

COMARCH

Financial Results H1 2014

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

1st of September, 2014, Krakow

Agenda

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

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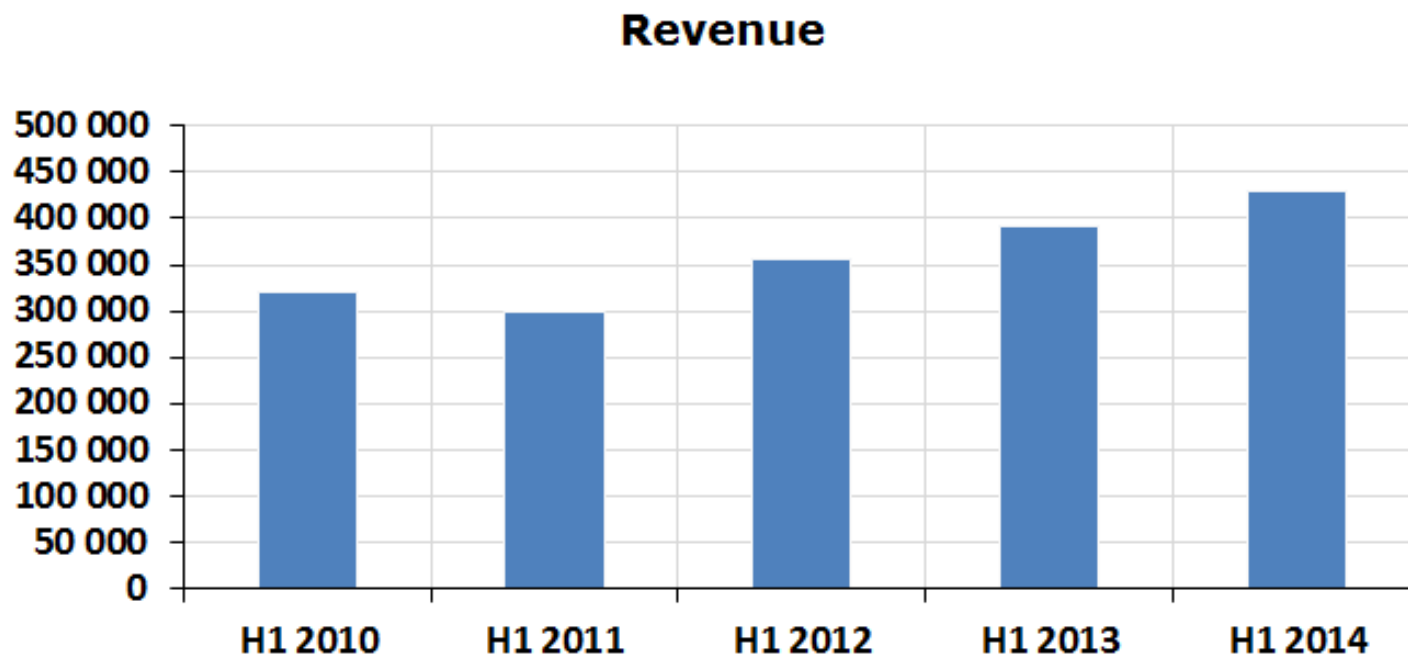
- **Financial Results**
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Financial Results H1 2014

	H1 2014	H1 2013
Revenue	429 677	391 701
Operating profit	20 823	2 928
Net profit attributable to the company's shareholders	13 353	2 397

