

## FINANCIAL SUPERVISION AUTHORITY

Consolidated Quarterly Report Qsr 1 / 2011

quarter / year

(pursuant to §82 sec.2 and §83 sec. 1 of the Regulation issued by the Minister of Finance on 19 Feb. 2009 - Journal of Laws No. 33 Item 259) for issuers of securities managing production, construction, trade or services activities

for 1 quarter of financial year 2011 from 2011-01-01 to 2011-03-31  
including consolidated financial statement according to International Financial Reporting Standards (IFRS)  
in currency PLN  
and summary of financial statement according to Act on Accounting (Journal of Laws 09.152.1223)  
in currency PLN  
date of publication 2011-05-16

<b>COMARCH SA</b> <small>(full name of an issuer)</small>	
<b>COMARCH</b> <small>(abbreviated name of issuer)</small>	<b>Information Technology (IT)</b> <small>(sector according to WSE classification)</small>
<b>31-864</b> <small>(postal code)</small>	<b>Kraków</b> <small>(city)</small>
<b>Al. Jana Pawła II</b> <small>(street)</small>	<b>39A</b> <small>(number)</small>
<b>012 646 10 00</b> <small>(telephone number)</small>	<b>012 646 11 00</b> <small>(fax number)</small>
<a href="mailto:investor@comarch.pl">investor@comarch.pl</a> <small>(e-mail)</small>	<a href="http://www.comarch.pl">www.comarch.pl</a> <small>(www)</small>
<b>677-00-65-406</b> <small>(NIP)</small>	<b>350527377</b> <small>(REGON)</small>

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	Q1 2011	Q1 2010	Q1 2011	Q1 2010
data related to the consolidated financial statement				
I. Net revenues from sales	147,466	145,714	37,106	36,732
II. Operating profit (loss)	-7,429	-3,142	-1,869	-792
III. Profit before income tax	-5,882	-1,985	-1,480	-500
IV. Net profit attributable to shareholders	-862	-121	-217	-31
V. Cash flows from operating activities	50,486	9,518	12,703	2,399
VI. Cash flows from investing activities	-17,735	-20,361	-4,463	-5,133
VII. Cash flows from financing activities	-6,920	-5,178	-1,741	-1,305
VIII. Total net cash flows	25,831	-16,021	6,500	-4,039
IX. Number of shares	8,051,637	8,051,637	8,051,637	8,051,637
X. Earnings (losses) per single share (PLN/EURO)	-0.11	-0.02	-0.03	-0.01
XI. Diluted earnings (losses) per single share (PLN/EURO)	-0.11	-0.01	-0.03	0.00
data related to the financial statement				
XII. Net revenues from sales of products, goods and materials	98,215	102,724	24,713	25,895
XIII. Profit (loss) on operating activities	3,997	11,797	1,006	2,974
XIV. Gross profit (loss)	4,294	7,113	1,080	1,793
XV. Net profit (loss)	5,123	7,183	1,289	1,811
XVI. Cash flows from operating activities	21,621	-17,968	5,440	-4,529
XVII. Cash flows from investing activities	-12,693	-9,922	-3,194	-2,501
XVIII. Cash flows from financing activities	-845	-2,507	-213	-632
XIX. Total net cash flow	8,083	-30,397	2,034	-7,663
XX. Number of shares	8,051,637	8,051,637	8,051,637	8,051,637
XXI. Earnings (losses) per single share (PLN/EURO)	8.25	6.10	2.08	1.54
XXII. Diluted earnings (losses) per single share	8.16	6.01	2.05	1.52

(PLN/EURO)				
EQUITIES				
XXIII. Equity attributable to shareholders (consolidated)	573,874	574,947	143,043	145,178
XXIV. Equity (dominant unit)	562,659	559,208	140,248	141,203

Euro exchange rates used for calculation of the selected financial data:

- arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2011 to 31.03.2011 – 3,9742;

- arithmetical average of NBP average exchange rates as of the end of each month for the period 01.01.2010 to 31.03.2010 – 3.9669;

The balance sheet items were presented based on NBP average exchange rates as of the end of the period:

- 31.03.2011: 4.0119;

- 31.12.2010: 3.9603.

Values of equity (positions XXIII, XXIV) were presented as at the end of first three months of the current year and as at the end of the previous year.

When presenting selected financial data from the quarterly financial statement, it should be properly described.

Selected financial data from the consolidated balance sheet (consolidated statement regarding the financial situation) or from the balance sheet respectively (statement regarding the financial situation) is presented as of the end of the current quarter and as of the end of the previous year, and this should be properly described.

This report should be presented to the Financial Supervision Authority, the Warsaw Stock Exchange and press agency pursuant to the law.

#### REPORT INCLUDES:

File	Description
Qsr_1_2011.pdf	Qsr 1 2011

SIGNATURES			
Date	Name and surname	Position	Signature
2011-05-16	Konrad Tarański	Vice-president of the Management Board	
2011-05-16	Maria Smolińska	Proxy	

**Comarch Capital Group  
Consolidated Financial Statement  
for the period from 1 January 2011 to 31 March 2011**

# COMARCH

**Statement in accordance with the International Financial Reporting Standards**

I.	CONSOLIDATED BALANCE SHEET .....	- 3 -
II.	CONSOLIDATED INCOME STATEMENT.....	- 4 -
III.	TOTAL INCOME CONSOLIDATED STATEMENT .....	- 4 -
IV.	CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY .....	- 5 -
V.	CONSOLIDATED CASH FLOW STATEMENT.....	- 6 -
VI.	SUPPLEMENTARY INFORMATION .....	- 7 -
1.	Information about Group Structure and Activities .....	- 7 -
2.	Description of the Applied Accounting Principles.....	- 9 -
3.	Notes to the Consolidated Financial Statement .....	- 14 -
3.1.	Segment Information .....	- 14 -
3.2.	Property, Plant and Equipment.....	- 18 -
3.3.	Goodwill .....	- 19 -
3.4.	Investment in Associates .....	- 19 -
3.5.	Other Investment .....	- 19 -
3.6.	Inventories .....	- 20 -
3.7.	Available-for-Sale Financial Assets .....	- 20 -
3.8.	Derivative Financial Instruments .....	- 20 -
3.9.	Trade and Other Receivables.....	- 21 -
3.10.	Share Capital.....	- 21 -
3.11.	Trade and Other Payables .....	- 24 -
3.12.	Long-term Contracts.....	- 24 -
3.13.	Credits and Loans .....	- 25 -
3.14.	Contingent Liabilities .....	- 27 -
3.15.	Deferred Income Tax.....	- 27 -
3.16.	Earnings per Share.....	- 28 -
4.	Additional Notes .....	- 29 -
4.1.	Information About Shareholders Holding at least 5 % of the Total Number of Votes at ComArch S.A. General Meeting and Shares Held by Members of the Management Board and the Board of Supervisors .....	- 29 -
4.2.	Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results .....	- 30 -
4.3.	Other Events in the First Quarter of 2011 .....	- 30 -
4.4.	Events after the Balance Sheet Date .....	- 30 -
4.5.	Significant Legal, Arbitration or Administrative Proceedings.....	- 30 -
4.6.	The Management Board's Position on the Execution of Previously-Published Forecasts for the Current Year, in the Bright of Results Presented in the Quarterly Report .....	- 31 -
4.7.	Information about Transactions with Related Parties on Terms Different from Market Conditions.....	- 31 -
4.8.	Information about Suretyships, as well as Guarantees Provided by the Issuer and Its Subsidiaries .....	- 31 -
4.9.	Other Information Significant for the Assessment of Means and Employees, Financial Rating, Financial Results and Their Changes and Information Significant for the Assessment of the Possibility of the Execution of Obligations by the Issuer ...	- 31 -
5.	Significant Achievements and Failures as well as Factors and Events with Considerable Impact on the Financial Results of the Comarch Group in the First Quarter of 2011 and Factors Which Will Substantially Impact Results Over the Course of at least the Next Quarter .....	- 32 -
5.1.	Revenues and Profit .....	- 32 -
5.2.	Sales Structure .....	- 34 -
5.3.	Backlog .....	- 35 -
5.4.	Comarch S.A. Stock Price Performance .....	- 36 -
5.5.	Events in the First Quarter of 2011 that Greatly Impacted the Current Activities of the Comarch Group .....	- 36 -
5.6.	Events after the Balance Sheet Date that Greatly Impacted the Current Activities of the Comarch Group .....	- 36 -
VII.	QUARTERLY SUMMARY OF COMARCH S.A. FINANCIAL STATEMENT FOR THE FIRST QUARTER OF 2011 .....	- 37 -

## I. Consolidated Balance Sheet

	Note	At 31 March 2011	At 31 December 2010
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.2	281,032	275,663
Goodwill	3.3	37,155	37,155
Other intangible assets		82,897	79,106
Non-current prepayments		147	187
Investments in associates	3.4	100	172
Other investments	3.5	1,106	1,106
Other non-current receivables		1,345	1,237
Deferred income tax assets	3.15	24,417	23,725
		<b>428,199</b>	<b>418,351</b>
<b>Current assets</b>			
Inventories	3.6	52,560	49,621
Trade and other receivables	3.9	218,424	287,688
Current income tax receivables		99	217
Long-term contracts receivables	3.12	16,272	9,112
Available-for-sale financial assets	3.7	2,516	2,491
Other financial assets at fair value – derivative financial instruments	3.8	187	383
Cash and cash equivalents		225,757	200,242
		<b>515,815</b>	<b>549,754</b>
<b>TOTAL ASSETS</b>		<b>944,014</b>	<b>968,105</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the company's equity holders</b>			
Share capital	3.10	8,051	8,051
Other capitals		141,125	140,441
Exchange differences		9,163	10,058
Net profit for the current period		(862)	43,717
Retained earnings		416,397	372,680
		<b>573,874</b>	<b>574,947</b>
Minority interest		6,604	9,242
<b>Total equity</b>		<b>580,478</b>	<b>584,189</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Credit and loans	3.13	84,764	84,804
Deferred income tax liabilities	3.15	49,425	50,276
Provisions for other liabilities and charges		-	572
		<b>134,189</b>	<b>135,652</b>
<b>Current liabilities</b>			
Trade and other payables	3.11	152,172	149,812
Current income tax liabilities		56	3,386
Long-term contracts liabilities	3.12	9,460	7,452
Credit and loans	3.13	7,559	13,089
Financial liabilities	3.8	-	-
Provisions for other liabilities and charges		60,100	74,525
		<b>229,347</b>	<b>248,264</b>
<b>Total liabilities</b>		<b>363,536</b>	<b>383,916</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>944,014</b>	<b>968,105</b>

## II. Consolidated Income Statement

	Note	3 months ended 31 March 2011	3 months ended 31 March 2010
<b>Revenue</b>		<b>147,466</b>	<b>145,714</b>
Cost of sales		(124,347)	(121,932)
<b>Gross profit (loss)</b>		<b>23,119</b>	<b>23,782</b>
Other operating income		1,054	755
Sales and marketing costs		(18,786)	(17,006)
Administrative expenses		(12,429)	(8,372)
Other operating expenses		(387)	(2,301)
<b>Operating profit (loss)</b>		<b>(7,429)</b>	<b>(3,142)</b>
Finance revenue/(costs)-net		1,594	1,171
Share of profit/(loss) of associates		(47)	(14)
<b>Profit (loss) before income tax</b>		<b>(5,882)</b>	<b>(1,985)</b>
Income tax expense		1,343	427
<b>Net profit (loss) for the period</b>		<b>(4,539)</b>	<b>(1,558)</b>
<b>Attributable to:</b>			
<b>Equity holders of the company</b>		<b>(862)</b>	<b>(121)</b>
Minority interest		(3,677)	(1,437)
		<b>(4,539)</b>	<b>(1,558)</b>
<b>Earnings per share for profit attributable to the equity holders of the company during the period (expressed in PLN per share)</b>			
– basic	3.16	(0.11)	(0.02)
– diluted	3.16	(0.11)	(0.01)

## III. Total Income Consolidated Statement

	3 months ended 31 March 2011	3 months ended 31 March 2010
<b>Net profit (loss) for the period</b>	<b>(4,539)</b>	<b>(1,558)</b>
<b>Other total income</b>		
Currency translation differences from currency translation in related parties	144	(777)
<b>Other total income</b>	<b>144</b>	<b>(777)</b>
<b>Sum of total income for the period</b>	<b>(4,395)</b>	<b>(2,335)</b>
Attributable to the company's shareholders	(1,757)	(508)
Attributable to the minority	(2,638)	(1,827)

#### IV. Consolidated Statement of Changes in Shareholders' Equity

	Attributable to equity holders					Minority interest	Total equity
	Share capital	Other capitals	Exchange differences	Net profit for the current period	Retained earnings		
<b>Balance at 1 January 2010</b>	<b>7,960</b>	<b>137,798</b>	<b>10,684</b>	<b>32,306</b>	<b>348,522</b>	<b>17,046</b>	<b>554,316</b>
Transferring result for 2009	-	-	-	(32,306)	32,306	-	-
Correction of minority capital due to changes in the Group's ownership structure	-	-	-	-	(6,695)	6,695	-
Capital from valuation of the managerial option	-	2,643	-	-	-	-	2,643
Payment of dividend	-	-	-	-	(1,453)	-	(1,453)
Purchase of shares in the increased share capital of Comarch AG	-	-	-	-	-	3,883	3,883
Increase in capital	91	-	-	-	-	-	91
<i>Currency translation differences<sup>1</sup></i>	-	-	(626)	-	-	1,378	752
<i>Profit for the period<sup>2</sup></i>	-	-	-	43,717	-	(19,760)	23,957
Total income recognised in equity (1+2)	-	-	(626)	43,717	-	(18,382)	24,709
<b>Balance at 31 December 2010</b>	<b>8,051</b>	<b>140,441</b>	<b>10,058</b>	<b>43,717</b>	<b>372,680</b>	<b>9,242</b>	<b>584,189</b>
<b>Balance at 1 January 2011</b>	<b>8,051</b>	<b>140,441</b>	<b>10,058</b>	<b>43,717</b>	<b>372,680</b>	<b>9,242</b>	<b>584,189</b>
Transferring result for 2010	-	-	-	(43,717)	43,717	-	-
Capital from valuation of the managerial option	-	684	-	-	-	-	684
<i>Currency translation differences<sup>1</sup></i>	-	-	(895)	-	-	1,039	144
<i>Profit for the period<sup>2</sup></i>	-	-	-	(862)	-	(3,677)	(4,539)
Total income recognised in equity (1+2)	-	-	(895)	(862)	-	(2,638)	(4,395)
<b>Balance at 31 March 2011</b>	<b>8,051</b>	<b>141,125</b>	<b>9,163</b>	<b>(862)</b>	<b>416,397</b>	<b>6,604</b>	<b>580,478</b>

