

**COMARCH CAPITAL GROUP
KRAKOW, AL. JANA PAWŁA II 39A**

**CONSOLIDATED FINANCIAL STATEMENT
FOR 2011
AS WELL AS
OPINION OF AN INDEPENDANT AUDITOR
AND
REPORT OF AN AUDITOR**

OPINION OF AN INDEPENDENT AUDITOR

To the Shareholders and the Board of Supervisors of Comarch S.A.

We have conducted an audit of the Comarch Capital Group's consolidated financial report that included consolidated balance sheet as at 31st of December, 2011, consolidated income statement, total income consolidated statement, changes in consolidated equity, consolidated cash flow statement for the period from 1st of January, 2011 to 31st of December, 2011, and additional information and annotations.

The Management Board of the dominant unit takes responsibility for drawing up the consolidated financial report and the report regarding the activities of the Capital Group compliant with binding regulations.

The Management Board of the dominant unit and members of the Supervisory Board are obliged to ensure that the consolidated financial statement and report regarding the activities are compliant with the regulations of the Act on Accounting dated the 29th of September, 1994 (Journal of Laws from 2009, No. 152, pos. 1223, and subsequent changes), hereinafter referred to as the "Act on Accounting".

Our task was to audit this consolidated financial statement and present our opinion regarding whether this consolidated financial statement has been prepared according to the accounting principles applied by the company, and whether it presents, in all significant aspects, a true and fair view of equity and financial situation as well as financial result of the Capital Group.

The audit of the consolidated financial report was prepared and conducted according to:

- provisions of chapter seven of Act on Accounting,
- national standards for financial review, issued by the National Board of Expert Auditors in Poland (“KRBR”).

The audit was planned and executed so as to provide sufficient certainty in order to allow us to present our opinion regarding this consolidated financial statement. The audit included, in particular, verification of the correctness of the accounting principles applied by the dominant unit and subsidiaries, as well as verification, largely on the basis of the sample, evidence and accounting records confirming the amounts and information presented in the consolidated financial statement. The audit included also the general assessment of the consolidated financial statement’s presentation. We believe our audit constituted sufficient basis for expressing our opinion.

In our opinion, the audited consolidated financial statement, in all significant aspects:

- presents a true and fair view on the Capital Group’s equity and financial situation as at 31st of December, 2011, and on the financial result for financial year from 1st of January to 31st of December, 2011,
- was prepared compliant with the International Accounting Standards, the International Financial Reporting Standards, and their interpretations have been announced in the form compliant with the regulations of the European Union; and whereas not regulated within these standards – in compliance with the regulations of Act on Accounting and regulations formed on the basis of this act,
- was prepared compliant with the law binding the capital group.

The report regarding the activities of the Capital Group in 2011 is complete in the sense of art. 49 sec. 2 of Act on Accounting and the Regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state and included information come directly from the audited consolidated financial statement and are compliant with it.

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Marek Turczyński

Key Expert Auditor
conducting the audit
Registration no. 90114

.....
persons representing the entity

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entity entitled to audit the financial
statements registered in the list of entities
entitled under item no. 73
(the list of KRBR)

Warsaw, 30th of April, 2012

**THE REPORT FROM
THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR 2011**

I. GENERAL INFORMATION

1. General Characteristics of the Company

The parent company of the Capital Group operates under the company name of Comarch Spółka Akcyjna. The city of Krakow, Al. Jana Pawła II 39 A is the office of the company.

The company operates in the form of a joint stock company, formed with a notarial deed on the 30th of November, 1994 by notary, Maria Kwiecińska-Stybel in Krakow (Repertory No. A 5209/94). Pursuant to the notice dated the 20th of December, 1994, the company was registered in division B, at number RHB 3218 of a commercial register of the District Court for Kraków-Śródmieście, Economic Division of the National Court Register in Krakow. Currently, the company is registered at no. KRS 0000057567 in the register of business entities of the District Court for Kraków-Śródmieście, Economic Division of the National Court Register in Krakow.

The company's Tax Identification Number is 677-00-65-406 and was given by the Tax Office, Kraków-Sródmieście in Krakow on 1st of August, 2000.

On the 14th of July, 2000, the Statistical Office registered the company at REGON no. 350527377.

The company operates compliant with the provisions of the Commercial Companies Code.

According to the company's statute, the subject matter of the company's activities is:

- Activities within the scope of satellite telecommunication,
- Activities within other forms of telecommunication,
- Research and development work within the scope of other natural and technical sciences,
- Research and development work within the scope of biotechnology,
- Production of electronic elements,
- Production of electronic printed circuit boards,
- Production of computer and peripheral devices,
- Production of (tele)communication hardware,
- Production of electronic hardware for common use,
- Production of machines and office devices, excluding computer and peripheral devices,
- Service and maintenance of machines,
- Service and maintenance of electronic and optic devices,
- Service and maintenance of electric devices,
- Installation of industry machines, hardware and equipment,
- Wholesale of computers, peripheral devices and software,
- Software activities,
- Advisement within the scope of informatics,
- Activities within the scope of IT hardware management,
- Other activities within the scope of informatics and computer technologies,
- Data processing; hosting and similar activities,
- Web portals activities,
- Other services activities within the scope of information, which were not classified elsewhere,
- Editorial activities within the scope of other software,

- Editorial activities within the scope of computer games,
- Other editorial activities,
- Service and maintenance of computer and peripheral devices
- Service and maintenance of (tele)communication hardware,
- Reproduction of computer data carriers,
- Activities within the scope of wire telecommunication,
- Activities within the scope of wireless telecommunication, excluding satellite telecommunication,
- Wholesale of electronic and telecommunication hardware, as well as their elements,
- Retail of computers, peripheral devices and software undertaken in specialized retail outlets,
- Retail of telecommunication hardware undertaken in specialized retail outlets,
- Retail undertaken through mail-order houses or Internet,
- Road transport of items,
- Warehousing and storage of other items,
- Finance leasing,
- The purchase and sale of real estate properties on its own account,
- Rental and management of owned or leased real estate properties,
- Intermediation within the scope of real estate properties' dealing,
- Rental and lease of machines and office devices, including computers,
- Extramural forms of sports education as well as sport and recreational activities,
- Other extramural forms of education, which were not classified elsewhere,
- Activities supporting education,
- Other activities supporting business activities, which were not classified elsewhere,
- Sports facilities activities,
- Other sports related activities
- Execution of building projects associated with raising buildings,
- Construction activities associated with raising residential and non-residential buildings,
- Activities associated with construction of telecommunications lines and electrical power engineering,
- Activities associated with the construction of remaining objects of civil and water engineering,
- Construction of electric and water-sewer installations, as well as remaining construction installations.

During the audited period, the company operates within IT business.

As at 31st of December 2011, the company's share capital accounted for 8,051,637.00 PLN and was divided into 6,303,237 ordinary shares of nominal value of 1 PLN each and 1,748,400 registered shares of nominal value of 1.00 PLN each. Registered shares are preferential for voting so that 5 votes in the General Meeting correspond with each share.

As at 31st of December, 2011, shareholders holding, directly or indirectly by subsidiary entities, at least 5% of the total number of votes in the general meeting of Comarch S.A. are:

- Janusz Filipiak – 32.54% in the company's share capital (41.16% of votes at the AGM),
- Elżbieta Filipiak – 10.51% in the company's share capital (28.12% of votes at the AGM).

Within the financial year there were no changes in the company's share capital and changes in the ownership structure of the share capital resulted from purchase/sale transactions of the company's shares at the Warsaw Stock Exchange.

After the balance sheet date there were no changes in the company's share capital.

As at the 31st of December, 2011, the equity was 609,851 thousand PLN.

The financial year of the Capital Group is the calendar year.

At the date of this report, the members of the Management Board are:

- | | |
|----------------------|---|
| - Janusz Filipiak | - President of the Management Board, |
| - Piotr Reichert | - Vice-President of the Management Board, |
| - Paweł Prokop | - Vice-President of the Management Board, |
| - Marcin Warwas | - Vice-President of the Management Board, |
| - Zbigniew Rymarczyk | - Vice-President of the Management Board, |
| - Piotr Piątosza | - Vice-President of the Management Board, |
| - Konrad Tarański | - Vice-President of the Management Board. |

During the audited period, there were no changes in the membership of the dominant unit's Management Board.

As at the 31st of December, 2011, the Comarch Capital Group consists of the following entities:

- the parent company – Comarch S.A., and
- direct subsidiaries:

- Comarch AG	- a subsidiary in 100%,
- Comarch S.A.S.	- a subsidiary in 100%,
- Comarch Luxembourg S.à r.l.	- a subsidiary in 100%,
- Comarch Inc.	- a subsidiary in 100%,
- Comarch Canada, Corp.	- a subsidiary in 100%,
- Comarch Middle East FZ-LLC	- a subsidiary in 100%,
- Comarch LLC	- a subsidiary in 100%,
- Comarch Software (Shanghai) Co. Ltd.	- a subsidiary in 100%,
- OOO Comarch	- a subsidiary in 100%,
- Comarch Vietnam Company Ltd.	- a subsidiary in 100%,
- Comarch Oy	- a subsidiary in 100%,
- UAB Comarch	- a subsidiary in 100%,
- Comarch s.r.o	- a subsidiary in 100%,
- SouthForge Sp. z o.o.	- a subsidiary in 100%,
- CA Consulting S.A.	- a subsidiary in 99.90%,
- Comarch Management Sp. z o.o.	- a subsidiary in 100%,
- Comarch Corporate Finance FIZ	- a subsidiary in 100%,
- MKS Cracovia SSA	- a subsidiary in 49.15%.
- the subsidiaries through Comarch AG:

- Comarch R&D S.à r.l.	- a subsidiary in 70% through Comarch AG,
- Comarch Software und Beratung AG	- a subsidiary in 92.32% through Comarch AG,
- the subsidiaries through Comarch Software und Beratung AG:

- Comarch Solutions GmbH - a subsidiary in 100% through Comarch Software und Beratung AG,
- Comarch Swiss AG - a subsidiary in 100% through Comarch Software und Beratung AG,
- Comarch Schilling GmbH - a subsidiary in 100% through Comarch Software und Beratung AG,
- SoftM France S.à r.l. - a subsidiary in 100% through Comarch Software und Beratung AG,

- subsidiaries through Comarch Inc.:
 - Comarch Panama, Inc. - a subsidiary in 100% through Comarch Inc.

- subsidiaries through Comarch Corporate Finance FIZ:
 - iMed 24 S.A. - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - iFin24 S.A. - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - iReward24 S.A. - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - Infrastruktura24 S.A. - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - CASA Management and Consulting Sp. z o.o. SKA - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - iComarch24 S.A. - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - Bonus Development sp. z o.o. SKA - a second degree subsidiary in 100% through Comarch Corporate Finance FIZ,
 - Bonus Management sp. z o.o. SKA - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - Bonus Management sp. z o.o. II Activia SKA - a subsidiary in 100% through Comarch Corporate Finance FIZ,
 - Bonus Development sp. z o.o. II Koncept SKA - a second degree subsidiary in 100% through Comarch Corporate Finance FIZ,
 - Comarch Management sp. z o.o. SKA - a subsidiary in 64.85% through Comarch Corporate Finance FIZ, 35.15% through Comarch S.A.,

- associates:
 - through Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty:
 - SoInteractive Spółka z o.o. (30.72% votes held by Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty),
 - through Comarch S.A.:
 - Fidletronik z o.o. (an associates in 50%),

COMARCH CAPITAL GROUP

The consolidated financial statement as at the 31st of December, 2011 comprises the following companies:

a) the parent company – Comarch S.A.

The audit of the financial statement of the parent company was carried out for the financial period from the 1st of January, 2011 to the 31st of December, 2011. Our opinion dated the 30th of April, 2012 included no objections.

We would like to draw your attention to the fact that the present report is a financial statement and should primarily serve statute purposes. It cannot constitute the single grounds for assessment of the financial and material situation of the company, which is a parent company in the Comarch Group. Apart from the financial statement, the company drafts the consolidated financial statements of the Capital Group.

b) companies consolidated with the full method:

Name and office of the company	% in the share capital	An auditing entity and type of the opinion	Balance sheet date of a company	Date of the opinion
Comarch, Inc. Rosemont (USA)	100%	was not subject to audit	31 December 2011	n/a
Comarch AG, Dresden (Germany)	100%	Akanthus GmbH Wirtschaftsprüfungsgesellschaft; opinion without objections	31 December 2011	16 April 2012
Comarch Middle East FZ-LLC, Dubai (UAE)	100%	was not subject to audit	31 December 2011	n/a
Comarch s.r.o., Bratislava (Slovakia)	100%	was not subject to audit	31 December 2011	n/a
Comarch LLC, Kiev (Ukraine)	100%	was not subject to audit	31 December 2011	n/a
Comarch Panama, Inc. Panama	100%	was not subject to audit	31 December 2011	n/a
UAB Comarch, Vilnius (Lithuania)	100%	was not subject to audit	31 December 2011	n/a
OOO Comarch, Moscow (Russia)	100%	was not subject to audit	31 December 2011	n/a
CA Consulting S.A., Krakow	99.90%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	30 March 2012
MKS Cracovia SSA, Krakow	49.15%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	23 March 2012
Comarch Software S.A.R.L	100%	was not subject to audit	31 December 2011	n/a
Comarch R&D S.à r.l. Montbonnot-Saint- Marting (France)	70%	was not subject to audit	n/d	n/a
Comarch Management Sp. z o.o. Krakow	100%	was not subject to audit	31 December 2011	n/a
Comarch Management Sp. z o.o. SKA Krakow	100%	Suder&Reiter Audyt Sp. z o.o. sk, as at the date of this report there were no opinion	31 March 2012	n/a
Comarch Corporate Finance FIZ, Krakow	100%	ECA Seredyński i Partnerzy Sp. z o.o., opinion without objections	31 December 2011	16 March 2012

COMARCH CAPITAL GROUP

Bonus Development Sp. z o.o. SKA, Krakow	100%	was not subject to audit	n/a	n/a
IMED24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	30 March 2012
iFIN24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	30 March 2012
iReward24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	30 March 2012
Infrastruktura24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	30 March 2012
iComarch24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	30 March 2012
Bonus Management Sp. z o.o. SKA, Krakow	98.78%	was not subject to audit	n/a	n/a
SouthForge Sp. z o.o., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. sk, opinion without objections	31 December 2011	30 March 2012
CASA Management & Consulting Sp. z o.o. SKA, Krakow	100%	was not subject to audit	31 December 2011	n/a
Bonus Management Sp. z o.o. II Activia SKA, Krakow	100%	was not subject to audit	n/a	n/a
Bonus Development Sp. z o.o. II Koncept SKA, Krakow	100%	was not subject to audit	n/a	n/a
Comarch Software (Shanghai) Co. Ltd., Shanghai (China)	100%	was not subject to audit	31 December 2011	n/a
Comarch S.A.S., Lezennes (France)	100%	Mazars France, as at the date of this report there were no opinion	31 December 2011	n/a
Comarch Luxembourg S.A.R.L., Luxembourg	100%	PwC Luxembourg, as at the date of this report there were no opinion	31 December 2011	n/a
Comarch Canada, Corp., New Brunswick (Canada)	100%	was not subject to audit	31 December 2011	n/a
Comarch Vietnam Company Ltd., Ho Chi Minh (Vietnam)	100%	was not subject to audit	31 December 2011	n/a
Comarch Oy, Espoo (Finland)	100%	was not subject to audit	31 December 2011	n/a
Comarch Software und Beratung AG Capital Group	92.32%	Akanthus GmbH Wirtschaftsprüfungsgesellschaft, opinion without objections but including drawing attention	31 December 2011	15 March 2012

c) companies consolidated with the equity method:

Name and seat of the company	% in the share capital	An auditing entity and type of the opinion	Balance sheet date of a company	Date of the opinion
SoInteractive Sp. z o.o., Krakow	30.72%	was not subject to audit	n/a	n/a

When preparing the consolidated financial statement, the parent company did not apply any significant simplification or exclusions from the applied principles for consolidation in relations to the consolidated entities.

Over the financial year, membership of the audited Capital Group and consolidated entities, where the parent company prepared the audited consolidated financial statement, did not change, except for companies established in 2011, i.e. Comarch Luxembourg S.A.R.L. and Comarch Canada, Corp.

2. Information regarding the Consolidated Financial Statement from the Previous Financial Year

In 2010, the Capital Group achieved net profit in the amount of 23,957 thousand of PLN. The Capital Group's consolidated financial statement for the financial year of 2011 was audited by an expert auditor. An audit was carried out by BDO Sp. z o.o., the entitled auditor. There were no reservations in the opinion of an expert auditor dated the 29th of April, 2011.

The Annual General Meeting that approved the financial statement for the financial year of 2010 was held on the 29th of June, 2011.

On the 7th of July, 2011, in compliance with the law, the consolidated financial statement for the financial year of 2010 was delivered to the National Court Register and on the 14th of July, 2011, it was delivered for publishing in Monitor Polski B. The consolidated financial statement was published in Monitor Polski B no. 612 on the 20th of February, 2012.

3. Data that Identifies an Entitled Entity and an Expert Auditor Carrying Out an Audit on behalf of the Entity

The audit of the consolidated financial statement was carried out according to a contract dated the 1st of August, 2011, concluded between Comarch S.A. and Deloitte Audyt Sp. z o.o. with its registered office in Warsaw at al. Jana Pawła II 19. Deloitte Audyt Sp. z o.o. is registered under item no. 73 in the list of entities entitled to audit financial statements (the list of National Council of Auditors). On behalf of the entity entitled to audit financial statements, the audit was carried out under the supervision of the auditor Marek Turczyński (register no. 90114) at the dominant unit's office from the 12th of March, to the 30th of March, 2012 and from the 10th of April, to the 20th of April, 2012, as well as outside the company's office till the date of this opinion.

On the 19th of July, 2011, according to the authorisation that is included in art. 19 sec. 2 of the parent company's statute, the Board of Supervisors selected the entitled auditor.

Deloitte Audyt Sp. z o.o. and key auditor Marek Turczyński confirm that they are entitled to audit financial statements and perform the conditions specified in art. 56 sec. 2 and 3 of the Act on Expert Auditors, and their Management, Entities Entitled to Audit Financial Statements and Public Supervision (Journal of Laws from 2009, No. 77, pos. 649 with subsequent changes), to provide a fair and independent opinion regarding the consolidated financial statement of the Capital Group.

4. Data Availability and Statements of the Entity's Management

There were no limitations within the audit.

During the audit, all demanded documents and data were made available to the entitled entity and expert auditor, as well, comprehensive information and explanations were also granted. That was, among other things, confirmed by a written statement from the company's Management Board dated the 30th of April, 2012.

II. Equity and Financial Situation of the Capital Group

Below is the basic data from the consolidated income statement and total consolidated income statement, as well as financial ratios describing the Capital Group's financial result, its equity and financial situation compared to parallel data for the previous years.

<u>Basic data from income statement (in thousands of PLN)</u>	<u>2011</u>	<u>2010</u>
Revenues from sales	785,653	761,361
Costs from operating activities	(750,940)	(722,448)
Other operating revenues	22,970	4,657
Other operating costs	(18,900)	(13,209)
Financial revenues/(costs)	1,019	200
Loss in the company's goodwill	0	(5,542)
Share in profits/losses of associates	(38)	(40)
Income tax	(6,697)	(1,022)
Net profit (loss)	33,067	23,957
Total income	29,687	24,709

<u>Profitability ratios</u>	<u>2011</u>	<u>2010</u>
- sales margin	5%	3%
- net margin	4%	3%
- return on equity	6%	4%

Efficiency ratios:

- assets turnover ratio	0.77	0.79
- receivables turnover ratio (days)	121	111
- liabilities turnover ratio (days)	47	47
- inventories turnover ratio (days)	22	20

Liquidity/net working capital

- debt rate	40%	40%
- degree of covering assets with equity	60%	60%
- net working capital (in thousands of PLN)	270,682	301,490
- liquidity ratio	1.98	2.21
- cash to current liabilities ratio	1.82	2.01

An analysis of the above amounts and ratios indicates the following tendencies in 2011:

- increases in sales margins and return on equity,
- decrease in assets turnover ratio,
- increases in inventories turnover ratio and receivables turnover ratio,
- decrease in net working capital,
- decreases in liquidity ratio and cash to current liquidity ratio.

II. DETAILED INFORMATION

1. Information on Audited Consolidated Financial Statement

The audited consolidated financial statement was prepared as at the 31st of December, 2011 and includes:

- consolidated balance sheet as at the 31st of December, 2011, with total assets, total equity and liabilities amounting to 1,022,474 thousand PLN;
- consolidated income statement for the period from the 1st of January, 2011 to the 31st of December, 2011, with the net profit for the year amounting to 33,067 thousand PLN;
- total consolidated income statement for the period from the 1st of January, 2011 to the 31st of December, 2011, with the total income for the year amounting to 29,687 thousand PLN;
- changes in consolidated equity for the period from the 1st of January, 2011 to the 31st of December, 2011 showing an increase in the value of equity in the amount of 25,662 thousand PLN;
- consolidated cash flow statement for the period from the 1st of January, 2011 to the 31st of December, 2011 showing a decrease in cash and cash equivalents in the amount of 10,423 thousand PLN;
- additional information and annotations including information on applied accounting standards.

The structure of assets, equity and liabilities, and items that create the financial result is presented in the consolidated financial statement.

The audit covered the period from the 1st of January to the 31st of December, 2011 and consisted mostly of:

- auditing the correctness and reliability of the consolidated financial statement prepared by the Management Board of the parent company,
- auditing the consolidating documentation,
- assessing the correctness of the methods and procedures applied during consolidation,
- reviewing the opinions and reports from the audit of the consolidated subsidiaries and associates prepared by other expert auditors.

2. Consolidating Documentation

The parent company presented the following consolidating documentation:

- 1) financial statements of the consolidated entities;
- 2) financial statements of the related entities prepared according to mandatory accounting regulations;
- 3) financial statements of the related entities after conversion to Polish currency;
- 4) all corrections and eliminations made during consolidation that are necessary to prepare the consolidated financial statement;
- 5) calculation of the fair value of net assets in related parties;
- 6) calculation of the goodwill and negative goodwill, and write-offs, including write-offs due to permanent loss in value;
- 7) calculation of the minority interests;
- 8) calculation of the currency differences resulting from the conversion of financial statements of related parties expressed in foreign currencies.

Principles of preparing the consolidated financial statements

This consolidated financial statement for the 12 months ended 31 December 2011 was prepared pursuant to the International Financial Reporting Standards (IFRS).

Specification of the Capital Group's entities

When specifying the scope and methods of consolidation, as well as the relations of dependency, IFRS principles were applied.

Financial year

This consolidated financial statement was prepared as at the same balance sheet date and for the same financial year as the financial statement of the parent company – Comarch S.A. Financial statements for the consolidated subsidiaries and an associate were prepared as at the same balance sheet date as the parent company. The financial year of the consolidated subsidiaries and associate ended on the 31st of December, 2011, except for Comarch Management Sp. z o.o. SKA (31st of March, 2012).

Consolidation method

Consolidation of the Capital Group's financial statement in relation to the subsidiaries was conducted using the full method by summing all the appropriate items from the parent company and the consolidated subsidiaries.

After summing; corrections and consolidating eliminations were made, which include:

- acquisition value of shares held by the parent company in the subsidiaries and that part of the subsidiaries' net assets corresponding to the share of the parent company in the property of these entities,
- mutual receivables and liabilities of the consolidated entities,
- significant revenue and costs related to operations between consolidated entities.

In relation to the associates the equity method was applied. The value of the share of the parent company in the associate was adjusted in the interest of the parent company by the increase or decrease in the associate's equity occurring within the consolidating period. It was also adjusted by decrease from due the associate's dividends.

III. Completeness and Correctness in the Preparation of the Additional Information and Commentary and the Report Regarding the Activities of the Capital Group

The parent company confirmed that it had been appropriate to use a principle of business continuation when preparing the financial statement. Methods of assets, liabilities and equity valuation, the establishment of financial result and the method of consolidated financial statement preparation were completely and correctly described in additional information and commentary in the consolidated financial statement.

The parent company prepared additional information and commentary in tabular notes related to the particular items of the balance sheet, income statement, total income statement and descriptions compliant with the IFRS regulations.

Commentary notes to the items: property, plant and equipment, intangible assets, investment, liabilities and provisions correctly present increases and decreases as well as the reasons for these changes during the financial year.

Restriction in possibility of administration of the particular assets that are presented in the balance sheet was presented due to hedges made in the interest of creditors.

The parent company presented correctly particular items of assets, equity and liabilities, income statement. Consolidated balance sheet, consolidated income statement, consolidated total income statement, changes in consolidated equity, consolidated cash flow statement as well as additional notes, information and commentary that are the integral part, clearly present all information that is compliant with requirements specified in the IFRS.

The Management Board prepared and attached the report regarding the activities of the Capital Group in 2011 to the financial statement. This report contains information that is required by art. 49 sec. 2 of the Accounting Act and the regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state. We've audited this report concerning the presented information that has a direct source in the audited financial statement.

IV. Final Information and Arrangements

The Management Board's declarations

Deloitte Audyt Sp. z o.o. and a key expert auditor received a written statement from the parent company's Management Board, which states that the Capital Group complies with the law.

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Marek Turczyński
Key Expert Auditor
Registration no. 90114

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persons representing the company

.....
entity entitled to audit the financial
statements registered in the list of entities
entitled under item no. 73
(the list of KRBR)

Warsaw, 30th of April, 2012

FINANCIAL SUPERVISION AUTHORITY

CONSOLIDATED ANNUAL REPORT RS 2011

year

(pursuant to §2 sec.2 of the Regulation issued by the Minister of Finance on 19th of January, 2009 - Journal of Laws No. 33 Item 259) for issuers of securities managing production, construction, trade and services activities

for financial year 2011 from 2011-01-01 to 2011-12-31
including consolidated annual financial statement according to International Financial Reporting Standards (IFRS)
in currency PLN
date of publication 2012-04-30

COMARCH SA	
(full name of an issuer)	
COMARCH	Information Technology (IT)
(abbreviated name of issuer)	(sector according to WSE classification)
31-864	Kraków
(postal code)	(city)
Al. Jana Pawła II	39A
(street)	(number)
012 646 10 00	012 646 11 00
(telephone number)	(fax)
investor@comarch.pl	www.comarch.pl
(e-mail)	(www)
677-00-65-406	350527377
(NIP)	(REGON)

BDO Sp. z o.o.

(An auditor entitled to audit financial statements)

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	2011	2010	2011	2010
I. Net revenues from sales of products, goods and materials	785,653	761,361	189,767	190,131
II. Profit (loss) on operating activities	38,783	24,819	9,368	6,198
III. Gross profit (loss)	39,764	24,979	9,605	6,238
IV. Net profit (loss)	36,257	43,717	8,758	10,917
V. Cash flows from operating activities	58,530	34,739	14,137	8,675
VI. Cash flows from investing activities	-82,283	-39,222	-19,875	-9,795
VII. Cash flows from financing activities	13,330	10	3,220	2
VIII. Total net cash flows	-10,423	-4,473	-2,518	-1,117
IX. Total assets	1,022,474	968,105	231,497	244,452
X. Liabilities and provisions for liabilities	412,623	383,916	93,421	96,941
XI. Non-current liabilities	137,069	135,652	31,034	34,253
XII. Current liabilities	275,554	248,264	62,388	62,688
XIII. Equity	609,851	584,189	138,075	147,511
XIV. Share capital	8,051	8,051	1,823	2,033
XV. Number of shares	8,051,637	8,051,637	8,051,637	8,051,637
XVI. Earnings (losses) per single share (PLN/EURO)	4.50	5.44	1.09	1.36
XVII. Diluted earnings (losses) per single share (PLN/EURO)	4.50	5.44	1.09	1.36
XVIII. Book value per single share (PLN/EURO)	75.74	72.56	17.15	18.32
XIX. Diluted book value per single share (PLN/EURO)	75.74	72.56	17.15	18.32

Euro exchange rates used for calculation of the selected financial data:
 - arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2011 to 31.12.2011: 4.1401;
 - arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2010 to 31.12.2010: 4.0044;
 The balance sheet items were presented based on NBP average exchange rates as of the end of the period:
 - 31.12.2011: 4.4168;
 - 31.12.2010: 3.9603.

ANNUAL REPORT INCLUDES:

File	Description
RS_Opinion.pdf	Opinion of an Auditor entitled to Audit Financial Statements – attachment no. 1
RS_Report.pdf	Report of an Auditor entitled to Audit Financial Statements- attachment no. 2
Letter of the President of The Management Board.pdf	Letter of the President of The Management Board- attachment no. 3
Consolidated Financial Statement.pdf	Consolidated Financial Statement attachment no. 4
Report of the Management Board.pdf	Report of the Management Board- attachment no. 5
The Management Board's statement regarding the independent auditor.pdf	The Management Board's statement regarding the independent auditor- attachment no. 6
The Management Board's statement regarding the reliability of the financial statement.pdf	The Management Board's statement regarding the reliability of the financial statement- attachment no. 7
Report regarding Corporate Governance Principles.pdf	Report regarding Corporate Governance Principles- attachment no.8

SIGNATURES OF ALL MEMBERS OF THE BOARD

Date	Name and surname	Position	Signature
2012-04-30	Janusz Filipiak	President of the Management Board	
2012-04-30	Piotr Piątosza	Vice-President of the Management Board	
2012-04-30	Paweł Prokop	Vice-President of the Management Board	
2012-04-30	Piotr Reichert	Vice-President of the Management Board	
2012-04-30	Zbigniew Rymarczyk	Vice-President of the Management Board	
2012-04-30	Konrad Tarański	Vice-President of the Management Board	
2012-04-30	Marcin Warwas	Vice-president of the Management Board	

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS

Date	Name and surname	Position	Signature
2012-04-30	Maria Smolińska	Head Accountant	

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2011

All amounts are expressed in thousands of PLN unless otherwise indicated

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I. Consolidated Balance Sheet

	Nota	31 December 2011	31 December 2010
ASSETS			
Non-current assets			
Property, plant and equipment	3.3	327,971	275,663
Goodwill	3.4	37,155	37,155
Other intangible assets	3.5	80,410	79,106
Non-current prepayments	3.6	61	187
Investments in associates	3.7	28	172
Other investments		1,106	1,106
Deferred income tax assets	3.20	27,775	23,725
Other receivables		1,732	1,237
		476,238	418,351
Current assets			
Inventories	3.8	44,192	49,621
Trade and other receivables	3.12	294,736	287,688
Current income tax receivables		141	217
Long-term contracts receivables	3.17	12,284	9,112
Available-for-sale financial assets	3.10	1,521	2,491
Other financial assets at fair value – derivative financial instruments	3.11	-	383
Stocks and shares		25	-
Cash and cash equivalents	3.13	193,337	200,242
		546,236	549,754
TOTAL ASSETS		1,022,474	968,105
EQUITY			
Capital and reserves attributable to the company's equity holders			
Share capital	3.14	8,051	8,051
Other capitals	3.15	142,007	140,441
Exchange differences	3.28	6,595	10,058
Net profit for the current period		36,257	43,717
Retained earnings		407,444	372,680
		600,354	574,947
Minority interest	3.15	9,497	9,242
Total equity		609,851	584,189
LIABILITIES			
Non-current liabilities			
Credit and loans	3.18	88,895	84,804
Deferred income tax provision	3.20	48,172	50,276
Provisions for other liabilities and charges	3.21	2	572
		137,069	135,652
Current liabilities			
Trade and other payables	3.16	146,332	149,812
Current income tax liabilities		5,350	3,386
Long-term contracts liabilities	3.17	8,363	7,452
Credit and loans	3.18	27,435	13,089
Financial liabilities	3.11	686	-
Provisions for other liabilities and charges	3.21	87,388	74,525
		275,554	248,264
Total liabilities		412,623	383,916
TOTAL EQUITY AND LIABILITIES		1,022,474	968,105

II. Consolidated Income Statement

	Note	12 months ended 31 December 2011	12 months ended 31 December 2010
Revenue	3.22	785,653	761,361
Cost of sales	3.23	(593,576)	(585,197)
Gross profit		192,077	176,164
Other operating income	3.24	22,970	4,657
Sales and marketing costs		(82,683)	(84,277)
Administrative expenses		(74,681)	(52,974)
Loss in the company's goodwill		-	(5,542)
Other operating expenses	3.25	(18,900)	(13,209)
Operating profit		38,783	24,819
Finance revenue/(costs)-net	3.26	1,019	200
Share of profit/(loss) of associates	3.7	(38)	(40)
Profit before income tax		39,764	24,979
Income tax expense	3.27	(6,697)	(1,022)
Net profit for the period		33,067	23,957
Attributable to:			
Equity holders of the company		36,257	43,717
Minority interest	3.15	(3,190)	(19,760)
		33,067	23,957
Earnings per share for profit attributable to the equity holders of the company during the period (expressed in PLN per share)			
- basic	3.29	4.50	5.44
- diluted		4.50	5.44

III. Total Income Consolidated Statement

	12 months ended 31 December 2011	12 months ended 31 December 2010
Net profit (loss) for the period	33,067	23,957
Other total income		
Currency translation differences from currency translation in related parties	(3,380)	752
Other total income	(3,380)	752
Sum of total income for the period	29,687	24,709
Attributable to the company's shareholders	32,794	43,091
Attributable to the minority	(3,107)	(18,382)

IV. Consolidated Statement of Changes in Shareholders' Equity

	Attributable to equity holders					Minority interest	Total equity
	Share capital	Other capitals	Exchange differences	Net profit for the current period	Retained earnings		
Balance at 1 January 2010	7,960	137,798	10,684	32,306	348,522	17,046	554,316
Transferring result for 2009	-	-	-	(32,306)	32,306	-	-
Correction of minority capital due to changes in the Group's ownership structure	-	-	-	-	(6,695)	6,695	-
Capital from valuation of the managerial option	-	2,643	-	-	-	-	2,643
Payment of dividend	-	-	-	-	(1,453)	-	(1,453)
Purchase of shares in the increased share capital of Comarch AG	-	-	-	-	-	3,883	3,883
Increase in capital	91	-	-	-	-	-	91
<i>Currency translation differences¹</i>	-	-	(626)	-	-	1,378	752
<i>Profit for the period²</i>	-	-	-	43,717	-	(19,760)	23,957
Total income recognised in equity (1+2)	-	-	(626)	43,717	-	(18,382)	24,709
Balance at 31 December 2010	8,051	140,441	10,058	43,717	372,680	9,242	584,189
Balance at 1 January 2011	8,051	140,441	10,058	43,717	372,680	9,242	584,189
Transferring result for 2010	-	-	-	(43,717)	43,717	-	-
Price for purchase of Comarch AG shares from a minority shareholder	-	-	-	-	-	(4,876)	(4,876)
Change in capital due to purchases of shares of Comarch AG and other companies in the Group from a minority shareholders	-	-	-	-	(7,758)	7,758	-
Dividend for 2011 paid outside the Comarch Group	-	-	-	-	(1,195)	-	(1,195)
Other changes	-	-	-	-	-	19	19
Capital from valuation of the managerial option	-	1,566	-	-	-	-	1,566
Purchase of shares in the increased share capital of Comarch AG	-	-	-	-	-	461	461
<i>Currency translation differences¹</i>	-	-	(3,463)	-	-	83	(3,380)
<i>Profit for the period²</i>	-	-	-	36,257	-	(3,190)	33,067
Total income recognised in equity (1+2)	-	-	(3,463)	36,257	-	(3,107)	29,687
Balance at 31 December 2011	8,051	142,007	6,595	36,257	407,444	9,497	609,851

V. Consolidated Cash Flow Statement

	12 months ended 31 December 2011	12 months ended 31 December 2010
Cash flows from operating activities		
Net profit	33,067	23,957
Total adjustments	35,968	16,450
Share in net (gains) losses of related parties valued using the equity method of accounting	38	40
Depreciation	42,044	41,426
Exchange gains (losses)	5,719	(490)
Interest and profit-sharing (dividends)	1,411	4,328
(Profit) loss on investing activities	(8,482)	(2,847)
Change in inventories	6,201	(14,271)
Change in receivables	5,667	(61,912)
Change in liabilities and provisions excluding credits and loans	(18,196)	47,534
Other adjustments	1,566	2,642
Net profit less total adjustments	69,035	40,407
Income tax paid	(10,505)	(5,668)
Net cash used in operating activities	58,530	34,739
Cash flows from investing activities		
Purchases of property, plant and equipment	(74,310)	(34,415)
Proceeds from sale of property, plant and equipment	472	814
Purchases of intangible assets	(14,774)	(14,240)
Proceeds from sale of intangible assets	7,573	1
Purchases of available-for-sale financial assets	(4,876)	(19,825)
Proceeds from sales of available-for-sale financial assets	-	29,615
Granted non-current loans	(594)	(2,805)
Paid non-current loans	800	1,000
Interest	4,388	333
Other proceeds from financial assets	-	300
Other investment proceeds	3	-
Other investment outflows	(965)	-
Net cash used in investing activities	(82,283)	(39,222)
Cash flows from financing activities		
Proceeds from equity issue	461	4,012
Proceeds from credits and loans	31,577	15,400
Repayments of credits and loans	(13,892)	(13,000)
Interest	(4,797)	(3,826)
Dividends and other payments to owners	(822)	(1,902)
Other financial proceeds	876	966
Other financial expenses	(73)	(1,640)
Net cash (used in)/generated from financing activities	13,330	10
Net change in cash, cash equivalents and bank overdrafts	(10,423)	(4,473)
Cash, cash equivalents and bank overdrafts at beginning of the period	199,828	203,747
Positive (negative) exchange differences in cash and bank overdrafts	3,490	554
Cash, cash equivalents and bank overdrafts at end of the period	192,895	199,828
- including limited disposal	831	1,123

VI. Supplementary Information

1. Information about Group Structure and Activities

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered seat in Krakow at Al. Jana Pawła II 39 A is the parent company, include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, XI Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in the Group regarding realised revenues, value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the parent company is not limited.

1.1 Organisational Structure of Comarch Group

On 31st of December, 2011, the following entities formed the Comarch Group (in parentheses, the share of votes held by Comarch S.A. unless otherwise indicated):

- Comarch Spółka Akcyjna with its registered office in Krakow,
- Comarch AG with its registered office in Dresden (100.00%),
 - Comarch R&D S.à r.l. with its registered office in Montbonnot-Saint-Martin in France (70.00% votes held by Comarch AG),
 - Comarch Software und Beratung AG with its registered office in Munich in Germany (92.32% subsidiary of Comarch AG),
 - Comarch Schilling GmbH with its registered office in Bremen in Germany (100.00% subsidiary of Comarch Software und Beratung AG),
 - Comarch Solutions GmbH with its registered office in Vienna in Austria (100.00% subsidiary of Comarch Software und Beratung AG),
 - SoftM France S.à r.l. with its registered office in Oberhausbergen in France (100.00% subsidiary of Comarch Software und Beratung AG),
 - Comarch Swiss AG with its registered office in Buchs in Switzerland (100.00% subsidiary of Comarch Software und Beratung AG),
- Comarch S.A.S. with its registered office in Lezennes in France (100.00%),
- Comarch Luxembourg S.à r.l. with its registered office in Luxembourg in Luxembourg (100.00%),
- Comarch, Inc. with its registered office in Rosemont in United States of America (100.00%),
 - Comarch Panama, Inc. with its registered office in Panama in Panama (100.00% subsidiary of Comarch, Inc.),
- Comarch Canada, Corp. with its registered office in New Brunswick in Canada (100.00%),
- Comarch Middle East FZ-LLC with its registered office in Dubai in United Arab Emirates (100.00%),
- Comarch LLC with its registered office in Kiev in Ukraine (100.00%),
- OOO Comarch with its registered office in Moscow in Russia (100.00%),
- Comarch Software (Shanghai) Co. Ltd. with its registered office in Shanghai in China (100.00%),
- Comarch Vietnam Company Ltd. (Comarch Co., Ltd.) with its registered office in Ho Chi Minh City in Vietnam (100.00%),
- Comarch Oy with its registered office in Espoo in Finland (100.00%),
- UAB Comarch with its registered office in Vilnius in Lithuania (100.00%),
- Comarch s.r.o. with its registered office in Bratislava in Slovakia (100.00%),
- SouthForge Sp. z o.o. with its registered office in Krakow in Poland (100.00%),
- CA Consulting S.A. with its registered office in Warsaw in Poland (99.90%),
- Comarch Management Sp. z o.o. with its registered office in Krakow in Poland (100.00%),
- Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty with its registered office in Krakow in Poland („CCF FIZ”) (Comarch S.A. holds 100.00% of issued investment certificates),
 - Comarch Management Sp. z o.o. SK-A with its registered office in Krakow in Poland (64.85% votes held by CCF FIZ; 35.15% votes held by Comarch S.A.; shares purchased by Comarch Management Sp. z o.o. SK-A to be

redeemed don't give any votes),

- Bonus Management Sp. z o.o. SK-A with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - Bonus Development Sp. z o.o. SK-A with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - Bonus Management Sp. z o.o. II Activia SK-A with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - Bonus Development Sp. z o.o. II Koncept SK-A with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - iMed24 S.A. with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - iFin24 S.A. with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - iReward24 S.A. with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - Infrastruktura24 S.A. with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - iComarch24 S.A. with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
 - CASA Management and Consulting Sp. z o.o. SK-A with its registered office in Krakow in Poland (100.00% votes held by CCF FIZ),
- MKS Cracovia SSA with its registered office in Krakow in Poland (49.15%).

Associate of the parent company is:

- through Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty:
 - SolInteractive S.A. with its registered office in Krakow in Poland (30.72% votes held by CCF FIZ).

The associated companies are not consolidated. Shares are valued with equity method.

1.2 Changes in Ownership and Organisational Structure in 2011

On the 17th of March, 2011, the District Court for Warsaw, XII Economic Division of the National Court Register registered a name change for SoftM Polska Sp. z o.o. to SouthForge Sp. z o.o.

On the 20th of April, 2011, Bonus Development Spółka z o. o. SK-A purchased 10,000 own shares to be redeemed for 8 million PLN. The redemption was registered on the 17th of June, 2011.

On the 28th of April, 2011, a company named Comarch Luxembourg S.à r.l. was registered in Luxemburg in Luxemburg.

On the 9th of May, 2011, Comarch Management Spółka z o. o. SK-A purchased 40,840 own shares from CCF FIZ to be redeemed for 10 million PLN.

On the 1st of June, 2011, a company named ComArch Canada, Corp. was registered in New Brunswick in Canada.

On the 8th of June, 2011, an agreement on purchase of Comarch AG shares was signed. It is related to purchase of 1,000,000 Comarch AG shares by Comarch SA from Vintage Investment Holdings S.A. with its registered seat in Luxemburg. A nominal value of 1 share amounts to 1 EUR and all purchased shares amount to 1,000,000.00 EUR of total nominal value. They constitute 40% of Comarch AG share capital. After this agreement conclusion, Comarch S.A. holds 2,500,000 Comarch AG's shares of total nominal value of 2,500,000 EUR. They constitute 100% of the company's share capital and give 2,500,000 or a 100% share of the total votes at Comarch AG's annual general meeting.

On the 22nd of June, 2011, an increase of 0.5 million PLN to 1 million PLN in share capital of iMed24 SA was registered by way of shares issue.

On the 5th of July, 2011, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a decrease of 168.87 million PLN in share capital of Comarch Management Sp. z o.o. SK-A.

On the 26th of July, 2011, a decrease from 6.48 million EUR to 2.16 million EUR in share capital of Comarch Software und Beratung AG was registered in line with the resolution passed at the general meeting of the 8th of June, 2011. On the 9th of August, 2011, the Management Board of Comarch Software und Beratung AG, with the agreement of the Supervisory Board, approved an increase to a maximum of 6.48 million EUR in share capital, in line with the resolution passed at the general meeting of 8th of June, 2011, by way of a maximum 4.32 million shares issue. The shares will be offered to current shareholders for the price of 1.7 EUR per 1 share so as to 1 share entitles to 2 shares of new share issue. Subscription was performed between 18th and 31st of August, 2011.

In consequence of the completion of the subscription for Comarch Software und Beratung AG shares, Comarch AG, and Comarch SA's subsidiary, acquired 3,988,288 Comarch SuB shares for the total price of 6,780,089.6 EUR (1.7 EUR per 1 share) and as of today holds 5,735,713 Comarch SuB shares and 92.32% in Comarch SuB share capital. They entitle to 5,735,713 votes at the company's general meeting (92.32% of total votes) (current report no. 18/2011 dated the 8th of September, 2011).

On the 1st of August, 2011, an increase in share capital of Bonus Development Sp. z o.o. II Koncept SK-A by way of 8,000 shares issue (acquired by CCF FIZ). As a result the company's share capital increased from 0.5 million PLN to 1 million PLN.

On the 16th of August, 2011, a resolution was passed that changed share capital and seat of Comarch SAS. The company's share capital was increased from 1.3 million EUR to 1.8 million EUR by way of cash contribution made by Comarch S.A. New registered office of the company is in Lezennes. The above-mentioned changes come into force on the date the resolution is passed.

In the third quarter of 2011, Comarch Solutions GmbH relocated its office from Vienna to Kirchbichl.

On the 8th of September, 2011, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a transformation of the company SolInteractive Sp. z o.o. (a limited liability company) into SolInteractive S.A. (a joint stock company).

On the 3rd of October, 2011, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a decrease in share capital of Bonus Management Sp. z o.o. SK-A from 4,100,000 PLN to 2,763,101 PLN.

On the 10th of October, 2011, SoftM France SARL, a subsidiary of Comarch SA, filed a bankruptcy petition with the TRIBUNAL DE GRAND INSTANCE, Chambre Commerciale 1, Quai Finkmatt, 67000 STRASBOURG (current report no. 23/2011 dated the 14th of October, 2011). SoftM France SARL has not been operating since 2009.

1.3 Changes in Ownership and Organisational Structure after the Balance Sheet Date

On the 9th of January, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a company CA Finance Sp. z o.o.

On 27th of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27th of January, 2012) that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 100,000 ordinary bearer's A-MEA Informatik AG ("A-MEA") shares of nominal value of 1 CHF (i.e. 3.5147 PLN). Total acquisition price will not exceed a sum of 2 million CHF (i.e. 7.03 million PLN) and value of A-MEA equity as of 31st of January, 2012. The transaction will be settled till the end of the first quarter of 2013. As a result of the aforementioned transaction, CASA holds 100,000, i.e. 100% A-MEA shares which entitle to 100,000, i.e. 100% of total number of votes at the company's general meeting. A-MEA is a company with a long standing experience in sales and implementation of ERP solutions, including Comarch ERP Enterprise.

On the 9th of March, 2012, the Amtsgericht Dresden registered an increase of 6.5 million EUR in share capital of Comarch AG. New shares were purchased by Comarch S.A. In the first quarter of 2012, Comarch S.A. made payments in the total amount of 13 million EUR into supplementary capital of Comarch AG.

On the 15th of March, 2012, the District Court for Krakow-Śródmieście, IX Economic Division of the National Court Register registered a name change of iFin24 S.A. to Comarch Polska S.A.

On the 16th of March, 2012, Comarch S.A. received a notice from the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register dated the 14th of March, 2012, on registration of an increase in share capital of MKS Cracovia SSA from 14,557,000.00 PLN to 18,420,100.00 PLN. As a consequence, Comarch S.A. holds 59.82% of shares in the share capital of MKS Cracovia SSA which entitle to 59,82% of votes at the annual general meeting of MKS Cracovia SSA.

On the 20th of March, 2012, a company Comarch UK Ltd. with its registered office in London was registered in the Companies House.

On the 10th of April, 2012, the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register registered an increase of 250,000 PLN in share capital of iMed24 S.A.

On the 10th of April, 2012, Comarch AG informed Comarch Software und Beratung AG on exceeding of 95% share in share capital of Comarch SuB AG and demanded calling the company's annual general meeting in order to resolve on Comarch AG's purchases of shares held by current shareholders (minorities) for a proper reward.

On the 27th of April, 2012, the Management Board of Comarch S.A. announced that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 50 shares in ESAPROJEKT sp. z o.o. ("ESAPROJEKT") of nominal value of 2,460 PLN each. Total acquisition price amounted of 12,2 million PLN. As a result of the aforementioned transaction, CASA holds 50 shares, i.e. 100% of shares in ESAPROJEKT which entitle to 100% of total number of votes at the company's general meeting. ESAPROJEKT is a leading Polish producer and IT solution provider for medicine sector.

