FINANCIAL STATEMENTS OF ASSECO BUSINESS SOLUTIONS SA FOR THE FIRST QUARTER OF 2016

27 April 2016

SELECTED FINANCIAL DATA OF ASSECO BUSINESS SOLUTIONS S.A.

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

SELECTED FINANCIAL DATA OF ASSECO BUSINESS SOLUTIONS S.A.

The following table contains selected financial data of Asseco Business Solutions S.A.

	in EUR thou.		in EUR EUR	
	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Revenues on sale	41,306	37,074	9,483	8,936
Gross profit on sales	17,911	14,771	4,112	3,560
Profit on operating activities	12,743	9,711	2,925	2,341
Gross profit	12,862	10,077	2,953	2,429
Net profit	10,381	8,126	2,383	1,959
Net cash from financing activities	9,457	6,984	2,171	1,683
Net cash from investing activities	(6,098)	(2,152)	(1,400)	(519)
Net cash from financing activities	–	–	–	–
Cash and short-term deposits	43,945	62,367	10,295	15,252
Weighted average number of shares	33,418,193	33,418,193	33,418,193	33,418,193
Earnings per ordinary share	0.31	0.24	0.07	0.06

The selected financial data presented in these interim condensed financial statements has been converted into the EURO as follows:

- the Company's cash position at the end of the current reporting period and the comparable previous reporting period is translated at the average exchange rate announced by the National Bank of Poland on the balance sheet date.

On 31 March 2016, 1 EUR = 4.2684 PLN,

On 31 March 2015, 1 EUR = 4.0890 PLN.

- selected items from the interim statement of comprehensive income and the interim statement of cash flows are translated at the exchange rate being the arithmetic average of average exchange rates announced by the National Bank of Poland on the last day of each month.

Between 1 January and 31 March 2016, 1 EUR = 4.3559 PLN.

Between 1 January and 31 March 2015, 1 EUR = 4.1489 PLN.

GENERAL

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

I. GENERAL

Asseco Business Solutions S.A. was established under a Notarial Deed dated 18 May 2001. The Company is headquartered in Lublin at ul. Konrada Wallenroda 4c, 20-607.

The Company is registered in the Companies' Register of the National Court Register maintained by the District Court in Lublin, VI Economic Department of the National Court Register, under the KRS no. 0000028. The Company has a business statistical number REGON 017293003.

The Company was established for an indefinite period of time.

The primary activity of Asseco Business Solutions SA, according to the classification adopted by the Warsaw Stock Exchange, is "information technology".

Within the Asseco Capital Group, the Company serves as a Competence Centre accountable for the development of ERP software, mobile reporting systems (SFA), factoring systems and softwares for SMEs. This comprehensive offering also includes the provision, adaptation and configuration of business applications for enterprises, design and construction of infrastructure at the client's location or in the outsourcing model as well as the provision of equipment and system software of renowned third-party suppliers, training for client's personnel, service and remote support for users. Asseco Business Solutions runs a Data Centre whose capacity parameters meet the highest standards of security, reliability and effectiveness of systems operation.

The direct parent entity of Asseco Business Solutions SA is Asseco Poland SA, which holds 46.47% of the Company's shares and, in accordance with the Company's Articles of Association, is able to exercise its right to appoint three of the five members of the Supervisory Board as long as it remains a Company's shareholder holding at least 20% of the Company's share capital.

II. ASSECO BUSINESS SOLUTIONS S.A. – THE EXECUTIVES

At the date of publication of these financial statements, i.e. 27 April 2016, the Supervisory Board of the Company consisted of:

Full name	**Function**
Romuald Rutkowski	Chairman of the Supervisory Board
Adam Góral	Vice-Chairman of the Supervisory Board
Zbigniew Pomianek	Member of the Supervisory Board
Adam Pawłowicz	Member of the Supervisory Board
Grzegorz Ogonowski	Member of the Supervisory Board

No separate committees operate within the Supervisory Board. Any committees' tasks are performed by the Supervisory Board.

At the date of publication of these financial statements, i.e. 27 April 2016, the Management Board of the Company consisted of:

Full name	**Function**
Wojciech Barczentewicz	President of the Management Board
Piotr Masłowski	Vice-President of the Management Board

Andreas Enders	Vice-President of the Management Board
Mariusz Lizon	Member of the Management Board

III. STOCKS AND SHARES HELD THE PERSONS IN THE EXECUTIVE AND SUPERVISORY CAPACITY AT ASSECO BUSINESS SOLUTIONS S.A.

Overview of the shares of Asseco Business Solutions SA in possession of the persons in the executive and supervisory capacity.

	number of shares held (corresponds to % in the total number of votes at GM) - **status on**	change from the previous report	**number of shares held** (corresponds to % in the total number of votes at GM) - **status on**	change from the previous report
Executive persons				
Wojciech Barczentewicz	461,267	–	1.4%	–
Piotr Masłowski	715,063	–	2.1%	–
Mariusz Lizon	220,000	-8.33%	0.7%	-8.33%
Supervising persons				
Romuald Rutkowski	426,828	–	1.3%	–
TOTAL	**1,823,158**		**5.5%**	

IV. THE SHAREHOLDIG STRUCTURE OF ASSECO BUSINESS SOLUTIONS SA

To the best knowledge of the Management Board of Asseco Business Solutions S.A., the status of the shareholders of Asseco Business Solutions S.A. holding, directly or through subsidiaries, at least 5% of the total vote in the General Meeting, calculated based on the number of votes authorized to take part in the Ordinary General Meeting on the day of 27 April 2016, is as follows:

Shareholder	**Number of shares held**	**Shareholding**	**Number of votes**	**% in the total number of votes at GM**
Asseco Poland S.A.	15,528,570	46.47%	15,528,570	46.47%
Metlife Otwarty Fundusz Emerytalny	3,500,000	10.47%	3,500,000	10.47%
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK	3,330,000	9.96%	3,330,000	9.96%
Other shareholders	11,059,623	33.09%	11,059,623	33.09%
	33,418,193	**100.00%**	**33,418,193**	**100.00%**

As at 31 September 2016, the share capital of Asseco Business Solutions S.A. totalled PLN 167,091 thousand and was divided into 33,418,193 ordinary shares with the nominal value of PLN 5 each, giving a total of 33,418,193 votes at the General Meeting of Asseco Business Solutions S.A.

