

SAPIENS FINANCIAL FACT SHEET

Q4 | 2016

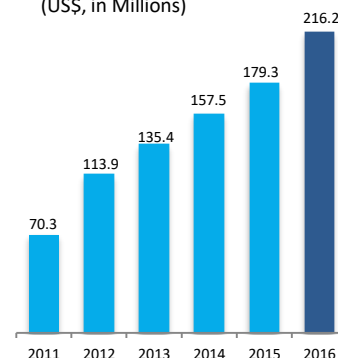
About Sapiens

Sapiens International Corporation (NASDAQ and TASE: SPNS) is a leading global provider of software solutions for the insurance industry, with a growing presence in the financial services sector.

Sapiens offers core, end-to-end solutions to the global general insurance, property and casualty, life, pension and annuities, reinsurance and retirement markets, as well as business decision management software. Its products include Sapiens ALIS – a software solution for individual, group and worksite life, pension and annuity insurance products; Sapiens IDIT – a component-based software solution designed for the General Insurance and Non-Life market; Sapiens Reinsurance – a business and accounting software solution for the entire range of reinsurance contracts; Sapiens Retirement – the industry’s next-generation retirement recordkeeping solution; Sapiens DECISION – business decision software that allows IT and the business to deploy their organization’s logic via a centralized repository, to improve the decision management process.

Sapiens has a track record of over 30 years in delivering superior software solutions to more than 200 financial services organizations globally. Our team of approximately 1,900 professionals operates through our fully-owned subsidiaries in North America, the United Kingdom, EMEA and Asia Pacific.

Annual Revenue (US\$, in Millions)

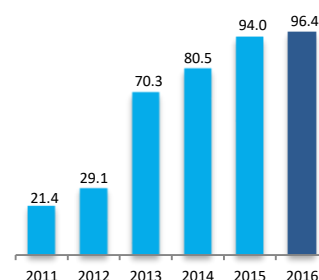


Income Statement Highlights

Non-GAAP (US\$, in Thousands)

	Fourth Quarter			Annual			
	2016	2015	%	2016	2015	2014	2013
Revenues	57,113	48,674	17.3%	216,190	179,263	157,450	135,377
Operating Income	7,493	7,356	1.9%	29,615	26,547	17,014	14,049
Net Income	5,958	6,332	-5.9%	24,199	22,105	16,008	14,022

Annual Net Cash (US\$, in Millions)

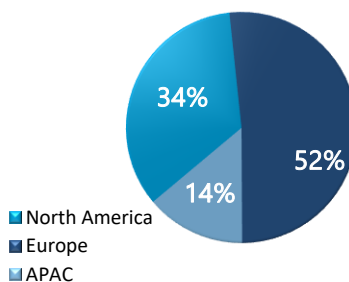


Balance Sheet Highlights Q4 2016

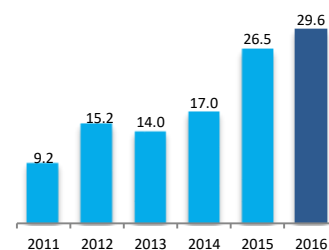
(US\$, in Thousands)

	31.12.2016
Cash and securities investments	96,356
Total Assets	257,851
Debt	-
Current Ratio	252%
Equity Ratio	75.4%

Annual Revenue by Geography 2016



Annual Operational Profit (Non-GAAP, US\$, in Millions)



Highlights

Strong Financial Performance

- Quarterly Non-GAAP revenue of \$57.1 million, up 17.3% compared to last year
- Non GAAP operating profit of \$7.5 million compare to \$7.4 million last year.
- Non GAAP Net profit of \$6.0 million compare to \$6.3 million last year.
- \$96.4 million of cash and securities investments, zero debt, positive cash flow
- Product launch: Sapiens PORTAL for consumer and agent , Sapiens INTELEGENE

Strong Leadership and Corporate Vision

- Strong management team focused on growth
- 8 M&As in the last 5 years
- 2017 guidance for full year revenues and operating margin:
Revenue target of \$270M - \$280M
Non-GAAP Operating margin of approximately 13.0%

Exceptional Offering for Insurance Software Packaged Solutions

- **Software:** Award winning packaged solutions for all insurance key business challenges
- **Delivery:** 30 years of field-proven project delivery of core system solutions
- **Global:** 1,900 employees worldwide, comprised mostly of insurance and technology domain experts who provide a wide array of global professional services and product development
- **Technology:** Modern technology, SOA based architecture

Selected Customers



Headquarters

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