QSC AG

Company Presentation

Results Q3 2012

Cologne, November 5, 2012

AGENDA

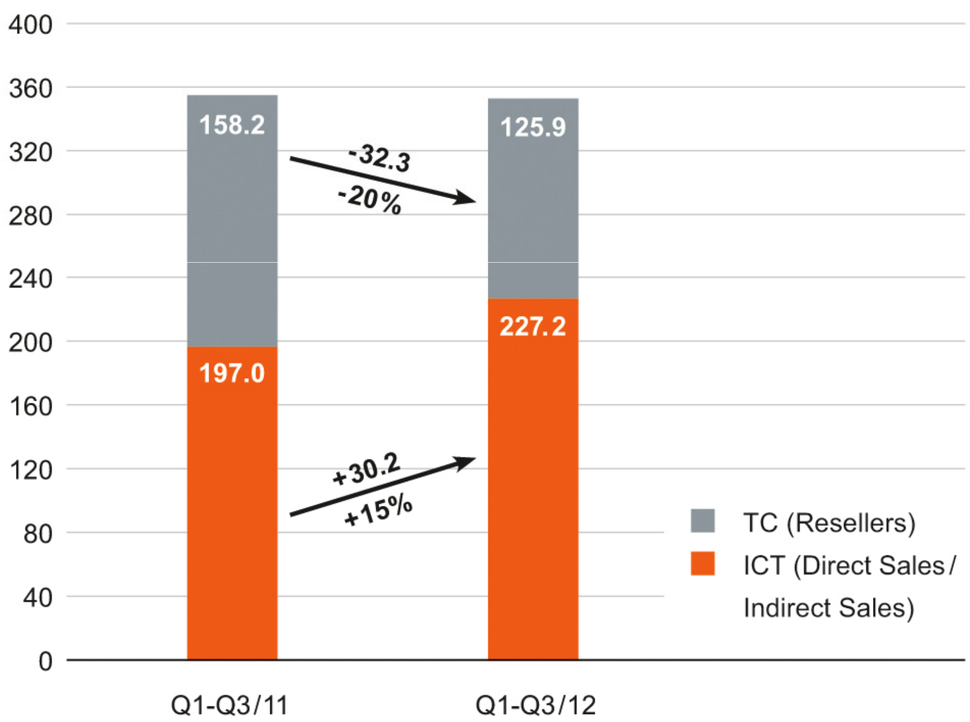
1. Highlights Q3 2012
2. Financial results Q3 2012
3. Outlook 2012
4. Questions & Answers

MAJOR ACHIEVEMENTS IN Q3 2012

- Successful transformation process (Q-o-Q)
  - ICT revenues in Direct Sales up by 8% to € 49.5 million
  - ICT revenues in Indirect Sales up by 11% to € 32.1 million
  - TC revenues in Resellers down by 7% to € 38.9 million
- New contracts in Direct Sales with a total contract value (TCV) of € 89.2 million in Q3 2012
- Accelerated integration of INFO AG
- Extension of the partnership with SAP

TRANSFORMATION PROCESS ON TRACK IN 2012

REVENUE MIX (in € million)



Growth drivers

- Joint efforts of INFO AG and QSC to win customers are paying off
- Higher demand for ICT products
- Traditionally stronger demand for services such as Consulting and voice in H2 2012
- INFO AG consolidation effect

Growth restraints

- Fierce price competition in TC business
- Declining demand for Call-by-Call and Preselect offerings
- Unfavorable voice regulation