INTERIM CONDENSED FIANCIAL STATEMENTS OF ASSECO BUSINESS SOLUTIONS SA

**for the three months ended
31 March 2016
prepared in accordance with
the International Financial Reporting Standards**

**FINANCIAL STATEMENTS OF
ASSECO BUSINESS SOLUTIONS SA
FOR THE PERIOD ENDED 31 March 2016**

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FINANCIAL STATEMENTS OF
ASSECO BUSINESS SOLUTIONS
FOR THE FIRST QUARTER OF 2016

These financial statements were approved for publication by the Management Board of Asseco Business Solutions S.A. on 27 April 2016.

The Management Board:

Wojciech Barczentewicz	President of the Management Board
Piotr Masłowski	Vice-President of the Management Board
Andreas Enders	Vice-President of the Management Board
Mariusz Lizon	Member of the

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
for the three months ended 31 March 2016

	3 months ended 31 March 2016 (unaudited)	*3 months ended 31 March 2015 (unaudited)*
Revenues on sale	41,306	37,074
Own cost of sales	(23,395)	(22,303)
Gross profit on sales	**17,911**	**14,771**
Cost of sale	(1,853)	(1,990)
General and administrative expenses	(3,363)	(3,140)
Net profit on sales	**12,695**	**9,641**
Other operating income	134	152
Other operating expenses	(86)	(82)
Profit on operating activities	**12,743**	**9,711**
Financial income	289	455
Financial expenses	(170)	(89)
Gross profit	**12,862**	**10,077**
Income tax	(2,481)	(1,951)
Net profit from continuing operations	**10,381**	**8,126**
Discontinued operations		
Net profit for the financial year	**10,381**	**8,126**
Other total income		
- Items subject to reclassification to profit/loss in subsequent reporting periods	-	-
- Items not subject to reclassification to profit/loss in subsequent reporting periods	-	-
Other total net income	-	-
Total income for period	**10,381**	**8,126**
Earnings per share:		
- basic/diluted profit for the reporting period	0.31	0.24
- basic/diluted from profit for continuing operations for the reporting period	0.31	0.24

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

INTERIM CONDENSED BALANCE SHEET
as at 31 March 2016

ASSETS	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Non-current assets	**194,365**	**194,329**	**193,193**
Property, plant and equipment	10,929	10,277	10,046
Intangible assets	10,636	10,717	10,601
Goodwill	170,938	170,938	170,938
Long-term receivables	599	599	600
Deferred tax assets	1,190	1,725	950
Long-term accruals and deferred income	73	73	58
Current assets	**100,024**	**95,710**	**92,434**
Inventories	446	365	814
Accruals and deferred income	791	601	721
Trade receivables	24,264	26,952	25,455
Other receivables	2,145	1,873	2,925
Financial assets measured at fair value through profit or loss	–	1	152
Other financial assets	28,433	25,260	–
Cash and short-term deposits	43,945	40,658	62,367
TOTAL ASSETS	**294,389**	**290,039**	**285,627**

LIABILITIES			
Share capital	167,091	167,091	167,091
Surplus from the sale of shares above their nominal value	62,543	62,543	62,423
Retained gains	46,642	36,261	39,265
Total equity	**276,276**	**265,895**	**268,779**
Non-current liabilities	**783**	**781**	**716**
Provisions	781	781	707
Long-term accruals and deferred income	2	–	9
Current liabilities	**17,330**	**23,363**	**16,132**
Trade liabilities	2,418	4,623	1,681
Other liabilities	5,833	5,619	5,950
Income tax liabilities	759	2,047	247
Financial liabilities	47	–	–
Provisions	382	382	642
Accruals and deferred income	7,891	10,692	7,612
Total liabilities	**18,113**	**24,144**	**16,848**
TOTAL EQUITY AND LIABILITIES	**294,389**	**290,039**	**285,627**

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

for the three months ended 31 March 2016

	Share capital	Surplus from the sale of shares above their nominal value	Retained gains	Total equity
3 months ended 31 March 2016 (unaudited)				
As at 1 January 2016	**167,091**	**62,543**	**36,261**	**265,895**
Total income for period	–	–	10,381	**10,381**
Payment of the dividend	–	–	–	**–**
Other transactions	–	–	–	**–**
As at 31 March 2016	**167,091**	**62,543**	**46,642**	**276,276**
12 months ended 31 December 2015				
As at 1 January 2015	**167,091**	**62,423**	**31,139**	**260,653**
Total income for period	–	–	33,528	**33,528**
Payment of the dividend	–	–	(28,406)	**(28,406)**
Other transactions	–	120		**120**
As at 31 December 2015	**167,091**	**62,543**	**36,261**	**265,895**
3 months ended 31 March 2015 (unaudited)				
As at 1 January 2015	**167,091**	**62,423**	**31,139**	**260,653**
Total income for period	–	–	8,126	**8,126**
Dividends	–	–	–	**–**
As at 31 March 2015	**167,091**	**62,423**	**39,265**	**268,779**

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

INTERIM CONDENSED STATEMENT OF CASH FLOWS
for the period ended 31 March 2016

	3 months ended 31 March 2016 (unaudited)	*3 months ended 31 March 2015 (unaudited)*
Cash flows from operating activities		
Gross profit	12,862	10,077
Adjustments:	**(3,405)**	**(3,093)**
Amortization/Depreciation	2,731	2,724
Change in inventories	(81)	(231)
Change in receivables	2,416	3,688
Change in liabilities, excluding credits and loans	(1,990)	(5,772)
Change in prepayments and accruals	(2,989)	(397)
Change in provisions	–	–
Revenue on interest	(287)	(300)
Investment gain/(loss)	30	(148)
Income tax paid	(3,235)	(2,657)
Net cash from operating activities	**9,457**	**6,984**
Cash flows from investing activities		
Proceeds from the sale of non-financial assets	48	5
Acquisition of property, plant and equipment	(1,670)	(726)
Acquisition of intangible assets	(1,637)	(1,676)
Acquisition/settlement of financial assets at fair value through profit or loss	(25)	(3)
Established bank deposits	(3,019)	–
Interest received	205	248
Net cash from investing activities	**(6,098)**	**(2,152)**
Cash flows from financing activities		
Dividend paid	–	–
Net cash from financing activities	**–**	**–**
Increase in net cash and cash equivalents	3,359	4,832
Net differences in exchange rates	–	–
Opening cash	**40,573**	**57,368**
Closing cash	**43,932**	**62,200**

ADDITIONAL NOTES AND INFORMATION

I. BASIS FOR THE PREPARATION OF THESE FINANCIAL STATEMENTS AND ACCOUNTING RULES (POLICIES)

1. Basis for the preparation

These interim condensed financial statements have been prepared in accordance with the historical cost accounting model, except for financial assets measured at fair value through profit or loss.

