

**ASSECO SOUTH EASTERN EUROPE S.A.
ANNUAL REPORT
FOR 12 MONTHS ENDED ON
31 DECEMBER 2009**

**LETTER OF THE PRESIDENT
MANAGEMENT REPORT ON OPERATIONS OF
ASSECO SOUTH EASTERN EUROPE S.A.
MANAGEMENT BOARD STATEMENTS**

Letter from the President of the Management Board

Dear Shareholders of Asseco South Eastern Europe S.A.!

The past year was crucial for building Asseco South Eastern Europe S.A. and the Asseco South Eastern Europe Group (ASEE). We successfully consolidated our operations thereby creating a leading IT company in software production in the region while generating robust financial performance. Currently, our company conducts operations in 11 countries in the South Eastern Europe region and it holds a leading position in most of these countries.

Several stages should be distinguished among the elements of crucial importance for this building process in 2009:

The first one entailed accomplishing the exchange of shares held by minority shareholders for shares in the ASEE mother company. In this manner ASEE became a 100% shareholder of its subsidiaries, whereby all minority shareholders now have a single common purpose, namely to maximize the value of the ASEE Group.

The next important stage was the public issue of shares during the difficult recession period, which, despite this fact, ended successfully. This issue was preceded by acquiring EBRD as a shareholder and securing a line of credit from EBRD in the amount of EUR 7 million for a period of 5 years. The Company was floated on the Warsaw Stock Exchange on 29 October 2009.

In 2009 the strategic directions for further development were specified, in the area of integrating the current product offering, developing new products, expanding onto new markets and strengthening our position on the markets where the Company is currently operating. These goals were assigned to individual members of the ASEE Management Board.

Furthermore, at the end of the year we managed to finalize transactions entailing the purchase of 100% of the shares in two companies, earmarking proceeds from the equity issue for that purpose. The first company, Asseco SEE Sh.p.k. (formerly Pronet) operates in Kosovo and Albania in the area of software for banks, infrastructure and ATM and POS solutions as well as in the area of IT integration. The second company, Probass operates in Romania and Moldavia in the area of software for banking.

Operationally we strengthened our position considerably in Bosnia and Herzegovina as well as in Slovenia. Our profit center handling ATM and POS solutions is present in all the countries in the region except for Croatia, Romania and Moldavia. We successfully intensified sales of authentication solutions for banking in the regional markets and in Poland, which gives considerable hope concerning the ability to internationalize these products further. We won several major tenders in banking enabling us to bolster our position in the regional banking sector. We also commenced work on consolidating our product offering in the area of solutions for banking.

Net earnings amounted to PLN 38.28 million thereby topping the results generated in the same period last year by 136.43%. The process of consolidation and acquisition made a major contribution. The ASEE Group is focusing on selling proprietary solutions. In 2009 revenues on the sales of proprietary software stood at PLN 129 million, or in other words they accounted for 29.5% of total revenues (43% growth over 2008). By markets, most of the revenues came from the financial sector (52%), followed by the services and industry sector with 34%, and the public administration sector with 14% of total revenues.

The past year marked a period of hard work by the entire Asseco South Eastern Europe Team and its subsidiaries. On behalf of the Management Board I would like to thank all the employees cordially. I would also like to extend thanks to our customers for the confidence they have placed in us, our partners for their support in building a regional international capital group and bolstering our position in the region and beyond its borders and our shareholders and investors for the belief and support they have provided for our initiatives. The accomplishments of 2009 fill us with optimism for 2010.

Respectfully,

Piotr Jeleński

President of the Management Board of Asseco South Eastern Europe S.A.

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TABLE OF CONTENTS

| | |
|---|-----------|
| LETTER FROM THE PRESIDENT OF THE MANAGEMENT BOARD | 4 |
| 1. OPERATIONS OF THE ISSUER | 7 |
| 2. SHAREHOLDING OF ASSECO SOUTH EASTERN S.A. | 9 |
| 3. AGREEMENTS WITH POTENTIAL EFFECT ON SHAREHOLDING PROPORTION..... | 12 |
| 4. STOCKS HELD BY MANAGING AND SUPERVISING OFFICERS | 12 |
| 5. POLICY ON DIRECTIONS OF DEVELOPMENT | 13 |
| 5.1. Investment activity | 13 |
| 5.2. Holding activity | 13 |
| 6. PRIMARY PRODUCTS, GOODS OR SERVICES | 14 |
| 7. SALES MARKETS | 14 |
| 8. AGREEMENTS IMPORTANT FOR OPERATIONS..... | 14 |
| 9. BASIC ECONOMICAL AND FINANCIAL VALUES..... | 14 |
| 9.1. 2009 FINANCIAL RESULTS OF ASSECO SOUTH EASTERN EUROPE S.A. | 14 |
| 9.2. STRUCTURE OF BALANCE SHEET OF ASSECO SOUTH EASTERN EUROPE S.A. | 15 |
| 9.3. STRUCTURE OF CASH FLOW | 16 |
| 9.4. INDEX ANALYSIS | 16 |
| 9.4.1. PROFITABILITY..... | 16 |
| 9.4.2. LIQUIDITY | 17 |
| 9.4.3. DEBT..... | 17 |
| 10. FACTORS AND UNUSUAL EVENTS IMPACTING RESULTS..... | 17 |
| 11. EXTERNAL AND INTERNAL FACTORS IMPORTANT FOR DEVELOPMENT | 18 |
| 12. DESCRIPTION AND RATING OF IMPORTANT RISK FACTORS AND THREATS..... | 19 |
| 12.1. Important risk factors related to operational environment | 19 |
| 12.2. Important risk factors related to operations of Asseco South Eastern Europe S.A. | 20 |
| 13. ORGANIZATIONAL OR CAPITAL CONNECTIONS OF ISSUER | 21 |
| 14. INFORMATION ABOUT TRANSACTIONS WITH AFFILIATES..... | 23 |
| 15. INFORMATION ABOUT AGREEMENTS RELATED TO LOANS AND LINES OF CREDIT..... | 23 |
| 16. INFORMATION ABOUT LOANS EXTENDED IN THE FINANCIAL YEAR..... | 23 |
| 17. INFORMATION ABOUT SURETIES AND GUARANTEES..... | 24 |
| 18. ALLOCATION OF REVENUES FROM STOCK ISSUE | 24 |
| 19. VARIANCE BETWEEN FINANCIAL RESULTS AND FORECASTS..... | 24 |
| 20. FINANCIAL RESOURCES MANAGEMENT..... | 25 |
| 21. VIABILITY OF INVESTMENT PLANS | 26 |
| 22. CHANGED RULES OF MANAGING THE ENTERPRISE AND CAPITAL GROUP | 26 |
| 23. AGREEMENTS BETWEEN THE ISSUER AND MANAGING OFFICERS | 26 |
| 24. REMUNERATION OF MANAGING AND SUPERVISING OFFICERS | 26 |
| 25. SYSTEMS OF CONTROL OVER EMPLOYEE SCHEMES | 27 |
| 26. AGREEMENTS WITH AUTHORISED AUDITORS OF FINANCIAL STATEMENTS..... | 27 |
| 27. REMUNERATION OF AUTHORISED AUDITORS OF FINANCIAL STATEMENTS PAID OR DUE FOR THE FINANCIAL YEAR | 27 |
| 28. IMPORTANT OFF-BALANCE ITEMS | 27 |
| 29. COURT PROCEEDINGS | 27 |