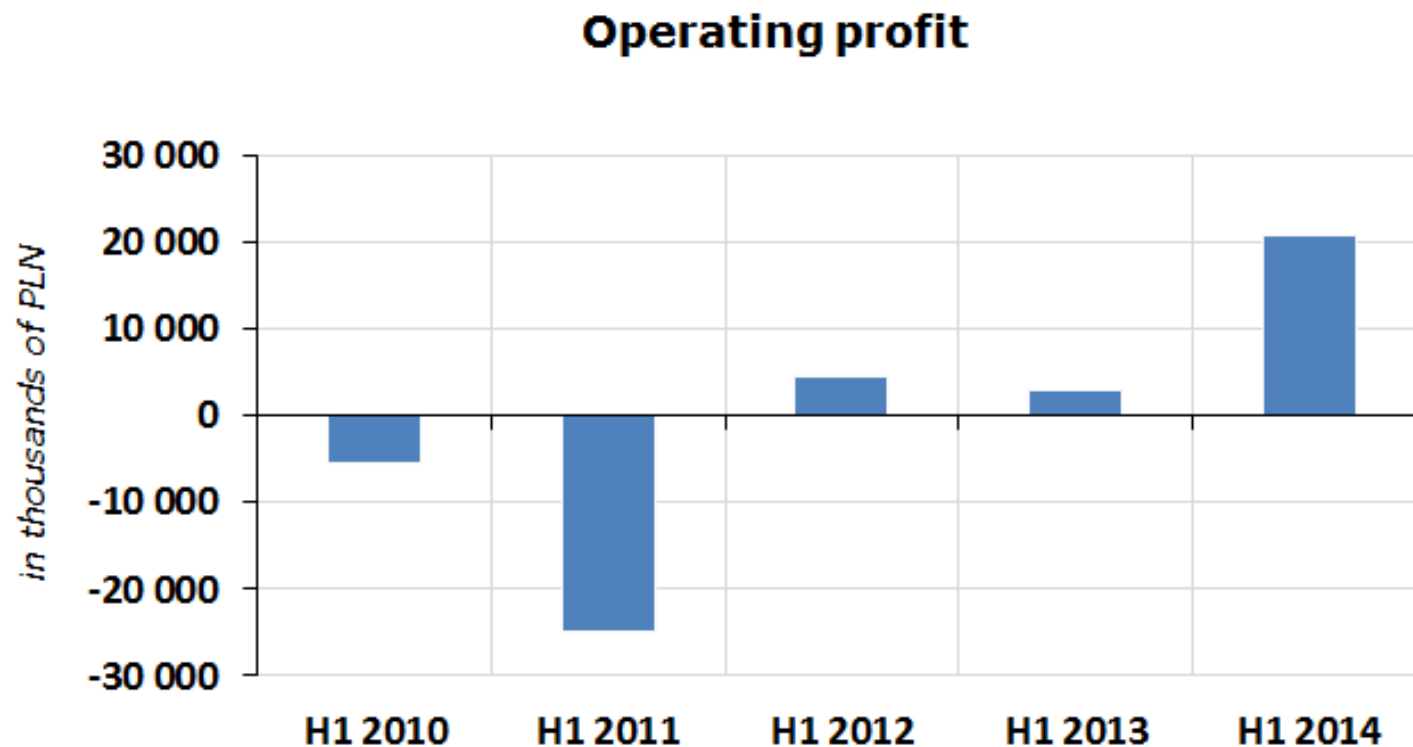
In thousands of PLN

Revenue H1 2014



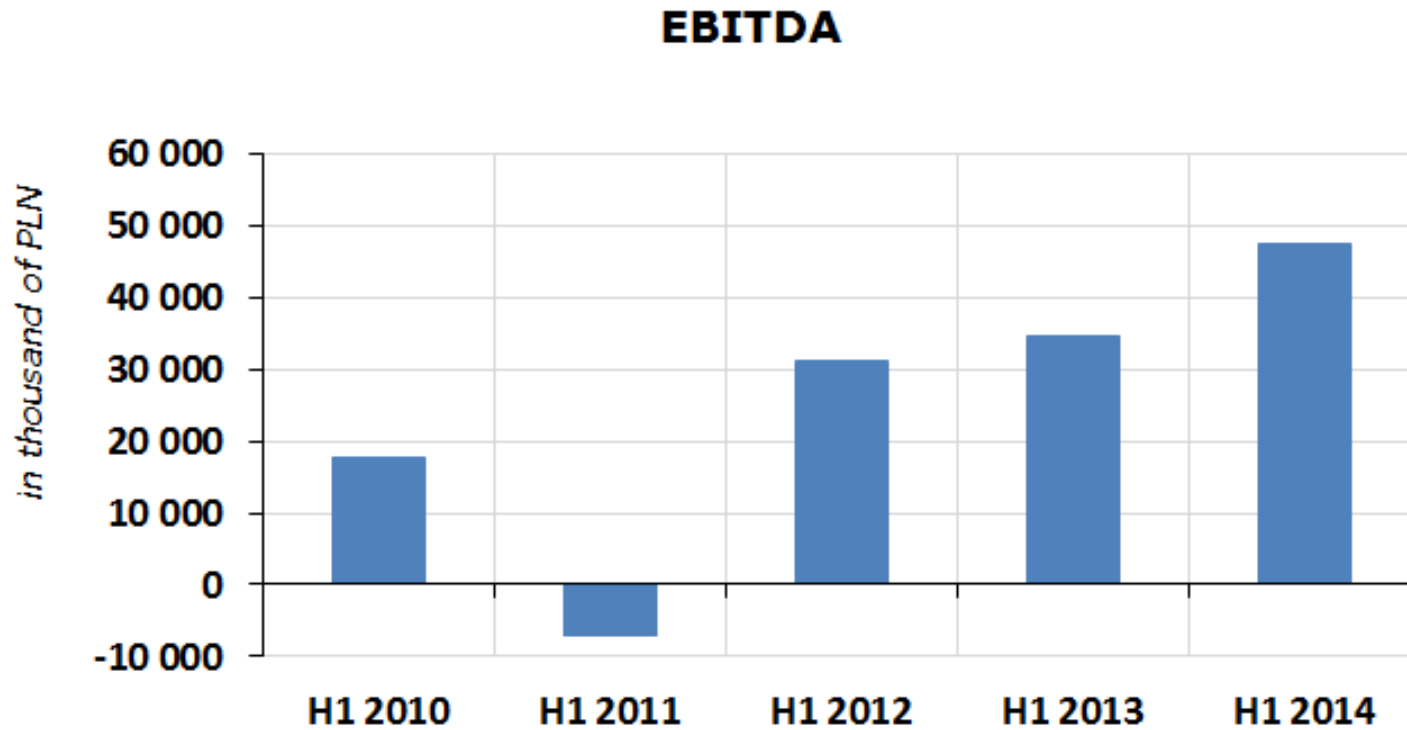
In thousands of PLN

Operating Result H1 2014