## V. Consolidated Cash Flow Statement

	3 months ended 31 March 2011	3 months ended 31 March 2010
<b>Cash flows from operating activities</b>		
Net profit (loss)	(4,539)	(1,558)
Total adjustments	58,264	12,140
Share in net (gains) losses of related parties valued using the equity method of accounting	47	31
Depreciation	7,252	11,497
Exchange gains (losses)	591	(3,051)
Interest and profit-sharing (dividends)	571	665
(Profit) loss on investing activities	(813)	(1,031)
Change in inventories	(2,258)	(3,117)
Change in receivables	62,671	2,751
Change in liabilities and provisions excluding credits and loans	(10,613)	3,657
Other adjustments	816	738
Net profit less total adjustments	53,725	10,582
Income tax paid	(3,239)	(1,064)
<b>Net cash used in operating activities</b>	<b>50,486</b>	<b>9,518</b>
<b>Cash flows from investing activities</b>		
Purchase of assets in other entities	-	(14,325)
Purchases of property, plant and equipment	(12,497)	(4,638)
Proceeds from sale of property, plant and equipment	340	1
Purchases of intangible assets	(6,145)	(2,487)
Purchases of available-for-sale financial assets	-	1
Granted non-current loans	(500)	(500)
Interest	767	526
Other proceeds from financial assets	300	1,061
<b>Net cash used in investing activities</b>	<b>(17,735)</b>	<b>(20,361)</b>
<b>Cash flows from financing activities</b>		
Proceeds from credits and loans	2,288	-
Repayments of credits and loans	(8,147)	(4,110)
Interest	(1,048)	(1,192)
Other financial proceeds	(13)	124
<b>Net cash (used in)/generated from financing activities</b>	<b>(6,920)</b>	<b>(5,178)</b>
<b>Net change in cash, cash equivalents and bank overdrafts</b>	<b>25,831</b>	<b>(16,021)</b>
Cash, cash equivalents and bank overdrafts at beginning of the period	199,828	203,747
Positive (negative) exchange differences in cash and bank overdrafts	(471)	(318)
<b>Cash, cash equivalents and bank overdrafts at end of the period</b>	<b>225,188</b>	<b>187,408</b>
- including limited disposal	267	149



## VI. Supplementary Information

### 1. Information about Group Structure and Activities

The basic activities of the Comarch Group (the "Group"), in which Comarch S.A. with its registered seat in Krakow at Al. Jana Pawła II 39 A is the dominant unit, include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, XI Economic Division of the National Court Register. The company's KRS number is 0000057567. Comarch S.A. holds the dominant share in the Group regarding realised revenues, value of assets and number and volume of executed contracts. Comarch S.A. shares are admitted to public trading on the Warsaw Stock Exchange. The duration of the dominant unit is not limited.

#### 1.1 Organisational Structure of Comarch Group

On 31<sup>st</sup> of March, 2011, the following entities formed the Comarch Group (in parentheses, the share of votes held by Comarch S.A. unless otherwise indicated):

- Comarch Spółka Akcyjna with its registered seat in Krakow,
- Comarch AG with its registered seat in Dresden (60.00 %),
  - Comarch R&D S.A.R.L. with its registered seat in Montbonnot-Saint-Martin in France (70.00 % votes held by Comarch AG),
  - Comarch Software und Beratung AG with its registered seat in Munich in Germany (80.89 % subsidiary of Comarch AG),
    - Comarch Schilling GmbH with its registered seat in Bremen in Germany (100.00 % subsidiary of Comarch Software und Beratung AG),
    - Comarch Solutions GmbH with its registered seat in Vienna in Austria (100.00 % subsidiary of Comarch Software und Beratung AG),
    - SoftM France S.A.R.L. with its registered seat in Oberhausbergen in France (100.00 % subsidiary of Comarch Software und Beratung AG),
    - Comarch Swiss AG with its registered seat in Buchs in Switzerland (100.00 % subsidiary of Comarch Software und Beratung AG),
- Comarch S.A.S. with its registered seat in Lille in France (100.00 %),
- Comarch, Inc. with its registered seat in Chicago in United States of America (100.00 %),
  - Comarch Panama, Inc. with its registered seat in Bella Vista-Panama in Panama (100.00 % subsidiary of Comarch, Inc.),
- Comarch Middle East FZ-LLC with its registered seat in Dubai in United Arab Emirates (100.00 %),
- Comarch LLC with its registered seat in Kiev in Ukraine (100.00 %),
- OOO Comarch with its registered seat in Moscow in Russia (100.00 %),
- Comarch Software (Shanghai) Co. Ltd. with its registered seat in Shanghai in China (100.00 %),
- COMARCH VIETNAM COMPANY LIMITED (COMARCH CO. LTD) with its registered seat in Ho Chi Minh City in Vietnam (100.00 %),
- Comarch Oy with its registered seat in Espoo in Finland (100.00 %),
- UAB Comarch with its registered seat in Vilnius in Lithuania (100.00 %),
- Comarch s.r.o. with its registered seat in Bratislava in Slovakia (100.00 %),
- SoftM Polska Sp. z o.o. with its registered seat in Warsaw in Poland (100.00 %),
- CA Consulting S.A. with its registered seat in Warsaw in Poland (99.90 %),
- Comarch Management Spółka z o. o. (limited liability company) with its registered seat in Krakow in Poland (100.00 %),
- Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty (closed investment fund) ("CCF FIZ") with its registered seat in Krakow in Poland (Comarch S.A. holds 100.00 % of issued investment certificates),
  - Comarch Management Spółka z o. o. Spółka Komandytowo-Akcyjna (limited partnership and joint-stock company) with its registered seat in Krakow in Poland (73.35 % votes held by CCF FIZ; 26.65 % votes held by Comarch S.A.; shares purchased by Comarch Management Spółka z o. o. SK-A to be redeemed don't give any votes),

- Bonus Management Sp. z o.o. Spółka Komandytowo-Akcyjna (limited partnership and joint-stock company) with its registered seat in Krakow in Poland (96.45 % votes held by CCF FIZ, shares purchased by Bonus Management Spółka z o. o. SK-A to be redeemed don't give any votes),
  - Bonus Development Sp. z o.o. Spółka Komandytowo-Akcyjna (limited partnership and joint-stock company) with its registered seat in Krakow in Poland (98.25 % votes held by CCF FIZ),
  - Bonus Management Sp. z o.o. II Activia SK-A (limited partnership and joint-stock company) with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
  - Bonus Development Sp. z o.o. II Koncept SK-A (limited partnership and joint-stock company) with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
  - iMed24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
  - iFIN24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
  - iReward24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
  - Infrastruktura24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
  - iComarch24 S.A. with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
  - CASA Management and Consulting Sp. z o.o. SK-A (limited joint-stock company) with its registered seat in Krakow in Poland (100.00 % votes held by CCF FIZ),
- MKS Cracovia SSA with its registered seat in Krakow in Poland (49.15 %).

Associate of the dominant unit is:

- through Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty:
- SolInteractive Sp. z o.o. with its registered seat in Krakow in Poland (30.72 % votes held by CCF FIZ).

The associated companies are not consolidated. Shares are valued with equity method.

## 1.2 Changes in Ownership and Organisational Structure in Q1 2011

On the 17<sup>th</sup> of March, 2011, the District Court for Warsaw, XII Economic Division of the National Court Register registered a name change for SoftM Polska Sp. z o.o. to SouthForge Sp. z o.o.

## 1.3 Changes in Ownership and Organisational Structure after the Balance Sheet Date

None present.

## 1.4 Activities Structure in Comarch Group

The structure of activities of the Comarch Group is as follows: the dominant entity acquires the majority of contracts and in large part executes them. Comarch AG, Comarch S.A.S., Comarch R&D S.A.R.L., Comarch, Inc., Comarch Panama, Inc., Comarch Middle East FZ-LLC, Comarch LLC, OOO Comarch, Comarch Software (Shanghai) Co. Ltd, Comarch Co. Ltd (Vietnam) and Comarch Oy acquire contracts in foreign markets and execute them in their entirety or in part. CA Consulting S.A. specialises in data communications relating to the provision of connections for the own needs of the Comarch Group, as well as the provision of IT and consulting services for the own needs of the Comarch S.A. and for Comarch's contractor. Comarch Management Sp. z o.o., Comarch Management Sp. z o.o SK-A, Bonus Management Sp. z o.o. SK-A and Bonus Management Sp. z o.o. II Activia SK-A conduct investment activities on capital market and activities related to IT. Purpose of the Comarch Corporate Finance FIZ is investment activity in the scope of new technologies and Internet services that are not Comarch S.A.'s basic activities. The subject matter of activities of Bonus Development Sp. z o.o. SK-A and Bonus Development Sp. z o.o. II Koncept SK-A are activities related to real estates in Comarch. iMed24 S.A. conducts an IT project related to telemedicine and an investment project related to building of a medical diagnostic centre in

Krakow. iFIN24 S.A. conducts an IT project related to financial services. iReward24 S.A. produces and implements loyalty software for the customers in small and medium sized enterprises. Infrastruktura24 S.A. offers services related to Data Centre for the customers in small and medium sized enterprises. iComarch24 S.A. provides accounting services for domestic subsidiaries in Comarch Group. CASA Management and Consulting Sp. z o.o. SK-A will conduct investment activity on capital market. SoftM Polska Sp. z o.o. acquires and executes contracts related to Comarch Software und Beratung Group software on Polish market and executes IT contracts acquired by Comarch Group. UAB Comarch is under liquidation proceedings. Activities of Comarch s.r.o. are limited.

Comarch Software und Beratung AG is a leading provider and an integrator of IT solutions in Germany (especially for small and medium-sized industry). Activities of other companies in the Comarch Software und Beratung Group, i.e. Comarch Schilling GmbH with its registered seat in Bremen, Comarch Solutions GmbH with its registered seat in Vienna, SoftM France S.A.R.L. with its registered seat in Oberhausbergen, Comarch Swiss AG with its registered seat in Buchs are identical as activities of Comarch Software und Beratung AG. MKS Cracovia SSA is a sport joint stock company.

## **2. Description of the Applied Accounting Principles**

This unaudited Condensed Interim Consolidated Financial Statement of the Group for the three months ended the 31<sup>st</sup> of March, 2011 and comparable data (the "Interim Consolidated Financial Statement") are prepared in accordance with International Accounting Standard ("IAS") 34 and with all accounting standards applicable to interim financial reporting adopted by the European Union, issued and effective as at the date of preparing the Condensed Interim Consolidated Financial Statement.

This Interim Consolidated Financial Statement does not include all information and disclosures that are obligatory in annual financial statements, therefore should be read in conjunction with the audited Comarch Capital Group IFRS Consolidated Financial Statement for the period from 1<sup>st</sup> of January, 2010 until 31<sup>st</sup> of December, 2010.

The scope of the accounting principles and calculation methods applied in the Interim Consolidated Financial Statement does not differ from the accounting principles described in the audited Comarch Capital Group IFRS Consolidated Financial Statement for the period from 1<sup>st</sup> of January, 2010 until 31<sup>st</sup> of December, 2010 (the notes 2 and 3 of the Consolidated Financial Statement of the Comarch Group for the year ended 31<sup>st</sup> of December, 2010).

The Interim Consolidated Financial Statement includes the consolidated balance sheet, consolidated income statement, total income consolidated statement, consolidated statement of changes in shareholders' equity, consolidated cash flow statement and selected explanatory notes.

Costs that arise unevenly during the year are anticipated or deferred in the interim financial statement, only if it would also be appropriate to anticipate or defer such costs at the end of the year.

This Interim Consolidated Financial Statement is prepared in thousands of Polish zloty ("PLN") and was authorized for issuance by the Management Board on 16<sup>th</sup> of May, 2011.

### **Adoption of standards, amendments to standards and interpretations which were effective on 1<sup>st</sup> of January, 2011**

The following new or amended standards and interpretations issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee should be applied in the financial statements for periods beginning on the 1<sup>st</sup> of January, 2011:

- **Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards”**  
Amendments to IFRS 1 were issued on 28<sup>th</sup> of January, 2010 and are applicable for financial years beginning on 1<sup>st</sup> of July, 2010. The amendments include regulations related to limited exemption from comparative IFRS 7 disclosures.
- **Amendments to IAS 24 „Related Party Disclosure”** were published on 4<sup>th</sup> of November, 2009 and are applicable for financial years beginning on or after 1<sup>st</sup> of January, 2011.
- **Amendments to IAS 32 “Financial Instrument: Presentation”**  
On the 8<sup>th</sup> of October, 2009, an amendment on the classification of right issues offered for a fixed amount of foreign currency was issued. Previously these rights were accounted for as derivative liabilities. The amendment states that such rights, when specified conditions are met, they should be classified as equity regardless of the currency in which the exercise price is denominated. The amendments to IAS 32 are applicable for annual financial statements for financial years beginning on or after 1<sup>st</sup> of February, 2011.
- **Annual Improvements**  
On the 6<sup>th</sup> of May, 2010, amendments to seven standards were issued and resulted from the draft of proposed amendments to International Financial Reporting Standards which were issued in August, 2009. They are mostly applicable for reporting periods beginning on or after 1<sup>st</sup> of January, 2011 (depending on the standard).
- **Interpretation of IFRIC 19 „Extinguishing Financial Liabilities with Equity”**  
Interpretation of IFRIC 19 was issued on 26<sup>th</sup> of November, 2009 and is applicable for reporting periods beginning on or after 1<sup>st</sup> of July, 2010. This interpretation includes guidelines on how to account for transactions of reclassification from financial liabilities to equity instruments.

The adoption of the standards and interpretations presented above did not affected the Group’s activity results nor its financial situation in 2011 and did not result in any significant changes to the Group accounting policies and to presentation of the financial statements.

### **Standards and interpretations issued and approved by the European Union but not yet effective as at the balance sheet date**

When preparing the financial statement, the Group has not applied the standards, changes to standards and interpretations which were not yet effective.

The following standards and interpretations have been already approved by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee but are not yet effective as at the balance sheet date:

- **Amendments to IFRS 1 “Severe Hyperinflation and Removal of Fixed Dates”**  
Amendments to IFRS 1 were issued on 20<sup>th</sup> of December, 2010 and are applicable for reporting periods beginning on or after 1<sup>st</sup> of July, 2011.
- **Amendments to IFRS 7 „Disclosures – Transfers of Financial Assets”**  
Amendments to IFRS 7 were issued on 7<sup>th</sup> of October, 2010 and are applicable for reporting periods beginning on or after 1<sup>st</sup> of July, 2011.

- IFRS 9 „*Financial Instruments*”  
This standard was issued on 12<sup>th</sup> of November, 2009 as the first step in the IASB's project to replace IAS 39 „*Financial Instruments: Recognition and Measurement*”. This will be effective beginning on 1<sup>st</sup> of January, 2013.
- Amendments to IAS 12 „*Income Tax: Recovery of Underlying Assets*”  
Amendments to IAS 12 was issued on 20<sup>th</sup> of December, 2010 and is applicable for reporting periods beginning on or after 1<sup>st</sup> of January, 2012. The amendments determine how to measure assets and provisions due to deferred tax on investment property that is measured using the fair value model in IAS 40 „*Investment Property*”.

