

FINANCIAL SUPERVISION AUTHORITY

CONSOLIDATED ANNUAL REPORT RS 2009

year

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

for financial year 2009 from 2009-01-01 to 2009-12-31
including consolidated annual financial statement according to International Financial Reporting Standards (IFRS)
in currency PLN
date of publication 2010-04-30

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

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

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	2009	2008	2009	2008
I. Net revenues from sales of products, goods and materials	729,403	700,965	168,042	198,456
II. Profit (loss) on operating activities	14,373	45,919	3,311	13,000
III. Gross profit (loss)	18,465	244,521	4,254	69,228
IV. Net profit (loss)	32,306	201,222	7,443	56,970
V. Cash flows from operating activities	87,064	53,861	20,058	15,249
VI. Cash flows from investing activities	-73,425	70,892	-16,916	20,071
VII. Cash flows from financing activities	-26,138	22,224	-6,022	6,292
VIII. Total net cash flows	-12,499	146,977	-2,880	41,612
IX. Total assets	895,106	915,247	217,883	219,357
X. Liabilities and provisions for liabilities	340,790	381,073	82,954	91,332
XI. Non-current liabilities	138,619	158,817	33,742	38,064
XII. Current liabilities	202,171	222,256	49,212	53,268
XIII. Equity	554,316	534,174	134,929	128,026
XIV. Share capital	7,960	7,960	1,938	1,908
XV. Number of shares	7,960,596	7,960,596	7,960,596	7,960,596
XVI. Earnings (losses) per single share (PLN/EURO)	4.06	25.01	0.94	7.08
XVII. Diluted earnings (losses) per single share (PLN/EURO)	4.01	25.01	0.92	7.08
XVIII. Book value per single share (PLN/EURO)	69.63	67.10	16.95	16.08
XIX. Diluted book value per single share (PLN/EURO)	68.86	67.10	16.76	16.08

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 01.01.2009 to 31.12.2009: 4.3406;
 - arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2008 to 31.12.2008: 3.5321;
 The balance sheet items were presented based on NBP average exchange rates as of the end of the period:
 - 31.12.2009: 4.1082;
 - 31.12.2008: 4.1724.

ANNUAL REPORT INCLUDES:

File	Description
Comarch_2009_consolidated_Opinion.pdf	Opinion of an Auditor entitled to Audit Financial Statements – attachment no. 1
Comarch_2009_consolidated_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
2010-04-30	Janusz Filipiak	President of the Management Board	
2010-04-30	Piotr Piątosza	Vice-President of the Management Board	
2010-04-30	Paweł Prokop	Vice-President of the Management Board	
2010-04-30	Piotr Reichert	Vice-President of the Management Board	
2010-04-30	Zbigniew Rymarczyk	Vice-President of the Management Board	
2010-04-30	Konrad Tarański	Vice-President of the Management Board	
2010-04-30	Marcin Warwas	Vice-president of the Management Board	

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS

Date	Name and surname	Position	Signature
2010-04-30	Maria Smolińska	Head Accountant	

Krakow, 30th of April, 2010

Dear Shareholders,

ComArch S.A. has yet again achieved highly favorable results and has also increased its level of activity, despite a very difficult year for both the Polish and global economy. In 2009, revenue from sales of the Comarch Group increased by 4% and amounted to 729.4 million PLN. The Group achieved extremely positive financial results for sales of core proprietary products and services. A decrease in EBIT margin from 6.6 % to 2 % was mainly due to restructuring of German subsidiary company SoftM Software und Beratung AG, conducted in 2009, and also due to the costs incurred through developing new and innovative IT projects. In 2009, the operating profit of the Comarch Group amounted to 14.4 million PLN, and net profit attributable to the company's shareholders reached 32.3 million PLN.

2009 also saw the Comarch Group continue to pursue its long-term growth strategy based on proprietary products and development of foreign activity. The Comarch brand is renowned both domestically and internationally and is associated with technologically advanced IT systems, high quality services and a professional customer-focused approach. Comarch systems support customers from various branches in dozens of countries not only in Poland and Europe, but also in both the Americas and in the Middle East. The company's strategic guidelines for the coming year include the strengthening of the company's market position as a global provider of IT products and services for international corporations. To achieve this, the company plans to make significant capital and infrastructure investment and continue to intensify marketing operations, especially within the DACH region (Germany, Austria and Switzerland). In 2009 the Comarch Group commenced business operations within the promising Asian market (China and Vietnam). The Comarch Group is one of the largest IT enterprises on the domestic market and pursues a large number of projects in all sectors of the economy. The new business acquired by the company over the course of 2009 consists mainly of contracts with telecommunication enterprises (with an increase of 29.2% in revenue and including the execution of contracts with Vodafone, T-Mobile, O2, Nokia and KPN), and this trend will continue into the following year.

The Comarch Group has placed great emphasis on its investment in human resources, in the most advanced technologies and in novel and innovative products to secure and maintain a long-term competitive advantage. Expenditure on research and development has now exceeded 8% of sales revenue, which has been financed both by proactively seeking out European funds and from the company's own resources. These investments allow Comarch to strengthen and restrengthen its market position among companies from the IT domain and assert its identity as a technologically advanced engineering company with a portfolio of its own, unique products.

One of the most important operations for the Comarch Group in 2009 was the completion of the acquisition of German ERP software producer SoftM Software und Beratung AG, as well as its successful restructuring. Thanks to cooperation with SoftM, ComArch S.A. is now able to target a wide group of customers with its comprehensive product offer on the strategically important markets of the DACH region. It also enabled speeding up research and development works related to new IT products dedicated to international customers. This will go a very long way to securing the continued, dynamic growth of the company on foreign markets for the foreseeable future.

In 2009 Comarch continued to expand its production resources. At the beginning of 2009, the fourth conference and office building in the Krakow Special Economic Zone was completed and rendered ready for use. In the fourth quarter of 2009, works on the fifth office and production building were commenced. Works on the construction of new offices for the German subsidiary in Dresden have also been initiated. Following the completion of this investment, Comarch S.A. will be equipped with high quality workspace enabling seamless execution of IT projects, and which will foster an increase in the number of such projects in the future.

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

Professor Janusz Filipiak
President of the Management Board
ComArch S.A.

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2009

All amounts are expressed in thousands of PLN unless otherwise indicated

I.	Consolidated Balance Sheet	- 2 -
II.	Consolidated Income Statement.....	- 3 -
III.	Total Income Consolidated Statement	- 3 -
IV.	Consolidated Statement of Changes in Shareholders' Equity.....	- 4 -
V.	Consolidated Cash Flow Statement	- 5 -
VI.	Supplementary Information	- 6 -
1.	Information about Group Structure and Activities.....	- 6 -
1.1	Organisational Structure of Comarch Group	- 6 -
1.2	Changes in Ownership and Organisational Structure in 2009	- 7 -
1.3	Changes in Ownership and Organisational Structure after the Balance Sheet Date.....	- 9 -
1.4	Activities Structure in Comarch Group.....	- 9 -
2.	Description of the Applied Accounting Principles	- 10 -
2.1	Methods of Valuation of Assets and Liabilities and the Determination of Financial Results	- 11 -
2.2	Recognition of Revenues and Costs	- 19 -
2.3	Financial Risk Management	- 20 -
2.4	New Standards and IFRIC Interpretations.....	- 22 -
3.	Notes to the Consolidated Financial Statement	- 25 -
3.1	Approving the Financial Statement for 2008	- 25 -
3.2	Segment Information	- 25 -
3.3	Property, Plant and Equipment.....	- 29 -
3.4	Goodwill	- 31 -
3.5	Other Intangible Assets	- 33 -
3.6	Non-Current Prepayments.....	- 34 -
3.7	Investment in Associates	- 35 -
3.8	Inventories	- 36 -
3.9	Categories and Classes of Financial Instruments	- 36 -
3.10	Available-for-Sale Financial Assets	- 39 -
3.11	Derivative Financial Instruments.....	- 39 -
3.12	Trade and Other Receivables.....	- 40 -
3.13	Cash and Cash Equivalents	- 40 -
3.14	Assets Classified as Designated-for-Sale	- 40 -
3.15	Share Capital	- 41 -
3.16	Other Capitals	- 46 -
3.17	Trade and Other Payables.....	- 46 -
3.18	Long-term Contracts	- 47 -
3.19	Credits and Loans.....	- 47 -
3.20	Contingent Liabilities.....	- 49 -
3.21	Deferred Income Tax	- 51 -
3.22	Provisions for Other Liabilities and Charges	- 54 -
3.23	Revenues from Sales	- 54 -
3.24	Costs of Products, Services, Goods and Materials Sold.....	- 55 -
3.25	Other Operating Revenues.....	- 55 -
3.26	Other Operating Costs.....	- 56 -
3.27	Finance Costs – Net	- 56 -
3.28	Income Tax	- 56 -
3.29	Net Foreign Exchange (Looses) /Gains.....	- 57 -
3.30	Earnings per Share	- 58 -
3.31	Related-Party Transactions	- 58 -
3.32	Value of Remuneration of the Managing and Supervising Persons in 2009 and in 2008	- 59 -
3.33	Information About Shareholders and Shares Held by Members of the Management Board and the Board of Supervisors	- 61 -
3.34	Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results	- 61 -
3.35	Events after the Balance Sheet Date.....	- 62 -
3.36	Significant Legal, Arbitration or Administrative Proceedings	- 63 -

I. Consolidated Balance Sheet

	Note	31 December 2009	31 December 2008
ASSETS			
Non-current assets			
Property, plant and equipment	3.3	256,306	257,137
Goodwill	3.4	42,697	26,328
Other intangible assets	3.5	84,656	98,666
Non-current prepayments	3.6	8,089	8,350
Investments in subsidiaries		-	-
Investments in associates	3.7	447	1,252
Other investments		106	106
Deferred income tax assets	3.21	19,633	12,713
Other receivables		1,745	1,741
		413,679	406,293
Current assets			
Inventories	3.8	33,008	29,551
Trade and other receivables	3.12	221,901	244,645
Current income tax receivables		382	240
Long-term contracts receivables	3.18	8,507	12,191
Available-for-sale financial assets	3.10	10,291	129
Other financial assets at fair value – derivative financial instruments	3.11	398	-
Cash and cash equivalents	3.13	204,075	219,333
		478,562	506,089
Assets designated for sale	3.14	2,865	2,865
TOTAL ASSETS		895,106	915,247
EQUITY			
Capital and reserves attributable to the company's equity holders			
Share capital	3.15	7,960	7,960
Other capitals	3.16	137,798	134,818
Exchange differences	3.29	10,684	4,894
Net profit for the current period		32,306	199,126
Retained earnings		348,522	149,396
		537,270	496,194
Minority interest	3.16	17,046	37,980
Total equity		554,316	534,174
LIABILITIES			
Non-current liabilities			
Credit and loans	3.19	82,823	94,400
Other liabilities	3.17	-	-
Deferred income tax liabilities	3.21	53,498	59,959
Provisions for other liabilities and charges	3.22	2,298	4,458
		138,619	158,817
Current liabilities			
Trade and other payables	3.17	174,951	177,171
Current income tax liabilities		1,347	6,111
Long-term contracts liabilities	3.18	7,653	5,730
Credit and loans	3.19	12,899	26,794
Financial liabilities		-	97
Provisions for other liabilities and charges	3.22	5,321	6,353
		202,171	222,256
Total liabilities		340,790	381,073
TOTAL EQUITY AND LIABILITIES		895,106	915,247

II. Consolidated Income Statement

	Note	12 months ended 31 December 2009	12 months ended 31 December 2008
Revenue	3.23	729,403	700,965
Cost of sales	3.24	(590,718)	(551,021)
Gross profit		138,685	149,944
Other operating income	3.25	8,236	2,287
Sales and marketing costs		(70,794)	(49,238)
Administrative expenses		(51,849)	(46,793)
Other operating expenses	3.26	(9,905)	(10,281)
Operating profit		14,373	45,919
Finance revenue/(costs)-net	3.27	4,562	198,644
<i>Including:</i>			
<i>Result on sales of INTERIA.PL S.A. shares</i>		-	188,900
<i>Other</i>		4,562	9,744
Share of profit/(loss) of associates	3.7	(470)	(42)
Profit before income tax		18,465	244,521
Income tax expense	3.28	7,969	(43,299)
Net profit for the period		26,434	201,222
Attributable to:			
Equity holders of the company		32,306	199,126
Minority interest	3.16	(5,872)	2,096
		26,434	201,222
Earnings per share for profit attributable to the equity holders of the company during the period (expressed in PLN per share)			
– basic	3.30	4.06	25.01
– diluted		4.01	25.01

III. Total Income Consolidated Statement

	12 months ended 31 December 2009	12 months ended 31 December 2008
Net profit (loss) for the period	26,434	201,222
Other total income		
Currency translation differences from currency translation in related parties	6,261	4,572
Other total income	6,261	4,572
Sum of total income for the period	32,695	205,794
Attributable to the company's shareholders	38,096	203,698
Attributable to the minority	(5,401)	2,096

IV. Consolidated Statement of Changes in Shareholders' Equity

	Attributable to equity holders					Minority interest	Total equity
	Share capital	Other capitals	Exchange differences	Net profit for the current period	Retained earnings		
Balance at 1 January 2008	7,960	128,875	321	42,770	106,626	14,228	300,780
Transferring result for 2007	-	-	-	(42,770)	42,770	-	-
Capital from valuation of the managerial option	-	5,943	-	-	-	-	5,943
Capital from acquisition of SoftM Software und Beratung AG	-	-	-	-	-	21,554	21,554
Increase in capital	-	-	-	-	-	102	102
<i>Currency translation differences¹</i>	-	-	4,573	-	-	-	4,573
<i>Profit for the period²</i>	-	-	-	199,126	-	2,096	201,222
Total income recognised in equity (1+2)	-	-	4,573	199,126	-	2,096	205,795
Balance at 31 December 2008	7,960	134,818	4,894	199,126	149,396	37,980	534,174
Balance at 1 January 2009	7,960	134,818	4,894	199,126	149,396	37,980	534,174
Transferring result for 2008	-	-	-	(199,126)	199,126	-	-
Capital from valuation of the managerial option	-	2,980	-	-	-	-	2,980
Purchase of additional SoftM shares	-	-	-	-	-	(15,533)	(15,533)
<i>Currency translation differences¹</i>	-	-	5,790	-	-	471	6,261
<i>Profit for the period²</i>	-	-	-	32,306	-	(5,872)	26,434
Total income recognised in equity (1+2)	-	-	5,790	32,306	-	(5,401)	32,695
Balance at 31 December 2009	7,960	137,798	10,684	32,306	348,522	17,046	554,316

V. Consolidated Cash Flow Statement

	12 months ended 31 December 2009	12 months ended 31 December 2008
Cash flows from operating activities		
Net profit	26,434	201,222
Total adjustments	69,926	(144,123)
Share in net (gains) losses of related parties valued using the equity method of accounting	470	56
Depreciation	41,845	20,058
Exchange gains (losses)	(1,898)	7,299
Interest and profit-sharing (dividends)	5,337	5,486
(Profit) loss on investing activities	(13,445)	(157,189)
Change in inventories	(738)	5,559
Change in receivables	55,157	(20,436)
Change in liabilities and provisions excluding credits and loans	(20,783)	(10,888)
Other adjustments	3,981	5,932
Net profit less total adjustments	96,360	57,099
Income tax paid	(9,296)	(3,238)
Net cash used in operating activities	87,064	53,861
Cash flows from investing activities		
Purchase of assets in an associate	-	(4,000)
Purchase of assets in a subsidiary	-	(30,260)
Purchases of property, plant and equipment	(26,684)	(90,372)
Proceeds from sale of property, plant and equipment	1,128	2,635
Purchases of intangible assets	(9,849)	(6,747)
Purchases of available-for-sale financial assets	(39,510)	(12,309)
Proceeds from sales of available-for-sale financial assets	1,137	206,702
Granted non-current loans	-	(1,635)
Interest	869	1,569
Other proceeds from financial assets	-	5,309
Other investment proceeds	26	-
Other investment outflows	(542)	-
Net cash used in investing activities	(73,425)	70,892
Cash flows from financing activities		
Proceeds from equity issue	2,850	102
Proceeds from credits and loans	5,647	32,607
Repayments of credits and loans	(30,248)	(4,189)
Interest	(4,416)	(6,353)
Other financial proceeds	29	57
Net cash (used in)/generated from financing activities	(26,138)	22,224
Net change in cash, cash equivalents and bank overdrafts	(12,499)	146,977
Cash, cash equivalents and bank overdrafts at beginning of the period	217,409	66,362
Positive (negative) exchange differences in cash and bank overdrafts	(1,163)	4,070
Cash, cash equivalents and bank overdrafts at end of the period	203,747	217,409
- including limited disposal	164	1,224

VI. Supplementary Information

1. Information about Group Structure and Activities

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

1.1 Organisational Structure of Comarch Group

On 31st of December, 2009, 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 seat in Krakow,
- ComArch Software AG with its registered seat in Dresden (100.00 %),
 - ComArch Software S.A.R.L. with its registered seat in Lille in France (100.00 % subsidiary of ComArch Software AG),
 - ComArch R&D S.A.R.L. with its registered seat in Montbonnot-Saint-Martin in France (70.00 % votes held by ComArch Software AG),
 - SoftM Software und Beratung AG with its registered seat in Munich in Germany (80.89 % subsidiary of ComArch Software AG),
 - Comarch Solutions GmbH with its registered seat in Munich in Germany (100.00 % subsidiary of SoftM Software und Beratung AG),
 - Comarch Schilling GmbH with its registered seat in Bremen in Germany (100.00 % subsidiary of SoftM Software und Beratung AG),
 - Comarch Systemintegration GmbH with its registered seat in Munich in Germany (100.00 % subsidiary of SoftM Software und Beratung AG),
 - Comarch Solutions GmbH with its registered seat in Vienna in Austria (100.00 % subsidiary of SoftM Software und Beratung AG),
 - SoftM France S.A.R.L. with its registered seat in Oberhausbergen in France (100.00 % subsidiary of SoftM Software und Beratung AG),
 - Solitas Informatik AG with its registered seat in Buchs in Switzerland (100.00 % subsidiary of SoftM Software und Beratung AG),
- SoftM Polska Sp. z o.o. with its registered seat in Poznań in Poland (100.00 %),
- ComArch, Inc. with its registered seat in Chicago in United States of America (100.00 %),
 - ComArch Panama, Inc. with its registered seat in Bella Vista-Panama in Panama (100.00 % subsidiary of ComArch, Inc.),
- ComArch Middle East FZ-LCC with its registered seat in Dubai in United Arab Emirates (100.00 %),
- ComArch LLC with its registered seat in Kiev in Ukraine (100.00 %),
- OOO ComArch with its registered seat in Moscow in Russia (100.00 %),
- Comarch Software (Shanghai) Co. Ltd. with its registered seat in Shanghai in China (100.00 %),
- UAB ComArch with its registered seat in Vilnius in Lithuania (100.00 %),
- ComArch s.r.o. with its registered seat in Bratislava in Slovakia (100.00 %),
- CA Services S.A. with its registered seat in Krakow in Poland (99.90 %),
- ComArch Management Spółka z o. o. (limited liability company) with its registered seat in Krakow in Poland (100.00 %),
- ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty (closed investment fund)("CCF FIZ") with its registered seat in Krakow in Poland (ComArch S.A. holds 100.00 % of issued investment certificates),
 - ComArch Management Spółka z o. o. Spółka Komandytowo-Akcyjna (limited partnership and joint-stock company) with its registered seat in

Krakow in Poland (79.55 % votes held by CCF FIZ; 20.45 % votes held by ComArch S.A.; shares purchased by ComArch Management Spółka z o. o. SK-A to be redeemed doesn't give any votes),

- Bonus Management Sp. z o.o. Spółka Komandytowo-Akcyjna (limited partnership and joint-stock company) with its registered seat in Krakow in Poland (97.59 % votes held by CCF FIZ),
 - Bonus Development Sp. z o.o. Spółka Komandytowo-Akcyjna (limited partnership and joint-stock company) with its registered seat in Krakow in Poland (98.25 % votes held by CCF FIZ),
 - iMed24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
 - iFIN24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
 - iReward24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
 - Infrastruktura24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
 - iComarch24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
 - CASA Management and Consulting Sp. z o.o. SK-A with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
- MKS Cracovia SSA with its registered seat in Krakow in Poland (49.15 %).

Associates of the dominant unit are:

- through SoftM Software und Beratung AG:
 - KEK Anwendungssysteme GmbH with its registered seat in Munich in Germany (30.00 % votes held by SoftM Software und Beratung AG),
- through ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty:
 - SolInteractive Sp. z o.o. with its registered seat 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 2009

1.2.1. Takeover Offer of Shares of SoftM Software und Beratung AG

On the 2nd of February, 2009, a mandatory takeover offer of shares of SoftM Software und Beratung AG, launched on 22nd of December, 2008 was completed. As a result of this offer, ComArch Software AG purchased 1,991,777 shares of the company for 3.45 EUROS per share, i.e. for a total sum of 6,871,630.65 EUROS. As at the date of preparing the quarterly financial report, ComArch Software AG holds 5,241,777 shares of SoftM Software und Beratung AG, which constitute 80.89 % of the company's share capital. This gives 5,241,777 or an 80.89 % share of the total votes at the company's annual general meeting.

ComArch Software AG purchased the above-mentioned shares with internal means and loans acquired in 2008 and 2009 via internal means of ComArch S.A. and ComArch Middle East LLC.

On 28th of January, 2009, ComArch S.A. concluded with a subsidiary, ComArch Software AG, a contract for a loan of 2 million EURO. This loan has a variable interest rate based on the LIBOR for EURO index. A promissory note issued by ComArch Software AG is security for this credit. The crediting period may last until the 28th of January, 2010.

On 21st of January, 2009, ComArch Middle East concluded with a subsidiary, ComArch Software AG, a contract for a loan of 1.1 million EURO. This loan has a variable interest rate based on the LIBOR for EURO index. A promissory note issued by ComArch Software AG is security for this credit. The crediting period may last until the 21st of January, 2010.

1.2.2. Other Changes

On the 31st of July, 2009, ComArch S.A. purchased 500 shares (nominal value of 100 PLN each) in SoftM Polska Sp. z o.o. (Limited liability company) with its registered seat in Poznań, Poland for the total amount of 298,300.00 PLN. The acquisition was carried out in relation to a contract concluded with SoftM Software und Beratung AG, with its registered seat in

Munich.

In the second quarter of 2009, the following subsidiary of Comarch Corporate Finance FIZ was registered: iCDN24 SA. It conducts an IT project related to financial and accountancy services. In the third quarter of 2009, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a name change for iCDN24 S.A. to iComarch24 S.A.

Due to the ongoing recession in the current year on the IT market within the DACH region, in combination with the negative results of SoftM Software und Beratung AG in the first half of 2009, the Management Board of SoftM has been executing a restructuring programme in the second half of 2009 named DASD (Decentralization of organization, lean Administration, Sales driven organization, Development increase). The programme comprises adjusting the SoftM's cost structure to the current level of revenue, simplification of the organisational structure and an increase in the responsibility of business units and the continuation of investment in the development of new software.

On the 17th of September, 2009, the District Court for Munich (Handelsregister B des Amtsgerichts Munchen-Registergericht) registered a name change for SoftM Systemintegration GmbH to Comarch Systemintegration GmbH.

On the 21st of September, 2009, the District Court for Munich (Handelsregister B des Amtsgerichts Munchen-Registergericht) registered a name change for SoftM Solutions GmbH to Comarch Solutions GmbH.

On the 23rd of September, 2009, the District Court for Bremen (Handelsregister B des Amtsgerichts Bremen) registered a name change for Schilling Software GmbH with its registered seat in Bremen to Comarch Schilling GmbH.

On the 25th of September, 2009, the Commercial Court for Vienna (Handelsgericht Wien) registered a name change for SoftM Software und Beratung GmbH with its registered seat in Vienna to Comarch Solutions GmbH. SoftM Software und Beratung GmbH, with its registered seat in Vienna, is a result of a merger by acquisition of SoftM Solutions GmbH, with its registered seat in Kirchbichl, by SoftM Software und Beratung GmbH, with its registered seat in Vienna. This was registered on the 11th of August, 2009 by the Commercial Court for Vienna (Handelsgericht Wien).

In the third quarter of 2009, there was a merger of SoftM Software und Beratung Schweiz AG with its registered seat in Buchs in Switzerland and Solitas Informatik AG with its registered seat in Buchs in Switzerland as well as a merger of SoftM Software und Beratung Münster GmbH with its registered seat in Münster in Germany, SoftM Semiramis GmbH & Co. KG with its registered seat in Hanover in Germany and SoftM Software und Beratung AG with its registered seat in Munich.

In the third quarter of 2009, SoftM Software und Beratung AG sold shares (100.0 %) in a subsidiary, SoftM Czech Republic s.r.o. with its registered seat in Pilsen in Czech Republic and in an associate, d.velop (Schweiz) AG (49.0 %) with its registered seat in Buchs in Switzerland.

With the notice dated the 9th of September, 2009, the State Enterprise Centre of Registers with its registered seat in Vilnius, Lithuania (Valstybes Imones Registru Centro Vilniaus Filialo Juridiniu Asmenu Registravimo Skyrius - Vilnius Branch Legal Persons Registration Department) opened liquidation proceedings in UAB ComArch with its registered seat in Vilnius, Lithuania. According to the shareholders' decision, Ms. Asta Macijauskiene became the liquidator of the company. The decision to liquidate is part of a restructuring process related to foreign activity of the Comarch Group.

In the third quarter of 2009, Comarch Software (Shanghai) Co. Ltd. was registered.

In the third quarter of 2009, ComArch Management Spółka z o. o. Spółka Komandytowo-Akcyjna with its registered seat in Krakow purchased 139,005 own shares from ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty to be redeemed.

In the third quarter of 2009, ComArch S.A. acquired shares in CASA Management and Consulting Sp. z o.o. SKA. On the 12th of October, 2009, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a company, CASA Management and Consulting Sp. z o.o. SKA.

On the 5th of October, 2009, District Court for Dresden (Handelsregister B des Amtsgerichts Dresden) registered a name change for ComArch Software AG to ComArch AG.

On the 17th of November, 2009 a name change for Sodigital Sp. z o.o. to SolInteractive Sp. z o.o. was registered.

In the fourth quarter of 2009, ComArch Management Spółka z o. o. Spółka Komandytowo-Akcyjna with its registered seat in Krakow purchased 1,545 own shares from CCF FIZ to be redeemed.

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

On the 5th of January, 2010, a company, COMARCH VIETNAM COMPANY LIMITED (COMARCH CO., LTD) with its registered seat in Ho Chi Minh City in Vietnam.

On the 11th of February, 2010, SoftM Software und Beratung AG sold all its shares in an associate, KEK Anwendungssysteme GmbH.

On the 19th of March, 2010, ComArch S.A. purchased shares in ComArch Software SARL in Lille from ComArch AG for 15,000 EURO.

On the 24th of March, 2010, the Annual General Meeting of ComArch AG shareholders passed a resolution on an increase of 2,441,620 Euro in share capital by way of emission of 2,441,620 shares of nominal and issue price of 1 Euro each. 1,441,620 shares were purchased by ComArch S.A. and 1,000,000 shares were purchased by the investment fund Vintage Investment Holding S.A. with its registered seat in Luxemburg.

On the 20th of April, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered name and seat changes from CA Services S.A. with its registered seat in Krakow to CA Consulting S.A. with its registered seat in Warsaw.

1.4 Activities Structure in Comarch Group

The structure of activities of the Comarch Group is as follows: the dominant entity acquires the majority of contracts and in large part executes them. ComArch Software AG, ComArch Software S.A.R.L., ComArch R&D S.A.R.L., ComArch, Inc., ComArch Panama, Inc., ComArch Middle East FZ-LCC, ComArch LLC, OOO ComArch, Comarch Software (Shanghai) Co. Ltd and Comarch Co. Ltd acquire contracts in foreign markets and execute them in their entirety or in part. CA Services S.A. specialises in data communications relating to the provision of connections for the own needs of the Comarch Group and for contracts executed by Comarch, as well as the provision of outsourcing services. The subject matter of activities of ComArch Management Sp. z o.o., ComArch Management Sp. z o.o SK-A and Bonus Management Sp. z o.o. SK-A are activities related to IT. Purpose of the ComArch Corporate Finance FIZ is investment activity in the scope of new technologies and Internet services that are not ComArch S.A.'s basic activities. The subject matter of activities of Bonus Development Sp. z o.o. SK-A are activities related to real estates in Comarch. iMed24 S.A. conducts an IT project related to telemedicine (EHR - Electronic Health Record management). iFIN24 S.A. conducts an IT project related to financial services. iReward24 S.A. produces and implements loyalty software for the customers in small and medium sized enterprises. Infrastruktura24 S.A. offer services related to Data Centre for the customers in small and medium sized enterprises. iComarch24 S.A. provides accounting services for domestic subsidiaries in Comarch Group. CASA Management and Consulting Sp. z o.o. SK-A will conduct investment activity on capital market. SoftM Polska Sp. z o.o. acquires and executes contracts related to SoftM software on Polish market. UAB ComArch is under liquidation proceedings. Activities of ComArch s.r.o. are limited.

SoftM Software und Beratung AG is a leading provider and an integrator of IT solutions in Germany (especially for small and medium-sized industry). Activities of other companies in the SoftM Group, i.e. Comarch Solutions GmbH with its registered seat in Munich, Comarch Schilling GmbH with its registered seat in Bremen, Comarch Systemintegration GmbH with its registered seat in Munich, Comarch Solutions GmbH with its registered seat in Vienna, SoftM France S.A.R.L. with its registered seat in Oberhausbergen, Solitas Informatik AG with its registered seat in Buchs are identical as activities of SoftM Software und Beratung AG. MKS

Cracovia SSA is a sport joint stock company.

2. Description of the Applied Accounting Principles

This consolidated financial statement for the 12 months ended the 31st of December, 2009 was prepared pursuant to the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and interpretations published by the Committee for Interpretation of International Financial Reporting, as approved by the European Union.

This financial statement was prepared pursuant to the historical cost principle with the exception of those items that are appraised in another way pursuant to these principles.

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

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

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

The consolidated financial statement of the Comarch Group for the 12 months ended the 31st of December, 2009 comprises the financial statements of the following companies:

	Relationship	Consolidation method	% interest held by ComArch S.A. in a subsidiary's share capital
ComArch S.A.	dominant unit	full	
ComArch AG	subsidiary	full	100.00 %
ComArch Software S.A.R.L.	subsidiary	full	100.00 % held by ComArch AG
ComArch R&D S.A.R.L.	subsidiary	full	70.00 % held by ComArch AG
SoftM Software und Beratung AG	subsidiary	full	80.89 % held by ComArch AG
Comarch Solutions GmbH (Munich)	subsidiary	full	100.00 % held by SoftM Software und Beratung AG
Comarch Schilling GmbH	subsidiary	full	100.00 % held by SoftM Software und Beratung AG
Comarch Systemintegration GmbH	subsidiary	full	100.00 % held by SoftM Software und Beratung AG
Comarch Solutions GmbH (Vienna)	subsidiary	full	100.00 % held by SoftM Software und Beratung AG
SoftM France S.A.R.L.	subsidiary	full	100.00 % held by SoftM Software und Beratung AG
Solitas Informatik AG	subsidiary	full	100.00 % held by SoftM Software und Beratung AG
SoftM Polska Sp. z o.o.	subsidiary	full	100.00 %
ComArch, Inc.	subsidiary	full	100.00 %

COMARCH CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR 2009

All amounts are expressed in thousands of PLN unless otherwise indicated

ComArch Panama, Inc.	subsidiary	full	100.00 % held by ComArch, Inc.
ComArch Middle East FZ-LCC	subsidiary	full	100.00 %
ComArch LLC	subsidiary	full	100.00 %
OOO ComArch	subsidiary	full	100.00 %
Comarch Software (Shanghai) Co. Ltd.	subsidiary	full	100.00 %
UAB ComArch	subsidiary	full	100.00 %
ComArch s.r.o.	subsidiary	full	100.00 %
CA Services S.A.	subsidiary	full	99.90 %
ComArch Management Sp. z o.o.	subsidiary	full	100,00 %
ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty	subsidiary	full	100.00 % in total number of investment certificates
ComArch Management Sp. z o.o. SK-A	subsidiary	full	48.05 % held by CCF FIZ, 12.35 % held by ComArch S.A., 39.6 % purchased by ComArch Management Sp. z o.o. SK-A to be redeemed
Bonus Management Sp. z o.o. SK-A	subsidiary	full	98.78 % held by CCF FIZ
Bonus Development Sp. z o.o. SK-A	subsidiary	full	99.12 % held by CCF FIZ
iMed24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
iFin24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
iReward24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
Infrastruktura24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
iComarch24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
CASA Management and Consulting Sp. z o.o. SK-A	subsidiary	full	100.00 % held by CCF FIZ
MKS Cracovia SSA*	subsidiary	full	49.15 %

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

Financial data presented in the income statement for 2008 include financial data for December 2008, when considering companies of the SoftM Group.

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

2.1.1 Segment Reporting

The Comarch Capital Group conducts reporting based on segments according to IFRS 8 "Operating Segments" published on 30th of November, 2006; effective for reporting periods on or after 1st of January, 2009. This standard replaced IAS 14 "Segment Reporting". Operating

segments were specified based on internal reports related to components of an entity whose operating results are reviewed regularly by the entity's chief operating decision maker in order to make decisions about resources to be allocated to the segment and to assess its performance.

In the Comarch Group, the business segments are basic type of operating segments, and geographical segments are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities: the sale of IT systems (hereinafter referred to as the "IT segment") and professional sports (hereinafter referred to as the "sport segment"; MKS Cracovia SSA), activity in relation with economic use of Internet (hereinafter referred to as the "Internet Segment") and Comarch's real estate management (this activity is restricted in scope and has therefore not been allocated a separate category). The IT segment has a dominant share in sales revenues, profits and assets. The IT segment is divided into the DACH market, Polish market and other markets according to the specific character of the activity in the segment.

The Group's activity is neither subject to any significant seasonal fluctuations nor cyclical trends.

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.

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 SoftM Group within the Financial Statement

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

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. 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 SSA Cracovia 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 SSA Cracovia through initiatives that include:

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

Intangible assets purchased as a result of the acquisition of the SoftM 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 2009, the SoftM Group budget for 2010 and the forecast for 2011-2014, 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 SoftM 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. Impairment losses on goodwill are not reversed. 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 group number I), 30 % (for group number IV) and 20 % (for groups no. VII and VIII). 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. 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 liabilities (reductions of the unpaid balance of liabilities) and finance charges. 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 perpetual usufruct rights for land used by the ComArch S.A. dominant unit. It has a defined useful life, therefore it is depreciated. The depreciation period is 85 years, which means that it is calculated at a rate of 1.2 %.

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.

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. 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.

2.1.7 Equity

Equity includes:

- a) the share capital of the dominant unit presented at nominal value,
- b) other capitals established:
 - from profit-sharing,
 - from the valuation of managerial options,
 - from surpluses of shares sold above their nominal value (premium share),
- c) retained profit resulting from adjustments resulting from changes to accounting principles and from the results achieved by the entities of the Group.

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 and legal claims are recognised if:

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

Restructuring provisions mostly comprise employee severance payments. These provisions are not recognised in reference to future operational losses. If there are a number of similar liabilities, the probability of the necessity for expending funds for settlement is assessed for the whole group of similar liabilities. The provision is recognised even if the probability of expending funds in reference to one item within the group of liabilities is small.

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

2.1.10 Deferred Income Tax

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

Deferred income tax assets are defined in the amount that it is anticipated will have to be deducted from income tax in the future in reference to negative temporary differences and due to income tax relief in connection with activities in Special Economic Zone, which shall result in the future in reducing the amount of the basis of taxation and the deductible tax loss defined using the precautionary principle.

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

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

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

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

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

Revenues from other services (e.g. technical services, technical assistance) are recognised equally during the term of an agreement/service provision. Revenues from hardware sales and the sale of other finished goods are recognised in accordance with agreed delivery terms. Revenues from sales of other services, products, finished goods and property items comprise sums of fair values from due invoiced revenues taking into account discounts and rebates without commodity and services taxes.

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

General costs consist of the costs of the Comarch Group functioning as a whole and include administrative expenses and the costs of departments that operate for the general needs of the Group. Exchange rate differences related to receivables are presented in 'Revenues from sales' and those related to liabilities are presented in 'Cost of sales.'

Subsidies

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

a) Other Operational Revenues and Costs

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

b) Financial Revenues and Costs

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

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

2.3 Financial Risk Management

a) Credit Risk

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

b) Risk of Change in Interest Rates

The company is exposed to the risk of changes in interest rates related to 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 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 the 12 months ended the 31st of December, 2009 would have been 0.54 million PLN higher/lower given that the other variables remained constant. This would largely have been the result of higher revenue arising from interest received on cash and cash equivalents, given that the other variables remained constant. Conducting an analogous analysis as at the 31st of December, 2008 indicates that if interest rates had been 50 base points higher/lower net profit for 2008 would have been 0.49 million PLN higher/lower, given that the other variables remained constant. An analysis of the sensitivity of the Group's financial results to interest rate risk was carried out using a simplified method that assumes that the rates' increases and decreases close at the same amount.

c) Risk of Fluctuation in the Exchange Rates

The company is exposed to foreign exchange risk in relation to export sales and sales denominated in foreign currencies, especially in relation to foreign exchange of EURO/PLN and USD/PLN. At the same time, part of the 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 currency options.