The functional and presentation currency is Polish Zloty (PLN). All financial data is presented in thousands of Polish zloty unless stated otherwise.

This interim condensed financial statements have been prepared on the understanding that Asseco Business Solutions S.A. intended to continue its business activity for the period of no less than 12 months as of 31 March 2016. On the date of approval of these financial statements, no fact or circumstances were identified that might pose a threat to the Company in continuing its business.

These interim condensed financial statements do not include all information and disclosures required in annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2015, approved for publication on 2 March 2016. The interim financial results may not reflect the full realizable financial result for the financial year.

2. Statement of compliance

These interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in particular in accordance with IAS 34 and the IFRS adopted by the EU.

On the day of approval of these financial statements for publication, taking into consideration the EU's ongoing process of introducing the IFRS and activities conducted by the Company, there is no difference in the accounting rules applied by the Company between the IFRS, which entered into force, and the IFRS approved by the EU.

The International Financial Reporting Standards comprise standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

3. Estimates

In the first three months ended 31 March 2016, there were no major changes in the manner of making estimates.

4. Professional judgement

The preparation of interim financial statements in concert with IFRS requires estimates and assumptions that affect the amounts indicated in the financial statements. Although the estimates and assumptions are based on the Company Management's best knowledge of the current activities and events, the actual results may differ materially from those projected.

As regards the application of the accounting rules (policies), in addition to the accounting estimates, the areas shown below have been of crucial importance in terms of the professional judgement of the management; thus, any change in estimates in these areas could have a significant impact on the Company's results in the future.

i Valuation of IT contracts and the measurement of the degree of progress

The Company realizes a number of contracts for the development and implementation of information systems. The valuation of IT contracts requires the establishment of future operating cash flows in order to determine the fair value of revenues and expenses, and to measure the degree of progress of the project work. The degree of progress is determined as the ratio of costs incurred (to increase the progress) to the planned cost, or as the ratio of man-days worked in relation to the total working time.

The adopted future operating cash flows are not always consistent with agreements with clients or suppliers due to the changes in implementation schedules of IT projects. As at 31 March 2016, the value of receivables from the valuation of IT contracts amounted to PLN 1,574 thousand, while the corresponding liabilities amounted to PLN 90 thousand.

ii Amortization rates

The amount of amortization rates is determined on the basis of the expected economic lifetime of tangible fixed assets and intangible assets. The Company will review annually the adopted periods of economic useful life based on current estimates. In 2016 there have been no major changes in the amortization rates adopted by the Company.

iii Goodwill and intangible assets of indefinite useful life – impairment test

In accordance with the Company's policy, on 31 December, the Management Board performs an annual impairment test of cash flow generating units, to which the goodwill is allocated; the goodwill arises from the acquisition of a subsidiary and mergers, along with intangible assets of indefinite useful life. At each interim balance sheet date, the Management Board reviews the evidence indicating an impairment of cash flow generating units, to which goodwill or/and intangible assets of indefinite useful life are allocated. If such evidence is identified, an impairment test is also carried out at an interim balance sheet date.

Each time, an impairment test requires the estimation of value in use of cash-generating units, to which goodwill is allocated along with/or intangible assets of indefinite useful life. Estimating the value in use consists in determining future cash flows generated by the cash-generating unit and requires the discount rate which is further used in order to calculate the present value of those cash flows.

iv Deferred tax asset

The Company recognizes a deferred tax asset based on the assumption that the future tax profits will be achieved allowing for its use. Deterioration of the tax results in the future could make the assumption unjustified.

5. Changes in the accounting rules used

The accounting rules (policy) used to prepare these interim condensed financial statements are consistent with those applied in preparing the Company's financial statements for the year ended 31 December 2015, with the exception of the application of the following changes to the standards and new interpretations applicable to annual periods beginning on or after 1 January 2016.

- Amendments to IAS 19 *Defined Benefit Plans: IFRIC 21 Levies* (published on 21 November 2013) – applicable to annual periods beginning on or after 1 July 2014 – applicable in the EU for annual periods beginning on or after 1 February 2015 at the latest,

The purpose of this amendment is to simplify and clarify the accounting rules pertaining to contributions paid by employees or third parties and related to the specific benefit schemes,

- *Improvements to IFRSs 2010-2012* (published on 12 December 2013)
  – some of the amendments are applicable to annual periods beginning on or after 1 July 2014 and some prospectively to transactions executed on or after 1 July 2014; applicable in the EU for annual periods beginning on or after 1 February 20015 at the latest,

IFRS 2 – the amendment clarifies the definition of "vesting condition" and separately defines "a performance condition" and "condition related to the provision of services",

IFRS 3 – the amendment clarifies that the obligation to make a contingent payment, which falls within the definition of a financial instrument, is classified as a financial liability or equity based on the definitions in IAS 32 Financial Instruments: Presentation; additionally, any contingent payment that is not classified as equity, both financial and non-financial, is measured at fair value at each reporting date, and the changes in fair value are recognized in profit or loss;

IFRS 8 – a requirement has been introduced that the judgement made by the management when aggregating operating segments must be disclosed and contain a description of the segments that have been combined, as well as economic indicators that allowed the determination that the combined segments have similar economic characteristics; additionally, when reporting the assets of the segment, it is mandatory to reconcile the sum of segment assets with the assets of the entity in the balance sheet,

IFRS 13 – clarifies that in cases where the impact of the absence of discounting is insignificant, it is still possible to measure current receivables and liabilities in the amounts shown in invoices,

IAS 16 and 38 – both standards have been amended to clarify the recognition of gross carrying amount and the redemption when an entity applies the revaluation model,

IAS 24 – a requirement has been introduced to disclose information about the entity that provides to the reporting entity or its parent the services of key management personnel ("management entity"),

- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* (published on 6 May 2014) – applicable to annual periods beginning on or after 1 January 2016; applicable in the EU for annual periods beginning on or after 1 January 2016.

