



**REPORT OF THE ASSECO SOUTH EASTERN EUROPE GROUP
FOR THE 1ST QUARTER OF 2012**

Rzeszów, 26 April 2012



**FINANCIAL HIGHLIGHTS
OF THE ASSECO SOUTH EASTERN EUROPE GROUP
FOR THE 1ST QUARTER OF 2012**

FINANCIAL HIGHLIGHTS THE ASSECO SOUTH EASTERN EUROPE GROUP

		3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
		PLN '000	PLN '000	EUR '000	EUR '000
I.	Sales revenues	105,278	97,976	25,216	24,653
II.	Operating profit	12,348	11,119	2,958	2,798
III.	Pre-tax profit	13,854	13,394	3,318	3,370
IV.	Net profit for the period reported	12,654	12,077	3,031	3,039
V.	Net profit attributable to Shareholders of the Parent Company	12,708	12,115	3,044	3,048
VI.	Net cash provided by (used in) operating activities	9,081	3,984	2,175	1,002
VII.	Net cash provided by (used in) investing activities	6,983	(8,085)	1,673	(2,034)
VIII.	Net cash provided by (used in) financing activities	(481)	(842)	(115)	(212)
IX.	Cash and cash equivalents at the end of period	111,971	98,037	26,906	24,437
X.	Basic earnings per ordinary share for the period reported attributable to Shareholders of the Parent Company (in PLN/EUR)	0.24	0.24	0.06	0.06
XI.	Diluted earnings per ordinary share for the period reported attributable to Shareholders of the Parent Company (in PLN/EUR)	0.24	0.24	0.06	0.06

The financial highlights disclosed in these interim condensed consolidated financial statements were translated into Euro in the following way:

- items of the interim condensed consolidated profit and loss account and statement of cash flows were translated into Euro at the arithmetic average of mid exchange rates as published by the National Bank of Poland and in effect on the last day of each month. These exchange rates were as follows:
 - for the period from 1 January 2012 to 31 March 2012: EUR 1 = PLN 4.1750
 - for the period from 1 January 2011 to 31 March 2011: EUR 1 = PLN 3.9742
- the Group's cash and cash equivalents as at the end of period reported and the corresponding period of the previous year have been translated into Euro at the mid exchange rates as published by the National Bank of Poland. These exchange rates were as follows:
 - exchange rate effective on 31 March 2012: EUR 1 = PLN 4.1616
 - exchange rate effective on 31 March 2011: EUR 1 = PLN 4.0119



GENERAL INFORMATION
THE ASSECO SOUTH EASTERN EUROPE GROUP

**REPORT OF THE ASSECO SOUTH EASTERN EUROPE GROUP
FOR THE 1ST QUARTER OF 2012**

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I. GENERAL INFORMATION

The Asseco South Eastern Europe Group (the "Group") is comprised of Asseco South Eastern Europe S.A. (the "Parent Company", "Company", "Issuer", "ASEE S.A.") and its subsidiaries.

The parent Asseco South Eastern Europe S.A. seated at 14 Olchowa St., Rzeszów, Poland, was established on 10 April 2007 as a joint stock company called Asseco Adria S.A. On 11 July 2007, the Company was entered in the register of entrepreneurs maintained by the District Court in Rzeszów, XII Commercial Department of the National Court Register, under the number 0000284571. The Parent Company has been assigned the statistical number REGON 180248803. On 11 February 2008, the Parent Company's corporate name was changed from Asseco Adria S.A. to Asseco South Eastern Europe S.A.

ASEE S.A. is the parent of the Asseco South Eastern Europe Group.

The time of duration of both the Parent Company and the entities incorporated in the Group is indefinite.

According to the Articles of Association, the Parent Company's business profile includes:

- Holding operations;
- Reproduction of computer media;
- Manufacture of computers and other information processing equipment;
- Data transmission;
- Letting of own property;
- Renting of office machinery, equipment, and computer hardware;
- Hardware consultancy;
- Software consultancy and supply;
- Data processing;
- Database activities;
- Other computer related activities;
- Research and experimental development on engineering;
- Business and management consultancy activities;
- Business management and administration;
- Advertising;
- Adult and other education.

The scope of the Asseco South Eastern Europe Group's core business broken down by relevant segments is described in section II of Supplementary information and explanations to these interim condensed consolidated financial statements.

The Parent Company shall operate within the territory of the Republic of Poland as well as abroad.

The parent of ASEE S.A. is Asseco Poland S.A. (the higher-level parent company). As at 31 March 2012, Asseco Poland S.A. held a 51.06% stake in the share capital of Asseco South Eastern Europe S.A.

These interim condensed consolidated financial statements cover the interim period ended 31 March 2012 and contain comparative data for the interim period ended 31 March 2011 in case of the statement of comprehensive income, statement of changes in equity and statement of cash flows; and comparative data as at 31 December 2011 and 31 March 2011 in case of the balance sheet.

The Group draws up its financial statements in accordance with the International Financial Reporting Standards ("IFRS") endorsed by the European Union for the current and comparative period.

These interim consolidated financial statements were approved for publication by the Management Board of ASEE S.A. on 26 April 2012.

II. COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF THE PARENT COMPANY

As at 31 March 2012 as well as on the date of publication of this report, i.e. on 26 April 2012, the Company's Management Board and Supervisory Board were composed of the following persons:

Supervisory Board	Management Board
Adam Góral	Piotr Jeleński
Jacek Duch	Rafał Kozłowski
Jan Dauman	Hatice Ayas
Andrzej Mauberg	Calin Barseti
Mihail Petreski	Miljan Mališ
Przemysław Sęczkowski	Miodrag Mirčetić
Gabriela Żukowicz	Dražen Pehar

From the balance sheet date till the publication of these interim condensed consolidated financial statements, the compositions of the Parent Company's Management Board and Supervisory Board remained unchanged.

III. MAJOR SHAREHOLDERS

Indication of shareholders who, directly or indirectly through their subsidiaries, hold at least a 5% voting interest in the Issuer's General Meeting of Shareholders as at publication of this quarterly report, inclusive of the numbers of shares and equity interests held, and the numbers of votes and voting interests they are entitled to at the General Meeting of Shareholders, as well as presentation of changes in significant shareholdings in the Issuer's equity since the time of publication of the previous quarterly report.

To the best knowledge of the Management Board of ASEE S.A., as at 31 March 2012 as well as at the date of publication of this report, i.e. on 26 April 2012, and on 31 December 2011, the shareholders who either directly or through their subsidiaries held at least 5% of the total number of votes at the General Meeting of Shareholders were as follows:

Name of shareholder	Number of shares held and votes at GMS	Equity interest and voting interest at GMS
Asseco Poland S.A.	26,494,676	51.06%
EBRD	4,810,880	9.27%
Liatris d.o.o.	3,838,683	7.40%
Other shareholders	16,750,012	32.27%
	51,894,251	100.00%

As at 31 March 2012 and on the date of publication of these financial statements, the share capital of ASEE S.A. amounted to PLN 518,942,510 and it was divided into 51,894,251 ordinary shares with a par value of PLN 10.00 each, which entitled to 51,894,251 votes at the Company's General Meeting of Shareholders.

To the best knowledge of the Management Board of Asseco South Eastern Europe S.A., in the period of 3 months ended 31 March 2012 the Company's shareholders structure remained unchanged.

IV. COMPANY'S SHARES AND RIGHTS TO SHARES HELD BY ITS MANAGEMENT AND SUPERVISORY STAFF

Numbers of shares and rights to shares in the Company held by its management and supervisory staff as at the publication date of this quarterly report, inclusive of indication of any changes in such shareholdings since the time of publication of the previous quarterly report, separately for each person.

Supervisory Board Members	Number of shares held as at			
	26 April 2012	31 March 2012	23 February 2012	31 December 2011
Adam Góral ¹⁾	-	-	-	-
Jacek Duch	-	-	-	-
Jan Dauman	-	-	-	-
Andrzej Mauberg	-	-	-	-
Mihail Petreski ²⁾	-	-	-	-
Przemysław Sęczkowski	-	-	-	-
Gabriela Żukowicz	150	150	150	150

Management Board Members	Number of shares held as at			
	26 April 2012	31 March 2012	23 February 2012	31 December 2011
Piotr Jeleński	550	550	550	550
Rafał Kozłowski	150	150	150	150
Hatice Ayas	-	-	21,364	21,364
Calin Barseti	-	-	-	-
Miljan Mališ ³⁾	-	-	-	-
Miodrag Mirčetić ⁴⁾	-	-	-	-
Dražen Pehar	949,900	949,900	949,900	949,900

¹⁾ Adam Góral, Member of the Supervisory Board of ASEE S.A. and a shareholder in Asseco Poland S.A. which in turn is a shareholder in ASEE S.A.; as at 31 March 2012 Asseco Poland S.A. held 26,494,676 shares in ASEE S.A.

²⁾ Mihail Petreski, Member of the Supervisory Board of ASEE S.A. and a shareholder in the company Liatris d.o.o. which in turn is a shareholder in ASEE S.A.; as at 31 March 2012 Liatris d.o.o. held 3,838,683 shares in ASEE S.A.

³⁾ Miljan Mališ, Member of the Management Board of ASEE S.A. and a shareholder in the company Mini Invest d.o.o. which in turn is a shareholder in ASEE S.A.; as at 31 March 2012 Mini Invest d.o.o. held 835,597 shares in ASEE S.A.

⁴⁾ Miodrag Mirčetić, Member of the Management Board of ASEE S.A. and a shareholder in the company I4-INVENTION d.o.o. which in turn is a shareholder in ASEE S.A.; as at 31 March 2012 I4-INVENTION d.o.o. held 1,772,971 shares in ASEE S.A.

V. ORGANIZATIONAL STRUCTURE OF THE ASSECO SOUTH EASTERN EUROPE GROUP

Presentation of the organizational structure of the Issuer's capital group, with indication of entities subject to consolidation.

The table below presents the structure of the Asseco South Eastern Europe Group along with equity interests and voting interests at the general meetings of shareholders/partners as at 31 March 2012:

Full name of entity	Short name as used in this report	Country of registration	Equity / Voting interest	
			31 March 2012	31 December 2011
Asseco South Eastern Europe S.A.	ASEE S.A.	Poland		
Asseco SEE s.r.l., (Bucharest)	ASEE Romania	Romania	100.00%	100.00%
Asseco s.r.l. MOLDOVA	ASEE Moldova	Moldova	100.00%	100.00%
Asseco SEE d.o.o., Beograd	ASEE Serbia	Serbia	100.00%	100.00%
E-Mon d.o.o., Podgorica	E-Mon, Montenegro	Montenegro	50.00%	50.00%
eMS d.o.o., Beograd	eMS, Serbia	Serbia	100.00%	100.00%
Asseco SEE d.o.o., Podgorica	ASEE Montenegro	Montenegro	100.00%	100.00%
Asseco SEE d.o.o., (Grosuplje)	ASEE Slovenia	Slovenia	50.00%	50.00%
Multicard d.o.o., Beograd	Multicard, Serbia	Serbia	45.00%	45.00%
Asseco SEE d.o.o. (Zagreb)	ASEE Croatia	Croatia	100.00%	100.00%
BDS-Platus d.o.o.	BDS-Platus, Croatia	Croatia	100.00%	100.00%
Asseco SEE Sh.p.k. (Pristina)	ASEE Kosovo	Kosovo	100.00%	100.00%
Asseco SEE Sh.p.k., Tirana	ASEE Albania	Albania	100.00%	100.00%
Asseco SEE d.o.o. (Sarajevo)	ASEE B&H (Sarajevo)	Bosnia and Herzegovina	50.00%	50.00%
Asseco SEE Teknoloji A.Ş. (Istanbul)	ASEE Turkey	Turkey	100.00%	100.00%
SC I.T.D Romania s.r.l.	SC I.T.D Romania	Romania	95.38%	95.38%
Asseco SEE o.o.d., Sofia 1)	ASEE Bulgaria	Bulgaria	100.00%	100.00%
Asseco SEE d.o.o., (Grosuplje)	ASEE Slovenia	Slovenia	50.00%	50.00%
Altius Bulgaria EOOD, (Sofia) 1)	Altius, Bulgaria	Bulgaria	-	100.00%
ITD Polska Sp. z o.o. (Warsaw)	ITD Poland	Poland	100.00%	100.00%
Asseco SEE DOOEL, Skopje	ASEE Macedonia	Macedonia	100.00%	100.00%
Asseco SEE d.o.o. (Sarajevo)	ASEE B&H (Sarajevo)	Bosnia and Herzegovina	50.00%	50.00%
Asseco SEE d.o.o., Banja Luka	ASEE B&H (Banja Luka)	Bosnia and Herzegovina	100.00%	100.00%

1) On 10 February 2012, there was registered a merger of ASEE Bulgaria (the taking-over company) with Altius, Bulgaria (the acquired company).

The parent of Asseco South Eastern Europe S.A. is Asseco Poland S.A. (the higher-level parent company). As at 31 March 2012, Asseco Poland S.A. held a 51.06% stake in the share capital of ASEE S.A.

Within the Group's organizational structure, the company of E-Mon, Montenegro is treated as a jointly controlled company and therefore consolidated under the proportionate method. The remaining companies incorporated within the Group are treated as subsidiaries and are subject to full consolidation.

With regard to the call options embedded in the agreement for the acquisition of Multicard, Serbia under which ASEE Serbia is entitled to buy out the remaining non-controlling interests, the company of Multicard, Serbia is treated as a subsidiary and is subject to full consolidation.

As at 31 March 2012 as well as at 31 December 2011, voting interests the Group was entitled to exercise in its subsidiary companies were proportional to the Group's equity holdings in those undertakings.