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

An analysis of the Group's sensitivity to exchange rate fluctuation risk conducted in accordance with IFRS 7 indicated that if the actual exchange rate in relation to the balance sheet exchange rate valuation for the EURO and USD had risen/fallen by 5 % with all other

variables remaining constant, the Group's net result for the 12 months ended 31st of December, 2009 would have been 2.23 million PLN higher/lower. This is made up of 1.53 million PLN from financial assets and liabilities expressed in EURO, and 0.7 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. The assessment above of the affect of exchange rate risk on the financial result was calculated using a symmetrical method that assumes that the rates' increases and decreases close at the same amount.

d) Financial Liquidity Risk

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

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

2.3.1 Accounting for Derivative Financial Instruments and Hedging Activities

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

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

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

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

2.3.2 Critical Accounting Estimates and Judgements

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

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

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

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

- b) Estimations 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 dominant unit 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 dominant unit is active) it is possible that the actual results and tax-exempt income may differ from the dominant unit's anticipations.

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

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

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

At the end of every fiscal year the Group carries out tests on losses in the goodwill according to accounting rules contained in note 2.1.5. b). 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. The Management Board of the dominant unit 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.

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

As at the balance sheet date, the assessment of the fair value of assets held by the SoftM Group was done based on the useful value valuation model with the discounted cash flow method (DCF). The predicted cash flow for particular SoftM product lines are based on sales results in 2008, the SoftM Group budget for 2009 and the forecast for 2010-2013, 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 39-week treasury bills), beta factor (value of 1.02), data on the structure of debt/capital and the expected value of premium for risk. The weighted average capital cost applied in the model amounted to 11.9 %.

2.4 New Standards and IFRIC Interpretations

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

Adoption of standards, amendments to standards and interpretations which are effective as at 1st of January, 2009

The following standards or amendments to standards and interpretations (already approved or in the process of being approved by the European Union) have become effective as at 1st of January, 2009:

- IFRS 8 "Operating Segments" – applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 21st of November, 2007.

- Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards” and IAS 27 “Consolidated and Separate Financial Statements – Cost of an Investment in Subsidiary, Jointly Controlled Entity or Associate”, applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 23rd of January, 2009.
- Amendments to IFRS 4 „Insurance Contracts” and IFRS 7 „Financial Instruments: Disclosures” - Improving Disclosures about Financial Instruments, applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 27th of November, 2009.
- IFRS (2008) „Amendments to International Financial Reporting Standards”- implements annual improvements in standards. This was published on the 22nd of May, 2008 (IAS 1, IFRS 5, IAS 8, IAS 10, IAS 16, IAS 19, IAS 20, IAS 23, IAS 27, IAS 28, IAS 29, IAS 31, IAS 34, IAS 36, IAS 38, IAS 39, IAS 40 and IAS 41). They regard solving discrepancies and specifying vocabulary (most of changes are effective for reporting periods on or after 1st of January, 2009). These changes were approved by the European Union on the 23rd of January, 2009.
- Amendments to IAS 32 “Financial Instrument: Presentation” and to IAS 1 “Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation”, applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 21st of January, 2009.
- Amendments to IAS 39 „Financial Instruments: Recognition and Measurement” and to IFRS 7 „Financial Instruments: Disclosures”- reclassification of financial assets; effective date and temporary regulations were approved by the European Union on the 9th of September, 2009 (effective date: 1st of July, 2008),
- Revised IAS 1 “Presentation of Financial Statements”- A Revised Presentation, applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 17th of December, 2008.
- Revised IAS 23 “Borrowing Costs” - applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 10th of December, 2008.
- Amendments to IFRS 2 “Share-based Payment – Vesting Conditions and Cancellations”, applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 16th of December, 2008.
- Amendments to IFRIC 9 „Reassessment of Embedded Derivatives” and to IAS 39 „Financial Instruments: Recognition and Measurement” – Embedded Derivatives, applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 30th of November, 2009.
- Interpretation of IFRIC 11 „IFRS 2 – Group and Treasury Share Transactions”, applicable for financial years beginning on or after 1st of March, 2008. This interpretation was approved by the European Union on the 1st of June, 2007.
- Interpretation of IFRIC 13 „Customer Loyalty Programmes” - applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 16th of December, 2008.
- Interpretation of IFRIC 14 „IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” - applicable for financial years beginning on or after 1st of January, 2009. This interpretation was approved by the European Union on the 16th of December, 2008.

Except for revised IAS 1, the adoption of the standards and interpretations presented above did not result in any significant changes to the Group accounting policies and to presentation of the financial statements.

Adoption of revised IAS 23

Starting from 1st of January, 2009, borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset. The Group has been applying this rule during previous years. In the first half of 2009, the Group finished building of another office building and capitalized borrowing costs incurred before acceptance for use.

Standards and interpretations issued but not yet adopted

Management has not opted for early application of the following standards and interpretations (already approved or in the process of being approved by the European Union):

- Revised IFRS 1 "First-time Adoption of International Financial Reporting Standards" applicable for financial years beginning on or after 1st of July, 2009. This standard was approved by the European Union on the 25th of November, 2009.
- Revised IFRS 3 "Business Combinations" applicable for financial years beginning on or after 1st of July, 2009. This standard was approved by the European Union on the 3rd of June, 2009.
- Amendments to IFRS 2 "Share-based Payment"- the accounting for group cash-settled share-based payment transactions, applicable for financial years beginning on or after 1st of January, 2010. This interpretation was approved by the European Union on the 23rd of March, 2010.
- IFRS (2009) „Amendments to International Financial Reporting Standards"- implements annual improvements in standards. This was published on the 16th of April, 2009 (IFRS 2, IFRS 5, IFRS 8, IAS 1, IAS 7, IAS 17, IAS 18, IAS 36, IAS 38, IAS 39, IFRIC 9 and IFRIC 16). They regard solving discrepancies and specifying vocabulary (most of changes are effective for reporting periods on or after 1st of January, 2010). These changes were approved by the European Union on the 23rd of March, 2010.
- Amendments to IAS 27 "Consolidated and Separate Financial Statements" applicable for financial years beginning on or after 1st of July, 2009. This standard was approved by the European Union on the 3rd of November, 2009.
- Amendments to IAS 32 "Financial Instrument: Presentation" – classification of right issues, applicable for financial years beginning on or after 1st of February, 2010. This standard was approved by the European Union on the 23rd of November, 2009.
- Amendments to IAS 39 „Financial Instruments: Recognition and Measurement" - eligible hedged items, applicable for financial years beginning on or after 1st of July, 2009. This standard was approved by the European Union on the 15th of September, 2009.
- Interpretation of IFRIC 12 „Service concession arrangements" was approved in UE on the 25th of March, 2009 (effective for reporting periods on or after the 30th of March, 2009).
- Interpretation of IFRIC 15 "Agreements for the Construction of Real Estate" was approved in UE on the 22nd of July, 2009; effective for reporting periods on or after the 1st January, 2010.
- Interpretation of IFRIC 16 "Hedges of a Net Investment in a Foreign Operation" was approved in UE on the 4th of June, 2009; effective for reporting periods on or after the 1st of July, 2009.
- IFRIC 17 "Distribution of Non-cash Assets to Owners" applicable for financial years beginning on or after 1st of July, 2009. This interpretation was approved by the European Union on the 26th of November, 2009.
- IFRIC 18 "Transfers of Assets from Customers" applicable for financial years beginning on or after 1st of November, 2009. This interpretation was approved by the European Union on the 27th of November, 2009.

Although it was permitted, the dominant unit decided not to implement these standards, changes to standards and interpretations earlier. In the opinion of the Group's Management the accounting standards mentioned above and the interpretations and changes to standards will not have any significant impact on the financial statement.

Standards and Interpretations approved by IASB but not yet adopted 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 20th of April, 2010:

- IFRS 9 „Financial Instruments” (applicable for financial years beginning on or after 1st of November, 2013),
- Amendments to IAS 24 „Related Party Disclosure” – simplification of requirements for disclosure in respect to certain transactions between state-controlled entities as well as specifying the definition for related parties (applicable for financial years beginning on or after the 1st of November, 2011),
- Amendments to IFRS 1 „First-time Adoption of International Financial Reporting Standards”- additional exemptions for first-time adopters (applicable for financial years beginning on or after 1st of November, 2010),
- Amendments to IFRS 1 „First-time Adoption of International Financial Reporting Standards”- limited exemption for first-time adopters in the scope of disclosures required in IFRS 7 (applicable for financial years beginning on or after 1st of November, 2010),
- Amendments to IFRIC 14 „IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” - prepayments of a minimum funding requirement. (applicable for financial years beginning on or after 1st of November, 2011),
- Interpretation of IFRIC 19 „ Extinguishing Financial Liabilities with Equity” (applicable for financial years beginning on or after 1st of July, 2010).

According to the Group's calculations, the accounting standards mentioned above and the interpretations and changes to standards will not have any significant impact on the financial statement.

The principles of hedge accounting on the asset portfolio or on financial liabilities have not yet been adopted as regulation by the EU.

According to the Group's calculations, applying hedge accounting on the asset portfolio or on financial liabilities within the terms of IAS 39 "Financial Instruments: Recognition and Measurement", would not have a significant influence on the financial statement were it to be implemented by the EU to be applied on the balance sheet date.

3. Notes to the Consolidated Financial Statement

3.1 Approving the Financial Statement for 2008

On the 22nd of June 2009, the consolidated financial statement for the financial year of 2008 was approved at the General Shareholders' Meeting. On the 26th of June, 2009, in compliance with the law, it was delivered to the National Court Register and on the 26th of June, 2009, it was delivered for publishing in Monitor Polski B. It was published on the 6th of November, 2009.

3.2 Segment Information

In the Comarch Group, the business segments are basic type of operating segments, and geographical segments are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities: the sale of IT systems (hereinafter referred to as the "IT segment") and professional sports (hereinafter referred to as the "sport segment"; MKS Cracovia SSA), activity in relation with economic use of Internet (hereinafter referred to as the "Internet Segment") and Comarch's real estate management (this activity is restricted in scope and has therefore not been allocated a separate category). The IT segment has a dominant share in sales revenues, profits and assets. The IT segment is divided into the DACH market, Polish market and other markets according to the specific character of the activity in the segment.

3.2.1. 2008

Detailed data related to the segments are presented below:

Item	IT Segment	Internet Segment	Sport Segment	Eliminations	Total
Revenues per segment- sales to external clients	887,138	749	14,009	-	901,896
<i>including:</i>					
<i>revenues from sales</i>	687,166	6	13,793	-	700,965
<i>To customers in Telecommunication, Media, IT sector</i>	114,696	-	-	-	114,696
<i>To customers in Finance and Banking sector</i>	146,709	-	-	-	146,709
<i>To customers in Trade and services sector</i>	65,421	-	-	-	65,421
<i>To customers in Industry&Utilities</i>	63,222	-	-	-	63,222
<i>To customers in Public sector</i>	203,728	-	-	-	203,728
<i>To customers in small land medium enterprises sector</i>	92,351	-	-	-	92,351
<i>To other customers</i>	1,039	6	13,793	-	14,838
<i>other operating revenue</i>	2,066	5	216	-	2,287
<i>finance revenue</i>	197,906	738	-	-	198,644
Revenues per segment - sales to other segments	-	-	6,976	(6,976)	-
Revenues per segment - total*	887,138	749	20,985	(6,976)	901,896
Costs per segment relating to sales to external clients	641,728	2,830	12,775	-	657,333
Costs per segment relating to sales to other segments	-	-	6,976	(6,976)	-
Costs per segment - total*	641,728	2,830	19,751	(6,976)	657,333
Current taxes	(7,995)	-	(21)	-	(8,016)
Assets for the tax due to investment allowances and other tax relief	(35,294)	13	(2)	-	(35,283)
Share of segment in the result of parties valued using the equity method of accounting	(42)	-	-	-	(42)
Net result	202,079	(2,068)	1,211	-	201,222
<i>including:</i>					
<i>result attributable to shareholders of the dominant unit</i>	200,599	(2,068)	595	-	199,126
<i>result attributable to minority interest</i>	1,480	-	616	-	2,096

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

Sales between specific segments are calculated based on market conditions.

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 31st of December, 2008 as well as investment expenditures and depreciation for 12 months ended 31st of December, 2008 are as follows:

	Segment IT	Segment Internet	Segment Sport	Total
Assets	849,973	21,677	43,597	915,247
Liabilities	369,843	314	10,916	381,073
Investment expenditures	159,398	1,595	3,038	164,031
Depreciation	18,777	241	1,040	20,058

3.2.2. 2009

Item	IT Segment		Internet Segment **	Sport Segment	Eliminations	Total
	DACH market ***	Polish and other markets				
Revenues per segment - sales to external clients	223,782	505,712	1,156	11,551	-	742,201
<i>including:</i>						
<i>revenues from sales</i>	219,387	498,903	499	10,614	-	729,403
<i>To customers in Telecommunication, Media, IT sector</i>	37,039	111,170	-	-	-	148,209
<i>To customers in Finance and Banking sector</i>	561	116,574	-	-	-	117,135
<i>To customers in Trade and services sector</i>	10,302	49,920	-	-	-	60,222
<i>To customers in Industry&Utilities</i>	1,799	104,538	-	-	-	106,337
<i>To customers in Public sector</i>	-	59,307	-	-	-	59,307
<i>To customers in small land medium enterprises sector</i>	169,682	55,785	-	-	-	225,467
<i>To other customers</i>	4	1,609	499	10,614	-	12,726
<i>other operating revenue</i>	4,395	2,882	22	937	-	8,236
<i>finance revenue</i>	-	3,927	635	-	-	4,562
Revenues per segment - sales to other segments	3,020	-	1,163	7,712	(11,895)	-
Revenues per segment - total*	226,802	505,712	2,319	19,263	(11,895)	742,201
Costs per segment relating to sales to external clients	264,200	435,968	7,216	15,882	-	723,266
Costs per segment relating to sales to other segments	3,020	-	1,163	7,712	(11,895)	-
Costs per segment - total*	267,220	435,968	8,379	23,594	(11,895)	723,266
Current taxes	(40)	(4,651)	-	-	-	(4,691)
Assets for the tax due to investment allowances and other tax relief	12,429	202	(70)	99	-	12,660
Share of segment in the result of parties valued using the equity method of accounting	-	(470)	-	-	-	(470)
Net result	(28,029)	64,825	(6,130)	(4,232)	-	26,434
<i>including:</i>						
<i>result attributable to shareholders of the dominant unit</i>	(24,184)	64,700	(6,130)	(2,080)	-	32,306
<i>result attributable to minority interest</i>	(3,845)	125	-	(2,152)	-	(5,872)

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

**) This type of activity was presented in the fourth quarter of 2008 in regard of an increase in volume of this activity within the period.

***) This type of activity was presented in the first quarter of 2009 in regard of an increase in volume of this activity within the period.

Sales between specific segments are calculated based on market conditions.

Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments as at the 31st of December, 2009 as well as investment expenditures and depreciation for 12 months ended 31st of December, 2009 are as follows:

	IT Segment		Internet Segment	Sport Segment	Total
	DACH	Other			
Assets	120,173	718,826	14,852	42,255	896,106
Liabilities	57,771	272,077	467	10,475	340,790
Investment expenditures	40,921	33,338	464	1,863	76,586
Depreciation	18,759	21,049	622	1,415	41,845

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 operates 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. Sales between specific segments are calculated based on market conditions.

The following table presents the allocation of revenues from sales, assets and total investment expenditures into geographical segments:

Revenues from basic sales by market location

	12 months ended 31 December 2009	12 months ended 31 December 2008
Poland	410,523	553,421
DACH	204,312	57,302
Europe - others	97,322	69,568
The Americas	12,211	15,462
Other countries	5,037	5,212
TOTAL	729,403	700,965

The above-mentioned label presents the geographical structure of revenue according to addresses of Comarch Group contractors.

Assets – activities location

	31 December 2009	31 December 2008
Poland	751,912	680,982
DACH	120,173	163,365
Europe - others	5,688	52,484
The Americas	10,236	7,982
Other countries	8,097	10,434
TOTAL	896,106	915,247

Investments expenditures - activities location

	12 months ended 31 December 2009	12 months ended 31 December 2008
Poland	33,534	112,760
DACH	40,921	50,701
Europe - others	509	445
The Americas	1,600	124
Other countries	22	1
TOTAL	76,586	164,031

3.3 Property, Plant and Equipment

	Lands and buildings	Means of transport and machinery	Furniture, fittings and equipment	Total
At 1 January 2008				
Cost or valuation	155,275	88,330	5,956	249,561
Accumulated depreciation	(13,040)	(50,032)	(3,856)	(66,928)
Net book amount	142,235	38,298	2,100	182,633
Year ended 31 December 2008				
Opening net book amount	142,235	38,298	2,100	182,633
Net fair value at SoftM acquisition day	-	2,381	1,251	3,632
Additions	80,185	10,292	685	91,162
Disposals	(2,858)	(934)	(32)	(3,824)
Depreciation charge	(3,036)	(12,590)	(840)	(16,466)
Closing net book amount	216,526	37,447	3,164	257,137
At 31 December 2008				
Cost or valuation	232,602	97,688	6,609	336,899
Cost or valuation, SoftM acquisition	-	17,653	6,793	24,446
Accumulated depreciation	(16,076)	(62,600)	(4,689)	(83,365)
Accumulated depreciation, SoftM acquisition	-	(15,294)	(5,549)	(20,843)
Net book amount	216,526	37,447	3,164	257,137
Year ended 31 December 2009				
Opening net book amount	216,526	37,447	3,164	257,137
Additions	8,376	27,577	3,753	39,706
Disposals	(14,598)	(2,017)	(1,189)	(17,804)
Depreciation charge	(4,837)	(16,277)	(1,619)	(22,733)
Closing net book amount	205,467	46,730	4,109	256,306
At 31 December 2009				
Cost or valuation	226,380	140,901	15,966	383,247
Accumulated depreciation	(20,913)	(94,171)	(11,857)	(126,941)
Net book amount	205,467	46,730	4,109	256,306

Property, plant and equipment comprise mostly real estate and machinery owned by the Group. Propriety of the Group are five office building in Krakow, including four in the Special Economic Zone at 31,343 square metres of the total space, one office building in Warsaw at 1,620 square metres of the total space and one office building in Łódź. The Group owns also lands in the Special Economic Zone in Krakow at 3.8 ha of the total space. Property, plant and equipment under construction comprise mostly another office building in the Special Economic Zone in Krakow at 11,445 square metres of the total space. The building was completed in February, 2009 and it is used from March, 2009.

Investment expenditures related to acceptance for use of the office building in the Special Economic Zone ("SEZ") amounted to 68.07 million PLN. As at 31st of December, 2009, other

property, plant and equipment under construction comprise mostly expenditures for the modernisation works of buildings used by the Group as well as the purchase of equipment that is not yet accepted for use. In November, 2009, ComArch S.A. began the fourth investment stage in the SEZ in Krakow. The estimated value of this investment amounts to 24.5 million PLN. Investment completion is planned for the 30th of April, 2011.

Bank borrowings are secured on land and buildings for the value of 127.45 million PLN (ordinary mortgages and real estate mortgages in Fortis Bank Polska S.A., Kredyt Bank S.A. and Pekao S.A.). The balance sheet value of property, plant and equipment in use, on which financial liabilities are secured, amounts to 108.79 million PLN.

	2009	2008
Amount of interest on credits capitalised on investments in non-current assets	692	2,467

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

	31 December 2009	31 December 2008
Buildings	2,868	66,876
Equipment	12	58

Depreciation write-offs were presented in the income statement. They increase the costs of sold products, goods and materials in the amount of 37.46 million PLN (13.07 million PLN in 2008), costs of sales in the amount of 1.96 million PLN (1.42 million PLN in 2008), administrative expenses in the amount of 2.16 million PLN (1.72 million PLN in 2008) and social activities expenses in the amount of 0.26 million PLN (0.27 million PLN in 2008).

Assets in finance leasing

The Group possesses cars and routers that are used based on a finance leases. As at the 31st of December, 2009, contracts for the finance lease of routers have expired. These were three-year contracts. As at the 31st of December, 2009, the Group had no liabilities due to a finance lease.

In books depreciation is presented in the amount of 0.106 million PLN as well as interest in the amount of 0.004 million PLN are recognised in finance costs. Net amount of leasing fees for the year 2009 (net equity + interest) amounts to 0.115 million PLN, including:

Net equity	0.111 million PLN
Interest	0.004 million PLN

The Group has no due liabilities due leasing fees.

Interest	0 million PLN
Net equity	0 million PLN

3.4 Goodwill

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

	31 December 2009	31 December 2008
ComArch Kraków	99	99
CDN ComArch	1,227	1,227
ComArch AG	1,900	1,900
ComArch, Inc.	58	58
SoftM Software und Beratung AG	39,413	23,044
Total	42,697	26,328

3.4.1 Acquisition of Subsidiaries

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

3.4.2 Analysis of Purchased Assets and Liabilities

SoftM Software und Beratung AG			
Net value of purchased assets	Book value PLN'000	Correction of fair value PLN'000	Fair value as at acquisition date PLN'000
Current assets:			
Cash and cash equivalents	19,336	-	19,336
Receivables due to deliveries and services and other receivables	28,610	-	28,610
Inventory	2,100	-	2100
	50,046	-	50,046
Non-current assets:			
Research and development works in progress	24,599	(11,655)	12,944
Intangible assets	14,295	30,760	45,055
Property, plant and equipment	3,362	-	3,362
Goodwill	39,939	(39,939)	-
Non-current investment	317	-	317
	82,512	(20,834)	61,678
Current liabilities:			
Liabilities due to deliveries and services and other liabilities	46,238	-	46,238
	46,238	-	46,238
Non-current liabilities:			
Deferred tax liabilities	9,957	6,087	16,044
Other non-current liabilities	6,035	-	6,035
	15,992	6,087	22,079
Net assets value	70,328	(26,921)	43,407
Minority interest	-	-	212

Net assets value attributable to the shareholders	-	-	43,195
Including net assets value attributable to the Group	-	-	37,173
Acquisition cost	-	-	76,586
Goodwill	-	-	39,413

A correction of the fair value of ongoing research and development works amount to -11.66 million PLN and comprises a one-off depreciation of expenditures for the production of software SharkNex. In the opinion of the Comarch Group Management Board, the value of expenditures for production of this software is not covered by the possibility to estimate future revenues from sales.

Correction of the fair value of intangible assets amounts to 30.76 million PLN and comprises a surplus of fair value of assets owned by the SoftM Group (property rights for software) above their balance sheet date value as of the acquisition date.

Correction of the fair value of the company's goodwill amounts to -39.94 million PLN and comprises elimination, in balance sheet of an acquired unit, of goodwill resulting from earlier acquisitions.

3.4.3 Goodwill

In q4 2009 the Comarch Group purchased 30.74 % of SoftM Software und Beratung AG shares, therefore as at the balance sheet date, it holds 80.89 % of the shares. As a result of the above-mentioned purchase, the company's goodwill increased by 16,369 thousand PLN and amounts to 39,413 thousand 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 SoftM 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 SoftM 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 SoftM Group. These benefits were not presented separately from goodwill, because it was not possible to make reliable assessments resulting from future economic benefits. Within the scope of the described transaction, the Group also acquired customers and relationships with customers in the SoftM 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 SoftM Group was done based on the useful value valuation model with the discounted cash flow method (DCF). As at the acquisition date, the estimated fair value of software owned by the SoftM Group amounted to 15.02 million EURO.

Goodwill from the SoftM Group acquisition is allocated to a separate cash-generating unit. As at the balance sheet date, the assessment of the fair value of assets held by the SoftM Group was done based on the useful value valuation model with the discounted cash flow method (DCF). The predicted cash flow for particular SoftM product lines are based on sales results in 2009, the SoftM Group budget for 2010 and the forecast for 2011-2012, 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 39-week treasury bills), beta factor (value of 1.79), 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 %.

The Group considers IT Segment as a cash generating unit thereby doesn't allocate the goodwill in the amount of 3.28 million PLN to particular companies of the Group. A test for loss in value in reference to the goodwill that was run on the 31st of December, 2009, 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 dominant unit ran also the analysis of the P/E index for companies in the IT sector registered with the Warsaw Stock Exchange and assessed on this basis the estimated market value of the IT Segment in the Comarch Group as at the 31st of December, 2009. The above analyses did not show any loss in value in reference to the goodwill.

3.5 Other Intangible Assets

	Cost of completed development works	Right of perpetual usufruct	Trademarks, licences and software	Other	Total
At 1 January 2008					
Cost (gross)	2,057	31,650	13,969	2,061	49,737
Accumulated amortisation and impairment	(2,057)	-	(10,584)	(1,537)	(14,178)
Net book amount	-	31,650	3,385	524	35,559
Year ended 31 December 2008					
Opening net book amount	-	31,650	3,385	524	35,559
Net fair value as at SoftM acquisition day	-	-	62,238	-	62,238
Additions	-	-	2,932	2,487	5,419
Disposals	-	-	(917)	(19)	(936)
Amortisation charge	-	-	(2,951)	(663)	(3,614)
Closing net book amount	-	31,650	64,687	2,329	98,666
At 31 December 2008					
Cost (gross)	2,057	31,650	15,984	4,529	54,220
Cost (gross), SOFTM acquisition	-	-	62,238	-	62,238
Accumulated amortisation and impairment	(2,057)	-	(12,543)	(2,200)	(16,800)
Accumulated amortisation, SOFTM	-	-	(992)	-	(992)
Net book value	-	31,650	64,687	2,329	98,666
Year ended 31 December 2009					
Opening net book amount	-	31,650	64,687	2,329	98,666
Additions	-	-	3,673	1,437	5,110
Disposals	-	-	-	(8)	(8)
Amortisation charge	-	-	(17,961)	(1,151)	(19,112)
Closing net book amount	-	31,650	50,399	2,607	84,656
At 31 December 2009					
Cost (gross)	2,057	31,650	81,895	5,958	121,560
Accumulated amortisation and impairment	(2,057)	-	(31,496)	(3,351)	(36,904)
Net book value	-	31,650	50,399	2,607	84,656

I. Other intangibles include activated costs related to MKS Cracovia SSA trademark in the amount of 0.04 million PLN as well as the right to use the players' cards in the amount of 2.68 million PLN, and others in the amount of 2.71 million PLN. All other items of the intangible assets were acquired.

The general amount of depreciation is given in the income statement, whereas 19.21 million PLN is given in the generation costs and the remaining part is presented in the administrative expenses (0.12 million PLN) and sales costs (0.09 million PLN).

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

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

- additional financing of sport infrastructure

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

II. Impairment test for the right of perpetual usufruct as at 31 December 2009

As at the 31st of December, 2009, analysis was performed on changes in prices of real estate properties in Krakow in 2009, based on reports published by advisory company Colliers International (www.colliers.com), and advisory company Expander (www.expander.pl), and articles published by trade portals, from which it follows that despite a slight decrease in average price of land in Krakow in 2009, it was determined that no loss occurred in the value of perpetual usufruct right to land owned by ComArch S.A.

III. Intangible assets purchased as a result of the acquisition of the SoftM 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 estimated values of particular types of software are:

	Fair value as at the acquisition date	Fair value as at 31 December 2009	Book value as at 31 December 2009
Semiramis	41,965	45,764	33,384,
Suite ERP	3,731	3,025	2,939
SharkNex	202	-	159
Suite Financials	965	873	761
Schilling	1,768	2,115	1,393
DKS	1,183	1,003	932
Infostore	12,423	10,108	9,785
Total	62,237	62,888	49,353

The Group performs by way of the linear method depreciation write-offs of intangible assets purchased as a result of the acquisition of the SoftM Group. It was assumed the depreciation period is equal to the predicted period of economic benefit from the software sales, i.e. 60 months. Tests for loss in value that were conducted on the 31st of December, 2009, showed that fair value of intangible assets, acquired as a result of the acquisition of SoftM, is significantly higher than their balance sheet value. These tests did not reveal any loss in value.

3.6 Non-Current Prepayments

	12 months ended 31 December 2009	12 months ended 31 December 2008
Opening balance	8,350	8,458
Changes due to:		
- accumulated depreciation of the right of perpetual usufruct	(94)	(94)
- non-current prepayments of costs	(167)	(14)
Closing balance	8,089	8,350
including:		
- the right of perpetual usufruct	7,756	7,850
- non-current prepayments	333	500

3.7 Investment in Associates

As at 31st of December, 2009, the Group had shares in associates.

At 1 January 2008	-
Purchase of shares	1,294
Share in profit for 2008	(42)
At 31 December 2008	1,252
At 1 January 2009	1,252
Share in profit for 2009	(805)
At 31 December 2009	447

	Country of incorporation	Assets	Liabilities	% shares held
At 31 December 2008				
d.velop (Schweiz) AG	Switzerland	718	1,225	49.00
KEK Anwendungssysteme GmbH	Germany	1,551	1,381	30.00
SolInteractive Sp. z o.o.	Poland	4,730	1,392	30.72
At 31 December 2009				
d.velop (Schweiz) AG	Switzerland	-	-	-
KEK Anwendungssysteme GmbH	Germany	1,446	1,446	30.00
SolInteractive Sp. z o.o.	Poland	2,497	1,642	30.72
	Country of incorporation	Revenue	Profit /(Loss)	% shares held
12 months ended 31 December 2008				
d.velop (Schweiz) AG*	Switzerland	534	3	49.00
KEK Anwendungssysteme GmbH	Germany	514	28	30.00
SolInteractive Sp. z o.o.**	Poland	246	(618)	30.72
12 months ended 31 December 2009				
d.velop (Schweiz) AG	Switzerland	-	-	
KEK Anwendungssysteme GmbH	Germany	4,275	(137)	30.00
SolInteractive Sp. z o.o.	Poland	2,101	(2,482)	30.72

*) Data is related to December, 2008, i.e. the period beginning when the Dominant unit acquired SoftM Software und Beratung AG. d.velop (Schweiz) AG and KEK Anwendungssysteme GmbH are associates of SoftM Software und Beratung AG.

**) Data is related to the fourth quarter of 2008, i.e. the period when the Dominant unit acquired shares in Sodigital Sp. z o.o. through ComArch Corporate Finance FIZ.

As a result of the fact that in September, 2008, ComArch Corporate Finance FIZ acquired 2,000 shares in Sodigital Sp. z o.o. (new name: SolInteractive Sp. z o.o.), the company is an associate of Comarch Group. ComArch Corporate Finance FIZ holds 30.72 % of shares in SolInteractive Sp. z o.o., in which share capital equals to 0.651 million PLN.

As a result of the fact that in November, 2008, and in February, 2009, ComArch Software AG (currently ComArch AG) acquired 5,241,777 shares in SoftM Software und Beratung AG, d.velop (Schweiz) AG and KEK Anwendungssysteme GmbH became associates of Comarch Group. In the third quarter of 2009, SoftM Software und Beratung AG sold all shares held in d.velop (Schweiz) AG. As at 31st of December, 2009, SoftM Software und Beratung AG held 30.0 % of shares in KEK Anwendungssysteme GmbH, in which share capital equalled to 0.055 million EURO. In the first quarter of 2010, SoftM Software und Beratung AG sold all shares held

in KEK Anwendungssysteme GmbH.

3.8 Inventories

	31 December 2009	31 December 2008
Raw materials	804	1,093
Work in progress	30,478	18,309
Finished goods	1,160	10,122
Advance due to finished goods	566	27
	33,008	29,551

The cost of inventories included in 'Costs of products, goods and materials sold' amounted to 377.37 million PLN (12 months ended the 31st of December, 2009) and 450.78 million PLN (12 months ended the 31st of December, 2008).

In 2009, the Group reversed a write-off worth 0.285 million PLN that revaluated inventories and was performed in 2007 and in 2008. The reversed amount was presented as a decrease in other operating costs, in particular a write-off for sold goods was dissolved and transferred to property, plant and equipment in use. Part of the goods were classified as permanently damaged items, i.e. not useful for further sales.

Within four quarters of 2009, a write-off revaluating goods and materials was recognised and worth 0.013 million PLN.

No hedging was performed in inventories owned by the Group.

On the basis of the current trend in reference to the settlement of production in progress, the Group estimates that after 12 months from the balance sheet date approximately 10.1 million PLN shall remain unsettled. Other inventories will be settled in their entirety 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 2009	31 December 2009
Financial assets		
At fair value through the income statement	-	-
Derivative instruments in hedging relations	-	-
Investment held to maturity	-	-
Own receivables (including cash and cash equivalents)	427,721	465,719
Available-for sale financial assets	10,291	129
Financial liabilities		
At fair value through the income statement	-	-
Derivative instruments in hedging relations	-	-
Financial liabilities	270,673	298,462
Financial guarantees contracts	-	-

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

Own receivables	31 December 2009	31 December 2008
Receivables from related parties (note 3.12)	78	568
Receivables from related parties - non-current	-	1,100
Receivables from other entities - current (note 3.12)	221,823	244,077
Receivables from other entities - non-current	1,745	641
Cash and cash equivalents (note 3.13)	204,075	219,333
Total	427,721	465,719

Financial liabilities	31 December 2009	31 December 2008
Liabilities due to credits (note 3.19)	95 722	121 194
Liabilities to related parties (note 3.17)	280	513
Liabilities to other entities - current (note 3.17)	174 671	176 658
Derivative financial instruments (note 3.11)	-	97
Liabilities due to finance lease (note 3.17)	-	-
Total	270 673	298 462

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

	Financial assets		Financial liabilities	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
Currency - PLN	317,128	342,804	204,177	202,764
Currency - EURO	95,430	97,629	64,895	90,740
Currency - USD	15,216	8,510	1,131	4,123
Currency - GBP	277	28	363	-
Currency - UAH	1,310	2,179	52	90
Currency - AED	7,966	10,402	23	21
Currency - SKK	0	96	0	7
Currency - RUB	479	2,442	4	437
Currency - LTL	66	1,182	4	73
Currency - CHF	27	62	0	-
Currencies - other	113	514	24	207
Total	438,012	465,848	270,673	298,462

As at the 31st of December, 2008, 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	568	-	-	-	568
Receivables from related parties – non-current	-	1,100	-	-	1,100
Receivables from other parties - current	242,178	-	-	-	242,178
Receivables from other parties – non-current	-	2,540	-	-	2,540
Cash and cash equivalent (note 3.13)	219,333	-	-	-	219,333
Total	462,079	3,640	-	-	465,719

As at the 31st of December, 2009, 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	78	-	-	-	78
Receivables from related parties – non-current	-	-	-	-	-
Receivables from other parties - current	194 770	25 155	1 898	-	221 823
Receivables from other parties – non-current	1 745	-	-	-	1 745
Cash and cash equivalent (note 3.13)	204 075	-	-	-	204 075
Total	400 668	25 155	1 898	-	427 721

As at the 31st of December, 2008, maturity periods of particular classes of financial liabilities are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Liabilities due to credits (note 3.19)	26,794	11,819	34,911	47,670	121,194
Liabilities to related parties	513	-	-	-	513
Liabilities to other entities - current	174,772	1,886	-	-	176,658
Derivative financial instruments	97	-	-	-	97
Liabilities due to finance lease	-	-	-	-	-
Total	202,176	13,705	34,911	47,670	298,462

As at the 31st of December, 2009, maturity periods of particular classes of financial liabilities are presented as follows:

	1 year or less	1-2 years	2-5 years	Over 5 years	Total
Liabilities due to credits (note 3.19)	12 899	6 657	35 073	41 093	95 722
Liabilities to related parties	280	-	-	-	280
Liabilities to other entities - current	174 671	-	-	-	174 671
Derivative financial instruments	-	-	-	-	-
Liabilities due to finance lease	-	-	-	-	-
Total	187 850	6 657	35 073	41 093	270 673

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 3.19)	according to the adjusted acquisition price
Liabilities to related parties (note 3.17)	according to the adjusted acquisition price
Liabilities to other entities - current (note 3.17)	according to the adjusted acquisition price
Liabilities to other entities – non- current	according to the adjusted acquisition price
Liabilities due to finance lease (note 3.17)	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 2009	12 months ended 31 December 2008
At the beginning of	129	-
Additions	10,238	27,511
Disposal	(76)	(27,382)
At the end of the year	10,291	129

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

As of the 31st of December, 2009, available-for-sale financial assets comprised investments units in KBC GAMMA SFIO, money market and debt securities fund, which were held by Comarch Management Sp. z o. o. Spółka Komandytowo-Akcyjna and securities held by SoftM Software und Beratung AG (shares listed on Frankfurt Stock Exchange).

Comarch Management Sp. z o. o. Spółka Komandytowo-Akcyjna purchased participation units in KBC GAMMA SFIO as a deposit for free monetary means. Participation units' turnover is held beyond the scope of the regulated market. These assets are valuated at a fair value established with a daily valuation of net assets per participation unit, done so by KBC GAMMA SFIO with the value from this valuation classified to the current year's result. Acquisition price of participation units in the fund KBC GAMMA SFIO amounted to 10 million PLN, and their valuation through fair value as at the 31st of December, 2009, amounted to 10.14 million PLN.

