



CEO Jukka Ruuska

31 August 2018

Asiakastieto Group Plc

HALF YEAR FINANCIAL REPORT 1.1.–30.6.2018



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Creating Stronger FUTURE TOGETHER



BACKGROUND AND HISTORY

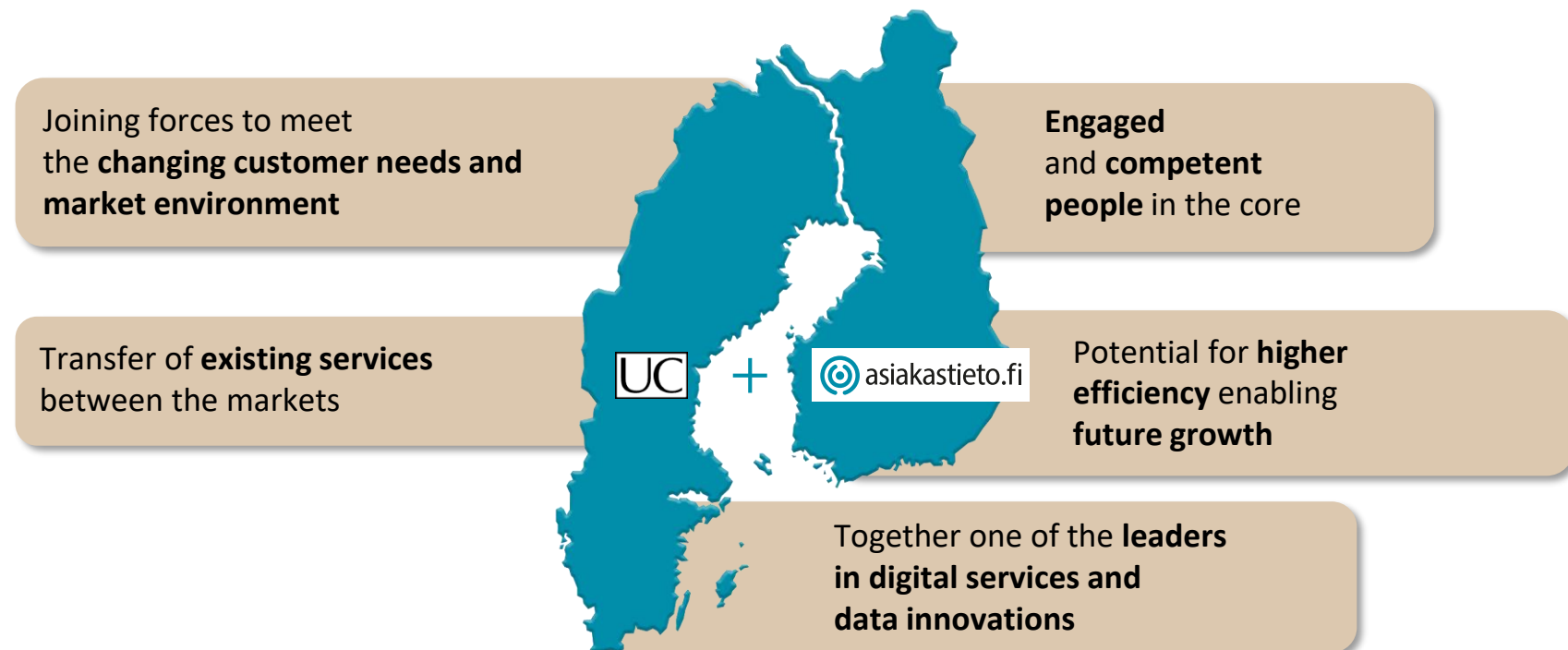


ASIAKASTIETO GROUP TODAY

- A leading business and consumer information service provider in Finland and Sweden
- Company brands
 - UC in Sweden
 - Asiakastieto in Finland
- International partner network in Europe and globally
- Listed on Nasdaq Helsinki
- Approx. 500 employees based in Finland and Sweden
- Pro Forma Net Sales for 2017 was 130 MEUR
- 70 000 customers within banking, finance, retail, public sector and small companies
- 400 000 consumers (private individuals)

ABOUT THE NEW COMBINATION

29 JUNE 2018



COMBINATION BENEFITING EMPLOYEES, CUSTOMERS AND SHAREHOLDERS

Employees

- A solid Group committed to invest in development and growth
- Unique journey to create a new Nordic company together
- Inspiring, respectful and passionate working community

Customers

- Competence base & resources to accelerate service development
- Ability to invest in new technologies and innovations such as AI
- Transfer of existing services between the markets

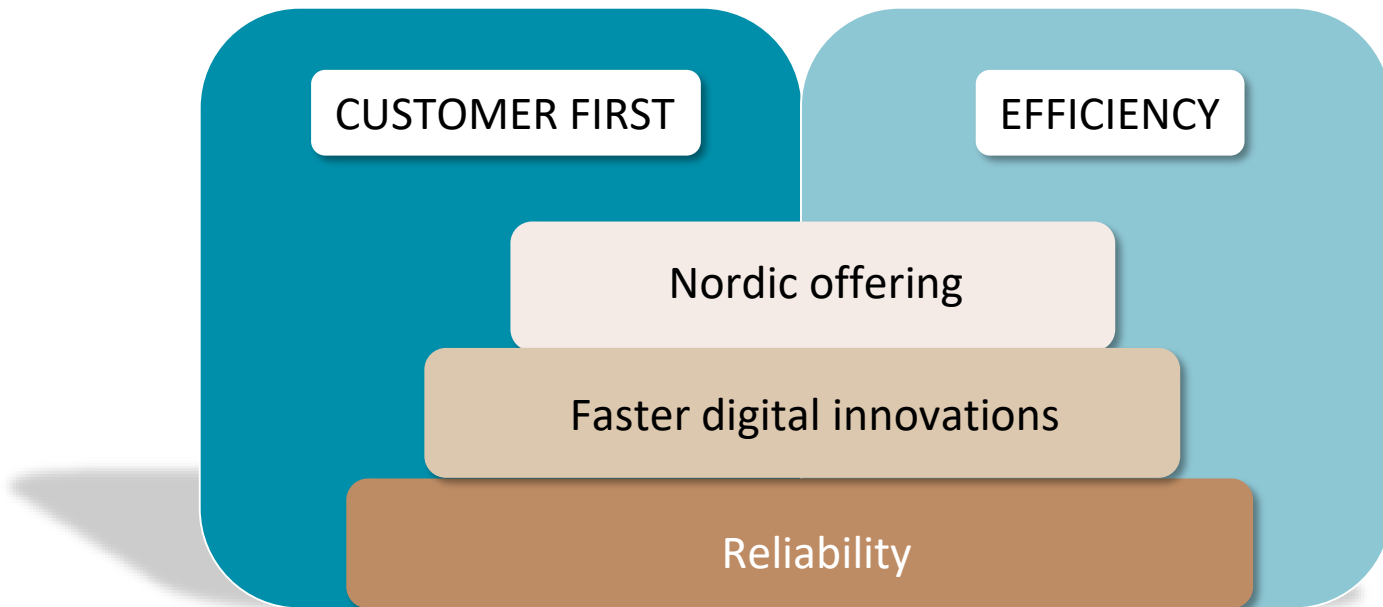
Shareholders

- Well positioned to leverage the market opportunity
- Increasing efficiency
- Shareholder value creation

 asiakastieto.fi

UC

CORNERSTONES OF THE GROUP STRATEGY



IMPLEMENTATION OF INTEGRATION

29 June 2018
AT + UC Combination

1 July 2018
Day1 organisation

1 October 2018
Target organisation

25 May 2018
Board of Directors
supplemented by the EGM

29 June 2018
New Management
Team

Significant synergies

- Significant cost synergies
- Considerable sales synergies
- Recurring capex savings