HIGHEST LEVEL OF NEW ORDERS EVER: TCV OF € 89.2 MILLION IN ONE QUARTER

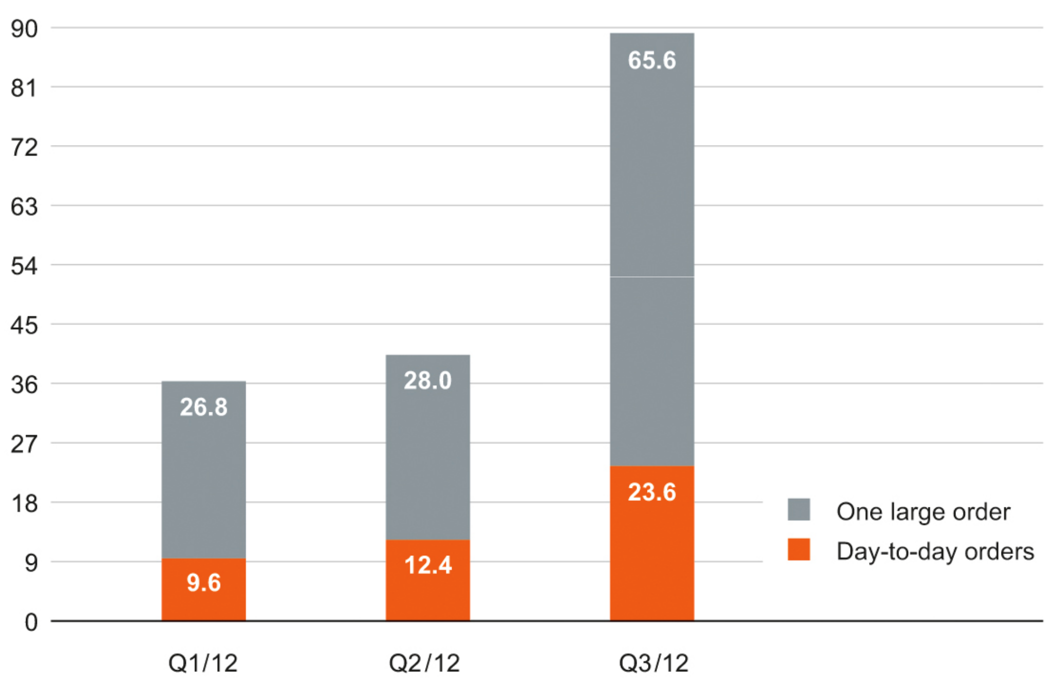
Industry	Total contract value (Q3 2012)
Gas / Energy	€ 65,564,000
Industry / Oil & Chemistry	€ 12,451,000
Logistics / Shipping	€ 2,472,000
Retail	€ 2,357,000
Insurance / Healthcare	€ 2,145,000
Food & Beverages (Tobacco)	€ 1,009,000
Others	€ 3,165,000
Total	**€ 89,163,000**

Largest order from a nation-wide energy service provider:

- ICT Outsourcing project with a TCV of more than € 60 million
- QSC wins some 20 additional IT experts
- Recurring revenues from H2 2013 onward
- Contract runs for at least 5 years

HUGE IMPACT OF SINGLE PROJECTS ON TCV

TOTAL CONTRACT VALUE (in € million)



- In the first nine months, QSC has already won new contracts with a TCV of € 166.0 million
- € 120.4 million stem from large orders from single customers
- Winning large orders only possible thanks to close collaboration of INFO AG and QSC teams
- For Q4 2012, QSC does not expect another large order

QSC AG Premium Telecommunication

ACCELERATED INTEGRATION OF INFO AG

- Merger of INFO AG and INFO Holding came into effect on July 17, 2012, much earlier than anticipated
- Listing of INFO AG was terminated; no further costs for two public companies (AGM, designated sponsorship, financial reports, etc.)
- In Q3 2012, QSC started several initiatives to streamline back office
  - Consolidation of infrastructure locations
  - Centralization of procurement
  - Uniform management structures in various areas (Finance, HR, Legal, Marketing)
- Emphasis on soft factors: “One company, one culture”

⇒ **QSC is focusing on sales and not on cost synergies**

QSC OFFERS SAP SERVICES FROM THE CLOUD

- In September 2012, INFO AG announced an extension of the long-term partnership with SAP
- INFO AG is among the first providers in the DACH region to make SAP applications available from the Cloud
- First services in Q4 2012 will include the SAP Afaria facility management solution and the SAP Mobile Platform
- At INFO AG, more than 150 SAP consultants are helping companies to establish and maintain the entire SAP business suite