1. Operations of the issuer

Asseco South Eastern Europe S.A. (“Company”) carries out a holding activity comprising mainly in investments in new IT sector companies from South Eastern Europe and management of companies in the portfolio of Asseco South Eastern Europe Group in the region of the Balkans. On 28 October 2009 Asseco South Eastern Europe S.A. debuted on the Warsaw Stock Exchange (Giełda Papierów Wartościowych S.A.).

Asseco South Eastern Europe S.A. is the leading company of the international Capital Group Asseco South Eastern Europe established and active in the region of South Eastern Europe. The Group companies specialise in complex IT projects, including software development and integration projects mainly for the banking sector and the public administration.

Asseco South Eastern Europe S.A. belongs to Asseco Poland S.A. Capital Group which in *Truffle 100*, a ranking published by CXP on 3 December 2009, was Europe’s fifth largest IT company in terms of revenues from software development.

Asseco South Eastern Europe S.A. holds interests in the following subsidiaries: ASSECO SOUTH EASTERN EUROPE S.A.

| Units | Office | Primary object of business | Share in capital [%] | |
|--|---------|---|----------------------|--------------|
| | | | 31 Dec. 2009 | 31 Dec. 2008 |
| Asseco SEE d.o.o., Beograd (former Pexim d.o.o.) ¹⁾ | Serbia | Development of financial applications and supply of complex IT systems for financial institutions. | 100% | 60% |
| Arbor Informatika d.o.o. | Croatia | IT services for telecom, public administration and banking sectors | 100% | 70% |
| Asseco SEE d.o.o. (former Logos d.o.o.) ²⁾ | Croatia | IT services for banking and financial, insurance and large enterprises sectors | 100% | 60% |
| Pexim Cardinfo d.o.o. | Serbia | IT solutions for banking sector | 100% | 60% |
| Antegra d.o.o. | Serbia | IT solutions for banking sector | 100% | 60% |
| Asseco SEE Srl (former Net Consulting Srl, after merger with Fiba Software Srl) ³⁾ | Romania | Integration and IT solutions for financial, industrial and public sectors | 100% | 70% |
| Asseco SEE Sh.p.k. (former Pronet Sh.p.k) ⁴⁾ | Kosovo | System integration, development and implementation of proprietary software for banking and public sectors | 100% | n/d |
| Probass S.A. | Romania | IT solutions for banking sector and financial institutions | 100% | n/d |

2. Shareholding of Asseco South Eastern S.A.

In the best knowledge of the Management Board of Asseco South Eastern Europe S.A, as at 16 March 2010, current shareholding of Stockholders who either directly or via subsidiaries hold at least 5% of all General Meeting votes was as follows:

| Stockholder | Stocks and General Meeting votes held | % of share capital and all General Meeting votes |
|------------------------------------|---------------------------------------|--|
| Asseco Poland S.A. | 26,494,676 | 53.46% |
| Europejski Bank Odbudowy i Rozwoju | 4,810,880 | 9.71% |
| Liatris d o.o. | 3,842,683 | 7.75% |
| Other | 14,413,480 | 29.08% |
| Total | 49,561,719 | 100% |

In the best knowledge of the Management Board of Asseco South Eastern Europe S.A, as at 31 December 2009, current shareholding of Stockholders who either directly or via subsidiaries hold at least 5% of all General Meeting votes was as follows:

| Stockholder | Stocks and General Meeting votes held | % of share capital and all General Meeting votes |
|------------------------------------|---------------------------------------|--|
| Asseco Poland S.A. | 26,494,676 | 55.15% |
| Europejski Bank Odbudowy i Rozwoju | 4,810,880 | 10.01% |
| Liatris d o.o. | 3,842,683 | 8.00% |
| Other | 12,889,211 | 26.84% |
| Total | 48,037,450 | 100.00% |

As at 31 December 2009, the share capital of Asseco South Eastern Europe S.A. was PLN 480,374,500.00 and was divided into 48,037,450 ordinary stocks of PLN 10.00 par value or in aggregate 48,037,450 votes at the General Meeting of Stockholders of Asseco South Eastern Europe S.A.

During 12 months ended on 31 December 2009, Asseco Poland S.A. decreased own participation in the share capital and all votes at the General Meeting of Asseco South Eastern Europe S.A. from 99.97% down to 55.15%.

During 12 months ended on 31 December 2009, certain changes occurred in the Company's shareholding:

- *Increase of capital within the authorised capital*

On 28 January 2009, the District Court acknowledged registration of the amended Articles of Association of Asseco South Eastern Europe S.A. featuring new regulations providing for an authorization for the Management Board of Asseco South Eastern Europe S.A. to increase the share capital up to the authorized capital via one-time or multiple increase of the share capital by PLN 193,275,000 up to an aggregate of PLN 450,975,000. The authorization of the Management Board remains valid until 1 January 2012.

- *Agreements to convert stocks of Controlling Company of Asseco South Eastern Europe S.A.*

Until 12 May 2009, Asseco South Eastern Europe S.A. signed a complete set of agreements with the minority stockholders of the seven subsidiaries of the Asseco South Eastern Europe Capital Group. The agreements stipulated a swap conversion of shares held by the minority stockholders of the respective subsidiaries into stocks of Asseco South Eastern Europe S.A. In effect of the above transactions, Asseco South Eastern Europe S.A. became a holder of 100% stocks in all seven subsidiaries.

