FINANCIAL STATEMENTS OF ASSECO BUSINESS SOLUTIONS SA FOR THE THIRD QUARTER OF 2012

5 November 2012

SELECTED FINANCIAL DATA OF
ASSECO BUSINESS SOLUTIONS SA

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

SELECTED FINANCIAL DATA OF ASSECO BUSINESS SOLUTIONS SA

The table below contains selected financial data of Asseco Business Solutions SA.

	in PLN thou.		in EUR thou.	
	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)
Revenue on sales	102 544	112 354	24 445	27 801
Gross profit on sales	34 619	38 348	8 253	9 489
Profit on operating activities	20 187	24 612	4 812	6 090
Gross profit	22 014	26 169	5 248	6 475
Net profit	17 671	21 126	4 213	5 227
Net cash from operating activities	12 728	19 035	3 034	4 710
Net cash from investing activities	36 193	8 272	8 628	2 047
Net cash from operating activities	(32 273)	(30 401)	(7 693)	(7 523)
Cash and short-term deposits	33 832	42 685	8 224	9 677
Weighted average number of shares in period	33 418 193	33 418 193	33 418 193	33 418 193
Net income per ordinary share	0.53	0.63	0.13	0.16

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 at the end of the previous reporting period is translated at the average exchange rate announced by the National Bank of Poland on the balance sheet date.

On 30 September 2012, 1 EUR = 4.1138 PLN.

On 30 September 2011, 1 EUR = 4.4112 PLN.

- selected items from the interim statements of comprehensive income and the interim statements 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.

In the period from 1 January to 30 September 2012, 1 EUR = 4.1948 PLN.

In the period from 1 January to 30 September 2011, 1 EUR = 4.0413 PLN.

GENERAL INFORMATION

the third quarter of 2012 (in PLN thousand)

I. GENERAL INFORMATION

Asseco Business Solutions SA was established under a Notarial Deed dated 18 May 2001. The Company headquarters is located in Lublin, 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 KRS: 0000028257

The Company has a 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 comprises a Competence Centre for ERP systems, software for small and medium-sized enterprises and mobile management-supporting systems. This comprehensive offer includes the provision, adaptation and configuration of business applications for enterprises, design and construction of infrastructure at the client or in the outsourcing model, providing equipment and system software of renowned partners, 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.

Direct parent entity of Asseco Business Solutions SA is Asseco Poland SA, which holds 46.67% 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 SA - THE EXECUTIVES

On the date of publication of these financial statements, i.e. 5 November 2012, the Supervisory Board of the Company consists of:

Name and surname	**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

The Supervisory Board does not operate through separate committees, the committees' duties are performed by the Supervisory Board.

At the date of publication of these financial statements, i.e. 5 November 2012, the Management Board of the Company consists of:

Name and surname	**Function**
Wojciech Barczentewicz	President of the Board
Piotr Masłowski	Vice-President of the Board
Mariusz Lizon	Member of the Board

On 5 October 2012, Mr. Jaroslaw Adamski was dismissed as a Member of the Management Board and his mandate expired. The appointment of Member of the Management Board Mr. Jarosław Adamski was made for a definite period of time, i.e. until the registration in the Companies' Register of the resolution of the Extraordinary General Meeting held on 25 July 2012, concerning the amendment to Article 14(2) of the Articles of Association determining the number of members of the Management Board at no more than 4.

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

III. STOCKS AND SHARES HELD BY THE PERSONS IN THE EXECUTIVE AND SUPERVISORY CAPACITY IN ASSECO BUSINESS SOLUTIONS SA

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 *the GM) – **as at 05/11/2012***	change from the submission of of the last report	**shareholding in %** *(corresponds to % in the total number of votes at the GM)*	change from submission of the last report
Managing persons				
Wojciech Barczentewicz	1 061 267	0.0%	3.2%	0.0%
Mariusz Lizon	254 954	1.3%	0.8%	1.3%
Piotr Masłowski	985 063	0.0%	2.9%	–
Supervising persons				
Romuald Rutkowski	426 828	0.0%	1.3%	0.0%
TOTAL	**2 301 284**	**1.3%**	**8.2%**	**1.3%**

IV. THE SHAREHOLDIG STRUCTURE OF ASSECO BUSINESS SOLUTIONS SA

The shareholders of Asseco Business Solutions SA holding, directly or indirectly through subsidiaries, at least 5% of the total vote at the GM, according to the number of shares and their percentage in the share capital on the date of these financial statements, disclosed in the notices served to the Company based on Article 69 of the Act on public offering, conditions governing the introduction of financial instruments into organised trade and on public companies, include:

Shareholder	**Number of shares and votes at the GM**	change from the previous report	**Share in the share capital and number of votes at the GM**	change from the previous report
Asseco Poland SA	15 528 570	–	46.47%	–
Amplico Powszechne Towarzystwo Emerytalne S.A.	4 057 833	–	12.14%	–
Other shareholders	13 831 790	–	41.39%	–
	33 418 193		**100.00%**	

At 30 September 2012, the share capital of Asseco Business Solutions SA totalled PLN 167,091 thousand and was divided into 33,418,193 ordinary shares with a nominal value of PLN 5 each, giving a total of 33,418,193 votes at the General Meeting of Asseco Business Solutions SA.