Information on disposal intention of available-for-sale financial assets: Comarch Management Sp. z o. o. Spółka Komandytowo-Akcyjna intends to sell held available-for-sale financial assets within 6 months from the balance sheet date; SoftM Software und Beratung AG has no plan for disposal of held available-for-sale financial assets.

3.11 Derivative Financial Instruments

	31 December 2009		31 December 2008	
	Assets	Liabilities	Assets	Liabilities
Forward foreign exchange contracts – held-for-trading	398	-	-	97
	398	-	-	97
<i>Current portion</i>	398	-	-	97

The Group held forward contracts to reduce the effect of changes in cash flows on financial result, where cash flows are related to the planned transactions and changes are the result of foreign exchange risk. As at 31st of December, 2009, the above-mentioned instruments were valuated at fair value according to market price and changes in valuation were referred into the results from financial operations. Total net value of forward contracts that were open as at 31st of December, 2009, amounted to 2.39 million EURO and 1.48 million USD.

After the balance sheet date, the Comarch Group concluded forward contracts for sale of 2.7 million EURO and 0.8 million USD.

3.12 Trade and Other Receivables

	31 December 2009	31 December 2008
Trade receivables	222,186	236,621
Write-off revaluating receivables	(17,687)	(15,467)
Trade receivables – net	204,499	221,154
Other receivables	9,308	15,064
Short-term prepayments	6,770	5,794
Prepayments of revenues	1,234	2,065
Loans	12	-
Receivables from related parties	78	568
Total	221,901	244,645
<i>Current portion</i>	<i>221,901</i>	<i>244,645</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 7.37 million PLN (12 months ended the 31st of December, 2009) and 8.14 million PLN (12 months ended the 31st of December, 2008). The cost of this write-off was recognised in the other operating costs in the income statement.

3.13 Cash and Cash Equivalents

	31 December 2009	31 December 2008
Cash in hand, cash at banks	129,170	177,419
Current bank deposit	74,667	41,914
Total cash and cash equivalents	203,837	217,409
Due interest on bank deposit	238	1,924
Total cash and cash equivalents	204,075	219,333

In 2009 an effective interest rate for short-term bank deposits was 3.54 % for PLN, 0.57 % for euro and 0.53 % for usd. The average maturity period for these deposits was 3.5 day.

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

As at the 31st of December, 2009, the Group had cash with limited disposal rights in the amount of 0.16 million PLN (blockage on bank accounts in relation with deposits securing rental agreement).

3.14 Assets Classified as Designated-for-Sale

	31 December 2009	31 December 2008
Non-current assets designated for sale	2,865	2,865

As at the 31st of December, 2009, the value of an office building, located in Warsaw and owned by ComArch S.A., is presented in the total of non-current assets held for disposal. Previously, it was classified as property, plant and equipment in use. Pursuant to the decision of the Management Board, the building was designated for sale. Very active operations have been performed to find a purchaser. In the opinion of the Management Board of the Dominant unit purchaser should be found within a year.

3.15 Share Capital

	Number of shares	Ordinary and preference shares	Own shares	TOTAL
At 1 January 2008	7,960,596	7,960,596	-	7,960,596
At 31 December 2008	7,960,596	7,960,596	-	7,960,596
At 31 December 2009	7,960,596*	7,960,596	-	7,960,596

The nominal value of one share is 1 PLN.

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

- 1) 874,200 series A registered preference shares,
- 2) 65,800 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.

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 the 18th of 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.

*) On the 31st of March, 2010 the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered an increase in the ComArch S.A. share capital to the amount of 8,051,637 PLN. After this increase the company's share capital is divided into 8,051,637 shares. It corresponds to 15,045,237 votes at the company's AGM. More details were presented in pt 3.15.4.

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

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

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

- customers of BZ WBK AIB Asset Management S.A. held 2,756,060 shares (34.23 % of company's share capital), which gave 2,756,060 votes at AGM and constituted 18.32 % of the total number of votes at the AGM. These shares comprise shares held by BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds), that held 1,800,179 shares (22.36 % of the company's share capital), which gave 1,800,179 votes at AGM (11.97 % of

the total number of votes at the AGM).

3.15.2. Changes in Share Capital in 2009

1) Conversion, Admittance, Introduction to Trading and Assimilation of 9,400 Series A Shares

Due to request of a shareholder and pursuant to resolution no. 1/21/2008 of ComArch S.A.'s Management Board passed on the 1st of December, 2008 as well as pursuant to resolution no. 700/08 of the National Deposit for Securities, rights attached to 9,400 series A shares have been changed.

- before conversion – registered shares preferential for vote so that 5 votes in the General Meeting corresponds with each share,
- after conversion – ordinary bearer shares with no preferences.

Total number of votes at the issuer's general meeting after conversion is 14,954,196.

Management Board of the Warsaw Stock Exchange with the resolution no. 12/2009 dated the 8th of January, 2009, decided that pursuant to §19, sec. 1 and 2 of the Rules of the Warsaw Stock Exchange, 9,400 ordinary bearer series A ComArch S.A. shares of nominal value of 1 PLN each are admitted to trading. The Management Board of the Warsaw Stock Exchange decided that the shares mentioned above will be introduced to trading on the 16th of January, 2009, providing that on the 16th of January, 2009, they will be assimilated by the National Deposit for Securities with other ComArch S.A. shares already in trading. On 13th of January, 2009, the Management Board of the National Deposit for Securities has decided to assimilate 9,400 ComArch S.A. shares (marked with the code PLCOMAR00061) with 6,202,796 ComArch S.A. shares (marked with the code PLCOMAR00012). Assimilated shares were marked with the code PLCOMAR00012. The company announced details in current report no. 1/2009, 3/2009 and 4/2009.

2) Increase in Share of BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds) in Total Number of Votes at the ComArch S.A. General Shareholders' Meeting

On 29th of April, 2009, BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna, on behalf of Arka BZ WBK Shares Open Investment Fund, Arka BZ WBK Shares of Middle and Eastern Europe Closed Investment Fund, Arka BZ WBK Balanced Growth Open Investment Fund and Lukas Open Investment Fund (hereinafter referred to as the "Funds"), announced that, as a result of the purchasing of the shares settled on 23rd of April, 2009, the Funds increased by more than 2 % their share of the total number of votes at ComArch S.A.'s General Shareholders' Meeting.

On 23rd of April, 2009, the Funds held 1,800,179 ComArch S.A. shares which constituted 22.61 % of the company's share capital. This gave 1,800,179 or a 12.04 % share of the total votes at ComArch S.A.'s General Shareholders' Meeting. The company announced details in current report no. 9/2009.

3) Increase in Share of BZ WBK AIB Asset Management S.A. in Total Number of Votes at the ComArch S.A. General Shareholders' Meeting

On 15th of May, 2009, BZ WBK AIB Asset Management Spółka Akcyjna with its registered seat in Poznań (the 'company') announced that, as a result of the purchasing of the shares on 11th of May, 2009, the company's customers increased by at least 2 % their share of the total number of votes at ComArch S.A.'s General Shareholders' Meeting.

On 11th of May, 2009, the customers of BZ WBK AIB Asset Management Spółka Akcyjna held 2,756,060 ComArch S.A. shares which constituted 34.62 % of the company's share capital. This gave 2,756,060 or an 18.43 % share of the total votes at ComArch S.A.'s General Shareholders' Meeting. The company announced details in current report no. 11/2009.

3.15.3. Managerial Option Program for Members of the Management Board and Other Key Employees for 2008-2010

On 28th of June, 2007, the Annual General Meeting of Shareholders passed Resolution no. 16 on the managerial options programme for company's Key Employees for 2008-2010. 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 2009, 2010 and 2011 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 as of December of each year of the execution of the programme (beginning with 2008) 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 2008 it will be the difference between the average capitalisation of the company in December, 2007 and the average capitalisation of the company in December 2008; this will be calculated using the average closing price of Comarch shares in December, 2004 as 69.53 PLN;
- For 2009 it will be the difference between the average capitalisation of the company in December, 2008 and its average capitalisation in December, 2009;
- For 2010 it will be the difference between the average capitalisation of the company in December, 2009 and its average capitalisation in December, 2010.

In the fourth quarter of the year that precedes the year of the Programme execution, the Supervisory Board of the company shall establish a list of Key Employees and single option factors. List of Key Employees and single option factors shall be established independently for each subsequent year. The total value of the all single option factors for each Key Employee in the given year shall amount to 3 % (in words: three percent) of increase in the company's capitalisation.

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

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

Execution of this programme for 2008

On 10th of December, 2007, with the resolution no. 3/12/2007, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2008. The total value of the all single option factors for each Key Employee in 2008 shall amount to 3 %.

Pursuant to IFRS2, the company has valued the Option with Black & Scholes model. Apart from the assumptions resulting from the nature of the Option program described above, the following additional assumptions were adopted for the needs of the valuation:

- 5.74 % risk-free rate (the interest rate on 52-week treasury bills);
- 0 % dividend rate (the dividend rate in the period forecast as at the date of the passage of the programme);
- 34.45 % anticipated volatility (anticipated volatility based on historical volatility from the last 200 quotations prior to the date of the passage of the program on the basis of the average price of shares from opening and closing prices).

The determined Option's value amounted to 5.94 million PLN and was recognised in the income statement for 2008.

The difference between the average capitalisation in December, 2008 and the average capitalisation in December, 2007 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 2009.

Execution of this programme for 2009

On 8th of December, 2008, with the resolution no. 1/12/2008, the Supervisory Board of

ComArch S.A. established a list of Key Employees and single option factors for 2009. The total value of the all single option factors for each Key Employee in 2009 shall amount to 3 %. Pursuant to IFRS2, the company has valued the Option with Black & Scholes model. Apart from the assumptions resulting from the nature of the Option program described above, the following additional assumptions were adopted for the needs of the valuation:

- 5.792 % risk-free rate (the interest rate on 52-week treasury bills);
- 0 % dividend rate (the dividend rate in the period forecast as at the date of the passage of the programme);
- 38.62 % anticipated volatility (anticipated volatility based on historical volatility from the last 200 quotations prior to the date of the passage of the program on the basis of the average price of shares from opening and closing prices).

The determined Option's value amounted to 2.98 million PLN and was recognised in the income statement for 2009.

On the 15th of February, 2010, pursuant to Art. 431 § 1 and Art. 432 of the Commercial Companies Code, and in relation to Art. 446 of the Commercial Companies Code and Art. 9 sec. 3 of the company's Statute, as well in execution of Resolution no. 40 of the Ordinary Annual General Shareholders' Meeting dated 28th of June, 2007, regarding the managerial option program for key employees and according to Resolution no. 1/01/2010 of the Supervisory Board regarding execution of the managerial option program for 2009, the Management Board of ComArch S.A. passed the resolution regarding an increase in share capital by way of emission of 91,041 ordinary bearer series J2 shares, of a nominal value of 1 PLN and issue price of 1 PLN, excluding a stock right of the current company's shareholders, in addition to changes in the company's Statute within the abovementioned scope. Shares will be offered to the entitled persons according to the rules of the managerial option program for key employees, passed with Resolution no. 40 of the Ordinary Annual General Shareholders' Meeting dated 28th of June, 2007.

A subscription of 91,041 J2 shares took place between the 17th of February, 2010 and the 26th of February, 2010 (current report no. 4/2010 dated the 9th of March, 2010). They were allocated to:

Name and surname	Number of shares	Shares value as at 31 December 2009
Janusz Filipiak	54,627	5,189,565 PLN
Piotr Piątośa	6,069	576,555 PLN
Paweł Prokop	6,069	576,555 PLN
Piotr Reichert	6,069	576,555 PLN
Zbigniew Rymarczyk	6,069	576,555 PLN
Konrad Tarański	6,069	576,555 PLN
Marcin Warwas	6,069	576,555 PLN
Total	91,041	8 648 895 PLN

On the 31st of March, 2010 the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered an increase in the ComArch S.A. share capital to the amount of 8,051,637 PLN. After this increase the company's share capital is divided into 8,051,637 shares. It corresponds to 15,045,237 votes at the company's AGM.

Execution of this programme for 2010

On 7th of December, 2009, with the resolution no. 1/12/2009, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2010. The total value of the all single option factors for each Key Employee in 2010 shall amount to 3 %. Pursuant to IFRS2, the company has valued the Option with Black & Scholes model. Apart from the assumptions resulting from the nature of the Option program described above, the following additional assumptions were adopted for the needs of the valuation:

- 4.223 % risk-free rate (the interest rate on 52-week treasury bills);
- 0 % dividend rate (the dividend rate in the period forecast as at the date of the passage of the programme);
- 35.46 % anticipated volatility (anticipated volatility based on historical volatility from the last 200 quotations prior to the date of the passage of the program on the basis of the average price of shares from opening and closing prices).

The determined Option's value amounts to 2.64 million PLN and will be recognised in the income statement for 2010.

3.15.4. After the Balance Sheet Date

1) Increase in Share Capital

On the 15th of February, 2010, the Management Board of ComArch S.A. passed the resolution regarding an increase in share capital by way of emission of 91,041 ordinary bearer series J2 shares, of a nominal value of 1 PLN and issue price of 1 PLN, excluding a stock right of the current company's shareholders, in addition to changes in the company's Statute within the above-mentioned scope. The company announced details in current report no. 2/2010.

2) Completion of Subscription for Series J2 Shares

Due to completion of subscription, the ComArch S.A. Management Board announced details of this subscription in current report no. 4/2010, dated the 9th of March, 2010:

- 1) commencement/completion date of subscription: 17 February 2010/26 February 2010;
- 2) date of series J2 shares allocation: 5 March 2010;
- 3) number of shares taken up by subscription: 91,041;
- 4) reduction rate in particular portion of securities in case of number of allocated series J2 shares lower than number of series J2 shares, on which subscriptions were made (even if it happens only in one portion of securities):-;
- 5) number of series J2 shares, on which subscriptions were made: 91,041;
- 6) number of series J2 shares, which were allocated: 91,041;
- 7) acquisition price of series J2 shares: 1,00 PLN (in words: one zloty) each;
- 8) number of persons who subscribed for series J2 shares: 7;
- 9) number of persons to whom shares were allocated: 7;
- 10) the Company did not enter into agreement on subissue;
- 11) value of subscription, i.e. number of offered shares multiplied by issue price: 91,041 PLN (in words: ninety-one thousand and forty-one);
- 12) total issue costs, in particular:
 - a) costs of an offering: 16,650.00 PLN (in words: sixteen thousand six hundred and fifty);
 - b) remuneration of subissuers, separately for each of them: 0.00 PLN (in words: zero);
 - c) costs of prospectus, including consultancy: 0.00 PLN (in words: zero);
 - d) offering promotion: 0.00 PLN (in words: zero);
 - e) civil law activities tax: 446.00 PLN (in words: four hundred and forty-six);Total: 17,096.00 PLN (in words: seventeen thousand and ninety-six).
Issue costs will be settled into finance costs.
- 13) average cost of subscription of series J2 shares per one share: 0.19 PLN.

3) Registration of Increase in ComArch S.A. Share Capital

On the 8th of April, 2010, ComArch S.A.'s Management Board announced that on the 31st of March, 2010, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered increase in the company's share capital to the amount of 8,051,637 PLN. After this increase the company's share capital is divided into 8,051,637 shares. It corresponds to 15,045,237 votes at the company's AGM.

ComArch S.A.'s share capital 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.

3.16 Other Capitals

3.16.1. Capital of the Company's Shareholders

	Capital from valuation of the managerial option	Investment capital and capital for covering the budget commitments	Supplementary capital from premium share	Total
At 31 December 2008	11,732	745	122,341	134,818
Balance at 1 January 2009	11,732	745	122,341	134,818
Managerial option valuation	2,980	-	-	2,980
At 31 December 2009	14,712	745	122,341	137,798

There was no dividend paid for the year 2009.

3.16.2. Minority Capital

Minority capital

At 1 January 2008	14,228
Share of the minority shareholders in relation with acquisition of SoftM	21,554
SoftM share in profit for 2008	1,273
MKS Cracovia SSA share in profit	616
Bonus Development Sp. z o.o. SK-A share in capital and result	60
Bonus Management Sp. z o.o. SK-A share in capital and result	248
Bonus Development Sp. z o.o. share in capital	1
At 31 December 2008	37,980
At 1 January 2009	37,980
Share of the minority shareholders in relation with acquisition of SoftM	(15,533)
SoftM share in profit	(3,845)
MKS Cracovia SSA share in profit	(2,152)
Bonus Development Sp. z o.o. SK-A share in capital and result	2
Bonus Management Sp. z o.o. SK-A share in capital and result	123
Bonus Development Sp. z o.o. share in capital	-
Currency differences due to valuation	471
At 31 December 2009	17,046

3.17 Trade and Other Payables

	31 December 2009	31 December 2008
Trade payables	84,562	63,476
Financial liabilities	368	1,832
Advances received due to services	280	513
Liabilities to related parties	21,182	22,877
Liabilities due to social insurance and other tax charges	1,609	5,316
Investments liabilities	-	3,720
Subsidies received	9,253	12,499
Provision for leave	53,128	61,262
Reserve on costs relating to the current period, to be incurred in the future	3,504	4,332
Other payables	1,065	1,344
Special funds (Social Services Fund and Residential Fund)	174,951	177,171

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

3.18 Long-term Contracts

	12 months ended 31 December 2009	12 months ended 31 December 2008
Revenues due to long-term contracts recognised in the reporting period	71,681	65,986
a) revenues from completed contracts recognised in the reporting period	24,526	35,291
b) revenues from contracts not completed recognised in the reporting period	52,762	34,915
c) revenues from contracts not completed recognised in the reporting period- an effect of settlement pursuant to IAS 11	(5,607)	(4,220)

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

At the end of the reporting period, long-term contracts were valued in accordance with the degree of work progress. Changes in settlements due to long-term contracts recognised in assets and liabilities between the 31st of December, 2008 and the 31st of December, 2009 are presented below:

	Prepayments	Accruals	Net
Revenues from long-term contracts included in the reporting period			
Balance of the consolidated prepayments/accrual as at 01 January 2008	17,806	7,125	10,681
Balance of the consolidated prepayments/accrual as at 31 December 2008	12,191	5,730	6,461
Change	5,615	1,395	(4,220)
Balance of the consolidated prepayments/accrual as at 01 January 2009	12,191	5,730	6,461
Balance of the consolidated prepayments/accrual as at 31 December 2009	8,507	7,653	854
Change	3,684	(1,923)	(5,607)
<i>Difference between change in prepayments/accrual and contracts (according to IAS 11).</i>			

3.19 Credits and Loans

	31 December 2009	31 December 2008
Non-current		
Bank credits	82,823	94,400
Loans	-	-
	82,823	94,400
Current		
Bank overdraft	6,163	13,881
Loans	25	221
Bank credits	6,711	12,692
	12,899	26,794
Total credit and loans	95,722	121,194

Investment credits

ComArch S.A. credit lines:

a) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw in amount of 20 million PLN for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last a maximum of 10 years, i.e. until 2015. This credit has a variable interest rate. On 5th of January, 2009, the company revaluated the remaining credit to be paid into EURO at the rate of 1 EUR = 4.003 PLN. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 2.75 million EURO, i.e. 11.3 million PLN.

b) An investment credit from Kredyt Bank S.A. with its registered seat 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 at a variable interest rate. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 23.15 million PLN.

c) An investment credit from Fortis Bank Polska S.A. with its registered seat 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 at a variable interest rate and was taken out by 30th of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 39.94 million PLN.

d) An investment credit from Bank Pekao S.A. with its registered seat 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 at a variable interest rate. The mortgage on the land is security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 15.1 million PLN.

A subsidiary, SoftM Software und Beratung AG has received a credit in IBM Kreditbank for financing of current activity in the amount of 1 million EURO. As at 31st of December, 2009, the credit used was 0.27 million EURO. SoftM Software und Beratung AG uses investment credit in HypoVereinsbank AG that amounts to 2 million EURO and the crediting period may last till 15th of February, 2010. It was raised in Q4 2009 for financing of current activity. The crediting period was 4 years. As at 31st of December, 2009, the credit used was 1.23 million EURO.

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

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

The exposure of Group bank credits to interest rate changes

At 31 December 2009	6 months or less	6-12 months	1-5 years	Over 5 years	Total
Investments credits	9,517	3,329	41,730	41,093	95,669
Interest	53	-	-	-	53
Total	9,570	3,329	41,730	41,093	95,722

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

	31 December 2009	31 December 2008
Between 1 and 2 years	6,657	11,819
Between 2 and 5 years	35,073	34,911
Over 5 years	41,093	47,670
	82,823	94,400

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

	31 December 2009	31 December 2008
In Polish currency	89,559	96,882
In EURO (equivalence in PLN)	6,163	24,312
	95,722	121,194

The effective interest rates at the balance sheet date

	31 December 2009	31 December 2008
Bank credits	4.07%	7.49 %
Loans	0.00%	0.00 %

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

	31 December 2009	31 December 2008
Current credit lines granted, expiring within one year, including:	22,116	55,305
– used at the balance sheet date	6,163	13,881
– available at the balance sheet date	15,953	41,424

3.20 Contingent Liabilities

On the 31st of December, 2009, the value of the bank guarantee and letters of credit issued by banks on order from ComArch S.A. in reference to executed agreements and participation in tender proceedings was 36.97 million PLN, including a bank guarantee in the amount of 2 million euro, i.e. 8.22 million PLN, for Bank HVB's benefit, as a suretyship for credit used by SoftM Software und Beratung AG. On 31st of December, 2008, the value of bank guarantee and letters of credit issued by banks on order from ComArch S.A. in reference to executed agreements and participation in tender proceedings was 26.97 million PLN.

On 31st of December, 2009, the value of bank guarantees issued by banks on order from CA Services S.A. (currently CA Consulting S.A.) in reference to executed agreements and participation in tender proceedings was 0.25 million PLN, whereas it was 0.9 million PLN on 31st of December, 2008.

On 31st of December, 2009, the value of bank guarantees issued by banks on order from SoftM Group in reference to executed agreements and participation in tender proceedings was 0.3 million EURO, i.e. 1.24 million PLN, whereas it was 0.31 million EURO, i.e. 1.30 million PLN on 31st of December, 2008.

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

	31 December 2009	31 December 2008
Credit lines*	86,816	125,465
	86,816	125,465

(*) they comprise credit lines at current account that are described in 3.19

As at 31st of December, 2009, there were no ComArch S.A.'s suretyships for the debts from lease agreements.

As at 31st of December, 2009, the Comarch Group had contractual obligations due to operational leasing agreements in the amount of 6.83 million PLN.

In 2009, the Group's parties did not sue and were not sued in proceedings which fulfil the criterion specified in § 87 Act 7 pt 7a) and 7b) of the Regulation issued by the Minister of Finance on 19th of February, 2009, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state.

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is 7.35 million PLN. In the previous year provisions for part of these claims were created. In 2009, additional provisions for these claims were created, and were worth 0.19 million PLN. In the third quarter of 2009, additional provisions for these claims were created, and were worth 0.68 million PLN.

3.21 Deferred Income Tax

	31 December 2009	31 December 2008
Deferred income tax assets		
Beginning of year:	12,713	12,341
- charged to financial result	12,713	12,341
Movement on deferred income tax account charged to financial result		
- recognition/dissolution of an asset due to tax loss in SoftM	6,246	(295)
- recognition of an asset due to tax loss for the previous years in w ComArch AG	3,079	(161)
- recognition of an asset due to tax relief of the dominant unit due to activities in Special Economic Zone	8,993	10,032
- dissolution of an asset due to tax relief of the dominant unit due to activities in Special Economic Zone	(10,032)	(8,740)
- dissolution/recognition of an asset due to valuation of INTERIA.PL S.A. shares	-	-
- recognition/dissolution of an asset due to temporary differences related to costs (depreciation, costs of research works)	(1,366)	(464)
- recognition of an asset for a possible to settle tax loss in ComArch AG	-	-
End of year	19,633	12,713
- charged to financial result	19,633	12,713
Deferred tax liabilities		
Beginning of year:	59,959	6,634
- charged to equity	5,430	5,430
- charged to financial result	37,205	1,204
- provisions due to acquisition of SoftM	17,324	-
Movement on deferred tax liabilities charged to financial result		
- dissolution of a provision due to depreciation of intangible assets in SoftM, in December	-	(156)
- dissolution of a provision due to depreciation of SoftM fair value valuation	(3,647)	(238)
- recognition/dissolution of a liability due to valuation of deposits in CCF FIZ	(3,287)	35,817
- recognition of a provision due to temporary differences related to depreciation, currency differences and interest	473	578
Changes in liabilities due to deferred tax in relation with acquisition of SoftM		
- provision due to fair value valuation of SoftM's assets as at the acquisition date	-	17,324
End of the period	53,498	59,959
- charged to equity	5,430	5,430
- charged to financial result	34,391	37,205
- provisions due to acquisition of SoftM	13,677	17,324

Deferred income tax asset

	Tax loss asset	Depreciation	Provisions for costs, revaluating write-offs	Asset due to valuation of INTERIA.PL S.A.	Asset due to tax relief related to income tax (SEZ)	Total
At 1 January 2008	456	-	3,145	-	8,740	12,341
-charged to financial result (Charged)/ credited to the result for 2008	456	-	3,145	-	8,740	12,341
	(456)	-	(464)	-	1,292	372
At 31 December 2008	-	-	2,681	-	10,032	12,713
(Charged)/ credited to the result for 2009	9,325	-	(1,366)	-	(1,039)	6,920
At 31 December 2009	9,325	-	1,315	-	8,993	19,633
-charged to financial result	9,325	-	1,315	-	8,993	19,633

Deferred income tax liability

	Provision due to valuation of CCF FIZ	Provision due to valuation of SoftM through fair value	Depreciation	Provisions (exchange differences, interest)	Provisions due to fair value valuation of MKS Cracovia SSA's assets	Total
At 1 January 2008	-	-	1,204	-	5,430	6,634
(Charged)/ credited to the result for 2008	35,817	-	(41)	225	-	36,001
At 31 December 2008	35,817	17,324	1,163	225	5,430	59,959
-charged to financial result	35,817	-	1,163	225	-	37,205
-charged to equity (Charged)/ credited to the result for 2009	(3,287)	(3,647)	196	277	-	(6,461)
At 31 December 2009	32,530	13,677	1,359	502	5,430	53,498
-charged to financial result	32,530	-	1,359	502	-	34,391
-charged to equity	-	13,677	-	-	5,430	19,107

1. As a result of Poland joining the European Union, an act was passed on the 2nd of October, 2003 that changed the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840) that changed the conditions for tax exemptions for entities operating in special economic zones. Pursuant to the article 6, section 1 of this act, these entities may apply for changes to the terms and conditions of their permits in order to adjust them to the principles for granting public aid in force in the European Union. Pursuant to the article 5, section 2 point 1 lit. b), point 2, point 3 of the act, the maximum amount of public aid for

entities, which operate in a special economic zone on the basis of a permit issued before the 1st of January, 2000, cannot exceed 75 % of the value of investments incurred in the period from the date of obtaining the permit until the 31st of December, 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since the 1st of January, 2001 is taken into consideration. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on the value of investments made. In the case of ComArch S.A., the maximum value of public aid will not exceed 75 % of the value of investment expenditures, which the company has incurred/shall incur since obtaining the permit, i.e. the 22nd of March, 1999, until the 31st of December, 2006.

The costs of investments and the amount of aid are subject to discounting pursuant to Par. 9 of the Regulation of the Ministry from 14 September 2004 on the Krakow Special Economic Zone (Journal of Laws 220 Item 2232) with wording changed pursuant to Par. 1 of the Regulation of the Ministry from 8 February 2005 that changed the Ordinance on the Krakow Special Economic Zone (Journal of Laws No. 32 Item 270) and with Par. 2 of the latter Ordinance taken into consideration.

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

Pursuant to IAS 12, unused tax relief as at the 31st of December, 2009, constitutes a deferred income tax asset. The limit of the unused investment relief as at the 31st of December, 2009, discounted as at the permit date, is 20.1 million PLN.

As at 31st of December, 2009, the company dissolved an asset due to activities in the SSE that was worth 10.032 million PLN. As at the 31st of December, 2009, the company presented a deferred income tax asset in the income statement due to activities in the SSE (hereinafter referred to as the "Asset") that was worth 8.993 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 2010. At the same time, pursuant to IAS12, the company will regularly verify the valuation of the Asset considering the possibilities of its realisation and further recognition. Additionally, the 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. The total effect of the above-mentioned operations on the result of 2009 was minus 1.039 million PLN.

2. During 2009, the Group settled in part a deferred tax asset related to temporary differences, which was recognised on 31st of December, 2008 and worth 2.306 million PLN. At the same time, an asset due to temporary differences was recognised in the amount of 0.94 million PLN.

3. In the fourth quarter of 2009, an asset was recognised due to tax losses in subsidiary companies, Comarch AG and SoftM Software und Beratung AG, which is open for settlements and is worth a value of 9.513 million PLN. The total effect of the above-mentioned operations on the result of 2009 was 7.001 million PLN.

4. Due to valuation of net assets of Comarch Corporate Finance FIZ, the Group dissolved in part a deferred tax provision, which was recognised in 2008, worth 3.287 million PLN and related to sales of INTERIA.PL S.A. shares. At the same time, a deferred tax provision was recognised in the amount of 0.441 million PLN and dissolved in the amount of 3.615 million PLN. The total effect of the all above-mentioned operations on the net result of 2009 was 6.461 million PLN.

Total changes in the deferred income tax resulted in an increase in net result of 13.381 million PLN.

3.22 Provisions for Other Liabilities and Charges

Non-current	Provisions for contractual penalties	Provisions for costs of court proceedings	Provisions for taxes	Total
At 1 January 2009	2,178	817	1,463	4,458
Recognised in the consolidated income statement:				
– Additional provisions	567	318	548	1,433
- Provisions used during year	(1,535)	(595)	(1,463)	(3,593)
At 31 December 2009	1,210	540	548	2,298

Current	Costs related to the current period, which will be incurred in future	Provisions for contracts costs	Other provisions	Total
At 1 January 2009	502	5,851	-	6,353
Recognised in the consolidated income statement:				
– Additional provisions	60	1,232	-	1,292
- Provisions used during year	(502)	(1,822)	-	(2,324)
At 31 December 2009	60	5,261	-	5,321

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 unsettled advances. Provisions for costs of contracts refer to recognition of the forecast losses in contracts.

Analysis of total provisions:

	31 December 2009	31 December 2008
Non-current	2,298	4,458
Current	5,321	6,353

3.23 Revenues from Sales

	12 months ended 31 December 2009	12 months ended 31 December 2008
Revenues from sales of products and services		
Revenues from sales of IT services	481,666	334,618
Revenues from sales of proprietary software and licences	74,657	78,479
Revenues from other sales	7,921	14,969
Total	564,244	428,066
Revenues from sales of goods and materials		
Revenues from sales of hardware	46,149	115,152
Revenues from third party software and licences	93,614	134,710
Revenues from other sales	25,396	23,037
Total	165,159	272,899
Total revenues from sales	729,403	700,965

3.24 Costs of Products, Services, Goods and Materials Sold

I/1 Costs by types	12 months ended 31 December 2009	12 months ended 31 December 2008
Depreciation of property, plant and equipment in use and intangible assets	41,845	20,058
Costs of social benefits	371,617	254,932
Change in products and work in progress	(36,142)	(3,774)
Consumption of raw materials and auxiliary materials	44,904	12,432
Third party services	82,996	68,063
Taxes and charges	5,856	4,966
Other costs	37,337	36,507
Costs of products sold, services, marketing and distribution as well as administrative costs, including:	548,413	393,184
<i>- manufacturing costs</i>	422,776	296,986
<i>- costs of sales</i>	70,888	49,238
<i>- general costs</i>	51,839	46,793
<i>- exchange differences on liabilities</i>	2,910	167
I/2 Costs of goods and materials sold	158,229	242,749
I/3 Costs of work execution within the framework of union projects	6,615	11,119
I/4 Total costs of products sold, services, marketing, administrative, goods, materials and work execution within the framework of union projects	713,257	647,052
II. Costs of social benefits	12 months ended 31 December 2009	12 months ended 31 December 2008
Remuneration	319,653	217,813
Social insurance	46,893	30,795
Social Services Fund	1,193	894
Training	1,401	1,726
Health and Safety at Work	3	2
Other	2,474	3,702
Total	371,617	254,932

3.25 Other Operating Revenues

Other operating revenues and profits	12 months ended 31 December 2009	12 months ended 31 December 2008
Recovered communication damages	69	5
Outdated liabilities	1,382	-
Dissolving write-offs revaluating receivables	2,851	-
Received contractual penalties	-	75
Earnings on disposal on non-financial non-current assets	17	4
Refund of VAT	359	263
Subsidies	-	864
Other	3,558	1,076
Total	8,236	2,287

3.26 Other Operating Costs

	12 months ended 31 December 2009	12 months ended 31 December 2008
Other operating costs and losses		
Write-off that revaluates assets (impairment)	3	-
Membership fees	292	174
Donations	56	231
Loss on non-current assets disposal and decommissioning	582	(19)
Write-off that revaluates receivables	6,719	7,132
Compensation	79	(146)
Income tax to be paid	-	-
Listed receivables	-	2,229
Compensation - costs to be covered by PZU SA	23	519
Other	2,151	161
Total	9,905	10,281

3.27 Finance Costs – Net

	12 months ended 31 December 2009	12 months ended 31 December 2008
Interest expense, including:	(4,099)	(4,187)
- <i>Interest on borrowings</i>	(3,400)	(3,917)
- <i>Interest on income tax to be paid</i>	-	-
- <i>Other</i>	(699)	(270)
Gains on bank deposits	7,934	12,438
Gains on disposal of securities	(145)	252
Net gains/(losses) on exchange differences (note 3.29)	(363)	4,315
Fair value valuation of financial instruments and investment	362	(3,020)
Gains on disposal of financial assets	-	188,823
- <i>result on sales of INTERIA.PL S.A. shares</i>	-	188,900
- <i>other</i>	-	(77)
Other, including:	873	23
- <i>compensation and financial penalties</i>	-	-
- <i>other</i>	873	23
Total	4,562	198,644

3.28 Income Tax

	12 months ended 31 December 2009	12 months ended 31 December 2008
Current tax	4,691	8,016
Deferred tax	(12,660)	35,283
Total	(7,969)	43,299

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

	12 months ended 31 December 2009	12 months ended 31 December 2008
Consolidated gross profit before tax	18,465	244,521
Tax calculated with the nominal rate on gross profit	3,626	47,779
Differences between gross profit and basis of taxation:		
Consolidation adjustments	(28,266)	34,505
Exclusions of losses in consolidated companies	81,494	7,633
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)	71,693	279,026
Permanent and temporary differences between gross profit and the actual basis of taxation, including:	(47,562)	(247,366)
<i>Utilisation of previously recognised tax losses</i>	(10)	-
<i>Differences between basis of taxation and gross profit</i>	(2,415)	34,523
<i>Income not subject to tax (due to activities in SEZ)</i>	(35,815)	(59,172)
<i>Income not subject to tax (shareholders are tax payers)</i>	(5,807)	(36,041)
<i>Other - income not subject to tax</i>	(3,515)	(186,676)
Taxable base from income tax	24,131	39,299
Tax calculated at tax rate for the Group	4,691	8,016
Effective tax rate	25.41 %	3.27 %

The applicable tax rate was 19.44 % in 2009 and resulted from the average tax rates for the consolidated entities. The applicable tax rate was 20 % in 2008 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 dominant unit, there are no circumstances indicating possibility of arising significant obligations on this account.

3.29 Net Foreign Exchange (Losses) /Gains

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

	12 months ended 31 December 2009	12 months ended 31 December 2008
Revenues from sales	2,654	2,029
Costs of products, goods and materials sold	(2,978)	167
Finance costs-net	(363)	4,315
Total	(687)	6,511

3.30 Earnings per Share

	12 months ended 31 December 2009	12 months ended 31 December 2008
Net profit for the period attributable to equity holders of the Group	32,306	199,126
Weighted average number of shares in issue (thousands)	7,961	7,961
Basic earnings per share (PLN)	4.06	25.01
Diluted number of shares (thousands)	8,050	7,961
Diluted earnings per share (PLN)	4.01	25.01

Basic earnings per share in the column '12 months ended the 31st of December, 2009' is calculated by dividing the net profit attributable to equity holders of ComArch S.A. for the period from the 1st of January, 2009 to the 31st of December, 2009 by the weighted average number of shares in issue between the 1st of January, 2009 to the 31st of December, 2009, where the number of days is the weight. Basic earnings per share in the column '12 months ended the 31st of December, 2008' is calculated by dividing the net profit attributable to equity holders of ComArch S.A. for the period from the 1st of January, 2008 to the 31st of December, 2008 by the weighted average number of shares in issue between the 1st of January, 2008 to the 31st of December, 2008, where the number of days is the weight.

Diluted earnings per share in the column "12 months ended 31 December 2009" is calculated by dividing the net consolidated profit attributable to equity holders of the company for the period from 1st of January, 2009, to 31st of December, 2009, by the sum of the weighted average number of shares in issue between 1st of January, 2009, and 31st of December, 2009, 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 2009. Diluted earnings per share in the column '12 months ended the 31st of December, 2008' is calculated by dividing the net consolidated profit attributable to equity holders of ComArch S.A. for the period from 1st of January, 2008 to the 31st of December, 2008 by the weighted average number of shares in issue between 1st of January, 2008 to the 31st of December, 2008, where the number of days is the weight.

