POLAND

ASSECO GROUP
QUARTERLY REPORT
FOR THE PERIOD OF
9 MONTHS ENDED
30 SEPTEMBER 2011

QUARTERLY REPORT OF THE ASSECO GROUP FOR THE PERIOD OF 9 MONTHS ENDED 30 SEPTEMBER 2011

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FINANCIAL HIGHLIGHTS OF THE ASSECO GROUP

for the period of 9 months ended 30 September 2011

FINANCIAL HIGHLIGHTS OF THE ASSECO GROUP

Financial highlights of the Asseco Group are presented in the following table.

	9 months ended 30 Sept. 2011	9 months ended 30 Sept. 2010	9 months ended 30 Sept. 2011	9 months ended 30 Sept. 2010
	PLN millions	**PLN millions**	**EUR millions**	**EUR millions**
Sales revenues	3,523.4	2,191.8	871.8	547.6
Operating profit	504.4	412.5	124.8	103.1
Pre-tax profit and share in profits of associated companies	532.0	399.5	131.6	99.8
Net profit	441.2	360.7	109.2	90.1
Net profit attributable to Shareholders of the Parent Company	**290.5**	**315.2**	**71.9**	**78.7**
Net cash provided by (used in) operating activities	301.3	326.8	74.6	81.6
Net cash provided by (used in) investing activities	(269.7)	(307.6)	(66.7)	(76.8)
Net cash provided by (used in) financing activities	(224.7)	(3.8)	(55.6)	(0.9)
Cash and cash equivalents at the end of period	683.8	352.2	155.0	88.3
Basic earnings per ordinary share attributable to Shareholders of the Parent Company (in PLN/EUR)	3.75	4.57	0.93	1.14
Diluted earnings per ordinary share attributable to Shareholders of the Parent Company (in PLN/EUR)	3.75	4.57	0.93	1.14

The financial highlights disclosed in these consolidated financial statements were translated into Euro in the following way:

- items of the consolidated profit and loss account and consolidated statement of cash flows were translated into Euro at the arithmetic average of mid exchange rates as published by the National Bank of Poland and in effect on the last day of each month. These exchange rates were as follows:
  - for the period from 1 January 2011 to 30 September 2011: EUR 1 = PLN 4.0413
  - for the period from 1 January 2010 to 30 September 2010: EUR 1 = PLN 4.0027
- the Group's cash and cash equivalents as at the end of period reported and the corresponding period of the previous year have been translated into Euro at daily mid exchange rates as published by the National Bank of Poland. These exchange rates were as follows:
  - exchange rate effective on 30 September 2011: EUR 1 = PLN 4.4112
  - exchange rate effective on 30 September 2010: EUR 1 = PLN 3.9870

All figures in millions of PLN, unless stated otherwise

COMMENTARY AND ADDITIONAL INFORMATION TO THE QUARTERLY REPORT OF THE ASSECO GROUP

COMMENTARY AND ADDITIONAL INFORMATION TO THE REPORT FOR THE PERIOD OF 9 MONTHS ENDED 30 SEPTEMBER 2011

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I. GENERAL INFORMATION

The Parent Company of the Asseco Group ("Group", "Asseco Group") is Asseco Poland S.A. ("Asseco", "Company"). Asseco is the number one information technology company in Poland that has operated in the domestic IT market for over 20 years. Since 2004 the Asseco Group business has gone international.

Asseco Poland S.A. is the largest IT company listed on the Warsaw Stock Exchange, in terms of market capitalization. Asseco is also the 7th largest European software vendor in terms of revenues generated from the production of software (according to the Truffle 100 ranking published by Truffle Capital in October 2011).

Asseco Poland S.A. is a leader in creation of the international Asseco Group that gathers numerous, directly or indirectly, subsidiary entities whose operating activities are related to those conducted by the Company.

Asseco Poland S.A. and the Asseco Group companies are focusing on the production of proprietary software solutions. The Group is specialized in complex information technology undertakings, integration projects as well as consulting services. The Asseco Group provides its products for most sectors of the economy.

Our mission is to build a reliable and profitable global information technology powerhouse providing high quality software and services.

At present the Asseco Group conducts business operations among others in the EMEA region, United States, Canada, and Japan. The Asseco Group is present all over Europe through its regional holdings: Asseco Central Europe (Slovakia, Czech Republic, Hungary), Asseco South Eastern Europe (Balkan countries and Turkey), Asseco South Western Europe (Spain, Portugal, Italy, France), Asseco DACH (Germany, Switzerland, Austria), Asseco Northern Europe (Scandinavia, Baltic republics). In November 2010, the Asseco Group took over Formula Systems, an Israeli group quoted on TASE (Tel Aviv Stock Exchange) and NASDAQ Global Markets. Formula Systems holds shares in three listed information technology companies: Matrix IT, Sapiens International, and Magic Software. Owing to this acquisition, Asseco is also present in the markets of Israel, United States, Japan, and Canada.

The key products, services and markets

The Asseco Group is a leading provider of proprietary IT solutions for most sectors of the economy. The Group's comprehensive offering includes products dedicated for the sectors of banking and finance, public administration, industry, trade, and services. The Group has got a wide-range portfolio of proprietary products, unique competence and experience in the execution of complex IT projects, and a broad customer base, including the largest financial institutions, major industrial enterprises as well as public administration bodies. The Asseco Group is also specialized in projects dedicated to the European Union and NATO.

The Asseco Group offers its products and services to the following customer groups:

Financial sector	Public institutions	Industry, trade and services
Banks	Central administration	Power industry and gas industry
Brokerage houses	Local administration	FMCG (Fast Moving Consumer Goods)
Leasing companies	Education	Municipal utility enterprises
Factoring companies	Healthcare	Production, trade and service enterprises
Insurance companies	International organizations	Telecommunication
Investment and/or pension funds	Uniformed services	
	Social insurance	

Our offering is complemented with multi-sector products, such as application platforms, Business Intelligence, Document Management, and Lifecycle Management solutions, as well as consulting and implementation services related to third-party software (SAP, Oracle, Microsoft).

Additionally, the Asseco Group offers IT infrastructure products and services (computer hardware, networks, security systems, etc.) as well as outsourcing and training services. Our outsourcing offer covers a broad range of IT solutions such as transaction systems, e-Banking systems, card payment systems as well as outsourcing of elements of IT infrastructure. Thanks to such alternative, cost-effective and secure solutions, enterprises are able to create more innovative and attractive offers.

II. SUMMARY AND ANALYSIS OF FINANCIAL RESULTS OF THE ASSECO GROUP FOR THE PERIOD OF 9 MONTHS ENDED 30 SEPTEMBER 2011

Consolidated financial results of the Asseco Group for the period of 9 months ended 30 September 2011 as well as for the last year's corresponding period are presented in the table below:

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (interim period vs. same period last year)
Sales revenues	3,523.4	2,191.8	60.8%
Gross profit on sales	1,029.5	758.3	35.8%
Net profit on sales	497.7	404.7	23.0%
Operating profit	504.4	412.5	22.3%
Net profit	441.2	360.7	22.3%
Net profit attributable to Shareholders of the Parent Company	290.5	315.2	(7.8%)

Profitability ratios

In the period of 9 months ended 30 September 2011, profitability ratios achieved by the Group were lower than in the corresponding period last year. The profitability ratios deteriorated primarily as a result of:

- Asseco's incorporation of the Formula Systems Group which, due to the nature and area of its business operations, realizes lower margins of profit than the Parent Company (excluding the results achieved by the Formula Systems companies, EBITDA margin would be at 22.1%, EBIT margin at 17.6%, whereas net profit margin would equal 14.0%);
- completion of long-term implementation contracts for two major clients of the Parent Company, in the 3rd quarter of 2011. The Company managed to retain both the clients by signing new agreements providing mainly for maintenance services, which decreased the margins of operating and net profit generated by the Parent Company in 2011;
- impact of non-recurring events, which are described item IV.

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Gross profit margin	29.2%	34.6%
EBITDA margin	17.9%	23.0%
Operating profit margin	14.3%	18.8%
Net profit margin	12.5%	16.5%

Gross profit margin = gross profit on sales / sales

EBITDA margin = (operating profit + depreciation and amortization) / sales

Operating profit margin = operating profit / sales

Net profit margin = net profit / sales

All figures in millions of PLN, unless stated otherwise

Liquidity ratios

Working capital, representing the surplus of current assets over current liabilities, is used to finance current assets.

As at 30 September 2011, the Group's net working capital amounted to PLN 1,174.4 million and was 19% higher than PLN 986.7 million reported as at 30 June 2011, or almost 15% higher than PLN 1,022.5 million reported as at 31 December 2010.

Working capital increased in the 3rd quarter of 2011, in comparison with the prior quarter, following an increase in current assets which was accompanied by a decrease in current liabilities. The higher level of current assets resulted basically from substantial increases in short-term receivables (in particular other receivables) as well as in liquid financial assets (including cash and cash equivalents).

In the 3rd quarter of 2011, current assets and current liabilities were both lower as compared with the prior financial year end; whereas, liabilities decreased more rapidly, contributing to reinforcement of the Group’s working capital in the first three quarters of 2011.

	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Working capital	1,174.4	986.7	1,022.5	446.2
Current liquidity ratio	2.0	1.8	1.7	1.6
Quick liquidity ratio	1.9	1.7	1.6	1.4
Absolute liquidity ratio	0.6	0.5	0.6	0.5

Working capital = current assets - current liabilities

Current liquidity ratio = current assets / current liabilities

Quick liquidity ratio = (current assets – inventories – deferred expenses) / current liabilities

Absolute liquidity ratio = (cash + short-term bank deposits) / current liabilities

Debt ratios

During the first 3 quarters of 2011, the Group managed to reduce its total short- and long-term liabilities by PLN 255.3 million (however, interest-bearing debt increased by PLN 99.7 million, among others, due to drawing additional funds from a bank loan facility intended for the construction of our new headquarters in Warsaw's Wilanów district). Owing to the above, our general debt ratio dropped to 20.7% from the level of 24.4% reported as at the end of 2010. Whereas, as compared with the level of 30 June 2011, the total amount of liabilities increased by PLN 32.6 million which was, however, offset by a faster growth in assets, contributing to further reduction of our general debt ratio.

	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Debt ratio	20.7%	21.7%	24.4%	19.7%
Debt/equity ratio	8.9%	8.5%	8.1%	5.9%
Debt/(debt + equity) ratio	8.2%	7.8%	7.5%	5.6%

Debt ratio = (long-term liabilities + short-term liabilities) / assets

Debt/equity ratio = (interest-bearing bank loans + debt securities + finance lease commitments) / shareholders' equity

Debt/(debt + equity) ratio = (interest-bearing bank loans + debt securities + finance lease commitments) / (interest-bearing bank loans + debt securities + finance lease commitments + shareholders' equity)

All figures in millions of PLN, unless stated otherwise

III. FACTORS AND MAJOR EVENTS WITH IMPACT ON OUR FINANCIAL PERFORMANCE

1. Polish market

The table below presents selected financial data for the reporting segment – Polish market:

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (interim period vs. same period last year)
	PLN millions	**PLN millions**	**%**
Sales revenues	1,170.0	1,296.0	(9.7%)
EBITDA	336.2	376.9	(10.8%)
EBITDA margin	*28.7%*	*29.1%*	(1.4%)
EBIT	286.9	323.4	(11.3%)
EBIT margin	*24.5%*	*25.0%*	(2.0%)
Corporate income tax (current and deferred)	(57.3)	(25.0)	129.2%
Adjusted net profit [1)]	221.4	253.5	(12.7%)
Adjusted net profit margin [1)]	*18.9%*	*19.6%*	(3.6%)
Net profit	221.4	314.1	(29.5%)
CFO	131.4	239.6	(45.2%)
CFI [3)]	(84.8)	(202.9)	(58.2%)
of which CAPEX	*(80.5)*	*(122.3)*	(34.2%)
CFF [4)]	(130.3)	12.4	(1,150.8%)
Working capital at the beginning of period	370.8	110.4	235.9%
Working capital at the end of period [2)]	489.5	300.0	63.2%
Cash and cash equivalents at the end of period	212.5	176.0	20.7%
Interest-bearing debt at the end of period	(317.2)	(187.4)	69.3%
of which bank credits, loans and bonds issued	*(141.6)*	*(11.9)*	
of which finance lease commitments	*(175.6)*	*(175.5)*	
FCFF	79.7	40.0	99.3%

EBITDA = EBIT + depreciation/amortization; EBIT = Operating profit; CFO = Net cash flows from operating activities; CFI = Net cash flows from investing activities; CFF = Net cash flows from financing activities; CAPEX = segment's capital expenditures for fixed assets; FCFF = EBITDA - tax -/+ changes in working capital - CAPEX

[1)] *In 2010, the segment's net profit was affected by the following significant one-time transactions: reversal of a write-down on debt securities held: PLN 17.0 million; reversal of deferred tax provision: PLN 41.5 million; gain on disposal of real-estate: PLN 6.2 million; impairment write-down on capital expenditures: PLN 2.0 million; loss on valuation of call options to buy shares in Formula Systems: PLN 2.1 million.*

[2)] *A significant increase in working capital at the end of the comparative period (i.e. as at 30 September 2010) resulted primarily from higher cash and cash equivalents at the Parent Company due to the issuance of series I shares carried out in the 2nd quarter of 2010.*

[3)] *CFI are presented exclusive of dividends received from subsidiaries included in the "Polish market" segment or other reportable segments.*

[4)] *CFF are presented exclusive of dividends paid out to companies included in the "Polish market" segment (in this case to Asseco Poland).*

All figures in millions of PLN, unless stated otherwise

The segment's sales revenues in the first three quarters of 2011 dropped by almost 10% as compared to the corresponding period last year. The biggest decline was observed in the sales of hardware. Whereas, revenues recognized on contracts with PKO BP Bank and the Social Insurance Institution decreased by nearly 20%. Therefore, our management teams focused on optimizing the operations of individual companies and business divisions and consequently, despite the reduced levels of revenues, were able maintain the adjusted operating profit margin at a similar level (taking into account the adjustment of PLN 7.6 million for the disposal of an office building by our subsidiary Combidata in the 3rd quarter of 2010). The adjusted operating profit margin reached 24.5% for the first three quarters of 2011 as compared with 24.4% achieved in the corresponding period of 2010 (while unadjusted operating profit margin was 25.0%).

The adjusted EBITDA margin remained at a similar level as well, increasing slightly by 0.2 percentage points to 28.7% for the first three quarters of 2011, up from 28.5% observed in the corresponding period of 2010.

Net profit achieved for the first three quarters of 2011, after adjustment for one-time events, amounted to PLN 221.4 million, having decreased by 12.7% from the level of PLN 253.5 million reported for the corresponding period of 2010.

In the first nine months of 2011, Asseco Poland S.A. generated sales revenues of PLN 967.9 million, representing 82.7% of sales across the Polish market segment. Whereas, revenues of Asseco Business Solutions S.A. reached PLN 112.4 million or 9.6% of the total turnover in Poland. Asseco Poland S.A. recorded an operating profit of PLN 252.6 million, while profit on operations of Asseco Business Solutions S.A. amounted to PLN 24.6 million, contributing respectively 88.0% and 8.6% to the segment's earnings. The financial results achieved by these companies comprised in particular:

Asseco Poland S.A.

The Company's merger with its subsidiaries Asseco Systems S.A. and Alatus Sp. z o.o. contributed to the achievement of cost savings owing to operational streamlining of the merged companies. The table below compares the operating costs incurred during the 9-month periods ended 30 September 2011 and 2010, respectively.

	9 months ended 30 Sept. 2011 (unaudited)	**9 months ended 30 Sept. 2010 (unaudited) 1)**	**Change (interim period vs. same period last year)**
Average workforce in the period reported	3,209	3,465	(7.4%)
Operating costs 2)	416.3	436.7	(4.7%)
Depreciation and amortization	38.7	44.0	(12.0%)
Operating costs 2) less depreciation and amortization	377.6	392.7	(3.8%)

1) Consolidated figures (pro-forma): Asseco Poland S.A., Asseco Systems S.A. and Alatus Sp. z o.o.

2) This item includes the costs of production (excluding the costs of merchandise, materials and third-party work sold), selling expenses and general administrative costs.

The reduction in average employment was accompanied by a decrease in operating costs. In the first three quarters of 2011, the main drivers of operating cost savings were reductions in expenses for third-party services, salaries, and depreciation and amortization. In overall terms, operating costs were reduced by 4.7%, while general administrative expenses dropped by 18.2% and selling expenses by 16.3%, whereas, the production costs increased slightly by 0.6%.

All figures in millions of PLN, unless stated otherwise

Asseco Poland S.A. holds a 60% share in the Polish market for billing systems. Here one of our most important clients is the largest Polish telecommunications company – Telekomunikacja Polska S.A. (hereinafter TP S.A.). As a result of the process of consolidation of IT system vendors conducted at TP S.A., Asseco Poland has been chosen to support the operation of IT systems in two out of the five major areas of the telecom's business (billing and reporting), which had a favourable impact on the profitability of our operations.

On the enterprises market, and especially in the power industry sector, our operating results for the first three quarters of 2011 turned out much stronger than in the corresponding period last year.

The first 9 months of 2011 were also better for our healthcare division, primarily owing to the execution of a pilot "e-Prescription" implementation project that was launched in the second half of 2010 and thereafter has been successfully implemented in numerous hospitals and clinics.

Additionally, in the period of 9 months ended 30 September 2011, Asseco Poland signed a number of agreements within the operations of its individual business divisions. The most significant contracts are presented in the following table:

Client	Contract description
Banking and finance	
PZU Insurance Group	Implementation of the Oracle eBS ERP system
PZU SA	Prolongation of support for IBM Informix database used with the Asseco Insurer System
ING	Insurance IT system dedicated to group insurances
ING Bank	Development of e-Banking system
Getin Noble Bank	Development of def3000/TLR Teller – sales support system
PEKAO SA	Upgrading of credit risk management systems
Deutsche Bank	Development of e-Banking system
Enterprises	
ITI Group	Value Added Services (SMS, MMS, IVR Video) on the Asseco platform
PKP Informatica	Maintenance support and development of the existing IT infrastructure
Polish Telecom Group	Development of the advertising management system
EnergiaPro	Readouts Collection System (ADO)
PGNiG	Supply of hardware and IBM WSRR systems
PGE	Supply of Asseco UMS system
Public administration	
Agricultural Social Insurance Fund (KRUS)	Development of comprehensive Database
Ministry of Education	Education and e-learning platforms
PKP Cargo	Implementation of SANKO system to support property management, based on IBM Maximo/IBM FileNet/IBM Cognos platforms
Central Office of Geodesy and Cartography	Implementation and maintenance of IT system to support the INSPIRE program (UE requirement), and development of GEOPORTAL 2 system
Ministry of Finance	Execution of a comprehensive system to support business start-up processes, along with training applications

Asseco Business Solutions S.A.

Asseco Business Solutions is specialized in the production of integrated ERP solutions to support management of large and medium-sized businesses, enterprise applications for the SME sector (Wapro brand), advanced programs to support HR functions, mobile systems, commercial data exchange platforms, as well as comprehensive applications dedicated to factoring companies. Furthermore, the company's portfolio includes the construction of IT system infrastructure and outsourcing services. In 2011, Asseco Business Solutions consistently pursues the strategy of selling its ERP and HR products in the full outsourcing model. This means the clients interested in particular software solutions are not required to make any capital expenditures to purchase the necessary infrastructure, just as they do not need to employ any specialists responsible for maintenance of IT systems. These elements of a project are provided on a service basis by the vendor. In addition, in 2011 the company significantly increased the number of permanent contracts for maintenance (support service) of the previously implemented ERP and HR systems.

Asseco Business Solutions also offers the purchase of selected systems in the subscription model. This means the customers buy the right to use an application, paying a monthly system lease fee. This sales model has so far been the most popular in the segment of mobile systems supporting the work of sales representatives.

The subscription-sale model entails the following advantages:

- for the client: lower barriers to implement an IT system (reduction of the initial investment costs associated with the system deployment) and higher quality of the system support (guaranteed under the SLA agreement);
- for the company: chiefly the possibility of raising the share of recurring monthly revenue.

Asseco Business Solutions continues to strengthen its market position. According to the latest Computerworld TOP200 ranking for 2010, the company is Poland's second largest provider of ERP systems in terms of sales revenues (after SAP Poland), with a 26% share in the ERP market.

The financial results of Asseco Business Solutions benefited, in an indirect way, from changing the statutory VAT rate that was enforced at the beginning of 2011. Following this change, companies were required to adapt their finance and accounting systems to the new regulations. Asseco Business Solutions, having the SME-dedicated WAPRO software in its portfolio, quickly adapted to the amended legislation (launching "VAT Ready" products) and achieved a significant increase in the sales of new licenses and upgrades in this segment.

2. Israeli market (Formula Systems Group)

The table below presents selected financial data for the reporting segment – Israeli market:

	9 months ended 30 Sept. 2011 (unaudited)
	PLN millions
Sales revenues	1,353.8
EBITDA	141.7
EBITDA margin	*10.5%*
EBIT	113.2
EBIT margin	*8.4%*
Corporate income tax (current and deferred)	(17.8)
Net profit – adjusted[1)]	84.7
Adjusted net profit margin [1)]	*6.3%*
Net profit	129.5
CFO	81.0
CFI [2)]	(150.5)
of which CAPEX	*(47.3)*
CFF [3)]	(52.5)
Working capital at the beginning of period	435.2
Working capital at the end of period	399.7
Cash and cash equivalents at the end of period	211.1
Interest-bearing debt at the end of period	(206.1)
of which bank credits, loans and bonds issued	*(197.2)*
of which finance lease commitments	*(8.9)*
FCFF	112.1

EBITDA = EBIT + depreciation/amortization; EBIT = Operating profit; CFO = Net cash flows from operating activities; CFI = Net cash flows from investing activities; CFF = Net cash flows from financing activities; CAPEX = segment's capital expenditures for fixed assets; FCFF = EBITDA - tax -/+ changes in working capital - CAPEX

[1)] *In the 3rd quarter of 2011, the net profit was adjusted by PLN 44.8 million gained on the loss of control over Sapiens International; Formula Systems lost control over Sapiens as a result of a large issuance of Sapiens shares that were acquired by shareholders other than Formula Systems.*

[2)] *CFI are presented exclusive of dividends received from subsidiaries included in the "Israeli market" segment.*

[3)] *CFF are presented exclusive of dividends paid out to companies included in the "Israeli market" segment, but inclusive of all dividends paid out to companies from outside the "Israeli market" segment, including those paid to Asseco Poland.*

All figures in millions of PLN, unless stated otherwise

Operating results of the Formula Systems Group are influenced by the stock option plan awarded to the company's CEO, Mr. Bernstein. Under this program, Mr. Bernstein is entitled to receive 543,840 options to acquire shares in Formula Systems, with the exercise price of NIS 0.01 per share. Such stock options will be granted in equal quarterly portions over a period of four years, starting from December 2011.

In the first nine months of 2011, the Matrix IT Group generated revenues of PLN 1,038.8 million, which represented 76.7% of sales across the entire group of Formula Systems. Whereas, sales revenues of the Magic Software Group reached PLN 236.3 million. Hence, the combined revenues of two above-mentioned companies accounted for 94.2% of consolidated revenues of the Formula Systems Group. Below are described the key factors influencing the financial performance of individual subgroups forming the Formula Systems Group.

a) Matrix IT

The company's basic financial results are presented in the table below.

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (interim period vs. same period last year)
	NIS millions	**NIS millions**	
Sales revenues	1,285.7	1,114.2	15.4%
EBIT	105.9	96.2	10.1%
EBIT margin	*8.2%*	*8.6%*	
Net profit for shareholders of the parent company	66.8	66.1	0.1%
Net profit margin	*5.2%*	*5.9%*	

Figures published by Matrix IT in accordance with IFRS

Matrix IT focuses its business in providing a full range of IT services to the Israeli market. The company provides services to the largest enterprises, financial institutions and public administration bodies. Apart from its core business, the company is also engaged in IT training through its subsidiary John Bryce. In the past half-year, Matrix IT was awarded the largest cross-selling contract in the history of Asseco. Our Danish subsidiary, Asseco Denmark, cooperated with Matrix IT in tendering for the construction and architecture of a database for PanSam. The contract value is close to EUR 4 million. The database is developed in connection with the enforcement of new Solvency II requirements.

b) Magic Software

The company's basic financial results are presented in the table below.

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (interim period vs. same period last year)
	USD millions	**USD millions**	
Sales revenues	82.8	63.6	30.2%
EBIT	10.5	6.3	66.7%
EBIT margin	*12.7%*	*9.9%*	
Net profit for shareholders of the parent company	10.7	6.3	69.8%
Net profit margin	*12.9%*	*9.9%*	

Figures published by Magic Software in accordance with US GAAP

All figures in millions of PLN, unless stated otherwise

Magic Software is a provider of cloud computing solutions. The company's flagship product is uniPaaS – a powerful and versatile application platform featuring the Platform-as-a-Service (PaaS) technology. Our PaaS solution enables the customers to develop, test, deploy, manage and host business applications in one integrated environment. Using a Platform-as-a-Service product allows the enterprises to reduce their costs incurred and work associated with the acquisition, maintenance and modification of applications. Whereas, software vendors take advantage of significant reductions in both costs and time required for software implementation, maintenance and modification.

