

**COMARCH S.A.**  
**KRAKOW, AL. JANA PAWŁA II 39A**

**FINANCIAL STATEMENT**  
**FOR 2015**  
**AS WELL AS**  
**OPINION OF AN INDEPENDANT AUDITOR**  
**AND**  
**REPORT OF AN AUDITOR**

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**FINANCIAL STATEMENT OF COMARCH S.A. FOR 2015**

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**STATEMENT REGARDING ACTIVITIES OF COMARCH S.A. IN 2015**

## **OPINION OF AN INDEPENDENT AUDITOR**

### **To the Shareholders and the Board of Supervisors of Comarch S.A.**

We have conducted an audit of the attached financial statement of Comarch S.A. (hereinafter referred to as the "Company"), with its registered office in Krakow at Al. Jana Pawła II 39 A, that included balance sheet as at 31<sup>st</sup> of December, 2015, income statement, total income statement, changes in equity, cash flow statement for the period from 1<sup>st</sup> of January, 2015 to 31<sup>st</sup> of December, 2015, and additional information including adopted accountancy policy and annotations within the scope required by the Act on Accounting dated the 29<sup>th</sup> of September, 1994 (Journal of Laws from 2013, pos. 330 and subsequent changes), hereinafter referred to as the "Act on Accounting".

The Management Board of the company is responsible for the preparation of the financial statement and report regarding the activities.

The Management Board of the company and members of the Supervisory Board are obliged to ensure that the financial statement and report regarding the activities are compliant with the regulations of the Act on Accounting.

Our task was to audit this financial statement and present our opinion regarding whether this financial statement has been prepared according to the accounting principles applied by the company, whether it presents, in all significant aspects, a true and fair view of the company's equity and financial situation as well as its financial results, and whether the accounting books, which form the basis for the preparation of the financial statement, are maintained on correctly.

The audit of the consolidated financial report was prepared and conducted according to:

- provisions of chapter seven of Act on Accounting,
- national standards for financial review, issued by the National Board of Expert Auditors in Poland ("KRBR").

The audit was planned and executed so as to provide sufficient certainty in order to allow us to present our opinion regarding this financial statement. The audit included, in particular, verification of the correctness of the accounting principles applied by the company and significant assessments, as well as verification, largely on the basis of the sample, evidence and accounting records confirming the amounts and information presented in the financial statement. The audit included also the general assessment of the financial statement's presentation. We believe our audit constituted sufficient basis for expressing our opinion.

In our opinion, the audited financial statement, in all significant aspects:

- presents a true and fair view on the company's equity and financial situation as at 31<sup>st</sup> of December, 2015, and on the financial result for financial year from 1st of January to 31<sup>st</sup> of December, 2015,
- was prepared compliant with the binding accounting regulations resulting from Act on Accounting and secondary legislation to this act, and on the basis of accounting books carried on correctly,
- is compliant with the binding law and the company's articles of association which influence the content of the financial statement.

The report regarding the activities of the company in 2015 is complete in the sense of art. 49 sec. 2 of Act on Accounting and the Regulation issued by the Minister of Finance on 19<sup>th</sup> of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state and included information come directly from the audited financial statement and are compliant with it.

.....  
Radosław Kuboszek  
Key Expert Auditor  
Registration no. 90029

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. – the entity entitled to audit financial statements registered in the list of entities entitled under item no. 73:

.....  
Radosław Kuboszek-Vice-President of the Management Board of Deloitte Polska Sp. z o.o., a general partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 28<sup>th</sup> of April, 2016

## **THE REPORT FROM THE AUDIT OF THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2015**

### **I. GENERAL INFORMATION**

#### **1. General Characteristics of the audited Company**

The company operates under the company name of Comarch S. A. The city of Krakow, Al. Jana Pawła II 39 A is the registered office of the company.

The company operates in the form of a joint stock company. The company is registered at no. KRS 0000057567 in the register of business entities of the District Court for Kraków-Śródmieście, the Eleventh Economic Division of the National Court Register in Krakow.

The company operates compliant with the provisions of the Code of Commercial Companies and Partnerships.

As at 31<sup>st</sup> of December, 2015, the company's share capital accounted for PLN 8,133,349.00 and was divided into 6,384,949 ordinary shares of nominal value of PLN 1 each and 1,748,400 registered shares of nominal value of PLN 1.00. Registered shares are preferential for voting so that 5 votes in the General Meeting correspond with each share. During the audited period, the company operated within IT business related to software.

At the date of this report, the members of the Management Board are:

- |                            |   |
|----------------------------|---|
| – Janusz Filipiak          | - President of the Management Board,      |
| – Paweł Prokop             | - Vice-President of the Management Board, |
| – Zbigniew Rymarczyk       | - Vice-President of the Management Board, |
| – Marcin Warwas            | - Vice-President of the Management Board, |
| – Konrad Tarański          | - Vice-President of the Management Board, |
| – Marcin Dąbrowski         | - Vice-President of the Management Board, |
| – Andrzej Przewięźlikowski | - Vice-President of the Management Board. |

During the audited period, there were no changes in the membership of the parent company's Management Board. Before the date of the opinion, the following changes in the membership of the parent company's Management Board appeared:

- On the 8<sup>th</sup> of April, 2015, Mr. Piotr Piątosa, head of telecommunication sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board; effective as of the 30<sup>th</sup> of April, 2015,
- On the 8<sup>th</sup> of April, 2015, Mr. Piotr Reichert, head of finance, banking and insurance sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board; effective as of the 30<sup>th</sup> of April, 2015,
- On the 24<sup>th</sup> of June 2015, at the Ordinary Annual General Meeting, Mr. Andrzej Przewięźlikowski was appointed a Vice-President of the Management Board,
- On the 24<sup>th</sup> of June 2015, at the Ordinary Annual General Meeting, Mr. Marcin Dąbrowski was appointed a Vice-President of the Management Board.

#### **2. Information regarding the Financial Statement from the Previous Financial Year**

For the year 2014, the company achieved net profit in the amount of PLN 41,049 thousand. The company's financial statement for the financial year of 2014 was audited by an expert auditor. An audit was carried out by Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k., the entitled party. There were no reservations in the opinion of an expert auditor.

The Annual General Meeting that approved the financial statement for the financial year of 2014 was held on 24<sup>th</sup> of June, 2015. The AGM decided to pass net profit for 2014 in total to supplementary capital.

On 7<sup>th</sup> of July, 2015, in compliance with the law, the financial statement for the financial year of 2014 was delivered to the National Court Register.

On 7<sup>th</sup> of July, 2015, in compliance with the law, the consolidated financial statement for the financial year of 2014 was delivered to the National Court Register.

### **3. Data that Identifies an Entitled Entity and an Expert Auditor Carrying Out an Audit on behalf of the Entity**

The Board of Supervisors selected the entitled auditor. The audit of the financial statement was carried out according to a contract dated 20<sup>st</sup> of July, 2015, concluded between Comarch S.A. and Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. with its registered office in Warsaw at al. Jana Pawła II 19. Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. is registered under item no. 73 in the list of entities entitled to audit financial statements (the list of National Council of Auditors). On behalf of the entity entitled to audit financial statements, the audit was carried out under the supervision of the key expert auditor Radosław Kuboszek (register no. 90029) at the company's office from 14<sup>th</sup> of March to 22<sup>th</sup> of April, 2016, and off-the-office until the date of the opinion.

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. and key expert auditor Marek Turczyński confirm that they are entitled to audit financial statements and perform the conditions specified in art. 56 Act on Expert Auditors, and their Management, Entities Entitled to Audit Financial Statements and Public Supervision (Journal of Laws from 2009, no. 77, pos. 649 and subsequent changes), to provide a fair and independent opinion regarding the financial statement of Comarch S.A.

### **4. Data Availability and Statements of the Entity's Management**

There were no limitations within the audit.

During the audit, all demanded documents and data were made available to the entitled entity and key expert auditor, as well, comprehensive information and explanations were also granted. That was, among other things, confirmed by a written statement from the company's Management Board dated 28<sup>th</sup> of April, 2016.

## II. EQUITY AND FINANCIAL SITUATION OF THE COMPANY

Below is the basic data from the income statement and financial ratios describing the company's financial result, its equity and financial situation compared to parallel data for the previous years.

<u>Basic data from income statement</u> <u>(in thousands of PLN)</u>	<u>2015</u>	<u>2014</u>
Revenues from sales	749,556	724,825
Costs from operating activities	654,621	619,894
Operating profit (loss)	66,719	53,734
Net profit (loss)	57,683	41,048
 <u>Basic data from balance sheet</u> <u>(in thousands of PLN)</u>	 <u>2015</u>	 <u>2014</u>
Inventories	27,746	20,846
Receivables due to deliveries and services	287,547	257,267
Current assets	427,964	407,338
Total assets	1,117,308	1,041,911
Equity	731,905	677,089
Current liabilities (including: Provisions for liabilities and Accruals)	247,496	225,319
Current liabilities due to deliveries and services	62,123	54,708
Liabilities and provisions for liabilities	385,403	364,822
 <u>Profitability and efficiency ratios</u>	 <u>2015</u>	 <u>2014</u>
– gross margin	9%	7%
– return on equity	9%	6%
– assets turnover ratio	0.67	0.70
– receivables turnover ratio (days)	133	138
– liabilities turnover ratio (days)	33	46
– inventories turnover ratio (days)	14	14
 <u>Liquidity/net working capital</u>		
– debt rate	34%	35%
– degree of covering assets with equity	66%	65%
– net working capital (in thousands of PLN)	180,468	182,019
– liquidity ratio	1.73	1.81
– cash to current liabilities ratio	1.62	1.72

An analysis of the above amounts and ratios indicates the following tendencies in 2015:

- increases in gross margin and return on equity,
- decrease in assets turnover ratio,
- decreases in turnover time of receivables, liabilities,
- decrease in Company's debts,
- decreases in net working capital,
- decreases in liquidity ratios.

### **III. DETAILED INFORMATION**

#### **1. Accounting System Appraisal**

The company has financial records compliant with the regulations specified in art. 10 of the Act on Accounting. These principles have been applied continuously and unchanged compared to those applied in the previous year. The opening balance results from the approved financial statement for the previous financial year and was input correctly into the accounting books for the audited period.

Based on tests carried out within procedures for audit of the financial statement, we have made an assessment of the applied accounting system and we have not found any incorrectness which might influence the prepared financial statement. The accounting system applied by the company was not subject of our audit in its entirety.

The company carried out a control of assets, equity and liabilities in order to confirm existence of the presented assets, equity and liabilities.

#### **2. Information on Audited Financial Statement**

The audited financial statement was prepared as at 31<sup>st</sup> of December, 2015 and includes:

- introduction to the financial statement,
- balance sheet as at 31<sup>st</sup> of December, 2015, with total assets and total equity and liabilities amounting to PLN 1,117,308 thousand,
- income statement for the period from 1<sup>st</sup> of January, 2015 to 31<sup>st</sup> of December, 2015, with net profit for the year amounting to PLN 57,683 thousand,
- changes in equity for the period from 1<sup>st</sup> of January, 2015 to 31<sup>st</sup> of December, 2015, presenting an increase in equity in the amount of PLN 54,816 thousand,
- cash flow statement for the period from 1<sup>st</sup> of January, 2015 to 31<sup>st</sup> of December, 2015, presenting an increase in cash in the amount of PLN 16,485 thousand,
- additional information and commentary.

#### **3. Information on Selected and Significant Items in the Financial Statement**

The structure of assets, equity and liabilities, and items that create the financial result is presented in the financial statement.

##### Property, plant and equipment

Commentary notes and information to the financial statement correctly describe changes in property, plant and equipment in use and property, plant and equipment under construction, including the recognition of possible write-offs that revalue the above property items.

##### Long-term investment

Commentary notes and information to the financial statement correctly describe changes in investment during the financial year.

##### Inventories



The inventories structure and revaluating write-offs were correctly prepared in note that describes these balance sheet items.

#### Receivables

The trade receivables age structure was correctly prepared in note that describes these balance sheet items, including revaluating write-offs.

#### Liabilities

Details about credits and the description of their hedging and maturity were presented in additional notes and information to the financial statement.

There were no outdated or extinguished liabilities in the audited part of the financial statement. There were no significantly past due items, for which financial results of their overdue status would be created, as compliant with the contracts and trade conventions binding the company.

#### Prepayments, accruals and provisions for liabilities

Structure of prepayments, accruals and provisions for liabilities was presented in commentary notes.

#### **4. Completeness and Correctness in the Preparation of the Introduction to the Financial Statement, Additional Information and Commentary and the Report regarding the Entity's Activities**

The introduction to the financial statement includes significant required information of appendix no. 1 of Act on Accounting. The company confirmed that it had been appropriate to use a principle of business continuation when preparing the financial statement. Methods of assets, liabilities and equity valuation, the establishment of financial result and the method of financial statement preparation were completely and correctly described in this introduction.

Additional information and commentary to the financial statement describe the significant reported items correctly and completely. They clearly present all significant additional information that is compliant with requirements specified in the regulation issued by the Regulation issued by the Minister of Finance on 18<sup>th</sup> of October, 2005 concerning information presented in financial statements and consolidated financial statements, required in a prospectus for issuers with its registered office in Poland, to whom Polish accounting principles are proper ones (Journal of Laws of 2005, no. 209, pos. 1743, and subsequent changes) and the Regulation issued by the Minister of Finance on 19<sup>th</sup> of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (Journal of Laws of 2014, pos. 133).

The Management Board prepared and attached the report regarding the activities of the company in 2014 to the financial statement. This report contains information that is required by art. 49 sec. 2 of Act on Accounting and the Regulation issued by the Minister of Finance on 19<sup>th</sup> of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state. We've audited this report concerning the presented information that has a direct source in the audited financial statement.

#### **IV. FINAL INFORMATION AND ARRANGEMENTS**

##### The Management Board declarations

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. and a key expert auditor received a written statement from the company's Management Board, which states that the company complied with the law.

.....  
Radosław Kuboszek  
Key Expert Auditor  
Registration no. 90029

On behalf of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. – the entity entitled to audit financial statements registered in the list of entities entitled under item no. 73:

.....  
Radosław Kuboszek-Vice-President of the Management Board of Deloitte Polska Sp. z o.o., a general partner of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

Warsaw, 28<sup>th</sup> of April, 2016

Prezes Zarządu: Prof. Janusz Filipiak  
 Wiceprezesa Zarządu: Marcin Dąbrowski, Paweł Prokop, Andrzej Przewięźlikowski,  
 Zbigniew Rymarczyk, Konrad Tarański, Marcin Warwas



Krakow, 28<sup>th</sup> of April, 2016

Dear Shareholders,

On behalf of the Management Board of Comarch S.A. I am pleased to present the report on the activities of Comarch S.A. The Company has achieved development goals established for the year 2015, it was also a very successful period in terms of the financial results. In the past year, the revenues from sales increased by PLN 24.7 million, and were higher by 3.4% reaching PLN 749.6 million. Apart from that, Comarch S.A. has improved the profitability: operating profit in 2015 amounted to PLN 83.4 million (compared to PLN 72.5 million in the previous year), while net profit to PLN 57.7 million (2014: PLN 41 million). The operating margin amounted to 11.1%, while the net margin to 7.7%.

In 2015, the Company successfully continued its long-term growth strategy based on proprietary products and the development of foreign business. With a wide and comprehensive range of modern solutions and high quality services, Comarch is now regarded as one of the leading providers of IT products in Poland and in international markets. Due to the dynamic development of foreign business the Group expanded to include new subsidiaries: Comarch SRL in Milan, Italy, Comarch Malaysia SDN. BHD. in Kuala Lumpur, Malaysia; Comarch Espace Connecte Inc. (Comarch Smart City) in Montreal, Canada; Comarch AB in Stockholm, Sweden; Comarch Poinsthub, Inc. in Rosemont, the United States of America and Comarch Argentina S.A. Buenos Aires, Argentina. The Company invested in the new affiliated company Thanks Again LLC of Tyrone in United States. Further equity investments in foreign markets are planned in 2016. In the domestic market, the Company is the second largest IT company and pursues a large number of projects in all economic sectors.

In view of the long-term and stable development, the Company invests in the development of new and improvement of existing IT products. Expenditure on research and development has now exceeded 13% of sales revenue, which has been financed both from the company's own resources and by proactively seeking out European funds. In 2015, the Company continued R&D works related to the development of proprietary solutions in the fields of: hardware and services based thereon (*Internet of Things*), in the field of IT solutions for medicine (Telemedicine, Teleradiology), as well as the range of tools for precision marketing (*Smart City*). In the past year, the Company tailored its products and internal organization to a rapidly changing business model, in which service-oriented IT solutions begins to play a decisive role – Comarch is one of the market leaders in this field. Investment in human capital is a key element for the further development of the Company. The past year was very successful in this regard – the Company has hired 600 people, both in Krakow and in other branches in Poland. The annual student internship program was particularly successful – Comarch S.A. is one of the employers of a first choice in the domestic labour market in the IT industry.

As part of the development of infrastructure needed to the comprehensive delivery of IT solutions, Comarch S.A. completed the next stage of investment (SSE6) in the Krakow Special Economic Zone. As a result, 350 comfortable job places were created, a modern Data Center was launched and a research laboratory and production facilities dedicated to the business of *Internet of Things* is currently under construction. In the first quarter of 2016 an invested in another office building in Krakow (SSE7) was commenced, with a view to further intensive development activities.

The Company's Management Board shall make every effort to successfully implement the mission of selling innovative technological ideas of Polish engineers around the world. The consistent implementation of patriotism-oriented strategy was highly appreciated. In 2015 Comarch S.A. was the winner of the Index of Polish Business Patriotism rank in the category of quoted companies. In addition

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Comarch Spółka Akcyjna z siedzibą w Krakowie, Aleja Jana Pawła II 39a, zarejestrowana w Krajowym Rejestrze Sądowym prowadzonym przez Sąd Rejonowy dla Krakowa-Śródmieścia w Krakowie XI Wydział Gospodarczy Krajowego Rejestru Sądowego pod numerem KRS 0000057567. Wysokość kapitału zakładowego Spółki wynosi 8.133.349,00 zł. Kapitał zakładowy wpłacony w całości. NIP: 677-00-65-406

Prezes Zarządu: Prof. Janusz Filipiak

Wiceprezesa Zarządu: Marcin Dąbrowski, Paweł Prokop, Andrzej Przewięźlikowski,  
Zbigniew Rymarczyk, Konrad Tarański, Marcin Warwas



to its business Comarch Group runs many social activities, supports non-governmental organizations and charities, as well is the patron of culture, arts and sports.

I believe that in the near future, the Comarch S.A. will further succeed in strengthening its market position as a global provider of IT solutions, thereby creating value for shareholders, employees and the society as a whole.

*Professor Janusz Filipiak*

*President of the Management Board  
Comarch S.A.*

#### Comarch SA

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Comarch Spółka Akcyjna z siedzibą w Krakowie, Aleja Jana Pawła II 39a, zarejestrowana w Krajowym Rejestrze Sądowym prowadzonym przez Sąd Rejonowy dla Krakowa-Śródmieścia w Krakowie XI Wydział Gospodarczy Krajowego Rejestru Sądowego pod numerem KRS 0000057567. Wysokość kapitału zakładowego Spółki wynosi 8.133.349,00 zł. Kapitał zakładowy wpłacony w całości. NIP: 677-00-65-406

## **INTRODUCTION TO THE COMARCH S.A.'S FINANCIAL STATEMENT SA-R 2015**

### **I. General Information about Comarch S.A. (the "Company")**

The basic activities of Comarch S.A. with its registered seat in Krakow at Al. Jana Pawła II 39 A include activity related to software, PKD 62.01.Z. The registration court for Comarch S.A. is the District Court for Krakow Śródmieście in Krakow, Eleventh Economic Division of the National Court Register. The company's KRS number is 0000057567. The duration of the parent company is not limited.

In the tables of this statement:

- the previous period means period 01.01.2014 - 31.12.2014 and refers to 12 months,
- the current period means period 01.01.2015 - 31.12.2015 and refers to 12 months.

As at 31<sup>st</sup> of December, 2015, members of Comarch S.A.'s Board of Supervisors were:

- Elżbieta Filipiak - Chairman of the Board of Supervisors,
- Maciej Brzeziński - Vice-Chairman of the Board of Supervisors,
- Robert Bednarski - Member of the Board of Supervisors,
- Danuta Drobnik - Member of the Board of Supervisors,
- Wojciech Kucharzyk - Member of the Board of Supervisors,
- Anna Ławrynowicz - Member of the Board of Supervisors,
- Anna Pruska - Member of the Board of Supervisors.

As at 31<sup>st</sup> of December, 2015, members of Comarch S.A.'s Management Board were:

- Janusz Filipiak - President of the Management Board,
- Marcin Dąbrowski - Vice-President of the Management Board,
- Paweł Prokop - Vice-President of the Management Board,
- Andrzej Przewięźlikowski - Vice-President of the Management Board,
- Zbigniew Rymarczyk - Vice-President of the Management Board,
- Konrad Tarański - Vice-President of the Management Board,
- Marcin Warwas - Vice-President of the Management Board.

*On the 8<sup>th</sup> of April, 2015, Mr. Piotr Piątosza, head of telecommunication sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board without giving any reasons; effective as of the 30<sup>th</sup> of April, 2015. On the 8<sup>th</sup> of April, 2015, Mr. Piotr Reichert, head of finance, banking and insurance sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board without giving any reasons; effective as of the 30<sup>th</sup> of April, 2015.*

*Marcin Dąbrowski, a manager for many years in the telecommunication sector, will be performing duties of the head of the telecommunication sector. Andrzej Przewięźlikowski, a manager for many years in the trade and services sector, will be performing duties of the head of the finance, banking and insurance sector. The company announced details in current report no. RB-10-2015 the 8<sup>th</sup> of April, 2015.*

The financial statement was prepared with the assumption of the continuation of commercial activities by Comarch S.A. in the foreseeable future. According to the company's management, there are no circumstances suggesting any threat to the continuation of activities. The financial statement includes financial data from Comarch S.A.'s branch in Albany.

Comarch S.A. is parent company in the Capital Group. In addition to financial statement that is prepared pursuant to Act on Accounting, the company prepares also consolidated financial statement according to International Financial Reports Standards that are approved by the European Union.

### **II. There Were no Reservations in the Opinion of an Auditor Entitled to Audit Financial Statements of Comarch S.A. for 2014**

### **III. Principles of Valuation of Assets and Equity and Liabilities and Measure of Financial Result**

This financial statement was prepared according to the Act passed on 29<sup>th</sup> of September, 1994 on Accounting ("Act on Accounting") and the Regulation issued by the Minister of Finance on 18<sup>th</sup> of October, 2005 concerning information presented in financial statements and consolidated financial statements,

required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones, and according to the Regulation issued by the Minister of Finance on 19<sup>th</sup> of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state.

## **1. Non-Current Assets**

### **1.1 Intangible Assets**

Intangible assets are recorded at their acquisition prices with reference to the current redemption. The company carries out depreciation write-offs using the straight-line method. The following depreciation rates have been adopted:

• computer software	30%
• licences	30%
• copyrights	30%
• other rights	10-20%

Adopted depreciation rates are related to the estimated useful life of intangible assets. If the useful life of intangible assets resulting from the contract is shorter than it results from the periods determined above, depreciation write-offs are carried out in the period resulting from the contract. In the case of intangible assets that were acquired for a particular project, the depreciation period is established as the duration of the project.

### **1.2 Property, Plant and Equipment**

#### **A) Proprietary property, plant and equipment in use**

Proprietary property, plant and equipment in use were valued according to acquisition prices or production costs less depreciation write-offs in proportion to their useful life and write-offs due to permanent losses in value. The following detailed principles of depreciation of proprietary property, plant and equipment in use have been adopted by the company:

assets are depreciated with the straight-line method with application of depreciation rates corresponding with periods of their economic utility. In most cases, depreciation rates are: 2.5% (for group number I), 30% (for group number IV), 15% (for group number VII) and 20% (for group number VIII). In case of proprietary property, plant and equipment in use that were acquired in order to be used in a specific project, the depreciation period is set as equal to the project duration.

Lands and the right of perpetual usufruct of land are not depreciated.

**B) Proprietary property, plant and equipment under construction** are valued according to acquisition prices less write-offs due to permanent losses in value

**C) Improvements in third party's proprietary property, plant and equipment** are valued according to the acquisition price less depreciation. They are related to buildings and structures and depreciated with the straight-line method corresponding with periods of their economic utility.

**D) Proprietary property, plant and equipment, which are used according to the lease agreements** concluded after 1<sup>st</sup> of January, 2002, are classified as company's non-current assets if conditions resulting from article 3, section 4 of Act on Accounting are met and they are valued at fair value established as at the date of the beginning of the agreement or as at reception of the lease object into use, or at the current value of minimum lease fees, if it is lower than the fair value.

### **1.3 Long-Term Investments**

#### **A) Real estates**

Real estates are valued according to acquisition price or production costs less depreciation write-offs in proportion to their useful life and write-offs due to permanent losses in value and principles specified in art. 31, art. 32 section 1-5 and art. 33 section 1 of the Act.

Costs and revenues related to real estates maintenance costs, their updating or reclassification are recognised as other operating revenue/costs (pursuant to art. 3 section 1, point 32 of the Act).

## **B) Non-current financial assets**

As at the balance sheet date, financial assets are classified as non-current in the financial statement if the estimated period of their further owning exceeds 12 months from the balance sheet date.

Shares are recognised at the acquisition or originate date according to acquisition price, and at the balance sheet date according to acquisition price less write-offs due to permanent loss in value. When permanent loss in value appears, the revaluation of write-offs is carried out no later than at the balance sheet date.

Participation units in Comarch Corporate Investment Closed Investment Fund ("CCF FIZ") are valued at fair value and effects of valuation are settled with revaluation reserve.

Loans are valued according to value of depreciated cost using effective interest rate. In case of lack of differences that are significant for valuation, loans are classified at nominal value plus accrued interest based on interest rate resulting from contracts.

## **2. Current Assets**

### **2.1 Inventories (Products in Progress, Materials and Goods)**

Materials are valued according real purchase prices. When loss in value in use is observed, revaluating write-offs are carried not later than as at the balance sheet date.

Components and servicing equipment purchased as inventory, in order to fulfil warranty obligations related to the performed contracts, are recognised according to their acquisition prices and then settled by value in proportion to the guarantee period.

Production in progress given in the statement refers to software produced by Comarch S.A. and allocated for multiple sales. Production in progress is valued according to direct technical production costs.

Application software produced by Comarch S.A. and allocated for multiple sales is valued in the period when it benefits, no longer than 36 months from an initial sale, in the amount of surplus of software production costs over net revenues obtained from sales of these products within the following 36 months. Software production costs, not written off after this period of time, increase other operational costs.

Depending on the nature of the produced software and the assessment of its possible sales, expenditures incurred for software production, in the amount of 50% to 100% of the invoiced sale in the above time period of sales, are written off into its own costs. If the company is aware of limits to sales capacity at an earlier point, it immediately performs a write-off revaluating production in progress in the amount of expenses in reference to which there is a probability that they will not be recovered, or does a one-time write-off of the entirety of unsettled expenses (depending on the degree of risk valuation) into its own cost of sales.

Goods are appraised according to actual purchase prices, no higher than net selling prices.

### **2.2 Receivables**

Receivables are recognised initially at nominal value and as at the balance sheet date in the amount of required payment. Receivables due to deliveries and services are classified as current receivables. Other receivables are recognised as current or non-current receivables depending on maturity (depending on whether this is less than or over 12 months from the balance sheet date).

In order to make their value real, receivables are decreased by write-offs revaluating bad debts.

Receivables in foreign currencies were valued as at the balance sheet date at NBP average exchange rates. The realised and resulting from balance valuation exchange differences are classified as financial revenues and financial costs respectively, after they were compensated.

## 2.3 Current Financial Assets

Assets recognised in the financial statement consist mostly of monetary assets and loans to other entities. Monetary assets consist of cash in hand, cash at banks and accrued interest on financial assets. Cash in domestic currency was valued at nominal value, while cash in foreign currencies was valued at NBP average exchange rates.

Loans are valued according to value of depreciated cost using effective interest rate. In case of lack of differences that are significant for valuation, loans are classified at nominal value plus accrued interest based on interest rate resulting from contracts.

Securities are valued according to acquisition cost or market value, depending on which of the values is lower.

## 2.4 Current and Non-current Prepayments of Costs

Expenses incurred in advance, but related to future reporting periods are settled by prepayments of costs. Prepayments of costs that last longer than 12 months starting with the balance sheet date are regarded as a non-current item.

Prepayments include also surplus of sales in long-term contracts made according to article 34a, section 1 and section 2, point 2 of Act on Accounting over value of sales invoiced to contractors.

## 3. Equity

Equity includes:

- share capital of the company presented at nominal value,
- supplementary capital from profit-sharing in compliance with principles and limitations specified in the Commercial Companies Code and from surpluses of shares sold above their nominal value,
- other reserve capitals from profit-sharing intended for investment targets and other specified in statute – valued at nominal value,
- retained profit from adjustments due to changes in accounting principles in 2002 resulting from amendments to Act on Accounting and adjustments due to changes to the rules of recognising of built-in derivatives,
- revaluation reserve due to valuation of investment certificates in CCF FIZ and settlement of deferred tax on valuation.

## 4. Liabilities and Provisions for Liabilities

### 4.1 Provisions for Liabilities

They are created for reliable and possible losses due to business activities. In particular, they are related to:

- expected expenses that will incur during the next reporting period due to costs that are related to the current period,
- provisions for additional costs of contracts completion that are expected to incur and that exceed the amount of possible to achieve revenues; and provisions for guarantees,
- provisions due to rewards (premium) expected to be paid in the next reporting period, but related to the previous period,
- provisions for leaves.

They include also provisions due to deferred income tax.

### 4.2 Liabilities

At the time of initial recognition, financial liabilities are valued at nominal value and as at the balance sheet date, in the amount of required payment. Liabilities due to deliveries and services are classified as current liabilities. Other liabilities are recognised as current or non-current receivables depending on maturity (depending on whether this is less than or over 12 months from the balance sheet date). Liabilities in foreign currencies were valued as at the balance sheet date at NBP average exchange rates.

**4.3 Special Funds** consist of Social Services and Residential Fund that was created from profit-sharing for 1998 and 1999



#### **4.4 Accruals**

Accruals of revenues include subsidies for financing of research and development works that are received from union funds and domestic funds for science.

Accruals of revenues include also surplus of sales invoiced to contractors over the value of proceeds from sales in long-term contracts determined according to article 34a, section 1 and section 2, point 2 of Act on Accounting.

### **5. Valuation of Assets and Equity and Liabilities Presented in Foreign Currencies and Principles of Determining Exchange Differences**

#### **5.1 Within Reporting Year**

Economic operations which are expressed in foreign currencies are presented in accounting books as of the date of their conducting with the exchange rate respectively:

- A) Operations related to sale and purchase of goods and services at the average NBP exchange rate as of the date preceding conducting the operation; however, import purchases that require customs clearance and export sales of goods are valued according to exchange rates set within evidence for customs clearance,
- B) Operations regarding an influx of foreign currency to a bank account, resulting from payment of receivables for goods and services, securities and additional interest by the bank - at the average NBP exchange rate as of the date preceding conducting the operation.
- C) Incurring credit or loans in foreign currencies at the moment of their inflow to a bank account in addition to inflow of added interest on these credits - at the average NBP exchange rate as of the date preceding conducting the operation.
- D) Purchase and sale of interest, shares and securities stated in foreign currency - at the average NBP exchange rate as of the date preceding conducting the operation.
- E) Operations related to sales or purchases of currencies – at the exchange rate actually applied by the bank on a given day (purchase or sales exchange rate, respectively, applied by the bank).
- F) Payment of receivables in foreign currency (including loans), if the currency does not directly influence the currency account – at the purchase exchange rate, with the bank that converted (acquired) these currencies.
- G) Payment of liabilities, credit and loans with the foreign currency purchased at the bank (i.e. not directly from a currency banking account) – at the sales exchange rate applied by the bank.
- H) Other operations at the average NBP exchange rate – as of the date preceding conducting the operation or exchange rate actually applied (depending on the type of operation).

#### **5.2 As at Balance Sheet Date**

- A) Items of assets and equity and liabilities are valued at binding NBP average exchange rates.

#### **5.3 Principles of Determining Exchange Differences**

- A) Exchange differences related to non-current investment are accounted for adequately with revaluation reserve or revenues and financial costs (according to article 35, section 2 and 4 of Act on Accounting).
- B) Exchange differences related to the other assets and equity and liabilities and those arising on payment of receivables and liabilities are classified to revenues and financial costs, respectively.
- C) Realised exchange differences, related to receivables and liabilities, are determined up to date, while unrealised exchange differences, related to receivables and liabilities and cash at banks are valued at the end of the quarter (in compliance with materiality principle).

### **6. Financial Instruments**

Derivative financial instruments designated as 'hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12<sup>th</sup> of December, 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, qualified as fair value hedging, are valued at fair value and change in their valuation refers to the result from financial operations.

Derivative financial instruments designated as 'hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12<sup>th</sup> of December, 2001 concerning detailed classification rules, valuation

methods, scope of disclosure and presentation method of financial instruments, qualified as cash flow hedging, are valued at fair value change in their valuation refers to:

- the revaluation reserve (in the part that constitutes the effective hedging),
- the result from financial operations (in part that doesn't constitute the effective hedging).

Derivative financial instruments designated as 'non-hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12<sup>th</sup> of December, 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, are valued at fair value and change in their valuation refers to the result from financial operations.

## **7. Financial Result**

Comarch S.A. prepares its income statement in calculation version in compliance with matching principle revenues and costs.

Comarch S.A.'s operations mostly consist of producing software for multiple sales and implementing IT integration contracts. As part of its integration contracts, Comarch offers the implementation of IT turnkey systems consisting of (own and third party) software and/or computer hardware and/or services such as:

- implementation services,
- installation services,
- guarantee and post-guarantee services,
- technical assistance services,
- software customisation services,
- other IT and non-IT services necessary for system implementation.

Integration contracts realised by Comarch S.A. are classified according to article 34 a-d of Act on Accounting, whereas degree of progress for contract is determined by share of incurred costs compared to total costs of service execution.

In determining the total revenues from contracts, the following items are taken into account:

- revenues from proprietary software (irrespective of form, i.e. licences, property rights, etc.),
- revenues from services.

Unit managers may decide to include estimated revenues that are highly probable to be realised into the total revenues from a contract (e.g. during the implementation of the contract, project modifications are carried out for technical reasons and it is justified to assume with some probability that the ordering party will accept the modifications and that there will be revenues flowing from them).

When integration contracts under which software is allocated for multiple sales are Comarch property, the revenues and costs related to this software and the revenues and costs related to the other part of the integration contract are recognised separately.

Several integration contracts are combined and recognised as one contract, if:

- the agreements are executed at the same time or sequentially one after another and the precise separation of the costs of their execution is impossible, or
- the agreements are so closely inter-related that they are actually parts of a single project and share a single profit margin for the entire project.

### **7.1 Revenues are Classified according to Accrual Basis**

Revenues from uncompleted non-current services (contracts) are classified in proportion to the level of service according to article 34 a, section 2, point 1 of Act on Accounting.

Revenues from sales of other services, products, finished goods and other item of assets are recognised at the moment of delivery of products, finished goods and other items of assets, if the entity transferred significant risk and benefits resulting from their ownership or at the moment of executing the service. Sales are presented in net value, i.e. without commodity and services taxes and taking into account all discounts.

## **7.2 Costs Consist of:**

- A) In relation to long-term contracts, total expenditures incurred in the period, on execution of contracts that were valued at production costs.
- B) In relation to other services, finished goods and other assets – value of sold (invoiced) products, finished goods and other items valued at production cost or acquisition price.
- C) Total administrative costs and cost of sales incurred in the period.

In the item "Costs of sold products, finished goods and materials from related parties" in the income statement the company presents the value of products, finished goods and materials purchased from related parties excluding these included in administrative costs, cost of sales and other operating costs.

Costs of sales consist of marketing costs and the costs of order acquisition by sales centres (departments) in the Comarch S.A.

General costs consist of the costs of the Comarch S.A. functioning as a whole and include administrative expenses and the costs of departments that operate for the general needs of the company.

## **7.3 Other Revenues and Operating Costs**

These consist of revenues and costs not related directly to the ordinary activities of entities and comprise mostly: result from sale of property, plant and equipment and intangible assets, subsidies, provisions created, effects of revaluation of assets and result from research and development financed by union.

According to the materiality principle, content-related items are compensated and they are presented resultantly, respectively in operating revenues or costs. In particular, it refers to:

- result on sales and decommissioning of property, plant and equipment; recovered communication damages and costs of repairs after damage,
- received and paid penalties,
- recognised and dissolved write-offs that revalue receivables,
- subsidies, costs of realisation of research and development works financed by them.

## **7.4 Revenues and Financial Costs**

Revenues and financial costs consist of revenues and costs due to interest, result from exchange differences, from disposal of financial assets and effects of investment revaluation.

## **7.5 Deferred Income Tax**

Due to temporary differences between the presented value of assets and liabilities as well as their tax value and tax loss it will possible to deduct in the future, a provision is established and deferred income tax assets are defined.

Deferred income tax assets are defined in the amount that it is anticipated will have to be deducted from income tax in the future in reference to negative temporary differences which shall result in the future in reducing the amount of the basis of taxation and the deductible tax loss defined using the precautionary principle.

Deferred income tax provisions are established in the amount of income tax payable in the future in reference to positive temporary differences, which would result in increasing the basis of taxation in the future.

Provisions and assets due to deferred income tax are established fiscal rates which are legally binding in the tax point year.

The difference between deferred income tax provisions and deferred income tax assets at the end and at the beginning of the reporting period affects the financial results. In addition, provisions and assets due to deferred income tax related to operations settled with equity are referred into equity.

Due to the fact that the company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised on the basis of the annual settlement of income tax, after the end of the fiscal year. Therefore as at the balance sheet date, the company determines only an asset and provision for deferred income tax only in relation to the types of activities, which are always taxable according to principles that are applied

by the company, i.e. financial activities and other operating activities.

On 1<sup>st</sup> of July, 2004, Comarch S.A. received a decision from the Minister of the Economy dated 24<sup>th</sup> of June, 2004 that changed the conditions for tax exemptions for entities operating in special economic zones to conditions included in the act that was passed on 2<sup>nd</sup> of October, 2003 on changing the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840). Pursuant to article 5, section 2, point 1, lit. b), point 2, point 3 of the act, the maximum amount of public aid for entities, which operate in a special economic zone on the basis of a permit issued before 1<sup>st</sup> of January, 2000, cannot exceed 75% of the value of investments incurred in the period from the date of obtaining the permit until 31<sup>st</sup> of December, 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since 1<sup>st</sup> of January, 2001 is taken into consideration. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on the value of investments made. In the case of Comarch S.A., the maximum value of public aid will not exceed 75% of the value of investment expenditures, which the company has incurred/shall incur since obtaining the permit, i.e. 22<sup>nd</sup> of March, 1999, until 31<sup>st</sup> of December, 2006. Limit of the unused investment relief under the permit granted in 1999 amounted PLN 245 thousand at the 31<sup>st</sup> of December, 2015 (after discounting at the permit date).

Comarch S.A. holds also another permit to operate in a special economic zone, i.e. permit no. 48/2007 dated the 18<sup>th</sup> of April, 2007 issued by Krakowski Park Technologiczny Sp. z o.o. Limit of the unused investment relief under the permit obtained in 2007 amounted approx. PLN 23,787 thousand at the 31<sup>st</sup> of December, 2015 (after discounting at the permit date).

In 2013 Comarch S.A. obtained another permit to operate in the Special Economic Zone in Krakow, a validity of this permit has not been specified. The value of investment relief under the permit granted in 2013 amounted approx. PLN 29,987 thousand at the 31<sup>st</sup> of December, 2015 (after discounting at the permit date).

In February and March 2016 Comarch S.A. obtained another two permits to operate in the Special Economic Zone in Krakow.

At the same time, the company notes that on the 23rd of July, 2013, Council of Ministers adopted a regulation extending to 2026 the term of functioning of special economic zones on Polish territory.

This means extending the period (up to 2026), in which the Company will be able to benefit, within the limit of public aid, from tax relief for entities making investments in special economic zones.

Additional information on methods of recognition of a deferred income asset and tax exempt due to operations in Special Economic Zone are included in Note 4a of additional information and commentary to this financial statement.

Financial result is determined according to article 42 of Act on Accounting dated 29<sup>th</sup> of September, 1994 r. Cash flow statement is prepared using the indirect method.

#### **IV. Principles of Conversion PLN to EURO**

EUR rates used when calculating financial data:

NBP average exchange rates as at 31.12.2015:	4.2615
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NBP average exchange rates as at 31.12.2014:	4.2623
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NBP arithmetic average exchange rates as at the end of every month for the period 1.01 - 31.12.2015:	4.1848
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NBP arithmetic average exchange rates as at the end of every month for the period 1.01 - 31.12.2014:	4.1893
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NBP minimum rate in the period 1.01 - 31.12.2015:	3.9822
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NBP minimum rate in the period 1.01 - 31.12.2014:	4.0998
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NBP maximum rate in the period 1.01 - 31.12.2015: 4.3580

NBP maximum rate in the period 1.01 - 31.12.2014: 4.3138

In the table "Selected financial data" points I-VIII and XVI-XVII are valued at NBP arithmetic average exchange rates as at the end of every months in the period, while points IX-XIV and XVIII-XIX at NBP rate binding at the end of the period.

## **V. Differences between Polish Accounting Principles and International Financial Reporting Standards**

Differences:

### **1. The Right of Perpetual Usufruct of Land**

In IFRS, the method of presentation of the right of perpetual usufruct of land is not defined explicitly. There are different opinions in that case. Comarch S.A. as the parent company prepares consolidated financial statement according to IFRS and presents the right of perpetual usufruct of land as non-current prepayments settled in time. According to Act on Accounting the law of perpetual usufruct of land is presented as "lands" in property, plant and equipment and is not depreciated.

### **2. Operating in the Special Economic Zone ("SEZ")**

As a result of Poland joining the European Union, there was a change within terms of income tax from legal persons from unlimited relief to relief that is limited in value and depends on the value of investments made. Pursuant to IAS 12, unused tax relief as at the balance sheet date constitutes a deferred income tax asset. As at 31<sup>st</sup> of December, 2014, the company determined the asset that is worth 9.916 million PLN and presented it in the consolidated financial statement according to IFRS. Within 2015 the assets were dissolved, however as at 31<sup>st</sup> of December, 2015 an asset worth 10.441 million PLN was created. Total effect on result would amount to + 525 thousand PLN.

### **3. Managerial Option Programme**

#### **a) for 2014-2016**

On 26<sup>th</sup> of June, 2013, the Annual General Meeting of Shareholders passed Resolution no. 36 on the managerial options program for members of the company's Management Board managing company and Capital Group for 2014-2016. The objective of the programme was to additionally motivate members of the company's Management Board by options on Comarch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program was executed through offers of newly-issued shares in the company in 2015, 2016 and 2017 to company's Management Board. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares of each year of the execution of the programme (beginning with 2014) and the issue price of shares offered to company's Management Board.

After changes introduced by the resolution no. 25 of the Annual General Meeting of the 26<sup>th</sup> of June, 2014, period of execution of the program was limited for 2014 (details of this programme were presented in note 40 of the financial statement).

The Management Board of Comarch S.A. announced that acting in execution of the Resolution no. 36 of the Annual General Meeting of Comarch S.A. of the 26<sup>th</sup> of June, 2013, regarding the managerial option program for members of the Comarch S.A. management board who manage the company and the Capital Group, on the 16<sup>th</sup> of February, 2015, the Supervisory Board of Comarch S.A. passed the Resolution no. 01/02/2015 on execution of the managerial option program for 2014, by way of issuance of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 (in writing: one zloty) and issue price of PLN 1 each, excluding a stock right of the current company's shareholders. Shares will be offered to the entitled persons according to the provisions of the managerial option program for members of the Comarch S.A. management board who manage the company and the Capital Group, passed with Resolution no. 36 of the Annual General Meeting of the 26<sup>th</sup> of June, 2013 (current report no. RB-6-2015 dated the 16<sup>th</sup> of February, 2015).

The Management Board of Comarch S.A. announced that pursuant to Art. 430-433, 444, 446 and 447 of the Code of Commercial Companies and Partnerships, and article 9 sec. 3-7 of the company's articles of association, in execution of the Resolution no. 36 of the Annual General Meeting dated 26<sup>th</sup> of June, 2013, passed the resolution no. 1 dated the 16<sup>th</sup> of March, 2015, regarding an increase in the share capital by way of emission of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 each and issue price of PLN 1, excluding a stock right of the current company's shareholders, in addition to changes in the company's articles of association within the scope. The company announced details in current report no. RB-8-2015 dated the 16<sup>th</sup> of March, 2015.

On the 14<sup>th</sup> of May, 2015, the increase in the company's share capital of Comarch S.A. to the amount of PLN 8,133,349.00 was registered by the District Court for Kraków-Śródmieście in Kraków, XI Economic Division of the National Court Register. After this increase the company's share capital is divided into 8,133,349 shares. It corresponds to 15,126,949 votes at the company's AGM (RB-13-2015 dated the 21<sup>st</sup> of May, 2015).

As a consequence of the aforementioned increase in the company's share capital, on the 14<sup>th</sup> of May, 2015, changes in Comarch S.A. Articles of Association were registered by the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register (RB-14-2015 dated the 21<sup>st</sup> of May, 2015).

On the 23<sup>rd</sup> of June, 2015, the Management Board of the National Deposit for Securities passed a resolution no. 400/15 in relation to the conditional registration of 7,759 ordinary bearer series L1 Comarch S.A. shares of a nominal value of PLN 1.00 (one zloty) each.

Series L1 shares were registered by the National Deposit for Securities on condition that the company managing the regulated market decides that these shares will be introduced to trading on the regulated market where other Comarch S.A. shares with the code PLCOMAR00012 had been introduced by the company managing the regulated market (RB-19-2015 dated 23<sup>rd</sup> of June, 2015).

On the 21<sup>st</sup> of July, 2015, with the resolution no. 700/2015 the Management Board of the Warsaw Stock Exchange decided that 7,759 ordinary bearer series L1 Comarch S.A. shares of nominal value of 1 PLN each are admitted to trading (RB-29-2015 dated 21<sup>st</sup> of July, 2015).

On the 22<sup>nd</sup> of July, 2015, the Management Board of Comarch S.A received an announcement of the Operating Department of the National Deposit for Securities informing that pursuant to the NDS Management Board's resolution no. 400/15 dated the 23<sup>rd</sup> of June, 2015, on the 23<sup>rd</sup> of July, 2015, 7,759 Comarch S.A. shares will be registered in the National Deposit for Securities under the ISIN code: PLCOMAR00012. The total number of shares after the following registration will amount to 6,384,949 (RB-30-2015 dated 22<sup>nd</sup> of July, 2015).

#### 4. Differences compared to IFRS

Item	Equity as at 31 December 2015	Net result for 2015
Corrections according to the Polish accounting principles:	731,905	57,683
a) presentation of managerial option (pt V 3)	-	-
b) an asset due to tax exemption in the SEZ (pt V 2)	10,441	525
c) depreciation due to the right of perpetual usufruct of lands (pt V 1)	-1,089	-92
Equity and net result after adjusting above-mentioned differences:	741,257	58,116

## FINANCIAL SUPERVISION AUTHORITY

## ANNUAL REPORT SA-R 2015

(pursuant to §82 sec.1, pt.3 of the Regulation issued by the Minister of Finance on 19<sup>th</sup> of Feb., 2009- Journal of Laws No. 33, pos. 259 and subsequent changes)

(for issuers of securities managing production, construction, trade and services activities)

For financial year 2015 from 2015-01-01 to 2015-12-31  
And for the previous year 2014 from 2014-01-01 to 2014-12-31

Date of publication: 2016-04-29

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<b>COMARCH</b> (abbreviated name of issuer)	<b>INFORMATION TECHNOLOGY</b> (sector according to WSE classification)
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Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k.

