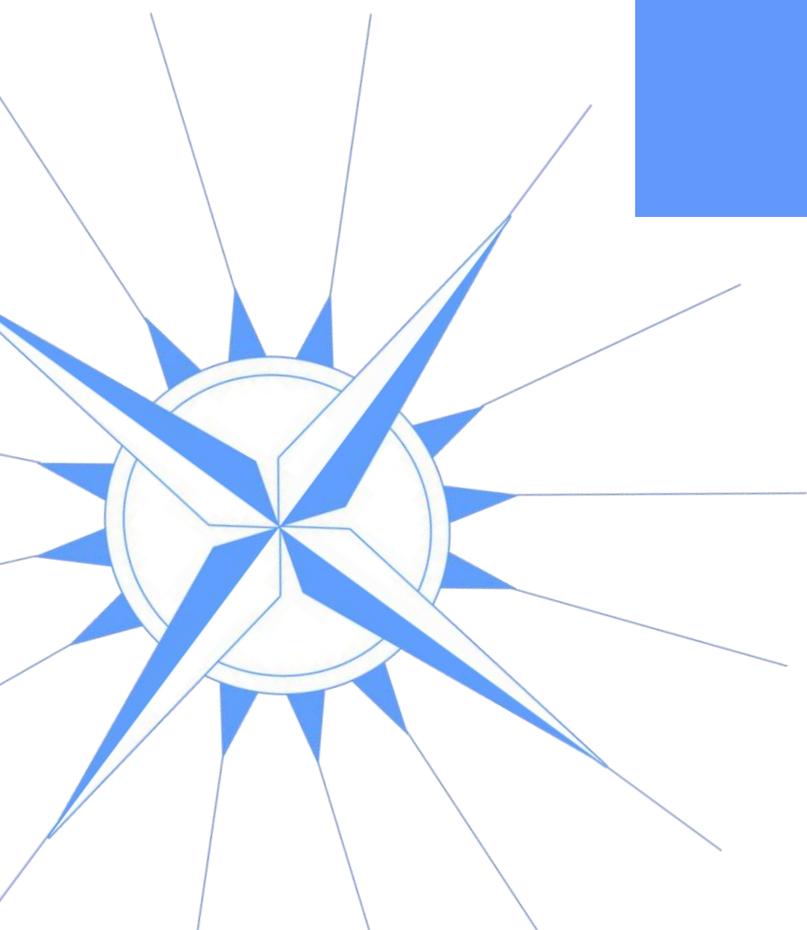


ASSECO GROUP

Consolidated Annual Report
for the year ended 31 December 2014



Present in over

40

countries

6,232 mPLN

in sales revenues

18,481

highly committed
employees

358 mPLN

in net profit

4,430 mPLN

in order backlog
for 2015

6th

largest software
vendor in Europe

PRESIDENT'S LETTER



PRESIDENT'S LETTER



Dear Shareholders,

It is a great pleasure to present you the achievements of Asseco Group in 2014. First of all, we managed to improve all the key financial indicators. In this period our sales revenues reached a record level of PLN 6.2 billion, reflecting an increase of PLN 451 million from the year 2013. The Group's operating profit improved by 6% to PLN 637 million, while net profit attributable to shareholders of the parent company surged by 17% to PLN 358 million.

Our highly diversified customer base, versatile business operations and presence in over 40 countries enabled us to take advantage of growth opportunities where benefits emerged and, at the same time, help those companies that operated in difficult conditions.

Israeli Formula Group generated a two-digit growth both in revenues and operating profit. This was a significant contribution to the last year's success of the entire Asseco Group.

We are also very pleased with the development of our Central European market. Asseco Solutions Group is engaged primarily in the creation and implementation of ERP systems in the Czech Republic, Germany, Austria, Switzerland and Slovakia.

Our South Eastern European operations reported favourable results as well. This was achieved on the back of dynamic growth in payment solutions and by the streamlining of management processes at the regional companies. We also consistently reinforced our position in Russia and started to build our presence in Africa.

We should also appreciate our achievements in the Polish market. Thanks to our successful, long-term cooperation with key customers, reorganization of certain work teams, and gaining new significant contracts, we managed to stabilize our margins and improve the efficiency of our operations.

Asseco Group has been recognized as a major player on the international IT market. In 2014, we maintained the 6th position among the largest European software vendors, according to the Truffle100 ranking, and were the fastest growing producer of software in the top 10 of this list. Our newly launched IT systems, such as AUMS and def3000/TR have been, for the first time, included in the prestige Magic Quadrant reports compiled by Gartner research firm.

Considering our solid fundamental position and improving financial results, we decided to distribute to our shareholders as much as PLN 215.8 million in dividends for 2014. It is worth noting that Asseco Group spent more than PLN 830 million for that purpose just during the last five years.

All of these successes would not be possible without the ongoing commitment of Asseco's employees and the trust of our customers. Thanks to them, last year we managed to gain 6700+ new contracts and orders.

On behalf of myself and the whole management team, I would like to express genuine gratitude to all the people that create the development of Asseco.

With best regards,

Adam Góral

REPORT ON OPERATIONS OF ASSECO GROUP

for the year ended 31 December 2014



REPORT ON OPERATIONS OF ASSECO GROUP

for the year ended 31 December 2014

GENERAL INFORMATION ON ASSECO GROUP.....	8
Asseco Group	8
Directions of development	8
Company's Authorities	9
BUSINESS OPERATIONS OF ASSECO GROUP.....	12
Organizational structure of the Group.....	12
Operating segments of the Group	13
Information technology market and its future outlook	17
Product portfolio and target markets	18
Financial information	23
Major events and factors with impact on our financial performance	26
Non-recurring events with impact on our financial performance	33
Opinion on feasibility of investment plans	33
Asseco Poland S.A. in the capital market	34
Shareholder structure	35
Discussion of significant risk factors and threats	36
OTHER INFORMATION	40
Opinion on feasibility of the Management Board financial forecasts for 2014	40
Changes in the Group management policies	40
Agreements concluded by Asseco Group with its management personnel providing for payment of compensations if such persons resign or are dismissed from their positions	40
Remuneration of the management and supervisory personnel	40
Information on the agreements known to the Issuer which may result in future changes of the equity interests held by the existing shareholders and bondholders.....	40
Changes in capital relationships.....	40
Related party transactions	40
Bank loans, borrowings, sureties and guarantees	40
Information on loans granted in 2014	40
Off-balance-sheet items.....	40
Monitoring of employee stock option plans	40
Information on judicial proceedings where the value in dispute exceeds 10% of the amount of equity	40
Remuneration of the entity authorized to audit financial statements	40
Agreement with the entity authorized to audit financial statements	40

REPORT ON OPERATIONS OF ASSECO GROUP

for the year ended 31 December 2014

This Management Report on Operations has been approved for publication by the Management Board of Asseco Poland S.A. on 13 March 2015.

Management Board:

Adam Góral	President of the Management Board
Przemysław Borzestowski	Vice President of the Management Board
Andrzej Dopierała	Vice President of the Management Board
Tadeusz Dyrga	Vice President of the Management Board
Rafał Kozłowski	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

GENERAL INFORMATION ON ASSECO GROUP

Asseco Group

The parent company of Asseco Group (the “Group”, “Asseco Group”) is Asseco Poland S.A. (the “Company”, “Asseco”).

Asseco Poland (WSE: ACP) is the largest Polish information technology company listed on the Warsaw Stock Exchange. With a market capitalization exceeding PLN 4.1 billion (or nearly EUR 1 billion), the Company is included in the prestigious WIG20 index. It is also the largest company listed in the IT industry index, WIG-Info, accounting for over 50% of its value.

Asseco Poland stands at the forefront of the multinational Asseco Group which is present, along with its subsidiaries, in more than 40 countries worldwide, including most of the European countries as well as Israel, USA, Japan, Canada, Russia and African countries. Asseco Group is the sixth largest European software vendor according to the Truffle 100 ranking for 2013 as well as the largest provider of innovative IT solutions in Central and Eastern Europe.

The Group’s companies are listed not only on the Warsaw Stock Exchange, but also on the NASDAQ Global Markets as well as on the Tel Aviv Stock Exchange.

Asseco Group is a unique combination of a software house and a service provider. We are a producer of technologically advanced, top quality software that supports mission-critical business processes of enterprises in all key sectors of the economy. Revenues from proprietary software and services represent over 80% of the Group’s total turnover. Concurrently, more than 70% of Asseco Group sales are generated by its foreign operations.

Asseco Group is a unique federation of companies which are allowed a great deal of independence in making business based on their local competencies, while taking advantage of synergies arising from their cooperation within the whole Asseco Group.

Directions of development

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

Asseco Group’s **strategy** is based on two pillars. The first is organic growth which is achieved through proprietary software and services, whereas the second one involves expansion through acquisitions.

Organic growth

Asseco strategy relies on sector-specific business expertise, which is supported by technological competence. The Company builds long-term trust-based relationships with customers, becoming their strategic business partner. Asseco leverages on the vast experience of its international affiliated companies to create a comprehensive portfolio of products satisfying the needs of thousands of its customers. The company wants to be perceived as a ‘one-stop shop’ and therefore, in addition to its own IT solutions and services, it also delivers infrastructure necessary for the proper operation of business applications.

Expansion through acquisitions

Asseco is interested in taking over companies that will either enhance its competence in individual sectors or provide an opportunity to enter new geographical markets. Asseco Poland has successfully implemented its acquisitions policy for many years, and nowadays is one of the most experienced market consolidators in Poland and abroad.

Asseco Poland values – our source code

The Group has come up with its own “source code” that lists the common values of Asseco. These values have been devised by all of our employees and are recorded in a formal document, which is effective across our organization.

Commitment – we are fully committed to each and every project and the success of our clients is our greatest satisfaction.

Respect – we require trust, honesty and mutual respect both from ourselves and from others.

Quality – we always maintain high quality standards in all of our activities.

Professionalism – we continually upgrade our qualifications and are willing to share experience.

Effectiveness – we are ambitious and consistent in striving to achieve our goals.

Responsibility – we take full responsibility for our work and environment in which we operate.



Company's Authorities

Management Board

During the year ended 31 December 2014, the Company's Management Board was composed of the following persons:

Management Board	Period of service
Adam Góral	01.01.2014 – 31.12.2014
Przemysław Borzestowski	01.01.2014 – 31.12.2014
Andrzej Dopierała	01.01.2014 – 31.12.2014
Tadeusz Dyrga	01.01.2014 – 31.12.2014
Rafał Kozłowski	01.01.2014 – 31.12.2014
Marek Panek	01.01.2014 – 31.12.2014
Paweł Piwowar	01.01.2014 – 31.12.2014
Zbigniew Pomianek	01.01.2014 – 31.12.2014
Włodzimierz Serwiński	01.01.2014 – 31.12.2014
Przemysław Sęczkowski	01.01.2014 – 31.12.2014
Robert Smułkowski	01.01.2014 – 31.12.2014



Andrzej Dopierała

Vice President
of the Management Board
responsible for
the Infrastructure Division,
Data Processing Center,
and ICT Department



Tadeusz Dyrga

Vice President
of the Management Board
responsible for the Divisions
of Social Insurance,
Healthcare, and
Systems Maintenance



Adam Góral

President
of the Management Board
responsible for
the development vision
and strategy of Asseco
Group



Rafał Kozłowski

Vice President
of the Management Board
responsible for the Finance
Division of Asseco Group
and for the Logistics
Department



Przemysław Borzestowski

Vice President
of the Management Board
responsible for the Divisions
of: Public Administration,
Capital Market, and
Office for Protection of
Non-Public Information



Marek Panek

Vice President
of the Management Board
responsible for
the Development Division
of Asseco Group and for
the EU Projects Office



Paweł Piwowar
Vice President
of the Management Board
responsible for the Divisions
of Energy and Gas Industry,
Telecommunications and
Media, Agriculture, and
Enterprises



Przemysław Sęczkowski
Vice President
of the Management Board
responsible for the Public and
Investor Relations
Department and for the
Marketing Department



Zbigniew Pomianek
Vice President
of the Management Board
responsible for the Divisions
of Commercial Banks,
Cooperative Banks, Business
Intelligence, as well as for the
Departments of Compliance,
and Maintenance and
Development of Back-Office
Systems



Robert Smułkowski
Vice President
of the Management Board
responsible for the PKO Bank
Division



Włodzimierz Serwiński
Vice President
of the Management Board
responsible for the
Commercial Insurance
Division

Supervisory Board

During the year ended 31 December 2014, the Company's Supervisory Board was composed of the following persons:

Supervisory Board	Period of service
Jacek Duch	01.01.2014 – 31.12.2014
Adam Noga	01.01.2014 – 31.12.2014
Piotr Augustyniak	01.01.2014 – 31.12.2014
Dariusz Brzeski	01.01.2014 – 31.12.2014
Artur Kucharski	01.01.2014 – 31.12.2014
Dariusz Stolarczyk	01.01.2014 – 31.12.2014