Estimated synergies ≥ 17 MEUR

Expected to be fully implemented by 2021

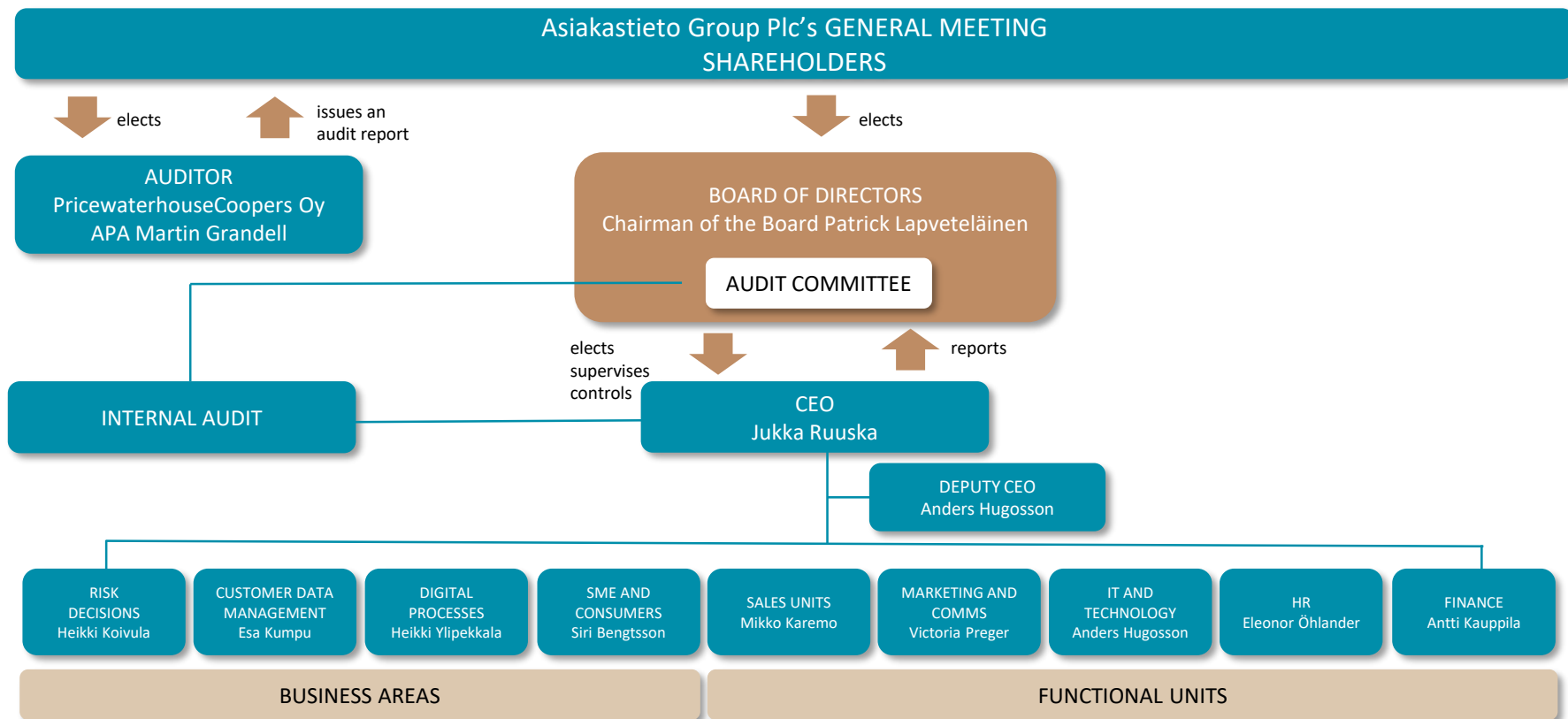
Considerable financial benefits

- Significant contribution from synergies
- Well positioned to tap on the existing growth opportunities with greater scale and resources

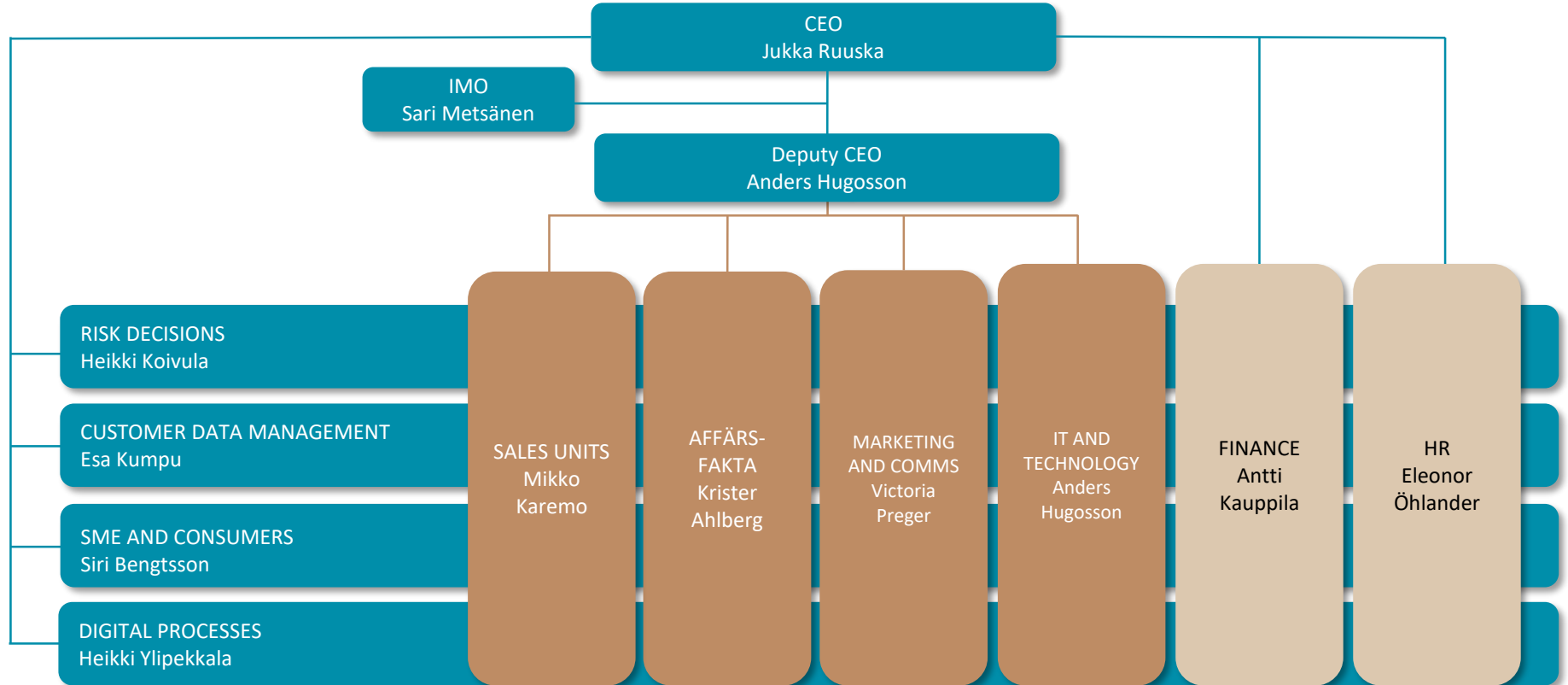
Accretive to EPS

From the first full calendar year following the completion of the transaction.