QSC ALSO "DELIVERED" IN Q3 2012 – ON A GOOD WAY TO REACHING ALL MILESTONES FOR 2012

Milestone	Progress	Target for 2012	
Integration	Merger completed	Merger completed > Target achieved	✓
New customers	Total contract value of € 89.2 million	Direct Sales grows faster than market > Target achieved	✓
New products with Intellectual Property (IP)	4th launch: QSC-Cospace business	Launch 4-6 products > Target most probably achieved	✓
New sales partners	Won 68 IT sales partners in 2012	Win 80 IT sales partners > Raised target; original target of 50 partners already achieved	

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ONGOING TRANSFORMATION MAKE Y-o-Y COMPARISON QUITE DIFFICULT

In € million	Q3 2011	Q3 2012	Δ
• Revenues	128.3	120.5	-6.1%
• Cost of revenues (1)	88.7	79.6	-10.3%
• *Gross profit*	*+39.6*	*+40.9*	*+3.3%*
• Other operating expenses (1)	18.8	20.5	+9.0%
• *EBITDA profit*	*+20.8*	*+20.4*	*-1.9%*
• Depreciation	12.8	13.0	+1.6%
• *EBIT profit*	*+8.0*	*+7.4*	*-7.5%*
• Financial results	-1.0	-1.0	-
• Income taxes	-0.6	+0.9	nm
• *Net profit*	*+6.4*	*+7.3*	*+14.1%*

(1) Excluding depreciation and non-cash share-based payments

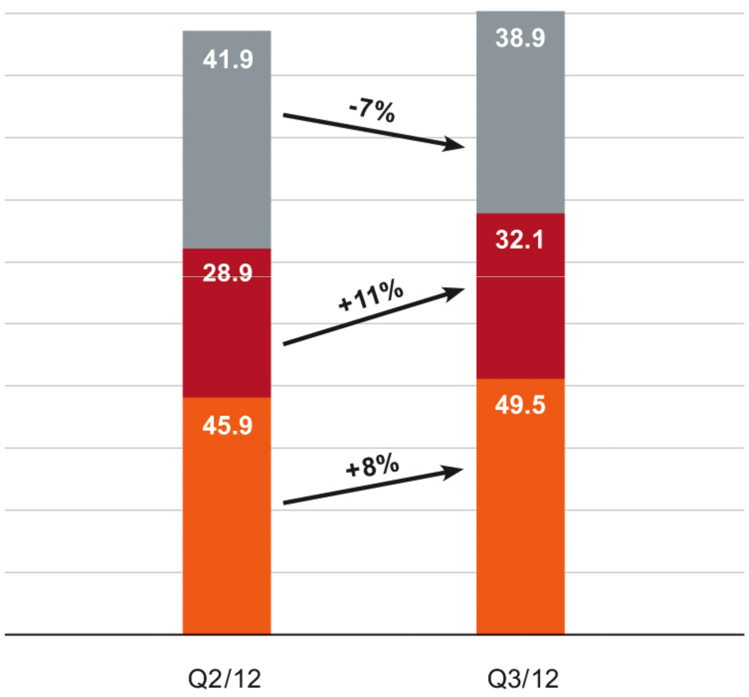
QSC'S PROGRESS SHOWS ITSELF MORE EASILY IN A Q-o-Q COMPARISON

In € million	Q2 2012	Q3 2012	Δ
• Revenues	116.6	120.5	+3.3%
• Cost of revenues (1)	79.1	79.6	+0.6%
• *Gross profit*	*+37.5*	*+40.9*	*+9.1%*
• Other operating expenses (1)	19.4	20.5	+5.7%
• *EBITDA profit*	*+18.1*	*+20.4*	*+12.7%*
• Depreciation	13.2	13.0	-1.5%
• *EBIT profit*	*+4.9*	*+7.4*	*+51.0%*
• Financial results	-1.0	-1.0	-
• Income taxes	-1.0	+0.9	nm
• *Net profit*	*+2.9*	*+7.3*	*+151.7%*