Jacek Duch
Chairman of the Supervisory Board



Adam Noga
Vice Chairman of the Supervisory Board



Piotr Augustyniak
Member of the Supervisory Board



Dariusz Brzeski
Member of the Supervisory Board



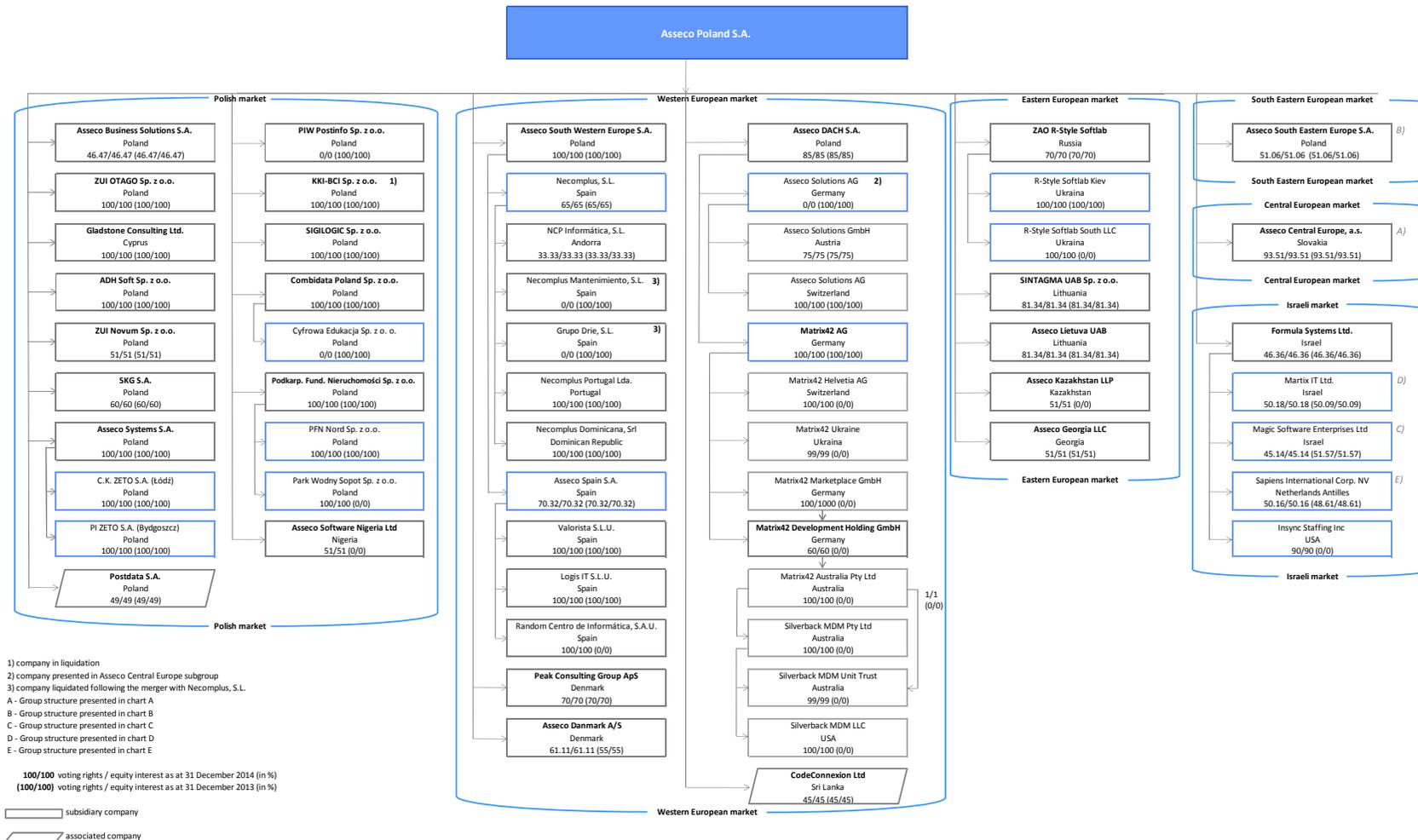
Artur Kucharski
Member of the Supervisory Board



Dariusz Stolarczyk
Member of the Supervisory Board

BUSINESS OPERATIONS OF ASSECO GROUP

Organizational structure of the Group



The complete organizational structure of the Group is presented in item IV of Supplementary Information to the consolidated financial statements of Asseco Group for the year ended 31 December 2014. Changes that took place in the Group's organizational structure during 2014 have been described also in item IV of Supplementary Information to the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Operating segments of the Group

Asseco Group has identified six geographical markets where the Group companies conduct their business operations, including Polish, Israeli, Central European, South Eastern European, Western European, and Eastern European markets.

Polish market

Asseco Poland S.A.

Asseco Poland (WSE: ACP) is the largest Polish information technology company listed on the Warsaw Stock Exchange. With a market capitalization exceeding PLN 4.1 billion (EUR 1 billion), the Company is included in the prestigious WIG20 index. It is also the largest company listed in the IT industry index, WIG-Info, accounting for over 50% of its value.

Asseco Poland is a producer of state-of-the-art software that supports mission-critical business processes of enterprises in all key sectors of the Polish economy. Asseco's software applications are used by more than half of Polish banks, the largest insurance, energy and telecommunications companies, various healthcare institutions, local and central public administration bodies, as well as by the uniformed services.

Asseco Business Solutions S.A.

This company is listed on the Warsaw Stock Exchange (WSE: ABS). It delivers state-of-the-art IT solutions for enterprises irrespective of their industry, size or business profile. Asseco Business Solutions operates as Asseco Group's competence center responsible for ERP systems, software for SMEs, and outsourcing of information technologies. The company's product portfolio also includes mobile solutions, factoring systems as well as electronic data exchange platforms.

ADH-Soft Sp. z o.o.

This company develops professional software for the financial sector, especially for leasing and car fleet management (CFM) companies. It is a leading producer of programs and applications used by over 70% of leasing operators in the local market.

Asseco Systems S.A.

This is a holding incorporating two local IT companies, namely CK ZETO S.A. based in Łódź and PI ZETO S.A. based in Bydgoszcz. The primary objective of Asseco Systems is to build a firm acting as a supplier, integrator and distributor of information technology solutions, focusing on local markets across Poland. CK ZETO S.A. offers a wide range of IT services, hardware

and software, as well as consulting and expert services. The company is the only representative of Matrix42 in Poland. PI ZETO S.A. is a provider of ERP solutions for enterprises, software applications for public administration, as well as professional IT systems for insurance companies.

Combidata Poland Sp. z o.o.

This company specializes in the organization and delivery of training courses, starting from the analysis of business processes, through the identification of learning needs, designing of educational process, to the realization of the adopted objectives. It offers classroom trainings, remote trainings, as well as self-developed e-learning courses utilizing its EDUPORTAL educational platform.

SKG S.A.

This company is a provider of software for customs agencies, retail trade sector, as well as for auditing and data analysis. Apart from its flagship software called Wrota Celne (a customs system), marketed in the SaaS model, SKG S.A. provides services of design and implementation of IT systems. The company's quality management system has been certified under ISO 9001:2008.

ZUI OTAGO Sp. z o.o.

This company is engaged in the development and implementation of software to support operations of local government bodies at various levels. It created the OTAGO Integrated Municipal Management System.

ZUI Novum Sp. z o.o.

This company is specialized in the production of information technology systems designed for cooperative banks. It operates as a developer of banking applications, ATM software, integrator and provider of automatic teller machines.

Israeli market

Formula Systems Ltd.

Formula Systems is listed on the NASDAQ Global Markets (NASDAQ: FORTY) as well as on the Tel Aviv Stock Exchange in Israel. It is a holding company which owns shares in four IT companies (Matrix IT Ltd., Magic Software Enterprises Ltd., Sapiens International Corporation N.V., Insync Staffing Inc.) that are specialized in the production and supply of information technology solutions. Companies of the Formula Systems Group operate in the territories of Israel, USA, Canada, United Kingdom, Japan, Germany, Netherlands, France, Hungary, India as well as in 50 other countries.

Matrix IT Ltd.

This company is listed on the Tel Aviv Stock Exchange (TASE: MTRX). Matrix IT is an information technology market leader in Israel. Its key competencies include IT services, security solutions, outsourcing as well as integration of information systems to the client's order. The company is also engaged in the modernization and development of IT systems, providing the following services:

- development of dedicated IT systems;
- adaptation of software to the client's requirements;
- development and testing of software to ensure its high quality.

Matrix IT also acts as a distributor for the world's leading software manufacturers. It provides infrastructure solutions for computer and communication systems. The company is also engaged in hardware distribution and, through its subsidiary John Bryce, it runs training and qualification centers offering professional courses and trainings for IT personnel. Its offering is complemented with "soft" trainings, vocational education and capital market courses.

Sapiens International N.V.

This company is listed on the American NASDAQ (NASDAQ: SPNS) and on the Israeli TASE. It is a leading global supplier of IT systems for the insurance industry.

The Group's product portfolio features the following solutions:

- ALIS – comprehensive software solution for life, pension and annuity, and medical insurance products;
- IDIT Software Suite – comprehensive, component-based, core solution for insurance

companies and financial institutions operating outside the North American market;

- RapidSure – core, component-based insurance software for the US property and casualty insurance market;
- Reinsurance – software enabling insurers and brokers to handle all reinsurance activities on a single platform. The product ensures full support for controlling and reporting functions;
- Decision – business decision management software for financial institutions.

Magic Software Ltd.

This company is listed on the American NASDAQ (NASDAQ: MGIC) and on the Israeli TASE. Technologies offered by Magic Software accelerate the processes of building and deployment of business applications that can be easily adapted to current and future demands or integrated with the customer's legacy enterprise systems.

The company's products allow users to create business applications that support their existing IT resources to enhance business capabilities.

Magic Software provides services taking a *code-free* approach, allowing users to focus on business logic rather than on technological requirements. *Code-free* structure is a key operating feature of the company's products:

- Magic xpa – application development platform;
- Magic xpi – system and process integration suite.

Insync Staffing Inc.

Insync Staffing is a provider of consulting services and human resources outsourcing for the sectors of technology and professional services (i.e. accounting and finance, administration, customer service, healthcare, human resources management, or marketing services).

Central European market

Asseco Central Europe, a.s.

This company is listed on the Warsaw Stock Exchange (WSE: ACS) and is the parent of Asseco Central Europe Group. It provides comprehensive IT solutions and services for international financial institutions (Erste, Allianz, UniCredit, etc.), for the private sector enterprises, as well as for the public institutions of central and local administration. Its product portfolio comprises information systems for banks, insurance companies and construction firms, card transaction systems, healthcare information systems, data warehouses, Business Intelligence and e-Commerce solutions, reporting systems, and turn-key projects.

Asseco Solutions

Asseco Solutions Group is comprised of three companies: Asseco Solutions CZK, Asseco Solutions SK, and Asseco Solutions AG, which are engaged in the provision of proprietary ERP solutions dedicated to small, medium and large-sized enterprises.

GlobeNet

This company is one of the leading vendors of IT systems for the healthcare sector in Hungary, including primarily hospitals and medical clinics. Its flagship product is MedWorkS, a system providing support for all operating processes performed by a healthcare institution.

Statlogics

This company is headquartered in Budapest and offers a variety of solutions dedicated to the consumer finance industry. Its flagship product is Credilogic, a system allowing to manage the full lifecycle of consumer loans and credits.

DanubePay

This company is a provider of IT solutions for payment cards, online payments, ATMs etc. It offers a comprehensive portfolio of products and services for authentication and transaction processing, acts as a partner in card issuing processes, and also develops own loyalty program systems.

South Eastern European market

Asseco South Eastern Europe S.A.

This company is listed on the Warsaw Stock Exchange (WSE: ASE) and is the parent of Asseco South Eastern Europe Group. It was created by integrating the competence, experience, know-how, software solutions and customer base of many South Eastern European companies, each being a leader in its market segment. From the beginning of its

operations, it has focused on the development of proprietary IT solutions. Asseco South Eastern Europe runs its business operations in five major segments of the IT market: solutions and services for the banking sector, authentication solutions, supply, installation and maintenance of ATMs and POS terminals, software and services for the telecom sector, as well as integration services, supply and implementation of IT systems and hardware. Nowadays, this holding incorporates subsidiaries operating in the territories of Serbia, Croatia, Montenegro, Bosnia and Herzegovina, Kosovo, Moldova, Albania, Bulgaria, Romania, and Turkey.

Western European market

Asseco Spain S.A.

This company is a provider of IT infrastructure consulting services, security solutions, human resources management solutions, outsourcing services, as well as fully comprehensive IT support.

Necomplus S/L

This is a provider of electronic payment solutions (POS), self-service solutions as well as professional Call Center technologies.

Matrix42 AG

This is a group of companies operating in DACH markets, which offer product lifecycle management applications as well as IT service management software. Its products are targeted at medium-sized enterprises. Matrix42 is a leader in this class of software on the German market.

