

**Asseco South Eastern Europe S.A.**

**REPORT SUPPLEMENTING  
INDEPENDENT STATUTORY AUDITOR'S OPINION  
FROM THE AUDIT OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
ON 31 DECEMBER 2009**

## **I. GENERAL INFORMATION**

### **1. General Information**

Asseco South Eastern Europe S.A. (the “Company”) was incorporated by Notarial Deed dated 10 April 2007. The Company's registered office is located in Rzeszów, Al. Armii Krajowej 80.

On 11 July 2007 the Company was registered in the enterprise register at the National Court Register under number KRS 0000284571.

The Company uses tax identification number 8133513607 assigned on 12 September 2007 and uses REGON symbol: 180248803 assigned on 25 February 2008.

The Company is the holding company of the Asseco South Eastern Europe S.A. Group. Information about transactions with the affiliates and the list of companies in which the Company holds at least 20% stake in equity or total number of votes in the company's governing body is provided in section II.2.1 and II.4 of general information and accounting principles (policy) as well as the notes to the audited financial statements for the year ended on 31 December 2009.

The Company's primary business activities comprise holding activities.

On 31 December 2009 the Company's subscribed capital totalled PLN 480,375 thousand. As at that date the Company's equity totalled PLN 538,874 thousand.

According to information provided by the Company the ownership structure of the Company's subscribed capital as at 16 March 2010 was as follows:

	Number of shares	Number of votes	Share par value	Share in capital
Asseco Poland S.A.	26,494,676	26,494,676	264,946,760	53.46%
European Bank of Reconstruction and Development	4,810,880	4,810,880	48,108,800	9.71%
Liatris d o.o.	3,842,683	3,842,683	38,426,830	7.75%
Other	14,413,480	14,413,480	144,134,800	29.08%
<b>Total</b>	<b>49,561,719</b>	<b>49,561,719</b>	<b>495,617,190</b>	<b>100%</b>

According to information provided by the Company, as at 16 March 2010 during the financial year and between the balance sheet date and the date of the opinion there have been the following changes in the ownership structure of the Company's subscribed capital.

- Asseco Poland S.A. decreased its stake in the share capital and the number of votes at the Shareholders Meeting of ASSECO South Eastern Europe S.A. from 99.97% to 53.46%;
- EBRD and Liatris d o.o. increased their stake in the share capital by 9.71% and 7.75% respectively.

Changes in the Company's subscribed capital in the financial year are presented below:

	Number of shares	Share par value
Opening balance	25,770,009	257,700,090
Increase in capital		
Series E, F, G, H, I, J, K shares	14,277,652	142,776,520
Series L shares	2,100,000	21,000,000
Series M shares	4,810,880	48,108,800
Series N shares	1,078,909	10,789,090
Closing balance	48,037,450	480,374,500

As at 31 December 2009 series P shares of PLN 15,242,690 of nominal value have not been registered at the National Court Register. Registration took place on 22 January 2010.

As at 16 March 2010 the Company's Management Board was composed of:

Piotr Jeleński	- Chairman of the Management Board
Rafał Kozłowski	- Vice Chairman of the Management Board
Calin Barseti	- Management Board Member
Miodrag Mircetic	- Management Board Member
Drazen Pehar	- Management Board Member
Miljan Malis	- Management Board Member

During the year there were the following changes in the Company's Management Board:

- on 27 August 2009 the Supervisory Board appointed the following Management Board members: Calin Barseti, Miodrag Mircetic, Drazen Pehar.

## **2. Financial Statements**

On 28 August 2008 the Shareholders Meeting decided to draft the Company's financial statements in accordance with the International Financial Reporting Standards as adopted by the EU.

### **2.1 Auditor's opinion and audit of the financial statements**

Ernst & Young Audit Sp. z o.o. with its registered office in Warsaw at Rondo ONZ 1 is an entity licensed to audit financial statements, registered under no. 130.

On 1 March 2010 Ernst & Young Audit Sp. z o.o. was selected by the Supervisory Board as the auditor of the Company's financial statements.

