

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

**CONSOLIDATED FINANCIAL STATEMENT  
FOR 2012  
AS WELL AS  
OPINION OF AN INDEPENDANT AUDITOR  
AND  
REPORT OF AN AUDITOR**

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**ACTIVITIES STATEMENT OF THE COMARCH SA CAPITAL GROUP IN 2012**

## **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 31<sup>st</sup> of December, 2012, consolidated income statement, total income consolidated statement, changes in consolidated equity, consolidated cash flow statement for the period from 1<sup>st</sup> of January, 2012 to 31<sup>st</sup> of December, 2012, 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 parent company 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 29<sup>th</sup> of September, 1994 (Journal of Laws from 2013, pos. 330), 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 parent company 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 31<sup>st</sup> of December, 2012, and on the financial result for financial year from 1<sup>st</sup> of January to 31<sup>st</sup> of December, 2012,
- 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 2012 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 19<sup>th</sup> 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.

.....  
Marek Turczyński  
Key Expert Auditor  
Registration no. 90114

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: Deloitte Audyt Sp. z o.o.) – the entity entitled to audit financial statements registered in the list of entities entitled under item no. 73:

.....  
Marek Turczyński-Vice-President of the Management Board of Deloitte Polska Sp. z o.o., a general partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 30<sup>th</sup> of April, 2013

**THE REPORT FROM THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENT  
FOR THE FINANCIAL YEAR 2012**

**I. GENERAL INFORMATION**

**1. General Characteristics of the Company**

The parent company of the Capital Group operates under the company name of Comarch S.A. 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 30<sup>th</sup> of November, 1994 by notary, Maria Kwiecińska-Stybel in Krakow (Repertory No. A 5209/94). Pursuant to the notice dated the 20<sup>th</sup> 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 1<sup>st</sup> of August, 2000.

On the 14<sup>th</sup> 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 31<sup>st</sup> of December 2012, the company's share capital accounted for PLN 8,051,637.00 and was divided into 6,303,237 ordinary shares of nominal value of PLN 1 each and 1,748,400 registered shares of nominal value of PLN 1.00 each. Registered shares are preferential for voting so that 5 votes in the General Meeting correspond with each share.

As at 31<sup>st</sup> of December, 2012, 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 31<sup>st</sup> of December, 2012, the equity was 624,942 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 31<sup>st</sup> of December, 2012, the Comarch S.A. 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%,
  - Comarch UK Ltd. - 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 100%,
  - Opso Sp. z o.o. (formerly: CA Finance Sp. z o.o.)- a subsidiary in 100%,
  - Comarch Management Sp. z o.o. - a subsidiary in 100%,
  - Comarch Corporate Finance FIZ - a subsidiary in 100%,
  - MKS Cracovia SSA - a subsidiary in 59.82%.
- the subsidiaries through Comarch S.A.S.:

- Comarch R&D S.à r.l. - a subsidiary in 70% through Comarch AG, in 30% through Comarch S.A.
  - the subsidiaries through Comarch AG:
    - Comarch Software und Beratung AG - a subsidiary in 100%\* through Comarch AG,
- (\*) including 2.68% CSuB AG shares borrowed from an entity outside the Comarch Group*
- the subsidiaries through Comarch Software und Beratung AG:
    - Comarch Solutions 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,
    - Comarch Polska S.A. (formerly: 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 Comarch - a subsidiary in 100% through Corporate Finance FIZ,
    - iComarch24 S.A. - a subsidiary in 100% through Comarch Corporate Finance FIZ,
    - Bonus Development Sp. z o.o. SKA - a 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 subsidiary in 100% through Comarch Corporate Finance FIZ,
    - Comarch Management Sp. z o.o. SKA - a subsidiary in 45.42% through Comarch Corporate Finance FIZ, 26.65% through Comarch S.A.,
  - subsidiaries through CASA Management and Consulting Sp. z o.o. SKA:
    - A-MEA Informatik AG - a subsidiary in 100% through CASA Management and Consulting Sp. z o.o. SKA,
    - ESAProjekt Sp. z o.o. - a subsidiary in 100% through CASA Management and Consulting

- Comarch Swiss AG - Sp. z o.o. SKA,  
a subsidiary in 100% through  
CASA Management and Consulting  
Sp. z o.o. SKA,
- associates:
  - through Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty:
    - SolInteractive S.A. (30.72% votes held by Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty),
  - through Comarch S.A.:
    - Fideltronik-Comarch Sp. z o.o. (an associate in 50%).

The consolidated financial statement as at the 31<sup>st</sup> of December, 2012 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 1<sup>st</sup> of January, 2012 to the 31<sup>st</sup> of December, 2012. Our opinion dated the 30<sup>th</sup> of April, 2013 included no objections, but drawing attention to the following:

“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:

<b>Name and office of the company</b>	<b>% in the share capital</b>	<b>An auditing entity and type of the opinion</b>	<b>Balance sheet date of a company</b>	<b>Date of the opinion</b>
Comarch, Inc. Rosemont (USA)	100%	was not subject to audit	31 December 2012	n/a
Comarch AG, Dresden (Germany)	100%	Akanthus GmbH Wirtschaftsprüfungsgesellschaft; opinion without objections	31 December 2012	15 March 2013
Comarch Middle East FZ-LLC, Dubai (UAE)	100%	was not subject to audit	31 December 2012	n/a
Comarch s.r.o, Bratislava (Slovakia)	100%	was not subject to audit	31 December 2012	n/a
Comarch LLC, Kiev (Ukraine)	100%	was not subject to audit	31 December 2012	n/a
Comarch Panama, Inc. Panama	100%	was not subject to audit	31 December 2012	n/a
UAB Comarch, Vilnius (Lithuania)	100%	was not subject to audit	31 December 2012	n/a
OOO Comarch, Moscow (Russia)	100%	was not subject to audit	31 December 2012	n/a
CA Consulting S.A., Krakow	100%	Suder&Reiter Audyty Sp. z o.o. Sp. k., opinion without objections	31 December 2012	29 March 2013
MKS Cracovia SSA, Krakow	59.82%	Suder&Reiter Audyty Sp. z o.o. Sp. k., opinion without	31 December 2012	29 March 2013

**COMARCH S.A. CAPITAL GROUP**

		objections, drawing one's attention		
Comarch R&D S.à r.l. Montbonnot-Saint-Martin (France)	100%	was not subject to audit	31 December 2012	n/a
Comarch Management Sp. z o.o. Krakow	100%	was not subject to audit	31 December 2012	n/a
Comarch Management Sp. z o.o. SKA Krakow	100%	Suder&Reiter Audyt Sp. z o.o. Sp. k., as at the date of this report there were no opinion	31 December 2013	n/a
Comarch Corporate Finance FIZ, Krakow	100%	BTFG Audit Sp. z o.o., opinion without objections	31 December 2012	12 March 2013
Bonus Development Sp. z o.o. SKA, Krakow	100%	was not subject to audit	31 December 2012	n/a
iMed24 S.A., Krakow	100%	Deloitte Polska Sp. z o.o. Sp. k. (formerly: Deloitte Audyt Sp. z o.o.), opinion without objections, drawing one's attention	31 December 2012	12 April 2013
Comarch Polska S.A. (formerly: iFIN24 S.A.), Krakow	100%	Suder&Reiter Audyt Sp. z o.o. Sp. k., opinion without objections	31 December 2012	29 March 2013
iReward24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. Sp. k., opinion without objections, drawing one's attention	31 December 2012	29 March 2013
Infrastruktura24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. Sp. k., opinion without objections	31 December 2012	29 March 2013
iComarch24 S.A., Krakow	100%	Suder&Reiter Audyt Sp. z o.o. Sp. k., opinion without objections	31 December 2012	29 March 2013
Bonus Management Sp. z o.o. SKA, Krakow	100%	was not subject to audit	31 December 2012	n/a
SouthForge Sp. z o.o., Krakow	100%	was not subject to audit	31 December 2012	n/a
CASA Management & Consulting Sp. z o.o. SKA, Krakow	100%	was not subject to audit	31 December 2012	n/a
Bonus Management Sp. z o.o. II Activia SKA, Krakow	100%	was not subject to audit	31 December 2012	n/a
Bonus Development Sp. z o.o. II Koncept SKA, Krakow	100%	was not subject to audit	31 December 2012	n/a
Comarch Software (Shanghai) Co. Ltd., Shanghai (China)	100%	was not subject to audit	31 December 2012	n/a
Comarch S.A.S., Lezennes (France)	100%	Mazars France, as at the date of this report there were no opinion	31 December 2012	n/a
Comarch Luxembourg	100%	was not subject to audit	31 December 2012	n/a

**COMARCH S.A. CAPITAL GROUP**

S.à r.l., Luxembourg				
Comarch Canada, Corp., New Brunswick (Canada)	100%	was not subject to audit	31 December 2012	n/a
Comarch Vietnam Company Ltd., Ho Chi Minh (Vietnam)	100%	was not subject to audit	31 December 2012	n/a
Comarch Oy, Espoo (Finland)	100%	Matti Roima, opinion without objections	31 December 2012	31 March 2013
A-MEA Informatik AG, Arbon (Switzerland)	100%	was not subject to audit	31 December 2012	n/a
ESA Projekt Sp. z o.o., Chorzów (Poland)	100%	was not subject to audit	31 December 2012	n/a
Comarch Swiss AG, Buchs (Switzerland)	100%	UTA Treuhand AG Baden, opinion without objections	31 December 2012	22 January 2013
Opso Sp. z o.o., (formerly: CA Finance Sp. z o.o.), Krakow (Poland)	100%	was not subject to audit	31 December 2012	n/a
Comarch UK Ltd, Londyn (Wielka Brytania)	100%	was not subject to audit	31 December 2012	n/a
Comarch Software und Beratung AG Capital Group	100%*	Akanthus GmbH Wirtschaftsprüfungsgesellschaft, opinion without objections	31 December 2012	15 March 2013
Comarch Solutions GmbH, Innsbruck (Austria)	100%	B&O Wirtschaftsprüfungs- und Steuerberatungs-GmbH, opinion without objections	31 December 2012	8 February 2013

(\*) including 2.68% CSuB AG shares borrowed from an entity outside the Comarch Group

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
SolInteractive S.A., 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 and acquired in 2012:

- Opso Sp. z o.o. (formerly: CA Finance Sp. z o.o.) – established in 2012,
- Comarch UK Ltd – established in 2012,
- A-MEA Informatik AG – acquired in 2012,
- ESAProjekt Sp. z o.o. – acquired in 2012.

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

In 2011, the Capital Group achieved net profit in the amount of 33.067 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 Deloitte Audyt Sp. z o.o. (currently: Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.), the entitled auditor. There were no reservations in the opinion of an expert auditor dated the 30<sup>th</sup> of April, 2012.

The Annual General Meeting that approved the financial statement for the financial year of 2011 was held on the 25<sup>th</sup> of June, 2012.

On the 2<sup>nd</sup> of July, 2012, in compliance with the law, the consolidated financial statement for the financial year of 2011 was delivered to the National Court Register and on the 4<sup>th</sup> of July, 2012, it was delivered for publishing in Monitor Polski B. The consolidated financial statement was published in Monitor Polski B no. 2961 on the 16<sup>th</sup> of November, 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 1<sup>st</sup> 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. (currently: Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.) 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 parent company's office from the 11<sup>th</sup> of March, to the 22<sup>nd</sup> of March, 2013 and from the 8<sup>th</sup> of April, to the 19<sup>th</sup> of April, 2013, as well as outside the company's office till the date of this opinion.

On the 19<sup>th</sup> 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 Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: 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 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 30<sup>th</sup> of April, 2013.

**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 year.

<u>Basic data from income statement (in thousands of PLN)</u>	<u>2012</u>	<u>2011</u>
Revenues from sales	883,876	785,653
Costs from operating activities	(847,070)	(750,940)
Other operating revenues	16,299	22,970
Other operating costs	(22,338)	(18,900)
Financial revenues/(costs)	8,993	1,019
Loss in the company's goodwill	0	0
Share in profits/losses of associates	(23)	(38)
Income tax	(2,485)	(6,697)
Net profit (loss)	37,252	33,067
Total income	33,695	29,687

<u>Profitability ratios</u>	<u>2012</u>	<u>2011</u>
- sales margin	3%	5%
- net margin	4%	4%
- return on equity	6%	6%

Efficiency ratios:

- assets turnover ratio	0.77	0.77
- receivables turnover ratio (days)	130	121
- liabilities turnover ratio (days)	54	47
- inventories turnover ratio (days)	22	22

Liquidity/net working capital

- debt rate	46%	40%
- degree of covering assets with equity	54%	60%
- net working capital (in thousands of PLN)	232,401	270,682
- liquidity ratio	1.60	1.98
- cash to current liabilities ratio	1.44	1.82

An analysis of the above amounts and ratios indicates the following tendencies in 2012:

- decrease in sales margin,
- increases in receivables turnover ratio and liabilities turnover ratio,
- increase in debt rate and decrease in degree of covering assets with equity,
- decrease in net working capital,
- decreases in liquidity ratio and cash to current liquidity ratio.

### **III. DETAILED INFORMATION**

#### **1. Information on Audited Consolidated Financial Statement**

The audited consolidated financial statement was prepared as at the 31<sup>st</sup> of December, 2012 and includes:

- consolidated balance sheet as at the 31<sup>st</sup> of December, 2012, with total assets, total equity and liabilities amounting to 1,146,743 thousand PLN;
- consolidated income statement for the period from the 1<sup>st</sup> of January, 2012 to the 31<sup>st</sup> of December, 2012, with the net profit for the year amounting to 37,252 thousand PLN;
- total consolidated income statement for the period from the 1<sup>st</sup> of January, 2012 to the 31<sup>st</sup> of December, 2012, with the total income for the year amounting to 33,695 thousand PLN;
- changes in consolidated equity for the period from the 1<sup>st</sup> of January, 2012 to the 31<sup>st</sup> of December, 2012 showing an increase in the value of equity in the amount of 15,091 thousand PLN;
- consolidated cash flow statement for the period from the 1<sup>st</sup> of January, 2012 to the 31<sup>st</sup> of December, 2012 showing a decrease in cash and cash equivalents in the amount of 47,155 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 1<sup>st</sup> of January to the 31<sup>st</sup> of December, 2012 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 in order to consolidate, 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 2012 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 31<sup>st</sup> of December, 2012, except for Comarch Management Sp. z o.o. SKA (31<sup>st</sup> of December, 2013).

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.

### **3. 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 2012 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 19<sup>th</sup> 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 Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: 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.

.....  
Marek Turczyński  
Key Expert Auditor  
Registration no. 90114

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly: Deloitte Audyt Sp. z o.o.) – the entity entitled to audit financial statements registered in the list of entities entitled under item no. 73:

.....  
Marek Turczyński-Vice-President of the Management Board of Deloitte Polska Sp. z o.o., a general partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 30<sup>th</sup> of April, 2013

Krakow, 30<sup>th</sup> of April, 2013

Dear Shareholders,

2012 was a year of dynamic growth for the Comarch Group. Revenue from Comarch Group sales increased by 12.5% and amounted to 883.9 million PLN. The Group achieved very favorable financial results thanks to the sale of core proprietary products and services. In 2012, the operating profit of the Group amounted to 30.8 million PLN, and net profit attributable to the parent company's shareholders reached 40.7 million PLN. Net margin amounted to 4.6%.

In 2012, export sales continued to grow and were one of the main reasons for our growth. The company successfully continued its long-term growth strategy based on proprietary products and the development of foreign activity, which could be seen, among others, in acquired lucrative contracts with ING Group, UniCredit Bank, Heathrow Airport and the extension of our cooperation with E-Plus. The Comarch brand is renowned both domestically and internationally and is associated with technologically advanced IT systems and high quality services. In order to strengthen Comarch's market position as a global provider of IT products and services, the Group continues to deliver the stable development and improvement of existing IT products. In 2012, research and development activities related to innovative IT solutions within e-health were particularly important. Their continuation remains a strategic goal for 2013. Within the next few years, the medical sector will become one of the main sources of customers for Comarch products and services, and this will ensure the further diversification of the Group.

In 2012, the Group acquired two companies: A-MEA Informatik AG, an integrator of finance and ERP systems on the Swiss market and ESAProjekt Sp. z o.o. offering IT solutions for customers from the medical sector in Poland. The Group is one of the largest IT enterprises on the domestic market and has undertaken a large number of projects from all sectors of the economy. The main success achieved by the Comarch Group over the course of 2012 resulted in selling proprietary software to enterprises in the financial sector (with an increase of 93.2 million PLN in revenue).

Comarch has placed great emphasis on investing 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 11% of sales revenue, which has been financed both from Comarch's own resources and by proactively acquiring European funds. In 2012, Comarch Group hired over 313 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 2012, Comarch Group continued to expand its production resources. The most significant investment was the construction of a new office and data center in Dresden, Germany. These buildings were opened during the first quarter of 2013 and they will provide access to a high quality infrastructure, enabling the efficient execution of IT projects. Due to the infrastructure in Dresden, the Group can now offer a wide range of IT solutions in the cloud computing model, especially within the area of finance, ERP and ECM systems to demanding markets in the DACH region.

Comarch Group's Management Board will make every effort to ensure that the consistent growth of company operations is aligned with its profitability. A high level of innovativeness, acquiring new types of customers and stable gains in the efficiency of operations means that we can take an optimistic view of Comarch Group's future for the following years.

*Professor Janusz Filipiak*

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

## FINANCIAL SUPERVISION AUTHORITY

## CONSOLIDATED ANNUAL REPORT RS 2012

year

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

for financial year 2012 from 2012-01-01 to 2012-12-31  
including consolidated annual financial statement according to International Financial Reporting Standards (IFRS)  
in currency PLN  
date of publication 2013-04-30

<b>COMARCH SA</b>	
(full name of an issuer)	
<b>COMARCH</b>	<b>Information Technology (IT)</b>
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<b>31-864</b>	<b>Kraków</b>
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(NIP)	(REGON)

Deloitte Audyt Sp. z o.o.  
(An auditor entitled to audit financial statements)

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	2012	2011	2012	2011
I. Net revenues from sales of products, goods and materials	883,876	785,653	211,778	189,767
II. Profit (loss) on operating activities	30,767	38,783	7,372	9,368
III. Gross profit (loss)	39,737	39,764	9,521	9,605
IV. Net profit (loss)	40,660	36,257	9,742	8,758
V. Cash flows from operating activities	67,147	58,530	16,089	14,137
VI. Cash flows from investing activities	-115,533	-82,283	-27,682	-19,875
VII. Cash flows from financing activities	1,231	13,330	295	3,220
VIII. Total net cash flows	-47,155	-10,423	-11,298	-2,518
IX. Total assets	1,146,743	1,022,474	280,501	231,497
X. Liabilities and provisions for liabilities	521,801	412,623	127,636	93,421
XI. Non-current liabilities	136,467	137,069	33,381	31,034
XII. Current liabilities	385,334	275,554	94,255	62,388
XIII. Equity	624,942	609,851	152,865	138,075
XIV. Share capital	8,051	8,051	1,969	1,823
XV. Number of shares	8,051,637	8,051,637	8,051,637	8,051,637
XVI. Earnings (losses) per single share (PLN/EURO)	5.05	4.50	1.21	1.09
XVII. Diluted earnings (losses) per single share (PLN/EURO)	5.05	4.50	1.21	1.09
XVIII. Book value per single share (PLN/EURO)	77.62	75.74	18.99	17.15
XIX. Diluted book value per single share (PLN/EURO)	77.62	75.74	18.99	17.15

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 01.01.2012 to 31.12.2012: 4.1736;  
 - 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;  
 The balance sheet items were presented based on NBP average exchange rates as of the end of the period:  
 - 31.12.2012: 4.0882;  
 - 31.12.2011: 4.4168.

**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
2013-04-30	Janusz Filipiak	President of the Management Board	
2013-04-30	Piotr Piątosza	Vice-President of the Management Board	
2013-04-30	Paweł Prokop	Vice-President of the Management Board	
2013-04-30	Piotr Reichert	Vice-President of the Management Board	
2013-04-30	Zbigniew Rymarczyk	Vice-President of the Management Board	
2013-04-30	Konrad Tarański	Vice-President of the Management Board	
2013-04-30	Marcin Warwas	Vice-president of the Management Board	

**SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS**

Date	Name and surname	Position	Signature
2013-04-30	Maria Smolińska	Head Accountant	

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2012

All amounts are expressed in thousands of PLN unless otherwise indicated

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## I. Consolidated Balance Sheet

	Note	31 December 2012	31 December 2011
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.3	357,715	327,971
Goodwill	3.4	44,061	37,155
Other intangible assets	3.5	96,401	80,410
Non-current prepayments	3.6	904	61
Investments in associates	3.7	244	28
Other investments		48	1,106
Deferred income tax assets	3.20	27,791	27,775
Other non-current receivables		1,844	1,732
		<b>529,008</b>	<b>476,238</b>
<b>Current assets</b>			
Inventories	3.8	62,307	44,192
Trade and other receivables	3.12	399,840	294,736
Current income tax receivables		408	141
Long-term contracts receivables	3.17	10,165	12,284
Available-for-sale financial assets	3.10	1,616	1,521
Other financial assets at fair value – derivative financial instruments	3.11	1,059	-
Interest and shares		22	25
Cash and cash equivalents	3.13	142,318	193,337
		<b>617,735</b>	<b>546,236</b>
<b>TOTAL ASSETS</b>		<b>1,146,743</b>	<b>1,022,474</b>
Share capital	3.14	8,051	8,051
Other capitals	3.15	142,332	142,007
Exchange differences	3.28	3,090	6,595
Net profit for the current period		40,660	36,257
Retained earnings		427,490	407,444
		<b>621,623</b>	<b>600,354</b>
Minority interest	3.15	3,319	9,497
<b>Total equity</b>		<b>624,942</b>	<b>609,851</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Credit and loans	3.18	94,892	88,895
Provision for deferred income tax	3.20	41,575	48,172
Provisions for other liabilities and charges	3.21	-	2
		<b>136,467</b>	<b>137,069</b>
<b>Current liabilities</b>			
Trade and other payables	3.16	232,316	146,332
Current income tax liabilities		7,323	5,350
Long-term contracts liabilities	3.17	17,045	8,363
Credit and loans	3.18	36,325	27,435
Financial liabilities	3.11	180	686
Provisions for other liabilities and charges	3.21	92,145	87,388
		<b>385,334</b>	<b>275,554</b>
<b>Total liabilities</b>		<b>521,801</b>	<b>412,623</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,146,743</b>	<b>1,022,474</b>

## II. Consolidated Income Statement

	Note	12 months ended 31 December 2012	12 months ended 31 December 2011
<b>Revenue</b>	3.22	<b>883,876</b>	<b>785,653</b>
Cost of sales	3.23	(688,379)	(593,576)
<b>Gross profit</b>		<b>195,497</b>	<b>192,077</b>
Other operating income	3.24	16,299	22,970
Sales and marketing costs		(85,396)	(82,683)
Administrative expenses		(73,295)	(74,681)
Other operating expenses	3.25	(22,338)	(18,900)
<b>Operating profit</b>		<b>30,767</b>	<b>38,783</b>
Finance revenue/(costs)-net	3.26	8,993	1,019
Share of profit/(loss) of associates	3.7	(23)	(38)
<b>Profit before income tax</b>		<b>39,737</b>	<b>39,764</b>
Income tax expense	3.27	(2,485)	(6,697)
<b>Net profit for the period</b>		<b>37,252</b>	<b>33,067</b>
<b>Attributable to:</b>			
<b>Equity holders of the company</b>		<b>40,660</b>	<b>36,257</b>
Minority interest	3.15	(3,408)	(3,190)
		<b>37,252</b>	<b>33,067</b>
<b>Earnings per share for profit attributable to the equity holders of the company during the period (expressed in PLN per share)</b>			
– basic	3.29	5.05	4.50
– diluted		5.05	4.50

## III. Total Income Consolidated Statement

	12 months ended 31 December 2012	12 months ended 31 December 2011
<b>Net profit (loss) for the period</b>	<b>37,252</b>	<b>33,067</b>
<b>Other total income</b>		
Currency translation differences from currency translation in related parties	(3,557)	(3,380)
<b>Other total income</b>	<b>(3,557)</b>	<b>(3,380)</b>
<b>Sum of total income for the period</b>	<b>33,695</b>	<b>29,687</b>
Attributable to the company's shareholders	37,155	32,794
Attributable to the minority	(3,460)	(3,107)

#### IV. Consolidated Statement of Changes in Shareholders' Equity

	Attributable to the shareholders of the parent company				Retained earnings	Capitals attributable to interests not entitled to control	Total equity
	Share capital	Other capitals	Exchange differences	Net profit for the current period			
<b>Balance at 1 January 2011</b>	<b>8,051</b>	<b>140,441</b>	<b>10,058</b>	<b>43,717</b>	<b>372,680</b>	<b>9,242</b>	<b>584,189</b>
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 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 differences<sup>1</sup></i>	-	-	(3,463)	-	-	83	(3,380)
<i>Profit for the period<sup>2</sup></i>	-	-	-	36,257	-	(3,190)	33,067
Total income recognised in equity (1+2)	-	-	(3,463)	36,257	-	(3,107)	29,687
<b>Balance at 31 December 2011</b>	<b>8,051</b>	<b>142,007</b>	<b>6,595</b>	<b>36,257</b>	<b>407,444</b>	<b>9,497</b>	<b>609,851</b>
<b>Balance at 1 January 2012</b>	<b>8,051</b>	<b>142,007</b>	<b>6,595</b>	<b>36,257</b>	<b>407,444</b>	<b>9,497</b>	<b>609,851</b>
Transferring result for 2011	-	-	-	(36,257)	36,257	-	-
Dividend paid	-	-	-	-	(14,760)	-	(14,760)
Changes in ownership structures in MKS Cracovia SSA, CA Consulting S.A. and Comarch R&D S.à r.l.	-	-	-	-	1,679	(1,679)	-
Equity from taking over shares not giving control	-	-	-	-	(3,130)	(1,039)	(4,169)
Capital from valuation of the managerial option	-	325	-	-	-	-	325
<i>Currency translation differences<sup>1</sup></i>	-	-	(3,505)	-	-	(52)	(3,557)
<i>Profit for the period<sup>2</sup></i>	-	-	-	40,660	-	(3,408)	37,252
Total income recognised in equity (1+2)	-	-	(3,505)	40,660	-	(3,460)	33,695
<b>Balance at 31 December 2012</b>	<b>8,051</b>	<b>142,332</b>	<b>3,090</b>	<b>40,660</b>	<b>427,490</b>	<b>3,319</b>	<b>624,942</b>

In 2012, a total dividend was paid in the amount of 14.76 million PLN, including 12.08 million PLN paid by parent company to its shareholders and 2.68 million PLN paid by subsidiaries to general partners outside Group.

## V. Consolidated Cash Flow Statement

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
<b>Cash flows from operating activities</b>		
Net profit (loss)	37 252	33 067
Total adjustments	37 813	35 968
Share in net (gains) losses of related parties valued using the equity method of accounting	23	38
Depreciation	53 326	42 044
Exchange gains (losses)	(2 379)	5 719
Interest and profit-sharing (dividends)	(3 308)	1 411
(Profit) loss on investing activities	(1 384)	(8 482)
Change in inventories	(14 412)	6 201
Change in receivables	(41 848)	5 667
Change in liabilities and provisions excluding credits and loans	45 334	(18 196)
Other adjustments	2 461	1 566
Net profit less total adjustments	75 065	69 035
Income tax paid	(7 918)	(10 505)
<b>Net cash used in operating activities</b>	<b>67 147</b>	<b>58 530</b>
<b>Cash flows from investing activities</b>		
	(67 836)	(74 310)
Purchases of property, plant and equipment	-	472
Proceeds from sale of property, plant and equipment	(28 727)	(14 774)
Purchases of intangible assets	183	7 573
Proceeds from disposal of intangible assets	(24 919)	(4 876)
Expenses for investment in real estates	803	-
Proceeds from sales of available-for-sale financial assets	(1 112)	(594)
Granted non-current loans	909	800
Paid non-current loans	3 313	4 388
Interest	1 629	-
Other proceeds from financial assets	(22)	-
Other investment proceeds	421	3
Other investment expenses	(175)	(965)
<b>Net cash used in investing activities</b>	<b>(115 533)</b>	<b>(82 283)</b>
<b>Cash flows from financing activities</b>		
Proceeds from shares issue	-	461
Proceeds from credits and loans	33 442	31 577
Repayments of credits and loans	(13 102)	(13 892)
Interest	(3 997)	(4 797)
Dividends and other payments to owners	(12 077)	(822)
Expenses due to profit sharing but other than those to owners	(2 603)	-
Other financial proceeds	4	876
Other financial expenses	(436)	(73)
<b>Net cash (used in)/generated from financing activities</b>	<b>1 231</b>	<b>13 330</b>
<b>Net change in cash, cash equivalents and bank overdrafts</b>	<b>(47 155)</b>	<b>(10 423)</b>
Cash, cash equivalents and bank overdrafts at beginning of the period	192 896	199 828
Positive (negative) exchange differences in cash and bank overdrafts	(3 472)	3 490
<b>Cash, cash equivalents and bank overdrafts at end of the period</b>	<b>142 269</b>	<b>192 895</b>
- including limited disposal	969	831

## 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 office 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 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 the Comarch Group

On 31<sup>st</sup> of December, 2012, 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 in Germany (100.00%),
  - Comarch Software und Beratung AG with its registered office in Munich in Germany (100.00% subsidiary of Comarch AG\*),
    - Comarch Solutions GmbH with its registered office in Innsbruck 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 S.A.S. with its registered office in Lezennes in France (100.0%),
  - Comarch R&D S.à r.l. with its registered office in Montbonnot-Saint-Martin in France (70.00% votes held by Comarch SAS, 30.00% votes held by Comarch S.A.),
- 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%),
- Comarch UK Ltd. with its registered office in London in United Kingdom (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 (100.00%),
- Opso Sp. z o.o. with its registered office in Krakow in Poland (100.00%),
- 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 (63.03% votes held by CCF FIZ; 36.97% 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),
  - Comarch Polska 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),
    - A-MEA Informatik AG with its registered office in Arbon in Switzerland (100.00% votes held by CASA Management and Consulting Sp. z o.o. SK-A.),
    - ESAProjekt Sp. z o.o. with its registered office in Chorzow in Poland (100.00% held by CASA Management and Consulting Sp. z o.o. SK-A.),
    - Comarch Swiss AG with its registered office in Buchs in Switzerland (100.00% subsidiary of CASA Management and Consulting Sp. z o.o. SK-A)
- MKS Cracovia SSA with its registered office in Krakow in Poland (59.82%).

*(\*) including 2.68% CSuB AG shares borrowed from an entity outside the Comarch Group*

On 31<sup>st</sup> of December, 2012, an 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 2012

On the 9<sup>th</sup> of January, 2012, the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register registered a company CA Finance Sp. z o.o. On the 19<sup>th</sup> of September, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a name change of CA Finance Sp. z o.o. to Opso Sp. z o.o., an increase in share capital from PLN 5,000 to PLN 205,000, a change of shareholder from iMed24 S.A. to Comarch S.A. and an extension of activities by catering services.

On 27<sup>th</sup> of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27<sup>th</sup> 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 either an amount of 2 million CHF (i.e. 7.03 million PLN) or value of A-MEA net equity as of 31<sup>st</sup> of March, 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 on the Swiss market, including Comarch ERP Enterprise.

On the 24<sup>th</sup> of February, 2012, an agreement was signed between Comarch S.A. and MKS

Cracovia SSA on the purchase of MKS Cracovia SSA series E shares (current report no. 3/2012 dated the 27<sup>th</sup> February, 2012 and its correction dated the 29<sup>th</sup> of February, 2012). MKS Cracovia SSA invited Comarch S.A. to purchase 38,631 series E shares of nominal value of 100 PLN. MKS Cracovia SSA invited Comarch S.A. 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 S.A. on the 27<sup>th</sup> of February, 2012. As a consequence of registration of an increase in share capital of MKS Cracovia SSA (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 14<sup>th</sup> of March, 2012; current report no. 5/2012 of 16<sup>th</sup> of March, 2012), Comarch S.A. held 59.82% of votes at the agm of MKS Cracovia SSA.