A significant growth in sales was associated with undertaking a number of new contracts, business partnerships and acquisitions. In the first nine months of 2011, the company announced it signed contracts: with Ekro (a subsidiary of VanDire, the world's largest veal producer) for modernization and upgrading of their uniPaaS-based ERP system; with Caminos Bank for unification of the bank's IT systems with the use of Magic's uniPaaS platform; and with Arnold Glass for integration of their SAP systems with the use of Magic's iBOLT solution. The same product was also chosen by Arison Group, Agnico-Eagle Mines, Clarion Events, AutoRek, Reclam, and BCHA. Israel's Ministry of the Interior and the Hebrew University of Jerusalem both chose the uniPaaS platform to integrate their internal systems. The uniPaaS RIA (Rich Internet Application) solution was also implemented by Oxalys Technologies and Szeged Software. In addition, Magic Software has established partnerships with Quisorem, comselect GmbH, Deloitte, CD Group, and BigMachines.

3. Central European market (Asseco Central Europe Group)

The table below presents selected financial data for the reporting segment – Slovak market. This segment corresponds to the territory of business operations of the Asseco Central Europe Group, including Slovakia, Czech Republic, and Hungary.

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (reporting period vs. corresponding period)
	PLN millions	**PLN millions**	**%**
Sales revenues [2)]	371.5	375.7	(1.1%)
EBITDA	85.5	57.4	49.0%
EBITDA margin	*23.0%*	*15.3%*	50.3%
EBIT	57.6	35.3	63.2%
EBIT margin	*15.5%*	*9.4%*	64.9%
Corporate income tax (current and deferred)	(10.8)	(7.0)	54.3%
Adjusted net profit [1)]	35.5	29.8	19.1%
Adjusted net profit margin [1)]	*9.6%*	*7.9%*	21.5%
Net profit	47.6	21.8	118.3%
CFO	64.0	48.9	30.9%
CFI [3)]	(11.3)	(55.8)	(79.7%)
of which CAPEX	*(12.5)*	*(18.6)*	(32.8%)
CFF [4)]	(28.0)	(21.0)	33.3%
Working capital at the beginning of period	70.8	79.5	(10.9%)
Working capital at the end of period	99.1	36.9	168.6%
Cash and cash equivalents at the end of period	125.6	67.6	85.8%
Interest-bearing debt at the end of period	(51.7)	(50.4)	2.6%
of which bank credits, loans and bonds issued	*(42.8)*	*(40.2)*	
of which finance lease commitments	*(8.9)*	*(10.2)*	
FCFF	33.9	74.4	(54.4%)

EBITDA = EBIT + depreciation/amortization; EBIT = Operating profit; CFO = Net cash flows from operating activities; CFI = Net cash flows from investing activities; CFF = Net cash flows from financing activities; CAPEX = segment's capital expenditures for fixed assets; FCFF = EBITDA - tax -/+ changes in working capital - CAPEX

[1)] *The net profit for 2011 was adjusted by PLN (12.1) million in connection with the execution of a data migration project at Středisko cenních papírů (SCP); whereas, the net profit for 2010 was adjusted for a loss realized on the disposal of Austrian company Uniquare amounting to PLN 8.0 million.*

[2)] *Revenues are presented without eliminations of transactions conducted within and/or between reportable segments.*

[3)] *CFI are presented exclusive of dividends received from subsidiaries included in the "Central European market" segment.*

[4)] *CFF are presented exclusive of dividends paid out to companies included in the "Central European market" segment, but inclusive of all dividends paid out to companies from outside that segment, including those paid to Asseco Poland.*

All figures in millions of PLN, unless stated otherwise

The Asseco Central Europe Group companies operating in the markets of Slovakia, Hungary and Czech Republic generated PLN 371.5 million in revenues for the first three quarters of 2011, falling short just 1.1% of the last year's figure. Lower revenues were reported by our Slovak ERP providers as well as by subsidiary Slovanet that is engaged in Internet services. Although, Asseco Central Europe a.s. signed a significant contract for the implementation of an IT system for the Czech Ministry of the Interior called the "Register of Rights and Obligations" (the project is co-financed under the "e-State" program and its total contract value amounts to EUR 17 million), its revenues were lower because of losing SCP client, which resulted in a slight decrease of turnover in the Czech market. The Czech and Slovak markets revenue shortfall was well offset by our companies operating in the Hungarian market. Hence, the segment's combined operating profit for the period of 9 months ended 30 September 2011 amounted to PLN 57.6 million, recording a solid increase by 63.2%.

Asseco Central Europe a.s. entered the Hungarian market in 2010 by acquiring a 70.04% stake in Statlogics Zrt. and a 60.0% stake in GlobeNet Zrt. The acquisitions were finalized on 1 March 2010 and 6 August 2010, respectively. Nevertheless, investments in these Hungarian companies have a moderate impact on the consolidated results of the Asseco Central Europe Group, while contributing just 4.2% to its consolidated operating profit and net profit. The table below shows selected financial figures of both the Hungarian subsidiaries, after consolidation eliminations made at the level of the Asseco Central Europe Group:

	9 months ended 30 Sept. 2011 (unaudited)		9 months ended 30 Sept. 2010 (unaudited)[1]	
	EUR millions	**PLN millions**	**EUR millions**	**PLN millions**
Sales revenues	6.3	25.5	2.4	9.6
EBIT	0.6	2.4	(0.1)	(0.4)
EBIT margin	*9.5%*	*9.5%*	*(4.2%)*	*(4.2%)*
Net profit	0.5	2.0	(0.1)	(0.4)
Net profit margin	*7.9%*	*7.9%*	*(4.2%)*	*(4.2%)*

1) *Figures for Statlogics and GlobeNet cover the period of being under the Group's control; i.e. for Statlogics from 1 March to 30 September 2010, and for GlobeNet from 6 August to 30 September 2010.*

The Management Board of the Asseco Central Europe Group, in order to optimize the costs of operations, has undertaken restructuring measures enabling a reduction of the group's workforce by ca. 7.4% (reported as at the end of September 2011), which helped lower the operating expenses by 1.2%. The group's profitability was also improved by the disposal of Uniquare company operating in the Austrian market, whose operating costs were considerably higher than the combined expenses of the newly acquired Hungarian companies, GlobeNet and Statlogics, which together employ a similar number of people as Uniquare.

A considerable increase in amortization charges for 9 months ended 30 September 2011 is attributable to amortization of software licenses acquired from Uniquare (the licenses purchase cost of EUR 12.3 million has been amortized since January 2011), as well as amortization of intangible assets recognized from the acquisition of Statlogics (customer relations) and GlobeNet (software).

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (interim period vs. same period last year)
Average workforce[1)]	1,516	1,812	(16.3%)
Operating costs[2)]	281.0	302.8	(7.2%)
Depreciation and amortization	27.9	22.1	26.2%
Operating costs[2)] less depreciation and amortization	253.1	280.7	(9.8%)

1) *The average workforce in 2010 includes 138 employees working for Uniquare as at the end of December 2009; whereas, in the first three quarters of 2011 the headcount includes a total of 131 employees working for the fully consolidated Hungarian companies as at the end of September 2011.*

2) *This item includes the costs of production (excluding the costs of merchandise, materials and third-party work sold), selling expenses and general administrative costs.*

All figures in millions of PLN, unless stated otherwise

4. South Eastern European market (Asseco South Eastern Europe Group)

The table below presents selected financial data for the reporting segment – Balkan market. This segment corresponds to the territory of business operations of the Asseco South Eastern Europe Group (Asseco SEE), including the countries of: Albania, Bulgaria, Bosnia and Herzegovina, Croatia, Montenegro, Kosovo, Macedonia, Moldova, Romania, Serbia, Slovenia, and Turkey.

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (interim period vs. same period last year)
	PLN millions	PLN millions	%
Sales revenues	315.6	300.5	5.0%
EBITDA	42.9	39.3	9.2%
EBITDA margin	*13.6%*	*13.1%*	3.8%
EBIT	36.6	34.7	5.5%
EBIT margin	*11.6%*	*11.5%*	,9%
Corporate income tax (current and deferred)	(5.1)	(5.4)	(5.6%)
Net profit – adjusted[1)]	32.7	31.0	5.5%
Adjusted net profit margin [1)]	*10.4%*	*10.3%*	1.0%
Net profit	36.8	31.0	18.7%
CFO	14.8	22.7	(34.8%)
CFI [2)]	(20.0)	(41.0)	(51.2%)
of which CAPEX	*(8.3)*	*(4.9)*	69.4%
CFF [3)]	(18.8)	(15.9)	18.2%
Working capital at the beginning of period	102.7	121.3	(15.3%)
Working capital at the end of period	138.2	74.5	85.5%
Cash and cash equivalents at the end of period	83.9	63.1	33.0%
Interest-bearing debt at the end of period	(1.7)	(2.5)	(32.0%)
of which bank credits, loans and bonds issued	*(0.8)*	*(1.5)*	
of which finance lease commitments	*(0.9)*	*(1.0)*	
FCFF	(6.0)	75.8	(107.9%)

EBITDA = EBIT + depreciation/amortization; EBIT = Operating profit; CFO = Net cash flows from operating activities; CFI = Net cash flows from investing activities; CFF = Net cash flows from financing activities; CAPEX = segment's capital expenditures for fixed assets; FCFF = EBITDA - tax -/+ changes in working capital - CAPEX

[1)] *The net profit for 2011 was adjusted by PLN (4.1) million in connection with one-time financial gain on the revaluation of conditional payments for the acquisition of shares in the Turkish company EST A.S. and in the Croatian company BDS.*

[2)] *CFI are presented exclusive of dividends received from subsidiaries included in the "South Eastern European market" segment.*

[3)] *CFF are presented exclusive of dividends paid out to companies included in the "South Eastern European market" segment, but inclusive of all dividends paid out to companies from outside that segment, including those paid to Asseco Poland.*

All figures in millions of PLN, unless stated otherwise

The Asseco South Eastern Europe Group companies generated PLN 315.6 million in revenues for the period of 9 months ended 30 September 2011, achieving a 5.0% increase over the year-ago figure. On the other hand, our subsidiaries operating in Romania, Macedonia, Kosovo and Serbia reported lower sales. All these countries are still feeling the effects of the crisis resulting in evidently conservative approach to investment spending. Deteriorating sales in Romania, Macedonia, Kosovo and Serbia were offset by strong revenues from the Turkish market, penetrated by the group in the third quarter of 2010.

Operating profit generated for the three quarters ended 30 September 2011 reached PLN 36.6 million, improving by 5.5% as compared to the corresponding period last year. Such growth in operating profit was achieved firstly owing to the effectively implemented policy of own competence development, and secondly due to diversification of the revenue base among the countries of operations. The first factor translated into a 28% increase in sales of proprietary software and services as compared to the first three quarters of 2010; whereas, diversification of the customer portfolio among particular countries was reflected in higher revenues in Albania, Bulgaria, Slovenia and Poland.

As mentioned above, in the third quarter of 2010, Asseco took over two Turkish companies: ITD and EST. The financial results of these companies were not fully consolidated in the first three quarters of 2010. The following table presents the combined results generated by our Turkish companies in the interim period ended 30 September 2011:

Financial results of Turkish companies	**9 months ended 30 Sept. 2011 (unaudited)**
	PLN millions
Sales revenues	25.9
EBIT	3.6
EBIT margin	*13.9%*
Net profit	3.6
Net profit margin	*13.9%*

The Asseco SEE Group strengthens its position through diversification of its revenue base among different countries. The group significantly improved its revenues in Albania and Bulgaria.

The results of the Asseco SEE Group were also influenced by one-time financial gain resulting from the revaluation of conditional payments for the acquisition of shares in the Turkish company EST A.S. as well as in the Croatian company BDS. A gain of PLN 4.1 million was recognized under financial activities in the profit and loss account.

All figures in millions of PLN, unless stated otherwise

5. Other European markets

The following table presents selected financial data of our subsidiaries operating in Germany, Spain, Denmark and Lithuania, and of the Cypriot company Gladstone.

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	Change (interim period vs. same period last year)
	PLN millions	**PLN millions**	**%**
Sales revenues	369.3	300.0	23.1%
EBITDA	26.4	33.2	(20.5%)
EBITDA margin	*7.1%*	*11.1%*	*(36.0%)*
EBIT	10.9	22.4	(51.3%)
EBIT margin	*3.0%*	*7.5%*	*(60.0%)*
Corporate income tax (current and deferred)	(2.4)	(2.8)	(14.3%)
Net profit – adjusted[1)]	6.8	15.8	(57.0%)
Adjusted net profit margin [1)]	*1.8%*	*5.3%*	*(66.0%)*
Net profit	6.8	(5.3)	(228.3%)
CFO	10.8	19.0	(43.2%)
CFI [2)]	(3.3)	(10.6)	(68.9%)
of which CAPEX	*(10.6)*	*(5.9)*	*79.7%*
CFF [3)]	(16.3)	1.6	(1,118.8%)
Working capital at the beginning of period	43.0	53.6	(19.8%)
Working capital at the end of period	47.3	34.6	36.7%
Cash and cash equivalents at the end of period	50.7	44.6	13.7%
Interest-bearing debt at the end of period	(55.6)	(56.6)	(1.8%)
of which bank credits, loans and bonds issued	*(55.5)*	*(56.4)*	
of which finance lease commitments	*(0.1)*	*(0.2)*	
FCFF	9.1	43.5	(79.1%)

EBITDA = EBIT + depreciation/amortization; EBIT = Operating profit; CFO = Net cash flows from operating activities; CFI = Net cash flows from investing activities; CFF = Net cash flows from financing activities; CAPEX = segment's capital expenditures for fixed assets; FCFF = EBITDA - tax -/+ changes in working capital - CAPEX

[1)] *The net profit for the first half of 2010 was adjusted by PLN 21.2 million due to the impairment write-down on goodwill arising from the acquisition of the companies of Gladstone and Asseco Spain.*

[2)] *CFI are presented exclusive of dividends received from subsidiaries included in the "other European markets" segment.*

[3)] *CFF are presented exclusive of dividends paid out to companies included in the "other European markets" segment, but inclusive of all dividends paid out to companies from outside that segment, including those paid to Asseco Poland.*

The Asseco Group companies operating in the above-mentioned markets generated PLN 369.3 million in revenues for the first three quarters of 2011, reflecting a 23.1% increase over the year-ago figure. Revenue growth was achieved by our subsidiaries operating in Spain and Germany, while Danish companies reported slightly weaker sales.

All figures in millions of PLN, unless stated otherwise

Asseco Spain focused on the development of products for mobile devices such as: MDM solutions, applications, and mobile services. The company entered into cooperation with Apple and has become a major partner of this global player in the Spanish market. Asseco Spain also won the tender for the provision of mobile services for BBVA worldwide. The company carried out many initiatives aimed at the restructuring of its operations, including a reduction in employment by approx. 50 job positions. The restructuring processes undertaken since the company acquisition brought EUR 2.0 million in savings on an annual basis. In 2010 the Group's Spanish pillar was extended with the Necomplus company, whose results were not consolidated for the first 7 months of 2010, thereby adding to improved sales growth this year.

Asseco Denmark's operating activities are focused on the provision of advisory and consulting services. The economic slowdown, felt throughout Europe, had a negative impact of the company's financial performance, reducing its sales revenues and weighing on its operating profitability, as the amount of fixed costs remained high.

The companies incorporated under the Asseco DACH holding, namely Asseco Germany and Matrix42, managed to improve their revenues in comparison with the corresponding period last year. This was achieved, among others, owing to the commencement of cooperation between Matrix42 and BMC Inc. Under the agreement with BMC, Matrix42 implements the strategy of developing sales through partners, with the objective to reach an increasing number of clients operating in various sectors of the economy. While BMC distributes the products of Matrix42, in return Matrix42 provides development and maintenance services for BMC's products, earning a percentage royalty on the sales of products that it supports. Continuing its strategy for growth of sales through partnerships, Matrix42 signed a partnership agreement with COMPAREX (formerly PC Ware), under which COMPAREX shall sell Matrix42's products as part of their offering. Moreover, the company expanded its portfolio by introducing mobile device management solutions, and thereby became the first provider of a full range of management solutions covering all software, desktops, and portable devices.

Additionally, the finance and accounting module developed by Asseco Business Solutions was implemented in Asseco Germany, where it has been responsible for statutory reporting and managerial accounting since the beginning of the year. This is the first instance of a foreign company replacing its legacy finance and accounting system with the solution provided by Asseco Business Solutions. In the future, the said finance and accounting module is going to be sold in a bundle with the Asseco Germany's solution – APplus. Asseco Germany is also engaged in the development project aimed at adapting Helios Orange, an ERP solution for small-sized enterprises provided by Asseco Central Europe, to the German market needs.

IV. ONE-TIME EVENTS WITH IMPACT ON OUR FINANCIAL PERFORMANCE

During the period of 9 months ended 30 September 2011, the financial results achieved by the Asseco Group were affected by the following one-time events:

- Asseco Central Europe Group has realized significant revenues from the one-off sale of licenses and migration of historical data from Středisko cenních papírů (SCP) into the Czech Securities Depository (private company). SCP was a key customer of Asseco Czech Republic, whose core IT system was developed and maintained by the company for nearly 20 years. The total profit from this project amounted to EUR 3.0 million.
- Asseco South Eastern Europe Group reported a one-time financial gain resulting from the revaluation of conditional payments for the acquisition of shares in the Turkish company EST A.S. as well as in the Croatian company BDS. A gain of PLN 4.1 million was recognized under financial activities in the profit and loss account.
- In August 2011, Sapiens International Corporation, a Formula Systems company, took control over the companies of FIS Software Ltd. and IDIT I.D.I. Technologies Ltd. As part of the consideration for former shareholders of the acquired companies, Sapiens Corporation issued 17.5 million ordinary shares. Following such issuance of shares, the Formula Systems equity interest in Sapiens has dropped to 42%, resulting in the loss of control over Sapiens. Hence, as of August 2011, Sapiens is no longer a subsidiary of Formula Systems, but just an associated company. On such loss of control, the Formula Systems Group recognized a gain of PLN 44.8 million (translating into PLN 22.3 million of net profit). Because the process of allocation of the acquisition cost of Sapiens has not been completed as at 30 September 2011, the gain recognized on such loss of control was calculated on the basis of provisional values of net assets of Sapiens. Hence, the amount of gain recognized on such loss of control may be subject to change following the final allocation to be made in the 4th quarter of 2011.

V. CORPORATE OFFICERS OF ASSECO POLAND S.A.

During the period of 9 months ended 30 September 2011, the Company's Management Board and Supervisory Board were composed of the following persons:

Supervisory Board	Period of service	Management Board	Period of service
Jacek Duch	01.01.2011 – 30.09.2011	Adam Góral	01.01.2011 – 30.09.2011
Dariusz Brzeski	01.01.2011 – 30.09.2011	Renata Bojdo	01.01.2011 – 30.09.2011
Artur Kucharski	01.01.2011 – 30.09.2011	Przemysław Borzestowski	01.01.2011 – 30.09.2011
Adam Noga	01.01.2011 – 30.09.2011	Tadeusz Dyrga	01.01.2011 – 30.09.2011
Andrzej Szukalski[2)]	01.01.2011 – 29.04.2011	Marek Panek	01.01.2011 – 30.09.2011
Antoni Magdoń[3)]	31.05.2011 – 30.09.2011	Paweł Piwowar	01.01.2011 – 30.09.2011
		Zbigniew Pomianek	01.01.2011 – 30.09.2011
		Włodzimierz Serwiński	01.01.2011 – 30.09.2011
		Przemysław Sęczkowski	01.01.2011 – 30.09.2011
		Robert Smułkowski	01.01.2011 – 30.09.2011
		Wojciech Woźniak[1)]	01.02.2011 – 30.09.2011

1) *On 13 October 2010, the Supervisory Board of Asseco Poland S.A. appointed Mr. Wojciech Woźniak to serve as Vice President of the Management Board during the five-year joint term of office spanning from 2007 to 2011. This appointment came into effect on 1 February 2011. Acting in the Management Board of Asseco Poland S.A., Wojciech Woźniak is be responsible for the Building Automation and Data Center Division and the Infrastructure Division, both of which were established within the Company as a result of the merger of Asseco Poland S.A. with Asseco Systems S.A.*

2) *On 29 April 2011, the mandate of a Member of the Supervisory Board, namely Andrzej Szukalski, expired as a result of his death, about which the Company informed in its current report no. 11/2011 of 29 April 2011.*

3) *On 31 May 2011, the Extraordinary General Meeting of Shareholders appointed Mr. Antoni Magdoń as Member of the Supervisory Board, about which the Company informed in its current report no. 17/2011 of 1 June 2011.*

As at publication of this report, i.e. on 10 November 2011, the Company's Supervisory Board was composed of the following persons:

First name and surname	Position
Jacek Duch	Chairman of the Supervisory Board
Adam Noga	Vice Chairman of the Supervisory Board
Dariusz Brzeski	Member of the Supervisory Board
Artur Kucharski	Member of the Supervisory Board
Antoni Magdoń	Member of the Supervisory Board

As at publication of this report, i.e. on 10 November 2011, the Company's Management Board was composed of the following persons:

First name and surname	Position
Adam Góral	President of the Management Board
Renata Bojdo	Vice President of the Management Board
Przemysław Borzestowski	Vice President of the Management Board
Tadeusz Dyrga	Vice President of the Management Board
Marek Panek	Vice President of the Management Board
Paweł Piwowar	Vice President of the Management Board
Zbigniew Pomianek	Vice President of the Management Board
Włodzimierz Serwiński	Vice President of the Management Board
Przemysław Sęczkowski	Vice President of the Management Board
Robert Smułkowski	Vice President of the Management Board
Wojciech Woźniak	Vice President of the Management Board

All figures in millions of PLN, unless stated otherwise

VI. ASSECO POLAND SHARES HELD BY ITS MANAGEMENT AND SUPERVISORY STAFF

The numbers of shares in Asseco Poland S.A. held by its management and supervisory staff are presented below.

Supervisory Board Members	Number of shares held as at			
	10 November	30 September	26 August	30 June
Jacek Duch	19,667	19,667	19,667	19,667
Dariusz Brzeski	-	-	-	-
Andrzej Szukalski	n/a	n/a	n/a	n/a
Artur Kucharski	-	-	-	-
Antoni Magdoń	-	-	-	-
Adam Noga	-	-	-	-

Management Board Members	Number of shares held as at			
	10 November	30 September	26 August	30 June
Adam Góral	8,083,000	8,083,000	8,083,000	8,083,000
Renata Bojdo	-	-	-	-
Przemysław Borzestowski	-	-	-	-
Tadeusz Dyrga	21,742	21,742	21,742	21,742
Marek Panek	-	-	-	-
Paweł Piwowar	-	-	-	-
Zbigniew Pomianek	-	-	-	-
Włodzimierz Serwiński	-	-	-	-
Przemysław Sęczkowski	-	-	-	-
Robert Smułkowski	2,212	2,212	2,212	2,212
Wojciech Woźniak	25	25	25	25

VII. SHAREHOLDER STRUCTURE OF ASSECO POLAND S.A.

According to the best knowledge of the Management Board of Asseco Poland S.A., this is as indicated in the list of Shareholders who attended the Company's Extraordinary General Meeting held on 21 September 2011, the Shareholders who as at 30 September 2011, either directly or through their subsidiaries, held at least a 5% voting interest at the General Meeting of Shareholders were as follows:

Name of shareholder	Number of shares and votes at GMS	Equity interest and voting interest at GMS
AVIVA BZ WBK Open-End Pension Fund	8,800,000	11.35%
Adam Góral	8,083,000	10.42%
PZU Złota Jesień Open-End Pension Fund	5,000,000	6.45%
ING Open-End Pension Fund	4,000,000	5.16%
Other shareholders	51,682,530	66.62%
	77,565,530	**100.00%**

As at 30 September 2011, the share capital of Asseco Poland S.A. amounted to PLN 77,565,530 and it was divided into 77,565,530 ordinary shares with a par value of PLN 1 each, which entitled to 77,565,530 votes at the General Meeting of Shareholders of Asseco Poland S.A.

All figures in millions of PLN, unless stated otherwise

According to the best knowledge of the Management Board of Asseco Poland S.A., this is as indicated in the list of Shareholders who attended the Company's Extraordinary General Meeting held on 3 November 2011, the Shareholders who as at the publication date of this report, i.e. on 10 November 2011, either directly or through their subsidiaries, hold at least a 5% voting interest at the General Meeting of Shareholders are as follows:

Name of shareholder	Number of shares and votes at GMS	Equity interest and voting interest at GMS
AVIVA BZ WBK Open-End Pension Fund	9,000,000	11.6%
Adam Góral	8,083,000	10.4%
PZU Złota Jesień Open-End Pension Fund	5,000,000	6.4%
ING Open-End Pension Fund	4,390,000	5.7%
Other shareholders	51,092,530	65.9%
	77,565,530	**100.0%**

Whereas, as at the publication of the previous report, i.e. on 26 August 2011, the Shareholders who, either directly or through their subsidiaries, held at least a 5% voting interest at the General Meeting of Shareholders were as follows:

Name of shareholder	Number of shares and votes at GMS	Equity interest and voting interest at GMS
AVIVA BZ WBK Open-End Pension Fund	8,800,000	11.35%
Adam Góral	8,083,000	10.42%
PZU Złota Jesień Open-End Pension Fund	5,000,000	6.45%
ING Open-End Pension Fund	4,009,143	5.17%
Other shareholders	51,673,387	66.61%
	77,565,530	**100.00%**

VIII. ISSUANCE, REDEMPTION AND REPAYMENT OF NON-EQUITY AND EQUITY SECURITIES

During the period reported, the Parent Company did not conduct any transactions of issuance, redemption or repayment of equity or debt securities.