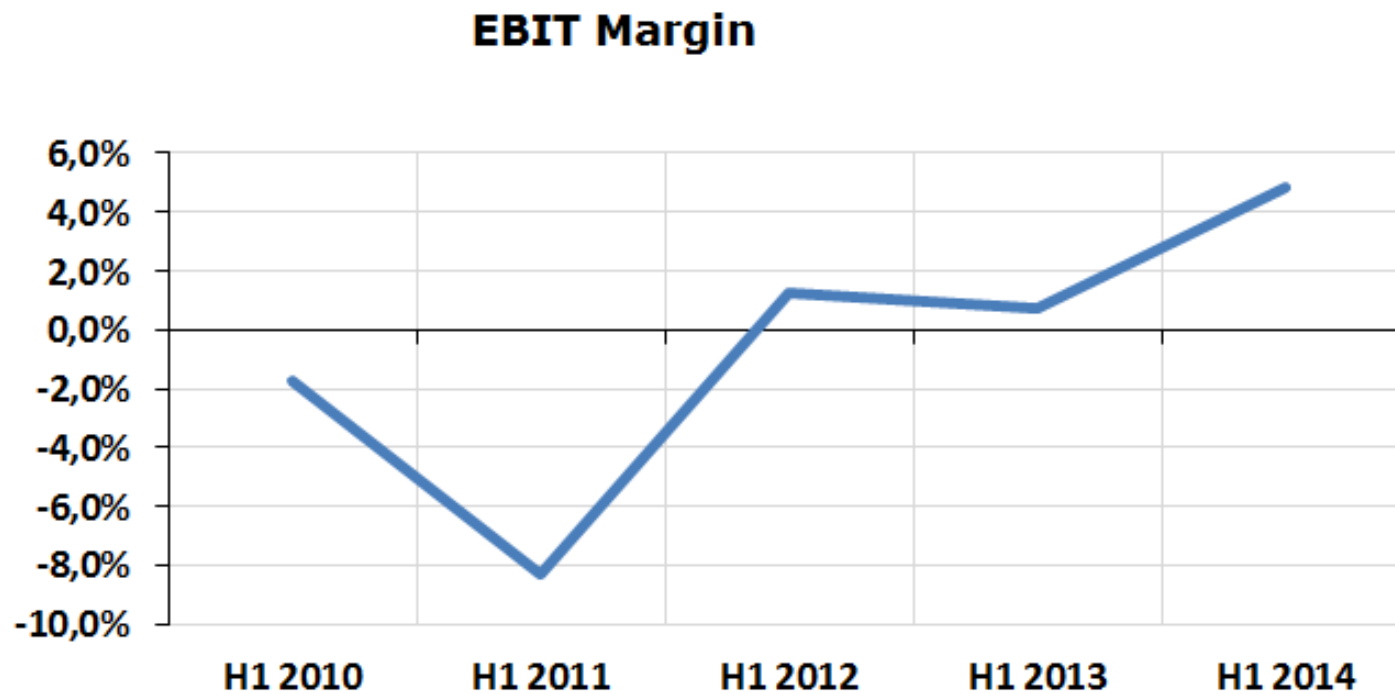


In thousands of PLN

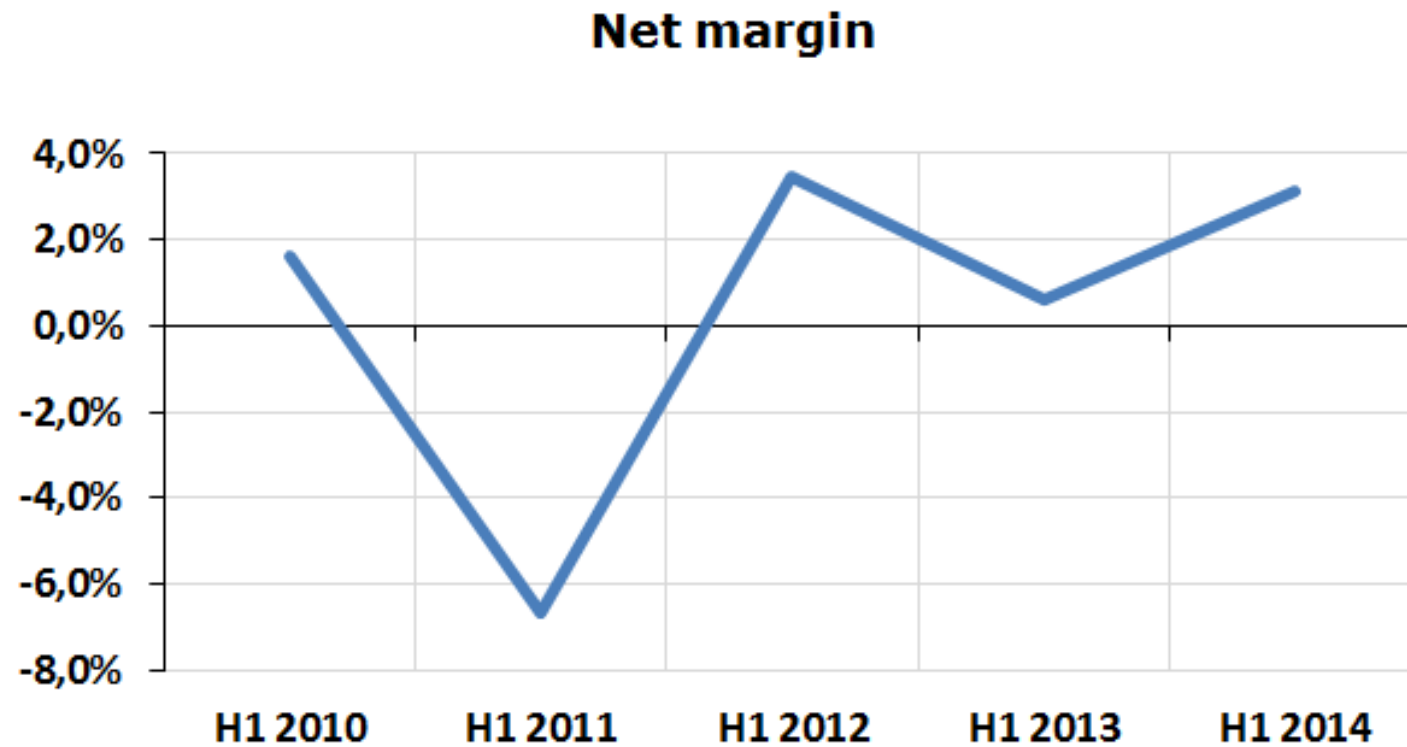
EBITDA H1 2014



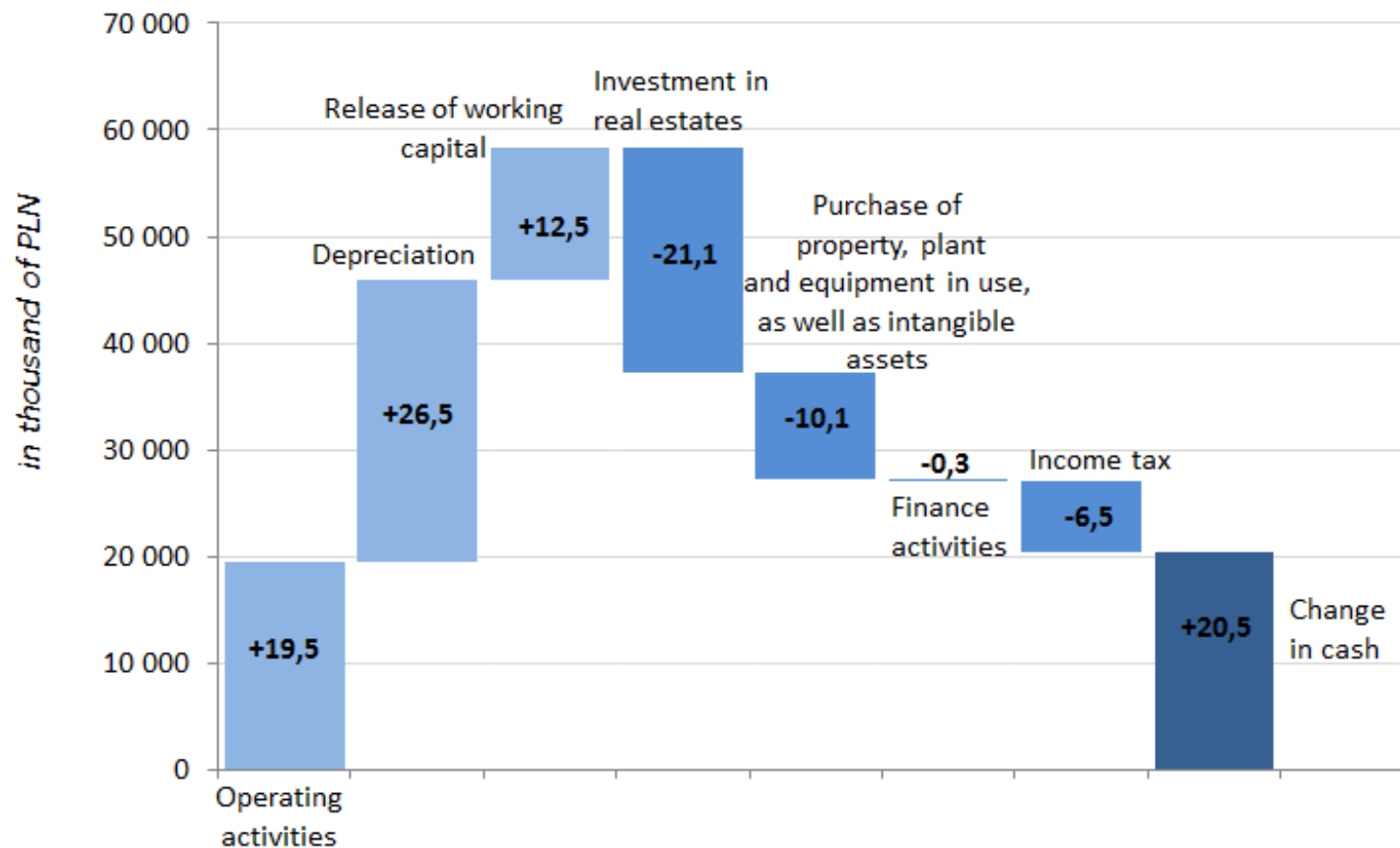