(An auditor entitled to audit financial statements)

Annual report includes:

- ☒ Opinion and Report of an Auditor regarding the Annual Financial Statement
- ☒ The Management Board's Statement regarding the Reliability of Financial Statement
- ☒ The Management Board's Statement regarding the Auditor Independence
- ☒ Letter of the President of the Management Board
- ☒ Annual Financial Statement
  - ☒ Introduction
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  - ☒ Income Statement
  - ☒ Changes in Equity
  - ☒ Cash Flow Statement
  - ☒ Additional Information and Commentaries
- ☒ Report of the Management Board (Report regarding the Activities of Issuer)
  - ☒ Report regarding the Corporate Governance

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
	2015	2014	2015	2014
I. Net revenues from sales of products, goods and materials	749,556	724,825	179,114	173,018
II. Profit (loss) on operating activities	83,377	72,508	19,924	17,308
III. Gross profit (loss)	66,719	53,735	15,943	12,827
IV. Net profit (loss)	57,683	41,049	13,784	9,799
V. Cash flows from operating activities	89,766	132,566	21,450	31,644
VI. Cash flows from investing activities	-102,175	-84,553	-24,416	-20,183
VII. Cash flows from financing activities	-4,075	-3,472	-974	-829
VIII. Total net cash flows	-16,484	44,541	-3,939	10,632
IX. Total assets	1,117,308	1,041,911	262,187	244,448
X. Liabilities and provisions for liabilities	385,403	364,822	90,438	85,593
XI. Non-current liabilities	101,209	103,993	23,750	24,398
XII. Current liabilities	131,535	119,648	30,866	28,071
XIII. Equity	731,905	677,089	171,748	158,855
XIV. Share capital	8,133	8,125	1,908	1,906
XV. Number of shares	8,133,349	8,125,590	8,133,349	8,125,590
XVI. Earnings (losses) per single share (PLN/EUR)	7.09	5.06	1.69	1.21
XVII. Diluted earnings (losses) per single share (PLN/EUR)	7.09	5.06	1.69	1.21
XVIII. Book value per single share (PLN/EUR)	89.99	83.33	21.12	19.55
XIX. Diluted book value per single share (PLN/EUR)	89.99	83.25	21.12	19.53

XX. Dividend per one share (paid or declared)	0.00	1.5	0.36	0.36
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#### **OPINION OF AN AUDITOR ENTITLED TO AUDIT FINANCIAL STATEMENTS ON ANNUAL FINANCIAL STATEMENT**

File	Description
SAR_Opinion.pdf	Opinion of an Auditor -Appendix No. 1

#### **REPORT OF AN AUDITOR ENTITLED TO AUDIT FINANCIAL STATEMENTS ON ANNUAL FINANCIAL STATEMENT**

File	Description
SAR_Report.pdf	Report of an Auditor -Appendix No. 2

#### **THE MANAGEMENT BOARD'S STATEMENT REGARDING THE RELIABILITY OF FINANCIAL STATEMENT**

File	Description
The Management Board's Statement regarding the Reliability of Financial Statement.pdf	The Management Board's Statement regarding the Reliability of Financial Statement -Appendix No. 3

#### **THE MANAGEMENT BOARD'S STATEMENT REGARDING AUDITOR INDEPENDENCY**

File	Description
The Management Board's Statement regarding Auditor Independence.pdf	The Management Board's Statement regarding Auditor Independence - Appendix No. 4

#### **LETTER OF THE PRESIDENT OF THE MANAGEMENT BOARD**

File	Description
Letter of the President of the Management Board.pdf	Letter of the President of the Management Board -Appendix No. 5

### **ANNUAL FINANCIAL STATEMENT**

#### **INTRODUCTION TO THE FINANCIAL STATEMENT**

File	Description
Introduction to the Financial Statement.pdf	Introduction to the Financial Statement - Appendix No. 6

#### **BALANCE SHEET**

		thousands of PLN	
	Notes	2015	2014
ASSETS			
I. Non-current assets		689,344	634,573
1. Intangible assets	1	10,469	7,506
2. Property, plant and equipment	2	258,116	242,742
3. Non-current investment	3	412,612	377,055



3.1 Non-current financial assets		382,917	345,891
a) in related parties		382,838	345,891
b) in other entities		79	0
3.2 Real estates		29,652	31,121
3.3 Other non-current investment		43	43
4. Non-current prepayments	4	8,147	7,270
4.1 Deferred income tax assets		7,348	6,733
4.2 Other prepayments		799	537
II. Current assets		427,964	407,338
1. Inventories	5	27,746	20,846
2. Current receivables	6 7	291,780	264,035
2.1 from related parties		148,591	121,142
2.2 from other entities		143,189	142,893
3. Current investment		71,127	87,345
3.1 Current financial assets	8	71,127	87,345
a) in related parties		110	22
b) in other entities		632	422
- granted loans		0	421
- interest and shares		1	1
- other current financial assets		631	0
c) cash and cash equivalents		70,385	86,901
4. Current prepayments	9	37,311	35,112
Total assets		1,117,308	1,041,911
EQUITY AND LIABILITIES			
I. Equity		731,905	677,089
1. Share capital	10	8,133	8,125
2. Capital from merger settlement		0	0
3. Supplementary capital	11	562,292	521,244
4. Revaluation reserve	12	103,052	105,926
5. Other reserve capitals	13	745	745
6. Previous years' profit (loss)		0	0
7. Net profit (loss)		57,683	41,049
II. Liabilities and provisions for liabilities		385,403	364,822
1. Provisions for liabilities	14	140,669	129,679
1.1 Provisions due to deferred income tax		25,412	26,071
1.2 Other provisions		115,257	103,608
a) current		115,257	103,608
2. Non-current liabilities	15	101,209	103,993
2.1 to related parties		3,530	1,009
2.2 to other entities		97,679	102,984
3. Current liabilities	16	131,535	119,648
3.1 to related parties		22,928	15,129
3.2 to other entities		107,152	103,287
3.3 special funds		1,455	1,232
4. Accruals	17	11,990	11,502
4.1 Other accruals		11,990	11,502
a) current		11,990	11,502
Total equity and liabilities		1,117,308	1,041,911

Book value		731,905	677,089
Number of shares		8,133,349	8,125,590
Book value per single share (PLN)	18	89.99	83.33

Diluted number of shares		8,133,349	8,133,349
Diluted book value per single share (PLN)	18	89.99	83.25

**OFF-BALANCE SHEET ITEMS**

	Notes	thousands of PLN	
		2015	2014
1. Contingent liabilities to related parties (due to)	19	162,788	156,899
-bank guarantees and suretyships		162,788	156,899
2. Contingent liabilities to other entities (due to)	33	48,740	60,327
-bank guarantees and suretyships		48,740	60,327
Total off-balance sheet items		211,528	217,226

**INCOME STATEMENT**

	Notes	thousands of PLN	
		2015	2014
I. Net revenues from sales of products, goods and materials, including:		749,556	724,825
-revenues from related parties		749,556	231,525
1. Net revenues from sales of products	20	659,888	612,467
2. Net revenues from sales of goods and materials	21	89,668	112,358
II. Costs of products, goods and materials sold, including:		524,252	503,226
-to related parties		32,542	30,266
1. Manufacturing cost of products sold	22	440,435	399,678
2. Value of products, goods and materials sold		83,817	103,548
III. Gross profit on sales		225,304	221,599
IV. Costs of sales	22	76,706	68,135
V. Administrative costs	22	53,663	48,533
VI. Profit (loss) on sales		94,935	104,931
VII. Other operating revenues		2,148	913
1. Profit on disposal of non-financial non-current assets		389	279
2. Other operating revenues	23	1,759	634
VIII. Other operating costs		13,706	33,336
1. Loss on disposal of non-financial non-current assets		0	0
2. Other operating costs	24	13,706	33,336
IX. Profit (loss) on operating activities		83,377	72,508
X. Financial revenues	25	7,620	4,117
1. Dividends and share in profits		1,378	0
-from related parties		1,378	0
2. Interest, including:		1,514	1,226
-from related parties		791	558
3. Profit on disposal of investment		0	354
4. Other		4,728	2,537
XI. Finance costs	26	24,278	22,890
1. Interest, including:		1,533	2,148
-from related parties		110	130
2. Loss on disposal of investment		2,611	0
3. Revaluation of investment		19,705	15,684
4. Other		429	5,058
XII. Profit (loss) on business activities		66,719	53,735
XIII. Gross profit (loss)		66,719	53,735
XIV. Income tax	27	9,036	12,686
a) current		9,637	12,681
b) deferred		-601	5

XV. Net profit (loss)		57,683	41,049
Net profit (loss) (annualised)		57,683	41,049
Weighted average number of shares		8,130,522	8,107,558
Earnings (losses) per single share (PLN)	29	7.09	5.06
Diluted weighted average number of shares		8,130,522	8,115,317
Diluted earnings (losses) per single share (PLN)	29	7.09	5.06

**CHANGES IN EQUITY**

	thousands of PLN	
	2015	2014
I. Opening balance of equity (BO)	677,089	661,046
I. a. Opening balance of equity after adjustments	677,089	661,046
1. Opening balance of share capital	8,125	8,051
1.1. Changes in share capital	8	74
a) increases (due to)	8	74
- shares issue	8	74
1.2. Closing balance of share capital	8,133	8,125
2. Opening balance of supplementary capital	521,244	487,672
2.1. Changes in supplementary capital	41,048	33,572
a) increases (due to)	41,048	33,572
-profit-sharing for the previous years	41,048	33,572
2.2. Closing balance of supplementary capital	562,292	521,244
3. Opening balance of revaluation reserve	105,926	118,818
-changes in applied accounting principles	0	0
3.1. Changes in revaluation reserve	-2,874	-12,892
a) increases (due to)	674	3,024
-provision for deferred income tax due to certificates valuation	674	3,024
a) decreases (due to)	3,548	15,916
-provision for deferred income tax due to certificates valuation	3,548	15,916
3.2 Closing balance of revaluation reserve	103,052	105,926
4. Opening balance of capital from merger	0	0
4.1 Closing balance of capital from merger	0	0
5. Opening balance of other reserve capitals	745	745
5.1 Closing balance of other reserve capitals	745	745
6. Opening balance of the previous years' profit (loss)	41,049	45,760
6.1. Opening balance of the previous years' profit	41,049	45,760
a) changes in applied accounting principles	0	0
6.2. Opening balance of the previous years' profit after adjustments	41,049	45,760
b) decreases (due to)	41,049	45,760
-transferring the result for the previous years to supplementary capital	41,049	33,572
-payment of dividend	0	12,188
6.3. Closing balance of the previous years' profit	0	0
7. Net result	57,683	41,049
a) net profit	57,683	41,049
II. Closing balance of equity	731,905	677,089
III. Equity including proposed profit-sharing (loss coverage)	731,905	677,089

**CASH FLOW STATEMENT**

	thousands of PLN	
	2015	2014
<b>A. Cash flows from operating activities</b>		
I. Net profit (loss)	57,683	41,049
II. Total adjustments	32,083	91,517
1. Depreciation	31,504	29,536
2. Exchange gains (losses)	59	1,789
3. Interest and shares in profits (dividends)	-4	1,758
4. Profit (loss) on investing activities	19,277	18,379
5. Change in provisions	11,664	32,965
6. Change in inventories	-6,900	5,532
7. Change in receivables	-26,562	36,142
8. Change in current liabilities, excluding credits and loans	5,618	-34,635
9. Change in prepayments and accruals	-2,573	51
10. Other adjustments	0	0
III. Net cash used in operating activities (I+/-II)-indirect method	89,766	132,566
<b>B. Cash flows from investing activities</b>		
I. Inflows	23,352	8,312
1. Disposal of property, plant and equipment and intangible assets	1,415	308
2. From financial assets, including:	21,937	8,004
a) in related parties	21,937	7,611
-dividends and share in profits	1,378	0
-repaid loans	20,039	2,695
-repaid interest	520	0
-received loans	0	4,500
-received interest	0	416
b) in other entities	0	393
-other inflows from financial assets	0	393
II. Outflows	-125,527	-92,865
1. Purchase of property, plant and equipment and intangible assets	-53,124	-70,775
2. Expenses for investment in real estates	-16	-132
3. For financial assets, including:	-72,387	-21,958
a) in related parties	-69,745	-21,958
-purchase of financial assets	-41,660	-12,499
-granted non-current loans	-28,085	-7,459
-payment of loans to related parties	0	-2,000
b) in other entities	-2,642	0
-purchase of financial assets	-31	0
-granted non-current loans	-2,611	0
4. Other investment expenditures	0	0
III. Net cash used in investing activities (I-II)	-102,175	-84,553
<b>C. Cash flow from financing activities</b>		
I. Inflows	11,967	68,727
1. Inflows from share issue and other capital instruments as well as surcharges to capital	8	74
2. Loans and credits	11,442	68,123
3. Repaid loans	491	526
4. Interest received on paid loans	26	4
5. Other financial inflows	0	0
II. Outflows	-16,042	-72,199
1. Dividends and other payments to owners	0	-12,188
2. Repayment of loans and credits	-13,260	-56,358

3. Interest	-1,920	-2,179
4. Granted loans	-500	-780
5. Other financial outflows	-362	-694
III. Net cash (used in)/generated from financing activities (I-II)	-4,075	-3,472
D. Total net cash flows (A.III+/-B.III+/-C.III)	-16,484	44,541
E. Balance sheet change in cash and cash equivalents, including:	-16,513	42,766
-change in cash and cash equivalents due to exchange differences	-29	-1,775
F. Cash and cash equivalents opening balance	86,896	44,130
G. Closing balance of cash and equivalents (F+/-E), including:	70,383	86,896
-limited disposal	2,464	2,727

**ADDITIONAL INFORMATION AND COMMENTARY**

**A. COMMENTARY NOTES**

**BALANCE SHEET COMMENTARY NOTES**

**Note 1 a**

<b>INTANGIBLE ASSETS</b>	<b>thousands of PLN</b>	
	<b>2015</b>	<b>2014</b>
a) costs of finished development works	0	0
b) goodwill	0	0
c) licences, patents and similar items, including:	10,014	6,126
-computer software	47	191
d) other intangible assets	455	1,380
e) advance payments for intangible assets	0	0
Total intangible assets	10,469	7,506

## Note 1 b

CHANGES IN INTANGIBLE ASSETS (BY TYPES)							
thousands of PLN							
	a	b	c		d	e	Total intangible assets
	costs of completed development work	goodwill	licences, patents and similar items, including	-computer software	other intangible assets	advances for intangible assets	
a) opening balance of gross value of intangible assets	0	0	21,432	1,242	6,485	0	27,917
b) increases (due to)	0	0	7,789	33	66	0	7,855
-purchase	0	0	7,789	33	66	0	7,855
c) decreases (due to)	0	0	77	0	0	0	77
-decommissioning	0	0	77	0	0	0	77
d) closing balance of gross value of intangible assets	0	0	29,144	1,275	6,551	0	35,695
e) opening balance of accumulated depreciation (amortisation)	0	0	15,306	1,051	5,105	0	20,411
f) depreciation for the period (due to)	0	0	3,824	177	991	0	4,815
-increases (costs depreciation)	0	0	3,900	177	991	0	4,891
-decreases	0	0	76	0	0	0	76
g) closing balance of accumulated depreciation (amortisation)	0	0	19,130	1,228	6,096	0	25,226
h) closing balance of net value of intangible assets	0	0	10,014	47	455	0	10,469

## Note 1 c

INTANGIBLE ASSETS (PROPRIETARY STRUCTURE)	thousands of PLN	
	2015	2014
a) proprietary	10,469	7,506
Total intangible assets	10,469	7,506

## Note 2 a

PROPERTY, PLANT AND EQUIPMENT	thousands of PLN	
	2015	2014
a) property, plant and equipment in use, including:	254,574	185,909
-lands (including right of perpetual usufruct of land)	28,246	28,246
-buildings, premises and water and civil engineering structures	166,159	112,433
-technical equipment and machines	47,594	35,413
-means of transport	9,115	6,993
-other property, plant and equipment	3,460	2,824
b) property, plant and equipment under construction	3,517	56,797
c) advances for property, plant and equipment under construction	25	36
Total property, plant and equipment	258,116	242,742

## Note 2 b

CHANGES IN PROPERTY, PLANT AND EQUIPMENT IN USE (BY TYPES)						
thousands of PLN						
	- lands (including right of perpetual usufruct of land)	- buildings, premises and water and civil engineering structures	- technical equipment and machines	- means of transport	- other non-current assets	Total non-current assets in use
a) opening balance of gross value of property, plant and equipment in use	28,378	146,470	135,382	15,644	12,925	338,799
b) increases (due to)	0	58,001	30,732	4,440	1,704	94,877
-transferring to real estate for lease	0	0	0	0	0	0
-purchase	0	58,001	30,732	4,440	1,704	94,877
c) decreases (due to)	0	0	4,784	2,425	32	7,241
-decommissioning	0	0	3,724		31	3,755
-sales	0	0	1,060	2,425	1	3,486
d) closing balance of gross value of property, plant and equipment in use	28,378	204,471	161,330	17,659	14,597	426,435
e) opening balance of accumulated depreciation (amortisation)	117	34,037	99,969	8,651	10,101	152,875
f) depreciation for the period (due to)	15	4,275	13,767	-107	1,036	18,986
-previous amortisation of real estate for lease	0	0	0	0	0	0
-increases (costs depreciation for the period)	0	4,275	17,882	1,911	1,061	25,129
-decreases (decommissioning)	-15	0	3,636	0	24	3,645
-decreases (sales)	0	0	479	2,018	1	2,498
g) closing balance of accumulated depreciation (amortisation)	132	38,312	113,736	8,544	11,137	171,861
h) closing balance of net value of property, plant and equipment in use	28,246	166,159	47,594	9,115	3,460	254,574



## Note 2 c

BALANCE SHEET PROPERTY, PLANT AND EQUIPMENT IN USE (PROPRIETARY STRUCTURE)	thousands of PLN	
	2015	2014
a) proprietary	254,039	184,939
b) used on the basis of an agreement of rental, lease or others, including lease agreements	535	970
Total balance sheet property, plant and equipment in use	254,574	185,909

## Note 3 a

CHANGES IN REAL ESTATES (BY TYPES)	thousands of PLN	
	2015	2014
a) opening balance	31,121	26,234
b) increases (due to)	15	9,972
-acceptance for use of a building dedicated to rent	0	9,840
-fittings of a building dedicated for rent	15	132
c) decreases (due to)	1,484	5,085
-previous amortisation of real estate for lease	0	3,601
-depreciation for the period	1,484	1,484
d) closing balance	29,652	31,121

## Note 3b

NON-CURRENT FINANCIAL ASSETS	thousands of PLN	
	2015	2014
a) in subsidiaries	382,688	345,891
-interest or shares	230,402	199,594
-granted loans	23,052	13,956
-other securities	128,284	131,833
-interest due to granted loans	950	508
b) in associates	150	0
c) in other entities	79	0
Total non-current financial assets	382,917	345,891

## Note 3 c

CHANGES IN NON-CURRENT FINANCIAL ASSETS (BY TYPES)	thousands of PLN	
	2015	2014
a) opening balance	345,891	354,336
Interest and shares		
b) opening balance	199,594	202,707
c) increases (due to)	50,663	12,500
-purchase of shares in subsidiaries	50,663	12,500
d) decreases (due to)	19,705	15,613
-balance sheet valuation of shares (revaluation of shares)	19,705	15,613
e) closing balance	230,552	199,594
Other securities		
f) opening balance	131,833	147,749
g) increases (due to)	0	0
h) decreases (due to)	3,549	15,916
-valuation of shares in CCF Closed Investment Fund	3,549	15,916
i) closing balance	128,284	131,833
Non-current loans and other non-current assets in subsidiaries		
j) opening balance	14,464	3,880

k) increases (due to)	28,979	13,108
-loans granted to subsidiaries	26,965	5,654
-loans granted to other entities	390	0
-interest due to non-current loans	670	351
-transferring loans from subsidiaries from current to non-current loans	0	6,722
-transferring interest on loans from subsidiaries from current to non-current loans	0	221
-balance-sheet valuation of non-current loans	181	130
-balance-sheet valuation of interest on non-current loans	0	30
-dissolving write-offs revaluating loans	565	0
-dissolving write-offs revaluating interests	208	0
l) decreases (due to)	19,441	2,524
-repayment of subsidiaries' loans	18,919	0
-repayment of loans to other entities	60	12
-repayment of interests on subsidiaries' loans	362	0
-repayment of interests on other entities' loans	0	0
-transferring non-current loans from related entities to current loans	0	0
-transferring non-current loans from other entities to current loans	0	0
-transferring non-current interests on loans from related entities to current loans	0	0
-creating write-offs revaluating interests	74	2,486
-balance sheet valuation	26	26
-dissolving write-offs revaluating loans	0	0
-dissolving write-offs revaluating interests	0	0
l) closing balance	24,002	14,464
Other loans		
m) opening balance	0	0
o) closing balance	0	0
Other non-current assets		
p) opening balance	0	
q) increases (due to)	79	
r) – valuation of forward contracts	79	
s) closing balance	79	
t) Closing balance	382,917	345,891

## Note 3 d

SECURITIES, SHARES AND OTHER NON-CURRENT FINANCIAL ASSETS (BY CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			170,924	174,200
b) in foreign currencies (by currencies and after conversion to PLN)			188,941	157,735
b1. in currency	in thou.	USD	226	252
after conversion to thousands of PLN			883	883
b2. in currency	in thou.	EUR	43,713	36,673
after conversion to thousands of PLN			186,294	156,312
other currencies in thousands of PLN			1,764	540
Total securities, shares and other non-current financial assets			359,865	331,935

## Note 3 e

SECURITIES, SHARES AND OTHER NON-CURRENT FINANCIAL ASSETS (BY DISPOSAL)	thousands of PLN	
	2015	2014
A. Total securities, shares and other non-current financial assets	359,865	331,935

a. shares (balance sheet value) – admitted do public trading	0	0
-opening balance value	0	0
-value according to the acquisition price	0	0
b. shares (balance sheet value)-other	194,383	194,383
-opening balance value	194,383	199,421
-revaluating corrections (for the period)	-13,050	-15,576
-increase - purchase of shares	13,050	10,538
-value according to the acquisition price	241,405	228,355
c. participation units	128,284	131,833
-opening balance value	131,833	147,749
-value according to the acquisition price	1,060	1,060
-revaluating corrections (for the period)	-3,549	-15,916
d. shares in limited companies	36,169	5,211
-opening balance value	5,211	3,286
-revaluating corrections (for the period)	-6,654	-37
-increase in value – purchase of shares	37,612	1,962
-value according to the acquisition price	46,785	9,173
e. others-interest from non-current loans (balance sheet value)	1,029	508
-opening balance value	508	0
-revaluating corrections (for the period)	0	0
Total value according to the acquisition price	289,250	238,588
Total opening balance value	331,935	350,456
Total revaluating corrections (for the period)	192,499	169,246
Total balance sheet value	359,865	331,935

## Note 3 f

GRANTED NON-CURRENT LOANS (BY CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			18,159	12,729
b) in foreign currencies (by currencies and after conversion to PLN)			4,893	1,227
b1. in currency	in thou.	EUR	480	0
after conversion to thousands of PLN			2,045	0
b2. in currency	in thou.	USD	730	350
after conversion to thousands of PLN			2,848	1,227
Total non-current loans			23,052	13,956

## Note 3 g

OTHER NON-CURRENT INVESTMENTS (BY TYPES)	thousands of PLN	
	2015	2014
-works of art	43	43
Total other non-current investments	43	43

## Note 3 h

CHANGES IN OTHER NON-CURRENT INVESTMENTS (BY TYPES)	thousands of PLN	
	2015	2014
a) opening balance	43	43
b) closing balance	43	43

## Note 3 i

OTHER NON-CURRENT INVESTMENT (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			43	43
Total other non-current investment			43	43

## Note 4 a

CHANGE IN DEFERRED INCOME TAX ASSETS	thousands of PLN	
	2015	2014
1. Opening balance of deferred income tax assets	6,733	7,066
2. Increases	1,094	1,786
a) referred into the financial result of the period	1,094	1,786
3. Decreases	479	2,119
a) referred into the financial result of the period	479	2,119
4. Closing balance of deferred income tax assets, including:	7,348	6,733
a) referred into the financial result	7,348	6,733

**I. Tax exempt due to activities in Special Economic Zone.**

Comarch SA holds four permits to operate in the Special Economic Zone in Krakow:

- a) obtained in 1999, with a validity until the 31<sup>st</sup> of December, 2017,
- b) obtained in 2007, with a validity until the 31<sup>st</sup> of December, 2017,
- c) obtained in 2013, a validity of this permit has not been specified,
- d) obtained in February, 2016, a validity of this permit has not been specified.

At the same time, the company notes that on the 23rd of July, 2013, Council of Ministers adopted a regulation extending to 2026 the term of functioning of special economic zones on Polish territory.

Limit of the unused investment relief under the permit granted in 1999 amounted PLN 245 thousand at the 31<sup>st</sup> of December, 2015 (after discounting at the permit date). Limit of the unused investment relief under the permit obtained in 2007 amounted approx. PLN 23,787 thousand at the 31<sup>st</sup> of December, 2015 (after discounting at the permit date). The value of investment relief under the permit granted in 2013 amounted approx. PLN 29,987 thousand at the 31<sup>st</sup> of December, 2015 (after discounting at the permit date).

Pursuant to the Act on Accounting dated 29<sup>th</sup> of September, 1994, the company does not include tax exempt due to activities in Special Economic Zone in calculating a value of a deferred income tax asset.

**II. Temporary differences and tax losses to be settled**

Due to the fact that the company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised on the basis of the annual settlement of income tax, after the end of the fiscal year. In 2015, assets due to temporary differences in income tax, worth PLN 1.094 million, were recognised. Tax assets worth PLN 0.479 million, recognised at 31st of December, 2014, were dissolved in part. A provision for deferred income tax due to temporary differences in the amount of 0.073 million PLN was recognised and a provision in the amount of PLN 0.058 million was dissolved. The total effect of these operations on the result of 2015 was plus PLN 0.6 million. Provision for deferred income tax related to valuation of investment certificates in CCF FIZ was diminished by PLN 0.674 million. The provisions as well as certificates valuation are settled with revaluation reserve.

## Note 4 b

OTHER PREPAYMENTS	thousands of PLN	
	2015	2014
a) prepayments of costs, including:	799	537
-non-current prepayments due to costs	799	537
Total other prepayments	799	537

## Note 5 a

INVENTORIES	thousands of PLN	
	2015	2014
a) materials	1,026	2,160
b) rough products and products in progress	25,558	15,436
c) finished goods	76	3,250
d) advances for deliveries	1,086	0
Total inventories	0	20,846

Due to loss in value, write-offs that revalue inventories were done and worth PLN 0.211 million. At the same time, write-offs that revalue inventories were dissolved and amounted to PLN 0.224 million (including those from using in the amount of PLN 0.04 million). Total value of write-offs that are included in the result, as operating revenue, amounts to PLN 0.12 million.

## Note 6 a

CURRENT RECEIVABLES	thousands of PLN	
	2015	2014
a) from related parties	148,591	121,142
-due to deliveries and services with payment period of:	146,724	119,329
-up to 12 months	146,724	119,329
-other	1,867	1,813
b) from other entities	143,189	142,893
-due to deliveries and services with payment period of:	140,823	137,939
-up to 12 months	134,887	136,696
-over 12 months	5,936	1,243
-other	2,366	4,954
-settlements with employees due to advances and loans	376	173
-deposits, securities, overpayments	626	1,287
-due subsidies	670	2,023
-investments receivables	0	0
-other	694	1,471
Total net current receivables	291,780	264,035
c) write-offs revaluating receivables	16,047	14,306
Total gross current receivables	307,827	278,341

## Note 6 b

CURRENT RECEIVABLES FROM RELATED PARTIES	thousands of PLN	
	2015	2014
a) due to deliveries and services, including:	146,724	119,328
-from subsidiaries	146,487	119,228
-from associates	237	100
b) others, including:	1,867	1,814
-from subsidiaries	1,867	1,814

Total net current receivables from related parties	148,591	121,142
c) write-offs revaluating receivables from related parties	9,726	8,766
Total gross current receivables from related parties	158,317	129,908

**Note 6 c**

<b>CHANGE IN WRITE-OFFS THAT REVALUATE CURRENT RECEIVABLES</b>	thousands of PLN	
	2015	2014
Opening balance	14,306	7,151
a) increases (due to)	7,250	12,787
-establishing write-offs for bad debts	7,250	12,787
b) decreases (due to)	5,509	5,632
-dissolution of provisions - paid receivables	5,102	3,884
-dissolution of provisions – listing of outdated receivables	407	1,748
-dissolution of write-offs for receivables – accumulated depreciation	0	0
Closing balance of write-offs that revalue current receivables	16,047	14,306

**Note 6 d**

<b>GROSS CURRENT RECEIVABLES (CURRENCY STRUCTURE)</b>	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			113,597	131,978
b) in foreign currencies (by currencies and after conversion to PLN)			194,230	146,363
b1. in currency	in thou.	EUR	32,995	24,196
after conversion to thousands of PLN			140,752	103,120
b2. in currency	in thou.	USD	10,464	7,337
after conversion to thousands of PLN			40,717	25,700
b3. in currency	in thou.	CHF	1	17
after conversion to thousands of PLN			5	59
b4. in currency	in thou.	GBP	1,389	1,959
after conversion to thousands of PLN			8,036	10,706
other currencies in thousands of PLN			4,720	6,778
Total current receivables			307,827	278,341

**Note 6 e**

<b>GROSS RECEIVABLES DUE TO DELIVERIES AND SERVICES, WITH PAYMENT PERIOD OF THE BALANCE SHEET DATE:</b>	thousands of PLN	
	2015	2014
a) less than 1 month	150,360	131,658
b) over 1 month and less than 3 months	21,189	29,595
c) over 3 month and less than 6 months	2,299	6,150
d) over 6 months and less than 1 year	773	2,634
e) over 1 year	358	1,301
f) outdated receivables	128,104	100,236
Total gross receivables due to deliveries and services	303,083	271,574
g) write-offs that revalue receivables due to deliveries and services	15,536	14,306
Total net receivables due to deliveries and services	287,547	257,268

Receivables listed in items a) to e) are related with the regular course of sales. Payment deadline is one of integral elements of the financial offer of the Comarch S.A. The Company applies different payment deadlines depending on agreement type and contractor. In particular, long payment deadlines result from using by public institutions of the so-called guarantee deposits settled after

completion of a contract (i.e. withholding part of payment of each invoice until the contract is completely executed).

**Note 6 f**

<b>GROSS RECEIVABLES DUE TO DELIVERIES AND SERVICES, OUTDATED, BY RECEIVABLES OUTSTANDING IN THE PERIOD:</b>	thousands of PLN	
	2015	2014
a) less than 1 month	31,546	28,745
b) over 1 month and less than 3 months	27,524	21,841
c) over 3 month and less than 6 months	19,103	21,192
d) over 6 months and less than 1 year	36,113	19,442
e) over 1 year	13,818	9,016
Total gross receivables due to deliveries and services, outdated	128,104	100,236
f) write-offs that revalue receivables due to deliveries and services, outdated	15,536	14,306
Total net receivables due to deliveries and services, outdated	112,568	85,930

**Note 7 a**

Contested debts and outdated receivables (by titles) as at 31<sup>st</sup> of December, 2015:  
a) contested receivables – comprised by revaluating write-offs: PLN 0.541 million.  
b) gross outdated receivables: PLN 128.615 million, including:  
- due to deliveries of finished goods and services: PLN 128.615 million.  
Outdated receivables on which revaluating write-offs were not made: PLN 112.568 million.  
Outdated receivables comprised by revaluating write-offs: PLN 16.047 million.  
Including receivables that are prosecuted – comprised by revaluating write-offs: PLN 1.030 million PLN.

File	Description

**Note 8 a**

<b>CURRENT FINANCIAL ASSETS</b>	thousands of PLN	
	2015	2014
a) in subsidiaries	110	22
-granted loans	110	22
-other current financial assets (by types)	0	0
b) in other parties	632	422
-interest and shares	1	1
-granted loans	0	421
-other current financial assets (by types)	631	0
-forward contracts	631	0
c) cash and cash equivalents	70,385	86,901
-cash in hand and at banks	70,383	86,896
-other monetary assets	2	5
Total current financial assets	71,127	87,345

**Note 8 b**

<b>SECURITIES, SHARES AND OTHER CURRENT FINANCIAL ASSETS (CURRENCY STRUCTURE)</b>	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			632	1
Total securities, shares and other current financial assets			632	1

## Note 8 c

SECURITIES, SHARES AND OTHER CURRENT FINANCIAL ASSETS (BY DISPOSAL)	thousands of PLN	
	2015	2014
A. With unlimited disposability, not registered on regulated market (balance sheet value)	0	0
a) other-by types (balance sheet value):	0	0
-market value	0	0
-value by acquisition price	0	0
B. Shares registered in regulated market (balance sheet value)	1	1
-market value	1	1
-value by acquisition price	0	0
C. Derivatives (balance sheet value)	631	0
-market value	631	0
Total balance sheet value	632	1

## Note 8 d

GRANTED CURRENT LOANS (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			110	421
b) in foreign currencies (by currencies and after conversion to PLN)			0	22
b1. in currency	in thou.	EUR	0	5
after conversion to thousands of PLN			0	22
Other currencies in thousands of PLN			0	0
Total granted current loans			110	443

## Note 8 e

CASH AND CASH EQUIVALENTS (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			41,679	70,942
b) in foreign currencies (by currencies and after conversion to PLN)			28,706	15,959
b1. in currency	in thou.	EUR	4,921	3,477
after conversion to thousands of PLN			20,971	14,821
b2. in currency	in thou.	USD	1,896	136
after conversion to thousands of PLN			7,397	477
b3. in currency	in thou.	GBP	30	38
after conversion to thousands of PLN			173	207
b4. in currency	in thou.	DKK	4	4
after conversion to thousands of PLN			2	2
B5. in currency	in thou.	CHF	10	5
after conversion to thousands of PLN			41	17
B6. in currency	in thou.	CAD	5	0
after conversion to thousands of PLN			14	1
other currencies in thousands of PLN			108	434
Total cash and cash equivalents			70,385	86,901



## Note 9 a

CURRENT PREPAYMENTS	thousands of PLN	
	2015	2014
a) current prepayments of costs, including:	5,703	6,421
-costs related to the future sales	4,555	5,464
-property and motor insurance	757	588
-other	391	369
b) other prepayments, including:	31,608	28,691
-prepayments due to revenues from non-current contracts	31,608	28,691
Total current prepayments	37,311	35,112

## Note 10 a

SHARE CAPITAL (STRUCTURE)								
in thousands of PLN								
Series/ issue	Type of shares	Type of shares preference	Type of limitation of rights to shares	Number of shares	Value of series/ issue by nominal value	Capital covering	Registration date	Right to dividend (from)
A	Registered preference	vote 5:1	not limited	864,800	865	transformation of limited company	1994-12-20	1994-12-20
A	ordinary bearer shares		not limited	75,200	75	transformation of limited company	1994-12-20	1994-12-20
B	Registered preference	vote 5:1	not limited	883,600	884	cash	1995-03-24	1994-12-20
B	ordinary bearer shares		not limited	56,400	56	cash	1995-03-24	1994-12-20
C	ordinary bearer shares		not limited	3,008,000	3,008	cash	1997-06-20	1996-11-01
D	ordinary bearer shares		not limited	1,200,000	1,200	cash	1999-03-01	1997-11-01
E	ordinary bearer shares		not limited	638,600	638	cash	2000-03-08	1999-01-01
G	ordinary bearer shares		not limited	125,787	126	cash	2004-06-29	2004-01-01
G3	ordinary bearer shares		not limited	102,708	103	cash	2005-06-23	2005-01-01
H	ordinary bearer shares		not limited	543,025	543	conversion of convertible bonds into shares	2006-03-20	2006-01-01
H	ordinary bearer shares		not limited	20,650	21	conversion of convertible bonds into shares	2006-03-31	2006-01-01
I2	ordinary bearer shares		not limited	441,826	442	execution of managerial option	2007-04-20	2007-01-01

						programme		
J2	ordinary bearer shares		not limited	91,041	91	execution of managerial option programme	2010-03-31	2010-01-01
K3	ordinary bearer shares		not limited	73,953	74	execution of managerial option programme	2014-03-31	2013-01-01
L1	ordinary bearer shares		not limited	7,759	8	execution of managerial option programme	2015-05-14	2014-01-01
Total number of shares				8,133,349				
Total share capital					8,133			
Nominal value of one share (PLN)			1.00					

**I. Shareholders holding directly or indirectly by subsidiary entities at least 5% of the total number of votes in the general meeting of Comarch S.A.**

As at 31<sup>st</sup> of December, 2015, shareholders holding directly or indirectly by subsidiary entities at least 5% of the total number of votes in the general meeting of Comarch S.A. were:

-Janusz Filipiak held 2,674,488 shares (32.88% of the company's share capital), which gave him 6,246,488 votes at the AGM and constituted 41.30% of all votes at the AGM;

-Elżbieta Filipiak held 846,000 shares (10.40% of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 27.96% of all votes at the AGM.

**AFTER THE BALANCE SHEET DATE:**

None. As a consequence, as at the date of publication of this report, shareholders holding directly or indirectly by subsidiary entities at least 5% of the total number of votes in the general meeting of Comarch S.A. were:

-Janusz Filipiak held 2,674,488 shares (32.88% of the company's share capital), which gave him 6,246,488 votes at the AGM and constituted 41.30% of all votes at the AGM;

-Elżbieta Filipiak held 846,000 shares (10.40% of the company's share capital), which gave her 4,230,000 votes at the AGM and constituted 27.96% of all votes at the AGM.

**II. Managerial Option Program for Members of the Management Board and Other Key Employees for 2014 – 2016**

On 26<sup>th</sup> of June, 2013, the Annual General Meeting of Shareholders passed Resolution no. 36 on the managerial options programme for members of the company's Management Board managing company and Capital Group for 2014-2016. The objective of the programme was to additionally motivate members of the company's Management Board by options on Comarch shares dependent on increases in the value of the company and increase in its capitalisation. The program was executed through offers of newly-issued shares in the company in 2015, 2016 and 2017 to company's Management Board. The value of the Option was at all times equivalent to the difference between the average closing price of the company's shares of each year of the execution of the program (beginning with 2014) and the issue price of shares offered to Members of the Management Board. After changes introduced by the resolution no. 25 of the Annual General Meeting of the 26<sup>th</sup> of June, 2014, period of execution of the program was limited for 2014 (details of this program were presented in note 40 of the financial statement).

Execution of this programme for 2015

The difference between the average capitalisation in December, 2014 and the average capitalisation in December, 2013 was positive, which means that the basic condition of the programme has been met. As a result, shares for members of the Management Board and Key Employees was issued in 2015. Acting in execution of the Resolution no. 36 of the Annual General Meeting of Comarch S.A. of the 26<sup>th</sup> of June, 2013, regarding the managerial option program for members of the company's Management Board managing company and Capital Group, on the 16<sup>th</sup> of February, 2015, the Supervisory Board of Comarch S.A. passed the Resolution no. 1/02/2015 on execution of the managerial option program for 2014, by way of issuance of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 and issue price of PLN 1 each, excluding a stock right of the current company's shareholders. Shares was offered to the entitled persons according to the provisions of the managerial option program for members of the company's Management Board managing company and Capital Group, passed with Resolution no. 36 of the Annual General Meeting of the 26<sup>th</sup> of June, 2013 (current report no. 6/2015 dated the 16<sup>th</sup> of February, 2015). As a result, the Management Board passed the resolution no. 1 dated the 16<sup>th</sup> of March, 2015, regarding an increase in the share capital by way of emission of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 each and issue price of PLN 1, excluding a stock right of the current company's shareholders, in addition to changes in the company's articles of association within the scope. The company announced details in current report no. RB-8-2015 dated the 16<sup>th</sup> of March, 2015. On the 14<sup>th</sup> of May, 2015, the increase in the company's share capital of Comarch S.A. to the amount of PLN 8,133,349.00 was registered by the District Court for Kraków-Śródmieście in Kraków, XI Economic Division of the National Court Register. After this increase the company's share capital is divided into 8,133,349 shares. It corresponds to 15,126,949 votes at the company's AGM (RB-13-2015 dated the 21<sup>st</sup> of May, 2015). On the 23<sup>rd</sup> of June, 2015, the Management Board of the National Deposit for Securities passed a resolution no. 400/15 in relation to the conditional registration of 7,759 ordinary bearer series L1 Comarch S.A. shares of a nominal value of PLN 1.00 (one zloty) each. Series L1 shares were registered by the National Deposit for Securities on condition that the company managing the regulated market decides that these shares will be introduced to trading on the regulated market where other Comarch S.A. shares with the code PLCOMAR00012 had been introduced by the company managing the regulated market (RB-19-2015 dated 23<sup>rd</sup> of June, 2015). On the 21<sup>st</sup> of July, 2015, with the resolution no. 700/2015 the Management Board of the Warsaw Stock Exchange decided that 7,759 ordinary bearer series L1 Comarch S.A. shares of nominal value of 1 PLN each are admitted to trading (RB-29-2015 dated 21<sup>st</sup> of July, 2015). On the 22<sup>nd</sup> of July, 2015, the Management Board of Comarch S.A received an announcement of the Operating Department of the National Deposit for Securities informing that pursuant to the NDS Management Board's resolution no. 400/15 dated the 23<sup>rd</sup> of June, 2015, on the 23<sup>rd</sup> of July, 2015, 7,759 Comarch S.A. shares will be registered in the National Deposit for Securities under the ISIN code: PLCOMAR00012 (RB-30-2015 dated 22<sup>nd</sup> of July, 2015).

**Note 11 a**

<b>SUPPLEMENTARY CAPITAL</b>	thousands of PLN	
	2015	2014
a) from sales of shares above par	84,448	84,448
b) created according to the law	2,711	2,684
c) created according to the statute/agreement, above the (minimal) value that is required by law	475,133	434,112
Total supplementary capital	562,292	521,244

**Note 12 a**

<b>REVALUATION RESERVE</b>	thousands of PLN	
	2015	2014
Opening balance of revaluation of reserve	105,926	118,818
a) increases	674	3,024
-provision for deferred tax due to certificates valuation	674	3,024
b) decreases	3,548	15,916
-balance-sheet valuation of investment certificates	3,548	15,916
Total revaluation reserve	103,052	105,926

## Note 13 a

OTHER RESERVE CAPITALS (BY PURPOSES)	thousands of PLN	
	2015	2014
-investment capital	79	79
-supplementary capital for covering the tax liabilities	666	666
Total reserve capitals	745	745

## Note 14 a

CHANGES IN PROVISION DUE TO DEFERRED INCOME TAX	thousands of PLN	
	2015	2014
1. Opening balance of provision due to deferred income tax	26,071	29,423
2. Increases	73	25
-referred into the financial result of the period due to positive temporary differences	73	25
3. Decreases	732	3,377
-referred into revaluation reserve due to CCF FIZ investment certificates valuation	674	3,024
-referred into the financial result	58	353
4. Closing balance of provision due to deferred income tax	25,412	26,071
-referred into the financial result	1,221	1,206
-referred into the equity	24,191	24,865

## Note 14 b

CHANGES IN OTHER CURRENT PROVISIONS (BY TITLES)	thousands of PLN	
	2015	2014
a) opening balance	103,608	70,315
b) increases (due to)	112,626	116,960
-creating provisions due to contractual penalties and recoveries related to delays in contract execution and withdrawal from the contracts	3,203	8,746
-provisions for leaves	10,010	9,502
-provisions for contracts costs	13,928	14,031
-provisions for rewards	85,485	84,681
c) decreases	100,977	83,667
-dissolving provisions for leaves	8,401	6,725
-dissolving provisions for contractual penalties due to no reasons for creating them	2,633	855
-provisions for contracts costs	14,864	8,637
-provisions for rewards	75,079	67,450
-other provisions	0	0
c) closing balance	115,257	103,608

## Note 15 a

NON-CURRENT LIABILITIES	thousands of PLN	
	2015	2014
a) to subsidiaries	3,530	1,009
-other (by types)	3,530	1,009
-due to lease	327	530
-received loans	3,203	479
b) to other entities	97,679	102,984
-credits and loans	96,268	101,556
-other	1,411	1,404

-financial leasing	0	24
Total non-current liabilities	101,209	103,993

## Note 15 b

NON-CURRENT LIABILITIES WITH PAYMENT PERIOD (FROM THE BALANCE SHEET DATE)	thousands of PLN	
	2015	2014
a) over 1 year up to 3 years	36,950	32,434
b) over 3 years up to 5 years	32,009	29,067
c) over 5 years	32,250	42,492
Total non-current liabilities	101,209	103,993

## Note 15 c

NON-CURRENT LIABILITIES (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			4,499	2,437
b1. in currency	in thou.	EUR	22,694	23,827
after conversion to thousands of PLN			96,710	101,556
Total non-current liabilities			101,209	103,993

## Note 16 a

CURRENT LIABILITIES	thousands of PLN	
	2015	2014
a) to subsidiaries	22,928	15,129
-due to deliveries and services with payment period of:	12,244	11,113
-up to 12 months	12,244	11,113
-other (by types)	10,684	4,016
-liabilities due to lease	236	236
-liabilities due to loan	0	2,613
-investment liabilities	413	101
-liabilities due to payments for capital	8,973	0
-other	1,062	1,066
c) to other entities	107,152	103,287
-credits and loans	16,632	13,012
-other financial liabilities	1,686	1,651
-due to deliveries and services with payment period of:	49,881	43,595
-up to 12 months	43,928	42,349
-over 12 months	5,953	1,246
-advances for received deliveries	4,201	174
-due to taxes, customs, insurance and other benefits	31,726	38,067
-due to remuneration	176	74
-other (by titles)	2,850	6,714
-investment liabilities	2,003	6,032
-liabilities to employees	594	364
-other	253	318
d) special funds (by types)	1,455	1,232
-Social Services Fund and Residential Fund	1,455	1,232
Total current liabilities	131,535	119,648

## Note 16 b

CURRENT LIABILITIES (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2015	2014
a) in polish currency			94,823	97,403
b) in foreign currencies (by currencies and after conversion to PLN)			36,712	22,245
b1. in currency	in thou.	EUR	5,866	3,580
after conversion to thousands of PLN			24,996	15,260
b2. in currency	in thou.	USD	2,484	259
after conversion to thousands of PLN			9,692	909
b3. in currency	in thou.	GBP	59	1,051
after conversion to thousands of PLN			341	5,746
b3. in currency	in thou.	CHF	103	93
after conversion to thousands of PLN			405	330
Other currencies in thousands of PLN			1,278	0
Total current liabilities			131,535	119,648

## Note 17 a

OTHER ACCRUALS	thousands of PLN	
	2015	2014
a) costs related to the current period that will be incurred in future	551	1,384
b) accruals of revenues	11,439	10,118
-current (by titles)	11,439	10,118
-subsidies received	153	680
-accruals due to long-term contracts	11,286	9,438
Total other accruals	11,990	11,502

## Note 18 a

Book value per single share in column "2015" is equal to book value (equity) divided by number of shares as at 31<sup>st</sup> of December, 2015. Book value per single share in column "2014" is equal to book value (equity) divided by number of shares as at 31<sup>st</sup> of December, 2014.

Diluted book value per single share in column "2015" is equal to book value (equity) divided by number of shares as at 31<sup>st</sup> of December, 2015. Diluted book value per single share in column "2014" is equal to book value (equity) divided by number of shares as at 31<sup>st</sup> of December, 2014. Pursuant to IAS 33, in calculation of diluted profit per single share (diluted book value per single share) ordinary shares should be regarded as diluting if and only if their conversion to ordinary shares would reduce net profit (book value).