The amendments provide specific guidance on the recognition of acquisition of interest in joint operation, which is a business, require an investor to follow the accounting rules on business combination when the investor acquires an interest in a joint operation which is a business (as defined in IFRS 3 Business Combinations);

- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation* (published on 12 May 2014) – applicable to annual periods beginning on or after 1 January 2016; applicable in the EU for annual periods beginning on or after 1 January 2016 at the latest;

IAS 16 – this amendment indicates that depreciation of a fixed asset based on the revenue generated by this asset is not an appropriate solution.

IAS 38 – this amendment introduces (a challengeable) assumption that the amortization of an intangible asset based on the revenues generated by this asset is not an appropriate solution; this assumption can be rejected only in certain conditions: when an intangible asset is expressed as a measure of income or when it can be demonstrated that revenues and the consumption of economic benefits of the intangible asset are closely related.

- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* (published on 30 June 2014) – applicable to annual periods beginning on or after 1 January 2016; applicable in the EU for annual periods beginning on or after 1 January 2016 at the latest.

The amendment draws a distinction between bearer plants and other biological assets; bearer plants are seen as similar to the machinery used in the production process, and therefore they need to be classified as property, plant and equipment and recognized as provided in IAS 16.

- Amendments to IAS 27 *Equity Method in Separate Financial Statements* (published on 12 August 2014) – applicable to annual periods beginning on or after 1 January 2016; applicable in the EU for annual periods beginning on or after 1 January 2016 at the latest.

The amendment restores the option of using the equity method in separate financial statements; the entity is now in a position to recognize investments in subsidiaries, joint ventures and affiliates in the separate financial statements by the cost of purchase or in accordance with IFRS 9, or using the equity method as provided in IAS 28.

- *Improvements to IFRSs 2012-2014* (published on 25 September 2014) – applicable to annual periods beginning on or after 1 January 2014; applicable in the EU for annual periods beginning on or after 1 January 2016 at the latest;

IFRS 5 – the amendment clarifies that if an asset (or group of assets held for sale) is reclassified from assets "held for sale" to "held for distribution" or vice versa – it does not entail a change in the sale or distribution plan and it must be so recognized.

IFRS 7 – when a company transfers its financial asset to a third party pursuant to such terms that allow the transferring entity to remove the asset from the balance sheet, IFRS 7 requires a disclosure of any kind of maintained outstanding that the entity may still have in the transferred assets; the amendment also clarifies that additional disclosures required by the amendment to IFRS 7 and concerning the disclosure of the offsetting of financial assets and financial liabilities are not required for all interim periods, unless so required by IAS 34.

IAS 19 – the amendment clarifies that in the determination of a discount rate applied to liabilities arising from post-employment benefits, the liabilities current is important and not the country in which the obligation arose.

IAS 34 – the amendment clarifies the reference made in the standard to "information disclosed elsewhere in the interim financial report"; also, an additional amendment is introduced to IAS 34, under which it is required to make a reference between the interim financial statements and the place of disclosure of given information.

- Amendments to IAS 1 *Disclosures* (published on 18 December 2014) – applicable to annual periods beginning on or after 1 January 2016; applicable in the EU for annual periods beginning on or after 1 January 2016 at the latest.

The amendments are aimed at improving the quality of financial statements by departing from the rigid order of notes, the application of the principle of materiality when deciding on aggregation or disaggregation of some items of the financial statements, increased flexibility in presenting subtotals in the statement of comprehensive income, and disclosing only the accounting policies relevant to the entity.

The Company has not opted for early application of any standard, interpretation or amendment that was published but has not yet entered into force.

6. New standards and interpretations that have been published and not yet in force

The following standards and interpretations have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee and are not yet in force:

- IFRS 9 *Financial Instruments* (published on 24 July 2014) – applicable to annual periods beginning on or after 1 January 2018; not approved by the EU until the date of approval of these financial statements;
- IFRS 14 *Regulatory Deferral Accounts* (published on 30 January 2014) – applicable to annual periods beginning on or after 1 January 2016; no decision has been made as to the dates by which the EFRAG will have completed the effort necessary to approve this standard; not approved by the EU until the date of approval of these financial statements;
- IFRS 15 *Revenues from Contracts with Customers* (published on 28 May 2014) – applicable to annual periods beginning on or after 1 January 2017; not approved by the EU until the date of approval of these financial statements;
- Amendments to IFRS 10 and IAS 28 *Sales or contributions of assets between an investor and its associate/joint venture* (published on 11 September 2014) – applicable to annual periods beginning on or after 1 January 2016; not approved by the EU until the date of approval of these financial statements;

this term was initially postponed by the IASB – no decision was made as to the date on which EFRAG conducts the stages of work leading up to the approval of these amendments;
– not approved by the EU until the date of approval of these financial statements,

- Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* (published on 18 December 2014) – applicable to annual periods beginning on or after 1 January 2016; not approved by the EU until the date of approval of these financial statements;
- Amendments to IAS 12 *Recognition of Deferred Tax Assets for Unrealised Losses* (published on 10 January 2016) – applicable to annual periods beginning on or after 1 January 2017; not approved by the EU until the date of approval of these financial statements;
- Amendments to IFRS 7 *Disclosures* (published on 29 January 2016) – applicable to annual periods beginning on or after 1 January 2017; not approved by the EU until the date of approval of these financial statements,
- IFRS 16 *Leasing* (published on 13 January 2016) – applicable to annual periods beginning on or after 1 January 2019; not approved by the EU until the date of approval of these financial statements;
- Clarifications to IFRS 15 *Revenues from Contracts with Customers* (published on 12 April 2016) – applicable to annual periods beginning on or after 1 January 2017; not approved by the EU until the date of approval of these financial statements.

On the date of publication of these financial statements, the Management Board does not anticipate that the introduction of these standards and interpretations may have a significant impact on the Company's applicable accounting rules (policies).