INTERIM CONDENSED FIANCIAL STATEMENTS OF ASSECO BUSINESS SOLUTIONS SA

for the nine months ended 30 September 2012 prepared in accordance with the International Financial Reporting Standards

FINANCIAL STATEMENTS OF
ASSECO BUSINESS SOLUTIONS SA
FOR THE PERIOD ENDED 30 SEPTEMBER 2012

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FINANCIAL STATEMENTS FOR THE THIRD QUARTER 2012
ASSECO BUSINESS SOLUTIONS SA

These financial statements were approved for publication by the Management Board of Asseco Business Solutions SA on 05 November 2012.

The Management Board:

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

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
for the nine months ended 30 September 2012

	3 months ended 30 September 2012 (unaudited)	*9 months ended 30 September 2012 (unaudited)*	*3 months ended 30 September 2011 (unaudited)*	*9 months ended 30 September 2011 (unaudited)*
Revenue on sales	32 175	102 544	31 500	112 354
Own cost of sales	(20 722)	(67 925)	(21 507)	(74 006)
Gross profit/(loss) on sales	**11 453**	**34 619**	**9 993**	**38 348**
Cost of sale	(617)	(2 376)	(648)	(3 024)
General and administrative expenses	(3 881)	(12 428)	(3 400)	(11 630)
Net profit on sales	**6 955**	**19 815**	**5 945**	**23 694**
Other operating income	389	498	645	1 239
Other operating expenses	(15)	(126)	(75)	(321)
Profit on operating activities	**7 329**	**20 187**	**6 515**	**24 612**
Financial income	505	2 056	699	1 903
Financial expenses	(88)	(229)	(352)	(346)
Gross profit/(loss)	**7 746**	**22 014**	**6 862**	**26 169**
Income tax	(1 531)	(4 343)	(1 258)	(5 043)
Net profit/(loss) from continuing operations	**6 215**	**17 671**	**5 604**	**21 126**
Discontinued operations				
Net profit/(loss) for the financial year	**6 215**	**17 671**	**5 604**	**21 126**
Other total income	–	–	–	–
Other total net income	–	–	–	–
Total income for the period	**6 215**	**17 671**	**5 604**	**21 126**
Earnings per share:				
- basic/diluted profit for the reporting period	0.19	0.53	0.17	0.63
- basic/diluted from profit on continued operations for the reporting period	0.19	0.53	0.17	0.63

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

INTERIM CONDENSED BALANCE SHEET
as at 30 September 2012

ASSETS	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Non-current assets	**195 753**	**198 623**	**196 600**
Property, plant and equipment	10 834	13 826	13 770
Intangible assets	12 569	11 618	10 874
Goodwill	170 938	170 938	170 938
Non-current receivables	604	603	604
Deferred tax assets	667	1 403	163
Long-term prepayments and accrued income	141	235	251
Current assets	**67 938**	**89 685**	**72 811**
Inventories	1 129	943	1 321
Prepayments and accrued income	542	505	631
Trade receivables	27 465	28 720	23 769
Income tax liabilities	1 840	–	–
Other receivables	3 111	2 507	4 405
Financial assets valued at fair value through profit or loss	19	–	–
Cash and short-term deposits	33 832	57 010	42 685
Non-current assets classified as held for sale	–	–	2 117
TOTAL ASSETS	**263 691**	**288 308**	**271 528**

EQUITY AND LIABILITIES			
Share capital	167 091	167 091	167 091
The surplus from the sale of shares above their nominal value	62 423	62 423	62 423
Retained profit/(loss) and current period	20 233	34 643	25 935
Total equity	**249 747**	**264 157**	**255 449**
Non-current liabilities	**266**	**346**	**388**
Provisions	224	224	184
Non-current financial liabilities	–	–	47
Long-term accruals and deferred income	42	122	157
Current liabilities	**13 678**	**23 805**	**15 691**
Trade liabilities	1 888	5 568	3 218
Budgetary commitments	3 893	7 620	3 997
Financial liabilities	3	433	558
Other liabilities	1 697	1 122	1 324
Provisions	256	256	490
Prepayments and accrued income	5 941	8 806	6 104
Total liabilities	**13 944**	**24 151**	**16 079**
TOTAL EQUITY AND LIABILITIES	**263 691**	**288 308**	**271 528**

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
for the nine months ended 30 September 2012

	Share capital	Surplus from the sale of shares above their nominal value	Retained profit/(loss) and current period	Total equity
9 months ended 30 September 2012 (unaudited)				
As at 1 January 2012	**167 091**	**62 423**	**34 643**	**264 157**
Total income for period	–	–	17 671	**17 671**
Payment of dividend	–	–	(32 081)	**(32 081)**
As at 30 September 2012	**167 091**	**62 423**	**20 233**	**249 747**
12 months ended 31 December 2011				
As at 1 January 2011	**167 091**	**62 423**	**34 885**	**264 399**
Total income for period			29 834	**29 834**
Payment of dividends	–	–	(30 076)	**(30 076)**
As at 31 December 2011	**167 091**	**62 423**	**34 643**	**264 157**

9 months ended 30 September 2011 (unaudited)				
As at 1 January 2011	**167 091**	**62 423**	**34 885**	**264 399**
Total income for period	–	–	21 126	**21 126**
Dividends	–	–	(30 076)	**(30 076)**
As at 30 September 2011	**167 091**	**62 423**	**25 935**	**255 449**

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

INTERIM CONDENSED FIANCIAL STATEMENTS OF CASH FLOWS
for the period ended 30 September 2012