File	Description

## OFF-BALANCE ITEMS COMMENTARY NOTES

## Note 19 a

CONTINGENT LIABILITIES TO RELATED PARTIES (DUE TO)	thousands of PLN	
	2015	2014
a) granted bank guarantees and suretyships	162,788	156,899
-to subsidiaries	162,788	156,899
Total contingent liabilities to related parties	162,788	156,899

## INCOME STATEMENT COMMENTARY NOTES

## Note 20 a

NET REVENUES FROM SALES OF PRODUCTS (MATERIAL STRUCTURE-TYPES OF ACTIVITIES)	thousands of PLN	
	2015	2014
-sales of IT services	507,676	466,522
-including: from related parties	148,191	127,796
-sales of proprietary software and licences	135,988	102,413
-including: from related parties	51,569	23,322
-sales of finished goods	10,699	38,948
-including: from related parties	10,679	38,254
-other sales	5,525	4,584
-including: from related parties	3,230	2,314
Total net revenues from sales of products	659,888	612,467
-including: from related parties	213,669	191,686

## Note 20 b

NET REVENUES FROM SALES OF PRODUCTS (GEOGRAPHICAL STRUCTURE)	thousands of PLN	
	2015	2014
a) domestic	346,269	359,528
-including: from related parties	42,781	57,793
b) export	313,619	252,939
-including: from related parties	170,888	133,893
Total net revenues from sales of products	659,888	612,467
-including: from related parties	213,669	191,686

## Note 21 a

NET REVENUES FROM SALES OF GOODS AND MATERIALS (MATERIAL STRUCTURE- TYPES OF ACTIVITIES)	thousands of PLN	
	2015	2014
-computer hardware	8,356	26,439
-including: from related parties	2,447	19,758
-proprietary software and licences	52,159	42,337
-including: from related parties	11,922	6,132
-other	29,153	43,582
-including: from related parties	6,787	13,949
Total net revenues from sales of goods and materials	89,668	112,358
-including: from related parties	21,156	39,839

## Note 21 b

NET REVENUES FROM SALES OF GOODS AND MATERIALS (GEOGRAPHIC STRUCTURE)	thousands of PLN	
	2015	2014
a) domestic	85,660	110,048
-including: from related parties	18,487	38,233
b) export	4,008	2,310
-including: from related parties	2,669	1,606
Total net revenues from sales of goods and materials	89,668	112,358
-including: from related parties	21,156	39,839

## Note 22 a

COSTS BY TYPES	thousands of PLN	
	2015	2014
a) depreciation	31,504	29,536
b) consumption of materials and energy	13,450	12,213
c) third party services	130,719	105,509
d) taxes and charges	5,073	4,675
e) remuneration	329,865	278,150
f) social insurance and other benefits	56,073	48,162
g) other (by types)	17,886	21,303
Total costs by types	584,570	499,548
Change in inventories, products and prepayments	-13,766	16,798
Costs of sales (negative value)	-76,706	-68,135
Administrative costs (negative value)	-53,663	-48,533
Manufacturing costs of products sold	440,435	399,678

## Note 23 a

OTHER OPERATING REVENUES	thousands of PLN	
	2015	2014
a) provision dissolution (due to)	12	0
-write-offs that revalue materials and finished goods	12	0
b) other, including:	1,747	634
-recovered communication damages	96	21
-expired liabilities	1,273	0
-refund of VAT which paid abroad	115	139
-received contractual penalties, compensation	0	174
-refunded court expenses	0	3
-remuneration of taxpayer, refunds from Social Securities Institution	128	96
-cancelled training contracts	47	41
-dissolving of provisions for penalties, damages, claims	0	0
-money bonus	25	67
-creating-dissolving the write-offs revaluating receivables	0	0
-other	63	93
Total operating revenues	1,759	634

## Note 24 a

OTHER OPERATING COSTS	thousands of PLN	
	2015	2014
a) other, including:	13,706	33,336
-membership fees	398	274
-donations	70	26
-paid penalties and damages	930	8,626
-costs of projects that are in part financed with subsidies	9,596	9,154
-revaluation of non-financial assets	0	2,914
-social costs	104	40
-creating-dissolving the write-offs revaluating receivables	1,463	11,383
-real estate maintenance costs	825	715
-other	320	204
Total operating costs	13,706	33,336



## Note 25 a

FINANCIAL REVENUES DUE TO DIVIDENDS AND SHARES IN PROFITS	thousands of PLN	
	2015	2014
a) dividends from related parties, including	1,378	0
-dividends from subsidiaries:	1,378	0
Total financial revenues due to dividends and shares in profits	1,378	0

## Note 25 b

FINANCIAL REVENUES DUE TO INTEREST	thousands of PLN	
	2015	2014
a) due to granted loans	799	571
-from related parties, including:	791	558
-from subsidiaries	782	550
-from affiliates	9	8
b) other interest	715	655
-from other parties	715	655
Total financing revenues due to interest	1,514	1,226

## Note 25 c

OTHER FINANCING REVENUES	thousands of PLN	
	2015	2014
a) other, including:	4,728	0
-executed forward transactions	0	0
-exchange differences	4,298	2,537
-forward valuation	430	0
-other	0	0
Total financing revenues	4,728	2,537

## Note 26 a

FINANCING COSTS DUE TO INTEREST	thousands of PLN	
	2015	2014
a) other interest	1,533	2,148
-for subsidiaries	110	130
-for other parties	1,423	2,018
Total financing costs due to interest	1,533	2,148

## Note 26 b

OTHER FINANCING COSTS	thousands of PLN	
	2015	2014
a) other, including:	429	5,058
-commissions on guarantees	333	457
-valuation of financial instruments	41	4,565
-other	55	36
Total other financing costs	429	5,058

## Note 27 a

CURRENT INCOME TAX	thousands of PLN	
	2015	2014
1. Gross profit (loss)	66,719	53,735
2. Permanent differences between gross profit (loss) and basis of taxation for income tax	10,371	13,987
3. Temporary differences between gross profit (loss) and basis of taxation for income tax	42,964	63,803
4. Other differences between gross profit (loss) and basis of taxation for income tax, including:	-68,976	-64,477
-income exempt due to activities in Special Economic Zone	-68,976	-64,477
5. Basis of taxation for income tax	51,078	67,048
6. Income tax at the rate of 19% in Poland and 10% in Albany	9,637	12,681
7. Income tax recognised in income statement	9,036	12,686
-presented in tax declaration (current tax to be paid)	9,637	12,681
-deferred	-601	5

## Note 27 b

DEFERRED INCOME TAX RECOGNISED IN INCOME STATEMENT:	thousands of PLN	
	2015	2014
-deferred income tax due to temporary differences	-601	5
Total deferred income tax	-601	5

## Note 28 a

On the 24<sup>th</sup> of June, 2015, General Meeting approved the resolution no. 9 regarding the distribution of net profit for the fiscal year 1.01.2014 - 31.12.2014. The net profit in the amount of PLN 45,584,120.35 was passed in total to supplementary capital.

Comarch S.A.'s Management Board has not made a decision until publication date of this report concerning a proposed profit-sharing for 2015.

File	Description

## Note 29 a

Net profit per single share in column "2015" is equal to net profit for the period from 1<sup>st</sup> of January, 2015 to 31<sup>st</sup> of December, 2015, divided by weighted average number of shares between 1<sup>st</sup> of January, 2015 and 31<sup>st</sup> of December, 2015, where number of days is the weight. Net profit per single share in column "2014" is equal to net profit for the period from 1<sup>st</sup> of January, 2014 to 31<sup>st</sup> of December, 2014, divided by weighted average number of shares between 1<sup>st</sup> of January, 2014 and 31<sup>st</sup> of December, 2014, where number of days is the weight.

Diluted net profit per single share in column "2015" is equal to net profit for the period from 1<sup>st</sup> of January, 2015 to 31<sup>st</sup> of December, 2015 divided by weighted average number of shares between 1<sup>st</sup> of January, 2015 and 31<sup>st</sup> of December, 2015 that was calculated according to IAS 33. Diluted net profit per single share in column "2014" is equal to net profit for the period from 1<sup>st</sup> of January, 2014 to 31<sup>st</sup> of December, 2014 divided by weighted average number of shares between 1<sup>st</sup> of January, 2014 and 31<sup>st</sup> of December, 2014 that was calculated according to IAS 33. Pursuant to IAS 33, in calculation of diluted profit per single share (diluted book value per single share) ordinary shares should be regarded as diluting if and only if their conversion to ordinary shares would reduce net profit (book value).

File	Description

**CASH FLOW COMMENTARY NOTES**

File	Description
Cash flow commentary notes.pdf	Cash flow commentary notes-Appendix no. 7

CASH FLOWS FROM INVESTING ACTIVITIES (INDIRECT METHOD)	in thousands of PLN	
	2015	2014
I. Net profit (loss)	57,683	41,049
II. Total adjustments	32,083	91,517
1. Depreciation	31,504	29,536
2. Exchange gains (losses)	59	1,789
3. Interest and shares in profits (dividends)	-4	1,758
4. Profit (loss) on investing activities	19,277	18,379
5. Change in provisions	11,664	32,965
6. Change in inventories	-6,900	5,532
7. Change in receivables	-26,562	36,142
8. Change in current liabilities, excluding credits and loans	5,618	-34,635
9. Change in prepayments and accruals	-2,573	51
10. Other adjustments	0	0
III. Net cash used in operating activities (I+/-II)	89,766	132,566

**B. ADDITIONAL COMMENTARY NOTES**

File	Description
Additional commentary notes.pdf	Additional commentary notes-Appendix no. 8
Additional balance-sheet commentary notes.pdf	Additional balance-sheet commentary notes -Appendix no. 9

**SIGNATURES**

SIGNATURES OF ALL MEMBERS OF THE BOARD			
Date	Name and surname	Position	Signature
2016-04-28	Janusz Filipiak	President of the Management Board	
2016-04-28	Marcin Dąbrowski	Vice-president of the Management Board	
2016-04-28	Paweł Prokop	Vice-president of the Management Board	
2016-04-28	Andrzej Przewięźlikowski	Vice-president of the Management Board	
2016-04-28	Zbigniew Rymarczyk	Vice-president of the Management Board	
2016-04-28	Konrad Tarański	Vice-president of the Management Board	
2016-04-28	Marcin Warwas	Vice-president of the Management Board	
SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS			
Date	Name and surname	Position	Signature
2016-04-28	Maria Smolińska	Head Accountant	

**REPORT OF THE MANAGEMENT BOARD (REPORT REGARDING THE ACTIVITIES OF ISSUER)**

File	Description
Report of the Management Board.pdf	Report of the Management Board-Appendix no. 10

**REPORT REGARDING THE CORPORATE GOVERNANCE**

File	Description
Report regarding the Corporate Governance.pdf	Report regarding the Corporate Governance- Appendix no. 11

In this report, the following notes have not been filed in:

Property, plant and equipment in use recognised off-balance sheet

Non-current receivables, Change in non-current receivables (by titles), Change in write-offs revaluating non-current receivables

Non-current receivables (currency structure)

Change in intangibles (by types), Interest or shares in related units that are valued by equity method, including:

Change in goodwill-subsidaries, Change in goodwill-co subsidiaries, Change in goodwill-associates, Change in negative goodwill-subsidaries, Change in negative goodwill- co subsidiaries, Change in negative goodwill-associates, Interest or shares in subsidiaries, Interest or shares in subsidiaries-cont., Interest or shares in other entities

Other current investment (by types), Other current investment (currency structure)

Revaluating write-offs

Proprietary shares (interest), Shares (interest) of issuer that are propriety of related parties

Write-offs from net profit during financial year (due to)

Change in non-current provision for retirement pension and similar (due to), Change in current provision for retirement pension and similar (due to), Change in other non-current provisions (due to)

Non-current liabilities due to credits and loans, Non-current liabilities due to issued debts

Current liabilities due to credits and loans, Current liabilities due to issued debts

Change in negative goodwill

Contingent receivables from related entities (due to)

Profit (loss) on sales of entirety or part of shares of related parties

Extraordinary profits

Extraordinary losses

Total amount of deferred tax, Income tax recognised in income statement related

Other obligatory decreases in profit (increases in losses), due to:

Share in net profits (losses) of related parties that are valued by equity method, including:

Note 3j INTEREST OR SHARES IN RELATED UNITS												
LP thousands of PLN												
	a	b	c	d	e	f	g	h	i	j	k	l
	name of entity (company) including legal form	seat	activities	nature of relationship (subsidiary, correlate or associate, including direct and indirect relationship)	the applied method of consolidation / equity method valuation or indication that an entity is not subject to consolidation/ valuated by equity method	date of control / co-control accession / obtaining major share	value of interest / shares by acquisition price	revaluating corrections (total)	balance sheet value of interest / shares	% of share capital held	share in total number of votes at AGM	indication of basis for control / co control / major share different than the one specified under clauses j) or k)
1	Comarch AG	Dresden	Sales of software and services in European market	subsidiary	consolidated	13.09.1999	154,456	-1,320	153,136	100	100	
2	Comarch Software und Beratung AG	München	provider IT solutions (especially ERP ) and integrator of IT solutions	second degree subsidiary (subsidiary of Comarch AG)	consolidated	18.11.2008	109,382	-38,485	70,897	100	100	subsidiary of Comarch AG (100%)*
3	Comarch Solutions GmbH	Innsbruck	provider IT solutions (especially ERP ) and integrator of IT solutions	third degree subsidiary (subsidiary of Comarch Software und Beratung AG)	consolidated	18.11.2008	6,286	-4,960	1,326	100	100	subsidiary of Comarch Software und Beratung AG (100%)
4	Comarch Sistemas LTDA	Sao Paulo	Sales of software and services in Central and South American markets and support of delivered IT systems	second degree subsidiary (subsidiary of Comarch AG)	consolidated	02.09.2014	2	-	2	100	100	subsidiary of Comarch AG (80%) and Comarch SuB AG (20%)
5	Comarch S.A.S.	Lezennes	Sales of software and services in European and North American market	Subsidiary	consolidated	14.09.2007	37,114	-37,114	-	100	100	
6	Comarch R&D S.a r.l.	Montbonnot-Saint-Martin	Sales of software and services in European and North American market	subsidiary	consolidated	16.09.2008	714	-411	303	100	100	
7	Comarch Luxembourg S.a r.l.	Luksemburg	Sales of software and services in European market	subsidiary	consolidated	21.04.2011	1,981	-	1,981	100	100	
8	Comarch, Inc.	Rosemont	Sales and production of IT systems in American markets	Subsidiary	consolidated	24.06.1999	991	-991	-	100	100	

9	Comarch Panama, Inc.	Panama	Sales of software and services in European and South American market	second degree subsidiary (subsidiary of ComArch, Inc.)	consolidated	22.11.2004	914	-	914	100	100	subsidiary of ComArch Inc. (100%)
10	Comarch Canada Corp.	New Brunswick	Sales of IT systems in the Canadian and South American market	subsidiary	consolidated	01.06.2011	162	-21	141	100	100	
11	Comarch Espace Connecte Inc.	Montreal	Sales of IT systems in Canadian Market	subsidiary	consolidated	16.04.2015	1,164	-40	1,124	100	100	
12	Comarch Middle East FZ-LLC	Dubai	Sales of IT systems in Middle East and support of delivered IT systems	subsidiary	consolidated	08.04.2004	203	-44	159	100	100	
13	Comarch LLC	Kiev	Sales of IT systems in Ukraine and support of delivered IT systems	subsidiary	consolidated	01.06.2004	34	-34	-	100	100	
14	OOO Comarch	Moscow	Sales of IT systems in Russia and support of delivered IT systems	subsidiary	consolidated	26.01.2005	147	-147	-	100	100	
15	Comarch Software (Shanghai) Co. Ltd.	Shanghai	Sales of IT systems in China and support of delivered IT systems	subsidiary	consolidated	q3 2009	597	-597	-	100	100	
16	Comarch Technologies Oy	Espoo	Sales of IT systems in Scandinavian markets and support of delivered IT systems	subsidiary	consolidated	16.12.2010	198	-198	-	100	100	
17	Comarch UK Ltd.	London	Sales of IT systems in GB, Ireland and Poland and support of delivered IT systems	subsidiary	consolidated	20.03.2012	271	-32	239	100	100	
18	Comarch Chile SpA	Santiago	Sales of IT systems in Chile and support of delivered IT systems	subsidiary	consolidated	23.05.2013	920	-37	883	100	100	
19	Comarch Software Spain S.L.U.	Madrid	Sales of IT systems in European markets and South American markets and support of delivered IT systems	subsidiary	consolidated	11.11.2014	2,095	-	2,095	100	100	
20	Comarch Yazilim A.S.	Istanbul	Sales of IT systems in Turkey and support of delivered IT systems	subsidiary	consolidated	18.12.2014	825	-19	806	100	100	
21	Comarch SRL	Milano	Sales of IT systems and services in Europe	subsidiary	consolidated	05.02.2015	840	-840	-	100	100	
22	Comarch Malaysia SDN. BHD.	Kuala Lumpur	Sales of IT systems and services in Asia	subsidiary	consolidated	02.04.2015	517	-	517	100	100	
23	Comarch s.r.o.	Bratislava	Limited operations	Subsidiary	consolidated	31.08.2004	494	-494	-	100	100	

24	Comarch Pointshub Inc.	Rosemont	Sales of IT systems and services in America	subsidiary	consolidated	24.08.2015	32,959	-5,536	27,423	100	100	
25	Comarch AB	Stokholm	Sales of IT systems and services in Europe	subsidiary	consolidated	18.08.2015	22	-	22	100	100	
26	Comarch Argentina S.A.	Buenos Aires	Sales of IT systems in Central and South American markets	subsidiary	consolidated	11.11.2015	31	-	31	100	100	
27	Comarch Technologies sp. z o.o.	Kraków	responsible for the development of technologies related to the design and production of electronic devices and software	subsidiary	consolidated	18.11.2008	298	-	298	100	100	
28	CA Consulting SA	Warszawa	Delivery of network connections and outsourcing services	subsidiary	consolidated	18.06.2004	1,053	-	1,053	100	100	
29	Comarch Management Sp. z o.o.	Kraków	Activities related to IT	subsidiary	consolidated	19.10.2007	300	-220	80	100	100	
30	Comarch Corporate Finance FIZ	Kraków	investment activity on capital market and activities related to IT	subsidiary	consolidated	24.10.2007	1,060	127,225	128,285	100	100	100% certificates held by Comarch S.A.
31	Comarch Management Sp z o.o. SK-A	Kraków	Activities related to IT	second degree subsidiary	consolidated	21.11.2007	11,275	-5,308	5,967	100	100	25% votes held by CCF FIZ; 75% votes held by Comarch S.A shares purchased by Comarch Management Sp. o.o. SK-A to be redeemed, the Company does not exercise the voting rights
32	Bonus Management Sp. z o.o. SK-A	Kraków	activities related to real estates in Comarch	second degree subsidiary	consolidated	24.02.2011	28,344	337	28,681	100	100	subsidiary through CCF FIZ
33	Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością Cracovia Park SK-A	Kraków	investment activities in sport	second degree subsidiary	consolidated	25.03.2014	2,400	-	2,400	100	100	33.33% votes held by MKS Cracovia SSA, 66.67% held by Bonus Management Sp. Z o.o. SK-A
34	Bonus Development Sp. z o.o. SK-A	Kraków	activities related to real estates in Comarch	second degree subsidiary	consolidated	24.02.2011	55,950	-28,432	27,518	100	100	subsidiary through CCF FIZ
35	Bonus Management Sp. z o.o. II Activia SK-A	Kraków	investment activity on capital and IT market	second degree subsidiary	consolidated	07.10.2010	15,552	-384	15,168	100	100	subsidiary through CCF FIZ
36	Bonus Development Sp. z o.o. II Koncept SK-A	Kraków	Investment in real estates and activities related to real estates	second degree subsidiary	consolidated	25.10.2010	8,933	1,966	10,899	100	100	subsidiary through CCF FIZ

37	Comarch Healthcare S.A.	Kraków	production and supply of comprehensive solutions for the health sector and medical diagnostic center in Krakow iMed24	second degree subsidiary	consolidated	08.04.2008	64,200	-64,200	-	100	100	77.08% votes held by CCF FIZ, 22.92% held by CASA Management and Consulting Sp. Z o.o. SKA
38	Comarch Polska S.A.	Kraków	acquires IT contracts in the domestic market and implements them in whole or in part	second degree subsidiary	consolidated	09.06.2008	10,000	-637	9,363	100	100	subsidiary through CCF FIZ
39	Comarch Pointshub S.A.	Kraków	activities involving the manufacture and implementation of a new generation of loyalty software	second degree subsidiary	consolidated	21.10.2008	3,000	-134	2,866	100	100	subsidiary through CCF FIZ
40	Comarch Infrastruktura S.A.	Kraków	data center services and IT outsourcing	second degree subsidiary	consolidated	09.12.2008	1,150	4,180	5,330	100	100	subsidiary through CCF FIZ
41	iComarch24 S.A.	Kraków	provides accounting services for domestic subsidiaries of Comarch S.A. and leads projects related to e-accounting and e-commerce	second degree subsidiary	consolidated	04.05.2009	2,500	-917	1,583	100	100	subsidiary through CCF FIZ
42	CASA Management and Consulting Sp. z o.o. SK-A	Kraków	investment activity on capital market	second degree subsidiary	consolidated	12.10.2009	31,140	-16,335	14,805	100	100	subsidiary through CCF FIZ
43	Comarch Swiss AG	Luzern	sale and implementation of software (especially ERP) and systems integrator	third degree subsidiary	consolidated	18.11.2008	12,142	-	12,142	100	100	Subsidiary through CASA Management and Consulting Sp. o.o. SK-A
44	CAMS AG	Luzern	Investment activity in the capital and IT market	third degree subsidiary	consolidated	21.01.2013	175	-	175	51	51	51% votes held by CASA Management and Consulting Sp. o.o. SK-A
45	Opso Sp. z o.o.	Kraków	Catering services	subsidiary	consolidated	20.12.2011	205	-	205	100	100	
46	MKS Cracovia SSA	Kraków	activities in the field of physical culture and sports	subsidiary	consolidated	29.09.2003	37,209	-3,341	33,868	66.11	66.11	



47	SoInteractive S.A.**	Kraków	activities in the field of interactive web technologies	associated	equity method valuation	29.09.2008	5,400	-5,004	396	42.98	27.37	16.10% of the votes held by CCF FIZ, 11.27% of the votes held by Bonus Management Sp. o.o. II Activia SK-A
48	Metrum Capital S.A. (dawniej: Volatech Capital Advisors S.A.)**	Kraków	implementation of software investment	associated	Equity method valuation	06.02.2014	450	-226	224	64.29	47.37	15.79% of the votes held by Comarch SA, 31,58% held by CAMS AG
49	Thanks Again LLC**	Tyrone	operator loyalty programs for airports in North America	associated	Equity method valuation	24.08.2015	30,831	-9,012	21,819	42.5	42.5	42.5% of the votes held by Comarch Pointshub Inc.

(\*) including 2.68% CSuB AG shares borrowed from an entity outside the Comarch Group

(\*\*) the carrying amount of the associates is presented in the corresponding valuation by the equity method (as described in the consolidated financial statements of Comarch SA)

**Note 3k INTEREST OR SHARES IN RELATED PARTIES**

No	thousands of PLN																	
	a	m							n			o			p	r	s	t
	name of entity	equity, including:							liabilities and provisions for liabilities			receivables of entity, including:			Total assets	revenue s from sales	value of interest / shares in entity unpaid by issuer	dividends from entity received or due for the financial year
			-share capital	- due payments on share capital (negative value)	- supplementary capital	-other equity, including:				-non-current liabilities	-current liabilities		-non-current receivables	- current receivables				
							profit (loss) from previous years	net profit (loss)										
1	Comarch AG	125,797	61,888	0	90,973	-27,064	-48,877	19,315	126,456	7,934	118,522	91,361	328	91,033	252,254	158,675	0	0
2	Grupa Comarch Software und Beratung AG	38,124	24,590	0	62,947	-49,413	-60,027	19,683	32,439	3,122	29,317	26,745	0	26,745	70,563	106,515	0	0
3	Comarch Sistemas LTDA	3,965	2	0	0	3,963	2,602	4,474	22,529	0	22,529	20,299	47	20,252	26,493	21,319	0	0
4	Comarch S.A.S.	11,122	34,752	0	0	-23,630	-19,431	-6,427	11,937	949	10,988	9,164	0	9,164	23,058	20,741	0	0
5	Comarch R&D S.a.r.l	-2,015	26	0	0	-2,041	-1970	-385	4,947	3,603	1,344	2,227	0	2,227	2,932	7,368	0	0
6	Comarch Luxembourg S.a.r.l.	3,387	1,981	0	0	1,406	1,741	-444	6,445	0	6,445	4,917	0	4,917	9,833	11,155	0	0
7	Comarch, Inc.	18,955	154	0	852	17,949	8,994	7,813	12,058	0	12,058	20,359	0	20,359	31,013	54,342	0	0
8	Comarch Panama, Inc.	7,278	914	0	0	6,364	3,694	1,542	3,190	0	3,190	7,062	0	7,062	10,468	6,849	0	0
9	Comarch Canada Corp.	5,349	162	0	0	5,187	4,965	559	7,862	96	7,766	7,610	0	7,610	13,211	14,759	0	0
10	Comarch Espace Connecte Inc.	1,092	1,164	0	0	-72	0	-34	7	0	7	1	0	1	1,099	0		0
11	Comarch Middle East FZ-LLC	-5,014	200	0	0	-5,214	626	-7,471	17,488	0	17,488	8,560	0	8,560	12,473	15,151	0	0
12	Comarch LLC	-2,009	15	0	0	-2,024	-1,885	-1,229	6,183	0	6,183	3,003	0	3,003	4,174	4,697	0	0
13	OOO Comarch	548	140	0	585	-177	6	197	2,734	6	2,728	1,120	0	1,120	3,282	3,845	0	0
14	Comarch Software (Shanghai) Co. Ltd.	-37	597	0	0	-634	-534	-18	55	29	26	0	0	0	17	0	0	0
15	Comarch Technologies Oy	473	198	0	0	275	0	249	3,737	9	3,728	1,516	0	1,516	4,206	7,173	0	0
16	Comarch UK LTD	1,576	271	0	0	1,305	8,097	-7,677	8,147	27	8,120	6,761	0	6,761	9,723	13,414	0	0
17	Comarch Chile SpA	-4,151	920	0	0	-5,071	-1,951	-3,255	9,249	2,896	6,353	4,694	0	4,694	5,098	5,630	0	0
18	Comarch Software	1,114	2,095	0	0	-981	-149	-843	5,025	769	4,256	5,943	0	5,943	6,139	5,785	0	0

	Spain S.L.U.																	
19	Comarch Yazilim A.S.	1,205	825	0	0	380	-11	416	2,489	1,077	1,412	919	0	919	3,693	7,469	0	0
20	Comarch SRL	-691	840	0	0	-1,531	0	-1,548	1,833	644	1,189	914	0	914	1,142	670		0
21	Comarch Malaysia SDN. BHD.	178	517	0	0	-339	0	-286	79	0	79	18	0	18	257	104		0
22	Comarch s.r.o.	478	487	0	0	-9	-138	-1	9	0	9	0	0	0	486	0	0	0
23	Comarch Pointshub Inc.	17,887	32,959	-8,973	0	-6,099	0	-5,973	7,815	0	7,815	0	0	0	25,703	0		0
24	Comarch AB	-248	22	0	0	-270	0	-278	2,601	0	2,601	2,332	0	2,332	2,353	1,849		0
25	Comarch Argentina S.A.	18	31	0	0	-13	0	5	0	0	0	1	0	1	18	0		0
26	Comarch Technologies sp. z o.o.	10,827	50	0	1,646	9,131	8,905	46	880	72	808	5,056	0	5,056	11,708	6,259	0	0
27	CA Consulting S.A.	9,815	1,050	0	14,025	-5,260	-1,458	-3,799	15,737	58	15,679	5,852	0	5,852	25,551	65,073	0	0
28	Comarch Management Sp. z o.o.	65	300	0	0	-235	-206	-29	6	0	6	11	0	11	72	0	0	0
29	Comarch Corporate Finance FIZ	128,285	1,000	0	0	127,285	130,833	-3,548	98	0	98	11,492	6,860	4,632	128,383	0	0	0
30	Comarch Management Sp. z o.o. SK-A	384	170	0	6,634	-6,420	2,681	56	8	0	8	35	0	35	392	0	0	0
31	Bonus Management Sp. z o.o. SK-A	28,551	2,879	0	22,498	3,174	1,813	25	594	185	409	10,171	1,404	8,767	29,145	30	0	0
32	Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością Cracovia Park SK-A	2,091	800	0	1,601	-310	-92	-218	257	0	257	618	0	618	2,349	300	0	0
33	Bonus Development Sp. z o.o. SK-A	41,341	5,640	0	42,401	-6,700	-6,378	-334	11,972	10,031	1,941	2,413	0	2,413	53,314	2,177	0	0
34	Bonus Management Sp. z o.o. II Activia SK-A	15,105	1,555	0	13,998	-448	-136	-312	109	4	105	1,921	1,500	421	15,214	54	0	0
35	Bonus Development Sp. z o.o. II Koncept	9,196	101	0	8,832	263	148	114	287	0	287	1,646	0	1,646	9,482	845	0	0

	SK-A																	
36	Comarch Healthcare S.A.	-10,112	5,329	0	48,050	-63,491	-55,398	-15,993	51,681	37,101	14,580	6,574	0	6,574	41,569	21,785	0	0
37	Comarch Polska S.A.	12,074	500	0	9,500	2,074	2,768	-695	12,642	1	12,641	9,687	0	9,687	24,716	73,692	0	0
38	Comarch Pointshub S.A.	2,894	750	0	2,250	-106	66	-172	298	50	248	492	0	492	3,192	2,140	0	0
39	Comarch Infrastruktura S.A.	5,533	575	0	575	4,383	3,131	1,253	840	9	831	1,192	0	1,192	6,374	3,921	0	0
40	iComarch24 S.A.	1,721	500	0	2,000	-779	-1,185	405	268	2	266	417	0	417	1,988	1,804	0	0
41	CASA Management and Consulting Sp. z o.o. SK-A	18,717	3,114	0	28,027	-12,424	-12,443	19	24	2	22	76	0	76	18,741	0	0	0
42	Comarch Swiss AG	4,888	1,016	0	508	3,364	-2,260	-22	4,689	538	4,151	2,922	0	2,922	9,577	29,555	0	0
43	CAMS AG	307	343	0	0	-36	-39	-27	64	0	64	0	0	0	371	0		0
44	Opso Sp. z o.o.	122	205	0	0	-83	1	-84	160	0	160	29	0	29	282	2,044	0	0
45	MKS Cracovia S.A.	34,825	21,840	0	22,728	-9,743	-33,202	310	14,666	5,942	8,724	3,371	0	3,371	49,493	28,462	0	0
46	SolInteractive S.A.	1,448	791	0	1,260	-603	-261	-342	2,934	490	2,444	2,491	316	2,175	4,382	8,738	0	0
47	Metrum Capital S.A. (previously: Volatech Capital Advisors S.A.)	224	700	0	0	-476	-223	-253	46	0	46	38	0	38	269	387	0	0
48	Thanks Again LLC*	18,996	40,275	-7,802		-13,477	-9,405	-4,072	11,116	0	11,116	336	0	336	10,884	2,275		

\* Revenues and net profit (loss) are presented for the period from the time of aquisition, i.e. from September 2015

Transactions with associates and personally related entities:

-purchases from personally related entities: PLN 2.133 million,

-sales to personally related entities: PLN 0,114 million,

-purchases from associates: PLN 8.240 million,

-sales to associates: PLN 6.172 million.

**Note 15d NON-CURRENT LIABILITIES (DUE TO CREDITS AND LOANS)**

thousands of PLN

Name of entity (company) including legal form	Seat in	Value of credit / loan according to a contract				Value of credit / loans to be paid				Interest rate	Maturity date	Hedges	Other
		in thousands of PLN	in currency	unit	currency	in thousands of PLN	in currency	unit	currency				
BZ WBK (formerly Kredyt Bank S.A.)	Warsaw	30,925	7,400	thou	EUR	16,276	3,819	thou	EUR	EURIB OR1M +1.3% IRS at 0.354 % till 28-06-2019	31-12-2020	A mortgage in the amount of 11.100 million EUR, assignment of the insurance policy	related to SEZ3 building
BNP Paribas Bank Polska S.A	Warsaw	44,000		thou	PLN	20,464	4,802	thou	EUR	EURIB OR1M +0.95 % IRS at 0.77% till 29-07-2024	29-07-2024	A promissory note, the mortgage on land in the amount of 53.815 million PLN and assignment of the insurance policy	related to SEZ4 building; in October, 2011 there was a currency change in this credit
PKO Bank Polski S.A.	Warsaw	17,396	4,126	thou	EUR	10,440	2,450	thou	EUR	EURIB OR1M +1.2% IRS at 0,88% till 2018-10-31	30-09-2021	the mortgage on land in the amount of 6.189 million PLN and assignment of the insurance policy	related to SEZ5 building
BNP Paribas Bank Polska S.A.	Warsaw	9,717	2,400	thou	EUR	-	-	thou	EUR	EURIB OR3M +1.3%	29-04-2016	transfer of receivables from the contract with the client, registered pledge on funded ICT equipment,	Related to delivery of ITC hardware in relation to an IT project performed by the Comarch

												statement of submission to enforcement	Group
PEKAO S.A.	Warsaw	56,000	13,323	thou	EUR	49,088	11,519	thou	EUR	EURIB OR3M +1.4% IRS at 0.2% till 30-11-2023	04-12-2023	contractual mortgage to the amount of 84,000 million PLN, assignment of rights from property insurance agreement, assignment of performance bonds and warranties	related to SEZ6 building

At the balance sheet date, long-term part of credit to be paid is worth PLN 96,268 million.

<b>Note 16c CURRENT LIABILITIES (DUE TO CREDITS AND LOANS)</b>													
thousands of PLN													
Name of entity (company) including legal form	Seat in	Value of credit / loan according to a contract				Value of credit / loans to be paid				Interest rate	Maturity date	Hedges	Other
		in thousands of PLN	in currency	unit	currency	in thousands of PLN	in currency	unit	currency				
BZ WBK (formerly Kredyt Bank S.A.)	Warsaw	30,925	7,400	thou	EUR	4,069	955	thou	EUR	EURIB OR1M+ 1.3% IRS at 0,354% till 28-06-2019	31-12-2020	the mortgage on land in the amount of EUR 11.1 million and assignment of the insurance policy	related to SEZ3 building
BNP Paribas Bank Polska S.A.	Warsaw	44,000		thou	PLN	2,640	620	thou	EUR	EURIB OR1M+ 0.95% IRS at 0,77% till 29-07-2024	29-07-2024	promissory note, the mortgage on land in the amount of PLN 53.815 million and assignment of the insurance policy	related to SEZ4 building, in October, 2011 there was a currency change in this credit
PKO Bank Polski S.A.	Warsaw	17,396	4,126	thou	EUR	2,198	516	thou	EUR	EURIB OR1M+ 1.2% IRS at 0,88% till 31-10-2018	30-09-2021	the mortgage on land in the amount of PLN 6.189, the building insurance policy	related to SEZ5 building
BNP Paribas Bank Polska S.A.	Warsaw	9,717	2,400	thou	EUR	930	218	thou	EUR	EURIB OR13M +1.3%	29-04-2016	Transfer of receivables from the contract with the client, registered pledge on financed equipment, data communications, statement of submission to enforcement	Purchase of ICT equipment for the execution of the contract for one of the clients

PEKAO S.A.	Warsaw	56,000	13,323	thou	EUR	7,097	1,165	thou	EUR	EURIB OR3M+ 1.4% IRS at 0,2% till 30-11- 2023	04-12- 2023	Contractual mortgage to the amount of 84.000 million PLN, assignment of rights from property insurance agreement, assignment of performance bonds and warranties	related to SEZ6 building
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At the balance sheet date short-term part of credit to be paid is worth PLN 13.354 million (balance sheet valuation of interests is not included).



## CASH FLOW COMMENTARY NOTES, SA-R 2015 COMARCH S.A. ANNUAL REPORT

### Nota 30

#### CASH STRUCTURE (CURRENT YEAR)

	31 December 2015	31 December 2014	Change
Cash in hand	648	467	181
Cash in banks	69,735	86,429	(16,694)
<b>Total</b>	<b>70,383</b>	<b>86,896</b>	<b>(16,513)</b>
<i>-including exchange differences</i>	<i>(29)</i>	<i>(1,775)</i>	<i>1,746</i>

### Note 31

#### CALCULATION DETAILS OF SELECTED ITEMS IN CASH FLOW STATEMENT (CURRENT YEAR)

##### Operating activities

<b>Pos. A II 1 Depreciation</b>	<b>2015</b>	<b>2014</b>
Depreciation of intangible assets	4,891	5,504
Depreciation of property, plant and equipment	25,129	22,548
Depreciation of investment real estates	1,484	1,484
<b>Total</b>	<b>31,504</b>	<b>29,536</b>
<b>Pos. A II 3</b>	<b>2015</b>	<b>2014</b>
Paid-out interest on credits	1,921	2,155
Received interest on loans	-547	-397
Received dividend	-1,378	-
<b>Total</b>	<b>-4</b>	<b>1,758</b>
<b>Pos. A II 4</b>	<b>2015</b>	<b>2014</b>
Revenues from sales of property, plant and equipment	-1,472	-973
Cost of sold and decommissioned property, plant and equipment in use	1,044	693
Revaluation of investment		2,914
Revaluation of shares	19,705	15,745
<b>Total</b>	<b>19,277</b>	<b>18,379</b>
<b>Pos. A II 7</b>	<b>2015</b>	<b>2014</b>
Change in trade receivables	-36,580	28,103
Change in other receivables	1,905	2,356
Investment receivables	58	665
Granted loans	28,585	8,239
Paid loans	-20,530	-3,221
<b>Total</b>	<b>-26,562</b>	<b>36,142</b>

<b>Pos. A II 8</b>	<b>2015</b>	<b>2014</b>
Change in current liabilities excluding loans, credits and other financial liabilities	10,505	-29,434
Change in investment liabilities	-5,261	-2,558
Change in financial liabilities	150	-2,376
Change in Social Services Fund	224	-267
<b>Total</b>	<b>5,618</b>	<b>-34,635</b>

<b>Pos. A II 9</b>	<b>2015</b>	<b>2014</b>
Change in prepayments	-2 461	-4,354
Change in accruals	503	4,072
Change in tax asset	-615	333
<b>Total</b>	<b>-2 573</b>	<b>51</b>

## Investment activities

### Inflows

<b>Pos. B I 1</b>	<b>2015</b>	<b>2014</b>
Revenues from sales of property, plant and equipment	1,473	973
Paid receivables	-58	-665
<b>Total</b>	<b>1,415</b>	<b>308</b>

### Outflows

<b>Pos. B II 1</b>	<b>2015</b>	<b>2014</b>
Purchase of intangible assets and property, plant and equipment and real estates	-49,412	-73,465
Change of investment liabilities	-3,712	2,558
<b>Total</b>	<b>-53,124</b>	<b>-70,907</b>

<b>Poz. B II 3a</b>	<b>2015</b>	<b>2014</b>
Purchase of financial assets	-50,633	-12,499
Change of investment liabilities	8,973	-
Granted and paid non-current loans	-28,085	-9,459
<b>Razem</b>	<b>-69,745</b>	<b>-21,958</b>

# ADDITIONAL COMMENTARY NOTES SA-R 2015 COMARCH S.A. ANNUAL REPORT

## Note 32

### FINANCIAL INSTRUMENTS

#### A) Changes in Financial Instruments (by categories)

Changes in particular categories of financial assets (excluding cash and cash equivalents) from 1<sup>st</sup> of January, 2014 to 31<sup>st</sup> of December, 2014 were as follows:

Change in financial instruments by categories	Financial assets held for trading	Held to maturity financial assets	Granted loans and proprietary receivables	Financial liabilities
<b>1 January 2014</b>	1,644		11,547	98,165
<i>+ increases</i>	0		8,239	81,587
<i>- decreases</i>	1,644		5,387	58,359
<b>31 December 2014</b>	<b>0</b>		<b>14,399</b>	<b>121,393</b>
<b>Balance sheet approach</b>				
<b>Non-current financial assets</b>			<b>13,956</b>	
<i>in related parties</i>			13,956	
<i>in other entities</i>			0	
<b>Current financial assets</b>	<b>0</b>		<b>443</b>	
<i>in related parties</i>	0		22	
<i>in other entities</i>	0		421	
<b>Current financial liabilities</b>				<b>17,400</b>
<i>to related parties</i>				2,736
<i>to other entities</i>				14,664
<b>Non-current financial liabilities</b>				<b>103,993</b>
<i>to related parties</i>				1,009
<i>to other entities</i>				102,984

Changes in particular categories of financial assets (excluding cash and cash equivalents) from 1<sup>st</sup> of January, 2015 to 31<sup>st</sup> of December, 2015 were as follows:

Change in financial instruments by categories	Financial assets held for trading	Held to maturity financial assets	Granted loans and proprietary receivables	Financial liabilities
<b>1 January 2015</b>	0		14,399	121,393
+ increases	710		29,304	23,573
- decreases	0		20,541	16,229
<b>31 December 2015</b>	<b>710</b>		<b>23,162</b>	<b>128,737</b>
<b>Balance sheet approach</b>				
<b>Non-current financial assets</b>	<b>79</b>		<b>23 052</b>	
<i>in related parties</i>	0		23 052	
<i>in other entities</i>	79		0	
<b>Current financial assets</b>	<b>631</b>		<b>110</b>	
<i>in related parties</i>	0		110	
<i>in other entities</i>	631		0	
<b>Current financial liabilities</b>				<b>27,527</b>
<i>to related parties</i>				9,208
<i>to other entities</i>				18,319
<b>Non-current financial liabilities</b>				<b>101,209</b>
<i>to related parties</i>				3,530
<i>to other entities</i>				97,679

#### Financial assets held for trading

This refers to forward contracts held to reduce the effect of changes in cash flows on financial result, where cash flows are related to the planned transactions and changes are the result of foreign exchange risk.

#### Granted loans and proprietary receivables

Granted loans are appraised to according to depreciated costs using the effective interest method. When there are no differences significant for valuation, they are recognised according to nominal value accrued interest using interest rate resultant from contracts.

#### Financial liabilities

Liabilities are related to investment credit and liabilities due to lease, received loans and forward contracts held to reduce the effect of changes in cash flows on financial result, where cash flows are related to the planned transactions and changes are the result of foreign exchange risk.

**B) Interest on Financial Liabilities for 2014**

	Executed	Not executed with maturity			Total	Interest
		up to 3 months	3-12 months	over 12 months		
Interest on financial liabilities held for trading (loans)	3			335	335	338
Interest on other current financial liabilities (leasing)	32	5	14	20	39	71
Interest on non-current financial liabilities (credit)	1,917					1,917
<b>Total</b>	<b>1,952</b>	<b>5</b>	<b>14</b>	<b>355</b>	<b>374</b>	<b>2,326</b>

**C) Interest on Granted Loans and Debt Financial Instruments for 2014**

	Executed	Not executed with maturity			Total	Interest
		up to 3 months	3-12 months	over 12 months		
Interest on granted loans	545			949		1,494
Interest on debts						
<b>Total</b>	<b>545</b>			<b>949</b>		<b>1,494</b>

**Note 33  
CONTINGENT LIABILITIES**

On 31<sup>st</sup> of December, 2015, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was PLN 48.740 million, whereas it was PLN 60.327 million on 31<sup>st</sup> of December, 2014.

Comarch S.A. granted letters of comfort for its subsidiaries: MKS Cracovia SSA (valid till 30<sup>th</sup> of June, 2017) and Comarch Healthcare S.A. (valid till 30<sup>th</sup> of June, 2017).

As at 31<sup>st</sup> of December, 2015, obligation due to subsidies exceeding incurred expenses amounted to PLN 0.239 million.

Comarch S.A. is the defendant in legal proceedings in which the potential total amount of third party claims is PLN 60.963 million. Provisions for part of these claims were presented in the balance sheet as of 31<sup>st</sup> of December, 2015 and are worth PLN 7.603 million.

This includes provisions for claims in legal proceedings recognised in 2015 and worth PLN 0.032 million.

The Comarch Group is the party to the matters in disputes, but not legal proceedings in which the potential total amount of third party claims is PLN 15,011 thousand. Claims by third parties in relation to matters of dispute were not covered by provisions. In the opinion of the Management Boards in the entities of the Comarch Group and based on the opinions of legal advisors, there are no circumstances suggesting the necessity to create provisions for the rest of the claims in legal proceedings or matters in disputes but not legal proceedings.

Due to legal proceedings and matters in disputes but not legal proceedings conducted in 2014, Comarch S.A. created write-offs that revalue receivables and were worth PLN 207 thousand.

### **Information on Suretyships**

- a) Due to conclusion in August, 2010, of a contract with a customer, the Issuer has granted a guarantee for the customer. This guarantee has been provided for the duration of the contract and guarantees the satisfactory fulfilment of any obligations resulting from the contract by Comarch AG, a subsidiary of Comarch S.A. The value of the guarantee equals the value of the contract, i.e. approximately EUR 53,666,198. The financial conditions, that the guarantee was provided on, do not differ from the market conditions.
- b) Due to conclusion of a contract for implementation, hosting and maintenance of loyalty system, signed by Comarch Inc., a subsidiary of Comarch S.A., on the 28<sup>th</sup> of April, 2011, Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch Inc. The value of the surety equals a maximum of USD 3,000 thousand and is valid for the duration of the contract.
- c) Due to conclusion of a contract for sales of licences and implementation of Comarch Network & Service Inventory, Comarch Next Generation Service Assurance and Comarch OSS Mediations, as well as sales of licences for Comarch SLA Management, signed by Comarch AG, a subsidiary of Comarch S.A., on the 11<sup>th</sup> of August, 2011, Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of obligations resulting from the contract, i.e. EUR 5,495 thousand.
- d) Due to Bank Pekao S.A. granting a loan in the amount of PLN 15,888,666.42 to Comarch Healthcare S.A. (formerly iMed24 S.A.), a Comarch S.A. subsidiary, on the 1<sup>st</sup> of September, 2011, Comarch S.A. granted a surety in order to guarantee the fulfilment of any obligations resulting from the contract. The value of the surety equals PLN 23,833 thousand and is valid until the 31<sup>st</sup> of December, 2021.
- e) Due to conclusion of a contract for implementation and maintenance of BSS system by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch UK. The surety was granted up to the amount of liabilities of Comarch UK resulting from the aforementioned agreement, i.e. to the amount of GBP 808 thousand and in addition, GBP 86 thousand annually for SLA service, and it is valid for the duration of the agreement.
- f) Due to conclusion of a contract for implementation of Next Generation Performance Management Solution by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch AG. The surety was granted up to the amount of liabilities of Comarch AG resulting from the aforementioned agreement, i.e. to the maximum amount of EUR 3,682 thousand and it is valid for the duration of the agreement.
- g) Due to conclusion of a contract for implementation of Planning and Inventory Application (PIA), signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. signed a letter of comfort upon which it ensures proper contract performance by Comarch AG. The letter of comfort is valid for 24 months from contract completion. Contract's value amounts to EUR 3,505 thousand.
- h) Due to granting a subsidy to Comarch AG, a subsidiary of Comarch S.A., for construction of an infrastructure in Dresden through Sachsische AufbauBank, Comarch S.A. took on a debt in the event of a liability of Comarch AG to return the granted means. Maximum liability of Comarch S.A. in relation to taking the debt shall not exceed EUR 263 thousand increased by interest for the period from the granting of the subsidy to its return. Taking the debt is valid till the 30<sup>th</sup> of August, 2018.

- i) Due to conclusion of an investment credit agreement between Comarch AG, a subsidiary of Comarch S.A., with BNP Paribas Bank Polska S.A., resulting in granting the financing in the amount of EUR 6,000 thousand, on the 15<sup>th</sup> of May, 2013, Comarch S.A. granted a surety for obligations of Comarch AG resulting from the agreement. The surety was granted up to the amount of EUR 9,000 thousand and is valid till the 15<sup>th</sup> of May, 2020.
- j) Due to conclusion of a contract for implementation of Comarch Loyalty Management, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer for obligations of Comarch UK. The surety was granted up to the maximum amount of GBP 2,351 thousand and is valid for the duration of the contract.
- k) Due to conclusion of a contract for implementation and licence of Comarch Loyalty Management, as well as services related to data centre and Support & Maintenance, signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for liabilities of Comarch SAS resulting from this project. The surety was granted up to the maximum amount of the signed agreements, i.e. EUR 2,807 thousand and is valid till the end of this project.
- l) Due to conclusion of a contract for services related to data centre signed by Belgian Branch of Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for liabilities of Comarch AG resulting from this project. The surety was granted up to the maximum amount of the signed agreement, i.e. EUR 236 thousand and is valid till the end of this project.
- m) Due to conclusion of a contract for purchase of licences, maintenance and support, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for liabilities of Comarch UK resulting from this project. The surety was granted up to the amount of GBP 11,244 thousand and is valid 12 years since the end of the contract.
- n) Due to conclusion of contracts for fuel cards service signed by Comarch Healthcare S.A. (formerly iMed24 S.A. and ESAProjekt sp. z o.o.), a subsidiary of Comarch S.A., Comarch S.A. granted a surety for liabilities of Comarch Healthcare S.A. resulting from this contracts. After the entry into force of the amendment to the agreement in 2015, the total amount of the guarantee is PLN 100 thousand and it will expire on 31<sup>st</sup> May, 2016.
- o) Due to conclusion of a contract for SLA services signed by Albanian Branch of Comarch S.A., Comarch S.A. granted a surety for liabilities of its Albanian Branch resulting from this project. The surety was granted up to the maximum amount of the signed agreement, i.e. about EUR 10,000 a month and is valid till the end of this project.
- p) Due to conclusion of a contract for implementation of Comarch ECM and maintenance and management of this system (SaaS), signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the liabilities of Comarch SAS, resulting from the project. The surety was granted up to the amount of EUR 838 thousand and is valid till the termination of the contract.
- q) Due to conclusion of a contract for fuel cards service signed by CA Consulting S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the liabilities of CA Consulting S.A. resulting from the above-mentioned contract. The surety was granted up to the amount of PLN 50,000 and is valid till 31<sup>st</sup> of May, 2016.
- r) Due to conclusion of a framework agreement with one of the customers signed by Belgian Branch of Comarch AG, Comarch S.A. granted a surety for liabilities of Comarch AG. The surety was granted up to the maximum value of the agreement, i.e. EUR 3,241 thousand and is valid till the end of this project.
- s) Due to conclusion of a contract by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., on implementation and licence of Comarch Loyalty Management For Airlines, Comarch Smart Analytics, Comarch Customer Engagement Platform-Gamification, as well as services related to maintenance

and management of the system, Comarch S.A. granted a surety („Parent Guarantee”) for liabilities of Comarch Middle East FZ-LLC resulting from this project. The surety is valid until filling all obligations resulting from this agreement and was granted up to the maximum responsibility from the signed contract, i.e. USD 5,000 thousand. The surety was granted for 5 years.