1.4 Activities Structure in Comarch Group

The structure of activities of the Comarch Group is as follows: the parent company acquires the majority of contracts and in large part executes them. Comarch AG, Comarch S.A.S., Comarch R&D S.à r.l., Comarch Luxembourg S.à r.l., Comarch, Inc., Comarch Panama, Inc., Comarch Canada, Corp., Comarch Middle East FZ-LLC, Comarch LLC, OOO Comarch, Comarch Software (Shanghai) Co. Ltd, Comarch Co. Ltd (Vietnam) and Comarch Oy acquire contracts in foreign markets and execute them in their entirety or in part. CA Consulting S.A. specialises in data communications relating to the provision of connections for the own needs of the Comarch Group, as well as the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch's contractor. Comarch Management Sp. z o.o., Comarch Management Sp. z o.o. SK-A, Bonus Management Sp. z o.o. SK-A and Bonus Management Sp. z o.o. II Activia SK-A conduct investment activities on capital market and activities related to IT. Purpose of the Comarch Corporate Finance FIZ is investment activity in the scope of new technologies and Internet services that are not Comarch S.A.'s basic activities. The subject matter of activities of Bonus Development Sp. z o.o. SK-A and Bonus Development Sp. z o.o. II Koncept SK-A are activities related to real estates in Comarch. iMed24 S.A. conducts IT projects related to medicine, provides medical and diagnostic services (diagnostic and medical centre in Krakow). iReward24 S.A. produces and implements loyalty software for the customers in small and medium sized enterprises. Infrastruktura24 S.A. offers services related to Data Centre for the customers in small and medium sized enterprises. iComarch24 S.A. provides accounting services for domestic subsidiaries in Comarch Group and conducts IT projects related to e-accounting. CASA Management and Consulting Sp. z o.o. SK-A conducts investment activity on capital market. SouthForge Sp. z o.o. executes IT contracts acquired by Comarch Group. UAB Comarch is

under liquidation proceedings. Activities of Comarch s.r.o. and Comarch Software (Shanghai) Co. Ltd. do not operate.

Comarch Software und Beratung AG is a leading provider and an integrator of IT solutions in Germany (especially for small and medium-sized industry). Activities of other companies in the Comarch Software und Beratung Group, i.e. Comarch Schilling GmbH, Comarch Solutions GmbH and Comarch Swiss AG are identical as activities of Comarch Software und Beratung AG. SoftM France S.à r.l. is under bankruptcy proceeding. MKS Cracovia SSA is a sport joint stock company.

2. Description of the Applied Accounting Principles

This consolidated financial statement for the 12 months ended the 31st of December, 2011 was prepared pursuant to the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and interpretations published by the Committee for Interpretation of International Financial Reporting, as approved by the European Union. This financial statement was prepared pursuant to the historical cost principle with the exception of those items that are appraised in another way pursuant to these principles.

Preparation of the statement pursuant to IFRS requires a number of estimates to be done and the application of individual judgement. Note 2.3.2 presents those areas of the financial statement, which require significant estimates or for which significant judgement is required.

The financial statement was prepared with the assumption of the continuation of commercial activities by the Comarch Group in the foreseeable future. According to company management, there are no circumstances suggesting any threat to the continuation of activities.

The Comarch Group prepares its income statement in the calculation version, whereas the cash flow statement is prepared according to the indirect method.

The consolidated financial statement of the Comarch Group for the 12 months ended the 31st of December, 2011 comprises the financial statements of the following companies:

	Relationship	Consolidation method	% held by Comarch S.A. in a subsidiary's share capital
Comarch S.A.	parent company	full	
Comarch AG	subsidiary	full	100.00%
Comarch R&D S.à r.l.	subsidiary	full	70.00% held by Comarch AG
Comarch Software und Beratung AG	subsidiary	full	92.32% held by Comarch AG
Comarch Schilling GmbH	subsidiary	full	100.00% held by Comarch Software und Beratung AG
Comarch Solutions GmbH	subsidiary	full	100.00% held by Comarch Software und Beratung AG
SoftM France S.à r.l.	subsidiary	full	100.00% held by Comarch Software und Beratung AG
Comarch Swiss AG	subsidiary	full	100.00% held by Comarch Software und Beratung AG
Comarch S.A.S.	subsidiary	full	100.00%

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All amounts are expressed in thousands of PLN unless otherwise indicated

Comarch Luxembourg S.à r.l.	subsidiary	full	100.00%
Comarch Inc.	subsidiary	full	100.00%
Comarch Panama Inc.	subsidiary	full	100.00% held by Comarch Inc.
Comarch Canada, Corp.	subsidiary	full	100.00%
Comarch Middle East FZ-LLC	subsidiary	full	100.00%
Comarch LLC	subsidiary	full	100.00%
OOO Comarch	subsidiary	full	100.00%
Comarch Software (Shanghai) Co. Ltd.	subsidiary	full	100.00%
Comarch Co., Ltd. (Vietnam)	subsidiary	full	100.00%
Comarch Oy	subsidiary	full	100.00%
UAB Comarch	subsidiary	full	100.00%
Comarch s.r.o.	subsidiary	full	100.00%
SouthForge Sp. z o.o.	subsidiary	full	100.00%
CA Consulting S.A.	subsidiary	full	99.90%
Comarch Management Sp. z o.o.	subsidiary	full	100.00%
Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty	subsidiary	full	100.00% in total number of investment certificates
Comarch Management Sp. z o.o. SK-A	subsidiary	full	49.17% held by CCF FIZ, 26.65% held by Comarch S.A., 24.18% purchased by Comarch Management Sp. z o.o. SK-A to be redeemed
Bonus Management Sp. z o.o. SK-A	subsidiary	full	100.00% held by CCF FIZ
Bonus Development Sp. z o.o. SK-A	subsidiary	full	100.00% held by CCF FIZ
Bonus Management Sp. z o.o. II Activia SK-A	subsidiary	full	100.00% held by CCF FIZ
Bonus Development Sp. z o.o. II Koncept SK-A	subsidiary	full	100.00% held by CCF FIZ
iMed24 S.A.	subsidiary	full	100.00% held by CCF FIZ
iFin24 S.A.	subsidiary	full	100.00% held by CCF FIZ
iReward24 S.A.	subsidiary	full	100.00% held by CCF FIZ
Infrastruktura24 S.A.	subsidiary	full	100.00% held by CCF FIZ

iComarch24 S.A.	subsidiary	full	100.00% held by CCF FIZ
CASA Management and Consulting Sp. z o.o. SK-A	subsidiary	full	100.00% held by CCF FIZ
MKS Cracovia SSA*	subsidiary	full	49.15%

*) MKS Cracovia SSA is Comarch S.A.'s subsidiary according to IAS 27 point 13d.

2.1 Methods of Valuation of Assets and Liabilities and the Determination of Financial Results

2.1.1 Segment Information

The Comarch Capital Group conducts reporting based on segments according to IFRS 8 "Operating Segments". Operating segments were specified based on internal reports related to components of an entity whose operating results are reviewed regularly by the entity's chief operating decision maker in order to make decisions about resources to be allocated to the segment and to assess its performance.

In the Comarch Group, the business segments are basic type of operating segments, and geographical segments are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities: the sale of IT systems (hereinafter referred to as the "IT segment"), professional sports (hereinafter referred to as the "Sport segment"; MKS Cracovia SSA), activity in relation with economic use of Internet (hereinafter referred to as the "Internet segment"), activity in relation with real estates investment, Comarch's real estate management and investment activity on capital market (hereinafter referred to as the "Investment segment"). The Investment segment was allocated a separate category in the first quarter of 2010 due to increase in its scope. The IT segment has a dominant share in sales revenues, profits and assets. The IT segment is divided into the DACH (Germany, Austria, Switzerland) market, Polish market and other markets according to the specific character of the activity in the segment. In the third and fourth quarters of 2011, the specialised medical equipment was purchased and is related to the opening of the iMed24 Medical Centre planned for January, 2012. Due to a significant amount of expenses incurred for the "Medical segment" as of the 30th of September, 2011, this segment was allocated a separate category in assets, liabilities, investment expenditures and depreciation. It was presented separately in revenues, costs and financial results as of the 31st of December, 2011, as not until the fourth quarter when expenses were incurred related to launching medical centre.

Over 2011, Comarch revenue structure was as follows: 19% of annual sales were achieved in the first quarter, 19% in the second quarter, 26% in the third quarter and 36% in the fourth quarter. This revenue structure is consistent with tendency observed in IT branch.

2.1.2 Consolidation

a) Subsidiaries

Subsidiaries are all entities (including special purpose entities), over which Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets

acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired this difference is recognised directly in the income statement. Transactions, settlements and unrealised gains on transactions among the Group's entities are eliminated. Unrealised losses are also eliminated, unless the transactions provide evidence for a loss in the value of a provided asset. The accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Acquisitions of companies and the individual parts of the activity are accounted for with the purchase method. The cost of merging companies is evaluated in the aggregated fair value of the assets transferred, born or acquired and capital instruments issued by the Group in return for taking control over the acquired entity. Acquisition-related costs are recognised in profit or loss as incurred.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. All other changes are recognised in accordance with the respective IFRS regulations. Changes in the fair value of the contingent consideration that qualify as equity transactions are not recognised.

Identifiable assets, liabilities and contingent liabilities of the acquiree meeting the requirements of recognition in accordance with the IFRS 3 "Merging economic entities" is recognized at fair value as at the day of acquisition, except exclusions in accordance with the IFRS 3.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss.

Goodwill arising on an acquisition of a business is recognised in assets and initially carried at cost, assumed exceed the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities. If, after reassessment, the share of the Group in net of the acquisition-date amounts of the identifiable assets, liabilities and contingent liabilities of the acquiree, assumed exceeds the sum of the consideration transferred, the excess is recognised immediately in profit or loss.

Transactions, settlements and unrealised gains on transactions between parties in the Group are eliminated. Unrealised gains are also eliminated, unless a transaction gives evidence for impairment of assets. Accounting principles applied by subsidiaries have been changed everywhere it has been necessary to ensure compliance with accounting principles applied by the Group.

b) Associates

Associates are all entities over which the Group has significant influence but not control; this generally accompanies a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised as costs. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of the post-acquisition profits or losses of its associates is recognised in the income statement and its share of post-acquisition movements in reserves is recognised in reserves. Cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless

the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

c) Principles for the Presentation of Comarch SuB Group within the Financial Statement

Comarch Software und Beratung AG is the parent company for the companies of the Comarch SuB Group and independently prepares the consolidated financial statement, including data from Comarch Software und Beratung AG and its subsidiaries. Comarch S.A. is the parent company of the Comarch Group and directly prepares the consolidated financial statement, including data from Comarch S.A. and all other subsidiaries (excluding Comarch SuB Group); subsequently the financial statement is completed with fully consolidated results and balance sheet data from the Comarch SuB Group.

2.1.3 Foreign Currency Translation

a) Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Polish zlotys (PLN), which is the parent company's functional and presentation currency.

b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary items, such as equities held at fair value through profit and loss, are reported as part of their fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale assets, are included in the available-for-sale reserve in equity.

c) Group Companies

The results and financial position of all group entities (none of which operates in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate of the date of the balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expense are translated at the dates of the transactions); and all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of credits and loans and other currency instruments designated as hedges of such investments, are included in shareholder equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

EURO rates used to financial data:

NBP average exchange rates as at 31.12.2011: 4.4168,

NBP average exchange rates as at 31.12.2010: 3.9603,

NBP arithmetic average exchange rates as at the end of every month for the period 1.01 - 31.12.2011: 4.1401,
NBP arithmetic average exchange rates as at the end of every month for the period 1.01 - 31.12.2010: 4.0044.

2.1.4 Investment

a) Financial Assets and Liabilities at Fair Value through Profit or Loss

This category comprises two subcategories: financial assets held for trading, and those designated at fair value through profit and loss at inception. A financial asset is classified in this category if acquired principally for the purpose of sale in the short term or if so designated by management. Derivatives are also classified as held for trading unless they are designated as hedges. This type of derivative is classified separately in 'Derivative financial instruments' in the balance sheet. Assets in this category are classified as current if they are either held for trading or are expected to be realised within 12 months from the balance sheet.

b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. These arise when the Group gives cash, goods or services directly to the debtor, without the intention of introducing its receivables into trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the balance sheet.

c) Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

d) Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months from the balance sheet date.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are no longer recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets available-for-sale and financial assets carried at fair value, through profit or loss are initially recognised at fair value. Loans, receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other (losses)/gains – net, in the period in which they arise. Unrealised gains or losses arising from changes in the fair value of the non-monetary securities classified as 'available-for-sale' are recognised in equity. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (or if a security is unlisted), the Group establishes fair value by using valuation techniques. These comprise the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow

analysis and models (commonly regarded as correct) of the valuation of derivative instruments based on input data from the active market.

The Group assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired at each balance sheet date. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2.1.5 Non-Current Assets

a) Intangible Assets

Intangible assets are recorded at their acquisition prices less the current redemption as well as possible write-offs due to permanent loss in value. The Group carries out depreciation write-offs using the straight-line method. The following depreciation rates have been adopted:

- computer software 30%
- licences 30%
- copyrights 30%
- other rights 10-20%

Adopted depreciation rates are related to the estimated useful life of intangible assets, excluding the players' cards (MKS Cracovia SSA), which are depreciated within the period of the agreement signed with a given player.

In the case of intangible assets that were acquired for a particular project, the depreciation period is established as the duration of the project.

The right of perpetual usufruct of land relating to MKS Cracovia SSA is classified as an intangible asset with an undefined useful life, therefore it is not depreciated. Lands that MKS Cracovia SSA holds in perpetual usufruct are not depreciated, because of an undefined useful life, since the company expects that the perpetual usufruct rights will be renewed without any major costs, as it is not obliged to meet any conditions, upon which the extension of these rights depends.

In Poland, perpetual usufruct is considered synonymous to ownership, as opposed to a lease after which a user releases land. The company does not expect to incur any major costs for the renewal of perpetual usufruct rights as the co-owner of MKS Cracovia SSA is the City of Krakow. The city supports sports activities, including those of MKS Cracovia SSA through initiatives that include:

- refinancing sports infrastructure
- redeeming real estate taxes
- providing fees for perpetual usufruct

The right of perpetual usufruct of land relating to the parent company is depreciated for a defined useful life, which depends on the time of acquisition and amounts from 84 till 99 years. The average depreciation rate equals 1.2%.

Intangible assets purchased as a result of the acquisition of the Comarch SuB Group are comprised of property rights for the software: SoftM Semiramis, SoftM SharkNex, SoftM Suite ERP, SoftM Suite Financials, Schilling, DKS and Infostore. The above-mentioned intangible assets were presented in fair value in the Comarch Group's balance sheet. The assessment of the fair value was done as of the date of acquisition based on a useful value valuation model with the discounted cash flow method. The predicted cash flow for particular SoftM product lines are based on sales results in 2008, the Comarch SuB Group budget for 2009 and the forecast for 2010-2013, as well as development estimates of the German market within the upcoming years. The Group performs by way of the linear method depreciation write-offs of intangible assets purchased as a result of the acquisition of the Comarch SuB Group. It was assumed the depreciation period is equal to the predicted period of economic

benefit from the software sales, i.e. 60 months.

b) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill recognised separately is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carriage of an amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

c) Property, Plant and Equipment

Property, Plant and Equipment in Use

Property, plant and equipment in use were valued according to acquisition prices or production costs less current redemption and possible write-offs due to losses in value. The adopted depreciation rates correspond to the economic utility of property, plant and equipment in use.

The following detailed principles of depreciation of property, plant and equipment in use have been adopted by the company: assets are depreciated with the straight-line method with application of depreciation rates corresponding with periods of their economic utility. In most cases, depreciation rates are: 2.5% (for buildings), 30% (for machines and devices) and 20% (for furniture, equipment and other assets). In case of property, plant and equipment in use acquired in order to be used in a specific project, the depreciation period is set as equal to the project duration.

Property, Plant and Equipment under Construction

Property, plant and equipment under construction are valued according to the acquisition price less any possible write-offs due to permanent loss in value. The company applies the rule that interests on investment credit, in the period when the investment is realised, are recognised as property, plant and equipment under construction. Interests on investment credit decrease the annual result within finance costs, after non-current asset, financed by credit, was brought to use.

Improvements in Third Party Property, Plant and Equipment Assets

Improvements in third party property, plant and equipment are valued according to the acquisition price less any current redemptions and possible write-offs due to loss in value.

d) Leases

The Group uses leased vehicles and computer hardware. As, according to the agreements made, practically all risks and benefits resulting from the title of ownership of the subject matter leased have been transferred, these are classified as finance leases. They have been classified as assets and liabilities in the amounts equal to the minimum leasing fees set forth as at the date of lease initiation. Leasing fees are divided into finance costs and reductions of the unpaid balance of liabilities. The interest part of finance costs is charged to the income statement throughout the lease term so as to obtain a constant periodic interest rate on the remaining balance of the liability for each period. The means used on lease principles are subject to depreciation within a shorter period of time of either the asset's useful life or the lease term.

e) Non-Current Prepayments

Non-current prepayments refer to the non-current part of prepayments costs.

f) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested

annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the amount carried may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less sales costs and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

2.1.6 Current Assets

a) Inventories, Products in Progress and Finished Goods

Production in progress given in the statement refers to software produced by the Group and allocated for multiple sales. Production in progress is valued according to direct technical production costs.

Application software produced by the Group and allocated for multiple sales is valued in the period when it benefits, no longer than 36 months from an initial sale, in the amount of surplus of software production costs over net revenues obtained from sales of these products within the following 36 months. Software production costs, not written off after this period of time, increase other operational costs.

Depending on the nature of the produced software and the assessment of its possible sales, expenditures incurred for software production, in the amount of 50% to 100% of the invoiced sale in the above time period of sales, are written off into its own costs, provided that the 50% rate is the basic rate. If the company is aware of limits to sales capacity at an earlier point, it immediately performs a write-off revaluating production in progress in the amount of expenses in reference to which there is a probability that they will not be recovered, or does a one-time write-off of the entirety of unsettled expenses (depending on the degree of risk valuation) into its own cost of sales.

The register of materials and finished goods is managed at current purchase prices. Expenses are appraised according to the FIFO principle. Finished goods are appraised according to actual purchase prices, no higher than net selling prices.

b) Receivables

Receivables are recognised initially at fair value and subsequently according to adjusted acquisition prices (at amortised cost).

Receivables are recognised as current or non-current receivables depending on maturity (depending on whether this is less than or over 12 months from the balance sheet date).

In order to make their value real, receivables are decreased by write-offs revaluating bad debts. Write-offs due to loss in value correspond with the difference between balance sheet value and the current value of actual cash flows from the given item of assets. Due to the specific nature of activities (limited scope of receivables from mass contractors), appropriate updating of write-offs is carried out by way of a detailed identification of receivables and an assessment of risk of the inflow of funds resulting from contractual and business conditions.

c) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at banks, bank deposit payable on demand, liquid current securities and other current investment with high liquidity.

d) Settlement of Long-Term Contracts

Costs related to long-term contracts are given when they occur. The result in contracts is determined according to the progress of work if a reliable determination of such is possible. If it is not possible to determine the results in contracts, revenues are recognised uniquely up to the amount of a contract's costs incurred, which are probable to recover. The progress of work is measured based on the value of costs incurred by the balance sheet date divided by the total estimated costs due to contracts, expressed as a percentage. If it is probable that the total costs due to an agreement exceed total revenues, the anticipated loss is recognised immediately.

In assets, the Group presents 'Long-term contracts receivables' for cases where there is a surplus in incurred costs and recognised profits due to long-term contracts over the value of invoiced sales for contractors. Otherwise, when there is a surplus of the invoiced sales to contractors over the value of incurred costs and recognised profits due to long-term contracts, the Group presents an item in the liabilities called 'Long-term contracts liabilities'. The above surpluses are determined for each contract separately and are presented separately without balancing particular items.

e) Assets Designated for Sales

Assets and groups for disposal are classified as designated for sales if their balance sheet values will be recovered more as a result of sales transactions than in the result of their further usage. This condition is considered to be met only when a sale transaction is very probable to perform and an assets' item or a group for disposal are available for immediate sales in their present shape. An assets' item may be classified as designated for sales when the company's management is going to make a transaction within one year from change of classification.

Assets and groups for disposal classified as designated for sales are evaluated at lower of two values: initial balance sheet value or fair value less transaction costs.

2.1.7 Equity

Equity includes:

- a) the share capital of the parent company presented at nominal value,
- b) other capitals established:
 - from profit-sharing,
 - from surpluses of shares sold above their nominal value (premium share)
 - from the valuation of managerial options,
- c) retained profit resulting from adjustments resulting from changes to accounting principles and from the results achieved by the entities of the Group, which were not transferred to other capitals,
- d) currency exchange differences.

2.1.8 Employee Benefits

a) Share-Based Plans

The Group has a share-based reward scheme. The fair value of employee services received in exchange for every grant of options increases costs. The total amount to be spent over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received when the option is exercised, i.e. proceeds from comprising shares (less transaction costs related directly to option exercising) are credited to share capital (nominal value) and the share premium is credited to supplementary capital.

2.1.9 Liabilities and Provisions for Liabilities

a) Trade Liabilities and Other Liabilities

Initially trade and other liabilities are recognised at their fair value and at the balance sheet date they are recognised at adjusted acquisition prices (depreciated cost). Liabilities, depending on maturity (up to or over 12 months from the balance sheet date) are recorded as current or non-current items.

b) Financial Liabilities

At the time of initial recognition, financial liabilities are valued at fair value, increased (in case of an item of liabilities not qualified as valued at fair value by the financial result) by

transaction costs. After the initial recognition, the unit appraises financial liabilities according to depreciated costs using the effective interest method, with the exception of derivative instruments, which are valued at fair value. Financial liabilities set as items being hedged are subject to appraisal pursuant to hedge accounting principles.

c) Provisions for Liabilities

Provisions for restructuring costs, guarantee repairs, legal claims and for other events (especially for leaves and rewards), which result in the Group's current obligation from past events, are recognised if:

- The Group has current legal or customary liabilities resulting from past events;
- There is a high probability that expending Group funds may be necessary to settle these liabilities, and
- Their value has been reliably assessed.

Restructuring provisions mostly comprise employee severance payments. These provisions are not recognised in reference to future operational losses.

If there are a number of similar liabilities, the probability of the necessity for expending funds for settlement is assessed for the whole group of similar liabilities. The provision is recognised even if the probability of expending funds in reference to one item within the group of liabilities is small.

The provisions are appraised at the current value of costs assessed according to the best knowledge of company management. Incurring such costs is necessary in order to settle the current liability at the balance sheet date. The discount rate applied for determining current value reflects the current market assessment of the time value of money and impairments relating to a given liability.

2.1.10 Deferred Income Tax

The general principle, pursuant to IAS12, is applied. It states that due to temporary differences between the presented value of assets and liabilities as well as their tax value and tax loss it will possible to deduct in the future, a provision is established and deferred income tax assets are defined.

Deferred income tax assets are defined in the amount that it is anticipated will have to be deducted from income tax in the future in reference to negative temporary differences and due to income tax relief in connection with activities in Special Economic Zone, which shall result in the future in reducing the amount of the basis of taxation and the deductible tax loss defined using the precautionary principle. In relation to the above-mentioned principle, assets are recognised only for one year with the assumption that the basis for their recognition is average income acquired from activities in the special economic zone over three years (including the year for which the financial statement is prepared).

Deferred income tax liabilities are established in the amount of income tax payable in the future in reference to positive temporary differences, which would result in increasing the basis of taxation in the future.

Deferred income tax is established using fiscal rates (and regulations) which are legally binding at the balance sheet date, which according to expectations shall be in force at the moment of realisation of relevant deferred income tax assets or settlement of deferred income tax liability.

The difference between deferred income tax liabilities and deferred income tax assets at the end and at the beginning of the reporting period affects the financial results. In addition, liabilities and assets due to deferred income tax related to operations settled with equity are referred into shareholders' equity.

2.2 Recognition of Revenues and Costs

The Comarch Group's operations mostly consist of producing software for multiple sales and implementing IT integration contracts. As part of its integration contracts, Comarch offers the implementation of IT turnkey systems consisting of (own and third party) software and/or

computer hardware and/or services such as:

- implementation services,
- installation services,
- guarantee and post-guarantee services,
- technical assistance services,
- software customisation services,
- other IT and non-IT services necessary for system implementation.

In determining the total revenues from contracts, the following items are taken into account:

- revenues from proprietary software (irrespective of form, i.e. licences, property rights, etc.),

revenues from services specified in the previous point.

Unit managers may decide to include estimated revenues that are highly probable to be realised into the total revenues from a contract (e.g. during the implementation of the contract, project modifications are carried out for technical reasons and it is justified to assume with some probability that the ordering party will accept the modifications and that there will be revenues flowing from them).

When integration contracts under which software is allocated for multiple sales are Comarch property, the revenues and costs related to this software and the revenues and costs related to the other part of the integration contract are recognised separately.

Several integration contracts are combined and recognised as one contract, if:

- the agreements are executed at the same time or sequentially one after another and the precise separation of the costs of their execution is impossible, or
- the agreements are so closely inter-related that they are actually parts of a single project and share a single profit margin for the entire project.

Revenues from other services (e.g. technical services, technical assistance) are recognised equally during the term of an agreement/service provision. Revenues from hardware sales and the sale of other finished goods are recognised in accordance with agreed delivery terms.

Revenues from sales of other services, products, finished goods and property items comprise sums of fair values from due invoiced revenues taking into account discounts and rebates without commodity and services taxes.

Sales costs include marketing costs and the costs of order acquisition by sales centres (departments) in the Comarch Group.

General costs consist of the costs of the Comarch Group functioning as a whole and include administrative expenses and the costs of departments that operate for the general needs of the Group.

Exchange rate differences related to receivables are presented in 'Revenues from sales' and those related to liabilities are presented in 'Cost of sales.'

Subsidies

The Groups receives subsidies for the financing of R&D projects within the framework of European Union aid programmes. These subsidies are systematically recognised as revenue in particular periods so as to ensure that they are adequate to incurred costs, which should be compensated by subsidies respectively to the reason of their settlement. These subsidies diminish the respective direct costs, which are presented in the cost of sales just after they are compensated with subsidies.

a) Other Operational Revenues and Costs

Other operational revenues and costs comprise revenues and costs not directly related to the regular activities of the units and mostly include: the result of the sale of property, plant and equipment and intangibles, subsidies, established provisions and the consequences of asset revaluation.

b) Financial Revenues and Costs

Financial revenues and costs mostly include: revenues and costs due to interest, those from the result achieved due to exchange rate differences in financial activities, those from disposal of financial assets and those arising as the consequences of the investment revaluation.

Interest charges due to investment credit are recognised in finance costs beginning from the moment when asset finance with the credit was completed for use.

2.3 Financial Risk Management

a) Credit Risk

The company establishes the financial credibility of potential clients before signing contracts for the supply of IT systems and adjusts the conditions of each contract to the potential risk depending on its assessment of the financial standing of the client. Concentration of credit risk is limited due to diversification of the Group's sales to a significant number of customers in different branch of economy, in different world's regions.

b) Risk of Change in Interest Rates

The company is exposed to the risk of changes in interest rates related to cash and cash equivalents and long-term investment credits to finance the construction of new production buildings in the Special Economic Zone in Krakow. These are credits at variable interest rates based on the WIBOR and LIBOR index. The parent company has not been hedging this interest rate risk; however it monitors market situation in this scope. The influence of interest rate changes on the amount of interest on credit paid is partly compensated for by a change in the amount of interest received on cash and cash equivalents.

An analysis of the sensitivity of the Group's financial results to interest rate risk carried out in accordance with IFRS 7 principles indicates that if, on the balance sheet date, the interest rates had been 50 base points higher/lower, net profit for 2011 would have been 0.385 million PLN higher/lower given that the other variables remained constant. This would largely have been the result of higher revenue arising from interest received on cash and cash equivalents. Conducting an analogous analysis as at the 31st of December, 2010 indicates that if interest rates had been 50 base points higher/lower net profit for 2010 would have been 0.512 million PLN higher/lower, given that the other variables remained constant. An analysis of the sensitivity of the Group's financial results to interest rate risk was carried out using a simplified method that assumes that the rates' increases and decreases close at the same amount.

c) Risk of Fluctuation in the Exchange Rates

The company is exposed to foreign exchange risk in relation to export sales and sales denominated in foreign currencies, especially in relation to foreign exchange of EURO/PLN and USD/PLN. At the same time, part of the parent company's costs is also expressed in or related to exchange rates for foreign currencies. In individual cases, the company hedges future payments with forward contracts, and it tries to use natural hedging through adjusting structures of assets, liabilities and equity denominated in foreign currencies (for example through a change in currency investment loans).

The balance sheet value of assets and financial liabilities of the Group denominated in foreign currencies is related to receivables and liabilities due to deliveries and services as well as cash as at the balance sheet date. These values were presented in note 3.9.

An analysis of the Group's sensitivity to exchange rate fluctuation risk conducted in accordance with IFRS 7 indicated that if the actual exchange rate in relation to the balance sheet exchange rate valuation for the EURO and USD had risen/fallen by 5% with all other variables remaining constant, the Group's net result for the 12 months ended 31st of December, 2011 would have been 1.52 million PLN higher/lower. This is made up of 1.026 million PLN from financial assets and liabilities expressed in EURO, and 0.494 million

PLN from financial assets and liabilities expressed in USD. Assets and financial liabilities expressed in foreign currencies have only a slight share in currency structure of assets and liabilities.

If the exchange rate in relation to the balance sheet exchange date for the EURO and USD had risen/fallen by 10% with all other variables remaining constant, the Group's net result resulting from long-term contracts for the 12 months ended 31st of December, 2011 would have been 2.83 million PLN higher/lower. The assessment above of the affect of exchange rate risk on the financial result was calculated using a symmetrical method that assumes that the rates' increases and decreases close at the same amount.

d) Financial Liquidity Risk

The Group has a liquidity risk management system to manage its short, medium and long-term funds. The fundamental financial liquidity risk arises because the majority of costs incurred by the Group are fixed, while revenue from sales, as is typical for a services company, fluctuates. The Group manages liquidity risk by holding the appropriate amount of working capital, by holding reserve credit lines in the current account, by constantly monitoring the forecasted and actual cash flows and by analysing the maturity profiles of financial assets and liabilities.

Information on dates of contractual maturity of financial liabilities is presented in note 3.9.

2.3.1 Accounting for Derivative Financial Instruments and Hedging Activities

Derivative financial instruments designated as 'hedging instruments' according to IAS 39, qualified as fair value hedging, are recognised at fair value and changes in their valuation refer to the results of financial operations.

Derivative financial instruments designated as 'hedging instruments' according to IAS 39, qualified as cash flow hedging are recognised at fair value and change to their valuation refers to:

- a) capital from the revaluation of prices (in the part constituting effective hedging),
- b) the results of financial operations (in the part not constituting effective hedging).

Derivative financial instruments designated as 'non-hedging instruments' according to IAS 39 are valued at fair value and changes in their valuation refers to the results of financial operations.

2.3.2 Critical Accounting Estimates and Judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including anticipations of future events that are believed to be reasonable under given circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

- a) Estimation of the total costs of the execution of projects related to the appraisal of long-term contracts, pursuant to IAS 11

Pursuant to the accounting principles adopted by the company, the company determines the degree of progress for long-term contracts by way of determining the ratio of currently incurred costs for a given project to the total estimated project costs. Due to the long-term nature of projects under way and their complex structure, as well as the possibility of unexpected difficulties related to their execution it may happen that the actual total costs for project execution differ from the estimates made for specific balance sheet dates. Changes in estimates of total project execution costs could result in the definition of project progress at the balance sheet date and consequently recognised revenues, in different amounts.

- b) Estimation related to the determination and recognition of deferred income tax assets, pursuant to IAS 12

As the company operates in the Special Economic Zone and enjoys investment allowances as a result, the parent company determines the value of deferred income tax assets on the basis of forecasts relating to the shape of the tax-exempt income and the period, in which such income may be noted. Due to high business fluctuations in the IT industry (in which the parent company is active) it is possible that the actual results and tax-exempt income may differ from the parent company's anticipations. In relation to the above-mentioned principle, assets are recognised only for one year with the assumption that the basis for their recognition is average income acquired from activities in the special economic zone over three years (including the year for which the financial statement is prepared).

- c) Estimation of possible costs related to current court proceedings against the company, pursuant to IAS 37

At the balance sheet date, the Group is the plaintiff and the defendant in a number of court proceedings. Preparing the financial statement, the Group always assesses the opportunities and risks related to court proceedings and, in accordance with the results of such analyses, establishes provisions for potential losses. However, there is always a risk that the courts will pronounce verdicts different from the expectations of the companies and the established provisions will be insufficient or excessive in comparison with the actual results of the proceedings.

- d) Estimation due to carrying out yearly test on loss in the goodwill according to IFRS3 and IAS 36

At the end of every fiscal year the Group carries out tests on losses in the goodwill according to accounting rules contained in note 3.4. The Group considers IT Segment as a cash generating unit thereby doesn't allocate the goodwill to particular companies of the Group. The recoverable amount of cash generating unit was determined on the basis of calculations of its fair value. These calculations require to the use of estimates related to cash flow in the IT segment in the following financial year and an anticipated development of the IT market in Poland and regions where the Group is active in the following years. Due to a high fluctuation in the economic situation of the IT branch, where the Group operates, it is possible that real cash flow will differ from the one estimated by the Group.

- e) Fair value assessment of intangible assets purchased as a result of the acquisition of Comarch SuB

As at the balance sheet date, the assessment of the fair value of assets held by the Comarch SuB Group was done based on the useful value valuation model with the discounted cash flow method (DCF). The predicted cash flow for particular Comarch SuB product lines are based on sales results in 2008, the Comarch SuB Group budget for 2009 and the forecast for 2011-2013, as well as development estimates of the German market within the upcoming years. The discount rate applied in the assessment of the current value of the predicted cash flow is based on a weighted average capital cost (WACC). Particular items of WACC were estimated on a basis of market data on risk-free interest rate (profitability of treasury bills), beta factor, data on the structure of debt/capital and the expected value of premium for risk. The weighted average capital cost applied in the model amounted to 11.9%.

2.4 New Standards and IFRIC Interpretations

This consolidated financial statement was prepared in accordance with the International Financial Reporting Standards (IFRS), as approved by the European Union.

Accounting principles (policy) applied when preparing the consolidated financial statement for 2011 are coherent with the principles applied when preparing the consolidated financial statement for 2010, providing changes described below. The same rules were adopted for the current and comparable periods, unless a standard or an interpretation assumed only prospective application.

Standards and interpretations applied in 2011 for the first time

The following amended standards issued by the International Accounting Standards Board and approved by the European Union ("EU") were effective in 2011:

- **Amendments to IAS 24 „Related Party Disclosure”** remove the requirement for government-related entities to disclose details of all transactions and clarify the definition of a related party. They were approved by the EU on the 19th of July, 2010 (applicable for financial years beginning on or after 1st of January, 2011),
- **Amendments to IAS 32 “Financial Instrument: Presentation”** - the classification of right issues approved by the EU on the 23rd of December, 2009, and applicable for financial years beginning on or after 1st of February, 2010,
- **Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards”** - limited exemption for first-time adopters from comparative IFRS 7 disclosures. They were approved by the EU on the 30th of June, 2010 and are applicable for financial years beginning on or after 1st of July, 2010,
- **Annual Improvements** – adopted within the frame of annual improvements process, and issued on the 6th of May, 2010 (IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34 and IFRIC 13). The purpose of these annual improvements is to clarify guidance or wording. They were approved by the EU on the 18th of February, 2011. They are mostly applicable for reporting periods beginning on or after 1st of July, 2011 or 1st of January, 2011 (depending on the standard or interpretation),
- **Amendments to IFRIC 14 “IAS 19 — The Limit on a defined benefit Asset, Minimum Funding Requirements and their Interaction”** - Prepayments of a Minimum Funding Requirement, adopted by the EU on 19th of July, 2010 (effective for annual periods beginning on or after 1st of January, 2011),
- **IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”**, adopted by the EU on 23rd of July, 2010 (effective for annual periods beginning on or after 1st of July, 2010).

The accounting standards mentioned above and the interpretations and changes to standards presented above did not affect the company's accounting policy.

Standards and interpretations issued and approved by the European Union but not yet effective as at the balance sheet date

As at the publication date of the financial statement there were no standards and interpretations issued and approved by the European Union but not yet effective as at the balance sheet date.

Standards and Interpretations adopted by IASB but not yet approved by the EU

The scope of the IFRS approved by the European Union does not differ significantly from the regulations of the International Accounting Standards Board, excluding the below-mentioned standards, changes to standards and the interpretations which were not applied as at the

balance sheet date:

- **IFRS 9 “Financial Instruments”** (effective for annual periods beginning on or after 1st of January, 2013),
- **IFRS 10 “Consolidated Financial Statements”** (effective for annual periods beginning on or after 1st of January, 2013),
- **IFRS 11 “Joint Arrangements”** (effective for annual periods beginning on or after 1st of January, 2013),
- **IFRS 12 “Disclosures of Involvement with Other Entities”** (effective for annual periods beginning on or after 1st of January, 2013),
- **IFRS 13 “Fair Value Measurement”** (effective for annual periods beginning on or after 1 January 2013),
- **IAS 27 (revised in 2011) “Separate Financial Statements”** (effective for annual periods beginning on or after 1st of January, 2013),
- **IAS 28 (revised in 2011) “Investments in Associates and Joint Ventures”** (effective for annual periods beginning on or after 1st of January, 2013),
- **Amendments to IFRS 1 “First-time Adoption of IFRS”** - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (effective for annual periods beginning on or after 1st of July, 2011),
- **Amendments to IFRS 7 „Disclosures – Transfers of Financial Assets** is applicable for reporting periods beginning on or after 1st of July, 2011,
- **Amendments to IAS 1 “Presentation of financial statements”** - Presentation of Items of Other Comprehensive Income (effective for annual periods beginning on or after 1st of July, 2012),
- **Amendments to IAS 12 “Income Tax- Income Deferred Tax Recovery of Underlying Assets”** is applicable for reporting periods beginning on or after 1st of January, 2012,
- **Amendments to IAS 19 “Employee Benefits”** - Improvements to the Accounting for Post-employment Benefits (effective for annual periods beginning on or after 1st of January, 2013).

According to the parent company's calculations, the accounting standards mentioned above and the interpretations and changes to standards would not have any significant impact on the financial statement if applied on the balance sheet date.

At the same time, hedge accounting regarding the portfolio of financial assets and liabilities have not been adopted by the EU.

According to the entity's estimates, application of hedge accounting for the portfolio of financial assets or liabilities pursuant to **IAS 39: “Financial Instruments: Recognition and Measurement”**, would not significantly impact the financial statements, if applied as at the balance sheet date.

3. Notes to the Consolidated Financial Statement

3.1 Approving the Financial Statement for 2010

On the 29th of June 2011, the consolidated financial statement for the financial year of 2010 was approved at the General Shareholders' Meeting. On the 7th of July, 2011, in compliance with the law, it was delivered to the National Court Register and on the 14th of July, 2011, it was delivered for publishing in Monitor Polski B. It was published on the 20th of February, 2012 (no. 612 pos. 3382).

3.2 Segment Information

In the Comarch Group, the business segments are basic type of operating segments, and geographical segments are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities: the sale of IT systems (hereinafter referred to as the "IT segment"), professional sports (hereinafter referred to as the "Sport segment"; MKS Cracovia SSA), activity in relation with economic use of Internet (hereinafter referred to as the "Internet segment"), activity in relation with real estates investment, Comarch's real estate management and investment activity on capital market (hereinafter referred to as the "Investment segment"). The Investment segment was allocated a separate category in the first quarter of 2010 due to increase in its scope. The IT segment has a dominant share in sales revenues, profits and assets. The IT segment is divided into the DACH (Germany, Austria, Switzerland) market, Polish market and other markets according to the specific character of the activity in the segment. In the third and fourth quarters of 2011, the specialised medical equipment was purchased and is related to the opening of the iMed24 Medical Centre planned for January, 2012. Due to a significant amount of expenses incurred for the "Medical segment" as of the 30th of September, 2011, this segment was allocated a separate category in assets, liabilities, investment expenditures and depreciation. It was presented separately in revenues, costs and financial results as of the 31st of December, 2011, as not until the fourth quarter when expenses were incurred related to launching medical centre.

In 2011, the share of none of the customers exceeded 10% of the Comarch Group's sales and no supplier provided products and merchandise at the value exceeding 10% of Comarch Group's proceeds on sale.

Over 2011, Comarch revenue structure was as follows: 19% of annual sales were achieved in the first quarter, 19% in the second quarter, 26% in the third quarter and 36% in the fourth quarter. This revenue structure is consistent with tendency observed in IT branch.

Detailed data related to the segments are presented below.

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2011

All amounts are expressed in thousands of PLN unless otherwise indicated

2010

Item	IT Segment **			Internet Segment	Investment Segment ***	Sport Segment	Elimination	Total
	Polish market	DACH market	Other markets					
Revenues per segment- sales to external clients	505,886	219,200	23,124	1,238	4,904	11,866	-	766,218
<i>including:</i>								
<i>revenues from sales</i>	510,103	216,718	22,482	861	281	10,916	-	761,361
<i>To customers in Telecommunication, Media, IT sector</i>	100,708	52,924	11,622	57	-	-	-	165,311
<i>To customers in Finance and Banking sector</i>	133,740	1,501	1,003	33	-	-	-	136,277
<i>To customers in Trade and services sector</i>	75,825	9,146	8,449	596	-	-	-	94,016
<i>To customers in Industry&Utilities</i>	65,683	5,819	916	121	-	-	-	72,539
<i>To customers in Public sector</i>	66,185	-	454	2	-	-	-	66,641
<i>To customers in small and medium enterprises sector</i>	67,498	147,328	-	-	-	-	-	214,826
<i>To other customers</i>	464	-	38	52	281	10,916	-	11,751
<i>other operating revenue</i>	534	2,300	836	37	-	950	-	4,657
<i>finance revenue</i>	(4,751)	182	(194)	340	4,623	-	-	200
Revenues per segment - sales to other segments	-	3,336	12,279	2,270	970	8,151	(27,006)	-
Revenues per segment - total*	505,886	222,536	35,403	3,508	5,874	20,017	(27,006)	766,218
Costs per segment relating to sales to external clients	426,738	260,615	26,667	8,784	1,579	16,816	-	741,199
Costs per segment relating to sales to other segments	-	3,336	12,279	2,270	970	8,151	(27,006)	-
Costs per segment - total*	426,738	263,951	38,946	11,054	2,549	24,967	(27,006)	741,199
Current taxes	(8,017)	(59)	(231)	-	-	-	-	(8,307)
Assets for the tax due to investment allowances and other tax relief	2,362	5,374	-	68	-	(519)	-	7,285
Share of segment in the result of parties valued using the equity method of accounting	(40)	-	-	-	-	-	-	(40)
Net result	73,453	(36,100)	(3,774)	(7,478)	3,325	(5,469)	-	23,957
<i>including:</i>								
<i>result attributable to shareholders of the parent company</i>	73,451	(18,919)	(3,967)	(7,478)	3,318	(2,688)	-	43,717
<i>result attributable to minority interest</i>	2	(17,181)	193	-	7	(2,781)	-	(19,760)

*) Items comprise revenues and costs of all types, which can be directly allocated to particular segments

**) The company has decided that beginning from 2010 it will present IT segment including Polish, DACH and other markets.

***) The company has decided that beginning from 2010 it will present the Investment segment including companies conducting activity in relation with real estates investment, Comarch's real estate management and investment activity on capital market.

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 31st of December, 2010 as well as investment expenditures and depreciation for 12 months ended 31st of December, 2010 are as follows:

	IT Segment			Internet Segment	Investment Segment	Sport Segment	Total
	Poland	DACH	Other				
Assets	573,334	132,797	29,849	10,747	174,559	46,819	968,105
Liabilities	306,010	59,381	3,367	756	499	13,903	383,916
Investment expenditures	24,305	9,330	6,296	912	25,226	5,216	71,285
Depreciation	16,146	20,454	892	738	821	2,375	41,426

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2011

All amounts are expressed in thousands of PLN unless otherwise indicated

2011

Item	IT Segment			Internet Segment	Investment Segment	Sport Segment	Eliminations	Medicine Segment	Total
	Polish market	DACH market	Other markets						
Revenues per segment-sales to external clients	479,042	225,766	72,841	4,883	5,680	21,430	-	-	809,642
<i>including:</i>									
<i>revenues from sales</i>	480,824	213,630	72,111	4,483	314	14,291	-	-	785,653
<i>To customers in Telecommunication, Media, IT sector</i>	89,329	72,154	42,281	1,640	-	-	-	-	205,404
<i>To customers in Finance and Banking sector</i>	122,551	7,155	5,339	1,144	-	-	-	-	136,189
<i>To customers in Trade and services sector</i>	47,336	11,544	21,453	1,105	-	-	-	-	81,438
<i>To customers in Industry&Utilities</i>	58,312	3,143	1,405	517	-	-	-	-	63,377
<i>To customers in Public sector</i>	90,280	-	436	1	-	-	-	-	90,717
<i>To customers in small and medium enterprises sector</i>	72,251	119,318	-	-	-	-	-	-	191,569
<i>To other customers</i>	765	316	1,197	76	314	14,291	-	-	16,959
<i>other operating revenue</i>	2,883	12,136	774	31	7	7,139	-	-	22,970
<i>finance revenue</i>	(4,665)	-	(44)	369	5,359	-	-	-	1,019
Revenues per segment - sales to other segments	-	3,526	24,046	2,737	1,078	8,432	(39,819)	-	-
Revenues per segment - total*	479,042	229,292	96,887	7,620	6,758	29,862	(39,819)	-	809,642
Costs per segment relating to sales to external clients	413,674	242,908	75,733	9,378	2,089	25,528	-	530	769,840
Costs per segment relating to sales to other segments	-	3,526	24,046	2,737	1,078	8,432	(39,819)	-	-
Costs per segment - total*	413,674	246,434	99,779	12,115	3,167	33,960	(39,819)	530	769,840
Current taxes	(11,526)	(12)	(977)	(53)	-	-	-	-	(12,568)
Assets for the tax due to investment allowances and other tax relief	3,288	2,267	-	141	-	175	-	-	5,871
Share of segment in the result of parties valued using the equity method of accounting	(38)	-	-	-	-	-	-	-	(38)
Net result	57,092	(14,887)	(3,869)	(4,407)	3,591	(3,923)	-	(530)	33,067
<i>including:</i>									
<i>result attributable to shareholders of the parent company</i>	57,091	(13,503)	(4,057)	(4,407)	3,591	(1,928)	-	(530)	36,257
<i>result attributable to minority interest</i>	1	(1,384)	188	-	-	(1,995)	-	-	(3,190)

*) Items comprise revenues and costs of all types, which can be directly allocated to particular segments

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 31st of December, 2011 as well as investment expenditures and depreciation for 12 months ended 31st of December, 2011 are as follows:

	IT Segment			Internet Investment Segment		Sport Segment	Medicine Segment*	Total
	Poland	DACH	Other	Segment	Segment	Segment	Segment*	
Assets	537,788	193,725	48,260	10,207	165,870	47,148	19,476	1,022,474
Liabilities	324,381	44,259	9,373	1,651	2,325	14,662	15,972	412,623
Investment expenditures	43,930	17,947	3,020	550	7,100	3,496	19,476	95,519
Depreciation	17,920	18,054	1,040	843	859	3,328	-	42,044

*) Liabilities are related to a loan incurred by iMed24 S.A. for financing of purchase of medical equipment. As of the 31st of December, 2011, the equipment was not accepted for use, therefore depreciation is not presented in Medicine segment.

Due to the geographical distribution of its activities, the Comarch Group has defined the following market segments: Poland, DACH (Germany, Austria and Switzerland), Europe- other countries, the Americas, and other countries. The Sport segment, the Investment segment and the Medicine segment operate solely within the territory of Poland. Due to the fact that only the IT segment operates abroad and at the same time the costs incurred in the IT segment are largely common for export and domestic sales, defining separate results for export and domestic activities is futile.

Revenues from basic sales - activities location

	12 months ended 31 December 2011		%	12 months ended 31 December 2010		%
Poland	499,911	63.6%		445,666	58.5%	
DACH	213,630	27.2%		207,618	27.3%	
Europe - others	43,087	5.5%		87,433	11.5%	
The Americas	25,659	3.3%		15,091	2.0%	
Other countries	3,365	0.4%		5,553	0.7%	
TOTAL	785,653	100.0%		761,361	100.0%	

The above-mentioned label presents a geographical structure of revenues by the Comarch Group clients' offices.