IX. EFFECTS OF CHANGES IN THE ORGANIZATIONAL STRUCTURE

❑ *Merger of Asseco Poland S.A. with its subsidiaries Asseco Systems S.A. and Alatus Sp. z o.o.*

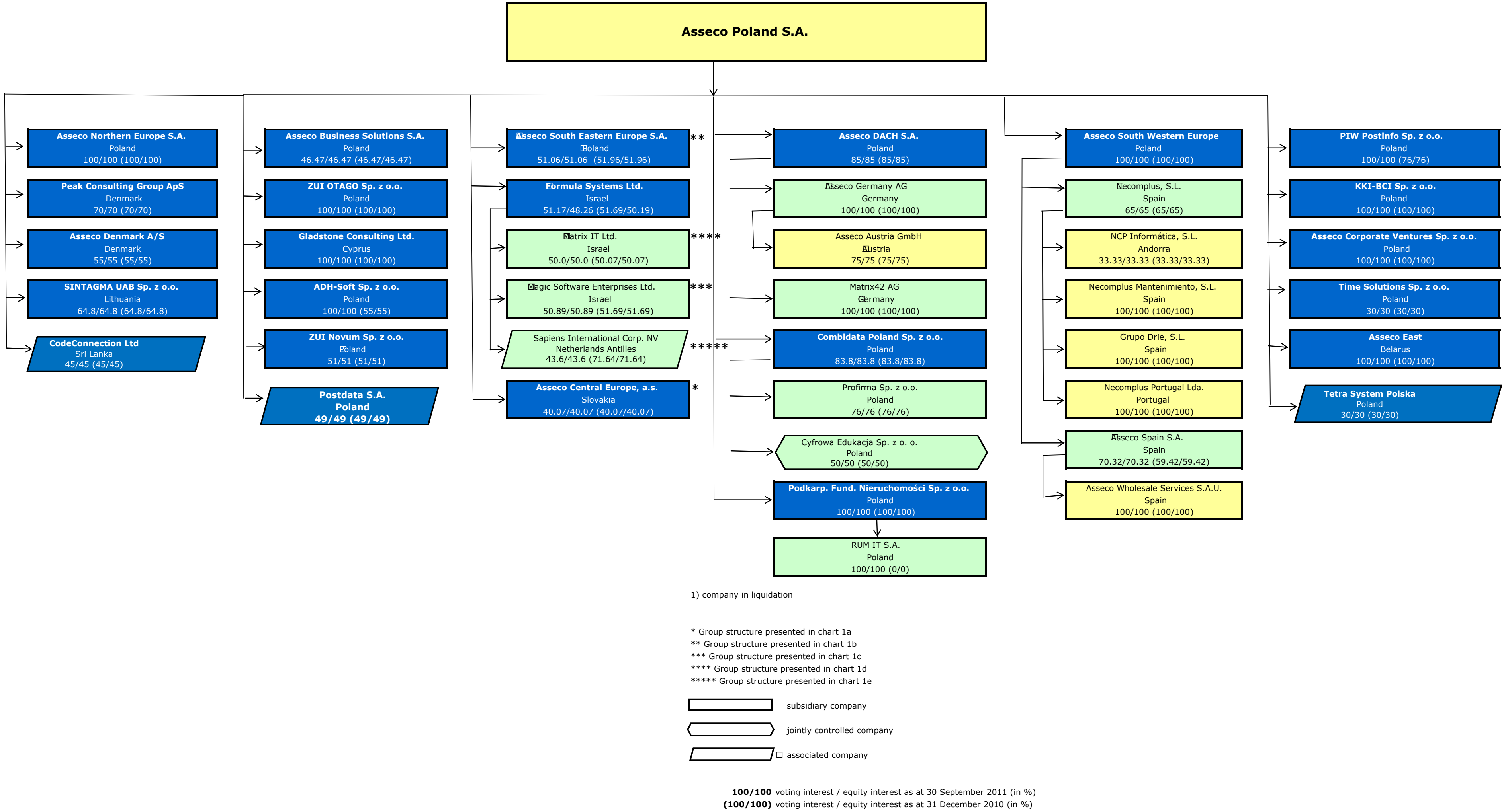
On 3 January 2011 the registry court competent for the Company's seat, this is the District Court in Rzeszów, XII Commercial Department of the National Court Register, entered in the register of entrepreneurs the Company's mergers with Asseco Systems S.A. Alatus Sp. z o.o. The merger of Asseco Systems and Alatus with Asseco Poland was effected pursuant to article 492 § 1 item 1 of the Polish Commercial Companies Code (merger by take-over), this is by transferring all the assets of Asseco Systems and Alatus (being the acquired companies) to Asseco Poland (acting as the taking-over company). Following the merger, the companies of Asseco Systems and Alatus have been dissolved without going into liquidation. This amalgamation is a part of the Asseco Poland's policy that assumes streamlining and simplification of the Group's legal and organizational structure. The merger aims at enhancing the business potential of the merging Companies and improving their ability to effectively compete in the local and European markets. It will also contribute significantly to the financial stability of business operations and, in a longer run, to the creation of higher value for shareholders of our Company.

The merger had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

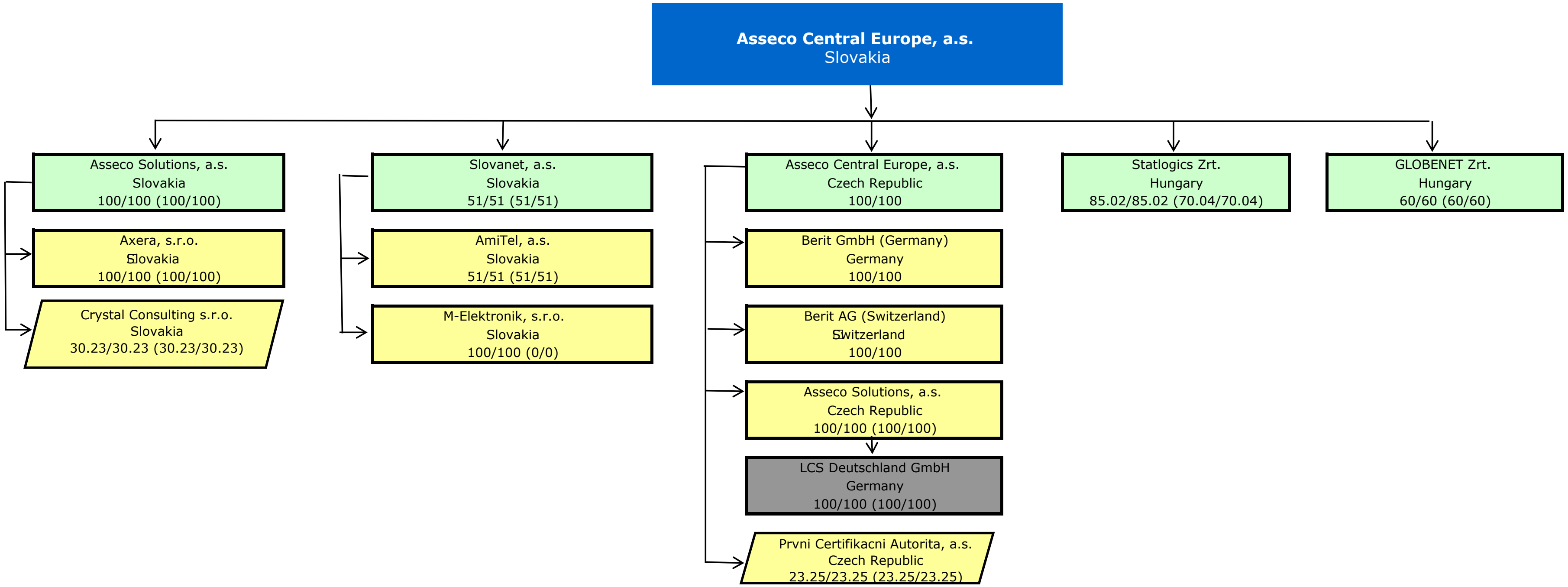
All figures in millions of PLN, unless stated otherwise

X. ORGANIZATION AND CHANGES IN THE ASSECO GROUP STRUCTURE, INCLUDING SPECIFICATION OF ENTITIES SUBJECT TO CONSOLIDATION

The chart below presents the organizational structure of the Asseco Group as at 30 September 2011 and in the corresponding periods:



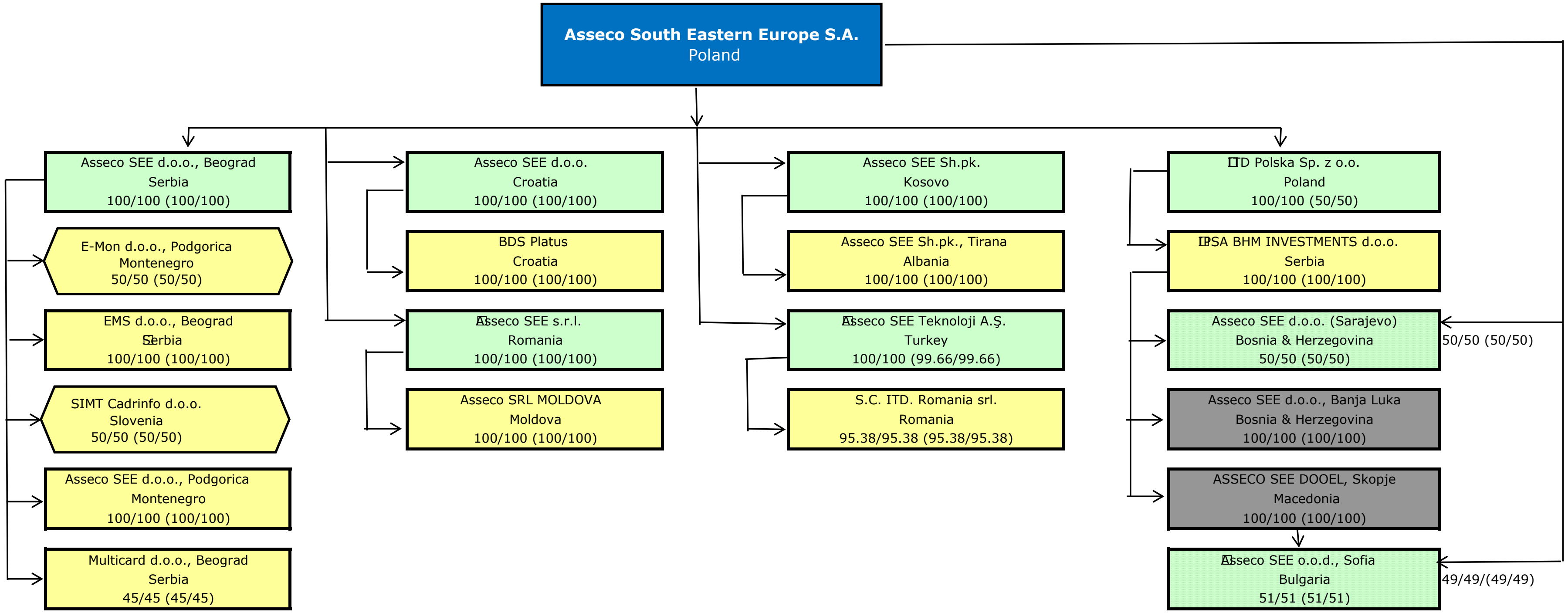
1a. Organizational structure of the Asseco Central Europe Group



100/100 voting interest / equity interest as at 30 September 2011 (in %)
(100/100) voting interest / equity interest as at 31 December 2010 (in %)

subsidiary company
associated company

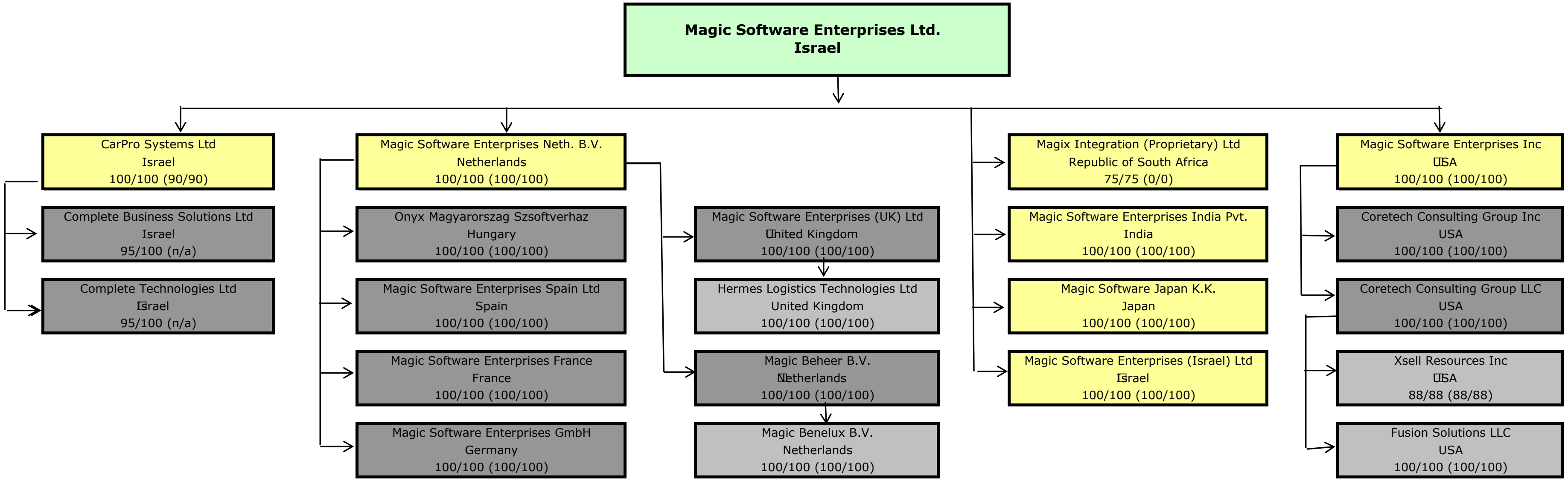
1b. Organizational structure of the Asseco South Eastern Europe Group



100/100 voting interest / equity interest as at 30 September 2011 (in %)
(100/100) voting interest / equity interest as at 31 December 2010 (in %)

subsidiary company
jointly controlled company

1c. Organizational structure of the Magic Software Enterprises Group



100/100 voting interest / equity interest as at 30 September 2011 (in %)
(100/100) voting interest / equity interest as at 31 December 2010 (in %)

subsidiary company

1d. Organizational structure of the Matrix IT Group

Matrix IT Ltd
Israel

Tikshuv Systems In Education (Shacham) Ltd Israel 100/100 (100/100)	Matrix IT Business System Ltd Israel 100/100 (100/100)	Net-shore Ltd Israel 100/100 (100/100)	Matrix IT Global Services Ltd Israel 100/100 (100/100)	Hoshva Ltd Israel 100/100 (100/100)	Matrix IT Global Services Bulgaria Bulgaria 100/100 (100/100)
Matrix IT Systems Development & Integration Israel 100/100 (100/100)	A Soft Ltd Israel 100/100 (100/100)	Matrix IT Training Ltd Israel 100/100 (100/100)	Comprise Technologies Ltd Israel 100/100 (100/100)	Link 2B Ltd Israel 100/100 (100/100)	Xtivia Technologies Inc USA 100/100 (100/100)
Matrix IT Infrastructures And Communications Israel 100/100 (100/100)	Matrix IT Software Products Ltd Israel 100/100 (100/100)	IQ-SOFT John Bryce Ltd Hungary 100/100 (100/100)	John Bryce Training Ltd Israel 100/100 (100/100)	Matrix IT Storage Software Ltd Israel 100/100 (100/100)	Matrix IT Telecom Solutions Ltd Israel 100/100 (100/100)
Hi-Tech College Technology Training Ltd Israel 100/100 (100/100)	Sintec Advanced Technologies Israel 100/100 (100/100)	Tangram Soft Ltd Israel 100/100 (100/100)	Matrix IT Software Industries Israel 100/100 (100/100)	Effect Advanced Solutions Ltd Israel 100/100 (100/100)	K.B.I.S Ltd Israel 51/51 (51/51)
Hi-Tech Mediatech College (2002) Ltd Israel 100/100 (100/100)	Matrix IT Systems Ltd Israel 100/100 (100/100)	Tact System Testware Ltd Israel 100/100 (100/100)	John Bryce Projects Ltd Israel 100/100 (100/100)	Elon Software Systems Ltd Israel 100/100 (100/100)	Matrix IT ERP Solutions Ltd Israel 100/100 (100/100)
Matrix IT System Management Ltd Israel 100/100 (100/100)	Matrix IT Software Services Ltd Israel 100/100 (100/100)	Maximum ERP Ltd Israel 100/100 (100/100)	Bashan Computer Systems Ltd Israel 100/100 (100/100)	Matrix IT InterSystems Ltd Israel 100/100 (100/100)	JBT Cyprus Cyprus 85/85 (85/85)
Aluna Information Technologies Ltd Israel 51/51 (51/51)	Matrix IT Computer Solutions Ltd Israel 100/100 (100/100)	Tack Computer & Systems Ltd Israel 100/100 (100/100)	Blue Education Ltd Israel 100/100 (100/100)	Matrix IT Products & Services Ltd Israel 100/100 (100/100)	Highview Ltd Israel 100/100 (0/0)
Sintec Software Solutions (1996) Ltd * Israel 100/100 (100/100)	Sibam Ltd Israel 100/100 (100/100)	Heliogram Ltd Israel 100/100 (100/100)	Net Brayce Ltd Israel 100/100 (100/100)	Matrix IT Technologies (1997) Israel 100/100 (100/100)	Beyond Ltd Israel 100/100 (0/0)
Matrix IT Medical Solutions Ltd Israel 100/100 (100/100)	Matrix J Rap Ltd Israel 100/100 (100/100)	Comsoft Export Ltd Israel 100/100 (100/100)	Forsoft ERP Consulting Ltd Israel 100/100 (100/100)	Tiltan Systems Engineering Ltd Israel 36/36 (36/36)	Supra Ltd Israel 100/100 (0/0)
Matrix IT Integration & Infrastructures Ltd Israel 100/100 (100/100)	Atreyu Peripheral Infr.s Ltd Israel 100/100 (100/100)	New Applicom Export Ltd * Israel 100/100 (100/100)	ROR System Implementation Israel 100/100 (100/100)	Novelia Ltd Israel 100/100 (100/100)	Matrix IT Global Services Macedonia DOOEL Macedonia 100/100 (100/100)
Matrix IT Infrastr. And Comm. (1986) Ltd Israel 100/100 (100/100)	Matrix Travel Solutions Ltd Israel 100/100 (100/100)	Wincom Technologies Ltd Israel 100/100 (100/100)	Forsoft Export Ltd * Israel 100/100 (100/100)	The Israel Management Center Israel 100/100 (100/100)	Connect: The Knowledge Network USA 100/100 (100/100)
Matrix IT Multimedia Solutions Ltd Israel 100/100 (100/100)	Matrix IT Advanced Inf. System Ltd Israel 100/100 (100/100)	Blue IT Ltd Israel 100/100 (100/100)	Sivan.com Ltd Israel 100/100 (100/100)	Matchpoint IT Ltd Israel 75/75 (75/75)	VHWARE Ltd Israel 0/0 (100/100)
Periscope Enterpr. And Managment Ltd Israel 100/100 (100/100)	Matrix IT Holdings Ltd Israel 100/100 (100/100)	Sinfor Blue Ltd * Israel 100/100 (100/100)	Doby Ofier Industrial Design Ltd Israel 100/100 (100/100)	Babcom Ltd Israel 50.1/50.1 (50.1/50.1)	

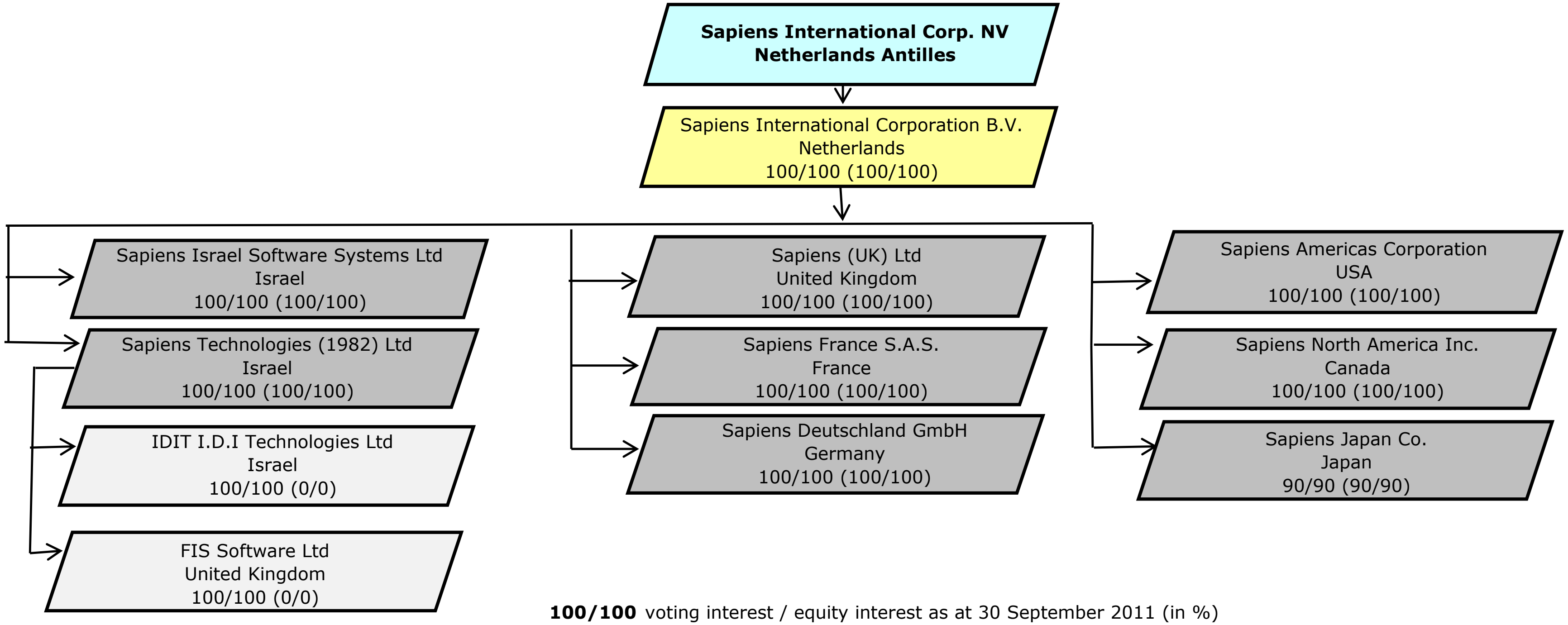
100/100 voting interest / equity interest as at 30 September 2011 (in %)
(100/100) voting interest / equity interest as at 31 December 2010 (in %)

subsidiary company

associated company

All figures in millions of PLN, unless stated otherwise

1e. Organizational structure of the Sapiens International Corp. Group



100/100 voting interest / equity interest as at 30 September 2011 (in %)
(100/100) voting interest / equity interest as at 31 December 2010 (in %)

associated company

The Parent Company maintains control over Asseco Central Europe a.s. despite holding less than 50% of its common stock (i.e. 40.07% as at 30 September 2011) because, according to the articles of association of Asseco Central Europe a.s., three out of the total five members of its Supervisory Board are appointed by Asseco Poland S.A.

The Parent Company maintains control over Asseco Business Solutions S.A. despite holding less than 50% of its common stock (i.e. 46.47% as at 30 September 2011) because, according to the articles of association of Asseco Business Solutions S.A., three out of the total five members of its Supervisory Board are appointed by Asseco Poland S.A.

The Parent Company maintains control over Time Solutions Sp. z o.o. despite holding less than 50% of its common stock (i.e. 30% as at 30 September 2011) because, according to the articles of association of Time Solutions Sp. z o.o., two out of the total three members of the Supervisory Board of that company are appointed by Asseco Poland S.A.

As the concluded agreement for the acquisition of Multicard provides Asseco SEE d.o.o., Beograd (an indirect subsidiary of the Parent Company) with an option to purchase the remaining non-controlling interests, the company of Multicard is treated as a subsidiary entity and accounted for using the acquisition method.

The Group holds shares in the companies of Bielpolsoft j.v. and Soft Technologies, which were excluded from these consolidated financial statements because the Asseco Group has no influence upon them whatsoever.