On the 9<sup>th</sup> 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 15<sup>th</sup> of March, 2012, the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register registered a name change of iFin24 S.A. to Comarch Polska S.A.

On the 20<sup>th</sup> of March, 2012, a company Comarch UK Ltd. with its registered office in London was registered in the Companies House. Capital in the amount of 50,000 GBP was paid in May, 2012.

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

On the 10<sup>th</sup> 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 27<sup>th</sup> 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 to 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.

On the 25<sup>th</sup> of May, 2012, an increase of 50,000 USD in share capital of Comarch Vietnam Company Limited was registered.

On the 20<sup>th</sup> of June, 2012, the District Court for Krakow-Śródmieście in Krakow, XI Economic Division of the National Court Register registered an increase of 50,000 PLN in share capital of Comarch Management Sp. z o.o.

On the 28<sup>th</sup> of June, 2012, an agreement was concluded. Comarch S.A. purchased 30% of Comarch R&D S.à. r.l. shares from a current shareholder for the total price of 100,000 EUR.

On the 30<sup>th</sup> of July, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.25 million PLN to 1.45 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 2,000 new series D shares of nominal value of PLN 100.00 each.

On the 13<sup>th</sup> of August, 2012, general shareholders' meeting of CSuB passed the resolution on purchase of shares from current minority shareholders. This was performed by Comarch AG for payment of EUR 2.95 per share.

On the 17<sup>th</sup> of August, 2012, a fusion of Comarch Schilling GmbH and Comarch SuB AG was

registered.

On the 21<sup>st</sup> of August, 2012, there was an increase of PLN 85,000 in share capital of CASA Management and Consulting Sp. z o.o. SK-A by issuance of 850 shares of nominal value of PLN 100 each.

On the 2<sup>nd</sup> of October, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered an increase in share capital of iMed24 S.A. from PLN 1,250,000.00 to PLN 1,450,000.00.

On the 5<sup>th</sup> of October, 2012, (RB-15-2012) Comarch Software und Beratung AG ("CSuB") received a notice from the court register in Munich (Amtsgericht Munchen-Registergericht) dated the 2<sup>nd</sup> of October, 2012 registering a resolution of CSuB's general meeting related to transferring CSuB shares from minority shareholders to Comarch AG with its registered office in Dresden, the majority shareholder. In conjunction with the aforementioned, Comarch AG, a subsidiary of Comarch S.A. holds currently 100% of CSuB shares and votes.

On the 29<sup>th</sup> of October, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.45 million PLN to 1.6 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series E shares of nominal value of PLN 100.00 each. The afore-mentioned increase in share capital was registered on the 22<sup>nd</sup> of November, 2012 pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 8<sup>th</sup> of November, 2012, transaction was completed in relation to purchase of Comarch R&D S.à r.l. shares by Comarch SAS from Comarch AG for the amount of 5,250 euro.

On the 13<sup>th</sup> of November, 2012, Comarch Solutions GmbH's office was transferred from Kirchbichl to Innsbruck.

On the 14<sup>th</sup> of December, 2012, Comarch Software und Beratung AG sold 100% of Comarch Swiss AG shares to CASA Management and Consulting Sp. z o.o. SK-A.

On the 21<sup>st</sup> of December, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.6 million PLN to 1.75 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series F shares of nominal value of PLN 100.00 each.

On the 27<sup>th</sup> of December, 2012, an agreement for purchase of 6,230 shares by Comarch Management Sp. z o.o. SK-A from CCF FIZ 6 230 to be redeemed was signed. Purchase price was PLN 237.35 per 1 share.

In the fourth quarter of 2012, Comarch S.A. purchased 1 CA Consulting S.A. share from the previous shareholder. Comarch S.A. holds 100% of shares and votes of CA Consulting S.A.

### **1.3 Changes in Ownership and Organisational Structure in the Comarch Group after the Balance Sheet Date**

On the 21<sup>st</sup> of January, 2013, CAMS AG with its registered office in Luzern in Switzerland was registered. CASA Management and Consulting Sp. z o.o. SK-A holds 51% of shares.

Between 8<sup>th</sup> and 11<sup>th</sup> of February, 2013, CASA Management and Consulting Sp. z o.o. SK-A paid a second rate in the amount of 300,000 CHF for A-MEA Informatik AG shares purchased in 2012.

On the 12<sup>th</sup> of February, 2013, an increase in iMed24 SA's share capital from 1.6 million PLN to 1.75 million PLN was registered pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 20<sup>th</sup> of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares. MKS Cracovia SSA

invited Comarch S.A. to purchase 11,400 series F shares of nominal value of PLN 100. MKS Cracovia SSA invited Comarch S.A. to purchase the afore-mentioned shares for a total issue price of PLN 4,695,774, i.e. for issue price of PLN 411.91 for one series F share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of PLN 4,695,774 which was made by Comarch S.A. on the 20th of February, 2013. As a result of the registration of the increase in MKS Cracovia SSA's share capital (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 6th of March, 2013; current report no. 6/2013 dated the 14<sup>th</sup> of March, 2013), Comarch S.A. holds 62.16% of votes at the company's general meeting. The company announced details in current report no. 4/2013.

On the 26<sup>th</sup> of March, 2013, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.75 million PLN to 2.05 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 3,000 new series G shares of nominal value of PLN 100.00 each.

On the 26<sup>th</sup> of March, 2013, a merger between A-MEA Informatik AG and Comarch Swiss AG, and transferring Comarch Swiss AG's office to Luzern in Switzerland were registered.

On the 9<sup>th</sup> of April, 2013, an increase up to 15 million euro in the share capital of Comarch AG was registered.

On the 15<sup>th</sup> of April, 2013, a sole shareholder of Comarch SAS acting through general meeting decided to increase the company's share capital from EUR 1,800,000 to EUR 2,800,000 by issuance of 1,000,000 new shares.

#### **1.4 Activities Structure in the Comarch Group**

The structure of activities of the Comarch Group is as follows:

- The parent company Comarch S.A. 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), Comarch Oy and Comarch UK acquire IT contracts in foreign markets and execute them in their entirety or in part;
- SouthForge Sp. z o.o. and Comarch Polska S.A. acquire IT contracts in domestic and 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 Software und Beratung AG is an important provider of ERP and an integrator of IT solutions in Germany. Activities of Comarch Solutions GmbH and Comarch Swiss AG are identical as activities of Comarch Software und Beratung AG;
- A-MEA Informatik AG sells and implements ERP solutions on the Swiss market, including Comarch ERP Enterprise;
- ESAProjekt Sp. z o.o. is a leading Polish producer and IT solution provider for medicine sector;
- Purpose of the Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty is investment activity, through its subsidiaries, in the scope of new technologies and services, as well as investment activities on capital market;
- Comarch Management Sp. z o.o., Comarch Management Sp. z o.o. SK-A, CASA Management and Consulting 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;
- 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, provides medical and diagnostic 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 IT services outsourcing,
- iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as

provides accounting services for domestic subsidiaries in the Comarch Group;  
- MKS Cracovia SSA is a sport joint stock company;  
- Opso Sp. z o.o. provides catering services;  
- UAB Comarch is under liquidation proceedings. SoftM France S.à r.l. is under bankruptcy proceeding. Comarch s.r.o. and Comarch Software (Shanghai) Co. Ltd. are currently not operating.

## 2. Description of the Applied Accounting Principles

This consolidated financial statement for the 12 months ended the 31<sup>st</sup> of December, 2012 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 31<sup>st</sup> of December, 2012 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	30.00%, 70.00% held by Comarch SAS
Comarch Software und Beratung AG	subsidiary	full	100,00% held by Comarch 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 S.A.S.	subsidiary	full	100.00%
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%

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 All amounts are expressed in thousands of PLN unless otherwise indicated

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%
Comarch UK Ltd.	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	100.00%
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	45.42% held by CCF FIZ, 26.65% held by Comarch S.A., 27.93% 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
Comarch Polska 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
A-MEA Informatik AG	subsidiary	full	100.00% held by CASA Management and Consulting Sp. z o.o. SK-A

ESAProjekt Sp. z o.o.	subsidiary	full	100.00% held by CASA Management and Consulting Sp. z o.o. SK-A
Comarch Swiss AG	subsidiary	full	100.00% held by CASA Management and Consulting Sp. z o.o. SK-A
Opso Sp. z o.o.	subsidiary	full	100.00%
MKS Cracovia SSA	subsidiary	full	59.82%

(\*) including 2.68% CSuB AG shares borrowed from an entity outside the Comarch Group

## 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 and services, as well as sales of IT hardware (hereinafter referred to as the "IT segment"),
- professional sports (hereinafter referred to as the "Sport segment"; MKS Cracovia SSA),
- investment activity on capital market and activity in relation with real estates investment, (hereinafter referred to as the "Investment segment"),
- activity in relation to medical services and software production for medicine sector (hereinafter referred to as the "Medical segment").

IT segment has a dominant share in sales revenues, profits and assets. IT segment is divided into the DACH (Germany, Austria and Switzerland) market, Polish market and other markets according to the specific character of the activity in the segment. Investment segment was allocated a separate category in the first quarter of 2010 due to increase in its scope. Due to a significant amount of expenses incurred for the "Medical segment" as of the 30<sup>th</sup> 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 31<sup>st</sup> of December, 2011, as not until the fourth quarter when expenses were incurred related to launching medical centre. Commencing from the first quarter of 2012, Group will not present Internet segment separately due to allocation of this activity in IT segment and Medicine segment. Comparable data for the previous year have been changed similarly. Internet segment was allocated to IT segment –Polish market.

Over 2012, Comarch revenue structure was as follows: 19% of annual sales were achieved in the first quarter, 21% in the second quarter, 19% in the third quarter and 41% in the fourth quarter. This revenue structure is consistent with tendency observed in IT branch.

In the company's opinion, over 2013, Group's revenue structure will be similar to that observed in the previous year.

### 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 31.12.2012: 4.0882,

NBP average exchange rates as at 31.12.2011: 4.4168,

NBP arithmetic average exchange rates as at the end of every month for the period 1.01 - 31.12.2012: 4.1736,

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

#### **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 be 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**

### **2.3.1 Credit Risk**

The Group 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.

### **2.3.2 Risk of Change in Interest Rates**

The company is exposed to the risk of changes in interest rates related to cash and cash equivalents 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 2012 would have been 0.056 million PLN higher/lower given that the other variables remained constant. This would largely have been the result of higher/lower revenue arising from interest received on cash and cash equivalents. Conducting an analogous analysis as at the 31<sup>st</sup> of December, 2011 indicates that if 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. 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.

### **2.3.3 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 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 31<sup>st</sup> of December, 2012 would have

been 1.28 million PLN lower/higher. This is made up of a decrease/increase of 1.537 million PLN from financial assets and liabilities expressed in EURO, and an increase/decrease of 0.257 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 31<sup>st</sup> of December, 2012 would have been 3.379 million PLN higher/ 3.455 million PLN lower. The assessment above of the effect 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.

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

## **2.4 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.

## **2.5 Critical Accounting Estimates and Judgments**

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.

### **2.5.1 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.

### **2.5.2 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).

### **2.5.3 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.

### **2.5.4 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.

### **2.5.5 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%.

## **2.6 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 2012 are coherent with the principles applied when preparing the consolidated financial statement for 2011, 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 2012 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 2012:

**Amendments to IFRS 7 "Financial Instruments - Disclosures"** – offsetting financial assets. They were approved by the EU on the 22<sup>nd</sup> of November, 2011 (effective for annual periods beginning on or after 1<sup>st</sup> of July, 2011),

The 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 balance sheet date, the Comarch Group has not applied the following standards, changes to standards and the interpretations issued and approved by the European Union but not yet effective:

- **IFRS 10 "Consolidated Financial Statements"**- they were approved by the EU on 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014),
- **IFRS 11 "Joint Arrangements"**- they were approved by the EU on 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014),
- **IFRS 12 "Disclosure of Interests in Other Entities"**-they were approved by the EU on 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014),
- **IFRS 13 "Fair Value Measurement"**-they were approved by the EU on 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2013),
- **IAS 27 (amended in 2011) "Separate Financial Statements"**-they were approved by the EU on 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014),
- **IAS 28 (amended in 2011) "Investments in Associates and Joint Ventures"**- they were approved by the EU on 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014),
- **Amendments to IFRS 1 "First-time Adoption of IFRS"** - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters. They were approved by the EU on the 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2013),
- **Amendments to IFRS 1 "First-time Adoption of IFRS"** – Government Loans. They were approved by the EU on 4<sup>th</sup> of March, 2013 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2013),
- **Amendments to IFRS 7 "Financial Instruments - Disclosures"** – offsetting financial assets and financial liabilities. They were approved by the EU on the 13<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2013),
- **Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 11 „Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities"** –commentaries related to temporary regulations. They were approved by the EU on 4<sup>th</sup> of April, 2013 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014),
- **Amendments to IAS 1 "Presentation of Financial Statements"**-sets out items in total income. They were approved by the EU on 5<sup>th</sup> of June, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of July, 2012),

- **Amendments to IAS 12 “Income Tax”** - Income Deferred Tax: Recovery of Underlying Assets. They were approved by the EU on the 11<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2013),
- **Amendments to IAS 19 “Employee Benefits”** - Improvements to the Accounting for Post-employment Benefits. They were approved by the EU on 5<sup>th</sup> of June, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2013).
- **Amendments to IAS 32 “Financial Instruments: Presentation” - Offsetting Financial Assets and Financial Liabilities.** They were approved by the EU on 13<sup>th</sup> of December, 2012 (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014),
- **Amendments to various standards “Annual Improvements (2012)”** - adopted within the frame of annual improvements process, and issued on the 17<sup>th</sup> of May, 2012 (IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34). The purpose of these annual improvements is to clarify guidance or wording. They were approved by the EU on 27<sup>th</sup> of March, 2013. They are mostly applicable for reporting periods beginning on or after 1<sup>st</sup> of January, 2013.

#### ***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 publication date:

- **IFRS 9 “Financial Instruments”** (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2015),
- **Amendments to IFRS 9 “Financial Instruments” and IFRS 7 „Disclosures – Transfers of Financial Assets** – obligatory effective date and temporary regulations,
- **Amendments to IFRS 10 “Consolidated Financial Statement”, IFRS 12 “Disclosure of Interests in Other Entities” and IAS 27 “Separate Financial Statements”** – investments units (effective for annual periods beginning on or after 1<sup>st</sup> of January, 2014).

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 2011**

On the 25<sup>th</sup> of June 2012, the consolidated financial statement for the financial year of 2011 was approved at the General Shareholders' Meeting. On the 2<sup>nd</sup> of July, 2012, in compliance with the law, it was delivered to the National Court Register and on the 4<sup>th</sup> of July, 2012, it was delivered for publishing in Monitor Polski B. It was published on the 16<sup>th</sup> of November, 2012 (no. 2961 pos. 16291).

#### **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 and services, as well as sales of IT hardware (hereinafter referred to as the "IT segment"),
- professional sports (hereinafter referred to as the "Sport segment"; MKS Cracovia SSA),
- investment activity on capital market and activity in relation with real estates investment, (hereinafter referred to as the "Investment segment"),
- activity in relation to medical services and software production for medicine sector (hereinafter referred to as the "Medical segment").

IT segment has a dominant share in sales revenues, profits and assets. IT segment is divided into the DACH (Germany, Austria and Switzerland) market, Polish market and other markets according to the specific character of the activity in the segment. Investment segment was allocated a separate category in the first quarter of 2010 due to increase in its scope. Due to a significant amount of expenses incurred for the "Medical segment" as of the 30<sup>th</sup> 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 31<sup>st</sup> of December, 2011, as not until the fourth quarter when expenses were incurred related to launching medical centre. Commencing from the first quarter of 2012, Group will not present Internet segment separately due to allocation of this activity in IT segment and Medicine segment. Comparable data for the previous year have been changed similarly. Internet segment was allocated to IT segment –Polish market.

In 2012, the share of none of the customer exceeded 10% of the sale in the Comarch Group sales, and no supplier provided products and merchandise at the value exceeding 10% of the Comarch Group proceeds on sale.

Over 2012, Comarch revenue structure was as follows: 19% of annual sales were achieved in the first quarter, 21% in the second quarter, 19% in the third quarter and 41% in the fourth quarter. This revenue structure is consistent with tendency observed in IT branch. In the company's opinion, over 2013, Group's revenue structure will be similar to that observed in the previous year.

Detailed data related to the segments are presented below.

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2012

All amounts are expressed in thousands of PLN unless otherwise indicated

12 months ended 31 December 2011	Polish market	IT Segment DACH market	Other markets	Investment Segment	Sport Segment	Medicine Segment	Elimination	Total
Revenues per segment- sales to external clients	483,925	225,766	72,841	5,680	21,430	-	-	809,642
<i>including:</i>								
<i>revenues from sales</i>	485,307	213,630	72,111	314	14,291	-	-	785,653
<i>To customers in Telecommunication, Media, IT sector</i>	90,969	72,154	50,747	-	-	-	-	213,870
<i>To customers in Finance and Banking sector</i>	123,695	7,155	5,339	-	-	-	-	136,189
<i>To customers in Trade and services sector</i>	48,483	11,544	13,984	-	-	-	-	74,011
<i>To customers in Industry&amp;Utilities</i>	58,829	3,143	1,405	-	-	-	-	63,377
<i>To customers in Public sector</i>	90,281	-	436	-	-	-	-	90,717
<i>To customers in small and medium enterprises sector</i>	72,251	119,318	-	-	-	-	-	191,569
<i>To other customers</i>	799	316	200	314	14,291	-	-	15,920
<i>other operating revenue</i>	2,914	12,136	774	7	7,139	-	-	22,970
<i>finance revenue</i>	(4,296)	-	(44)	5,359	-	-	-	1,019
Revenues per segment - sales to other segments	2,737	3,526	24,046	1,078	8,432	-	(39,819)	-
Revenues per segment - total*	486,662	229,292	96,887	6,758	29,862	-	(39,819)	809,642
Costs per segment relating to sales to external clients	423,052	242,908	75,733	2,089	25,528	530	-	769,840
Costs per segment relating to sales to other segments	2,737	3,526	24,046	1,078	8,432	-	(39,819)	-
Costs per segment - total*	425,789	246,434	99,779	3,167	33,960	530	(39,819)	769,840
Current taxes	(11,579)	(12)	(977)	-	-	-	-	(12,568)
Assets for the tax due to investment allowances and other tax relief	3,429	2,267	-	-	175	-	-	5,871
Share of segment in the result of parties valued using the equity method of accounting	(38)	-	-	-	-	-	-	(38)
Net result	52,685	(14,887)	(3,869)	3,591	(3,923)	(530)	-	33,067
<i>including:</i>								
<i>result attributable to shareholders of the parent company</i>	52,684	(13,503)	(4,057)	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 31<sup>st</sup> of December, 2011 as well as investment expenditures and depreciation for 12 months ended 31<sup>st</sup> of December, 2011 are as follows:

	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH	Other				
Assets	547,995	193,725	48,260	165,870	47,148	19,476	1,022,474
Liabilities	326,032	44,259	9,373	2,325	14,662	15,972	412,623
Investment expenditures	44,480	17,947	3,020	7,100	3,496	19,476	95,519
Depreciation	18,763	18,054	1,040	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 31<sup>st</sup> of December, 2011, the equipment was not accepted for use, therefore depreciation is not presented in Medicine segment.*

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2012

All amounts are expressed in thousands of PLN unless otherwise indicated

12 months ended 31 December 2012	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Elimination	Total
	Poland	DACH	Other					
Revenues per segment- sales to external clients	584,990	223,524	76,120	3,157	12,205	9,172	-	909,168
<i>including:</i>								
revenues from sales	568,124	221,009	75,065	342	11,342	7,994	-	883,876
<i>To customers in Telecommunication, Media, IT sector</i>	79,698	91,154	31,479	-	-	-	-	202,331
<i>To customers in Finance and Banking sector</i>	211,606	3,223	14,610	-	-	-	-	229,439
<i>To customers in Trade and services sector</i>	37,302	8,604	25,709	-	-	-	-	71,615
<i>To customers in Industry&amp;Utilities</i>	64,218	3,252	2,719	-	-	-	-	70,189
<i>To customers in Public sector</i>	101,175	95	492	-	-	-	-	101,762
<i>To customers in small and medium enterprises sector</i>	74,049	114,681	-	-	-	-	-	188,730
<i>To other customers</i>	76	-	56	342	11,342	7,994	-	19,810
other operating revenue	10,575	2,714	914	55	863	1,178	-	16,299
finance revenue	6,291	(199)	141	2,760	-	-	-	8,993
Revenues per segment - sales to other segments	153,318	13,551	21,995	2,139	8,473	2,843	(202,319)	-
Revenues per segment - total*	738,308	237,075	98,115	5,296	20,678	12,015	(202,319)	909,168
Costs per segment relating to sales to external clients	535,191	220,228	71,476	(563)	20,737	22,339	-	869,408
Costs per segment relating to sales to other segments	153,318	13,551	21,995	2,139	8,473	2,843	(202,319)	-
Costs per segment - total*	688,509	233,779	93,471	1,576	29,210	25,182	(202,319)	869,408
Current taxes	(5,977)	(3,224)	(2,685)	-	-	(73)	-	(11,959)
Assets for the tax due to investment allowances and other tax relief	6,495	2,687	-	-	276	16	-	9,474
Share of segment in the result of parties valued using the equity method of accounting	(23)	-	-	-	-	-	-	(23)
Net result	50,294	2,759	1,959	3720	(8,256)	(13,224)	-	(37,252)
<i>including:</i>								
<i>result attributable to shareholders of the parent company</i>	50,294	2,849	1,959	3,720	(4,938)	(13,224)	-	40,660
<i>result attributable to minority interest</i>	-	(90)	-	-	(3,318)	-	-	(3,408)

\*) 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 31<sup>st</sup> of December, 2012 as well as investment expenditures and depreciation for 12 months ended 31<sup>st</sup> of December, 2012 are as follows:

	IT Segment			Investment Segment	Sport Segment	Medicine Segment	Total
	Poland	DACH	Other				
Assets	698,100	186,875	46,633	125,915	47,584	41,636	1,146,743
Liabilities	431,500	44,983	10,090	222	14,145	20,861	521,801
Investment expenditures	37,609	57,951	1,229	22,517	1,544	1,941	122,791
Depreciation	24,788	19,765	923	837	2,610	4,403	53,326

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 2012		%	12 months ended 31 December 2011		%
Poland	587,801	66.5%		499,911	63.6%	
DACH	221,010	25.0%		213,630	27.2%	
Europe - others	42,613	4.8%		43,087	5.5%	
The Americas	29,636	3.4%		25,659	3.3%	
Other countries	2,816	0.3%		3,365	0.4%	
<b>TOTAL</b>	<b>883,876</b>	<b>100.0%</b>		<b>785,653</b>	<b>100.0%</b>	

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

### Assets – activities location

	31 December 2012		%	31 December 2011		%
Poland	915,260	79.8%		780,490	76.2%	
DACH	186,875	16.3%		193,725	19.1%	
Europe - others	26,663	2.3%		29,550	2.8%	
The Americas	17,016	1.5%		14,876	1.5%	
Other countries	929	0.1%		3,833	0.4%	
<b>TOTAL</b>	<b>1,146,743</b>	<b>100.0%</b>		<b>1,022,474</b>	<b>100.0%</b>	

### Investments expenditures - activities location

	12 months ended 31 December 2012	12 months ended 31 December 2011
Poland	63,340	74,544
DACH	57,951	18,024
Europe - others	976	2,004
The Americas	524	945
Other countries	-	2
<b>TOTAL</b>	<b>122,791</b>	<b>95,519</b>

### 3.3 Property, Plant and Equipment

	Lands and buildings	Means of transport and machinery	Furniture, fittings and equipment	Total
<b>At 1 January 2011</b>				
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
<b>Year ended 31 December 2011</b>				
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
<b>At 31 December 2011</b>				
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
<b>Year ended 31 December 2012</b>				
Opening net book amount	250,786	72,594	4,591	327,971
Additions	44,358	25,044	20,681	90,083
Disposals	(12,783)	(20,437)	(183)	(33,403)
Depreciation charge	(5,782)	(17,051)	(4,103)	(26,936)
Closing net book amount	276,579	60,150	20,986	357,715
<b>At 31 December 2012</b>				
Cost or valuation	311,105	202,354	40,747	554,206
Accumulated depreciation	(34,526)	(142,204)	(19,761)	(196,491)
Net book amount	276,579	60,150	20,986	357,715

Property, plant and equipment comprise mostly real estate and machinery owned by Group. As at the 31<sup>st</sup> of December, 2012, propriety of 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 office buildings and data centre in Dresden. Group owns also lands in the Special Economic Zone in Krakow at 3.5 ha of the total space. As at the 31<sup>st</sup> of December, 2012, property, plant and equipment under construction comprise mostly expenditures for the investments and the modernisation works of buildings used by Group.

In the first quarter of 2012, iMed24 S.A., a subsidiary of Comarch S.A., commenced diagnostic and medical activity (Centrum Medyczne iMed24- medical centre) using diagnostic and medical equipment purchased in 2011. As at the 31<sup>st</sup> of December, 2012, book value of this equipment amounts to 16.73 million PLN. Their higher value compared to those as of 30<sup>th</sup>

of September, 2012, results from correction of depreciation in relation to lengthening of predicted period of equipment usage.

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 and were completed in March, 2013. The total value of this investment amounted to approximately 12 million EUR.

The office building that was purchased by Comarch SAS in Lille 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. Preparation works will last till the end of the second quarter of 2013, and commencing of the investment is planned for the third quarter of 2013.

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. (formerly: Fortis 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.

	2012	2011
Amount of interest on credits capitalised on investments in non-current assets	19	183

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

	31 December 2012	31 December 2011
Buildings	46,629	19,037
Equipment	552	20,237
Other	19	70
<b>Total</b>	<b>47,200</b>	<b>39,344</b>

Depreciation write-offs were presented in the income statement. They increase the costs of sold products, goods and materials in the amount of 23.89 million PLN (21.36 million PLN in 2011), costs of sales in the amount of 1.18 million PLN (1.33 million PLN in 2011), administrative expenses in the amount of 1.67 million PLN (1.6 million PLN in 2011) and social activities expenses in the amount of 0.2 million PLN (0.25 million PLN in 2011).

### Assets in finance leasing

As at the 31<sup>st</sup> of December, 2012, 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 2012	31 December 2011
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
A-MEA Informatik AG	3,580	-
ESAProjekt Sp. z o.o.	3,326	-
<b>Total</b>	<b>44,061</b>	<b>37,155</b>

#### 3.4.1 Acquisition of Subsidiaries

	Core Activities	Acquisition Date	(%) of Purchased Shares (%)	Acquisition Cost PLN'000
<b>2008</b>				
Comarch Software und Beratung AG	IT	2008-11-18	50.15%	44,685
<b>2009</b>				
Comarch Software und Beratung AG	IT	2009-02-09	30.74%	31,901
<b>2012</b>				
Comarch Software und Beratung AG	IT	2012-10-19	5%	3,777
A-MEA Informatik AG	IT	2012-01-30	100%	5,717
A-MEA Informatik AG	IT	2012-02-27	-	2,578
ESAProjekt Sp. z o.o.	IT	2012-04-27	100%	12,200

#### 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 30<sup>th</sup> 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, 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 31<sup>st</sup> of December, 2012, amounts to 11.26 million PLN.

In the first quarter of 2012, CASA Management and Consulting Sp. z o.o. SK-A purchased 100% of A-MEA Informatik AG shares; as a result, an amount of goodwill worth 3.58 million PLN was generated. 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 A-MEA Informatik AG (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 A-MEA Informatik AG as well as amounts related to the benefits resulting from predicted synergies, increases in revenues from sales of Comarch products on Swiss market, future Swiss IT market development and the addition of highly qualified employees in A-MEA Informatik AG. 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, Group also acquired customers and relationships with customers in A-MEA Informatik AG. These assets were presented separately from goodwill as intangible assets depreciated for a period of 5 years. Their fair value as of the acquisition date amounted to 3.01 million PLN and the balance sheet date value as at 31<sup>st</sup> of December, 2012 was 2.45 million PLN.

Since the purchase date, A-MEA Informatik AG reached net profit in the amount of 0.7 million PLN.

In the second quarter of 2012, CASA Management and Consulting Sp. z o.o. SK-A purchased 100% of ESAProjekt Sp. z o.o. („ESAProjekt”) shares; as a result, an amount of goodwill worth 3.33 million PLN was generated. 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 ESAProjekt (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 ESAProjekt as well as amounts related to the benefits resulting from predicted synergies, increases in revenues from sales of Comarch products on medical IT market and the addition of highly qualified employees in ESAProjekt. 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, as at the acquisition date, the assessment of the fair value of assets held by ESAProjekt 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 ESAProjekt amounted to 10.89 million EUR. The software will be depreciated for a period of 5 years and its balance sheet date value as at the 31<sup>st</sup> of December, 2012 was 9.18 million PLN. Since the purchase date, ESAProjekt Sp. z o.o. reached net profit in the amount of 0.67 million PLN.

	<b>A-MEA Informatik AG</b>	<b>ESAProjekt Sp. z o.o.</b>
<b>A: Assets valued through fair value</b>	<b>5,493</b>	<b>10,886</b>
<i>including relationships with customers</i>	3,005	-
<i>including value of software</i>	2,488	10,886
<b>B: Liabilities valued through fair value</b>	<b>525</b>	<b>2,012</b>
<i>including provision for deferred tax related to disclosed assets</i>	525	2,012
<b>C: Performed payment</b>	<b>8,548</b>	<b>12,200</b>
<b>Difference (C-A+B)</b>	<b>3,580</b>	<b>3,326</b>

On the 31<sup>st</sup> of December, 2012, the Comarch Group ran a test for loss in value regarding goodwill in relation to acquisition of Comarch Software und Beratung AG 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 2012, the Comarch SuB Group budget for 2013 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%.

On the 31<sup>st</sup> of December, 2012, the Comarch Group ran also tests for loss in value regarding goodwill in relation to acquisitions of A-MEA Informatik AG and ESAProjekt Sp. z o.o., and they did not show any loss in value. Methodology applied to run these tests is similar to that described above.

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 31<sup>st</sup> of December, 2012, 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 31<sup>st</sup> of December, 2012. 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
<b>At 1 January 2011</b>					
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
<b>Year ended 31 December 2011</b>					
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
<b>At 31 December 2011</b>					
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
<b>Year ended 31 December 2012</b>					
Opening net book amount	-	39,221	36,009	5,180	80,410
Additions	1,484	-	27,992	14,199	43,675
Disposals	(279)	-	(285)	(730)	(1,294)
Amortisation charge	(38)	(93)	(21,995)	(4,264)	(26,390)
Closing net book amount	1,167	39,128	41,721	14,385	96,401
<b>At 31 December 2012</b>					
Cost (gross)	3,262	39,940	130,474	26,875	200,549
Accumulated amortisation and impairment	(2,095)	(812)	(88,753)	(12,490)	(104,150)
Net book value	1,167	39,128	41,721	14,385	96,401

The Group presented expenses for research and development works directly in costs, with no previous activation, in the amount of 13.02 million PLN.

I. Other intangibles include, in particular, valuation of ESAProjekt Sp. z o.o. goodwill in the amount of 9.18 million PLN, value of relationship with A-MEA Informatik AG customers in the amount of 2.46 million PLN, and the right to use the players' cards in the amount of 2.58 million PLN. All other items of the intangible assets were disposed.

The general amount of depreciation is given in the income statement, whereas 25.38 million PLN is given in the generation costs and the remaining part is presented in the administrative expenses (0.31 million PLN) and sales costs (0.69 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 MKS Cracovia SSA, 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 31<sup>st</sup> of December, 2012

As at the 31<sup>st</sup> of December, 2012, analysis was performed on changes in prices of real estate properties in Krakow in 2012, based on reports published in Research & Forecast Report from 2012 and 2013 by Colliers International ([www.colliers.com](http://www.colliers.com)), and articles published by trade portals, from which it follows that in 2012 an average price of land in Krakow did not change. It was determined that no loss occurred in the value of perpetual usufruct right to land owned by the Comarch Group.