	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)
Cash flows from operating activities		
Gross profit	22 014	26 169
Adjustments:	**(9 286)**	**(7 134)**
Amortization	7 835	7 864
Change in inventories	(186)	(456)
Change in receivables	(1 190)	8 686
Change in liabilities, excluding credits and loans	(2 471)	(7 833)
Change in accruals and prepayments	(2 888)	(4 436)
Change in provisions	–	(600)
Revenues on interest	(1 717)	(1 706)
Interest expense	4	20
Investment gain/(loss)	(705)	128
Other	–	6
Income tax paid	(7 968)	(8 807)
Net cash from operating activities	**12 728**	**19 035**
Cash flows from investing activities		
Proceeds from the sale of non-financial assets	1 650	528
Acquisition of property, plant and equipment	(2 056)	(3 062)
Purchase of intangible assets	(4 997)	(4 486)
Acquisition/settlement of financial assets at fair value through profit or loss	51	14
Established bank deposits	(40 066)	(45 000)
Cash returned from bank deposits	79 766	58 955
Interest received	1 845	1 323
Net cash from investing activities	**36 193**	**8 272**
Cash flows from financing activities		
Dividend paid	(32 081)	(30 076)
Repayment of interest	(4)	(20)
Repayment of liabilities under lease agreements	(188)	(305)
Net cash from financial activities	**(32 273)**	**(30 401)**
Increase/(Decrease) in net cash and cash equivalents	16 648	(3 094)
Net differences in exchange rates	–	–
Opening cash	**16 968**	**11 199**
Closing cash	**33 616**	**8 105**

ADDITIONAL NOTES AND INFOMATION

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 SA intended to continue its business activity for the period of no less than 12 months as of 30 September 2012. At the date of approval of these financial statements, no circumstances were identified that might pose a threat to the Company in continuing its business.

The 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 2011, approved for publication on 7 March 2012. The interim financial results may not reflect the full realizable financial result for the financial year.

2. Compliance statement

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 adopted by the EU.

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

3. Estimates

In the nine months ended 30 September 2012, there were no major changes in the manner of making estimates.

4. Professional judgement

The preparation of interim financial statements in concert with the 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 is performing under 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. At 30 September 2012, the receivables under the valuation of IT contracts were PLN 1 779 thousand and the liabilities amounted to PLN 435 thousand.

ii Amortization/depreciation rates

The amount of amortization/depreciation rates is determined on the basis of the expected economic lifetime of tangible fixed assets and intangible assets. The Company reviews the adopted periods of economic useful life annually based on current estimates.

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 with 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 is allocated along with/or intangible assets with indefinite useful life. 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 with indefinite useful life. Estimating the value in use consists in determining future cash flows generated by the cash-generating unit and the discount rate that is subsequently used to calculate the current value of those cash flows.

iv Classification of lease contracts

The Company classifies leases as operating or finance, based on an assessment of the extent to which risks and benefits of ownership of the leased item fall in the share of the lessor and the lessee, respectively. This assessment is based on the economic substance of each transaction.

5. Changes in 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 2011, with the exception of the application of the following changes to the standards and new interpretations applicable to annual periods beginning on 01 January 2012.

- Amendments to IAS 1 Presentation of Financial Statements: Presentation of Other Comprehensive Income - effective for annual periods beginning on or after 1 January 2012;
- Amendments to IFRS 7 Financial Instruments: Disclosures: Transfer of Financial Assets - effective for annual periods beginning on or after 1 July 2011;
- Amendments to IAS 12 Income Tax: Recovery of Underlying Assets - effective for annual periods beginning on or after 1 January 2012 - not approved by the EU until the date of approval of these financial statements.
- Amendments to IFRS 1 First-Time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters - effective for annual periods beginning on or after 1 July 2011 - not approved by the EU until the date of approval of these financial statements.

The Company has not opted for early application of any other 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:

- Phase 1 of IFRS 9 Financial Instruments: Classification and Measurement – effective for annual periods beginning on or after 1 January 2015 – not approved by the EU until the date of approval of these financial statements. In the subsequent phases, the International Accounting Standards Board will address hedge accounting and impairment. Application of Phase 1 of IFRS 9 will have an impact on the classification and measurement of the Company's financial assets. The Company will assess this impact in conjunction with other phases, as soon as they are published in order to present coherent data.
- Amendments to IAS 12 Income Taxes: Recovery of Underlying Assets – effecttive for annual periods beginning on or after 1 January 2012 – not approved by the EU until the date of approval of these financial statements.
- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters – effective for annual periods beginning on or after 1 July 2011 – not approved by the EU until the date of approval of these financial statements.
- IFRS 10 Consolidated Financial Statements – the standard was published in May 2011 and shall become effective for annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements;
- IFRS 11 Joint Arrangements – the standard was published in May 2011 and shall become effective for annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements;

- IFRS 12 Disclosure of Involvement with Other Entities – the standard was published in May 2011 and shall become effective for annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements;
- IFRS 13 Fair Value Measurement – the standard was published in May 2011 and shall become effective for annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements;
- Revised IAS 27 Separate Financial Statements – the revised standard was published in May 2011 in response to standard IFRS 10. The standard shall become effective for annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements;
- Revised IAS 28 Investments in Associates and Joint Ventures – the revised standard was published in May 2011 in response to the standard IFRS 11. The standard shall become effective for annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements;
- Amendments to IAS 19 Employee Benefits: a Modified Method of Accounting for the Schemes of Defined Benefits and Benefits Due to Termination of Employment – effective for annual periods beginning on or after 1 January 2013;
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine – effective for annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements;
- Amendments to IAS 32 Financial Instruments: Presentation: Compensation of Financial Assets and Liabilities – effective for annual periods beginning on or after 1 January 2014; not approved by the EU until the date of approval of these financial statements;
- Amendments to IAS 7 Financial Instruments: Disclosure of Information: Compensation of Financial Assets and Liabilities – effective for annual periods beginning on or after 01 January 2013; not approved by the EU until the date of approval of these financial statements;
- Amendments to IAS 1 First-time Adoption of International Financial Reporting Standards: Government Grants – applicable to annual periods beginning on or after 1 January 2013; not approved by the EU until the date of approval of these financial statements.

