ASSECO BUSINESS SOLUTIONS SA

INTERIM CONDENSED FIANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2012
TOGETHER WITH THE REPORT FROM
AN INDEPENDENT, CERTIFIED AUDITOR'S REVIEW

13 AUGUST 2012

(in PLN thousand)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD OF SIX MONTHS ENDED 30 JUNE 2012

	Note	*3 months ended 30 June 2012 (unaudited)*	*6 months ended 30 June 2012 (unaudited)*	*3 months ended 30 June 2011 (unaudited)*	*6 months ended 30 June 2011 (unaudited)*
Revenue on sales	7	33 049	70 369	38 362	80 854
Own cost of sales	7	(22 880)	(47 203)	(26 996)	(52 499)
Gross profit/(loss) on sales		**10 169**	**23 166**	**11 366**	**28 355**
Cost of sale		(887)	(1 759)	(1 140)	(2 376)
General and administrative expenses		(4 193)	(8 547)	(3 485)	(8 230)
Net profit on sales		**5 089**	**12 860**	**6 741**	**17 749**
Other operating income	7	50	109	278	594
Other operating expenses	7	(42)	(111)	(157)	(246)
Profit on operating activities		**5 097**	**12 858**	**6 862**	**18 097**
Financial income	7	710	1 551	610	1 268
Financial expenses	7	(3)	(141)	(51)	(58)
Gross profit/(loss)		**5 804**	**14 268**	**7 421**	**19 307**
Income tax	10	(1 164)	(2 812)	(1 487)	(3 785)
Net profit/(loss) from continuing operations		**4 640**	**11 456**	**5 934**	**15 522**
Discontinued operations					
Net profit/(loss) for the financial year		**4 640**	**11 456**	**5 934**	**15 522**
Other total income		–	–	–	–
Other total net income		–	–	–	–
Total income for the period		**4 640**	**11 456**	**5 934**	**15 522**
Earnings per share:					
- basic/diluted profit for the reporting period		0.14	0.34	0.18	0.46
- basic/diluted from profit on continued operations for the reporting period		0.14	0.34	0.18	0.46

(in PLN thousand)

INTERIM CONDENSED BALANCE SHEET

AS AT 30 JUNE 2012

ASSETS	Note	30 June 2012 (unaudited)	31 December 2011
Non-current assets		**197 122**	**198 623**
Property, plant and equipment	11	12 506	13 826
Intangible assets	12	12 153	11 618
Goodwill		170 938	170 938
Non-current receivables		604	603
Deferred tax assets		792	1 403
Long-term prepayments and accrued income		129	235
Current assets		**62 973**	**89 685**
Inventories	13	1 188	943
Prepayments and accrued income		818	505
Trade receivables Income tax liabilities		25 593	28 720
Other receivables		1 204	–
		2 860	2 507
Cash and short-term deposits	8	31 310	57 010
Non-current assets classified as held for sale		–	–
TOTAL ASSETS		**260 095**	**288 308**

EQUITY AND LIABILITIES			
The surplus from the sale of shares above their nominal value		62 423	62 423
Retained profit/(loss) and current period		14 018	34 643
Total equity		**243 532**	**264 157**
Non-current liabilities		**269**	**346**
Provisions		224	224
Non-current financial liabilities	17	–	–
Long-term accruals and deferred income		45	122
Current liabilities		**16 294**	**23 805**
Trade liabilities		3 738	5 568
Budgetary commitments		4 087	7 620
Financial liabilities	17	84	433
Other liabilities		2 163	1 122
Provisions		256	256
Accruals and deferred income		5 966	8 806
Total liabilities		**16 563**	**24 151**
TOTAL LIABILITIES		**260 095**	**288 308**

(in PLN thousand)