- t) Due to conclusion of a contract by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., on implementation of Comarch Customer Engagement Platform, Comarch S.A. granted a surety („Parent Guarantee”) for liabilities of Comarch Middle East FZ-LLC resulting from this project. The contract was concluded for 5 years. The surety is valid until filling all obligations resulting from this agreement and was granted up to the maximum responsibility from the signed contract, i.e. USD 10,000 thousand.
- u) Due to conclusion by Bonus Development Sp. z o.o. SK-A, a subsidiary of Comarch S.A., of an investment credit agreement with bank Pekao S.A., under which the bank granted to Bonus Development Sp. z o.o. SK-A funding in Euro in the amount of PLN 38,800 thousand (equivalent to EUR 9,262 thousand at the date of signing the agreement) and in connection with the conclusion of the agreement on treasury transactions relating to hedging of foreign exchange risk and interest rate of above-mentioned credit, Comarch S.A. granted a surety for liabilities of Bonus Development Sp. z o.o. SK-A resulting from aforementioned agreements. The surety are valid up to repayment of all liabilities resulting from above-mentioned agreements. The final date for repayment of the credit is the 28<sup>th</sup> of June, 2030.
- v) Due to conclusion of a contract by Comarch Chile SpA, a subsidiary of Comarch S.A., on delivering of IT Out-Tasking Services, Comarch S.A. granted a surety for liabilities of Comarch Chile SpA resulting from this contract. The surety was granted up to maximum value of EUR 200 thousand and is valid till the end of this project, i.e. the 30<sup>th</sup> of August, 2018.
- w) Due to conclusion of a contract for fuel cards service signed by Comarch Polska Sp. z o.o., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the liabilities of by Comarch Polska Sp. z o.o. resulting from the above-mentioned contract. The surety was granted up to the amount of PLN 10,000 and is valid till 15<sup>th</sup> of September, 2016.
- x) Due to conclusion of a contract for implementation of Loyalty Management Solutions system and its maintenance with one of the customers signed by Comarch AB, Comarch S.A. granted a surety for liabilities of Comarch AB. The surety was granted for the amount of EUR 39,747 thousand and is valid till the end of this project.
- y) Due to conclusion of a contract for purchase of licence signed by CA Consulting S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for liabilities of CA Consulting S.A. resulting from this purchase. The surety was granted up to the amount of EUR 225 thousand and is valid till 31<sup>st</sup> December, 2015.
- z) Due to conclusion of a contract for implementation and maintenance of Master Services Agreement signed by Comarch AB, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for liabilities of Comarch AB resulting from this project. The surety was granted for the amount of PLN 3,827 thousand and is valid till the end of this project.

#### **Note 34**

#### **REVENUES AND COSTS FROM DISCARDED ACTIVITIES – NOT CONCERN**

#### **Note 35**

#### **PLANNED INVESTMENT EXPENDITURES**

On the 3<sup>rd</sup> of October, 2013, Comarch S.A. signed an agreement with consortium of Łęgrzem sp. z o.o., ZSK sp. z o.o. and Graphbud sp. z o.o., for the realisation of the fifth construction stage of the investment



in the Special Economic Zone in Krakow (SSE6 building). The subject of the contract is the construction of a production and office building, altogether with data centre, including traffic and technical infrastructure. Total space of the building will be 11,708.87 m<sup>2</sup>. Initially, the value of this agreement amounted to PLN 62,268 thou. As a result of signing amendments to the aforementioned agreement, the total value of the agreement increased from PLN 62,268 thou. to PLN 64,907 thou. Due to the extension of the scope of work provided by the Consortium, the planned completion date of the investment was changed to the 31<sup>st</sup> of August, 2015. The above mentioned changes were announced by the company in current reports RB-5-2015 dated the 16<sup>th</sup> of January, 2015, RB-9-2015 dated the 30<sup>th</sup> of March, 2015, RB-15-2015 dated the 28<sup>th</sup> of May, 2015, RB-27-2015 dated the 16<sup>th</sup> July, 2015 and RB-31-2015 dated the 14<sup>th</sup> of August, 2015. On the 31<sup>st</sup> of August, 2015, the SSE6 building was finally accepted. The total expenditure on the investment was PLN 68,747 thou. In September 2015 the building was entered into fixed assets register and since October 2015 its depreciation has started.

On the 18<sup>th</sup> of March, 2016 Comarch S.A. signed the contract with Budimex S.A.:

- 1) For the Realization of the sixth construction stage of the investment in the Special Economic Zone in Krakow (SEZ7 building). The contract covers the construction of an office building with road and technical infrastructure and the delivery of necessary materials and equipment. The total area of the building will be 27 736.07 sq m. The contract value is 69,704 thousand PLN net. Anticipated completion date is the third quarter of 2017.
- 2) For the building SEZ6 (Studio 1) alterations in the Special Economic Zone in Krakow. The subject of the contract is the building alterations changing of use of the building from warehouse functions to production functions and building the road and technical infrastructure and delivering of necessary materials and equipment. The contract value is 4,350 thousand PLN net. Anticipated completion date is the third quarter of 2016.

The value of the agreement with Budimex S.A. amounted to PLN 74,054 thousand. The company announced details in current report no. RB-3-2016 dated the 18<sup>th</sup> of March, 2016.

As at 31<sup>st</sup> of December, 2015, other property, plant and equipment under construction comprise mostly expenditures for the modernisation works of buildings used by Comarch S.A. as well as the purchase of equipment that is not yet accepted for use.

**Note 36****COMARCH S.A.'s REVENUES FROM SALES OF FINISHED GOODS AND SERVICES TO OTHER ENTITIES OF THE GROUP AND ASSOCIATES (thousands of PLN)**

	2015	2014
Comarch AG	67,513	59,530
Grupa Comarch SuB	7,968	1,477
Comarch SAS	8,985	6,094
Comarch R&D S.à r.l.	1	7
Comarch, Inc.	30,628	22,778
Comarch Panama, Inc.	3,561	1,531
Comarch Canada, Corp.	1,691	5,271
Comarch Espace Connecté Inc. (Comarch Smart City) Kanada	24	-
Comarch LLC	1,695	1,419
Comarch Middle East FZ-LLC	14,023	5,502
OOO Comarch	2,072	2,998
Comarch Software (Shanghai) Co. Ltd.	-	-
Comarch Vietnam Company Ltd.	-	-
Comarch Technologies Oy	3,316	4,274
UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	2,765	2,985
Comarch UK Ltd.	7,359	14,695
Comarch Swiss AG	1,213	381
Comarch Chile SpA	3,820	1,242
Comarch Sistemas LTDA Brazilia	10,018	5,208
Comarch Software Spain S.L.U.	3,639	-
Comarch Yazilim A.S.	64	-
Comarch SRL Włochy	657	-
Comarch Malaysia SDN. BHD.	21	-
Comarch AB Szwecja	2,127	-
Comarch Argentina S.A.	-	-
CAMS AG	-	-
CA Consulting S.A.	23,936	5,323
Comarch Technologies sp. z o.o.	795	48
MKS Cracovia SSA	27	70
Comarch Management sp. z o.o.	10	10
Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	10	10
Comarch Healthcare S.A.	1,465	1,188
Comarch Polska S.A.	34,396	88,780
Comarch Pointshub S.A.	235	168
Comarch Infrastruktura S.A.	29	9
iComarch24 S.A.	127	127

Opso sp. z o.o.	239	245
Bonus Development sp. z o.o. SK-A	-	-
Bonus Management sp. z o.o. SK-A	-	-
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SolInteractive S.A.	232	47
Metrum Capital S.A.	-	-
Thanks Again LLC	-	-
Oddział Comarch S.A. w Albanii	164	108
<b>Total</b>	<b>234,825</b>	<b>231,525</b>

**Comarch S.A.'s trade receivables from subsidiaries and associates are:**

	<b>31 December 2015</b>	<b>31 December 2014</b>
Comarch AG	65,391	50,247
Grupa Comarch SuB	2,270	1,239
Comarch SAS	7,874	7,561
Comarch R&D S.à r.l.	-	4
Comarch, Inc.	6,038	7,007
Comarch Panama, Inc.	649	193
Comarch Canada, Corp.	834	1,346
Comarch Espace Connecté Inc. (Comarch Smart City)	1	-
Comarch LLC	-	-
Comarch Middle East FZ-LLC	12,573	6,129
OOO Comarch	1,311	1,403
Comarch Software (Shanghai) Co. Ltd.	17	-
Comarch Vietnam Company Ltd.	-	-
Comarch Technologies Oy	820	1,067
UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	802	1,122
Comarch UK Ltd.	5,804	10,305
Comarch Swiss AG	913	416
Comarch Chile SpA	5,411	1,403
Comarch Sistemas LTDA	15,821	5,155
Comarch Software Spain S.L.U.	3,640	3
Comarch Yazilim A.S.	29	-
Comarch SRL	677	-
Comarch Malaysia SDN. BHD.	37	-
Comarch AB	2,135	-
Comarch Argentina S.A.	-	-
CAMS AG	-	-
CA Consulting S.A.	4,913	5,251
Comarch Technologies sp. z o.o.	85	5
MKS Cracovia SSA	100	3
Comarch Management sp. z o.o.	-	1
Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	-	-
Comarch Healthcare S.A.	5,138	3,487
Comarch Polska S.A.	3,056	15,654
Comarch Pointshub S.A.	55	116
Comarch Infrastruktura S.A.	4	2
iComarch24 S.A.	9	21
Opso sp. z o.o.	14	29
Bonus Development sp. z o.o. SK-A	-	-

Bonus Management sp. z o.o. SK-A	-	1
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SolInteractive S.A.	233	100
Metrum Capital S.A.	-	-
Thanks Again LLC	-	-
Oddział Comarch S.A. Albanian Branch	70	58
<b>Total</b>	<b>146,724</b>	<b>119,328</b>

**Note 37****COMARCH S.A.'s PURCHASES FROM OTHER ENTITIES OF THE GROUP AND ASSOCIATES  
(finished goods and services)**

	<b>2015</b>	<b>2014</b>
Comarch AG	945	1,962
Grupa Comarch SuB	265	384
Comarch SAS	4,217	3,985
Comarch R&D S.à r.l.	283	274
Comarch, Inc.	341	98
Comarch Panama, Inc.	-	-
Comarch Canada, Corp.	-	-
Comarch Espace Connecté Inc. (Comarch Smart City)	-	-
Comarch LLC	1,513	1,264
Comarch Middle East FZ-LLC	-	-
OOO Comarch	-	-
Comarch Software (Shanghai) Co. Ltd.	-	-
Comarch Vietnam Company Ltd.	-	-
Comarch Technologies Oy	385	447
UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	51	-
Comarch UK Ltd.	248	298
Comarch Swiss AG	-	113
Comarch Chile SpA	-	-
Comarch Sistemas LTDA	-	-
Comarch Software Spain S.L.U.	-	-
Comarch Yazilim A.S.	-	-
Comarch SRL	-	-
Comarch Malaysia SDN. BHD.	-	-
Comarch AB	-	-
Comarch Argentina S.A.	-	-
CAMS AG	-	-
CA Consulting S.A.	11,037	11,907
Comarch Technologies sp. z o.o.	1,579	1,315
MKS Cracovia SSA	404	366
Comarch Management sp. z o.o.	-	20
Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	-	-
Comarch Healthcare S.A.	1,379	510
Comarch Polska S.A.	358	-
Comarch Pointshub S.A.	602	818
Comarch Infrastruktura S.A.	2,070	1,394
iComarch24 S.A.	504	539

Opso sp. z o.o.	34	23
Bonus Development sp. z o.o. SK-A	1,905	1,904
Bonus Management sp. z o.o. SK-A	-	-
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SolInteractive S.A.	4,258	2,537
Metrum Capital S.A.	-	-
Thanks Again LLC	-	-
Oddział Comarch Albanian Branch	164	107
<b>Total</b>	<b>32,542</b>	<b>30,265</b>

**Comarch S.A.'s trade liabilities to subsidiaries and associates are:**

	<b>31 December 2015</b>	<b>31 December 2014</b>
Comarch AG	656	750
Grupa Comarch SuB	579	84
Comarch SAS	683	336
Comarch R&D S.à r.l.	707	185
Comarch, Inc.	62	93
Comarch Panama, Inc.	-	-
Comarch Canada, Corp.	-	-
Comarch Espace Connecté Inc. (Comarch Smart City)	-	-
Comarch LLC	103	97
Comarch Middle East FZ-LLC	-	-
OOO Comarch	-	-
Comarch Software (Shanghai) Co. Ltd.	-	-
Comarch Vietnam Company Ltd.	-	-
Comarch Technologies Oy	387	-
UAB Comarch	-	-
Comarch s.r.o.	-	-
Comarch Pointshub Inc	-	-
Comarch Luxembourg S.à r.l.	14	1
Comarch UK Ltd.	190	287
Comarch Swiss AG	401	227
Comarch Chile SpA	-	-
Comarch Sistemas LTDA	-	-
Comarch Software Spain S.L.U.	-	-
Comarch Yazilim A.S.	-	-
Comarch SRL	-	-
Comarch Malaysia SDN. BHD.	-	-
Comarch AB	-	-
Comarch Argentina S.A.	-	-
CAMS AG	-	-
CA Consulting S.A.	1,809	3,017
Comarch Technologies sp. z o.o.	1,680	2,889
MKS Cracovia SSA	682	797
Comarch Management sp. z o.o.	-	-
Comarch Corporate Finance FIZ	-	-
Comarch Management sp. z o.o. SK-A	-	-
Comarch Healthcare S.A.	1,248	161
Comarch Polska S.A.	-	-
Comarch Pointshub S.A.	65	162
Comarch Infrastruktura S.A.	838	514
iComarch24 S.A.	136	130
Opso sp. z o.o.	2	333
Bonus Development sp. z o.o. SK-A	-	-



Bonus Management sp. z o.o. SK-A	-	-
Bonus Development sp. z o.o. II Koncept SK-A	-	-
Bonus Management sp. z o.o. II Activia SK-A	-	-
Bonus MANAGEMENT Sp. z o.o. Cracovia Park SK-A	-	-
CASA Management and Consulting sp. z o.o. SK-A	-	-
SolInteractive S.A.	1,932	992
Metrum Capital S.A.	-	-
Thanks Again LLC	-	-
Oddział Comarch S.A. Albanian Branch	70	58
<b>Total</b>	<b>12,244</b>	<b>11,113</b>

**Note 38****INFORMATION ON TRANSACTIONS WITH RELATED UNITS AND OTHER RELATED PERSONS ON TERMS DIFFERENT FROM MARKET CONDITIONS – NONE PRESENT****Note 39****AN AVERAGE EMPLOYMENT IN COMARCH S.A.**

<b>2015</b>			
Employees:		Employees:	
- full-time	3,120	- directly production and technical consultants	3,196
- co-workers	731	- marketing and sales	323
		- management and administrative employees	332
<b>Total</b>	<b>3,851</b>	<b>Total</b>	<b>3,851</b>
<b>2014</b>			
Employees:		Employees:	
- full-time	2,647	- directly production and technical consultants	2,620
- co-workers	548	- marketing and sales	288
		- management and administrative employees	287
<b>Total</b>	<b>3,195</b>	<b>Total</b>	<b>3,195</b>

**Note 40****REMUNERATION FOR MANAGING AND SUPERVISING PERSONS (CURRENT PERIOD) IN PLN****Comarch S.A.'s Management Board**

		<b>Paid by Comarch S.A.</b>	<b>Paid by subsidiaries and associates</b>	<b>Total</b>
1	Janusz Filipiak	9,910,702.41	5,521,565.17	15,432,267.58
2	Piotr Piątosza*	973,798.07	411,161.16	1,384,959.23
3	Marcin Dąbrowski**	1,792,871.86	202,421.40	1,995,293.26
4	Paweł Prokop	917,040.04	158,902.41	1,075,942.45
5	Andrzej Przewięźlikowski**	1,115,051.45	101,081.45	1,216,132.90
6	Zbigniew Rymarczyk	1,622,015.60	204,363.41	1,826,379.01
7	Konrad Tarański	719,078.45	324,516.97	1,043,595.42
8	Marcin Warwas	2,438,829.31	163,650.56	2,602,479.87
9	Piotr Reichert*	475,395.24	131,825.35	607,220.59
	<b>Total</b>	<b>19,964,782.43</b>	<b>7,219,487.88</b>	<b>27,184,270.31</b>

\*) On 9<sup>th</sup> April, 2015 Mr Piotr Piątosza and Mr Piotr Reichert resigned from their positions as Vice-Presidents of the Board of Comarch S.A. with effect on 30<sup>th</sup> April, 2015.

\*\*) At the Annual General Meeting of Shareholders of Comarch SA, which was held on 24<sup>th</sup> June, 2015 Mr Marcin Dąbrowski and Andrzej Przewięźlikowski were appointed to the positions of Vice-Presidents of the Board of Comarch S.A.

**Comarch S.A.'s Supervisory Board**

		<b>Paid by Comarch S.A.</b>	<b>Paid by subsidiaries and associates</b>	<b>Total</b>
1	Elżbieta Filipiak	240,000.00	1,366,001.17	1 606,001.17
2	Maciej Brzeziński	60,000.00	0.00	60,000.00
3	Robert Bednarski	60,000.00	0.00	60,000.00
4	Danuta Drobniak	60,000.00	0.00	60,000.00
5	Wojciech Kucharzyk	60,000.00	0.00	60,000.00

6	Anna Ławrynowicz	60,000.00	0.00	60,000.00
7	Anna Pruska	60,000.00	357,418.49	417,418.49
	<b>Total</b>	<b>600,000.00</b>	<b>1,723,419.66</b>	<b>2,323,419.66</b>

Salaries presented in this note include salaries actually paid in 2015 (including remuneration bonus for the previous periods covered by provisions as of 31.12.2014.). Salaries do not include unpaid bonuses for the year 2015 (covered by reserves as of 31.12.2015.) And do not include shares granted under the Managerial Option Program.

As at 31<sup>st</sup> of December 2015 there are no unpaid loans nor guarantees nor suretyships to members of the Management or Supervisors Board or their relatives.

## **Managerial Option Program for Members of the Management Board and Other Key Employees**

### **a) for 2014-2016**

On the 26th of June, 2013, the Annual General Meeting of Shareholders passed Resolution no. 36 on the managerial options programme for members of the company's Management Board managing company and Capital Group for 2014-2016. The objective of the programme was to additionally motivate members of the company's Management Board by options on Comarch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program was to be executed through offers of newly-issued shares in the company in 2015, 2016 and 2017 to company's Management Board. The value of the Option was to be at all times equivalent to the difference between the average closing price of the company's shares of each year of the execution of the programme (beginning with 2014) and the issue price of shares offered to company's Management Board. After changes introduced by the resolution no. 25 of the Annual General Meeting of the 26th of June, 2014, period of execution of the programme was limited for 2014.

The Management Board of Comarch S.A. announced that acting in execution of the Resolution no. 36 of the Annual General Meeting of Comarch S.A. dated the 26th of June, 2013, regarding the managerial option program for members of the Comarch S.A. management board who manage the company and the Capital Group, on the 16th of February, 2015, the Supervisory Board of Comarch S.A. passed the Resolution no. 01/02/2015 on execution of the managerial option program for 2014, by issuance of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 (in writing: one zloty) and issue price of PLN 1 each, excluding a stock right of the current company's shareholders. Shares will be offered to the entitled persons according to the provisions of the managerial option program for members of the Comarch S.A. management board who manage the company and the Capital Group, passed with Resolution no. 36 of the Annual General Meeting of the 26th of June, 2013 (current report no. 6/2015 dated the 16th of February, 2015).

The Management Board of Comarch S.A. announced that pursuant to Art. 430-433, 444, 446 and 447 of the Code of Commercial Companies and Partnerships, and article 9 sec. 3-7 of the company's articles of association, in execution of the Resolution no. 36 of the Annual General Meeting dated 26th of June, 2013, passed the resolution no. 1 dated the 16th of March, 2015, regarding an increase in the share capital by way of emission of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 each and issue price of PLN 1, excluding a stock right of the current company's shareholders, in addition to changes in the company's articles of association within the scope. The company announced details in current report no. 8/2015 dated the 16th of March, 2015.

On the 14th of May, 2015, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered an increase in the share capital of Comarch S.A. to the amount of PLN 8,133,349.00. After this increase the company's share capital is divided into 8,133,349 shares. It corresponds to 15,126,949 votes at the company's AGM (current report no. 13/2015 dated the 21st of May, 2015).

Due to above-mentioned increase in share capital, on the 14th of May, 2015, the District Court for Kraków-

Śródmieście, XI Economic Division of the National Court Register registered changes in the company's Articles of Association (current report no. 14/2015 dated the 21st of May, 2015).

On the 23rd of June, 2015, the Management Board of the National Deposit for Securities passed a resolution no. 400/15 concerning conditional registration of 7,759 series L1 shares of a nominal value of PLN 1.00 each. The condition for registration of series L1 in the KDPW was the decision to introduce these shares to trading on the same regulated market where other Comarch S.A. shares coded PLCOMAR00012 had been introduced by the company operating the regulated market (current report no. 19/2015 dated the 23rd of June, 2015).

On the 21st of July, 2015, the Management Board of the Warsaw Stock Exchange, through a resolution no. 700/2015, admitted to trading 7,759 ordinary bearer series L1 Comarch S.A. shares of nominal value of 1 PLN (current report no. 29/2015 dated the 21st of June, 2015).

On the 22nd of July, 2015, the Management Board of Comarch S.A. received an announcement of the Operating Department of the National Deposit for Securities informing that pursuant to the KDPW Management Board's resolution no. 400/15 dated the 23rd of June, 2015, on the 23rd of July, 2015, 7,759 Comarch S.A. shares will be registered in the National Deposit for Securities under the ISIN code: PLCOMAR00012 (current report no. 30/2015 dated the 23rd of July, 2015).

The total number of shares after the following registration will amount to 6,384,949.

#### **Note 41.**

##### **Long-term Bank Credits**

Comarch S.A. credit lines:

- a) An investment credit from BNP Paribas Bank Polska S.A. with its registered office in Warsaw, for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts of PLN 44,000 thousand. The crediting period may last a maximum of 16 years, i.e. until 2024. This credit has a variable interest rate. It was taken out by 30<sup>th</sup> of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. On the 5<sup>th</sup> of October, 2011, the company revaluated the remaining credit to be paid into euro. As at 30<sup>th</sup> of June, 2015, the value of the credit to be repaid amounted to EUR 5,731 thousand, i.e. PLN 24,040 thousand (EUR 6,042 thousand, i.e. PLN 25,750 thousand as at 31<sup>st</sup> of December, 2014).
- b) An investment credit from Powszechna Kasa Oszczędności Bank Polski S.A. with its registered office in Warsaw, for the refinancing of the investment credit acquired in DnB NORD Bank Polska S.A. on the 28<sup>th</sup> of April, 2010, for financing of the fourth construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to EUR 4,126 thousand. The crediting period may last 8 years at a variable interest rate. The real estate mortgage in the amount of EUR 6,189 thousand and cession of rights in the building insurance policy are security for this credit. The loan was drawdown on the 1<sup>st</sup> of October, 2013. As at the 30<sup>th</sup> of June, 2015, the value of the credit to be repaid amounted to EUR 3,223 thousand, i.e. PLN 13,520 thousand (EUR 3,482 thousand, i.e. PLN 14,838 thousand as at 31<sup>st</sup> of December, 2014).
- c) An investment credit from BNP Paribas Bank Polska S.A. with its registered office in Warsaw, for the financing of the purchase of hardware and software for a project related to data centre services. The credit amounts to EUR 2,400 thousand. The crediting period may last until 2016. The loan was drawdown on the 7<sup>th</sup> of August, 2012. This credit has a variable interest rate. Transfer of debts from the contract and the registered pledge on the financed property, plant and equipment in use are security for this credit. As at 30<sup>th</sup> of June, 2015, the value of the credit to be repaid amounted to EUR 545 thousand, i.e. PLN 2,288 thousand (EUR 873 thousand, i.e. PLN 3,720 thousand as at 31<sup>st</sup> of December, 2014).

- d) A nonrevolving operating credit from BZ WBK Bank S.A. (previously Kredyt Bank S.A.) with its registered office in Warsaw acquired in the first quarter of 2013, for financing of company's operations. The credit amounts to EUR 7,400 thousand. The crediting period may last 8 years, and its maturity date is 31<sup>st</sup> of December, 2020. This credit has a variable interest rate. The mortgage on one of real estates of Comarch S.A. located in SEZ in Krakow and cession of rights in the insurance policy are security for this credit. As at 30<sup>th</sup> of June, 2015, the value of the credit to be repaid amounted to EUR 5,251 thousand, i.e. PLN 22,027 thousand (EUR 5,729 thousand, i.e. PLN 24,419 thousand as at 31<sup>st</sup> of December, 2014).
- e) an investment credit agreement with bank Polska Kasa Opieki Spółka Akcyjna with its registered office in Warsaw, for financing and refinancing of not more than 90% of net costs of an investment related to construction of office building SSE6 and data centre in the Special Economic Zone in Krakow. The credit was granted in Euro in the amount up to PLN 56,000 thousand, which on the day of signing the agreement was equivalent to EUR 13,323,182.34. The crediting period: 10 years, repayment will be made not later than on 4<sup>th</sup> of December, 2023. This credit has a variable interest rate. Power of attorney to manage Comarch S.A. bank accounts in the Bank, declaration of submission to enforcement, the real estate mortgage in the amount of PLN 84,000 thousand, cession of rights in the building insurance policy, cession of rights in the bank guarantee for contract good performance and for warranty obligations and warranty are security for this credit.

The credit was taken out by 7<sup>th</sup> of September, 2015. The repayment of the credit started on December, 2015. As for 31<sup>st</sup> December, 2015 the amount to be repaid was EUR 13,184 thousand, which is PLN 56,185 thousand.

#### **Note 42.**

#### **SIGNIFICANT EVENTS RELATED TO THE PREVIOUS YEARS - NOT CONCERN**

#### **Note 43.**

#### **EVENTS AFTER BALANCE SHEET DATE**

##### **a) Dates of Periodical Financial Reports in 2016**

On 18<sup>th</sup> of January, 2016, in current report RB-1-2016, Comarch S.A.'s Management Board set dates of periodical financial reports in 2016:

Consolidated quarterly reports which include condensed consolidated financial statements and condensed financial statements:

- 1) Q4 2015 - on 29<sup>th</sup> of February, 2016;
- 2) Q1 2016 - on 16<sup>th</sup> of May, 2016;
- 3) Q2 2016 - Pursuant to §101 sec. 2 of the Regulation issued by the Minister of Finance on the 19<sup>th</sup> of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange and on the conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, Comarch S.A. will not publish quarterly report for the second quarter of 2016;
- 4) Q3 2016 - on 14<sup>th</sup> of November, 2016;
- 5) Annual report for 2015 - on 29<sup>th</sup> of April, 2016;
- 6) Consolidated annual report for 2015 - on 29<sup>th</sup> of April, 2016;
- 7) Consolidated half-year report which includes condensed consolidated financial statement and condensed financial statement for the first half of 2016 - on 31<sup>st</sup> of August, 2016.

##### **b) Contract for the Realization of the Sixth Construction Stage of the Investment in the Special Economic Zone in Krakow On (SEZ7) and alterations in the building SEZ6.**

On the 18<sup>th</sup> of March, 2016 Comarch S.A. signed the contract with Budimex S.A.:

For the Realization of the sixth construction stage of the investment in the Special Economic Zone in Krakow (SEZ7 site). The contract covers the construction of an office building with road and technical infrastructure and the delivery of necessary materials and equipment. The total area of the building will be 27 736.07 sq m. The contract value is 69,704,097 PLN net. Construction work will begin after handover of construction site. Anticipated completion date is the third quarter of 2017.

For the building SEZ6 (Studio 1) alterations in the Special Economic Zone in Krakow. The subject of the contract is the building alterations changing of use of the building from warehouse functions to production functions and building the road and technical infrastructure and delivering of necessary materials and equipment. The contract value is 4,350,000 PLN net. Anticipated completion date is the third quarter of 2016.

The company announced details in current report no RB-3-2016 dated 18<sup>th</sup> March, 2016.

### **c) the investment loan agreement**

An investment loan agreement was signed on 18<sup>th</sup> March, 2016 by Comarch S.A.S. (a subsidiary of Comarch S.A.) and Comarch SA (as co-debtor), with Bank BGZ BNP Paribas S.A. registered in Warsaw for financing and refinancing of 100% of the net costs of building Data Center in Lille, France. The financing and refinancing should not exceed 83.5% of the total net cost of investment project completion, about which the company informed in the current report No. RB-2-2016 dated 15<sup>th</sup> March, 2016 year. The credit amounts 8,000,000 EUR, ie. 34,164,000 PLN according to exchange rate on the date of the agreement. The term of the loan ends on 18<sup>th</sup> September, 2023., The interest rate of the loan is based on a variable rate. The disbursement of the loan should take place before 18<sup>th</sup> September, 2017. The loan is secured by:

- a) second rank joint contractual ordinary mortgage of EUR 12,000,000, ie. 51,246,000 PLN according to exchange rate on the date of the agreement, established on the property owned by Comarch SA, located at prof. Michala Zyczkowskiego Str. 23 (SE4). The value of first rank joint contractual ordinary mortgage established on the building SEZ4, for BGZ BNP Paribas SA is 53,815,386 PLN, and the current market value of the building SEZ4 is 78,880,000 PLN.
- b) declaration of voluntary submission to debt recovery,
- c) power of attorney to the bank accounts of Comarch SA held with bank BGZ BNP Paribas SA .
- d) building SSE IV insurance policy assignment

The company announced details in current report no RB-4-2016 dated 18 March 2016 Claim Filed by Agency for Restructuring and Modernisation of Agriculture.

### **d) Meeting the criterion of a significant contract**

In connection with conclusion by Comarch S.A.S., a subsidiary of Comarch SA and Comarch SA (as co-borrower) on the 18th of March, 2016, a loan agreement with a bank BGZ BNP Paribas SA (Comarch SA announced it in the current report RB-4-2016 dated the 18th of March, 2016), the value of contracts signed in the last 12 months between the entities of Comarch Group and entities of BNP Paribas Group exceeded 10% of the equity of Comarch SA as at the 31st of December, 2015, thus meeting the criterion of a significant contract. The highest value contract concluded with entities of BNP Paribas Group is Amendment No 6 dated the 28th of May, 2015, to the contract for multipurpose credit line (hereinafter: the "Contract"). The value of the Contract is PLN 35,000 thousand. The Contract was concluded for a definite period until the 30th of May, 2016. Financial conditions of the concluded Contract do not differ from those commonly used in the market for such contracts. The Contract does not provide any contractual penalties. Legal protection of the limit granted by the bank BGZ BNP Paribas SA includes:

blank promissory note with promissory note declaration,  
statement on submission to enforcement in favor of the bank BGZ BNP Paribas SA.

The total value of all agreements concluded by the entities of Comarch Group with entities of BNP Paribas Group in the last 12 months amounted PLN 95,004 thousand.

The company announced details in current report no RB-4-2016 dated the 18th of March, 2016

**e) Forward Contracts Concluded after the Balance Sheet Date**

Between the 1<sup>st</sup> of January 2016 and the 28<sup>th</sup> of April 2016 Comarch S.A. concluded forward contracts for sales of EUR 12,700 thousand, USD 6,700 thousand and GBP 2,500 thousand. The total net value of open forward contracts as of the 28<sup>th</sup> of April 2016 amounted to EUR 23,500 thousand, USD 12,000 thousand, CAD 500 thousand and GBP 3,400. The open forward contracts as of the 28<sup>th</sup> of April 2016 were valued at plus PLN 1,778 thousand. The contracts will be settled within 27 months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by Comarch S.A. in which the remuneration is set in a foreign currency.

**Note 44.**

**CHANGES IN APPLIED ACCOUNTING PRINCIPLES**

In 2015 the company did not make any significant changes in accounting principles in comparison to the previous year.

**Note 45.**

**DESCRIPTION AND ECONOMIC GOAL OF CONTRACTS NOT PRESENTED IN THE BALANCE SHEET WHISIN THE SCOPE OF THEIR INFLUENCE ON THE EQUITY AND FINANCIAL SITUATION AS WELL AS THE FINANCIAL RESULT OF THE COMPANY – NOT CONCERN**

**NOTE 46.**

**INFORMATION ON PAID OR DUE REMUNERATION OF AN EXPERT AUDITOR OR AN ENTITY ENTITLED TO AUDIT FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR**

Types of services		Remuneration (net value)- paid	Remuneration (net value)- due
<b>2015</b>			
<b>Deloitte Polska Spółka z ograniczoną odpowiedzialnością sp. k.</b>			
1	Obligatory audit of annual financial statements for 2015	-	PLN 135,000.00
2	Review of half-year financial statement for H1 2015 and additional costs within consolidation procedures	PLN 80,000.00	-
<b>2014</b>			
<b>Deloitte Polska Spółka z ograniczoną odpowiedzialnością sp. k.</b>			
1	Obligatory audit of annual financial statements for 2014	PLN 112,000.00	-
2	Review of half-year financial statement for H1 2015 and additional costs within consolidation procedures	PLN 110,000.00	-
3	Other services for Comarch S.A.	PLN 53,230.00	-

# COMARCH

REPORT OF  
COMARCH S.A.'s MANAGEMENT BOARD  
REGARDING THE ACTIVITIES IN 2015

KRAKOW, 28<sup>TH</sup> OF APRIL, 2016



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**1. Information about the Company**

Name of the company: Comarch Spółka Akcyjna („Company”)  
 Address of the company: 31-864 Kraków, Aleja Jana Pawła II 39 A  
 Telephone: (12) 646 10 00  
 Fax: (12) 646 11 00  
 Regon (the National Official Register of Business Entities): 350527377  
 Tax identification number (NIP): 677-00-65-406

**1.1. Shareholders Holding at least 5% of the Total Number of Votes at the General Meeting of Comarch S.A.**

Comarch S.A.'s share capital consists of 8,133,349 shares at total nominal value of PLN 8,133,349. According to the information possessed by Comarch S.A., as at 31<sup>st</sup> of December, 2015, shareholders holding at least 5% of votes at the company's AGM are Janusz Filipiak and Elżbieta Filipiak.

Shareholders	Number of shares	% of share capital	Number of votes at the company's AGM	% of votes at the company's AGM
Janusz Filipiak	2,674,488	32.88	6,246,488	41.30
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96
Other members of the company's Management Board	91,622	1.13	129,222	0.85
Other shareholders	4,521,239	55.59	4,521,239	29.89
<b>Total</b>	<b>8,133,349</b>	<b>100.00</b>	<b>15,126,949</b>	<b>100.00</b>

*On the 14<sup>th</sup> of May, 2015, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered an increase in the share capital of Comarch S.A. to the amount of PLN 8,133,349.00 in connection with the issuance of 7,759 shares of common bearer L1 as part of the managerial option program for members of the Management Board and key managers of the Company and the Group. After this increase the Company's share capital is divided into 8,133,349 shares. It corresponds to 15,126,949 votes at the company's AGM.*

**AFTER THE BALANCE SHEET DATE**

As at 28<sup>th</sup> of April, 2016

Shareholders	Number of shares	% of share capital	Number of votes at the company's AGM	% of votes at the company's AGM
Janusz Filipiak	2,674,488	32.88	6,246,488	41.30
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96
Other members of the company's Management Board	91,622	1.13	129,222	0.85
Other shareholders	4,521,239	55.59	4,521,239	29.89
<b>Total</b>	<b>8,133,349</b>	<b>100.00</b>	<b>15,126,949</b>	<b>100.00</b>

**1.2. Comarch S.A.'s Board of Supervisors and Management Board****a) Members of Comarch S.A.'s Board of Supervisors as at 31<sup>st</sup> of December, 2015:**

Name and surname	Position	Comarch S.A.  Number of shares / nominal value	Volatech Capital Advisors S.A. (currently Metrum Capital S.A.)  Number of shares / nominal value
Elżbieta Filipiak	Chairman of the Supervisory Board	846,000 / PLN 846,000	-
Maciej Brzeziński	Vice-Chairman of the Supervisory Board	-	-
Danuta Drobnik	Member of the Supervisory Board	-	-
Wojciech Kucharzyk	Member of the Supervisory Board	-	-
Anna Ławrynowicz	Member of the Supervisory Board	-	-
Robert Bednarski	Member of the Supervisory Board	-	-
Anna Pruska	Member of the Supervisory Board	-	50,000 / PLN 50,000

**AFTER THE BALANCE SHEET DATE**

None present.

**b) Members of Comarch S.A.'s Management Board as at 31<sup>st</sup> of December, 2015:**

Name and surname	Position	Number of Comarch S.A. shares	Nominal value
Janusz Filipiak	President of the Management Board	2,674,488	PLN 2,674,488
Marcin Dąbrowski	Vice-President of the Management Board	-	-
Paweł Prokop	Vice-President of the Management Board	37,539	PLN 37,539
Andrzej Przewięźlikowski	Vice-President of the Management Board	-	-
Zbigniew Rymarczyk	Vice-President of the Management Board	32,867	PLN 32,867
Konrad Tarański	Vice-President of the Management Board	10,608	PLN 10,608
Marcin Warwas	Vice-President of the Management Board	10,608	PLN 10,608

On the 8<sup>th</sup> of April, 2015, Mr. Piotr Piątosa, head of telecommunication sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board without giving any reasons; effective as of the 30<sup>th</sup> of April, 2015. On the 8<sup>th</sup> of April, 2015, Mr. Piotr Reichert, head of finance, banking and insurance sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board without giving any reasons; effective as of the 30<sup>th</sup> of April, 2015.

Marcin Dąbrowski, a manager for many years in the telecommunication sector, will be performing duties of the head of the telecommunication sector. Andrzej Przewięźlikowski, a manager for many years in the trade and services sector, will be performing duties of the head of the finance, banking and insurance sector. The company announced details in current report no. RB-10-2015 dated the 9<sup>th</sup> of April, 2015. At the Annual General Meeting held on 24<sup>th</sup> of June, 2015, Marcin Dąbrowski and Andrzej Przewięźlikowski were appointed on the position of Vice-Presidents of the Management Board of Comarch SA.

On the 20<sup>th</sup> of January, 2015, a member of Comarch S.A.'s Management Board purchased 30 ordinary bearers Comarch S.A. shares for price of PLN 104.10 each. The value of the transaction amounted to PLN 3,123.00. The company announced details in current report no. RB-7-2015 dated the 2<sup>nd</sup> of March, 2015.

*On the 11<sup>th</sup> of June, 2015, a member of Comarch S.A.'s Management Board disposed 20,950 ordinary bearer of Comarch S.A. shares, based on the marital property agreement concluded in the form of notarial deed. The disposal was gratuitous, estimated value of the comprised shares amounted to PLN 2,775,875.00, with a unit price of PLN 132.50 per each share. The company announced details in current report no. RB-17-2015 dated the 15<sup>th</sup> of June, 2015.*

## AFTER THE BALANCE SHEET DATE

As at 28<sup>th</sup> of April, 2016.

Name and surname	Position	Number of Comarch S.A. shares	Nominal value
Janusz Filipiak	President of the Management Board	2,674,488	PLN 2,674,488
Marcin Dąbrowski	Vice-President of the Management Board	-	-
Paweł Prokop	Vice-President of the Management Board	37,539	PLN 37,539
Andrzej Przewięźlikowski	Vice-President of the Management Board	-	-
Zbigniew Rymarczyk	Vice-President of the Management Board	32,867	PLN 32,867
Konrad Tarański	Vice-President of the Management Board	10,608	PLN 10,608
Marcin Warwas	Vice-President of the Management Board	10,608	PLN 10,608

Michał Bajcar, Dariusz Duralek, Anna Kleszcz, Maria Smolińska, Iwona Kasprzyk oraz Dorota Klentak-Łyżwa are the company's proxies.

### c) Contracts that May Result in Future Changes in Holdings of Shareholders or Bondholders

None present.

### d) Agreements between the Issuer and the Managing Persons, which Plan for Compensation in Case of Resignation or Discharge from the Occupied Post without a Substantial Reason, or when Their Dismissing or Discharge are Caused by Merger through Takeover

None present.

### e) Value of Paid, Due or Potentially Due Remuneration, Awards or Benefits, including those Resulting from Managerial or Bonus Programmes based on Issuer's Equity, Separately for Each of the Managing and Supervising Persons in the Parent Company

Information is included in note 40 of the financial statement.

## 2. Basic Economics and Financial Values

### 2.1. Selected Financial Data

	2015	2014	2013	2012	2011
Revenues from sales	749,556	724,825	637,692	666,859	567,673
Operating profit	83,377	72,508	51,305	62,392	53,748
Net profit	57,683	41,049	45,584	41,604	55,191
Profit per share	7.09	5.06	5.66	5.17	6.85
Assets	1,117,308	1,041,911	1,009,603	1,060,650	953,265
Book value	731,905	677,089	661,046	629,386	609,697
Book value per share	89.99	83.33	82.10	78.17	75.72

Over 2015, revenues from sales increased by PLN 24.7 million, i.e. 3.4% compared to the previous year. Operating profit reached PLN 83.4 million and it was higher by 15% compared to that in 2014. Net profit increased by PLN 16.6 million, i.e. 40.5% compared to that in 2014. EBIT margin increased from 10.0% to 11.1% and net margin decreased from 5.7% to 7.7%.

### 2.2. Employment and Production Capacity of the Group

As at 31<sup>st</sup> of December, 2015, in Comarch S.A. there were 3,943 employees compared to 3,339 persons as at 31<sup>st</sup> of December, 2014.

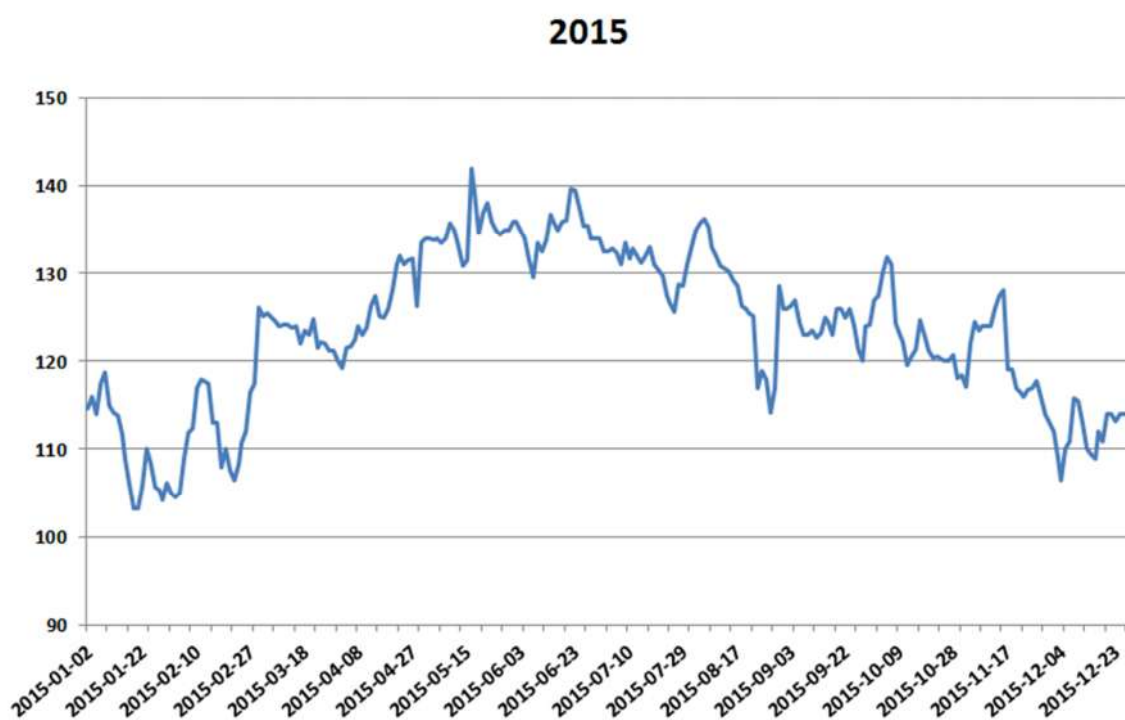
Average employment in Comarch S.A. from 2011 to 2015 is presented in tables below:

	2015	2014	2013	2012	2011
<b>Number of employees:</b>					
- full-time	3,120	2,647	2,675	2,426	2,210
- co-workers	731	548	651	535	480
<b>Total</b>	<b>3,851</b>	<b>3,195</b>	<b>3,326</b>	<b>2,961</b>	<b>2,690</b>

	2015	2014	2013	2012	2011
<b>Employees:</b>					
- production employees and technical consultants	3,196	2,620	2,730	2,377	2,098
- marketing and sales	323	288	306	302	293
- management and administrative employees	332	287	290	282	299
<b>Total</b>	<b>3,851</b>	<b>3,195</b>	<b>3,326</b>	<b>2,961</b>	<b>2,690</b>

Most of production and services by Comarch consists in production and implementing of company's own, versatile software and hardware products and in production of computer software on the basis of customer orders. The basic factor limiting the production capacity is human resources. As the company makes active investments in new products and technologies, it strives to provide appropriately wide range of competencies for all its employees. The company flexibly manages teams of employees through continuous optimisation of placements for current commercial projects and internal R&D projects (developing new products and updating the existing ones, which are not directly connected to contractual requirements), using proprietary IT solutions for this target. In effect, there are almost no unused resources. The Company diversifies the risk of limitations in availability of human resources by conducting business in 14 branches located in urban centers in Poland. As at 31<sup>st</sup> of December, 2015, 2,830 employees were employed in Krakow and 1,672 in other cities in Poland.

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



Period	The highest	The lowest
Q1 2015	126.10	103.20
Q2 2015	142.00	121.60
Q3 2015	136.20	114.20
Q4 2015	131.80	106.50

In 2015, the closing rate of Comarch S.A. shares between the 2<sup>nd</sup> of January, 2015, and 29<sup>th</sup> of December, 2015, decreased by 1.3% from PLN 115.5 to PLN 114.05. During the year, the maximum closing rate amounted to PLN 142.00.

### 3. Products and Services Offered by Comarch in 2015

Comarch is a producer of innovative IT systems for key sectors of economy: telecommunications, finance and banking, public administration, as well as large, small and medium-sized companies. A wide range of the Comarch offer includes ERP-class and financial and accounting systems, CRM systems and loyalty software, sales support, electronic document exchange, electronic banking, teleinformatic network management and billing systems, Business Intelligence, security and protection of data and many other solutions. Apart from providing innovative IT solutions to its customers, Comarch is focused on professional customer service and on providing consulting, advisory and integration services as a uniform package, with which our customers can take full advantage of the possibilities offered by modern IT systems.

#### **TELECOMMUNICATIONS DIVISION**

Comarch is a provider of comprehensive IT solutions for telecommunications. Since 1993 Comarch has helped telecommunication service providers from 4 continents optimize costs, increase business efficiency and transform BSS/OSS systems. Comarch solutions combine rich out-of-the-box functionalities with high configurability and are complemented with a wide range of services. The company's flexible approach to projects and a variety of deployment models help telecoms to make networks smarter, improve customer experience and quickly launch digital services, such as cloud and M2M. This strategy has earned Comarch the trust and loyalty of its clients, including the world's leading CSPs: Vodafone, T-Mobile, Telefónica, Orange, KPN and MTS.

#### **PRODUCTS**

##### **Sales & Customer Management**

**Comarch Customer Management** enables managing relationships with a customer. It was especially designed thinking of the needs of the telecommunication business. The solution is designed to integrate well with the existing OSS/BSS architecture. This flexible product for telecom operators provides a complex, centralised customer view and automates key sales, marketing and customer care processes.

**Comarch Online Self-Care** enables customers of all sorts of telecommunications services acquire an exact information 24 hours a day. This complex system enables subscribers and partners to review and analyse financial documents, information on their accounts, activation and deactivation of services and data exchange with a call centre in easy and flexible way. The system supports also operator's marketing by providing a communication channel for, among others, advertisements and promotion.

**Comarch Sales Channel Management** optimizes sales force efforts and helps service providers increase sales. The highly efficient Comarch Commission & Incentive module enables the implementation of innovative strategies and optimization of sales force compensation plans. Pre-integrated with the Comarch BSS suite, the tablet-based Comarch External Sales Mobile App lets your sales representatives check the most up to date customer data from any location at any time, verify service availability, and register new contracts. Comarch Logistics Management allows the verification, control and automation of replenishment of stock levels for selling points.

##### **Billing & Charging**

**Comarch Convergent Charging & Billing** is a modern tool perfectly suited for any type of communication services providers. It lets you charge customers for any type of service in real-time, personalize offers for your customers, and makes it easy to develop new business models in cooperation with various partners, which is essential to drive your business in the current telecommunication world and Internet of Things.



