CONSOLIDATED ANNUAL REPORT OF THE ASSECO SOUTH EASTERN EUROPE GROUP FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2009

LETTER FROM THE PRESIDENT OF THE MANAGEMENT BOARD

MANAGEMENT BOARD REPORT ON THE GROUP'S ACTIVITY

MANAGEMENT BOARD'S REPRESENTATIONS

Letter from the President of the Management Board

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

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

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

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

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

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

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

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

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

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

Respectfully,

Piotr Jeleński

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

MANAGEMENT BOARD REPORT ON THE ACTIVITY OF THE ASSECO SOUTH EASTERN EUROPE GROUP FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2009

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1. Structure and nature of the Group's activity

Asseco South Eastern Europe is a capital group concentrating its activity on producing and selling software and rendering IT services. On account of the wide territorial scope of operations, presence in many countries and the varied palette of products and services in the offering of the companies belonging to the Asseco South Eastern Europe Group, the Group has structured its offering and organized its internal structures and processes in the following four divisions:

a) Banking Solutions,

b) Mobile Banking & Authentication,

c) Card Business,

d) System Integration.

Banking Solutions

The banking solutions segment encompasses integrated banking systems, including primarily core banking systems. The Asseco South Eastern Europe Group offers core banking systems on an Oracle platform: (ASEBA Banking Intranet and ASEBA INTBANK) and one other system on a Microsoft platform (ASEBA Pub2000). Moreover, the Group is at the final stage of developing a new integrated core banking system (Experience). Moreover, systems for distribution channels are offered within the framework of integrated systems (including e-bank) as well as local payment administration systems, reporting, „Business Intelligence" facilities entailing risk management, scoring and rating systems and compliance systems, etc.

Mobile Banking & Authentication

The mobile banking & authentication segment encompasses systems supporting the secure authentication of bank customers or IT systems users. These solutions are sold as an integral part of core and multiple-channel banking systems offered by Group companies or separately for the purpose of integration with legacy solutions or third party software. The offering includes technologies based on the usage of mobile tokens and authentication by SMS, PKI (Public Key Infrastructure)/smartcards as electronic signature solutions, the ASEBA JiMBA mobile banking system and a range of e-commerce solutions.

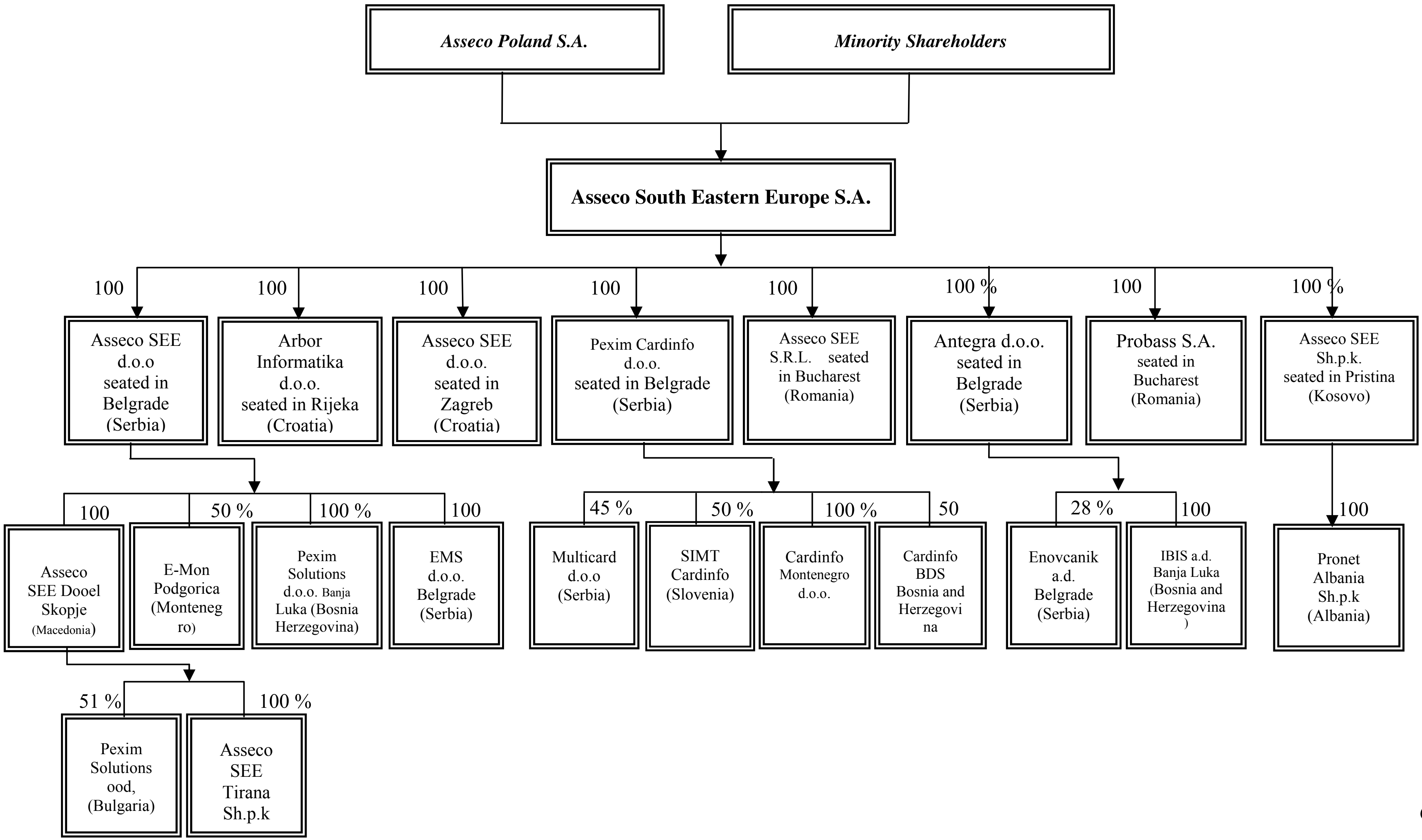
Card Business

This segment encompasses the sales and maintenance of ATMs, payment terminals and affiliated additional services. Furthermore, this segment includes 'Top – up' services, i.e. sales of services provided by external providers on the basis of proprietary IT solutions using the network of ATMs and terminals (e.g. recharging services for telephone cards, bill payments).

System Integration

This segment encompasses integration services for third party software, infrastructure and hardware sales.

COMPOSITION OF THE ASSECO SOUTH EASTERN EUROPE GROUP AS AT 31 DECEMBER 2009



LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Asseco South Eastern Europe Group	Country of registration	Core business	Percentage share of capital as at 31 Dec. 2009	31 Dec. 2008
Asseco SEE Srl (formerly Net Consulting Srl, after merger with Fiba Software Srl)[1]	Romania	Integration services and IT solutions for the financial and industrial sectors and for public institutions	100%	70%
Asseco SEE d.o.o., Beograd (formerly Pexim d o.o.) [2]	Serbia		100%	60%
Asseco SEE DOOEL, Skopje (f. Pexim DOOEL)[3]	Macedonia		100%	60%
Pexim Solution o.o.d. , Sofia	Bulgaria		51%	31%
Asseco SEE Tirana SH.PK (formerly Pexim Tirana SH.P.K.) [4]	Albania	Developing financial applications and delivering comprehensive IT systems to financial institutions.	100%	60%
Pexim Solution d.o.o. , Banja Luka	Bosnia and Herzegovina		100%	60%
E-Mon d.o.o., Podgorica	Montenegro		50%	39%
eMS d.o.o. , Beograd	Serbia		100%	54%
Pexim Cardinfo d.o.o.	Serbia		100%	60%
Cardinfo Montenegro d.o.o.	Montenegro		100%	60%
SIMT Cardinfo d.o.o.	Slovenia	Delivering IT solutions to the banking sector	50%	30%
Cardinfo BDS d.o.o.	Bosnia and Herzegovina		50%	NA
Multicard d.o.o.	Serbia		45%	NA
Antegra d.o.o.	Serbia		100%	70%
Ibis a.d.	Bosnia and Herzegovina	Delivering IT solutions to the banking sector	100%	70%
Enovčanik	Serbia		28%	20%
Arbor Informatika d.o.o.	Croatia	IT services for the telecommunication, public administration and banking sectors	100%	70%
Asseco SEE d.o.o. (formerly Logos d.o.o.) [5]	Croatia	IT services for the banking and financial, insurance and large corporate sectors	100%	60%
Asseco SEE Sh.p.k. (formerly Pronet Sh.p.k) [6]	Kosovo	System integration and developing and implementing proprietary software for the banking sector and public institutions	100%	NA
Pronet Albania Sh.p.k.	Albania		100%	NA
Probass S.A.	Romania	Delivering IT solutions to banks and financial institutions	100%	NA

2. The IT market in South Eastern Europe and its outlook

The South Eastern Europe region entails 11 countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Kosovo, Macedonia, Moldavia, Romania, Serbia and Slovenia. These countries form a market that over the most recent years has experienced an intensive influx of foreign investments. These investments are the result of multilateral economic processes aiming at convergence with the free market economy of Western Europe and the anticipated influx of European funds. Three of this region's countries, namely Slovenia, Romania and Bulgaria belong to the European Union. The other countries are presently at various stages of the integration process with the European Union (headed up by Croatia which is conducting accession negotiations). The Asseco South Eastern Europe Group primarily conducts operations on the markets of Croatia, Kosovo, Macedonia, Romania and Serbia. In Bosnia and Herzegovina the Group intends to consolidated its operations and intensify its scale of operations considerably. In reference to the other markets the plans call for steady expansion of the scale of operations by implementing an offering for all operational segments.