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:

	<b>Fair value as at the acquisition date</b>	<b>Fair value as at 31 December 2012</b>	<b>Book value as at 31 December 2012</b>
Intangible assets acquired as a result of acquisition of CSuB Group	62,237	28,237	12,278

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 31<sup>st</sup> of December, 2012, 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

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Opening balance	61	187
Changes due to:		
- non-current prepayments of costs	843	(126)
<b>Closing balance</b>	<b>904</b>	<b>61</b>

### 3.7 Investment in Associates

As at 31<sup>st</sup> of December, 2012, the Group had shares in associates.

<b>At 1 January 2011</b>	<b>172</b>
Share in profit for 2011	(144)
<b>At 31 December 2011</b>	<b>28</b>
<b>At 1 January 2012</b>	<b>28</b>
Share in profit for 2012	216
<b>At 31 December 2012</b>	<b>244</b>

	<b>Country of incorporation</b>	<b>Assets</b>	<b>Liabilities</b>	<b>% shares held</b>
<b>At 31 December 2011</b>				
SolInteractive S.A.	Poland	2,406	2,253	30.72
<b>At 31 December 2012</b>				
SolInteractive S.A.	Poland	2,789	2,760	30.72
	<b>Country of incorporation</b>	<b>Revenue</b>	<b>Profit /(Loss)</b>	<b>% shares held</b>
<b>12 months ended 31 December 2011</b>				
SolInteractive S.A.	Poland	4,613	(413)	30.72
<b>12 months ended 31 December 2012</b>				
SolInteractive S.A.	Poland	5,069	(123)	30.72

As at 31<sup>st</sup> of December, 2012, 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

	<b>31 December 2012</b>	<b>31 December 2011</b>
Raw materials	264	423
Work in progress	30,709	33,811
Finished goods	31,286	9,889
Advance due to finished goods	48	69
	<b>62,307</b>	<b>44,192</b>

The cost of inventories included in 'Costs of products, goods and materials sold' amounted to 482.36 million PLN (12 months ended the 31<sup>st</sup> of December, 2012) and 388.78 million PLN (12 months ended the 31<sup>st</sup> of December, 2011).

Due to impairment, write-offs revaluating inventories were recognised in the amount of 1.05 million PLN, at the same time write-offs were dissolved in the amount of 2.602 million PLN. The total effect of the all above-mentioned operations on the result of 2012 was 1.552 million PLN (an increase 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 9.3 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 2012	31 December 2011
<b>Financial assets</b>		
At fair value through the income statement	1,059	-
Derivative instruments in hedging relations	-	-
Investment held to maturity	-	-
Own receivables (including cash and cash equivalents)	544,000	489,805
Available-for sale financial assets	1,616	1,521
<b>Total</b>	<b>546,675</b>	<b>491,326</b>
<b>Financial liabilities</b>		
At fair value through the income statement	-	686
Liabilities due to e-financing	180	-
Derivative instruments in hedging relations	-	-
Financial liabilities	363,533	262,662
Financial guarantees contracts	-	-
<b>Total</b>	<b>363,713</b>	<b>263,348</b>

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

	31 December 2012	31 December 2011
<b>Own receivables and cash and cash equivalents</b>		
Receivables from related parties (note 3.12)	94	66
Receivables from related parties - non-current	-	-
Receivables from other entities - current (note 3.12)	399,746	294,670
Receivables from other entities - non-current	1,842	1,732
Cash and cash equivalents (note 3.13)	142,318	193,337
<b>Total</b>	<b>544,000</b>	<b>489,805</b>
<b>Financial liabilities</b>		
Liabilities due to credits (note 3.18)	131,217	116,330
Liabilities to related parties (note 3.16)	1,120	555
Liabilities to other entities - current (note 3.16)	231,196	145,777
Derivative financial instruments (note 3.11)	-	686
Liabilities due to e-financing	180	-
Liabilities due to finance lease (note 3.16)	-	-
<b>Total</b>	<b>363,713</b>	<b>263,348</b>

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

	Financial assets		Financial liabilities	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
Currency - PLN	351,587	309,013	156,152	125,325
Currency - EURO	160,164	153,244	190,903	132,734
Currency - USD	17,060	13,067	11,921	3,180
Currency - GBP	5,335	4,878	1,336	20
Currency - UAH	1,201	1,735	234	89
Currency - AED	872	2,134	76	93
Currency - SKK	6	-	-	-
Currency - RUB	1,268	600	58	15
Currency - CHF	4,145	2,196	1,168	464
Currency - CAD	4,066	3,149	1,757	1,111
Currencies - other	971	1,310	108	317
<b>Total</b>	<b>546,675</b>	<b>491,326</b>	<b>363,713</b>	<b>263,348</b>

As at the 31<sup>st</sup> 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
<b>Total</b>	<b>483,899</b>	<b>4,150</b>	<b>1,756</b>	<b>-</b>	<b>489,805</b>

As at the 31<sup>st</sup> of December, 2012, 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	94	-	-	-	94
Receivables from related parties – non-current	-	-	-	-	-
Receivables from other parties - current	362,562	37,157	2	25	399,746
Receivables from other parties – non-current	1,842	-	-	-	1,842
Cash and cash equivalent (note 3.13)	142,318	-	-	-	142,318
<b>Total</b>	<b>506,816</b>	<b>37,157</b>	<b>2</b>	<b>25</b>	<b>544,000</b>

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

	<b>1 year or less</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
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	-	-	-	-	-
<b>Total</b>	<b>174,454</b>	<b>11,389</b>	<b>30,873</b>	<b>46,632</b>	<b>263,348</b>

As at the 31<sup>st</sup> of December, 2012, maturity periods of particular classes of financial liabilities are presented as follows:

	<b>1 year or less</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
Liabilities due to credits (note 3.18)	36,325	13,527	46,112	35,253	131,217
Liabilities to related parties	1,120	-	-	-	1,120
Liabilities to other entities - current	231,190	6	-	-	231,196
Derivative financial instruments	-	-	-	-	-
Liabilities due to finance lease	-	-	-	-	-
Other financial liabilities	180	-	-	-	180
<b>Total</b>	<b>268,815</b>	<b>13,533</b>	<b>46,112</b>	<b>35,253</b>	<b>363,713</b>

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 2012	12 months ended 31 December 2011
<b>At the beginning of the year</b>	<b>1,521</b>	<b>2,491</b>
Additions	95	93
Disposal	-	(1,063)
<b>At the end of the year</b>	<b>1,616</b>	<b>1,521</b>

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 31<sup>st</sup> of December, 2012, 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 31<sup>st</sup> of December, 2012, amounted to 1.62 million PLN.

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

### 3.11 Derivative Financial Instruments

	31 December 2012		31 December 2011	
	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts – held-for-trading	1,059	-	-	686
	<b>1,059</b>	-	-	<b>686</b>
<i>Current portion</i>	<i>1,059</i>	<i>-</i>	<i>-</i>	<i>686</i>

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 31<sup>st</sup> of December, 2012, 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 31<sup>st</sup> of December, 2012, amounted to 2.3 million EURO and 0.9 million USD. After the balance sheet date, the Comarch Group concluded forward contracts for sale of 6.73 million EURO and 0.5 million USD, as well as purchase of 1.6 million EUR.

### 3.12 Trade and Other Receivables

	31 December 2012	31 December 2011
Trade receivables	373,607	287,953
Write-off revaluating receivables	(10,163)	(22,698)
Trade receivables – net	363,444	265,255
Other receivables	27,891	19,769
Short-term prepayments	6,523	7,741
Other prepayments	18	168
Loans	1,870	1,737
Receivables from related parties	94	66
<b>Total</b>	<b>399,840</b>	<b>294,736</b>
<i>Current portion</i>	<i>399,840</i>	<i>294,736</i>

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 13.13 million PLN (12 months ended the 31<sup>st</sup> of December, 2012) and 14.98 million PLN (12 months ended the 31<sup>st</sup> of December, 2011).

### 3.13 Cash and Cash Equivalents

	31 grudnia 2012 r.	31 grudnia 2011 r.
Cash in hand, cash at banks	80 239	98 256
Current bank deposit	62 029	94 639
<b>Total cash and cash equivalents</b>	<b>142 268</b>	<b>192 895</b>
Due interest on bank deposit	50	442
<b>Total cash and cash equivalents</b>	<b>142 318</b>	<b>193 337</b>

In 2012 effective interest rates for short-term bank deposits were 4.38% for PLN, 0.32% for euro and 0.34% for USD. The average maturity period for these deposits was 7.74 day for PLN, 5.38 day for euro and 5.69 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 31<sup>st</sup> of December, 2012, the Group had cash with limited disposal rights in the amount of 0.97 million PLN, including: a security deposit set by companies in the Comarch Group in relation to concluded rental contracts and bank guarantees in the amount of 0.25 million PLN and cash in a separate bank account of the Social Services and Residential Fund in the amount of 0.72 million PLN.

### 3.14 Share Capital

	Number of shares	Ordinary and preference shares	Own shares	TOTAL
<b>At 1 January 2011</b>	<b>8,051,637</b>	<b>8,051,637</b>	-	<b>8,051,637</b>
<b>At 31 December 2011</b>	<b>8,051,637</b>	<b>8,051,637</b>	-	<b>8,051,637</b>
<b>At 31 December 2012</b>	<b>8,051,637</b>	<b>8,051,637</b>	-	<b>8,051,637</b>

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**

As at the date of the report's preparation:

- 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 2012**

Between the 10<sup>th</sup> and 17<sup>th</sup> of September, 2012, a Comarch S.A.'s managing person bought 100 ordinary bearer Comarch S.A. shares for average price of 69.6 PLN for each share and sold 100 ordinary bearer Comarch S.A. shares for average price of 70.4 PLN for each share. The above-mentioned transactions were concluded on the regulated market at the Warsaw Stock Exchange. Company announced details in current report no. 14/2012 dated the 20<sup>th</sup> of September, 2012.

Between 24<sup>th</sup> and 26<sup>th</sup> of October, 2012, a member of Comarch S.A.'s Management Board sold 595 ordinary bearer shares of Comarch S.A. for average price of 72 PLN each. Particular transactions were made within the following terms and volumes:

1. 24.10.2012 r.: volume: 200, price per 1 share: PLN 72.00, value: PLN 14,400.00,
2. 25.10.2012 r.: volume: 200, price per 1 share: PLN 72.00, value: PLN 14,400.00,
3. 26.10.2012 r.: volume: 195, price per 1 share: PLN 72.00, value: PLN 14,040.00.

The above-mentioned transactions were concluded on regulated market at the Warsaw Stock Exchange. Company announced details in current report no. 17/2012 dated the 31<sup>st</sup> of October, 2012, corrected on the 21<sup>st</sup> of December, 2012.

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

On 28<sup>th</sup> 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 capitalization.

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 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 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 were not issued in 2012.

The difference between the average capitalisation in December, 2012 and the average capitalisation in December, 2011 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 2013.

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
<b>At 31 December 2011</b>	<b>18,921</b>	<b>745</b>	<b>122,341</b>	<b>142,007</b>
At 1 January 2012	18,921	745	122,341	142,007
Managerial option valuation	325	-	-	325
<b>At 31 December 2012</b>	<b>19,246</b>	<b>745</b>	<b>122,341</b>	<b>142,332</b>

In 2012, a total dividend was paid in the amount of 14.76 million PLN, including 12.08 million PLN paid by parent company to its shareholders and 2.68 million PLN paid by subsidiaries to general partners outside Group.

On the 25<sup>th</sup> of June, 2012, General Meeting approved the resolution no. 9 regarding the distribution of net profit for the fiscal year 1.01.2011 - 31.12.2011. The net profit in the amount of 55,191,262.72 PLN was divided as follows:

a) 12,077,455.50 PLN was paid as dividend. Persons who were the company's shareholders on the 31<sup>st</sup> of July, 2012, got the dividend in the amount of 1.50 PLN per one share. The dividend was allocated to 8,051,637 shares.

b) The remaining part of the net profit in the amount of 43,113,807.22 PLN was passed in total to supplementary capital.

The dividend was paid out on the 16<sup>th</sup> of August, 2012.

There was no decision made concerning payment of dividend for 2012 until publication date of this report.

### 3.15.2. Minority Capital

#### Minority capital

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 S.A. share in profit	1
Currency differences due to valuation	83
<b>At 31 December 2011</b>	<b>9,497</b>
At 1 January 2012	<b>9,497</b>
Changes in shareholding structure in MKS Cracovia SSA, CA Consulting S.A. and Comarch R&D S. à r.l.	(1,679)
Equity from taking over shares not giving control	(1,039)
MKS Cracovia SSA share in profit	(3,318)
Comarch SuB share in profit	(90)
Currency differences due to valuation	(52)
<b>At 31 December 2012</b>	<b>3,319</b>

### 3.16 Trade and Other Payables

	<b>31 December 2012</b>	<b>31 December 2011</b>
Trade payables	161,932	92,569
Advances received due to services	2,792	926
Liabilities to related parties	1,120	555
Liabilities due to social insurance and other tax charges	44,665	37,755
Investments liabilities	1,632	2,762
Proceeds from future periods	13,542	5,185
Other payables	5,308	5,336
Special funds (Social Services Fund and Residential Fund)	1,325	1,244
<b>Total</b>	<b>232,316</b>	<b>146,332</b>

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 2012	12 months ended 31 December 2011
<b>Revenues due to long-term contracts recognised in the reporting period</b>	<b>157,371</b>	<b>117,447</b>
a) revenues from completed contracts recognised in the reporting period	54,670	27,058
b) revenues from contracts not completed recognised in the reporting period	113,501	88,129
c) revenues from contracts not completed recognised in the reporting period- an effect of settlement pursuant to IAS 11	(10,801)	2,261

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 31<sup>st</sup> of December, 2011 and the 31<sup>st</sup> of December, 2012 are presented below:

	Prepayments	Accruals	Net
<b>Revenues from long-term contracts included in the reporting period</b>			
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
<b>Change</b>	<b>(3,172)</b>	<b>(911)</b>	<b>2,261</b>
Balance of the consolidated prepayments/accrual as at 01 January 2012	12,284	8,363	3,921
Balance of the consolidated prepayments/accrual as at 31 December 2012	10,165	17,045	(6,880)
<b>Change</b>	<b>2,119</b>	<b>(8,682)</b>	<b>(10,801)</b>

*Difference between change in prepayments/accrual and contracts (according to IAS 11).*

### 3.18 Credits and Loans

	31 December 2012	31 December 2011
<b>Non-current</b>		
Bank credits	94,892	88,895
Loans	-	-
	<b>94,892</b>	<b>88,895</b>
<b>Current</b>		
Bank overdraft	2,801	1,054
Loans	20,053	25
Bank credits	13,471	26,356
	<b>36,325</b>	<b>27,435</b>
<b>Total credit and loans</b>	<b>131,217</b>	<b>116,330</b>

#### 3.18.1. Investment credits

Comarch S.A. credit lines:

- An investment credit from BNP Paribas Bank Polska S.A. (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 5<sup>th</sup> 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 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 1.25 million EUR, i.e. 5.11 million PLN.

- b) An investment credit from BZ WBK Bank S.A. (formerly 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 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 17.46 million PLN. On the 31<sup>st</sup> of January, 2013, the company repaid total due amount resulting from the afore-mentioned credit. The information was announced in current report RB-2-2013 dated the 31<sup>st</sup> of January, 2013. On the 8<sup>th</sup> of March, Comarch S.A. received a notice from the District Court for Krakow-Podgórze in Krakow, the Fourth Land and Mortgage Register on deletion of mortgages on a real estate owned by Comarch S.A. The mortgages were established as a security for the afore-mentioned investment credit. The information was announced in current report no. 5/2013 dated the 8<sup>th</sup> of March, 2013.
- c) An investment credit from BNP Paribas Bank Polska S.A. (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 30<sup>th</sup> of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. On the 5<sup>th</sup> of October, 2011, the company revaluated the remaining credit to be paid into euro. As at 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 7.28 million EUR, i.e. 29.76 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 and the mortgage on the land are security for this credit. At the beginning, the crediting period was 5 years, till 2012, however on the 29<sup>th</sup> of May, 2012, an annex was concluded which extended it till 2015. As at 31<sup>st</sup> of December, 2012, 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. The real estate mortgage and cession of rights in the bank guarantee issued for the debtor are security for this credit. On the 30<sup>th</sup> of December, 2011, the company revaluated the remaining credit to be paid into euro. As at 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 4.51 million EUR, i.e. 18.45 million PLN.
- f) An investment credit from BNP Paribas Bank Polska S.A. (previously Fortis Bank Polska S.A.) with its registered office in Warsaw, for the financing of the purchase of hardware and software for a project related to data centre services. The credit amounts to 2.4 million EUR. The crediting period may last until 2016. The loan was drawdown on the 7<sup>th</sup> of August, 2012. This credit has a variable interest rate. Transfer of debts from the contract and the registered pledge on the financed property, plant and equipment in use are security for this credit. As at 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 2.18 million EUR, i.e. 8.92 million PLN.

In the third quarter of 2011, iMed24 S.A. 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 and as at 31<sup>st</sup> of December, 2011, the credit was used in total. The crediting period may last 7 years, i.e. until 2018. This credit has a variable interest rate. 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 S.A. are security for this credit. As at the 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 13.62 million PLN.

The value of liabilities due to bank credits and loans 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 Group's bank credits to interest rate risk arises from investment credits (at variable interest rates). 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 2012	6 months or less	6-12 months	1-5 years	Over 5 years	Total
Credits and loans	29,502	6,764	59,639	35,253	131,158
Interest	59	-	-	-	59
	<b>29,561</b>	<b>6,764</b>	<b>59,639</b>	<b>35,253</b>	<b>131,217</b>

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

	31 December 2012	31 December 2011
Between 1 and 2 years	13,527	11,388
Between 2 and 5 years	46,112	30,874
Over 5 years	35,253	46,633
	<b>94,892</b>	<b>88,895</b>

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

	31 December 2012	31 December 2011
In Polish currency	68,974	50,661
In EUR (equivalence in PLN)	62,243	65,669
	<b>131,217</b>	<b>116,330</b>

### The effective interest rates at the balance sheet date

	31 December 2012	31 December 2011
Bank credits	3.22%	4.25%
Loans	5.47%	0.00%

#### 3.18.2. Loans

In the fourth quarter of 2012, CA Consulting S.A., a subsidiary of Comarch S.A. concluded a loan agreement with IBM Polska Sp. z o.o. for financing of a delivery of hardware in relation to an IT project performed by the company. The loan amounts to 12.56 million PLN and drawdown was made in the fourth quarter of 2012. Loan will reach its maturity date in September, 2013. It has a fixed interest rate. Surety granted by Comarch S.A. is security for this credit.

In the fourth quarter of 2012, Comarch S.A. signed a loan agreement with IBM Polska Sp. z o.o. for financing of delivery of IBM hardware and licences in relation to an IT project performed by the Comarch Group. The loan amounts to 7.35 million PLN and drawdown was made in the

fourth quarter of 2012. Loan will reach its maturity date in August, 2013. It has a fixed interest rate. The loan is not secured.

On the 27<sup>th</sup> of December, 2012, Comarch S.A. signed a loan agreement with IBM Polska Sp. z o.o for financing of delivery of IBM hardware in relation to an IT project performed by the Comarch Group. The loan amounts to 0.34 million PLN and drawdown was made after the balance sheet date, i.e. in the first quarter of 2013. Loan will reach its maturity date in December, 2015. It has a fixed interest rate. The loan is not secured.

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

In the Comarch Group Comarch S.A. is a parent company which has the following credit limits in current account:

a) Credit limit in current account in bank Pekao S.A. with its registered office in Warsaw in the amount of 35 million PLN. It can be used by the 31<sup>st</sup> of May, 2013. An authorisation to manage Comarch S.A.'s accounts in PEKAO S.A. and a declaration of submission to enforcement are security for this credit. As at the 31<sup>st</sup> of December, 2012, the value of the credit used was 2.45 million PLN.

b) Credit limit in current account in bank Powszechna Kasa Oszczędności Bank Polski S.A. ("PKO BP S.A.") with its registered office in Warsaw in the amount of 10 million PLN. It can be used by the 13<sup>th</sup> of December, 2013. An authorisation to manage Comarch S.A.'s accounts in PKO BP S.A. and a promissory note are security for this credit. As at the 31<sup>st</sup> of December, 2012, the credit was not used.

c) Credit limit in current account in bank BPH S.A with its registered office in Krakow in the amount of 10 million PLN. It can be used by the 30<sup>th</sup> of September, 2013. A promissory note and a declaration of submission to enforcement are security for this credit. As at the 31<sup>st</sup> of December, 2012, the credit was not used.

ESAProjekt Sp. z o.o., a subsidiary of Comarch SA, has a credit limit in current account granted by Alior Bank S.A. with its registered office in Warsaw in the amount of 0.35 million PLN. It can be used by the 27<sup>th</sup> of January, 2013. A promissory note and an authorisation to manage ESAProjekt Sp. z o.o.'s accounts in Alior Bank S.A. As at the 31<sup>st</sup> of December, 2012, the value of the credit used was 0.35 million PLN. After the balance sheet date, the credit limit was increased to 0.5 million PLN and it can be used by the 27<sup>th</sup> of January, 2014.

### 3.18.4. Current credit lines (variable interest rates)

	<b>31 December 2012</b>	<b>31 December 2011</b>
Current credit lines granted, expiring within one year, including:	<b>55,350</b>	<b>16,325</b>
– used at the balance sheet date	2,801	1,054
– available at the balance sheet date	52,549	15,271

### 3.19 Contingent Liabilities

On 31<sup>st</sup> of December, 2012, 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 67.86 million PLN, whereas it was 35.12 million PLN on 31<sup>st</sup> of December, 2011.

On 31<sup>st</sup> of December, 2012, 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 0.8 million PLN, whereas it was 1.35 million PLN on 31<sup>st</sup> of December, 2011.

On 31<sup>st</sup> of December, 2012, 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 0.25 million EUR, i.e. 1.03 million PLN, whereas it was 0.31 million EUR, i.e. 1.35 million PLN on 31<sup>st</sup> of December, 2011.

Comarch S.A. granted letters of comfort for its subsidiaries: Comarch Software und Beratung

AG (valid till the 31<sup>st</sup> of March, 2013), MKS Cracovia SSA (valid till 30<sup>th</sup> of June, 2013) and iMed24 S.A. (valid till the 30<sup>th</sup> of June, 2014).

As a result of an agreement signed on the 15<sup>th</sup> of December, 2011, between Comarch S.A. and MKS Cracovia SSA on the purchase of new shares and execution of rights from warrants, Comarch S.A. 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 31<sup>st</sup> of March, 2012,
- 4,695,774 PLN till the 31<sup>st</sup> of March, 2013,
- 9,391,548 till the 31<sup>st</sup> of December, 2013.

As a result of execution of the afore-mentioned provisions, on the 24<sup>th</sup> of February, 2012, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares for 15,912,495 PLN and on the 20<sup>th</sup> of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares for 4,695,774 PLN.

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

	<b>31 December 2012</b>	<b>31 December 2011</b>
Credit lines*	165,627	88,789
	<b>165,627</b>	<b>88,789</b>

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

The Comarch Group is the defendant in legal proceedings and is the party to the matters in disputes but not legal proceedings, in which the potential total amount of third party claims is 4.62 million PLN. Provisions for part of these claims were presented in the balance sheet as of 31<sup>st</sup> of December, 2012 and are worth 0.49 million PLN. They include provisions for claims recognised in 2012 and worth 0.42 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 2012, the Comarch Group created write-offs that revalue receivables and were worth 0.51 million PLN.

As at 31<sup>st</sup> of December, 2012, the Comarch Group had contractual obligations due to operational leasing agreements (means of transport and computer hardware) in the amount of 1.46 million PLN.

### 3.20 Deferred Income Tax

	31 December 2012	31 December 2011
<b>Deferred income tax assets</b>	<b>27,775</b>	<b>23,725</b>
<b>Beginning of year:</b>		
- charged to financial result	27,775	23,725
<b>Movement on deferred income tax account charged to financial result</b>		
- recognition of an asset due to tax loss in Comarch SuB	-	1,693
- dissolution of an asset due to tax loss in Comarch SuB	(818)	(929)
- recognition of an asset for a possible to settle tax loss in Comarch AG	2,355	-
- dissolution of an asset due to tax loss for the previous years in Comarch AG	(5,287)	(87)
- recognition of an asset due to tax loss in Infrastruktura24 S.A.	-	89
- dissolution of an asset due to tax loss in Infrastruktura24 S.A.	(89)	-
- recognition of an asset due to tax loss in Comarch Polska S.A.	557	-
- recognition of an asset due to tax loss in iReward24 S.A.	280	-
- recognition of an asset due to tax relief of the parent company due to activities in Special Economic Zone	10,055	9,904
- dissolution of an asset due to tax relief of the parent company due to activities in Special Economic Zone	(9,904)	(9,635)
- recognition of an asset due to temporary differences related to costs (depreciation, costs of research works)	5,971	6,703
- dissolution of an asset due to temporary differences related to costs (depreciation, costs of research works)	(3,104)	(3,688)
<b>End of year</b>	<b>27,791</b>	<b>27,775</b>
- charged to financial result	27,791	27,775
<b>Deferred tax provision</b>	<b>48,172</b>	<b>50,276</b>
<b>Beginning of year:</b>		
- 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
<b>Movement on deferred tax liabilities charged to financial result</b>		
- recognition of a provision due to depreciation of Comarch SuB fair value valuation	-	958
- dissolution of a provision due to depreciation of Comarch SuB fair value valuation	(5,286)	(3,802)
- dissolution of a provision due to valuation of deposits in CCF FIZ	(2,308)	(1,103)
- recognition of a provision due to depreciation of ESAProjekt Sp. z o.o. fair value valuation	1,744	-
- recognition of a provision due to depreciation of A-MEA Informatik AG fair value valuation	429	-
- recognition of a provision due to temporary differences related to depreciation, currency differences and interest	1,506	3,574
- dissolution of a provision due to temporary differences related to depreciation, currency differences and interest	(2,682)	(1,731)
<b>End of the period</b>	<b>41,575</b>	<b>48,172</b>
- charged to equity	5,430	5,430
- charged to financial result	31,275	34,759
- provisions due to acquisition of Comarch SuB	2,697	7,983
- provision due to acquisition of A-MEA Informatik AG and ESAProjekt Sp. z o.o.	2,173	-

### 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
<b>At 1 January 2011</b>	<b>11,406</b>	-	<b>2,684</b>	<b>9,635</b>	<b>23,725</b>
<i>-charged to financial result</i>	11,406	-	2,684	9,635	23,725
(Charged)/ credited to the result for 2011	766	380	2,635	269	4,050
<b>At 31 December 2011</b>	<b>12,172</b>	<b>380</b>	<b>5,319</b>	<b>9,904</b>	<b>27,775</b>
(Charged)/ credited to the result for 2012	(3,003)	(380)	3,248	151	16
<b>At 31 December 2012</b>	<b>9,169</b>	-	<b>8,567</b>	<b>10,055</b>	<b>27,791</b>
<i>-charged to financial result</i>	9,169	-	8,567	10,055	27,791

### Deferred income tax provision

	Provision due to valuation of CCF FIZ	Provision due to valuation of Comarch SuB through fair value	Depreciation	Provisions (exchange differences, interest)	Provisions due to fair value valuation of MKS Cracovia SSA's assets	Provisions due to fair value valuation of A-MEA Informatik AG and ESAProjekt Sp. z o.o.	Total
<b>At 1 January 2011</b>	<b>31,715</b>	<b>10,827</b>	<b>1,662</b>	<b>642</b>	<b>5,430</b>	-	<b>50,276</b>
(Charged)/ credited to the result for 2011	(1,103)	(2,844)	(625)	2,468	-	-	(2,104)
<b>At 31 December 2011</b>	<b>30,612</b>	<b>7,983</b>	<b>1,037</b>	<b>3,110</b>	<b>5,430</b>	-	<b>48,172</b>
<i>- charged to financial result</i>	30,612	-	1,037	3,110	-	-	34,759
<i>- charged to equity</i>	-	7,983	-	-	5,430	-	13,413
(Charged)/ credited to the result for 2012	(2,308)	(5,286)	(77)	(1,099)	-	2,173	(6,597)
<b>At 31 December 2012</b>	<b>28,304</b>	<b>2,697</b>	<b>960</b>	<b>2,011</b>	<b>5,430</b>	<b>2,173</b>	<b>41,575</b>
<i>- charged to financial result</i>	28,304	-	960	2,011	-	-	31,275
<i>- charged to equity</i>	-	2,697	-	-	5,430	2,173	10,300

As a result of Poland joining the European Union, an act was passed on the 2<sup>nd</sup> 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 1<sup>st</sup> of January, 2000, cannot exceed 75% of the value of investments incurred in the period from the date of obtaining the permit until the 31<sup>st</sup> of December, 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since the 1<sup>st</sup> 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 22<sup>nd</sup> of March, 1999, until the 31<sup>st</sup> 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 31<sup>st</sup> of December, 2012, 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 1<sup>st</sup> of July, 2004, it received a decision from the Minister of the Economy dated the 24<sup>th</sup> 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 31<sup>st</sup> of December, 2017.

Pursuant to IAS 12, unused tax relief as at the 31<sup>st</sup> 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 2012, the parent company dissolved in part an asset due to activities in the SEZ that was worth 9.904 million PLN (a decrease in result) and established as at 31<sup>st</sup> of December, 2011. At the same time, the parent company recognised an asset in the amount of 10.055 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 2012, Group settled in part a deferred tax asset related to temporary differences, that was presented on 31<sup>st</sup> of December, 2011 and worth 5.971 million PLN, as well as an asset due to temporary differences was recognised in the amount of 3.104 million PLN. An asset due to tax loss was dissolved in the amount of 6.194 million PLN and recognised in the amount of 3.192 million PLN. The total effect of the above-mentioned operations on the net result of 2012 was +0.016 million PLN.

According to German regulations within the scope of tax rules, there is no time limitation for a tax loss settlement.

CSuB's tax loss incurred in the previous years amounted to approximately 11.5 million EUR, thus respective theoretical asset's value amounted to 3.7 million EUR.

As at 31<sup>st</sup> of December, 2012, in the CSuB's financial statement an asset due to the above-mentioned tax loss was recognised and was worth approximately 1million EUR for it was established for the period when credible estimations related to the tax income may be performed.