Ernst & Young Audit Sp. z o.o. and the key statutory auditor fulfil the requirements defined in art. 56 par. 3 and 4 of the Act on statutory auditors and their self-government, entities licensed to audit financial statements and on the public oversight of 7 May 2009 (Dz. U. of 2009 No. 77 item 649) necessary to express an impartial and independent opinion on the financial statements.

Pursuant to agreement concluded on 4 March 2009 with the Company's Management Board we have audited the financial statements for the year ended on 31 December 2009.

It was our task to express an opinion about the financial statements on the basis of the conducted audit. Procedures used during the audit of the financial statements were designed to obtain an opinion regarding the financial statement as a whole. Our procedures did not include supplementary information, which did not affect the financial statement as a whole.

On 16 March 2010 on the basis of our audit we have issued the following “unqualified” auditor's opinion:

**“For the Supervisory Board of Asseco South Eastern Europe S.A.**

1. We have audited enclosed financial statements for the year ended on 31 December 2009 of Asseco South Eastern Europe S.A. (the “Company”) with its registered office in Rzeszów, Al. Armii Krajowej 80, comprised of:
  - balance sheet drafted as at 31 December 2009 on the side of assets, equity and liabilities stating the amount of 545,868 thousand zlotys,
  - profit and loss account for the period from 1 January 2009 to 31 December 2009 stating net profit of 16,609 thousand zlotys,
  - comprehensive income statement for the period from 1 January 2009 to 31 December 2009 stating total income of 15,540 thousand zlotys,
  - statement of changes in equity for the period from 1 January 2009 to 31 December 2009 stating an increase in equity by 290,902 thousand zlotys,
  - cash flow statement for the period from 1 January 2009 to 31 December 2009 stating an increase in net cash by the amount of 45,123 thousand zlotys, and
  - general information and accounting principles (policy) as well as notes to the financial statements

(“enclosed financial statements”).

2. Reliability, correctness and clarity of the enclosed financial statements, their preparation in accordance with the applicable accounting principles (policy) as well as of the accounting ledgers is the responsibility of the Management Board of the Company. Our responsibility was to audit the enclosed consolidated financial statement and based on the audit to express an opinion whether the financial statements, in all the essential aspects, comply with the applicable accounting principles (policy) and in all the essential aspects reliably, clearly and correctly present the Company’s assets and financial condition as well as the financial result or the accounting ledgers constituting their preparation basis.
3. The enclosed financial statements have been audited in compliance with:
  - section 7 of the Accounting Act dated 29 September 1994 (unified text in Dz. U. of 2009 no. 152 item 1223 as amended - the “Accounting Act”),
  - Polish financial statements audit practice (based on the previous audit standards issued by the National Council of Statutory Auditors taking into account the regulations of the Act on Statutory Auditors and their Self-government, Entities Licensed to Audit Financial Statements and on Public Oversight of 7 May 2009 - Dz. U. of 2009 no. 77 item 649),

in order to obtain reasonable certainty that the statements do not contain any material misstatements. In particular the audit comprised examination – mainly on random basis –of documentation containing the amounts and information provided in the enclosed financial statements. We have also audited the accounting principles adopted and used by the Company’s Management Board and material estimates made by the Company’s Management Board as well as the general presentation of the enclosed financial statements. We are certain that the audit provided us with sufficient basis to express an opinion on the enclosed financial statements as a whole.

4. In our opinion, the enclosed financial statements, in all essential aspects:
  - reliably and clearly present all information of material importance for the

assessment of financial result for the year from 1 January 2009 to 31 December 2009 as well as of the assets and financial condition of the audited Company as at 31 December 2009;

- have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and on the basis of correctly maintained accounting ledgers;
- comply with the (i) regulations of the law and (ii) provisions of the Company's articles of association affecting the form and contents of the financial statements.