3. Policy on the directions for the Group's development

The Asseco South Eastern Europe Group has two major axes of development. One is based on organic growth on existing geographical markets and products. The other one calls for expanding or broadening these markets by way of acquisitions. The strategic assumptions for the various business divisions have the greatest influence on the directions for the Group's development.

The Banking Solutions division is treating the penetration of the market of Croatia, Slovenia, Bulgaria and Moldavia as a challenge. The goal is to penetrate this market with an offering of solutions in the area of core systems and systems to support channels of distribution for banks. Within the framework of the development of the Bosnian market, plans call for strengthening our position as a provider of software solutions for banking. In conjunction with these plans, "competence centers" are being created in the various countries to form in the future the basis for rendering support services to customers.

The Mobile Banking & Authentication division is being developed based on a different strategy. Above all, products are offered in the territory of the entire Asseco Poland Group. This divisions concentrates its efforts on building sales channels in all the countries with a strong outlook. In South Eastern Europe this division is in the process of building a sales network on the basis of the resources provided by the various companies in the ASEE Group. In turn, with respect to countries outside this region, this division is endeavoring to acquire local business partners to sell proprietary solutions through their sales networks. However, this division's technical support and production back office are situated in Croatia.

The Card Business division perceives developmental opportunities in geographic and product expansion. The division is currently involved in building a support center in three countries: Bulgaria, Kosovo and Albania to expand the geographic markets counting that this will greatly enhance its presence on these markets. Furthermore, Asseco South Eastern Europe S.A. is conducting talks on the possibilities of acquiring a company catering to the Croatian market in the area of delivering and maintaining ATMs. This would make it possible to penetrate a market on which the card division of Asseco South Eastern Europe has not been represented to date. Moreover, the card division is still looking for and testing new products and services in its operational activity.

The integration division primarily sees the directions for its development in expanding its presence in the various countries in the region. This growth is predicated on continually delivering to customers the newest solutions of global producers and expanding integration services while continually growing the percentage of proprietary solutions. Furthermore, the Group is strongly developing competencies in the area of executing projects financed with European Union funds in the area of accession programs and structural funds.

The Asseco South Eastern Europe Group is also considering the possibility of entering the Turkish market. Talks are being held to this end, but at this stage their outcome would be difficult to predict.

4. Information about key products, merchandise or services

Information about key products, merchandise or services along with their value and volume description and the share of individual products, merchandise and services (if significant) or their groups in the Group's total sales, as well as changes in this respect during the fiscal year.

BANKING SOLUTIONS

The comprehensive nature of the product and services portfolio for the banking sector is the key competitive advantage of the Asseco South Eastern Europe Group. The offering includes both integrated banking systems (core banking systems, systems for distribution channels, including e-banking and m-banking with sophisticated authentication solutions) as well as local payment and reporting support systems, Business Intelligence tools covering risk management, scoring and rating systems, compliance systems, solutions to implement the new capital accord (*Basel II*), etc., customer relations management (CRM) solutions and installation of ATMs and payment terminals along with the ancillary services.

Core Banking Systems

On Oracle platform:
- **ASEBA BI Universal Integrated Banking System,**
- **ASEBA INT Bank**
- **ASEBA abSolut**

On Microsoft platform:
- **ASEBA Pub2000**
- **Experience**

For the banking segment the Asseco South Eastern Europe Group offers three different core banking systems. Two of them are based on the **Oracle** platform: (**ASEBA BI Universal Integrated Banking System, ASEBA INT Bank i ASEBA abSolut**), and one on the **Microsoft platform** (**ASEBA Pub2000**). In addition, we have proceeded to the phase of conducting the first implementations of a new integrated core banking system (**Experience**).

ASEBA Pub2000 is an integrated application for retail and corporate banking. The integrated Product Factory function makes it an exceptional product on the market. This functionality is a standard element of all ASEBA Pub2000 modules. Our clients believe that this product's most valuable feature is its capacity to stimulate operations by generating new banking products and services and to define or change processes without altering the application. ASEBA PUB 2000 includes the following modules: retail banking, corporate banking, loans, cards management system, main ledger.

ASEBA Bi Universal Integrated Banking System is an integrated core banking system offering numerous front-end functions, optimized for retail and commercial banks conducting operations in Southern and Eastern Europe. The main modules are: TELLER, loans, deposits, domestic payments, international payments, cards management, documentary operations, securities, fiduciary, treasury back office, reporting, prevention of money laundering, fixed asset, collections, m-banking, etc.

ASEBA INTBank is a comprehensive solution for banks. **ASEBA** INTBank represents an integrated, comprehensive environment for retail and corporate banking. The possibility of working in real time combined with excellent support for decision-making processes offered by the **ASEBA** INTBank system helps managers make decisions. The customer-centered architecture and functions performed in real time considerably increase bank capabilities in terms of accessing current and precise information. The integrated view of customer information and financial data with the capability of moving to levels providing greater detail (the drill-down function) is very helpful in the decision-making process. The **ASEBA** INTBank system is easily expandable and can integrate specialized Business Intelligence type applications.

ASEBA abSolut is an application system designed to support financial and banking operations. The system consists of the main core module and several additional modules, such as Internet banking, Management Information System, cards management system, insurance management system. In addition, there is an application called ASEBA absolut leasing, used for running leasing firms.

Given this, one can claim that ASEBA absolut represents a complete IT system for all the financial and banking operations of any institution.
Experience is a new line of products in our proprietary software activities developed as new generation banking software, including a system for servicing distribution channels, a core system, payments system and a business intelligence system.

Distribution channels

E-banking systems:
- **ASEBA iBank**
- **ASEBA Bank@You**

Other solutions:
- **ASEBA Jimba (m-banking)**
- **ASEBA InstantCredit**
- **ASEBA Contact Center®**
- **ASEBA EPay®**

Additional banking modules:

- **payments systems** (SEPA, DoPay)
- **reporting systems** (data warehouse and reporting module REPOBNR)

Business Inteligence:
- **Tezauri™**

Distribution systems (including e-banking, m-banking, etc.) are offered together with core banking systems or separately, for integration with proprietary or third-party solutions used by banks. Systems for distribution channels provide bank customers with alternative forms of accessing products and services. We also develop and sell certain additional special systems for distribution channels, such as solutions for customer service centers, special payment portals for utilities companies, special solutions for retail trade concerning consumer financing used for selling loans, etc. The offer includes multi-channel systems of e-banking: **ASEBA iBank** and **ASEBA Bank@You** as well as the specialized m-banking **ASEBA JiMBA. ASEBA InstantCredit** is an ideal solution for agents wishing to offer their customers retail loans without the need of going personally to a bank. This web application allows customers to communicate with their bank from shops and offices. **ASEBA E-Pay®** is a solution offering integrated e-banking services, electronic presentation of the account and payments and a payments handling gateway. **Additional banking modules** cover payments and reporting systems adapted to local requirements of each country's banking system, sold together with core bank systems or separately. **SEPA Direct Debit** is an autonomous element of core banking software supporting direct debit of accounts SEPA. **ASEBA DoPay** is a system for managing payments in local currency and foreign currencies.. **The data warehouse and reporting module** performs the following functions: reporting to the Central Bank, reporting to Credit Bureaus, reporting to Financial Intelligence Office, reporting to tax authorities and processing data for reporting according to standards of the new capital accord (Basel II). **ASEBA REPOBNR** is a comprehensive system for reporting to the Central Bank. **ASEBA Tezauri™** constitutes an integrated Business Intelligence banking solution, enabling risk management, credit assessment through an integrated scoring system and profitability analysis, monitoring of complaince with binding legal regulations and solutions relating to implementation.

CARDS

ATMs
- installation
- maintenance
- replacement

Payment terminals (POS)
- installation
- maintenance
- replacement

Service Support Center 24/7

Asseco South Eastern Europe Group provides installation and maintenance services of ATMs supplied mainly by the vendor Wincor Nixdorf.

As the sole partner of Hypercom, we offer EFT-POS terminals, from stationary models with dial-up access to mobile devices based on GSM-GPRS technology as well as all the network components, software and hardware infrastructure necessary for their connection.