During the period of 9 months ended 30 September 2011 the following changes in the Group composition were observed:

Asseco Poland

❑ *Sale of shares in Sawan S.A. and Sapen Sp. z o.o. to the subsidiary Podkarpacki Fundusz Nieruchomości S.A.*

On 7 February 2011, Asseco Poland signed two agreements for disposal of 100% stakes in the companies of Sawan S.A. and Sapen Sp. z o.o. to its subsidiary Podkarpacki Fundusz Nieruchomości. The selling price of a stake of shares in Sawan S.A. was fixed at PLN 6.1 million; whereas, shares in Sapen Sp. z o.o. were sold for PLN 0.03 million.

On 1 April 2011, there was registered a merger of Podkarpacki Fundusz Nieruchomości (the taking-over company) with the companies of Sawan and Sapen (the acquired companies).

The above-mentioned transaction had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

❑ *Increase of the share capital of Asseco South Western Europe S.A. under private subscription excluding pre-emptive rights*

On 18 March 2011, the General Meeting of Shareholders of Asseco South Western Europe passed a resolution on increasing the company's share capital by the amount of PLN 2,113,550 through the issuance of 2,113,550 registered shares of series D with a par value of PLN 1 each. All these shares have been acquired by Asseco Poland for PLN 8,454,200 paid in cash. The funds raised from that issuance were used for paying the second instalment of the purchase price for the controlling interest in Necomplus S.L.

The above-mentioned transaction had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

❑ *Acquisition of shares in ADH Soft Sp. z o.o.*

On 29 July 2011, the Company signed an agreement to acquire a 45% stake of shares in ADH Soft Sp. z o.o. for PLN 3.6 million. The transaction was approved by Resolution No. 1 of the Extraordinary General Meeting of ADH Soft Sp. z o.o. passed on 29 July 2011.

❑ *Disposal of 100 percent of shares in RUM IT S.A. to Podkarpacki Fundusz Nieruchomości Sp. z o.o.*

On 12 August 2011, Asseco Poland sold 100% of shares it held in RUM IT S.A. to its subsidiary Podkarpacki Fundusz Nieruchomości Sp. z o.o. for PLN 73 thousand.

The above-mentioned transaction had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

Asseco South Eastern Europe (hereinafter "Asseco SEE")

❑ *Merger of Asseco SEE d.o.o. (Zagreb) with Biro Data Servis d.o.o. (Zagreb)*

In accordance with the merger agreement signed on 1 December 2010, the process of merger of two companies being under common control of Asseco South Eastern Europe, namely Asseco SEE d.o.o., Zagreb (the taking-over company) and Biro Data Servis d.o.o. (Zagreb) (the acquired company) was finalized on 1 January 2011. The merger was registered by the District Court in Zagreb on 3 January 2011.

As a result of the court registration, the following resolutions passed by the General Meeting of Shareholders on 1 December 2010 became effective:

- The share capital of Asseco SEE d.o.o. (Zagreb) was increased by the amount of HRK 2,054 thousand up to the total of HRK 4,500 thousand;
- Compositions of the Management Board and Supervisory Board have been changed.

The above-mentioned transaction had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

❑ *Disposal by Asseco South Eastern Europe S.A. of a 23.1% stake of shares to its subsidiary ITD A.Ş. (Istanbul)*

On 29 March 2011, ITD A.Ş. (Istanbul) passed a resolution to acquire a 23.1% stake of shares in EST A.Ş. (Istanbul) from Asseco SEE for USD 2,000 thousand. Following that transaction, the direct shareholding of Asseco South Eastern Europe S.A. in EST A.Ş. (Istanbul) dropped from 100% to 76.9%. However, the shares held Asseco South Eastern Europe both indirectly and directly represent the same equity interest as before the transaction.

The above-mentioned transaction had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

❑ *Acquisition of a 0.33% stake in ITD A.Ş. (Istanbul)*

Asseco South Eastern Europe S.A. purchased a 0.33% stake of shares in ITD A.Ş. (Istanbul) from an individual person, for the amount of USD 37 thousand. Following that transaction, the shareholding of Asseco South Eastern Europe S.A. in ITD A.Ş. (Istanbul) increased from 99.66% to 99.99%.

❑ *Merger of ITD A.Ş. (Istanbul) and EST A.Ş. (Istanbul)*

On 6 June 2011, there was registered a merger of two companies being under common control of Asseco SEE, namely ITD A.Ş. (Istanbul) (the taking-over company) and EST A.Ş. (Istanbul) (the acquired company). Following the merger, the company of EST A.Ş. has been dissolved without liquidation. At the time of amalgamation Asseco SEE was the majority shareholder in both the merged companies. On 18 July 2011, the company of ITD A.Ş. (Istanbul) was renamed as Asseco SEE Teknoloji A.Ş. (Istanbul). Asseco SEE holds 99.99% of share capital of the company resulting from the merger.

The above-mentioned transaction had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

❑ *Merger of Pexim Solutions d.o.o., Banja Luka with Ibis a.d., Banja Luka*

On 7 July 2011, there was registered a merger of Pexim Solutions d.o.o. Banja Luka (the taking-over company) with Ibis a.d., Banja Luka (the acquired company). In connection with the merger the company of Pexim Solutions d.o.o., Banja Luka was renamed as Asseco SEE d.o.o., Banja Luka.

❑ *Acquisition of a 50% stake in SIMT Cardinfo d.o.o. (Grosuplje)*

On 13 July 2011, Asseco SEE concluded an agreement for the acquisition of 50% of shares in the company SIMT Cardinfo d.o.o. seated in Grosuplje, Slovenia, for the price of EUR 300 thousand. The agreement became effective upon the fulfilment of a condition precedent, i.e. approval of the above-mentioned transaction by the competent court of Slovenia. The court's consent became final and binding on 10 October 2011, i.e. after the reporting balance sheet date.

Following this transaction, Asseco SEE became the owner of 100% of shares (held directly and indirectly) in SIMT Cardinfo d.o.o. (Grosuplje) as 50% of shares in that company had been already held by its subsidiary Asseco SEE d.o.o., Beograd.

Asseco Central Europe (hereinafter "Asseco CE")

❑ *Acquisition of shares in M-ELEKTRONIK, s.r.o.*

On 1 April 2011, Slovanet (a subsidiary of Asseco CE) acquired 100% shares in the company M-ELEKTRONIK, s.r.o. for the total price of EUR 0.3 million. M-ELEKTRONIK has operated as a provider of transmission and Internet services in the Slovak market for 13 years and built a customer base of nearly 9.4 thousand clients.

❑ *Increase of the shareholding in Statlogics Zrt. from 70.04% to 85.02%*

On 10 May 2011, Asseco CE exercised one of its options to purchase a non-controlling interest in the company of Statlogics (such option rights were granted under the agreement for the acquisition of Statlogics Zrt. executed on 14 December 2009). Following the option exercise, Asseco CE's equity interest in Statlogics increased from 70.04% to 85.02%. The option exercise price amounted to EUR 0.7 million.

❑ *Acquisition of shares in Wimax Telecom Slovakia, s.r.o.*

On 12 May 2011, Slovanet (a subsidiary of Asseco CE) acquired 100% shares in the company Wimax Telecom Slovakia s.r.o. (hereinafter "Wimax") for the price of EUR 0.9 million. Wimax has operated as a provider of broadband Internet access in Slovakia for 5 years and built a customer base of nearly 8.5 thousand clients.

❑ *Merger of Wimax Telecom Slovakia, s.r.o. with Slovanet*

On 29 July 2011, two companies being under common control of Asseco CE, namely Slovanet, a.s. (the taking-over company) and WiMAX Telecom Slovakia, s.r.o. (the acquired company) signed an agreement to merge. As a result of the merger, the company of WiMAX Telecom Slovakia, s.r.o. has been dissolved without liquidation. At the time of amalgamation Asseco CE was the majority shareholder in both the merged companies.

The above-mentioned transaction had no impact on the amounts disclosed in these interim condensed consolidated financial statements.

Formula Systems Group

❑ *Loss of control over Sapiens International Corporation*

In August 2011, Sapiens International Corporation, a Formula Systems company, took control over the companies of FIS Software Ltd. and IDIT I.D.I. Technologies Ltd. As part of the consideration for former shareholders of the acquired companies, Sapiens Corporation issued 17.5 million ordinary shares. Following such issuance of shares, the Formula Systems equity interest in Sapiens has dropped to 42%, resulting in the loss of control over Sapiens. Hence, as of August 2011, Sapiens is no longer a subsidiary of Formula Systems, but just an associated company.

Matrix IT Group (Formula Systems Group)

❑ *Acquisition of shares in K.B.I.S. Ltd.*

In January 2011, Matrix IT signed an agreement to acquire a 51% stake in K.B.I.S. Ltd. The process of obtaining control was completed on 1 April 2011. In addition, non-controlling shareholders hold a put option while Matrix holds a call option for the remaining 49% stake of shares.

The acquired company is engaged in the development and implementation of expert systems to manage the vendor relations process. A majority of its customers are from the insurance industry.

❑ *Acquisition of shares in Matchpoint IT Ltd.*

In March 2011, Matrix IT signed an agreement to acquire a 75% stake in Matchpoint IT Ltd. The process of obtaining control was completed on 1 April 2011. In addition, non-controlling shareholders hold a put option while Matrix holds a call option for the remaining 25% stake of shares.

Matchpoint company employs about 180 persons. The main area of its business operations are services and software to support professional Call Centers.

❑ *Acquisition of shares in Babcom Centers Ltd.*

On 13 April 2011, Matrix IT signed an agreement to acquire a 50.1% stake in Babcom Centers Ltd. The process of obtaining control was completed on 31 May 2011. In addition, non-controlling shareholders hold a put option while Matrix holds a call option for the remaining 49.9% stake of shares.

Babcom company employs about 500 persons. The main area of its business operations are services and software to support professional Call Centers.

❑ *Acquisition of shares in HighView Ltd.*

On 1 September 2011, Matrix IT signed an agreement to acquire a 100% stake in HighView Ltd. for the price of NIS 5.5 million. The amount of NIS 5.3 million was paid on the agreement execution date, while the remaining NIS 0.2 million constitutes a conditional payment depending on the amount of operating profit generated by the acquired company.

Highview is a provider of business intelligence (BI) services. The company employs 30 people.

❑ *Acquisition of shares in Beyond Ltd.*

On 1 September 2011, Matrix IT signed an agreement to acquire a 100% stake in Beyond Ltd. for the price of NIS 2.2 million.

Beyond is a producer of CRM software. The company employs 15 people.

Magic Software Group (Formula Systems Group)

❑ *Acquisition of shares in Magix Integration (Proprietary) Ltd.*

On 3 December 2010, Magic Software acquired a 51% stake in the company Magix Integration (Proprietary) Ltd. (hereinafter "Magix"). Magix is a distributor of Magic Software's products in the Republic of South Africa. The process of obtaining control was completed on 1 January 2011.

Magix is an integrator and developer of software solutions based on the Magic's application platform, and is also specialized in providing support for extensive and complex information systems that are operated in the public and financial sector in South Africa.

Magic Software believes that this acquisition will strengthen its market position in South Africa and existing relationships with key customers.

On 1 April 2011, Magic Software exercised an option to purchase an additional 24% stake of shares, thereby increasing its shareholding in Magix to 75%.

❑ *Acquisition of shares in Complete Business Solutions Ltd.*

On 5 April 2011, CarPro Systems Ltd. (a subsidiary of Magic Software) acquired a 95% stake in the company Complete Business Solutions seated in Israel. The process of obtaining control was completed on 15 May 2011 when 100,035 shares in Complete Business Solutions were transferred to the buyer.

Complete Business Solutions has the status of SAP Business Partner in Israel and specializes in the distribution and implementation of SAP Business One solutions. The company gained vast experience in SAP software implementation projects carried out for multinational companies that operate in more than 30 different countries in North America, Europe, Australia, and Asia. Complete Business Solutions employs about 40 specialists in the implementation of ERP and BI systems.

XI. INFORMATION ON PENDING LEGAL PROCEEDINGS CONCERNING LIABILITIES OR RECEIVABLES OF ASSECO POLAND S.A. OR ITS SUBSIDIARY COMPANIES

During the period reported no proceedings were instituted or pending before any court, arbitration authority or public administration authority, concerning any liabilities or receivables of Asseco Poland S.A. or its subsidiary companies, whose aggregate value would equal or exceed 10% of the Company's equity.

XII. RELATED PARTY TRANSACTIONS

Transactions with related companies are presented in explanatory note 17 to the interim condensed consolidated financial statements of the Asseco Group for the period of 9 months ended 30 September 2011.

XIII. BANK LOANS, LOANS GRANTED, SURETIES, GUARANTEES AND OFF-BALANCE-SHEET LIABILITIES

Bank loans drawn, loans granted, sureties and guarantees extended, and off-balance-sheet liabilities are described in explanatory notes 9, 14, 19 and 20 to the interim condensed consolidated financial statements of the Asseco Group for the period of 9 months ended 30 September 2011.

XIV. OPINION ON FEASIBILITY OF THE MANAGEMENT BOARD FINANCIAL FORECASTS FOR THE YEAR 2011

The Management Board of Asseco Poland S.A. did not publish any financial forecasts for the year 2011.

XV. FACTORS WHICH IN THE MANAGEMENT'S OPINION MAY AFFECT OUR FINANCIAL PERFORMANCE AT LEAST TILL THE END OF THIS FINANCIAL YEAR

In the opinion of the Management Board of Asseco Poland S.A., the Group's current financial standing, its production potential and market position pose no threats to continued operations and growth throughout 2011. However, there are numerous factors, of both internal and external nature, which may directly or indirectly affect the Group's financial performance.

The external factors with a bearing on the future performance of the Asseco Group include:

- the development of the economic and political situation in Poland, European Union and other countries in which the Group conducts its business operations;
- inflation and currency exchange rate fluctuations (foremost of the dollar and euro, but also currencies of the countries where the Group operates);
- increased or decreased demand for IT solutions in the sectors of banking and finance, public administration, and enterprises;
- more and more severe competition both from the Polish market players and international IT corporations, which is observed especially when it comes to execution of large and prestigious contracts;
- changes in the credit standing, financial liquidity, and availability of credit financing for clients;
- changes of official interest rates and lending margins applied by banks;
- opportunities and risks resulting from relatively rapid technological changes and innovations in the IT market;

- risk of postponing the IT spending decisions by potential clients;
- necessity to attract and support highly qualified employees and key personnel.

The internal factors with a bearing on the future performance of the Asseco Group include:

- execution of complex information technology projects carried out under long-term agreements;
- implementation of the Group's business strategy involving expansion into new foreign markets;
- successful execution of the Group's intended acquisitions.

XVI. OTHER FACTORS SIGNIFICANT FOR ASSESSMENT OF THE HUMAN RESOURCES, ASSETS, AND FINANCIAL POSITION

Except for those mentioned above, the Asseco Group is not aware of any information, the disclosure of which might significantly affect the assessment of human resources, assets, and financial position of the Group.

asseco
POLAND

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE ASSECO GROUP

for the period of 9 months ended 30 September 2011 prepared in accordance with the International Financial Reporting Standards

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE ASSECO GROUP FOR THE PERIOD OF 9 MONTHS ENDED 30 SEPTEMBER 2011

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE ASSECO GROUP

These interim condensed consolidated financial statements were approved for publication by the Management Board of Asseco Poland S.A. on 10 November 2011.

Management Board:

Adam Góral	President of the Board
Renata Bojdo	Vice President of the Board
Przemysław Borzestowski	Vice President of the Board
Tadeusz Dyrga	Vice President of the Board
Marek Panek	Vice President of the Board
Paweł Piwowar	Vice President of the Board
Zbigniew Pomianek	Vice President of the Board
Włodzimierz Serwiński	Vice President of the Board
Przemysław Sęczkowski	Vice President of the Board
Robert Smułkowski	Vice President of the Board
Wojciech Woźniak	Vice President of the Board

Person responsible for maintaining the accounting books

Danuta Stec	Chief Accountant

INTERIM CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT THE ASSECO GROUP

	Note	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Sales revenues	1	**3,523.4**	**1,183.2**	**2,191.8**	**739.4**
Cost of sales	1	**(2,493.9)**	**(855.9)**	**(1,433.5)**	**(474.3)**
Gross profit on sales		**1,029.5**	**327.3**	**758.3**	**265.1**
Selling expenses	1	(253.9)	(77.5)	(156.1)	(47.5)
General administrative expenses	1	(277.9)	(90.5)	(197.5)	(64.7)
Net profit on sales		**497.7**	**159.3**	**404.7**	**152.9**
Net other operating activities		6.7	3.4	7.8	5.8
Operating profit		**504.4**	**162.7**	**412.5**	**158.7**
Financial income	2	92.8	65.0	56.9	12.8
Financial expenses	2	(65.2)	(32.4)	(69.9)	(11.3)
Pre-tax profit and share in profits of associated companies		**532.0**	**195.3**	**399.5**	**160.2**
Corporate income tax (current and deferred portions)	3	(93.4)	(28.5)	(40.2)	(29.3)
Share in profits of associated companies		2.6	1.7	1.4	0.6
Net profit for the period reported		**441.2**	**168.5**	**360.7**	**131.5**
Attributable to:					
Shareholders of the Parent Company		**290.5**	**107.8**	**315.2**	**109.7**
Non-controlling shareholders		150.7	60.7	45.5	21.8
Consolidated earnings per share attributable to Shareholders of Asseco Poland S.A. (in PLN):					
Basic consolidated earnings per share from continuing operations for the period reported	4	3.75	1.39	4.57	1.59
Diluted consolidated earnings per share from continuing operations for the period reported	4	3.75	1.39	4.57	1.59

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THE ASSECO GROUP

	Note	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Net profit for the period reported		**441.2**	**168.5**	**360.7**	**131.5**
Other comprehensive income					
Net profit/loss on valuation of financial assets available for sale		(1.8)	(0.5)	(2.2)	(0.2)
Hedges of cash flows		0.2	-	0.9	0.6
Amortization of intangible assets recognized directly in equity	1	(0.8)	(0.3)	(0.8)	(0.3)
Income tax relating to other comprehensive income		0.4	-	0.6	0.1
Foreign currency translation differences on subsidiary companies		345.6	406.3	(25.7)	(23.9)
Total other comprehensive income		**343.6**	**405.5**	**(27.2)**	**(23.7)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**784.8**	**574.0**	**333.5**	**107.8**
Attributable to:					
Shareholders of the Parent Company		*421.1*	*239.3*	*287.1*	*87.8*
Non-controlling shareholders		*363.7*	*334.7*	*46.4*	*20.0*

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
THE ASSECO GROUP

ASSETS	Note	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Non-current assets		**6,431.4**	**6,028.3**	**5,972.5**	**4,691.4**
Property, plant and equipment	6	576.0	553.0	516.9	476.1
Investment property		1.7	0.8	0.8	0.8
Intangible assets	7	2,797.9	2,806.0	2,813.2	2,697.1
of which goodwill from mergers		*2,180.0*	*2,173.8*	*2,173.7*	*2,176.4*
Goodwill arising from consolidation	8	2,584.4	2,432.4	2,397.3	1,298.9
Investments in associated undertakings valued under the equity method		259.8	20.0	22.7	15.0
Long-term financial assets	9	79.6	69.4	73.1	63.2
Long-term receivables	11	30.8	43.6	38.4	57.6
Deferred income tax assets		64.7	66.3	72.2	11.1
Long-term deferred expenses	10	36.5	36.8	37.9	71.6
Current assets		**2,309.1**	**2,149.7**	**2,455.9**	**1,194.1**
Inventories		76.4	59.0	66.7	48.6
Deferred expenses	10	94.0	98.6	85.7	66.9
Trade accounts receivable	11	775.1	771.6	1,016.3	457.4
Corporate income tax recoverable	11	37.5	27.2	20.3	7.1
Receivables from the State budget	11	8.7	10.8	16.4	12.6
Other receivables	11	504.4	441.5	286.2	240.8
Financial assets	9	129.2	105.9	129.3	8.5
Cash and short-term deposits	12	683.8	635.1	835.0	352.2
Non-current assets classified as held for sale		**4.7**	**4.5**	**4.4**	**2.1**
TOTAL ASSETS		**8,745.2**	**8,182.5**	**8,432.8**	**5,887.6**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET THE ASSECO GROUP

SHAREHOLDERS' EQUITY AND LIABILITIES	Note	30 Sept. 2011	30 June 2011	31 Dec. 2010	30 Sept. 2010
		(unaudited)	(unaudited)	(restated)	(restated)
Shareholders' equity (attributable to Shareholders of the Parent Company)		**4,747.2**	**4,494.0**	**4,458.2**	**4,059.1**
Share capital		77.6	77.6	77.6	77.6
Share premium		3,951.1	3,951.1	3,951.1	3,689.2
Treasury shares		-	-	-	(396.1)
Foreign currency translation differences on subsidiary companies		131.0	(0.9)	(1.5)	(8.5)
Prior years' retained earnings (deficit) and current net profit		587.5	466.2	431.0	696.9
Non-controlling interests		**2,191.5**	**1,914.6**	**1,912.8**	**670.5**
Total shareholders' equity		**6,938.7**	**6,408.6**	**6,371.0**	**4,729.6**
Non-current liabilities		**671.8**	**610.9**	**628.4**	**410.1**
Interest-bearing bank loans, borrowings and debt securities	14	269.9	230.7	227.1	39.8
Long-term financial liabilities	13	103.2	106.0	115.2	89.8
Long-term finance lease commitments		170.2	158.4	158.7	164.3
Deferred income tax provisions		53.0	48.7	32.7	62.7
Long-term provisions		17.0	12.6	17.5	10.5
Long-term deferred income	16	57.1	53.2	75.8	41.7
Other long-term liabilities	15	1.4	1.3	1.4	1.3
Current liabilities		**1,134.7**	**1,163.0**	**1,433.4**	**747.9**
Interest-bearing bank loans, borrowings and debt securities	14	152.0	131.6	108.1	54.1
Financial liabilities	13	38.9	41.8	52.4	62.2
Finance lease commitments		24.2	22.6	22.7	22.6
Trade accounts payable	15	248.9	273.5	457.0	178.1
Corporate income tax payable	15	40.3	28.4	50.2	23.4
Liabilities to the State budget	15	68.6	98.4	132.5	52.7
Other liabilities	15	163.0	151.1	216.5	137.6
Provisions		21.7	21.2	31.2	16.6
Deferred income	16	175.5	205.1	175.7	102.7
Accrued expenses	16	201.6	189.3	187.1	97.9
TOTAL LIABILITIES		**1,806.5**	**1,773.9**	**2,061.8**	**1,158.0**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**8,745.2**	**8,182.5**	**8,432.8**	**5,887.6**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

THE ASSECO GROUP

	Note	Share capital	Share premium	Treasury shares	Foreign currency translation differences on subsidiary companies	Prior years' retained earnings (deficit) and current net profit	Shareholders' equity of the Parent Company	Non-controlling interests	Total shareholders' equity
As at 1 January 2011 (restated)		**77.6**	**3,951.1**	**-**	**(1.5)**	**431.0**	**4,458.2**	**1,912.8**	**6,371.0**
Net profit for the period reported		**-**	**-**	**-**	**-**	290.5	**290.5**	150.7	**441.2**
Total other comprehensive income for the period reported		-	-	-	132.5	(1.9)	**130.6**	213.0	**343.6**
Dividend for the year 2010	55	-	-	-	-	(139.6)	**(139.6)**	(84.8)	**(224.4)**
Equity-settled employee payment transactions						-	**-**	11.3	**11.3**
Settlement of contingent financial liabilities to non-controlling shareholders (put option)		-	-	-	-	35.0	**35.0**	(4.2)	**30.8**
Obtaining control over subsidiaries		-	-	-	-	-	**-**	(39.9)	**(39.9)**
Non-controlling interest transactions		-	-	-	-	(27.5)	**(27.5)**	32.6	**5.1**
As at 30 September 2011 (unaudited)		**77.6**	**3,951.1**	**-**	**131.0**	**587.5**	**4,747.2**	**2,191.5**	**6,938.7**

All figures in millions of PLN, unless stated otherwise

	Note	Share capital	Share premium	Treasury shares	Foreign currency translation differences on subsidiary companies	Prior years' retained earnings (deficit) and current net profit	Shareholders' equity of the Parent Company	Non-controlling interests	Total shareholders' equity
As at 1 January 2010 (audited)		**77.6**	**3,488.6**	**(678.8)**	**17.7**	**810.5**	**3,715.6**	**635.8**	**4,351.4**
Net profit for the period reported		-	-	-	-	315.2	**315.2**	45.5	**360.7**
Total other comprehensive income for the period reported		-	-	-	(26.2)	(1.9)	**(28.1)**	0.9	**(27.2)**
Dividend for the year 2009	55	-	-	-	-	(106.0)	**(106.0)**	(30.5)	**(136.5)**
Issuance of series I shares		3.9	205.5	-	-	-	**209.4**	-	**209.4**
Cost of issuance of series I shares		-	(4.9)	-	-	-	**(4.9)**	-	**(4.9)**
Retirement of treasury shares		(3.9)	-	282.7	-	(278.8)	**-**	-	**-**
Changes in the Group structure		-	-	-	-	(42.1)	**(42.1)**	18.4	**(23.7)**
Settlement of contingent financial liabilities to non-controlling shareholders (put option)		-	-	-	-	-	**-**	0.4	**0.4**
As at 30 September 2010 (restated)		**77.6**	**3,689.2**	**(396.1)**	**(8.5)**	**696.9**	**4,059.1**	**670.5**	**4,729.6**