ADMINISTRATION AND MANAGEMENT



ORGANISATION



THE BOARD OF DIRECTORS



Patrick
Lapveteläinen
Chairman of the
BOD



Petri
Carpén



Bo
Harald



Nicklas
Ilebrand



Martin
Johansson



Carl-Magnus
Månsson



Anni
Ronkainen

THE EXECUTIVE TEAM



Jukka
Ruuska
CEO



Anders
Hugosson
Deputy CEO



Antti
Kauppila
CFO



Siri
Bengtsson



Mikko
Karemo



Heikki
Koivula



Esa
Kumpu



Victoria
Preger



Heikki
Ylipekkala



Eleonor
Öhlander

New Business Areas NORDIC PRODUCT OFFERING



BUSINESS AREAS

Decisioning services and solutions are used for general risk management, credit risk management, financial management, customer acquisition, decision-making, fraud and credit loss prevention as well as for gaining knowledge of and identifying customers.

Risk
Decisions

Digital
Processes

These services include real estate and apartment information, information about buildings and their valuation, solutions that help customers to automate their collateral management processes and digitalise the administration of housing purchases. Services are also used for compliance purposes, for instance to identify companies' beneficial owners and politically exposed persons.

Customer management services help sales and marketing professionals to improve the efficiency of their work and to boost customer management by providing target group tools, services for surveying potential customers, register updates and maintenance, as well as various target group extractions.

Customer
Data
Management

SME &
Consumers

Digital services for small and micro companies with easy-to-use applications and user interfaces for the evaluation of risks and sales potential, acquisition of other relevant information on customers and partners and proof of own creditworthiness. Services help consumers to better manage their finances, while protecting them from identity theft and fraud.

Overview Q2 / 2018



OVERVIEW OF Q2 / 2018

EUR million (unless stated otherwise)	Q2 / 2018	Q2 / 2017	FY 2017
Net Sales	15,7	14,4	56,2
Growth (year-on-year)	8,9 %	12,2 %	14,3 %
Adjusted EBITDA	6,6	6,6	24,8
Adjusted EBITDA margin	42,0 %	45,5 %	44,2 %
Adjusted EBIT	5,7	5,9	22,0
Adjusted EBIT margin	36,6 %	40,8 %	39,1 %
New products and services (% of Net Sales)	10,5	15,6	14,6
Value-added services (% of Net Sales)	71,5	70,6	69,2
EBITDA	2,0	6,5	24,3
EBIT	1,0	5,8	21,2

- 1 banking day more in Q2 / 2018 than in corresponding period. Daily Net Sales grew by 7,2 %.
- The adjusted EBITDA margin affected by sales mix, investments in IT systems and marketing of new services, as well as travel expenses as a result of the combination with UC.
- EBIT included items affecting comparability of EUR 4,6 million (EUR 0,1 million) mainly resulting from M&A and integration expenses relating to the acquisition of UC.

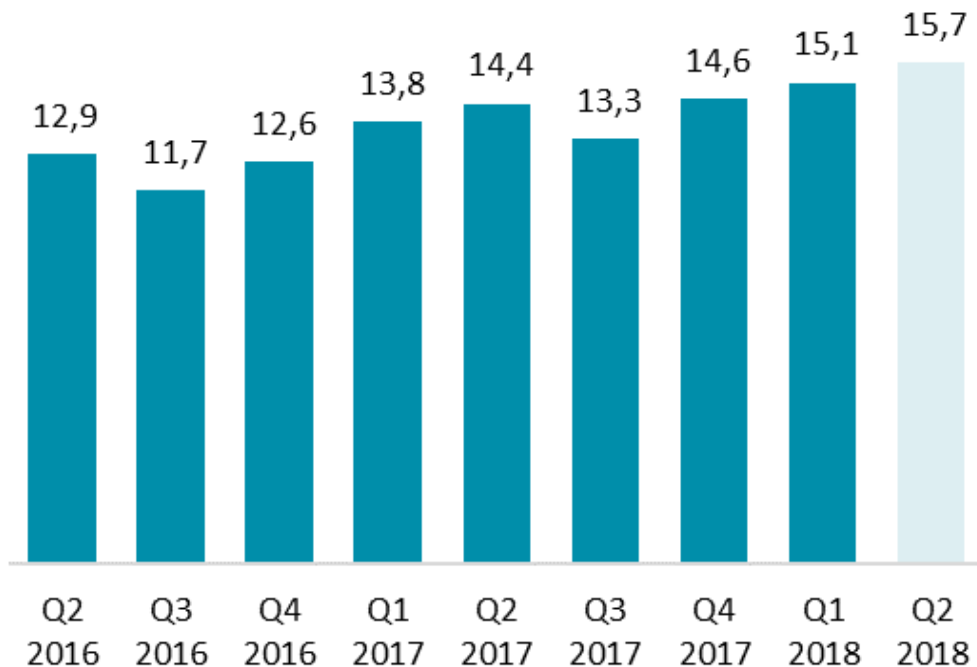
OVERVIEW OF Q2 / 2018 PRO FORMA

EUR million (unless stated otherwise)	Q2 / 2018	Q2 / 2017	FY 2017
Net Sales	34,1	31,9	129,6
Growth (year-on-year)	6,8 %	n/a	n/a
Adjusted EBITDA	9,7	10,1	43,1
Adjusted EBITDA margin	28,5 %	31,7 %	33,2 %
Adjusted EBIT	8,7	9,3	39,6
Adjusted EBIT margin	25,5 %	29,2 %	30,6 %
New products and services (% of Net Sales)	8,2 %	9,0 %	8,3 %
EBITDA	6,9	9,4	35,6
EBIT	3,2	5,8	20,9

- Net sales growth was +6,8 % at reported FX rates and +10,6 % at comparable FX rates.
- Adjusted EBITDA decreased by -4,1 % (-2,0 % at comparable FX rates).
- Margin mainly impacted by greater spending on not capitalized items (for example security).

