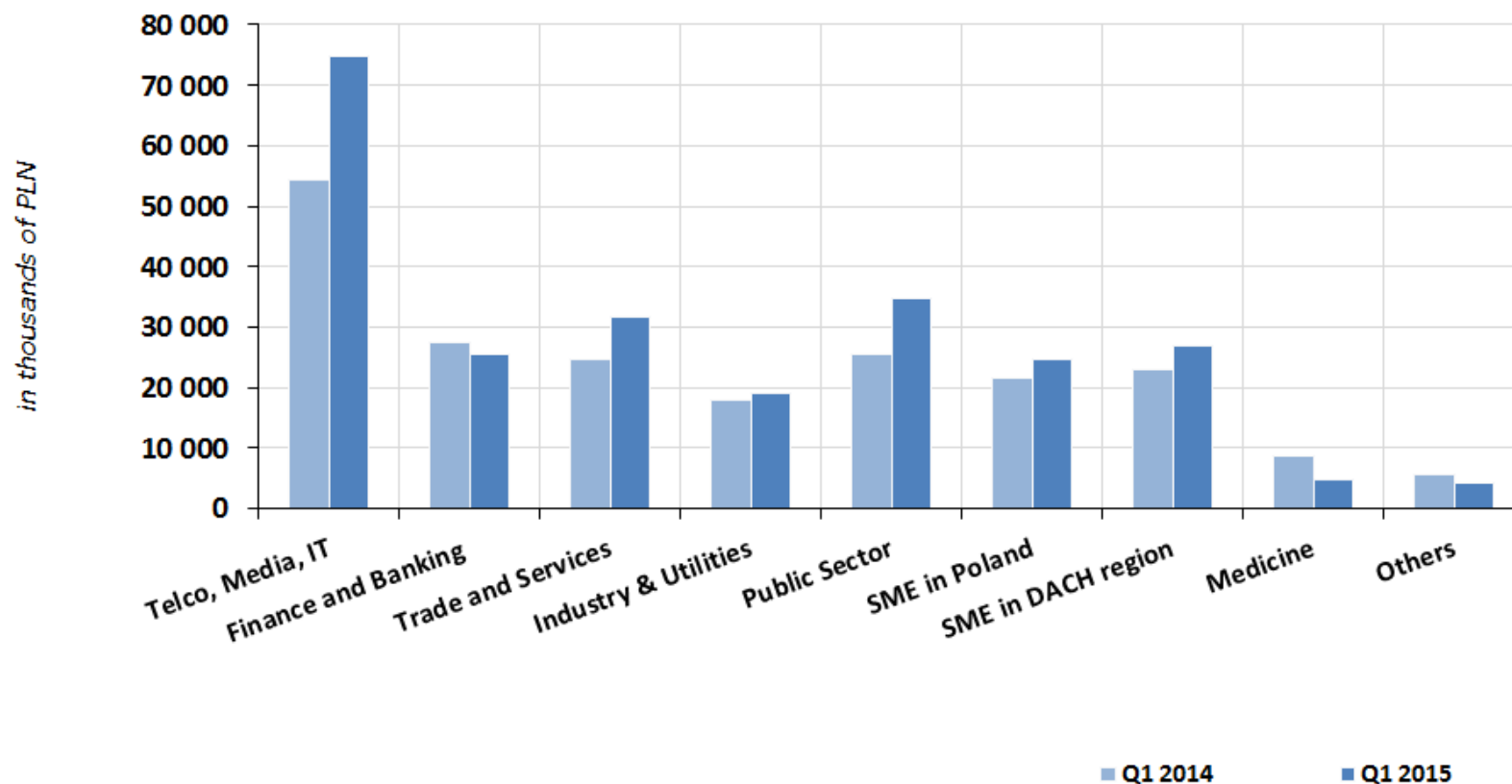
Market Sales Structure Q1 2015



In thousands of PLN

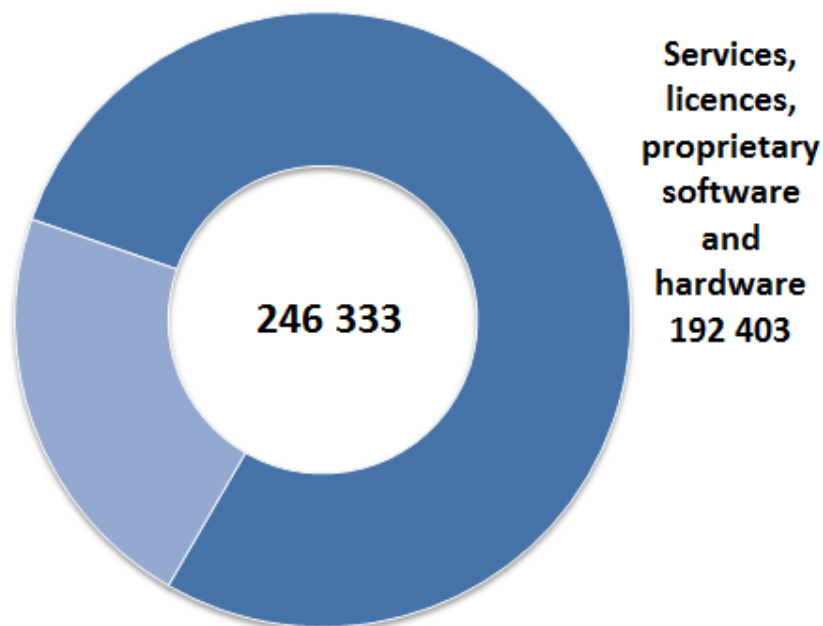
Market Sales Structure Q1 2015

Revenue from Sectors

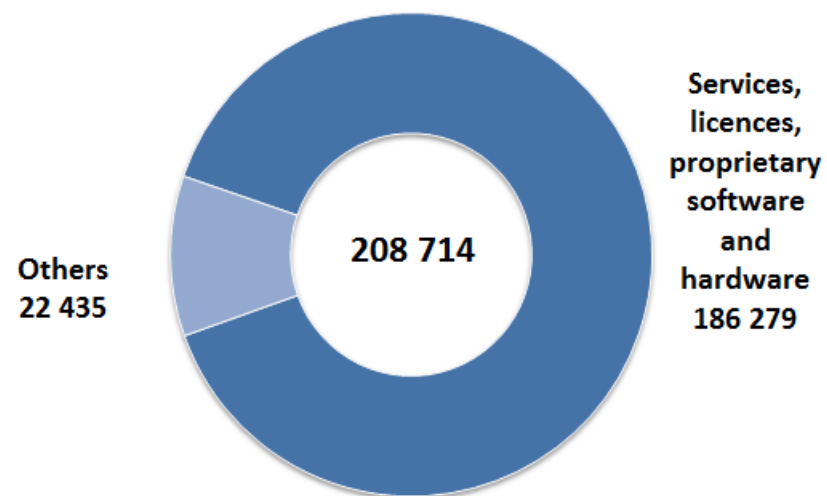


Products Sales Structure Q1 2015

Q1 2015