VI. EFFECTS OF CHANGES IN THE ORGANIZATIONAL STRUCTURE

Description of the effects of changes in the Group's organizational structure, including those resulting from business combinations, acquisition or disposal of companies, long-term investments, division or restructuring of entities, or discontinuation of business activities.

During the period of 3 months ended 31 March 2012, the following changes in the Group composition were observed:

□ Merger of the companies of ASEE Bulgaria and Altius, Bulgaria

On 10 February 2012, there was registered a merger between our two subsidiary companies seated in Bulgaria, namely ASEE Bulgaria and Altius, Bulgaria. The merger was executed by transferring all the assets of Altius, Bulgaria to ASEE Bulgaria. As a consequence of the merger, on 10 February 2012, Altius Bulgaria was deleted from the commercial register and all of its rights and obligations were taken over by ASEE Bulgaria.

□ Signing of the Merger Plan between ASEE S.A. and ITD Poland

In its current report dated 1 March 2012, our Management Board informed about the Merger Plan that was agreed upon and signed between the companies of ASEE S.A. and ITD Poland on 29 February 2012. The merger shall be effected pursuant to article 492 § 1 item 1 of the Polish Commercial Companies Code, this is by transferring all the assets of ITD Poland (the Acquired Company) to ASEE S.A. (the Taking-over Company). Following the merger, the company of ITD Poland shall be dissolved without going into liquidation.

At present the share capital of ITD Poland amounts to PLN 125,651,760.00 and is divided into 76,245 shares with a par value of PLN 1,648 each. Because ASEE S.A., acting as the Taking-over Company, holds all the shares in ITD Poland (being the Acquired Company), thereby being the sole shareholder in ITD Poland, the merger shall be executed according to art. 515 § 1 of the Polish Commercial Companies Code, this is without increasing the share capital of the Taking-over Company, as well as pursuant to art. 516 § 5-6 of the PCCC regulating the simplified business combination procedure.

In the merger justification report published on 20 April 2012, the Management Board of ASEE S.A. indicated that the conducted merger aims at enhancing the business potential of the merging companies and improving their ability to effectively compete in the local and European markets, which should strengthen the financial stability of business operations and create higher value for shareholders of both the companies.



**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
OF THE ASSECO SOUTH EASTERN EUROPE GROUP
FOR THE 1ST QUARTER OF 2012**

Rzeszów, 26 April 2012

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
OF THE ASSECO SOUTH EASTERN EUROPE GROUP
FOR THE 1ST QUARTER OF 2012**

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**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
OF THE ASSECO SOUTH EASTERN EUROPE GROUP
FOR THE 1ST QUARTER OF 2012**

These interim condensed consolidated financial statements were approved for publication by the Management Board of Asseco South Eastern Europe S.A.

Management Board of Asseco South Eastern Europe S.A.:

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

INTERIM CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT THE ASSECO SOUTH EASTERN EUROPE GROUP

	Note	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Sales revenues	<u>1</u>	105,278	97,976
Cost of sales (-)	<u>2</u>	(77,083)	(72,036)
Gross profit on sales		28,195	25,940
Selling expenses (-)	<u>2</u>	(8,355)	(7,223)
General administrative expenses (-)	<u>2</u>	(7,518)	(7,504)
Net profit on sales		12,322	11,213
Other operating income		214	196
Other operating expenses (-)		(188)	(290)
Operating profit		12,348	11,119
Financial income	<u>3</u>	2,493	3,118
Financial expenses (-)	<u>3</u>	(987)	(843)
Pre-tax profit		13,854	13,394
Corporate income tax (current and deferred tax expense)		(1,200)	(1,317)
Net profit for the period reported		12,654	12,077
Attributable to:			
Shareholders of the Parent Company		12,708	12,115
Non-controlling shareholders		(54)	(38)
Consolidated earnings per share for the period reported attributable to Shareholders of ASEE S.A. (in PLN):			
Basic consolidated earnings per share from continuing operations for the period reported	<u>4</u>	0.24	0.24
Diluted consolidated earnings per share from continuing operations for the period reported	<u>4</u>	0.24	0.24

**INTERIM CONDENSED CONSOLIDATED STATEMENT
OF COMPREHENSIVE INCOME
THE ASSECO SOUTH EASTERN EUROPE GROUP**

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Net profit for the period reported	12,654	12,077
Other comprehensive income:		
Hedges of cash flows	-	194
Foreign currency translation differences on subsidiary companies	(55,112)	11,223
Other	-	5
Total other comprehensive income	(55,112)	11,422
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD REPORTED	(42,458)	23,499
Attributable to:		
<i>Shareholders of the Parent Company</i>	<i>(42,406)</i>	<i>23,537</i>
<i>Non-controlling shareholders</i>	<i>(52)</i>	<i>(38)</i>

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET THE ASSECO SOUTH EASTERN EUROPE GROUP

ASSETS	Note	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Non-current assets		516,468	560,699	516,230
Property, plant and equipment		19,169	20,326	18,206
Investment property		821	894	820
Intangible assets		11,553	12,129	8,842
Goodwill arising from consolidation	6	481,416	523,149	485,780
Investments in subsidiary companies		11	12	11
Financial assets available for sale		42	43	45
Long-term loans		431	462	388
Long-term receivables		376	226	190
Deferred income tax assets		2,014	2,147	1,582
Long-term deferred expenses		635	1,311	366
Current assets		242,989	260,317	201,719
Inventories		18,272	13,079	13,428
Deferred expenses	9	7,245	5,887	5,743
Trade accounts receivable	7	61,243	85,742	46,545
Corporate income tax recoverable	7	1,682	1,451	1,221
Other receivables from the State budget	7	1,396	796	924
Receivables arising from valuation of IT contracts		26,828	27,546	25,957
Other receivables	7	10,630	7,270	8,991
Financial assets available for sale		113	28	25
Financial assets held to maturity		3,380	4,586	240
Financial assets carried at fair value through profit or loss		-	10,263	96
Short-term loans		229	28	512
Cash and cash equivalents and restricted cash	8	111,971	103,641	98,037
TOTAL ASSETS		759,457	821,016	717,949

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
THE ASSECO SOUTH EASTERN EUROPE GROUP**

SHAREHOLDERS' EQUITY AND LIABILITIES	Note	31 March 2012	31 December 2011	31 March 2011
		(unaudited)	(audited)	(unaudited)
Shareholders' equity (attributable to Shareholders of the Parent Company)		663,405	705,811	620,720
Share capital	<u>10</u>	518,942	518,942	509,921
Share premium		38,825	38,825	38,825
Revaluation capital		-	-	(47)
Foreign currency translation differences on subsidiary companies		(46,535)	8,579	(38,062)
Prior years' retained earnings (deficit) and current net profit		152,173	139,465	110,083
Non-controlling interests		-	-	-
Total shareholders' equity		663,405	705,811	620,720
Non-current liabilities		5,873	6,011	4,569
Interest-bearing bank loans and borrowings	<u>12</u>	37	46	498
Deferred income tax provisions		2,891	3,052	1,820
Long-term provisions		672	646	314
Long-term financial liabilities	<u>11</u>	1,622	1,694	1,595
Long-term deferred income		651	534	101
Other long-term liabilities		-	39	241
Current liabilities		90,179	109,194	92,660
Interest-bearing bank loans and borrowings	<u>12</u>	304	590	1,473
Trade accounts payable	<u>13</u>	27,779	37,765	22,237
Corporate income tax payable	<u>13</u>	165	736	1,015
Other liabilities to the State budget	<u>13</u>	6,766	12,474	6,350
Financial liabilities	<u>11</u>	1,344	2,120	15,906
Liabilities arising from valuation of IT contracts		1,262	1,049	735
Other liabilities	<u>13</u>	26,217	26,687	19,804
Short-term provisions		5,517	6,248	5,269
Deferred income	<u>14</u>	7,703	9,360	7,808
Accrued expenses	<u>14</u>	13,122	12,165	12,063
TOTAL LIABILITIES		96,052	115,205	97,229
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		759,457	821,016	717,949

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY THE ASSECO SOUTH EASTERN EUROPE GROUP

for 3 months ended 31 March 2012

	Note	Share capital	Share premium	Revaluation capital	Foreign currency translation differences on subsidiary companies	Prior years' retained earnings (deficit) and current net profit	Shareholders' equity attributable to Shareholders of the Parent Company	Non-controlling interests	Total shareholders' equity
As at 1 January 2012		518,942	38,825	-	8,579	139,465	705,811	-	705,811
Net profit (loss) for the period reported		-	-	-	-	12,708	12,708	(54)	12,654
Other comprehensive income		-	-		(55,114)	-	(55,114)	2	(55,112)
Total comprehensive income for the period reported		-	-	-	(55,114)	12,708	(42,406)	(52)	(42,458)
Recognition of profit attributable to non-controlling interests		-	-	-	-	-	-	52	52
As at 31 March 2012 (unaudited)	10	518,942	38,825	-	(46,535)	152,173	663,405	-	663,405

for 3 months ended 31 March 2011

	Note	Share capital	Share premium	Revaluation capital	Foreign currency translation differences on subsidiary companies	Prior years' retained earnings (deficit) and current net profit	Shareholders' equity attributable to Shareholders of the Parent Company	Non-controlling interests	Total shareholders' equity
As at 1 January 2011		509,921	38,825	(241)	(49,285)	98,044	597,264	-	597,264
Net profit (loss) for the period reported		-	-	-	-	12,115	12,115	(38)	12,077
Other comprehensive income		-	-	194	11,223	5	11,422	-	11,422
Total comprehensive income for the period reported		-	-	194	11,223	12,120	23,537	(38)	23,499
Changes in the Group structure, of which:		-	-	-	-	(81)	(81)	-	(81)
Acquisition of non-controlling interests		-	-	-	-	(81)	(81)	-	(81)
Recognition of profit attributable to non-controlling interests		-	-	-	-	-	-	38	38
As at 31 March 2011 (unaudited)	10	509,921	38,825	(47)	(38,062)	110,083	620,720	-	620,720

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
THE ASSECO SOUTH EASTERN EUROPE GROUP (continued)

for 12 months ended 31 December 2011

	Note	Share capital	Share premium	Revaluation capital	Foreign currency translation differences on subsidiary companies	Prior years' retained earnings (deficit) and current net profit	Shareholders' equity attributable to Shareholders of the Parent Company	Non-controlling interests	Total shareholders' equity
As at 1 January 2011		509,921	38,825	(241)	(49,285)	98,044	597,264	-	597,264
Net profit (loss) for the period reported		-	-	-	-	54,764	54,764	(111)	54,653
Other comprehensive income		-	-	241	57,864	-	58,105	-	58,105
Total comprehensive income for the period reported		-	-	241	57,864	54,764	112,869	(111)	112,758
Changes in the Group structure, of which:		-	-	-	-	(85)	(85)	-	(85)
<i>Acquisition of non-controlling interests</i>		-	-	-	-	<i>(85)</i>	<i>(85)</i>	-	<i>(85)</i>
Recognition of profit attributable to non-controlling interests		-	-	-	-	-	-	111	111
Issuance of series T shares		9,021	-	-	-	-	9,021	-	9,021
Dividend		-	-	-	-	(13,258)	(13,258)	-	(13,258)
As at 31 December 2011 (audited)	<u>10</u>	518,942	38,825	-	8,579	139,465	705,811	-	705,811

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS THE ASSECO SOUTH EASTERN EUROPE GROUP

	Note	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Cash flows - operating activities			
Pre-tax profit		13,854	13,394
Total adjustments:		(2,761)	(7,838)
Depreciation and amortization		2,459	1,980
Change in inventories		(6,601)	599
Change in receivables		17,306	19,717
Change in liabilities		(12,215)	(28,897)
Change in deferred and accrued expenses		(3,244)	(852)
Change in provisions		(299)	190
Change in cash with restricted availability		152	(223)
Interest income and expense		(402)	(504)
Gain (loss) on foreign exchange differences		117	149
Gain (loss) on investing activities		(23)	-
Other		(11)	3
Net cash generated from operating activities		11,093	5,556
Corporate income tax paid		(2,012)	(1,572)
Net cash provided by (used in) operating activities		9,081	3,984
Cash flows - investing activities			
Disposal of property, plant and equipment and intangible assets		41	153
Acquisition of property, plant and equipment and intangible assets		(3,362)	(2,804)
Acquisition of subsidiary companies		-	(5,635)
Disposal of financial assets held to maturity		4,041	-
Acquisition of financial assets held to maturity		(3,160)	-
Disposal of financial assets carried at fair value through profit or loss		10,299	-
Expenditures for development projects in progress		(1,109)	-
Loans granted		(204)	(419)
Loans collected		-	14
Interest received		460	606
Other		(23)	-
Net cash provided by (used in) investing activities		6,983	(8,085)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
THE ASSECO SOUTH EASTERN EUROPE GROUP (continued)

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Cash flows - financing activities		
Repayment of bank loans and borrowings	(273)	(476)
Finance lease commitments paid	(148)	(94)
Interest paid	(60)	(106)
Acquisition of non-controlling interests	-	(108)
Other	-	(58)
Net cash provided by (used in) financing activities	(481)	(842)
Net increase (decrease) in cash and cash equivalents	15,583	(4,943)
Net foreign exchange differences	(6,947)	1,424
Cash and cash equivalents as at 1 January	103,042	100,976
Cash and cash equivalents as at 31 March	8 111,678	97,457

SUPPLEMENTARY INFORMATION AND EXPLANATORY NOTES

I. ACCOUNTING PRINCIPLES APPLIED WHEN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis for preparation of interim condensed consolidated financial statements

These interim condensed consolidated financial statements were prepared in accordance with the historical cost principle, except for derivative financial instruments and assets that are carried at fair value through profit or loss.