QUARTERLY NET SALES

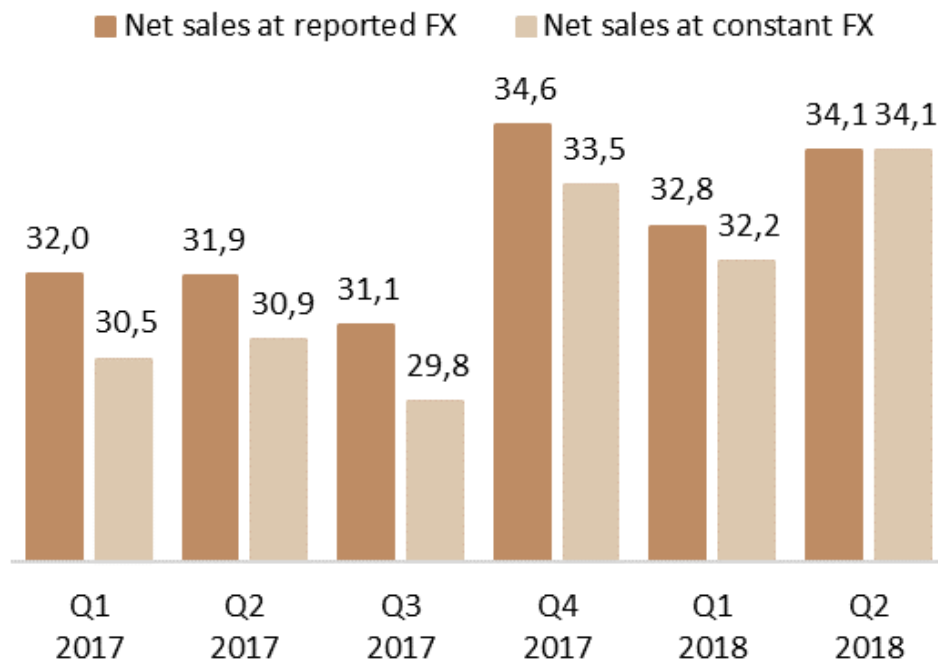
EUR million



- Net sales growth was 8,9%.
- Growth driven especially by the strong organic growth in Risk Decisions consumer risk management services.
- Customer Data Management net sales growth impacted by the acquisition of Emleri.

QUARTERLY NET SALES PRO FORMA

EUR million



- Net sales growth was +6,8 % at reported FX rates and +10,6 % at comparable FX rates.

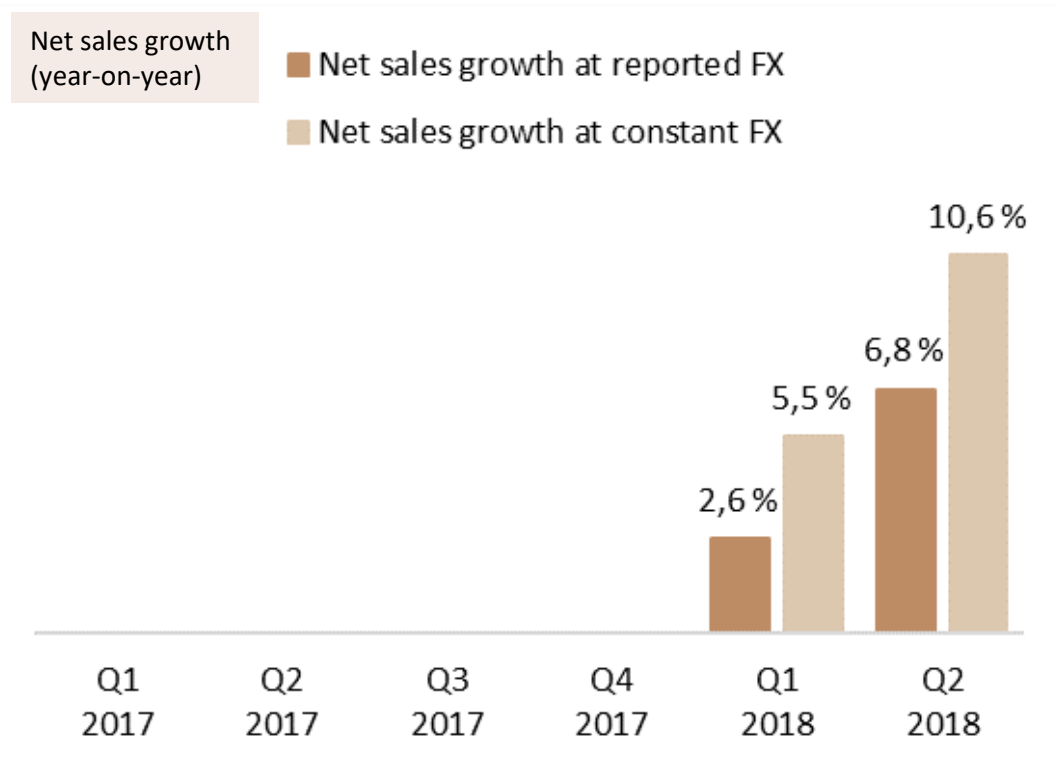
Note: constant FX rate = EUR/SEK 10,3303 (Bank of Finland, average rate 1.4.-30.6.2018)

NET SALES GROWTH



- 1 banking day more in Q2 / 2018 than in corresponding period.
- Higher amount of project revenue recognitions.

NET SALES GROWTH PRO FORMA



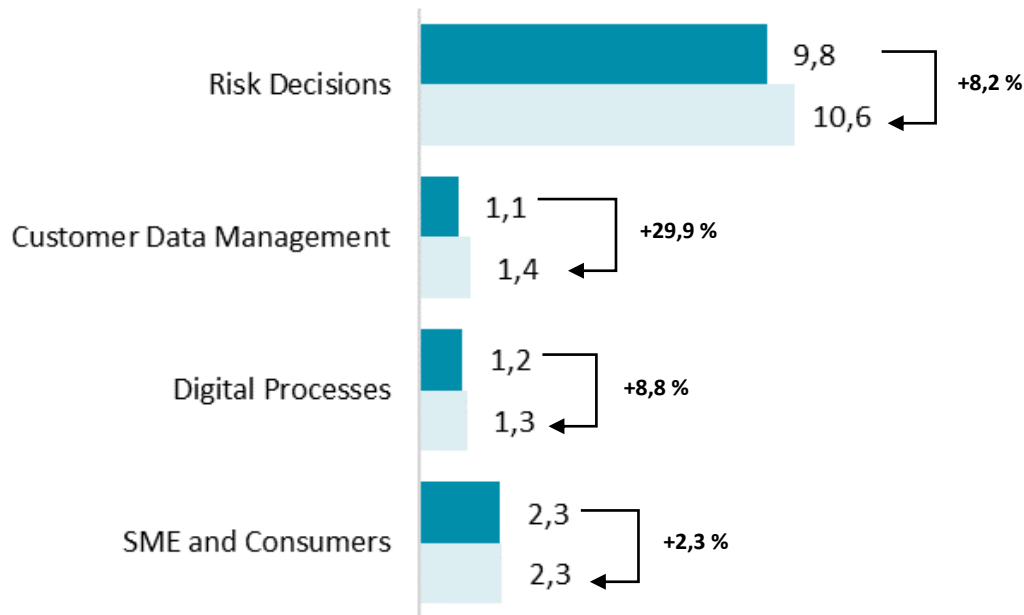
- 1 banking day more in Q2 / 2018 than in corresponding period.
- Double-digit net sales growth in the second quarter on comparable FX rate basis.