Due to valuation of net assets of CCF FIZ, Group dissolved in part a deferred tax provision, which was recognised in the previous years and was worth 2.308 million PLN. At the same time, a deferred tax provision due to temporary differences was recognised in the amount of 1.506 million PLN and dissolved in the amount of 2.682 million PLN. In 2012, Group dissolved in part a provision due to acquisition of Comarch SuB which was worth 5.286 million PLN and recognised a provision due to acquisition of A-MEA Informatik AG and ESAProjekt Sp. z o.o. which was worth 2.173 million PLN. The total effect of the all above-mentioned operations on the net result of 2012 was 6.597 million PLN. Total changes in the deferred income tax resulted

in an increase in result of 6.613 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	Provisions for other costs	Total
<b>At 1 January 2012</b>	-	-	-	2	2
Recognised in the consolidated income statement:					
- Additional provisions	-	-	-	-	-
- Provisions used during year and transferred to current provisions	-	-	-	(2)	(2)
<b>At 31 December 2012</b>	-	-	-	-	-

Current	Costs related to the current period, which will be incurred in future	Provisions for contracts costs	Provision for contractual penalties	Provision for leaves	Provisions for cash rewards	Total
<b>At 1 January 2012</b>	3,721	10,937	9,357	12,951	50,422	87,388
Recognised in the consolidated income statement:						
- Additional provisions	8,108	17,675	4,343	10,266	69,318	109,710
- Provisions used during year	(9,814)	(11,865)	(10,171)	(8,958)	(64,145)	(104,953)
<b>At 31 December 2012</b>	<b>2,015</b>	<b>16,747</b>	<b>3,529</b>	<b>14,259</b>	<b>55,595</b>	<b>92,145</b>

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 2012	31 December 2011
Non-current	-	2
Current	92,145	87,388

### 3.22 Revenues from Sales

	12 months ended 31 December 2012	12 months ended 31 December 2011
<b>Revenues from sales of products and services</b>		
Revenues from sales of IT services	567,807	544,356
Revenues from sales of proprietary software and licences	105,723	110,178
Revenues from other sales	922	5,571
<b>Total</b>	<b>674,452</b>	<b>660,105</b>
<b>Revenues from sales of goods and materials</b>		
Revenues from sales of hardware	41,287	41,678
Revenues from third party software and licences	135,560	53,986
Revenues from other sales	32,577	29,884
<b>Total</b>	<b>209,424</b>	<b>125,548</b>
<b>Total revenues from sales</b>	<b>883,876</b>	<b>785,653</b>

### 3.23 Costs of Products, Services, Goods and Materials Sold

<b>I/1 Costs by types</b>	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Depreciation of property, plant and equipment in use and intangible assets	53,326	42,044
Costs of social benefits	429,396	408,285
Change in products and work in progress	(16,923)	7,641
Consumption of raw materials and auxiliary materials	17,950	19,060
Third party services	95,238	104,315
Taxes and charges	8,500	6,929
Other costs	39,796	30,599
<b>Costs of products sold, services, marketing and distribution as well as administrative costs, including:</b>	<b>627,283</b>	<b>618,873</b>
- <i>manufacturing costs</i>	469,432	458,311
- <i>costs of sales</i>	85,396	82,683
- <i>general costs</i>	73,295	74,681
- <i>exchange differences on liabilities</i>	(840)	3,198
<b>I/2 Costs of goods and materials sold</b>	<b>209,363</b>	<b>113,669</b>
<b>I/3 Costs of work execution within the framework of union projects</b>	<b>10,424</b>	<b>18,398</b>
<b>I/4 Total costs of products sold, services, marketing, administrative, goods, materials and work execution within the framework of union projects</b>	<b>847,070</b>	<b>750,940</b>
<b>II. Costs of social benefits</b>	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Remuneration	366,466	350,970
Social insurance	56,953	51,848
Social Services Fund	1,882	1,966
Training	993	930
Health and Safety at Work	442	328
Other	2,660	2,243
<b>Total</b>	<b>429,396</b>	<b>408,285</b>

### 3.24 Other Operating Revenues

<b>Other operating revenues and profits</b>	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Recovered communication damages	123	198
Outdated liabilities	66	-
Dissolving write-offs revaluating receivables	10 767	13 011
Received contractual penalties	19	17
Earnings on disposal on non-financial non-current assets	137	6 940
Refund of VAT	321	-
Subsidies	202	221
Other	4 664	2 583
<b>Total</b>	<b>16 299</b>	<b>22 970</b>

### 3.25 Other Operating Costs

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
<b>Other operating costs and losses</b>		
Write-off that revaluates assets (impairment)	0	2,565
Membership fees	517	344
Donations	147	80
Loss on non-current assets disposal and decommissioning	827	254
Write-off that revaluates receivables	13,132	14,978
Compensation	30	-
Other	7,685	679
<b>Total</b>	<b>22,338</b>	<b>18,900</b>

### 3.26 Finance Costs – Net

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Interest expense, including:		
- <i>Interest on borrowings</i>	(4,613)	(4,531)
- <i>Other</i>	(4,289)	(3,824)
	(324)	(707)
Gains on bank deposits	5,122	6,057
Gains on disposal of securities	-	-
Gains/(losses) on disposal of financial assets	1,661	(895)
Net gains/(losses) on exchange differences (note 3.29)	7,071	1,287
Fair value valuation of financial instruments and investment	757	(929)
Other, including:	(1,005)	30
- <i>compensation and financial penalties</i>	-	-
- <i>other</i>	(1,005)	30
<b>Total</b>	<b>8,993</b>	<b>1,019</b>

### 3.27 Income Tax

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Current tax	11,959	12,568
Deferred tax	(9,474)	(5,871)
<b>Total</b>	<b>2,485</b>	<b>6,697</b>

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:

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
<b>Consolidated gross profit before tax</b>	<b>39,737</b>	<b>39,764</b>
Tax calculated with the nominal rate on gross profit	17,950	8,093
Differences between gross profit and basis of taxation:		
- Consolidation adjustments	(16,675)	(23,411)
- Exclusions of losses in consolidated companies	55,484	67,971
<b>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)</b>	<b>78,546</b>	<b>84,325</b>
Permanent and temporary differences between gross profit and the actual basis of taxation, including:	(26,488)	(20,956)
- <i>Utilisation of previously recognised tax losses</i>	(27,667)	13,690
- <i>Differences between basis of taxation and gross profit</i>	49,259	27,457
- <i>Income not subject to tax (due to activities in SEZ)</i>	(45,229)	(55,961)
- <i>Income not subject to tax (shareholders are tax payers)</i>	(2,851)	(5,518)
- <i>Other - income not subject to tax</i>	-	(626)
<b>Taxable base from income tax</b>	<b>52,058</b>	<b>63,369</b>
Tax calculated at tax rate for the Group	11,959	12,568
Effective tax rate	15.23%	14.90%

The applicable tax rate was 22.97% in 2012 and resulted from the average tax rates for the consolidated entities. The applicable tax rate was 19.83% in 2011 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:

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Revenues from sales	(12,020)	14,552
Costs of products, goods and materials sold	840	(3,198)
Finance costs-net	7,071	1,287
<b>Total</b>	<b>(4,109)</b>	<b>12,641</b>

### 3.29 Earnings per Share

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Net profit for the period attributable to equity holders of the Group	40,660	36,257
Weighted average number of shares in issue (thousands)	8,051	8,051
<b>Basic earnings per share (PLN)</b>	<b>5.05</b>	<b>4.50</b>
Diluted number of shares (thousands)	8,051	8,051
<b>Diluted earnings per share (PLN)</b>	<b>5.05</b>	<b>4.50</b>

Basic earnings per share in the column "12 months ended 31 December 2012" is calculated by dividing the net profit attributable to shareholders of the company for the period from 1<sup>st</sup> of January, 2012, to 31<sup>st</sup> of December, 2012 by the weighted average number of shares in issue between 1<sup>st</sup> of January, 2012, to 31<sup>st</sup> of December, 2012, where the number of days is the weight. 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 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> of December, 2011 by the weighted average number of shares in issue between 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> of December, 2011, where the number of days is the weight.

Diluted earnings per share in the column "12 months ended 31 December 2012" is calculated by dividing the net consolidated profit attributable to shareholders of the company for the period from 1<sup>st</sup> of January, 2012, to 31<sup>st</sup> of December, 2012 by the sum of the weighted average number of shares in issue between 1<sup>st</sup> of January, 2012, to 31<sup>st</sup> of December, 2012, 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 2012. 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 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> of December, 2011 by the sum of the weighted average number of shares in issue between 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> 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.

### 3.30 Related-Party Transactions

#### 3.30.1. Revenues from Sales of Goods and Services

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Revenues from sales of goods:		
SolInteractive S.A.	-	-
	-	-
Revenues from sales of services:		
SolInteractive S.A.	201	63
	<b>201</b>	<b>63</b>
	<b>201</b>	<b>63</b>

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. Purchases of Goods and Services

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Purchases of goods:		
SolInteractive S.A.	60	36
	<b>60</b>	<b>36</b>
Purchases of services:		
SolInteractive S.A.		
<i>Included in generation costs</i>	612	273
<i>Included in other costs</i>	3,355	3,018
	<b>3,967</b>	<b>3,291</b>
	<b>4,027</b>	<b>3,327</b>

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

	<b>12 months ended 31 December 2012</b>	<b>12 months ended 31 December 2011</b>
Receivables from related parties		
SolInteractive S.A.	94	66
	<b>94</b>	<b>66</b>
Payables to related parties		
SolInteractive S.A.	1,120	555
	<b>1,120</b>	<b>555</b>

### 3.30.4. Transactions with Associates and Personally Related Entities

	<b>PLN'000</b>
Purchases from personally related entities	1,230
Sales to personally related entities	267
Loans and interest on loans paid by personally related entities	450
Loans and interest on loans granted to personally related entities	300
Purchases from associates	3,734
Sales to associates	201
Loans and interest on loans paid by associates	25
Loans and interest on loans granted to associates	298

### 3.31 Value of Remuneration of the Managing and Supervising Persons in 2012 and in 2011

Remuneration of members of the Management Board of Comarch S.A. in 2012 were PLN 13,400,393.76. Remuneration of members of the Management Board of Comarch S.A. in 2012 paid by subsidiaries and associates were PLN 6,965,406.19. 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 S.A. in 2011 paid by subsidiaries and associates were PLN 6,802,803.57.

#### 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
	<b>Total</b>	<b>11,516,802.00</b>	<b>6,802,803.57</b>	<b>18,319,605.57</b>

##### 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 Drobniak*	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
	<b>Total</b>	<b>275,691.10</b>	<b>-</b>	<b>275,691.10</b>

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

#### 2012 (in PLN)

##### Comarch S.A.'s Management Board

		Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	6,052,464.00	6,309,300.40	12,361,764.40
2	Piotr Piątosza	2,322,144.60	362,732.40	2,684,877.00
3	Paweł Prokop	628,915.15	5,071.00	633,986.15
4	Piotr Reichert	1,145,744.40	151,201.39	1,296,945.79
5	Zbigniew Rymarczyk	951,973.40	6,000.00	957,973.40
6	Konrad Tarański	717,548.41	111,125.00	828,673.41
7	Marcin Warwas	1,581,603.80	19,976.00	1,601,579.80
	<b>Total</b>	<b>13,400,393.76</b>	<b>6,965,406.19</b>	<b>20,365,799.95</b>

### Comarch S.A.'s Board of Supervisors

		Paid by Comarch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	202,572.00	34,067.00	236,639.00
2	Maciej Brzeziński	30,000.00	0.00	30,000.00
3	Danuta Drobniak	30,000.00	0.00	30,000.00
4	Wojciech Kucharzyk	30,000.00	0.00	30,000.00
5	Anna Ławrynowicz	30,000.00	0.00	30,000.00
6	Tadeusz Syryjczyk	30,000.00	0.00	30,000.00
	<b>Total</b>	<b>352,572.00</b>	<b>34,067.00</b>	<b>386,639.00</b>

As at the 31<sup>st</sup> of December, 2012, there are no unpaid advance payments, credits, loans, guarantees, nor 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

As at the date of the report's preparation:

- 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 1 March 2013 and 30 April 2013

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 2012, i.e. the 1<sup>st</sup> of March, 2013 and on the 30<sup>th</sup> of April, 2013, pursuant to the information possessed by the company.

Members of the Management Board and the Board of Supervisors	Position	At 30 April 2013		At 1 March 2013	
		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	39,974	0.52	39,974	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
<b>Number of issued shares</b>		<b>8,051,637</b>	<b>100.00</b>	<b>8,051,637</b>	<b>100.00</b>

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

#### **3.33.1. Deferred Income Tax Asset**

Over 2012, the parent company dissolved in part an asset due to activities in the SEZ that was worth 9.904 million PLN and established as at 31<sup>st</sup> of December, 2011. At the same time, the parent company recognised an asset in the amount of 10.055 million PLN (impact on earnings: +0.151 million PLN). During 2012, Group settled in part a deferred tax asset related to temporary differences, that was presented on 31<sup>st</sup> of December, 2011 and worth 5.971 million PLN, as well as an asset due to temporary differences was recognised in the amount of 3.104 million PLN. An asset due to tax loss was dissolved in the amount of 6.194 million PLN and recognised in the amount of 3.192 million PLN. The total effect of the above-mentioned operations on the net result of 2012 was +0.016 million PLN.

#### **3.33.2. Valuation of Currency Translation Differences**

Fluctuations of PLN versus EUR and USD in 2012 had a significant effect on revenue and results of the Comarch Group. Realised exchange differences and balance sheet valuation of exchange differences on receivables and liabilities as of the 31<sup>st</sup> of December, 2012, decreased by 11.18 million PLN revenue and operating result of the Comarch Group. Other exchange differences, mostly on paid non-current loans, increased by 7.07 million PLN Comarch's result. Total currency translation differences resulted in a decrease of 4.11 million PLN in the Comarch Group's net result.

### **3.34 Events after the Balance Sheet Date**

#### **3.34.1. Dates of Periodical Financial Reports in 2013**

On the 8<sup>th</sup> of January, 2013, in current report no 1/2013, Comarch S.A.'s Management Board set dates of periodical financial reports in 2013:

Consolidated quarterly reports which include condensed consolidated financial statements and condensed financial statements:

- 1) Q4 2012 - on 1<sup>st</sup> of March, 2013
- 2) Q1 2013 - on 15<sup>th</sup> of May, 2013
- 3) Q2 2013 - Pursuant to § 101 sec. 2 of the Regulation issued by the Minister of Finance on the 19<sup>th</sup> 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 2013
- 4) Q3 2013 - on 14<sup>th</sup> of November, 2013

ANNUAL AND HALF-YEAR REPORTS:

- 1) Consolidated half-year report which include condensed consolidated financial statement and condensed financial statement for the first half of 2013 - on 30<sup>th</sup> of August, 2013
- 2) Annual report for 2012 - on 30<sup>th</sup> of April, 2013
- 3) Consolidated annual report for 2012 - on 30<sup>th</sup> of April, 2013

#### **3.34.2. Repayment of Credit from BZ WBK Bank S.A. (formerly Kredyt Bank S.A.)**

On the 31<sup>st</sup> of January, 2013, the due credit amount related to the financing of the second investment stage of the construction of an office and production building in the Special Economic Zone in Krakow was paid in total. The information was announced in current report no. RB-2-2013 dated the 31<sup>st</sup> of January, 2013. More details were presented in point 3.18b of the financial statement.

#### **3.34.3. Creation of an Mortgage on Assets Owned by Comarch S.A.**

On the 6<sup>th</sup> of February, 2013, Comarch S.A.'s Management Board announced that received a notice from the District Court for Krakow-Podgórze, the Fourth Division of the Land and Mortgage Register, on registration of a mortgage, dated the 30<sup>th</sup> of January, 2013, and related to a real estate located in the Special Economic Zone in Krakow and owned by Comarch S.A. Current book value of the real estate amounts to PLN 18,952,737.42. The basis for this registration is a non-revolving, long-term credit agreement dated the 4<sup>th</sup> of January, 2013, signed between bank BZ WBK S.A. and Comarch S.A. Its value amounts to EUR 7,400,000 i.e.

30,932,740 PLN. Bank BZ WBK S.A.'s claims in relation to the above-mentioned agreement are secured to the amount of EUR 11,100,000, i.e. 46,399,110 PLN. There is no relation between Comarch S.A., its managing or supervising persons and BZ WBK S.A. Company announced details in current report no. 3/2013.

#### **3.34.4. Agreement for Purchase of MKS Cracovia SSA Shares**

On the 20<sup>th</sup> of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares. MKS Cracovia SSA invited Comarch S.A. to purchase 11,400 series F shares of nominal value of PLN 100. MKS Cracovia SSA invited Comarch S.A. to purchase the afore-mentioned shares for a total issue price of PLN 4,695,774, i.e. for issue price of PLN 411.91 for one series F share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of PLN 4,695,774 which was made by Comarch S.A. on the 20<sup>th</sup> of February, 2013. As a result of the registration of the increase in MKS Cracovia SSA's share capital, Comarch S.A. will hold 62.16% of votes at the company's general meeting. The company announced details in current report no. 4/2013.

#### **3.34.5. Deletion of Mortgages**

On the 8<sup>th</sup> of March, 2013, Comarch S.A. received a notice from the District Court for Krakow-Podgórze, the Fourth Division of the Land and Mortgage Register, on deletion of mortgages on a real estate owned by Comarch S.A. The mortgages were established as a security for the afore-mentioned investment credit. Information was announced by current report no. 5/2013 dated the 8<sup>th</sup> of March, 2013.

#### **3.34.6. Registration of Increase in MKS Cracovia SSA's Share Capital**

On the 14<sup>th</sup> of March, 2013 (RB-6-2013) the Management Board of Comarch S.A. has announced that received a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 6<sup>th</sup> of March, 2013, on registration of an increase in share capital of MKS Cracovia SSA from PLN 18,420,100.00 to PLN 19,560,100.00. As a consequence, Comarch S.A. holds 62.16% of shares in the share capital of MKS Cracovia SSA which entitle to 62.16% of votes at the agm of MKS Cracovia SSA.

#### **3.34.7. Forward Contracts Concluded after the Balance Sheet Date**

Between the 1<sup>st</sup> of January, 2013 and the 30<sup>th</sup> of April, 2013, Comarch S.A. concluded forward contracts for the sales of 6.73 million euro and 0.5 million USD, as well as for the purchase of 1.6 million EUR. The total net value of open forward contracts as of the 30<sup>th</sup> of April, 2013 amounted to 6.83 million EUR and 1 million USD. The open forward contracts as of the 30<sup>th</sup> of April, 2013 were valued at 1.35 million PLN. The contracts will be settled within nineteen 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 and is the party to the matters in disputes but not legal proceedings, in which the potential total amount of third party claims is 4.62 million PLN. Provisions for part of these claims were presented in the balance sheet as of 31<sup>st</sup> of December, 2012 and are worth 0.49 million PLN. They include provisions for claims recognised in 2012 and worth 0.42 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 2012, 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 2012	31 December 2011
Equity	624,942	609,851
Total assets	1,146,743	1,022,474
Solvency ratio	<b>54.5%</b>	<b>59.6%</b>

Over 2012, 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 2012, all companies in the Group adhered to the credit agreements' conditions. The parent unit's Management Board finds no risk of their violation.

30<sup>th</sup> of April, 2013

#### 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	

# COMARCH

REPORT  
OF COMARCH S.A.'s MANAGEMENT BOARD  
REGARDING  
THE ACTIVITIES OF THE CAPITAL GROUP IN 2012

Krakow, 30<sup>th</sup> of April, 2013

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## 1. Information about Company

### 1.1 Shareholding Structure, Managing and Supervising Entities

#### 1.1.1 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 PLN 8,051,637. According to the information possessed by Comarch S.A., as at 31<sup>st</sup> of December, 2012, shareholders holding at least 5% of votes at the company's AGM are Janusz Filipiak and Elżbieta 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	103,167	1.28	140,767	0.94
Other shareholders	4,482,460	55.67	4,482,460	29.78
<b>Total</b>	<b>8,051,637</b>	<b>100.00</b>	<b>15,045,237</b>	<b>100.00</b>

#### 1.1.2 Comarch S.A.'s Board of Supervisors and Management Board

##### a) Members of Comarch S.A.'s Board of Supervisors as at 31<sup>st</sup> of December, 2012:

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 Drobniak	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	-	-

##### b) Members of Comarch S.A.'s Management Board as at 31<sup>st</sup> of December, 2012:

Name and surname	Position	Number of Comarch S.A. shares	Nominal value
Janusz Filipiak	President of the Management Board	2,620,010	PLN 2,620,010
Piotr Piątosa	Vice-President of the Management Board	16,845	PLN 16,845
Paweł Prokop	Vice-President of the Management Board	39,974	PLN 39,974
Piotr Reichert	Vice-President of the Management Board	6,069	PLN 6,069
Zbigniew Rymarczyk	Vice-President of the Management Board	28,141	PLN 28,141
Konrad Tarański	Vice-President of the Management Board	6,069	PLN 6,069
Marcin Warwas	Vice-President of the Management Board	6,069	PLN 6,069

As at the publication date, there were no changes in membership of the Management Board in Comarch S.A.

Michał Bajcar, 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 28<sup>th</sup> 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 is 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 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.

**e) 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.

## 2. Basic Economics and Financial Values

### 2.1. Selected Financial Data

	2012	2011	2010	2009	2008	2007	2006
Revenue from sales	883,876	785,653	761,361	729,403	700,965	581,048	491,550
Operating profit	30,767	38,783	24,819	14,373	45,919	44,006	45,551
Profit before income tax	39,737	39,764	24,979	18,465	244,521	45,519	54,572
Net profit attributable to the company's shareholders	40,660	36,257	43,717	32,306	199,126	42,770	52,760
Profit per share	5.05	4.50	5.44	4.06	25.01	5.46	7.13
Assets	1,146,743	1,022,474	968,105	895,106	915,247	558,489	461,559
Equity	624,942	609,851	584,189	554,316	534,174	300,780	256,983

In 2012, the Comarch Group sales revenue climbed by 12.5%, i.e. 98.2 million PLN year on year. Operating profit reached 30.8 million PLN (a decrease of 20.7% compared to 2011). Net profit attributable to the parent company's shareholders increased by 12.1% and amounted to 40.7 million PLN. EBIT margin was at 3.5% (4.9% in 2011) and net margin amounted to 4.6% (4.6% in 2011). On the 31<sup>st</sup> of December, 2012, the Comarch Group employed 3,759 people, excluding employees of MKS Cracovia SSA. This represented an increase of 313 people compared to the end of 2011.

The value of the Comarch Group's assets at the end of 2012 grew by 12.2%. This resulted from both an increase in non-current assets (11.1%) and current assets (13.1%). Equity grew by 2.5% over 2012 and was due in large measure to the sizeable increase in retained earnings in 2011.

<b>Backlog for the current year (excluding Comarch Software und Beratung AG)</b>	<b>At 30 April 2013</b>	<b>At 30 April 2012</b>	<b>Change</b>
Revenues contracted for 2013	624,461	503,153	24.1%
including export contracts	257,643	230,686	11.7%
% of export contracts	41.3%	45.8%	
including services and proprietary software	517,082	466,277	10.9%
% of services and proprietary software	82.8%	92.7%	

As of the 30<sup>th</sup> of April, 2013, the backlog for the current year amounted to 624.5 million PLN and was therefore higher by 24.1% compared to the same period in the previous year. The value of services and proprietary software sales increased by 10.9% up to 517.1 million PLN, and as a consequence, their share in the total backlog reached 82.8%. Exports contracts grew by 11.7% and reached 257.6 million PLN. As a result, current backlog's value and structure confirm the very favourable financial position of the Comarch Group. Moreover, they strengthen the effectiveness of the expansion strategy abroad and development of proprietary software realised by the Group.

### 2.2. Employment and Production Capacity of the Group

As at 31<sup>st</sup> of December, 2012, in Comarch S.A. there were 3,062 employees compared to 2,807 persons as at 31<sup>st</sup> of December, 2011, and in the Comarch Group number of employees reached 3,759 persons compared to 3,446 persons as at the 31<sup>st</sup> of December, 2011 (excluding employees of MKS Cracovia SSA due to different type of activity).

Average employment in the Comarch Group from 2008 to 2012 is presented in tables below:

<b>Number of employees:</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
- full-time	3,048	2,815	2,945	2,760	2,350
- co-workers	612	532	532	566	562
<b>Total</b>	<b>3,660</b>	<b>3,347</b>	<b>3,477</b>	<b>3,326</b>	<b>2,912</b>

<b>Employees:</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
- production employees and technical consultants	2,785	2,534	2,724	2,586	2,279
- marketing and sales	500	442	395	413	343
- management and administrative employees	375	371	358	327	290
<b>Total</b>	<b>3,660</b>	<b>3,347</b>	<b>3,477</b>	<b>3,326</b>	<b>2,912</b>

An average employment in MKS Cracovia SSA within 2012, 2011, 2010, 2009 and 2008 was as follows:

<b>Number of employees:</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
- full-time	42	46	44	45	49
- co-workers	146	145	127	133	127
<b>Total</b>	<b>188</b>	<b>191</b>	<b>171</b>	<b>178</b>	<b>176</b>

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.

### 2.3. Comarch S.A. Stock Price Performance

#### 2012



<b>Period</b>	<b>The highest</b>	<b>The lowest</b>
Q1 2012	69.50	53.90
Q2 2012	65.40	56.45
Q3 2012	71.60	62.00
Q4 2012	79.90	66.25

In 2012, the closing rate of Comarch S.A. shares in the Warsaw Stock Exchange increased by 32.1% from PLN 55.65 to PLN 73.5.

### 3. Products and Services Offered by Comarch in 2012

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.

#### 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).

#### PRODUCTS

##### CUSTOMER MANAGEMENT

- **Comarch CRM for Telecoms** enables managing relationships with a customer, designed especially for telecommunication business. The solution is designed to integrate well with the existing OSS/BSS architecture. This flexible product for telecom operators provides a single customer view and automates key sales, marketing and customer care processes.
- **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.
- **Comarch Corporate Self Care** provides online ordering, data management and reporting for corporate customers. But it is also a telecom expense management solution.
- **Comarch Loyalty Management** enables managing loyalty programs created for both individual and business customers. Thanks to its intuitiveness and fluency of service, it enables defining and administering, among others, client accounts, contacts, rewards and promotions.

##### REVENUE MANAGEMENT

- **Comarch Convergent Billing** is a technologically advanced tool enabling an operator within billing area. It is a high capacity, scalable billing system which can process quantities of data. User-friendly interface ensures it is easy-to-use. The system provides new generation services thanks to 3G technology, which is based on events that may be configured for the needs of IP, VoIP, GPRS and UMTS services.
- **Comarch Service Controller Module** enables telecom operators to control digital services in real-time, as well as to manage complex integrations between the IT and the network equipment via a range of interfaces.
- **Comarch BSS Mediation** is a system supporting any kind of service and providing the chargeable data to any billing system. This solution enables data de-duplication, data filtering, data correlation, etc., and supports different data processing scenarios.
- **Policy & Charging Rules Function** is a solution for controlling network resources, introduction of tariff plans customised to services and management of network congestion.

- **Comarch 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** 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.

## SERVICE FULFILLMENT

- **Comarch Next Generation Service Fulfilment** helps CSPs automate their service fulfilment & delivery processes. The solution assumes, among others, building services from pre-defined components.
- **Comarch Next Generation Service Assurance** enables a telecom operator to monitor complex services, automatically find problem root causes. As a result, it enables strong correlation engine to assure clear data presentation and root cause analysis.
- **Comarch Customer Experience Management** provides information on service quality by providing an insight into customers' perception of services. This also brings an additional benefit of pro-activeness deriving from the ability to monitor the network and predict the impact of network faults on customer services.
- **Comarch Service Monitoring** enables monitoring of complex services implemented over various network technologies and management domains.
- **Comarch Service Quality Management** allows for modelling services and their monitoring, as well as measuring the service quality by indexes and statistics from the perspective of the network impact and is presented on the customer level.
- **Comarch SLA Monitoring** allows to manage service level agreements ("SLA") and monitors whether a telecom operator fulfils conditions resulting from SLA prioritises network defects.
- **Comarch Service Inventory** enables management of network services and streamlines the service management process in fulfilment and assurance areas.
- **Comarch OSS Process Management** enables the fully monitored and controlled execution of all management processes within the Operations, Fulfilment and Assurance areas.

## RESOURCES MANAGEMENT

- **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.
- **Comarch Network Inventory** stores the complete information about network resources and presents current, historical and future state of telecommunications/IT networks.
- **Comarch Fault Management** enables effectively control identification of problems and failures in telecommunication network. Through continuous monitoring of all elements of the network, displays and efficiently tracks alarms.
- **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 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.
- **Comarch OSS Mediation** provides integration of the physical infrastructure of the network with Comarch OSS Suite. The system's goal is to reduce network complexity while keeping the service and customer base intact.

#### **SUPPLIER / PARTNER MANAGEMENT**

- **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 other business partners.
- **Comarch Roaming Agreement Management** is a comprehensive suite of tools for managing roaming agreements, costs and profits related to a telecom operator's business, as well as managing relations with roaming partners.
- **Comarch Commission & Incentive** enables telecoms managing multichannel sales and implementation of their own rules for commissions.

#### **APPLICATION INTEGRATION INFRASTRUCTURE**

- **Comarch Application Integration Framework** – IT systems for telecommunication need to be well integrated in a telecom operator's business environment and run within an optimized and agile process workflow. Thus, Comarch also offers solutions enabling integration of purchased products with other applications, both Comarch products and products of third parties, without any problems.

#### **SOLUTIONS THAT SUPPORT SPECIFIC BUSINESS AREA**

Comarch supplements its offer with a wide range of solutions and services. Thus, company offers complex service to telecommunication operators. 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 project implementations in Poland and Europe.

#### **ENSURING THE HIGHEST QUALITY OF CUSTOMER SERVICES**

- **Comarch Enterprise Customer Management** is designed for managing services offered to enterprise customers in order to ensure the highest quality of enterprise customer service. It is dedicated for departments supporting corporate and strategic customers, in particular for multi-national Corporations.
- **Network Management and Customer-driven Operations** completes network resources and services with a prospect of satisfaction of an end-user, by giving a competitive advantage to operators.
- **Comarch Self-Organizing Network (SON)** enables automation of network failures management and optimisation of network processes, thus operators may not only diminish OPEX, but also shorten time to market for new technologies and network services.
- **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.
- **Comarch Bill Shock Prevention** solution is designed to enable mobile operators and MVNOs to prevent situations when users receive bills way in excess of the normal amount, which typically results from utilization of roaming services.

## INNOVATIVE SERVICES

- **Cloud Service Management** supports NG telecom operators in offering Cloud-based services in multiple business scenarios, including offering provisioning and customer support, billing for partner-branded applications, and a white labelling scenario, where all applications / services are sold under the operator's own brand
- **M2M Platform** supports mobile operators in entering and succeeding in the M2M (Machine-to-Machine) market. It enables them to provide M2M services, SIM cards and managing M2M business.
- **Comarch Smart BSS/OSS Suite for IP Services** is a compact platform for managing network and telecommunication business. This solution covers activating, controlling and billing such services in addition to monitoring and reporting.
- **Mobile Application and Device Certification** enables companies, such as suppliers of electronics or car producers, testing application and devices in the areas of meeting specified requirements, such as security and granting relevant certificates and attestations.

## IMPROVING BUSINESS PROCESS EFFICIENCY

- **BSS/OSS Managed Services** is a comprehensive offer including outsourcing system and / or process management. Comarch's offer of Managed Services includes advantageous methods of settlements: on the basis of actual use of systems or verified against agreed KPIs included in contracts.
- **BSS/OSS Transformations** is a service where Comarch is committed to participate in a telecom operators' transformation processes and IT environment analysis, by defining business requirements, offering a properly defined suit of IT systems, their hosting in data centre or taking the responsibility for success of the transformation within the frame of Managed Services model (see above).
- **Business Process Optimization** is an analysis carried out by Comarch consultants together with customer's representatives in order to rethinking and proper predefining of the existing operator's business and IT architecture.
- **End-to-end Project Delivery** is a service which, in addition to delivery of a system to a customer, encompasses the following services: requirement analysis and solution design, training, implementation and integration, as well as maintenance and support.
- **Outsourcing** is delivered by Comarch in the form of outsourcing of processes, R&D or systems, through their hosting in Comarch Data Centre (IaaS/PaaS model) from hosting and recovery centre.

## IMPROVEMENT OF NETWORK OPERATIONS

- **Network Planning Automation** is a complex tool for management of network infrastructure planning, making OSS landscape leaner and defining processes related to planning and development of the network.

## MOBILE FOR COMPANIES

- **Mobile CRM** is a solution enabling creation of a communication channel between central CRM system and a group of mobile devices used by employees in a company.
- **Application Development** for companies enables designing of mobile applications from travelling assistance, through mobile search and community building to security and business solutions. The scope of services is defined according to business requirements of an each customer.
- **Application Quality Assurance** is a complex planning and management of a process testing the mobile applications.

- **User Experience Consultancy** renders a comprehensive analysis of behaviours and profiles of users in order to design applications friendly to end users.

### **EFFICIENT SERVICES FOR CABLE TV PROVIDERS**

- **Cable and Multi-service Business Management** is a complex offer including a lot of BSS modules, integrated and configured on the basis of requirements of a cable provider, created based on Comarch experience from numerous implementations in this type of companies. This solution allows, among others, managing the product portfolio, creating personalised suits of services and their billing.
- **Cable Network Consolidation** is a solution aimed at big cable TV providers having their own network infrastructure. It secures crucial Cable Inventory and Planning Processes across whole organizations and technologies employed by various NE vendors.