5. We have examined the Management Board's report on the Company's activities in the period from 1 January 2009 to 31 December 2009 and principles of preparing annual financial statements ("activity report") and we have concluded that the information taken from the enclosed financial statements comply with the activity report. Information presented in the activity report comply with applicable provisions of the Regulation of the Minister of Finance of 19 February 2009 on the current and periodical reports submitted by the issuers of securities and on the terms of recognising the equivalency of information required by the regulations of the law of a country other than an EU member state (Dz. U. no. 33 item 259 - "Regulation of the current and periodical reports")."

We audited the Company's financial statements between 22 February 2010 and 16 March 2010.

## **2.2 Received declarations and data availability**

The Management Board confirmed that it is responsible for the correctness, reliability and clarity of the financial statements and stated that it provided us with all financial data, accounting ledgers and other required documents and provided necessary explanations. We have also received a written statement of the Company's Management Board of 16 March 2010 concerning:

- complete disclosure of data in the accounting ledgers,
- disclosure of all conditional liabilities in the financial statement and
- disclosure of all significant events occurring after the balance sheet date until the date of the statement.

The statement confirmed that information provided to us was credible and true according to the best knowledge and belief of the Company's Management Board and comprised all events which might affect the financial statements.

## **2.3 Information about financial statements of the Company for the preceding financial year**

The Company's financial statements for the year ended on 31 December 2008 was audited by Sebastian Łuczyba, key statutory auditor no. 9946 acting on behalf of Ernst & Young Audit Sp. z o.o., license no. 130. The key statutory auditor acting on behalf of the licensed entity issued an unqualified opinion concerning the financial statements for the year ended on 31 December 2008. The Company's financial statements for the year ended on 31 December 2008 were accepted at the Shareholders Meeting on 22 May 2009 when the shareholders passed a resolution stating that net loss for the year 2008 would be covered with profit generated in subsequent years.

The financial statements for the financial year closed on December 31<sup>st</sup> 2008 with the statutory auditor's opinion, transcript of the resolution on the financial statements' acceptance, transcript of resolution on loss adjustment, and the Company's activity report

were filed with the National Court Register on 10 June 2009.

Balance sheet as at 31 December 2008, profit and loss account, statement of changes in equity and cash flow statement for the year ended on 31 December 2008 with the statutory auditor's opinion, transcript of resolution on the acceptance of the financial statements, transcript of resolution on loss absorption were published in Monitor Polski B no. 1424 on 21 August 2009.

The accepted closing balance as at 31 December 2008 was correctly entered in the accounting ledgers as opening balance as at 1 January 2009.

### 3. Financial condition

#### 3.1 Primary financial data and indicators

Selected indicators characterising the Company's financial condition in the years 2007-2009, calculated on the basis of financial data disclosed in the financial statements for the years closed on December 31<sup>st</sup> 2008 and on December 31<sup>st</sup> 2009, were presented below.

	2009	2008	for the period from 10 April to 31 December 2007
<b>balance sheet total</b>	545,868	252,175	153,232
<b>equity</b>	538,874	247,972	-227
<b>net financial result</b>	16,609	-9,001	-727
<b>return on assets (%)</b>	3.0%	-3.6%	-0.5%
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net financial result x 100			
total assets			
<b>equity profitability (%)</b>			
net financial result x 100	6.7%	-	-
equity at the beginning of the period			
<b>net return on sale (%)</b>	82.3%	-	-
net financial result x 100			
revenue from sale of products, goods and raw materials			
<b>liquidity ratio I</b>	7.9	2.0	0.6
total current assets			
short-term liabilities			
<b>liquidity ratio III</b>	6.9	0.7	0.6
cash and cash equivalents			
short-term liabilities			
<b>receivable days</b>			
trade receivables x 365 days			
revenue from sale of products, goods and raw materials	20 days		
<b>financing structure durability (%)</b>	98.9%	98.3%	-0.1%
(equity + provisions + long-term liabilities and provisions) x 100			
total equity and liabilities			
<hr/>			
	2009	2008	for the period from 10 April to 31 December 2007
<b>indebtedness to assets (%)</b>	1.3%	1.7%	100.1%
(total equity and liabilities – equity) x 100			
total assets			
<b>inflation ratio:</b>			
annual average	3.50%	3.30%	2.50%
December to December	3.50%	4.20%	4.00%

