

FinTech Group FY 2017 estimates

FinTech Group AG | December 2016

Financial Services Technologies

The leading European financial
infrastructure provider and operator

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INTRODUCTION



Dear Shareholders and Friends,

FinTech Group AG has made great progress in the past two years and I am proud of what my more than 450 colleagues have achieved. With a firm focus on creating shareholder value, we have transformed our company from a regional online broker to Europe's leading infrastructure provider and operator of financial services technologies.

We are technology and cost leader and have built a highly scalable banking platform. We apply our USPs both in our B2C and B2B business lines. And our steadily growing KPIs confirm the satisfaction of more than 200k B2C and more than 250 B2B clients.

Consequently, our B2C unit "flatex" is the fastest growing online broker in Europe and our B2B business will have a record year in 2016.

We have kept our promise for a substantial turnaround of our EBITDA, swinging the first time to a positive net profit in the first half of 2016.

Over the last two years, management has put each part of our group to the test, which has resulted in divestments of non-necessary parts (Aktionärsbank and CeFDex) to reduce costs as well as risks – therefore currently announced regulatory changes will not have any impact on our business and guidance.

Strategically the most important step was the acquisition of the XCOM Group (including bank biw AG) in April 2015, this has massively improved our technology profile and added the entire B2B business line. Not only do we now own 100% of the technology we need to operate our online brokerage business, but we also offer it to some 250 B2B clients, among them many renowned financial institutions.

For 2017 and beyond, we are ready to continue profitable expansion and growth. We will maintain to build disruptive technologies, increase share of wallet, improve our treasury, and expand our credit business. We continue to focus on cost leadership and will review potential acquisition opportunities.

Those achievements shall also be reflected in a more transparent and detailed reporting. This is why we have moved to IFRS and will uplist to the Prime Standard of Frankfurt Stock Exchange in mid 2017. In the past we have focused just on EBITDA in external communication as our key KPI.

Reflecting the current, highly profitable status quo (expected net profit of 8-10m EUR for 2016), we think a more detailed reporting focused on revenue growth and net profit is more appropriate. Hence, with this presentation we want to give you a comprehensive overview about our guidance 2017 at the very conservative end, which has also been communicated ad-hoc December 8th. So the entire presentation is public information only. Nothing is more credible than a sustainable growth with a positive bottom line – don't you think?

I am very grateful for your trust and wish you and your loved ones happy holidays and a great start into 2017.

