



**REPORT ON
BUSINESS OPERATIONS OF
ASSECO POLAND S.A.**

**FOR THE YEAR
ENDED
31 DECEMBER 2012**

1,090 Clients using
our services

Sales revenues
in 2012 **1,319** PLNm

PLNm **324** in net profit
for 2012

Dividends paid
for 2011 **170** PLNm

3,154 highly committed
employees

7th largest software
vendor in Europe

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President's Letter



Dear Shareholders,

On behalf of the managers of Asseco Poland, I can summarize the past year of 2012 as another successful period in the history of our business. Despite the economic slowdown which was also observed in the IT industry, our financial performance over the last twelve months was pretty strong. Sales revenues reached PLN 1.32 billion, remaining at a stable level as compared with 2011. Asseco Poland earned a net profit of PLN 323.6 million, showing some improvement over the last year. In 2012 we also signed many prestigious agreements.

Asseco consistently pursued its strategy to boost financial results by promoting sales of its proprietary IT solutions. In 2012, sales of proprietary software and services reached PLN 873.5 million and they accounted for 66% of our total turnover. The analysis of sales by individual sectors indicates the strong position of Asseco Poland in the Public Administration market. Sales to this sector contributed 44.6% to the Company's total revenues. We also have a well-established position in other markets. Sales generated in the Banking and Finance sector represented 31.8% of our total revenues, while the sectors of Enterprises and Infrastructure contributed 17.4% and 5.9%, respectively. Asseco Poland S.A. provides its products and services to more than 1000 clients, which

confirms excellent diversification of our business.

During the past twelve months, Asseco Poland was joined by new companies which enhanced our competence in certain business areas. In June, we acquired a majority stake in SKG S.A., a company specializing in the production of software solutions for customs, taxes and retail trade. In 2012, Asseco Poland also focused on building up a leading integration company with a strong presence in individual regions of our country. This project has been entrusted to Asseco Systems, a company established especially for this purpose, which in 2012 began to acquire significant equity interests in local IT companies, of which the first was Computer Center ZETO S.A. based in Łódź. Further companies are interested in joining the project implemented by Asseco Poland.

Our strategy for organic growth and acquisitions helped reinforce the Asseco's position among the leaders of the European information technology market in 2012. As the only Polish IT company, Asseco ranked in the top ten of the largest software vendors in Europe, taking the seventh place.

Our plans for 2013 anticipate continued expansion of Asseco Group in Poland. In parallel to its investment plans, Asseco Poland continues to focus on its core business, where the Company has a strong competitive advantage, this is the production of its own state-of-the-art IT solutions for the largest institutions in Europe and worldwide.

On behalf of the Management Board, I would like to sincerely thank all our Clients, Employees and Shareholders for their contribution in the development of our common project. I am convinced that consistent implementation of our business strategy will bring measurable benefits to all of us.

Sincerely yours,

Adam Góral

President of the Management Board,
Asseco Poland S.A.

General Information

Asseco Poland S.A. ("Asseco", the "Company") is the largest IT company listed on the Warsaw Stock Exchange. It is included in the WIG20 index. Asseco also ranked in the top ten of the largest producers of software in Europe (TOP100 European Software Vendors, Truffle Capital 2012).

Asseco Poland S.A. concentrates on the production and development of proprietary software, dedicated for each sector of the economy. It is one of the very few companies in Poland to develop and implement centralized and comprehensive IT systems for the banking sector that are utilized by over half of domestic banks. Asseco also offers software solutions for the insurance sector. Furthermore, Asseco Poland S.A. implements dedicated systems for the public administration, among others for the Polish Social Insurance Institution (ZUS), Agency for Restructuring and Modernization of Agriculture (ARMiR), and the Ministry of the Interior and Administration (MSWiA). Asseco implements numerous IT projects for the energy industry, telecommunications, healthcare, local governments, agriculture, uniformed services, as well as for international organizations and institutions such as NATO or FRONTEX. The Asseco's product portfolio also includes sector-independent ERP and Business Intelligence solutions.

Financial highlights

In 2012, despite the prevailing financial crisis, Asseco Poland managed to maintain its financial ratios at the level comparable to the previous year. Sales revenues showed a slight decrease by 0.6%, nonetheless, owing to a more favourable structure of financial expenses and income, the Company's profit before tax increased by 2.1%, while net profit improved by 2.6% in comparison to the corresponding period of 2011. As a consequence of higher net profit, our earnings per share (EPS) increased from PLN 4.07 to PLN 4.16. The table below presents selected items from the Asseco Poland's income statement.

PLN millions	12 months ended 31 Dec. 2012	12 months ended 31 Dec. 2011
Sales	1,318.8	1,327.4
EBITDA ¹⁾	344.5	355.9
Operating profit (EBIT)	300.6	317.6
Pre-tax profit	386.2	378.3
Net profit	323.6	315.3
EPS²⁾ (PLN)	4.16	4.07

¹⁾ EBITDA – operating profit plus depreciation and amortization minus capitalized costs of development projects (net of write-downs)

²⁾ EPS – net earnings per share (in PLN)

The table below presents selected items from the separate statement of financial position of Asseco Poland S.A.

PLN millions	31 Dec. 2012	31 Dec. 2011
Assets	5,549.3	5,241.3
Investments and goodwill from mergers	3,842.4	3,541.4
Current trade receivables	311.6	294.0
Cash and cash equivalents	292.3	282.2
Equity	4,820.6	4,432.9
Interest-bearing debt	337.5	322.1
Current financial liabilities	90.9	99.5
Total liabilities	728.7	808.4

The Company's non-current assets as at the end of 2012 grew by PLN 331.5 million over the level reported a year ago. This resulted primarily from an increase of the Company's investments in subsidiary and associated companies (by PLN 301.0 million), particularly because Asseco Poland S.A. increased its equity interest in Asseco Central Europe, a.s. from 40.07% to 93.51%. The total value of the non-cash contribution made in exchange for the acquisition of shares was PLN 236.4 million. This transaction was conducted through the issuance of series K shares of Asseco Poland S.A. which has been described in more detail in explanatory note 21 to the financial statements. Additionally, in April 2012, we established a company called Asseco Systems S.A. with the share capital amounting to PLN 9.0 million, which is a wholly-owned subsidiary of Asseco Poland S.A. During the year reported, Asseco also

acquired 99.87% of shares in Centrum Komputerowe Zeto S.A. for the price of PLN 42.4 million (which was subsequently transferred to the above-mentioned Asseco Systems S.A.) as well as a 60% stake in SKG S.A. for PLN 8.8 million. The conducted transactions have been described in more detail in explanatory note 10 to the financial statements.

Over the same period, the Company's liabilities dropped by PLN 79.7 million or 9.9%, basically on lower liabilities for purchases of tangible assets and intangible assets (a decrease by PLN 34.0 million) as well as lower liabilities for uninvoiced deliveries (a decrease by PLN 17.8 million). Interest-bearing debt increased by 4.8% primarily as a result of additional amounts drawn from the investment loan facility for the construction of the Company's office building in Warsaw's Wilanów.

The liquidity items analyzed by the Management Board, referred to as the "operating balance", are presented in the following table.

PLN millions	31 Dec. 2012	31 Dec. 2011
Cash, net of debt ³⁾	98.0	130.8
Receivables, net of liabilities ⁴⁾	220.7	194.5
Inventories	33.2	18.5
Operating balance⁵⁾	351.9	343.8

³⁾ The difference between cash and short-term deposits and total interest-bearing debt

⁴⁾ The difference between current trade receivables and current trade payables

⁵⁾ The total of: cash net of debt + trade receivables net of trade payables + inventories

The following table presents major lines of the separate statement of cash flows.

PLN millions	12 months ended 31 Dec. 2012	12 months ended 31 Dec. 2011
CFO ⁶⁾	225.9	235.5
CFI ⁷⁾	(79.8)	(21.8)
CAPEX ⁸⁾	(68.5)	(97.3)
M&A expenditures ⁹⁾	(63.0)	(17.1)
Dividend income	63.4	64.0
CFF ¹⁰⁾	(136.0)	(97.7)
Dividend payment	(169.9)	(139.6)
Net change in cash and cash equivalents	10.1	116.0

⁶⁾ CFO – net cash provided by (used in) operating activities

⁷⁾ CFI – net cash provided by (used in) investing activities

⁸⁾ CAPEX – expenditures for purchases of property, plant and equipment and intangible assets + expenditures for R&D projects net of grants received

⁹⁾ Expenditures for company acquisitions

¹⁰⁾ CFF – net cash provided by (used in) financing activities

Profitability ratios for 2012 were not considerably different from those achieved in 2011.

Basic profitability ratios for the last two years are presented in the following table.

	12 months ended 31 Dec. 2012	12 months ended 31 Dec. 2011
Gross profit margin	33.3%	35.0%
EBITDA margin	26.1%	26.8%
EBIT margin	22.8%	23.9%
Net profit margin	24.5%	23.8%
ROE	7.0%	7.2%
ROA	6.0%	6.2%

Return on equity (ROE) = net profit / average annual equity

Return on assets (ROA) = net profit / average annual assets

Financial figures disclosed in the annual financial statements were translated into EUR applying the following exchange rates:

EUR/PLN	2012	2011
Average exch. rate ¹¹⁾	4.1736	4.1401
Closing exch. rate ¹²⁾	4.0882	4.4168

¹¹⁾ Applied for translation of the income statement and cash flow statement items into EUR. Calculated as the arithmetic average of mid exchange rates as published by the National Bank of Poland (NBP) and in effect on the last business day of each month.

¹²⁾ Applied for translation of the balance sheet items into EUR. Corresponding to the mid exchange rate announced by the NBP on the last business day of the year.

The table below presents selected items from the separate income statement as translated into EUR.

EUR millions	12 months ended 31 Dec. 2012	12 months ended 31 Dec. 2011
Sales	316.0	320.6
EBITDA	82.5	86.0
Operating profit (EBIT)	72.0	76.7
Pre-tax profit	92.5	91.4
Net profit	77.5	76.2
EPS (EUR)	1.00	0.98

The item descriptions are included under the analogous table presenting these figures in PLN.



The table below presents selected items from the statement of financial position as translated into EUR.