EBIT Margin H1 2014



Net Margin H1 2014



Cash Flow H1 2014

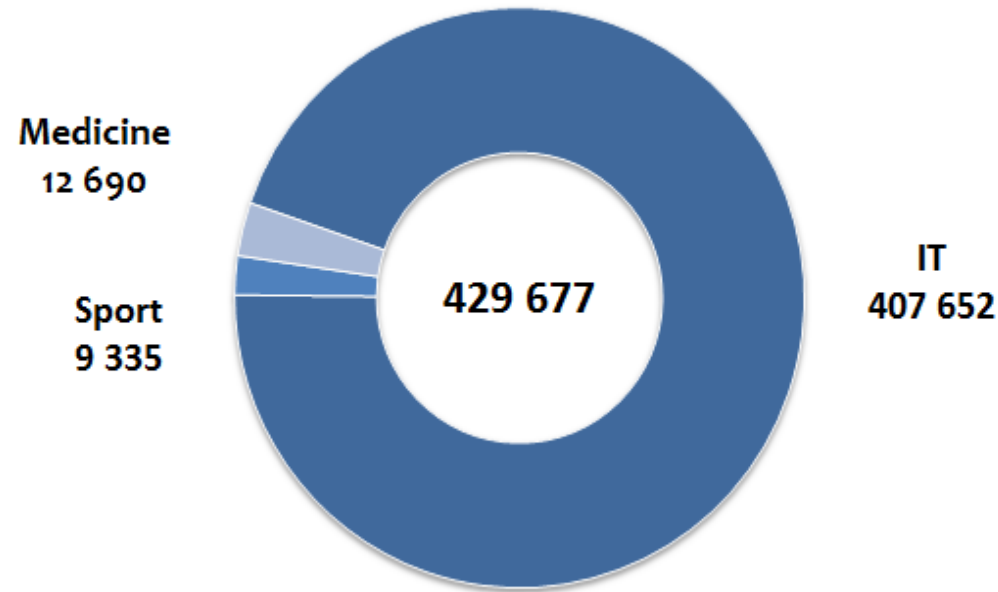


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