Maintenance services are provided for the network and hardware infrastructure, as well as software, and are available on the 24 hours /7 days a week basis.

MOBILE BANKING & AUTHENTICATION

Authentication solutions represent advanced systems enabling secure authentication of bank customers. These solutions are sold as an integral element of core and multi-channel banking systems, or separately for integration with bank proprietary solutions or third-party vendor systems. Our solutions are applied primarily in the banking sector, which is the most advanced in terms of authentication systems. There are numerous potential applications of such products in the public sector and in e-commerce.

- **Token technology: ASEBA S&S/CAP**
- **ASEBA PKI (Public Key infrastructure/ smartcards**
- **M-banking:ASEBA JiMBa**
- **E-commerce security solutions**

- **ASEBA S&S/CAP** is a solution based on the use of mobile tokens and authentication via SMS as a credible two-stage authentication irrespective of channel and application, for banking services provided over the web and telephone. **ASEBA PKI (Public Key infrastructure/ smartcards:** solution for electronic signature consists of a package of software modules allowing for economic, easy and simple implementation of public key and electronic signature infrastructure (with use of smartcard tokens and USB tokens). **ASEBA JiMBA** mobile banking system offers fast and safe access to to financial information and services via mobile communication devices using Java language state-of-the-art technologies. It is easily adaptable, and in effect it may be applied in more than 50 mobile devices. Asseco South Eastern Europe Group offers a range of solutions for **e-commerce**, including: ASEBA Trides ACS, ASEBA Trides RS, LGOS, LPGW. These solutions provide issuers and sellers with a secure and unique platform for verifying identity of the cardholder.

TELECOMMUNICATIONS AND OTHER NON-BANKING SOLUTIONS

Billing Systems

A billing system handles processes of real time accounting of network traffic charges and calculation at the invoice level, preparing batches with invoices ready for printing or dispatching by electronic or traditional mail, sending results of calculations to other systems, drafting all the required reports facilitating the functions of controlling and monitoring payments. A billing system is closely integrated with the CRM system, mediation system, payments servicing system and back office systems (for managing customers, products, tariffs, etc.). The main client of the telecommunications business arm of Asseco South Eastern Europe is Hrvatsky Tel (Deutsche Telekom).

Invoicing and reporting systems

Additional systems for telecommunications sold autonomously of billing systems (including bespoke systems). Systems for invoicing and reporting working with the Geneva billing system: (i) **Invoicing** – preparing batches ready for printing or expediting via electronic or traditional mail (ii) **Reporting** – preparing all the required reports (facilitating the functions of controlling and monitoring payments, presentation of bills and billed items on web pages, etc.)

INTEGRATION

Full range of integration services, but only a single company acting solely as integrator

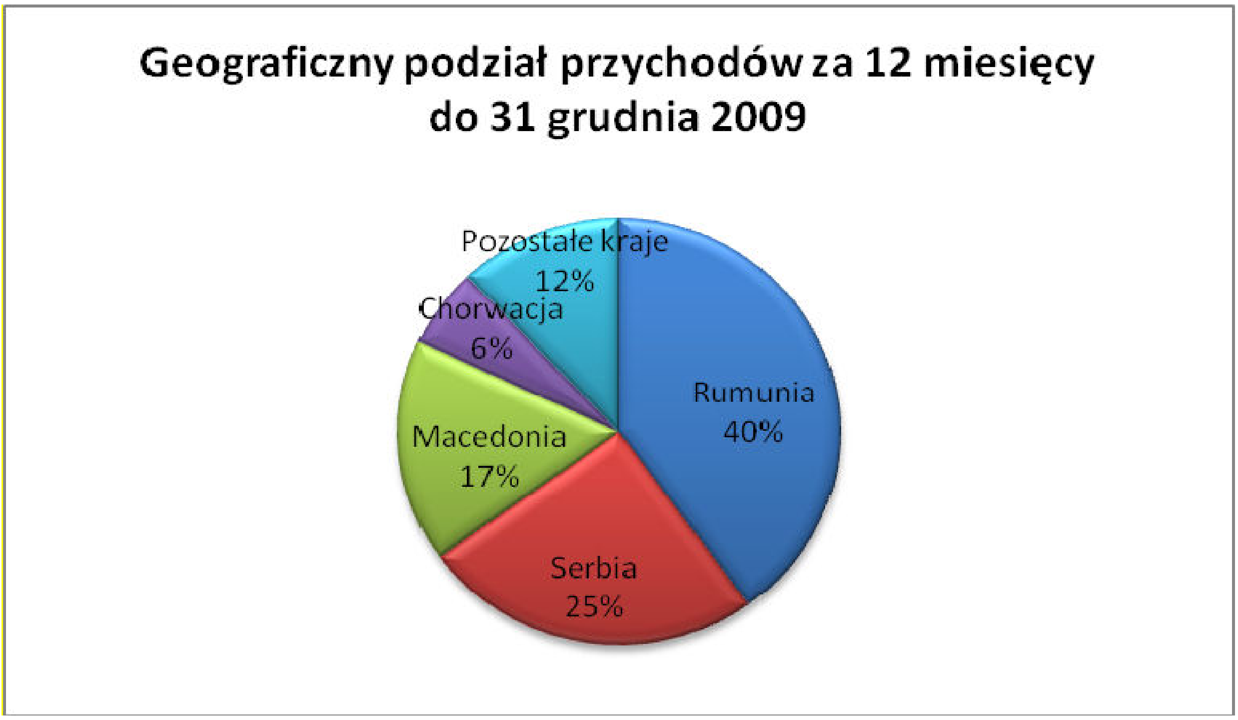
Asseco South Eastern Europe Group is a top player on the market of integration services in Kosovo, Macedonia, Romania and Serbia. The Group services financial, industry and public sectors with the following **business lines:** infrastructure development in connection with implementations of Microsoft software, ensuring continuity of business processes, automation of operations and software development.

5. Information about sales markets

Information about sales markets, by domestic and foreign markets, plus information about sources of production materials, goods and services supply, specifying reliance on a single or more customers and suppliers, and in the event that the share of one customer or supplier represents at least 10% of total sales revenues – name (firm) of the supplier or customer, share of sales or supplies and formal ties with the issuer;

During the 12 months ended 31 December 2009, the Group earned 40% of its revenues on sales in Romania, 25% in Serbia, 17% in Macedonia and 6% in Croatia.

Geographic structure of revenues for 12 months ended 31 December 2009



clockwise from 12: Romania, Serbia, Macedonia, Croatia, remaining countries

6. Information about agreements significant for the Group's operation

Information about concluded agreements significant for the Group's operation, including agreements between shareholders, insurance contracts, cooperation or collaboration agreements of which the issuer is aware

Performance of projects within the Group took place within individual operational divisions.

Implementations and services in the banking sector

The key contracts of the division responsible for computer software were the contracts with Volksbank in Serbia, United Bank in Albania and NLB Banka of Slovenia. The first contract concerned implementation of Intranet (transaction value approximately EUR 267 000). In Albania the contract involved setting up a core banking system (transaction value approximately EUR 343 000). Implementation of a Main Ledger and Fixed Assets application was the object of contract with the Slovene bank (transaction value approximately EUR 420 000).

Implementations and services concerning mobile and security solutions

In Bank Pekao S.A. (UniCredit Group) an authentication system was put in operation with a mobile token application, under a contract concluded in May 20099 – PLN 1 133 465..

Implementations and services in the cards sector

POS terminals have been installed for the payments cards and support services divisions in Serbian OTP Bank – (transaction value approximately EUR 290 000). Under the contract concluded in July 2009, Hypercom equipment was installed in INTESA Bank (transaction value approximately EUR 300 000).

System Integration implementations and services

The Group on several occasions carried out projects for the National Statistical Office in Romania.. Asseco SEE Srl (formerly Net Consulting Srl) supplied computer hardware – EUR 695 000, developed and implemented an online statistical portal – EUR 4 930 000 and provided support services during presidential elections – EUR 285 000. The contract executed jointly with Romanian company SIVECO concerned implementation of an application deployed during presidential elections in Romania – EUR 400 000. Microsoft licenses were sold to Romanian company TAROM – EUR 1 454 200.