Yours faithfully

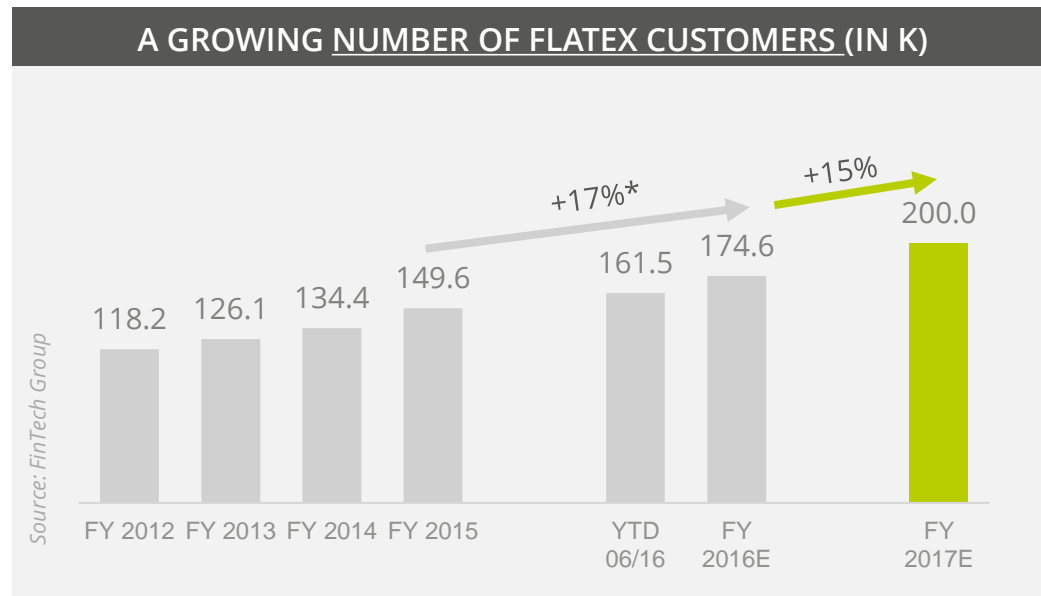
Frank Niehage
CEO
FinTech Group AG

1. Commercials

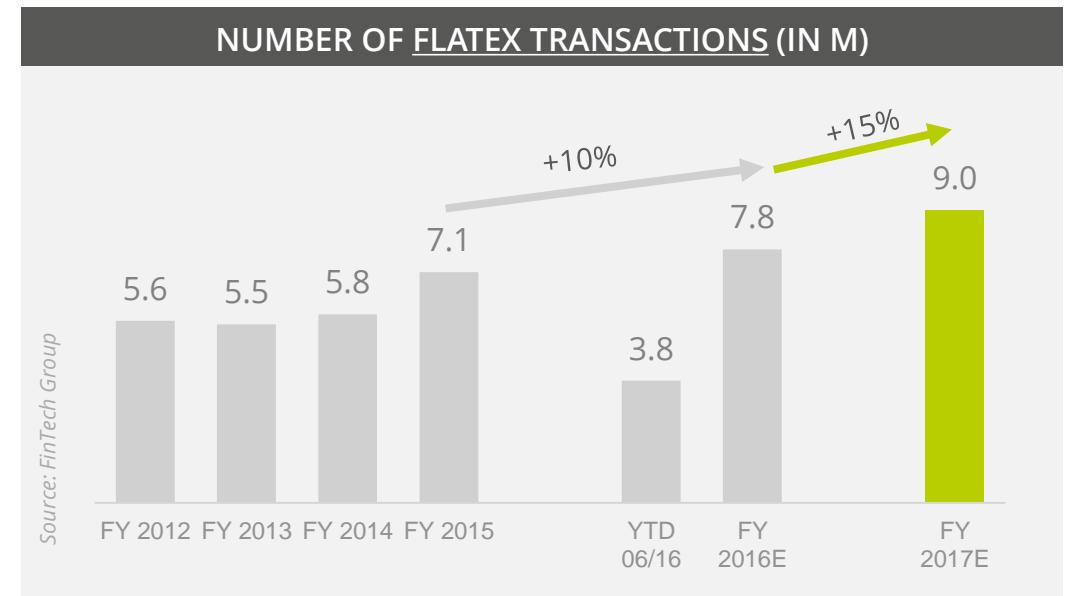


1.1 Leading B2C brokerage business

- ➔ Steady and organic B2C growth in the number of customers and transactions of flatex
- ➔ Increasing share of wallet, e.g. flatex flex credit line, and international expansion
- ➔ 40+ flatex trades per customer on average per annum

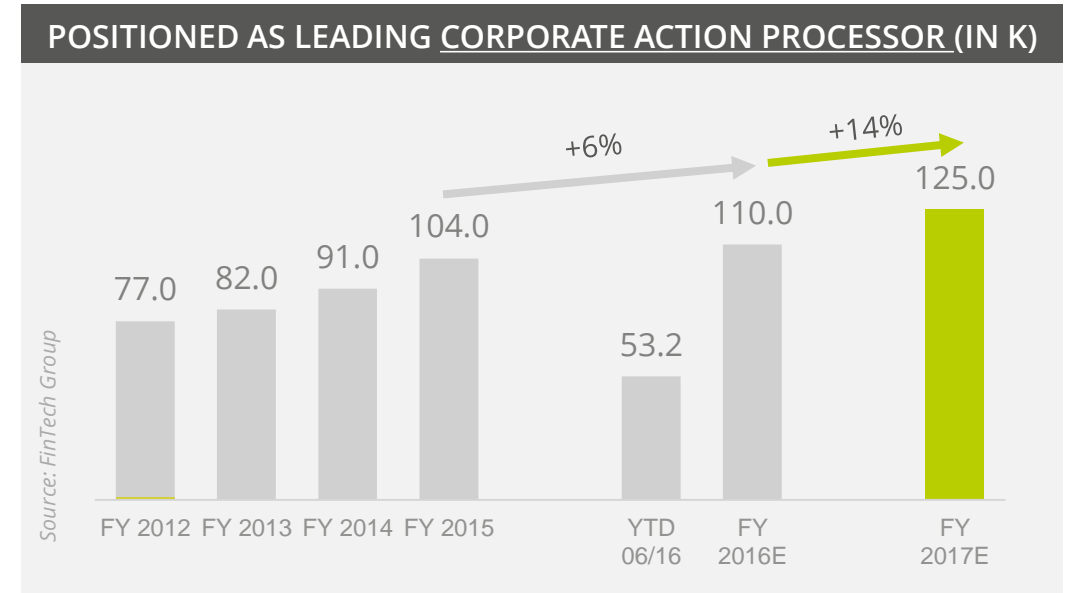
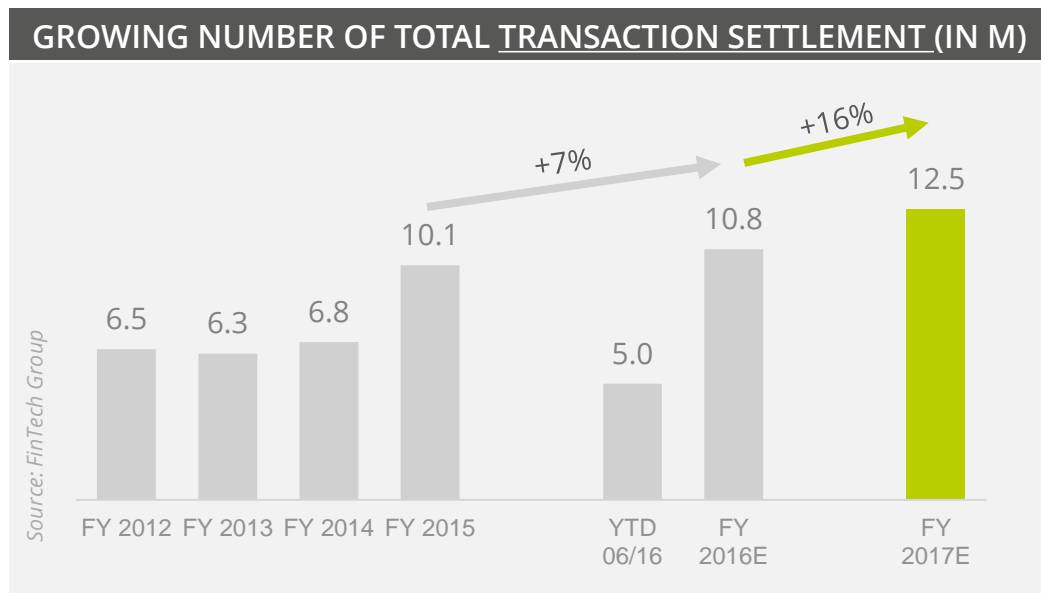