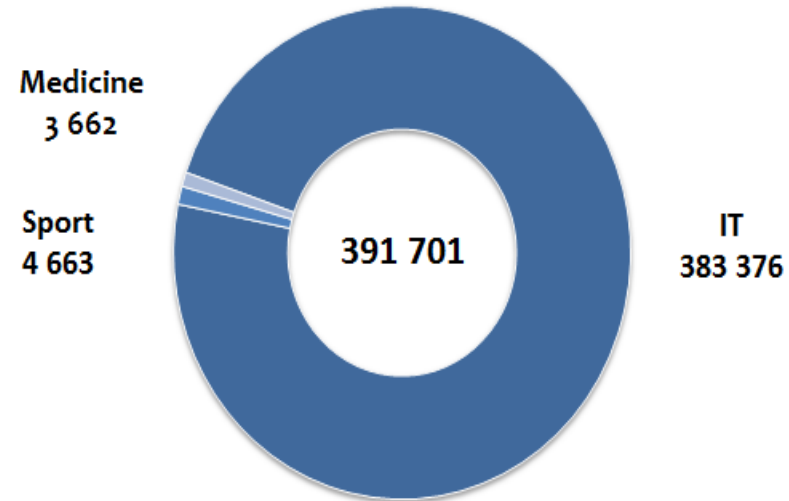
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Market Sales Structure H1 2014 and H1 2013