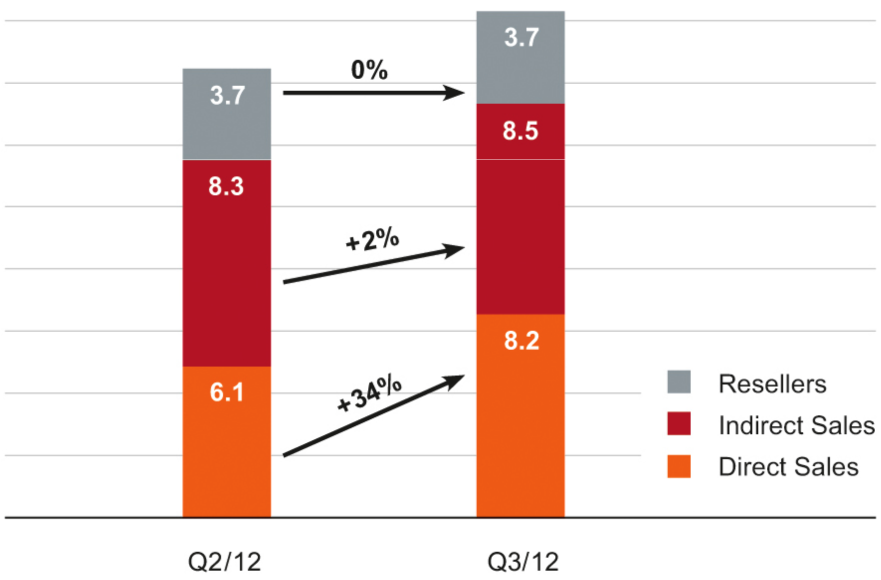
(1) Excluding depreciation and non-cash share-based payments

HUGE PROGRESS MADE IN ICT BUSINESS IN Q3 2012

REVENUE MIX (in € million)