The minority stakes were purchased for the following prices:

| | | |
|----------------------------|-----|----------------|
| ▪ Pexim d o.o. | 40% | 46,093,000 PLN |
| ▪ Fiba Software Srl | 30% | 10,664,000 PLN |
| ▪ Net Consulting Srl | 30% | 17,213,000 PLN |
| ▪ Arbor Informatika d o.o. | 30% | 14,816,000 PLN |
| ▪ Logos d o.o. | 40% | 17,779,000 PLN |
| ▪ Pexim Cardinfo d o.o. | 40% | 27,195,000 PLN |
| ▪ Antegra d o.o. | 30% | 9,604,000 PLN |

Asseco South Eastern Europe S.A. was registered in local jurisdictions as the holder of the new stakes on 6-27 May 2009. The increase of the capital by the swap of PLN 142,777,000 was registered by the District Court in Rzeszów on 16 July 2009.

- *Increase of capital via public offer*

On 18 February 2009, the Company's Management Board adopted a resolution to increase the share capital within the authorised capital by issuing 10,000,000 ordinary bearer Series L stocks of PLN 10.00 par value intended for private subscriptions within a public offer. According to the resolution, the Series L Stocks public offer was intended mainly for qualified investors, within the meaning of the Act of 29 July 2005 on public offer and conditions for introducing financial instruments to the organised trading system, and on public companies (official journal: Dz.U. No. 184, item 1539, as amended). In June 2009, after book building the Company's Management Board composed the list of qualified investors who were offered the Series L Stocks. The public offer covered 2,100,000

stocks of total value PLN 29,400,000 at issue. The Series L Stock were registered by the District Court in Rzeszów on 24 July 2009.

▪ *Increase of capital via a private subscription by Europejski Bank Odbudowy i Rozwoju*

On 17 August 2009, Asseco South Eastern Europe S.A. signed a subscription agreement for Series M stocks with Europejski Bank Odbudowy i Rozwoju (EBOiR). According to the agreement, on 16 September 2009, EBOiR took up 4,810,880 new stocks of total value EUR 15,000,000 at issue. The capital was increased within the authorised capital according to the General Meeting resolutions of 28 August 2009 and 9 January 2009. In effect of the transaction, the share capital of Asseco South Eastern Europe S.A. increased from PLN 421,477,000 up to PLN 469,585,000. The Series M stocks were registered by the District Court in Rzeszów on 19 October 2009.

▪ *Increase of capital via Series N stocks*

According to a decision of the Management Board of Asseco South Eastern S.A. dated 28 October 2009, the share capital of the Company was increased by PLN 10,789,000 by issue of Series N stocks of PLN 10.00 par value. Series N stocks were covered with in kind contribution in form of shares representing 40% of the share capital of Asseco SEE Sh.p.k. (former Pronet IT Konsalting Inxhiniering Telekomunikime Sh.p.k - Pronet Sh.p.k) with the registered office in Kosovo. On 1 December 2009, the District Court in Rzeszów registered the increase of capital made with new Series N stocks.

From the balance sheet date until approval of this report, the following changes occurred in the Company's shareholding:

• *Increase of capital via Series P stocks*

According to a decision of the Management Board of Asseco South Eastern Europe S.A., the share capital of the Company was increased by PLN 15,243,000 by issue of 1,524,269.00 ordinary bearer Series P stocks of PLN 10.00 par value. Series P stocks were covered with in kind contribution in form of shares representing 40% of the share capital of Professional Bank Systems & Software Probass S.A. with the registered office in Bucharest. On 22 January 2010, the District Court in Rzeszów registered the increase of capital made with new Series P stocks.

3. Agreements with potential effect on shareholding proportion

Information about agreements known to the issuer (including agreements concluded after the balance sheet date) which may impact the shareholding proportions of the current stockholders and creditors.

In the best knowledge of the Management Board of Asseco South Eastern Europe S.A., there are no agreements which could result in the future in change of the shareholding proportions of the current stockholders. However, on 1 January 2010, a lock-up will be lifted allowing sale of a portion of stocks held by stockholders who took the stocks up in effect of the swap described in item 2 above. Details of the lock-up are provided in item 7 *Declarations related to applied rules of corporate governance*.

4. Stocks held by managing and supervising officers

Specification of the total number and par value of all stocks (shares) of the issuer and stocks (shares) of the issuer's affiliates which are held by managing and supervising officers of the issuer (for every person separately).

Shareholding changes for managing and supervising officers and their stocks of Asseco South Eastern Europe S.A.

| | Stocks quantity as at: | | | |
|-------------------------------------|------------------------|--------------|--------------|--------------|
| | 16 Mar. 2010 | 31 Dec. 2009 | 13 Nov. 2009 | 31 Dec. 2008 |
| Management Board | | | | |
| Piotr Jeleński | 550 | 550 | 550 | 550 |
| Rafał Kozłowski | 150 | 150 | 150 | 150 |
| Miljan Mališ * | - | - | - | n/d |
| Dražen Pehar ⁽¹⁾ | 779,068 | 779,068 | 779,068 | n/d |
| Calin Barseti ⁽¹⁾ | - | - | - | n/d |
| Miodrag Mirčetić ^{(1)****} | - | - | - | n/d |
| Supervisory Board | | | | |
| Adam Góral ** | - | - | - | - |
| Jacek Duch ⁽²⁾ | n/d | - | - | - |
| Nicholas Jeffery ⁽³⁾ | - | - | - | n/d |
| Mihail Petreski ^{(4)***} | - | - | - | n/d |
| Przemysław Sęczkowski | 2,500 | 2,500 | 2,500 | 2,500 |
| Gabriela Żukowicz | 150 | 150 | 150 | 150 |
| Andrzej Gerlach ⁽⁵⁾ | n/d | n/d | n/d | 300 |

¹⁾ Appointed to Management Board on 27 August 2009

²⁾ Requested dismissal from Supervisory Board effective on 18 January 2010

³⁾ Appointed to Supervisory Board effective on 17 August 2009

⁴⁾ Appointed to Supervisory Board on 22 May 2009

⁵⁾ Requested dismissal from Supervisory Board effective on 22 May 2009

^{*} Miljan Mališ, member of Management Board of Asseco South Eastern Europe S.A., shareholder of Mini Invest d o. o. which is a stockholder of Asseco South Eastern Europe S.A., as at 31 December 2009 Mini Invest d o.o. held 839,597 stocks of Asseco South Eastern Europe S.A.

^{**} Adam Góral, member of Supervisory Board of Asseco South Eastern Europe S.A., shareholder of Asseco Poland S.A. which is a stockholder of Asseco South Eastern Europe S.A., as at 31 December 2009 Asseco Poland S.A. held 26,494,676 stocks of Asseco South Eastern Europe S.A.