H1 2014

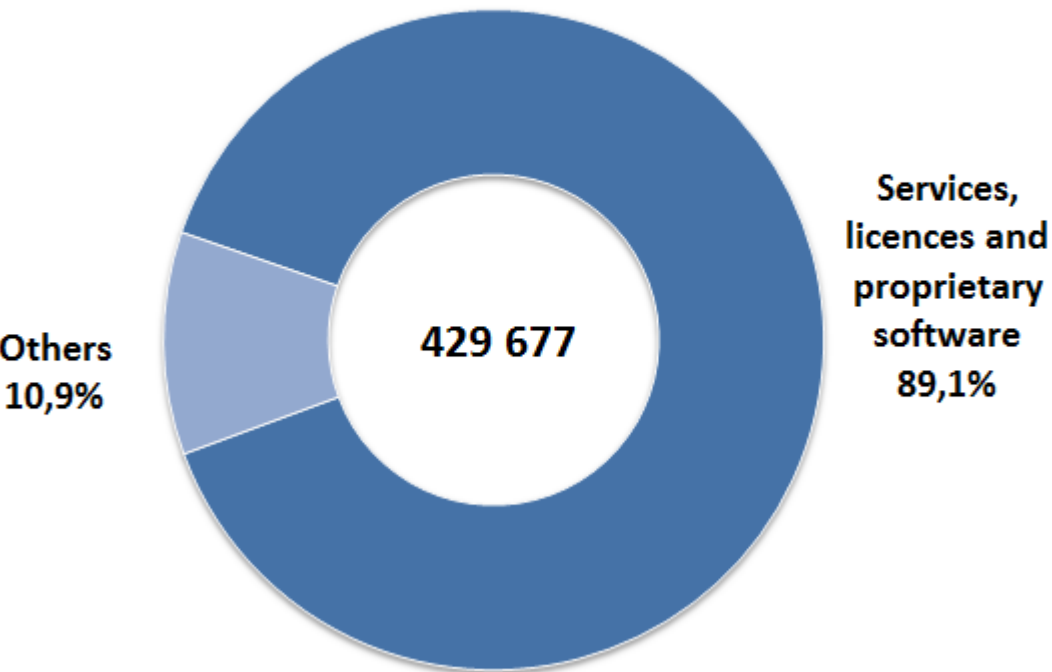


H1 2013

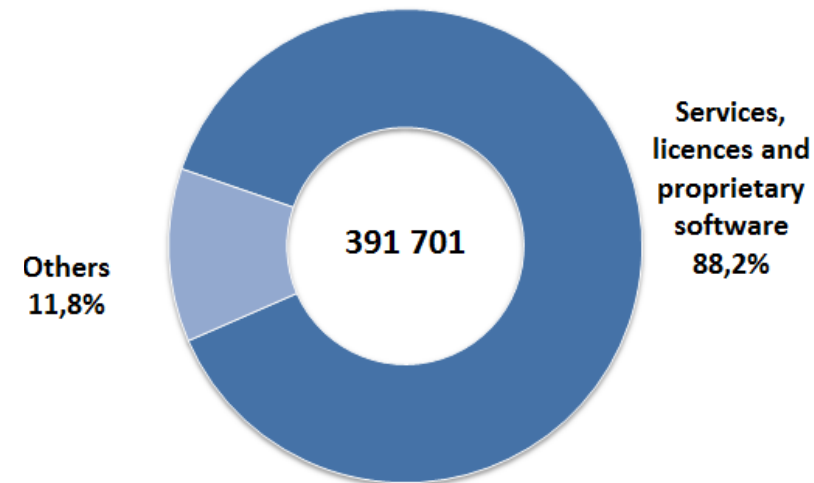


Products Sales Structure H1 2014 and H1 2013

H1 2014



H1 2013

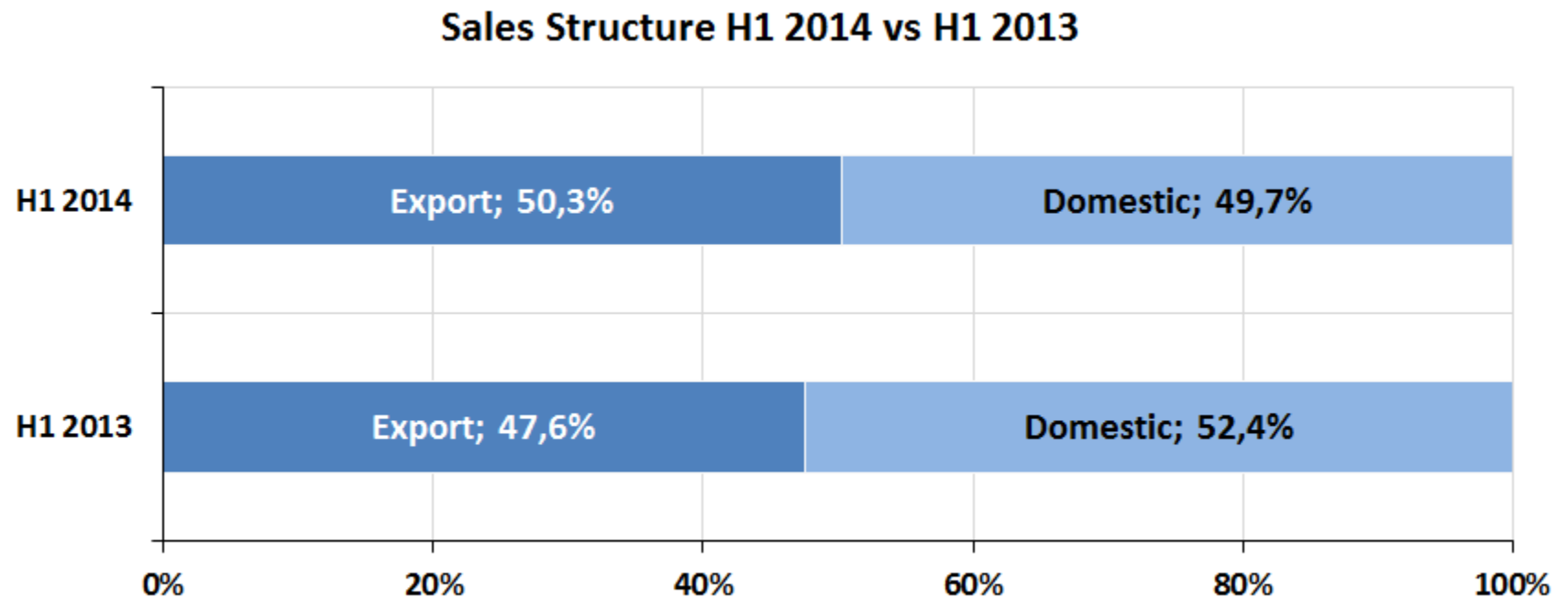


Products Sales Structure H1 2014 and H1 2013

Comarch Group	H1 2014	%	H1 2013	%
Services	336 690	78,4%	312 027	79,7%
Proprietary software	46 180	10,7%	33 338	8,5%
Third party software	20 609	4,8%	28 159	7,2%
Hardware	7 742	1,8%	6 716	1,7%
Other	18 456	4,3%	11 461	2,9%
Total	429 677	100,0%	391 701	100,0%