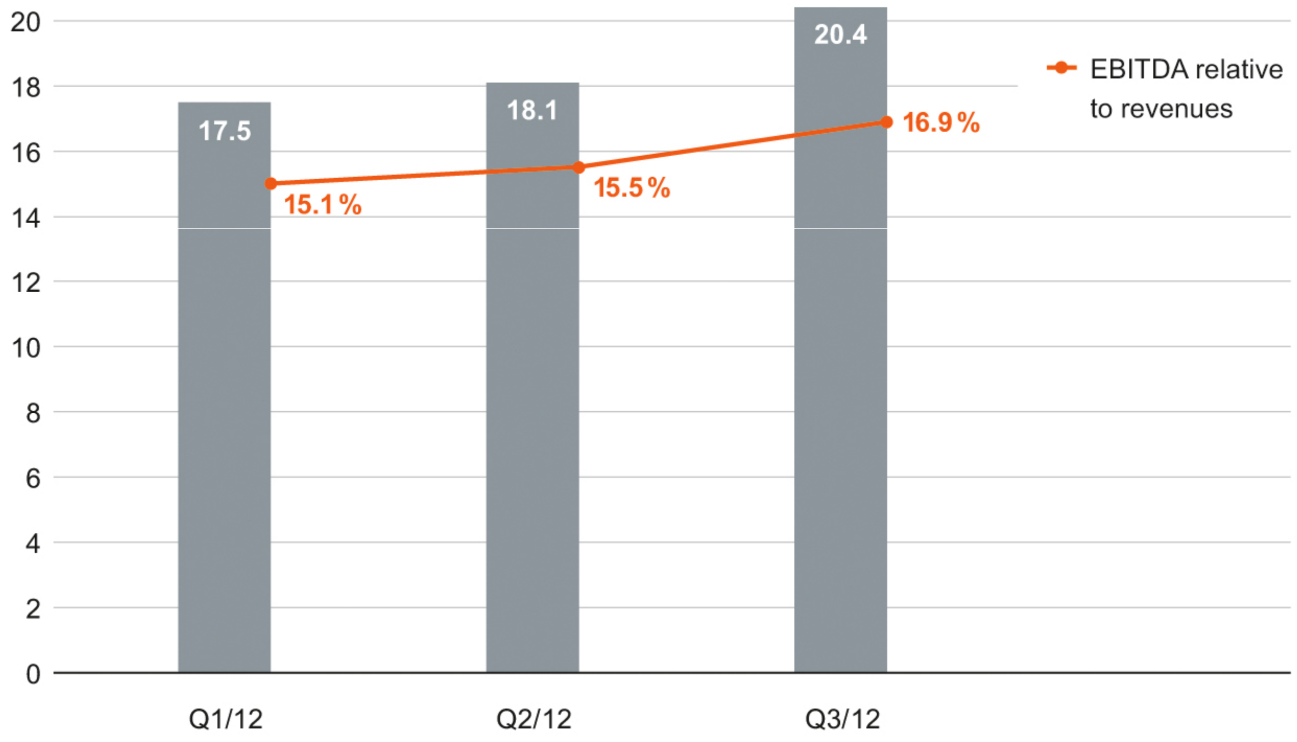


EBITDA (in € million)

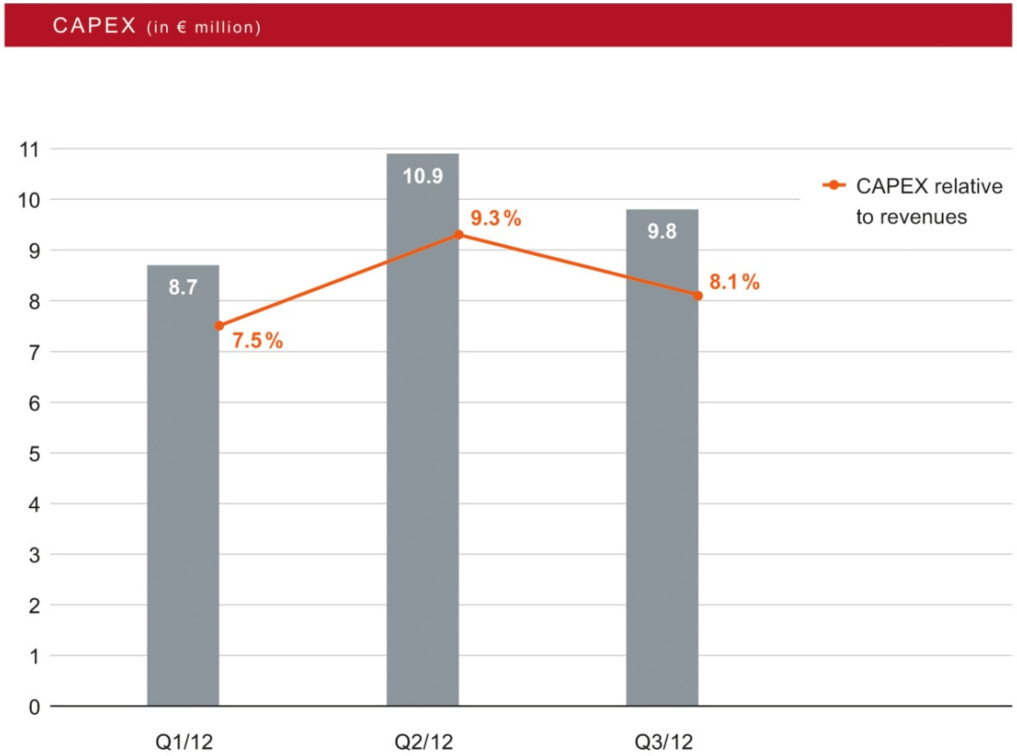


HIGHER PROFITABILITY IN ICT BUSINESS IS DRIVING THE PROFITABILITY OF THE QSC GROUP

EBITDA (in € million)