INTERIM CONDENSED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2012

	Note	6 months ended 30 June 2012 (unaudited)	6 months ended 30 June 2011 (unaudited)
Cash flows from operating activities			
Gross profit		14 268	19 307
Adjustments:		**(4 574)**	**(10 241)**
Amortization		5 355	5 392
Change in inventories		(245)	263
Change in receivables		1 569	657
Change in liabilities, excluding credits and loans		(597)	(3 590)
Change in accruals and prepayments		(3 124)	(3 910)
Change in provisions		–	(100)
Revenues on interest		(1 301)	(1 219)
Interest expense		4	14
Investment gain/(loss)		(309)	(145)
Other		–	7
Income tax paid		(5 926)	(7 610)
Net cash from operating activities		**9 694**	**9 066**
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		132	418
Acquisition of property, plant and equipment		(1 383)	(1 974)
Purchase of intangible assets		(3 247)	(2 729)
Acquisition/settlement of financial assets at fair value through profit or loss		32	47
Established bank deposits		(40 066)	(35 000)
Cash returned from bank deposits		79 766	55 955
Interest received		1 469	1 201
Net cash from investing activities		**36 703**	**17 918**
Cash flows from financing activities			
Dividend paid		(32 081)	(30 076)
Repayment of interest		(4)	(14)
Repayment of liabilities under lease agreements		(146)	(207)
Net cash from financing activities	**(32 231)**	**(30 297)**	
Increase/(Decrease) in net cash and cash equivalents		14 166	(3 313)
Net differences in exchange rates		–	–
Opening cash		**16 968**	**11 199**
Closing cash	8	**31 134**	**7 886**

(in PLN thousand)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2012

	Share capital	Surplus from the sale of shares above their nominal value	Retained profit/(loss) and current period	Total equity
6 months ended 30 June 2012 (unaudited)				
As at 1 January 2012	**167 091**	**62 423**	**34 643**	**264 157**
Total income for period	–	–	11 456	**11 456**
Payment of dividends	–	–	(32 081)	**(32 081)**
As at 30 June 2012	**167 091**	**62 423**	**14 018**	**243 532**
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**
6 months ended 30 June 2011 (unaudited)				
As at 1 January 2011	**167 091**	**62 423**	**34 885**	**264 399**
Total income for period	–	–	15 522	**15 522**
Dividends	–	–	(30 076)	**(30 076)**
As at 30 June 2011	**167 091**	**62 423**	**20 331**	**249 845**

ADDITIONAL EXPLANATORY NOTES

1. General information

Asseco Business Solutions SA (the "Company") is a joint-stock company having its registered seat in Lublin and shares publicly traded. These interim condensed financial statements cover the period of 6 months ended 30 June 2012 and include comparative data for the period of 6 months ended 30 June 2011 and as at 31 December 2011. The statement of comprehensive income and the notes to the statement of comprehensive income include data for the 3 months ended 30 June 2012 and comparative data for the 3 months ended 30 June 2011 - they were not subject to review or audit by the certified auditor.

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. The comprehensive offer includes the supply, customization 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 also 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.

These interim condensed financial statements for the 6 months ended 30 June 2012 was approved by the Management Board for publication on 13 August 2012.

(in PLN thousand)

2. Composition of the Management Board and the Supervisory Board of the Company

On 30 June 2012, the Management Board of the Company consisted of:

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

In the reporting period, the composition of the Company's Management Board remained unchanged. On 20 June 2012, Mr. Romuald Rutkowski tendered his resignation from the position of President of the Management Board and as member of the Management Board of Asseco Business Solutions SA effective from 30 June 2012.

On 30 June 2012, the Supervisory Board of the Company consisted of:

Adam Góral	Chairman of the Supervisory Board
Jarosław Adamski	Member 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

On 20 June 2012, Mr. Jaroslaw Adamski tendered his resignation as member of the Supervisory Board of Asseco Business Solutions SA effective from on 30 June 2012.

On 20 June 2012, Mr. Adam Góral tendered his resignation as Chairman of the Supervisory Board of Asseco Business Solutions SA effective from on 30 June 2012.

On 20 June 2012, the Company received a statement of Asseco Poland SA on the appointment of Mr. Romuald Rutkowski as member of the Supervisory Board of Asseco Business Solutions SA. The appointment becomes effective from 1 July 2012.