^{***} Mihail Petreski, member of Supervisory Board of Asseco South Eastern Europe S.A., shareholder of Liatrix d o. o. which is a stockholder of Asseco South Eastern Europe S.A., as at 31 December 2009 Liatrix d o. o held 3,842,683 stocks of Asseco South Eastern Europe S.A.

^{****} Miodrag Mirčetić, member of Management Board of Asseco South Eastern Europe S.A., shareholder of 14-INVENTION d.o.o. which is a stockholder of Asseco South Eastern Europe S.A., as at 31 December 2009 14-INVENTION d.o.o. held 1,776,971 stocks of Asseco South Eastern Europe S.A.

5. Policy on directions of development

Whereas Asseco South Eastern Europe S.A. carries out a holding activity, the directions of development should be judged in view of the development and activity of entire Asseco South Eastern Europe Capital Group.

5.1. Investment activity

Asseco South Eastern Europe S.A. is very active in the area of mergers and acquisitions. In 2009 only, the Group acquired two foreign companies where Asseco South Eastern Europe S.A. purchased 100% of shares: Asseco SEE Sh.p.k. (former Pronet Sh.p.k.) with the registered office in Kosovo and Probass S.A. with the registered office in Romania. Both companies focus their respective operations mainly on the banking and public administration sectors. Asseco South Eastern Europe S.A. is carrying advanced stage negotiations with several companies in the region and beyond it in the developing countries. It may result in further acquisitions still in 2010.

Asseco South Eastern Europe S.A. is considering an entry to the Turkish market. Negotiations are in progress, however their results are still difficult to predict at this stage.

5.2. Holding activity

Currently, Asseco South Eastern Europe S.A. is carrying out an intensive and highly advanced process of organizing and consolidating the Group structure. Changes are aimed at developing a strong, structured and internally cohesive Group which will be able to strengthen its position in South Eastern Europe.

At the first stage of the process, minority stakes of the subsidiaries were taken up from the minority shareholders. In effect, Asseco South Eastern Europe S.A. took up 100% of shares in Arbor Informatika d.o.o., Logos d.o.o. (currently Asseco SEE d.o.o.), Pexim d.o.o. (currently Asseco SEE d.o.o., Beograd), Antegra d.o.o. i Pexim Cardinfo d.o.o., and Fiba Software Srl i Net Consulting Srl (currently Asseco SEE Srl)¹. The minority shareholders of the subsidiaries became the stockholders of Asseco South Eastern Europe S.A.

The next step involved a process of merging companies within the particular countries.

Mergers in Romania

On 15 October 2009, a name change was registered for subsidiary Net Consulting Srl into Asseco South Eastern Europe Srl. Then, on 29 December 2009 the name was changed again to Asseco SEE Srl.

At at 31 December 2009, two subsidiaries merged: Asseco SEE Srl (acquirer, former Net Consulting Srl) and Fiba Software Srl (acquiree). The merger was registered on 5 January 2010.

Mergers in Serbia

¹ Due to special regulations of the Romanian laws one share of Asseco SEE Srl is held by Asseco Poland S.A.

On 23 November 2009, a name change was registered for subsidiary Pexim d.o.o. into Asseco SEE d.o.o. Beograd. On 4 January 2010, the merger of the following companies was registered: Asseco SEE d.o.o. Beograd (acquirer) and Pexim Cardinfo d.o.o. (acquiree) and Antegra d.o.o. (acquiree).

On 30 September 2009, accounts were settled for the merger of Asseco SEE d.o.o., Beograd and Pexim Content Management Solutions d.o.o.

Mergers in Croatia

On 4 November 2010, a name change was registered for subsidiary Logos d.o.o into Asseco SEE d.o.o. On 4 January 2010, the merger of the following companies was registered: Asseco SEE d.o.o. (acquirer) and Arbor d.o.o. (acquiree).

6. Primary products, goods or services

Information about primary products, goods or services, including their values and quantities and respective share of such products, goods and services (if important) or their groups in total sales, and any related changes occurred in the financial year.

Whereas Asseco South Eastern Europe S.A. carries out a holding activity, this item does not apply.

7. Sales markets

Information about markets, including in division to domestic and foreign markets, and information about supply with materials for production, with goods and services, including a description of dependencies with one or more recipients and suppliers, or if a share of one recipient or supplier amounts to at least 10% of total revenues from sales, then information about the name of such supplier or recipient, its share in sales or supply and its formal dependency with the issuer.

Whereas Asseco South Eastern Europe S.A. carries out a holding activity, this item does not apply.

8. Agreements important for operations

Information about concluded agreements important for the issuer's activity, including known agreements between stockholders (shareholders), and agreements of insurance, cooperation or collaboration.

The Issuer's activity was impacted by the subscription agreements for shares of the minority stockholders of subsidiaries set out in item 2 above and the credit facility made with Europejski Bank Odbudowy i Rozwoju set out in item 15 below.

9. Basic economical and financial values

Specification of basic economical and financial values disclosed in the annual financial statements, including a description of factors and events, such as unusual events, with major impact on the issuer's activity, and profit or loss achieved in the financial year, and prospects of development of the issuer's activity at least for the coming financial year.

9.1. 2009 FINANCIAL RESULTS OF ASSECO SOUTH EASTERN EUROPE S.A.

| | 12 months until 31 Dec. 2009 | 12 months until 31 Dec. 2008 |
|-------------------------------|---------------------------------|---------------------------------|
| | thousand PLN | thousand PLN |
| Revenues from dividend | 20,177 | 263 |

| | | |
|----------------------------------|---------------|----------------|
| Overheads | (1,698) | (574) |
| Financial revenues | 346 | (311) |
| Financial costs | (1,116) | 299 |
| Profit/loss on operations | 17,448 | (9,013) |
| Net profit/loss | 16,609 | (9,001) |

Asseco South Eastern Europe S.A. carries out a holding activity and it predetermines the structure of the profit and loss account. Primary revenues of Asseco South Eastern Europe S.A. are from dividend received in 2009 of PLN 20,177,000. Compared to 2008, the last year was a time of investments in the development of the Group via acquisitions. The structure of the profit and loss account is predominated by financial costs in form of accrued interests on issued bonds and costs of issue of the capital which in 2008 were included in the profit and loss account.