Asseco Danmark a/s

This company is a provider of high class consulting services and proprietary information solutions for the sectors of finance and biotechnology.

Peak Consulting Group ApS

This is a provider of high class consulting services in Scandinavia.

Eastern European market

Asseco Lietuva UAB

The company is a leading producer of software and integrator of IT systems in Lithuania. Its main business lines include IT systems providing support in archiving, management of business processes, finances and EU funds, as well as software solutions for the insurance industry. The company's products and services are dedicated to a large extent to the public administration sector.

Asseco Georgia LLC

This company is a provider of consulting and system implementation services for the banking and insurance industry companies as well as for the public administration. The company's operations are well diversified and include competence in software development, offering of proprietary ERP and CRM systems, solutions for insurance companies, software for schools and stores, as well as consulting services and implementation of third-party products. Asseco Georgia is one of the largest consulting firms in the Georgian IT market.

ZAO R-Style Softlab

R-Style Softlab is a Russian producer of software for the sector of banking and finance. It is specialized in three key areas: online banking and customer service systems, data warehouses and business intelligence systems, as well as core banking systems. It is an undisputed market leader, taking into account the number of its active clients (more than 400 companies operating in Russia, Kazakhstan, Belarus, Uzbekistan and other former Soviet republics). R-Style Softlab is headquartered in Moscow and also has branches in Bryansk, Vologda, Almaty, and Kiev.

Asseco Kazakhstan LLP

The company's operations include three business lines: IT security, information management, and the newly launched cloud computing services. The company focuses primarily on the public sector clients as well as on large telecommunications and energy enterprises.

Information technology market and its future outlook

Development prospects of the IT market

According to Gartner's latest forecasts, in 2015 the global IT industry will grow by 2.4% to reach the total value of USD 3,828 billion. The most dynamic growth is anticipated in the enterprise software market, by 5.5% (to the level of USD 335 billion). The computer hardware market is seen to expand by 5.1% (to USD 732 billion), whereas IT services by 2.5% (to USD 981 billion). Analysts estimate that spending for Data Center systems will increase by 1.8% (to USD 143 billion). The slowest pace of growth is expected in telecommunication services, by 0.7% (to USD 1,638 billion). Gartner assumes that 2015 will bring continued downward pressure on prices and further consolidation of vendors, especially in the segment of cloud-based software.

Forecast of IT spending in 2015 (in USD billions)

Segment	2015	Change
Computer hardware	732	5.1%
Data Center systems	143	1.8%
Software	335	5.5%
IT services	981	2.5%
Telco services	1,638	0.7%
Total	3,828	2.4%

Source: Gartner, January 2015

IT Market in Poland

As presented by Computerworld magazine in their latest TOP200 ranking, according to IDC estimates, in 2013 the Polish information technology market expanded by 17% and was worth PLN 92.8 billion. Revenues of IT companies alone reached PLN 50.5 billion, accounting for over a half of the total market value, whereas sales of telecom companies amounted to PLN 42.3 billion. Hence, it was one of the best periods for the industry in recent years. Following the crisis of 2008-2009, the IT sector managed to grow by almost 8% per annum.

The largest customers for IT services and products are still public institutions and telecom companies. Each of them spent approx. PLN 2.58 billion for that purpose in 2013. Sales to small and middle-sized enterprises as well as to the banking sector were not much lower, amounting to PLN 2.55 billion and PLN 2.26 billion, respectively.

However, the fastest growth was observed in the utilities sector (excluding the energy industry), where IT spending, according to Computerworld, increased to PLN 0.32 billion or by 95% in comparison to 2012.

These estimates take into account all new companies that were just included in the ranking.

High revenue growth was achieved also in the healthcare sector (an increase by 76% to PLN 0.44 billion) as well as in the energy industry alone (an increase by 75% to PLN 0.85 billion).

Position of the Company and Asseco Group in the IT sector

Asseco Poland S.A. tops the rankings of IT vendors that are prepared by both Polish and international research institutes.

The following table presents the position of Asseco Group in the Truffle 100 2014 ranking, which lists the largest European software vendors by sales of proprietary software generated in 2013.

Name of company	Country	Sales of proprietary software in EUR millions
1. SAP	DE	16,512.3
2. Dassault Systems	FR	1,887.5
3. Sage	UK	1,522.6
4. Hexagon	SE	1,309.6
5. Wincor Nixdorf	DE	1,257.3
6. Asseco Poland	PL	1,063.0
7. Software AG	DE	865.5
8. DATEV	DE	752.8
9. Wolters Kluwer	NL	720.9
10. SWIFT	BE	580.2

Source: Truffle 100 ranking, 2014

In 2014, Asseco Group achieved the largest growth of proprietary software revenues among the top 10 vendors leading the ranking.

As estimated by COMPUTERWORLD TOP200, in 2013 Asseco Poland ranked 8th in the category of the "Largest IT companies operating in Poland". Concurrently, Asseco is the biggest IT group and company in Poland in terms of net earnings, outperforming the runner-up in this ranking by 4.5 times.

IT companies with the highest net earnings in 2013	Net profit in PLN thousands
Asseco Poland	280,273
Action	62,768
Capgemini Poland	49,729
Ericpol	47,670
Comarch	45,584
Comp	41,519

Source: Computerworld; figures in PLN thousands

Again, according to COMPUTERWORLD TOP200 rankings, Asseco Poland S.A. held leading positions in terms of sales to individual sectors of the Polish economy, as shown in the table below.

Ranking of software providers to the sector of	Ranking position
Public administration	1
Healthcare	1
Banking	2
Energy industry	4
Financial institutions	4
Telecommunications	9

COMPUTERWORLD TOP200, 2014 Ranking of IT and telecom companies by sales revenues generated in 2013

Whereas, the next table presents the positions taken by Asseco Poland S.A. in the COMPUTERWORLD TOP200 rankings that compare leading companies operating in the Polish market by type of business.

Ranking	Ranking position
Producers of customer-tailored software	1
Providers of IT maintenance services	1
Providers of IT services	2
Providers of system integration services	3
Providers of training services	8

COMPUTERWORLD TOP200, 2014 Ranking of IT and telecom companies by sales revenues generated in 2013

Product portfolio and target markets

Product portfolio – competencies

Asseco Group companies provide software solutions tailored to meet the specific needs of our clients. We have strong expertise in the following four main areas:

- **Dedicated solutions**

Asseco Poland is the most experienced Polish IT company when it comes to the execution of large-scale and complex IT projects, implemented to individual customer needs. A good example of Asseco's competence in this area is the IT project implemented for the Social Insurance Institution (ZUS), the largest in the history of our country. The Comprehensive Information System handles more than 24 million unique accounts and is used by over 30 thousand users on a daily basis. The Comprehensive Information System of ZUS won

the main prize in the "eEurope Awards for eGovernment – 2005" competition, which was organized by the European Institute of Public Administration (EIPA), working under the auspices of the European Commission. The ZUS's CIS was awarded for the creation of optimum environment for successful implementation of a public administration project.

- **Comprehensive solutions for business sectors**

We offer comprehensive IT packages that are customized to individual needs of large and medium-sized companies virtually from every sector of the economy. In this category, our product portfolio includes comprehensive systems dedicated to the banking sector (Asseco def3000), energy industry (AUMS), healthcare (AMMS), brokerage houses (Promak) as well as for the insurance industry (IDIT, ALIS).

- **Standard software packages**

We also provide standard software packages for thousands of small and medium-sized companies. With no need for customer-tailored products and at an affordable cost, tens of thousands of firms use Asseco's out-of-the-box software to support their routine enterprise management functions. An example of a standard software package is Magic xpa, a platform for creation and development of applications and solutions.

- **Cloud computing solutions**

Small and medium-sized enterprises can use our IT solutions available over the Internet. With a minimum of effort and cost and maximum benefits, our clients may take advantage of our knowledge and experience without investing large sums of money in IT infrastructure or a team of IT experts. Several hundred cooperative banks operating in Poland have decided to use cloud-based e-banking systems.

- Designed to individual customer needs

- Designed and developed for multiple large and medium-sized clients

- Standard solutions for a large number of small and medium-sized customers

- Solutions available online for many customers

SELECTED PRODUCTS

Dedicated solutions	Comprehensive solutions for business sectors	Standard software packages	Cloud computing solutions
Comprehensive Information System – ZUS	Asseco def3000 (banking)	Asseco WAPRO	<i>def3000</i> REB / CEB (banking)
Insurer – PZU	Asseco Utility Management Solutions (energy industry)	Asseco HR	Asseco Mobile Touch (general business use)
Border Clearance System – National Border Guard	Asseco Medical Management Solutions (healthcare)	Matrix42 solutions	abStore Wapro (e-commerce)
Central Register of Vehicles and Drivers – Ministry of the Interior	Sapiens IDIT, ALIS (insurance)	Magic xpi Integration Platform	wrotacelne.pl (customs systems)
	OTAGO System (administration)	Magic xpa Development Platform	
	Promak (brokerage houses)		

Product portfolio – sectors

Asseco Group is specialized in the development of proprietary IT solutions for all sectors of the economy. Asseco's product portfolio is divided into three main sectors: banking and finance, public administration, and general business. Each of these sectors comprises a wide range of institutions that use our proprietary IT systems. Presented below is a selection of our IT solutions dedicated for individual sectors.

▪ Banking and Finance

Banks – production of Banking software is one of the key businesses of the majority of Asseco subsidiaries. Both regional and international expansion of our Group is largely dependent upon continuing improvement and further development of IT solutions tailored to meet the banking sector's growing expectations from information technology.

The Group's flagship product for the banking sector is *def3000*, a comprehensive IT system developed by Asseco Poland. In addition, the Group offers dozens of specialized ready-to-implement solutions, requiring only some adaptation to specific operations of a given institution.

Comprehensive banking systems are also offered by other companies of our Group. Asseco Central Europe, marketing its proprietary StarBANK family solutions, has gained a strong position in the Slovak market for banking industry software. Asseco South Eastern Europe offers core banking systems, payment gateways, business intelligence solutions, and customer relationship management (CRM) solutions, and is engaged in the installation and maintenance of ATMs and POS terminals.

Insurance – Asseco Group is proud of its long-term cooperation with major international insurance companies. Among them are life and property insurance companies, insurance brokers, as well as insurance market regulators. Advanced solutions provided by Asseco are always adjusted to conform to applicable insurance regulations and ensure the highest levels of security.

The Group's portfolio features core insurance systems and a variety of specialized solutions, including billing and collection systems, applications supporting claim settlement processes, reinsurance, co-operation with agents, and detection of insurance frauds. We also provide tools allowing insurance companies to fulfill the requirements of Solvency II.

The Group's flagship insurance industry products are ALIS, IDIT, and INSIGHT systems which are offered by our Israeli Sapiens group.

Other Asseco companies are also specialized in the provision of proprietary IT solutions for insurance companies. Asseco Central Europe offers its StarINS software suite, whereas Asseco Poland implements fully-fledged property and life insurance systems.

To complement the above described banking and insurance industry competencies, Asseco is a provider of all-in-one IT solutions for brokerage houses, as well as for leasing and factoring companies.

▪ Public Institutions

Central level – Asseco Group develops and implements software solutions for public administration in the areas that cannot be supported by ready-made tools. These are mostly complex systems with powerful functionality suitable for processing of large data volumes.

Asseco Poland has got vast experience in the execution of complex IT projects for the public administration. The largest information technology project in Poland – the Comprehensive Information System of the Social Insurance Institution – has been implemented by Asseco. Furthermore, Asseco developed the Central Register of Vehicles and Drivers for the Ministry of the Interior and Administration, Information System for the National Border Guard, as well as IT solutions for the Agency for Restructuring and Modernisation of Agriculture. As the only IT company of Central and Eastern Europe, we executed over 50 prestigious projects for the EU and NATO agencies.

Local governments – Asseco provides proprietary IT solutions for all levels of local administration bodies. A significant advantage of our software is that it can be easily integrated with specialized tools such as digital maps or metropolitan networks.

Within the Group, the company specializing in such solutions is ZUI OTAGO, which offers its proprietary OTAGO Integrated Municipal Management System.

Healthcare – Asseco Group continues to build its market leadership in the provision of IT solutions for all types of medical facilities. Our solutions are used by hundreds of major hospitals and most clinics in the CEE region. Asseco's services include professional consulting on the design, implementation and maintenance of information systems for health insurance companies, and the provision of comprehensive solutions for hospitals and clinics. Asseco delivers patient service solutions, contract settlement systems as well as facility management solutions.

The Group's flagship product is AMMS (Asseco Medical Management Solution), Asseco Poland's comprehensive package of information systems designed to help manage large and medium-sized hospitals, polyclinics, medical centers, outpatient clinics and emergency departments. Asseco Central Europe also provides a proprietary healthcare information system, which is called Mediform. The Group's portfolio for the healthcare sector is complemented with Hungarian GlobeNet solutions. Whereas, our Israel-based center of innovation develops pioneering IT solutions for the largest medical centers in the world. These include Tafnit, which meets the specific needs of hospital management.