### **MANAGEMENT OF MOBILE VIRTUAL NETWORKS**

- **MVNO Solution** is an end-to-end system aimed at MVNOs (Mobile Virtual Network Operators) that supports all the business needs of such an operator.
- **MVNE Solution** is aimed at companies delivering services to MVNO operators. The solution performs tasks related strictly to telecommunications (e.g. integration with a Mobile Network Operator), as well as those related to ERP.

## **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** 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 Smart Finance** a solution that provides intuitive personal finance management addressed to retail bank customers. It analyses customer financial habits and predicts monthly cash flows. Owing to such an advantage, customer personal preferences are recognized and bank offers customized individually. Without unwelcome sales pitches, customers receive relevant, highly personalized offers. Comarch Smart Finance combines functionalities of online banking and personal finance management in one solution that guides customers to financial fitness and help them make sound financial decisions – anytime and anywhere.

**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 one 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** an e-banking channel enabling a direct integration of 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 Survey Management** is an ergonomic, easy-to-use web form builder which is used for creating surveys for any group of users, then used as presentations in web applications, such as internet banking, portal, etc. The solution enables creating different types of surveys, beginning from simple one page questionnaires to multistage wizards.

**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.

**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 Quotation Online (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** – an innovative solution dedicated to brokerage houses customers who need unrestricted access to their brokerage accounts. The platform supports both passive access, e.g. viewing the list of transactions, access to current stock quotes, as well as active access, e.g. submitting orders.

**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 their 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.

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

**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.

## **ERP SECTOR**

**Comarch ERP 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 ERP XL** – the most frequently chosen ERP system in Poland for many years now. The software was chosen by approximately 4,000 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 ERP Optima** – 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 ERP Optima 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 ERP iFaktry24** 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. Its main advantage is simplicity in use and its availability. The solution is available only in the Software as a Service model (SaaS).

**Comarch ERP 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 ERP Mobile** – a suit of mobile applications supporting ERP systems: Comarch ERP Optima, Comarch ERP XL and Comarch ERP Altum. It includes: Comarch ERP Mobile Warehouseman which supports work of warehousemen possible to work online or offline; Comarch ERP Mobile Salesman – a SFA application that allows the user to work on Android smartphone or tablet, supporting workforce in the field, such as sales representatives and sales assistants in stores; Comarch ERP Mobile BI – an application for managers enabling review of Business Intelligence reports on Android smartphone or tablet.

**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, as well as cloud data sharing, which allows to access files from anywhere in the world, 24 hours a day. Data is stored in the Comarch Data Centre. iBard24 also allows you to archive Comarch ERP databases.

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

**Comarch ERP e-Sklep** - an online store application integrated with the Comarch ERP system, which cooperates with price comparison sites, integrated with Allegro.pl and Wszystko.pl, online payment services.

**Wszystko.pl** – online shopping mall (formerly [www.iMall24.pl](http://www.iMall24.pl)), which allows selling directly online from the ERP system. Products can be offered by 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 ERP Enterprise optimally maps business processes and organisational models,
- **Comarch Financials Enterprise** – a new generation financial accounting system developed as a supplement for Comarch ERP Enterprise. 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),
- **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 and management of records, which enables the implementation of electronic document workflow in enterprises,
- **Comarch eBilanz** – an application for electronic sending of financial statements to administration bodies in Germany which works with different finance and accounting systems.

## **PUBLIC ADMINISTRATION SECTOR**

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 (including 3D).

**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 ReCourt**

Comarch is a developer of an integrated, multimedia hardware and software platform enabling to record trials and hearings, as well as archiving and managing a library of collected data. The system's aim is to simplify and automatize process of audio and video registration, make commentaries and remarks, and then work on collected materials.

**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**

This is a solution dedicated to electricity distribution companies, energy, gas, or water companies, and to individual customers. 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, including water, heat and gas.

**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.

## **Services Sector**

### **Solutions for management of marketing activities**

**Comarch EMM (Enterprise Marketing Management)** is a comprehensive platform for support of marketing activities and relations with clients. This is a suit of three advanced applications offering service of full range of processes related to planning marketing operations, complex service of loyalty programmes, advanced segmentation of customers, creating a specific offers, generating personalised communication, automation of marketing campaign, advanced analytics and forecasting. Comarch EMM 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. The system enables functioning of the loyalty programmes, from managing information on programme's participants, through communication via channels: POS, email, sms, Call Centre, direct mail, customer's portal, mobile application, logistics, and rewards, creating business rules for promotional campaigns, cross- and up-selling, cooperation with partners, to integration with external systems.

**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. The solution includes a tool enabling segmentation and personalised communication, which make possible to create a personalised communication through different communication channels, such as email, SMS, direct mail, websites, call centres, even for the most numerous customers' base.

**Comarch Smart Analytics** is a Business Intelligence class system which allows obtaining and simultaneously using information about clients, their behaviour or preferences. This solution aggregates data from loyalty management systems, CRM, marketing campaign management, as well as recording and financial systems, income registration or controlling systems. This guarantees that the analyses created are as credible as possible and reflect the market dynamics.

### **Solutions for document management and processes**

**Comarch ECM (Enterprise Content Management)** is a complex 20-year-old platform in Switzerland, Germany and Austria developed within the frames of Polish and Swiss research and development works carried out in the Comarch Capital Group. Core functionalities are: smooth efficient capture of data from different sources (fax, email, scanner, disc resources), scalable archive, technologically advanced searching engines, management and review of documents, as well as integration capacity, providing support for billing systems, ERP, FK, CRM or HR. Key element of the platform is productive BPM engine enabling for efficient designing of a process and its performance. Comarch ECM includes also BI module and dedicated business modules supporting works in particular company's areas of activity, such as purchase processes, HR administration or contracts' management. Comarch ECM encompasses, both Comarch own product of Enterprise Content Management class, and services of implementation, consulting, support and technological integration, i.e. IBM Filenet or 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. Comarch EDI enables fast deployment of secure communication with business partners without necessity of complex system modifications or changing standards which are already in use. The platform services over 17,000 entities from 30 countries, and provide them with: mapping (no need to adapt own IT systems to import/export files depending on the formats used in your business partners' systems – Comarch EDI enables file mapping/translation from/to many formats, including XML, EDIFACT, Tradacom, SAP IDOC, flat file and others) and document validation (the contents of each EDI document processed by Comarch EDI is validated for both technical and business feasibility. As a result, the sender can quickly correct errors in a document, while the recipient will significantly improve the quality of the received data).

**Comarch EDI E-Invoicing** is a solution for complex processing electronic invoices pursuant to binding law. It includes electronic archiving and sending documents through portal which is graphically adapted to the expectations of a customer.

**Comarch EDI Tracking** provides quick document status information and quick reaction in case of any problems.

**Comarch EDI Reporting** is a solution providing reliable data on cooperation with partners on the basis of from EDI.

**Comarch EDI Financing** helps creditors receive due amounts earlier and allows debtors to prolong payment terms. Thanks to integration with banks, the solution enables full service of an invoice (from invoice selection to payment completion).

**Comarch EDI EMCS** allows communicating with the national EMCS system for entities handling movements of excise goods. We provide exchange of all required messages in a manner which customised to a customer's technology.

#### **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 can operate depending on the user's needs and the character of their work. Users may use mobile application on smartphones or tablets, and application available on-line or installed on a computer. Mobile applications are available to Microsoft Windows Mobile and Google Android.

**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. As a part of Comarch SFA, it also provides applications for managers and business administrators managing sales resources in a company.

The **Comarch SFA Online Distribution** platform automatically and daily reports data to producers from a traditional sales channel, such as stocks status or re-sales.

**Comarch SFA Online Sales Support** is a Business to Business portal enabling complex communication, reporting and execution of tasks related to merchandising and sales by business partners.

**Comarch SFA Online Manager and Comarch SFA Online Administrator** are applications for managers and business administrators managing sales resources in a company. The applications provide functionalities related to reporting and work control of sales or medicine representatives working in the field.

## **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 includes 5 products which are profiled to response to needs from airlines, airports, hotels, railway carriers, and car rentals.

**Comarch Travel CRM Airline Suite** encompasses 6 products. Comarch Loyalty Management for Airlines is a platform that supports loyalty programmes, both for any type of airline; be it legacy, regional, low cost or hybrid carrier. Comarch Corporate Flyer is a system that supports loyalty programmes in B2B relationships (programmes for enterprises having their employees on business trips). Comarch Smart Analytics is a BI tool supporting analytics related to economy of loyalty programmes. Comarch Campaign Management is a software which supports creating and conducting marketing campaigns. Comarch Smart Portal is solution that supports designing, hosting and maintenance of websites of air carriers. Comarch Travel Assistant for Airlines is a mobile application which enables buying a ticket and check-in using intelligent telephones.

**Comarch Travel CRM Airport Suite** is a package of 4 products. Comarch Loyalty Management powers loyalty programs in retail. It is dedicated to airports wishing to implement an airport loyalty programme for their customers shopping at the Airport City. Comarch Smart Analytics and Comarch Campaign Management support, respectively, analytics and creating and conducting marketing campaigns. Comarch Travel Assistant for Airports is a mobile application for airports developed with special attention paid to the information needs of Airport City visitors, including requirements for localization and navigation services.

**Comarch Travel CRM Hotel Suite** is a package of 2 products. Comarch Loyalty Management Hospitality Edition a platform that supports complex hotel loyalty programmes. It was designed on the basis of Comarch's vast experience in loyalty programmes for retail trade and airlines (hotel solutions are hybrids). Comarch Smart Analytics is an addition to this package.

**Comarch Travel CRM Railway Suite** is a package of 4 products. Comarch Loyalty Management for Railways is a solution related to the system for airlines and it supports new generation railway loyalty programmes. Comarch Travel Assistant for Railways is a mobile application which enables checking the railway connections, buying a ticket, or review of a railway timetable to the nearest railway station. In addition, Comarch Smart Analytics and Comarch Campaign Management are also in this package.

**Comarch Travel CRM Car Rental Suite** is a package of 2 products: Comarch Smart Analytics and Comarch Campaign Management.

## **IT SERVICES OFFERED FOR ALL SECTORS**

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

**Comarch Outsourcing IT** is a package of continuous services, aimed at ensuring a comprehensive IT service for a client, beginning from full support for end-user (service desk and helpdesk), through LAN/WAN network administration, platform and security infrastructure, to IT processes management, according to good practises of ITIL library. Comarch Outsourcing IT is a package of continuous services, aimed at ensuring a comprehensive IT service for a client, beginning from full support for end-user (service desk and helpdesk), through LAN/WAN network administration, platform and security infrastructure, to IT processes management, according to good practices of ITIL library. We provide services profiting from experienced engineers and service managers according to determined SLA parameters.

**Comarch Management Services** product group comprises services constantly provided remotely or directly at the client's locations. They concern advanced server, array and database systems, i.e. systems that are critical for the client's business and the most demanding as far as SLA parameters are concerned. Our team of experienced and certified system engineers manage hardware platforms, virtual platforms, operating systems, databases and arrays systems even of the most demanding clients (e.g. from the banking sector). In Poland, we provide also hardware servicing with a very short guaranteed repair period.

**Comarch System Integration** is a product group which includes a number of services, the realization of which aims at adapting the client's IT environment to new business and technical requirements. Our team supports our clients in this area from analysis and the new IT platform design stage, through delivery of appropriate devices and software, to the implementation phase. By this we mean the initiation of new systems on new platforms, extension of the functionality through an upgrade of a software version, and migrations between systems, systems consolidation or virtualization of physical environments currently used by a client.

**Comarch Business Continuity** product group consists of three products thanks to which we are able to ensure our clients a high level of system availability, minimize the effects of failures and disasters and possibly provide quick recovery of the before-the-failure condition. Comarch provides the recovery office service based at our own office space in Cracow and Warsaw. High Availability Solutions is a service for those clients for whom even a few minute long failure of a critical system results in a huge financial loss. Finally, the data backup and archiving service is in fact a service for all enterprises aware of the importance of the data stored and processed in information systems.

**Comarch IT Audits** includes auditing services for various IT areas. The IT Infrastructure Audit is the most common, but, at the same time; it comprises the client's entire infrastructure. The purpose of IT Security Audit and IT Operational Efficiency Audit is to optimize the efficiency of IT in a company, and due to IT operational efficiency audit, client receives information on IT department organizational structure, in particular: IT infrastructure used in the enterprise (hardware, software), as well as work organisation, and ensuring the proper quality of services for a business, optimizing the efficient use of IT systems.

**Disaster Recovery Office** service consists of ensuring an office space, recreating an office environment, and providing IT infrastructure for the customer's key employees in the event of a disaster occurring in the company's office. This may be necessary in cases of many force majeure events (fire, flood, power outage). The benefit from using the DRO service from Comarch lies in the savings due to there being no need to have and maintain a backup office (cost of renting office space in a new location, maintaining telephone lines, purchasing necessary office and data communications equipment). Comarch provides the DRO service based at our own office space in Cracow, Warsaw and Wrocław. This office space is usually used as for training and conference purposes, and if necessary, work can commence within a number of hours in a fully equipped office adapted to the customer's needs.

### **Network Solutions**

Comarch offers full range of products and services in relation to network solutions, from consultancy, through designing and implementation, to maintenance and servicing of existing networks.

#### **Comarch Network Audits**

This solution provides detailed information regarding LAN and WAN infrastructure, as well as solutions applied in the area of network security

#### **Comarch WAN Security**

This is a suit of different functionalities for WAN security, which can be used for both an existing network infrastructure and for a new implementation.

#### **Comarch Network Managed Services (CNMS)**

This is a comprehensive solution in relation to creating and modernisation of an existing WAN network, composed of different type connections. It guarantees connection of all client's branches, irrespective of their geographical location, to one uniform and convergent network (transmission of voice, data or video).

**CNMS Retail**

This product is dedicated for trade companies which stores are mostly located in shopping centres (connection via internet). Connections remain customer's property. Comarch provides: routers, first line support, installation, configuration, servicing, management and monitoring.

**CNMS Global Network**

This is a comprehensive solution in relation to rendering telecommunication and IT services, enabling a complex customer support, irrespective of geographical location of client's branches.

**Comarch Network Operations Centre**

Comarch's consultants provide a comprehensive service on a continuous basis, offering technical support in 24/7. This is Comarch's answer to still growing customer's needs in relation to quality of rendered services and their scope. Comarch Network Operations Centre monitors the availability of all IT infrastructure components that our clients use along with their operating parameters.

**Telecommunication Solutions**

Telecommunication solutions offered by Comarch are aimed at improvement of communication inside an organization and with its business partners and clients. Our fundamental purpose is ensuring a customer with comprehensive support in relation to selection, maintenance and servicing of telecommunication infrastructure, as well as providing the teleinformatic services of the highest quality.

**Comarch Contact Centre**

This is a comprehensive solution supporting customer relationship management of many communication areas. The solution enables an efficient information management in an enterprise and allows optimising customer service process using IT systems owned by a client. Within the framework of the proposed solution, we provide a delivery of, both hardware, i.e. servers, gateways, telephones or headphones, and application integrated with it, including modules of business logic.

**Comarch Contact Centre as A Service**

Comarch Contact Centre as a Service (C2aS) is a service provided in SaaS model which enables access to Comarch Contact Centre. A customer obtains an access to Contact Centre infrastructure and required number of agents' desks (IP telephone with CC licence, CC agent application and headphones), and it has only to provide CC agents and access to Internet.

**Comarch IP Telephony**

It is a comprehensive solution enabling modernisation, replacing PBX central with IP PBX, designing and installation of dispersed voice systems' structures (IP telephony, VoIP). Comarch IP Telephony is a complex solution enabling communication, both inside one organisation and with customers.

**Comarch Interactive Suite**

It is a suite of applications enabling communication, both inside the company and in B2B or B2C relations. The package includes: video communication, video-web, telepresence, and virtual reality.

**Comarch Unified Communication**

It is an integrated solution, where all communication methods like emails, telephones, voice mail or video connections were integrated into one platform, enabling users to exchange information in real time, regardless the place of stay or media used. The solution makes information management easier and allows to increase efficiency of business processes through shortening of time required to make a decision.

**Comarch Data Centre**

Comarch has been providing Data Centre services since 2001. It is distinguished by the most complex offer on the market and well thought-out solutions. 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). We accompany a customer on the all stages of a project performance, beginning from preparation of an initial concept, through solution their designing, implementation and migration, to their maintenance and management.

### **Server Housing**

Server housing is a service enabling access to physical space servers, mass memories, network devices and any other devices applicable to be installed in racks, where technical infrastructure and infallible network access are available.

### **Hosting (PaaS)**

Under the Hosting service the customer receives a guarantee of business system availability through secure infrastructure and management services including:

- providing hardware and collocation
- ensuring all necessary third party licences
- administration and management of operating system, databases
- network and security management
- providing telecommunication network
- monitoring 24x7
- one SLA level for the whole system

### **Comarch Cloud Computing**

Comarch Cloud Computing is a particular version of PaaS services and belongs to private cloud family. Difference between hosting and Comarch Cloud Computing is that a client receives computing power exactly in the amount it is needed to use the system (application), thus initial costs of a project are reduced even more. This kind of approach is possible thanks to virtualisation technics or other logic isolation methods, wherever virtualisation is not recommended. The service was created to achieve sufficient level of provided services compared to their costs. Comarch guarantees very high levels of accessibility and security, thus the service is provided also to important production systems working on-line and which are critical to a business.

**SaaS (Software as a Service)** is the most comprehensive service rendered by Comarch Data Centre, including:

- Platform as a Service (hosting)
- Comarch applications or, in specific cases, third party applications
- applications administration
- single contact for a client and one SLA for the whole solution
- help-desk for end-users as an option

**Disaster Recovery Centre (DRC)** is an additional and optional service to all described above solutions offered by Comarch Data Centre. It encompasses delivery of a back-up centre for data processing which are critical for a customer. The service is offered in different models including:

- basic data centre – back-up centre is located in a customer's localisation,
- back-up data centre – basic centre is located in a customer's localisation,
- basic and back-up data centre – both centres are located in one or two physical localisations,

The service may be delivered in PaaS or SaaS model ensuring data replication between two centres and launching back-up environment after breakdown in a basic localisation.

### **Comarch IT Security**

#### **Comarch Secure Internet**

Secure Internet is a package offering a number of specialised solutions dedicated for protection of particular segments of teleinformatic infrastructure. They include firewall/UTM systems, systems detecting cracks, website content filtration, anti-spam, anti-virus, virtual servers' protection, strong authentication and management of smart cards systems.

**Comarch Station Protection** is dedicated for protection of computers and media.

**Comarch DLP** (Data Leak Prevention) is a concept of solution dedicated for protection of fragile company data, ensuring advanced options for monitoring documents processed in a company and proactive protection against data leak.

#### **Comarch Security Management**

Security management includes security audits of infrastructure IT, drawing up a security policies and plans for business continuity.

**Comarch Mobile Business**

Comarch Mobile Business is a solution dedicated to companies and institutions, regardless size or type of operations, which require a secure method for remote access to internal IT systems for mobile employees, trade partners, subcontractors, branches and divisions.

**e-Health Sector – IT Solutions for Medicine**

**Comarch e-Health** is a high quality medical software provider, including complex ready to use systems for managing medical facilities (HIS), as well as software and IT tools for radiology (RIS). Comarch e-Health conducts advanced research on Teleradiology, manufacturing medical devices and solutions for Telemedicine (remote patient care), systems and applications for entering, storing, and processing of electronic medical records (EMR). Hospitals, medical facilities, and doctors clinics can benefit from Comarch e-Health solutions.

**OptiMED** and **OptiMED24** software complements each other to form a complete offer for health care organizational units.

**Comarch OptiMED is a comprehensive IT system for managing Hospitals**

OptiMED has a full range of modules required for the computerization of hospitals, both in the medical (so-called “white”) and administrative (so-called “grey”) areas. Comarch OptiMED is a modern solution in the field of complex hospital support systems. The modular architecture of the system allows you to adjust it to any hospital organizational structure, regardless of its infrastructure, owned units, operating rooms or the specifics of its equipment. OptiMED allows you to attach compatible peripheral systems (such as diagnostic imaging).

**Comarch OptiMED24 – software for medical clinics and medical offices**

Comarch OptiMED24 is a system for managing clinics and collecting patients medical documentation. It includes modules to handle multiple functionalities of a medical clinic, including settlements with a public payer, and other counterparties, registration and management of patient records, illustrations of doctors and staff work time, analysis and reports, etc.

**Systems and applications that support the work of radiologists****Comarch RIS - a system for managing diagnostic imaging units**

Comarch RIS is essential for the smooth flow of information between a medical facility and a radiology clinic. It can be integrated with the HIS, but it can also be fully independent. It can manage subsidiaries of diagnostic imaging units offering recording of orders, results description, reporting and administration. Comarch RIS manages routing, i.e. it uploads images taken during the test between different PACS. This interoperability allows you to create descriptions and to consult diagnostic tests outside the place where they were manufactured.

**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.

## 4. 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 Comarch, medium-size and large companies (who are the largest clients of advanced IT solutions all over the world) constitute the main group of clients. Majority of Comarch's products are addressed to specific groups of customers, while IT services are of universal nature and are offered to all groups of customers. The Comarch's offer is dedicated to both Polish and foreign customers. Currently, the Comarch's strategy is based on the sale of an increasing number of products on international markets, especially in Western Europe. Sale in the Comarch Group is highly diversified, with no dependency on one major client. In 2012, the share of none of the customer exceeded 10% of the sale in the Comarch Group sales.

Due to the specific nature of the industry, in which the 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 2012, no supplier provided products and merchandise at the value exceeding 10% of the Comarch Group proceeds on sale.

## 5. Sales Structure

### 5.1 Geographical Sales Structure (PLN'000)

	2012	%	2011	%	2010	%
Domestic (Poland)	516,577	58.4%	423,299	53.9%	445,666	58.5%
Export	367,299	41.6%	362,354	46.1%	315,695	41.5%
<b>Revenue from sales</b>	<b>883,876</b>	<b>100.0%</b>	<b>785,653</b>	<b>100.0%</b>	<b>761,361</b>	<b>100.0%</b>

In 2012, Group's export sales grew, despite negative currencies exchange influence, by 4.9 million PLN, i.e. 1.4% compared to those in 2011. Domestic sales increased by 93.3 million PLN, i.e. 22%. The significant increase in domestic sales is mostly due to sales of third party's software to bank PKO BP in Q4 2012.

Geographical sales structure (market structure):

	2012	%	2011	%
Poland	516,577	58.4%	423,299	53.9%
DACH	192,017	21.7%	187,436	23.9%
Europe – other countries	142,561	16.2%	143,892	18.3%
North and South America	30,264	3.4%	26,623	3.4%
Middle East	846	0.1%	2,523	0.3%
Remaining countries	1,611	0.2%	1,880	0.2%
<b>Total</b>	<b>883,876</b>	<b>100.0%</b>	<b>785,653</b>	<b>100.0%</b>

The Group's sales in DACH region increased by 4.6 million PLN, i.e. 2.4%, in other European countries there was a decrease of 1.3 million PLN (0.9%). Sales in both Americas was at a significantly higher level (30.3 million PLN) compared to those in the previous year (an increase of 3.6 million PLN, i.e. 13.7%). Sales to other regions has low and still diminishing value for the Comarch Group's revenue.

## 5.2 Revenues from Sales – Market Structure (PLN'000)

	2012	%	2011	%	2010	%
Telecommunication, Media, IT	202,331	22.9%	213,870	27.20%	165,311	21.7%
Finance and Banking	229,439	26.0%	136,189	17.30%	136,277	17.9%
Trade and Services	71,615	8.1%	74,011	9.40%	94,016	12.3%
Industry & Utilities	70,189	7.9%	63,377	8.10%	72,539	9.5%
Public Sector	101,762	11.5%	90,717	11.50%	66,641	8.8%
Small and Medium Enterprises – Poland	74,049	8.4%	72,251	9.20%	67,498	8.9%
Small and Medium Enterprises - DACH	114,681	13.0%	119,318	15.20%	147,328	19.4%
Medicine	7,994	0.9%	278	0.10%	-	-
Other	11,816	1.3%	15,642	2.00%	11,751	1.5%
<b>Total</b>	<b>883,876</b>	<b>100.0%</b>	<b>785,653</b>	<b>100.00%</b>	<b>761,361</b>	<b>100.0%</b>

Over 2012, sales to customers in the TMT sector amounted to 202.3 million PLN (a decrease of 11.5 million PLN, i.e. 5.4% less compared to 2011) and their share in total sales was at the level of 22.9%. There was a significant increase of 93.2 million PLN, i.e. 68.5% in demand in the finance and banking sector and sales to customers in this sector constituted 26% of total sales compared to 17.3% in the previous year. The significant increase is mostly result of a delivery of third party's software to bank PKO BP. There was also an increase in sales to the industry and utilities sector (an increase of 6.8 million PLN, i.e. 10.7%) and their share in total sales was 7.9%. Customers in the public sector acquired products and services in the amount of 101.8 million PLN which is higher by 11 million PLN, i.e. 12.2% than those in the previous year. Sales to customers in the trade and services sector diminished by 2.4 million PLN, i.e. 3.2%. Sales to the small and medium sized enterprises in Poland increased by 1.8 million PLN, i.e. 2.5%, and in DACH region there was a decrease of 4.6 million PLN, i.e. 3.9%. Their share in total sales diminished from 15.2% to 13% in the previous year. This is a consequence of a significant limitation of sales of hardware by CSuB AG. Sales to customers in the medicine sector amounted to 8 million PLN and constituted 0.9% in total Group's sales. Sales to other customers declined by 3.8 million PLN, i.e. 24.5% as a result of a decrease in revenue in MKS Cracovia SSA.

## 5.3 Products Sales Structure (PLN'000)

	2012	%	2011	%	2010	%
Services	580,946	65.7%	559,000	71.2%	513,387	67.4%
Proprietary software	106,178	12.0%	110,178	14.0%	91,460	12.0%
Third party software	136,231	15.4%	53,986	6.9%	78,983	10.4%
Hardware	41,481	4.7%	41,678	5.3%	61,809	8.1%
Others	19,040	2.2%	20,811	2.6%	15,722	2.1%
<b>Total</b>	<b>883,876</b>	<b>100.0%</b>	<b>785,653</b>	<b>100.0%</b>	<b>761,361</b>	<b>100.0%</b>

Over 2012, demand for services offered by the Comarch Group increased and for proprietary software slightly decreased. Sales of services increased by 21.9 million PLN, i.e. 3.9% and sales of proprietary software decreased by 4 million PLN, i.e. 3.6%. Sales of third party software increased by 82.2 million PLN, i.e. 152.3%. Sales of computer hardware is of a little significance to the Comarch Group and maintained similar level to those in the previous year (41.5 million PLN). Other sales diminished by 1.8 million PLN, i.e. 8.5%.

## 6. Factors Essential for Development of the Comarch Group

### 6.1 Internal Factors

- Increase in export sales and significance of foreign sales,
- Position and reputation of the company affecting the nature of clients acquired;
- 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 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).

## 6.2 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) Increased significance of mobile technologies broadly used in IT solutions for all groups of customers;
- 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; number of graduates from technical universities having IT skills decreases;
- 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.

## 7. Other Significant Factors, including Risks and Threats

The Group is exposed to the following main types of financial risk:

### 7.1 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 Comarch's sales to a significant number of customers in different branch of economy, in different world's regions.

### 7.2 Risk of Change in Interest Rates

The Comarch Group 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 Comarch 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.

### **7.3 Risk of Fluctuation in the Exchange Rates**

The Comarch Group 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.

The Comarch 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 Comarch Group are fixed, while revenue from sales, as is typical for a services company, fluctuates. The Comarch 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.

### **7.4 Financial Liquidity Risk**

The Comarch 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 Comarch Group are fixed, while revenue from sales, as is typical for a services company, fluctuates. The Comarch 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.

## **8. Perspectives of Development in the Group and Anticipated Financial Situation in 2013**

In the Comarch's opinion, in relation to ongoing fluctuations on financial markets and the economic slowdown of main world economies, there was a decrease in demand in the third quarter of 2012. Demand for IT products and services improved in the fourth quarter of 2012. As a result, the Comarch Group's backlog ensures full use of its productive capacity in the following periods. Economic situation in Poland and abroad will still have a detrimental impact on situation on the IT market and the financial results achieved by the Comarch Group in 2013. 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. Dynamically developing activity of the Comarch in international markets should additionally increase sales volume and enhance the image of the Comarch among international corporations, thus strengthening the competitive position of the Comarch. Execution of the 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. Growth in demand for delivery of IT solutions in services model is a chance for company, as the Comarch holds wide suits of own products, own infrastructure, as well as human and capital resources and it may flexibly fit to business models required by customers.

The most important risks related to the Comarch Group's operations are:

- 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.

## 9. Financial Analysis

### Balance Sheet

ASSETS	31		31		2012/2011	
	December 2012	%	December 2011	%		%
<b>Non-current assets</b>						
Property, plant and equipment	357,715	31.2%	327,971	32.1%	29,744	9.1%
Goodwill	44,061	3.8%	37,155	3.6%	6,906	18.6%
Other intangible assets	96,401	8.4%	80,410	7.9%	15,991	19.9%
Non-current prepayments	904	0.1%	61	0.0%	843	1382.0%
Investment in associates	244	0.0%	28	0.0%	216	771.4%
Other investment	48	0.0%	1,106	0.1%	-1,058	-95.7%
Deferred income tax assets	27,791	2.4%	27,775	2.7%	16	0.1%
Other receivables	1,844	0.2%	1,732	0.2%	112	6.5%
	<b>529,008</b>	<b>46.1%</b>	<b>476,238</b>	<b>46.6%</b>	<b>52,770</b>	<b>11.1%</b>
<b>Current assets</b>						
Inventories	62,307	5.4%	44,192	4.3%	18,115	41.0%
Trade and other receivables	399,840	34.9%	294,736	28.8%	105,104	35.7%
Current income tax receivables	408	0.0%	141	0.0%	267	189.4%
Long-term contracts receivables	10,165	0.9%	12,284	1.2%	-2,119	-17.3%
Available-for-sale financial assets	1,616	0.2%	1,521	0.1%	95	6.2%
Other financial assets at fair value – derivative financial instruments	1,059	0.1%	-	0.0%	1,059	-
Stock or shares	22	0.0%	25	0.0%	-3	-12.0%
Cash and cash equivalents	142,318	12.4%	193,337	18.9%	-51,019	-26.4%
	<b>617,735</b>	<b>53.9%</b>	<b>546,236</b>	<b>53.4%</b>	<b>71,499</b>	<b>13.1%</b>
<b>Total assets</b>	<b>1,146,743</b>	<b>100.0%</b>	<b>1,022,474</b>	<b>100.0%</b>	<b>124,269</b>	<b>12.2%</b>

As of the end of 2012, the value of the company's assets grew by 12.2% as compared to 2011 from 1,022.5 million PLN to 1,146.7 million PLN. This is the result of both an increase of 11.1% in the Comarch Group's non-current assets and an increase of 13.1% in current assets. The growth of 52.8 million PLN in non-current assets is mostly the result of an increase in property, plant and equipment from 328 million PLN to 357.7 million PLN and an increase in other intangible assets, which are the consequences of purchasing new buildings and lands by companies in the Comarch Group, and acquiring shares in subsidiaries. The share of particular items of non-current assets in the total structure of assets has remained at a similar level to those in 2011. Current assets grew by 71.5 million PLN, mostly as a result of an increase of 35.7% in trade receivables from 294.7 million PLN to 399.8 million PLN. There was also an increase in inventories (of 18.1 million PLN, i.e. 41%), which is a consequence of high purchases of goods in relation to contracts performed by the Group. The share of other items of current assets in the total structure of assets has remained at a similar level to those in 2011.