EUR millions	31 Dec. 2012	31 Dec. 2011
Assets	1,357.4	1,186.7
Goodwill from mergers and acquisitions	939.9	801.8
Current trade receivables	76.2	66.6
Cash and cash equivalents	71.5	63.9
Equity	1,179.1	1,003.6
Interest-bearing debt	82.6	72.9
Current financial liabilities	22.2	22.5
Total liabilities	178.2	183.0

The "operating balance" translated into EUR is presented below.

EUR millions	31 Dec. 2012	31 Dec. 2011
Cash, net of debt	24.0	29.6
Receivables, net of liabilities	54.0	44.0
Inventories	8.1	4.2
Operating balance	86.1	77.8

The item descriptions are included under the analogous table presenting these figures in PLN.

The table below presents selected items from the statement of cash flows as translated into EUR.

EUR millions	12 months ended 31 Dec. 2012	12 months ended 31 Dec. 2011
CFO	54.1	56.9
CFI	(19.1)	(5.3)
CAPEX	(16.4)	(23.5)
M&A expenditures	(15.1)	(4.1)
Dividend income	15.2	15.5
CFF	(32.6)	(23.6)
Dividend payment	(40.7)	(33.7)
Net change in cash and cash equivalents	2.4	28.0

The item descriptions are included under the analogous table presenting these figures in PLN.

Vision and Strategy

Strategy and development outlook

The mission of Asseco Poland is to build a reliable and profitable global information technology company providing high quality software and services.

The Company aims to maximize the value for its Shareholders through the execution of information technology projects based on its own products and services, as well as by consistent implementation of its business strategy to create an international group of profitable companies engaged in the production and supply of IT solutions.

As a leader of its group of companies, Asseco Poland S.A. intends to be an active player in acquisitions both on the domestic and foreign markets, seeking to strengthen its position across Europe and worldwide. Now the Company is expanding its investment spectrum for top software houses, with an eye to gain insight into their local markets and customers, or access to innovative and unique IT solutions. Our Management Board believes it is extremely important for Asseco to maintain global market presence in order to be able to grasp the opportunities for implementation of the largest information technology projects, which are often entrusted exclusively to companies running international operations.

The adopted strategy facilitates the extension of our product portfolio. Asseco does not preclude making investments in small-scale undertakings offering unique technologies or products.



The Asseco Poland's strategy focuses on maintaining a leading position in Poland as well as on gaining strong market position in the countries where Asseco Group companies operate. Owing to our long-term presence in the IT market, the Group companies have established stable cooperation with financial institutions, institutions of public administration, and leading enterprises. The Group's strategy assumes furthering of business relations with our key accounts by developing a product portfolio that would satisfy it their needs.

Asseco Poland S.A. intends to optimize its production processes and promote more effective use of its human resources. This shall improve our operational efficiency, helping to curb costs and, consequently, to increase the profitability of Asseco Poland's operations.

The Company's strategy involves obtaining significant cost synergies from the combining of administrative departments of the Group companies operating in the territory of the same country.

Asseco Poland S.A. actively initiates and supports all cross-selling activities, emphasizing the possibility of leveraging on the Group's international potential, as a driver of sales growth.

Characteristics of factors significant for the Company's development

Proprietary software

Asseco Poland S.A. positions itself as a producer and vendor of the highest quality software. We gain a significant competitive advantage by offering proprietary solutions. High quality of our software is guaranteed by consistent observance of procedures implemented under our Total Quality Management System, which has been certified for compliance with the ISO 9001:2008 standard. We have also obtained NATO security certificates, which strengthen our position as a reliable partner in the field of data security and specialized products for the uniformed services.

Diversification of products and services

The pursued strategy of building an international group of IT companies enables us to reach new clients as well as to diversify our business. Because we work with clients from various industries and in many countries, our operations are not dependent on any sector or region of the world.

Human capital

One of the Company's major resources are highly qualified specialists, who are engaged in the development of the latest IT solutions. The vast majority of our employees are analysts, designers, programmers, testers and implementers, who hold certificates confirming their competence in software development and project management.

Asseco Poland S.A. pursues an optimum personnel policy to encourage continuing professional development and further qualification of our employees.



Company's Authorities

Management Board

During the period of 12 months ended 31 December 2012, the composition of the Company's Management Board changed as follows:

- on 14 May 2012, Mrs. Renata Bojdo resigned from the position of Vice President of the Management Board of Asseco Poland S.A. with effect from 1 June 2012;
- on 14 May 2012, the Supervisory Board appointed Mr. Rafał Kozłowski as Vice President of the Management Board of Asseco Poland S.A. with effect from 1 June 2012;
- on 5 October 2012, Mr. Wojciech Woźniak resigned from the position of Vice President of the Company's Management Board.

The following table presents the composition of the Management Board along with the periods of service.

Management Board	Period of service
Adam Góral	01.01.2012 – 31.12.2012
Renata Bojdo	01.01.2012 – 31.05.2012
Przemysław Borzestowski	01.01.2012 – 31.12.2012
Tadeusz Dyrga	01.01.2012 – 31.12.2012
Rafał Kozłowski	01.06.2012 – 31.12.2012
Marek Panek	01.01.2012 – 31.12.2012
Paweł Płowar	01.01.2012 – 31.12.2012
Zbigniew Pomianek	01.01.2012 – 31.12.2012
Włodzimierz Serwiński	01.01.2012 – 31.12.2012
Przemysław Sęczkowski	01.01.2012 – 31.12.2012
Robert Smółkowski	01.01.2012 – 31.12.2012
Wojciech Woźniak	01.01.2012 – 05.10.2012



Adam Góral

President of the Management Board

responsible for development vision and strategy of Asseco Group



Przemysław Borzestowski

Vice President of the Management Board

responsible for the Public Administration Division and Capital Market Division



Tadeusz Dyrga

Vice President of the Management Board

responsible for the Social Insurance Division and Healthcare Division



Rafał Kozłowski

Vice President of the Management Board

responsible for the Finance Division



Marek Panek

*Vice President of
the Management Board*

*responsible for the
Marketing Department,
Sales Coordination
Department, and PR and
Investor Relations
Department*



**Włodzimierz
Serwiński**

*Vice President of
the Management Board*

*responsible for
the Commercial Insurance
Division, Infrastructure
Division, and Building
Automation and Data
Center Department*



Paweł Piwowar

*Vice President of
the Management Board*

*responsible for
the Divisions of:
Agriculture,
Telecommunications and
Media, and Energy and
Gas Industries and Utilities*



Przemysław Sęczkowski

*Vice President of
the Management Board*

*responsible for
the Capital Investments
Division*



**Zbigniew
Pomianek**

*Vice President of
the Management Board*

*responsible for
the Divisions of:
Commercial Banks,
Cooperative Banks,
Business Intelligence,
Maintenance and
Development of
Back-Office Systems, and
Quality Assurance Office*



**Robert
Smułkowski**

*Vice President of
the Management Board*

*responsible for
the PKO Bank Division*

Supervisory Board

Presented below is the composition of the Supervisory Board and its changes during the period of 12 months ended 31 December 2012:

- on 30 June 2012, Mr. Antoni Magdoń resigned from the position of Member of the Supervisory Board;
- on 2 August 2012, the General Meeting of Shareholders appointed Mr. Wiesław Walendziak as Member of the Supervisory Board;
- on 5 October 2012, Mr. Wiesław Walendziak resigned from the position of Member of the Supervisory Board with effect from 31 October 2012;
- on 23 October 2012, the Company's General Meeting of Shareholders appointed Mr. Dariusz Stolarczyk and Mr. Piotr Augustyniak as Members of the Supervisory Board.

Supervisory Board	Period of service
Jacek Duch	01.01.2012 – 31.12.2012
Adam Noga	01.01.2012 – 31.12.2012
Piotr Augustyniak	06.11.2012 – 31.12.2012
Dariusz Brzeski	01.01.2012 – 31.12.2012
Artur Kucharski	01.01.2012 – 31.12.2012
Antoni Magdoń	01.01.2012 – 30.06.2012
Dariusz Stolarczyk	01.11.2012 – 31.12.2012
Wiesław Walendziak	02.08.2012 - 31.10.2012



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

Company's Business Profile

Product portfolio and target markets

Asseco Poland S.A. has a comprehensive product portfolio dedicated virtually for all sectors of the economy. The Company offers IT solutions for the sectors of banking and finance, public administration, telecommunications and utilities enterprises. These are mostly complex proprietary solutions designed to support mission-critical business processes in each industry. Furthermore, the Company provides implementation, support and maintenance services for large enterprises across various industries. We also have advanced expertise in the field of infrastructure solutions, building automation as well as ERP and BI systems.

Financial sector

The Asseco Poland's portfolio features software solutions for banks, insurance companies, brokerage houses, investment and pension funds, and leasing companies. In addition to comprehensive, proprietary core systems, our Company offers a wide range of complementary solutions and services.

Public institutions

Asseco Poland S.A. is highly specialized in the development of dedicated IT systems for public administration. Apart from the central administration, we also provide solutions and services for the local government administration, uniformed services, healthcare facilities, and international agencies and institutions (NATO and the EU).

Telco & Utilities

Asseco Poland S.A. offers comprehensive, flexible, 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.

Infrastructure services

Asseco Poland S.A. provides a wide range of services within the consolidation of heterogeneous information processing environments as well as the design and construction of multiple-scale networks. The Company implements state-of-the-art building automation systems and data processing centers. The main advantage of our services is full automation of IT processes, while maintaining a maximum level of security.

Competence Center

The product offering is well supplemented with our extensive and proven competence in ERP and Business Intelligence solutions, appealing to all sectors of the economy. Owing to that Asseco Poland S.A. is one of the most versatile IT suppliers.



Financial Institutions

Banks



Insurance Companies



Brokerage Houses



Investment and Pension Funds



Public Institutions

Social Insurance



Central Administration



Local Administration



Healthcare



Uniformed Services



International Organizations



Telco & Utilities

Telecommunication



Energy Industry



Gas Industry



Municipal Utilities



Infrastructure Services

IT Infrastructure



Building Automation and Data Centers



Competence Center

ERP Solutions



Business Intelligence



Financial Sector

Banks



From the very beginning of its operations Asseco Poland S.A. has cooperated with banks, providing them with comprehensive information systems.