7. Key economic and financial figures

Discussion of key economic and financial figures disclosed in the annual financial statements, in particular description of factors and events, including atypical ones, exerting a significant impact on operations of the Group and profits generated or losses incurred during the fiscal year, and also review of development prospects for Group operations, at least for the coming fiscal year.

a. SALES STRUCTURE

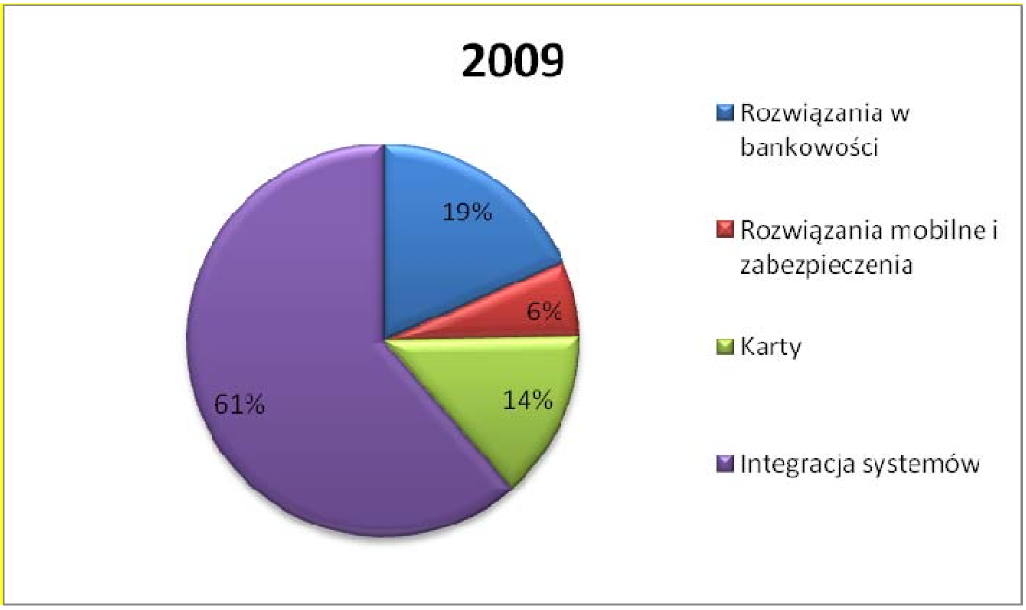
Revenues of Asseco South Eastern Europe Group for the 12 months ended 31 December 2009 reached PLN 436,654 thousand and compared with the value of sales generated in the preceding year went up 29%. The increase in sales was attained partly due to expansion of the Group by taking on board new entities and the synergies effect attained through consolidation of organizational structures and coordination of operations.

STRUCTURE OF REVENUES BY BUSINESS DIVISIONS

	12 months ended 31 Decxember 2009	12 months ended 31 Decxember 2008	Change
	PLN thous.	PLN thous.	%
Banking solutions	80,852	64,937	25%
Mobile and security solutions	26,967	15,021	80%
Cards	60,806	37,808	61%
Systems integration	268,029	221,400	21%
Total	436,654	339,166	29%

STRUCTURE OF REVENUES BY BUSINESS DIVISIONS

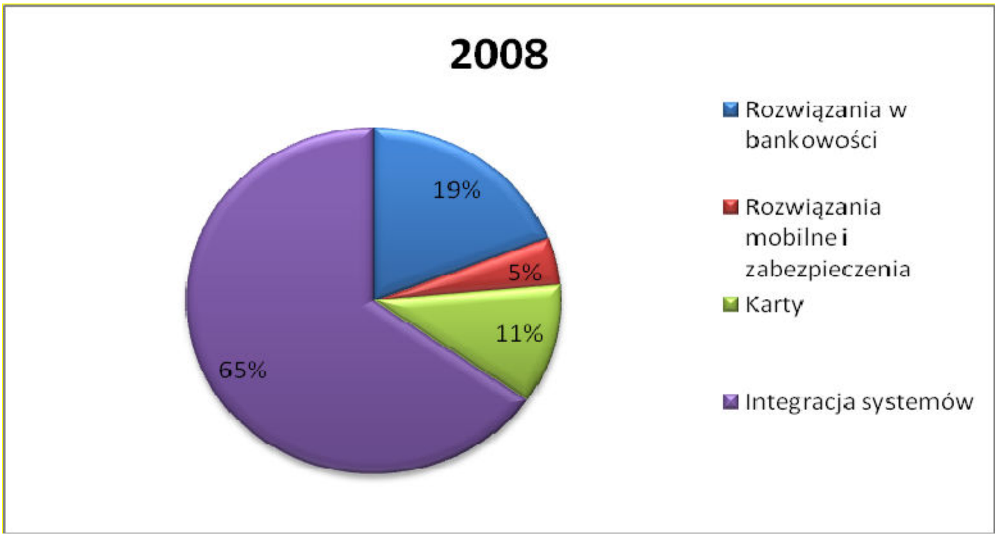
2009 (%)



blue – Banking Solutions
red – Mobile Banking & Authentication
green – Card Business
violet – System Integration

STRUCTURE OF REVENUES BY BUSINESS DIVISIONS

2009 (%)



blue* – *Banking Solutions
red* – *Mobile Banking & Authentication
green* – *Card Business
violet* – *System Integration

Implementations and services in the banking sector – 19% of the 2009 sales

Total revenues generated during the 12 months ended 31 December 2009 amounted to PLN 80,852 thousand, up 25% from the corresponding period in 2008 (PLN 64,937 thousand).

The highest revenues within the business division involved in implementations and services in the banking sector were generated on the Serbian market (56% of total division revenues). Romanian contribution to revenues reached 22%, while Macedonian 14%. The newly acquired Romanian company Probass, due to its short period of operation in the Group, generated only 2% of total division revenues.

The largest projects executed by this business division are described in Clause 6.

Sales and services in the cards sector – 14% of the 2009 sales

Total revenues generated during the 12 months ended 31 December 2009 amounted to PLN 60,806 thousand, which constituted a 61% increase compared to the corresponding period in 2008 (PLN 37,808 thousand). This sector was dominated by two countries of the region: Serbia with 66% of total sector sales value and Macedonia with 16% of total value of sales in this region.

The largest project executed by this business division are described under Clause 6.

Implementations and services in mobile solutions and authentication – 6% of the 2009 sales

This proved to be the fastest growing sector for our Group. The sum of revenues generated during the 12 months ended 31 December 2009 amounted to PLN 26,967 **thousand, which** constituted an 80% increase over **the corresponding period in 2008 (PLN** 15,021 thousand).
The largest projects executed by this business division are described under Clause 6.

System integration – 61% of the 2009 sales

In connection with the specific nature of integration work, which involves mainly development of infrastructure and reselling hardware, the integration

business division is the smallest in terms of profitability, yet the margins earned are still above the average for developed markets. Considering the low level of market saturation, demand for the services should continue at high level in the foreseeable future, yet gradual reduction of margin levels is a significant risk factor in the long term.
The highest revenues in this sector were earned by the Group in Romania.

STRUCTURE OF REVENUES BY KIND

	12 months ended 31 December 2009	12 months ended 31 December 2008	Change
	PLN thous.	PLN thous.	%
Proprietary software and services	128,990	90,173	43%
Third-party software and services	109,514	60,333	82%
Hardware and infrastructure	168,911	166,893	1%
Outsourcing	26,009	19,290	35%
Other sales	3,230	2,477	30%
Total	436,654	339,166	29%

In 2009, the highest growth, compared with the preceding year, was recorded by the Group in sales of third-party software and services. There was also a high, 43% increase in sale of Group proprietary software and own services. The share of proprietary software and own services in total sales increased from 27% in 2008 to 30% in 2009. A drop of over 10% was recorded in the revenues from hardware and infrastructure sales, from 49% in 2008 to just under 39% in 2009.

STRUCTURE OF REVENUES BY CUSTOMER CATEGORY

	12 months ended 31 December 2009	12 months ended 31 December 2008	Change
	PLN thous.	PLN thous.	%
Banking and financial sector	228,671	197,530	16%
Corporate sector	147,633	115,594	28%
Public administration sector	60,350	26,042	132%
Total	436,654	339,166	29%

In 2009 the Group had a dynamic increase of 132% in revenues from the public administration sector. The highest share in revenues is generated by sales to customers from the banking-financial sector.

b. GROUP'S FINANCIAL RESULTS IN 2009

CONSOLIDATED FINANCIAL RESULTS OF THE ASSECO SOUTH EASTERN EUROPE GROUP IN 2009

	12 months ended 31 December 2009	12 months ended 31 December 2008	Change
	PLN thous.	PLN thous.	%
Revenues on sales	436,654	339,166	29%
Gross sales profit	104,589	82,686	26%
Net sales profit	56,979	45,174	26%
Operating profit	55,745	44,613	25%
Profit for the reporting period	47,379	31,336	51%
Reporting period profit attributable to Parent Company Shareholders	38,276	16,189	136%

In 2009, the Group's revenues were 29% higher, which allowed it to achieve the operating profit growth rate of 25%. On the other hand, the Group's net profit increased by 51%, which, as a result of the share conversion transaction in the second quarter of 2009 resulted in a 136% increase of profit attributable to the Parent Company

CONSOLIDATED FINANCIAL RESULTS OF THE ASSECO SOUTH EASTERN EUROPE GROUP BY BUSINESS DIVISIONS IN 2009

	BANKING SOLUTIONS		MOBILE BANKING & AUTHENTICATION		CARD BUSINESS		SYSTEM INTEGRATION		OTHER	
	12 months ended 31 Dec. 2009	12 months ended 31 Dec. 2008	12 months ended 31 Dec. 2009	12 months ended 31 Dec. 2008	12 months ended 31 Dec. 2009	12 months ended 31 Dec. 2008	12 months ended 31 Dec. 2009	12 months ended 31 Dec. 2008	12 months ended 31 Dec. 2009	12 months ended 31 Dec. 2008
Revenues on sales	80,073	64,937	27,746	15,021	60,806	37,808	268,029	221,400	-	-
Gross sales profit	32,357	26,283	11,643	6,562	16,025	14,448	44,564	35,393	-	-
Net sales profit	17,700	15,147	7,649	4,625	10,790	5,219	22,505	20,757	(1,665)	(574)

Revenues of the Banking Solution division increased 25% as compared to 2008, while net sales profit increased by 17%.