All figures in millions of PLN, unless stated otherwise

	Note	Share capital	Share premium	Treasury shares	Foreign currency translation differences on subsidiary companies	Prior years' retained earnings (deficit) and current net profit	Shareholders' equity of the Parent Company	Non-controlling interests	Total shareholders' equity
As at 1 January 2010 (audited)		**77.6**	**3,488.6**	**(678.8)**	**17.7**	**810.5**	**3,715.6**	**635.8**	**4,351.4**
Net profit for the period reported		-	-	-	-	415.1	**415.1**	83.8	**498.9**
Total other comprehensive income for the period reported		-	-	-	(19.2)	(1.5)	**(20.7)**	0.7	**(20.0)**
Dividend for the year 2009	55	-	-	-	-	(106.0)	**(106.0)**	(30.5)	**(136.5)**
Issuance of series I shares		3.9	205.5	-	-	-	**209.4**	-	**209.4**
Cost of issuance of series I shares		-	(4.7)	-	-	-	**(4.7)**	-	**(4.7)**
Issuance of series J shares		5.4	266.2	-	-	-	**271.6**	-	**271.6**
Cost of issuance of series J shares		-	(4.5)	-	-	-	**(4.5)**	-	**(4.5)**
Retirement of treasury shares		(9.3)	-	678.8	-	(669.5)	**-**	-	**-**
Cost of company acquisitions incurred in 2009, where control was obtained in 2010		-	-	-	-	(0.7)	**(0.7)**	(1.0)	**(1.7)**
Settlement of contingent financial liabilities to non-controlling shareholders (put option)		-	-	-	-	20.0	**20.0**	(3.2)	**16.8**
Obtaining control over subsidiaries		-	-	-	-	-	**-**	1,220.2	**1,220.2**
Non-controlling interest transactions		-	-	-	-	(31.2)	**(31.2)**	10.6	**(20.6)**
Other changes in the Group structure		-	-	-	-	(5.7)	**(5.7)**	(3.6)	**(9.3)**
As at 31 December 2010 (restated)		**77.6**	**3,951.1**	**-**	**(1.5)**	**431.0**	**4,458.2**	**1,912.8**	**6,371.0**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS THE ASSECO GROUP

	Note	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Cash flows - operating activities			
Pre-tax profit and share in profits of associated companies		532.0	399.5
Total adjustments:		**(137.1)**	**(11.5)**
Depreciation and amortization	1	127.2	90.6
Changes in working capital	18	(262.6)	(76.9)
Interest income/expense		3.0	4.9
Gain/loss on foreign exchange differences		15.1	(5.6)
Gain/loss on financial assets (valuation, disposal, impairment, etc.)		(36.7)	3.3
Other financial income/expenses		(4.1)	(0.3)
Gain/loss on disposal of property, plant and equipment and intangible assets	6	0.7	(8.7)
Cost of equity-settled employee payment transactions		11.3	-
Other pre-tax profit adjustments		9.0	(18.8)
Net cash generated from operating activities		**394.9**	**388.0**
Corporate income tax paid		(93.6)	(61.2)
Net cash provided by (used in) operating activities		**301.3**	**326.8**
Cash flows - investing activities			
Disposal of property, plant and equipment and intangible assets		2.1	21.3
Acquisition of property, plant and equipment and intangible assets	18	(158.6)	(149.1)
Acquisition of subsidiary companies	18	(82.3)	(204.7)
Cash and cash equivalents of acquired subsidiary companies	18	2.4	22.6
Disposal of shares in subsidiary companies		3.7	2.7
Cash and cash equivalents of disposed subsidiary companies		(54.0)	-
Disposal/settlement of financial assets carried at fair value through profit or loss		29.7	3.1
Acquisition/settlement of financial assets carried at fair value through profit or loss		(6.0)	(3.3)
Disposal of financial assets available for sale		3.6	52.4
Acquisition of financial assets available for sale		(1.3)	(48.4)
Disposal of financial assets held to maturity		78.2	-
Acquisition of financial assets held to maturity		(97.1)	-
Loans granted		(4.0)	(19.1)
Loans collected		3.8	8.2
Interest received		7.8	5.0
Dividends received		2.3	1.7
Net cash provided by (used in) investing activities		**(269.7)**	**(307.6)**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS THE ASSECO GROUP (continued)

(continued)	Note	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Cash flows - financing activities			
Proceeds from issuance of shares by the Parent Company		-	204.7
Proceeds from issuance of shares by subsidiary companies	18	2.4	2.4
Acquisition of non-controlling interests	18	(26.9)	(3.2)
Proceeds from loans and borrowings taken out		88.5	81.2
Repayment of loans and borrowings		(34.1)	(122.1)
Finance lease commitments paid		(14.5)	(13.8)
Interest paid		(14.3)	(11.2)
Dividends paid out	18	(223.9)	(140.2)
Other		(1.9)	(1.6)
Net cash provided by (used in) financing activities		**(224.7)**	**(3.8)**
Net increase (decrease) in cash and cash equivalents		(193.1)	15.4
Net foreign exchange differences		41.5	(6.0)
Cash and cash equivalents as at 1 January (net of accrued interest)	12	834.8	342.8
Cash and cash equivalents as at 30 September *(net of accrued interest)*	12	**683.2**	**352.2**

All figures in millions of PLN, unless stated otherwise

ADDITIONAL INFORMATION AND EXPLANATIONS

I. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS AND ACCOUNTING PRINCIPLES (POLICY) APPLIED

1. Basis for preparation

These interim condensed consolidated financial statements were prepared in accordance with the historical cost principle, except for financial assets carried at fair value through profit or loss and financial assets available for sale which are also measured at fair value.

The presentation currency of these consolidated financial statements is Polish zloty (PLN), and all figures are presented in millions of zlotys (mPLN), unless stated otherwise.

These interim condensed consolidated financial statements were prepared on a going-concern basis, assuming the Group will continue its business activities over a period not shorter than 12 months from 30 September 2011. As at the date of approving these interim condensed consolidated financial statements there were observed no circumstances indicating any threat to the Group companies' ability to continue as going concerns.

These interim condensed consolidated financial statements do not include all the information and disclosures required for annual consolidated financial statements and therefore they should be read together with the Group's consolidated financial statements for the year ended 31 December 2010, which were published on 18 March 2011.

2. Compliance statement

These interim condensed consolidated financial statements were prepared in compliance with the International Financial Reporting Standards ("IFRS"), and in particular in accordance with the International Accounting Standard ("IAS") 34 and the IFRS endorsed by the EU. As at the date of approving publication of these financial statements, given the ongoing process of implementing the IFRS standards in the EU as well as the nature of the Group's operations, within the scope of accounting principles applied by the Group there is no difference between the IFRS that came into force and the IFRS endorsed by the European Union.

IFRS include standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

The Group has for the first time applied the International Financial Reporting Standards (IFRS) in preparing its financial statements for the fiscal years beginning after 1 January 2005.

Some of the Group companies maintain their accounting books in accordance with the accounting policy (principles) set forth in their respective local regulations. The interim condensed consolidated financial statements include adjustments not disclosed in the accounting books of the Group's entities, which were introduced to adjust the financial statements of those entities to the IFRS.

3. Estimates

In the period of 9 months ended 30 September 2011, the Company's approach to making estimates was not subject to any substantial changes.

4. Professional judgement

Preparing consolidated financial statements in accordance with IFRS requires making estimates and assumptions which impact the data disclosed in such financial statements. Despite the estimates and assumptions have been adopted based on the Group's management best knowledge on the current activities and occurrences, the actual results may differ from those anticipated.

Below are presented the main areas, which in the process of applying the accounting principles (policy) were subject to accounting estimates and the management's professional judgement, and whose estimates, if changed, could significantly affect the Group's future results.

i Valuation of IT contracts as well as measurement of their completion

The Group executes a number of contracts for construction and implementation of information technology systems. Additionally, some of those contracts are denominated in foreign currencies. Valuation of IT contracts requires that future operating cash flows are determined in order to arrive at the fair value of income and expenses and to provide the fair value of the embedded currency derivatives, as well as it requires measurement of the contract execution progress. The progress of contract execution shall be measured as a relation of costs already incurred (provided such costs contribute to the progress of work) to the total costs planned, or as a portion of man-days worked out of the total work-effort required.

Assumed future operating cash flows are not always consistent with the agreements with customers or suppliers due to modifications of IT projects implementation schedules. As at 30 September 2011, receivables arising from valuation of IT contracts amounted to PLN 191.3 million, while liabilities due to such valuation equalled PLN 21.4 million.

In case of contracts denominated in foreign currencies deemed to be functional currencies or in case of contracts denominated in EUR (even if EUR is not a functional currency), embedded financial derivatives are not disclosed separately. Revenues and expenses relating to such contracts are determined on the basis of spot exchange rates. In all the other cases embedded derivatives are separated from their host contracts. When an embedded instrument is separated, revenues resulting from the host contract are recognized at the embedded exchange rate; whereas, any foreign exchange differences between the exchange rate applied in the issued invoice and the embedded exchange rate are recognized as financial income or expense. As at 30 September 2011, no embedded instruments were separated from any effective agreements.

ii Rates of depreciation and amortization

The level of depreciation and amortization rates is determined on the basis of anticipated period of useful economic life of the components of tangible and intangible assets. The Group verifies the adopted periods of useful life on an annual basis, taking into account the current estimates. In 2011 the rates of depreciation and amortization applied by the Group were not subject to any substantial modifications.

iii Goodwill and intangible assets with indefinite useful life – impairment testing

In line with the Group's policy, every year as at 31 December, the Management Board of the Parent Company performs an annual impairment test on cash-generating units to which goodwill arising from acquisition of subsidiaries or from mergers has been allocated as well as on intangible assets with an indefinite period of useful life. Whereas, as at each interim balance sheet date, the Management Board of the Parent Company performs a review of the indications of impairment of cash-generating units to which goodwill has been allocated and/or of intangible assets with indefinite useful life. In the event such indications are identified, an impairment test should be carried out also as at the interim balance sheet date.

Each impairment test requires making estimates of the value in use of cash-generating units to which goodwill is allocated and/or of intangible assets with indefinite useful life. The value in use is estimated by determination of the future cash flows expected to be achieved from the cash-generating unit and determination of a discount rate to be subsequently used in order to calculate the net present value of those cash flows.

iv Liabilities to pay for the remaining shares in subsidiary companies (put options)

As at 30 September 2011, the Group recognized liabilities by virtue of future payments to non-controlling shareholders in the companies of Asseco South Eastern Europe, Multicard, Sintagma, Statlogics, and companies of the Matrix IT Group. Determination of the amounts payable under such liabilities required making estimates of those companies' future financial results. Hence, as at 30 September 2011, such liabilities amounted to PLN 94.8 million.

As at 31 December 2010, the Group recognized liabilities by virtue of future payments to non-controlling shareholders in the companies of Asseco South Eastern Europe, Multicard, Sintagma, Statlogics, and Harcase Software. Determination of the amounts payable under such liabilities required making estimates of those companies' future financial results. As at 31 December 2010, such liabilities amounted to PLN 85.1 million.

V Classification of leasing agreements

The Group classifies its leasing contracts as operating or financial depending on whether the material risks and benefits incidental to ownership of leased assets are retained by the lessor or transferred to the leaseholder. Such assessment is based on the economic terms of each leasing transaction.

5. Changes in the accounting principles applied

The major accounting principles adopted by the Parent Company have been described in the consolidated financial statements for the year ended 31 December 2010, which were published on 18 March 2011.

The accounting principles (policy) adopted in preparation of these interim condensed consolidated financial statements are coherent with those applied for preparation of the Group's annual consolidated financial statements for the year ended 31 December 2010, except for applying the following new or amended standards and interpretations effective for annual periods beginning on or after 1 January 2011.

- Amendments to IAS 32 Financial Instruments: Presentation: Classification of Rights Issues – effective for annual periods beginning on or after 1 February 2010;
- IAS 24 Related Party Disclosures (revised in November 2009) – effective for annual periods beginning on or after 1 January 2011;
- Amendments to IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction: Prepayment of a Minimum Funding Requirement – effective for annual periods beginning on or after 1 January 2011;
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments – effective for annual periods beginning on or after 1 July 2010;
- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards: Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters – effective for annual periods beginning on or after 1 July 2010;
- Amendments resulting from the annual review of IFRSs (published in May 2010) – some amendments are effective for annual periods beginning on or after 1 July 2010 and some for annual periods beginning on or after 1 January 2011.

The Company did not decide on early adoption of any other standard, interpretation or amendment which has been published but has not yet become effective.

6. New standards and interpretations published but not in force yet

The following standards and interpretations were issued by the International Accounting Standards Council and International Financial Reporting Interpretations Committee, but have not come into force:

- The first phase of IFRS 9 *Financial Instruments: Classification and Measurement* – effective for annual periods beginning on or after 1 January 2013 – not adopted by the EU till the date of approval of these financial statements. In the following phases, the International Accounting Standards Board will deal with hedge accounting and impairment. Application of the first phase of IFRS 9 will affect the classification and measurement of the Company's financial assets. The Company is going to assess the impact of the first phase in conjunction with the consecutive phases when they are published, in order to ensure a coherent picture;
- Amendments to IFRS 7 *Financial Instruments: Disclosures: Transfers of Financial Assets* – effective for annual periods beginning on or after 1 July 2011 – not adopted by the EU till the date of approval of these financial statements;
- Amendments to IAS 12 *Income Taxes: Deferred Tax: Recovery of Underlying Assets* – effective for annual periods beginning on or after 1 January 2012 – not adopted by the EU till the date of approval of these financial statements;
- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* – effective for annual periods beginning on or after 1 July 2011 – not adopted by the EU till the date of approval of these financial statements;
- IFRS 10 *Consolidated Financial Statements* – the standard was published in May 2011 and shall be effective for annual periods beginning on or after 1 January 2013; the deadline for endorsement of this standard by the EU has not been set yet;
- IFRS 11 *Joint Arrangements* – the standard was published in May 2011 and shall be effective for annual periods beginning on or after 1 January 2013; the deadline for endorsement of this standard by the EU has not been set yet;
- IFRS 12 *Disclosures of Involvement with Other Entities* – the standard was published in May 2011 and shall be effective for annual periods beginning on or after 1 January 2013; the deadline for endorsement of this standard by the EU has not been set yet;
- IFRS 13 *Fair Value Measurement* – the standard was published in May 2011 and shall be effective for annual periods beginning on or after 1 January 2013; the deadline for endorsement of this standard by the EU has not been set yet;
- Revised IAS 27 *Separate Financial Statements* – the revised standard was published in May 2011 due to the issuance of IFRS 10; it shall be effective for annual periods beginning on or after 1 January 2013; the deadline for endorsement of this standard by the EU has not been set yet;

- Revised IAS 28 *Investments in Associates and Joint Ventures* – the revised standard was published in May 2011 due to the issuance of IFRS 11; it shall be effective for annual periods beginning on or after 1 January 2013; the deadline for endorsement of this standard by the EU has not been set yet.

7. Changes in the applied principles of presentation

In the period reported the principles of presentation were changed as follows:

	As at 31 December 2010			As at 30 September 2010		
	Report for the year ended 31 Dec. 2010	Change in presentation method	Balance after change in presentation method	Report for 9 months ended 30 Sept. 2010	Change in presentation method	Balance after change in presentation method
Non-current assets						
Intangible assets	2,813.2	-	2,813.2	2,679.8	17.3	2,697.1
Restricted cash	1.6	(1.6)	-	1.6	(1.6)	-
Long-term receivables	36.8	1.6	38.4	56.0	1.6	57.6
Current assets						
Deferred expenses	85.7	-	85.7	84.2	(17.3)	66.9
Other receivables	279.0	7.2	286.2	239.0	1.8	240.8
Cash and short-term deposits	842.2	(7.2)	835.0	354.0	(1.8)	352.2

The reclassification between cash and other receivables resulted from changing the presentation method of "cash with restricted availability" which comprises cash at bank accounts of consolidated companies that has been frozen as a form of security primarily for agreements to grant bank guarantees.

Whereas, the reclassification between intangible assets and deferred expenses is related to the costs of research and development projects in progress which have been capitalized.

8. Restatement of comparative data due to a change in the initial recognition of obtaining control over the Formula Systems Group

On 24 November 2010, Asseco Poland obtained control over Formula Systems (1985) Ltd. as a result of effective acquisition of a 50.66% voting interest and a 49.19% equity interest in Formula Systems (1985) Ltd. from Emblaze Ltd. Goodwill arising from the purchase of Formula Systems shares, as disclosed in the financial statements for the year ended 31 December 2010, was estimated on the basis of provisional values of identifiable assets, liabilities and contingent liabilities. Up till 30 September 2011, in connection with the conducted process of allocation of the purchase cost, the estimated goodwill arising on the acquisition of Formula Systems Group was changed. Concurrently, we decided that the non-controlling interests resulting from this transaction shall be carried at fair value.

As at 30 September 2011, the Group has not yet completed the process of allocation of the purchase cost. The Company continues to identify and measure individual items of assets, liabilities and contingent liabilities, including employee benefit plans and intangible assets. Hence, the amount of goodwill recognized on the acquisition of the Formula Systems Group may be subject to change.

All figures in millions of PLN, unless stated otherwise

With regard to the above, the following restatements were made as at 31 December 2010:

	Report for the year ended 31 Dec. 2010	Change resulting from allocation of purchase cost	Balance after change resulting from allocation of purchase cost
Non-current assets			
Goodwill arising from consolidation,	1,865.8	531.5	2,397.3
of which goodwill attributed to the Formula Systems Group	*616.4*	*531.5*	*1,147.9*
Shareholders' equity (attributable to Shareholders of the Parent Company)			
Foreign currency translation differences on subsidiary companies	(4.7)	3.2	(1.5)
Prior years' retained earnings (deficit) and current net profit	444.0	(12.8)	431.2
Non-controlling interests	**1,371.7**	**541.1**	**1,912.8**

9. Corrections of material errors

In the period reported there were no events or developments that would require making corrections of any material misstatements.

All figures in millions of PLN, unless stated otherwise 59

II. INFORMATION ON OPERATING SEGMENTS

According to IFRS 8, an operating segment is a separable component of the Group's business for which separate financial information is available and regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Asseco Group has identified the following operating segments:

- Polish market – this segment groups the companies which generate sales revenues mostly in the domestic market. Performance of this segment is analyzed on a regular basis by the Parent Company's Management Board acting as the chief operating decision maker. The Polish market segment comprises the following companies: Asseco Poland, Asseco Business Solutions, Combidata, ZUI Novum, ADH Soft, and ZUI Otago. The aforementioned companies offer comprehensive IT services intended for a broad range clients operating in the sectors of financial institutions, enterprises and public administration. In the period of 9 months ended 30 September 2011, the segment's major clients included: Social Insurance Institution (ZUS), Bank PKO BP, Agency for Restructuring and Modernisation of Agriculture (ARiMR), Polish Telecom Group, PZU Insurance Group, Ministry of Interior and Administration (MSWiA), Central Statistical Office (GUS), Elbląg Municipality, and the National Healthcare Fund (NFZ). Sales revenues from these clients reached PLN 517.9 million or 44.3% of the segment's total turnover in the period reported.
- Balkan market – this segment includes the companies which derive their revenues mostly from the markets of Serbia, Romania, Croatia, Macedonia, and Turkey. Performance of these companies is assessed on a periodic basis by the Management Board of Asseco South Eastern Europe. This segment is identical with the composition of the Asseco South Eastern Europe Group. The segment's performance as a whole is subject to regular verification by the Management Board of Asseco Poland. The aforementioned companies offer comprehensive IT services intended for a broad range clients operating primarily in the sector of financial institutions. In the period of 9 months ended 30 September 2011, the segment's major clients included: Makedonski Telecom, Privredna Banka Zagreb, Banca Intesa, S&T Romania, Hrvatska Poštanska Banka, and NLB Tutunska Banka. Sales revenues from these clients reached PLN 50.0 million or 15.8% of the segment's total turnover in the period reported.
- German market – this segment gathers the companies which generate sales revenues mostly in Germany and Austria. Performance of these companies is assessed on a periodic basis by the Management Board of Asseco DACH. This segment is identical with the composition of the Asseco DACH Group. The segment's performance as a whole is subject to regular verification by the Management Board of Asseco Poland. This Group offers comprehensive IT services intended primarily for the enterprises sector. In the period of 9 months ended 30 September 2011, the segment's major clients included: BMC Software INC, Phoenix Solar AG, DSP IT Service GmbH, TAP.DE Desktop Solutions GmbH, and Consulting4IT GmbH. Sales revenues from these clients reached PLN 29.7 million or 20.3% of the segment's total turnover in the period reported.
- Slovak market – this segment groups the companies which derive their revenues mostly from the markets of Slovakia, Czech Republic, and Hungary. Performance of these companies is assessed on a periodic basis by the Management Board of Asseco Central Europe. This segment is identical with the composition of the Asseco Central Europe Group. The segment's performance as a whole is subject to regular verification by the Management Board of Asseco Poland. The aforementioned companies offer comprehensive IT services intended for a broad range clients operating in the sectors of financial institutions, enterprises and public administration. In the period of 9 months ended 30 September 2011, the segment's

major clients included: Centrální Depozitář, IT Solutions SK, Všeobecná Zdravotná Poisťovna, TEMPEST a.s., T-mobile Czech Republic, ČEZ ICT Services, Kapsch Telematic Services, and Poštová Banka. Sales revenues from these clients reached PLN 85.4 million or 23.0% of the segment's total turnover in the period reported.

- Israeli market – this segment includes the companies which generate sales revenues mostly in North America, Japan, and Europe, Middle East, and Africa (EMEA region). Performance of these companies is assessed on a periodic basis by the Management Board of Formula Systems. The segment composition corresponds to the structure of the Formula Systems Group. The segment's performance as a whole is subject to regular verification by the Management Board of Asseco Poland. In the period of 9 months ended 30 September 2011, the segment's major clients included: Leumi Bank, Ministry of Defense of Israel, Bank Hapoalim, Menorah Insurance, Clalit Health Services, and Discount Bank. Sales revenues from these clients reached PLN 195.1 million or 14.4% of the segment's total turnover in the period reported.
- The "Other" column includes financial results of the following entities: Podkarpacki Fundusz Nieruchomości, Gladstone Consulting, Sintagma, Asseco Spain, Asseco Denmark, Peak Consulting, and Necomplus Group. Financial results of these companies have been disclosed in aggregate, because none of them separately met the quantitative thresholds for reportable segments as specified in IFRS 8. In the period of 9 months ended 30 September 2011, the segment's major clients included: Caixarenting, Bank Pekao S.A., INGENICO Portugal, Redsys, Pensam, and Banco Cam. Sales revenues from these clients reached PLN 67.8 million or 30.4% of the segment's total turnover in the period reported.