Nowadays, the Company's solutions are utilized by over half of banks operating in Poland. Among Asseco Poland's major clients are: PKO BP S.A., BGŻ S.A. (Rabobank), Deutsche Bank PBC S.A., Getin Noble Bank S.A., Euro Bank S.A. (Societe Generale), Bank Pocztowy S.A., Bank Ochrony Środowiska S.A., Bank Gospodarstwa Krajowego, and Volkswagen Bank Polska S.A. The Company also works with the cooperative banking sector, where it serves all the association leader banks as well as over 70% of stand-alone cooperative banks.

Insurance Companies



Asseco Poland S.A. is a leader among Polish producers of software for the insurance industry. Our cooperation with this sector has been initiated with the development and implementation of the Integrated Information System for the PZU Group, the largest insurer in Poland. Today, the Company's portfolio features a variety of comprehensive information solutions that support property and life insurance operations. The list of offered solutions includes industry-leading systems from major global providers, such as Sapiens International Group, which is part of Asseco Group.

Among our clients in this sector in Poland are the PZU Group, Warta Group, HDI Asekuracja TU, Insurance Guarantee Fund, ING Group, TU Generali, and Chartis Europe.

Brokerage Houses



Asseco Poland S.A. is a leading provider and producer of comprehensive information systems that support the operations of brokerage houses. Our solutions are utilized by the Brokerage House of PKO BP, Brokerage House of Bank Handlowy, Investment House of BRE Bank, Brokerage Office of Alior Bank, and Millennium Brokerage House.

Investment and Pension Funds



The product portfolio of Asseco Poland S.A. also includes specialized asset management solutions dedicated to investment and pension funds. Our largest client in this area is Pioneer Pekao Investment Management S.A.

Public Institutions

Social Insurance



Asseco Poland S.A. is a leading supplier of IT solutions dedicated to the social insurance sector. Our services include assistance in the

analysis of the client's needs, design, development and implementation of information solutions, as well as their integration with the client's technical and software infrastructure. Our major client, the Social Insurance Institution (ZUS) won the main prize in the European competition "eEurope Awards for eGovernment - 2005" for its Comprehensive Information System that has been developed significantly by Asseco Poland S.A.

Many years of experience allow us to implement, safely and efficiently, even the most complicated modifications of this system, which is critical for the proper operation of the state's pension system.

Central Administration



Asseco Poland S.A. is specialized in the development of IT solutions dedicated to institutions of central administration. The largest projects implemented by the Company in this sector included the IACS system for the Agency for Restructuring and Modernisation of Agriculture, Central Register of Vehicles and Drivers for the Ministry of the Interior, and ODPRAWA Border Clearance Information System for the National Border Guard.

Local Administration



Asseco Poland S.A. provides IT solutions for the self-government administration at all levels. The offered software enables the integration of various technology IT systems that are utilized in administration offices. Our solutions are scalable, configurable and

designed to match the current needs of local administration.

Healthcare



Asseco Poland S.A. has become a leader in the supply of information systems for the healthcare sector. We serve more than 450 largest hospitals and a majority of Blood Donation and Hemotherapy Centers in Poland. We deliver patient service solutions, contract settlement systems as well as facility management solutions. The Company cooperates with the National Healthcare Fund units both on the plane of IT infrastructure and software. Services of all the spa centres working with the NHF are accounted for using an Internet application developed and implemented by Asseco Poland S.A.

Uniformed Services



Information technology projects implemented for the Ministry of National Defence, Land Forces Headquarters, and the National Border Guard Service are the best proof of the Asseco's competence. These position our Company among most credible providers of IT solutions that satisfy increased security standards.

For the recent 4 years, Asseco Poland S.A. has conducted research and development projects resulting in innovative technological and methodological concepts and prototypes of IT solutions based on NAF (NATO Architecture Framework), including the implementation of a tactical system gathering information on the location of own forces, SOA-based integration platform, and semantic imaging services.

International Organizations



As the only IT company of Central and Eastern Europe, Asseco Poland S.A. executed over 50 projects directly for the EU institutions and agencies as well as for NATO. In this market we are able to compete effectively with the world's major information technology companies. Our completed projects often involved high-end technology implementations for such institutions and agencies as NATO (JFTC in Bydgoszcz, NC3A) and the European Union (FRONTEX and EDA).

Telco & Utilities

Telecommunication



Asseco Poland S.A. is a leading IT provider to telecom operators in the areas of Business Intelligence, Reporting Systems, Billing and Settlement Systems, Systems Integration, Portal Solutions, Customer Relationship Management Systems as well as value-added services.

The Company is responsible for development and maintenance of several dozen information systems that support business operations of leading telecom operators and media companies. These are often mission-critical solutions, including billing systems, mediation systems, service platforms, and data warehouses.

We are the only Polish capital company which has been chosen as a Strategic Partner to the Polish Telecom Group. Our proprietary solutions are also utilized by the ITI Media Group.

Energy Industry



As a key player in the IT market, Asseco Poland S.A. executes the largest projects for the leading energy industry groups. Almost 65% of the Polish electric power firms have placed their trust in our company. We have a very good insight into this market and focus our activities on maximizing the benefits arising from the use of information systems. We are a stable business partner for many years. Nearly 60% of all electricity bills in Poland are generated from the proprietary billing systems implemented by Asseco Poland S.A. Our solutions are successfully used by the energy industry holdings such as ENEA, ENERGA, TAURON, PGE, RWE Poland, and Vattenfall.

Gas Industry



Asseco Poland S.A. offers a billing system that is capable of managing a multi-million client base and supports the changes resulting from deregulation of the gas market. It is used by the headquarters of Polish Oil and Gas Company (PGNiG) as well as by gasworks belonging to the Pomeranian Gas Company. We find the gas sector to be a very promising market, where we will introduce further products and services.

Municipal Utilities



Asseco Poland S.A. is a pioneer of state-of-the-art IT solutions for the public utilities sector. Our software solutions support operations of more than 60% of water supply and sewerage companies and over 50% of heating stations in the Polish cities of more than 100 thousand inhabitants. The Company's major clients in the municipal utilities sector include: Dalkia in Poznań and Łódź, SPEC and MPWIK in Warsaw, SAUR Neptun in Gdańsk, and MPWIK in Lublin.

Infrastructure services

IT Infrastructure



The Company's IT infrastructure offering features a full range of services necessary for the design, installation and configuration of telecommunication and data transmission networks of any scale, which enable efficient exchange of information between computer systems using modern transmission technologies.

Asseco Poland S.A. is engaged in the supply of equipment and components (from such manufacturers as Cisco Systems, Hewlett-Packard, 3Com, Enterasys, D-link), but it also provides design services based on many years of experience and best data transmission practices. We are also engaged in the implementation of network infrastructure management systems, based on the monitoring software and management tools from Cisco Systems, Hewlett-Packard, and LANDesk.

Building Automation and Data Centers



For over 18 years Asseco Poland S.A. has implemented the most modern systems supporting the management of building infrastructure in order to ensure comfort and security of buildings, as well as to optimize their functionality and operating costs. The Company is also specialized in the design, construction, modernization and equipping of various types of data centers. Versatile offering is a strong competitive advantage of Asseco Poland S.A. The Company undertakes even the most complicated projects in office buildings, shopping malls, as well as in hospitals or sports arenas.

Competence Center

ERP Solutions



The Company has gained vast experience and expertise in the implementation of the world's leading ERP systems dedicated for large and medium-sized enterprises. Asseco Poland S.A. provides consulting and implementation services covering the solutions of SAP, Oracle, and Microsoft Dynamics AX. Our specialists are highly proficient in using the world's most powerful integration tools (SAP NetWeaver, IBM WebSphere, Oracle Fusion, webMethods) for practical business applications. Asseco Poland's competence is confirmed by our statuses of SAP NetWeaver Expert and IBM SOA Center of Excellence. We have completed implementation projects for such clients as the Lotos Group (oil production), Bioton (biotechnology), Polpharma (pharmaceuticals), Południowy Koncern

Węglowy (coal mining), PKN Orlen (oil production), and Zakłady Azotowe Puławy (fertilizers production).

Business Intelligence



Asseco Poland S.A. is a major provider of Business Intelligence solutions on the Polish market. It has a strong position in IT services for the financial sector, telecommunications and public administration. The Company's products are used among others by PKO BP Bank, Polish Telecom and the Central Statistical Office. Asseco Poland S.A. is a key supplier of solutions for mandatory reporting to the National Bank of Poland, as well as systems to support financial institutions in the prevention of money laundering and terrorism financing. We offer both solutions designed for a particular customer and ready-to-implement products.

Asseco Poland S.A. in the Capital Market



	2012-01-02	2012-03-31	2012-06-30	2012-09-30	2012-12-31	12-month change
Asseco Poland S.A. (PLN)	48.50	49.85	48.80	44.68	45.35	(6.5%)
WIG20 (points)	2,194.11	2,286.53	2,275.30	2,371.42	2,582.98	17.7%
WIG (points)	38,318.26	41,267.16	40,810.88	43,739.81	47,460.59	23.9%
WIG-Info (points)	1,080.73	1,184.43	1,137.40	1,065.91	1,118.85	3.5%

In 2012, both the broad market index WIG as well as Polish blue chips index WIG20 gained in value. As shown in the table above, WIG20 index increased by 17.7% in 2012, while WIG index added 23.9%.

It should be noted that the IT industry underperformed the broad market as the index of IT companies improved by a modest 3.7% over the last year. At the same time, the index of telecommunications, which is a related industry, fell by more than 21%. Negative sentiment among investors, and fluctuations in the stock price of Asseco Poland likewise, were caused by macroeconomic factors associated with worrisome situation in the euro zone and overall market trend in the IT sector.