The presentation currency of these interim condensed consolidated financial statements is Polish zloty (PLN), and all figures are presented in thousands of zlotys (PLN'000), unless stated otherwise.

These interim condensed consolidated financial statements were prepared on a going-concern basis, assuming the Group, Parent Company as well as its subsidiary companies will continue their business activities in the foreseeable future.

Till the date of approving these financial statements, there were observed no indications of a threat to the Company and the Group companies' ability to continue as going concerns in the period of at least 12 months following the balance sheet date.

2. Compliance statement

These interim condensed consolidated financial statements were prepared in compliance with the International Financial Reporting Standards ("IFRS"), and in particular in accordance with the International Accounting Standard 34 Interim Financial Reporting, and IFRS adopted by the European Union. As at the date of approving publication of these financial statements, given the ongoing process of implementing the IFRS standards in the EU as well as the nature of the Group's operations, within the scope of accounting principles applied by the Group there is no difference between the IFRS that came into force and the IFRS endorsed by the European Union.

IFRS include standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

Some of the Group companies maintain their accounting books in accordance with the accounting policy (principles) set forth in their respective local regulations. The interim condensed consolidated financial statements include adjustments not disclosed in the accounting books of the Group's entities, which were introduced to adjust the financial statements of those entities to the IFRS.

3. Significant accounting policies

The major accounting principles adopted by the Asseco South Eastern Europe Group have been described in the consolidated financial statements for the year ended 31 December 2011, which were published on 23 February 2012 and are available at the Issuer's website: <http://www.asseco-see.com/pl>. These interim condensed consolidated financial statements do not include all the information and disclosures required for annual consolidated financial statements and therefore they should be read together with the Group's consolidated financial statements for the year ended 31 December 2011.

The accounting principles (policy) adopted for drawing up this report for the 1st quarter of 2012 are coherent with those applied for preparation of the Group's consolidated financial statements for the year ended 31 December 2011, except for applying the amendments to standards and new interpretations effective for annual periods beginning on or after 1 January 2012.

4. Functional currency and reporting currency

The functional currency applied by the Parent Company as well as the reporting currency used in these interim condensed consolidated financial statements is the Polish zloty (PLN).

Separate and consolidated financial statements of the Group companies are drawn up in the functional currencies of their primary business environments. The functional currencies of direct subsidiaries of ASEE S.A. include the Romanian leu (RON), Croatian kuna (HRK), Serbian dinar (RDS), euro (EUR), Turkish lira (TRY), Bosnia and Herzegovina convertible mark (BAM), and Polish zloty (PLN).

5. Changes in estimates

In the period of 3 months ended 31 March 2012, the Company's approach to making estimates was not subject to any substantial changes.

6. Professional judgement

Preparing consolidated financial statements in accordance with IFRS requires making estimates and assumptions which impact the data disclosed in such financial statements. Despite the estimates and assumptions have been adopted based on the Group's management best knowledge on the current activities and occurrences, the actual results may differ from those anticipated.

Below are presented the main areas, which in the process of applying the accounting principles (policy) were subject to accounting estimates and the management's professional judgement, and whose estimates, if changed, could significantly affect the Group's future results.

i. Operating cash flows assumed for valuation of IT contracts as well as measurement of their completion

The Group executes a number of contracts for construction and implementation of information technology systems. The contractual cash flows are denominated in foreign currencies. Valuation of IT contracts requires that future operating cash flows are determined in order to arrive at the fair value of income and expenses and to provide the fair value of the embedded currency derivatives, as well as it requires measurement of the progress of contract execution. The percentage of contract completion shall be measured as the relation of costs already incurred (provided such costs contribute to the progress of work) to the total costs planned, or as a portion of man-days worked out of the total work-effort required. As at 31 March 2012, receivables arising from valuation of IT contracts amounted to PLN 26,828 thousand, while liabilities due to such valuation equalled PLN 1,262 thousand.

ii. Rates of depreciation and amortization

The level of depreciation and amortization rates is determined on the basis of anticipated period of useful economic life of the components of tangible and intangible assets. The Group verifies the adopted periods of useful life on an annual basis, taking into account the current estimates.

iii. Goodwill – impairment test

As at 31 December 2011, the Management Board of the Parent Company performed an impairment test on goodwill arising from the acquisition of subsidiary companies. This task required making estimates of the recoverable value of cash-generating units to which goodwill is allocated. The recoverable value is estimated by determination of the future cash flows expected to be achieved from the cash-generating unit and determination of a discount rate to be subsequently used in order to calculate the net present value of those cash flows.

As at 31 March 2012, the Company verified its assumptions for the impairment test performed on goodwill as at 31 December 2011. In particular we checked whether the assumed financial results to be achieved in 2012 by individual cash-generating units are

not materially different from their actual financial performance in the first 3 months of 2012, and whether internal or external factors did not cause a deterioration of the financial forecasts for the next years. Because no indications of impairment were detected in any of the analyzed cases, the Parent Company did not carry out any impairment test as at 31 March 2012. However, impairment testing will be performed as at 31 December 2012, even if there are no indications of impairment.

iv. Liabilities to pay for the remaining stakes of shares in subsidiary companies

As at 31 March 2012 as well as at 31 December 2011 and 31 March 2011, the Group recognized liabilities by virtue of future payments to non-controlling shareholders in the company of Multicard, Serbia. Such liabilities equalled PLN 1,133 thousand as at 31 March 2012, PLN 1,266 thousand as at 31 December 2011, and PLN 1,093 thousand as at 31 March 2011. Additionally, as at 31 March 2012, the Group recognized liabilities by virtue of future payments for shares acquired in ASEE Bulgaria in the amount of PLN 445 thousand. As at 31 December 2011, liabilities by virtue of future payments for share purchases amounted to: PLN 85 thousand for shares in EST A.Ş. (presently ASEE Turkey), PLN 763 thousand for shares in ASEE Bulgaria, and PLN 355 thousand for shares in Altius, Bulgaria. Whereas, as at 31 March 2011, the Group recognized liabilities by virtue of future payments for shares acquired in the companies of EST A.Ş. amounting to PLN 10,701 thousand and ASEE Bulgaria amounting to PLN 1,906 thousand. Determination of the amounts payable under such liabilities required making estimates of the companies' financial results.

v. Deferred income tax assets (net of deferred income tax provision)

In the period of 3 months ended 31 March 2012, the Group recognized a deferred income tax asset (net of deferred income tax provision). The Parent Company did not recognize the entire balance of deferred income tax assets related to the prior years' losses. Such deferred income tax assets were recognized to the extent it is probable that future taxable income will enable writing such unutilized losses off. As at 31 March 2012, the Parent Company's tax-deductible losses not accounted for in deferred income tax assets amounted to PLN 93,627 thousand.

Based on the current financial budget and applicable tax regulations, the Group's management believes that future utilization of deferred tax assets recognized in the consolidated financial statements in the amount of PLN 2,014 thousand is very likely.

7. Seasonal nature of business

The Group's activities are subject to seasonality in terms of uneven distribution of turnover in individual quarters of the year. Because bulk of sales revenues are generated from the IT services contracts executed for large companies and public institutions, the fourth quarter turnovers tend to be higher than in the remaining periods. Such phenomenon occurs for the reason that the above-mentioned entities close their annual budgets for implementation of IT projects and carry out investment purchases of hardware and licenses usually in the last quarter.

8. Changes in the applied principles of presentation

In the period reported the Group did not introduce any changes to the applied principles of data presentation.

9. Changes in the accounting principles applied

In the period reported the Group did not introduce any changes to the applied principles of accounting, except for adopting the amendments to standards and new interpretations effective for annual periods beginning on or after 1 January 2012.

10. Corrections of material errors

In the period reported there were no events or developments that would require making corrections of any misstatements.

II. INFORMATION ON OPERATING SEGMENTS

The Asseco South Eastern Europe Group has identified the following reportable segments reflecting the structure of its business operations:

- a) Banking Solutions [BAN - CORE + MASS],
- b) Payment Solutions [BAN - CARD + PG],
- c) Systems Integration [SI].

These reportable segments correspond to the Group's operating segments.

Banking Solutions [BAN - CORE + MASS]¹

The Banking Solutions segment deals with integrated banking systems based on the Oracle and Microsoft platforms (offered under the brand name of ASEBA), including primarily core banking systems.

In addition, the integrated systems include solutions dedicated to support various bank access channels, payment systems, reporting systems for regulatory compliance and managerial information, as well as risk management systems.

This segment also provides IT systems enabling secure authentication of bank clients and system users, as well as e-banking solutions available on mobile phones. These solutions are marketed as an integral part of the core and multi-channel banking systems offered by the Group companies, or separately for the purpose of being integrated with legacy IT solutions or third-party software already utilized by banks. Our offering features the authentication technologies that make use of mobile tokens, SMS, PKI (Public Key Infrastructure) / chip cards (smartcards) acting as electronic signature devices. The ASEBA JiMBA mobile banking system and a variety of e-commerce solutions are state-of-the-art products providing access to banking services over the Internet from mobile phones.

Payment Solutions [BAN - CARD + PG]¹

This segment is engaged in the sale and maintenance of ATMs and POS terminals as well as in the provision of related support services. Furthermore, the segment provides 'top-up' services, i.e. distribution of services offered by third-party vendors based on proprietary IT solutions, using the network of ATMs and POS terminals (e.g. phone card recharging, bill payments). This operating segment also provides systems for settlement of internet payments made with credit cards as well as for fast and direct internet money transfers. The Asseco South Eastern Europe Group offers systems based on its proprietary IT solutions, both in the form of outsourcing or implementation of software within the client's infrastructure.

Systems Integration [SI]

This segment is engaged in the provision of services of development of customized IT systems, especially for the needs of integration of third-party software and elements of infrastructure, as well as in the sale and installation of hardware.

¹ The segments of Banking Solutions and Payment Solutions constitute the Group's total banking business.

For 3 months ended 31 March 2012 and as at 31 March 2012, in PLN thousands (unaudited)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconciliations	Total
Sales revenues:	33,351	24,866	58,217	52,446	1,507	(6,892)	105,278
Sales to external customers	28,698	24,491	53,189	52,089	-	-	105,278
Inter/intra segment sales	4,653	375	5,028	357	1,507	(6,892)	-
Gross profit (loss) on sales	10,582	7,547	18,129	10,066	-	-	28,195
Selling expenses	(2,049)	(1,646)	(3,695)	(4,660)	-	-	(8,355)
General administrative expenses	(2,877)	(2,071)	(4,948)	(2,570)	-	-	(7,518)
Net profit (loss) on sales	5,656	3,830	9,486	2,836	-	-	12,322
Segment assets, of which:	238,160	138,753	376,913	241,008	141,536	-	759,457
<i>goodwill arising from consolidation</i>	191,999	107,243	299,242	182,174	-	-	481,416
<i>property, plant and equipment</i>	4,641	8,081	12,722	6,222	225	-	19,169
<i>intangible assets</i>	6,895	3,292	10,187	1,031	335	-	11,553
<i>trade accounts receivable</i>	12,763	10,355	23,118	38,125	-	-	61,243
<i>receivables arising from valuation of IT contracts</i>	21,047	1,346	22,393	4,435	-	-	26,828
<i>inventories</i>	815	8,436	9,251	9,021	-	-	18,272
<i>other</i>	-	-	-	-	140,976	-	140,976
Segment expenditures for tangible and intangible assets	(557)	(667)	(1,224)	(1,043)	(18)	-	(2,285)

Assets that were not allocated to any operating segment as at 31 March 2012 included the following items: cash (PLN 111,971 thousand), receivables from the State budget (PLN 3,078 thousand) and other receivables (PLN 10,630 thousand), deferred income tax assets (PLN 2,014 thousand), and other assets (PLN 13,283 thousand). Segment data do not include revenues from management services provided by the Parent Company to its subsidiaries (which are subsequently eliminated in the consolidation process) nor any of the other operating expenses and income, financial expenses and income, or income taxes.

For 3 months ended 31 March 2012, in EUR thousands (unaudited)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconciliations	Total
Sales revenues:	7,988	5,956	13,944	12,562	361	(1,651)	25,216
Sales to external customers	6,874	5,866	12,740	12,476	-	-	25,216
Inter/intra segment sales	1,114	90	1,204	86	361	(1,651)	-
Gross profit (loss) on sales	2,535	1,807	4,342	2,411	-	-	6,753
Selling expenses	(491)	(394)	(885)	(1,116)	-	-	(2,001)
General administrative expenses	(689)	(496)	(1,185)	(616)	-	-	(1,801)
Net profit (loss) on sales	1,355	917	2,272	679	-	-	2,951

For 3 months ended 31 March 2011 and as at 31 March 2011, in PLN thousands (unaudited)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconciliations	Total
Sales revenues:	29,549	20,473	50,022	50,953	1,099	(4,098)	97,976
Sales to external customers	28,029	20,206	48,235	49,741	-	-	97,976
Inter/intra segment sales	1,520	267	1,787	1,212	1,099	(4,098)	-
Gross profit (loss) on sales	10,044	6,410	16,454	9,486	-	-	25,940
Selling expenses	(1,510)	(1,570)	(3,080)	(4,122)	(21)	-	(7,223)
General administrative expenses	(2,797)	(1,987)	(4,784)	(2,720)	-	-	(7,504)
Net profit (loss) on sales	5,737	2,853	8,590	2,644	(21)	-	11,213
Segment assets, of which:	235,653	135,559	371,212	226,440	120,297	-	717,949
<i>goodwill arising from consolidation</i>	194,985	107,480	302,465	183,315	-	-	485,780
<i>property, plant and equipment</i>	3,497	8,041	11,538	6,419	249	-	18,206
<i>intangible assets</i>	5,373	2,624	7,997	713	132	-	8,842
<i>trade accounts receivable</i>	9,707	8,977	18,684	27,136	725	-	46,545
<i>receivables arising from valuation of IT contracts</i>	21,880	2,343	24,223	1,734	-	-	25,957
<i>inventories</i>	211	6,094	6,305	7,123	-	-	13,428
<i>other</i>	-	-	-	-	119,191	-	119,191
Segment expenditures for tangible and intangible assets	(405)	(1,224)	(1,629)	(1,193)	(5)	-	(2,827)

Assets that were not allocated to any operating segment as at 31 March 2011 included the following items: cash (PLN 98,037 thousand), receivables from the State budget (PLN 2,145 thousand) and other receivables (PLN 8,991 thousand), deferred income tax assets (PLN 1,582 thousand), and other assets (PLN 8,436 thousand). Segment data do not include revenues from management services provided by the Parent Company to its subsidiaries (which are subsequently eliminated in the consolidation process) nor any of the other operating expenses and income, financial expenses and income, or income taxes.