7. Error correction

In the reporting period, there were no events resulting in the need to correct the fundamental error.

II. Information on segments of operation

In accordance with IFRS 8, an operating segment is a distinguishable component of the Company, for which separate financial information is available that is reviewed regularly by the operations management responsible for the resource allocation and assessment of performance.

For management purposes, the Company has been divided into segments for the manufactured products and rendered services respectively. Based on that, the Management Board have identified the ERP Systems Segment which accounts for more than 94% of total Company's revenues. Other activities do not meet the quantitative thresholds of IFRS 8 and are not separated. Changes in the size and significance of developed products and provided services may result in a change of composition of operating segments.

The ERP segment systems is made up of Oracle and Microsoft-based ERP solutions that support business management and original SFA and FFA solutions intended for businesses operating through the teams of sales representatives. These applications support business processes and information flow processes, covering most areas of the business, including: finance and accounting, personnel management, HR and payroll, logistics and WMS, mobile and retail sales in chains of stores, production and Internet applications. The systems provide a number of management tools: advanced reporting instruments and Business Intelligence solutions. The technological capacity of the systems enables their deployment in various network architectures (including WAN) and combination with specialized software and hardware.

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

As unallocated revenue presented is the sale not attributable to any of the main Company's segments.

The segment results do not include the unallocated part of administrative costs, the value of resold goods, materials and external services (COGS) related to unallocated sales and operating expenses of the organizational unit generating unallocated sales.

The Management Board monitors the operating results in the segment in order to make decisions about allocating resources, assessing the impact of this allocation, and performance. The basis for the assessment of performance is profit or loss on operating activities, which to some extent, as explained in the table below, are measured differently than the profit or loss from operations in the financial statements. The financing of the Company (including costs and financial income) and income tax are monitored at the levels of the Company and they are not allocated to the segments.

Transaction prices used in transactions between the operating segments are determined on the arm's length basis as in transactions with unrelated parties.

3 months ended 31 March 2016 (unaudited)	**ERP systems**	**Unallocated**	**Activity total**
Sales to external customers	38,680	2,626	41,306
Sales between segments			–
Total segment revenues	**38,680**	**2,626**	**41,306**
Gains on segment sales	**12,463**	**232**	**12,695**
Other net operating income/(expenses)		48	48
Net financial income/(expenses)		119	119
Income tax		(2,481)	(2,481)
Profit for period	**12,463**	**(2,082)**	**10,381**
Other information			
Amortization/Depreciation	(2,719)	(12)	**(2,731)**

Segment operating profit does not include financial income (PLN 289 thousand), financial expenses (PLN 170 thousand), other operating income (PLN 134 thousand) and other operating expenses (PLN 86 thousand).

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

3 months ended 31 March 2015 (unaudited)	ERP systems	Unallocated	Activity total
Sales to external customers	34,633	2,441	37,074
Sales between segments			–
Total segment revenues	**34,633**	**2,441**	**37,074**
Gains on segment sales	**9,604**	**37**	**9,641**
Other net operating income/(expenses)		70	70
Net financial income/(expenses)		366	366
Income tax		(1,951)	(1,951)
Profit for period	**9,604**	**(1,478)**	**8,126**
Other information			
Amortization/Depreciation	(2,705)	(19)	**(2,724)**

Segment operating profit does not include financial income (PLN 455 thousand), financial expenses (PLN 89 thousand), other operating income (PLN 152 thousand) and other operating expenses (PLN 82 thousand).

Geographic information

	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Poland	35,331	33,990
Abroad, including:	5,975	3,084
- The Netherlands	3,502	1,719
- France	715	728
- Romania	502	–
- Germany	528	5
- Spain	174	184
- Portugal	85	90
- Turkey	55	50
- Czech Republic	115	52
- the Baltics (Lithuania, Latvia, Estonia) and Russia	108	111
- others	191	145
	41,306	**37,074**

This information is based on data from customers' headquarters.

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

III. SUMMARY AND ANALYSIS OF THE RESULTS OF ASSECO BUSINESS SOLUTIONS S.A. FOR THE FIRST QUARTER OF 2016

Financial results of Asseco Business Solutions S.A. for the third quarter of 2016:

	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)	Growth rate 3 mths 2016 3 mths 2015
Revenues on sale	41,306	37,074	11.42%
Gross profit on sales	17,911	14,771	21.26%
EBIT	12,743	9,711	31.22%
EBITDA	15,474	12,435	24.44%
Net profit	10,381	8,126	27.75%

Profitability ratios

In the first quarter of 2016, revenues on sale were 11.4% higher than in the same period of the previous year, while gross profit on sales increased by 21.3%. Operating expenses (excluding COGS) increased by 5.7%, while the value of resold goods, materials and external services sold (COGS) was lower by 8.8% compared with the same period last year. The largest share in the Company's operating expenses was allocated to employee benefits (primarily salaries), external services and amortization/depreciation. These costs represent 95% of the Company's total operating expenses.

In absolute terms, the growth of revenue was three times higher than the increase in operating expenses, which translated into a significant improvement of the profitability ratios.

Profitability ratios	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Gross margin on sales	43.36%	39.84%
EBITDA profit margin	37.46%	33.54%
Operating margin	30.85%	26.19%
Net margin	25.13%	21.92%

Liquidity ratios

Working capital is defined as the difference between current assets and current liabilities and represents the volume of fixed capital (equity and long-term foreign capital) that finance current assets. As the most liquid part of the capital, it secures the liabilities arising from the current cash cycle in the company. The working capital in the Company as at 31 March 2016 was PLN 82,694 thousand and was higher by PLN 10,347 thousand compared with 31 December 2015. Current liabilities decreased by 25.8%, while the level of current assets rose by 4.5%. The decrease in liabilities was primarily due to the payment of trade liabilities (decrease by 47.7%) and lower provisions for accruals (lower by 26%). On the assets side, trade receivables fell (down by 10%), while there was a significant increase in cash deposits and cash at hand by 12.5% and 8%, respectively. The Company's liquidity ratios also improved, which reaffirms the Company's capacity to timely satisfy its current liabilities and promises financial security.