9.2. STRUCTURE OF BALANCE SHEET OF ASSECO SOUTH EASTERN EUROPE S.A.

Structure of Assets

| | 31 Dec. 2009 | 31 Dec. 2008 | 31 Dec. 2009 | 31 Dec. 2008 |
|-------------------------------------|---------------------|---------------------|--------------|--------------|
| | <i>thousand PLN</i> | <i>thousand PLN</i> | % | % |
| Fixed assets | 490,601 | 243,733 | 90% | 97% |
| Investments in subsidiaries | 490,281 | 243,733 | 90% | 97% |
| Other | 320 | - | 0% | 0% |
| Current assets | 55,267 | 8,442 | 10% | 3% |
| Inventory | 700 | - | 0% | 0% |
| Accounts receivable and prepayments | 6,553 | 5,551 | 1% | 2% |
| Cash and deposits | 48,014 | 2,891 | 9% | 1% |
| TOTAL ASSETS | 545,868 | 252,175 | 100% | 100% |

The structure of assets of Asseco South Eastern Europe S.A. is predominated by investments in subsidiaries. The increase of PLN 246,548,000 between 31 December 2008 and 31 December 2009 results from the swap of shares of the minority stockholders set out in item 2 above and the acquisition of Asseco SEE Sh.p.k. (former Pronet Sh.p.k.) and Probass S.A. The decrease of the share in assets from 97% at the end of 2008 down to 90% at the end of 2009 results from the increase of the share of cash obtained from revenues from issue of stocks for EBOiR, from stock exchange investors and from dividends from subsidiaries.

Structure of Liabilities

| | 31 Dec. 2009 | 31 Dec. 2008 | 31 Dec. 2009 | 31 Dec. 2008 |
|-------------------------------|---------------------|---------------------|--------------|--------------|
| | <i>thousand PLN</i> | <i>thousand PLN</i> | % | % |
| Equity | 538,874 | 247,972 | 99% | 98% |
| Long-term liabilities | 24 | 1 | 0% | 0% |
| Short-term liabilities | 6,970 | 4,202 | 1% | 2% |

| | | | | |
|---|----------------|----------------|-------------|-------------|
| Liabilities for deliveries and services | 1,968 | 959 | 0% | 0% |
| Financial liabilities | 2,761 | 2,921 | 1% | 1% |
| Other | 2,241 | 322 | 1% | 0% |
| TOTAL LIABILITIES | 545,868 | 252,175 | 100% | 100% |

In effect of the adopted financing strategy, the structure of liabilities of Asseco South Eastern Europe S.A. is predominated with equity. The structure of liabilities did not change significantly between 31 December 2008 and 31 December 2009.

9.3. STRUCTURE OF CASH FLOW

| | 12 months until 31 Dec. 2009 | 12 months until 31 Dec. 2008 |
|--|---------------------------------|---------------------------------|
| | <i>thousand PLN</i> | <i>thousand PLN</i> |
| Net cash from operations | (2,766) | (7,902) |
| Net cash used for investments | (39,918) | (89,177) |
| Net cash used in financial activity | 87,807 | 97,079 |
| Total cash increase (decrease) | 45,123 | - |

The structure of cash flow reflects the holding activity carried out by the Company. Negative cash flow from the investment activity results from the executed acquisitions. The decrease in cash flow from the investment activity in 2009 compared to 2008 results from the intensified acquisition processes in 2008. Positive cash flow from the financial activity in 2009 results from IPO issue of stocks and issue subscribed to by EBOiR. Revenues from the financial activity in 2008 were obtained mainly from issue of debt securities.

9.4. INDEX ANALYSIS

9.4.1. PROFITABILITY

| | 12 months until 31 Dec. 2009 | 12 months until 31 Dec. 2008 |
|-------------------------------|---------------------------------|---------------------------------|
| | % | % |
| Return on Equity (ROE) | 4.00% | -7.27% |
| Return on Assets (ROA) | 4.16% | -3.56% |

The indexes were computed as follows:
Return on Equity (ROE) = net profit / year-average equity
Return on Assets (ROA) = net profit / year-average assets

As revenues were obtained from dividend, the profitability improved largely compared to 2008 when the acquisitions were intensified.

9.4.2. LIQUIDITY

| | 31 Dec. 2009 | 31 Dec. 2008 |
|------------------------|--------------|--------------|
| | % | % |
| Working capital | 48,297 | 4,240 |
| Current ratio | 7.93 | 2.01 |
| Quick ratio | 7.76 | 1.87 |
| Immediate ratio | 6.89 | 0.69 |

The indexes were computed as follows:

Working capital = current assets (short-term) - short-term liabilities

Current ratio = current assets (short-term) / short-term liabilities

Quick ratio = (current assets – inventory – prepayments) / short-term liabilities

Immediate ratio = (bonds and securities until maturity + cash and short-term deposits) / short-term liabilities

As revenues were obtained from dividend and stocks issued in 2009, liquidity ratios increased significantly. The Company has cash for further acquisitions.

9.4.3. DEBT

| | 31 Dec. 2009 | 31 Dec. 2008 |
|-------------------------------|--------------|--------------|
| | % | % |
| Debt ratio | 1% | 2% |
| Debt / Equity | 0% | 0% |
| Debt / (Debt + Equity) | 0% | 0% |

The indexes were computed as follows:

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

Debt / Equity = interest-secured bank loans, debt securities / equity

Debt / (Debt + Equity) = interest-secured bank loans, debt securities / (interest-secured bank loans, debt securities + equity)

As at 31 December 2009 and 31 December 2008, the Company had no debt on account of any foreign financing obtained.

10. Factors and unusual events impacting results

Assessment of factors and unusual events impacting the operational results for the financial year, including determination of the level of impact on the obtained results.

According to the Management Board, the following had or may have significant impact on the operations and financial results of the Company in the nearest future:

- subscription by the minority stockholders of the increased capital in Asseco South Eastern Europe S.A. and contribution to the increased capital of the stocks of the portfolio companies - it allowed Group consolidation on the capital and management level;
- successful stock exchange debut – new funds for further acquisitions obtained;
- subscription of the increased capital by Europejski Bank Rozwoju i Odbudowy for cash – more cash available for further acquisitions and expansion of the Capital Group; and
- conclusion of the agreements set out in item 8 above.

11. External and internal factors important for development

Description of external and internal factors important for the development of the issuer's enterprise and a description of prospects of the development of the issuer's activity at least until the end of the financial year following the financial year of the annual financial statements, including elements of the developed market strategy.

Whereas Asseco South Eastern Europe S.A. carries out a holding activity, the directions of the development should be judged in view of the development and activity of entire Asseco South Eastern Europe Group.

External factors important for the Company's development

- Economic growth in South Eastern Europe, mainly in view of the recession and processes to combat the crisis;
- Situation on the IT market in South Eastern Europe which continues to be underinvested compared to the western states of Europe;
- Consolidation and development of the banking sector in South Eastern Europe;
- Access to EU structural funds in Romania and Bulgaria and pre-accession funds in Croatia, Macedonia and Kosovo;
- Computerisation processes in the public administration aimed at adapting the quality and functionality of service to EU requirements.