For 3 months ended 31 March 2011, in EUR thousands (unaudited)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconciliations	Total
Sales revenues:	7,435	5,151	12,586	12,821	277	(1,031)	24,653
Sales to external customers	7,053	5,084	12,137	12,516	-	-	24,653
Inter/intra segment sales	382	67	449	305	277	(1,031)	-
Gross profit (loss) on sales	2,528	1,613	4,141	2,386	-	-	6,527
Selling expenses	(380)	(395)	(775)	(1,037)	(5)	-	(1,817)
General administrative expenses	(705)	(500)	(1,205)	(684)	-	-	(1,889)
Net profit (loss) on sales	1,443	718	2,161	665	(5)	-	2,821

As at 31 December 2011, in PLN thousands (audited)	Banking Solutions (I)	Payment Solutions (II)	Total Banking Business (I-II)	Systems Integration (III)	Unallocated	Eliminations / Reconciliations	Total
Segment assets, of which:	266,439	154,344	420,783	260,611	139,622	-	821,016
<i>goodwill arising from consolidation</i>	209,686	118,141	327,827	195,322	-	-	523,149
<i>property, plant and equipment</i>	5,138	9,105	14,243	5,859	224	-	20,326
<i>intangible assets</i>	7,483	3,464	10,947	829	353	-	12,129
<i>trade accounts receivable</i>	20,313	15,979	36,292	49,450	-	-	85,742
<i>receivables arising from valuation of IT contracts</i>	23,370	1,433	24,803	2,743	-	-	27,546
<i>inventories</i>	449	6,222	6,671	6,408	-	-	13,079
<i>other</i>	-	-	-	-	139,045	-	139,045
Segment expenditures for tangible and intangible assets	(2,720)	(4,400)	(7,120)	(2,603)	(251)	-	(9,974)

Assets that were not allocated to any operating segment as at 31 December 2011 included the following items: cash (PLN 103,641 thousand), receivables from the State budget (PLN 2,247 thousand) and other receivables (PLN 7,270 thousand), deferred income tax assets (PLN 2,147 thousand), and other assets (PLN 23,740 thousand).

In the period of 3 months ended 31 March 2012, our **Banking Solutions segment [BAN - COR + MASS]** generated PLN 33,351 thousand in sales revenues or 13% more than in the corresponding period last year. Hence, the share of this segment in the total sales increased by 2 percentage points. Whereas, its net profit on sales dropped by 1%, from PLN 5,737 thousand to PLN 5,656 thousand.

In the period of 3 months ended 31 March 2012, sales generated by the **Payment Solutions segment [BAN - CARD + PG]** increased to PLN 24,866 thousand or by 21% from the level of PLN 20,473 thousand reported a year ago. Hence, the sector's contribution to the total sales increased by 3 percentage points.

In the period of 3 months ended 31 March 2012, revenues generated by the **Systems Integration segment [SI]** amounted to PLN 52,446 thousand, improving 3% over the level of PLN 50,953 thousand achieved in the corresponding period last year. The segment's first quarter net profit on sales increased to PLN 2,836 thousand from PLN 2,644 thousand posted in the 1st quarter of 2011.

Geographical breakdown of sales

During the first 3 months of 2012, the Group generated 29% of its sales revenues in Serbia, 26% in Romania, 12% in Croatia, 10% in Macedonia, and 8% in Turkey. The remaining 15% of sales were realized in other countries of South Eastern Europe. Whereas, net profit on sales was earned in the following proportions: 45% in Serbia, 16% in Romania, 11% in Macedonia, and 17% in Turkey. The above presented shares in the total sales and net profit on sales were determined taking into account the countries where particular revenue/profit generating companies are seated.

III. INFORMATION ON GEOGRAPHICAL STRUCTURE OF FINANCIAL RESULTS

For 3 months ended 31 March 2012 in PLN thousands	Albania	Bosnia	Bulgaria	Croatia	Montenegro	Kosovo	Macedonia	Poland	Romania	Serbia	Slovenia	Turkey	Total
Sales revenues	761	3,535	1,794	12,385	2,089	3,945	10,825	1,866	27,095	31,052	1,285	8,646	105,278
Cost of sales	(559)	(2,452)	(1,639)	(9,732)	(1,674)	(3,237)	(8,059)	(1,187)	(21,321)	(21,579)	(951)	(4,693)	(77,083)
Gross profit on sales	202	1,083	155	2,653	415	708	2,766	679	5,774	9,473	334	3,953	28,195
Selling expenses	(42)	(150)	(60)	(1,792)	(41)	(276)	(701)	(66)	(2,445)	(1,824)	(22)	(936)	(8,355)
General administrative expenses	(87)	(339)	(96)	(1,048)	(68)	(240)	(757)	(289)	(1,355)	(2,134)	(145)	(960)	(7,518)
Net profit (loss) on sales	73	594	(1)	(187)	306	192	1,308	324	1,974	5,515	167	2,057	12,322
Other operating income	1	24	68	41	-	20	41	6	5	3	-	5	214
Other operating expenses	-	(30)	-	(25)	-	(13)	(14)	-	(35)	(71)	-	-	(188)
Operating profit (loss)	74	588	67	(171)	306	199	1,335	330	1,944	5,447	167	2,062	12,348
Financial income	1	2	32	6	13	12	317	1,018	178	825	-	89	2,493
Financial expenses	-	(6)	-	(10)	(2)	-	-	(445)	(64)	(5)	-	(455)	(987)
Pre-tax profit (loss)	75	584	99	(175)	317	211	1,652	903	2,058	6,267	167	1,696	13,854
Corporate income tax (current and deferred tax expense)	(7)	(56)	-	30	(28)	(1)	14	(128)	(278)	(626)	(33)	(87)	(1,200)
Net profit (loss) for the period reported	68	528	99	(145)	289	210	1,666	775	1,780	5,641	134	1,609	12,654

For 3 months ended 31 March 2012 in EUR thousands	Albania	Bosnia	Bulgaria	Croatia	Montenegro	Kosovo	Macedonia	Poland	Romania	Serbia	Slovenia	Turkey	Total
Sales revenues	182	847	430	2,966	500	945	2,593	447	6,490	7,437	308	2,071	25,216
Cost of sales	(134)	(587)	(393)	(2,331)	(401)	(775)	(1,930)	(284)	(5,107)	(5,169)	(228)	(1,124)	(18,463)
Gross profit on sales	48	260	37	635	99	170	663	163	1,383	2,268	80	947	6,753
Selling expenses	(10)	(36)	(14)	(429)	(10)	(66)	(168)	(16)	(586)	(437)	(5)	(224)	(2,001)
General administrative expenses	(21)	(81)	(23)	(251)	(16)	(58)	(181)	(69)	(325)	(511)	(35)	(230)	(1,801)
Net profit (loss) on sales	17	143	-	(45)	73	46	314	78	472	1,320	40	493	2,951
Other operating income	-	6	16	10	-	5	10	1	1	1	-	1	51
Other operating expenses	-	(7)	-	(6)	-	(3)	(3)	-	(8)	(17)	-	-	(44)
Operating profit (loss)	17	142	16	(41)	73	48	321	79	465	1,304	40	494	2,958
Financial income	-	-	8	1	3	3	76	244	43	197	-	21	596
Financial expenses	-	(1)	-	(2)	-	-	-	(107)	(15)	(1)	-	(109)	(236)
Pre-tax profit (loss)	17	141	24	(42)	76	51	397	216	493	1,500	40	406	3,318
Corporate income tax (current and deferred tax expense)	(2)	(13)	-	7	(7)	-	3	(31)	(67)	(148)	(8)	(21)	(287)
Net profit (loss) for the period reported	15	128	24	(35)	69	51	400	185	426	1,352	32	385	3,031

For 3 months ended 31 March 2011 in PLN thousands	Albania	Bosnia	Bulgaria	Croatia	Montenegr o	Kosovo	Macedonia	Poland	Romania	Serbia	Slovenia	Turkey	Total
Sales revenues	640	3,894	588	12,972	2,000	3,636	11,000	1,593	24,952	26,223	1,539	8,939	97,976
Cost of sales	(436)	(2,511)	(126)	(9,437)	(1,630)	(3,089)	(8,225)	(1,031)	(20,303)	(18,127)	(1,426)	(5,695)	(72,036)
Gross profit on sales	204	1,383	462	3,535	370	547	2,775	562	4,649	8,096	113	3,244	25,940
Selling expenses	(47)	(215)	(195)	(1,020)	-	(215)	(523)	(182)	(2,123)	(1,854)	(28)	(821)	(7,223)
General administrative expenses	(94)	(369)	(59)	(1,130)	(44)	(288)	(835)	(170)	(1,331)	(2,102)	(72)	(1,010)	(7,504)
Net profit on sales	63	799	208	1,385	326	44	1,417	210	1,195	4,140	13	1,413	11,213
Other operating income	-	34	2	26	1	24	85	-	10	12	-	2	196
Other operating expenses	-	(52)	-	(45)	-	-	(129)	-	-	(64)	-	-	(290)
Operating profit	63	781	210	1,366	327	68	1,373	210	1,205	4,088	13	1,415	11,119
Financial income	-	4	2	60	5	20	207	2,018	492	166	-	144	3,118
Financial expenses	-	(4)	-	(13)	-	-	-	(280)	(36)	(483)	-	(27)	(843)
Pre-tax profit	63	781	212	1,413	332	88	1,580	1,948	1,661	3,771	13	1,532	13,394
Corporate income tax (current and deferred tax expense)	(6)	(42)	(8)	(251)	(31)	(10)	(85)	32	(271)	(288)	(2)	(355)	(1,317)
Net profit for the period reported	57	739	204	1,162	301	78	1,495	1,980	1,390	3,483	11	1,177	12,077

For 3 months ended 31 March 2011 in EUR thousands	Albania	Bosnia	Bulgaria	Croatia	Montenegr o	Kosovo	Macedonia	Poland	Romania	Serbia	Slovenia	Turkey	Total
Sales revenues	161	980	148	3,264	503	915	2,768	401	6,278	6,599	387	2,249	24,653
Cost of sales	(110)	(632)	(32)	(2,375)	(410)	(777)	(2,070)	(259)	(5,109)	(4,560)	(359)	(1,433)	(18,126)
Gross profit on sales	51	348	116	889	93	138	698	142	1,169	2,039	28	816	6,527
Selling expenses	(12)	(54)	(49)	(257)	-	(54)	(132)	(46)	(534)	(465)	(7)	(207)	(1,817)
General administrative expenses	(24)	(93)	(15)	(284)	(11)	(72)	(210)	(43)	(335)	(530)	(18)	(254)	(1,889)
Net profit on sales	15	201	52	348	82	12	356	53	300	1,044	3	355	2,821
Other operating income	-	9	1	7	-	6	21	-	3	2	-	1	50
Other operating expenses	-	(13)	-	(11)	-	-	(32)	-	-	(17)	-	-	(73)
Operating profit	15	197	53	344	82	18	345	53	303	1,029	3	356	2,798
Financial income	-	1	1	15	1	5	52	508	124	42	-	36	785
Financial expenses	-	(1)	-	(3)	-	-	-	(70)	(9)	(123)	-	(7)	(213)
Pre-tax profit	15	197	54	356	83	23	397	491	418	948	3	385	3,370
Corporate income tax (current and deferred tax expense)	(2)	(11)	(2)	(63)	(8)	(3)	(21)	8	(68)	(71)	(1)	(89)	(331)
Net profit for the period reported	13	186	52	293	75	20	376	499	350	877	2	296	3,039

IV. SUMMARY AND ANALYSIS OF FINANCIAL RESULTS OF THE ASSECO SOUTH EASTERN EUROPE GROUP

In the 1st quarter of 2012, sales revenues of the Asseco South Eastern Europe Group reached PLN 105,278 thousand and, compared to the corresponding period last year, they increased by 6% if stated in PLN or by 2% if restated in EUR.

Sales revenues by sectors	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Banking and finance	68,648	65,567
Enterprises	28,350	27,011
Public institutions	8,280	5,398
	105,278	97,976

Sales revenues by sectors in %	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Banking and finance	65%	67%
Enterprises	27%	28%
Public institutions	8%	5%
	100%	100%

In the 1st quarter of 2012, the Group's sales to the banking and financial sector reached PLN 68,648 thousand as compared with PLN 65,567 thousand generated in the 1st quarter of 2011. Concurrently, the share of this sector in the total sales declined by 2 percentage points, from the level of 67% in 2011 to 65% in 2012.

In the 1st quarter of 2012, the Group's sales to the enterprises sector amounted to PLN 28,350 thousand, having increased by PLN 1,339 thousand from the level of PLN 27,011 thousand reported for the corresponding period of 2011. The sector's share in the total turnover declined by 1 percentage point, from the level of 28% in 2011 to 27% in 2012.