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

Liquidity ratios	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Working capital (in PLN thou.)	82,694	72,347	76,302
Current ratio	5.77	4.10	5.73
Quick ratio	5.70	4.06	5.63
Super quick ratio	2.54	1.74	3.87

These ratios have been calculated using the following formulas:

Working capital = current assets (short-term) - current liabilities
Current ratio = current assets (short-term) / current liabilities
Quick ratio = (current assets – inventories – accruals and prepayments) / current liabilities
Super quick ratio = (bonds and securities held to maturity + cash and short-term deposits) / current liabilities

Debt ratios

The Company's operations are financed from the proceeds of its current activity. In the current period, total liabilities decreased compared with the end of 2015 by PLN 6,031 thousand (25%), while the level of assets increased by PLN 4,350 thousand, i.e. by 1.5%. The total debt ratio at the end of the first quarter of 2016 fell from 8.3% to 6.2%.

Debt ratio	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Debt ratio	6.2%	8.3%	5.9%

These ratios have been calculated using the following formulas:
Debt ratio = (long-term liabilities + current liabilities) / assets

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

EXPLANATORY NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

1. Structure of revenues on sales

	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
ERP systems	38,680	34,633
Unallocated	2,626	2,441
Total	**41,306**	**37,074**

2. Structure of operating expenses

	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
The value of goods sold, materials and external services (COGS)	(2,498)	(2,740)
Consumption of materials and energy	(546)	(636)
External services	(4,051)	(3,933)
Payroll	(15,177)	(13,704)
Employee benefits	(3,285)	(3,065)
Amortization/Depreciation	(2,731)	(2,724)
Taxes and fees	(169)	(177)
Business trips	(160)	(159)
Other	6	(295)
Total	**(28,611)**	**(27,433)**
Own cost of sales, including:	(23,395)	(22,303)
production cost	*(20,897)*	*(19,563)*
value of goods sold, materials and external services (COGS)	*(2,498)*	*(2,740)*
Cost of sale	(1,853)	(1,990)
Cost of management and administration	(3,363)	(3,140)
Total	**(28,611)**	**(27,433)**

3. Other operating income and expenses

Other operating income and expenses in the first quarter of 2016 and in the comparable period were as follows:

Other operating income	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Profit from sale of non-financial assets	45	4

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

Gains on rent of office space	81	84
Other	8	64
Total	**134**	**152**

Other operating expenses	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Donations to unrelated parties	(19)	(15)
Liquidation of fixed assets	(4)	(5)
Other operating expenses	(63)	(62)
Total	**(86)**	**(82)**

4. Financial income and expenses

Other operating income and expenses in the first quarter of 2016 and in the comparable period were as follows:

Financial income	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Gains from bank deposits	287	300
Other interest income	2	3
Gains from changes in fair value of currency derivatives - entered forward contracts	–	152
Total	**289**	**455**

Financial expenses	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Negative exchange rates	(94)	(85)
Other interest expense	(3)	(1)
Losses from currency derivatives execution - entered forward contracts	(25)	(3)
Losses from changes in fair value of currency derivatives - entered forward contracts	(48)	–
Total	**(170)**	**(89)**

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

5. Income tax

The main components of the corporate income tax burden (current and deferred):

	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Current income tax	(1,946)	(1,386)
Deferred income tax	(535)	(565)
Tax expense reported in profit and loss account, including:	**(2,481)**	**(1,951)**
Income tax attributed to discontinued operations	*(2,481)*	*(1,951)*

6. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders of the Company by the weighted average number of issued ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders of the Company by the weighted average number of issued ordinary shares outstanding during the period, adjusted by the weighted average of ordinary shares, which would be issued on conversion of all dilutive potential equity instruments into ordinary shares.

Below there is data on earnings and shares which were used in calculating the basic and diluted earnings per share:

	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Net profit from continuing operations	10,381	8,126
Loss from discontinued operations	–	–
Net profit	10,381	8,126
Interest on redeemable preference shares convertible into ordinary shares	–	–
Net profit attributable to ordinary shareholders used in the calculation of diluted earnings per share	10,381	8,126
Weighted average number of issued ordinary shares used to calculate basic earnings per share	33,418,193	33,418,193
Effect of dilution:	–	–
Stock options	–	–
Redeemable preference shares	–	–
Adjusted weighted average number of ordinary shares used to calculate diluted earnings per share	33,418,193	33,418,193
Basic/diluted earnings per share	**0.31**	**0.24**

During the reporting period as well as in the comparable period, there were no elements diluting the basic earnings per share.

7. Factors affecting the financial results

The most important factors that affected the Company's performance in the reporting period are:

- Execution of IT contracts concluded in previous periods
- Award and execution of significant IT contracts in the reporting quarter.
- Seasonal changes in demand for products marketed by the Company – a distinguishing feature of the IT industry is the seasonal fluctuation of sales.
- Good sales results of Mobile Touch both in Poland and Europe-wide.

8. Extraordinary or non-recurring events affecting the financial results

In the three months ended 31 March 2016, there were no extraordinary or one-off events that affected the Company's results for the quarter.

9. Information on dividends paid

Pursuant to the decision of the General Meeting of Shareholders of Asseco Business Solutions S.A. of 20 April 2016, the net profit for the financial year 2015 in the amount of PLN 33,509 thousand was divided as follows:

- part of the net profit for the year 2015 in the amount of PLN 33,418 thousand was earmarked for distribution among the shareholders, i.e. for the payment of the dividend in the amount of PLN 1.00 per share;
- the reminder of the net profit for 2015 in the amount of PLN 91 thousand was transferred to supplementary capital.

The dividend date was set on 12 May 2016 and the dividend payment date on 1 June 2016.

10. Significant events during the reporting period

Important agreements concluded in the first quarter of 2016:

- **Akzo Nobel Decorative Paints** – licensing and deployment of Mobile Touch and the provision of comprehensive maintenance services for the deployed solution.
- **Akzo Nobel Decorative Paints** – licensing and deployment of Connector Enterprise and the provision of comprehensive maintenance services for the deployed solution.
- **A leading foodstuffs producer in Poland** – licensing and deployment of Mobile Touch and the provision of comprehensive maintenance services for the deployed solution.
- **A leading foodstuffs producer in Poland** – licensing and deployment of Connector Enterprise and the provision of comprehensive maintenance services for the deployed solution.
- **A leading FMCG company in Romania** – licensing and deployment of Connector B2B and the provision of comprehensive maintenance services for the deployed solution.