The Group will make a decision as it becomes necessary whether to implement these standards or changes the standards and interpretations. According to the Group's calculations, the accounting standards mentioned above and the interpretations and changes to standards would not have a significant influence on the financial statement if they were applied on the balance sheet date.

#### **Standards and Interpretations adopted by IASB but not yet approved by the EU**

The scope of the IFRS approved by the European Union does not differ significantly from the regulations of the International Accounting Standards Board, excluding the below-mentioned standards, changes to standards and the interpretations which were not applied as at the balance sheet date:

- IFRS 9 „*Financial Instruments*” was issued on 12<sup>th</sup> of November, 2009 (with subsequent changes) and is applicable for reporting periods beginning on or after 1<sup>st</sup> of January, 2013,
- Amendments to IFRS 7 „*Disclosures – Transfers of Financial Assets*” were issued on 7<sup>th</sup> of October, 2010,
- Amendments to IFRS 1 „*Severe Hyperinflation and Removal of Fixed Dates*” were issued on 20<sup>th</sup> of December, 2010,
- Amendments to IAS 12 „*Income Tax: Recovery of Underlying Assets*” were issued on 20<sup>th</sup> of December, 2010.

According to the Group's calculations, the accounting standards mentioned above and the interpretations and changes to standards would not have any significant impact on the financial statement if applied on the balance sheet date.

The consolidated financial statement of the Comarch Group for the 3 months ended 31<sup>st</sup> of March, 2011 comprises the financial statements of the following companies:

	<b>Relationship</b>	<b>Consolidation method</b>	<b>% interest held by Comarch S.A. in a subsidiary's share capital</b>
Comarch S.A.	dominant unit	full	
Comarch AG	subsidiary	full	60.00 %
Comarch R&D S.A.R.L.	subsidiary	full	70.00 % held by Comarch AG
Comarch Software und Beratung AG	subsidiary	full	80.89 % held by Comarch AG
Comarch Schilling GmbH	subsidiary	full	100.00 % held by Comarch Software und Beratung AG
Comarch Solutions GmbH	subsidiary	full	100.00 % held by Comarch Software und Beratung AG
SoftM France S.A.R.L.	subsidiary	full	100.00 % held by Comarch Software und Beratung AG
Comarch Swiss AG	subsidiary	full	100.00 % held by Comarch Software und Beratung AG
Comarch S.A.S.	subsidiary	full	100.00 %
SoftM Polska Sp. z o.o.	subsidiary	full	100.00 %
Comarch, Inc.	subsidiary	full	100.00 %
Comarch Panama, Inc.	subsidiary	full	100.00 % held by Comarch, Inc.
Comarch Middle East FZ-LLC	subsidiary	full	100.00 %
Comarch LLC	subsidiary	full	100.00 %
OOO Comarch	subsidiary	full	100.00 %
Comarch Software (Shanghai) Co. Ltd.	subsidiary	full	100.00 %
COMARCH CO., LTD (Vietnam)	subsidiary	full	100.00 %
Comarch Oy	subsidiary	full	100.00 %
UAB Comarch	subsidiary	full	100.00 %
Comarch s.r.o.	subsidiary	full	100.00 %
CA Consulting S.A.	subsidiary	full	99.90 %
Comarch Management Sp. z o.o.	subsidiary	full	100.00 %
Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty	subsidiary	full	100.00 % in total number of investment certificates
Comarch Management Sp. z o.o. SK-A	subsidiary	full	56.29 % held by CCF FIZ, 20.45 % held by Comarch S.A., 23.26 % purchased by Comarch Management Sp. z o.o. SK-A to be redeemed



Bonus Management Sp. z o.o. SK-A	subsidiary	full	66.17 % held by CCF FIZ, 32.61 % purchased by Bonus Management Sp. z o.o. SK-A to be redeemed
Bonus Development Sp. z o.o. SK-A	subsidiary	full	99.12 % held by CCF FIZ
Bonus Development Sp. z o.o. II Koncept SK-A	subsidiary	full	100.00 % held by CCF FIZ
Bonus Management Sp. z o.o. II Activia SK-A	subsidiary	full	100.00 % held by CCF FIZ
iMed24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
iFin24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
iReward24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
Infrastruktura24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
iComarch24 S.A.	subsidiary	full	100.00 % held by CCF FIZ
CASA Management and Consulting Sp. z o.o. SK-A	subsidiary	full	100.00 % held by CCF FIZ
MKS Cracovia SSA*	subsidiary	full	49.15 %

\*) MKS Cracovia SSA is Comarch S.A.'s subsidiary according to IAS 27 pt 13d.

### **3. Notes to the Consolidated Financial Statement**

#### **3.1. Segment Information**

The Comarch Capital Group conducts reporting based on segments according to IFRS 8 "Operating Segments" published on 30<sup>th</sup> of November, 2006; effective for reporting periods on or after 1<sup>st</sup> of January, 2009. This standard replaced IAS 14 "Segment Reporting". Operating segments were specified based on internal reports related to components of an entity whose operating results are reviewed regularly by the entity's chief operating decision maker in order to make decisions about resources to be allocated to the segment and to assess its performance.

In the Comarch Group, the business segments are basic type of operating segments, and geographical segments are the supplementary type of operating segments. The operations of Comarch's subsidiary units comprise the following types of activities: the sale of IT systems (hereinafter referred to as the "IT segment"), professional sports (hereinafter referred to as the "sport segment"; MKS Cracovia SSA), activity in relation with economic use of Internet (hereinafter referred to as the "Internet segment"), activity in relation with real estates investment, Comarch's real estate management and investment activity on capital market (hereinafter referred to as the "Investment segment"). The Investment segment was allocated a separate category in the first quarter of 2010 due to increase in its scope. The IT segment has a dominant share in sales revenues, profits and assets. The IT segment is divided into the DACH (Germany, Austria, Switzerland) market, Polish market and other markets according to the specific character of the activity in the segment.

The Group's activity is neither subject to any significant seasonal fluctuations nor cyclical trends.



**Revenue, costs and financial result**

**3 months ended 31 March 2010**

Item	IT Segment			Internet Segment	Investment Segment	Sport Segment	Eliminations	Total
	Polish market	DACH market	Other markets					
Revenues per segment-sales to external clients	90,014	45,884	8,238	261	1,310	1,933	-	147,640
<i>including:</i>								
<i>revenues from sales</i>	90,114	45,371	8,206	146	39	1,838	-	145,714
<i>To customers in Telecommunication, Media, IT sector</i>	20,054	8,084	3,522	-	-	-	-	31,660
<i>To customers in Finance and Banking sector</i>	27,482	274	1,182	-	-	-	-	28,938
<i>To customers in Trade and services sector</i>	10,575	1,958	957	109	-	-	-	13,599
<i>To customers in Industry&amp;Utilities</i>	9,052	6	1,764	36	-	-	-	10,858
<i>To customers in Public sector</i>	8,885	-	781	-	-	-	-	9,666
<i>To customers in small and medium enterprises sector</i>	13,833	35,049	-	-	-	-	-	48,882
<i>To other customers</i>	233	-	-	1	39	1,838	-	2,111
<i>other operating revenue</i>	104	513	1	42	-	95	-	755
<i>finance revenue</i>	(204)	-	31	73	1,271	-	-	1,171
Revenues per segment - sales to other segments	-	619	2,680	320	223	1,957	(5,799)	-
Revenues per segment - total*	90,014	46,503	10,918	581	1,533	3,890	(5,799)	147,640
Costs per segment relating to sales to external clients	79,021	56,996	8,259	2,666	429	2,240	-	149,611
Costs per segment relating to sales to other segments	-	619	2,680	320	223	1,957	(5,799)	-
Costs per segment - total*	79,021	57,615	10,939	2,986	652	4,197	(5,799)	149,611
Current taxes	(93)	(2)	(47)	-	-	-	-	(142)
Assets for the tax due to investment allowances and other tax relief	(64)	715	-	94	-	(176)	-	569
Share of segment in the result of parties valued using the equity method of accounting	(14)	-	-	-	-	-	-	(14)
Net result	10,822	(10,399)	(68)	(2,311)	881	(483)	-	(1,558)
<i>including:</i>								
<i>result attributable to shareholders of the dominant unit</i>	10,822	(9,237)	(32)	-	875	(238)	-	(121)
<i>result attributable to minority interest</i>	-	(1,162)	(36)	-	6	(245)	-	(1,437)

\*) Items comprise revenues and costs of all types, which can be directly allocated to particular segments

3 months ended 31 March 2011

Item	IT Segment			Internet Segment	Investment Segment	Sport Segment	Eliminations	Total
	Polish market	DACH market	Other markets					
Revenues per segment-sales to external clients	86,756	38,970	15,425	661	1,524	6,778	-	150,114
<i>including:</i>								
<i>revenues from sales</i>	86,814	38,778	14,406	596	103	6,769	-	147,466
<i>To customers in Telecommunication, Media, IT sector</i>	11,876	5,671	11,911	1	-	-	-	29,459
<i>To customers in Finance and Banking sector</i>	22,176	183	278	234	-	-	-	22,871
<i>To customers in Trade and services sector</i>	10,451	1,751	1,621	258	-	-	-	14,081
<i>To customers in Industry&amp;Utilities</i>	15,324	1,054	489	97	-	-	-	16,964
<i>To customers in Public sector</i>	11,099	-	107	-	-	-	-	11,206
<i>To customers in small and medium enterprises sector</i>	15,888	30,119	-	-	-	-	-	46,007
<i>To other customers</i>	-	-	-	6	103	6,769	-	6,878
<i>other operating revenue</i>	103	192	738	12	-	9	-	1,054
<i>finance revenue</i>	(161)	-	281	53	1,421	-	-	1,594
Revenues per segment - sales to other segments	-	587	4,176	664	249	2,191	(7,867)	-
Revenues per segment - total*	86,756	39,557	19,601	1,325	1,773	8,969	(7,867)	150,114
Costs per segment relating to sales to external clients	81,324	50,721	16,156	2,250	491	5,007	-	155,949
Costs per segment relating to sales to other segments	-	587	4,176	664	249	2,191	(7,867)	-
Costs per segment - total*	81,324	51,308	20,332	2,914	740	7,198	(7,867)	155,949
Current taxes	(199)	(4)	(56)	-	-	-	-	(259)
Assets for the tax due to investment allowances and other tax relief	810	715	-	(27)	-	104	-	1,602
Share of segment in the result of parties valued using the equity method of accounting	(47)	-	-	-	-	-	-	(47)
Net result	5,996	(11,040)	(787)	(1,616)	1,033	1,875	-	(4,539)
<i>including:</i>								
<i>result attributable to shareholders of the dominant unit</i>	5,994	(6,020)	(1,171)	(1,616)	1,029	922	-	(862)
<i>result attributable to minority interest</i>	2	(5,020)	384	-	4	953	-	(3,677)

\*) Items comprise revenues and costs of all types, which can be directly allocated to particular segments

### Share of business segments in Assets and Liabilities and Investment Expenditures

The following table presents the assets and liabilities of particular segments, as well as investment expenditures and depreciation as at 31<sup>st</sup> of March, 2010 and as at 31<sup>st</sup> of March, 2011:

#### 31 March 2010 / 3 months ended 31 March 2010

	IT Segment			Internet Segment	Investment Segment	Sport Segment	Total
	Poland	DACH	Other				
Assets	481,962	130,498	23,976	13,887	185,850	43,782	879,955
Liabilities	273,720	33,896	8,120	670	339	10,478	327,223
Investment expenditures	8,123	2,014	151	63	10,632	967	21,950
Depreciation	4,557	5,841	299	167	194	439	11,497

#### 31 March 2011 / 3 months ended 31 March 2011

	IT Segment			Internet Segment	Investment Segment	Sport Segment	Total
	Poland	DACH	Other				
Assets	520,802	137,951	35,488	9,322	188,003	52,448	944,014
Liabilities	256,270	82,697	5,021	821	3,082	15,645	363,536
Investment expenditures	10,299	4,634	172	138	1,393	2,506	19,142
Depreciation	3,795	2,024	145	216	215	857	7,252

Due to the geographical distribution of its activities, the Comarch Group has defined the following market segments: Poland, DACH (Germany, Austria and Switzerland), Europe-other countries, the Americas, and other countries. The Sport segment and the Investment segment operate solely within the territory of Poland. Due to the fact that only the IT segment operates abroad and at the same time the costs incurred in the IT segment are largely common for export and domestic sales, defining separate results for export and domestic activities is futile. Sales between specific segments are calculated based on market conditions.

Sales between specific segments are calculated based on market conditions.

The following table presents the allocation of revenues from sales, assets and total investment expenditures into geographical segments:

#### Revenues from basic sales by market location

	3 months ended 31 March 2011		%	3 months ended 31 March 2010		%
Poland	84,798	57.5%		80,378	55.2%	
DACH	34,184	23.2%		43,599	29.9%	
Europe - others	23,509	15.9%		17,049	11.7%	
The Americas	3,492	2.4%		2,996	2.0%	
Other countries	1,483	1.0%		1,692	1.2%	
<b>TOTAL</b>	<b>147,466</b>	<b>100.0%</b>		<b>145,714</b>	<b>100.0%</b>	

**Assets – activities location**

	<b>31 March 2011</b>	<b>%</b>	<b>31 December 2010</b>	<b>%</b>
Poland	766,223	81.2%	805,459	83.2%
DACH	137,951	14.6%	132,797	13.7%
Europe - others	24,457	2.6%	13,078	1.4%
The Americas	7,040	0.7%	6,014	0.6%
Other countries	8,343	0.9%	10,757	1.1%
<b>TOTAL</b>	<b>944,014</b>	<b>100.0%</b>	<b>968,105</b>	<b>100.0%</b>

**Investments expenditures - activities location**

	<b>3 months ended 31 March 2011</b>	<b>12 months ended 31 December 2010</b>	<b>3 months ended 31 March 2010</b>
Poland	14,337	55,659	19,785
DACH	4,634	9,330	2,014
Europe - others	152	6,160	29
The Americas	17	77	122
Other countries	2	59	-
<b>TOTAL</b>	<b>19,142</b>	<b>71,285</b>	<b>21,950</b>

**3.2. Property, Plant and Equipment**

	<b>31 March 2011</b>	<b>31 December 2010</b>
Lands and buildings	210,353	211,660
Means of transport and machinery	45,563	42,997
Property, plant and equipment under construction	21,223	17,721
Others	3,893	3,285
<b>Total</b>	<b>281,032</b>	<b>275,663</b>

Property, plant and equipment comprise mostly real estate and machinery owned by the Group. Propriety of the Group are five office buildings in Krakow, including four in the Special Economic Zone in Krakowa ("SEZ") at 31,343 square metres of the total space, one office building in Warsaw at 1,620 square metres of the total space and office buildings in Łódź, one office and storage building in Lille, and one residential building intended for renovation in Dresden. The Group owns also lands in the Special Economic Zone in Krakow at 3.8 ha of the total space. Property, plant and equipment under construction comprise mostly expenditures for the investments and the modernisation works of buildings used by the Group.