* Penetration of Austrian Market



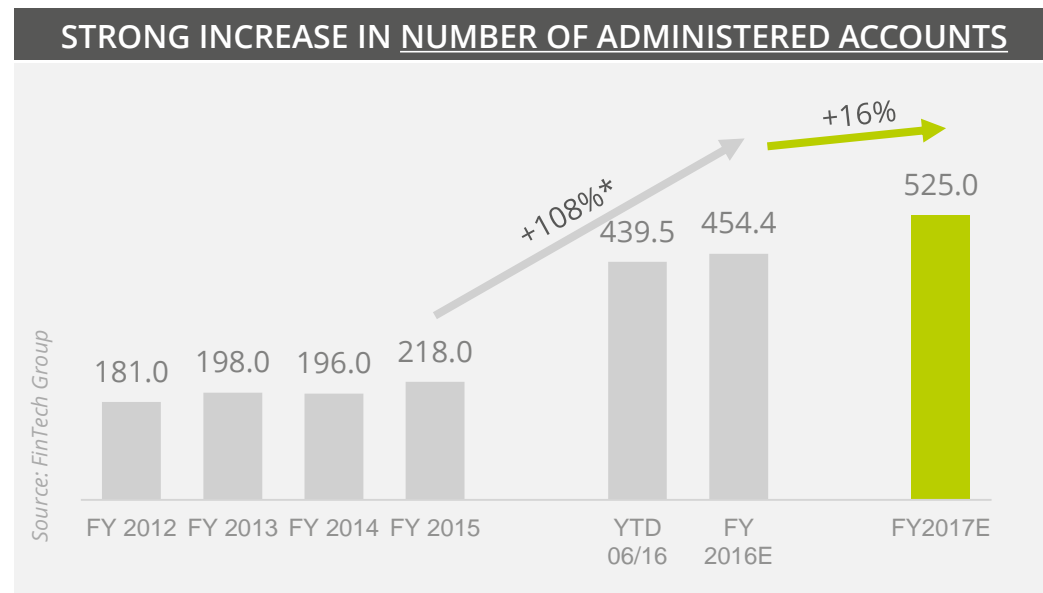
1.2 Strengthening transaction processing business

- ➔ Clear strategy to become Europe's number one in securities transaction processing and keep cost leadership
- ➔ Diversification of business by expanding B2B transaction processing, leveraging cost leadership in transaction settlement
- ➔ Steady growth in the number of transactions and corporate stock actions