▪ **General Business**

Telco & Utilities – Asseco Group offers comprehensive proprietary solutions, which are capable of handling multi-million customer databases and are customized for the specific needs of telecommunication, media, energy, gas and utility enterprises. Over a 20-year long presence of our solutions in this sector resulted in strategic partnerships with many major companies in Europe, which appreciate Asseco specialists' in-depth professional knowledge and experience, just as the flexibility of our solutions.

Our product portfolio dedicated to the Telco & Utilities sector includes billing systems, fraud detection systems, sales and CRM applications, portal applications, data warehouses, BI tools, and many more. The product portfolio is supplemented with technical infrastructure and asset management systems, and GIS/NIS solutions.

Asseco Poland has, for many years, been one of the key providers of billing systems to Orange Poland. Our software solutions are also used by other mobile and fixed-line telephony operators, as well as by media

companies such as ITI Group. Moreover, our systems are utilized by major energy holdings operating in Poland, such as Tauron, PGNiG, Enea, and PGE.

At the same time, Asseco Central Europe specializes in technical infrastructure management systems for network enterprises, while Asseco South Eastern Europe delivers IT solutions to many leading telecom operators in the Balkans region.

ERP solutions – we offer a full range of state-of-the-art ERP systems for small, medium and large companies. All of them are fully integrated software packages designed to support enterprise management processes. Owing to their diversified functionality and module-based structure, our solutions can be utilized in virtually every industry. Moreover, the Group has departments specializing in the implementation, development and industry adaptation of ERP systems based on the technologies of Oracle, SAP and Microsoft.

One of the Group's subsidiaries operating in the Polish market is Asseco Business Solutions (ABS), which specializes in ERP systems to support the management of small and medium-sized enterprises. Depending on the client preferred technology, ABS may offer Asseco SAFO based on Oracle technology, or Asseco SOFTLAB ERP using Microsoft technology.

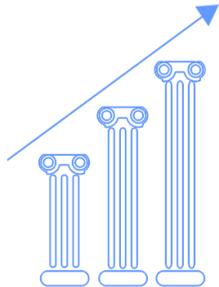
Asseco Central Europe developed a proprietary ERP solution which is implemented by its subsidiary Asseco Solutions. Strong ERP competence is also demonstrated by our subsidiary Asseco Solutions.

Furthermore, Asseco Group provides consulting and implementation services covering SAP, Oracle, and Microsoft Dynamics AX solutions.

Product portfolio – sectors

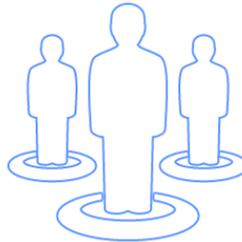
Banking and Finance

- Banks
- Insurance
- Brokerage houses
- Investment funds
- Leasing companies
- Factoring companies



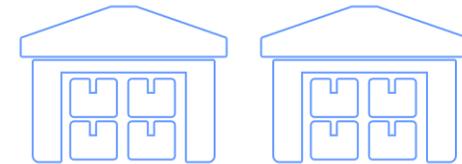
Public Institutions

- Central administration
- Local administration
- Healthcare
- International organizations
- Social insurance
- Uniformed services
- Education



General Business

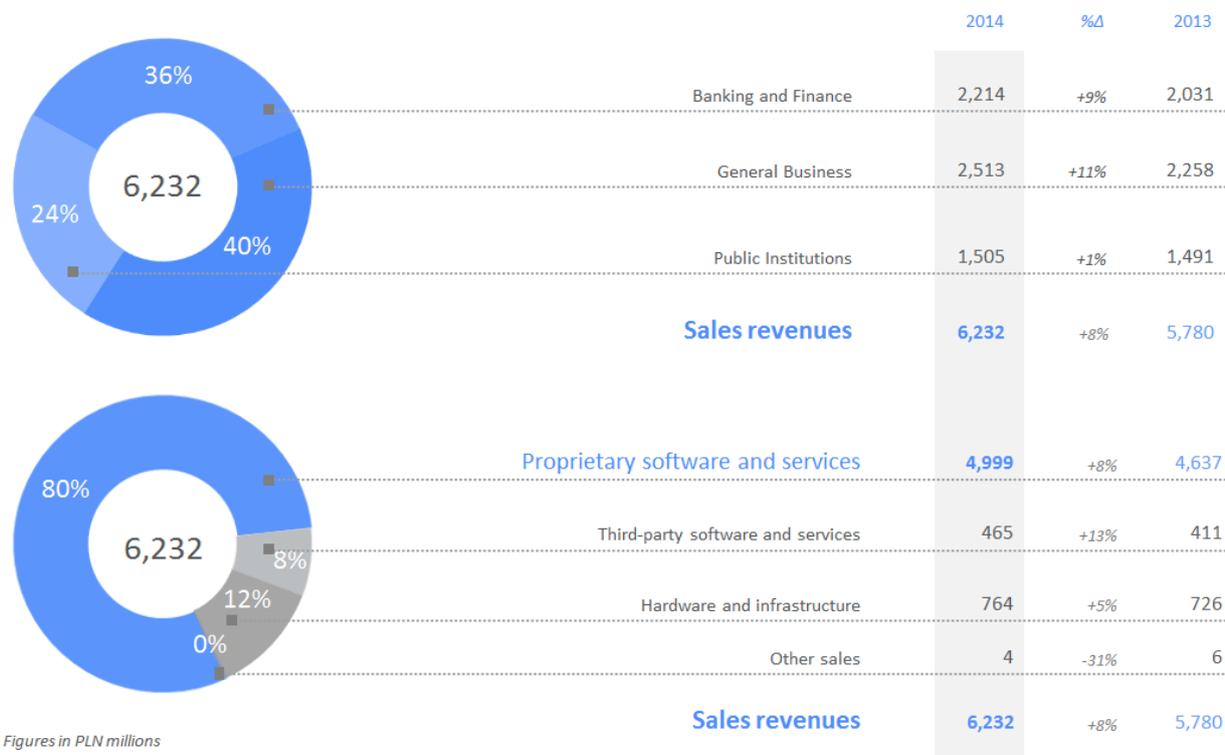
- Telecommunication
- Municipal utilities
- Energy industry
- Gas industry
- Manufacturing, trade and services
- FMCG
- Multimedia



Financial information

Structure of sales revenues of Asseco Group

Breakdown of sales revenues by products and sectors in the year ended 31 December 2014 and in the comparable period



Consolidated sales revenues by regions and sectors in 2014

	General Business	Banking and Finance	Public Institutions	Total **
Polish market	502.6	452.8	726.1	1,681.5
Israeli market	1,398.8	1,119.6	432.6	2,951.0
Central European market	206.9	88.1	198.5	493.5
South Eastern European market	94.2	338.5	68.2	500.9
Western European market	314.1	102.2	44.3	460.6
Eastern European market	2.5	113.8	35.7	151.9
Asseco Group*	2,512.8	2,213.9	1,505.2	6,231.9

Figures in PLN millions

* Figures after consolidation eliminations

** Revenues generated in individual markets include sales to external customers as well as inter-segment sales

Summary and analysis of the financial results of Asseco Group

Presented below are the financial results for the year ended 31 December 2014 as well as for the comparable period of the previous year:

PLN millions	12 months ended 31 Dec. 2014 (audited)	12 months ended 31 Dec. 2013 (restated)	Change
Sales revenues	6,231.9	5,780.0	7.8%
Proprietary software and services	4,998.9	4,636.8	7.8%
Gross profit (loss) on sales	1,519.8	1,426.9	6.5%
Selling costs	(393.8)	(353.5)	11.4%
General and administrative expenses	(477.1)	(457.0)	4.4%
Other operating activities	(12.2)	(17.9)	-
Operating profit	636.7	598.5	6.4%
Net profit attributable to Shareholders of the Parent Company	358.4	306.4	17.0%
EBITDA	892.5	846.3	5.5%

EBITDA = EBIT + depreciation and amortization

PLN millions	3 months ended 31 Dec. 2014 (audited)	3 months ended 31 Dec. 2013 (restated)	Change
Sales revenues	1,832.6	1,700.7	7.8%
Proprietary software and services	1,428.7	1,283.8	11.3%
Gross profit (loss) on sales	436.1	365.5	19.3%
Selling costs	(117.8)	(84.1)	40.1%
General and administrative expenses	(129.1)	(139.0)	(7.1%)
Other operating activities	(11.7)	(16.4)	(28.7%)
Operating profit	177.5	126.0	40.9%
Net profit attributable to Shareholders of the Parent Company	89.9	45.3	98.5%
EBITDA	245.6	191.4	28.3%

EBITDA = EBIT + depreciation and amortization

Presented below is the currency structure of our sales revenues in the period of 12 months ended 31 December 2014 and in the comparable period ended 31 December 2013:

	12 months ended 31 Dec. 2014 (audited)	12 months ended 31 Dec. 2013 (restated)
NIS (new Israeli shekel)	29.7%	28.6%
PLN (Polish zloty)	26.6%	28.7%
EUR (euro)	16.7%	18.1%
USD (American dollar)	11.9%	10.0%
CZK (Czech crown)	2.0%	3.2%
RON (new Romanian leu)	1.8%	1.7%
RSD (Serbian dinar)	2.0%	1.8%
GBP (British pound)	2.1%	1.7%
RUB (Russian ruble)	1.6%	0.8%
other currencies	5.6%	5.4%
	100.0%	100.0%

Margins of profit

The table below presents the key profitability ratios achieved by the Group for the year ended 31 December 2014 and in the comparable period:

	12 months ended 31 Dec. 2014 (audited)	12 months ended 31 Dec. 2013 (restated)	Change
Gross profit margin	24.4%	24.7%	(0.3) pp
EBITDA margin	14.3%	14.6%	(0.3) pp
Operating profit margin	10.2%	10.4%	(0.2) pp
Net profit margin	8.5%	7.8%	0.7 pp

Gross profit margin = gross profit on sales / sales
EBITDA margin = EBITDA / sales
Operating profit margin = operating profit / sales
Net profit margin = net profit / sales

In 2014, the cost of sales increased from PLN 4,353.1 million to PLN 4,712.1 million or by 8.2%. In the same period, sales revenues improved by 7.8% as a result of which our operating profit margin declined by 0.2 percentage points. The largest portion of the Group's operating costs is represented by the costs of goods and services sold, third-party service costs, employee benefit costs (including primarily salaries), as well as depreciation and amortization. The above-mentioned costs account for over 90% of the Group's total operating costs.

Liquidity

Working capital, defined as the difference between current assets and current liabilities, represents the amount of capital which is used to finance current assets. The table below presents the closing balances of working capital as at 31 December 2014 and at the end of the comparable period.

As at 31 December 2014, the Group's working capital amounted to PLN 1,723.4 million and was by 31.2% higher if compared to the level of PLN 1,313.1 million reported as at 31 December 2013.

	31 Dec. 2014 (audited)	31 Dec. 2013 (restated)	1 Jan. 2013 (restated)
Working capital (in PLN millions)	1,723.4	1,313.1	1,291.3
Current liquidity ratio	2.0	1.8	1.8
Quick liquidity ratio	1.9	1.7	1.7
Absolute liquidity ratio	0.7	0.6	0.6

Working capital = current assets - current liabilities

Current liquidity ratio = current assets / current liabilities

Quick liquidity ratio = (current assets - inventories - prepayments) / current liabilities

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

In 2014, we observed an increase in both current assets and current liabilities, however the value of assets rose faster than liabilities. The main factors behind the growth in working capital in 2014 included:

- an increase in cash and short-term bank deposits by PLN 255.2 million;
- a decrease in current trade payables by PLN 19.8 million.

Debt

Asseco Group managed to reduce its debt ratio reported as at the end of 2014 by 0.2 percentage points. Concurrently, the relation of our debt to equity increased primarily due to an increase in shareholders' equity from PLN 7,424.6 million as at the end of 2013 to PLN 7,973.4 million as at the end of 2014.

As compared with the end of 2013, the Group's current liabilities increased by PLN 51.6 million or 3.1%, while our short-term debt under interest-bearing bank loans and borrowings rose by PLN 48.4 million or 29.6%. Over the period from 31 December 2013 to 31 December 2014, our non-current liabilities increased by PLN 110.7 million.

	31 Dec. 2014 (audited)	31 Dec. 2013 (restated)	1 Jan. 2013 (restated)
Debt ratio	25.3%	25.5%	25.2%
Debt/equity ratio	10.8%	9.2%	10.6%
Debt/(debt + equity) ratio	9.7%	8.4%	9.6%

Debt ratio = (non-current liabilities + current liabilities) / assets

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

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

Quarterly financial results

The tables below present selected financial figures, comparing individual quarters of 2014 and 2013.