In November, 2009, the dominant unit began the fourth investment stage in the SEZ in Krakow (SSEV). The contractual value of this investment amounts to 17.7 million PLN. Investment completion is planned for the 31<sup>st</sup> of July, 2011. In July, 2010 the construction of a new office-building in Łódź began. As of the reporting date, the estimated value of this investment amounts to 5 million PLN and completion date is planned for the 30<sup>th</sup> June, 2011. In Dresden, Comarch AG is conducting a renovation of an existing building and adapting it for office purposes. Comarch AG is also constructing a building where the new Comarch Data Centre will be located. Investment works were begun at the end of the first quarter of 2011. The estimated value of this investment amounts to approximately 8 million EUR. The office building that was purchased by Comarch SAS in Lille will be the new seat of the company and the storage building will be transformed into the Comarch Data Centre of an approximately total space of 1,700 square metres. The estimated value of this investment amounts to approximately 5.5 million EUR. The beginning of construction is planned for the second quarter of 2011.

### 3.3. Goodwill

Goodwill comprises company's value established at purchases of shares in the following companies:

	31 March 2011	31 December 2010
Comarch Kraków	99	99
CDN Comarch	1,227	1,227
Comarch AG	1,900	1,900
ComArch Inc.	58	58
Comarch Software und Beratung AG	33,871	33,871
<b>Total</b>	<b>37,155</b>	<b>37,155</b>

In 2009 the Comarch AG purchased Comarch Software und Beratung AG shares that constituted 80.89 % of all Comarch Software und Beratung AG shares; as a result, an amount of goodwill worth 39.41 million PLN was generated. This value was updated as a result of a test for loss in value in reference to the goodwill and amounts to 33.87 million PLN. The above-mentioned amount constitutes surpluses of acquisition costs above fair value of the Comarch Group share in identified net assets of acquired units creating the Comarch Software und Beratung Group (they comprise purchased assets and liabilities that can be identified, as well as contingent liabilities acquired within the consolidation). Acquisition costs are comprised of premiums related to taking charge over the Comarch Software und Beratung Group as well as amounts related to the benefits resulting from predicted synergies, increases in revenues, future market development, increases in product portfolio and the addition of highly qualified employees in the Comarch Software und Beratung Group. These benefits were not presented separately from goodwill, because it was not possible to make reliable assessments resulting from future economic benefits. Within the scope of the described transaction, the Group also acquired customers and relationships with customers in the Comarch Software und Beratung Group. These assets weren't presented separately from goodwill, because it was not possible to make a reliable assessment of their value. As at the balance sheet date, the assessment of the fair value of assets held by the Comarch Software und Beratung Group was done based on the useful value valuation model with the discounted cash flow method (DCF). The estimated fair value of software owned by the Comarch Software und Beratung Group amounted to 15.02 million EURO.

### 3.4. Investment in Associates

As at 31<sup>st</sup> of March, 2011, the Group had shares in associates.

<b>At 1 January 2010</b>	<b>447</b>
Shares disposal	(185)
Share in profit for 2010	(90)
<b>At 31 December 2010</b>	<b>172</b>
<b>At 1 January 2011</b>	<b>172</b>
Share in profit for Q1 2011	(72)
<b>At 31 March 2011</b>	<b>100</b>

As at 31<sup>st</sup> of March, 2011, the Group had 2,000 shares in SolInteractive Sp. z o.o. acquired in September, 2008 by CCF FIZ. CCF FIZ holds 30.72 % of shares in SolInteractive Sp. z o.o., in which share capital equals to 0.651 million PLN.

### 3.5. Other Investment

As of the 31<sup>st</sup> of March, 2011, other investment mostly comprised shares in a joint-stock company. They were held by Bonus Management Sp. z o. o. SK-A and Bonus Development Sp. z o.o. SK-A and amounted to 1 million PLN.

	31 March 2011	31 December 2010
Non-current debt securities	-	-
other	1,106	1,106
<b>Total</b>	<b>1,106</b>	<b>1,106</b>

### 3.6. Inventories

	<b>31 March 2011</b>	<b>31 December 2010</b>
Raw materials	333	332
Work in progress	41,514	38,886
Finished goods	10,655	10,403
Advance due to finished	58	-
<b>TOTAL</b>	<b>52,560</b>	<b>49,621</b>

The cost of inventories included in 'Costs of products, goods and materials sold' in the income statement amounted to 97.25 million PLN (3 months ended 31<sup>st</sup> of March, 2011), 89.23 million PLN (3 months ended the 31<sup>st</sup> of March, 2010), 464.69 million PLN (12 months ended the 31<sup>st</sup> of December, 2010).

### 3.7. Available-for-Sale Financial Assets

	<b>3 months ended 31 March 2011</b>	<b>12 months ended 31 December 2010</b>
<b>At the beginning of the year</b>	<b>2,491</b>	<b>10,291</b>
Additions for Q1	25	5,271
Disposals for Q1	-	-
<b>At the end 31 March</b>	<b>2,516</b>	<b>15,414</b>
Additions for the year	-	10,669
Disposals for the year	-	(18,469)
<b>At the end of year</b>	<b>-</b>	<b>2,491</b>

In the periods related to this statement, no write-offs due to loss in value of available-for-sale financial assets were performed.

As of the 31<sup>st</sup> of March, 2011, available-for-sale financial assets comprised investments units in money market and debt securities fund, which were held by Comarch Management Sp. z o. o. SK-A and Comarch S.A. They were purchased as a deposit for free monetary means. Participation units' turnover is held beyond the scope of the regulated market. Acquisition price of participation units amounted to 2.4 million PLN, and their valuation through fair value as at the 31<sup>st</sup> of March, 2011, amounted to 2.52 million PLN.

Information on disposal intention of available-for-sale financial assets: Comarch Management Sp. z o. o. SK-A and Comarch S.A. intend to sell held available-for-sale financial assets within 12 months from the balance sheet date.

### 3.8. Derivative Financial Instruments

	<b>31 March 2011</b>		<b>31 December 2010</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
Forward foreign exchange contracts – held-for-trading	187	-	383	-
	<b>187</b>	<b>-</b>	<b>383</b>	<b>-</b>
<i>Current portion</i>	187	-	383	-

The Group held forward contracts to reduce the effect of changes in cash flows on financial result, where cash flows are related to the planned transactions and changes are the result of foreign exchange risk. As of the 31<sup>st</sup> of March, 2011, the above-mentioned instruments were valued at fair value according to market price and changes in valuation were referred into the results from financial operations. Total net value of forward contracts that were open as at the 31<sup>st</sup> of March, 2011, amounted to 6.5 million EURO and 1.3 million USD. After the balance sheet date, the Comarch Group did not conclude any forward contracts.

### 3.9. Trade and Other Receivables

	31 March 2011	31 December 2010
Trade receivables	196,959	274,062
Write-off revaluating receivables	(16,332)	(16,448)
Trade receivables – net	180,627	257,614
Other receivables	21,467	17,919
Short-term prepayments	14,172	7,227
Prepayments of revenues	-	3,029
Loans	2,102	1,838
Receivables from related parties	56	61
<b>Total</b>	<b>218,424</b>	<b>287,688</b>
<i>Current portion</i>	<i>218,424</i>	<i>287,688</i>

The fair value of trade and other receivables is close to the balance sheet value presented above. There is no concentration of credit risk with respect to trade receivables as the Group has a large number of internationally dispersed customers. In other operating costs in the income statement, the Group has included a surplus of write-offs that were created and revalue the value of trade receivables over write-offs that were dissolved. This surplus is worth 0.01 million PLN (3 months ended 31<sup>st</sup> March, 2011), 1.63 million PLN (3 months ended the 31<sup>st</sup> of March, 2010), 8.81 million PLN (12 months ended the 31<sup>st</sup> of December, 2010).

### 3.10. Share Capital

	Number of shares	Ordinary and preference shares	Own shares	TOTAL
At 1 January 2010	7,960,596	7,960,596	-	7,960,596
31 <sup>st</sup> of March, 2010 - registration by the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register of an increase in share capital of Comarch S.A.	91,041	91,041		91,041
<b>At 31 December 2010</b>	<b>8,051,637</b>	<b>8,051,637</b>	-	<b>8,051,637</b>
<b>At 31 March 2011</b>	<b>8,051,637</b>	<b>8,051,637</b>	-	<b>8,051,637</b>

The nominal value of one share is 1 PLN.

The share capital of Comarch S.A. consists of:

- 1) 864,800 series A registered preference shares,
- 2) 75,200 series A ordinary bearer shares,
- 3) 883,600 series B registered preference shares,
- 4) 56,400 series B ordinary bearer shares,
- 5) 3,008,000 series C ordinary bearer shares,
- 6) 1,200,000 series D ordinary bearer shares,
- 7) 638,600 series E ordinary bearer shares,
- 8) 125,787 series G ordinary bearer shares,
- 9) 102,708 series G3 ordinary bearer shares,
- 10) 563,675 series H ordinary bearer shares,
- 11) 441,826 series I2 ordinary bearer shares,
- 12) 91,041 series J2 ordinary bearer shares.

Registered shares in series A and B are preferential and each such share corresponds with 5 votes at the General Meeting. The conversion of registered shares into bearer shares is allowed. In case of that registered shares are converted into bearer shares, they lose all preferences. In case that registered preferential shares are disposed their specific voting rights at the General Meeting expire, however their specific voting rights at the General Meeting do not expire in case of:



- a) disposal for the benefit of persons who were shareholders of the company on 18 March 1998,
- b) disposal for the benefit of descendants of a disposer,
- c) conveying property of a registered share as a result of succession.

The written consent of the Management Board is required to dispose of registered shares. The sale of shares without the permission of the Management Board is possible on the condition that it is stated in Comarch S.A.'s statute.

Every ordinary bearer share entitles its holder to one vote at the AGM. The conversion of bearer shares into registered shares is not permitted.

### **3.10.1. Information about Shareholders Holding Directly or Indirectly by Subsidiary Entities at least 5 % of the Total Number of Votes at the General Meeting of Comarch S.A., at the Date of Preparing the Quarterly Financial Report**

- Janusz Filipiak held 2,620,010 shares (32.54 % of the company's share capital), which gave him 6,192,010 votes at the AGM and constituted 41.16 % of all votes at the AGM;

- Elżbieta Filipiak held 846,000 shares (10.51 % of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 28.12 % of all votes at the AGM;

- customers of BZ WBK Asset Management S.A. held 1,416,423 shares (17.59 % of company's share capital), which gave 1,416,423 votes at AGM and constituted 9.41 % of the total number of votes at the AGM. These shares comprise shares held by BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds), that held 1,305,855 shares (16.22 % of the company's share capital), which gave 1,305,855 votes at AGM (8.68 % of the total number of votes at the AGM).

### **3.10.2. Changes in Share Capital in Q1 2011**

- a) 3 January 2011

BZ WBK AIB Asset Management S.A. informed that, as a result of the sales of the shares on 3<sup>rd</sup> of January, 2011, customers of the company decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2 %.

On 3<sup>rd</sup> of January, 2011, there were 2,458,037 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 30.53 % of the company's share capital. This gave 2,458,037 or a 16.34 % share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 1/2011 dated the 14<sup>th</sup> of January, 2011.

- b) 9 February 2011

BZ WBK AIB Asset Management S.A. informed that, as a result of the sales of the shares on 9<sup>th</sup> of February, 2011, customers of the company held less than 15 % of the total number of votes at Comarch S.A.'s annual general meeting.

On 9<sup>th</sup> of February, 2011, there were 2,166,577 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 26.91 % of the company's share capital. This gave 2,166,577 or a 14.4 % share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 3/2011 dated the 16<sup>th</sup> of February, 2011.

- c) 28 March 2011

BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A., on behalf of Arka BZ WBK Open Investment Fund and Lukas Open Investment Fund (hereinafter referred to as the "Funds") informed that, as a result of the sales of the shares on the 28<sup>th</sup> of March, 2011, the Funds held less than a 10 % share of the total number of votes at Comarch S.A.'s General Shareholders' Meeting. At the same time, the Funds decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2 %.



On the 28<sup>th</sup> of March, 2011, the Funds held 1,305,855 Comarch S.A. shares which constituted 16.22 % of the company's share capital. This gave 1,305,855 or a 8.68 % share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 4/2011 dated the 1<sup>st</sup> of April, 2011.

BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A., on behalf of Arka BZ WBK Open Investment Fund (hereinafter referred to as the "Fund") informed that, as a result of the sales of the shares on the 28<sup>th</sup> of March, 2011, the Fund holds less than a 10 % share of the total number of votes at Comarch S.A.'s General Shareholders' Meeting. At the same time, the Fund decreased its share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2 %.

On the 28<sup>th</sup> of March, 2011, the Fund held 1,236,802 Comarch S.A. shares which constituted 15.36 % of the company's share capital. This gave 1,236,802 or a 8.22 % share of the total votes at Comarch S.A.'s General Shareholders' Meeting.

The company announced details in current report no. 5/2011 dated the 1<sup>st</sup> of April, 2011.

BZ WBK AIB Asset Management S.A. with its registered seat in Poznań informed that, as a result of the sales of the shares on 28<sup>th</sup> of March, 2011, customers of the company decreased their share of the total number of votes at Comarch S.A.'s annual general meeting by more than 2 %.

On the 28<sup>th</sup> of March, 2011, there were 1,643,817 Comarch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. customers, which constituted 20.42 % of the company's share capital. This gave 1,643,817 or a 10.93 % share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 6/2011 dated the 1<sup>st</sup> of April, 2011.

### **3.10.3. Changes in Share Capital in after the Balance Sheet Date**

#### a) 6 April 2011

BZ WBK Asset Management S.A. with its registered seat in Poznań informed that, as a result of the sales of the shares on 6<sup>th</sup> of April, 2011, customers of the company hold less than a 10 % share of the total number of votes at Comarch S.A.'s annual general meeting.

On the 6<sup>th</sup> of April, 2011, there were 1,416,423 Comarch S.A. shares in the managed securities accounts of BZ WBK Asset Management S.A. customers, which constituted 17.59 % of the company's share capital. This gave 1,416,423 or a 9.41 % share of the total votes at Comarch S.A.'s annual general meeting.

The company announced details in current report no. 7/2011 dated the 12<sup>th</sup> of April, 2011.