The management 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. Changes in presentation

During the reporting period, there were no changes to the applicable rules of presentation.

8. Error correction

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

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

II. INFORMATION ON SEGMENTS OF OPERATION

For the management purposes, the Company was divided into segments based on manufactured products and rendered services. There are the following reportable operating segments:

1. ERP systems segment – ERP solutions based on the technology by Oracle and Microsoft that support company's management and original solutions intended for companies operating on the network of field representatives. These applications support business processes and information flow processes, covering most areas of business, including: finance and accounting, business intelligence, personnel management, human resources and payroll, logistics and sales, production and Internet applications. Technical capabilities allow these systems to be implement in various network architectures.
2. The outsourcing segment covers such areas as: collocation, hosting, backup and archiving, network, monitoring, and service failures, security solutions, systems administration, maintenance of ERP/CRM, design and management of WAN, WAN network outsourcing, IT consulting and services, additional services of system and application integration. IT outsourcing allows clients to not only control costs associated with the development of IT infrastructure, but also enable most optimum use of resources and management of IT processes in the company. Outsourcing services offered by Asseco BS are based on our own Data Centre employing highest quality, certified specialists and possessing technical infrastructure which ensures the highest level of data security.

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

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 responsible for unallocated sales.

None of the Company's operating segments has been connected to another segment in order to create these reportable operating segments.

The Management Board monitors the operating results in separate segments 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 financial income and expenses) 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 30 September 2012 (unaudited)	ERP systems	Outsourcing	**Total reportable segments**	Unallocated	**Activity total**
Sales to external customers	30 053	558	**30 611**	1 564	**32 175**
Sales between segments			**–**		**–**

Total segment revenue	**30 053**	**558**	**30 611**	**1 564**	**32 175**
Segment profit/(loss)	**6 718**	**(65)**	**6 653**	**302**	**6 955**
Other net operating income/(expenses)				374	**374**
Net financial income/(expenses)				417	**417**
Income tax				(1 531)	**(1 531)**
Profit for the period	**6 718**	**(65)**	**6 653**	**(438)**	**6 215**
Amortization	(2 425)	(44)	**(2 469)**	(11)	**(2 480)**

Segment operating profit does not include financial income (PLN 505 thousand), financial expenses (PLN 88 thousand), other operating income (PLN 389 thousand) and other operating expenses (PLN 15 thousand) and the result of unallocated activity (PLN 302 thousand).

9 months ended 30 September 2012 (unaudited)	ERP systems	Outsourcing	**Total reportable segments**	Unallocated	**Activity total**
Sales to external customers	93 397	3 732	**97 129**	5 415	**102 544**
Sales between segments	–	–	**–**	–	**–**
Total segment revenue	**93 397**	**3 732**	**97 129**	**5 415**	**102 544**
Segment profit/(loss)	**18 456**	**329**	**18 785**	**1 030**	**19 815**
Other net operating income/(expenses)				372	**372**
Net financial income/(expenses)				1 827	**1 827**
Income tax				(4 343)	**(4 343)**
Profit for the period	**18 456**	**329**	**18 785**	**(1 114)**	**17 671**
Amortization	(7 493)	(304)	**(7 797)**	(38)	**(7 835)**

Segment operating profit does not include financial income (PLN 2 056 thousand), financial expenses (PLN 229 thousand), other operating income (PLN 498 thousand) and other operating expenses (PLN 126 thousand) and the result of unallocated activity (PLN 1 030 thousand).

3 months ended 30 September 2011 (unaudited)	ERP systems	Outsourcing	**Total reportable segments**	Unallocated	**Activity total**
Sales to external customers	27 111	3 472	**30 583**	917	**31 500**
Sales between segments	–	–	**–**	–	**–**
Total segment revenue	**27 111**	**3 472**	**30 583**	**917**	**31 500**
Segment profit/(loss)	**4 540**	**988**	**5 528**	**417**	**5 945**
Other net operating income/(expenses)				570	**570**
Net financial income/(expenses)				347	**347**
Income tax				(1 258)	**(1 258)**
Profit for the period	**4 540**	**988**	**5 528**	**76**	**5 604**
Amortization	(2 277)	(179)	**(2 456)**	(16)	**(2 472)**

the third quarter of 2012 (in PLN thousand)

Segment operating profit does not include financial income (PLN 699 thousand), financial expenses (PLN 352 thousand), other operating income (PLN 645 thousand) and other operating expenses (PLN 75 thousand) and the result of unallocated activity (PLN 417 thousand).