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

3. Basis for the preparation of these interim condensed financial statements

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 IFRS's 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").

These interim condensed financial statements are presented in Polish zloty ("PLN") and all values, unless indicated otherwise, are given in thousands of PLN.

While preparing these interim condensed financial statements, it was assumed that the Company intended to continue its business activity in the foreseeable future. At 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 2010, approved for publication on 7 March 2012.

The interim financial results may not reflect the full realizable financial result for the financial year.

4. Significant accounting rules (policy)

The accounting rules (policies) 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 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 Taxes: 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 the early application of any other standard, interpretation or amendment that was published but has not yet entered into force.

5. Change of estimates

5.1. Professional judgement

In the process of applying accounting rules (policies) to the issues listed below, of utmost importance, in addition to accounting estimates, was professional judgement of the management.

Classification of lease agreements

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.

5.2. Estimation uncertainty

Below, the main assumptions have been made about the future and other key sources of uncertainty occurring on the balance sheet date which carry a significant risk of substantial adjustments to the carrying amounts of assets and liabilities within the next financial year.

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 incurred expenses (to further the progress) to planned expenses, or as the ratio of man-days worked in relation to the total working time.

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.

Goodwill and 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, this goodwill arising from the acquisition of a subsidiary and mergers. 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. 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. 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.

Deferred tax asset

The Company recognizes 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.

6. Seasonality of operations

The operations of Asseco Business Solutions are subject to moderate seasonal fluctuations. In the case of ERP systems and outsourcing, the highest sales figures are reported in the first and fourth quarter of the year. 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.

7. Information on segments of operation

For the management purposes, the Company was divided into segments reflecting its 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 the 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 fitted with the technical infrastructure which ensures the top 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 costs and financial income) and income tax are monitored at the levels of the Company and they are not allocated to the segments.

(in PLN thousand)

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 June 2012 (unaudited)	ERP systems	Outsourcing	Total reportable segments	Unallocated	Activity total
Sales to external customers	28 844	1 563	**30 407**	2 642	**33 049**
Sales between segments			**–**		**–**
Total segment revenue	**28 844**	**1 563**	**30 407**	**2 642**	**33 049**
Segment profit/(loss)	**4 482**	**182**	**4 664**	**425**	**5 089**
Other net operating income/(expenses)				8	**8**
Net financial income/(expenses)				707	**707**
Income tax				(1 164)	**(1 164)**
Profit for the period	**4 482**	**182**	**4 664**	**(24)**	**4 640**

Segment operating profit does not include financial income (PLN 710 thousand), financial expenses (PLN 3 thousand), other operating income (PLN 50 thousand) and other operating expenses (PLN 42 thousand) and the result of unallocated activity (PLN 425 thousand).

6 months ended 30 June 2012 (unaudited)	ERP systems	Outsourcing	Total reportable segments	Unallocated	Activity total
Sales to external customers	63 344	3 174	**66 518**	3 851	**70 369**
Sales between segments	–	–	**–**	–	**–**
Total segment revenue	**63 344**	**3 174**	**66 518**	**3 851**	**70 369**
Segment profit/(loss)	**11 738**	**394**	**12 132**	**728**	**12 860**
Other net operating income/(expenses)				(2)	**(2)**
Net financial income/(expenses)				1 410	**1 410**
Income tax				(2 812)	**(2 812)**
Profit for the period	**11 738**	**394**	**12 132**	**(676)**	**11 456**
Segment assets	221 943	3 635	**225 578**	34 517	**260 095**
Amortization	(5 068)	(260)	**(5 328)**	(27)	**(5 355)**

(in PLN thousand)

1. Segment operating profit does not include financial income (PLN 1 551 thousand), financial expenses (PLN 141 thousand), other operating income (PLN 109 thousand) and other operating expenses (PLN 111 thousand) and the result of unallocated activity (PLN 728 thousand).