### **3.10.4. Managerial Option Program for Members of the Management Board and Other Key Employees for 2011-2013**

On 28<sup>th</sup> of June, 2010, the Annual General Meeting of Shareholders passed Resolution no. 23 on the managerial options programme for company's Key Employees for 2011-2013. The objective of the programme is to additionally motivate members of the Management Board and Key Employees by options on Comarch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program will be executed through offers of newly-issued shares in the company in 2012, 2013 and 2014 to Key Employees. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares of each year of the execution of the programme (beginning with 2011) and the issue price of shares offered to Key Employees. The basis for the calculation of the value of the Option shall be increases in company capitalisation, calculated as follows:

- for 2011 – as the difference between the average capitalisation of the company in 2011 and the average capitalisation of the company in 2010,
- for 2012 – as the difference between the average capitalisation of the company in 2012 and the average capitalisation of the company in 2011,
- for 2013 – as the difference between the average capitalisation of the company in 2013 and the average capitalisation of the company in 2012,

where the average capitalisation of the company in the given year is the arithmetical average of the daily capitalisations of the company in the given year, and the daily capitalisation is the number of shares of the company multiplied by the stock exchange closing rate for shares of the company in the given day.

In the fourth quarter of the year that precedes the year of the Programme execution, the Board of Supervisors shall establish a list of Key Employees and Individual Option Ratios. The list of Key Employees and Individual Option's Ratios will be established independently for each year of the Programme. Total value of Individual Option Ratios for all Key Employees in the given year will amount to 3.6% (three and six tenths per cent) of the increase in the company's capitalization.

Pursuant to IFRS2, the company is obliged to calculate the value of the Option and classify it as a cost in the income statement in the Option period, i.e. from its issue date until its expiry date. The company will recognise the value of the particular options beginning from the options' acquiring, i.e. an establishment by the Supervisory Board a list of Key Employees and single option factors for each subsequent year.

The company notes that despite the fact that the value of the Option decreases the net profit of the company and of the Group, this operation does not affect the value of cash flows. Moreover, the economic cost of the Option shall be classified in the income statement through its inclusion in the "diluted net profit" of newly issued shares for the participants of the programme. Despite the fact that the IFRS2 standard was officially adopted by the European Union to companies listed on the stock exchange in the preparation of consolidated statements, many experts point out its controversial nature – in their opinion, placing the cost of the Option in the income statement results in the double inclusion of the effect of the Option programme (once by result and second by dilution).

The determined Option's value amounts to 2.74 million PLN and will be recognised in the income statement for 2011, including 0.68 million PLN in the first three months of 2011.

### 3.11. Trade and Other Payables

	31 March 2011	31 December 2010
Trade payables	79,880	105,345
Advances received due to services	1,055	712
Liabilities to related parties	275	693
Liabilities due to social insurance and other tax charges	20,090	25,571
Investments liabilities	2,605	4,566
Revenues of the future periods	40,477	6,420
Other payables	5,233	5,389
Special funds (Social Services Fund and Residential Fund)	2,557	1,116
<b>Total liabilities</b>	<b>152,172</b>	<b>149,812</b>

The fair value of trade and other payables is close to the balance sheet value presented above.

### 3.12. Long-term Contracts

	3 months ended 31 March 2011	3 months ended 31 March 2010
<b>Revenues due to long-term contracts recognised in the reporting period</b>	<b>15,837</b>	<b>12,745</b>
a) revenues from completed contracts recognised in the reporting period	3,191	1,768
b) revenues from contracts not completed recognised in the reporting period	7,494	8,734
c) revenues from contracts not completed recognised in the reporting period- an effect of settlement pursuant to IAS 11	5,152	2,243

Due to the fact that the company applies the rule of determining the degree of work progress in proportion to the share of incurred costs in the entire costs of a contract, the sum of incurred costs and recognised results corresponds to revenues. At the end of the reporting period, long-term contracts were valued in accordance with the degree of work progress.

### 3.13. Credits and Loans

	31 March 2011	31 December 2010
<b>Non-current</b>		
Bank credits	84,764	84,804
Loans	-	-
	<b>84,764</b>	<b>84,804</b>
<b>Current</b>		
Bank overdraft	279	6,168
Loans	25	25
Bank credits	7,255	6,896
	<b>7,559</b>	<b>13,089</b>
<b>Total credit and loans</b>	<b>92,323</b>	<b>97,893</b>

#### Investment credits

Comarch S.A. credit lines:

- a) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw in amount of 20 million PLN for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last a maximum of 10 years, i.e. until 2015. This credit has a variable interest rate. On 5<sup>th</sup> of January, 2009, the company revaluated the remaining credit to be paid into EURO at the rate of 1 EUR = 4.003 PLN. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31<sup>st</sup> of March, 2011, the value of the credit to be repaid amounted to 2.13 million EURO, i.e. 8.53 million PLN.
- b) An investment credit from Kredyt Bank S.A. with its registered seat in Warsaw, for the financing of the second construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 80 % of the investment value up to a maximum of 26.82 million PLN. The crediting period may last a maximum of 16 years at a variable interest rate. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31<sup>st</sup> of March, 2011, the value of the credit to be repaid amounted to 20.78 million PLN.
- c) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw, for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 85 % of the investment value up to a maximum of 44 million PLN. The crediting period may last a maximum of 16 years at a variable interest rate and was taken out by 30<sup>th</sup> of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31<sup>st</sup> of March, 2011, the value of the credit to be repaid amounted to 36.55 million PLN.
- d) An investment credit from Bank Pekao S.A. with its registered seat in Warsaw, for the financing of purchase of land in the Special Economic Zone in Krakow. The credit amounts to 15.1 million PLN. The crediting period may last a maximum of 5 years at a variable interest rate. A promissory note, the mortgage on the land is security for this credit. As at 31<sup>st</sup> of March, 2011, the value of the credit to be repaid amounted to 15.1 million PLN.
- e) An investment credit from Bank DnB NORD Polska S.A. with its registered seat in Warsaw, for the financing of the fourth construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to a maximum of 80% of the investment value of up to 20 million PLN. The crediting period may last 11 years at a variable interest rate and should be taken out by 30<sup>th</sup> of September, 2011. As at 31<sup>st</sup> of March, 2011, the credit used was 10.97 million PLN. The real estate mortgage (20 million PLN and 10 million PLN), cession of rights in the building insurance policy and cession of rights in the bank guarantee issued for the debtor are security for this credit.

A subsidiary, Comarch Software und Beratung AG has received a credit in IBM Kreditbank for financing of current activity in the amount of 0.3 million EURO. As at 31<sup>st</sup> of March, 2011, the credit used was 0.069 million EURO. In the third quarter of 2010, the subsidiary received a credit in UniCredit Bank AG for financing of current activity in the amount of 1.7 million EURO with expiration date on 21<sup>st</sup> of February, 2011. In the first quarter of 2011 the credit was used in total.

The value of liabilities due to bank credits was recognised in the amount of depreciated cost that was determined using the effective interest rate. The fair value of liabilities due to credits and loans does not differ significantly from the balance sheet value. Within reporting period, there were neither overdue payments nor interest payments on credits and loans. Comarch did not breach of any provisions of the credit or loan agreements that could entitle the creditor to claim earlier repayment of the credit or loan.

The exposure of the Group's bank credits to interest rate risk arises from investment credits (at variable interest rates). The Group optimises interest by continuously monitoring its interest rate structure and appropriately adjusting the basic interest rate of its credits.

**The exposure of Group bank credits to interest rate changes**

<b>At 31 March 2011</b>	<b>6 months or less</b>	<b>6-12 months</b>	<b>1-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
Investments credits	3,609	3,853	44,421	40,343	92,226
Interest	97	-	-	-	97
	<b>3,706</b>	<b>3,853</b>	<b>44,421</b>	<b>40,343</b>	<b>92,323</b>

**The maturity of non-current bank credits, loans and financial liabilities**

	<b>31 March 2011</b>	<b>31 December 2010</b>
Between 1 and 2 years	22,806	22,596
Between 2 and 5 years	21,615	21,499
Over 5 years	40,343	40,709
	<b>84,764</b>	<b>84,804</b>

**Currency structure of the balance sheet values of credits, loans and financial liabilities**

	<b>31 March 2011</b>	<b>31 December 2010</b>
In Polish currency	92,044	91,725
In EURO (equivalence in PLN)	279	6,168
	<b>92,323</b>	<b>97,893</b>

**The effective interest rates at the balance sheet date**

	<b>31 March 2011</b>	<b>31 December 2010</b>
Bank credits	4.73%	4.43%
Loans	0.00%	0.00%

**Current credit lines** (available, undrawn at the balance sheet date)

	<b>31 March 2011</b>	<b>31 December 2010</b>
Current credit lines granted, expiring within one year, including:	<b>16,204</b>	<b>22,871</b>
– used at the balance sheet date	279	6,168
– available at the balance sheet date	15,925	16,703

### 3.14. Contingent Liabilities

On 31<sup>st</sup> of March, 2011, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was 31.86 million PLN, whereas it was 39.26 million on 31<sup>st</sup> of December, 2010.

On 31<sup>st</sup> of March, 2011, the value of bank guarantees issued by banks on order from CA Consulting S.A. in reference to executed agreements and participation in tender proceedings was 0.11 million PLN, whereas it was 0.11 million PLN on 31<sup>st</sup> of December, 2010.

On 31<sup>st</sup> of March, 2011, the value of bank guarantees issued by banks on order from Comarch Software und Beratung Group in reference to executed agreements and participation in tender proceedings was 0.4 million EURO, i.e. 1.62 million PLN, whereas it was 0.4 million EURO, i.e. 1.6 million PLN on 31<sup>st</sup> of December, 2010.

**Granted credit lines for financing of current activities** (guarantees, letters of credit, current credit line)

	<b>31 March 2011</b>	<b>31 December 2010</b>
Credit lines*	81,565	85,307
	<b>81,565</b>	<b>85,307</b>

(\*) they comprise credit lines at current account that are described in 3.14

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is 6.33 million PLN. Provisions for part of these claims were created in 2010 (5.85 million PLN). In 2011 there were no new provisions created. In the opinion of the Management Boards in the entities of the Comarch Group and based on the opinions of legal advisors, there are no circumstances suggesting the necessity to create provisions for the rest of the claims.

Due to legal proceedings conducted in Q1 2011, the Comarch Group has not created any write-offs revaluating receivables.

As at 31<sup>st</sup> of March, 2011, the Comarch Group had contractual obligations due to operational leasing agreements in the amount of 3.79 million PLN.

### 3.15. Deferred Income Tax

	<b>31 March 2011</b>	<b>31 December 2010</b>
<b>A deferred income tax assets</b>		
- temporary differences	3,460	2,684
- basset due to a tax loss	11,746	11,406
- an asset due to activities in Special Economic Zone	9,211	9,635
<b>Total</b>	<b>24,417</b>	<b>23,725</b>
- charged to financial result	24,417	23,725

Over 2011, the dominant unit dissolved in part an asset due to activities in the SSE that was worth 0.424 million PLN (a decrease in result) and established as at 31<sup>st</sup> of December, 2010. This Asset will be realised successively (as write-offs diminishing net profit of the Group) in proportion to the generation of Comarch's tax-exempt income in 2011. At the same time, pursuant to IAS12, the dominant unit will regularly verify the valuation of the Asset considering the possibilities of its realisation and further recognition. Additionally, the dominant unit signifies that the recognition of this Asset does not have any influence on cash flow in the company and in the Group (both the recognition and realisation of the Asset). This is an accrual based operation and is a result of the fact that the Group applies IFRS when preparing consolidated financial statements of the Comarch Group.

During 2011, the Group settled in part a deferred tax asset related to temporary differences, that was presented on 31<sup>st</sup> of December, 2010 and worth 0.424 million PLN, as well as an asset due to temporary differences was recognised in the amount of 1.2 million PLN. At the same time, there was an increase in assets due to tax loss in German subsidiaries which can



be settled and is worth 0.34 million PLN.

The total effect of the above-mentioned operations on the net result of 2011 was +692 million PLN.

	31 March 2011	31 December 2010
<b>Provision for deferred income tax</b>		
- temporary differences	2,561	2,304
- provision due to fair value valuation of assets recognised as a result of acquisition of the Comarch Sub Group and due to valuation of MKS Cracovia SSA's real estates	15,542	16,257
- provision due to valuation of certificates in CCF FIZ	31,322	31,715
<b>Total</b>	<b>49,425</b>	<b>50,276</b>
- charged to equity	5,430	5,430
- charged to financial result	33,883	34,019
- provision due to acquisition of Comarch Sub Group	10,112	10,827

Due to valuation of net assets of CCF FIZ, the Group dissolved in part a deferred tax provision, which was recognised in the previous years, worth 0.393 million PLN. At the same time, a deferred tax provision due to temporary differences was recognised in the amount of 0.312 million PLN and dissolved in the amount of 0.055 million PLN. In 2011, the Group dissolved in part a provision due to acquisition of Comarch SuB which was worth 0.715 million PLN. The total effect of the all above-mentioned operations on the net result of 2011 was +0.851 million PLN.

Total changes in the deferred income tax resulted in an increase in net result of 1.543 million PLN.

### 3.16. Earnings per Share

	3 months ended 31 March 2011	3 months ended 31 March 2010
Net profit for the period attributable to equity holders of the Group	(862)	(121)
Weighted average number of shares in issue	8,051,637	7,961,608
<b>Basic earnings per share (PLN)</b>	<b>(0.11)</b>	<b>(0.02)</b>
Diluted number of shares	8,141,658	8,078,998
<b>Diluted earnings per share (PLN)</b>	<b>(0.11)</b>	<b>(0.01)</b>

Basic earnings per share in the column "3 months ended 31 March 2011" is calculated by dividing the net profit attributable to equity holders of the company for the period from 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> of March, 2011 by the weighted average number of shares in issue between 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> of March, 2011, where the number of days is the weight. Basic earnings per share in the column "3 months ended 31 March 2010" is calculated by dividing the net profit attributable to equity holders of the company for the period from 1<sup>st</sup> of January, 2010, to 31<sup>st</sup> of March, 2010, by the weighted average number of shares in issue between 1<sup>st</sup> of January, 2010, to 31<sup>st</sup> of March, 2010, where the number of days is the weight. Diluted earnings per share in the column "3 months ended 31 March 2011" is calculated by dividing the net consolidated profit attributable to equity holders of the company for the period from 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> of March, 2011 by the sum of the weighted average number of shares in issue between 1<sup>st</sup> of January, 2011, to 31<sup>st</sup> of March, 2011, where the number of days is the weight and diluted number of shares (according to IAS 33) resulting from possible execution of the managerial option for 2011. Diluted earnings per share in the column "3 months ended 31 March 2010" is calculated by dividing the net consolidated profit attributable to equity holders of the company for the period from 1<sup>st</sup> of January, 2010, to 31<sup>st</sup> of March, 2010, by the sum of the weighted average number of shares in issue between 1<sup>st</sup> of January, 2010, to 31<sup>st</sup> of March, 2010, where the number of days is the weight and diluted number of shares (according to IAS 33) resulting from possible execution of the managerial option for 2010.