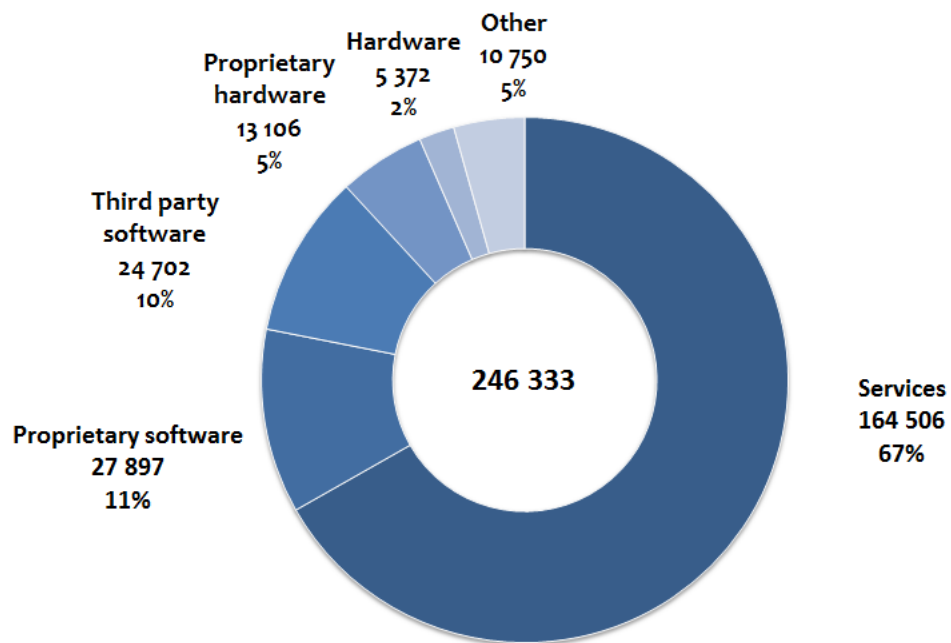
Q1 2014



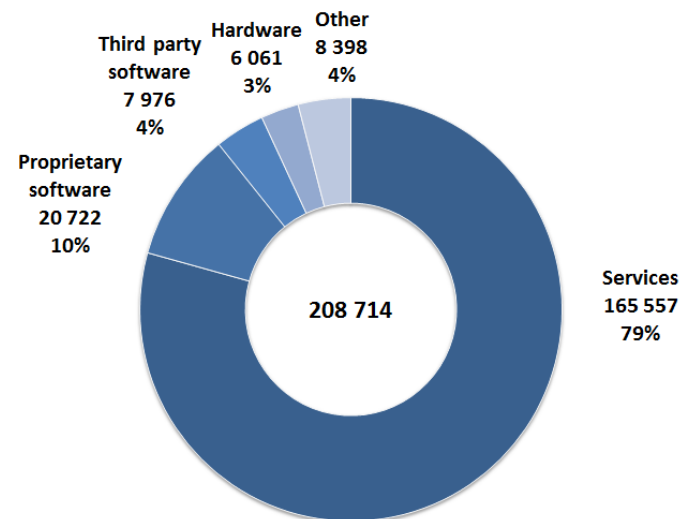
In thousands of PLN

Products Sales Structure Q1 2015

Q1 2015



Q1 2014



In thousands of PLN

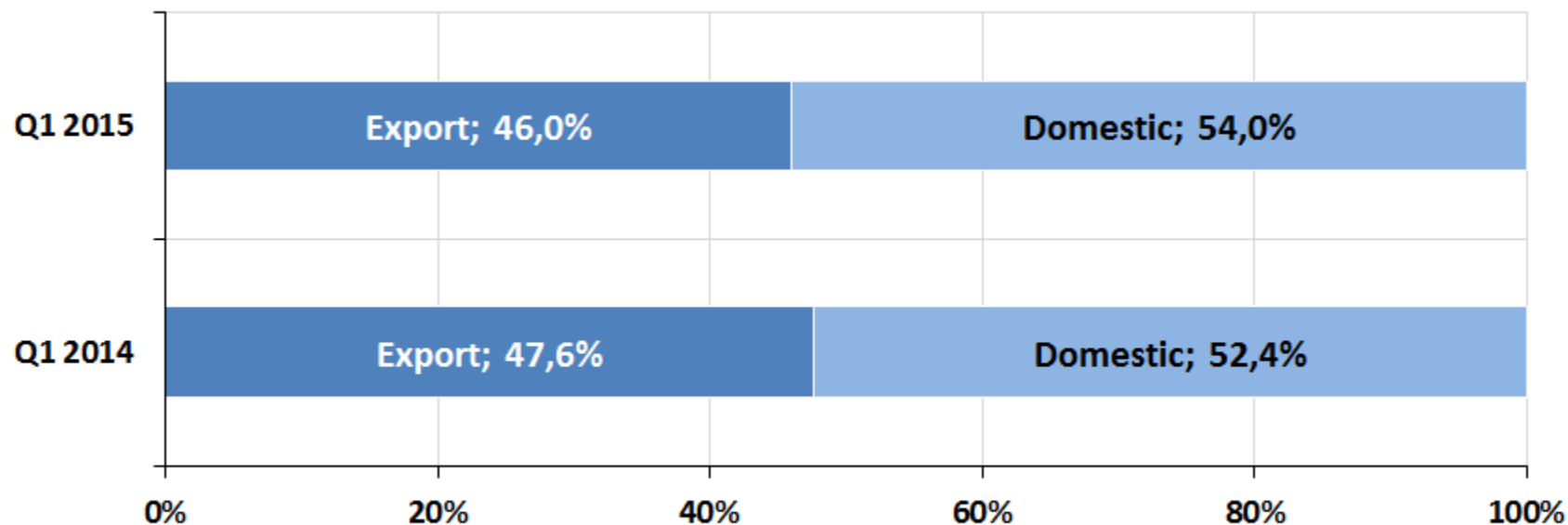
Products Sales Structure Q1 2015

Comarch Group	Q1 2015	%	Q1 2014	%
Services	164 506	66,8%	165 557	79,3%
Proprietary software	27 897	11,3%	20 722	10,0%
Third party software	24 702	10,0%	7 976	3,8%
Proprietary hardware	13 106	5,3%	-	0,0%
Hardware	5 372	2,2%	6 061	2,9%
Other	10 750	4,4%	8 398	4,0%
Total	246 333	100,0%	208 714	100,0%