**Comarch Inter-Partner Billing** enables service providers to exchange settlements and invoices, and share revenue or costs with other service providers. The system also facilitates managing relations with national and multi-national business partners and gives ability to settle by one platform any service type, including voice, data transfer, and premium, in many business models, such as platform delivery, reselling and wholesale.

### **Service Design & Fulfilment**

**Comarch Service Fulfilment** supports processes of creation and delivery of services to a customer starting from customer order, through modelling and adequate orchestrating network operations. The solution enables operators to automate service fulfilment and quicker introduction of new services to the market. The system assumes that new services are built from predefined elements which are managed in service catalogue, thus telecom operators may quicker deliver them to a customer and keep high innovativeness of the offered products. Delivery of services process is performed over existing technical silos, what enables a gradual transformation without significant investment.

**Comarch Product Catalogue** enables simplification of the IT architecture, shortening time-to-market for new products and services and complex management over catalogue and life cycle of products from one month. The software allows to specify offers and products, designate relations between products and define which of them are mutually exclusive or may be sold exclusively within bigger packages. The system specifies potential end-users, location and many more other features. The product is based on TM Forum Information Framework called Shared Information Data model (SID).

**Comarch Field Service Management** is a complete solution for scheduling, staffing, managing, and supporting workforce in the field. Due to the possibility to assign tasks to employees with appropriate competencies while taking into account their availability and geographical location, the system allows to increase resource efficiency and optimize labor costs and fuel consumption.

**Comarch Order Management** is a solution dedicated to automate and thus speed up order-to-cash process, which starts from customer order capture and goes through service, network provisioning and activation and ends at billing the customer. Comarch Order-to-Cash Automation supports shortening time-to-market for new products and services. This is achieved by building the solution around pre-integrated central product catalogue and service catalogue which serve as a single place for defining products. The whole process spans across both business and technical domains, served by Comarch Customer Order Management and Comarch Service Order Management.

### **Network & Service Assurance**

**Comarch Fault Management** enables effective control identification of problems and failures in a telecommunications network serviced by several suppliers (geographical localisation, position in a logical network architecture, standard list of alerts) and enables adequately quick reaction to network defects. Through continuous monitoring of all elements of the network, it displays and efficiently tracks alarms and repairs them at source before they influence the quality of service to the end-user.

**Comarch Service Assurance** enables a telecom operator to monitor complex services, automatically find problem root causes. The system makes telecom service assurance possible to control from one convergent, central application.

**Comarch Customer Experience Management** is based on integrated OSS and BSS systems. It enables telecom operators an insight into customer perception of the services, thus network and services management at the level which guarantees the highest level of customers' satisfaction. This product may be integrated with Comarch Service Monitoring and Comarch Service Quality Management modules, enabling transfer from traditional network management to practical network management which aims at improvement of customer experience.



**Comarch Service Quality Management** transforms traditional network-centric performance management into customer-centric telco service quality management. The insight into customers' perception of service quality enables to prioritize network performance management based on the forecasted influence on customer experience. Comarch SQM enables you to become proactive in managing service quality by preventing customers from experiencing service problems, thanks to trend analyses and prediction capabilities.

### **Network Management and Planning**

**Comarch Network Planning** enables you to comprehensively and efficiently manage telecom network planning, expansion and optimization processes. The solution enables full control over strategic, administrative and technical processes using only one OSS platform. This ensures unprecedented until now visibility of business processes.

**Comarch Network Inventory** stores the complete information about network resources and presents current, historical and future state of telecommunications/IT networks and facilitates network resource management. The system enables modelling links, planning, designing and configinventing equipment, address assignment and control, resource numbering and preparing reports. It also provides detailed network element information and allows the users to search the database using a wide range of criteria.

**Comarch Service Inventory** is to enable managing the network from service perspective. The product, pre-integrated with Comarch Service Catalogue, describes the services according to the TMF SID model, which identifies Customer Facing Services (CFS) and Resource Facing Services (RFS).

**Comarch Configuration Management** enables service providers to automate the crucial area of network configuration management. The product can be implemented as part of a broader solution for network planning and upgrading – Comarch NG Network Planning.

### **BSS Systems**

**Comarch B2B Solution** is a dedicated BSS/OSS stack, designed to support service providers in the area of B2B communications. The solution focuses on critical problems related to B2B relationships, such as providing distinct selling approaches for different company sizes, NCsdelivering and supporting large numbers of customized products and services, managing service level agreements (SLAs), and handling complex fulfilment processes. This solution can also support multiple billing scenarios.

**Comarch Smart BSS** is a complete pre-integrated solution that enables communication service providers to comprehensively manage Request-to-Answer, Order-to-Payment, Usage-to-Payment, Request-to-Change, Termination-to-Confirmation and Problem- / Complaint-to-Solution processes, via customer management and self-care applications. The solution is dedicated for local operators and smaller telecommunication companies, such as Internet suppliers, cable and satellite TV networks or virtual operators.

**Comarch MVNO/MVNE** is a solution tailored to both MVNO (Mobile Virtual Network Operators) and MVNE (Mobile Virtual Service Enablers) business models. With its help, telecom operators may launch cost-effective services, often aimed at niche customer segments and acquire additional revenue. Comarch MVNO/MVNE can help telecom operators easily manage relations with customers, business partners, the portfolio of offered services, as well as revenue.

### **Intelligent Networks of the Future**

**Comarch SDN/NFV** is a solution coupled Software Defined Networking with Network Function Virtualization. The tool prepares a company successfully face the challenges of the digital era and the Internet of Things. It carries the promise of lower OPEX and CAPEX and higher return on network investment. NFV / SDN enables to transform network nodes into micro-datacentres that can host not only

software implemented network function (Virtualized Network Function) but also customer applications. The network can be transformed into a distributed platform that can dynamically re-shape itself to better service customer applications and allocate its resources according to customer application needs.

**Customer-Centric OSS** - transformation of OSS environment in the perspective of customer experience means switching the perspective from network resources to customer experience. The ultimate goal of costly network upgrades lies in providing a better service for end customers. This way, telecom operators may combine technical parameters and other data with how they influence the level of customers' satisfaction.

**Comarch Self-Organizing Network** responds to the challenges connected with the automatisisation of services and synchronisation of this process with business objectives. The concept of a self-organising network is accompanied by the implementation of LTE technology and the migration to 4G network. Comarch SON allows to increase customer satisfaction through the introduction of the following paradigms: "plug & play", network "self-optimisation" and network "self-treatment".

### **Professional Services**

**Business Consulting** is a service that helps telecoms optimize and automate their business processes and increase their efficiency in OSS and BSS areas by eliminating multi-vendor and cross-organization redundancy and by rethinking IT architectures and configurations. Comarch offer was build based on three basis: rich portfolio of business services, complex responsibility for implementation and business effects, as well as experience and knowledge of the industry.

**Managed Services** is a set of services within modernization of BSS/OSS environment which results in improvement of efficiency of business processes, limitation of costs and keeping a high quality of the provided services. Comarch offers outsourcing system and/or process management which enables customers to optimize the process of services delivery to the end-user and to increase their availability, and at the same time, to reduce operating expenses and labour costs. Comarch products, together with components of third parties and data centre services, guarantee a transformation to a new generation managed services model of and enable providing high quality consulting services within the business and IT.

**BSS/OSS Transformations** are services which enable a telecom operator the personalization and improvement of quality of provided services, as well as directing at the specified set of customers. BSS/OSS transformations support a comprehensive, multilevel transformation of IT environment based on Comarch products and infrastructure, and an open cooperation model. The services enable creation of a unified, standardized architecture of the system in accordance with the KPI indicators of the telecom operator.

**End-to-End Project Delivery** is a suit of Comarch services which ensure that a telecom operator obtains a software which integrates effectively with the existing IT environment and includes both systems and components from the external suppliers and own Comarch solutions. The suit provides designing from the very beginning of some business processes and ensures comprehensive and secure data migration, as well as continuous and efficient work of systems, and later on also support in solving the problems related to the maintenance, training for selected employees and system update.

### **M2M / IoT Solutions**

**Comarch M2M** Connectivity enables mobile operators to provide Managed Connectivity in multinational, multi-operator environments. The system lets telecoms target various industry verticals with M2M offerings, including: automotive, consumer electronics, FMCG, energy & utilities, finance & banking, healthcare, manufacturing, public services, security, as well as transport & logistics.

**Digital Services Platform** is a partner collaboration and service management platform that enables telecom operators to manage the quality of modern services (Internet of Things, Machine-to-Machine, cloud services, mobile payments, standard telecommunication products based on new technologies), handle the collaboration process between the partners, as well streamline the process of service integration by efficiently distributing tasks between appropriate partners and departments. The solution enables telecom operator to play an active role in various industries such as Smart City, automotive, healthcare and electronics.

**Comarch M2M Actionable Analytics** focuses on delivering measurable business value, using intelligent big data processing and real-time actionable analytics. It provides thorough information about the way in which customers are using your M2M products. Additionally, it handles some issues related to quality of service (QoS) within M2M operations, by helping discover which device (or type of device) generates issues, revealing data patterns and trends, and providing reports and analyses of anomalies.

**Comarch IoT Monetization Suite** combines several M2M and IoT service management solutions, creating one comprehensive platform that enables operators to: effectively provide this type of services to various industries (automotive, retail, wind power plant, etc.), settle them easily, offer high quality of services within the SLA field, analyse the data related to M2M and IoT as well as offer any type of new services with a wide selection of pricing models.

## **FINANCE, BANKING AND INSURANCE DIVISION**

For over 20 years Comarch delivers IT systems for the largest financial institutions, in particular for banks, brokerage houses, insurers and entities managing assets and funds. As one of the biggest producers of software in Poland and Central and Eastern Europe, Comarch may be proud of many lines of products, reach scope of competences, and most of all, large group of satisfied customers, among others: UniCredit, ING, Raiffeisen, BGŻ BNP Paribas, BPH, Alior Bank, Swiss Life, Ergo, Oney, Allianz. Our offer comprises both own finished solutions, dedicated solutions, and advisory and integration works.

### **PRODUCTS**

**Comarch Asset Management** is a multi-module platform designed for investment and pension funds, asset managers and insurance companies. The tool supports the processes of asset management, fund valuation and bookkeeping, measurement of portfolio risk and performance, and regulatory reporting. It is comprised of the following modules: Comarch Portfolio Management, Comarch Fund Valuation, Comarch Performance Attribution & Risk, Comarch Regulatory & Portfolio Reporting and Comarch Fund Portal.

**Comarch Commission & Incentive** is an online system consisting of multiple functional modules. It provides end-to-end support for sales network management, commission calculation and settlement, sales network training register, document generation and reporting. It is designed for insurance companies, banks and other organizations whose operation includes the management of an extensive sales network and complex commission policies.

**Comarch Corporate Banking** is a multi-channel and multi-product platform used to support corporate clients and medium-sized enterprises. Thanks to applied solutions, modularity and wide customization options, the platform meets the expectations of even the most demanding banks. Owing to its integration capability with the existing bank systems, the solution is a universal, comprehensive, efficient and safe tool which streamlines the management of transactions, automates business processes and reduces business costs. It can be easily integrated with ERP systems. As a result, companies which process tens of thousands of transactions per day gain an efficient tool which automates their processes and streamlines their daily activities.

**Comarch CRM & Loyalty for Banking** is a set of tools to comprehensively support all the processes associated with building and maintaining customer relationships. The platform enables the measurement of advisors' performance and the effective management. The tools designed for banks and other financial

institutions put great emphasis on customer relationship reinforcement based on the strategy of professional communication. The solution includes modules: Comarch Virtual Marketplace (possibility to integrate with Comarch Beacon), Comarch Campaign Management and Comarch Customer Relationship Management – Branch Office.

**Comarch Custody 2** is a state-of-the-art reference system for end-to-end servicing of bank operations related to securities trading. The solution is targeted at financial institutions of all sizes. It provides support for basic and advanced processes, including the basic bookkeeping of client portfolio statuses and own positions, full automation of communication, as well as cross-border settlements and security management. It focuses on various types of operations conducted in an active financial institution, including settlement of market transactions, management of corporate actions, a wide range of bank reporting as well as communication with clearing houses, clients and partners in line with the latest standards for data exchange (SWIFT, ISO 20022).

**Comarch Insurance Agent Essentials** is a platform that aims at integrating multiple business systems and providing an intuitive and ergonomic work interface, consistent for agents, branch and call centre employees, and partners, agencies, multi-agencies and brokers. **The platform is** designed to satisfy the needs of business users, and they work both online and offline. It is the platform's significant advantage taking into account the mobility of insurance agents and claim adjusters.

**Comarch Loan Origination** is a platform that provides comprehensive support for credit processes. It works for products targeted both at individual customers and business clients, including micro-enterprises, small and medium enterprises and corporations. The system is designed based on the proprietary Comarch Business Process Management solution, thanks to which all the parameters of a loan product, the process itself and the associated screens and printouts can be tailored according to the bank's needs.

**Comarch Smart Finance** is a platform for retail banking that consolidates internet and mobile banking, personal finance management and enhanced communication channels. Moreover, it is a smart advisory tool that performs a detailed financial analysis and helps bank retail customers, individuals and small businesses, make right investment or savings decision. The solution contributes to increased bank customer loyalty as it provides the possibility to tailor the bank's product offering to customer's needs. After the analysis of customer's behaviour, it recommends products that should be of their interest.

**Comarch Wealth Management** is a multi-module platform for private banking and wealth management. It supports client wealth management processes as part of personal services and a self-service channel, including the analysis of a client's financial situation, risk profile assessment, financial planning, strategic asset allocation, recommendations for financial products and investment performance reporting. It consists of the following modules: Comarch Investment Advisor, Comarch Client Front-End, Comarch Client Reporting, Comarch Portfolio Management, and Comarch Performance Attribution & Risk.

**Comarch Global IT Services** provide comprehensive solutions for demanding clients who look for effective, safe and stable IT systems. They offer four categories of services: Outsourcing IT/Data Centre, Community Cloud, Security & Monitoring and Comarch Big Data.

## **COMARCH TECHNOLOGIES DIVISION**

Launched in 2014, Comarch's Technologies Division is the fast-growing technology wing of Comarch Capital Group. It provides comprehensive end-to-end hardware and software solutions for B2B clients. Basis for development of the company constitutes experience gained within prototyping, production and control over quality of the offered solutions of the area of consumer electronics and automotive, medical, and finance and banking industry.

Own R&D centre and launching the production line (IoT Lab) guarantees the highest quality of the produced electronics and conformity with the current trends and the industry standards.

## PRODUCTS

### INTERNET OF THINGS

**Comarch IoT Platform** is a flexible cloud-based platform to manage smart and mobile devices. The platform enables configuration, management and monitoring of the communication between devices in network. It results in an increase in efficiency of process management and a decrease in both operating and of used resources.

**Comarch beacon** is a small transmitter that broadcasts a continuous signal via Bluetooth Low Energy. The device, through a dedicated mobile application, allows to connect individually with a customer using such its functionalities as: contextual messaging, communication in real time, indoors and outdoors.

**Comarch Field Service Management** is a complete solution for scheduling, staffing, managing, and supporting workforces in the field. The system enables improvement of efficiency in the context of available resources by assigning work orders to those employees who are more competent and of locations in the field, thus contributes to the labour costs and fuel usage optimization.

### MOBILITY

**Application development** is a service consisting in the designing of mobile applications according to the customer's requirements, while using knowledge and experience within security of the network and logistics, as well intuitiveness of the application when in contact with a customer.

**User Experience Consulting** consists in a comprehensive behaviour and users' profiles survey carried out in order to design intuitive and end-user friendly applications.

**Quality control and testing** is a complex planning and managing the testing process of mobile applications.

**Certification tools** enable effective management of device and application certification processes. Additionally, they allow for verification of compliance with folded standards and provide continuous support to organizations during the evolution of the standards.

### CYBER SECURITY

#### Consulting

- **Comarch Cyber Security Solution** provides professional services within preparation and implementation of security policy, as well as carrying out an IT audit in an entity. New feature is implementation of C<sup>2</sup>SOC (Comarch Cyber Security Operations Centre) service which is used for early detection and elimination of cyberattacks which would influence the customer's business. C<sup>2</sup>SOC is available 24 hours a day, whole year.

#### Identity and Access Management

- **Comarch Identity and Access Manager DRACO** is a software enabling management the identity and access to IT systems of an entity. It was built from scratch having in mind single sign-on (SSO), role-based access control and users' accountability.

#### Public Key Infrastructure

- **Comarch CertificateAuthority** manages creation, storage and distribution of PKI certificates, which are used to securely share data over a network whilst verifying the identity of a certain entity.

- **Comarch CertificateWorkshop** along with Comarch Certificate Authority covers a complete PKI certificate lifecycle, starting from a request for certificate issuance up to its extension, termination or cancellation.
- **Comarch SOPEL** provides Public Key Infrastructure (PKI) libraries and services related to the electronic signature operations. The electronic signature is used to confirm the user's identity, software or hardware, and gives transaction authorization.

### Authentication & Authorization Methods

- **Comarch Smart PKI Devices** are cryptographic devices which verify the identity of their owners and provide secure access to any sensitive data. Comarch's Smart PKI Devices portfolio includes smartcards, smart tokens and smart card readers serviced also with biometric technology.
- **Comarch SmartElliptic Devices** are the unique protectors embedded with certificates and private keys based on the Elliptic Curves Cryptography (ECC) mechanism for future-proof secure systems. Unlike today's most commonly used algorithms, the ECC mechanism delivers a higher security level along with shorter cryptographic keys. Comarch Smart Elliptic Devices family comprises of Comarch tPro and Comarch Smart Token ECC devices.
- **Comarch OTPSolutions** provides strong methods of user authentication and authorization based on the one-time password generation and challenge-response mechanisms. The one-time password mechanism is the most popular and simple form of the two-factor authentication used to protect networks against unauthorized access. Comarch OTP Solutions offer comprises of Comarch Smart Token OTP and Comarch Mobile ID solutions.

### Security Assurance

- **Comarch SecureAdmin** is a tool dedicated for management, remote monitoring and internal access to resources on servers. In addition, it is equipped with a mechanism for configuration of the limit of session's time and an automatic notification about an unauthorized attempt to access to a server.
- **Comarch FrozenObject** monitors and reports changes in the selected elements of the company's systems and applications.
- **Comarch CentralLog** is a solution used to gather logs coming from IT systems in an entity. The gathered data are filtered, processed online and hosted for audit purposes.

### OUTSOURCING

Outsourcing delivered by Comarch is provided within outsourcing of processes, R&D, systems and know-how (human resources). Cooperation with Comarch enables limitation of costs, time and risk of the conducted projects.

### DESIGN & PROTOTYPING

In our IoT Lab, we build functional prototypes which follow the highest industry standards in safety, security and user experience. Our rapid prototyping technology process includes design, manufacturing and final product assembly, along with thorough testing and validation.



## **QUALITY ASSURANCE**

Comarch provides quality assurance services of IT systems. The quality assurance services comprise preparation of a specification including an analysis of a customer's requirements, designing of the test scenarios and preparation of documentation, test automation and their execution, carrying out analysis in order to improve, as well as after audit inspection.

## **SHORT SERIES MANUFACTURING**

Comarch offers an innovative and sophisticated product line that allows for rapid short series manufacturing. Aiming at supporting clients in a whole prototyping process, we provide services in the areas of industrial design, prototyping, software development and integration finalized in extensive quality assurances.

## **EMBEDDED SYSTEMS**

Comarch offers visionary system and product solutions within embedded systems. Experience gained during performance of international projects related to consumer electronics, and automobile, medical, finance and banking industries guarantees conformity of the offered solutions with the current trends and the industry standards.

## **ERP DIVISION**

**Comarch ERP Altum** – the first intelligent ERP platform which comprehensively supports all key business processes in medium and large trading and service companies and in store chains. It is also intended for holdings. The solution is adjusted to the Polish and foreign markets. The system is also available in a service model (SaaS).

**Comarch ERP XL** – for years it has been the most desired system of the ERP class in Poland and is used by more than 5,000 enterprises from different industries. The solution fulfils specific requirements of manufacture, trading and service enterprises. The system is also available in a service model (SaaS).

**Comarch ERP Optima** – an application for micro, small and medium enterprises which offers sales management, management, accounting services and personnel and payroll management. Along with an additional Accountant Office module and iKsięgowość24 Accountant Office Social portal, Comarch ERP Optima is a tool for managing and advertising the accountant offices and tax counselling offices. The application is also available in a service model (SaaS).

**Comarch ERP iFaktury24** – an innovative application for on-line invoicing, managing a warehouse and simplified accountancy, it is available through an internet browser or an application installed on computers with Windows 8, 8.1 and 10 systems. A solution dedicated to micro and small enterprises. Its main advantages are the ease of use, a complete process automation, a possibility to integrate it with an accountant office, Wszystko.pl portal, Comarch ERP e-Shop and Comarch BI Point. The application is only available in a service model (SaaS).

**Comarch Retail** – an independent system for managing a retail sale, enables a company to manage a retail store chain efficiently and comprehensively, starting from its main office through back-up facilities to the point of sale (POS).

**Comarch ERP Mobile** – a package of mobile applications which supports the ERP systems: Comarch ERP Optima, Comarch ERP XL and Comarch ERP Altum. The package includes: Comarch ERP Mobile Sales Manager and Comarch ERP Mobile Sales. Comarch ERP Mobile Sales Manager is a web application which enables companies to manage mobile personnel and their sales results via one application, run on any type of device: smartphone, tablet, laptop or PC. It enables companies to monitor

work results and the current locations of the personnel and routes registered by them. Comarch ERP Mobile Sales is an application of SFA type, enabling users to work on a smartphone or tablet with Android platform, support the field personnel, amongst others, sales representatives and sales assistants in shops.

**Comarch WMS** – a solution which enables companies do manage a High Bay Warehouse. The package includes: Comarch WMS Management and Comarch WMS Warehouse. Comarch WMS Management is a tool dedicated to management of a company warehouse logistic, among others, by defining warehouse structure, handling carriers, giving warehouse orders, monitoring the warehouse's work. It is a web application which can be run on any type of device: smartphone, tablet, laptop or PC. Comarch WMS Warehouse supports the operation of warehouses on data collectors with an option to work on-line. The application allows users to receive, issue, move and take inventory of goods.

**Comarch Business Intelligence** – it is a system based on a technology of data warehouse which is dedicated to small and medium enterprises and international corporations. The solution supports decision-making processes and handling tasks relating to reporting. It offers support to the following industries: financial and insurance institutions, FMCG, service and production.

**Comarch BI Point** – Comarch's own reporting tool allows you to create and view interactive reports and managerial dashboards online, directed primarily to analysts, controllers and managers. Responsiveness of the application allows you to use it as well on mobile devices. Through an intuitive interface and many forms of visualization it ensure ease of use for the user. The tool is used in every type and size of enterprises - the ability to share reports with other users from different geographic locations and different operating systems, ensure flexibility and versatility.

**iBard24** – an easy to use, multifunctional tool for, amongst others, automatic backup, file synchronization between devices and team work on documents. iBard24 service allows users to have constant access to company data from any device and place 24/7. A huge advantage of the application is the high level of security of the stored data: double encoding and their storage in a certified Comarch Data Centre in Poland. iBard24 is available in four languages (Polish, English, German and French).

**iKsięgowość24** – accountancy and bookkeeping services for enterprises, provided by more than 1,000 accountant offices which use Comarch ERP Optima.

**Comarch ERP Contractor Desk** – B2B platform allowing users to, amongst others, order goods on the Internet. A logged on contractor has access to the history of their orders, payments, claims, can view a realization status of service and production orders. The application works with Comarch ERP XL, Comarch ERP XL and Comarch ERP Altum.

**Comarch ERP e-Sklep** – a software for an internet shop for small and medium companies fully integrated with the Comarch ERP management systems, price comparison applications, Allegro and Wszystko.pl auction websites, and also with on-line payment services.

**Wszystko.pl** – a trading platform (operating so far in www.iMall24.pl domain), it enables a company to sale directly on the Internet from the invoicing and warehouse system used by enterprises. Every company that has purchased the Comarch ERP management software can sell its products via this application.

**Comarch ERP e-Pracownik** - application to manage, among others, working time and holiday leaves, cooperating with the personnel and payroll module in Comarch ERP Optima, Comarch ERP XL and Comarch Altum ERP. The application can be used on your computer, laptop, tablet and smartphone. The program dynamically adapts to the screen size of the device where it is displayed. It can be installed on the user's local computer or as a service model in the Comarch cloud (SaaS).

**Comarch ERP Inwentaryzacja** – is used to make inventory records using a smartphone. Using the camera built into the smartphone allows you to scan barcodes of goods and enter their quantity or count them automatically for the user.



## **PUBLIC DIVISION**

Comarch specialises in designing, implementing and integrating modern IT systems for public administration and companies and institutions from the public sector, Comarch is also experienced in developing comprehensive turnkey solutions and creating network hardware infrastructure. In view of the changes taking place in Polish public administration, Comarch has developed a series of e-government solutions. They are designed to meet specific needs of public sector entities. Comarch solutions are designed and developed according to the latest international standards and are implemented by the best specialists. The most important solutions implemented in public sector are:

**Comarch Workflow** - It supports the electronic (and paper) flow of documents in companies and institutions (industry-specific versions have been developed for particular entities).

**Comarch Portal** - This proprietary Content Management System (CMS) not only provides tools to create and publish website content, but also provides advanced management over content and communication. The system facilitates managing multimedia files and e-learning support. The thematic video chat and forum solutions, as well as the FAQ options, will ensure efficient interchange of information throughout a company.

**Comarch e-Investor** - This is a useful tool to provide support for investors (individuals, institutions and companies). The system is offered to local government bodies and investment agencies and is used in many different fields of the investment industry (information, research, organization, spatial management and transport).

**Comarch e-Tourist** - This platform provides support to promote locations and regions attractive to tourists. Interactive maps (connected to GPS maps) can include visualizations of tourist trails, descriptions of restaurants, overnight accommodation, local attractions as well as weather forecasts. Apart from the informational function, users can book various activities (including tour guides, special attractions and support in selected languages) for individual tourists or groups and also presentation of local attractions (also in 3D).

**Comarch e-Office** - Comarch e-Office is a platform of online public services with a set of modules that allow local public administration bodies to execute tasks set by the legislator. Intuitive tools allow for independent management of the application and ensure support for content creation and publication. Comarch e-Office includes the following modules, among others: Digital Office, Public Information Newsletter, Information Portal and Intranet.

**Comarch ERP Egeria** - This ERP class Integrated IT System supports management of organization and decision-making processes. It features a high configuration capacity and flexibility, which allows it to be adjusted to the individual needs of each client. The system is offered to different types of companies and institutions (government and local level administration, health care, colleges and universities, utilities, etc.).

**Comarch ERP Egeria e-Health** - Comarch Egeria e-Health is a system designed to handle the administrative part of health care facilities. Its modular construction makes it easy to be adapted to current needs and can be gradually expanded. The system is prepared to work with data from working time recorders, data collectors and fiscal printers. For users' convenience, the system is divided into the following areas: Finance and Accounting, Personnel Management, Warehouse Management and CRM. The system supports also defining the medical procedures and calculating the cost of treatment.

**Comarch ERP Egeria Education** - This is an integrated tool to provide support for academic institutions. The system consists of two parts: Front Office, to support didactic processes, control over student and scientific issues, and Back Office, which is responsible for accounting, warehousing, HR and other processes related to administration over higher education institutions. The system is fitted with a wide range of reporting tools.

**Comarch ERP Egeria Virtual University** - The solution providing a comprehensive functionality package designed to manage current student affairs. The portal is fully integrated with the part of ERP Comarch Egeria Education, which is used by the dean's office. The Access to individual sections of the portal depends on the level of privilege that a user holds (student, teacher, worker and administrator).

**Comarch ERP Egeria Mobile Virtual University** - The solution allows students to gain academic knowledge with the use of mobile devices. Students have the access to: personalized messages, news, assessment history, schedule, offers of educational institutions and so on.

**Comarch ERP Egeria Leasing** - This integrated IT system gives support to companies that provide financial services (including leasing). The system supports the sale of financial products with calculators templates and tools which facilitate customizing offers and adjusting them to changing market requirements.

**Comarch ERP Egeria Leasing Partner Care** - The main functionality of the Leasing Partner Care system is the possibility of entering offers and object data for customers of leasing companies. The system provides customer support (e.g. by providing the repayment schedule), and adding securities and allows for adding a lease insurance option to the offer. The last stage is pre-valuation, that is a process where specific conditions in configuration of a product are checked.

**Comarch ERP Egeria Public Administration** - The ERP (Enterprise Resource Planning) system for public administration management, which is adapted to the specific requirements of the local government units and is often supplied with extra modules to correspond to the variety of needs of individual offices, e.g. budgeting and tax service.

**Comarch ERP Egeria Utilities** - Enterprise Resource Planning (ERP) system software is dedicated to water-supply and heat generating companies. The system is provided with billing modules and specialized tools supporting maintenance, repair and technical support, and analytical modules.

**Comarch Egeria EBOK** is a portal with elements of CMS. It provides direct online access to basic data about the client, in particular the statements of sales documents, settlement balances, list of contracts and equipment related to the client as well as relevant readout data. EBOK allows for direct transfer of information from the enterprise to the user and vice versa, and the CMS elements enable free publication of profiled articles. Additionally, the EBOK portal makes it possible to send queries, record any issues directly related to the client, or report a possible fault. This greatly simplifies and accelerates the process of communication between the client and the service provider. The direct access to sales documents eliminates the need to collect a large number of documents, including paper invoices.

**Comarch Mobile Inventory and Mobile Inventory** is a solution enabling full support for the process of inventory of fixed assets recorded in the COMARCH ERP Egeria system using mobile devices. The inventory process comprehensively supports various steps of the process: downloading data from Comarch ERP Egeria, verification of fixed asset data (including photographs), their adaptation or adjustment, settlement within spreadsheets, submitting a request to change an asset. The application works both online and offline and after completion of the inventory allows you to organize your fixed assets in the system. Comarch Mobile Inventory works with Motorola MC40 terminal, a standard tablet, phone with Android version 4.1 or higher, and Motorola CS3000 Series reader, which enables comprehensive service of the inventory process.

**Comarch ERP Egeria Smart Office** is an integrated with ERP Egeria system, secure and ergonomic package of mobile applications that optimizes realization of selected business processes connected with warehouse operations services (Goods Received Note and Goods Issued Note), reservations, inventory management and equipment order processing. Comarch ERP Egeria Smart Office can operate online and offline, cooperate with data collectors, typical tablets and mobile phones running on Android 4.1 version or higher.

**Comarch Work Expenditures Recording** - This system is used for planning and recording time worked (as well as registering attendance). The system provides a way to plan employee tasks and records actual attendance, as well as the execution of assigned tasks.

**Comarch CBO for media trading companies and distributed recipients** - This is a solution dedicated for companies that trade electricity, heat, gas, water and sewage networks, as well as for dispersed recipients. It ensures fast access to data collected from various sources (such as distribution companies or independent reading operators), tracking the consumption of utilities and providing multiplane analysis of gathered data. Data in the system constitutes a credible basis for settlement of recipients, planning purchases and conducting proactive business activities. The system supports forecasting requirements, tariff analyses and client segmentation in terms of their consumption structure.

**Comarch CBO for media distribution companies** - This system acts as a measurement operator for companies. It provides a number of automatic mechanisms for data acquisition taken from various sources and its verification, and makes it available for multidimensional analysis. It ensures easy integration with existing billing systems, network property management systems and other systems vital to a company's activities. This solution facilitates managing readings from electricity meters and other utilities, including water, heat, and gas.

**Comarch Network Assets Management System** - This is a solution dedicated for network companies such as electricity distribution companies, gas distribution companies, or water and sewage network companies. The system ensures complete registration and management of data concerning a company's entire network infrastructure and improvements in executing core business processes such as connections of clients, planning and execution of investment and repairs, operational use of networks, processing service calls, network complaints, emergency events and disconnections.

**Comarch IT Cost & Risk Analysis** – This is a tool for determining the total costs of providing IT support and comparing it to the alternative of having no IT support. The system calculates the costs and risks related to migrating support for business processes. It provides valuable information related to the profitability of providing IT support including: ROI, NPV, and IRR. It presents a simulation for processes, systems and entire models of providing IT support.

**Comarch Business Intelligence** - The thematic data warehouses built by Comarch include various data ranges and carry out many different objectives. We have created data warehouses which are knowledge databases, the tools to analyse medical and financial data, and to support business activities. Our solutions are specifically valuable for the management of large volumes of data, collected from numerous systems and locations.

**Comarch Database Archive** - This is a tool used for optimizing archived data and the planned management of it. The system facilitates creating new data partitions by selecting them from active partitions and correctly rebuilding database structures, partition disconnection and archiving, and authorization of data deletion and restoration.

**Comarch Security Platform** is solution merging elements of both physical security and cybersecurity. It's an innovative Physical Security Information Management system supporting security of objects and protected areas. Our solution integrates multiple security systems such as anti-theft alarms, CCTV, fire alarms and access control system, allowing users to manage all the security measures throughout one central security system. Additional components regarding image analysis, data correlation and predefined action procedures allows for automation of work, increasing security of protected area or building. Information analysis modules allows for detection and prevention of physical (terrorism, demonstrations) and cyber (hackers, botnets) threats.

**Comarch Smart City Platform** is a comprehensive solution dedicated to cities and urban matters. The platform centre - Comarch Smart City Engine combines all platform elements with the existing municipal systems and infrastructure (including Internet of Things). The Platform is composed of: Comarch Partners Market, mobile applications, dedicated Comarch City Portal, Comarch Developers Platform and Comarch Smart City Console. Comarch Smart City is a set which constitutes both a data warehouse and analytical

tool. Collection of data from the systems, urban infrastructure and users themselves enables not only the optimization of urban processes, but also more efficient matching the offer of services to the preferences and habits of the inhabitants.

**Comarch eRecording** - Comarch eRecording is a comprehensive and coherent solution, which combines the convenience of classic audio / video recorders with sound systems and a dedicated application to control the process of audio / video registration. The system allows for recording meetings or public appearances together with related metadata and comments, which guarantees efficient search for a recording during the playback. Additional sources for the registered data may be external multimedia data and remote transmission conducted by a video terminal. Comarch eRecording provides, together with a recording, multimedia player independent from the device's platform.

**Comarch Video Terminal** - Comarch Video Terminal is a client of video conference that supports popular connection standards and audio-visual transmission. It is also a suitable complement for Comarch eRecording, as it provides point-to-point connection, as well compilation of multi-party calls based on the standards and infrastructure of video conferencing bridges of leading suppliers.

## **SERVICES DIVISION**

In the services sector, Comarch designs, implements and integrates innovative IT solutions for loyalty programs, marketing campaign management, employee motivation management, electronic data interchange and business information, manages documents and their flow within the company and sales process management using support systems and mobile applications. The offer also includes a comprehensive range of IT infrastructure management for services companies.

Services Sector currently employs about 900 employees and implements projects on five continents in 35 countries, starting from Poland through all European countries, Arab countries, Malaysia and the Philippines up to the United States, Canada, Dominican Republic, Brazil and Chile. Among our clients are BP Global, Carlsberg, Heathrow Airport, Heineken, JetBlue Airways, Metro Group, OMV, Diageo (producer of such brands as Johnnie Walker, Smirnoff and Baileys), Red Bull and Tesco.

### **Solutions to manage loyalty programs and marketing activities**

Comarch CRM & Marketing is an offer for large companies constitutes a comprehensive package of IT solutions and expert services that helps to build loyalty programs and manage them, to create a good relationship with customers, to automate marketing processes and, ultimately, increase profits. Our software supports all activities creating value for the loyalty program participants. Comarch knows the characteristics of many industries thanks to the experience gained while working with more than 80 customers, which include FMCG companies, retail chains, telecom operators, financial institutions, airlines and airports, among others, JetBlue Airways, Heathrow Airport or BP. Comarch's offer also includes tools to analyze Big Data and innovative, based on gamification, systems to build customer engagement that increase profits and strengthen relationships between customers, partners and brand.

Comarch CRM&Marketing includes the following solutions and services:

**Comarch Loyalty Management for Retail** - is a world-class system for managing loyalty programs of all sizes, both multi-partner and in a stand-alone model. The system supports operators of B2C and B2B loyalty programs and provides support for all areas, ranging from customer registration and profile management by creating promotions based on different currencies and communication with participants, to rewarding customers with gifts, discounts and special offers from partners. Customers are engaged with built-in geo-located marketing offers, gamification mechanisms and promotional actions, such as lotteries, auctions, coupons, or benefits for rewarding the best customers - all these in order to maintain a high level of satisfaction and to increase customer retention and sales.

**Comarch Loyalty Management Travel Edition** - is a version of the product dedicated to companies in the transport and tourism sector, particularly airlines. The platform supports airline loyalty programs for all types of carriers, both for individual clients (Frequent Flyer Programs), as well as B2B. The system supports the creation of sector-specific rules for points accrual and redemption, defining Elite Tiers and privileges, as well as a separate module that automates the process of adding new partners and exchanging data with them.

**Comarch Campaign Management** - is a system designed to manage multi-stage marketing campaigns, automate their execution, and monitor and analyse the performance of individual marketing campaigns. The solution enables marketers to simplify planning and to run personalized communications with customers through multiple channels, provides control over marketing costs and allows campaign testing. The system also helps to coordinate and track tasks of particular team members.

**Comarch Customer Engagement** - is a solution for the management of commitment and customer loyalty. The system can function either as an adjunct to other solutions, or as a stand-alone model. The solution allows users to define a variety of engaging tasks (educational, social, entertainment) for users, for which they are rewarded with badges or a higher level or position in the ranking.

**Comarch Smart Analytics** - is a Business Intelligence system that allows the simultaneous acquisition and use of information about customers, their behaviour or preferences. For the analysis to be maximally reliable and to most faithfully reflect the behaviour of the market, the tool retrieves data from loyalty systems, CRM, marketing campaign management, as well as from other sources such as accounting systems, revenue registration or controlling systems.

**Comarch Social Mining** - is a system that allows the user to monitor the behaviour of a loyalty or gamification program participant on social media by analysing posts, comments and amount of the provider's shared content, including verification of its popularity. Additionally, the system collects the participants' personal data, which allows for an even more personalized marketing communication in terms of loyalty programs.

Within CRM&Marketing we also offer **Managed Services**:

**Loyalty Consulting** - is a package of services, in which we help our customers to create complete, innovative programs or revamp existing ones, so as to attract customers, increase profits and build a stronger bond between customer and brand. Comarch offers its customers the development of strategies and concepts of the program, helps in reward strategy and fulfilment, marketing communication planning, program organization and the development of detailed procedures and an IT requirements analysis.

**Creative Services** - are professional and comprehensive services, which, thanks to the focus on the visual and conceptual side of implementation, boost participants' engagement and motivation. Characteristic elements of creative services include: designing an involving strategy scheme, setting out the basic principles and mechanisms of an engagement program, developing unique graphic design (mobile, web, TV spots, brochures, posters), managing a program that engages clients.

**Program Management Services** – dedicated and highly experienced program managers will manage and coordinate your loyalty program by executing operational tasks and software application administration, as well as by providing expert guidance for future improvements and further growth. The range of services provided by Comarch includes support in program organization, setup and selection of marketing service providers and fulfilment partners, managing on-going relationships with strategic program partners and subcontractors, ongoing administration of software applications involved in program operations, reporting of program KPIs and service performance, fraud detection and prevention, overall communication management, as well as configuration and administration of the program web portal.

**Customer Analytics** - is a service in which Comarch provides support and assistance in the gathering, analysis and interpretation of data for the construction of customer-focused business strategies. We specialize in building customer segmentation models, analysis of data from loyalty programs, analysis of



customer migration and customer activation strategies, development of predictive models and scoring, database marketing and analysis of customer satisfaction.

### **Management Solutions for motivation of employees**

**Comarch Enterprise Engagement Platform** - a comprehensive solution for the management of motivation, commitment of employees and business partners. The system enables the definition and design of engaging, diverse tasks (education, sales, entertainment and social media) for employees for the execution of which they are rewarded with badges or a higher level or position in the ranking.

### **Smart City solution for local authorities, transport companies and shopping centers**

Comarch Smart City - a professional, multifunctional platform consisting of both back-office as well as mobile application that offers our customers comprehensive services in the areas of transportation, mobility, administration, and a full range of commercial services. Comarch Smart City allows for highlighting and matching capabilities of combining several facilities, depending on the individual needs of each client. In turn, Comarch Smart City Mobile Application combines the functionality typically occurring in many mobile channels, so that the user of application has a direct and quick access to interesting information on transport services or offers of distinguished partners.

### **Electronic Data Interchange solutions**

**Comarch EDI (Electronic Data Interchange)** is a platform for transaction services based on modern technology that provides electronic communication with every business partner in the world. It ensures process optimization and automation of data processing throughout the supply chain from the exchange Master Data, ordering process, through the implementation of supply, to invoicing and processing of payments.

Comarch EDI was indicated in the 2014 Gartner MQ report. The platform has been selected by more than 50,000 users from 40 countries exchanging more than 500 million documents per year (e.g. Metro, Leroy Merlin, Unilever and BP). EDI ensures:

- Validation of data
- Mapping/translation from/to the appropriate formats
- Integration with IT systems (e.g., ERP, WMS)
- Data routing
- Reporting

### **Comarch EDI solutions:**

**Comarch EDI e-Invoicing** - solution for servicing electronic invoices in accordance with applicable regulations. As part of the solutions we provide:

- Support for sales and purchase invoices
- Legal and business data validation
- Adjusting the format of invoices for different receivers (e.g., XML, PDF)
- Signing invoices with an electronic signature (also on behalf of the Client)
- Distribution through various channels (e.g., integration, portal, Web- EDI, e-mail, mail)
- Archiving of electronic invoices in accordance with applicable regulations.
- Integration with Comarch ECM - a comprehensive approach to paper and electronic invoices.

**Comarch EDI Financing** - faster receipt of payment or extension of the due date thanks to integration with banks' invoicing financing services (from selection through financing to execution of the payment).

**Comarch EDI e-Market** – is an e-commerce solution that allows mainly manufacturers to effectively cooperate with smaller business partners. It provides:

- Customization of the application's layout

- Definition of individual product catalogues
- Determination and calculation of discounts
- Entering a variety of promotions
- Ordering of products/Shopping cart
- Reporting

**Comarch EDI Master Data Management** – the central product catalogue that streamlines the management of product data in one place. It allows the user to define various attributes of general areas, as well as those dedicated to the business partner.

**Comarch EDI Mobile** – Mobile application for quick and easy ordering of products by scanning barcodes. Another feature is the ability to optimize the reception of deliveries through a combination of EDI documents (DESADV) with a logistic label (SSCC).

### **Solutions for document and process management**

**Comarch ECM (Enterprise Content Management)** allows for the comprehensive management of documents and business processes to provide faster performance, better control of the data and work, as well as a high level of safety in the company's critical information. Comarch offers a broad portfolio of solutions and services that enable the design, implementation, commissioning and management of the document aspect of business processes, such as the process of accounts payable, purchase processes, HR processes, contract management and master data management.

Comarch ECM has a base of over 600 customers in 35 countries on 4 continents. In the implemented solutions there are stored more than 15 billion documents, and daily launched more than 1 million process instances. Comarch ECM solutions were chosen by such companies as ING, Carrefour, Eurocash Group, Rossmann, Valeo, Valeant, Igepa, T-Mobile and Technicolor.

As part of Comarch ECM the following modules are offered:

**Comarch ECM Accounts Payable** - allows the user to redesign, streamline and automate processing of cost documents. One, unified service process is able to handle multiple business units and ERP systems in many countries and languages. Implementation allows:

- unification and standardization of purchase invoices processing
- input channels of documents can be integrated (paper and scanning, pdf to email, EDI)
- reduction in time-consuming registration of documents from the outside of EDI channel by using an unconventional OCR engine without templates
- a workflow engine to be used, which allows the support of electronic circulation, attribution and confirmation from which data will automatically go to the ERP systems

The solution is aimed at shared services centres of capital groups that support multiple entities in different languages, integrating with various accounting systems and to entities with significant volume and geographical dispersion of decision-makers who accept financial documents.

**Comarch ECM Employee LifeCycle Management** is a solution designed for companies employing several hundred or even several thousand employees, i.e., those in which the optimization of Human Resources services becomes an important element. Replacement of paper personnel files with their electronic equivalent in everyday work provides easy search and a quick preview of documents, resulting in real time savings for employees in the human resources department. The notification and reporting system also allows for efficient management of contract terminations and periodic health examinations or training.

**Comarch ECM Contract Management** allows for the implementation of a secure unified register of commercial agreements, whereby employees in the purchasing or accounting departments will be able to quickly locate and verify the provisions of the agreement. The workflow engine enables the implementation of an electronic contract approval process so that while accelerating the process it

increases its safety and reduces the risk to members of the board authorized to sign contracts. Within this module the entire lifecycle of contract is operated, from its creation (possible to create predefined templates), through negotiations, signing up to the execution of the provisions of the agreement, measuring KPI, and at the time of the upcoming expiration reminder of the need to take steps seeking to extend or terminate the contract.

**Comarch ECM Master Data Management (MDM)** – allows the user to organize the process of adding and modifying clients' or products' data, and also eliminates the chaotic email or paper communication that imposes double data entry through integration with target systems (ERP).

**Comarch ECM Quality Management** allows the user to organize all quality documents in the enterprise as a central knowledge base, and thus make it easier to access and quickly retrieve key quality documentation, not only in the quality department but also for staff in other departments.

**Comarch ECM Manufacturing Management** - this implementation provides support for technical and production documentation, whose main advantage is fast and easy access for production department employees.

**Comarch ECM Procure To Pay** – Comarch ECM P2P enables the system implementation of procedures and thereby raises effectiveness of controls of planned expenditure and simplifies the process of approval by the management. At the same time the solution significantly increases the accuracy of the forecasts of financial reserves.

**Comarch ECM Customer Care** – the module allows to improve the quality of customer service through faster and more transparent implementation of the case. The module finds himself wherever many clients report complaints, seek to enable additional services or change the address data. The system allows to service requests flowing from different channels - phone call, e-mail, chat with a consultant, fax, traditional mail, interactive form, social media.

**Comarch ECM Advanced Document Management** – central repository for documents available from dispersed locations. The module allows to reduce the paper consumption. Designed for companies, which process large volumes of documents, allows to eliminate duplication of work, control over document versioning, expanded authorization system provides the highest level of security of the stored data.

### **Solutions to support sales and distribution**

**Comarch SFA (Sales Force Applications)** are mobile and web solutions dedicated to running and optimizing business processes, including those related to sales, logistics and customer service. Our portfolio includes systems for sales support and sales representatives' work management, integration solutions and communication services with business partners, as well as web-based applications for managing sales and trade marketing, marketing and promotions.

Comarch SFA consist of more than 4.5 thousand users of Mobile Sales Force Apps, 20 million generated delivery orders and more than 15 million transmitted documents. Comarch SFA solutions have been implemented in companies such as Carlsberg, Diageo (producer, e.g. of Johnnie Walker, Smirnoff and Baileys), Red Bull, Nivea, Energizer and BioMed.

Comarch SFA platform include:

**Mobile Sales Force Applications** - is a professional Sales Force Automation-class system that provides full support for point of sale by mobile field workers. Within its offer, Comarch SFA provides users with applications that depend on the role and responsibility they have. Users can use mobile applications (smartphones and tablets) and applications available on-line via a web browser or installed locally on computers. Mobile applications are available on the Google Android platform and iOS. Solution Comarch SFA Mobile Sales Force Applications has been appreciated by Gartner analysts and included in the report „Market Guide for Retail Execution and Monitoring Solutions”.



**Comarch SFA Online Manager, Comarch SFA Online Administrator and Comarch SFA Mobile Manager** - are applications for managers and business administrators who manage sales forces in the organization. Applications provide the functionality associated with the reporting and control of sales and medical representatives who operate out of the offices.

**Comarch SFA Online Sales Support Applications** - is a sophisticated B2B platform that integrates business partners - manufacturers, distributors and shops. It provides comprehensive communication, reporting and support for sales and marketing organizations. As part of the system, Comarch SFA also provides applications for managers and business administrators who manage sales forces in the organization. The platform also includes e-commerce and call centre modules.

**Comarch SFA Trade Promotion Management** - a support module for planning and settlement of trade promotions and promotional budgets. It offers the ability to easily define long- and short-term promotional activities with selected customers, to take stock of the effectiveness of these activities and to use the historical data to analyse and find the best solutions to increase sales. As the only Polish IT solution has been included in the Gartner report "Market Guide for Trade Promotion Management and Optimization".

**Comarch SFA Online Distribution** - a communication and integration service for automatic, daily reporting to manufacturers of key information from traditional sales channels, such as inventory or resale. Online Distribution Service is provided on the basis of international standards for the electronic communication of EDI (Electronic Data Interchange), using the necessary integration of financial and accounting systems with manufacturers' and distributors' (wholesalers) sales departments. It also enables reporting of the producer's sales against the competition.