PLN millions	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Sales revenues	1,832.6	1,449.9	1,499.1	1,450.3
of which proprietary software and services	1,428.7	1,190.9	1,201.4	1,177.9
Operating profit	177.5	162.1	150.2	146.9
Net profit for shareholders of the Parent Company	89.9	84.7	86.5	97.3
Depreciation and amortization	(68.1)	(64.9)	(57.7)	(65.1)
CFO after tax	287.6	93.2	237.7	67.9
CAPEX (incl. R&D)	(57.3)	(39.6)	(50.4)	(56.5)
EBITDA	245.6	263.9	190.5	192.5

EBIT = operating profit

CFO AT = cash generated from operating activities, after tax

CAPEX = capital expenditures for non-current assets

EBITDA = EBIT + depreciation and amortization

PLN millions	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Sales revenues	1,700.7	1,331.2	1,402.9	1,345.2
of which proprietary software and services	1,283.8	1,148.7	1,139.2	1,065.1
Operating profit	126.0	146.7	158.4	167.5
Net profit for shareholders of the Parent Company	45.3	81.2	87.5	92.4
Depreciation and amortization	(65.4)	(63.4)	(55.1)	(63.9)
CFO after tax	377.7	54.9	125.1	194.1
CAPEX (incl. R&D)	(80.4)	(44.9)	(45.7)	(44.5)
EBITDA	191.4	272.0	190.4	192.5

EBIT = operating profit

CFO AT = cash generated from operating activities, after tax

CAPEX = capital expenditures for non-current assets

EBITDA = EBIT + depreciation and amortization

Major events and factors with impact on our financial performance

Polish market

The following table presents the key financial results generated by our Polish market segment:

PLN millions	12 months ended 31 Dec. 2014	12 months ended 31 Dec. 2013
Sales revenues*	1,677.2	1,763.2
EBIT	298.3	302.6
EBIT margin	17.8%	17.2%
Adjusted EBIT	316.5	321.4
Adjusted EBIT margin	18.9%	18.2%
EBITDA	390.6	391.9
EBITDA margin	23.3%	22.2%
CFO _{BT}	341.0	403.6
CAPEX	(46.0)	(70.5)
FCF	295.0	333.1
Cash conversion rate	93.2%	103.6%
Cash and cash equivalents at the end of period	200.0	208.1
Interest-bearing debt at the end of period	(234.2)	(285.5)
of which bank loans, borrowings and bonds issued	(109.5)	(146.4)
of which finance lease liabilities	(124.7)	(139.1)

* Segment's sales to external customers

EBIT = operating profit

Adjusted EBIT = EBIT+PPA+SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees

EBITDA = EBIT + depreciation and amortization

CFO_{BT} = cash generated from operating activities (i.e. before income tax paid)

CAPEX = segment's capital expenditures for non-current assets

FCF = |CFO_{BT}| - |CAPEX|

Cash conversion rate = (FCF) / (adjusted EBIT)

In 2014, sales revenues of the Group companies operating in the Polish market reached PLN 1,677.2 million, of which PLN 1,321.3 million were generated by Asseco Poland S.A., representing 78.0% of the segment's sales. Asseco Poland S.A. earned an operating profit of PLN 240.3 million, while profit on operations of Asseco Business Solutions amounted to PLN 34.2 million, contributing respectively 80.5% and 11.4% to the segment's EBIT.

Asseco Poland

In 2014, the Company successfully continued to strengthen cooperation with its existing clients. Asseco Poland signed new important contracts in the market of public administration, proving its unique competence and knowledge of that sector. The Company grew dynamically also in the enterprises sector, expanding its cooperation with major telecommunications, media and energy industry players.

In the public administration segment, the Company performed further work under the framework agreement for the Comprehensive Information System (CIS) at the Social Insurance Institution (ZUS). Last year, one of the most important and challenging projects was to adapt this system to changes resulting from the new Act on Open Pension Funds (OFE). Due to a lower demand for the CIS development services, the Company has reorganized its team of specialists responsible for working with this client.

In 2014, the Company signed a new agreement for the development, maintenance and integration of the Workflow System at the Agricultural Social Insurance Fund (KRUS) over a period of 48 months, with a total gross value exceeding PLN 24 million. Moreover, we signed and commenced a new contract for the maintenance and development of an IT system intended to support the management of insurances and short-term benefits at KRUS. This two-year contract is worth nearly PLN 60 million (gross). We also successfully completed the period of transition under the contract for maintenance of AIS (Agency Information System) performed in favour of the Agency for Restructuring and Modernization of Agriculture (ARiMR). Hence, the team of Asseco started to provide maintenance and modification services for this system on its own.

The Company achieved dynamic growth in the market for healthcare systems. Thanks to the newly signed contracts, today more than 130 hospitals and healthcare centers use our latest system called AMMS (Asseco Medical Management Solutions). During the last year, this system was enriched with additional functionalities and modules. In 2014, Asseco gained another important client in the public administration sector, namely the Office of Electronic Communications (UKE).

In the general business segment, in 2014 the Company carried out significant contracts and projects in the sectors of telecommunications and energy. The Company signed a contract for further development of a proprietary IT solution of Cyfrowy Polsat Group (Polkomtel), which is used for distribution of their products and services. This is the next project building up our cooperation with that client – in the previous year, we redesigned the www.plus.pl web portal and store owned by Polkomtel, the operator of Plus mobile network, as well as launched Asseco Utility Management Solutions (AUMS) to support their electricity distribution operations. The Company also continued its close cooperation with Orange Poland within their

Vendors Consolidation project. We completed the migration of several million individual customers of fixed-line telephony and Internet into a new billing system maintained by the team of Asseco Poland.

Orange Poland has also deployed the AUMS system to support their sales of electricity. This is yet another large telecommunications player that decided to provide energy distribution services with the help of AUMS.

Apart from Orange Poland, the AUMS system has been implemented for one of the biggest energy companies in Poland, namely Enea Centrum of the Enea Group, where Asseco's system will be expanded to serve as their main customer service platform. Moreover, the Company entered into an agreement with the Ethiopian Information Network Security Agency (INSA) to jointly execute a project of building a modern energy market in Ethiopia. This contract is worth over PLN 29.9 million. The system will be created based on Asseco's proprietary AUMS software as well as extensive know-how in IT solutions for the energy sector.

In the banking and finance segment, in 2014 the Company successfully cooperated with its major clients, while continuing to develop its flagship banking system – def3000 suite. At Bank Gospodarstwa Krajowego, we completed, ahead of the scheduled deadline, the first stage of the Public Finance Consolidation project and modified the def3000/TR system for their Treasury Department. Our projects for other banking institutions included implementations of the seizure processing system (def3000/SP) and e-banking system (def3000/REB-LT). The Company also performed further orders for the largest Polish bank – PKO BP, under the agreement for their Integrated Information System (IIS).

The def3000/TR system won recognition from international IT market experts and, as the only Polish product, was placed in the "Magic Quadrant for Trading Platforms", a prestigious report published by Gartner research and advisory firm.

Another important achievement of 2014 was to complete the development of the first version of def3000/UFE – Universal Front End system. Universal Front End is a fully flexible system which allows to implement the strategy of omni-channel banking by integrating the bank's existing systems into a uniform, ergonomic and user-friendly working environment, available both on desktop computers and mobile devices. During the past year, the Company executed a number of projects in the area of innovative internet and mobile banking, and

reinforced its position among cooperative banks, where it deployed state-of-the-art online banking and security solutions.

Furthermore, the Company was actively engaged in the development of IT infrastructure for the Polish capital market and helped to upgrade it to the latest world standards. We implemented an innovative mobile application for the clients of mBank Brokerage House – mDM iPad, which is one of the first stock trading apps for Apple devices available in Poland. We managed to complete the development of the PROMAK RNZ system enabling the clients of a brokerage house to invest money in foreign markets, as well as PROMAK TE allowing to use the stock trading platform on tablets.

In 2014, the Company effectively continued its cooperation with the insurance industry clients. We signed a new maintenance agreement with AIG and concurrently modified the Ins.MR insurance reporting system. Moreover, we concluded a framework agreement to provide IT services for the headquarters of Allianz in Germany. Asseco Poland carried out further projects for the largest and oldest insurance company in Poland – PZU, including the implementation of the fourth stage of centralization and standardization of accounting processes at PZU and PZU Life.

Asseco Business Solutions

In 2014, Asseco Business Solutions ("ABS") recorded a considerable increase in its profitability. With a similar level of sales revenues as in 2013 (a slight decrease by 1% to the level of PLN 145.0 million), the company managed to improve its EBITDA by 6% to PLN 46.0 million, operating profit by 7% to PLN 34.2 million, as well as net profit by 6% to PLN 28.6 million.

Such growth in profit margins was achieved as weaker sales of hardware were replaced by stronger sales of services and high-margin products increased. By changing its revenue structure, the company managed to improve its margins at the levels of operating profit, EBITDA and net profit in comparison with 2013.

ABS continued its successful operations in the market of mobile solutions and data exchange platforms. The Mobile Touch system, which automates the process of product sales (SFA – Sales Force Automation), has been recognized by the market analysts of Gartner research firm just as well as by the company's clients.

In 2014, IT systems developed by Asseco Business Solutions have been deployed, among others, by Dr. Oetker Poland, BACARDI-MARTINI B.V., Nestle Poland,

and Maspex Romania. Moreover, the company signed further agreements for the implementation of Asseco Softlab ERP, including for Gino Rossi S.A. and KUKI Finance S.A.

Thanks to its stable financial condition and positive future outlook, ABS was able to pay out a hefty dividend, distributing almost all of its net earnings for 2013.

Israeli market

The following table presents the key financial results generated by our Israeli market segment:

PLN millions	12 months ended 31 Dec. 2014	12 months ended 31 Dec. 2013
Sales revenues*	2,951.0	2,579.9
EBIT	187.8	167.0
EBIT margin	6.4%	6.5%
Adjusted EBIT	258.1	233.2
Adjusted EBIT margin	8.7%	9.0%
EBITDA	286.6	263.9
EBITDA margin	9.7%	10.2%
CFO _{BT}	218.4	269.3
CAPEX	(54.1)	(59.6)
FCF	164.3	209.7
Cash conversion rate	63.7%	89.9%
Cash and cash equivalents at the end of period	631.1	459.0
Interest-bearing debt at the end of period	(531.0)	(301.4)
of which bank loans, borrowings and bonds issued	(526.3)	(295.4)
of which finance lease liabilities	(4.7)	(6.0)

* Segment's sales to external customers

EBIT = operating profit

Adjusted EBIT = EBIT+PPA+SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees

EBITDA = EBIT + depreciation and amortization

CFO_{BT} = cash generated from operating activities (i.e. before income tax paid)

CAPEX = segment's capital expenditures for non-current assets

FCF = |CFO_{BT}| - |CAPEX|

Cash conversion rate = (FCF) / (adjusted EBIT)

In 2014, Formula Systems generated sales revenues of PLN 2,951.0 million, achieving a 14.4% improvement over the last year. The company's financial performance was affected by the below described factors.

Matrix

The 2014 financial results of Matrix, a leader in the Israeli IT market, were better than in 2013.

The company's operating profit improved as a result of intensification of activities in the segments of software and services as well as marketing solutions, which was accompanied by some decrease in the volume of activity in the training segment.

The company continued to grow in all major sectors of the market. Matrix boosted its efforts in cloud-based solutions, primarily by launching the CloudZone package of services for customers using the Amazon Web Services platform. The company won a number of major tenders and projects in various sectors, including the development of CIM (Computer Integrated Manufacturing) system, building a portal for insurance agents, design and implementation of a large CRM system for a financial institution, building a corporate portal for a leading international freight forwarding company, as well as creation and development of a website for a defense sector institution.

In the high-tech sector, Matrix completed further implementations of Business Intelligence and Big Data solutions. The company performed a number of projects in the fields of security and defense in the public sector. It also developed and deployed IT systems intended to support financial management and logistics processes in the automotive industry. Specialists of this Israeli company carried out numerous database, virtualization and servers projects for the public administration bodies, finance and insurance companies, high-tech companies and manufacturing enterprises.

The company also continued its expansion into the US market based on its subsidiary operations that have been taken over in prior years.

Magic Software

The company reported strong financial results for 2014. It was the fifth consecutive year in which Magic improved its revenues and operating profit. Over the past year, the company successfully combined and reorganized some of its departments, hired new managers and increased the number of sales representatives. Thanks to these activities, the company managed to maintain its 16% operating margin, although its service revenues increased faster than sales of software licenses.

The company has continued to develop its key products. It released a new version of Magic xpi Integration Platform, which has been enriched with web-based monitoring capabilities and additional performance measurements. Whereas, Magic xpa Development Platform was upgraded with new features and enhancements to allow for creation of powerful mobility applications.

Products of Magic Software won recognition from the IT market experts. The Magic xpi Integration Platform was recognized with the Product Innovation Leadership Award by Frost & Sullivan. Magic Enterprise Mobility Solution won DeveloperWeek's

Top Innovator Award and Mobile Village Superstar Award for mobile development.