Assets – activities location

	31 December 2011		%	31 December 2010		%
Poland	780,490	76.2%		805,459	83.2%	
DACH	193,725	19.1%		132,797	13.7%	
Europe - others	29,550	2.8%		13,078	1.4%	
The Americas	14,876	1.5%		6,014	0.6%	
Other countries	3,833	0.4%		10,757	1.1%	
TOTAL	1,022,474	100.0%		968,105	100.0%	

Investments expenditures - activities location

	12 months ended 31 December 2011	12 months ended 31 December 2010
Poland	74,544	55,659
DACH	18,024	9,330
Europe - others	2,004	6,160
The Americas	945	77
Other countries	2	59
TOTAL	95,519	71,285

3.3 Property, Plant and Equipment

	Lands and buildings	Means of transport and machinery	Furniture, fittings and equipment	Total
At 1 December 2010				
Cost or valuation (gross value)	226,380	140,901	15,966	383,247
Accumulated depreciation	(20,913)	(94,171)	(11,857)	(126,941)
Net book amount	205,467	46,730	4,109	256,306
Year ended 31 December 2010				
Opening net book amount	205,467	46,730	4,109	256,306
Additions	27,632	11,817	712	40,161
Disposals	(1,120)	(1,091)	(523)	(2,734)
Depreciation charge	(2,679)	(14,378)	(1,013)	(18,070)
Closing net book amount	229,300	43,078	3,285	275,663
At 31 December 2010				
Cost or valuation	252,892	151,627	16,155	420,674
Accumulated depreciation	(23,592)	(108,549)	(12,870)	(145,011)
Net book amount	229,300	43,078	3,285	275,663
Year ended 31 December 2011				
Opening net book amount	229,300	43,078	3,285	275,663
Additions	26,638	47,538	4,094	78,270
Disposals	-	(1,418)	-	(1,418)
Depreciation charge	(5,152)	(16,604)	(2,788)	(24,544)
Closing net book amount	250,786	72,594	4,591	327,971
At 31 December 2011				
Cost or valuation	279,530	197,747	20,249	497,526
Accumulated depreciation	(28,744)	(125,153)	(15,658)	(169,555)
Net book amount	250,786	72,594	4,591	327,971

Property, plant and equipment comprise mostly real estate and machinery owned by the Group. As at the 31st of December, 2011, propriety of the Group are six office buildings in Krakow, including five in the Special Economic Zone in Krakow ("SEZ") at 36,584 square metres of the total space, two office buildings in Warsaw at 2,582 square metres of the total space and office buildings in Łódź, one office and storage building in Lille, and one residential building intended for renovation in Dresden. The Group owns also lands in the Special Economic Zone in Krakow at 3.5 ha of the total space. As at the 31st of December, 2011, property, plant and equipment under construction comprise mostly expenditures for the investments, the modernisation works of buildings used by the Group and the purchase of medical equipment for Comarch medical centre.

In the fourth quarter of 2011, the parent company completed the investment in the SEZ in Krakow that was begun in November, 2009. The building is dedicated to offices and activity related to medicine (Centrum Medyczne iMed24 (medical centre)). Formal opening of the medical centre was performed in February, 2012. Book value of the new building amounts to

27.9 million PLN.

In July, 2010, Bonus Development Sp. z o.o. SK-A began the construction of a new office-building in Łódź. The estimated value of this investment amounts to 5 million PLN. The construction works were completed in the third quarter of 2011. The granting the usufruct is planned for is the second quarter of 2012. In Dresden, Comarch AG is conducting a renovation of an existing building and adapting it for office purposes. Comarch AG is also constructing a building where the new Comarch Data Centre will be located. Investment works began at the end of the first quarter of 2011. The estimated value of this investment amounts to approximately 10 million EUR. Investment completion is planned for the fourth quarter of 2012. The office building that was purchased by Comarch SAS in Lille will be the new office of the company and the storage building will be transformed into the Comarch Data Centre of an approximately total space of 1,700 square metres. The estimated value of this investment amounts to approximately 5.5 million EUR. The decision whether to begin the construction will be made in 2012.

Bank borrowings are secured on land and buildings for the value of 150.16 million PLN (ordinary mortgages, real estate mortgages in BNP Paribas Bank Polska S.A., Kredyt Bank S.A., Pekao S.A. and DnB Nord S.A.) and other property, plant and equipment in use in the amount of 13.94 million PLN. The balance sheet value of property, plant and equipment in use, on which financial liabilities are secured, amounts to 125.09 million PLN.

	2011	2010
Amount of interest on credits capitalised on investments in non-current assets	183	170

Investment expenditures on property, plant and equipment under construction are recognised in the net balance sheet value of property, plant and equipment:

	31 December 2011	31 December 2010
Buildings	19,037	17,641
Equipment	20,237	81
Other	70	-
Total	39,344	17,722

Depreciation write-offs were presented in the income statement. They increase the costs of sold products, goods and materials in the amount of 21.36 million PLN (16.37 million PLN in 2010), costs of sales in the amount of 1.33 million PLN (0.5 million PLN in 2010), administrative expenses in the amount of 1.6 million PLN (0.94 million PLN in 2010) and social activities expenses in the amount of 0.25 million PLN (0.27 million PLN in 2010).

Assets in finance leasing

As at the 31st of December, 2011, the Group had no liabilities due to a finance lease, as all these contracts were concluded between companies in the Group.

Net equity	0
Interest	0

The Group has no due liabilities due leasing fees.

Interest	0
Net equity	0

3.4 Goodwill

Goodwill comprises company's value established at purchases of shares in the following companies:

	31 December 2011	31 December 2010
Comarch Kraków	99	99
CDN Comarch	1,227	1,227
Comarch AG	1,900	1,900
Comarch, Inc.	58	58
Comarch Software und Beratung AG	33,871	33,871
Total	37,155	37,155

3.4.1 Acquisition of Subsidiaries

	Core Activities	Acquisition Date	(%) of Purchased Shares (%)	Acquisition Cost PLN'000
2008				
Comarch Software und Beratung AG	IT	2008-11-18	50.15%	44,685
2009				
Comarch Software und Beratung AG	IT	2009-02-09	30.74%	31,901
			80.89%	76,586

In 2011 there were no acquisitions.

3.4.2 Test for Goodwill Impairment

In 2009, the Comarch AG purchased Comarch Software und Beratung AG shares that constituted 80.89% of all Comarch Software und Beratung AG shares; as a result, an amount of goodwill worth 39.41 million PLN was generated. This value was updated as a result of a test for loss in value in reference to the goodwill ran as of 30th of June, 2010, and amounts to 33.87 million PLN. The above-mentioned amount constitutes surpluses of acquisition costs above fair value of the Comarch Group share in identified net assets of acquired units creating the Comarch Software und Beratung Group (they comprise purchased assets and liabilities that can be identified, as well as contingent liabilities acquired within the consolidation). Acquisition costs are comprised of premiums related to taking charge over the Comarch Software und Beratung Group as well as amounts related to the benefits resulting from predicted synergies, increases in revenues, future market development, increases in product portfolio and the addition of highly qualified employees in the Comarch Software und Beratung Group. These benefits were not presented separately from goodwill, because it was not possible to make reliable assessments resulting from future economic benefits. Within the scope of the described transaction, the Group also acquired customers and relationships with customers in the Comarch Software und Beratung Group. These assets weren't presented separately from goodwill, because it was not possible to make a reliable assessment of their value.

As at the acquisition date, the assessment of the fair value of assets held by the Comarch Software und Beratung Group was done based on the useful value valuation model with the discounted cash flow method (DCF). The estimated fair value of software owned by the Comarch Software und Beratung Group amounted to 15.02 million EUR. Software is depreciated for a period of 5 years and its current value as of the 31st of December, 2011, amounts to 26.5 million PLN.

On the 31st of December, 2011, the Comarch Group ran a test for loss in value regarding goodwill and it did not show any loss in value. The assessment of the fair value of a cash generating unit was done based on the useful value valuation model with the discounted cash flow method (DCF). The predicted cash flow for particular Comarch SuB product lines are based on sales results in 2011, the Comarch SuB Group budget for 2012 and the forecast for 2013-2016, development estimates of the German market within the upcoming years and growth rate of 0.5% remaining constant beginning from 2017. The discount rate applied in the assessment of the current value of the predicted cash flow is based on a weighted average capital cost (WACC). Particular items of WACC were estimated on a basis of market data on

risk-free interest rate (profitability of treasury bills), beta factor, data on the structure of debt/capital and the expected value of premium for risk. The weighted average capital cost applied in the model amounted to 9.32%.

The Group considers IT Segment, comprising companies in the Comarch Group before acquisition of the Comarch SuB Group, as a cash generating unit thereby doesn't allocate the goodwill, that was worth 3.28 million PLN and recognised in relation to purchases of shares in Comarch Kraków S.A., CDN Comarch S.A., Comarch Inc. and Comarch AG, to particular companies of the Group. A test for loss in value in reference to the goodwill that was run on the 31st of December, 2011, did not show any loss in value. The recoverable amount of cash generating unit was determined on the basis of calculations of its fair value. The Management Board of the parent company ran also the analysis of the P/E index for companies in the IT sector registered with the Warsaw Stock Exchange and assessed on this basis the estimated market value of the IT Segment in the Comarch Group as at the 31st of December, 2011. The above analyses did not show any loss in value in reference to the goodwill.

3.5 Other Intangible Assets

	Cost of completed development works	Right of perpetual usufruct	Trademarks, licences and software	Other	Total
At 1 January 2010					
Cost (gross)	2,057	39,406	81,895	5,958	129,316
Accumulated amortisation and impairment	(2,057)	-	(31,496)	(3,351)	(36,904)
Net book value	-	39,406	50,399	2,607	92,412
Year ended 31 December 2010					
Opening net book amount	-	39,406	50,399	2,607	92,412
Additions	-	-	9,755	6,261	16,016
Disposals	-	(93)	(4,687)	(1,186)	(5,966)
Amortisation charge	-	-	(21,017)	(2,339)	(23,356)
Closing net book amount	-	39,313	34,450	5,343	79,106
At 31 December 2010					
Cost (gross)	2,057	39,313	86,963	11,033	139,366
Accumulated amortisation and impairment	(2,057)	-	(52,513)	(5,690)	(60,260)
Net book value	-	39,313	34,450	5,343	79,106
Year ended 31 December 2011					
Opening net book amount	-	39,313	34,450	5,343	79,106
Additions	-	627	15,810	3,001	19,438
Disposals	-	-	(6)	(628)	(634)
Amortisation charge	-	(719)	(14,245)	(2,536)	(17,500)
Closing net book amount	-	39,221	36,009	5,180	80,410
At 31 December 2011					
Cost (gross)	2,057	39,940	102,767	13,406	158,170
Accumulated amortisation and impairment	(2,057)	(719)	(66,758)	(8,226)	(77,760)
Net book value	-	39,221	36,009	5,180	80,410

The Group presented expenses for research and development works directly in costs in the amount of 33.88 million PLN.

I. Other intangibles include, in particular, the right to use the players' cards in the amount of 4.98 million PLN. All other items of the intangible assets were acquired.

The general amount of depreciation is given in the income statement, whereas 16.05 million PLN is given in the generation costs and the remaining part is presented in the administrative expenses (1.17 million PLN) and sales costs (0.27 million PLN).

The perpetual usufruct right for land related to MKS Cracovia SSA that is worth 31.65 million PLN is considered the intangible asset with unspecified period of use and is not depreciated. Land of the company of MKS Cracovia SSA in perpetual usufruct is not subject to depreciation, as it is of unspecified period of use due to the fact that the company expects renewal of perpetual usufruct right which will occur without incurring any major costs, as the company is not obliged to meet any conditions, which would decide about extension of this right.

The company does not expect incurring major costs in renewal of perpetual usufruct right in the context of the previous activities of the co-owner of the Club that is the City of Krakow. The city supports sport activities, including SSA Cracovia, by way of, among others:

- additional financing of sport infrastructure
- accumulated depreciation of real estate tax
- contributing fees for perpetual usufruct in non-cash contribution

The right of perpetual usufruct of land relating to the parent company is depreciated for a defined useful life, which depends on the time of acquisition and amounts from 84 till 99 years. The average depreciation rate equals 1.2%.

II. Impairment test for the right of perpetual usufruct as at 31st of December, 2011

As at the 31st of December, 2011, analysis was performed on changes in prices of real estate properties in Krakow in 2011, based on reports published by Departament Analiz Makroekonomicznych i Sektorowych banku BGŻ (www.bgz.pl) (Macroeconomic and Sector Analysis Department) and Urząd Miasta Krakowa in cooperation with advisory company Colliers International (www.bip.krakow.pl), and articles published by trade portals, from which it follows that in 2011 an average price of land in Krakow increased by several percent, it was determined that no loss occurred in the value of perpetual usufruct right to land owned by Comarch S.A.

III. Intangible assets purchased as a result of the acquisition of the Comarch Software und Beratung Group are comprised of property rights for the software: Semiramis, SharkNex, SoftM Suite ERP, SoftM Suite Financials, Schilling, DKS and Infostore. The above-mentioned intangible assets were presented in fair value in the Comarch Group's balance sheet. The assessment of the fair value was done as of the date of acquisition based on a useful value valuation model with the discounted cash flow method.

The estimated values of particular types of software are:

	Fair value as at the acquisition date	Fair value as at 31 December 2011	Book value as at 31 December 2011
Intangible assets acquired as a result of acquisition of CSuB Group	62,237	30,507	26,530

The Group performs by way of the linear method depreciation write-offs of intangible assets purchased as a result of the acquisition of the Comarch Software Group. It was assumed the depreciation period is equal to the predicted period of economic benefit from the software sales, i.e. 60 months. Tests for loss in value that were conducted on the 31st of December, 2011, showed that fair value of intangible assets, acquired as a result of the acquisition of Comarch SuB, is significantly higher than their balance sheet value. These tests did not reveal any loss in value.

3.6 Non-Current Prepayments

	12 months ended 31 December 2011	12 months ended 31 December 2010
Opening balance	187	333
Changes due to:		
- non-current prepayments of costs	(126)	(146)
Closing balance	61	187

3.7 Investment in Associates

As at 31st of December, 2011, the Group had shares in associates.

At 1 January 2010	447
Disposal of shares	(185)
Share in profit for 2010	(90)
At 31 December 2010	172
At 1 January 2011	172
Share in profit for 2011	(144)
At 31 December 2011	28

	Country of incorporation	Assets	Liabilities	% shares held
At 31 December 2010				
SolInteractive Sp. z o.o. (currently S.A.)	Poland	2,584	2,008	30.72
At 31 December 2011				
SolInteractive S.A.	Poland	2,406	2,253	30.72
	Country of incorporation	Revenue	Profit /(Loss)	% shares held
12 months ended 31 December 2010				
SolInteractive Sp. z o.o. (currently S.A.)	Poland	5,129	(2,507)	30.72
12 months ended 31 December 2011				
SolInteractive S.A.	Poland	4,613	(413)	30.72

As at 31st of December, 2011, the Group had 2,000 shares in SolInteractive Sp. z o.o. (currently SolInteractive S.A.) acquired in September, 2008 by CCF FIZ. CCF FIZ holds 30.72% of shares in SolInteractive S.A., in which share capital equals to 0.651 million PLN.

3.8 Inventories

	31 December 2011	31 December 2010
Raw materials	423	332
Work in progress	33,811	38,886
Finished goods	9,889	10,403
Advance due to finished goods	69	-
	44,192	49,621

The cost of inventories included in 'Costs of products, goods and materials sold' amounted to 388.78 million PLN (12 months ended the 31st of December, 2011) and 464.69 million PLN (12 months ended the 31st of December, 2010).

Due to impairment, write-offs revaluating inventories were recognised in the amount of 2.566 million PLN, at the same time write-offs were dissolved in the amount of 0.001 million PLN. The total effect of the all above-mentioned operations on the result of 2011 was 2.565 million PLN (a decrease in result).

No hedging was performed in inventories owned by the Group.

On the basis of current continuous tendency within the scope of settling the production under construction, the Group estimates that after 12 months from the balance sheet date approximately 11.2 million PLN will have to be settled. Other inventories will be settled in total within 12 months.

3.9 Categories and Classes of Financial Instruments

Assets and financial liabilities are presented by categories (according to IAS 39) as follows:

	31 December 2011	31 December 2010
Financial assets		-
At fair value through the income statement	-	-
Derivative instruments in hedging relations	-	-
Investment held to maturity	-	-
Own receivables (including cash and cash equivalents)	489,805	489,167
Available-for sale financial assets	1,521	2,491
Total	491,326	491,658
Financial liabilities		-
At fair value through the income statement	686	-
Derivative instruments in hedging relations	-	-
Financial liabilities	262,662	247,705
Financial guarantees contracts	-	-
Total	263,348	247,705

The following classes of financial instruments are presented within particular categories of instruments:

	31 December 2011	31 December 2010
Own receivables (including cash and cash equivalents)		
Receivables from related parties (note 3.12)	66	61
Receivables from related parties - non-current	-	-
Receivables from other entities - current (note 3.12)	294,670	287,627
Receivables from other entities - non-current	1,732	1,237
Cash and cash equivalents (note 3.13)	193,337	200,242
Total	489,805	489,167

	31 December 2011	31 December 2010
Financial liabilities		
Liabilities due to credits (note 3.18)	116,330	97,893
Liabilities to related parties (note 3.16)	555	693
Liabilities to other entities - current (note 3.16)	145,777	149,119
Derivative financial instruments (note 3.11)	686	-
Liabilities due to finance lease (note 3.16)	-	-
Total	263,348	247,705

Currency structure of financial liabilities and assets are presented as follows:

	Financial assets		Financial liabilities	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Currency - PLN	309,013	240,709	125,325	195,400
Currency - EURO	153,244	196,499	132,734	19,248
Currency - USD	13,067	39,986	3,180	29,019
Currency - GBP	4,878	101	20	66
Currency - UAH	1,735	1,583	89	16
Currency - AED	2,134	6,221	93	69
Currency - SKK	-	-	-	-
Currency - RUB	600	692	15	95
Currency - LTL	-	27,	-	-
Currency - CHF	2,196	5,697	464	3,592
Currency - CAD	3,149	-	1,111	-
Currencies - other	1,310	143	317	200
Total	491,326	491,658	263,348	247,705

As at the 31st of December, 2010, maturity periods of particular classes of own receivables (trade receivables and cash equivalents) are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Receivables from related parties	61	-	-	-	61
Receivables from related parties – non-current	-	-	-	-	-
Receivables from other parties - current	272,083	14,141	1,403	-	287,627
Receivables from other parties – non-current	1,237	-	-	-	1,237
Cash and cash equivalent (note 3.13)	200,242	-	-	-	200,242
Total	473,623	14,141	1,403	-	489,167

As at the 31st of December, 2011, maturity periods of particular classes of own receivables (trade receivables and cash equivalents) are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Receivables from related parties	66	-	-	-	66
Receivables from related parties – non-current	-	-	-	-	-
Receivables from other parties - current	290,496	4,150	24	-	294,670
Receivables from other parties – non-current	-	-	1,732	-	1,732
Cash and cash equivalent (note 3.13)	193,337	-	-	-	193,337
Total	483,899	4,150	1,756	-	489,805

As at the 31st of December, 2010, maturity periods of particular classes of financial liabilities are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Liabilities due to credits (note 3.18)	13,089	22,597	21,498	40,709	97,893
Liabilities to related parties	693	-	-	-	693
Liabilities to other entities - current	149,119	-	-	-	149,119
Derivative financial instruments	-	-	-	-	-
Liabilities due to finance lease	-	-	-	-	-
Total	162,901	22,597	21,498	40,709	247,705

As at the 31st of December, 2011, maturity periods of particular classes of financial liabilities are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Liabilities due to credits (note 3.18)	27,436	11,389	30,873	46,632	116,330
Liabilities to related parties	555	-	-	-	555
Liabilities to other entities - current	145,777	-	-	-	145,777
Derivative financial instruments	686	-	-	-	686
Liabilities due to finance lease	-	-	-	-	-
Total	174,454	11,389	30,873	46,632	263,348

The Group has adopted the following methods of valuation for particular classes of financial instruments:

Own receivables	Valuation method
Receivables from related parties (note 3.12)	according to the adjusted acquisition price
Receivables from other entities – current (note 3.12)	according to the adjusted acquisition price
Receivables from other entities – non-current	according to the adjusted acquisition price
Cash and cash equivalents (note 3.13)	at the fair value
Financial liabilities	Valuation method
Liabilities due to credits (note 3.18)	according to the adjusted acquisition price
Liabilities to related parties (note 3.16)	according to the adjusted acquisition price
Liabilities to other entities - current (note 3.16)	according to the adjusted acquisition price
Liabilities to other entities – non- current	according to the adjusted acquisition price
Liabilities due to finance lease (note 3.16)	according to the adjusted acquisition price

Within the reporting period, the company did not retrained items of financial assets to those valuated according to costs, adjusted acquisition costs or fair value. The Group has not hedged financial assets.

3.10 Available-for-Sale Financial Assets

	12 months ended 31 December 2011	12 months ended 31 December 2010
At the beginning of	2,491	10,291
Additions	93	10,669
Disposal	(1,063)	(18,469)
At the end of the year	1,521	2,491

In the periods related to this statement, no write-offs due to loss in value of available-for-sale financial assets were performed.

As of the 31st of December, 2011, available-for-sale financial assets comprised investments units in money market and debt securities fund, which were purchased by Comarch Management Sp. z o. o. SK-A as a deposit for free monetary means. Participation units' turnover is held beyond the scope of the regulated market. Acquisition price of participation units amounted to 1.4 million PLN, and their valuation through fair value as at the 31st of December, 2011, amounted to 1.52 million PLN.

Information on disposal intention of available-for-sale financial assets: Comarch Management Sp. z o. o. SK-A and Comarch SA intend to sell held available-for-sale financial assets within 6 months from the balance sheet date.

3.11 Derivative Financial Instruments

	31 December 2011		31 December 2010	
	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts – held-for-trading	-	686	383	-
	-	686	383	-
<i>Current portion</i>	-	686	383	-

The Group held forward contracts to reduce the effect of changes in cash flows on financial result, where cash flows are related to the planned transactions and changes are the result of foreign exchange risk. As at 31st of December, 2011, the above-mentioned instruments were valued at fair value according to market price and changes in valuation were referred into the results from financial operations. Total net value of forward contracts that were open as at 31st of December, 2011, amounted to 4.9 million EURO and 1.2 million USD. After the balance sheet date, the Comarch Group concluded forward contracts for sale of 1.9 million EURO and 0.7 million USD.

3.12 Trade and Other Receivables

	31 December 2011	31 December 2010
Trade receivables	287,953	274,062
Write-off revaluing receivables	(22,698)	(16,448)
Trade receivables – net	265,255	257,614
Other receivables	19,769	17,919
Short-term prepayments	7,741	7,227
Other prepayments	168	3,029
Loans	1,737	1,838
Receivables from related parties	66	61
Total	294,736	287,688
<i>Current portion</i>	294,736	287,688

The fair value of trade and other receivables is close to the balance sheet value presented above. There is no concentration of credit risk with respect to trade receivables as the Group has a large number of internationally dispersed customers. The Group has recognised a write-off due to loss in value of its trade receivables that was worth 14.98 million PLN (12 months ended the 31st of December, 2011) and 8.81 million PLN (12 months ended the 31st of December, 2010).

3.13 Cash and Cash Equivalents

	31 December 2011	31 December 2010
Cash in hand, cash at banks	98,256	82,038
Current bank deposit	94,639	117,790
Total cash and cash equivalents	192,895	199,828
Due interest on bank deposit	442	414
Total cash and cash equivalents	193,337	200,242

In 2011 an effective interest rate for short-term bank deposits was 3.64% for PLN, 0.59% for euro and 0.16% for USD. The average maturity period for these deposits was 5.31 day for PLN, 2.64 day for euro and 2.68 day for USD.

For the needs of the cash flow, cash and cash equivalents include cash in hand and deposits. Credit in the current account is included in financial operations.

As at the 31st of December, 2011, the Group had cash with limited disposal rights in the amount of 0.83 million PLN, including: a security deposit set by foreign subsidiaries in relation to concluded rental contracts in the amount of 0.32 million PLN and cash in a separate bank account of the Social Services and Residential Fund in the amount of 0.51 million PLN.

3.14 Share Capital

	Number of shares	Ordinary and preference shares	Own shares	TOTAL
At 1 January 2010	7,960,596	7,960,596	-	7,960,596
31 st of March, 2010 - registration by the District Court for Kraków- Śródmieście, XI Economic Division of the National Court Register of an increase in share capital of Comarch S.A.	91,041	91,041		91,041
At 31 December 2010	8,051,637	8,051,637	-	8,051,637
At 31 December 2011	8,051,637	8,051,637	-	8,051,637

The nominal value of one share is 1 PLN.

The share capital of Comarch S.A. consists of:

- 1) 864,800 series A registered preference shares,
- 2) 75,200 series A ordinary bearer shares,
- 3) 883,600 series B registered preference shares,
- 4) 56,400 series B ordinary bearer shares,
- 5) 3,008,000 series C ordinary bearer shares,
- 6) 1,200,000 series D ordinary bearer shares,
- 7) 638,600 series E ordinary bearer shares,
- 8) 125,787 series G ordinary bearer shares,
- 9) 102,708 series G3 ordinary bearer shares,
- 10) 563,675 series H ordinary bearer shares,
- 11) 441,826 series I2 ordinary bearer shares,
- 12) 91,041 series J2 ordinary bearer shares.

Registered shares in series A and B are preferential and each such share corresponds with 5 votes at the General Meeting. The conversion of registered shares into bearer shares is allowed. In case of that registered shares are converted into bearer shares, they lose all preferences. In case that registered preferential shares are disposed their specific voting rights at the General Meeting expire, however their specific voting rights at the General Meeting do not expire in case of:

- a) disposal for the benefit of persons who were shareholders of the company on 18 March 1998,
- b) disposal for the benefit of descendants of a disposer,

c) conveying property of a registered share as a result of succession.

The written consent of the Management Board is required to dispose of registered shares. The sale of shares without the permission of the Management Board is possible on the condition that it is stated in Comarch S.A.'s statute.

Every ordinary bearer share entitles its holder to one vote at the AGM. The conversion of bearer shares into registered shares is not permitted.

3.14.1. Information about Shareholders Holding Directly or Indirectly by Subsidiary Entities at least 5% of the Total Number of Votes at the General Meeting of Comarch S.A., at the Date of Preparing the Financial Report

- Janusz Filipiak held 2,620,010 shares (32.54% of the company's share capital), which gave him 6,192,010 votes at the AGM and constituted 41.16% of all votes at the AGM;

- Elżbieta Filipiak held 846,000 shares (10.51% of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 28.12% of all votes at the AGM;

3.14.2. Changes in Share Capital in 2011

a) 3 January 2011

BZ WBK AIB Asset Management S.A. informed that, as a result of the sales of the shares on 3rd of January, 2011, customers of the company decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On 3rd of January, 2011, there were 2,458,037 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 30.53% of the company's share capital. This gave 2,458,037 or a 16.34% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 1/2011 dated the 14th of January, 2011.

b) 9 February 2011

BZ WBK AIB Asset Management S.A. informed that, as a result of the sales of the shares on 9th of February, 2011, customers of the company held less than 15% of the total number of votes at Comarch S.A.'s annual general meeting.

On 9th of February, 2011, there were 2,166,577 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 26.91% of the company's share capital. This gave 2,166,577 or a 14.4% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 3/2011 dated the 16th of February, 2011.

c) 28 March 2011

BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A., on behalf of Arka BZ WBK Open Investment Fund and Lukas Open Investment Fund (hereinafter referred to as the "Funds") informed that, as a result of the sales of the shares on the 28th of March, 2011, the Funds held less than a 10% share of the total number of votes at Comarch S.A.'s General Shareholders' Meeting. At the same time, the Funds decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On the 28th of March, 2011, the Funds held 1,305,855 Comarch S.A. shares which constituted 16.22% of the company's share capital. This gave 1,305,855 or a 8.68% share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 4/2011 dated the 1st of April, 2011.

BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A., on behalf of Arka BZ WBK Open Investment Fund (hereinafter referred to as the "Fund") informed that, as a result of the sales of the shares on the 28th of March, 2011, the Fund holds less than a 10% share of the total number of votes at Comarch S.A.'s General Shareholders' Meeting. At the same time, the Fund decreased its share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On the 28th of March, 2011, the Fund held 1,236,802 Comarch S.A. shares which constituted 15.36% of the company's share capital. This gave 1,236,802 or a 8.22% share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 5/2011 dated the 1st of April, 2011.

BZ WBK AIB Asset Management S.A. with its registered seat in Poznań informed that, as a result of the sales of the shares on 28th of March, 2011, customers of the company decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On the 28th of March, 2011, there were 1,643,817 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 20.42% of the company's share capital. This gave 1,643,817 or a 10.93% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 6/2011 dated the 1st of April, 2011.

d) 6 April 2011

BZ WBK Asset Management S.A. with its registered seat in Poznań informed that, as a result of the sales of the shares on 6th of April, 2011, customers of the company hold less than a 10% share of the total number of votes at Comarch S.A.'s annual general meeting.

On the 6th of April, 2011, there were 1,416,423 Comarch S.A. shares in the managed securities accounts of BZ WBK Asset Management S.A. customers, which constituted 17.59% of the company's share capital. This gave 1,416,423 or a 9.41% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 7/2011 dated the 12th of April, 2011.

e) 7 October 2011

BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A. ("Investment Funds"), on behalf of Arka BZ WBK Open Investment Fund (hereinafter referred to as the "Fund") informed that, as a result of the sales of the shares on the 7th of October, 2011, the Fund holds less than a 5% share of the total number of votes at Comarch S.A.'s General Shareholders' Meeting. Between 6th and 7th of October, 2011, the other funds managed by Towarzystwo held no Comarch SA shares.

On the 7th of October, 2011, the Fund held 745,313 Comarch S.A. shares which constituted 9.26% of the company's share capital. This gave 745,313 or a 4.95% share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 22/2011 dated the 14th of October, 2011.

f) 22 November 2011

BZ WBK Asset Management Spółka Akcyjna with its registered office in Poznań informed that, as a result of the sales of the shares on the 22nd of November, 2011, customers of the Company hold less than 5% share of the total number of votes at Comarch S.A.'s annual general meeting.

On 22nd of November, 2011, there were 680,779 Comarch S.A. shares in the managed securities accounts of BZ WBK Asset Management S.A. customers, which constituted 8.46% of the company's share capital. This gave 680,779 or a 4.52% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 24/2011 dated the 29th of November, 2011.

3.14.3. Managerial Option Program for Members of the Management Board and Other Key Employees for 2011-2013

On 28th of June, 2010, the Annual General Meeting of Shareholders passed Resolution no. 23 on the managerial options programme for company's Key Employees for 2011-2013. The objective of the programme is to additionally motivate members of the Management Board and Key Employees by options on Comarch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program will be executed through offers of newly-issued shares in the company in 2012, 2013 and 2014 to Key Employees. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares of each year of the execution of the programme (beginning with 2011) and the issue price of shares offered to Key Employees. The basis for the calculation of the value of the Option shall be increases in company capitalisation, calculated as follows:

- for 2011 – as the difference between the average capitalisation of the company in 2011 and the average capitalisation of the company in 2010,

- for 2012 – as the difference between the average capitalisation of the company in 2012 and the average capitalisation of the company in 2011,
- for 2013 – as the difference between the average capitalisation of the company in 2013 and the average capitalisation of the company in 2012,

where the average capitalisation of the company in the given year is the arithmetical average of the daily capitalisations of the company in the given year, and the daily capitalisation is the number of shares of the company multiplied by the stock exchange closing rate for shares of the company in the given day.

In the fourth quarter of the year that precedes the year of the Programme execution, the Board of Supervisors shall establish a list of Key Employees and Individual Option Ratios. The list of Key Employees and Individual Option's Ratios will be established independently for each year of the Programme. Total value of Individual Option Ratios for all Key Employees in the given year will amount to 3.6% (three and six tenths per cent) of the increase in the company's capitalisation.

Pursuant to IFRS2, the company is obliged to calculate the value of the Option and classify it as a cost in the income statement in the Option period, i.e. from its issue date until its expiry date. The company will recognise the value of the particular options beginning from the options' acquiring, i.e. an establishment by the Supervisory Board a list of Key Employees and single option factors for each subsequent year.

The company notes that despite the fact that the value of the Option decreases the net profit of the company and of the Group, this operation does not affect the value of cash flows. Moreover, the economic cost of the Option shall be classified in the income statement through its inclusion in the "diluted net profit" of newly issued shares for the participants of the programme. Despite the fact that the IFRS2 standard was officially adopted by the European Union to companies listed on the stock exchange in the preparation of consolidated statements, many experts point out its controversial nature – in their opinion, placing the cost of the Option in the income statement results in the double inclusion of the effect of the Option programme (once by result and second by dilution).

The initially determined Option's value was adjusted in the third quarter of 2011 as a result of verification of the Option's valuation model. Currently determined Option's value amounts to 1.57 million PLN and was recognised in the income statement for 2011.

The difference between the average capitalisation in December, 2011 and the average capitalisation in December, 2010 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees will not be issued in 2012.

The following payments in the form of own shares were made within the current and previous periods:

Options' series	Number	Allocation date	Expiry date	Execution date PLN	Fair value as at allocation date PLN'000
(1) issued 31 December 2009	Dependent on market correspondant to 3.0% of the increase in Comarch S.A. capitalisation	31/12/2009	31/12/2010	1.00	2,980
(2) issued 31 December 2010	Dependent on market correspondant to 3.6% of the increase in Comarch S.A. capitalisation	31/12/2010	31/12/2011	1.00	2,643
(3) issued 31 December 2011	Dependent on market correspondant to 3.6% of the increase in Comarch S.A. capitalisation	31/12/2011	31/12/2012	1.00	1,566

3.14.4. Changes in Share Capital after the Balance Sheet Date

None present.

3.15 Other Capitals

3.15.1. Capital of the Company's Shareholders

	Capital from valuation of the managerial option	Investment capital and capital for covering the budget commitments	Supplementary capital from premium share	Total
At 31 December 2010	17,355	745	122,341	140,441
At 1 January 2011	17,355	745	122,341	140,441
Managerial option valuation	1,566	-	-	1,566
At 31 December 2011	18,921	745	122,341	142,007

There was a dividend paid for the year 2011. CASA Management and Consulting Sp. z o.o. SK-A paid a dividend in the amount of 0.616 million PLN, Bonus Management Sp. z o.o. SK-A paid a dividend in the amount of 0.401 million PLN, Bonus Management Sp. z o.o. II Activia SK-A paid a dividend in the amount of 0.088 million PLN and Bonus Development Sp. z o.o. SK-A paid a dividend in the amount of 0.09 million PLN. These payments in the total amount of 1.195 million PLN have been made to active partners outside the Group.

The parent company paid no dividend for 2010. As at the publication date of this report there was no decision made on paying dividend for 2011.

3.15.2. Minority Capital

Minority capital	
At 1 January 2010	17,046
Share of the minority shareholders in relation with acquisition of Comarch AG	3,883
Correction of minority capital due to changes in ownership structure in the Group	6,695
Comarch AG share in profit	(4,877)
MKS Cracovia SSA share in profit	(2,781)
Bonus Development Sp. z o.o. SK-A share in profit	1
Bonus Management Sp. z o.o. SK-A share in profit	6
Comarch SuB share in profit	(12,304)
Comarch R&D SARL share in profit	193
CA Consulting SA share in profit	2
Currency differences due to valuation	1,378
At 31 December 2010	9,242
At 1 January 2011	9,242
Minority capital due to purchase of shares in the increased capital of Comarch AG	461
Correction of minority capital due to changes in ownership structure in the Group	2,882
Other corrections	19
MKS Cracovia SSA share in profit	(1,995)
Comarch SuB share in profit	(1,384)
Comarch R&D SARL share in profit	188
CA Consulting SA share in profit	1
Currency differences due to valuation	83
At 31 December 2011	9,497

3.16 Trade and Other Payables

	31 December 2011	31 December 2010
Trade payables	92,569	105,345
Advances received due to services	926	712
Liabilities to related parties	555	693
Liabilities due to social insurance and other tax charges	37,755	25,571
Investments liabilities	2,762	4,566
Proceeds from future periods	5,185	6,420
Other payables	5,336	5,389
Special funds (Social Services Fund and Residential Fund)	1,244	1,116
Total	146,332	149,812

The fair value of trade and other payables is close to the balance sheet value presented above.

3.17 Long-term Contracts

	12 months ended 31 December 2011	12 months ended 31 December 2010
Revenues due to long-term contracts recognised in the reporting period	117,447	98,033
a) revenues from completed contracts recognised in the reporting period	27,058	68,573
b) revenues from contracts not completed recognised in the reporting period	88,129	28,654
c) revenues from contracts not completed recognised in the reporting period- an effect of settlement pursuant to IAS 11	2,261	806

Due to the fact that the company applies the rule of determining the degree of work progress in proportion to the share of incurred costs in the entire costs of a contract, the sum of incurred costs and recognised results corresponds to revenues.

At the end of the reporting period, long-term contracts were valued in accordance with the degree of work progress. Changes in settlements due to long-term contracts recognised in assets and liabilities between the 31st of December, 2010 and the 31st of December, 2011 are presented below:

	Prepayments	Accruals	Net
Revenues from long-term contracts included in the reporting period			
Balance of the consolidated prepayments/accrual as at 01 January 2010	8,507	7,653	854
Balance of the consolidated prepayments/accrual as at 31 December 2010	9,112	7,452	1,660
Change	(605)	201	806
Balance of the consolidated prepayments/accrual as at 01 January 2011	9,112	7,452	1,660
Balance of the consolidated prepayments/accrual as at 31 December 2011	12,284	8,363	3,921
Change	(3,172)	(911)	2,261
<i>Difference between change in prepayments/accrual and contracts (according to IAS 11).</i>			

3.18 Credits and Loans

	31 December 2011	31 December 2010
Non-current		
Bank credits	88,895	84,804
Loans	-	-
	88,895	84,804
Current		
Bank overdraft	1,054	6,168
Loans	25	25
Bank credits	26,356	6,896
	27,435	13,089
Total credit and loans	116,330	97,893

Investment credits

Comarch S.A. credit lines:

- a) An investment credit from BNP Paribas Bank Polska SA (previously Fortis Bank Polska S.A.) with its registered office in Warsaw in amount of 20 million PLN for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last a maximum of 10 years, i.e. until 2015. This credit has a variable interest rate. On 5th of January, 2009, the company revaluated the remaining credit to be paid into EUR. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2011, the value of the credit to be repaid amounted to 1.75 million EUR, i.e. 7.73 million PLN.
- b) An investment credit from Kredyt Bank S.A. with its registered office in Warsaw, for the financing of the second construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 80% of the investment value up to a maximum of 26.82 million PLN. The crediting period may last a maximum of 16 years, i.e. until 2022. This credit has a variable interest rate. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2011, the value of the credit to be repaid amounted to 19.35 million PLN.
- c) An investment credit from BNP Paribas Bank Polska SA (previously Fortis Bank Polska S.A.) with its registered office in Warsaw, for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 85% of the investment value up to a maximum of 44 million PLN. The crediting period may last a maximum of 16 years, i.e. until 2024. This credit has a variable interest rate. It was taken out by 30th of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 30th of September, 2011, the value of the credit to be repaid amounted to 35.2 million PLN. On the 5th of October, 2011, the company revaluated the remaining credit to be paid into euro (current report no. 21/2011). After this operation, the value of the credit to be repaid amounted to 8.06 million EUR. As at 31st of December, 2011, the value of the credit to be repaid amounted to 7.9 million EUR, i.e. 34.52 million PLN.
- d) An investment credit from Bank Pekao S.A. with its registered office in Warsaw, for the financing of purchase of land in the Special Economic Zone in Krakow. The credit amounts to 15.1 million PLN. The crediting period may last a maximum of 5 years, i.e. until 2012. This credit has a variable interest rate. A promissory note, the mortgage on the land is security for this credit. As at 31st of December, 2011, the value of the credit to be repaid amounted to 15.1 million PLN.
- e) An investment credit from Bank DnB NORD Polska S.A. with its registered office in Warsaw, for the financing of the fourth construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to a maximum of 80% of the investment value of up to 22 million PLN. The crediting period may last 11 years, i.e. until 2021. This credit has a variable interest rate. As at 31st of December,

2011, the credit was used in total. The real estate mortgage (22 million PLN and 11 million PLN), cession of rights in the building insurance policy and cession of rights in the bank guarantee issued for the debtor are security for this credit. On the 30th of December, 2011, the company revaluated the remaining credit to be paid into euro. After this operation, the value of the credit to be repaid amounted to 5.03 million EUR. As at 31st of December, 2011, the value of the credit to be repaid amounted to 5.03 million EUR.

Comarch Software und Beratung AG has received a credit in IBM Kreditbank for financing of current activity in the amount of 0.3 million euro. As at 31st of December, 2011, the credit used was 0.24 million euro, i.e. 1.05 million PLN.

In the third quarter of 2011, iMed24 SA acquired investment loan from Bank Pekao S.A. with its registered office in Warsaw for financing of purchase of medical equipment and facilities in relation with NZOZ Centrum Medyczne iMed24 (medical centre) in Krakow. The credit amounts to 15.89 million PLN, up to a maximum of 90% of the investment net value. The crediting period may last 7 years, i.e. until 2018. This credit has a variable interest rate. It was taken out by 31st of December, 2011. The registered pledge on the financed property, plant and equipment in use, cession of rights in the property, plant and equipment in use insurance policy and surety granted by Comarch SA are security for this credit. As at the 31st of December, 2011, the value of the credit to be repaid amounted to 15.89 million PLN.

The value of liabilities due to bank credits was recognised in the amount of depreciated cost that was determined using the effective interest rate. The fair value of liabilities due to credits and loans does not differ significantly from the balance sheet value. Within reporting period, there were neither overdue payments nor interest payments on credits and loans. Comarch did not breach of any provisions of the credit or loan agreements that could entitle the creditor to claim earlier repayment of the credit or loan.

The exposure of the Group's bank credits to interest rate risk arises from investment credits (at variable interest rates). The Group optimises interest by continuously monitoring its interest rate structure and appropriately adjusting the basic interest rate of its credits.

The exposure of Group bank credits to interest rate changes

At 31 December 2011	6 months or less	6-12 months	1-5 years	Over 5 years	Total
Investments credits	21,759	5,684	42,262	46,633	116,338
Interest	(8)	-	-	-	(8)
Total	21,751	5,684	42,262	46,633	116,330

The maturity of non-current bank credits, loans and financial liabilities

	31 December 2011	31 December 2010
Between 1 and 2 years	11,388	22,596
Between 2 and 5 years	30,874	21,499
Over 5 years	46,633	40,709
	88,895	84,804

Currency structure of the balance sheet values of credits, loans and financial liabilities

	31 December 2011	31 December 2010
In Polish currency	50,661	91,725
In EURO (equivalence in PLN)	65,669	6,168
	116,330	97,893

The effective interest rates at the balance sheet date

	31 December 2011	31 December 2010
Bank credits	4.25%	4.43%
Loans	0.00%	0.00%

Current credit lines (available, undrawn at the balance sheet date)

	31 December 2011	31 December 2010
Current credit lines granted, expiring within one year, including:	<u>16,325</u>	<u>22,871</u>
– used at the balance sheet date	1,054	6,168
– available at the balance sheet date	15,271	16,703

3.19 Contingent Liabilities

On 31st of December, 2011, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was 35.12 million PLN, whereas it was 39.26 million on 31st of December, 2010.

On 31st of December, 2011, the value of bank guarantees issued by banks on order from CA Consulting S.A. in reference to executed agreements and participation in tender proceedings was 1.35 million PLN, whereas it was 0.11 million PLN on 31st of December, 2010.

On 31st of December, 2011, the value of bank guarantees issued by banks on order from Comarch Software und Beratung Group in reference to executed agreements and participation in tender proceedings was 0.31 million EUR, i.e. 1.35 million PLN, whereas it was 0.4 million EUR, i.e. 1.6 million PLN on 31st of December, 2010.

Comarch S.A. granted letters of comfort for its subsidiaries: Comarch Software und Beratung AG (valid till the 31st of March, 2013) and MKS Cracovia SSA (valid till 30th of June, 2013).

As a result of an agreement signed on the 15th of December, 2011, between Comarch SA and MKS Cracovia SSA on the purchase of new shares and execution of rights from warrants, Comarch SA is obliged to purchase shares issued within the conditional increase in share capital of MKS Cracovia SSA and pay:

- 15,912,495 PLN for the purchase of the afore-mentioned shares till the 31st of March, 2012,
- 4,695,774 PLN till the 31st of March, 2013,
- 9,391,548 till the 31st of December, 2013.

As a result of execution of the afore-mentioned provisions, on the 24th of February, 2012, an agreement was signed between Comarch SA and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares for 15,912,495 PLN (point 3.34.3 of the financial statement).

Granted credit lines for financing of current activities (guarantees, letters of credit, current credit line)

	31 December 2011	31 December 2010
Credit lines*	<u>88,789</u>	<u>85,307</u>
	88,789	85,307

(*) they comprise credit lines at current account that are described in 3.18

As at 31st of December, 2011, there were no Comarch S.A.'s suretyships for the debts from lease agreements.

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is 20.55 million PLN. Provisions for part of these claims were presented

in the balance sheet as of 31st of December, 2011 and are worth 1.75 million PLN. They include provisions for claims recognised in 2011 and worth 1.49 million PLN. In the opinion of the Management Boards in the entities of the Comarch Group and based on the opinions of legal advisors, there are no circumstances suggesting the necessity to create provisions for the rest of the claims.

Due to legal proceedings conducted in 2011, the Comarch Group created write-offs that revalue receivables and are worth 0.33 million PLN.

As at 31st of December, 2011, the Comarch Group had contractual obligations due to operational leasing agreements (means of transport and computer hardware) in the amount of 2.03 million PLN.

3.20 Deferred Income Tax

	31 December 2011	31 December 2010
Deferred income tax assets		
Beginning of year:	23,725	19,633
- charged to financial result	23,725	19,633
Movement on deferred income tax account charged to financial result		
- dissolution of an asset due to tax loss in Comarch SuB	(929)	(214)
- recognition of an asset due to tax loss for the previous years in Comarch SuB	1,693	-
- recognition of an asset due to tax loss in Infrastruktura24 SA	89	-
- dissolution of an asset due to tax loss for the previous years in Comarch AG	(87)	-
- recognition of an asset due to tax relief of the parent company due to activities in Special Economic Zone	9,904	9,635
- dissolution of an asset due to tax relief of the parent company due to activities in Special Economic Zone	(9,635)	(8,993)
- recognition of an asset due to temporary differences related to costs (depreciation, costs of research works)	6,703	1,369
- dissolution of an asset due to temporary differences related to costs (depreciation, costs of research works)	(3,688)	-
- recognition of an asset for a possible to settle tax loss in Comarch AG	-	2,295
End of year	27,775	23,725
- charged to financial result	27,775	23,725
Deferred tax provision		
Beginning of year:	50,276	53,498
- charged to equity	5,430	5,430
- charged to financial result	34,019	34,391
- provisions due to acquisition of Comarch SuB	10,827	13,677
Movement on deferred tax liabilities charged to financial result		
- dissolution of a provision due to depreciation of Comarch SuB fair value valuation	(3,802)	(2,850)
- recognition of a provision due to depreciation of Comarch SuB fair value valuation	958	-
- dissolution of a liability due to valuation of deposits in CCF FIZ	(1,103)	(815)
- recognition of a provision due to temporary differences related to depreciation, currency differences and interest	3,574	443
- dissolution of a provision due to temporary differences related to depreciation, currency differences and interest	(1,731)	-
End of the period	48,172	50,276
- charged to equity	5,430	5,430
- charged to financial result	34,759	34,019
- provisions due to acquisition of Comarch SuB	7,983	10,827

Deferred income tax asset

	Tax loss asset	Depreciation	Provisions for costs, revaluating write-offs	Asset due to tax relief related to income tax (SEZ)	Total
At 1 January 2010	9,325	-	1,315	8,993	19,633
- charged to financial result	9,325	-	1,315	8,993	19,633
(Charged)/ credited to the result for 2010	2,081	-	1,369	642	4,092
At 31 December 2010	11,406	-	2,684	9,635	23,725
Credited to the result for 2011	766	380	2,635	269	4,050
At 31 December 2011	12,172	380	5,319	9,904	27,775
- charged to financial result	12,172	380	5,319	9,904	27,775

Deferred income tax provision

	Provision due to valuation of CCF	Provision due to valuation of Comarch FIZ SuB through fair value	Depreciation	Provisions (exchange differences, interest)	Provisions due to fair value valuation of MKS Cracovia SSA's assets	Total
At January 2010	32,530	13,677	1,359	502	5,430	53,498
(Charged)/ credited to the result for 2010	(815)	(2,850)	303	140	-	(3,222)
At 31 December 2010	31,715	10,827	1,662	642	5,430	50,276
- charged to financial result	31,715	-	1,662	642	-	34,019
- charged to equity	-	10,827	-	-	5,430	16,257
(Charged)/ credited to the result for 2011	(1,103)	(2,844)	(625)	2,468	-	(2,104)
At 31 December 2011	30,612	7,983	1,037	3,110	5,430	48,172
- charged to financial result	30,612	-	1,037	3,110	-	34,759
- charged to equity	-	7,983	-	-	5,430	13,413

As a result of Poland joining the European Union, an act was passed on the 2nd of October, 2003 that changed the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840) that changed the conditions for tax exemptions for entities operating in special economic zones. Pursuant to the article 6, section 1 of this act, these entities may apply for changes to the terms and conditions of their permits in order to adjust them to the principles for granting public aid in force in the European Union. Pursuant to the article 5, section 2 point 1 lit. b), point 2, point 3 of the act, the maximum amount of public aid for entities, which operate in a special economic zone on the basis of a permit issued before the 1st of January, 2000, cannot exceed 75% of the value of investments incurred in the period from the date of obtaining the permit until the 31st of December, 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since the 1st of January, 2001 is taken into consideration. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on the value of investments made. In the case of Comarch S.A., the maximum value of public aid will not exceed 75% of the value of investment expenditures, which the company has incurred/shall incur since obtaining the permit, i.e. the 22nd of March, 1999, until the 31st of December, 2006.