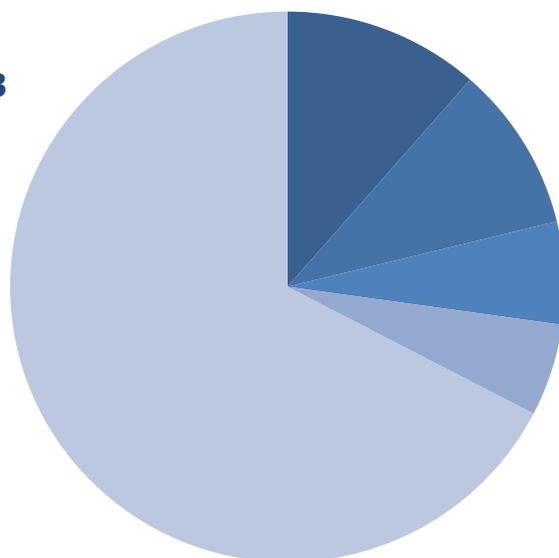
The internal factors, independent from our continuing operations, which affected the quotations of Asseco Poland shares included the distribution of net profit for 2011, with the dividend right day on 17 May 2012.

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 18 March 2013



AVIVA BZ WBK Pension Fund holds **9,500,000** shares representing **11.45%** of votes at the GMS

Adam Góral holds **8,083,000** shares representing **9.74%** of votes at the GMS

PZU Pension Fund holds **5,000,000** shares representing **6.02%** of votes at the GMS

ING Pension Fund holds **4,502,682** shares representing **5.42%** of votes at the GMS

Other shareholders hold **55,914,621** shares representing **67.37%** of votes at the GMS

To the best knowledge of the Company's Management Board, as at the date of publication of this report, i.e. on 18 March 2013, the Shareholders who, either directly or through their subsidiaries, hold at least a 5% voting interest at the General Meeting of Shareholders are as follows:

Shareholders as at 18 March 2013	Number of shares held	Voting interest at the GMS
Aviva Pension Fund *	9,500,000	11.45%
Adam Góral, President of the Management Board *	8,083,000	9.74 %
PZU Pension Fund *	5,000,000	6.02%
ING Pension Fund *	4,502,682	5.42%
Other shareholders	55,914,621	67.37%
	83,000,303	100.0%

*) All footnotes appearing below the table as of 31 December 2012 shall also apply to the above table

According to the best knowledge of the Management Board of Asseco Poland S.A., the Shareholders who as at 31 December 2012, either directly or through their subsidiaries, held at least a 5% voting interest at the General Meeting of Shareholders were as follows:

Shareholders as at 31 December 2012	Number of shares held	Voting interest at the GMS
Aviva Pension Fund ¹⁾	9,500,000	11.45%
Adam Góral, President of the Management Board ²⁾	8,083,000	9.74 %
PZU Pension Fund ¹⁾	5,000,000	6.02%
ING Pension Fund ³⁾	4,502,682	5.42%
Other shareholders	55,914,621	67.37%
	83,000,303	100.0%

¹⁾ According to the number of votes exercised at the EGMS held on 23 October 2012.

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 ING Pension Fund's notification received by the Company on 4 January 2013 informing that their shareholding in Asseco Central Europe a.s was exchanged for shares in Asseco Poland S.A. on 28 December 2012.

To the best knowledge of the Company's Management Board, as at the publication date of the prior quarterly report, i.e. on 14 November 2012, the Shareholders who, either directly or through their subsidiaries, held at least a 5% voting interest at the General Meeting of Shareholders were as follows:

Shareholders as at 14 November 2012	Number of shares held	Voting interest at the GMS
Aviva Pension Fund	9,500,000	12.2%
Adam Góral, President of the Board	8,083,000	10.4%
PZU Pension Fund	5,000,000	6.4%
Other shareholders	54,982,530	71.0%
	77,565,530	100.0%

Issuance of securities

In the presented reporting period, Asseco Poland S.A. issued 5,434,773 ordinary bearer shares of series K with a par value of PLN 1 each. Following this shares issuance, on 13 December 2012, the District Court in Rzeszów, XII Commercial Department of the National Court Register, registered an increase of the Company's share capital by PLN 5,434,773, as a result of which the Company's share capital amounted to PLN 80,000,303 as at 31 December 2012. The issuance of series K shares has been described in more detail in explanatory note 21 to the financial statements of Asseco Poland S.A.



Shares held by the management and supervisory personnel

The table below discloses the numbers of Asseco Poland shares held by its management and supervisory staff as at the dates of publication of this and the last year's Management report on the Company's business operations, as well as at the end of 2012 and 2011.

	18 March 2013	31 Dec. 2012	14 Nov. 2012	31 Dec. 2011
Jacek Duch – Chairman of the Supervisory Board	31,458	31,458	19,667	19,667
Adam Góral – President of the Management Board	8,083,000	8,083,000	8,083,000	8,083,000
Tadeusz Dyrka – Vice President of the Management Board	21,724	21,724	21,724	21,724
Robert Smułkowski – Vice President of the Management Board	2,212	2,212	2,212	2,212
Wojciech Woźniak – Vice President of the Management Board	n/a	n/a	n/a	25

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

Information Technology Market and Future Outlook

Despite the economic crisis, the IT market recorded a slight growth in 2012 and the estimates for 2013 are relatively optimistic. Gartner's analyses show the global ICT market was worth nearly USD 3.6 trillion in 2012, growing by 1.2% if compared to the previous year. The largest pace of growth was observed in the software segment which increased by 3.3% (to USD 278 billion), while the IT hardware market increased by 2.9% (to USD 627.0 billion), and Data Center systems increased by 2.3% (to USD 141.0 billion). According to Gartner's estimates, the smallest increase of 1.8% took place in the IT services segment, allowing the sector to reach the total value of USD 881 billion. Telecommunication services faced a slight decrease of 0.1% and were worth nearly USD 1.7 trillion.

Gartner expects the whole market to grow by 4.2% to USD 3.7 trillion in 2013. The most dynamic increases are seen in business software by 6.5% (to the value of USD 296.0 billion) and computer hardware by 6.2% (to USD 666.0 billion). Whereas, spending for IT services is supposed to grow by 5.2% (to USD 927.0 billion), for data centers by 4.3% (to USD 147.0 billion), and for telecommunication services by 2.4% (to USD 1.7 trillion).

Forecast of IT spending in 2013	2013	2012	Change
Computer hardware	666	627	6.2%
Data Center systems	147	141	4.3%
Software	296	278	6.5%
IT services	927	881	5.2%
Telecommunication services	1,701	1,661	2.4%
Total	3,737	3,588	4.2%

Source: Gartner, Computerworld; figures in USD billions

According to IDC forecasts presented in the Computerworld TOP200, in 2012 the Polish information technology market will grow by 4%, meaning the pace of growth will be half slower than in 2011. The market value is expected to reach USD 10.6 billion. Software expenditures are anticipated to grow the

fastest, by 6% to USD 1.54 billion. IT services spending is forecast to increase by 4% to USD 3.2 billion. Whereas, the value of computer hardware segment is anticipated to reach USD 5.9 billion, reflecting a 3% increase. 51% of Computerworld's respondents believe that the economic situation will be similar in the next year, 24% of them expect a better or much better situation, while 20% see an economic downturn.

According to the report, in 2011, the Polish IT market grew by 8% (or by PLN 2.3 billion) and reached the total value of PLN 31.3 billion (as compared with PLN 29.0 billion in 2010). The largest share of the local IT market was taken by computer hardware consuming PLN 17.9 billion (57% of the market). IT services spending reached PLN 9.1 billion (29% of the market), while software generated revenues of PLN 4.3 billion (14% of the market).

Many analytical firms believe that the prospects for the Polish IT industry are still very good. According to Erste Group's forecasts (made as at the end of 2011), IT spending in Poland should increase by 7.8% in 2012. Such higher expenditures will be driven by the need to improve productivity and reduce costs, growing demand for mobile solutions and flexible infrastructure (the popularity of smartphones, tablet PCs, development of wireless networks, cloud computing). EU funding will continue to provide substantial support for IT investment decisions.

PMR analysts believe that the most promising segments include services related to information security, solutions offered in the IT outsourcing model, virtualization, SaaS, cloud computing, BI market, and services for the SME segment.

Position of the Company and Asseco Group in the IT sector

Asseco Group continues to strengthen its market position year by year. Asseco Poland S.A. and other companies of our Group top the rankings of IT vendors, prepared by both Polish and international research institutes.

The following table presents the position of Asseco Poland S.A. in the Truffle100 2012

ranking, which lists the largest European software vendors by sales of proprietary software generated in 2011.

Name of company	Country	Sales of proprietary software in EUR millions
1. SAP	DE	13,975.8
2. Dassault Systems	FR	1,783.5
3. Sage	UK	1,460.9
4. Wincor Nixdorf	DE	1,169.0
5. Hexagon	SE	1,154.0
6. Software AG	DE	909.1
7. Asseco	PL	866.2
8. DATEV	DE	708.9
9. Wolters Kluwer	NL	697.1
10. SWIFT	BE	530.1

Source: Truffle100 2012 ranking

As estimated by Computerworld TOP200, in 2011 the whole Polish IT services market was worth PLN 9.1 billion. Asseco Poland's share in this sector is estimated at 10.6%, which puts our company into second place, just behind HP Poland, but well ahead of IBM Poland.