High quality products and growing demand for services provided by Magic Software brought many new contracts in 2014. French independent software vendor, Syslife, chose the Magic Enterprise Mobility Solution to develop its flagship Adexio supply chain management software. Petzl Group, specializing in the manufacture of mountain climbing equipment, selected Magic xpi for automation of its business processes.

In 2014, Magic Software gained a total of more than 200 new customers. Thanks to the high level of investors' confidence in the company, in the first quarter of 2014, Magic successfully carried out an issuance of shares with a value of USD 54.7 million.

Sapiens

In 2014, the company recorded stronger sales across all product lines and in all geographical markets where it operates. Sapiens continued to invest in technology, while modernizing its products portfolio and developing new software solutions. In the middle of the last year, the company completed its 3-year development work and started the distribution of ALIS Retirement Services Platform, a system for storing the data of insured persons, which has been created in cooperation with key experts from the retirement insurance industry. The company also launched a new version of IDIT, which supports the sale and management of insurance policies, as well as a new version of its Decision system.

In 2014, Sapiens made further expenditures aiming to increase its brand awareness as well as to strengthen its sales force. It also reorganized its sales department.

At the end of the last year, IT solutions provided by this Israeli company have been used by more than 130 customers. Furthermore, the company signed and successfully completed a number of contracts, including the supply and implementation of Sapiens Life&Pension software for Altshuler-Shaham Group, an Israeli asset management firm, and the implementation of Sapiens Reinsurance software for West Bend Mutual Insurance based in the US

In order to supplement its products and services portfolio, in 2014, Sapiens took over the company of Knowledge Partners International (KPI), which is a pioneer and a leading provider of consulting services for decision-making processes. KPI also owns a patent for its unique methodology called "The Decision Model", which is incorporated in the Decision system marketed by Sapiens.

Central European market

The following table presents the key financial results generated by our Central European market segment:

PLN millions	12 months ended 31 Dec. 2014	12 months ended 31 Dec. 2013
Sales revenues*	492.3	398.5
EBIT	50.3	54.7
EBIT margin	10.2%	13.7%
Adjusted EBIT	55.4	61.1
Adjusted EBIT margin	11.3%	15.3%
EBITDA	70.1	79.5
EBITDA margin	14.2%	19.9%
CFO _{BT}	101.0	72.9
CAPEX	(14.5)	(31.0)
FCF	86.5	41.9
Cash conversion rate	156.1%	68.6%
Cash and cash equivalents at the end of period	160.4	144.6
Interest-bearing debt at the end of period	(2.8)	(42.0)
<i>of which bank loans, borrowings and bonds issued</i>	(2.5)	(36.4)
<i>of which finance lease liabilities</i>	(0.3)	(5.6)

* Segment's sales to external customers

EBIT = operating profit

Adjusted EBIT = EBIT+PPA+SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees

EBITDA = EBIT + depreciation and amortization

CFO_{BT} = cash generated from operating activities (i.e. before income tax paid)

CAPEX = segment's capital expenditures for non-current assets

FCF = |CFO_{BT}| - |CAPEX|

Cash conversion rate = (FCF) / (adjusted EBIT)

The Central European market is represented by Asseco Central Europe Group ("ACE"). One of the most important events for this Group in 2014 was to acquire Asseco Solutions AG, a manufacturer of ERP software. In this way, ACE created Asseco Solutions Group, which conducts business operations in five countries of Central and Eastern Europe (including the Czech Republic, Slovakia, Germany) and has already become one of the largest vendors of ERP systems in the region with annual revenues in excess of EUR 50 million. In 2014, as part of streamlining its organizational structure, ACE Group sold its subsidiary Slovanet, which specialized in the provision of telecommunications services (such as the Internet, TV and phone) to retail customers.

During the last year, ACE was also very successful in the Slovak market, where it signed an important contract with the State Institute of Professional

Sciences to support – with analyses and software – the program of the “Creation of the National System of Qualifications”. Under this project, the company developed a new, dedicated application – NSQ. ACE also concluded a contract with the Union of Health Insurers and Insurance Companies for the development of an IT system to replace the circulation of paper documents.

Moreover, ACE gained a contract from the Slovak Ministry of the Interior to develop an IT system enabling the identification of citizens (IS IFO), which will be one of the foundations of the country’s eGovernment project. Whereas, the Czech Ministry of the Interior contracted ACE for the maintenance and development of the Register of Rights and Obligations, one of the country’s most important registers.

ACE specialists also co-developed an e-Portal for the Czech Social Security Administration, which is one of the most modern portals available for the country’s citizens.

South Eastern European market

The following table presents the key financial results generated by our South Eastern European market segment:

PLN millions	12 months ended 31 Dec. 2014	12 months ended 31 Dec. 2013
Sales revenues*	499.3	469.0
EBIT	46.0	41.6
EBIT margin	9.2%	8.9%
Adjusted EBIT	46.0	41.6
Adjusted EBIT margin	9.2%	8.9%
EBITDA	69.0	55.5
EBITDA margin	13.8%	11.8%
CFO _{BT}	76.8	48.7
CAPEX	(60.4)	(36.0)
FCF	16.4	12.7
Cash conversion rate	54.5%	44.9%
Cash and cash equivalents at the end of period	88.9	58.3
Interest-bearing debt at the end of period	(40.5)	(14.5)
of which bank loans, borrowings and bonds issued	(39.2)	(13.5)
of which finance lease liabilities	(1.3)	(1.0)

* Segment’s sales to external customers

EBIT = operating profit

Adjusted EBIT = EBIT+PPA+SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees

EBITDA = EBIT + depreciation and amortization

CFO_{BT} = cash generated from operating activities (i.e. before income tax paid)

CAPEX = segment’s capital expenditures for non-current assets

FCF = |CFO_{BT}| - |CAPEX|

Cash conversion rate = (FCF) / (adjusted EBIT)

The South Eastern European market is represented by Asseco South Eastern Europe Group (“ASEE”). The companies of ASEE Group operate in more than a dozen countries in the region, including Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Kosovo, Macedonia, Moldova, Romania, Serbia, Slovenia, as well as in Turkey and Poland.

The financial performance of ASEE in 2014 was stronger than in 2013. Total sales revenues reached PLN 499.3 million, increasing by PLN 30.3 million or 6.5% year on year. The company’s EBITDA for the full year 2014 surged by 24.3%, operating profit improved by 10.6% to PLN 46.0 million, while its net profit increased by PLN 3 million or 9% to the level of PLN 39 million. In line with the adopted strategy, in 2014 ASEE increased the share of own IT solutions and services in its total revenues to 51%.

One of the fastest growing businesses of ASEE were payment solutions. Revenues generated by this segment increased by 21% to PLN 135.3 million, while its net profit improved by 18% to PLN 21.4 million. Its financial results were also favourably influenced by the consolidation of EŽR Croatia that was taken over in October 2013.

During the last year, ASEE signed a number of significant long-term agreements, including: 5-year contract for outsourcing of payment solutions for Banca Intesa in Serbia, 7-year contract for outsourcing POS terminals for Croatia Banka in Croatia, and 8-year contract for outsourcing of ATMs for Privredna Banka in Croatia (ISP Group). Another agreement was signed for the supply and maintenance of contactless POS terminals for BRD Bank (Societe Generale Group) in Romania. ASEE also gained a contract to implement an online payment gateway for the largest auction portal in Turkey.

The systems integration business grew dynamically as well. Net profit reported by this segment improved by 43% year on year to reach PLN 11.5 million, while its sales revenues increased by more than PLN 240 million. ASEE commenced the execution of important projects, among others, for the Ministry of Information Society in Macedonia (development and implementation of a HR management solution), for the Electoral Commission in Romania (supply and integration of computer hardware to support the elections process), or for the Bulgarian branch of a large international bank (implementation of ASEBA BPS).

Sales revenues generated by the banking solutions segment of ASEE increased to PLN 125.5 million, while its net profit for 2014 amounted to PLN 13 million and was slightly lower than in 2013. The company received new contracts for the implementation of core banking systems at Makedonska Banka in Macedonia, at a branch of a large regional bank in Bosnia and Herzegovina, as well as at Lovcen Banka in Montenegro.

Western European market

The following table presents the key financial results generated in the Western European market:

PLN millions	12 months ended 31 Dec. 2014	12 months ended 31 Dec. 2013
Sales revenues*	460.3	482.3
EBIT	33.7	36.1
EBIT margin	7.32%	7.48%
Adjusted EBIT	36.6	38.7
Adjusted EBIT margin	8.0%	8.0%
EBITDA	49.7	54.3
EBITDA margin	10.8%	11.3%
CFO _{BT}	58.9	71.0
CAPEX	(16.7)	(17.9)
FCF	42.2	53.1
Cash conversion rate	115.3%	137.2%
Cash and cash equivalents at the end of period	120.2	74.8
Interest-bearing debt at the end of period	(28.6)	(37.1)
of which bank loans, borrowings and bonds issued	(28.6)	(37.1)
of which finance lease liabilities	-	-

* Segment's sales to external customers

EBIT = operating profit

Adjusted EBIT = EBIT+PPA+SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees

EBITDA = EBIT + depreciation and amortization

CFO_{BT} = cash generated from operating activities (i.e. before income tax paid)

CAPEX = segment's capital expenditures for non-current assets

FCF = |CFO_{BT}| - |CAPEX|

Cash conversion rate = (FCF) / (adjusted EBIT)

The Western European market corresponds to the territory of operations of Asseco South Western Europe Group, including Asseco Spain, Asseco DACH (primarily Matrix 42) and our companies operating in northern Europe.

An important event that affected the financial results of this market in 2014 was the sale of the company Asseco Solutions AG, which was owned by Asseco DACH, to Asseco Central Europe that represents the Central European market.

During the last year, Asseco Spain Group completed the reorganization process that was aimed to improve business efficiency of companies comprising

the Group as well as to focus on the development of new markets and products. Asseco Spain launched four new lines of business: training (through a new company LogisIT), retail sales (IT stores), Value Added products, and an engineering department. All these business lines have been created using the company's existing resources.

Asseco Spain signed and commenced the execution of new contracts, including for two largest banks in the country, Bankia and CaixaBank. At Bankia, the company's team will carry out a complete migration of the bank's telephony system from Blackberry to Android (including the supply of new equipment, software and services). Whereas at CaixaBank, the company will support the bank's global Business Intelligence project of the Master Data Management type. In 2014, Asseco Spain managed to gain new global partners, such as Apple, Samsung, Fujitsu, and Citrix.

The flagship solution offered by Asseco Danmark is SII Engine, which has been designed to support the implementation of the Solvency II Directive at financial institutions. The solution continues to attract more and more clients. In 2014, SII Engine was chosen for implementation by Mandatum Life (Sampo Group), one of the major financial institutions in Finland, which joined the group of 35 institutions using the solutions of Asseco Danmark.

Eastern European market

The following table presents the key financial results generated in the Eastern European market:

PLN millions	12 months ended 31 Dec. 2014	12 months ended 31 Dec. 2013
Sales revenues*	151.8	87.1
EBIT	20.5	0.6
EBIT margin	13.5%	0.7%
Adjusted EBIT	25.8	5.6
Adjusted EBIT margin	17.0%	6.4%
EBITDA	28.9	6.4
EBITDA margin	19.0%	7.3%
CFO _{BT}	20.4	15.6
CAPEX	(12.5)	(4.1)
FCF	7.9	11.5
Cash conversion rate	88.8%	410.7%
Cash and cash equivalents at the end of period	23.1	23.8
Interest-bearing debt at the end of period	(0.5)	(0.2)
<i>of which bank loans, borrowings and bonds issued</i>	-	-
<i>of which finance lease liabilities</i>	(0.5)	(0.2)

* Segment's sales to external customers

EBIT = operating profit

Adjusted EBIT = EBIT+PPA+SBP, where PPA means amortization charges on intangible assets recognized in purchase price allocation, and SBP means the costs of share-based payment transactions with employees

EBITDA = EBIT + depreciation and amortization

CFO_{BT} = cash generated from operating activities (i.e. before income tax paid)

CAPEX = segment's capital expenditures for non-current assets

FCF = |CFO_{BT}| - |CAPEX|

Cash conversion rate = (FCF) / (adjusted EBIT)

The Eastern European market is represented primarily by R-Style Softlab Group and Asseco Lithuania.

Celebrating its 20th anniversary, the Russian company R-Style Softlab has made a lot of success in 2014. The company's sales revenues, presented in the local currency (ruble), increased by 35% in comparison to 2013. R-Style Softlab gained new significant contracts from such clients as LetoBank (VTB Group), MTS Bank, or CentroCredit Bank. At LetoBank, the company implemented the solution called RSDH: Reporting to the Central Bank. MTS Bank successfully deployed the InterBank system, which automates the provision of all e-banking services. Another achievement in the area of Internet banking was the distinction received by the company's e-banking system implemented for Sberbank OnLine, which was named as the best system in its class in the region of

Eastern Europe. Whereas, at CentroCredit Bank, the company implemented RS-Securities, a stock trading platform, as well as RS-Bank, a package solutions that automate and optimize banking processes.