<b>EQUITY</b>	<b>31 December 2012</b>	<b>%</b>	<b>31 December 2011</b>	<b>%</b>	<b>2012/2011</b>	<b>%</b>
<b>Capital and reserves attributable to the company's equity holders</b>						
Share capital	8,051	0.7%	8,051	0.8%	0	0.0%
Other capitals	142,332	12.4%	142,007	13.9%	325	0.2%
Exchange differences	3,090	0.3%	6,595	0.6%	-3,505	-53.1%
Net profit for the current period	40,660	3.5%	36,257	3.5%	4,403	12.1%
Retained earnings	427,490	37.3%	407,444	39.8%	20,046	4.9%
	<b>621,623</b>	<b>54.2%</b>	<b>600,354</b>	<b>58.7%</b>	21,269	3.5%
Minority interest	3,319	0.3%	9,497	0.9%	-6,178	-65.1%
<b>Total</b>	<b>624,942</b>	<b>54.5%</b>	<b>609,851</b>	<b>59.6%</b>	15,091	2.5%
<b>LIABILITIES</b>						
<b>Non-current liabilities</b>						
Credit and loans	94,892	8.3%	88,895	8.7%	5,997	6.7%
Deferred income tax liabilities	41,575	3.6%	48,172	4.7%	-6,597	-13.7%
Provisions for other liabilities and charges	-	0.0%	2	0.0%	-2	-100.0%
	<b>136,467</b>	<b>11.9%</b>	<b>137,069</b>	<b>13.4%</b>	-602	-0.4%
<b>Current liabilities</b>						
Trade and other liabilities	232,316	20.3%	146,332	14.3%	85,984	58.8%
Current income tax liabilities	7,323	0.6%	5,350	0.5%	1,973	36.9%
Long-term contracts liabilities	17,045	1.5%	8,363	0.8%	8,682	103.8%
Credit and loans	36,325	3.2%	27,435	2.7%	8,890	32.4%
Financial liabilities	180	0.0%	686	0.1%	-506	-73.8%
Provisions for other liabilities and charges	92,145	8.0%	87,388	8.5%	4,757	5.4%
	<b>385,334</b>	<b>33.6%</b>	<b>275,554</b>	<b>26.9%</b>	109,780	39.8%
<b>Total liabilities and charges</b>	<b>521,801</b>	<b>45.5%</b>	<b>412,623</b>	<b>40.4%</b>	109,178	26.5%
<b>Total equity and liabilities</b>	<b>1,146,743</b>	<b>100.0%</b>	<b>1,022,474</b>	<b>100.0%</b>	124,269	12.2%

Over the course of 2012, the share structure of equity and liabilities has not changed significantly. Equity grew over the year 2012 by 2.5%, mostly as a result of high net profit generated in 2011. The share of equity in total equity and liabilities has diminished slightly (54.5% in 2012 compared to 59.6% in 2011). Total liabilities and charges constituted 45.5% in total equity and liabilities compared to 40.4% in the previous year. It is noticeable that as in the previous years, there was a significant increase (of 86 million PLN) in trade liabilities. Their share in total equity and liabilities structure grew from 14.3% to 20.3%. Credits and loans increased by 14.9 million PLN, i.e. 12.8%, and their share in total equity and liabilities remained at the previous year's level. There was also an increase in long-term contracts liabilities (17 million PLN compared to 8.4 million PLN in 2011). The share of other items of total liabilities and charges did not change significantly.

<b>Debt analysis</b>	<b>31 December 2012</b>	<b>31 December 2011</b>	<b>31 December 2010</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Debt ratio	11.44%	11.38%	10.11%	10.69%	13.24%
Debt/equity ratio	21.11%	19.38%	17.03%	17.82%	24.42%

In 2012, debt ratios increased slightly compared to the previous year's levels. Debt/equity ratio slightly grew from 19.38% to 21.11% and debt ratio increased from 11.38% to 11.44%. This is related to bank credits taken out by the Comarch Group to finance investments. The Group is financed with internal means in 54.5% and with external means in 45.5%.

	2012	%	2011	%	2012/2011	%
<b>Revenue</b>	<b>883,876</b>	<b>100.0%</b>	<b>785,653</b>	<b>100.0%</b>	98,223	12.5%
Cost of sales	-688,379	-77.9%	-593,576	-75.6%	-94,803	16.0%
<b>Gross profit</b>	<b>195,497</b>	<b>22.1%</b>	<b>192,077</b>	<b>24.4%</b>	3,420	1.8%
Other operating income	16,299	1.8%	22,970	2.9%	-6,671	-29.0%
Sales and marketing costs	-85,396	-9.7%	-82,683	-10.5%	-2,713	3.3%
Administrative expenses	-73,295	-8.3%	-74,681	-9.5%	1,386	-1.9%
Other operating expenses	-22,338	-2.5%	-18,900	-2.4%	-3,438	18.2%
<b>Operating profit</b>	<b>30,767</b>	<b>3.5%</b>	<b>38,783</b>	<b>4.9%</b>	-8,016	-20.7%
Finance costs - net	8,993	1.0%	1,019	0.1%	7,974	782.5%
Share of profit/(loss) of associates	-23	0.0%	-38	0.0%	15	-39.5%
<b>Profit before income tax</b>	<b>39,737</b>	<b>4.5%</b>	<b>39,764</b>	<b>5.1%</b>	-27	-0.1%
Income tax expense	-2,485	-0.3%	-6,697	-0.9%	4,212	-62.9%
<b>Net profit for the period</b>	<b>37,252</b>	<b>4.2%</b>	<b>33,067</b>	<b>4.2%</b>	4,185	12.7%
Including:						
<b>Net profit attributable to equity holders of the company</b>	<b>40,660</b>	<b>4.6%</b>	<b>36,257</b>	<b>4.6%</b>	4,403	12.1%
Minority interest	-3,408	-0.4%	-3,190	-0.4%	-218	6.8%

In 2012, the Comarch Group sales revenue climbed by 12.5%, i.e. 98.2 million PLN year on year. Operating profit reached 30.8 million PLN (a decrease of 20.7% compared to 2011). Net profit attributable to the parent company's shareholders increased by 12.1% and amounted to 40.7 million PLN.

<b>Profitability analysis</b>	<b>31 December 2012</b>	<b>31 December 2011</b>	<b>31 December 2010</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Margin on sales	22.12%	24.45%	23.14%	19.01%	21.39%
EBIT margin	3.48%	4.94%	3.26%	1.97%	6.55%
Gross margin	4.50%	5.06%	3.28%	2.53%	34.88%
Net margin	4.60%	4.61%	5.74%	4.43%	28.41%

Profitability analysis in 2012 indicates that the Comarch Group achieved very favourable results. Although, margins diminished as a result of an increase in sales of third party software made by parent company in 2012, compared to those in 2011, however they have maintained the satisfactory levels.

<b>Liquidity analysis</b>	<b>31 December 2012</b>	<b>31 December 2011</b>	<b>31 December 2010</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Current ratio	1.60	1.98	2.21	2.37	2.28
Quick ratio	1.41	1.78	1.98	2.16	2.09
Cash to current liabilities ratio	0.37	0.70	0.81	1.01	0.99

In 2012, the Comarch Group maintained very good financial liquidity. In the Management Board's opinion, the Comarch Group has no problems with meeting contracted financial liabilities on-time. Temporarily free funds are invested by the company in safe financial instruments like bank deposits and shares in financial investment funds.

<b>Turnover analysis</b>	<b>31 December 2012</b>	<b>31 December 2011</b>	<b>31 December 2010</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Current asset turnover ratio	1.43	1.44	1.38	1.52	1.39
Receivable turnover ratio (days)	163	135	136	110	126
Inventories turnover ratio (days)	107	140	121	75	39
Liabilities turnover ratio (days)	209	189	184	166	205
Liabilities turnover excluding liabilities due to investment credit ratio (days)	162	139	140	122	142

Turnover ratios confirm the effective use of the Comarch Group's funds. In 2012, the receivables turnover ratio increased; however at the same time the liabilities turnover ratio and the liabilities turnover excluding liabilities due to non-current credits ratio, also increased. The inventory turnover ratio decreased in comparison to the previous year due to an increase in costs compared to the previous year. The current assets turnover ratio maintained the previous year's level.

### **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**

$$\text{Return on Equity} = \frac{\text{Net Profit attributable to Shareholders}}{\text{Equity attributable to Shareholders}}$$

$$\text{Return on Sales} = \frac{\text{Gross Profit}}{\text{Revenue}}$$

$$\text{EBIT Margin} = \frac{\text{Operating profit}}{\text{Revenue}}$$

$$\text{Gross Margin} = \frac{\text{Profit before Income Tax}}{\text{Revenue}}$$

$$\text{Return on Sales (profit attributable to shareholders)} = \frac{\text{Net Profit attributable to Shareholders}}{\text{Revenue}}$$

**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**

$$\text{Current Assets Turnover Ratio} = \frac{\text{Revenue}}{\text{Current Assets}}$$

$$\text{Receivables Turnover Ratio} = \frac{(\text{Trade and Other Receivables}) * 360}{\text{Revenue}}$$

$$\text{Inventories Turnover Ratio (days)} = \frac{\text{Inventories} * 360}{\text{Costs of Sold Goods and Materials}}$$

$$\text{Liabilities Turnover Ratio(days)} = \frac{(\text{Liabilities} + \text{Liabilities due to Long-term Contracts}) * 360}{\text{Sales and Marketing Costs} + \text{Administrative Expenses} + \text{Other Operating Expenses} + \text{Costs of Sold Products, Services, Goods and Materials}}$$

$$\begin{aligned} & \text{Liabilities Turnover Ratio} \\ & \text{excluding} \\ & \text{Liabilities due to} \\ & \text{Bonds and Investment Credit (days)} \end{aligned} = \frac{(\text{Liabilities} + \text{Credits and Loans}) * 360}{\text{Sales and Marketing Costs} + \text{Administrative Expenses} + \text{Other Operating Expenses} + \text{Costs of Sold Products, Services, Goods and Materials}}$$

## 10. Credits, Loans, Suretyships, Guarantees and Significant Off-Balance Sheet Items

### 10.1 Investment Credits

As at the 31<sup>st</sup> of December, 2012, the Group had liabilities due to credits in the amount of 108.36 million PLN.

a) An investment credit from BNP Paribas Bank Polska S.A. (previously Fortis Bank Polska S.A.) with its registered office in Warsaw in the 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 (EURIBOR 1M+0.95%). On 5<sup>th</sup> 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 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 1.25 million EUR, i.e. 5.11 million PLN.

b) An investment credit from BZ WBK Bank S.A. (formerly 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 (WIBOR 1M+0.85%). A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 17.46 million PLN. On the 31<sup>st</sup> of January, 2013, the company repaid total due amount resulting from the afore-mentioned credit. The information was announced in current report RB-2-2013 dated the 31<sup>st</sup> of January, 2013. On the 8<sup>th</sup> of March, Comarch S.A. received a notice from the District Court for Krakow-Podgórze in Krakow, the Fourth Land and Mortgage Register on deletion of mortgages on a real estate owned by Comarch S.A. The mortgages were established as a security for the afore-mentioned investment credit. The information was announced in current report no. 5/2013 dated the 8<sup>th</sup> of March, 2013.

c) An investment credit from BNP Paribas Bank Polska S.A. (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 (EURIBOR 1M+0.95%). It was taken out by 30<sup>th</sup> of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. On the 5<sup>th</sup> of October, 2011, the company revaluated the remaining credit to be paid into euro. As at 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 7.28 million EUR, i.e. 29.76 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 (WIBOR 1M+0.95%). A promissory note and the mortgage on the land are security for this credit. At the beginning, the crediting period was 5 years, till 2012, however on the 29<sup>th</sup> of May, 2012, an annex was concluded which extended it till 2015. As at 31<sup>st</sup> of December, 2012, 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 (EURIBOR 1M+2.65%). The real estate mortgage and cession of rights in the bank guarantee issued for the debtor are security for this credit. On the 30<sup>th</sup> of December, 2011, the company revaluated the remaining credit to be paid into euro. As at 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 4.51 million EUR, i.e. 18.45 million PLN.

f) An investment credit from BNP Paribas Bank Polska S.A. (previously Fortis Bank Polska S.A.) with its registered office in Warsaw, for the financing of the purchase of hardware and software for a project related to data centre services. The credit amounts to 2.4 million EUR. The crediting period may last until 2016. The loan was drawdown on the 7<sup>th</sup> of August, 2012. This credit has a variable interest rate

(EURIBOR 3M+1.3%). Transfer of debts from the contract and the registered pledge on the financed property, plant and equipment in use are security for this credit. As at 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 2.18 million EUR, i.e. 8.92 million PLN.

g) In the third quarter of 2011, iMed24 S.A. 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 and as at 31<sup>st</sup> of December, 2011, the credit was used in total. The crediting period may last 7 years, i.e. until 2018. This credit has a variable interest rate. 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 S.A. are security for this credit. As at the 31<sup>st</sup> of December, 2012, the value of the credit to be repaid amounted to 13.62 million PLN.

In 2012, companies in the Comarch Group had no problems with meeting contracted liabilities in relation with credit agreements. The parent company's Management Board expects no problems in meeting them in the future.

## 10.2 Current Credit Lines (Variable Interest)

As at 31<sup>st</sup> of December, 2012, Comarch S.A. has the credit limits in current account in the amount of 55 million PLN.

a) Credit limit in current account in bank Pekao S.A. with its registered office in Warsaw in the amount of 35 million PLN. It can be used by the 31<sup>st</sup> of May, 2013. An authorisation to manage Comarch S.A.'s accounts in PEKAO S.A. and a declaration of submission to enforcement are security for this credit. As at the 31<sup>st</sup> of December, 2012, the value of the credit used was 2.45 million PLN.

b) Credit limit in current account in bank Powszechna Kasa Oszczędności Bank Polski S.A. ("PKO BP S.A.") with its registered office in Warsaw in the amount of 10 million PLN. It can be used by the 13<sup>th</sup> of December, 2013. An authorisation to manage Comarch S.A.'s accounts in PKO BP S.A. and a promissory note are security for this credit. As at the 31<sup>st</sup> of December, 2012, the credit was not used.

c) Credit limit in current account in bank BPH S.A with its registered office in Krakow in the amount of 10 million PLN. It can be used by the 30<sup>th</sup> of September, 2013. A promissory note and a declaration of submission to enforcement are security for this credit. As at the 31<sup>st</sup> of December, 2012, the credit was not used.

## 10.3 Loans

### 10.3.1. Loans Taken by Comarch S.A.

In the fourth quarter of 2012, CA Consulting S.A., a subsidiary of Comarch S.A. concluded a loan agreement with IBM Polska Sp. z o.o. for financing of a delivery of hardware in relation to an IT project performed by the company. The loan amounts to 12.56 million PLN and drawdown was made in the fourth quarter of 2012. Loan will reach its maturity date in September, 2013. It has a fixed interest rate (an effective interest rate is approx. 6.99%). Surety granted by Comarch S.A. is security for this credit.

In the fourth quarter of 2012, Comarch S.A. signed a loan agreement with IBM Polska Sp. z o.o for financing of delivery of IBM hardware and licences in relation to an IT project performed by the Comarch Group. The loan amounts to 7.35 million PLN and drawdown was made in the fourth quarter of 2012. Loan will reach its maturity date in August, 2013. It has a fixed interest rate (an effective interest rate is approx. 2.8%). The loan is not secured.

On the 27<sup>th</sup> of December, 2012, Comarch S.A. signed a loan agreement with IBM Polska Sp. z o.o for financing of delivery of IBM hardware in relation to an IT project performed by the Comarch Group. The loan amounts to 0.34 million PLN and drawdown was made after the balance sheet date, i.e. in the first quarter of 2013. Loan will reach its maturity date in December, 2015. It has a fixed interest rate (an effective interest rate is approx. 5.63%). The loan is not secured.

### 10.3.2. Loans Granted to Companies in Comarch Group

As at 31<sup>st</sup> of December, 2012, the following companies of the Comarch Group were indebted towards Comarch S.A. for loans granted:

Company	Due date	Value	Currency	Interest (variable interest rate)	Value in PLN
OOO Comarch	30.06.2014	150,000.00	USD	2.73%	464,940.00
Comarch SAS	30.06.2014	200,000.00	EUR	2.93%	817,640.00
	31.12.2013	100,000.00	EUR	2.93%	408,820.00
	31.12.2013	150,000.00	EUR	2.93%	613,230.00
	30.06.2014	200,000.00	EUR	2.42%	817,640.00
iReward24 S.A.	31.12.2013	30,000.00	PLN	6.77%	30,000.00
	31.03.2013	40,000.00	PLN	6.65%	40,000.00
MKS Cracovia SSA	30.06.2014	100,000.00	EUR	3.40%	408,820.00
	30.06.2014	120,000.00	EUR	3.16%	490,584.00
	30.06.2014	1,000,000.00	PLN	6.20%	1,000,000.00
	30.06.2014	300,000.00	PLN	5.86%	300,000.00
	30.06.2014	500,000.00	PLN	6.07%	500,000.00
	30.06.2014	300,000.00	PLN	7.09%	300,000.00
	30.06.2014	400,000.00	PLN	7.12%	400,000.00
	30.06.2014	420,000.00	PLN	7.11%	420,000.00
	30.06.2014	125,000.00	PLN	7.11%	125,000.00
	30.06.2014	300,000.00	PLN	7.11%	300,000.00
	30.06.2014	200,000.00	PLN	6.92%	200,000.00
	30.06.2014	385,000.00	PLN	6.65%	385,000.00
iMed24 S.A.	30.06.2014	600,000.00	PLN	7.13%	600,000.00
	30.06.2014	200,000.00	PLN	6.90%	200,000.00
	30.06.2014	500,000.00	PLN	6.80%	500,000.00
	31.12.2013	130,000.00	PLN	6.77%	130,000.00
	30.06.2013	100,000.00	PLN	6.21%	100,000.00
SolInteractive S.A.	30.06.2014	75,000.00	PLN	6.98%	75,000.00
	25.05.2014	53,364.00	EUR	2.65%	218,163.00
<b>Total</b>					<b>9,844,837.00</b>

The value of the revaluation write-off of the above-mentioned loans amounts to 0.47 million PLN and is related to OOO Comarch.

### 10.3.3. Loans Granted to Members of the Management Board and Members of the Supervisory Board

As at 31<sup>st</sup> of December, 2012, there are no unpaid loans as well as there are no guarantees nor suretyships granted by Comarch S.A. to members of the Management Board and members of the Supervisory Board and their relatives.

### 10.3.4. Loans Granted to Employees of Comarch S.A.

As at 31<sup>st</sup> of December, 2012, there are no unpaid housing loans granted to employees in Comarch S.A.

## 10.4 Suretyships

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. The current value of the contract and guarantee equals approximately EUR 54,580,752, i.e. PLN 227,896,471.9. The financial conditions, that the guarantee was provided on, do not differ from the market conditions. The company announced changes in current report no. RB-18-2012 on the 15<sup>th</sup> of November, 2012.

b) Due to DnB Nord Polska S.A. granting a credit line for bank guarantees to CA Consulting SA, a Comarch S.A. subsidiary, on the 13<sup>th</sup> of May, 2010, the issuer granted a surety for the benefit of DnB Nord Polska S.A. in order to guarantee the fulfilment of any obligations resulting from the credit agreement by CA Consulting S.A. The value of the surety equals PLN 2,000,000 and is valid till the 28<sup>th</sup> of March, 2014. On the 2<sup>nd</sup> of February, 2012, and in relation to an extension of credit line validity, this surety was extended till the 28<sup>th</sup> of February, 2017. On the 10<sup>th</sup> of May, 2012, as a consequence of an increase in credit limit, the amount of the surety grew to 3 million PLN.

c) 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 equalled 0.3 million EUR and expired on the 31<sup>st</sup> of August, 2012.

d) Due to conclusion of a contract for implementation, hosting and maintenance of loyalty system, signed by Comarch Inc., a subsidiary of Comarch S.A., on the 28<sup>th</sup> of April, 2011, Comarch S.A. granted a surety for the benefit of a customer 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 till November, 2016.

e) 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 by Comarch AG, a subsidiary of Comarch S.A., on the 11<sup>th</sup> of August, 2011, Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of obligations resulting from the contract (5.55 million EUR annually) and is valid until the 31<sup>st</sup> of March, 2014.

f) Due to Bank Pekao S.A. granting a loan in the amount of 15,888,666.42 PLN to iMed24 SA, a Comarch S.A. subsidiary, on the 1<sup>st</sup> of September, 2011, Comarch S.A. 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 31<sup>st</sup> of December, 2021.

g) Due to conclusion of a lease agreement by Comarch Software und Beratung AG, a subsidiary of Comarch S.A., on the 1<sup>st</sup> 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 147,669 million EUR and is valid until the 31<sup>st</sup> of March, 2015.

h) Due to conclusion of contracts for fuel cards service signed between BP Europa SE and iMed24 SA, Comarch Polska S.A., iReward24 S.A. and CA Consulting SA, subsidiaries of Comarch S.A., on the 1<sup>st</sup> of June, 2012, Comarch S.A. 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, Comarch Polska S.A., iReward24 S.A. and CA Consulting S.A. The total value of the sureties equalled to 0.18 million PLN and they were valid until the 31<sup>st</sup> of May, 2012.

Due to conclusion of contracts for fuel cards service signed by iMed24 S.A., Comarch Polska SA, iReward24 S.A. and C.A. Consulting S.A., subsidiaries of Comarch S.A., on the 1<sup>st</sup> of June, 2012, Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from the contracts by iMed24 S.A., Comarch Polska SA, iReward24 S.A. and CA Consulting S.A. The value of the surety equals 0.2 million PLN (0.05 million PLN for each company) and is valid until the 31<sup>st</sup> of May, 2013.

- i) Due to conclusion of a subcontracting agreement between CA Consulting S.A., a subsidiary of Comarch S.A., and IBM Polska Sp. z o.o. in relation to a contract with a client, Comarch S.A. granted a surety for obligations of CA Consulting S.A. The surety was granted up to the amount of liabilities of CA Consulting S.A. resulting from subcontracting agreement, i.e. to the maximum amount of PLN 6,698,434.82 and USD 1,356,861.70, and it is valid till the moment when all payments resulting from the agreement will be made, however not later than till the 31<sup>st</sup> of December, 2013.
- j) Due to conclusion of a contract for implementation and maintenance of BSS system, signed on the 9<sup>th</sup> of October, 2012 by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch UK. The surety was granted up to the amount of liabilities of Comarch UK resulting from the aforementioned agreement, i.e. to the amount of GBP 807,680 and in addition, GBP 86,400 for SLA service annually, and it is valid for the whole term of the agreement.
- k) Due to conclusion of an eFinancing agreement for financing of suppliers, signed by Comarch Polska S.A., a subsidiary of Comarch S.A., and Bank PEKAO S.A., Comarch S.A. granted a surety for obligations of Comarch Polska S.A. The surety was granted up to the maximum amount of liabilities of Comarch Polska S.A. resulting from this agreement, i.e. PLN 13,000,000 and is valid till the 31<sup>st</sup> of March, 2013.
- l) Due to granting a credit to iReward24 S.A, a subsidiary of Comarch S.A., for treasury transactions through Bank BPH S.A., Comarch S.A. granted a surety for obligations of iReward24 S.A. The surety was granted up to the amount of PLN 450,000 and is valid for the whole term of the credit.
- m) Due to conclusion of a loan agreement for financing of delivery of hardware related to an IT project, signed by Consulting S.A., a subsidiary of Comarch S.A., and IBM Polska Sp. z o.o., Comarch S.A. granted a surety for obligations of CA Consulting S.A. The surety was granted up to the amount of PLN 13,215,846.60 and is valid till all payment obligations related to the loan agreement are completed.
- n) Due to conclusion of a contract for implementation of Next Generation Performance Management Solution, signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of a maximum of EUR 3,692,115 and is valid for the whole term of the contract, i.e. until the March, 2018.
- o) Due to conclusion of a contract for implementation of Planning and Inventory Application (PIA), signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. signed a letter of comfort upon which it ensures proper contract performance by Comarch AG. The letter of comfort is valid for 24 months from contract completion, i.e. till March, 2020. Contract's value amounts to EUR 3,504,513.

## 10.5 Bank Guarantees and Significant Off- Balance Sheet Items

On 31<sup>st</sup> of December, 2012, 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 67.86 million PLN, whereas it was 35.12 million PLN on 31<sup>st</sup> of December, 2011.

Additionally, on 31<sup>st</sup> of December, 2012, 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 0.8 million PLN, whereas it was 1.35 million PLN on 31<sup>st</sup> of December, 2011.

On 31<sup>st</sup> of December, 2012, 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 0.25 million EUR, i.e. 1.03 million PLN, whereas it was 0.31 million EUR, i.e. 1.35 million PLN on 31<sup>st</sup> of December, 2011.

Comarch S.A. granted letters of comfort for its subsidiaries: Comarch Software und Beratung AG (valid till the 31<sup>st</sup> of March, 2013), MKS Cracovia SSA (valid till 30<sup>th</sup> of June, 2013) and iMed24 S.A. (valid till the 30<sup>th</sup> of June, 2014).

As a result of an agreement signed on the 15<sup>th</sup> of December, 2011, between Comarch S.A. and MKS Cracovia SSA on the purchase of new shares and execution of rights from warrants, Comarch S.A. 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 S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares for 15,912,495 PLN and on the 20th of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares for 4,695,774 PLN.

## **11. The Most Important Events in 2012 and after the Balance-Sheet Date**

### **11.1 Contracts the Most Significant for the Comarch Group's Activities**

The most important contracts signed in 2012 are:

#### **11.1.1 Purchase of A-MEA Shares**

On 27<sup>th</sup> of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27<sup>th</sup> 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 either an amount of 2 million CHF (i.e. 7.03 million PLN) or value of A-MEA net equity as of 31<sup>st</sup> of March, 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 on the Swiss market, including Comarch ERP Enterprise.

#### **11.1.2 Purchase of Shares in ESAPROJEKT Sp. z o.o.**

On the 27<sup>th</sup> 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.

#### **11.1.3 Changes to Framework Agreement with E-Plus**

On the 15<sup>th</sup> of November, 2012, in relation to reports no. 27/2010 dated the 11<sup>th</sup> of August, 2010 and no. 29/2010 dated the 1<sup>st</sup> of September, 2010, the Management Board of Comarch S.A. announced that received signed amendments to the Next Generation Network Planning Service Agreement signed between Comarch AG, a subsidiary of Comarch S.A., and E-Plus Mobilfunk GmbH & Co. KG ("E-Plus"). The current value of this agreement, after signing of the above-mentioned amendments, amounts to approximately EUR 54,580,752, i.e. PLN 227,896,471.9 compared to its initial value of EUR 42,025,286, i.e. PLN 175,472,379.16. The above-mentioned increase in the agreement's value is related to extension of the agreement's scope by implementation by Comarch AG of a new solution, Next Generation Performance Management, which will be delivered in the SaaS (Software as a Service) model.

At the same time, the amount of the guarantee, granted by Comarch S.A. for the benefit of E-Plus Mobilfunk GmbH&Co. KG and provided for the duration of the contract with E-Plus, is changed. The current value of this guarantee equals the value of the contract with E-Plus, i.e. approximately EUR 54,580,752, i.e. PLN 227,896,471.9.

#### **11.1.4 Contract with Tauron Dystrybucja S.A.**

On the 15<sup>th</sup> of June, 2012, a contract was signed between Comarch S.A., the leader of the Consortium including: Comarch S.A., Apator Rector Sp. z o.o., Tukaj Mapping Central Europe Sp. z o.o. and Eurosystem S.A. (hereinafter referred to as the: "Consortium") and Tauron Dystrybucja S.A. (hereinafter referred to as the: "Tauron"). The tasks covered by the contract are delivery and implementation of the IT system enabling the management of network assets in Tauron Dystrybucja S.A. and the system

maintenance (case number ENION/DL/2/2010/U). The contract's net value amounts to 78,886,748.94 PLN. The contract objectives shall be accomplished during 96 months from the 2<sup>nd</sup> of July, 2012. Comarch S.A.'s net revenue amounts to approximately 20 million PLN. The company announced details in current report no. 9/2012 dated the 15<sup>th</sup> of June, 2012.

#### **11.1.5 Contract with Inspektorat Uzbrojenia**

On the 28<sup>th</sup> of June, 2012, a contract was signed between Inspektorat Uzbrojenia with its registered office at ul. Królewska 1/7, 00-909 Warsaw (hereinafter referred to as the: "Inspektorat Uzbrojenia") and Comarch S.A., the leader of the Consortium including: Comarch S.A and Fujitsu Technology Solutions Sp. z o. o. The tasks covered by the contract are delivery of the licences for Microsoft Corporation software. The contract objectives shall be accomplished during 48 months from the contract's signing date. The contract's net value amounts to Euro 15,930,653.31, i.e. approximately PLN 68,119,473.55. The maximum value of contractual penalties shall not exceed 11% of the total net value of the contract. The payment of contractual penalties does not exclude the possibility of a claim for damages in an amount exceeding the value of these penalties. The company announced details in current report no. 12/2012 dated the 29<sup>th</sup> of June, 2012.

#### **11.1.6 Contract with PKO BP SA**

A contract dated the 20<sup>th</sup> of December, 2012, was signed between Comarch S.A. and Powszechna Kasa Oszczędności Bank Polski S.A. (hereinafter referred to as the: "Bank"). The tasks covered by the contract are delivery of Microsoft Corporation licences in relation to the Enterprise Agreement, Microsoft Select Agreement and additional services in relation to the Enterprise Agreement. The contract's net value amounts to EUR 21,257,635.53, i.e. PLN 86,550,463.06. The contract was concluded for definite period and shall be binding till the 30<sup>th</sup> of September, 2015. The company announced details in current report no. 19/2012 dated the 24<sup>th</sup> of December, 2012.

#### **11.1.7 Agreement for Purchase of MKS Cracovia SSA Shares and Registration of an Increase in Share Capital**

On the 24<sup>th</sup> of February, 2012, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares (current report no. 3/2012 dated the 27<sup>th</sup> February, 2012 and its correction dated the 29<sup>th</sup> of February, 2012). MKS Cracovia SSA invited Comarch S.A. to purchase 38,631 series E shares of nominal value of 100 PLN. MKS Cracovia SSA invited Comarch S.A. to purchase the afore-mentioned shares for a total issue price of PLN 15,912,495.21, i.e. for issue price of PLN 411.91 for one series E share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of PLN 15,912,495.21 which was made by Comarch S.A. on the 27<sup>th</sup> of February, 2012. As a consequence of registration of an increase in share capital of MKS Cracovia SSA (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 14<sup>th</sup> of March, 2012; current report no. 5/2012 of 16<sup>th</sup> of March, 2012), Comarch S.A. held 59.82% of votes at the agm of MKS Cracovia SSA.

### **AFTER THE BALANCE SHEET DATE**

#### **11.1.8 Agreement for Purchase of MKS Cracovia SSA Shares and Registration of an Increase in Share Capital**

On the 20<sup>th</sup> of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares. MKS Cracovia SSA invited Comarch S.A. to purchase 11,400 series F shares of nominal value of PLN 100. MKS Cracovia SSA invited Comarch S.A. to purchase the afore-mentioned shares for a total issue price of PLN 4,695,774, i.e. for issue price of PLN 411.91 for one series F share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of PLN 4,695,774 which was made by Comarch S.A. on the 20<sup>th</sup> of February, 2013. As a result of the registration of the increase in MKS Cracovia SSA's share capital (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 6<sup>th</sup> of March, 2013; current report no. 6/2013 dated the 14<sup>th</sup> of March, 2013), Comarch S.A. holds 62.16% of votes at the company's general meeting. The company announced details in current report no. 4/2013 from 20<sup>th</sup> of February, 2013.

## **11.2 Other**

### **11.2.1. Resolution of the AGM Regarding Dividend for 2011**

The General Shareholder's Meeting decided that the earned in the fiscal year 1 January 2011-31 December 2011 net profit in the amount of PLN 55,191,262.72 will be divided as follows:

1. PLN 12,077,455.50 will be paid as dividend.

Persons who were the company's shareholders on the 31<sup>st</sup> of July, 2012, got the dividend in the amount of PLN 1.50 per one share. The dividend was allocated to 8,051,637 shares and was paid out on the 16<sup>th</sup> of August, 2012.