For 9 months ended and as at 30 September 2011 (unaudited)	Polish market	Balkan market	German market	Slovak market	Israeli market	Other	Eliminations	Total
Sales revenues:	**1,170.0**	**315.6**	**146.2**	**371.5**	**1,353.8**	**223.1**	**(56.8)**	**3,523.4**
Sales to external customers	1,144.1	300.9	141.9	363.1	1,353.4	220.0		3,523.4
Inter/intra segment sales	25.9	14.7	4.3	8.4	0.4	3.1	(56.8)	-
Operating profit (loss) of reportable segment	**286.9**	**36.6**	**(1.4)**	**57.6**	**113.2**	**12.3**	**(0.8)**	**504.4**
Interest income	9.0	2.2	0.7	0.8	5.3	1.0	(0.6)	**18.4**
Interest expense	(7.8)	(0.2)	(0.8)	(1.3)	(10.3)	(1.5)	0.6	**(21.3)**
Corporate income tax	**(57.3)**	**(5.1)**	**(0.1)**	**(10.8)**	**(17.8)**	**(2.3)**	**-**	**(93.4)**
Non-cash items:								
Depreciation and amortization	(49.3)	(6.3)	(4.7)	(27.9)	(28.5)	(10.8)	0.3	**(127.2)**
Net profit (loss) of reportable segment	**221.4**	**36.8**	**(1.9)**	**47.6**	**129.5**	**8.7**	**(0.9)**	**441.2**
Net cash provided by (used in) operating activities	**131.4**	**14.8**	**(2.4)**	**64.0**	**81.0**	**13.2**	**(0.7)**	**301.3**
Segment assets, of which:	**3,933.9**	**794.3**	**334.8**	**854.8**	**2,197.3**	**641.7**	**(11.6)**	***8,745.2***
goodwill arising from consolidation	*243.7*	*548.3*	*218.9*	*247.0*	*1,221.3*	*105.2*	-	***2,584.4***
goodwill arising from mergers	*2,034.9*	-	*17.7*	*127.4*	-	-	-	***2,180.0***
investments in associated companies	*7.3*	-	-	*3.4*	*245.6*	*3.5*	-	***259.8***
Average workforce in the period reported	**4,251**	**1,188**	**322**	**1,516**	**6,386**	**634**	**-**	**14,297**
Segment capital expenditures	**78.8**	**7.9**	**5.4**	**13.1**	**47.9**	**5.1**		**158.2**

All figures in millions of PLN, unless stated otherwise

For 9 months ended and as at 30 September 2010 (unaudited)	Polish market	Balkan market	German market	Slovak market	Other	Eliminations	Total
Sales revenues:	**1,296.0**	**300.5**	**112.0**	**375.7**	**188.0**	**(80.4)**	**2,191.8**
Sales to external customers	1,221.0	299.5	111.9	375.1	184.3	-	**2,191.8**
Inter/intra segment sales	75.0	1.0	0.1	0.6	3.7	(80.4)	**-**
Operating profit (loss) of reportable segment	**323.4**	**34.7**	**6.7**	**35.3**	**15.7**	**(3.3)**	**412.5**
Interest income	8.4	1.6	0.6	0.4	0.2	(3.8)	**7.4**
Interest expense	(10.1)	(0.2)	(0.6)	(1.4)	(3.8)	3.8	**(12.3)**
Corporate income tax	**(25.0)**	**(5.4)**	**(0.7)**	**(7.0)**	**(2.1)**	**-**	**(40.2)**
Non-cash items:							
Depreciation and amortization	(53.5)	(4.6)	(3.9)	(22.1)	(6.9)	0.4	**(90.6)**
Impairment write-downs on segment assets	-	-	-	-	(21.2)	-	**(21.2)**
Net profit (loss) of reportable segment	**314.1**	**31.0**	**5.9**	**21.8**	**(11.2)**	**(0.9)**	**360.7**
Net cash provided by (used in) operating activities	**239.6**	**22.7**	**(4.0)**	**48.9**	**23.0**	**(3.4)**	**326.8**
Segment assets, of which:	**3,857.8**	**736.8**	**291.0**	**712.3**	**351.6**	**(61.9)**	**5,887.6**
goodwill arising from consolidation	*231.4*	*519.0*	*197.9*	*200.9*	*149.7*		***1,298.9***
goodwill arising from mergers	*2,030.9*	-	*16.1*	*129.4*	-	-	***2,176.4***
investments in associated companies	*9.1*	-	-	*2.8*	*3.1*	-	***15.0***
Average workforce in the period reported	**4,466**	**1,224**	**312**	**1,812**	**661**	**-**	**8,475**
Segment capital expenditures	**152.0**	**4.4**	**2.0**	**69.4**	**10.2**		**238.0**

All figures in millions of PLN, unless stated otherwise

III. EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Sales revenues and operating costs

During the period of 9 months ended 30 September 2011 and in the corresponding period last year, operating revenues and costs were as follows:

	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Sales revenues by type of business				
Proprietary software and services	2,571.1	869.7	1,429.9	460.4
of which sales of own licenses	*299.8*	*94.3*	*200.8*	*57.0*
Third-party software and services	458.1	146.1	354.6	141.1
Hardware and infrastructure	460.3	156.2	399.3	135.1
Other sales	33.9	11.2	8.0	2.8
	3,523.4	**1,183.2**	**2,191.8**	**739.4**
Sales revenues by sectors				
Banking and finance	1,159.3	376.7	751.3	262.4
Enterprises	1,525.2	539.4	714.2	242.7
Public institutions	838.9	267.1	726.3	234.3
	3,523.4	**1,183.2**	**2,191.8**	**739.4**

Operating costs	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Cost of merchandise, materials and third-party work sold (COGS) (-)	(786.0)	(260.4)	(665.3)	(234.9)
				-
Materials and energy used (-)	(32.7)	(11.1)	(27.8)	(8.1)
Third-party work (-)	(599.6)	(199.4)	(290.4)	(75.6)
Salaries (-)	(1,200.2)	(419.0)	(592.7)	(196.5)
Employee benefits (-)	(239.0)	(78.1)	(102.6)	(35.7)
of which the cost of defined contribution schemes (-)	*(162.7)*	*(70.0)*	*(40.6)*	*(8.8)*
Depreciation and amortization (-)	(127.2)	(41.7)	(90.6)	(32.2)
Taxes and charges (-)	(7.7)	(2.6)	(5.7)	(1.9)
Business trips (-)	(29.6)	(7.7)	(19.0)	(5.8)
Other (-)	(3.7)	(3.9)	7.0	4.2
	(2,239.7)	**(763.5)**	**(1,121.8)**	**(351.6)**
Cost of sales (-), of which	**(2,493.9)**	**(855.9)**	**(1,433.5)**	**(474.3)**
Production cost of products and services sold (-)	*(1,707.9)*	*(595.5)*	*(768.2)*	*(239.4)*
Cost of merchandise, materials and third-party work sold (COGS) (-)	*(786.0)*	*(260.4)*	*(665.3)*	*(234.9)*
Selling expenses (-)	**(253.9)**	**(77.5)**	**(156.1)**	**(47.5)**
General administrative expenses (-)	**(277.9)**	**(90.5)**	**(197.5)**	**(64.7)**

All figures in millions of PLN, unless stated otherwise

Currency structure of sales revenues and COGS

The table below presents the currency structure of sales revenues and costs of merchandise, materials and third-party work sold (COGS):

	9 months ended 30 Sept. 2011 (unaudited)		9 months ended 30 Sept. 2010 (unaudited)	
	Sales revenues %	COGS %	Sales revenues %	COGS %
PLN (Polish zloty)	31.9%	35.3%	56.2%	51.5%
NIS (new Israeli shekel)	28.9%	4.3%	n/a	n/a
EUR (euro)	16.6%	21.9%	21.5%	23.3%
USD (American dollar)	7.1%	25.1%	1.8%	6.7%
CZK (Czech crown)	3.7%	1.2%	5.9%	1.9%
RON (new Romanian leu)	2.6%	3.3%	4.4%	4.4%
RSD (Serbian dinar)	2.0%	2.3%	3.4%	3.6%
HRK (Croatian kuna)	1.1%	0.7%	0.8%	0.2%
DKK (Danish krone)	1.1%	1.4%	1.9%	2.0%
Other currencies [1)]	5.0%	4.5%	4.1%	6.4%
	100.0%	**100.0%**	**100.0%**	**100.0%**

[1)] including, but not limited to: BAM, BGN, CAD, CHF, GBP, HUF, JPY, LTL, MKD, TRY, ZAR

Reconciliation of depreciation and amortization charges

The table below presents the reconciliation of depreciation and amortization charges reported in the profit and loss account with those disclosed in the tables of changes in property, plant and equipment (Note 6) and in intangible assets (Note 7).

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Depreciation charge for the year as disclosed in the table of changes in property, plant and equipment	(63.3)	(55.1)
Depreciation charge on investment property for the year	-	(0.8)
Amortization charge for the year as disclosed in the table of changes in intangible assets	(69.1)	(38.6)
Amortization charge recognized directly in other comprehensive income	0.8	0.8
Reduction of amortization charge due to recognition of a subsidy to licenses generated internally	3.2	2.4
Capitalization of amortization charges against research and development projects in progress	1.2	0.7
Total depreciation/amortization charges reported in the profit and loss account	**(127.2)**	**(90.6)**

All figures in millions of PLN, unless stated otherwise

2. Financial income and expenses

In the period of 9 months ended 30 September 2011 and in the corresponding period, financial income and expenses were as follows:

	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Financial income				
Interest income on loans granted, debt securities, finance leases, trade accounts receivable, and bank deposits	18.4	5.4	7.4	2.1
Other interest income	0.5	0.2	2.2	-
Gain on foreign exchange differences	16.2	7.0	6.3	5.6
Dividends received from unrelated companies	0.6	0.6	0.4	-
Gain on disposal of equity investments in related companies	45.4	45.2	-	-
Gain on measurement/revaluation of financial assets at the balance sheet date	0.2	(0.1)	21.2	-
Gain on exercise and/or valuation of financial assets carried at fair value through profit or loss	6.8	6.5	14.9	3.1
Gain on revaluation of deferred payments for controlling interests in subsidiaries	4.1	-	-	-
Other financial income	0.6	0.2	4.5	2.0
	92.8	**65.0**	**56.9**	**12.8**
Financial expenses				
Interest expense on bank loans, borrowings, debt securities, finance leases and trade accounts payable	(21.3)	(7.0)	(12.3)	(3.8)
Other interest expenses	(2.5)	-	(1.1)	(0.5)
Loss on foreign exchange differences	(31.3)	(21.9)	(10.7)	-
Loss on disposal/liquidation of capital investments	-	-	(8.3)	(0.2)
Impairment write-down on goodwill	-	-	(21.2)	-
Loss on measurement/revaluation of financial assets at the balance sheet date	(0.6)	-	(2.2)	-
Expenses related to obtaining control over subsidiaries	(0.2)	-	-	-
Loss on exercise and/or valuation of financial assets carried at fair value through profit or loss	(6.4)	(2.0)	(9.9)	(6.0)
Other financial expenses	(2.9)	(1.5)	(4.2)	(0.8)
	(65.2)	**(32.4)**	**(69.9)**	**(11.3)**

All figures in millions of PLN, unless stated otherwise

3. Corporate income tax

The main charges on the pre-tax profit due to corporate income tax (current and deferred portions):

	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Current portion of income tax	(67.2)	(29.7)	(63.6)	(27.9)
Deferred portion of income tax	(26.2)	1.2	23.4	(1.4)
Income tax expense as disclosed in the profit and loss account	**(93.4)**	**(28.5)**	**(40.2)**	**(29.3)**

Regulations applicable to the value added tax, corporate income tax, personal income tax or social security contributions are subject to frequent amendments, thereby often depriving the taxpayers of a possibility to refer to well established regulations or legal precedents. The current regulations in force include ambiguities which may give rise to different opinions and legal interpretations on the taxation regulations either between companies and public administration, or between the public administration bodies themselves. Taxation and other settlements (for instance customs duty or currency payments) may be controlled by administration bodies that are entitled to impose considerable fines, and the amounts of so determined liabilities must be paid with high interest. In effect the amounts disclosed in the financial statements may be later changed, after the taxes payable are finally determined by the taxation authorities.

4. Earnings per share

Basic earnings per share are computed by dividing net profit for the period reported, attributable to shareholders of the Parent Company, by the weighted average number of ordinary shares outstanding during that financial period.

Diluted earnings per share are computed by dividing net profit for the period reported, attributable to shareholders of the Parent Company, by the adjusted (for the diluting impact of potential shares) weighted average number of ordinary shares outstanding during that financial period, adjusted by the factor of conversion of bonds convertible to ordinary shares.

The tables below present net profits and numbers of shares used for calculation of basic and diluted earnings per share:

	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Net profit attributable to shareholders of the Parent Company	**290.5**	**107.8**	**315.2**	**109.7**
Weighted average number of ordinary shares outstanding, used for calculation of basic earnings per share	77,565,530	77,565,530	68,986,012	68,986,012
Dilution factors	-	-	-	-
Adjusted weighted average number of ordinary shares, used for calculation of diluted earnings per share	**77,565,530**	**77,565,530**	**68,986,012**	**68,986,012**

Both during the period reported and the prior year's corresponding period took place no events that would result in a dilution of earnings per share.

All figures in millions of PLN, unless stated otherwise

5. Information on dividends paid out

In 2011 the Company paid out to its shareholders a dividend for the year 2010. On 28 April 2011, the Ordinary General Meeting of Shareholders of Asseco Poland S.A. passed a resolution to allocate PLN 139,617,954 out of the Company's net profit for the financial year 2010 to payment of a dividend amounting to PLN 1.80 per share. The remaining portion of undistributed net profit, corresponding to the difference between the total amount of net profit and the amount of net profit being distributed to shareholders, was allocated to the Company's reserve capital. The dividend day was set for 17 May 2011; whereas, the dividend payment was scheduled for 1 June 2011.

In 2010 the Company paid out to its shareholders a dividend for the year 2009. On 26 April 2010, the Ordinary General Meeting of Shareholders of Asseco Poland S.A. passed a resolution on distribution of the net profit for the financial year 2009, which totalled PLN 290,738,771.13, and on payment of a dividend amounting to PLN 1.47 per share, with reservation that 9,311,451 treasury shares, held by the Company as at the date of adopting that resolution, shall be excluded from dividend payment. The dividend day was set for 25 June 2010; whereas, the dividend payment was scheduled for 2 July 2010. The total amount of dividend payment reached PLN 106,034,563.32; whereas, the remaining portion of undistributed net profit amounting to PLN 184,704,207.81 was allocated to the Company's reserve capital.

6. Property, plant and equipment

The net book value of property, plant and equipment, during the period of 9 months ended 30 September 2011 and in the corresponding period, changed as a result of the following transactions:

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Net book value of property, plant and equipment as at 1 January	**516.9**	**366.9**
Additions, of which:	**118.3**	**172.2**
Purchases and modernization	100.8	171.6
Obtaining control over subsidiaries	9.6	0.6
Finance leases	7.9	-
Reductions, of which:	**(75.3)**	**(62.2)**
Depreciation charge for the period reported	(63.3)	(55.1)
Disposal and liquidation	(8.0)	(2.6)
Losing control over subsidiaries	(4.0)	-
Impairment write-downs	-	(2.0)
Reclassification to assets classified as held for sale	-	(2.5)
Foreign currency differences on translation of foreign subsidiaries	**16.1**	**(0.8)**
Net book value of property, plant and equipment as at 30 September	**576.0**	**476.1**

Both during the period of 9 months ended 30 September 2011 and in the corresponding period, the Group recognized a net gain on disposal of tangible fixed assets in the amount of PLN 0.7 million and PLN 8.7 million, respectively.

All figures in millions of PLN, unless stated otherwise

7. Intangible assets

The net book value of intangible assets, during the period of 9 months ended 30 September 2011 and in the corresponding period, changed as a result of the following transactions:

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Net book value of intangible assets as at 1 January	**2,813.2**	**2,643.0**
Additions, of which:	**76.3**	**96.5**
Purchases and modernization	14.9	59.4
Obtaining control over subsidiaries	18.8	24.2
Costs of research and development projects in progress	42.4	10.9
Transfer from tangible assets under construction	-	2.0
Other	0.2	-
Reductions, of which:	**(122.2)**	**(44.6)**
Amortization charge for the period reported	(69.1)	(38.6)
Disposal and liquidation	(0.2)	(0.6)
Losing control over subsidiaries	(52.9)	(5.1)
Impairment write-downs	-	(0.3)
Foreign currency differences on translation of foreign subsidiaries	**30.6**	**2.2**
Net book value of intangible assets as at 30 September	**2,797.9**	**2,697.1**

Intangible assets include, among others, the goodwill arising from the Parent Company's mergers with the following companies: Asseco Poland (former Comp Rzeszów), Prokom Software, ABG, ABG (former DRQ) and Asseco Systems, as well as from the mergers conducted by Asseco Business Solutions, Asseco Central Europe, Asseco Germany, and ZUI OTAGO. Goodwill recognized on the mergers amounted to PLN 2,180 million as at 30 September 2011, as compared with PLN 2,173.7 million as at 31 December 2010.

In the 3rd quarter of 2011, goodwill arising from mergers increased because ZUI OTAGO Sp. z o.o. purchased an organized part of the enterprise of Silvermedia. The acquired assets represent the division offering solutions within the Education Management Platform. Otago took over their products as well as the team of specialists responsible for both development and sales of applications. These applications support such functions as the recruitment of pupils to schools, keeping electronic school registers, issuing school certificates and student cards, communication between schools and parents, just to mention a few. The education solutions are complementary to the Otago's existing systems, and together form a comprehensive municipal management suite.

As at 30 September 2011, the Group has not yet completed the process of allocation of the purchase cost. Therefore, goodwill recognized on the acquisition of the above-mentioned organized part of enterprise may be subject to change till the end of 2011. The provisional values of identifiable assets and liabilities as at the date of obtaining control were as follows:

All figures in millions of PLN, unless stated otherwise

	Book values	Provisional values
	PLN '000	PLN '000
Assets acquired		
Property, plant and equipment	43.0	43.0
Intangible assets	-	1,153.0
Trade accounts receivable and other receivables	75.0	75.0
Cash and cash equivalents	45.0	45.0
Total assets	**163.0**	**1,316.0**
Liabilities acquired		
Trade accounts payable and other liabilities	53.6	53.6
Provisions	-	209.0
Total liabilities	**53.6**	**262.6**
Provisional value of net assets	**109.4**	**1,053.4**
Purchase cost	**5,000.0**	**5,000.0**
	Goodwill as at the acquisition date	**3,946.6**

The difference between the provisional value and book value of net assets acquired resulted primarily from the fair value of intangible assets (software acquired) that were recognized as at the acquisition date.

All figures in millions of PLN, unless stated otherwise

8. Goodwill arising from consolidation

	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Asseco Central Europe Group	247.0	233.7	213.1	200.9
Asseco South Eastern Europe Group	548.3	504.8	501.7	519.0
Asseco DACH Group	218.9	197.8	197.1	197.9
Asseco South Western Europe Group	40.3	36.4	35.7	75.3
Formula Systems Group	1,221.3	1,160.8	1,147.9	n/a
Asseco Business Solutions S.A.	92.1	92.1	92.1	92.1
Asseco Systems S.A.	14.2	14.2	14.2	14.2
Sawan S.A.	2.7	2.7	2.7	2.7
ZUI Novum Sp. z o.o	0.3	0.3	0.3	0.3
ADH Soft Sp. z o.o.	4.2	4.2	4.2	4.2
Combidata Poland Sp. z o.o.	35.6	35.6	35.6	35.6
Profirma Sp. z o.o.	0.5	0.5	0.5	0.5
ABG S.A. (former DRQ S.A.)	25.2	25.2	25.2	25.2
SI KAPITAŁ S.A.	32.5	32.5	32.5	32.5
Alatus Sp. z o.o.	1.6	1.6	1.6	1.6
ZUI OTAGO Sp. z o.o	18.3	18.3	18.3	22.5
Sintagma UAB Sp. z o.o.	16.5	14.9	14.8	14.9
Asseco Denmark A/S	26.0	23.5	24.5	24.6
Peak Consulting ApS	7.5	6.7	6.7	6.8
Gladstone Consulting Ltd	31.4	26.6	28.6	28.1
	2,584.4	**2,432.4**	**2,397.3**	**1,298.9**

All figures in millions of PLN, unless stated otherwise

During the 9-month period ended 30 September 2011, the goodwill from consolidation changed as follows:

	Consolidation goodwill at the beginning of the period	Change on revaluation of deferred payments	Increase on the acquisition of shares	Decrease due to loss of control	Foreign currency translation differences on subsidiary companies (+/-)	Consolidation goodwill at the end of the period
Asseco Central Europe Group	213.1	-	-	-	33.9	247.0
Asseco South Eastern Europe Group	501.7	-	-	-	46.6	548.3
Asseco DACH Group	197.1	-	-	-	21.8	218.9
Asseco South Western Europe Group	35.7	-	-	-	4.6	40.3
Formula Systems Group	1,147.9	-	77.9	(76.9)	72.4	1,221.3
Asseco Business Solutions S.A.	92.1	-	-	-	-	92.1
Asseco Systems S.A.	14.2	-	-	-	-	14.2
Sawan S.A.	2.7	-	-	-	-	2.7
ZUI Novum Sp. z o.o	0.3	-	-	-	-	0.3
ADH Soft Sp. z o.o.	4.2	-	-	-	-	4.2
Combidata Poland Sp. z o.o.	35.6	-	-	-	-	35.6
Profirma Sp. z o.o.	0.5	-	-	-	-	0.5
ABG S.A. (former DRQ S.A.)	25.2	-	-	-	-	25.2
SI KAPITAŁ S.A.	32.5	-	-	-	-	32.5
Alatus Sp. z o.o.	1.6	-	-	-	-	1.6
ZUI OTAGO Sp. z o.o	18.3	-	-	-	-	18.3
Sintagma UAB Sp. z o.o.	14.8	-	-	-	1.7	16.5
Asseco Denmark A/S	24.5	(1.1)	-	-	2.6	26.0
Peak Consulting ApS	6.7	-	-	-	0.8	7.5
Gladstone Consulting Ltd	28.6	-	-	-	2.8	31.4
	2,397.3	**(1.1)**	**77.9**	**(76.9)**	**187.2**	**2,584.4**

During the 3rd quarter of 2011, only Matrix IT Group (a subsidiary of Formula Systems Group) completed acquisitions which resulted in obtaining control over the companies of HighView Ltd. and Beyond Ltd.

All figures in millions of PLN, unless stated otherwise

Matrix IT Group (Formula Systems Group)

❑ *Acquisition of shares in HighView Ltd.*

On 1 September 2011, Matrix IT signed an agreement to acquire a 100% stake in HighView Ltd. for the price of NIS 5.5 million. The amount of NIS 5.3 million was paid on the agreement execution date, while the remaining NIS 0.2 million constitutes a conditional payment depending on the amount of operating profit generated by the acquired company.

As at 30 September 2011, the Group has not yet completed the process of allocation of the purchase cost. Therefore, goodwill recognized on the acquisition of HighView may be subject to change till the end of 2011.

The provisional values of identifiable assets and liabilities of HighView as at the date of obtaining control were as follows:

	Provisional value as at the acquisition date NIS millions	Provisional value as at the acquisition date PLN millions
Assets acquired		
Property, plant and equipment	0.5	0.4
Intangible assets	0.5	0.4
Trade accounts receivable	2.5	2.2
Other receivables	0.2	0.2
Cash and cash equivalents	1.1	1.0
Total assets	**4.8**	**4.2**
Liabilities acquired		
Trade accounts payable	0.1	0.1
Other liabilities	2.5	2.2
Deferred income tax provision	0.2	0.1
Provision for post-employment benefits	0.5	0.4
Long-term loans	0.3	0.3
Total liabilities	**3.6**	**3.1**
Provisional value of net assets	**1.2**	**1.1**
Equity interest acquired	100%	100%
Purchase cost	**5.5**	**4.9**
Goodwill as at the acquisition date	**4.3**	**3.8**

❑ *Acquisition of shares in Beyond Ltd.*

On 1 September 2011, Matrix IT signed an agreement to acquire a 100% stake in Beyond Ltd. for the price of NIS 2.2 million.

As at 30 September 2011, the Group has not yet completed the process of allocation of the purchase cost. Therefore, goodwill recognized on the acquisition of Beyond may be subject to change till the end of 2011.

The provisional values of identifiable assets and liabilities of Beyond as at the date of obtaining control were as follows:

All figures in millions of PLN, unless stated otherwise

	Provisional value as at the acquisition date	
	NIS millions	PLN millions
Assets acquired		
Property, plant and equipment	0.1	0.1
Intangible assets	1.9	1.7
Trade accounts receivable	0.2	0.2
Other receivables	0.1	0.0
Cash and cash equivalents	0.2	0.2
Total assets	0.9	0.8
Liabilities acquired	**3.4**	**3.0**
Trade accounts payable		
Other liabilities	0.1	0.1
Deferred income tax provision	1.2	1.0
Long-term loans	1.8	1.6
Total liabilities	**3.1**	**2.7**
Provisional value of net assets	**0.3**	**0.3**
Equity interest acquired	100%	100%
Purchase cost	**2.2**	**1.9**
Goodwill as at the acquisition date	**1.9**	**1.6**

All figures in millions of PLN, unless stated otherwise

9. Financial assets

As at 30 September 2011 and in the corresponding periods, the Group held the following financial assets:

	30 Sept. 2011 (unaudited)		30 June 2011 (unaudited)		31 Dec. 2010 (restated)		30 Sept. 2010 (unaudited)	
	Long-term	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*
Loans granted, of which:	**40.8**	**8.6**	**37.5**	**7.6**	**40.7**	**3.9**	**36.3**	**4.0**
Loans granted to entities related through the Key Management Personnel	36.5	0.9	33.4	0.9	35.4	0.4	14.7	-
Loans granted to employees	0.6	1.0	0.5	0.9	1.1	0.7	0.2	0.8
Loans granted to other entities	3.7	6.7	3.6	5.8	4.2	2.8	21.4	3.2
Financial assets held to maturity, of which:	**0.9**	**35.3**	**0.8**	**25.9**	**-**	**-**	**-**	**-**
Treasury bonds	-	2.8	-	8.2	-	-	-	-
Term deposits	0.9	32.5	0.8	17.7	-	-	-	-
Financial assets carried at fair value through profit or loss, of which:	**17.3**	**79.9**	**11.2**	**66.1**	**11.1**	**104.8**	**14.6**	**0.8**
Currency forward contracts	17.3	0.3	11.2	0.1	11.1	-	14.6	0.8
Corporate bonds	-	28.6	-	26.0	-	39.1	-	-
Treasury bonds	-	36.9	-	30.9	-	55.8	-	-
Shares in companies quoted on active markets	-	8.6	-	9.1	-	9.9	-	-
other	-	5.5						
Financial assets available for sale, of which:	**20.6**	**5.4**	**19.9**	**6.3**	**21.3**	**20.6**	**12.3**	**3.7**
Shares in companies quoted on active markets	2.3	0.6	4.3	0.6	4.4	0.6	2.2	-
Shares in companies not listed on stock markets	10.8	-	9.1	-	15.8	-	9.4	0.1
Corporate bonds	7.4	3.3	6.4	4.4	-	6.5	-	0.1
Treasury bonds	-	1.4	-	1.2	-	9.6	-	3.2
other	0.1	0.1	0.1	0.1	1.1	3.9	0.7	0.3
Total	**79.6**	**129.2**	**69.4**	**105.9**	**73.1**	**129.3**	**63.2**	**8.5**

All figures in millions of PLN, unless stated otherwise

Loans granted are measured at amortized cost at each balance sheet date. Loans to related entities were granted on an arm's length basis.