Share in sales of IT services in Poland	Sales of services	Market share
HP Poland	1,033.9	11.4%
Asseco Poland S.A.	969.4	10.6%
IBM	450.0	4.9%

Source: Gartner, Computerworld; figures in USD billions

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
Banking	1
Financial services	1
Public administration	1
Healthcare	1
Industry	5
Utilities	5

Computerworld TOP200, Ranking of IT and telecom companies by sales revenues in 2011, prepared in June 2012

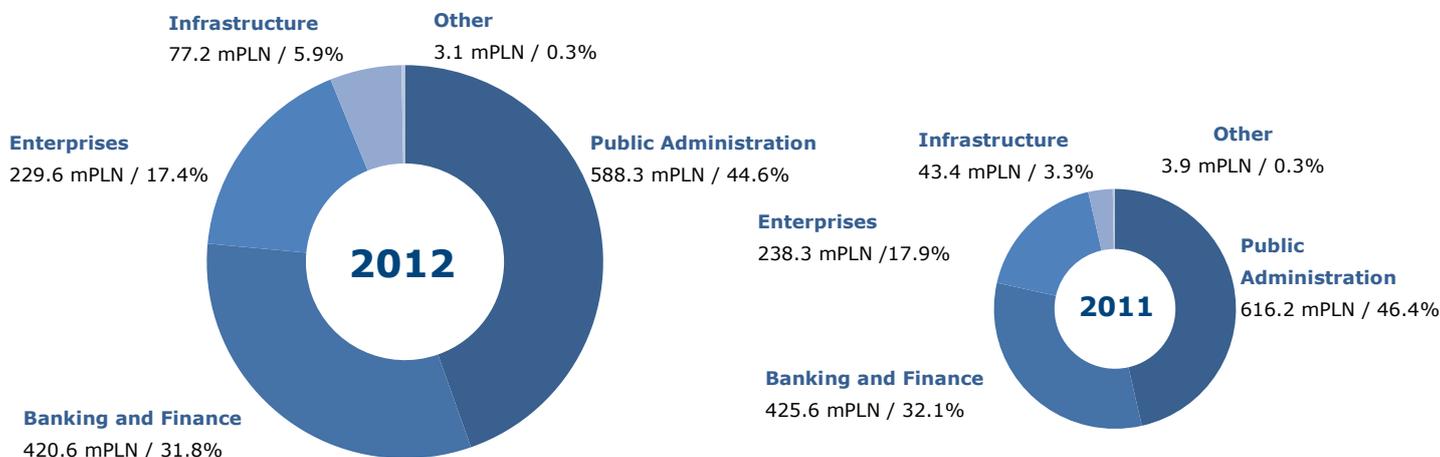
Whereas, the table below presents the positions taken by Asseco Poland S.A. in the TOP200 ranking compiled by Computerworld that compares leading companies operating in the Polish market, by type of business.

Ranking	Ranking position
Providers of system integration services	1
Providers of software implementation services	1
Producers of customer-tailored software	2
Providers of IT services	2
Producers of proprietary software	6
Providers of BI system licenses	9

Computerworld TOP200, Ranking of IT and telecom companies by sales revenues in 2011, prepared in June 2012

Operating Activities and Financial Information

Sales revenues by sectors (to external customers)



Major events and factors with impact on our financial performance

The above charts present sales to external customers generated in 2012 and 2011 in the breakdown by sectors.

Activities of each of the operating segments identified by Asseco Poland S.A. in 2012 are described below.

Banking and Finance

In 2012, revenues generated by our Banking and Finance segment remained at a virtually unchanged level as in 2011. However, we managed to improve the profitability of our operations through an active policy of operating cost control. In 2012, the Company completed a major project in the area of commercial banks, which involved implementation of the Core Banking System at Bank Ochrony Środowiska S.A. as below described in more detail. Moreover, Asseco Poland signed a number of significant contracts for the development of banking systems for its existing clients, such as Deutsche Bank PBC, Getin Noble Bank S.A., ING Bank Śląski S.A., BRE BH S.A., PKO BP S.A., Idea Bank S.A., and SGB Bank S.A. These contracts involved the development of systems in areas such as online banking, electronic banking, adjustment of bank procedures to the requirements and recommendations of regulatory authorities, adaptation of transaction systems, or

functionality enhancements in respect of alternative channels of distribution. The product portfolio dedicated to the banking sector has been extended with new functionalities in the areas of core banking systems, retail banking, management of payments, treasury, as well as Personal Finance Management system designed for bank customers.

Asseco Poland's cooperation with the cooperative banking sector brought a number of successes in 2012, which included four new system implementations at cooperative banks located in central Poland. In addition, in response to the clients' demand, the product portfolio dedicated to the cooperative banking sector has been expanded with the functionality of authorizing transactions via SMS as well as the Invoobil and PayByNet services available from the Internet Service Center of Asseco Poland.

In the insurance area, in 2012, we made efforts to systematize our offering for this sector and to enrich it with products of other Asseco Group companies, mainly Asseco Business Solutions, Asseco South Eastern Europe, and Sapiens International. New products include a comprehensive life insurance system, business decision management software, and product offering support system. In 2012, Asseco Poland continued to work with its existing clients,

where the most significant events included signing an agreement with WARTA Insurance and Reinsurance Company for further development of Asseco's insurance product system, as well as entering into cooperation with Amplico Life Insurance.

The Company also concluded contracts with numerous brokerage houses and investment funds for the implementation of ePROMAK Plus, a brand new online trading platform for professional stock investors, as well as mPROMAK mobile system for the iOS platform.

The following table presents the financial results generated by our Banking and Finance segment for the years 2012 and 2011.

PLN millions	2012	2011	Change
Sales ¹⁾	420.6	425.6	(1.2%)
EBITDA ²⁾	129.5	124.3	
EBITDA margin	30.8%	29.2%	
Depreciation and amortization	(18.1)	(15.8)	14.6%
EBIT ³⁾	116.9	113.0	3.5%
EBIT margin	27.8%	26.6%	
Employment [persons]	1,028	1,030	(0.2%)
Allocated goodwill	871.4	871.4	

¹⁾ Sales to external customers

²⁾ EBITDA = EBIT plus depreciation and amortization minus development project costs (net of write-downs) capitalized by the segment (amounting to PLN 5.5 million in 2012 and PLN 4.5 million in 2011)

³⁾ EBIT = net profit on sales generated by operating segment

A prime example of the segment's operations was the implementation of our flagship **core banking system for Bank Ochrony Środowiska S.A.**

In June 2012, Asseco Poland launched a new Core Banking System at Bank Ochrony Środowiska. This project was designated as one of the key elements of the Bank's strategy which assumes strong expansion in the segments of energy efficiency and modernization of the sources of heat and electricity generation. The company managed to complete the implementation process in line with the schedule, despite the project's large scale and numerous regulatory changes pertaining to the

functionality of banking systems. The project also involved the supply of a hardware platform and integration services, and adjusting the Bank's legacy applications to ensure their seamless cooperation with the new core system. Asseco's proprietary solution – **def3000** – will make it possible to expand the portfolio of services offered by BOŚ, quickly and cost-effectively. It will also help shorten the time for execution of customer orders and improve the flexibility of transaction and product parameterization. Asseco Poland has cooperated with Bank Ochrony Środowiska since 1994. The Company supplied over a dozen proprietary solutions to BOŚ, inclusive of its core banking system.

Another significant contract in the banking and finance area was obtained from **Warta Insurance Group**, a member of Talanx Group.

Asseco Poland and Warta entered into an agreement for the development of the Integrated Information System (IIS) by Asseco Poland. IIS will be used as the main product management system after the merger of WARTA and HDI Asekuracja insurance companies. This IT system developed by Asseco Poland for Warta will be prepared to serve a larger number of customers, agents and insurance policies to meet the expectations of a much larger organization resulting from the above-mentioned merger. The growing scale of their business as well as development of new customer service channels are causing the need for continuous development of the system, and in particular its ability to be easily integrated with other applications. Therefore, it is estimated that nearly 200 modifications will be implemented in order to upgrade this system in the period from 2013 to 2014. Asseco Poland will provide the highest level of technological support to this dynamically growing organization. The IIS solution will be adequately scalable to support the ambitious plans of Warta companies to increase their market shares.

Within our cooperation with the capital market, Asseco Poland undertook a joint project with the **BPH Brokerage House** of the **GE Capital Group**.

BPH Brokerage House implemented ePROMAK Plus, a proprietary system of Asseco designed to enable communication between a brokerage house and investors over the Internet. The integration of this solution with the PROMAK PLUS trading system has resulted in better throughput and faster execution of transactions. The new system features a variety of additional functionalities as regards both transactions and provided information, such as the modification of orders, subscription with preemptive rights, or access to the selected type of stock exchange information (e.g. dividends, stock splits/re-splits). Powerful analytical tools make it possible to obtain relevant securities account information, such as gains and losses on individual positions, financial performance, or portfolio/account valuation. Investors are afforded a great deal of flexibility in laying out their desktop appearance to ensure maximum working comfort. They may also access stock market information and conduct transactions with the use of mobile devices. Having implemented the ePROMAK Plus system, BPH Brokerage House is well-prepared and ready for a change in the communication technology utilized by the Warsaw Stock Exchange.

Public Administration

In 2012, Asseco Poland S.A. continued to develop and maintain the Comprehensive Information System for the Social Insurance Institution (ZUS) under a contract signed at the end of 2010. The offering of our Social Insurance Division has been enriched with a fresh new EDOA system, which provides full support for managing IT operations at an organization. EDOA enables the creation of periodic operating and administrative plans, determination of their approval paths, assignment of tasks and monitoring of their timely execution. Whereas, the reporting module allows to evaluate the efficiency of processes, assess the achievement of plans, and furthermore analyze the utilization of resources.

In the healthcare sector, the Company managed to attract dozens of new clients, representing both our current target groups, such as hospitals and public and private healthcare centres, and organizations working at the regional level of the

healthcare sector. The Company enhanced its proprietary Asseco Medical Management Solution (AMMS), which is intended to support patient services and management at hospitals and outpatient clinics, by adding the functionalities of commercial services and electronic data exchange. At the central level, Asseco Poland carried out the P1 Project for the Centre for Healthcare Information Systems, which is described in more detail below in this subsection. Furthermore, in 2012 we completed the deployment of eWUŚ system for the National Healthcare Fund and upgraded the Asseco's medical management systems to be able to verify the eligibility of insured persons over the eWUŚ platform.

The Company signed a number of new agreements and gained new clients of the state central administration. One of these contracts is executed for the General Inspectorate of Road Transport and it involves the production, implementation, warranty services, maintenance and development of the Central Processing System for the Automatic Road Traffic Monitoring Center (CANARD). Another one is performed for the Ministry of Labour and Social Policy and its subject is to create and implement the Central Social Security Information System (CSIZS), and subsequently provide warranty and maintenance services. We also concluded a contract with the Ministry of Finance for the design, creation, supply, installation, implementation, support services and development of the Integrated Tariff Collection and EU/Budget Settlements System (ZEFIR2) for the Customs Chamber in Cracow, as well as a contract to provide analytical, design, documentary and implementation work related to building the national geodesy database of land development network along with a management system for the Central Office of Geodesy and Cartography.