Internal factors important for the Company's development

- Quality and versatility of Group's offering;
- Ordered and transparent structure;
- Stable and experienced managerial staff;
- Extensive experience with complex IT projects involving a range of services over a broad geography.

12. Description and rating of important risk factors and threats

Description of important risk factors, including their risk rating for the issuer.

12.1. Important risk factors related to operational environment

Risk related to macroeconomics in South Eastern Europe

The Company invests in South Eastern Europe. Its strategy is to further the expansion in the region and beyond it to other developing countries. As a result of the prospect development, the operations of Asseco South Eastern Europe S.A. may be affected by factors related to the economic and political stability in a given region. Within the expansion the Company must face new competitors, markets and regulatory environments. The development of the IT sector is closely connected with the overall economic situation in the states of South Eastern Europe. Financial results are impacted mainly by the GDP rate, investments in the enterprise sector and the rate of inflation.

Risk related to poor political stability in South Eastern Europe

Potential changes of governments in the states of South Eastern Europe may result in periodic political instability, also accompanied by a decrease of public spending. EU restrictions on budget spending in Romania and Bulgaria may force governments to move resources to projects already in progress rather than allocate other sectors, such as IT.

Risk related to competition in South Eastern Europe

The IT infrastructure and the market for IT services are becoming increasingly competitive in South Eastern Europe. Considering the extensive range of services and products offered by the Group, it competes with large consulting companies, large international technology corporations, IT outsourcing companies and software developers, including internal IT departments of large companies active in the region. The IT sector is experiencing rapid changes related to new investments by large technology corporations and acquisitions of local companies by international players. In addition, the major players of the global market, previously dealing only with the large enterprises sector, are introducing solutions and implementation methodology dedicated to medium-sized enterprises, as well.

Risk related to potential legal disputes on copyrights

The developing activity of Asseco South Eastern Europe Group on the IT product market largely depends on the intellectual property rights, in particular software copyrights. There is a risk in

certain countries where the subsidiaries are active that the proprietary rights to software code developed within the subsidiaries cannot be transferred onto the Group due to differences in local intellectual property regulations.

Risk related to foreign currency rates

The Company is active in various states of South Eastern Europe. Agreements made by the Group companies are denominated in various currencies, including currencies other than the markets where ASEE Group operates, such as euro, Romanian lei, Croatian kuna and Serbian dinar. Periodic fluctuations and long-term tendencies on the forex market may impact the financial results of the Company and the Group.

12.2. Important risk factors related to operations of Asseco South Eastern Europe S.A.

Risk related to changing revenue and spending

Regardless of the fact that revenues of the Group companies increased in the recent years, in the future revenues are subject to major changes over time. Potentially, prospect operational results may be lower than the market expectations due to negative impact of certain factors. Technological change may cause the current technology and Group products to become outdated or require major new investments. Such processes may impact negatively the return on investment and the value of dividend paid in the future.

Risk related to Group integration

The Group is subject to risks related to effectiveness of the integration between Asseco South Eastern Europe and its subsidiaries, considering in particular the fact that the companies operate on various markets in various countries. The strategy assumes integration of the subsidiaries with Asseco South Eastern Europe and further acquisitions of other entities in South Eastern Europe. However, the risk of integration delays, partial integration or no integration at all must not be excluded either. In addition, even with effective integration of the subsidiaries and any other acquired entities with the Group, still integration may be impossible with respect to the varied product and service base offered by the respective companies, or the corporate structures and relations may be difficult to adapt and successfully develop.

Risk related to dividend

Potential investors should remember that the payment of dividend depends on a range of factors, such as operational results of the Group, its financial standing and the current vs planned demand for funds. The Management Board intends to dedicate a share of profits to dividend in the future, however the Company cannot warrant successful completion of such plans nor any value of such future dividend. In addition, according to Stockholder Agreement of 28 August 2008 among Asseco South Eastern Europe S.A., Asseco Poland S.A. and the minority shareholders of the subsidiaries, Asseco South Eastern Europe S.A. undertook to release at least 30% of the net profit via dividend.

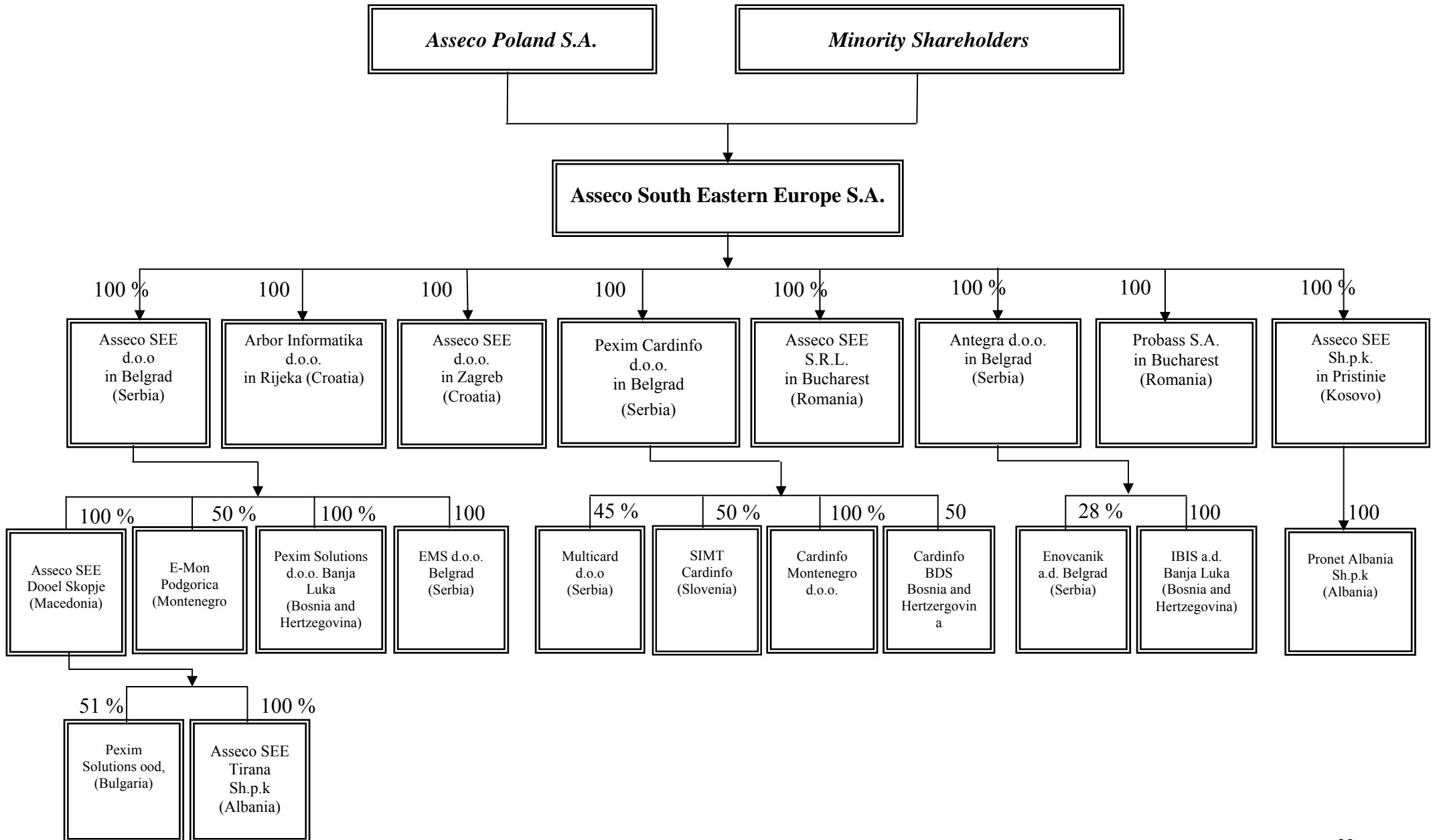
Risk related to influence of majority stockholder on Company