Note: constant FX rate = EUR/SEK 10,3303 (Bank of Finland, average rate 1.4.-30.6.2018)

REVENUE BY PRODUCT AREA

EUR million

■ Q2 2017 ■ Q2 2018

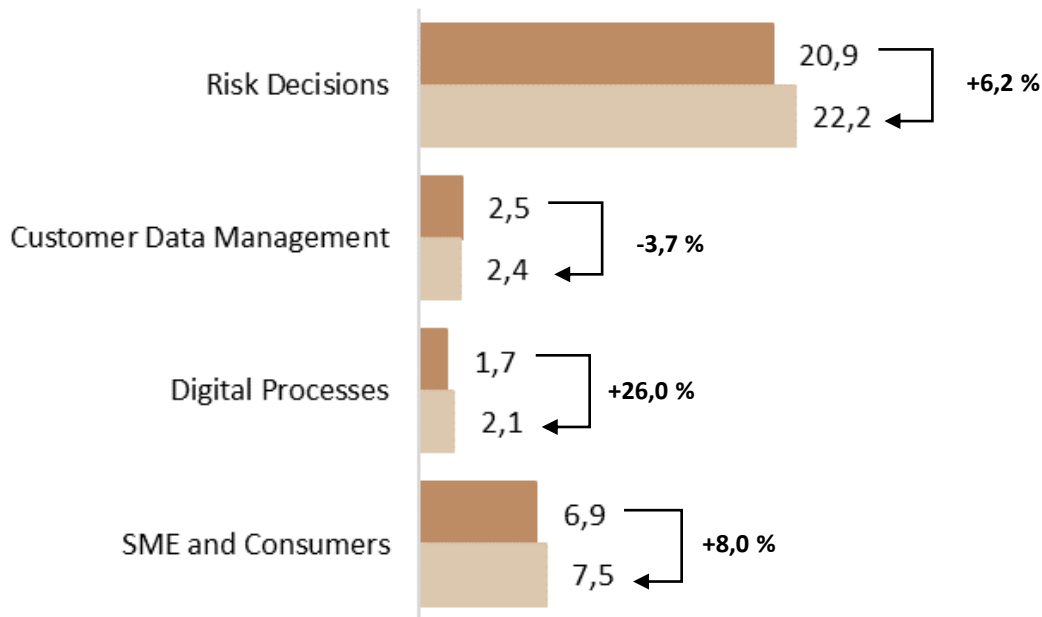


- Strong growth continues in Risk Decisions consumer risk management services.
- Customer Data Management net sales growth impacted by the acquisition of Emaileri.

REVENUE BY PRODUCT AREA PRO FORMA

EUR million

■ Q2 2017 ■ Q2 2018



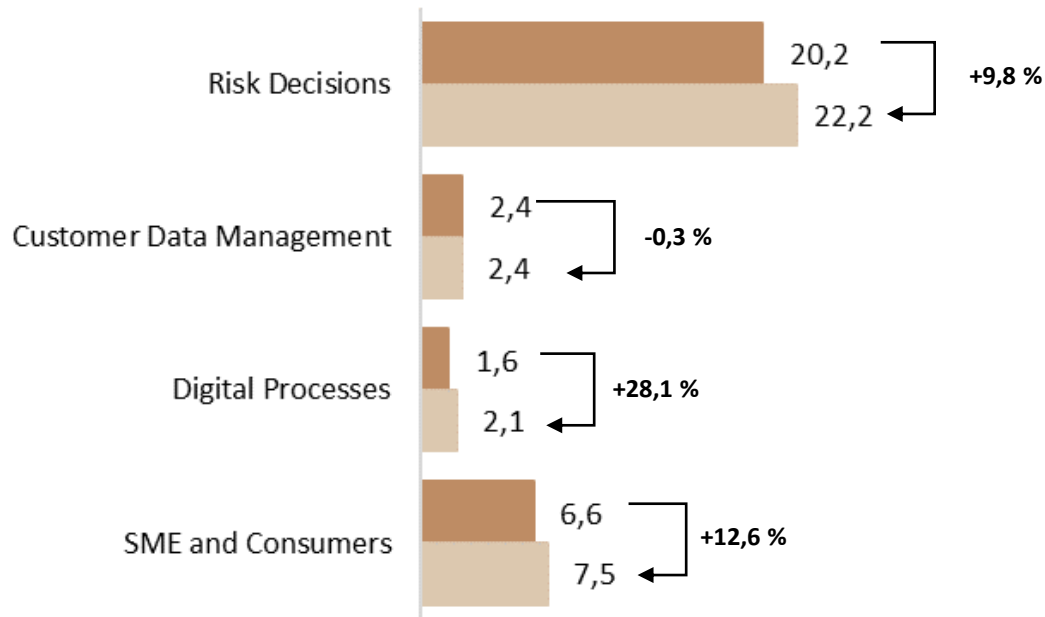
- Net sales growth restrained by changes in FX rates but still on a good level overall on a reported FX rate basis in the second quarter.
- Customer Data Management decreasing is a result of disposed of activities.

REVENUE BY PRODUCT AREA PRO FORMA

FX COMPARABLE

EUR million, at
comparable FX

■ Q2 2017 ■ Q2 2018

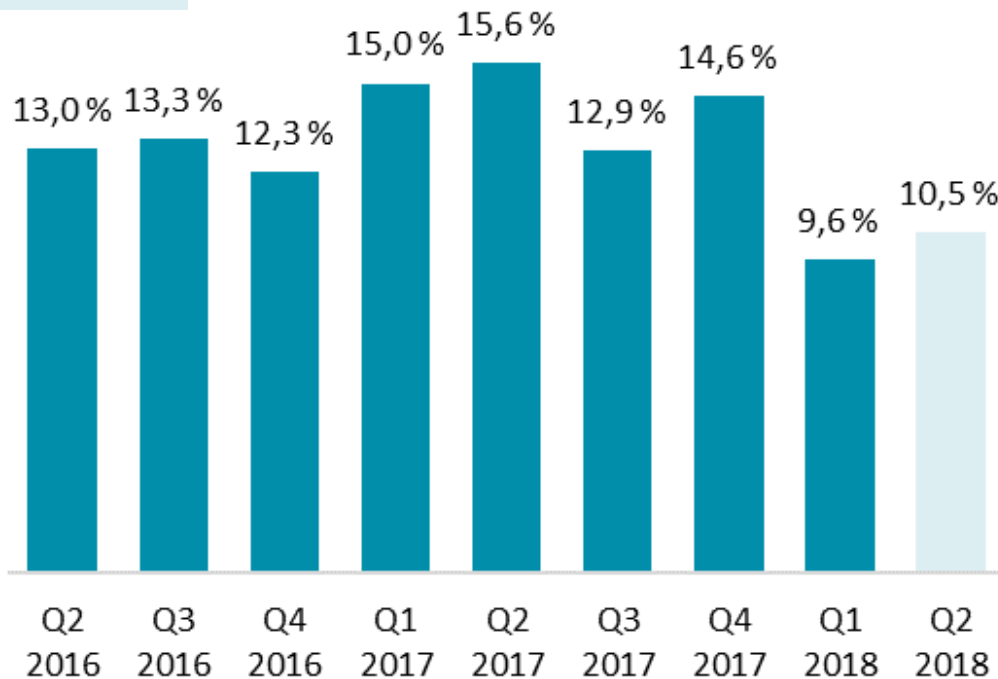


- Double-digit overall net sales growth in the second quarter on comparable FX rate basis.
- Customer Data Management decreasing is a result of disposed of activities.