In the 1st quarter of 2012, the Group's sales to public institutions were PLN 8,280 thousand as compared with PLN 5,398 thousand generated in the 1st quarter of 2011. Concurrently, the share of this sector in the total sales increased by 3 percentage points, from 5% in 2011 to 8% in 2012.

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)	Change %
Sales revenues	105,278	97,976	7%
Gross profit on sales	28,195	25,940	9%
Net profit on sales	12,322	11,213	10%
Operating profit	12,348	11,119	11%
Net profit for the period reported	12,654	12,077	5%
Net profit attributable to Shareholders of the Parent Company	12,708	12,115	5%

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Gross profit margin	27%	26%
EBITDA margin	14%	13%
Operating profit margin	12%	11%
Net profit margin	12%	12%
Return on equity (ROE)	9%	8%
Return on assets (ROA)	7%	7%

The above ratios have been computed using the following formulas:

Gross profit margin = gross profit on sales / sales

EBITDA margin = (operating profit + depreciation and amortization) / sales

Operating profit margin = operating profit / sales

Net profit margin = net profit for the period reported attributable to Shareholders of the Parent Company / sales

Return on equity (ROE) = net profit for the period of trailing 12 months attributable to Shareholders of the Parent Company / average annual equity attributable to Shareholders of the Parent Company

Return on assets (ROA) = net profit for the period of trailing 12 months attributable to Shareholders of the Parent Company / average annual assets

In the 1st quarter of 2012, the Group's gross profit on sales reached PLN 28,195 thousand and it increased by 9% compared with the 1st quarter of 2011. Whereas, gross profit margin achieved in the 1st quarter of 2012 equalled 27% and it improved by 1 percentage point from the last year's level.

Net profit attributable to shareholders of the Parent Company amounted to PLN 12,708 thousand in the 1st quarter of 2012 and, when compared with the level of PLN 12,115 thousand earned in the corresponding period of 2011, it increased by 5%. Concurrently, operating profit improved by PLN 1,229 thousand or by 11% year on year.

	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Working capital (in PLN thousands)	152,810	151,123	109,059
Current liquidity ratio	2.69	2.38	2.18
Quick liquidity ratio	2.41	2.21	1.97
Absolute liquidity ratio	1.28	0.99	1.06

The above ratios have been computed using the following formulas:

Working capital = current assets - current liabilities

Current liquidity ratio = current assets / current liabilities

Quick liquidity ratio = (current assets - inventories - deferred expenses) / current liabilities

Absolute liquidity ratio = (bonds and securities held to maturity + cash and short-term bank deposits) / current liabilities

	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Debt ratio	0.13	0.14	0.14
Debt / equity ratio	0	0	0
Debt / (debt + equity) ratio	0	0	0

The above ratios have been computed using the following formulas:

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

Debt / equity ratio = interest-bearing bank loans and borrowings / shareholders' equity

Debt / (debt + equity) ratio = interest-bearing bank loans and borrowings / (interest-bearing bank loans and borrowings + shareholders' equity)

V. EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Breakdown of sales revenues

During the 1st quarter of 2012 and the corresponding comparative period, operating revenues were as follows:

Sales revenues by type of products	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Proprietary software and services	52,799	48,655
Third-party software and services	15,969	20,694
Hardware and infrastructure	36,510	28,627
	105,278	97,976

2. Breakdown of operating costs

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Materials and energy used (-)	(1,276)	(1,148)
Third-party work (-)	(10,439)	(10,619)
Salaries (-)	(27,741)	(24,897)
Employee benefits (-)	(5,182)	(3,927)
Depreciation and amortization (-)	(2,459)	(1,980)
Taxes and charges (-)	(394)	(371)
Business trips (-)	(1,080)	(1,036)
Other (-)	390	186
	(48,181)	(43,792)
Cost of sales:	(77,083)	(72,036)
<i>production cost (-)</i>	(32,308)	(29,065)
<i>value of merchandise, materials and third-party work sold (COGS) (-)</i>	(44,775)	(42,971)
Selling expenses (-)	(8,355)	(7,223)
General administrative expenses (-)	(7,518)	(7,504)

3. Financial income and expenses

Financial income	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Interest income on loans granted and bank deposits	648	681
Other interest income	-	14
Reversal of liabilities due to the acquisition of shares	693	1,790
Gain on disposal of financial assets carried at fair value through profit or loss	128	-
Positive foreign exchange differences	1,024	633
Total financial income	2,493	3,118

Financial income achieved from the reversal of liabilities due to the acquisition of shares has been described in explanatory note 11 to these financial statements.

Financial expenses	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Interest expense on bank loans and borrowings (-)	(2)	(45)
Bank fees and commissions (-)	(42)	(31)
Other interest expenses (-)	(6)	(61)
Negative foreign exchange differences (-)	(753)	(436)
Interest expenses under finance leases (-)	(18)	(17)
Expense on unwinding of discount (-)	-	(135)
Loss on exercise of derivative instruments (-)	(44)	-
Loss on change in fair value of currency derivatives (-)	(122)	(118)
Total financial expenses	(987)	(843)

4. Earnings per share

PLN	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Consolidated earnings per share for the period reported attributable to Shareholders of ASEE S.A. (in PLN):		
Basic consolidated earnings per share from continuing operations for the period reported	0.24	0.24
Diluted consolidated earnings per share from continuing operations for the period reported	0.24	0.24
EUR	3 months ended 31 March 2012	3 months ended 31 March 2011
Consolidated earnings per share for the period reported attributable to Shareholders of ASEE S.A. (in PLN):		
Basic consolidated earnings per share from continuing operations for the period reported	0.06	0.06
Diluted consolidated earnings per share from continuing operations for the period reported	0.06	0.06

Basic earnings per share are computed by dividing net profit for the period reported, attributable to shareholders of the Parent Company, by the weighted average number of ordinary shares outstanding during that financial period.

Diluted earnings per share are computed by dividing net profit for the period reported, attributable to shareholders of the Parent Company, by the adjusted (for the diluting impact of potential shares) weighted average number of ordinary shares outstanding during that financial period, adjusted by the factor of conversion of bonds convertible to ordinary shares.

The tables below present net profits and numbers of shares used for calculation of basic and diluted earnings per share:

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Consolidated net profit for the period reported attributable to Shareholders of ASEE S.A.	12,708	12,115
Weighted average number of ordinary shares outstanding, used for calculation of basic earnings per share	51,894,251	50,992,132
Dilution factors	-	-
Adjusted weighted average number of ordinary shares, used for calculation of diluted earnings per share	51,894,251	50,992,132

Both in the period reported and in the prior year's corresponding period, there occurred no events that would result in a dilution of earnings per share.

5. Information on dividends paid out or declared

The Ordinary General Meeting of Shareholders of ASEE S.A. seated in Rzeszów, acting on the basis of art. 395 §2 item 2) of the Polish Commercial Companies Code as well as pursuant to §12 sect. 4 item 3) of the Company's Articles of Association, by its resolution of 12 April 2012, decided that the net profit for the year 2011 amounting to PLN 16,864,396.78 as well as PLN 5,327,810.76 of undistributed net profit for the year 2010, shall be distributed as follows:

- a) the amount of PLN 1,349,151.74 from the net profit for 2011 shall be allocated to reserve capital pursuant to art. 396 §1 of the PCCC;
- b) the amount of PLN 18,681,930.36 shall be distributed among all the Company's shareholders as a dividend of PLN 0.36 per share.

The remaining portion of the net profit for 2011 amounting to PLN 2,161,125.44 has been retained as prior years' earnings.

The Ordinary General Meeting of Shareholders of ASSE S.A. seated in Rzeszów, acting on the basis of art. 348 §3 of the Polish Commercial Companies Code as well as pursuant to §12 sec. 4 item 2) of the Company's Articles of Association, established 2 July 2012 as the dividend right date and 16 July 2012 as the dividend payment date.

6. Goodwill arising from consolidation

	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Banking Solutions	191,999	209,686	194,985
Payment Solutions	107,243	118,141	107,480
Systems Integration	182,174	195,322	183,315
	481,416	523,149	485,780

During the period reported and corresponding period, the goodwill arising from consolidation changed as follows:

	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Consolidation goodwill at the beginning of the period	523,149	476,399	476,399
Banking Solutions	209,686	188,761	188,761
Payment Solutions	118,141	107,363	107,363
Systems Integration	195,322	180,275	180,275
Change in consolidation goodwill due to the acquisition of shares (+/-)	-	2,455	-
Banking Solutions	-	-	-
Payment Solutions	-	2,455	-
Systems Integration	-	-	-
Foreign currency differences on translation of goodwill arising from foreign subsidiaries (+/-)	(41,733)	44,295	9,381
Banking Solutions	(17,687)	20,925	6,224
Payment Solutions	(10,898)	8,323	117
Systems Integration	(13,148)	15,047	3,040
Total book value at the end of period	481,416	523,149	485,780

7. Short-term receivables

Short-term receivables	31 March 2012	31 December 2011	31 March 2011
Trade accounts receivable	(unaudited)	(audited)	(unaudited)
Trade accounts receivable, of which:	63,971	88,540	49,792
From related companies	64	119	440
from other companies	63,907	88,421	49,352
Revaluation write-down on doubtful receivables (-)	(2,728)	(2,798)	(3,247)
	61,243	85,742	46,545

Trade accounts receivable are not interest-bearing.

The Group has a relevant policy based on selling its products to reliable clients only. Owing to that, in the management's opinion, the credited sales risk would not exceed the level covered by allowances for doubtful accounts.

As at 31 March 2012, current receivables and future receivables in the amount of PLN 2,067 thousand served as security for bank loans and guarantee facilities. As at 31 March 2012, there were no liabilities under bank loans secured with such assets; however, the Group recognized off-balance-sheet liabilities due to bank guarantees extended under a bank guarantee facility secured with receivables in the amount of PLN 4,144 thousand.

As at 31 December 2011, current receivables and future receivables in the amount of PLN 522 thousand served as security for bank loans and bank guarantee facilities. As at 31 December 2011, there were no liabilities under bank loans secured with such assets; however, the Group recognized off-balance-sheet liabilities due to bank guarantees extended under a bank guarantee facility secured with receivables and inventories in the amount of PLN 3,029 thousand.

As at 31 March 2011, current receivables and future receivables in the amount of PLN 250 thousand served as security for bank loans and guarantee facilities. As at 31 March 2011, there were no liabilities under bank loans secured with such assets; however, the Group recognized off-balance-sheet liabilities due to bank guarantees extended under a bank guarantee facility secured with receivables and inventories in the amount of PLN 4,290 thousand.

Receivables on taxes, import tariffs, social security and other regulatory payments	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Value added tax	810	62	721
Corporate income tax (CIT)	1,682	1,451	1,221
Other	586	734	203
	3,078	2,247	2,145

Other receivables	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Receivables from non-invoiced deliveries	4,006	4,643	5,047
Advance payments to other suppliers	5,669	1,440	1,985
Receivables from employees	320	115	142
Receivables from grants	716	663	854
Other receivables	605	579	1,100
Revaluation write-down (-)	(686)	(170)	(137)
	10,630	7,270	8,991

Receivables relating to non-invoiced deliveries result from the sale of third-party licenses and maintenance services, for which invoices have not yet been issued for the whole period of licensing or provision of maintenance services.

Advance payments to other suppliers correspond to advances paid to subcontractors on account of the execution of contracts. The largest advance payment was made to ASEE Serbia, among others, on account of their work performed under a contract executed for the Ministry of Justice in Serbia.

Other receivables, as at 31 March 2012, 31 December 2011 and 31 March 2011, include among others the amounts of grants receivable by ASEE Turkey that were awarded by *Türkiye Bilimsel ve Teknolojik Araştırma Kurumu ("TÜBİTAK")* over the agency of *Teknoloji İzleme ve Değerlendirme Başkanlığı ("TİDEB")*. TÜBİTAK is a leading institution engaged in the management, financing and organization of research and development work in Turkey.

8. Cash and cash equivalents and restricted cash

	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Cash at bank and in hand	50,205	68,391	50,332
Short-term bank deposits	61,458	34,743	46,998
Cash equivalents	308	486	698
Cash being transferred	-	21	9
	111,971	103,641	98,037
<i>Interest accrued on cash and cash equivalents as at the balance sheet date</i>	42	180	-
<i>Restricted cash</i>	251	419	580
Cash and cash equivalents as disclosed in the cash flow statement	111,678	103,042	97,457

The interest on cash at bank is calculated with variable interest rates which depend on bank overnight deposit rates. Short-term bank deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Short-term cash deposits did not serve as security for any bank guarantees (of due performance of contracts or tender deposits) as at 31 March 2012, 31 December 2011 nor as at 31 March 2011.

As at 31 March 2012, restricted cash in the amount of PLN 251 thousand served as security for bank guarantees (of due performance of contracts or tender deposits).

As at 31 December 2011, restricted cash in the amount of PLN 419 thousand served as security for bank guarantees (of due performance of contracts or tender deposits).

As at 31 March 2011, restricted cash in the amount of PLN 580 thousand served as security for bank guarantees (of due performance of contracts or tender deposits).

9. Deferred expenses

Short-term	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Prepaid maintenance services and license fees	5,898	4,972	4,186
Prepaid insurance policies	481	235	295
Prepaid subscriptions	13	25	103
Prepaid rents	374	323	190
Prepaid consulting services	38	8	245
Other prepaid services	260	49	314
Company acquisition expenditures	-	-	55
Other	181	288	367
Revaluation write-down (-)	-	(13)	(12)
	7,245	5,887	5,743

As at 31 March 2012, 31 December 2011 and 31 March 2011, deferred expenses included primarily the costs of maintenance services amounting to PLN 5,898 thousand, PLN 4,972 thousand and PLN 4,186 thousand, respectively, that will be successively expensed in future periods.