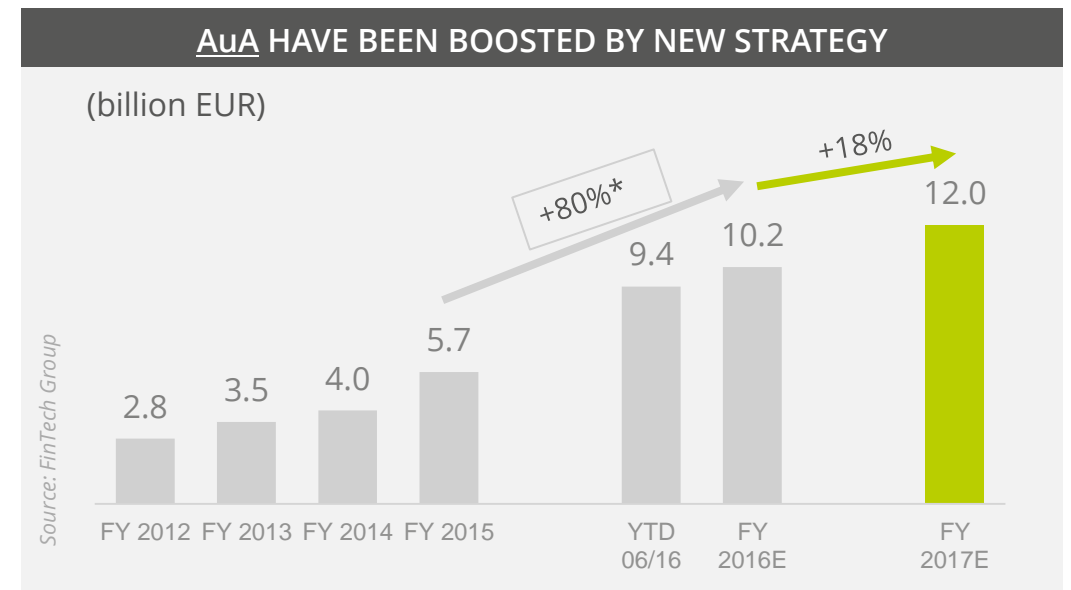


1.3 Focus on banking customer base

- ➔ Strategic focus on further expansion of B2B/B2C transaction banking business
- ➔ Steady growth in expansion of client base and custody services
- ➔ Cooperation with Equatex - a global plan administrator for numerous blue chips with > EUR 3 bn AuC and more than 194k managed account



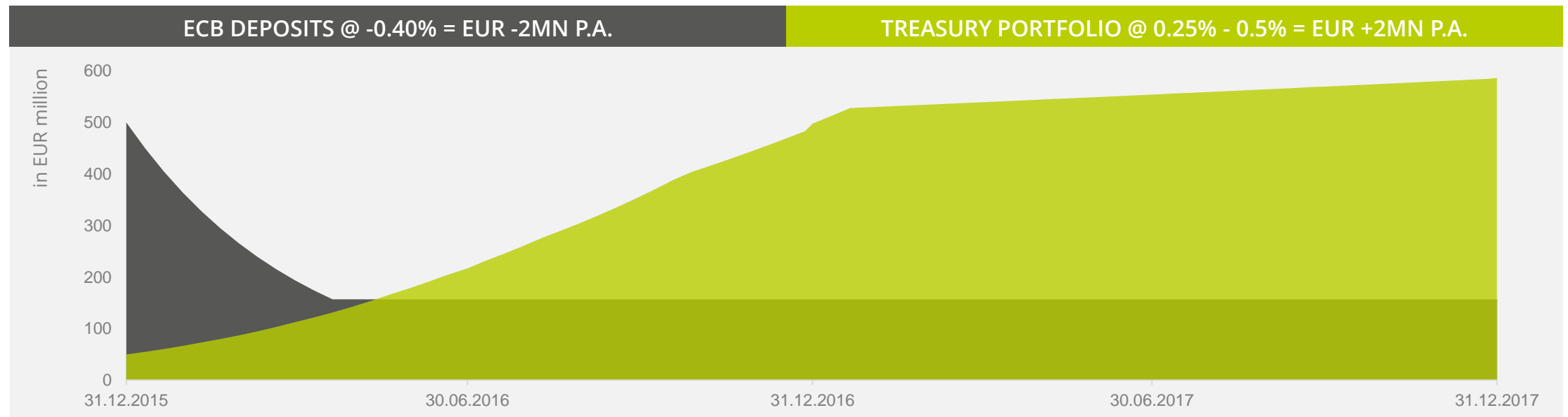
* Onboarding of new B2B client Equatex



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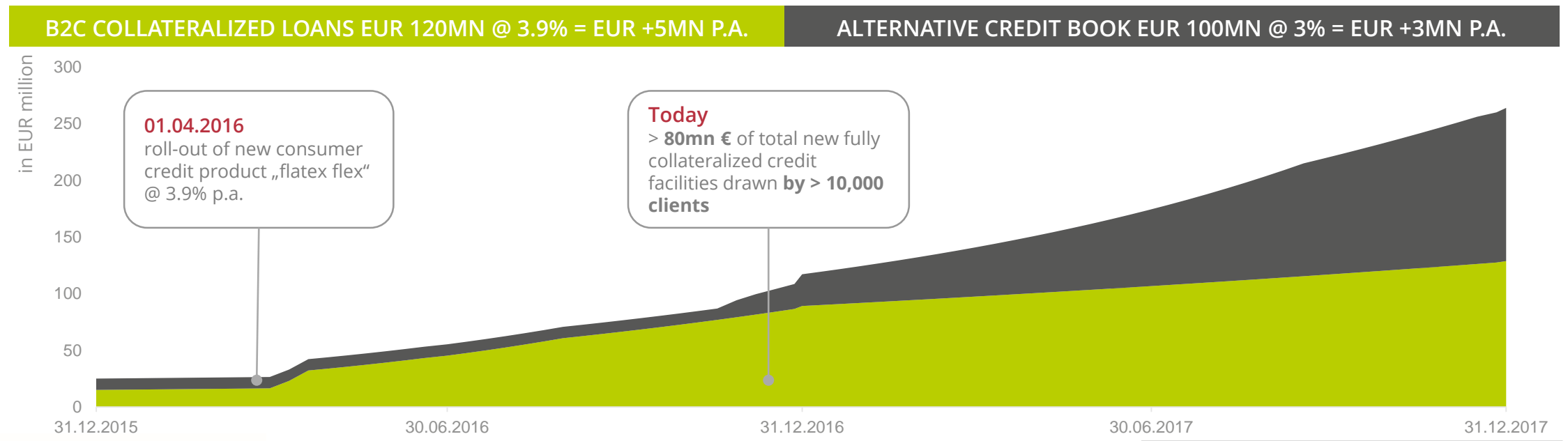
1.4 Leveraging treasury portfolio