#### **IT Infrastructure Management – Comarch ICT**

Comarch ICT allows for complete control of the enterprise IT infrastructure. The combination of competence with many years' experience in the fields of telecommunications, outsourcing and data centres is a guarantee of the realization of specific implementations based on the best global standards and technology partnerships with leaders in the IT market. These solutions guarantee data security, promoting the development of IT processes within the organization, as well as internal and external communication. The most important services provided by Comarch in the area of ICT are Data Centre, IT Outsourcing and Integration and IT Networks.

#### **Comarch Data Centre**

Comarch has 15 years experience in the provision of data centre services. These are services based on advanced technological data centers with high-availability and architecture TIER III and TIER IV that are an alternative for companies to expanding their IT infrastructure resources. They allow clients to benefit from the use of a specially designed space, without the need to build it and without creating expensive infrastructure. We accompany the client at all stages of the project, starting from preparation of the initial concept, through design solutions, their implementation and migration, to maintenance and management.

Comarch has 3 own Data Centers, dispose 13 Data Centres around the world, with 5 petabytes of data stored for customers in more than 50 countries.

Services in the Comarch Data Center can be provided in one of the following service models:

**IaaS (Infrastructure as a Service)** - it consists of renting IT infrastructure - a specified amount of servers, computing power and storage space. Choosing the IaaS model enables a flexible and scalable selection of IT infrastructure resources based on the current needs of the company. As part of IaaS Comarch provides:

- Co-location systems in secure data centre premises, designed and secured in accordance with the highest industry standards
- Shared network infrastructure and a central backup system
- Redundant access links to the Internet

**PaaS (Platform as a Service)** – in PaaS Comarch delivers a complete hardware platform system with a complete range of Managed Services that support the client's application. As part of PaaS Comarch delivers:

- Equipment (arrays and servers) co-located in the centre(s) of the Comarch Data Centre
- All necessary third-party licenses
- Administration and management of the operational layer (e.g., operating system, database)
- Management of the network layer and the safety systems
- Provision of redundant telecommunications links
- Monitoring of the entire solution, 24/7
- One level SLA for the entire system

**SaaS (Software as a Service)** is the most comprehensive service provided by Comarch Data Centre. It includes the supply of Comarch applications together with the necessary server infrastructure delivered as a service model. As part of the SaaS services we provide:

- Platform as a Service (hosting)
- Comarch applications or, in certain cases, foreign applications
- Application administration services and IT infrastructure
- 24-hour monitoring and supervision of the system components and a very short response/repair time
- A single point of contact for the customer and one SLA for all solutions
- Optional help-desk for end users

**Disaster Recovery Centre (DRC)** Comarch DRC is an optional extra service for all the above-mentioned solutions offered by Comarch Data Centre. It includes providing a backup data centre for critical systems. The service is offered in various models within which Comarch provides:

- The primary data centre facility - emergency facility is located at the customer's location
- Reserve data centre facility - the centre core is located at the customer's location
- Primary and backup data centre facilities - both centres are located in one or two physical locations

This service can be delivered using a PaaS or SaaS model with regard to ensuring the replication of data between the two centres, and booting the backup system after a failure of the primary location.

### **Comarch IT Outsourcing & Integration**

Due to the dynamic changes in the market of IT infrastructure, an experienced technology partner is crucial these days for business development. IT Environment of the company in hands of Comarch engineers and analysts is a guarantee of continuity and availability of the required systems. Comarch offers a wide range of IT services, which are always tailored to individual customer needs. The most important services in this area include Comarch IT Outsourcing, Comarch Comarch IT Integration and Comarch Business Continuity.

**Comarch IT Outsourcing** is a group of continuous services, whose task is to provide comprehensive IT support to the customer, ranging from full support to the end user (service desk and station care), through the administration of LAN/WAN, server infrastructure and security, to the management of IT processes in accordance with the best ITIL practices. We implement services based on a team of experienced engineers and Service Managers in accordance with agreed SLA parameters. In addition, we provide customers with continuous services performed remotely or directly at the customer's location, which are related to advanced server systems, database and matrix, and therefore the most critical systems for the client's business and the most demanding in terms of availability and reliability.

**Comarch IT Integration** - this is a group of services whose task is to adjust the customer's IT environment to new business requirements and technical specifications. We support clients from the stage of analysis and design of a new IT platform, through the delivery of appropriate hardware and software, to the implementation phase. Services relate to both the launch of new systems on new platforms, extension

of functionality by updating the software version and migration between systems, systems consolidation or virtualization of environments currently used by the client.

**Comarch Business Continuity** - is a group of services designed to provide customers with high-availability systems, minimize the consequences of accidents and disasters, and the possibility to enable a quick return to the pre-failure state. Based on Comarch office space in Krakow and Warsaw, we offer customers a spare office for their key employees. The high-availability solution is a service for those customers for whom even a few minutes' critical system failure is a huge loss. In contrast, data backup and archiving is a service for all businesses that are aware of the validity of the data stored and processed in IT systems. In addition, within this group of services we also provide audit services for various IT areas.

### **Comarch IT Networks**

Solutions offered by Comarch are designed to improve communications within the organization, and also with business partners and customers. Comarch IT Networks is a range of solutions for the integration of solutions to support the exchange of information and efficient communication within the company. This includes any communications technology, applications and data resources such as WAN or LAN, improving not only communications, but also the exchange and access to corporate information. Comarch IT Networks solutions include:

**Comarch Network Managed Services (CNMS)** - is a concept of solutions designed to create and maintain data networks, including WAN/LAN/WLAN. CNMS is a comprehensive solution for the construction or modernization of existing transmission networks, as well as the management and administration of these networks. In addition, we provide solutions for network security.

**Comarch Contact Centre (CCC)** - This is a comprehensive package of solutions that supports customer relationship management, and internal communications of organizations, as well as many other areas of business. The solution proposed by Comarch facilitates efficient management of information in the enterprise and allows the user to optimize the customer service process using customer-owned systems. On request, Comarch Contact Centre can also be provided in a service model, allowing for availability of Comarch Contact Centre customer resources. The customer, under this solution, gains access to the Contact Centre infrastructure and a required number of agent stations (IP phone with the CC, CC Agent application and headphones). The customer itself provides only CC agents and internet access.

**Comarch NOC (Network Operations Centre)** - Comarch NOC is a comprehensive solution that provides a single point of contact with the client, providing technical support for monitoring and Service Desk in the areas of IT infrastructure and business applications for all types of businesses and institutions. Thanks to the built-in functionality of an automated and reliable system in place to monitor the IT services offered by Comarch, the service can be helpful both for administrators and IT managers. Comarch Network Operations Center provides customers a current knowledge on the availability and performance of individual elements of their IT infrastructure, operating systems, and operating platform.

## **MEDICAL SECTOR**

Comarch is a provider of solutions dedicated to the health market. Its offer includes ERP software for hospitals and medical clinics, medical solutions for the education sector, Business Intelligence, IT solutions for regions and cities, and software for radiology.

### **Comarch ERP**

Comarch ERP is a software supporting the management of the administrative part medical facility. Comarch ERP Egeria offers a broad portfolio of reports and analyzes. At the same time it allows users to define their own reports and statements, and various tools for analyzing of recorded data.

### **Business Intelligence for medical facilities**

BI for medical facilities is a software that allows you not only to process data from the ERP system and HIS, but also from EDM and many other domain systems used in medical facilities. It allows you to build multi-dimensional analyzes of the whole process carried out in the institution. It also offers a number of ready-made desktops of information dedicated to specific employee groups and management levels and provides an easy way to create ad-hoc dashboards for specific users.

**Comarch Radiology Information System**

RIS is a modern software to support the work of diagnostic imaging facilities. The software has a full range of features to manage patient services as well as the flow of information in a medical facility. It can be an integral part of the HIS system, but also fully independently manage the department of diagnostic imaging.

**Comarch DICOM Runner**

Comarch DICOM Runner is a universal browser for radiological images. The browser allows you to watch radiological examinations in DICOM format of any modality and origin. It allows to perform measurements and transformations of radiological images.

**City of Health**

"City of Health" is a service-IT platform, consisting of a set of mutually interconnected applications and IT systems. It is an effective tool for implementing regional health care policies. At the same time it focuses on the residents, as the recipients and clients of provided health care services. Anonymised data from the city or region processed by reporting-analytical platform. On this basis, the authorities are able to make optimal decisions concerning the formation of the strategy of development of health care policy and supervision of its implementation.

#### 4. Position of the Group in the IT Market and Information about Markets and Sources of Supply

Due to the type of IT systems offered by Comarch S.A., medium-size and large companies (who are the largest clients of advanced IT solutions all over the world) constitute the main group of clients. Majority of company's products are addressed to specific groups of customers, while IT services are of universal nature and are offered to all groups of customers. The company's offer is dedicated to both Polish and foreign customers. Since many years, the company's strategy is based on the sale of an increasing number of products on international markets, especially in Western Europe and South and North America. Sale in the company is highly diversified, with no dependency on one major client. In 2015, the share of sale to none of the customer exceeded 10% of the Comarch S.A. sales.

Due to the specific nature of the industry, in which Comarch S.A. manages its operations, international concerns, which are producers of computer systems and programmers tools, Polish branches and representatives of such concerns, as well as Polish distributing companies and subcontractors for systems, have to be considered sources of supply.

In 2015, share of none of the product provider exceeded 10% of the value of Comarch S.A. sales.

#### 5. Sales Structure

##### 5.1. Revenues from Sales- Geographical Structure (in thousands of PLN)

	2015	%	2014	%	2013	%
Domestic	431,929	57.6%	469,576	64.8%	454,485	71.3%
Export	317,627	42.4%	255,249	35.2%	183,207	28.7%
<b>Total</b>	<b>749,556</b>	<b>100.0%</b>	<b>724,825</b>	<b>100.0%</b>	<b>637,692</b>	<b>100.0%</b>

In 2015, revenues from the company's sales increased by PLN 24.7 million, i.e. 3.4% compared to those in the previous year. Export sales increased by PLN 62.4 million, i.e. 24.4%. Due to slowdown in Public sector, domestic sales decreased by PLN 37.6 million, i.e. 8.0%. The geographical sales structure has remained at the stable level throughout the year.

##### 5.2. Revenues from Sales – Market Structure (in thousands of PLN)

	2015	%	2014	%	2013	%
Telecommunication, Media, IT	194,003	25.9%	165,444	22.8%	144,689	22.7%
Finance and Banking	126,834	16.9%	121,524	16.8%	123,700	19.4%
Trade and Services	120,961	16.1%	90,261	12.5%	83,498	13.1%
Industry & Utilities	101,194	13.5%	89,441	12.3%	87,730	13.7%
Public Sector	80,070	10.7%	147,969	20.4%	105,056	16.5%
Medical Sector	13,366	1.8%	6,485	0.9%	0	0%
Small and Medium Enterprises	107,549	14.3%	99,598	13.7%	84,127	13.2%
Others	5,579	0.7%	4,103	0.6%	8,892	1.4%
<b>Total</b>	<b>749,556</b>	<b>100.0%</b>	<b>724,825</b>	<b>100.0%</b>	<b>637,692</b>	<b>100.0%</b>

In the 12 months of 2015 there was a significant drop in sales to customers in the public sector by PLN 67.9 million, i.e. 45.9%, which is related to a reduction of purchases by customers in this sector in the third and fourth quarter, due to the temporary restriction on the access to EU funding, as well as from the reduced supply of proprietary finished products of the Company. The Public sector was responsible for 10.7% of Comarch SA revenue during analyzed period. Sales to the sector with the highest share in the structure of the company's customers, i.e. Telecommunications, Media and IT grew by PLN 28.6 million, i.e. 17.3%, and its share increased to 25.9% compared to 22.8% last year. Sales to customers in the Finance and Banking sector and SMEs sector remained on stable level and constituted respectively 16.9% and 14.3% of total sales (compared to 16.8% and 13.7% in the previous year). Sales to the Industry and Utilities sector increased by PLN 11.8 million, i.e. 13.1%, and its share in total sales

increased from 12.3% in 2014 to 13.5% in 2015. There was also a significant increase in sales to the Trade and Services sector (of PLN 30.7 million, i.e. 34.0%) and its share in total sales decreased from 12.5% in 2014 to 16.1% in 2015. The value of sales to customers in the Medical sector in 2015 amounted to PLN 13.4 million. In each quarter of 2015, the structure of sales by customers remained stable.

### 5.3. Revenues from Sales – Products Structure (in thousands of PLN)

	2015	%	2014	%	2013	%
Services	531 255	70,9%	496 733	68,5%	445 907	69,9%
Proprietary Software	135 987	18,1%	102 413	14,1%	91 884	14,4%
Third party Software	52 159	7,0%	42 337	5,8%	72 788	11,4%
Finished goods	10 699	1,4%	38 948	5,4%	111	0,0%
Hardware	8 356	1,1%	26 439	3,7%	18 990	3,0%
Others	11 100	1,5%	17 955	2,5%	8 012	1,3%
<b>Total</b>	<b>749 556</b>	<b>100,0%</b>	<b>724 825</b>	<b>100,0%</b>	<b>637 692</b>	<b>100,0%</b>

In 2015, the structure of sales by products was characterized by a steady increase in sales of services which represents the greatest share of revenues from sales of Comarch S.A. It is associated with progressive changes in the business model of selling software solutions. In the 12 months of 2015, there has been a significant increase in total sales of services and proprietary software by PLN 68.1 million, i.e. 11.4%. It is both a result of the increase in value of sales of services (an increase of PLN 34.5 million, i.e. 6.9%), as well as better sales of proprietary software (an increase of PLN 33.6 million, i.e. 32.8%). The share of services and proprietary software in total sales amounted to 89%. Total sales of third party software and hardware decreased by PLN 36.5 million, i.e. 33.9%, they constituted only 9.5% of total sales of Comarch SA. Sale of proprietary finished products was significantly lower than in 2014 (a decrease of PLN 28.2 million, i.e. 72.5%), mainly due to reduced supplies of proprietary finished products to the Public sector customers. Over the whole 2015, sales structure by products remained at a stable level.

## **6. Factors Essential for Development of the Issuer**

### **6.1. Internal Factors**

- a) Increase in export sales and significance of foreign sales;
- b) Position and reputation of the company affecting the nature of clients acquired;
- c) Commercial operations of Comarch S.A. in the special economic zone in Krakow;
- d) Significant share of standard (repetitive) products offered for sale, which means:
  - lower costs, especially variable costs related to a single contract,
  - the possibility of significant increase in profitability of a single contract with simultaneous reduction in charges for clients (license fees),
  - broader and more diversified circle of clients, which means a broader scale of activities;
- e) Attractive training policy and attractive work conditions offered for employees of the company;
- f) Increasing awareness of the Comarch brand among prospective clients by promotion managed through marketing campaigns, including sports marketing (MKS Cracovia SSA);
- g) Necessity of continuous investment in human resources to maintain the company's competitive edge in following years;
- h) High levels of investment expenditure designated for research and development activity and development of new products and IT services;
- i) High level of investment expenditure designated for the development of production sources in Poland (material investment) and for expansion on foreign markets (capital investment).

### **6.2. External Factors**

- a) Enhanced requirements from clients for IT systems. There is an increase in demand for large, complex IT systems dedicated for specific users. This gives advantage to large IT companies such as Comarch S.A., which offer a number of different technologies and products and which are able to provide technologically advanced solutions;
- b) Increased significance of mobile technologies broadly used in IT solutions for all groups of customers;
- c) Change in business models in many branches as well as change in business strategies of many companies related to technological progress and economic growth, which shape the demand for new IT systems, broadening software sales in the *cloud computing* model means an increase in capital and resources requirements for IT companies;
- d) An access of Polish companies to resources from structural funds related to Polish membership in European Union that will be dedicated in part to develop IT systems and finance research and development works;
- e) Growing competition, causing decrease in achieved margins; competition between IT companies;
- f) Continued pressure on increase in remuneration in IT sector; number of graduates from technical universities having IT skills decreases;
- g) Growing competition on the local labour market in IT sector in Krakow and other locations where the company conducts its business;
- h) The international economic situation, taking into particular consideration the situation on financial markets that effects levels of demand for products and IT services;
- i) Exchange rate levels fluctuations, especially EUR/PLN, USD/PLN, GBP/PLN, EUR/USD, CAD/PLN, CHF/EUR, BRL/PLN and RUB/PLN, which affect the profitability of export sales;
- j) The political situation in the Eastern Europe, in particular in Ukraine and Russia, which influences the demand for IT products and services on this market, as well as the financial credibility of the customers in this region.
- k) The international political situation, including increasing risk of terrorist attacks in places of project management complicates their implementation.



## **7. Other Significant Factors, including Risks and Threats**

The company is exposed to the following main types of financial risk:

### **7.1. Credit Risk**

Comarch S.A. establishes the financial credibility of potential clients before signing contracts for the supply of IT systems and adjusts the conditions of each contract to the potential risk depending on its assessment of the financial standing of the client. Concentration of credit risk is limited due to diversification of the Comarch's sales to a significant number of customers in different branch of economy, in different world's regions.

### **7.2. Risk of Change in Interest Rates**

The company is exposed to the risk of changes in interest rates related to cash and cash equivalents, as well as long-term investment credits to finance the construction of new production buildings in the Special Economic Zone in Krakow. These are credits at variable interest rates based on the WIBOR and EURIBOR index. The group has been hedging this interest rate risk using IRS contracts and it continuously monitors market situation in this scope. The influence of interest rate changes on the amount of interest on credit paid is partly compensated for by a change in the amount of interest received on cash and cash equivalents.

### **7.3. Risk of Fluctuation in the Exchange Rates**

The company is exposed to foreign exchange risk in relation to export sales and sales denominated in foreign currencies, especially in relation to foreign exchange of EUR/PLN, USD/PLN, GBP/PLN, CAD/PLN, BRL/PLN, CHF/EUR and RUB/PLN. At the same time, part of the parent company's costs are also expressed in, or related to exchange rates for foreign currencies. In individual cases, the company hedges future payments with forward contracts, as well as tries to use natural hedging through adjusting structures of assets, liabilities and equity denominated in foreign currencies (for example through a change of credit's currency from PLN to EUR performed lately). The balance sheet value of assets and financial liabilities of the Group denominated in foreign currencies is related to receivables and liabilities due to deliveries and services as well as cash as at the balance sheet date.

### **7.4. Financial Liquidity Risk**

The company has a liquidity risk management system to manage its short, medium and long-term funds. The fundamental financial liquidity risk arises because the majority of costs incurred by the company are fixed, while revenue from sales, as is typical for a services company, fluctuates. The company manages liquidity risk by holding the appropriate amount of working capital, by holding reserve credit lines in the current account, by constantly monitoring the forecasted and actual cash flows and by analysing the maturity profiles of financial assets and liabilities.



## **8. Perspectives of Development in the Company and Anticipated Financial Situation in 2016**

In 2015, the company observed significant increase in demand for IT products and services. Thus, its backlog grew and ensures full use of its productive capacity in the following periods. Economic and political situation in Poland and abroad will still have a detrimental impact on situation on the IT market and the financial results achieved by the Comarch Group in 2016. Thanks to consistently executed strategy of positioning itself on the market as a technological and product-based company, Comarch's offer is very well diversified. Customer base is constantly expanding and a considerable part of them are international companies, what allows to continue the development of the company. Dynamically developing activity of Comarch in international markets additionally increases sales volume and enhance the image of Comarch S.A. among international corporations, thus strengthening the competitive position of Comarch. It also means the need to make numerous capital investment abroad Poland (principally through the establishment of foreign subsidiaries). Execution of Comarch strategy largely depends on macroeconomic conditions, beyond the Group, especially on the level of IT investments by medium-size and large companies in Poland and abroad and on the fact that competition in the IT sector and labour market becomes more and more fierce. At the same time, effective management of operational risks is the necessary condition for execution of the strategy. An opportunity for the company is its high innovativeness and growth in demand for delivery of IT solutions in a service model - Comarch SA thanks to the wide range of its own products, owned infrastructure and human and capital resources can flexibly adapt to business models expected by customers.

The most important risks related to the company's operations are:

- a) risks related to R&D work (developing proprietary software products);
- b) risks related to implementation of long-term contracts;
- c) risks related to failure to meet contract terms and conditions and contractors taking advantage of the provided performance guarantees;
- d) risk of foreign legal and political environment related to execution of export contracts;
- e) the credit risk related to the sale with deferred payment, and frequently with a long period of execution of contracts;
- f) risk of employees rotation, and risk of a lack of possibility to hire the appropriate number of qualified employees, the risk of increased labor costs;
- g) the risk of fluctuations in exchange rates and interest rates;
- h) risks related to international terrorism, impeding the posting of employees in business travel in some regions of the world.

The company does not expect any significant changes in its financial situation or in terms of the risks associated with its activities.

## 9. Financial Analysis

	31 December 2015	%	31 December 2014	%	2015/2014	%
<b>I. Non-current assets</b>	<b>689,344</b>	<b>61.7%</b>	<b>634,573</b>	<b>60.9%</b>	54,771	8.6%
1. Intangible assets	10,469	1.0%	7,506	0.7%	2,963	39.5%
2. Property, plant and equipment	258,116	23.1%	242,742	23.3%	15,374	6.3%
3. Long-term investment	412,612	36.9%	377,055	36.2%	35,557	9.4%
4. Non-current prepayments	8,148	0.7%	7,270	0.7%	878	12.1%
<b>II. Current assets</b>	<b>427,964</b>	<b>38.3%</b>	<b>407,338</b>	<b>39.1%</b>	20,626	5.1%
1. Inventories	27,746	2.5%	20,846	2.0%	6,900	33.1%
2. Current receivables	291,780	26.1%	264,035	25.3%	27,745	10.5%
3. Short-term investment	71,127	6.4%	87,345	8.4%	-16,218	-18.6%
4. Current prepayments	37,311	3.3%	35,112	3.4%	2,199	6.3%
<b>Total assets</b>	<b>1,117,308</b>	<b>100.0%</b>	<b>1,041,911</b>	<b>100.0%</b>	75,397	7.2%

As of the end of 2015, the value of the company's assets increased by 7.2% compared to 2014, i.e. from PLN 1,041.9 million to PLN 1,117.3 million, as a result of an increase of non-current assets and partly also current assets. There was an increase of non-current assets of PLN 54.8 million compared to the previous year and this is mostly a consequence of increase in value of long-term investments of PLN 35.6 million as well as property, plant and equipment by PLN 15.4 million. An increase in the value of long-term investments is the result of capital investments, including the acquisition of shares in the Thanks Again LLC. The increase in property, plant and equipment from PLN 242.7 million to PLN 258.1 million results from the expansion of the company's infrastructure (building SSE6 in Krakow). The structure of non-current assets has changed as a result of putting the SSE6 building into use in September 2015. The increase of PLN 20.6 million in current assets is mostly a consequence of an increase of 10.5% in current receivables from PLN 264.0 million to PLN 291.8 million and an increase of 33.1% in inventories and increase of 6.3% in current prepayments. Decrease in short-term investments by 18.6% results from a decrease in cash.

	31 December 2015	%	31 December 2014	%	2015/2014	%
<b>I. Equity</b>	<b>731,905</b>	<b>65.5%</b>	<b>677,089</b>	<b>65.0%</b>	54,816	8.1%
1. Share capital	8,133	0.7%	8,125	0.8%	8	0.1%
3. Supplementary capital	562,292	50.3%	521,244	50.0%	41,048	7.9%
4. Revaluation reserve	103,052	9.2%	105,926	10.2%	-2,874	-2.7%
5. Other reserve capitals	745	0.1%	745	0.1%	0	0.0%
6. Previous years' profit (loss)	0	0.0%	0	0.0%	0	0%
7. Net profit (loss)	57,683	5.2%	41,049	3.9%	16,634	40.5%
<b>II. Liabilities and provisions for liabilities</b>	<b>385,403</b>	<b>34.5%</b>	<b>364,822</b>	<b>35.0%</b>	20,581	5.6%
1. Provisions for liabilities	140,669	12.6%	129,679	12.4%	10,990	8.5%
2. Non-current liabilities	101,209	9.0%	103,993	10.0%	-2,784	-2.7%
3. Current liabilities	131,535	11.8%	119,648	11.5%	11,887	9.9%
4. Accruals	11,990	1.1%	11,502	1.1%	488	4.2%
<b>Total equity and liabilities</b>	<b>1,117,308</b>	<b>100.0%</b>	<b>1,041,911</b>	<b>100.0%</b>	75,397	7.2%

Due to the high profit generated in 2015 and as a result of the net profit generated in 2014 taken into account in the supplementary capital, equity increased in 2015 by 8.1% and its share in the total equity and liabilities structure is slightly higher than last year ( 65.5% compared to 65.0% in 2014). Liabilities and provisions for liabilities constituted 34.5% in total equity and liabilities compared to 35.0% in the previous year. In 2015, there was a return of the share of short-term liabilities in the total equity and liabilities structure to the level of 2013, as a result of an increase of 9.9% compared to 2014. Provisions for liabilities increased by 8.5%, i.e. PLN 11.0 million, mostly resulting from an increase in provisions for court proceedings, unused annual leaves and cash prizes. Value of non-current liabilities decreased by PLN 2.8 million. Other items of total equity and liabilities did not change significantly.

	<b>12 months ended 31 December 2015</b>		<b>12 months ended 31 December 2014</b>		<b>2015/2014</b>	
		<b>%</b>		<b>%</b>		<b>%</b>
I. Net revenues from sales of products, finished goods and materials	749,556	100.0%	724,825	100.0%	24,731	3.4%
II. Cost of products, finished goods and materials sold	524,252	69.9%	503,226	69.4%	21,026	4.2%
III. Gross profit (loss) from sales (I-II)	225,304	30.1%	221,599	30.6%	3,705	1.7%
IV. Costs of sales	76,706	10.2%	68,135	9.4%	8,571	12.6%
V. Administrative costs	53,663	7.2%	48,533	6.7%	5,130	10.6%
VI. Profit (loss) on sales (III-IV-V)	94,935	12.7%	104,931	14.5%	-9,996	-9.5%
VII. Other operating revenues	2,148	0.3%	913	0.1%	1,235	135.3%
VIII. Other operating costs	13,706	1.8%	33,336	4.6%	-19,630	-58.9%
IX. Profit (loss) on operating activities (VI+VII-VIII)	83,377	11.1%	72,508	10.0%	10,869	15.0%
X. Financial revenues	7,620	1.0%	4,117	0.6%	3,503	85.1%
XI. Finance costs	24,278	3.2%	22,890	3.2%	1,388	6.1%
XII. Profit (loss) on business activities (IX+X-XI)	66,719	8.9%	53,735	7.4%	12,984	24.2%
XIII. Gross profit (loss) (XII)	66,719	8.9%	53,735	7.4%	12,984	24.2%
XIV. Income tax	9,036	1.2%	12,686	1.8%	-3,650	-28.8%
XV. Net profit (loss) (XIII-XIV)	57,683	7.7%	41,049	5.7%	16,634	40.5%

Over 2015, revenues from sales increased by PLN 24.7 million, i.e. 3.4% compared to the previous year. Operating profit reached PLN 83.4 million and increased by 15.0% compared to operating profit in 2014. Net profit increased by 40.5% compared to that in the previous year. EBIT margin increased from 10.0% to 11.1% and net margin increased from 5.7% to 7.7%. The reason for the improvement in profitability was a significant increase in revenues from sales of proprietary products and services and lower other operating costs.

<b>Profitability Analysis:</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Margin on sales	30.1%	30.6%	24.6%	25.6%
EBIT margin	11.1%	10.0%	8.0%	9.4%
Gross margin	8.9%	7.4%	7.6%	6.5%
Net margin	7.7%	5.7%	7.1%	6.2%
Return on assets	5.2%	3.9%	4.5%	3.9%
Return on equity	8.6%	6.5%	7.4%	7.1%

The margin on sales decreased slightly from 30.6% to 30.1%, while other indicators have improved markedly.

<b>Liquidity analysis:</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Current ratio	2.98	3.11	2.47	1.95
Quick ratio	2.53	2.68	2.12	1.72
Cash to current liabilities ratio	0.50	0.67	0.33	0.08

Despite a slight decline in liquidity in 2015, as in previous years, the Company was characterized by very good financial liquidity. Reduced rates in comparison to 2014 was due to lower cash balance and an increased level of short-term liabilities. In the opinion of the Management Board, Comarch SA has no problems with meeting its liabilities. The company invests temporarily free funds in safe financial instruments (bank deposits, shares in investment funds).

<b>Turnover analysis</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Current asset turnover ratio	1.75	1.78	1.57	1.38
Receivables turnover ratio (days)	140	131	167	218
Inventories turnover ratio (days)	15	12	16	21
Liabilities turnover ratio (days)	128	130	148	193
Liabilities turnover excluding liabilities due to investment credit ratio (days)	72	69	97	143

Turnover ratios confirm the effective use of the company's funds. In 2015, the receivables turnover ratio, and the inventory turnover ratio were extended, while the liabilities turnover ratio was slightly shortened. Rotation of current assets in 2015 decreased slightly.

<b>Debt analysis:</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Debt ratio	34.5%	35.0%	34.5%	40.7%
Debt ratio due to non-current credits	9.1%	10.0%	8.3%	7.9%
Debt/equity ratio	52.7%	53.9%	52.7%	68.5%

Due to the significant increase in balance sheet total, including equity, debt ratios in 2015 were improved compared to the previous year. Debt to equity ratio fell from 53.9% to 52.7%, i.e. to the level of 2013, while the debt ratio due to non-current credits fell from 10.0% to 9.1%. 65.5% of the company's funds come from internal financing and 34.5% come from outside financing.

### **Methods of Calculation of Financial Ratios**

#### **Debt ratios**

$$\text{Debt ratio} = \frac{\text{Liabilities and provisions for liabilities}}{\text{Total equity and liabilities}}$$

$$\text{Debt ratio due to non-current credits} = \frac{\text{Non-current liabilities}}{\text{Total equity and liabilities}}$$

$$\text{Debt/equity ratio} = \frac{\text{Liabilities and provisions for liabilities}}{\text{Equity}}$$

#### **Profitability Ratios**

$$\text{Return on equity} = \frac{\text{Net profit}}{\text{Equity} - \text{Net profit}}$$

$$\text{Margin on sales} = \frac{\text{Gross profit from sales}}{\text{Net revenues from sales of products, finished goods and materials}}$$

$$\text{EBIT margin} = \frac{\text{Operating profit}}{\text{Net revenues from sales of products, finished goods and materials}}$$

$$\text{Gross margin} = \frac{\text{Gross profit}}{\text{Net revenues from sales of products, finished goods and materials}}$$

$$\text{Net margin} = \frac{\text{Net profit}}{\text{Net revenues from sales of products, finished goods and materials}}$$

**Liquidity ratios**

$$\text{Current ratio} = \frac{\text{Current assets}}{\text{Current liabilities} + \text{Prepayments}}$$

$$\text{Quick ratio} = \frac{\text{Current investment} + \text{Current receivables}}{\text{Current liabilities} + \text{Prepayments}}$$

$$\text{Cash to current liabilities ratio} = \frac{\text{Current investment}}{\text{Current liabilities} + \text{Accruals}}$$

**Turnover ratios**

$$\text{Current asset turnover ratio} = \frac{\text{Net revenues from sales of products, finished goods and materials}}{\text{current assets}}$$

$$\text{Receivables turnover ratio (days)} = \frac{(\text{current receivables}) * 360}{\text{Net revenues from sales of products, finished goods and materials}}$$

$$\text{Inventories turnover ratio (days)} = \frac{\text{inventory} * 360}{\text{costs of products, goods and materials sold} + \text{costs of sales} + \text{administrative costs}}$$

$$\text{Liabilities turnover ratio (days)} = \frac{(\text{non-current liabilities} + \text{current liabilities}) * 360}{\text{costs of products, goods and materials sold} + \text{costs of sales} + \text{administrative costs}}$$

$$\text{Liabilities turnover excl. liabilities due to invest. credit ratio (days)} = \frac{(\text{current liabilities}) * 360}{\text{costs of products, goods and materials sold} + \text{costs of sales} + \text{administrative costs}}$$

## **10. Credits, Loans, Suretyships, Bank Guarantees**

### **10.1. Investment Credits:**

- a) An investment credit from BGŻ BNP Paribas Bank Polska S.A. (previously Fortis Bank Polska S.A.) with its registered office in Warsaw in amount of PLN 20,000 thousand, acquired in 2004 for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last a maximum of 10 years, i.e. until 2015. This credit has a variable interest rate amounted to EURIBOR1M+margin. On 5<sup>th</sup> of January, 2009, the company revaluated the remaining credit to be paid into EUR. A promissory note, the mortgage on land and the building insurance policy are security for this credit. On the 31<sup>st</sup> of March, 2015, the credit was fully repaid.
- b) An investment credit from BGŻ BNP Paribas Bank Polska S.A. with its registered office in Warsaw, for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 85% of the investment value up to a maximum of PLN 44 million. The crediting period may last a maximum of 16 years, i.e. until 2024. This credit has a variable interest rate amounted to EURIBOR1M+margin. It was taken out by 30<sup>th</sup> of September, 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. On the 5<sup>th</sup> of October, 2011, the company revaluated the remaining credit to be paid into euro. As at 31<sup>st</sup> of December, 2015, the value of the credit to be repaid amounted to EUR 5,422 thousand, i.e. PLN 23,104 thousand (EUR 6,042 thousand, i.e. PLN 25,750 thousand as of 31<sup>st</sup> of December, 2014). In order to hedge the interest rate risk of this credit, Comarch SA entered into an IRS transaction valid until the 29<sup>th</sup> of July, 2024.
- c) An investment credit from Powszechna Kasa Oszczędności Bank Polski S.A. with its registered office in Warsaw, for the refinancing of the investment credit acquired in DnB NORD Bank Polska S.A. on the 28<sup>th</sup> of April, 2010, for financing of the fourth construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to EUR 4,126 thousand. The crediting period may last 8 years at a variable interest rate amounted to EURIBOR1M+margin. The real estate mortgage in the amount of EUR 6,189 thousand and cession of rights in the building insurance policy are security for this credit. The loan was drawdown on the 1<sup>st</sup> of October, 2013. As at the 31<sup>st</sup> of December, 2015, the value of the credit to be repaid amounted to EUR 2,966 thousand, i.e. PLN 12,638 thousand (EUR 3,482 thousand, i.e. PLN 14,838 thousand as of 31<sup>st</sup> of December, 2014). In order to hedge the interest rate risk of this credit, Comarch SA entered into an IRS transaction valid until the 31<sup>st</sup> of October, 2018.
- d) An investment credit from BGŻ BNP Paribas Bank Polska S.A. with its registered office in Warsaw, for the financing of the purchase of hardware and software for a project related to data centre services. The credit amounts to EUR 2,400 thousand. The crediting period may last until 2016. The credit was drawdown on the 7<sup>th</sup> of August, 2012. This credit has a variable interest rate amounted to EURIBOR3M+margin. Transfer of debts from the contract and the registered pledge on the financed property, plant and equipment in use are security for this credit. As at 31<sup>st</sup> of December, 2015, the value of the credit to be repaid amounted to EUR 218 thousand, i.e. PLN 930 thousand (EUR 873 thousand, i.e. PLN 3,720 thousand as of 31<sup>st</sup> of December, 2014).
- e) A nonrevolving operating credit from BZ WBK Bank S.A. (previously Kredyt Bank S.A.) with its registered office in Wroclaw acquired in the first quarter of 2013, for financing of company's operations. The credit amounts to EUR 7,400 thousand. The crediting period may last 8 years, and its maturity date is 31<sup>st</sup> of December, 2020. This credit has a variable interest rate amounted to EURIBOR1M+margin. The real estate mortgage and cession of rights in the insurance policy are security for this credit. As at 31<sup>st</sup> of December, 2015, the value of the credit to be repaid amounted to EUR 4,774 thousand, i.e. PLN 20,345 thousand (EUR 5,729 thousand, i.e. PLN 24,419 thousand as of 31<sup>st</sup> of December, 2014). In order to hedge the interest rate risk of this credit, Comarch SA entered into an IRS transaction valid until the 28<sup>th</sup> of June, 2019.

- f) an investment credit agreement with bank Polska Kasa Opieki Spółka Akcyjna with its registered office in Warsaw, for financing and refinancing of not more than 90% of net costs of an investment related to construction of office building SSE6 and data centre in the Special Economic Zone in Krakow. The credit amounts to PLN 56 million, i.e. EUR 13,323,182.34. The crediting period: 10 years, repayment will be made not later than on 4<sup>th</sup> of December, 2023. Loan was granted in EUR and it has a variable interest rate amounted to EURIBOR3M+margin. Power of attorney to manage Comarch S.A. bank accounts in the Bank, declaration of submission to enforcement, the real estate mortgage in the amount of PLN 84 million, cession of rights in the building insurance policy, cession of rights in the bank guarantee for contract good performance and for warranty obligations and warranty are security for this credit. It was taken out by the 30<sup>th</sup> of September, 2015. Repayment of the credit started in December 2015. As at the 31<sup>st</sup> of December, 2015, the value of outstanding capital amounted to EUR 13,184 thousand, i.e. PLN 56,185 thousand. In order to hedge the interest rate risk of this credit, Comarch SA entered into an IRS transaction valid until the 30<sup>th</sup> of November, 2023.

As at the 31<sup>st</sup> of December, 2015, Comarch S.A. had liabilities due to investment credits in the amount of PLN 112,900 thousand.

### **10.2. Current Credit Lines (Variable Interest)**

As at 31<sup>st</sup> of December, 2015, Comarch S.A. has the credit limits in current account in the amount of PLN 44,033 thousand.

- a) Credit limit in current account in bank Powszechna Kasa Oszczędności Bank Polski S.A. ("PKO BP S.A.") with its registered office in Warsaw in the amount of PLN 10,000 thousand. It can be used by the 13<sup>th</sup> of December, 2016. An authorisation to manage Comarch S.A.'s accounts in PKO BP S.A. and a promissory note are security for this credit. As at the 31<sup>st</sup> of December, 2015, the credit was not used, as well as at the 31<sup>st</sup> of December, 2014.
- b) Credit limit in current account in bank BPH S.A with its registered office in Krakow in the amount of PLN 10,000 thousand. It can be used by the 31<sup>st</sup> of October, 2016. A promissory note and a declaration of submission to enforcement are security for this credit. As at the 31<sup>st</sup> of December, 2015, the credit was not used, as well as at the 31<sup>st</sup> of December, 2014.
- c) Credit limit in current account in bank Pekao S.A. with its registered office in Warsaw in the amount of PLN 24.033 thousand. It can be used by the 31<sup>st</sup> of May, 2016. An authorisation to manage Comarch S.A.'s accounts in bank Pekao S.A., a promissory note and a declaration of submission to enforcement are security for this credit. As at the 31<sup>st</sup> of December, 2015, the credit was not used, as well as at the 31<sup>st</sup> of December, 2014.

### **10.3. Loans**

#### **a) Loans Taken by Comarch S.A.**

On the 27<sup>th</sup> of December, 2012, Comarch S.A. signed a loan agreement with IBM Polska sp. z o.o. for financing of delivery of IBM hardware in relation to an IT project performed by the Comarch Group. The loan amounted to PLN 343 thousand and drawdown was made in the first quarter of 2013. The loan reached its maturity date in December, 2015. It had a fixed interest rate (approx. 5.63%). The loan was not secured and was fully repaid on the 1<sup>st</sup> of December 2015.

On the 28<sup>th</sup> of December, 2015, Comarch S.A. signed a loan agreement with IBM Polska sp. z o.o. for financing of delivery of IBM hardware in relation to an IT project performed by the Comarch Group. The loan amounts to PLN 6,265,681.96 and drawdown was made in the first quarter of 2016. Loan will reach its maturity date in September, 2016. It has a fixed interest rate. The loan is not secured.



**b) Loans Granted to Companies in Comarch Group**

As at 31<sup>st</sup> of December, 2015, the following companies of the Capital Group were indebted towards Comarch S.A. for loans granted:

Company	Due date	Value	Currency	Interest	Value in PLN
Comarch Chile SpA	2017-12-31	50,000	USD	2.33%	195,055
	2017-12-31	100,000	USD	2.33%	390,110
	2017-12-31	100,000	USD	2.33%	390,110
	2018-06-30	100,000	USD	2.45%	390,110
	2017-12-31	100,000	USD	2.45%	390,110
	2017-12-31	80,000	USD	2.52%	312,088
	2017-12-31	100,000	USD	2.53%	390,110
	2017-12-31	100,000	USD	2.60%	390,110
Comarch R&D S.à r.l.	2017-12-31	250,000	EUR	2.05%	1,065,375
	2017-12-31	300,000	EUR	2.05%	1,278,450
Comarch Healthcare S.A.	2017-12-31	5,120,000	PLN	3.79%	5,120,000
	2017-12-31	1,750,000	PLN	3.79%	1,750,000
	2017-12-31	2,000,000	PLN	3.79%	2,000,000
	2017-12-31	1,400,000	PLN	3.79%	1,400,000
	2017-12-31	1,000,000	PLN	3.79%	1,000,000
	2017-12-31	1,000,000	PLN	3.80%	1,000,000
	2017-12-31	1,300,000	PLN	3.80%	1,300,000
	2017-12-31	400,000	PLN	3.81%	400,000
SolInteractive S.A.	2019-09-30	440,000	PLN	3.79%	440,000
Bonus Development Sp. z o.o. SK-A	2028-12-31	3,858,729	PLN	2.93%	3,858,729
Comarch Software Spain S.L.U.	2017-12-31	80,000	EUR	2.04%	340,920
Comarch SRL	2018-06-30	100,000	EUR	2.06%	426,150
	2017-12-31	50,000	EUR	1.96%	213,075
Comarch Yazilim A.S.	2018-06-30	250,000	EUR	2.05%	1,065,375
<b>Razem</b>					<b>25,505,877</b>

Both loans granted to Comarch R&D S.à r.l. for the total amount of PLN 2,343,825 are covered by the revaluation write-offs



**c) Loans Granted to Employees of Comarch S.A.**

None present.

**d) Loans Granted to Members of the Management Board and Members of the Supervisory Board**

As at 31<sup>st</sup> of December, 2015, there are no unpaid loans as well as there are no guarantees nor suretyships granted by Comarch S.A. to members of the Management Board and members of the Supervisory Board and their relatives.

**10.4. Suretyships**

a) Due to conclusion in August, 2010, of a contract with a customer by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. has granted a surety for the customer. This surety has been provided for the duration of the contract and guarantees the satisfactory fulfilment of any obligations resulting from the contract by Comarch AG. The value of the guarantee equals the value of the contract, i.e. approximately EUR 53,666 thousand. The financial conditions, that the surety was provided on, do not differ from the market conditions.

b) Due to conclusion of a contract for implementation, hosting and maintenance of loyalty system, signed by Comarch Inc., a subsidiary of Comarch S.A., on the 28<sup>th</sup> of April, 2011, Comarch S.A. granted a surety for obligations of Comarch Inc. The value of the surety amounts to USD 3,000 thousand and it is valid for the whole term of the contract.

c) Due to conclusion of a contract for sales of licences and implementation of Comarch Network & Service Inventory, Comarch Next Generation Service Assurance and Comarch OSS Mediations, as well as sales of licences for Comarch SLA Management, signed by Comarch AG, a subsidiary of Comarch S.A., on the 11<sup>th</sup> of August, 2011, Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of obligations resulting from the contract, i.e. EUR 5,495 thousand.

d) Due to Bank Pekao S.A. granting an investment loan in the amount of PLN 15,889 thousand to Comarch Healthcare S.A (formerly iMed24 S.A.), a Comarch S.A. subsidiary, on the 1<sup>st</sup> of September, 2011, Comarch S.A. granted a surety in order to guarantee the fulfilment of any obligations resulting from the contract. The value of the surety equals PLN 23,833 thousand and is valid until the 31<sup>st</sup> of December, 2021.

e) Due to conclusion of a contract for implementation and maintenance of BSS system by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch UK. The surety was granted up to the amount of liabilities of Comarch UK resulting from the aforementioned agreement, i.e. to the amount of GBP 808 thousand and in addition, GBP 86 thousand annually for SLA, and it is valid for the whole term of the agreement.

f) Due to conclusion of a contract for implementation of Next Generation Performance Management Solution, signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer in order to guarantee the fulfilment of any obligations resulting from the contract by Comarch AG. The value of the surety equals value of a maximum of EUR 3,682 thousand and is valid for the whole term of the contract.

g) Due to conclusion of a contract for implementation of Planning and Inventory Application (PIA), signed by Comarch AG, a subsidiary of Comarch S.A., Comarch S.A. signed a letter of comfort upon which it ensures proper contract performance by Comarch AG. The letter of comfort is valid for 24 months from contract completion. Contract's value amounts to EUR 3,505 thousand.

h) Due to granting a subsidy to Comarch AG, a subsidiary of Comarch S.A., for construction of an infrastructure in Dresden from Sachsische AufbauBank, Comarch S.A. took on a debt in the event of a

liability of Comarch AG to return the granted means. Maximum liability of Comarch S.A. in relation to taking the debt shall not exceed EUR 263 thousand increased by interest for the period from the granting of the subsidy to its return. Taking the debt is valid till the 30<sup>th</sup> of August, 2018.

i) Due to conclusion of an investment credit agreement between Comarch AG, a subsidiary of Comarch S.A., with BGŻ BNP Paribas Bank Polska S.A., resulting in granting the financing in the amount of EUR 6,000 thousand, on the 15<sup>th</sup> of May, 2013 Comarch S.A. granted a surety for obligations of Comarch AG resulting from the agreement. The surety was granted up to the amount of EUR 9,000 thousand and is valid till the 15<sup>th</sup> of May, 2020.

j) Due to conclusion of a contract for implementation of Comarch Loyalty Management, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of a customer for obligations of Comarch UK. The surety was granted up to the maximum amount of GBP 2,351 thousand and is valid for the whole term of the contract.

k) Due to conclusion of a contract for implementation and licence of Comarch Loyalty Management, as well as services related to data centre and Support & Maintenance, signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for obligations of Comarch SAS resulting from this project. The surety was granted up to the maximum amount of the signed agreements, i.e. EUR 2,807 thousand and is valid till the end of this project.

l) Due to conclusion of an agreement signed by branch of Comarch AG in Belgium with a customer, Comarch S.A. granted a surety for liabilities of Comarch AG resulting from this project. The surety was granted up to the amount of the agreement, i.e. EUR 236 thousand and is valid till the termination of the project.

m) Due to conclusion of a contract for purchase of licences, maintenance and support, signed by Comarch UK, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for future obligations of Comarch UK resulting from this project. The surety was granted up to the amount of GBP 11,244 thousand and is valid for 12 years after the contract completion.

n) Due to conclusion of a contract for fuel cards service signed by Comarch Healthcare S.A., a subsidiary of Comarch S.A., on the 20<sup>th</sup> of December, 2013, Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by Comarch Healthcare S.A. After the entry into force of the amendment to the agreement in 2015, the total amount of granted surety is PLN 100 thousand and is valid till the 31<sup>st</sup> of May, 2016.

o) Due to conclusion of a contract for SLA services, signed by branch of Comarch S.A. in Albany, Comarch S.A. granted a surety for the liabilities of the branch resulting from the project. The surety was granted up to the amount of the signed agreement, i.e. approximately EUR 10 thousand monthly and is valid till the termination of the contract.

p) Due to conclusion of a contract for implementation of Comarch ECM, maintenance and SaaS, signed by Comarch SAS, a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the liabilities of Comarch SAS, resulting from the project. The surety was granted up to the amount of EUR 838 thousand and is valid till the termination of the contract.

q) Due to conclusion of a contract for fuel cards service signed by CA Consulting S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for the benefit of an operator of fuel cards in order to guarantee the fulfilment of any obligations resulting from this contract by CA Consulting S.A. The total amount of granted surety is PLN 50 thousand and is valid till the 31<sup>st</sup> of May, 2016.

r) Due to conclusion of a framework agreement signed by branch of Comarch AG in Belgium with a customer, Comarch S.A. granted a surety for liabilities of Comarch AG. The surety was granted up to the amount of the agreement, i.e. EUR 3,241 thousand and is valid till the termination of the project.

s) Due to conclusion of a contract for implementation of Comarch Loyalty Management For Airlines, Comarch Smart Analytics and Comarch Customer Engagement Platform-Gamification, as well as the maintenance and management of the system by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., Comarch S.A. granted a surety („Parent Guarantee”) for the liabilities of Comarch Middle East FZ-LLC resulting from this project. The surety was granted up to the amount of the signed agreement, i.e. USD 5,000 thousand and is valid till the moment when all obligations resulting from the agreement will be made.

t) Due to conclusion of a contract for implementation of Comarch Customer Engagement Platform by Comarch Middle East FZ-LLC, a subsidiary of Comarch S.A., Comarch S.A. granted a surety („Parent Guarantee”) for the liabilities of Comarch Middle East FZ-LLC resulting from this project. The contract was concluded for five years. The surety is valid until fulfillment by Comarch Middle East FZ-LLC of all obligations under the contract and has been granted up to a maximum liability of the contract, i.e. USD 10,000 thousand.

u) Due to conclusion of a contract for investment credit by Bonus Development Sp. z o.o. SK-A, a subsidiary of Comarch S.A., with Bank Pekao S.A. under which the bank grants Bonus Development Sp. o.o. SK-A funding in the amount of EUR 38,800 thousand (EUR 9,262 thousand on the date of signing the agreement) and due to the conclusion of the agreement on treasury transactions related to securing exchange rate risk and interest rate of above mentioned credit, Comarch S.A. granted a sureties for the liabilities of Bonus Development Sp z o.o. SK-A resulting from these contracts. Sureties are valid until repayment of all obligations under the credit agreement, the maturity date is on the 28th of June, 2030.

v) Due to conclusion of a contract by Comarch Chile SpA, a subsidiary of Comarch S.A., for IT Out-Tasking Services, Comarch S.A. granted a surety for liabilities of Comarch Chile SpA resulting from this contract. The surety was granted up to the amount of EUR 200 thousand and is valid till the termination of the project, ie. the 30th of August, 2018.

w) Due to conclusion of a contract by Comarch Polska S.A., a subsidiary of Comarch S.A., for service of fuel cards, Comarch S.A. granted a surety for the benefit of an operator of fuel cards for liabilities of Comarch Polska S.A. resulting from this contract. The surety was granted up to the amount of PLN 10 thousand and is valid till the 15th of September, 2015.

x) Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Loyalty Management Solutions, Comarch S.A. granted a surety for liabilities of Comarch AB. The surety is valid until fulfilment of all obligations under the contract by Comarch AB and was granted up to the amount of SEK 39,747 thousand.

y) Due to purchase of a license from one of the clients by CA Consulting S.A., a subsidiary of Comarch S.A., Comarch S.A. granted a surety for this purchase. The surety was granted up to the amount of EUR 225 thousand and is valid till the 31st of December, 2015.

z) Due to conclusion of a contract by Comarch AB, a subsidiary of Comarch S.A., for implementation and service of Master Services Agreement, Comarch S.A. granted a surety for Comarch AB. The surety was granted up to the amount of PLN 3,827 thousand and is valid till the termination of the contract.