3.31 Related-Party Transactions

Financial data for the year of 2008 presented in this point include financial data for December 2008, when considering d.velop (Schweiz) AG and KEK Anwendungssysteme GmbH companies; and financial data for the fourth quarter of 2008, when considering Sodigital Sp. z o.o.

3.31.1. Revenues from Sales of Goods and Services

	12 months ended 31 December 2009	12 months ended 31 December 2008
Revenues from sales of goods:		
d.velop (Schweiz) AG	-	1
KEK Anwendungssysteme GmbH	-	-
SolInteractive Sp. z o.o.	2	-
	2	1
Revenues from sales of services:		
d.velop (Schweiz) AG	-	17
KEK Anwendungssysteme GmbH	-	-
SolInteractive Sp. z o.o.	35	9
	35	26
	37	27

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 %)

3.31.2. Purchase of Goods and Services

	12 months ended 31 December 2009	12 months ended 31 December 2008
Purchases of goods:		
d.velop (Schweiz) AG	-	598
KEK Anwendungssysteme GmbH	-	-
SolInteractive Sp. z o.o.	-	-
	-	598
Purchase of services:		
d.velop (Schweiz) AG	-	760
KEK Anwendungssysteme GmbH	-	171
SolInteractive Sp. z o.o.	14	190
	14	1,121
	14	1,719

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.

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

	12 months ended 31 December 2009	12 months ended 31 December 2008
Receivables from related parties		
d.velop (Schweiz) AG	-	156
KEK Anwendungssysteme GmbH	-	409
SolInteractive Sp. z o.o.	78	1,103
	78	1,668
Payables to related parties		
d.velop (Schweiz) AG	-	80
KEK Anwendungssysteme GmbH	106	289
SolInteractive Sp. z o.o.	174	144
	280	513

3.32 Value of Remuneration of the Managing and Supervising Persons in 2009 and in 2008

Remuneration of members of the Management Board of ComArch S.A. in 2009 were 16,001,049.67 PLN. Remuneration of members of the Management Board of ComArch SA in 2009 paid by subsidiaries and associates were 581,422.00 PLN. Remuneration of members of the Supervisory Board in ComArch S.A. in 2009 were 451,805.72 PLN. Subsidiaries and associates paid no remuneration to members of the Supervisory Board of ComArch S.A. in 2009.

2008 (in PLN)

ComArch S.A.'s Board of Supervisors

		Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	213,235.24	0.00	213,235.24
2	Maciej Brzeziński	30,000.00	0.00	30,000.00
3	Maciej Czapiewski	15,000.00	0.00	15,000.00
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
	Total	348,235.24	0.00	348,235.24

ComArch S.A.'s Management Board

		Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	4,918,419.48	1,500.00	4,919,919.48
2	Rafał Chwast	207,867.14	0.00	207,867.14
3	Piotr Piątosza	910,364.32	500.00	910,864.32
4	Paweł Prokop	487,262.61	0.00	487,262.61
5	Piotr Reichert	1,147,004.80	500.00	1,147,504.80
6	Zbigniew Rymarczyk	774,818.51	0.00	774,818.51
7	Konrad Tarański	140,415.78	2,000.00	142,415.78
8	Marcin Warwas	834,912.58	0.00	834,912.58
	Total	9,421,065.22	4,500.00	9,425,565.22

2009 (in PLN)

ComArch S.A.'s Management Board

		Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	11,348,524.19	27,500.00	11,376,024.19
2	Piotr Piątosza	1,163,884.50	269,303.99	1,433,188.49
3	Paweł Prokop	664,168.89	-	664,168.89
4	Piotr Reichert	850,040.90	6,000.00	856,040.90
5	Zbigniew Rymarczyk	729,597.35	84,707.25	814,304.60
6	Konrad Tarański	344,277.41	193,911.00	538,188.41
7	Marcin Warwas	900,556.43	-	900,556.43
	Total	16,001,049.67	581,422.24	16,582,471.91

ComArch S.A.'s Board of Supervisors

		Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	301,805.72	0.00	301,805.72
2	Maciej Brzeziński	30,000.00	0.00	30,000.00
3	Maciej Czapiewski	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
	Total	451,805.72	0.00	451,805.72

As at the 31st of December, 2009, there are no unpaid loans as well as guarantees and suretyships granted by ComArch S.A. and its subsidiaries for the benefit of members of the Management Board, the Supervisory Board and their relatives.

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

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

- Janusz Filipiak held 2,620,010 shares (32.54 % of the company's share capital), which gave him 6,192,010 votes at the AGM and constituted 41.16 % of all votes at the AGM;
- Elżbieta Filipiak held 846,000 shares (10.51 % of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 28.12 % of all votes at the AGM;
- customers of BZ WBK AIB Asset Management S.A. held 2,756,060 shares (34.23 % of company's share capital), which gave 2,756,060 votes at AGM and constituted 18.32 % of the total number of votes at the AGM. These shares comprise shares held by BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds), that held 1,800,179 shares (22.36 % of the company's share capital), which gave 1,800,179 votes at AGM (11.97 % of the total number of votes at the AGM).

3.33.2. Changes in Holdings of ComArch S.A. Shares by Managing and Supervising Persons between 1 March 2010 and 30 April 2010

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 2009, i.e. the 1st of March, 2010 and on the 30th of April, 2010, pursuant to the information possessed by the company.

Members of the Management Board and the Board of Supervisors	Position	At 30 April 2010		At 1 March 2010	
		Shares	(%) in votes	Shares	(%) in votes
Janusz Filipiak	President of the Management Board	2,620,010	41.16	2,565,383	41,04
Elżbieta Filipiak	Chairman of the Board of Supervisors	846,000	28.12	846,000	28,29
Piotr Piątosza	Vice-President of the Management Board	16,845	0.11	10,776	0,07
Paweł Prokop	Vice-President of the Management Board	40,569	0.52	34,500	0,48
Piotr Reichert	Vice-President of the Management Board	6,069	0.19	-	0,00
Zbigniew Rymarczyk	Vice-President of the Management Board	28,141	0.04	22,072	0,15
Konrad Tarański	Vice-President of the Management Board	6,069	0.04	-	0,00
Marcin Warwas	Vice-President of the Management Board	6,069	0.04	-	0,00
Number of issued shares		8,051,637	100.00	7,960,596	100.00

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

3.34.1. Deferred Income Tax Asset

As at 31st of December, 2009, the company dissolved an asset due to activities in the SSE that was worth 10.032 million PLN. As at the 31st of December, 2009, the company presented a deferred income tax asset in the income statement due to activities in the SSE (hereinafter

referred to as the "Asset") that was worth 8.993 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 2010. At the same time, pursuant to IAS12, the company will regularly verify the valuation of the Asset considering the possibilities of its realisation and further recognition. Additionally, the 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.

3.34.2. Effect of SoftM Results in 2009

The Comarch Group's revenue in 2009 includes 169.68 million PLN resulting from revenue achieved in 2009 from sales in the SoftM Group. The effect of the SoftM Group on the Comarch Group's net result in 2009 amounted to a negative 20.12 million PLN.

3.35 Events after the Balance Sheet Date

3.35.1. Dates of Periodical Financial Reports in 2010

On the 14th of January, 2010, in the current report no. 1/2010, ComArch S.A.'s Management Board set dates of periodical financial reports in 2010:

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

- 1) Q4 2009 - on 1st of March, 2010
- 2) Q1 2010 - on 14th of May, 2010
- 3) Q2 2010 - Pursuant to § 101 sec. 2 of the Regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange and on the conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, ComArch S.A. will not publish quarterly report for the second quarter of 2010
- 4) Q3 2010 - on 12th of November, 2010

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 2010 - on 31st of August, 2010
- 2) Annual report for 2009 - on 30th of April, 2010
- 3) Consolidated annual report for 2009 - on 30th of April, 2010

3.35.2. Execution of the Managerial Option Programme

On the 15th of February, 2010, in current report no. 2/1010, pursuant to Art. 431 § 1 and Art. 432 of the Commercial Companies Code, and in relation to Art. 446 of the Commercial Companies Code and Art. 9 sec. 3 of the company's Statute, as well in execution of Resolution no. 40 of the Ordinary Annual General Shareholders' Meeting dated 28th of June, 2007, regarding the managerial option program for key employees and according to Resolution no. 1/01/2010 of the Supervisory Board regarding execution of the managerial option program for 2009, the Management Board of ComArch S.A. passed the resolution regarding an increase in share capital by way of emission of 91,041 ordinary bearer series J2 shares, of a nominal value of 1 PLN and issue price of 1 PLN, excluding a stock right of the current company's shareholders, in addition to changes in the company's Statute within the abovementioned scope. Shares will be offered to the entitled persons according to the rules of the managerial option program for key employees, passed with Resolution no. 40 of the Ordinary Annual General Shareholders' Meeting dated 28th of June, 2007.

Due to an increase in the company's share capital established with the abovementioned, art. 7 sec. 1 of the company's Statute will be worded as follows:

"The Company's share capital comes to 8,051,637.00 PLN (in words: eight million fifty-one thousand six hundred thirty-seven) and is divided into 8,051,637.00 PLN (in words: eight million fifty-one thousand six hundred thirty-seven) shares, including: 1,748,400 (one million seven hundred forty-eight thousand four hundred) registered preference shares of nominal value of 1.00 PLN every share and 6,303,237 (six million three hundred three thousand two

hundred thirty-seven) ordinary bearer shares of nominal value of 1.00 PLN every share, including:

- 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."

3.35.3. Update of the Information dated 10th of November, 2009 relating to the Letter of Intent with E-Plus

On the 28th of February, 2010, in current report no. 3/2010, in relation to current report no. 25/2009 dated the 10th of November, 2009 relating to the letter of intent with E-plus signed between a subsidiary, Comarch AG and E-Plus Mobilfunk GmbH&Co. KG, ComArch S.A.'s Management Board announced that due to ongoing negotiations, the planned contract signing date has been changed from the 28th of February, 2010 to the 18th of May, 2010.

3.35.4. Credit Agreement with Bank DnB NORD SA

On 28th of April, 2010, ComArch S.A. signed a credit agreement with Bank DnB NORD Polska S.A. with its registered seat 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 20 million PLN. The crediting period may last 11 years at a variable interest rate and should be taken out by 30th of September, 2011. The real estate mortgage, cession of rights in the building insurance policy and cession of rights in the bank guarantee issued for the debtor are security for this credit.

3.35.5. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of January, 2010 and the 19th of April, 2010, ComArch S.A. concluded a forward contract for the sale of foreign currencies. The total net value of open forward contracts as of the 19th of April, 2010 amounted to 3.14 million EURO and 1.8 million USD. The open forward contracts as of the 19th of April, 2010 were valued at plus 0.887 million PLN. The contracts will be settled within thirteen 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.

3.36 Significant Legal, Arbitration or Administrative Proceedings

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is 7.35 million PLN. In the previous year provisions for part of these claims were created. In 2009, additional provisions for these claims were created, and were worth 0.68 million PLN.

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

**CONSOLIDATED FINANCIAL STATEMENT
FOR 2009
AS WELL AS
OPINION OF AN INDEPENDANT AUDITOR
AND
REPORT OF AN AUDITOR**

OPINION OF AN INDEPENDENT AUDITOR..... 3

**THE REPORT SUPPLEMENTING THE OPINION FROM THE AUDIT OF THE
CONSOLIDATED FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2009 5**

I. GENERAL INFORMATION	5
1. GENERAL CHARACTERISTICS OF THE COMPANY	5
2. INFORMATION REGARDING THE FINANCIAL STATEMENT FROM THE PREVIOUS FINANCIAL YEAR	10
3. DATA THAT IDENTIFIES AN ENTITLED ENTITY AND AN EXPERT AUDITOR CARRYING OUT AN AUDIT ON BEHALF OF THE ENTITY	10
4. DATA AVAILABILITY AND STATEMENTS OF THE ENTITY’S MANAGEMENT	11
5. EQUITY AND FINANCIAL SITUATION OF THE CAPITAL GROUP	11
II. DETAILED INFORMATION	13
1. INFORMATION ON AUDITED CONSOLIDATED FINANCIAL STATEMENT.....	13
2. CONSOLIDATING DOCUMENTATION	13
3. COMPLETENESS AND CORRECTNESS IN THE PREPARATION OF THE ADDITIONAL INFORMATION AND COMMENTARY AND THE REPORT REGARDING THE ACTIVITIES OF THE CAPITAL GROUP	15
4. FINAL INFORMATION AND ARRANGEMENTS.....	16

**CONSOLIDATED FINANCIAL STATEMENT OF THE COMARCH CAPITAL
GROUP FOR 2009**

1. Consolidated Balance Sheet
2. Consolidated Income Statement
3. Changes in the Consolidated Equity
4. Consolidated Cash Flow
5. Additional Information and Commentary

REPORT OF THE MANAGEMENT BOARD

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 appears above. The capital group's dominant entity is ComArch S.A. with its registered seat at Al. Jana Pawła II 39A, Kraków. We audited consolidated balance sheet as at the 31st of December, 2009, consolidated income statement, total income consolidated statement, changes in consolidated equity, consolidated cash flow statement for the period from the 1st of January, 2009 to the 31st of December, 2009, additional information and annotations.

The Manager of the dominant unit takes responsibility for drawing up the financial report mentioned above and the report regarding the activities of the Capital Group

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

Our task was to audit this 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 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 the Act on Accounting,
- national standards for financial review, issued by the National Board of Expert Auditors in Poland.

The audit was planned and executed so as to provide sufficient certainty in order to allow as 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 company and significant assessments, 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 for the financial year 2009, in all significant aspects:

- a) presents a true and fair view on the company's equity and financial situation as at 31st of December, 2009, and on the financial result for financial year from 1st of January to 31st of December, 2009,
- b) 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 the Act on Accounting and regulations formed on the basis of this act,
- c) was prepared compliant with the law binding the capital group.

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

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

.....
persons representing the company

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

Warsaw, 30th of April, 2010

**THE REPORT SUPPLEMENTING THE OPINION
FROM THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR 2009**

I. GENERAL INFORMATION

1. General Characteristics of the Company

The dominant unit of the Capital Group operates under the company name of ComArch Spółka Akcyjna. The city of Krakow, Al. Jana Pawła II 39 A is the seat of the company.

The company operates in the form of a joint stock company, formed with a notarial deed on the 30th of November, 1994 by notary, Maria Kwiecińska-Stybel in Krakow (Repertory No. A 5209/94).

Pursuant to the notice dated the 20th of December, 1994, the company was registered in division B, at number RHB 3218 of a commercial register of the District Court for Kraków-Śródmieście, Economic Division of the National Court Register in Krakow. Currently, the company is registered at no. KRS 0000057567 in the register of business entities of the District Court for Kraków-Śródmieście, Economic Division of the National Court Register in Krakow.

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

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

The company operates compliant with the provisions of the Commercial Companies Code. It also operates compliant with the permit on business activities in the Special Economic Zone in Krakow.

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.

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

As at 31st of December 2009, the company's share capital accounted for 7,960,596.00 PLN and was divided into 6,080,596 ordinary shares of nominal value of 1 PLN each and 1,880,000 registered shares of nominal value of 1.00 PLN each. Registered shares are preferential for voting so that 5 votes in the General Meeting correspond with each share. As at 31st of December, 2009, 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 – 32.23% in the company's share capital (41.04% of votes at the AGM),
- Elżbieta Filipiak – 10.63% in the company's share capital (28.29% of votes at the AGM),
- Customers of BZ WBK AIB Asset Management S.A. – 34.62% in the company's share capital (18.43% of votes at the AGM).

Within the financial year there were the following changes in the company's share capital:

- On 5th of January, 2009, due to request of a shareholder and pursuant to resolution no. 1/21/2008 of ComArch S.A.'s Management Board passed on 1st of December, 2008 as well as pursuant to resolution no. 700/08 of the National Deposit for Securities passed on 23rd of December, 2008, rights attached to 9,400 series A shares have been changed. As at the date of preparing the financial report, total number of votes at the issuer's general meeting after conversion amounts to 14,954,196.

After the balance sheet date there were the following changes in the company's share capital:

- On the 15th of February, 2010 there was an increase in share capital by way of emission of 91,041 ordinary bearer series J2 shares, of a nominal value of 1 PLN and issue price of 1 PLN, excluding a stock right of the current company's shareholders. Shares will be offered to the entitled persons according to the rules of the managerial option program for key employees. On the 31st of March, 2010 the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered increase in the ComArch S.A. share capital to the amount of 8,051,637 PLN. After this increase the company's share capital is divided into 8,051,637 shares. It corresponds to 15,045,237 votes at the company's AGM.

As at the 31st of December, 2009, the equity was 554,316 thousand PLN.

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

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

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

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

As at the 31st of December, 2009, the ComArch Capital Group consists of the following entities:

- the dominant unit – ComArch S.A., and
- subsidiaries:
 - ComArch AG, Germany - a subsidiary in 100%,
 - ComArch Software SARL - an indirect subsidiary in 100%,
 - ComArch R&D SARL - an indirect subsidiary in 70%,
 - ComArch Inc. - a subsidiary in 100%,
 - ComArch Panama, Inc. - an indirect subsidiary in 100%,
 - SoftM Software Und Beratung AG - an indirect subsidiary in 80.89%,
 - SoftM Polska Sp. z o.o. - a subsidiary in 100%,
 - ComArch Middle East FZ-LCC - a subsidiary in 100%,
 - ComArch LLC - a subsidiary in 100%,
 - OOO ComArch - a subsidiary in 100%,
 - UAB ComArch - a subsidiary in 100%,
 - ComArch s.r.o - a subsidiary in 100%,
 - ComArch Software (Shanghai) Co. Ltd. - a subsidiary in 100%,
 - CA Services S.A. - a subsidiary in 99,90%,
 - ComArch Management Sp. z o.o. - a subsidiary in 100%,
 - Comarch Corporate Finance FIZ - a subsidiary in 100%,
 - MKS Cracovia SSA - a subsidiary in 49.15%.
- the SoftM Capital Group consists of the following entities:

- Comarch Solutions GmbH (Munich) - a subsidiary in 100 % through SoftM Software und Beratung AG,
- Comarch Solutions GmbH (Vienna) - a subsidiary in 100 % through SoftM Software und Beratung AG,
- Comarch Schilling GmbH - a subsidiary in 100 % through SoftM Software und Beratung AG,
- Comarch Systemintegration GmbH - a subsidiary in 100 % through SoftM Software und Beratung AG,
- Solitas Informatik AG - a subsidiary in 100 % through SoftM Software und Beratung AG,
- SoftM France S.A.R.L. - a subsidiary in 100 % through SoftM Software und Beratung AG,

- subsidiaries through Comarch Corporate Finance FIZ:
 - iMed 24 S.A. - a subsidiary in 100 % through Comarch Corporate Finance FIZ,
 - iFin24 S.A. - a subsidiary in 100 % through Comarch Corporate Finance FIZ,
 - iReward24 S.A. - a subsidiary in 100 % through Comarch Corporate Finance FIZ,
 - Infrastruktura24 S.A. - a subsidiary in 100 % through Comarch Corporate Finance FIZ,
 - CASA Management and Consulting Sp. z o.o. SKA - a subsidiary in 100 % through Comarch Corporate Finance FIZ,
 - iComarch24 S.A. - a subsidiary in 100 % through Comarch Corporate Finance FIZ,
 - Comarch Management sp. z o.o. SKA - a subsidiary in 87.65 % through Comarch Corporate Finance FIZ,
 - Bonus Development sp. z o.o. SKA - a second degree subsidiary in 99.12 % through Comarch Corporate Finance FIZ,
 - Bonus Management sp. z o.o. SKA - a subsidiary in 98.78 % through Comarch Corporate Finance FIZ.

- associates:
 - through SoftM Software und Beratung AG:
 - KEK Anwendungssysteme GmbH with its registered seat in Munich in Germany (30.00% votes held by SoftM Software und Beratung AG).
 - through ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty:
 - SoInteractive Spółka z o.o. (name change beginning from the 17th of November, 2009 from Sodigital Sp. z o.o.) (30.72% votes held by ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty).

The consolidated financial statement as at the 31st of December, 2009 comprises the following companies:

a) the dominant unit – ComArch S.A.

The audit of the financial statement of the dominant unit was carried out for the financial period from the 1st of January, 2009 to the 31st of December, 2009. Our opinion dated the 30th of April, 2010 included no objections. We would like to draw your attention to the fact that the present report is a financial statement and should primarily serve statute purposes. It cannot constitute the single grounds for assessment of the financial and material situation of the Capital Group, for which the company is a dominant subject. Apart from the financial statement, the company drafts the consolidated financial statements of the Capital Group.

b) companies consolidated with the full method:

Name and seat of the company	% in the share capital	An auditing entity and type of the opinion	Date of the opinion
ComArch Global, Inc. Miami	100%	was not subject to audit	n/a
ComArch AG, Dresden	100%	Alexander Enders, expert auditor; as at the date of this report there were no opinion	as at the date of this report there were no opinion
ComArch Middle East FZ-LCC, Dubai	100%	was not subject to audit	n/a
ComArch s.r.o, Bratislava	100%	was not subject to audit	n/a
ComArch LLC, Kiev	100%	was not subject to audit	n/a
ComArch Panama, Inc.	100%	was not subject to audit	n/a
UAB ComArch, Vilnius	100%	was not subject to audit	n/a
OOO ComArch, Moscow	100%	was not subject to audit	n/a
CA Services S.A., Krakow	99.90%	Interfin Sp. z o.o., opinion without objections	31 March 2010
MKS Cracovia SSA	49.15%	Interfin Sp. z o.o., opinion without objections	25 March 2010
Comarch Software S.A.R.L	100%	was not subject to audit	n/a
Comarch R&D S.A.R.L.	70%	was not subject to audit	n/a
Comarch Management Sp. z o.o.	100%	was not subject to audit	n/a
Comarch Management Sp. z o.o. SKA	100%	was not subject to audit	n/a
Comarch Corporate Finance FIZ	100%	Europejskie Centrum Audytu Sp. z o.o., opinion without objections	17 February 2010
Bonus Development Sp. z o.o. SKA	99.12%	was not subject to audit	n/a
IMED24 S.A.	100%	Interfin Sp. z o.o., opinion without objections	29 March 2010
iFIN24 S.A.	100%	Interfin Sp. z o.o., opinion without objections	31 March 2010
iReward24 S.A.	100%	Interfin Sp. z o.o., opinion without objections	29 March 2010
Infrastruktura24 S.A.	100%	Interfin Sp. z o.o., opinion without objections	31 March 2010
iComarch24 S.SA.	100%	Interfin Sp. z o.o., opinion without objections	31 March 2010
Bonus Management Sp. z o.o. SKA	98.78%	was not subject to audit	n/a
SoftM Polska Sp. z o.o.	100%	was not subject to audit	n/a

CASA Management & Consulting	100%	Interfin Sp. z o.o., opinion without objections	31 March 2010
Comarch Software (Shanghai) Co. Ltd.	100%	was not subject to audit	n/a
SoftM Software und Beratung AG Capital Group	80.89%	Akanthus GmbH WPG, München, opinion without objections	15 March 2010*

* The consolidated financial statement of SoftM Software und Beratung AG Capital Group was a basis for presentation in the consolidated financial statement of the ComArch Capital Group. The consolidated statement of SoftM Software und Beratung AG Capital Group included data from 6 subsidiaries and 1 associate.

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	Date of the opinion
SoInteractive Sp. z o.o., Kraków	30.72%	was not subject to audit	n/a

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

For the year 2008, the closing balance of the Capital Group's net activities was 201,222 thousand PLN. The Capital Group's consolidated financial statement for the financial year of 2008 was audited by an expert auditor. An audit was carried out by Deloitte Audyt Sp. z o.o., the entitled auditor. There were no reservations in the opinion of an expert auditor dated the 30th of April, 2010.

The Annual General Meeting that approved the financial statement for the financial year of 2008 was held on the 22nd of June, 2009.

On the 25th of June, 2009, in compliance with the law, the consolidated financial statement for the financial year of 2008 was delivered to the National Court Register and on the 29th of June, 2009, it was delivered for publishing in Monitor Polski B. The consolidated financial statement was published in Monitor Polski B no. 2202 on the 6th of November, 2009.

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 17th of July, 2009, concluded between ComArch S.A. and Deloitte Audyt Sp. z o.o. with its registered seat in Warsaw at al. Jana Pawła II 19. Deloitte Audyt Sp. z o.o. is registered under item no. 73 in the list of entities entitled to audit financial statements (the list of National Council of Auditors). On behalf of the entity entitled to audit financial statements, the audit was carried out under the supervision of the auditor Marek Turczyński (register no. 90114) at the dominant unit's seat from the 8th of March, to the 19th of March, 2010, as well as outside the company's seat till the 30th of April, 2010.

On the 7th of August, 2008, according to the authorisation that is included in art. 19 sec. 2 of the dominant unit's statute, the Board of Supervisors selected the entitled auditor.

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

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

There were no limitations within the audit.

During the audit, all demanded documents and data were made available to the entitled entity and expert auditor, as well, comprehensive information and explanations were also granted. That was, among other things, confirmed by a written statement from the company's Management Board dated the 30th of April, 2010.

5. Equity and Financial Situation of the Capital Group

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

<u>Basic data from income statement (in thousands of PLN)</u>	<u>2009</u>	<u>2008</u>
Revenues from sales	729,403	700,965
Costs from operating activities	713,362	647,052
Other operating revenues	8,236	2,287
Other operating costs	9,905	10,281
Financial revenues	9,283	205,851
Financial costs	4,721	7,207
Share in profits/losses of associates	-470	-42
Income tax	7,969	43,299
Net profit (loss)	26,434	201,222
Total income	32,695	205,794
<u>Profitability ratios</u>	<u>2009</u>	<u>2008</u>
- sales margin	2%	7%
- net margin	4%	29%
- return on equity	5%	60%
<u>Efficiency ratios:</u>		
- assets turnover ratio	0.81	0.77
- receivables turnover ratio (days)	107	107
- liabilities turnover ratio (days)	38	61
- inventories turnover ratio (days)	16	18

<u>Liquidity/net working capital</u>	<u>2009</u>	<u>2008</u>
- debt rate	38%	42%
- degree of covering assets with equity	62%	58%
- net working capital (in thousands of PLN)	276,391	283,832
- liquidity ratio	2.37	2.28
- cash to current liabilities ratio	2.20	2.14

An analysis of the above amounts and ratios indicates the following tendencies in 2009:

- decreases in sales margins and return on equity,
- increase in assets turnover ratio,
- decreases in liabilities and inventories turnover ratios and maintaining the similar level of receivables turnover ratio,
- decrease in debt rate and increase in degree of covering assets with equity,
- increases in liquidity ratios and cash to current liquidity ratio.

II. DETAILED INFORMATION

1. Information on Audited Consolidated Financial Statement

The audited consolidated financial statement was prepared as at the 31st of December, 2009 and includes:

- consolidated balance sheet as at the 31st of December, 2009, with total assets, total equity and liabilities amounting to 895,106 thousand PLN;
- consolidated income statement for the period from the 1st of January, 2009 to the 31st of December, 2009, with the net profit for the year amounting to 26,434 thousand PLN;
- total consolidated income statement for the period from the 1st of January, 2009 to the 31st of December, 2009, with the total income for the year amounting to 32,695 thousand PLN;
- changes in consolidated equity for the period from the 1st of January, 2009 to the 31st of December, 2009 showing an increase in the value of equity in the amount of 20,142 thousand PLN;
- consolidated cash flow statement for the period from the 1st of January, 2009 to the 31st of December, 2009 showing a decrease in cash and cash equivalents in the amount of 12,499 thousand PLN;
- additional information and annotations including information on applied accounting standards.

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

The audit covered the period from the 1st of January to the 31st of December, 2009 and consisted mostly of:

- auditing the correctness and reliability of the consolidated financial statement prepared by the Management Board of the dominant unit,
- 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 dominant unit presented the following consolidating documentation:

- 1) consolidated financial statements of the consolidated entities;
- 2) financial statements of the related entities prepared according to mandatory accounting regulations;
- 3) financial statements of the related entities after conversion to Polish currency;
- 4) all corrections and eliminations made during consolidation that are necessary to prepare the consolidated financial statement;

- 5) calculation of the fair value of net assets in related parties;
- 6) calculation of the goodwill and negative goodwill, and write-offs, including write-offs due to permanent loss in value;
- 7) calculation of the minority interests;
- 8) calculation of the currency differences resulting from the conversion of financial statements of related parties expressed in foreign currencies.

Principles of preparing the consolidated financial statements

This consolidated financial statement for the 12 months ended 31 December 2009 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 dominant unit – ComArch S.A. Financial statements for the consolidated subsidiaries were prepared as at the same balance sheet date as the dominant unit. The financial year of the consolidated subsidiaries and associate ended on the 31st of December, 2009.

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 dominant unit and the consolidated subsidiaries, as well as SoftM Software und Beratung AG Capital Group's financial statements in the full amount. The consolidated financial statement of the SoftM Software und Beratung AG Capital Group that was included in the consolidated financial statement of the ComArch Capital Group included data from 6 subsidiaries and 1 associate.

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

- acquisition value of shares held by the dominant unit in the subsidiaries and that part of the subsidiaries' net assets corresponding to the share of the dominant unit 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 dominant unit in the associate was adjusted in the interest of the dominant unit 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 dominant unit 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 dominant unit 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 dominant unit presented correctly particular items of assets, equity and liabilities, income statement. Consolidated balance sheet, consolidated 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 2009 to the financial statement. This report contains information that is required by art. 49 sec. 2 of the Accounting Act and the regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state. We've audited this report concerning the presented information that has a direct source in the audited financial statement.

4. Final Information and Arrangements

The Management Board's declarations

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

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

.....
persons representing the company

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

Warsaw, 30th of April, 2010

COMARCH

REPORT
OF COMARCH S.A.'s MANAGEMENT BOARD
REGARDING
THE ACTIVITIES OF THE CAPITAL GROUP IN 2009

Krakow, 30th of April, 2010

1.	GENERAL INFORMATION ABOUT THE CAPITAL GROUP	3
1.1	SELECTED FINANCIAL DATA	3
1.2	ORGANISATIONAL STRUCTURE AND CHARACTERISTICS OF THE GROUP'S ENTITIES.....	5
1.3	SHAREHOLDING STRUCTURE, MANAGING AND SUPERVISING ENTITIES	7
1.4	EMPLOYMENT AND PRODUCTION CAPACITY OF THE GROUP	9
2.	ECONOMIC ACTIVITIES	10
2.1.	PRODUCTS AND SERVICES OFFERED BY COMARCH IN 2009	10
2.2.	POSITION OF THE GROUP IN THE IT MARKET AND INFORMATION ABOUT MARKETS AND SOURCES OF SUPPLY	27
2.3.	THE MOST SIGNIFICANT CONTRACTS IN 2009.....	29
2.4.	MAJOR DOMESTIC AND FOREIGN INVESTMENT (SECURITIES, FINANCIAL INSTRUMENTS, INTANGIBLE ASSETS AND REAL ESTATE), INCLUDING CAPITAL INVESTMENT MADE OUTSIDE THE GROUP OF RELATED PARTIES, AS WELL AS A DESCRIPTION OF THEIR FINANCING.....	30
2.5.	ACTIVITY IN THE SPECIAL ECONOMIC ZONE	31
3.	FINANCIAL SITUATION OF THE CAPITAL GROUP IN 2009.....	33
3.1	FINANCIAL ANALYSIS.....	33
3.2	COMMENTARY ON DIFFERENCES BETWEEN FINANCIAL RESULTS PRESENTED IN ANNUAL REPORT AND RESULTS FORECAST FOR THE GIVEN YEAR PUBLISHED BEFORE	36
3.3	FACTORS AND EVENTS OF UNUSUAL NATURE THAT AFFECT THE ISSUER ACTIVITIES AND THE ACHIEVED RESULTS, AS WELL AS THEIR APPRAISAL	36
3.4	CHANGES IN METHODS OF COMPANY MANAGEMENT AND ITS CAPITAL GROUP MANAGEMENT	36
3.5	DESCRIPTION OF THE MAIN CAPITAL DEPOSITS OR THE MAIN CAPITAL INVESTMENTS MADE WITHIN THE COMARCH GROUP IN THE GIVEN YEAR.....	37
3.6	TRANSACTIONS CONCLUDED BY THE ISSUER OR ITS SUBSIDIARY WITH RELATED PARTIES ON TERMS DIFFERENT FROM MARKET CONDITIONS.....	37
3.7	FINANCIAL LIABILITIES AND SIGNIFICANT OFF- BALANCE SHEET ITEMS	37
3.8	LOANS.....	38
3.9	SIGNIFICANT LEGAL, ARBITRATION OR ADMINISTRATIVE PROCEEDINGS	39
4.	PERSPECTIVES FOR DEVELOPMENT	40
4.1	FACTORS ESSENTIAL FOR DEVELOPMENT OF THE GROUP.....	40
4.2	OTHER SIGNIFICANT FACTORS, INCLUDING RISKS AND THREATS	40
4.3	PERSPECTIVES OF DEVELOPMENT IN THE GROUP IN 2009.....	41
4.4	CHARACTERISTIC OF POLICY OF THE DEVELOPMENT DIRECTION IN THE COMARCH GROUP	42
4.5	ACHIEVEMENTS WITHIN RESEARCH AND DEVELOPMENT AS WELL AS AN APPRAISAL OF ABILITY FOR EXECUTING INVESTMENT PLANS, INCLUDING CAPITAL INVESTMENT COMPARED TO THE AMOUNT OF RESOURCES OWNED.....	42
5.	COMARCH IN THE STOCK EXCHANGE	43
5.1	RESOLUTIONS OF THE AGM AND THE BOARD OF SUPERVISORS	43
5.2	OPERATIONS ON COMARCH S.A SHARES	43
5.3	MANAGERIAL OPTION PROGRAM FOR MEMBERS OF THE MANAGEMENT BOARD AND OTHER KEY EMPLOYEES FOR 2008-2010.....	45
5.4	TRANSACTIONS ON SHARES OF SUBSIDIARIES AND ASSOCIATES OF COMARCH S.A.	47
5.5	DATA REFERRING TO THE AGREEMENT SIGNED WITH THE ENTITY ENTITLED TO AUDITING FINANCIAL STATEMENTS	48
5.6	OTHER	48
6.	AMENDMENT TO THE REPORT OF THE MANAGEMENT BOARD.....	51
6.1	CHARACTERISTICS OF COMPANIES IN THE GROUP.....	51
6.2	CHANGES IN THE ORGANISATIONAL STRUCTURE IN 2009.....	57
6.3	CHANGES IN ORGANISATIONAL STRUCTURE AFTER THE BALANCE SHEET DATE	59
6.4	METHODS OF CALCULATION OF FINANCIAL RATIOS	60

1. GENERAL INFORMATION ABOUT THE CAPITAL GROUP

1.1 Selected Financial Data

1.1.1 Consolidated Financial Data

	2009	2008	2007	2006
Revenue from sales	729,403	700,965	581,048	491,550
Operating profit	14,373	45,919	44,006	45,551
Profit before income tax	18,465	244,521	45,519	54,572
Net profit attributable to the company's shareholders	32,306	199,126	42,770	52,760
Profit per share	4.06	25.01	5.46	7.13
Assets	895,106	915,247	558,489	461,559
Book value	554,316	534,174	300,780	256,983

In 2009 Comarch Group sales revenue climbed by 4.1 % to 729.4 million PLN year on year. Operating profit decreased by 68.7 % to 14.4 million PLN and net profit attributable to the company's shareholders amounted to 32.3 million PLN, a decrease of 83.8 %. EBIT margin was down year on year at 2 % (6.6 % in 2008). The resulting consolidation with the SoftM Group generated additional sales revenue in 2009 for the Comarch Group of 169.7 million PLN, a decrease in operating profit of 29.3 million PLN and a decrease in net profit of 20.1 million PLN. On the 31st of December, 2009 the Comarch Group employed 3,260 people excluding employees of MKS Cracovia SSA. This represented a 1.7 % decline in the number employed, a decrease of 55 people.

The value of the Comarch Group's assets at the end of 2009 fell by 2.2 % from 2008 from 915.2 million PLN to 895.1 million PLN. This resulted from a 5.4 % decrease in current assets. Equity grew by 3.8 % over 2009 and was due in large measure to the sizeable increase in retained earnings in 2009 of 133.3 %. Liabilities and provisions for liabilities fell to 40.3 million PLN.

Backlog for the current year	At 30 April 2010	At 30 April 2009	Change
Revenues contracted for the current year	396,502	381,246	4.0%
including export contracts	97,941	93,515	4.7%
<i>% of export contracts</i>	24.7%	24.5%	
including services and proprietary software	352,616	340,719	3.5%
<i>% of services and proprietary software</i>	88.9%	89.4%	

As of the end of April 2010, the backlog for the current year, excluding SoftM's backlog, amounted to 396.5 million PLN and was therefore higher by 4.0 % compared to the same period in the previous year. The value of services and proprietary software sales amounted to 352.6 million PLN, i.e. an increase of 3.5 %, and as a consequence their share of the total backlog maintained a comparable level of 88.9 %. The share of export contracts of the total backlog has remained at a stable level of 24.7 %.