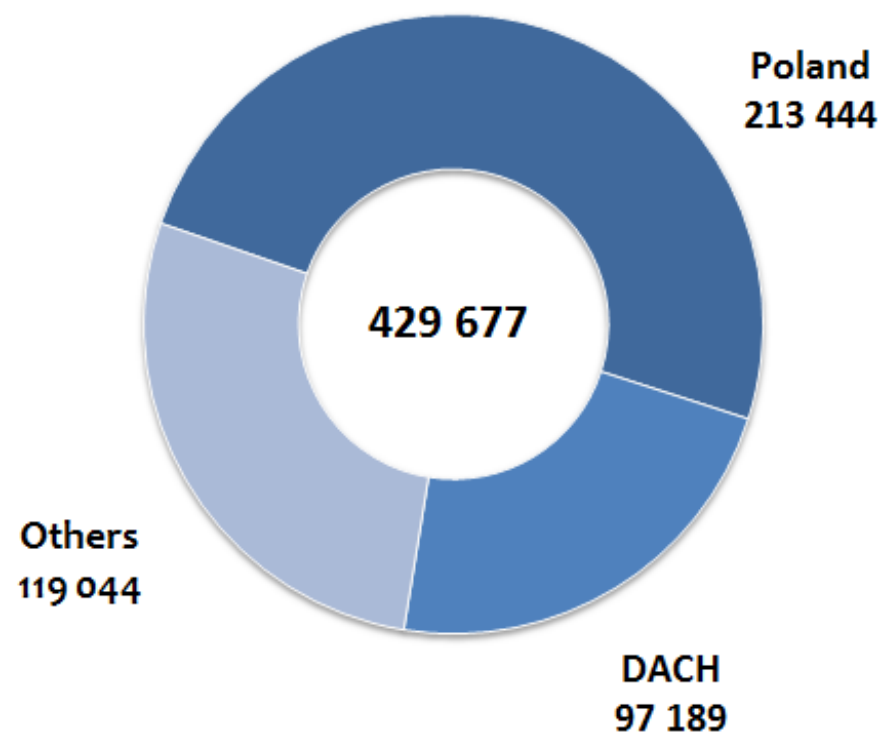
In thousands of PLN

Geographical Sales Structure H1 2014 and H1 2013

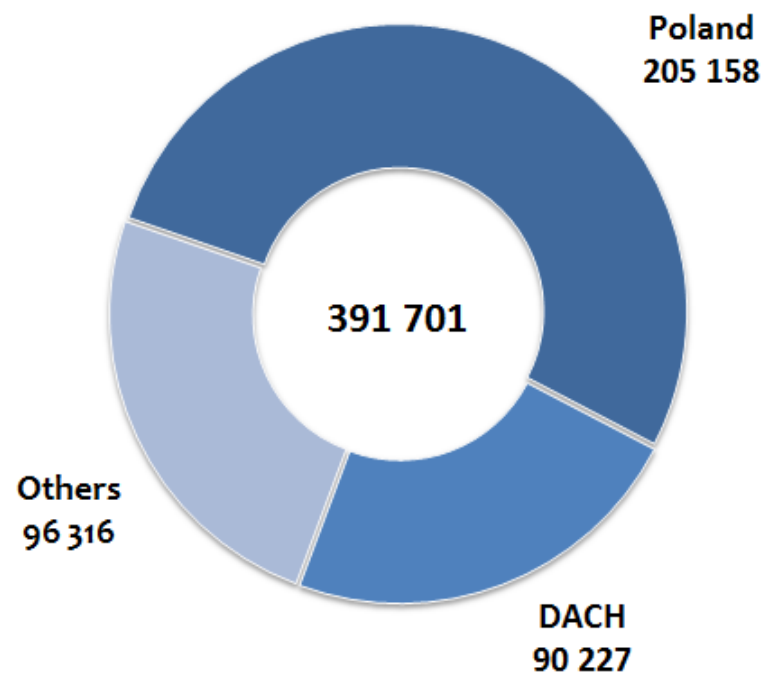


Geographical Sales Structure H1 2014 and H1 2013

H1 2014



H1 2013

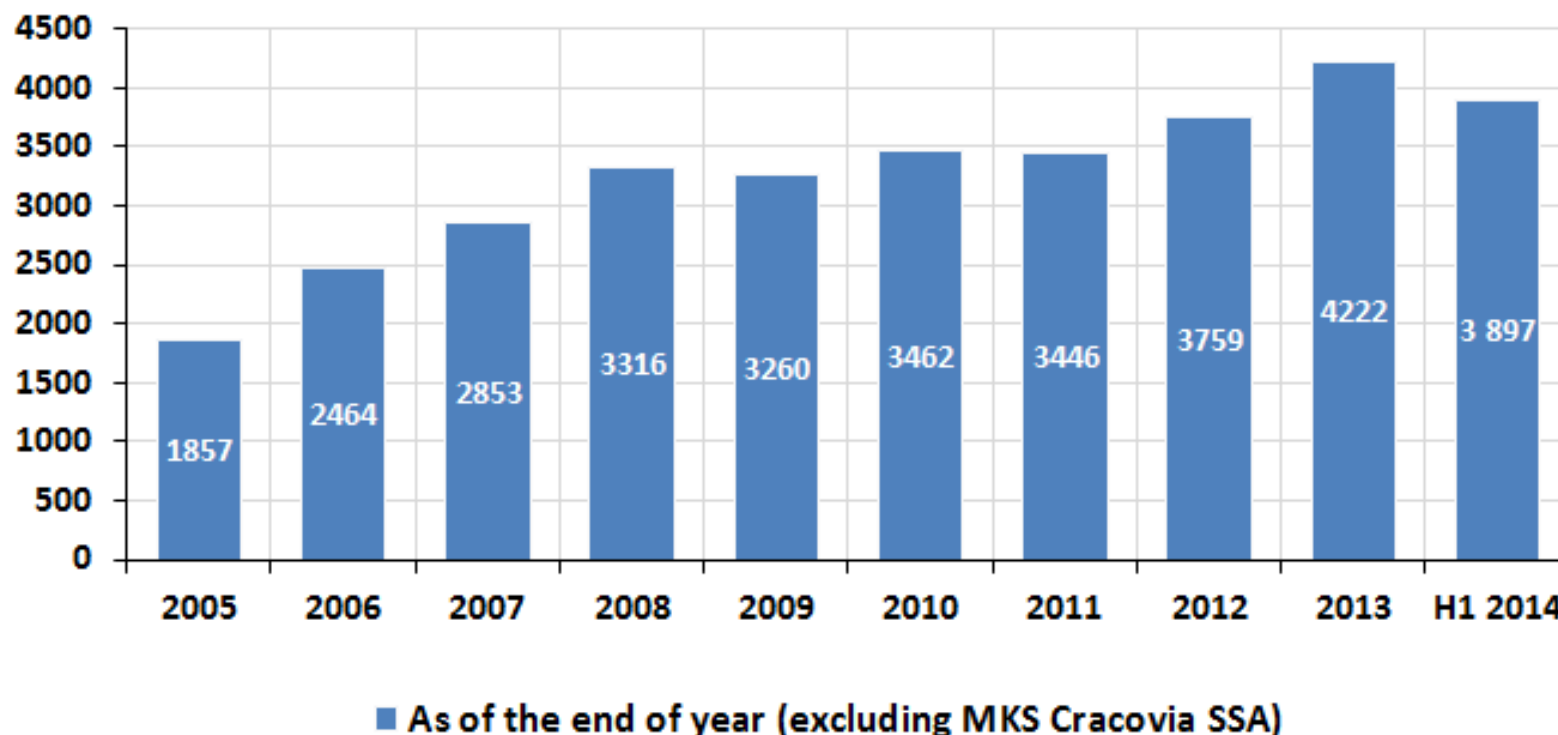


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Employment in Comarch Group (excluding employees in MKS Cracovia SSA)

Human Resources



Employment Level

- As of **30th of June, 2014**, Comarch Group had 3,897 employees (excluding employees in MKS Cracovia SSA), i.e. 325 persons less than at the end of 2013 (a decrease of 7.7%).
- Comarch Group expects to increase the number of employees due to the planned conduct an annual program of summer internships for students and demand resulting from contracts already concluded or planned by the Group.
- Continuous pressure on an increase in remuneration in IT sector.

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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
 - Capital expenditures of 60 million PLN, incurred about 20 million PLN
 - Completion of investment in Q2 2015
 - Workplaces for 350 employees
 - New Comarch Data Center



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H1 2014 Situation Summary

- Growth in sales on foreign market (of 15.9%) faster than on domestic market (of 4.0%)
- Reducing the size of the workforce by 325 people after a significant increase in 2013
- Stabilization of operating costs, reduce the level of depreciation
- Improving the profitability of the core activity, EBITDA growth
- Further dynamic growth in sales in the Medicine Sector
- Political situation in Russia and Ukraine has inconsiderable impact on the Comarch Group (approximately 2% of Comarch Group sales)

Plans for H2 2014

- Backlog's value for the second half of 2014 makes probable sales growth in 2014 compared to 2013
- Planned increase in the number of employees
- Continuous development of foreign activity, increased significance level of Medicine sector
- Continuation of SSE6 investment in Krakow, ongoing preparatory activities associated with an investment in Łódź

COMARCH

Thank you