10. Share capital

Share capital			31 March 2012 (unaudited)		31 December 2011 (audited)		31 March 2011 (unaudited)	
Shares	Series	Par value per share	Number of shares	Value of shares	Number of shares	Value of shares	Number of shares	Value of shares
Ordinary registered shares	A*	0.1	5,000,000	500	5,000,000	500	5,000,000	500
Ordinary registered shares	B*	0.1	5,000,000	500	5,000,000	500	5,000,000	500
Ordinary registered shares	C*	0.1	2,567,000,900	256,700	2,567,000,900	256,700	2,567,000,900	256,700
Ordinary registered shares	D	10	25,770,009	257,700	25,770,009	257,700	25,770,009	257,700
Ordinary registered shares	E	10	956,447	9,565	956,447	9,565	956,447	9,565
Ordinary registered shares	F	10	1,475,509	14,755	1,475,509	14,755	1,475,509	14,755
Ordinary registered shares	G	10	2,708,378	27,084	2,708,378	27,084	2,708,378	27,084
Ordinary registered shares	H	10	1,062,030	10,620	1,062,030	10,620	1,062,030	10,620
Ordinary registered shares	I	10	1,770,609	17,706	1,770,609	17,706	1,770,609	17,706
Ordinary registered shares	J	10	1,714,209	17,142	1,714,209	17,142	1,714,209	17,142
Ordinary registered shares	K	10	4,590,470	45,905	4,590,470	45,905	4,590,470	45,905
Ordinary registered shares	L	10	2,100,000	21,000	2,100,000	21,000	2,100,000	21,000
Ordinary registered shares	M	10	4,810,880	48,109	4,810,880	48,109	4,810,880	48,109
Ordinary registered shares	N	10	1,078,909	10,789	1,078,909	10,789	1,078,909	10,789
Ordinary registered shares	P	10	1,524,269	15,242	1,524,269	15,242	1,524,269	15,242
Ordinary registered shares	R	10	592,941	5,929	592,941	5,929	592,941	5,929
Ordinary registered shares	S	10	837,472	8,375	837,472	8,375	837,472	8,375
Ordinary registered shares	T	10	902,119	9,021	902,119	9,021	-	-
			51,894,251	518,942	51,894,251	518,942	50,992,132	509,921

* Following a reverse stock split of series D shares

11. Long-term and short-term financial liabilities

Long-term	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Liabilities due to the acquisition of non-controlling interests in subsidiaries (put options)	1,133	1,266	1,093
Finance lease commitments	489	428	502
	1,622	1,694	1,595

As at 31 March 2012 as well as at 31 December 2011 and 31 March 2011, the Group carried a long-term liability under the put options held by non-controlling shareholders in Multicard, Serbia. Such liability corresponds to the estimated present value of future payment for the remaining stake of shares in the above-mentioned company. Determination of fair value of the liability resulting from the possible exercise of stock put options was based on the following several assumptions. The Group assumes the stock put options will be exercised by all the minority shareholders, and as a consequence the Group will acquire a 100% share in profits. The concluded stock option agreement stipulates that the future payment shall be equal to the amount of audited net profit for the calendar year preceding the option exercise year, multiplied by a contractually predefined fixed rate. Net profit assumed for measurement of the aforesaid liability has been based on the most up-to-date financial forecasts for the current year and future periods. This foreign-currency liability was restated in Polish zlotys at the exchange rates published by the National Bank of Poland on 31 March 2012, 31 December 2011 and 31 March 2011, and it amounted to PLN 1,133 thousand, PLN 1,266 thousand and PLN 1,093 thousand, respectively.

<i>Name of company</i>	<i>Earliest stock option exercise date as per the agreement</i>	<i>Assumptions concerning net earnings</i>
Multicard, Serbia	2013-01-01	Audited net profit for the calendar year preceding the option exercise year

Short-term	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Liabilities due to dividend payments	-	84	2,781
Finance lease commitments	304	361	414
Liabilities due to the acquisition of shares	445	1,203	12,607
Currency forward contracts	595	472	97
Other	-	-	7
	1,344	2,120	15,906

Liabilities due to dividend payments

As at 31 March 2012, the Group had no liabilities by virtue of dividend payments. Liabilities due to dividend payments disclosed as at 31 December 2011 in the amount of PLN 84 thousand corresponded to income tax payable on dividends paid out to shareholders of ASEE S.A.

Whereas, as at 31 March 2011, liabilities due to dividend payments totalled PLN 2,781 thousand and they included liabilities assumed when obtaining control over the companies of BDS d.o.o. (presently ASEE Croatia) and Cardinfo BDS d.o.o. (presently ASEE B&H (Sarajevo)), as well as liabilities to pay out dividends from undistributed profits for the

years 2009 and 2010 that were recognized by the Group, where such payments to former shareholders were provided for in the relevant company acquisition agreement.

Liabilities due to the acquisition of shares disclosed as at 31 March 2012 include the outstanding portion of payment for a 49% stake in ASEE Bulgaria acquired in 2010, in the amount of PLN 445 thousand.

As at 31 December 2011, liabilities arising from the acquisition of that 49% stake in ASEE Bulgaria amounted to PLN 763 thousand. During the 1st quarter of 2012, these liabilities were subject to revaluation based on the audited financial results of the acquired company for 2011. Following such remeasurement, these liabilities were reduced by PLN 318 thousand being recognized as the Group's financial income for the 1st quarter of 2012 (of which: PLN 272 thousand under 'reversal of liabilities due to the acquisition of shares', and PLN 46 thousand under 'positive foreign exchange differences'). Hence, the outstanding amount of these liabilities as at 31 March 2012 dropped to PLN 445 thousand.

In the 1st quarter of 2012, the Group also recalculated its outstanding liabilities for the acquisition of shares in EST A.Ş. (presently ASEE Turkey), amounting to PLN 85 thousand as at 31 December 2011. Following such remeasurement, these liabilities were reduced by PLN 85 thousand being recognized as the Group's financial income for the 1st quarter of 2012 (of which: PLN 84 thousand under 'reversal of liabilities due to the acquisition of shares', and PLN 1 thousand under 'positive foreign exchange differences').

Furthermore, in the 1st quarter of 2012, the Group's liabilities to pay the second instalment for shares acquired in the Bulgarian company Altius, amounting to PLN 355 thousand as at 31 December 2011, were reversed. Such reduction was made as the financial results generated by that acquired company were weaker than originally expected. Hence, the Group recognized a financial income of PLN 337 thousand, under 'reversal of liabilities due to the acquisition of shares'.

Liabilities due to the acquisition of shares disclosed as at 31 December 2011 included the outstanding portion of payment for shares acquired in EST A.Ş. (presently ASEE Turkey) in the amount of PLN 85 thousand, a liability to pay PLN 763 thousand for a 49% stake in ASEE Bulgaria purchased in 2010, as well as a liability to pay PLN 355 thousand of the second instalment for shares acquired in the Bulgarian company Altius.

Liabilities due to the acquisition of shares disclosed as at 31 March 2011 included the outstanding portion of payment for shares acquired in EST A.Ş. (presently ASEE Turkey) in the amount of PLN 10,701 thousand. In the period of 3 months ended 31 March 2011, there was signed a memorandum of understanding on reducing the amount of EST's net profit for 2011 used for the calculation of the next instalment on shares in EST A.Ş. which resulted in a reduction of the amount of such next instalment payable for shares acquired in that company. As a result of signing the above-mentioned memorandum of understanding, in the 1st quarter of 2011 the Group recognized a financial income of PLN 1,790 thousand following a decrease in the estimated remaining payment for the acquisition of shares in EST A.Ş. Furthermore, as at 31 March 2011, the Group disclosed a liability of PLN 1,906 thousand payable on the purchase of a 49% stake in ASEE Bulgaria in 2010.

12. Interest-bearing bank loans and borrowings

Short-term loan facilities	Name of entity	Maximum debt in PLN thousands as at			Effective interest rate %	Currency	Repayment date	Amounts drawn as at		
		31 March 2012	31 December 2011	31 March 2011				31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Bank account overdraft facility	NLB Prishtina sh.a.	1,665	1,767	n/a	10.8%	EUR	2014-12-28	-	-	-
Bank account overdraft facility	NLB Tutunska Banka AD Skopje	67	73	65	14%	MKD	2012-03-31	-	13	13
Bank account overdraft facility	NLB Tutunska Banka AD Skopje	67	15	13	15%	MKD	2012-03-31	-	-	-
Bank account overdraft facility	UniCredit Tiriack Bank	4,164	4,417	n/a	EURIBOR 3M+margin; LIBOR 3M+margin; BUBOR 3M+margin	multi-currency	2012-06-15	-	-	-
Bank account overdraft facility	Alpha Bank Unirii Branch	2,102	3,596	3,746	EURIBOR 3M+margin; LIBOR 3M+margin; BUBOR 3M+margin	multi-currency	2012-05-31	-	-	-
		8,065	9,868	3,824				-	13	13

Other short-term loans	Name of entity	Maximum debt in PLN thousands as at			Effective interest rate %	Currency	Repayment date	Amounts drawn as at		
		31 March 2012	31 December 2011	31 March 2011				31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Operating loan facility	Komercijalna Banka Beograd	n/a	n/a	1,123	8.9%	RSD	2011-10-13	-	-	1,123
Operating loan facility	Garanti Bank Levent/Istanbul Branch	n/a	n/a	732	0%	TRY	2011-07-01	-	-	104
Auto financing loan	Yapi Kredi Bankasi A.Ş.	35	36	26	8.1%	TRY	2014-02-28	35	36	26
Loan	Non-controlling shareholders	41	44	n/a	0%	RSD	2012-04-11	41	44	-
Loan	Türkiye Teknoloji Geliştirme Vakfı	102	278	207	0%	USD	2012-07-01	102	278	207
Loan	Türkiye Teknoloji Geliştirme Vakfı	126	219	n/a	0%	USD	2012-07-01	126	219	-
		304	577	2,088				304	577	1,460

Interest-bearing bank loans and borrowings (continued)

Long-term loan facilities	Name of entity	Maximum debt in PLN thousands as at			Effective interest rate %	Currency	Repayment date	Amounts drawn as at		
		31 March 2012	31 December 2011	31 March 2011				31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Investment loan facility	European Bank for Reconstruction and Development	-	-	28,083	3M EURIBOR + margin	EUR	2016-01-31	-	-	-
Loan	Türkiye Teknoloji Geliştirme Vakfı	-	-	229	0%	USD	2012-07-01	-	-	229
Loan	Türkiye Teknoloji Geliştirme Vakfı	-	-	185	0%	USD	2012-07-01	-	-	185
Auto financing loan	Yapi Kredi Bankasi A.Ş.	37	46	84	8.1%	TRY	2014-02-28	37	46	84
		37	46	28,581				37	46	498

As at 31 March 2012, total liabilities of the Asseco South Eastern Europe Group under all bank loans and borrowings taken out aggregated at PLN 341 thousand. Whereas, as at 31 December 2011 and 31 March 2011, total liabilities under all bank loans and borrowings taken out aggregated at PLN 636 thousand and PLN 1,971 thousand, respectively.

As at 31 March 2012, total funds available to the Asseco South Eastern Europe Group under bank account overdraft facilities, operating and investment loan facilities, and borrowings reached approx. PLN 8,406 thousand, compared with PLN 10,491 thousand as at 31 December 2011 and PLN 34,493 thousand available as at 31 March 2011 (inclusive of the EBRD financing after making a pledge on shares in subsidiaries). On 30 December 2009, ASSE S.A. signed an agreement with the European Bank for Reconstruction and Development for an investment loan facility in the maximum amount of EUR 7 million. Because the Company did not draw any amounts of this loan facility till the end of 2011, the loan agreement has been terminated as of 31 December 2011.

As at 31 March 2012, the Group did not utilize any funds available under bank account overdraft facilities, as compared with the amount of PLN 13 thousand drawn both as at the end of the prior year and as at the end of the 1st quarter of 2011.

The Group's liabilities under other bank loans and borrowings amounted to PLN 341 thousand as at 31 March 2012, as compared with PLN 623 thousand as at 31 December 2011 and PLN 1,958 thousand as at 31 March 2011.

As at 31 March 2012 as well as at 31 December 2011 and 31 March 2011, property, plant and equipment and intangible assets did not serve as security for any bank loans contracted by the Group.

As at 31 March 2012 and 31 December 2011, inventories did not serve as security for any bank loans taken out by the Group nor were they used to back up any bank guarantee facilities.

As at 31 March 2011, inventories did not serve as security for any bank loans taken out by the Group; nevertheless, they were used to back up bank guarantee facilities in the amount of PLN 3,153 thousand. As at 31 March 2011, off-balance-sheet liabilities due to bank guarantees extended under a bank guarantee facility secured with inventories and receivables amounted to PLN 4,290 thousand.

As at 31 March 2012, current receivables and future receivables in the amount of PLN 2,067 thousand served as security for bank loans and bank guarantee facilities. As at 31 March 2012, there were no liabilities under bank loans secured with such assets; however, the Group recognized off-balance-sheet liabilities due to bank guarantees extended under a bank guarantee facility secured with receivables in the amount of PLN 4,144 thousand.

As at 31 December 2011, current receivables and future receivables in the amount of PLN 522 thousand served as security for bank loans and bank guarantee facilities. As at 31 December 2011, there were no liabilities under bank loans secured with such assets; however, the Group recognized off-balance-sheet liabilities due to bank guarantees extended under a bank guarantee facility secured with receivables and inventories in the amount of PLN 3,029 thousand.