The Company signed a contract with the Agricultural Social Insurance Fund (KRUS) for the development of a Workflow System as well as a system to handle the structural funds for agriculture (OFSA). Furthermore, our Agriculture Division identified new products that may be used in the development of information systems, including active forms, management of codes

and releases, and the catalog of services and maintenance processes in line with ITIL standards.

The following table presents the financial results generated by our Public Administration segment in the years 2012 and 2011.

PLN millions	2012	2011	Change
Sales ¹⁾	588.3	616.2	(4.5%)
EBITDA ²⁾	159.9	170.5	
EBITDA margin	27.2%	27.7%	
Depreciation and amortization	(22.5)	(21.8)	(3.2%)
EBIT ³⁾	140.5	157.0	(10.5%)
EBIT margin	23.9%	25.5%	
Employment [persons]	1,207	1,273	(5.2%)
Allocated goodwill	925.2	925.2	-

¹⁾ Sales to external customers

²⁾ EBITDA = EBIT plus depreciation and amortization minus development project costs (net of write-downs) capitalized by the segment (amounting to PLN 3.1 million in 2012 and PLN 8.3 million in 2011)

³⁾ EBIT = net profit on sales generated by operating segment

Asseco Poland S.A. implemented, among others, three prestigious projects in the Public Administration sector. The first one was related to the Centre for Healthcare Information Systems, the second one was part of our long-term cooperation with the Social Insurance Institution (ZUS); whereas, the third one was carried out for Frontex, the Agency for the Management of Operational Cooperation at the External Borders of the European Union. All of these projects are briefly described below.

Centre for Healthcare Information Systems

In June 2012, the Centre for Healthcare Information Systems (CSIOZ) signed an agreement with the consortium of Asseco Poland and Kamsoft concerning the P1 project, constituting one of the four stages of building the Electronic Platform for Gathering, Analysis and Distribution of Digital Data on Medical Procedures. The contract involves the development of a system to gather medical data, handle registers, verify and support healthcare

settlements, as well as the provision of an auxiliary database of extensive medical data. The contract was worth nearly PLN 160 million (gross). This project was implemented primarily in order to adapt the functioning of information systems used in the Polish healthcare sector to the requirements imposed on the EU member states with respect to the development of European information society. The P1 system will gather information on all medical procedures performed for Polish citizens, regardless of the payer, as well as for citizens of the European Union and other countries, who are provided with healthcare services in the territory of Poland. The P1 project is intended to expand the availability of patients' health condition information and medical data, as well as to improve the quality of patient service by enabling performance of any e-services related to medical procedures.

Social Insurance Institution (ZUS)

As part of its cooperation with the Social Insurance Institution, Asseco Poland built the Electronic Documents Exchange Platform (EPWD) to help manage the workflow of processes. The EPWD platform is used to record all the letters received by ZUS, both in hard copy or electronic form. Having been integrated with other information systems, the EPWD platform provides support in case handling, right from receiving a letter till the completion of a case. Further functionalities of the platform include: handling of all applications filed by customers at individual offices, support in the allocation of tasks to specialists, keeping electronic files of customers and cases, and sending out the issued decisions. The solution will enable access to information on the current progress of a case by each ZUS specialist or Call Centre employee. In an application is submitted electronically, the applicant will be able to check the case status themselves through the New Information Portal that was launched by ZUS in June 2012. The portal allows, among others, to access the individual account data, submit applications and insurance documents in electronic form, and to arrange visits at local branches of ZUS.

Frontex, Agency for the Management of Operational Cooperation at the External Borders of the European Union

Asseco Poland built a system called the Operational Resources Management Application (in short OPERA) especially for the needs of Frontex. Border guards of the Schengen zone countries are obligated to enter information of their human and technical equipment resources into the OPERA system, so that they could be used in operations coordinated by the Agency. Frontex is planning out the resources necessary to carry out a specific operation based on their availability in the OPERA system. Because this application is also utilized by the holders of such resources (Schengen zone border guards), approval of the deployment of resources, making any required changes and adjustments, and precise determination of costs are all performed rapidly. Practical use of each resource is also recorded in the system, allowing to sum up the costs of an operation and facilitating the process of settlements with individual Member States involved. OPERA is an essential tool for managing the resources used in land, sea and air operations.

Enterprises

In 2012, Asseco Poland S.A. reinforced its position in the enterprises sector. As part of its cooperation with the TP Group, in 2012 Asseco Poland gained a contract for maintenance and operational support of a data warehouse at Polkomtel. At the turn of the first and second quarter of 2012, the company successfully took over the obligations of the previous vendor and began to provide all the contracted services. By entering into this contract, the Enterprises Division expanded its existing portfolio (of software development and maintenance services) with operational support in order to provide even more comprehensive service to our clients. In addition, the Division implemented the Value-Added Services Platform VAMM, started to work for Avon company, and expanded the scope of services provided to Onet company. Thanks to our continued cooperation with the ITI Group and the charitable foundations of *Akogo?*, *Fundacja TVN*, and *Mimo Wszystko*, the logo of Asseco Poland is presented in

television ads of these foundations. In 2012, the Division signed a cooperation agreement with the Polish Press Agency, under which we provide a set of value-added services involving the distribution of paid content prepared by PAP's Photo Department. This agreement is carried out on a profit-sharing basis.

As far as product development is concerned, the Telecommunications and Media Division has completed the first phase of the reference implementation of a new AUMS family product – Serwal system. This system provides modern telecom operators with a powerful and flexible central catalog of products and services. The software was presented for the first time at the IT Leader congress in September 2012.

Asseco Poland has remodelled its product portfolio for the power industry based on the new Asseco Utility Management System (AUMS) and launched sales of new modules for customer relations management, data analysis, workflow management, and master data management. Two major relevant implementation projects are described later in this subsection.

Our Key Enterprises Division acquired many new clients as well as it carried out new contracts for its existing ones. Asseco Poland has become a partner of **Polpharma Group** in a system implementation in Asia. The Company has started to implement the SAP system for JSC Chimpharm, a Kazakhstan-based subsidiary of Polpharma Group. JSC Chimpharm operates under the brand name of Santo and has a 50% share in the drug production market in Kazakhstan. The implemented solution supports the mission-critical business processes at JSC Chimpharm. Under this project the solution will be also adjusted to meet the standards applicable in the pharmaceutical industry and followed by Polpharma Group. This project involves re-implementation of SAP modules in the areas of Finance, Controlling, Inventory Management, Sales and Distribution. An important task will also be to implement the SAP solution in Production activities. The project will be completed in the first quarter of 2013.

In May of 2012, the consortium of Asseco Poland and Infovide-Matrix began the SAP

system upgrade for the National Environmental Protection Fund. This project involved upgrading the SAP ERP system from version 4.6c to version 6.04 along with the conversion into Unicode, as well as services of installation, configuration and deployment of the SAP BW Data Warehouse and SAP Portal.

Asseco Poland S.A., acting in a consortium with LST Sp. z o.o., won a tender for implementation of the Human Capital Management system (based on SAP HCM and MS SharePoint solutions) for the **LOTOS Group**. The Human Capital Management system will support the LOTOS Group in business processes related to the areas of: Human Resources, Payroll, Organizational Structure, Absences, Reporting, Soft HR, Company Funds, Periodic Assessment System, and Recruitment. The project was initiated on 3 September 2012 and scheduled for completion till 30 October 2013.

Apart from the above-mentioned projects, Asseco Poland performed contracts for many other clients, including the Ministry of Finance, General Directorate for National Roads and Motorways (GDDKiA), CEZ Poland, DPD Poland, and Konsalnet Holding.

In 2012, the SAP Department of Asseco Poland S.A. fulfilled the business cooperation requirements imposed by SAP and demonstrated strong professional competence. Hence, the Company was awarded the **SAP Gold Partner Status** for the year 2013. Obtaining such status is a confirmation of Asseco Poland's expertise and experience in SAP technology.

The following table presents the financial results generated by our Enterprises segment in the years 2012 and 2011.

PLN millions	2012	2011	Change
Sales ¹⁾	229.6	238.3	(3.7%)
EBITDA ²⁾	47.4	36.3	
<i>EBITDA margin</i>	<i>20.6%</i>	<i>15.2%</i>	
Depreciation and amortization	(5.5)	(5.3)	(3.8%)
EBIT ³⁾	42.3	31.0	36.5%
<i>EBIT margin</i>	<i>18.4%</i>	<i>13.0%</i>	
Employment [persons]	539	557	(3.2%)
Allocated goodwill	129.7	129.7	

¹⁾ Sales to external customers

²⁾ EBITDA = EBIT plus depreciation and amortization minus development project costs (net of write-downs) capitalized by the segment (amounting to PLN 0.4 million in 2012)

³⁾ EBIT = net profit on sales generated by operating segment

One of the most important projects in the telecommunication sector in 2012 was the contract implemented for **Telekomunikacja Polska, TP Group**.

Asseco Poland built and deployed the Central Product Catalog application, which is used to manage the product offering of an organization, in particular by facilitating the synchronization and standardization of products and services offered in multiple distribution channels (CC, IVR, SMS, system sales, dealer system, etc.). The main challenges in this project were: to design a flexible data model which could store all the possible relationships between the elements of an offering, such as services, packages, prices, discounts, etc.; to design and implement an ergonomic user interface that would allow for parameterization of the elements of an offering, while ensuring full understanding of the consequences of performed operations; as well as to design and implement automatic data exchange interfaces between the central system and all subsidiary systems, such as CRM, portal, system sales, billing, which would ensure automatic synchronization of data changes across all the systems at the same time or in less than 30 minutes. The solution has been delivered and set into operation within the stipulated time schedule while maintaining the quality criteria, although the project was carried out in an extremely dynamic

environment – the offering of this telecommunications operator was continuously developed.

Implementation of an ERP system for **Południowy Koncern Węglowy S.A., Tauron Group** was one of the major projects completed in the enterprises sector.