9 months ended 30 September 2011 (unaudited)	ERP systems	Outsourcing	**Total reportable segments**	Unallocated	**Activity total**
Sales to external customers	96 362	10 573	**106 935**	5 419	**112 354**
Sales between segments	–	–	**–**	–	**–**
Total segment revenue	**96 362**	**10 573**	**106 935**	**5 419**	**112 354**
Segment profit/(loss)	**20 308**	**2 557**	**22 865**	**1 070**	**23 935**
Other net operating income/(expenses)				677	**677**
Net financial income/(expenses)				1 557	**1 557**
Income tax				(5 043)	**(5 043)**
Profit for the period	**20 308**	**2 557**	**22 865**	**(1 739)**	**21 126**
Amortization	(7 188)	(604)	**(7 792)**	(72)	**(7 864)**

Segment operating profit does not include financial income (PLN 1 903 thousand), financial expenses (PLN 346 thousand), other operating income (PLN 1 239 thousand) and other operating expenses (PLN 321 thousand) and the result of unallocated activity (PLN 1 070 thousand). Segment operating profit includes the government subsidy related to assets (PLN 241 thousand), which in the financial statements is recognised as an item in other operating income.

III. SUMMARY AND ANALYSIS OF THE RESULTS OF ASSECO BUSINESS SOLUTIONS FOR THE THIRD QUARTER OF 2012

Financial results of Asseco Business Solutions SA for the third quarter of 2012:

	3 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	Dynamics of growth 3mts 2012/ 3 mts 2011	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)	Dynamics of growth 6 mts 2012/ 6 mts 2011
Revenues on sale	32 175	31 500	2.14%	102 544	112 354	-8.73%
Gross profit from sales EBIT	11 453	9 993	14.61%	34 619	38 348	-9.72%
EBITDA	7 329	6 515	12.49%	20 187	24 612	-17.98%
Net income	9 809	8 987	9.15%	28 022	32 476	-13.71%
	6 215	5 604	10.90%	17 671	21 126	-16.35%

Profitability ratios

In the third quarter of 2012, revenues on sale were 2.14% higher than in the same period of the previous year, while operating expenses (excluding COGS) decreased by 4.9%. Cumulatively for 9 months of 2012, there was a revenue decreased by 8.7% compared with 2011, while operating expenses decreased by 6.3%. The year 2011 saw record figures in some segments; due to the introduction of the new VAT rates in January 2011, in the first quarter of 2011, the Company reported a significant increase in sales of new licences and software updates of Asseco WAPRO suite adapted to the new regulations.

Additionally, in October 2011, the Company terminated an agreement with one of the major clients generating about 50% of revenues in the outsourcing segment, which also affected the level of revenue in that period.

These changes are reflected in the profitability indicators.

Profitability ratios	3 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)
Gross margin on sales	35.60%	31.72%	33.76%	34.13%
EBITDA profit margin	30.49%	28.53%	27.33%	28.91%
Operating margin	22.78%	20.68%	19.69%	21.91%
Net margin	19.32%	17.79%	17.23%	18.80%

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 finances current assets. As the most liquid part of the capital, it secures the liabilities arising from the current cash cycle in the company. Working capital in the Company as at 30 September 2012 was PLN 57 260 thousand and was lower by PLN 11 620 thousand compared with 31 December 2011. This was due to a significant reduction in the amount of current assets over current liabilities due to the payment of dividend. However, the Company's liquidity ratios improved, which reaffirms its capacity to timely satisfy its current liabilities and promises financial security.

Liquidity ratios	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Working capital (in PLN thousand)	54 260	65 880	57 120
Current ratio	4.97	3.77	4.64
Quick ratio	4.84	3.71	4.52
Super quick ratio	2.47	2.39	2.72

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 ratio

The Company's operations are financed from its current activity. In the current period, total liabilities decreased compared with the end of 2011 by PLN 10 207 thousand, which, along with the 8.5% decrease in assets, resulted in a reduction of the total debt at the end of the 2012 from 8.4% to 5.3%.

Debt ratio	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Debt ratio	5.3%	8.4%	5.9%

These ratios have been calculated using the following formulas:

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

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

EXPLANATORY NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

1. Structure of revenues on sales

	3 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2011 (unaudited)
ERP systems	30 053	93 397	27 111	96 362
Outsourcing	558	3 732	3 472	10 573
Unallocated	1 564	5 415	917	5 419
Total	**32 175**	**102 544**	**31 500**	**112 354**

2. Structure of operating expenses

	3 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2011 (unaudited)
The value of resold goods, materials and external services (COGS)	(4 311)	(14 618)	(3 576)	(15 988)
Consumption of materials and energy	(712)	(2 286)	(748)	(2 326)
External services	(4 342)	(13 746)	(4 527)	(14 959)
Payroll	(10 839)	(35 478)	(11 595)	(38 748)
Employee benefits	(2 250)	(7 414)	(2 185)	(7 362)
Amortization	(2 480)	(7 835)	(2 472)	(7 864)
Taxes and fees	(207)	(630)	(218)	(670)
Business trips	(117)	(540)	(217)	(695)
Other	38	(182)	(17)	(48)
Total	**(25 220)**	**(82 729)**	**(25 555)**	**(88 660)**
Own cost of sales, including:	(20 722)	(67 925)	(21 507)	(74 006)
production cost	*(16 411)*	(53 307)	*(17 931)*	*(58 018)*
value of resold goods, materials and services (COGS)	*(4 311)*	(14 618)	*(3 576)*	*(15 988)*
Cost of sale	(617)	(2 376)	(648)	(3 024)
Cost of management and administration	(3 881)	(12 428)	(3 400)	(11 630)
Total	**(25 220)**	**(82 729)**	**(25 555)**	**(88 660)**

3. Other operating income and expenses

Other operating income and expenses in the third quarter of 2012 and in the comparable period were as follows:

Other operating income	3 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2011 (unaudited)

Profit from the sale of non-financial assets	322	406	72	183
Received compensation		2	567	710
Subsidies	–	–	–	241
Sales to employees	–	–	1	2
Other	67	90	5	103
	389	**498**	**645**	**1 239**

Other operating expenses	3 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2011 (unaudited)
Donations to unrelated parties	(7)	(23)	(5)	(7)
Accident repair costs	(5)	(2)	(46)	(217)
Penalties and damages		(24)	(7)	(12)
Liquidation of fixed assets	(3)	(13)	(2)	(9)
Other operating expenses		(64)	(15)	(76)
	(15)	**(126)**	**(75)**	**(321)**

4. Financial income and expenses

Financial income and expenses in the third quarter of 2012 and in the comparable period were as follows:

Financial income	3 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2011 (unaudited)
Income from bank deposits	416	1 717	487	1 706
Other interest income	12	27	7	9
Positive exchange rates	–	–	205	174
Gains from changes in fair value of currency derivatives - entered forward contracts	58	261	–	–
Gains from currency derivatives execution - entered forward contracts	19	51	–	14
Total financial income	**505**	**2 056**	**699**	**1 903**

Financial expenses	3 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2011 (unaudited)
Interest on finance lease	–	(4)	(6)	(20)
Negative exchange rates	(88)	(224)	–	–
Losses from changes in fair value of currency derivatives - entered forward contracts	–	–	(313)	(325)

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

Losses from currency derivatives execution - entered forward contracts	–		(33)	–
Bank fees and charges	–	(1)	–	(1)
Total financial expenses	**(88)**	**(229)**	**(352)**	**(346)**

5. Income tax

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

	3 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2012 (unaudited)	3 months ended 30 September 2011 (unaudited)	9 months ended 30 September 2011 (unaudited)
Current income tax	(1 406)	(3 607)	(1 058)	(3 915)
Deferred income tax	(125)	(736)	(200)	(1 128)
Tax burden reported in the statement of comprehensive income, including:	**(1 531)**	**(4 343)**	**(1 258)**	**(5 043)**
Income tax attributed to continued operations	*(1 531)*	*(4 343)*	*(1 258)*	*(5 043)*

Tax settlements and other areas of operations are subject to frequent changes, which results in many cases no reference can be made to fixed regulations or legal precedents. The binding regulations contain ambiguities, which can cause differences of opinion as to the legal interpretation of tax regulations both among the state bodies and between government bodies and companies.

Tax settlements may be subject to inspection for a period of five years starting from the end of the year in which the tax payment was made. As a result, the amounts indicated in the financial statements are subject to change at a later date after their final determination by tax authorities.

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 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 are data on earnings and shares, which were used in calculating basic and diluted earnings per share:

	3 months ended 30 September (unaudited)	9 months ended 30 September (unaudited)	3 months ended 30 September (unaudited)	9 months ended 30 September (unaudited)
Net profit from continuing operations	6 215	17 671	5 604	21 126
Loss from discontinued operations	–	–	–	–

Net profit attributable to ordinary shareholders used in the calculation of diluted earnings per share	6 215	17 671	5 604	21 126
Weighted average number of issued ordinary shares used to calculate basic earnings per share	33 418 193	33 418 193	33 418 193	33 418 193
Adjusted weighted average number of ordinary shares used to calculate diluted earnings per share	33 418 193	33 418 193	33 418 193	33 418 193

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.
- Seasonal changes in demand for products marketed by the Company – a distinguishing feature of the IT industry is seasonal fluctuation of sales.
- Introduction of products and services into new market segments (industries) – e.g. telecommunications.

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

In the nine months ended 30 September 2012, there were no single-time 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 held on 18 April 2012, the net profit for the financial year 2011 in the amount of PLN 29 834 134.80 was divided as follows:

- part of the net profit for 2011 in the amount of PLN 29 742 191.77 was allocated to the payment of dividends to the Company's shareholders;
- the reminder of the net profit for 2011 in the amount of PLN 91 943.03 was transferred to supplementary capital;
- retained earnings from previous years in the amount of PLN 2 339 273.51 were allocated to the payment of dividends to the Company's shareholders;

The total amount divided among the shareholders is PLN 32 081 465.28, i.e. PLN 0.96 per share.

The dividend date was set on 14 May 2012 and the dividend payment date on 1 June 2012.

10. Significant events during the reporting period

Important agreements concluded in the third quarter of 2012:

- 3GNS Sp. z o.o. Sp. komandytowa (PLAY) – licensing and implementation of Asseco Softlab WEB (ERP system).
- Jabil Global Services Poland sp. z o.o. – licensing and implementation of Asseco HR.
- Business Support Solution S.A. – licensing and implementation of additional modules of Asseco Softlab ERP.

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

- Best S.A. – licensing and implementation of additional modules of Asseco Softlab ERP.
- PTK Centertel Sp. z o.o. – functional extension of Connector Enterprise; added services related to the analysis of product categories.

11. Property, plant and equipment

During the 9 months ended 30 September 2012, the Company acquired plant, property and equipment valued at PLN 2 056 thousand (during the 9 months ended 30 September 2011: PLN 3 062 thousand).
During the 9 months ended 30 September 2012, the Company disposed of the items of property, plant and equipment for PLN 1 238 thousand (in the 9 months ended 30 September 2011: PLN 344 thousand). Among the items sold, there was the equipment of the Data Centre in Wrocław.
During the 9 months ended 30 September 2012 (or in the same period of the previous year), the Company did not recognize impairment losses on assets.