As at 31 March 2011, current receivables and future receivables in the amount of PLN 250 thousand served as security for bank loans and guarantee facilities. As at 31 March 2011, there were no liabilities under bank loans secured with such assets; however, the Group recognized off-balance-sheet liabilities due to bank guarantees extended under a bank guarantee facility secured with receivables and inventories in the amount of PLN 4,290 thousand.

13. Short-term trade accounts payable and other liabilities

Short-term trade accounts payable	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
To related companies	269	1,938	100
To other companies	27,510	35,827	22,137
	27,779	37,765	22,237

Trade accounts payable are not interest-bearing. At the Asseco South Eastern Europe Group liabilities payment term ranges from 30 to 40 days on average.

Liabilities on taxes, import tariffs, social security and other regulatory payments	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Value added tax	3,921	8,648	3,549
Corporate income tax (CIT)	165	736	1,015
Personal income tax (PIT)	663	1,405	977
Social security payable	1,908	2,083	1,606
Other	274	338	218
	6,931	13,210	7,365

Other current liabilities	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Liabilities to employees relating to salaries and wages	3,171	4,635	4,259
Liabilities due to non-invoiced deliveries	891	3,435	1,260
Trade prepayments received	21,820	16,815	13,739
Liabilities due to purchases of tangible assets and intangible assets	285	1,402	226
Other liabilities	50	400	320
	26,217	26,687	19,804

14. Accrued expenses and deferred income

Short-term accrued expenses	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Provision for unused annual leaves	1,235	802	1,042
Provision for the employee bonuses	7,728	9,765	7,710
Provision for non-invoiced costs	3,863	1,181	2,917
Provision for the audit of financial statements	296	417	394
	13,122	12,165	12,063

Accrued expenses comprise mainly provisions for unused annual leaves, provisions for salaries and wages of the current period to be paid out in future periods which result from the bonus schemes applied in the Asseco South Eastern Europe Group, as well as provisions for the current operating expenses which have been incurred but not yet invoiced.

Short-term deferred income	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Maintenance services	7,350	6,896	6,877
Prepaid consulting services	-	2,464	883
Other	353	-	48
	7,703	9,360	7,808

The balance of deferred income relates mainly to prepayments for services to be provided, such as support and maintenance services.

15. Employment

The Group's average workforce in the reporting period	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Management Board of the Parent Company*	7	7
Management Boards of the Group companies	26	29
Production departments	893	870
Sales departments	114	106
Administration departments	158	166
Other employees	15	16
	1,213	1,194

The Group's workforce as at	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Management Board of the Parent Company*	7	7	7
Management Boards of the Group companies	26	26	30
Production departments	902	888	871
Sales departments	113	116	110
Administration departments	156	155	161
Other employees	15	16	16
	1,219	1,208	1,195

* Since 2010 Piotr Jeleński and Rafał Kozłowski have served in the Management Board of ASSE S.A. on the basis of work contracts. The remaining members of the Company's Management Board perform their functions under an assignment.

Numbers of employees in the Group companies as at	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
ASEE S.A.	10	9	10
ASEE Romania	187	186	174
ASEE Serbia Group ²⁾	458	457	481
ASEE Croatia	161	164	156
ASEE Kosovo	81	82	86
ASEE Turkey	91	84	84
ASEE Bulgaria ¹⁾	28	28	14
ITD Poland	14	15	16
ASEE B&H (Sarajevo)	28	28	27
ASEE B&H (Banja Luka)	14	14	16
ASEE Macedonia	135	129	131
ASEE Slovenia ²⁾	12	12	n/a
	1,219	1,208	1,195

1. On 10 February 2012, there was registered a merger of ASEE Bulgaria (the taking-over company) with Altius, Bulgaria (the acquired company). For the sake of comparability, the employment data of both the merged companies as at 31 December 2011 have been presented in aggregate.
2. On 13 July 2011, ASEE S.A. acquired a 50% stake in ASEE Slovenia; whereas, on 18 April 2012, it purchased the remaining 50% of shares in ASEE Serbia. Because as at the publication of this report, ASEE S.A. holds directly 100% of shares in ASEE Slovenia, the employment data of this company have been presented separately as at 31 March 2012. The comparative data as at 31 December 2011 have been extracted from ASEE Serbia and presented separately.

16. Contingent liabilities and receivables

During the 3-month period ended 31 March 2012, neither the Issuer nor any of its subsidiaries granted any bank loan sureties or guarantees to any single entity or their subsidiary, where the aggregate value of all the existing sureties or guarantees extended to such entity would equal at least 10% of the Issuer's equity.

Within its commercial activities the Asseco South Eastern Europe Group uses bank guarantees, letters of credit, contract performance guarantees as well as tender deposits as forms of securing its business transactions with miscellaneous organizations, companies and administration bodies. The resulting contingent liabilities equalled PLN 18,280 thousand as at 31 March 2012, PLN 12,758 thousand as at 31 December 2011, and PLN 12,400 thousand as at 31 March 2011.

As at 31 March 2012, inventories did not serve as security for any bank guarantee facilities.

As at 31 March 2012, current and future receivables with a book value of PLN 2,067 thousand served as security for bank guarantee facilities. As at 31 March 2012, the related contingent liabilities amounted to PLN 4,144 thousand.

As at 31 December 2011, current and future receivables with a book value of PLN 522 thousand served as security for bank guarantee facilities. As at 31 December 2011, the related contingent liabilities amounted to PLN 3,029 thousand.

As at 31 March 2011, inventories with a book value of PLN 3,153 thousand as well as current and future receivables with a book value of PLN 250 thousand served as security for bank guarantee facilities. As at 31 March 2011, the related contingent liabilities amounted to PLN 4,290 thousand.

As at 31 March 2012, restricted cash up to the amount of PLN 251 thousand served as security for bank guarantees (of due performance of contracts or tender deposits).

As at 31 December 2011, restricted cash up to the amount of PLN 419 thousand served as security for bank guarantees (of due performance of contracts or tender deposits).

As at 31 March 2011, restricted cash up to the amount of PLN 580 thousand served as security for bank guarantees (of due performance of contracts or tender deposits).

As at 31 March 2012, ASEE Serbia had a liability to purchase equipment and intangible assets for the amount of PLN 11,431 thousand, while as at 31 December 2011 and 31 March 2011 this liability amounted to PLN 2,682 thousand and PLN 751 thousand, respectively.

As at 31 March 2012, ASEE Serbia held contingent receivables amounting to PLN 4,372 thousand, in the form of a promissory note issued by its subcontractors to secure due performance of a contract performed for the European Union Delegation in Serbia; by virtue of this contract ASEE Serbia also has contingent liabilities amounting to PLN 6,914 thousand in favour of the project beneficiary.

Since the Group companies rent office space, as at 31 March 2012 as well as at 31 December 2011 and 31 March 2011, the Group was a party to a number of rental, leasing and other contracts of similar nature, resulting in the following future payments:

Liabilities under leases of space	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
In the period up to 1 year	11,822	13,560	11,215
In the period from 1 to 5 years	35,605	36,358	35,358
	47,427	49,918	46,573

Liabilities under operating lease of property, plant and equipment	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
In the period up to 1 year	932	793	553
In the period from 1 to 5 years	658	530	598
	1,590	1,323	1,151

17. Capital expenditures

During the first 3 months of 2012, the Group incurred capital expenditures of PLN 3,394 thousand, of which PLN 2,285 thousand were spent for non-financial fixed assets and PLN 1,109 thousand were spent for development projects in progress.

During the first 3 months of 2011 the Group incurred capital expenditures of PLN 8,570 thousand, of which PLN 2,827 thousand were spent for non-financial fixed assets.

18. Issuance, redemption and repayment of non-equity and equity securities

In the period reported the Issuer did not conduct any transactions of issuance, redemption or repayment of debt securities.

VI. RELATED PARTY TRANSACTIONS

Information on one or more transactions concluded by the issuer or its subsidiary with related companies if they are, separately or jointly, deemed significant and were carried out not on an arm's length basis, including a specification of their value; however, information on individual transactions may be grouped by type except where information on individual transactions is essential to understand their impact on the property and financial position as well as on financial results of the issuer, including a presentation of:

- a) information on the entity with whom such transaction was concluded,*
- b) information on the relationships between the issuer or its subsidiary and the transaction party,*
- c) information on the subject of the transaction,*
- d) material terms and conditions of the transaction, with special regard to financial conditions, and including any specific conditions provided for in the contract in particular when they diverge from the conditions commonly applied in this type of contracts,*
- e) other information on the transaction, if they are essential to understand the impact on the property and financial position as well as on financial results of the issuer,*
- f) any changes in the transactions with related companies which were described in the last annual report, which might have a significant impact on the issuer's property, financial position, and financial results.*

Until the date of approval of these interim condensed consolidated financial statements, ASEE S.A. has not received any information on transactions with related companies conducted during the reporting period which would be, separately or jointly, deemed significant and would be carried out not on an arm's length basis.

VII. INFORMATION ON PENDING LEGAL PROCEEDINGS CONCERNING LIABILITIES OR RECEIVABLES OF ASSECO SOUTH EASTERN EUROPE S.A. OR ITS SUBSIDIARY COMPANIES

Indication of legal proceedings pending before any court, arbitration authority or public administration authority, including information on:

- a) legal proceeding related to liabilities or receivables of the issuer or its subsidiary amounting to at least 10% of the issuer's equity, including a specification of the subject of such proceeding, value in dispute, date when the proceeding was initiated, parties to the proceeding, and the issuer's standpoint on the matter,*
- b) two or more legal proceedings related to liabilities and receivables amounting in aggregate to at least 10% of the issuer's equity, including a specification of the total value in dispute separately in the group of liabilities and receivables, and the issuer's standpoint on the matter; and in relation to the largest proceedings in the group of liabilities and in the group of receivables - a specification of the subject of such proceeding, value in dispute, date when the proceeding was initiated, and parties to the proceeding.*

During the period reported no proceedings were instituted or pending before any court, arbitration authority or public administration authority, concerning any liabilities or receivables of ASEE S.A. or its subsidiary companies, whose aggregate value would equal or exceed 10% of the Company's equity.

VIII. OPINION OF THE MANAGEMENT BOARD ON FEASIBILITY OF MEETING THE PREVIOUSLY PUBLISHED FINANCIAL FORECASTS

Standpoint of the Management Board on feasibility of meeting the previously published financial forecasts for the year in view of the actual results presented in this quarterly report and their comparison to the forecasted results.

The Management Board of ASEE S.A. has not published any financial forecasts for the year 2012.

IX. INFORMATION ON BANK LOAN SURETIES OR GUARANTEES EXTENDED BY THE ISSUER

Information on bank loan sureties or guarantees extended by the issuer or its subsidiary in total to any single entity or its subsidiary, where the aggregate value of all the existing sureties or guarantees extended in favour of such entity would equal at least 10% of the issuer's equity, including:

- a) corporate name of the entity to which such sureties or guarantees were extended,*
- b) total amount of loans and borrowings which were, in whole or in specified part, duly secured by a surety or guarantee,*
- c) term for which such sureties or guarantees were extended,*
- d) financial conditions under which such sureties or guarantees were extended, including the remuneration payable to the issuer or its subsidiary for granting such sureties or guarantees,*
- e) type of relationship between the issuer and the entity which took out the related bank loans or borrowings.*

During the 3-month period ended 31 March 2012, neither the Issuer nor any of its subsidiaries granted any bank loan sureties or guarantees to any single entity or their subsidiary, where the aggregate value of all the existing sureties or guarantees extended to such entity would equal at least 10% of the Issuer's equity.

X. OTHER FACTORS SIGNIFICANT FOR ASSESSMENT OF THE HUMAN RESOURCES, ASSETS, AND FINANCIAL POSITION

Other information which, in the issuer's opinion, are essential for assessing its human resources, assets, financial position and financial results and changes thereof, as well as for evaluation of the issuer's ability to pay off its liabilities.

1. Issuer's development policy

The Asseco South Eastern Europe Group pursues two main directions of development. The first is based on organic growth in the existing geographical and product markets; whereas, the second assumes expansion in such markets by way of company acquisitions. The Group's development directions are shaped primarily by the strategic assumptions adopted for its individual business units.

The Banking Solutions unit strives to expand its business in the markets of Albania, Bosnia and Herzegovina, Croatia, and Kosovo. The objective is to launch the offering of core banking systems and solutions supporting the bank distribution channels. As part of its development in Bosnia and Herzegovina, the Group plans to reinforce its market position as a provider of software solutions for banking. Following such plans, the Group establishes in miscellaneous countries its "competence centres" that will serve as the base for provision of customer support services in the future. The Banking Solutions segment also includes the results of operations within mobile banking and authentication systems. In this area, sales revenues are increased pursuing a different strategy. First of all, the corresponding products are marketed in the whole territory of operations of the Asseco Group. This business unit focuses on setting up sales channels in all the promising markets. In South Eastern Europe, the unit is engaged in building a sales network drawing on the resources of all the Asseco South Eastern Europe Group subsidiaries. Whereas in countries outside this region, the unit strives to enter into cooperation with local business partners in order to sell its proprietary solutions through their distribution networks. At all times the technical support and production facilities of this business unit are located in Croatia.

The Payment Solutions unit seeks opportunities for development in broadening its geographical coverage and product portfolio. The unit is engaged in building support centres in five countries including Bulgaria, Kosovo, Slovenia, Romania, and Albania with the objective to enhance its presence on these markets. In 2011, ASEE S.A. took over a company engaged in the provision of POS supply and maintenance services in the Bulgarian market. This made it possible to enter the market segment, where this unit has not been represented so far. Additionally, the Payment Solutions unit continues to look for and test new products and solutions that would match its operating profile.