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

11. Property, plant and equipment

During the 3 months ended 31 March 2016, the Company acquired plant, property and equipment valued at PLN 1,670 thousand (during the 3 months ended 31 March 2016: PLN 726 thousand).

During the 3 months ended 31 March 2016, the Company sold plant, property and equipment valued at PLN 3 thousand (during the 3 months ended 31 March 2015: PLN 1 thousand).

During the 3 months ended 31 March 2016 (or in the same period of the previous year), the Company did not recognize impairment losses on tangible fixed assets.

12. Intangible assets

During the 3 months ended 31 March 2016, the Company acquired intangible assets valued at PLN 40 thousand and its R&D expenses topped PLN 1,606 thousand (during the 3 months ended 31 March 2015:
PLN 4 thousand and 1,683 thousand, respectively).

During the 3 months ended 31 March 20146 (or in the same period of the previous year), the Company did not sell intangible assets.

During the 3 months ended 31 March 2016 (or in the same period of the previous year), the Company did not recognize impairment losses on intangible assets.

13. Inventories

As at 31 March 2016, the inventory allowance amounted to PLN 109 thousand (as at 31 March 2015: PLN 239 thousand).

14. Financial assets

At 31 March 2016 and in the comparable period, the Company held the following financial assets:

Financial assets	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Short-term forward currency contracts	–	1	152
Total	**–**	**1**	**152**

Financial assets measured at fair value through profit and loss include forward transactions concluded in order to secure foreign exchange risk resulting from contracts settled in foreign currency.

15. Short-term and long-term accruals and prepayments

Accruals and prepayments	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Prepaid maintenance services	303	278	262
Prepaid insurance	239	224	206
Prepaid subscriptions	20	26	11
Prepaid training	57	47	49
Other prepaid services	245	99	251

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

Total	**864**	**674**	**779**
- short-term	791	601	721
- long-term	73	73	58

Prepayments as at 31 March 2016 consisted primarily of:

- prepaid cost of maintenance services and licence fees to be paid successively in the future periods,
- prepaid insurance costs.

16. Current and non-current receivables

Short-term trade receivables	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Trade receivables	24,127	26,648	25,443
Trade receivables from related parties	137	304	12
Trade receivables (net)	**24,264**	**26,952**	**25,455**
Allowance on doubtful accounts	585	548	589
Trade receivables (gross)	**24,849**	**27,500**	**26,044**

Transactions with related parties are shown in pt 21 of these interim financial statements.

The Company has appropriate policies in place for carrying out sales only to verified customers. Thus, in the opinion of the Management Board, there is no additional credit risk beyond the level specified in the allowance for bad debt applicable to the Company's trade receivables.

The fair value of receivables does not differ significantly from the value at which they were presented in the financial statements.

Other receivables	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Receivables arising from the valuation of long-term IT contracts	1,574	1,388	2,259
Advances paid to suppliers	69	37	269
Other trade receivables (deposits, bid bonds)	205	347	302
Receivables from employees	32	36	16
CSBF	–	4	–
Other receivables	265	61	79
	2,145	**1,873**	**2,925**

Receivables from the valuation of IT contracts (implementation contracts) result from the degree of advancement of the execution of implementation contracts in relation to the invoices issued.

Other trade receivables (deposits, bid bonds) comprise a financial guarantee given to customers to cover potential losses arising in case of failure to meet with the obligations of contract execution.

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

17. Cash and short-term deposits and other current financial assets

Cash at bank bears interest at variable interest rates, the amount of which depends on the rate on overnight bank deposits. Short-term deposits are made at different periods, from one day to six months, depending on the actual Company's demand for cash, and bear interest at a fixed interest rate. Deposits with a maturity of up to three months are classified as cash equivalents. Deposits with a maturity of 3 to 6 months are presented as other current financial assets.

17.1 Cash and short-term deposits

The balance of cash and short-term deposits shown in the balance sheet and in the statement of cash flows consisted of the following items:

Cash	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Cash at bank and in hand	4,363	435	1,327
Short-term deposits up to 3 months	39,582	40,223	61,040
Cash in the balance	**43,945**	**40,658**	**62,367**
Interest accrued on short-term deposits	(13)	(85)	(167)
Cash in cash flows statement	**43,932**	**40,573**	**62,200**

17.2 Other financial assets

At 31 March 2016, the Company held the following financial assets:

Financial assets	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Deposits with the original maturity of 3 to 6 months	28,433	25,260	–
Total	**28,433**	**25,260**	**–**

18. Interest-bearing loans, issued securities and sureties and guarantees granted by Asseco Business Solutions S.A.

At 31 March 2016, Asseco Business Solutions S.A. did not have open credit lines.

During the reporting period, the Issuer did not grant any guarantees or sureties for credits or loans – collectively to a single entity or its subsidiary – where the total value of the existing securities or guarantees would be the equivalent of at least 10% of the Issuer's equity.

19. Current and non-current trade and other liabilities

Trade liabilities	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
To related parties	23	137	19

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

To other parties	2,395	4,486	1,662
Total	**2,418**	**4,623**	**1,681**

Other liabilities	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Amounts owed to employees	221	332	319
Liabilities arising from the valuation of long-term IT contracts	90	216	358
Liabilities due to non-invoiced deliveries	243	603	189
Advance payments for supplies	2	156	20
Other liabilities	121	99	154
Total	**677**	**1,406**	**1,040**

Liabilities from taxes, duties, social security and other	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Liabilities under taxes, duties, social security and other	5,156	4,213	4,910
Liabilities to Social Security	2,209	1,317	2,162
Personal income tax	749	575	696
VAT	2,162	2,287	2,008
Other budgetary commitments	36	34	44
Corporate income tax liabilities	759	2,047	247
Total	**5,915**	**6,260**	**5,157**
- short-term	5,915	6,260	5,157
- long-term	–	–	–

Transactions with related parties are shown in pt 21 of these interim financial statements.

Trade and other liabilities are not interest-bearing.