In the company's opinion, the current value of its backlog confirms the slow recovery of both the Polish and global economy, as well as of the IT market. Moreover, the structure of revenue contracted for the current year confirms the strong financial position of the Group and its low sensitivity to changeable macroeconomic conditions. At the same time, the company's Management Board emphasises that an increase in the EBIT margin and further market expansion within the following years remain one of the most important priorities of the Group for the current year.

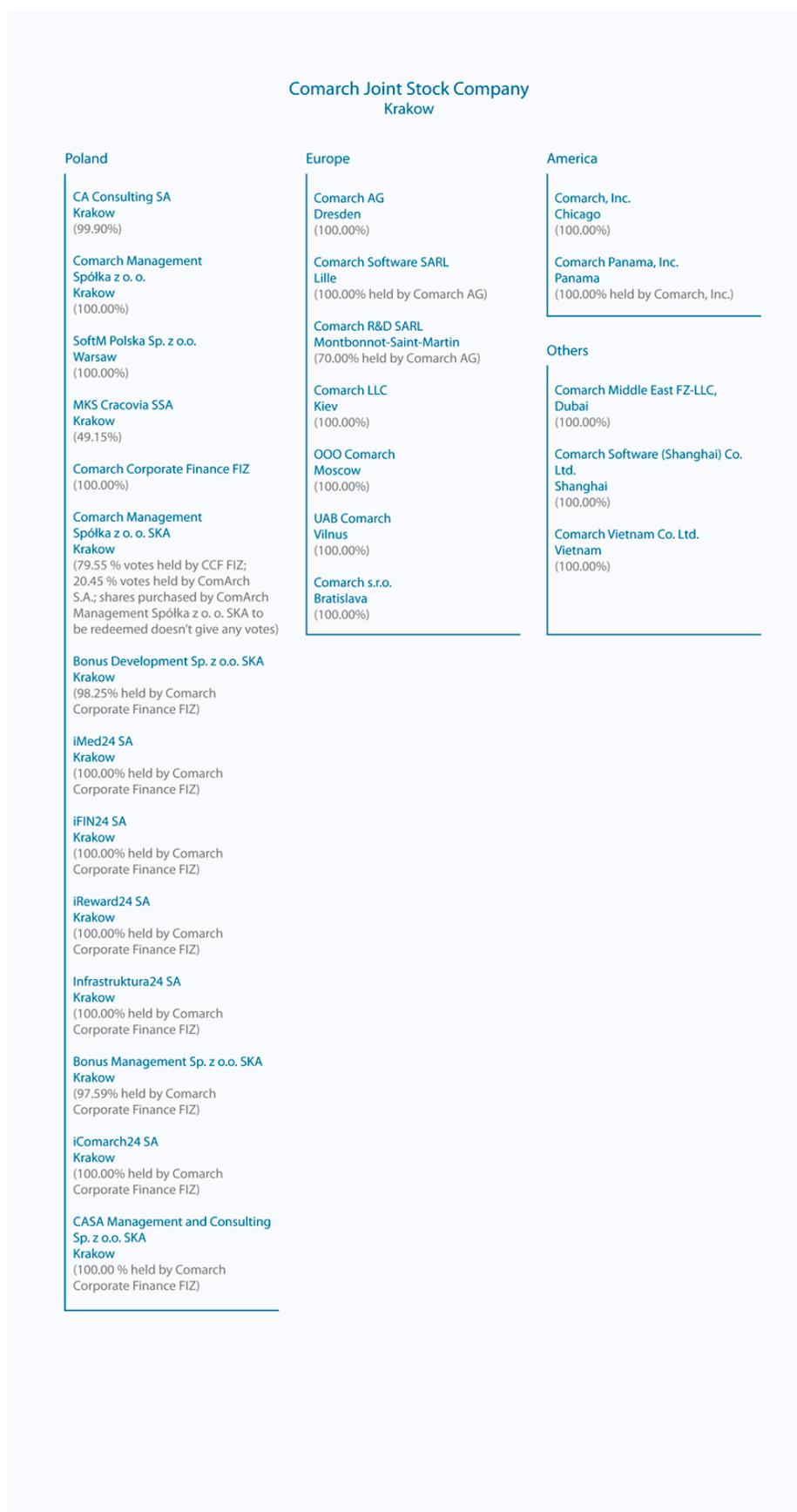
1.1.2 ComArch S.A. Stock Price Performance (in PLN)

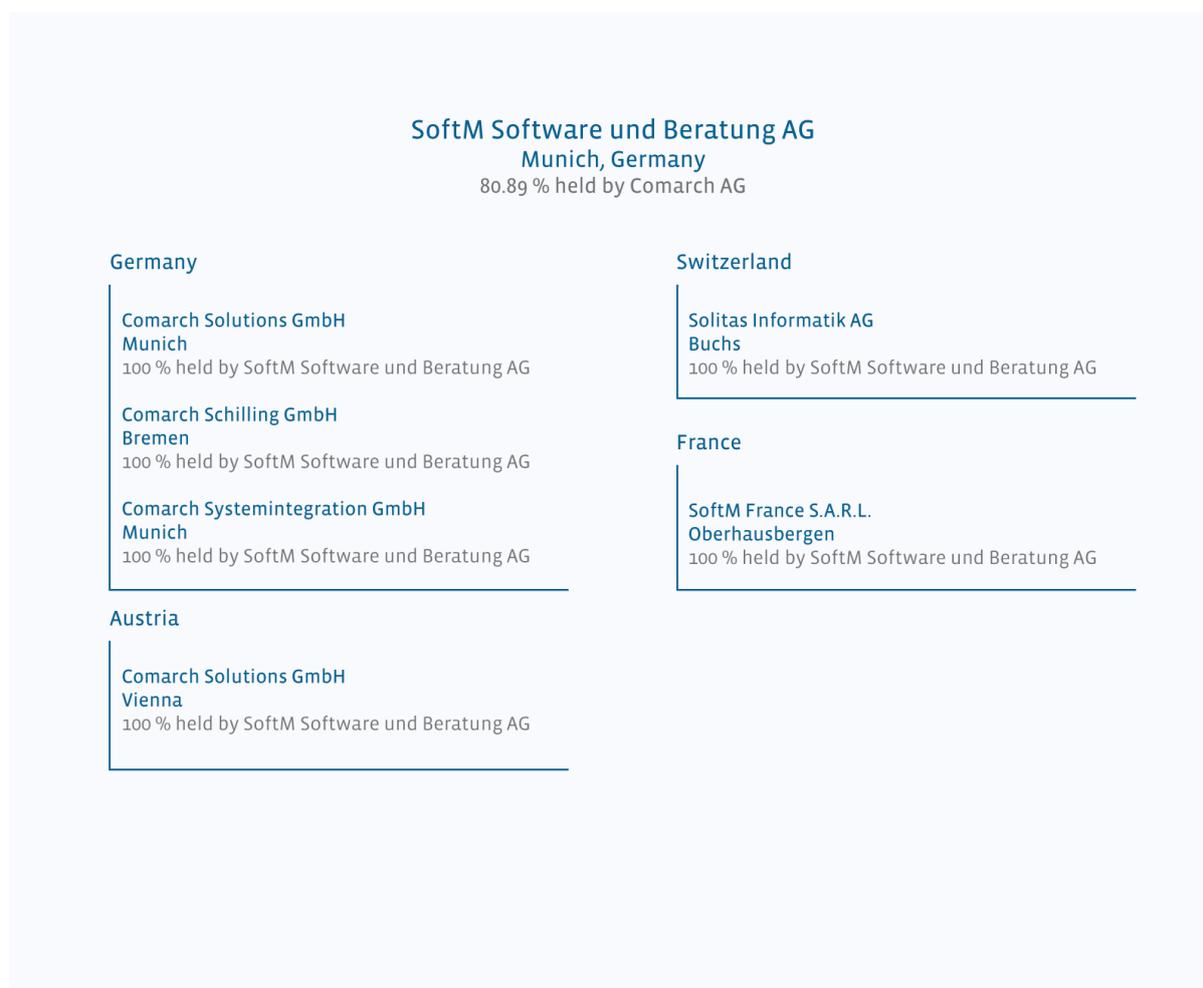


Period	The highest	The lowest
Q1 2009	62.5	41.2
Q2 2009	72.0	58.0
Q3 2009	79.4	54.1
Q4 2009	95.0	68.6

On the 31st of December, 2009, the closing rate of ComArch S.A. shares in the Warsaw Stock Exchange reached 95 PLN. That is an increase of 55.7 % compared to the last closing rate of ComArch S.A. shares in 2008 which was 61.0 PLN.

1.2 Organisational Structure and Characteristics of the Group's Entities





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

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

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

The structure of activities of the Comarch Group is as follows: the dominant entity acquires the majority of contracts and in large part executes them. ComArch AG, ComArch Software S.A.R.L., ComArch R&D S.A.R.L., ComArch, Inc., ComArch Panama, Inc., ComArch Middle East FZ-LLC, ComArch LLC, OOO ComArch, Comarch Software (Shanghai) Co. Ltd and Comarch Co. Ltd acquire contracts in foreign markets and execute them in their entirety or in part. CA Services S.A. (currently CA Consulting S.A.) specialises in data communications relating to the provision of connections for the own needs of the Comarch Group and for contracts executed by Comarch, as well as the provision of outsourcing and other IT services for the own needs of the ComArch S.A. and for a foreign contractor. The subject matter of activities of ComArch Management Sp. z o.o., ComArch Management Sp. z o.o. SK-A and Bonus Management Sp. z o.o. SK-A are activities related to IT. Purpose of the ComArch Corporate Finance FIZ is investment activity in the scope of new technologies and Internet services that are not ComArch S.A.'s basic activities. The subject matter of activities of Bonus Development Sp. z o.o. SK-A are activities related to real estates in Comarch. iMed24 S.A. conducts an IT project related to telemedicine (EHR - Electronic Health Record management). iFIN24 S.A. conducts an IT project related to financial services. iReward24 S.A. produces and implements loyalty software for the customers in small and medium sized enterprises. Infrastruktura24 S.A. offer services related to Data Centre for the customers in small and medium sized enterprises. iComarch24 S.A. provides accounting services for domestic subsidiaries in

Comarch Group. CASA Management and Consulting Sp. z o.o. SK-A will conduct investment activity on capital market. SoftM Polska Sp. z o.o. acquires and executes contracts related to SoftM software on Polish market. UAB ComArch is under liquidation proceedings. Activities of ComArch s.r.o. are limited.

SoftM Software und Beratung AG is a leading provider and an integrator of IT solutions in Germany (especially for small and medium-sized industry). Activities of other companies in the SoftM Group, i.e. Comarch Solutions GmbH with its registered seat in Munich, Comarch Schilling GmbH with its registered seat in Bremen, Comarch Systemintegration GmbH with its registered seat in Munich, Comarch Solutions GmbH with its registered seat in Vienna, SoftM France S.A.R.L. with its registered seat in Oberhausbergen, Solitas Informatik AG with its registered seat in Buchs are identical as activities of SoftM Software und Beratung AG.

MKS Cracovia SSA is a sport joint stock company.

1.3 Shareholding Structure, Managing and Supervising Entities

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

ComArch S.A.'s share capital consists of 7,960,596 shares at total nominal value of 7,960,596 PLN. According to the information possessed by ComArch S.A., as at 31st of December, 2009, shareholders holding at least 5 % of votes at the company's AGM are Elżbieta Filipiak, Janusz Filipiak and customers of BZ WBK AIB Asset Management S.A.

Shareholders	Number of shares	% of share capital	Number of votes at the company's AGM*	% of votes at the company's AGM
Janusz Filipiak	2,565,383	32.226	6,137,383	41.04
Elżbieta Filipiak	846,000	10.627	4,230,000	28.29
Other members of the company's Management Board	67,348	0.85	104,948	0.70
Customers of BZ WBK AIB Asset Management S.A., <i>including Comarch SA shares held by BZ WBK AIB TFI S.A.</i>	2,756,060 1,800,179	34.62 22.61	2,756,060 1,800,179	18.43 12.04
Other shareholders	1,725,805	21.68	1,725,805	11.54
Total	7,960,596*	100.00	14,954,196	100.00

*) On the 31st of March, 2010 the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered an increase in the ComArch S.A. share capital to the amount of 8,051,637 PLN. After this increase the company's share capital is divided into 8,051,637 shares. It corresponds to 15,045,237 votes at the company's AGM.

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

A) Members of ComArch S.A.'s Board of Supervisors as at 31st of December, 2009:

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	-	-
Maciej Czapiewski	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 31st of December, 2009:

Name and surname	Position	Number of ComArch S.A. shares	Nominal value
Janusz Filipiak	President of the Management Board	2,565,383	2,565,383 PLN
Piotr Piątosza	Vice-President of the Management Board	10,776	10,776 PLN
Paweł Prokop	Vice-President of the Management Board	34,500	34,500 PLN
Piotr Reichert	Vice-President of the Management Board	-	-
Zbigniew Rymarczyk	Vice-President of the Management Board	22,072	22,072 PLN
Konrad Tarański	Vice-President of the Management Board	-	-
Marcin Warwas	Vice-President of the Management Board	-	-

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

AFTER THE BALANCE SHEET DATE

On the 31st of March 2010, as a result of the completion of the managerial options programme for 2009 and in relation to the registration of an increase in ComArch S.A.'s share capital:

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

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

On 28th of June, 2007, the Annual General Meeting of Shareholders passed Resolution no. 40 on the managerial options programme for company's Key Employees for 2008-2010. The program will be executed through offers of newly-issued shares in the company in 2009, 2010 and 2011 to Key Employees. More details were presented in point 5.3 of this report.

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

None present.

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

Information is included in notes 3.15.3 and 3.32 of the consolidated financial statement.

G) Principles and Regulations for Remunerating Managing and Supervising Persons

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

1.4 Employment and Production Capacity of the Group

As at 31st of December, 2009, in ComArch S.A. there were 2,533 employees compared to 2,666 persons as at 31st of December, 2008, and in Comarch Group number of employees reached 3,260 persons compared to 3,316 persons as at the 31st of December, 2008 (excluding employees of MKS Cracovia SSA due to different type of activity).

Average employment Comarch Group in 2009 and 2008 is presented in tables below:

Number of employees:	2009	2008
- full-time	2,760	2,350
- co-workers	566	562
Total	3,326	2,912
Employees:	2009	2008
- production employees and technical consultants	2,586	2,279
- marketing and sales	413	343
- management and administrative employees	327	290
Total	3,326	2,912

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

Number of employees:	2009	2008
- full-time	45	49
- co-workers	133	127
Total	178	176

Most of production by Comarch consists in production of computer software on the basis of customer orders and in production of company's own, versatile software products. The basic factor limiting the production capacity is human resources. As the company makes active investments in new products and technologies, it strives to provide appropriately wide range of competencies for all its employees. The company flexibly manages teams of employees through continuous optimisation of placements for current commercial projects and internal R&D projects (developing new products and updating the existing ones, which are not directly connected to contractual requirements), using proprietary IT solutions for this target. In effect, there are almost no unused resources.

1.4.1 Systems that Control Employees Shares Programmes

None present.

2. ECONOMIC ACTIVITIES

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

2.1. PRODUCTS AND SERVICES OFFERED BY COMARCH IN 2009

Solutions for the Telecommunications Sector

Comarch solutions are being planned in order to comply with the requirements of individual customers.

- **Solutions for Mobile Operators** – such as Next Generation Network Planning, Next Generation Service Management, M2M Platform, Convergent Billing, Wholesale/Interconnect Billing, Revenue Sharing & Roaming, CRM, Voucher & Top-Up Management, Network Inventory and Next Generation Service Assurance
- **Solutions for Landline Operators**, i.e. Convergent Billing for end customers, Wholesale/Interconnect Billing, Partner Management, Network Inventory and Next Generation Service Assurance, Next Generation Service Management
- **Solutions for Virtual Operators (MVNO/MVNE)**, i.e. Convergent Billing, Interconnect Billing, CRM, Data Services Support and Voucher & Top-Up Management
- **Solutions for Wholesale Operators**, i.e. Trading Support, Revenue Control, Performance, Dispute, Routing, Network Configuration, Prices, Prefixes & Agreements Management, Invoicing, G/L Integration and Partner/Supplier Relationship Management
- **Solution for Multi-Service Operators** - Comarch provides full support for triple- and quad-play operators, including convergent products from the BSS platform
- **Solutions for Satellite Services Operators**, i.e. Comarch Satellite Package
- **Solutions for CATV Operators** – this platform includes necessary tools for Convergent Billing, Interconnect Billing, CRM for Telecoms, PRM, Revenue Sharing, and Roaming & Voucher Management
- **Solutions for WiMAX and WiFi** provide wide ranging support in the processes of product preparation, definition of services offered to customers, as well as product sales through available channels. Standard functionalities include: activation, control, services settlements, as well as their monitoring and reporting.
- **Solutions for Internet Service Providers and VIP Operators**, i.e. Comarch 3arts – complex solutions combining BSS, OSS and CRM. In addition, they enable IT infrastructure management (Comarch IT Management), as well as Voucher & Top-Up Management.
- **Solutions for the content providers and IPTV operators**, i.e. Next Generation TV Middleware, Product Catalogue, Convergent Billing, Revenue Sharing, Network Inventory and Next Generation Service Assurance.

These solutions provide complex platforms to particular groups of operators. Specific products are described below.

PRODUCTS

2.1.1. Comarch BSS Portfolio (Comarch BSS Suite)

Comarch BSS Suite is an innovative, modular billing platform supporting all areas related to settlements and customer services, as well as broadly understood suppliers and recipients of telecommunications services. Its task is to execute business objectives of the operator and preparing him for introduction of new-generation services. A comprehensive set of modules allows management of business in all the above-mentioned telecommunications markets, i.e. stationary telephone networks, mobile telephone networks, Internet services or cable TV.

Comarch Customer Billing and Management features flexible, scalable and open architecture which supports the complete billing process. The system, based on the latest technologies, is a very effective and reliable one, which can be integrated with other systems. Platform received certificates of performance on Sun and HP platforms in international testing centres in the United Kingdom, Switzerland and Germany. With it, operators can handle the most difficult challenges, such as inter-operator billing, implementation of new-generation services or convergent billing.

This platform consists of the following products:

- **Comarch Convergent Billing** is an advanced technological tool to support operators in their billing processes. It is a high-output, scalable system able to process almost unlimited data volumes. Its excellent, user-friendly interface provides a comfortable and intuitive service. Thanks to the 3G event-based billing system, whose format is configurable for IP, VoIP, GPRS and UMTS services and which offers extensive tariff and rebate options, the system is able to offer next generation services.
- **Comarch 3arts** is a solution for telecommunications operators and service providers who require the fast introduction of modern services onto the market. The solution provides broad support for the preparation process of the product, the definition of services offered to the customer, publication and sales of products through available sales channels. Activation, control and settlement of these services as well as monitoring and reporting are its basic functionalities.
- **Comarch CRM for Telecoms** means effective communication with customers, increased customer satisfaction and better customer retention. The system deploys an imposing, ergonomic Inductive User Interface (IUI) to deliver a user friendly interface and friendly work environment. Thanks to the IUI's 'one task – one screen' approach users rapidly become familiar with the system. The system has creators for more complex tasks, context links, a help function and a user-friendly interface, which is similar to that of an Internet browser.
- **Comarch Customer Loyalty Management** is an advanced set of business applications with wide functionality for straightforward and complex loyalty programs. The system stands out for its flexibility, ergonomic user interface and ease of operation. Its scalable architecture means the program can grow in step with the company.
- **Comarch Central Product Catalogue (CPC)** is a central product depository for telecommunications service providers. Information from the product catalogue can be used by any OSS/BSS system working with the products or services. This includes billing systems, CRM, services provisioning, etc. Comarch Central Product Catalogue makes it easy to define, store and manage the end product. Comarch Central Product Catalogue as a central product and offers base for all the operator's systems. Instead of defining and managing products and offers in a number of different systems using complex data transmission processes, the operator can use Comarch Product Catalogue as the central tool for defining, managing and modifying its products and offers.
- **Comarch Self Care** provides all categories of telecommunications subscribers with reliable, 24/7 access to user accounts and to precise information. This comprehensive system enables subscribers and partners to view and analyze financial documents and account information. In

addition, Self Care makes it easy for subscribers to activate and deactivate services and send comments to the operator. This is not all. Self Care acts as a marketing medium for the operator because it can carry advertisements and promotional material. Self Care uses the most modern technology and is flexible and scalable: no matter how many subscribers, how complex the services are or how much data are sent the system can integrate with the operator's organisational culture.

- **Comarch Interconnect Billing** - is an Interconnect solution designed for telecommunications operators who have interconnection points with other operators for any telecommunication service that requires inter-operator settlements. The solution, created on the basis of the Comarch InterPartner Billing system, makes it possible to obtain convergence in wholesale settlements as the same system can be used both for voice services as well as other services, such as DATA, SMS, MMS or premium services. It is also possible to use it for roaming services and revenue sharing.
- **Comarch Wholesale Billing** is a complete solution for wholesale departments, supporting them in everyday operations and protecting operator's business interests. Comarch Wholesale Billing supports business processes specific for wholesale business with cutting edge technology and effective functionalities including billing, optimisation of motion management, support for motion trade processes, automated management of network configuration and management of questionable receivables.
- **Comarch Partner Relationship Management (PRM)** offers an Internet interface for managing partner data gathered in the billing system. The system has two parts: a partner data view module and a partner relationship management module. The system deploys Comarch Business Process Management to manage partner operations such as order management, task management and complaints. Comarch Partner Relationship Management is closely integrated with Comarch InterPartner Billing.
- **Comarch Roaming Billing** is a solution which supports the system of roaming settlements for mobile operators and consists of two modules complementing billing systems: Comarch Convergent Billing and the Comarch InterPartner Billing System.
- **Comarch Revenue Sharing** is a solution which is designed for operators who cooperate with other operators and suppliers of content or services, in order to deliver comprehensive services for their customers. It makes it possible to manage partner relationships as well as the complex processes of settlements and revenue sharing.
- **Comarch M2M Platform (Machine-to-Machine) for Mobile Operators** is a solution which supports operators in the most important processes within BSS and OSS. It includes a self-service portal for partners, enables mediation, service activation, event appraisal, control of resources, managing workflows, performing mass operations on SIM cards, managing business processes and much more. In addition, the Comarch B2B Gateway solution enables direct plug in of partners to the platform enabling independent management of M2M services.
- **Comarch Voucher & Top-Up Management** is an independent component, which can support mobile or IP operators in management of vouchers and/or pre-paid account top-ups. The system can be integrated with an existing telecommunications infrastructure, such as media gateways or can be delivered together with a comprehensive IVR solution.
- **Comarch Active Mediation** is a solution for connecting a network to the billing system. It enables controlling, charging and billing of voice, data and content services in any billing system with a real-time charging interface. Connectivity is possible in any network type from PSTN to IMS.
- **Comarch Service Activation** – its task is to optimise the processes of planning and activation of new services according to parameters defined previously. The system supports the definition and ordering of new services, ensuring that the most advantageous criteria were taken into account.

- **Comarch Master Resource Management** fulfils the role of a central inventory of resources for multiple telecommunication systems. Its main intent is to be one central place for the resource inventory database, lifecycle management and logistical support.
- **Comarch Point of Sale** defines a new quality in Dealer - operator relations. Sophisticated reporting, CRM functionalities, sales support and registration/subscriptions features provide an additional bonus to typical Point of Sale applications. Since Comarch Point of Sale is designed both for inside and 3rd party dealers it features advanced security mechanisms (certificates, tokens, ssl transmission) and rights management (access to specific group of customers, reports, functionalities).

2.1.2. Operational Support Systems (Comarch OSS Suite)

Comarch OSS Suite is a comprehensive network and telecommunication services management platform providing operators with greater reliability and quality for their services and infrastructure. The platform is in line with NGOSS (New Generation Operations Systems and Software) principles and consists of modules that can be tailored to the needs of individual operators to increase return on investment (ROI) and savings on operating costs. The platform supports all OSS areas. The suite uses the most modern technology (SOA, MDA and J2EE) with a communications bus resting on XML and SOAP. This provides excellent integration with other IT systems, such as BSS, OSS and CRM, and high volume throughput between the individual systems. With the exceptional Comarch OSS Suite companies get the most from their network infrastructure.

This platform consists of the following products:

- **Service Quality Management** is a solution combining functionalities of service modelling, their monitoring and quality control. This is a solution which allows the gathering of network statistics about KPI (key performance indicators) propagation based on service model, reporting of KPI status for particular services and calculation of the influence of network events to service quality on the customer's side. This enables the measurement of service quality for selected customers and correlation with applications gathered in Trouble Ticketing types of systems.
- **Comarch OSS Process Management** is one of the key modules of Comarch OSS Suite. This module implements combined eTOM and ITIL-based process environments based on TM Forum's GB921V. It enables the fully monitored and controlled execution of all management processes. It readily masks the complexity of internal process dependencies and relationships allowing system operators to focus on their tasks. Furthermore, it supports task automation in order to reduce operation time and cost which results in an overall increase in OSS solution efficiency.
- **Comarch Network & Service Inventory** is one of the key modules in Comarch OSS. It gathers data on the operator's network resources and services to innovatively exploit their full potential and increase network productivity. The system provides detailed information on the network's physical and logical resources, which can be searched using a wide range of criteria. It also enables full visualisation of the telecommunications network and its infrastructure. Comarch Network & Service Inventory also supports functionality such as auto-discovery and reconciliation, thanks to which information stored in the inventory database can be updated along with changes taking place in the web. Comarch Network & Service Inventory has two main modules:
 - **Comarch Service Inventory Management** is responsible for modelling and storing resources for the customer-facing services and their dependencies on network resources.
 - **Comarch Network Inventory Management** provides a representation of the current state of an operator's infrastructure. Its components supply detailed information on the network's physical resources and mean that these can be searched across a broad range of criteria.

- **Comarch Network & Service Assurance** is the second key module in the Comarch OSS Suite. It is responsible for the security of the network and of the services that depend on the network devices. Comarch Network & Service Assurance has three main modules:
 - **Comarch Service Level Management** is dedicated to managing SLAs (service level agreements) and to monitoring of the services state.
 - **Comarch Fault Management** effectively monitors for problems and faults across the entire telecommunications network. It continuously surveys all network elements and enables visualisation, tracking and reception for the alarms.
 - **Comarch Network Performance Management** provides near real-time KPI tracking and “thresholding” that enables quick reaction to performance degradation as well as long-term performance analysis via reports and statistics.
- **Comarch Field Service Management system** 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. At the same time their availability and geographical location are taken into consideration.
- **Comarch Next Generation Service Delivery Platform** is a solution which simplifies the component-based service creation concept. The implementation leverages the TMF SID: CFS-RFS-R model so more business oriented service managers can define new services managed in the service catalogue without a need to understand the technical aspects of the employed SOA technology.
- **Comarch OSS Mediation** - this solution enables Comarch OSS system to communicate with heterogeneous networks which cover many areas and consist of equipment delivered by various suppliers, in a homogenous way, guaranteeing a whole range of FCAPS. To put it simply, Comarch OSS Mediation guarantees the integration of the physical infrastructure of the network (appliances and systems) with the Comarch OSS Suite. OSS Mediation is a product which is used for direct communication with the network in the areas of Inventory, Configuration, Fault management and Performance Management.
- **Comarch Next Generation Network Planning** is a solution for mobile operators, supporting them in network planning and operation activities. It enables automation of network operation through the integration of planning and optimisation, configuration management and network provisioning functionalities. It also constitutes a large step towards delivering Self-Organizing Networks (SON) capabilities to your network.
 - **Comarch Configuration Management** is part of NGNP and is responsible for network configuration. It generates configuration in a specific format for a given device and deliverer based on data from the planning system. It also delivers this configuration to devices and managing systems and uses an interface based on OSS Mediation.
- **Comarch Next Generation Service Assurance** is a solution which supports a telecommunication operator in providing the required quality of services to customers. Thanks to an efficient correlation engine, Comarch NGSA enables the monitoring of even complex services, assuring the analysis of the root cause of failures. A significant element of the solution is also the library of Incident Management and Problem Management process types. These processes ensure proper organisation and control over problem resolution thanks to standards like ITIL and eTOM. This solution incorporates not only separate software but also the many years of experience acquired during the integration of Fault Management and Service Monitoring types of systems.
- **Comarch Next Generation Service Management** is a solution with the mission of enabling fast and cost effective introduction of new exciting customer services leveraging technology convergence. Comarch NGSM supports the complete service lifecycle from the service inception through implementation of service fulfilment and assurance processes. The solution is perfectly suited for achieving a high innovation rate for services based on technology convergence, both mobile and fixed, combined with content based services.

2.1.3. Performance Management for Business

Performance Management for Business is a specialised tool for measuring the efficiency and effectiveness of business processes in large companies. The system enables optimising the allocation of resources on different management levels. It optimises effectiveness and therefore ensures the high quality of services to customers. This solution also enables the creation of various statistical dependences on user needs.

2.1.4. Service-Agnostic Transaction Engine

Service-Agnostic Transaction Engine is a highly effective, scalable system which includes a rating module to enable the use of a billing system in industries other than telecommunications. It is mostly used to computerise data in different types of transactions. This process may be configured using rules and may include configurations related to data introduction and their initial computerised correlation with other events.

2.1.5. Comarch IT Management

Comarch offers a comprehensive solution and many years of experience in the management of IT infrastructure and selling IT services to financial, telecommunications, public administration and services sectors. Comarch IT management enables the monitoring of efficiency of processes as well as the management of network alarms and auto discovery. It also contains functionalities related to the Configuration Database (CMDB) or SLA management, as well as ITIL based processes.

SERVICES

Comarch also provides the following professional telecommunications services:

- **Comarch Mobile Software** – is Comarch software for mobile appliances. These services refer to the architecture, design, testing, maintenance and updating of the software, and especially to the construction of UI (User Interface) applications, service framework and mobile appliances drivers. Comarch's activity in this area is focused mainly on the Symbian platform, which is the most popular and the most promising mobile platform on the market, but one which also reaches beyond its scope. Comarch consultants have a lot of proven experience in the creation of mobile software for Linux, Java, Windows Mobile, Android, iPhone and RIM environments.
- **Comarch Billing SaaS** a telecom-grade billing system, available in the Software as a Service model (SaaS). The service supports key business processes, including customer management, product management, rating, invoicing, dispatching, partner management and customer self-care.
- **Consulting** begins with an integration and business process needs analysis. Then, a solution is recommended and functional specifications produced. Finally, a plan is drawn up for implementing the integration platform at your company.
- **Trainings** provide a specialised product and IT training and consultation for beginners and above with a wide range of subject areas covered. Training catalogue includes a full range of trainings beginning from standard trainings for system users, through advanced trainings for administrators and advanced users, trainings for trainers, as well as multimedia trainings.
- **Support** delivers Comarch's expert knowledge of the technology being employed and its system support tools and skills.
- **Implementation** Comarch knows how to implement coherent, connected systems combining the right equipment and program tools with technical expertise, innovation and know how across a broad spectrum of technologies and services.
- **IT Outsourcing** – projects including outsourcing of software production, IT business processes and infrastructure. Comarch is flexible to customers' needs and is open to rendering these and other outsourcing services respectively to the customer's business model.

- **Data Migration** - Comarch is a leader in data migration as well as the creation and integration of high-tech securities systems. We provide complex customer service ensuring optimum security levels. IT security is treated as a priority.

SOLUTIONS FOR THE FINANCE AND BANKING SECTOR

2.1.6. Business Process Management and Document Workflow

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

Comarch Document Management supports managing documents and their flow across an organisation. Comarch Document Management Systems allows managing images of documents (scanned paper documents) as well as electronic documents (text files, e-mails, etc.). The processes which handle documents can be managed with the help of the Comarch Business Process Management system or through an internal, simplified *workflow* service.

2.1.7. Internet Banking and Financial Services

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

Comarch 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.

2.1.8. CRM and Sales Management

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

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

Comarch 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. This includes programs for cross selling and up-selling as well as support for everyday customer retention and maintenance. 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 to tests, execution and modification to tests of performance. The system allows reaching the target group of customers of a precisely defined profile, at a proper time, with appropriate information, and through an appropriate communication channel. The possibility of integration of mass Above The Line (ATL) campaigns and direct Below The Line (BTL) campaigns is a unique solution, allowing achievement of the synergy effect between the two types of activities and winning savings on costs of reaching the customer.

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

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

2.1.9. Credit Processes

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

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

Comarch Scoring Engine is a system platform helping credit analysts find the best way to assess credit applications and credit risk and to analyze 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 BIK Connector can function as an integral part of any credit processing system. It is offered as one of the modules in the comprehensive **Comarch Credit Process Management** solution.

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).

2.1.10. Capital Markets and Capital Management

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. The system allows registering and quantitative as well as financial settlements of transactions with securities in NDS S.A. and foreign deposit and settlement chambers. It fully complies with the new deposit-settlement system.

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

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

Comarch 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 & Attribution - the system allows an active valuation of the effectiveness of investment portfolios, calculating effectivity 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 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.

2.1.11. Trade Financing

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.

2.1.12. Insurance Processes

Comarch for Insurance are complex solutions supporting the basic business processes of insurance companies, dedicated to both property insurance companies and life insurance companies. During the design and creation of these solutions special emphasis was placed on sales support, streamlining services for the insured, the best use of information and the optimisation of back-office processes.

Comarch NonLife Insurance is a production system supporting all the processes of general 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 for health insurance business. The solution provides communication between the insurer, medical service provider and customer.

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

CAFE for Insurance platform is a mashup solution for real-time cooperation and communication. The main task of Comarch Front-End (CAFE) for Insurance is 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 Commission & Incentive supports the management and commission settlements of a sales network in insurance companies, banks and other companies with developed sales structures. The solution enables optimisation of sales networks by the introduction of innovative commission-motivation systems and providing agents/sales staff with access to information and necessary tools.

Comarch Internet Insurance provides the functionality of an online insurance account. The solution enables the insured to perform basic insurance operations and presents a wide range of information on the insurance offer. Self-service helps facilitate insurance operations by customers themselves, e.g.: offer preparation, insurance simulation, insurance claim submission, loss notification and managing customer investments in terms of fund 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, which can be deployed across a variety of assessments in the underwriting process. Comarch Insurance Scoring provided automated application assessments in risk assessment departments.

Comarch Reinsurance is an IT solution for reinsurance companies and insurance company departments involved in reinsurance. It was designed and produced as a tool to support reinsurance and additional insurance contracts. It does this by handling modelling and record keeping for proportional, non-proportional, compulsory and facultative reinsurance contracts.

2.1.13. Data Security Solutions

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 features never before seen together in a single solution. It is reliable and secure, easy to use, inexpensive and technically advanced. 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 world-class 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 resource and user 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 secure electronic signature submission software that is in compliance with the Law on Electronic Signatures.

Comarch SafeDesktop is Comarch's security solution for end-user workstations in IT systems. Comarch SafeDesktop makes it possible to obtain diverse functionality using microprocessor cards and USB

tokens in heterogeneous environments, including the MS Windows 98SE/Me/2000/XP/2003/Vista/7 platform and Linux.

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

Comarch 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 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.

Comarch Security Content Management is a comprehensive solution for Internet service providers. The system builds and boosts competitive advantage by expanding the range of services that can be offered. These include a range of security options and content and connections monitoring.

Solutions for Businesses

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

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

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

Comarch Document Management System is a system supporting management of document and information flow in the company. The system is aimed at improving efficiency of the company especially in the scope of work organisation and access to information and documents.

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

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

ECOD is a complex solution of the EDI (Electronic Document Interchange) type and sales support. In the scope of sales channel management Comarch offers ECOD systems: Agent, Operator, Archive, Distribution, Data Share, Factoring, Delivery, Organiser, Tracker, Packaging, ECOD SA2 Products, Business Portal and Central Reporting Platform.

Comarch Security Management allows creation, development and management of the security policy for all networks and devices used in any location and architecture. Apart from this solution, Comarch has a broad range of products, including authentication and authorisation, public key infrastructure, as well as management of security and content.