The Systems Integration unit envisages its development basically by expanding its presence in various countries of the region. Growth shall be achieved through continued delivery of the latest solutions of the world's leading producers as well as through the promotion of integration services featuring proprietary solutions. Moreover, the Group makes strong endeavours to acquire competence in the implementation of the EU co-financed projects, both in the area of accession programs and structural funds.

Factors influencing the Group's financial results:

- consistently implemented market strategy of individual operating segments;
- cost reduction programs implemented in individual companies of the Group;
- average exchange rates of the functional currencies of the Group subsidiaries applied in translation to the Group's presentation currency, i.e. Polish zloty;
- revaluation of liabilities due to the acquisition of shares in Altius Bulgaria, ASEE Bulgaria, and EST A.Ş. (presently ASEE Turkey);
- successful completion of potential acquisitions; and
- conclusion of each of the commercial contracts described in item 4.

2. Non-recurring events with impact on our financial performance

During the 3-month period ended 31 March 2012, apart from the information provided in this report, there occurred no extraordinary events affecting the financial results achieved for that period.

3. Significant events during the period reported

Except for information provided in this report, the Asseco South Eastern Europe Group is not aware of any facts, the disclosure of which might significantly affect the assessment of human resources, assets, and financial position of the Group.

4. Significant agreements concluded by the Group

In the period of 3 months ended 31 March 2012, the Group signed the following agreements significant for its business operations:

Segment	Client	Country	Product	Contract value
Banking Solutions				
	Intereminex	Kosovo	Implementation of software	€ 80,000
	Piraeus Bank	Serbia	Implementation and maintenance of proprietary banking software	€ 55,000
	Bank Millennium	Poland	Supply of licenses and hardware for authentication software	€ 70,000
	SIT Solutions (Erste Bank)	Croatia	Supply of authentication software	€ 90,000
	FINA (Financial Agency)	Croatia	Sale of licenses and maintenance of authentication software	€ 80,000
Payment Solutions				
	Halk Bank	Macedonia	Services related to electronic payments security system	€ 44,000
	Erste Banka	Serbia	Implementation of security components for ATMs	€ 30,000
	Postal Savings Bank	Serbia	Sale and supply of ATMs	€ 420,000
Systems Integration				
	Macedonian Post	Macedonia	Training services	€ 140,000
	Turk Ekonomi Bankasi A.Ş.	Turkey	Implementation of interactive voice response system	\$ 109,000

XI. FACTORS THAT IN THE MANAGEMENT'S OPINION MAY AFFECT THE GROUP'S FINANCIAL PERFORMANCE AT LEAST TILL THE NEXT QUARTER END

Indication of factors which, in the issuer's opinion, will affect its financial performance at least till the end of the next quarter.

In the opinion of the Management Board of Asseco South Eastern Europe S.A., the Group's current financial standing, its production potential and market position pose no threats to continued operations and growth throughout 2012. However, there are numerous factors, both internal and external, which may directly or indirectly affect the Group's financial performance in the next quarters.

External factors affecting the Group's development

- economic growth in the region of South Eastern Europe, primarily with a view to overcoming the crisis, achieving stabilization and reasonable growth;
- condition of the IT market in the SEE region; this part of Europe remains still way underinvested in terms of information technology as compared with the West European countries;
- consolidation and development of the banking sector in the region of South Eastern Europe;
- prospects for expansion of the Group's foreign operations and its product portfolio in connection with the planned acquisitions;
- ability to capture the market niches;
- availability of the EU structural funds in Romania and Bulgaria as well as pre-accession funds in Croatia, Macedonia, and Kosovo;
- implementation of the public administration informatization processes in order to upgrade the quality and functionality of their services to international standards and especially to the European Union requirements;
- inflation and fluctuations in the foreign exchange rates (primarily of euro, but also the currencies of the countries where the Group operates);
- more and more severe competition both from the local players and international IT corporations, which is observed especially when it comes to execution of large and prestigious contracts;
- changes in the credit standing, financial liquidity, and availability of credit financing for clients;
- opportunities and risks resulting from relatively rapid technological changes and innovations in the IT market.

Internal factors affecting the Group's development

- high quality and comprehensive offering of the Asseco South Eastern Europe Group;
- research and development expenditures;
- stability and experience of the managerial staff;
- streamlining and transparency of the Group's structure;
- plenty of experience in the execution of complex IT projects involving provision of diversified services in broad geographical regions;
- effective activities of the sales and marketing force;
- opportunities for the execution of complex information technology projects carried out under long-term agreements;
- implementation of the Group's business strategy involving expansion into new foreign markets;
- successful finalization of the intended company acquisitions.

XII. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

In the period from 31 March 2012 till the date of approval of these interim condensed consolidated financial statements, i.e. till 26 April 2012, the following significant events took place.

□ Acquisition of a 50% stake in ASEE Slovenia by ASEE S.A. from ASEE Serbia

On 18 April 2012, ASEE S.A. was registered as a holder of 100% of shares in ASEE Slovenia. So far the direct shareholding of ASEE S.A. in ASEE Slovenia was 50%; whereas, the remaining 50% of shares were owned by ASEE Serbia. Following this transaction, ASEE S.A. has become a direct owner of 100% of shares in ASEE Slovenia. This transaction was completed as part of the Group's restructuring process intended to "flatten" and simplify its organizational structure. The said transaction has no impact on the consolidated financial statements of the Group.

In the period from 31 March 2012 till the date of approval of these interim condensed consolidated financial statements, i.e. till 26 April 2012, there occurred no other significant events, the disclosure of which might significantly affect the assessment of human resources, assets, and financial position of the Asseco South Eastern Europe Group.

XIII. SIGNIFICANT EVENTS RELATED TO PRIOR YEARS

Until the date of preparing these interim condensed consolidated financial statements, this is until 26 April 2012, there occurred no significant events related to prior years, which have not but should have been included in the accounting books.



**ASSECO SOUTH EASTERN EUROPE S.A.
STANDALONE FINANCIAL DATA
FOR THE 1ST QUARTER OF 2012**

Rzeszów, 26 April 2012

FINANCIAL HIGHLIGHTS
ASSECO SOUTH EASTERN EUROPE S.A.

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
	PLN '000	PLN '000	EUR '000	EUR '000
I. Dividend income	11,024	264	2,640	66
II. Revenues from sales of services	1,507	1,099	361	277
III. Operating profit	11,661	338	2,793	85
IV. Pre-tax profit	12,119	1,151	2,903	290
V. Net profit for the period reported	12,080	1,218	2,893	306
VI. Net cash provided by (used in) operating activities	6,098	(5,025)	1,461	(1,264)
VII. Net cash provided by (used in) investing activities	10,260	(5)	2,457	(1)
VIII. Net cash provided by (used in) financing activities	(10)	(73)	(2)	(18)
IX. Cash and cash equivalents at the end of period	21,298	8,419	5,118	2,099
X. Basic earnings per ordinary share for the period reported (in PLN/EUR)	0,233	0,024	0,056	0,006
XI. Diluted earnings per ordinary share for the period reported (in PLN/EUR)	0,233	0,024	0,056	0,006

The financial highlights disclosed in these condensed financial statements were translated into Euro in the following way:

- items of the interim condensed profit and loss account and statement of cash flows were translated into Euro at the arithmetic average of mid exchange rates as published by the National Bank of Poland and in effect on the last day of each month. These exchange rates were as follows:
 - for the period from 1 January 2012 to 31 March 2012: EUR 1 = PLN 4.1750
 - for the period from 1 January 2011 to 31 March 2011: EUR 1 = PLN 3.9742
- the Company's cash and cash equivalents as at the end of period reported and the corresponding period of the previous year have been translated into Euro at the mid exchange rates as published by the National Bank of Poland. These exchange rates were as follows:
 - exchange rate effective on 31 March 2012: EUR 1 = PLN 4.1616
 - exchange rate effective on 31 March 2011: EUR 1 = PLN 4.0119

CONDENSED PROFIT AND LOSS ACCOUNT
ASSECO SOUTH EASTERN EUROPE S.A.

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Dividend income	11,024	264
Revenues from sales of services	1,507	1,099
Cost of sales (-)	(823)	(997)
Gross profit on sales	11,708	366
Selling expenses (-)	-	-
General administrative expenses (-)	-	-
Net profit on sales	11,708	366
Other operating income	87	464
Other operating expenses (-)	(134)	(492)
Operating profit	11,661	338
Financial income	1,199	2,858
Financial expenses (-)	(741)	(2,045)
Pre-tax profit	12,119	1,151
Corporate income tax (current and deferred tax expense)	(39)	67
Net profit for the period reported	12,080	1,218
Earnings per share for the period reported (in PLN):		
Basic earnings per share from continuing operations for the period reported	0,233	0,024
Diluted earnings per share from continuing operations for the period reported	0,233	0,024

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
ASSECO SOUTH EASTERN EUROPE S.A.

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Net profit for the period reported	12,080	1,218
Other comprehensive income:		
Hedges of cash flows	-	194
Total other comprehensive income	-	194
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD REPORTED	12,080	1,412

CONDENSED BALANCE SHEET
ASSECO SOUTH EASTERN EUROPE S.A.

ASSETS	31 March 2012	31 December 2011	31 March 2011
	(unaudited)	(audited)	(unaudited)
Non-current assets	569,045	569,671	571,357
Property, plant and equipment	225	224	249
Intangible assets	335	353	132
Investments in subsidiary companies	567,785	567,785	570,177
Long-term receivables	8	578	-
Deferred income tax assets	692	731	504
Long-term deferred expenses	-	-	295
Current assets	29,501	18,016	15,867
Deferred expenses	296	73	596
Trade accounts receivable	1,150	255	1,126
Receivables from the State budget	283	194	71
Other receivables	6,474	2,373	5,655
Current financial assets	-	10,171	-
Cash and short-term deposits	21,298	4,950	8,419
TOTAL ASSETS	598,546	587,687	587,224

CONDENSED BALANCE SHEET
ASSECO SOUTH EASTERN EUROPE S.A.

SHAREHOLDERS' EQUITY AND LIABILITIES	31 March 2012 (unaudited)	31 December 2011 (audited)	31 March 2011 (unaudited)
Shareholders' equity			
Share capital	518,942	518,942	509,921
Share premium	38,825	38,825	38,825
Revaluation capital	-	-	(47)
Prior years' retained earnings (deficit) and current net profit	37,276	25,196	22,808
Total shareholders' equity	595,043	582,963	571,507
Non-current liabilities	-	6	28
Long-term deferred income	-	6	28
Current liabilities	3,503	4,718	15,689
Trade accounts payable	24	715	410
Liabilities to the State budget	69	51	301
Financial liabilities	1,040	1,759	12,704
Other liabilities	2	62	18
Provisions	1,229	1,229	1,229
Deferred income	214	35	815
Accrued expenses	925	867	212
TOTAL LIABILITIES	3,503	4,724	15,717
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	598,546	587,687	587,224

CONDENSED STATEMENT OF CHANGES IN EQUITY
ASSECO SOUTH EASTERN EUROPE S.A.

for 3 months ended 31 March 2012, for the year ended 31 December 2011, and for 3 months ended 31 March 2011

	Share capital	Share premium	Revaluation capital	Prior years' retained earnings (deficit) and current net profit	Total shareholders' equity
As at 1 January 2012	518,942	38,825	-	25,196	582,963
Net profit for the period reported	-	-	-	12,080	12,080
Total comprehensive income for the period reported	-	-	-	12,080	12,080
As at 31 March 2012 (unaudited)	518,942	38,825	-	37,276	595,043
As at 1 January 2011	509,921	38,825	(241)	21,590	570,095
Net profit for the period reported	-	-	-	16,864	16,864
Other comprehensive income	-	-	241	-	241
Total comprehensive income for the period reported	-	-	241	16,864	17,105
Issuance of series T shares	9,021	-	-	-	9,021
Dividends	-	-	-	(13,258)	(13,258)
As at 31 December 2011 (audited)	518,942	38,825	-	25,196	582,963
As at 1 January 2011	509,921	38,825	(241)	21,590	570,095
Net profit for the period reported	-	-	-	1,218	1,218
Other comprehensive income	-	-	194	-	194
Total comprehensive income for the period reported	-	-	194	1,218	1,412
As at 31 March 2011 (unaudited)	509,921	38,825	(47)	22,808	571,507

CONDENSED STATEMENT OF CASH FLOWS
ASSECO SOUTH EASTERN EUROPE S.A.

	3 months ended 31 March 2012 (unaudited)	3 months ended 31 March 2011 (unaudited)
Cash flows - operating activities		
Pre-tax profit	12,119	1,151
Total adjustments:	(6,021)	(6,128)
Depreciation and amortization	35	20
Change in receivables	(674)	661
Change in liabilities	(1,490)	(1,416)
Change in deferred and accrued expenses	8	82
Interest income and expense	1	16
Gain (loss) on foreign exchange differences	148	252
Acquisition of subsidiary companies	-	(5,743)
Disposal of shares in subsidiary companies	542	-
Dividends received	6,438	-
Gain (loss) on investing activities	(11,029)	-
Net cash used in operating activities	6,098	(4,977)
Corporate income tax paid	-	(48)
Net cash provided by (used in) operating activities	6,098	(5,025)
Cash flows - investing activities		
Acquisition of property, plant and equipment and intangible assets	(18)	(5)
Disposal of financial assets carried at fair value through profit or loss	10,299	-
Other	(21)	-
Net cash provided by (used in) investing activities	10,260	(5)
Cash flows - financing activities		
Interest paid	(10)	(15)
Other	-	(58)
Net cash provided by (used in) financing activities	(10)	(73)
 Net increase (decrease) in cash and cash equivalents	 16,348	 (5,103)
Net foreign exchange differences	-	(125)
Cash and cash equivalents as at 1 January	4,950	13,647
Cash and cash equivalents as at 31 March	21,298	8,419