In thousands of PLN

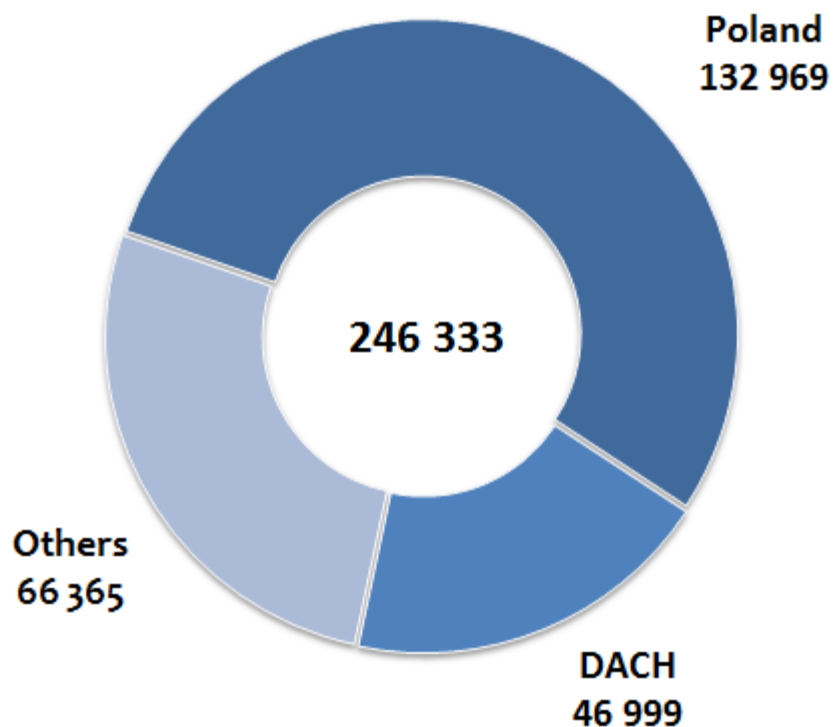
Geographical Sales Structure Q1 2015

Sales Structure Q1 2015 vs Q1 2014

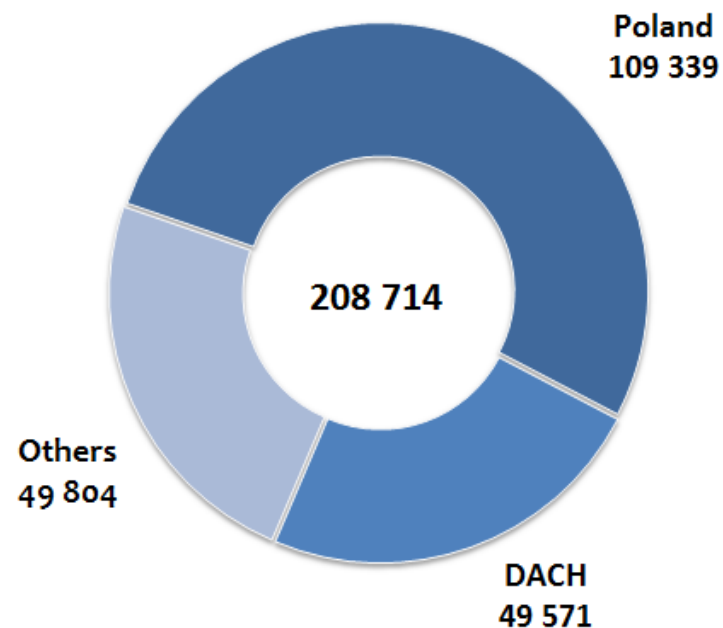


Geographical Sales Structure Q1 2015

Q1 2015



Q1 2014



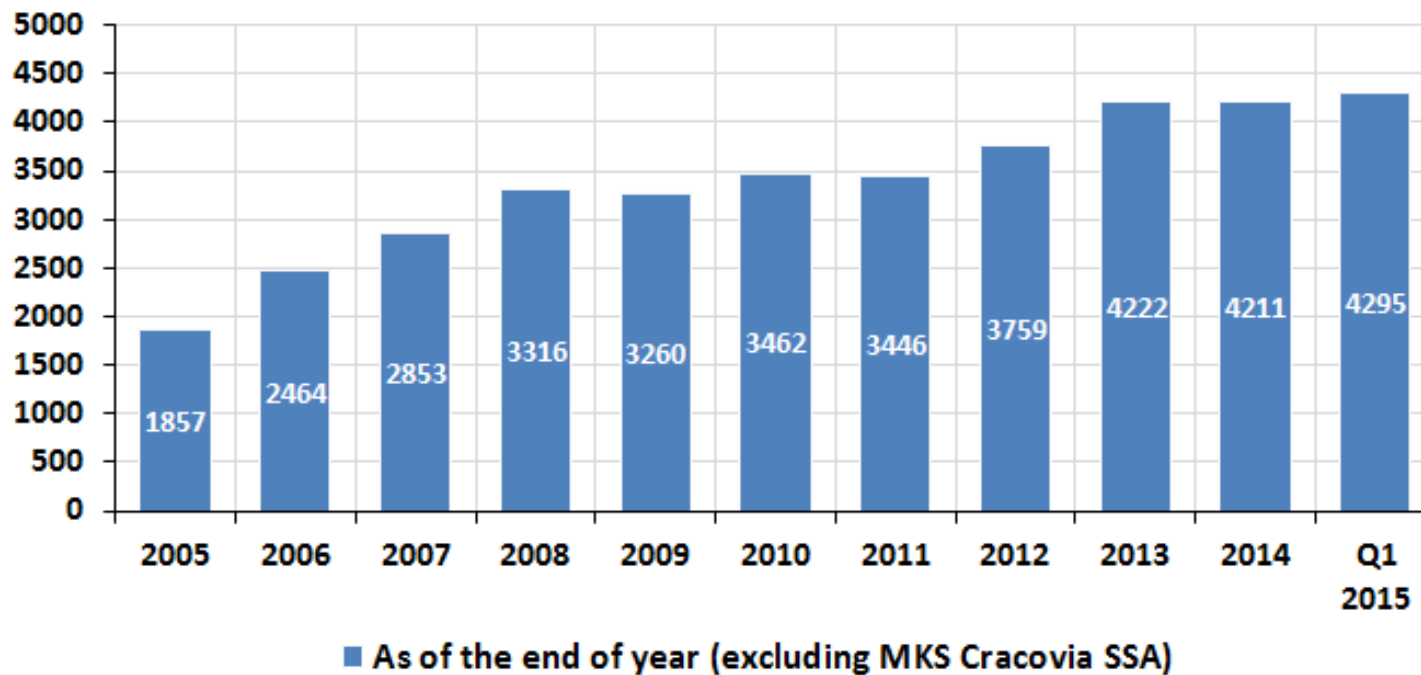
In thousands of PLN

Agenda

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

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

Human Resources



Employment Level

- The number of people hired in Q1 was increased according to our plan.
- As of **31 March 2015**, Comarch Group had 4,295 employees (excluding those hired by MKS Cracovia SSA), i.e. 84 persons more than as of 31 December 2014 (an increase of 2.0%)
- Continuous pressure on an increase in remuneration in IT sector

Agenda

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

Investment in Q1 2015

- Continuous high expenditures for R&D, especially within the frame of e-Health
- Continuation of SEZ6 investment in Krakow
 - Planned capital expenditures of PLN 63 million, incurred of approx. PLN 58.3 million
 - Completion of investment in Q2 2015
 - Workplaces for 350 employees
 - New Comarch Data Center
 - The production line Comarch IoT Lab
- New business sector Comarch Technologies
- New companies in Italy, Malaysia and Canada

Agenda

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

Q1 2015 Summary

- Growth in sales on foreign market (of 14.6%) and on domestic market (of 21.6%)
- Sales of proprietary hardware amounted to PLN 13.1 million in Q1 2015, the year earlier Comarch Group had not provided such type of sales
- Third party software increased by PLN 16.7 million, i.e. 209.4%
- An increase of operating costs had been slower than the growth in revenues, and as a consequence there was an improvement of profit margin on core activity and an increase in EBITDA
- Employment level higher than that as of the end of 2014
- Expansion to new markets (Italy, Malaysia)

Plans for 2015

- Backlog's value on H2 2015 is lower compared to that in 2015
- Continuous development of foreign activity, especially in South America and Asia – Italy, Malaysia and Canada
- Completion of investment in SEE6 in Krakow, in Q2 commencement of investment in Łódź
- Business development of Comarch's branches outside Krakow



COMARCH

Thank you