The costs of investments and the amount of aid are subject to discounting pursuant to Par. 9 of the Regulation of the Ministry from 14 September 2004 on the Krakow Special Economic Zone (Journal of Laws 220 Item 2232) with wording changed pursuant to Par. 1 of the Regulation of the Ministry from 8 February 2005 that changed the Ordinance on the Krakow Special Economic Zone (Journal of Laws No. 32 Item 270) and with Par. 2 of the latter Ordinance taken into consideration. The limit of the unused investment relief as at the 31st of December, 2011, discounted as at the permit date, is 12.55 million PLN.

Comarch S.A. approached the Minister of the Economy in order to change the terms and conditions of its permit. On the 1st of July, 2004, it received a decision from the Minister of the Economy dated the 24th of June, 2004 on the topic of changes to the terms and conditions of the permit (those mentioned above and those compliant with the act). The updated permit extended the period in which Comarch S.A. is entitled to use public aid for investments incurred in the special economic zone until the 31st of December, 2017.

Pursuant to IAS 12, unused tax relief as at the 31st of December, 2010, constitutes a deferred income tax asset. Deferred income tax assets are defined in the amount that it is anticipated will have to be deducted from income tax in the future in reference to negative temporary differences and due to income tax relief in connection with activities in Special Economic Zone, which shall result in the future in reducing the amount of the basis of taxation and the deductible tax loss defined using the precautionary principle. In relation to the above-mentioned principle, assets are recognised only for one year with the assumption that the basis for their recognition is average income acquired from activities in the special economic zone over three years (including the year for which the financial statement is prepared).

Over 2011, the parent company dissolved in part an asset due to activities in the SEZ that was worth 9.635 million PLN (a decrease in result) and established as at 31st of December, 2010. At the same time, the parent company recognised an asset in the amount of 9.904 million PLN. This asset will be realised successively (as write-offs diminishing net profit of the Group) in proportion to the generation of Comarch's tax-exempt income in 2012. At the same time, pursuant to IAS12, the parent company will regularly verify the valuation of the asset considering the possibilities of its realisation and further recognition. Additionally, the parent company signifies that the recognition of this asset does not have any influence on cash flow in the company and in the Group (both the recognition and realisation of the asset). This is an accrual based operation and is a result of the fact that the Group applies IFRS when preparing consolidated financial statements of the Comarch Group.

During 2011, the Group settled in part a deferred tax asset related to temporary differences, that was presented on 31st of December, 2010 and worth 3.688 million PLN, as well as an asset due to temporary differences was recognised in the amount of 6.703 million PLN. An asset due to tax loss was recognised in the amount of 0.766 million PLN.

The total effect of the above-mentioned operations on the net result of 2011 was +4.05 million PLN.

Due to valuation of net assets of CCF FIZ, the Group dissolved in part a deferred tax provision, which was recognised in the previous years and was worth 1.103 million PLN. At the same time, a deferred tax provision due to temporary differences was recognised in the amount of 3.574 million PLN and dissolved in the amount of 1.731 million PLN. In 2011, the Group dissolved in part a provision due to acquisition of Comarch SuB which was worth 2.844 million PLN. The total effect of the all above-mentioned operations on the net result of 2011 was +2.104 million PLN. Total changes in the deferred income tax resulted in an increase in net result of 6.154 million PLN.

3.21 Provisions for Other Liabilities and Charges

Non-current	Provisions for contractual penalties	Provisions for costs of court proceedings	Provisions for taxes	Total	Non-current
At 1 January 2011	-	38	534	-	572
Recognised in the consolidated income statement:					
- Additional provisions	-	-	-	2	2
- Provisions used during year and transferred to current provisions	-	(38)	(534)	-	(572)
At 31 December 2011	-	-	-	2	2

Current	Costs related to the current period, which will be incurred in future	Provisions for contracts costs	Provisions for contractual penalties	Provisions for leaves	Provisions for cash rewards	Total
At 1 January 2011	5,257	6,217	5,514	10,460	47,077	74,525
Recognised in the consolidated income statement:						
- Additional provisions	9,648	12,360	10,014	8,124	66,193	106,339
- Provisions used during year	(11,184)	(7,640)	(6,171)	(5,633)	(62,848)	(93,476)
At 31 December 2011	3,721	10,937	9,357	12,951	50,422	87,388

All provisions were calculated based on credible estimate as of the balance sheet date. Costs of the current period refer to provisions established for costs on account of audits of financial statements, archive and other administrative costs, as well as VISA cards' settlements. Provisions for costs of contracts refer to recognition of the forecast losses in contracts.

Analysis of total provisions:

	31 December 2011	31 December 2010
Non-current	2	572
Current	87,388	74,525

3.22 Revenues from Sales

	12 months ended 31 December 2011	12 months ended 31 December 2010
Revenues from sales of products and services		
Revenues from sales of IT services	544,356	499,386
Revenues from sales of proprietary software and licences	110,178	91,460
Revenues from other sales	5,571	8,631
Total	660,105	599,477
Revenues from sales of goods and materials		
Revenues from sales of hardware	41,678	61,809
Revenues from third party software and licences	53,986	78,982
Revenues from other sales	29,884	21,093
Total	125,548	161,884
Total revenues from sales	785,653	761,361

3.23 Costs of Products, Services, Goods and Materials Sold

I/1 Costs by types	12 months ended 31 December 2011	12 months ended 31 December 2010
Depreciation of property, plant and equipment in use and intangible assets	42,044	41,426
Costs of social benefits	408,285	375,361
Change in products and work in progress	7,641	(20,937)
Consumption of raw materials and auxiliary materials	19,060	14,250
Third party services	104,315	89,730
Taxes and charges	6,929	5,428
Other costs	30,599	58,581
Costs of products sold, services, marketing and distribution as well as administrative costs, including:	618,873	563,839
- <i>manufacturing costs</i>	458,311	425,885
- <i>costs of sales</i>	82,683	84,277
- <i>general costs</i>	74,681	52,974
- <i>exchange differences on liabilities</i>	3,198	703
I/2 Costs of goods and materials sold	113,669	147,914
I/3 Costs of work execution within the framework of union projects	18,398	10,695
I/4 Total costs of products sold, services, marketing, administrative, goods, materials and work execution within the framework of union projects	750,940	722,488
II. Costs of social benefits	12 months ended 31 December 2011	12 months ended 31 December 2010
Remuneration	350,970	321,101
Social insurance	51,848	48,956
Social Services Fund	1,966	1,789
Training	930	1,055
Health and Safety at Work	328	111
Other	2,243	2,349
Total	408,285	375,361

3.24 Other Operating Revenues

Other operating revenues and profits	12 months ended 31 December 2011	12 months ended 31 December 2010
Recovered communication damages	198	206
Outdated liabilities	-	-
Dissolving write-offs revaluating receivables	13,011	362
Received contractual penalties	17	-
Earnings on disposal on non-financial non-current assets	6,940*	17
Refund of VAT	-	-
Subsidies	221	812
Other	2,583	3,260
Total	22,970	4,657

*) related to sales of MKS Cracovia SSA players

3.25 Other Operating Costs

	12 months ended 31 December 2011	12 months ended 31 December 2010
Other operating costs and losses		
Write-off that revaluates assets (impairment)	2,565	1,563
Membership fees	344	260
Donations	80	184
Loss on non-current assets disposal and decommissioning	254	561
Write-off that revaluates receivables	14,978	8,807
Compensation	-	43
Other	679	1,791
Total	18,900	13,209

3.26 Finance Costs – Net

	12 months ended 31 December 2011	12 months ended 31 December 2010
Interest expense, including:	(4,531)	(3,561)
- <i>Interest on borrowings</i>	(3,824)	(4,065)
- <i>Other</i>	(707)	504
Gains on bank deposits	6,057	6,016
Gains on disposal of securities	-	(51)
Gains/(losses) on disposal of financial assets	(895)	-
Net gains/(losses) on exchange differences (note 3.29)	1,287	(2,965)
Fair value valuation of financial instruments and investment	(929)	-
Other, including:	30	761
- <i>compensation and financial penalties</i>	-	-
- <i>other</i>	30	761
Total	1,019	200

3.27 Income Tax

	12 months ended 31 December 2011	12 months ended 31 December 2010
Current tax	12 568	8 307
Deferred tax	(5 871)	(7 285)
Total	6 697	1 022

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	12 months ended 31 December 2011	12 months ended 31 December 2010
Consolidated gross profit before tax	39,764	24,979
Tax calculated with the nominal rate on gross profit	8,093	4,782
Differences between gross profit and basis of taxation:		
Consolidation adjustments	(23,411)	(5,413)
Exclusions of losses in consolidated companies	67,971	65,029
Sum of gross profits in consolidated entities (nominal basis of taxation with the assumption of correspondence of balance sheet profit with the basis of taxation)	84,325	84,595
Permanent and temporary differences between gross profit and the actual basis of taxation, including:	(20,956)	(41,276)
<i>Utilisation of previously recognised tax losses</i>	13,690	-
<i>Differences between basis of taxation and gross profit</i>	27,457	19,823
<i>Income not subject to tax (due to activities in SEZ)</i>	(55,961)	(56,457)
<i>Income not subject to tax (shareholders are tax payers)</i>	(5,518)	(4,024)
<i>Other - income not subject to tax</i>	(626)	(618)
Taxable base from income tax	63,369	43,319
Tax calculated at tax rate for the Group	12,568	8,307
Effective tax rate	14.90%	9.82%

The applicable tax rate was 19.83% in 2011 and resulted from the average tax rates for the consolidated entities. The applicable tax rate was 19.18% in 2010 and resulted from the average tax rates for the consolidated entities. Tax authorities can run inspections for books of account and tax settlements within 5 years of the end of the year, in which tax returns were filed and can charge additional tax on the Group along with penalties and interest. In the opinion of the Management Board of the parent company, there are no circumstances indicating possibility of arising significant obligations on this account.

3.28 Net Foreign Exchange (Looses) /Gains

The exchange differences (charged)/credited to the income statement are included as follows:

	12 months ended 31 December 2011	12 months ended 31 December 2010
Revenues from sales	14,552	1,977
Costs of products, goods and materials sold	(3,198)	(702)
Finance costs-net	1,287	(2,964)
Total	12,641	(1,689)

3.29 Earnings per Share

	12 months ended 31 December 2011	12 months ended 31 December 2010
Net profit for the period attributable to equity holders of the Group	36,257	43,717
Weighted average number of shares in issue (thousands)	8,051	8,029
Basic earnings per share (PLN)	4.50	5.44
Diluted number of shares (thousands)	8,051	8,029
Diluted earnings per share (PLN)	4.50	5.44

Basic earnings per share in the column "12 months ended 31 December 2011" is calculated by dividing the net profit attributable to shareholders of the company for the period from 1st of January, 2011, to 31st of December, 2011 by the weighted average number of shares in issue between 1st of January, 2011, to 31st of December, 2011, where the number of days is the weight. Basic earnings per share in the column "12 months ended 31 December 2010" is calculated by dividing the net profit attributable to shareholders of the company for the period from 1st of January, 2010, to 31st of December, 2010, by the weighted average number of shares in issue between 1st of January, 2010, to 31st of December, 2010, where the number of days is the weight.

Diluted earnings per share in the column "12 months ended 31 December 2011" is calculated by dividing the net consolidated profit attributable to shareholders of the company for the period from 1st of January, 2011, to 31st of December, 2011 by the sum of the weighted average number of shares in issue between 1st of January, 2011, to 31st of December, 2011, where the number of days is the weight and diluted number of shares (according to IAS 33) resulting from possible execution of the managerial option for 2011. Diluted earnings per share in the column "12 months ended 31 December 2010" is calculated by dividing the net consolidated profit attributable to shareholders of the company for the period from 1st of January, 2010, to 31st of December, 2010, by the sum of the weighted average number of shares in issue between 1st of January, 2010, to 31st of December, 2010, where the number of days is the weight and diluted number of shares (according to IAS 33) resulting from possible execution of the managerial option for 2010.

3.30 Related-Party Transactions

3.30.1. Revenues from Sales of Goods and Services

	12 months ended 31 December 2011	12 months ended 31 December 2010
Revenues from sales of goods:		
SolInteractive S.A.	-	-
	-	-
Revenues from sales of services:		
SolInteractive S.A.	63	62
	63	62
	63	62

Price for services is determined depending on the type of transaction, according to one of three methods:

- 1) comparable market price,
- 2) cost - plus basis (margin from 2 to 3% for goods, 5% for services)
- 3) margin on sales of services (from 10% to 40%)

3.30.2. Purchase of Goods and Services

	12 months ended 31 December 2011	12 months ended 31 December 2010
Purchases of goods:		
SolInteractive S.A.	36	-
	<u>36</u>	<u>-</u>
Purchase of services:		
SolInteractive S.A.		
<i>Included in generation costs</i>		
<i>Included in other costs</i>		
Purchases of goods:	273	197
SolInteractive S.A.	3,018	3,878
	<u>3,291</u>	<u>,4,075</u>
	<u>3,327</u>	<u>4,075</u>

Price for services and goods is usually negotiated with related entities using one of the above methods. In the reporting period, there were no significant transactions with related entities other than those listed above.

3.30.3. Balance of Settlements as of the Balance Sheet Date Resulting from the Sale/Purchase of Goods /Services

	12 months ended 31 December 2011	12 months ended 31 December 2010
Receivables from related parties		
SolInteractive Sp. z o.o.	16	61
	<u>16</u>	<u>61</u>
Payables to related parties		
KEK Anwendungssysteme GmbH		-
SolInteractive Sp. z o.o.	555	693
	<u>555</u>	<u>693</u>

3.30.4. Transactions with Associates and Personally Related Entities

	PLN'000
Purchases from personally related entities	1,292
Sales to personally related entities	374
Loans and interest on loans paid by personally related entities	890
Purchases from associates	3,327
Sales to associates	63
Loans and interest on loans paid by associates	55

3.31 Value of Remuneration of the Managing and Supervising Persons in 2011 and in 2010

Remuneration of members of the Management Board of Comarch S.A. in 2011 were PLN 11,516,802.00. Remuneration of members of the Management Board of Comarch SA in 2010 paid by subsidiaries and associates were PLN 6,802,803.57. Remuneration of members of the Management Board of Comarch S.A. in 2010 were PLN 9,507,311.46. Remuneration of members of the Management Board of Comarch SA in 2010 paid by subsidiaries and associates were PLN 466,004.10.

2010 (in PLN)

Comarch S.A.'s Management Board

		Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	4,776,135.64	30,000.00	4,806,135.64
2	Piotr Piątosza	1,311,324.09	336,366.10	1,647,690.19
3	Paweł Prokop	263,284.29	-	263,284.29
4	Piotr Reichert	799,467.57	-	799,467.57
5	Zbigniew Rymarczyk	863,993.97	66,138.00	930,131.97
6	Konrad Tarański	354,918.60	30,000.00	384,918.60
7	Marcin Warwas	1,138,187.30	3,500.00	1,141,687.30
	Total	9,507,311.46	466,004.10	9,973,315.56

Comarch S.A.'s Board of Supervisors

		Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	359,769.71	-	359,769.71
2	Maciej Brzeziński	30,000.00	-	30,000.00
3	Maciej Czapiewski	30,000.00	-	30,000.00
4	Wojciech Kucharzyk	30,000.00	-	30,000.00
5	Anna Ławrynowicz	30,000.00	-	30,000.00
6	Tadeusz Syryjczyk	30,000.00	-	30,000.00
	Total	509,769.71	-	509,769.71

2011 (in PLN)

Comarch S.A.'s Management Board

		Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	5,571,683.00	6,284,613.12	11,856,296.12
2	Piotr Piątosza	1,156,731.64	354,179.59	1,510,911.23
3	Paweł Prokop	523,137.47	-	523,137.47
4	Piotr Reichert	1,142,957.92	28,718.86	1,171,676.78
5	Zbigniew Rymarczyk	1,167,475.20	28,718.86	1,196,194.06
6	Konrad Tarański	620,647.11	100,573.14	721,220.25
7	Marcin Warwas	1,334,169.66	6,000.00	1,340,169.66
	Total	11,516,802.00	6,802,803.57	18,319,605.57

Comarch S.A.'s Board of Supervisors

		Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	125,453.00	-	125,453.00
2	Maciej Brzeziński	30,000.00	-	30,000.00
3	Maciej Czapiewski*	15,000.00	-	15,000.00
4	Danuta Drobnik*	15,238.10	-	15,238.10
5	Wojciech Kucharzyk	30,000.00	-	30,000.00
6	Anna Ławrynowicz	30,000.00	-	30,000.00
7	Tadeusz Syryjczyk	30,000.00	-	30,000.00
	Total	275,691.10	-	275,691.10

*) Comarch S.A.'s Annual General Meeting dated the 29th of June, 2011, passed resolutions related dismissal of Mr Maciej Czapiewski and appointment of a new member of the Board of Supervisors, Ms Danuta Drobnik.

As at the 31st of December, 2011, there are no unpaid loans as well as guarantees and suretyships granted by Comarch S.A. and its subsidiaries for the benefit of members of the Management Board, the Supervisory Board and their relatives.

3.32 Information About Shareholders and Shares Held by Members of the Management Board and the Board of Supervisors

3.32.1. Information about Shareholders Holding Directly or Indirectly by Subsidiary Entities at least 5% of the Total Number of Votes at the General Meeting of Comarch S.A., at the Date of Preparing the Financial Report

- Janusz Filipiak held 2,620,010 shares (32.54% of the company's share capital), which gave him 6,192,010 votes at the AGM and constituted 41.16% of all votes at the AGM;

- Elżbieta Filipiak held 846,000 shares (10.51% of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 28.12% of all votes at the AGM;

3.32.2. Changes in Holdings of Comarch S.A. Shares by Managing and Supervising Persons between 29 February 2012 and 30 April 2012

The following table presents the ownership of Comarch S.A. shares by management and supervisors as at the date on which the quarterly consolidated report for the fourth quarter of 2011, i.e. the 29th of February, 2012 and on the 30th of April, 2012, pursuant to the information possessed by the company.

Members of the Management Board and the Board of Supervisors	Position	At 30 April 2012		At 29 February 2012	
		Shares	(%) in votes	Shares	(%) in votes
Janusz Filipiak	President of the Management Board	2,620,010	41.16	2,620,010	41.16
Elżbieta Filipiak	Chairman of the Board of Supervisors	846,000	28.12	846,000	28.12
Piotr Piątosza	Vice-President of the Management Board	16,845	0.11	16,845	0.11
Paweł Prokop	Vice-President of the Management Board	40,569	0.52	40,569	0.52
Piotr Reichert	Vice-President of the Management Board	6,069	0.04	6,069	0.04
Zbigniew Rymarczyk	Vice-President of the Management Board	28,141	0.19	28,141	0.19
Konrad Tarański	Vice-President of the Management Board	6,069	0.04	6,069	0.04
Marcin Warwas	Vice-President of the Management Board	6,069	0.04	6,069	0.04
Number of issued shares		8,051,637	100.00	8,051,637	100.00

3.33 Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results

3.33.1. Deferred Income Tax Asset

Over 2011, the parent company dissolved in part an asset due to activities in the SEZ that was worth 9.635 million PLN (a decrease in result) and established as at 31st of December, 2010. At the same time, the parent company recognised an asset in the amount of 9.904 million PLN. During 2011, the Group settled in part a deferred tax asset related to temporary differences, that was presented on 31st of December, 2010 and worth 3.688 million PLN, as well as an asset due to temporary differences was recognised in the amount of 6.703 million PLN. An asset due to tax loss was recognised in the amount of 0.766 million PLN. The total effect of the above-mentioned operations on the net result of 2011 was +4.05 million PLN.

3.33.2. Valuation of Currency Translation Differences

EUR/PLN and USD/PLN fluctuations in 2011 had a significant effect on revenue and results of the Comarch Group in the third and the fourth quarters of 2011. Realised exchange differences and balance sheet valuation of receivables as of the 31st of December, 2011, increased by 14.55 million PLN revenue and financial results of the Comarch Group achieved within 12 months ended 31 December, 2011, including 10.67 million PLN of unrealised exchange differences. Analysis of the Comarch Group's sensitivity to exchange rate fluctuation risk was presented in note 2.3 c) of the consolidated financial statement.

3.33.3. Sales of MKS Cracovia SSA Players' Cards

Sales of MKS Cracovia SSA players' cards resulted in an increase of 9.22 million PLN in other operating revenue and of 6.903 million PLN in operating result in Comarch Group in 2011.

3.34 Events after the Balance Sheet Date

3.34.1. Dates of Periodical Financial Reports in 2012

On the 16th of January, 2012 (RB-1-2012) Comarch S.A.'s Management Board set dates of periodical financial reports in 2012:

- 1) Q4 2011 - on 29th of February, 2012
- 2) Q1 2012 - on 15th of May, 2012
- 3) Q2 2012 - Pursuant to § 101 sec. 2 of the Regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange and on the conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, Comarch S.A. will not publish quarterly report for the second quarter of 2012
- 4) Q3 2012 - on 14th of November, 2012
- 5) Consolidated half-year report which include condensed consolidated financial statement and condensed financial statement for the first half of 2012 - on 31st of August, 2012
- 6) Annual report for 2011- on 30th of April, 2012
- 7) Consolidated annual report for 2011- on 30th of April, 2012

3.34.2. Acquisition of A-MEA

On 27th of January, 2012, Comarch S.A. announced (current report no. 2/2012) that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 100,000 ordinary bearer's A-MEA Informatik AG ("A-MEA") shares of nominal value of 1 CHF (i.e. 3.5147 PLN). Total acquisition price will not exceed either an amount of 2 million CHF (i.e. 7.03 million PLN) or value of A-MEA net equity as at 31st of January, 2012. As a result of the aforementioned transaction, CASA holds 100,000, i.e. 100% A-MEA shares which entitle to 100,000, i.e. 100% of total number of votes at the company's general meeting. A-MEA is a company with a long standing experience in sales and implementation of ERP solutions, including Comarch ERP Enterprise.

3.34.3. Agreement on Purchase of MKS Cracovia SSA Shares

On the 24th of February, 2012, an agreement was signed between Comarch SA and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares (current report no. 3/2012 dated the 27th February, 2012 and its correction dated the 29th of February, 2012). MKS Cracovia SSA invited Comarch SA to purchase 38,631 series E shares of nominal value of 100 PLN. MKS Cracovia SSA invited Comarch SA to purchase the afore-mentioned shares for a total issue price of 15,912,495.21, i.e. for issue price of 411.91 PLN for one series E share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of 15,912,495.21 PLN which was made by Comarch SA on the 27th of February, 2012. As a result of the registration of the increase in MKS Cracovia SSA's share capital, Comarch SA will hold 59.82% votes at the company's general meeting.

3.34.4. Creation of Pledge on Medical Equipment of iMed24

On the 5th of March, 2012, Comarch S.A.'s Management Board received a notice from the District Court for Kraków-Śródmieście, VII Division of the Pledge Register, dated the 15th of

February, 2012, on pledge registration related to medical equipment belonging to Centrum Medyczne iMed24 (Medical Centre). The basis for this registration is an agreement dated the 29th of December, 2011 signed between Bank Polska Kasa Opieki S.A. („Bank”) and iMed24 S.A. („iMed24”), a subsidiary of Comarch S.A. The agreement was concluded to secure the Bank’s claims in relations to an investment credit granted by the Bank on the 1st of September, 2011, including interests, fees and other receivables of the Bank resulting from the credit agreement. iMed24 has established in the favour of the Bank and the Bank accepts the registered pledge on the assets owned by iMed24 of total value of 13,940,130.82 PLN (thirteen million nine hundred forty thousand one hundred thirty zlotys and 82/100), the price is established on the basis of net purchase price. The registered pledge secures the Bank’s claim up to a maximum amount of security, i.e. 23,832,999.63 PLN (twenty-three million eight hundred thirty-two thousand nine hundred ninety-nine zlotys and 63/100). The created registered pledge will expire when debts resulting from the agreement are paid.

3.34.5. Registration of an Increase in Share Capital of MKS Cracovia SSA

On the 16th of March, 2012, Comarch S.A. received a notice from the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register dated the 14th of March, 2012, on registration of an increase in share capital of MKS Cracovia SSA from 14,557,000.00 PLN to 18,420,100.00 PLN. As a consequence, Comarch S.A. holds 59.82% of shares in the share capital of MKS Cracovia SSA which entitle to 59,82% of votes at the annual general meeting of MKS Cracovia SSA.

3.34.6. Purchase of Shares in ESAPROJEKT sp. z o.o.

On the 27th of April, 2012, the Management Board of Comarch S.A. announced that CASA Management and Consulting Sp. z o.o. SK-A (“CASA”), a subsidiary of Comarch SA, purchased 50 shares in ESAPROJEKT sp. z o.o. (“ESAPROJEKT”) of nominal value of 2,460 PLN each. Total acquisition price amounted of 12,2 million PLN. As a result of the aforementioned transaction, CASA holds 50 shares, i.e. 100% of shares in ESAPROJEKT which entitle to 100% of total number of votes at the company’s general meeting. ESAPROJEKT is a leading Polish producer and IT solution provider for medicine sector.

3.34.7. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of January, 2012 and the 30th of April, 2012, Comarch S.A. concluded forward contracts for the sales of 1.9 million euro and 0.7 million USD. The total net value of open forward contracts as of the 30th of April, 2012 amounted to 4.5 million EUR and 1.4 million USD. The open forward contracts as of the 30th of April, 2012 were valued at 1.57 million PLN. The contracts will be settled within eighteen months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by Comarch S.A., in which the remuneration is set in a foreign currency.

3.35 Significant Legal, Arbitration or Administrative Proceedings

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is 20.55 million PLN. Provisions for part of these claims were presented in the balance sheet as of 31st of December, 2011 and are worth 1.75 million PLN. They include provisions for claims recognised in 2011 and worth 1.49 million PLN. In the opinion of the Management Boards in the entities of the Comarch Group and based on the opinions of legal advisors, there are no circumstances suggesting the necessity to create provisions for the rest of the claims.

3.36 Equity Management

The main goal in the Group’s equity management is maintenance of a secure debt structure and keeping debt ratios compliant with credit agreements concluded by the Group. The Group is able to manage its equity structure depending on changes of economic conditions through taking or repayment of loans, new shares issue or payment of dividend. In 2011 the Group did not change its goals or equity management politics.

The Group monitors its equity balance quarterly, mostly by analysis of solvency ratio, which is calculated by dividing equity by total assets.

31 December 2011 31 December 2010

Equity	609,851	584,189
Total assets	1,022,474	968,105
Solvency ratio	59.6%	60.3%

Over 2011, solvency ratio decreased slightly mostly as a result of bank credits related to the Group's investment. However, it remained at a very secure level which ensures the potential possibility of increasing debt significantly (by acquiring external financing) if needed. Over 2011, all companies in the Group adhered to the credit agreements' conditions. The parent unit's Management Board finds no risk of their violation.

30th of April, 2012

SIGNATURES OF MANAGEMENT BOARD MEMBERS

NAME AND SURNAME	POSITION	SIGNATURE
Janusz Filipiak	President of the Management Board	
Piotr Piątosza	Vice-president of the Management Board	
Paweł Prokop	Vice-president of the Management Board	
Piotr Reichert	Vice-president of the Management Board	
Zbigniew Rymarczyk	Vice-president of the Management Board	
Konrad Tarański	Vice-president of the Management Board	
Marcin Warwas	Vice-president of the Management Board	

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS

NAME AND SURNAME	POSITION	SIGNATURE
Maria Smolińska	Head Accountant	

Krakow, 30th of April, 2012

Dear Shareholders,

In 2011, the Comarch Group yet again increased its level of revenue, mostly due to export sales. Revenue from sales of the Comarch Group increased by 3.2% and amounted to 785.7 million PLN. The Group achieved very favourable financial results in sales of core proprietary products and services. In 2011, the operating profit of the Comarch Group amounted to 38.8 million PLN, and net profit attributable to the company's shareholders reached 36.3 million PLN. EBIT margin amounted to 4.9%.

In 2011, export sales grew by 14.8% and were the main reason for Comarch Group's growth. 2011 also saw the Comarch Group continue to pursue its long-term growth strategy based on proprietary products and development of foreign activity. The Comarch brand is renowned both domestically and internationally and is associated with technologically advanced IT systems, high quality services and a professional customer-focused approach. Comarch systems support customers from various branches in dozens of countries not only in Poland and Europe, but also in both Americas and in the Middle East. The company's strategic guidelines for the coming year include the continuous strengthening of the company's market position as a global provider of IT products and services, as well as the stable development and improvement of existing IT products. To achieve this, the company plans to continue significant infrastructure investment and to intensify marketing operations in Europe, especially within the DACH region (Germany, Austria and Switzerland). In 2012, the Comarch Group plans to make further capital investment outside Poland, inter alia in Switzerland and Great Britain. It also invests in an entirely new area: software for medicine. The Comarch Group is one of the largest IT enterprises on the domestic market and pursues a large number of projects in all sectors of the economy. The main success achieved by the company over the course of the year 2011 resulted in selling proprietary software to telecommunication enterprises (with an increase of 40.1 million PLN in revenue).

The Comarch Group has placed great emphasis on its investment in human resources, in the most advanced technologies and in novel and innovative products to secure and maintain a long-term competitive advantage. Expenditure on research and development has now exceeded 13 % of sales revenue, which has been financed both by proactively seeking out European funds and from the company's own resources. In 2011, the Comarch Group hired many new employees, mostly IT specialists, as this is a key factor in executing an increased number of contracts, and in the further development of the company.

In 2011, Comarch continued to expand its production resources. At the end of year the fifth office and production building with total space of approximately 5,228 square metres in the Special Economic Zone was completed. There are some investments outside Krakow, such as works on Comarch branch in Łódź and the construction of new offices and Data Centre in Dresden. Following the completion of these investments, Comarch S.A. will be equipped with high quality workspace enabling seamless execution of IT projects, including more and more popular *cloud computing*.

The Comarch S.A. Management Board shall make every effort to ensure that consistent growth is aligned with gains in the efficiency of operations in order to deliver long-term increases in the value of the Group, along with maintaining the stable diversification and security of conducted activity.

Professor Janusz Filipiak

*President of the Management Board
Comarch S.A.*

COMARCH

REPORT
OF COMARCH S.A.'s MANAGEMENT BOARD
REGARDING
THE ACTIVITIES OF THE CAPITAL GROUP IN 2011

Krakow, 30th April, 2012

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1. GENERAL INFORMATION ABOUT THE CAPITAL GROUP

1.1 Selected Financial Data

1.1.1 Consolidated Financial Data

	2011	2010	2009	2008	2007	2006
Revenue from sales	785,653	761,361	729,403	700,965	581,048	491,550
Operating profit	38,783	24,819	14,373	45,919	44,006	45,551
Profit before income tax	39,764	24,979	18,465	244,521	45,519	54,572
Net profit attributable to the company's shareholders	36,257	43,717	32,306	199,126	42,770	52,760
Profit per share	4.50	5.44	4.06	25.01	5.46	7.13
Assets	1,022,474	968,105	895,106	915,247	558,489	461,559
Equity	609,851	584,189	554,316	534,174	300,780	256,983

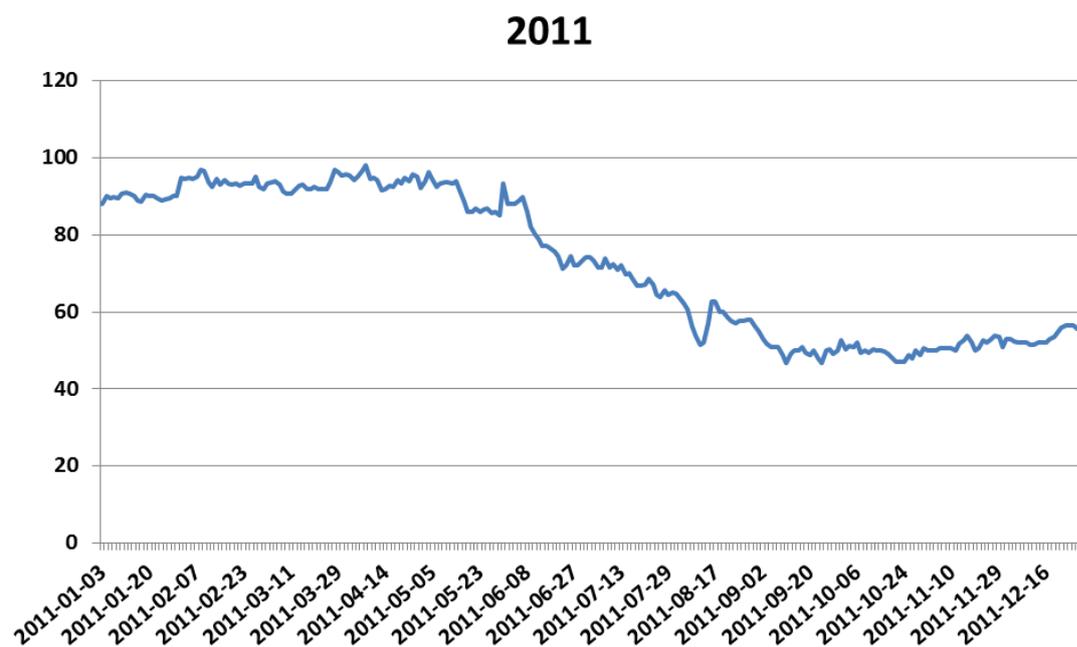
In 2011, Comarch Group sales revenue climbed by 3.2% to 785.7 million PLN year on year. Operating profit increased by 56.3% to 38.8 million PLN and net profit attributable to the company's shareholders amounted to 36.3 million PLN (a decrease of 17.1%). EBIT margin was up year on year at 4.9% (3.3% in 2010) and net margin decreased from 5.7% to 4.6%. On the 31st of December, 2011 the Comarch Group employed 3,446 people excluding employees of MKS Cracovia SSA. This represented a decrease of 16 people compared to the end of 2010.

The value of the Comarch Group's assets at the end of 2011 grew by 5.6% and exceeded one milliard zlotys. This resulted from a 13.8% increase in non-current assets. Equity grew by 4.4% over 2011 and was due in large measure to the sizeable increase in retained earnings in 2010.

Backlog for the current year	At 30 April 2012	At 29 April 2011	Change
Revenues contracted for the current year (excluding Comarch Software und Beratung AG)	503,153	473,374	6.3%
including export contracts	230,686	154,048	49.7%
% of export contracts	45.8%	32.50%	
including services and proprietary software	466,277	426,191	9.4%
% of services and proprietary software	92.7%	90.00%	

As of the 30th of April, 2012, the backlog for the current year amounted to 503.2 million PLN and was therefore higher by 6.3% compared to the same period in the previous year. The value of services and proprietary software sales increased by 9.4% up to 466.3 million PLN, and as a consequence, their share of the total backlog increased up to 92.7%. Strongly dynamic increase in share of exports contracts in the total backlog of the Comarch Group continues; value of exports contracts increased by 49.7% compared to the previous year. Current backlog's value and structure confirm the very favourable financial position of the Group. Moreover, they strengthen the effectiveness of the expansion strategy abroad and development of proprietary software realised by the Group.

1.1.2 Comarch S.A. Stock Price Performance (in PLN)



Period	The highest	The lowest
Q1 2011	96.9	88.1
Q2 2011	98.0	71.3
Q3 2011	74.2	46.7
Q4 2011	56.5	47.0

In 2011, the closing rate of Comarch S.A. shares in the Warsaw Stock Exchange decreased by 33.8% from 84 PLN to 55.7 PLN.

1.2 Organisational Structure and Characteristics of the Group's Entities

Comarch Joint Stock Company Krakow		
Poland	Europe	America
<p>CA Consulting SA Warsaw (99.90%)</p> <p>SouthForge Sp. z o.o. Krakow (100%)</p> <p>MKS Cracovia SSA Krakow (49.15%)</p> <p>Comarch Management Spółka z o. o. Krakow (100%)</p> <p>Comarch Corporate Finance FIZ (100%)</p> <p>Comarch Management Spółka z o. o. SKA Krakow (64.85% votes held by CCF FIZ; 35.15% votes held by Comarch S.A.; shares purchased by Comarch Management Sp. z o.o. SKA to be redeemed don't give any votes)</p> <p>CASA Management and Consulting Sp. z o.o. SKA Krakow (100% held by Comarch Corporate Finance FIZ)</p> <p>Bonus Management Sp. z o.o. SKA Krakow (100% votes held by CCF FIZ)</p> <p>Bonus Development Sp. z o.o. SKA Krakow (100% held by CCF FIZ)</p> <p>Bonus Management Sp. z o.o. II Activia SKA Krakow (100% held by Comarch Corporate Finance FIZ)</p> <p>Bonus Development Sp. z o.o. II Koncept SKA Krakow (100% held by Comarch Corporate Finance FIZ)</p> <p>iMed24 SA Krakow (100% held by Comarch Corporate Finance FIZ)</p> <p>iFIN24 SA Krakow (100% held by Comarch Corporate Finance FIZ)</p> <p>iReward24 SA Krakow (100% held by Comarch Corporate Finance FIZ)</p> <p>Infrastruktura24 SA Krakow (100% held by Comarch Corporate Finance FIZ)</p> <p>iComarch24 SA Krakow (100% held by Comarch Corporate Finance FIZ)</p>	<p>Comarch AG Dresden (100%)</p> <p>Comarch R&D SARM Montbonnot-Saint-Martin (70.00% held by Comarch AG)</p> <p>Comarch Software und Beratung AG Munich (92.32% subsidiary of Comarch AG)</p> <p>Comarch Schilling GmbH Bremen (100% subsidiary of Comarch Software und Beratung AG)</p> <p>Comarch Solutions GmbH Kirchbichl (100% subsidiary of Comarch Software und Beratung AG)</p> <p>SoftM France SARM Oberhausbergen (100% subsidiary of Comarch Software und Beratung AG)</p> <p>Comarch Swiss AG Buchs (100% subsidiary of Comarch Software und Beratung AG)</p> <p>Comarch SAS Lezennes (100%)</p> <p>Comarch LLC Kiev (100%)</p> <p>OOO Comarch Moscow (100%)</p> <p>Comarch Luxembourg SARM Luxembourg (100%)</p> <p>Comarch Oy Espoo (100%)</p> <p>UAB Comarch Vilnius (100%)</p> <p>Comarch s.r.o. Bratislava (100%)</p>	<p>Comarch, Inc. Chicago (100%)</p> <p>Comarch Panama, Inc. Panama (100% held by Comarch, Inc.)</p> <p>Comarch Canada, Corp. New Brunswick (100%)</p> <p>Others</p> <p>Comarch Middle East FZ-LLC Dubai (100%)</p> <p>Comarch Software (Shanghai) Co. Ltd. Shanghai (100%)</p> <p>Comarch Vietnam Co. Ltd. Vietnam (100%)</p>

In parentheses, the share of votes held by Comarch S.A.

*) MKS Cracovia SSA is Comarch S.A.'s subsidiary according to IAS 27 pt 13

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered seat in Krakow at Al. Jana Pawła II 39 A is the dominant unit, include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, XI Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in the Group regarding realised revenues, value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the parent company is not limited.

The structure of activities of the Comarch Group is as follows: the parent company acquires the majority of contracts and in large part executes them. Comarch AG, Comarch S.A.S., Comarch R&D S.à r.l., Comarch Luxembourg S.à r.l., Comarch, Inc., Comarch Panama, Inc., ComArch Canada, Corp., Comarch Middle East FZ-LLC, Comarch LLC, OOO Comarch, Comarch Co. Ltd (Vietnam) and Comarch Oy acquire contracts in foreign markets and execute them in their entirety or in part. CA Consulting S.A. specialises in data communications relating to the provision of connections for the own needs of the Comarch Group, as well as the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch's contractor. Comarch Management Sp. z o.o., Comarch Management Sp. z o.o. SK-A, Bonus Management Sp. z o.o. SK-A and Bonus Management Sp. z o.o. II Activia SK-A conduct investment activities on capital market and activities related to IT. Purpose of the Comarch Corporate Finance FIZ is investment activity in the scope of new technologies and services that are not Comarch S.A.'s basic activities. The subject matter of activities of Bonus Development Sp. z o.o. SK-A and Bonus Development Sp. z o.o. II Koncept SK-A are activities related to real estates. iMed24 S.A. produces and sells IT software related to medicine, and provides medical and diagnostic services (medical and diagnostic centre in Krakow). iFin24 S.A. conducts IT projects related to financial services. iReward24 S.A. produces and implements loyalty software for the customers in small and medium sized enterprises. Infrastruktura24 S.A. offers services related to Data Centre and outsourcing of IT services. iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as provides accounting services for domestic subsidiaries in Comarch Group. CASA Management and Consulting Sp. z o.o. SK-A conducts investment activity on capital market. SouthForge Sp. z o.o. executes IT contracts acquired by Comarch Group. UAB Comarch is under liquidation proceedings. Comarch s.r.o. and Comarch Software (Shanghai) Co. Ltd. conduct no business.

Comarch Software und Beratung AG is a leading ERP provider and an integrator of IT solutions in Germany. Activities of other companies in the Comarch Software und Beratung Group, i.e. Comarch Schilling GmbH, Comarch Solutions GmbH and Comarch Swiss AG are identical as activities of Comarch Software und Beratung AG. SoftM France S.à r.l. is under liquidation proceedings. MKS Cracovia SSA is a sport joint stock company.

1.3 Shareholding Structure, Managing and Supervising Entities

1.3.1 Shareholders Holding at least 5% of the Total Number of Votes at the General Meeting of Comarch S.A.

Comarch S.A.'s share capital consists of 8,051,637 shares at total nominal value of 8,051,637 PLN. According to the information possessed by Comarch S.A., as at 31st of December, 2011, shareholders holding at least 5% of votes at the company's AGM are Elżbieta Filipiak and Janusz Filipiak.

Shareholders	Number of shares	% of share capital	Number of votes at the company's AGM	% of votes at the company's AGM
Janusz Filipiak	2,620,010	32.54	6,192,010	41.16
Elżbieta Filipiak	846,000	10.51	4,230,000	28.12
Other members of the company's Management Board	103,762	1.29	141,362	0.94
Other shareholders	4,481,865	55.66	4,481,865	29.78
Total	8,051,637	100.00	15,045,237	100.00

1.3.2 Comarch S.A.'s Board of Supervisors and Management Board

A) Members of Comarch S.A.'s Board of Supervisors as at 31st of December, 2011:

Name and surname	Position	Number of Comarch S.A. shares	Nominal value
Elżbieta Filipiak	Chairman of the Supervisory Board	846,000	846,000 PLN
Maciej Brzeziński	Vice-Chairman of the Supervisory Board	-	-
Danuta Drobnik	Member of the Supervisory Board	-	-
Wojciech Kucharzyk	Member of the Supervisory Board	-	-
Anna Ławrynowicz	Member of the Supervisory Board	-	-
Tadeusz Syryjczyk	Member of the Supervisory Board	-	-

Comarch S.A.'s Annual General Meeting dated the 29th of June, 2011, passed resolutions related dismissal of Mr Maciej Czapiewski and appointment of a new member of the Board of Supervisors, Ms Danuta Drobnik.

B) Members of Comarch S.A.'s Management Board as at 31st of December, 2011:

Name and surname	Position	Number of Comarch S.A. shares	Nominal value
Janusz Filipiak	President of the Management Board	2,620,010	2,620,010 PLN
Piotr Piątosza	Vice-President of the Management Board	16,845	16,845 PLN
Paweł Prokop	Vice-President of the Management Board	40,569	40,569 PLN
Piotr Reichert	Vice-President of the Management Board	6,069	6,069 PLN
Zbigniew Rymarczyk	Vice-President of the Management Board	28,141	28,141 PLN
Konrad Tarański	Vice-President of the Management Board	6,069	6,069 PLN
Marcin Warwas	Vice-President of the Management Board	6,069	6,069 PLN

As at the publication date, there were no changes in membership of the Management Board or the Supervisory Board in Comarch SA.

Michał Bajcar, Paweł Bieryt, Dariusz Duralek, Anna Kleszcz, Tomasz Nakonieczny and Maria Smolińska are the company's proxies.

C) Contracts that May Result in Future Changes in Holdings of Shareholders or Bondholders

On 28th of June, 2010, the Annual General Meeting of Shareholders passed Resolution no. 23 on the managerial options programme for company's Key Employees for 2011-2013. The program will be executed through offers of newly-issued shares in the company in 2012, 2013 and 2014 to Key Employees. More details were presented in point 3.14.3 of the consolidated financial statement.

D) Agreements between the Issuer and the Managing Persons, which Plan for Compensation in Case of Resignation or Discharge from the Occupied Post without a Substantial Reason, or when Their Dismissing or Discharge are Caused by Merger through Takeover

None present.

F) Value of Paid, Due or Potentially Due Remuneration, Awards or Benefits, including those Resulting from Managerial or Bonus Programmes based on Issuer's Equity, Separately for Each of the Managing and Supervising Persons in the Dominant Unit

Information is included in notes 3.14.3 and 3.31 of the consolidated financial statement.

G) Principles and Regulations for Remunerating of Managing and Supervising Persons

According to the article 15 point 10) of the Comarch S.A.'s Statute, competencies of the General Meeting include defining principles and regulations for remunerating members of the Management Board provided that this competency may be passed on in part or in entirety to the Supervisory Board. Before the 29th of August, 2004, this competency remained with the Supervisory Board. At present, the resolution of the Supervisory Board of the 20th of August, 2004 and the resolution No. 52 of the General Meeting of the 30th of June, 2005 are binding in the scope of defining principles for salary for members of the Management Board.

1.4 Employment and Production Capacity of the Group

As at 31st of December, 2011, in Comarch S.A. there were 2,807 employees compared to 2,735 persons as at 31st of December, 2010, and in Comarch Group number of employees reached 3,446 persons compared to 3,462 persons as at the 31st of December, 2010 (excluding employees of MKS Cracovia SSA due to different type of activity).

An average employment in Comarch Group in 2011, 2010, 2009 and 2008 is presented in tables below:

Number of employees:	2011	2010	2009	2008
- full-time	2,815	2,945	2,760	2,350
- co-workers	532	532	566	562
Total	3,347	3,477	3,326	2,912

Employees:	2011	2010	2009	2008
- production employees and technical consultants	2,534	2,724	2,586	2,279
- marketing and sales	442	395	413	343
- management and administrative employees	371	358	327	290
Total	3,347	3,477	3,326	2,912

An average employment in MKS Cracovia SSA within 2011, 2010, 2009 and 2008 was as follows:

Number of employees:	2011	2010	2009	2008
- full-time	46	44	45	49
- co-workers	145	127	133	127
Total	191	171	178	176

Most of production by Comarch consists in production of company's own, versatile software products and in production of computer software on the basis of customer orders. The basic factor limiting the production capacity is human resources. As the company makes active investments in new products and technologies, it strives to provide appropriately wide range of competencies for all its employees. The company flexibly manages teams of employees through continuous optimisation of placements for current commercial projects and internal R&D projects (developing new products and updating the existing ones,

which are not directly connected to contractual requirements), using proprietary IT solutions for this target. In effect, there are almost no unused resources.