#### **10.5. Bank Guarantees**

On 31<sup>st</sup> of December, 2015, the value of bank guarantees and letters of credit issued by banks on order from Comarch S.A. in reference to executed agreements and participation in tender proceedings was PLN 48,740 thousand, whereas it was PLN 60,327 thousand on 31<sup>st</sup> of December, 2014.

Comarch S.A. granted letters of comfort for its subsidiaries: MKS Cracovia SSA (valid till the 30<sup>th</sup> of June, 2017) and Comarch Healthcare S.A. (valid till the 30<sup>th</sup> of June, 2017).

## **11. The Most Important Events in 2015 and after the Balance-Sheet Date**

### **11.1 Contracts Significant for Issuers' Activities**

The most important contracts signed in 2015 are:

#### **11.1.1. Contract with the consortium Łęgprzem sp. z o.o., ZSK sp. z o.o., Graphbud sp. z o.o.**

On the 3<sup>rd</sup> of October, 2013, Comarch S.A. signed an agreement with consortium of Łęgprzem sp. z o.o., ZSK sp. z o.o. and Graphbud sp. z o.o. for the realisation of the fifth construction stage of the investment in the Special Economic Zone in Krakow (SSE6 building). The subject of the contract was the construction of a production and office building, altogether with data centre, including traffic and technical infrastructure, with the total space of the building being 11,708.87 m<sup>2</sup>. Initially, the value of this agreement amounted to PLN 62,268 thou. As a result of signing amendments to the aforementioned agreement, the total value of the agreement increased from PLN 62,268 thou. to PLN 64,907 thou. Due to the extension of the scope of work provided by the Consortium, the planned completion date of the investment was changed to the 31<sup>st</sup> of August, 2015. The above mentioned changes were announced by the company in current reports RB-5-2015 dated the 16<sup>th</sup> of January, 2015, RB-9-2015 dated the 30<sup>th</sup> of March, 2015, RB-15-2015 dated the 28<sup>th</sup> of May, 2015, RB-27-2015 dated the 16<sup>th</sup> July, 2015 and RB-31-2015 dated the 14<sup>th</sup> of August, 2015.

#### **11.1.2. Contract for the implementation of the building investment in Łódź**

On the 16<sup>th</sup> of June, 2015 an agreement on the building investment in Łódź was made between Bonus Development spółka z ograniczoną odpowiedzialnością S.K.A., a subsidiary of Comarch S.A. and Skanska S.A. The subject of the agreement is the construction of office building together with the rebuilding and change of usage of the adjacent former factory building, located in Łódź, 76/78 Jaracza Street including traffic and technical infrastructure and the supply of building materials and machinery. The total space of the building will be 9,906.20 m<sup>2</sup>. The net value of the agreement amounts to PLN 38,800 thou. The planned completion date of the investment is the third quarter of 2016. Comarch S.A. announced concluding of above mentioned contract in current report RB-18-2015 dated the 16<sup>th</sup> of June, 2015.

#### **11.1.3. Construction and investment credit agreement**

On the 29<sup>th</sup> of June, 2015, Bonus Development SK-A with its registered office in Krakow, a subsidiary of Comarch S.A. signed a construction and investment credit agreement with bank Polska Kasa Opieki Spółka Akcyjna ("PEKAO S.A.") with its registered office in Warsaw, for financing and refinancing of not more than 90% of net costs of an investment related to reconstruction of the former factory building and the construction of an adjacent office building in Łódź, at ul. Stefana Jaracza 78 and ul. Stefana Jaracza 76. The credit amounts to PLN 38,800 thousand PLN and is granted in EUR. The crediting period lasts until the 28<sup>th</sup> of June, 2030. The interest rate of the credit is based on a variable rate. The credit should be taken out by the 28<sup>th</sup> of June, 2017. The loan is secured by the conventional mortgage on the property, on which construction works are being implemented, a statement of submission to enforcement, power of attorney to accounts maintained in bank PEKAO S.A., cession of rights in the bank guarantee for contract good performance and for warranty obligations, cession of rights in the insurance policies, cession of rights under the lease agreement concluded between the borrower and Comarch S.A., and a surety granted by Comarch S.A. together with a declaration of submission to execution and power of attorney to accounts of Comarch S.A. conducted by PEKAO S.A. Comarch S.A. announced concluding of above mentioned agreement in current report RB-23-2015 dated the 29<sup>th</sup> of June, 2015.

#### **11.1.4. Conditional Acquisition of Shares in Thanks Again LLC**

On the 17<sup>th</sup> of July, 2015 Comarch Pointshub Inc., a subsidiary of Comarch SA, has signed a conditional agreement concerning acquisition of 4,250,000 shares in Thanks Again LLC for total acquisition price amounted to USD 8,000 thousand. Acquired shares will represent 42,5% of total shares and will entitle to 42,5% of total number of votes at Thanks Again LLC general meeting. Acquisition of shares shall take place within 5 working days from the date of fulfillment of the conditions specified in the agreement and

the conditions should be met within 30 days from the date of the agreement. Thanks Again LLC is an operator of loyalty systems for airports in North America. Comarch S.A. announced concluding of above mentioned agreement in current report RB-28-2015 dated the 17<sup>th</sup> of June, 2015. Conditions set out in the agreement have been fulfilled and on the 24<sup>th</sup> of August, 2015, shares of Thanks Again LLC have been acquired. Comarch S.A. announced details in current report RB-32-2015 dated the 24<sup>th</sup> of August, 2015.

## **AFTER THE BALANCE SHEET DATE**

### **11.1.5. Contracts for the implementation of the sixth stage of the investment in the Special Economic Zone in Krakow (SSE7) and the reconstruction of the SSE6 building**

On the 18<sup>th</sup> of March, 2016, Comarch SA concluded two contracts with Budimex SA:

1) On implementation of the sixth stage of the investment in the Special Economic Zone in Krakow (SSE7). The subject of the contract is construction of an office building with road and technical infrastructure and a delivery of necessary materials and equipment. The total area of the building will be 27,736.07 m<sup>2</sup>. The contract value is PLN 69,704 thousand net. Construction work will begin after the transfer of the construction site. Anticipated completion date is the third quarter of 2017.

2) On reconstruction of the SSE6 building (Studio 1) in the Special Economic Zone in Krakow. The subject of the contract is the reconstruction of the building from the warehouse to production purpose with road and technical infrastructure and the delivery of necessary materials and equipment. The contract value is PLN 4,350 thousand net. Anticipated completion date is the third quarter of 2016.

Comarch S.A. announced details in current report RB-3-2016 dated the 18<sup>th</sup> of March, 2016.

### **11.1.6. Investment Credit Agreement**

On the 18<sup>th</sup> of March, 2016, Comarch S.A.S., a subsidiary of Comarch S.A. and Comarch S.A. (as a co-borrower), signed an investment credit agreement with bank BGŻ BNP Paribas S.A. with its registered office in Warsaw, for financing and refinancing of 100% of net costs of an investment related to construction of data center in Lille, France, but no more than 83,5% of the total net costs of the whole investment, about which Comarch S.A. informed in current report no. RB-2-2016 dated the 15<sup>th</sup> of March, 2016. The credit amounts to EUR 8,000 thousand, i.e. PLN 34,164 thousand (exchange rate as of the date of signing the agreement). The crediting period lasts until the 18<sup>th</sup> of September, 2023, the interest rate of the credit is based on a variable rate. The credit should be taken out by the 18<sup>th</sup> of September, 2017. The credit is secured by:

a) the conventional mortgage of EUR 12,000 thousand, i.e. PLN 51,246 thousand (exchange rate as of the date of signing the agreement) established on the second place on the property belonging to Comarch S.A. located at ul. prof. Michała Życzkowskiego 23, Cracow (the SSEIV building), the current value of the mortgage established on the first place on the SSEIV building in favor of bank BGŻ BNP Paribas S.A. is PLN 53,815,386.00, the current market value of the SSEIV building is PLN 78,880 thousand.

b) a statement of Comarch S.A. of submission to enforcement,

c) power of attorney to accounts of Comarch S.A. maintained in bank BGŻ BNP Paribas S.A.,

d) cession of rights in the insurance policy of SSEIV building.

Comarch S.A. announced details in current report RB-4-2016 dated the 18<sup>th</sup> of March, 2016.

## **11.2 Other**

### **11.2.1. Claim Filed by Agency for Restructuring and Modernisation of Agriculture**

The Management Board of Comarch S.A. has announced that on 14<sup>th</sup> of January, 2015, it received from Regional Court in Warsaw, the Third Civil Division, a claim filed by ARMA against Comarch S.A., for payment of PLN 34,493,717.28 by way of contractual penalties. According to the court's notice, Comarch S.A. will answer to the claim within 60 days from receiving the claim. At the same time, the Management Board of Comarch S.A. sustains its position that calculation of these penalties has neither justification nor



grounds in the provisions of the Contract. Comarch S.A. announces also that, despite the dispute concerning the charged contractual penalties, the Contract is still executed in accordance with the requirements of the SLA. The company announced details in current report no. RB-4-2015 dated the 15<sup>th</sup> of January, 2015.

#### **11.2.2. Resignation of Managing Persons**

On the 8<sup>th</sup> of April, 2015, Mr. Piotr Piątosa, head of telecommunication sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board without giving any reasons; effective as of the 30<sup>th</sup> of April, 2015. On the 8<sup>th</sup> of April, 2015, Mr. Piotr Reichert, head of finance, banking and insurance sector, resigned from the post of Vice-President of the Comarch S.A.'s Management Board without giving any reasons; effective as of the 30<sup>th</sup> of April, 2015.

Marcin Dąbrowski, a manager for many years in the telecommunication sector, will be performing duties of the head of the telecommunication sector. Andrzej Przewięźlikowski, a manager for many years in the trade and services sector, will be performing duties of the head of the finance, banking and insurance sector. The company announced details in current report no. RB-10-2015 dated the 9<sup>th</sup> of April, 2015.

#### **11.2.3. Opinion of Supervisory Board and Recommendation of Management Board of Comarch S.A. Regarding Dividend**

The Supervisory Board gave positive opinion of Comarch S.A. with the resolution no. 1/05/2015 dated the 15<sup>th</sup> of May, 2015, The Management Board of Comarch S.A. recommended to the company's General Shareholders' Meeting pass the net profit achieved by Comarch S.A. in financial year from 1<sup>st</sup> of January, 2014 to 31<sup>st</sup> of December, 2014 in the amount of PLN 41,048,275.65 in whole to supplementary capital. The company announced details in current report no. RB-12-2015 dated the 18<sup>th</sup> of May, 2015.

### **AFTER THE BALANCE SHEET DATE**

#### **11.2.4. Meeting the criterion of a significant contract**

In connection with conclusion by Comarch S.A.S., a subsidiary of Comarch SA and Comarch SA (as co-borrower) on the 18<sup>th</sup> of March, 2016, a loan agreement with a bank BGŻ BNP Paribas SA (Comarch SA announced it in the current report RB-4-2016 dated the 18<sup>th</sup> of March, 2016), the value of contracts signed in the last 12 months between the entities of Comarch Group and entities of BNP Paribas Group exceeded 10% of the equity of Comarch SA as at the 31<sup>st</sup> of December, 2015, thus meeting the criterion of a significant contract.

The highest value contract concluded with entities of BNP Paribas Group is Amendment No 6 dated the 28<sup>th</sup> of May, 2015, to the contract for multipurpose credit line (hereinafter: the "Contract"). The value of the Contract is PLN 35,000 thousand. The Contract was concluded for a definite period until the 30<sup>th</sup> of May, 2016. Financial conditions of the concluded Contract do not differ from those commonly used in the market for such contracts. The Contract does not provide any contractual penalties.

Legal protection of the limit granted by the bank BGŻ BNP Paribas SA includes:

- blank promissory note with promissory note declaration,
- statement on submission to enforcement in favor of the bank BGŻ BNP Paribas SA.

The company announced details in current report no. RB-5-2016 dated the 18<sup>th</sup> of March, 2016.

### **12. Major Domestic and Foreign Investment (Securities, Financial Instruments, Intangible Assets and Real Estate), including Capital Investment Made outside the Group of Related Parties, as well as a Description of their Financing, as well as an Appraisal of Ability for Executing Investment Plans, Including Capital Investment Compared to the Amount of Resources Owned**

The Group does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, Comarch will consistently aim at increase in international sales, especially in Western Europe. The sales will be executed directly to the final client (through Comarch S.A. or another company from the Comarch Group) or through partner companies.

Within the following years, the Comarch Group will continue investment projects which will enable further expansion of the company to new commercial areas and new markets. They will be financed with the means accorded by the companies at the Comarch Group, but also with bank credits.

### **12.1. Capital Investment**

On the 8<sup>th</sup> of January, 2015, the District Court for Kraków – Śródmieście in Kraków, the Eleventh Economic Division of the National Court Register issued a decision on the appointment of an expert to examine the merger plan for ESAPROJEKT sp. z o.o. and iMed24 SA, which was subsequently rectified by decision of the 20<sup>th</sup> of January, 2015. On the 1<sup>st</sup> of April, 2015, the Court issued a decision that an expert's opinion from the audit of the merger plan will be attached to the registration files. On the 1<sup>st</sup> of July, 2015, the general meeting of iMed24 S.A. and the general meeting of ESAProjekt sp. z o.o. passed the resolutions on merger of these companies and changes in the articles of association of iMed24 S.A. As a consequence of these resolutions, after the merger, there will be a name change of iMed24 S.A., acting as the acquiring company, to Comarch Healthcare S.A. The acquiring company will comprise most of assets of the Comarch Group's e-Health sector and Piotr Piątosa was appointed its president of the management board. (current report no. 16/2015 dated the 2<sup>nd</sup> of June, 2015). On the 1<sup>st</sup> of July, 2015, the merger was registered. Simultaneously with the merger, there was an increase in share capital of Comarch Healthcare S.A. to PLN 5,328,806.00. Comarch S.A. announced details in current report no. RB-26-2015 dated the 7<sup>th</sup> of July, 2015. On the 26<sup>th</sup> of October, 2015, Extraordinary Shareholders' Meeting of Comarch Healthcare S.A. passed a resolution on an increase in the company's share capital from PLN 5,328,806 up to the amount of PLN 6,014,806 as a result of an emission of 686,000 series M shares, worth PLN 1 per share. The capital increase was registered on the 31<sup>st</sup> of December, 2015.

On the 5<sup>th</sup> of February, 2015, Comarch SRL was registered in Milan in Italy.

On the 2<sup>nd</sup> of April, 2015, Comarch Malaysia SDN.BHD. was registered in Kuala Lumpur in Malaysia with a share capital of RM 2.00 (PLN 2.05 according to the exchange rate dated the 2<sup>nd</sup> of April, 2015), of which 50% was held by Comarch S.A. On the 7<sup>th</sup> of May, 2015, Comarch S.A. acquired a share in Comarch Malaysia SDN. BHD. from a current shareholder and holds 100% of the company's shares. On the 8<sup>th</sup> of June, 2015, an increase in share capital was registered up to RM 500,000 (PLN 500,050 according to the exchange rate dated the 8<sup>th</sup> of June, 2015), i.e. increase of 499,998 shares, shared on 500,000 ordinary shares with a value of RM 1.00 each.

On the 16<sup>th</sup> of April, 2015, Comarch Espace Connecté Inc. (Comarch Smart City) was registered in Montreal in Canada.

On the 8<sup>th</sup> of May, 2015, the AGM of Comarch Yazilim A.S. passed a resolution on an increase in the company's share capital from TL 100,000 (PLN 134,300 according to the exchange rate dated the 8<sup>th</sup> of May, 2015) to TL 600,000 (PLN 806,580 according to the exchange rate dated the 8<sup>th</sup> of May, 2015). The share capital was fully paid. On the 5<sup>th</sup> of June, 2015, the capital increase was registered.

On the 7<sup>th</sup> of July, 2015, conditional agreement concerning acquisition of shares of Goldcup 111447 AB company in Sweden by Comarch S.A. was signed. 100% of shares were acquired on the 18<sup>th</sup> of August, 2015, for total acquisition price SEK 50,000 (PLN 22,080 at the exchange rate on the 18<sup>th</sup> of August, 2015). On the 28<sup>th</sup> of August, 2015, a name change was registered to Comarch AB.

On the 13<sup>th</sup> of July, 2015, Comarch Pointshub, Inc. was registered in Rosemont, IL. On the 17<sup>th</sup> of July, 2015, Comarch Pointshub Inc. a subsidiary of Comarch SA, has signed a conditional agreement concerning acquisition of 4,250,000 shares in Thanks Again LLC for total acquisition price amounted to USD 8,000 thousand (PLN 30,140,800 at the exchange rate on the 17<sup>th</sup> of July, 2015). Acquired shares will represent 42,5% of total shares and will entitle to 42,5% of total number of votes at Thanks Again LLC general meeting. The conditions set out in the agreement have been fulfilled and on the 24<sup>th</sup> of August, 2015, the shares of Thanks Again LLC have been acquired. Thanks Again LLC is an operator of loyalty systems for airports in North America.

On the 16<sup>th</sup> of July, 2015, the share capital of Comarch Software Spain S.L.U. was increased by EUR 250 thousand – from EUR 250 thousand (PLN 1,027,775 at the exchange rate on the 16<sup>th</sup> of July, 2015) to EUR 500 thousand (PLN 2,055,550 at the exchange rate on the 16<sup>th</sup> of July, 2015).

On the 29<sup>th</sup> of July, 2015, the resolution was passed on an increase in the share capital of Comarch SRL from EUR 50 thousand (PLN 207,260 at the exchange rate on the 29<sup>th</sup> of July, 2015) to EUR 200 thousand (PLN 829,040 at the exchange rate on the 29<sup>th</sup> of July, 2015).

On the 17<sup>th</sup> of August, 2015, Extraordinary Shareholders' Meeting of Comarch Management sp. z o.o. SKA passed a resolution on an increase in the company's share capital from PLN 140,110 up to the amount of PLN 170,110 as a result of an emission of 30,000 series D shares, worth PLN 1 per share.

On the 18<sup>th</sup> of August, 2015, Comarch Management sp. z o.o. SKA signed a purchase agreement for 1,315 shares with CCF FIZ.

On the 18<sup>th</sup> of August, 2015, Comarch Management sp. z o.o. SKA concluded an agreement with CCF FIZ to acquire 1,315 shares for redemption.

On the 16<sup>th</sup> of October, 2015, an increase in share capital of Comarch Management sp. z o.o. SKA up to the amount of PLN 170,110 was registered in the proper register.

On the 26<sup>th</sup> of October, 2015, Comarch Management sp. z o.o. SKA concluded a purchase agreement for 26,000 shares with CCF FIZ in order to redeem the shares.

On the 11<sup>th</sup> of November, 2015, Comarch S.A. concluded an agreement for the acquisition of 100,000 shares of Comarch Argentina S.A. based in Buenos Aires (100% of the share capital, each share having a nominal value of ARS 1), for a nominal amount of ARS 100,000 (i.e. PLN 41,280 at the exchange rate on the 10<sup>th</sup> of November, 2015).

On the basis of resolutions of the sole shareholder dated the 10<sup>th</sup> of December, 2015, changes were made in the share capital of Comarch SAS. First of all the share capital was reduced from EUR 2,500,000 to EUR 308,429 (PLN 1,339,816 at the exchange rate of the 10<sup>th</sup> of December, 2015), i.e. a reduction of EUR 2,191,571 (PLN 9,520,184 at the exchange rate of the 10<sup>th</sup> of December, 2015) and then increased by EUR 3,000,000 (PLN 13,032,000 at the exchange rate of the 10<sup>th</sup> of December, 2015). The current share capital of Comarch SAS is EUR 3,308,429. The change of share capital is effective from the 17<sup>th</sup> of December, 2015.

On the 10<sup>th</sup> of December, 2015, Comarch SAS and Comarch SA (existing shareholders of Comarch R&D SARL) entered into a share purchase agreement, which resulted in purchase of 525 shares of Comarch R&D SARL (70% of the share capital) by Comarch SA from Comarch SAS for a total amount of EUR 70,000 (PLN 304,080 at the exchange rate of the 10<sup>th</sup> of December, 2015), ie. EUR 133.33 (PLN 579.19 at the exchange rate of the 10<sup>th</sup> of December, 2015) per share. From the 10<sup>th</sup> of December, 2015, Comarch SA is the sole shareholder of Comarch R&D SARL.

On the 21<sup>st</sup> of December, 2015, the Extraordinary General Meeting of Comarch Management sp. z o.o. passed a resolution to increase the share capital from PLN 250 thousand to PLN 300 thousand through the issuance of 500 new shares with a nominal value of PLN 100 each. The shares were acquired by the existing sole shareholder, Comarch S.A. based in Krakow.

## **12.2. Real Estates**

On the 3<sup>rd</sup> of October, 2013, Comarch S.A. signed an agreement with consortium of Łęgprzem sp. z o.o., ZSK sp. z o.o. and Graphbud sp. z o.o. for the realisation of the fifth construction stage of the investment in the Special Economic Zone in Krakow (SSE6 building). The subject of the contract was the construction of a production and office building, altogether with data centre, including traffic and technical infrastructure, with the total space of the building being 11,708.87 m<sup>2</sup>. Initially, the value of this agreement amounted to PLN 62,268 thou. As a result of signing amendments to the aforementioned agreement, the total value of the agreement increased from PLN 62,268 thou. to PLN 64,907 thou. Due to the extension of the scope of work provided by the Consortium, the planned completion date of the investment was changed to the 31<sup>st</sup> of August, 2015. The above mentioned changes were announced by the company in current reports RB-5-2015 dated the 16<sup>th</sup> of January, 2015, RB-9-2015 dated the 30<sup>th</sup> of March, 2015, RB-



15-2015 dated the 28<sup>th</sup> of May, 2015, RB-27-2015 dated the 16<sup>th</sup> July, 2015 and RB-31-2015 dated the 14<sup>th</sup> of August, 2015. On the 31<sup>st</sup> of August, 2015, the SSE6 building was finally accepted. The total expenditure on the investment was PLN 68,747 thou. In September 2015 the building was entered into fixed assets register and since October 2015 its depreciation has started.

On the 16<sup>th</sup> of June, 2015 an agreement on the building investment in Łódź was made between Bonus Development spółka z ograniczoną odpowiedzialnością S.K.A., a subsidiary of Comarch S.A. and Skanska S.A. The subject of the agreement is the construction of office building together with the rebuilding and change of usage of the adjacent former factory building, located in Łódź, 76/78 Jaracza Street including traffic and technical infrastructure and the supply of building materials and machinery. The total space of the building will be 9,906.20 m<sup>2</sup>. The net value of the agreement amounts to PLN 38,800 thou. The planned completion date of the investment is the third quarter of 2016. Capital expenditures incurred in connection with the above mentioned agreement until the 31<sup>st</sup> of December, 2015, amounted to PLN 5,968 thousand. Comarch S.A. announced concluding of above mentioned contract in current report RB-18-2015 dated the 16<sup>th</sup> of June, 2015.

The office building that was purchased by Comarch SAS in Lille is the new office of the company. On the 15<sup>th</sup> of March, 2016, Comarch S.A.S., a subsidiary of Comarch S.A. signed an agreement with SNC-LAVALIN S.A.S., for the realization of the construction investment in Lille, France. The subject of the contract is the alteration of the warehouse building at 17 Rue Paul Langevin in Lezennes in the data center. The value of this agreement amounts to EUR 7,500 thousand net, i.e. PLN 32,118 thousand (exchange rate as of the date of signing the agreement). The planned completion date of this investment is the second quarter of 2017. The investment will be financed by a long-term loan. Comarch S.A. announced concluding of above mentioned contract in current report RB-2-2016 dated the 15<sup>th</sup> of March, 2016.

On the 18<sup>th</sup> of March, 2016, Comarch SA concluded two contracts with Budimex SA:

1) On implementation of the sixth stage of the investment in the Special Economic Zone in Krakow (SSE7). The subject of the contract is construction of an office building with road and technical infrastructure and a delivery of necessary materials and equipment. The total area of the building will be 27,736.07 m<sup>2</sup>. The contract value is PLN 69,704 thousand net. Construction work will begin after the transfer of the construction site. Anticipated completion date is the third quarter of 2017.

2) On reconstruction of the SSE6 building (Studio 1) in the Special Economic Zone in Krakow. The subject of the contract is the reconstruction of the building from the warehouse to production purpose with road and technical infrastructure and the delivery of necessary materials and equipment. The contract value is PLN 4,350 thousand net. Anticipated completion date is the third quarter of 2016.

Comarch S.A. announced details in current report RB-3-2016 dated the 18<sup>th</sup> of March, 2016.

## **13. Resolutions of the AGM and the Board of Supervisors**

### **13.1. Corporate Governance Principles**

Pursuant to the rule number 3) included in the third part, point 1 of the "Corporate Governance Principles", which is attached to the Resolution no. 19/1307/2012 of the Board of WSE dated 21<sup>st</sup> of November, 2012, Comarch S.A.'s Management Board announced in EBI current report no. 2/2015 that on the 18<sup>th</sup> of May, 2015, Supervisory Board of Comarch S.A. passed the resolution no. 10/5/2015 in which projects of the resolutions at the AGM, to be held on the 24<sup>th</sup> of June, 2015, are given positive opinions.

Pursuant to the rule number 1) included in the third part, point 1 of the "Corporate Governance Principles", which is attached to the Resolution no. 19/1307/2012 of the Board of WSE dated 21<sup>st</sup> of November, 2012, Comarch S.A.'s Management Board conveyed in EBI current report no. 1/2015 the report on the activities of the Supervisory Board of Comarch S.A. and assessment of the company's situation in 2014 including assessment of the company's internal system control and risk management in the company.

### **13.2. Annual General Meeting – 24.06.2015**

#### **a) Convention of the AGM, Agenda of the Meeting and Information on Participation in the Company's General Meeting**

On the 18<sup>th</sup> of May, 2015, pursuant to article 395, 399 § 1, article 402<sup>1</sup> and 402<sup>2</sup> of the Code of Commercial Companies and Partnerships, and pursuant to article 14 of the company's Statute, the Management Board of Comarch S.A. convened the Annual General Shareholders' Meeting of Comarch S.A., to be held at 11:00 o'clock on the 24<sup>th</sup> of June, 2015, at ul. Prof. Michała Życzkowskiego 23 in Krakow, Poland. Agenda of the meeting and projects of resolutions to be presented on AGM, and their grounds, were also published on that day. Pursuant to art. 402<sup>2</sup> of the Code of Commercial Companies and Partnerships, the company's Management Board has presented information on participation in the company's General Meeting, including:

- Shareholder's right to demand the inclusion of specific issues in the agenda of the nearest General Meeting,
- A shareholder's right to introduce projects of resolutions,
- Method of exercising the right to vote by proxy,
- The possibility and the method of participating in the General Meeting using means of electronic communication,
- The method of giving one's opinion during the General Meeting using means of electronic communication,
- The method of exercising a voting right in by correspondence or by using means of electronic communication,
- Date of registration for participation in the General Meeting: 8<sup>th</sup> of June, 2015,
- Information about the right to participate in the General Meeting,
- List of shareholders,
- Access to documentation,
- The company's website and e-mail address.

The company announced details in current report no. RB-11-2015 dated the 18<sup>th</sup> of May, 2015.

#### **b) Content of the Resolutions Passed at the AGM**

The AGM passed the resolutions related to:

- election of Chairman of the General Meeting;
- removing from the agenda of the meeting the point regarding the election of the Returns Committee;
- passing the agenda of the meeting;
- approving the company's financial statement for the fiscal year 1.01.2014 - 31.12.2014;
- approving the report of the Management Board regarding the activities of the company in 2014;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2014 - 31.12.2014;
- approving the report of the Management Board of Comarch S.A. regarding the activities of the Capital Group in 2014;

- approving the activity report of the company's Board of Supervisors for the fiscal year 2014, including assessment of the company's situation;
- distribution of the company's net profit for the fiscal year 1.01.2014 - 31.12.2014;
- acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2014 - 31.12.2014;
- appointment of Mr. Andrzej Przewięźlikowski as the new Vice-President of the Management Board;
- appointment of Mr. Marcin Dąbrowski as the new Vice-President of the Management Board.

The full content of the resolutions was published on 24<sup>th</sup> of June, 2015, in the current report no. RB-20-2015.

c) Resolution of the AGM Regarding Dividend for 2014

The General Shareholder's Meeting decided that the earned in the fiscal year 1 January 2014 - 31 December 2014 net profit in the amount of PLN 41,048,275.65 will be passed in total to supplementary capital.

d) The List of Shareholders Participating the Annual General Shareholders Meeting

Accordingly to the list of shareholders participating the Annual General Meeting of Comarch S.A. on the 24<sup>th</sup> of June, 2015, Elżbieta Filipiak, Janusz Filipiak and ING Otwarty Fundusz Emerytalny held at least 5% of the total number of votes represented at this Meeting:

1. Janusz Filipiak – 893,000 shares which gave 4,465,000 votes at the AGM, which constituted 45.92% of the all votes at this AGM and which constituted 29.52% of the total number of votes;
2. Elżbieta Filipiak – 846,000 shares which gave 4,230,000 votes at the AGM, which constituted 43.5% of the all votes at this AGM and which constituted 27.96% of the total number of votes.
3. ING Otwarty Fundusz Emerytalny – 500,000 shares which gave 500,000 votes at the AGM, which constituted 5.14% of the all votes at this AGM and which constituted 3.31% of the total number of votes.

The total number of votes from all issued Comarch S.A. shares is 15,126,949. Shareholders participating the Annual General Shareholders Meeting of Comarch S.A. on the 24<sup>th</sup> of June, 2015 held shares giving 9,724,132 votes.

The company announced details in current report no. RB-25-2015 dated the 1<sup>st</sup> of July, 2015.

## **14. Operations on Comarch S.A. Shares**

### **14.1. Purchase/Disposal Transactions on Comarch S.A. Shares**

On the 20<sup>th</sup> of January, 2015, a member of Comarch S.A.'s Management Board purchased 30 ordinary bearer Comarch S.A. shares for price of PLN 104.10 each. The value of the transaction amounted to PLN 3,123.00. The company announced details in current report no. RB-7-2015 dated the 2<sup>nd</sup> of March, 2015.

On the 11<sup>th</sup> of June, 2015, in Skala, a person who has access to the confidential information about Comarch S.A. disposed 20,950 ordinary bearer Comarch S.A. shares, based on the marital property agreement concluded in the form of notarial deed on the 11<sup>th</sup> of June, 2015. The disposal was gratuitous, estimated value of the comprised shares amounted to PLN 2,775,875.00 with a unit price of PLN 132.50 per each share. The company announced details in current report no. RB-17-2015 dated the 15<sup>th</sup> of June, 2015.

### **AFTER THE BALANCE SHEET DATE**

None present.

#### **14.2. Managerial Option Program for Members of the Management Board and Other Key Employees**

##### **a) for 2014-2016**

On the 26<sup>th</sup> of June, 2013, the Annual General Meeting of Shareholders passed Resolution no. 36 on the managerial options programme for members of the company's Management Board managing company and Capital Group for 2014-2016. The objective of the programme was to additionally motivate members of the company's Management Board by options on Comarch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program will be executed through offers of newly-issued shares in the company in 2015, 2016 and 2017 to company's Management Board. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares of each year of the execution of the programme (beginning with 2014) and the issue price of shares offered to company's Management Board. After changes introduced by the resolution no. 25 of the Annual General Meeting of the 26<sup>th</sup> of June, 2014, period of execution of the programme was limited for 2014.

The basis for the calculation of the value of the Option were increases in company capitalisation, calculated as the difference between the average capitalisation of the company in 2014 and the average capitalisation of the company in 2013, where the average capitalisation of the company in the given year is the arithmetical average of the daily capitalisations of the company in the given year, and the daily capitalisation is the number of shares of the company multiplied by the stock exchange closing rate for shares of the company in the given day.

The Management Board of Comarch S.A. announced that acting in execution of the Resolution no. 36 of the Annual General Meeting of Comarch S.A. of the 26<sup>th</sup> of June, 2013, regarding the managerial option program for members of the Comarch S.A. management board who manage the company and the Capital Group, on the 16<sup>th</sup> of February, 2015, the Supervisory Board of Comarch S.A. passed the Resolution no. 01/02/2015 on execution of the managerial option program for 2014, by way of issuance of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 (in writing: one zloty) and issue price of PLN 1 each, excluding a stock right of the current company's shareholders. Shares will be offered to the entitled persons according to the provisions of the managerial option program for members of the Comarch S.A. management board who manage the company and the Capital Group, passed with Resolution no. 36 of the Annual General Meeting of the 26<sup>th</sup> of June, 2013 (current report no. RB-6-2015 dated the 16<sup>th</sup> of February, 2015).

The Management Board of Comarch S.A. announced that pursuant to Art. 430-433, 444, 446 and 447 of the Code of Commercial Companies and Partnerships, and article 9 sec. 3-7 of the company's articles of association, in execution of the Resolution no. 36 of the Annual General Meeting dated 26<sup>th</sup> of June, 2013, passed the resolution no. 1 dated the 16<sup>th</sup> of March, 2015, regarding an increase in the share capital by way of emission of 7,759 ordinary bearer series L1 shares, of nominal value of PLN 1 each and issue price of PLN 1, excluding a stock right of the current company's shareholders, in addition to changes in the company's articles of association within the scope. The company announced details in current report no. RB-8-2015 dated the 16<sup>th</sup> of March, 2015.

On the 14<sup>th</sup> of May, 2015, the increase in the company's share capital of Comarch S.A. to the amount of PLN 8,133,349.00 was registered by the District Court for Kraków-Śródmieście in Kraków, XI Economic Division of the National Court Register. After this increase the company's share capital is divided into 8,133,349 shares. It corresponds to 15,126,949 votes at the company's AGM (RB-13-2015 dated the 21<sup>st</sup> of May, 2015).

As a consequence of the aforementioned increase in the company's share capital, on the 14<sup>th</sup> of May, 2015, changes in Comarch S.A. Articles of Association were registered by the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register (RB-14-2015 dated the 21<sup>st</sup> of May, 2015).

On the 23<sup>rd</sup> of June, 2015, the Management Board of the National Deposit for Securities passed a resolution no. 400/15 in relation to the conditional registration of 7,759 ordinary bearer series L1 Comarch

S.A. shares of a nominal value of PLN 1.00 (one zloty) each. Series L1 shares were registered by the National Deposit for Securities on condition that the company managing the regulated market decides that these shares will be introduced to trading on the regulated market where other Comarch S.A. shares with the code PLCOMAR00012 had been introduced by the company managing the regulated market (RB-19-2015 dated the 23<sup>rd</sup> of June, 2015).

On the 21<sup>st</sup> of July, 2015, with the resolution no. 700/2015 the Management Board of the Warsaw Stock Exchange decided that 7,759 ordinary bearer series L1 Comarch S.A. shares of nominal value of 1 PLN each are admitted to trading (RB-29-2015 dated the 21<sup>st</sup> of July, 2015).

On the 22<sup>nd</sup> of July, 2015, the Management Board of Comarch S.A. received an announcement of the Operating Department of the National Deposit for Securities informing that pursuant to the NDS Management Board's resolution no. 400/15 dated the 23<sup>rd</sup> of June, 2015, on the 23<sup>rd</sup> of July, 2015, 7,759 Comarch S.A. shares will be registered in the National Deposit for Securities under the ISIN code: PLCOMAR00012. The total number of shares after the following registration will amount to 6,384,949 (RB-30-2015 dated the 22<sup>nd</sup> of July, 2015).

## **15. Other Events in 2015 and after the Balance Sheet Date**

### **15.1. Dates of Periodical Financial Reports in 2015**

Pursuant to § 103 sec. 1 of the Regulation issued by the Minister of Finance on the 19<sup>th</sup> of February, 2009, concerning current and periodical information pertaining to companies listed on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state, with current report no. RB-1-2015 dated the 7<sup>th</sup> of January, 2015, Comarch S.A.'s Management Board presented terms of periodical financial reports in 2015.

### **AFTER THE BALANCE SHEET DATE**

### **15.2. Dates of Periodical Financial Reports in 2015**

In the current report no. RB-1-2016 dated the 18<sup>th</sup> of January, 2016, Comarch S.A.'s Management Board set the following dates of periodical financial reports in 2016:

- 1) Q4 2015 - on 29<sup>th</sup> of February, 2016
- 2) Q1 2016 - on 16<sup>th</sup> of May, 2016
- 3) Q3 2016 - on 14<sup>th</sup> of November, 2016
- 4) Consolidated half-year report which include condensed consolidated financial statement and condensed financial statement for the first half of 2016 - on 31<sup>th</sup> of August, 2016
- 5) Annual report for 2015 - on 29<sup>th</sup> of April, 2016
- 6) Consolidated annual report for 2015 - on 29<sup>th</sup> of April, 2016

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

Between the 1<sup>st</sup> of January, 2016 and the 28<sup>th</sup> of April, 2016, Comarch S.A. concluded forward contracts for the sales of EUR 12,700 thousand, USD 6,700 thousand, GBP 2,500 thousand. The total net value of open forward contracts as of the 28<sup>th</sup> of April, 2016 amounted to EUR 23,500 thousand, USD 12,100 thousand, CAD 500 thousand and GBP 3,400 thousand. The open forward contracts as of the 28<sup>th</sup> of April, 2016 were valued at plus PLN 1,778 thousand. The contracts will be settled within 27 months from the balance sheet date. All forward contracts have been concluded in order to limit the influence of currency exchange rates on the financial results related to the contracts carried out by Comarch S.A., in which the remuneration is set in a foreign currency.

## 16. Achievements within Research and Development

Globalisation of world economy, as well as liberalisation of trade, result in disappearance of barriers for companies and their products. The IT market becomes an open and global market where prices and quality of available products are continuously compared against each other. Along with increase in the presence of foreign capital in Poland, even IT companies conducting operations solely in the Polish market must offer competitive products from the point of view of the global market. Comarch, since the very beginning of its operations, has had reputation of a technological company developing and successfully selling products competitive internationally. Therefore, the main strategic objectives of the company are still development of new competitive products to enable further development of Comarch and, as a result, increasing its value. Maintaining dynamics of sales requires expenditures for development of products as well as their proper promotion and marketing. This applies to both modifications of already existing products and technologies as well as developing new products.

The present policy of Comarch assumes running research and development work related to implementation of new products and standardisation of products from the very beginning of their preparation for the client. Thus, even in cases when a product was developed for the needs of a particular client, a part or whole of software / code may be then used for preparation of a standard product. This results in higher profitability of particular contracts and expansion of the client base. Expenses for research and development works amounted to PLN 97.7 million, thus reached over 13% of revenue in 2015. Comarch allocated there internal funds as well as acquired actively European funds.

In 2015, Comarch S.A. continued "Efficient, Ergonomic and Secure Systems of Browsing and Transmission of Medical Images" in the e-Health field (contracts for financing signed in 2012) within the Operational Programme Innovative Economy 1.4.



Fundusze Europejskie – dla rozwoju innowacyjnej gospodarki

In 2015, Comarch finished the project: "Innovative Platform for Market Research Analysis" funded through the **IniTech initiative**. The project is implemented on the basis of the agreement for financing with the National Centre for Research and Development (NCBiR). There was also completion of a project: „Social Business Intelligence Module” within the **Demonstrator Plus**, pilot undertaking „Support of Research and Development in Demonstrative Scale” and contract implementing within **7<sup>th</sup> Framework Programme** of the European Union for financing of the “Shaping the Future of Electronic Identity” (FutureID) project, with Comarch S.A. as a partner.

However implementation of the grant agreement is for financing of a project „Situation AWare Security Operations Centre” (SAWSOC) within **7<sup>th</sup> Framework Programme** of the European Union was continued.

In 2015, an agreement was signed for financing the project "City of health" under the Operational Programme Intelligent Development 1.1.



## 17. Capital Affiliations

### 17.1. Organisational Structure of the Comarch Group

On the 31<sup>st</sup> of December, 2015, the following entities formed the Comarch Group (in parentheses, the share of votes held by Comarch S.A. unless otherwise indicated):

- Comarch Spółka Akcyjna with its registered office in Krakow,
- Comarch AG with its registered office in Dresden in Germany (100%),
  - Comarch Sistemas LTDA with its registered office in Sao Paulo in Brazil (80% votes held by Comarch AG, 20% votes held by Comarch Software und Beratung AG),
  - Comarch Software und Beratung AG with its registered office in Munich in Germany (100% subsidiary of Comarch AG\*),
  - Comarch Solutions GmbH with its registered office in Innsbruck in Austria (100% subsidiary of Comarch Software und Beratung AG),
- Comarch S.A.S. with its registered office in Lezennes in France (100%),
- Comarch R&D S.à r.l. with its registered office in Montbonnot-Saint-Martin in France (100%),
- Comarch Luxembourg S.à r.l. with its registered office in Luxembourg in Luxembourg (100%),
- Comarch, Inc. with its registered office in Rosemont in United States of America (100%),
  - Comarch Panama, Inc. with its registered office in Panama in Panama (100% subsidiary of Comarch, Inc.),
- Comarch Canada, Corp. with its registered office in New Brunswick in Canada (100%),
- Comarch Middle East FZ-LLC with its registered office in Dubai in United Arab Emirates (100%),
- Comarch LLC with its registered office in Kiev in Ukraine (100%),
- OOO Comarch with its registered office in Moscow in Russia (100%),
- Comarch Software (Shanghai) Co. Ltd. with its registered office in Shanghai in China (100%),
- Comarch Technologies Oy with its registered office in Espoo in Finland (100%),
- Comarch UK Ltd. with its registered office in London in United Kingdom (100%),
- Comarch Chile SpA with its registered office in Santiago in Chile (100%),
- Comarch Software Spain S.L.U. with its registered office in Madrid in Spain (100%),
- Comarch Yazilim A.S. with its registered office in Istanbul in Turkey (100%),
- Comarch SRL with its registered office in Milan in Italy (100%),
- Comarch Malaysia SDN.BHD. with its registered office in Kuala Lumpur in Malaysia (100%),
- Comarch s.r.o. with its registered office in Bratislava in Slovakia (100%),
- Comarch Pointshub, Inc. with its registered office in Rosemont, IL, USA (100%),
- Comarch AB with its registered office in Stockholm in Sweden (100%),
- Comarch Argentina S.A. with its registered office in Buenos Aires in Argentina (100%),
- Comarch Technologies sp. z o.o. with its registered office in Krakow in Poland (100%),
- CA Consulting S.A. with its registered office in Warsaw in Poland (100%),
- Comarch Management sp. z o.o. with its registered office in Krakow in Poland (100%),
- Comarch Corporate Finance Fundusz Inwestycyjny Zamknięty with its registered office in Krakow in Poland („CCF FIZ”) (Comarch S.A. holds 100% of issued investment certificates),
  - Comarch Management sp. z o.o. SK-A with its registered office in Krakow in Poland (25% votes held by CCF FIZ; 75% votes held by Comarch S.A.; shares purchased by Comarch Management sp. z o.o. SK-A to be redeemed don't give any votes),
  - Bonus Management sp. z o.o. SKA with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
    - “Bonus MANAGEMENT spółka z ograniczoną odpowiedzialnością” Cracovia Park SKA (66.67% votes held by Bonus Management sp. z o.o. SKA, 33.33% votes held by MKS Cracovia SSA),
  - Bonus Development sp. z o.o. SKA with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - Bonus Management sp. z o.o. II Activia SKA with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - Bonus Development sp. z o.o. II Koncept SKA with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - Comarch Healthcare S.A. with its registered office in Krakow in Poland (77.08%

- votes held by CCF FIZ, 22.92% votes held by CASA Management and Consulting sp. z o.o. SKA),
- Comarch Polska S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - Comarch Pointshub S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - Comarch Infrastruktura S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - iComarch24 S.A. with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
  - CASA Management and Consulting sp. z o.o. SK-A with its registered office in Krakow in Poland (100% votes held by CCF FIZ),
    - Comarch Swiss AG with its registered office in Luzern in Switzerland (100% subsidiary of CASA Management and Consulting sp. z o.o. SK-A),
    - CAMS AG with its registered office in Luzern in Switzerland (51% subsidiary of CASA Management and Consulting sp. z o.o. SK-A),
- Opso sp. z o.o. with its registered office in Krakow in Poland (100%),
- MKS Cracovia SSA with its registered office in Krakow in Poland (66.11%).

(\*) including 2.68% CSuB AG shares borrowed from an entity outside the Comarch Group

On the 31<sup>st</sup> of December, 2015, an associate of the parent company is:

- SolInteractive S.A. with its registered office in Krakow in Poland (16.10% votes held by CCF FIZ, 11.27% votes held by Bonus Management sp. z o.o. Activia SKA),
- Metrum Capital S.A. (15.79% votes held by Comarch S.A., 31.58% votes held by CAMS AG),
- Thanks Again LLC with its registered office in Tyrone, GA, USA (42.5% votes held by Comarch Pointshub, Inc.).

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

## 17.2. Changes in Ownership and Organisational Structure in 2014

On the 8<sup>th</sup> of January, 2015, the District Court for Kraków – Śródmieście in Kraków, the Eleventh Economic Division of the National Court Register issued a decision on the appointment of an expert to examine the merger plan for ESAPROJEKT sp. z o.o. and iMed24 SA, which was subsequently rectified by decision of the 20<sup>th</sup> of January, 2015. On the 1<sup>st</sup> of April, 2015, the Court issued a decision that an expert's opinion from the audit of the merger plan will be attached to the registration files. On the 1<sup>st</sup> of July, 2015, the general meeting of iMed24 S.A. and the general meeting of ESAProjekt sp. z o.o. passed the resolutions on merger of these companies and changes in the articles of association of iMed24 S.A. As a consequence of these resolutions, after the merger, there will be a name change of iMed24 S.A., acting as the acquiring company, to Comarch Healthcare S.A. The acquiring company will comprise most of assets of the Comarch Group's e-Health sector and Piotr Piątosza was appointed its president of the management board. (current report no. 16/2015 dated the 2<sup>nd</sup> of June, 2015). On the 1<sup>st</sup> of July, 2015, the merger was registered. Simultaneously with the merger, there was an increase in share capital of Comarch Healthcare S.A. to PLN 5,328,806.00. Comarch S.A. announced details in current report no. RB-26-2015 dated the 7<sup>th</sup> of July, 2015. On the 26<sup>th</sup> of October, 2015, Extraordinary Shareholders' Meeting of Comarch Healthcare S.A. passed a resolution on an increase in the company's share capital from PLN 5,328,806 up to the amount of PLN 6,014,806 as a result of an emission of 686,000 series M shares, worth PLN 1 per share. The capital increase was registered on the 31<sup>st</sup> of December, 2015.

On the 19<sup>th</sup> of January, 2015, a name change was registered from Volatech Capital Advisors S.A. to Metrum Capital S.A.

On the 20<sup>th</sup> of January, 2015, a name change was registered from Comarch Oy to Comarch Technologies Oy.



On the 5<sup>th</sup> of February, 2015, Comarch SRL was registered in Milan in Italy.