Note: constant FX rate = EUR/SEK 10,3303 (Bank of Finland, average rate 1.4.-30.6.2018)

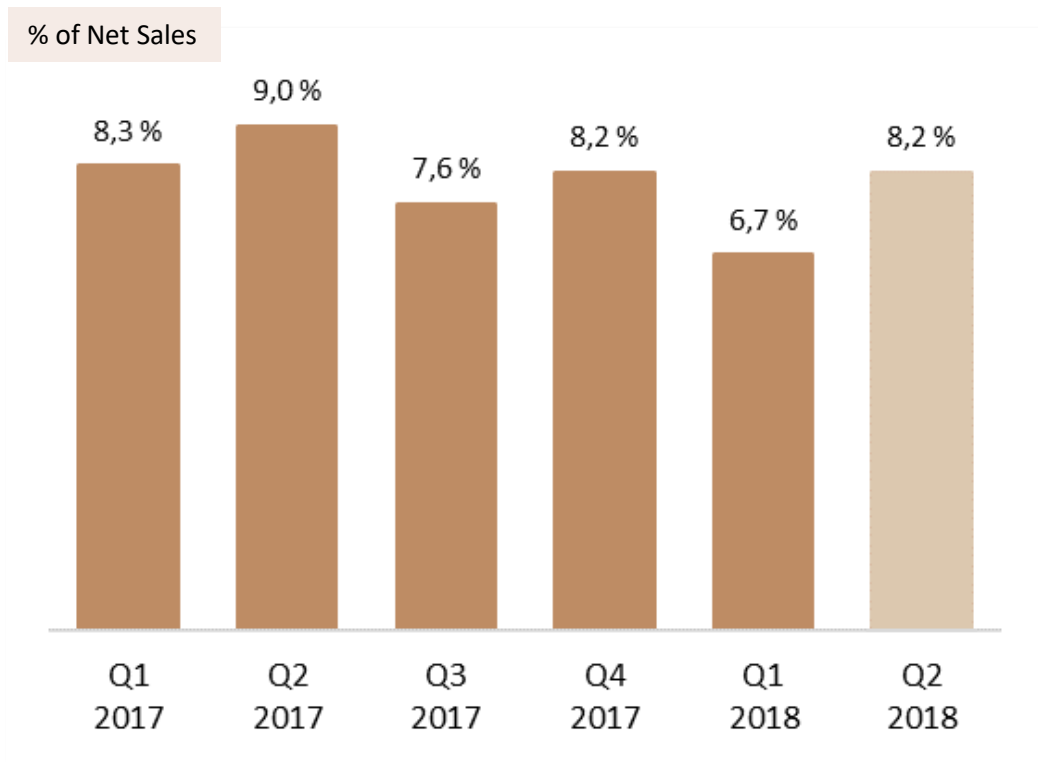
NEW SERVICES SHARE OF NET SALES

% of Net Sales



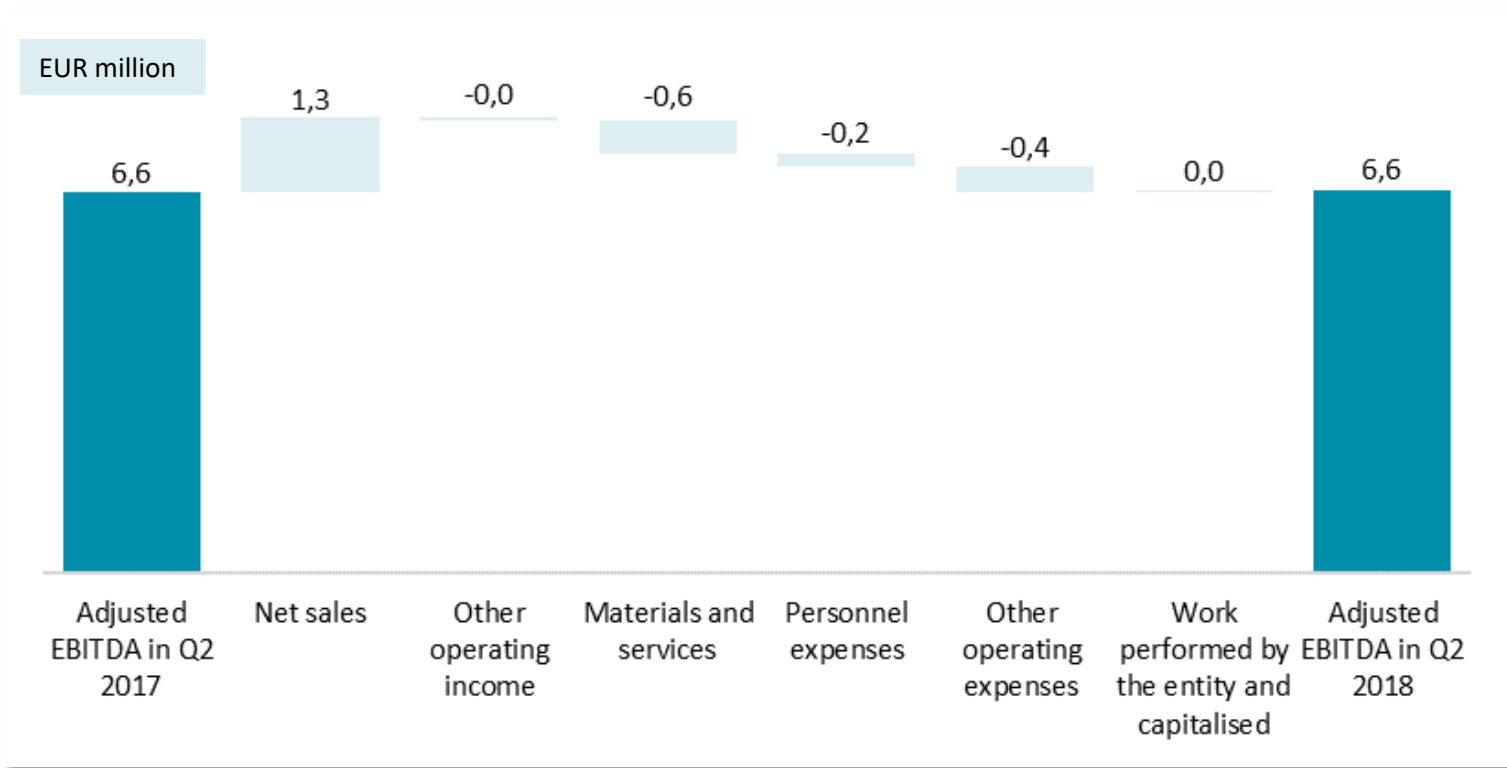
- Share of new services was 10,5 %.
- Seven new services launched during the second quarter.