### **3.2 Comment**

Primary indicators show the following trends:

- Return on assets increased to 3.0% in 2009 as compared to -0.5% in 2007 and -3.6% in 2008.
- Return on equity totalled 6.7% in 2009.
- Net return on sales totalled 82.3% in 2009.
- Liquidity ratio I increased from 0.6 in 2007 to 2.0 in 2008 and 7.9 in 2009.
- Liquidity ratio III increased from 0.6 in 2007 to 0.7 in 2008 and 6.9 in 2009.
- Receivables in days in 2009 totalled 20 days.
- Financing structure durability increased from -0.1% in 2007 to 98.3% in 2008 and 98.9% in 2009.
- Liability to assets ration decreased from 100.1% in 2007 to 1.7% in 2008 and 1.3% in 2009.

### **3.3 Going concern**

During our audit nothing attracted our attention that would convince us that the Company is unable to continue its activities for 12 months after 31 December 2009 as a result of intentional or compulsory discontinuation or significant reduction of current activities.

In point II.10 of general information and accounting principles (policy) and notes to financial statements to the audited financial statements of the Company for the year ended on 31 December 2009 the Management Board stated that the financial statements have been drafted on the going concern basis that the Company would continue activities for at least 12 months after 31 December 2009 and that there have been no circumstances threatening the Company's activities in the future.

## **II. DETAILED INFORMATION**

### **1. Correctness of used accounting system**

The Company's accounting ledgers are maintained using WF-Fakir computer system by Lucyna Pieniżek Kancelaria Finansowa. The Company has up-to-date documentation, referred to in art. 10 of the Accounting Act of 29 September 1994 (unified text in Dz. U. of 2009 no. 152 item 1223 as amended), including the company's chart of accounts accepted by the Company's Management Board.

During the audit we have found no material misstatements in the accounting ledgers, which could not be removed and which might have material impact on the audited financial statements, including:

- the correctness and consistency of applied accounting principles (policy), the reliability of accounting ledgers, correctness of accounting ledgers and associations between entries within the accounting ledgers,
- documentation of business transactions,
- correct opening of accounting ledgers on the basis of balances from accepted balance sheet for the previous period,
- association of entries with accounting documents and the financial statements,

- compliance with requirements defined for accounting documentation protection as well as accounting ledgers and financial statements storage.

## **2. Assets, liabilities and equity as well as items affecting the Company's operating result**

The structure of assets, equity and liabilities in the Company's balance sheet as well as of items affecting the Company's operating result was presented in the financial statements for the year closed on 31 December 2009.

## **3. General information and accounting principles (policy) as well as notes to the financial statements (“notes”)**

Notes to financial statements for the year ended on 31 December 2009, in all material aspects, have been prepared in compliance with the International Financial Reporting Standards, as adopted by the EU.

## **4. Company's activity report**

We have examined the Management Board's report on the Company's activities in the period from 1 January 2009 to 31 December 2009 and principles of preparing annual financial statements ("activity report") and we have concluded that the information taken from the enclosed financial statements comply with the activity report. Information presented in the activity report comply with applicable provisions of the Regulation of the Minister of Finance of 19 February 2009 on the current and periodical reports submitted by the issuers of securities and on the terms of recognising the equivalency of information required by the regulations of the law of a country other than an EU member state (Dz. U. no. 33 item 259).

## **5. Compliance with the law**

We have received a written confirmation from the Management Board that in the financial year no regulations of the law or provisions of the Company's Articles of Association affecting the financial statements have been violated.

on behalf of

Ernst & Young Audit Sp. z o.o.  
Rondo ONZ 1, 00-124 Warsaw  
license no. 130

Key Statutory Auditor

Sebastian Łyczba  
Statutory Auditor  
no. 9946

Warsaw, 16 March 2010