The balance of loans granted to other entities comprises primarily notes payable issued by Prokom Investments S.A. (net of impairment write-downs made) as well as a loan extended to Uniquare Software Development GmbH.

Loans granted to related entities are presented in explanatory note 17 to the interim condensed consolidated financial statements.

Financial assets held to maturity are measured at amortized cost at each balance sheet date.

Financial assets held to maturity comprise primarily term cash deposits with maturities exceeding 3 months.

Financial assets carried at fair value through profit or loss include forward transactions for purchase or sale of foreign currencies and the portfolio of financial assets held for trading, which comprise corporate bonds quoted on active markets and investment-rated Treasury bonds, as well as shares in companies quoted on active markets. Investments in debt securities and company shares are an alternative form of spare cash management as applied by Matrix IT Ltd. (a subsidiary of the Formula Systems Group). Forward transactions have been concluded chiefly in order to hedge against the foreign currency risk resulting from finance leases of real estate.

The fair value of currency forward contracts is determined at each balance sheet date using calculation models based on inputs that are directly observable in active markets. Whereas, the fair value of the financial assets portfolio is determined on the basis of quoted prices of such assets in active markets.

Financial assets available for sale include primarily equity investments not exceeding 20% of the target company's outstanding stock as well as Treasury bonds purchased without an intention to be held to maturity.

Investments in companies quoted on active markets are measured at fair value at each balance sheet date, on the basis of their closing prices on the balance sheet date. Any changes in such valuation are recognized in other comprehensive income. Investments in companies not listed on active markets are measured at their purchase cost adjusted by any impairment charges.

10. Deferred expenses

Deferred expenses	30 Sept. 2011 (unaudited)		30 June 2011 (unaudited)		31 Dec. 2010 (restated)		30 Sept. 2010 (restated)	
	Long-term	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*
Prepaid maintenance services and license fees	23.8	60.8	21.6	61.5	22.8	54.5	8.4	39.6
Prepaid rents	1.3	3.8	1.3	2.7	1.7	2.3	-	3.3
Prepaid insurance policies	-	2.6	-	3.1	-	2.4	-	2.0
Prepaid sponsoring and advertising	10.6	14.5	13.1	14.5	11.9	14.3	-	13.6
Other prepaid services	0.5	7.6	0.5	8.4	-	7.2	-	5.1
Other	0.3	4.7	0.3	8.4	1.5	5.0	63.2	3.3
	36.5	**94.0**	**36.8**	**98.6**	**37.9**	**85.7**	**71.6**	**66.9**

As at 30 September 2011 as well as at the end of corresponding periods, deferred expenses consisted mainly of:

- costs of prepaid maintenance services and licensing fees that will be gradually expensed in the profit and loss account in future periods,
- prepaid marketing and advertising expenses, mostly in favour of Asseco Prokom Gdynia and Asseco Resovia.

All figures in millions of PLN, unless stated otherwise

11. Long-term and short-term receivables

	30 Sept. 2011 (unaudited)		30 June 2011 (unaudited)		31 Dec. 2010 (restated)		30 Sept. 2010 (restated)	
	Long-term	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*
Trade accounts receivable	**3.8**	**775.1**	**4.4**	**771.6**	**6.3**	**1,016.3**	**6.3**	**457.4**
from related companies	-	12.1	-	3.7	-	4.8	-	2.6
from other companies	4.1	801.1	4.4	801.7	6.3	1,047.6	6.3	484.0
Revaluation write-downs on trade accounts receivable	(0.3)	(38.1)	-	(33.8)	-	(36.1)	-	(29.2)
Corporate income tax recoverable	**-**	**37.5**	-	**27.2**	-	**20.3**	-	**7.1**
Receivables from the State budget	**-**	**8.7**	**-**	**10.8**	**-**	**16.4**	**-**	**12.6**
Value added tax	-	4.8	-	4.4	-	11.3	-	8.3
Other	-	3.9	-	6.4	-	5.1	-	4.3
Other receivables	**27.0**	**504.4**	**39.2**	**441.5**	**32.1**	**286.2**	**51.3**	**240.8**
Receivables from book valuation of IT contracts	-	191.3	-	154.0	-	113.1	-	136.2
Receivables from non-invoiced deliveries	-	195.3	-	170.6	-	73.6	-	62.0
Receivables under finance leases	1.3	1.1	0.9	1.9	1.9	1.6	2.2	1.5
Receivables from guarantees of due performance of contracts	-	4.5	3.2	12.6	10.7	5.3	9.3	6.4
Receivables from subsidies		39.1	-	39.7	-	23.2	-	12.5
Receivables from advance payments and deposits	19.0	36.0	19.0	23.2	3.6	33.7	2.2	7.1
Receivables from employees	-	1.9	-	1.6	-	1.8	-	1.3
Receivables from disposal of tangible fixed assets	1.4	3.6	1.4	3.6	-	4.5	-	7.0
Receivables from disposal of shares in subsidiary companies	3.8	21.5	4.7	20.6	4.1	22.2	24.7	1.1
Net assets under defined employee benefits plan	-	-	3.2	-	3.5	-	-	-
Other receivables	3.5	17.1	9.1	20.5	10.4	13.3	13.4	16.9
Revaluation write-downs on other receivables	(2.0)	(7.0)	(2.3)	(6.8)	(2.1)	(6.1)	(0.5)	(11.2)

All figures in millions of PLN, unless stated otherwise

The usual payment term of trade accounts receivable ranges from 14 days to 3 months. The Group has a relevant policy based on selling its products to reliable clients only. Owing to that, in the management's opinion, the credited sales risk would not exceed the level covered by allowances for doubtful accounts.

The transactions with related companies are presented in Note 18 to these interim condensed consolidated financial statements.

Receivables from valuation of IT contracts (implementation contracts) result from the surplus of the percentage of completion of implementation contracts over invoices issued.

Receivables relating to non-invoiced deliveries result from sales of services which were performed during the period reported, but have not been invoiced until the balance sheet date.

Receivables relating to guarantees of due performance of contracts constitute a security in cash transferred to customers in order to compensate for any potential losses should the company fail to fulfil its contractual obligations.

Receivables from disposal of shares in subsidiaries include receivables from sale of shares in the companies of Koma Nord and Uniquare. These receivables are interest bearing.

Receivables from subsidies are related basically to the projects of IT Competence Center and Wilanów IT Center. The first project is implemented based on the agreement signed with the Ministry of Economy on 25 March 2010. The government grant is intended primarily to subsidize the salary costs, with a restriction that it may not exceed PLN 36.3 million representing 30% of the maximum amount of qualified expenses. The second project is implemented based on the agreement signed with the Ministry of Economy on 30 December 2010. The government grant is intended primarily to subsidize the costs of construction of Wilanów IT Center, with a restriction that it may not exceed PLN 31.1 million representing 30% of the maximum amount of qualified expenses.

12. Cash and cash equivalents

	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Cash at bank	359.8	320.1	350.0	223.7
Cash on hand	2.1	1.5	1.3	1.1
Short-term bank deposits (up to 3 months)	320.6	312.6	483.0	126.9
Cash equivalents	1.3	0.9	0.7	0.5
Total cash and cash equivalents as disclosed in the balance sheet	**683.8**	**635.1**	**835.0**	**352.2**
of which interest charged on cash and cash equivalents	*0.6*	*0.2*	*0.2*	-
Total cash and cash equivalents as disclosed in the cash flow statement	**683.2**	**634.9**	**834.8**	**352.2**

The interest on cash at bank is calculated with variable interest rates which depend on bank overnight deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of our companies, and earn interest at the respective short-term deposit rates.

All figures in millions of PLN, unless stated otherwise

13. Financial liabilities

	30 Sept. 2011 (unaudited)		30 June 2011 (unaudited)		31 Dec. 2010 (restated)		30 Sept. 2010 (restated)	
	Long-term	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*
Liabilities due to currency forward contracts concluded	-	0.9	-	-	-	0.1	0.8	0.3
Liabilities due to dividend payments	-	4.8	-	13.7	-	4.8	-	7.0
Liabilities due to the acquisition of shares – deferred payments for controlling interests	16.0	24.6	14.9	21.8	29.3	47.3	2.3	43.7
Liabilities due to the acquisition of non-controlling interests in subsidiaries (put options)	86.3	8.5	90.3	6.0	85.1	-	85.9	-
Other financial liabilities	0.9	0.1	0.8	0.3	0.8	0.2	0.8	11.2
	103.2	**38.9**	**106.0**	**41.8**	**115.2**	**52.4**	**89.8**	**62.2**

As at 30 September 2011 as well as in the corresponding periods, the Group carried estimated liabilities by virtue of deferred payments for controlling interests in companies acquired by the Parent Company as well as by Asseco Central Europe, Matrix IT, Magic Software, and Asseco South Eastern Europe in the years 2010-2011. The amount of such liabilities as at 30 September 2011 was lower than as at 31 December 2010 basically as a result of settlement of the payment for shares acquired in the companies of Asseco Denmark and Necomplus (payment in cash) as well as extinguishing liabilities under the agreement for acquisition of EST company (issuance of series T shares by ASEE). Concurrently, the Group recognized new liabilities arising on the acquisition of Magix Integration (Proprietary) Ltd. by Magic Software and on the acquisition of Babcom Centers and K.B.I.S. by Matrix IT.

As at 30 September 2011, liabilities due to dividend payments comprised dividends payable to non-controlling shareholders of the following companies: Combidata Polska (PLN 2.6 million), Necomplus (PLN 1.5 million), and Asseco Central Europe (PLN 0.7 million).

All figures in millions of PLN, unless stated otherwise

As at 30 September 2011 and in the corresponding periods, the Group recognized estimated liabilities by virtue of put options it had granted to non-controlling shareholders of the following companies:

	Liabilities under put options granted to non-controlling shareholders			
Name of company	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Statlogics Zrt	8.5	6.0	13.2	13.3
UAB Sintagma	13.6	11.8	14.4	13.7
Asseco South Eastern Europe S.A.[1)]	39.0	47.3	55.1	50.0
Multicard d.o.o.	1.3	1.1	1.1	8.9
Companies of Matrix IT Group[2)]	32.4	30.1	1.3	-
	94.8	**96.3**	**85.1**	**85.9**

1) *Option extended in favour of the European Bank for Reconstruction and Development*
2) *Liabilities on the acquisition of companies: Babcom Centers, Matchpoint, K.B.I.S. and GBT Asia.*

The amounts of the above-mentioned liabilities have been estimated using the formula for determination of the option exercise price, as defined in the option agreements, which corresponds to a given company's net profit for the contractual term multiplied by a predetermined coefficient.

All figures in millions of PLN, unless stated otherwise

14. Interest-bearing bank loans and debt securities issued

	Credit currency	Effective interest rate	Repayment date	Outstanding debt as at: 30 Sept. 2011 (unaudited)	Outstanding debt as at: 31 Dec. 2010 (restated)	Maximum debt as at: 30 Sept. 2011 (unaudited)	Maximum debt as at: 31 Dec. 2010 (restated)
Revolving credit facilities with a specified maximum amount of debt	***EUR***	EONIA+margin	4Q 2011	15.9	12.2	24.4	19.8
		EURIBOR+margin	4Q 2011	4.4	-	13.2	-
			not specified	-	-	-	0.4
			1H 2012	0.2	-	0.2	-
			3Q 2012	6.8	3.3	9.7	8.7
		fixed interest rate	2010	-	-	-	1.6
			4Q 2011	-	-	0.1	-
	HUF	fixed interest rate	3Q 2012	1.1	0.8	1.1	10.7
	MKD	fixed interest rate	2Q 2011	-	-	-	0.1
	PLN	WIBOR+margin	2010	-	-	-	20.4
			4Q 2011	-	-	300.0	300.0
			1H 2012	12.3	-	99.5	96.0
			2H 2012	-	-	150.0	150.0
	multi-currency	EURIBOR/LIBOR/BUBOR+margin	1H 2012	-	-	6.6	7.9
				40.7	**16.3**	**604.8**	**615.6**
Bank overdraft facilities with an unspecified maximum amount of debt	***EUR***	EURIBOR+margin	not specified	-	0.7	not specified	not specified
	NIS	Prime (Israel) + margin	not specified	10.0	1.6	not specified	not specified
				10.0	**2.3**		

All figures in millions of PLN, unless stated otherwise

	Credit currency	Effective interest rate	Repayment date	30 Sept. 2011 (unaudited)		31 Dec. 2010 (restated)	
				short-term	long-term	short-term	long-term
Non-revolving credits	***EUR***	EURIBOR+margin	2H 2012	2.5	0.6	2.2	2.2
			2013	10.3	10.7	8.6	14.0
			2014	0.4	2.3	0.2	-
			2015	0.3	4.6	0.4	4.6
			2017	0.1	0.6	0.1	0.6
			2022	-	0.2	-	0.2
		fixed interest rate	1H 2012	-	-	0.1	-
			2H 2012	1.2	5.7	0.1	10.7
			2013	0.4	1.9	0.1	2.1
	NIS	fixed interest rate	1H 2012	2.3	-	3.3	1.4
			2016	3.5	14.1	-	-
		Prime (Israel) + margin	1Q 2011	-	-	0.4	-
			1H 2012	8.4	-	11.0	4.7
			2H 2012	3.9	-	3.5	2.8
			2013	0.1	0.1	-	-
	PLN	WIBOR+margin	2022	-	123.9	-	86.2
	RSD	fixed interest rate	3Q 2011	0.2	-	1.6	-
	TRY	fixed interest rate	2014	-	-	-	0.1
				33.6	**164.7**	**31.6**	**129.6**

All figures in millions of PLN, unless stated otherwise

	Credit currency	Effective interest rate	Repayment date	30 June 2011 (unaudited) short-term	30 June 2011 (unaudited) long-term	31 Dec. 2010 (restated) short-term	31 Dec. 2010 (restated) long-term
Loans	EUR	EURIBOR+margin	2Q 2011	-	-	0.6	-
			4Q 2011	9.8	-	4.2	-
			1H 2012	1.0	-	1.9	-
			2H 2012	1.0	-	0.6	-
			not specified	-	2.8	-	1.9
		fixed interest rate	1Q 2011	-	-	2.1	-
			3Q 2011	-	-	0.1	-
			4Q 2011	1.6	-	-	-
			2H 2012	0.3	-	0.3	0.3
			2013	0.2	0.1	0.2	0.2
			2014	0.2	0.7	0.2	0.8
	RSD	fixed interest rate	1H 2012	-	-	-	-
	TRY	fixed interest rate	3Q 2011	-	-	0.1	-
	USD	fixed interest rate	2H 2012	0.5	-	0.4	0.4
	ZAR	Prime (RSA) + margin	4Q 2011	0.2	-	-	-
				14.8	**3.6**	**10.7**	**3.6**

The Group's liabilities under non-revolving credits and loans amounted to PLN 216.7 million as at 30 September 2011, of which PLN 168.3 million represented liabilities with maturity over 12 months. Whereas, as at 31 December 2010, liabilities under non-revolving credits and loans amounted to PLN 175.5 million, of which PLN 133.2 million represented long-term liabilities.

All figures in millions of PLN, unless stated otherwise

As at 30 September 2011, the Group carried liabilities by virtue of issuance of debt securities. The table below presents basic parameters of debt securities outstanding as at the balance sheet date:

	Division into short- and long-term portion	30 Sept. 2011 (unaudited)	31 Dec. 2010 (restated)	Effective interest rate	Currency	Redemption date
Debt securities issued by Matrix IT Ltd	long-term portion	101.6	93.9	5.2%	NIS	2013-12-31
	short-term portion	52.9	47.2			2011-12-31
		154.5	**141.1**			

These debt securities were issued in August 2007 by Matrix Ltd. and are supposed to be redeemed in four equal portions of NIS 50 million (ca. PLN 43.9 million), on the following dates: 31 December 2010, 31 December 2011, 31 December 2012, and 31 December 2013.

The first portion was redeemed in December 2010 while the remaining portions will be redeemed during the next years. As of 21 February 2008, these securities have been listed on TASE.

In the period reported, the margins realized by lenders to the Asseco Group companies ranged from 0.095 to 10 percentage points. Whereas, in the previous year such margins ranged between 0.095 and 5 percentage points.

Hence, the Group's total liabilities under all credits and loans taken out and debt securities issued aggregated at PLN 421.9 million as at 30 September 2011, as compared with PLN 335.2 million outstanding as at 31 December 2010.

All figures in millions of PLN, unless stated otherwise

Assets serving as security for bank credit facilities:

Category of assets	Net value of assets		Utilized amount of loan facility secured with assets	
	30 Sept. 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2011 (unaudited)	31 Dec. 2010 (restated)
Intangible assets - software	1.8	1.6	0.5	0.8
Tangible assets - land and buildings	201.8	203.3	123.9	87.1
Shares in subsidiary companies carried at book value	16.1	13.1	22.0	24.5
Current and future receivables	12.7	28.0	6.8	3.3
TOTAL	**232.4**	**246.0**	**153.2**	**115.7**

Assets serving as security for bank guarantee facilities:

Category of assets	Net value of assets		Amount of granted guarantee secured with assets	
	30 Sept. 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2011 (unaudited)	31 Dec. 2010 (restated)
Treasury bonds	-	8.0	-	20.1
Inventories	-	3.3	-	-
Current receivables	2.9	2.5	-	-
Cash and cash equivalents	16.4	7.2	15.0	10.9
TOTAL	**19.3**	**21.0**	**15.0**	**31.0**

Some loans taken out in Polish and Israeli banks come with the so-called covenants, which impose an obligation to maintain certain financial ratios at the levels required by the bank. These ratios are related to the level of indebtedness, e.g. debt to EBITDA or debt to equity ratios, or to achieving the expected operating profits. In the event a company carrying such a covenanted loan fails to satisfy the said requirements, the bank may apply a sanction in the form of a higher credit margin. Should the bank deem the new level of a ratio to be unacceptable, the bank may in certain cases exercise its rights in the collateral provided as security.

All figures in millions of PLN, unless stated otherwise

15. Long-term and short-term trade accounts payable and other liabilities

	30 Sept. 2011 (unaudited)		30 June 2011 (unaudited)		31 Dec. 2010 (restated)		30 Sept. 2010 (restated)	
	Long-term	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*
Trade accounts payable	**0.4**	**248.9**	**0.4**	**273.5**	**0.3**	**457.0**	**0.6**	**178.1**
from related companies	-	1.8	-	3.7	-	13.6	-	0.2
from other companies	0.4	247.1	0.4	269.8	0.3	443.4	0.6	177.9
Corporate income tax payable	**-**	**40.3**		**28.4**	**-**	**50.2**	**-**	**23.4**
Liabilities to the State budget	**-**	**68.6**	**-**	**98.4**	**-**	**132.5**	**-**	**52.7**
Value added tax (VAT)	-	39.0	-	40.9	-	79.3	-	26.0
Personal income tax (PIT)	-	9.0	-	7.6	-	11.5	-	9.7
Social Insurance Institution (ZUS)	-	18.0	-	18.0	-	17.9	-	15.5
Withholding income tax	-	0.4	-	10.9	-	0.2	-	0.2
Other	-	2.2	-	21.0	-	23.6	-	1.3
Other liabilities	**1.0**	**163.0**	**0.9**	**151.1**	**1.1**	**216.5**	**0.7**	**137.6**
Liabilities arising from valuation of IT contracts	-	21.4	-	20.5	-	83.3	-	81.4
Liabilities due to non-invoiced deliveries	-	18.1	-	14.3	-	16.8	-	11.7
Liabilities due to guarantees of due performance of contracts	0.3	0.4	0.2	0.1	0.1	0.1	0.1	1.0
Liabilities to employees relating to salaries and wages	-	94.1	-	90.9	-	84.9	-	12.6
Trade prepayments received	-	22.6	-	18.5	-	26.4	-	14.6
Liabilities due to purchases of tangible assets and intangible assets	0.6	1.6	0.5	0.7	-	1.3	0.5	0.1
Other liabilities	0.1	4.8	0.2	6.1	1.0	3.7	0.1	16.2
	1.4	**520.8**	**1.3**	**551.4**	**1.4**	**856.2**	**1.3**	**391.8**

All figures in millions of PLN, unless stated otherwise

Trade accounts payable are not interest-bearing. Transactions with related companies are presented in Note 17 to these interim condensed consolidated financial statements.

The amount resulting from the difference between VAT payable and VAT recoverable is paid to competent tax authorities on a monthly basis.

Other liabilities relate mainly to items resulting from valuation of implementation contracts and non-invoiced deliveries. Other liabilities are not interest-bearing.

16. Accrued expenses and deferred income

	30 Sept. 2011 (unaudited)		30 June 2011 (unaudited)		31 Dec. 2010 (restated)		30 Sept. 2010 (restated)	
	Long-term	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*	*Long-term*	*Short-term*
Accrued expenses, of which:	**-**	**201.6**	**-**	**189.3**	**-**	**187.1**	**-**	**97.9**
Provision for unused annual leaves	-	50.2	-	60.5	-	52.1	-	24.0
Provision for the employee and management bonuses	-	70.8	-	54.3	-	81.3	-	45.9
Provision for expenses	-	80.6	-	74.5	-	53.7	-	28.0
Deferred income, of which:	**57.1**	**175.5**	**53.2**	**205.1**	**75.8**	**175.7**	**41.7**	**102.7**
Maintenance services	38.8	138.2	29.1	142.3	48.9	136.1	12.8	73.9
Other prepaid services	-	17.0	4.6	44.8	6.1	34.3	7.2	16.1
Subsidies for the construction of assets	18.1	20.2	19.3	17.3	20.8	4.2	21.7	3.8
Averaging of instalments under operating leases		-		0.3	-	1.1	-	-
Other	0.2	0.1	0.2	0.4	-	-	-	8.9

Accrued expenses comprise: provisions for unused annual leaves, provisions for salaries and wages of the current period to be paid out in future periods which result from the bonus schemes applied by the Group, provision for the audit of financial statements, and provisions for operating expenses of the Group's companies which were incurred in the current reporting period but have not been invoiced until the balance sheet date.

The balance of deferred income (unearned revenues) comprises mainly future revenues recognized over time for the provision of services, such as IT support services, as well as subsidies for research and development projects.