2. The remaining part of the net profit in the amount of PLN 43,113,807.22 was passed in total to supplementary capital.

### **11.2.2. Pledge Register on Computer Hardware**

On the 11<sup>th</sup> of October, 2012, received notices from the District Court for Krakow-Śródmieście, the Seventh Division of the Pledge Register, dated the 9<sup>th</sup> of October, 2012, on registration of pledges related to hardware owned by Comarch S.A. The bases for this registration are agreements dated the 3<sup>rd</sup> of August, 2012 signed between BNP Paribas Bank Polska S.A. and Comarch S.A. The agreements were concluded to secure bank's claims in relation to non-revolving credit no. WAR/2002/12/67/CB granted by BNP Paribas Bank Polska S.A. on the 16<sup>th</sup> of July, 2012, to a maximum amount of security, i.e. EUR 4,080,000.00 including due interests and commissions, fees and other receivables. The value of assets under the pledges amounts to 6,033,265.63 PLN in total and was established on the basis of their net purchase price. There is no relation between Comarch S.A., its managing or supervising persons and BNP Paribas Bank Polska S.A. Company announced details in current report no. 16/2012 dated the 11<sup>th</sup> of October, 2012.

### **11.2.3. Growing Needs for Working Capital**

In Q4 2012, Group performed contracts for delivery of goods and IT services, which resulted in an increased demand for working capital. As a consequence, cash and cash equivalents' level decreased and short-term liabilities' level increased through, among other things, conclusion of agreements for financing.

### **AFTER THE BALANCE SHEET DATE**

None present.

## **12. Major Domestic and Foreign Investment (Securities, Financial Instruments, Intangible Assets and Real Estate), including Capital Investment Made outside the Group of Related Parties, as well as 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**

The Comarch Group does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, the Group 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.

### **12.1. Capital Investment**

On the 9<sup>th</sup> of January, 2012, the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register registered a company CA Finance Sp. z o.o. On the 19<sup>th</sup> of September, 2012, the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register registered a name change of CA Finance Sp. z o.o. to Opso Sp. z o.o., an increase in share capital from PLN 5,000 to PLN 205,000, a change of shareholder from iMed24 S.A. to Comarch S.A. and an extension of activities by catering services.

On the 27<sup>th</sup> of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27<sup>th</sup> 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 either an amount of 2 million CHF (i.e. 7.03 million PLN) or value of A-MEA net equity as of 31<sup>st</sup> of March, 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 on the Swiss market, including Comarch ERP Enterprise.

On the 24<sup>th</sup> of February, 2012, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares (current report no. 3/2012 dated the 27<sup>th</sup> February, 2012 and its correction dated the 29<sup>th</sup> of February, 2012). MKS Cracovia SSA invited Comarch S.A. to purchase 38,631 series E shares of nominal value of 100 PLN. MKS Cracovia SSA invited Comarch S.A. 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 S.A. on the 27<sup>th</sup> of February, 2012. As a consequence of registration of an increase in share capital of MKS Cracovia SSA (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 14<sup>th</sup> of March, 2012; current report no. 5/2012 of 16<sup>th</sup> of March, 2012), Comarch S.A. held 59.82% of votes at the agm of MKS Cracovia SSA.

On the 9<sup>th</sup> 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 20<sup>th</sup> of March, 2012, a company Comarch UK Ltd. with its registered office in London was registered in the Companies House. Capital in the amount of GBP 50,000 was paid in May, 2012.

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

On the 10<sup>th</sup> 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 27<sup>th</sup> 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 to 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.

On the 25<sup>th</sup> of May, 2012, an increase of USD 50,000 in share capital of Comarch Vietnam Company Limited was registered.

On the 20<sup>th</sup> of June, 2012, the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register registered an increase of PLN 50,000 in share capital of Comarch Management Sp. z o.o.

On the 28<sup>th</sup> of June, 2012, an agreement was concluded. Comarch S.A. purchased 30% of Comarch R&D S.à. r.l. shares from a current shareholder for the total price of EUR 100,000.

On the 30<sup>th</sup> of July, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.25 million PLN to 1.45 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 2,000 new series D shares of nominal value of PLN 100.00 each.

On the 13<sup>th</sup> of August, 2012, general shareholders' meeting of CSuB passed the resolution on purchase of shares from current minority shareholders. This was performed by Comarch AG for payment of EUR 2.95 per share.

On the 21<sup>st</sup> of August, 2012, there was an increase of PLN 85,000 in share capital of CASA Management and Consulting Sp. z o.o. SK-A by issuance of 850 shares of nominal value of PLN 100 each.

On the 2<sup>nd</sup> of October, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered an increase in share capital of iMed24 S.A. from PLN 1,250,000.00 to PLN 1,450,000.00.

On the 5<sup>th</sup> of October, 2012, (RB-15-2012) Comarch Software und Beratung AG ("CSuB") received a notice from the court register in Munich (Amtsgericht Munchen-Registergericht) dated the 2<sup>nd</sup> of October, 2012 registering a resolution of CSuB's general meeting related to transferring CSuB shares from minority shareholders to Comarch AG with its registered office in Dresden, the majority shareholder. In conjunction with the aforementioned, Comarch AG, a subsidiary of Comarch S.A. holds currently 100% of CSuB shares and votes.

On the 29<sup>th</sup> of October, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.45 million PLN to 1.6 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series E shares of nominal value of PLN 100.00 each. The afore-mentioned increase in share capital was registered on the 22<sup>nd</sup> of November, 2012 pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 8<sup>th</sup> of November, 2012, transaction was completed in relation to purchase of Comarch R&D S.à r.l. shares by Comarch SAS from Comarch AG for the amount of 5,250 euro.

On the 14<sup>th</sup> of December, 2012, Comarch Software und Beratung AG sold 100% of Comarch Swiss AG shares to CASA Management and Consulting Sp. z o.o. SKA.

On the 21<sup>st</sup> of December, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.6 million PLN to 1.75 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series F shares of nominal value of PLN 100.00 each.

On the 27<sup>th</sup> of December, 2012, an agreement for purchase of 6,230 shares by Comarch Management Sp. z o.o. SK-A from CCF FIZ 6 230 to be redeemed was signed. Purchase price was PLN 237.35 per 1 share.

In the fourth quarter of 2012, Comarch S.A. purchased 1 CA Consulting S.A. share from the previous shareholder. Comarch S.A. holds 100% of shares and votes of Consulting S.A.

#### **AFER THE BALANCE-SHEET DATE**

On the 21<sup>st</sup> of January, 2013, CAMS AG with its registered office in Luzern in Switzerland was registered. CASA Management and Consulting Sp. z o.o. SK-A holds 51% of shares.

Between 8<sup>th</sup> and 11<sup>th</sup> of February, 2013, CASA Management and Consulting Sp. z o.o. SK-A paid a second rate in the amount of 300,000 CHF for A-MEA Informatik AG shares purchased in 2012.

On the 12<sup>th</sup> of February, 2013, an increase in iMed24 SA's share capital from 1.6 million PLN to 1.75 million PLN was registered pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 20<sup>th</sup> of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares. MKS Cracovia SSA invited Comarch S.A. to purchase 11,400 series F shares of nominal value of PLN 100. MKS Cracovia SSA invited Comarch S.A. to purchase the afore-mentioned shares for a total issue price of PLN 4,695,774, i.e. for issue price of PLN 411.91 for one series F share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of PLN 4,695,774 which was made by Comarch S.A. on the 20<sup>th</sup> of February, 2013. As a result of the registration of the increase in MKS Cracovia SSA's share capital (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 6<sup>th</sup> of March, 2013; current report no. 6/2013 dated the 14<sup>th</sup> of March, 2013), Comarch S.A. holds 62.16% of votes at the company's general meeting. The company announced details in current report no. 4/2013.

On the 26<sup>th</sup> of March, 2013, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.75 million PLN to 2.05 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 3,000 new series G shares of nominal value of PLN 100.00 each.

On the 9<sup>th</sup> of April, 2013, an increase up to 15 million euro in the share capital of Comarch AG was registered.

On the 15<sup>th</sup> of April, 2013, a sole shareholder of Comarch SAS acting through general meeting decided to increase the company's share capital from EUR 1,800,000 to EUR 2,800,000 by issuance of 1,000,000 new shares.

## **12.2. Real Estates**

In 2012, Comarch S.A. purchased an office building in Łódź for 3.5 million PLN from its internal funds. After adaptation works it will be used in relation to activities of the Comarch Group.

Company is currently preparing another stage of an investment in the Special Economic Zone in Krakow (SSE6), related to construction of an office building and data centre. Beginning of construction works is planned for the second half of 2013.

In the first quarter of 2012, iMed24 S.A., a subsidiary of Comarch S.A., commenced diagnostic and medical activity (Centrum Medyczne iMed24- medical centre) using diagnostic and medical equipment

purchased in 2011. As at the 31<sup>st</sup> of December, 2012, book value of this equipment amounts to 16.73 million PLN. Their higher value compared to those as of 30<sup>th</sup> of September, 2012, results from correction of depreciation in relation to lengthening of predicted period of equipment usage.

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 and were completed in March, 2013. The estimated value of this investment amounted to approximately 12 million EUR.

The office building that was purchased by Comarch SAS in Lille 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. Preparation works will last till the end of the second quarter of 2013, and commencing of the investment is planned for the third quarter of 2013.

### **13. Activities in Special Economic Zone**

On the 22<sup>nd</sup> 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 14<sup>th</sup> 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 2<sup>nd</sup> 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 1<sup>st</sup> of January, 2000, cannot exceed 75% of the value of investments incurred in the period from the date of obtaining the permit until 31<sup>st</sup> of December, 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since 1<sup>st</sup> 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 31<sup>st</sup> 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<sup>th</sup> 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 8<sup>th</sup> 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 1<sup>st</sup> of July, 2004, it received a decision from the Minister of the Economy dated 24<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> of December, 2012, constitutes a deferred income tax asset. The limit of the unused investment relief as at 31<sup>st</sup> of December, 2012, discounted as at the permit date, is 9.8 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).

## **14. Resolutions of the AGM and the Board of Supervisors**

### **14.1. Corporate Governance Principles**

Pursuant to the rule number 3) included in the third part, point 1 of the "Corporate Governance Principles", in current report no. EBI 1/2012, Comarch S.A.'s Management Board reported that on the 11<sup>th</sup> of May, 2012, Supervisory Board of Comarch S.A. passed the resolution no. 8/5/2012 in which projects of the resolutions at the AGM, to be held on the 25<sup>th</sup> of June, 2012, are given positive opinions.

Pursuant to the rule number 1) included in the third part, point 1 of the "Corporate Governance Principles", in current report no. EBI 2/2012, Comarch S.A.'s Management Board presented 2011 activities' report of Comarch S.A.'s Supervisory Board and assessment of the company's situation in 2011 including assessment of the company's internal system control and risk management of the company.

### **14.2. Annual General Meeting – 25.06.2012**

- a) Convention of the AGM, Agenda of the Meeting and Information on Participation in the Company's General Meeting

On the 22<sup>nd</sup> of May, 2012, pursuant to article 398, 399 § 1, 402<sup>1</sup> and 402<sup>2</sup> of the Commercial Companies' Code and pursuant to article 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 25<sup>th</sup> of June, 2012, 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 22<sup>nd</sup> of May, 2012. Pursuant to art. 402<sup>2</sup> 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: 9<sup>th</sup> of June, 2012,
- 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. 8/2012.

- b) Content of the Resolutions Passed at the AGM

On the 25<sup>th</sup> of June, 2012, 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 1.01.2011 - 31.12.2011;
- approving the report of the Management Board regarding the activities of the company in 2011;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2011 - 31.12.2011;
- approving the report of the Management Board of Comarch S.A. regarding the activities of the Capital Group in 2011;
- approving the activity report of the company's Board of Supervisors for the fiscal year 2011, including assessment of the company's situation;
- distribution of the company's net profit for the fiscal year 1.01.2011 - 31.12.2011;
- acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2011 - 31.12.2011;
- dismissal and election of the Supervisory Board's and Management Board members.

The full content of the resolutions was published on 25<sup>th</sup> of June, 2012, in the current report no. 10/2012.

c) Resolution of the AGM Regarding Dividend for 2011

The General Shareholder's Meeting decided that the earned in the fiscal year 1 January 2011-31 December 2011 net profit in the amount of PLN 55,191,262.72 will be divided as follows:

1. PLN 12,077,455.50 will be paid as dividend.

Persons who were the company's shareholders on the 31<sup>st</sup> of July, 2012, got the dividend in the amount of PLN 1.50 per one share. The dividend was allocated to 8,051,637 shares and was paid out on the 16<sup>th</sup> of August, 2012.

2. The remaining part of the net profit in the amount of PLN 43,113,807.22 was passed in total to supplementary capital.

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 25<sup>th</sup> of June, 2012, Elżbieta Filipiak and Janusz Filipiak 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 51.01% 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 48.32% of the all votes at this AGM and which constituted 28.12% 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 25<sup>th</sup> of June, 2012 held shares giving 8,753,438 votes.

## 15. Operations on Comarch S.A Shares

### 15.1. Purchase/Disposal Transactions on Comarch S.A. Shares

Between the 10<sup>th</sup> and 17<sup>th</sup> of September, 2012, a Comarch S.A.'s managing person bought 100 ordinary bearer Comarch S.A. shares for average price of 69.6 PLN or each share and sold 100 ordinary bearer Comarch S.A. shares for average price of 70.4 PLN for each share. The above-mentioned transactions were concluded on the regulated market at the Warsaw Stock Exchange. Company announced details in current report no. 14/2012 dated the 20<sup>th</sup> of September, 2012.

Between 24<sup>th</sup> and 26<sup>th</sup> of October, 2012, a member of Comarch S.A.'s Management Board sold 595 ordinary bearer shares of Comarch S.A. for average price of 72 PLN each. Particular transactions were made within the following terms and volumes:

1. 24.10.2012 r.: volume: 200, price per 1 share: PLN 72.00, value: PLN 14,400.00,
2. 25.10.2012 r.: volume: 200, price per 1 share: PLN 72.00, value: PLN 14,400.00,
3. 26.10.2012 r.: volume: 195, price per 1 share: PLN 72.00, value: PLN 14,040.00.

The above-mentioned transactions were concluded on regulated market at the Warsaw Stock Exchange. Company announced details in current report no. 17/2012 dated the 31<sup>st</sup> of October, 2012, corrected on the 21<sup>st</sup> of December, 2012.

**AFTER THE BALANCE SHEET DATE**

None present.

**15.2. 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.

**16. Transactions on Shares of Subsidiaries and Associates of Comarch S.A.**

On 27<sup>th</sup> of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27<sup>th</sup> 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 either an amount of 2 million CHF (i.e. 7.03 million PLN) or value of A-MEA net equity as of 31<sup>st</sup> of March, 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 on the Swiss market, including Comarch ERP Enterprise.

On the 24<sup>th</sup> of February, 2012, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares (current report no. 3/2012 dated the 27<sup>th</sup> February, 2012 and its correction dated the 29<sup>th</sup> of February, 2012). MKS Cracovia SSA invited Comarch S.A. to purchase 38,631 series E shares of nominal value of 100 PLN. MKS Cracovia SSA invited Comarch S.A. 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 S.A. on the 27<sup>th</sup> of February, 2012. As a consequence of registration of an increase in share capital of MKS Cracovia SSA (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 14<sup>th</sup> of March, 2012; current report no. 5/2012 of 16<sup>th</sup> of March, 2012), Comarch S.A. held 59.82% of votes at the agm of MKS Cracovia SSA.

On the 9<sup>th</sup> 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 10<sup>th</sup> of April, 2012, the District Court for Krakow-Śródmieście in Krakow, XI Economic Division of the National Court Register registered an increase of 250,000 PLN in share capital of iMed24 S.A.

On the 10<sup>th</sup> 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 27<sup>th</sup> 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 to 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.

On the 25<sup>th</sup> of May, 2012, an increase of 50,000 USD in share capital of Comarch Vietnam Company Limited was registered.

On the 20<sup>th</sup> of June, 2012, the District Court for Krakow-Śródmieście in Krakow, XI Economic Division of the National Court Register registered an increase of 50,000 PLN in share capital of Comarch Management Sp. z o.o.

On the 28<sup>th</sup> of June, 2012, an agreement was concluded. Comarch S.A. purchased 30% of Comarch R&D S.à. r.l. shares from a current shareholder for the total price of 100,000 EUR.

On the 30<sup>th</sup> of July, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.25 million PLN to 1.45 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 2,000 new series D shares of nominal value of PLN 100.00 each.

On the 13<sup>th</sup> of August, 2012, general shareholders' meeting of CSuB passed the resolution on purchase of shares from current minority shareholders. This was performed by Comarch AG for payment of EUR 2.95 per share.

On the 21<sup>st</sup> of August, 2012, there was an increase of PLN 85,000 in share capital of CASA Management and Consulting Sp. z o.o. SK-A by issuance of 850 shares of nominal value of PLN 100 each.

On the 2<sup>nd</sup> of October, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered an increase in share capital of iMed24 S.A. from PLN 1,250,000.00 to PLN 1,450,000.00.

On the 5<sup>th</sup> of October, 2012, (RB-15-2012) Comarch Software und Beratung AG ("CSuB") received a notice from the court register in Munich (Amtsgericht Munchen-Registergericht) dated the 2<sup>nd</sup> of October, 2012 registering a resolution of CSuB's general meeting related to transferring CSuB shares from minority shareholders to Comarch AG with its registered office in Dresden, the majority shareholder. In conjunction with the aforementioned, Comarch AG, a subsidiary of Comarch S.A. holds currently 100% of CSuB shares and votes.

On the 29<sup>th</sup> of October, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.45 million PLN to 1.6 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series E shares of nominal value of PLN 100.00 each. The afore-mentioned increase in share capital was registered on the 22<sup>nd</sup> of November, 2012 pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 8<sup>th</sup> of November, 2012, transaction was completed in relation to purchase of Comarch R&D S.à r.l. shares by Comarch SAS from Comarch AG for the amount of 5,250 euro.

On the 14<sup>th</sup> of December, 2012, Comarch Software und Beratung AG sold 100% of Comarch Swiss AG shares to CASA Management and Consulting Sp. z o.o. SKA.

On the 21<sup>st</sup> of December, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.6 million PLN to 1.75 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series F shares of nominal value of PLN 100.00 each.

On the 27<sup>th</sup> of December, 2012, an agreement for purchase of 6,230 shares by Comarch Management Sp. z o.o. SK-A from CCF FIZ 6 230 to be redeemed was signed. Purchase price was PLN 237.35 per 1 share.

In the fourth quarter of 2012, Comarch S.A. purchased 1 CA Consulting S.A. share from the previous shareholder. Comarch S.A. holds 100% of shares and votes of CA Consulting S.A.

#### **AFTER THE BALANCE SHEET DATE**

Between 8<sup>th</sup> and 11<sup>th</sup> of February, 2013, CASA Management and Consulting Sp. z o.o. SK-A paid a second rate in the amount of 300,000 CHF for A-MEA Informatik AG shares purchased in 2012.

On the 12<sup>th</sup> of February, 2013, an increase in iMed24 SA's share capital from 1.6 million PLN to 1.75 million PLN was registered pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 20<sup>th</sup> of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares. MKS Cracovia SSA invited Comarch S.A. to purchase 11,400 series F shares of nominal value of PLN 100. MKS Cracovia SSA invited Comarch S.A. to purchase the afore-mentioned shares for a total issue price of PLN 4,695,774, i.e. for issue price of PLN 411.91 for one series F share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of PLN 4,695,774 which was made by Comarch S.A. on the 20<sup>th</sup> of February, 2013. As a result of the registration of the increase in MKS Cracovia SSA's share capital (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 6<sup>th</sup> of March, 2013; current report no. 6/2013 dated the 14<sup>th</sup> of March, 2013), Comarch S.A. holds 62.16% of votes at the company's general meeting. The company announced details in current report no. 4/2013.

On the 26<sup>th</sup> of March, 2013, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.75 million PLN to 2.05 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 3,000 new series G shares of nominal value of PLN 100.00 each.

On the 9<sup>th</sup> of April, 2013, an increase up to 15 million euro in the share capital of Comarch AG was registered.

On the 15<sup>th</sup> of April, 2013, a sole shareholder of Comarch SAS acting through general meeting decided to increase the company's share capital from EUR 1,800,000 to EUR 2,800,000 by issuance of 1,000,000 new shares.

## **17. Other Events in 2012 and after the Balance Sheet Date**

### **17.1. Dates of Periodical Financial Reports in 2012**

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

- 1) Q4 2011 - on 29<sup>th</sup> of February, 2012
- 2) Annual report for 2011- on 30<sup>th</sup> of April, 2012
- 3) Consolidated annual report for 2011- on 30<sup>th</sup> of April, 2012
- 4) Q1 2012 - on 15<sup>th</sup> 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 31<sup>st</sup> of August, 2012
- 6) Q3 2012 - on 14<sup>th</sup> of November, 2012

ANNUAL AND HALF-YEAR REPORTS:

### **17.2. Creation of Pledge on Medical Equipment of iMed24**

On the 5<sup>th</sup> 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 15<sup>th</sup> 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 29<sup>th</sup> 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 1<sup>st</sup> 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, 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. The created registered pledge will expire when debts resulting from the agreement are paid.

### **17.3. The List of Comarch S.A. Current Reports and Financial Statements Made Public in 2011**

On 10<sup>th</sup> of May, 2012, Management Board of Comarch S.A. presented the list of Comarch S.A.'s current reports and financial statements made public in 2011 (current report no. 7/2012). 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/2011>

<http://www.comarch.com/investors/investor-reports/params/date/2011/>

### **17.4. 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 30<sup>th</sup> of April, 2012.

### **17.5. Pledge on Hardware**

On the 11<sup>th</sup> of October, 2012, received notices from the District Court for Krakow-Śródmieście, the Seventh Division of the Pledge Register, dated the 9<sup>th</sup> of October, 2012, on registration of pledges related to hardware owned by Comarch S.A. The basis for this registration are agreements dated the 3<sup>rd</sup> of August, 2012 signed between BNP Paribas Bank Polska S.A. and Comarch S.A. The agreements were concluded to secure bank's claims in relation to non-revolving credit no. WAR/2002/12/67/CB granted by BNP Paribas Bank Polska S.A. on the 16<sup>th</sup> of July, 2012, to a maximum amount of security, i.e. EUR 4,080,000.00 including due interests and commissions, fees and other receivables. The value of assets under the pledges amounts to 6,033,265.63 PLN in total and was established on the basis of their net purchase price. There is no relation between Comarch S.A., its managing or supervising persons and BNP Paribas Bank Polska S.A. Company announced details in current report no. 16/2012 dated the 11<sup>th</sup> of October, 2012.

#### **AFTER THE BALANCE SHEET DATE**

### **17.6. Dates of Periodical Financial Reports in 2013**

On the 8<sup>th</sup> of January, 2013, in current report no 1/2013, Comarch S.A.'s Management Board set dates of periodical financial reports in 2013:

1) Q4 2012 - on 1<sup>st</sup> of March, 2013

2) Q1 2013 - on 15<sup>th</sup> of May, 2013

3) Q3 2013 - on 14<sup>th</sup> of November, 2013

4) Consolidated half-year report which include condensed consolidated financial statement and condensed financial statement for the first half of 2013 - on 30<sup>th</sup> of August, 2013

5) Annual report for 2012 - on 30<sup>th</sup> of April, 2013

6) Consolidated annual report for 2012 - on 30<sup>th</sup> of April, 2013

### **17.7. Creation of a Mortgage on Assets Owned by Comarch S.A.**

On the 6<sup>th</sup> of February, 2013, Comarch S.A.'s Management Board announced that received a notice from the District Court for Krakow-Podgórze, the Fourth Division of the Land and Mortgage Register, on registration of a mortgage, dated the 30<sup>th</sup> of January, 2013, and related to a real estate located in the Special Economic Zone in Krakow and owned by Comarch S.A. Current book value of the real estate amounts to PLN 18,952,737.42. The basis for this registration is a non-revolving, long-term credit agreement dated the 4<sup>th</sup> of January, 2013, signed between bank BZ WBK S.A. and Comarch S.A. Its value amounts to EUR 7,400,000 i.e. 30,932,740 PLN. Bank BZ WBK S.A.'s claims in relation to the above-mentioned agreement are secured to the amount of EUR 11,100,000, i.e. 46,399,110 PLN. There is no relation between Comarch S.A., its managing or supervising persons and BZ WBK S.A. The company announced details in current report no. 3/2013 dated the 6<sup>th</sup> of February, 2013.

## 17.8. Forward Contracts Concluded after the Balance Sheet Date

Between the 1<sup>st</sup> of January, 2013 and the 30<sup>th</sup> of April, 2013, Comarch S.A. concluded forward contracts for the sale of 6.73 million EUR and 0.5 million USD, and for the purchase of 1.6 million EUR. The total net value of open forward contracts as of the 30<sup>th</sup> of April, 2013 amounted to 6.83 million EUR and 1 million USD. The open forward contracts as of the 30<sup>th</sup> of April, 2013 were valued at plus 1.35 million PLN. The contracts will be settled within nineteen 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.

## 18. Characteristic of Policy of the Development Direction in the Comarch Group

The strategic development directions in the Comarch Group are:

- development of international sales, especially focusing on mature markets in Western Europe (in particular in the DACH region) and both Americas,
- constant development of its own technologically advanced products, high expenses for R&D,
- development of sales of IT products and services as cloud computing,
- diversification of an offer through sales of products and services to customers in many economic sectors,
- continuation of development works within IT solutions for e-Health sector which should become one of the main sources of customers for the Comarch Group in the future,
- 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.

## 19. 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 101.41 million PLN, thus reached 11.5% of revenue in 2012. Comarch allocated there internal funds as well as acquired actively European funds.

In 2012, 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,
- ✓ 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,

In addition, in 2012, Comarch continued the 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). In 2012, project performed within the scope of a grant agreement with the Polish Ministry of Science and Higher Education: "Integration of Selected PLM Functionalities into ERP Systems for the SME Market" was completed.

In December, 2012, project "Protection of Critical Teleinformatic Infrastructure to Secure Business Continuity in Economy, Administration and Defence" was completed. The project was performed with AGH University of Science and Technology in Krakow which coordinated the project (agreement with the Polish Ministry of Science and Higher Education).

#### **New Projects in 2012**

Within the scope of priority 1.4 of the Sectoral Operational Programme "Improvement of the Competitiveness of Enterprises Comarch S.A. signed a grant agreement with the National Centre for Research and Development for a project in the area of e-Medicine: "Effective, Efficient and Safe System for Viewing and Transmitting Medical Images".

The goal of the project is to conduct research and development work aimed at creating new knowledge as well as prototypes of an innovative system and applications used to assist modern medicine in the area of image diagnostics. The system will Enable safe and efficient access to medical images regardless where the patient, or doctor are physically located.

Within the 7<sup>th</sup> Framework Programme, Comarch is a partner in the "Shaping the Future of Electronic Identity" (FutureID) project, in the area of IT safety and security.

Within the scope of priority 1.4 of the Sectoral Operational Programme "Improvement of the Competitiveness of Enterprises iMed24 S.A. signed a grant agreement with the National Centre for Research and Development for a project titled: "Comprehensive Tele-medicine Platform including Software and Hardware".

The goal of the project is to conduct research and development work aimed at designing, testing and implementing an IT platform used to provide tele-medicine services. The platform will include hardware and software components.

## 20. Capital Affiliations

### 20.1. Organisational Structure of the Comarch Group

On 31<sup>st</sup> of December, 2012, 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 in Germany (100%),
  - Comarch Software und Beratung AG with its registered office in Munich in Germany (100% subsidiary of Comarch AG\*),
    - Comarch Solutions GmbH with its registered office in Innsbruck in Austria (100% subsidiary of Comarch Software und Beratung AG),
    - SoftM France S.à r.l. with its registered office in Oberhausbergen in France (100% subsidiary of Comarch Software und Beratung AG),
- Comarch S.A.S. with its registered office in Lezennes in France (100%),
  - Comarch R&D S.à r.l. with its registered office in Montbonnot-Saint-Martin in France (70.00% votes held by Comarch SAS, 30.00% votes held by Comarch S.A.),
- Comarch Luxembourg S.à r.l. with its registered office in Luxembourg in Luxembourg (100%),
- Comarch, Inc. with its registered office in Rosemont in United States of America (100%),
  - Comarch Panama, Inc. with its registered office in Panama in Panama (100% subsidiary of Comarch, Inc.),
- Comarch Canada, Corp. with its registered office in New Brunswick in Canada (100%),
- Comarch Middle East FZ-LLC with its registered office in Dubai in United Arab Emirates (100%),
- Comarch LLC with its registered office in Kiev in Ukraine (100%),
- OOO Comarch with its registered office in Moscow in Russia (100%),
- Comarch Software (Shanghai) Co. Ltd. with its registered office in Shanghai in China (100%),
- Comarch Vietnam Company Ltd. (Comarch Co., Ltd.) with its registered office in Ho Chi Minh City in Vietnam (100%),
- Comarch Oy with its registered office in Espoo in Finland (100.00%),
- Comarch UK Ltd. with its registered office in London in United Kingdom (100%),
- UAB Comarch with its registered office in Vilnius in Lithuania (100%),
- Comarch s.r.o. with its registered office in Bratislava in Slovakia (100%),
- SouthForge Sp. z o.o. with its registered office in Krakow in Poland (100%),
- CA Consulting S.A. with its registered office in Warsaw in Poland (100%),
- Opso Sp. z o.o. with its registered office in Krakow in Poland (100%),
- Comarch Management Sp. z o.o. with its registered office in Krakow in Poland (100%),
- Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty with its registered office in Krakow in Poland („CCF FIZ”) (Comarch S.A. holds 100% of issued investment certificates),
  - Comarch Management Sp. z o.o. SK-A with its registered office in Krakow in Poland (63.03% votes held by CCF FIZ; 36.97% 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% votes held by CCF FIZ),
  - Bonus Development Sp. z o.o. SK-A with its registered office in Krakow in Poland (100% 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% votes held by CCF FIZ),
  - Comarch Polska S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - iReward24 S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - Infrastruktura24 S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - iComarch24 S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - CASA Management and Consulting Sp. z o.o. SK-A with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
    - A-MEA Informatik AG with its registered office in Arbon in Switzerland (100% votes held by CASA Management and Consulting Sp. z o.o. SK-A.),

- ESAProjekt Sp. z o.o. with its registered office in Chorzow in Poland (100% held by CASA Management and Consulting Sp. z o.o. SK-A.),
  - Comarch Swiss AG with its registered office in Buchs in Switzerland (100% subsidiary of CASA Management and Consulting Sp. z o.o. SK-A)
- MKS Cracovia SSA with its registered office in Krakow in Poland (59.82%).

*(\*) including 2.68% CSuB AG shares borrowed from an entity outside the Comarch Group*

On 31<sup>st</sup> of December, 2012, an 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.

## 20.2. Characteristics of Companies in the Comarch Group

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered office 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 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 Comarch S.A. 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), Comarch Oy and Comarch UK acquire IT contracts in foreign markets and execute them in their entirety or in part;
- SouthForge Sp. z o.o. and Comarch Polska S.A. acquire IT contracts in domestic and 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 Software und Beratung AG is an important provider of ERP and an integrator of IT solutions in Germany. Activities of Comarch Solutions GmbH and Comarch Swiss AG are identical as activities of Comarch Software und Beratung AG;
- A-MEA Informatik AG sells and implements ERP solutions on the Swiss market, including Comarch ERP Enterprise;
- ESAProjekt Sp. z o.o. is a leading Polish producer and IT solution provider for medicine sector;
- Purpose of the Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty is investment activity, through its subsidiaries, in the scope of new technologies and services, as well as investment activities on capital market;
- Comarch Management Sp. z o.o., Comarch Management Sp. z o.o. SK-A, CASA Management and Consulting 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;
- 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, provides medical and diagnostic 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 IT services outsourcing,
- iComarch24 S.A. conducts IT projects related to e-accounting and e-trading, as well as provides accounting services for domestic subsidiaries in the Comarch Group;
- MKS Cracovia SSA is a sport joint stock company;
- Opso Sp. z o.o. provides catering services;

- UAB Comarch is under liquidation proceedings. SoftM France S.à r.l. is under bankruptcy proceeding. Comarch s.r.o. and Comarch Software (Shanghai) Co. Ltd. are currently not operating.