## 4. Additional Notes

### 4.1. Information About Shareholders Holding at least 5 % of the Total Number of Votes at Comarch S.A. General Meeting and Shares Held by Members of the Management Board and the Board of Supervisors

#### 4.1.1. Shareholders who Directly or Indirectly through Subsidiary Entities Hold at least 5 % of the Total Number of Votes at Comarch S.A. General Meeting as at 16 May 2011

- Janusz Filipiak held 2,620,010 shares (32.54 % of the company's share capital), which gave him 6,192,010 votes at the AGM and constituted 41.16 % of all votes at the AGM;
- Elżbieta Filipiak held 846,000 shares (10.51 % of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 28.12 % of all votes at the AGM;
- customers of BZ WBK Asset Management S.A. held 1,416,423 shares (17.59 % of company's share capital), which gave 1,416,423 votes at AGM and constituted 9.41 % of the total number of votes at the AGM. These shares comprise shares held by BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds), that held 1,305,855 shares (16.22 % of the company's share capital), which gave 1,305,855 votes at AGM (8.68 % of the total number of votes at the AGM).

#### 4.1.2. Changes in Significant Holdings of Comarch S.A. Shares between 1 March 2011 and 16 May 2011

	At 16 May 2011				At 1 March 2011			
	Shares	(%) in share capital	Number of votes	(%) in votes	Shares	(%) in share capital	Number of votes	(%) in votes
Janusz Filipiak	2,620,010	32.54	6,192,010	41.16	2,620,010	32.54	6,192,010	41.16
Elżbieta Filipiak	846,000	10.51	4,230,000	28.12	846,000	10.51	4,230,000	28.12
Customers of BZ WBK AM S.A.	1,416,423	17.59	1,416,423	9.41	2,166,577	26.91	2,166,577	14.40
<i>including Comarch SA shares held by BZ WBK TFI S.A.</i>	1,305,855	16.22	1,305,855	8.68	1,814,612	22.54	1,814,612	12.06

#### 4.1.3. Changes in Holdings of Comarch S.A. Shares by Managing and Supervising Persons between 1 March 2011 and 16 May 2011

The following table presents the ownership of Comarch S.A. shares by management and supervisors as at the date on which the quarterly consolidated report for q1-q4 2010 was published, i.e. on the 1<sup>st</sup> of March, 2011 and on the 16<sup>th</sup> of May, 2011, pursuant to the information possessed by the company.

Members of the Management Board and the Board of Supervisors	Position	At 16 May 2011		At 1 March 2010	
		Shares	(%) in votes	Shares	(%) in votes
Janusz Filipiak	President of the Management Board	2,620,010	41.16	2,620,010	41.16
Elżbieta Filipiak	Chairman of the Board of Supervisors	846,000	28.12	846,000	28.12
Piotr Piątosza	Vice-President of the Management Board	16,845	0.11	16,845	0.11
Paweł Prokop	Vice-President of the Management Board	40,569	0.52	40,569	0.52
Piotr Reichert	Vice-President of the Management Board	6,069	0.04	6,069	0.04
Zbigniew Rymarczyk	Vice-President of the Management Board	28,141	0.19	28,141	0.19
Konrad Tarański	Vice-President of the Management Board	6,069	0.04	6,069	0.04
Marcin Warwas	Vice-President of the Management Board	6,069	0.04	6,069	0.04
<b>Number of issued shares</b>		<b>8,051,637</b>	<b>100.00</b>	<b>8,051,637</b>	<b>100.00</b>

## **4.2. Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results**

### **4.2.1. Deferred Income Tax Asset**

Over 2011, the dominant unit dissolved in part an asset due to activities in the SSE that was worth 0.424 million PLN (a decrease in result) and established as at 31<sup>st</sup> of December, 2010. This Asset will be realised successively (as write-offs diminishing net profit of the Group) in proportion to the generation of Comarch's tax-exempt income in 2011. At the same time, pursuant to IAS12, the dominant unit will regularly verify the valuation of the Asset considering the possibilities of its realisation and further recognition. Additionally, the dominant unit signifies that the recognition of this Asset does not have any influence on cash flow in the company and in the Group (both the recognition and realisation of the Asset). This is an accrual based operation and is a result of the fact that the Group applies IFRS when preparing consolidated financial statements of the Comarch Group.

During 2011, the Group settled in part a deferred tax asset related to temporary differences, that was presented on 31<sup>st</sup> of December, 2010 and worth 0.424 million PLN, as well as an asset due to temporary differences was recognised in the amount of 1.2 million PLN. At the same time, there was an increase in assets due to tax loss in German subsidiaries which can be settled and is worth 0.34 million PLN.

The total effect of the above-mentioned operations on the net result of 2011 was +692 million PLN.

## **4.3. Other Events in the First Quarter of 2011**

### **4.3.1. Dates of Periodical Financial Reports in 2011**

On the 18<sup>th</sup> of January, 2011, with current report no. 2/2011, Comarch S.A.'s Management Board set dates of periodical financial reports in 2011:

- 1) Q4 2010 - on 1<sup>st</sup> of March, 2011
- 2) Annual report for 2010- on 29<sup>th</sup> of April, 2011
- 3) Consolidated annual report for 2010- on 29<sup>th</sup> of April, 2011
- 4) Q1 2011 - on 16<sup>th</sup> of May, 2011
- 5) Consolidated half-year report which includes condensed consolidated financial statement and condensed financial statement for the first half of 2011 - on 31<sup>st</sup> of August, 2011
- 6) Q3 2011 - on 14<sup>th</sup> of November, 2011

## **4.4. Events after the Balance Sheet Date**

### **4.4.1. List of Comarch S.A. Current Reports and Financial Statements Made Public in 2010**

On the 12<sup>th</sup> of May, 2011, with current report no. 8/2011, Comarch S.A.'s Management Board presented the list of Comarch S.A.'s current reports and financial statements made public in 2010. The originals of these documents are located at al. Jana Pawla II 41e, Krakow, Poland. They are also available at

[http://www.comarch.com/investors/investor\\_reports/params/date/2010](http://www.comarch.com/investors/investor_reports/params/date/2010)

### **4.4.2. Forward Contracts Concluded after the Balance Sheet Date**

Between the 1<sup>st</sup> of April, 2011 and the 16<sup>th</sup> of May, 2011, Comarch S.A. did not concluded any forward contracts.

## **4.5. Significant Legal, Arbitration or Administrative Proceedings**

In the first quarter of 2011, the Group's parties did not sue and were not sued in proceedings which fulfil the criterion specified in § 87 Act 7 pt 7a) and 7b) of the Regulation issued by the Minister of Finance on 19<sup>th</sup> of February, 2009, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state.

The Comarch Group is the defendant in legal proceedings, in which the potential total amount of third party claims is 6.33 million PLN. Provisions for part of these claims were created in



2010 (5.85 million PLN). In 2011 there were no new provisions created. In the opinion of the Management Boards in the entities of the Comarch Group and based on the opinions of legal advisors, there are no circumstances suggesting the necessity to create provisions for the rest of the claims.

Due to legal proceedings conducted in Q1 2011, the Comarch Group has not created any write-offs revaluating receivables.

In Q1 2011, there were no new provisions created.

#### **4.6. The Management Board's Position on the Execution of Previously-Published Forecasts for the Current Year, in the Bright of Results Presented in the Quarterly Report**

The Management Board did not forecast any results for Q1 2011.

#### **4.7. Information about Transactions with Related Parties on Terms Different from Market Conditions**

None present.

#### **4.8. Information about Suretyships, as well as Guarantees Provided by the Issuer and Its Subsidiaries**

a) Due to conclusion in August, 2010, of a contract with E-Plus, issuer has granted a guarantee for the benefit of E-Plus Mobilfunk GmbH&Co. KG. This guarantee has been provided for the duration of the contract with E-Plus and guarantees the satisfactory fulfilment of any obligations resulting from the contract by Comarch AG, a subsidiary of Comarch S.A. The value of the guarantee equals the value of the contract with E-Plus, and in the first period of the term of the agreement amounts to 42,025,286 Euro i.e. 166,953,854 PLN. The financial conditions, that the guarantee was provided on, do not differ from the market conditions.

b) Due to DnB Nord Polska SA granting a credit line for bank guarantees to CA Consulting SA, a Comarch S.A. subsidiary, on the 13<sup>th</sup> of May, 2010, the issuer granted a surety for the benefit of DnB Nord Polska SA in order to guarantee the fulfilment of any obligations resulting from the credit agreement by CA Consulting SA. The value of the surety equals 2,000,000 PLN and is valid until the 28<sup>th</sup> of March, 2014. On the 11<sup>th</sup> of February, 2011, and in relation to an extension of credit line validity, this surety was extended until the 29<sup>th</sup> of February, 2016.

c) Due to an order for products delivered from Veracomp S.A. and placed by SouthForge Sp. z o. o., a Comarch S.A. subsidiary, on the 24<sup>th</sup> of February, 2011, the issuer granted a surety for the benefit of Veracomp S.A. in order to guarantee the fulfilment of any obligations resulting from the credit agreement by SouthForge Sp. z o. o. The value of the surety equals 191,580.01 PLN and is valid until the 30<sup>th</sup> of April, 2011.

d) Due to the purchase of specialised medical equipment made by iMed24 S.A., a Comarch S.A. subsidiary, on the 31<sup>st</sup> of March, 2011, the dominant unit granted a surety for the above mentioned obligations of iMed24 S.A. The value of the surety equals 14.1 million PLN and is valid until iMed24 S.A. has paid the total due remuneration but will not expire earlier than the 31<sup>st</sup> of August, 2011.

e) Due to the conclusion of lease agreements by Comarch Software und Beratung AG, a Comarch S.A. subsidiary, the dominant unit granted a surety for the obligations resulting from these contracts for the benefit of IBM Deutschland Kreditbank GmbH and IBM Deutschland GmbH. The value of the surety equals 0.3 million EUR and is valid until the 30<sup>th</sup> of August, 2012.

#### **4.9. Other Information Significant for the Assessment of Means and Employees, Financial Rating, Financial Results and Their Changes and Information Significant for the Assessment of the Possibility of the Execution of Obligations by the Issuer**

As of the 31<sup>st</sup> of March, 2011, Comarch SA and its subsidiaries have not signed any currency options contracts.

In the first quarter of 2011, Comarch S.A. did not apply hedge accounting on the basis of §88 MSR 39 "Financial instruments: treatment and evaluation", nor on the basis of the Minister of Finance's regulation from the 12<sup>th</sup> of December, 2001, on the detailed methods of recognition, evaluation and extent of disclosure of financial instruments and the way financial instruments are presented.

## 5. Significant Achievements and Failures as well as Factors and Events with Considerable Impact on the Financial Results of the Comarch Group in the First Quarter of 2011 and Factors Which Will Substantially Impact Results Over the Course of at least the Next Quarter

### 5.1. Revenues and Profit

In the first quarter of 2011, the Comarch Group increased revenues by 1.2 % and achieved financial results slightly worse than those in the first quarter of the previous year. Revenue from sales increased by 1.8 million PLN and reached 147.5 million PLN. Operating result amounted to minus 7.4 million PLN and was lower by 4.3 million PLN than in Q1 2010, and net result attributable to the company's shareholders was minus 0.9 million PLN and was lower by 0.7 million PLN than in Q1 2010. The EBIT margin was -5 % and net margin amounted to -0.6 %.

A loss incurred in Comarch Software und Beratung Group as well as functioning costs of companies that were established by CCF FIZ and conduct new investment projects had a significant effect on the financial results. Comarch Software und Beratung Group's revenue from sales were lower by 1.3 million EUR than in Q1 2010, however they increased by 30.1 million PLN Comarch Group's sales in Q1 2011 (35 million PLN in Q1 2010). As a result of the consolidation with the Comarch Software und Beratung Group, operating profit achieved by the Comarch Group was decreased by 6 million PLN (Q1 2010: minus 6.8 million PLN), and net profit attributable to the company's shareholders was decreased by 2.6 million PLN (Q1 2010: minus 4.9 million PLN). The impact on operating and net profit of the companies established by CCF FIZ was respectively minus 2 million PLN and minus 1 million PLN. Net profit attributable to the Comarch' shareholders is significantly better than the Groups' net result due to the fact that a significant part of loss incurred by subsidiaries, i.e. Comarch Software und Beratung AG and Comarch AG is attributed to their minority shareholders.

After eliminating the influence of Comarch Software und Beratung Group and the companies established by CCF FIZ, as well as the costs incurred from the managerial option programme adjusted operating profit was 1.2 million PLN and was lower by 5.9 million PLN, i.e. 82.6 % less than in the previous year's first quarter (7.2 million PLN). After the further elimination of one-off event costs incurred (from the settlement of assets and provisions due to deferred tax), the adjusted net profit attributable to the company's shareholders in Q1 2011 amounted to 1.9 million PLN, compared to 5.9 million PLN in Q1 2010. Other one-off event had less significant influence on financial results. The adjusted EBIT margin amounted to 1.1 %, and adjusted net margin amounted to 1.6 %.

The nominal EBITDA amounted to minus 0.2 million PLN and was lower by 8.5 million PLN compared to that in Q1 2010. Adjusted EBITDA achieved 6.7 million PLN in Q1 2011 compared to 13.2 million PLN in Q1 2010). Adjusted EBITDA margin amounted to 5.7 % and was lower than in the previous year (11.9 %).

Financial results denoted on Comarch's core activities in Q1 2011 were worse than those in Q1 2010 and result from the fact that in the first quarter of 2011 the Comarch Group executed an increased number of IT projects resulting from a high number of contracts acquired in previous periods and incurred significant related costs. In the first quarter of 2011 the Comarch Group increased employment and costs levels. As of 31<sup>st</sup> of March, 2011, the Comarch Group had 3,185 employees (excluding employees in Comarch Software und Beratung Group and MKS Cracovia SSA), i.e. 41 more than at the end of the previous year and 239 more than on the 31<sup>st</sup> of March 2010 (an increase of 8.1 %). As of 31<sup>st</sup> of March, 2011, the Comarch Software und Beratung Group had 301 employees, i.e. 17 less than at the end of the previous year. The increased employment and costs levels are necessary to execute concluded contracts and will benefit in increased revenue in the following periods.

The very good financial results, achieved on the company's core activity, confirm the effectiveness of the Group's strategy – a strategy that is based on:

- a) the sale of IT solutions, most of which are developed in-house,
- b) the sale of an increasing number of products on international markets, especially in Western

Europe,

c) the stable improvement of operational performance through the ongoing improvement of procedures and cost rationalisation.

The strong position of the Comarch Group enables investment in new products and IT services. It also ensures acquiring securing its activities during the unstable national and international macroeconomic situation. The Group is aware of incurring high costs for new products development and activities on foreign markets in order to further enhance the Group's future competitiveness.