Systems for business management - a complete line of ERP systems for all types of businesses:

Comarch ALTUM is an innovative ERP system aimed at small and medium sized companies in the trade and services sector operating locally or within a distributed network. It is well adapted for operations on foreign markets because it meets the legal requirements and has the necessary interface ergonomics. ALTUM is particularly strong in its integrated workflow and business intelligence elements. It is also available in the service model: **Comarch iALTUM24**

- The **CDN Egeria** Integrated Management System is a modern Polish system of the ERP II class, supporting company management features. The system offers a balanced functionality, including all essential areas of business activity. It is a universal tool guaranteeing stable development of any company, flexible enough to satisfy diverse needs
- **CDN XL** is a multi-module, fully integrated IT system of the ERP class, dedicated for medium size and large trade, manufacturing and service companies. It is also available in the service model and includes industry specific functionality for many industries: **Comarch CDN iXL24**.
- **CDN OPT!MA** is a program for management, handling sales, accounting, HR and salary departments. The program supports business management and it is a perfect working tool for an accounting office. The unique feature is the possibility of leasing the program over the Internet via the ASP- Comarch iOPT!MA24 platform
- **Comarch Klasyka** is a coherent and complete offer for small and medium-size trade, service and manufacturing companies. It consists of 9 programs supporting management and accounting, all working in the DOS environment
- **Comarch iOPT!MA24, Comarch CDN iXL24, Comarch iALTUM24** enable management via the Internet. This involves the rental, storage and continuous updating of applications for a fixed monthly subscription fee (service model).
- **Comarch Retail** is an independent system for conducting retail sales which allows for efficiently managing the commercial network in a comprehensive way, starting from the front-office through the back-office and to the point of sale (POS). The product is directed at retail networks with a dispersed structure. Integration with ERP class solutions in the front office of the commercial network is the most important characteristic of the software (Comarch ALTUM or Comarch CDN XL).
- **Comarch iSklep24** is an e-shop cooperating with every Comarch management system: Comarch OPT!MA, Comarch CDN XL and Comarch ALTUM. It is an Internet sales support solution. It possesses a wide range of functionality to effectively promote your offer on the Internet, provide a fuller description of the goods in your shop window and provide faster customer order turnaround.
- **Comarch iGaleria24** is a unique Internet shopping mall created by Comarch. Thanks to iGaleria24 owners of Comarch supported online shops (working on Comarch iSklep24) are able to present their shop in the service, promote and position the shop on the Internet and acquire new customers.
- **Comarch iKsięgowość24** is a unique accounting service created for small companies. The service arose with the thought in mind of entrepreneurs searching for the best price of professional accounting services. Thanks to iKsięgowość24, an entrepreneur can focus their entire energy on conducting business and developing the growth of their companies, and leave the accounting to reputable accounting offices.

- **Comarch iFaktry24** beta version, is a modern software solution that is available in the service model (SaaS) and is intended for the management of sales. The service's exceptional ergonomics and cooperation with other Comarch systems are its hallmark.
- **Comarch Mobile** is a set of solutions for management, which support work with mobile appliances such as a mobile phone, a smartphone or a data collector, and is designed for 3 groups of users: Comarch Mobile Manager – designed for those who manage a company. It enables a quick and intuitive insight into the most important reports on the situation of the enterprise. Comarch mobile sales – is dedicated to sales representatives and ensures the support of a broad sales structure. Comarch Mobile Warehouse – designed for the logistics department employees. Comarch Mobile cooperates with Comarch OPT!MA, Comarch CDN XL and Comarch ALTUM

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

- **Comarch Semiramis** - the new generation ERP system SoftMSemiramis 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, SoftMSemiramis optimally maps business processes and organisational models,
- **Comarch SharkNex** – a new generation financial accounting system developed as a supplement for SoftM Semiramis. It enables complex financial management in modern enterprises,
- **Comarch SoftM Suite** – a classic ERP system offering clear functional solutions adjusted to the specifications of a branch for a wide range of users. It includes a certified, complex financial accounting system that administrates controlling and electronic archive of document modules. It proves its value in its internationalisation as well as in accordance with international standards (IFRS, US-GAAP, etc.),
- **Comarch Schilling** - a classic finance-accounting system,
- **Comarch DKS** – a finance-accounting system for customers in the Austrian market, including controlling and human resources modules,
- **Comarch Topas** – a system dedicated to HR services and employee settlements, supporting the management of work hours and recruitment.
- **DMS** – a system for managing the electronic archiving of records, which enables the implementation of electronic document workflow in an enterprise.

Solutions for Public Administration

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

2.1.14. Comarch E-Government – Support of Services for the Society

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 and constitute a guarantee of streamlined and efficient communication with enquirers through the introduction of the electronic exchange of documents. The CMS system constitutes the core of the solution, enabling the management of the content and the structure of the portal. The modular structure facilitates flexible adjustment of the solution to user needs. Comarch e-Government consists of the following modules: Digital Office, Public Information Bulletin, Information Portal and Intranet.

2.1.15. Comarch Egeria – Improving Management Efficiency

It is an integrated IT system for improving management efficiency which offers extensive decision making support to public sector institutions. The system has a modular design with rich configurability and can be tailored to the individual needs of every customer. It has five fundamental operational areas: Finance and

Accounting, including planning and budgeting, Personnel Management, Logistics, Customer Relations Management and Decision Making. Moreover, the system offers numerous trade modules dedicated to addressing the specific needs of all sorts of enterprises and institutions, including billing - for utilities enterprises, leasing - for leasing institutions and education - for higher educational institutions as well as maintenance and the technical support.

2.1.16. Comarch Education - Support for Management in Education

This is an integrated system for education departments and the educational institutions they are responsible for. It gathers data on students' educational progress and history, creates spreadsheets, manages finance, personnel and payroll and uses the Internet as the communications mode for all those involved in the educational process. The system forms part of Comarch's local government offer and adopting it along with other Comarch products will allow users to meet the goals set by the Polish government for IT use in education. The integrated Comarch Education system is a complete solution supporting educational institution management at all levels in both teaching and administration.

2.1.17. Comarch Workflow - Group Work and Document Management

These tools enable better planning and organisation for document flows and their associated tasks. They are also effective in storing case files and other documents. The offer also includes a group work environment with a high volume e-mail server, a group calendar, and online communication. Alongside Comarch e-government or ePUAP, Comarch Workflow forms a comprehensive platform for electronic document support. Implementing the system makes offices more effective: work is better organised and data and document access improved. The tools are in compliance with the prevailing laws and standards.

2.1.18. Comarch Business Intelligence - Reporting and Data Analysis

Comarch Business intelligence is software that provides decision making support through data analysis. This solution performs especially well for customers managing high data volumes with a number of systems and dispersed locations and for those who require a wide range of data presentation options. Comarch BI offers users the possibility to create analyses with flexible drill-down and filtering for metrics and dimensions as well as the visual display of crucial efficiency indicators and a manager dashboard.

2.1.19. Comarch PKI – PKI Infrastructure Support System

Comarch PKI consists of the following components:

- Comarch PKI electronic signature – modules which enable signing and verification of electronic signatures and which meet the legal requirements regarding an electronic signature.
- Comarch PKI CA – software which supports certificate management throughout their lifecycle, from the moment the application for the certificate is filled in until the time of their expiry or invalidation.
- Comarch PKI UPO – a component which enables the generation of Official Receipt Confirmation.

Comarch PKI provides working with HSM.

Services

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

2.1.20. Data Centre and Managed Services

CDC Hosting is an advanced service within which the customer receives a highly efficient and reliable software and hardware platform which is managed and administered in a safe Comarch Data Centre environment.

Virtual server services are a comprehensive package of solutions enabling a virtual machine to run on Comarch's servers, which ensures business processes. Thanks to a virtual environment based on the Comarch Data Centre infrastructure, customers receive a high quality IT environment at an optimal cost.

Comarch Disaster Recovery Centre – the aim of this service is to secure the business of the customer through the delivery of a replacement computer and office centre, which will take over the functions of a production environment in the case of unexpected events and stoppages in the operational activity of IT systems.

Comarch IT Platform Integration is a service which covers comprehensive designing of software and hardware solutions which constitute the platform for a Comarch application and for external systems. The solutions applied integrate various IT systems in a way that enables a streamlined exchange of data between them, which improves the efficiency and increases the information flow, ensuring continuity and stability of work and optimisation of resource use.

Comarch IT Managed Services are comprehensive, proactive services of customer support in the processes of planning, implementation and maintenance of IT solutions. The solutions offered include full advisory, consultation and engineering assistance, which helps while elaborating the strategy of development, design of new systems, development and reorganisation of the infrastructure. We carry out audits from the point of view of functionality, efficiency, effectiveness of processes and use of resources.

2.1.21. Network and Telecommunications Solutions

Comarch Global WAN Network is a service which consists of passing on the responsibility for the convergent communication platform, which enables communication and data transmission onto a specialised, external company. As part of Comarch Global WAN Network, Comarch delivers comprehensive services regarding construction of wide area networks (WAN) and implementation of network solutions within the entire country and abroad.

Comarch WAN Acceleration is a solution that allows for a reduction in the movement of WAN network frames, which provides for the application's high productivity and enables and ensures the consolidation and effective protection of data. Acceleration is an alternative to the requirement of increasing the bandwidth of link data.

Comarch LAN Network- realisation of advanced structures of the LAN network in the area of active devices, (optimisation, expansion, administration and monitoring).

Comarch Broadband Networks – these are comprehensive broadband solutions (WiFi/WiMax), which enable multimedia transmission of data and voice data for public institutions. They include a broad range of services, from the definition and elaboration of a network project, through the optimisation to the implementation.

2.1.22. Data Security and Protection

Comarch Safe Company - with the Safe Company package we provide comprehensive solutions for safely using the Internet and protecting corporate information. The following products are included in this package:

- **Comarch Safe Internet** - a group of products enabling the safe use of Internet resources: firewalls and systems for detecting intrusions (IPS), protection of email servers (antivirus, antispam systems) and monitored access of web pages.
- **Comarch Information Protection** - a group of solutions addressing: encoding of discs and external data carriers (pendrives, CD/DVD) and systems that provide protection from unauthorised leaks of data (Data Leak Prevention).
- **Comarch Mobile Business** is directed to companies and institutions which demand a simple and secure mechanism for users. This mechanism enables mobile employees, sales partners, subcontractors, affiliated companies and branches remote access to internal computer systems from any location.

Comarch Security Management - a group of services that allow for effective, professional and straightforward management of a company's IT security including: implementations, monitoring, management, service and maintenance as well as advisory services.

Comarch Security Control - the following elements are included in this system of services

- **Penetrative Tests** – a series of controlled attempts to break into the teleinformatic system by a group of qualified and authorised individuals, by simulating an intrusion attempt on the system.
- **Security Audit** - inspection of the configuration of devices, systems and the required procedures for complying with security standards, good practices and security policy guidelines.
- **Security Policy** determines in a consistent and precise way the rules and procedures relevant to a specific organisation as well as the creation of systems and IT resources. The specific methods of management, procedures, as well as necessary requirements are a result of implementing the policies for protecting information in the organisation at the appropriate level.

2.1.23. IT Management Outsourcing

Comarch Complex IT Service is an IT environment management service, in which the customer passes on the entire IT infrastructure to Comarch or commissions Comarch to control selected IT areas, such as the management of selected applications, network environment, internet infrastructure or end-user infrastructure. The Service Desk is also part of the solution and it constitutes the first point of contact for the end-user and includes dealing with service requests, monitoring of systems 24/7/365 and remote correction of failures. The management service delivered by Comarch is created on the basis of the ITIL collection of good practices.

Comarch End-User Service - at a basic level it includes the management of work stations, work group servers, peripherals (printers, fax machines) and telephone configuration.

2.1.24. Solutions for Airlines

Comarch Airline Suite is a complex solution focused on passengers and their needs. A set of complimentary products helps you meet the increasing expectations of passengers, while on the other hand provides you with a great opportunity for ancillary revenue.

Comarch Frequent Flyer (CFF) a comprehensive suite of business applications for managing both, simple and advanced loyalty programs in the Airline and Travel business. The solution offers a wide range of functionalities and provides the possibility to create both standard and complex loyalty programmes.

Comarch Concierge Agent (CCA) integrates a number of different systems used by airports, airlines and partners. It finds the most important information necessary for offering professional customer service, enables personal communication (including a direct channel of communication between an agent and the traveller) to offer the most relevant services.

Comarch Travel Assistant (CTA) is a new product designed to improve the travel experience by granting passengers a new level of self service possibilities. It is an innovative, flexible and simple system to use that is designed to virtually lead passengers along their journey.

SPORTS ACTIVITY

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

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

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

Due to the type of IT systems offered by the company, medium-size and large companies (who are the largest clients of advanced IT solutions all over the world) constitute the main group of clients. Majority of company's products are addressed to specific groups of customers, while IT services are of universal nature and are offered to all groups of customers. Sale in the company is highly diversified, with no dependency on one major client. In 2009, the share of none of the customer exceeded 10 % of the sale in Comarch Group's sales.

Due to the specific nature of the industry, in which Comarch manages its operations, international concerns, which are producers of computer systems and programmers tools, Polish branches and representatives of such concerns, as well as Polish distributing companies and subcontractors for systems, have to be considered sources of supply. In 2009, no supplier provided products and merchandise at the value exceeding 10 % of Comarch Group's proceeds on sale.

2.2.1 Geographical Sales Structure

	2009	%	2008	%	2007	%
Domestic (Poland)	410,523	56.3%	553,421	79.0%	467,460	80.5%
Export	318,880	43.7%	147,544	21.0%	113,588	19.5%
Revenue from sales	729,403	100.0%	700,965	100.0%	581,048	100.0%

Foreign sales at the Comarch Group in 2009 recorded growth of 171.3 million PLN and were up 116.1 % year on year. The share of foreign sales in overall sales was at 43.7 % against 21.0 % in 2008. The total recorded foreign sales revenue takes into account the SoftM Group by an amount of 169.7 million PLN. Foreign sales would account for 26.7 % of overall revenue at the Comarch Group and would be higher by 1.1 % than in 2008 without SoftM's contribution. The geographical structure of sales remained steady throughout the reporting year.

Geographical sales structure:

	2009	2008
Poland	410,523	553,421
DACH	204,311	57,302
Europe – other countries	97,322	69,568
North and South America	12,210	15,462
Remaining countries	5,037	5,212
Total	729,403	700,965

Sales in Europe in 2009 grew by 174.8 million PLN and account for 41.4 % of foreign sales at the Comarch Group, including an increase of 256.6 % within the DACH region. Sales to both of the Americas were 21.0 % lower than in 2008. The share of sales to remaining countries was down 3.4 % but is consistent with the Comarch Group's decision to concentrate sales on the DACH market, which has been continued by the Comarch Group in 2009.

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

	2009	%	2008	%
Telecommunication, Media, IT	148,209	20.3%	114,696	16.4%
Finance and Banking	117,135	16.1%	146,709	20.9%
Trade and Services	60,222	8.3%	65,421	9.3%
Industry & Utilities	106,337	14.6%	63,222	9.0%
Public Sector	59,307	8.1%	203,728	29.1%
Small and Medium Enterprises – Poland	55,785	7.6%	54,727	7.8%
Small and Medium Enterprises - DACH	169,682	23.3%	37,624	2.1%
Others	12,726	1.7%	14,838,	5.4%
Total	729,403	100.0%	700,965	100.0%

In 2009 there was a significant change in the market sales structure. Sales to the telecommunication, media and IT sector enjoyed the greatest advance in 2009 with a year on year increase of 33.5 million PLN, which was up 29.2 % as compared with 2008. Their share in total sales increased from 16.4 % in 2008 to 20.3 % in 2009. There was also a significant increase in sales to customers in the industry and utilities sector of 43.1 million PLN – up 68.2 % year on year. Their share in total sales also grew from 9.0 % to 14.6 %. This was the result of the increased sales of third party software to customers in this sector. Sales in the public sector fell by 144.4 million PLN, i.e. 70.9 % and their share in total sales fell from 29.1 % to 8.1 % in 2009. This is a consequence of a lack of significant deliveries of computer hardware and third party software to customers in this sector. Sales to the trade and services sector over the year fell by 5.2 million PLN and were down 7.9 % over 2008, while sales to the finance and banking sector fell by 29.6 million PLN with a 20.2 % decrease year on year. Sales to customers in small and medium sized enterprises grew by 1.1 million PLN with a 1.9 % advance year on year.

Looking back over the year as a whole, the structure of sales by customer segment remained at a consistent level, and it was only in Q3 that sales to the industry and utilities sector outperformed overall sales.

2.2.3 Products Sales Structure

	2009	%	2008	%
Services	500,573	68.6%	354,827	50.6%
Proprietary software	74,657	10.3%	78,479	11.2%
Third party software	93,614	12.8%	134,710	19.2%
Hardware	46,149	6.3%	115,152	16.4%
Others	14,410	2.0%	17,797	2.6%
Total	729,403	100.0%	700,965	100.0%

Sales of IT services is the highest in value and is still a developing part of the Comarch Group's revenue year by year. In 2009 there was growth in the sale of IT services of 145.7 million PLN and 41.1 %. Yet the share of proprietary services and software in overall sales for the year constituted 68.6 %. Sales of proprietary software decreased by 3.8 million PLN and 4.9 % and sales of third-party software fell by 41.1 million PLN and 30.5 %. This is mostly the consequence of decreased demand for deliveries of this type of software by customers in the public sector. Sales of computer hardware saw a decline of 69.0 million PLN and 59.9 % as a result of a lack of big orders in public sector in 2009.

Looking at 2009 as a whole, the structure of sales by product type remained at a constant level, and it was not until Q3 that third party software sales showed any upward movement.

2.3. The most Significant Contracts in 2009

The most important contracts signed in 2009 are:

2.3.1. A frame Agreement Signed by the Centre of Information Projects at the Ministry of Interior and Administration (CPI MSWiA)

On 7th of April, 2009, between the Centre of Information at the Ministry of Interior and Administration based in Warsaw ("CPI MSWiA") and a consortium of companies: ComArch SA with its registered seat in Krakow, CA Services SA with its registered seat in Krakow and Pwc Polska Sp. z o.o. (Ltd Co.) with its registered seat in Warsaw ("Consortium") an agreement was concluded. The agreement is a frame agreement as it is regulated by article 99 of the Act dated 29th of January, 2004 (Journal of Laws, 2007, no. 233, position 1655, with later alterations) regarding Public Procurement Law. The abovementioned agreement defines the terms of realizing orders for services by the parties of the agreement. The subject of the agreement is to define the terms of providing and realizing orders for consultancy services within the projects under realisation. The stated services refer to those which the Consortium may provide to the CPI MSWiA within the period for which the abovementioned agreement has been concluded.

The stated frame agreement states that the orders made by CPI MSWiA and realised by the Consortium may not exceed the amount of 54,279,400.00 PLN (fifty-four million two hundred and seventy-nine thousand four hundred PLN and 00/100). The agreement is binding for the period of four years from the day of conclusion. The above amount is an approximation and it defines only the upper limit of the liabilities that may be incurred by CPI MSWiA on the basis of the stated frame agreement. If the realised orders account for a lesser amount than the one specified above, it does not constitute a basis for claiming that CPI MSWiA fails to fulfil the terms of the frame agreement. If the above amount is actually reached, the frame agreement is terminated without the necessity of providing any additional declarations by any of the parties.

The order realisation by the Consortium will include the following services:

- 1) Strategic consulting with regard to project planning, requirement analysis, concept of architecture, preparing documentation and possible alterations in legislation pertaining to the areas of activity related to projects under realisation,
- 2) Supporting the executives teams of the Ordering Party with respect to the management of programs, project portfolios and the project of organizing the Project Office as well as with regard to executing commissioned jobs by the project office of the Ordering Party, the following in particular: preparing necessary documentation, support of public procurement within the projects under realisation, support of acquisition and control of project finances, including the acquisition of EU aid funds, support of strategies for project communication and promotion, support of the process of handing over the products completed in the course of realizing particular projects.

2.3.2. Contract with JetBlue

On the 3rd of September, 2009, ComArch S.A. informed of the signing of an agreement between ComArch Inc., a subsidiary of ComArch S.A., and JetBlue Airways Corporation ("JetBlue"), a Delaware Corporation, based in New York in the United States of America. The subject of the contract is to supply COMARCH Loyalty Management software and provide hosting as well as a "Disaster Recovery Centre". The contract value is approximately 5.2 million USD net (approximately 15.3 million PLN net). JetBlue is a leading U.S. airline that employs innovative forms of customer experiences and services.

2.3.3. Letter of Intent with E-Plus

On the 10th of November, 2009, a letter of intent between Comarch AG, a subsidiary of ComArch S.A. ("Comarch"), and E-Plus Mobilfunk GmbH & Co. KG ("E-Plus") was signed. Comarch has been selected by E-Plus as a strategic outsourcing partner for Next Generation Network Planning. According to the letter of intent, Comarch and E-Plus endeavour to conclude the 5-year contract by the 28th of February, 2010. The letter of intent does not constitute any legal duties of the parties to conclude the contract. Within the framework of the contract, Comarch will deliver the OSS (Operations Support Systems) platform, covering the areas of planning and configuration management for the Radio Access and Transport Network, as well as migrate the existing data to the new platform. The platform will be delivered in a Managed Service business mode

The E-Plus Group is a division of KPN Mobile International, the mobile phone arm of Dutch telecommunications group KPN. KPN is one of Europe's leading providers of voice and data services. The company has mobile operations in the Netherlands, Germany (E-Plus Group), Belgium (KPN Group), Spain and France. The KPN Group has a total of approximately 33 million mobile telecoms customers.

2.3.4. Contract with Łęprzem Sp. z o.o. for the Fourth Stage of Investment in the Special economic Zone (SEZ) in Krakow

On the 16th of November, 2009 (current report no. 26/2009) ComArch S.A. signed a contract with Łęprzem Sp. z o.o. with its registered seat in Krakow, for the fourth stage of investment in the Special Economic Zone in Krakow. The subject of this contract is the construction of a new production and office building with a total size of five thousand two hundred and twenty-seven square meters, including road and technical infrastructure. The value of this contract amounts to 23.97 million PLN. The investment completion is planned on 30th of April, 2011.

AFTER THE BALANCE SHEET DATE

2.3.5. Update of the Information dated 10th of November, 2009 relating to the Letter of Intent with E-Plus

On the 28th of February, 2010, in current report no. 3/2010, in relation to current report no. 25/2009 dated the 10th of November, 2009 relating to the letter of intent with E-plus signed between a subsidiary, Comarch AG and E-Plus Mobilfunk GmbH&Co. KG, ComArch S.A.'s Management Board announced that due to ongoing negotiations, the planned contract signing date has been changed from the 28th of February, 2010 to the 18th of May, 2010.

2.3.6. Credit Agreement with Bank DnB NORD SA

On 28th of April, 2010, ComArch S.A. signed a credit agreement with Bank DnB NORD Polska S.A. with its registered seat 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 20 million PLN. The crediting period may last 11 years at a variable interest rate and should be taken out by 30th of September, 2011. The real estate mortgage, cession of rights in the building insurance policy and cession of rights in the bank guarantee issued for the debtor are security for this credit.

2.4. Major Domestic and Foreign Investment (Securities, Financial Instruments, Intangible Assets and Real Estate), including Capital Investment Made outside the Group of Related Parties, as well as a Description of their Financing

2.4.1. Investments in SoftM Group

In the fourth quarter of 2008, ComArch Software AG (currently ComArch AG) purchased 50.15 % of the shares in the German company, SoftM Software und Beratung AG, thereby acquiring the SoftM Group (details were presented in point 13 of this report). On 22nd of December, 2008, having attained a controlling position exceeding 30 % in the voting rights, ComArch AG launched a mandatory takeover offer to SoftM-shareholders, according to the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz). The offered purchase price of one share was 3.45 EURO. On the 2nd of February, 2009, a mandatory takeover offer of shares of SoftM Software und Beratung AG was completed. As a result of this offer, ComArch AG purchased 1,991,777 shares of the company for 3.45 EUROS per share, i.e. for a total sum of 6,871,630.65 EUROS. As at the date of preparing the quarterly financial report, ComArch AG holds 5,241,777 shares of SoftM Software und Beratung AG, which constitute 80.89 % of the company's share capital. This gives 5,241,777 or a 80.89 % share of the total votes at the company's annual general meeting. ComArch AG purchased the above-mentioned shares with loans acquired via internal means of ComArch S.A., ComArch Middle East FZ LLC and Bonus Management Sp. z o.o. SK-A.

On 10th of November, 2008, ComArch S.A. concluded with a subsidiary, ComArch AG, a contract for a loan of 8 million EURO. This loan has a variable interest rate based on the LIBOR for EURO index. A promissory note issued by ComArch AG is security for this credit. The crediting period may last until the 31st of December, 2010.

On 10th of November, 2008, ComArch AG concluded with a subsidiary, Bonus Management Sp. z o.o. SK-A, a contract for a loan of 4 million EURO. This loan has a variable interest rate based on the LIBOR for EURO index. A promissory note issued by Bonus Management Sp. z o.o. SK-A. is security for this credit. The crediting period may last until the 31st of December, 2010.

On 28th of January, 2009, ComArch S.A. concluded with a subsidiary, ComArch A.G., a contract for a loan of 2 million EURO. This loan has a variable interest rate based on the LIBOR for EURO index. A promissory note issued by ComArch A.G. is security for this credit. The crediting period may last until the 28th of January, 2011.

On 21st of January, 2009, ComArch Middle East concluded with a subsidiary, ComArch A.G., a contract for a loan of 1.1 million EURO. This loan has a variable interest rate based on the LIBOR for EURO index. A promissory note issued by ComArch A.G. is security for this credit. The crediting period may last until the 21st of January, 2011.

2.4.2. Real Estates

The conference centre building in the Special Economic Zone in Krakow was completed in March, 2009. The building was completed in February, 2009 and has been used since March, 2009 (the third investment stage). On the 9th of February, 2009, ComArch S.A. received a permit to use the building and it came into force on the 24th of February, 2009. The total value of incurred expenditures amounts to 68.07 million PLN. The credit described in pt 3.7.3 c) of this report represents the source for financing this investment.

In November, 2009, ComArch S.A. began the fourth investment stage in the SEZ in Krakow. The subject of the contract concluded on 16th of November, 2009 with Łęgrzem Sp. z o.o. with its registered seat in Krakow, is the construction of a new production and office building with a total size of five thousand two hundred and twenty-seven square meters, including road and technical infrastructure. The value of this contract amounts to 23.97 million PLN. Investment completion is planned for the 30th of April, 2011. As at 31st of December, 2009, investment expenditures related to this building amounted to 1.45 million PLN. The credit described in pt 5.6.7 c) of this report will represent the source for financing this investment.

In the second quarter of 2009, Comarch AG purchased real estate with a total size of 2,121 m² with a building, which will represent the new seat of the company following its renovation. The purchase price was 0.7 million Euro. The company holds the valid building permit and commencement of construction works is being scheduled for 2010.

2.5. Activity in the Special Economic Zone

On the 22nd of March, 1999, ComArch S.A. obtained a permit for conducting activity in the Special Economic Zone in Krakow. According to the regulation of the Council of Ministers of the 14th of October, 1997 on establishment of a Special Economic Zone in Krakow (Journal of Laws No. 135, item 912 and changes to this act), the entities, which invested in the Krakow special economic zone at least 2 million Euro, 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.

In reference to Poland joining the European Union, an Act was passed of the 2nd of October, 2003 on changing the act on special economic zones and some other acts (Journal of Laws No. 188 Item 1840), which changed the conditions for tax allowance for entities acting in special economic zones. Pursuant to the provision of Article 6 section 1 of the Act, these entities may apply for changing the terms and conditions of the permit in order to adjust it to the principles for granting public aid in force in the European Union. Pursuant to the provision of Article 5 Section 2 Point 1 b), Point 2, Point 3 of the Act, the maximum amount of public aid for entities, which manage operations in a special economic zone on the basis of a permit issued before the 1st of January, 2000, cannot exceed 75 % of the value of investments incurred in the period from the date of obtaining the permit to the 31st of December, 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since the 1st of January, 2001 is taken into consideration. It means a change in the current method of functioning of tax

allowance (public aid), from unlimited by value into limited by value and dependent on the value of investments made. In case of ComArch SA, the maximum value of public aid shall not exceed 75 % of the value of investment expenditures, which the company has incurred / shall incur in the period since obtaining the permit, i.e. the 22nd of March, 1999, till the 31st of December, 2006.

The costs of investments and the amount of aid are subject to discounting pursuant to Par. 9 of the Regulation of the Ministry from the 14th of September, 2004 on the Krakow Special Economic Zone (Journal of Laws 220 Item 2232) with wording changed pursuant to Par. 1 of the Regulation of the Ministry from 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.

ComArch S.A. applied to the Minister of Economy for change in the conditions of the permit and on the 1st of July, 2004 it obtained the decision of the Minister of Economy of the 24th of June, 2004 on change in the conditions of the permit to those specified above and compliant with the Act. At the same time, the period of time for which the permit for ComArch S.A. was issued was extended to the 31st of December, 2017 in the changed permit. This means extension of the period of time in which ComArch S.A. will be able to use the public aid limit, which it is entitled to use for the investments incurred in the special economic zone.

Pursuant to IAS 12, unused tax relief as at the 31st of December, 2009 constitutes a deferred income tax asset. The limit of the unused investment relief as at the 31st of December, 2009, discounted as at the permit date, is 20.1 million PLN.

3. FINANCIAL SITUATION OF THE CAPITAL GROUP IN 2009

3.1 Financial Analysis

Balance Sheet

ASSETS	31		31		2009/2008	
	December 2009	%	December 2008	%		%
Non-current assets						
Property, plant and equipment	256,306	28.6%	257,137	28.1%	-831	-0.3%
Goodwill	42,697	4.8%	26,328	2.9%	16,369	62.2%
Other intangible assets	84,656	9.5%	98,666	10.8%	-14,010	-14.2%
Non-current prepayments	8,089	0.9%	8,350	0.9%	-261	-3.1%
Investment in associates	447	0.0%	1,252	0.1%	-805	-64.3%
Other investment	106	0.0%	106	0.0%	-	0.0%
Deferred income tax assets	19,633	2.2%	12,713	1.4%	6,920	54.4%
Other receivables	1,745	0.2%	1,741	0.2%	4	0.2%
	413,679	46.2%	406,293	44.4%	7,386	1.8%
Current assets						
Inventories	33,008	3.7%	29,551	3.2%	3,457	11.7%
Trade and other receivables	221,901	24.8%	244,645	26.7%	-22,744	-9.3%
Current income tax receivables	382	0.0%	240	0.0%	142	59.2%
Long-term contracts receivables	8,507	1.0%	12,191	1.4%	-3,684	-30.2%
Available-for-sale financial assets	10,291	1.2%	129	0.0%	10,162	7,877.5%
Other financial assets at fair value – derivative financial instruments	398	0.0%	-	0.0%	398	100.0%
Cash and cash equivalents	204,075	22.8%	219,333	24.0%	-15,258	-7.0%
	478,562	53.5%	506,089	55.3%	-27,527	-5.4%
Assets classified as designated-for sale	2,865	0.3%	2,865	0.3%	-	0.0%
Total assets	895,106	100.0%	915,247	100.0%	-20,141	-2.2%

As of the end of 2009, the value of the company's assets decreased by 2.2 % as compared to 2008 from 915.2 million PLN to 895.1 million PLN. This is mostly the result of a decrease in the Comarch Group's current assets (a decrease of 5.4 %), especially in the scope of trade and other receivables of the Comarch Group (a decrease of 22.7 million PLN and 9.3 %) as well as cash and cash equivalents (a decrease of 15.3 million PLN and 7.0 %). The increase of 10.2 million PLN in available-for-sale assets is related to investments made by ComArch Management Sp. z o. o. SK-A in participation units in the money market and debt securities fund, KBC GAMMA SFIO and securities held by SoftM Software und Beratung AG. The share of items of current assets in the total structure of assets has remained at a similar level to those in 2008. A slight increase of 7.4 % in non-current assets is mostly the result of an increase of 16.4 million PLN in goodwill due to the acquiring of the SoftM Group by a subsidiary, ComArch AG in 2008/2009. There was also an increase in value of deferred income tax assets (an increase of 6.9 million PLN and 54.4 %). The share of other non-current items in the total structure of assets has remained at a similar level to that of 2008.

EQUITY AND LIABILITIES	31 December 2009	%	31 December 2008	%	2009/2008	%
EQUITY						
Capital and reserves attributable to the company's equity holders						
Share capital	7,960	0.9%	7,960	0.9%	-	0.0%
Other capitals	137,798	15.4%	134,818	14.7%	2,980	2.2%
Exchange differences	10,684	1.2%	4,894	0.5%	5,790	118.3%
Net profit for the current period	32,306	3.6%	199,126	21.8%	-166,820	-83.8%
Retained earnings	348,522	38.9%	149,396	16.3%	199,126	133.3%
	537,270	60.0%	496,194	54.2%	41,076	8.3%
Minority interest	17,046	1.9%	37,980	4.1%	-20,934	-55.1%
Total	554,316	61.9%	534,174	58.3%	20,142	3.8%
LIABILITIES						
Non-current liabilities						
Credit and loans	82,823	9.3%	94,400	10.3%	-11,577	-12.3%
Other liabilities	-	0.0%	-	0.0%	-	0.0%
Deferred income tax liabilities	53,498	6.0%	59,959	6.6%	-6,461	-10.8%
Provisions for other liabilities and charges	2,298	0.2%	4,458	0.5%	-2,160	-48.5%
	138,619	15.5%	158,817	17.4%	-20,198	-12.7%
Current liabilities						
Trade and other liabilities	174,951	19.5%	177,171	19.4%	-2,220	-1.3%
Current income tax liabilities	1,347	0.2%	6,111	0.7%	-4,764	-78.0%
Long-term contracts liabilities	7,653	0.9%	5,730	0.6%	1,923	33.6%
Credit and loans	12,899	1.4%	26,794	2.9%	-13,895	-51.9%
Financial liabilities	-	0.0%	97	0.0%	-97	-100.0%
Provisions for other liabilities and charges	5,321	0.6%	6,353	0.7%	-1,032	-16.2%
	202,171	22.6%	222,256	24.3%	-20,085	-9.0%
Total liabilities	340,790	38.1%	381,073	41.7%	-40,283	-10.6%
Total liabilities and charges	895,106	100.0%	915,247	100.0%	-20,141	-2.2%

Equity grew over 2009 by 3.8 % and was due in large measure to the sizeable increase in retained earnings in 2009 of 199.1 million PLN, which was the result from the high net profit generated in 2008 (an increase of 133.3 %). The structure of equity has not changed significantly and their share in total equity and liabilities has grown only slightly compared to the previous year (an increase in share from 58.3 % to 61.9 % in 2009). Liabilities and provisions for liabilities decreased by 40.3 million PLN. This increase of 10.6 % is related to the payment of ComArch S.A. long-term bank credits in 2009 (a decrease of 25.5 million PLN in the value of credits and loans). There was also a decrease of 11.2 million PLN in deferred and current income tax liabilities. Over the course of 2009 the share structure of liabilities has not changed significantly.

In 2009, the Comarch Group maintained very good financial liquidity. In the Management Board's opinion, the Comarch Group has no problems with meeting the contracted financial liabilities on-time. Temporarily free funds are invested by the company in safe financial instruments like bank deposits and participation units in money investment funds.

Debt analysis	31 December 2009	31 December 2008	31 December 2007
Debt ratio	10.69%	13.24%	14.80%
Debt/equity ratio	17.82%	24.42%	28.85%

	2009	%	2008	%	2009/2008	%
Revenue	729,403	100.0%	700,965	100.0%	28,438	4.1%
Cost of sales	-590,718	-81.0%	-551,021	-78.6%	-39,697	7.2%
Gross profit	138,685	19.0%	149,944	21.4%	-11,259	-7.5%
Other operating income	8,236	1.1%	2,287	0.3%	5,949	260.1%
Sales and marketing costs	-70,794	-9.7%	-49,238	-7.0%	-21,556	43.8%
Administrative expenses	-51,849	-7.1%	-46,793	-6.7%	-5,056	10.8%
Other operating expenses	-9,905	-1.4%	-10,281	-1.5%	376	-3.7%
Operating profit	14,373	2.0%	45,919	6.6%	-31,546	-68.7%
Finance costs - net	4,562	0.6%	198,644	28.3%	-194,082	-97.7%
Share of profit/(loss) of associates	-470	-0.1%	-42	0.0%	-428	1,019.0%
Profit before income tax	18,465	2.5%	244,521	34.9%	-226,056	-92.4%
Income tax expense	7,969	1.1%	-43,299	-6.2%	51,268	-118.4%
Net profit for the period	26,434	3.6%	201,222	28.7%	-174,788	-86.9%
Including:						
Net profit attributable to equity holders of the company	32,306	4.4%	199,126	28.4%	-166,820	-83.8%
Minority interest	-5,872	-0.8%	2,096	0.3%	-7,968	-380.2%

In 2009, the Comarch Group sales revenue amounted to 729.4 million PLN, i.e. an increase of 4.1 % compared to those in 2008. Operating profit achieved a level of 14.4 million PLN which was a decrease of 68.7 % PLN compared to the previous year. Net profit attributable to the company's shareholders was at 32.3 million PLN having decreased by 83.8 %. In consequence, EBIT margin amounted to 2 % (6.6 % in 2008) and net margin decreased from 28.4 % to 4.4 %.

Profitability analysis	31 December 2009	31 December 2008	31 December 2007
Margin on sales	19.01%	21.39%	22.43%
EBIT margin	1.97%	6.55%	7.57%
Gross margin	2.53%	34.88%	7.83%
Net margin	4.43%	28.41%	7.36%

In 2009, margin on sales decreased slightly from a level of 21.39 % in 2008 to 19.01 % in 2009. The decrease in EBIT margin in 2009 is mostly the consequence of operating loss generated in 2009 by the SoftM Group and companies included in the Internet segment. Their result should improve in subsequent years. Net margin in 2009 decreased from 28.41 % to 4.43 %, mostly due to the very high result of finance activity in 2008 which was not repeated in 2009.