12. Intangible assets

During the 9 months ended 30 September 2012, the Company acquired intangible assets valued at PLN 404 thousand and its R&D expenses topped PLN 4 616 thousand (during the 9 months ended 30 September 2011: PLN 293 thousand and 4 193 thousand, respectively). During the 9 months ended 30 September 2012, the Company sold intangible assets with of the net value of PLN 7 thousand.
During the 9 months ended 30 September 2012 (or in the same period of the previous year), the Company did not recognize impairment losses on intangible assets.

13. Inventories

As at 30 September 2012, the inventory allowance amounted to PLN 119 thousand (at 30 September 2011: PLN 102 thousand).

14. Financial assets

At 30 September 2012 and in the comparable period, the Company held the following financial assets:

Financial assets	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Forward currency contracts short-term	19	–	–
Total	**19**	**–**	**–**

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 prepayments

Prepayments	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Prepaid maintenance services	341	517	520
Prepaid insurance	155	63	139
Prepaid subscriptions	8	18	14
Other prepaid services	179	142	209

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

Total	**683**	**740**	**882**
- short-term	542	505	631
- long-term	141	235	251

Prepaid expenses as at 30 September 2012 consisted primarily of:

- service costs to be incurred gradually in subsequent periods,
- prepaid insurance.

16. Current and non-current receivables

Trade receivables (short-term)	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Trade receivables, including:	28 414	29 504	24 543
From related parties	4 849	1 062	3 050
From other parties	23 565	28 442	21 493
Allowance on doubtful accounts	(949)	(784)	(774)
Total	**27 465**	**28 720**	**23 769**

The Company pursues a policy of selling only to verified customers. Consequently, in the opinion of the Management, there is no additional credit risk beyond the level specified in the allowance for bad debts 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	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Receivables from the balance sheet valuation of long-term IT contracts	1 779	1 487	2 568
Receivables from non-invoiced delivery	–	–	39
Advances paid to suppliers	104	75	91
Other trade receivables (bid bonds, deposits)	906	815	1 336
Receivables from employees	65	76	90
CSBF	197	1	215
Other receivables	60	53	66
Total	**3 111**	**2 507**	**4 405**

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.

Trade receivables from non-invoiced delivery are for those services that were provided during the reporting period but were not invoiced before the balance sheet date.

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.

the third quarter of 2012 (in PLN thousand)

17. Cash and short-term deposits

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 for 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.

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

Cash	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Cash at bank and in hand	1 244	2 593	5 320
Short-term deposits to 3 months	32 588	14 385	2 785
Short-term deposits from 3 to 6 months	–	40 032	34 580
Cash in the balance	**33 832**	**57 010**	**42 685**
Interest accrued on short-term deposits	(216)	(343)	(580)
Cash in the balance	**33 616**	**56 667**	**42 105**

For the purposes of the statement of cash flows, short-term deposits with the original maturity over three months are treated as part of investment activity.

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

Cash	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Cash at bank and in hand	1 244	2 593	5 320
Short-term deposits to 3 months	32 588	14 385	2 785
Cash in the balance	**33 832**	**16 978**	**8 105**
Interest accrued on short-term deposits	(216)	(10)	–
Cash in cash flows statement	**33 616**	**16 968**	**8 105**

18. Financial liabilities

Financial liabilities	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Liabilities under finance lease (short-term)	3	191	315
Liabilities under finance lease (long-term)	–	–	3
Short-term forward contracts	–	242	243
Long-term forward contracts	–	–	44
Total	**3**	**433**	**605**

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

The Company operates vehicles under finance lease agreements. The net value of vehicles under finance lease on 30 September 2012 is PLN 37 thousand.

Financial liabilities also include "forward" transactions aimed to hedge currency risks resulting from contracts settled in a foreign currency.

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

At 30 September 2012, the Company did not have open credit lines. The Company uses finance lease. The interest rate is floating and based on WIBOR. At 30 September 2012, the Company had no long-term commitments under finance lease, and the short-term commitment under finance leases at 30 September 2012 amounted to PLN 3 thousand.

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.

20. Current and non-current trade and other liabilities

Trade liabilities	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
To related parties	1	1	10
To other parties	1 887	5 567	3 208
Total	**1 888**	**5 568**	**3 218**

Trade liabilities are not interest-bearing.

Liabilities from taxes, duties, social security and other	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Liabilities from taxes, duties, social security and other	3 893	5 099	3 274
Liabilities to Social Security	1 268	1 290	1 391
Personal income tax	401	566	474
VAT	2 174	3 163	1 347
Other budgetary commitments	50	80	62
Corporate income tax liabilities	–	2 521	723
Total	**3 893**	**7 620**	**3 997**
- current	3 893	7 620	3 997
- non-current	–	–	–

Budgetary commitments are paid to the relevant institutions on a monthly basis. The amount resulting from the difference between liabilities and receivables from VAT is paid to the relevant tax authorities on a monthly basis.

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

Other liabilities	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Amounts owed to employees for wages	122	226	262
Liabilities arising from the valuation of long-term IT	435	370	222
Liabilities due to non-invoiced deliveries	1 037	361	472
Advance payments received for supplies	43	29	272
Other liabilities	60	136	96
Total	**1 697**	**1 122**	**1 324**

Other liabilities are not interest-bearing.