In the case of the Mobile Banking & Authentication division, revenues increased 80%, while net sales profit went up 65%.

In 2009, the Card Business division recorded a 61% hike in revenues and as much as 107% in net sales profit.

In the System Integration division, revenues went up 21% and net sales profit only 8%.

c. *STRUCTURE OF THE CONSOLIDATED BALANCE SHEET OF THE ASSECO SOUTH EASTERN EUROPE GROUP*

Structure of Assets

	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	PLN thous.	**PLN thous.**	**%**	**%**
Non-current assets	**467,213**	**486,158**	**68%**	**76%**
Property, plant and equipment and intangible assets	20,980	19,927	3%	3%
of which: Investment property	*889*	*889*	*0%*	*0%*
Goodwill	443,867	463,105	65%	73%
Others	2,366	3,126	0%	0%
Current assets	**213,205**	**145,645**	**31%**	**24%**
Inventory	25,197	32,584	4%	5%
Trade receivables and accruals and deferred income	57,119	54,324	8%	9%
Cash & deposits	104,551	41,115	15%	7%
Others	26,338	17,622	4%	3%
Non-current assets classified as held for trading	**2,695**	**-**	**1%**	**0%**
TOTAL ASSETS	**683,113**	**631,803**	**100%**	**100%**

Goodwill was the Group's main asset component, while its share in total assets went down from 73% in 2008 to 65% in 2009. Cash increased significantly their share in assets, up to 15% at the end of 2009 Other items remained at the previous year level.

Structure of Liabilities and Equity

	31 Dec. 2009	31 Dec. 2008	31 Dec. 2009	31 Dec. 2008
	PLN thous.	PLN thous.	%	%
Equity	**578,611**	**298,504**	**85%**	**48%**
Long-term liabilities	**10,791**	**247,789**	**2%**	**39%**
Short-term liabilities	**91,731**	**85,510**	**13%**	**13%**
Interest-bearing bank loans and debt securities	3,379	483	**0%**	**0%**
Trade liabilities	33,666	31,859	**5%**	**5%**
Other short-term liabilities	54,686	53,168	**8%**	**8%**
Liabilities directly related to non-current assets classified as held for trading	**1,980**	**-**	**0%**	**0%**
TOTAL LIABILITIES AND EQUITY	**683,113**	**631,803**	**100%**	**100%**

The asset financing structure changed significantly in the 2009 liabilities and equity. The share of equity increased significantly: from 48% in 2008 to 85 in 2009. This was accompanied by a decreasing share of long-term liabilities from 39% in 2008 to 2% in 2009.

d. STRUCTURE OF THE CONSOLIDATED CASH FLOW STATEMENT

	12 months ended 31 December 2009	12 months ended 31 December 2008
	PLN thous.	PLN thous.
Net cash on operating activity	53,508	37,761
Net cash used in investing activity	(62,164)	(77,261)
Net cash used in financing activity	74,464	65,397
Increase (decrease) of the cash balance	65,808	25,897

In 2009, the Group recorded a 42% increase in cash flow on operating activity over 2008. With respect to investing activity, cash flows decreased 20% vs. the 2008 flows, while cash flows on financing activity went up 14% from 2008.

In total, the cash flows improved the Group's cash balances by 154%.

e. RATIO ANALYSIS

PROFITABILITY RATIOS

	12 months ended 31 December 2009	12 months ended 31 December 2008
	%	%
Gross sales margin	23,95%	24,38%
EBIDTA	13,80%	14,08%
Operating profit margin	12,77%	13,15%
Net profit margin	8,77%	4,77%
Return on equity (ROE)	8,75%	10,92%
Return on assets (ROA)	5,82%	3,59%

The above ratios were calculated according to the following formulas:
Gross sales profit margin = Gross sales profit / Revenues on sales
EBITDA profit margin = (Operating profit + Depreciation) / Revenues on sales
Operating profit margin = Operating profit / Revenues on sales
Net profit margin = Net profit attributed to Parent Company Shareholders / Revenues on sales
Return on equity (ROE) = Net profit attributable to Parent Company Shareholders / Average annual equity attributable to Parent Company Shareholders
Return on assets (ROA) = Net profit attributable to Parent Company Shareholders / Average annual assets

Gross sales margin, BIDTA margin and operating profit margin decreased by 0.4 p.p., 0.3 p.p. and 0.4 p.p., respectively. On the other hand, net profit margin increased 4 p.p., which represented an 84% improvement.

ROE was 8.75% and was 2.2 p.p. worse, while ROA was 5.82%, up 2.2 p.p from its previous year's level.

LIQUIDITY RATIOS

	31 December 2009	31 December 2008
Working capital	122,189	60,135
Current liquidity ratio	2.30	1.70
Quick liquidity ratio	1.99	1.29
Cash ratio	1.12	0.48

The above ratios were calculated according to the following formulas:
Working capital = Current (short-term) assets - Short-term liabilities
Current liquidity ratio = Current (short-term) assets / Short-term liabilities
Quick liquidity ratio = (Current assets - Inventory - Prepayments and accruals) / Short-term liabilities
Cash ratio = (Bonds and securities held to maturity + Cash and short-term deposits) / Short-term liabilities

All the liquidity ratios improved as compared to 2008 and were at a safe level, which indicates the Group's good liquidity position.

DEBT RATIOS

	31 December 2009	31 December 2008
	%	%
General debt ratio	15,0%	52,8%
Debt / Equity	0,0%	1,4%
Debt / (Debt + Equity)	0,0%	1,3%

The above ratios were calculated according to the following formulas:
General debt ratio = (Long-term liabilities + Short-term liabilities) / Assets
Debt / Equity = Interest-bearing bank loans and debt securities / Equity
Debt / (Debt + Equity) = Interest-bearing bank loans and debt securities / (Interest-bearing bank loans and debt securities) + Equity

The general debt ratio decreased considerably as compared to 2008 to 15%.

8. Major events influencing the activity and financial performance

Major events influencing to a significant extent the Group's activity and financial performance in the financial year or possibly exerting such influence in the following years.

According to the Management Board, the following events have had material influence on the Group's activity and financial performance or may have it in the near future:

- minority shareholders' subscription for an increase in the share capital of Asseco South Eastern Europe and their contribution, on account of that increase, of shares of target companies, due to which the Group has been consolidated in terms of its capital and management,
- the successful IPO, which made it possible to raise funds for acquisitions,
- subscription for the increase in share capital by the European Bank for Reconstruction and Development in exchange for cash, which additionally increases funds earmarked for acquisition and expansion of the Capital Group, and
- conclusion of each of the commercial contracts described in item 6.

9. Description of external and internal factors material for the development of the Group

A description of external and internal factors material for the issuer's company's development and a description of prospects for the development of the issuer's activity at least until the end of the financial year following the financial year for which the financial statements included in the annual report have been prepared, taking into consideration elements of the market strategy developed in that report

External factors material for the Group's development

- Economic development in the region of South Eastern Europe, primarily in the context of recession and methods of handling the crisis,
- The situation on the IT market in the region of South Eastern Europe, as the IT market is underinvested in this part of Europe in comparison with the countries of Western Europe,
- Consolidation and development of the banking sector in the region of South Eastern Europe,
- Access to EU structural funds in Romania and Bulgaria, and to pre-accession funds in Croatia, Macedonia and Kosovo,
- The process of IT development of the public administration in order to adjust the quality and functionality of the provided services to requirements of the European Union

Internal factors material for the Group's development

- Quality, comprehensiveness and integration of the offer of the Asseco South Eastern Europe Group,
- Research and development outlays,
- Stable and experienced managerial staff,
- Rich experience in implementing comprehensive IT projects involving various services in a wide geographical area,
- Effective activity of the sales and marketing teams.

10. Description of material risk factors and threats

A description of material risk factors, stating to what extent the Group is exposed to them.