The table below presents selected financial data in nominal value (calculated according to IFRS) and in adjusted value (after the elimination of one-off events):

	<b>Q1 2011</b>	<b>Q1 2010</b>
<b>Revenues from sales</b>	147,466	145,714
Revenues from sales in Comarch SuB Group	30,119	35,049
<b>Adjusted revenues from sales</b>	<b>117,347</b>	<b>110,665</b>
Total depreciation, including:	7,252	11,497
Comarch SuB Group depreciation	1,821	5,493
<b>Adjusted depreciation</b>	<b>5,431</b>	<b>6,004</b>
Nominal EBIT (loss) (according to IFRS)	-7,429	-3,142
Impact of the managerial option costs on earnings	-684	-660
Impact on earnings of CCF FIZ and the consolidated companies where CCF FIZ is a shareholder	-2,029	-2,885
EBIT (loss) in Comarch Software und Beratung Group	-5,963	-6,770
<b>Adjusted EBIT</b>	<b>1,247</b>	<b>7,173</b>
Nominal net profit per company's shareholders (according to IFRS)	-862	-121
Impact of the managerial option costs on earnings	-684	-660
Impact on earnings of CCF FIZ and the consolidated companies where CCF FIZ is a shareholder	-1,018	-1,423
Impact of assets on earnings due to deferred tax due to activity in SEZ	-424	-407
Impact of provisions on earnings due to deferred tax	851	1,211
Impact of asset on earnings due to tax loss in subsidiaries and temporary differences	1,116	171
Net profit (loss) of Comarch Software und Beratung Group	-2,557	-4,921
<b>Adjusted net profit per company's shareholders</b>	<b>1,854</b>	<b>5,908</b>
Nominal EBITDA (nominal EBIT + nominal depreciation)	-177	8,355
<b>Adjusted EBITDA (adjusted EBIT + adjusted depreciation)</b>	<b>6,678</b>	<b>13,177</b>
Nominal EBIT margin	-5.04%	-2.16%
<b>Adjusted EBIT margin</b>	<b>1.06%</b>	<b>6.48%</b>
Nominal net margin	-0.58%	-0.08%
<b>Adjusted net margin</b>	<b>1.58%</b>	<b>5.34%</b>
Nominal EBITDA margin	-0.12%	5.73%
<b>Adjusted EBITDA margin</b>	<b>5.69%</b>	<b>11.91%</b>

## 5.2. Sales Structure

### Products sales structure

In the first quarter of 2011, demand for services offered by the Comarch Group slightly grew (an increase in sales of 3.3 million PLN, i.e. 3.1 %) and demand for proprietary software slightly diminished (a decrease of 2.5 million PLN, i.e. 12.7 %). Sales of third party software decreased by 3.7 million PLN, i.e. 31.8 % (in the first quarter of 2011 the Comarch Group did not realise high value deliveries of Microsoft software). Sales of computer hardware remained at the current level of approximately 7 million PLN. A significant increase in other sales (an increase of 4.9 million PLN, i.e. 181.8 %) was due to a one-off increase in revenues in MKS Cracovia SSA (player transfer).

Products sales structure	3 months ended 31 March 2011	%	3 months ended 31 March 2010	%	Change in PLN	Change in %
Services	107,758	73.1%	104,468	71.7%	3,290	3.1%
Proprietary software	17,190	11.7%	19,681	13.5%	-2,491	-12.7%
Third party software	7,997	5.4%	11,728	8.0%	-3,731	-31.8%
Hardware	6,921	4.7%	7,140	4.9%	-219	-3.1%
Others	7,600	5.1%	2,697	1.9%	4,903	181.8%
<b>Total</b>	<b>147,466</b>	<b>100.0%</b>	<b>145,714</b>	<b>100.0%</b>	<b>1,752</b>	<b>1.2%</b>

### Market sales structure

In the first quarter of 2011, sales to customers in the TMT sector amounted to 29.5 million PLN (a decrease of 2.2 million PLN, i.e. 7 % less compared to Q1 2010) and their share in total sales was 20 %. There was a significant decrease in sales to customers in the finance and banking sector (a decrease of 6.1 million PLN, i.e. 21 % less compared to Q1 2010) and their share in total sales was 15.5 % compared to 19.9 % in Q1 2010. This results from lack of Microsoft software deliveries to banks (such deliveries took place in the first quarter of 2010). There was a significant increase in sales to customers in the industry and utilities sector (an increase of 6.1 million PLN, i.e. 56.2 % more compared to Q1 2010) and their share in total sales also grew (from 7.5 % to 11.5 %) resulting from increased sales of Comarch Group services and proprietary software. Sales to public institutions and to customers in small and medium sized enterprises - Poland grew significantly (an increase of 1.5 million PLN, i.e. 15.9 % and 2.1 million PLN, i.e. 14.9 % respectively). There was a decrease in sales to customers in small and medium sized enterprises – DACH (a decrease of 4.9 million PLN, i.e. 14.1 %) and their share was 20.4 % (24.1 % in Q1 2010). A significant increase in sales to other sectors (an increase of 4.8 million PLN, i.e. 225.8 %) was due to a one-off increase in revenues in MKS Cracovia SSA (player transfer).

Market sales structure	3 months ended 31 March 2011	%	3 months ended 31 March 2010	%	Change in PLN	Change in %
Telecommunications, Media, IT	29,459	20.0%	31,660	21.7%	-2,201	-7.0%
Finance and Banking	22,871	15.5%	28,938	19.9%	-6,067	-21.0%
Trade and Services	14,081	9.5%	13,599	9.3%	482	3.5%
Industry & Utilities	16,964	11.5%	10,858	7.5%	6,106	56.2%
Public sector	11,206	7.6%	9,666	6.6%	1,540	15.9%
Small and Medium-Sized Enterprises - Poland	15,888	10.8%	13,833	9.5%	2,055	14.9%
Small and Medium-Sized Enterprises - DACH	30,119	20.4%	35,049	24.1%	-4,930	-14.1%
Others	6,878	4.7%	2,111	1.4%	4,767	225.8%
<b>Total</b>	<b>147,466</b>	<b>100.0%</b>	<b>145,714</b>	<b>100.0%</b>	<b>1,752</b>	<b>1.2%</b>

## Geographical sales structure

In Q1 2011, export sales of the Comarch Group decreased slightly by 2.7 million PLN, i.e. 4.1 % compared to Q1 2010. The share of these sales in total sales reached 42.5% compared to 44.8 % in the previous year. The Group denoted a significant increase in export sales on its core activity, and the decrease in export sales is mostly a result of lower revenue from sales of the Comarch Software und Beratung Group and strengthening of the PLN against the EURO and USD. Domestic sales increased by 4.4 million PLN, i.e. 5.5 %.

Geographical sales structure	3 months ended 31 March 2011	%	3 months ended 31 March 2010	%	Change in PLN	Change in %
Domestic	84,798	57.5%	80,378	55.2%	4,420	5.5%
Export	62,668	42.5%	65,336	44.8%	-2,668	-4.1%
<b>Total</b>	<b>147,466</b>	<b>100.0%</b>	<b>145,714</b>	<b>100.0%</b>	<b>1,752</b>	<b>1.2%</b>

In the first quarter of 2011, the Group executed an increased number of IT contracts, acquired in 2010 and was acquiring new contracts intensively. The Group effectively continues its main strategic goal for 2011 which is extension of export sales to selected markets, mostly in Western Europe. The high value contracts acquired on the European market in the current year ensure a satisfactory basis for the long-term development of Comarch activities, regarding Comarch as global supplier of IT products and services. Revenues structure shows that the sales of the Comarch Group's are well diversified and the Group is not dependant on only one sector, client or product sold. This structure of revenues significantly reduces the risk of operational activities related to possible heterogeneous growth rates of particular sectors in a given year.

### 5.3. Backlog

As of the 29<sup>th</sup> of April, 2011, the backlog for the current year, excluding Comarch Software und Beratung Group's backlog, amounted to 473.4 million PLN and was therefore higher by 19.4 % compared to the same period in the previous year. The value of services and proprietary software sales increased by 20.9 % up to 426.2 million PLN, and as a consequence, their share of the total backlog amounts to 90 % and is higher than in the previous year. It is noticeable that the share of export contracts of the total backlog increased dynamically by 57.3 %. In the Group's opinion, the current value of its backlog confirms the steady recovery of both the Polish and global economy, as well as of the IT market. It also confirms the effectiveness of the expansion strategy abroad realised by the Group. Moreover, the structure of revenue contracted for the current year confirms the very strong financial position of the Group.

Backlog for the current year (excluding Comarch Software und Beratung AG)	At 29 April 2011	At 30 April 2010	Change
Revenues contracted for the current year	473,374	396,502	19.4%
including export contracts	154,048	97,941	57.3%
% of export contracts	32.5%	24.7%	7.8%
including services and proprietary software	426,191	352,616	20.9%
% of services and proprietary software	90.0%	88.9%	1.1%

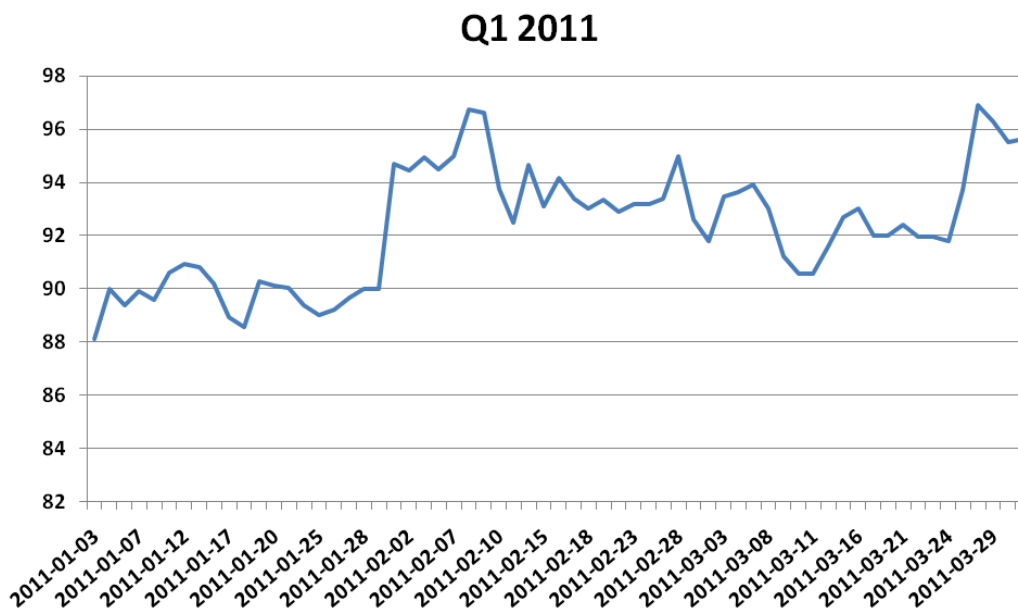
The significant increase in the number and value of concluded long-term contracts (with an execution time between 2 and 5 years) is a very significant occurrence in the Group. This situation is reflected in the current backlog for the following year (2012) and confirms the very good business perspectives for the Comarch Group in the following periods.

As of the 29<sup>th</sup> of April, 2011, the backlog for the following year, excluding Comarch Software und Beratung Group's backlog, amounted to 167.2 million PLN and was higher by 53.6 % than in 2010. The increase in backlog is mostly a result of orders for Comarch's services and proprietary software which were increased by 74.7 %, and their share in total backlog amounts to almost 83 %.



<b>Backlog for the following year (excluding Comarch SuB Group)</b>	<b>At 29 April 2011</b>	<b>At 30 April 2010</b>	<b>Change</b>
Revenues contracted for the following year	167,247	108,885	53.6%
<i>including services and proprietary software</i>	138,717	79,392	74.7%
<i>% of services and proprietary software</i>	82.94%	72.91%	

#### 5.4. Comarch S.A. Stock Price Performance



On the 31<sup>st</sup> of March 2011, the closing rate of Comarch S.A. shares in the Warsaw Stock Exchange amounted to 95.65 PLN, i.e. an increase of 13.9 % compared to 84.0 PLN on the 31<sup>st</sup> of December, 2010. The Group's results and Comarch SA stock price in the next quarters will depend in large part on the development of export sales, trends in the macro economy, the condition of the economy on the Polish market, the financial situation of medium-sized and large enterprises (which constitute the basis of the Group's clients), EUR/PLN and USD/PLN exchange levels and the rate of increase in the remuneration of IT employees.

#### 5.5. Events in the First Quarter of 2011 that Greatly Impacted the Current Activities of the Comarch Group

None present.

#### 5.6. Events after the Balance Sheet Date that Greatly Impacted the Current Activities of the Comarch Group

None present.

## VII. Quarterly Summary of Comarch S.A. Financial Statement for the First Quarter of 2011

I. Balance Sheet	31 March 2011	31 December 2010	31 March 2010
<b>ASSETS</b>			
<b>I. Non-current assets</b>	<b>492,444</b>	<b>487,305</b>	<b>457,868</b>
1. Intangible assets	3,477	2,414	1,621
2. Property, plant and equipment	217,088	214,405	210,564
3. Non-current investments	269,035	268,495	244,640
3.1. Non-current financial assets	268,992	268,452	244,597
a) in related parties	268,992	268,452	244,597
3.2 Other non-current investment	43	43	43
4. Non-current prepayments	2,844	1,991	1,043
4.1 Deferred income tax assets	2,697	1,792	758
4.2 Other accruals	147	199	285
<b>II. Current assets</b>	<b>344,571</b>	<b>393,568</b>	<b>286,905</b>
1. Inventories	43,216	41,265	31,487
2. Current receivables	217,294	286,240	197,982
2.1 from related parties	84,859	90,410	54,553
2.2 from other entities	132,435	195,830	143,429
3. Current investments	62,916	53,963	43,200
3.1 Current financial assets	62,916	53,963	43,200
a) in related parties	1,014	-	8,450
b) in other entities	1,313	1,452	5,828
- granted loans	70	24	13
- other current financial assets	1,243	1,428	5,815
c) cash and cash equivalents	60,589	52,511	28,922
4. Short-term prepayments	21,145	12,100	14,236
<b>Total assets</b>	<b>837,015</b>	<b>880,873</b>	<b>744,773</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>	<b>562,659</b>	<b>559,208</b>	<b>500,078</b>
1. Share capital	8,051	8,051	8,051
2. Supplementary capital	346,562	346,562	295,211
3. Revaluation reserve	133,532	135,204	137,361
4. Other reserve capitals	745	745	745
5. Capital from merger settlement	-	-	-
6. Previous years' profit (loss)	68,646	176	51,527
7. Net profit (loss)	5,123	68,470	7,183
<b>II. Liabilities and provisions for liabilities</b>	<b>274,356</b>	<b>321,665</b>	<b>244,695</b>
1. Provisions for liabilities	66,470	80,471	62,116
1.1 Provision for deferred income tax	33,535	33,850	34,225
1.2 Other provisions	32,935	46,621	27,891
a) current	32,935	46,621	27,891
2. Non-current liabilities	84,934	84,985	80,888
2.1 to related parties	170	181	252
2.2 to other entities	84,764	84,804	80,636
3. Current liabilities	113,730	148,734	94,828
3.1 to related parties	18,684	18,893	11,513
3.2 to other entities	92,575	128,821	81,020
3.3 Special funds	2,471	1,020	2,295
4. Accruals	9,222	7,475	6,863
4.1 Other accruals	9,222	7,475	6,863
a) current	9,222	7,475	6,863
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>837,015</b>	<b>880,873</b>	<b>744,773</b>