Financial liquidity and turnover ratios

Liquidity analysis	31 December 2009	31 December 2008	31 December 2007
Current ratio	2.37	2.28	1.79
Quick ratio	2.16	2.09	1.49
Cash to current liabilities ratio	1.01	0.99	0.39

Turnover analysis	31 December 2009	31 December 2008	31 December 2007
Current asset turnover ratio	1.52	1.39	1.90
Receivable turnover ratio (days)	110	126	117
Inventories turnover ratio (days)	75	39	58
Liabilities turnover ratio (days)	166	205	167
Liabilities turnover excluding liabilities due to investment credit ratio (days)	122	142	117

Turnover ratios indicate the effective use of the Group's funds. In 2009, the receivables turnover ratio decreased slightly compared to the previous year. This is the consequence of a low level of trade receivables as at the 31st of December, 2009. Furthermore, the liabilities turnover ratio, as well as liabilities turnover excluding liabilities due to investment credit ratio, decreased as a consequence of the increase in the total costs in the Comarch Group.

3.2 Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the Given Year Published Before

The Group has not published the results forecast for 2009.

3.3 Factors and Events of Unusual Nature that Affect the Issuer Activities and the Achieved Results, as well as Their Appraisal

3.3.1. Deferred Income Tax

As at 31st of December, 2009, the company dissolved an asset due to activities in the SSE that was worth 10.032 million PLN. As at the 31st of December, 2009, the company presented a deferred income tax asset in the income statement due to activities in the SSE (hereinafter referred to as the "Asset") that was worth 8.993 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 2010. At the same time, pursuant to IAS12, the company will regularly verify the valuation of the Asset considering the possibilities of its realisation and further recognition. Additionally, the 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.

3.3.2. Effect of SoftM Group's Figures on the Comarch Group's Results

The Comarch Group's revenue in 2009 included 169.68 million PLN from the SoftM Group's revenue for 2009. Group's net profit decreased by 20.12 million PLN due to the net results of SoftM Group in 2009.

3.4 Changes in Methods of Company Management and Its Capital Group Management

Due to the ongoing recession in 2009 on the IT market within the DACH region, in combination with the negative results of SoftM Software und Beratung AG in the first half of 2009, the Management Board of SoftM has been executing a restructuring programme in the second half of 2009 named DASD (Decentralisation of organisation, lean Administration, Sales driven organisation, Development increase). The programme comprises adjusting the SoftM's cost structure to the current level of revenue, simplification of the organisational structure and an increase in the responsibility of business units and the continuation of investment in the development of new software.

With the notice dated the 9th of September, 2009, the State Enterprise Centre of Registers with its registered seat in Vilnius, Lithuania (Valstybes Imones Registru Centro Vilniaus Filialo Juridiniu Asmenu Registravimo Skyrius - Vilnius Branch Legal Persons Registration Department) opened liquidation proceedings in UAB ComArch with its registered seat in Vilnius, Lithuania (current report no. 21/2009). According to the shareholders' decision, Ms. Asta Macijauskiene became the liquidator of the company.

The decision to liquidate is part of a restructuring process related to foreign activity of the Comarch Group.

3.5 Description of the Main Capital Deposits or the Main Capital Investments Made within the Comarch Group in the Given Year

On the 31st of July, 2009, ComArch S.A. with its registered seat in Krakow, purchased 500 shares (nominal value of 100 PLN each) in SoftM Polska Sp. z o.o. (Limited liability Company) with its registered seat in Poznań, Poland for the total amount of 298,300.00 PLN. The acquisition was carried out in relation to a contract concluded with SoftM Software und Beratung AG, with its registered seat in Munich.

In 2009 Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty acquired shares in iCDN24 S.A. (currently iComarch24 S.A) (investment value: 0.5 million PLN).

In the third quarter of 2009, Comarch Software (Shanghai) Co. Ltd. was registered. ComArch S.A. acquired shares in the company for the total amount of 0.2 million USD via internal means.

In the third quarter of 2009, ComArch S.A. acquired shares in CASA Management and Consulting Sp. z o.o. SK-A (investment value: 30 million PLN). On the 12th of October, 2009, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a company, CASA Management and Consulting Sp. z o.o. SK-A.

3.6 Transactions Concluded by the Issuer or its Subsidiary with Related Parties on Terms Different from Market Conditions

None present.

3.7 Financial Liabilities and Significant Off- Balance Sheet Items

3.7.1 Bank Guarantees

On the 31st of December, 2009, the value of the bank guarantee and letters of credit issued by banks on order from ComArch S.A. in reference to executed agreements and participation in tender proceedings was 36.97 million PLN, including a bank guarantee in the amount of 2 million euro, i.e. 8.22 million PLN, for Bank HVB's benefit, as a suretyship for credit used by SoftM Software und Beratung AG. On 31st of December, 2008, the value of bank guarantee and letters of credit issued by banks on order from ComArch S.A. in reference to executed agreements and participation in tender proceedings was 26.97 million PLN.

On 31st of December, 2009, the value of bank guarantees issued by banks on order from CA Services S.A. in reference to executed agreements and participation in tender proceedings was 0.25 million PLN, whereas it was 0.9 million PLN on 31st of December, 2008.

On 31st of December, 2009, the value of bank guarantees issued by banks on order from SoftM Group in reference to executed agreements and participation in tender proceedings was 0.3 million EURO, i.e. 1.24 million PLN, whereas it was 0.31 million EURO, i.e. 1.3 million PLN on 31st of December, 2008.

3.7.2 Suretyships and Liabilities due to Leases

As at 31st of December, 2009, there were no ComArch S.A.'s suretyships for the debts from lease agreements.

As at 31st of December, 2009, the Comarch Group had contractual obligations due to operational leasing agreements in the amount of 6.83 million PLN.

3.7.3 Credits

As at the 31st of December, 2009, ComArch S.A. had liabilities due to credits in the amount of 89.53 million PLN.

- a) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw in amount of 20 million PLN for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last a maximum of 10 years, i.e. until 2015. This credit has a variable interest rate. On 5th of January, 2009, the company revaluated the remaining credit to be paid into EURO at the rate of 1 EUR = 4.003 PLN. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 2.75 million EURO, i.e. 11.3 million PLN.
- b) An investment credit from Kredyt Bank S.A. with its registered seat 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 at a variable interest rate. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 23.15 million PLN.
- c) An investment credit from Fortis Bank Polska S.A. with its registered seat 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 at a variable interest rate and was taken out by 30th of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 39.94 million PLN.
- d) An investment credit from Bank Pekao S.A. with its registered seat 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 at a variable interest rate. The mortgage on the land is security for this credit. As at 31st of December, 2009, the value of the credit to be repaid amounted to 15.1 million PLN.

A subsidiary, SoftM Software und Beratung AG has received a credit in IBM Kreditbank for financing of current activity in the amount of 1 million EURO. As at 31st of December, 2009, the credit used was 0.27 million EURO. SoftM Software und Beratung AG uses investment credit in HypoVereinsbank AG that amounts to 2 million EURO and the crediting period may last till 15th of February, 2010. It was raised in Q4 2009 for financing of current activity. The crediting period was 4 years. As at 31st of December, 2009, the credit used was 1.23 million EURO.

3.8 Loans

3.8.1 Loans

As at 31st of December, 2009, there were no unpaid home loans granted to employees of ComArch S.A.

As at 31st of December, 2009, the following companies of the Capital Group were indebted towards ComArch S.A. for loans granted:

Company	Due date	Value	Currency	Interest	Value in PLN
ComArch AG	31-01-2011	8,560,000	EURO	3.30%	35,166,192,
ComArch AG	21-01-2011	2,000,000	EURO	3.30%	8,216,400
ComArch, Inc.	31-01-2011	870,000	USD	3.09%	2,479,761
ComArch LLC	31-01-2011	40,000	USD	3.09%	114,012
ComArch Panama, Inc.	31-01-2011	100,000	USD	3.09%	285,030
OOO ComArch	31-01-2011	150,000	USD	3.09%	427,545
MKS Cracovia SSA	30-06-2010	1,000,000	PLN	6.20%	1,000,000
MKS Cracovia SSA	30-06-2010	2,400,000	PLN	6.50%	2,400,000
MKS Cracovia SSA	30-06-2010	1,800,000	PLN	7.59%	1,800,000
MKS Cracovia SSA	30-06-2010	500,000	PLN	6.46%	1,500,000
MKS Cracovia SSA	30-06-2010	600,000	PLN	6.17%	600,000
MKS Cracovia SSA	30-06-2010	400,000	PLN	6.18%	400,000

3.8.2 Loans Granted to Members of the Management Board and Members of the Supervisory Board

As at 31st of December, 2009, 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.

3.9 Significant Legal, Arbitration or Administrative Proceedings**3.9.1 Proceedings Related to Liabilities or Receivables of the Issuer or a Subsidiary, which Value Constitutes at least 10 % of Equities**

None present.

3.9.2 Two or more Proceedings related to Liabilities or Receivables of Issuer's or a Subsidiary, which Total Value Constitutes at least 10 % of Equities and the Issuer's Opinion on the Matter

None present.

4. PERSPECTIVES FOR DEVELOPMENT

4.1 Factors Essential for Development of the Group

4.1.1. Internal Factors

- a) Increase in export sales and significance of foreign sales,
- b) Position and reputation of the company affecting the nature of clients acquired;
- c) Commercial operations of ComArch S.A. in the special economic zone in Krakow;
- d) Significant share of standard (repetitive) products offered for sale, which means:
 - lower costs, especially variable costs related to a single contract,
 - the possibility of significant increase in profitability of a single contract with simultaneous reduction in charges for clients (license fees),
 - broader and more diversified circle of clients, which means a broader scale of activities;
- e) Attractive training policy and attractive work conditions offered for employees of the Group;
- f) Increasing awareness of the Comarch brand among prospective clients by promotion managed through MKS Cracovia SSA;
- g) Necessity of continuous investment in human resources to maintain the company's competitive edge in future years;
- h) High levels of investment expenditure designated for research and development activity, and development of new products and IT services;
- i) High level of investment expenditure designated for the development of production sources in Poland (material investment) and for expansion on foreign markets (capital investment).

4.1.2. External Factors

- a) Enhanced requirements from clients for IT systems. There is an increase in demand for large, complex IT systems dedicated for specific users. This gives advantage to large IT companies such as Comarch, which offer a number of different technologies and products and which are able to provide technologically advanced solutions;
- b) Development of Internet banking and more frequent usage of the Internet as a new distribution channel for financial products;
- c) Change in business models in many branches as well as change in business strategies of many companies related to technological progress and fast economical growth, which increases demand for new IT systems;
- d) An access of Polish companies to resources from structural funds related to Polish membership in European Union that will be dedicated in part to develop IT systems and finance research and development works;
- e) Growing competition, causing decrease in achieved margins; competition between IT companies;
- f) Pressure on increase in remuneration in IT sector;
- g) The international economic situation, taking into particular consideration the situation on financial markets that effects levels of demand for products and IT services;
- h) Economic slowdown observed in many countries in 2009, having a strong effect on investment decision-making by enterprises;
- i) Exchange rate levels which were favourable for exporters for the most part of 2009, especially EUR/PLN and USD/PLN, and which affect the profitability of export sales;
- j) Decreased availability of external monetary sources observed in 2009.

4.2 Other Significant Factors, including Risks and Threats

4.2.1. Credit Risk

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

4.2.2. Risk of Change in Interest Rates

The company is exposed to the risk of changes in interest rates related to 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 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.

4.2.3. Risk of Fluctuation in the Exchange Rates

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

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

4.2.4. Financial Liquidity Risk

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

4.3 Perspectives of Development in the Group in 2009

In 2009, the pace of economic development in Poland and globally should have affected Comarch and the IT market. The decrease in demand for IT products and services in 2009 is related to the economic slowdown, and in the company's opinion, will also be present in 2010. It may have a detrimental impact on Comarch's development, and simultaneously, on the financial results achieved by the company. The consistently executed strategy of positioning itself on the market as a technological and product-based company reaps results in the form of an annually increasing client base; most of these being international companies. It allows for the limitation of activities' risk during a period of economic slowdown. After Poland's integration with the European Union, more and more international companies operate in Poland, thus broadening the circle of prospective clients for IT systems. At the same time, activity of Comarch in international markets should additionally increase sales volume and enhance the image of Comarch among international corporations, thus strengthening the competitive position of Comarch in Poland. Strengthening of the Polish currency, beginning from the fourth quarter of 2009, had a negative effect on the development of export sales.

Execution of Comarch strategy largely depends on macroeconomic conditions, beyond the Group, especially on the level of IT investments in medium-size and large companies in Poland and abroad and on the fact that competition in the IT sector becomes more and more fierce. At the same time, effective management of operational risks is the necessary condition for execution of the strategy. The most important operational risks connected with the operations of the company 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.

4.4 Characteristic of Policy of the Development Direction in the Comarch Group

The strategic development directions in the Comarch Group are:

- constant development of its own technologically advanced products
- offers to customers in many economic sectors
- strict cooperation with global customers in international markets
- development of international sales, especially focusing on mature markets in Western Europe (in particular in the DACH region)
- constant investment in human resources
- development of a modern production base in Poland and abroad.

4.5 Achievements within Research and Development as well as an Appraisal of Ability for Executing Investment Plans, Including Capital Investment Compared to the Amount of Resources Owned

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 exceeded 10 % of revenue in 2009. Comarch allocated there internal funds as well as acquired actively European funds. Within next years, with Comarch Group innovative investment projects will be carried out and they will enable further company's expansion in new areas of activities and new markets. This will be financed with monetary funds from the Comarch Group's internal means, using bank credits.

In November, 2009, ComArch S.A. began the fourth investment stage in the SEZ in Krakow, the construction of a new production and office building with a total size of five thousand two hundred and twenty-seven square meters, including road and technical infrastructure. The value of this contract amounts to 23.97 million PLN. Investment completion is planned for the 30th of April, 2011. The company intends to finance 80% of planned investment expenditures with bank credit.

Comarch does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, Comarch will consistently aim at increase in international sales. 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.

5. COMARCH IN THE STOCK EXCHANGE

5.1 Resolutions of the AGM and the Board of Supervisors

5.1.1. Resolutions of the Board of Supervisors

A) Corporate Governance Principles

Pursuant to the rule number 3) included in the third part, pt 1 of the "Corporate Governance Principles", in current report no. 14/2009, ComArch S.A.'s Management Board reported that on the 25th of May, 2009, Supervisory Board of ComArch S.A. passed the resolution no. 10/5/2009 in which projects of the resolutions at the AGM, to be held on the 22nd of June, 2009, are given positive opinions.

Pursuant to the rule number 1) and 2) included in the third part, pt 1 of the "Corporate Governance Principles", in current report no. 15/2009, ComArch S.A.'s Management Board presented 2008 activities' report of ComArch S.A.'s Supervisory Board and assessment of the company's situation in 2008 including assessment of the company's internal system control and risk management of the company.

5.1.2. Content of the Resolutions Passed at the AGM

On the 28th of May, 2009, pursuant to article 395 § 1 and article 399 § 1 of the Commercial Companies' Code and pursuant to § 14 of the company's Statute, the Management Board of ComArch S.A. convened the Annual General Shareholders' Meeting of ComArch S.A., to be held at 09:00 o'clock on the 22nd of June, 2009, at Aleja Jana Pawła II 41e in Krakow, Poland. Agenda of the meeting was presented in the current report no. 12/2009. Projects of resolutions to be presented on AGM were published on the 8th of June, 2009 in the current report no. 13/2009.

On the 22nd of June, 2009, the AGM passed the resolutions related to:

- 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 1.01.2008 - 31.12.2008;
- approving the report of the Management Board regarding the activities of the company in 2008;
- approving the activity report of the company's Board of Supervisors for the fiscal year 1.01.2008 - 31.12.2008 and audit of the company's financial statement and audit of the report of the Management Board regarding company's activities in 2008;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2008 - 31.12.2008;
- approving the report of the Management Board of ComArch S.A. regarding the activities of the Capital Group in 2008;
- approving the report of the company's Supervisors Board of the audit of the consolidated financial statement of the Capital Group and of the report of the Management Board regarding the activities of the Capital Group in 2008;
- distribution of the company's net profit for the fiscal year 1.01.2008 - 31.12.2008;
- acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2008 - 31.12.2008;
- changes in the company's Statute.

The full content of the resolutions was published on 23rd of June, 2009, in the current report no. 16/2009.

On 7th of September, 2009, changes in the company's statute were registered by the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register. The company announced details in current report no. 22/2009.

5.2 Operations on ComArch S.A Shares

5.2.1. Conversion, Admittance, Introduction to Trading and Assimilation of 9,400 Series A Shares

Due to request of a shareholder and pursuant to resolution no. 1/21/2008 of ComArch S.A.'s Management Board passed on the 1st of December, 2008 as well as pursuant to resolution no. 700/08 of the National Deposit for Securities, rights attached to 9,400 series A shares have been changed.

- before conversion – registered shares preferential for vote so that 5 votes in the General Meeting corresponds with each share,
- after conversion – ordinary bearer shares with no preferences. Total number of votes at the issuer's general meeting after conversion is 14,954,196 Management Board of the Warsaw Stock Exchange with the resolution no. 12/2009 dated the 8th of January, 2009, decided that pursuant to §19, sec. 1 and 2 of the Rules of the Warsaw Stock Exchange, 9,400 ordinary bearer series A ComArch S.A. shares of nominal value of 1 PLN each are admitted to trading. The Management Board of the Warsaw Stock Exchange decided that the shares mentioned above will be introduced to trading on the 16th of January, 2009, providing that on the 16th of January, 2009, they will be assimilated by the National Deposit for Securities with other ComArch S.A. shares already in trading. On 13th of January, 2009, the Management Board of the National Deposit for Securities has decided to assimilate 9,400 ComArch S.A. shares (marked with the code PLCOMAR00061) with 6,202,796 ComArch S.A. shares (marked with the code PLCOMAR00012). Assimilated shares were marked with the code PLCOMAR00012. The company announced details in current report no. 1/2009, 3/2009 and 4/2009.

5.2.2. Purchase/Disposal Transactions on ComArch S.A. Shares Made by BZ WBK AIB Asset Management S.A. and BZ WBK AIB TFI S.A.

a) 23 April 2009

On 29th of April, 2009, BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna, on behalf of Arka BZ WBK Shares Open Investment Fund, Arka BZ WBK Shares of Middle and Eastern Europe Closed Investment Fund, Arka BZ WBK Balanced Growth Open Investment Fund and Lukas Open Investment Fund (hereinafter referred to as the "Funds"), announced that, as a result of the purchasing of the shares settled on 23rd of April, 2009, the Funds increased by more than 2 % their share of the total number of votes at ComArch S.A.'s General Shareholders' Meeting. On 23rd of April, 2009, the Funds held 1,800,179 ComArch S.A. shares which constituted 22.61 % of the company's share capital. This gave 1,800,179 or a 12.04 % share of the total votes at ComArch S.A.'s General Shareholders' Meeting.

b) 11 May 2009

On 15th of May, 2009, BZ WBK AIB Asset Management Spółka Akcyjna with its registered seat in Poznań (the „company”) announced that, as a result of the purchasing of the shares on 11th of May, 2009, the company's customers increased by at least 2 % their share of the total number of votes at ComArch S.A.'s General Shareholders' Meeting. On 11th of May, 2009, the customers of BZ WBK AIB Asset Management Spółka Akcyjna held 2,756,060 ComArch S.A. shares which constituted 34.62 % of the company's share capital. This gave 2,756,060 or an 18.43 % share of the total votes at ComArch S.A.'s General Shareholders' Meeting. ComArch S.A. announced details in current report no. 11/2009.

5.2.3. Other Transactions on the Company's Shares

None present.

AFTER THE BALANCE SHEET DATE

5.2.4. Completion of Subscription for Series J2 Shares

Due to completion of subscription, the ComArch S.A. Management Board announced details of this subscription in current report no. 4/2010, dated the 9th of March, 2010:

- 1) commencement/completion date of subscription: 17 February 2010/26 February 2010;
- 2) date of series J2 shares allocation: 5 March 2010;
- 3) number of shares taken up by subscription: 91,041;
- 4) reduction rate in particular portion of securities in case of number of allocated series J2 shares lower than number of series J2 shares, on which subscriptions were made (even if it happens only in one portion of securities):-;
- 5) number of series J2 shares, on which subscriptions were made: 91,041;
- 6) number of series J2 shares, which were allocated: 91,041;
- 7) acquisition price of series J2 shares: 1.00 PLN (in words: one zloty) each;
- 8) number of persons who subscribed for series J2 shares: 7;
- 9) number of persons to whom shares were allocated: 7;
- 10) the Company did not enter into agreement on subissue;

11) value of subscription, i.e. number of offered shares multiplied by issue price: 91,041 PLN (in words: ninety-one thousand and forty-one);

12) total issue costs, in particular:

a) costs of an offering: 16,650.00 PLN (in words: sixteen thousand six hundred and fifty);

b) remuneration of subissuers, separately for each of them: 0.00 PLN (in words: zero);

c) costs of prospectus, including consultancy: 0.00 PLN (in words: zero);

d) offering promotion: 0.00 PLN (in words: zero);

e) civil law activities tax: 446.00 PLN (in words: four hundred and forty-six);

Total: 17,096.00 PLN (in words: seventeen thousand and ninety-six).

Issue costs will be settled into finance costs.

13) average cost of subscription of series J2 shares per one share: 0.19 PLN.

5.2.5. Registration of Increase in ComArch S.A. Share Capital

On the 8th of April, 2010, ComArch S.A.'s Management Board announced that on the 31st of March, 2010, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered increase in the company's share capital to the amount of 8,051,637 PLN. After this increase the company's share capital is divided into 8,051,637 shares. It corresponds to 15,045,237 votes at the company's AGM.

ComArch S.A.'s share capital 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.

5.3 Managerial Option Program for Members of the Management Board and Other Key Employees for 2008-2010

On 28th of June, 2007, the Annual General Meeting of Shareholders passed Resolution no. 16 on the managerial options programme for company's Key Employees for 2008-2010. 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 2009, 2010 and 2011 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 as of December of each year of the execution of the programme (beginning with 2008) 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 2008 it will be the difference between the average capitalisation of the company in December, 2007 and the average capitalisation of the company in December 2008; this will be calculated using the average closing price of Comarch shares in December, 2004 as 69.53 PLN;
- For 2009 it will be the difference between the average capitalisation of the company in December, 2008 and its average capitalisation in December, 2009;
- For 2010 it will be the difference between the average capitalisation of the company in December, 2009 and its average capitalisation in December, 2010.

In the fourth quarter of the year that precedes the year of the Programme execution, the Supervisory Board of the company shall establish a list of Key Employees and single option factors. List of Key Employees and single option factors shall be established independently for each subsequent year. The total value of the all single option factors for each Key Employee in the given year shall amount to 3 % (in words: three percent) of increase in the company's capitalisation.

Pursuant to IFRS2, the company is obliged to calculate the value of the Option and classify it as a cost in the income statement in the Option period, i.e. from its issue date until its expiry date. The company will

recognise the value of the particular options beginning from the options' acquiring, i.e. an establishment by the Supervisory Board a list of Key Employees and single option factors for each subsequent year.

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

Execution of this programme for 2008

On 10th of December, 2007, with the resolution no. 3/12/2007, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2008. The total value of the all single option factors for each Key Employee in 2008 shall amount to 3 %.

Pursuant to IFRS2, the company has valued the Option with Black & Scholes model. Apart from the assumptions resulting from the nature of the Option program described above, the following additional assumptions were adopted for the needs of the valuation:

- 5.74 % risk-free rate (the interest rate on 52-week treasury bills);
- 0 % dividend rate (the dividend rate in the period forecast as at the date of the passage of the programme);
- 34.45 % anticipated volatility (anticipated volatility based on historical volatility from the last 200 quotations prior to the date of the passage of the program on the basis of the average price of shares from opening and closing prices).

The determined Option's value amounted to 5.94 million PLN and was recognised in the income statement for 2008.

The difference between the average capitalisation in December, 2008 and the average capitalisation in December, 2007 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 2009.

Execution of this programme for 2009

On 8th of December, 2008, with the resolution no. 1/12/2008, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2009. The total value of the all single option factors for each Key Employee in 2009 shall amount to 3 %.

Pursuant to IFRS2, the company has valued the Option with Black & Scholes model. Apart from the assumptions resulting from the nature of the Option program described above, the following additional assumptions were adopted for the needs of the valuation:

- 5.792 % risk-free rate (the interest rate on 52-week treasury bills);
- 0 % dividend rate (the dividend rate in the period forecast as at the date of the passage of the programme);
- 38.62 % anticipated volatility (anticipated volatility based on historical volatility from the last 200 quotations prior to the date of the passage of the program on the basis of the average price of shares from opening and closing prices).

The determined Option's value amounted to 2.98 million PLN and was recognised in the income statement for 2009.

On the 15th of February, 2010, pursuant to Art. 431 § 1 and Art. 432 of the Commercial Companies' Code, and in relation to Art. 446 of the Commercial Companies' Code and Art. 9 sec. 3 of the company's Statute, as well in execution of Resolution no. 40 of the Ordinary Annual General Shareholders' Meeting dated 28th of June, 2007, regarding the managerial option program for key employees and according to Resolution no. 1/01/2010 of the Supervisory Board regarding execution of the managerial option program for 2009, the Management Board of ComArch S.A. passed the resolution regarding an increase in share capital by way of emission of 91,041 ordinary bearer series J2 shares, of a nominal value of 1 PLN and issue price of 1 PLN, excluding a stock right of the current company's shareholders, in addition to changes in the company's Statute within the abovementioned scope. Shares will be offered to the entitled persons according to the rules of the managerial option program for key employees, passed with Resolution no. 40 of the Ordinary Annual General Shareholders' Meeting dated 28th of June, 2007.

A subscription of 91,041 J2 shares took place between the 17th of February, 2010 and the 26th of February, 2010 (current report no. 4/2010 dated the 9th of March, 2010). They were allocated to 7 persons (current report no. 4/2010 dated the 9th of March, 2010).

On the 31st of March, 2010 the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered an increase in the ComArch S.A. share capital to the amount of 8,051,637 PLN. After this increase the company's share capital is divided into 8,051,637 shares. It corresponds to 15,045,237 votes at the company's AGM.

Execution of this programme for 2010

On 7th of December, 2009, with the resolution no. 1/12/2009, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2010. The total value of the all single option factors for each Key Employee in 2010 shall amount to 3 %.

Pursuant to IFRS2, the company has valued the Option with Black & Scholes model. Apart from the assumptions resulting from the nature of the Option program described above, the following additional assumptions were adopted for the needs of the valuation:

- 4.223 % risk-free rate (the interest rate on 52-week treasury bills);
- 0 % dividend rate (the dividend rate in the period forecast as at the date of the passage of the programme);
- 35.46 % anticipated volatility (anticipated volatility based on historical volatility from the last 200 quotations prior to the date of the passage of the program on the basis of the average price of shares from opening and closing prices).

The determined Option's value amounts to 2.64 million PLN and will be recognised in the income statement for 2010.

5.4 Transactions on Shares of Subsidiaries and Associates of ComArch S.A.

5.4.1. Completion of a Mandatory Takeover Offer of Shares of SoftM Software und Beratung AG

On the 2nd of February, 2009, a mandatory takeover offer of shares of SoftM Software und Beratung AG was completed. The acceptance period of the takeover offer began on the 22nd of December, 2008, and ended on the 2nd of February, 2009. As a result of this offer, ComArch Software AG purchased 1,991,777 shares of the company for 3.45 EUROS per share, i.e. for a total sum of 6,871,630.65 EUROS. As at the date of preparing the financial report, ComArch Software AG holds 5,241,777 shares of SoftM Software und Beratung AG, which constitutes 80.89 % of the company's share capital. This gives 5,241,777 or an 80.89 % share of the total votes at the company's annual general meeting. The company announced details in current report no. 6/2009.

5.4.2. Purchase of Significant Shares

On the 31st of July, 2009, ComArch S.A. with its registered seat in Krakow, purchased 500 shares (nominal value of 100 PLN each) in SoftM Polska Sp. z o.o. (Limited liability Company) with its registered seat in Poznań, Poland for the total amount of 298,300.00 PLN.

The acquisition was carried out in relation to a contract concluded with SoftM Software und Beratung AG, with its registered seat in Munich. Purchase price of 1 share was 596.6 PLN. The total nominal value of purchased shares amounts to 50,000.00 PLN and they constitute 100 % of the company's share capital. They entitle the company to 500 votes at the company's general meeting. ComArch S.A. purchased the above-mentioned shares via internal means. This is a long-term investment of the issuer.

SoftM Polska Sp. z o.o. is an IT company operating within the scope of production and maintenance of ERP systems. It is planned for the company to continue its activities according to its profile. The company announced details in current report no. 18/2009.

AFTER THE BALANCE SHEET DATE

5.4.3. Sale of Shares in an Associate

On the 11th of February, 2010, SoftM Software und Beratung AG sold all its shares in an associate, KEK Anwendungssysteme GmbH.

5.4.4. Purchase of Shares in ComArch Software S.A.R.L.

On the 19th of March, 2010, ComArch S.A. purchased shares in ComArch Software SARL in Lille from ComArch AG for 15,000 EURO.

5.4.5. Resolution on Increase in ComArch AG Share Capital

On the 24th of March, 2010, the Annual General Meeting of ComArch AG shareholders passed a resolution on an increase of 2,441,620 Euro in share capital by way of emission of 2,441,620 shares of nominal and issue price of 1 Euro each. 1,441,620 shares were purchased by ComArch S.A. and 1,000,000 shares were purchased by the investment fund Vintage Investment Holding S.A. with its registered seat in Luxemburg.

5.5 Data Referring to the Agreement Signed with the Entity Entitled to Auditing Financial Statements

5.5.1. Resolution of the Supervisory Board of ComArch S.A.

The Supervisory Board of ComArch S.A passed the resolution no. 1/8/2008 dated the 7th of August, 2008, and selected Deloitte Audyt Sp. z o. o. to audit and review the financial statements and the consolidated financial statements of ComArch S.A. Deloitte Audyt Sp. z o. o. having its registered seat in Warsaw at ul. Piękna 18, is registered at number 73 in the list of entities entitled to audit financial statements. ComArch S.A.'s Board of Supervisors selected auditor pursuant to art. 19 section 2 pt e) of the company's Statute and pursuant to the operative regulations and professional standards. Deloitte Audyt Sp. z o. o. offered its services to ComArch S.A. within the scope of reviewing the consolidated financial statement of ComArch S.A. for first 6 months of 2006, 2007, 2008 and 2009 as well as auditing the annual financial statement of ComArch S.A. and the annual consolidated financial statement of ComArch S.A for 12 months of 2006, 2007, 2008 and 2009.

5.5.2. Contract Details

Agreement with Deloitte Audyt Sp. z o. o. was concluded on 17th of July, 2009 for one-year period and applies to:

- a) audit of the annual financial statement of ComArch S.A. for 2009,
- b) audit of the annual consolidated financial statement of the company for 2009,
- c) review of the consolidated financial statement of ComArch S.A. for first 6 months of 2009,
- d) review of the condensed financial statement of ComArch S.A. for first 6 months of 2009,
- e) review of half-year SoftM Group financial statement review for h1 2009,
- f) review of half-year SoftM Group financial statement audit for 2009.

The total net remuneration due on account of reviewing the above-mentioned financial statements was 109,149.6 PLN (c, d and e) and 8,500 Euro (f). The total net remuneration due on account of auditing the above-mentioned financial statements was 113,400 PLN (a, b). The remuneration for review of half-year statements was paid in 2009; the remaining part of the remuneration will be paid in 2010.

The total net remuneration due on account of reviewing the financial statements for first six months of 2008 (consolidated and condensed) was 75,600 PLN. The total net remuneration due on account of auditing the annual financial statements was 113,400 PLN. The remuneration for review of half-year statement was paid in 2008; the remaining part of the remuneration was paid in 2009.

5.6 Other

5.6.1. Dates of Periodical Financial Reports in 2009

Pursuant to § 100 sec. 1 of the Regulation issued by the Minister of Finance on 19th of October, 2005 concerning current and periodical information pertaining to companies traded on the stock exchange, with current report no. 5/2009, ComArch S.A.'s Management Board presented terms of periodical financial reports in 2009. Due to alteration in Regulation issued by the Minister of Finance concerning current and periodical information pertaining to companies traded on the stock Exchange, they were modified in current report no. 7/2009.

5.6.2. The List of ComArch S.A. Current Reports and Financial Statements Made Public in 2008

On 4th of May, 2009, Management Board of ComArch S.A. presented the list of ComArch S.A.'s current

reports and financial statements made public in 2008. The originals of these documents are located at the company's headquarters - al. Jana Pawla II 39a, Krakow, Poland. They are also available at <http://www.comarch.pl/en/investors/reports>

5.6.3. Initial Financial Data of SoftM Group for the First Half of 2009

On the 5th of August, 2009, a subsidiary - SoftM Software und Beratung AG - announced initial financial data for 01.01-30.06.2009. Revenue amounted to 19.8 million Euro, with the operating result at -6.3 million Euro and net result amounting to -5.4 million Euro. A decrease in revenue from sales of hardware and IT services had a significant influence on achieved results, whereas sales of licenses maintained a stable level. Currently, the company is conducting a restructuring programme called DASD. The Q2 2009 result was diminished by the amount of 3.2 million EURO resulting from the costs incurred for DASD as well as write-offs in goodwill. The company announced details in current report no. 19/2009.

5.6.4. The List of Shareholders Participating the Annual General Shareholders Meeting (2009)

Accordingly to the list of shareholders participating the Annual General Shareholders Meeting of ComArch S.A. on the 22nd of June, 2009, Elzbieta Filipiak and Janusz Filipiak as well as Arka BZ WBK Shares Open Investment Fund 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 42.24 % of the all votes at this AGM and which constituted 29.86 % of the total number of votes;
2. Elzbieta Filipiak - 846,000 registered preference shares which gave 4,230,000 votes at the AGM, which constituted 40.02 % of the all votes at this AGM and which constituted 28.29 % of the total number of votes;
3. Arka BZ WBK Shares Open Investment Fund - 1,000,000 ordinary bearer shares which gave 1,000,000 votes at the AGM, which constituted 9.46 % of the all votes at this AGM and which constituted 6.69 % of the total number of votes.

The total number of votes from all emitted ComArch S.A. shares is 14,954,196. Shareholders participating the Annual General Shareholders Meeting of ComArch S.A. on the 22nd of June, 2009 held shares giving 10,570,855 votes.

AFTER THE BALANCE SHEET DATE

5.6.5. Dates of Periodical Financial Reports in 2010

Pursuant to § 103 sec. 1 of the Regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies 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, in the current report no. 1/2010, ComArch S.A.'s Management Board set dates of periodical financial reports in 2010.

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

- 1) Q4 2009 - on 1st of March, 2010
- 2) Q1 2010 - on 14th of May, 2010
- 3) Q2 2010 - Pursuant to § 101 sec. 2 of the Regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange and on the conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, ComArch S.A. will not publish quarterly report for the second quarter of 2010
- 4) Q3 2010 - on 12th of November, 2010

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 2010 - on 31st of August, 2010
- 2) Annual report for 2009 - on 30th of April, 2010
- 3) Consolidated annual report for 2009 - on 30th of April, 2010

5.6.6. Registration of Changes in ComArch S.A. Statute

On the 8th of April, 2010, ComArch S.A.'s Management Board announced that received notice, dated the 31st of March, 2010, concerning registration by the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register of changes in the company's Statute (current report no. 6/2010).

Pursuant to the above-said notice article 7 section 1 of the company's Statute is worded as follows:

"The Company's share capital comes to 8,051,637.00 PLN (in words: eight million fifty-one thousand six hundred thirty-seven PLN) and is divided into 8,051,637.00 (in words: eight million fifty-one thousand six hundred thirty-seven) shares, including: 1,748,400 (one million seven hundred forty-eight thousand four hundred) registered preference shares of nominal value of 1.00 PLN every share and 6,303,237 (six million three hundred and three thousand two hundred thirty-seven) ordinary bearer shares of nominal value of 1.00 PLN every share, including:

- 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."

5.6.7. Credit Agreement with Bank DnB NORD SA

On the 28th of February, 2010, in current report no. 3/2010, in relation to current report no. 25/2009 dated the 10th of November, 2009 relating to the letter of intent with E-plus signed between a subsidiary, Comarch AG and E-Plus Mobilfunk GmbH&Co. KG, ComArch S.A.'s Management Board announced that due to ongoing negotiations, the planned contract signing date has been changed from the 28th of February, 2010 to the 18th of May, 2010.

5.6.8. Forward Contracts Concluded after the Balance Sheet Date

Between the 1st of January, 2010 and the 19th of April, 2010, ComArch S.A. concluded a forward contract for the sale of foreign currencies. The total net value of open forward contracts as of the 19th of April, 2010 amounted to 3.14 million EURO and 1.8 million USD. The open forward contracts as of the 19th of April, 2010 were valued at plus 0.887 million PLN. The contracts will be settled within thirteen 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.

Krakow, 30th of April, 2010

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

6. Amendment to the Report of the Management Board

6.1 Characteristics of Companies in the Group

Company: **ComArch Spółka Akcyjna (JSC) COMARCH**
 Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
 Telephone: (12) 646 10 00
 Fax: (12) 646 11 00
 Regon: 350527377
 NIP: 677-00-65-406

The dominant unit - shares of the company are admitted to trading in the Warsaw Stock Exchange and are held, according to the knowledge of the company as at the date of preparation of this report, by Janusz Filipiak (32.54 % of shares), Elżbieta Filipiak (10.51 % of shares), members of the Management Board (1.29 %), BZ WBK AIB Asset Management S.A. (JSC) (34.23 %) including shares of BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna (JSC) (22.36 %).