- ➔ Bank biw AG holds **EUR + 1bn in retail cash deposits** which haven't been used actively in the past
- ➔ Parking large deposits with ECB caused EUR 7-digit interest expenses
- ➔ Reallocation of ECB deposits into profitable and diversified treasury portfolio (sovereign and federal state bonds, corporate bond, factoring) @ approx. 0.5% → additional profit contribution of approx. EUR 4 mn

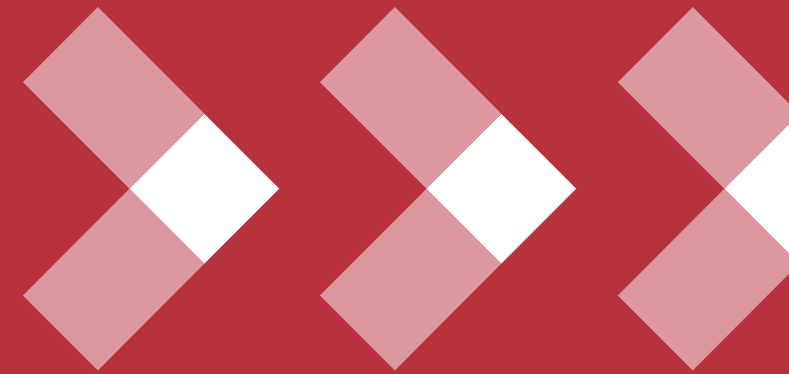


1.5 Building up a diversified credit portfolio

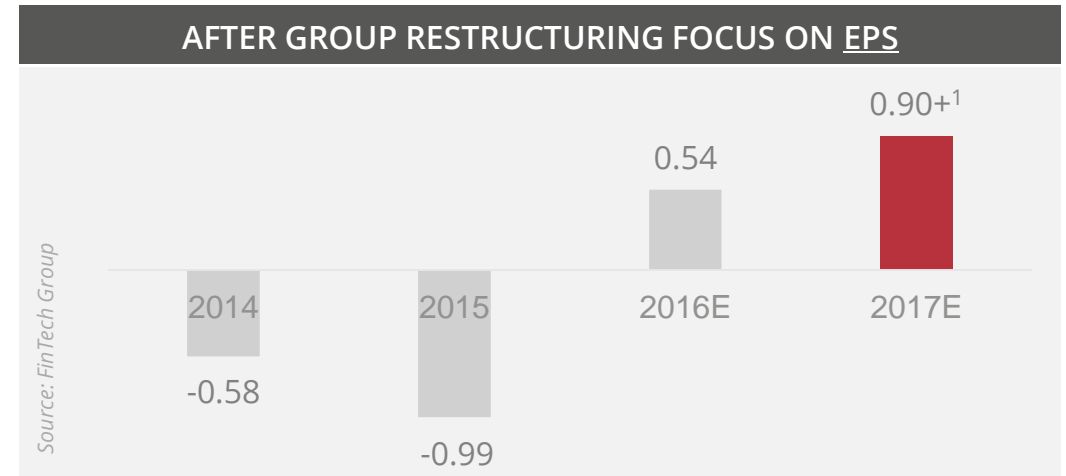
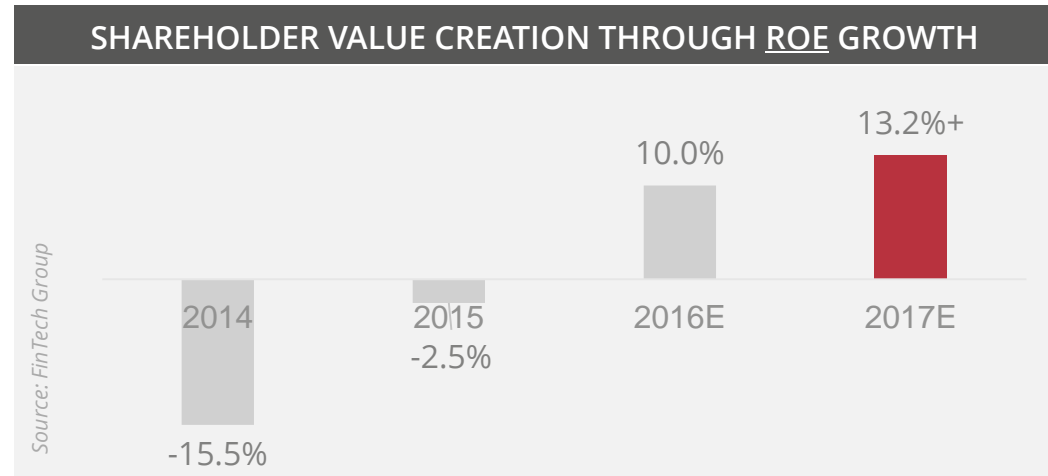
- ➔ Leveraging deposits by setting-up a credit portfolio, diversified over risk, maturity and amount
- ➔ Aimed portfolio size of EUR 220mn @ average interest rate of 4%
- ➔ Successful introduction of first own credit product: fully collateralized “flatex flex credit line” with EUR 80mn+ credit lines drawn after 6 months