Book value	562,659	559,208	500,078
Number of shares	8,051,637	8,051,637	8,051,637
Book value per single share (PLN)	69.88	69.45	62.11
Diluted number of shares	8,141,658	8,051,637	8,078,998
Diluted book value per single share (PLN)	69.11	69.45	61.90

*Changes in the presentation of provisions were included in the financial statement for the 31<sup>st</sup> of December, 2010. Provision for leave and other accruals presented previously in accruals were transferred to other provisions. Due to the fact there was a change in the presentation of comparable data as of 31<sup>st</sup> of March, 2010.*

<b>II. Income Statement</b>	<b>Q1 2011</b>	<b>Q1 2010</b>
<b>For the periods 01.01 – 31.03.2011 and 01.01 - 31.03.2010 (thousands of PLN)</b>		
<b>I. Net revenues from sales of products, goods and materials, including:</b>	<b>98,215</b>	<b>102,724</b>
- revenues from related parties	14,477	8,856
1. Net revenues from sales of products	88,645	87,848
2. Net revenues from sales of goods and materials	9,570	14,876
<b>II. Costs of products, goods and materials sold, including:</b>	<b>67,936</b>	<b>70,975</b>
- to related parties	6,048	4,562
1. Manufacturing cost of products sold	58,916	57,154
2. Value of products, goods and materials sold	9,020	13,821
<b>III. Gross profit (loss) on sales</b>	<b>30,279</b>	<b>31,749</b>
IV. Costs of sales	13,226	11,097
V. Administrative expenses	6,405	4,032
<b>VI. Profit/loss on sales</b>	<b>10,648</b>	<b>16,620</b>
VII. Other operating revenues	91	122
1. Other operating revenues	91	122
VIII. Other operating costs	6,742	4,945
1. Loss on disposal of non-financial non-current assets	15	15
2. Cost of works financed with subsidies	5,726	3,109
3. Other operating costs	1,001	1,821
<b>IX. Profit (loss) on operating activities</b>	<b>3,997</b>	<b>11,797</b>
X. Financial revenues	1,473	1,772
1. Interest, including:	750	693
- from related parties	266	358
2. Revaluation of investments	283	-
3. Other	440	1,079
XI. Finance costs	1,176	6,456
1. Interest	903	927
2. Other	273	5,529
XII. Profit (loss) on business activities	4,294	7,113
<b>XIII. Gross profit (loss)</b>	<b>4,294</b>	<b>7,113</b>
XIV. Income tax	-829	-70
<b>XV. Net profit (loss)</b>	<b>5,123</b>	<b>7,183</b>
Net profit (loss) (annualised)	66,410	48,524
Weighted average number of shares	8,051,637	7,960,845
01.04.2010 – 31.03.2011		
Earnings (losses) per single share (PLN)	8.25	6.10
Diluted weighted average number of shares 01.04.2010 – 31.03.2011	8,141,658	8,078,998
Diluted earnings (losses) per single share (PLN)	8.16	6.01



III. Changes in Equity	Q1 2011	12 months ended 31 December 2010	Q1 2010
I. Opening balance of equity	559,208	494,119	494,119
a) changes to adopted accounting principles (policies)	-	-	-
I. a. Opening balance of equity after adjustments	559,208	494,119	494,119
1. Opening balance of share capital	8,051	7,960	7,960
1.1 Changes in share capital	-	91	91
a) increases (due to)	-	91	91
- share issue	-	91	91
<b>1.2 Closing balance of share capital</b>	<b>8,051</b>	<b>8,051</b>	<b>8,051</b>
2. Opening balance of due payments for share capital	-	-	-
<b>2.1 Closing balance of due payments for share capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
3. Opening balance of supplementary capital	346,562	295,211	295,211
3.1 Changes in supplementary capital	-	51,351	-
a) increases (due to)	-	51,351	-
- profit-sharing for the previous years	-	51,351	-
b) decreases	-	-	-
<b>3.2 Closing balance of supplementary capital</b>	<b>346,562</b>	<b>346,562</b>	<b>295,211</b>
4. Opening balance of revaluation reserve	135,204	138,676	138,676
4.1 Changes in revaluation reserve	-1,672	-3,472	-1,315
a) increases (due to)	392	816	308
- provision for deferred income tax due to certificates valuation	392	816	308
b) decreases (due to)	2,064	4,288	1,623
- balance sheet valuation of investment certificates	2,064	4,288	1,623
<b>4.2 Closing balance of revaluation reserve</b>	<b>133,532</b>	<b>135,204</b>	<b>137,361</b>
5. Opening balance of capital from merger	-	-	-
<b>5.1 Closing balance of capital from merger</b>	<b>-</b>	<b>-</b>	<b>-</b>
6. Opening balance of other reserve capitals	745	745	745
<b>6.1 Closing balance of other reserve capitals</b>	<b>745</b>	<b>745</b>	<b>745</b>
7. Opening balance of previous years' profit	68,646	51,527	51,527
a) changes to adopted accounting principles (policies)	-	-	-
7.1 Opening balance of previous years' profit after adjustments	68,646	51,527	-
a) decreases (due to)	-	51,351	-
- transferring the result from the previous years to capital	-	51,351	-
<b>7.2 Closing balance of previous years' profit</b>	<b>68,646</b>	<b>176</b>	<b>51,527</b>
8. Result for Q1 2011 (opening balance)	-	-	-
8.1 Net result for the period	5,123	68,470	7,183
<b>8.2. Net result for the year</b>	<b>5,123</b>	<b>68,470</b>	<b>7,183</b>
<b>II. Closing balance of equity</b>	<b>562,659</b>	<b>559,208</b>	<b>500,078</b>
III. Equity including proposed profit-sharing (loss coverage)	562,659	559,208	500,078

**IV. Cash Flow Statement**

**For the period 01.01– 31.03.2011**

**and 01.01-31.03.2010 (thousands of PLN)**

**A. Cash flows from operating activities**

	Q1 2011	Q1 2010
I. Net profit (loss)	5,123	7,183
II. Total adjustments	16,498	-25,151
1. Depreciation	4,594	4,677
2. Exchange gains (losses)	10	-,29
3. Interest and profit sharing (dividends)	1,045	846
4. (Profit) loss on investing activities	-200	-817
5. Change in provisions	-13,609	-70
6. Change in inventories	-1,950	-2,400
7. Change in receivables	68,303	5,967
8. Change in current liabilities, excluding credits and loans	-33,547	-15,939
9. Change in prepayments and accruals	-8,148	-17,386
10. Other adjustments	-	-

**III. Net cash used in operating activities (I+/-II) – indirect method**

**21,621**      **-17,968**

**B. Cash flows from investing activities**

I. Inflows	79	1,261
1. Disposal of property, plant and equipment and intangible assets	77	10
2. From financial assets, including:	2	1,251
a) in related parties	2	589
- repaid loans	2	589
b) in other entities	-	662
- other proceeds from financial assets	-	662
II. Outflows	-12,772	-11,183
1. Purchase of property, plant and equipment and intangible assets	-10,295	-3,235
2. For financial assets, including:	-2,477	-7,948
a) in related parties	-2,477	-2,948
- purchase of financial assets	-	-898
- current loans granted	-2,477	-2,050
b) in other entities	-	-5,000
- purchase of financial assets	-	-5,000
3. Other investment outflows	-	-

**III. Net cash used in investing activities (I-II)**

**-12,693**      **-9,922**

**C. Cash flows from financing activities**

I. Inflows	1,842	69
1. Loans and credits	1,842	-
2. Interest	-	69
II. Outflows	-2,687	-2,576
1. Repayment of loans and credits	-1,640	-1,661
2. Interest	-1,047	-915

**III. Net cash (used in)/generated from financing activities (I-II)**

**-845**      **-2,507**

**D. TOTAL net cash flow (A.III+/-B.III+/-C.III)**

**8,083**      **-30,397**

E. Balance sheet change in cash and cash equivalents, including:

- change in cash and cash equivalents due to exchange differences      style="text-align: right;">8,070      style="text-align: right;">-30,367

-13      style="text-align: right;">30

F. Cash and cash equivalents opening balance      style="text-align: right;">52,503      style="text-align: right;">58,541

H. Closing balance of cash and cash equivalents (F+/- E), including:

60,573      style="text-align: right;">28,174

- limited disposal      style="text-align: right;">-

## V. Additional Information and Commentary

### 1. Adopted Accounting Policies

This financial statement was prepared according to the Act passed on 29<sup>th</sup> of September, 1994 on Accounting (unified text - Journal of Laws, 2009, No. 152 pos. 1223 and subsequent changes) and the requirements specified in the Regulation issued by the Minister of Finance on 19<sup>th</sup> of February, 2009, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (Journal of Laws, 2009, No. 33 pos. 259 and subsequent changes).

A complete description of the adopted accounting principles was presented in the last annual financial statement, i.e. for the period from 1<sup>st</sup> of January, 2010 until 31<sup>st</sup> of December, 2010. If this financial statement for the 3 months ended the 31<sup>st</sup> of March, 2011 was prepared according to IFRS, the financial results would amount to 3.99 million PLN.

Earnings according to Act on Accounting	5,123
Depreciation of perpetual usufruct	(23)
Asset due to activity in the SEZ	(424)
Managerial option	(684)
Profit according to IFRS	<b>3,992</b>

### 2. Information about Significant Changes in Estimated Values, Including Information about Corrections due to Provisions, Provision and Deferred Income Tax Assets Mentioned in the Act on Accounting and about Write-Offs that Revaluated Asset Items

In Q1 2011, Comarch S.A. did not carry out any write-offs that revaluated goods and materials. In Q1 2011, the company did not dissolve any write-offs which had been created in previous years.

No hedges were made on inventories owned by the company.

In Q1 2011, in relation with payments of receivables, Comarch S.A. dissolved revaluing write-offs worth 0.45 million PLN and recognised write-offs worth 1.314 million PLN that revaluated bad debts.

- a) Due to the fact that the company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised is established on the basis of the annual settlement of income tax, after the end of the fiscal year. In 2011, an asset due to temporary differences in income tax, worth 1.092 million PLN, was recognised. A tax asset worth 0.187 million PLN and recognised as at 31<sup>st</sup> of December, 2010, was dissolved in part. Provisions for deferred income tax due to temporary differences in the amount of 0.077 million PLN was recognised. The total effect of these operations on the result of 2010 was plus 0.828 million PLN. Provisions for deferred income tax related to valuation of investment certificates in CCF CIF were diminished by 0.392 million PLN. The provisions as well as certificates valuation are settled with revaluation reserve.

### 3. Selected Notes to the Summary Financial Statement

<b>3.1. NON-CURRENT FINANCIAL ASSETS</b>	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2010</b>
a) in subsidiaries and correlated parties	268,992	268,452	244,597
- interest or shares	43,806	43,522	30,636
- loans granted	55,026	52,991	40,785
- other securities	165,913	167,978	170,642
- other non-current financial assets, including:	4,247	3,961	2,534
- interest on granted loans	4,247	3,961	2,534
b) in associates	-	-	-
c) in other entities	-	-	-
<b>Non-current financial assets, TOTAL</b>	<b>268,992</b>	<b>268,452</b>	<b>244,597</b>
<b>3.2. CHANGES IN NON-CURRENT FINANCIAL ASSETS (TYPES)</b>	<b>Q1 2011</b>	<b>Q1 2010</b>	
a) Opening balance	268,452	247,871	
- interests or shares	43,522	29,738	
- loans	52,991	43,382	
- other securities	167,978	172,266	
- other non-current assets (interest on granted loans)	3,961	2,485	
b) increases (due to)	2,825	1,218	
- purchases of shares in subsidiaries	-	898	
- loans granted to subsidiaries	1,477	-	
- due interest to non-current loans	527	320	
- balance sheet valuation of non-current loans	537	-	
- balance sheet revaluation of shares in foreign currencies	284	-	
c) decreases (due to)	2,285	4,492	
- repayment of subsidiaries' loans	-	285	
- repayment of subsidiaries' interest on loans	-	67	
- valuation of participation units in CCF FIZ	2,065	1,624	
- balance sheet valuation of non-current loans	-	2,574	
- balance sheet valuation of interests on loans	245	251	
- creating write-offs revaluating loans	-	23	
- creating write-offs revaluating interests on loans	-	18	
- dissolving write-offs revaluating loans	-21	-285	
- dissolving write-offs revaluating interests	-4	-65	
<b>d) Closing balance</b>	<b>268,992</b>	<b>244,597</b>	
<b>3.3. CURRENT FINANCIAL ASSETS</b>	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2010</b>
a) in subsidiaries and correlated parties	1,015	-	8,450
- loans granted	1,015	-	8,450
b) in other entities	1,312	1,452	5,828
- loans granted	70	24	13
- other current financial assets, including:	1,242	1,428	5,815
- forward contracts	187	383	815
- participation units in funds	1,055	1,045	5,000
c) cash and cash equivalents	60,589	52,511	28,922
- cash in hand and at banks	60,573	52,503	28,174
- other monetary assets	16	8	748
<b>TOTAL current financial assets</b>	<b>62,916</b>	<b>53,963</b>	<b>43,200</b>

**4. A Brief Description of Significant Achievements or Failures of the Issuer during the Period Covered by the Report, Including a List of the Most Significant Events Related to Such Achievements or Failures**

In the first quarter of 2011, Comarch SA revenue from sales amounted to 98.2 million PLN (a decrease of 4.4 % compared to Q1 2010). This results mostly from a decrease of 35.7 % in sales of goods and materials compared to Q1 2010. Sales of products constituted 90.3 % of the company's total sales and were at the comparable level to those in the first quarter of 2010. Operating profit decreased by 7.8 million PLN down to 4 million PLN and net profit decreased by 2.1 million PLN (5.1 million PLN compared to 7.2 million PLN in Q1 2010. EBIT margin amounted to 4.1 % and net margin amounted to 5.2 %.

**5. Factors and Events of Unusual Nature with Significant Effects on the Achieved Financial Results**

None were present, except for the ones described in point 2 of the financial statement.

**6. Discussion of Seasonality (Cyclical Nature) of the Issuer's Business in the Period Presented**

The company's activity is neither subject to any significant seasonal fluctuations nor cyclical trends.

**7. Information on any Issue, Repurchase or Repayment of Debt and Equity Securities**

Within the reporting period, the company has not issued, repurchased or repaid debt or equity securities.

**8. Information on any Dividend Paid Out or Declared, Including Its Total and per Share Value, Separately for Ordinary and Preference Shares**

Comarch S.A. did not pay any dividend in the first quarter of 2011.

**9. Events that Occurred after the Date of Condensed Half-Year Financial Statement, which are not Included in the Financial Statement but May Significantly Affect the Future Performance of the Issuer**

None present.

**10. Information on any Changes in Contingent Liabilities or Contingent Assets which Have Occurred since the End of the Last Financial Year**

On 31<sup>st</sup> of March, 2011, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was 31.86 million PLN, whereas it was 39.26 million on 31<sup>st</sup> of December, 2010.