As at the publication of this document, Asseco Poland S.A., the majority stockholder, holds 53.46% of the Company's stocks. Asseco Poland S.A. is expected to retain its majority stake and continue to yield important influence on the Company's operations. The extent of rights in stocks held by Asseco Poland S.A. in the Company's share capital is significant and it must be accounted for that Asseco Poland has a dominant influence on the Company's strategic decisions.

13. Organizational or capital connections of issuer

Information about organisational or capital connections of the issuer with other entities and its major domestic and foreign investments (securities, financial instruments, intangible assets and real estate), including capital investments beyond the group of affiliated entities, including a description of their financing.

Asseco South Eastern Europe S.A. is the controlling company of Asseco South Eastern Europe Group and a controlled company subsidiary to the higher-rank parent which is Asseco Poland S.A. Its place in the structure and capital/organisational connections are presented in the below table:



14. Information about transactions with affiliates

Information about important transactions between the issuer or its subsidiary with its affiliates other than on arm's length basis, including the transaction value and specification of the nature of such transactions – the obligation can be satisfied by reference to specific items in the financial statements.

During 12 months ended on 31 December 2009, no transactions occurred between Asseco South Eastern Europe S.A. or its subsidiary and its affiliates other than on arm's length basis.

Information about transactions with affiliates made at any time during 12 months ended on 31 December 2009 are presented in the item 4 of Additional Information and Explanations supplementing the annual financial statements of Asseco South Eastern Europe S.A.

15. Information about agreements related to loans and lines of credit

Information on agreements drawn and terminated in the financial year for loans and lines of credit, including a specification of at least their sums, interest rate types and values, currencies and maturity dates.

On 30 December 2009, Asseco South Eastern Europe S.A. signed an agreement with Europejski Bank Odbudowy i Rozwoju (EBOiR) for an investment facility up to EUR 7.0 million. The interest rate is 3M EURIBOR + mark-up. According to the agreement, the maturity date is 31 January 2016. As at 31 December 2009, the Company did not show any liabilities on account of that facility.

16. Information about loans extended in the financial year

Information about loans extended in the financial year, in particular loans extended to affiliates of the issuer, including a specification of at least their sums, interest rate types and value, currencies and maturity dates.

In 2009, Asseco South Eastern Europe S.A. did not extend any loans, in particular not to any affiliates.

17. Information about sureties and guarantees

Information about sureties and guarantees granted and received in the financial year, in particular sureties and guarantees granted to affiliates of the issuer.

During 12 months ended on 31 December 2009, Asseco South Eastern Europe S.A. did not grant or received any sureties or guarantees.

18. Allocation of revenues from stock issue

If securities were issued during the reported period – a description of allocation by the issuer of revenues from issue until the date of the management report.

During 12 months ended on 31 December 2009, Asseco South Eastern Europe S.A. issued 9,514,058 Series L-P stocks of PLN 10.00 par value.

In connection with ASEE's debut on the Warsaw Stock Exchange (GPW), on 28 October 2009 the Company issued a total of 2,100,000 Series L stocks of PLN 14.00 par at issue. The total net revenue from issue amounted to PLN 29,400,000. In connection with the investment by Europejski Bank Odbudowy i Rozwoju, 4,810,880 Series M stocks were issued of PLN 12.89 par at issue. Revenue from Series L and M stocks was allocated to finance acquisitions of Asseco SEE Sh.p.k. (former Pronet Sh.p.k.) with the registered office in Kosovo and Probass S.A. with the registered office in Romania. Those transactions were partially financed with bearer Series N and P stocks issued at the acquisition of, respectively, Asseco SEE Sh.p.k. (former Pronet Sh.p.k.) and Probass S.A. Series N and P stocks were covered with in kind contribution of 40% of shares in those companies.

Remaining funds were devoted for prospect acquisitions in the region of South Eastern Europe.

19. Variance between financial results and forecasts

Explanation of variance between the revealed financial results of the annual statements and the earlier forecasts published for the financial year.

Asseco South Eastern Europe S.A. did not publish any forecasts of financial results for the financial year.

20. Financial resources management

Evaluation, including a substantiation, of the management of financial resources, in particular the ability to perform obligations, and a specification of potential threats and actions taken or planned by the issuer to counteract such threats.

During 12 months ended on 31 December 2009, Asseco South Eastern Europe S.A. generated a cash surplus mainly from the first public offer of stocks and issue dedicated to Europejski Bank Odbudowy i Rozwoju.

During 12 months ended on 31 December 2009, the Company experienced no problems with timely repayment of own liabilities, neither the financial liabilities owed to suppliers nor statutory charges to the state nor any investment-related liabilities.

21. Viability of investment plans

Viability of the investment plans, including capital investments, compared to the current resources, in particular in view of the changed structure of financing such operations.

As said above, Asseco South Eastern Europe S.A. has available cash of PLN 48 million obtained from stocks issued for qualified investors and an open unused line of credit of EUR 7,000,000 at Europejski Bank Odbudowy i Rozwoju both dedicated to the planned acquisitions in the region of South Eastern Europe. The acquisitions will be financed partially with cash of the Company and partially with new stocks of Asseco South Eastern Europe S.A. to be issued within the authorised capital.