2. Segment assets do not include deferred tax (PLN 792 thousand), cash and short-term deposits (PLN 31 310 thousand), non-current receivables (PLN 604 thousand), receivables from income tax (PLN 1 204 thousand) and other unallocated assets (PLN 607 thousand) as these assets are managed at the level of the Company.

3 months ended 30 June 2011 (unaudited)	ERP systems	Outsourcing	**Total reportable segments**	Unallocated	**Activity total**
Sales to external customers	32 652	3 601	**36 253**	2 109	**38 362**
Sales between segments	–	–	**–**	–	**–**
Total segment revenue	**32 652**	**3 601**	**36 253**	**2 109**	**38 362**
Segment profit/(loss)	**5 917**	**824**	**6 741**	**120**	**6 861**
Other net operating income/(expenses)				1	**1**
Net financial income/(expenses)				559	**559**
Income tax				(1 487)	**(1 487)**
Profit for the period	**5 917**	**824**	**6 741**	**(807)**	**5 934**

Segment operating profit does not include financial income (PLN 610 thousand), financial expenses (PLN 51 thousand), other operating income (PLN 278 thousand) and other operating expenses (PLN 157 thousand) and the result of unallocated activity (PLN 120 thousand). Segment operating profit includes the government subsidy to assets (PLN 120 thousand), which in the financial statements is recognised as an item in other operating revenue.

(in PLN thousand)

6 months ended 30 June 2011 (unaudited)	ERP systems	Outsourcing	**Total reportable segments**	Unallocated	**Activity total**
Sales to external customers	69 251	7 101	**76 352**	4 502	**80 854**
Sales between segments	–	–	**–**	–	**–**
Total segment revenue	**69 251**	**7 101**	**76 352**	**4 502**	**80 854**
Segment profit/(loss)	**15 768**	**1 569**	**17 337**	**653**	**17 990**
Other net operating income/(expenses)				107	**107**
Net financial income/(expenses)				1 210	**1 210**
Income tax				(3 785)	**(3 785)**
Profit for the period	**15 768**	**1 569**	**17 337**	**(1 815)**	**15 522**
Segment assets	226 412	5 900	**232 312**	38 634	**270 946**
Amortization	(4 911)	(425)	**(5 336)**	(56)	**(5 392)**

(in PLN thousand)

1. Segment operating profit does not include financial income (PLN 1 268 thousand), financial expenses (PLN 58 thousand), other operating income (PLN 594 thousand) and other operating expenses (PLN 246 thousand) and the result of unallocated activity (PLN 653 thousand). Segment operating profit includes the government subsidy to assets (PLN 241 thousand), which in the financial statements is recognised as an item in other operating income.

2. Segment assets do not include deferred tax (PLN 363 thousand), cash and short-time deposits (PLN 35 100 thousand), non-current receivables (PLN 603 thousand), assets classified as held for sale (PLN 2 117 thousand), financial assets measured at fair value through profit or loss (PLN 26 thousand) and other unallocated assets (PLN 424 thousand) because these assets are managed at the level of the Company.

8. Cash and cash equivalents

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. The fair value of cash and cash equivalents at 30 June 2012 amounts to PLN 31 310 thousand (31 December 2011: PLN 57 010 thousand).

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

Cash	30 June 2012 (unaudited)	31 December 2011	30 June 2011 (unaudited)
Cash at bank and in hand	733	2 593	408
Short-term deposits to 3 months	30 577	14 385	7 478
Short-term deposits from 3 to 6 months	–	40 032	27 214
Cash in the balance	**31 310**	**57 010**	**35 100**
Interest accrued on short-term deposits	(176)	(343)	(214)
Cash in the balance	**31 134**	**56 667**	**34 886**

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 June 2012 (unaudited)	31 December 2011	30 June 2011 (unaudited)
Cash at bank and in hand	733	2 593	408
Short-term deposits to 3 months	30 577	14 385	7 478
Cash in the balance	**31 310**	**16 978**	**7 886**
Interest accrued on short-term deposits	(176)	(10)	–
Cash in cash flows statement	**31 134**	**16 968**	**7 886**

(in PLN thousand)

9. Paid and proposed dividends

The dividend on ordinary shares for 2011, paid on 1 June 2012, amounted to PLN 32 081 thousand (for 2010, paid on 1 June 2011: PLN 30 076 thousand).