ON AVERAGE, QSC INVESTS 8% OF ITS REVENUES



Main CAPEX components

- Customer-driven investments (e.g. routers, servers)
- Maintenance investments for existing infrastructure
- Extension of capacity (e.g. data centers)

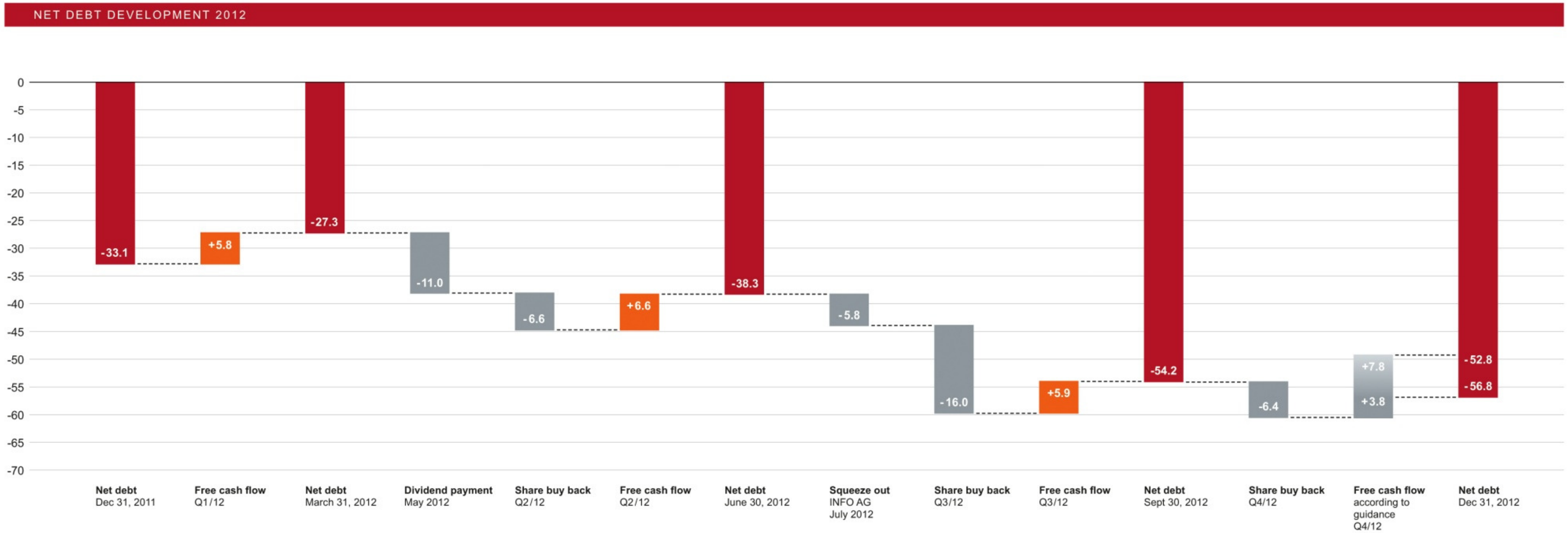
SUSTAINABLE FREE CASH FLOW

(in € million)	June 30, 2012	Sept. 30, 2012	FCF Q3/2012
Cash and cash equivalents	36.9	36.9	0
Available-for-sale financial assets	0.3	0.3	0
Liquidity	**37.3**	**37.3**	**0**
Liabilities under financing arrangements	-11.4	-12.3	-0.9
Liabilties due to banks	-64.2	-79.2	-15.0
Interest-bearing liabilities	**-75.6**	**-91.5**	**-15.9**
Net debt	**-38.3**	**-54.2**	**-15.9**
Acquisitions			+5.8
Share buy-back			+16.0
Free cash flow	**5.9**		