NEW SERVICES SHARE OF NET SALES PRO FORMA

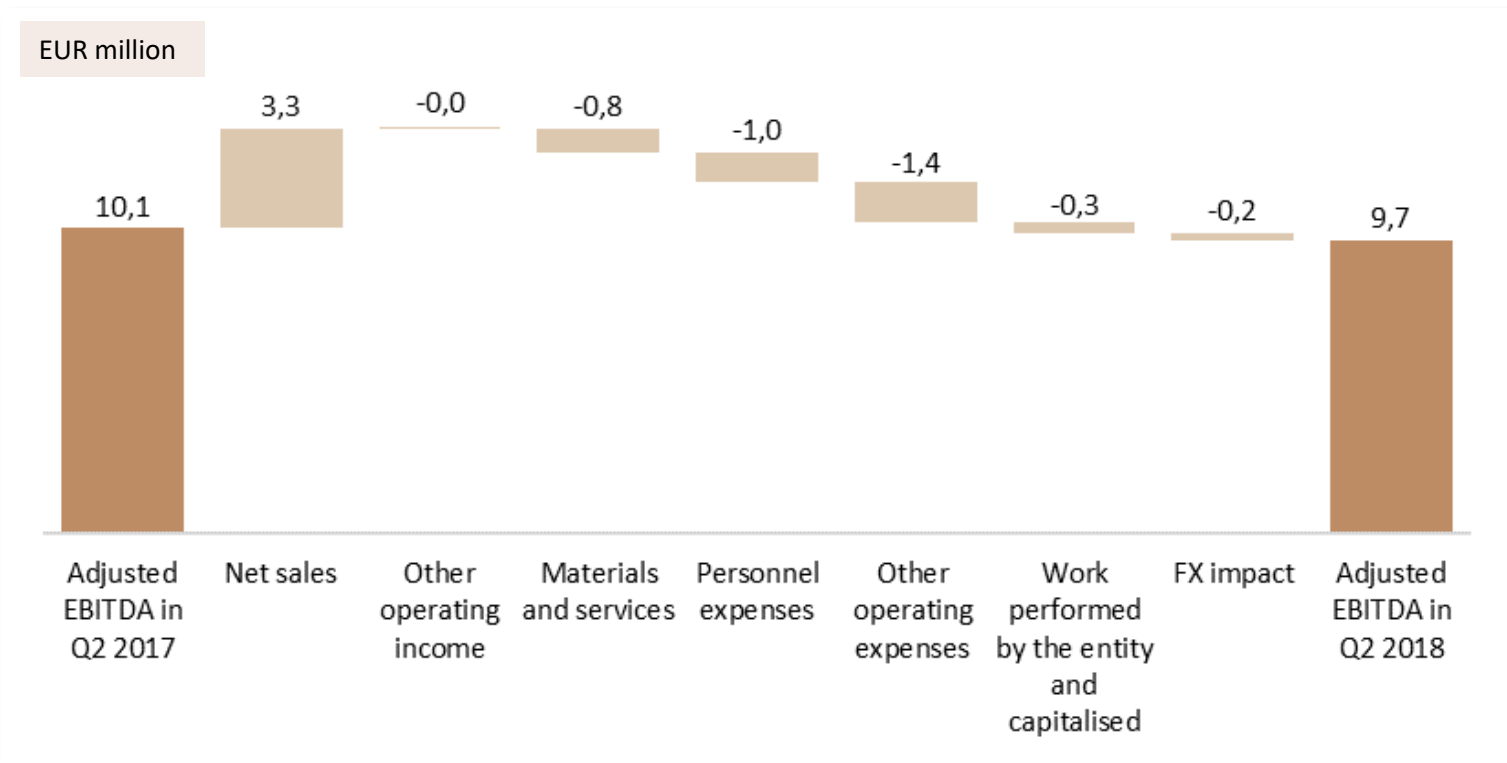


- Share of new services was 8,2 %.
- Ten new services launched during the second quarter.

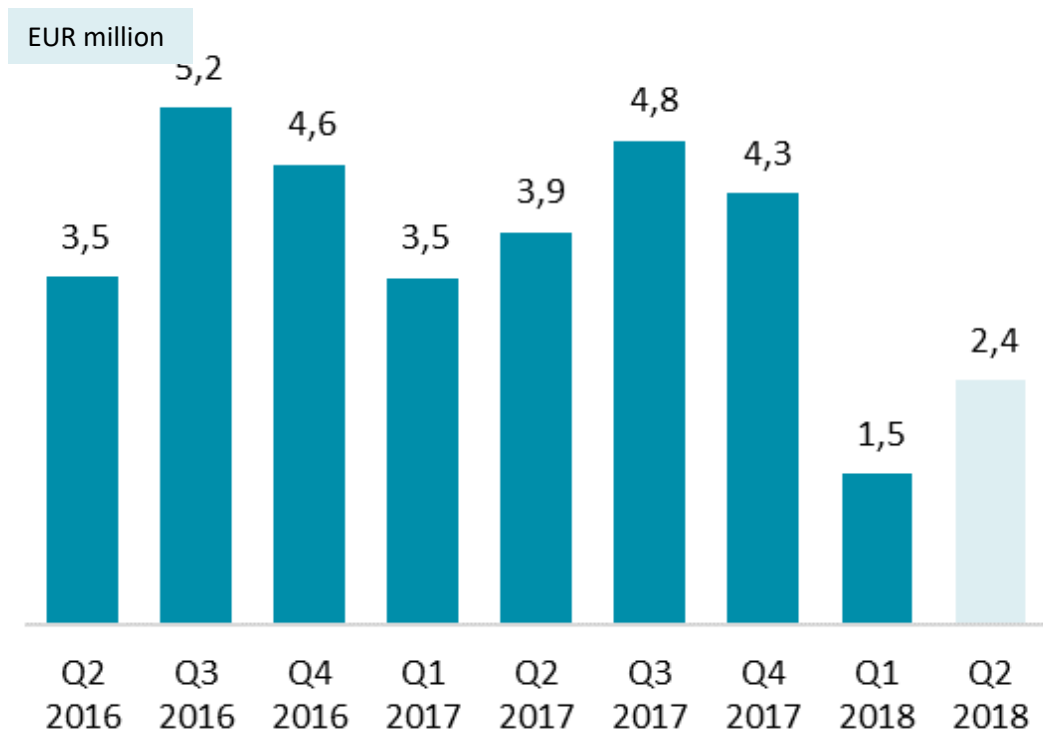
ADJUSTED EBITDA GROWTH 0,6 %



ADJUSTED EBITDA DECREASE 4,1 % PRO FORMA



FREE CASH FLOW



- M&A and integration related non-recurring expenses impacted the free cash flow by EUR -1,7 million.
- Cash used in investments on a higher level than in corresponding period.