The value of dividend per share paid for 2011 amounted to PLN 0.96 (2010: PLN 0.9).

The Company has not paid an advance for dividend for the year 2012.

10. Income tax

The main components of tax expense in the profit and loss account are as follows:

	3 months ended 30 June 2012 (unaudited)	6 months ended 30 June 2012 (unaudited)	3 months ended 30 June 2011 (unaudited)	6 months ended 30 June 2011 (unaudited)
Current income tax	(1 448)	(2 201)	(1 275)	(2 857)
Deferred income tax	284	(611)	(212)	(928)
Tax expense reported in the statement of comprehensive income, including:	**(1 164)**	**(2 812)**	**(1 487)**	**(3 785)**
Income tax attributed to continued operations	*(1 164)*	*(2 812)*	*(1 487)*	*(3 785)*

11. Plant, property and equipment

11.1. Sales and purchase

During the six months ended 30 June 2012, the Company acquired plant, property and equipment valued at PLN 1 383 thousand (during the 6 months ended 30 June 2011: PLN 1 974 thousand).

During the six months ended 30 June 2012, the Company sold the items of property, plant and equipment of the net value of PLN 48 thousand (during the 6 months ended 30 June 2011: PLN 307 thousand), reaching a net profit on sales of PLN 84 thousand (2011: PLN 111 thousand).

11.2. Impairment losses

During the period ended 30 June 2012 (or in the same period the previous year), the Company did not recognize impairment losses on assets.

12. Intangible assets

12.1. Sales and purchase

During the six months ended 30 June 2012, the Company acquired items of intangible assets valued at PLN 124 thousand and its R&D expenses topped PLN 3 123 thousand (during the 6 months ended 30 June 2011: PLN 119 thousand and PLN 2 610 thousand respectively).

During the six months ended 30 June 2012, the Company did not sale intangible assets (during the 6 months ended 30 June 2011: PLN 0).

12.2. Goodwill

Goodwill has been created from the merger of Asseco Business Solutions SA, Safo Sp. z o.o., Softlab Sp. z o.o., Softlab Trade Sp. z o.o. and WA-PRO Sp. z o.o., and comprises goodwill on consolidation resulting from the merger of Asseco Business Solutions SA with Anica System SA.

Goodwill is allocated to the cash-generating unit, which was also a separate operating segment - ERP systems.

At 30 June 2012, there were no indications that there might be any loss of goodwill, and any assumptions to the test at the end of 2011 (which are described in the financial statements for the year ended 31 December 2011 in Note 19) remain valid at 30 June 2012.

12.3. Impairment losses

During the period ended 30 June 2012 (or in the same period in the previous year), the Company did not recognize impairment losses on intangible assets.

13. Inventories

As at 30 June 2012, inventory write-down amounted to PLN 118 thousand (at 30 June 2011: PLN 108 thousand).

14. Share capital and supplementary capitals

During the 6 months ended 30 June 2012, the Company did not issue any shares. All issued shares have a nominal value of PLN 5 and have been fully paid up. All shares are ordinary shares. There are no preference shares.

15. Interest-bearing loans and borrowings

At 30 June 2012 (and at 31 December 2011), the Company did not have open credit lines.

The Company uses finance lease. The interest rate is floating and based on WIBOR. As at 30 June 2012, the Company had no long-term commitments under finance lease (at 31 December 2011: PLN 0), short-term lease commitments amounted at 30 June 2012 to PLN 45 thousand (at 31 December 2011: PLN 191 thousand).

16. Lawsuits

The Regional Court in Warsaw is hearing the case of recovery arising from a licence agreement. Guided by the rule of prudence, the Company assumed an appropriate reserve for income from this agreement.