1.4.1 Systems that Control Employees Shares Programmes

None present.

2. ECONOMIC ACTIVITIES

Comarch is a producer of innovative IT systems for key sectors of economy: telecommunications, finance and banking, public administration, as well as large, small and medium-sized companies. A wide range of the Comarch offer includes ERP-class and financial and accounting systems, CRM systems and loyalty software, sales support, electronic document exchange, electronic banking, teleinformatic network management and billing systems, Business Intelligence, security and protection of data and many other solutions. Apart from providing innovative IT solutions to its customers, Comarch is focused on professional customer service and on providing consulting, advisory and integration services as a uniform package, with which our customers can take full advantage of the possibilities offered by modern IT systems.

2.1. PRODUCTS AND SERVICES OFFERED BY COMARCH IN 2011

TELECOMUNICATION SECTOR

Since 1993, Comarch has helped numerous telecommunication service providers to optimize their business, shorten time to market and enhance customer experience, with the help of end-to-end portfolio of products and solutions designed to streamline the crucial areas of the telecom business.

The product portfolio covers all areas of the TMF Telecom Applications Map (TAM):

CUSTOMER MANAGEMENT

Comarch's tools for optimizing Customer Management include Self Care (for individual customers) and Corporate Self Care (for enterprise customers) that enable you to cut customer service costs and improve customer experience, as well as CRM for Telecoms - a customer information database specifically designed with focus on the telecom business specifics. We also offer a Loyalty Management suite for operating customer loyalty programs and building long lasting customer satisfaction.

- **Comarch Corporate Self Care** provides online ordering, data management and reporting for corporate customers. But it is also a telecom expense management solution increasing the value of a service provider's offer.
- **Comarch CRM for Telecoms** provides a single customer view and automates key sales, marketing and customer care processes. The solution is designed to integrate well with the existing OSS/BSS architecture. This flexible product aims at helping telecommunications service providers sell more services and get closer to their customers.
- **Comarch Loyalty Management** enables managing loyalty programs created for both individual and business customers. It enables defining and administering loyalty programs and provides intuitive servicing of client accounts, contacts, rewards, promotions, and other components. The system supports loyalty program operations in a broad spectrum, from customer profile development, communication with participants, logistics and award management, creation of business rules, analysis of data, cooperation with partners, to integration with external systems.
- **Comarch Self Care** is a web self-service tool enabling communications service providers to provide their end customers with an online portal, where they can manage their profiles and service subscriptions without help of a call centre agent.

REVENUE MANAGEMENT

Comarch provides you with a toolset of scalable, powerful products for conducting all your revenue management processes. No matter if it is prepaid or post-paid, data, voice or content services - whatever it is, you need to bill and charge for, we have got the right tools. The flagship product trusted by telecoms worldwide - Comarch Convergent Billing delivers real-time charging capabilities and is able to process huge amounts of data related to any service. Additionally in the offer can be found tools that help to deliver the quality of billing the customers expect - Bill Shock Prevention and Billing Quality Assurance.

- **Comarch AAA Server** is an end-to-end, compact BSS/OSS/CRM platform, for telecommunication operators and service providers for managing and billing their subscribers. This solution covers the entire process of product preparation, defining the details of the services offered to customers, publishing and retailing these services over available sales channels, activating, controlling and billing such services in addition to monitoring and reporting.
- **Comarch Bill Shock Prevention** controls voice, data and SMS services in real-time, and works for both local and roaming services. It supports setting limits of service usage for your customers (expressed in megabytes, minutes or monetary values). The solution also automates communication with the subscribers with regards to continuing or disconnecting the service when the limit is reached. Depending on the service and business model, the methods for interaction with the end user include SMS and email. The solution can be easily integrated with your existing systems and does not require complex changes to current business processes.
- **Comarch BSS Mediation** is a fully scalable, distributed data collection, processing and distribution system supporting any kind of service and providing the chargeable data (including call data records, event data records, etc.) to any billing system.
- **Comarch Billing Quality Assurance (BQA)** is a modern tool dedicated to detecting revenue leakage in operators' "order-to-cash" processes. The solution identifies revenue leaks by monitoring and verifying all critical stages of rating and billing processes.
- **Billing of Cloud Service** provides a service for seamless transformation and migration to the cloud model. The transformation to cloud service includes migration of data, verification of process definitions, sample data generation for testing, reports, migration history, amongst others. The service supports and secures the transformation process through correlation matrixes, anomalies reports and indications based on preconfigured and flexible rules, and data enrichment tools.
- **Comarch Convergent Billing** is a high capacity, scalable billing system for telecom operators, suitable both for traditional and modern business models, including multi-service operators, content providers and MVNOs. As a single convergent platform it provides billing, revenue management and policy management.
- **Voucher and Top-Up Management** is an independent component which supports mobile and IP operators with the management of vouchers and recharging of user accounts. The system can be integrated with existing network infrastructure such as media gateways or delivered with a dedicated IVR module.

PRODUCT MANAGEMENT

Comarch Central Product Manager facilitates your product lifecycle management and provides a single order capture interface. Through managing offers and specifications in one place the system leads to significant time and costs savings.

- **Comarch Central Product Manager** simplifies IT architecture and speeds up new product launches by providing a single place for managing your product catalogue and product life cycle. The product deals with offers and product specifications, defines relationships between various products, and specifies which of these are exclusive or sold only as a component of a bigger package. It also defines target customers, their locations, and many other parameters. The system is based on the TM Forum Information Framework, also called the Shared Information Data model (SID).

SERVICE FULFILLMENT

This is a process which creates services based on comprehensive components. Using the data about services stored in the Service Inventory, the module triggers a dynamic fulfilment process, executed via the Comarch OSS Process Management platform. Together with Comarch Service Activation, these tools shorten the time needed to deliver services and guarantee coherence of the offered services with network.

- **Comarch Service Activation** is a fully scalable, distributed system providing all the means necessary for instantaneous deployment and provisioning of convergent services for businesses spanning the traditional areas of telephony, multimedia delivery and network access, as well as hybrid domains.
- **Comarch Service Inventory** enables managing the network from service perspective. The product, pre-integrated with Comarch Service Catalogue, describes the services according to the TMF SID model, which identifies Customer Facing Services (CFS) and Resource Facing Services (RFS).
- **Comarch Service catalogue** enables to centralize service specifications management, which aims to increase automation of the end-to-end service fulfilment and service assurance processes.

SERVICE ASSURANCE

Comarch provides you with a set of products that go beyond traditional fault management (finding network problems and tracking down root causes) and enable pro-active customer service assurance, by offering a dedicated Customer Experience Management system. Service Quality Management and Service Monitoring systems add the service dimension to Fault Management and Performance Management functionalities, thus ensuring a comprehensive toolkit for providing the highest possible quality of service.

- **Comarch Customer Experience Management** plays an overarching role in service monitoring and service quality management, transforming service management by providing an insight into customers' perception of services. It helps realize the concept of switching from network- / resource-centric operations to customer-focused ones.
- **Comarch Fault Management** monitors all existing elements of the network, displays and efficiently tracks alarms. It helps operators effectively manage network problems and solve issues that are at the root of network faults.
- **Comarch Service Monitoring** enables monitoring of complex services implemented over various network technologies and management domains. The product can be pre-integrated with Comarch Network & Service Inventory for enhanced service management capabilities.
- **Comarch Service Quality Management** allows for measuring the service quality from the perspective of the network impact and is presented on the customer level.
- **Comarch SLA Monitoring** allows telecom operators to define and monitor services and related SLAs (service level agreements), increasing customer satisfaction and minimizing losses resulting from SLA complaints.

RESOURCE MANAGEMENT

Comarch delivers a set of additional components that cover the whole process of resource management. To plan the network expansion and upgrade towards 4G we equip you with an efficient tool for Network Planning & Design and a Configuration Management system. In order to monetize network upgrades, and appropriately manage network capacity, Comarch provides you with Policy and Charging Rules Function. Additionally, Comarch provides a complete solution for scheduling, staffing, managing, and supporting workforce in the field - Field Service Management.

- **Comarch Auto-discovery & Reconciliation** provides a complete, comprehensive and up-to-date insight into the multi-vendor, multi-domain network, enabling effective network management. The product is pre-integrated with Comarch Network Inventory.
- **Comarch Configuration Management** enables service providers to automate the crucial area of configuration management. The product can be implemented as part of a broader solution for network planning and upgrading – Comarch NG Network Planning.

- **Comarch Field Service Management** is a complete solution for scheduling, staffing, managing, and supporting workforce in the field. Efficiency is achieved by selecting the most suitable resources for each task as well as accounting for scheduling issues. The decision is made taking into consideration modifiable and adjustable ratings, according to a company's unique business model.
- **Comarch Master Resource Management (MRM)** fulfils the role of one central place for the resource inventory database, lifecycle management and logistical support. It is commonly used to manage data such as SIM cards, mobile phones or MSISDNs and is integrated with CRM, point of sale, billing system and self-service applications. This provides these applications with one consistent list of available resources which allow using those resources efficiently by multiple sales channels.
- **Comarch Network Inventory Management** stores the complete information about network resources and presents current, historical and future state of telecommunications/IT networks.
- **Comarch Next Generation Network Planning** is a fully integrated, multi-vendor, multi-technology mobile network management platform. It speeds-up and simplifies network planning, optimization, upgrades procedures, and automatizes network configuration and provisioning. NGNP functionalities cover the complete radio, transport lifecycle and core elements of the mobile network.
- **Comarch OSS Mediation** provides integration of the physical infrastructure of the network (NE or NMS) with Comarch OSS Suite. The system's goal is to reduce network complexity while keeping the service and customer base intact.
- **Comarch Performance Management** plays a significant role as a source of network metrics used by SQM for quality of services calculation, and for providing drill-down capability to pin down network performance issues causing customer experience problems.
- **Comarch Policy & Charging Rules Function (PCRF)** is a solution for controlling network resources, applications and customer experience more efficiently, in order to not only increase a telecom operator's business performance but also enhance his customers' satisfaction. It supports: 3GPP Gx, Gy, DIAMETER and RADIUS.

SUPPLIER / PARTNER MANAGEMENT

From Wholesale Billing, through Inter-partner Settlements, to Roaming Agreement Management and Revenue Sharing, Comarch helps you make the most of your business partner relations. With our dedicated set of tools you will be able to handle any service type (including voice, data, premium, content), in any business model (including enabling, reselling, wholesale), for any kind of relationship with national and multi-national partners.

- **Roaming Agreement Management** is a comprehensive suite of tools for managing roaming partners, agreements and other aspects related to this part of a telecom operator's business.
- **Comarch InterPartner Billing** enables service providers to exchange settlements and invoices, and share revenue or costs with other service providers. The system also facilitates managing relations with national and multi-national business partners.
- **Comarch Wholesale Billing** is a complete tool for wholesale departments, supporting them in everyday operations and protecting operator's business interests.

APPLICATION INTEGRATION INFRASTRUCTURE

Comarch Application Integration Framework is a component that automates the B2B (Business-to-Business) and A2A (Application-to-Application) integrations.

- **Comarch B2B Gateway** enables telecom operators to make their own BSS systems accessible to their business partners and automate the communication between the service provider and cooperative companies.
- **Comarch OSS Process Management** enables the fully monitored and controlled execution of all management processes. It readily masks the complexity of internal process dependencies and relationships allowing system operators to focus on their tasks.

SOLUTIONS THAT SUPPORT SPECIFIC BUSINESS AREA

Comarch offers cost-effective and fast solutions, matching the most crucial business processes. Comarch solutions are created and developed with focus on specific business areas, and use a dedicated set of Comarch COTS products as well as knowledge gained from numerous international project implementations.

- **Comarch Enterprise Customer Management** is comprised of fully integrated modules which are responsible for: complex settlements with partners, self-service, automatization of mass orders, keeping books for operations on accounts and sub-accounts, support for telco 2.0 models, reporting and analysis both in order to optimisation of used resources, verification and controlling of financial and settlement data, as well as monitoring and quality analysis of provided services, and settlements on behalf of partners.
- **Comarch Order-To-Cash Automation** is created to automate and thus speed up the end-to-end process, which starts from customer order capture and goes through service, network provisioning and activation and ends at billing the customer. The solution supports shortening time-to-market for new products and services. This is achieved by building the solution around pre-integrated central product catalogue and service catalogue which serve as a single place for defining products.
- **Comarch M2M Platform** supports mobile operators in entering and succeeding in the M2M market. It enables them to provide Intelligent M2M Connectivity.
- **Comarch Self-Organizing Network (SON)** introduces automation that enables significant OPEX reduction, although it is not the only important benefit. Automation also shortens time to market for new services, and improves customer experience. These goals can be achieved by employing 'plug & play', 'self-optimization' and 'self-healing' SON paradigms.
- **Solutions for mobile devices** comprise services provided all over the world and they are related to architecture, designing, testing, maintenance and software updating, in particular construction of User Interface, service framework and drivers for mobile devices. Comarch activity in this area is connected with the most popular on the market mobile operating systems, such as iOS (iPhone), Android, Windows Mobile, Windows Phone and Bada, however it also applies to software built-in, where we cooperate strictly with producers of consumer electronics devices and producers from Asia. It is noteworthy that Comarch professionals often undertake tasks significantly exceeding standard development of application and mobile solutions.
- **Comarch Service & Network Convergence** is the pillar of a customer-centric telecom business, is supported by dedicated Comarch products. To achieve full convergence, operators need heterogenic network supporting all sorts of services, including voice services, data transfer, services related to providing contents and applications. Simple management of common transport network is essential, and it should support services provided by stationary or mobile network. This is supported by the following Comarch products:
 - Comarch Network Inventory, pre-integrated with Fault Management and Performance Management enables service providers to easily obtain data that enables correlation of transport alarms with alarms from the mobile and fixed domain,
 - Auto-discovery and Reconciliation auxiliary module allows to keep Network Inventory up-to-date with the FMC network,
 - Comarch Network Planning & Design which supports end-to-end network planning and upgrading for transport, mobile and fixed domains

SERVICES

IT projects are a complex set of processes, that can make a huge impact on a telecom business. Our services include, among others, consulting, R&D outsourcing and data centre services. Their high quality is additionally supported by experiences gathered from numerous projects carried out for various kinds of enterprises worldwide.

Comarch portfolio of services includes:

- End-to-end solution delivery:
 - requirement analysis and solution design
 - training and best practice exchange
 - implementation and integration
 - maintenance, change management and guaranteed support
- Outsourcing
- BSS/OSS managed transformations
- Mobilizing businesses
- Business process consulting / compliance with industry regulations
- Data centre services
- Comarch vertical solution for telco operators

Broad competences in information flow management – automated management of electronic and paper documents going beyond traditional DMS systems (scanning, automated indexing, electronic archive); this includes outsourcing services in the fields of digitalization of paper archives (archival documentation) as well as complete processing of current documentation.

FINANCE, BANKING AND INSURANCE SECTOR

Comarch Business Process Management is a modern system designed for modelling and managing business processes in any institution. CBPM is also an integration platform based on mature and flexible architecture, that supports the connection of various distributed applications such as transactional systems, CRM, contact centre, data warehouses and document archives.

Comarch Internet Banking the system guarantees clients from all segments access to services offered by the bank, 7 days a week, 24 hours a day, using the internet and smartphone type mobile phone. Thanks to integration with various central systems, it is a universal, complete, efficient and safe supplement to the bank's IT environment. The Comarch Internet Banking platform offers solutions, which carry out financial services through the self-service channel, fulfilling large expectations of banks, brokerage houses, investment funds and other financial institutions. It is also an integration platform which links services and products offered by one financial institution, or by a whole financial group, into a whole.

Comarch Personal Finance Management (PFM) is a module for online banking. PFM is a solution enabling to manage personal finance and providing account aggregation giving consumers a view of their total financial relationship.

Comarch Mobile Banking - mobile financial services, which are becoming increasingly popular, are a natural consequence of technological advances. Comarch created an application which allows the managing of finance using mobile devices. Thanks to Comarch Mobile Banking, a money transfer, investment task, balance check or other banking operations are possible using a mobile phone.

Comarch Front End (CAFE) - the integrated work environment of a customer advisor in any financial institution, which covers the functionalities of customer file, Comarch CRM system modules selected by the customer, as well as operational modules which provide a comprehensive service for a bank branch or an insurance broker with the use of 1 application environment, created with the use of 'light' IT technologies.

Comarch aCRM - is a new generation tool for the real time processing of high data volumes from companies' internal systems and of data originating in external systems.

Comarch Customer Service module enables maintenance of all bank products within the frame of one system.

Comarch Data Connect is an e-banking channel enabling a direct integration of a finance and banking system used by a corporate client with bank.

Comarch Fraud Detection is a powerful tool for discovering fraudulent subscriber behaviour in telecommunications networks.

Comarch Content Management System - is dedicated to managing portal content and structure. It offers a set of tools that remotely update and manage www services. Comarch CMS gives users a great deal of freedom with full control over the content presented and a high security level. The customer does not need to install any extra software to work with the system as all the essential operations can be executed in Internet browsers.

Comarch Contact Centre is the strategic contact point integrating all channels of communication with the customer: the Telephone (direct conversations, voice mail, SMS), facsimile, e-mail and Internet. This solution raises a company's competitiveness by building strong customer relations, making communications more effective and collecting and managing customer information. Comarch Contact Centre is a modern, modular platform which is easily expanded. It supports all communication methods including automatic IVR and customer care agents. The solution is based on Comarch's own application integrated and supported by the advanced mechanisms of selected hardware platforms.

Comarch CRM Claim Management is a complete claims management solution and is one of the modules that make up the Comarch customer relations platform (CRM). It is based on the proven *service-profit chain* used by the most successful companies. The service profit chain connects internal and external service quality, including claims management, with financial results. Thanks to this solution companies can compare expenditure on maintaining quality of service with expected financial results.

Comarch CRM Sales Management is a new generation integrated *front-end* application. It provides comprehensive customer relations support across the entire product range from the moment of winning a new customer, through the programs for cross selling and up-selling to an up-to date operational handling, using the whole scope of the product offer. The system offers functionality for customer care agents in the form of the Sales Application, while for the middle and back office staff responsible for managing the sales process it offers the Department Director and the Central applications.

Comarch CRM Campaign Management is a system supporting the entire cycle of marketing campaign management: from planning through tests, execution and modification to tests of performance. The system allows reaching the target group of customers of a precisely defined profile, at a proper time, with appropriate information, and through an appropriate communication channel. The possibility of integration of mass Above The Line (ATL) campaigns and direct Below The Line (BTL) campaigns is a unique solution, allowing achievement of the synergy effect between the two types of activities and winning savings on costs of reaching the customer.

Comarch Commission & Incentive is a commission system designed for institutions which use extended networks of agents, brokers and intermediaries in their businesses. The system enables integration of all data related to sales networks, commission policy for all distribution channels and settlements with sales network units in one place. Additionally, collecting all sales data in one system allows better control over sales and optimising incentive systems.

Comarch Loyalty Management is an advanced set of business applications for standard and advanced loyalty programs. The system is distinguished by its ease of operation, its flexibility, and its ergonomic user interface. Its scalable architecture ensures that the loyalty program can be expanded in step with the company's growth.

Comarch Pricing & Billing is a flexible tool which allows for the speedy design, testing and implementation of charges and commissions packages. The configuration model answers for the key area of the charge calculation system, thus, for the complex management of the policy which calculates charges and commissions in accord with individually set guidelines within the contract. It creates added value for the client and profit for the bank.

Comarch Credit Process Management is an application suite supporting service of credit processes in all clients segments: corporate clients, medium and small enterprises and retail clients. The modular design of this system enables selection of an optimum set of functionalities and support for the most important processes related to management of any credit products for any customer segment: product design, simulations, preparing an application, support for the decision-making process, preparing an agreement, activation of funds, hedging management, monitoring of active agreements, settlements of transactions, management of the sales network and calculation of commission, as well as vindication from unreliable customers.

The corporate version of the **Comarch Credit Process Management** system is its extension with additional tools, specific for this segment of customers, such as the *rating engine*, the index analysis module or the extended module of hedges management. As with CRM solutions, emphasis has been put on flexibility of the decision-making mechanism in designing the system supporting the crediting process for large companies, and the proposals generated automatically do not restrict the process management policy in the degree characteristic for the retail segment.

Comarch Scoring Engine is a system platform helping credit analysts to find the best way to assess credit applications and credit risk and to analyse credit portfolios. Comarch Scoring Engine can be rapidly implemented and put to work as it integrates easily with existing systems and provides great flexibility in the scoring definitions used.

Comarch Rating a tool which supports the rating of corporate clients. It is possible to use the application to check the rating of transactions. The tool is fully configurable by bank employees as it does not require programming knowledge. Due to the high elasticity and integration with the credit process it is possible to change the risk management policy within a few minutes without the need to utilise IT resources.

Comarch Credit Monitoring - the system supports credit contract monitoring processes, especially the monitoring of escrow, repayments, contract conditions as well as the client's financial situation. Thanks to the built-in Comarch Credit Monitoring mechanisms, it automatically generates cases which fulfil the monitoring criteria, e.g. overdue repayments exceeding 7 days. The system works in the context of the client which means that the monitoring has to do with all the client's accounts. Additionally, because the system is based on the Comarch Business Process Management, application, Comarch Credit Monitoring can automatically send the debt to be collected, restructured or the credit conditions can be changed. The system uses functionalities from the Printout Management module, which makes it possible to generate reminders within the system for clients (together with a note about which reminder it is) as well as integration with the central printing machine (mass correspondence).

Comarch Asset Management - the system is addressed to companies which manage assets, bank depositaries, investment and pension funds, insurance companies as well as other institutions which deal with investment activity and portfolio handling. Among others, the system guarantees the modelling of portfolios, handling of orders, access to current portfolio structure, control of investment limits, filling of transactions and operations on portfolios, valuation of portfolio assets, reports and measures the effectiveness of risk management.

Comarch Custody is an application designed for banks dealing with trading in securities and trustee activity. The system allows registering and quantitative as well as financial settlements of transactions with securities in KDPW S.A. (the National Depository for Securities) and foreign deposit and settlement chambers. It fully complies with the new deposit-settlement system.

Comarch Exchange Trading is a brokerage core trading system characterized by highly efficient trade processing, a flexible and multicurrency register module, effective communication with markets and brokers.

Comarch Internet Investments - an independent system or functional supplement to Comarch Internet Banking. It guarantees access to investment financial services through the internet and other electronic distribution channels for brokerage house clients, trustees, investment funds, open pension funds as well as other institutions which operate on the capital market. The system has been continually developed from 1998 and offers the richest functionality on the market in terms of access to the brokerage account, investment funds register and specialised investment products.

Comarch Online Quoting (NOL3) - the most modern tool on the Polish market, which allows access to up to date stock exchange listings and market information, market analysis as well as individual stocks. It also realises tasks typical for Order Management System (OMS) solutions such as making dispositions directly from the listings table and sending them to the market at the right moment.

Comarch Mobile Investments is an innovative solution with the possibility of submitting transactions via mobile devices or PDAs / Smartphones with access to wireless Internet.

Comarch Risk Management is a management system for risks related to investment and credit portfolios. It automates risk control processes aimed at limitation (restriction) of the impact of fluctuation of risk factors on the elements of commercial operations. It also enables identification of the possibility of using the observed fluctuations in investments.

Comarch Performance Measurement & Attribution - the system allows an active valuation of the effectiveness of investment portfolios, calculating affectivity indicators in terms of benchmarks and risk, an analysis of the profit source attributes and losses, incurred on individual classes of assets, as well as reporting the results of management.

Comarch CAFE Broker - application ensures consistency of information, operations and authorisation in headquarters, branches and a brokerage house *call centre*. The key functional features of Comarch CAFE Broker include complex customer investment account servicing, i.e. orders on different markets, access to an investment profile, order monitoring, account activity tracking as well as support of customer communication.

Comarch Deal Management is a solution which allows the processing of transactions made on the money and currency market as well as on debt instruments and derivatives, realised through the bank's *dealing room* or by internet banking clients. The tool guarantees a complex handling of the transactional process and accounting services with regards to the filling and valuation of instruments/transactions, the calculation of transactional limits for clients as well as the balance equivalent, and adequacy of the transaction in terms of capital.

Comarch Investment Advisor is a solution, which manages client relations and chooses the right investment-pension product, in accord with the client's expectations and possibilities as well as the monitoring of his/her investment.

Comarch Fund Registers solution allows for the presentation of data on transactions with participation units and fund shares, customers and distribution channels by interactive reports.

Comarch Client Reporting & Communication is a solution that generates reports of the highest calibre, which include the value, profitability and risk of the client's pension-investment product, which is based on investment funds, shares and other financial instruments. It links the process of managing a large database, its design and the generation of, distribution and publication of reports, in accord with the policy of the given institution.

Comarch Trade Finance supports the business processes connected with letters of credit, collections and guarantees. Comarch Trade Finance works as a component in other IT solutions used in banks, such as the core system, the general ledger and the data warehouse, and must be integrated with these systems.

Comarch Factoring is a complex solution servicing debt financing transactions, allowing for both electronic and paper invoices. This solution features high flexibility in modelling of the client service process. It enables the introduction of data related to the factorer, debtor and the definition of a financing program.

Comarch NonLife Insurance is an IT solution comprehensively supporting processes in property insurance companies. The solution ensures flexibility in the release of a new offer on the market. Comarch NonLife Insurance supports administration of insurance policies, liquidation of damages, management of information and improvement in the effectiveness of the insurance business. Implementations can include all modules and product lines. Because it is modular, the system can be

implemented in specific operational areas or for particular products. A further option exists to tailor selected modules to the company's existing system architecture.

Comarch Life Insurance system is a comprehensive IT solution designed and produced for life insurance companies. The system is capable of supporting the entire operations of a life insurance company and there is some scope for it to be matched to existing architecture. Implementation of Comarch Life Insurance enables comprehensive and cohesive management of the insurance business. Additionally, the high flexibility of the system allows for the optimisation of operations and quick response to the changing needs of the market.

Comarch Health Insurance is a stable and efficient solution to all health service policies. The system supports health insurance maintenance and ensures the communication provided by the medical service provider.

Comarch Insurance Claims is a solution that provides comprehensive support of all types of life insurance claims and supplementary insurance. The solution functionality covers the entire process of handling life insurance claims. The solution helps reduce costs incurred in handling claims thanks to the reduction of paper-based tasks.

Comarch Insurance Front End platform is a mash up solution, where optimum solutions for a customer are gathered. The main task of the platform is the execution of an insurance company within the implementation of sales support and customer service strategy. The advantage of the platform is its simplicity in linking functionalities to meet the business needs of insurance.

Comarch Insurance Net is a front office package of tools and solutions for insurance product distribution and support. It provides functionality for agents, employees, partners and individual customers. The system enables agents to perform offer simulations as well as efficiently and accurately complete insurance application forms. Comarch Insurance Net allows the registration of changes to the terms and conditions of insurance policies, as well as reporting on and keeping up with damage processes. A faster and more direct service and a possibility to preview the status of the application in a web portal are beneficial for customers.

Comarch Internet Insurance provides the functionality of an online insurance account. The solution enables the insured to perform basic insurance operations from the offer preparation and insurance simulation, through insurance claim submission, loss notification to the managing customer investments in terms of policies.

Comarch Debt Management is a comprehensive system facilitating notification and vindication processes, directed towards a diverse range of companies and financial institutions which conduct collection services, legal and enforcement proceedings, and exchange data with external cooperating entities. The Comarch Debt Management system guarantees the effective collection of overdue amounts among other things, through versatile support of multichannel contact with a debtor (phone, SMS, email) and by the organisation of debt collection teams' work including the prioritisation of cases. Growth of the collection rate of receivables is a significant benefit for customers that introduce the system.

Comarch Insurance Data Warehouse provides databases for insurance data. Production systems carefully collect data supporting internal and external reporting. They allow one to prepare and provide access for those entitled to information that is necessary for efficiently making decisions on different management levels in insurance companies.

Comarch Insurance Scoring is an IT system based on a flexible and definable rules engine. It allows assessing different kinds of objects (underwriting applications, customers, etc.). Comarch Insurance Scoring is a response to the increasing need for automation of insurance risk processes.

Comarch Mobile Insurance was designed to support insurance business companies in using mobile devices in insurance. The system offers wide functionalities for 3 different types of receivers: agents, claims adjusters and customers. Comarch Mobile Insurance gives advantage and ensures effective support for communication with customers.

Comarch CentralLog is a comprehensive solution for managing security data generated by the company's IT infrastructure. It includes tools for the centralisation, analysis and storage of the security audit information produced by various systems and applications. This includes those exclusively devoted to security and those that are independent, such as data bases.

Comarch MobileID is a new authentication and authorisation method based on cell phones, which combines reliable and secure, easy to use, inexpensive and technically advanced features in a single solution. The system functions as a stand-alone product and can also be integrated with Comarch Security Access Manager DRACO.

Comarch Security Access Manager DRACO supplies identification, authorisation, authentication and accounting that is in line with the latest security trends and adapts to individual customer needs. Comarch Security Access Manager DRACO provides extensive options for a user and their rights managements, as well as access to protected resource management.

Comarch MobilePKI is a solution that supports authentication and authorisation using mobile technology. It enables full use of Public Key Infrastructure (PKI) on cell phones using SIM cards.

Comarch SecureAdmin is a user activity monitoring system which operates transparently at the level of the network layer (passive and active analysis). These features mean that implementing Comarch SecureAdmin does not require the modification or reconfiguration of existing applications or systems and its presence is not visible to users.

Comarch SOPEL System (Electronic Signature Support System) provides complete implementation of secure qualified electronic signature verification equipment and secure electronic signature submission software that is in compliance with the Law on Electronic Signatures.

Comarch SafeDesktop is Comarch's security solution for end-user workstations in IT systems. Comarch SafeDesktop makes it possible to obtain diverse functionality using microprocessor cards and USB tokens in heterogeneous environments, including the MS Windows 98SE/Me/2000/XP/2003/Vista/7 platform and Linux.

Comarch SmartCard is a java based cryptographic microprocessor card for the secure storage of sensitive information such as cryptographic keys and passwords. They are chiefly used in PKI (Public Key Architecture) systems and in banking, where very high security standards, for example for customer transactions, are required. The card's security rests on asymmetrical cryptography. Also, the private key used to sign for the transaction never leaves the microprocessor card: it is generated there and there is no way that it can be copied. Finally, only the card's owner knows the PIN number.

Comarch SmartCard Bio – the concept, which is based on the use of the fingerprint as an element, which secures access to the private key, which is stored on the cryptographic card (equivalent of the PIN on cash cards).

Comarch SmartToken is a solution whose hardware is based on USB tokens. It combines cryptographic smart card and card reader features in one device. The programming, including the software inside the token, is produced by Comarch.

Comarch T-Pro, transaction protector token, is a solution developed by Comarch as a response to increasingly emerging malignant software, executing ManInTheBrowser or key logging attacks.

Comarch SmartCard Workshop manages the life cycles of smart cards and cryptographic tokens. As well as possessing the basic *workflow* process and smart card system status report functions, it also enables full integration with Comarch CertificateAuthority system.

Comarch CertificateAuthority is Comarch proprietary software for full implementation of PKI systems (Public Key Infrastructure). This involves issuing certificates for secure e-mail, web servers, communication channels, and user authentication and authorisation. Comarch CertificateAuthority supports the entire certificate life cycle from application through to expiry or annulment.

ENTERPRISES AND TRADE AND SERVICES COMPANIES SECTOR

Comarch Campaign Management is a system supporting the entire cycle of marketing campaign management: from planning to tests, execution and modification to tests of performance. The system allows reaching the target group of customers of a precisely defined profile, at a proper time, with appropriate information, and through an appropriate communication channel.

Comarch CRM Sales Management ensures complex management of relations with customers from the acquisition action to activation of the sales programmes (cross- and up-selling), building loyalty programmes, to termination the co-operation. The system includes functionalities for both salespeople who provide direct customer services (the Salesman Application) as well as back-office employees, responsible for management of the sales process (the Central Application: preparing information for salespeople, preparing the pricing policy, building sales plans, monitoring sales and analysing reports with results, etc.).

Comarch Loyalty Management is an advanced set of business applications with broad functionalities, designed for both simple and advanced loyalty programmes. The system features flexibility, an ergonomical user interface and ease of operation. Scalable architecture guarantees customising the loyalty program development to the pace of company's growth

Comarch INFSTORE ECM is an application within the scope of Enterprise Content Management which allows controlling entity information gathered in business documents in comprehensive way. This universal tool ensures interception and archiving of documents, works over them, safe searching and support of related business process.

Comarch ECM Professional Services is a group of advisory, implementation and support services, within Enterprise Content Management for customers owning or implementing solutions built on IBM Filenet products.

Comarch Content Management System is a system for management of portal content and structure. It offers a set of tools enabling remote website updating and management.

Comarch Business Intelligence is a modern IT solution based on the data warehouse technology. Its basic role is to provide well-organised and easy-to-understand information supporting the decision-making process at various levels of company management. Comarch Business Intelligence enables selection and application of different analysis areas, depending on user's needs, e.g. sales, finances, controlling and others.

ECOD is a complex solution of the EDI (Electronic Document Interchange) type and sales support. In the scope of sales channel management Comarch offers ECOD systems: Operator, Archive, eDOC24, Tracker, Data Share, EMCS, ECOD SA2 Products, Agent 2.0, Distribution and Business Portal

Comarch ECOD Operator is a comprehensive Electronic Document Interchange solution enabling automated exchange of business information and documents, such as orders, invoices and sales reports in the form of electronic documents consistent with industry standards. Depending on the needs of a company, this solution enables documents exchange through a Web browser (Comarch ECOD WWW) as well as integration with different IT systems.

Comarch ECOD Archive is a module of the ECOD platform designed for e-document storage. Comarch ECOD Archive can store any type of documents indicated by the client, including e-invoices, orders, advice notes, delivery confirmation. It also enables searching for historic documents according to varied criteria and previewing of their legible version, as well as monitors the operation of these documents depending on user rights.

Comarch ECOD eDOC24 is a solution designed for invoices (and other types of electronic documents) in the digital signature technology. Within Comarch ECOD eDOC24 our customers receive a tool supporting processes: issuing of electronic documents (electronic signature through Drawer or an entitled Comarch employee), supporting Receiver documents (varied communication channels), and documents archive with a statutory period (documents archive from Drawer and a Receiver).

Comarch ECOD Data Share is a tool allowing the clients who send e-documents through the ECOD platform to freely use the information contained in these document. This application allows quick access to key information (i.e. on delivery, flow of related documents).

Comarch ECOD Tracker is an ECOD platform module which enables constant control of the movement of electronic documents that are exchanged with business partners.

Comarch ECOD EMCS is a solution enabling effective integration with EMCS PL (Excise Movement and Control System) which is directed to entities who participate in movements of excise products, such as alcohol, tobacco and energetic products when excise is suspended. Comarch ECOD EMCS platform enables exchange of a dozen or so statements which are essential in excise products exchange (i.e. e-AD document, e-AD project, e-AD cancellation, receipt report).

Comarch ECOD Agent 2.0 is a comprehensive, professional sales support system of the Sales Force Automation class, which provides comprehensive operation of a point of sale by mobile sales representatives.

Comarch ECOD Distribution is a communication-integration platform enabling daily reporting to the producer on important business information from the distribution channel.

Comarch ECOD Business Portal is a B2B solution for communication and reporting, as well as executing by business partners operations related to merchandise and sales.

Comarch Security Management enables creating, developing and managing security policies for all networks and tools used independently on localisation and architecture. In addition, Comarch has a full range of products comprising certification and authentication, public key infrastructure as well as security and content management.

Comarch ALTUM – the first, intelligent ERP platform that comprehensively supports all key business processes in medium and large commercial and service companies, as well as trading networks. This solution is tailored to the needs of the Polish market as well as foreign ones. The system is also available in the Software as a Service model (SaaS) – Comarch iALTUM24.

Comarch CDN XL – the most frequently chosen ERP system in Poland for many years now. Until the end of 2011, the software was chosen by over 3700 companies from various industries. The solution meets the specific needs of production as well as trade and service companies. The system is also available in the Software as a Service model (SaaS) – Comarch CDN iXL24.

Comarch OPT!MA – the program supports sales, management, bookkeeping and payroll. It is designed for micro, small and medium businesses with different activity profiles. Along with the additional module, Accounting Office, and the portal Accounting Offices iKsięgowość24 Community, Comarch OPT!MA is a tool that guides and promotes accountancy offices and tax advisory firms. The program is also available in the Software as a Service model (SaaS) - Comarch iOPT!MA24.

iFaktury24 is a modern online application for invoicing and storage simplifying accounts and available through a Web browser. The solution is dedicated to micro and small businesses and is available only in the Software as a Service model (SaaS).

Comarch Retail – a standalone system for conducting retail sales which allows to efficiently managing a commercial network in a comprehensive manner, starting from the front-office through the back-office and to point of sale (POS).

Comarch Mobile – an application that allows the user to work on mobile devices (smartphone, mobile phone, data collector). This solution supports the work of managers, salesmen, and warehousemen

Comarch Business Intelligence – a system based on data warehouse technology, designed for large and medium-sized companies and international corporations. The solution supports decision-making processes and tasks related to reporting services. It is dedicated to the following industries: financial and insurance institutions, FMCG, services and manufacturing.

iBard24 Backup Online – a solution for online data archiving and backup, which allows to access files from anywhere in the world, 24 hours a day. Data is stored in the Comarch Data Centre or on client servers (in the iBard24 BOX option). iBard24 also allows you to archive Comarch ERP databases.

iKsięgowość24 – accounting services for businesses, conducted by accountants using Comarch OPT! MA and Comarch iOPT!MA24.

Comarch iSklep24 – an online store application integrated with the Comarch ERP system, which cooperates with price comparison sites, integrated with Allegro.pl and iMall24.pl, online payment services, instalment systems, and allows for sales on Facebook.

iMall24.pl is Poland's first online shopping mall which allows selling directly online from the ERP system, without an online shop and without any fees or commissions. Products in iMall24 can vendor only those companies that have Comarch software.

Comarch Software und Beratung AG systems are **ERP** (ERP = Enterprise Resource Planning) and finance-accounting systems for small and medium-sized enterprises in German speaking countries:

- **Comarch ERP Enterprise** – the new generation ERP system was developed to optimally fulfil requirements of active international companies in the Internet age. With a completely new ergonomic user interface and its integrated WorkFlow, Comarch Semiramis optimally maps business processes and organisational models,
- **Comarch Financials Enterprise** – a new generation financial accounting system developed as a supplement for Semiramis. It enables complex financial management in modern enterprises,
- **Comarch ERP Suite** – a classic ERP system offering clear functional solutions adjusted to the specifications of a branch for a wide range of users.
- **Comarch Financials Suite** includes a certified, complex financial accounting system that administrates controlling and electronic archive of document modules. It proves its value in its internationalisation as well as in accordance with international standards (IFRS, US-GAAP, etc.),
- **Comarch Financials Schilling** - a classic finance-accounting system,
- **Comarch Financials DKS** – a finance-accounting system for customers in the Austrian market, including controlling and human resources modules,
- **Comarch HR** – a system dedicated to HR services and employee settlements, supporting the management of work hours and recruitment,
- **Comarch ECM** – a system for managing the electronic archiving of records, which enables the implementation of electronic document workflow in enterprises.

PUBLIC ADMINISTRATION SECTOR

Solutions for Public Administration

Comarch specialises in designing, implementing and integrating modern IT systems for public administration, developing comprehensive turnkey solutions and creating network hardware infrastructure. In view of the changes taking place in Polish public administration, Comarch has developed a series of e-government solutions. They are designed for roles specific to public sector institutions. Comarch solutions are designed and developed according to the latest international standards and are implemented by the best specialists. The most important solutions implemented in public sector are:

Comarch Semiramis

It is the ERP II class solution developed for comprehensive support of business processes. The system was developed using Java technology, which guarantees the compatibility with various databases and operation in three-tier architecture. The system is fitted with a broad range of frameworks (groups of functionalities) supporting processes in trade and production companies in a complex way. Apart from standard production functions, logistics or finances, the system has an integrated data warehouse.

Comarch Workflow

It supports electronic (and paper) documents management in enterprises and institutions (industry versions were developed for various recipients).

Comarch Portal

Besides information publishing, Content Management System enables advanced communication and data interchange. The system allows co-operation with social media and e-learning. With video-chats, forums and the FAQ option, the system supports wide-range information interchange.

Comarch e-Investor

It is a modern system to support investors (individuals, institutions and enterprises). It is used in many fields of investments (information, research, organisation, spatial management and transport).

Comarch e-Tourist

It is the interactive platform for multi-level promotion of popular tourist destinations. Interactive maps may include visualisations of tourist trails, descriptions of night accommodation and places of active rest, as well as the weather forecast. The system may allow booking of services (group guides, attractions and support in selected languages) for individual tourists and groups.

Comarch Egeria

This is an integrated ERP system which supports company management and decision making processes. This is a comprehensive and flexible solution which may be adjusted to individual needs of every client. It is offered in different types of enterprises and institutions (government administration, utilities, health services, etc.).

Comarch Egeria Education

It is a tool dedicated to provide support for higher education facilities. The system consists of the FrontOffice tool to support academic processes, student and academic issues, and the BackOffice tool responsible for support of the college facility administration. The system is equipped with developed reporting tools.

Comarch Egeria Leasing

This is an integrated IT system which supports companies providing finance services, including leasing. It supports the sale of financial products with calculators, templates and tools which allow adjustment of the offer to changing market requirements.

Comarch Work Expenditures Recording

The system assists in planning tasks for the employees, re-cording the attendance and executing the entrusted tasks. This solution offers settlement of labour costs, optimization of employee effectiveness and friendly reporting.

Comarch e-government

Comarch e-government is a platform of on-line public services which contains a set of modules enabling the realisation of tasks assigned to a local government unit by the legislator. The intuitive tools enable autonomous management of the application ensuring the support of creation and publication of contents. Comarch e-Government consists of the following modules: Digital Office, Public Information Bulletin, Information Portal and Intranet.

Comarch CBO Turnover - for media trading companies and distributed recipients

It ensures quick access to the data collected from various sources (for example distribution companies, Independent Reading Operator), tracking utility consumption and multiplane analysis of the received data. The system data is a reliable source for the settlement of accounts, planning purchases and conducting proactive business activities. The system supports forecasting requirements, tariff analysis and client segmentation.

Comarch CBO Distribution - for media distribution companies

It enables the enterprise to carry out the function of a measurement operator. It provides a number of mechanisms to help acquire data that is optimised for effectiveness and scalability, verification, supplementing, making it accessible and for multidimensional analysis. It makes it easier to integrate systems used by companies in managing their network property, billings and other items important to their activities. This solution allows reading measurements from electricity meters and other utility meters. It allows storage and management of data related to the measuring infrastructure (for example identification numbers of devices, addresses and places of installation, points of consumption).

Comarch System of Management of Network Assets

This is a solution dedicated to network enterprises, such as electricity distribution companies, gas distribution companies or water and sewage companies. The system ensures complete registry and management of data concerning a company's network infrastructure and improves an execution of main business processes, such as recipients connecting, planning and realisation of investment and modernisation, network exploitation, service of applications, network complaints, emergency events and exclusions.

Comarch IT Cost & Risk Analysis

It is a tool that determines the total costs of providing IT support versus the lack of IT support. The system allows calculation of cost and risk related to migration of business processes support. It offers assessment of economic indexes related to profitability of providing IT support for example ROI, NPV and IRR. It allows simulation of the results for processes, systems and whole models of providing IT support.

Comarch Business Intelligence

Comarch theme data base warehouses comprise diverse range of data and realise manifold purposes. We created warehouses being knowledge bases, tools for medical and financial analysis, supporting business activity. Our solutions are best for management of high number of data from many systems and localisations.

Comarch Database Archive

It is a tool used to optimise and manage archived data. It provides a way to create new data partitions by selecting them out from active partitions, properly restructuring or re-building databases, partition disconnection and archiving, and authorisation of data deletion and restoring.

IT SERVICES

The strategic area of Comarch activity consists in taking advantage of the experience and knowledge of company's employees by providing a full range of IT services: from consulting, to implementation of individual solutions, to outsourcing. The services provided by Comarch form an important and effective way of applying competence of the employees of the company. Execution of numerous programming and integration projects allowed the company to gather unique experience and create a unique team of people. This experience is proven with numerous certificates and authorisations of leading suppliers of IT solutions. The broad range of Comarch IT services is provided in a highly competent and reliable way. The most important services provided by Comarch include:

CRM & Marketing – the main objective of using this class of solutions is to provide support for marketing activities and relations with the client in the retail industry and in the sector of transport and tourism, Comarch CRM & Marketing is divided into Comarch EMM and Comarch Travel CRM.

SOLUTIONS FOR MANAGEMENT OF MARKETING ACTIVITIES

Comarch Retail EMM (Enterprise Marketing Management) is a comprehensive platform for support of marketing activities and relations with clients. It is a part of **Comarch CRM & Marketing**.

Comarch Loyalty Management is a world-class system for comprehensive management over loyalty programmes of different size, both multi-partner and executed in a stand-alone model. Comarch Loyalty Management is a system proven in over 15 countries, functioning in various industries like retail trading, fuel networks, banking and finances, telecommunications.

Comarch Campaign Management is a system dedicated for management of multi-stage marketing campaigns, processes automation for their execution, monitoring and analyses of results from individual marketing actions.

Comarch Smart Analytics is a Business Intelligence class system which allows obtaining and simultaneously using information about clients, their behaviour or preferences.

Solutions for the travel and transport industries

Comarch Travel CRM is a suite of integrated applications aimed at gathering and analysis of data on clients of firms of the transport and travel industries. It is profiled to response to needs from airlines, railway carriers, airports and travel agencies. It includes: **Comarch Travel CRM Airline Suite, Comarch Travel CRM Airport Suite, Comarch Travel CRM Hotel Suite, Comarch Travel CRM Railway Suite** and **Comarch Travel CRM Car Rental Suite**.

Solutions for document management and processes

Comarch ECM (Enterprise Content Management) - the main objective of using this class of solutions is effective management over information in the company, collected in paper and electronic documents, and optimisation of business processes.

Comarch ECM (Electronic Data Interchange) is a platform for comprehensive communication with business partners, through which a group of over 15,000 users from 30 countries interchanged 140m documents in 2011. Portfolio Comarch EDI provides control over all processes in the supply chain (including e-invoicing, Purchase-to-Pay, traceability, reporting).

Comarch ECM Services – IBM Filenet – services related to consulting, support, integration and solution implementation on Filenet platform.

Comarch ECM Services – MS Sharepoint – services related to consulting, support, integration and solution implementation on MS Sharepoint.

Comarch EDI (Electronic Data Interchange) is a platform for quick and secure electronic data interchange. It enables to reduce costs and optimise business processes in a short period of time. It includes: **Comarch EDI E-Invoicing, Tracking, Reporting, Financing, EMCS** and **SA2 Products**.

Solutions to support sales and distribution

Comarch SFA is a comprehensive platform to provide sales support for trade organisations. Within Comarch SFA, we offer Mobile Sales Force Applications systems and Online Sales Support Applications

Mobile Sales Force Applications is the Sales Force Automation class system ensuring full support for points of sale, executed by mobile field employees.

Comarch SFA Online Sales Support Applications is a sophisticated B2B platform integrating business partners: producers, distributors and shops, and ensuring support for departments of sale and marketing in a trade organization.

Solutions within the IT infrastructure

Comarch Outsourcing IT

There are two product groups in the Outsourcing IT area, within which a wide range of continuous services is provided, related to IT processes and IT infrastructure of the client: Comarch Outsourcing IT and Comarch Management Services.

Comarch IT integration

There are three product groups in the area of IT Integration, within which implementation and integration services as well as migrations and audits are offered: Comarch Systems Integration, Comarch IT Audits and Comarch Business Continuity.

Comarch IT Networks

Comarch WAN networks:

- **Comarch Network Managed Services** - the service of the complete network infrastructure offered in the model of full or partial outsourcing
 - **CNMS Global Network** – the data transmission service dedicated for the retail clients, mostly for those operating entirely or in part in shopping centres,

- **CNMS Retail** – package of supplementary services related to security on WAN network. CWS may be applied both to already existing networks and to implemented solutions,
- **Comarch WAN Security** - the data transmission service dedicated for the clients with branches distributed geographically in more than one country.