22. Changed rules of managing the enterprise and Capital Group

Changes to the fundamental rules of managing the enterprise and its Capital Group.

In 2009, the key change in the rules of managing the Group was the implementation of the new division of the market served by the Group. The market was partitioned into four business-oriented divisions. In effect of that decision, in 2009 the Management Board was expanded with three new members. Since then the Company has been managed on a matrix basis. Each of the four business divisions is subject to one member of the Management Board and every country has own local management board with its president accountable for the domestic-level results. Those rules of management will be continues throughout 2010.

23. Agreements between the issuer and managing officers

All agreements made between the issuer and managing officers providing for a compensation in case of their resignation or dismissal from a given function without valid reasons, or if such resignation or dismissal is caused by issuer's merger via an acquisition.

No agreements as above were signed.

24. Remuneration of managing and supervising officers

The value of remuneration, rewards or benefits, including under incentive or bonus schemes using the issuer's capital, such as schemes based on bonds with priority rights, convertible bonds, subscription warrants (in cash, in kind or otherwise), paid, due or potentially due - separately for each managing or controlling officer in the issuer's enterprise, regardless if accounted properly as costs or resulting from profit sharing; if the issuer is the controlling entity, a member of a subsidiary or a major investor – separate information about the value of remuneration and rewards

received for performed functions in the subsidiary's authorities; if relevant information is presented in the financial statements – the obligation can be satisfied by reference to a relevant item in the financial statements.

Information about remuneration of managing and supervising officers is revealed in item 4.2 of Additional Information and Explanations supplementing the 2009 annual financial statements of Asseco South Eastern Europe S.A.

25. Systems of control over employee schemes

Information about systems of control over employee schemes.

There are no employee schemes in place at the Company.

26. Agreements with authorised auditors of financial statements

Information about the date of conclusion by the issuer of an agreement with an entity authorised to audit financial statements, to audit or verify the financial statements or the consolidated financial statements, and the term of such agreement.

An agreement was made on 4 March 2009 with an entity authorised to audit financial statements - Ernst & Young Audit Sp. z o.o., to audit the individual and consolidated financial statements of Asseco South Eastern Europe S.A. for 12 months ended on 31 December 2008 and 31 December 2009.

27. Remuneration of authorised auditors of financial statements paid or due for the financial year

Information about remuneration of the authorised auditor of financial statements is presented in item 5 of Additional Information and Explanations supplementing 2009 annual financial statements of Asseco South Eastern Europe S.A.

28. Important off-balance items

Information about important off-balance items from organisational, itemised and value-based perspective.

As at 31 December 2009 and the date of publication of this document, no important off-balance items occurred.

29. Court proceedings

Information about proceedings at courts, arbitration authorities or public administration, including:

- a) *proceedings related to liabilities or receivables of the issuer or its subsidiary amounting to at least 10% of the issuer's equity, including a specification of the subject of proceeding, value of dispute, date when started, parties to proceeding and the standpoint of the issuer;*

- b) two or more proceedings related to liabilities and receivables both amounting to a least 10% of the issuer's equity, including a specification of the total value of both the group of liabilities and the group of receivables subject to proceedings, and the related standpoint of the issuer; and in respect of largest proceedings in the group of liabilities and the group of receivables – a specification of the subject of such proceedings, value of disputes, date when started and parties to the proceedings.*

As at the publication of this document, no proceedings were carried out at any courts, arbitration authorities or public administration that would be related to any liabilities or receivables of the issuer or its subsidiary of a total aggregate or individual value 10% or more of the issuer's equity.

Signatures of all Members of the Management Board of Asseco South Eastern Europe S.A. under the Management Report on Operations of Asseco South Eastern Europe for 12 months ended on 31 December 2009

MANAGEMENT BOARD OF ASSECO SOUTH EASTERN EUROPE S.A.:

| | | |
|------------------|-------------------------|-------|
| Piotr Jeleński | Board President | ..... |
| Rafał Kozłowski | Board Vice President | ..... |
| Calin Barseti | Board Member | ..... |
| Miljan Mališ | Board Member | ..... |
| Miodrag Mirčetić | Board Member | ..... |
| Dražen Pehar | Board Member | ..... |

Rzeszów, 16 March 2010

Statement of the Management Board concerning due diligence of individual financial statements of Asseco South Eastern Europe for 12 months ended on 31 December 2009

The Management Board of Asseco South Eastern Europe S.A. warrants that in its best knowledge the individual financial statements for 12 months ended on 31 December 2009 and compared data have been drawn in accordance with the rules of the International Financial Reporting Standards, International Accounting Standards and their interpretation as published in form of regulations of the European Commission.

The Management Board warrants that presented data reflects truly and fairly the property and financial situation of Asseco South Eastern Europe and its financial results. The Management Report contains a true depiction of the development and achievements as well as the situation of Asseco South Eastern Europe, including a description of the primary risks and threats.

MANAGEMENT BOARD OF ASSECO SOUTH EASTERN EUROPE S.A.:

| | | |
|------------------|-------------------------|-------|
| Piotr Jeleński | Board President | ..... |
| Rafał Kozłowski | Board Vice President | ..... |
| Calin Barseti | Board Member | ..... |
| Miljan Mališ | Board Member | ..... |
| Miodrag Mirčetić | Board Member | ..... |
| Dražen Pehar | Board Member | ..... |

Rzeszów, 16 March 2010

Statement of the Management Board concerning the entity authorised to audit the consolidated financial statements of Asseco South Eastern Europe for 12 months ended on 31 December 2009

The Management Board of Asseco South Eastern Europe S.A. represents that Ernst & Young Audit Sp. z o. o. with the registered office in Warsaw has been elected in compliance with the relevant laws as the entity authorised to audit the annual individual financial statements of Asseco South Eastern Europe for 12 months ended on 31 December 2009. The entity and the individual expert auditors auditing the statements satisfy the criteria to issue unbiased and independent audit opinions, pursuant to the relevant laws.

MANAGEMENT BOARD OF ASSECO SOUTH EASTERN EUROPE S.A.:

| | | |
|------------------|-------------------------|-------|
| Piotr Jeleński | Board President | ..... |
| Rafał Kozłowski | Board Vice President | ..... |
| Calin Barseti | Board Member | ..... |
| Miljan Mališ | Board Member | ..... |
| Miodrag Mirčetić | Board Member | ..... |
| Dražen Pehar | Board Member | ..... |

Rzeszów, 16 March 2010