20. Accruals and deferred income

	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Accrued expenses for:			
Unused leaves	3,035	2,504	2,817
Bonuses	4,078	7,073	3,218
Provision for other expenses	390	618	792
	7,503	**10,195**	**6,827**
Accrued expenses for:			
Prepaid services	390	485	738
Other income	–	12	56
	390	**497**	**794**
Total	**7,893**	**10,692**	**7,621**

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

- short-term	7,891	10,692	7,612
- long-term	2	–	9

The balance of accrued expenses consists of: provisions for unused leaves, provisions for salaries in the period to be paid in future periods and resulting from the introduced bonus schemes at Asseco Business Solutions S.A., and provisions for current operation expenses of the Company that were incurred during the reporting period but had not been invoiced before the balance sheet date.

The balance of deferred income relates mainly to future revenues from services settled over time, such as IT maintenance and supervision.

21. Related party transactions

Transactions with related parties are held at arm's length.

The amounts of outstanding payments are not protected and will be settled in cash. No guarantees were granted or received. In the accounting period, the costs attributable to bad or unsafe debts arising from transactions with related parties were not recognised.

Receivables from related parties	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Asseco Poland S.A. (parent)	121	290	4
Other related parties	16	14	8
Total	**137**	**304**	**12**

Liabilities to related parties	31 March 2016 (unaudited)	31 December 2015	31 March 2015 (unaudited)
Asseco Poland S.A. (parent)	13	61	9
Other related parties	19	98	10
Total	**32**	**159**	**19**

Sales to related parties	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Asseco Poland S.A. (parent)	403	311
Other related parties	39	20
Total	**442**	**331**

Purchase from related parties	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Asseco Poland S.A. (parent)	399	497
Other related parties	32	29
Total	**431**	**526**

Interim condensed financial statements for the first quarter of 2016 (in PLN thousand)

The balance of receivables from related parties includes the balance of trade receivables.

The balance of receivables from related parties includes the balance of trade and other receivables.

At 31 March 2016, according to the information held by Asseco Business Solutions S.A., there were no outstanding balances of receivables or liabilities arising from transactions with related parties concluded by the Company Executives and with the Company Executives.

According to Asseco Business Solutions records, in the 3 months ended 31 March 2016, the value (net) of purchase transactions of goods and services (including rental) from related parties by the Company Executives and with the Company Executives amounted to PLN 467 thousand.

According to the information held by Asseco Business Solutions SA, at 31 December 2015 there was no outstanding balance of receivables or liabilities arising from related party transactions held by the Company Executives and with the Company Executives.

According to the records of Asseco Business Solutions S.A., in the financial year ended 31 December 2015, the (net) value of purchase transactions for goods and services (including rental) with related parties by the Company Executives and with the Company Executives amounted to PLN 1,824 thousand. The (net) value of sales transactions of goods and services to related parties by the Company Executives and to the Company Executives amounted to PLN 116 thousand.

22. Contingent liabilities

At 31 March 2016 (and at 31 December 2015), the Company did not have any contingent liabilities.

23. Employment structure

Average FTEs during the reporting period	3 months ended 31 March 2016 (unaudited)	3 months ended 31 March 2015 (unaudited)
Management Board	4*	4*
Developers	501	495
Sales personnel	44	47
Administration	41	42
Total	**590**	**588**

FTEs on	31 March 2016 (unaudited)	31 March 2015 (unaudited)
Management Board	4*	4*
Developers	503	504
Sales personnel	43	46
Administration	41	42
Total	**591**	**596**

* One of the Board members is employed on the basis of a civil-law contract.

24. Seasonality and cyclicality

The activities of Asseco Business Solutions are subject to moderate seasonal fluctuations. The largest sales are usually recorded in the first and fourth quarter. This is explained by the choice of the calendar year as fiscal year by most Company's clients, which translates into a tendency to launch information systems and modify the IT infrastructure of enterprises on the turn-of-the-year basis or beginning-of-the-year basis.

25. List of proceedings pending before the court, competent authority for arbitration or a public administration body

During this reporting period, no proceedings were pending before any court, competent authority for arbitration or a public administration body concerning the Company's liabilities or receivables whose value was at least 10% of the Company's equity.

26. Capital expenditure

In the period ended 31 March 2016, the Company made investment outlays in the amount of PLN 3,316 thousand.

27. Feasibility assessment of financial forecast published by the Management Board for 2016

The Management Board of Asseco Business Solutions S.A. did not publish financial forecast for 2016.

28. Issuance, redemption and repayment of non-equity and equity securities

During the reporting period, Asseco Business Solutions S.A. did not issue, redeem or repay any equity or non-equity securities.

29. Indication of factors that, in the Management Board's opinion, will have an impact on the Company's results at least within the current financial year

In the opinion of the Management Board of Asseco Business Solutions S.A., the financial situation, production capacity and market position of Asseco Business Solutions S.A. are satisfactory and promise advantageous conditions for the development and operations in 2016. In the opinion of the Management Board, the most important external and internal factors that may affect the operations of Asseco Business Solutions S.A. and its prospective results in the following year are:

External factors:

- The developments in the global financial and economic marketplace and their impact on the economic situation in Poland, the EU and other countries in which the Company undertakes operations,
- attitude of potential clients to investment in IT against the backdrop of the general economic situation,
- risk of time-shifting of potential clients' investment decisions

- the level of capital for IT investments in companies and the efficiency of use of the EU funds,
- direct and indirect competitive activity from both Polish and foreign IT companies,
- market openness and absorption capacity for new product solutions,
- opportunities and risks associated with a relatively rapid technological progress and innovation in the IT market.

Internal factors

- the results of intensive commercial activities both domestically and abroad,
- activities run under currently valid agreements,
- the need to attract and retain the most qualified and key employees,
- effects of work on new products.

30. Information on other important factors that could have affected the assessment of the financial position, assets and personnel

There is no other information but the one given above, whose disclosure could materially affect the assessment of the Company's financial position, assets and personnel.

31. Significant events after the balance sheet date

After the balance sheet date there were no significant events that could have a significant impact on the presented results for the three months ended 31 March 2016, not included in the current financial statements.

32. Significant events concerning previous years

To the date of preparation of these financial statements for the three months ended 31 March 2016, i.e. to 27 April 2016, there had been no events concerning the previous years that are not, but should be, included in these financial statements.