Comarch LAN Networks

Within the wide range of Comarch services, Comarch delivers solutions for LAN network. Within LAN Networks solutions, Comarch offers: Comarch Wi-Fi, Comarch Campus LAN.

Comarch Monitoring IT

Comarch Monitoring IT is a comprehensive solution perfectly suited for technical support for all types of businesses and institutions. Our service constitutes valuable support for administrators and IT managers due to a developed functionality, automated and reliable system of monitoring IT environment.

Comarch Support & Maintenance

Support & Maintenance is a solution dedicated mostly to provide state-of-the-art support and services in the post-guarantee period. It is dedicated to clients whose network infrastructure was created on Cisco devices.

Comarch Contact Centre

The offer of telecommunications solutions includes a wide range of products, which main task is to improve communication inside organisation, with business partners and clients, including Unified Communications, Comarch Contact Centre, Comarch Contact Centre as A Service, IP telephony, Comarch Interactive Suite.

Comarch Data Centre

Comarch has been providing Data Centre services since 2001. In the years 2001-2002, Comarch opened its own Data Centre in Warsaw and Krakow. Since then, the Comarch Data Centre offer is continuously expanded, with new services introduced, and new DCs constructed abroad (Germany, France, etc.), we also rent external DCs in other countries (USA). Comarch Data Centre includes Colocation (Server Housing), Hosting (PaaS), Comarch Cloud Computing (Virtual Platform), SaaS, DRC.

Comarch IT Security

IT security constitutes a separate category of solutions. Each company needs secure and reliable solutions, because guarantee for IT solutions is essential for proper business. Comarch offers IT systems solutions monitoring and protecting against hazards, both external and internal: Comarch Secure Internet, Comarch Station Protection, Comarch DLP, Comarch Security Management and Comarch Mobile Business.

SPORTS ACTIVITY

MKS Cracovia SSA carries out sport activity by participating in professional league and contests in several sport disciplines, with football and ice hockey being the key ones. The objective of investing in the company is promotion of Comarch brand. It is an element of marketing strategy of the Comarch Group, aimed at creating image of Comarch as the first-choice integrator for large and medium-sized enterprises in Poland.

Revenues from sport activity of MKS Cracovia SSA include revenues on account of advertising services and other services, as well as revenues from tickets for sport events organised by the company.

2.2. Position of the Group in the IT market and Information about Markets and Sources of Supply

Due to the type of IT systems offered by the company, medium-size and large companies (who are the largest clients of the advanced IT solutions all over the world) constitute the main group of clients. The majority of the company's products are addressed to specific groups of customers, while IT services are of universal nature and are offered to all groups of customers. Comarch's offer is dedicated to both Polish and foreign customers. Currently, the Group's strategy is based on the sales of an increasing number of products on the international markets, especially in Western Europe. Sales of the company are highly

diversified, with no dependency on one major client. In 2011, the share of none of the customers exceeded 10% of the Comarch Group's sales.

Due to the specific nature of the industry, in which Comarch manages its operations, international concerns, which are producers of computer systems and programmers' tools, Polish branches and representatives of such concerns, as well as Polish distributing companies and subcontractors for systems, have to be considered sources of supply. In 2011, no supplier provided products and merchandise at the value exceeding 10% of Comarch Group's proceeds on sale.

2.2.1 Geographical Sales Structure

	2011	%	2010	%	2009	%
Domestic (Poland)	423,299	53.9%	445,666	58.5%	410,523	56.3%
Export	362,354	46.1%	315,695	41.5%	318,880	43.7%
Revenue from sales	785,653	100.0%	761,361	100.0%	729,403	100.0%

Foreign sales at the Comarch Group in 2011 recorded growth of 46.7 million PLN and were up 14.8% year on year. Their share in overall sales was at 46.1% against 41.5% in 2010. The total recorded foreign sales revenue grew despite a decrease of 8.4 million EUR in the Comarch Software und Beratung Group's sales. Domestic sales decreased by 22.4 million PLN, i.e. 5% compared to 2010, mostly as a result of decreased sales of computer hardware and third party software.

Geographical sales structure (market structure):

	2011	2010
Poland	423,299	445,666
DACH	187,436	207,618
Europe – other countries	143,892	87,433
North and South America	26,623	15,091
Middle East	2,523	4,485
Remaining countries	1,880	1,068
Total	785,653	761,361

The DACH region is the most important market for Comarch Group excluding domestic market. Sales in that region in 2011 declined by 20.2 million PLN, i.e. 9.7% as a result of a decrease of 8.4 million EUR in sales of Comarch Software und Beratung Group with a simultaneous increase in sales of other Comarch Group's products and services.

Sales to other European countries grew significantly (an increase of 56.5 million PLN, i.e. 64.6%), mostly in consequence of performance of new projects in Scandinavian and Benelux countries. Sales to both of the Americas were 11.5 million PLN, i.e. 76.4% higher than in 2010 as a result of acquiring new customers in Canada and countries in the South America. The share of sales to remaining countries decreased by 1.2 million PLN, i.e. 20.7% compared to that in 2010 and is consistent with the Comarch Group's decision to concentrate sales on the mature European and American markets, which has been continued by the Comarch Group in 2011. Looking back over the year as a whole, the structure of geographical sales remained at a consistent level.

2.2.2 Revenues from Sales – Market Structure (in thousands of PLN)

	2011	%	2010	%	2009	%
Telecommunication, Media, IT	205,404	26.1%	165,311	21.7%	148,209	20.3%
Finance and Banking	136,189	17.3%	136,277	17.9%	117,135	16.1%
Trade and Services	81,438	10.4%	94,016	12.3%	60,222	8.3%
Industry & Utilities	63,377	8.1%	72,539	9.5%	106,337	14.6%
Public Sector	90,717	11.5%	66,641	8.8%	59,307	8.1%
Small and Medium Enterprises – Poland	72,251	9.2%	67,498	8.9%	55,785	7.6%
Small and Medium Enterprises - DACH	119,318	15.2%	147,328	19.4%	169,682	23.3%
Others	16,959	2.2%	11,751	1.5%	12,726	1.7%

Total	785,653	100.0%	761,361	100.0%	729,403	100.0%
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In 2011, there were noticeable changes in the market's sales structure. There was a significant increase in sales to the telecommunication, media and IT sector (an increase of 40.1 million PLN, i.e. 24.3%) and their share in total sales grew from 21.7% to 26.1%. Sales to public sector also increased (by 24 million PLN, i.e. 36.1%), and constituted 11.5% of total sales. There was also an increase in sales to customers in the SME-Poland (an increase of 4.8 million PLN, i.e. 7%) and their share in total sales was at the previous year's level of 9.2%. Sales to customers in the finance and banking sector maintained the similar level to those in 2010. There was a substantial decrease in sales to the trade and services sector (a decrease of 12.6 million PLN, i.e. 13.4%) and their share in total sales diminished from 12.3% to 10.4% in 2011. This is a consequence of one-time high-valued delivery of third party software in the fourth quarter of 2010. There was a decrease in sales to the industry and utilities sector (a decrease of 9.2 million PLN, i.e. 12.6%). Sales to customers in the SME-DACH sector diminished significantly (a decrease of 28 million PLN, i.e. 19%). This was an effect of an ongoing restructuring programme at Comarch Software und Beratung AG.

Looking back over the entire year, the structure of sales by the customer segment remained at a consistent level. What is noticeable is a continuous growth in share of sales to the telecommunication, media and IT sector in total sales and diminishing revenue achieved by the Comarch Software und Beratung AG. Furthermore, a slightly higher volume of sales to the public sector in the third and the fourth quarters is a consequence of completion of an increased number of IT projects executed in this period for customers in this sector.

2.2.3 Products Sales Structure

	2011	%	2010	%	2009	%
Services	559,000	71.2%	513,387	67.4%	500,573	68.6%
Proprietary software	110,178	14.0%	91,460	12.0%	74,657	10.3%
Third party software	53,986	6.9%	78,983	10.4%	93,614	12.8%
Hardware	41,678	5.3%	61,809	8.1%	46,149	6.3%
Others	20,811	2.6%	15,722	2.1%	14,410	2.0%
Total	785,653	100.0%	761,361	100.0%	729,403	100.0%

Sales of IT services are still the largest and continuously developing part of the Comarch Group's revenue year by year. In 2011, there was growth of 45.6 million PLN, i.e. 8.9% in these sales and they constituted 71.2% in overall sales. Sales of Comarch own software also grew (an increase of 18.7 million PLN, i.e. 20.5%). Sales of computer hardware and third party software decreased compared to the previous year's levels (a decrease of 25 million PLN, i.e. 31.6% and a decrease of 20.1 million PLN, i.e. 32.6% respectively). Looking back at 2011, the structure of sales by product type remained at a constant level.

2.3. The most Significant Contracts in 2011

The most important contracts signed in 2011 are:

2.3.1. Annex to Contract with Łęgrzem Sp. z o.o. for the Realisation of the Fourth Stage of Construction in the Investment of the Special Economic Zone in Krakow

As a result of the annexes (current report no. 17/2011 dated the 29th of July, 2011 and current report no. 20/2011 dated the 3rd of October, 2011) to the contract with Łęgrzem Sp. z o.o. for the realisation of the fourth stage of construction in the investment of the Special Economic Zone in Krakow, its completion date, its scope and its value were rescheduled. The completion date of this investment was rescheduled to the 31st of December, 2011, and due to extension of the contract's scope, contract's net value was increased to 23.35 million PLN.

2.3.2. Annex to Contract for Investment Credit

On the 12th of September, 2011 an annex was signed related to the credit agreement with Bank DnB NORD Polska SA for the financing of the fourth construction stage of production and office buildings in the Special Economic Zone in Krakow. The annex changed the credit's amount from 20 million PLN to 22

million PLN and it should be taken out by 29th of December, 2011 (previously: 30th of September, 2011). The real estate mortgages in the amounts of 22 million PLN (previously: 20 million PLN) and 11 million PLN (previously: 10 million PLN), cession of rights in the building insurance policy and cession of rights in the bank guarantee issued for the debtor are security for this credit. The company announced details in current report no. 19/2011 dated the 13th of September, 2011.

2.3.3. Revaluation of the Investment Credit from Fortis Bank Polska SA

In relation to current report no. 33/2006 dated the 9th of June, 2006 relating to the investment credit from Fortis Bank Polska SA (currently BNP Paribas Bank Polska S.A.) for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow, updated on the 11th of December, 2007 with current report no. 53/2007, Comarch S.A.'s Management Board announced in current report no. 21/2011 dated the 5th of October, 2011, that on the 5th of October, 2011, the company revaluated the remaining credit to be paid into EURO.

2.3.4. Agreement on Purchase of Shares in an Increased Capital of MKS Cracovia SSA

On the 15th of December, 2011, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of new shares and execution of rights from warrants. Comarch SA is obliged to purchase shares issued within the conditional increase in share capital of MKS Cracovia SSA in the following ways:

-38,631 ordinary registered series E shares as a result of the execution of rights resulting from purchase of 38,631 registered series A warrants; the purchase of series A warrants will take place till the 31st of March, 2012,

-11,400 ordinary registered series F shares as a result of the execution of rights resulting from purchase of 11,400 registered series B warrants; the purchase of series B warrants will take place till the 31st of March, 2013,

-22,800 ordinary registered series G shares as a result of the execution of rights resulting from purchase of 22,800 registered series C warrants; the purchase of series C warrants will take place till the 31st of December, 2013.

Comarch SA is obliged to purchase the afore-mentioned shares in cash contribution which will be in the form of a payment of 29,999,817 zlotys as follows:

-15,912,495 zlotys as a result of purchase of the afore-mentioned shares till the 31st of March, 2012,

-4,695,774 zlotys as a result of purchase of the afore-mentioned shares till the 31st of March, 2013,

-9,391,548 zlotys as a result of purchase of the afore-mentioned shares till the 31st of December, 2013.

As a result of the execution of the afore-mentioned agreement, the share of Comarch SA in MKS Cracovia SSA's share capital will increase from 49.15% to 66.11%.

The company announced details in current report no. 25/2011 dated the 16th of December, 2011.

AFTER THE BALANCE SHEET DATE

2.3.5. Acquisition of A-MEA

On 27th of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27th of January, 2012) that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 100,000 ordinary bearer's A-MEA Informatik AG ("A-MEA") shares of nominal value of 1 CHF (i.e. 3.5147 PLN). Total acquisition price will not exceed a sum of 2 million CHF (i.e. 7.03 million PLN) and value of A-MEA equity as of 31st of January, 2012. The transaction will be settled till the end of the first quarter of 2013. As a result of the aforementioned transaction, CASA holds 100,000, i.e. 100% A-MEA shares which entitle to 100,000, i.e. 100% of total number of votes at the company's general meeting. A-MEA is a company with a long standing experience in sales and implementation of ERP solutions, including Comarch ERP Enterprise.

2.3.6. Agreement on Purchase of MKS Cracovia SSA Shares

On the 24th of February, 2012, an agreement was signed between Comarch SA and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares (current report no. 3/2012 dated the 27th February, 2012 and its correction dated the 29th of February, 2012). MKS Cracovia SSA invited Comarch SA to purchase 38,631 series E shares of nominal value of 100 PLN. MKS Cracovia SSA invited Comarch SA to purchase the afore-mentioned shares for a total issue price of 15,912,495.21, i.e. for

issue price of 411.91 PLN for one series E share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of 15,912,495.21 PLN which was made by Comarch SA on the 27th of February, 2012. As a result of the registration of the increase in MKS Cracovia SSA's share capital, Comarch SA will hold 59.82% votes at the company's general meeting.

2.3.7. Purchase of Shares in ESAPROJEKT sp. z o.o.

On the 27th of April, 2012, the Management Board of Comarch S.A. announced that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 50 shares in ESAPROJEKT sp. z o.o. ("ESAPROJEKT") of nominal value of 2,460 PLN each. Total acquisition price amounted of 12,2 million PLN. As a result of the aforementioned transaction, CASA holds 50 shares, i.e. 100% of shares in ESAPROJEKT which entitle to 100% of total number of votes at the company's general meeting. ESAPROJEKT is a leading Polish producer and IT solution provider for medicine sector.

2.4. Major Domestic and Foreign Investment (Securities, Financial Instruments, Intangible Assets and Real Estate), including Capital Investment Made outside the Group of Related Parties, and a Description of their Financing, as well as an Appraisal of Ability for Executing Investment Plans, Including Capital Investment Compared to the Amount of Resources Owned

Comarch does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, Comarch will consistently aim at increase in international sales, especially in Western Europe. The sales will be executed directly to the final client (through Comarch S.A. or another company from the Comarch Group) or through partner companies.

Within the following years, the Comarch Group will continue investment projects which will enable further expansion of the company to new commercial areas and new markets. They will be financed with the means accorded by the companies at the Comarch Group, and bank credits.

2.4.1. Capital Investment

On the 28th of April, 2011, a company named Comarch Luxembourg S.à r.l. was registered in Luxemburg in Luxemburg.

On the 1st of June, 2011, a company named ComArch Canada, Corp. was registered in New Brunswick in Canada.

On the 8th of June, 2011, an agreement on purchase of Comarch AG shares was signed. It is related to purchase of 1,000,000 Comarch AG shares by Comarch SA from Vintage Investment Holdings S.A. with its registered seat in Luxemburg. A nominal value of 1 share amounts to 1 EUR and all purchased shares amount to 1,000,000.00 EUR of total nominal value. They constitute 40% of Comarch AG share capital. After this agreement conclusion, Comarch S.A. holds 2,500,000 Comarch AG's shares of total nominal value of 2,500,000 EUR. They constitute 100% of the company's share capital and give 2,500,000 or a 100% share of the total votes at Comarch AG's annual general meeting.

On the 22nd of June, 2011, an increase of 0.5 million PLN to 1 million PLN in share capital of iMed24 SA was registered by way of shares issue. The increase in share capital was performed as a consequence of recapitalisation by CCF FIZ internal means.

On the 26th of July, 2011, a decrease from 6.48 million EUR to 2.16 million EUR in share capital of Comarch Software und Beratung AG was registered in line with the resolution passed at the general meeting of the 8th of June, 2011. On the 9th of August, 2011, the Management Board of Comarch Software und Beratung AG, with the agreement of the Supervisory Board, approved an increase to a maximum of 6.48 million EUR in share capital, in line with the resolution passed at the general meeting of 8th of June, 2011, by way of a maximum 4.32 million shares issue. The shares will be offered to current shareholders for the price of 1.7 EUR per 1 share so as to 1 share entitles to 2 shares of new share issue. Subscription was performed between 18th and 31st of August, 2011. In consequence of the completion of the subscription for Comarch Software und Beratung AG shares, Comarch AG, and Comarch SA's subsidiary, acquired 3,988,288 Comarch SuB shares for the total price of 6,780,089.6 EUR (1.7 EUR per 1 share) and as of today holds 5,735,713 Comarch SuB shares and 92.32% in

Comarch SuB share capital. They entitle to 5,735,713 votes at the company's general meeting (92.32% of total votes) (current report no. 18/2011 dated the 8th of September, 2011). Comarch AG financed the purchase of Comarch SuB shares with its internal means and with the increased supplementary capital (paid by Comarch S.A.).

On the 1st of August, 2011, an increase in share capital of Bonus Development Sp. z o.o. II Koncept SK-A by way of 8,000 shares issue (acquired by CCF FIZ). As a result the company's share capital increased from 0.5 million PLN to 1 million PLN.

On the 16th of August, 2011, a resolution was passed that changed share capital and seat of Comarch SAS. The company's share capital was increased from 1.3 million EUR to 1.8 million EUR by way of cash contribution made by Comarch S.A. New registered office of the company is in Lezennes. The above-mentioned changes come into force on the date the resolution is passed.

On the 9th of January, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a company CA Finance Sp. z o.o.

On 27th of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27th of January, 2012) that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 100,000 ordinary bearer's A-MEA Informatik AG ("A-MEA") shares of nominal value of 1 CHF (i.e. 3.5147 PLN). Total acquisition price will not exceed a sum of 2 million CHF (i.e. 7.03 million PLN) and value of A-MEA equity as of 31st of January, 2012. The transaction will be settled till the end of the first quarter of 2013. As a result of the aforementioned transaction, CASA holds 100,000, i.e. 100% A-MEA shares which entitle to 100,000, i.e. 100% of total number of votes at the company's general meeting. A-MEA is a company with a long standing experience in sales and implementation of ERP solutions, including Comarch ERP Enterprise.

On the 9th of March, 2012, the Amtsgericht Dresden registered an increase of 6.5 million EUR in share capital of Comarch AG. New shares were purchased by Comarch S.A. In the first quarter of 2012, Comarch S.A. made payments in the total amount of 13 million EUR into supplementary capital of Comarch AG.

On the 16th of March, 2012, Comarch S.A. received a notice from the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register dated the 14th of March, 2012, on registration of an increase in share capital of MKS Cracovia SSA from 14,557,000.00 PLN to 18,420,100.00 PLN. As a consequence, Comarch S.A. holds 59.82% of shares in the share capital of MKS Cracovia SSA which entitle to 59.82% of votes at the annual general meeting of MKS Cracovia SSA.

On the 20th of March, 2012, a company Comarch UK Ltd. with its registered office in London was registered in the Companies House.

On the 10th of April, 2012, the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register registered an increase of 250,000 PLN in share capital of iMed24 S.A.

On the 10th of April, 2012, Comarch AG informed Comarch Software und Beratung AG on exceeding of 95% share in share capital of Comarch SuB AG and demanded calling the company's annual general meeting in order to resolve on Comarch AG's purchases of shares held by current shareholders (minorities) for a proper reward.

On the 27th of April, 2012, the Management Board of Comarch S.A. announced that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 50 shares in ESAPROJEKT sp. z o.o. ("ESAPROJEKT") of nominal value of 2,460 PLN each. Total acquisition price amounted of 12,2 million PLN. As a result of the aforementioned transaction, CASA holds 50 shares, i.e. 100% of shares in ESAPROJEKT which entitle to 100% of total number of votes at the company's general meeting. ESAPROJEKT is a leading Polish producer and IT solution provider for medicine sector.

2.4.2. Real Estates

In Dresden, Comarch AG is conducting a renovation of an existing building and adapting it for office purposes. Comarch AG is also constructing a building where the new Comarch Data Centre will be

located. Investment works were begun at the end of the first quarter of 2011. The estimated value of this investment amounts to approximately 10 million EUR. The investment completion is planned for the fourth quarter of 2012. This will be financed with the Comarch Group's internal means and using bank credits. The value of expenses incurred as at the 31st of December, 2011, amounted to 2.15 million EUR, i.e. 9.48 million PLN.

In June, 2010, Comarch SAS purchased a land in Lille of a total space of 5,000 square meters, an office building and a storage building. Their purchase price was 1.35 million EUR. The office building is the new office of the company. The storage building will be transformed into the Comarch Data Centre of an approximately total space of 1,700 square metres. The estimated value of this investment amounts to approximately 5.5 million EUR. The decision on beginning of construction is planned for 2012. This will be financed with the internal means and using bank credits.

On the 5th of July, 2010, Bonus Development Sp. z o.o. SK-A signed an agreement for the build-up of an existing building at ul. Jaracza 74 in Łódź by an office-building at approximately 1,360 square meters of total space and for the delivery of necessary materials and tools. The estimated value of the investment amounts to approximately 5 million PLN, and it was completed in the third quarter of 2011. The granting the usufruct is planned for is the second quarter of 2012. This was financed with internal means.

In the first half of 2011, iMed24 SA, a subsidiary of Comarch SA, begun a project for Medical Centre iMed24. The parent company conducted the investment in the SEZ in Krakow and completed it in the fourth quarter of 2011. The building is currently dedicated to offices and activity related to medicine (Centrum Medyczne iMed24 (medical centre)). Formal opening of the medical centre was performed in February, 2012. In parallel with activities of the Medical Centre, Comarch Group will develop software for medical services sector. iMed24 financed the purchases of the medical equipment with a bank credit, which is secured with a register pledge on equipment and a surety of Comarch S.A. (details in point 5.6.6 of the statement). Book value of the new building amounts to 27.9 million PLN. The investment was financed with bank credit described in point 3.7.3 e) of the statement.

2.5. Activities in Special Economic Zone

On the 22nd of March, 1999, Comarch S.A. obtained a permit for conducting activity in the Special Economic Zone in Krakow ("SEZ"). According to the regulation of the Council of Ministers of the 14th of October, 1997 on establishment of a Special Economic Zone in Krakow (Journal of Laws No. 135, item 912 and changes to this act), the entities, which invested in the Krakow special economic zone at least 2 million EUR, were granted the following tax allowances:

- a) During the first 6 years of commercial operations in the zone, the income from such activity is free from income tax
- b) After this period of time, but not later than until the date specified in the permit, half of the income obtained is free from income tax.

The allowance was applicable for the income tax from legal entities from the income obtained from the activity specified in the permit.

As a result of Poland joining the European Union, an act was passed on 2nd of October, 2003 that changed the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840) that changed the conditions for tax exemptions for entities operating in special economic zones. Pursuant to the article 6, section 1 of this act, these entities may apply for changes to the terms and conditions of their permits in order to adjust them to the principles for granting public aid in force in the European Union. Pursuant to the article 5, section 2 point 1 lit. b), point 2, point 3 of the act, the maximum amount of public aid for entities, which operate in a special economic zone on the basis of a permit issued before 1st of January, 2000, cannot exceed 75% of the value of investments incurred in the period from the date of obtaining the permit until 31st of December, 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since 1st of January, 2001 is taken into consideration. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on the value of investments made. In the case of Comarch S.A., the maximum value of public aid will not exceed 75% of the value of investment expenditures, which the company has incurred/shall incur since obtaining the permit, i.e. 22 March 1999, until 31st of December, 2006.

The costs of investments and the amount of aid are subject to discounting pursuant to Par. 9 of the Regulation of the Ministry from 14th of September, 2004 on the Krakow Special Economic Zone (Journal

of Laws 220 Item 2232) with wording changed pursuant to Par. 1 of the Regulation of the Ministry from 8th of February, 2005 that changed the Ordinance on the Krakow Special Economic Zone (Journal of Laws No. 32 Item 270) and with Par. 2 of the latter Ordinance taken into consideration.

Comarch S.A. approached the Minister of the Economy in order to change the terms and conditions of its permit. On 1st of July, 2004, it received a decision from the Minister of the Economy dated 24th of June, 2004 on the topic of changes to the terms and conditions of the permit (those mentioned above and those compliant with the act). At the same time, the period of time for which the permit for Comarch S.A. was issued was extended to the 31st of December, 2017 in the changed permit. This means extension of the period of time in which Comarch S.A. will be able to use the public aid limit, which it is entitled to use for the investments incurred in the special economic zone.

Pursuant to IAS 12, unused tax relief as at 31st of December, 2011, constitutes a deferred income tax asset. The limit of the unused investment relief as at 31st of December, 2011, discounted as at the permit date, is 12.55 million PLN. Deferred income tax assets are defined in the amount that it is anticipated will have to be deducted from income tax in the future in reference to negative temporary differences and due to income tax relief in connection with activities in Special Economic Zone, which shall result in the future in reducing the amount of the basis of taxation and the deductible tax loss defined using the precautionary principle. In relation to the above-mentioned principle, assets are recognised only for one year with the assumption that the basis for their recognition is average income acquired from activities in the special economic zone over three years (including the year for which the financial statement is prepared).

3. FINANCIAL SITUATION OF THE CAPITAL GROUP IN 2011

3.1 Financial Analysis

Balance Sheet

ASSETS	31 December 2011	%	31 December 2010	%	2011/2010	%
Non-current assets						
Property, plant and equipment	327,971	32.1%	275,663	28.5%	52,308	19.0%
Goodwill	37,155	3.6%	37,155	3.8%	-	0.0%
Other intangible assets	80,410	7.9%	79,106	8.2%	1,304	1.6%
Non-current prepayments	61	0.0%	187	0.0%	-126	-67.4%
Investment in associates	28	0.0%	172	0.0%	-144	-83.7%
Other investment	1,106	0.1%	1,106	0.1%	-	0.0%
Deferred income tax assets	27,775	2.7%	23,725	2.5%	4,050	17.1%
Other receivables	1,732	0.2%	1,237	0.1%	495	40.0%
	476,238	46.6%	418,351	43.2%	57,887	13.8%
Current assets						
Inventories	44,192	4.3%	49,621	5.1%	-5,429	-10.9%
Trade and other receivables	294,736	28.8%	287,687	29.7%	7,049	2.5%
Current income tax receivables	141	0.0%	217	0.0%	-76	-35.0%
Long-term contracts receivables	12,284	1.2%	9,112	0.9%	3,172	34.8%
Available-for-sale financial assets	1,521	0.2%	2,491	0.3%	-970	-38.9%
Other financial assets at fair value – derivative financial instruments	0	0.0%	383	0.0%	-383	-100.0%
Stock or shares	25	0.0%	0	0.0%	25	100.0%
Cash and cash equivalents	193,337	18.9%	200,243	20.7%	-6,906	-3.4%
	546,236	53.4%	549,754	56.8%	-3,518	-0.6%
Total assets	1,022,474	100.0%	968,105	100.0%	54,369	5.6%

As of the end of 2011, the value of the company's assets grew by 5.6% as compared to 2010 from 968.1 million PLN to 1,022.5 million PLN. This is mostly the result of an increase of 13.8% in the Comarch Group's non-current assets. The growth of 57.9 million PLN in non-current assets is mostly the result of investment in real estates made by Comarch Group (infrastructure development in Krakow, Łódź and Dresden). The share of other items of non-current assets in the total structure of assets has remained at a similar level to those in 2010.

Current assets have maintained the previous year's level. Trade receivables grew slightly (an increase of 7 million PLN, i.e. 2.5%), however inventories decreased by 5.4 million PLN, i.e. 10.9%. These changes are related to an increased level of sales in the fourth quarter of 2011. The share of other items of current assets in the total structure of assets has remained at a similar level to those in 2010.

EQUITY	31 December 2011		31 December 2010		2011/2010	
		%		%		%
Capital and reserves attributable to the company's equity holders						
Share capital	8,051	0.8%	8,051	0.8%	-	0.0%
Other capitals	142,007	13.9%	140,441	14.5%	1,566	1.1%
Exchange differences	6,595	0.6%	10,058	1.0%	-3,463	-34.4%
Net profit for the current period	36,257	3.5%	43,717	4.5%	-7,460	-17.1%
Retained earnings	407,444	39.9%	372,680	38.5%	34,764	9.3%
	600,354	58.7%	574,947	59.4%	25,407	4.4%
Minority interest	9,497	0.9%	9,242	1.0%	255	2.8%
Total	609,851	59.6%	584,189	60.3%	25,662	4.4%
LIABILITIES						
Non-current liabilities						
Credit and loans	88,895	8.7%	84,804	8.8%	4,091	4.8%
Deferred income tax liabilities	48,172	4.7%	50,276	5.2%	-2,104	-4.2%
Provisions for other liabilities and charges	2	0.0%	572	0.1%	-570	-99.7%
	137,069	13.4%	135,652	14.0%	1,417	1.0%
Current liabilities						
Trade and other liabilities	146,332	14.3%	149,812	15.5%	-3,480	-2.3%
Current income tax liabilities	5,350	0.5%	3,386	0.3%	1,964	58.0%
Long-term contracts liabilities	8,363	0.8%	7,452	0.8%	911	12.2%
Credit and loans	27,435	2.7%	13,089	1.4%	14,346	109.6%
Financial liabilities	686	0.1%	0	0.0%	686	
Provisions for other liabilities and charges	87,388	8.6%	74,525	7.7%	12,863	17.3%
	275,554	27.0%	248,264	25.6%	27,290	11.0%
Total liabilities and charges	412,623	40.4%	383,916	39.7%	28,707	7.5%
Total equity and liabilities	1,022,474	100.0%	968,105	100.0%	54,369	5.6%

Over the course of 2011, the share structure of equity and liabilities has not changed significantly. Equity grew over the year 2011 by 25.7 million PLN, i.e. 4.4%, which was mostly the result of high net profit generated in 2011. The share of equity in total equity and liabilities has remained at a comparable level to that in 2010 (59.6% in 2011 compared to 60.3% in 2010). Liabilities and provisions for liabilities constituted 40.4% in total equity and liabilities compared to 39.7% in the previous year. Like in 2010, there was an increase of 27.3 million PLN in current liabilities resulting mostly from increases in provisions (an increase of 12.9 million PLN) and in values of bank credits with maturity dates less than 12 months (an increase of 14.3 million PLN). Other items of total liabilities and charges maintained the previous year's level, and their share in total liabilities and charges did not change significantly.

Debt analysis	31 December 2011	31 December 2010	31 December 2009	31 December 2008	31 December 2007
	Debt ratio	11.38%	10.11%	10.69%	13.24%
Debt/equity ratio	19.38%	17.03%	17.82%	24.42%	28.85%

In 2011, debt ratios increased slightly compared to the previous year's level. Debt/equity ratio slightly grew from 17.03% to 19.38% and debt ratio increased from 10.11% to 11.38%. This is related to bank credits taken out by Comarch Group to finance investments. The Group is financed with internal means in 59.6% and with external means in 40.4%.

	2011	%	2010	%	2011/2010	%
Revenue	785,653	100.0%	761,361	100.0%	24,292	3.2%
Cost of sales	-593,576	-75.6%	-585,197	-76.9%	-8,379	1.4%
Gross profit	192,077	24.4%	176,164	23.1%	15,913	9.0%
Other operating income	22,970	2.9%	4,657	0.6%	18,313	393.2%
Sales and marketing costs	-82,683	-10.5%	-84,277	-11.1%	1,594	-1.9%
Administrative expenses	-74,681	-9.5%	-52,974	-7.0%	-21,707	41.0%
Loss in the company's value	-	0.0%	-5,542	-0.7%	5,542	-100.0%
Other operating expenses	-18,900	-2.4%	-13,209	-1.7%	-5,691	43.1%
Operating profit	38,783	4.9%	24,819	3.3%	13,964	56.3%
Finance costs - net	1,019	0.1%	200	0.0%	819	409.5%
Share of profit/(loss) of associates	-38	0.0%	-40	0.0%	2	-5.0%
Profit before income tax	39,764	5.1%	24,979	3.3%	14,785	59.2%
Income tax expense	-6,697	-0.9%	1022	0.1%	-7,719	-755.3%
Net profit for the period	33,067	4.2%	23,957	3.1%	-9,110	38.0%
Including:						
Net profit attributable to equity holders of the company	36,257	4.6%	43,717	5.7%	-7,460	-17.1%
Minority interest	-3,190	-0.4%	-19,760	-2.6%	16,570	-83.9%

In 2011, the Comarch Group sales revenue climbed by 3.2%, i.e. 24.3 million PLN year on year. Operating profit increased by 56.3% to 38.8 million PLN and net profit attributable to the company's shareholders decreased by 17.1% to 36.3 million PLN.

Profitability analysis	31	31	31	31	31
	December 2011	December 2010	December 2009	December 2008	December 2007
Margin on sales	24.45%	23.14%	19.01%	21.39%	22.43%
EBIT margin	4.94%	3.26%	1.97%	6.55%	7.57%
Gross margin	5.06%	3.28%	2.53%	34.88%	7.83%
Net margin	4.61%	5.74%	4.43%	28.41%	7.36%

Profitability analysis performed in 2011 shows a continuous improvement of margin on sales (from 23.14% in 2010 to 24.45% in 2011). The EBIT margin also grew (from 3.26% to 4.94%) and the net margin decreased from 5.74% to 4.61%.

Financial liquidity and turnover ratios

Liquidity analysis	31	31	31	31	31
	December 2011	December 2010	December 2009	December 2008	December 2007
Current ratio	1.98	2.21	2.37	2.28	1.79
Quick ratio	1.78	1.98	2.16	2.09	1.49
Cash to current liabilities ratio	0.70	0.81	1.01	0.99	0.39

In 2011, the Comarch Group maintained very good financial liquidity. In the Management Board's opinion, the Comarch Group has no problems with meeting the contracted financial liabilities on-time. Temporarily free funds are invested by the dominant unit in safe financial instruments like bank deposits and participation units in money investment funds.

Turnover analysis	31 December 2011	31 December 2010	31 December 2009	31 December 2008	31 December 2007
Current asset turnover ratio	1.44	1.38	1.52	1.39	1.90
Receivable turnover ratio (days)	135	136	110	126	117
Inventories turnover ratio (days)	140	121	75	39	58
Liabilities turnover ratio (days)	189	184	166	205	167
Liabilities turnover excluding liabilities due to investment credit ratio (days)	139	140	122	142	117

Turnover ratios indicate the Comarch Group's funds have been used effectively. In 2011, the receivables turnover ratios decreased by 1 day, the inventories turnover ratio grew by 19 days, but at the same time liabilities ratio increased by 5 days compared to the previous year.

3.2 Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the Given Year Published Before

The Group has not published the results forecast for 2011.

3.3 Factors and Events of Unusual Nature that Affect the Issuer Activities and the Achieved Results, as well as Their Appraisal

3.3.1. Deferred Income Tax

Over 2011, the dominant unit dissolved an asset due to activities in the SEZ that was worth 9.635 million PLN (a decrease in result) and established as at 31st of December, 2010. At the same time, as at 31st of December, 2011, the dominant unit created a deferred income tax asset due to activities in the SEZ that was worth 9.904 million PLN. During 2011, the Group settled in part a deferred tax asset related to temporary differences, that was presented on 31st of December, 2010 and worth 3.688 million PLN, as well as an asset due to temporary differences was recognised in the amount of 6.703 million PLN. An asset due to tax loss was recognised and dissolved in the amount of 0.766 million PLN. The total effect of the above-mentioned operations on the net result of 2011 was +4.05 million PLN.

3.3.2. Valuation of Currency Translation Differences

Weakening of PLN versus EUR and USD in the third and the fourth quarters of 2011 had a significant effect on revenue and results of the Comarch Group in 2011. Realised exchange differences and balance sheet valuation of receivables as of the 31st of December, 2011, increased by 14.55 million PLN revenue and financial results of the Comarch Group achieved within 12 months ended 31st of December, 2011, including 10.67 million PLN of unrealised exchange differences. An analysis of the sensitivity of the Group's financial results to interest rate risk was presented in note 2.3 c) of the consolidated financial statement.

3.3.3. Sales of MKS Cracovia SSA Players' Cards

Sales of MKS Cracovia SSA players' cards resulted in an increase of 9.22 million PLN in other operating revenue and of 6.903 million PLN in operating result in Comarch Group in 2011.

3.4 Changes in Methods of Company Management and Its Capital Group Management

None present.

3.5 Description of the Main Capital Deposits or the Main Capital Investments Made within the Comarch Group in the Given Year

On the 28th of April, 2011, a company named Comarch Luxembourg S.à r.l. was registered in Luxembourg in Luxembourg.

On the 1st of June, 2011, a company named ComArch Canada, Corp. was registered in New Brunswick in Canada.

On the 8th of June, 2011, an agreement on purchase of Comarch AG shares was signed. It is related to purchase of 1,000,000 Comarch AG shares by Comarch SA from Vintage Investment Holdings S.A. with its registered seat in Luxembourg. A nominal value of 1 share amounts to 1 EUR and all purchased shares amount to 1,000,000.00 EUR of total nominal value. They constitute 40% of Comarch AG share capital. After this agreement conclusion, Comarch S.A. holds 2,500,000 Comarch AG's shares of total nominal value of 2,500,000 EUR. They constitute 100% of the company's share capital and give 2,500,000 or a 100% share of the total votes at Comarch AG's annual general meeting.

On the 22nd of June, 2011, an increase of 0.5 million PLN to 1 million PLN in share capital of iMed24 SA was registered by way of shares issue.

On the 26th of July, 2011, a decrease from 6.48 million EUR to 2.16 million EUR in share capital of Comarch Software und Beratung AG was registered in line with the resolution passed at the general meeting of the 8th of June, 2011. On the 9th of August, 2011, the Management Board of Comarch Software und Beratung AG, with the agreement of the Supervisory Board, approved an increase to a maximum of 6.48 million EUR in share capital, in line with the resolution passed at the general meeting of 8th of June, 2011, by way of a maximum 4.32 million shares issue. The shares will be offered to current shareholders for the price of 1.7 EUR per 1 share so as to 1 share entitles to 2 shares of new share issue. Subscription was performed between 18th and 31st of August, 2011.

In consequence of the completion of the subscription for Comarch Software und Beratung AG shares, Comarch AG, and Comarch SA's subsidiary, acquired 3,988,288 Comarch SuB shares for the total price of 6,780,089.6 EUR (1.7 EUR per 1 share) and as of today holds 5,735,713 Comarch SuB shares and 92.32% in Comarch SuB share capital. They entitle to 5,735,713 votes at the company's general meeting (92.32% of total votes) (current report no. 18/2011 dated the 8th of September, 2011).

On the 1st of August, 2011, an increase in share capital of Bonus Development Sp. z o.o. II Koncept SK-A by way of 8,000 shares issue (acquired by CCF FIZ). As a result the company's share capital increased from 0.5 million PLN to 1 million PLN.

On the 16th of August, 2011, a resolution was passed that changed share capital and seat of Comarch SAS. The company's share capital was increased from 1.3 million EUR to 1.8 million EUR by way of cash contribution made by Comarch S.A. New registered office of the company is in Lezennes. The above-mentioned changes come into force on the date the resolution is passed.

3.6 Transactions Concluded by the Issuer or its Subsidiary with Related Parties on Terms Different from Market Conditions

None present.

3.7 Financial Liabilities and Significant Off- Balance Sheet Items

3.7.1 Bank Guarantees

On 31st of December, 2011, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was 35.12 million PLN, whereas it was 39.26 million on 31st of December, 2010, including a bank guarantee in the amount of 1.7 million euro, i.e. 6.73 million PLN, for Bank HVB's benefit, as a suretyship for credit used by Comarch Software und Beratung AG.

On 31st of December, 2011, the value of bank guarantees issued by banks on order from CA Consulting S.A. in reference to executed agreements and participation in tender proceedings was 1.35 million PLN, whereas it was 0.11 million PLN on 31st of December, 2010.

On 31st of December, 2011, the value of bank guarantees issued by banks on order from Comarch Software und Beratung Group in reference to executed agreements and participation in tender proceedings was 0.31 million EUR, i.e. 1.35 million PLN, whereas it was 0.4 million EUR, i.e. 1.6 million PLN on 31st of December, 2010.

3.7.2 Suretyships and Liabilities due to Leases

As at 31st of December, 2011, there were no Comarch S.A.'s suretyships for the debts from lease agreements.

a) Due to conclusion in August, 2010, of a contract with E-Plus, issuer has granted a guarantee for the benefit of E-Plus Mobilfunk GmbH&Co. KG. This guarantee has been provided for the duration of the contract with E-Plus and guarantees the satisfactory fulfilment of any obligations resulting from the contract by Comarch AG, a subsidiary of Comarch S.A. The value of the guarantee equals the value of the contract with E-Plus, and in the first period of the term of the agreement amounts to 42,025,286 EUR i.e. 166,953,854 PLN. The financial conditions, that the guarantee was provided on, do not differ from the market conditions.

b) Due to DnB Nord Polska SA granting a credit line for bank guarantees to CA Consulting SA, a Comarch S.A. subsidiary, on the 13th of May, 2010, the issuer granted a surety for the benefit of DnB Nord Polska SA in order to guarantee the fulfilment of any obligations resulting from the credit agreement by CA Consulting SA. The value of the surety equals 2,000,000 PLN and is valid until the 28th of March, 2014. On the 2nd of February, 2012, and in relation to an extension of credit line validity, this surety was extended until the 28th of February, 2017.

c) Due to an order for products delivered from Veracomp S.A. and placed by SouthForge Sp. z o. o., a Comarch S.A.' subsidiary, on the 24th of February, 2011, the issuer granted a surety for the benefit of Veracomp S.A. in order to guarantee the fulfilment of any obligations resulting from the credit agreement by SouthForge Sp. z o. o. The value of the surety equalled 191,580.01 PLN and was valid until the 30th of April, 2011.

d) Due to the purchase of specialised medical equipment made by iMed24 S.A., a Comarch S.A. subsidiary, on the 31st of March, 2011, the parent company granted a surety for the above mentioned obligations of iMed24 S.A. The value of the surety equals 14.1 million PLN and is valid until iMed24 S.A. has paid the total due remuneration. After the balance sheet date, i.e. on the 7th of November, 2011, iMed24 made a payment of the above-mentioned remuneration, therefore the surety expired.

e) Due to conclusion of lease agreements by Comarch Software und Beratung AG, a Comarch S.A. subsidiary, the parent company granted a surety for the obligations resulting from these contracts for the benefit of IBM Deutschland Kreditbank GmbH and IBM Deutschland GmbH. The value of the surety equals 0.3 million EUR and is valid until the 31st of August, 2012.

f) Due to conclusion of a contract for implementation, hosting and maintenance of loyalty system, signed between Enterprise Holdings Inc. and Comarch Inc., a subsidiary of Comarch S.A., on the 28th of April, 2011, Comarch SA granted a surety for the benefit of Enterprise Holdings Inc. in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch Inc. The value of the surety equals a maximum of 3 million USD and is valid until the November, 2016.

g) Due to conclusion of contracts for fuel cards service signed between BP Europa SE and iMed24 SA, iFin24 SA, iReward24 SA and CA Consulting SA, subsidiaries of Comarch S.A., on the 30th of May, 2011, Comarch SA granted a surety for the benefit of BP Europa SE in order to guarantee the fulfilment of any obligations resulting from the contracts by iMed24 SA, iFin24 SA, iReward24 SA and CA Consulting SA. The value of the surety equals 0.18 million PLN and is valid until the 31st of May, 2012.

h) Due to conclusion of a contract for sales of licences and implementation of Comarch Network & Service Inventory, Comarch Next Generation Service Assurance and Comarch OSS Mediations, as well as sales of licences for Comarch SLA Management, signed between Comarch AG, a subsidiary of Comarch S.A., and Belgacom International Carrier Services (Belgium), on the 11th of August, 2011,

Comarch SA granted a surety for the benefit of Belgacom International Carrier Services (Belgium) in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals contracts value and is valid until the 31st of March, 2014.

i) Due to Bank Pekao SA granting a loan in the amount of 15,888,666.42 PLN to iMed24 SA, a Comarch S.A. subsidiary, on the 1st of September, 2011, Comarch SA granted a surety in order to guarantee the fulfilment of any obligations resulting from the contract. The value of the surety equals 23,832,999.63 PLN and is valid until the 31st of December, 2021.

j) Due to conclusion of a lease agreement by Comarch Software und Beratung AG, a subsidiary of Comarch S.A., on the 1st of January, 2012, the parent company granted a surety for the benefit of IBM Deutschland GmbH in order to guarantee the fulfilment of any obligations resulting from the contract. The value of the surety equals 0.15 million EUR and is valid until the 31st of March, 2015.

3.7.3 Credits

As at the 31st of December, 2011, Comarch S.A. had liabilities due to credits in the amount of 116.33 million PLN.

- a) An investment credit from BNP Paribas Bank Polska SA (previously Fortis Bank Polska S.A.) with its registered office in Warsaw in amount of 20 million PLN for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last a maximum of 10 years, i.e. until 2015. This credit has a variable interest rate (EURIBOR1M+0,95%). On 5th of January, 2009, the company revaluated the remaining credit to be paid into EUR. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2011, the value of the credit to be repaid amounted to 1.75 million EUR, i.e. 7.73 million PLN.
- b) An investment credit from Kredyt Bank S.A. with its registered office in Warsaw, for the financing of the second construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 80% of the investment value up to a maximum of 26.82 million PLN. The crediting period may last a maximum of 16 years, i.e. until 2022. This credit has a variable interest rate (WIBOR1M+0,85%). A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2011, the value of the credit to be repaid amounted to 19.35 million PLN.
- c) An investment credit from BNP Paribas Bank Polska SA (previously Fortis Bank Polska S.A.) with its registered office in Warsaw, for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 85% of the investment value up to a maximum of 44 million PLN. The crediting period may last a maximum of 16 years, i.e. until 2024. This credit has a variable interest rate (EURIBOR1M+0,95%). It was taken out by 30th of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. On the 5th of October, 2011, the company revaluated the remaining credit to be paid into euro (current report no. 21/2011). After this operation, the value of the credit to be repaid amounted to 8.06 million EUR. As at 31st of December, 2011, the value of the credit to be repaid amounted to 7.9 million EUR, i.e. 34.52 million PLN.
- d) An investment credit from Bank Pekao S.A. with its registered office in Warsaw, for the financing of purchase of land in the Special Economic Zone in Krakow. The credit amounts to 15.1 million PLN. The crediting period may last a maximum of 5 years, i.e. until 2012. This credit has a variable interest rate (WIBOR1M+0,85%). A promissory note, the mortgage on the land is security for this credit. As at 31st of December, 2011, the value of the credit to be repaid amounted to 15.1 million PLN.
- e) An investment credit from Bank DnB NORD Polska S.A. with its registered office in Warsaw, for the financing of the fourth construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to a maximum of 80% of the investment value of up to 22 million PLN. The crediting period may last 11 years, i.e. until 2021. This credit has a variable interest rate (EURIBOR1M+2,65%). As at 31st of December, 2011, the credit was used in total. The real estate mortgage (22 million PLN and 11 million PLN), cession of rights in the building insurance policy and cession of rights in the bank guarantee issued for the debtor are security for this credit. On the 30th of December, 2011, the company revaluated the remaining credit to be paid into euro. After this operation, the value of the credit to be repaid amounted to 5.03 million EUR. As at 31st of December, 2011, the value of the credit to be repaid amounted to 5.03 million EUR.

Comarch Software und Beratung AG has received a credit in IBM Kreditbank for financing of current activity in the amount of 0.3 million EURO. As at 31st of December, 2011, the credit used was 0.237 million EURO, i.e. 1.047 million PLN.

In the third quarter of 2011, iMed24 SA acquired investment loan from Bank Pekao S.A. with its registered office in Warsaw for financing of purchase of medical equipment and facilities in relation with NZOZ Centrum Medyczne iMed24 (medical centre) in Krakow. The credit amounts to 15.89 million PLN, up to a maximum of 90% of the investment net value. The crediting period may last 7 years, i.e. until 2018. This credit has a variable interest rate. It was taken out by 31st of December, 2011. The registered pledge on the financed property, plant and equipment in use, cession of rights in the property, plant and equipment in use insurance policy and surety granted by Comarch SA are security for this credit. As at the 31st of December, 2011, the value of the credit to be repaid amounted to 15.89 million PLN.

Over 2011, all companies in the Group adhered to the credit agreements' conditions. The parent unit's Management Board finds no risk of their violation.