2. Financials



2.1 Financials at a Glance Consolidated Group

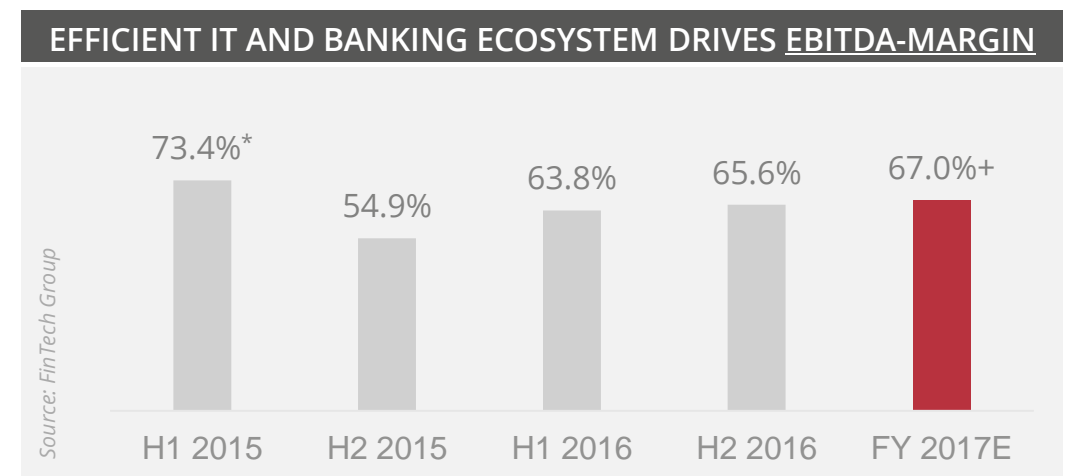
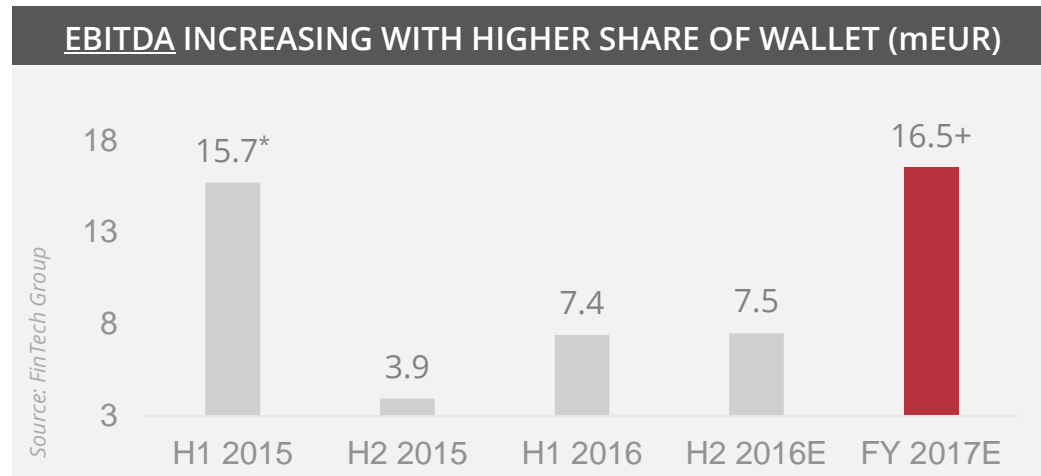
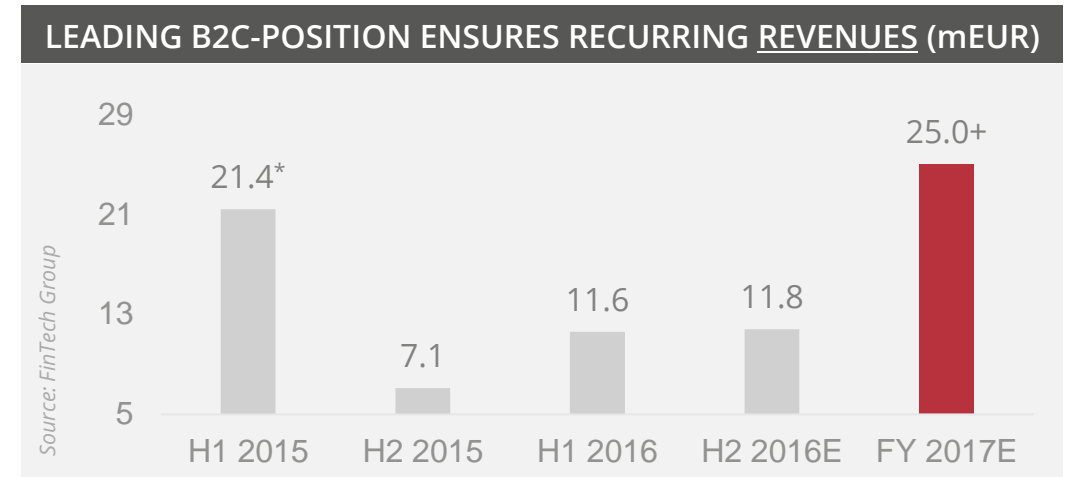