10.1. Material risk factors related to the environment in which we operate

Risk associated with the macroeconomic situation in South Eastern Europe

Our Group conducts activity in South Eastern Europe. The Group's strategy is a further expansion in this region and outside its borders, in other developing countries. As a result of the planned growth, the Group's activity may be affected by factors related to the economic and political stability in the given region. Within the expansion, we will have to meet also new competition, a new market and new regulations. The growth of the sector of IT services is closely related to the general economic situation in the countries of South Eastern Europe where our Group operates. The financial results achieved by us have been mostly affected by the GDP growth rate, the level of investments in enterprises and the inflation rate.

Risk associated with political instability in the region of South Eastern Europe

Possible changes in the composition of governments in the countries of South Eastern Europe may result in periods of political instability, which may be accompanied by a decrease in public spending. Restrictions imposed by the EU on public spending in Romania and Bulgaria may also force the governments of these countries to earmark resources for projects already being performed, while decreasing assignment of resources to other industries, including the IT industry.

Risk associated with competition in South Eastern Europe

The infrastructure of the IT industry and the market for such services become highly competitive in South Eastern Europe. Considering a wide range of services and products to be found in our offer, we constitute a competition for large consulting companies, large international technological companies, IT companies dealing with outsourcing as well as software developing companies, including internal IT departments of large corporations operating in the region. The IT industry undergoes sudden changes related to new investments made by large technological companies and acquisitions of local companies by international players. Furthermore, the largest players on the world market, present to date on the market of large corporations only, include in their offers implementation solutions and methodology earmarked for medium-sized companies.

Risk associated with possible legal disputes concerning copyright

A development of our Group's activity on the market of IT products is greatly dependent on intellectual property rights, including in particular copyright to software. There exists a risk that in certain countries where our subsidiaries conduct activity doubts may arise as to the effectiveness of the transfer of copyright to software codes to the Group developed by employees of particular subsidiaries, because of different regulations concerning protection of intellectual property rights prevailing in those countries.

Risk associated with foreign exchange rate changes

We conduct activity on markets in many countries of South Eastern Europe. Contracts concluded by companies from the Group are denominated in various currencies, also in foreign currencies for the markets where the Group operates, including Euro, the American dollar, the Romanian leu, the Croatian kuna or the Serb dinar. Momentary fluctuations in exchange rates and long-term trends on the currency market may affect financial results of the Company and the Group.

10.2. Material risks factors related to the activity of the Group

Risk associated with fluctuations of our revenues and expenditures

Even though revenues of companies from our Group have been rising in recent years, the Group's revenues may fluctuate to a large extent in particular periods. It is possible that in the future we will achieve operating results on a lower level than expected by the market because of the influence of adverse factors. As a result of technological changes, the Group's present technology and products may turn out to be obsolete and will require making new considerable investments.

Risk associated with non-performance or improper performance of projects and a loss of clients' trust

In each of our major activity areas, the Group provides services on the basis of its clients' trust and the quality of our products and services. Adequate implementation of our IT projects, having crucial influence on the operating activity of our clients, entails in most cases signing long-term contracts with these clients. Their trust in our Group depends on the quality of the provided solutions and the client service.

Risk associated with fixed-price contracts

Some contracts for providing IT services or products concluded by the Group envisage fixed remuneration, thus they are not settled on the time-and-material basis. If we assess adequately our resources and the time required for the project performance, the future salary increase, inflation or foreign exchange rate, or if we fail to perform our contractual obligations within the agreed deadline, this may adversely affect the Group's results and cash flows.

Risk associated with winning IT projects

Some of the Group's revenues are generated by projects won in tenders organized by state institutions and companies and large private corporations. The majority of such tenders are attended by top companies on the IT market in the given region and major foreign companies, which considerably increases competition. Our activity depends on the accessibility of reliable information about future investment plans in the state and private sectors, with regard to IT and telecommunications technology. Access to information, particularly regarding the state sector, is very limited. In addition, the lack of procedures and experience in obtaining structural and EU funds in Romania and Bulgaria may influence our ability to generate growth at the expected level.

Risk of being dependent on major clients,

Our activity is based, to a great extent, on the performance of long-term projects which require large work input. Performance of contracts concluded with the biggest recipients will affect considerably our revenues in the following years. The occurrence of the above risk may adversely affect especially the operation of Arbor Informatika, whose major revenues are generated by T-HT, a subsidiary of Deutsche Telecom.

Risk of being dependent on major suppliers

Our Group's activity is characterized by close cooperation with large foreign companies. There is a risk that the Group's key suppliers may change their strategies used in relation to local partners and may attempt to strengthen the cooperation with one selected entity. These key suppliers may also begin offering themselves implementation services for their products or they may raise prices of the offered products. Cooperation with such companies as Microsoft or Oracle is associated with a particularly high risk of this kind.

Risk associated with the banking sector

One of the most important areas of our activity is providing solutions and It services for banks and other financial institutions. Furthermore, the present instability in the financial sector may result in a decrease in the investment level and cost optimization by financial institutions, which may adversely affect the Group's activity. Considering the heavy emphasis placed on the financial sector, any decline in investments in new IT solutions and services or a decrease in promotional activity concerning the existing products and services in the area of e-business on the part of the key clients would undoubtedly have unfavorable impact on the Group's activity. The banking sector in the world, and in particular in the regions of South Eastern Europe, is at the stage of intensive consolidation, which stresses standardization of solutions and cost optimization at the level of a given group. If the head office of a banking group decides to favor other global participants of the IT market with regard to technologies provided by the Group, this may adversely affect the Group's activity.

Risk associated with entities providing integration services

On some markets where we conduct activity, entities providing integration services generate higher margins than in Poland. Accordingly, it may be expected that the margins will decrease once the markets have been saturated.

Risk associated with insolvency or improper proceeding of our subcontractors

In certain cases, we provide our clients with solutions developed and completed by our subcontractors. Like any other entrepreneurs, our subcontractors may encounter business or financial difficulties preventing them from performing their obligations to us or our clients.

Risk associated with technological changes in the sector and appearance of new products and services

The IT sector is distinguished by rapid development of solutions and technologies. Each product is present on this market for a relatively brief time. It is necessary to conduct research and invest in new products in order to maintain a competitive position on the market. There is a danger that new solutions will appear on the market, making the products and services offered by the Group look less attractive and preventing the achievement of expected income.

Risk associated with strategic investments in complementary industries, technologies, services or products and strategic alliances with third parties

Performing the strategy of the Group's development, we may make strategic investments, establish companies, perform joint ventures and acquisitions related to complementary industries, technologies, services or products. In spite of exercising due care when selecting business partners, we may be unable to identify the adequate partner or to manage such a venture or acquisition appropriately. As a result, typical risks associated with the processes of mergers and acquisitions may occur.

Risk associated with the Company's dependence on key members of managerial staff

As in most companies developing IT systems, one of the major pillars for the Company's success is its highly qualified personnel and managerial staff. The IT industry in which we operate is characterized by a high staff turnover ratio. It is probable that the Group will not be able to keep present employees or employ new, equally highly qualified employees in the future. In most cases, key members of the managerial staff are simultaneously the founders of subsidiaries. Obtaining new investments depends on contracts prepared and obtained by the key staff. A loss of some of the key staff members would have adverse impact on the Group's financial situation as well as its financial results and development prospects.

Risk associated with the process of the Group integration

The Group is exposed to the risk associated with effectiveness of integration of Asseco and the subsidiaries, particularly considering that the Group's companies operate on various markets and in various countries. Our strategy assumes an integration of the Subsidiaries with Asseco SEE and further acquisitons of entities in South Eastern Europe. We cannot, however, exclude the risk of appearance of delays in the integration process, its performance only to a limited extent or a failure to perform it at all. In addition, even if the subsidiaries and possibly further acquired entities, are integrated with the Group, we may be unable to integrate the base of products and services offered by each company or maintain in the development process the present corporate practices.

Risk associated with dividend

Potential investors should take into consideration that the dividend disbursement will be dependent on a number of factors, such as results of the Group's operating activity, its financial standing as well as the current and anticipated demand for cash. The Management Board intends to allocate part of the profit to disburse dividend, but the Company cannot guarantee that the plans will be performed or define amounts of the expected dividend payments. Furthermore, pursuant to the Shareholder Agreement concluded on 28 August 2008 between ASEE, Asseco Poland and Minority Partners of the subsidiaries, ASEE has undertaken to pay out at least 30% of the net profit in the form of dividend.

Risk associated with the influence of the majority shareholder on the Company

As at the date of publication of this report, Asseco Poland S.A., the majority shareholder, owns 53.45% of the Company's shares. We expect Asseco Poland S.A. to maintain the position of the majority shareholder, while also maintaining significant influence on the Company's activity. The scope of the rights related to shares of Asseco Poland S.A. in the Company's share capital is considerable and the fact should be taken into consideration that Asseco Poland in the present situation has a decisive impact on the Company's strategic decisions.

11. Description of key features of internal control and risk management systems

Description of key features of the internal control and risk management systems in place in the Group related to the process of preparing financial statements and consolidated financial statements.