3.8 Loans

3.8.1 Loans

As at 31st of December, 2011, there were no unpaid home loans granted to employees of Comarch S.A. As at 31st of December, 2011, the following companies of the Capital Group were indebted towards Comarch S.A. for loans granted:

Company	Due date	Value	Currency	Interest	Value in PLN
Comarch AG	31.12.2016	6,000,000.00	EUR	3.76%	26,500,800.00
	31.12.2016	2,000,000.00	EUR	3.80%	8,833,600.00
	31.12.2013	600,000.00	EUR	3.74%	2,650,080.00
	31.12.2013	200,000.00	EUR	3.74%	883,360.00
OOO Comarch	31.01.2013	150,000.00	USD	2.46%	512,610.00
Comarch SAS	19.03.2013	200,000.00	EUR	3.80%	883,360.00
	31.12.2013	100,000.00	EUR	3.80%	441,680.00
	31.12.2013	150,000.00	EUR	3.77%	662,520.00
MKS Cracovia SSA	30.06.2013	1,000,000.00	PLN	6.20%	1,000,000.00
	30.06.2013	1,400,000.00	PLN	6.50%	1,400,000.00
	30.06.2013	1,000,000.00	PLN	6.50%	1,000,000.00
	30.06.2013	1,300,000.00	PLN	7.59%	1,300,000.00
	30.06.2013	500,000.00	PLN	7.59%	500,000.00
	30.06.2013	500,000.00	PLN	6.46%	500,000.00
	30.06.2013	600,000.00	PLN	6.17%	600,000.00
	30.06.2013	400,000.00	PLN	6.18%	400,000.00
	30.06.2013	1,300,000.00	PLN	6.15%	1,300,000.00
	30.06.2013	450,000.00	PLN	6.27%	450,000.00
	30.06.2013	300,000.00	PLN	5.86%	300,000.00
	30.06.2013	3,450,000.00	PLN	5.81%	3,450,000.00
	30.06.2013	500,000.00	PLN	6.07%	500,000.00
	30.06.2013	500,000.00	PLN	6.29%	500,000.00
	30.06.2013	200,000.00	PLN	6.30%	200,000.00
	30.06.2013	750,000.00	PLN	6.95%	750,000.00
	30.06.2013	300,000.00	PLN	6.98%	300,000.00
	30.06.2013	100,000.00	EUR	3.40%	441,680.00

iReward24 S.A.	30.06.2012	50,000.00	PLN	6.85%	50,000.00
	30.06.2012	35,000.00	PLN	6.93%	35,000.00
	30.06.2012	28,000.00	PLN	6.96%	28,000.00
	30.06.2012	100,000.00	PLN	6.97%	100,000.00
Total					56,472,690.00

The value of the revaluation write-off of the above-mentioned loans amounts to 0.51 million PLN and is related to OOO Comarch.

3.8.2 Loans Granted to Members of the Management Board and Members of the Supervisory Board

As at 31st of December, 2011, there are no unpaid loans as well as there are no guarantees nor suretyships granted by Comarch S.A. to members of the company's Management Board and members of the company's Supervisory Board and their relatives.

2.3 Significant Legal, Arbitration or Administrative Proceedings

2.3.1 Proceedings Related to Liabilities or Receivables of the Issuer or a Subsidiary, which Value Constitutes at least 10% of Equities

None present.

2.3.2 Two or more Proceedings related to Liabilities or Receivables of Issuer's or a Subsidiary, which Total Value Constitutes at least 10% of Equities and the Issuer's Opinion on the Matter

None present.

4. PERSPECTIVES FOR DEVELOPMENT

4.1 Factors Essential for Development of the Group

4.1.1. Internal Factors

- a) Increase in export sales and significance of foreign sales,
- b) Position and reputation of the company affecting the nature of clients acquired;
- c) Commercial operations of Comarch S.A. in the special economic zone in Krakow;
- d) Significant share of standard (repetitive) products offered for sale, which means:
 - lower costs, especially variable costs related to a single contract,
 - the possibility of significant increase in profitability of a single contract with simultaneous reduction in charges for clients (license fees),
 - broader and more diversified circle of clients, which means a broader scale of activities;
- e) Attractive training policy and attractive work conditions offered for employees of the company;
- f) Increasing awareness of the Comarch brand among prospective clients by promotion managed through MKS Cracovia SSA, TSV 1860 Munich and AS Nancy;
- g) Necessity of continuous investment in human resources to maintain the company's competitive edge in future years;
- h) High levels of investment expenditure designated for research and development activity, and development of new products and IT services;
- i) High level of investment expenditure designated for the development of production sources in Poland (material investment) and for expansion on foreign markets (capital investment).

4.1.2. External Factors

- a) Enhanced requirements from clients for IT systems. There is an increase in demand for large, complex IT systems dedicated for specific users. This gives advantage to large IT companies such as Comarch S.A., which offer a number of different technologies and products and which are able to provide technologically advanced solutions;
- b) Development of Internet banking and more frequent usage of the Internet as a new distribution channel for financial products;
- c) Change in business models in many branches as well as change in business strategies of many companies related to technological progress and economic growth, which shape the demand for new IT systems, broadening software sales in the *cloud computing* model means an increase in capital and resources requirements for IT companies;
- d) An access of Polish companies to resources from structural funds related to Polish membership in European Union that will be dedicated in part to develop IT systems and finance research and development works;
- e) Growing competition, causing decrease in achieved margins; competition between IT companies;
- f) Pressure on increase in remuneration in IT sector;
- g) The international economic situation, taking into particular consideration the situation on financial markets that effects levels of demand for products and IT services;
- h) Exchange rate levels fluctuations, especially EUR/PLN and USD/PLN, and which affect the profitability of export sales.

4.2 Other Significant Factors, including Risks and Threats

4.2.1. Credit Risk

The parent company establishes the financial credibility of potential clients before signing contracts for the supply of IT systems and adjusts the conditions of each contract to the potential risk depending on its assessment of the financial standing of the client. Concentration of credit risk is limited due to diversification of the Group's sales to a significant number of customers in different branch of economy, in different world's regions.

4.2.2. Risk of Change in Interest Rates

The company is exposed to the risk of changes in interest rates related to cash and cash equivalents, as well as long-term investment credits to finance the construction of new production buildings in the Special Economic Zone in Krakow. These are credits at variable interest rates based on the WIBOR and EURIBOR index. The group has not been hedging this interest rate risk; however it monitors market situation in this scope. The influence of interest rate changes on the amount of interest on credit paid is partly compensated for by a change in the amount of interest received on cash and cash equivalents.

4.2.3. Risk of Fluctuation in the Exchange Rates

The company is exposed to foreign exchange risk in relation to export sales and sales denominated in foreign currencies, especially in relation to foreign exchange of EURO/PLN and USD/PLN. At the same time, part of the dominant unit's costs are also expressed in, or related to, exchange rates for foreign currencies. In individual cases, the company hedges future payments with forward contracts, as well as tries to use natural hedging through adjusting structures of assets, liabilities and equity denominated in foreign currencies (for example through a change of a credit's currency). The balance sheet value of assets and financial liabilities of the Group denominated in foreign currencies is related to receivables and liabilities due to deliveries and services as well as cash as at the balance sheet date.

4.2.4. Financial Liquidity Risk

The Group has a liquidity risk management system to manage its short, medium and long-term funds. The fundamental financial liquidity risk arises because the majority of costs incurred by the Group are fixed, while revenue from sales, as is typical for a services company, fluctuates. The Group manages liquidity risk by holding the appropriate amount of working capital, by holding reserve credit lines in the current account, by constantly monitoring the forecasted and actual cash flows and by analysing the maturity profiles of financial assets and liabilities.

4.3 Perspectives of Development in the Company and Anticipated Financial Situation in 2012

In the company's opinion, the decrease in demand for IT products and services which is related to the economic slowdown, was present at the end of the first half of 2011. Demand for IT products and services rose at the end of the third quarter of 2011 and maintained the satisfactory level in the fourth quarter of 2011. Economic situation may have a continuous detrimental impact on Comarch's development, and simultaneously, on the financial results achieved by the company. The consistently executed strategy of positioning itself on the market as a technological and product-based company reaps results in the form of an annually increasing client base; most of these being international companies. It allows for the limitation of activities' risk during a period of economic slowdown. After Poland's integration with the European Union, more and more international companies operates in Poland, thus broadening the circle of prospective clients for IT systems. At the same time, activity of Comarch in international markets should additionally increase sales volume and enhance the image of Comarch among international corporations, thus strengthening the competitive position of Comarch. Execution of Comarch strategy largely depends on macroeconomic conditions, beyond the Group, especially on the level of IT investments in medium-size and large companies in Poland and abroad and on the fact that competition in the IT sector becomes more and more fierce. At the same time, effective management of operational risks is the necessary condition for execution of the strategy.

- a) risks related to R&D work (developing proprietary software products);
- b) risks related to assessment of time requirements for long-term contracts;
- c) risks related to failure to observe contract terms and conditions and contractors taking advantage of the provided performance guarantees;
- d) risk of foreign legal and political environment related to execution of export contracts;
- e) risk of decreased possibility (difficulty) of controlling and monitoring financial standing of foreign contractors;
- f) risk of employees rotation, and risk of a lack of possibility to hire the appropriate number of qualified employees.

The Group does not expect of significant changes in its financial situation.

4.4 Characteristic of Policy of the Development Direction in the Comarch Group

The strategic development directions in the Comarch Group are:

- constant development of its own technologically advanced products,
- offers to customers in many economic sectors,
- strict cooperation with global customers in international markets,
- development of international sales, especially focusing on mature markets in Western Europe (in particular in the DACH region),
- constant investment in human resources,
- development of a modern production base in Poland and abroad.

4.5 Achievements within Research and Development

Globalisation of world economy, as well as liberalisation of trade, result in disappearance of barriers for companies and their products. The IT market becomes an open and global market where prices and quality of available products are continuously compared against each other. Along with increase in the presence of foreign capital in Poland, even IT companies conducting operations solely in the Polish market must offer competitive products from the point of view of the global market. Comarch, since the very beginning of its operations, has had reputation of a technological company developing and successfully selling products competitive internationally. Therefore, the main strategic objectives of the company are still development of new competitive products to enable further development of Comarch and, as a result, increasing its value. Maintaining dynamics of sales requires expenditures for development of products as well as their proper promotion and marketing. This applies to both modifications of already existing products and technologies as well as developing new products.

The present policy of Comarch assumes running research and development work related to implementation of new products and standardisation of products from the very beginning of their preparation for the client. Thus, even in cases when a product was developed for the needs of a particular client, a part or whole of software / code may be then used for preparation of a standard product. This results in higher profitability of particular contracts and expansion of the client base. Expenses for research and development works amounted to 66.97 million PLN, thus exceeded 10% of revenue in 2011. Comarch allocated there internal funds as well as acquired actively European funds. In 2011, Comarch S.A. continued 13 contracts signed in 2010 within the Operational Programme Innovative Economy 1.4 – 4.1 (December 2010). The research and development projects financed within the OPIE include:

- ✓ Innovative Platform for Developing Business Applications in the SaaS model,
- ✓ Comarch Shopping Mall e-Platform,
- ✓ Automated Information Exchange Between Telecommunications Operators,
- ✓ Secure Internet Transaction Authorization System Based on External Devices,
- ✓ Implementation of an Environment Dedicated to Analysing Financial Instruments and the Effectiveness of Portfolio Management,
- ✓ Comarch Mobile Finance,
- ✓ Customer Relationship Management System,
- ✓ Innovative IT System for the Factoring Process,
- ✓ Comprehensive Interfaces for the Electronic Data Interchange System,
- ✓ Advanced Marketing Information Management Platform,
- ✓ Innovative Mobile Sales Support Platform ECOD Agent 3.0,
- ✓ Reporting and Customers Service platform for Traditional Distribution Channels, ECOD Distribution 3.0,
- ✓ Customizable and Interactive Graphical User Interface for an ERP System Comarch OPT!MA.

In addition, in 2011, Comarch continued the biggest project co-financed by the European Union: "Innovative Platform for Market Research Analysis " funded through the IniTech initiative. The project is implemented on the basis of the agreement with the National Centre for Research and Development (NCBiR).

5. COMARCH IN THE STOCK EXCHANGE

5.1 Resolutions of the AGM and the Board of Supervisors

5.1.1. Resolutions of the Board of Supervisors

A) „Corporate Governance Principles”

Pursuant to the rule number 3) included in the third part, pt 1 of the “Corporate Governance Principles”, in current report no. EBI 1/2011, Comarch S.A.’s Management Board reported that on the 18th of May, 2011, Supervisory Board of Comarch S.A. passed the resolution no. 10/5/2011 in which projects of the resolutions at the AGM, to be held on the 29th of June, 2011, are given positive opinions.

Pursuant to the rule number 1) and 2) included in the third part, pt 1 of the “Corporate Governance Principles”, in current report no. EBI 2/2011, Comarch S.A.’s Management Board presented 2010 activities’ report of Comarch S.A.’s Supervisory Board and assessment of the company’s situation in 2010 including assessment of the company’s internal system control and risk management of the company.

5.1.2. Annual General Meeting – 29.06.2011

a) Convention of the AGM, Agenda of the Meeting and Information on Participation in the Company’s General Meeting

On the 19th of May, 2011, pursuant to article 398, 399, 402¹ and 402² of the Commercial Companies’ Code and pursuant to § 14 of the company’s Statute, the Management Board of Comarch S.A. convened the Annual General Shareholders’ Meeting of Comarch S.A., to be held at 10:00 o’clock on the 29th of June, 2011, at Aleja Jana Pawła II 41e in Krakow, Poland. Agenda of the meeting and projects of resolutions to be presented on AGM were also published on the 19th of May, 2011. Pursuant to art. 402² of the Commercial Companies Code, the company’s Management Board has presented information on participation in the company’s General Meeting, including:

- Shareholder’s right to demand the inclusion of specific issues in the agenda of the nearest General Meeting,
- A shareholder’s right to introduce projects of resolutions,
- Method of exercising the right to vote by proxy,
- The possibility and the method of participating in the General Meeting using means of electronic communication,
- The method of giving one’s opinion during the General Meeting using means of electronic communication,
- The method of exercising a voting right in by correspondence or by using means of electronic communication,
- Date of registration for participation in the General Meeting: 13th of June, 2011,
- Information about the right to participate in the General Meeting,
- List of shareholders,
- Access to documentation,
- The company’s website and e-mail address.

The company announced details in current report no. 9/2011.

b) Petition of BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds)

With the notion dated the 7th of June, 2011, BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A. demanded for inclusion in the agenda of the next Comarch S.A. shareholders’ meeting the point related to dismissal of a member of the Supervisory Board and appointment of a new member of the Supervisory Board. The company announced details in current report no. 10/2011.

c) Content of the Resolutions Passed at the AGM

On the 29th of June, 2011, the AGM passed the resolutions related to:

- election of Chairman of the General Meeting;
- removing from the agenda of the meeting the point regarding the election of the Returns Committee;
- passing the agenda of the meeting;
- approving the company’s financial statement for the fiscal year 1.01.2010 - 31.12.2010;
- approving the report of the Management Board regarding the activities of the company in 2010;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2010 - 31.12.2010;

- approving the report of the Management Board of Comarch S.A. regarding the activities of the Capital Group in 2010;
 - approving the activity report of the company's Board of Supervisors for the fiscal year 2010, including assessment of the company's situation;
 - distribution of the company's net profit for the fiscal year 1.01.2010 - 31.12.2010;
 - acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2010 - 31.12.2010;
 - dismissal and election of the Supervisory Board's and Management Board members.
- The full content of the resolutions was published on 29th of June, 2011, in the current report no. 12/2011. Information about dismissal of Mr Maciej Czapiewski and appointment of a new member of the Board of Supervisors, Ms Danuta Drobniak were published in the current reports no. 13 and 14/2011.

d) The List of Shareholders Participating the Annual General Shareholders Meeting

Accordingly to the list of shareholders participating the Annual General Shareholders Meeting of Comarch S.A. on the 29th of June, 2011, Elżbieta Filipiak, Janusz Filipiak and Arka BZ WBK Shares Open Investment Subfund held at least 5% of the total number of votes represented at this Meeting:

1. Janusz Filipiak - 893,000 registered preference shares which gave 4,465,000 votes at the AGM, which constituted 46.9% of the all votes at this AGM and which constituted 29.68% of the total number of votes;
2. Elżbieta Filipiak - 846,000 registered preference shares which gave 4,230,000 votes at the AGM, which constituted 44.43% of the all votes at this AGM and which constituted 28.12% of the total number of votes;
3. Arka BZ WBK Shares Open Investment Subfund - 545,000 ordinary bearer shares which gave 545,000 votes at the AGM, which constituted 5.73% of the all votes at this AGM and which constituted 3.62% of the total number of votes.

The total number of votes from all emitted Comarch S.A. shares is 15,045,237. Shareholders participating the Annual General Shareholders Meeting of Comarch S.A. on the 29th of June, 2011 held shares giving 9,519,523 votes.

5.2 Operations on Comarch S.A Shares

5.2.1. Purchase/Disposal Transactions on Comarch S.A. Shares Made by BZ WBK AIB Asset Management S.A. and BZ WBK AIB TFI S.A.

a) 3 January 2011

BZ WBK AIB Asset Management S.A. informed that, as a result of the sales of the shares on 3rd of January, 2011, customers of the company decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On the 3rd of January, 2011, there were 2,458,037 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 30.53% of the company's share capital. This gave 2,458,037 or a 16.34% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 1/2011 dated the 14th of January, 2011.

b) 9 February 2011

BZ WBK AIB Asset Management S.A. informed that, as a result of the sales of the shares on 9th of February, 2011, customers of the company held less than 15% of the total number of votes at Comarch S.A.'s annual general meeting.

On the 9th of February, 2011, there were 2,166,577 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 26.91% of the company's share capital. This gave 2,166,577 or a 14.4% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 3/2011 dated the 16th of February, 2011.

c) 28 March 2011

BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A., on behalf of Arka BZ WBK Open Investment Fund and Lukas Open Investment Fund (hereinafter referred to as the "Funds") informed that, as a result of the sales of the shares on the 28th of March, 2011, the Funds held less than a 10% share of the total

number of votes at Comarch S.A.'s General Shareholders' Meeting. At the same time, the Funds decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On the 28th of March, 2011, the Funds held 1,305,855 Comarch S.A. shares which constituted 16.22% of the company's share capital. This gave 1,305,855 or an 8.68% share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 4/2011 dated the 1st of April, 2011.

BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A., on behalf of Arka BZ WBK Open Investment Fund (hereinafter referred to as the "Fund") informed that, as a result of the sales of the shares on the 28th of March, 2011, the Fund holds less than a 10% share of the total number of votes at Comarch S.A.'s General Shareholders' Meeting. At the same time, the Fund decreased its share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On the 28th of March, 2011, the Fund held 1,236,802 Comarch S.A. shares which constituted 15.36% of the company's share capital. This gave 1,236,802 or an 8.22% share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 5/2011 dated the 1st of April, 2011.

BZ WBK AIB Asset Management S.A. with its registered seat in Poznań informed that, as a result of the sales of the shares on 28th of March, 2011, customers of the company decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2%.

On the 28th of March, 2011, there were 1,643,817 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 20.42% of the company's share capital. This gave 1,643,817 or a 10.93% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 6/2011 dated the 1st of April, 2011.

d) 6 April 2011

BZ WBK Asset Management S.A. with its registered seat in Poznań informed that, as a result of the sales of the shares on 6th of April, 2011, customers of the company hold less than a 10% share of the total number of votes at Comarch S.A.'s annual general meeting.

On the 6th of April, 2011, there were 1,416,423 Comarch S.A. shares in the managed securities accounts of BZ WBK Asset Management S.A. customers, which constituted 17.59% of the company's share capital. This gave 1,416,423 or a 9.41% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 7/2011 dated the 12th of April, 2011.

e) 7 October 2011

BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A. ("Investment Funds"), on behalf of Arka BZ WBK Open Investment Fund (hereinafter referred to as the "Fund") informed that, as a result of the sales of the shares on the 7th of October, 2011, the Fund holds less than a 5% share of the total number of votes at Comarch S.A.'s General Shareholders' Meeting. Between 6th and 7th of October, 2011, the other funds managed by Towarzystwo held no Comarch SA shares.

On the 7th of October, 2011, the Fund held 745,313 Comarch S.A. shares which constituted 9.26% of the company's share capital. This gave 745,313 or a 4.95% share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 22/2011 dated the 14th of October, 2011.

f) 22 November 2011

BZ WBK Asset Management Spółka Akcyjna with its registered office in Poznań informed that, as a result of the sales of the shares on the 22nd of November, 2011, customers of the Company hold less than 5% share of the total number of votes at Comarch S.A.'s annual general meeting.

On 22nd of November, 2011, there were 680,779 Comarch S.A. shares in the managed securities accounts of BZ WBK Asset Management S.A. customers, which constituted 8.46% of the company's share capital. This gave 680,779 or a 4.52% share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 24/2011 dated the 29th of November, 2011.

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None present.

5.2.2. Other Disposal/Purchase Transactions of the Company's Shares

None present.

5.3 Managerial Option Program for Members of the Management Board and Other Key Employees

Detailed information on managerial option programme was described in point 3.14.3 of the consolidated financial statement.

5.4 Transactions on Shares of Subsidiaries and Associates of Comarch S.A.

On the 20th of April, 2011, Bonus Development Spółka z o. o. SK-A purchased 10,000 own shares to be redeemed for 8 million PLN. The redemption was registered on the 17th of June, 2011.

On the 9th of May, 2011, Comarch Management Spółka z o. o. SK-A purchased 40,840 own shares from CCF FIZ to be redeemed for 10 million PLN.

On the 8th of June, 2011, an agreement on purchase of Comarch AG shares was signed. It is related to purchase of 1,000,000 Comarch AG shares by Comarch SA from Vintage Investment Holdings S.A. with its registered seat in Luxemburg. A nominal value of 1 share amounts to 1 EUR and all purchased shares amount to 1,000,000.00 EUR of total nominal value. They constitute 40% of Comarch AG share capital. After this agreement conclusion, Comarch S.A. holds 2,500,000 Comarch AG's shares of total nominal value of 2,500,000 EUR. They constitute 100% of the company's share capital and give 2,500,000 or a 100% share of the total votes at Comarch AG's annual general meeting.

On the 22nd of June, 2011, an increase of 0.5 million PLN to 1 million PLN in share capital of iMed24 SA was registered by way of shares issue.

On the 5th of July, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a decrease of 168.87 million PLN in share capital of Comarch Management Sp. z o.o. SK-A.

On the 26th of July, 2011, a decrease from 6.48 million EUR to 2.16 million EUR in share capital of Comarch Software und Beratung AG was registered in line with the resolution passed at the general meeting of the 8th of June, 2011. On the 9th of August, 2011, the Management Board of Comarch Software und Beratung AG, with the agreement of the Supervisory Board, approved an increase to a maximum of 6.48 million EUR in share capital, in line with the resolution passed at the general meeting of 8th of June, 2011, by way of a maximum 4.32 million shares issue. The shares will be offered to current shareholders for the price of 1.7 EUR per 1 share so as to 1 share entitles to 2 shares of new share issue. Subscription was performed between 18th and 31st of August, 2011.

In consequence of the completion of the subscription for Comarch Software und Beratung AG shares, Comarch AG, and Comarch SA's subsidiary, acquired 3,988,288 Comarch SuB shares for the total price of 6,780,089.6 EUR (1.7 EUR per 1 share) and as of today holds 5,735,713 Comarch SuB shares and 92.32% in Comarch SuB share capital. They entitle to 5,735,713 votes at the company's general meeting (92.32% of total votes) (current report no. 18/2011 dated the 8th of September, 2011).

On the 1st of August, 2011, an increase in share capital of Bonus Development Sp. z o.o. II Koncept SK-A by way of 8,000 shares issue (acquired by CCF FIZ). As a result the company's share capital increased from 0.5 million PLN to 1 million PLN.

On the 16th of August, 2011, a resolution was passed that changed share capital and seat of Comarch SAS. The company's share capital was increased from 1.3 million EUR to 1.8 million EUR by way of cash contribution made by Comarch S.A. New registered office of the company is in Lezennes. The above-mentioned changes come into force on the date the resolution is passed.

On the 3rd of October, 2011, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a decrease in share capital of Bonus Management Sp. z o.o. SK-A from 4,100,000 PLN to 2,763,101 PLN.

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On 27th of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27th of January, 2012) that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 100,000 ordinary bearer's A-MEA Informatik AG ("A-MEA") shares of nominal value of 1 CHF (i.e. 3.5147 PLN). Total acquisition price will not exceed a sum of 2 million CHF (i.e. 7.03 million PLN) and value of A-MEA equity as of 31st of January, 2012. The transaction will be settled till the end of the first quarter of 2013. As a result of the aforementioned transaction, CASA holds 100,000, i.e. 100% A-MEA shares which entitle to 100,000, i.e. 100% of total number of votes at the company's general meeting. A-MEA is a company with a long standing experience in sales and implementation of ERP solutions, including Comarch ERP Enterprise.

On the 9th of March, 2012, the Amtsgericht Dresden registered an increase of 6.5 million EUR in share capital of Comarch AG. New shares were purchased by Comarch S.A. In the first quarter of 2012, Comarch S.A. made payments in the total amount of 13 million EUR into supplementary capital of Comarch AG.

On the 16th of March, 2012, Comarch S.A. received a notice from the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register dated the 14th of March, 2012, on registration of an increase in share capital of MKS Cracovia SSA from 14,557,000.00 PLN to 18,420,100.00 PLN. As a consequence, Comarch S.A. holds 59.82% of shares in the share capital of MKS Cracovia SSA which entitle to 59,82% of votes at the annual general meeting of MKS Cracovia SSA.

On the 10th of April, 2012, the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register registered an increase of 250,000 PLN in share capital of iMed24 S.A.

On the 10th of April, 2012, Comarch AG informed Comarch Software und Beratung AG on exceeding of 95% share in share capital of Comarch SuB AG and demanded calling the company's annual general meeting in order to resolve on Comarch AG's purchases of shares held by current shareholders (minorities) for a proper reward.

On the 27th of April, 2012, the Management Board of Comarch S.A. announced that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 50 shares in ESAPROJEKT sp. z o.o. ("ESAPROJEKT") of nominal value of 2,460 PLN each. Total acquisition price amounted of 12,2 million PLN. As a result of the aforementioned transaction, CASA holds 50 shares, i.e. 100% of shares in ESAPROJEKT which entitle to 100% of total number of votes at the company's general meeting. ESAPROJEKT is a leading Polish producer and IT solution provider for medicine sector.

5.5 Data related to a Contract with an Expert Auditor

On the 1st of August, 2011, a 2-year contract was concluded with Deloitte Audyt Sp. z o.o. within the scope of review and audit of financial statements. It includes:

- a) Reviewing the financial statement of Comarch S.A. and consolidated financial statement for the first 6 months of 2011 and for the first 6 months of 2012;
- b) Auditing the annual financial statement of Comarch S.A. and the consolidated financial statement for the 12 months ended 31st of December, 2011, and for the 12 months ended 31st of December, 2012.

On the 14th of July, 2010, a contract was concluded with BDO Sp. z o.o. within the scope of review and audit of financial statements. It includes:

- a) Auditing the annual financial statement of Comarch S.A. for the 12 months ended 31st of December, 2010,
- b) Auditing the consolidated financial statement for the 12 months ended 31st of December, 2010,
- c) Reviewing the consolidated financial statement for the first 6 months of 2010,
- d) Reviewing the financial statement of Comarch S.A. for the first 6 months of 2010.

The total net remuneration due on account of reviewing the above-mentioned financial statements was as follows:

Types of services	Remuneration (net value)- paid	Remuneration (net value)- due
2011		
Deloitte Audyt Sp. z o.o.		
1 Obligatory audit of annual financial statements for 2011	-	92,150.00 PLN
2 Other certifying services (review of half-year financial statement for h1 2011)	92,150.00 PLN	-
3 Audits of external Comarch projects	22,600.00 PLN	-
Deloitte Doradztwo Podatkowe Sp. z o.o.		
Workshops	1,500.00 PLN	-
BDO Sp. z o.o.		
1 Obligatory audit annual of financial statements for 2010	120,000.00 PLN	-
Other services (transport costs of BDO Sp. z o.o. employees in relation to review and audit of financial statements of Comarch SA for 2010)	7,182.00 PLN	-
3 Advisory and legal services related to Comarch Luxembourg S.à r.l.	7,057.25 EUR	-
4 Advisory and legal services related to Comarch Canada Corp.	15,432.00 CAD	-
2010		
Deloitte Audyt Sp. z o.o.		
Obligatory audit annual financial statement for 2009	113,400.00 PLN	-
Audit of Comarch Group consolidated statement for 2009	32,950.25 PLN	-
Deloitte Doradztwo Podatkowe Sp. z o.o.		
Workshops	800 PLN	-
BDO Sp. z o.o.		
2 Other certifying services (review of half-year SoftM Group financial statement review for h1 2010)	70,000.00 PLN	-
Other services (transport costs of BDO Sp. z o.o. employees in relation to review and audit of financial statements of Comarch SA for H1 2010 and 2010)	3,500 PLN	-
BDO auditas ir apskaita		
4 Accountancy services in Comarch UAB (under liquidation proceedings)	5,500 LTL	-
5 Accountancy services in Comarch UAB (under liquidation proceedings)	1,368.45 Euro	-

5.6 Other Events in 2011 and after the Balance Sheet Date

5.6.1. Dates of Periodical Financial Reports in 2011

Pursuant to § 103 sec. 1 of the Regulation issued by the Minister of Finance on the 19th of February, 2009, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, with current report no. 2/2011, Comarch S.A.'s Management Board presented terms of periodical financial reports in 2011.

5.6.2. The List of Comarch S.A. Current Reports and Financial Statements Made Public in 2010

On 12th of May, 2011, Management Board of Comarch S.A. presented the list of Comarch S.A.'s current reports and financial statements made public in 2010 (current report no. 8/2011). The originals of these documents are located at al. Jana Pawła II 41e, Krakow, Poland. They are also available at <http://www.comarch.pl/relacje-inwestorskie/raporty-biezace/params/date/2010>
<http://www.comarch.com/investors/investor-reports/params/date/2010>

5.6.3. Declaration Regarding the Acceptance of the Corporate Governance Principles

Pursuant to &29 section 5 of the Rules for Warsaw Stock Exchange, the Management Board of Comarch S.A. presented declaration of the Management Board regarding the acceptance of the corporate governance principles in the company as attachment to the annual statement published on 29th of April, 2011.

5.6.4. Selection of an Auditor Entitled to Audit and Review Financial Statements

With resolution no. 1/7/2011, dated the 19th of July, 2011, the Supervisory Board of Comarch S.A. selected Deloitte Audyt Sp. z o. o., with its registered seat in Warsaw at ul. Piękna 18 (currently at ul. Jana Pawła II 19), registered at no. 73 in the list of entities entitled to audit financial statements, to audit and review the financial statements of Comarch S.A.

Comarch S.A. has used the services of Deloitte Audyt Sp. z o. o. within the scope of reviewing the financial statements for the first 6 months of 2006, 2007, 2008 and 2009, as well as auditing the annual financial statements of Comarch S.A. and the annual consolidated financial statements of Comarch S.A. for 2006, 2007, 2008 and 2009.

The Supervisory Board selected the expert auditor according to article 19 section 2 pt 5) of the company's Statute, pursuant to binding law and professional standards. A two-year agreement shall be concluded within the scope of:

- a) Reviewing the financial statement of Comarch S.A. and the consolidated financial statement of Comarch S.A. for the first 6 months of 2011 and the first 6 months of 2012;
- b) Auditing the annual financial statement of Comarch S.A. and the annual consolidated financial statement of Comarch S.A. for 2011 and 2012.

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5.6.5. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of January, 2012 and the 30th of April, 2012, Comarch S.A. concluded forward contracts for the sale of 1.9 million EUR and 0.7 million USD. The total net value of open forward contracts as of the 30th of April, 2012 amounted to 4.5 million EUR and 1.4 million USD. The open forward contracts as of the 30th of April, 2012 were valued at plus 1.57 million PLN. The contracts will be settled within eighteen months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by Comarch S.A., in which the remuneration is set in a foreign currency.

5.6.6. Dates of Periodical Financial Reports in 2012

On the 16th of January, 2012 (RB-1-2012) Comarch S.A.'s Management Board set dates of periodical financial reports in 2012:

- 1) Q4 2011 - on 29th of February, 2012
- 2) Annual report for 2011- on 30th of April, 2012
- 3) Consolidated annual report for 2011- on 30th of April, 2012
- 4) Q1 2012 - on 15th of May, 2012
- 5) Consolidated half-year report which include condensed consolidated financial statement and condensed financial statement for the first half of 2012 - on 31st of August, 2012
- 6) Q3 2012 - on 14th of November, 2012

5.6.7. Creation of Pledge on Medical Equipment of iMed24

On the 5th of March, 2012, Comarch S.A.'s Management Board received a notice from the District Court for Kraków-Śródmieście, VII Division of the Pledge Register, dated the 15th of February, 2012, on pledge registration related to medical equipment belonging to Centrum Medyczne iMed24 (Medical Centre). The basis for this registration is an agreement dated the 29th of December, 2011 signed between Bank Polska

Kasa Opieki S.A. („Bank”) and iMed24 S.A. („iMed24”), a subsidiary of Comarch S.A. The agreement was concluded to secure the Bank’s claims in relations to an investment credit granted by the Bank on the 1st of September, 2011, including interests, fees and other receivables of the Bank resulting from the credit agreement. iMed24 has established in the favour of the Bank and the Bank accepts the registered pledge on the assets owned by iMed24 of total value of 13,940,130.82 PLN (thirteen million nine hundred forty thousand one hundred thirty zlotys and 82/100), the price is established on the basis of net purchase price. The registered pledge secures the Bank’s claim up to a maximum amount of security, i.e. 23,832,999.63 PLN (twenty-three million eight hundred thirty-two thousand nine hundred ninety-nine zlotys and 63/100). The created registered pledge will expire when debts resulting from the agreement are paid.

5.6.8. Registration of an Increase in Share Capital of MKS Cracovia SSA

On the 16th of March, 2012, Comarch S.A. received a notice from the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register dated the 14th of March, 2012, on registration of an increase in share capital of MKS Cracovia SSA from 14,557,000.00 PLN to 18,420,100.00 PLN (current report no. 5/2012 dated the 16th of March, 2012). As a consequence, Comarch S.A. holds 59.82% of shares in the share capital of MKS Cracovia SSA which entitle to 59.82% of votes at the annual general meeting of MKS Cracovia SSA.

5.6.9. Purchase of Shares in ESAPROJEKT sp. z o.o.

On the 27th of April, 2012, the Management Board of Comarch S.A. announced that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 50 shares in ESAPROJEKT sp. z o.o. ("ESAPROJEKT") of nominal value of 2,460 PLN each. Total acquisition price amounted of 12,2 million PLN. As a result of the aforementioned transaction, CASA holds 50 shares, i.e. 100% of shares in ESAPROJEKT which entitle to 100% of total number of votes at the company's general meeting. ESAPROJEKT is a leading Polish producer and IT solution provider for medicine sector.

Krakow, 30th of April, 2012

Janusz Filipiak President of the Management Board	Piotr Piątosza Vice-President of the Management Board	Paweł Prokop Vice-President of the Management Board
Piotr Reichert Vice-President of the Management Board	Zbigniew Rymarczyk Vice-President of the Management Board	Konrad Tarański Vice-President of the Management Board
Marcin Warwas Vice-President of the Management Board		

6. Amendment to the Report of the Management Board

6.1 Characteristics of Companies in the Group

Company: **Comarch Spółka Akcyjna (joint stock company) COMARCH**
Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Regon: 350527377
NIP: 677-00-65-406

The parent company - shares of the company are admitted to trading in the Warsaw Stock Exchange and are held, according to the knowledge of the company as at the date of preparation of this report, by Janusz Filipiak (32.54% of shares), Elżbieta Filipiak (10.51% of shares), members of the Management Board (1.29%).

The company has branches in Krakow, Warsaw, Poznań, Gdańsk, Wrocław, Katowice, Bielsko-Biała, Łódź, Lublin and Tirana.

Company: **Comarch AG (joint stock company) COMARCH**
Address: Chemnitzer Str. 50, 01187 Dresden, Germany
VAT ID: DE 206 522075

The company's share capital is 2,500,000.00 EURO. It consists of 2,500,000 ordinary bearers' shares of nominal value of 1 EUR each, held by Comarch SA. In total, Comarch S.A. is entitled to 2,500,000 votes at the company's general annual meeting, and they constitute 100% of the company's share capital and all votes. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch AG is Comarch S.A.'s subsidiary.

Company: **Comarch R&D S.à r.l COMARCH**
Address: 100A, allée Saint Exupéry
38330 Montbonnot-Saint Martin, France
VAT ID: FR 69507984557

Comarch AG holds 70% of Comarch R&D S.à r.l. shares, that constitute 70% of the share capital and 70% of votes at the meeting of shareholders. The share capital of Comarch R&D S.à r.l. amounts to 7,500 EUR and consists of 750 shares of nominal value of 10 EUR each. Comarch AG purchased the above-mentioned shares with internal means for the total price of 5,250 Euro. The subject matter of activities of Comarch R&D S.à r.l. is creation and implementation of IT systems, as well as advisement within the scope of IT systems. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch R&D S.à r.l. is Comarch S.A.'s subsidiary (through Comarch AG).

Company: **Comarch Software und Beratung AG (joint stock company) (Comarch SuB)**
Address: Messerschmittstr. 4,
80992 Munich, Germany
VAT ID: DE129457436

Comarch AG holds 5,735,713 shares of Comarch SuB, which constitute 92.32% of the company's share capital. This gives 5,735,713 or a 92.32% share of the total votes at the company's annual general meeting. Comarch SuB is listed on the German Stock Exchange, Deutsche Wertpapierbörse in Frankfurt in Prime Standard Segment. The Comarch SuB Group includes: Comarch Schilling GmbH, Comarch Solutions GmbH, SoftM France S.à r.l. and Comarch Swiss AG. These companies are active on the IT market in Germany, Austria and Switzerland, offering their products and services to three business segments: ERP, finance and integration of systems for medium sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch SuB is Comarch S.A.'s subsidiary (through Comarch AG).

Company: **Comarch SAS COMARCH**
Address: 17 rue Paul Langevin
59260 Lezennes, France
VAT ID: FR 20500252606

Comarch AG holds 100% of Comarch SAS shares, that constitute 100% of the share capital and 100% of votes at the meeting of shareholders. The share capital of Comarch SAS amounts to 1,800,000 EUR and consists of 1,800,000 shares of nominal value of 1 EUR each. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch SAS is Comarch S.A.'s subsidiary.

Company: **Comarch Luxembourg S.à r.l (Limited Liability Company) COMARCH**
Address: Route d'Arlon 23,
L-8008 Strassen,
Grand Duchy of Luxembourg
VAT ID: LU24700126

Comarch SA holds 100% of Comarch Luxembourg S.à r.l. shares, that constitute 100% of the share capital and 100% of votes at the meeting of shareholders. The share capital of Comarch Luxembourg S.à r.l. amounts to 500,000 EUR and consists of 500,000 shares of nominal value of 1 EUR each. Total number of votes at the company's general meeting amounts to 500,000. The subject matter of activities of Comarch Luxembourg S.à r.l. is creation and implementation of IT systems. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Luxembourg S.à r.l. is Comarch S.A.'s subsidiary.

Company: **Comarch, Inc. COMARCH**
Address: 10 W. 35th St.
9450 W. Bryn Mawr Ave
Suite 325
Rosemont, IL 60018
VAT ID: 52-2207301

It sells Comarch software and services in the US market. The company's share capital is 40,000 USD. Comarch S.A. holds 100% of interest in the company's share capital and 100% shares in votes at the AGM of the company. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch, Inc. is Comarch S.A.'s subsidiary.

Company: **Comarch Panama, Inc. COMARCH**
Address: Obarrio, 53th Street
Hi-Tech Plaza, 8th floor, Office A
Panama City, Panamá
Telephone/fax: +507 263 25 69
VAT ID: RUC 698712-1-468218 DV95

The company's share capital is 360,000 USD and is divided into 360,000 shares of nominal value of 1 USD each. The company sells and produces IT systems in the Central and Southern America market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Panama, Inc. is Comarch S.A.'s subsidiary (through Comarch, Inc.).

Company: **Comarch Canada, Corp. COMARCH**
Address: 44 Chipman Hill
Suite 1000
Saint John NB E2L 2A9, Canada
VAT ID: GST/HST 81055 8403 RT0001

The company's share capital is 50,000 CAD and is divided into 50,000 shares of nominal value of 1 CAD each. The company sells and produces IT systems in the Central and Southern America market. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Canada, Corp. is Comarch S.A.'s subsidiary.

Company: **Comarch Middle East FZ-LLC COMARCH**
Address: PO. Box 500398 Dubai, The United Arab Emirates
Building 1, G15
Register no.: 19879

The company's share capital is 200,000 AED and is divided into 200 shares of 1,000 AED each (1 AED is worth circa 0.8280 PLN). Comarch S.A. purchased all the shares for cash at nominal value. The company sells Comarch products in the Near East and partially supports IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Middle-East FZ-LLC is Comarch S.A.'s subsidiary.

Company: **Comarch LLC (Limited Liability Company) COMARCH**
Address: 18/7 Kutuzova Str., 01133 Kiev, Ukraine
VAT ID: 329182826556

The company's share capital is 20,500 UAH (1 UAH is worth circa 0.3722 PLN). Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. The registered company is a one-person limited liability company. It sells Comarch products in Ukraine and partially support IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch LLC is Comarch S.A.'s subsidiary.

Company: **OOO Comarch (Limited Liability Company) COMARCH**
Address: Prechistensky Pereulok 14 building 1, 119034 Moscow, Russia
VAT ID: INN/KPP 7704545099/770401001

The company's share capital is worth 1.2 million RUB and is divided into 1 share of nominal value of 1,200,000 RUB (1 RUB is worth circa 0.097 PLN). The company's share capital was paid in total in cash. The company sells Comarch products in Russia and partially supports IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, OOO Comarch is Comarch S.A.'s subsidiary.

Company: **Comarch Software (Shanghai) Co. Ltd. COMARCH**
Address: 14/F, Cimic Tower, 800 Shang Cheng Lu, Shanghai, China
VAT ID: 310115690128967

The company's share capital is worth 200,000 USD and Comarch S.A. holds it in total. The company sells and implements Comarch products in China, as well as supports clients in part. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Software (Shanghai) Co. Ltd. is Comarch S.A.'s subsidiary.

Company: **COMARCH VIETNAM CO. LTD (COMARCH CO., LTD) COMARCH**
Address: Beautiful Saigon Building 1
2 Nguyen Khac Vien street, Room 703
Tan Phu Ward, Dist. 7
Ho Chi Minh City, VIETNAM
VAT ID: 309743882

The company's share capital is worth 250,000 USD and Comarch S.A. holds it in total. The company sells and implements Comarch products in Vietnam, as well as supports clients in part. Pursuant to the Act on Accounting dated 29th of September, 1994, Comarch Vietnam Co. Ltd. is Comarch S.A.'s subsidiary.

Company: **Comarch Oy COMARCH**
Address: Tekniikantie 14
02150 Espoo, Finland
VAT ID: FI23730145

The company's share capital is worth 50,000 EUR and is divided into 50,000 shares of nominal value of 1 EUR. Total number of votes resulting from all company's shares amounts to 50,000. Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. Pursuant to the Act on Accounting dated 29th of September, 1994, Comarch Oy is Comarch S.A.'s subsidiary.

Company: **UAB Comarch (Limited Liability Company) COMARCH**
Address: Naugarduko 57, LT-03202 Vilnius, Lithuania
Register no.: 300150316

UAB „Comarch” is a limited liability company that is subsidiary of Comarch S.A. The company's share capital was covered with cash and is 70,000 LTL (1 LTL is worth circa 1.2084 PLN). The company's share capital is divided into 700 shares of 100 LTL each. The total number of votes resulting from all shares is 700. Activities of the company are limited. Pursuant to the Act on Accounting dated the 29th of September, 1994, UAB Comarch is Comarch S.A.'s subsidiary. UAB Comarch is under liquidation proceedings.

Company: **Comarch s.r.o. (Limited Liability Company) COMARCH**
Address: Metodova 7, 851 02 Bratislava, Slovakia

The company's share capital is 4,500,000 SKK (1 SKK is worth circa 0.1364 PLN). Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch s.r.o. is Comarch S.A.'s subsidiary. Activities of Comarch s.r.o. are limited.

Company: **SouthForge Sp. z o.o. (Limited Liability Company)**
Address: 31-864 Kraków,
Al. Jana Pawła II 41 g
Regon: 300075359
NIP: 2090000305

The company's share capital is 50,000 PLN and is divided into 500 shares of 100 PLN each. They entitle to 500 votes at the company's annual general meeting. Comarch S.A. holds 100% shares which entitle to 100% votes at the company's annual general meeting. SouthForge Sp. z o.o. acquires and executes contracts related to Comarch Software und Beratung Group's software on Polish market. Pursuant to the Act on Accounting dated the 29th of September, 1994, SouthForge Sp. z o.o. is Comarch S.A.'s subsidiary.

Company: **CA Consulting S.A. (joint stock company)**
Address: Al. Jerozolimskie 81, 02-001 Warsaw
Regon: 356846563
NIP: 678-29-24-039

The company's share capital is 1,050,000 PLN and is divided into 5,250 shares of nominal value of 200 PLN each that give 5,250 votes. Comarch S.A. holds 99.9% CA Consulting S.A. shares entitling to 99.9% votes at the AGM of the company. CA Consulting S.A. specialises in data communications relating to the provision of connections for the own needs of the Comarch Group, as well as the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch's contractor. Pursuant to the Act on Accounting dated 29th of September, 1994, CA Consulting S.A. is Comarch S.A.'s subsidiary.

Company: **Comarch Management Spółka z o. o. (Limited Liability Company)**
COMARCH
Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Regon: 120560832
NIP: 675-13-76-192

The share capital of Comarch Management Sp. z o.o. amounts to 150,000.00 PLN and consists of 1,500 shares of nominal value of 100 PLN each. They entitle to 5,250 votes. Comarch S.A. holds 100% of Comarch Management Sp. z o.o. shares entitling to 100% of votes at the shareholders' meeting of the company. The subject matter of activities of Comarch Management Sp. z o.o. are investment activity on capital market and activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Management Sp. z o.o. is Comarch S.A.'s subsidiary.

Company: **Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty (CCF FIZ) COMARCH**
Address: 31-038 Kraków, ul. Księcia Józefa 186
Regon: 120576141
NIP: 106-00-01-334

Comarch S.A. purchased four investment certificates of the Fund worth 250,000.00 PLN each. The total value of the purchased investment certificates amounted to 1,000,000.00 PLN. They constitute 100% of investment certificates issued by the Fund and entitle to 100% of votes at meeting of the Fund's investors. Comarch S.A. purchased the above-mentioned investment certificates with internal means. Purpose of the Fund is investment activity in the scope of new technologies and Internet services that are not Comarch S.A.'s basic activities.

Company: **Comarch Management Spółka z o. o. Spółka Komandytowo-Akcyjna (limited joint-stock partnership) COMARCH**
Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Regon: 120578542
NIP: 675-13-76-542

The share capital of Comarch Management Sp. z o. o. SK-A amounts to 168,868.00 PLN and consists of 168,868 shares of nominal value of 1.00 PLN each. CCF FIZ holds 83,028 shares (49.17%) entitling to 64.85% of votes, Comarch S.A. holds 45,000 shares (26.65%) entitling to 35.15% votes, and 40,840 shares (24.18%) were purchased by Comarch Management Sp. z o. o. SK-A to be redeemed. Shares purchased by Comarch Management Spółka z o. o. SK-A to be redeemed doesn't give any votes. The company conducts investment activity on capital market and activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Management Sp. z o.o. SK-A is Comarch S.A.'s subsidiary (through CCF FZ).