* H1 2015 numbers include significant one-off income (reported figure in FY15: EUR 8.3mn) and consolidate only three months XCOM/biw (for further information see HY16 financial report note 4)

Note: all segment numbers before intersegment consolidation and holding expenses – thus sum of segments does not equal Group financials

2.2 Segment Financials at a Glance

Securities Trading and Financial Services



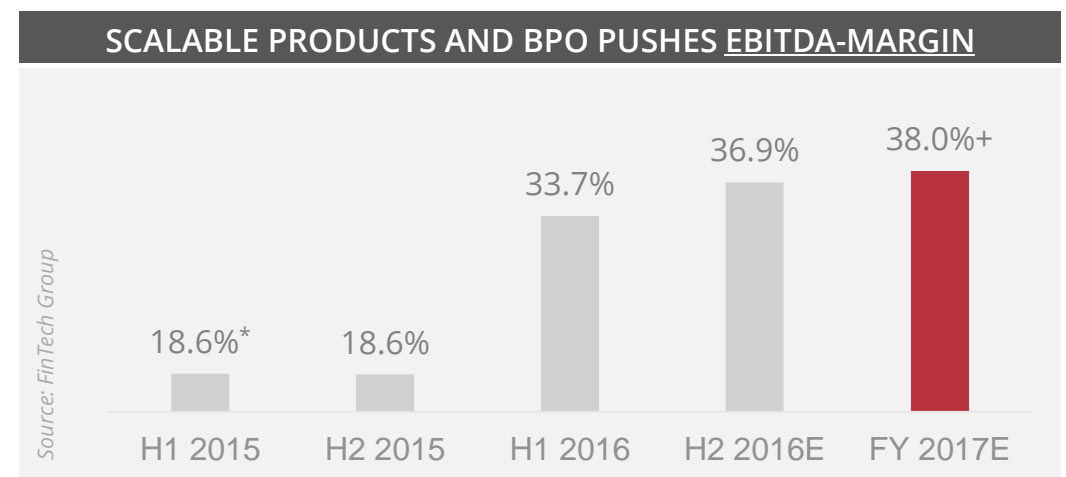
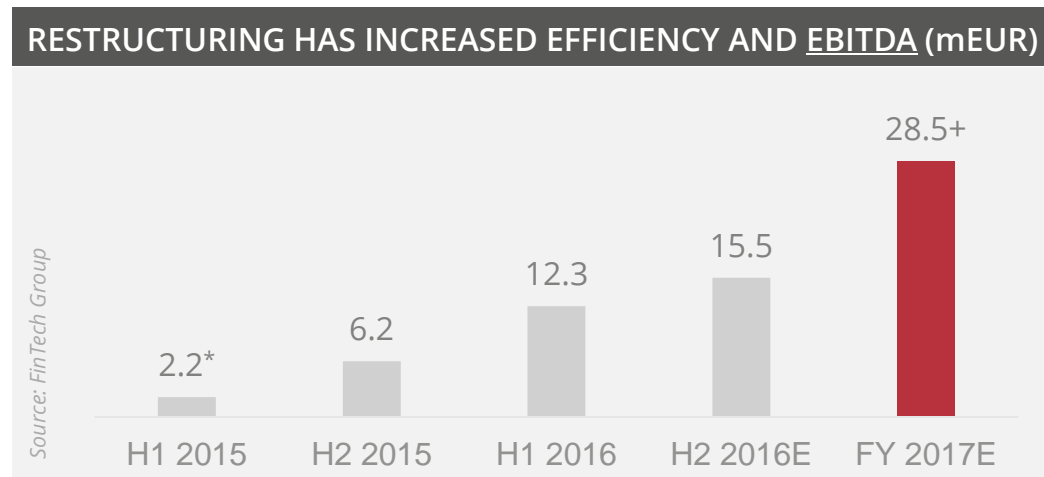
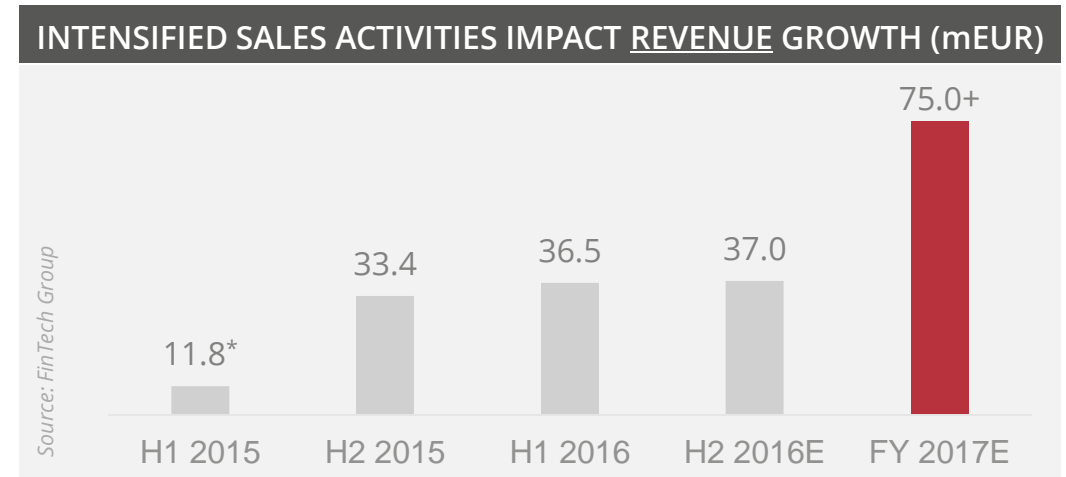
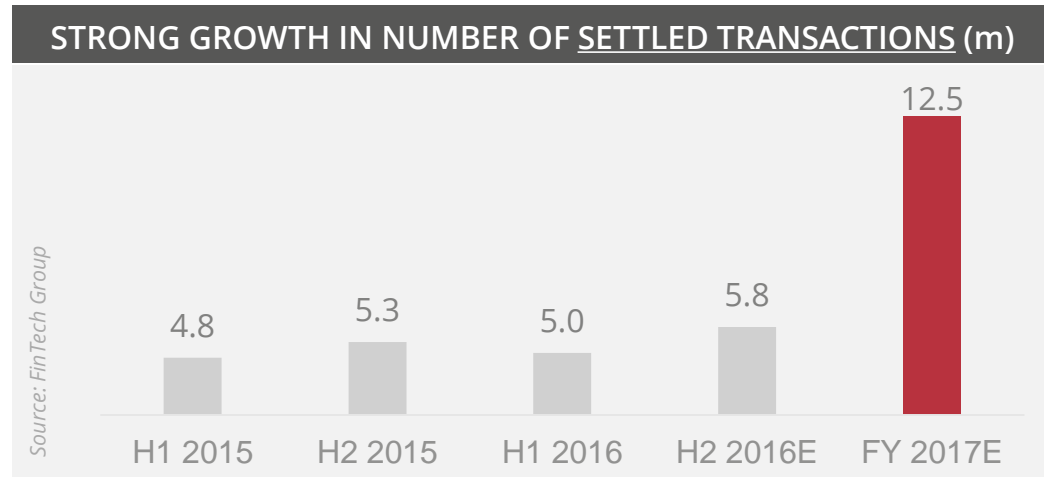
* H1 2015 numbers include significant one-off income (reported figure in FY15: EUR 8.3mn)