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

Company: **ComArch AG COMARCH**
 Address: Chemnitzer Str. 50, 01187 Dresden, Germany
 Telephone: +49 351 3201 3200
 Fax: +49 351 438 97 10
 HRB: 23838

The company's share capital is 58,380.00 EURO. It consists of 11,676 registered shares of nominal value of 5 EURO each. ComArch S.A. holds 100 % of interest in the company's share capital and 100 % shares in votes at the AGM of the company. Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch AG is ComArch S.A.'s subsidiary.

Company: **ComArch Software S.A.R.L. (Limited Liability Company) COMARCH**
 Address: 12 place Saint Hubert
 59000 Lille, France
 Telephone: +33 3 59 56 06 84
 Fax: +33 3 59 56 06 01
 RCS: 500 252 606 RCS LILLE

ComArch AG holds 100 % of ComArch Software S.A.R.L. shares, that constitute 100 % of the share capital and 100 % of votes at the meeting of shareholders. The share capital of ComArch Software S.A.R.L. amounts to 150,000 Euro and consists of 1,500 shares of nominal value of 100 Euro each. Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch Software S.A.R.L. is ComArch S.A.'s subsidiary (through ComArch AG).

Company: **ComArch R&D S.A.R.L. (Limited Liability Company) COMARCH**
 Address: 100A, allée Saint Exupéry
 38330 Montbonnot-Saint Martin, France
 Telephone: +33 457 58 2300
 RCS: 507 984 5S7 RCS Grenoble

ComArch AG holds 70 % of ComArch R&D S.A.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.A.R.L. amounts to 7,500 Euro and consists of 750 shares of nominal value of 10 Euro each. ComArch AG purchased the above-mentioned shares with internal means for the total price of 5,250 Euro. The subject matter of activities of ComArch R&D S.A.R.L. is creation and implementation of IT systems, as well as advisement within the scope of IT systems. Pursuant to the Act on Accounting dated the 29th of September, 1994,

ComArch R&D S.A.R.L. is ComArch S.A.'s subsidiary (through ComArch AG).

Company:	SoftM Software und Beratung AG (SoftM)	
Address:	Messerschmittstr. 4, 80992 München, Germany	
Telephone:	+49 (89) 143 29 0	
Fax:	+49 (89) 143 29 1113	
HRB:	111531	

ComArch AG holds 5,241,777 shares of SoftM Software und Beratung AG, which constitute 80.89 % of the company's share capital. This gives 5,241,777 or an 80.89 % share of the total votes at the company's annual general meeting. SoftM Software und Beratung AG is listed on the German Stock Exchange, Deutsche Wertpapierbörse in Frankfurt in Prime Standard Segment. The SoftM Group includes: Comarch Solutions GmbH (Munich), Comarch Schilling GmbH, Comarch Systemintegration GmbH, Comarch Solutions GmbH (Vienna), SoftM France S.A.R.L. and Solitas Informatik AG. These companies are active on the IT market in Germany, Austria and Switzerland, offering their products and services to three business segments: ERP, finance and integration of systems for medium sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, SoftM Software und Beratung AG is ComArch S.A.'s subsidiary (through ComArch AG).

Company	SoftM Polska Sp. z o.o. (Limited Liability Company)	COMARCH
Address:	02-001 Warszawa, Al. Jerozolimskie 81	
Telephone:	12 646 10 00	
Regon:	300075359	
NIP:	2090000305	

The company's share capital is 50,000 PLN and is divided into 500 shares of 100 PLN each. They entitle to 500 votes at the company's annual general meeting. ComArch S.A. holds 100% shares which entitle to 100 % votes at the company's annual general meeting. SoftM Polska Sp. z o.o. acquires and executes contracts related to SoftM software on Polish market. Pursuant to the Act on Accounting dated the 29th of September, 1994, SoftM Polska Sp. z o.o. is ComArch S.A.'s subsidiary.

Company:	ComArch, Inc. COMARCH
Address:	10 W. 35th St. Chicago, IL 60616
Telephone:	+1-312-469-1100
Fax:	+1-312-469-1101
Document No.:	P02000099861

It sells Comarch software and services in US market. The company's share capital is 40,000 USD. ComArch S.A. holds 100 % of interest in the company's share capital and 100 % shares in votes at the AGM of the company. Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch, Inc. is ComArch S.A.'s subsidiary.

Company:	ComArch Panama, Inc. COMARCH
Address:	Ave. Samuel Lewis, Calle 55 PH. Plaza Globus 4 piso, Oficina No. 2, Bella Vista, Panamá
Telephone/fax:	+507 263 25 69
Register No.:	468218

The company's share capital is 360,000 USD and is divided into 360,000 shares of nominal value of 1 USD each. The company sells and produces IT systems in Central and Southern America market. Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch Panama, Inc. is ComArch S.A.'s subsidiary (through ComArch, Inc.).

Company: ComArch Middle East FZ-LLC (Limited Liability Company) COMARCH

Address: PO. Box 500398 Dubai, United Arab Emirates
Dubai Internet City, Building 1, G15
Telephone: +971 4 3913262
Fax: +971 4 3918668
Register No.: 19879

The company's share capital is 200,000 AED and is divided into 200 shares of 1,000 AED each (1 AED is worth circa 0.7869 PLN). ComArch S.A. purchased all the shares for cash at nominal value. The company sales Comarch products in the Near East and partially supports IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch Middle-East FZ-LLC is ComArch S.A.'s subsidiary.

Company: ComArch LLC (Limited Liability Company) COMARCH

Address: 18/7 Kutuzova Str., 01133 Kyiv, Ukraine
Telephone: +(380) 44 492 28 42
Fax: +(380) 44 492 28 43
Register No.: 32918282

The company's share capital is 20,500 UAH (1 UAH is worth circa 0.4537 PLN). ComArch S.A. holds 100 % of the company's shares that entitle to 100% votes. The registered company is a one-person limited liability company. It sales Comarch products in Ukraine and partially support IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch LLC is ComArch S.A.'s subsidiary.

Company: OOO ComArch (Limited Liability Company) COMARCH

Address: Prechistensky Pereulok 14 building 1, 119034 Moscow, Russia
Telephone: +7495 221 89 01
Register No.: OKPO75603466

OOO ComArch is a subsidiary of ComArch S.A. The company's share capital is worth 1.2 million RUB and is divided into 1 share of nominal value of 1,200,000 RUB (1 RUB is worth circa 0.0957 PLN). The company's share capital was paid in total in cash. The company sells Comarch products in Russia and partially supports IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, OOO ComArch is ComArch S.A.'s subsidiary.

Company: Comarch Software (Shanghai) Co. Ltd. COMARCH

Address: 14/F, Cimid Tower, 800 Shang Cheng Lu, Shanghai
Telephone: (+86) 58 358 169
Licence No.: 310115400253349

The company's share capital is worth 200,000 USD and ComArch S.A. holds it in total. The company sells and implements Comarch products in China, as well as supporting clients in part. Pursuant to the Act on Accounting dated the 29th of September, 1994, Comarch Software (Shanghai) Co. Ltd. is ComArch S.A.'s subsidiary.

Company: UAB ComArch COMARCH

Address: Naugarduko 57, LT-03202 Vilnius, Lithuania
Telephone: +370 52 33 02 31
Fax: +370 52 33 79 95
Register No.: 300150316

UAB „ComArch” is a limited liability company that is subsidiary of ComArch S.A. The company's share capital was covered with cash and is 70,000 LTL (1 LTL is worth circa 1.2084 PLN). The company's

share capital is divided into 700 shares of 100 LTL each. The total number of votes resulting from all shares is 700. The company sells and supports IT systems delivered to clients. Pursuant to the Act on Accounting dated the 29th of September, 1994, UAB ComArch is ComArch S.A.'s subsidiary. UAB ComArch is under liquidation proceedings.

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

The company's share capital is 4,500,000 SKK (1 SKK is worth circa 0.1364 PLN). Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch s.r.o. is ComArch S.A.'s subsidiary. Activities of ComArch s.r.o. are limited.

Company: **CA Services S.A. (Jsc) CA SERVICES** (currently CA Consulting S.A.)
Address: 31-846 Kraków, Al. Jana Pawła II 41g
Telephone: (12) 646 10 00
Fax: (12) 646 11 00
Regon: 356846563
NIP: 678-29-24-039

The company's share capital is 1,050,000 PLN and is divided into 5,250 shares of nominal value of 200 PLN each that give 5,250 votes. ComArch S.A. holds 99.9 % CA Services S.A. shares entitling to 99.9 % votes at the AGM of the company. The company operates in telecommunication sector, delivers connections for own needs, other entities of the Group and for contracts executed by ComArch and also provides outsourcing services. Pursuant to the Act on Accounting dated 29th of September, 1994, CA Services S.A. is ComArch S.A.'s subsidiary.

Company: **ComArch Management Spółka z o. o. (Limited Liability Company) COMARCH**
Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Telephone: (12) 646 10 00
Fax: (12) 646 11 00
Regon: 120560832
NIP: 675-13-76-192

The share capital of ComArch Management Sp. z o.o. amounts to 150,000.00 PLN and consists of 1,500 shares of nominal value of 100 PLN each. They entitle to 5,250 votes. ComArch S.A. holds 100 % of ComArch Management Sp. z o.o. shares entitling to 100 % of votes at the shareholders' meeting of the company. The subject matter of activities of ComArch Management Sp. z o.o. are activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch Management Sp. z o.o. is ComArch S.A.'s subsidiary.

Company: **ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty (CCF FIZ) (Closed Investment Fund) COMARCH**
Address: 31-038 Kraków, ul. Księcia Józefa 186
Telephone/Fax: (12) 429 55 93
Regon: 120576141
NIP: 106-00-01-334

ComArch S.A. purchased four investment certificates of the Fund worth 250,000.00 PLN each. The total value of the purchased investment certificates amounted to 1,000,000.00 PLN. They constitute 100 % of investment certificates issued by the Fund and entitle to 100 % of votes at meeting of the Fund's investors. ComArch S.A. purchased the above-mentioned investment certificates with internal means. Purpose of the Fund is investment activity in the scope of new technologies and Internet services that are not ComArch S.A.'s basic activities.

Company: **ComArch Management Spółka z o. o. Spółka Komandytowo- Akcyjna
(Limited Partnership and Joint-Stock Company) COMARCH**

Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Telephone: (12) 646 10 00
Fax: (12) 646 11 00
Regon: 120578542
NIP: 675-13-76-542

The share capital of ComArch Management Sp. z o. o. SK-A amounts to 364,301.00 PLN and consists of 364,301 shares of nominal value of 1.00 PLN each. They entitle to 364,301 votes at the annual general shareholders meeting. CCF FIZ holds 175,061 shares (48.05 %) entitling to 79.55 % of votes, ComArch S.A. holds 45,000 shares (12.35 %) entitling to 20.45 % votes, and 144,240 shares (39.6 %) 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 Pursuant to the Act on Accounting dated the 29th of September, 1994, ComArch Management Sp. z o.o. SK-A is ComArch S.A.'s subsidiary (through CCF FZ).

Company: **Bonus Management Sp. z o.o. Spółka Komandytowo-Akcyjna
(Limited Partnership and Joint-Stock Company) COMARCH**

Address: 31-059 Kraków, ul. Bożego Ciała 7
Regon: 120641766
NIP: 676-23-69-528

The company's share capital is 4,100,000 PLN and is divided into 4,100,000 shares of nominal value of 1.0 PLN, entitling to 4,150,000 votes. CCF FIZ holds 98.78 % of the company's shares (4,050,000 shares) which give 97.59 % of votes (4,050,000 shares). The subject matter of activities of Bonus Management Sp. z o.o. SKA are investment activities related to IT. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Management Sp. z o.o. SK-A is ComArch S.A.'s subsidiary (through CCF FIZ).

Company: **Bonus Development Sp. z o.o. Spółka Komandytowo-Akcyjna
(Limited Partnership and Joint-Stock Company) COMARCH**

Address: 31-059 Kraków, ul. Bożego Ciała 7
Regon: 120637434
NIP: 676-23-68-121

The company's share capital is 5,650,000 PLN and is divided into 5,650,000 shares of nominal value of 1 PLN. 50,000 preference series A shares entitle to 100,000 votes and 5,600,000 ordinary shares give 5,600,000 votes. CCF FIZ holds 99.12 % of the company's shares (5,600,000) entitling to 98.25 % votes. The subject matter of activities of Bonus Development Sp. z o.o. SK-A are activities related to real estates in Comarch. Pursuant to the Act on Accounting dated the 29th of September, 1994, Bonus Development Sp. z o. o. SK-A is ComArch S.A.'s subsidiary (through CCF FIZ).

Company: **iMed24 S.A. (Jsc)** 
Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
Telephone: (12) 646 10 00
Fax: (12) 646 11 00
Regon: 120652221
NIP: 675-13-82-502

The company's share capital is 500,000 PLN and is divided into 5,000 shares of nominal value of 100.0 PLN, entitling to 5,000 votes. CCF FIZ holds 100.0 % of the company's shares (100.0 % votes). iMed24 S.A. conducts an IT project related to telemedicine (EHR - Electronic Health Record management). Pursuant to the Act on Accounting dated the 29th of September, 1994, iMed24 S.A. is ComArch S.A.'s subsidiary (through CCF FIZ).

Company: **iFIN24 S.A. (Jsc)** 
 Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
 Telephone: (12) 646 10 00
 Fax: (12) 646 11 00
 Regon: 120705696
 NIP: 675-13-87-586

The company's share capital is 500,000 PLN and is divided into 5,000 shares of nominal value of 100.0 PLN, entitling to 5,000 votes. CCF FIZ holds 100.0 % of the company's shares (100.0 % votes). iFIN24 S.A. conducts an IT project related to financial services. Pursuant to the Act on Accounting dated the 29th of September, 1994, iFIN24 S.A. is ComArch S.A.'s subsidiary (through CCF FIZ).

Company: **iReward24 S.A. (Jsc)** 
 Address: 31-864 Kraków, Aleja Jana Pawła II 39 a
 Telephone: (12) 646 10 00
 Fax: (12) 646 11 00
 Regon: 120792583
 NIP: 675-14-02-274

The company's share capital is 500,000 PLN and is divided into 5,000 shares of nominal value of 100.0 PLN, entitling to 5,000 votes. CCF FIZ holds 100.0 % of the company's shares (100.0 % votes). iReward24 S.A. produces and implements loyalty software for the customers in small and medium sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, iReward24 S.A. is ComArch S.A.'s subsidiary (through CCF FIZ).

Company: **Infrastruktura24 S.A. (Jsc)** 
 Address: 31-864 Kraków, Aleja Jana Pawła II 41 d
 Telephone: (12) 684 80 00
 Fax: (12) 684 81 00
 Regon: 120807830
 NIP: 675-14-03-084

The company's share capital is 500,000 PLN and is divided into 5,000 shares of nominal value of 100.0 PLN, entitling to 5,000 votes. CCF FIZ holds 100.0 % of the company's shares (100.0 % votes). Infrastruktura24 S.A. offers services related to Data Centre for the customers in small and medium sized enterprises. Pursuant to the Act on Accounting dated the 29th of September, 1994, Infrastruktura24 S.A. is ComArch S.A.'s subsidiary (through CCF FIZ).

Company: **iComarch24 S.A. (Jsc)**  (previously iCDN24 S.A.)
 Address: 31-864 Kraków, Al. Jana Pawła II 41e
 Telephone: (12) 646 10 00
 Fax: (12) 646 11 00
 Regon: 120871348
 NIP: 6751410687

The company's share capital is 100,000 PLN and is divided into 1,000 shares of nominal value of 100.0 PLN, entitling to 1,000 votes. CCF FIZ holds 100.0 % of the company's shares (100.0 % votes). iComarch24 S.A. provides accounting services for domestic subsidiaries in Comarch Group. Pursuant to the Act on Accounting dated the 29th of September, 1994, iComarch24 S.A. is ComArch S.A.'s subsidiary (through CCF FIZ).

Company: **CASA Management and Consulting Sp. z o.o. Spółka Komandytowo-Akcyjna (Limited Partnership and Joint-Stock Company) COMARCH**
 Address: Szarskiego 18, 30-698 Kraków
 Regon: 121040023
 NIP: 6793020643

The company's share capital is 3,000,000 PLN and is divided into 30,000 shares of nominal value of 100.0 PLN, entitling to 30,000 votes. CCF FIZ holds 100.0 % of the company's shares (100.0 % votes). CASA Management and Consulting Sp. z o.o. SK-A conducts investment activity on capital market. Pursuant to the Act on Accounting dated the 29th of September, 1994, CASA Management and Consulting Sp. z o.o. SK-A is ComArch S.A.'s subsidiary (through CCF FIZ).

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



Address: 30-111 Kraków, ul. Kałuży 1
 Telephone: (12) 292 91 00
 Fax: (12) 292 91 03
 Regon: 351553230
 NIP: 677-20-79-476

The share capital of MKS Cracovia SSA is 14,557,000 PLN and is divided into 145,570 shares. ComArch S.A. holds 71,550 shares or votes at the AGM of MKS Cracovia SSA that constitute 49.15 % of the company's share capital. According to article 3, point 37 d) of the Act on Accounting and due to the fact that most of members of the Supervisory Board of MKS Cracovia SSA is chosen by ComArch S.A., MKS Cracovia SSA is ComArch S.A.'s subsidiary.

Company: **SolInteractive Sp. z o.o. (Limited Liability Company)**



Address: 30-303 Kraków, ul. Madalińskiego 17/8
 Telephone: (12) 378 45 57
 Fax: (12) 378 45 59
 Regon: 120629191
 NIP: 676-23-66-843

The company's share capital is 651,000 PLN and is divided into 6,510 shares of nominal value of 100.0 PLN, entitling to 2,520 votes. CCF FIZ holds 30.72 % of the company's shares (2,000 shares) which give 30,72 % of votes (2,000 shares). Pursuant to the Act on Accounting dated the 29th of September, 1994, SolInteractive Sp. z o.o. is ComArch S.A.'s associate.

Fideltronik-ComArch Spółka z ograniczoną odpowiedzialnością (Limited Liability Company)

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

6.2 Changes in the Organisational Structure in 2009

On the 31st of July, 2009, ComArch S.A. purchased 500 shares in SoftM Polska Sp. z o.o. (Limited liability company) with its registered seat in Poznań, Poland for the total amount of 298,300.00 PLN. The acquisition was carried out in relation to a contract concluded with SoftM Software und Beratung AG, with its registered seat in Munich.

In the second quarter of 2009, the following subsidiary of Comarch Corporate Finance FIZ was registered: iCDN24 SA. It conducts an IT project related to financial and accountancy services. In the third quarter of 2009, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a name change for iCDN24 S.A. to iComarch24 S.A.

Due to the ongoing recession in 2009 on the IT market within the DACH region, in combination with the negative results of SoftM Software und Beratung AG in the first half of 2009, the Management Board of SoftM has been executing a restructuring programme in the second half of 2009 named DASD (Decentralisation of organisation, lean Administration, Sales driven organisation, Development increase). The programme comprises adjusting the SoftM's cost structure to the current level of revenue, simplification of the organisational structure and an increase in the responsibility of business units and the continuation of investment in the development of new software.

On the 17th of September, 2009, the District Court for Munich (Handelsregister B des Amtsgerichts Munchen-Registergericht) registered a name change for SoftM Systemintegration GmbH to Comarch Systemintegration GmbH.

On the 21st of September, 2009, the District Court for Munich (Handelsregister B des Amtsgerichts Munchen-Registergericht) registered a name change for SoftM Solutions GmbH to Comarch Solutions GmbH.

On the 23rd of September, 2009, the District Court for Bremen (Handelsregister B des Amtsgerichts Bremen) registered a name change for Schilling Software GmbH with its registered seat in Bremen to Comarch Schilling GmbH.

On the 25th of September, 2009, the Commercial Court for Vienna (Handelsgericht Wien) registered a name change for SoftM Software und Beratung GmbH with its registered seat in Vienna to Comarch Solutions GmbH. SoftM Software und Beratung GmbH, with its registered seat in Vienna, is a result of a merger by acquisition of SoftM Solutions GmbH, with its registered seat in Kirchbichl, by SoftM Software und Beratung GmbH, with its registered seat in Vienna. This was registered on the 11th of August, 2009 by the Commercial Court for Vienna (Handelsgericht Wien).

In the third quarter of 2009, there was a merger of SoftM Software und Beratung Schweiz AG with its registered seat in Buchs in Switzerland and Solitas Informatik AG with its registered seat in Buchs in Switzerland as well as a merger of SoftM Software und Beratung Münster GmbH with its registered seat in Münster in Germany, SoftM Semiramis GmbH & Co. KG with its registered seat in Hanover in Germany and SoftM Software und Beratung AG with its registered seat in Munich.

In the third quarter of 2009, SoftM Software und Beratung AG sold shares (100.0 %) in a subsidiary, SoftM Czech Republic s.r.o. with its registered seat in Pilsen in Czech Republic and in an associate, d.velop (Schweiz) AG (49.0 %) with its registered seat in Buchs in Switzerland.

With the notice dated the 9th of September, 2009, the State Enterprise Centre of Registers with its registered seat in Vilnius, Lithuania (Valstybes Imones Registru Centro Vilniaus Filialo Juridiniu Asmenu Registravimo Skyrius - Vilnius Branch Legal Persons Registration Department) opened liquidation proceedings in UAB ComArch with its registered seat in Vilnius, Lithuania (current report no. 21/2009). According to the shareholders' decision, Ms. Asta Macijauskiene became the liquidator of the company. The decision to liquidate is part of a restructuring process related to foreign activity of the Comarch Group.

In the third quarter of 2009, Comarch Software (Shanghai) Co. Ltd. was registered.

In the third quarter of 2009, ComArch Management Spółka z o. o. Spółka Komandytowo-Akcyjna with its registered seat in Krakow purchased 139,005 own shares from ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty to be redeemed.

In the third quarter of 2009, ComArch S.A. acquired shares in CASA Management and Consulting Sp. z o.o. SKA. On the 12th of October, 2009, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered a company, CASA Management and Consulting Sp. z o.o. SKA.

On the 8th of October, 2009, District Court for Dresden (Handelsregister B des Amtsgerichts Dresden) registered a name change for ComArch Software AG to ComArch AG.

On the 17th of November, 2009 a name change for Sodigital Sp. z o.o. to SolInteractive Sp. z o.o. was registered.

In the fourth quarter of 2009, ComArch Management Spółka z o. o. Spółka Komandytowo-Akcyjna with its registered seat in Krakow purchased 1,545 own shares from CCF FIZ to be redeemed.

6.3 Changes in Organisational Structure after the Balance Sheet Date

COMARCH VIETNAM COMPANY LIMITED (COMARCH CO., LTD)

On the 5th of January, 2010, a company, COMARCH VIETNAM COMPANY LIMITED (COMARCH CO., LTD) with its registered seat in Ho Chi Minh City in Vietnam. The company's share capital is worth 250,000 USD and ComArch S.A. holds it in total. The company sells and implements Comarch products in Vietnam, as well as supporting clients in part. Pursuant to the Act on Accounting dated 29th of September, 1994, Comarch Vietnam Co. Ltd. is ComArch S.A.'s subsidiary.

On the 11th of February, 2010, SoftM Software und Beratung AG sold all its shares in an associate, KEK Anwendungssysteme GmbH.

On the 19th of March, 2010, ComArch S.A. purchased shares in ComArch Software SARL in Lille from ComArch AG for 15,000 EURO.

On the 24th of March, 2010, the Annual General Meeting of ComArch AG shareholders passed a resolution on an increase of 2,441,620 Euro in share capital by way of emission of 2,441,620 shares of nominal and issue price of 1 Euro each. 1,441,620 shares were purchased by ComArch S.A. and 1,000,000 shares were purchased by the investment fund Vintage Investment Holding S.A. with its registered seat in Luxemburg.

On the 20th of April, 2010, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered name and seat changes from CA Services S.A. with its registered seat in Krakow to CA Consulting S.A. with its registered seat in Warsaw.

6.4 Methods of Calculation of Financial Ratios

Debt Ratios

$$\text{Debt Ratio} = \frac{\text{Credits and Loans}}{\text{Total Assets}}$$

$$\text{Debt/Equity Ratio} = \frac{\text{Credits and Loans}}{\text{Equity attributable to Shareholders}}$$

Profitability Ratios

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

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

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

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

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

Liquidity Ratios

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\text{Quick Ratio} = \frac{\begin{array}{l} \text{Trade and Other Receivables+} \\ \text{+Cash and Cash Equivalents+} \\ \text{+Available-for-Sale Assets} \end{array}}{\text{Current Liabilities}}$$

$$\text{Cash to Current Liabilities Ratio} = \frac{\text{Cash and Cash Equivalents}}{\text{Current Liabilities}}$$

Turnover Analysis

Current Assets Turnover Ratio	= $\frac{\text{Revenue}}{\text{Current Assets}}$
Receivables Turnover Ratio	= $\frac{(\text{Trade and Other Receivables}) * 360}{\text{Revenue}}$
Inventories Turnover Ratio (days)	= $\frac{\text{Inventories} * 360}{\text{Costs of Sold Goods and Materials}}$
Liabilities Turnover Ratio(days)	= $\frac{(\text{Liabilities} + \text{-Liabilities due to Long-term Contracts}) * 360}{\text{Sales and Marketing Costs} + \text{+Administrative Expenses} + \text{+Other Operating Expenses} + \text{+Costs of Sold Products, Services, Goods and Materials}}$
Liabilities Turnover Ratio excluding Liabilities due to Bonds and Investment Credit (days)	= $\frac{(\text{Liabilities} + \text{-Liabilities due to Convertible Bonds} + \text{-Credits and Loans}) * 360}{\text{Sales and Marketing Costs} + \text{+Administrative Expenses} + \text{+Other Operating Expenses} + \text{+Costs of Sold Products, Services, Goods and Materials}}$

**REPORT REGARDING THE ACCEPTANCE
OF CORPORATE GOVERNANCE PRINCIPLES
IN COMARCH S.A. IN 2009**

1.	CORPORATE GOVERNANCE PRINCIPLES THAT APPLY TO AN ISSUER	3
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	3
3.	SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY SIGNIFICANT SHARES IN VOTES AT THE GENERAL SHAREHOLDERS MEETING AS AT 30 TH OF APRIL, 2010..	3
4.	OWNERS OF SECURITIES ENTITLING THEM TO SPECIAL CONTROL RIGHTS AS WELL AS A DESCRIPTION OF THESE RIGHTS	3
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	4
6.	ALL RESTRICTIONS REGARDING TRANSFERRING THE HOLDING RIGHTS OF AN ISSUER'S SECURITIES.....	4
7.	PRINCIPLES FOR THE APPOINTING AND DISMISSING OF MANAGEMENT AND THEIR RIGHTS, NOTABLY THE RIGHT FOR DECISION MAKING ON SHARES ISSUE OR BUYOUT.....	4
8.	DESCRIPTION OF PRINCIPLES FOR CHANGES IN STATUTE OR AN ISSUER'S DEED OF PARTNERSHIP	5
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.....	5
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.....	6
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.....	11

1. Corporate Governance Principles that Apply to an Issuer

The Warsaw Stock Exchange Supervisory Board by motion of the WSE Management Board adopted the new corporate governance rules compiled in the "Best Practices of WSE Listed Companies" on 4th of July, 2007. The Best Practices will entered into force as of 1st of January, 2008 and are available at http://corp-gov.gpw.pl/lad_corp.asp

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 30th of April, 2009.

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.

3. Shareholders Holding Directly or Indirectly Significant Shares in Votes at the General Shareholders Meeting as at 30th of April, 2010

Shareholders	Number of shares	% of share capital	Number of votes at the company's AGM	% of votes at the company's AGM
Janusz Filipiak	2,620,010	32.54	6,192,010	41.16
Elżbieta Filipiak	846,000	10.51	4,230,000	28.12
Other members of the Board	103,762	1.29	141,362	0.94
Customers of BZ WBK AIB Asset Management S.A.,	2,756,060	34.23	2,756,060	18.32
<i>including shares held by BZ WBK TFI S.A.</i>	<i>1,800,179</i>	<i>22.36</i>	<i>1,800,179</i>	<i>11.97</i>
Other shareholders	1,725,805	21.43	1,725,805	11.46
Total	8,051,637	100.00	15,045,237	100.00

4. Owners of Securities Entitling them to Special Control Rights as well as a Description of these Rights

Janusz Filipiak, President of the Management Board, holds 893,000 registered share 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 share 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 share 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 30th of June, 2003.
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. Holders of registered shares recorded in the company's share register at least one week before the Annual General Shareholders' Meeting and holders of bearer shares are entitled to participate in the Annual General Shareholders' Meeting. Holders of bearer shares participate on condition that they submit deposit certificates to the company's headquarters at least one week before the Annual General Shareholders' Meeting, and do not reclaim them before that Meeting ends. These certificates must bear their owners' names and be issued by companies operating securities accounts in compliance with the regulations on the public trading of securities.
8. 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.
9. 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.
10. Representatives of the media may attend the Annual General Shareholders' Meeting as observers.
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:
 - a) Ensuring that debates are conducted in accordance with the agenda and procedure as stipulated,
 - b) Directing the debate: deciding who shall speak and in what order,
 - c) Receiving proposed and draft resolutions and opening them to debate and,
 - d) 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:
 - a) Voting on an issue of selecting or deselecting members of bodies of the company, or liquidators,
 - b) Motions to prosecute members of bodies of the company or liquidators,
 - c) In personal matters,
 - d) At the request of at least one shareholder,

e) 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.

17. Before a resolution is adopted on the composition of the Supervisory Board the Annual General Shareholders' Meeting shall vote on a resolution to determine the number of members the Supervisory Board is to have.

10. Membership, Changes in Membership during Last Financial Year and Rules of Operations of the Company's Managing and Supervising Persons as well as Their Committees

A) Members of the ComArch S.A.'s Supervisory Board as at 31st of December, 2009:

Name and Surname	Position
Elżbieta Filipiak	Chairman of the Supervisory Board
Maciej Brzeziński	Vice-Chairman of the Supervisory Board
Maciej Czapiewski	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.

B) Members of ComArch S.A.'s Management Board as at 31st December, 2009:

Imię i nazwisko	Position
Janusz Filipiak	President of the Management Board
Piotr Piątosza	Vice-President of the Management Board
Paweł Prokop	Vice-President of the Management Board
Piotr Reichert	Vice-President of the Management Board
Konrad Tarański	Vice-President of the Management Board
Zbigniew Rymarczyk	Vice-President of the Management Board
Marcin Warwas	Vice-President of the Management Board

The Management Board leads the affairs of the company and operates according to the provisions of the Polish Commercial Companies Code, the company's Statute, resolutions of the Supervisory Board, resolutions of the Annual General Shareholders' Meeting, the Rules for the Management Board dated 15th of February, 2010 (update of document dated 30th of June, 2003) and to the generally binding legal regulations. The detailed operations of the Management Board were presented in the above-mentioned documents.

The most important rules included in the Rules for the Management Board are:

- 1. The Management Board performs its functions jointly and takes resolutions at meetings of the Management Board and in the manner stipulated below.
- 2. Meetings of the Management Board shall be held at least once every month. Meetings of the Management Board shall be held on the company's premises at Al. Jana Pawła 41e in Krakow.

3. A meeting of the Management Board shall be called by the President of the Management Board or, in his absence, a member of the Management Board acting as the President of the Management Board.
4. Where all members of the Management Board are present at a meeting of the Management Board, a meeting of the Management Board may be called informally.
5. The President of the Management Board or, in his absence, the person acting as President of the Management Board, may call a meeting of the Management Board at the request of any member of that Board and with the agenda specified by the member making the request. Meetings of the Management Board called in this way shall, however, not be restricted exclusively to this agenda and may consider other items placed on the agenda.
6. Meetings of the Management Board shall be chaired by the President of the Management Board, a person acting as the President of the Management Board or a person nominated by the President of the Management Board.
7. The Management Board shall take decisions in the form of resolutions adopted by open vote.
8. The chairman shall order a secret vote where even one member of the Management Board taking part in the meeting requests this.
9. Resolutions shall be adopted by an absolute majority of votes.
10. A resolution adopted at a meeting of the Management Board is valid only where at least four members of the Management Board, including the President of the Management Board or the person acting as the President of the Management Board, are present.
11. The Management Board may adopt a resolution outside meetings of the Management Board in the following ways:
 - a) By written vote – in this case each member of the Management Board votes in writing and gives this to the President of the Management Board or to the person acting as President of the Management Board;
 - b) By written vote – each member of the Management Board signs the contents of the resolution and gives this to the President of the Management Board or to the person acting as the President of the Management Board;
 - c) Voting by facsimile or Internet.
 - d) Votes cast in the manner set forth in a-c) shall be recorded in the book of resolutions and appended to the minutes of the meeting of the Management Board.
 - e) Where adopted in the manner set out in point c), a resolution shall require the votes of all members of the Management Board to be valid.
12. Non-members of the Management Board may be invited to attend its meetings.
13. All meetings of the Management Board require that minutes be taken. These should include at least:
 - a) The date and place of the meeting.
 - b) The agenda of the meeting.
 - c) The names and surnames of the members of the Management Board present at the meeting.
 - d) The names and surnames of people invited to the meeting of the Management Board and present at the meeting.
 - e) The exact content of resolutions.
 - f) The number of votes cast for and against resolutions including the number of abstentions.
 - g) The subjects discussed.
 - h) A written record of dissenting opinions expressed.
 - i) The signatures of the members of the Management Board present at the meeting.
14. The minutes of Management Board meetings shall be kept in the Minutes Book. The Minutes Book shall be maintained by the CEO secretariat.
15. The minutes of Management Board meetings shall be drawn up immediately by CEO secretariat.
16. Where there is a direct or indirect conflict between the interests of a member of the Management Board and those of the company, that member shall inform the company's Supervisory Board that this is the case.
17. Two members of the Management Board shall participate in the debates of the Annual General Shareholders' Meeting. Members of the Management Board shall themselves decide on which of their number should represent them at the Annual General Shareholders' Meeting.

11. A Description of the Basic Features of the Internal Control and Risk Management Systems the Group Uses and How These Relate to the Process of Preparing the Financial Statements

The company's Management Board is responsible for the company's accounting in accordance with the Act on Accounting of the 29th of September, 1994 (Journal of Laws No. 121, item 591 with amendments) and compliant with the requirements specified in the Regulation issued by the Minister of Finance on the 18th of October, 2005 concerning information presented in financial statements and consolidated financial statements, required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones (Journal of Laws No. 209 pos. 1743) and the Regulation issued by the Minister of Finance on the 19th of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (Journal of Laws No. 33 pos. 259).

The audited consolidated financial statements are prepared in all significant aspects compliant with the International Financial Reporting Standards, as approved by the European Union. When specifying the scope and methods of consolidation, as well as the relations of dependency, IFRS principles were applied. Consolidation of the Capital Group's financial statement in relation to the subsidiaries was conducted using the full method by summing all the appropriate items from the dominant unit and the consolidated subsidiaries' financial statements in the full amount. In relation to the associates the equity method was applied. The value of the share of the dominant unit in the associate was adjusted in the interest of the dominant unit by the increase in the associate's equity occurring within the consolidating period.

When preparing financial statements and consolidated financial statements internal control and risk management at ComArch S.A. are effected in accordance with the company's internal procedures for drawing up and approving financial statements. In accordance with the Act on Accounting of the 29th of September, 1994, the dominant unit maintains documents describing the accounting principles it has adopted. These include, but are not limited to, information on the methods for valuing assets, for valuing equity and liabilities, for determining the financial result, for maintaining the accounting ledgers and for the protection and security of data and sets of data. The accounting for all economic events is computerized (a system called EGERIA, SoftM Suite, etc.). These systems are protected against unauthorized access and access limitations set according to the function a person performs or the post a person occupies.

Both financial statements and consolidated financial statements are prepared jointly by people working in control, the finance department and accountancy under the authority of the Head Accountant and Chief Financial Officer. Financial statements and consolidated financial statements are audited by an expert auditor elected by the company's Supervisory Board, and biannual financial statements are reviewed by an independent auditor. Financial statements of some subsidiaries are also audited by independent auditors.

The Management Board's statement regarding the independent auditor

The Management Board of ComArch S.A. states that the entity entitled to audit financial statements, that audited the annual consolidated financial statement for the year 2009 was selected compliant with the law and that the entity and expert auditors who audited this statement perform under conditions to provide an unbiased and independent opinion on the audited annual consolidated financial statement, compliant with the national law.

Krakow, 30th of April, 2010

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

The Management Board's statement regarding the reliability of the financial statement

The Management Board of ComArch S.A. states that to the best of our knowledge, the annual consolidated financial statement for the year 2009 and comparable data are prepared compliant with binding accounting principles and present the true, fair and clear financial standing of the Group and its financial results. Furthermore, the annual report regarding the Group's activities truly describes the development image and achievements as well as the Group's situation including basic threats and risk.

Krakow, 30th of April, 2010

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		