Company: **Bonus Management Sp. z o.o. Spółka Komandytowo-Akcyjna (limited joint-stock partnership) COMARCH**
Address: 31-008 Kraków, ul. Rynek Główny nr 15
Regon: 120641766
NIP: 676-23-69-528

The company's share capital is 2,763,101 PLN and is divided into 2,763,101 shares of nominal value of 1.0 PLN. CCF FIZ holds 100% of the company's shares which give 100% of votes. The company conducts investment activity on capital market and activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Management Sp. z o.o. SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Development Sp. z o.o. Spółka Komandytowo-Akcyjna (limited joint-stock partnership) COMARCH**
Address: 31-008 Kraków, ul. Rynek Główny nr 15

Regon: 120637434
NIP: 676-23-68-121

The company's share capital is 5,640,000 PLN and is divided into 5,640,000 shares of nominal value of 1 PLN. 50,000 preference series A shares entitle to 100,000 votes and 5,590,000 ordinary shares give 5,590,000 votes. CCF FIZ holds 100% of the company's shares entitling to 100% votes. The subject matter of activities of Bonus Development Sp. z o. o. SK-A are activities related to real estates in Comarch. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Development Sp. z o. o. SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Management Sp. z o.o. II Activia Spółka Komandytowo-Akcyjna (limited joint-stock partnership) COMARCH**
Address: 31-008 Kraków, ul. Rynek Główny nr 15
Regon: 121358009
NIP: 6762430883

The company's share capital is 1,500,000 PLN and is divided into 1,500,000 shares of nominal value of 1.0 PLN. CCF FIZ holds 100% of the company's shares which give 100% of votes. The company conducts investment activity on capital market and activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Management Sp. z o.o. II Activia SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Development Sp. z o.o. II Koncept Spółka Komandytowo-Akcyjna (limited joint-stock partnership) COMARCH**
Address: 31-008 Kraków, ul. Rynek Główny nr 15
Regon: 121376250
NIP: 6762432161

The company's share capital is 86,263 PLN and is divided into 86,263 shares of nominal value of 1 PLN. CCF FIZ holds 100% of the company's shares entitling to 100% votes. The subject matter of activities of Bonus Development Sp. z o. o. II Koncept SK-A are activities related to real estates in Comarch. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Development Sp. z o. o. SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **iMed24 S.A. (joint stock company)** 
Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Regon: 120652221
NIP: 675-13-82-502

The company's share capital is 1,000,000 PLN and is divided into 10,000 shares of nominal value of 100.0 PLN, entitling to 10,000 votes. CCF FIZ holds 100.0% of the company's shares (100.0% votes). iMed24 S.A. conducts an IT project related to telemedicine (EHR - Electronic Health Record management). Pursuant to the Act on Accounting dated the 29th of September, 1994, iMed24 S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **iFIN24 S.A. (joint stock company)** 
(currently Comarch Polska S.A.)
Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Regon: 120705696
NIP: 675-13-87-586

The company's share capital is 500,000 PLN and is divided into 5,000 shares of nominal value of 100.0 PLN, entitling to 5,000 votes. CCF FIZ holds 100.0% of the company's shares (100.0% votes). iFIN24 S.A. conducts an IT project related to financial services. Pursuant to the Act on Accounting dated the 29th of September, 1994, iFIN24 S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **iReward24 S.A. (joint stock company)** 
 Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
 Regon: 120792583
 NIP: 675-14-02-274

The company's share capital is 750,000 PLN and is divided into 7,500 shares of nominal value of 100.0 PLN, entitling to 7,500 votes. CCF FIZ holds 100.0% of the company's shares (100.0% votes). iReward24 S.A. produces and implements loyalty software for the customers in small and medium sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, iReward24 S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Infrastruktura24 S.A. (joint stock company)**
 Address: 31-864 Kraków, Aleja Jana Pawła II 41 d
 Regon: 120807830
 NIP: 675-14-03-084

The company's share capital is 575,000 PLN and is divided into 5,750 shares of nominal value of 100.0 PLN, entitling to 5,750 votes. CCF FIZ holds 100.0% of the company's shares (100.0% votes). Infrastruktura24 S.A. offers services related to Data Centre for the customers in small and medium sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, Infrastruktura24 S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **iComarch24 S.A. (joint stock company)** 
 Address: 31-864 Kraków, Al. Jana Pawła II 41e
 Regon: 120871348
 NIP: 6751410687

The company's share capital is 500,000 PLN and is divided into 5,000 shares of nominal value of 100.0 PLN, entitling to 5,000 votes. CCF FIZ holds 100.0% of the company's shares (100.0% votes). iComarch24 S.A. provides accounting services for domestic subsidiaries in Comarch Group. Pursuant to the Act on Accounting dated the 29th of September, 1994, iComarch24 S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **CASA Management and Consulting Sp. z o.o. Spółka Komandytowo-Akcyjna (limited joint-stock partnership)** 
 Address: Szarskiego 18, 30-698 Kraków
 Regon: 121040023
 NIP: 6793020643

The company's share capital is 3,000,000 PLN and is divided into 30,000 shares of nominal value of 100.0 PLN, entitling to 30,000 votes. CCF FIZ holds 100.0% of the company's shares (100.0% votes). CASA Management and Consulting Sp. z o.o. SK-A conducts investment activity on capital market. Pursuant to the Act on Accounting dated the 29th of September, 1994, CASA Management and Consulting Sp. z o.o. SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Miejski Klub Sportowy Cracovia Sportowa Spółka Akcyjna**



Address: 30-111 Kraków, ul. Kałuży 1
 Regon: 351553230
 NIP: 677-20-79-476

The share capital of MKS Cracovia SSA is 14,557,000 PLN and is divided into 145,570 shares. Comarch S.A. holds 71,550 shares or votes at the AGM of MKS Cracovia SSA that constitute 49.15% of the company's share capital. According to article 3, point 37 d) of the Act on Accounting and due to the fact that most of members of the Supervisory Board of MKS Cracovia SSA is chosen by Comarch S.A., MKS Cracovia SSA is Comarch S.A.'s subsidiary.

Company: **SolInteractive S.A. (joint stock company)**
 **sointeractive**
Address: al. Jana Pawła II 41 g
31-864 Kraków
Regon: 120629191
NIP: 676-23-66-843

The company's share capital is 651,000 PLN and is divided into 6,510 shares of nominal value of 100.0 PLN, entitling to 2,520 votes. CCF FIZ holds 30.72% of the company's shares (2,000 shares) which give 30,72% of votes (2,000 shares). Pursuant to the Act on Accounting dated the 29th of September, 1994, SolInteractive Sp. z o.o. is Comarch S.A.'s associate.

Fideltronik-Comarch Spółka z ograniczoną odpowiedzialnością (Limited Liability Company)

The company's share capital is 4,000.00 PLN and is divided into 40 equal and undivided shares of 100 PLN each. Comarch S.A. holds 20 shares of total nominal value of 2,000.00 PLN that constitute 50% of share capital and 50% of votes at the General Meeting. Pursuant to the Act on Accounting dated the 29th of September, 1994, Fideltronik-Comarch Sp. z o.o. is an associate of Comarch S.A. The company did not start to operate.

6.2 Changes in Ownership, in Capital and Organisational Structure in 2011

On the 17th of March, 2011, the District Court for Warsaw, XII Economic Division of the National Court Register registered a name change for SoftM Polska Sp. z o.o. to SouthForge Sp. z o.o.

On the 20th of April, 2011, Bonus Development Spółka z o. o. SK-A purchased 10,000 own shares to be redeemed for 8 million PLN. The redemption was registered on the 17th of June, 2011.

On the 28th of April, 2011, a company named Comarch Luxembourg S.à r.l. was registered in Luxemburg in Luxemburg.

On the 9th of May, 2011, Comarch Management Spółka z o. o. SK-A purchased 40,840 own shares from CCF FIZ to be redeemed for 10 million PLN.

On the 1st of June, 2011, a company named ComArch Canada, Corp. was registered in New Brunswick in Canada.

On the 8th of June, 2011, an agreement on purchase of Comarch AG shares was signed. It is related to purchase of 1,000,000 Comarch AG shares by Comarch SA from Vintage Investment Holdings S.A. with its registered seat in Luxemburg. A nominal value of 1 share amounts to 1 EUR and all purchased shares amount to 1,000,000.00 EUR of total nominal value. They constitute 40% of Comarch AG share capital. After this agreement conclusion, Comarch S.A. holds 2,500,000 Comarch AG's shares of total nominal value of 2,500,000 EUR. They constitute 100% of the company's share capital and give 2,500,000 or a 100% share of the total votes at Comarch AG's annual general meeting.

On the 22nd of June, 2011, an increase of 0.5 million PLN to 1 million PLN in share capital of iMed24 SA was registered by way of shares issue.

On the 5th of July, 2011, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a decrease of 168.87 million PLN in share capital of Comarch Management Sp. z o.o. SK-A.

On the 26th of July, 2011, a decrease from 6.48 million EUR to 2.16 million EUR in share capital of Comarch Software und Beratung AG was registered in line with the resolution passed at the general meeting of the 8th of June, 2011. On the 9th of August, 2011, the Management Board of Comarch Software und Beratung AG, with the agreement of the Supervisory Board, approved an increase to a maximum of 6.48 million EUR in share capital, in line with the resolution passed at the general meeting of 8th of June, 2011, by way of a maximum 4.32 million shares issue. The shares will be offered to current shareholders for the price of 1.7 EUR per 1 share so as to 1 share entitles to 2 shares of new share issue. Subscription was performed between 18th and 31st of August, 2011.

In consequence of the completion of the subscription for Comarch Software und Beratung AG shares, Comarch AG, and Comarch SA's subsidiary, acquired 3,988,288 Comarch SuB shares for the total price of 6,780,089.6 EUR (1.7 EUR per 1 share) and as of today holds 5,735,713 Comarch SuB shares and 92.32% in Comarch SuB share capital. They entitle to 5,735,713 votes at the company's general meeting (92.32% of total votes) (current report no. 18/2011 dated the 8th of September, 2011).

On the 1st of August, 2011, an increase in share capital of Bonus Development Sp. z o.o. II Koncept SK-A by way of 8,000 shares issue (acquired by CCF FIZ). As a result the company's share capital increased from 0.5 million PLN to 1 million PLN.

On the 16th of August, 2011, a resolution was passed that changed share capital and seat of Comarch SAS. The company's share capital was increased from 1.3 million EUR to 1.8 million EUR by way of cash contribution made by Comarch S.A. New registered office of the company is in Lezennes. The above-mentioned changes come into force on the date the resolution is passed.

In the third quarter of 2011, Comarch Solutions GmbH relocated its office from Vienna to Kirchbichl.

On the 8th of September, 2011, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a transformation of the company SolInteractive Sp. z o.o. (a limited liability company) into SolInteractive S.A. (a joint stock company).

On the 3rd of October, 2011, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a decrease in share capital of Bonus Management Sp. z o.o. SK-A from 4,100,000 PLN to 2,763,101 PLN.

On the 10th of October, 2011, SoftM France SARL, a subsidiary of Comarch SA, filed a bankruptcy petition with the TRIBUNAL DE GRAND INSTANCE, Chambre Commerciale 1, Quai Finkmatt, 67000 STRASBOURG (current report no. 23/2011 dated the 14th of October, 2011). SoftM France SARL has not been operating since 2009.

The commercial development of the Group on the international and domestic markets is a reason for carrying out changes in the organisational structure of the Comarch Group.

6.3 Changes in Ownership, in Capital and Organisational Structure after the Balance Sheet Date

On the 9th of January, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a company CA Finance Sp. z o.o.

On 27th of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27th of January, 2012) that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 100,000 ordinary bearer's A-MEA Informatik AG ("A-MEA") shares of nominal value of 1 CHF (i.e. 3.5147 PLN). Total acquisition price will not exceed a sum of 2 million CHF (i.e. 7.03 million PLN) and value of A-MEA equity as of 31st of January, 2012. The transaction will be settled till the end of the first quarter of 2013. As a result of the aforementioned transaction, CASA holds 100,000, i.e. 100% A-MEA shares which entitle to 100,000, i.e. 100% of total number of votes at the company's general meeting. A-MEA is a company with a long standing experience in sales and implementation of ERP solutions, including Comarch ERP Enterprise.

On the 9th of March, 2012, the Amtsgericht Dresden registered an increase of 6.5 million EUR in share capital of Comarch AG. New shares were purchased by Comarch S.A. In the first quarter of 2012,

Comarch S.A. made payments in the total amount of 13 million EUR into supplementary capital of Comarch AG.

On the 15th of March, 2012, the District Court for Krakow-Śródmieście, IX Economic Division of the National Court Register registered a name change of iFin24 S.A. to Comarch Polska S.A.

On the 16th of March, 2012, Comarch S.A. received a notice from the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register dated the 14th of March, 2012, on registration of an increase in share capital of MKS Cracovia SSA from 14,557,000.00 PLN to 18,420,100.00 PLN. As a consequence, Comarch S.A. holds 59.82% of shares in the share capital of MKS Cracovia SSA which entitle to 59,82% of votes at the annual general meeting of MKS Cracovia SSA.

On the 20th of March, 2012, a company Comarch UK Ltd. with its registered office in London was registered in the Companies House.

On the 10th of April, 2012, the District Court for Krakow-Śródmieście in Krakow, IX Economic Division of the National Court Register registered an increase of 250,000 PLN in share capital of iMed24 S.A.

On the 10th of April, 2012, Comarch AG informed Comarch Software und Beratung AG on exceeding of 95% share in share capital of Comarch SuB AG and demanded calling the company's annual general meeting in order to resolve on Comarch AG's purchases of shares held by current shareholders (minorities) for a proper reward.

On the 27th of April, 2012, the Management Board of Comarch S.A. announced that CASA Management and Consulting Sp. z o.o. SK-A ("CASA"), a subsidiary of Comarch SA, purchased 50 shares in ESAPROJEKT sp. z o.o. ("ESAPROJEKT") of nominal value of 2,460 PLN each. Total acquisition price amounted of 12,2 million PLN. As a result of the aforementioned transaction, CASA holds 50 shares, i.e. 100% of shares in ESAPROJEKT which entitle to 100% of total number of votes at the company's general meeting. ESAPROJEKT is a leading Polish producer and IT solution provider for medicine sector.

6.4 Methods of Calculation of Financial Ratios

Debt Ratios

$$\text{Debt Ratio} = \frac{\text{Credits and Loans}}{\text{Total Assets}}$$

$$\text{Debt/Equity Ratio} = \frac{\text{Credits and Loans}}{\text{Equity attributable to Shareholders}}$$

Profitability Ratios

$$\text{Return on Equity} = \frac{\text{Net Profit attributable to Shareholders}}{\text{Equity attributable to Shareholders}}$$

$$\text{Return on Sales} = \frac{\text{Gross Profit}}{\text{Revenue}}$$

$$\text{EBIT Margin} = \frac{\text{Operating profit}}{\text{Revenue}}$$

$$\text{Gross Margin} = \frac{\text{Profit before Income Tax}}{\text{Revenue}}$$

$$\begin{array}{l} \text{Return on Sales} \\ \text{(profit attributable to shareholders)} \end{array} = \frac{\text{Net Profit attributable to Shareholders}}{\text{Revenue}}$$

Liquidity Ratios

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\text{Quick Ratio} = \frac{\text{Trade and Other Receivables} + \text{Cash and Cash Equivalents} + \text{Available-for-Sale Assets}}{\text{Current Liabilities}}$$

$$\text{Cash to Current Liabilities Ratio} = \frac{\text{Cash and Cash Equivalents}}{\text{Current Liabilities}}$$

Turnover Analysis

$$\text{Current Assets Turnover Ratio} = \frac{\text{Revenue}}{\text{Current Assets}}$$

$$\text{Receivables Turnover Ratio} = \frac{(\text{Trade and Other Receivables}) * 360}{\text{Revenue}}$$

$$\text{Inventories Turnover Ratio (days)} = \frac{\text{Inventories} * 360}{\text{Costs of Sold Goods and Materials}}$$

$$\text{Liabilities Turnover Ratio(days)} = \frac{(\text{Liabilities} + \text{Liabilities due to Long-term Contracts}) * 360}{\text{Sales and Marketing Costs} + \text{Administrative Expenses} + \text{Other Operating Expenses} + \text{Costs of Sold Products, Services, Goods and Materials}}$$

$$\begin{aligned} & \text{Liabilities Turnover Ratio} \\ & \text{excluding} \\ & \text{Liabilities due to} \\ & \text{Bonds and Investment Credit (days)} \end{aligned} = \frac{(\text{Liabilities} + \text{Credits and Loans}) * 360}{\text{Sales and Marketing Costs} + \text{Administrative Expenses} + \text{Other Operating Expenses} + \text{Costs of Sold Products, Services, Goods and Materials}}$$

**REPORT REGARDING THE ACCEPTANCE
OF CORPORATE GOVERNANCE PRINCIPLES
IN COMARCH S.A. IN 2011**

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1. Corporate Governance Principles that Apply to an Issuer

The Warsaw Stock Exchange Supervisory Board by motion of the WSE Management Board adopted the new corporate governance rules compiled in the "Best Practices of WSE Listed Companies" on 4th of July, 2007

<http://www.corp-gov.gpw.pl/assets/library/polish/publikacje/dpsn2010.pdf>

<http://www.corp-gov.gpw.pl/assets/library/english/publikacje/dpsn%202010%20enx.pdf>

There were changed with the following resolutions of the Warsaw Stock Exchange Supervisory Board: resolution dated the 19th of May, 2010 (affective from 1st of July, 2010), resolution dated 31st of August, 2011 (effective from 1st of January, 2012) and resolution dated 19th of October, 2011 (effective from 1st of January, 2012). Currently binding document may be found at:

http://www.corp-gov.gpw.pl/assets/library/polish/regulacje/dobre_praktyki_19_10_2011_final.pdf

http://www.corp-gov.gpw.pl/assets/library/english/regulacje/bestpractices%2019_10_2011_en.pdf

http://www.corp-gov.gpw.pl/assets/library/english/regulacje/bestpractices%2019_10_2011_en.pdf

The Best Practices include 4 sections:

- I. Recommendations for Best Practices of Listed Companies;
- II. Best Practices of Management Boards of Listed Companies;
- III. Best Practices of Supervisory Board Members;
- IV. Best Practices of Shareholders.

Pursuant to § 29, section 5 of the Rules of the Warsaw Stock Exchange, the Management Board of Comarch S.A. presented declaration of the Management Board regarding the acceptance of the corporate governance principles in the company as attachment to the annual statement published on 29th of April, 2011.

2. Recommendations for Corporate Governance Principles not Implemented by the Issuer along with an Explanation of the Circumstances and Reasons surrounding the Decision not to Implement a Particular Principle

a) Recommendations for Best Practices of Listed Companies

1. *„A company should pursue a transparent and effective information policy using both traditional methods and modern technologies ensuring fast, secure and broad access to information. Using such communication methods to the broadest extent possible, a company should ensure adequate communication with investors and analysts, enable on-line broadcasts of General Meetings over the Internet, record General Meetings, and publish the recordings on the company website.”*

The company doesn't enable the on-line broadcast of General Meetings over the Internet and doesn't publish the recordings on the website. However, it will consider that recommendations made after changes in the company's statute would be made.

2. *A company should have a remuneration policy and rules of defining the policy. The remuneration policy should in particular determine the form, structure, and level of remuneration of members of supervisory and management bodies. Commission Recommendation of 14th of December, 2004 fostering an appropriate regime for the remuneration of directors of listed companies (2004/913/EC) and Commission Recommendation of 30th of April, 2009 complementing that Recommendation (2009/385/EC) should apply in defining the remuneration policy for members of supervisory and management bodies of the company.*

Comarch S.A. has a remuneration policy which specifies form, structure and level of employees' remuneration, including members of management and supervisory boards. Management board's compensation scheme ensures linkage between remuneration, company's financial results and performed services of salaried persons.

A significant part of the rules resulting from the Recommendation of 14th of December, 2004, fostering an appropriate regime for the remuneration of directors of listed companies (2004/913/EC) and Commission Recommendation of 30th of April, 2009, complementing that Recommendation (2009/385/EC) has been included in the compensation scheme applied at Comarch S.A. They are:

- a) The total remuneration and other benefits for members of the company's management and supervising staff are presented in annual financial statements,
- b) Option programmes are approved at the company's general meeting and detailed information related to the managerial option programme is presented in financial statements,
- c) The compensation scheme specifies variable and non-variable components of the management's remuneration, and a variable component is linked to specified in-advance performance criteria,
- d) The value of termination payments does not exceed the equivalent of two-years of the non-variable component of the remuneration,
- e) Shares do not constitute the remuneration form for non-executive directors nor members of the supervisory board,

However, the company's remuneration policy does not include some recommendations of the European Commission, such as:

- a) Compensation scheme is not a subject to the prior approval of the annual general shareholders' meeting,
- b) The company does not disclose „the remuneration statement” on its website (detailed information in relation with that subject are included in the financial statement),
- c) Share-based property rights, when executing share options, may be effective before 3 years from the date of their receiving, and it is not mandatory to hold a specific number of shares during the time of fulfilling the function of a managing person,
- d) There is no Remuneration Committee in the company,

Managing persons may be also employed on a labour contract, under provisions specified in regulations binding in the company and Work Code. Values of remuneration for employment contracts of the members of the management board and the amount of the lump sum for the meeting of the management board shall be determined by the Supervisory Board according to an adopted resolution.

Remuneration of the supervisory board are established by a resolution at the company's general shareholders' meeting.

In time to come, the company does not anticipate any changes in applied remuneration policy.

3. The WSE recommends to public companies and their shareholders that they ensure a balanced proportion of women and men in management and supervisory functions in companies, thus reinforcing the creativity and innovation of the companies' economic business.

The company makes every effort to ensure balanced share of women and men in performing functions of management and supervisory boards' members in companies. Compliant with Working Rules for employees in Comarch SA, employer is obliged to: „*counteract discrimination in employment, in particular in relation to gender, age, disability, race, religion, nationality, political beliefs, union affiliation, ethnic origin, creed, sexual orientation.*” Moreover, employees in Comarch SA „*should be treated equally within the scope of beginning and terminating work, employment conditions, promotion and trainings availability in order to improve professional qualification, in particular regardless of gender, age, disability, race, religion, nationality, political beliefs, union affiliation, ethnic origin, creed, sexual orientation, and regardless whether employed definite or indefinite time, full-time or part-time.*” Comarch SA policy does not create any barriers in relation to gender, views, sexual orientation, ethnic or race origin within the scope of employing and personal policy. It does not contribute to direct or indirect discrimination due to gender, age, disability, race, religion, nationality, politic beliefs, union affiliation, ethnic origin, creed and sexual orientation.

There are three women within a 6-person membership of the Comarch SA Supervisory Board. All 7 members of the Comarch SA Management Board are men, which is mostly the result of the nature of the activities conducted by the company and the specification of the IT branch, where men constitute a significant majority. It is noteworthy that current members of the Management Board in Comarch SA are persons related to the company for many years (at

least 3 years as management board members) with broad IT technology knowledge and with high qualifications necessary to their held posts. Having that in mind one should assume that in the nearest future there will be no change in women's membership in this management body. In Comarch SA there is a bias towards increasing the number of employed women, qualifications are considered the most important, not gender, as men have equal chances to be employed for the post. Women constitute approximately 25 % of Comarch SA employees, and 19 % of executive posts, which is a high share in total employment, especially considering the technical nature of the IT company.

3. Shareholders Holding Directly or Indirectly Significant Shares in Votes at the General Shareholders Meeting as at 30th of April, 2012

Shareholders	Number of shares	% of share capital	Number of votes at the company's AGM	% of votes at the company's AGM
Janusz Filipiak	2,620,010	32.54	6,192,010	41.16
Elżbieta Filipiak	846,000	10.51	4,230,000	28.12
Other members of the Board	103,762	1.29	141,362	0.94
Other shareholders	4,481,865	55.66	4,481,865	29.78
Total	8,051,637	100.00	15,045,237	100.00

4. Owners of Securities Entitling them to Special Control Rights as well as a Description of these Rights

Janusz Filipiak, President of the Management Board, holds 893,000 registered shares preference votes (1:5). These entitle him to 4,465,000 votes at the company's general shareholders' meeting. Elżbieta Filipiak, Chairman of the Supervisory Board, holds 846,000 registered shares preference votes (1:5). These entitle her to 4,230,000 votes at the company's general shareholders' meeting. Paweł Prokop, Vice-President of the Management Board, holds 9,400 registered shares preference votes (1:5). These entitle him to 47,000 votes at the company's general shareholders' meeting.

5. All Restrictions Relating to Execution of Voting Rights, i.e. Restriction of Voting Rights through Holding a Particular Share or Number of Votes, Time Restrictions regarding Voting Rights or Records according to which, in Collaboration with the Company, Capital Rights Related to Securities are Separated from Securities Holdings

None present.

6. All Restrictions Regarding Transferring the Holding Rights of an Issuer's Securities

According to art. 8 point 5 of Comarch S.A.'s statute

„5. Disposing registered shares requires consent of the Management Board provided in writing. In case of refusal of disposing, the Management, within 2 months of filing with the Company of the intention of assigning shares, appoints the purchaser and price of shares. Price of shares may not be lower than average stock exchange price from the three recent months preceding the month of filing, provided that shares of the Company are in stock exchange trading. Otherwise, price of shares may not be lower than the book value per share as of the last balance sheet date. Price is due within one month of the date of resolution of the Management indicating the purchaser of shares.”

7. Principles for the Appointing and Dismissing of Management and their Rights, notably the Right for Decision Making on Shares Issue or Buyout

A) Principles for Appointing and Dismissing

According to the Statute of the company, the Management Board of the company consists of 2 to 8 persons appointed and dismissed by the Annual General Meeting. Members of the Management Board are appointed for the common term of office of three years. The AGM defines salaries for the Management Board, provided that this competency may be passed on in part or in entirety to the Supervisory Board. The Supervisory Board suspends on important reasons, selected or all members of the Management Board in their duties and delegating members of the Supervisory Board for the period not longer than 3 months for temporary execution of activities of those members of the Management Board who have been dismissed, who resigned or who cannot execute their duties on other reasons.

B) Rights according to art. 9, 20 - 22 of the Comarch S.A.'s Statute and the Commercial Companies Code

- The Management Board may appoint proxies.
- President of the Management Board single-handedly or two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy are authorised for making statements on behalf of the company and representing the company in Court and off Court.
- In agreements between the company and members of the Management Board and in disputes with them, the company is represented by the Supervisory Board or by a proxy appointed with a resolution of the General Meeting. The Supervisory Board may authorise, by way of a resolution, one or more members of the Supervisory Board to perform such legal actions.
- The Management Board defines internal organisation of the company.
- According to art. 445 and 446 of the Commercial Companies Code, the General Meeting passes a resolution on amendments to the statutes, providing for the authorisation for the management board to increase the share capital within the limits of the authorised capital. According to art. 9 sec. point 5 of the Comarch S.A.'s statute, within the target capital, the Management Board of the Company may issue shares only in conversion for cash contributions and may not issue preferential shares or allocate personal rights for the shareholder, referred to in Article 354 of the Code of Trade Companies. In the scope of all the issues related to increasing the share capital within the target capital, in particular on excluding or limiting collection right and determining the issue price, obtaining consent of the Supervisory Board is required.

8. Description of Principles for Changes in Statute or an Issuer's Deed of Partnership

A General shareholders' Meeting may pass a resolution regarding changes in statute, including an increase or a decrease in share capital, and a resolution on a significant change in the company's subject matter.

9. Description of Operating Principles for General Meetings and Their Essential Rights and Shareholders' Rights as well as Modality, in particular Principles resulting from Rules for General Shareholders' Meeting if such Rules were passed, unless these Information Results from Law

1. Annual General Shareholders' Meetings may be ordinary or extraordinary.
2. An ordinary General Meeting of the Management Board shall be called no later than the end of June each year.
3. General meetings shall be called in accordance with the Polish Commercial Companies Code, the company's Statute and with the Rules for General Shareholders' Meeting dated the 28th of June, 2010.
4. Meetings shall take place at the company's headquarters.
5. At least two members of the company's Management Board and at least two members of its Supervisory Board should take part in the Annual General Shareholders' Meeting.

6. If the subject of debate is to concern the financial affairs of the company an auditor shall be present.
7. Representatives of the media may attend the General Shareholders' Meeting as observers..
8. Only persons who are company shareholders 16 (sixteen) days prior the date of the General Meeting are entitled to participate in the General Meeting.
9. Shareholders who are physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote themselves or via a proxy.
10. Shareholders who are not physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote via a person empowered to submit a declaration of intent in their name, or via a proxy.
11. The chairman of the Annual General Shareholders' Meeting conducts debates, takes decisions in matters of the agenda and procedure, and is authorized to interpret the present rules.
12. The duties of the chairman of the Annual General Shareholders' Meeting include:
- Ensuring that debates are conducted in accordance with the agenda and procedure as stipulated,
 - Directing the debate: deciding who shall speak and in what order,
 - Receiving proposed and draft resolutions and opening them to debate and,
 - Organizing and conducting the voting.
13. The Annual General Shareholders' Meeting shall choose a three-person returns committee from the candidates notified by the chairman. The returns committee shall ensure that each vote is correctly conducted, supervise the practical aspects of the vote and check, confirm and declare the results. Where the Annual General Shareholders' Meeting is attended by a small number of shareholders a returns committee shall not be selected unless a shareholder or proxy submits a request for a returns committee to be selected. Where a returns committee is not selected its functions shall be performed by the chairman of the Annual General Shareholders' Meeting.
14. The Annual General Shareholders' Meeting shall take decisions in the form of resolutions adopted by open voting except:
- Voting on an issue of selecting or deselecting members of bodies of the company, or liquidators,
 - Motions to prosecute members of bodies of the company or liquidators,
 - In personal matters,
 - At the request of at least one shareholder,
 - In other circumstances stipulated in the regulations currently binding.
15. Shareholders shall notify the chairman of the Annual General Shareholders' Meeting of their candidates for membership of the Supervisory Board in writing or verbally.
16. Proposals for Supervisory Board candidates should be supported in detail with particular emphasis placed on the candidate's education, qualifications and professional experience.
18. The Company may organise the General Meeting in such a way as to enable shareholders to participate at the General Meeting using means of electronic communication.

10. Membership, Changes in Membership during Last Financial Year and Rules of Operations of the Company's Managing and Supervising Persons as well as Their Committees

A) Members of the Comarch S.A.'s Supervisory Board as at 31st of December, 2011:

Name and Surname	Position
Elżbieta Filipiak	Chairman of the Supervisory Board
Maciej Brzeziński	Vice-Chairman of the Supervisory Board
Danuta Drobnik*	Member of the Supervisory Board
Wojciech Kucharzyk	Member of the Supervisory Board
Anna Ławrynowicz	Member of the Supervisory Board
Tadeusz Syryjczyk	Member of the Supervisory Board

**) Comarch S.A.'s Annual General Meeting dated the 29th of June, 2011, passed resolutions related dismissal of Mr Maciej Czapiewski and appointment of a new member of the Board of Supervisors, Ms Danuta Drobnik.*

The Supervisory Board shall undertake constant supervision of all areas of the company's operations. The Supervisory Board shall operate according to the regulations of the Polish

Commercial Companies Code, the company's Statute, the Corporate Governance Principles in force at the company and the Rules for the Supervisory Board dated 30 June 2003 approved at the Annual General Shareholders' Meeting (and amendments). The detailed operations of the Supervisory Board were presented in the above-mentioned documents.

The most important rules included in the Rules for the Supervisory Board are:

1. The Supervisory Board shall contain three to seven people chosen by the Annual General Shareholders' Meeting. The Meeting shall, by a resolution, specify the number of members of the Supervisory Board before voting commences to select candidates for that Board.
2. Supervisory Board members shall be appointed for a common term of office lasting three years.
3. Members of the Supervisory Board shall perform their rights and duties directly and in person. Any member of the Supervisory Board may be dismissed before their term of office has been completed. Members of the Supervisory Board may be re-elected.
4. General Shareholders' Meeting shall appoint from among members of the Supervisory Board the Chairperson, the Vice Chairperson, and also the Secretary of the Supervisory Board, as needed.
5. The chairman of the Supervisory Board:
 - a) convenes meetings of the Supervisory Board,
 - b) conducts meetings of the Supervisory Board,
 - c) opens debates at the Annual General Shareholders' Meeting.
6. When the chairman is absent his place shall be taken by the vice-chairman of the Supervisory Board.
7. The Supervisory Board may select supervisory committees from amongst its members for specific sectors of the company's operations. In particular, this shall concern an auditing committee.
8. These committees may sit separately and may vote on resolutions. These may concern the findings of inspections and audits concerning the way the company operates.
9. Meetings of the Supervisory Board shall be convened by the chairman of the Supervisory Board. The Management Board or another member of the Supervisory Board may demand that the chairman convene a meeting of the Supervisory Board. This demand should be accompanied by a proposed agenda. The chairman of the Supervisory Board shall convene a meeting within two weeks of receiving the demand. If the meeting is not convened in accordance with the procedure stipulated above, the petitioner may himself call the meeting.
10. The agenda of meetings of the Supervisory Board shall be stipulated by the convener and, along with any relevant materials, be sent to members of the Supervisory Board three (3) days before the planned date of the meeting unless circumstances arise to justify shortening this period.
11. The agenda of meetings of the Supervisory Board may only be changed or supplemented.
12. Meetings of the Supervisory Board should be convened at least four times in each financial year.
13. Resolutions of the Supervisory Board shall be adopted by a majority of the votes present. Where there is a tie the chairman shall have the deciding vote.
14. A resolution of the Supervisory Board shall be valid where all its members have been invited and where more than half the members of the Supervisory Board, including the chairman or vice-chairman of the Supervisory Board, are present.
15. Provided all members of the Supervisory Board express their written agreement to this, resolutions of the Supervisory Board may be adopted by written ballot without a meeting being convened.
16. Meetings of the Supervisory Board may also be conducted using resources for remote communication, such as the telephone, facsimile machines, electronic mail and teleconferencing, by using the Internet in another manner and by the use of other telecommunications resources.
17. Members of the Supervisory Board may take part in voting on resolutions of the Supervisory Board by voting in writing via another member of the Supervisory Board.
18. The mode of voting on resolutions by the Supervisory Board specified above is not acceptable in the matters set out in art. 388 paragraph 4 of the Polish Commercial Companies Code. These are:
 - a) The selection of the chairman and vice-chairman of the Supervisory Board,
 - b) The appointment and dismissal of a member of the Management Board,
 - c) The suspension of a member of the Management Board

19. Members of the Management Board may take part in meetings of the Supervisory Board. The Management Board shall be informed of all dates and agendas of meetings of the Supervisory Board.

20. The Supervisory Board may invite members of the Management Board to take part in a meeting.

21. At each of its meetings the Supervisory Board shall be informed by the company of the current individual and consolidated financial results of the company and of significant matters concerning the company's operations. Where this is justified by the company's situation, this shall include the risk associated with operations and ways to manage this risk.

22. Members of the Management Board shall not take part in those sections of meetings of the Supervisory Board which concern the dismissal, scope of responsibility, or pay and conditions of Management Board members.

23. Meetings of the Supervisory Board shall be minuted. The minutes should include the agenda for debate, the name and surname of all the Supervisory Board members present and the results of the votes on resolutions.

24. The Supervisory Board conducts the overall supervision of the company's operations.

25. The specific competences of the Supervisory Board are as follows:

a) Assessing the company's annual financial statement and the consolidated financial statement of the Comarch capital group;

b) Assessing the Management Board's reports on the company's operations and on the Comarch capital group and, in addition, assessing the Management Board's conclusions on distributing profits and covering losses;

c) Submitting a written report containing the information required by points a) and b) of the present section;

d) Scrutinizing the work of the Management Board in effecting resolutions adopted at the Annual General Shareholders' Meeting;

e) Selecting statutory auditors for the financial statements of the company and of the Comarch capital group. The Supervisory Board may adopt a resolution to apply stricter criteria for the statutory auditor's independence than are demanded by the legal regulations;

f) Appointing and dismissing members of the Management Board, stipulating the compensation attracted by performing the function of member of the Management Board, suspending – for substantial reasons – individual members, or all members, of the Management Board, designating members of the Supervisory Board to temporarily perform the functions of members of the Management Board, or suspending the Management Board itself;

g) Giving consent to increase share capital within the context of authorized capital;

h) Giving consent to acquire and dispose of real estate or shares in real estate;

i) Giving consent to conclude an agreement with an issue underwriter in accordance with the provisions set out in art. 433 paragraph 3 of the Polish Commercial Companies Code;

j) Exercising, in respect of members of the Management Board and on behalf of the company, rights and privileges arising from an employment relationship;

k) Approving the company's growth strategy;

l) Expressing its opinion on draft resolutions for the Annual General Shareholders' Meeting sent to it by the Management Board and shareholders.

26. Once every year the Supervisory Board must adopt a resolution in the matter of its assessment of the company's situation. This document shall be passed on to the Annual General Shareholders' Meeting.

27. To aid it in performing its function, the Supervisory Board has the right to see all the company's documents and may demand reports and explanations from the Executive Board and from company employees. The Supervisory Board may also conduct a review of the state of the company's assets.

28. The Supervisory Board operates as a collective body but may, however, delegate its individual members to particular supervisory activities.

29. Members of the Supervisory Board should hold the interests of the company as their highest priority.

30. Members of the Supervisory Board shall be bound to inform other members of the Supervisory Board of any conflict of interest arising and, following this, not take place in the debate concerning the matter that is subject to a conflict of interest. Where it is uncertain whether a conflict of interest has arisen, the Supervisory Board shall vote on a resolution to resolve this uncertainty.

31. Members of the Supervisory Board shall keep secret all information they acquire in the course of their duties concerning the company's activities and the activities of companies within the Comarch capital group.

32. Within fourteen days of their selection a member of the Supervisory Board shall make a written submission of any economical, familial or other involvements with a shareholder holding five per cent or more of the votes at the Annual General Shareholders' Meeting. The Management Board shall inform the Supervisory Board in writing at that board's next meeting of any case where any entity acquires five per cent or more of the votes at the Annual General Shareholders' Meeting. Where information of this nature is passed to them, the members of the Supervisory Board shall submit – within fourteen days of the sitting of the Supervisory Board at which they were informed – written information concerning any conflict of interest arising. Should the involvements referred to in the present section change, members of the Supervisory Board are obliged – without summoning the company to meet – to provide details of these changes within fourteen days.

33. Members of the Supervisory Board delegated to long-term, individual supervisory duties may not, unless the company gives permission, involve themselves in competing business interests or participate in the business of a competitor company as a partner or associate, or as a member of a body of a joint-stock company. Further, they may not participate in the business of a competitor company in a different legal personality as a member of a company body. Additionally, members of the Supervisory Board are forbidden to participate in a competitor capital group where they hold ten per cent or more of the shares or participation rights, or where they enjoy the right to appoint at least one member of the Management Board.

34. Permission for members of the Supervisory Board delegated to long-term, individual supervisory duties to pursue competing commercial interests shall be granted according to a decision of the Supervisory Board.

35. Duties and Responsibilities of members of the Supervisory Board:

a) Members of the Supervisory Board shall inform the company and Financial Supervision Authority when they or related persons, on their own account, acquire or dispose of shares in the company or when they acquire or dispose of shares in a company, derivatives related to the company's shares and other financial instruments related to these securities, admitted to regulated stock exchange or being in the process of seeking admission to such trading, where this exceeds 5000 EURO in one year or a transaction exceeds 5000 EURO. Members of the Supervisory Board shall submit this information within five working days of the date of transaction. Whenever the sum of transactions, mentioned in the section 1, do not exceed 5000 EURO in one year, providing the information mentioned in the section 1 shall be done by 31 January of the year following the year of the transaction.

b) Members of the Supervisory Board delegated to long-term supervisory tasks shall submit a monthly, written report detailing their activities to the Supervisory Board.

c) Members of the Supervisory Board should not resign their positions in mid-term where this would make it impossible for the Supervisory Board to function or where, especially, this would delay the adoption of vital resolutions.

d) Members of the Supervisory Board shall receive compensation according to terms stipulated by the Annual General Shareholders' Meeting.

e) Two members of the Supervisory Board shall participate in the debates at the Annual General Shareholders' Meeting. Members of the Supervisory Board shall themselves select these delegates to represent the Board at the Annual General Shareholders' Meeting.

f) Members of the Supervisory Board should make all efforts to participate in Supervisory Board meetings.

g) Members delegated to long-term, individual supervisory tasks have the right to participate in meetings of the Management Board.

36. The compensation for members of the Supervisory Board delegated to long-term, individual supervisory tasks shall be stipulated by the Supervisory Board.

37. The company shall cover the costs of the Supervisory Board's operation.

38. The Supervisory Board shall use the company's office space, equipment and material.

39. The company's Management Board shall provide the Supervisory Board with administrative and technical support.

Audit Committee

According to a resolution of the Supervisory Board, a new Audit Committee was called and all members of the Supervisory Board became members. According to information possessed by the company, four members of the Audit Committee fulfil independency conditions and at least one of them is qualified in accountancy and financial review.

Tasks of the Audit Committee are, in particular:

- 1) Monitoring the process of financial reporting;
- 2) Monitoring the effectiveness of internal control systems, internal audits and risk management;
- 3) Monitoring financial reviews;
- 4) Monitoring the independency of the export auditor and the entity entitled to audit financial statements;
- 5) The Audit Committee make recommendations to the Supervisory Board or to an alternate supervisory organisation in relation to the entity entitled to audit financial statements.

Comarch SA provides the Audit Committee with information related to the accountancy policy, finance, company's operating activity and information on settlement methods of significant one-off events. On the Audit Committee's request, the Finance Director participates in its meetings.

B) Members of Comarch S.A.'s Management Board as at 31st December, 2011:

Name and surname	Position
Janusz Filipiak	President of the Management Board
Piotr Piątosza	Vice-President of the Management Board
Paweł Prokop	Vice-President of the Management Board
Piotr Reichert	Vice-President of the Management Board
Konrad Tarański	Vice-President of the Management Board
Zbigniew Rymarczyk	Vice-President of the Management Board
Marcin Warwas	Vice-President of the Management Board

The Management Board leads the affairs of the company and operates according to the provisions of the Polish Commercial Companies Code, the company's Statute, resolutions of the Supervisory Board, resolutions of the Annual General Shareholders' Meeting, the Rules for the Management Board dated 15th of February, 2010 (update of document dated 30th of June, 2003) and to the generally binding legal regulations. The detailed operations of the Management Board were presented in the above-mentioned documents.

The most important rules included in the Rules for the Management Board are:

1. The Management Board performs its functions jointly and takes resolutions at meetings of the Management Board and in the manner stipulated below.
2. Meetings of the Management Board shall be held at least once every month. Meetings of the Management Board shall be held on the company's premises at Al. Jana Pawła 41e in Krakow.
3. A meeting of the Management Board shall be called by the President of the Management Board or, in his absence, a member of the Management Board acting as the President of the Management Board.
4. Where all members of the Management Board are present at a meeting of the Management Board, a meeting of the Management Board may be called informally.
5. The President of the Management Board or, in his absence, the person acting as President of the Management Board, may call a meeting of the Management Board at the request of any member of that Board and with the agenda specified by the member making the request. Meetings of the Management Board called in this way shall, however, not be restricted exclusively to this agenda and may consider other items placed on the agenda.
6. Meetings of the Management Board shall be chaired by the President of the Management Board, a person acting as the President of the Management Board or a person nominated by the President of the Management Board.
7. The Management Board shall take decisions in the form of resolutions adopted by open vote.
8. The chairman shall order a secret vote where even one member of the Management Board taking part in the meeting requests this.
9. Resolutions shall be adopted by an absolute majority of votes.

10. A resolution adopted at a meeting of the Management Board is valid only where at least four members of the Management Board, including the President of the Management Board or the person acting as the President of the Management Board, are present.

11. The Management Board may adopt a resolution outside meetings of the Management Board in the following ways:

a) By written vote – in this case each member of the Management Board votes in writing and gives this to the President of the Management Board or to the person acting as President of the Management Board;

b) By written vote – each member of the Management Board signs the contents of the resolution and gives this to the President of the Management Board or to the person acting as the President of the Management Board;

c) Voting by facsimile or Internet.

d) Votes cast in the manner set forth in a-c) shall be recorded in the book of resolutions and appended to the minutes of the meeting of the Management Board.

e) Where adopted in the manner set out in point c), a resolution shall require the votes of all members of the Management Board to be valid.

12. Non-members of the Management Board may be invited to attend its meetings.

13. All meetings of the Management Board require that minutes be taken. These should include at least:

a) The date and place of the meeting.

b) The agenda of the meeting.

c) The names and surnames of the members of the Management Board present at the meeting.

d) The names and surnames of people invited to the meeting of the Management Board and present at the meeting.

e) The exact content of resolutions.

f) The number of votes cast for and against resolutions including the number of abstentions.

g) The subjects discussed.

h) A written record of dissenting opinions expressed.

i) The signatures of the members of the Management Board present at the meeting.

14. The minutes of Management Board meetings shall be kept in the Minutes Book. The Minutes Book shall be maintained by the CEO secretariat.

15. The minutes of Management Board meetings shall be drawn up immediately by CEO secretariat.

16. Where there is a direct or indirect conflict between the interests of a member of the Management Board and those of the company, that member shall inform the company's Supervisory Board that this is the case.

17. Two members of the Management Board shall participate in the debates of the Annual General Shareholders' Meeting. Members of the Management Board shall themselves decide on which of their number should represent them at the Annual General Shareholders' Meeting.

11. A Description of the Basic Features of the Internal Control and Risk Management Systems the Group Uses and How These Relate to the Process of Preparing the Financial Statements

The company's Management Board is responsible for the company's accounting in accordance with the Act on Accounting of the 29th of September, 1994 (Journal of Laws No. 121, item 591 with amendments) and compliant with the requirements specified in the Regulation issued by the Minister of Finance on the 18th of October, 2005 concerning information presented in financial statements and consolidated financial statements, required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones (Journal of Laws No. 209 pos. 1743) and the Regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (Journal of Laws No. 33 pos. 259).

The audited consolidated financial statements are prepared in all significant aspects compliant with the International Financial Reporting Standards, as approved by the European Union. When specifying the scope and methods of consolidation, as well as the relations of dependency, IFRS principles were applied. Consolidation of the Capital Group's financial statement in relation to the subsidiaries was conducted using the full method by summing all the appropriate items from the dominant unit and the consolidated subsidiaries' financial statements in the full amount. In relation to the associates the equity method was applied. The

value of the share of the dominant unit in the associate was adjusted in the interest of the dominant unit by the increase in the associate's equity occurring within the consolidating period.

When preparing financial statements and consolidated financial statements internal control and risk management at Comarch S.A. are effected in accordance with the company's internal procedures for drawing up and approving financial statements. In accordance with the Act on Accounting of the 29th of September, 1994, the dominant unit maintains documents describing the accounting principles it has adopted. These include, but are not limited to, information on the methods for valuing assets, for valuing equity and liabilities, for determining the financial result, for maintaining the accounting ledgers and for the protection and security of data and sets of data. The accounting for all economic events is computerized (a system called EGERIA, SoftM Suite, etc.). These systems are protected against unauthorized access and access limitations set according to the function a person performs or the post a person occupies.

Both financial statements and consolidated financial statements are prepared jointly by people working in control, the finance department and accountancy under the authority of the Head Accountant and Chief Financial Officer. Financial statements and consolidated financial statements are audited by an expert auditor elected by the company's Supervisory Board, and biannual financial statements are reviewed by an independent auditor. Financial statements of some subsidiaries are also audited by independent auditors.

The Management Board's statement regarding the independent auditor

The Management Board of Comarch S.A. states that the entity entitled to audit financial statements, that audited the annual consolidated financial statement for the year 2011 was selected compliant with the law and that the entity and expert auditors who audited this statement perform under conditions to provide an unbiased and independent opinion on the audited annual consolidated financial statement, compliant with the national law.

Krakow, 30th of April, 2012

Janusz Filipiak President of the Management Board	Piotr Piątosza Vice-President of the Management Board	Paweł Prokop Vice-President of the Management Board
Piotr Reichert Vice-President of the Management Board	Zbigniew Rymarczyk Vice-President of the Management Board	Konrad Tarański Vice-President of the Management Board
Marcin Warwas Vice-President of the Management Board		

The Management Board's statement regarding the reliability of the financial statement

The Management Board of Comarch S.A. states that to the best of our knowledge, the annual consolidated financial statement for the year 2011 and comparable data are prepared compliant with binding accounting principles and present the true, fair and clear financial standing of the Group and its financial results. Furthermore, the annual report regarding the Group's activities truly describes the development image and achievements as well as the Group's situation including basic threats and risk.

Krakow, 30th of April, 2012

Janusz Filipiak President of the Management Board	Piotr Piątosza Vice-President of the Management Board	Paweł Prokop Vice-President of the Management Board
Piotr Reichert Vice-President of the Management Board	Zbigniew Rymarczyk Vice-President of the Management Board	Konrad Tarański Vice-President of the Management Board
Marcin Warwas Vice-President of the Management Board		