All figures in millions of PLN, unless stated otherwise

17. Related party transactions

Transactions with related companies	Asseco Group sales to related entities in the period of		Asseco Group purchases from related entities in the period of		Asseco Group receivables as at		Asseco Group liabilities as at	
	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	30 Sept. 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2011 (unaudited)	31 Dec. 2010 (restated)
Trade accounts receivable and payable								
Associated companies	**6.9**	**6.3**	**1.0**	**1.8**	**2.0**	**2.1**	**0.1**	**0.3**
Prvni Certifikacani Autorita, a.s. (I.CA)	-	0.1	0.1	0.1	-	-	-	0.1
Postdata S.A.	6.8	6.2	-	-	1.9	2.1	-	-
CodeConnexion Ltd.	-	-	0.9	1.7	-	-	0.1	0.2
Sapiens International Corporation N.V.	0.1	n/a	-	n/a	0.1	n/a	-	n/a
Entities excluded from consolidation	**-**	**n/a**	**0.5**	**n/a**	**2.5**	**2.4**	**-**	**-**
Higher School of Finance and Administration in Sopot	-	n/a	0.5	n/a	2.5	2.4	-	-
Transactions with entities related through the Group's Key Management Personnel	**0.3**	**1.4**	**25.5**	n/a	**7.6**	**0.1**	**1.5**	**12.9**
Transactions with the Group's Key Management Personnel	**0.1**	**n/a**	**12.2**	**n/a**	**-**	**0.2**	**0.2**	**0.4**
Total trade accounts receivable and payable	**7.3**	**7.7**	**39.2**	**1.8**	**12.1**	**4.8**	**1.8**	**13.6**
Loans granted to entities related through the Group's Key Management Personnel								
Matrix Inc.	0.7	n/a	n/a	n/a	23.1	20.1	n/a	n/a
Gambit Sp. z o.o.	0.6	n/a	n/a	n/a	12.9	14.9	n/a	n/a
Loans granted to Key Management Personnel	n/a	n/a	n/a	n/a	0.8	0.4	3.0	n/a
Higher School of Finance and Administration in Sopot	n/a	n/a	n/a	n/a	0.5	0.4	n/a	n/a
PIW Postinfo Sp. z o.o.	n/a	n/a	n/a	n/a	0.1	n/a	n/a	n/a
Total loans	**1.3**	**-**	**-**	**-**	**37.4**	**35.8**	**3.0**	**-**

All figures in millions of PLN, unless stated otherwise

18. Notes to the statement of cash flows

Cash flows - operating activities

The table below presents items included in the line "Changes in working capital" under the adjustments of operating cash flows:

Changes in working capital	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Change in inventories	(4.4)	(3.1)
Change in receivables	115.2	158.3
Change in liabilities	(354.7)	(192.1)
Change in deferred and accrued expenses	(4.5)	(32.4)
Change in provisions	(14.2)	(7.6)
	(262.6)	**(76.9)**

Cash flows - investing activities

The balance of cash flows under investing activities was affected primarily by:

- Acquisition of tangible fixed assets and intangible assets for PLN 158.6 million, with the largest amounts corresponding to the costs of continued construction of the Parent Company's new office in Wilanów (PLN 45.9 million) as well as expenditures for ongoing research and development projects (PLN 41.2 million). The remaining outflows related primarily to purchases of transportation vehicles, computer hardware, and intangibles for internal purposes of the Asseco companies.
- Expenditures for the acquisition of subsidiary companies, and cash and cash equivalents of acquired subsidiary companies:

	Cost of acquisition of shares in subsidiary companies	Cash and cash equivalents of acquired subsidiary companies
Acquisitions made by the Asseco South Western Europe Group	*8.4	n/a
Acquisitions made by the Asseco South Eastern Europe Group	*5.6	n/a
Acquisitions made by the Magic Software Group [1]	22.4	-
Acquisitions made by the Matrix IT Group [2]	32.4	2.4
Acquisitions made by the Asseco Central Europe Group [3]	3.8	-
Payment for shares in Asseco Denmark	*4.7	n/a
Acquisition of ZCP by ZUI OTAGO	5.0	-
	82.3	**2.4**

** Payment of a successive instalment for the controlling interest acquired before 1 January 2011*

[1] *Acquisition of shares in the companies: Magix Integration (Proprietary) Ltd, Complete Software Solutions Ltd, and Complete Technologies Ltd*

[2] *Acquisition of shares in the companies: K.B.I.S. Ltd, Matchpoint IT Ltd, Babcom Centers Ltd, HighView Ltd, and Beyond Ltd*

[3] *Acquisition of shares in the companies: Wimax Telecom Slovakia s.r.o and M-ELEKTRONIK, s.r.o*

All figures in millions of PLN, unless stated otherwise

Cash flows - financing activities

- Proceeds from issuance of shares by subsidiaries – this item includes capital raised from the issuance of shares by Magic Software.
- Expenditures for the acquisition of non-controlling interests amounting to PLN 26.9 million are related primarily to the acquisition of an additional stake in Sapiens International Corporation by Formula Systems, acquisition of an additional stake in Magix Integration (Proprietary) Ltd by Magic Software, exercise of a call option to acquire a non-controlling interest in Statlogics by Asseco Central Europe, as well as the acquisition of a non-controlling interest in ADH Soft by the Parent Company.
- Dividend payments – this item includes dividends paid-out by the Parent Company in the amount of PLN 139.6 million, as well as dividends paid out to non-controlling shareholders by the following subsidiary companies: Matrix IT, Formula Systems, Asseco Central Europe, and Asseco Business Solutions.

19. Off-balance-sheet liabilities concerning related companies

As at 30 September 2011 and in the corresponding periods, guarantees and sureties extended by Asseco Poland for its indirectly owned subsidiary Asseco Germany in order to secure its bank loans and borrowings were as follows:

- surety in the amount of PLN 11 million issued in favour of Deutsche Bank AG to back up a current account overdraft facility. As at 30 September 2011, liabilities under this overdraft facility amounted to PLN 7.9 million; whereas, the surety value as at 30 June 2011, 31 December 2010 and 30 September 2010 amounted to PLN 3.8 million, PLN 3.4 million and PLN 3 million, respectively. This surety was extended for an indefinite period of time.
- surety in the amount of PLN 11 million issued in favour of BW Bank to back up a current account overdraft facility. As at 30 September 2011, liabilities under this overdraft facility amounted to PLN 8.1 million; whereas, the surety value as at 30 June 2011, 31 December 2010 and 30 September 2010 amounted to PLN 8.6 million, PLN 8.8 million and PLN 8.5 million, respectively.

As at 30 September 2011, guarantees and sureties extended by Asseco Poland for its indirectly owned subsidiary Matrix 42 AG in order to secure its bank loans and borrowings were as follows:

- surety in the amount of PLN 13.2 million issued in favour of Deutsche Bank AG to back up a short-term operating loan facility. As at 30 September 2011, liabilities by virtue of this loan amounted to PLN 4.4 million. This surety was extended for the period till 15 May 2013.

As at 30 September 2011, sureties extended by Asseco Poland for its subsidiary Sintagma in order to secure its bank loans and guarantee facilities were as follows:

- surety granted to UAB BTA Draudimas for liabilities of Sintagma by virtue of bank guarantees issued by the bank on behalf of that company. As at 30 September 2011, the surety value equalled PLN 1.4 million; whereas, as at 30 June 2011, 31 December 2010 and 30 September 2010 the related contingent liabilities amounted to PLN 1.3 million.

On 14 April 2008, Asseco DACH S.A. agreed to provide financing to its subsidiary Asseco Germany by extending a surety covering its liabilities. This surety is limited to the amount by which liabilities of Asseco Germany surpass its assets, as per its up-to-date financial statements. In the event Asseco DACH S.A. was required to pay off liabilities of Asseco Germany, such payment would be limited to EUR 2.5 million (equivalent to PLN 11 million as at 30 September 2011, or PLN 10 million as at 30 June 2011, or PLN 9.9 million as at 31 December 2010).

As at 30 September 2011, guarantees and sureties issued by and in favour of Asseco Central Europe a.s. were as follows:

- subsidiary Slovanet a.s. was granted a guarantee for the amount of EUR 5.0 million to back up its liabilities towards Tatra Banka under a framework loan agreement. The guarantee value was estimated at PLN 22 million as at 30 September 2011, PLN 1.3 million as at 30 June 2011, PLN 21.8 million as at 31 December 2010, and PLN 18.8 million as at 30 September 2010.
- guarantee for the amount of EUR 0.1 million granted to subsidiary Slovanet to secure the repayment of its liabilities towards T Mobile a.s. (through Tatra Banka a.s.). The guarantee value was estimated at PLN 0.4 million as at 30 September 2011, PLN 0.3 million as at 30 June 2011, and PLN 0.3 million as at 31 December 2010.

20. Off-balance-sheet liabilities in favour of other companies

Within its commercial activities the Asseco Group uses bank guarantees, letters of credit, contract performance guarantees as well as tender deposits as forms of securing its business transactions with miscellaneous organizations, companies, and public administration bodies. As at 30 September 2011, the related contingent liabilities equalled PLN 156.4 million, while as at 30 June 2011, 31 December 2010 and 30 September 2010 they amounted to PLN 139.4 million, PLN 147 million, and PLN 181.9 million, respectively.

Additionally, as at 30 September 2011 and in the corresponding periods, the Group was a party to a number of rental, leasing and other contracts of similar nature, resulting in the following future payments:

Liabilities under lease of space	**30 Sept. 2011 (unaudited)**	**30 June 2011 (unaudited)**	**31 Dec. 2010 (restated)**	**30 Sept. 2010 (restated)**
In the period up to 1 year	88.5	77.3	74.6	48.6
In the period from 1 to 5 years	216.5	204.3	178.3	111.4
Over 5 years	13.4	14.0	20.9	13.8
	318.4	**295.6**	**273.8**	**173.8**

Liabilities under operating lease agreements	**30 Sept. 2011 (unaudited)**	**30 June 2011 (unaudited)**	**31 Dec. 2010 (restated)**	**30 Sept. 2010 (restated)**
In the period up to 1 year	48.7	46.6	11.3	9.5
In the period from 1 to 5 years	49.3	46.9	18.7	14.7
Over 5 years	0.3	0.3	0.2	0.2
	98.3	**93.8**	**30.2**	**24.4**

All figures in millions of PLN, unless stated otherwise

21. Employment

Average Group workforce in the reporting period	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Management Board of the Parent Company	11	10
Management Boards of the Group companies	125	124
Production departments	10,930	5,555
Maintenance departments	1,045	1065
Sales departments	994	666
Administration departments	1,192	1,055
Total	**14,297**	**8,475**

The Group workforce as at	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Management Board of the Parent Company	11	11	10	10
Management Boards of the Group companies	132	134	137	119
Production departments	10,777	10,815	9,756	5,397
Maintenance departments	1,052	1,066	1,242	1,071
Sales departments	1,007	1,034	1,098	651
Administration departments	1,131	1,230	1,300	1,040
	14,110	**14,290**	**13,543**	**8,288**

Numbers of employees in the Group companies as at	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Asseco Poland S.A.	3,191	3,239	3,056	3,093
Asseco Central Europe Group	1,537	1,532	1,604	1,659
Asseco South Eastern Europe Group	1,205	1,213	1,194	1,233
Formula Systems Group	6,125	6,254	5,327	n/a
Asseco DACH Group	365	350	339	338
Asseco South Western Europe Group	459	470	490	458
Asseco Business Solutions S.A.	672	684	680	662
Asseco Systems S.A.	n/a	n/a	248	257
Sintagma UAB Sp. z o.o.	132	135	135	135
ZUI Novum Sp. z o.o.	54	53	52	51
ADH-Soft Sp. z o.o.	44	44	43	42
Gladstone Consulting Ltd	-	-	-	-
Combidata Poland Sp. z o.o.	185	190	204	185
Alatus Sp. z o.o.	n/a	n/a	40	43
Asseco Denmark A/S	34	38	44	48
Peak Consulting ApS	18	15	13	12
ZUI OTAGO Sp. z o.o.	89	73	74	72
	14,110	**14,290**	**13,543**	**8,288**

All figures in millions of PLN, unless stated otherwise

22. Seasonal and cyclical nature of business

The Group's sales revenues are subject to some seasonality in individual quarters of a year. The fourth quarter revenues tend to be somewhat higher than in the remaining periods, as bulk of such turnover is generated from the IT services contracts executed for large enterprises and public institutions. Such entities make their purchases of hardware and licenses usually in the months of a year.

23. Capital expenditures

During the 3rd quarter of 2011 the Group incurred capital expenditures of PLN 67.2 million (or PLN 190.3 million cumulative in the first three quarters of 2011), of which PLN 49.9 million were spent for non-financial fixed assets (or PLN 158.2 million cumulative in the first three quarters of 2011).

During the 3rd quarter of 2010 the Group incurred capital expenditures of PLN 237.8 million (or PLN 511.7 million cumulative in the first three quarters of 2010), of which PLN 20.0 million were spent for non-financial fixed assets (or PLN 238.0 million cumulative in the first three quarters of 2010).

24. Significant events after the balance sheet date

Asseco Poland

❑ *Extraordinary General Meeting of Shareholders – Share buy-back program*

On 3 November 2011 there was held an Extraordinary General Meeting of the Company's Shareholders. The EGMS passed a resolution allowing the Company to repurchase up to 25,596,623 own ordinary bearer shares with a par value of PLN 1 each. The total amount allocated by the Company to finance the price (consideration) payable for the repurchase of own shares shall not exceed PLN 450 million for all repurchased shares. Such repurchase shall be financed from a capital reserve intended for the buy-back of own shares intended for cancellation, through a reduction of the Company's share capital, which shall be established in the amount of PLN 450 million pursuant to the above-mentioned resolution.

Own shares will be repurchased on a regulated market according to the principles pertaining to buy-back programs and stabilization of financial instruments set out in the Commission Regulation (EC) No. 2273/2003 of 22 December 2003, or otherwise as permitted by law, including in particular by undertaking one or more tender offers for own shares.

Asseco Business Solutions

❑ *Extraordinary General Meeting of Shareholders – Disposal of real estate*

The Extraordinary General Meeting of Shareholders of Asseco Business Solutions S.A. held 20 October 2011 passed the following resolutions:

- on giving consent to the disposal by the company of the right of perpetual usufruct of the plots of land along with the buildings and structures situated at 12 Lucyny Herc St. in Lublin;
- on appointment of Mr. Grzegorz Ogonowski as Member of the Company's Supervisory Board;
- on amendment of the company's Articles of Association with respect to buy-backs of own shares and their cancellation by reducing the share capital.

Asseco South Eastern Europe Group

❑ *Acquisition of a 50% stake in SIMT Cardinfo d.o.o.*

The court of Slovenia issued a decision approving the acquisition of a 50% stake in SIMT Cardinfo d.o.o. by Asseco South Eastern Europe S.A. for the price of EUR 300 thousand (as per the agreement of 13 July 2011) which became final and binding on 10 October 2011. Following this transaction, Asseco SEE S.A. holds, directly and indirectly, 100% of shares in the above-mentioned company (the remaining 50% of shares are held by its subsidiary Asseco SEE d.o.o., Beograd).

❑ *Acquisition of 100% of shares in Altius Bulgaria EOOD*

On 19 October 2011, Asseco South Eastern Europe S.A. concluded an agreement to acquire 100% of shares in the company Altius Bulgaria EOOD. The first instalment of EUR 319 thousand has been already paid; whereas, the amount of the second instalment shall depend upon financial results to be achieved by the newly acquired subsidiary. The total transaction value shall not exceed EUR 524 thousand.

Formula Systems Group

❑ *Convening of the Extraordinary General Meeting of Shareholders of Magic Software*

On 17 October 2011, the Management Board of Magic Software Enterprises convened the company's Extraordinary General Meeting of Shareholders, to be held on 20 November 2011, in order to re-elect the company's Directors (inclusive of an "External Director" as defined in the Israel's listed company regulations), and to approve certain amendments to the company's Articles of Association to reflect recent amendments to the Israeli Companies Law and Israeli Securities Law. The EGMS is also supposed to approve a distribution agreement with Asseco Poland S.A., including terms and conditions consistent with the standard distribution agreements entered into with third-party distributors.

❑ *Take-over of AppBuilder by Magic Software*

On 30 October 2011, Magic Software Enterprises announced it entered into an agreement with BluePhoenix Solutions under which Magic Software will acquire BluePhoenix's AppBuilder, application development activity, for USD 17 million. The transaction is expected to be finalized by mid-December 2011, subject to the fulfillment of certain conditions defined in the acquisition agreement.

25. Significant events related to prior years

Until the date of preparing these interim condensed financial statements for the period of 9 months ended 30 September 2011, this is until 10 November 2011, there occurred no significant events related to prior years, which have not but should have been included in these financial statements.

INTERIM CONDENSED FINANCIAL STATEMENTS OF ASSECO POLAND S.A.

for the period of 9 months ended 30 September 2011 prepared in accordance with the International Financial Reporting Standards

INTERIM CONDENSED PROFIT AND LOSS ACCOUNT OF ASSECO POLAND S.A.

	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Sales revenues	**967.9**	**323.9**	**873.4**	**287.8**
Cost of sales	**(608.7)**	**(206.3)**	**(496.6)**	**(155.8)**
Gross profit on sales	**359.2**	**117.6**	**376.8**	**132.0**
Selling expenses (-)	(40.4)	(13.1)	(37.5)	(11.9)
General administrative expenses (-)	(65.2)	(20.3)	(69.6)	(23.7)
Net profit on sales	**253.6**	**84.2**	**269.7**	**96.4**
Other operating income	2.9	0.7	6.8	5.0
Other operating expenses (-)	(3.9)	(0.4)	(8.6)	(7.0)
Operating profit	**252.6**	**84.5**	**267.9**	**94.4**
Financial income	91.6	12.4	120.0	4.0
Financial expenses (-)	(31.4)	(21.0)	(42.2)	(6.5)
Pre-tax profit	**312.8**	**75.9**	**345.7**	**91.9**
Corporate income tax (current and deferred portions)	(50.1)	(14.8)	(13.9)	(18.0)
Net profit for the period reported	**262.7**	**61.1**	**331.8**	**73.9**
Earnings per share (in PLN):				
basic earnings per share for the period reported	3.39	0.79	4.81	1.07
diluted earnings per share for the period reported	3.39	0.79	4.81	1.07

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME OF ASSECO POLAND S.A.

	9 months ended 30 Sept. 2011 (unaudited)	3 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)	3 months ended 30 Sept. 2010 (unaudited)
Net profit for the period reported	**262.7**	**61.1**	**331.8**	**73.9**
Other comprehensive income:				
Net profit/loss on valuation of financial assets available for sale	(1.5)	0.2	(2.2)	(0.2)
Amortization of intangible assets recognized directly in equity	(0.8)	(0.3)	(0.8)	(0.3)
Income tax relating to other comprehensive income	0.4	-	0.6	0.3
Total other comprehensive income	**(1.9)**	**(0.1)**	**(2.4)**	**(0.2)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**260.8**	**61.0**	**329.4**	**73.7**

All figures in millions of PLN, unless stated otherwise 98

INTERIM CONDENSED BALANCE SHEET OF ASSECO POLAND S.A.

ASSETS	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Non-current assets	**4,290.7**	**4,280.0**	**4,343.0**	**3,980.0**
Property, plant and equipment	338.2	329.6	297.6	295.1
Investment property	0.8	0.8	8.6	8.7
Intangible assets	2,392.8	2,396.6	2,266.9	2,263.8
of which goodwill	*2,057.3*	*2,057.3*	*1,924.7*	*1,924.7*
Investments in subsidiary and associated companies	1,484.1	1,480.5	1,703.0	1,306.6
Long-term financial assets	27.0	21.8	22.5	24.4
Long-term receivables	23.7	26.7	10.3	15.8
Deferred income tax assets	-	-	15.9	-
Long-term deferred expenses	24.1	24.0	18.2	65.6
Current assets	**639.3**	**566.3**	**555.6**	**474.0**
Inventories	24.1	13.5	4.7	5.2
Deferred expenses	36.6	42.2	38.1	48.2
Trade accounts receivable	166.0	163.1	172.5	138.0
Other receivables	230.2	222.5	152.6	149.4
Financial assets	20.5	22.9	21.5	23.1
Cash and short-term deposits	161.9	102.1	166.2	110.1
TOTAL ASSETS	**4,930.0**	**4,846.3**	**4,898.6**	**4,454.0**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED BALANCE SHEET OF ASSECO POLAND S.A.

SHAREHOLDERS' EQUITY AND LIABILITIES	30 Sept. 2011 (unaudited)	30 June 2011 (unaudited)	31 Dec. 2010 (restated)	30 Sept. 2010 (restated)
Share capital	77.6	77.6	77.6	77.6
Share premium	3,951.1	3,951.1	3,951.1	3,689.5
Treasury shares	-	-	-	(396.1)
Retained earnings and current net profit	351.9	290.8	278.3	577.6
TOTAL SHAREHOLDERS' EQUITY	**4,380.6**	**4,319.5**	**4,307.0**	**3,948.6**
Non-current liabilities	**339.2**	**306.9**	**285.3**	**248.7**
Long-term interest-bearing bank loans, borrowings and debt securities	123.9	110.7	86.2	-
Long-term finance lease commitments	158.4	146.9	153.1	157.7
Long-term provisions	6.4	5.0	10.9	9.5
Deferred income tax provision	12.3	9.8	-	56.7
Long-term deferred income	38.2	34.5	35.1	24.8
Current liabilities	**210.2**	**219.9**	**306.3**	**256.7**
Interest-bearing bank loans, borrowings and debt securities	-	-	5.8	5.8
Financial liabilities	0.3	0.7	6.2	13.8
Finance lease commitments	16.1	14.9	14.5	14.7
Trade accounts payable	44.7	53.4	51.2	38.0
Corporate income tax payable	-	-	6.9	8.2
Liabilities to the State budget	20.1	28.1	25.0	14.2
Other liabilities	25.8	21.1	88.3	77.8
Provisions	0.9	3.8	7.9	6.3
Accrued expenses	58.5	57.2	70.0	51.2
Deferred income	43.8	40.7	30.5	26.7
TOTAL LIABILITIES	**549.4**	**526.8**	**591.6**	**505.4**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**4,930.0**	**4,846.3**	**4,898.6**	**4,454.0**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY OF ASSECO POLAND S.A.

	Share capital	Share premium	Treasury shares	Prior years' retained earnings (deficit) and current net profit	Total shareholders' equity
As at 1 January 2011 (restated)	**77.6**	**3,951.1**	**-**	**278.3**	**4,307.0**
Net profit for the period reported	**-**	**-**	**-**	262.7	**262.7**
Total other comprehensive income for the period reported	-	-	-	(1.9)	**(1.9)**
Dividend for the year 2010	-	-	-	(139.6)	**(139.6)**
Merger with Asseco Systems	-	-	-	(43.3)	**(43.3)**
Merger with Alatus	-	-	-	(4.3)	**(4.3)**
As at 30 September 2011 (unaudited)	**77.6**	**3,951.1**	**-**	**351.9**	**4,380.6**
As at 1 January 2010 (audited)	**77.6**	**3,488.7**	**(678.8)**	**630.0**	**3,517.5**
Net profit for the period reported				331.8	**331.8**
Total other comprehensive income for the period reported	-	-	-	(2.4)	**(2.4)**
Dividend for the year 2009	-	-	-	(106.0)	**(106.0)**
Issuance of series I shares	3.9	205.5	-	-	**209.4**
Cost of issuance of series I shares	-	(4.7)	-	-	**(4.7)**
Retirement of treasury shares	(3.9)	-	282.7	(278.8)	**-**
Merger with ABG S.A. (former DRQ S.A.)	-	-	-	3.0	**3.0**
As at 30 September 2010 (restated)	**77.6**	**3,689.5**	**(396.1)**	**577.6**	**3,948.6**

All figures in millions of PLN, unless stated otherwise

(continued)	Share capital	Share premium	Treasury shares	Prior years' retained earnings (deficit) and current net profit	Total shareholders' equity
As at 1 January 2010 (audited)	**77.6**	**3,488.7**	**(678.8)**	**630.0**	**3,517.5**
Net profit for the period reported	-	-	-	422.5	**422.5**
Total other comprehensive income for the period reported	-	-	-	(1.9)	**(1.9)**
Dividend for the year 2009	-	-	-	(106.0)	**(106.0)**
Issuance of series I shares	3.9	205.5	-	-	**209.4**
Cost of issuance of series I shares	-	(4.7)	-	-	**(4.7)**
Retirement of treasury shares	(9.3)	-	678.8	(669.5)	**-**
Issuance of series J shares	5.4	266.2	-	-	**271.6**
Cost of issuance of series J shares	-	(4.6)	-	-	**(4.6)**
Merger with ABG S.A. (former DRQ S.A.)	-	-	-	3.2	**3.2**
As at 31 December 2010 (restated)	**77.6**	**3,951.1**	**-**	**278.3**	**4,307.0**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED STATEMENT OF CASH FLOWS OF ASSECO POLAND S.A.

	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Cash flows - operating activities		
Pre-tax profit	312.8	345.7
Total adjustments:	**(170.0)**	**(106.1)**
Depreciation and amortization	38.7	40.8
Changes in working capital	(154.7)	(62.0)
Interest income and expense	5.4	4.1
Gain (loss) on foreign exchange differences	17.5	(6.2)
Dividend income	(70.7)	(76.6)
Gain (loss) on disposal of shares in related companies	(1.1)	-
Other financial income/expenses	(5.2)	(6.3)
Gain (loss) on investing activities	0.2	0.1
Other pre-tax profit adjustments	(0.1)	-
Net cash generated from operating activities	**142.8**	**239.6**
Corporate income tax paid	(31.0)	(40.8)
Net cash provided by (used in) operating activities	**111.8**	**198.8**
Cash flows - investing activities		
Disposal of tangible fixed assets and intangible assets	2.8	2.3
Acquisition of tangible fixed assets and intangible assets	(59.6)	(130.7)
Expenditures for research and development projects	(7.6)	(6.8)
Disposal of investments in related companies	6.2	0.6
Cash taken over under the merger	22.6	13.9
Acquisition of shares in related companies	(13.2)	(127.7)
Acquisition of financial assets available for sale	(1.3)	-
Disposal of financial assets held to maturity	40.3	50.0
Acquisition of financial assets held to maturity	(31.8)	(47.9)
Disposal of financial assets carried at fair value through profit or loss	-	3.1
Settlement of financial assets carried at fair value through profit or loss	(0.4)	(2.2)
Loans collected	0.6	107.9
Loans granted	(5.5)	(68.1)
Interest received	0.1	3.7
Dividends received	60.3	46.6
Net cash provided by (used in) investing activities	**13.5**	**(155.3)**

All figures in millions of PLN, unless stated otherwise

INTERIM CONDENSED STATEMENT OF CASH FLOWS OF ASSECO POLAND S.A. (continued)

(continued)	9 months ended 30 Sept. 2011 (unaudited)	9 months ended 30 Sept. 2010 (unaudited)
Cash flows - financing activities		
Proceeds from issuance of shares	-	204.7
Dividend paid out	(139.6)	(106.0)
Proceeds from bank loans and borrowings taken out	37.9	58.3
Repayment of bank loans and borrowings	-	(101.0)
Issuance of debt securities	-	16.7
Redemption of debt securities issued	(5.8)	(16.4)
Finance lease commitments paid	(11.2)	(11.4)
Interest paid	(7.0)	(8.7)
Acquisition of non-controlling interests	(3.9)	-
Net cash provided by (used in) financing activities	**(129.6)**	**36.2**
Net change in cash and cash equivalents	(4.3)	79.7
Cash and cash equivalents as at 1 January	166.2	30.4
Cash and cash equivalents as at 30 September	**161.9**	**110.1**

All figures in millions of PLN, unless stated otherwise

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