Financial statements are prepared by the accounting department in compliance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). Internal control and risk management in relation to the process of preparing financial statements in Asseco South Eastern Europe S.A. is exercised by the Management Board, Supervisory Board and other employees through observance of binding internal procedures and regulations (such as directions, rules, instructions, job descriptions for respective employees) and other regulations. Key personnel is responsible for designing, implementing and monitoring an effective and efficient internal control system and for identifying and reviewing inherent risks. The key elements of the internal control system in the Company aimed at eliminating risk in the course of preparing financial statements include:

1. Ongoing control activities at all levels and in all organizational units of the Company and its subsidiaries, ensuring compliance with instructions issued by the Management Board and enabling identification of significant risks and appropriate response to them;
2. Efficient and reliable information system supporting collection and verification of data provided by Group companies and early response to any detected deviations in budget performance;
3. Annual and semi-annual audit of the standalone and consolidated financial statements by an entity qualified to audit financial statements;
4. Audit of the annual financial statements of Group companies by Big Four auditors;
5. Internal regulations defining the duties, rights and responsibilities of the various organizational units, with particular emphasis on the staff directly involved in the process of preparing the statements;
6. Protection of vital information and prevention of any information leaks from the Company;
7. Regular monitoring of financial directors and persons responsible for preparing the statements in Asseco South Eastern Europe Group member companies, with the purpose of verifying and identifying risks and threats and defining ways of their mitigation.

The standalone and consolidated financial statements are drawn up by the Head of Group Reporting, and the final content is signed off by the Company's Management Board, which oversees the business activity and processes.

12. Description of main capital investments

Description of the structure of main capital deposits or main capital investments made within the issuer's capital group in the given fiscal year.

During fiscal 2009, Asseco South Eastern Europe S.A. Company npurchased 100% of shares in each of two foreign companies: Asseco SEE Sh.p.k. (formerly IT Konsalting Inxhiniering Telekomunikime Sh.p.k – Pronet Sh.p.k.) *with head office in Kosovo* and Professional Bank Systems & Software – Probass S.A. with head office in Romania (Probass S.A.) In both cases 60% of the shares were purchased for cash, and in exchange for the remaining 40%, shareholders of the said companies received shares in Asseco South Eastern Europe S.A.

Purchase price of the 60% stake in Asseco SEE Sh.p.k. (formerly Pronet Sh.p.k.) is split into two installments, with the first amounting to EUR 5.4 million, and the second is contingent on the result attained by the company in 2009 and will amount to no more than EUR 0.7 million. The remaining 40% of shares were taken over in exchange for 1 078 909 stock certificates of Asseco South Eastern Europe S.A. („*swap transaction*").

The cost of acquiring 60% of shares in Probass S.A. company amounted to EUR 7.7 million, with the remaining 40% of shares taken over in exchange for 1 524 269 909 stock certificates of Asseco South Eastern Europe S.A. („*swap transaction*"). In addition, on the date of concluding the purchase contract, Asseco South Eastern Europe S.A. concluded an agreement on transferring ownership of one Probass S.A. stock certificate to Asseco Poland S.A. In effect, Asseco South Eastern Europe S.A. holds 99.99% of Probass S.A. stock equity and Asseco Poland S.A. holds 0.01% of Probass S.A. stock equity. Parties to the purchase contract agred that until 31 December 2011 shareholders of Probass S.A. may freely dispose only 25% of the Asseco South Eastern Europe S.A. stock certificates (that is sell, transfer, put up as collateral). After the date of 31 December 2011 all the limitations on disposition of Asseco South Eastern Europe S.A. stock certificates will no longer apply..

13. Information on transactions with associate entities

Information on significant transactions concluded by issuer or subsidiary entity with associate entities on terms other than market terms, along with their amounts and information describing the character of such transactions – this obligation is deemed as met by indication of the place where such information is presented in the financial statement.

During the 12 months ended on 31 December 2009 there were no significant transactions concluded by Asseco South Eastern Europe S.A. or its subsidiary entity with associate entities on terms other than market terms.

Information about transactions with associate entities carrie out during the 12 months ended on 31 December 2009 are presented in Note 5.1. of the Supplementary Information and Explanations in the annual consolidated financial statement of Asseco South Eastern Europe Group.

14. Information about agreements pertaining to credits and loans

Information about agreements pertaining to credits and loans contracted and called in during the given fiscal year, specifying at least their amount, type and interest rate, currency and maturity

On 30 December 2009 Asseco South Eastern Europe S.A. signed an investment credit agreement with the Europoean Bank for Reconstruction and Development for a maximum amount of EUR 7 million. The credit carries interest charges equal to 3M EURIBOR + spread. Repayment term was set in the agreement for 31 January 2016. As on 31 December 2009 the Group had no liabilities relating to credit utilization.

Information concerning liabilities under credits and loans of Asseco South Eastern Europe Group are presented in Clause 2.11. of the Supplementary Information and Explanations in the annual consolidated financial statement of Asseco South Eastern Europe Group. for 2009.

15. Information about sureties and guarantees

Information about sureties and guarantees granted and received in the given financial year, with particular emphasis on sureties and guarantees granted to the issuer's related entities.

In the 12-month period ended 31 December 2009, Asseco South Eastern Europe S.A. did not grant or receive any sureties or guarantees.

The Asseco South Eastern Europe Group's off-balance sheet liabilities on account of sureties and guarantees have been described in item 27 of this report.

16. Description of utilization of proceeds from issue

If securities have been issued in the period covered by the report – description of the issuer's utilization of proceeds from the issue from the time of preparing the activity report.

In the 12-month period ended 31 December 2009, Asseco South Eastern Europe S.A. issued 9,514,058 shares of Series from L to P with par value of PLN 10.00.

In connection with ASEE's IPO on the Warsaw Stock Exchange, on 28 October 2009 Asseco Sou issued a total of 2,100,000 Series L Shares with the issue price of PLN 14.00. Total net proceeds from the issue were PLN 29,400 thousand. In connection with the investment of the European Bank for Reconstruction and Development, 4,810,880 Series M shares with the issue price of PLN 12.89 were issued. Proceeds from issue of Series L and M shares were earmarked for financing the acquisition of Asseco SEE Sh.p.k. (formerly Pronet Sh. p.k.), seated in Kosovo, and Probass S.A., seated in Romania. Part of the foregoing transactions was financed with issue of Series N and P bearer shares issued upon acquisition of Asseco SEE Sh.p.k. (formerly Pronet Sh. p.k.) and Probass S.A., respectively. Series N and P shares were paid up with contribution-in-kind in the form of 40% of shares in the foregoing companies.

The remaining part of funds will be earmarked for further planned acquisitions in the Southeastern Europe Region.

17. Explanation of differences between the financial results carried in the annual report and the previously published forecasts of results for the given year

Asseco South Eastern Europe S.A. did not publish any result forecasts for the given year.

18. Evaluation of financial resources management

The evaluation of financial resources management with justification, with particular emphasis on capacity to fulfill the incurred obligations, and specification of the possible threats and actions which the issuer took or intends to take to prevent those threats.

In the 12-month period ended 31 December 2009, Eastern Europe generated cash surplus resulting mostly from the initial public offering and the consecutive issues.
In the 12-month period ended 31 December 2009, Asseco South Eastern Europe S.A. did not have any problems in settling its liabilities on time, including financial liabilities to the vendors as well as mandatory charges to the state and the investment liabilities.

19. Possibility of performance of investment intentions

The possibility of performance of investment intentions, including capital investments, compared to the amount of held funds, taking into account the possible changes in structure of financing this activity.

According to the foregoing descriptions, Asseco South Eastern Europe S.A. has uncommitted cash of PLN 48 million acquired from the issue of shares to the qualified investors as well as the available, open credit facility in European Bank for Reconstruction and Development of EUR 7,000 thousand, which will be earmarked for the planned acquisitions in the Southeastern Europe Region. The acquisitions will be financed in part with the Company's cash, and in the other part – with the new shares of Asseco South Eastern Europe S.A. issued as part of authorized capital.

20. Changes in principles of managing the enterprise and its Capital Group

In 2009, the management principles in Asseco South Eastern Europe S.A. and its Group did not change.

21. Agreements concluded between the issuer and the management board and supervisory board members

Any and all agreements concluded between the issuer and the managers which provide for compensation in the event of their resignation or dismissal from the occupied position without an important reason or in the event that their dismissal has resulted from a merger with the issuer through an acquisition

Agreements with the foregoing characteristics did not occur.

22. Compensation of the issuer's management board and supervisory board members

The value of salaries, bonuses or benefits, including those resulting from the incentive programs or the bonus programs based on the issuer's equity, including programs based on bonds with a pre-emptive right, convertible bonds, subscription warrants (in cash, as benefits or in any other form), that have been paid, are due or potentially due, separately for each issuer's management board and supervisory board member in the issuer's enterprise, regardless of whether they were charged as expenses or resulted from profit sharing, respectively; if a parent entity, a partner of a co-subsidiary entity or a significant investor is the issuer – provide separate information on value of salaries and bonuses received on account of discharging the functions in the authorities of the subsidiary entities; if the relevant information has been presented in the financial statements – the obligation is deemed to be fulfilled by specifying their location in the financial statements.