On the 2<sup>nd</sup> of April, 2015, Comarch Malaysia SDN.BHD. was registered in Kuala Lumpur in Malaysia with a share capital of RM 2.00 (PLN 2.05 according to the exchange rate dated the 2<sup>nd</sup> of April, 2015), of which 50% was held by Comarch S.A. On the 7<sup>th</sup> of May, 2015, Comarch S.A. acquired a share in Comarch Malaysia SDN. BHD. from a current shareholder and holds 100% of the company's shares. On the 8<sup>th</sup> of June, 2015, an increase in share capital was registered up to RM 500,000 (PLN 500,050 according to the exchange rate dated the 8<sup>th</sup> of June, 2015), i.e. increase of 499,998 shares, shared on 500,000 ordinary shares with a value of RM 1.00 each.

On the 16<sup>th</sup> of April, 2015, Comarch Espace Connecté Inc. (Comarch Smart City) was registered in Montreal in Canada.

On the 8<sup>th</sup> of May, 2015, the AGM of Comarch Yazilim A.S. passed a resolution on an increase in the company's share capital from TL 100,000 (PLN 134,300 according to the exchange rate dated the 8<sup>th</sup> of May, 2015) to TL 600,000 (PLN 806,580 according to the exchange rate dated the 8<sup>th</sup> of May, 2015). The share capital was fully paid. On the 5<sup>th</sup> of June, 2015, the capital increase was registered.

On the 25<sup>th</sup> of June, 2015, a resolution was passed to change the name of the company from Infrastruktura24 S.A. to Comarch Infrastruktura S.A.

On the 7<sup>th</sup> of July, 2015, conditional agreement concerning acquisition of shares of Goldcup 111447 AB company in Sweden by Comarch S.A. was signed. 100% of shares were acquired on the 18<sup>th</sup> of August, 2015, for total acquisition price SEK 50,000 (PLN 22,080 at the exchange rate on the 18<sup>th</sup> of August, 2015). On the 28<sup>th</sup> of August, 2015, a name change was registered to Comarch AB.

On the 13<sup>th</sup> of July, 2015, Comarch Pointshub, Inc. was registered in Rosemont, IL. On the 17<sup>th</sup> of July, 2015, Comarch Pointshub Inc. a subsidiary of Comarch SA, has signed a conditional agreement concerning acquisition of 4,250,000 shares in Thanks Again LLC for total acquisition price amounted to USD 8,000 thousand (PLN 30,140,800 at the exchange rate on the 17<sup>th</sup> of July, 2015). Acquired shares will represent 42,5% of total shares and will entitle to 42,5% of total number of votes at Thanks Again LLC general meeting. The conditions set out in the agreement have been fulfilled and on the 24<sup>th</sup> of August, 2015, the shares of Thanks Again LLC have been acquired. Thanks Again LLC is an operator of loyalty systems for airports in North America.

On the 16<sup>th</sup> of July, 2015, the share capital of Comarch Software Spain S.L.U. was increased by EUR 250 thousand – from EUR 250 thousand (PLN 1,027,775 at the exchange rate on the 16<sup>th</sup> of July, 2015) to EUR 500 thousand (PLN 2,055,550 at the exchange rate on the 16<sup>th</sup> of July, 2015).

On the 29<sup>th</sup> of July, 2015, the resolution was passed on an increase in the share capital of Comarch SRL from EUR 50 thousand (PLN 207,260 at the exchange rate on the 29<sup>th</sup> of July, 2015) to EUR 200 thousand (PLN 829,040 at the exchange rate on the 29<sup>th</sup> of July, 2015).

On the 17<sup>th</sup> of August, 2015, Extraordinary Shareholders' Meeting of Comarch Management sp. z o.o. SKA passed a resolution on an increase in the company's share capital from PLN 140,110 up to the amount of PLN 170,110 as a result of an emission of 30,000 series D shares, worth PLN 1 per share.

On the 18<sup>th</sup> of August, 2015, Comarch Management sp. z o.o. SKA signed a purchase agreement for 1,315 shares with CCF FIZ.

On the 18<sup>th</sup> of August, 2015, Comarch Management sp. z o.o. SKA concluded an agreement with CCF FIZ to acquire 1,315 shares for redemption.

On the 16<sup>th</sup> of October, 2015, an increase in share capital of Comarch Management sp. z o.o. SKA up to the amount of PLN 170,110 was registered in the proper register.

On the 26<sup>th</sup> of October, 2015, Comarch Management sp. z o.o. SKA concluded a purchase agreement for 26,000 shares with CCF FIZ in order to redeem the shares.

On the 20<sup>th</sup> of August, 2015, a name change was registered from Infrastruktura24 S.A. to Comarch Infrastruktura S.A. in the National Court Register.

On the 3<sup>rd</sup> of September, 2015, a resolution was passed on a company's name change from iReward24 S.A. to Comarch Pointshub S.A.

On the 11<sup>th</sup> of November, 2015, Comarch S.A. concluded an agreement for the acquisition of 100,000 shares of Comarch Argentina S.A. based in Buenos Aires (100% of the share capital, each share having a nominal value of ARS 1), for a nominal amount of ARS 100,000 (i.e. PLN 41,280 at the exchange rate on the 10<sup>th</sup> of November, 2015).

On the basis of resolutions of the sole shareholder dated the 10<sup>th</sup> of December, 2015, changes were made in the share capital of Comarch SAS. First of all the share capital was reduced from EUR 2,500,000 to EUR 308,429 (PLN 1,339,816 at the exchange rate of the 10<sup>th</sup> of December, 2015), i.e. a reduction of EUR 2,191,571 (PLN 9,520,184 at the exchange rate of the 10<sup>th</sup> of December, 2015) and then increased by EUR 3,000,000 (PLN 13,032,000 at the exchange rate of the 10<sup>th</sup> of December, 2015). The current share capital of Comarch SAS is EUR 3,308,429. The change of share capital is effective from the 17<sup>th</sup> of December, 2015.

On the 10<sup>th</sup> of December, 2015, Comarch SAS and Comarch SA (existing shareholders of Comarch R&D SARL) entered into a share purchase agreement, which resulted in purchase of 525 shares of Comarch R&D SARL (70% of the share capital) by Comarch SA from Comarch SAS for a total amount of EUR 70,000 (PLN 304,080 at the exchange rate of the 10<sup>th</sup> of December, 2015), i.e. EUR 133.33 (PLN 579.19 at the exchange rate of the 10<sup>th</sup> of December, 2015) per share. From the 10<sup>th</sup> of December, 2015, Comarch SA is the sole shareholder of Comarch R&D SARL.

On the 21<sup>st</sup> of December, 2015, the Extraordinary General Meeting of Comarch Management sp. z o.o. passed a resolution to increase the share capital from PLN 250 thousand to PLN 300 thousand through the issuance of 500 new shares with a nominal value of PLN 100 each. The shares were acquired by the existing sole shareholder, Comarch S.A. based in Krakow..

### **17.3. Changes in Ownership and Organisational Structure in Comarch Group after the Balance Sheet Date**

On the 15<sup>th</sup> of January, 2016, a share capital of Comarch SRL was increased from EUR 200 thousand to EUR 700 thousand, i.e. EUR 500 thousand (PLN 2,203,750 at the exchange rate of the 15<sup>th</sup> of January, 2016).

On the 22<sup>th</sup> of January, 2016, a share capital increase of Comarch Management sp. o.o. to the amount of PLN 300 thousand was registered in the National Court.

On the 4<sup>th</sup> of April, 2016, a resolution was passed to increase the share capital of Comarch Sistemas LTDA from the amount of BRL 1 thousand to BRL 1,000 thousand. Comarch AG purchased 799,200 shares at a nominal price BRL 1 each and currently holds 80% of shares with a total value of BRL 800 thousand, while Comarch Software und Beratung AG acquired 199,800 shares at the nominal price of BRL 1 each and currently holds a 20% stake with a total value of BRL 200 thousand. The capital increase was registered on the 14<sup>th</sup> of April, 2016.

**18. Branches of Comarch S.A.**

As at the 31<sup>st</sup> of December, 2015, Comarch S.A. had branches in the following cities:

- Tirana (branch in Albany),
- Białystok,
- Bielsko-Biała,
- Gdańsk,
- Gliwice,
- Katowice,
- Kielce,
- Kraków,
- Lublin,
- Łódź,
- Poznań,
- Rzeszów,
- Tarnów,
- Warszawa,
- Wrocław.

Activities conducted in branches are related to the basic activities of the company.

**19. Transactions Concluded by the Issuer or its Subsidiary with Related Parties on Terms Different from Market Conditions**

None present.

**20. Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the Given Year Published Before**

The company has not published the results forecast for 2015.

**21. Factors and Events of Unusual Nature that Affect the Issuer Activities and the Achieved Results, as well as Their Appraisal**

None present.

**22. Changes in Methods of Company Management and Its Capital Group Management**

None present.

**23. Data Referring to the Agreement Signed with the Entity Entitled to Audit Financial Statements**

In accordance with applicable regulations and professional standards, the Supervisory Board of Comarch S.A. passed a resolution no. 01/06/2015, dated the 26<sup>th</sup> of July, 2015, on selection of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp.k. to audit and review the financial statements of Comarch S.A. Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp.k., with its registered office in Warsaw at ul. Jana Pawła II 19, is registered at no. 73 in the list of entities entitled to audit financial statements.

Comarch S.A. has used the services of Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp.k. within the scope of reviewing the financial statements for the first 6 months of 2006-2009 and 2011-2014, as well as auditing the annual financial statements of Comarch S.A. and the annual consolidated financial statements of Comarch S.A for 2006- 2009 and 2011-2014.

Details of the remuneration of entities authorized to audit financial statements have been included in note 46 of the financial statement. The company announced details in current report no RB-24-2015 dated the 29<sup>th</sup> of June, 2015.

## **24. Systems that Control Employees Shares Programmes**

None present.

## **25. Description of company's policy in the field of business sponsorship and charity**

For many years Comarch S.A. has been taking a number of pro-social activities, among others, by actively supporting the sport, embracing patronage of cultural events, to support the education and development of science and engaging in helping the most needy.

### **Sport**

The company most actively supports the sport. It promotes both the development of sport and active lifestyles among its employees. Comarch S.A. is the main, title sponsor of the oldest sports club in Poland - MKS Cracovia SSA. Comarch's patronage of the club lasts 14 years (since 2001.). Cracovia, the club with more than a century of history, the legend of Polish football. Thanks to Comarch once again it became a brand in the Polish sport. The football team is a five-time Polish champion. Hockey team won the title eleventh time. Comarch SA also included his patronage of the Swiss football club Zug 98.

In addition to financial support for sports clubs Comarch promotes among its employees a passion for the sport. The highlight of the annual corporate event are sports competitions and Comarch employees compete in different disciplines: volleyball, football, athletics.

Comarch also promotes cycling as an alternative means of transport to work, not only by organizing bicycle parking. In many locations, employees can use the free service for their two-wheelers or self-repair stations. In addition, in 2015 Comarch employees competed during the running event "Comarch ON Run" and bike event "Comarch ON Bike". In turn, the meeting "Autumn Bike Breakfast", attended by the most determined corporate cyclists. It was an opportunity to summarize the season cycling and promote safe driving.

### **Education and science**

Popularization of knowledge on the latest IT technology not only by sponsoring conferences or business meetings is another of the initiatives undertaken by Comarch S.A. For years, the company actively cooperates with schools, universities and other educational institutions. Employees substantively support various projects, competitions, workshops and scientific conferences.

Last year, Comarch S.A. joined for the first time to organization of "Malopolska Night of Researchers' ". This conference over the years permanently inscribed in the calendar of popular events of the province of Malopolska.

### Cultural patronage

In 2015, it is 14th concert of the Last Night of the Proms in Krakow sponsored by Comarch S.A., inspired by the most important musical event in the UK.

The Company also supports new events that have just appeared on the cultural map of Krakow. Between the 21st of July and the 15th of August 2015 there was the first edition of the St. Mary's Organ Festival. Comarch S.A. has been the main partner of this event. Festival consisted of a series of five concerts, during which there were great names associated with the artistry of the organ sound. The event was primarily aimed at popularization of organ music, in both the professional musicians, as well as among amateur music lovers.

### Charitable activity

Every year, on the occasion of Children's Day, Comarch employees organize the collection in kind for orphanages and other residential institutions. It became also a tradition, that during the Christmas time Comarch is involved in preparing Christmas gifts for the charges of public benefit organizations. Last year, the support received among others: Agape Foundation and the Stowarzyszenie Wiosna, as part of the "Szlachetna Paczka". In 2015, eight branch offices in Poland were carried out collection in kind for "inhabitants" for 9 shelters for homeless animals. This action was organized on the occasion of World Day of Animals.

The company regularly donates of cash and in the form of computer equipment to selected charities, organizations promoting physical culture and health, educational and religious purposes. In addition, Comarch promotes local sports events among its employees and encourages to active participation. In 2015, Comarch team from Lublin played in a charity football tournament "Cup of Lublin IT industry." Comarch also took part in several charity running events. The company was represented exceptionally in large numbers at the Poland Business Run, which took off 150 employees from Krakow and Warsaw.

## 26. Significant Legal, Arbitration or Administrative Proceedings

### 26.1. Proceedings Related to Liabilities or Receivables of the Issuer or a Subsidiary, which Value Constitutes at least 10% of Equities

None present.

### 25.1. Two or More Proceedings Related to Liabilities or Receivables of Issuer's or a Subsidiary, which Total Value Constitutes at least 10% of Equities and the Issuer's Opinion on the Matter

None present.

Krakow, 28<sup>th</sup> of April, 2016

<b>Janusz Filipiak</b> President of the Management Board	<b>Marcin Dąbrowski</b> Vice-President of the Management Board	<b>Paweł Prokop</b> Vice-President of the Management Board
<b>Andrzej Przewięźlikowski</b> Vice-President of the Management Board	<b>Zbigniew Rymarczyk</b> Vice-President of the Management Board	<b>Konrad Tarański</b> Vice-President of the Management Board
<b>Marcin Warwas</b> Vice-President of the Management Board		

### **The Management Board's statement regarding the reliability of the financial statement**

The Management Board of Comarch S.A. states that to the best of our knowledge, the annual financial statement for the year 2015 and comparable data are prepared compliant with binding accounting principles and present the true, fair and clear financial standing of the issuer and its financial results. Furthermore, the annual report regarding the issuer's activities truly describes the development image and achievements as well as the issuer's situation including basic threats and risk.

Krakow, 28<sup>th</sup> of April, 2016

<b>Janusz Filipiak</b> President of the Management Board	<b>Marcin Dąbrowski</b> Vice-President of the Management Board	<b>Paweł Prokop</b> Vice-President of the Management Board
<b>Andrzej Przewięźlikowski</b> Vice-President of the Management Board	<b>Zbigniew Rymarczyk</b> Vice-President of the Management Board	<b>Konrad Tarański</b> Vice-President of the Management Board
<b>Marcin Warwas</b> Vice-President of the Management Board		

### **The Management Board's statement regarding the independent auditor**

The Management Board of Comarch S.A. states that the entity entitled to audit financial statements, that audited the annual consolidated financial statement for the year 2015 was selected compliant with the law and that the entity and expert auditors who audited this statement perform under conditions to provide an unbiased and independent opinion on the audited annual consolidated financial statement, compliant with the national law.

Krakow, 28<sup>th</sup> of April, 2016

<b>Janusz Filipiak</b> President of the Management Board	<b>Marcin Dąbrowski</b> Vice-President of the Management Board	<b>Paweł Prokop</b> Vice-President of the Management Board
<b>Andrzej Przewięźlikowski</b> Vice-President of the Management Board	<b>Zbigniew Rymarczyk</b> Vice-President of the Management Board	<b>Konrad Tarański</b> Vice-President of the Management Board
<b>Marcin Warwas</b> Vice-President of the Management Board		

**REPORT REGARDING THE ACCEPTANCE  
OF CORPORATE GOVERNANCE PRINCIPLES  
IN COMARCH SA IN 2015**



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Statement of the Management Board of Comarch S.A. on the application in the company of corporate governance rules in accordance with § 91.5 Section 4 of the Regulation issued by the Minister of Finance on the 19<sup>th</sup> of February, 2009, concerning current and periodical information pertaining to companies traded on the stock exchange and on the conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state.

## **1. Corporate Governance Principles that Apply to an Issuer**

Comarch SA, a company listed on the Warsaw Stock Exchange, was in 2015 a subject to the corporate governance principles set out in the document "Best Practices of WSE Listed Companies" (Annex to Resolution of the WSE Council No. 19/1307/2012 of the 21<sup>st</sup> of November, 2012). The rules are available on the website [www.gpw.pl/dobre\\_praktyki\\_spolek\\_regulacje](http://www.gpw.pl/dobre_praktyki_spolek_regulacje), which is the official website of the Warsaw Stock Exchange devoted to these issues.

The Best Practices include four sections:

- I. Recommendations for Best Practices of Listed Companies;
- II. Best Practices of Management Boards of Listed Companies;
- III. Best Practices of Supervisory Board Members;
- IV. Best Practices of Shareholders.

Pursuant to § 29, section 5 of the Rules of the Warsaw Stock Exchange, the Management Board of Comarch S.A. presented declaration of the Management Board regarding the acceptance of the corporate governance principles in the Company in 2013 as attachment to the annual statement published on 30<sup>th</sup> of April, 2014.

Since 2016, the Company subject to the rules adopted on the 13<sup>th</sup> of October, 2015 by the WSE Council of the Resolution No. 26/1413/2015 on the adoption of a new set of corporate governance principles entitled "Good Practices of WSE Listed Companies 2016". The rules are available on the website [www.gpw.pl/dobre\\_praktyki\\_spolek\\_regulacje](http://www.gpw.pl/dobre_praktyki_spolek_regulacje), which is the official website of the Warsaw Stock Exchange devoted to these issues.

## **2. Recommendations for Corporate Governance Principles not Implemented by the Issuer along with an Explanation of the Circumstances and Reasons surrounding the Decision not to Implement a Particular Principle**

### **a) Recommendations for Best Practices of Listed Companies**

*5. A company should have a remuneration policy and rules of defining the policy. The remuneration policy should in particular determine the form, structure, and level of remuneration of members of supervisory and management bodies. Commission Recommendation of 14 December 2004 fostering an appropriate regime for the remuneration of directors of listed companies (2004/913/EC) and Commission Recommendation of 30 April 2009 complementing that Recommendation (2009/385/EC) should apply in defining the remuneration policy for members of supervisory and management bodies of the company.*

Comarch S.A. has a remuneration policy which specifies form, structure and level of employees' remuneration, including members of management and supervisory boards. Management board's compensation scheme ensures linkage between remuneration, company's financial results and performed services of salaried persons.

A significant part of the rules resulting from the Recommendation of 14<sup>th</sup> of December, 2004, fostering an appropriate regime for the remuneration of directors of listed companies (2004/913/EC) and Commission Recommendation of 30<sup>th</sup> of April, 2009, complementing that Recommendation (2009/385/EC) has been included in the compensation scheme applied at Comarch S.A. They are:

- a) The total remuneration and other benefits for members of the company's management and supervising staff are presented in annual financial statements,

- b) Option programmes are approved at the company's general meeting and detailed information related to the managerial option programme is presented in financial statements,
- c) The compensation scheme specifies variable and non-variable components of the management's remuneration, and a variable component is linked to specified in-advance performance criteria,
- d) The value of termination payments does not exceed the equivalent of two-years of the non-variable component of the remuneration,
- e) Shares do not constitute the remuneration form for non-executive directors nor members of the supervisory board,

However, the company's remuneration policy does not include some recommendations of the European Commission, such as:

- a) Compensation scheme is not a subject to the prior approval of the annual general shareholders' meeting,
- b) The company does not disclose „the remuneration statement” on its website (detailed information in relation with that subject are included in the financial statement),
- c) Share-based property rights, when executing share options, may be effective before 3 years from the date of their receiving, and it is not mandatory to hold a specific number of shares during the time of fulfilling the function of a managing person,
- d) There is no Remuneration Committee in the company,

Managing persons may be also employed on a labour contract, under provisions specified in regulations binding in the company and Work Code. Values of remuneration for employment contracts of the members of the management board and the amount of the lump sum for the meeting of the management board shall be determined by the Supervisory Board according to an adopted resolution.

Remuneration of the supervisory board are established by a resolution at the company's general shareholders' meeting.

In time to come, the company does not anticipate any changes in applied remuneration policy.

*9. The WSE recommends to public companies and their shareholders that they ensure a balanced proportion of women and men in management and supervisory functions in companies, thus reinforcing the creativity and innovation of the companies' economic business.*

The company makes every effort to ensure balanced share of women and men in performing functions of management and supervisory boards' members in companies. Compliant with Working Rules for employees in Comarch SA, employer is obliged to: „counteract discrimination in employment, in particular in relation to gender, age, disability, race, religion, nationality, political beliefs, union affiliation, ethnic origin, creed, sexual orientation.” Moreover, employees in Comarch S.A. „should be treated equally within the scope of beginning and terminating work, employment conditions, promotion and trainings availability in order to improve professional qualification, in particular regardless of gender, age, disability, race, religion, nationality, political beliefs, union affiliation, ethnic origin, creed, sexual orientation, and regardless whether employed definite or indefinite time, full-time or part-time.” Comarch S.A. policy does not create any barriers in relation to gender, views, sexual orientation, ethnic or race origin within the scope of employing and personal policy. It does not contribute to direct or indirect discrimination due to gender, age, disability, race, religion, nationality, politic beliefs, union affiliation, ethnic origin, creed and sexual orientation.

There are four women within a 7-person membership of the Comarch S.A. Supervisory Board. All seven members of the Comarch S.A. Management Board are men, which is mostly the result of the nature of the activities conducted by the company and the specification of the IT branch, where men constitute a significant majority. It is noteworthy that current members of the Management Board in Comarch S.A. are persons related to the

company for many years (over 5 years as management board members) with broad IT technology knowledge and with high qualifications necessary to their held posts. Having that in mind one should assume that in the nearest future there will be no change in women's membership in this management body.

In Comarch S.A. there is a bias towards increasing the number of employed women, qualifications are considered the most important, not gender, as men have equal chances to be employed for the post. Women constitute approximately 28% of Comarch S.A. employees, and 21% of executive posts, which is a high share in total employment, especially considering the technical nature of the IT company.

*12. A company should enable its shareholders to exercise the voting right during a General Meeting either in person or through a plenipotentiary, outside the venue of the General Meeting, using electronic communication means*

A shareholder may participate in a General Meeting and exercise voting right personally or by proxy. Power of attorney to participate in the General Meeting and to exercise a voting right should be granted in writing or in electronic form. Power of attorney in electronic form does not require safe electronic signature verified with the valid classified certificate. The company does not provide the possibility of voting by correspondence, voting using means of electronic communication or participating in the General Meeting using means of electronic communication, however enables on-line broadcasts of General Meetings over the Internet real-time bilateral communication. Due to the current shareholding structure (relatively little dispersed ownership), in the company's opinion, currently there is no reason to implement voting by correspondence using means of electronic communication.

### **3. Shareholders Holding Directly or Indirectly Significant Shares in Votes at the General Shareholders Meeting as at 28<sup>th</sup> of April, 2016**

<b>Shareholders</b>	<b>Number of shares</b>	<b>% of share capital</b>	<b>Number of votes at the company's AGM</b>	<b>% of votes at the company's AGM</b>
Janusz Filipiak	2,674,488	32.88	6,246,488	41.30
Elżbieta Filipiak	846,000	10.40	4,230,000	27.96
Other members of the Board	91,622	1.13	129,222	0.85
Other shareholders	4,521,239	55.59	4,521,239	29.89
<b>Total</b>	<b>8,133,349</b>	<b>100.00</b>	<b>15,126,949</b>	<b>100.00</b>

### **4. Owners of Securities Entitling them to Special Control Rights as well as a Description of these Rights**

Janusz Filipiak, President of the Management Board, holds 893,000 registered share preference votes (1:5). These entitle him to 4,465,000 votes at the company's general shareholders' meeting. Elżbieta Filipiak, Chairman of the Supervisory Board, holds 846,000 registered share preference votes (1:5). These entitle her to 4,230,000 votes at the company's general shareholders' meeting. Paweł Prokop, Vice-President of the Management Board, holds 9,400 registered share preference votes (1:5). These entitle him to 47,000 votes at the company's general shareholders' meeting.

### **5. All Restrictions Relating to Execution of Voting Rights, i.e. Restriction of Voting Rights through Holding a Particular Share or Number of Votes, Time Restrictions regarding Voting Rights or Records according to which, in Collaboration with the Company, Capital Rights Related to Securities are Separated from Securities Holdings**

None present.

### **6. All Restrictions Regarding Transferring the Holding Rights of an Issuer's Securities**

According to art. 8 point 5 of Comarch S.A.'s Articles of Association

*„5. Disposing registered shares requires consent of the Management Board provided in writing. In case of refusal of disposing, the Management, within 2 months of filing with the Company of the intention of assigning shares, appoints the purchaser and price of shares. Price of shares may not be lower than average stock exchange price from the three recent months preceding the month of filing, provided that shares of the Company are in stock exchange trading. Otherwise, price of shares may not be lower than the book value per share as of the last balance sheet date. Price is due within one month of the date of resolution of the Management indicating the purchaser of shares.”*

## **7. Principles for the Appointing and Dismissing of Management and their Rights, notably the Right for Decision Making on Shares Issue or Buyout**

### **A) Principles for Appointing and Dismissing**

According to the Articles of Association of the company, the Management Board of the company consists of 2 to 8 persons appointed and dismissed by the Annual General Meeting. Members of the Management Board are appointed for the common term of office of three years. The AGM defines salaries for the Management Board, provided that this competency may be passed on in part or in entirety to the Supervisory Board. The Supervisory Board suspends on important reasons, selected or all members of the Management Board in their duties and delegating members of the Supervisory Board for the period not longer than 3 months for temporary execution of activities of those members of the Management Board who have been dismissed, who resigned or who cannot execute their duties on other reasons.

### **B) Rights according to art. 9, 20 - 22 of the Comarch S.A.'s Articles of Association and the Commercial Companies Code**

- The Management Board may appoint proxies.
- President of the Management Board single-handedly or two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy are authorised for making statements on behalf of the company and representing the company in Court and off Court.
- In agreements between the company and members of the Management Board and in disputes with them, the company is represented by the Supervisory Board or by a proxy appointed with a resolution of the General Meeting. The Supervisory Board may authorise, by way of a resolution, one or more members of the Supervisory Board to perform such legal actions.
- The Management Board defines internal organisation of the company.
- According to art. 445 and 446 of the Commercial Companies Code, the General Meeting passes a resolution on amendments to the statutes, providing for the authorisation for the management board to increase the share capital within the limits of the authorised capital. According to art. 9 sec. point 5 of the Comarch S.A.'s Articles of Association, within the target capital, the Management Board of the Company may issue shares only in conversion for cash contributions and may not issue preferential shares or allocate personal rights for the shareholder, referred to in Article 354 of the Code of Trade Companies. In the scope of all the issues related to increasing the share capital within the target capital, in particular on excluding or limiting collection right and determining the issue price, obtaining consent of the Supervisory Board is required.

## **8. Description of Principles for Changes in Articles of Association**

A General shareholders' Meeting may pass a resolution regarding changes in articles of association, including an increase or a decrease in share capital, and a resolution on a significant change in the company's subject matter.

## **9. Description of Operating Principles for General Meetings and Their Essential Rights and Shareholders' Rights as well as Modality, in particular Principles resulting from Rules for General Shareholders' Meeting if such Rules were passed, unless these Information Results from Law**

1. Annual General Shareholders' Meetings may be ordinary or extraordinary.

2. An ordinary General Meeting of the Management Board shall be called no later than the end of June each year.
3. General meetings shall be called in accordance with the Polish Commercial Companies Code, the company's Articles of Association and with the Rules for General Shareholders' Meeting dated the 28<sup>th</sup> of June, 2010.
4. Meetings shall take place at the company's headquarters.
5. At least two members of the company's Management Board and at least two members of its Supervisory Board should take part in the Annual General Shareholders' Meeting.
6. If the subject of debate is to concern the financial affairs of the company an auditor shall be present.
7. Representatives of the media may attend the General Shareholders' Meeting as observers.
8. Only persons who are company shareholders 16 (sixteen) days prior the date of the General Meeting are entitled to participate in the General Meeting.
9. Shareholders who are physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote themselves or via a proxy.
10. Shareholders who are not physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote via a person empowered to submit a declaration of intent in their name, or via a proxy.
11. The chairman of the Annual General Shareholders' Meeting conducts debates, takes decisions in matters of the agenda and procedure, and is authorized to interpret the present rules.
12. The duties of the chairman of the Annual General Shareholders' Meeting include:
  - a) Ensuring that debates are conducted in accordance with the agenda and procedure as stipulated,
  - b) Directing the debate: deciding who shall speak and in what order,
  - c) Receiving proposed and draft resolutions and opening them to debate and,
  - d) Organizing and conducting the voting.
13. The Annual General Shareholders' Meeting shall choose a three-person returns committee from the candidates notified by the chairman. The returns committee shall ensure that each vote is correctly conducted, supervise the practical aspects of the vote and check, confirm and declare the results. Where the Annual General Shareholders' Meeting is attended by a small number of shareholders a returns committee shall not be selected unless a shareholder or proxy submits a request for a returns committee to be selected. Where a returns committee is not selected its functions shall be performed by the chairman of the Annual General Shareholders' Meeting.
14. The Annual General Shareholders' Meeting shall take decisions in the form of resolutions adopted by open voting except:
  - a) Voting on an issue of selecting or deselecting members of bodies of the company, or liquidators,
  - b) Motions to prosecute members of bodies of the company or liquidators,
  - c) In personal matters,
  - d) At the request of at least one shareholder,
  - e) In other circumstances stipulated in the regulations currently binding.
15. Shareholders shall notify the chairman of the Annual General Shareholders' Meeting of their candidates for membership of the Supervisory Board in writing or verbally.
16. Proposals for Supervisory Board candidates should be supported in detail with particular emphasis placed on the candidate's education, qualifications and professional experience.
18. The Company may organise the General Meeting in such a way as to enable shareholders to participate at the General Meeting using means of electronic communication.

#### **10. Membership, Changes in Membership during Last Financial Year and Rules of Operations of the Company's Managing and Supervising Persons as well as Their Committees**

##### **A) Members of the Comarch S.A.'s Supervisory Board as at 31<sup>st</sup> of December, 2015:**

<b>Name and Surname</b>	<b>Position</b>
Elżbieta Filipiak	Chairman of the Supervisory Board
Maciej Brzeziński	Vice-Chairman of the Supervisory Board
Robert Bednarski	Member of the Supervisory Board
Danuta Drobniak	Member of the Supervisory Board

Wojciech Kucharzyk	Member of the Supervisory Board
Anna Ławrynowicz	Member of the Supervisory Board
Anna Pruska	Member of the Supervisory Board

The Supervisory Board shall undertake constant supervision of all areas of the company's operations. The Supervisory Board shall operate according to the regulations of the Polish Commercial Companies Code, the company's Articles of Association, the Corporate Governance Principles in force at the company and the Rules for the Supervisory Board dated 30 June 2003 approved at the Annual General Shareholders' Meeting (and amendments). The detailed operations of the Supervisory Board were presented in the above-mentioned documents.

**The most important rules included in the Rules for the Supervisory Board are:**

1. The Supervisory Board shall contain three to seven people chosen by the Annual General Shareholders' Meeting. The Meeting shall, by a resolution, specify the number of members of the Supervisory Board before voting commences to select candidates for that Board.
2. Supervisory Board members shall be appointed for a common term of office lasting three years.
3. Members of the Supervisory Board shall perform their rights and duties directly and in person. Any member of the Supervisory Board may be dismissed before their term of office has been completed. Members of the Supervisory Board may be re-elected.
4. General Shareholders' Meeting shall appoint from among members of the Supervisory Board the Chairperson, the Vice Chairperson, and also the Secretary of the Supervisory Board, as needed.
5. The chairman of the Supervisory Board:
  - a) convenes meetings of the Supervisory Board,
  - b) conducts meetings of the Supervisory Board,
  - c) opens debates at the Annual General Shareholders' Meeting.
6. When the chairman is absent his place shall be taken by the vice-chairman of the Supervisory Board.
7. The Supervisory Board may select supervisory committees from amongst its members for specific sectors of the company's operations. In particular, this shall concern an auditing committee.
8. These committees may sit separately and may vote on resolutions. These may concern the findings of inspections and audits concerning the way the company operates.
9. Meetings of the Supervisory Board shall be convened by the chairman of the Supervisory Board. The Management Board or another member of the Supervisory Board may demand that the chairman convene a meeting of the Supervisory Board. This demand should be accompanied by a proposed agenda. The chairman of the Supervisory Board shall convene a meeting within two weeks of receiving the demand. If the meeting is not convened in accordance with the procedure stipulated above, the petitioner may himself call the meeting.
10. The agenda of meetings of the Supervisory Board shall be stipulated by the convener and, along with any relevant materials, be sent to members of the Supervisory Board three (3) days before the planned date of the meeting unless circumstances arise to justify shortening this period.
11. The agenda of meetings of the Supervisory Board may only be changed or supplemented.
12. Meetings of the Supervisory Board should be convened at least four times in each financial year.
13. Resolutions of the Supervisory Board shall be adopted by a majority of the votes present. Where there is a tie the chairman shall have the deciding vote.
14. A resolution of the Supervisory Board shall be valid where all its members have been invited and where more than half the members of the Supervisory Board, including the chairman or vice-chairman of the Supervisory Board, are present.
15. Provided all members of the Supervisory Board express their written agreement to this, resolutions of the Supervisory Board may be adopted by written ballot without a meeting being convened.
16. Meetings of the Supervisory Board may also be conducted using resources for remote communication, such as the telephone, facsimile machines, electronic mail and

teleconferencing, by using the Internet in another manner and by the use of other telecommunications resources.

17. Members of the Supervisory Board may take part in voting on resolutions of the Supervisory Board by voting in writing via another member of the Supervisory Board.

18. The mode of voting on resolutions by the Supervisory Board specified above is not acceptable in the matters set out in art. 388 paragraph 4 of the Polish Commercial Companies Code. These are:

- a) The selection of the chairman and vice-chairman of the Supervisory Board,
- b) The appointment and dismissal of a member of the Management Board,
- c) The suspension of a member of the Management Board

19. Members of the Management Board may take part in meetings of the Supervisory Board. The Management Board shall be informed of all dates and agendas of meetings of the Supervisory Board.

20. The Supervisory Board may invite members of the Management Board to take part in a meeting.

21. At each of its meetings the Supervisory Board shall be informed by the company of the current individual and consolidated financial results of the company and of significant matters concerning the company's operations. Where this is justified by the company's situation, this shall include the risk associated with operations and ways to manage this risk.

22. Members of the Management Board shall not take part in those sections of meetings of the Supervisory Board which concern the dismissal, scope of responsibility, or pay and conditions of Management Board members.

23. Meetings of the Supervisory Board shall be minuted. The minutes should include the agenda for debate, the name and surname of all the Supervisory Board members present and the results of the votes on resolutions.

24. The Supervisory Board conducts the overall supervision of the company's operations.

25. The specific competences of the Supervisory Board are as follows:

- a) Assessing the company's annual financial statement and the consolidated financial statement of the Comarch capital group;
- b) Assessing the Management Board's reports on the company's operations and on the Comarch capital group and, in addition, assessing the Management Board's conclusions on distributing profits and covering losses;
- c) Submitting a written report containing the information required by points a) and b) of the present section;
- d) Scrutinizing the work of the Management Board in effecting resolutions adopted at the Annual General Shareholders' Meeting;
- e) Selecting statutory auditors for the financial statements of the company and of the Comarch capital group. The Supervisory Board may adopt a resolution to apply stricter criteria for the statutory auditor's independence than are demanded by the legal regulations;
- f) Appointing and dismissing members of the Management Board, stipulating the compensation attracted by performing the function of member of the Management Board, suspending – for substantial reasons – individual members, or all members, of the Management Board, designating members of the Supervisory Board to temporarily perform the functions of members of the Management Board, or suspending the Management Board itself;
- g) Giving consent to increase share capital within the context of authorized capital;
- h) Giving consent to acquire and dispose of real estate or shares in real estate;
- i) Giving consent to conclude an agreement with an issue underwriter in accordance with the provisions set out in art. 433 paragraph 3 of the Polish Commercial Companies Code;
- j) Exercising, in respect of members of the Management Board and on behalf of the company, rights and privileges arising from an employment relationship;
- k) Approving the company's growth strategy;
- l) Expressing its opinion on draft resolutions for the Annual General Shareholders' Meeting sent to it by the Management Board and shareholders.

26. Once every year the Supervisory Board must adopt a resolution in the matter of its assessment of the company's situation. This document shall be passed on to the Annual General Shareholders' Meeting.

27. To aid it in performing its function, the Supervisory Board has the right to see all the company's documents and may demand reports and explanations from the Executive Board and from company employees. The Supervisory Board may also conduct a review of the state of the company's assets.



28. The Supervisory Board operates as a collective body but may, however, delegate its individual members to particular supervisory activities.

29. Members of the Supervisory Board should hold the interests of the company as their highest priority.

30. Members of the Supervisory Board shall be bound to inform other members of the Supervisory Board of any conflict of interest arising and, following this, not take place in the debate concerning the matter that is subject to a conflict of interest. Where it is uncertain whether a conflict of interest has arisen, the Supervisory Board shall vote on a resolution to resolve this uncertainty.

31. Members of the Supervisory Board shall keep secret all information they acquire in the course of their duties concerning the company's activities and the activities of companies within the Comarch capital group.

32. Within fourteen days of their selection a member of the Supervisory Board shall make a written submission of any economical, familial or other involvements with a shareholder holding five per cent or more of the votes at the Annual General Shareholders' Meeting. The Management Board shall inform the Supervisory Board in writing at that board's next meeting of any case where any entity acquires five per cent or more of the votes at the Annual General Shareholders' Meeting. Where information of this nature is passed to them, the members of the Supervisory Board shall submit – within fourteen days of the sitting of the Supervisory Board at which they were informed – written information concerning any conflict of interest arising. Should the involvements referred to in the present section change, members of the Supervisory Board are obliged – without summoning the company to meet – to provide details of these changes within fourteen days.

33. Members of the Supervisory Board delegated to long-term, individual supervisory duties may not, unless the company gives permission, involve themselves in competing business interests or participate in the business of a competitor company as a partner or associate, or as a member of a body of a joint-stock company. Further, they may not participate in the business of a competitor company in a different legal personality as a member of a company body. Additionally, members of the Supervisory Board are forbidden to participate in a competitor capital group where they hold ten per cent or more of the shares or participation rights, or where they enjoy the right to appoint at least one member of the Management Board.

34. Permission for members of the Supervisory Board delegated to long-term, individual supervisory duties to pursue competing commercial interests shall be granted according to a decision of the Supervisory Board.

35. Duties and Responsibilities of members of the Supervisory Board:

a) Members of the Supervisory Board shall inform the company and Financial Supervision Authority when they or related persons, on their own account, acquire or dispose of shares in the company or when they acquire or dispose of shares in a company, derivatives related to the company's shares and other financial instruments related to these securities, admitted to regulated stock exchange or being in the process of seeking admission to such trading, where this exceeds EUR 5000 in one year or a transaction exceeds EUR 5000. Members of the Supervisory Board shall submit this information within five working days of the date of transaction. Whenever the sum of transactions, mentioned in the section 1, do not exceed EUR 5000 in one year, providing the information mentioned in the section 1 shall be done by 31<sup>st</sup> of January of the year following the year of the transaction.

b) Members of the Supervisory Board delegated to long-term supervisory tasks shall submit a monthly, written report detailing their activities to the Supervisory Board.

c) Members of the Supervisory Board should not resign their positions in mid-term where this would make it impossible for the Supervisory Board to function or where, especially, this would delay the adoption of vital resolutions.

d) Members of the Supervisory Board shall receive compensation according to terms stipulated by the Annual General Shareholders' Meeting.

e) Two members of the Supervisory Board shall participate in the debates at the Annual General Shareholders' Meeting. Members of the Supervisory Board shall themselves select these delegates to represent the Board at the Annual General Shareholders' Meeting.

f) Members of the Supervisory Board should make all efforts to participate in Supervisory Board meetings.

g) Members delegated to long-term, individual supervisory tasks have the right to participate in meetings of the Management Board.

36. The compensation for members of the Supervisory Board delegated to long-term, individual supervisory tasks shall be stipulated by the Supervisory Board.

37. The company shall cover the costs of the Supervisory Board's operation.  
 38. The Supervisory Board shall use the company's office space, equipment and material.  
 39. The company's Management Board shall provide the Supervisory Board with administrative and technical support.

## Committees

In 2015, the Audit Committee (equivalent of the Audit Committee within the meaning of Annex I to the European Commission Recommendation of the 15th of February, 2005 concerning executive directors (...)), consisted of Elżbieta Filipiak - Chairman of the Audit Committee, Danuta Drobniak - Member of the Audit Committee and Anna Pruska - Member of the Audit Committee. According to the information available to the Company, one member of the Audit Committee fulfilled the conditions for independence and at least one of them had qualifications in accounting or auditing.

On the 15th of April, 2016, Supervisory Board appointed a new Audit Committee, which consists of: Danuta Drobniak as Chairman of the Audit Committee, Elżbieta Filipiak as a Member of the Audit Committee and Robert Bednarski as a Member of the Audit Committee. According to the information possessed by the Company two members of the Audit Committee meets conditions of independence, including the Chairman and at least one of them has qualifications in accounting or auditing.

Tasks of the Audit Committee are, in particular:

- 1) Monitoring the process of financial reporting;
- 2) Monitoring the effectiveness of internal control systems, internal audits and risk management;
- 3) Monitoring financial reviews;
- 4) Monitoring the independency of the export auditor and the entity entitled to audit financial statements;
- 5) The Audit Committee make recommendations to the Supervisory Board or to an alternate supervisory organisation in relation to the entity entitled to audit financial statements.

Comarch S.A. provides the Audit Committee with information related to the accountancy policy, finance, company's operating activity and information on settlement methods of significant one-off events. On the Audit Committee's request, the Finance Director participates in its meetings. As at the 31<sup>st</sup> of December, 2015, the Supervisory Board of Comarch S.A. did not call any nomination committee or remuneration committee.

## B) Members of Comarch S.A.'s Management Board as at 31<sup>st</sup> December, 2015:

Name and surname	Position
Janusz Filipiak	Prezes Zarządu
Marcin Dąbrowski	Wiceprezes Zarządu
Paweł Prokop	Wiceprezes Zarządu
Andrzej Przewięźlikowski	Wiceprezes Zarządu
Zbigniew Rymarczyk	Wiceprezes Zarządu
Konrad Tarański	Wiceprezes Zarządu
Marcin Warwas	Wiceprezes Zarządu

*On the 8th of April, 2015, Mr. Piotr Piątosa, head of telecommunication sector and Mr. Piotr Reichert, head of finance, banking and insurance sector resigned from the post of Vice-President of the Comarch S.A.'s Management Board, effective as at the 30th of April, 2015.*

*Duties of the head of the telecommunications sector were taken over by Mr. Marcin Dąbrowski, a manager for many years in the telecommunication sector. Duties of the head of the finance, banking and insurance sector were taken over by Mr. Andrzej Przewięźlikowski, a manager for many years in the trade and services sector. The company announced details in current report no. 10/2015 dated the 8th of April, 2015. On the 24th of June, 2015, at the Annual General Meeting of Shareholders Mr. Andrzej Przewięźlikowski and Marcin Dąbrowski were appointed to the position of Vice-Presidents of the Management Board of Comarch S.A.*

The Management Board leads the affairs of the company and operates according to the provisions of the Polish Commercial Companies Code, the company's Articles of Association, resolutions of the Supervisory Board, resolutions of the Annual General Shareholders' Meeting, the Rules for the Management Board dated the 15<sup>th</sup> of February, 2010 (update of document

dated the 30<sup>th</sup> of June, 2003) and to the generally binding legal regulations. The detailed operations of the Management Board were presented in the above-mentioned documents.

**The most important rules included in the Rules for the Management Board are:**

1. The Management Board performs its functions jointly and takes resolutions at meetings of the Management Board and in the manner stipulated below.
2. Meetings of the Management Board shall be held at least once every month. In 2015, all meetings of the Management Board were held on the company's premises at the Special Economic Zone in Krakow, at the address ul. Prof. Michała Życzkowskiego 23.
3. A meeting of the Management Board shall be called by the President of the Management Board or, in his absence, a member of the Management Board acting as the President of the Management Board.
4. Where all members of the Management Board are present at a meeting of the Management Board, a meeting of the Management Board may be called informally.
5. The President of the Management Board or, in his absence, the person acting as President of the Management Board, may call a meeting of the Management Board at the request of any member of that Board and with the agenda specified by the member making the request. Meetings of the Management Board called in this way shall, however, not be restricted exclusively to this agenda and may consider other items placed on the agenda.
6. Meetings of the Management Board shall be chaired by the President of the Management Board, a person acting as the President of the Management Board or a person nominated by the President of the Management Board.
7. The Management Board shall take decisions in the form of resolutions adopted by open vote.
8. The chairman shall order a secret vote where even one member of the Management Board taking part in the meeting requests this.
9. Resolutions shall be adopted by an absolute majority of votes.
10. A resolution adopted at a meeting of the Management Board is valid only where at least four members of the Management Board, including the President of the Management Board or the person acting as the President of the Management Board, are present.
11. The Management Board may adopt a resolution outside meetings of the Management Board in the following ways:
  - a) By written vote – in this case each member of the Management Board votes in writing and gives this to the President of the Management Board or to the person acting as President of the Management Board;
  - b) By written vote – each member of the Management Board signs the contents of the resolution and gives this to the President of the Management Board or to the person acting as the President of the Management Board;
  - c) Voting by facsimile or Internet.
  - d) Votes cast in the manner set forth in a-c) shall be recorded in the book of resolutions and appended to the minutes of the meeting of the Management Board.
  - e) Where adopted in the manner set out in point c), a resolution shall require the votes of all members of the Management Board to be valid.
12. Non-members of the Management Board may be invited to attend its meetings.
13. All meetings of the Management Board require that minutes be taken. These should include at least:
  - a) The date and place of the meeting.
  - b) The agenda of the meeting.
  - c) The names and surnames of the members of the Management Board present at the meeting.
  - d) The names and surnames of people invited to the meeting of the Management Board and present at the meeting.
  - e) The exact content of resolutions.
  - f) The number of votes cast for and against resolutions including the number of abstentions.
  - g) The subjects discussed.
  - h) A written record of dissenting opinions expressed.
  - i) The signatures of the members of the Management Board present at the meeting.
14. The minutes of Management Board meetings shall be kept in the Minutes Book. The Minutes Book shall be maintained by the CEO secretariat.
15. The minutes of Management Board meetings shall be drawn up immediately by CEO secretariat.

16. Where there is a direct or indirect conflict between the interests of a member of the Management Board and those of the company, that member shall inform the company's Supervisory Board that this is the case.

17. Two members of the Management Board shall participate in the debates of the Annual General Shareholders' Meeting. Members of the Management Board shall themselves decide on which of their number should represent them at the Annual General Shareholders' Meeting.

#### **11. A Description of the Basic Features of the Internal Control and Risk Management Systems the Issuer Uses and How These Relate to the Process of Preparing the Financial Statements**

The company's Management Board is responsible for the company's accounting in accordance with the Act on Accounting of 29<sup>th</sup> of September, 1994 (Journal of Laws, no. 121, pos. 591 with subsequent changes) and compliant with the requirements specified in the Regulation issued by the Minister of Finance on 18<sup>th</sup> of October, 2005 concerning information presented in financial statements and consolidated financial statements, required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones (Journal of Laws, no. 209, pos. 174 and subsequent changes) and the Regulation issued by the Minister of Finance on 19<sup>th</sup> of February, 2009 concerning current and periodical information pertaining to companies traded on the stock exchange, as well as conditions for recognizing the equivalence of information required by legal regulations binding in a country which is not a member state (Journal of Laws, no. 33, pos. 259).

When preparing financial statements and consolidated financial statements internal control and risk management at Comarch S.A. are effected in accordance with the company's internal procedures for drawing up and approving financial statements. In accordance with the Act on Accounting of 29<sup>th</sup> of September, 1994, the company maintains documents describing the accounting principles it has adopted. These include, but are not limited to, information on the methods for valuing assets, for valuing equity and liabilities, for determining the financial result, for maintaining the accounting ledgers and for the protection and security of data and sets of data. The accounting for all economic events is computerized and uses a system called EGERIA and XL. This system is protected against unauthorized access and access limitations set according to the function a person performs or the post a person occupies.

Both financial statements and consolidated financial statements are prepared jointly by people working in the accountancy, the capital market, the control and the finance departments under the supervision of the Head Accountant and Chief Financial Officer. Financial statements and consolidated financial statements are audited, and half-year financial statements are reviewed by an independent expert auditor elected by the company's Supervisory Board.