The Company is also involved in a number of cases and enforcement procedures aimed to recover payment for delivered products and services.

(in PLN thousand)

17. Financial instruments

In the period covered by these financial statements, there were no significant changes in the value and type of financial instruments in relation to the value and type of financial instruments reported in the Company's financial statements for the year ended 31 December 2011.

18. Objectives and principles of financial risk management

The objectives and principles of financial risk management applied by the Company are consistent with the objectives and principles that were reported in the Company's financial statements for the year ended 31 December 2011.

19. Capital management

The objectives and principles of capital management applied by the Company are consistent with the objectives and principles that were reported in the Company's financial statements for the year ended
31 December 2011.

20. Investment commitments

At 30 June 2012 (and at 31 December 2011), the Company did not have any commitments involving expenditure on property, plant and equipment.

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 debt arising from transactions with related parties were not recognised.

The following table shows the total amount of transactions with related parties during the six months ended 30 June 2012 and 2011:

Related party		*Sales to related parties*	*Purchase from related parties*	*Receivables from related parties*	*Amounts due to related parties*
The parent:					
Asseco Poland SA	*1st half 2012*	5 391	636	4 212	2
	1st half 2011	8 421	660	5 374	8
Other related parties:					
Other parties	*1st half 2012*	(21)	–	240	–
	1st half 2011	608	3	319	–

(in PLN thousand)

1st half 2012	**5 370**	**636**	**4 452**	**2**
1st half 2011	**9 029**	**663**	**5 693**	**8**

According to information held by Asseco Business Solutions SA, at 30 June 2012 and at 30 June 2011, there were no outstanding balances of receivables arising from transactions with related parties concluded by the Company Executives and with the Company Executives.

According to information held by Asseco Business Solutions SA, at 30 June 2012 and at 30 June 2011, there were no outstanding balances of liabilities arising from transactions with related parties concluded by the Company Executives and with the Company Executives.

According to the register of Asseco Business Solutions SA, during the six months ended 30 June 2012, 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 886 thousand (in the six months ended 30 June 2011: PLN 802 thousand).

22. The parent

Asseco Poland SA is the parent of the Company.

23. The remuneration of Company executives

Remuneration paid or payable to the members of the Management Board and Supervisory Board of the Company:

	6 months ended 30 June 2012 (unaudited)	6 months ended 30 June 2011 (unaudited)
Management Board	2 625	2 713
Supervisory Board114	114	
Total	**2 739**	**2 827**

24. Events after the balance sheet

On 2 July 2012, the Supervisory Board, acting pursuant to Article 369(1) of the Commercial Companies Code and Article 13(10)(8) and Article 14(2) of the Company's Articles of Association, appointed Mr. Jarosław Adamski as member of the Management Board for the current term of office. The appointment of the member of the Management Board was made for a definite period of time, until the registration in the Companies' Register of the resolution of the Extraordinary General Meeting held on 25 July 2012.
On the day of the registration, Member of the Management Board Mr. Jarosław Adamski shall be deemed dismissed from the function of member of the Management Board and his mandate expired.

On 2 July 2012, the Supervisory Board of Asseco Business Solutions SA adopted a resolution on the appointment of Mr. Romuald Rutkowski, member of the Supervisory Board of Asseco

Business Solutions SA, as Chairman of the Supervisory Board of Asseco Business Solutions SA and adopted a resolution on the appointment of Mr. Adam Góral, member of the Supervisory Board of Asseco Business Solutions SA, as Vice-Chairman of the Supervisory Board of Asseco Business Solutions SA.

On 25 July 2012, the Extraordinary General Meeting of Asseco Business Solutions SA amended the Company's Articles of Association in order to clarify and update the existing provisions of the Articles, as well as introducing greater flexibility in determining the number of the members of the Management Board. The Extraordinary General Meeting also changed the amount of remuneration for the Chairperson of the Supervisory Board for the discharge of their duties.

25. Signatures of Members of the Management Board