Południowy Koncern Węglowy was the first company of the hard coal mining industry where Asseco Poland implemented a sales support system based on an ERP-class solution. The SAP system covers all aspects of the company's operations related to the sale of coal and aggregates, constituting a logical backbone of this software solution, which was subsequently extended with the required functionalities. Apart from the transaction system, PKW decided to use a portal and a data warehouse. Integration of this system was a complex task due to a large number (nearly 50) of data flow streams only between the implemented SAP ERP system and the finance and accounting application. Furthermore, the ERP system was integrated with the mine's infrastructure, including coal weighing scales, fiscal printers, light panels, system to communicate with drivers via SMS messages, and with other business-specific systems such as HR and payroll system. The architecture of the system implemented at PKW adheres to SOA standards. The system allows for an easy implementation of applications to support other business functions, such as finance and accounting, controlling or capital expenditures.

In the energy sector, we completed the implementation of a comprehensive IT system for **Energa Group**.

Energa Group is the first power industry enterprise in Poland which has deployed Asseco Utilities Management Solutions (AUMS), a comprehensive software application providing support for sales processes along with a state-of-the-art billing system. The project was completed in March 2012, after the system had been stabilized and adjusted to the client's organizational changes. The AUMS solution implemented in the Energa Group is well prepared to handle multi-million customer databases. Energa was also the first Polish energy company to launch the central customer service office based on Asseco's

proprietary application – e-BOK system. All the e-BOK system components operate under a common data structure. This innovative application can run independently or as one of the AUMS modules. In 2012, Asseco Poland prepared a new version of this system featuring a new graphical user interface for easier navigation, a set of additional functionalities to facilitate operation of the system, as well as a mobile version of the solution, which will be launched under the contract.

Infrastructure

The Infrastructure Division gained over a dozen new clients from the sectors of enterprises and public administration. Moreover, this division expanded its expertise in the area of Polycom video systems, products and solutions from EMC, traffic management solutions, and electronic toll collection.

In October 2012, Asseco Poland renewed its agreement with EMC, the world's number one provider of solutions for data archiving, backup and recovery, big data and data center management, storage, virtualization, security, enterprise content management, and cloud computing.

This agreement helped to considerably expand the portfolio of our infrastructural solutions, particularly in the enterprises sector, based on the so-called V-Block/VSpex. As part of the contract, we have been provided with technical know-how for the implementation and maintenance of EMC solutions. In addition, Asseco Poland has become EMC's Velocity Premier Partner and, as the only Polish partner, received the Tier 1 status which allows for direct purchases of EMC solutions in Europe.

The following table presents the financial results achieved by our Infrastructure segment in the years 2012 and 2011.

PLN millions	2012	2011	Change
Sales ¹⁾	128.3	100.4	27.8%
EBITDA ²⁾	10.0	18.0	
EBITDA margin	7.8%	17.9%	
Depreciation and amortization	(3.7)	(3.8)	(2.6%)
EBIT ³⁾	6.3	14.2	(55.6%)
EBIT margin	4.9%	14.1%	
Employment	223	207	7.7%
Allocated goodwill	131.0	131.0	

¹⁾ Sales to external and internal customers. Sales to internal customers have been included in revenues for the Infrastructure segment only, because services provided by this segment to other operating segments of Asseco Poland represented a significant portion of the segment's total revenues both in 2012 and in the prior year, equalling 40% and 57%, respectively;

²⁾ EBITDA = EBIT plus depreciation and amortization (no development project costs were capitalized in this segment)

³⁾ EBIT = net profit on sales generated by operating segment

Non-recurring events with impact on our financial performance Prokom Investments

As at 31 December 2012, the Company reassessed the recoverable amount of its receivables from Prokom Investments S.A. because, in December, the Asseco Poland S.A. and Prokom Investments S.A. concluded a memorandum of understanding stipulating the rules of repayment and providing collateral for such receivables. Following such estimates, the allowance for such receivables was partially reversed by PLN 23.5 million (of which PLN 6.9 million was recognized in other operating income, while the remaining amount was accounted for as financial income). This transaction has been described in detail in explanatory notes 12 and 15 to the financial statements for the year ended 31 December 2012.

Assessment of financial resources management

Spare financial resources generated by Asseco Poland S.A. in 2012 were allocated to dividend payments, while the remaining portion was utilized to finance company acquisitions or current operations.

Liquidity ratios

Working capital (defined as the difference between current assets and current liabilities) represents the amounts of fixed capital (equity plus long-term debt) which are used to finance current assets. The following table shows the closing balances of working capital in the last two years.

	31 Dec. 2012	31 Dec. 2011
Working capital (in PLN millions)	501.3	448.9
Current liquidity ratio	2.4	2.1
Quick liquidity ratio	2.2	1.9
Absolute liquidity ratio	0.8	0.7

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

The main factors behind the growth in working capital included:

- a decrease in current liabilities by PLN 70.8 million, including a decrease in other liabilities by PLN 59.0 million;
- a net increase in current trade receivables and trade payables by PLN 26.2 million;
- an increase in cash and cash equivalents by PLN 10.1 million.

Debt ratios

In 2012, as compared with the end of 2011, total short- and long-term liabilities decreased by PLN 79.7 million. Consequently, general debt ratio dropped from the level of 15.4% to 13.1%. The table below presents the key debt ratios observed as at the reporting dates of 31 December 2012 and 31 December 2011.

	31 Dec. 2012	31 Dec. 2011
Debt ratio	13.1%	15.4%
Debt / equity ratio	4.0%	3.4%
Debt / (debt + equity) ratio	3.9%	3.3%

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

Debt / equity ratio = interest-bearing bank loans and debt securities / equity

Debt / (debt + equity) ratio = interest-bearing bank loans and debt securities / (interest-bearing bank loans and debt securities + equity)

Opinion on feasibility of investment plans

The Company pays its trade payables, settles the state obligatory charges, and fulfils its investment obligations on a timely basis. We maintain loan facilities at various banks in order to diversify our sources of financing. The Company pays its liabilities from current operating revenues which may be supplemented with third-party financing, in the form of short-term bank overdraft facilities, bank term loans, borrowings, or capital contributions.

Discussion of significant risk factors and threats

Risk related to intensified competition

The Company's operations are under the pressure of continually stronger competition both from the local players and international IT corporations, which has to be faced especially when it comes to execution of large and prestigious contracts. Ongoing consolidation of large IT players in the markets where the Company operates as well as hiring of own IT specialists by many institutions may diminish the Company's competitive advantage over other firms, and in consequence influence our business operations and financial performance. Furthermore, foreign competitors are getting continually stronger as they have faster access to innovative technological solutions and also to cheaper sources of funds, which makes it possible to finance large contracts more efficiently. The increasing competition might have a significant negative impact on the operations, financial position, financial performance or future development outlook of Asseco Poland S.A.

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

IT sector is characterized by rapid development of new solutions and technologies; hence the product lifecycle in this market is relatively short. Therefore, the future success of Asseco Poland S.A. 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 Poland S.A. 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 Company will satisfy the technological requirements, and whether they will be accepted positively by their potential users. In each case the generated revenues might

be disappointing in relation to the expenditures incurred. Such circumstances might have a significant adverse impact on the operations, financial position, financial performance or future development outlook of Asseco Poland S.A.

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 negative impact on the Company's operations, financial position, financial performance or its future development outlook.

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 gaining of new contracts or even result in termination of already concluded contracts for the provision of information systems. Such circumstances might have a significant negative impact on the Company's operations, financial position, financial performance or its future development outlook.

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. In addition, the financial crisis suffered by the European Union gives rise to a risk of suspending or reducing the co-financing of IT projects from EU funds earmarked for improving innovation at the Polish administration offices. The Ministry of Administration and Digitization, operating since the beginning of 2012, is responsible for organizing and implementing the processes necessary for the implementation of critical IT solutions. During the first half-year, the ministry was working on tidying up the procurement procedures. An important factor, affecting the progress of the procurement of key IT systems, was the European Commission's decision to retain

the amount of PLN 3.7 billion, earmarked for computerization. It is not certain that the recovery plan proposed by the Polish side will be accepted by the European Commission and that the funds appropriated for computerization will be restored. A reduction, withholding or suspension of EU grants may pose a substantial threat to the demand for IT services, and therefore it might have a significant adverse impact on the operations, financial position, financial performance or future development outlook of Asseco Group.

Risk of underestimation of the project cost

Most of Asseco Poland'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 Company follows complex procedures, which on one hand facilitate the process of preparation of reliable plans and on the other hand prevent the incurrance of unexpected costs.

In order to manage the risk of the project cost underestimation, the Company 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 due performance or meeting the deadlines or financial terms of the contract.

Risk involved in gaining new contracts

It is characteristic of the IT business that a large number of Asseco Poland's contracts are awarded under tendering procedures. Therefore, it is not certain that the Company will be able to gain such new contracts that would ensure sufficiently high and satisfactory revenues in the future.

Many of Asseco's major clients are required, under applicable regulations, to choose their suppliers and service providers through tendering and public procurement procedures. There is no assurance that the Company's clients have complied or will comply with all regulations governing tenders and public procurements. Failure to

comply with such regulations by the Company's clients may entail a risk of cancellation of any tender conducted or agreement concluded in violation of the applicable regulations.

Difficulties in obtaining new contracts through tenders or cancellation of agreements concluded in violation of the tendering regulations might have a significant negative impact on the operations, financial position, financial performance or future development outlook of Asseco Poland S.A.

Risk related to the macroeconomic situation of Poland

Development of the IT services sector is closely correlated to the overall economic prosperity. The main factors affecting financial results of Asseco Poland S.A. include the pace of GDP growth, value of public orders for IT solutions, level of capital expenditures made by enterprises, the inflation rate, and foreign currency exchange rates versus the Polish zloty.

Risk of losing the clients' trust

Operations of Asseco Poland S.A. 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 would hurt our reputation in the market and make it impossible to continue successful business operations.

The customers' trust is what really counts when trying to gain new contracts as the client references play a crucial role in the selling process. Loss or deterioration of the clients' trust might have a significant negative impact on the Company's operations, financial position, financial performance or its future development outlook.

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 the Company 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 an adverse impact on the Company's operations, financial position, financial performance or its future development outlook.