KEY INDICATORS

EUR million (unless stated otherwise)	Q2 / 2018	Q2 / 2017	FY 2017
Net debt	147,1	53,6	50,9
Net debt / adjusted EBITDA	3,6x *	2,0x	2,1x
Gearing, %	47,5	72,8	63,0
Equity ratio, %	58,2	48,7	51,0
Free cash flow	2,4	3,9	16,5
Cash conversion, %	123,8	60,5	68,0
Gross investments	1,0	0,9	4,3

- Cash position of EUR 23,0 million.
- Net debt / adjusted EBITDA at 3,6x *.
- Free cash flow containing a EUR -1,7 million (EUR -0,1 million) impact from items affecting comparability mainly related to M&A and integration costs of UC combination.
- Gross investments EUR 1,0 million (EUR 0,9 million).

*) Net debt to adjusted EBITDA calculated by dividing net debt by LTM pro forma adjusted EBITDA

LONG-TERM TARGETS AND GUIDANCE 2018

Financial targets ¹	
Growth	Achieve 5 to 10 percent annual average growth in net sales
Profitability	Maintain profitability level of current services
Balance sheet structure	Maintain net debt to EBITDA of less than 3,0x while continuing to maintain an efficient capital structure
Dividend policy ²	
Dividends	Asiakastieto Group's dividend policy is to distribute as dividends at least 70 per cent of the Company's profit for the year annually.
Guidance ³	
Previous guidance for 2018	Asiakastieto Group expects its net sales growth rate to be at the higher end of the long-term target (5 - 10 %) and to maintain adjusted EBITDA margin at about the current level. This outlook does not incorporate the impact of the Transaction released 24 April 2018. Asiakastieto will publish updated financial guidance at a later stage when the Transaction has been completed.
Guidance 29 June 2018	Asiakastieto expects its operating environment to remain stable in 2018 in its key markets in Finland and Sweden, and that it is able to initiate actions in the second half of the financial year to start to realise synergy benefits from the combination with UC AB

Note: (1) These targets are based on assumptions that may not prove to be correct and actual results may deviate significantly; (2) Subject to the business development and investment needs of the Company. Any dividends to be paid in future years, their amount and the time of payment will depend on Asiakastieto's future earnings, financial condition, cash flows, investment needs, solvency and other factors; (3) This forward-looking statement is not a guarantee of future performance.

Summary FINANCIAL STATEMENTS Q2 / 2018



SUMMARY INCOME STATEMENT

EUR million	Q2 / 2018	Q2 / 2017	FY 2017
Net sales	15,7	14,4	56,2
Other operating income	0,0	0,1	0,2
Materials and services	-3,7	-3,1	-12,0
Personnel expenses	-3,4	-3,3	-12,6
Other operating expenses	-7,0	-2,0	-8,8
Work performed by the entity and capitalised	0,4	0,4	1,3
Depreciation and amortisation	-1,0	-0,7	-3,1
Operating profit	1,0	5,8	21,2
Finance income and expenses	-0,3	-0,3	-1,1
Result before income tax	0,7	5,5	20,2
Income tax expense	-0,7	-1,1	-4,1
Result for the period	-0,0	4,4	16,0
Earnings per share attributable to the owners of the parent during the period:			
Basic earnings per share (EUR)	-0,00	0,29	1,06
Diluted earnings per share (EUR)	-0,00	0,29	1,06

SUMMARY INCOME STATEMENT PRO FORMA

EUR million	Q2 / 2018	Q2 / 2017	FY 2017
Net sales	34,1	31,9	129,6
Other operating income	0,1	0,1	0,4
Materials and services	-6,0	-5,4	-21,3
Personnel expenses	-10,7	-10,1	-39,1
Other operating expenses	-11,0	-8,1	-37,6
Work performed by the entity and capitalised	0,5	0,9	3,7
Depreciation and amortisation	-3,7	-3,6	-14,6
Operating profit	3,2	5,8	20,9
Finance income and expenses	-0,8	-0,7	-3,0
Result before income tax	2,5	5,1	18,0
Income tax expense	-0,6	-1,0	-4,5
Result for the period	1,9	4,1	13,4
Earnings per share attributable to the owners of the parent during the period:			
Basic earnings per share (EUR)	0,08	0,17	0,56
Diluted earnings per share (EUR)	0,08	0,17	0,56
Comparable earnings per share (EUR)	0,17	0,26	0,93

SUMMARY BALANCE SHEET

EUR million	30.6.2018	31.12.2017
ASSETS		
Goodwill	346,6	118,4
Other intangible assets	138,4	11,1
Property, plant and equipment	3,7	2,0
Deferred tax assets	1,3	1,6
Loan and other receivables	0,4	0,4
Total non-current assets	490,5	133,5
Account and other receivables	25,6	7,9
Cash and cash equivalents	23,0	18,9
Total current assets	48,6	26,8
Total assets	539,1	160,3

EUR million	30.6.2018	31.12.2017
EQUITY AND LIABILITIES		
Share capital	0,1	0,1
Invested unrestricted equity reserve	352,2	112,4
Accumulated losses	-45,9	-47,4
Result for the period	3,1	16,0
Total equity	309,5	81,1
Interest-bearing liabilities	169,9	69,8
Pension liabilities	3,8	
Deferred tax liabilities	25,7	
Account and other payables	0,3	0,7
Total non-current liabilities	199,6	70,4
Interest-bearing liabilities	0,2	
Advances received	7,3	1,4
Account and other payables	22,5	7,4
Total current liabilities	30,0	8,8
Total liabilities	229,7	79,2
Total equity and liabilities	539,1	160,3

SUMMARY CASH FLOW

EUR million	Q2 / 2018	Q2 / 2017	FY 2017
Cash flows from operating activities			
Result before income tax	0,7	5,5	20,2
Depreciation and amortisation	1,0	0,7	3,1
Finance income and expenses	0,3	0,3	1,1
Profit (-) / loss (+) on disposal of property, plant and equipment	0,0	-0,1	-0,2
Other adjustments	-0,5	0,2	0,5
Change in working capital	2,9	-0,4	0,0
Interest and other finance expenses paid	-0,5	-0,2	-1,0
Interest and other finance income received	0,0	0,0	0,0
Income taxes paid	-0,9	-1,6	-3,7
Net cash from operating activities	2,9	4,4	19,9
Cash flows from investing activities			
Purchases of property, plant and equipment	-0,3	-0,1	-1,5
Purchases of intangible assets	-0,7	-0,6	-2,9
Purchases of subsidiaries, net of cash acquired	-84,9	0,0	-6,0
Proceeds from sale of property, plant and equipment	0,1	0,1	0,3
Purchase of investments	0,0	0,0	0,0
Non-current receivables	0,0	0,0	0,0
Net cash used in investing activities	-85,8	-0,6	-10,0
Cash flows from financing activities			
Proceeds from interest-bearing liabilities	100,0	0,0	0,0
Dividends paid and other profit distribution	-14,3	-13,6	-13,6
Net cash used in financing activities	85,7	-13,6	-13,6
Net increase / decrease in cash and cash equivalents	2,8	-9,8	-3,7
Cash and cash equivalents at beginning of the period	20,2	25,9	22,6
Cash and cash equivalents at end of the period	23,0	16,2	18,9

QUESTIONS AND ANSWERS

Asiakastieto Group Plc

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