** includes flatex, ViTrade and further B2C clients

Note: all numbers before intersegment consolidation and holding expenses – thus sum of segments does not equal Group financials

2.3 Segment Financials at a Glance

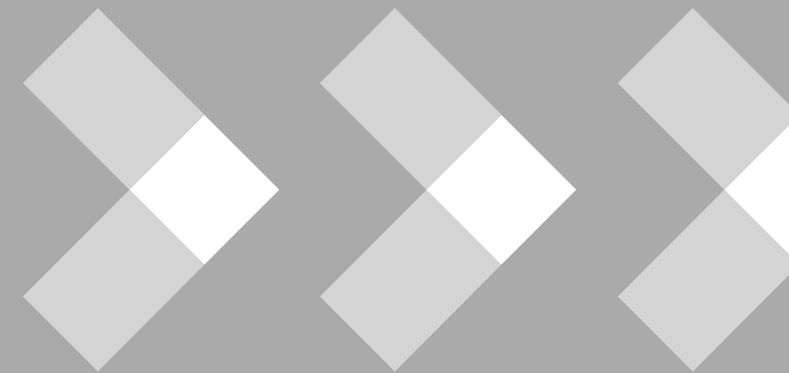
Transaction Processing and White-Label Banking Services



* H1 2015 numbers consolidate only three months XCOM/biw (for further information see HY16 financial report note 4)

Note: all numbers before intersegment consolidation and holding expenses - thus sum of segments does not equal Group financials

3. Key Takeaways



3.1 Key Takeaways



Reduced Group Complexity and disposed risk-/cost-bearing Businesses

(licensed-out CFD business to Commerzbank, sale of Aktionärsbank, decreased number of banking licenses from 4 to 1)



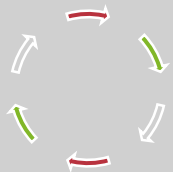
Entered numerous Strategic Partnerships seizing organic growth potential

(ETP-products with Morgan Stanley, Customer-Onboarding Technology with FinoTek, Digital Banking with Rocket Internet)



Achieved Financial Turn-Around and stabled Capital Base

(Strong EBITDA results, Net Profit H1 2016 organically positive, operationally almost debt-free)



Focussing on transaction cost leadership, cash-generation and both organic growth potential as well as acquisition opportunities