Last year, R-Style Softlab also completed the adjustment of its reporting system to the accounting standards applied by Asseco Group.

Non-recurring events with impact on our financial performance

Reversal of allowances for receivables from Prokom Investments S.A.

On 18 March 2014, Prokom Investments S.A. and Podkarpacki Fundusz Nieruchomości Sp. z o.o. (hereinafter "PFN") concluded an agreement, under which Prokom Investments sold 18,143 shares in Park Wodny Sopot Sp. z o.o. seated in Sopot, representing a 98.34% equity interest in that company, to PFN, and furthermore authorized PFN to pay the total sale price to Asseco Poland on behalf and by assignment of Prokom Investments. PFN accepted the assignment and became liable and responsible directly to Asseco.

Since Asseco Poland also had a liability towards PFN resulting from the acquisition of new shares in PFN; therefore, on 18 March 2014, Asseco Poland and PFN signed an agreement to offset their mutual obligations. As a result, Asseco's liabilities to PFN have been entirely extinguished with its receivables from Prokom; whereas, PFN's liabilities to Asseco have been entirely compensated with the payment due from Asseco for the acquisition of new shares in PFN; hence mutual obligations of both the companies have been offset.

The Group recognized PLN 28.1 million of income resulting from the reversal of allowances for commercial papers and other receivables from Prokom Investments, because these receivables have been settled by Prokom.

Disposal of Slovanet a.s.

On 27 June 2014, Asseco Central Europe, a.s. signed an agreement to sell 51% of shares in Slovanet, a.s. to the company SNET which, at the transaction date, already held the remaining 49% stake in Slovanet. As a result of that agreement, our control over Slovanet was lost on 27 June 2014. On this transaction, Asseco Group recognized a gain of PLN 8.4 million.

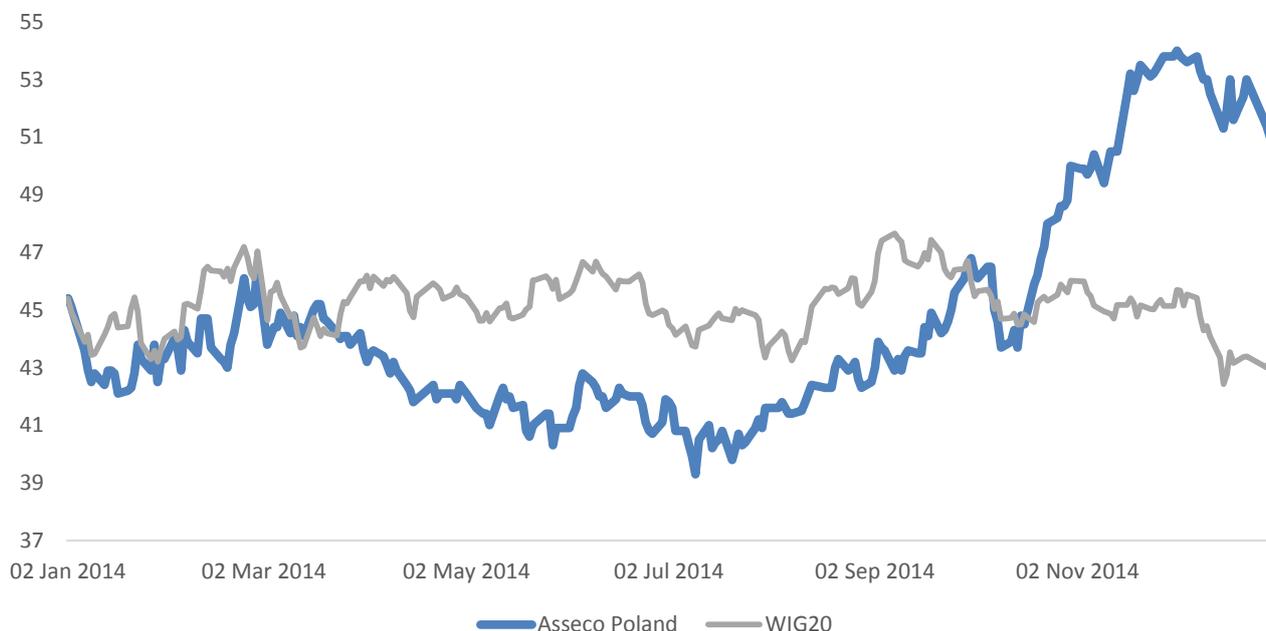
Impairment write-down on investment property

The performed verification of the value of investment properties held by the Company indicated that the carrying values of certain properties were higher than their actual market values. Hence, as at 31 December 2014, the Group recognized an impairment write-down on its investment property amounting to PLN 5.5 million.

Opinion on feasibility of investment plans

Asseco Group companies pay their trade payables, settle their compulsory state charges, and fulfil their investment obligations on a timely basis. Our companies maintain loan facilities at various banks in order to diversify their sources of financing. The companies pay their liabilities from current operating revenues which may be supplemented with third-party financing, in the form of short-term bank overdraft facilities, bank loans, borrowings, or capital contributions.

Asseco Poland S.A. in the capital market



	2014-01-02	2014-03-31	2014-06-30	2014-09-30	2014-12-30	Δ 12M
Asseco Poland S.A. (PLN)	45.40	44.20	41.10	46.60	51.00	12.3%
WIG20 (points)	2,430.7	2,462.50	2,408.80	2,500.30	2,315.90	- 4.7%
WIG (points)	51,865.89	52,373.47	51,934.94	54,878.58	51,416.08	-0.9%
WIG-Info (points)	1,397.57	1,312.10	1,247.43	1,322.84	1,386.48	-0.8%

In 2014, the price of Asseco Poland shares performed much better than the index of blue chips WIG20 and the broad market measured by WIG index. Over this period, the Company's shares appreciated by 12.3%, while both WIG20 and WIG indices declined by 4.7% and 0.9%, respectively. The information technology industry index, WIG-Info, also recorded a decrease of 0.8% in the past year.

Last year the Polish capital market was affected by both economic and political factors. The reform of the Act on Open Pension Funds (OFE) resulted in a reduced demand for stocks from pension funds. The demand from institutional investors was also limited due to a small inflow of new money into equity investment funds.

On the other hand, the stock market was supported by decisions of the Monetary Policy Council that cut the Polish interest rates to a record low level.

Another important factor with impact on stock prices on the Warsaw Stock Exchange was the conflict in the east of Europe which increased the investment risk in the region.

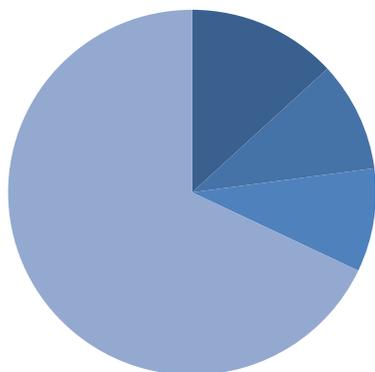
The market valuation of Asseco Poland might have been also affected by the distribution of a dividend for 2013 which amounted to PLN 2.60 per share.

Company's stock information

Total number of shares	83,000,303
ISIN	PLSOFTB00016
WSE	ACP
Reuters	ACPP.WA
Bloomberg	ACP PW

Shareholder structure

Major Shareholders as at 31 December 2014



- Aviva Pension Fund holds 10,920,000 shares representing 13.16% of voting rights
- Adam Góral holds 8,083,000 shares representing 9.74% of voting rights
- PZU Pension Fund holds 7,600,000 shares representing 9.16% of voting rights
- Other shareholders hold 56,397,303 shares representing 67.94% of voting rights

To the best knowledge of the Company's Management Board, as at the date of publication of this report, i.e. on 13 March 2015, the Shareholders who, either directly or through their subsidiaries, hold at least 5.0% of total voting rights are as follows:

Shareholders as at 13 March 2015	Number of shares held	Percentage of total voting rights
Aviva Pension Fund ¹⁾	10,920,000	13.16%
Adam Góral, President of the Management Board ²⁾	8,083,000	9.74%
PZU Pension Fund ¹⁾	7,600,000	9.16%
Other shareholders	56,397,303	67.94%
	83,000,303	100%

1) According to the number of votes exercised at the OGMS held on 12 May 2014.
2) According to Adam Góral's notification received by the Company on 14 December 2012 informing that, following the issuance of series K shares, his shareholding in the Company dropped below 10%.

According to the best knowledge of the Management Board of Asseco Poland S.A., as at 31 December 2014, the Shareholders who, either directly or through their subsidiaries, held at least 5% of total voting rights were as follows:

Shareholders as at 31 December 2014	Number of shares held	Percentage of total voting rights
Aviva Pension Fund ¹⁾	10,920,000	13.16%
Adam Góral, President of the Management Board ²⁾	8,083,000	9.74%
PZU Pension Fund ¹⁾	7,600,000	9.16%
Other shareholders	56,397,303	67.94%
	83,000,303	100%

1) According to the number of votes exercised at the OGMS held on 12 May 2014.
2) According to Adam Góral's notification received by the Company on 14 December 2012 informing that, following the issuance of series K shares, his shareholding in the Company dropped below 10%.

To the best knowledge of the Company's Management Board, as at the publication date of the prior report, i.e. on 14 November 2014, the Shareholders who,

either directly or through their subsidiaries, held at least 5.0% of total voting rights were as follows:

Shareholders as at 14 November 2014	Number of shares held	Percentage of total voting rights
Aviva Pension Fund ¹⁾	10,920,000	13.16%
Adam Góral, President of the Management Board ²⁾	8,083,000	9.74%
PZU Pension Fund ¹⁾	7,600,000	9.16%
ING Pension Fund ³⁾	4,266,558	5.14%
Other shareholders	52,130,745	62.80%
	83,000,303	100%

1) According to the number of votes exercised at the GMS held on 24 April 2013.
2) According to Adam Góral's notification received by the Company on 14 December 2012 informing that, following the issuance of series K shares, his shareholding in the Company dropped below 10%.
3) According to notification received by Asseco Poland S.A. from ING Pension Fund on 20 August 2014.

Shares held by the management and supervisory personnel

The numbers of Asseco Poland shares held by its management and supervisory staff are presented in the table below:

	13 March 2015	31 Dec. 2014	14 November 2014
Jacek Duch – Chairman of the Supervisory Board	31,458	31,458	31,458
Adam Góral – President of the Management Board	8,083,000	8,083,000	8,083,000
Robert Smułkowski – Vice President of the Management Board	2,212	2,212	2,212
Tadeusz Dyrka – Vice President of the Management Board	21,724	21,724	21,724

The remaining members of the Supervisory Board and Management Board did not hold any shares in Asseco Poland S.A. in any of the above-mentioned periods.

Discussion of significant risk factors and threats

Risk related to intensified competition

The Group's operations are under the pressure of intense competition both from local players and international IT corporations. Competitors with global reach are getting continually stronger as they have got faster access to innovative technological solutions, but also to cheaper sources of funds which makes it possible to finance large contracts more efficiently. It is not certain whether the increasing competition will have no significant adverse impact on the Group's operations, financial position, financial results and future development outlook.

Risk related to technological changes in the industry and development of new products

The IT sector is characterized by rapid development of new solutions and technologies, which shorten the lifecycle of products. Therefore, the future success of Asseco Group will largely depend upon our capability to incorporate the latest technological solutions into our products and services. In order to maintain the competitive advantage in this market, it is necessary to conduct research work and to invest in new products. Asseco keeps on monitoring the present information technology trends and develops and upgrades its business offer accordingly. However, there is still a risk that the market will receive new products, which will cause our products and services to become less attractive, and eventually not as profitable as expected. Additionally, it cannot be taken for granted that the new solutions which are, or will be, created or developed by the Group companies will satisfy the technological requirements, and whether they will be accepted positively by their potential users. Such circumstances might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk related to market saturation

Technological saturation that begins to emerge in the Polish banks and private enterprises may prompt them to focus their strategies on smaller or mid-size IT projects that would address their current needs only. Such circumstances might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk related to consolidation of the banking sector

The banking and finance sector is the place of ongoing consolidation processes. There is a risk that consolidators of this sector will force the acquired financial institutions to use their global IT solutions, which may slow down the process of gaining new contracts or even result in termination of already concluded contracts. Such circumstances might have a significant adverse impact on the operations, financial position, financial results and prospective development of the Group.

Risk related to carrying out of public tenders

Delays in finalization of the tendering procedures for delivery of IT infrastructure for the public administration may result in unstable revenues from this sector. If combined with unsatisfactory utilization of the EU funds granted for improving innovation at public offices, this might substantially reduce the local demand for IT services and thereby exert a negative impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk involved in gaining new contracts

It is characteristic of the IT business that most of contracts of Asseco Group are awarded under tendering procedures. Therefore, it is not certain whether the Group companies will be able to gain such new contracts that would ensure sufficiently high and satisfactory revenues in the future. These factors might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk related to the global macroeconomic situation

Development of the IT services sector is closely correlated to the overall economic prosperity. The main factors affecting financial results of Asseco Group companies include the pace of GDP growth, value of public orders for IT solutions, level of capital expenditures made by enterprises, as well as the rate of inflation in countries where the Group companies conduct their operations. These factors might have an adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk of becoming dependent on the key customers

The implementation of contracts with key clients will heavily impact the level of sales revenues generated by Asseco Group in the coming years. It cannot be precluded that a potential loss of any major client, deterioration in the financial terms for provision of services, or potential compensatory claims would have a significant adverse impact on the operations, financial position, financial results and prospective development of the Group.