### **PARENT COMPANY**

Company: **Comarch Spółka Akcyjna (joint stock company) COMARCH**  
 Address: 31-864 Kraków, Aleja Jana Pawła II 39 a  
 Regon (Polish National Official Register of Business Entities): 350527377  
 NIP (Polish Identification Tax Number): 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 (1.28%).

The company has branches in Krakow, Warsaw, Poznań, Gdańsk, Wrocław, Katowice, Bielsko-Biała, Łódź, Lublin and Tirana.

### **SUBSIDIARIES**

Company: **Comarch AG (joint stock company) COMARCH**  
 Address: Chemnitzer Str. 59b, 01187 Dresden, Germany  
 VAT ID: DE 206 522075

The company's share capital is EUR 9,000,000.00. It consists of 9,000,000 ordinary bearers' shares of nominal value of EUR 1 each, held by Comarch S.A. In total, Comarch S.A. is entitled to 9,000,000 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 29<sup>th</sup> 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 SAS 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 EUR 7,500 and consists of 750 shares of nominal value of EUR 10 each. Comarch SAS purchased the above-mentioned shares with internal means for the total price of EUR 5,250. 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 29<sup>th</sup> of September, 1994, Comarch R&D S.à r.l. is Comarch S.A.'s subsidiary (through Comarch SAS and directly: 30%).

Company: **Comarch Software und Beratung AG (joint stock company) (Comarch SuB) COMARCH**  
 Address: Messerschmittstr. 4,  
 80992 Munich, Germany  
 VAT ID: DE129457436

Comarch AG holds 6,213,072 shares of Comarch SuB, which constitute 100% of the company's share capital. This gives 6,213,072 or a 100% share of the total votes at the company's annual general meeting. As at the 31<sup>st</sup> of December, 2012, the Comarch SuB Group included: Comarch Solutions GmbH and SoftM France S.à r.l. (under liquidation proceedings). In December, 2012, Comarch SuB AG sold shares in Comarch Swiss AG to CASA Management and Consulting Sp. z o.o. SKA. 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 29<sup>th</sup> 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 S.A. 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 EUR 1,800,000 and consists of 1,800,000 shares of nominal value of EUR 1 each. Comarch SAS creates and implements IT systems. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, Comarch SAS is Comarch S.A.'s subsidiary.

Company: **Comarch Luxembourg S.à r.l. COMARCH**  
 Address: Route d'Arlon 23,  
 L-8008 Strassen,  
 Grand Duchy of Luxembourg  
 VAT ID: LU24700126

Comarch S.A. 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 EUR 500,000 and consists of 500,000 shares of nominal value of EUR 1 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 29<sup>th</sup> 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

The company sells Comarch software and services in the US market. The company's share capital is USD 40,000. 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 29<sup>th</sup> 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 USD 360,000 and is divided into 360,000 shares of nominal value of USD 1 each. The company sells and produces IT systems in the Central and Southern America market. Pursuant to the Act on Accounting dated the 29<sup>th</sup> 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 CAD 50,000 and is divided into 50,000 shares of nominal value of CAD 1 each. The company sells and produces IT systems in the Central and Southern America market. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, Comarch Canada, Corp. is Comarch S.A.'s subsidiary.

Company: **Comarch Middle East FZ-LLC COMARCH**  
 Address: PO. Box 500398 Dubai, United Arab Emirates  
 Building 1, G15  
 Register no.: 19879

The company's share capital is AED 200,000 and is divided into 200 shares of AED 1,000 each (as at 31<sup>st</sup> of December, 2012, AED 1 is worth circa PLN 0.8382). Comarch S.A. purchased all the shares for cash at nominal value. The company sells Comarch products in the Middle East and partially supports IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, Comarch Middle-East FZ-LLC is Comarch S.A.'s subsidiary.

Company: **Comarch LLC COMARCH**  
 Address: 18/7 Kutuzova Str., 01133 Kiev, Ukraine  
 VAT ID: 329182826556

The company's share capital is UAH 20,500 (as at 31<sup>st</sup> of December, 2012, UAH 1 is worth circa PLN 0.3825). 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 29<sup>th</sup> of September, 1994, Comarch LLC is Comarch S.A.'s subsidiary.

Company: **OOO Comarch COMARCH**  
 Address: Prechistensky Pereulok 14 building 1, 119034 Moscow, Russia  
 VAT ID: INN/KPP 7704545099/770401001

The company's share capital is worth RUB 1.2 million and is divided into 1 share of nominal value of RUB 1,200,000 (as at 31<sup>st</sup> of December, 2012, RUB 1 is worth circa PLN 0.1017). 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 29<sup>th</sup> 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 USD 200,000 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 29<sup>th</sup> 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 USD 300,000 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 29<sup>th</sup> 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 EUR 50,000 and is divided into 50,000 shares of nominal value of EUR 1. 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 29<sup>th</sup> of September, 1994, Comarch Oy is Comarch S.A.'s subsidiary.

Company: **UAB Comarch COMARCH**  
 Address: Naugarduko 57, LT-03202 Vilnius, Lithuania  
 Register no.: 300150316

UAB „Comarch” is a limited liability company. The company's share capital was covered with cash and is LTL 70,000 (as at 31<sup>st</sup> of December, 2012, LTL 1 is worth circa 1.1840 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 29<sup>th</sup> of September, 1994, UAB Comarch is Comarch S.A.'s subsidiary. UAB Comarch is under liquidation proceedings.

Company: **Comarch s.r.o. COMARCH**  
 Address: Metodova 7, 851 02 Bratislava, Slovakia

The company's share capital is EUR 149,372.63. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, Comarch s.r.o. is Comarch S.A.'s subsidiary. Activities of Comarch s.r.o. are limited.

Company: **Comarch UK Ltd. COMARCH**  
 Address: One Kingdom Street, Paddington Central, London, W2 6BD  
 VAT ID: GB 133 0821 52

The company's share capital is GBP 50,000. Comarch S.A. holds 100% of the company's shares that entitle to 100% votes. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, Comarch UK is Comarch S.A.'s subsidiary.

Company: **SouthForge Sp. z o.o. (limited liability company) SOUTHFORGE**  
 Address: 31-864 Krakow,  
 Al. Jana Pawła II 41 g  
 Regon (Polish National Official Register of Business Entities): 300075359  
 NIP (Polish Identification Tax Number): 2090000305

The company's share capital is PLN 50,000 and is divided into 500 shares of PLN 100 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 29<sup>th</sup> of September, 1994, SouthForge Sp. z o.o. is Comarch S.A.'s subsidiary.

Company: **CA Consulting S.A. (joint stock company) CA CONSULTING**  
 Address: Al. Jerozolimskie 81, 02-001 Warsaw  
 Regon (Polish National Official Register of Business Entities): 356846563  
 NIP (Polish Identification Tax Number): 678-29-24-039

The company's share capital is PLN 1,050,000 and is divided into 5,250 shares of nominal value of PLN 200 each that give 5,250 votes. Comarch S.A. holds 100% CA Consulting S.A. shares entitling to 100% 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 29<sup>th</sup> of September, 1994, CA Consulting S.A. is Comarch S.A.'s subsidiary.

Company: **Opso Sp. z o.o. (limited liability company)**  
 Address: 31-864 Krakow, Al. Jana Pawła II 41 e  
 Regon (Polish National Official Register of Business Entities): 122485307  
 NIP (Polish Identification Tax Number): 675-147-11-92

The share capital of Opso Sp. z o.o. amounts to PLN 205,000 and consists of 100 shares of nominal value of PLN 2,050 each, entitling to 100 votes. Comarch S.A. holds 100% Opso Sp. z o.o. shares entitling to 100% votes at the AGM of the company. Opso Sp. z o.o. provides catering services. Pursuant to the Act on Accounting dated 29<sup>th</sup> of September, 1994, Opso Sp. z o.o. 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 (Polish National Official Register of Business Entities): 120560832  
 NIP (Polish Identification Tax Number): 675-13-76-192

The share capital of Comarch Management Sp. z o.o. amounts to PLN 200,000.00 and consists of 1,500 shares of nominal value of PLN 100 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 29<sup>th</sup> of September, 1994, Comarch Management Sp. z o.o. is Comarch S.A.'s subsidiary.

Company: **Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty (CCF FIZ) (closed investment fund)**  
 Address: 31-038 Kraków, ul. Księcia Józefa 186  
 Regon (Polish National Official Register of Business Entities): 120576141  
 NIP (Polish Identification Tax Number): 106-00-01-334

Comarch S.A. holds four investment certificates of the fund, purchased within the frame of series A certificates issue for the issue price of PLN 250,000.00 each. The total value of the purchased investment certificates amounted to PLN 1,000,000.00. 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 Krakow, Aleja Jana Pawła II 39 a  
 Regon (Polish National Official Register of Business Entities): 120578542  
 NIP (Polish Identification Tax Number): 675-13-76-542

The share capital of Comarch Management Sp. z o. o. SK-A amounts to PLN 168,868.00 and consists of 168,868 shares of nominal value of PLN 1.00 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 29<sup>th</sup> 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)**

Address: 31-008 Krakow, ul. Rynek Główny nr 15  
Regon (Polish National Official Register of Business Entities): 120641766  
NIP (Polish Identification Tax Number): 676-23-69-528

The company's share capital is PLN 2,865,101 and is divided into 2,865,101 shares of nominal value of PLN 1.00. 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 29<sup>th</sup> 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)**

Address: 31-008 Krakow, ul. Rynek Główny nr 15  
Regon (Polish National Official Register of Business Entities): 120637434  
NIP (Polish Identification Tax Number): 676-23-68-121

The company's share capital is PLN 5,640,000 and is divided into 5,640,000 shares of nominal value of PLN 1. 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 29<sup>th</sup> 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)**

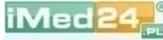
Address: 31-008 Krakow, ul. Rynek Główny nr 15  
Regon (Polish National Official Register of Business Entities): 121358009  
NIP (Polish Identification Tax Number): 6762430883

The company's share capital is PLN 1,523,000 and is divided into 1,523,000 shares of nominal value of PLN 1.0. 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 29<sup>th</sup> 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)**

Address: 31-008 Krakow, ul. Rynek Główny nr 15  
Regon (Polish National Official Register of Business Entities): 121376250  
NIP (Polish Identification Tax Number): 6762432161

The company's share capital is PLN 86,263 and is divided into 86,263 shares of nominal value of PLN 1. 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 29<sup>th</sup> 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 Krakow, Aleja Jana Pawła II 39 a  
Regon (Polish National Official Register of Business Entities): 120652221  
NIP (Polish Identification Tax Number): 675-13-82-502

The company's share capital is PLN 1,750,000 and is divided into 17,500 shares of nominal value of PLN 100.0, 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 29<sup>th</sup> of September, 1994, iMed24 S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **Comarch Polska S.A. (joint stock company)**   
(formerly iFIN24 S.A.)  
Address: 31-864 Krakow, Aleja Jana Pawła II 41g  
Regon (Polish National Official Register of Business Entities): 120705696  
NIP (Polish Identification Tax Number): 675-13-87-586

The company's share capital is PLN 500,000 and is divided into 5,000 shares of nominal value of PLN 100.0, entitling to 5,000 votes. CCF FIZ holds 100.0% of the company's shares (100.0% votes). Comarch Polska S.A. conducts an IT project related to financial services. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, Comarch Polska S.A. is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **iReward24 S.A. (joint stock company)**   
Address: 31-864 Krakow, Aleja Jana Pawła II 39 a  
Regon (Polish National Official Register of Business Entities): 120792583  
NIP (Polish Identification Tax Number): 675-14-02-274

The company's share capital is PLN 750,000 and is divided into 7,500 shares of nominal value of PLN 100.0, 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 29<sup>th</sup> 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 Krakow, Aleja Jana Pawła II 41 d  
Regon (Polish National Official Register of Business Entities): 120807830  
NIP (Polish Identification Tax Number): 675-14-03-084

The company's share capital is PLN 575,000 and is divided into 5,750 shares of nominal value of PLN 100.0, 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 29<sup>th</sup> 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 Krakow, Al. Jana Pawła II 41e  
Regon (Polish National Official Register of Business Entities): 120871348  
NIP (Polish Identification Tax Number): 6751410687

The company's share capital is PLN 500,000 and is divided into 5,000 shares of nominal value of PLN 100.0, 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 the Comarch Group. Pursuant to the Act on Accounting dated the 29<sup>th</sup> 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 Krakow  
Regon (Polish National Official Register of Business Entities): 121040023  
NIP (Polish Identification Tax Number): 6793020643

The company's share capital is PLN 3,085,000 and is divided into 30,850 shares of nominal value of PLN 100.0, 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 29<sup>th</sup> of September, 1994, CASA Management and Consulting Sp. z o.o. SK-A is Comarch S.A.'s subsidiary (through CCF FIZ).

Company: **A-MEA Informatik AG (joint stock company)**  
Address: Postfach 3, Grabenstrasse 2/4, CH-9320 Arbon, Switzerland  
VAT ID: CHE 109.905.586

The company's share capital is CHF 100,000 and is divided into 100,000 registered shares of nominal value of CHF 1 each, entitling to 100,000 votes. CASA Management and Consulting Sp. z o.o. SK-A holds 100.0% of the company's shares. The company sells Comarch Group's products especially on German speaking markets, including Switzerland.

Company: **ESAProjekt Sp. z o.o. (limited liability company)**  
Address: Ul. Długa 1-3, 41-506 Chorzów  
Regon (Polish National Official Register of Business Entities): 277650884  
NIP (Polish Identification Tax Number): 634-244-38-67

The company's share capital is PLN 123,000 and is divided into 50 shares. CASA Management and Consulting Sp. z o.o. SK-A holds 100% of shares in ESAProjekt Sp. z o.o., entitling to 100% of votes. ESAProjekt Sp. z o.o. is a leading Polish producer and IT solution provider for medicine sector.

Company: **Comarch Swiss AG (joint stock company)**  
Address: Bahnhofstrasse 21b, CH-9471 Buchs, Switzerland  
VAT ID: 472274

The company's share capital is CHF 300,000 and is divided into 300 registered shares of nominal value of CHF 1,000 each. They entitle to 300 votes at the general meeting. 100% of the company's shares were held by Casa Management and Consulting sp. z o.o. SKA. The company sells the Comarch Group's products especially on German speaking markets, including Switzerland.

Company: **Miejski Klub Sportowy Cracovia Sportowa Spółka Akcyjna**



Address: 30-111 Kraków, ul. Kałuży 1  
Regon (Polish National Official Register of Business Entities): 351553230  
NIP (Polish Identification Tax Number): 677-20-79-476

The share capital of MKS Cracovia SSA is 18,420,100 PLN and is divided into 184,201 shares. Comarch S.A. holds 110,181 shares or votes at the AGM of MKS Cracovia SSA that constitute 59.82% of the company's share capital. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, MKS Cracovia SSA is Comarch S.A.'s subsidiary.

**ASSOCIATES**

Company: **SolInteractive S.A. (joint stock company)**



Address: al. Jana Pawła II 41 g  
31-864 Krakow

Regon (Polish National Official Register of Business Entities): 120629191

NIP (Polish Identification Tax Number): 676-23-66-843

The company's share capital is PLN 651,000 and is divided into 6,510 shares of nominal value of PLN 100.0, 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 29<sup>th</sup> of September, 1994, SolInteractive S.A. is Comarch S.A.'s associate.

**Fideltronik-Comarch Spółka z ograniczoną odpowiedzialnością (limited liability company)**

The company's share capital is PLN 4,000.00 and is divided into 40 equal and undivided shares of PLN 100 each. Comarch S.A. holds 20 shares of total nominal value of PLN 2,000.00 that constitute 50% of share capital and 50% of votes at the General Meeting. Pursuant to the Act on Accounting dated the 29<sup>th</sup> of September, 1994, Fideltronik-Comarch Sp. z o.o. is an associate of Comarch S.A. The company did not start to operate.

**20.3. Changes in Ownership and Organisational Structure in 2012**

On the 9<sup>th</sup> of January, 2012, the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register registered a company CA Finance Sp. z o.o. On the 19<sup>th</sup> of September, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered a name change of CA Finance Sp. z o.o. to Opso Sp. z o.o., an increase in share capital from PLN 5,000 to PLN 205,000, a change of shareholder from iMed24 S.A. to Comarch S.A. and an extension of activities by catering services.

On the 27<sup>th</sup> of January, 2012, Comarch S.A. announced (current report no. 2/2012 dated the 27<sup>th</sup> 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 either an amount of 2 million CHF (i.e. 7.03 million PLN) or value of A-MEA net equity as of 31<sup>st</sup> of March, 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 on the Swiss market, including Comarch ERP Enterprise.

On the 24<sup>th</sup> of February, 2012, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series E shares (current report no. 3/2012 dated the 27<sup>th</sup> February, 2012 and its correction dated the 29<sup>th</sup> of February, 2012). MKS Cracovia SSA invited Comarch S.A. to purchase 38,631 series E shares of nominal value of 100 PLN. MKS Cracovia SSA invited Comarch S.A. 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 S.A. on the 27<sup>th</sup> of February, 2012. As a consequence of registration of an increase in share capital of MKS Cracovia SSA (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 14<sup>th</sup> of March, 2012; current report no. 5/2012 of 16<sup>th</sup> of March, 2012), Comarch S.A. held 59.82% of votes at the agm of MKS Cracovia SSA.

On the 9<sup>th</sup> 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 15<sup>th</sup> of March, 2012, the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register registered a name change of iFin24 S.A. to Comarch Polska S.A.

On the 20<sup>th</sup> of March, 2012, a company Comarch UK Ltd. with its registered office in London was registered in the Companies House. Capital in the amount of 50,000 GBP was paid in May, 2012.

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

On the 10<sup>th</sup> 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 27<sup>th</sup> 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 to 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.

On the 25<sup>th</sup> of May, 2012, an increase of 50,000 USD in share capital of Comarch Vietnam Company Limited was registered.

On the 20<sup>th</sup> of June, 2012, the District Court for Krakow-Śródmieście in Krakow, XI Economic Division of the National Court Register registered an increase of 50,000 PLN in share capital of Comarch Management Sp. z o.o.

On the 28<sup>th</sup> of June, 2012, an agreement was concluded. Comarch S.A. purchased 30% of Comarch R&D S.à. r.l. shares from a current shareholder for the total price of 100,000 EUR.

On the 30<sup>th</sup> of July, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.25 million PLN to 1.45 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 2,000 new series D shares of nominal value of PLN 100.00 each.

On the 13<sup>th</sup> of August, 2012, general shareholders' meeting of CSuB passed the resolution on purchase of shares from current minority shareholders. This was performed by Comarch AG for payment of EUR 2.95 per share.

On the 17<sup>th</sup> of August, 2012, a fusion of Comarch Schilling GmbH and Comarch SuB AG was registered.

On the 21<sup>st</sup> of August, 2012, there was an increase of PLN 85,000 in share capital of CASA Management and Consulting Sp. z o.o. SK-A by issuance of 850 shares of nominal value of PLN 100 each.

On the 2<sup>nd</sup> of October, 2012, the District Court for Krakow-Śródmieście, XI Economic Division of the National Court Register registered an increase in share capital of iMed24 S.A. from PLN 1,250,000.00 to PLN 1,450,000.00.

On the 5<sup>th</sup> of October, 2012, (RB-15-2012) Comarch Software und Beratung AG ("CSuB") received a notice from the court register in Munich (Amtsgericht Munchen-Registergericht) dated the 2<sup>nd</sup> of October, 2012 registering a resolution of CSuB's general meeting related to transferring CSuB shares from minority shareholders to Comarch AG with its registered office in Dresden, the majority shareholder. In conjunction with the aforementioned, Comarch AG, a subsidiary of Comarch S.A. holds currently 100% of CSuB shares and votes.

On the 29<sup>th</sup> of October, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.45 million PLN to 1.6 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series E shares of nominal value of PLN 100.00 each. The afore-mentioned increase in share capital was registered on the 22<sup>nd</sup> of November, 2012 pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 8<sup>th</sup> of November, 2012, transaction was completed in relation to purchase of Comarch R&D S.à r.l. shares by Comarch SAS from Comarch AG for the amount of 5,250 euro.

On the 13<sup>th</sup> of November, 2012, Comarch Solutions GmbH's office was transferred from Kirchbichl to Innsbruck.

On the 14<sup>th</sup> of December, 2012, Comarch Software und Beratung AG sold 100% of Comarch Swiss AG shares to CASA Management and Consulting Sp. z o.o. SKA.

On the 21<sup>st</sup> of December, 2012, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.6 million PLN to 1.75 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 1,500 new series F shares of nominal value of PLN 100.00 each.

On the 27<sup>th</sup> of December, 2012, an agreement for purchase of 6,230 shares by Comarch Management Sp. z o.o. SK-A from CCF FIZ 6 230 to be redeemed was signed. Purchase price was PLN 237.35 per 1 share.

In the fourth quarter of 2012, Comarch S.A. purchased 1 CA Consulting S.A. share from the previous shareholder. Comarch S.A. holds 100% of shares and votes of CA Consulting S.A.

#### **20.4. Changes in Ownership and Organisational Structure in the Comarch Group after the Balance Sheet Date**

On the 21<sup>st</sup> of January, 2013, CAMS AG with its registered office in Luzern in Switzerland was registered. CASA Management and Consulting Sp. z o.o. SK-A holds 51% of shares.

Between 8<sup>th</sup> and 11<sup>th</sup> of February, 2013, CASA Management and Consulting Sp. z o.o. SK-A paid a second rate in the amount of 300,000 CHF for A-MEA Informatik AG shares purchased in 2012.

On the 12<sup>th</sup> of February, 2013, an increase in iMed24 SA's share capital from 1.6 million PLN to 1.75 million PLN was registered pursuant to a notice from the District Court for Krakow-Śródmieście, the Eleventh Economic Division of the National Court Register.

On the 20<sup>th</sup> of February, 2013, an agreement was signed between Comarch S.A. and MKS Cracovia SSA on the purchase of MKS Cracovia SSA series F shares. MKS Cracovia SSA invited Comarch S.A. to purchase 11,400 series F shares of nominal value of PLN 100. MKS Cracovia SSA invited Comarch S.A. to purchase the afore-mentioned shares for a total issue price of PLN 4,695,774, i.e. for issue price of PLN 411.91 for one series F share. The issue price of the afore-mentioned shares was paid in cash contribution in the amount of PLN 4,695,774 which was made by Comarch S.A. on the 20<sup>th</sup> of February, 2013. As a result of the registration of the increase in MKS Cracovia SSA's share capital (a notice from the District Court for Krakow-Śródmieście in Krakow, the Eleventh Economic Division of the National Court Register, dated the 6<sup>th</sup> of March, 2013; current report no. 6/2013 dated the 14<sup>th</sup> of March, 2013), Comarch S.A. holds 62.16% of votes at the company's general meeting. The company announced details in current report no. 4/2013.

On the 26<sup>th</sup> of March, 2013, extraordinary shareholders' meeting of iMed24 S.A. passed the resolution concerning an increase from 1.75 million PLN to 2.05 million PLN in the company's share capital. The increase in the company's share capital will be performed by issuance of 3,000 new series G shares of nominal value of PLN 100.00 each.

On the 26<sup>th</sup> of March, 2013, a merger between A-MEA Informatik AG and Comarch Swiss AG, and transferring Comarch Swiss AG's office to Luzern in Switzerland were registered.

On the 9<sup>th</sup> of April, 2013, an increase up to 15 million euro in the share capital of Comarch AG was registered.

On the 15<sup>th</sup> of April, 2013, a sole shareholder of Comarch SAS acting through general meeting decided to increase the company's share capital from EUR 1,800,000 to EUR 2,800,000 by issuance of 1,000,000 new shares.

## **21. Transactions Concluded by the Issuer or its Subsidiary with Related Parties on Terms Different from Market Conditions**

None present.

## **22. 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 2012.

## **23. Factors and Events of Unusual Nature that Affect the Group Activities and the Achieved Results, as well as Their Appraisal**

### **23.1. Deferred Income Tax Asset**

Over 2012, the parent company dissolved in part an asset due to activities in the SEZ that was worth 9.904 million PLN and established as at 31<sup>st</sup> of December, 2011. At the same time, the parent company recognised an asset in the amount of 10.055 million PLN (impact on earnings: +0.151 million PLN). During 2012, Group settled in part a deferred tax asset related to temporary differences, that was presented on 31<sup>st</sup> of December, 2011 and worth 5.972 million PLN, as well as an asset due to temporary differences was recognised in the amount of 3.103 million PLN. An asset due to tax loss was dissolved in the amount of 6.194 million PLN and recognised in the amount of 3.192 million PLN. The total effect of the above-mentioned operations on the net result of 2012 was +0.016 million PLN.

### **23.2. Valuation of Currency Translation Differences**

Fluctuations of PLN versus EUR and USD in 2012 had a significant effect on revenue and results of the Comarch Group. Realised exchange differences and balance sheet valuation of exchange differences on receivables and liabilities as of the 31<sup>st</sup> of December, 2012, decreased by 11.18 million PLN revenue and operating result of the Comarch Group. Other exchange differences, mostly on paid non-current loans, increased by 7.07 million PLN Comarch's result. Total currency translation differences resulted in a decrease of 4.11 million PLN in the Comarch Group's net result.

## **24. Changes in Methods of Company Management and Its Capital Group Management**

None present.

## **25. Description of the Main Capital Deposits or the Main Capital Investments Made within the Comarch Group in the Given Year**

They were described in point 12.

## **26. Data Referring to the Agreement Signed with the Entity Entitled to Audit Financial Statements**

On the 1<sup>st</sup> 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 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.

On the 14<sup>th</sup> 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 31<sup>st</sup> of December, 2010,
- b) Auditing the consolidated financial statement for the 12 months ended 31<sup>st</sup> 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:

<b>Types of services</b>		<b>Remuneration (net value)- paid</b>	<b>Remuneration (net value)- due</b>
<b>2012</b>			
<b>Deloitte Audyt Sp. z o.o.</b>			
1	Obligatory audit of annual financial statements for 2012	-	PLN 92,150.00
2	Other certifying services (review of half-year financial statement for H1 2012)	PLN 92,150.00	-
3	Consolidation procedures related to Comarch AG Group and Comarch SuB	PLN 26,325.14	-
4	Obligatory audit of annual financial statements for 2011	PLN 92,150.00	-
<b>BDO Canada LLP</b>			
1	Advisory and legal services related to Comarch Canada, Corp.	EUR 9,595.00	-
<b>2011</b>			
<b>Deloitte Audyt Sp. z o.o.</b>			
1	Other certifying services (review of half-year financial statement for H1 2011)	PLN 92,150.00	-
2	Audits of external Comarch projects	PLN 22,600.00	-
<b>Deloitte Doradztwo Podatkowe Sp. z o.o.</b>			
	Workshops	PLN 1,500.00	-
<b>BDO Sp. z o.o.</b>			
1	Obligatory audit annual of financial statements for 2010	PLN 120,000.00	-
2	Other services (transport costs of BDO Sp. z o.o. employees in relation to review and audit of financial statements of Comarch S.A. for 2010)	PLN 7,182.00	-
<b>BDO Tax &amp; Accounting</b>			
1	Advisory and legal services related to Comarch Luxembourg S.à r.l.	EUR 7,057.25	-
<b>BDO Canada LLP</b>			
1	Advisory and legal services related to Comarch Canada Corp.	CAD 15,432.00	-

## 27. Systems that Control Employees Shares Programmes

None present.

**28. Significant Legal, Arbitration or Administrative Proceedings****28.1. Proceedings Related to Liabilities or Receivables of the Issuer or a Subsidiary, which Value Constitutes at least 10% of Equities**

None present.

**28.2. 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.

Krakow, 30<sup>th</sup> of April, 2013

<b>Janusz Filipiak</b> President of the Management Board	<b>Piotr Piątosza</b> Vice-President of the Management Board	<b>Paweł Prokop</b> Vice-President of the Management Board
<b>Piotr Reichert</b> Vice-President of the Management Board	<b>Zbigniew Rymarczyk</b> Vice-President of the Management Board	<b>Konrad Tarański</b> Vice-President of the Management Board
<b>Marcin Warwas</b> Vice-President of the Management Board		

**REPORT REGARDING THE ACCEPTANCE  
OF CORPORATE GOVERNANCE PRINCIPLES  
IN COMARCH S.A. IN 2012**

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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 4<sup>th</sup> 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 19<sup>th</sup> of May, 2010 (effective from 1<sup>st</sup> of July, 2010), resolution dated 31<sup>st</sup> of August, 2011 (effective from 1<sup>st</sup> of January, 2012), resolution dated 19<sup>th</sup> of October, 2011 (effective from 1<sup>st</sup> of January, 2012) and resolution dated the 21<sup>st</sup> of November, 2012 (effective from 1<sup>st</sup> of January, 2013). Currently binding document may be found at:

[http://www.corp-gov.gpw.pl/assets/library/polish/regulacje/dobre\\_praktyki\\_16\\_11\\_2012.pdf](http://www.corp-gov.gpw.pl/assets/library/polish/regulacje/dobre_praktyki_16_11_2012.pdf)

[http://www.corp-gov.gpw.pl/assets/library/english/regulacje/dobrepraktykien\\_2012.pdf](http://www.corp-gov.gpw.pl/assets/library/english/regulacje/dobrepraktykien_2012.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 30<sup>th</sup> of April, 2012.

## 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 14<sup>th</sup> of December, 2004 fostering an appropriate regime for the remuneration of directors of listed companies (2004/913/EC) and Commission Recommendation of 30<sup>th</sup> 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 14<sup>th</sup> of December, 2004, fostering an appropriate regime for the remuneration of directors of listed companies (2004/913/EC) and Commission Recommendation of 30<sup>th</sup> 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 26% of Comarch SA employees, and 17% 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 30<sup>th</sup> of April, 2013

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	103,167	1.28	140,767	0.94
Other shareholders	4,482,460	55.67	4,481,865	29.78
<b>Total</b>	<b>8,051,637</b>	<b>100.00</b>	<b>15,045,237</b>	<b>100.00</b>

### 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 28<sup>th</sup> 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 31<sup>st</sup> of December, 2012:**

<b>Name and Surname</b>	<b>Position</b>
Elżbieta Filipiak	Chairman of the Supervisory Board
Maciej Brzeziński	Vice-Chairman of the Supervisory Board
Danuta Drobniaak	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

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 31<sup>st</sup> December, 2012:**

<b>Name and surname</b>	<b>Position</b>
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 15<sup>th</sup> of February, 2010 (update of document dated 30<sup>th</sup> 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. In 2012, meetings of the Management Board were 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 29<sup>th</sup> 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 18<sup>th</sup> 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 19<sup>th</sup> 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 29<sup>th</sup> 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 2012 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, 30<sup>th</sup> of April, 2013

<b>Janusz Filipiak</b> President of the Management Board	<b>Piotr Piątosza</b> Vice-President of the Management Board	<b>Paweł Prokop</b> Vice-President of the Management Board
<b>Piotr Reichert</b> Vice-President of the Management Board	<b>Zbigniew Rymarczyk</b> Vice-President of the Management Board	<b>Konrad Tarański</b> Vice-President of the Management Board
<b>Marcin Warwas</b> 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 2012 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, 30<sup>th</sup> of April, 2013

<b>Janusz Filipiak</b> President of the Management Board	<b>Piotr Piątosza</b> Vice-President of the Management Board	<b>Paweł Prokop</b> Vice-President of the Management Board
<b>Piotr Reichert</b> Vice-President of the Management Board	<b>Zbigniew Rymarczyk</b> Vice-President of the Management Board	<b>Konrad Tarański</b> Vice-President of the Management Board
<b>Marcin Warwas</b> Vice-President of the Management Board		