The information on salaries of the Issuer's management board and supervisory board members has been disclosed in item 4.2. of Notes to the annual consolidated financial statements of the Asseco South Eastern Europe Group for 2009.

23. Number of shares held by management board and supervisory board members

Specification of total quantity and nominal value of all the issuer's shares (ownership interests) and shares and ownership interests in issuer's subsidiary entities held by management board and supervisory board members (separately for each person)

Statement of changes to the holdings of the shares of Asseco South Eastern Europe S.A. by the management board and supervisory board members.

	number of shares – as at:			
	16 March 2010	**31 December 2009**	**13 November 2009**	**31 December 2008**
Management Board				
Piotr Jeleński	550	550	550	550
Rafał Kozłowski	150	150	150	150
Miljan Mališ *	-	-	-	n/a
Dražen Pehar (1)	779,068	779,068	779,068	n/a
Calin Barseti (1)	-	-	-	n/a
Miodrag Mirčetić (1)****	-	-	-	n/a
Supervisory Board				
Adam Góral **	-	-	-	-
Jacek Duch (2)	n/a	-	-	-
Nicholas Jeffery (3)	-	-	-	n/a
Mihail Petreski (4) ***	-	-	-	n/a
Przemysław Sęczkowski	2,500	2,500	2,500	2,500
Gabriela Żukowicz	150	150	150	150
Andrzej Gerlach (5)	n/a	n/a	n/a	300

1) Appointed to the Management Board on 27 August 2009
2) Resigned from the function of the Supervisory Board Member as of 18 January 2010
3) Appointed to the Supervisory Board as of 17 August 2009
4) Appointed to the Supervisory Board on 22 May 2009
5) Resigned from the function of the Supervisory Board Member as of 22 May 2009

*) Miljan Mališ, member of the Management Board of Asseco South Eastern Europe S.A., is the shareholder of Mini Invest d o. o., shareholder of Asseco South Eastern Europe S.A.; as at 31 December 2009, Mini Invest d o.o. held 839,597 shares of Asseco South Eastern Europe S.A.
**) Adam Góral, member of the Supervisory Board of Asseco South Eastern Europe S.A., is the shareholder of Asseco Poland S.A., shareholder of Asseco South Eastern Europe S.A.; as at 31 December 2009, Asseco Poland S.A. held 26,494,676 shares of Asseco South Eastern Europe S.A.
***) Mihail Petreski, member of the Supervisory Board of Asseco South Eastern Europe S.A., is the shareholder of Liatris d o. o., shareholder of Asseco South Eastern Europe S.A.; as at 31 December 2009, Liatris d o.o. held 3,842,683 shares of Asseco South Eastern Europe S.A.
****) Miodrag Mirčetić, member of the Management Board of Asseco South Eastern Europe S.A., is the shareholder of 14-INVENTION d.o.o., shareholder of Asseco South Eastern Europe S.A.; as at 31 December 2009, 14-INVENTION d.o.o. held 1,776,971 shares of Asseco South Eastern Europe S.A.

24. Information about agreements which may result in changes to the proportions of held shares

The information on agreements known to the issuer (including also the agreements concluded after the balance sheet date), which may result in future changes to the proportions of shares held by the current shareholders and bondholders

To the best knowledge of the management board of Asseco South Eastern Europe S.A., there are no agreements which may result in future changes to the proportions of shares held by the Company's current shareholders. However, on 1 January 2010, the limitation on the sale of part of shares held by the shareholders who subscribed them as a result of shares conversion transaction described above in item 2 is ending. Details concerning limitations in disposing off the shares are found in item 7 of the Representation of Asseco South Eastern Europe S.A. on application of corporate governance principles in the Company.

25. Information on conclusion of an agreement with the entity authorized to audit financial statements

The information about the date on which the issuer concluded an agreement with the entity authorized to audit financial statements to conduct an audit or inspection of the financial statements or the consolidated financial statements and the term for which that agreement was concluded

The agreement with the entity authorized to audit financial statements – Ernst & Young Audit Sp. z o.o., to conduct the annual standalone or consolidated financial statements of Asseco South Eastern Europe S.A. prepared for the 12-month period ended 31 December 2008 and 31 December 2009, was concluded on 4 March 2009.

26. Remuneration of an entity authorized to audit financial statements, paid out or due for the financial year

The information about remuneration of an entity authorized to audit financial statements was presented in item 6 of Notes to the annual consolidated financial statements of the Asseco South Eastern Europe Group for 2009.

27. Description of important off-balance sheet line items

Description of important off-balance sheet line items by entity, subject matter and value

As at 31 December 2009, the balance of the Group's off-balance sheet liabilities on account of bank and insurance guarantees securing the proper performance of trade agreements and protecting the claims during the warranty and statutory warranty term was PLN 11,469 thousand.

As at 31 December 2009, the Pexim Cardinfo d.o.o. Group was under obligation to purchase equipment and intangible assets of PLN 1,350 thousand.

As at 31 December 2009 and 31 December 2008, the Group was a party to rental, lease and similar agreements, which constituted grounds for the following future payments:

Liabilities on account of rental of space	**31 December 2009**	**31 December 2008**
Within up to 1 year	9,944	6,955
Within 1 to 5 years	24,108	21,268
Over 5 years	-	-
	34,052	**28,223**

Liabilities on account of operating lease agreements for fixed assets	**31 December 2009**	**31 December 2008**
Within up to 1 year	236	211
Within 1 to 5 years	582	756
	818	**967**

28. Information about the issuer

Information about the issuer required pursuant to § 92 sec. 4 of the *Finance Minister's Regulation of 19 February 2009 on current and periodic information transmitted by securities issuers and conditions for acknowledgment of equivalence of information required by legal regulations of a non-member state* (Journal of Laws No. 23, item 259) were included in the representation on application of corporate governance principles.

Signatures of all Members of the Management Board of Asseco South Eastern Europe S.A. have been affixed under the Management Board Report of the Asseco South Eastern Europe Group for the 12-month period ended 31 December 2009

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

Piotr Jeleński	President of the Management Board	----------------------------
Rafał Kozłowski	Vice-President of the Management Board	----------------------------
Calin Barseti	Management Board Member	----------------------------
Miljan Mališ	Management Board Member	----------------------------
Miodrag Mirčetić	Management Board Member	----------------------------
Dražen Pehar	Management Board Member	----------------------------

Rzeszów, 16 March 2010

Representation of the Management Board of Asseco South Eastern Europe S.A. in the matter of accuracy of preparing the consolidated financial statements of the Asseco South Eastern Europe Group for the 12-month period ended 31 December 2009

The Management Board of Asseco South Eastern Europe S.A. hereby represents that according to its best knowledge, the consolidated financial statements for the 12-month period ended 31 December 2009 and the comparable data were prepared in accordance with the principles of the International Financial Reporting Standards, International Accounting Standards and the related interpretations announced in the form of European Commission regulations.

The Management Board hereby represents that the presented data truly, reliably and clearly reflect the asset and financial standing of the Asseco South Eastern Europe Group and its financial result. This Management Board Report contains a true picture of development, achievements and condition of the Asseco South Eastern Europe Group (including the description of key risks and threats).

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

Piotr Jeleński	President of the Management Board	----------------------------
Rafał Kozłowski	Vice-President of the Management Board	----------------------------
Calin Barseti	Management Board Member	----------------------------
Miljan Mališ	Management Board Member	----------------------------
Miodrag Mirčetić	Management Board Member	----------------------------
Dražen Pehar	Management Board Member	----------------------------

Rzeszów, 16 March 2010

Representation of the Management Board of Asseco South Eastern Europe S.A. in the matter of the entity authorized to audit the consolidated financial statements of the Asseco South Eastern Europe Group for the 12-month period ended 31 December 2009

The Management Board of Asseco South Eastern Europe S.A. hereby represents that the entity authorized to audit the consolidated financial statements of the Asseco South Eastern Europe Group for the 12-month period ended 31 December 2009 i.e. Ernst & Young Audit Sp. z o.o., seated in Warsaw, has been selected in accordance with the provisions of law. That entity as well as the auditors who have carried out the audit of these statements satisfied the conditions for expressing an unbiased and independent opinion about an audit, as required by the relevant provisions of law.

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

Piotr Jeleński	President of the Management Board	----------------------------
Rafał Kozłowski	Vice-President of the Management Board	----------------------------
Calin Barseti	Management Board Member	----------------------------
Miljan Mališ	Management Board Member	----------------------------
Miodrag Mirčetić	Management Board Member	----------------------------
Dražen Pehar	Management Board Member	----------------------------

Rzeszów, 16 March 2010