Risk of increasing cost of work

Salaries account for over 70% of the project implementation costs. Taking into account such high human resource requirements, an increase in salaries would squeeze the margins achieved on projects, and consequently have an unfavourable impact on the Group's financial results.

In order to manage the risk of higher cost of work, Asseco Group takes a number of measures which can help reduce potential negative effects of rising salaries. Among other things, Asseco Group employs people in many geographical regions aiming to diversify that risk, continually monitors the level of salaries in the market not to be taken by surprise, and tries to maintain an appropriate structure of employment within particular levels of competence.

Risk related to offshoring

Development of information technology services provided offshore to the customers based in the countries where Asseco conducts direct business operations may eventually trigger off stronger competition in those markets. On the other hand, offshoring investments located in the countries where Asseco operates may bring about higher competition in the local labour markets. Such circumstances might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Foreign currency risk

The currency used by Asseco Group for presentation of its financial results is the Polish zloty (PLN). Moreover, functional currencies of the Group's foreign subsidiaries are the local currencies of the countries where they operate. Consequently, assets of such subsidiaries or groups need to be translated into PLN, and therefore their values presented in the consolidated financial statements may change as they remain under the influence of foreign exchange rates against PLN.

Interest rate risk

Changes in the market interest rates may have a negative influence on the financial results of Asseco Group. The Group is exposed to the risk of interest rate changes primarily in two areas of its business activities: (i) change in the value of interest charged on loan facilities granted by external financial institutions, which are based on variable interest rates, and (ii) change in valuation of the concluded derivative instruments, which are based on the forward interest rate curve.

In order to manage its interest rate risk: (i) the Group tries to avoid taking loans based on a variable interest rate, and (ii) if the first precaution is not possible, the Group may conclude forward interest rate agreements.

Risk of changes in regulations and their interpretation

Frequent amendments, lack of cohesion and uniform interpretations of the provisions of law, concerning in particular the tax regulations, banking law, insurance law (inclusive of social insurance), public procurement law, personal data protection law, regulations pertaining to trading in securities and public offering, and commercial companies law, give rise to the regulatory risk occurring in the environment in which Asseco Group operates. The tax regulations and their interpretations are more than others prone to numerous changes. Practices of the internal revenue administration and the court judicature are not uniform in this domain. In the event the taxation authorities take a position that is different from our interpretation of tax regulations, the Group's operations, economic situation and financial results may be exposed to negative consequences thereof. Such risk may be materializing especially due to potential doubts expressed by the taxation authorities over the transactions the Parent Company conducts with its related parties. This might have a significant adverse impact on the operations, financial position, financial results and prospective development of the Group.

Risk of potential legal disputes concerning copyrights

Development of Asseco Group operations in the market of IT products depends to a large degree on ownership of intellectual property rights, especially copyrights to computer programs. Because of a variety of legal regulations pertaining to the protection of intellectual property that are applicable in the countries where Asseco Group operates, in some circumstances there may be doubts as to the effectiveness of transferring of copyrights in the software codes compiled by employees in favour of their employers (Asseco companies). In order to prevent such situations, any employment contracts or

other contracts under which employees provide their services to the Group companies must include adequate provisions to effectively assign such employee's copyrights in software to the Asseco companies.

Risk of losing the clients' trust

Operations of Asseco Group companies are to a large extent based on the customers' trust. Implementation of an IT system, which has critical importance for the customer's business, usually results in signing a long-term agreement with the system user. The quality of solutions and services provided to such clients determines their confidence in the Asseco brand. In the event the quality of delivered products and services was poor, our customers might lose their trust in Asseco, which might hurt our reputation in the market and make it impossible to continue successful business operations.

Risk of underestimation of the project cost

Most of Asseco Group's profits are derived from the execution of complex information technology projects carried out under long-term agreements with a predefined remuneration. Implementation of such projects requires very good planning both in terms of the schedule of work and the resources needed to provide the promised scope of the contract. Here the Group follows complex procedures, which on one hand facilitate the process of preparation of reliable plans and on the other hand prevent the incurrence of unexpected costs.

In order to manage the risk of the project cost underestimation, the Group applies the methods (either based on the world recognized standards or proved by own experience) for estimation of the project costs, preparation of work schedules, and identification of risks that may hinder timely, professional or financial performance under a contract.

Risk of concluding a contract with a dishonest customer

Asseco Group is exposed to the risk of defaulting contractors. This risk is connected firstly with the financial credibility and good will of customers to whom the Group companies provide their IT solutions, and secondly with the financial credibility of contractors with whom supply transactions are concluded.

Hence, the risk control measures usually consist in monitoring the timely execution of bank transfers and, if needed, sending a reminder of outstanding payment. In the case of smaller clients, it is quite helpful to monitor their industry press as well as to analyze

previous experience gathered by ourselves and by our competitors, etc.

Risk related to software licenses

Asseco Group utilizes IT software licenses granted under legal agreements concluded with the world's leading providers of utility software and thematic applications, such as Business Objects, HP, IBM, Microsoft, Oracle, and SAS Institute. With the help of such solutions and technologies, Asseco Group develops its most important products. Termination of any licensing agreements or limitation of our ability to use such software, especially of IBM and Oracle, might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk of inability to effectively integrate the taken-over companies or to achieve the intended rates of return on acquisitions or investments

Asseco Group implements the strategy of development through acquisitions of or capital investments in IT companies. Valuation of the future acquisitions or investments will depend on the market conditions as well as on other factors beyond the Asseco's control. It cannot be entirely precluded that the investor company may be unable to accurately estimate the values of undertaken acquisitions or investments. There is also a risk that earnings generated by the acquired or investee companies fall short of the initial estimates which might prevent us from achieving the rates of return that were originally expected from such transactions.

Risk involved in insufficient insurance coverage

Business activities conducted by the Group companies, including production and supply of software as well as implementation of integration projects, give rise to a risk of damages that may be incurred by the Group clients or their end customers as a result of defective operation or failure of the products delivered by Asseco, whether attributable to its negligence or not. The agreements concluded by the Group companies provide for contractual penalties in the event of non-performance or improper performance of obligations. Any claims for compensation in excess of the guarantee amounts under the carried insurance policies might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk related to losing the key personnel

Asseco Group's operations and development outlook depend to a large extent on the knowledge, experience and professional qualifications of its employees, who implement the IT projects. A substantial demand for IT specialists and the competitors' activities may induce the key personnel to leave our organization, and also make it quite difficult to recruit new employees with suitable knowledge, experience and professional qualifications. Still there is a risk that resignation by the key personnel would have a negative impact on the execution of IT contracts conducted by the Group companies, as well as on ensuring the required quality and range of services provided. This in turn might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Group.

Risk of business continuity

Occurrence of an emergency situation at one of Asseco Group companies may impair our ability to continue to provide services to our clients, which in turn may lead to delays, failure to comply with our obligations, claims for damages, or loss of reliability for our clients. Such circumstances might have a significant adverse impact on the operations, financial position, financial results and prospective development of the Group.

Risk of data leakage

As a result of deliberate actions of third parties or dishonest employees, as well as mistakes or carelessness of our employees or contractors, confidential data of the Group companies or of their clients may be disclosed to unauthorized persons. Such circumstances might have an adverse impact on the perception of Asseco Group by our clients, and consequently on the Group's operations, financial position, financial results and prospective development.

Risk of property damage

As a result of abuse or errors committed by employees of the Asseco Group companies, the Group may suffer damage to its property. Such circumstances might have an adverse impact on the Group's financial condition and business continuity, and consequently on the Group's operations, financial position, financial results and prospective development.

Personnel policy risk

The Group companies may incur costs in connection with legitimate or illegitimate claims filed by their employees on the grounds of discrimination, working conditions, etc. Such circumstances might have a significant adverse impact on the operations, financial position, financial results and prospective development of the Group companies.

OTHER INFORMATION

Opinion on feasibility of the Management Board financial forecasts for 2014

The Management Boards of Asseco Group companies did not publish any financial forecasts for the year 2014 or for subsequent financial periods.

Changes in the Group management policies

In 2014, the Group's management practices remained unchanged.

Agreements concluded by Asseco Group with its management personnel providing for payment of compensations if such persons resign or are dismissed from their positions

The Group companies did not conclude any agreements with their management officers that would provide for payment of compensations in the event such persons resign or are dismissed from their positions without substantial reason, or when they are dismissed as a result of a company merger by acquisition.

Remuneration of the management and supervisory personnel

The amounts of remuneration due to our management and supervisory staff have been disclosed in explanatory note 35 to the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Information on the agreements known to the Issuer which may result in future changes of the equity interests held by the existing shareholders and bondholders

There are no agreements which may result in future changes of the equity interests held by the existing shareholders and bondholders.

Changes in capital relationships

Changes in the Group's equity relationships have been presented in item IV of the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Related party transactions

Related party transactions have been presented in explanatory note 29 to the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Bank loans, borrowings, sureties and guarantees

Bank loans drawn, loans granted, as well as sureties and guarantees granted have been described in explanatory note 23 to the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Information on loans granted in 2014

Information on loans granted by Asseco Group companies during the financial year has been presented in explanatory note 15 to the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Off-balance-sheet items

The nature, purpose and value of significant off-balance-sheet items have been presented in the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Monitoring of employee stock option plans

As at the date of preparation of this report, the Company did not run any share-based employee incentive scheme.

Information on judicial proceedings where the value in dispute exceeds 10% of the amount of equity

At the publication date of this report, the Group companies were not a party to any proceedings pending before any court, arbitration authority or public administration authority, under which the value in dispute would exceed 10% of the Group's equity.

Remuneration of the entity authorized to audit financial statements

Information on remuneration due to the entity authorized to audit financial statements has been provided in explanatory note 34 to the consolidated financial statements of Asseco Group for the year ended 31 December 2014.

Agreement with the entity authorized to audit financial statements

The agreement with the entity authorized to audit financial statements, namely Ernst & Young Audyt Polska Sp. z o.o. sp.k. (formerly: Ernst & Young Audit Sp. z o.o.), to carry out audits of the separate financial statements of Asseco Poland S.A. and consolidated financial statements of Asseco Group drawn up for the year ended 31 December 2014 was signed on 24 June 2014.

**STATEMENTS BY THE MANAGEMENT BOARD OF ASSECO POLAND S.A.
TO THE CONSOLIDATED ANNUAL REPORT OF ASSECO GROUP**

for the year ended 31 December 2014



Statement by the Management Board of Asseco Poland S.A. on the reliability of preparation of the consolidated financial statements of Asseco Group for the year ended 31 December 2014

The Management Board of Asseco Poland S.A. hereby declares that, to the best of its knowledge, the consolidated financial statements of Asseco Group for the year ended 31 December 2014 and comparable data contained therein have been prepared in compliance with the applicable accounting standards, namely the International Financial Reporting Standards as endorsed by the European Union.

Furthermore, the Management Board declares that the presented data give a true, reliable and fair view of the Group's assets, financial position and financial performance. The report on operations of Asseco Group provides a fair description of the development, achievements and economic position of the Group, inclusive of major risks and threats to its operations.

Adam Góral	President of the Management Board
Przemysław Borzestowski	Vice President of the Management Board
Andrzej Dopierała	Vice President of the Management Board
Tadeusz Dyrga	Vice President of the Management Board
Rafał Kozłowski	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

Statement by the Management Board of Asseco Poland S.A. on the entity authorized to audit the consolidated financial statements of Asseco Group for the year ended 31 December 2014

The Management Board of Asseco Poland S.A. hereby declares that the entity authorized to audit the consolidated financial statements of Asseco Group for the year ended 31 December 2014, namely Ernst & Young Audyt Polska Sp. z o.o. Sp.k., seated in Warsaw, has been chosen in accordance with the provisions of the law in force. This entity as well as certified auditors, who audited these financial statements, satisfied the conditions for expressing an impartial and independent opinion on the audited annual consolidated financial statements, in line with the applicable regulations and professional standards.

Adam Góral	President of the Management Board
Przemysław Borzestowski	Vice President of the Management Board
Andrzej Dopierała	Vice President of the Management Board
Tadeusz Dyrga	Vice President of the Management Board
Rafał Kozłowski	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

Contacts

Head Office

Phone: +48 17 888 55 55

Fax: +48 17 888 55 50

e-mail: info@asseco.pl

Investor Relations Department

Phone: +48 22 574 86 99

Fax: +48 22 574 82 82

e-mail: inwestor@asseco.pl