21. Accruals and deferred income

	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Accrued expenses for:			
Unused leaves	1 328	1 608	1 331
Bonuses	3 430	6 173	3 957
Provision for other expenses	428	713	485
	5 186	**8 494**	**5 773**
Accrued income for:			
Prepaid services	797	345	487
Other income	–	89	1
	797	**434**	**488**
Total	**5 983**	**8 928**	**6 261**
- current	5 941	8 806	6 104
- non-current	42	122	157

Accrued expenses are primarily provisions for unused leave, provisions for wages of a period intended for distribution in subsequent periods, resulting from the principles of bonus systems effective Asseco Business Solutions SA, and provisions for the costs of current operations of the Company. The balance of deferred income concerns primarily prepayments for services rendered, such as maintenance and IT assistance.

22. 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 debt arising from transactions with related parties were not recognised.

Receivables from related parties	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Asseco Poland SA (parent)	4 830	1 049	3 181
Other related parties	242	312	314
Total	**5 072**	**1 361**	**3 495**

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

Amounts due to related parties	30 September 2012 (unaudited)	31 December 2011	30 September 2011 (unaudited)
Asseco Poland SA (parent)	1	1	10
Other related parties	–	–	–
Total	**1**	**1**	**10**

Sales to related parties	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)
Asseco Poland SA (parent)	6 811	11 305
Other related parties	18	662
Total	**6 829**	**11 967**

Purchase from related parties	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)
Asseco Poland SA (parent)	803	1 018
Other related parties	–	3
Total	**803**	**1 021**

At 31 September 2012, according to information held by Asseco Business Solutions SA, 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 9 months ended 30 September 2012, the value (net) of purchases transactions of goods and services (including rental) from related parties by the Company Executives and with the Company Executive amounted to PLN 1 324 thousand.

At 31 December 2012, according to information held by Asseco Business Solutions SA, 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.

In the financial year ended 31 December 2011, the value (net) of purchases transactions of goods and services (including rental) from related parties by the Company Executives and with the Company Executive amounted, according to the records of Asseco Business Solutions SA, to PLN 1 514 thousand.

23. Contingent liabilities

Contingent liabilities	30 September 2012 (unaudited)	31 December 2011	change in 6 mts ended 30-06-2012
Other contingent liabilities	–	85	(85)
Total contingent liabilities	**0**	**85**	**(85)**

Contingent liabilities consist of promissory notes which secure liabilities under finance lease. In connection with the termination of contracts promissory notes secured by the Company has no contingent liabilities as at 30 September 2012.

Interim condensed financial statements for the third quarter of 2012 (in PLN thousand)

24. Employment

FTEs during the reporting period	9 months ended 30 September 2012 (unaudited)	9 months ended 30 September 2011 (unaudited)
Management Board	4	4
Production departments	518	589
Trade departments	33	24
Administrative departments	39	41
Other	2	3
Total	**596**	**661**

FTEs on	30 September 2012 (unaudited)	30 September 2011 (unaudited)
Management Board	3	4
Production depts.	501	581
Sales depts.	33	38
Administration depts.	39	48
Others	2	1
Total	**578**	**672**

25. 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.

26. 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.

27. Capital expenditure

In the period ended 30 September 2012, the Company made capital outlays in the amount of PLN 2 460 thousand.

28. Feasibility assessment of financial forecast published by the Management Board for 2012

The Management Board of Asseco Business Solutions SA has not published financial forecast for 2012.

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

In the reporting period, Asseco Business Solutions SA was not involved in the issuance, redemption and repayment of non-equity and equity securities.

30. 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

The IT services sector development is correlated to the overall economic situation in the country. A volatile global economic situation translates into less and less sustainable economic growth and reduction or suspension of investment which, in turn, results in the receding number of orders. A similar trend is also observed in the domestic marketplace. Increasingly, the global downturn affects the local business players. Observed economic slowdown and a decline in business investment (the main recipients of the Company's services) has an adverse impact on the financial results and growth prospects of the Company.

In the opinion of the Management Board, the most important factors that may directly or indirectly affect the operations of Asseco Business Solutions SA and its prospective results in the next quarter are:

- developments in global financial and economic marketplace and their impact on the economic situation in Poland,
- attitude of potential clients to investment in IT against the backdrop of the general economic situation,
- intensity of direct and indirect competitive activity,
- the results of current business activities,
- risk of time-shifting of potential clients' investment decisions in IT,
- the progress of work under currently valid contracts,
- the need to attract and retain the most qualified and key employees,
- opportunities and risks associated with a relatively rapid technological progress and innovation in the IT market.

31. Information on other important factors that could affect 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.

32. Significant events after the balance sheet date

On 5 October 2012, District Court Lublin East, seated in Świdnik, VI Economic Division of the National Court Register, registered the amendments to the Company's Articles of Association. The amendments were made pursuant to Resolution No. 4 of the Extraordinary General Meeting of Asseco Business Solutions SA held on 25 July 2012.

Also on 5 October 2012, Mr. Jaroslaw Adamski was dismissed as a Member of the Management Board and his mandate expired. The appointment of Mr. Jarosław Adamski was only temporary and was intended until the date of registration in the relevant Companies' Register of the resolution of the Extraordinary General Meeting convened on 25 July 2012 and concerning the amendment to Article 14(2) of the Articles of Association determining the number of members of the Management Board as no more than 4.

33. Significant events concerning previous years

To the date of these financial statements for the nine months ended 30 September 2012, that is, until 5 November 2012, there were no events concerning previous years that were not, and should be, included in these financial statements.