QSC'S FIRST SHARE BUY-BACK PROGRAM SUCCESSFULLY CONCLUDED

- As of November 5, 2012, QSC concluded its share buy-back program
- The company has bought 13,699,913 shares (9.98% of capital stock) for € 29.0 million (on average € 2.117 per QSC share)
- By September 30, 2012, the company had already purchased 10,673,101 shares (7.78% of capital stock) for € 22.6 million

SOUND FINANCING:
POSITIVE FREE CASH FLOW AND LOW NET DEBT



$$\frac{\text{Net debt}}{\text{EBITDA}} = 0.7x$$

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QSC CONFIRMS GUIDANCE FOR 2012

QSC anticipates:

- Revenues of € 480 – € 490 million
- An EBITDA margin of 16%
- Free cash flow of € 22 – € 26 million

QSC aims to again pay a dividend of at least € 0.08 for fiscal year 2012 – a yield of 3.8%, given a share price of € 2.10

UNFAVORABLE VOICE REGULATION EXPECTED

- On December 1, 2012, an unfavorable voice regulation will most probably come into effect
- QSC anticipates several decisions of the Regulator, among them:
  - A decline in termination fees for fixed-line calls by some 33%
  - A decline in termination fees for mobile calls by some 40%
- Estimated revenue shortfalls for QSC will be € 25 to € 30 million per annum, starting December 1, 2012 (~50% Indirect Sales, ~50% Resellers)
- Depending on the nature of the decisions, there might be a slight effect on earnings

ACCELERATED TRANSFORMATION PROCESS IS THE BEST STRATEGY AGAINST DECLINE IN TC BUSINESS

- **Unfavorable regulation, fierce price competition and changing demand** are the driving forces in conventional TC business today
- QSC foresaw these developments and **started the transformation process to become an ICT provider**
- Since Q2 2012, **ICT only Direct Sales has been the largest business unit** and is growing revenues and earnings quarter by quarter
- Today, the **ICT business** is more and more in a position to **offset the negative effects of conventional TC business**

⇒ **Transformation process has paved the way for substantial mid-term growth of revenues and profitability**

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FREE FLOAT NOW STANDS AT 70%

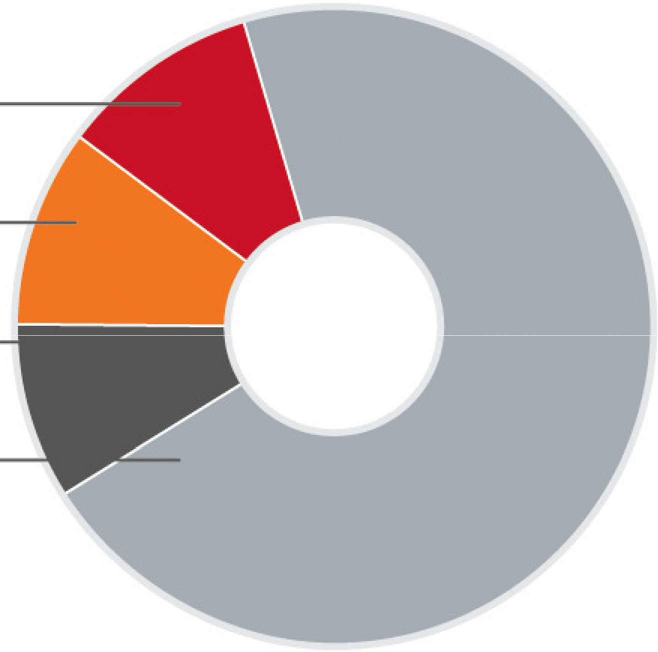
SHAREHOLDER STRUCTURE

10.18 % Gerd Eickers [1]

10.14 % Dr. Bernd Schlobohm [2]

9.98 % Treasury shares

69.71 % Free float



[1] Founder and Member of the Supervisory Board
[2] Founder and CEO

As of November 5, 2012