Risk of concluding a contract with a dishonest customer

Asseco Poland S.A. is exposed to the risk of defaulting contractors. This risk is associated firstly with the financial credibility and good will of customers to whom Asseco Poland S.A. provides its 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 of increasing cost of work

Salaries account for over 60% of the Company's project implementation costs. Taking into account such high human resource requirements, an increase in salaries may squeeze the margins achieved on projects and consequently have an unfavourable impact on the Company's results.

In order to manage the risk of higher cost of work, the Company takes a number of measures which can help reduce potential negative effects of rising salaries. Among other things, Asseco Poland S.A.:

- (i) employs people in many geographical regions aiming to diversify that risk;
- (ii) continually monitors the level of salaries in the market not to be taken by surprise; and
- (iii) tries to maintain an appropriate structure of employment within particular levels of competence.

Risk related to losing the key personnel

The Company'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 Company, as well as on ensuring the required quality and range of services provided. This in turn might bring unfavourable effects for the operations, financial position, financial performance, and prospective development of Asseco Poland S.A.

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

Asseco Poland S.A. 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 control of Asseco Poland S.A. It cannot be entirely precluded that the 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 of changes in regulations and their interpretation

Frequent amendments, lack of cohesion and uniform interpretations of the provisions of law, concerning in particular the banking law, insurance law (inclusive of social insurance), public procurement law, personal data protection law, regulations pertaining to public trading in securities, and commercial companies law, give rise to the regulatory risk occurring in the environment in which Asseco Poland operates. The tax regulations and their interpretations are more than others prone to numerous changes. There is a risk that, as a consequence of enforcement of new regulations, the Company will have to adjust its operations to such new regulations, which might result in incurring significant adjustment or non-compliance costs. Application of tax regulations is often accompanied by controversy and disputes, which are typically resolved only by the administrative courts. Additionally, taxation practices applied by the tax authorities are by no means uniform, while the administrative courts' judicature concerning tax cases shows substantial discrepancies. The Company cannot guarantee that the tax authorities do not make a different interpretation of tax regulations, which may be unfavourable for the Company. Furthermore, we cannot eradicate the risk that specific tax interpretations, which have been already obtained and applied by the Company, are put to question.

Given the above, we cannot exclude the risk of potential disputes with the tax authorities, whereby they would challenge the accuracy of Asseco's tax settlements, in cases where the statute of limitations has not lapsed, and determine tax arrears to be paid by the Company.

Risk involved in insufficient insurance coverage

Business activities conducted by Asseco Poland S.A., 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 Asseco's clients or their end customers as a result of defective operation or failure of the products delivered by the Company, whether attributable to its negligence or not. Agreements concluded by the Company

provide for contractual penalties in the event of non-performance or improper performance of obligations, and sometimes admit a possibility of seeking further remedies in excess of such contractual penalties. Furthermore, the Banking Law forbids any waiver or limitation of liability towards a bank by virtue of losses incurred by its clients and caused by the bank contractor who was commissioned to perform certain business functions (inclusive of IT activities). The risk related to payment of potential damages in favour of the end customers, who receive services provided by the Company's clients, has increased considerably due to entry into force of the regulations allowing to bring class action lawsuits into the Polish courts. The Company maintains standard insurance coverage, including the civil liability insurance for business operations and property, with the guarantee amount of PLN 30 million. However, insurance policies held by the Company do not provide adequate coverage to the size of conducted business operations and all the associated risks. Therefore, any claims for compensation in excess of the guarantee amounts under the carried insurance policies might have a significant negative impact on the operations, financial position, financial performance or prospective development of Asseco Poland S.A.

Risk related to software licenses

Asseco utilizes a number of IT systems under licenses granted by the world's leading providers of utility software and thematic applications, including BAE, EMC Corporation, Fermat, HP, IBM, 3iInfotech, Microsoft, Oracle, and SAS Institute. Software licenses granted to the Group companies are essential for the Company's business operations. The most important products of Asseco are developed with the use of solutions and products of the above-mentioned vendors. Termination of software licenses or limitation of Asseco's rights to use the key IT systems, especially of HP, IBM and Oracle, might have a significant negative impact on the operations, financial position, financial performance, and prospective development of Asseco Poland S.A.

Risk involved in concluding contracts with the related parties

While running its business Asseco Poland S.A. concludes transactions with other companies from Asseco Group, inclusive of its related parties as understood by the Act on corporate income tax. Such transactions ensure effective operation of the entire Asseco Group and they include provision of mutual services, supply of goods, as well as other transactions. When entering into and conducting any transactions with the related parties, Asseco takes special efforts to ensure their regulatory compliance as regards transfer pricing and adheres to all the documentation requirements relating to such transactions. However, due to the nature of related party transactions, and the complexity and ambiguity of legal regulations pertaining to the methods of assessment of transfer prices applied, as well as due to difficulties in identifying comparable transactions, it cannot be precluded that the Company may be subjected to tax audits or other scrutiny undertaken by the tax or tax control authorities in the above-mentioned respect, which, in the event of disputing the methodology adopted by the Company to determine the market conditions for such transactions, might have a significant negative impact on the operations, financial position, financial performance or future development of Asseco Poland S.A.

Foreign currency risk

The currency used for presentation of the Asseco Poland's results is Polish zloty (PLN). However, a portion of contracts concluded by the Company are denominated in foreign currencies (EUR and USD). With regard to the above the Company is exposed to potential losses resulting from fluctuations in foreign currency exchange rates versus the Polish zloty in the period from concluding a contract until it is invoiced. Furthermore, the functional currencies of foreign subsidiaries of Asseco Group are the currencies of the countries where these entities are legally registered in.

Consequently, assets of such subsidiary companies need to be translated into PLN, and therefore their values presented in the separate financial statements of Asseco Poland S.A. remain under the influence of foreign exchange rates against PLN.

Management of such risk involves hedging of the contracts settled in foreign currencies, which is accomplished by concluding simple currency forward contracts or non-deliverable currency forward contracts in case of derivatives embedded in foreign currency denominated contracts. Whereas, contracts concluded in foreign currencies are hedged with forward contracts with delivery of cash.

Interest rate risk

Changes in the market interest rates may have a negative influence on the financial results of Asseco Poland S.A. The Company 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 the valuation of concluded derivative instruments, which are based on the forward interest rate curve.

In order to reduce its interest rate risk, the Company:

- (i) tries to avoid taking out loan facilities based on a variable interest rate, and
- (i) if the first solution is not possible, the Company may conclude forward interest rate contracts.

Other Information

Opinion on feasibility of the Management's financial forecasts

The Company's Management Board did not publish any financial forecasts for the year 2013 or for subsequent financial periods.

Changes in the principles of the Company management

In 2012, the Company saw minor changes in its management practices, which basically included improving the management tools in order to enable more effective use, monitoring as well as economic evaluation of our resources.

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 separate financial statements of Asseco Poland S.A. for the year ended 31 December 2012.

Agreements concluded by Asseco Poland S.A. with its management personnel providing for payment of compensations if such persons resign or are dismissed from their position

Asseco Poland S.A. 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 position without substantial reason, or when they are dismissed as a result of a company merger by acquisition.

Changes in capital relationships

Changes in the Company's equity relationships have been described in explanatory note 10 to the separate financial statements of Asseco Poland S.A. for the year ended 31 December 2012.

Related party transactions

Transactions with our related entities have been presented in explanatory note 28 to the annual separate financial statements of Asseco Poland S.A. for the year ended 31 December 2012.

Bank loans, borrowings, sureties, guarantees and off-balance-sheet liabilities

Bank loans, borrowings, sureties and guarantees extended, as well as off balance-sheet liabilities have been presented in explanatory notes 22 and 29 to the annual separate financial statements of Asseco Poland S.A. for the year ended 31 December 2012.

Off-balance-sheet items

The nature, purpose and value of significant off-balance-sheet items have been presented in explanatory notes 29 and 30 to the annual separate financial statements of Asseco Poland S.A. for the year ended 31 December 2012.

Monitoring of employee share option plans

As at the date of preparation of this report, the Issuer 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 Company was 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 Company's equity.



This Management's Report on Business Operations was approved for publication by the Management Board of Asseco Poland S.A. on 18 March 2013.



Adam Góral

President of the Management Board



Zbigniew Pomianek

Vice President of the Management Board



Przemysław Borzestowski

Vice President of the Management Board



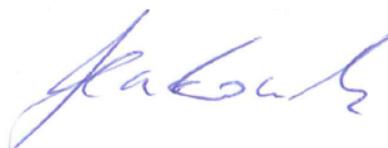
Włodzimierz Serwiński

Vice President of the Management Board



Tadeusz Dyrka

Vice President of the Management Board



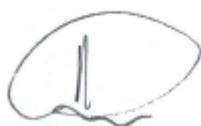
Przemysław Sęczkowski

Vice President of the Management Board



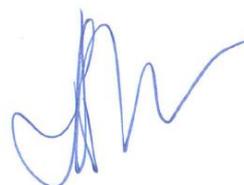
Rafał Kozłowski

Vice President of the Management Board



Marek Panek

Vice President of the Management Board



Robert Smułkowski

Vice President of the Management Board



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Vice President of the Management Board

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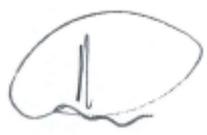
**STATEMENTS BY
THE MANAGEMENT
BOARD OF
ASSECO POLAND S.A.
TO THE ANNUAL REPORT**

**for the year ended
31 December 2012**



Statement by the Management Board of Asseco Poland S.A. on the reliability of preparation of the separate financial statements of Asseco Poland S.A. for the period of 12 months ended 31 December 2012

The Management Board of Asseco Poland S.A. hereby declares that, to the best of its knowledge, the separate financial statements of Asseco Poland S.A. for the period of 12 months ended 31 December 2012 and comparative 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 Company's assets, financial position and financial performance. The report on business operations of Asseco Poland S.A. provides a fair description of the development, achievements and economic position of the Company, inclusive of major risks and threats to its operations.

Adam Góral	President of the Management Board	
Przemysław Borzestowski	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 separate financial statements of Asseco Poland S.A. for the period of 12 months ended 31 December 2012

The Management Board of Asseco Poland S.A. hereby declares that the entity authorized to audit the Company's separate financial statements for the period of 12 months ended 31 December 2012, namely Ernst & Young Audit Sp. z o.o., 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 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



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

